



Economics Group

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Georgia Sees Modest Job Gains in July

Georgia's economy continues to grow solidly. Employers added 3,400 jobs in July and the unemployment rate continued to trend lower, falling 0.1 percentage point to 3.6%.

Employment Continues to Trend Higher

After adding 17,300 jobs in June, nonfarm employment posted a more modest gain in July, with employers adding 3,400 net new jobs. The bulk of that increase came in professional & business services and trade, transportation & utilities, which added 1,800 and 1,000 jobs, respectively.

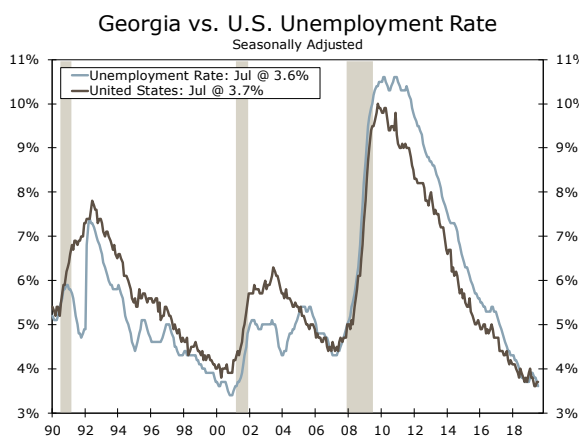
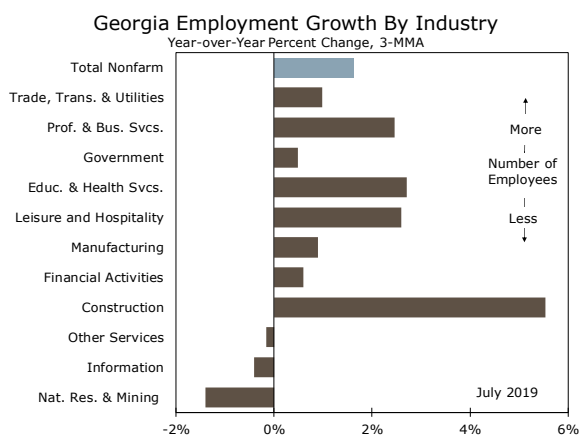
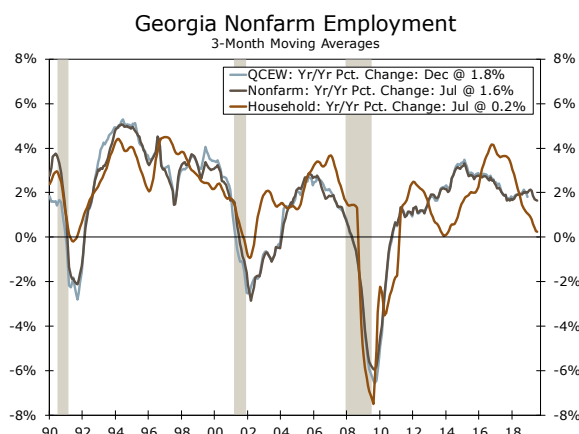
On a year-over-year basis, nonfarm employment has risen 1.6%, with employers adding 74,300 net new jobs. Hiring has increased across most major industries, with professional & business services (+16,700), education & health services (+15,900), construction (+12,400) and the leisure & hospitality sector (+11,600) accounting for the bulk of the increase. The strong gains in these historically important sectors are not surprising. The tech sector has been a big driver of Georgia's economy in recent years, particularly in the Atlanta area. Health care and construction are also perennial strong suits for Georgia, both driven by the state's strong population and employment growth. This growth has fueled mega-projects like the expansion of Plant Vogtle near Augusta and the expansion and deepening of the Port of Savannah, and a constant stream of road building and residential and commercial projects in the greater Atlanta area.

The tech sector has become increasingly important to the Atlanta area. Midtown has become a major tech hub, feeding off its access to Georgia Tech and an influx of housing options and lifestyle amenities. Atlanta has long been a hub of the payments processing industry, which is now consolidating. Cyber security and health management software are other key growth areas. Hiring in professional, scientific & technical services has risen 3.8% over the past year, resulting in 10,400 net new jobs.

Atlanta also serves as the hub for the state's growing transportation and logistics industry. Statewide, transportation, warehousing & utilities payrolls expanded by 1,400 jobs for the second straight month after posting outright declines earlier in the year. Manufacturers added 200 new jobs, as a 500-job decline in nondurable goods manufacturing partially eroded a solid 700-job gain in the durable goods category. The recent gains in both the manufacturing and transportation industries will come as welcome news as these areas have come under pressure over the past year given their exposure to international trade.

Declines in the healthcare and government sectors tarnished an otherwise solid month of hiring. After two solid months of job gains, the state's massive healthcare & social assistance industry trimmed payrolls by 1,400, the first contraction since last December. Public sector hiring also pulled back somewhat, as state & local government payrolls fell by 1,200 jobs.

The state's labor market also appears to have the wind at its back. The unemployment rate fell 0.1 percentage point to 3.6% during July. The jobless rate has now declined for two straight months, which is a consequence of household employment growth outpacing growth in the labor force.



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