

Workforce Review

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

March 2005

Did you know?

Mixed Signals for Valley Economy

Unemployment Rate Falls to 5.8%, but Job Total Less than Last Year

Santa Clara and San Benito Counties added 5,200 jobs from February to March 2005, for a total of 857,300 jobs, according to a state report released April 15. But that number is down by 6,000 from a year ago. The unemployment rate for the two counties fell to 5.8 percent in March, down from a revised 6.3 percent in February, but that is partly due to people leaving the workforce.

Many of the monthly job gains came from seasonal increases in leisure and hospitality, government, and construction. Compared with a year ago, the largest gain was 1,800 jobs in the information industry, propelled by hiring by internet service providers and Web search companies.

But the gains in some parts of the tech industry are not translating to greater demand in other parts of the economy.

"What this tells me is that the economy's still just at the beginning stages of recovery," said Steve Cochrane, managing director of Economy.com. "There's just not a whole lot of vigor there yet."

"It's going to be difficult for many people who lost jobs to find a new one unless a substantial amount of job growth occurs, and we have not seen that yet in the Bay Area," said Rob Valletta, an economist with the Federal Reserve Bank of San Francisco.

Statewide, the economic picture was brighter than in Silicon Valley. The unemployment rate fell to its lowest rate since July 2001: 5.4 percent in March, down from 5.8 percent in February.

Source: San José Mercury News [04/16/05]
www.mercurynews.com/mlid/mercurynews/news/11411482.htm



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

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Civilian Unemployment Rate	March 2004 (Actual)	February 2005 (Revised)	March 2005 (Preliminary)	Percentage Point Change	
				02/05-03/05	03/04-03/05
San José MSA	7.7%	6.3%	5.8%	- 0.5	- 1.9
California	7.0%	6.2%	5.7%	- 0.5	- 1.3
United States	6.0%	5.8%	5.4%	- 0.4	- 0.6

Civilian Labor Force	March 2004 (Actual)	February 2005 (Revised)	March 2005 (Preliminary)	Percentage Change	
				02/05-03/05	03/04-03/05
San José MSA Total	861,100	851,700	844,400	- 0.9%	- 1.9%
Civilian Employed	794,500	798,200	795,500	- 0.3%	+ 0.1%
Civilian Unemployed	66,500	53,500	48,900	- 8.6%	- 26.5%

Where the Jobs Are	March 2004 (Actual)	February 2005 (Revised)	March 2005 (Preliminary)	Percentage Change	
				02/05-03/05	03/04-03/05
San José MSA Nonfarm	857,900	847,000	852,100	+ 0.6%	- 0.7%
Goods Producing	209,700	207,600	208,700	+ 0.5%	- 0.5%
Manufacturing	169,200	168,500	169,000	+ 0.3%	- 0.1%
Service Providing	648,200	639,400	643,400	+ 0.6%	- 0.7%
Prof. & Bus. Services	165,600	162,500	162,600	+ 0.1%	- 1.8%
Government	96,500	93,900	94,900	+ 1.1%	- 1.7%

NOTE: San José MSA (Metropolitan Statistical Area) = Santa Clara and San Benito Counties

Source: California Employment Development Department, LMID

Labor Force by City (NOVA Seven-City Consortium)	Labor Force			Employed		Unemployment Rate		
	March 2004	March 2005	Labor Force % Change (03/04-03/05)	March 2004	March 2005	Employed % Change (03/04-03/05)	March 2004	March 2005
	Santa Clara County	834,600	818,800	- 1.9%	771,600	772,600	+ 0.1%	7.6%
Cupertino	22,900	22,700	- 0.9%	21,900	21,900	0.0%	4.5%	3.3%
Los Altos	12,000	11,900	- 0.8%	11,600	11,600	0.0%	3.5%	2.6%
Milpitas	29,900	29,300	- 2.0%	27,700	27,700	0.0%	7.3%	5.4%
Mountain View	39,800	39,200	- 1.5%	37,600	37,600	0.0%	5.5%	4.1%
Palo Alto	29,800	29,500	- 1.0%	28,700	28,700	0.0%	3.8%	2.8%
Santa Clara	54,400	53,400	- 1.8%	50,800	50,800	0.0%	6.6%	4.9%
Sunnyvale	71,100	69,900	- 1.7%	66,500	66,600	+ 0.1%	6.4%	4.8%
NOVA Workforce Investment Area	259,900	256,200	- 1.4%	244,800	245,100	+ 0.1%	5.8%	4.3%

NOTE: Totals may not add correctly due to rounding

Source: California Employment Development Department, LMID

Regional Layoff Activity: March 2005					Summary
Company	WARN*	City	Affected	Cause	Individuals Affected YTD†: 3,163+ ‡
Century Furniture	No	Cupertino	3	Closure	WARN Current YTD: 22
Graphics Microsystems Inc.	No	Sunnyvale	3	RIF	
NASA Ames Research Center	No	Mountain View	50	RIF	WARN Previous YTD: 40
Origins	No	Palo Alto	6	Closure	
Philips Semiconductor	Yes	Sunnyvale	53	RIF	* 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
Philips Semiconductor	No	Sunnyvale	—	RIF	
Telesensory Corp.	Yes	Sunnyvale	77	Closure	
Yahoo!	Yes	Sunnyvale	60	RIF	
			252+		