

# Workforce Review

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

## August 2010

### *Did you know?*

#### **Future hiring will mainly benefit the high-skilled**

Those with specialized skills will benefit when firms hire again

Whenever companies start hiring freely again, job-seekers with specialized skills and education will have plenty of good opportunities. Others will face a choice: Take a job with low pay — or none at all.

Job creation will likely remain weak for months or even years. But once employers do step up hiring, some economists expect job openings to fall mainly into two categories of roughly equal numbers:

- Professional fields with higher pay. Think lawyers, research scientists and software engineers.
- Lower-skill and lower-paying jobs, like home health care aides and store clerks.

And those in between? Their outlook is bleaker. Economists foresee fewer moderately paid factory supervisors, postal workers and office administrators. Not until 2014 or later is the nation expected to have regained all, or nearly all, the 8.4 million jobs lost to the recession. Millions of lost jobs in real estate, for example, aren't likely to be restored this decade, if ever.

Even when the job market picks up, many people will be left behind. The threat stems, in part, from the economy's continuing shift from one driven by manufacturing to one fueled by service industries. The service sector's growth could also magnify the nation's income inequality, with more people either affluent or financially squeezed. The nation isn't educating enough people for the higher-skilled service-sector jobs of the future, economists warn.

"There will be jobs," says Lawrence Katz, a Harvard economist. "The big question is what they are going to pay, and what kind of lives they will allow people to lead? This will be a big issue for how broad a middle class we are going to have."

Source: Associated Press (09/07/10)



Developing a skilled workforce for Silicon Valley

# August 2010

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

Civilian Unemployment Rate	August 2009	July 2010	August 2010	Percentage Point Change	
				Monthly	Annual
San José–Sunnyvale MSA	11.8%	11.5%	11.2%	- 0.3	- 0.6
California	12.0%	12.7%	12.4%	- 0.3	+ 0.4
United States	9.6%	9.7%	9.5%	- 0.2	- 0.1

  

Civilian Labor Force	August 2009	July 2010	August 2010	Percentage Change	
				Monthly	Annual
San José–Sunnyvale MSA	909,000	911,500	909,700	- 0.2%	+ 0.1%
Civilian Employed	801,900	806,900	807,400	+ 0.1%	+ 0.7%
Civilian Unemployed	107,000	104,600	102,300	- 2.2%	- 4.4%

## Industry Statistics (San José–Sunnyvale–Santa Clara MSA)

Greatest Change in Employment	August 2009	July 2010	August 2010	Percentage Change	
				Monthly	Annual
<b>Total Nonfarm</b>	<b>846,500</b>	<b>844,700</b>	<b>845,000</b>	<b>0.0%</b>	<b>- 0.2%</b>
Construction	33,500	30,900	31,100	+ 0.6%	- 7.2%
Food Manufacturing	5,100	3,300	3,400	+ 3.0%	- 33.3%
Government: State	6,400	6,000	5,800	- 3.3%	- 9.4%
Hospitality: Accommodation	7,600	8,100	8,100	0.0%	+ 6.6%
Publishing: Newspapers	1,600	1,400	1,400	0.0%	- 12.5%

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 High-Tech Region (Metropolitan Statistical Area)

	Labor Force			% Change Annual	Employed			% Change Annual	Unemployment Rate	
	August 2009	August 2010	Annual		August 2009	August 2010	Annual		August 2009	August 2010
<b>United States</b>	<b>154,897,000</b>	<b>154,678,000</b>	<b>- 0.1%</b>	<b>140,074,000</b>	<b>139,919,000</b>	<b>- 0.1%</b>	<b>9.6%</b>	<b>9.5%</b>		
California	18,322,600	18,325,600	0.0%	16,131,400	16,051,800	- 0.5%	12.0%	12.4%		
Austin, TX	889,156	917,420	+ 3.2%	824,091	851,373	+ 3.3%	7.3%	7.2%		
Boston, MA	2,550,499	2,569,479	+ 0.7%	2,341,945	2,374,503	+ 1.4%	8.2%	7.6%		
Portland, OR	1,179,189	1,184,057	+ 0.4%	1,048,877	1,062,884	+ 1.3%	11.1%	10.2%		
San Diego	1,567,400	1,574,400	+ 0.4%	1,405,800	1,407,200	+ 0.1%	10.3%	10.6%		
San Francisco	970,400	959,200	- 1.2%	879,400	870,100	- 1.1%	9.4%	9.3%		
Seattle, WA	1,492,240	1,483,850	- 0.6%	1,365,660	1,359,800	- 0.4%	8.5%	8.4%		
<b>San José–Sunnyvale</b>	<b>909,000</b>	<b>909,700</b>	<b>+ 0.1%</b>	<b>801,900</b>	<b>807,400</b>	<b>+ 0.7%</b>	<b>11.8%</b>	<b>11.2%</b>		

NOTE: Totals may not add correctly due to rounding

Source: Multiple states' employment development departments (CA, MA, OR, TX, WA)

## Regional Layoff Activity

Company	WARN**	City	Affected	Cause
Access Systems Americas	Yes	Sunnyvale	54	RIF
Applied Materials	Yes	Multiple cities	53	RIF
DpiX	Yes	Palo Alto	21	Closure
Intuit	Yes	Mountain View	12	RIF
PW Markets	No	Cupertino	30	Closure

### WARN Summary

Individuals Affected YTD <sup>†</sup> :	232 ‡
WARN Current YTD:	5
WARN Previous YTD:	18

\*\* WARN: Worker Adjustment and Retraining Notification (notice of mass layoff or closure)

† YTD: Year to Date (Fiscal year: July 1 - June 30)

‡ Summary Total may not equal sum of monthly numbers due to internal adjustments

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NOTE: Layoff data are preliminary and should be considered an estimate of monthly regional activity

Source: NOVA's internal Rapid Response database