

## Unemployment Increases to a Record High

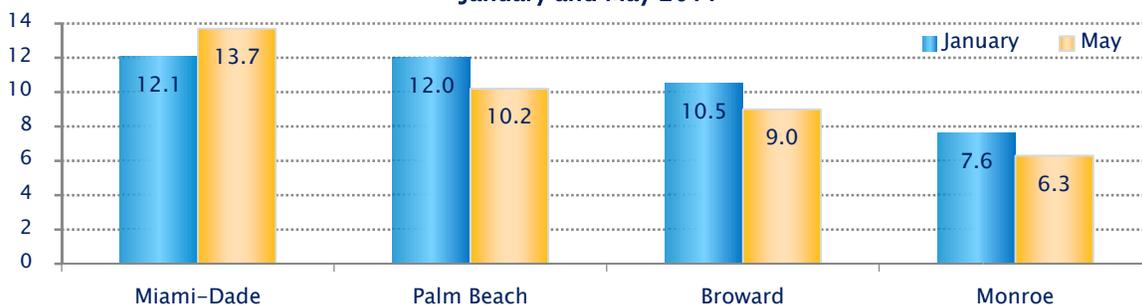
In September of 2009, we published an *At-a-Glance* on unemployment in Miami-Dade County. At that time, the unprecedented rapid decline of the employment level in the County was the focus. The headline unemployment rate had shot up from 7.6 percent in February of 2009 to 11.6 percent only four months later. Just two years before, in February 2007, it had reached its lowest registered level of 3.8 percent.

Now a year and a half later, we take another look at the unemployment situation in the County, as the May 2011 unemployment rate set a new record high at 13.7 percent, according to the Florida Agency for Workforce Development and Innovation.

Noteworthy, this time around, is not only the length of time that the unemployment rate has worsened, but also the fact that since the beginning of the year the County's rate has been increasing whereas the respective unemployment rates in both the nation and the state, especially the former, have shown some improvement.

In this issue of *At-a-Glance* we will compare the unemployment rate of Miami-Dade County with those of the nation, state, and neighboring South Florida counties. We will also take a look at the unemployment rate for the municipalities within Miami-Dade County. Furthermore, we will discuss the changes in the number of jobs by sector between February 2007 and May 2011, a period characterized by the lowest and highest recorded unemployment rates, respectively.

**Chart 1.**  
Unemployment Rate by County,  
January and May 2011



Source: Labor Market Statistics, (LAUS) Program. Miami-Dade County, Department of Planning and Zoning, Research Section 2011.

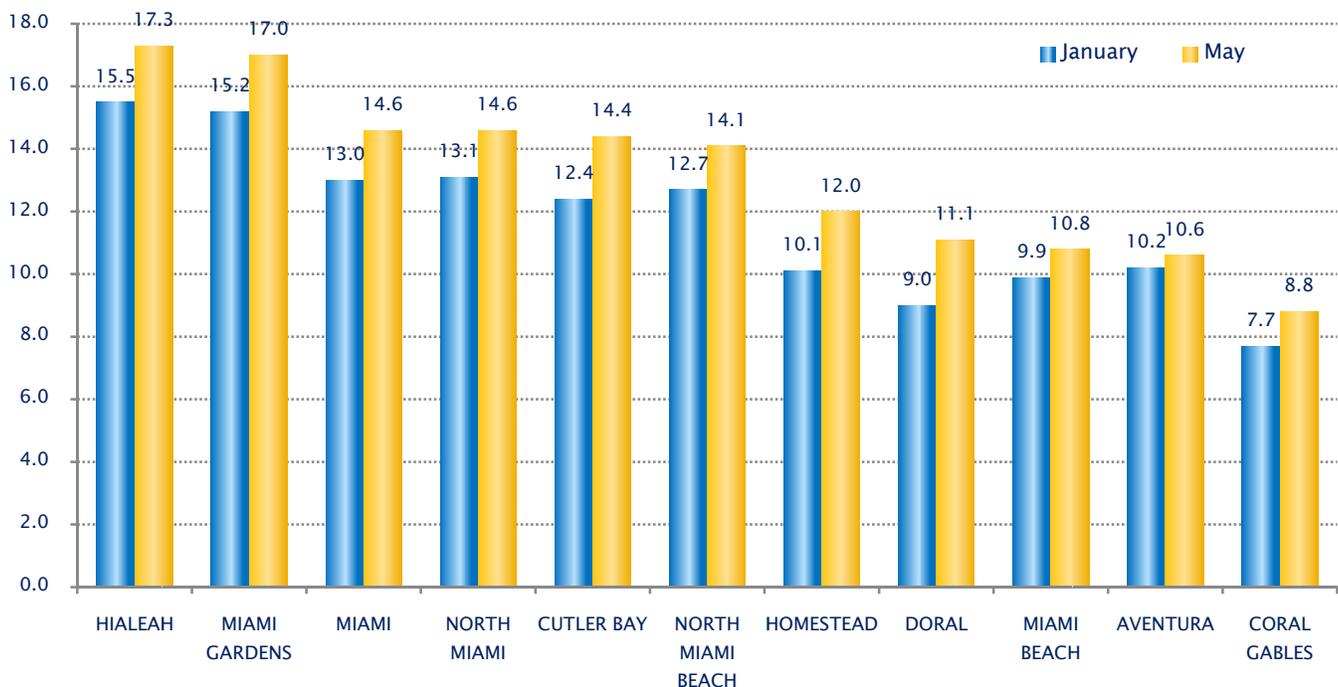
## Miami-Dade *At-A-Glance*

In May 2011, the unemployment rate for the County stood at 13.7 percent, a level more than one and a half percentage points higher than it was in January 2011. During this four-month period, as can be seen in the following chart, Miami-Dade's trend in the unemployment rate moved in the opposite direction in comparison to the unemployment rates in the neighboring counties of Palm Beach, Broward and Monroe.

The increase in the unemployment rate in the County is reflected in the unemployment figures of individual municipalities within the County.

During the same four-month period, all municipalities for which data is available saw their unemployment rates increase. Currently, the only municipality that does not have a double digit unemployment rate is Coral Gables. The municipalities that saw the largest increase in their unemployment rate in this period were Doral and Homestead, while the ones with the highest unemployment rate in both months were Hialeah and Miami Gardens.

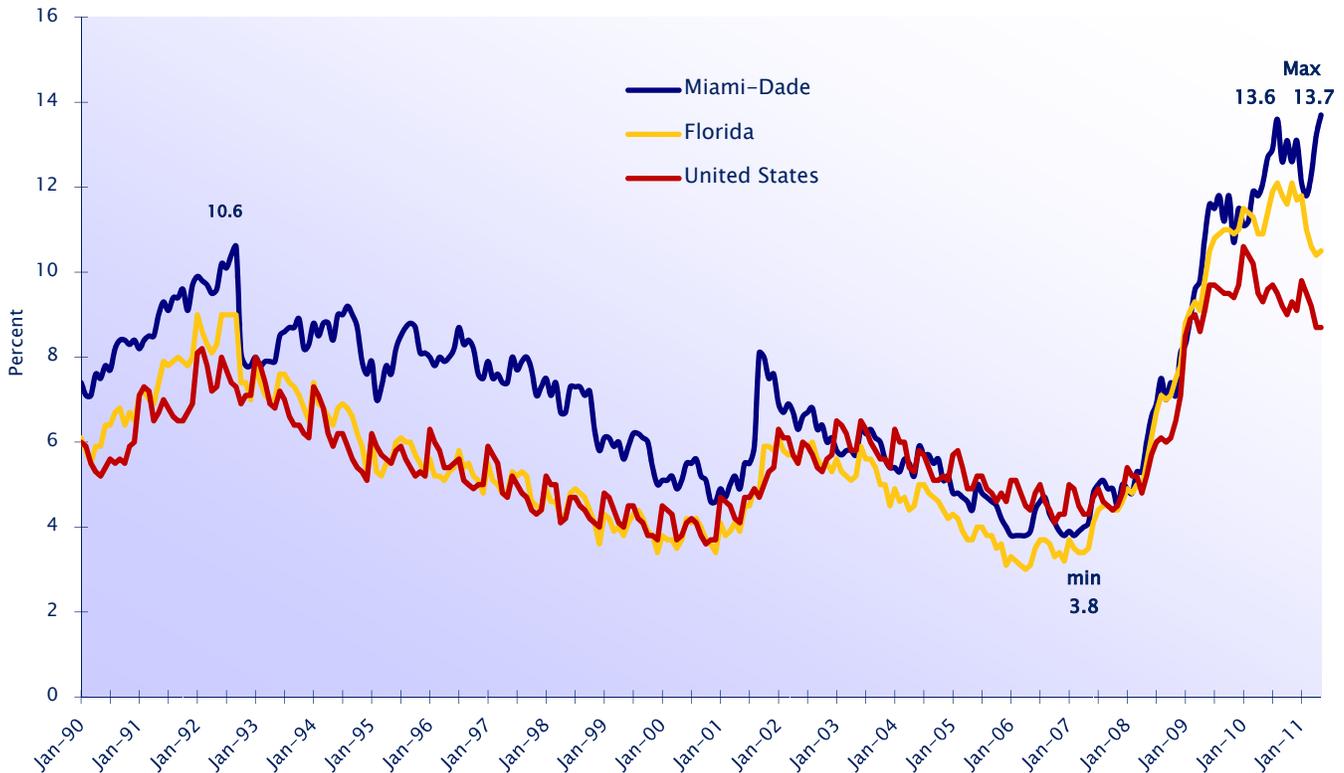
**Chart 2.**  
**Unemployment Rate by Municipality**  
**January and May 2011**



Source: Labor Market Statistics (LAUS) Program. Miami-Dade County, Department of Planning and Zoning, Research Section 2011.

## Miami-Dade *At-A-Glance*

Chart 3.  
Unemployment Rate , Miami-Dade County, Florida and the United States  
Jan 1990 – May 2011



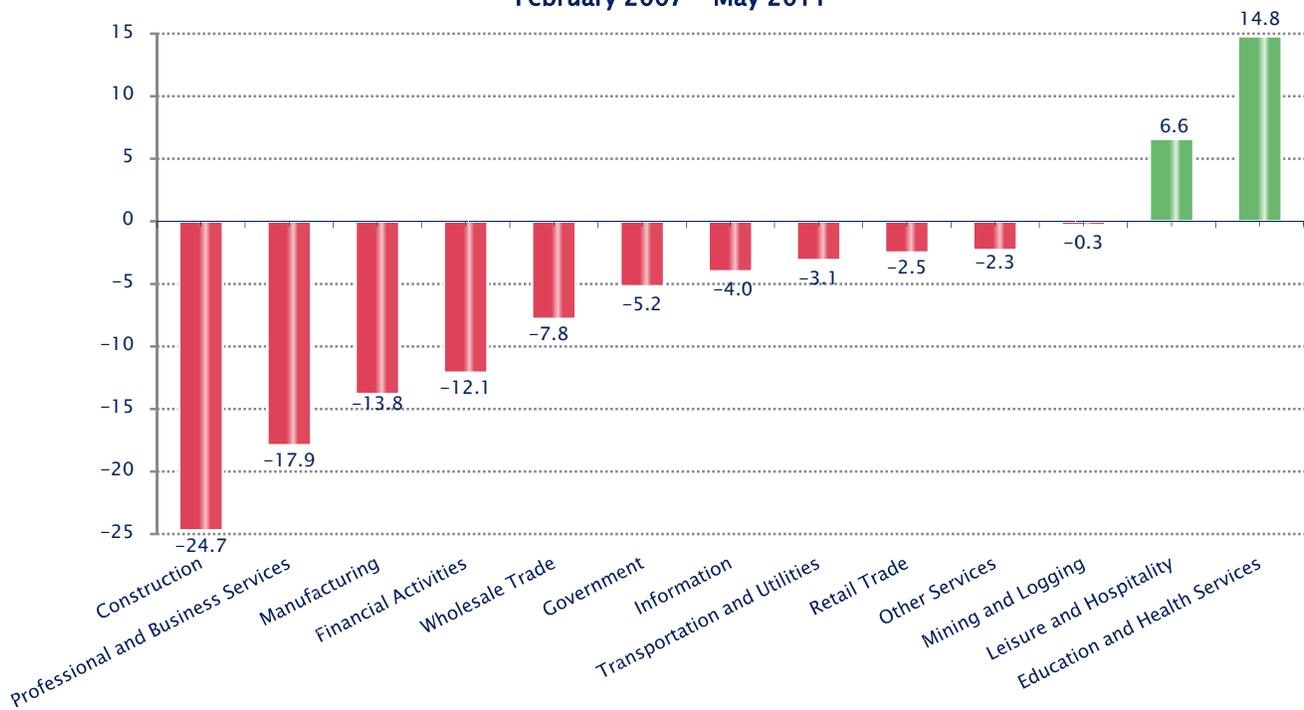
Source: Labor Market Statistics, (LAUS) Program. Miami-Dade County, Department of Planning and Zoning, Research Section 2011.

Looking further back, the unemployment rate in Miami-Dade has basically increased steadily since reaching its historical low in February of 2007; this represents a 51-month stretch. Prior to this period, we had the unemployment rate also increasing for 11 months during the recession of 2001, and for 31 months in the early 1990s. This can be seen in Chart 3.

To obtain a better picture of the changes in the labor market between the trough of the unemployment rate and the peak, we will compare nonfarm payroll employment in the months covering the 51-month period between February 2007 and May 2011. Overall, during that period there has been a loss of 72,300 jobs. All major sectors with the exception of *Education and health services* and *Leisure and hospitality* have lost jobs.

## Miami-Dade *At-A-Glance*

Chart 4.  
Change in Payroll Jobs by Sector, Miami-Dade County  
February 2007 – May 2011



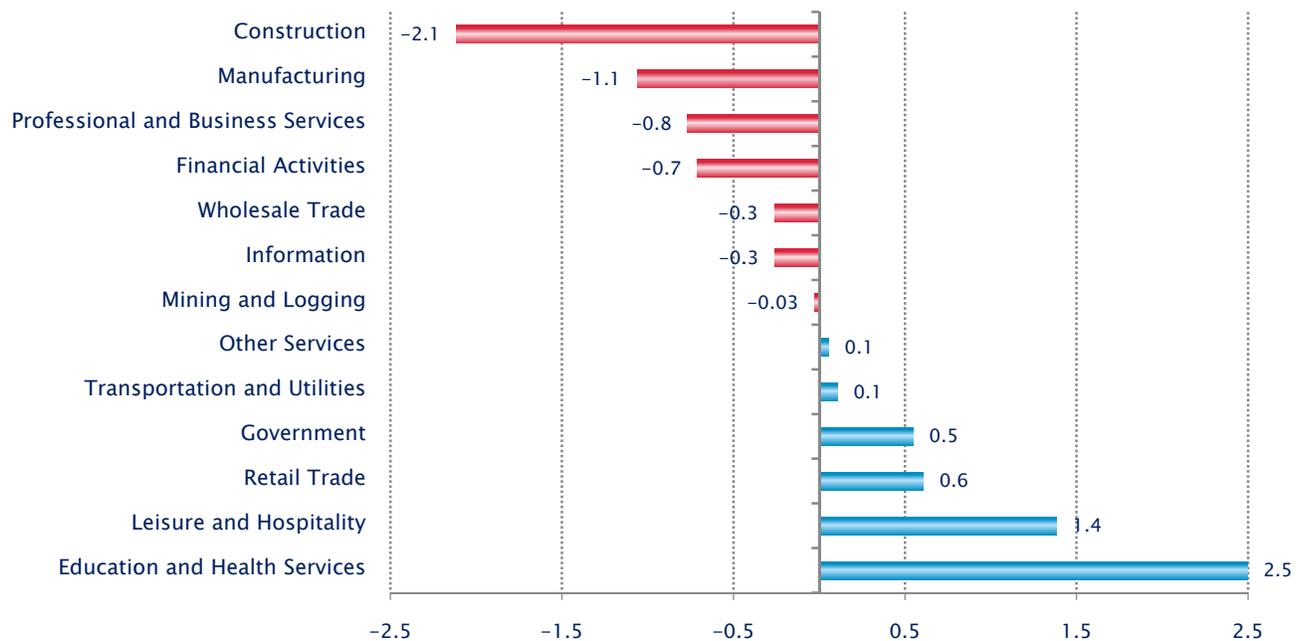
Source: Labor Market Statistics, (CES) Program. Miami-Dade County, Department of Planning and Zoning, Research Section 2011.

Among the major sectors, the hardest hit have been *Construction* (-24,700 jobs, -44.8 percent), *Manufacturing* (-13,800 jobs, -28.6 percent), *Financial activities* (-12,100 jobs, -16.2 percent), *Professional and business services* (-17,900 jobs, -11.8 percent), and *Wholesale trade* (-7,800 jobs, -10.2 percent). Another sector that lost a large number of jobs was *Transportation and utilities* (-3,100 jobs, -5.1 percent). Chart 4 shows the changes in payroll employment by sector.

The changes in payroll employment shown above have altered the percentage distribution of that measure in some of the sectors during the February 2007 to May 2011 period. Most notably, *Education and health services* increased its share by 2.5 percentage points during that period. Likewise, *Leisure and hospitality* increased its share by 1.4 percentage points. On the other hand, *Construction* decreased its share of employment by 2.1 percentage points.

## Miami-Dade *At-A-Glance*

**Chart 5.**  
**Change in the Share of Employment by Sector, Miami-Dade County**  
**February 2007 to May 2011**



Source: Labor Market Statistics, (CES) Program. Miami-Dade County, Department of Planning and Zoning, Research Section 2011.

Similarly, the *Manufacturing* sector decreased its share by 1.0 percentage point. The changes in shares of employment by sector are shown in Chart 5.

Although payroll employment declined by 72,300 jobs during the period from February 2007 to May 2011, data on the most recent five months (January to May 2011) shows that payroll jobs in Miami-Dade went up by 1.1 percent (a gain of 11,000 jobs or, on average, 2,750 jobs per month).

Among all major sectors, the only ones that have lost jobs during the first five months of this year have been *Government*, *Information*, and *Financial activities*.

Yet, all the evidence points to a recovery that would take longer than previously expected and, consequently, high unemployment rates will be prevalent for the near future. As the economy continues its recovery and consumer confidence increases, we should begin to see the unemployment rate to decline.