

DATA RELEASE

Unemployment | March 11, 2022

DATA RELEASE: Silicon Valley unemployment analysis

UNEMPLOYMENT RATE IN SILICON VALLEY RISES TO 3.2 PERCENT

Rate increased by 0.3 percentage points

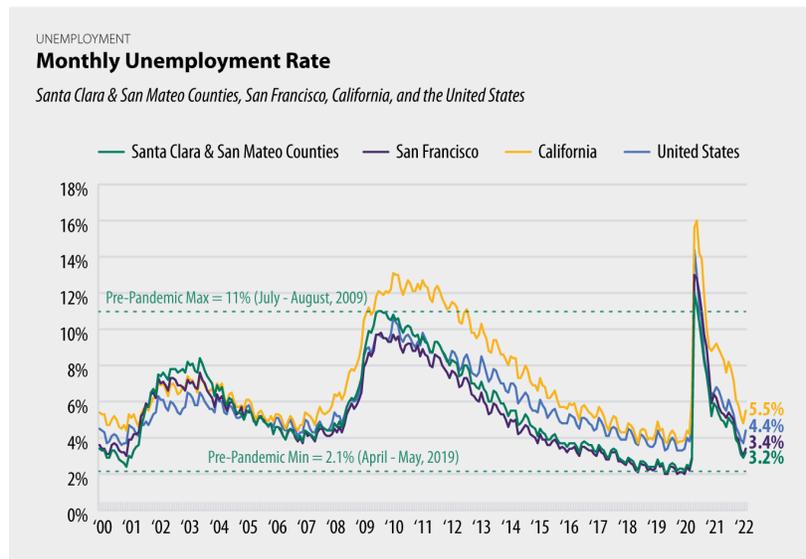
March 11, 2022 – The employment rate in the Silicon Valley region increased to 3.2% in January 2022 due in part to a drop in seasonal employment and the significant spike in COVID cases that occurred just after the holidays. Silicon Valley employers shed nearly 13,400 workers between mid-December and mid-January. The decline represents more than half of the job gains experienced between mid-October and mid-December of last year, according to analysis by Joint Venture Silicon Valley's Institute for Regional Studies.

The total number of unemployed workers in the region increased to 47,500 by mid-January, representing a decrease of nearly 5,000 since mid-December. Despite this, total employment in the region is still up nearly 171,000 since April 2020 and the initial job losses associated with the beginning of the COVID-19 pandemic. This represents job growth of 13.5% over that nine-month period. The January

unemployment rate in Silicon Valley was 2.5 percentage points lower than it was one year prior (January 2021), and 8.8 percentage points lower than April 2020.

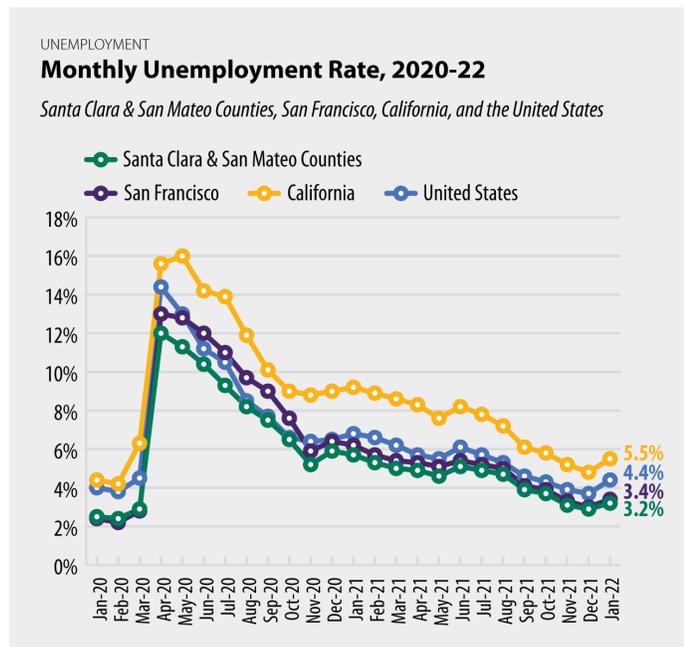
The analysis follows the March 11 release from the California Employment Development Department (EDD). National-level data for December was released by the U.S. Bureau of Labor Statistics (BLS) on February 4.

Trade, Transportation and Utilities jobs represented the greatest month-over-month decline in the greater Silicon Valley region (two metropolitan statistical areas, or MSAs) in December. Transportation and Warehousing lost 3,700 jobs as part of the larger sector from mid-December to mid-January, followed by Retail Trade (-3,200 jobs). Leisure and Hospitality declined by 4,900 (-2.5%) jobs from mid-December to mid-January, with Restaurants accounting for 1,700 of the job losses. Computer Systems Design and Related Services was



one of the few sub-sectors to increase in employment from mid-December to mid-January, adding 600 jobs throughout the greater Silicon Valley region.

“The recent easing of restrictions in Silicon Valley will likely mean the gradual increase in employment for restaurants, retail establishments, and other indoor places over the coming months and into the summer,” said Ryan Young, Research Manager for BW Research and an affiliated researcher at the Institute. “Leisure and Hospitality needs to add 50,000 jobs just to reach the employment level from nearly two years ago.”



Findings:

- Silicon Valley’s unemployment rate increased by 0.3 percentage points between December and January, following a 0.3 percentage point decrease over the prior one-month period. In January, the combined unemployment rate for Santa Clara and San Mateo Counties was 3.2%, compared to 3.4% for San Francisco, 3.9% for the Bay Area, 5.5% statewide, and 4.4% nationwide.
- As of mid-January, approximately 47,500 people in Silicon Valley’s labor force remained unemployed (13,800 in San Mateo County, and 33,700 in Santa Clara County), an increase of nearly 5,000 since mid-December, and a drop of approximately 33,400 since January 2021. The total number of unemployed is lower than the 42,900 pre-pandemic (in March 2020).
- The greater Silicon Valley employment levels between December and January (based on metro-area data, which includes San Francisco and San Benito Counties) declined most notably in Trade, Transportation, and Utilities (-7,700 jobs, or -2.9%), Leisure and Hospitality (-4,900, or -2.5%), Government (-3,600 jobs, or -1.6%), and Educational and Health Services (-3,300 jobs, or -1.0%).
- Continuing the trend from previous months, San Mateo and Santa Clara Counties had the 2nd and 3rd lowest unemployment rates among California counties in December. San Francisco is the 4th spot with a 3.4% unemployment rate. Marin County remained in the number one slot for the state’s lowest unemployment rate, with an increase in January from 2.7% to 3.1%.

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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 December 2021 and January 2022 are preliminary, and county-level data for December are from the California Employment Development Department March 11, 2022 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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