

DATA RELEASE

Unemployment | April 16, 2021

DATA RELEASE: Silicon Valley unemployment analysis

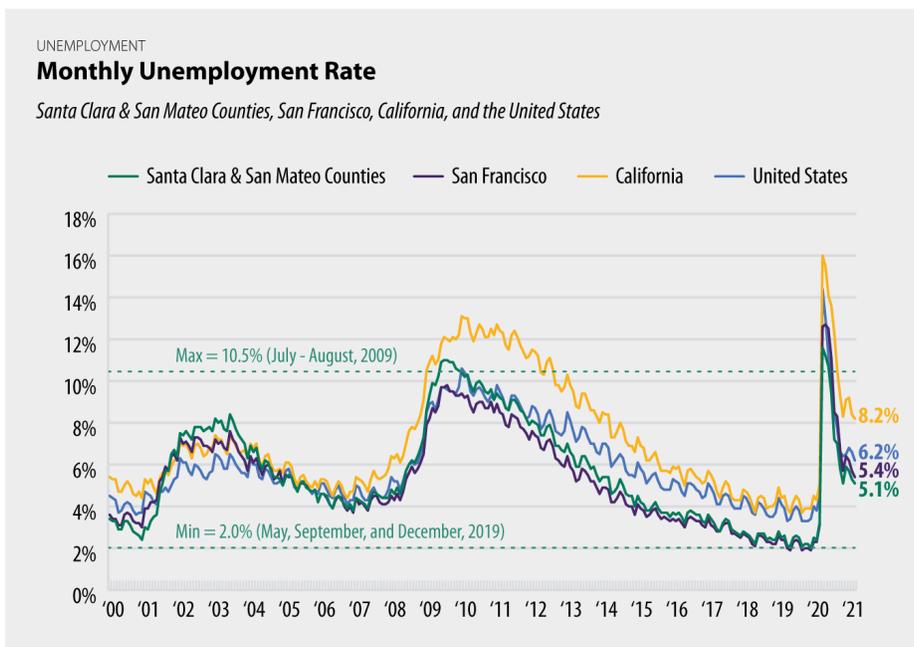
SILICON VALLEY UNEMPLOYMENT RATE FALLS TO 5.1% Rate is less than half of the April high (11.6%); higher than mid-March last year (3.2%)

April 16, 2021 – Silicon Valley’s unemployment rate is back to where it was in November 2020. Today, Joint Venture Silicon Valley’s Institute for Regional Studies released analysis that shows late 2020 economic restrictions, along with a wave of COVID-19 cases contributed to an unemployment rate reaching nearly 6% in December. Since then, the region has experienced a gradual decline to 5.1% in March.

The analysis follows the April 16 release from the California Employment Development Department (EDD).

The March data reflect month-over-month employment upticks in retail (at Clothing & Clothing Accessory Stores), Social Assistance and Ambulatory Health Care Services, and restaurants/food services.

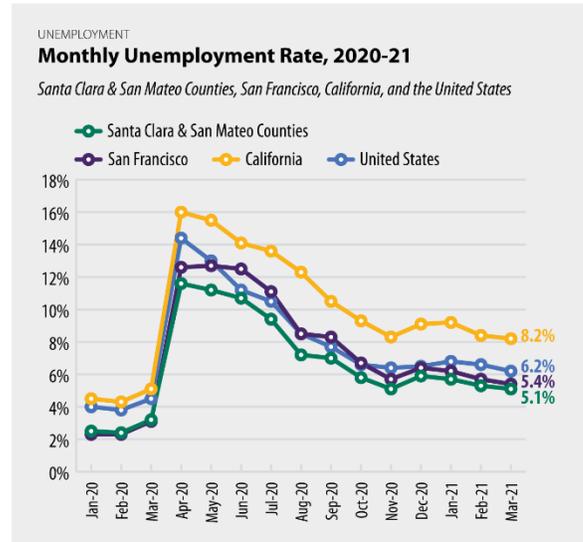
Silicon Valley’s 5.1% unemployment rate is less than half of the April high (11.6%), but remains higher than the 3.2% of mid-March last year.



“The region is on a slow path to recovery,” said Rachel Massaro, the Institute’s Director of Research. “It’s still unclear what that recovery will look like on an industry-by-industry basis. Food service jobs, for instance, are gradually increasing; yet, the industry overall barely has half the jobs it had prior to the pandemic.”

Findings:

- Silicon Valley’s unemployment rate declined by 0.3 percentage points between February and March, reaching 5.1%. This compares to a March unemployment rate of 5.4% for San Francisco, 5.8% for the Bay Area, 8.2% statewide, and 6.2% nationwide.
- As of mid-March, approximately 73,000 people in Silicon Valley’s labor force remained unemployed (21,300 in San Mateo County, and 51,700 in Santa Clara County). This compares to 48,000 at the same time last year (March 2020).
- The average number of Silicon Valley initial unemployment insurance claims each week in March 2021 were 89% lower than at the height of pandemic-related unemployment (late March/early April 2020).
- The increase in Silicon Valley employment levels between February and March (based on metro-area data, which includes San Francisco and San Benito Counties) was primarily driven by gains in Leisure & Hospitality jobs (+6,800 or 5.3%; particularly Accommodation & Food Services at +4,000 or 6.8%), Healthcare & Social Assistance jobs (+4,900 or 2%). There were also moderate month-over-month gains in Administrative & Support Services (+1,000 or 1%) and Clothing & Clothing Accessory Store jobs (+800 or 5.6%).
- Despite overall month-over-month employment gains among the two Silicon Valley metro-areas, most industries are still below pre-pandemic (March 2020) employment levels with the exception of industries such as Information (+3,500 or +1.7%), Couriers & Messengers (+3,500 or 17.9%), and Architectural, Engineering & Related Services (+1,600 or 5%).
- San Mateo and Santa Clara Counties had the 2nd and 3rd lowest unemployment rates, respectively, among the state’s 58 counties in March. Marin County had the lowest unemployment rate, at 4.8%.
- California’s 8.2% unemployment rate for March 2021 was the fourth highest among all U.S. states. The three states with higher unemployment rates were Hawaii (8.6%), New York (8.5%), and Connecticut (8.3%).
- Detailed breakdowns of labor force data on the national level reveal:
 - March 2021 unemployment rates as high as 10.7% for Black or African American Men, 9.1% for Black or African American Women, 8.5% for Hispanic or Latino Men, and 8.3% for young adults ages 18-34 (compared to an overall U.S. unemployment rate of 6.2% in March for the labor force ages 16+).



- The unemployment rate for part-time workers—which peaked at 23.5% in April 2020—is now lower than that of the full-time workforce (5.6% in March, compared to 6.3%). Peak pandemic unemployment rates for part-time workers reached approximately 27.5% for Hispanic or Latina Women, and remained higher than the overall part-time workforce in March (7.1% compared to 5.6%).

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Notes: Silicon Valley includes Santa Clara & San Mateo Counties, unless otherwise noted.

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

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 February and March 2021 are preliminary, and county-level data for March are from the California Employment Development Department April 16 release.

For further reference: To access Silicon Valley’s online data hub, visit www.SiliconValleyIndicators.org

About the Silicon Valley Institute for Regional Studies

The Silicon Valley Institute for Regional Studies is the research arm of Joint Venture Silicon Valley, and is housed within the organization. The Institute provides research and analysis on a host of issues facing Silicon Valley’s economy and society. <https://jointventure.org/institute/about-the-institute>.

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. www.jointventure.org