

Austin-area unemployment rate holds steady for third month in row

By [Claudia Grisales](#)
AMERICAN-STATESMAN STAFF
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The Austin area recorded a 7.2 percent unemployment rate for the third month in a row in October, but the region is continuing to lose jobs, according to figures reported Friday by the Texas Workforce Commission.

Last month, the five-county Austin-Round Rock region had 3,400 fewer jobs than in October 2008, a 0.4 percent loss rate. The total nonfarm work force was 780,700 in October.

Steep cuts in manufacturing and construction jobs were offset by hiring by school districts and state and local governments. A year ago, the region's jobless rate was 4.6 percent.

"It looks to me like these are small changes, ... and given that unemployment is a lagging indicator, I think that is a good sign," said Jim Kee, a San Antonio-based chief economist for wealth management firm South Texas Money Management.

Economic forecasts suggest that although an economic recovery might be under way, a turnaround in the job market could come much later because the employment rate typically lags other indicators.

October's figures indicate that such a recovery for workers could be slow to come.

Statewide, the jobless rate rose slightly to 8.3 percent last month from 8.2 percent in September and 5.3 percent a year ago. However, the Texas rate is still below the national rate of 10.2 percent.

"The Texas unemployment rate continued to edge upward as our state continues to feel the effects of the national economic downturn," said Tom Pauken, chairman of the Texas Workforce Commission.

However, the state gained 41,700 jobs from September to October, only the second such increase in the past year. Education and the health, professional, business and financial services sectors were among those reporting growth.

Austin saw gains in similar sectors. Among the largest increases were annual gains of 4 percent, or 3,300 jobs, in education and health services; of 1.7 percent, or 2,800 jobs, for government jobs; and of 2 percent, or 1,600 jobs, in the leisure and hospitality industries.

The Austin region is still in better shape than other large Texas cities.

The picture was worse in Dallas, with a 2.5 percent annual job loss; in Houston, down 3 percent; and in Fort Worth and San Antonio, both down 0.7 percent.

"Austin has done better on the employment front than Texas in general, which has done better than the national economy," Kee said. "Austin has a lot of government jobs, and government spending is less cyclical."

Courtesy of JB Goodwin

Jobless rates increase in 29 states

California, three other states hit record highs

By Courtney Schlisserman
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WASHINGTON — California, Delaware, South Carolina and Florida registered record rates of unemployment in October as weakness in the labor market stretched from coast to coast and limited the economic recovery.

Jobless rates increased in 29 U.S. states last month, compared with 22 in September, the U.S. Department of Labor reported Friday. Michigan had the highest jobless rate at 15.1 percent, followed by Nevada at 13 percent and Rhode Island at 12.9 percent.

The national rate last month reached a 26-year high of 10.2 percent, weighing on consumer spending that accounts for about 70 percent of the economy. Federal Reserve Chairman Ben Bernanke said Tuesday that joblessness "likely will decline only slowly," a reason that policymakers will keep interest rates near zero to ensure growth is sustained.

"We've had a surprisingly sharp jump in the jobless rate," said Richard DeKaser, president of economic analysis firm Woodley Park Research. "Businesses have truly been doing an extraordinary job of wringing out productivity from the labor force."

The unemployment rate fell in 13 states, including Massachusetts, where it declined to 8.9 percent from 9.3 percent; New Hampshire, with a drop to 6.8 percent from 7.2 percent; and West Virginia, which fell to 8.5 percent from 8.9 percent.

The number of states with at least 10 percent unemployment held at 14 last month, the Labor Department's report showed. The states reporting a record jobless rate were California at 12.5 percent, South Carolina at 12.1 percent, Florida at 11.2 percent and Delaware at 8.7 percent. The District of Columbia also set a high with an 11.9 percent rate.

President Barack Obama this month signed into law a plan to extend jobless benefits, expand a tax credit for first-time homebuyers and provide tax refunds to money-losing companies. The measure gives jobless people as many as 20 additional weeks of unemployment assistance.

The Obama administration has also announced plans to convene a jobs summit at the White House next month.

Payrolls declined last month in 21 states, Friday's report showed. New York showed the biggest drop, with a loss of 15,300. Florida had 8,500 job losses, followed by Georgia with 7,500 and Virginia with 7,100.

Over the past year, California showed the biggest loss of jobs, with payrolls falling by 687,700 workers, Friday's report showed.

Nationally, payrolls fell by 190,000 in October, the Labor Department said Nov. 6. The U.S. has lost 7.3 million jobs since the start of the recession in December 2007, the most since the Great Depression.

Other measures confirm that though firms are firing fewer workers, it is harder for unemployed workers to find jobs. The number of people getting extended payments jumped in the week ended Oct. 31 even as the number of Americans filing first-time claims for unemployment benefits held at a 10-month low last week, according to government data released Thursday.

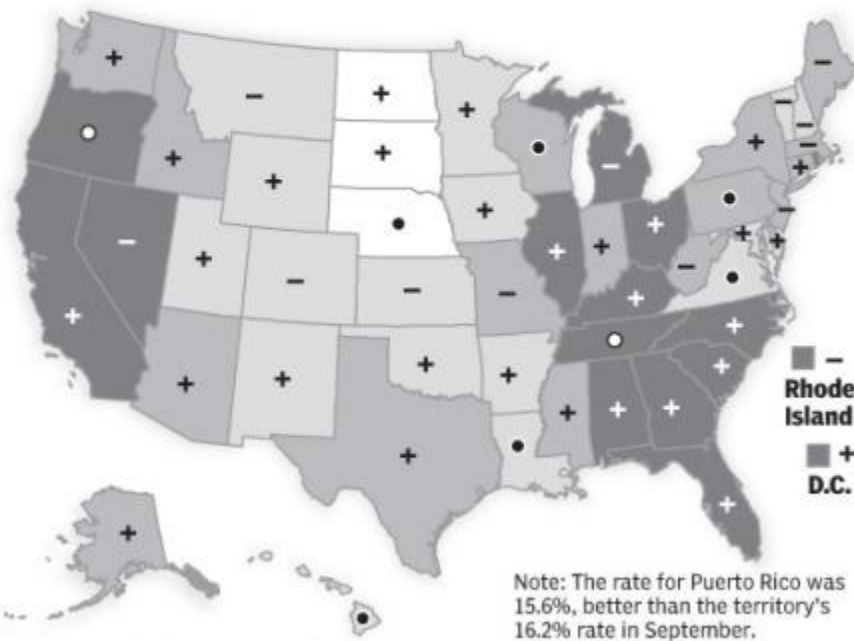
Bleaker jobless picture for 29 states

Unemployment rates in California, Delaware, South Carolina and Florida reached record highs as joblessness rose in 29 states in October.

Unemployment rates in October



Change from September + Higher - Lower • Unchanged



Source: U.S. Department of Labor

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