

# Workforce Review

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

## September 2006

### *Did you know?*

#### **Report: California Biotech Booming, but Fragile**

California remains the hot spot for biotechnology businesses, employing almost 260,000 in 2005, according to a report issued Thursday. The California Healthcare Institute report, compiled by PriceWaterhouseCoopers, said the field of biotech, which includes diagnostic companies and medical device makers, reported about \$62 billion in revenue last year for the state. It is the second largest among technology industries in the state, the report said, citing statistics from the state labor department.

And of the about \$5.9 billion in venture capital poured into the field, nearly half went to companies in California, many of them developing drugs to fight diseases such as cancer, diabetes and arthritis. In addition, about \$3.6 billion in National Institutes of Health grants went to California scientists in fiscal year 2004, the report found.

Along with the large biotech work force in California, the average salary has risen to \$70,400 from \$60,000 a decade ago. In comparison with the 260,000-employee figure, California employed about 304,200 in computer-programming jobs in 2005, 188,400 in aerospace jobs and 168,700 in other computer-related jobs.

"Though the biomedical industry is a solid, significant and growing component of the state's economy, California's life science leadership is fragile," David Gollaher, the institute's chief executive said in a statement. In the report, Gollaher said that "there are storm clouds in the California and the national political environment that could dampen the industry's prospects."

Source: *Silicon Valley/San Jose Business Journal* [10/20/06]



*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	September 2005 (Actual)	August 2006 (Revised)	September 2006 (Preliminary)	Percentage Point Change	
				08/06-09/06	09/05-09/06
San José-Sunnyvale MSA	5.3%	4.7%	4.5%	- 0.2	- 0.8
California	4.9%	4.9%	4.6%	- 0.3	- 0.3
United States	4.8%	4.6%	4.4%	- 0.2	- 0.4


Civilian Labor Force	September 2005 (Actual)	August 2006 (Revised)	September 2006 (Preliminary)	Percentage Change	
				08/06-09/06	09/05-09/06
San José-Sunnyvale MSA	849,400	847,000	845,900	- 0.1%	- 0.4%
Civilian Employed	804,700	807,100	807,800	+ 0.1%	+ 0.4%
Civilian Unemployed	44,700	39,900	38,100	- 4.5%	- 14.8%

Where the Jobs Are (San José-Sunnyvale MSA)	September 2005 (Actual)	August 2006 (Revised)	September 2006 (Preliminary)	Percentage Change	
				08/06-09/06	09/05-09/06
Total Nonfarm	870,000	876,300	878,400	+ 0.2%	+ 1.0%
Goods Producing	217,900	217,700	218,400	+ 0.3%	+ 0.2%
Manufacturing	171,200	171,300	171,400	+ 0.1%	+ 0.1%
Service Providing	652,100	658,600	660,000	+ 0.2%	+ 1.2%
Prof. & Business Svcs.	160,500	161,300	162,100	+ 0.5%	+ 1.0%
Government	93,800	93,600	94,100	+ 0.5%	+ 0.3%

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 City (NOVA Seven-City Consortium)	Labor Force		Labor Force % Change (09/05-09/06)	Employed		Employed % Change (09/05-09/06)	Unemployment Rate	
	September 2005	September 2006		September 2005	September 2006		September 2005	September 2006
	<b>Santa Clara County</b>	<b>824,900</b>	<b>821,600</b>	<b>- 0.4%</b>	<b>781,600</b>	<b>784,600</b>	<b>+ 0.4%</b>	<b>5.2%</b>
 Cupertino	22,900	22,900	0.0%	22,200	22,300	+ 0.5%	3.1%	2.7%
Los Altos	12,100	12,000	- 0.8%	11,800	11,800	0.0%	2.4%	2.1%
Milpitas	29,600	29,500	- 0.3%	28,100	28,200	+ 0.4%	5.0%	4.3%
Mountain View	39,600	39,500	- 0.3%	38,100	38,200	+ 0.3%	3.8%	3.2%
Palo Alto	29,900	29,900	0.0%	29,100	29,200	+ 0.3%	2.6%	2.2%
Santa Clara	53,900	53,700	- 0.4%	51,400	51,600	+ 0.4%	4.6%	3.9%
Sunnyvale	70,500	70,300	- 0.3%	67,400	67,600	+ 0.3%	4.4%	3.8%
<b>NOVA Workforce Investment Area</b>	<b>258,500</b>	<b>257,800</b>	<b>- 0.3%</b>	<b>248,100</b>	<b>248,900</b>	<b>+ 0.4%</b>	<b>4.0%</b>	<b>3.5%</b>

NOTE: Totals may not add correctly due to rounding

Source: California Employment Development Department, LMID

Regional Layoff Activity: September 2006					Summary
Company	WARN*	City	Affected	Cause	Individuals Affected YTD <sup>†</sup> : 1,336 ‡
Ace Worldwide	No	Milpitas	11	Closure	WARN Current YTD: 5
General Dynamics	No	Santa Clara	20	RIF	WARN Previous YTD: 5
Nestlé Waters North America	No	Milpitas	15	Closure	
Sipex	No	Milpitas	70	Closure	
			116		

\* 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