

# Workforce Review

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

## October 2012

*Did you know?*

### Silicon Valley residents more upbeat about economy

Silicon Valley residents are feeling more upbeat about the economy's recovery from the Great Recession than they have in the past three years, according to a new poll by San Jose State University. "People think we're coming out of this recession," said Melinda Jackson, research director of the Survey and Policy Research Institute at San Jose State, which conducted the poll. "There has been a psychological shift," Jackson said. "There's a sense that things have turned the corner. It may be going slower than people would like, but we're starting to see the upswing now."

The university, which has conducted the survey every year since 2009, asked several questions on manufacturing and the economy in its Fall 2012 Silicon Valley Pulse poll. This year, 23 percent said California is not in a recession, compared with 8.5 percent in 2011, while 29 percent said the state is still in a "serious" recession compared with 46 percent last year, and 58 percent in 2009.

Forty-five percent of valley residents told poll takers that they felt improvement in their own lives, compared with 35 percent in 2011. The percentage still feeling left out of the recovery dropped from 44 percent last year to 39 percent this year. It is no surprise that many still feel left out. Thousands of valley workers lost jobs during the recession and many remain out of work or are underemployed. But the tech sector has boomed lately, bringing with it the beginning of a housing and jobs recovery and, the survey shows, more optimism about the future.

Of those who think the state is still in a recession, nearly half — 47 percent — think the downturn will last three to five years more. Only 4 percent said it would be over in less than a year. Jim Canelo, 54, of San Jose, said the economy's improving but he's still not seeing a lot of new hires in his business, which supplies office equipment to large companies. Still, he added, "I think we've been pretty fortunate in the Bay Area. I don't think we felt the full effects of this stuff." Dorothy Brooks is also optimistic. "Everyone complains because we all want the economy to get better," said Brooks of Sunnyvale, a substitute school aide for special needs children. "I would like to think that by the beginning of next year, or midyear, it will certainly be better."

The survey showed a strong correlation between feeling things are improving and income and education. The better educated, higher income respondents were more upbeat than those with a high school degree or less and incomes of \$50,000 or less. About half those with less education and lower income felt left out of the recovery. That compares with 41 percent of those with a college degree, and 23 percent for holders of a postgraduate degree.

About 28 percent of those with incomes of \$100,000 or more felt left out of the economy's rebound. "In general, people are feeling more positive about the economy," Jackson said, "but it is definitely helping those at the higher income and education levels first." Cara Arellano, a stay-at-home mother and volunteer for nonprofits whose husband is a maintenance manager for a power company, said she feels left out of the recovery. "I'm just actively trying to get shoes on their feet and praying I can even pay for community college," she said. "My kids go to public school, where a lot of families are struggling to eat. Our school has no money, and we're not the poorest of the poor," she said.

Source: *San Jose Mercury News* (10/23/12)

[http://www.mercurynews.com/business/ci\\_21830021/valley-residents-more-upbeat-about-economy](http://www.mercurynews.com/business/ci_21830021/valley-residents-more-upbeat-about-economy)

**nova**

WORKFORCE  
DEVELOPMENT

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

Unemployment Rate	October 2011	September 2012	October 2012	Percentage Point Change	
				Monthly	Annual
San José–Sunnyvale MSA	9.4%	7.9%	7.9%	0.0	- 1.5
California	11.3%	9.7%	9.8%	+ 0.1	- 1.5
United States	8.5%	7.6%	7.5%	- 0.1	- 1.0

  

Labor Force	October 2011	September 2012	October 2012	Percentage Change	
				Monthly	Annual
San José–Sunnyvale MSA	931,800	946,000	950,400	+ 0.5%	+ 2.0%
Civilian Employed	843,900	871,000	875,100	+ 0.5%	+ 3.7%
Civilian Unemployed	87,900	75,000	75,300	+ 0.4%	- 14.3%

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

Change in Employment	October 2011	September 2012	October 2012	Percentage Change	
				Monthly	Annual
<b>Total Nonfarm</b>	<b>889,200</b>	<b>912,900</b>	<b>920,600</b>	<b>+ 0.8%</b>	<b>+ 3.5%</b>
Construction industry	32,900	35,400	36,700	+ 3.7%	+ 11.6%
Manufacturing: Semiconductor...	43,200	42,300	42,000	- 0.7%	- 2.8%
Retail: Electronics, et al	5,100	4,500	4,500	0.0%	- 11.8%
Information industry	50,100	54,300	54,200	- 0.2%	+ 8.2%
Government: State & Local	83,400	80,300	83,000	+ 3.4%	- 0.5%

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

	Labor Force			Unemployment			Unemployment Rate		
	October 2011	October 2012	Annual Change	October 2011	October 2012	Annual Change	October 2011	October 2012	Annual Change
<b>United States</b>	<b>154,088,000</b>	<b>155,779,000</b>	<b>+ 1.1 %</b>	<b>13,102,000</b>	<b>11,741,000</b>	<b>- 10.4 %</b>	<b>8.5 %</b>	<b>7.5 %</b>	<b>- 1.0</b>
<b>California</b>	<b>18,482,800</b>	<b>18,442,900</b>	<b>- 0.2 %</b>	<b>2,084,000</b>	<b>1,801,700</b>	<b>- 13.5 %</b>	<b>11.3 %</b>	<b>9.8 %</b>	<b>- 1.5</b>
Austin, TX	947,458	972,688	+ 2.7 %	62,741	51,576	- 17.8 %	6.6%	5.3%	- 1.3
Boston, MA	2,522,845	2,551,170	+ 1.1 %	155,222	147,057	- 5.3 %	6.2%	5.8%	- 0.4
Portland, OR	1,200,196	1,182,173	- 1.5 %	102,975	88,666	- 13.9 %	8.6%	7.5%	- 1.1
San Diego	1,591,500	1,601,700	+ 0.6 %	155,400	137,000	- 11.8 %	9.8 %	8.6 %	- 1.2
San Francisco	989,600	1,008,700	+ 1.9 %	77,400	65,600	- 15.2 %	7.8 %	6.5 %	- 1.3
Seattle, WA	1,497,060	1,485,450	- 0.8 %	120,580	99,070	- 17.8 %	8.1%	6.7%	- 1.4
<b>San José–Sunnyvale</b>	<b>931,800</b>	<b>950,400</b>	<b>+ 2.0 %</b>	<b>87,900</b>	<b>75,300</b>	<b>- 14.3 %</b>	<b>9.4</b>	<b>7.9</b>	<b>- 1.5</b>

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	
Intuit	Yes	Mountain View	1	RIF	Individuals Affected YTD <sup>†</sup> :	1,258
Lifescan	No	Milpitas	7	RIF	Events Current YTD <sup>†</sup> :	25
NC Interactive	Yes	Mountain View	79	Closure	Events Previous YTD <sup>†</sup> :	46
Peak Surgical	No	Palo Alto	32	Closure		
Rambus	Yes	Sunnyvale	68	RIF		
Sigma Designs	No	Milpitas	20	RIF		
Company confidential	Yes	Sunnyvale	107	RIF		
			<b>314</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