SILICON VALLEY UNEMPLOYMENT RATE DOWN SLIGHTLY IN OCTOBER
Rate Declined by 0.2 Percentage Points

November 19, 2021 – Silicon Valley employers added 13,000 workers between mid-September and mid-October and the unemployment rate dropped slightly to 3.7%, according to analysis by Joint Venture Silicon Valley’s Institute for Regional Studies. The drop in unemployment is much slower than the change experienced from August to September, when the unemployment rate dropped by 0.8 percentage points (from 4.7% to 3.9%). Since April 2020 and the initial job losses associated with the onset of the COVID-19 pandemic, Silicon Valley has recouped nearly 161,000 jobs, or job growth of 12.7%.

The unemployment rate in Silicon Valley in October was two percentage points lower than it was at the beginning of 2021 (January), and 8.5 percentage points lower than April 2020.

The analysis follows the November 19 release from the California Employment Development Department (EDD). National-level data for October was released by the U.S. Bureau of Labor Statistics (BLS) on November 5.

Professional and Business Services jobs represented the greatest month-over-month uptick in the greater Silicon Valley region (two metropolitan statistical areas, or MSAs) in October.

Computer Systems Design and Related Services added 2,200 jobs as part of the larger sector from mid-September to Mid-October. Computer Systems and Design and Related Services has added 6,500 jobs (+3.8%) since March 2020, growing despite the pandemic. Employment Services is also a notable growth sub-sector within Professional and Business Services, adding 1,900 jobs since mid-September, a 5.1% growth rate month-over-month.

“There are sub-sectors within the larger Leisure and Hospitality industry in Silicon Valley that are still without at least a third of their pre-pandemic workforce 19 months on,” said Ryan Young, Research Manager for BW Research and an affiliated researcher at the Institute. “The real challenge for these firms is determining if and how their businesses operate in a post-March 2020 world, and will demand for their services reach previous levels?”
Findings:

- Silicon Valley’s unemployment rate decreased by 0.2 percentage points between September and October, following a 0.8 percentage point decrease over the prior one-month period. In October, the combined unemployment rate for Santa Clara and San Mateo Counties was 3.7%, compared to 3.9% for San Francisco, 4.3% for the Bay Area, 6.1% statewide, and 4.3% nationwide.

- As of mid-October, approximately 54,100 people in Silicon Valley’s labor force remained unemployed (15,900 in San Mateo County, and 38,200 in Santa Clara County), a decrease of just over 3,000 since mid-September. 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 Professional and Business Services (+10,500 jobs, or +1.9%), Educational Services (+4,800, or +7.0%), Local Government Education (+4,000 jobs, or +7.4%), and Health Care and Social Assistance (+3,500 jobs, or +1.4%). Leisure and Hospitality added 2,300 jobs, still down 54,300 jobs since pre-pandemic levels.

- As with the previous month, San Mateo and Santa Clara Counties had the 2nd and 3rd lowest unemployment rates among California counties in October. Marin County remained in the number one slot for the state’s lowest unemployment rate, with a decline in October from 3.6% to 3.4%.

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 September and October 2021 are preliminary, and county-level data for October are from the California Employment Development Department November 19 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.

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