

October jobless rate holds steady at 7.2%

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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.

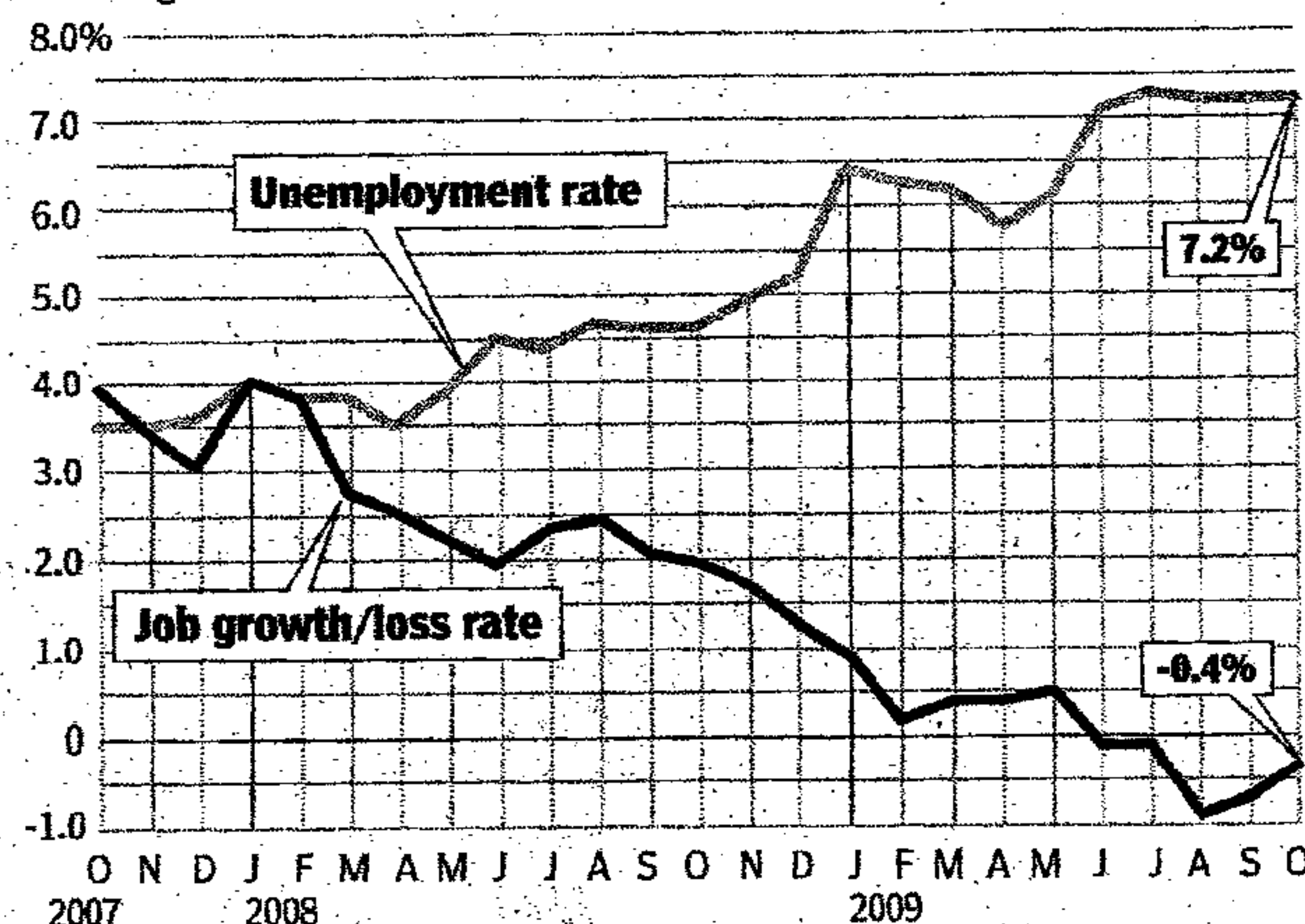
Last month, the five-county Austin-Round Rock region had 3,400 fewer jobs than in October 2008, a 0.4 percent loss rate. The total nonfarm work force was 780,700 in October.

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

Central Texas jobs report

Job losses are continuing, but the unemployment rate was unchanged last month.



Note: Central Texas in this chart includes Bastrop, Caldwell, Hays, Travis and Williamson counties
Source: Texas Workforce Commission

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San Antonio-based chief economist for wealth management firm South Texas Money Management.

Economic forecasts suggest that although an economic re-

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covery 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."

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