

# Workforce Review

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

July 2004

## *Did you know?*

A relentless rise in the cost of employee health insurance has become a significant factor in the employment slump, as the labor market adds only a trickle of new jobs each month despite nearly three years of uninterrupted growth.

Government data, industry surveys and interviews with employers large and small indicate that many businesses remain reluctant to hire full-time employees because health insurance, which now costs the nation's employers an average of about \$3,000 a year for each worker, has become one of the fastest-growing costs for companies. Health premiums are sapping corporate balance sheets even more than the rising cost of energy.

In the second quarter [of 2004], the cost of health benefits rose at a 12-month rate of 8.1 percent—more than three times the inflation rate and the rate of increases in wages and salaries.

Although the economy emerged from recession long ago, posting 11 straight quarters of growth, there are still about a million fewer jobs in the United States than there were at the beginning of 2001, just before the country sank into recession.

*For the rest of the article, please visit The New York Times online.*

Source: The New York Times  
[[www.nytimes.com/2004/08/19/business/19care.html](http://www.nytimes.com/2004/08/19/business/19care.html)]



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

# Workforce Review

## July 2004

Civilian Unemployment Rate	July 2003 (Actual)	June 2004 (Revised)	July 2004 (Preliminary)	Percentage Change	
				06/04 – 07/04	07/03 – 07/04
Santa Clara County	8.7%	6.3%	6.3%	0.0%	- 2.4%
California	7.2%	6.4%	6.5%	+ 0.1%	- 0.7%
United States	6.3%	5.8%	5.7%	- 0.1%	- 0.6%

  

Civilian Labor Force	July 2003 (Actual)	June 2004 (Revised)	July 2004 (Preliminary)	Percentage Change	
				06/04 – 07/04	07/03 – 07/04
Santa Clara County Total	904,800	873,000	883,100	+ 1.2%	- 2.4%
Civilian Employed	825,600	818,000	827,600	+ 1.2%	+ 0.2%
Civilian Unemployed	79,200	55,000	55,500	+ 0.9%	- 29.9%

  

Where the Jobs Are	July 2003 (Actual)	June 2004 (Revised)	July 2004 (Preliminary)	Percentage Change	
				06/04 – 07/04	07/03 – 07/04
Santa Clara Co. Nonfarm	852,800	847,100	843,200	- 0.5%	- 1.1%
Goods Producing	216,400	210,700	211,200	+ 0.2%	- 2.4%
Manufacturing	176,600	171,900	172,000	+ 0.1%	- 2.6%
Service Providing	636,400	636,400	632,000	- 0.7%	- 0.7%
Prof. & Bus. Services	164,000	161,500	160,700	- 0.5%	- 2.0%
Government	92,600	93,000	89,600	- 3.7%	- 3.2%

Source: California Employment Development Department, LMI

CaWORKs Caseload by City (NOVA Region)	July 2003 (# of households)	July 2004 (# of households)	Change in Rate 07/03 – 07/04
<b>Santa Clara County</b>	<b>12,931</b>	<b>14,064</b>	<b>+ 8.8%</b>
Cupertino	72	80	+ 11.1%
Los Altos	9	13	+ 44.4%
Milpitas	401	429	+ 7.0%
Mountain View	225	276	+ 22.7%
Palo Alto	60	79	+ 31.7%
Santa Clara	529	678	+ 28.2%
Sunnyvale	366	418	+ 14.2%
<b>NOVA Workforce Investment Area</b>	<b>1,662</b>	<b>1,973</b>	<b>+ 18.7%</b>

Source: County of Santa Clara

NOVA Rapid Response Activity					Summary
Company	WARN*	City	Affected	Cause	Individuals Affected YTD†: 333‡
Procket Networks, Inc.	Yes	Milpitas	50	RIF	WARN Current YTD: 1
Hanmi Bank	No	Santa Clara	-	RIF	
Intersil Corporation	No	Milpitas	200	RIF	WARN Previous YTD: 6
Moonlight Café	No	Sunnyvale	2	Closure	
Sunnyvale School District	No	Sunnyvale	6	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
Vishay-Siliconix, Inc.	No	Santa Clara	50	RIF	
Washington Mutual	No	-	-	RIF	
Xicor	No	Milpitas	25	RIF	
			<b>333+</b>		