



Economics Group

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Georgia Labor Market Update: January 2017

Georgia's unemployment rate was unchanged at 5.5 percent in January but job growth began the year with solid momentum. Nonfarm employment has risen 2.7 percent over the past year, netting 118,700 new jobs.

Georgia's Employment Picture Remains Bright

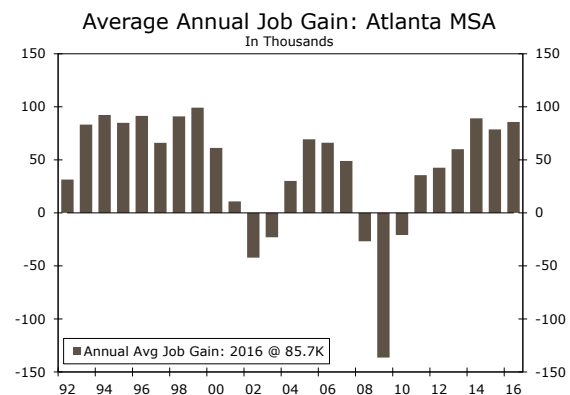
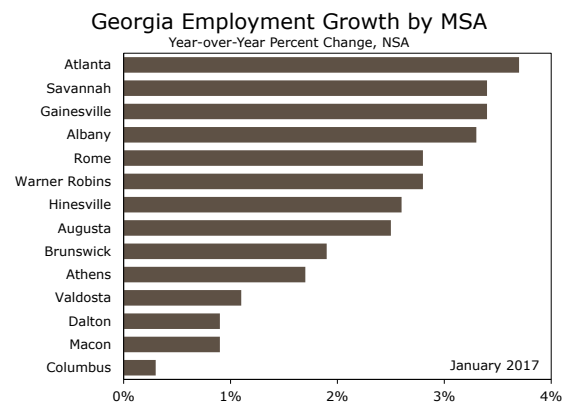
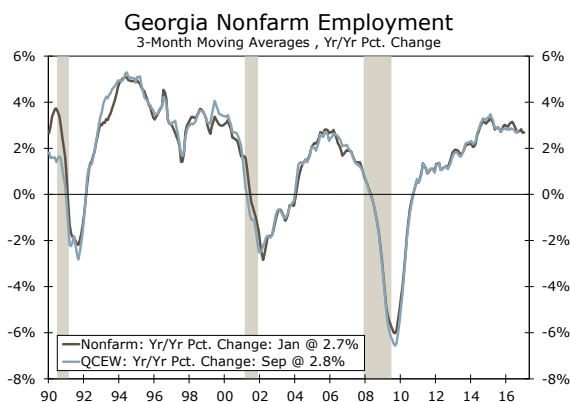
While Georgia's unemployment rate remained unchanged at 5.5 percent in January, businesses continue to add jobs at a pace well ahead of the nation as a whole. Job gains also continue to be exceptionally broad based, with nearly every key industry adding jobs over the past year. With employment rising solidly, workers are coming back into the labor force, which is making it tougher for the unemployment rate to decline. Georgia's labor force grew by 15,961 persons in January, while the number of persons employed rose by 13,768. Both gains are reflective of a strong and improving labor market.

Today's employment report contains revisions to previously published data. The new data benchmark the employment estimates to hard data derived from the unemployment insurance tax rolls. On an overall basis, the revised data were essentially the same as the preliminary figures, with just over 116,000 net new jobs being created in 2016. The new data show a better mix of jobs across industry categories and also show employment rising solidly in all 14 of Georgia's metropolitan areas (middle chart). Atlanta remains the leader, with nonfarm employment climbing 3.7 percent over the past year. Hiring rose 3.4 percent in Savannah and Gainesville and rose by a solid 3.3 percent in Albany.

The January data show nonfarm employment rising by just 0.1 percent, or 6,500 jobs. The smaller one-month gain was largely due to an unusually large 9,200-job drop in administrative support positions. Hiring rose in most other areas. Financial services added 4,300 positions during the month and the leisure & hospitality sector added 4,200 jobs. Hiring also rose solidly in manufacturing, which added 1,100 jobs and construction, which added 900 jobs. In addition to the drop in administrative positions, two other sectors—transportation, warehousing & utilities and health care & social assistance—also lost jobs in January, with employment declining by 1,400 and 1,300 jobs, respectively.

On a year-to-year basis, Georgia added 118,700 net new jobs. Leisure & hospitality posted the largest increase, adding 27,000 new jobs. Hiring also rose solidly in business & professional services, education & healthcare and retail trade. Construction payrolls rose 4.4 percent year-to-year, helped by huge projects like the new stadiums for the Braves and the Falcons and expansion of the Plant Vogtle nuclear complex outside Augusta.

Atlanta added 96,800 jobs over the past year, and the past three years now mark the strongest run of job growth since the late 1990s (bottom chart). Hiring has been exceptionally broad based, with growth in Atlanta's burgeoning tech and entertainment centers leading the way. The leisure & hospitality sector also continues to grow rapidly, reflecting the region's rapidly growing population and gains in the tourism and convention business.



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