Labor Market Insights
June 2023
San Jose-Silicon Valley Local Workforce Development Area
Santa Clara County
Overview

• Substantial Month-Over Job Growth
  • MSA May–June +11,900 jobs (Apr–May +2,800; Mar–Apr +1,800)
• Substantial layoff announcements in second half
• Signs of slowing employer demand
• Inflation Easing but Prices Still High
  • Peak 9% in June 2022; 3% in July 2023
  • Target 2%
  • Federal Funds rate at 5.4%—22-year high
• San Jose rents high but stable after steep increases in prior year
• 25% South Bay households below Real Cost Measure (United Way)
<table>
<thead>
<tr>
<th></th>
<th>June 2023</th>
<th>May 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSA</td>
<td>3.7%</td>
<td>3.3%</td>
</tr>
<tr>
<td>County</td>
<td>3.6%</td>
<td>3.2%</td>
</tr>
<tr>
<td>State</td>
<td>4.9%</td>
<td>4.5%</td>
</tr>
<tr>
<td>USA</td>
<td>3.8%</td>
<td>3.4%</td>
</tr>
<tr>
<td>Month</td>
<td>Labor Force</td>
<td>Employed</td>
</tr>
<tr>
<td>------------</td>
<td>-------------</td>
<td>----------</td>
</tr>
<tr>
<td>Jul 2020</td>
<td>1,046,200</td>
<td>1,018,900</td>
</tr>
<tr>
<td>Aug 2020</td>
<td>1,059,900</td>
<td>1,034,700</td>
</tr>
<tr>
<td>Sep 2020</td>
<td>1,045,600</td>
<td>1,007,700</td>
</tr>
<tr>
<td>Oct 2020</td>
<td>1,018,900</td>
<td>1,010,400</td>
</tr>
<tr>
<td>Nov 2020</td>
<td>1,059,900</td>
<td>1,034,700</td>
</tr>
<tr>
<td>Dec 2020</td>
<td>1,059,900</td>
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</tr>
<tr>
<td>Jan 2021</td>
<td>1,045,600</td>
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</tr>
<tr>
<td>Feb 2021</td>
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</tr>
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</tr>
</tbody>
</table>
Employer Demand
Job Postings Analysis
## Minimum Education Breakdown

<table>
<thead>
<tr>
<th>Minimum Education Level</th>
<th>Unique Postings (minimum)</th>
<th>Unique Postings (max advertised)</th>
<th>% of Total (minimum)</th>
</tr>
</thead>
<tbody>
<tr>
<td>High school or GED</td>
<td>4,543</td>
<td>0</td>
<td>16%</td>
</tr>
<tr>
<td>Associate degree</td>
<td>973</td>
<td>250</td>
<td>4%</td>
</tr>
<tr>
<td>Bachelor's degree</td>
<td>8,144</td>
<td>923</td>
<td>30%</td>
</tr>
<tr>
<td>Master's degree</td>
<td>1,136</td>
<td>2,331</td>
<td>4%</td>
</tr>
<tr>
<td>Ph.D. or professional degree</td>
<td>347</td>
<td>1,107</td>
<td>1%</td>
</tr>
</tbody>
</table>

Source: Lightcast.io
### PY2022 Clients

<table>
<thead>
<tr>
<th>Educational Achievement</th>
<th>Total</th>
<th>% Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attained high school diploma</td>
<td>475</td>
<td>43.58%</td>
</tr>
<tr>
<td>Attained a high school equivalency</td>
<td>88</td>
<td>8.07%</td>
</tr>
<tr>
<td>Completed one or more years of postsecondary education</td>
<td>14</td>
<td>1.28%</td>
</tr>
<tr>
<td>Attained a postsecondary technical or vocational certificate (non-degree)</td>
<td>9</td>
<td>0.83%</td>
</tr>
<tr>
<td>Attained an Associate's degree</td>
<td>64</td>
<td>5.87%</td>
</tr>
<tr>
<td><strong>Attained a Bachelor's degree</strong></td>
<td>184</td>
<td>16.88%</td>
</tr>
<tr>
<td>Attained a degree beyond a Bachelor's degree</td>
<td>93</td>
<td>8.53%</td>
</tr>
<tr>
<td>No Educational Level Completed</td>
<td>156</td>
<td>14.31%</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>1083</td>
<td>99.35%</td>
</tr>
</tbody>
</table>

Source: CalJOBS
2023 State Income Limits —
CA Dept of Housing & Community Development

Santa Clara County

Low Income Households
• 1 person: $96,000
• 2 persons: $109,700
• 3 persons: $123,400
• 4 persons: $137,100

Very Low Income Households
• 1 person: $62,450
• 2 persons: $71,400
• 3 persons: $80,300
• 4 persons: $89,200
San Jose Rents

Median Rent

- 1 BR: $2,093
- 2 BR: $2,552
- All sizes: $2,497

Rent Growth

- Past month: +0.7%
- Past year: +0.4%
- CA past year: -1.4%
- US past year: 0.0%

June 2023

Source: Apartment List
Annual Change in Median Rent
San Jose, CA: 2019 - Present

- 2019: +0.7%
- 2020: -12.9%
- 2021: +10.8%
- 2022: +5.9%
- 2023: YTD +4.9%
Santa Clara County
The Real Cost Measure in California 2023

Select Data Year: 2021
Select Region: Bay Area (Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Santa Cruz)
Select County: Santa Clara County

Households below Real Cost Measure: 25%

General Findings:
- # Estimated Households below Real Cost Measure: 140,263
- # Estimated Households Paying 30% or More on Housing: 179,000
- Median Household Income: $160,669

Struggling by Education Level:
- Less than High School: 68%
- High School Diploma or Equivalent: 55%
- Some College, Assoc. or Voc.: 38%
- Bachelor’s degree or higher: 13%

Struggling by Race-Ethnicity:
- Latino: 50%
- African American: 41%
- Native American/Alaska Native: 31%
- White: 19%
- Asian American / Pacific Islander: 18%

Source: United Way of the Bay Area
PY 2022 Clients

Hispanic Yes: 46.9%
Hispanic No: 53.1%

African-American/Black (any ethnicity): 9.2%
Asian (any ethnicity): 20.6%

I do not wish to answer: 28.5%
The following graph shows, on average, the sources of income for the 1,741 households with 2 Adults, 1 Pre-schooler, 1 School-aged child **below** Real Cost Measure.

Real Cost Measure for this household type: 128,176

- **Wages**: $83,967
- **Social Security (SSI)**: $0
- **Security and Interest & all other income**: $9
- **CalWorks (TANF)**: $638
- **Retirement**: $998
- **Earned Income Tax Credit**: $254

**Federal Poverty Line (1 adult)**: 14,097

**Gap for avg household below Real Cost Measure is**: $42,310

Source: United Way of the Bay Area
The following graph shows, on average, the sources of income for the 457 households with 1 Adult, 1 Pre-schooler, 1 School-aged child below Real Cost Measure.

- **Real Cost Measure for this household type:** $116,837
- **Federal Poverty Line (1 adult):** $14,097
- **3 Minimum Wage Jobs:** $78,000
- **Income Gap:** $93,334

Source: United Way of the Bay Area
Thank You!