

# DATA RELEASE

## Unemployment | September 15, 2023

**DATA RELEASE:** Silicon Valley unemployment analysis

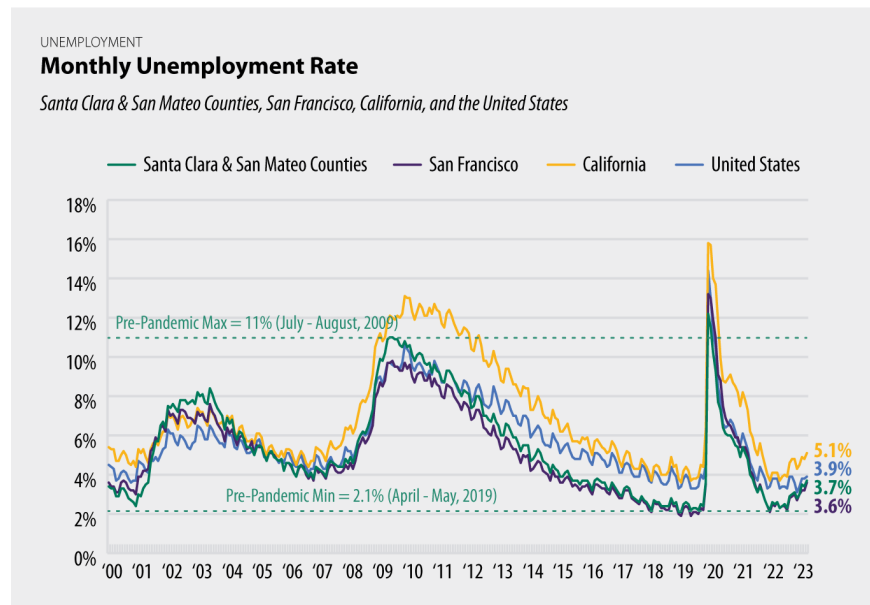
### SILICON VALLEY UNEMPLOYMENT RATE INCREASES TO 3.7% IN AUGUST 11,000 fewer employed residents in Silicon Valley (-1% since mid-July)

**September 15, 2023** – The unemployment rate in Silicon Valley increased to 3.7% in August from 3.4% in July, mirroring the 0.3 percentage point increase in unemployment throughout the Bay Area (3.7% to 4.0%). This follows a decrease in the rate from June to July, according to analysis by Joint Venture Silicon Valley’s Institute for Regional Studies. So far in 2023, the unemployment rate has increased five times when measuring month-to-month estimates and has only decreased twice (between March and April and between June and July). For comparison, the unemployment rate decreased five times (month-to-month) between January and August 2022. Overall employment among residents in the region decreased by more than 11,000 between mid-July and mid-August. Total employment among Silicon Valley residents is nearly 20,500 below the previous 2023 high reported in March.

The analysis follows the September 15 release from the California Employment Development Department (EDD). National-level data for August was released by the U.S. Bureau of Labor Statistics (BLS) September 1<sup>st</sup>.

The total labor force in Silicon Valley decreased by more than 6,200 people (-0.4%) from mid-July to mid-August, representing the first labor force decrease since the period from April to May 2023. The total labor force in the region remains over 1.5 million, sitting approximately 11,200 below the high of 1.52 million in March of this year. The labor force includes nearly 86,000 more individuals than the pandemic low of 1.42 million in April 2021.

Overall, employed residents have dropped by more than 11,400 over the past year (August 2022 - August 2023). The total number of unemployed Silicon Valley workers in mid-August was nearly 121,200 lower than the peak (177,000) in April 2020, while total employment was up by 180,200 over the same period. Overall, employed residents are up 14% over that 40-month period since April 2020. Silicon Valley’s August unemployment rate was 1.1 percentage points higher than it was a year prior (in August 2022), and 8.5 percentage points lower than April 2020.

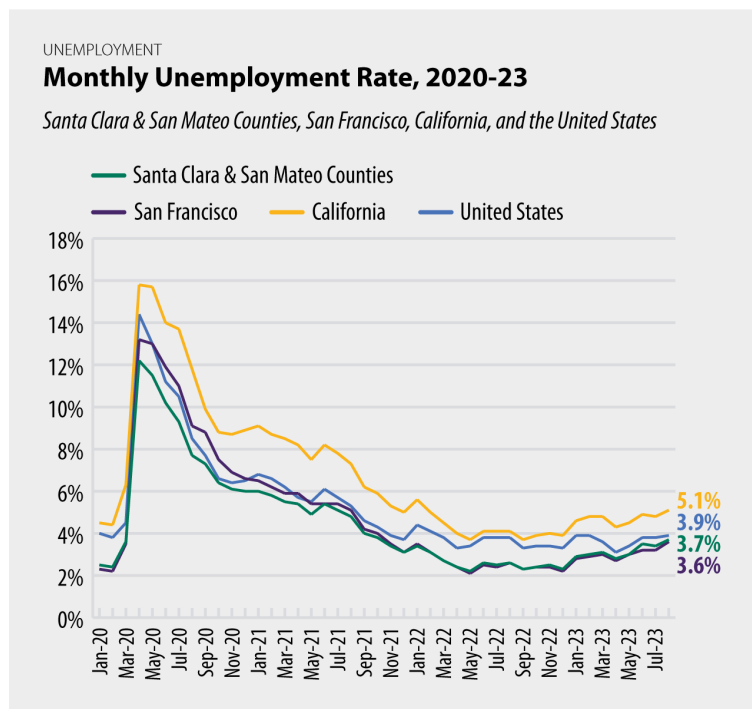


Government jobs represented the greatest month-over-month increase in the greater Silicon Valley region (two metropolitan statistical areas, or MSAs), outpacing Construction. Government added 3,600 jobs from mid-July to mid-August, representing 1.6% growth. Construction increased by 2,000 (+2.1%) jobs from mid-July to mid-August, led by 800 jobs added in Specialty Trade Contractors in Silicon Valley. Professional and Business Services experienced the largest job losses over the one-month period (-3,500, or -0.6%), followed by Trade, Transportation, and Utilities (-1,600, or -0.6%), and Financial Activities (-1,200, or -0.9%).

“The unemployment rate in Silicon Valley has increased to its highest level (3.7%) since October of 2021 (3.8%),” said Ryan Young, Research Manager for BW Research, and an affiliated researcher at the Institute. “This is driven by higher-than-average job losses in Professional and Business Services, and the fact that in the greater Silicon Valley region, eight of eleven large industry sectors shed employment from mid-July to mid-August.”

**Findings:**

- Silicon Valley’s unemployment rate increased by 0.3 percentage points between mid-July and mid-August. In August, the combined unemployment rate for Santa Clara and San Mateo Counties was 3.7%, compared to 3.6% for San Francisco, 4.0% for the Bay Area, 5.1% statewide, and 3.9% nationwide.
- As of mid-August, approximately 55,900 people in Silicon Valley’s labor force were unemployed (15,200 in San Mateo County, and 40,700 in Santa Clara County), an increase of nearly 4,800 since mid-July, and an increase of approximately 16,900 since August 2022.
- The Greater Silicon Valley employment levels between July and August (based on metro-area data, which includes San Francisco and San Benito Counties) increased in Government (+3,600 jobs, or +1.6%) and Construction (+2,000, or +2.1%). Employment levels decreased most notably in Professional and Business Services (-3,500, or -0.6%), Trade, Transportation, and Utilities (-1,600, or -0.6%), and Financial Activities (-1,200, or -0.9%) mid-July to mid-August.
- San Mateo maintains the lowest unemployment rate among California counties, with an unemployment rate of 3.3%, up from 3.0% in July. San Francisco and Napa are tied for second with unemployment rates of 3.6%. Marin and San Luis Obispo occupy the third spot together, each with a 3.7% unemployment rate. Santa Clara County is tied for fifth amongst California counties, as the unemployment rate in the County increased from 3.5% in July to 3.9% in August.



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**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 for July and August 2023 are preliminary, and county-level data for July are from the California Employment Development Department September 15, 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](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 Silicon Valley is a platform for analysis created and supported by the major sectors (business, government, labor, academia). The analysis emanates from the organization’s research arm, the Silicon Valley Institute for Regional Studies. The Institute catalyzes action by spotlighting issues, convening the region’s leaders, and facilitating a process for collaborative action. For more information, visit [www.jointventure.org](http://www.jointventure.org).