

# Workforce Review

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

## June 2013

*Did you know?*

### California to lose 10 weeks of federal jobless benefits

California's longer-term unemployed are on the verge of losing 10 weeks of federal jobless benefits, thanks to the state's falling jobless rate.

The cut will reduce the maximum weeks of benefits available to 63 from 73. At the worst of the recession the maximum was 99 weeks, but that has been coming down as a result of falling unemployment and cuts to the federal extended benefit program.

When people lose jobs they generally are entitled to up to 26 weeks of state benefits. Since the recession began, the federal government has paid for extended benefits, which come in tiers of varying duration. When a person exhausts state benefits, if they are still unemployed they can begin receiving the first tier of federal benefits. When that runs out, they move on to the second tier and so on until they have exhausted all tiers.

A fifth round of federal benefits, known in California as Fed-Ed, expired in May 2012, leaving only four tiers of federal benefits. To maintain the fourth tier, a state's unemployment rate must average at least 9 percent for the most recent three months. California will likely drop below that level when its June unemployment rate is announced Friday. Its rate was 8.6 percent in May and 9 percent in April.

EDD expects the U.S. Department of Labor (DOL) to send notice on Friday that California no longer qualifies for tier 4.

Assuming that happens, anyone starting a tier 4 extension before August 11 can continue receiving those benefits until they are exhausted, but anyone who would have filed a tier 4 extension on August 11 or later will receive no further benefits.

Someone receiving the maximum weekly benefit of \$371 in California could lose up to \$3,721 as a result of the benefit cut. Someone receiving the average benefit of roughly \$300 could lose up to \$3,000. (EDD has cut its maximum weekly benefit as a result of sequestration but has not yet updated this fact on its Web site).

All federal extended benefits are set to expire at the end of the year. Unless Congress extends them again, federal benefits will terminate for everyone Dec. 29 no matter where they are in a tier, leaving the unemployed with up to 26 weeks of state benefits.

The EDD estimates that more than 100,000 Californians are collecting tier 3 benefits and will be the first to be impacted by the loss of Tier 4 eligibility. "Once we receive notification from the DOL, the EDD will send a letter to these individuals advising them that Tier 4 benefits are no longer available. Claimants on extension Tiers 1 and 2 could also eventually be impacted," EDD said in a press release.

Source: SF Gate (07/16/13)  
<http://bit.ly/18yZ7Fy>

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

Unemployment Rate	June 2012	May 2013	June 2013	Percentage Point Change	
				Monthly	Annual
San José–Sunnyvale MSA	8.9%	6.3%	6.9%	+ 0.6	- 2.0
California	10.7%	8.1%	8.8%	+ 0.7	- 1.9
United States	8.4%	7.3%	7.8%	+ 0.5	- 0.6

  

Labor Force	June 2012	May 2013	June 2013	Percentage Change	
				Monthly	Annual
San José–Sunnyvale MSA	937,000	949,800	954,500	+ 0.5%	+ 1.9%
Civilian Employed	853,400	889,600	889,000	- 0.1%	+ 4.2%
Civilian Unemployed	83,700	60,200	65,500	+ 8.8%	- 21.7%

  

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

Change in Employment	June 2012	May 2013	June 2013	Percentage Change	
				Monthly	Annual
<b>Total Nonfarm</b>	<b>912,000</b>	<b>928,700</b>	<b>936,900</b>	<b>+ 0.9%</b>	<b>+ 2.7%</b>
Construction	35,400	37,800	39,500	+ 4.5%	+ 11.6%
Electronic Computer Mfg.	35,000	36,800	37,600	+ 2.2%	+ 7.4%
Information	50,600	51,800	53,000	+ 2.3%	+ 4.7%
Accommodation	7,900	7,900	8,300	+ 5.1%	+ 5.1%
State Gov't (excl. Education)	1,900	1,900	1,800	+ 5.3%	+ 5.3%

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 County** (Nine-county San Francisco Bay Area)

	Labor Force			Unemployment			Unemployment Rate		
	June 2012	June 2013	Annual Change (%)	June 2012	June 2013	Annual Change (%)	June 2012	June 2013	Annual Change (%age point)
<b>California</b>	<b>18,521,900</b>	<b>18,693,300</b>	<b>+ 0.9%</b>	<b>1,983,200</b>	<b>1,653,900</b>	<b>- 16.6%</b>	<b>10.7%</b>	<b>8.8%</b>	<b>- 1.9</b>
Alameda County	775,300	780,500	+ 0.7%	72,900	57,500	- 21.1%	9.4%	7.4%	- 2.0
Contra Costa County	535,500	538,500	+ 0.6%	50,300	39,100	- 22.3%	9.4%	7.3%	- 2.1
Marin County	140,100	142,400	+ 1.6%	9,300	7,200	- 22.6%	6.7%	5.1%	- 1.6
Napa County	79,200	80,600	+ 1.8%	6,100	4,700	- 23.0%	7.7%	5.8%	- 1.9
San Francisco County	477,200	483,200	+ 1.3%	36,500	27,700	- 24.1%	7.7%	5.7%	- 2.0
San Mateo County	393,700	400,000	+ 1.6%	27,700	21,600	- 22.0%	7.0%	5.4%	- 1.6
Solano County	216,800	219,100	+ 1.1%	22,700	18,000	- 20.7%	10.5%	8.2%	- 2.3
Sonoma County	256,200	258,800	+ 1.0%	22,900	17,400	- 24.0%	8.9%	6.7%	- 2.2
<b>Santa Clara County</b>	<b>910,900</b>	<b>928,200</b>	<b>+ 1.9%</b>	<b>80,300</b>	<b>63,000</b>	<b>- 21.5%</b>	<b>8.8%</b>	<b>6.8%</b>	<b>- 2.0</b>

NOTE: Totals may not add correctly due to rounding

Source: California Employment Development Department, LMID

**Regional Layoff Activity: June 2013**

Company	WARN *	City	Affected	Cause	Layoff Summary	
Adtran Inc.	No	Mountain View	11	Closure	Individuals Affected YTD †:	3,166
Applied Materials	Yes	Santa Clara	2	RIF		
Areva Solar	Yes	Mountain View	1	RIF	Events Current YTD †:	73
Caliper LifeSciences	Yes	Mountain View	47	Closure		
City of Palo Alto	No	Palo Alto	1	RIF	Events Previous YTD †:	92
KLA–Tencor	No	Milpitas	13	RIF		
Lockheed Martin	Yes	Sunnyvale	100	RIF		
Randstad (placed at Google)	Yes	Mountain View	36	RIF		
Symantec Corp.	Yes	Mountain View	114	RIF		
Zynga	Yes	Mountain View	4	RIF		
			<b>329</b>			

\* **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