

DATA RELEASE

Unemployment | May 19, 2023

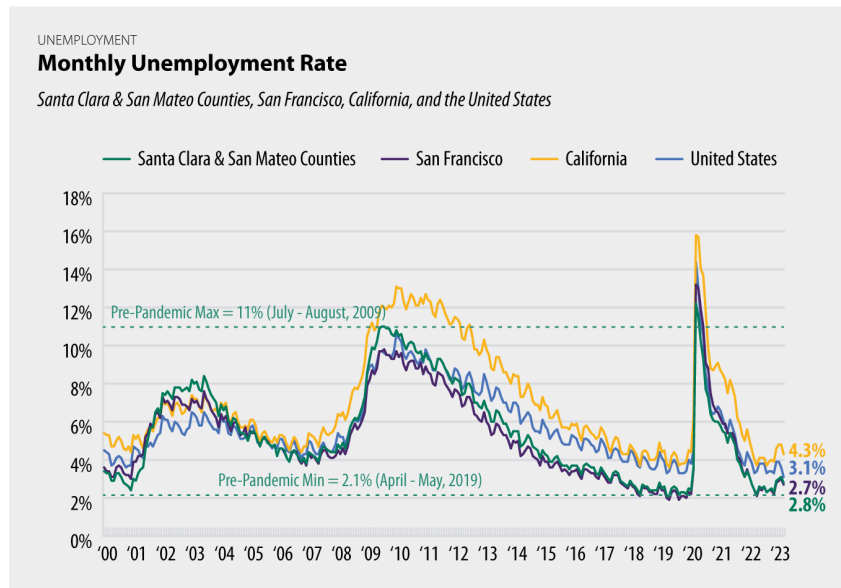
DATA RELEASE: Silicon Valley unemployment analysis

SILICON VALLEY UNEMPLOYMENT RATE DECREASES TO 2.8%

Region rebounds after March losses
San Mateo maintains lowest unemployment rate among California counties

May 19, 2023 – The unemployment rate in Silicon Valley decreased month-to-month to 2.8% in April for the first time in 2023, following a slight increase from mid-February to mid-March, according to analysis by Joint Venture Silicon Valley’s Institute for Regional Studies. The unemployment rate in the region is at its lowest since December of 2022, when it sat at 2.3%. Overall employment in the region decreased by more than 16,300 workers, while the number of unemployed persons decreased by more than 4,000.

The total labor force in Silicon Valley decreased by more than 20,500 from mid-March to mid-April, the largest month-to-month decrease since the period from March 2020 to April 2020, when it decreased by 55,100 individuals. The total labor force in the region is back down to the level last seen in January of this year (1.5 million) and includes almost 76,200 more individuals than the pandemic low of just under 1.42 million in April 2021.



Overall, employers added just over 21,000 workers between April 2022 and April 2023. The total number of unemployed workers in the region in mid-March was nearly 134,900 lower than the peak (170,000) in April 2020. Total employment in the region is up by 184,200 since April 2020, which reflected the initial job losses associated with the beginning of the COVID-19 pandemic. Overall, job growth is +14.5% over the last 36 months, or three years. The unemployment rate in Silicon Valley in January was just over 0.4 percentage points higher than it was a year before (April 2022), and 9.4 percentage points lower than April 2020.

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

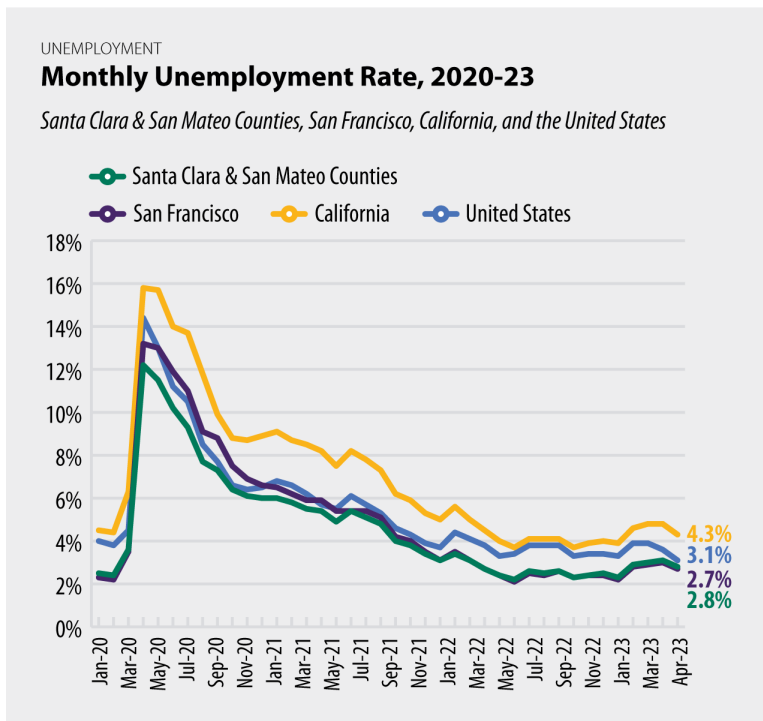
Professional and Business Services jobs represented the greatest month-over-month increase in the greater Silicon Valley region (two metropolitan statistical areas, or MSAs), outpacing Educational and Health Services.

Administrative and Support Services added 1,600 jobs as part of the larger sector from mid-March to mid-April. Educational and Health Services increased by 2,900 (+0.8%) jobs from mid-March to mid-April. Leisure and Hospitality and Other Services also increased notably in the same period, adding 2,600 and 2,000 jobs respectively. Information experienced the largest job loss (-2,600, or -1.1%), followed by Trade, Transportation, and Utilities (-2,000, or -0.8%).

“The unemployment rate in Silicon Valley has declined for the first time since November to December of last year, stopping the steady increases month-to-month that were experienced over the first quarter of 2023,” said Ryan Young, Research Manager for BW Research, and an affiliated researcher at the Institute. “Leisure and Hospitality experienced healthy growth once again, and is now just 8,900 jobs below pre-pandemic levels, which is remarkable as the initial deficit was more than 125,000 during the early stages of the pandemic.”

Findings:

- Silicon Valley’s unemployment rate decreased by 0.2 percentage points between mid-March and mid-April. In April, the combined unemployment rate for Santa Clara and San Mateo Counties was 2.8%, compared to 2.7% for San Francisco, 3.1% for the Bay Area, 4.3% statewide, and 3.1% nationwide.
- As of mid-April, approximately 42,200 people in Silicon Valley’s labor force remained unemployed (11,500 in San Mateo County, and 30,700 in Santa Clara County), a decrease of more than 4,000 since mid-March, and an increase of more than 7,000 since April 2022.



- The greater Silicon Valley employment levels between March and April (based on metro-area data, which includes San Francisco and San Benito Counties) increased most notably in Professional and Business Services (+3,700 jobs, or +0.7%), Educational and Health Services (+2,900, or +0.8%), Leisure and Hospitality (+2,600, or +1.1%), and Other Services (+2,000, or +3.2%). Information (-2,600, or -1.1%), Trade, Transportation, and Utilities (-2,000, or -0.8%), Manufacturing (-700, or -0.3%), and Construction (-700, or -0.7%) decreased total industry employment from mid-March to mid-April.

- San Mateo maintains the lowest unemployment rate among California counties, with an unemployment rate of 2.5% in April. San Francisco is second, decreasing from 3.0% in March to a 2.7% unemployment rate in April. Marin County sits at third among California counties, with a 2.8% unemployment rate, down from 3.1% in March. Santa Clara remains in fourth among all counties in the state, moving from 3.2% in March to 2.9% in April.

###

Notes: Silicon Valley includes Santa Clara & San Mateo Counties, unless otherwise noted. 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 March and April 2023 are preliminary, and county-level data for April are from the California Employment Development Department May 19, 2023, release.

Data Sources: U.S. Bureau of Labor Statistics, Current Population Survey (CPS) and Local Area Unemployment Statistics (LAUS); California Employment Development Department (EDD)

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