

# Workforce Review

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

## March 2014

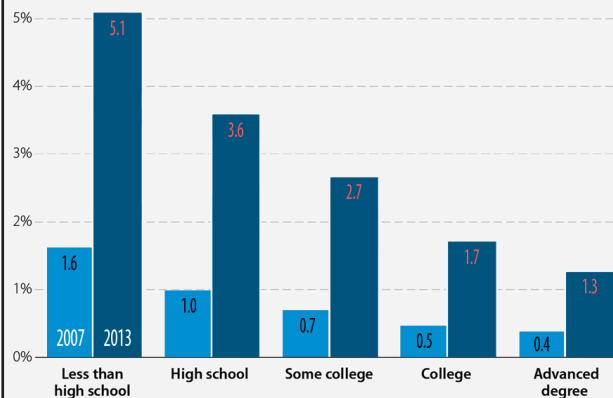
*Did you know?*

### Long-Term Unemployment is Elevated Across All Education Groups

Job opportunities have been so weak for so long that jobless workers continue to get stuck in unemployment for unprecedented lengths of time. Currently 3.7 million unemployed workers have been searching for a job for more than six months, more than three times the number of long-term unemployed there were in 2007, before the recession began. We often hear the claim that long-term unemployment in this recovery is due to unemployed workers not having the education or skills for the jobs that are available. A look at the data, however, shows that this is not what's driving today's long-term unemployment crisis.

The figure below shows there is a dramatic increase in long-term unemployment relative to before the recession started at all levels of education. While workers with higher levels of education face substantially lower

Long-Term Unemployment Rate by Educational Attainment (2007 & 2013)



Note: The long-term unemployment rate is the share of the labor force that has been unemployed for more than six months.

Source: Author's analysis of the basic monthly Current Population Survey microdata

long-term unemployment rates — which is always true, in good times and bad — they too have long-term unemployment rates that are more than three times as high as before the recession started. Long-term unemployment is high not because workers lack the right education or skills, but because employers have not seen demand for their goods and services pick up enough to need to significantly ramp up hiring. See this detailed analysis ([www.epi.org/blog/long-term-unemployment-elevated-education/](http://www.epi.org/blog/long-term-unemployment-elevated-education/)), which provides additional breakdowns of long-term unemployment by age, gender, race/ethnicity, occupation, and industry, and demonstrates that all groups are experiencing substantially higher long-term unemployment rates than they were before the recession started.

Source: Economic Policy Institute (04/09/14)

<http://www.epi.org/publication/long-term-unemployment-elevated-education/>

Note: NOVA analysis of these national data shows that the 1.6% unemployment rate for the long-term unemployed with less than a high-school education in 2007 represented an estimated 35% share of the total unemployed that year; the 5.1% unemployment rate in 2013 represented an estimated 69% share. Within Silicon Valley, a recent review of NOVA dislocated worker customers found that 81% were long-term unemployed (unemployed for more than 26 weeks) and that two-thirds of those had been out of work for more than a year.

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

Unemployment Rate	March 2013	February 2014	March 2014	Percentage Point Change	
				Monthly	Annual
San José–Sunnyvale MSA	7.4%	6.3%	6.3%	0.0	- 1.1
California	9.4%	8.5%	8.4%	- 0.1	- 1.0
United States	7.6%	7.0%	6.8%	- 0.2	- 0.8

Labor Force	March 2013	February 2014	March 2014	Percentage Change	
				Monthly	Annual
San José–Sunnyvale MSA	945,400	962,000	964,700	+ 0.3%	+ 2.0%
Civilian Employed	875,500	901,100	904,000	+ 0.3%	+ 3.3%
Civilian Unemployed	69,900	60,900	60,700	- 0.3%	- 13.2%

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

Change in Employment	March 2013	February 2014	March 2014	Percentage Change	
				Monthly	Annual
<b>Total Nonfarm</b>	<b>945,700</b>	<b>983,500</b>	<b>986,400</b>	+ 0.3%	+ 4.3%
Construction	35,600	38,900	38,000	- 2.3%	+ 6.7%
Mfg: Electronic Computer	35,800	38,500	38,800	+ 0.8%	+ 8.4%
Retail: Electronics Stores	5,000	4,700	4,600	- 2.1%	- 8.0%
Information	57,000	61,500	62,200	+ 1.1%	+ 9.1%
Gov't: Dept. of Defense	800	900	900	0.0%	+ 12.5%

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

	Labor Force			Unemployment			Unemployment Rate		
	March 2013	March 2014	Annual Change (%)	March 2013	March 2014	Annual Change (%)	March 2013	March 2014	Annual Change (%age point)
<b>California</b>	<b>18,537,600</b>	<b>18,685,400</b>	<b>+ 0.8%</b>	<b>1,739,700</b>	<b>1,575,700</b>	<b>- 9.4%</b>	<b>9.4%</b>	<b>8.4%</b>	<b>- 1.0</b>
Alameda County	781,900	784,700	+ 0.4%	60,400	52,100	- 13.7%	7.7%	6.6%	- 1.1
Contra Costa County	538,700	542,100	+ 0.6%	42,000	37,800	- 10.0%	7.8%	7.0%	- 0.8
Marin County	140,900	143,200	+ 1.6%	7,400	6,700	- 9.5%	5.2%	4.7%	- 0.5
Napa County	76,000	78,200	+ 2.9%	5,200	4,700	- 9.6%	6.9%	6.0%	- 0.9
San Francisco County	484,400	490,900	+ 1.3%	29,100	25,700	- 11.7%	6.0%	5.2%	- 0.8
San Mateo County	401,200	406,900	+ 1.4%	22,700	20,200	- 11.0%	5.7%	5.0%	- 0.7
Solano County	217,700	218,000	+ 0.1%	19,300	17,300	- 10.4%	8.9%	7.9%	- 1.0
Sonoma County	257,500	263,100	+ 2.2%	18,800	16,200	- 13.8%	7.3%	6.2%	- 1.1
<b>Santa Clara County</b>	<b>918,200</b>	<b>937,100</b>	<b>+ 2.1%</b>	<b>66,100</b>	<b>57,300</b>	<b>- 13.3%</b>	<b>7.2%</b>	<b>6.1%</b>	<b>- 1.1</b>

NOTE: Totals may not add correctly due to rounding

Source: California Employment Development Department, LMID

**Regional Layoff Activity: March 2014**

Company	WARN *	City	Affected	Cause	Layoff Summary	
Aviat Networks	Yes	Santa Clara	62	RIF	Individuals Affected YTD †:	2,328
Bayer HealthCare	Yes	Sunnyvale	8	Closure		
Disney Interactive	Yes	Palo Alto	143	RIF	Events Current YTD †:	68
Lifescan, Inc.	Yes	Milpitas	9	RIF	Events Previous YTD †:	47
Lockheed Martin	Yes	Sunnyvale	105	RIF		
MedImmune	Yes	Mountain View	65	RIF		
Palo Alto Medical Foundation	Yes	Mountain View	2	RIF		
			<b>394</b>			

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)