

Workforce Review

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

June 2005

Did you know?

Silicon Valley Business Index still in positive territory But lack of job creation is a concern

Silicon Valley's business sentiment continues to be generally positive, with the scarcity of jobs a continued underlying concern, according to a team of Santa Clara University business faculty, which conducts a monthly survey of business leaders in the Bay Area.

The survey highlights a characteristic of both the national and local economies, said Robert Hendershott, associate professor of finance in the Leavey School of Business at SCU. "Nationally, corporate profits are strong but job growth has been weaker than in the typical extended recovery," said Hendershott. This disparity is magnified in Silicon Valley, as tech companies show healthy profits while area employment continues to stagnate.

The survey results confirmed the lack of movement in Silicon Valley's job outlook over the past 12 months, said Hendershott, and further, survey respondents expected little improvement in job availability in their own companies during the next six months.

Source: Santa Clara University press release [07/28/05]
www.scu.edu/news/releases/release.cfm?month=0805&story=SiliconValley



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	June 2004 (Actual)	May 2005 (Revised)	June 2005 (Preliminary)	Percentage Point Change	
				05/05-06/05	06/04-06/05
San José MSA	6.9%	5.1%	5.6%	0.5	- 1.3
California	6.5%	5.0%	5.4%	0.4	- 1.1
United States	5.8%	4.9%	5.2%	0.3	- 0.6

Civilian Labor Force	June 2004 (Actual)	May 2005 (Revised)	June 2005 (Preliminary)	Percentage Change	
				05/05-06/05	06/04-06/05
San José MSA Total	854,500	842,400	854,900	1.5%	0.0%
Civilian Employed	795,300	799,400	807,200	1.0%	1.5%
Civilian Unemployed	59,200	43,000	47,700	10.9%	- 19.4%

Where the Jobs Are	June 2004 (Actual)	May 2005 (Revised)	June 2005 (Preliminary)	Percentage Change	
				05/05-06/05	06/04-06/05
San José MSA Nonfarm	866,500	858,700	864,600	0.7%	- 0.2%
Goods Producing	213,300	209,500	212,400	1.4%	- 0.4%
Manufacturing	170,500	169,100	170,600	0.9%	0.1%
Service Providing	653,200	649,200	652,200	0.5%	- 0.2%
Prof. & Business Svcs.	165,100	165,000	165,700	0.4%	0.4%
Retail Trade	81,600	79,700	80,600	1.1%	- 1.2%

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			Labor Force % Change (06/04-06/05)	Employed		Employed % Change (06/04-06/05)	Unemployment Rate	
	June 2004	June 2005	June 2004		June 2005	June 2004		June 2005	
	Santa Clara County	829,500	829,900		0.0%	772,300		783,900	1.5%
 Cupertino	22,800	23,100	1.3%	21,900	22,300	1.8%	3.9%	3.3%	
Los Altos	12,000	12,100	0.8%	11,600	11,800	1.7%	3.3%	2.6%	
Milpitas	29,700	29,700	0.0%	27,700	28,100	1.4%	6.7%	5.3%	
Mountain View	39,600	39,800	0.5%	37,600	38,200	1.6%	5.1%	4.0%	
Palo Alto	29,700	29,900	0.7%	28,700	29,100	1.4%	3.4%	2.8%	
Santa Clara	54,100	54,200	0.2%	50,800	51,600	1.6%	6.1%	4.8%	
Sunnyvale	70,700	70,900	0.3%	66,600	67,600	1.5%	5.3%	4.7%	
NOVA Workforce Investment Area	258,600	259,700	0.4%	244,900	248,700	1.6%	5.3%	4.2%	

NOTE: Totals may not add correctly due to rounding

Source: California Employment Development Department, LMID

Regional Layoff Activity: June 2005					Summary
Company	WARN*	City	Affected	Cause	
Kulicke & Soffa, Inc.	Yes	Santa Clara	75	Closure	Individuals Affected YTD [†] : 3,526 [‡] WARN Current YTD: 24 WARN Previous YTD: 42
Mirra	No	Sunnyvale	6	RIF	
PMC Sierra	No	Santa Clara	63	RIF	
Terayon Communications	No	Santa Clara	20	RIF	
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* 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