LaborIQ® Market Index rankings: Florida leads nation in number of metros to reach pre-pandemic employment levels

U.S. adds 531,000 jobs in October, beating analyst expectations, ahead of holiday season

DALLAS, TX – Nov. 5, 2021 – ThinkWhy®, creator of LaborIQ® compensation and labor-market analytics software, released its U.S. metro rankings after the Bureau of Labor Statistics (BLS) announced today the U.S. economy added 531,000 jobs in October — better than most analysts' expectations. The uptick follows decreasing COVID-19 cases and falling unemployment claims that reached a pandemic low of 269,000 on Nov. 4, as the nation enters the holiday season amid one of the tightest job markets in decades.

"Data shows market disruptions will persist through at least early 2022, and businesses will need to be strategic in their hiring and retention strategies," said Jay Denton, chief labor-market analyst at ThinkWhy. "The pace of consumer spending is slowing, and supply-chain issues aren't helping, especially with the holiday season upon us. These factors, combined with current pressures on wages and a lack of available workers, not only will produce extra staffing challenges but also impact revenues for many businesses.

"Businesses will need to focus on retaining the talent they have, in addition to filling open roles. Offering more money may not be enough in the current environment, because workers are looking for flexibility, remote and hybrid work, and other benefits."

LaborIQ Market Index: October's Key Takeaways

The proprietary LaborIQ® Market Index enables businesses and talent acquisition professionals to closely evaluate which U.S. metros are primed for recruiting and attracting talent, regardless of geography or industry. The index tracks 10 key performance indicators that represent the greatest drivers of a market's economic growth or decline and track each metro's progress toward pre-pandemic employment levels and recovery.

"We continue to see geographic differences in recovery, with strong labor markets and recoveries across the southern U.S., Southwest, Mountain West and Pacific Northwest," Denton said. "Florida metros are gaining strength, due to job growth and migration. Even in high-growth areas, businesses should focus on retaining talent and even look to slower-growth metros to source new talent."

1. **Top four metros stay strong** — Dallas, Austin, Phoenix and Denver have held the top four spots in September and October.

2. **Dallas has been a top-performer since summer 2020** — Always in the top 10, the metro has held the No. 1 spot since April 2021.

3. **Recent entrants make big gains** — Houston moved up three spots to No. 5, followed by Seattle's jump from 10 to No. 6.

4. **Who's in, who's out** — Naples, Florida, reentered the top 10 at No. 9, due to strong job gains and growth, while Salt Lake City dropped out of the top 10 for the first time since April 2021.

How It Happened

- The COVID-19 Delta variant caused jobs gains to slow substantially in the late summer and early fall, after large gains June and July. With this slow-but-steady recovery, the U.S. labor market is approaching 97% of pre-pandemic employment.

- Sixteen of the 150 metros ranked in the LaborIQ Market Index have already exceeded their pre-pandemic employment levels — which is up from nine and 10 metros, respectively, during July and August — and another 12 are within 1.0%

- The recovery varies significantly based on location. Some metros in the Northeast, Midwest and Gulf Coast continue to struggle to recoup lost jobs and retain talent. Others — including Austin, Jacksonville, Phoenix and Tampa — are seeing job expansion above pre-pandemic levels.

Sunshine State's Strong Recovery

Metros in Florida have made a strong recovery, with many areas in the state reaching or exceeding pre-pandemic employment levels. Florida is home to six of the 16 metros in the U.S. that have recovered all jobs lost to the pandemic — the most of any state — and seven of its metros land in the top 25 of the LaborIQ Market Index rankings.

Jacksonville and Tampa recently became two of the five largest metros to reach pre-pandemic employment levels. Smaller Florida metros — Palm Bay-Melbourne-Titusville and North Port-Sarasota-Bradenton — have also recovered all jobs lost to the pandemic. Naples and Cape Coral-Fort Myers are not far behind and remain around 1% below pre-pandemic employment levels.

Miami is a bit further behind in terms of recovering jobs lost to the pandemic and remains around 5% below pre-pandemic employment, but strong jobs gains combined with population growth and net migration put the Miami metro in the top 25 in October.

The main challenge Florida faces in its recovery is the reliance on tourism and the high share of workers in the leisure and hospitality industry. Early in the pandemic, this industry was among the hardest hit and will be among the slowest to recover.

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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