

DATA RELEASE

Unemployment | April 17, 2020

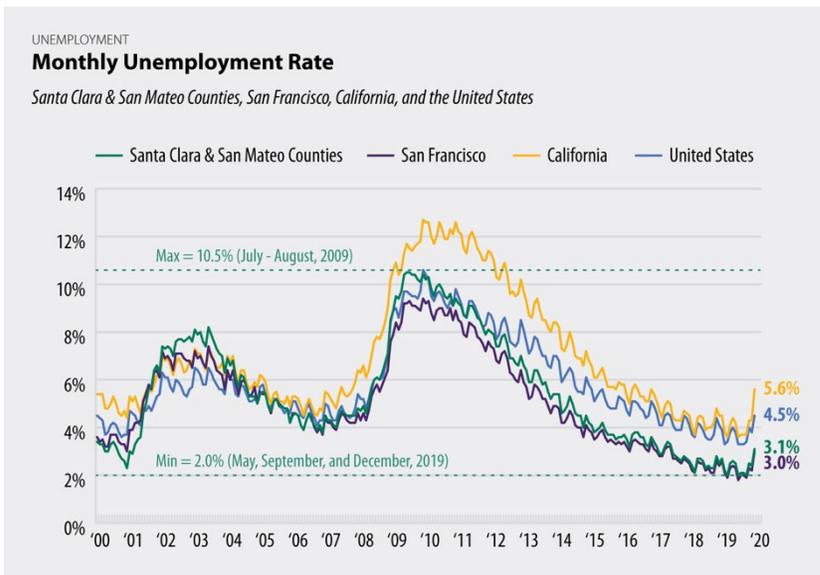
Silicon Valley Unemployment Increased to 3.1% in Earliest Response to COVID-19

April 17, 2020 – Following this morning’s release of preliminary March 2020 labor market data (which has a lag time of several weeks) from the California Employment Development Department (EDD), Joint Venture’s Silicon Valley Institute for Regional Studies compiled this chart illustrating current unemployment rates compared to the past 20 years, including post-dot com bust.

Silicon Valley’s preliminary March unemployment rate of 3.1% represented a sharp increase month-over-month, but it remains significantly lower than the recession-peak of 10.5% in the summer of 2009. The most recent regional data, however, provides a clear indication of what is happening to our workforce given the current public health crisis.

“The March rise in unemployment was to be expected given the global health crisis we’re facing and the shelter-in-place orders,” said Rachel Massaro, the Institute’s Director of Research. “But it’s likely just the tip of the iceberg. More than a quarter of

Silicon Valley’s jobs are in potentially at-risk industries during the pandemic, such as retail, accommodation and food services, construction, transportation, warehousing, administrative services, arts and entertainment, among others. Given the statewide rise in unemployment claims of several orders of magnitude between mid-March and mid-April, we can expect to see much higher unemployment rates for April.”



Unemployment Rates in March 2020 (preliminary):

Santa Clara County: **3.3%**

San Mateo County: **2.8%**

Silicon Valley (San Mateo & Santa Clara Counties combined): **3.1%**

Alameda County: **3.8%**

San Francisco: **3.0%**

California: **5.6%**

United States: **4.5%**

Among the state’s 58 counties, Santa Clara County ranked the 4th lowest in terms of unemployment rate; San Mateo County maintained the #1 ranking in March. The highest unemployment rate in the Bay Area was Solano County, at 5.0%; the highest in the state was Colusa County, at 22.4%.

California County Rank, by March 2020 Preliminary Unemployment Rate:

- Santa Clara County: **4**
- San Mateo County: **1**
- San Francisco: **3**
- Alameda County: **7**

Massaro added, “While much of the region’s unemployment is temporary – as a direct result of the shelter-in-place orders – many workers will face some level of diminished employment options as we move through this crisis. The number and type of job opportunities that emerge in the coming months may be heavily dependent on the duration of the crisis and the structure of our economic re-opening strategy, both of which are unknown at this point.”

Data Sources: U.S. Bureau of Labor Statistics, Current Population Survey (CPS) and Local Area Unemployment Statistics (LAUS); California Employment Development Department (EDD)

Notes: Monthly unemployment rates are calculated using employment and labor force data from the Bureau of Labor Statistics, Current Population Statistics (CPS) and the Local Area Unemployment Statistics (LAUS). Rates are not seasonally adjusted. County-level and California data for March 2020 are preliminary, and were obtained from the California Employment Development Department.

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ABOUT JOINT VENTURE SILICON VALLEY

Established in 1993, Joint Venture provides analysis and action on issues affecting the Silicon Valley economy and quality of life. The organization brings together established and emerging leaders—from business, government, academia, labor and the broader community—to spotlight issues, launch projects and work toward innovative solutions. For more information, visit www.jointventure.org.

ABOUT THE SILICON VALLEY INSTITUTE FOR REGIONAL STUDIES

The Silicon Valley Institute for Regional Studies provides research and analysis on a host of issues facing Silicon Valley’s economy and society. The Institute is housed within Joint Venture Silicon Valley. For more information, visit www.siliconvalleyindicators.org.