

Workforce Review

A monthly review of labor market information for Northern Santa Clara County

July 2012

Did you know?

Employers post the most jobs in 4 years

U.S. employers posted the most job openings in four years in June, a positive sign that hiring may pick up. The Labor Department said Tuesday job openings rose to a seasonally adjusted 3.8 million in June, up from 3.7 million in May. That's the most since July 2008. Layoffs also fell. The data follow [the August 3] report that said employers in July added the most jobs in five months. A rise in openings could signal better hiring in the coming months. It typically takes one to three months to fill a job.

Even with the increase, hiring is competitive. There were 12.7 million unemployed people in June, or an average of 3.4 unemployed people for each job. That's down a bit from May and much lower than the nearly 7-to-1 ratio in July 2009, just after the recession ended. In a healthy job market, the ratio is usually around 2 to 1.

Still, employers have been slow to fill jobs. Since the recession ended in 2009, openings have increased 57 percent. Overall hiring is up only 19 percent. And openings are still below pre-recession levels of nearly 4 million per month.

Employers added 163,000 jobs in July, the department said last week. That followed three months of weak hiring and eased concerns that the economy was stalling. Yet the economy has generated an average of 150,000 jobs per month this year, about the same pace as 2011. That's not enough to rapidly drive down the unemployment rate, which ticked up to 8.3 percent in July from 8.2 percent in June.

In June, manufacturing, education and health care, and hotels and restaurants all posted more openings. Retailers and state, local and federal government agencies cut available jobs. The government's monthly employment report, released [August 3], measures net hiring. [The August 7] report, known as the Job Openings and Labor Turnover survey, shows the amount of hiring and firing that takes place in the U.S. each month. It provides more details than the monthly jobs report. For example, layoffs dropped to 1.8 million in June, from nearly 2 million in May. June's total is below pre-recession levels and indicates that companies aren't cutting more jobs, despite sluggish growth. And the number of people that quit their jobs also ticked down slightly to 2.1 million, from 2.2 million in May. That's still higher than a year ago, when only 1.9 million people quit.

When more people quit their jobs, it can be a sign of a strengthening job market. That's because most people quit when they have a new job, usually with better pay. The number of quits is still far below the pre-recession level of about 2.7 million.

Story continues on San Jose Mercury News website.

Source: San Jose Mercury News (08/07/12)
<http://bit.ly/Tl66Vv>

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DEVELOPMENT

Labor Force Statistics (San José–Sunnyvale–Santa Clara MSA)

Unemployment Rate	July 2011	June 2012	July 2012	Percentage Point Change	
				Monthly	Annual
San José–Sunnyvale MSA	10.2%	8.8%	8.7%	- 0.1	- 1.5
California	12.3%	10.7%	10.9%	+ 0.2	- 1.4
United States	9.3%	8.4%	8.6%	+ 0.2	- 0.7

Labor Force	July 2011	June 2012	July 2012	Percentage Change	
				Monthly	Annual
San José–Sunnyvale MSA	925,400	943,400	944,700	+ 0.1%	+ 2.1%
Civilian Employed	831,200	860,200	862,000	+ 0.2%	+ 3.7%
Civilian Unemployed	94,200	83,100	82,700	- 0.5%	- 12.2%

Change in Employment	July 2011	June 2012	July 2012	Percentage Change	
				Monthly	Annual
Total Nonfarm	872,000	916,300	902,400	- 1.5%	+ 3.5%
Construction	32,500	35,600	34,600	- 2.8%	+ 6.5%
Manufacturing: Transportation	8,700	7,900	7,800	- 1.3%	- 10.3%
Retail: Electronics et al	5,200	4,500	4,500	0.0%	- 13.5%
Accommodation & Food Serv.	65,500	68,100	68,600	+ 0.7%	+ 4.7%
Government: City	13,600	13,300	13,500	+ 1.5%	- 0.7%

NOTE: San José–Sunnyvale–Santa Clara MSA (Metropolitan Statistical Area) = Santa Clara and San Benito Counties

Source: California Employment Development Department, LMID

Labor Force by Metropolitan Statistical Area (U.S. High-Tech Regions)

	Labor Force			Employed			Unemployed		
	July 2011	July 2012	Annual Change	July 2011	July 2012	Annual Change	July 2011	July 2012	Annual Change
United States	154,812,000	156,526,000	+ 1.1%	140,384,000	143,126,000	+ 2.0%	14,428,000	13,400,000	- 7.1%
California	18,436,400	18,486,100	+ 0.3%	16,172,000	16,475,000	+ 1.9%	2,264,500	2,011,000	- 11.2%
Austin, TX	941,199	967,088	+ 2.8%	872,497	905,098	+ 3.7%	68,702	61,990	- 9.8%
Boston, MA	1,536,875	1,549,957	+ 0.9%	1,434,999	1,463,156	+ 2.0%	101,876	86,801	- 14.8%
Portland, OR	1,193,283	1,197,344	+ 0.3%	1,083,431	1,099,510	+ 1.5%	109,852	97,834	- 10.9%
San Diego	1,589,800	1,615,100	+ 1.6%	1,422,200	1,465,700	+ 3.1%	167,600	149,400	- 10.9%
San Francisco	979,600	1,009,100	+ 3.0%	895,600	935,600	+ 4.5%	83,900	73,400	- 12.5%
Seattle, WA	1,495,760	1,516,820	+ 1.4%	1,366,190	1,394,390	+ 2.1%	129,570	122,430	- 5.5%
San José–Sunnyvale	925,400	944,700	+ 2.1%	831,200	862,000	+ 3.7%	94,200	82,700	- 12.2%

NOTE: Totals may not add correctly due to rounding

Source: California Employment Development Department, LMID

Regional Layoff Activity

Company	WARN *	City	Affected	Cause	Layoff Summary	
Applied Materials	Yes	Multiple Cities	30	RIF	Individuals Affected YTD †:	50 †
Medtronic	No	Sunnyvale	20	RIF	Events Current YTD †:	2
					Events Previous YTD †:	7
50					* WARN: Worker Adjustment and Retraining Notification (notice of mass layoff or closure) † YTD: Year to Date (Program year: July 1–June 30) ‡ Summary Total may not equal sum of monthly numbers due to internal adjustments	

NOTE: Layoff data are reported by NOVA staff responding to layoff events and should be considered only an estimate of regional activity

Source: NOVA's internal Rapid Response database