GEORGIA ECONOMY: Job growth a bright spot in slow recovery: Numbers remain shy of pre-recession levels but outlook hopeful.

Michael E. Kanell
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With the growth engine still not hitting on all cylinders and tens of thousands of people searching for work, the metro Atlanta economy isn't shifting into the fast lane, but it's picking up speed.

Signs of improvement are in the numbers --- especially those for job growth and new home construction, Rajeev Dhawan, director of the Economic Forecasting Center at Georgia State University, said Wednesday at the center's quarterly conference.

In February, Dhawan had predicted that metro Atlanta would add 38,900 jobs this year. Now he projects 46,300.

"Georgia job growth the last two quarters has been fabulous," he said. "Consumption has been a little stronger, and housing starts have been a little higher. If you are optimistic, like I am, you'll believe that growth forces will overcome the headwinds."

Still, there is a lot of ground to make up. The region is about 106,000 jobs shy of the employment levels reached in late 2007, just before the economy tipped into recession.

"If my forecast holds true, it will be in mid-2014 that we are above the old levels," Dhawan said, projecting the addition of 53,400 jobs next year and 61,700 jobs in 2015. The region added 51,200 jobs last year and 38,700 the year before.

Every sector but government seems to be adding jobs, though the pace of hiring varies. Among the most encouraging signs is a financial sector finding its footing after years of bank closures and layoffs. Among the most surprising is a surge of new home construction after years of virtual paralysis.

Each new house means jobs not just for workers who do the building, but also for those who supply materials and drive trucks, as well as the real estate brokers, attorneys and bankers needed, said economist Roger Tutterow of Mercer University's Stetson School of Business. "Before, that sector was subtracting from growth, and now it is making a contribution," he said.

Since 2007, the metro Atlanta unemployment rate has hovered above the national rate, currently 7.5 percent. The metro Atlanta jobless rate in March was 7.9 percent, with April figures due out today.

The mood in the business community has turned positive over the past few months, said Hans Gant, senior vice president for economic development at the Metro Atlanta Chamber.

"Last year, we were preoccupied with the fiscal cliff and other national emergencies and so we didn't pay much attention," he said. "But there have been incremental upticks, and they have accelerated."

Big companies like Baxter and Caterpillar that announced large expansions over the past few years are just starting to hire, while capital has found its way to many small entrepreneurs with innovative ideas, Gant said.

"We have been seeing very positive signs in all sectors that we talk with. We see job growth really picking up."