

# Central Texas Economy In Perspective

by Beverly Kerr, Chamber Vice President of Research

Austin's rate of job growth consistently places in the top 10 among major metropolitan areas. While growth now is low relative to our experience of the last couple of years, the current ranking shows Austin has not lost ground among major metropolitan economies across the country. Texas performed slightly better with job growth of 1.5% and each of the metros topping Austin this month are all in Texas. The nation's loss of 2.8 million jobs represented a decline of -2.0%.

## Fastest Growing Among Top 50 Metro Areas

	Non-farm payroll jobs December 2008	Growth Dec. 2007-Dec. 2008		Rank
		Difference	% Ch.	
Houston MSA	2,666,100	57,300	2.2%	1
San Antonio MSA	859,500	14,900	1.8	2
Fort Worth MDiv	897,300	15,500	1.8	3
Dallas MDiv	2,137,800	27,800	1.3	4
Austin MSA	780,900	9,600	1.2	5
Virginia Beach MSA	788,700	7,700	1.0	6
Washington MDiv	2,454,800	11,000	0.5	7
Seattle MDiv	1,485,400	6,200	0.4	8
Columbus MSA	956,200	-4,400	-0.5	9
Indianapolis MSA	922,300	-5,400	-0.6	10

*Austin is the 43<sup>th</sup> largest metro based on total non-farm payroll jobs in December.*

Source: U.S. Bureau of Labor Statistics.

For the first time in the current downturn, the top 10 list includes metros that actually lost rather than gained jobs. Which, of course, means that the rest of the largest 50 metros also lost jobs. The large metros experiencing the greatest rates of job loss are Detroit, Phoenix, Warren MI, Fort Lauderdale, & Atlanta.

Economic forecasts for Austin produced in January by two local economists, [Ray Perryman](#) and [Angelos Angelou](#), predicted Austin will continue to experience job growth through 2009, albeit at even lower rates than seen in 2008.

Global Insight, which produces regular estimates and projections for a series of U.S. Conference of Mayors publications on metro economies, are responsible for another set of [projections](#) released in January. This one reflects the change in jobs expected between the fourth quarters of 2008 and 2009. It has Austin loosing 2,800 jobs. However, as this table indicates, Austin's relative performance among other large metros should remain what we have been used to seeing.

## Growth Projections for Top 50 Metro Areas

	Total jobs 2008 Q4	Change by 2009 Q4		% ch. Rank	Unemployment rate (%)	
		Jobs	% Ch.		2008 Q4	2009 Q4
Raleigh MSA	527,400	-1,900	-0.4	1	6.1	7.8
Austin MSA	774,000	-2,800	-0.4	2	4.8	6.1
New Orleans MSA	525,100	-3,100	-0.6	3	4.7	5.7
Minneapolis MSA	1,788,800	-13,800	-0.8	4	6.3	7.6
Columbus MSA	948,300	-7,700	-0.8	5	6.7	8.9
Indianapolis MSA	917,300	-7,800	-0.9	6	5.8	7.7
San Antonio MSA	847,500	-8,100	-1.0	7	5.3	6.6
Salt Lake City MSA	641,000	-7,400	-1.2	8	3.8	4.8
Riverside MSA	1,234,100	-15,200	-1.2	9	9.6	11.6
Philadelphia MSA	2,802,100	-36,100	-1.3	10	6.1	7.4

Source: U.S. Conference of Mayors/Global Insight, January 2009.

San Antonio also remains with Austin in the top 10 in a ranking of the Global Insight projections, however Dallas-Fort Worth and Houston do not. The combined Dallas-Fort Worth metro would lose 45,200 jobs or 1.5% and Houston would lose 43,800 or 1.7%. They would see 6.9% and 6.6% unemployment rates, respectively.

If Austin's unemployment increases to 6.1% that would represent nearly 53,000 persons of the current labor force total, which would exceed Austin's record number of unemployed from June 2003.

See the [Economic Indicators](#) section of the Austin Chamber's web site for additional labor market data and other economic data for Austin updated through the end of 2008. Note that the labor market numbers are preliminary and revisions will be produced by the [Texas Workforce Commission](#) in March.

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**Courtesy of JB Goodwin**