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Texas Jobs Snapshot: October

Despite Dip in Unemployment, Texas' Job Growth Still Too Low

Texas' unemployment rate dropped to 8.4 percent in October 2011. The state's private sector job growth of 13,500 new jobs is still too low to offset public sector job losses.

Unemployment

- Texas' unemployment rate is high by historical standards. Texas' unemployment stands at 8.4% in October 2011. Texas' unemployment rate has exceeded 8% for more than two years. This exceeds the modern-day stretch set in the wake of the 1980s oil and real estate bust (Feb. 1986-Dec. 1987).
- Unemployed Texans are now eligible for up to 99 weeks of UI benefits after the state's unemployment rate stood at 8.5 percent for three consecutive months, triggering an additional six-weeks of federal Emergency Unemployment Compensation benefits.
- Texas' unemployment rate has nearly doubled during the recession from 4.4% in December 2007 to 8.4% in October 2011.
- The share of Texas workers experiencing long-term unemployment (more than six months) doubled from 15.8% in 2007 to 33.8% in 2010.
- In the 2nd quarter of 2011, 59.3% of Texans (283,000) receiving unemployment insurance, were unemployed for more than 6 months.

Jobs Shortfall

- Texas needs to add more than 664,000 jobs to account for the state's job losses and booming population. Over the past 24 months, Texas has added 396,000 jobs.
- Texas must add 32,000 jobs per month for the next three years to return to our pre-recession unemployment rate. In September the state added 15,400 net new jobs, far below what is needed for the state's economy to recover.
 - o In October, the public sector shed 11,000 jobs, bringing total job losses in the sector to nearly 51,800 since August.
 - o In October, the private sector added 13,500 jobs bringing total job gains in the sector to 52,000 since August.
- Since December 2007 when the recession began, the Texas working-age population has grown by 7.2%, the second highest rate after Utah.

Unemployment Insurance

- Texas ranks 48th in the proportion of unemployed workers receiving regular unemployment insurance assistance (18%). (BLS, 2nd quarter 2011)
- Texas ranks 47th in the proportion of unemployed Texans receiving either regular or federally extended unemployment insurance assistance (38%).
- Roughly 150,000 long-term unemployed Texans will lose unemployment insurance assistance due to federally-funded UI benefits expiring at the end of 2011.

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Trends by Sector: First Quarter 2007 - Second Quarter 2011

- Texas' employment has grown by a net of nearly 394,000 jobs.
- The Texas public sector created 29% of the net new jobs since the beginning of 2007, Texas private sector 71%.
- Texas public sector employment grew at a 6.7% clip; Texas private sector 3.4%.
- The Texas public sector added a net of 114,091 jobs; Texas private sector added a net of 279,638 jobs.
- Texas did not buck the national jobs decline related to construction (-9.5%) and manufacturing (-10.9%)
- Information technology also declined 11.2%.

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