

Austin job market holds up amid national slowdown

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Austin's job market has slowed, but the region continues to gain jobs while many other parts of the country are losing them.

The Central Texas job growth rate was 2.4 percent in August, meaning the region had 18,100 more jobs than it did a year ago, the Texas Workforce Commission reported. Unemployment was 4.5 percent, up a tenth of a percent from July and up from 3.7 percent a year ago.

The local job market has taken some hits this year, the biggest being Dell Inc.'s decision to close two North Austin plants. The region lost 2,800 manufacturing jobs in the past year, but almost every other sector has grown.

The biggest August gains were in government, as schools opened for a new year, and the hotel and restaurant industries.

Statewide, the jobs picture weakened. Unemployment jumped to 5 percent, up from 4.7 percent in July and 4.3 percent in August 2007, as job growth slowed to a crawl and the number of job seekers rose sharply, the commission said.

It was unclear what effects the current financial crisis and Hurricane Ike would have on September unemployment figures, which will be reported next month.

Some experts say a credit crunch could limit the ability of businesses nationwide to borrow for expansion. And the storm disrupted all kinds of businesses in Houston, shutting down many refineries for several days, and wrecked much of Galveston's tourism business.

"Our state will face economic challenges in the coming months with many employers and workers rebuilding in the aftermath of Hurricane Ike," commission member Andres Alcantar said.