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Austin faring better than most, but are things 'good' here?

Austin Business Journal - by [Jacob Dirr](#) ABJ Staff

When a Time magazine reporter, working on a March cover story about jobs, asked Alan Miller about Austin's secret formula for job creation, there was no easy answer.

Compared to other metro areas, many of which are struggling, Austin employment appears to be sailing along smoothly. But it is actually in stormy seas, said Miller, executive director of the Capital Area Workforce Board, which covers Travis County.

"We are not sinking, we are not taking on water," he said. "We are floating, and we will stay there for six to nine months."

Some promising numbers

Independent data show conditions are improving, and more Austin-area jobs are being advertised than any other time during the recession.

In the first quarter 2010, Indeed.com — a search engine that crawls the Web for job postings — reported a significant increase compared with previous quarters.

Dating back to 2008, an average of 27,800 job postings for Austin — never more than about 28,800 — were collected every quarter by Indeed. This past quarter, that number rocketed to about 34,500. Separately, the Workforce Solutions Rural Capital Area office reported a 35 percent increase in job postings through the first three months of 2010 compared with the 2009 total.

Some of this is seasonal — the IRS hired thousands locally to meet its Tax Day needs — but increases in requests for truck drivers, manufacturing, health care other than administrative, and general labor have been noticed, unit manager Larry Franks said.

Better than others doesn't mean good

Experts said the halo around Austin created by national media eager to trumpet the region's accomplishments are half fact and half fiction.

"I would say that what we see is a sense of awe," Franks said. "If this is one of the best places to be, I can't even imagine what it is like in other places."

For example, some 65,000 people remain unemployed in the Austin region, according to federal labor data.

Austin is barely eking out positive job creation, meaning the jobs being created outnumber the ones being eliminated, Miller said.

Job experts said official unemployment figures do not account for people not collecting unemployment assistance. It's reasonable to add 2 to 4 percent to the area's current 7.3 percent unemployment rate.

Indeed.com, meanwhile, estimates there are still three job seekers for every posted job in the Austin area.

It's often said that one of the main boosters to Austin's economy is higher education — including the University of Texas, the state's largest public university, which is in the heart of the city.

But UT's Austin campus, which historically fills about 2,000 jobs per year, is now filling less than half that number because of an ongoing hiring freeze, said Julien Carter, UT associate vice president of human resources. That freeze is set to expire in August, but it could be extended.

“In this environment, there is still a great desire to conserve resources to the best of our ability,” Carter said.

And while job postings are up in the nine-county Rural Capital Area, excluding Travis County, 17,000 to 20,000 people are still drawing unemployment, Franks said. That means that for every job posting in the rural area, there are about 40 unemployed people.

Courtesy of JB Goodwin