

Workforce Review

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

September 2003

Did You Know?

According to Business 2.0, the nation is on the brink of an employment boom that will make the hiring shortage of 1999–2000 seem like “a minor irritation.” This prediction—drastic when compared with the current economic situation—is the result of the demographics of today’s workforce. During this decade and the next, Baby Boomers, representing nearly 60 percent of today’s “prime-age” workforce (workers between the ages of 25 and 54), will begin to retire. The generation of workers just behind the Boomers and the younger generation set to enter the workforce over the course of the next 20 years simply won’t have the numbers to replace the exiting boomers. The shortage will most profoundly affect two key groups: managers, who tend to be older and closer to retirement, and skilled workers in high-demand, high-tech jobs.

Anthony Carnevale, former chairman of President Clinton’s National Commission for Employment Policy, forecasts that a skilled worker gap will begin to appear in 2005. By 2010, this gap will grow to 5.3 million workers and reach 14 million by 2020. According to Carnevale, this will occur without any heroic growth rates or bubble-like economic anomalies. Rather, it is predicated on the economy’s anticipated return to the long-term growth rate of 3.0 to 3.5 percent per year.

—“The Coming Job Boom,” Business 2.0, September 2003
(www.business2.com)



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



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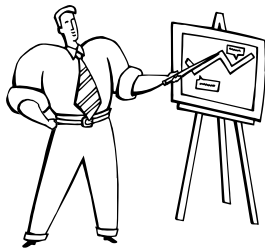
September 2003

Civilian Unemployment Rate	September 2002	August 2003 (revised)	September 2003 (preliminary)	Percentage Change	
				09/02 - 09/03	08/03 - 09/03
Santa Clara County	8.8%	8.0%	7.5%	-1.3%	-0.5%
California	6.5%	6.6%	6.1%	-0.4%	-0.5%
United States	5.4%	6.0%	5.8%	+0.4%	-0.2%

Civilian Labor Force	September 2002	August 2003 (revised)	September 2003 (preliminary)	Percentage Change	
				09/02 - 09/03	08/03 - 09/03
Santa Clara County Total	946,500	923,100	908,100	-4.1%	-1.6%
Civilian Employed	863,200	849,000	840,300	-2.7%	-1.0%
Civilian Unemployed	83,300	74,200	67,800	-18.6%	-8.6%

Where the Jobs Are	September 2002	August 2003 (revised)	September 2003 (preliminary)	Percentage Change	
				09/02 - 09/03	08/03 - 09/03
Santa Clara County Non-farm	898,200	862,200	859,800	-4.3%	-0.3%
Goods Producing	243,800	226,600	225,400	-7.5%	-0.5%
Manufacturing	199,300	183,600	182,400	-8.5%	-0.7%
Service Providing	654,400	635,600	634,400	-3.1%	-0.2%
Prof. & Bus. Services	169,800	159,600	157,800	-7.1%	-1.1%
Government	94,900	92,600	93,500	-1.5%	1.0%

Source: California Employment Development Department, LMID



Labor Force by Region September 2003 (preliminary)	Labor Force	Unemployment Rate	Percentage of County Labor Force
Santa Clara County	908,100	7.5%	100.0%
NOVA Service Delivery Area	289,000	5.9%	31.8%
Cupertino	25,570	4.4%	2.8%
Los Altos	14,960	4.6%	1.6%
Milpitas	29,440	7.7%	3.2%
Mountain View	45,860	5.2%	5.1%
Palo Alto	34,930	3.9%	3.8%
Santa Clara	61,130	7.0%	6.7%
Sunnyvale	77,130	6.4%	8.5%

Source: California Employment Development Department, LMID

NOVA Rapid Response Activity – September 2003

Company	WARN*	City	# Affected	Cause
Applied Materials, Inc.	Yes	Santa Clara	43	RIF
IBM	Yes	Cupertino	146	RIF
National Semiconductor	Yes	Santa Clara	126	RIF
National Semiconductor	Yes	Santa Clara	120	RIF
Signal Technology Corp.	Yes	Sunnyvale	119	Closure
Confidential	No	Milpitas	13	RIF
Confidential	No	Santa Clara	200	RIF
Confidential	No	Santa Clara	30	RIF
			<u>797</u>	

Companies not filing a WARN notice are not listed to protect confidentiality.

Individuals Affected Year to Date**:2,803 WARN This Year to Date: 17 WARN Previous Year to Date: 11

*WARN = Workers' Adjustment & Retraining Notification Act (notice of mass layoff or closure) ** "Year to Date" refers to fiscal year (7/1-6/30)