

Region's jobless rate hits six-year low

Unemployment in Central Texas at 3.2 percent, job growth strong and steady.

By Claudia Grisales, Lilly Rockwell
AMERICAN-STATESMAN STAFF
Saturday, May 19, 2007

In the past month, Frank Venditti has run more than 10 newspaper and online help wanted ads looking for a carpenter and painter.

Venditti, who started Venco Construction Ltd. 18 years ago, says the past two years have been the best ever for his company, which repairs fire and water damage.

But so far, only a couple of applicants have showed up to interview.

"I get a bunch of calls, but maybe one out of 20 will show up," said Venditti, general manager and owner of the company. "There's a lot of demand for labor right now, and the guys who come in, they know that."

The Central Texas job market is tighter than it has been in six years. The unemployment rate last month fell to 3.2 percent, down a full percentage point in the past year and the lowest since February 2001, according to Texas Workforce Commission figures released Friday. Meanwhile, job growth has been strong and steady, with a 4.4 percent rate last month.

That's left employers with a tougher time finding workers, while job seekers hold the advantage.

"The market has just exploded overall," said Chad Macy, regional managing director for Spherion Corp., an employment services agency. "As far as the candidates are concerned, they are becoming hard to recruit."

Macy said one job candidate flew from Louisiana to interview for computer programming jobs in Austin.

"On the day that he flew in, we had three interviews with him for three of our clients, and by the time he got home, he got three offers," Macy said.

Some employers have started offering signing bonuses, while others have reduced the interview process to one day to satisfy candidates, he said.

The demand for workers is coming from both Austin-based companies and the continuing influx of companies moving to the region from other states in a diverse range of industries. Last month, for example, cable television's Jewelry Channel opened a studio in Round Rock, with plans to hire 135 people this year and as many as 700 within five years.

The region's work force was at 747,200 last month, up 31,700 jobs from a year ago.

The statewide jobless rate was 4.2 percent in April. The rate, unlike local figures, is adjusted for seasonal hiring patterns such as schools letting go of contract workers.

Texas employers added jobs at a 2.4 percent rate.

"Our sustained job gains and falling unemployment rate exemplify the underlying strength of the Texas economy," said Diane Rath, chairwoman of the Texas Workforce Commission.

Locally, most of the region's job sectors, except for software engineering, are adding jobs.

Among the biggest gainers are government, retail trade and construction.

The government sector, which includes local public schools and universities, added 6,400 jobs, a 4.1 percent increase, in April compared with the same month a year ago.

As the region's population grows, the retail sector is also growing quickly, with new shopping areas including the Domain and the Mueller development. Retail trade was up 5,100 jobs, a 4.1 percent gain compared with April 2006.

Construction is also growing as the area's housing market remains healthy, despite a sluggish market elsewhere. There were 4,700 more construction jobs this April, compared with the same month a year ago, an 11 percent gain.

Courtesy by JB Goodwin