

# Area's job growth is strongest since 2000

## Five-county region posts 4 percent annual growth rate, revised figures show.

By Claudia Grisales  
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### **The boom is back.**

**Newly revised work force figures show that the Austin and Round Rock area added even more jobs than initially estimated, making 2006 the strongest job market the region has seen since the high-tech boom.**

**The five-county area added more than 27,000 jobs last year for an average annual job growth rate of 4 percent, the largest jump since 2000.**

Initial state estimates said the region, including Travis, Williamson, Caldwell, Bastrop and Hays counties, added jobs at a 3.2 percent rate.

"This has pretty much been positive growth for Austin," said Veronica Downey, a labor market analyst for the Texas Workforce Commission, which released the revised figures Thursday.

### **But this boom is different, analysts said.**

Unlike the dot-com explosion, this growth is broad-based and more stable, with all sectors adding jobs, from lower-paying retail to higher-paying engineering and legal services.

"The revised job growth speaks to the strength of the Central Texas economy, particular in context of slowing growth at the national level," said Daniel Kah, a senior economist with Angelou Economics.

Unlike the national economy, two key drivers behind the Austin region's job growth are a rebound in manufacturing jobs, especially in the semiconductor arena, as well as a still red-hot housing market.

The boom's impact percolates through the rest of the economy, with the area population growing at a healthy pace. Relatively low-cost housing remains a big draw for West and East coast residents in search of less-expensive living.

Angelou Economics forecasted 42,500 new residents in 2006, a 2.9 percent growth rate, and expects annual growth in that range for the next two years.

The jobless rate was also revised for 2006 to 4.1 percent from 4 percent, which is considered healthy by economists.

"Austin's position remains strong," Kah said. "The community's strength in technology and design, excellent work force and quality of life ensures strong economic growth moving forward."

And the revisions show more good news came in January: The region's work force added 33,900 jobs compared with the same month a year earlier.

That's a 4.9 percent annual growth rate, also a six-year high as well as the second highest-rate for a Texas metropolitan area that month. (Only Midland, which has a much smaller work force, added jobs at a higher 5 percent rate).

The total Austin-area work force, excluding agricultural jobs, reached a total of 730,300 jobs.

Before the revisions, the state agency said, the region added jobs at a 4.4 percent rate in January. In January 2000, the area posted a 5.9 percent growth rate compared to the same month a year earlier at the tail end of the high-tech boom.

In terms of total new jobs, Houston led the state with 99,100 (a 4.2 percent growth rate), with Dallas coming in second with 78,900 jobs (a 4 percent rate) and Austin coming in third.

**Courtesy of JB Goodwin**