



METRO ATLANTA

Georgia job machine churns out better-than-average May

Treasury Secretary Janet Yellen says the nation's economy is 'in very good shape'



Paul Noble, the founder of Verusen, gets a high five from Jeff Wilson during an afternoon meeting at their Atlanta headquarters several years ago. The company markets AI-driven software used in making supply chains more efficient. STEVE SCHAEFER / SPECIAL TO THE AJC

By Michael E. Kanell

June 20, 2024



Georgia last month added 9,200 jobs — a better-than-average May — as the economy churned ahead through the headwinds of higher interest rates, the Georgia Department of Labor said Thursday.

During the past 12 months, Georgia has added 73,900 jobs, the largest boost coming from hospitality, health care, social assistance and retail, as well as local government: teachers, firefighters and police.

The expansion has been slowing and some experts are worried that growth did not include some of the highest-paying parts of the economy.

But U.S. Treasury Secretary Janet Yellen, in Atlanta Thursday for several meetings, said she's not concerned.

"I think the economy is in very good shape," Yellen told The Atlanta Journal-Constitution. We recovered from a deep downturn, with very rapid growth as we dug ourselves out of the hole. You would expect that growth to moderate as you got close to full employment and I think that is what has been happening."

State Labor Commissioner Bruce Thompson also had a positive outlook on the state's job picture.

"Despite national economic challenges and inflation, Georgia's businesses are stepping up and creating more opportunities," Thompson said.

The overall picture was good as the state's unemployment rate ticked up from 3.1% in April to 3.2%, still a historically low figure. Unemployment only counts people who are jobless but actively seeking work. And the rate's modest increase echoed growth in the workforce, a sign that people are encouraged enough to search for jobs.

The share of Georgians in the labor force rose one-tenth of a percent last month to 61.6%.

"Health care has been a big part of that," said Mark Vitner, chief economist for [Piedmont Crescent Capital](#). "That has taken longer than some other sectors to recover from the pandemic and they still have a lot of catch-up to do."

The state's unemployment rate has been at 4% or lower for 36 consecutive months, lower than its pre-pandemic record at the end of the late 1990s boom. The rate has been lower than the national rate since February 2020.

Among the factors moving the needle is artificial intelligence, which has both added and cut jobs, Vitner said. "Administrative and support services in offices are really taking it on the chin. But AI is really a benefit with logistics, getting products to the right place at the right time."

Among those playing that role is [Verusen](#), an Atlanta-based tech company that makes AI-enhanced software that helps large companies manage their supply chains more efficiently. The company, which has about 50 employees, is hiring — they need experienced software architects and data engineers, said [Addy Robinson](#), head of the company's people operations.

“We are hiring more on the tech side right now,” she said.

Global companies need to manage inventories and materials whether the economy is robust or not, she said.

The state's economic expansion has continued despite a prolonged rate-hiking campaign by the Federal Reserve that has raised the cost of business and consumer borrowing.

The Federal Reserve started aggressively lifting interest rates in 2022, aiming to tame inflation by slowing the economy. Most previous campaigns have ended in a downturn and indeed, a year ago, most experts were predicting recession.

Yet the economy has kept growing and employers have kept hiring — not that higher rates haven't had an impact.

In April 2022, Georgia jobs were growing at more than a 5%-a-year clip. Now, the pace is less than one-third of that. The number of job openings in the state has fallen by about one-third in the past year, according to [the Bureau of Labor Statistics](#).

But in both good times and bad, there is job churn as some firms add positions and others cut.

On the recent upside, global food producer [Cargill](#) announced this week that it plans to open a new office in Atlanta that would add 400 jobs, many in tech and engineering.

But among layoff plans [reported to the government](#) in recent weeks were those by Walmart, which is closing a 295-worker Dunwoody store and a 92-employee Marietta facility, ZF Active Safety, which is shuttering a 365-worker operation in Flowery Branch and Riverpoint Medical, which is laying off 110 workers in Norcross.

Neither the announced plans to hire, nor [those cuts](#) will be included in [jobs data](#) until later in the summer.

About 5,100 Georgians filed an initial jobless claim last week, according to the Employment and Training Administration. That is up from the week before, but it is still fewer than during the same week pre-pandemic.

And while hiring has continued and layoffs muted, growth is less broad than it was a year ago, said Rajeev Dhawan, director of the Economic Forecasting Center at Georgia State University.

Much of the expansion — like in health care and hospitality — has been “downstream,” he said during a conference for MarketN Insight. “This is a white-collar, middle-management job compression. Good-paying jobs are down.”

When growth is narrower and less energetic, it typically means less generous raises. Workers who do get laid off must search longer to find another position.

Slower growth also hurts some of the groups that benefited most from the rapid growth of 2022 and 2023, like ethnic and racial minorities, less-educated workers and those with disabilities, said Marisa Calderon, chief executive of Prosperity Now, a research and advocacy group that favors more equitable growth.

“The gap between Black and white unemployment is historically 2-to-1,” she said. “So, the thing to look for is, what kind of jobs are being brought to Atlanta and Georgia? Are they jobs that will bring people from elsewhere or is there growth and opportunity for the community?”

Georgia job change, May

Best, pre-pandemic: 21,300 (2015)

Worst, pre-pandemic: -13,100 (2009)

Average, pre-pandemic: 6,500

Recent: 9,200 (2024)

Georgia jobs, year over year

Past 12 months (through May 2024): 73,900

Previous 12 months (through May 2023): 98,500

Prior 12 months (through May 2022): 244,300

Preceding 12 months (through May 2021): 358,600*

Georgia unemployment rate, May

Best, pre-pandemic: 3.7% (2001)

Worst, pre-pandemic: 10.6% (2010)

Average, pre-pandemic: 6.0%

Recent: 3.2% (2024)

Share of working-age Georgians in labor force

Highest, pre-pandemic: 69.3% (Dec. 1998)

Lowest, pre-pandemic: 60.7% (Jan. 2016)

Lowest, pandemic: 59.5% (Sept. 2020)

Pre-pandemic: 62.9% (May, 2019)

Recent: 61.6% (May 2024)

Change in number of people in Georgia work force

Highest, pre-pandemic: 37,069 (2016)

Lowest, pre-pandemic: -5,170 (2010)

Average, pre-pandemic: 6,578

Recent: 18,768 (2024)

Unemployment rate, nationally, May 2024

Overall: 4.0%

White: 3.5%

Black: 6.1%

Latino: 5.0%

*Includes COVID re-hiring

Sources: Georgia Department of Labor, Bureau of Labor Statistics

About the Author



Michael E. Kanell



Michael E. Kanell, the AJC's economics writer, has been reporting on jobs, housing and the economy at the AJC for nearly two decades. He has appeared on television and radio to analyze and report on business and economic developments.

Editors' Picks

