

State Employment Monitor

August 2019



National Association of REALTORS® Research Group



State Employment Monitor

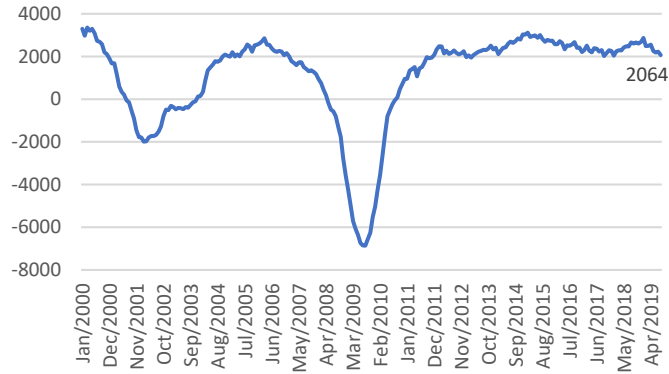


Employment and income are key factors affecting the demand for and supply of residential and commercial real estate. This month's report discusses state employment and wage trends as of August 2019.

2.1 M Annual Payroll Job Gains in August 2019

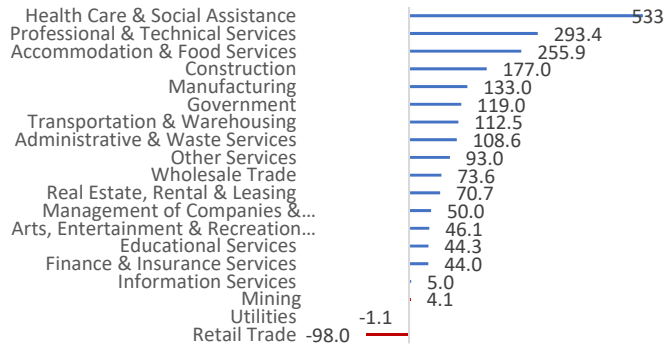
- Payroll jobs increased by 2.1 million from one year ago. At over 2 million jobs, this is still a strong increase although job creation has tapered off, with the unemployment rate at a low 3.7%.
- All industries (2-digit level) had job gains, except for utilities (-1,100) and retail trade (-98,000).
- 49 states had job gains, with the strongest gains in Utah (3.0%), Nevada (3.0%), Washington (2.5%), Arizona (2.5%), Florida (2.5%), Texas (2.3%), Idaho (2.2%), New Hampshire (2.2%), South Dakota (2.2%), and Colorado (2.1%).
- As an indicator of housing shortage, there were more than 2 net new jobs for every new housing construction in 17 states, led by Rhode Island (9.4), New Hampshire (4.0), Massachusetts (4.0), New Mexico (3.1), New York (3.0), California (2.9), Illinois (2.7), Alaska (2.6), Kansas (2.5), Alabama (2.5), and South Dakota (2.5).

Annual Change in Non-farm Employment in July 2019 ('000)

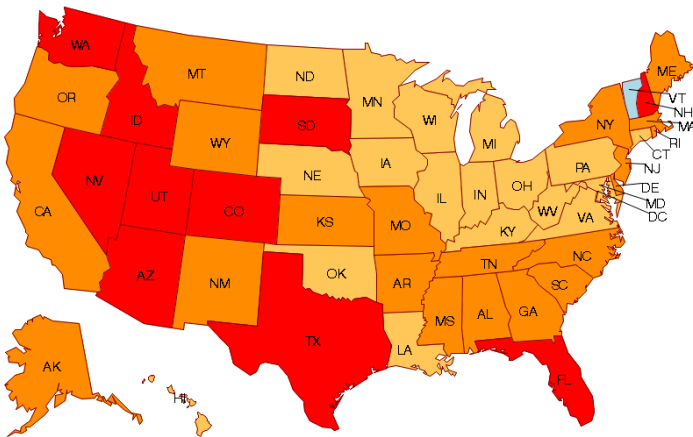


Source: BLS Establishment Survey

Year-on-Year Change in Employment in August 2019 ('000)

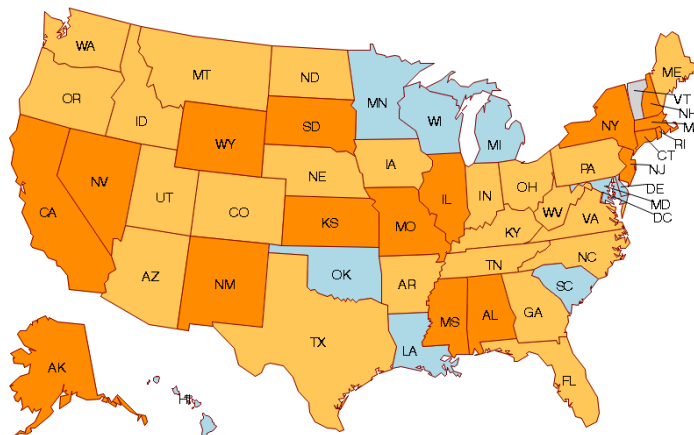


Source: BLS



Annual Percent Change in Payroll Employment in August 2019

Legend: Less than 0% (light blue), 0% to 1% (light orange), 1+% to 2% (orange), 2+% to 3% (red)



Ratio of Change in Nonfarm Employment to Annualized Housing Starts in August 2019

Legend: Less than 0 (light blue), Up to 1 (medium blue), 1+ to less 2 (orange), 2+ (red)



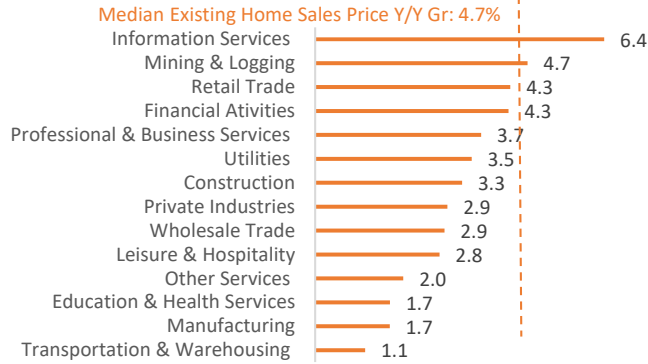
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House Price Growth Outpaces Wage Growth

- Average weekly wages among those employed in private industry rose 2.9% compared to the 4.7% price appreciation of the median home sales price. Wages rose at the fastest pace in information services (2-digit NAICS level) at 6.4%.
- In industries where workers earned at least \$1,000 weekly, single-earner households were more likely to afford a median priced home (\$278,200 nationally in August 2019), spending no more than 23 percent of wage income on a mortgage payment.
- Home price growth continued to outpace wage growth, except in 11 states led by Arkansas (+3.6%), District of Columbia (+2.2%), West Virginia (+1.3%), Kansas (+1%), California (+1%).

Y/Y Increase in Average Weekly Wage in August vs. Median Sales Price Growth

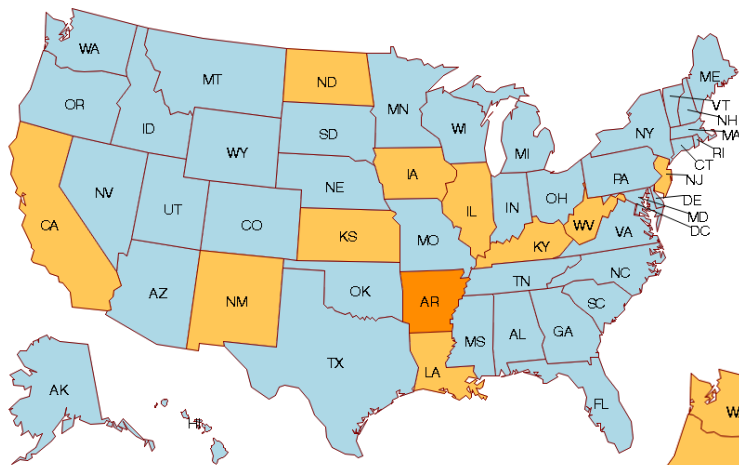


Mortgage Payment as Percent of Single-Worker Wages in August 2019

Industry	Average Weekly Earnings	Mortgage payments as percent of wage income
Leisure & Hospitality	\$430	61%
Retail Trade	\$608	43%
Other Services	\$797	34%
Education & Health Services	\$910	29%
Transportation & Warehousing	\$965	27%
Private Industries	\$967	27%
Manufacturing	\$1,130	23%
Construction	\$1,215	22%
Professional & Business Services	\$1,228	21%
Wholesale Trade	\$1,230	21%
Financial Activities	\$1,369	19%
Information Services	\$1,538	17%
Mining & Logging	\$1,577	17%
Utilities	\$1,778	15%

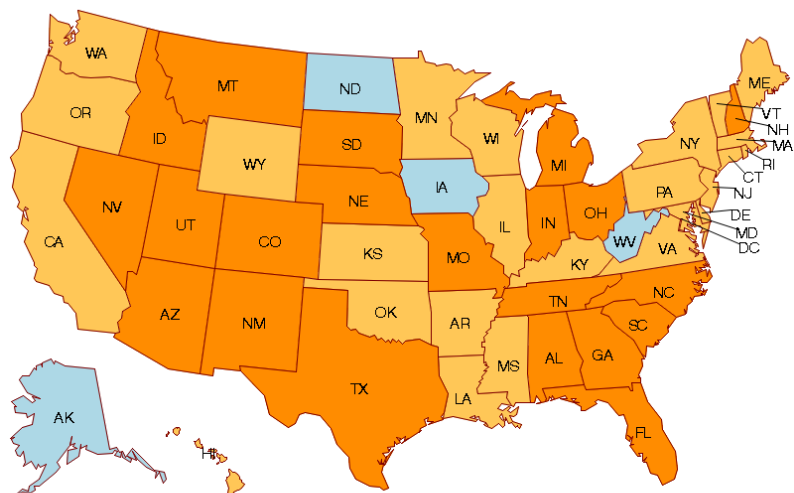
Calculations based on median price of \$278,200, 10% D/P, and 3.62% 30-year rate

Sources of data: BLS (weekly wage), NAR (median price), Freddie Mac (mortgage rate)



Weekly Wage Growth Less Median Existing Sales Price Growth in August 2019

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



Annual Percent Change in Home Prices (FHFA Index) in August 2019

1+% to 3% 3+% to 4% 5+% to 10%



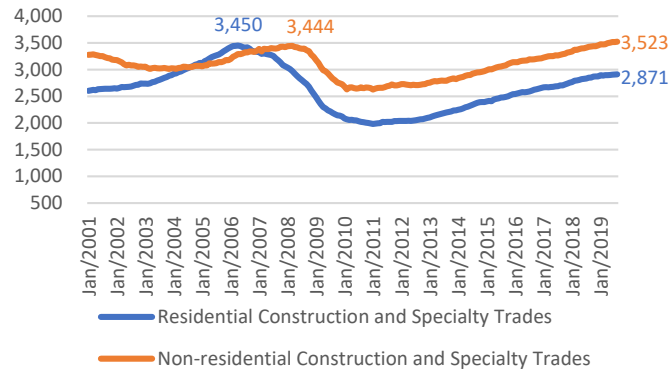
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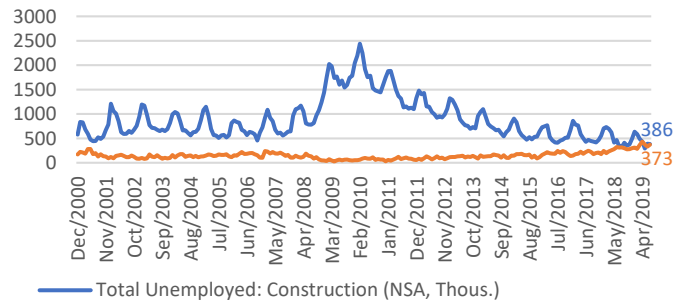
Construction Jobs Still 300,000 Below 2006 Peak

- As of August 2019, construction jobs stood at 6.4 million on a seasonally adjusted level, which is 300,000 below the 6.7 million peak in April 2006. The lack of construction workers has been a major roadblock to housing construction.
- There is a more serious decline in residential than in commercial construction jobs relative to the peak levels in mid-2000. As of August 2019, there were 79,000 more workers in commercial construction compared to the peak level for this subsector in 2006, while there were 579,000 fewer workers in residential construction compared to the 2006 peak level for this subsector.
- Compared to one year ago, construction jobs rose in 41 states, led by Nevada (9.9%), Arizona (9.5%), North Dakota (9.5%), New Mexico (7.0%), New Hampshire (6.7%), and West Virginia (6.6%).

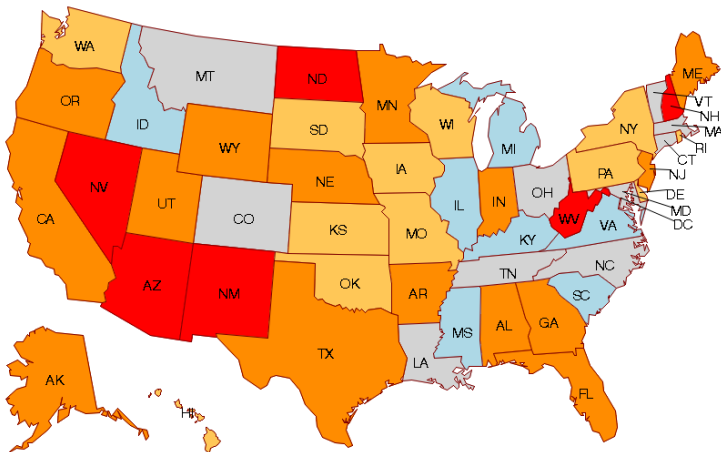
Employment in Construction of Buildings and Specialty Trades, Seasonally Adjusted ('000)



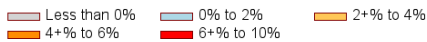
Few Unemployed in Construction Industry Than Job Openings ('000)



Source: BLS JOLTS and Household Survey



Annual Percent Change in Construction Employment in August 2019

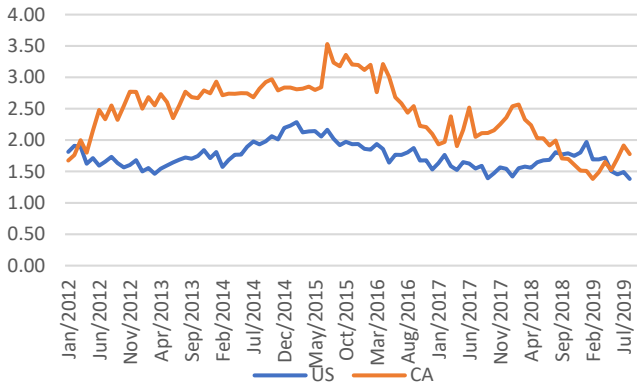




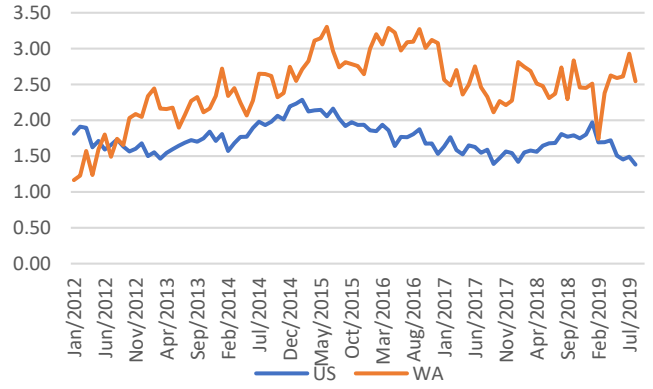
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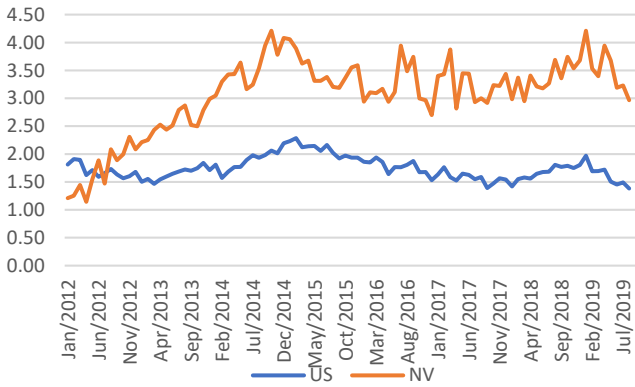
California and U.S. Job Growth



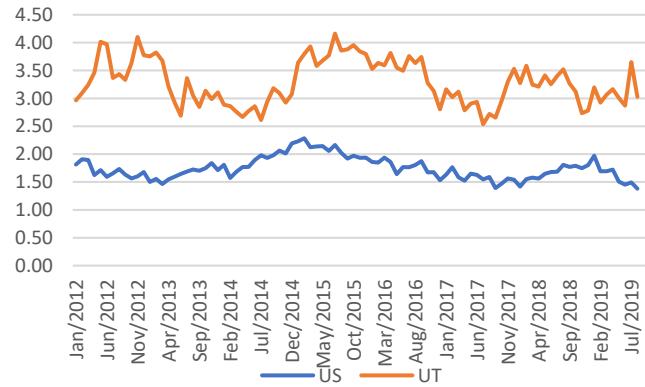
Washington and U.S. Job Growth



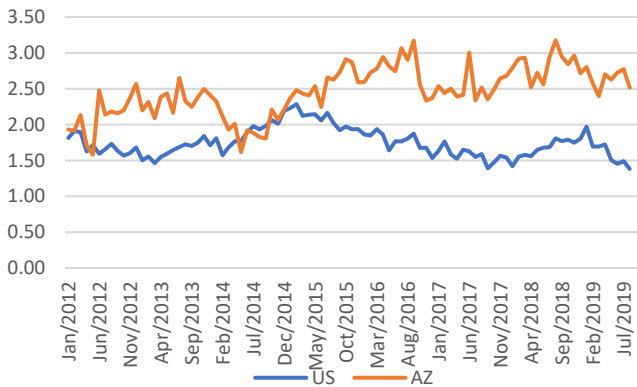
Nevada and U.S. Job Growth



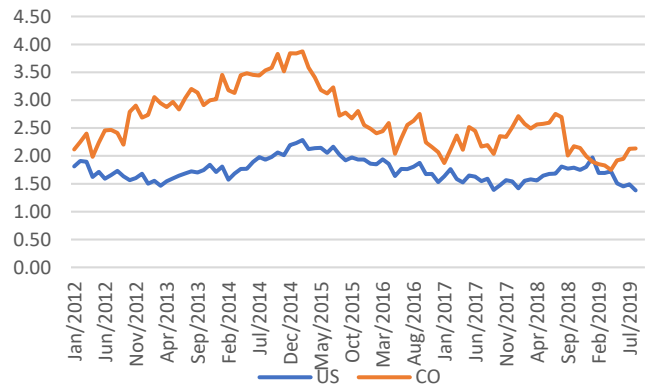
Utah and U.S. Job Growth



Arizona and U.S. Job Growth



Colorado and U.S. Job Growth

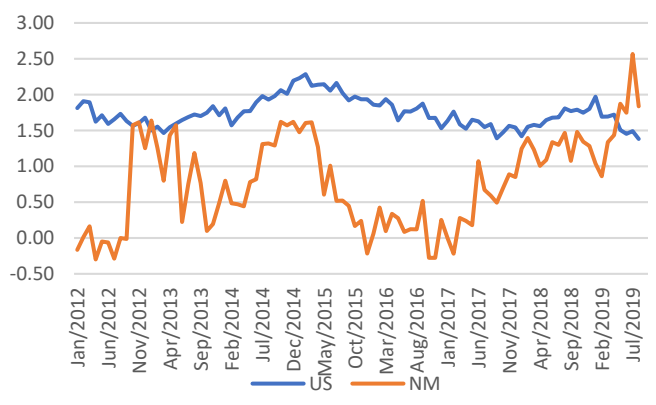




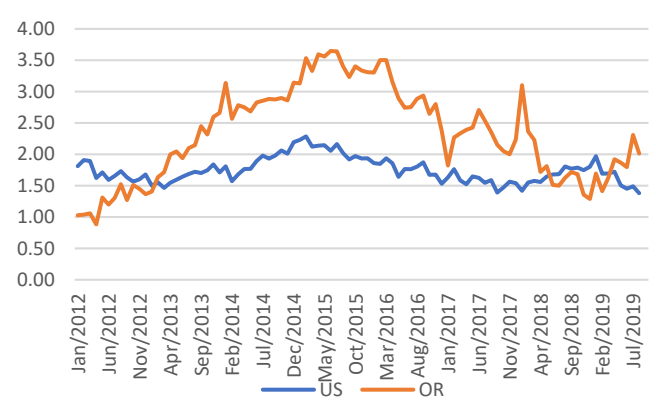
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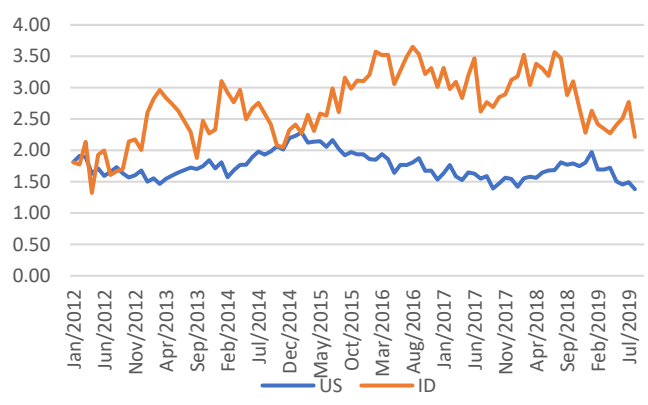
New Mexico and U.S. Job Growth



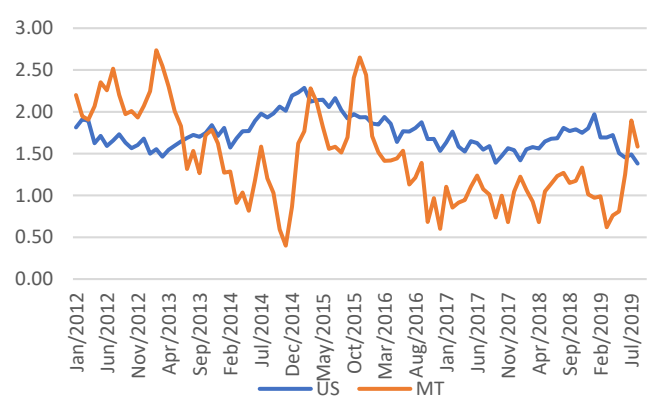
Oregon and U.S. Job Growth



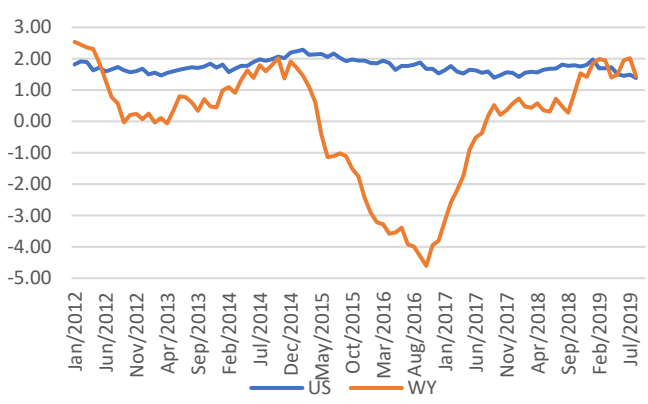
Idaho and U.S. Job Growth



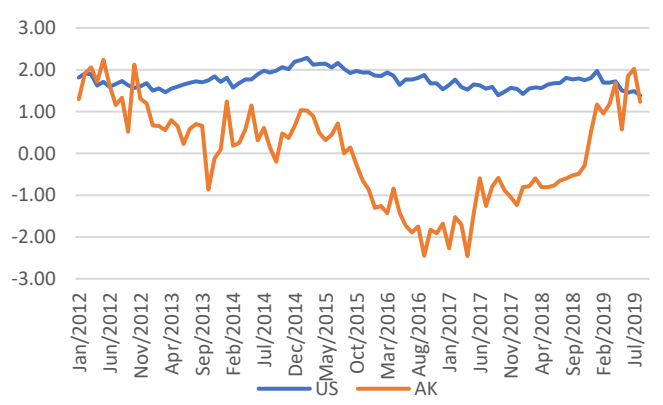
Montana and U.S. Job Growth



Wyoming and U.S. Job Growth



Alaska and U.S. Job Growth

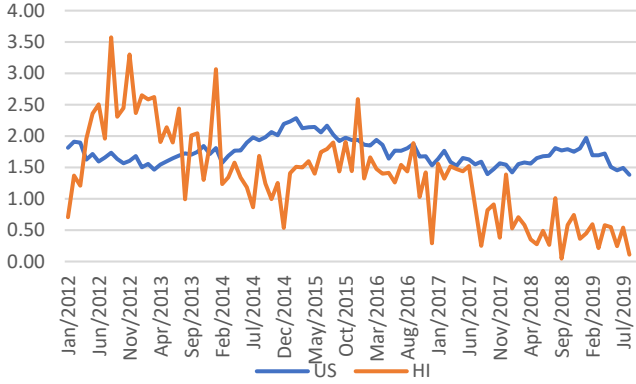




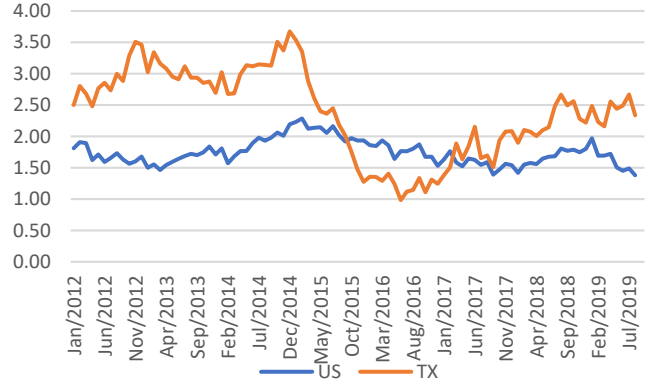
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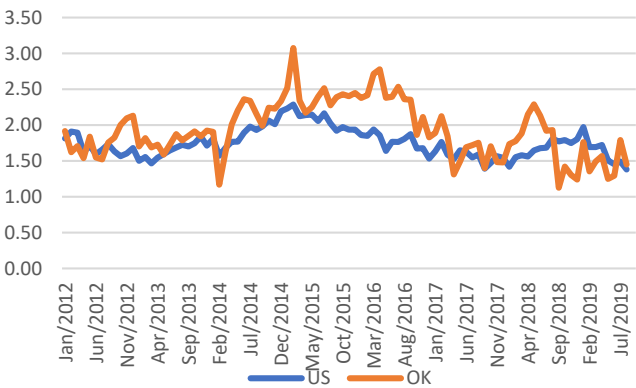
Hawaii and U.S. Job Growth



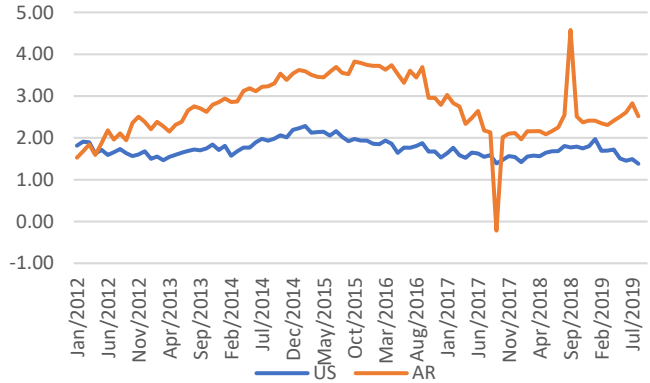
Texas and U.S. Job Growth



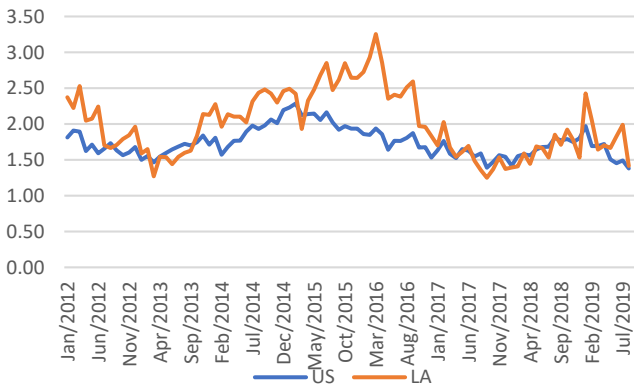
Oklahoma and U.S. Job Growth



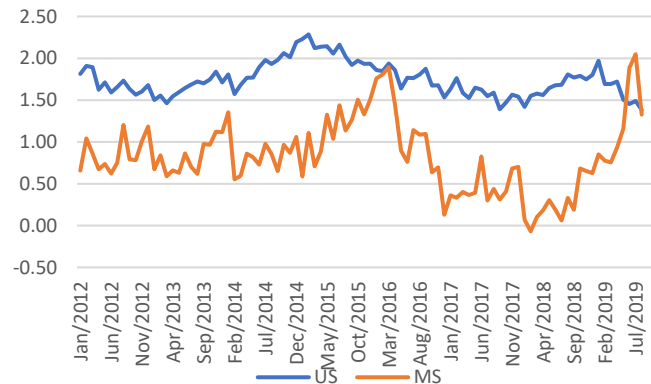
Arkansas and U.S. Job Growth



Louisiana and U.S. Job Growth



Mississippi and U.S. Job Growth

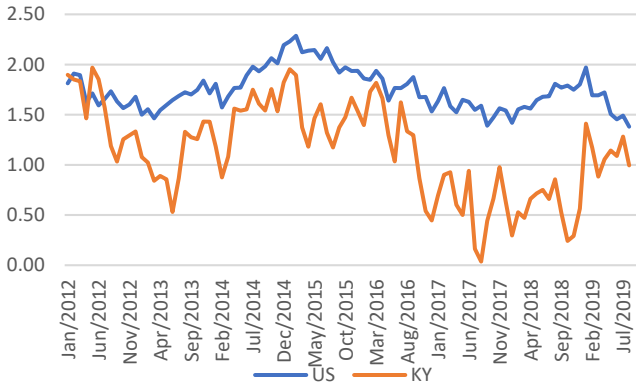




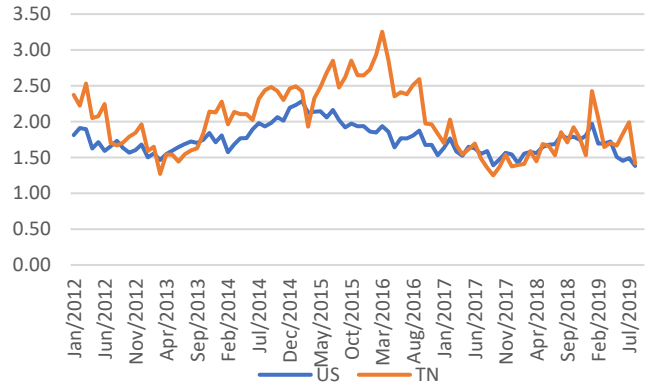
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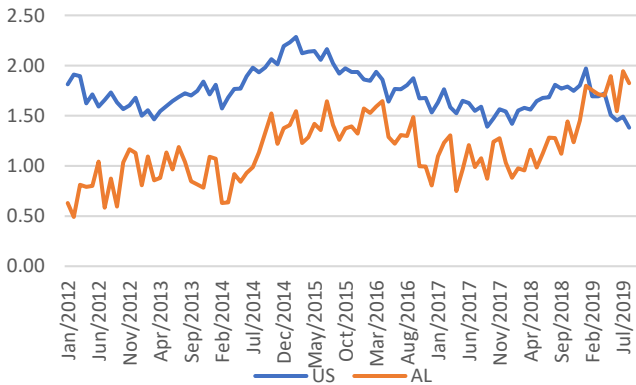
Kentucky and U.S. Job Growth



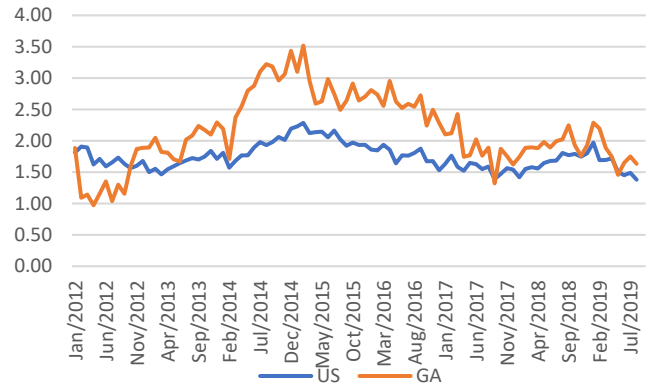
Tennessee and U.S. Job Growth



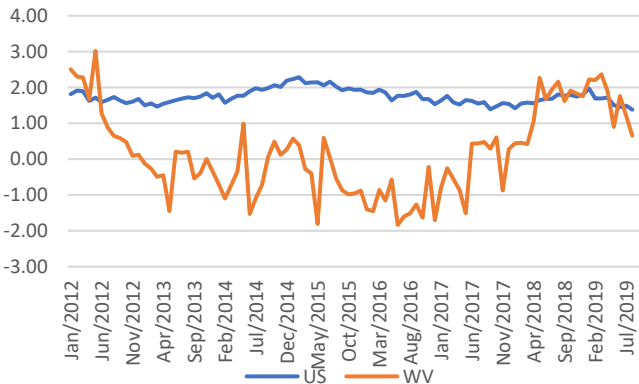
Alabama and U.S. Job Growth



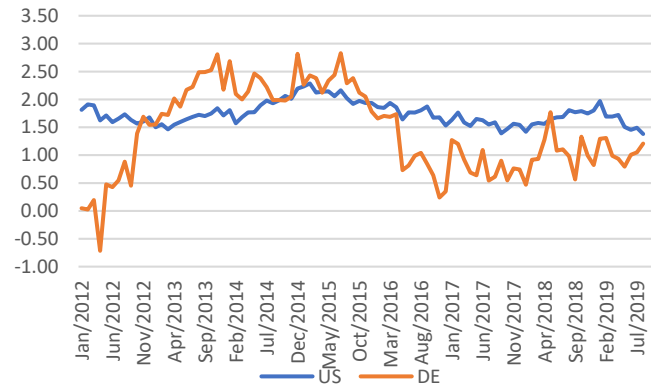
Georgia and U.S. Job Growth



West Virginia and U.S. Job Growth



Delaware and U.S. Job Growth

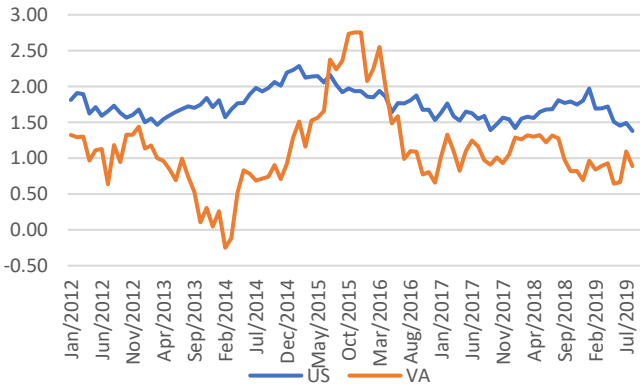




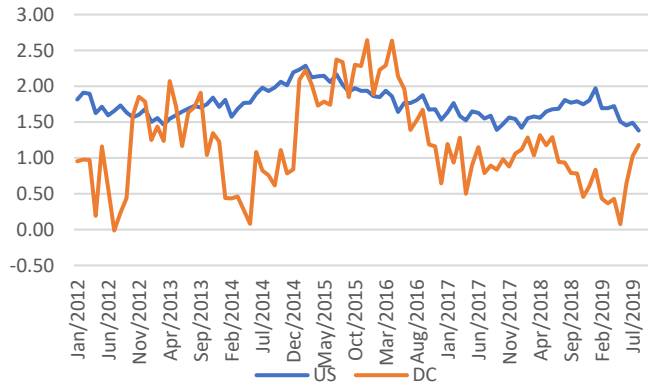
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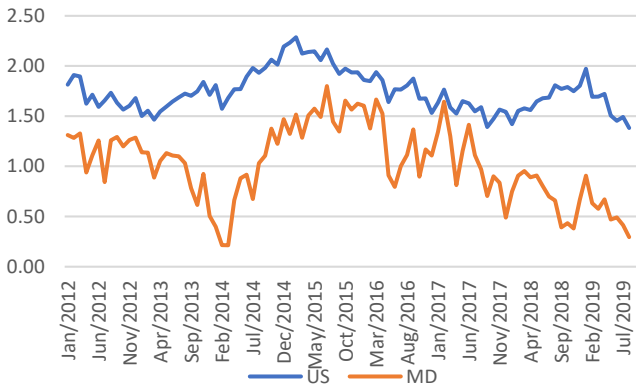
Virginia and U.S. Job Growth



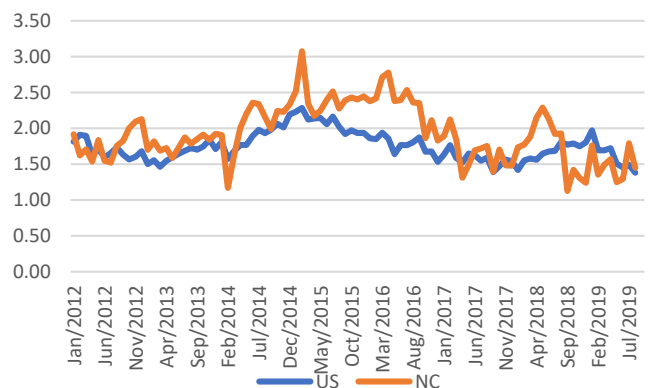
Washington, D.C. and U.S. Job Growth



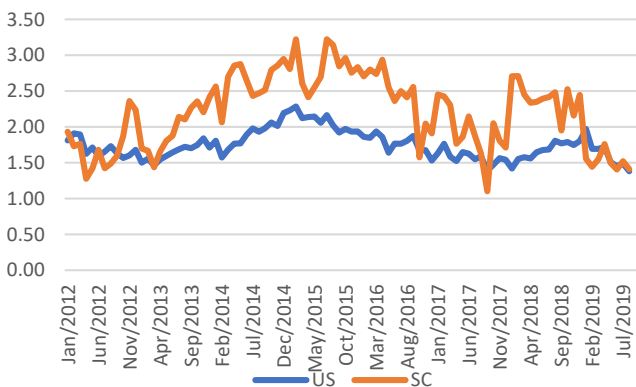
Maryland and U.S. Job Growth



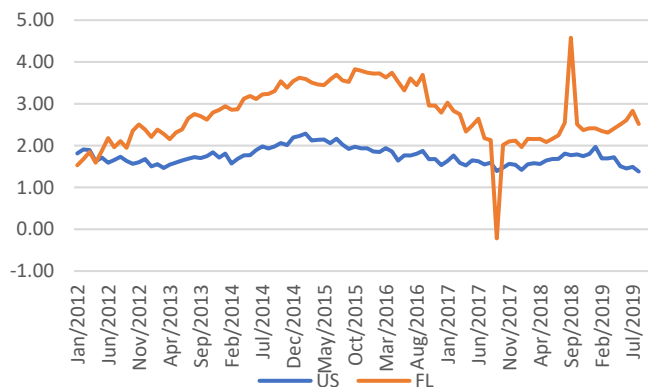
North Carolina and U.S. Job Growth



South Carolina and U.S. Job Growth



Florida and U.S. Job Growth

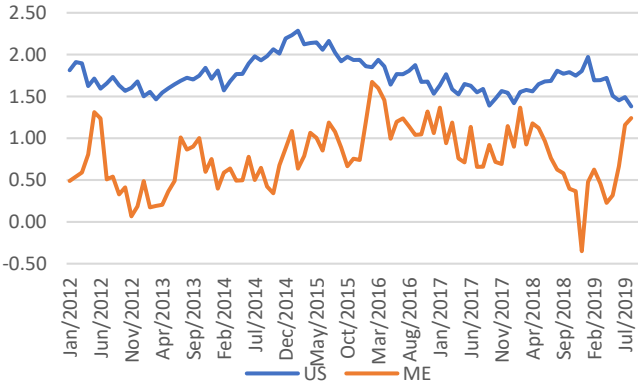




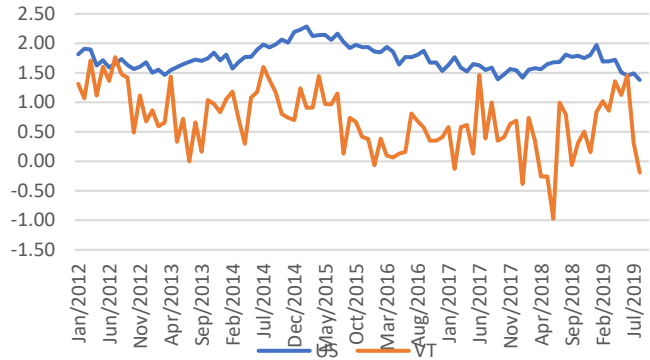
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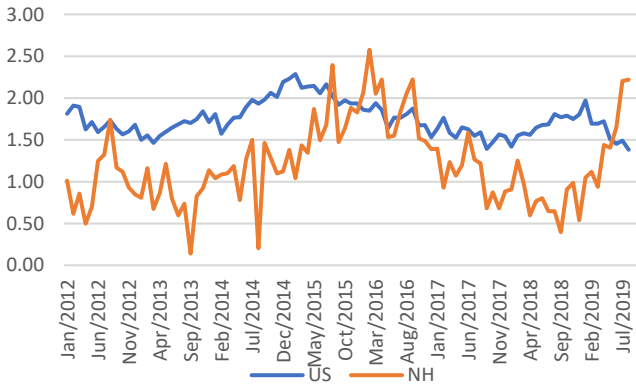
Maine and U.S. Job Growth



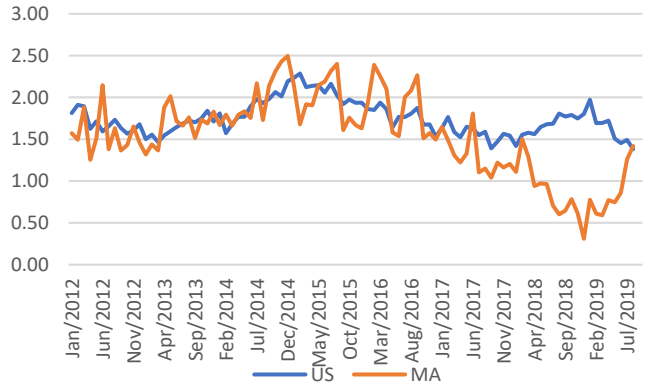
Vermont and U.S. Job Growth



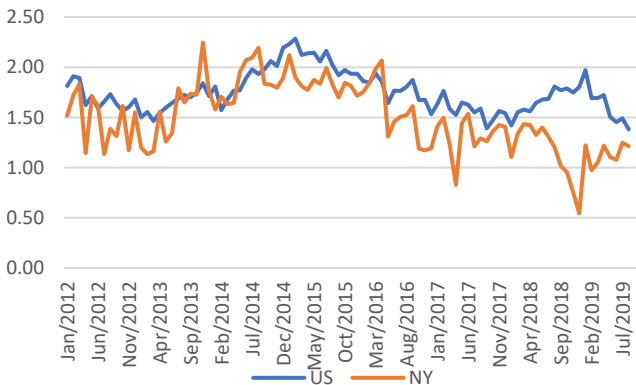
New Hampshire and U.S. Job Growth



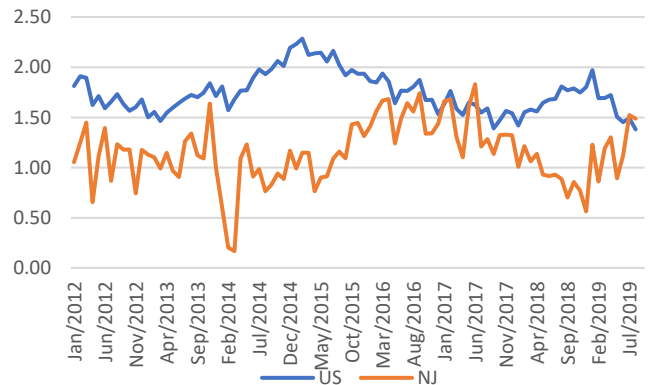
Massachusetts and U.S. Job Growth



New York and U.S. Job Growth



New Jersey and U.S. Job Growth

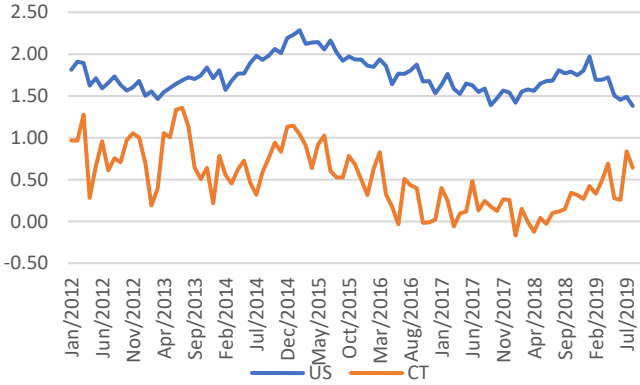




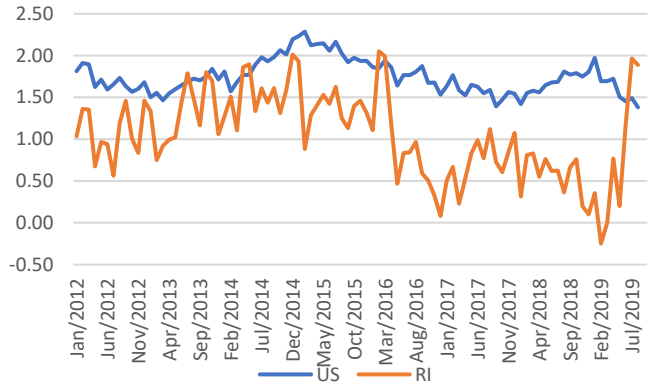
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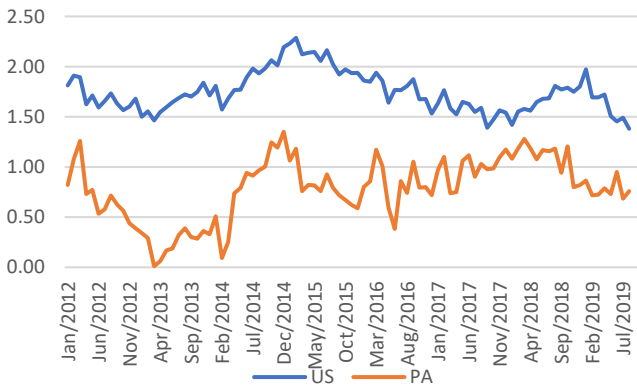
Connecticut and U.S. Job Growth



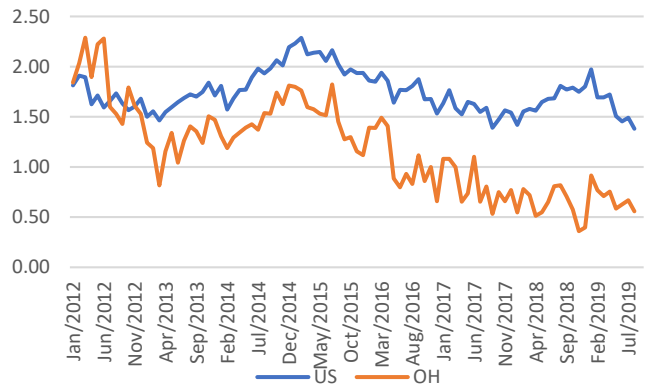
Rhode Island and U.S. Job Growth



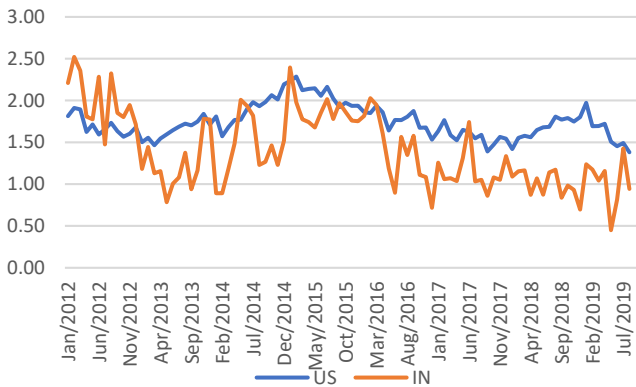
Pennsylvania and U.S. Job Growth



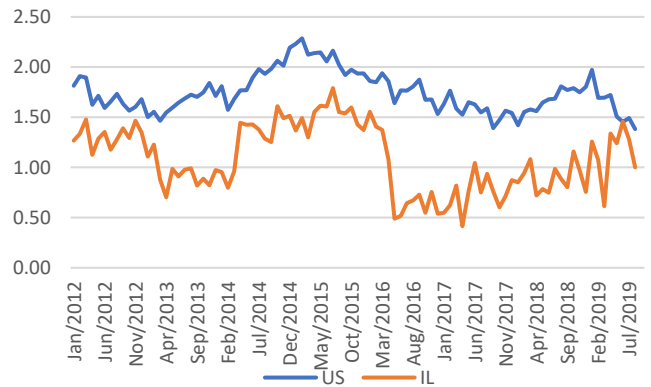
Ohio and U.S. Job Growth



Indiana and U.S. Job Growth



Illinois and U.S. Job Growth

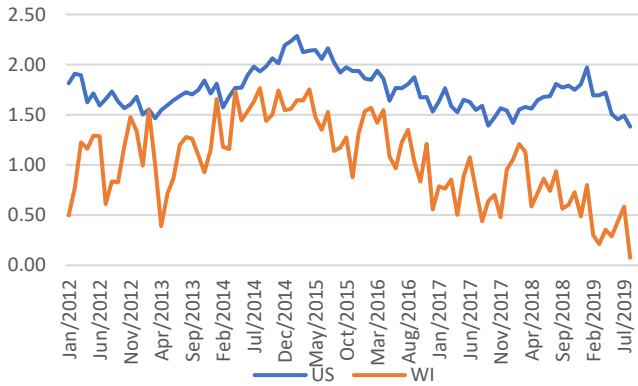




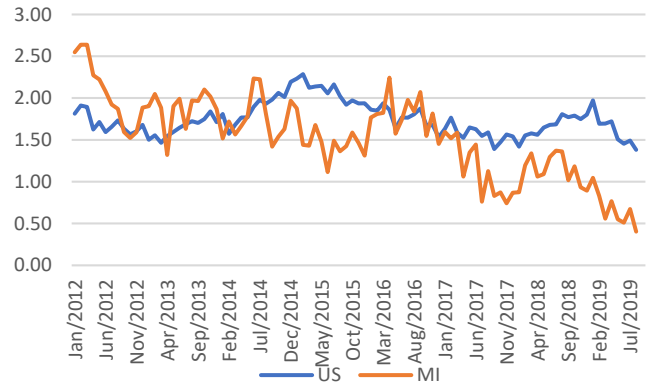
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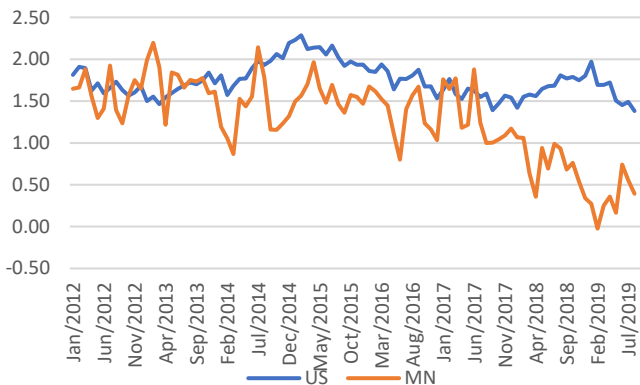
Wisconsin and U.S. Job Growth



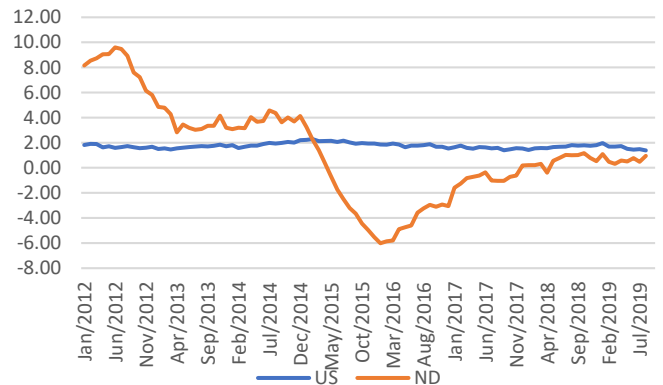
Michigan and U.S. Job Growth



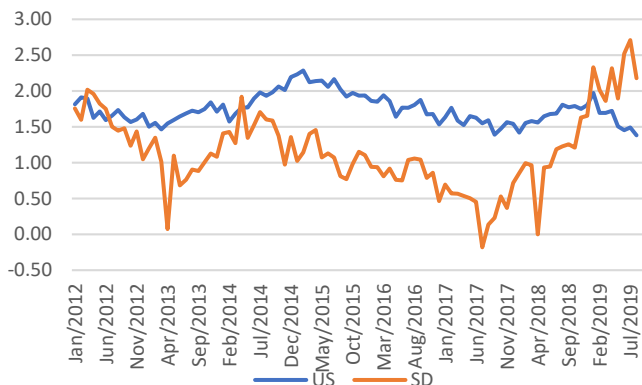
Minnesota and U.S. Job Growth



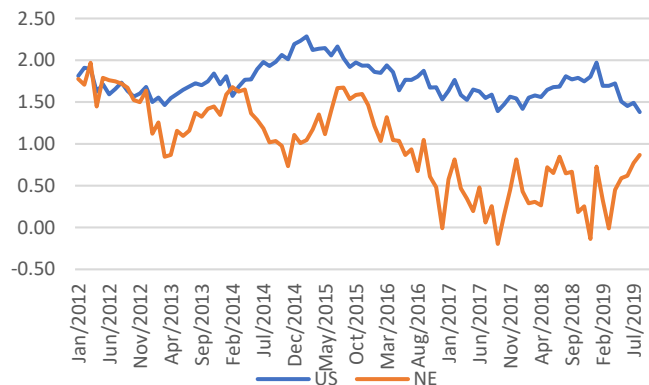
North Dakota and U.S. Job Growth



South Dakota and U.S. Job Growth



Nebraska and U.S. Job Growth

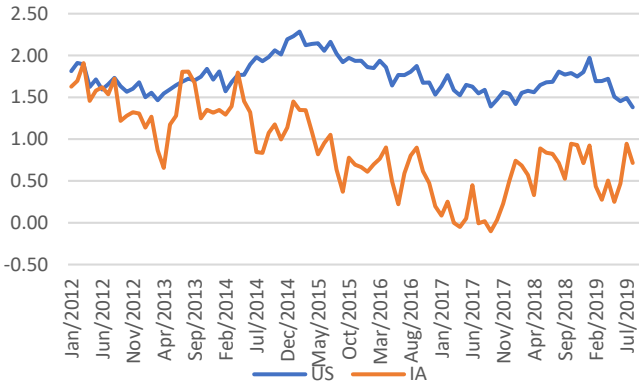




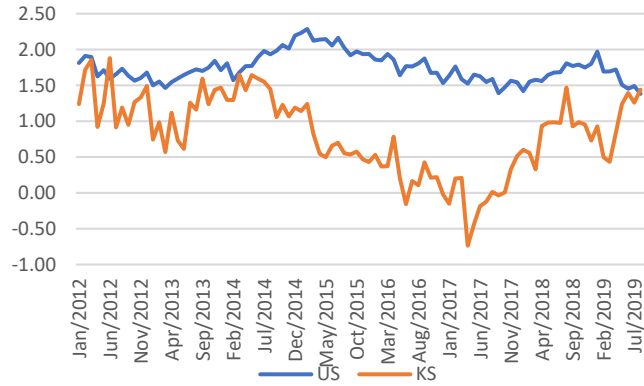
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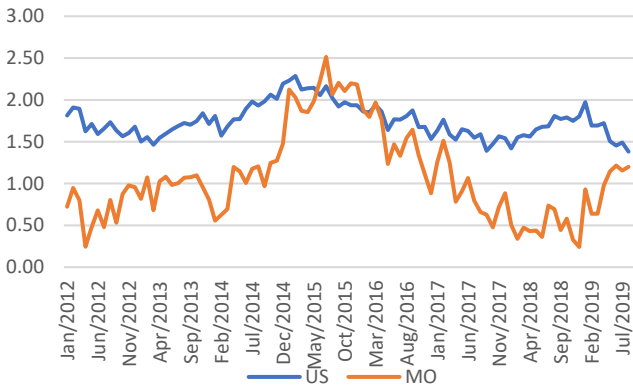
Iowa and U.S. Job Growth



Kansas and U.S. Job Growth



Missouri and U.S. Job Growth



Puerto Rico and U.S. Job Growth

