

# DATA RELEASE

## Unemployment | January 21, 2022

### DATA RELEASE: Silicon Valley unemployment analysis

#### UNEMPLOYMENT RATE IN SILICON VALLEY NOW EQUALS MARCH 2020 RATE

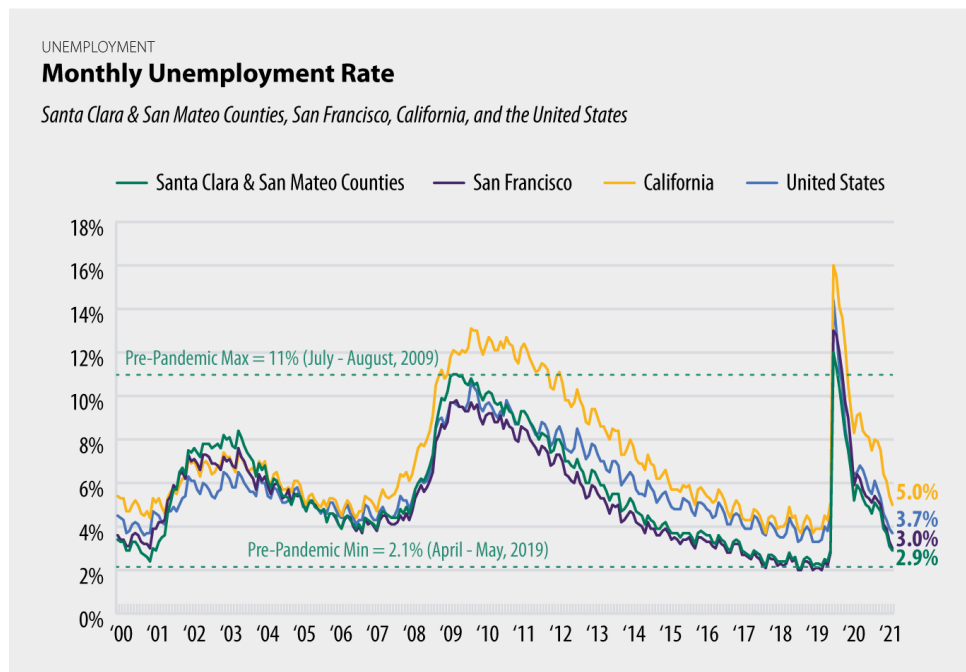
Rate declined by nearly 0.3 percentage points to 2.9%

Rate has dropped by 2.8 percentage points since January 2021

**January 21, 2022** – The employment rate in the Silicon Valley region is now on par with mid-March 2020, just prior to shelter-in-place orders for the Bay Area. Silicon Valley employers added more than 10,300 workers between mid-November and mid-December, lower than the job gains over the previous month-long period (+12,700 jobs), while the unemployment rate dropped to 2.9%, according to analysis by Joint Venture Silicon Valley’s Institute for Regional Studies. The total number of unemployed in the region dropped to 42,600 by mid-December, representing a decrease of nearly 3,900 since mid-November. Since April 2020 and the initial job losses associated with the beginning of the COVID-19 pandemic, Silicon Valley has recovered more than 184,000 jobs, or job growth of 14.6%. The unemployment rate in Silicon Valley in November was 2.8 percentage points lower than it was at the beginning of 2021 (January), and 9.2 percentage points lower than April 2020.

The analysis follows the January 21 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 January 7.

Trade, Transportation, and Utilities jobs represented the greatest month-over-month growth in the greater Silicon Valley region (two metropolitan statistical areas, or MSAs) in December. Retail Trade added 2,000 jobs as part of the larger sector from mid-November to mid-December (most likely due to staffing for the holiday season), followed by Transportation and Warehousing (+1,700 jobs). Within Professional and Business Services, Computer Systems and Design and Related Services has added 10,400 jobs (+6.0%) since March 2020, undergoing steady growth despite the pandemic. Leisure

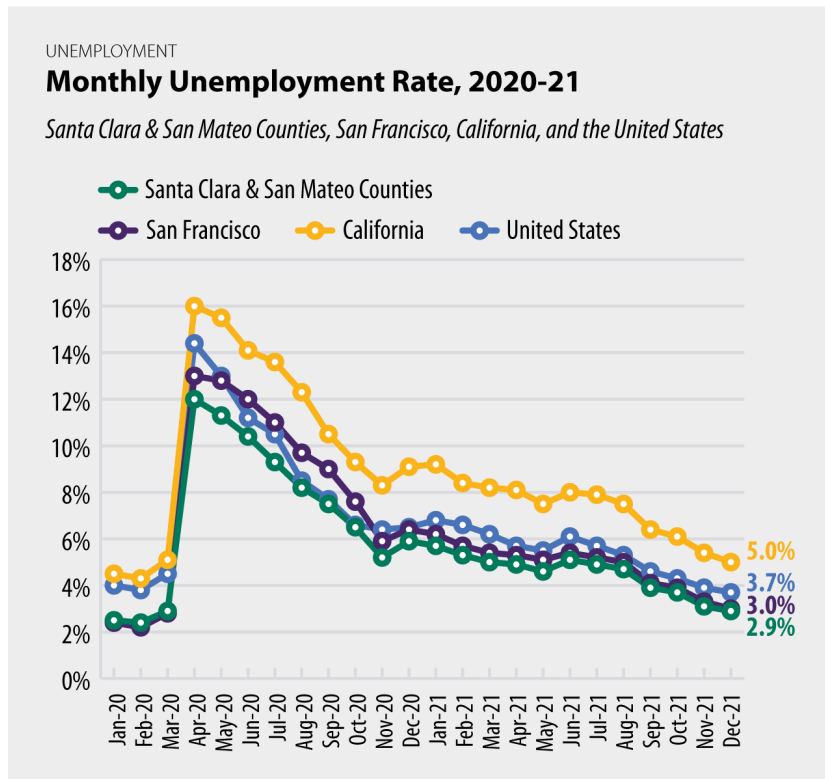


and Hospitality added 3,300 (+1.8%) jobs from mid-November to mid-December, with Restaurants accounting for 1,800 of those jobs.

“The unemployment rate was cut in half in Silicon Valley between January and December 2021, returning to the March 2020 level 21 months into the pandemic,” said Ryan Young, Research Manager for BW Research and an affiliated researcher at the Institute. “Despite positive news related to the unemployment rate, the economic landscape continues to evolve in differing directions, with industries such as Professional and Business Services and Information undergoing strong employment growth, while others such as Leisure and Hospitality continue to sit far below pre-pandemic levels.”

**Findings:**

- Silicon Valley’s unemployment rate decreased by nearly 0.3 percentage points between November and December, following a 0.5 percentage point decrease over the prior one-month period. In November, the combined unemployment rate for Santa Clara and San Mateo Counties was 2.9%, compared to 3.0% for San Francisco, 3.4% for the Bay Area, 5.0% statewide, and 3.7% nationwide.
- As of mid-December, approximately 42,600 people in Silicon Valley’s labor force remained unemployed (12,500 in San Mateo County, and 30,100 in Santa Clara County), a decrease of nearly 3,900 since mid-November, and a drop of approximately 38,300 since the beginning of 2021. The total number of unemployed workers is lower than the 42,900 pre-pandemic (in March 2020).



- The greater Silicon Valley employment levels between November and December (based on metro-area data, which includes San Francisco and San Benito Counties) grew most notably in Trade, Transportation, and Utilities (+4,500 jobs, or +1.7%), Leisure and Hospitality (+3,300, or +1.8%), Professional and Business Services (+3,000 jobs, or +0.5%), and Information (+2,100 jobs, or +0.9%). Manufacturing added 1,200 jobs and now represents 1.3% growth since March 2020.
- Continuing the trend from previous months, San Mateo and Santa Clara Counties had the 2<sup>nd</sup> and 3<sup>rd</sup> lowest unemployment rates among California counties in December. San Francisco is the 4<sup>th</sup> spot with a 3.0% unemployment rate. Marin County remained in the number one slot for the state’s lowest unemployment rate, with a decline in December from 2.9% to 2.7%.

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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 November and December 2021 are preliminary, and county-level data for December are from the California Employment Development Department January 21, 2022 release.

**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 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](http://www.jointventure.org)