

**Texas cities dominate LaborIQ® Market Index ranking of top metros nationally, boasting strong net migration, population growth and job creation**

*U.S. job gains disappoint again, adding 194,000 in September, as employers continue to face hiring challenges*

**DALLAS, TX – Oct. 8, 2021** – [ThinkWhy®](#), a Dallas-based SaaS company delivering next-generation AI-driven labor-market solutions, released its U.S. labor-market rankings after the Bureau of Labor Statistics announced today the U.S. economy added 194,000 jobs in September. The gain is well below expectations and worse than August's disappointing results. Continued growth at this slower-than-projected pace is likely to jeopardize a 2022 recovery, pushing the timeline to 2023 for reaching pre-pandemic employment levels.

Since the major surge in hiring began in June, the U.S. economy added 2.8 million jobs, yet employment remains below pre-pandemic levels. Despite moderate job gains in the past three months, businesses are looking to hire, and consumer spending remains strong, which should keep a high demand for talent. The COVID-19 Delta variant contributed to slower job gains in August and September, but a continuing trend of declining cases could benefit the labor market in the coming months.

"Disruptors will continue to make hiring difficult and leave millions of open jobs unfilled through December," said Jay Denton, chief labor-market analyst at ThinkWhy, creator of [LaborIQ®](#) talent-intelligence software. "Vaccine mandates, COVID impacts and business decisions regarding in-office or remote work will limit how quickly jobs will be recovered."

**COVID Disruption Continues Impact on Talent Supply and Demand**

There are around 3.1 million fewer people in the labor force now, compared to February 2020. COVID has led to increased retirements among older workers, and women have exited the workforce to care for children when schools closed.

As private and federal vaccine requirements are implemented, the healthcare, education and leisure and hospitality industries may experience additional disruptions to their labor supplies. Many previously unvaccinated workers faced vaccine mandates and chose to become vaccinated, while others left their jobs or were fired.

"Retention of talent will be a major risk for businesses the remainder of this year," Denton said. "With a record number of job openings, businesses are trying different methods to retain and attract employees, and compensation has been a critical part of that equation."

**LaborIQ Market Index Ranks Top-Performing Labor Markets**

National job gains have slowed substantially, following hiring surges earlier this summer. Despite these setbacks, the U.S. labor market has progressed to reach 96.7% of pre-pandemic employment. The recovery has varied significantly based on location and economic performance.

The proprietary [LaborIQ Market Index identifies and tracks 10 key performance indicators](#) that best measure and rank a local economy's performance. These indicators, or variables — which exist in every market — represent the greatest drivers of a market's economic progress or decline, tracking each metro's progression toward pre-pandemic employment levels and recovery.

## **Top 5 U.S. Labor Markets**

*Reported by LaborIQ Market Index: September 2021*

1. *Dallas-Fort Worth-Arlington, Texas*
2. *Phoenix-Mesa-Scottsdale, Arizona*
3. *Austin-Round Rock, Texas*
4. *Denver-Aurora-Lakewood, Colorado*
5. *Atlanta-Sandy Springs-Roswell, Georgia*

Many of the metros ranked in the top 10 have been strong performers throughout 2021, but net migration or job gains are what has driven growth in Dallas, Phoenix and Austin, while Denver, Houston and Seattle have recently joined the ranks due to strong labor-market performance through summer 2021.

## **The Recovery Is Bigger in Texas**

[Texas metros are clear national leaders](#) when it comes to economic recovery, according to the LaborIQ Market Index. In addition to Dallas (No. 1), Austin (No. 3) and Houston (No. 8), San Antonio jumped to No. 24. All four of Texas' major metros — which rank among the largest in the country — are expected to remain top-performing metros for an extended period. Due to the sheer size of these labor markets, their recovery will significantly impact the national economy.

In August, Austin became one of the three largest metros — along with Salt Lake City and Phoenix — to recover all jobs lost to the pandemic. Dallas and San Antonio are poised to join in 2022, with Houston expected to fully recover in 2023, the year projected for overall national recovery.

## **Industry Performance & Recovery Outlook**

Last month's industry performance was again clouded by the COVID-19 resurgence and its Delta variant. Though cases are now declining from a peak in mid-September, uncertainty over future variants will persist through the winter. Consumer spending is expected to pick up heading into the holiday season, which could provide a boost to the economy.

Some industries continue to gain workers — financial activities and professional and business services — while others, such as leisure and hospitality, have been slower to recover due to the depths of their initial job losses and disproportionate impacts of COVID-19 on the industry.

“The pandemic has tested the resilience of specific types and locations of jobs,” Denton said. “Financial activities is on the doorstep of being the first industry to recover all jobs, while leisure and hospitality may not fully recover nationally for four or more years — due to the ongoing impact of COVID-19. Conversely, over the past 10 years, locations with the biggest relative population gains are Utah, Texas and Idaho. These are all states where jobs are

returning the fastest, dictated by migration patterns and population growth — whether we're in a pandemic or not.”

For more details, read ThinkWhy's [September National Labor Market, Market Rankings and Industry Outlook report](#).

### **About LaborIQ by ThinkWhy**

LaborIQ is a SaaS solution providing HR and talent-acquisition professionals with talent and labor-market intelligence. LaborIQ by ThinkWhy reports, forecasts and advises on employment conditions and the impact to jobs, industries and businesses across all U.S. cities. Our machine learning and advanced data science deliver precise compensation, talent-supply forecasts, retention tools and job-market answers for more than 20,000 job titles.

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