

# Workforce Review

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

## February 2015

*Did you know?*

### San Jose and San Francisco Lead in Economic Confidence

WASHINGTON, D.C. — The San Jose-Sunnyvale-Santa Clara and the San Francisco-Oakland-Hayward metropolitan areas in California posted some of the highest scores on Gallup's Economic Confidence Index in 2014. San Jose-Sunnyvale-Santa Clara boasted an Economic Confidence Index score of +12, while San Francisco and its surrounding area registered a +9. Both scores are increases from 2012-2013, and the two areas now notably surpass the index score in the Washington, D.C., metro area (+5).

Additionally, Minneapolis and its surrounding areas, Miami-Fort Lauderdale-West Palm Beach and Raleigh, North Carolina, had positive index scores in 2014. Several of the best performing cities, in terms of economic confidence, are known for their booming technology or research-related sectors including the famous Silicon Valley, which plays a heavy role in the economies of San Francisco and San Jose and Raleigh's Research Triangle Park.

These results are based on Gallup Daily tracking conducted throughout 2014 in the 50 most populous U.S. metropolitan statistical areas (MSAs). Gallup assigns respondents to metro areas using the definitions for MSAs developed by the federal Office of Management and Budget. Each MSA sample is weighted to ensure it is representative of the population of that metro area. Sample sizes range from a low of 658 for Memphis, Tennessee, to a high of 8,991 for the New York City metro area.

Gallup's Economic Confidence Index is a composite of Americans' ratings of current U.S. economic conditions and their perceptions of the national economy's direction. The index has a theoretical maximum of +100 (if all respondents rate the economy as "excellent" or "good" and say it is "getting better"), and a theoretical minimum of -100 (if all rate the economy as "poor" and say it is "getting worse").

Overall, the average Economic Confidence Index score for the top 50 MSAs was -10, compared with -15 for the entire U.S. Although the index is a measure of how Americans see the national economy faring, the different scores from city to city suggest that many Americans judge the state of the country's economy by how well their local economy is performing.

Raleigh saw the largest improvement in its index score from 2012-2013, improving 10 points from -9 to +1 in 2014. In 2012-2013, only three metro areas rated the national economy well enough to have a positive Economic Confidence Index score compared with six in 2014, as well as another three metropolitan areas that recorded a score of zero.

In tandem with an improving national economy, the country's largest metropolitan areas are showing signs of strengthening economic confidence. As was seen in Gallup's Job Creation Index, many of the leading cities with the highest index scores have a strong presence in tech or STEM-related fields, an economic specialty that continues to see rapid growth.

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Source: Gallup press release (03/19/15)  
<http://bit.ly/18LLUeb>

Highest Economic Confidence Index Scores, 50 Largest U.S. Metro Areas, 2014 Gallup Daily

	Index score
San Jose-Sunnyvale-Santa Clara, CA	12
San Francisco-Oakland-Hayward, CA	9
Washington-Arlington-Alexandria, DC-VA-MD-WV	5
Minneapolis-St. Paul-Bloomington, MN-WI	5
Miami-Fort Lauderdale-West Palm Beach, FL	4
Raleigh, NC	1
Seattle-Tacoma-Bellevue, WA	0
Denver-Aurora-Lakewood, CO	0
Austin-Round Rock, TX	0

GALLUP

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

Unemployment Rate	January 2014	December 2014	January 2015	Percentage Point Change	
				Monthly	Annual
San José–Sunnyvale MSA	6.3%	4.5%	4.8%	+ 0.3	- 1.5
California	8.5%	6.8%	7.3%	+ 0.5	- 1.2
United States	7.0%	5.4%	6.1%	+ 0.7	- 0.9

  

Labor Force	January 2014	December 2014	January 2015	Percentage Change	
				Monthly	Annual
San José–Sunnyvale MSA	957,000	1,039,900	1,042,700	+ 0.3%	+ 9.0%
Civilian Employed	896,500	993,500	992,200	- 0.1%	+ 10.7%
Civilian Unemployed	60,600	46,500	50,500	+ 8.6%	- 16.7%

Select Regional Industry Statistics (San José–Sunnyvale–Santa Clara MSA)

Change in Employment	January 2014	December 2014	January 2015	Percentage Change	
				Monthly	Annual
<b>Total Nonfarm</b>	<b>976,200</b>	<b>1,037,200</b>	<b>1,027,600</b>	<b>-0.9%</b>	<b>+ 5.3%</b>
Building Equip. Contractors	11,700	13,200	13,000	- 1.5%	+ 11.1%
Aerospace Product Mfg.	6,300	5,900	5,800	- 1.7%	- 7.9%
Couriers & Messengers	3,100	3,900	3,500	- 10.3%	+ 12.9%
Employment Services	21,100	21,400	20,100	- 6.1%	- 4.7%
State Government	6,400	6,900	6,700	- 2.9%	+ 4.7%

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 City (NOVA Seven-City Consortium)

	Labor Force			Unemployment			Unemployment Rate		
	Last Year	This Month	Annual Change	Last Year	This Month	Annual Change	Last Year	This Month	Annual Change
<b>Santa Clara County</b>	<b>929,600</b>	<b>1,011,600</b>	<b>+ 8.8%</b>	<b>57,100</b>	<b>47,700</b>	<b>- 16.5%</b>	<b>6.1%</b>	<b>4.7%</b>	<b>- 1.4</b>
Cupertino	26,000	29,800	+ 14.6%	1,000	1,100	+ 10.0%	3.9%	3.8%	- 0.1
Los Altos	13,600	14,400	+ 5.9%	400	400	0.0%	3.1%	3.1%	0.0
Milpitas	33,600	37,100	+ 10.4%	2,100	1,600	- 23.8%	6.3%	4.4%	- 1.9
Mountain View	44,800	49,000	+ 9.4%	2,000	1,800	- 10.0%	4.5%	3.6%	- 0.9
Palo Alto	33,700	35,600	+ 5.6%	1,100	1,200	+ 9.1%	3.2%	3.2%	0.0
Santa Clara	60,000	66,900	+ 11.5%	3,400	2,800	- 17.6%	5.6%	4.2%	- 1.4
Sunnyvale	79,900	84,500	+ 5.8%	4,200	3,600	- 14.3%	5.2%	4.2%	- 1.0
<b>NOVA Region</b>	<b>291,600</b>	<b>317,300</b>	<b>+ 8.8%</b>	<b>14,200</b>	<b>12,500</b>	<b>- 12.0%</b>	<b>4.8%</b>	<b>3.9%</b>	<b>- 0.9</b>

NOTE: Totals may not add correctly due to rounding

Source: California Employment Development Department, LMID

Regional Layoff Activity: January 2015

Company	WARN *	City	Affected	Cause
HERE North America	Yes	Sunnyvale	82	Closure
Hewlett-Packard	Yes	Palo Alto	52	RIF
KLA-Tencor	No	Milpitas	35	RIF
Meru Networks	No	Sunnyvale	11	RIF
Symantec	Yes	Mountain View	97	RIF
TIBCO Software	Yes	Palo Alto	80	RIF

Layoff Summary

Individuals Affected YTD †:	3,436
Events Current YTD †:	53
Events Previous YTD †:	58

\* **WARN: Worker Adjustment and Retraining Notification**  
(notice of mass layoff or closure)  
† **YTD: Year to Date**  
(Program year: July 1–June 30)

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