

State Employment Monitor

June 2019

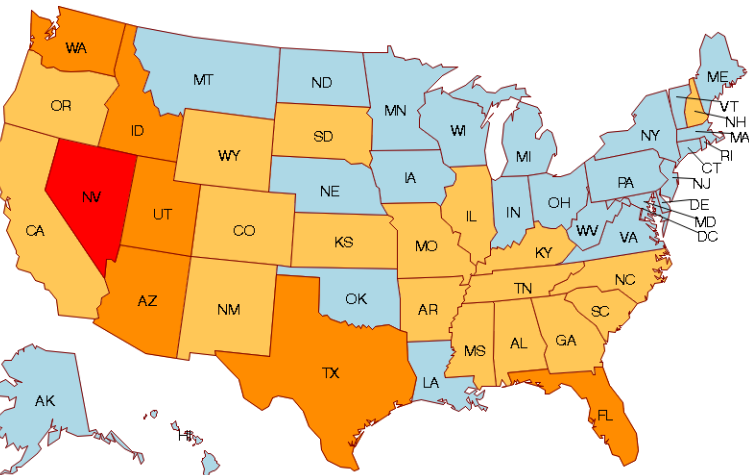
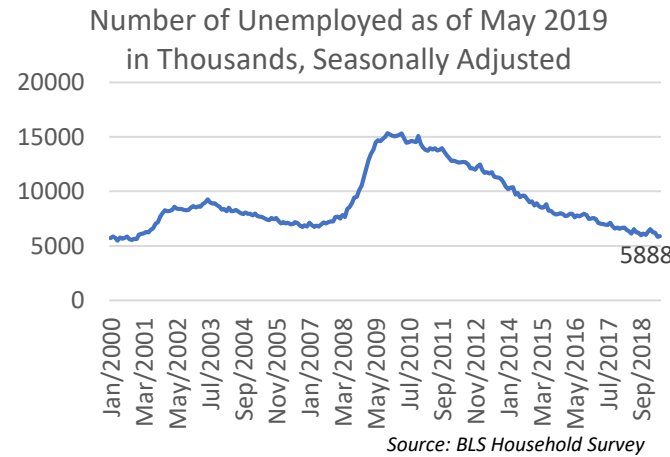
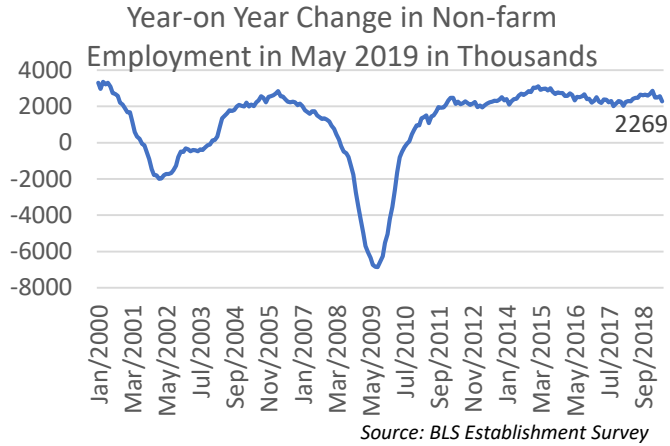
National Association of REALTORS® Research Group

State Employment Monitor

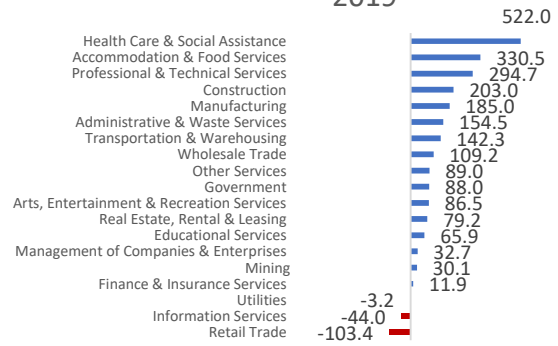
Employment and income are key factors affecting the demand for and supply of residential and commercial real estate. This month's report discusses the May 2019 employment data, with emphasis on construction and real estate jobs.

Annual Payroll Job Creation Slows to 2.3 M in May 2019

- ❖ In May 2019, payroll employment increased by 2.3 million from one year ago, an increase of 1.5 percent. While this is a strong annual pace of over 2 million, this is a slight dip from the 2.6 million annual increase in April 2019.
- ❖ On a seasonally adjusted basis, payroll employment increased by 75,000 in May from April, the second month in 2019 that job gains did not hit 200,000. Job creation has slowed given the decline in number of people looking for jobs, at 5.9 million as of May 2019, compared to about 15 million in 2009–2010, with record low unemployment rate of 3.6 percent.
- ❖ Payroll employment rose at the fastest pace in the West and South states led by Nevada (3.9%), Utah (2.9%), Arizona (2.6%), Washington (2.6%), Texas (2.4%), Florida (2.4%), Idaho (2.3%), Alabama (1.9%), New Mexico (1.9%), and Oregon (1.9%).
- ❖ The largest job gains were in health care & social assistance (522,000), accommodation & food services (330,500), professional & technical services (294,700), and construction (203,000) industries.

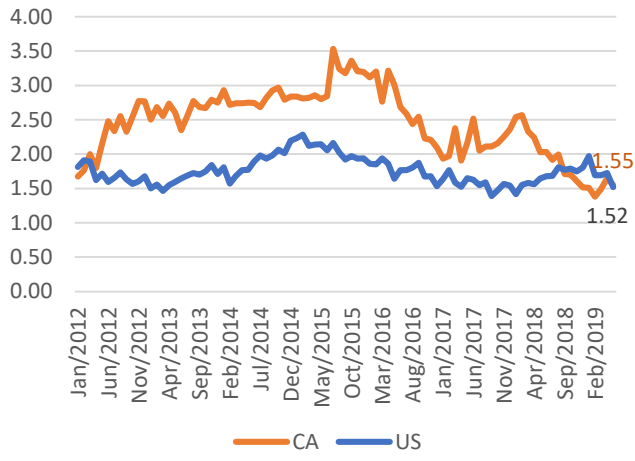


Year-on-Year Change in Employment in May 2019

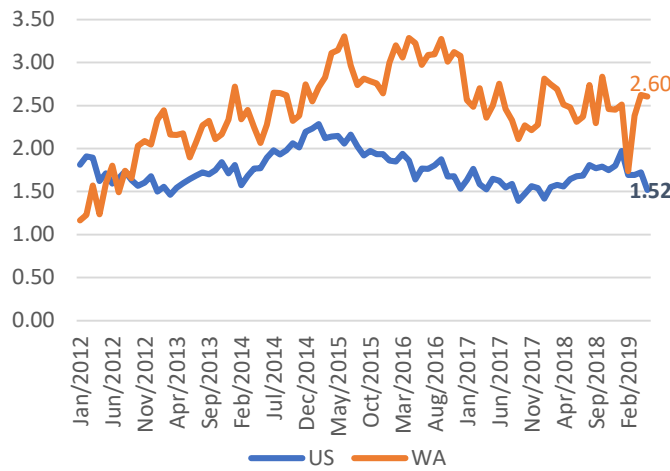


Source: BLS Establishment Survey

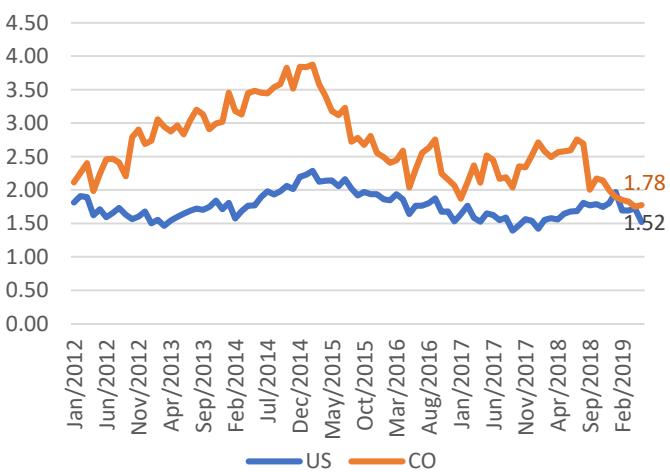
California and U.S. Job Growth



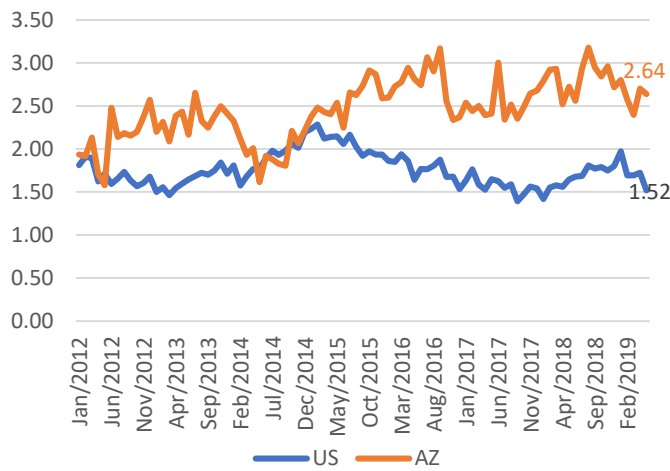
Washington and U.S. Job Growth



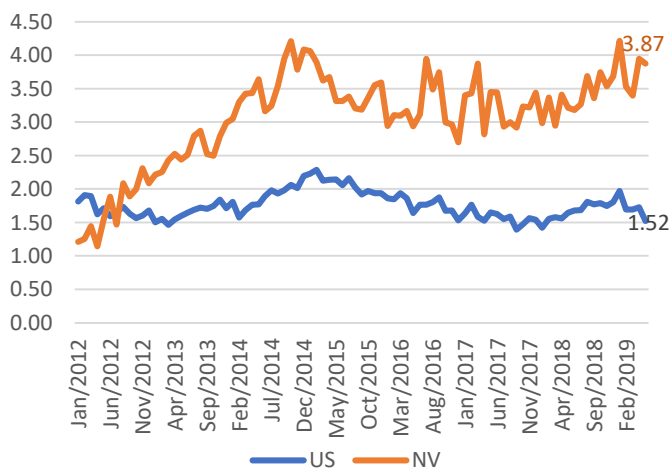
Colorado and U.S. Job Growth



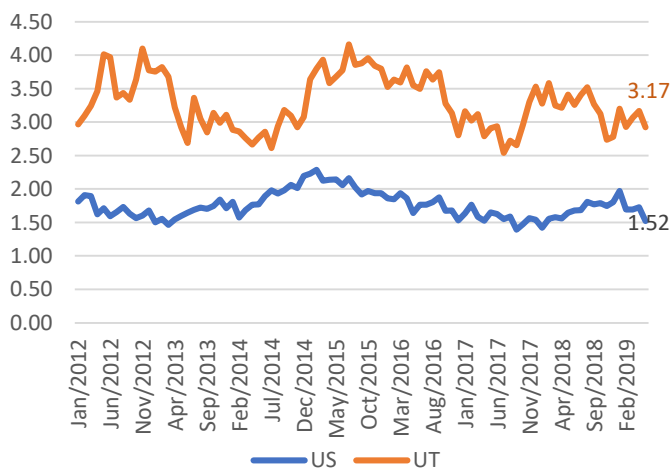
Arizona and U.S. Job Growth



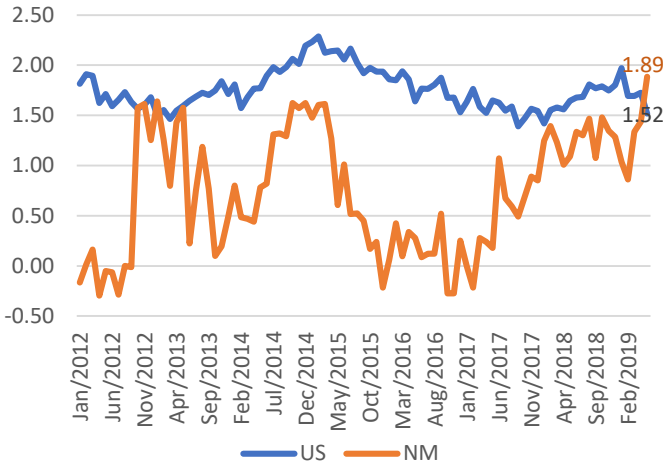
Nevada and U.S. Job Growth



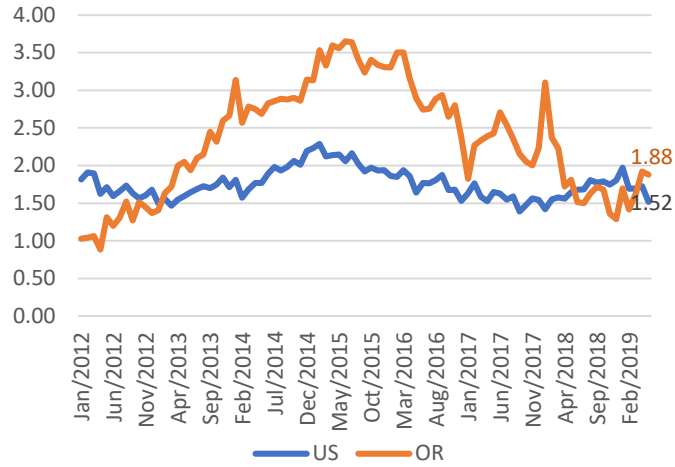
Utah and U.S. Job Growth



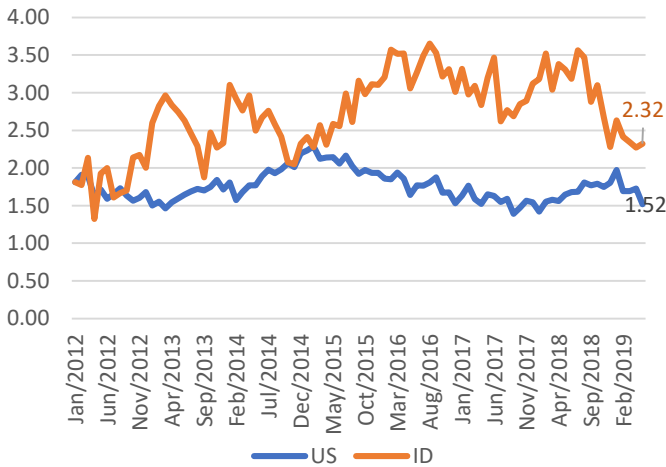
New Mexico and U.S. Job Growth



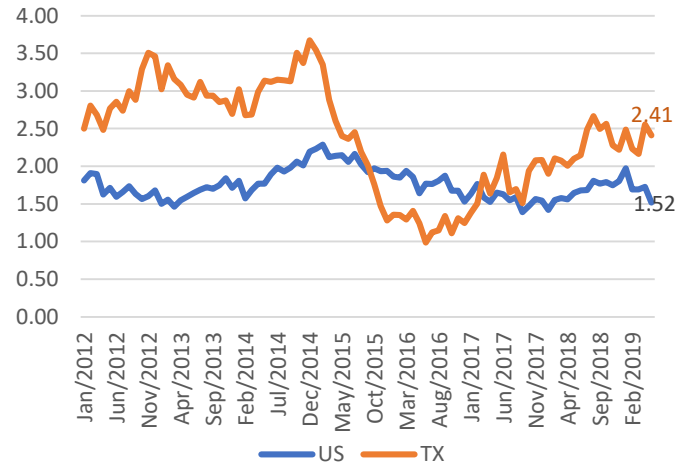
Oregon and U.S. Job Growth



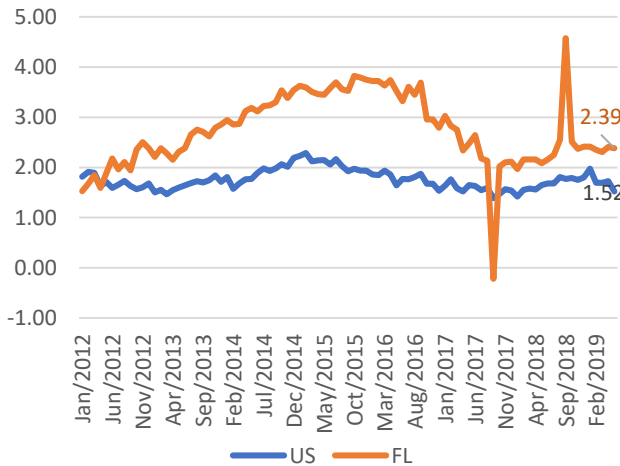
Idaho and U.S. Job Growth



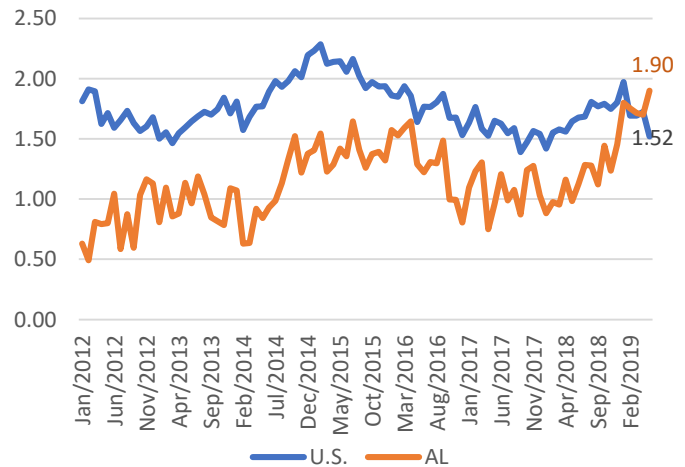
Texas and U.S. Job Growth



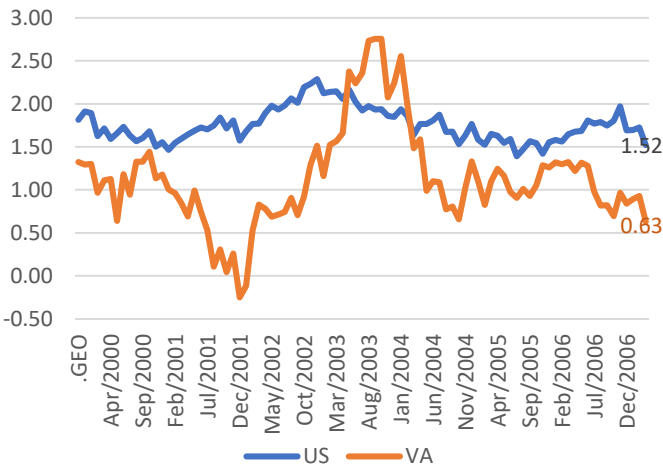
Florida and U.S. Job Growth



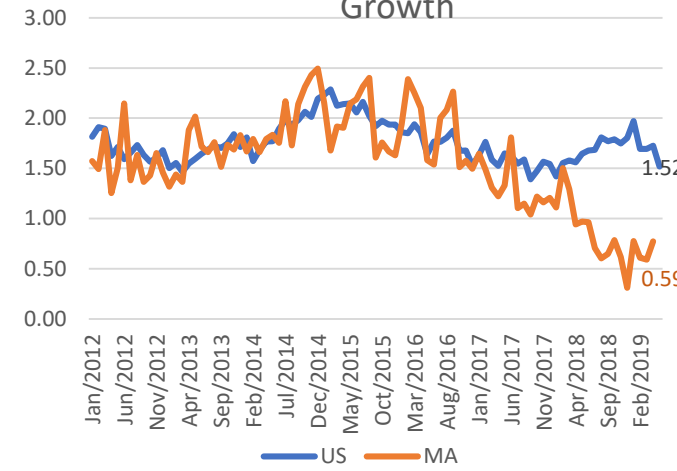
Alabama and U.S. Job Growth



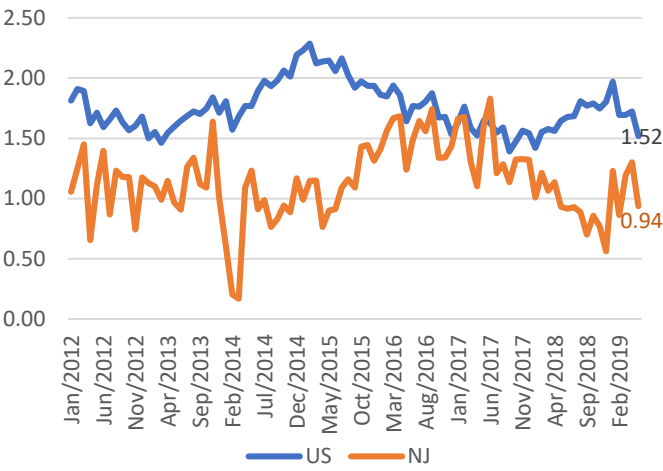
Virginia and U.S. Job Growth



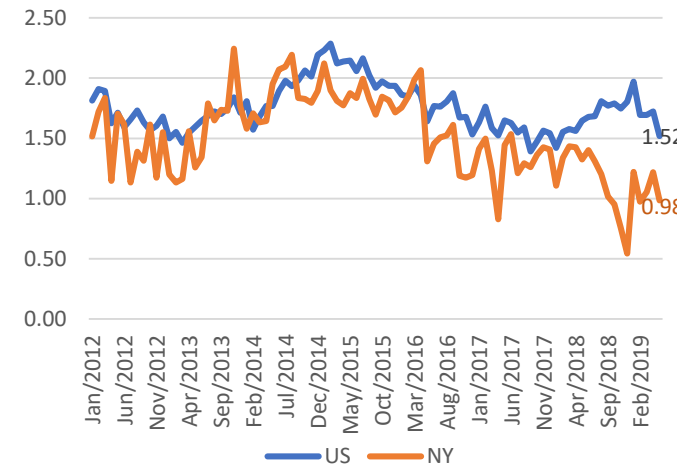
Massachusetts and U.S. Job Growth



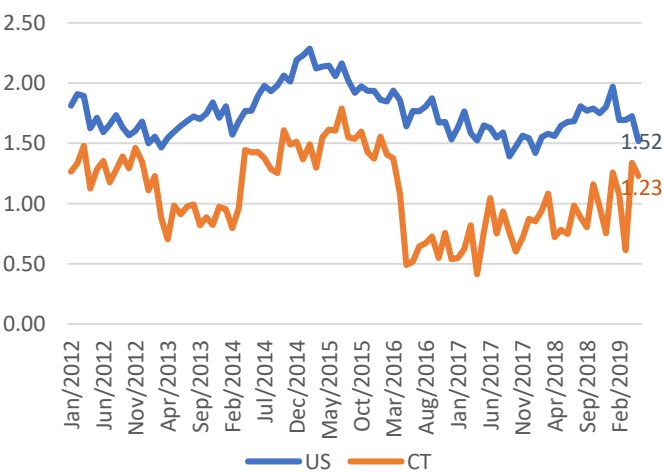
New Jersey and U.S. Job Growth



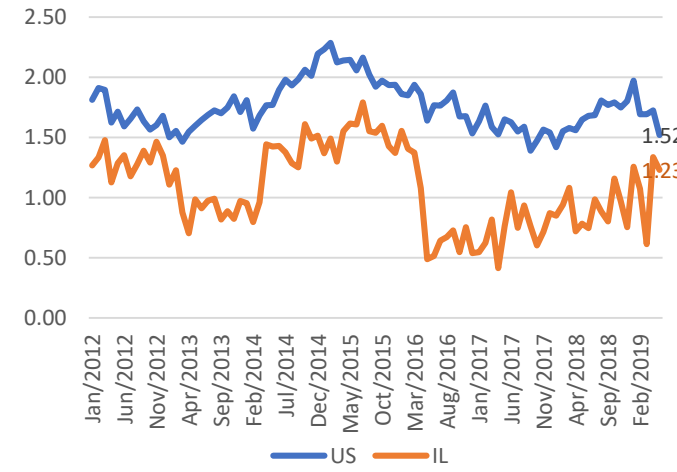
New York and U.S. Job Growth



Connecticut and U.S. Job Growth

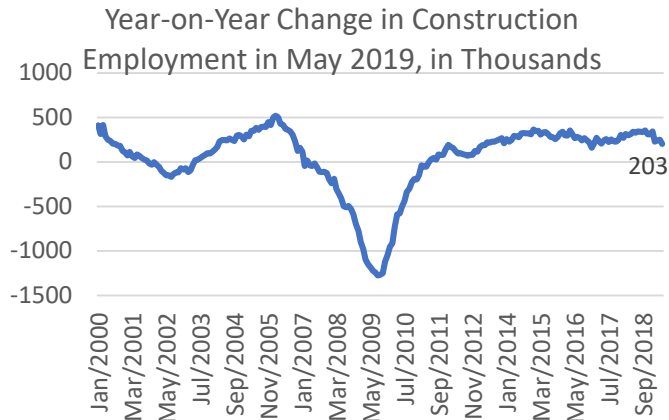


Illinois and U.S. Job Growth



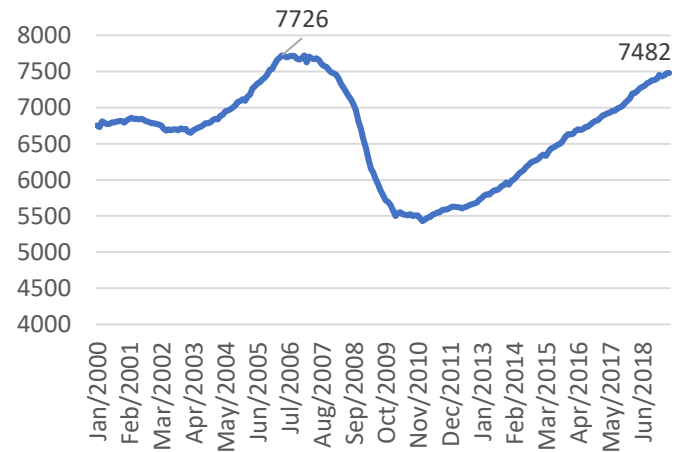
Annual Construction Job Creation Eases to 203,000 in May 2019

- ❖ In May 2019, payroll employment in construction increased by 203,000 from one year ago, the slowest annual pace in 2019, and a marked slowdown from the 320,000 monthly average annual pace in 2018.
- ❖ As of May 2019, payroll employment adjusted for seasonal effects stood at 7.5 million, which is still below the 7.7 million peak level in April 2006.
- ❖ The trend in housing starts reflects construction employment trends. Housing starts on an annualized seasonally adjusted basis stood at 1.27 million in May 2019, down five percent from one year ago, and still below the net household formation of 1.4 million in 2018.
- ❖ Compared to one year ago, payroll construction employment rose in 38 of 50 states, with the fastest pace in West Virginia (27%), Nevada (14%), Arizona (12%), North Dakota (11%), Wyoming (11%), Alabama (8%), Indiana (7%), and Alaska (6%).

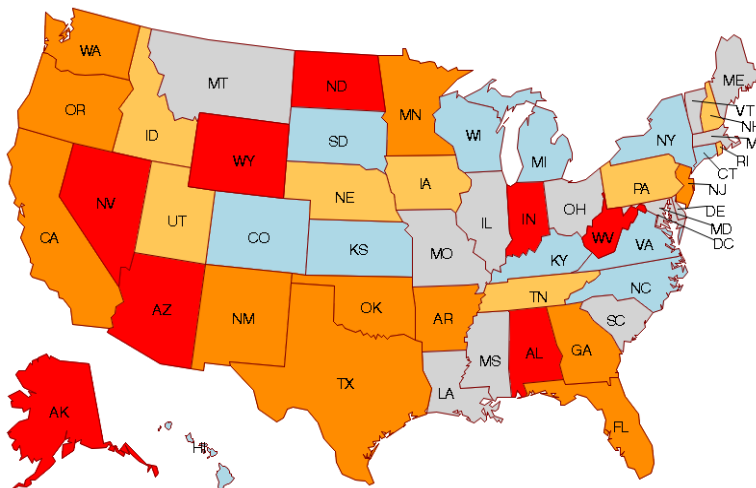


Source: BLS Establishment Survey

Construction Payroll Employment as of May 2019, Seasonally Adjusted, in Thousands

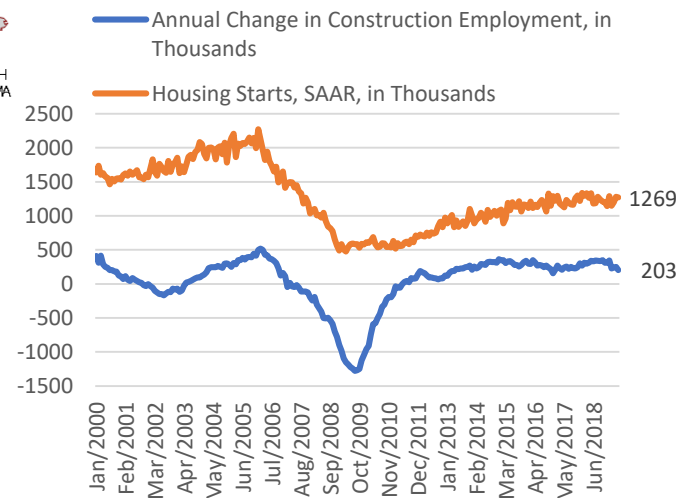


Source: BLS Establishment Survey



Percent Change in Construction Employment in May 2019 from One Year Ago

Less than 0%
 0% to 2%
 2+ to 4%
 4+ to 6%
 6+ to 27%



Annual Job Creation in Real Estate Eases to 49,900 in May 2019

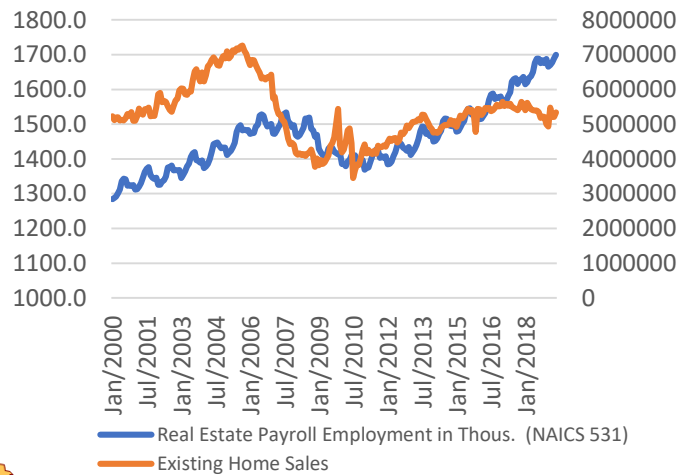
- ❖ In May 2019, payroll employment in real estate (NAICS 531) increased 49,900 from one year ago, down by 15 percent from one year ago.
- ❖ As of May 2019, there were 1.7 million employed in real estate (NAICS 531). This level has surpassed the peak level of about 1.5 million in July 2006. In comparison, existing home sales on an annualized basis totaled of 5.43 million in May 2019 is still below the peak of 7.26 million in September 2005. The annualized existing home sales to real estate employment (NAICS 531) ratio was 3.1 in May 2019 compared to about five in mid 2008.
- ❖ By state, the states with the largest share of employment in real estate, rental, and leasing (NAICS 53) are Florida (5.7%), New Jersey (5.6%), Colorado (5.4%), Nevada (5.3%), Utah (5.2%), Arizona (5.2%), Wyoming (5.1%), and Montana (5%).

Year-on-Year Change in Payroll Employment in Real Estate as of May 2019, in Thousands



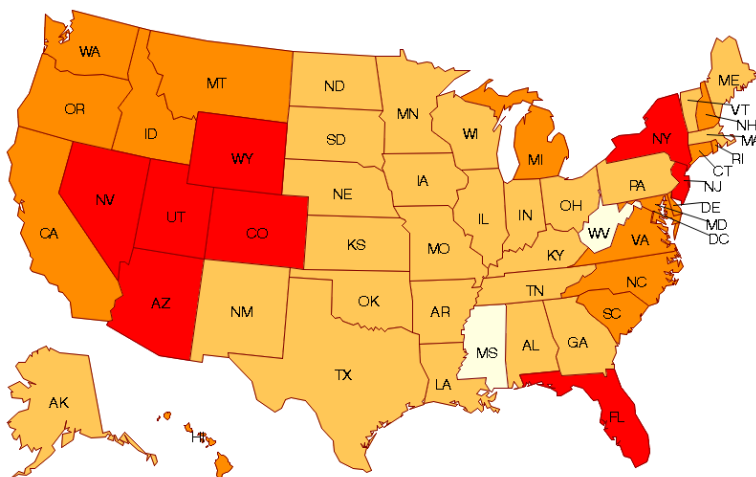
Source: BLS Establishment Survey (NAICS 531)

Payroll Employment in Real Estate as of May 2019 in Thousands



Source: BLS Establishment Survey (NAICS 531)

Ratio of Annualized Existing Home Sales to Employment in Real Estate



Share of Employment in Real Estate, Rental, and Leasing to Total Employment in 2017

2+% to 3% 3+% to 4% 4+% to 5% 5+% to 6%