

Workforce Review

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

December 2002

Did You Know?

While the current economic condition of Silicon Valley may seem grim, a recently released report reveals that the current economy resembles 1998 levels, a year with growth on the horizon.

“After peaking at \$79,800 in 2000, the average salary in the heart of technology country is now 62,500, just above the 1998 level, according to the annual report of Joint Venture: Silicon Valley Network Mass staff cuts and the slow trickle of attrition have wiped out more than half of the jobs created in the gangbuster years; 127,000 jobs evaporated in 2001 and part of 2002.”

Comparing finances on a larger scale, venture capital investments decreased by 42 percent in 2002 to \$4.8 billion, just above the 1998 level. Also, corporate donations in 2002 accounted for just seven percent of nonprofits' income, down from 16 percent in 1998.

Source: “Technology Sector Turns Back Clock”
San Francisco Chronicle, January 20, 2003

*Note: This is the final monthly release of employment by industry using the Standard Industry Classification (SIC) system. As of February 2003, the Labor Market Information Division (LMID) will use official estimates of employment by industry using the North American Industry Classification System (NAICS). For a better understanding of the change to NAICS, please refer to:
www.calmis.ca.gov/file/hws-naics/hws-naics.htm*



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

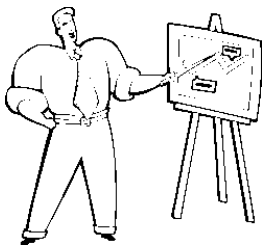


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Unemployment Rate	December 2001	November 2002	December 2002 Preliminary	Percentage Change 12/01-12/02
Santa Clara County	6.3%	8.0%	7.5%	+ 1.2% (19.0% increase)
State of California	5.8%	6.4%	6.3%	+ 0.5% (9.0% increase)
United States	5.4%	5.7%	5.7%	+ 0.3% (5.5% increase)

Labor Force	December 2001	November 2002	December 2002 Preliminary	Percentage Change 12/01-12/02
Santa Clara County Total	995,100	989,200	980,600	-1.5%
Manufacturing Industry	236,200	221,300	220,400	-6.7%
Service Producing Industry	702,900	689,000	689,200	-2.0%



Labor Force by Region <i>December 2002 (preliminary)</i>	Labor Force	Unemployment Rate	Percentage of County Labor Force
Santa Clara County	980,600	7.5%	100.0%
NOVA Service Delivery Area	312,100	5.9%	31.8%
Cupertino	27,600	4.5%	2.8%
Los Altos	16,150	4.6%	1.6%
Milpitas	31,790	7.8%	3.2%
Mountain View	49,510	5.2%	5.1%
Palo Alto	37,710	3.9%	3.8%
Santa Clara	66,020	7.1%	6.7%
Sunnyvale	83,290	6.4%	8.5%

NOVA Rapid Response Activity – December 2002

Company	WARN*		City	# Affected	Cause
	Yes	No			
Advanced Micro Devices (6)	X		Sunnyvale	750	RIF
Maxtor (4)	X		Milpitas	88	RIF
DirecTV	X		Cupertino	226	Closure
Space Systems Loral (2)	X		Palo Alto	130	RIF
Philips (4)	X		Sunnyvale	47	Closure
		X	Santa Clara	10	RIF
		X	Milpitas	150	RIF
		X	Sunnyvale	20	RIF
		X	Milpitas	15	RIF
		X	Milpitas	15	RIF

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

Individuals Affected Year to Date**: 6,946 WARN This Year to Date: 34 WARN Previous Year to Date: 33

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