

# Workforce Review

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

## September 2013

*Did you know?*

### What Really Got Measured in This Month's Jobs Report?

In October, private employers did a lot of hiring, but a government shutdown forced hundreds of thousands of workers to stay home. Those federal furloughs offset 204,000 jobs created last month — enough to push the unemployment rate one tick higher to 7.3 percent, the Labor Department said on Friday.

Or maybe the end of that sentence should read: the Labor Department guessed on Friday.

Many economists say the jobs report has “noise” in it, with a hodgepodge of data showing more hiring, but also fewer people even trying to find jobs. So what created the noise? For one thing, the Labor Department's household survey counted furloughed federal workers as unemployed, which boosted the jobless rate by one-tenth of a percentage point. But outside of government, employers were hiring. Manufacturers alone added 19,000 jobs, and the leisure and hospitality sector hired 53,000 more people.

Here's the strange thing: The percentage of people saying they are in the labor force fell to 62.8 percent, down 0.4 percent to the lowest level since 1978. Usually, as hiring perks up, more people come into the job market, not leave. So October's report contains some head-scratching results.

If that represented a one-month problem, economists would dismiss it as just an anomaly. But many say they are worried that month after month, the employment reports are becoming more misleading. These skeptics believe the U.S. economy is becoming too complicated and technologically advanced for the Labor Department's Bureau of Labor Statistics to measure using current methods.

This week, Wells Fargo Economics Group released an analysis saying the BLS data are antiquated because they don't accurately measure the digital workforce. “Simply stated, the labor market of the 21st century is quite different than in the past,” it said. Wells Fargo chief economist John Silvia says millions of Americans now prefer to work part time, whether developing apps for smartphones or walking dogs. “Back in the 1980s, either you had a job or you didn't have a job,” he says. “What we have in the 21st century is a lot of part-time workers who want to be part time. The mix is much more complicated.”

The government measures the labor market with two tools: (1) payroll data provided by employers, and (2) responses to household surveys about work done in the previous week. But in today's economy, many workers can be hard to capture with those two measures.

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*(Complete article available via URL provided)*

**Source:** NPR (11/08/13)  
<http://n.pr/183zAzg>

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

Unemployment Rate	September 2012	August 2013	September 2013	Percentage Point Change	
				Monthly	Annual
San José–Sunnyvale MSA	8.1%	6.8%	6.4%	- 0.4	- 1.7
California	9.8%	8.8%	8.2%	- 0.6	- 1.6
United States	7.6%	7.3%	7.0%	- 0.3	- 0.6

  

Labor Force	September 2012	August 2013	September 2013	Percentage Change	
				Monthly	Annual
San José–Sunnyvale MSA	940,500	956,400	958,200	+ 0.2%	+ 1.9%
Civilian Employed	864,700	891,500	897,200	+ 0.6%	+ 3.8%
Civilian Unemployed	75,800	64,900	61,100	- 5.9%	- 19.4%

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

Change in Employment	September 2012	August 2013	September 2013	Percentage Change	
				Monthly	Annual
<b>Total Nonfarm</b>	<b>911,000</b>	<b>935,600</b>	<b>938,100</b>	<b>+ 0.3%</b>	<b>+ 3.0%</b>
Construction	36,100	41,200	41,200	0.0%	+ 14.1%
Comp. & Elect. Prod. Mfg.	108,700	110,900	111,000	+ 0.1%	+ 2.1%
Publishing (except Internet)	15,400	15,700	15,300	- 2.5%	- 0.6%
Professional Services, et al	119,200	125,300	122,200	- 2.5%	+ 2.5%
Accommodation/Food Svcs.	71,500	72,000	72,600	+ 0.8%	+ 1.5%

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		
	September 2012	September 2013	Annual Change (%)	September 2012	September 2013	Annual Change (%)	September 2012	September 2013	Annual Change (%age point)
<b>California</b>	<b>18,511,700</b>	<b>18,719,000</b>	<b>+ 1.1%</b>	<b>1,805,100</b>	<b>1,540,100</b>	<b>- 14.7%</b>	<b>9.8%</b>	<b>8.2%</b>	<b>- 1.6</b>
Alameda County	778,100	777,700	- 0.1%	67,000	54,300	- 19.0%	8.6%	7.0%	- 1.6
Contra Costa County	536,400	536,500	0.0%	45,200	36,800	- 18.6%	8.4%	6.9%	- 1.5
Marin County	141,100	143,300	+ 1.6%	8,300	6,700	- 19.3%	5.9%	4.7%	- 1.2
Napa County	79,500	81,000	+ 1.9%	5,400	4,300	- 20.4%	6.8%	5.3%	- 1.5
San Francisco County	480,400	486,000	+ 1.2%	32,800	26,000	- 20.7%	6.8%	5.3%	- 1.5
San Mateo County	396,900	402,500	+ 1.4%	25,100	20,400	- 18.7%	6.3%	5.1%	- 1.2
Solano County	217,400	219,500	+ 1.0%	20,400	16,800	- 17.6%	9.4%	7.7%	- 1.7
Sonoma County	260,400	261,100	+ 0.3%	20,200	15,800	- 21.8%	7.8%	6.1%	- 1.7
<b>Santa Clara County</b>	<b>914,900</b>	<b>932,200</b>	<b>+ 1.9%</b>	<b>73,300</b>	<b>59,000</b>	<b>- 19.5%</b>	<b>8.0%</b>	<b>6.3%</b>	<b>- 1.7</b>

NOTE: Totals may not add correctly due to rounding

Source: California Employment Development Department, LMID

**Regional Layoff Activity: September**

Company	WARN *	City	Affected	Cause	Layoff Summary	
Areva NP	Yes	Mountain View	5	RIF	Individuals Affected YTD †:	1,261
Dell Services	Yes	Sunnyvale	118	RIF		
Intuit	Yes	Mountain View	29	RIF	Events Current YTD †:	25
Lifescan, Inc.	Yes	Milpitas	76	RIF		
Lockheed Martin	Yes	Sunnyvale	163	RIF	Events Previous YTD †:	17
Randstad (at Google)	Yes	Mountain View	84	RIF		
Symantec Corp	Yes	Mountain View	92	RIF		
Wilson, Sonsini, Goodrich & Rosatti	No	Palo Alto	36	RIF		

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\* **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