

# Labor Supply and Commute Patterns in San Mateo County

Commissioned by:

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## Executive Summary

The San Francisco Bay Area is a region of nine counties and approximately 3.2 million employed residents. On any given day, more than one million people, or about one-third of all full-time employees in the region, commute across one or another of the San Francisco Bay Area's county lines. The Bay Area, although made up of several distinct economic regions, is a single tightly linked labor market. It is important to keep this in mind when examining patterns of labor supply in San Mateo County.

In the context of the broader Bay Area, we find that San Mateo County is in an enviable position with respect to labor supply and flows. However, this position brings with it significant policy obligations in terms of maximizing the county's potential by facilitating job and labor flows into the county that match the needs of the county's residents and employers.

Such flows are significant. On an average workday in 2010, the most recent year for which such data are available, approximately 177,000 individuals commuted out of San Mateo County, and a slightly smaller number, 174,000, commuted into San Mateo County (Figure 1). Only about 40% of the county's residents who work full time are employed in the county (Table 1).

Unlike other Bay Area counties with a similarly small proportion of residents employed in the county (Solano, Contra Costa, and Marin), San Mateo County is not a bedroom community. Instead, San Mateo County lies directly between and is a part of two of the major employment centers of the Bay Area: San Francisco to the north and Silicon Valley to the south. In other words, San Mateo County's high level of cross-commuting is more a function of where the county lines were drawn than of anything more fundamental about the county.

This is borne out by Figure 2, which illustrates that nearly 40% of the workers commuting out of San Mateo County are destined for San Francisco (23%) and Santa Clara (16%) counties. A smaller proportion of workers flowing in come from these counties, just 25%, or about 12% to 13% each. Alameda County, just across the Dumbarton and San Mateo-Hayward bridges provides a similar percentage of those working in San Mateo County.

San Mateo County stands out not only because similar numbers of workers flow in and out of the county but also because the workers flowing in and out are similar in terms of skills and overall incomes. In particular, over the five years spanning 2006–2010, approximately 57% of those commut-

Figure 1: San Mateo County Labor Flows

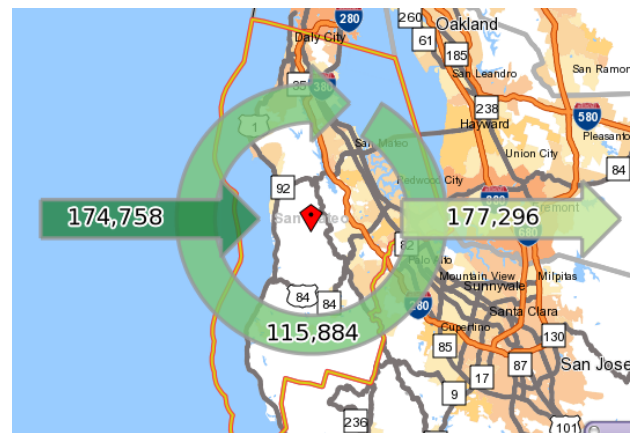


Table 1: Bay Area Commute Patterns, 2010

County	% of Employed Residents Who Work in the County	% of Workers Who Live in the County
Solano	36	39
Contra Costa	39	51
<b>San Mateo</b>	40	40
Marin	41	39
Alameda	49	47
Napa	55	52
San Francisco	60	40
Sonoma	63	71
Santa Clara	71	61

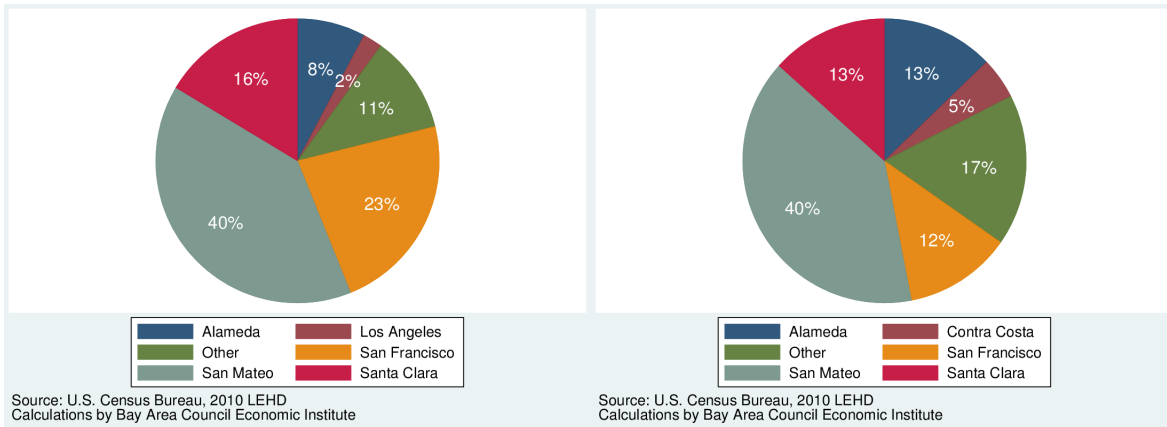
Source: U.S. Census Bureau, 2010 LEHD

Calculations by Bay Area Council Economic Institute

ing out of the county had at least a bachelor's degree. A nearly identical share of those commuting into the county had at least a bachelor's degree, at 56%. Moreover, 23% of each group possessed some type of advanced degree. Comparable numbers for those living and working in the county show that only 31% have a bachelor's degree and just 14.5% possess an advanced degree. Similarly, the mean incomes of those commuting in and out are extremely close, at \$82,000 and \$85,000, respectively. For those living and working in the county, the mean income is just \$66,000, or about 21% less.

Figure 2: Labor Mobility in San Mateo County, 2010

(a) County of Employment for Residents of San Mateo County (b) County of Residence for Workers in San Mateo County



Of those living and working in San Mateo County, about one-fifth (19.7%) live and work in the same city (Table 2). A substantial number of the remaining intra-county commutes—three of the top five—are between cities in close proximity to each other. In other words, many of the commutes within the county are relatively short, with many workers choosing to live near their jobs.

The same is roughly true for workers commuting across county lines. The top three commutes (either into or out of the county) are all between San Francisco and cities very close to San Francisco in San Mateo County: Daly City and South San Francisco. San Francisco is the largest outside source of jobs for San Mateo County residents—nearly 67,000 people commute from the county into San Francisco each day—and a large source of workers from outside of San Mateo County—more than 35,000 people commute into San Mateo County from San Francisco each day. Accordingly, San Francisco is on one end or another of the top five commutes into and out of San Mateo County each day (Table 3).

The average distance of commutes by those working in San Mateo County is just under 14 miles (Table 4). Those commuting entirely within the county have relatively reasonable commutes,

Table 2: Top Five Intra-County Commutes

Home City	Work City	Number	Share (%)
San Mateo	Burlingame	2,642	2.3
Daly City	S. San Francisco	2,139	1.8
San Mateo	Redwood City	2,103	1.8
San Mateo	S. San Francisco	1,629	1.4
San Mateo	Foster City	1,587	1.4
Total Top 5		10,100	8.7
Same City	Same City	22,781	19.7

Source: U.S. Census Bureau, 2010 LEHD

Calculations by Bay Area Council Economic Institute

Table 3: Top Five Inter-County Commutes

Home City	Work City	Number	Share (%)
Daly City	San Francisco	17,194	4.9
S. San Francisco	San Francisco	8,202	2.3
San Francisco	S. San Francisco	7,397	2.1
San Mateo	San Francisco	7,109	2.0
Pacifica	San Francisco	5,607	1.6
Total Top 5		45,509	13.0

Source: U.S. Census Bureau, 2010 LEHD

Calculations by Bay Area Council Economic Institute

averaging just 6.7 miles if they drive their cars. For comparison, making the same commute on public transportation takes about 43 minutes, or a ratio of 6.4 minutes for each mile of the driven commute. For workers commuting into the county, the fastest available form of public transportation takes about 4.8 minutes per mile. These commutes by public transportation are apparently quite long, with a median duration of just under 1 hour and 30 minutes.

The difference between within-county and cross-county commute distances and times is significant. When using public transportation, inter-county commutes take about twice as long as within-county commutes, and are nearly three times the distance. It would be tempting to take the evidence presented earlier on the similarities between San Mateo County residents who commute out of the county and San Mateo County workers who commute into the county each day and contemplate the reduction in commutes that might be possible if jobs were to be switched. Unfortunately, there is only about a 10% overlap in terms of industries and occupations between those coming into and out of the county; those leaving the county have, in general, a different set of skills than those commuting into the county each day.

San Mateo County relies on other regions both for employing its residents and for providing its labor force. This has significant implications for policymaking and workforce and economic development. From a policy standpoint, the regional interdependency has particular relevance for housing development and transportation planning. An understanding of commute flows can help provide guidance for where new housing developments should occur; in particular, forecasts of employment growth, combined with the commute patterns presented in this report, can help to better match housing supply with the locations of labor demand. From a transportation perspective, it's important to understand that there will always be a significant amount of in- and out-commuting in the county. This highlights the central role that transportation of all types can and does play in facilitating the growth of San Mateo County as both a great place to live and a convenient place to work.

From a workforce perspective, this analysis of labor flows and commute patterns with respect to occupational categories will inform workforce development. Assisting San Mateo County residents in finding meaningful employment requires an understanding of opportunities both inside and outside of the county. There will always be a substantial amount of cross-commuting in a labor market with the broad geographic reach of the Bay Area.

From an economic development perspective, two lessons come to mind. First, many of the county's skilled residents are commuting a significant distance to employment out of the county. Perhaps the county is missing opportunities to attract jobs that match the skills of available residents. Second, the growth of employment in the county does not need to be limited by the type of labor that is available in the county. Employers can draw on residents in the greater Bay Area to fill employment positions. Having a very large and highly skilled accessible labor pool will continue to be an enormous benefit for employers in San Mateo County and, by extension, the San Mateo County economy.

**Table 4: Commute Distances and Times**

Commute	Distance (Median Miles)	Elapsed Time of Public Trans. (Median Mins)	Minutes per Mile
Within-County	6.7	43	6.4
Cross-County	18.2	87	4.8
All	13.9	70	5.0

Source: U.S. Census Bureau, 2010 LEHD; Google Maps  
Calculations by Bay Area Council Economic Institute

## Introduction

The nine-county Bay Area is a metropolitan area of more than seven million people. However, economic development policy is generally undertaken at much smaller levels of geography. San Mateo County is one of those smaller geographic areas that devotes significant effort to understanding its regional strengths, weaknesses, opportunities, and threats (SWOT). Chief among nearly any Bay Area county's strengths is its labor force. The Bay Area has one of the most highly educated labor forces in the country, and San Mateo ranks highly within the Bay Area.

From a SWOT perspective, it is important to understand the extent to which the local economy is appropriately exploiting the labor at hand. Does the resident labor force represent an untapped opportunity? This question can be addressed by examining the flows of labor into and out of the county.

It turns out that more than one-half of all employed residents of San Mateo County work outside of the county. Of the nearly 300,000 employed residents of San Mateo County, just over 175,000 of them, or 60%, commute to a job outside of the county. A similar number of workers commute into the county from elsewhere in the Bay Area. Table 5 puts San Mateo County into a broader Bay Area perspective. In particular, these shares of commutes into and out of the county result in San Mateo County being ranked toward the top of the counties in the Bay Area that have a significant proportion of both residents and employees crossing county lines each day. Only Solano and Contra Costa counties have higher percentages of their working residents traveling to some other county on any given workday.

Note that even for Santa Clara County, which has the highest proportion of residents working in the county, it is still the case that nearly one-third of Santa Clara County's employed residents work in some other county. These figures are high by national standards and speak to the extent to which sub regional economies, such as San Mateo County, rely on the Bay Area as a whole as its labor market, both for employing its residents and for staffing its businesses.

As Figure 3 indicates, San Mateo County had a greater number of workers flowing out than it did flowing in for 2010. That is, the number of employed residents working outside of San Mateo County (outflows) exceeded the number of workers who lived elsewhere but came into the county for employment (inflows). This has not always been the case. In 2002, the first year for which these or any such data are available, the opposite was true for San Mateo County: more workers came to San Mateo County for work each day than left it for work. This pattern has changed not so much because employment has fallen in the county, which it has, but rather because a greater share of working residents are now working outside of the county (Table 6).

Figure 3: San Mateo County Labor Flows

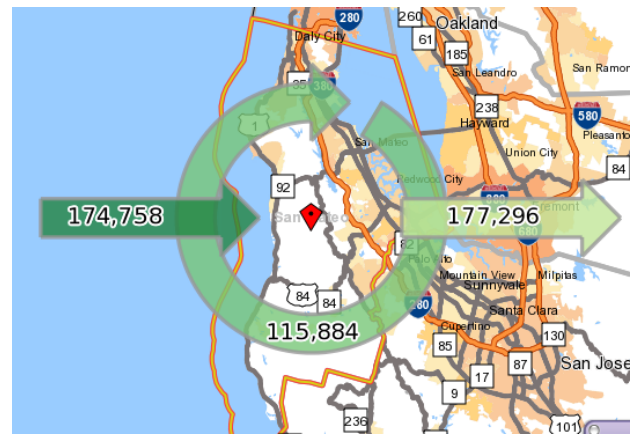


Table 5: Bay Area Commute Patterns, 2010

County	% of Employed Residents Who Work in the County	% of Workers Who Live in the County
Solano	36	39
Contra Costa	39	51
<b>San Mateo</b>	40	40
Marin	41	39
Alameda	49	47
Napa	55	52
San Francisco	60	40
Sonoma	63	71
Santa Clara	71	61

Source: U.S. Census Bureau, 2010 LEHD

Calculations by Bay Area Council Economic Institute

**Table 6: San Mateo County Labor Flows Over Time**

Year	Residents Working in the County	Residents Working out of the County	Workers Living out of the County	Net outflow
2002	139,180	164,774	176,250	-11,476
2003	132,626	158,189	169,522	-11,333
2004	127,457	159,877	167,033	-7,156
2005	126,974	161,636	171,747	-10,111
2006	126,114	165,753	169,271	-3,518
2007	124,186	173,138	180,126	-6,988
2008	123,830	176,314	182,587	-6,273
2009	117,365	172,883	178,100	-5,217
2010	115,884	177,296	174,758	2,538

Source: U.S. Census Bureau, LEHD

Calculations by Bay Area Council Economic Institute

Overall, nearly 25,000 fewer residents were employed in the county in 2010 than in 2002, down from 139,180 to 115,884. At the same time, the number of residents working outside of the county increased by just over 12,500, from 164,774 to 177,296. The number of workers employed in the county but living elsewhere remained roughly constant.

This report will assess exactly where these workers go and the commute times they face, in addition to examining the relative characteristics of the workers commuting into the county compared with those commuting out.

## The Geography of Labor Flows

The counties that San Mateo County residents travel to for work and the counties that San Mateo County draws on for employees are remarkably similar. Not surprisingly, the four counties that border (or are directly across the bay from) San Mateo County are both the largest external sources of jobs for San Mateo County residents and the largest sources of employees for San Mateo County businesses (Figure 4).

The counties of San Francisco and Santa Clara dominate the cross-border labor flows for San Mateo County. The San Mateo–San Francisco border is one of the most crossed county borders by Bay Area commuters, with more than 101,000 workers traveling back and forth on any given day (Table 7). Santa Clara County is a close second with nearly 87,000 workers going one way or the other across the county line. San Francisco County is the top destination for San Mateo County residents working outside of the county while Santa Clara County is the number one source for labor flowing into San Mateo County. In both cases, more workers are flowing out from San Mateo County to these two counties than are flowing in.

**Table 7: Cross-County Worker Flows with Respect to San Mateo County, 2010**

County	Into San Mateo County	Out of San Mateo County	Total
San Francisco	35,187	66,130	101,317
Santa Clara	38,687	48,032	86,719
Alameda	37,011	22,874	59,885
Contra Costa	13,853	6,513	20,366
Other	50,006	32,402	82,408

Source: U.S. Census Bureau, LEHD

Calculations by Bay Area Council Economic Institute

Figure 4: Labor Mobility in San Mateo County, 2010

(a) County of Employment for Residents of San Mateo County (b) County of Residence for Workers in San Mateo County

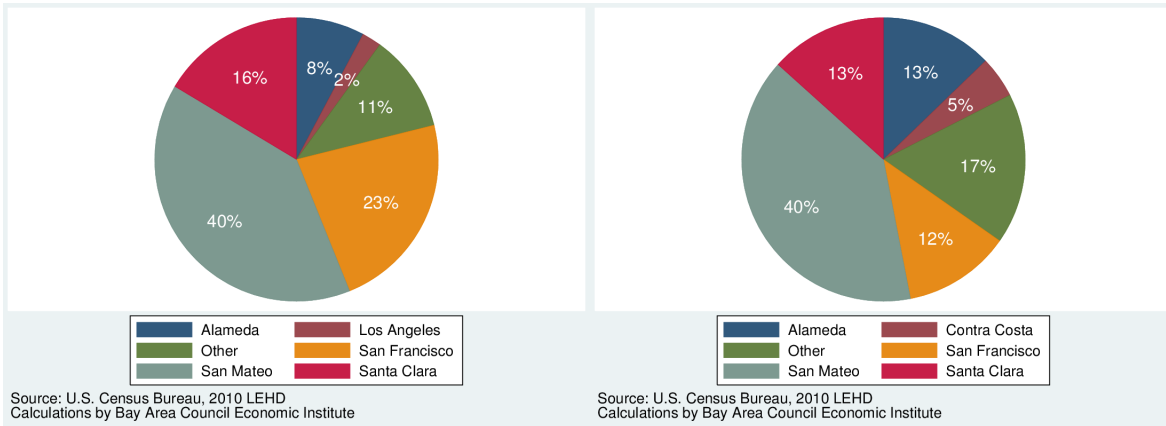


Figure 5: Labor Mobility in North San Mateo County, 2010

(a) County of Employment for Residents of San Mateo County (b) County of Residence for Workers in San Mateo County

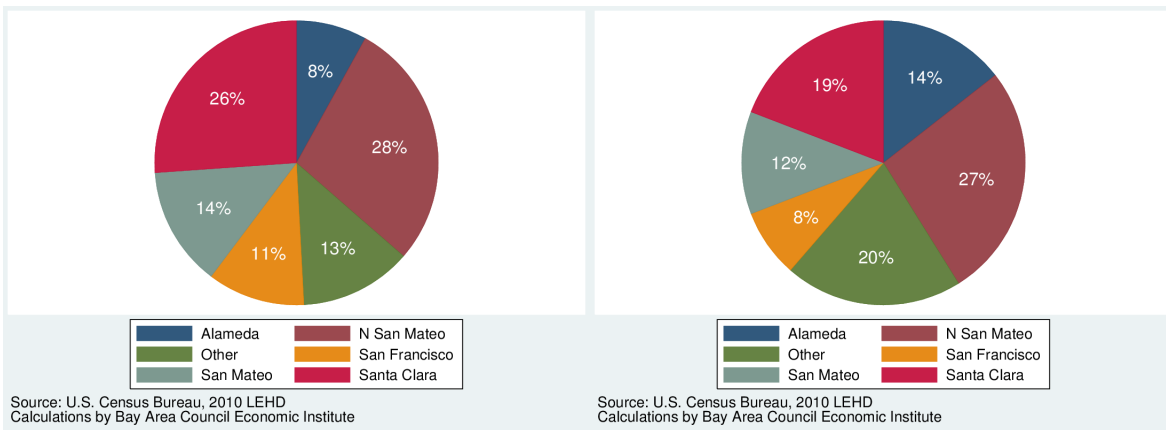
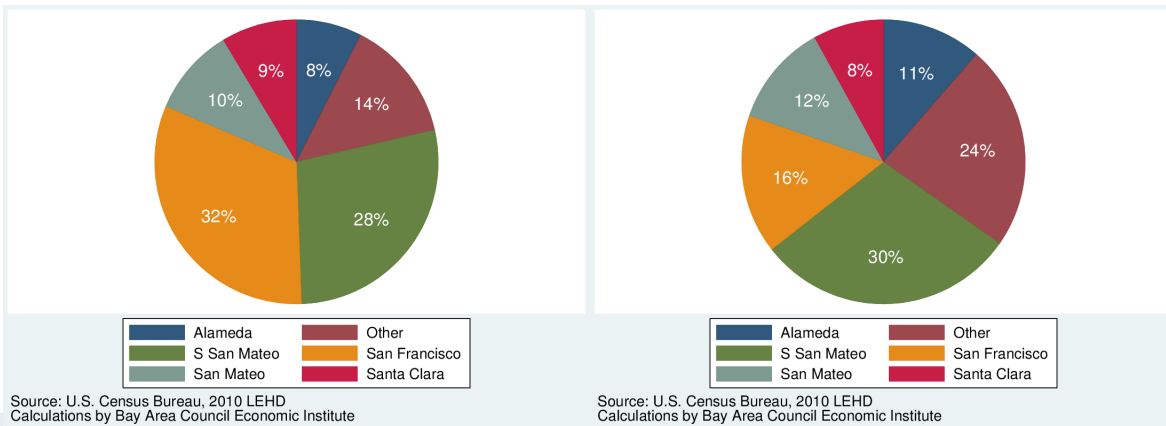


Figure 6: Labor Mobility in South San Mateo County, 2010

(a) County of Employment for Residents of San Mateo County (b) County of Residence for Workers in San Mateo County





This observation reflects the fact that San Mateo County straddles two separate major economies, that of San Francisco and that of Silicon Valley, and its residents participate in both. Given the high rates at which San Mateo County residents commute out of the county and workers commute in, it would be tempting to put San Mateo County in the same category as Contra Costa or Marin counties, chalking it up as a bedroom community for other economies. However, the high rates of cross-commuting stem from the fact that much of the economic activity in the county takes place in the northern or southernmost parts rather than in the middle of the county. More than anything else, it is an artifact of the location of the county borders that drives the high rates of mobility among the county's residents and workers.

The story for Alameda and Contra Costa counties is different. Both play significant roles in the San Mateo County labor market—significantly more workers from these counties are flowing in than flowing out. Inflows from both counties are nearly twice the number of outflows.

These relationships have been reasonably stable over time (Figure 7). What has been changing is the extent to which San Mateo County residents and workers are crossing county lines. Between 2002 and 2010, the percentage of employed residents commuting out of the county for work has steadily increased from 54.2% to 60.3%, a six percentage point swing. Half of this increase has been absorbed by San Francisco, while the other half involves residents commuting to counties that are further afield but contiguous to the four other counties noted in Figure 7 (for example, Marin and Santa Cruz counties). At the same time, the proportion of the jobs in San Mateo County that are filled by workers from outside of the county has increased from 55.9% to 60.1%, a roughly four percentage point increase. Although Santa Clara is providing more workers and San Francisco is providing fewer workers, the increase is primarily coming from counties further afield. Thus it would appear that workers are finding the need to commute greater distances to produce the best match with regard to both home and office.

Figure 7: San Mateo County Labor Supply Patterns Over Time: 2002-2010

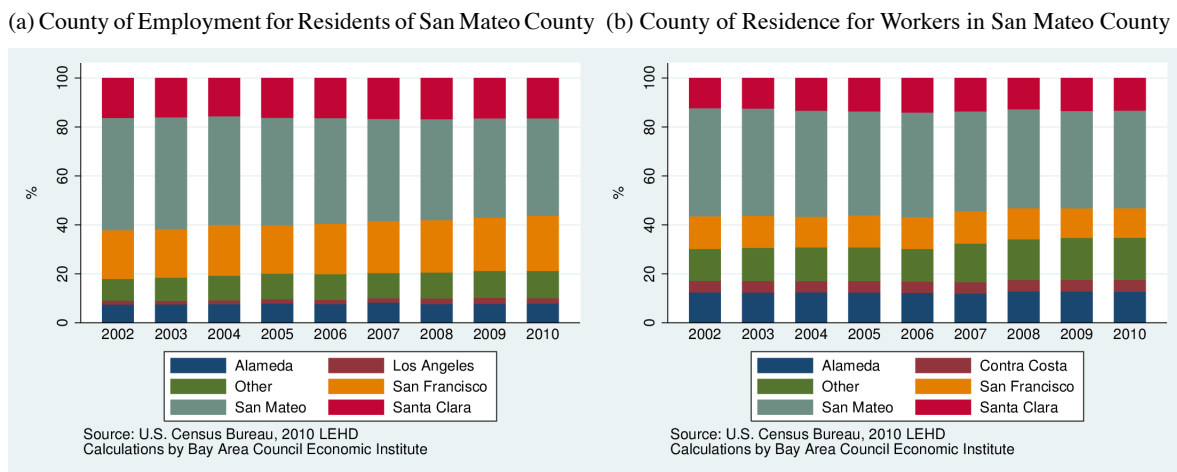


Table 8 provides a more nuanced look at labor flows. The left-hand panel indicates the top locations of residence for those employed in San Mateo County. Of the top three sources, two, San Francisco and San Jose, are outside of the county, which is not surprising given the volume of the flows and the relatively small size of most cities in the county. Aside from a high concentration in San Francisco, the destinations for employed residents of San Mateo County are more dispersed, with San Jose being the second most common location outside of the county, but ranking as just the sixth most common employment location for county residents.

**Table 8: The Geographical Distribution of San Mateo County Residents and Workers Across Cities**

Job Counts by Places Employees Live			Job Counts by Places Residents Work		
Location	Count	Share	Location	Count	Share
San Francisco	35,187	12.1	San Francisco	66,130	22.7
San Mateo	18,042	6.2	South San Francisco	15,012	5.1
San Jose	14,514	5.0	Redwood City	14,964	5.1
Redwood City	13,363	4.6	Burlingame	13,993	4.8
Daly City	11,690	4.0	San Mateo	13,561	4.6
South San Francisco	9,409	3.2	San Jose	13,184	4.5
San Bruno	6,753	2.3	Palo Alto	8,195	2.8
Fremont	6,688	2.3	Foster City	6,510	2.2
Foster City	6,105	2.1	Menlo Park	6,313	2.2
Pacifica	5,783	2.0	Oakland	6,245	2.1
Oakland	5,582	1.9	Daly City	5,949	2.0
Burlingame	5,456	1.9	San Carlos	5,636	1.9
Hayward	5,318	1.8	San Bruno	4,077	1.4
Other	146,738	51.0	Other	112,066	38.4
<b>Total</b>	<b>290,628</b>	<b>100.0</b>	<b>Total</b>	<b>291,835</b>	<b>100.0</b>

Source: U.S. Census Bureau, LEHD  
 Calculations by Bay Area Council Economic Institute

The maps presented below provide a better feel for the distances workers travel, either out of or into San Mateo County. San Mateo County is outlined in each map. Figure 8a illustrates the concentrations of residences for those employed in San Mateo County. Naturally, those locations are concentrated in San Mateo and San Francisco counties. It is also clear that many workers commute significant distances to work in San Mateo County, with concentrations far into northern Bay Area counties and deep into eastern Alameda and Contra Costa counties.

**Figure 8: The Range of Workers Commuting into and out of San Mateo County**

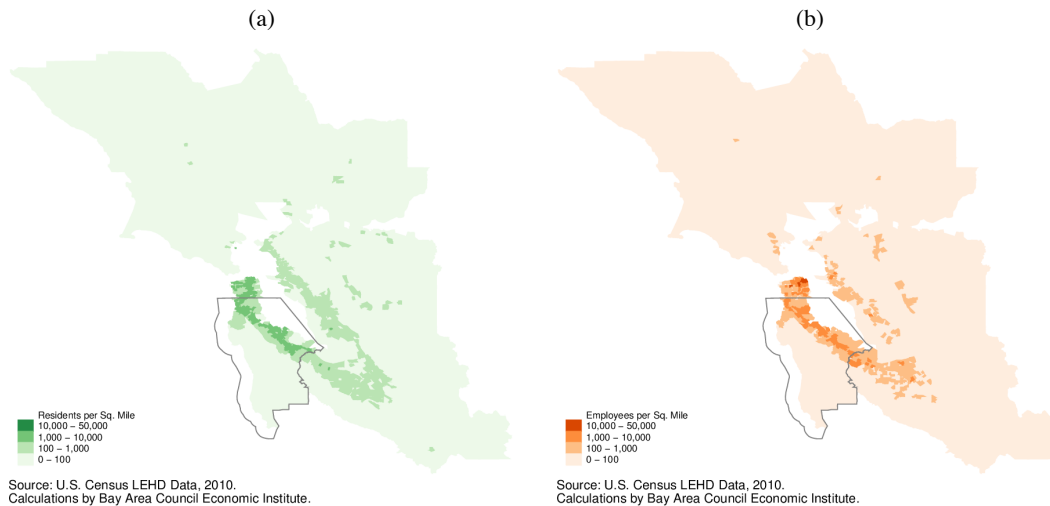


Figure 8b, illustrating the concentrations of work locations for San Mateo County residents, reveals that commutes out of the county are in general shorter than those into the county. This is not terribly surprising as it is well known that the primary employment locations in the Bay Area are concentrated around the bay, while residential locations are distributed more evenly throughout the region. Also, consistent with Figure 4, commutes out of the county are more heavily concentrated in San Francisco and Santa Clara counties than are commutes in.

## Commute Patterns

In this section, evidence on the nature of commutes for both San Mateo County residents and workers is presented. Tables 9 and 10 provide an indication of the top commutes, both across county lines and within the county. The primary messages of Table 5 are what we might expect. The most common cross-county commutes all include San Francisco as either the destination for residents or the source of labor for San Mateo County. It is also predictable that the primary locations within San Mateo County listed in this table are in the northern part of the county.

**Table 10: Top Five Within-County Commutes**

Home City	Work City	Number	Share (%)
San Mateo	Burlingame	2,642	2.3
Daly City	S. San Francisco	2,139	1.8
San Mateo	Redwood City	2,103	1.8
San Mateo	S. San Francisco	1,629	1.4
San Mateo	Foster City	1,587	1.4
Total Top 5		10,100	8.7
Same City	Same City	22,781	19.7

Source: U.S. Census Bureau, 2010 LEHD

Calculations by Bay Area Council Economic Institute

same distance by public transportation (Table 11). The median distance for within-county commutes is naturally significantly shorter than that for cross-county commutes. The time needed to make the trip by public transportation is similarly higher for cross-county commutes. However, the number of minutes per mile is lower for cross-county commutes. This is not surprising. Public transportation is in many cases inherently more directed toward serving longer distance trips. For instance, there are more options available for traveling the length of the peninsula than for traveling across the City of San Mateo. It is also the case that there is a certain amount of time needed on both ends of public transportation, whether traveling a short or a long distance. Given that these fixed times are likely to be similar for both long and short trips, the average per mile time for longer trips will be lower than for shorter trips.

Knowing these commute times, we can examine the major cities in San Mateo County and the role that commuting plays for each of them. Table 12 presents, for each of the major census designated places in San Mateo County, the distribution of places where residents of each city work and where the employees in each city live. The left-hand panel of the table indicates the number of employed residents living in each city and then provides the share that are either em-

**Table 9: Top Five Cross-County Commutes**

Home City	Work City	Number	Share (%)
Daly City	San Francisco	17,194	4.9
S. San Francisco	San Francisco	8,202	2.3
San Francisco	S. San Francisco	7,397	2.1
San Mateo	San Francisco	7,109	2.0
Pacifica	San Francisco	5,607	1.6
Total Top 5		45,509	13.0

Source: U.S. Census Bureau, 2010 LEHD

Calculations by Bay Area Council Economic Institute

Turning to commutes wholly within San Mateo County, it is somewhat surprising to find that just 19.7% of these commutes are within cities. As the largest city in the county, the City of San Mateo provides the largest source of labor and shows up frequently in the top five within-county commutes. Combined, the top five commutes and the same-city commutes make up just over one-fourth of all commutes within San Mateo County.

Combining the LEHD data with information obtained from Google Maps, it is possible to develop commute distances for county residents and workers were they to drive a car, in addition to determining the minimum time it would take them to travel the

**Table 11: Commute Distances and Times**

Commute	Distance (Median Miles)	Elapsed Time of Public Trans. (Median Mins)	Minutes per Mile
Within-County	6.7	43	6.4
Cross-County	18.2	87	4.8
All	13.9	70	5.0

Source: U.S. Census Bureau, 2010 LEHD; Google Maps

Calculations by Bay Area Council Economic Institute

ployed in the city, employed in other places in the county, or working out of the county entirely. In each case, only a small proportion of the residents are employed in the city, generally less than 10%. The majority in each city is employed in some other county, with a high of 72% for Broadmoor and a low of 52.1% for Burlingame. This is consistent with the previous results indicating that 40% of residents commute to a place outside of the county.

**Table 12: Labor Flows to and from Cities in San Mateo County**

City	Total	Where Residents Work (%)			Total	Where Employees Live (%)		
		W/in City	San Mateo County	Other County		W/in City	San Mateo County	Other County
San Mateo	39,703	10.8	34.7	54.6	31,650	13.5	29.3	57.2
Redwood City	30,527	13.7	30.0	56.2	40,053	10.5	26.9	62.6
South San Francisco	24,669	12.2	25.9	61.9	41,332	7.3	29.0	63.7
Daly City	40,363	5.5	23.5	71.0	15,060	14.7	24.8	60.5
Burlingame	11,393	13.6	34.2	52.1	33,297	4.7	37.4	58.0
Menlo Park	13,760	9.9	19.5	70.6	20,120	6.8	24.6	68.6
Foster City	14,408	9.3	33.1	57.6	18,189	7.4	28.4	64.2
San Bruno	15,793	6.0	36.8	57.2	10,381	9.1	30.2	60.7
San Carlos	9,122	9.4	38.3	52.4	13,039	6.6	36.7	56.8
Pacifica	15,578	5.2	32.0	62.9	3,033	26.5	31.2	42.3
Belmont	10,560	5.2	41.6	53.3	5,270	10.3	41.9	47.8
East Palo Alto	5,888	6.8	25.8	67.3	5,475	7.4	19.7	72.9
Millbrae	7,067	5.7	39.9	54.4	4,059	10.0	38.8	51.3
North Fair Oaks	4,285	4.6	36.9	58.5	6,059	3.3	40.5	56.2
Colma	1,195	4.5	32.7	62.8	3,706	1.5	38.7	59.8
Hillsborough	3,658	2.6	36.3	61.0	1,096	8.8	54.6	36.7
Broadmoor	2,646	2.2	25.8	72.0	1,649	3.6	48.6	47.8
Highlands-Baywood Park	2,740	2.3	36.6	61.1	1,458	4.4	44.7	51.0
Atherton	2,175	3.2	26.5	70.3	1,894	3.7	47.1	49.2
Woodside	1,947	5.9	29.2	64.9	1,546	7.4	45.7	46.8
El Granada	1,734	5.1	37.8	57.1	511	17.2	50.3	32.5
Montara	1,652	5.0	38.8	56.2	508	16.3	48.0	35.6
West Menlo Park	1,546	2.4	28.3	69.3	511	7.2	33.1	59.7

Source: U.S. Census Bureau, 2010 LEHD  
Calculations by Bay Area Council Economic Institute

The right-hand panel of Table 12 provides the same information, but for people working in each city. Again, most of the workers for each city commute from outside of the county, which is consistent with our earlier data indicating that only 40% of the employees in the county live in the county. Several cities have relatively high shares of employees living in the city; in particular, Pacifica (26.5%), El Granada (17.2%), and Montara (16.3%). Each of these cities, however, has an employment base significantly lower than the number of working residents. East Palo Alto has the highest proportion of workers living outside of the county (72.9%). This is no doubt attributable to its location right on the border with Santa Clara County.

Table 13 provides an expanded set of commute distance and time results. The figures presented in this table are averages for all workers commuting both into and out of each city. As expected, commute distances are shorter for commuters traveling within a given city than for commuters traveling from elsewhere in the county, and these distances are in turn shorter than those for workers coming into the county. Those cities that are closer to a county border have shorter commute distances for those making cross-county commutes (Daly City, East Palo Alto, and Menlo Park), while more centrally located cities (Foster City, Burlingame, and Redwood City) have longer cross-county commutes for workers.

South San Francisco stands out as a city near a county border that has residents and workers commuting disproportionately long distances.

**Table 13: Commute Distances and Relative Availability of Public Transit by City, by Location of Residence**

City	Ave. Distance (Miles)			Minutes by Public Transit			Minutes Per Mile		
	W/in City	San Mateo County	Other County	W/in City	San Mateo County	Other County	W/in City	San Mateo County	Other County
South San Francisco	3.4	10.6	28.7	39.3	51.6	129.8	11.7	4.9	4.5
Redwood City	3.0	10.1	26.7	27.4	49.3	136.3	9.1	4.9	5.1
Burlingame	2.6	8.8	30.3	24.3	45.9	122.7	9.5	5.2	4.0
San Mateo	2.4	9.2	24.2	33.7	50.5	127.9	14.1	5.5	5.3
Foster City	2.1	9.1	26.6	31.2	66.6	121.3	14.8	7.4	4.6
Menlo Park	2.6	9.4	17.2	41.3	56.4	118.9	16.1	6.0	6.9
San Carlos	1.4	8.0	27.5	25.6	40.1	132.9	18.3	5.0	4.8
Daly City	2.4	7.9	11.7	30.7	39.7	72.7	12.9	5.0	6.2
San Bruno	1.6	8.3	21.9	26.9	47.1	97.8	16.3	5.7	4.5
North Fair Oaks	1.1	9.5	19.8	18.7	48.6	150.9	17.4	5.1	7.6
East Palo Alto	1.3	10.1	15.9	23.2	70.0	134.2	18.4	7.0	8.5
Belmont	2.7	7.7	22.9	38.3	38.3	107.3	14.4	5.0	4.7
Millbrae	1.7	6.9	16.2	24.7	42.2	81.0	14.4	6.1	5.0
Pacifica	4.2	9.2	14.3	14.8	21.5	57.7	3.6	2.3	4.0
Atherton	2.7	5.5	17.0	53.0	32.5	79.2	19.6	5.9	4.7
Woodside	3.6	9.1	20.0	N.A.	23.7	102.1	N.A.	2.6	5.1
Highlands-Baywood Park	2.1	8.6	24.7	44.0	34.4	97.4	21.0	4.0	3.9
Hillsborough	4.0	8.0	21.7	N.A.	38.1	85.8	N.A.	4.7	4.0

Source: U.S. Census Bureau, 2010 LEHD; Google Maps

Calculations by Bay Area Council Economic Institute

Note: Distances and times are measured from the center of the census tract of residence to the center of the centroid of the census tract of employment. Measurements are therefore approximate and intended to be indicative only.

In general, commute times conform to intuition. Longer distances have longer travel times, but shorter travel times per minute. There are some exceptions to this, however, that perhaps point out shortcomings in the region's system of transportation. In particular, East Palo Alto and North Fair Oaks stand out as having cross-county public transportation commute times that are quite high. North Fair Oaks has the longest commute times, with a commute distance that is, on average, reasonably short. Eleven of the other 17 cities have cross-county commute distances that are longer, and all of them have public transportation commute times that are shorter than those experienced by workers traveling to and from North Fair Oaks. Only East Palo Alto has a higher travel time by public transportation, at 8.5 minutes per mile.

## Demographics of Commuters

As discussed earlier, there are about three times as many people who cross the San Mateo County border each day for work than there are people who live and work in the county. About 60% of the resident labor force works outside of the county, with nearly the same number commuting into the county. This naturally begs the question of why it is that so many people make the commute across county lines. While the data are not able to answer this question, they provide some evidence as to the demographic characteristics of these commuters.

Data from the American Community Survey (ACS) permit a comparison of the demographic characteristics of each of the three groups: those commuting in, those commuting out, and those both living and working in San Mateo County. This section provides an overview of the differences between these groups according to industry of employment, occupation, age, earnings, level of education, and race. In particular, the data identify categories of workers that a) are sources of labor flowing in and b) have a significant excess of labor within the county.

It should be noted at the outset that this is a separate data source from that discussed above and that the overall picture of labor mobility is slightly different. Whereas the LEHD data indicate that San Mateo County has more workers flowing out than flowing in, the ACS data indicate that the county has more workers flowing in than flowing out. These differences are largely attributable to the following: First, the ACS data are an average of the years from 2006 and 2010, whereas the LEHD data include information from 2010 alone; this is the only year between 2002 and 2010 for which the LEHD data indicate a surplus. Second, the LEHD data exclude those employed in the government sector. And third, observations in the ACS are limited to full-time employees, whereas the LEHD includes only an indicator of primary jobs. The data below are limited to full-time employees as this likely provides greater insight into the nature of mobility and the role that it plays in the San Mateo County economy.

Regardless of these differences, the overall picture is the same. Labor flows into and out of San Mateo County each day are significant, and are on the high end with respect to counties in the Bay Area (Table 14). The ratio of the number of people crossing the San Mateo County line, in either direction, to its local labor force (all employed residents) is 120.1, indicating that the number of commuters is 20% greater than the labor force. San Mateo thus ranks third among the nine Bay Area counties, behind San Francisco (128.2) and Marin (121.8).<sup>1</sup>

**Table 14: Commute Patterns of Bay Area Counties**

County	Commute Direction		Resident Non-Commuter	Net Outflows	Commuter Share of Labor Force
	Out	In			
Alameda	292,725	313,609	281,946	-20,884	105.5
Contra Costa	244,259	145,984	150,804	98,275	98.8
Marin	52,231	55,320	36,095	-3,089	121.8
Napa	25,244	27,553	29,780	-2,309	96.0
San Francisco	136,207	300,123	204,206	-163,916	128.2
San Mateo	177,296	174,758	115,884	2,538	120.1
Santa Clara	200,895	306,383	481,144	-105,488	74.4
Solano	96,818	57,521	54,573	39,297	101.9
Sonoma	65,164	43,944	108,334	21,220	62.9

Source: 2010 5-year American Community Survey

Calculations by Bay Area Council Economic Institute

<sup>1</sup>Net outflows in table do not add to zero because trade with counties outside of the Bay Area is not included in the table. More people commute into the Bay Area than out.

## Education and Earnings

San Mateo County has one of the more highly educated resident workforces in the Bay Area, with 48.2% having at least a bachelor's degree (Table 15). Those employed in the county have similarly high levels of education. That there is such little difference between those working in the county and those living in the county is relatively unique in the Bay Area. Again, this speaks to the notion that much of the commuting in and out of the county is due to the fact that its northern and southern borders intersect different economic regions: San Francisco and Silicon Valley, respectively.

**Table 15: Educational Attainment in San Mateo County (2006-2010)**

Educational Attainment	Shares		Cumulative Shares	
	Residents	Workers	Residents	Workers
Less than high school	9.5	9.5	9.5	9.5
High school graduate	16.0	16.4	25.5	25.9
Some college, but less than 1 year	4.0	4.4	29.5	30.3
One or more years of college, no degree	14.2	13.7	43.6	44.0
Associate's degree	8.2	8.1	51.8	52.1
Bachelor's degree	29.9	29.5	81.7	81.6
Master's degree	12.0	13.1	93.7	94.7
Professional school degree	3.1	2.4	96.8	97.0
Doctorate degree	3.2	3.0	100.0	100.0

Source: 2010 5-year American Community Survey  
Calculations by Bay Area Council Economic Institute

Though the county's employed residents are similar to its employees, there are striking differences between the groups that commute and the group that does not. Table 16 provides evidence on this point. The first three columns of the table present the cumulative shares of people reaching each level of education. For example, 77.1% of those commuting out of San Mateo County have at most a bachelor's degree, as opposed to 85.5% of those residents who also live in the county. This means that residents commuting out tend to be more highly educated than those who work in the county—more of the residents who travel across the county line have attained master's, professional, or doctorate degrees. As indicated earlier, those commuting in are very similar in educational attainment to those residents commuting out. Here, the data indicate that both groups have the same proportion with a bachelor's degree or less, 77.1%.

**Table 16: Educational Distribution of Commuters and Noncommuters in San Mateo County (2006-2010)**

Educational Attainment	Cumulative Shares			Net Outflows	
	Commute Direction		Resident Non-Commuters	Total	Share of Labor Force
	Out	In			
Less than high school	6.4	6.6	12.1	-791	-3.3
High school graduate	19.2	20.5	30.7	-2,362	-5.8
Some college, but less than 1 year	22.3	24.6	35.4	-1,464	-14.5
One or more years of college, no degree	35.4	36.7	50.6	142	0.4
Associate's degree	42.8	44.0	59.3	-394	-1.9
Bachelor's degree	77.1	77.1	85.5	-1,471	-1.9
Master's degree	91.9	94.1	95.2	-3,848	-12.6
Professional school degree	96.1	96.5	97.5	1,788	22.5
Doctorate degree	100.0	100.0	100.0	263	3.3
Total				-8,137	-3.2

Source: 2010 5-year American Community Survey  
Calculations by Bay Area Council Economic Institute



The two columns under the “Commute Direction” heading are in fact very similar. However, some differences are worthy of note. In particular, more of those workers commuting in have a master's degree than do those commuting out. This reflects the fact that the single largest education group contributing to San Mateo County's net inflow of workers is those with a master's degree. Those having just a high school diploma are the second largest contributors to net inflows, while those with a professional school degree (e.g., law, business, or public policy) commute out in larger numbers than they commute in. A greater proportion of those commuting out of the county have a professional school degree than do those in either of the other two categories of workers. It is estimated that in an average year between 2006 and 2010, nearly 2,000 such individuals commuted out of the county each day.

Those who cross county lines for work each day are on average more educated than those who both reside and work locally. In particular, just 20% of those commuting in and out have at most a high school diploma. The same number for those not crossing county lines is 30.7%. At higher levels of education, 56.5% of those commuting in or out of the county have at least a bachelor's degree. The same number for the rest of those employed in the county is just 40.7%. These differences reflect a variety of influences, including not only generally smaller, more local, labor markets for those with lower levels of education, but also the fact that labor markets tend to be smaller when the labor in question is lower skilled. In particular, information about job openings tends to be more widely available the higher the pay for the position.

Although highly correlated with education, commute patterns also appear to reflect some amount of personal preference. In particular, those living in San Mateo County and working outside of the county earn more than \$85,000, while those living and working in the county earn just under \$66,000, or about 22% less than those leaving the county each day (Table 17). This pattern holds for all levels of educational attainment with the exception of those with a doctorate degree. Those with less than a high school diploma who commute out of the county earn an additional \$7,400 per year more than those who do not. Those with a professional school degree earn an additional \$36,800 when working outside of the county. These differences are surely enough to cover the monetary costs of commuting, but seem to be less than is necessary to convince all workers that it is worth their time.

**Table 17: Average Annual Earnings (thousands of 2010 dollars)**

Educational Attainment	Commute Direction		Resident Non-Commuters
	Out	In	
Less than high school	34.8	32.8	27.4
High school graduate	42.9	43.8	38.6
Some college, but less than 1 year	53.5	51.3	49.5
One or more years of college, no degree	57.9	59.2	52.7
Associate's degree	62.3	60.7	57.1
Bachelor's degree	91.0	89.3	81.4
Master's degree	135.8	119.3	121.8
Professional school degree	181.5	187.0	144.7
Doctorate degree	125.2	152.7	144.3
All education levels	85.4	81.7	65.8

Source: 2010 5-year American Community Survey  
 Calculations by Bay Area Council Economic Institute



## Age

Commuters crossing county lines are also distinguished by their relative ages. In particular, those commuting into or out of the county are less likely to be between the ages of 17 and 25. Consistent with the observations above, those working full time in that age range tend to have lower levels of educational attainment and to have lower earnings conditional on education, suggesting that they are less likely to be mobile. Where the real difference lies is in the pattern of net inflows. The net inflow of workers is exclusively attributable to those 45 years or younger. The county tends to have an abundance of workers ages 46 and older, and posts a net outflow of workers in this category.

**Table 18: Age Distribution in San Mateo County (2006-2010)**

Age	Shares by Age			Net Outflows	
	Commute Direction		Resident Non-Commuters	Total	Share of Labor Force
	Out	In			
17-25	9.0	8.9	12.1	-609	-2.2
26-35	25.3	29.4	24.9	-7,077	-11.1
36-45	27.6	30.0	26.8	-5,258	-7.6
46-55	25.4	21.5	23.5	2,741	4.4
56-65	12.7	10.2	12.6	2,066	6.4
Total	100.0	100.0	100.0	-8,137	-3.2

Source: 2010 5-year American Community Survey  
Calculations by Bay Area Council Economic Institute

Over the course of the next 10 years, forecasts indicate that the relative supplies of workers in the above age categories are likely to change significantly in the Bay Area. In particular, there will be significant growth in those ages 26 to 35, declines between the ages of 36 and 55, and growth among those older than 55. This suggests an increase in the supply of young workers that the flow into the county relatively intensively, a decrease in the middle ranges that also show a net inflow, and an increase in the older age categories, a group that is available in excess supply in the county. This should be a source of benefit for companies relying on young, relatively mobile workers and older resident workers, but a source of concern to those relying on experienced workers between the ages of 36 and 55; they may be less available within the county and harder to attract from other parts of the Bay Area.

## Race and Ethnicity

Statistics by racial category reveal a relatively diverse set of resident workers and employees in San Mateo County (Table 19). Non-Hispanic whites make up just over 40% of both groups, Hispanics make up between 20–25%, African Americans just 2–3%, while other races, largely Asian and Pacific Islanders, account for the remaining 30–35%. Those in the white and “other” categories closely resemble each other in terms of providing primarily skilled labor, while African Americans and Hispanics have on average lower levels of educational achievement.

Other patterns that stand out include a disproportionate share of African Americans commuting into the county. Nearly twice as many African Americans commute in as out or as work and reside in the county. White workers are roughly evenly represented in each category at just over 40%. Hispanics are less likely to commute than are members of other races, while Asians and Pacific Islanders show the greatest propensity for commuting, making up 35% of commuters but only 27% of noncommuters in San Mateo County.

**Table 19: Race and Ethnicity in San Mateo County (2006-2010)**

Race	Shares by Race			% With at Least a Bachelor's Degree		
	Commute Direction		Resident Non-Commuters	Commute Direction		Resident Non-Commuters
	Out	In		Out	In	
White	43.1	41.9	42.1	68.1	68.3	52.5
African American	2.5	4.8	2.4	32.7	27.0	34.3
Hispanic	19.1	17.8	28.3	21.5	19.5	12.4
Other	35.3	35.5	27.1	64.9	63.8	52.3
Total	100.0	100.0	100.0	57.2	56.0	40.7

Source: 2010 5-year American Community Survey  
Calculations by Bay Area Council Economic Institute

Patterns of educational attainment are consistent with the results presented above. Those who commute have higher rates of educational attainment. African Americans are the only exception to this observation, with on average more educated workers residing and working within San Mateo County. Finally, rates of educational attainment among Hispanic residents and workers are extremely low, with less than 20% having at least a bachelor's degree.

## Industries

Of those industries that have a significant number of workers flowing into San Mateo County, Professional, Scientific, and Technical Services, Manufacturing, and Transportation and Warehousing stand out (Table 20). Among employed residents of the county, more workers are engaged in Health Care and Social Assistance, Educational Services, Finance and Insurance, and Public Administration than are employed in the county; workers in these industries are on net flowing out from the county.

The two sectors with the largest inflows, Manufacturing and Professional, Scientific, and Technical Services (PSTS), exhibit a high degree of mobility; of the workers employed in these industries, the share that commutes across county lines is higher than the share of those who do not cross county lines on their way to work. For Manufacturing, these shares are 11.8% of those commuting out of the county and 15.8% of those commuting into the county, while the share of those living and working in the county who are employed in the manufacturing sector is just 8.6%. A similar pattern holds for PSTS.

The other major sector that is a large source of inflows, Transportation and Warehousing, brings in workers at a higher rate than it employs them in the county (7.6% of those commuting into the county as opposed to 6.1% of those living in the county), but workers in this industry are less well represented among those living in the county and working elsewhere (3.8%). This is a pattern to be expected among industries with inflows and in this industry specifically. San Mateo County has a relatively highly educated labor force, and Transportation and Warehousing employees are workers with generally lower levels of educational attainment. It makes sense that the county would have a relative dearth of workers for this industry for both employment in the county and flowing out.

Turning back to Manufacturing, the shares of workers traveling into and out of the county conform to the patterns just described. On net, workers equivalent to 23% of those employed in Manufacturing are flowing in from other counties. Although the industry has a net inflow of workers at all levels of education, with the exception of those with a professional school degree (e.g., law, business, or public policy), most of the workers coming into the county to work in manufacturing have relatively lower levels of educational attainment. In particular, 55.6% of manufacturing workers

**Table 20: Industry Distribution Across Types in San Mateo County (2006-2010)**

Industry	Shares by Industry			Total	Net Outflows Share of Labor Force
	Commute Direction		Resident Non-Commuters		
	Out	In			
Ag., Forestry, Fishing and Hunting	0.1	0.1	0.8	8	0.6
Utilities	1.3	0.5	0.7	910	36.6
Construction	5.3	5.7	5.3	-938	-7.0
Manufacturing	11.8	15.8	8.6	-5,879	-23.0
Wholesale Trade	3.1	3.2	3.8	-367	-4.1
Retail Trade	7.8	7.9	11.6	-764	-3.0
Transportation and Warehousing	3.8	7.6	6.1	-5,094	-39.9
Information	4.9	5.5	3.1	-1,124	-11.3
Finance and Insurance	7.9	5.8	5.9	1,971	11.4
Real Estate and Rental and Leasing	2.0	1.7	2.7	286	4.7
Prof., Sci., and Tech. Services	13.5	19.8	11.4	-8,851	-28.1
Management of Companies and Enterprises	0.1	0.2	0.1	-106	-45.9
Admin. Support and Waste Mgmt. Svcs.	3.9	3.8	4.8	-224	-2.0
Educational Services	8.5	4.8	7.2	3,853	19.5
Health Care and Social Assistance	12.6	7.5	11.6	5,276	17.2
Arts, Entertainment, and Recreation	1.1	1.0	1.7	56	1.5
Accommodation and Food Services	4.9	3.9	6.9	834	5.5
Other Services (except Public Admin)	3.0	2.6	4.5	224	2.3
Public Administration	4.3	2.6	3.1	1,792	19.5
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>-8,137</b>	<b>-3.2</b>

Source: 2010 5-year American Community Survey

Calculations by Bay Area Council Economic Institute

Note: "Net Outflows" is defined as the excess number of workers commuting out of the county above and beyond those commuting in.

employed in San Mateo County with just a high school diploma live elsewhere. Just 15.9% of those with a bachelor's degree and 16.6% of those with a master's degree come from outside of the county. Accounting for almost half of those net inflows are workers in occupations related to production.

The opposite is true for PSTS. Although net inflows in this industry account for a similar percentage of employment, the makeup is very different. In particular, those with a bachelor's or master's degree account for more than 75% of the net inflow of workers in this sector.

## Occupations

A similar exercise with respect to occupational categories finds more jobs than resident workers in computer and mathematical occupations, production, and life, physical, and social science occupations (Table 21). There are more resident workers than jobs in the county in the following occupations: sales, building and grounds cleaning and maintenance, and health care practitioners and technical occupations.

Among those in computer and mathematical occupations, the vast majority of net inflows (3,906 out of 5,476) are employed in the PSTS industry. A substantial proportion is employed in Manufacturing (722), Retail Trade (498) and Information (497). These are all occupations in San Mateo County for which there is an excess of demand for workers relative to supply. A part of this mismatch could be due to geography if resident workers are located at one end of the county and companies are at another. There is ample supply of these workers in both San Francisco and Santa Clara counties for this to be the case. At the same time, however, Santa Clara is both the largest county to which workers

**Table 21: Occupation Distribution Across Types in San Mateo County (2006-2010)**

Occupation	Shares by Occupation			Net Outflows	
	Commuter Direction		Resident	Total	Share of Labor Force
	Out	In	Non-Commuters		
Management	16.4	14.6	11.9	927	2.6
Business and Financial Operations	7.5	7.0	5.3	-76	-0.5
Computer and Mathematical Occupations	7.0	10.9	5.4	-5,476	-35.2
Architecture and Engineering	4.0	4.1	1.8	-409	-5.7
Life, Physical, and Social Science	2.5	4.0	2.5	-2,033	-32.0
Community and Social Service	0.9	0.9	1.0	-128	-5.3
Legal	2.4	1.6	1.0	852	20.1
Education, Training, and Library	4.0	3.7	4.6	58	0.5
Arts, Design, Entertainment, Sports, and Media	1.9	2.3	1.6	-621	-14.0
Health Care Practitioners and Technical Occupations	5.9	3.4	4.6	2,623	20.0
Health Care Support	1.7	0.9	2.1	800	16.6
Protective Service	2.1	2.0	1.8	-19	-0.4
Food Preparation and Serving Related	3.1	2.7	5.3	350	3.2
Building and Grounds Cleaning and Maintenance	3.6	2.2	5.1	1,434	12.9
Personal Care and Service	1.4	2.0	3.5	-880	-13.8
Sales and Related	10.6	8.0	10.2	2,414	9.2
Office and Administrative Support	11.4	10.7	15.6	-73	-0.2
Farming, Fishing, and Forestry	0.0	0.1	0.8	-113	-9.8
Construction and Extraction	4.3	4.4	4.4	-537	-4.9
Installation, Maintenance, and Repair	2.3	3.7	2.6	-1,975	-31.5
Production	3.0	5.5	4.1	-3,358	-37.1
Transportation and Material Moving	3.9	5.2	4.9	-1,897	-16.8
Total	100.0	100.0	100.0	-8,137	-3.2

Source: 2010 5-year American Community Survey  
Calculations by Bay Area Council Economic Institute

in these occupations commute and the largest supplier of these workers into San Mateo County. This suggests that the demand for these workers is highest in the region surrounding the county's southern border and the relevant labor market spans both southern San Mateo County and northern Santa Clara County.

A similar pattern holds for those in life, physical, and social science occupations. Net inflows are concentrated again in PSTS (1,850) and Manufacturing (776). These net inflows account for more than 60% of each industry's employment in this occupation. Individuals working in these occupations and in Educational Services also commute out of the county to work in significant numbers, with net outflows of 748; this includes 811 people commuting out of the county and just 63 commuting into the county.

Of those occupations with a net inflow of workers, those with the largest differential between outflows and inflows are in the health care practitioners and technical occupations, and sales and related fields. For both occupation groups, San Francisco is the largest commute destination outside of San Mateo County and the largest source of workers flowing into San Mateo County, though outflows from San Mateo are roughly twice the size of inflows. Although Santa Clara is generally ranked second for these occupations, in terms of both inflows and outflows, Alameda County also plays a significant role. Curiously, the employees coming from Alameda into San Mateo County outnumber the workers leaving San Mateo by more than two to one in both occupation groups.

## Geography and Demographics

When we combine evidence from the geography of San Mateo County commute patterns with the demographic information, interesting facts about cross-county flows present themselves. Table 22 provides information about those who commute either into or out of the counties that constitute San Mateo County’s four major trading partners. Several observations are apparent from this table. First, from an educational attainment standpoint, labor flowing into San Mateo County is similar to the labor flowing out: 57.2% of those commuting out of the county have at least a bachelor’s degree, as do 56.0% of those flowing in. And average incomes for the two groups roughly reflect the difference in educational attainment; the wages of those commuting out of San Mateo County are about 7% more than the wages of those commuting into the county.

**Table 22: Cross-County Commute Patterns for San Mateo County**

County	% with at Least a Bachelor's Degree		Average Annual Income (\$ Thousands)	
	Commute Direction		Commute Direction	
	Out of San Mateo County	Into San Mateo County	Out of San Mateo County	Into San Mateo County
San Francisco	50.2	62.1	71.6	81.7
Santa Clara	68.1	63.4	106.4	86.6
Alameda	54.3	48.8	80.4	74.2
Contra Costa	58.7	46.3	76.1	87.2
All Counties	57.2	56.0	85.4	81.7

Source: 2010 5-year American Community Survey  
Calculations by Bay Area Council Economic Institute

Second, this correlation does not hold for specific counties. In particular, the difference in educational attainment between those commuting from San Mateo County (58.7% of whom have at least a bachelor’s degree) to Contra Costa County and those undertaking the reverse commute (46.3 of whom have at least a bachelor’s degree) is 12.3 percentage points, a very significant difference. What is also striking about commutes between these two counties is the finding that the returns to commuting from Contra Costa County to San Mateo County are enormous. Despite the much lower average educational attainment, the average income for those commuting to San Mateo County is 15% higher than for those making the reverse commute. This difference in wages holds for nearly all levels of education, but is most pronounced among those with at least a bachelor's degree.

When we recall that Contra Costa County is a bedroom community, it makes sense that it would present fewer employment opportunities and that the wage patterns would reflect a preference for lower-cost housing with a commute over the higher cost of housing in San Mateo County. These returns are especially pronounced among those with at least an associate's degree and reflect a small difference in ages, but not enough to explain the whole difference.

Third, San Francisco is the only county in which, on average, less educated workers flow out to from San Mateo County. Outflows from San Mateo County are, on average, less educated workers. This is surprising given that there is more employment of higher-skilled workers in San Francisco than in San Mateo County.

## **Policy Insights**

This report provides an overview of labor force flows and commute patterns in San Mateo County. In so doing, it has raised a number of issues and produced statistics that touch on important policy challenges for the region, including infrastructure, workforce development, and economic development. The data presented here offer insights into each policy area, which will be discussed below, but definitive answers may have to await further investigation of the data.

### **Infrastructure and Housing**

The data used in this study is already being used to inform housing and transportation infrastructure issues. An understanding of the location from which individuals travel in a variety of directions can aid planning officials in approving both residential and commercial real estate proposals. Does the proposal alleviate or exacerbate existing conditions on local roads? For example, if many of the county's skilled workers commute to Santa Clara County, it is probably more important to build housing for such households in the southern part of the county than in the northern area. Similarly, these data inform policymakers with regard to the paths most traveled by commuters and alert planners about potential deficiencies. For instance, this report uncovers the relatively long (per minute) commutes for individuals into North Fair Oaks and East Palo Alto. Thus the data can highlight the extent to which highly traveled corridors are underserved by public transportation.

### **Workforce Development**

From an employment perspective, this analysis of labor flows and commute patterns with respect to occupational categories will inform workforce development. Assisting San Mateo County residents in finding meaningful employment requires an understanding of opportunities both inside and outside of the county. There will always be a substantial amount of cross-commuting in a labor market with the broad geographic reach of the Bay Area.

### **Economic Development**

From an economic development perspective, two lessons come to mind. First, many of the county's skilled residents are commuting a significant distance to employment out of the county. Perhaps the county is missing opportunities to attract jobs that match the skills of available residents. Second, the growth of employment in the county does not need to be limited by the type of labor that is available in the county. Employers can draw on residents in the Greater Bay Area to fill employment positions. Having a very large and highly skilled accessible labor pool will continue to be an enormous benefit for employers in San Mateo County and, by extension, the San Mateo County economy.