

# METROPOLITAN REPORT

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Economic Indicators for the New Orleans Area



THE UNIVERSITY *of*  
**NEW ORLEANS**

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DIVISION OF BUSINESS AND  
ECONOMIC RESEARCH

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Table 1: New Orleans MSA Employment – Quarterly Actuals, 2015:4 – 2016:4

Sectors <sup>1</sup>	2015:4	2016:1	2016:2	2016:3	2016:4	2016:3 to 2016:4	2015:4 to 2016:4	2015FY to 2016FY
	Number of Jobs					Percent Change <sup>2</sup>		
<b>Total Nonfarm Employment</b>	<b>581,967</b>	<b>573,333</b>	<b>577,667</b>	<b>573,233</b>	<b>579,500</b>	<b>1.1</b>	<b>-0.4</b>	<b>-0.1</b>
Mining and Logging	6,400	5,867	5,533	5,467	5,300	-3.0	-17.2	-20.6
Construction	31,633	29,933	29,367	29,667	30,267	2.0	-4.3	-6.2
Manufacturing	30,633	30,033	30,133	29,900	30,033	0.4	-2.0	-2.0
Durable Goods	12,000	11,500	11,500	11,467	11,433	-0.3	-4.7	-5.5
Transportation Equipment	2,800	2,367	2,400	2,500	2,467	-1.3	-11.9	-13.4
Nondurable Goods	18,633	18,533	18,633	18,433	18,600	0.9	-0.2	0.3
Chemical Manufacturing	5,167	5,233	5,167	5,133	5,167	0.6	0.0	0.3
Wholesale Trade	23,367	23,233	23,167	23,233	23,567	1.4	0.9	-0.3
Retail Trade	65,767	63,867	64,200	63,900	66,067	3.4	0.5	0.5
Grocery Stores	10,400	10,233	10,267	10,100	10,333	2.3	-0.6	-1.6
General Merchandise Stores	14,433	13,600	13,800	13,933	15,133	8.6	4.8	1.9
Transp., Warehousing, and Utilities	29,533	28,800	28,433	28,467	28,433	-0.1	-3.7	-2.6
Information	9,467	8,233	7,400	7,367	6,867	-6.8	-27.5	-16.9
Financial Activities	29,733	29,500	29,800	30,100	30,600	1.7	2.9	1.6
Depository Credit (banking)	6,100	6,067	6,067	6,067	6,000	-1.1	-1.6	-1.5
Professional and Business Services	75,033	73,967	75,933	74,767	75,400	0.8	0.5	0.1
Professional, Scientific, Technical	32,333	32,267	31,867	31,667	31,200	-1.5	-3.5	-3.3
Management of Companies	8,000	8,000	8,000	7,867	7,733	-1.7	-3.3	0.2
Admin, Support, Waste Mgmt.	34,700	33,700	36,067	35,233	36,467	3.5	5.1	3.5
Educational Services	30,100	29,500	30,033	29,933	31,300	4.6	4.0	2.5
Health Care and Social Assistance	67,667	67,900	68,467	69,633	70,133	0.7	3.6	5.7
Ambulatory Health Care	25,867	25,933	26,267	26,333	26,600	1.0	2.8	3.9
Hospitals (private)	22,767	22,767	23,000	24,100	24,633	2.2	8.2	10.7
Leisure and Hospitality	86,367	86,633	88,000	86,733	87,233	0.6	1.0	2.2
Arts, Entertainment, and Rec.	12,000	11,767	11,933	11,867	11,400	-3.9	-5.0	0.9
Accommodation	14,567	14,500	14,967	14,833	14,667	-1.1	0.7	2.4
Food Services and Drinking Places	59,800	60,367	61,100	60,033	61,167	1.9	2.3	2.4
Other Services	23,900	23,767	23,967	24,033	24,133	0.4	1.0	0.7
Government	72,367	72,100	73,233	70,033	70,167	0.2	-3.0	-2.1
Federal Government	12,033	12,167	12,333	12,433	12,600	1.3	4.7	4.1
State Government	13,300	12,767	12,167	11,367	12,467	9.7	-6.3	-7.0
Local Government	47,033	47,167	48,733	46,233	45,100	-2.5	-4.1	-2.4
Unemployment Rate (%) <sup>3</sup>	5.1	5.5	5.7	6.2	5.1	-1.2	0.0	-0.3
Unemp Claims weekly – Initial <sup>4</sup>	473	-	-	-	-	-	-	-
Unemp Claims weekly – Continued <sup>4</sup>	5,041	-	-	-	-	-	-	-

Source: Bureau of Labor Statistics (BLS) and Division of Business and Economic Research (DBER).

1 – Some industries are volatile or subject to seasonality, including information and educational services.

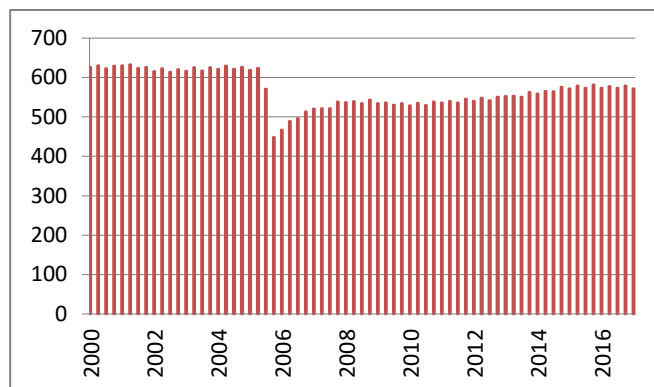
2 – Percent changes may not be exact due to rounding.

3 – Percent changes for these figures represent percentage points.

4 – Unemployment claims data is not longer available.

- The NOMSA economy lost about 500 jobs (-0.1%) between the 2015 and 2016 calendar years (Table 1). In terms of number of jobs added, the most noticeable employment gains were in Health Care and Social Assistance (3,700 jobs or 5.7%), Leisure and Hospitality (1,900 jobs or 2.2%), and Administrative, Support, and Waste Management (1,200 jobs or 3.5%). Significant job losses were incurred in Mining and Logging (1,400 jobs or -20.6%), Information (1,500 jobs or -16.9%), Government (1,600 jobs or -2.1%), and Construction (2,000 jobs or -6.2%).

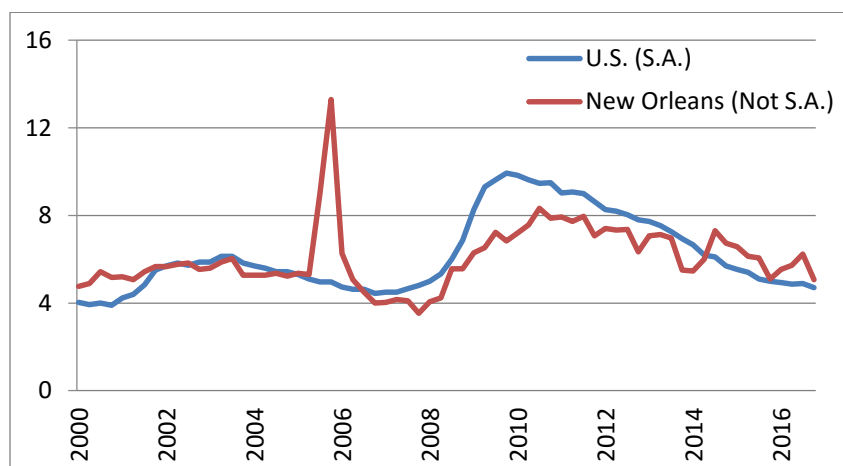
**Figure 1: Total Employment - New Orleans MSA  
Quarterly (Thousands of Jobs)**



Source: BLS and DBER

- Total nonfarm employment in the New Orleans Metro Area (NOMSA) has grown slowly over the years. During 2016, employment decreased slightly (-0.1%) over the previous year. Although most of the employment segments continue to recover from the recession, the number of jobs available in the area continue to lag employment figures registered before the storm in 2005 (Figure 1).

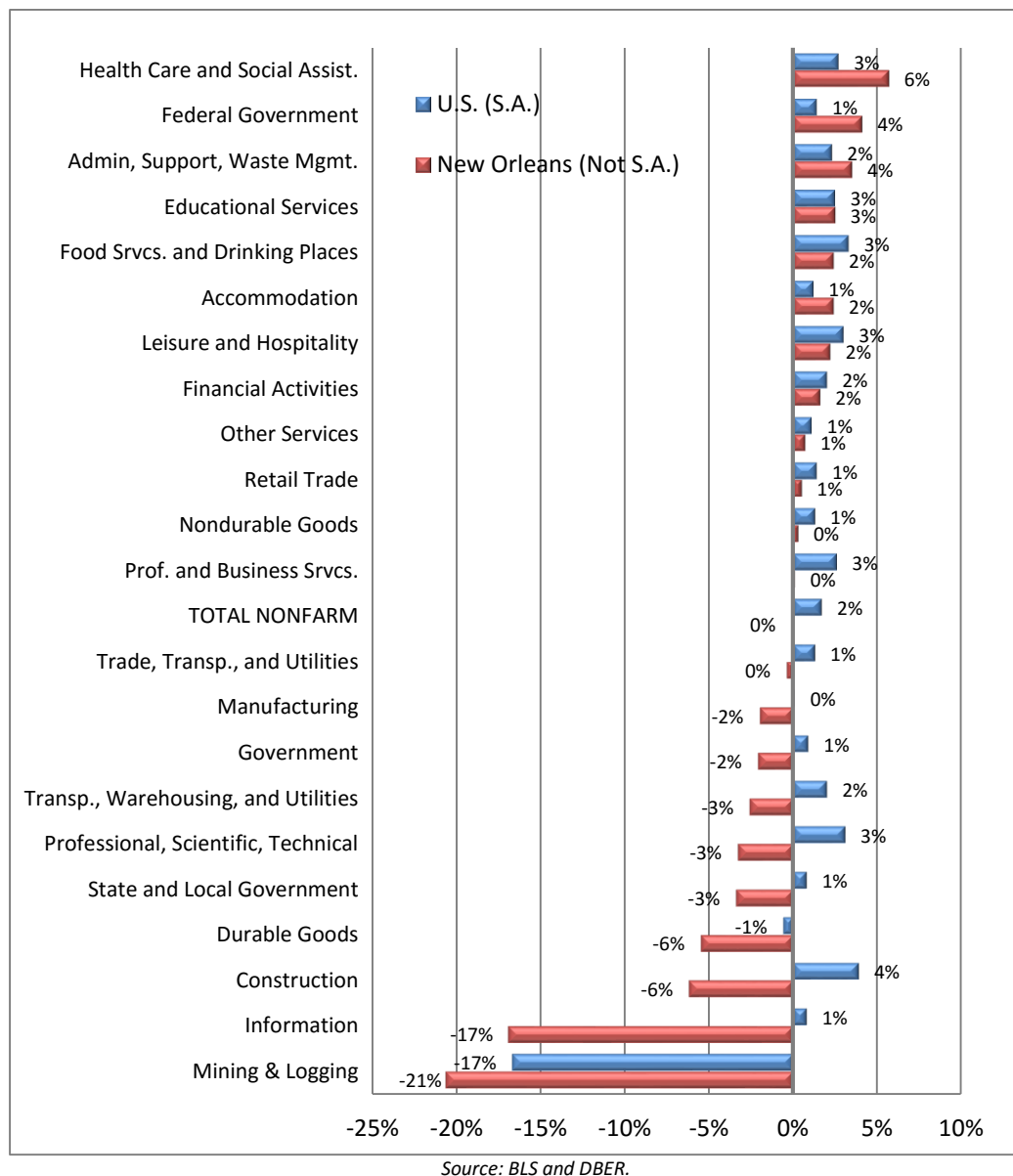
**Figure 2: Unemployment Rate - New Orleans MSA vs. U.S.  
Quarterly (%)**



Source: BLS and DBER

- After spiking in late 2014, unemployment in the New Orleans area had been declining, reaching a low of 5.1% in Q4 2015. However, the local unemployment rate has remained volatile since then and continues to exceed the national average. By last quarter of 2016, the national rate was 4.7%, down from 5.0% during the Q4 2015. The New Orleans metro area rate was 5.1%, on par with the rate recorded in the same quarter last year (Figure 2).

**Figure 3: Employment Growth - New Orleans MSA vs. U.S.**  
**2015 FY over 2016 FY (%)**



- Between 2015 and 2016, the U.S. employment had an overall growth of 1.7%, while the New Orleans metropolitan area experienced a slight decrease of -0.1% (Figure 3). The most significant job losses in the New Orleans area in terms of growth rate were observed in Mining and Logging (-20.6%), Information (-16.9%), Construction (-6.2%), and Durable Goods (-5.5%). The U.S. as a whole had an increase on Information (0.8%) and Construction (3.9%), while it had a decrease on Mining and Logging (-16.7%) and Durable Goods (-0.6%).
- Employment growth in the local area outpaced national growth in several sectors, including Health Care and Social Assistance (5.7% vs. 2.7%), Federal Government (4.1% vs. 1.4%), Administrative, Support and Waste Management (3.5% vs. 2.3%), and Accommodation (2.4% vs. 1.2%).

Table 2: New Orleans MSA Economic Indicators – Quarterly Actuals, 2015:4 – 2016:4

Economic Indicators	2015:4	2016:1	2016:2	2016:3	2016:4	2016:3 to 2016:4	2015:4 to 2016:4	2015FY to 2016FY
						Percent Change <sup>6</sup>		
Crude Oil Price (\$ per barrel)	41.95	33.18	45.41	44.85	49.14	9.6	17.1	-11.4
Foreign Trade (Thou short tons)	8,384	8,812	8,342	8,309	8,384	0.9	0.0	0.8
Imports (Thou short tons)	3,081	3,735	3,934	3,827	3,081	-19.5	0.0	-2.9
Exports (Thou short tons)	5,304	5,077	4,408	4,482	5,304	18.3	0.0	3.8
Air Freight Cargo (Short tons)	11,594	11,618	4,106	13,799	13,995	1.4	20.7	-2.0
Hotel Room Sales (\$Mill) <sup>1</sup>	271.4	270.1	387.6	315.8	280.5	-11.2	3.4	-0.2
Convention Room Nights (Thou)	267	313	458	287	281	-2.3	5.2	0.0
Passenger Deplanements (Thou) <sup>7</sup>	1,382	1,338	1,482	1,286	1,453	13.0	5.2	4.3
Airport Capacity (Avg. Daily Seats)	18,202	18,397	19,059	17,241	18,911	9.7	3.9	3.4
Casino Admissions (Thou)	1,773	1,775	1,701	1,732	1,658	-4.3	-6.5	-6.5
Total Gambling Revenues (\$Mill)	126.1	128.1	124.0	121.8	122.4	0.5	-3.0	-6.8
Riverboat Casino Revenues (\$Mill)	54.8	56.0	56.7	56.5	54.4	-3.8	-0.8	-0.5
Harrah's Casino Revenues (\$Mill)	71.3	72.1	67.3	65.3	68.0	4.2	-4.6	-11.3
Construction Contracts (\$Mill) <sup>2</sup>	433.1	1,033.0	1,488.5	315.7	361.1	14.4	-16.6	92.6
Residential (\$Mill)	163.3	189.5	495.5	186.9	148.4	-20.6	-9.1	45.8
Non-Residential (\$Mill)	269.8	843.5	993.0	128.8	212.7	65.1	-21.2	126.7
Construction Contracts Non-Building (\$Mill) <sup>2</sup>	67.8	42.7	38.3	211.8	47.7	-77.5	-29.7	44.0
Construction Contracts in Progress (\$Mill) <sup>2</sup>	1,799	2,513	3,645	3,558	3,417	-4.0	89.9	83.7
Residential (\$Mill)	532	553	848	872	831	-4.7	56.3	41.3
Non-Residential (\$Mill)	1,268	1,960	2,797	2,686	2,586	-3.7	104.0	102.5
Construction Contracts in Progress Non-Building (\$Mill) <sup>2</sup>	1,946	1,879	1,634	1,957	1,731	-11.6	-11.1	-27.6
Housing Starts <sup>2</sup>	863	950	798	279	566	102.9	-34.4	-7.6
Foreclosures	422	453	392	338	292	-13.7	-30.8	-23.2
Bankruptcies (LA)	821	737	830	860	732	-14.9	-10.8	-5.3

1 – Hotel sales include Orleans and Jefferson parishes only.

2 – Construction figures are supplied by McGraw Hill Construction, Dodge.

3 – Population figures were revised for 2010 Census data released in April 2011 and Census Intercensal Estimates released in April 2017. Quarterly figures are a combination of data produced by U.S. Department of Census and DBER estimates using data from the Greater New Orleans Community Data Center.

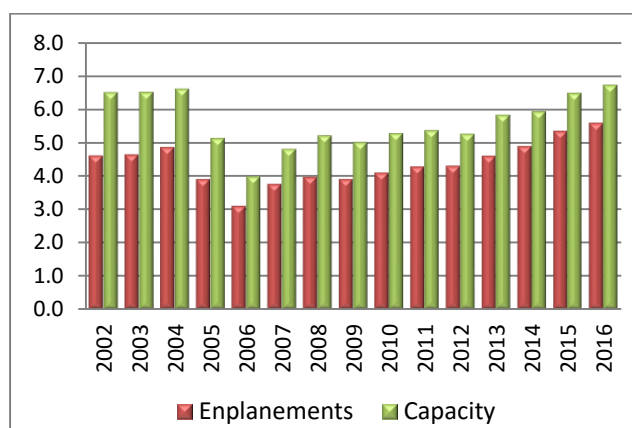
4 – Per capita personal income was revised to include Census Intercensal Estimates figures released in April 2017.

5 – Motor vehicle sales are for all 7 parishes.

6 – Percent changes may not be exact due to rounding.

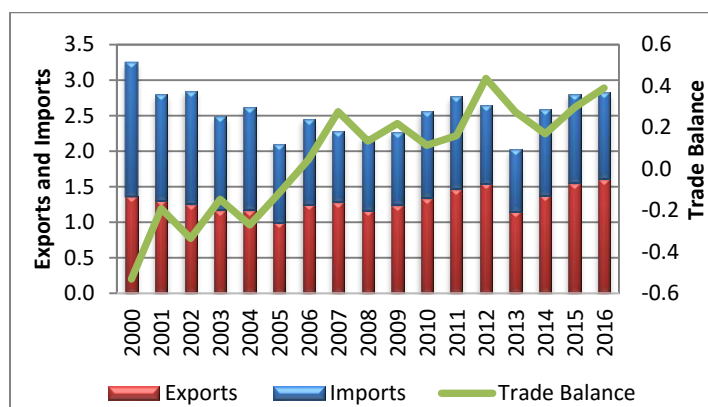
7 – Due to lag in data, figures are preliminary estimates.

- Table 2 includes additional economic indicators for the New Orleans metro area. Overall, estimates indicate that the area has stabilized in terms of growth, with some indicators increasing, while others presented an overall decrease.

**Figure 4: Airport Activity - New Orleans MSA Annually (Millions)**

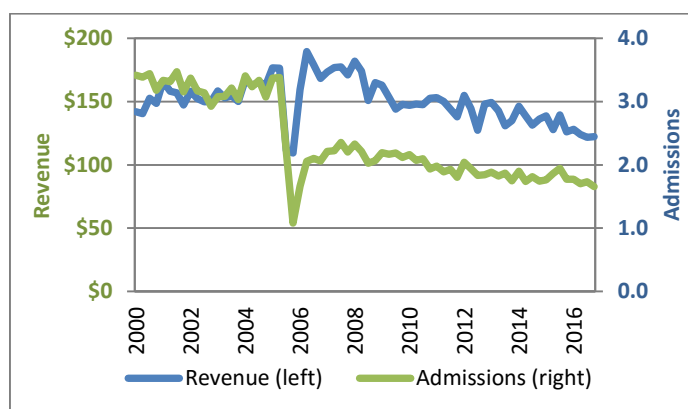
Source: Louis Armstrong International Airport (MSY), Bureau of Transportation Statistics (BTS).

- Airport traffic has continued on an overall upward trend for both passengers and capacity (Figure 4). Quarterly traffic exceeded pre-Katrina figures for the first time in Q2 2015 and reached new records in 2016. The increase in passenger activity suggests that more visitors are arriving to the metro area, and that more travel is being consumed by local residents. Airport capacity also surpassed 2004 figures during 2016, adding nearly 600 average daily airplane seats over the past year.

**Figure 5: Port Cargo - New Orleans  
Monthly Average (Millions of Short Tons)**

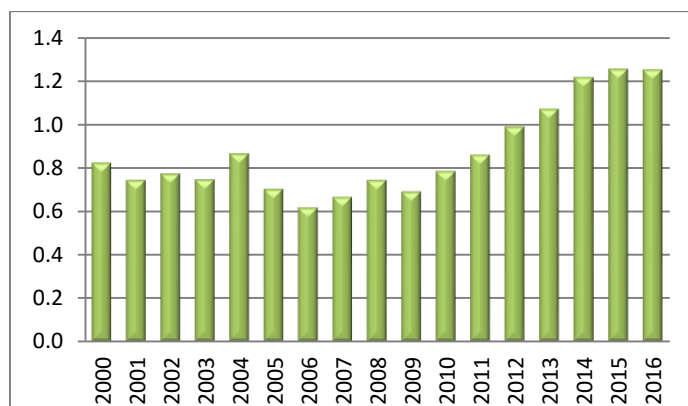
Source: Port of New Orleans

- After reaching a post-Katrina low in 2013, foreign trade tonnage at the Port of New Orleans has climbed in recent years. Estimates show a modest 0.8% increase in overall port tonnage between 2015 and 2016, with a 3.8% increase in exports being balanced by a 2.9% decrease in imports. These trade indicators continue to display a lot of volatility. The trade balance reached a high of 2.2 million short tons in both Q4 of 2015 and 2016 (Figure 5).

**Figure 6: Casino Activity - New Orleans MSA Quarterly (Millions)**

Source: Louisiana Gaming Commission

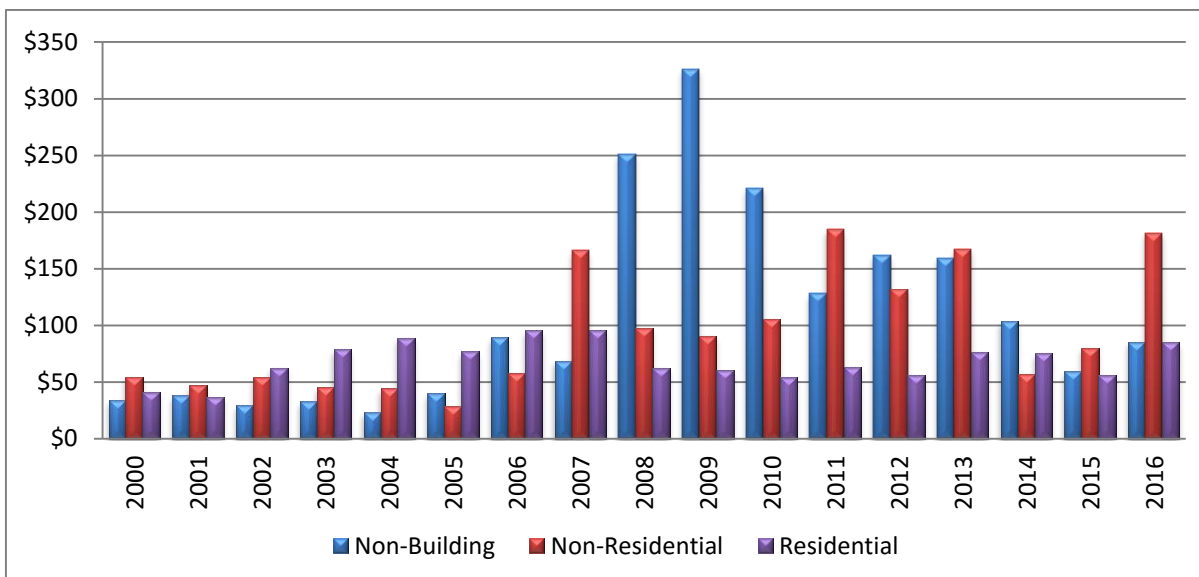
- Admissions and revenues at casinos continued to weaken in 2016. These trends began immediately after Katrina and have continued since then (Figure 6). Admissions decreased by 6.5% over the previous year, and by 4.3% over the most recent quarter. While declining admissions have contributed to declining revenues, the annual decrease in casino spending was slightly higher than admissions (-6.8%).

**Figure 7: Hotel Taxable Sales - Orleans and Jefferson Parishes Annually (Billions)**

Source: Louisiana Department of Revenue.

- With an increasing number of out-of-town visitors who are willing to spend more money every year, hotels have experienced a solid growth in room sales over the last decade. Room sales have been increasing yearly since 2006. In 2006, room sales totaled nearly \$0.6 billion, while in 2014 this amount almost doubled, reaching \$1.2 billion. In 2016, hotel sales were at approximately \$1.3 billion, a slight decrease (-0.2%) over 2015 estimates (Figure 7).

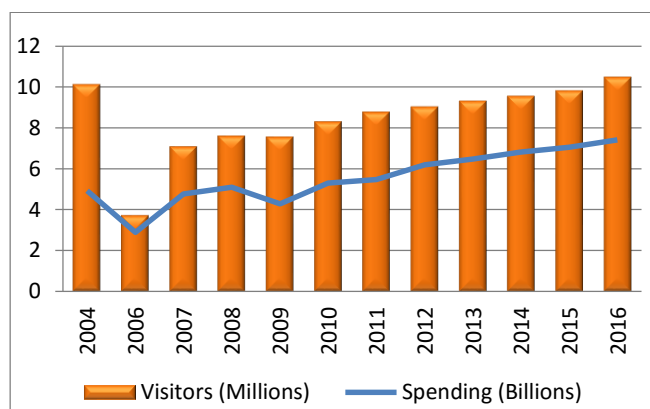
**Figure 8: Construction Contracts - New Orleans MSA**  
**Monthly Averages (Millions)**



Source: McGraw Hill Construction, Dodge.

- All types of construction increased substantially over the spending in the last two years. Between 2015 and 2016, residential construction increased by 46%, while non-residential grew significantly by 127%. Similarly, non-building construction gained 44% in activity. Spending activity in 2016 paralleled that of 2007 (Figure 8).

**Figure 9: Visitation and Spending - New Orleans MSA Annually**

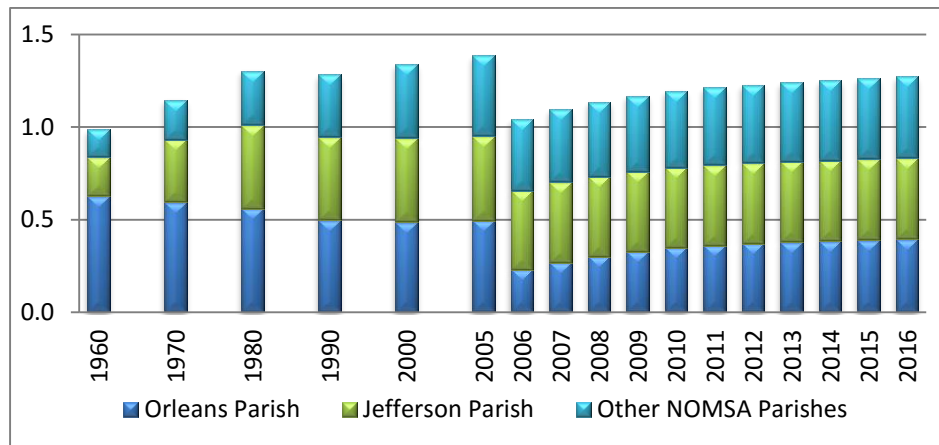


Source: Hospitality Research Center (HRC)  
 Before 2012, spending estimates exclude gambling.

- During 2016, nearly 10.45 million visitors came to the New Orleans area, representing a 7% increase over the 9.78 million visitors in 2015. Visitor spending, including gambling, reached \$7.41 billion, an increase of 5% over the \$7.05 billion in the previous year. (Figure 9).



**Figure 10: Population - New Orleans MSA  
Annually (Millions)**



*Source: U.S. Census, Greater New Orleans Community Data Center, and DBER.*

- Over the last six years, population in the MSA area has grown modestly at a rate of about 1% annually has stabilized. Most recent 2016 estimates indicate that population increased by 0.8% compared 2015. With nearly 1.3 million residents, the current population is at 92% of the pre-Katrina population. Current population estimates are comparable to the figures recorded during 1990 (Figure 10).