

DATA RELEASE

Unemployment | October 21, 2022

DATA RELEASE: Silicon Valley unemployment analysis

SILICON VALLEY UNEMPLOYMENT FALLS TO 2.1% Total number of unemployed workers lowest since May

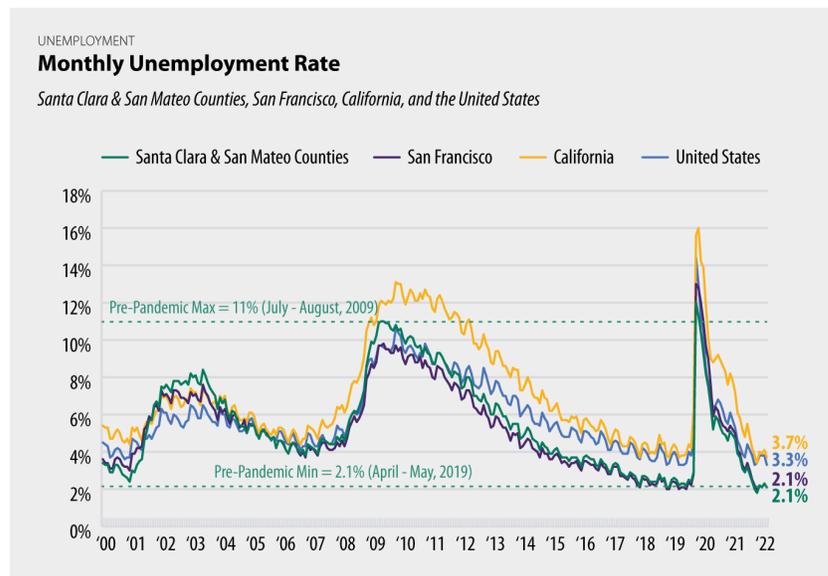
October 21, 2022 – The unemployment rate in the Silicon Valley region decreased to 2.1% in September, which is 0.2 percentage points below the rate in August and equals the unemployment rate in July. Overall employment in the region increased by just over 1,000 workers, while the number of unemployed decreased by nearly 3,100. The total number of unemployed workers in Silicon Valley is the lowest (31,300) since May (26,700). The total labor force in Silicon Valley dropped by almost 2,200 from mid-August to mid-September and is now 16,700 below the previous high in February 2020. The labor force now includes just over 87,400 more individuals than the pandemic low of 1.42 million in May 2021.

Overall, employers have added more than 54,600 workers since the start of the year, and 81,800 since September 2021, according to analysis by Joint Venture Silicon Valley's Institute for Regional Studies. The total number of unemployed workers in the region in mid-August is more than 138,600 lower than the total number of unemployed in Silicon Valley in April 2020. Total employment in the region is up more than 218,800 since April 2020 and the initial job losses associated with the beginning of the COVID-19 pandemic. Overall, job growth has been at 17.3% over the last 29 months. The

unemployment rate in Silicon Valley in September was 1.7 percentage points lower than it was a year ago (September 2021), and 9.8 percentage points lower than April 2020.

The analysis follows the October 21st 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 7th.

Government jobs represented the greatest month-over-month increase in the greater Silicon Valley region (two metropolitan statistical areas, or MSAs), outpacing Educational and Health Services. Local government added 1,800 jobs as part of the larger sector from mid-August to mid-September. Educational and Health Services increased by 2,500 (+0.7%) jobs from mid-August to mid-September, with the majority of gains in Educational Services (+1,700, or +2.3%). Decreases in employment affected some larger sectors, most notably Information (-3,300, or -1.4%) and Manufacturing (-2,100, or -1.0%). Leisure and Hospitality also underwent

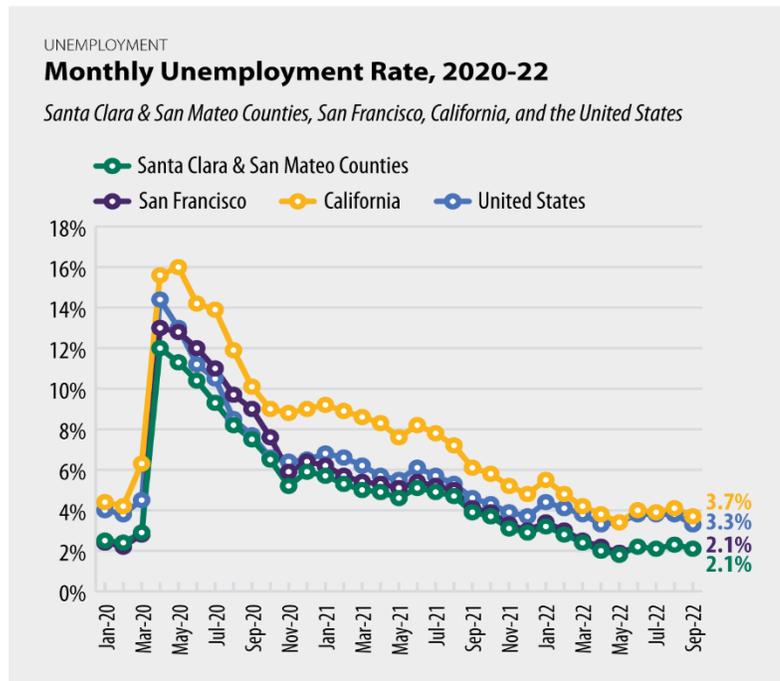


overall job loss after several months of growth, with Restaurants losing the most number of jobs (-2,600, or -1.8%) as part of the larger sector.

“The total number of unemployed individuals in the region remains low, which is relatively good news for Silicon Valley,” said Ryan Young, Research Manager for BW Research and an affiliated researcher at the Institute. “However, overall unemployment can mask the volatility across large industry sectors, as Other Services, Information, Financial Activities, and Manufacturing all contracted by at least one percent from mid-August to mid-September.”

Findings:

- Silicon Valley’s unemployment rate decreased by 0.2 percentage points between August and September, following a 0.2 percentage point increase over the prior one-month period. In September, the combined unemployment rate for Santa Clara and San Mateo Counties was 2.1%, compared to 2.1% for San Francisco, 2.5% for the Bay Area, 3.7% statewide, and 3.3% nationwide.
- As of mid-September, approximately 31,300 people in Silicon Valley’s labor force remained unemployed (8,900 in San Mateo County, and 12,200 in Santa Clara County), a decrease of nearly 3,100 since mid-August, and a drop of approximately 23,800 since September 2021.
- The greater Silicon Valley employment levels between August and September (based on metro-area data, which includes San Francisco and San Benito Counties) increased most notably in Government (+3,500 jobs, or +1.6%), Educational and Health Services (+2,500, or +0.7%), and Construction (+400, or +0.4%). Industries that lost the most jobs include Information (-3,300, or -1.4%), Manufacturing (-2,100, or -1.0%), Professional and Business Services (-1,700, or -0.3%), and Leisure and Hospitality (-1,600, or -0.7%).
- San Mateo maintains the lowest unemployment rate among California counties decreasing from 2.1% in August to 1.9% in September. Santa Clara and San Francisco follow, each with a 2.1% unemployment rate. Marin decreased from 2.4% to 2.2%, maintaining fourth place among California counties.



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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 August 2022 and September 2022 are preliminary, and county-level data for September are from the California Employment Development Department October 21, 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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