

Workforce Review

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

January 2014

Did you know?

The Vast Majority of the 5.8 Million Missing Workers are Under Age 55

Since the start of the Great Recession over six years ago, labor force participation has dropped significantly. Most of the drop — roughly three quarters — was due to the lack of job opportunities in the Great Recession and its aftermath. There are now 5.8 million workers who are not in the labor force but who would be if job opportunities were strong.

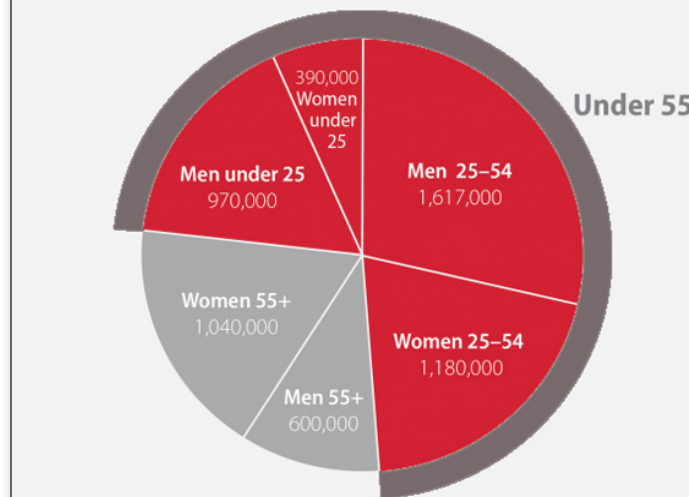
It is possible that some of these missing workers who are at or near retirement age have given up hope of ever finding decent work again and decided to retire early. Such workers may not ever be drawn back into the labor market, even when labor market conditions substantially improve. It is important to note, however, that more than 70 percent of the 5.8 million missing workers are under age 55. These missing

workers under age 55 — 4.2 million of them — are extremely unlikely to have retired and are therefore likely to enter or reenter the labor force when job opportunities substantially improve.

If the missing workers were in the labor market looking for work, the unemployment rate right now would be 10.0 percent instead of 6.6 percent. That is a lot of additional slack in the labor market that the official unemployment rate is not picking up. In any assessment of how much slack there is in the labor market, it is essential to keep the

Vast majority of missing workers are under age 55

Missing workers,* by age and gender, January 2014



Source: Economic Policy Institute (02/26/14)

<http://www.epi.org/publication/vast-majority-5-8-million-missing-workers/>

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

Unemployment Rate	January 2013	December 2013	January 2014	Percentage Point Change	
				Monthly	Annual
San José–Sunnyvale MSA	8.1%	5.8%	6.3%	+ 0.5	- 1.8
California	10.3%	7.9%	8.5%	+ 0.6	- 1.8
United States	8.5%	6.5%	7.0%	+ 0.5	- 1.5

Labor Force	January 2013	December 2013	January 2014	Percentage Change	
				Monthly	Annual
San José–Sunnyvale MSA	945,800	953,400	955,600	+ 0.2%	+ 1.0%
Civilian Employed	869,200	897,900	895,200	- 0.3%	+ 3.0%
Civilian Unemployed	76,600	55,500	60,400	+ 8.8%	- 21.1%

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

Change in Employment	January 2013	December 2013	January 2014	Percentage Change	
				Monthly	Annual
Total Nonfarm	933,200	987,600	974,300	- 1.3%	+ 4.4%
Mining & Logging	200	300	300	0.0%	+ 50.0%
Retail: Electronics Stores	5,200	4,900	4,700	- 4.1%	- 9.6%
Healthcare: Social Assistance	29,000	33,200	33,200	0.0%	+ 14.5%
Federal Gov't: Defense	800	900	900	0.0%	+ 12.5%
State Gov't: Education	4,700	4,800	4,700	- 2.1%	0.0%

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		
	January 2013	Annual Change	January 2013	January 2014	Annual Change	January 2013	January 2014	Annual Change	
United States	154,794,000	- 0.3%	13,181,000	10,855,000	- 17.6%	8.5%	7.0%	- 1.5	
California	18,600,900	- 0.3%	1,914,600	1,581,300	- 17.4%	10.3%	8.5%	- 1.8	
Austin, TX	990,931	+ 2.0%	58,167	47,152	- 18.9%	5.9%	4.7%	- 1.2	
Boston, MA	2,550,109	+ 0.4%	176,461	158,174	- 10.4%	6.9%	6.2%	- 0.7	
Portland, OR	1,169,536	0.0%	100,989	80,086	- 20.7%	8.6%	6.8%	- 1.8	
San Diego	1,598,400	- 0.6%	136,700	111,000	- 18.8%	8.5%	7.0%	- 1.6	
San Francisco	1,025,800	+ 0.9%	65,900	52,400	- 20.5%	6.4%	5.1%	- 1.4	
Seattle, WA	1,515,670	+ 1.6%	92,230	83,080	- 9.9%	6.1%	5.4%	- 0.7	
San José–Sunnyvale	945,800	+ 1.0%	76,600	60,400	- 21.1%	8.1%	6.3%	- 1.8	

NOTE: Totals may not add correctly due to rounding

Source: California Employment Development Department, LMID

Regional Layoff Activity: January 2014

Company	WARN *	City	Affected	Cause	Layoff Summary	
Applied Materials	Yes	Multiple cities	4	RIF	Individuals Affected YTD †:	1,786
Areva NP	No	Mountain View	9	RIF	Events Current YTD †:	58
Bayer HealthCare	Yes	Sunnyvale	10	Closure	Events Previous YTD †:	35
Dialogic	No	Milpitas	10	RIF		
Intuit	Yes	Mountain View	7	RIF		
Lifescan, Inc.	Yes	Milpitas	49	RIF		
Loehmann's	No	Sunnyvale	26	Closure		
Zynga	Yes	Santa Clara	1	RIF		

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

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