

# DATA RELEASE

## Unemployment | October 22, 2021

**DATA RELEASE:** Silicon Valley unemployment analysis

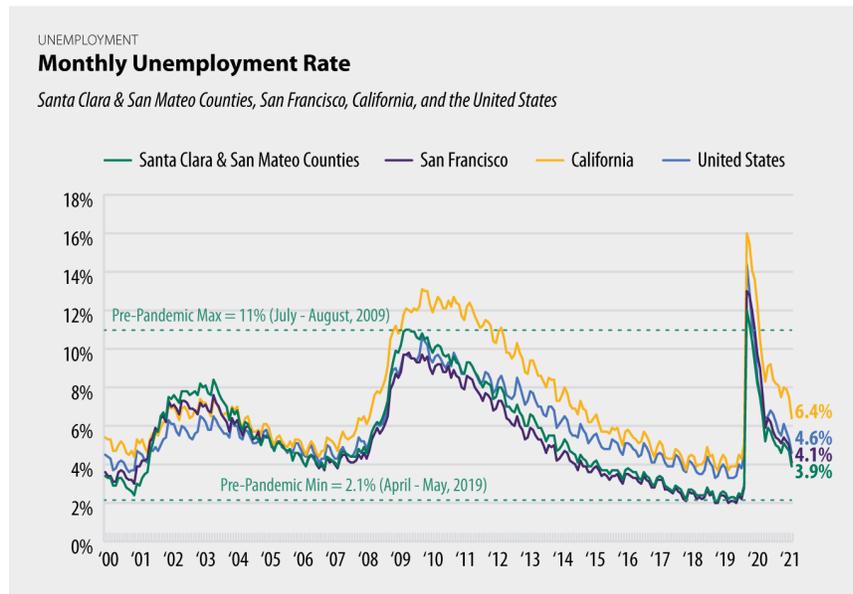
### SILICON VALLEY UNEMPLOYMENT RATE DOWN 0.8 POINTS IN SEPTEMBER

Rate Below Four Percent for the First Time Since March 2020

**October 22, 2021** – Silicon Valley’s latest unemployment rate for September is down to 3.9% — the first time the unemployment rate has dropped below four percent since the start of the pandemic, according to analysis by Joint Venture Silicon Valley’s Institute for Regional Studies. Variations in the region’s unemployment rate had been relatively small in the nine months from November 2020 to August 2021, never fluctuating more than 0.6 percentage points over a single month. August to September 2021 represented a drop of 0.8 percentage points, or from 4.7% to 3.9%. The unemployment rate in Silicon Valley in September was two percentage points lower than it was at the end of 2020.

The analysis follows the October 22 release from the California Employment Development Department (EDD). National-level data for September was released by the U.S. Bureau of Labor Statistics (BLS) on October 8.

Silicon Valley’s unemployment rate had the highest month-over-month drop (-0.8 percentage points) since November 2020 (-1.0 percentage point). This follows meager gains in the labor force from mid-August to mid-September of an additional 4,300 workers or +0.3%.

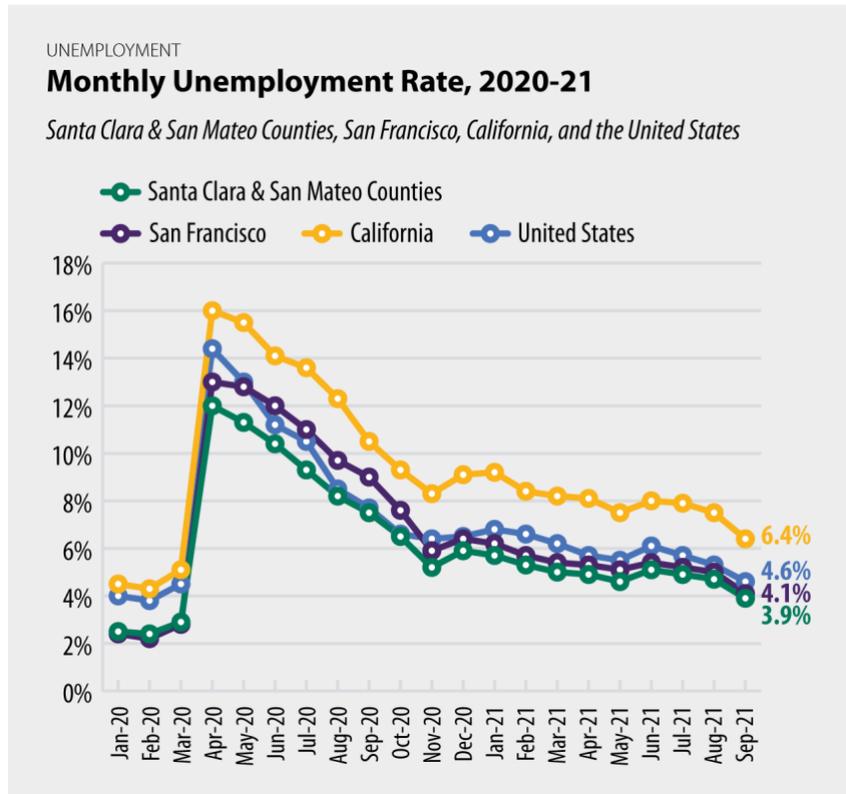


State and Local Government jobs represented the greatest month-over-month uptick in the greater Silicon Valley region (two metropolitan statistical areas, or MSAs) in September. A return to in-class education for elementary schools through colleges and universities in September has resulted in an uptick for both Local (+2,700) and State (+2,200) Government Education employment in the region.

“While September’s employment numbers, namely the unemployment rate, are encouraging, the recovery from the pandemic is not shared equally in Silicon Valley,” said Ryan Young, research manager for BW Research and an affiliated researcher at the Institute. “The ability for some industries such as Information and Professional and Business Services to embrace telecommuting and to move quickly in the face of changes brought about by the pandemic have meant increased employment over pre-pandemic levels, whereas industries like Accommodation and Food Services are still underwater.”

**Findings:**

- Silicon Valley’s unemployment rate decreased by 0.8 percentage points between August and September, following a 0.2 percentage point decrease over the prior one-month period. In September, the combined unemployment rate for Santa Clara and San Mateo Counties was 3.9%, compared to 4.1% for San Francisco, 4.6% for the Bay Area, 6.4% statewide, and 4.6% nationwide.
- As of mid-September, approximately 57,100 people in Silicon Valley’s labor force remained unemployed (21,200 in San Mateo County, and 50,600 in Santa Clara County), a decrease of nearly 12,000 since mid-August. This compares to 42,900 pre-pandemic (in March 2020).



- The greater Silicon Valley employment levels between August and September (based on metro-area data, which includes San Francisco and San Benito Counties) grew most notably in Leisure and Hospitality (+4,200 jobs, or +2.3%), Professional & Business Services (+3,600, or +0.7%), Local Government Education (+2,700 jobs, or +5.3%), and State Government Education (+2,200 jobs, or +9.3). Despite recent gains, Leisure and Hospitality is still down 55,600 jobs since pre-pandemic levels.
- San Mateo and Santa Clara Counties had the 2<sup>nd</sup> and 3<sup>rd</sup> lowest unemployment rates among California counties in September. Marin County remained in the number one slot for the state’s lowest unemployment rate, with a decline in September from 4.4% to at 3.6%.

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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 August and September 2021 are preliminary, and county-level data for September are from the California Employment Development Department October 22 release.

**For further reference:** To access Silicon Valley’s online data hub, visit [www.SiliconValleyIndicators.org](http://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](http://www.jointventure.org)