Florida Continues to See Strong, Broad-Based Job Gains

*Florida continues to see strong, broad-based job gains across the state. Employers added 21,400 jobs in October, with gains evident across nearly every industry. The unemployment rate was unchanged at 3.2%.*

**Another Month of Strong Employment Growth**

Florida continues to add jobs at a spectacular pace. Private sector payrolls rose 0.3% in October, as 22,800 net new jobs were created. Employment rose across most major industry categories. Education & health services added the largest number of new jobs (+7,200) during the month. The leisure & hospitality sector added 6,100 jobs, with most of the increase coming at hotels & restaurants. Hiring also rose solidly in construction and manufacturing, which added 4,600 and 1,600 jobs, respectively, in October. Employment was unchanged in professional & business services, which has been one of the fastest growing industries. Solid gains in professional & technical services were offset by losses in administrative services.

Every major industry category except information services added jobs over the past year. The weakness in information services is largely due to the continuing consolidation of the telecommunications industry as well as cutbacks at newspapers and other print media. On the plus side, education & health services (+59,800, +4.5%) added the largest number of new jobs, while construction (+25,300, +4.6%) posted the largest year-over-year percentage gain. Florida’s leisure & hospitality (+40,300, +3.3%) sector remains another bright spot, reflecting the strength in the state’s tourist sector. Tourism through the first half of 2019 is running 5.2% ahead of the same period a year ago, with a record 69.7 million tourists visiting the state. Florida’s burgeoning population is also driving job gains. Hiring in real estate, rental & leasing offices is up 5.0% over the past year.

The breadth of job gains suggests the pace of job growth should remain strong for the foreseeable future. The only question is whether employers can find all the workers they need. Florida’s labor market is incredibly tight, with an unemployment rate of just 3.2%. While the headline unemployment rate was unchanged, 50,000 more Floridians found work during October, which outpaced the growth in the civilian labor force. Florida’s unemployment rate actually fell 0.06 percentage points during the month but was rounded up to 3.2%, after being rounded down to 3.2% the prior month. Over the past year, 190,000 Floridians found jobs, which slightly outpaced the 179,000-person increase in the civilian labor force. The number of unemployed fell by the difference (11,000). The continued strength in Florida’s economy is apparently pulling job seekers in from other states. Florida’s civilian non-institutional population rose by 283,000.

The Bureau of Economic Analysis (BEA) has also recently released state GDP data. Florida’s economy grew at a 2.0% annual rate during the second quarter of 2019 and expanded 3.0% over the past year, slightly ahead of the nation as a whole. As with the jobs data, Florida’s growth is remarkably broad-based, with professional & technical services, real estate & leasing and construction leading the way.

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Source: U.S. Department of Labor, U.S. Department of Commerce and Wells Fargo Securities