

EMPLOYMENT REPORT

United States, Florida, and Miami Metro Area

by:

Neela D. Manage
College of Business, Florida Atlantic University

November 2018

I. UNITED STATES AND FLORIDA

The U.S. unemployment rate in November 2018 was 3.7 percent (seasonally adjusted), unchanged from September and October 2018. Over the year, the unemployment rate declined by 0.4 percentage point from 4.1 percent in November 2017. This month's unemployment rate is the lowest rate in almost 50 years (was 3.7 percent in October 1969). The labor force participation rate in the U.S. labor market was 62.9 percent. There were 149.89 million employees on nonfarm payrolls in November and the U.S. economy created 155,000 jobs since October 2018 and 2,443,000 jobs over the year.

Florida's unemployment rate fell slightly to a seasonally adjusted 3.3 percent in November, a 0.1 percentage point decline over the month and a 0.6 percentage point decline over the year. Florida was one of six states that had unemployment rate decreases in November (along with Connecticut, Maryland, New York, Oklahoma, and Vermont – decline in each 0.1 percentage point).

There were 8.87 million employees on Florida's nonagricultural payrolls in November and was one of four states where nonfarm employment increased in November. Florida added 23,600 jobs over the month, the second highest job gains after California (+30,700). In percentage terms, Florida had the third highest increase (+0.3 percent) in nonfarm employment.

Florida added 241,600 jobs since November 2017, which was the third largest over-the-year increase in nonfarm employment after Texas (+365,400) and California (+299,800).

Table 1. U.S. and Florida Employment

a. Unemployment Rate, seasonally adjusted

	Jan 2010	Jan 2011	Jan 2012	January 2013	January 2014	January 2015	January 2016	January 2017	Nov 2017	January 2018	Sep 2018	Oct 2018	Nov 2018
U.S.	9.8	9.1	8.3	8.0	6.6	5.7	4.9	4.8	4.1	4.1	3.7	3.7	3.7
Florida	11.3	10.7	8.9	7.9	6.6	5.8	5.0	4.6	3.9	3.9	3.5	3.4	3.3

Source: U.S. Bureau of Labor Statistics

b. Nonfarm Payroll Employment, seasonally adjusted (in thousands)

	Nov 2017	Sept 2018	Oct 2018	Nov 2018	Change from Nov 2017 – Nov 2018	Change from Oct 2018 – Nov 2018
U.S.	147,450.0	149,501.0	149,738.0	149,893.0	2,443	155
Florida	8,631.4	8,829.5	8,849.4	8,873.0	241.6	23.6

Source: U.S. Bureau of Labor Statistics

Florida's nonfarm payroll employment by industry is reported in Table 2. Leisure and Hospitality added 53,200 jobs since November 2017 and was the industry with the largest over-the-year job growth. Other top job creating sectors were Education and Health Services (+50,200 jobs), Professional and Business Services (+46,300 jobs), Construction (+31,100 jobs) which had the largest percentage increase (+5.97%), and Trade, Transportation and Utilities (27,700 jobs). The Government sector lost 10,800 jobs since November 2017. All other industries added jobs over the 12-month period.

Table 2. Florida Nonfarm Employment by Industry, in thousands (not seasonally adjusted)

	Nov 2017	Nov 2018	Change from Nov 2017 to Nov 2018	
			Level	Percent
Total Nonfarm Employment	8711.5	8954.0	242.5	2.80
Mining and Logging	5.6	5.8	0.2	3.57
Construction	520.7	551.8	31.1	5.97
Manufacturing	366.6	377.9	11.3	3.08
Trade Transportation and Utilities	1786.6	1814.3	27.7	1.55
Information	138.6	140.7	2.1	1.51
Financial Activities	571.9	591.0	19.1	3.34
Professional and Business Services	1349.8	1396.1	46.3	3.43
Education and Health services	1283.6	1333.8	50.2	3.91
Leisure and Hospitality	1207.1	1260.3	53.2	4.41
Other Services	350.4	362.5	12.1	3.45
Government	1130.6	1119.8	-10.8	-0.96

Source: U.S. Bureau of Labor Statistics; Florida Department of Employment Opportunity

II. MIAMI METROPOLITAN AREA

The Miami - Fort Lauderdale - West Palm Beach, FL, Metropolitan Statistical Area contains the following three Metropolitan Divisions:

- Fort Lauderdale-Pompano Beach-Deerfield Beach, Metropolitan Division (contains Broward county)
- Miami-Miami Beach-Kendall, Metropolitan Division (contains Miami-Dade county)
- West Palm Beach - Boca Raton - Delray Beach, Metropolitan Division (contains Palm Beach county)

The unemployment rate in the Miami metro area was 3.1 percent in November 2018, a 0.1 percentage point decline from October 2018. Of the three divisions, Fort Lauderdale-Pompano Beach-Deerfield Beach (Broward County) had the lowest unemployment rate at 2.8 percent and Miami-Miami Beach-Kendall (Miami-Dade County) had the highest (3.2 percent). Miami-Miami Beach-Kendall, however, was one of two metropolitan divisions in the country that reported the largest over-the-year decrease in the unemployment rate in November (-1.3 percentage points) and in September 2018, was one of three metropolitan divisions in the country that reported the largest decline (-1.1 percentage points) in the unemployment rate. In November, the unemployment rate in the West Palm Beach-Boca Raton-Delray Beach Division (Palm Beach County) was 3.0 percent (Table 3).

Table 3. Miami Metro Area and its Divisions - Unemployment Rate, not seasonally adjusted

	Sept. 2017	Oct. 2017	Nov 2017	Sept. 2018	Oct. 2018	Nov 2018	Change from Nov 2017 to Nov 2018
	Florida	4.0	3.9	3.8	3.1	3.0	
Miami-Fort Lauderdale-West Palm Beach, MSA	4.3	4.1	4.0	3.2	3.2	3.1	-0.9
Fort Lauderdale- Pompano Beach-Deerfield Beach, MD	3.7	3.6	3.6	2.8	2.8	2.8	-0.8
Miami-Miami Beach- Kendall, MD	4.8	4.7	4.5	3.6	3.6	3.2	-1.3
West Palm Beach-Boca Raton-Delray Beach, MD	4.1	3.8	3.8	3.1	3.1	3.0	-0.8

Source: U.S. Bureau of Labor Statistics; Florida Department of Employment Opportunity

Total nonfarm payroll employment was at 2,727,700 during November 2018 in the Miami metro area (Table 4). During the November 2017 – November 2018 period the metro area had a net gain of 61,200 jobs (+2.3%). Except for the Government sector, which lost 3,400 jobs over the year (-1.08%), all other industry supersectors recorded net gains in non-farm payrolls over the year (Table 5). These data are not seasonally adjusted and the report thus uses over-the-year changes in the analysis of employment data for metropolitan areas and its divisions.

The construction sector created the largest number of jobs (+14,200) among industries in the Miami metro area from November 2017 to November 2018, an increase of 10.68 percent. Leisure and Hospitality added 12,600 jobs and Education and Health Services gained 11,100 jobs during the 12-month period. (Table 5). Manufacturing and Professional Business Services both gained a little over 6000 jobs. Employment increased in all the remaining sectors except the Government, which lost 3,400 jobs since November 2017.

All three metropolitan divisions in the Miami metro area added jobs over the 12-month period. Fort Lauderdale-Pompano Beach-Deerfield Beach, with 32 percent of the employment in the Miami area, gained 17,300 jobs. The Miami-Miami Beach-Kendall Division, the largest of the three divisions, accounted for 45 percent of the metro area's workforce and added 24,200 jobs. The West Palm Beach-Boca Raton-Delray Beach Division with 23 percent of the area's employment gained 19,700 jobs during the last 12 months.

Table 4. Miami Metro Area and its Divisions – Nonfarm Employment (in thousands), not seasonally adjusted

	Nov 2017	Nov 2018	Change from Nov 2017 to Nov 2018	
			Level	Percent
Miami-Fort Lauderdale-West Palm Beach, MSA	2666.5	2727.7	61.2	2.3
Fort Lauderdale- Pompano Beach-Deerfield Beach, MD	847.5	864.8	17.3	2.0
Miami-Miami Beach- Kendall, MD	1194.3	1218.5	24.2	2.0
West Palm Beach-Boca Raton-Delray Beach, MD	624.7	644.4	19.7	3.2

Source: U.S. Bureau of Labor Statistics; Florida Department of Employment Opportunity

This job growth in West Palm Beach-Boca Raton-Delray Beach was a 3.2 percent over-the-year increase and was the largest percentage increase among 38 metropolitan divisions in the eleven most populous metropolitan areas nationwide. In addition to differences in the overall employment gains in the three divisions, there is also some variation in employment patterns by industry across the three metropolitan divisions.

Table 5. Miami Metro Area Nonfarm Employment by Industry (in thousands), not seasonally adjusted

	Nov 2017	Nov 2018	Change from Nov 2017 to Nov 2018	
			Level	Percent
Total	2666.5	2727.7	61.2	2.30
Mining and Logging	0.7	0.8	0.1	14.28
Construction	133.0	147.2	14.2	10.68
Manufacturing	90.8	96.9	6.1	6.72
Trade Transportation and Utilities	614.1	618.9	4.8	0.78
Information	50.6	52.0	1.4	2.77
Financial Activities	179.5	183.5	4.0	2.23
Professional and Business Services	441.4	448.0	6.6	1.49
Education and Health services	393.4	403.5	10.1	2.57
Leisure and Hospitality	322.4	335.0	12.6	3.91
Other Services	124.4	129.1	4.7	3.78
Government	316.2	312.8	-3.4	-1.08

Source: U.S. Bureau of Labor Statistics; Florida Department of Employment Opportunity

A. Fort Lauderdale-Pompano Beach-Deerfield Beach, Metropolitan Division

In the Fort Lauderdale-Pompano Beach-Deerfield Beach, Metropolitan Division (which contains Broward County) 17,300 jobs were created during the last 12 months. The largest employment gains were in Trade, Transportation, and Utilities (+3,700) and Business and Professional Services (+3,700). Construction added 3,300 jobs and the construction sector had the second highest rate of job growth among the industry supersectors in this metropolitan division over the year (6.88 percent). This was followed by employment gains of 2,800 in Trade, Transportation, and Utilities (+7.18 %), 2,100 in Education and Health Services (+1.88%) and 1,500 in Leisure and Hospitality (+1.60%). All other sectors except Financial Activities and the Government had employment gains of less than 1000. Financial Activities lost 600 jobs over the year, which was a 1.02 percent decrease since November 2017 and the Government sector lost 500 jobs over the same period (-0.47 percent). (Table 6).

Table 6. Fort Lauderdale-Pompano Beach-Deerfield Beach -- Nonfarm Employment (in thousands), not seasonally adjusted

	Nov 2017	Nov 2018	Change from Nov 2017 to Nov 2018	
			Level	Percent
Total Nonfarm Employment	847.5	864.8	17.3	2.00
Construction	48.0	51.3	3.3	6.88
Manufacturing	27.5	28.3	0.8	2.91
Trade Transportation and Utilities	190.0	193.7	3.7	1.95
Information	20.4	20.9	0.5	2.45
Financial Activities	59.0	58.4	-0.6	-1.02
Professional and Business Services	152.5	156.2	3.7	2.43
Education and Health services	111.6	113.7	2.1	1.88
Leisure and Hospitality	93.5	95.0	1.5	1.60
Other Services	39.0	41.8	2.8	7.18
Government	105.9	105.4	-0.5	-0.47

Source: U.S. Bureau of Labor Statistics; Florida Department of Employment Opportunity

B. Miami-Miami Beach-Kendall, Metropolitan Division

Non-farm employment in the Miami-Miami Beach-Kendall Metropolitan Division (which contains Miami Dade County) was at 1.218 million in November 2018, an increase of 24,200 jobs over the previous 12 months (Table 7). The Trade, Transportation and Utilities industry supersector has the highest employment in this area with 305,900 nonfarm payrolls. This sector had a slight employment growth of 300 jobs over the year (+0.1%). The sector with the second highest employment level (192,500 jobs) - Education and Health Services - had employment gains of 7,100 (+3.83%) over the twelve months ending in November 2018. Non-farm payrolls in the Construction sector increased from 47,300 in November 2017 to 55,200 in November 2018 (+16.7%). The net gain of 7,900 jobs in Construction was the largest over the year increase in the Miami – Miami Beach – Kendall area. The next highest increases in the level of nonfarm employment were in Education and Health Services (+7,100 jobs; +3.83%), Leisure and Hospitality (+4,100 jobs; +2.83%), and Manufacturing (+ 3,600 jobs; 8.31percent). Nonfarm payrolls declined in Professional and Business Services (net loss of 1,100 jobs) and the employment level in the Government sector was unchanged. The remaining sectors had modest job growth (< 1500 jobs) during the November 2017-November 2018 period.

Table 7. Miami-Miami Beach-Kendall -- Nonfarm Employment (in thousands), not seasonally adjusted

	Nov 2017	Nov 2018	Change from Nov 2017 to Nov 2018	
			Level	Percent
Total Nonfarm Employment	1194.3	1218.5	24.2	2.00
Mining and Logging	0.5	0.6	0.1	20.00
Construction	47.3	55.2	7.9	16.70
Manufacturing	43.3	46.9	3.6	8.31
Trade Transportation and Utilities	305.6	305.9	0.3	0.10
Information	19.0	19.6	0.6	3.16
Financial Activities	80.5	80.7	0.2	0.25
Professional and Business Services	176.5	175.4	-1.1	-0.62
Education and Health services	185.4	192.5	7.1	3.83
Leisure and Hospitality	140.0	144.1	4.1	2.93
Other Services	51.5	52.9	1.4	2.65
Government	144.7	144.7	0.0	0.00

Source: U.S. Bureau of Labor Statistics; Florida Department of Employment Opportunity

C. West Palm Beach - Boca Raton - Delray Beach, Metropolitan Division

In the West Palm Beach - Boca Raton - Delray Beach division (which contains Palm beach County), Leisure and Hospitality had the largest over the year employment growth recorded in November 2018. This sector had a net gain of 7,000 jobs (+7.87%) during this period (Table 8). The other two metropolitan divisions in the Miami metro area had a combined net gain of only 5,600 jobs in the Leisure and Hospitality sector. The next largest job gains were in Financial Activities (+4,400 jobs; +11.0%), Construction (+3,000 jobs; +7.96%), and Manufacturing (+1,700 jobs; +8.5%). All other sectors, except the Government, had employment gains of less than 1000. The Government sector lost 2,900 jobs, a 4.42 percent decrease since November 2017 (Table 8).

Table 8. West Palm Beach-Boca Raton-Delray Beach – Nonfarm Employment (in thousands), not seasonally adjusted

	Nov 2017	Nov 2018	Change from Nov 2017 to Nov 2018	
			Level	Percent
Total Nonfarm Employment	624.7	644.4	19.7	3.20
Construction	37.7	40.7	3.0	7.96
Manufacturing	20.0	21.7	1.7	8.50
Trade Transportation and Utilities	118.5	119.3	0.8	0.68
Information	11.2	11.5	0.3	2.68
Financial Activities	40.0	44.4	4.4	11.00
Professional and Business Services	112.4	116.4	4.0	3.56
Education and Health services	96.4	97.3	0.9	0.93
Leisure and Hospitality	88.9	95.9	7.0	7.87
Other Services	33.9	34.4	0.5	1.47
Government	65.6	62.7	-2.9	-4.42

Source: U.S. Bureau of Labor Statistics; Florida Department of Employment Opportunity

Florida and the Miami metropolitan area continued strong growth in employment and declines in the unemployment rate in November 2018. Job creation was broad based across industries in the region (except for the Government sector that lost jobs) with Construction, Leisure and Hospitality, Education and Health Services, and Professional and Business Services being top performers.

FLORIDA ATLANTIC UNIVERSITY

Business and Economic Research Initiative

business.fau.edu/beri