

DATA RELEASE

Unemployment | August 20, 2021

DATA RELEASE: Silicon Valley unemployment analysis

SILICON VALLEY UNEMPLOYMENT RATE DOWN 0.2 POINTS IN JULY With fluctuations since April, July rebounds to April's rate

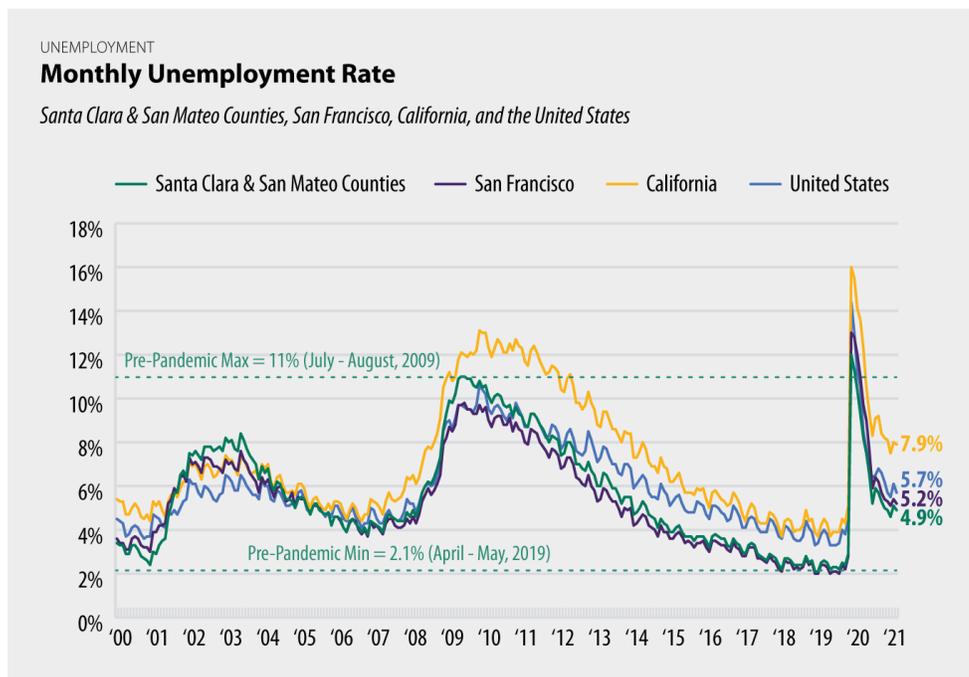
August 20, 2021 – Silicon Valley's latest unemployment rate for July is back to 4.9% — where it was three months prior, according to analysis by Joint Venture Silicon Valley's Institute for Regional Studies. Variations in the region's employment numbers have been relatively small month to month over the past eight months, with the largest pandemic-period declines happening between the peak in April 2020 (12%) and last November (5.2%). Statewide, changes in the unemployment rate have been similarly unremarkable over the past eight months (8.3% in November to 7.9% in July).

The analysis follows the August 20 release from the California Employment Development Department (EDD). National-level data for July was released by the U.S. Bureau of Labor Statistics (BLS) on August 6.

While Silicon Valley's unemployment rate for July was the same as in April, the number of unemployed workers grew by nearly 2,000 people during that period. This incongruity is due to three straight months of increases in the total labor force (from 1.43 million in April, to 1.47 million in July); for comparison, the pre-pandemic labor force was approximately 1.50 million (March 2020). Had the number of labor force participants not increased by 42,000 people, the July unemployment rate would actually be higher than it was in April (around 5.0%).

Leisure & Hospitality jobs represented the greatest month-over-month uptick statewide as well as in the greater Silicon Valley region (two MSAs). June job losses in Educational Services continued into July, with a loss of another 2,500 jobs in the greater region.

"The stagnation of our region's employment picture is characteristic of the struggle to get back to normal" said Rachel Massaro, the Institute's Director of Research. "It took less than a month to lose all of those jobs; it's going to take a lot of effort and persistence to get them back."



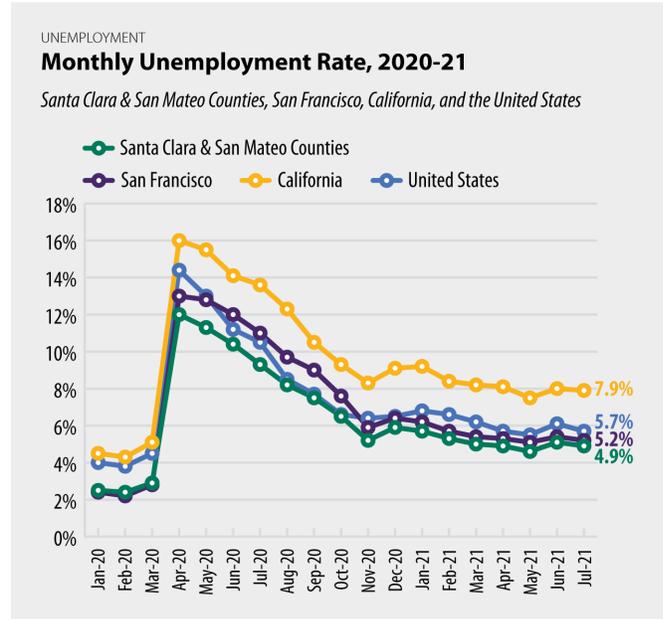
Findings:

- Silicon Valley’s unemployment rate decreased by 0.2 percentage points between June and July, following a 0.4 percentage point increase over the prior one-month period. In July, the combined unemployment rate for Santa Clara and San Mateo Counties was 4.9%, compared to 5.2% for San Francisco, 5.7% for the Bay Area, 7.9% statewide, and 5.7% nationwide.

- As of mid-July, approximately 71,800 people in Silicon Valley’s labor force remained unemployed (21,200 in San Mateo County, and 50,600 in Santa Clara County). This compares to 42,900 pre-pandemic (in March 2020).

- The greater Silicon Valley employment levels between June and July (based on metro-area data, which includes San Francisco and San Benito Counties) grew most notably in Leisure & Hospitality (+7,800 jobs, or +4.6%), Professional & Business Services (+5,200 jobs, or +1%), and Information (+2,600 jobs, or 1.2%). Accommodation & Food Service employment in the greater Silicon Valley region is still 27% below pre-pandemic levels, but improving — at 31% higher in July 2021 than July of 2020.

- San Mateo and Santa Clara Counties had the 2nd and 4th lowest unemployment rates among California counties in July. Marin County remained in the number one slot for the state’s lowest unemployment rate, with a slight decline in July from 4.7% to at 4.5%.



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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 June and July 2021 are preliminary, and county-level data for June are from the California Employment Development Department August 20 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