

# Workforce Review

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

## February 2006

### *Did you know?*

#### **Report: Bay Area's economic growth stunted by housing, education issues**

Despite the Bay Area's status as a nationwide hub for innovation, the region's talent pool is diminishing, according to an economic report to be released today by a coalition of business and government officials.

Baby boomers are retiring, workers are getting squeezed out by the high cost of living and foreign professionals are moving back home, the Bay Area Economic Forum report found.

"These issues, coupled with K-12 education system challenges, put the creative workforce that is the foundation of the Bay Area's prosperity at serious risk," said Henry Gardner, executive director of the Association of Bay Area Governments, which is part of the Bay Area Economic Forum.

In recent years, the region's economy has rebounded to pre-Internet boom levels, but if leaders don't act soon to improve schools and build affordable homes, it will be impossible to maintain that level of robustness, the report found.

"The Bay Area's educational performance is showing improvement, but that's not sufficient," said Jim Wunderman, president of the Bay Area Council, a business organization that is part of the Bay Area Economic Forum. "We've been handling, to some degree, the growth of the economy through improvements in efficiency, but that may be a slippery slope. There's clearly a need to create a housing economy that can attract more people to the region to satisfy the demands of economic growth."

Young people are joining the Bay Area workforce at roughly the same rate as baby boomers are leaving it, according to the report... That means that as the Bay Area economy grows, the region will need to do two things to fill newly created jobs, the report stated: Train more "home-grown" professionals than before, and make the region more attractive to workers from outside.

Source: San Jose Mercury News [03/24/06]



*A regional catalyst shaping and influencing the Silicon Valley workforce investment system to promote economic opportunity and shared prosperity.*

# Workforce Review

## February 2006

Civilian Unemployment Rate	February 2005 (Actual)	January 2006 (Revised)	February 2006 (Preliminary)	Percentage Point Change	
				01/06-02/06	02/05-02/06
San José-Sunnyvale MSA	6.3%	5.1%	5.1%	0.0	- 1.2
California	6.1%	5.3%	5.4%	+ 0.1	- 0.7
United States	5.8%	5.1%	5.1%	0.0	- 0.7

  

Civilian Labor Force	February 2005 (Actual)	January 2006 (Revised)	February 2006 (Preliminary)	Percentage Change	
				01/06-02/06	02/05-02/06
San José-Sunnyvale MSA	849,100	841,800	838,200	- 0.4%	- 1.3%
Civilian Employed	795,700	799,000	795,500	- 0.4%	0.0%
Civilian Unemployed	53,400	42,800	42,800	0.0%	- 19.9%

  

Where the Jobs Are (San José-Sunnyvale MSA)	February 2005 (Actual)	January 2006 (Revised)	February 2006 (Preliminary)	Percentage Change	
				01/06-02/06	02/05-02/06
Total Nonfarm	859,400	861,000	866,900	+ 0.7%	+ 0.9%
Goods Producing	213,100	213,200	213,900	+ 0.3%	+ 0.4%
Manufacturing	171,300	169,500	169,800	+ 0.2%	- 0.9%
Service Providing	646,300	647,800	653,000	+ 0.8%	+ 1.0%
Prof. & Business Svcs.	158,900	158,100	159,300	+ 0.8%	+ 0.3%
Retail Trade	82,000	83,800	82,100	- 2.0%	+ 0.1%

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 High-Tech Regions (Metropolitan Statistical Areas)	Labor Force		Labor Force % Change (02/05-02/06)	Employed		Employed % Change (02/05-02/06)	Unemployment Rate	
	February 2005	February 2006		February 2005	February 2006		February 2005	February 2006
	<b>United States</b>	<b>147,649,000</b>	<b>149,686,000</b>	<b>+ 1.4%</b>	<b>139,100,000</b>	<b>141,994,000</b>	<b>+ 2.1%</b>	<b>5.8%</b>
Austin, TX	795,209	817,963	+ 2.9%	757,026	783,593	+ 3.5%	4.8%	4.2%
Boston, MA	1,461,692	1,465,888	+ 0.3%	1,393,790	1,396,882	+ 0.2%	4.6%	4.7%
Portland, OR	1,093,782	1,117,054	+ 2.1%	1,017,863	1,050,583	+ 3.2%	6.9%	6.0%
Raleigh-Durham, NC	725,234	759,760	+ 4.8%	691,896	730,230	+ 5.5%	4.6%	3.9%
San Diego, CA	1,497,600	1,504,400	+ 0.5%	1,427,800	1,443,100	+ 1.1%	4.7%	4.1%
San Francisco, CA	918,000	909,400	- 0.9%	871,300	870,200	- 0.1%	5.1%	4.3%
Seattle, WA	1,342,900	1,389,500	+ 3.5%	1,267,900	1,325,800	+ 4.5%	5.6%	4.6%
<b>San Jose-Sunnyvale</b>	<b>849,100</b>	<b>838,200</b>	<b>- 1.3%</b>	<b>795,700</b>	<b>795,500</b>	<b>0.0%</b>	<b>6.3%</b>	<b>5.1%</b>

Source: Various State Employment Departments (CA, MA, NC, OR, TX, WA)

### Regional Layoff Activity: February 2006

Company	WARN **	City	Affected	Cause
Alza Corporation	Yes	Mountain View	34	RIF
SGI	Yes	Mountain View	96	RIF
Monta Vista Software	No	Santa Clara	-	RIF
Vishay-Siliconix, Inc.	No	Santa Clara	2	RIF
			<b>132+</b>	

#### Summary

Individuals  
Affected YTD<sup>†</sup>: 3,909+<sup>‡</sup>

WARN  
Current YTD: 22

WARN  
Previous YTD: 20

\*\* WARN : Workers' Adjustment and Retraining Notification (notice of mass layoff or closure)

† YTD : Year to Date — Refers to fiscal year (July 1-June 30)

‡ Cumulative total may not equal sum of monthly numbers due to internal adjustments