

Forecasters see Austin economy picking up speed, jobs

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Austin will add nearly 44,000 jobs over the next two years, bringing the number of jobs in the area to more than 810,000 by the end of 2012, Austin economist Angelos Angelou said Thursday in his annual forecast.

And unlike the last few years, where growth was limited to areas such as leisure, hospitality, government and education, the future growth will be across all employment sectors, he said.

Even construction will begin to inch upward, he said, because of pent-up demand for housing.

"Our population is growing, so I do believe that the economy is going to start performing on all cylinders," he said.

Austin had the highest job growth among major Texas cities last year. But potential problems loom — especially in technology, with the departure of the Sematech chip research consortium and "very limited production" at Dell Inc., Angelou said. Also, most local job growth came in the service sector, which typically has lower wages.

Angelou predicted the area will add 18,800 jobs this year, a 2.5 percent increase, and 25,100 in 2012, a 3.2 percent increase.

"The only concern that I have, longer term, is: Are we creating the right kind of jobs?" he said. "Are they paying the high wages that we're accustomed to?"

Unemployment, which was at 7.1 percent in 2010, will drop to 6.9 percent this year and 5.8 percent in 2012, according to Angelou's forecast.

In a separate forecast, Waco economist Ray Perryman said he expects the Austin area economy to show "significant increases in key indicators of overall activity and expansion" across all major sectors over the next five years.

He expects the region to add 105,400 jobs over that period, reaching 909,600 by 2015.