



Dr. Phillips Institute for the Study of American Business Activity  
College of Business Administration  
University of Central Florida  
Orlando, FL 32816-1400

## NEWS NEWS NEWS NEWS NEWS

Date: June 28, 2002  
Release: Immediate  
Subject: Nonfarm Payroll Growth--Metro Areas and 15 Largest States

### Payroll Growth: National Hot Spots

Recent data vividly reinforce the point that metro Orlando's industrial mix is in no way insulated from negative economic events. The 10th recession since the end of World War II has smashed Orlando directly in its payroll-jobs-mouth. Data from 2002 on payroll jobs growth demonstrate that current performance in the Orlando metropolitan statistical area (MSA) is notably lesser than that enjoyed over the strong 1998-2000 time-frame.

Specifically, Metro Orlando's growth rate in nonfarm payrolls for the March 2002 vs. March 2001 comparison put it at a disappointing **45th** in the nation from among 61 MSAs having at least 500,000 payroll jobs. Orlando's contraction rate in payroll jobs was estimated at 1.43 percent, vs. 0.22 percent for Florida, and 1.30 percent for the entire U.S. Thus, Orlando's pace of payroll jobs contraction lagged that for all of Florida and the U.S. Again, these are negative growth rates.

Back in 1998 metro Orlando's nonfarm payrolls leaped by 5.42 percent relative to 1997, dramatically different than the current contraction rate of 1.43 percent. For all of 2001 relative to 2000, Orlando's payroll jobs base expanded by a scant 0.28 percent. Back in 1998 Orlando gained 43,100 jobs over 1997. Across all of 2001 a mere 2,500 jobs were added. Please see the third exhibit at the end of this release for a representation of metro Orlando's recent payroll jobs growth performance.

Raleigh-Durham-Chapel Hill claimed the **1st** place ranking among the **TOP TEN** with a 4.1 percent growth rate, followed by Riverside-San Bernardino at 3.4 percent, and San Diego at 2.0 percent. One year back Las Vegas held the top ranking; it slipped to **5th** place in the current array with a growth rate of 1.0 percent. Only a single Florida metro area placed in the **TOP TEN**; that was Jacksonville in the **7th** position with a growth rate of 0.6 percent.

Over the recent March ranking period, Florida actually took **1st** place among the country's **LARGEST 15 STATES** with the smallest percentage contraction rate in payroll jobs. That means Florida suffered less relative pain than the other 14 large states. New Jersey and California followed in order behind Florida. Based on the absolute number of payroll jobs lost as distinguished from contraction rates, Florida trailed only New Jersey. Orlando then, accounted for 84 percent of the 15,700 payroll jobs lost in all of Florida over this March ranking comparison. That suggests severe commercial stress with the local jobs mix and all the more need for a proper local industrial policy.

The **TOP TEN** metro areas and **LARGEST 15 STATES** rankings are displayed on the next two pages, followed by a chart of metro Orlando's payroll jobs growth rates over recent periods.

**Note:** For more information contact Dr. David F. Scott, Jr., Executive Director, Dr. Phillips Institute for the Study of American Business Activity, and Phillips-Schenck Chairholder, University of Central Florida, Orlando, FL 32816-1400. Phone: 407-823-5903. Also, see [www.bus.ucf.edu/dpi](http://www.bus.ucf.edu/dpi).

## Nonfarm Payroll Growth--The Cities

### HOT TOP TEN

#### Rate of Change

March 2002 vs. March 2001

	<u>City</u>	<u>Growth Rate (%)</u>	<u>Jobs Added</u>
<b>1</b>	<b>Raleigh-Durham-Chapel Hill</b>	<b>4.1%</b>	<b>27,100</b>
<b>2</b>	<b>Riverside-San Bernardino</b>	<b>3.4%</b>	<b>34,600</b>
<b>3</b>	<b>San Diego</b>	<b>2.0%</b>	<b>24,900</b>
<b>4</b>	<b>Kansas City</b>	<b>1.0%</b>	<b>9,800</b>
<b>5</b>	<b>Las Vegas</b>	<b>1.0%</b>	<b>7,500</b>
<b>6</b>	<b>Orange County</b>	<b>0.7%</b>	<b>10,300</b>
<b>7</b>	<b>Jacksonville</b>	<b>0.6%</b>	<b>3,700</b>
<b>8</b>	<b>Sacramento</b>	<b>0.6%</b>	<b>4,500</b>
<b>9</b>	<b>Nassau-Suffolk</b>	<b>0.5%</b>	<b>6,600</b>
<b>10</b>	<b>Nashville</b>	<b>0.5%</b>	<b>3,400</b>
<b>45</b>	<b>Orlando</b>	<b>-1.4%</b>	<b>(13,200)</b>

MSAs with at Least 500,000 Employees - March 2002

Nonfarm Payroll Growth--The States

LARGEST 15 STATES

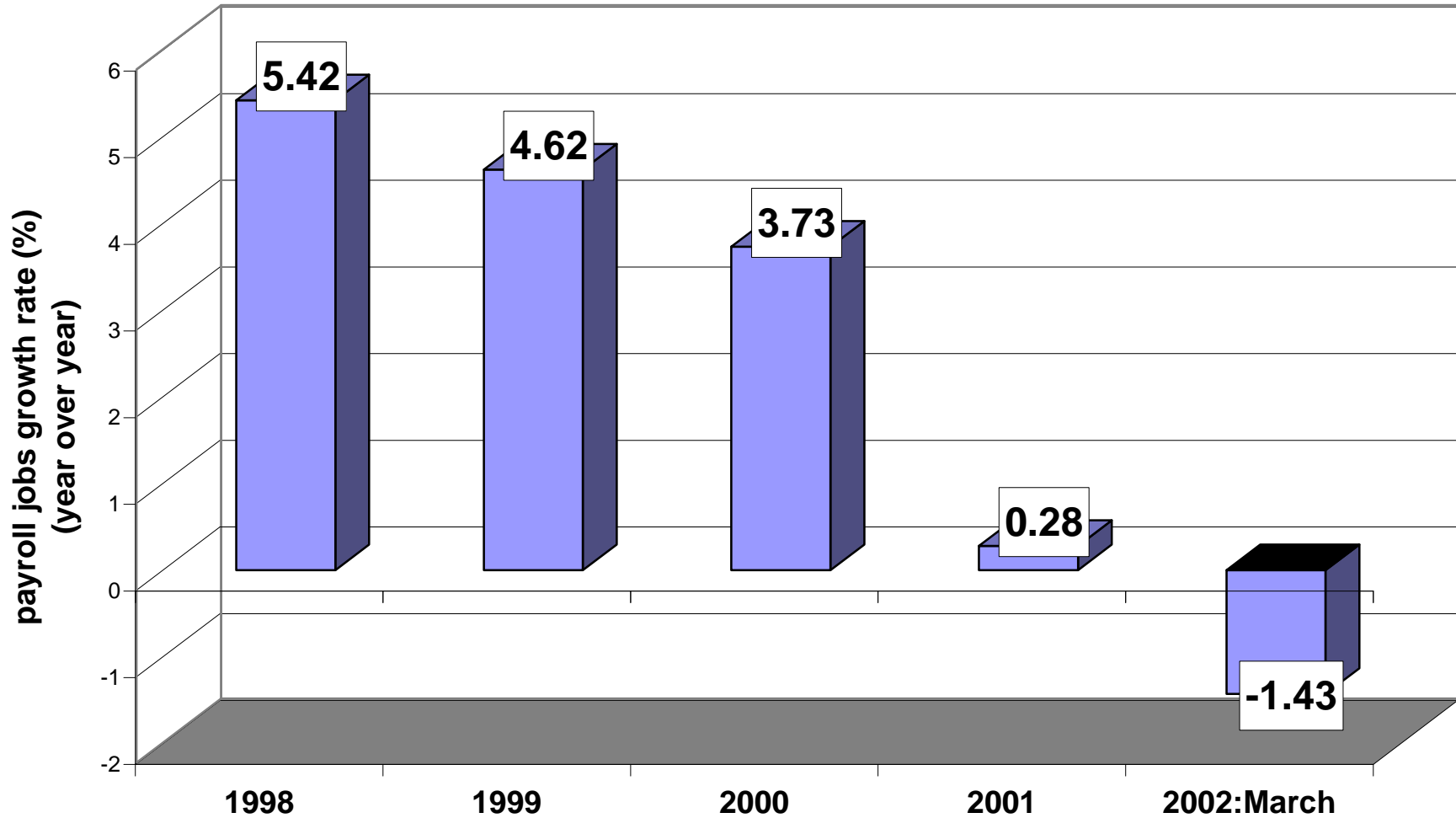
Rate of Change

March 2002 vs. March 2001

	<u>State</u>	<u>Growth Rate (%)</u>	<u>Jobs Added</u>
1	Florida	-0.22%	(15,700)
2	New Jersey	-0.29%	(11,500)
3	California	-0.36%	(53,100)
4	Ohio	-0.98%	(54,900)
5	Texas	-1.03%	(98,000)
6	Pennsylvania	-1.12%	(64,200)
7	North Carolina	-1.17%	(46,200)
8	Michigan	-1.28%	(58,900)
9	Virginia	-1.47%	(52,100)
10	Indiana	-1.48%	(43,600)
11	Massachussetts	-1.52%	(51,000)
12	New York	-1.60%	(138,600)
13	Illinois	-2.00%	(121,000)
14	Washington	-2.39%	(64,800)
15	Georgia	-3.04%	(121,300)

Source: Raw data from the U.S. Department of Labor. Analysis and presentation by the Dr. Phillips Institute for the Study of American Business Activity, College of Business Administration, University of Central Florida, (6/26/2002).

## ORLANDO SLUMPS Payroll Jobs: Rate of Change



Source: Raw data from the U.S. Department of Labor. Analysis and presentation by the Dr. Phillips Institute for the Study of American Business Activity, College of Business Administration, University of Central Florida (6/24/02)