

California's 'labor underutilization' rate still high

Although California's official unemployment rate climbed out of the cellar during the year that ended June 30, it still had the nation's second highest rate of total "labor underutilization," according to a new federal government report [<http://www.bls.gov/lau/stalt15q2.htm>].

The state's unemployment rate shot up to well over 12 percent during the Great Recession and was at or near the highest in the nation for several years. It's since dropped markedly and averaged 6.8 percent during the 2014-15 period, the Bureau of Labor Statistics says.

Despite the improvement, California's rate was still lower than those of just five other states and tied with South Carolina. But the widely quoted jobless rate – the percentage of the civilian labor force that's unemployed – is just one of six ways the BLS measures labor data.

Another is the percentage of the labor force that's unemployed 15 weeks or more. Nationally, it averaged 2.6 percent in 2014-15. California averaged 3.2 percent, eighth highest and tied with Connecticut.

A third is the proportion of the labor force that's unemployed, plus "discouraged workers" who have stopped looking for work. California's 2014-15 average, 7.2 percent, was surpassed only by those of six other states.

The most telling measure however, dubbed U-6 by the BLS, counts not only the unemployed, but workers who are only "marginally attached" to the labor force and those involuntarily working part-time.

Labor economists consider U-6 to be the fullest measure of a state's or a region's employment health. California's 2014-15 U-6 rate was 14 percent, second only to Nevada's 15.2 percent.

The BLS also calculates separate U-6 rates for New York City and Los Angeles County. Los Angeles' 16 percent would, were the county and its 10 million people a separate state, be the nation's highest rate of "labor underutilization."

Dan Walters: 916-321-1195, dwalters@sacbee.com, @WaltersBee

Source: *Sacramento Bee* (08/11/15)
<http://bit.ly/1EsqwUQ>

NOVA is proud to announce that San Mateo County's request to join the NOVA Consortium was approved by Governor Brown, effective July 2015. NOVA now administers workforce development services within San Mateo County and continues to provide the same quality services to the cities of Cupertino, Los Altos, Milpitas, Mountain View, Palo Alto, Santa Clara, and Sunnyvale in northern Santa Clara County.

With this change in service area, NOVA's monthly *Workforce Review* has been updated to include the expanded region and now includes data from San Mateo County and the San Francisco Metropolitan Division, which consists of San Mateo and San Francisco Counties.



Region	July 2014	June 2015	July 2015	Percentage Point Change	
				1 month	12 months
San José MSA	5.7%	4.0%	4.3%	+ 0.3	- 1.4
San Francisco MD	4.6%	3.4%	3.7%	+ 0.3	- 0.9
California	7.9%	6.2%	6.5%	+ 0.3	- 1.4
United States	6.5%	5.5%	5.6%	+ 0.1	- 0.9

Sector	San Jose MSA	San Francisco MD	Combined Region	Percentage Change (Combined Region)	
				1 month	12 months
Total Nonfarm	1,057,100	1,053,500	2,110,600	0.0 %	+ 5.3 %
Construction	45,400	38,300	83,700	+ 3.6 %	+ 8.6 %
Manufacturing	166,500	36,800	203,300	+ 0.4 %	+ 3.9 %
Retail Trade	86,000	82,700	168,700	+ 0.9 %	+ 1.6 %
Information	77,700	57,900	135,600	+ 1.7 %	+ 9.5 %
Professional & Business Services	226,700	270,200	496,900	+ 2.3 %	+ 10.2 %
Educational Services	44,000	26,300	70,300	- 3.7 %	+ 6.8 %
Health Care & Social Services	113,900	104,700	218,600	+0.6 %	+ 3.6 %
Hospitality & Leisure	97,400	135,400	232,800	+ 0.4 %	+ 3.2 %
Government	82,300	118,100	200,400	- 8.8 %	+ 2.7 %

NOTE: San José MSA (San José-Sunnyvale-Santa Clara Metropolitan Statistical Area) = Santa Clara and San Benito Counties
 San Francisco MD (San Francisco-Redwood City-South San Francisco Metropolitan Division) = San Mateo and San Francisco Counties

Source: California Employment Development Department, LMID

9-County San Francisco Bay Area	Labor Force			Employed			Unemployment		
	July 2014	July 2015	Change	July 2014	July 2015	Change	July 2014	July 2015	Change
California	18,897,300	19,135,100	+ 1.3%	17,399,600	17,891,700	+ 2.8%	7.9%	6.5%	- 1.4
Alameda County	817,800	826,400	+ 1.1%	766,400	785,000	+ 2.4%	6.3%	5.0%	- 1.3
Contra Costa County	548,400	553,500	+ 0.9%	512,500	524,600	+ 2.4%	6.6%	5.2%	- 1.4
Marin County	142,300	144,500	+ 1.5%	135,800	139,100	+ 2.4%	4.6%	3.7%	- 0.9
Napa County	75,100	75,600	+ 0.7%	70,900	72,300	+ 2.0%	5.6%	4.4%	- 1.2
San Francisco County	536,300	553,000	+ 3.1%	511,400	532,100	+ 4.0%	4.6%	3.8%	- 0.8
San Mateo County	434,000	447,300	+ 3.1%	414,300	431,400	+ 4.1%	4.5%	3.6%	- 0.9
Santa Clara County	996,300	1,039,400	+ 4.3%	940,700	995,200	+ 5.8%	5.6%	4.3%	- 1.3
Solano County	205,000	207,800	+ 1.4%	189,100	194,900	+ 3.1%	7.8%	6.2%	- 1.6
Sonoma County	259,600	261,300	+ 0.7%	244,300	249,200	+ 2.0%	5.9%	4.6%	- 1.3
SF Bay Area (sum)	4,014,800	4,108,800	+ 2.3%	3,785,400	3,923,800	+ 3.7%	5.7%	4.5%	- 1.2

NOTE: Totals may not add correctly due to rounding

Source: California Employment Development Department, LMID

July 2015 Events	Company	Location	# Affected	Company	Location	# Affected
		11 Main	San Mateo	35	Intel	Santa Clara
	Abbott Labs	Santa Clara	81	La Boulange	Burlingame	23
	Alexza Pharmaceuticals	Mountain View	28	Network Appliance	Sunnyvale	125
	CPI	Mountain View	9	SanDisk	Milpitas	27
	Hewlett-Packard	Palo Alto	24	Symantec Corp.	Mountain View	13

WARN SUMMARY

Events YTD [†] :	10
Individuals Affected YTD:	530
Individuals Previous YTD [‡] :	314

* **WARN: Worker Adjustment and Retraining Notification** (notice of mass layoff or closure)
[†] **YTD: Year to Date** (Program year: July 1-June 30)
[‡] **Previous YTD:** No data available for San Mateo County, FY2014/15

NOTE: Layoff data are preliminary and should be considered an estimate of monthly regional activity

Source: NOVA's internal Rapid Response database