

Issues



in Labor Statistics

U.S. Department of Labor
Bureau of Labor Statistics

Warm Areas Continue Hottest Job Growth

In terms of employment, warm weather cities dominated the list of fastest growing metropolitan areas in 1996. The Las Vegas, NV metropolitan statistical area (MSA) led all areas in growth rate, adding jobs at a robust 8.6 percent pace. Growth on this order has become commonplace in Las Vegas. Over the past 5 years, the area's employment growth rate has averaged 8 percent and there are now 40 percent more jobs in the booming resort area than in 1991.

There are now 21 MSA's with over one million jobs, up from 19 just 1 year ago. Denver, CO and Tampa-St. Petersburg-Clearwater, FL crossed that threshold in the past year. San Diego just missed the big list with a 1996 annual average count of 999,000 jobs. Among these large MSA's, Phoenix-Mesa, AZ experienced the highest growth rate, adding 6.9 percent to employment over the past year, while Atlanta, GA added the greatest number of jobs, 88,400. Phoenix has now added some 300,000 jobs, or about 30 percent, since the recession year of 1991, while Atlanta has added nearly 400,000 jobs, or 26 percent, over the same span.

The table summarizes the biggest gainers by MSA size class, as measured by jobs added and percent growth. Interestingly, Decatur, IL is the only area in the table that is accustomed to seeing more than a

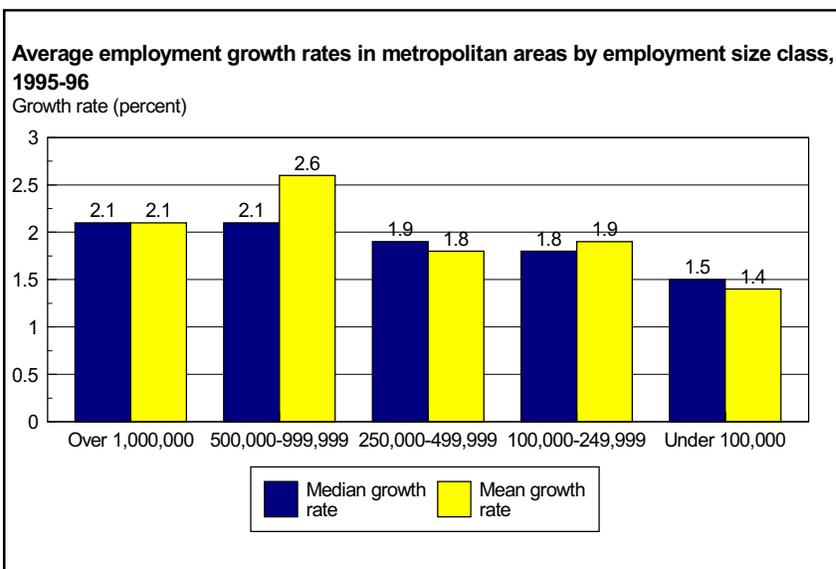
couple inches of snow per year. But not every warm, sunny city fared as well. Honolulu, HI, with the highest mean temperature of any major city in the U.S., lost 4,400 jobs, the most of any area.

Is big bad?

There may be a perception that America's biggest MSA's are not performing as well in job growth as the smaller ones. For example, *The Wall Street Journal* reports that both New York and Los Angeles "have been slow to recover from deep recessions and have employment rates that raise the national average" by an estimated 0.2 percentage point. And, the president of New York's Federal Reserve Bank remarked recently, "By one key and

highly visible measure—employment—the New York City area has yet to recover fully from the last recession. The local job count is still more than one-half million below its 1989 peak."

The data from the CES program do not, however, support a generalized notion of slower growth in larger metropolitan areas. Only 4 out of 21 areas with employment over 1 million had growth rates under 1 percent last year, and none of these areas experienced job losses. A look at the mean and median growth rates by size class shows that, in fact, the smallest areas had lower growth rates. (See chart.) Areas with more than a half million jobs averaged over 2.0 percent growth, while areas with



fewer than 100,000 jobs averaged around 1.5 percent growth. It is true, however, that many of the large MSA's record a substantial number of their jobs, and job growth, in outlying counties.

Data for this report were derived from the BLS Current Employment Statistics program, which provides information on the employment, hours, and earnings of workers on nonfarm payrolls. The data are

collected from payroll records by BLS in cooperation with State employment security agencies. Complete tables of metropolitan area employment used in this report can be found at <http://stats.bls.gov:80/790issues1.htm>. For more information on this program, contact the CES staff at 2 Massachusetts Ave. N.E., Room 4860, Washington, DC 20212, (202) 606-6559, or visit, <http://stats.bls.gov:80/790home.htm>,

the CES State and area homepage.

Information in this report is in the public domain and, with appropriate credit, may be reproduced without permission. This information is available to sensory impaired individuals upon request. Voice phone: (202) 606-7828; TDD phone: (202) 606-5897; TDD message referral phone: 1-800-326-2577.

Metropolitan area employment growth leaders, 1995-96

<i>Employment class</i>	<i>Area / jobs added</i>	<i>Area / percent increase</i>
Over 1,000,000	Atlanta, GA (88,400)	Phoenix-Mesa, AZ (6.9)
500,000-999,999	San Jose, CA (47,200)	Las Vegas, NV (8.6)
250,000-499,999	West Palm Beach-Boca Raton, FL (17,300)	West Palm Beach-Boca Raton, FL (4.3)
100,000-249,999	Sarasota-Bradenton, FL (15,300)	Sarasota-Bradenton, FL (7.3)
Under 100,000	Lake Charles, LA (3,400)	Decatur, IL (5.7)

U.S. Department of Labor
Bureau of Labor Statistics
Washington, DC 20212

Official Business
Penalty for Private Use, \$300

FIRST CLASS MAIL
Postage and Fees Paid
U.S. Department of Labor
Permit No. G-738