

**Job hunting? Your odds are about to go up, economists say**

## **Angelou predicts Austin will add 26,000 in next two years**

By [Brian Gaar](#)

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The Austin job market will rebound in the next few years as the area slowly climbs out of the recession, some analysts say.

**Buoyed by continued population growth, the Austin metro area will add more than 26,000 jobs over the next two years, economist Angelos Angelou said Thursday. Angelou made his annual prediction at a breakfast attended by an estimated 800 people at the Austin Convention Center.**

The local economy will have modest job growth in 2010 before returning to form in 2011, he said. New jobs will be created in almost all sectors, he said. But the strongest growth will be in Austin's "core areas" of education, health care, professional services, government and financial activities, he said. Hard-hit areas such as manufacturing and construction will continue to lose jobs, he said.

**"Despite the dismal performance of the national economy over the past year, Austin remains in an enviable position," Angelou said. "While the region didn't fully escape the bruising dynamics of the national economy, few metropolitan areas in the country are more competitively placed today than our community."**

**Ed Friedman , a director at Moody's Economy.com who covers the Texas economy, also is predicting a jobs recovery in Austin, with 17,000 new jobs this year and 24,000 new jobs in 2011.**

By comparison, Austin gained 51,000 jobs in 2006 and 2007, before the recession hit.

He said he expected gains in semiconductor and solar manufacturing jobs during that time. Health-related employment will get a boost, too, as research and training facilities expand.

However, Jon Hockenyos , president of TXP Inc., an Austin consulting firm, has a more cautious forecast, predicting that the job market will be "largely flat for 2010," becoming "modestly positive (and building) in 2011."

According to Moody's, the Austin job market hit bottom in June and has been on a slow recovery path since then.

According to the Texas Workforce Commission, Austin had 780,900 jobs in November, up 2,400 from October, although fewer than in November 2008. The unemployment rate dropped to 6.9 percent from 7.2 percent the month before. December figures are scheduled to be released today.

The youth of Austin's work force, combined with its high skill level and entrepreneurial instincts, give Austin's labor market a flexibility that other cities don't have, Angelou said.

"When faced with layoffs, many young and educated workers are not going to start collecting unemployment insurance — they're going to be starting their own consulting businesses with friends and peers," he said. "So they will never be registered as unemployed. So that boosts our employment numbers higher as well as keeps our unemployment rate lower."

He also listed a number of fields ripe for growth opportunity — renewable energy, data centers, creative media (such as video games), software development, and health care.

Angelou has been studying the Austin economy for more than 25 years. Last year, he forecast that Austin would have a 0.3 percent increase in jobs; the area instead has lost jobs at about that rate, although the Workforce Commission won't report the actual number until March.

In 2008, Angelou forecast a 2.3 percent job growth rate; the actual rate was 2.5 percent. The year before, the region created jobs at a 4 percent rate, compared to his forecast of 3.4 percent.

**Courtesy of JB Goodwin**