

1-2011

## Metropolitan Report - January 2011

Division of Business and Economic Research, College of Business Administration, University of New Orleans

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# METROPOLITAN REPORT

Economic Indicators for the New Orleans Area



Division of Business and Economic Research, University of New Orleans

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Volume 21, No. 2

Forecasts for the 4<sup>th</sup> Quarter 2010, through the 3<sup>rd</sup> Quarter 2012

January 2011

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## HIGHLIGHTS

- Even though the United States “great recession” ended in June 2009, employment growth has been virtually flat during the last five quarters and is expected to grow a conservative 3% through the third quarter in 2012. Growth in GDP is not expected to return to the days of 5 to 7% during the forecast window.
  - Although New Orleans experienced job losses in the first three quarters of 2010, employment grew 0.2% compared to the same period in 2009. At this time, New Orleans employment is at approximately 85% (518,167 jobs) of pre-Katrina levels while 91% of the population has returned after five years of Katrina.
  - When comparing averages during the three quarters, only a few sectors had a significant growth in 2010 compared to 2009; Health Care and Social Assistance, Leisure and Hospitality, Government, and Entertainment and Recreation.
  - Nearly half of the sectors had losses during the first three quarters compared to 2009. The sectors with the highest loss in jobs were Manufacturing, Construction, Durable Goods Manufacturing, Transportation Equipment, Financial Activities, and Wholesale Trade.
  - New Orleans area employment is expected to reach 526,184 jobs (86% of pre-Katrina levels) by the third quarter of 2012. Jobs in Leisure and Hospitality, and Educational Services are expected to add the largest number of jobs during the forecast window.
  - Tourism had a very strong first half in 2010 with hotel occupancy and room rates up substantially from similar months in 2009.
  - Employment in retail trade was up slightly (0.5%) during the first three quarters in 2010 compared to 2009. When combining parishes in the metro area, total taxable sales were down by 4.7% year-to-date.
  - Despite the cheap US dollar, the value of national imports and exports increased. Similarly, New Orleans year-to-date import tonnage was up 21.9% while export tonnage was up 6.7% following the national trend.
  - The value of residential construction activity decreased beginning in 2008. Funded with FEMA and federal stimulus funds, non-building construction projects are expected to be important through the forecast period.
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## THE UNO MODEL

The UNO Forecasting Model provides detailed forecasts of economic activity in the New Orleans metropolitan statistical area which includes Jefferson, Orleans, Plaquemines, St. Bernard, St. Charles, St. John the Baptist, and St. Tammany Parishes. These predictions are based upon forecasts of national macroeconomic variables provided by the Economic Forecasting Center at Georgia State University. Forecasts for the last quarter of 2010 through the third quarter of 2012 are shown in this report. Selected national macroeconomic indicators forecast are shown in Table 2.

Indicators are reported and analyzed over the last five calendar quarters, the latest of which is the third quarter of 2010. All percent changes in quarterly activity reflect differences with respect to the previous quarter and the same quarter in the prior year for the individual sector or sub-sector under discussion unless otherwise noted. This issue focuses on comparing the year of 2010 to the previous year of 2009. The year-to-date columns in this issue contain percent change for the combined first three quarters of 2010 compared to the first three quarters of 2009.

## THE NATIONAL ECONOMY

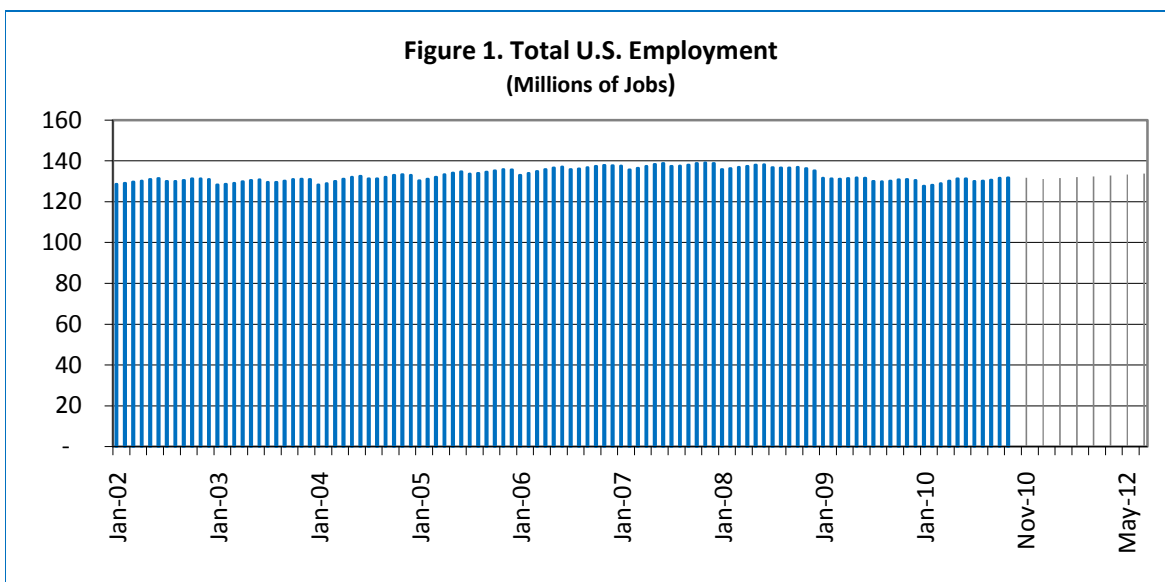
Even though the United States “great recession” ended in June 2009, the national economy is experiencing a jobless recovery. Table 1 shows that employment growth has been virtually flat during the last five quarters and is expected to grow a conservative 3% through the third quarter in 2012 (See Figure 1 below).

The nation’s unemployment rate during the third quarter of 2010 was 9.6%, nearly double compared to the last quarter in 2007, just before the recession started. Unemployment rate is expected to reach 9.2% by the third quarter in 2012.

Initial unemployment claims have declined nearly 25% compared to the highest number of claims in the second quarter of 2009 (615,923 claims). While initial claims have declined, they still are about 35% above the quarter before the downturn began (Table 1).

Housing starts reached its lowest point during the first quarter of 2009. During the three quarters of 2010, they have grown a total of 9.4%, but are not expected to reach 2007 values during the forecast window (Table 2).

Other national indicators including an eight-quarter forecast are shown in Table 1 and Table 2.



**Table 1. U.S. Business Indicators- Quarterly: 2009:3-2010:3**

						Percentage Change		
	2009:3	2009:4	2010:1	2010:2	2010:3	2010:2 to 2010:3	2009:3 to 2010:3	Year to Date
GDP – Nominal (\$Bill) – Annual Rate*	14,115	14,277	14,446	14,579	14,730	1.0	4.4	3.7
GDP – Real (2000\$Bill) – Annual Rate*	12,860	13,019	13,139	13,195	13,279	0.6	3.3	2.9
Personal Income (\$Bill) – Annual Rate	12,164	12,239	12,350	12,517	12,600	0.7	3.6	2.8
Total Non-farm Employment (Mill Jobs)	130.0	130.8	128.2	130.9	130.3	-0.5	0.2	-0.9
Housing Starts (Thou) – Annual Rate	586	565	617	602	589	-2.2	0.5	9.4
Unit Sales of Automobiles (Mill) – Annual Rate	11.6	10.8	11.0	11.3	11.6	1.9	-0.3	9.9
Unemployment Rate (%)	9.6	10.0	9.7	9.7	9.6	-0.1	-0.1	0.6
Initial Unemployment Claims per week*	558,769	500,077	464,846	462,308	467,539	1.1	-16.3	-22.0
Consumer Price Index-Urban (1982-84=100)*	215.4	216.8	217.6	217.2	218.0	0.4	1.2	1.8
Industrial Production Index (1997=100)	85.1	86.6	87.9	89.8	90.6	0.9	6.5	6.0
Prime Interest Rate (%)	3.3	3.3	3.3	3.3	3.3	0.0	0.0	0.0
Mortgage Interest Rate (%)	5.2	4.9	5.0	4.9	4.4	-0.5	-0.7	-0.3
Trade Weighted Value of \$ (2000=100)	75.4	73.6	75.5	77.6	75.9	-2.2	0.6	-3.6
Value of Imports (\$Bill) Annual Rate	1,614	1,732	1,844	1,957	1,992	1.8	23.5	25.4
Value of Exports (\$Bill) Annual Rate	1,069	1,158	1,213	1,263	1,278	1.2	19.6	21.3
Merchandise Trade Deficit (\$Bill) Annual Rate	-545	-574	-631	-694	-715	2.9	31.1	33.8
Crude Oil Price (\$ per barrel)	68.2	76.1	78.6	77.8	76.1	-2.1	11.6	36.3
Natural Gas Price (\$ per 1000 cub ft)	3.2	3.9	4.8	4.1	4.1	-0.1	28.6	18.0
Rig Count	970	1,108	1,345	1,506	1,618	7.5	66.8	37.6

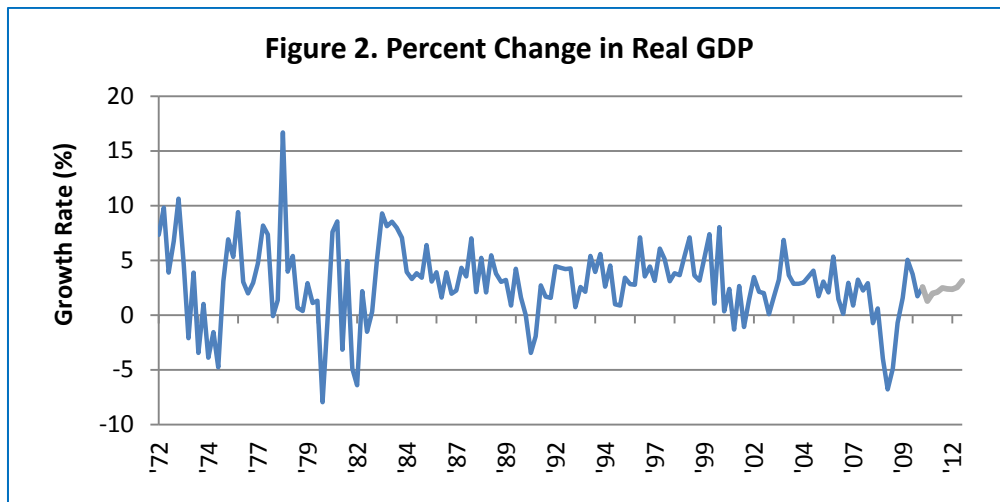
\* Seasonally adjusted

Percentage changes may not be exact due to rounding

**Table 2. U.S. Business Indicators-Quarterly Forecast Including Model Assumptions, 2010:4-2012:3**

	Actual 2010:3	Forecast							
		2010:4	2011:1	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3
GDP – Nominal (\$Bill) – Ann Rate	14,730	14,804	14,950	15,069	15,204	15,342	15,495	15,634	15,809
GDP – Real (2000\$Bill) – Ann Rate	13,279	13,339	13,405	13,475	13,557	13,638	13,718	13,804	13,911
Personal Income (\$Bill)	12,600	12,648	12,735	12,836	12,952	13,065	13,183	13,315	13,449
Total Non-Farm Employment (Mill Jobs)	130.3	131.7	131.2	131.6	132.0	132.4	132.9	133.3	133.8
Housing Starts (Thou) – Ann Rate	589.0	590.0	641.0	726.0	761.0	830.0	875.0	917.0	923.0
Unit Sales of Automobiles (Mill) –Ann Rate	11.6	12.0	12.2	12.6	12.8	13.0	13.2	13.5	13.8
Unemployment Rate (%)	9.6	9.7	9.7	9.6	9.5	9.4	9.3	9.2	9.2
Consumer Price Index-Urban (1982-84=100)	218.0	218.9	219.5	220.3	221.0	222.0	223.2	224.6	225.9
Industrial Production Index (1997=100)	90.6	91.2	91.7	92.4	93.3	94.5	95.3	96.2	97.1
Prime Interest Rate (%)	3.3	3.3	3.3	3.3	3.3	3.4	3.4	3.6	4.2
Mortgage Interest Rate (%)	4.4	4.3	4.2	4.4	4.8	5.2	5.4	5.6	5.9
Trade Weighted Value of \$ (2000=100)	75.9	72.6	71.9	71.4	70.9	70.2	69.5	69.2	68.8
Value of Imports (\$Bill) Ann Rate	1,992	2,117	2,151	2,192	2,230	2,268	2,313	2,359	2,401
Value of Exports (\$Bill) Ann Rate	1,278	1,312	1,345	1,377	1,414	1,446	1,481	1,515	1,553
Merchandise Trade Deficit (\$Bill) Ann Rate	-715	-804	-805	-814	-817	-822	-832	-843	-848
Crude Oil Price (\$ per barrel)	76.1	83.1	84.0	83.7	84.6	86.3	88.3	89.3	90.3
Natural Gas Price(\$ per 1000 cft)	4.1	3.5	3.8	3.9	3.9	4.4	4.0	4.1	4.1

Source: Economic Forecasting Center, Georgia State University; US Department of Energy

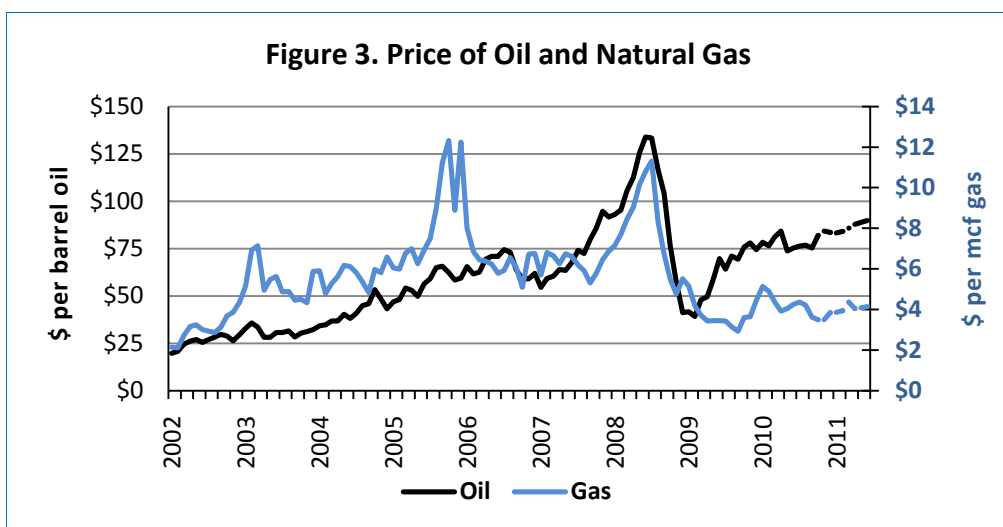


Real GDP growth is expected to be slow as the recovery continues. During the first three quarters of 2010, GDP has grown about 3% compared to 2009. The Georgia State Forecasting Center does not expect a return to the days of 5 to 7% GDP growth in the forecast window (Figure 2).

During the recession, consumers lowered purchases of durables, like cars and appliances, leading US automakers to face bankruptcy and ask for government assistance. While consumers are still cautious about their spending, the constant increase in retail sales, which started in the beginning of the second half of 2010, indicate that buyers are less worried about layoffs and cautiously spending more. Auto sales increased 9.9% during the first three quarters in 2010, compared to the same period in 2009, indicating that shoppers are more confident regarding the purchase of new cars.

During the third quarter 2010, there were 337,162 foreclosures when default notices, scheduled auctions and bank repossessions are included. Foreclosures seem to have finally started a slow decrease after reaching their highest point of 354,086 in the third quarter of 2009.

Figure 3 below shows the changes for the last eight years and a two-year forecast for the price of oil and natural gas. Oil price is projected to reach \$90 by the third quarter of 2012. While the oil price is expected to increase, it is not expected to match 2008 highs when gasoline prices hampered consumers' spending on other goods and services. Similarly, gas prices are expected to reach \$4 by the end of the forecast window, but they are not expected to match 2008 levels.



# THE NEW ORLEANS AREA ECONOMY

## OVERVIEW

The New Orleans economy shows different trends than the national economy because it has less dependency on the troubled manufacturing sector – particularly those of the automobile industry. As well, the local economy has no large national banks that seem to have been pulled into the financial storm. In recent times, oil prices have remained high.

High oil prices have always had somewhat of an opposite effect on this region than on the U.S. due to the flow of oil revenue into the local oil industry and the tax proceeds to the state government. Another major factor in the health of the New Orleans economy is the Katrina recovery money flowing into construction over the last few years. Government stimulus spending is also driving non-building construction.

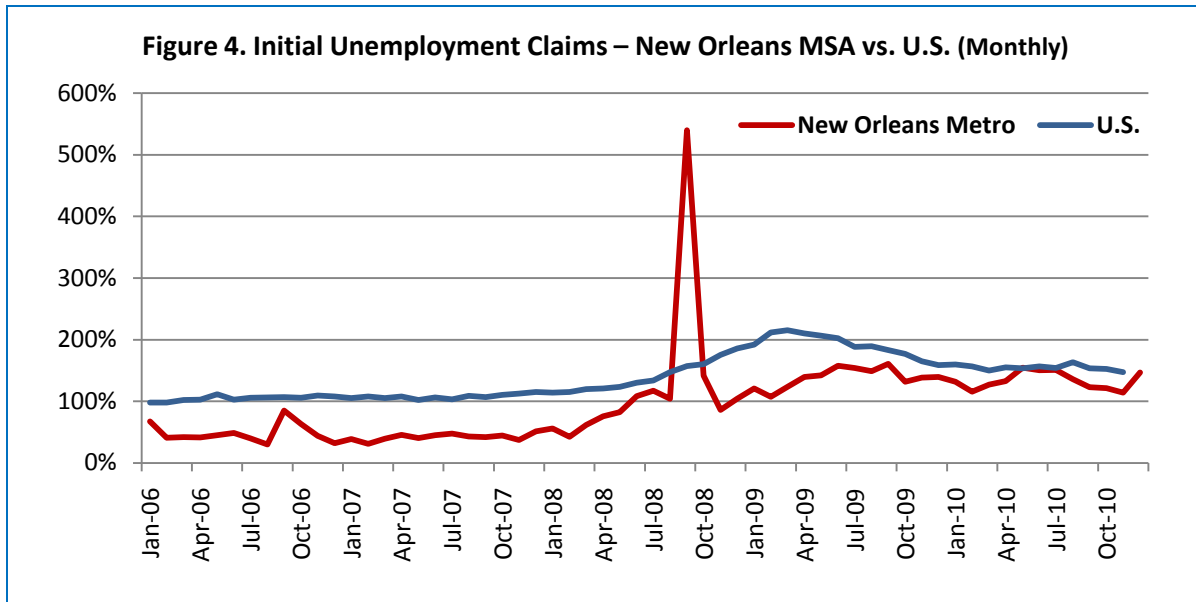
This report includes the impact of the BP Horizon oil spill and takes under consideration the layoff at Michoud and the progressive closure of the Avondale shipbuilding facility by Northrop Grumman through 2014.

During 2009 New Orleans lost a total of 5,800 jobs in the area due to the national recession.

Still, this loss was small compared to other areas in the nation. Although New Orleans experienced job losses in the first three quarters of 2010, employment grew 0.2% compared to the same period in 2009. At this time, approximately 85% of employment and 91% of population has returned after Katrina. It is clear that the local labor market is still tight relative to that of the nation.

In the third quarter of 2010, unemployment rate in the New Orleans area was 7.8%. This rate compares favorably to the unemployment rate for the US of 9.6%. However this is a 0.4% increase compared to the same quarter in 2009.

After a spike due to Hurricane Gustav, initial unemployment claims settled in at a level that is about twice the levels in 2006 and 2007. During those two years due to limited population, unemployment claims were extremely low. In the second quarter of 2008, claims started to climb; and, by the first half 2010, they nearly matched national magnitudes. At the end of the third quarter of 2010, they were proportionally higher when compared to national levels (Figure 4).

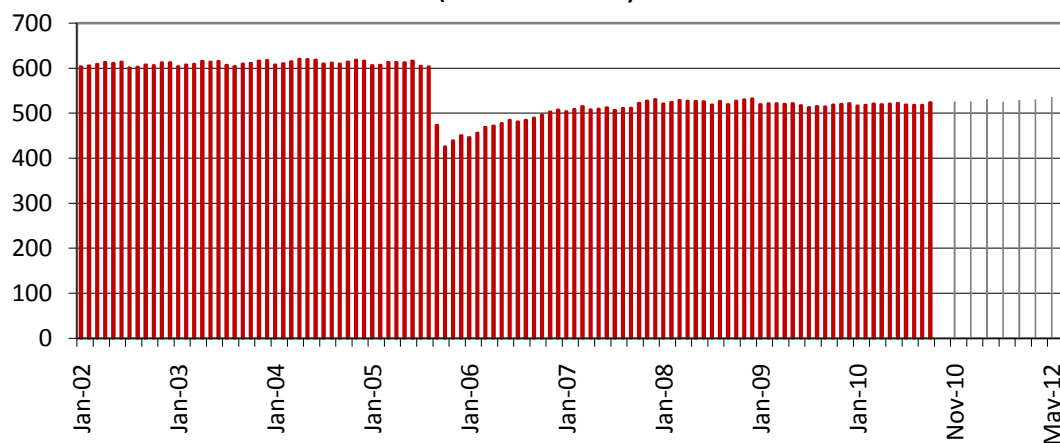


*Both series are indexed with 1999 normal values. Seasonally adjusted*

**Table 3. New Orleans Metropolitan Employment – Quarterly Actuals**

						Percentage Change		
	2009:3	2009:4	2010:1	2010:2	2010:3	2010:2 to 2010:3	2009:3 to 2010:3	Year to Date
Total Nonfarm Employment	514,233	520,100	518,600	520,833	518,167	-0.5	0.8	0.2
Natural Resources and Mining	8,067	7,933	7,900	7,967	7,900	-0.8	-2.1	-3.9
Construction	31,400	30,767	30,067	30,167	30,400	0.8	-3.2	-4.5
Manufacturing	34,600	34,133	33,467	33,733	33,633	-0.3	-2.8	-4.1
Durable Goods	18,100	17,867	17,700	17,867	17,700	-0.9	-2.2	-4.9
Transportation Equipment	9,567	9,233	9,067	9,233	8,933	-3.2	-6.6	-8.6
Nondurable Goods	16,500	16,267	15,767	15,867	15,933	0.4	-3.4	-3.2
Chemical Manufacturing	4,567	4,467	4,400	4,400	4,400	0.0	-3.6	-5.3
Wholesale Trade	22,667	22,467	22,100	22,300	22,333	0.1	-1.5	-3.1
Retail Trade	57,567	58,600	58,233	58,300	57,833	-0.8	0.5	0.5
Grocery Stores	8,700	8,600	8,500	8,400	8,200	-2.4	-5.7	-4.6
General Merchandise Stores	12,167	12,200	11,567	11,500	11,633	1.2	-4.4	-5.3
Transport, Warehous., & Utilities	23,600	24,067	23,800	23,933	24,100	0.7	2.1	0.2
Information	6,400	6,467	6,367	6,367	6,500	2.1	1.6	-0.7
Financial Activities	25,467	25,333	24,867	24,767	24,600	-0.7	-3.4	-3.3
Depository Credit (banking)	6,067	6,000	6,000	6,067	6,000	-1.1	-1.1	-1.6
Professional & Business Services	65,133	65,967	65,233	65,867	66,467	0.9	2.0	-0.6
Professional, Scientific, Technical	28,333	28,867	28,767	28,600	28,500	-0.3	0.6	0.8
Management of Companies	8,300	8,333	8,233	8,200	8,167	-0.4	-1.6	-3.5
Admin. Support/Waste Mgmt	28,500	28,767	28,233	29,067	29,800	2.5	4.6	-1.1
Health Care & Social Assistance	53,667	54,000	54,300	54,933	55,533	1.1	3.5	3.8
Hospitals	17,700	17,733	17,700	18,000	18,233	1.3	3.0	3.7
Ambulatory Health Care	20,167	20,300	20,167	20,500	20,867	1.8	3.5	2.9
Educational Services	17,833	20,333	20,800	18,800	17,933	-4.6	0.6	1.8
Leisure and Hospitality	67,133	67,200	68,633	69,633	68,733	-1.3	2.4	2.3
Arts, Entertain. & Recreation	9,933	10,500	10,933	11,067	10,900	-1.5	9.7	13.8
Accommodation	12,667	12,700	12,733	13,200	13,300	0.8	5.0	1.6
Food Services & Drinking Places	44,533	44,000	44,967	45,367	44,533	-1.8	0.0	0.0
Other Services	19,533	19,700	19,667	19,900	19,633	-1.3	0.5	2.0
Government	81,167	83,133	83,167	84,167	82,567	-1.9	1.7	1.8
Federal Government	12,733	12,700	13,133	14,167	13,300	-6.1	4.5	6.6
State Government	20,700	21,033	20,900	20,633	20,533	-0.5	-0.8	-1.5
Local Government	47,733	49,400	49,133	49,367	48,733	-1.3	2.1	2.0
Unemployment Rate (%)	7.4	6.8	6.8	7.0	7.8	0.8	0.4	0.6
Unemp Claims per week – Initial	1,128	996	918	1,073	1,009	-6.0	-10.6	-1.9
Unemp Claims per week - Continued	14,242	14,530	14,516	13,306	13,591	2.1	-4.6	20.6

**Figure 5. Total New Orleans Metro Employment  
(Thousands of Jobs)**



## Employment Changes as of 2010, Quarter 3

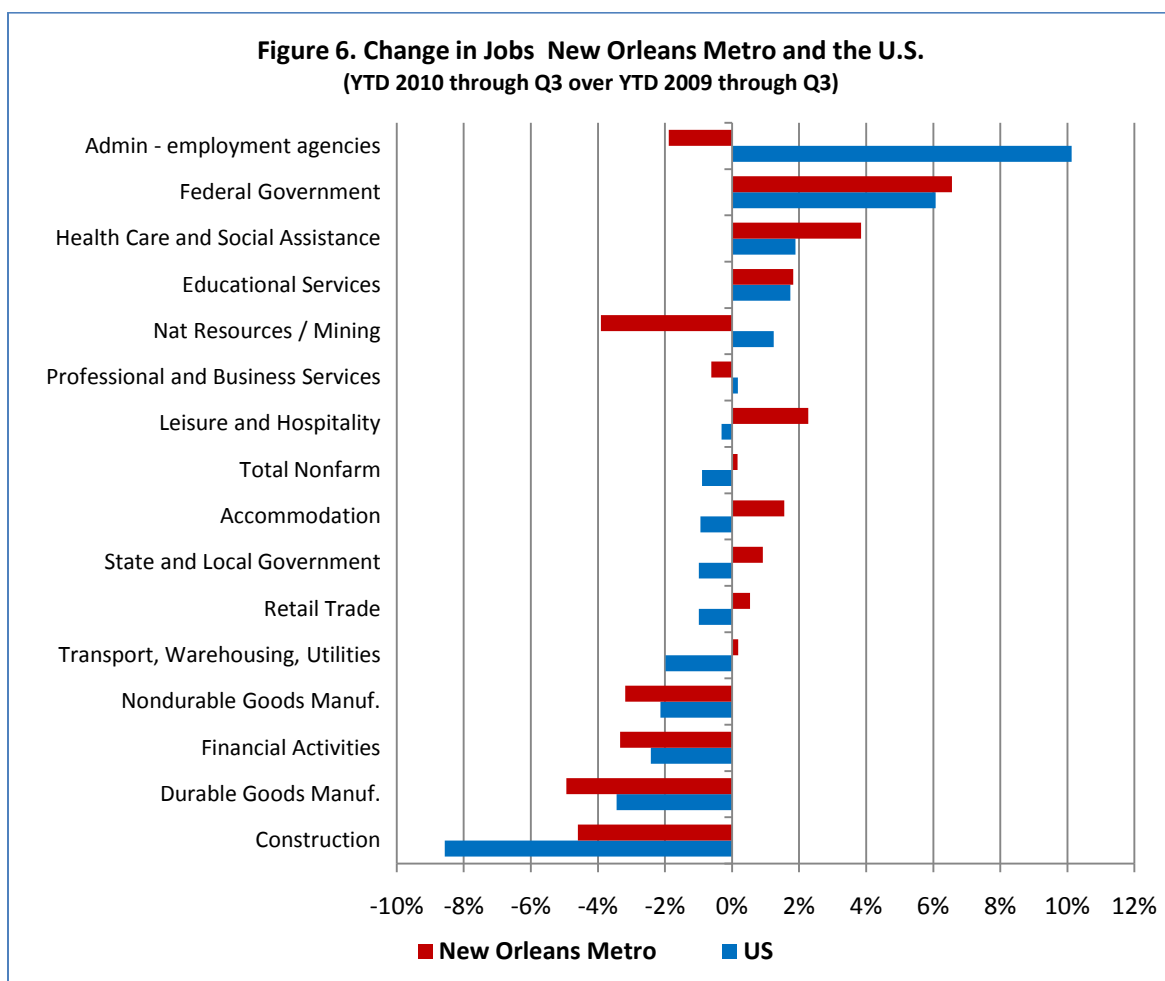
In 2008, New Orleans was still in recovery mode from Katrina lows. This trend kept employment moving up while the U.S. lost ground as a whole. 11,800 jobs (2.3%) were added to the New Orleans metropolitan area when compared to the annual averages of 2008 and 2007. However, in 2009 the national recession finally reached New Orleans. When comparing 2009 annual averages to 2008, the metro area lost about 7,000 jobs (1.3%). During the first three quarters of 2010 the metro area roughly added 900 jobs when compared to the same time frame during 2009 (See Figure 5).

Table 3 shows the changes in the New Orleans metro area employment. When comparing averages during the three quarters, only a few sectors had a significant growth in 2010 compared to 2009. Health Care and Social Assistance added 2,011 (3.8% growth). Leisure and Hospitality added another 1,551 jobs (2.3% growth). Even though Government added 1,473

jobs with a growth of 1.8%, most of these jobs were added for the 2010 Census and are not permanent. Arts, Entertainment and Recreation added a total of 1,330 jobs (13.8% growth).

Nearly half of the sectors had losses during the first three quarters compared to 2009. The sectors with the highest loss in jobs were Manufacturing, which lost a total 1,437 jobs (-4.1%) and Construction, which lost 1,424 jobs (-4.5%). Among other sectors with high losses include Durable Goods -915 jobs (-4.9%), Transportation Equipment -854 jobs (-8.6%), Financial Activities -844 (-3.3%) jobs, and Wholesale Trade -712 jobs (-3.1%).

The change in the New Orleans employment compared to that of the U.S. is shown in Figure 6, below. The figure shows the sectors that grew or lost jobs in the last three quarters from the standpoint of percentage of growth. Overall, New Orleans non-farm employment is healthier compared to the national situation.





**Table 4. New Orleans Metropolitan Economic Forecasts- Quarterly**

	Actual	Forecast								Percentage Change	
	2010:3	2010:4	2011:1	2011:2	2011:3	2011:4	2012:1	2012:2	2012:3	2010:3 to 2011:3	2011:3 to 2012:3
<b>Total Nonfarm Employment</b>	<b>518,167</b>	<b>523,500</b>	<b>523,324</b>	<b>525,985</b>	<b>522,672</b>	<b>526,155</b>	<b>526,467</b>	<b>529,412</b>	<b>526,184</b>	<b>0.9</b>	<b>0.7</b>
Natural Resources and Mining	7,900	7,900	7,902	7,910	7,923	7,941	7,962	7,988	8,017	0.3	1.2
Construction	30,400	30,600	30,624	30,644	30,661	30,675	30,686	30,696	30,704	0.9	0.1
Manufacturing	33,633	33,400	33,412	33,437	33,543	33,358	33,375	33,367	33,458	-0.3	-0.3
Durable Goods	17,700	17,500	17,495	17,501	17,511	17,417	17,426	17,440	17,452	-1.1	-0.3
Transportation Equipment	8,933	8,400	8,369	8,348	8,332	8,306	8,286	8,271	8,259	-6.7	-0.9
Nondurable Goods	15,933	15,900	15,917	15,937	16,033	15,942	15,949	15,927	16,007	0.6	-0.2
Chemical Manufacturing	4,400	4,400	4,420	4,452	4,466	4,410	4,428	4,440	4,451	1.5	-0.3
Wholesale Trade	22,333	22,500	22,403	22,566	22,491	22,389	22,289	22,442	22,359	0.7	-0.6
Retail Trade	57,833	58,700	58,214	57,811	57,476	58,962	58,418	57,966	57,594	-0.6	0.2
Grocery Stores	8,200	8,400	8,374	8,350	8,328	8,307	8,287	8,268	8,251	1.6	-0.9
General Merchandise Stores	11,633	11,800	11,598	11,414	11,245	11,964	11,749	11,552	11,371	-3.3	1.1
Transport, Warehous., & Utilities	24,100	24,300	24,069	24,074	24,063	24,040	23,809	23,814	23,803	-0.2	-1.1
Information	6,500	6,800	6,784	7,090	7,022	6,970	6,923	7,204	7,114	8.0	1.3
Financial Activities	24,600	24,500	24,138	24,335	24,520	24,515	24,162	24,367	24,565	-0.3	0.2
Depository Credit (banking)	6,000	6,000	6,039	6,076	6,111	6,052	6,088	6,121	6,152	1.8	0.7
Professional & Business Services	66,467	66,800	67,355	67,746	67,157	67,257	67,837	68,264	67,702	1.0	0.8
Professional, Scientific, Technical	28,500	28,800	29,081	28,981	28,899	29,006	29,281	29,176	29,089	1.4	0.7
Management of Companies	8,167	8,100	8,314	8,262	8,178	8,131	8,343	8,290	8,205	0.1	0.3
Admin Support/Waste Mgmt	29,800	29,900	29,969	30,485	30,076	30,120	30,219	30,778	30,399	0.9	1.1
Educational Services	17,933	20,200	20,112	20,108	19,113	20,401	20,393	20,580	19,581	6.6	2.5
Health Care and Social Assistance	55,533	55,900	55,783	55,786	56,086	56,476	56,610	56,532	56,784	1.0	1.2
Hospitals	18,233	18,200	18,013	17,937	18,157	18,476	18,543	18,398	18,578	-0.4	2.3
Ambulatory Health Care	20,867	21,000	21,034	21,073	21,112	21,140	21,165	21,199	21,235	1.2	0.6
Leisure and Hospitality	68,733	68,800	69,149	70,554	69,161	69,545	70,076	71,683	70,412	0.6	1.8
Arts, Entertain. & Recreation	10,900	10,500	10,586	10,902	10,756	10,763	10,880	11,258	11,175	-1.3	3.9
Accommodation	13,300	13,400	13,450	13,693	13,520	13,594	13,645	13,888	13,689	1.7	1.2
Food Services & Drinking Places	44,533	44,900	45,110	45,952	44,870	45,177	45,539	46,518	45,519	0.8	1.4
Other Services	19,633	19,700	19,717	19,923	19,881	19,867	19,880	20,092	20,060	1.3	0.9
Government	82,567	83,400	83,671	83,986	83,476	83,792	84,116	84,481	84,010	1.1	0.6
Federal Government	13,300	12,900	12,948	12,972	12,979	12,983	13,032	13,054	13,056	-2.4	0.6
State Government	20,533	20,400	20,432	20,464	20,487	20,508	20,536	20,565	20,586	-0.2	0.5
Local Government	48,733	50,100	50,297	50,567	49,992	50,297	50,555	50,882	50,357	2.6	0.7
Louisiana Rig Count	183	180	182	184	186	188	189	191	192	1.9	3.2
Total Imports/Exports (Thou tons)	7,813	7,979	7,727	7,319	7,646	7,810	7,543	7,122	7,436	-2.1	-2.7
Imports (Thou tons)	3,941	3,818	3,859	3,883	3,894	3,759	3,790	3,806	3,810	-1.2	-2.2
Exports (Thou tons)	3,871	4,155	3,868	3,442	3,753	4,046	3,753	3,323	3,628	-3.1	-3.3
Hotel/Motel Sales (\$Mill)*	213.6	182.7	207.4	224.7	135.3	192.3	218.5	238.0	147.1	-36.6	8.7
Residential Contracts in Progress (\$Mill)**	472.6	481.4	492.2	502.2	512.4	521.8	529.3	534.2	537.9	8.4	5.0
Non-Res Contracts in Progress (\$Mill)	1505.6	1473.7	1488.4	1513.8	1489.9	1464.1	1487.6	1533.5	1521.0	-1.0	2.1
Population (Thou)	1,201	1,201	1,203	1,207	1,208	1,207	1,209	1,213	1,215	0.6	0.6
Total Personal Income (\$Bill)	11.6	12.3	12.6	11.8	11.7	12.4	12.9	12.2	12.0	1.0	3.0
Per Capita Personal Income (\$)	39,987	40,033	40,076	40,119	40,163	40,206	40,250	40,293	40,336	0.4	0.4

\* Orleans and Jefferson Parishes Only.

\*\* Construction figures are proprietary data supplied by McGraw Hill Construction, Dodge

## The Forecast

Prior to Katrina, the New Orleans metro economy had about 610,000 jobs. At the low point after Katrina, employment totaled 426,000 jobs (70% of pre-Katrina employment). During the three quarters of 2010, employment in the local economy has recovered to an average of 519,200 jobs (85% of pre-Katrina level). New Orleans area employment is expected to reach 526,184 jobs (86% of pre-Katrina levels) by the third quarter of 2012.

Table 4 shows how Leisure and Hospitality have substantially recovered during the last five years. The sector is expected to add about 1,680 jobs by the end of the forecast window making it the industry with the most significant job growth. Similarly, Educational Services has recovered and, by the third quarter of 2012, they are expected to add a total of 1,648 jobs.

While Health Care employment has had a significant recovery, there are still holes in the New Orleans health care system. The construction of hospitals, including the St. Bernard Parish Hospital and the Veterans Affairs Hospital, are slated to bring about 1,250 jobs to New Orleans by the end of the third quarter in 2012. Other projects, including the Methodist Hospital and the refurbishing of the University Medical Center (Charity Hospital), are expected to generate employment after the forecast window.

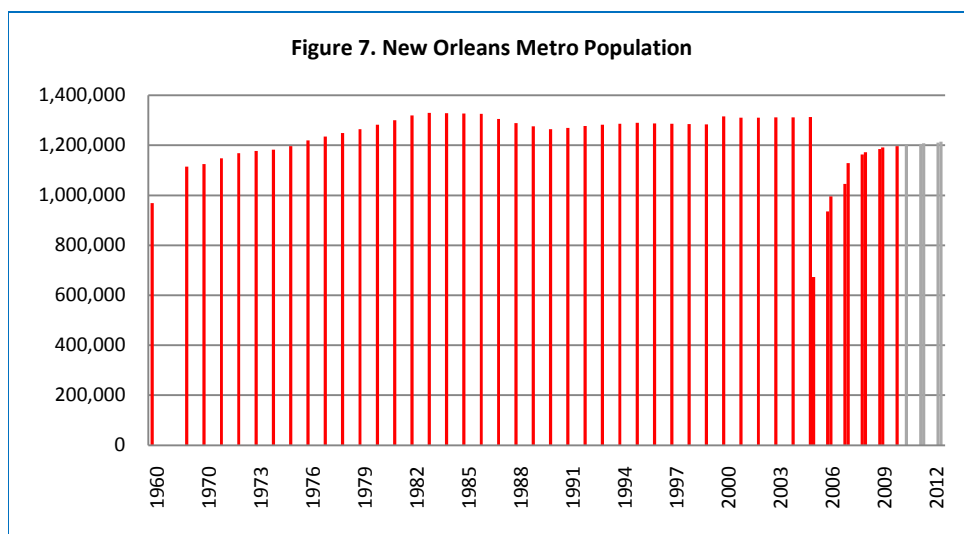
High oil prices and the post-Katrina recovery left

the New Orleans area better positioned than other areas during the recession. Katrina removed housing stock, labor force, jobs, and companies, resulting in higher wages due to the tight labor market. Insurance and Road Home payments increased labor demand. All these factors combined with a population shift allowed the New Orleans personal income to stay above national levels during the recession. However, during 2010 per capita personal income fell to national levels, and now it is expected to stay below national figures for the next two years (Figure 8).

The path of recovery in New Orleans has flattened as population continues to move up slowly, and employment stagnates.

## Population and Demographics

Local population fell from about 1,313,000 people just before Katrina, to a low of about 700,000 people. Population grew rapidly at first. While the population is still growing, the rate has slowed from its fast pace of return just following the storm. Currently, population is estimated to be about 1,201,000 million, representing 91.4% of the pre-Katrina population. As of July 2010, Jefferson Parish and Orleans Parish reached 98% and 79% of pre-Katrina levels respectively. Compared to pre-Katrina levels, St Bernard is at 63%, St. Charles is at 103%, St. John is at 104%, St Tammany is at 108% and Plaquemines is at 81%. The forecast is for population to reach 1,215,000 by the third quarter in 2012 (See Figure 7 and Table 5).



**Table 5. Other New Orleans Metropolitan Economic Indicators – Quarterly Actuals**

	Actuals					Percent Change		
	2009:3	2009:4	2010:1	2010:2	2010:3	2010:2 to 2010:3	2009:3 to 2010:3	Year to Date
Crude Oil Price (\$ per barrel)	68.2	76.06	78.64	77.79	76.12	-2.1	11.6	36.3
Natural Gas Price (\$ per thou cf)	3.16	3.89	4.8	4.07	4.07	-0.1	28.6	18.0
Louisiana Rig Count	138	169	202	206	183	-11.3	32.5	36.8
Louisiana Oil Production (Thou Bbls/Day)	1,403	1,416	1,442	1,461	1,466	0.3	4.5	6.5
Louisiana Natural Gas Production(bill cub ft)	416	440	481	539	589	9.2	41.4	40.9
Foreign Trade (Thou short tons)	6,424	7,235	7,539	7,433	7,813	5.1	21.6	13.7
Imports (Thou short tons)	2,952	3,179	3,393	3,820	3,941	3.2	33.5	21.9
Exports (Thou short tons)	3,471	4,056	4,146	3,613	3,871	7.2	11.5	6.7
Air Freight Cargo (short tons)	14,641	14,141	14,612	15,106	13,843	-8.4	-5.5	1.1
Hotel/Motel Sales (\$Mill) <sup>1</sup>	179.2	140.8	161.4	241.6	213.6	-11.6	19.2	11.9
Convention Room Nights (Thou)	255.9	310.6	284.5	352.2	257.8	-26.8	0.7	3.1
Deplanements (Thou)	899.5	1000.2	953.7	1089.1	953.8	-12.4	6.0	4.2
Total Gambling Revenues (\$Mill)	144.1	147.8	147.2	148	147.7	-0.2	2.5	-3.8
Riverboat Casino Revenues (\$Mill)	61.1	58.3	61.3	59.7	61.7	3.3	1.0	-5.0
Harrah's Casino Revenues (\$Mill)	83.1	89.5	85.9	88.3	86.0	-2.5	3.6	-3.0
Construction Contracts Awarded (\$Mill) <sup>3</sup>	427.4	330.0	489.7	383.1	483.4	26.2	13.1	-3.4
Residential (\$Mill)	139.5	173.8	135.3	158.5	178.8	12.8	28.2	-13.7
Non-Residential (\$Mill)	287.9	156.2	354.4	224.6	304.6	35.6	5.8	3.1
Non-building (\$Mill)	869.2	269.3	73.4	424.6	140.8	-66.8	-83.8	-37.2
Construction Contracts in Progress (\$Mill) <sup>3</sup>	2337.0	2035.2	2075.9	2059.6	1978.2	-4.0	-15.4	-13.3
Residential (\$Mill) WIP	547.8	463.3	448.6	467.6	472.6	1.1	-13.7	-17.6
Non-Residential (\$Mill) WIP	1789.2	1571.9	1627.3	1592	1505.6	-5.4	-15.9	-11.9
Non-building (\$Mill) WIP	5430.3	5960.2	4724.7	5354.6	5588.7	4.4	2.9	27.6
Housing Starts	616	988	633	754	1027	36.2	66.7	-34.1
Population (Thou)	1,190	1,194	1,196	1,200	1,201	0.1	1.0	1.1
Total Personal Income per qtr (\$Bill) <sup>4</sup>	11.4	12.9	12.4	11.7	11.6	-1.2	1.1	3.3
Per Capita Personal Income (\$) <sup>4</sup>	40,322	39,849	39,895	39,941	39,987	0.1	-0.8	-2.1
Average Weekly Wage (8 parish area)	842	932	865	n/a	n/a	-	-	-
Taxable Sales - excluding Motor Vehicle Sales(\$Mill) <sup>5</sup>	4,214	4,206	4,301	4,561	n/a	-	-	-4.7
Motor Vehicle Sales (\$Mill)	404.0	331.0	338.0	400.0	416.0	4.1	3.0	-0.3

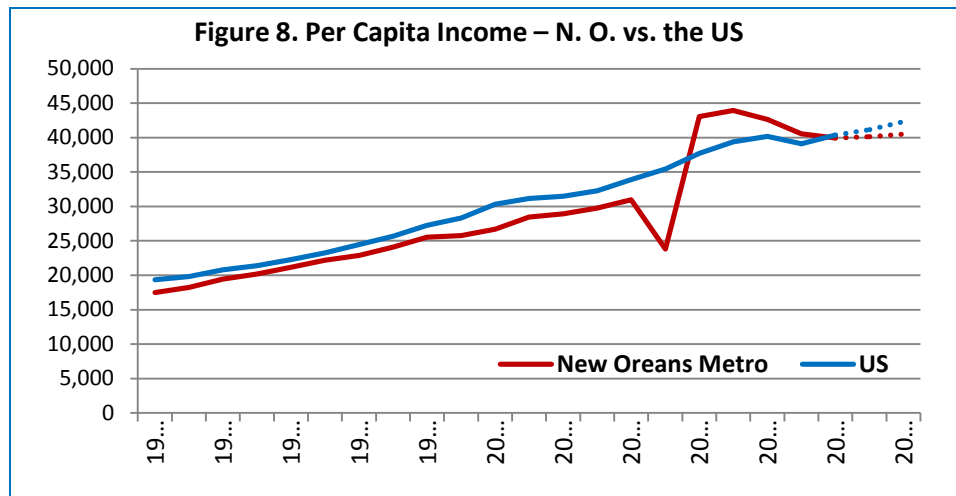
1 – Hotel/motel sales include Orleans and Jefferson Parishes Only.

2 – Occupancy rates and room rates supplied by PKF Consulting.

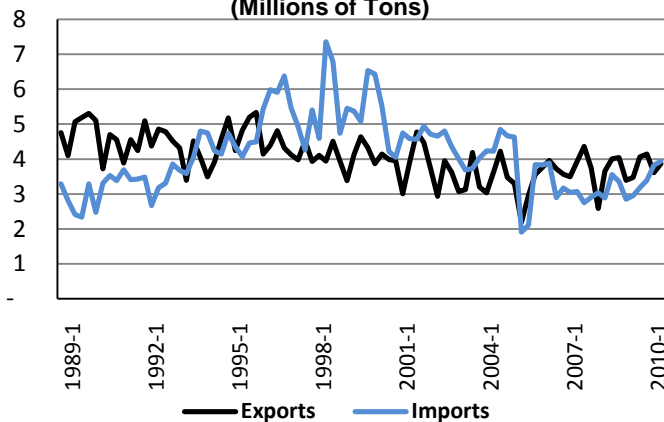
3 –Construction figures are proprietary data supplied by McGraw Hill Construction, Dodge

4 – Due to lag in data, personal income and per capita income are preliminary estimates

5 – Year to date values compare the first 2 quarters 2010 to the same period in 2009



**Figure 9. Port of New Orleans Cargo  
(Millions of Tons)**



## TOURISM

Visitation to New Orleans is quickly recovering from the “great recession.” During this period, some people traveled less, stayed a shorter time, or spent less, especially on shopping and restaurant meals. New Orleans had a very strong first half in 2010, with hotel occupancy and room rates up substantially from similar months in 2009. New Orleans outperformed most other destinations’ occupancy and room rates that remained impacted by the recession. Other categories of visitor spending, too, recovered from levels seen during the recession.

One explanation for the positive direction in tourism indicators is the Saints success. Post-season games brought enthusiastic visitors and their spending. As well, many people traveled to New Orleans, rather than Miami, to celebrate the Super Bowl. The constant media coverage provided virtually free advertising, including unbiased reporting showing exuberant people reveling in the streets of New Orleans.

Strong convention bookings and attendance also contributed to the success of the visitor industry. As well, business visitation was robust. Many visitors coming for business purposes have extended their stay for pleasure (61.2%) and are staying longer (an average of 2.1 additional nights) than in the past to take advantage of leisure activities.

Visitation in the second half of the year is typically slower with fewer visitors in the months of August, September, and December. However, indicators for these months in 2010 reveal higher occupancy and

room rates than in 2009.

The recovery of the New Orleans “brand,” after the devastation from Katrina and subsequent visitor misperceptions of damage to the tourist areas had corrected for the most part. However, the BP Horizon oil spill has renewed negative perceptions, including the quality of food in restaurants and environmental issues. BP-funded promotion of Gulf seafood and the tourist industry in Louisiana should help to offset these thoughts.

## PORT

The port is directly linked to the flow of goods internationally to and from the central United States. As the symptoms of the national recession continue, New Orleans will feel the effect more and more. The hope is that having started with a better base, the recession effects can be withstood until the time when the national economy and employment recover.

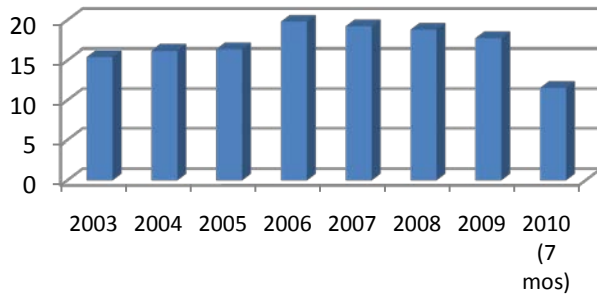
Under normal circumstances one would expect the lower value of the dollar to increase the value of exports and reduce the value of imports. However, year-to-date 2010, both national imports and exports were up 25.4% and 21.3% respectively. The global recession has taken its toll on both categories. Despite that, commodities traded through the port on New Orleans are not a representative sample of those traded nationally. The New Orleans year-to-date import tonnage was up 22.9% while export tonnage was up 6.7% following the national trend (See Figure 9).

## RETAIL

Employment in retail trade was up slightly (0.5%) during the first three quarters of 2010 compared to 2009. Taxable sales in total have remained above pre-Katrina levels. Retail activity in the most damaged parishes such as St. Bernard continue to climb, while the recovery boom seen in sales in Jefferson and St. Tammany Parish is fading. When combining parishes in the metro area, total taxable sales in 2010 were down by 4.7% when compared to 2009 values (Figure 10).

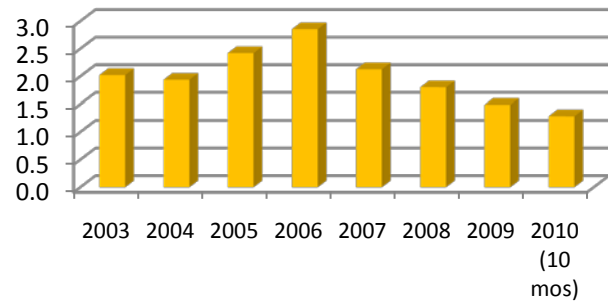
Figure 11 shows that motor vehicle sales were off 15% in the last year, coming off a post-Katrina high. National pressures keep auto sales down. As uncertainty about future employment opportunities wanes, auto sells are expected to rebound.

**Figure 10. Taxable Sales excluding Motor Vehicles (\$ Billion)**



*Includes 6 parish area: Plaquemines not included*

**Figure 11. Motor Vehicle Sales (\$ Billion)**



## CONSTRUCTION

The focus of construction has shifted in the New Orleans area. See the mix in Figure 12, below, which shows the value of different types of construction activity in the metro area.

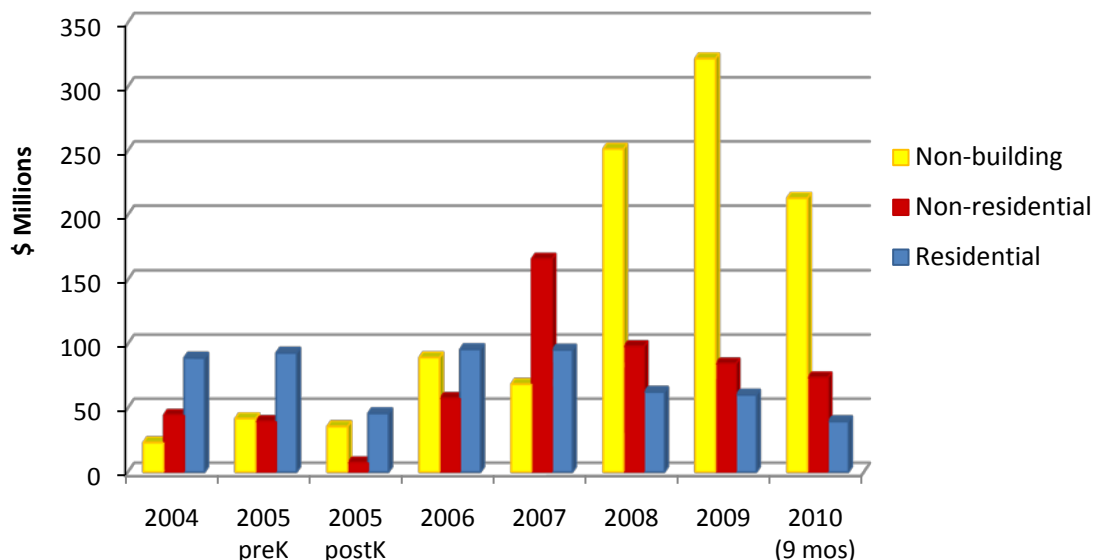
It can be seen that the value of residential construction activity decreased beginning in 2008. In 2007, non-residential construction activity grew as one big expansion at Bayou Steel dominated. This category includes the construction of commercial buildings and refineries. However, in 2008, non-building construction – that is, infrastructure construction – roads, bridges and flood control –

played an enormous part. While infrastructure projects were lower in 2010 compared to 2009, they are expected to be important through the forecast period funded with FEMA and federal stimulus funds.

The recovery from Katrina required so much activity that construction employment has needed to grow, bucking the national trend until recently.

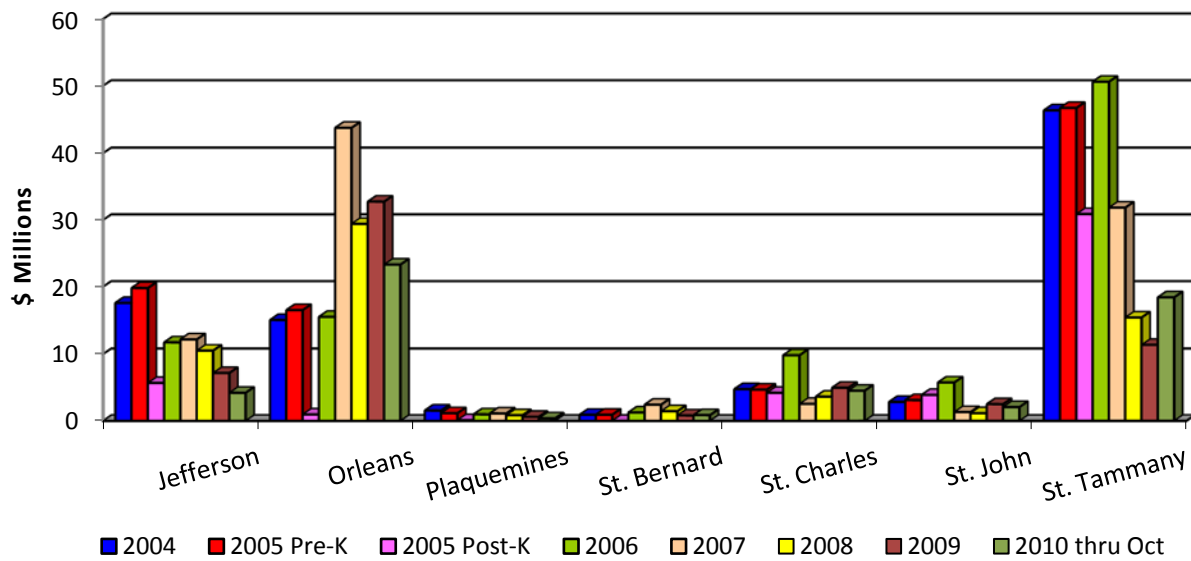
See Figure 13 to see the spread of residential construction activity across parishes. In St. Tammany, residential building is lower than before and just after activity and Katrina. The more heavily damaged parish of Orleans has picked up.

**Figure 12. N.O. Metro Construction Contracts per month**



*Proprietary data supplied by McGraw Hill Construction, Dodge*

**Figure 13. Residential Construction by Parish - Monthly Average**



*Proprietary data supplied by McGraw Hill Construction, Dodge*

## PARISH DATA

Economic data for individual parishes in the New Orleans metropolitan area are shown in Tables 6 and 7. Employment and wage data at the parish level is the number of employees subject to unemployment insurance taxation and the total wages paid to those workers. These "covered" employment and wages are reported quarterly for major industries, on a place-of-work basis.

Labor data available for individual parishes take longer to be released than metropolitan area statistics and it is currently available through the first quarter of 2010.

Although the parish data do not show the very latest developments, they do reveal some details of the economic story. When compared to the first quarter of 2009, St. Bernard showed the most growth over the last year. The parish added 9.7% more jobs, followed by Orleans and St. John which grew at 0.8% and 0.4% respectively. This makes sense as Orleans and St. Bernard had some of the heaviest damage from Katrina and they are on a recovery curve. During the same time period, St. Bernard population grew 2.7% and Orleans population grew 4.2%, while St. John lost 1.1% of its population.

On the negative side, the parish with the highest loss was Plaquemines which lost 6.9% of its jobs. St. Charles was also affected, losing 5.1% of its jobs.

Jefferson and St. Tammany lost 2.7% and 1.6% of their jobs respectively.

Manufacturing was really affected during the first quarter of 2010. This sector saw jobs losses in all parishes. Orleans and Jefferson were the most affected parishes losing 1,147 jobs and 835 jobs respectively. Construction was also affected during the first quarter. The parishes that lost the most employment were St. Tammany (853 jobs) and St. Charles (694 jobs).

Retail Trade also lost jobs in all parishes except for St. Bernard. Retail saw the highest loss in Jefferson Parish, losing 1,131 jobs, followed by St. Tammany, which lost 557 jobs. St. Bernard job gains could be due to continuing recovery in the damaged parish commercial areas. The information on taxable sales supports the job data, since St. Bernard gained 44% while sales dropped for all the other parishes.

Health Care and Social Assistance added 854 jobs in Jefferson and 604 jobs in St. Tammany. 122 jobs were lost in Plaquemines. Educational Services added about 800 jobs in Orleans and nearly 100 jobs in Plaquemines.

Accommodations gained nearly 700 jobs in Orleans and 156 in St. Bernard, while it lost 652 jobs in Jefferson and 127 jobs in St. Tammany.



**Table 6: Quarterly Jefferson, Orleans, St. Bernard, and St. Charles Parishes' Concurrent Economic Indicators, 2009:1-2010:1**

	Jefferson					Orleans					St. Bernard					St. Charles				
	2009:1	2009:4	2010:1	Percentage Chg Last Qtr	Last Year	2009:1	2009:4	2010:1	Percentage Chg Last Qtr	Last Year	2009:1	2009:4	2010:1	Percentage Chg Last Qtr	Last Year	2009:1	2009:4	2010:1	Percentage Chg Last Qtr	Last Year
Total Employment*	195,260	193,761	190,052	-1.9	-2.7	168,866	169,368	170,148	0.5	0.8	9,747	9,858	10,695	8.5	9.7	24,363	24,070	23,129	-3.9	-5.1
Agriculture/Fishing	28	28	23	-17.9	-17.9	25	26	23	-12.7	-9.2	-	-	-	-	-	-	-	-	-	-
Mining	2,090	1,980	1,995	0.8	-4.5	3,867	3,416	3,389	-0.8	-12.4	70	68	20	-70.1	-71.0	94	71	85	20.3	-9.6
Utilities	1,461	1,420	1,337	-5.8	-8.5	1,201	1,049	909	-13.4	-24.3	78	82	117	42.3	48.9	798	896	889	-0.8	11.3
Construction	14,864	14,708	14,218	-3.3	-4.3	5,023	5,309	5,411	1.9	7.7	1,844	1,649	1,938	17.5	5.1	3,411	3,428	2,717	-20.7	-20.4
Manufacturing	14,653	13,966	13,818	-1.1	-5.7	6,299	5,558	5,152	-7.3	-18.2	1,397	1,380	1,384	0.3	-0.9	4,693	4,453	4,376	-1.7	-6.8
Wholesale Trade	11,688	11,240	11,060	-1.6	-5.4	4,049	3,963	3,957	-0.1	-2.3	365	387	382	-1.2	4.8	1,714	1,673	1,577	-5.7	-8.0
Retail Trade	28,507	28,991	27,376	-5.6	-4.0	12,360	12,289	11,962	-2.7	-3.2	1,058	1,100	1,451	31.9	37.1	1,663	1,733	1,664	-4.0	0.0
Transport & Warehous.	8,415	8,077	8,013	-0.8	-4.8	7,997	7,817	7,819	0.0	-2.2	649	596	590	-1.1	-9.2	2,013	1,778	1,728	-2.8	-14.2
Information	2,546	2,375	2,733	15.0	7.3	2,940	3,082	3,776	22.5	28.4	19	18	17	-5.6	-10.5	122	130	133	2.6	9.3
Finance and Insurance	8,155	8,066	8,036	-0.4	-1.5	5,556	5,474	5,386	-1.6	-3.1	109	105	101	-4.1	-7.6	249	247	242	-2.0	-2.7
Real Estate and Rental	3,684	3,574	3,510	-1.8	-4.7	2,214	2,208	2,168	-1.8	-2.1	51	46	49	6.5	-3.3	237	233	151	-35.3	-36.4
Profess. & Tech. Svcs	10,388	10,004	10,359	3.6	-0.3	13,558	14,105	14,141	0.3	4.3	173	158	166	4.9	-4.2	818	916	873	-4.7	6.7
Mgmt. of Enterprises	2,998	2,848	2,784	-2.2	-7.1	3,359	3,440	3,373	-1.9	0.4	62	93	105	12.1	69.7					
Admin. & Waste Svcs	13,403	13,143	12,804	-2.6	-4.5	9,204	9,302	8,938	-3.9	-2.9	384	382	367	-4.1	-4.5	2,334	2,188	2,323	6.2	-0.5
Educational Services	-	-	-	-	-	20,433	21,100	21,232	0.6	3.9	-	-	-	-	-	-	-	-	-	-
Health & Soc. Assist.	28,794	29,970	29,648	-1.1	3.0	20,615	20,746	20,939	0.9	1.6	490	569	617	8.5	26.0	1,477	1,605	1,592	-0.8	7.8
Arts/Entertainment	4,524	4,484	4,313	-3.8	-4.6	4,498	5,009	5,132	2.5	14.1	116	92	106	14.8	-8.9	134	132	127	-3.8	-5.0
Accommodation & Food	17,920	17,379	17,268	-0.6	-3.6	27,590	27,190	28,288	4.0	2.5	832	829	988	19.2	18.8	823	835	871	4.4	5.8
Other Services	5,510	5,527	5,252	-5.0	-4.7	5,075	5,256	5,041	-4.1	-0.7	239	241	240	-0.4	0.1	285	237	251	5.9	-11.9
Public Administration	6,456	6,555	6,418	-2.1	-0.6	12,093	12,368	12,708	2.8	5.1	755	793	806	1.6	6.8	773	789	805	2.0	4.1
Total Earnings (\$Mill)	2,027	2,258	1,978	-12.4	-2.4	2,100	2,217	2,116	-4.6	0.8	110	115	112	-2.7	1.5	369	350	345	-1.3	-6.5
Avg. Weekly Wage	799	896	800	-10.7	0.1	959	1,007	957	-5.0	-0.2	870	897	805	-10.3	-7.5	1,166	1,118	1,148	2.7	-1.5
Est. Population (Thou)	444.6	442.2	441.1	-0.2	-0.8	344.5	358.2	359.0	0.2	4.2	39.7	40.8	40.8	0.1	2.7	51.6	51.6	51.7	0.0	0.1
Unemployment Rate (%)	5.4	6.3	6.5	0.1	1.1	7.2	8.4	8.2	-0.2	1.0	5.5	6.9	6.8	-0.2	1.3	5.6	6.5	6.6	0.1	1.0
Unemployment Claims (Initial)	4,533	5,465	4,939	-9.6	9.0	272	314	302	-3.8	11.0	13	11	11	0.0	-15.4	479	556	536	-3.6	11.9
Unemployment Claims (Continued)	3,640	5,954	6,088	2.3	67.3	3,004	4,963	4,672	-5.9	55.5	5	5	7	46.0	35.3	386	625	651	4.2	68.5
Construction Contracts:																				
Res. (\$Mil)**	21.0	29.6	14.1	-52.4	-32.9	167.7	87.7	59.7	-31.9	-64.4	3.7	1.8	2.1	16.7	-43.2	14.8	11.8	16.4	39.0	10.8
Res. In-Progress(\$Mil)	81.6	65.0	63.6	-2.2	-22.1	295.8	225.2	200.1	-11.1	-32.4	10.7	5.9	6.5	10.2	-39.3	41.7	44.6	44.6	0.0	7.0
Non-Res. (\$Mil)**	53.1	24.1	114.9	376.8	116.4	226.7	88.8	151.8	70.9	-33.0	44.4	18.2	30.3	66.5	-31.8	2.3	1.2	0.0	-100.0	-100.0
Non-Res. In- Progress (\$Mil)	309.2	232.5	316.8	36.3	2.5	856.9	746.4	744.1	-0.3	-13.2	145.7	131.7	155.3	17.9	6.6	22.2	17.8	17.8	0.0	-19.8
Taxable Sales (\$Mill)***	1733.1	1463.5	1544.8	5.6	-10.9	1210.0	1164.9	1200.4	3.1	-0.8	124.5	121.5	179.0	47.4	43.8	440.2	347.6	321.3	-7.6	-27.0
Motor Vehicle Sales (\$)	128.4	129.9	128.7	-0.9	0.2	73.6	67.9	71.5	5.4	-2.8	10.7	8.4	7.5	-10.5	-29.9	19	17.7	18.1	2.3	-5.1

\* The number of jobs and corresponding wages for establishments subject to unemployment insurance taxation. Notable exclusions are employees of very small businesses (under 4 employees), self-employed persons and salespersons on commission-only bases.

\*\* Proprietary data supplied by McGraw Hill Construction, Dodge.

**Table 7: Quarterly St. John, St. Tammany, and Plaquemines Concurrent Economic Indicators, 2009:1-2010:1**

	St. John					St. Tammany					Plaquemines				
	2009:1	2009:4	2010:1	Percentage Chg Last Qtr	Percentage Chg Last Year	2009:1	2009:4	2010:1	Percentage Chg Last Qtr	Percentage Chg Last Year	2009:1	2009:4	2010:1	Percentage Chg Last Qtr	Percentage Chg Last Year
Total Employment*	15,139	15,353	15,200	-1.0	0.4	75,117	75,287	73,947	-1.8	-1.6	14,529	14,286	13,527	-5.3	-6.9
Agriculture/Fishing	27	40	37	-6.7	36.6	119	125	122	-2.4	2.5	44	45	45	1.5	3.0
Mining	322	367	369	0.5	14.6	454	488	519	6.3	14.3	1,467	1,383	1,265	-8.5	-13.7
Utilities	179	181	177	-2.0	-1.1	395	393	384	-2.2	-2.8			131		
Construction	1,202	1,193	1,364	14.3	13.4	5,344	4,796	4,491	-6.4	-16.0	1,503	1,214	1,247	2.7	-17.1
Manufacturing	2,838	2,866	2,682	-6.4	-5.5	3,354	3,018	3,062	1.4	-8.7	2,177	2,193	1,944	-11.4	-10.7
Wholesale Trade	682	572	559	-2.2	-18.0	3,350	3,333	3,289	-1.3	-1.8	846	844	791	-6.3	-6.5
Retail Trade	1,780	1,750	1,682	-3.9	-5.5	12,096	11,999	11,539	-3.8	-4.6	636	656	497	-24.3	-21.9
Transport & Warehous.	964	876	876	0.0	-9.1	2,165	2,470	2,297	-7.0	6.1	1,931	1,923	1,885	-2.0	-2.4
Information	155	135	136	1.0	-12.2	944	825	800	-3.1	-15.3	9		8		-7.7
Finance and Insurance	315	513	533	3.8	69.0	2,420	2,461	2,500	1.6	3.3	96	99	89	-9.8	-6.9
Real Estate and Rental	170	151	141	-6.2	-16.9	980	969	937	-3.3	-4.4	585	624	621	-0.5	6.1
Profess. & Tech. Svcs	341	315	340	7.9	-0.1	3,796	4,089	3,991	-2.4	5.1	448	485	481	-0.8	7.4
Mgmt. of Enterprises	137	196	213	8.7	56.1	1,271	1,148	1,159	1.0	-8.8	185	49	49	-0.7	-73.6
Admin. & Waste Svcs	991	1,111	1,049	-5.6	5.9	2,592	2,733	2,322	-15.0	-10.4	700	693	668	-3.5	-4.5
Educational Services	-	-	-	-	-	-	-	-	-	-	943	1,145	1,039	-9.2	10.3
Health & Soc. Assist.	1,361	1,436	1,385	-3.5	1.8	13,325	13,949	13,929	-0.1	4.5	534	421	412	-2.1	-22.8
Arts/Entertainment	189	179	192	7.4	1.9	1,238	1,264	1,275	0.8	3.0	46	51	49	-3.9	8.0
Accommodation & Food	1,145	1,118	1,131	1.2	-1.2	8,670	8,494	8,543	0.6	-1.5	675	733	688	-6.1	1.9
Other Services	350	323	269	-16.7	-23.3	1,902	1,901	1,894	-0.4	-0.4	156	140	132	-6.2	-15.6
Public Administration	704	728	762	4.6	8.3	3,131	3,115	3,117	0.1	-0.4	1,444	1,475	1,476	0.1	2.2
Total Earnings (\$Mill)	166	180	171	-5.2	3.3	676	742	654	-11.9	-3.2	204	203	189	-6.9	-7.5
Avg. Weekly Wage	842	904	866	-4.2	2.9	692	759	681	-10.3	-1.6	1,079	1,090	1,072	-1.7	-0.6
Est. Population(Thou)	47.4	46.9	46.9	-0.1	-1.1	230.7	233.3	234.4	0.5	1.6	21.5	21.0	22.0	4.8	2.6
Unemployment Rate (%)	7.5	8.8	9.2	0.5	1.7	4.8	5.3	5.3	0.0	0.5	5.4	6.6	6.3	-0.3	0.8
Unemployment Claims (Initial)	691	822	690	-16.1	-0.1	1765	1805	1662	-7.9	-5.8	164	216	175	-19.0	6.7
Unemployment Claims (Continued)	550	877	922	5.2	67.8	1,332	1,883	1,958	4.0	47.0	115	224	219	-2.4	89.8
Construction Contracts:															
Res. (\$Mil)**	10.8	6.9	6.7	-2.9	-38.0	38.3	34.7	35.3	1.7	-7.8	2	1.3	1	-23.1	-50.0
Res. In-Progress(\$Mil)	15.9	19.2	22.2	15.6	39.6	118.1	98.2	107.7	9.7	-8.8	7	5.2	3.9	-25.0	-44.3
Non-Res. (\$Mil)**	4.6	1.3	0	-100.0	-100.0	51.7	20.3	49.4	143.3	-4.4	8.2	2.3	8	247.8	-2.4
Non-Res. In- Progress (\$Mill)	42.0	10.6	8.6	-18.9	-79.5	330.2	344.6	314.5	-8.7	-4.8	127.0	88.3	70.2	-20.5	-44.7
Taxable Sales (\$Mill)	402.9	259.4	295.2	13.8	-26.7	820.4	849.1	760.3	-10.5	-7.3	-	-	-	-	-
Motor Vehicle Sales (\$)	17.1	13.3	14.5	8.8	-15.2	89.9	84.1	86.6	3.0	-3.6	13.2	10.2	11.5	12.5	-12.9

\* The number of jobs and corresponding wages for establishments subject to unemployment insurance taxation. Notable exclusions are employees of very small businesses (under 4 employees), self-employed persons and salespersons on commission-only bases.

\*\* Proprietary data supplied by McGraw Hill Construction, Dodge.



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Dr. Janet F. Speyrer, Associate Dean for Research  
Maria J. Ortiz, Consultant

Marius Mihai, Student Research Assistant  
Karen Brakel, Assistant to the Associate Dean for Research

Special recognition is given to Heidi Charters for her valuable contribution.

Dr. John A. Williams, Interim Dean

Send address changes to [kbrakel@uno.edu](mailto:kbrakel@uno.edu)  
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University of New Orleans  
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