

EMPLOYMENT REPORT – February 2020
United States, Florida, and Miami Metro Area

by:

Neela D. Manage
College of Business, Florida Atlantic University
manage@fau.edu
(Updated 4/02/2020)

COVID-19 IMPACT: RECENT UPDATES

Initial claims for unemployment insurance in the U.S. economy surged to 3.3 million during the week ending March 21, and 6.6 million claims during the week ending March 28. The highest level of initial claims in the past was 695,000, recorded during October 1982. The Bureau of Labor Statistics announced on April 2 that the seasonally adjusted U.S. unemployment rate in March increased to 4.4 percent from 3.5 percent in February. The March unemployment rate for Florida has not been released at the time of this update.

Florida's unemployment claims data for the week ending March 21 also reveal a similar pattern. Initial claims for unemployment insurance soared to 74,313 claims from the previous week's level of 6,463 claims.

Table A. Initial Unemployment Insurance Claims (seasonally adjusted)

Week ending	U.S	Florida
3/14/2020	282,000 ^R	6,463
3/21/2020	3,307,400 ^R	74,313
3/28/2020	6,648,000	na

R = revised

na = not available

Source: U.S. Department of Labor

The recent increase in initial unemployment insurance claims for the U.S. and for states reflects the impact of the COVID-19 virus across the U.S. economy. The effects of COVID-19 related business closures and stay-at-home orders are sure to result in continuing job losses in the coming months, especially in services-related industries.

Service industries in the Leisure and Hospitality, Health, and Transportation and Trade sectors are of vital importance to Florida's economy and the local economy in the Miami metro area. Industries that are experiencing an immediate and strong negative impact include food and accommodation services, arts, entertainment and recreation, health services, transportation, and retail trade. Future jobs data for Florida in the coming months will reveal the magnitude of job losses in these initial areas as well as the effects on other service industries, construction and manufacturing. The economic data in the coming months will certainly paint a picture of the local South Florida economy (and the state of Florida) that is in sharp contrast to the one revealed in the February 2020 employment report below.

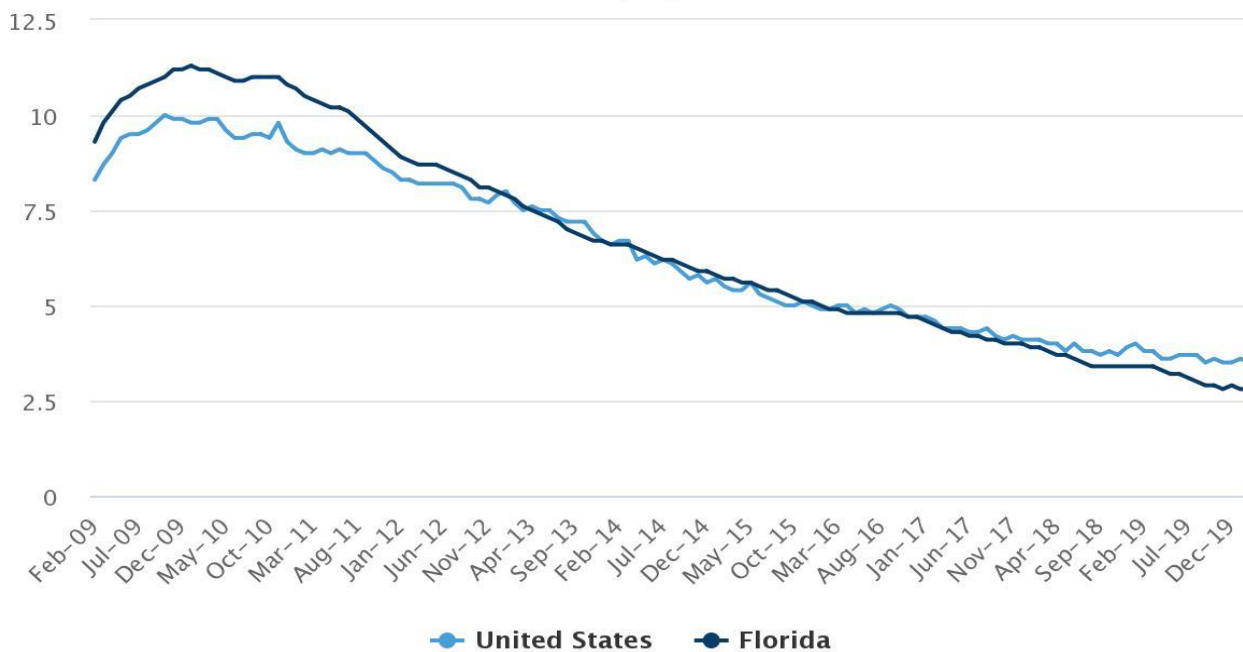
I. UNITED STATES AND FLORIDA

The U.S. unemployment rate was 3.5 percent (seasonally adjusted) in February 2020, a little changed since the previous month and was 0.3 percentage point lower than February 2019. The U.S. labor force participation rate remained unchanged at 63.4 percent. There were 152.54 million employees on nonfarm payrolls in February and the U.S. economy created 273,000 jobs since January 2020 and 2,409,000 jobs (+1.6%) over the year.

Florida's labor market continued its strong performance in February. The unemployment rate was the lowest since the series began in 1976 and the state posted a significant increase in jobs added to nonfarm payrolls. The job creation has been broad across several industries and across almost all metropolitan areas in Florida. The February unemployment rate was at a seasonally adjusted 2.8 percent, and 0.6 percentage point decrease since February 2019.

Figure 1. U.S. and Florida Unemployment Rates

(seasonally adjusted)



Source: U.S. Bureau of Labor Statistics

Table 1. U.S. and Florida Unemployment Rates, seasonally adjusted

	Jan 2010	Jan 2012	Jan 2014	Jan 2016	Jan 2018	Jan 2019	Feb 2019	Dec 2019	Jan 2020	Feb 2020 ^p
U.S.	9.8	8.3	6.6	4.9	4.1	4.0	3.8	3.5	3.6	3.5
Florida	11.3	8.9	6.6	5.0	3.9	3.4	3.4	2.9	2.8	2.8

^p Preliminary

Source: U.S. Bureau of Labor Statistics

There were 9.076 million employees on Florida's nonagricultural payrolls in February 2020. Florida employers added 7,100 jobs to their nonfarm payrolls over the month. Florida added 169,800 jobs since February 2019, an increase of 1.9 percent. Florida's employment growth was the third largest over-the-year increase in nonfarm employment after

Texas (+314,500) and California (+269,000). Florida's year-over-year job growth rate has exceeded the U.S. rate since April 2012 except for September 2017 when hurricane Irma caused significant economic devastation in Florida.

Table 2. U.S. and Florida Nonfarm Payroll Employment, seasonally adjusted (in thousands)

	Jan 2019	Feb 2019	Jan 2020	Feb 2020 ^p	Change from Jan 2020 – Feb 2020	Change from Feb 2019 – Feb 2020	
						Level	Percent
U.S.	150,134	150,135	152,271	152,544	273.0	2409	1.6
Florida	8,888.7	8,906.1	9,068.8	9,075.9	7.1	169.8	1.9

p = Preliminary

Source: U.S. Bureau of Labor Statistics

Nonfarm Payroll Employment by Industry

Private sector job growth in Florida over the past 12 months was broad based across metropolitan areas and across industries (see Table 3). In February 2020, three of the twenty-four metropolitan areas in Florida posted over-the-year job loss: Homosassa Springs (-200 jobs, -0.6 percent), Naples-Immokalee-Marco Island (-200, -0.1 percent), and Panama City (-100 jobs, -0.1percent).

- Among industries in Florida, Education and Health Services created the largest number of jobs (+35,600) from February 2019 to February 2020, an over-the-year increase of 2.7 percent.
- Leisure and Hospitality added 28,400 jobs (+2.3 percent), Trade, Transportation and Utilities gained 27,000 jobs (+1.5 percent) and employment in Professional and Business Services increased by 26,200 jobs (+1.9 percent) during the 12-month period.
- The largest percent increase in employment was in the Construction industry (+4.5 percent) which added 25,000 jobs since February 2019.
- Manufacturing gained 5,100 jobs (+1.3 percent), Financial Activities, which include finance, insurance and real estate, created 10,800 jobs (+1.8 percent) and other services added 1,900 jobs (+0.5 percent).
- Information was the only private sector industry in which nonfarm employment declined (-2000 jobs, -1.4 percent). The government added 12,100 jobs to its payroll (+1.1 percent).

Table 3. Florida Nonfarm Employment by Industry, in thousands (seasonally adjusted)

	Feb 2019	Jan 2020	Feb 2020 ^p	Change from Feb 2019 to Feb 2020	
				Level	Percent
Total Nonfarm Employment	8,906.1	9068.8	9075.9	169.8	1.9
Construction	558.6	581.4	583.6	25.0	4.5
Manufacturing	382.3	388.2	387.4	5.1	1.3
Trade Transportation and Utilities	1,796.0	1,824.3	1,823.0	27	1.5
Information	139.3	137.5	137.3	-2.0	-1.4
Financial Activities	585.8	596.1	596.6	10.8	1.8
Professional & Business Services	1,384.6	1,412.3	1,410.8	26.2	1.9
Education and Health Services	1,330.3	1,361.5	1,365.9	35.6	2.7
Leisure and Hospitality	1,251.1	1,277.4	1,279.5	28.4	2.3
Other Services	353.6	354.7	355.5	1.9	0.5
Government	1,118.4	1,129.7	1,130.5	12.1	1.1

p = preliminary

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

In order to compare Florida's nonfarm employment with the U.S. economy, the national data is presented in Table 4.

Table 4. U.S. Nonfarm Employment by Industry, in thousands (seasonally adjusted)

	Feb 2019	Jan 2020	Feb 2020 ^p	Change from Feb 2019 to Feb 2020	
				Level	Percent
Total Nonfarm Employment	150,135	152,271	152,544	2,409	1.6
Mining and Logging	741	713	717	-24	-3.2
Construction	7,423	7,604	7,646	223	3.0
Manufacturing	12,830	12,846	12,861	31	0.2
Trade Transportation and Utilities	27,688	27,838	27,825	137	0.5
Information	2,841	2,894	2,898	57	2.0
Financial Activities	8,690	8,824	8,850	160	1.8
Professional & Business Services	21,164	21,528	21,569	405	1.9
Education and Health Services	23,918	24,537	24,591	673	2.8
Leisure and Hospitality	16,473	16,822	16,873	400	2.4
Other Services	5,854	5,935	5,939	85	1.5
Government	22,513	22,730	22,775	262	1.2

p = preliminary

Source: U.S. Bureau of Labor Statistics

Nationally, employers created 2,409,000 jobs during the last 12 months, an increase of 1.6 per cent (see Table 4). The largest over the year job gains were posted in Education and Health Services (+673,000 jobs) and Professional and Business Services (+405,000 jobs), followed by Leisure and Hospitality (+400,000 jobs), Construction (+223,000 jobs) and Trade, Transportation and Utilities (+137,000 jobs). Except for the Mining and Logging industry, which posted a decrease in jobs (-24,000; -3.2 percent), all other private sector industries and the Government added jobs over the 12-month period ending in February 2020.

II. MIAMI METRO AREA

The U.S. Bureau of Labor Statistics reported that the unemployment rate in the Miami-Fort Lauderdale-West Palm Beach, Metropolitan Statistical Area (or Miami metro area) was 2.3 percent in February 2020. Miami-Dade County had the lowest unemployment rate of 1.5 per cent. The Miami metro area had the third largest increase in nonfarm employment in the state (+28,900 jobs), following Orlando-Kissimmee-Sanford (+31,100 jobs) and Tampa-St. Petersburg-Clearwater (+36,200 jobs). These three metropolitan areas accounted for approximately 56 percent of the jobs created in Florida during the 12-month period ending in February 2020.

Miami-Fort Lauderdale-West Palm Beach FL, MSA

The unemployment rate in the Miami-Fort Lauderdale-West Palm Beach, Metropolitan Statistical Area was 2.3 percent (seasonally unadjusted) in February 2020, a 0.1 percentage point decrease from January 2020 and 0.7 percentage point decline from February 2019.

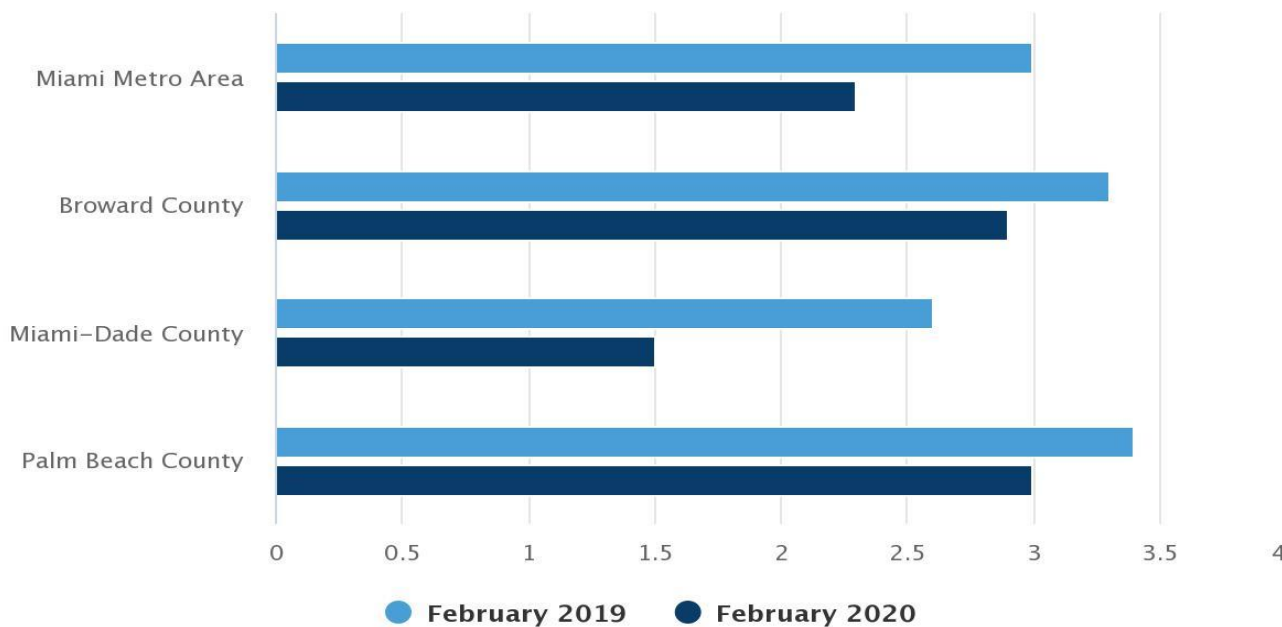
The Miami-Fort Lauderdale-West Palm Beach, MSA contains the following three Metropolitan Divisions:

- 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)

Of the three divisions, Miami-Miami Beach-Kendall (Miami-Dade County) had the lowest unemployment rate in February at 1.5 percent and the unemployment rate in the West Palm Beach-Boca Raton-Delray Beach Division (Palm Beach County) was the highest (3.0 percent). In February, the unemployment rate in the Fort Lauderdale-Pompano Beach-Deerfield Beach Division (Broward County) was 2.9 percent (see Figure 2 and Table 5).

This study uses over-the-year changes in the analysis of employment data for metropolitan areas and its divisions because the available data are not seasonally adjusted.

Figure 2. Unemployment Rates in the Miami Metro Area
(percent, not seasonally adjusted)



Source: U.S. Bureau of Labor Statistics

Table 5. Miami Metro Area and its Divisions - Unemployment Rate, not seasonally adjusted

	Jan 2019	Feb 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020 ^p	Change from Feb 2019 to Feb 2020
Miami-Fort Lauderdale-West Palm Beach, MSA	3.8	3.0	2.7	2.2	2.4	2.3	-0.7
Fort Lauderdale- Pompano Beach-Deerfield Beach, MD	3.8	3.3	2.6	2.5	3.0	2.9	-0.4
Miami-Miami Beach- Kendall, MD	3.0	2.6	1.7	1.6	1.5	1.5	-1.1
West Palm Beach-Boca Raton-Delray Beach, MD	3.9	3.4	2.8	2.7	3.2	3.0	-0.4

p = preliminary

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

Table 6. Miami Metro Area and its Divisions – Nonfarm Employment (in thousands), not seasonally adjusted

	Feb 2019	Feb 2020 ^p	Change from Jan 2019 to Jan 2020	
			Level	Percent
Miami-Fort Lauderdale-West Palm Beach, MSA	2721.7	2750.6	28.9	1.1
Fort Lauderdale- Pompano Beach-Deerfield Beach, MD	861.5	872.6	11.1	1.3
Miami-Miami Beach- Kendall, MD	1216.7	1228.7	12	1.0
West Palm Beach-Boca Raton-Delray Beach, MD	643.5	649.3	5.8	0.9

p = preliminary

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

Total nonfarm payroll employment for February 2020 was at 2,750,600 in the Miami metro area (Table 6). During the February 2019 – February 2020 period the metro area had a net gain of 28,900 jobs (+1.1%). All industry supersectors, except Manufacturing and Information, recorded net gains in non-farm payrolls over the year (Table 7).

- Professional and Business Services created the largest number of jobs (+7,300) among industries in the Miami metro area from February 2019 – February 2020, an over-the-year increase of 1.6 percent.
- Leisure and Hospitality added 6,800 jobs (+2.0%) during the 12-month period.
- Trade, Transportation and Utilities created 6,300 jobs and Education and Health Services added 3,300 jobs to its payrolls. Financial Activities gained 2,200 jobs.
- The Government sector had an over-the-year growth of 2,200 jobs.
- Employment increased in all the remaining sectors, (except for Manufacturing and Information), with the smallest increase posted in Construction, which added 700 jobs since February 2020.

Table 7. Miami Metro Area Nonfarm Employment by Industry (in thousands), not seasonally adjusted

	Feb 2019	Jan 2020	Feb 2020 ^p	Change from Feb 2019 to Feb 2020	
				Level	Percent
Total Nonfarm Employment	2721.7	2733.0	2750.6	28.9	1.1
Mining and Logging	0.7	0.8	0.8	0.1	14.3
Construction	140.9	141.9	141.6	0.7	0.5
Manufacturing	91.5	90.2	90.4	-1.1	-1.2
Trade, Transportation and Utilities	612.0	620.8	618.3	6.3	1.0
Information	51.4	50.6	51.1	-0.3	-0.6
Financial Activities	188.1	188.7	190.3	2.2	1.2
Professional and Business Services	448.2	450.7	455.5	7.3	1.6
Education and Health Services	409.9	408.9	413.2	3.3	0.8
Leisure and Hospitality	337.9	337.4	344.7	6.8	2.0
Other Services	121.2	121.1	122.6	1.4	1.1
Government	319.9	321.9	322.1	2.2	0.7

p = preliminary

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

Metropolitan Divisions and Counties in the Miami Metro Area

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 metro area, gained 11,100 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 12,000 jobs
- The West Palm Beach-Boca Raton-Delray Beach Division, with 23 percent of the area's employment, gained 5,800 jobs during the last 12 months.

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.

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

In the Fort Lauderdale-Pompano Beach-Deerfield Beach, Metropolitan Division (which contains Broward County) 11,100 jobs (+ 1.3%) were created during the last 12 months (Table 8).

- The largest over-the-year employment gains among industry supersectors in this metropolitan division were in Professional and Business Services (+5,300 jobs) and Trade, Transportation and Utilities (+5,300 jobs).
- Financial Activities added 2,300 jobs (+3.6%) and 600 jobs were added to Other Services during the 12-month period.
- Nonfarm payrolls were lower in five industry supersectors: Education and Health Services lost 1,200 jobs , Leisure and hospitality lost 700 jobs, Construction lost 400 jobs, Manufacturing lost 200 jobs, and Information lost 400 jobs.
- All other industries in the private sector and the government had employment gains of less than 1000 jobs.

Table 8. Fort Lauderdale-Pompano Beach-Deerfield Beach -- Nonfarm Employment (in thousands), not seasonally adjusted

	Feb 2019	Jan 2020	Feb 2020 ^p	Change from Jan 2019 to Jan 2020	
				Level	Percent
Total Nonfarm Employment	861.5	869.4	872.6	11.1	1.3
Construction	49.2	49.4	48.8	-0.4	-0.8
Manufacturing	28.8	28.5	28.6	-0.2	-0.7
Trade, Transportation & Utilities	193.4	200.2	198.7	5.3	2.7
Information	20.3	19.7	19.9	-0.4	-2.0
Financial Activities	63.8	64.9	66.1	2.3	3.6
Professional & Business Services	151.3	155.0	156.6	5.3	3.5
Education and Health Services	111.5	110.9	110.3	-1.2	-1.1
Leisure and Hospitality	98.5	96.0	97.8	-0.7	-0.7
Other Services	37.6	37.7	38.2	0.6	1.6
Government	107.0	107.0	107.5	0.5	0.5

p = preliminary

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 1,228,700 in February 2020, an increase of 12,000 jobs over the previous 12 months (Table 9).

- Leisure and Hospitality created the largest number of jobs (+4,200, +2.9 percent) in the February 2019 – February 2020 period.
- The Trade, Transportation and Utilities industry supersector had the highest employment in this metro division with 304,500 jobs on nonfarm payrolls. This sector had a small employment growth of 0.9 percent (+2,700 jobs) over the year.
- Nonfarm payrolls in the sector with the second highest employment level - Education and Health Services - increased from 192,800 in February 2019 to 196,600 in February 2020 (+2.0%). The net gain of 3,800 jobs was the second largest over-the-year increase among the various sectors in the Miami-Miami Beach-Kendall area. The other two metropolitan divisions in the Miami metro area had a combined net loss of 500 jobs in Education and Health Services during this period.
- The next highest increase in the level of nonfarm employment was in Professional and Business Services (+2,400 jobs; +1.3%).
- Nonfarm payrolls declined in Manufacturing (net loss of 1,300 jobs), Financial Activities (-400 jobs), and Construction (-300 jobs). The remaining sectors had modest job growth (< 1000 jobs) during the December 2018 – December 2019 period.
- The Government sector had an over-the-year decline of 400 jobs (-0.3%).

Table 9. Miami-Miami Beach-Kendall -- Nonfarm Employment (in thousands), not seasonally adjusted

	Feb 2019	Jan 2020	Feb 2020 ^p	Change from Feb 2019 to Feb 2020	
				Level	Percent
Total Nonfarm Employment	1,216.7	1,219.2	1,228.7	12	1.0
Mining and Logging	0.5	0.6	0.6	0.1	20.0
Construction	53.2	53.0	52.9	-0.3	-0.6
Manufacturing	42.2	41.0	40.9	-1.3	-3.1
Trade, Transportation & Utilities	301.8	305.0	304.5	2.7	0.9
Information	20.4	20.9	21.1	0.7	3.4
Financial Activities	81.9	80.9	81.5	-0.4	-0.5
Professional & Business Services	181.3	180.6	183.7	2.4	1.3
Education and Health Services	192.8	193.3	196.6	3.8	2.0
Leisure and Hospitality	145.8	147.1	150.0	4.2	2.9
Other Services	50.3	50.1	50.8	0.5	1.0
Government	146.5	146.7	146.1	-0.4	-0.3

p = preliminary

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

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

Non-farm employment in the West Palm Beach-Boca Raton-Delray Beach Division (which contains Palm Beach County) was at 649,300 in February 2020, an increase of 5,800 jobs over the previous 12 months (Table 10).

- Leisure and Hospitality had the largest over the year employment gains recorded in this metropolitan division in February 2020. This sector had a net gain of 3,300 jobs (+3.5%) during the last 12 months.
- The next largest job gains were in Construction (+1,400 jobs; +3.6%), Education and Health Services (+700 jobs; +0.7%), Manufacturing (+400 jobs; +1.9%) and Financial Activities (+300 jobs; 0.7%).
- The Government sector added 2,100 jobs (+3.2%) over-the-year.
- Nonfarm payrolls declined in Trade, Transportation and Utilities (net loss of 1,700 jobs), Information sector (net loss of 600 jobs), Professional and Business Services (net loss of 400 jobs).

Table 10. West Palm Beach-Boca Raton-Delray Beach -- Nonfarm Employment (in thousands), not seasonally adjusted

	Feb 2019	Jan 2020	Feb 2020 ^p	Change from Feb 2019 to Feb 2020	
				Level	Percent
Total Nonfarm Employment	643.5	644.4	649.3	5.8	0.9
Construction	38.5	39.5	39.9	1.4	3.6
Manufacturing	20.5	20.7	20.9	0.4	1.9
Trade, Transportation & Utilities	116.8	115.6	115.1	-1.7	-1.5
Information	10.7	10.0	10.1	-0.6	-5.6
Financial Activities	42.4	42.9	42.7	0.3	0.7
Professional & Business Services	115.6	115.1	115.2	-0.4	-0.3
Education and Health Services	105.6	104.7	106.3	0.7	0.7
Leisure and Hospitality	93.6	94.3	96.9	3.3	3.5
Other Services	33.3	33.3	33.6	0.3	0.9
Government	66.4	68.2	68.5	2.1	3.2

p = preliminary

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

The Miami metropolitan area continued growth in nonfarm employment along with declines in the unemployment rate in the 12-month period ending February 2020. Job creation was broad based across industries in the region with Professional and Business Services, Leisure and Hospitality, and Trade, Transportation, and Utilities being top performers.

FLORIDA ATLANTIC UNIVERSITY

Business and Economic Research Initiative

business.fau.edu/beri