

Austin market adds jobs for second straight month

Metro area adds 4,000 jobs year-over-year in May, Texas Workforce Commission reports

By **Barry Harrell**

AMERICAN-STATESMAN STAFF
Saturday, June 19, 2010

The Austin-area job market showed growth in May, adding jobs for the second month in a row, the Texas Workforce Commission reported Friday.

Central Texas employers added 4,000 jobs between May 2009 and May 2010, a 0.5 percent annual gain, according to the commission. That comes on the heels of the April jobs report, which found the area was 800 jobs ahead of April 2009 — the first year-over-year gain since late 2008.

In the Austin area, the biggest gains last month were in the hospitality and leisure sector, which added 7,500 jobs between May 2009 and last month, an increase of 8.5 percent. But job cuts continued in the manufacturing, construction and information sectors, according to the commission.

The unemployment rate was 6.9 percent, down from 7 percent in April but still higher than the 6.6 percent in May 2009.

Local economist Angelos Angelou said the Central Texas job numbers "indicate a slow but steady recovery for the Austin labor market."

"But while those numbers are things we should rejoice about, we still have a long way to go, just like the rest of the nation," said Angelou, founder of Angelou-Economics.

Angelou cautioned that the job numbers indicate that most of the new jobs are in lower-paying fields like the hospitality and leisure sector, which indicates that "the high-tech economy is still struggling," he said.

"It appears to be a very slow recovery. The recession has been tougher to beat than anyone anticipated," Angelou said. "But overall, Austin is weathering the storm fairly well."

Although other major Texas cities still remain behind where they were a year earlier, the state overall recorded a year-over-year gain of 35,100 jobs. Unemployment held at 8.3 percent.

"During the month of May, employers in most industries added jobs," commission Chairman Tom Pauken said in a news release. "In addition, it is encouraging to see that Texas' annual job growth rate is back in positive territory."

The Dallas-Plano-Irving metro area also added jobs between May 2009 and May 2010, marking its first positive annual job growth since September 2008. The area added 5,600 jobs, a 0.3 percent increase, and saw its unemployment rate dip from 8.2 percent to 8.1 percent.

The Houston and San Antonio metro areas both lost jobs between May 2009 and May 2010.

Houston reported a loss of 22,000 jobs for a 0.9 percent year-over-year loss rate, but also saw its unemployment rate drop from 8.4 percent in April to 8.3 percent in May.

San Antonio reported a loss of 7,200 jobs for a 0.9 percent year-over-year loss rate, but also saw its unemployment rate drop, from 7.3 percent in April to 7.1 percent.

The numbers are not seasonally adjusted. The seasonally adjusted national unemployment rate was 9.7 percent in May.

Courtesy of JB Goodwin