

Workforce Review

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

November 2010

Did You Know?

California's recovery might not mean a robust job market

The state's unemployment rate for November held steady at 12.4%, but only 1,600 jobs were added. As California finishes 2010 with just a 0.1% increase in jobs, economists say a sluggish job market probably will characterize the recovery.

The unemployment rate remained steady at 12.4%, the state Employment Development Department said Friday. Economists worry that this is another sign that the recovery will be a jobless one in both the state and the nation. The U.S. unemployment rate rose to 9.8% in November from 9.6% the month before as employers added just 39,000 jobs. "There's something going on where employers are not yet hiring in relation to increased customer demand," said Stephen Levy, director of the Center for Continuing Study of the California Economy.

Although the recession officially ended in July 2009, the state is finishing 2010 with only 0.1% more jobs than a year ago. Sectors such as construction, manufacturing and government are ending 2010 with fewer jobs than they had last year — in the case of construction, 37,100 fewer jobs. "I haven't seen anything turn around," said Neil Schaber, 57, who has been looking for a job in commercial construction since August 2009. Schaber had been able to find some small odd jobs to string together but said even that has slowed down as families save money for the holidays.

Still, the construction sector added 7,800 jobs in November, posting the strongest increase of any sector in the state. Information added 5,200 jobs, and professional and business services added 3,000. Government, leisure and hospitality, as well as educational and health services, also gained positions. Trade, transportation and utilities posted a surprising loss in November as the sector shed 12,400 jobs, although the ports of Los Angeles and Long Beach neared a record in November for exports. Manufacturing lost 1,500 jobs. Other sectors experiencing losses included financial activities and mining and logging.

Economists hope that the tax-cut package just passed in Congress and signed by President Obama on [December 17] will help stimulate the economy further in 2011 and motivate private sector employers to hire. But private sector hiring has remained weak at best in 2010. "There's the question of are we entering an economy long-term where employers don't want to add workers," said Michael Bernick, former head of the Employment Development Department.

Many workers had hours reduced during the economic slowdown, and employers will increase their hours before they hire new employees, Bernick said. Average weekly hours in manufacturing in the state continued to grow in November, to 40.5 from 39.7 in January. Average overtime hours in manufacturing grew as well, to 4.5 from 3.6 in January.

Source: *Los Angeles Times* (12/18/10)

<http://www.latimes.com/business/la-fi-california-jobs-20101218,0,3657382.story>

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

Civilian Unemployment Rate	November 2009	October 2010	November 2010	Percentage Point Change	
				Monthly	Annual
San José–Sunnyvale MSA	11.6%	10.7%	11.0%	+ 0.3	- 0.6
California	12.0%	11.9%	12.4%	+ 0.5	+ 0.4
United States	9.4%	9.0%	9.3%	+ 0.3	- 0.1

Civilian Labor Force	November 2009	October 2010	November 2010	Percentage Change	
				Monthly	Annual
San José–Sunnyvale MSA	893,700	903,000	901,200	- 0.2%	+ 0.8%
Civilian Employed	790,200	806,600	802,200	- 0.5%	+ 1.5%
Civilian Unemployed	103,500	96,400	99,000	+ 2.7%	- 4.3%

Change in Employment	November 2009	October 2010	November 2010	Percentage Change	
				Monthly	Annual
Total Nonfarm	844,800	849,600	850,400	+ 0.1%	+ 0.7%
Construction	31,000	30,600	29,900	- 2.3%	- 3.5%
Employment Services	16,600	18,900	18,800	- 0.5%	+ 13.3%
Food Manufacturing	2,900	4,000	2,900	- 27.5%	0.0%
Government: State & Local	89,500	84,800	85,800	+ 1.2%	- 4.1%
Publishing Industries	11,700	11,000	11,100	+ 0.9%	- 5.1%

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 U.S. High-Tech Region *(Metropolitan Statistical Area)*

	Labor Force			Employed			Unemployment		
	November 2009	November 2010	Annual Change	November 2009	November 2010	Annual Change	November 2009	November 2010	Annual Change
United States	153,539,000	153,698,000	+ 0.1%	139,132,000	139,415,000	+ 0.2%	14,407,000	14,282,000	- 0.9%
California	18,137,300	13,239,100	- 27.0%	15,959,800	15,974,800	+ 0.1%	2,177,600	2,264,300	+ 4.0%
Austin, TX	897,800	917,700	+ 2.2%	835,000	852,700	+ 2.1%	62,800	65,000	+ 3.4%
Boston, MA	2,535,800	2,565,200	+ 1.2%	2,332,300	2,376,500	+ 1.9%	203,500	188,700	- 7.3%
Portland, OR	1,166,200	1,198,500	+ 2.8%	1,048,000	1,077,300	+ 2.8%	118,300	121,200	+ 2.4%
San Diego	1,550,400	1,567,700	+ 1.1%	1,389,400	1,404,300	+ 1.1%	161,000	163,400	+ 1.5%
San Francisco	957,100	953,500	- 0.4%	870,700	866,900	- 0.4%	86,400	86,500	+ 0.1%
Seattle, WA	1,487,200	1,482,400	- 0.3%	1,359,600	1,348,100	- 0.8%	127,600	134,300	+ 5.2%
San José–Sunnyvale	893,700	901,200	+ 0.8%	790,200	802,200	+ 1.5%	103,500	99,000	- 4.3%

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	WARN Summary	
Applied Materials	Yes	Santa Clara	109	RIF	Individuals Affected YTD †:	1,068 †
BAE	No	Santa Clara	110	RIF	WARN Current YTD †:	36
Picarro Inc.	No	Sunnyvale	5	RIF	WARN Previous YTD †:	50
STATS Chip PAC	Yes	Milpitas	22	Closure		
Verisign	Yes	Mountain View	4	RIF		
			250			

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

Source: NOVA's internal Rapid Response database

* **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