



Pennsylvania Economy League
of Greater Pittsburgh

An affiliate of the Allegheny Conference

Pittsburgh Region Employment Update November 2021

Released January 3, 2022

Key Findings

NOTE: The Monthly Employment Update uses the U.S. Bureau of Labor Statistics' Current Employment Statistics (CES) data series as its primary source. While it offers the advantage of providing current monthly data, as an employer-based survey, it is also subject to revision as additional information is collected in subsequent surveys.

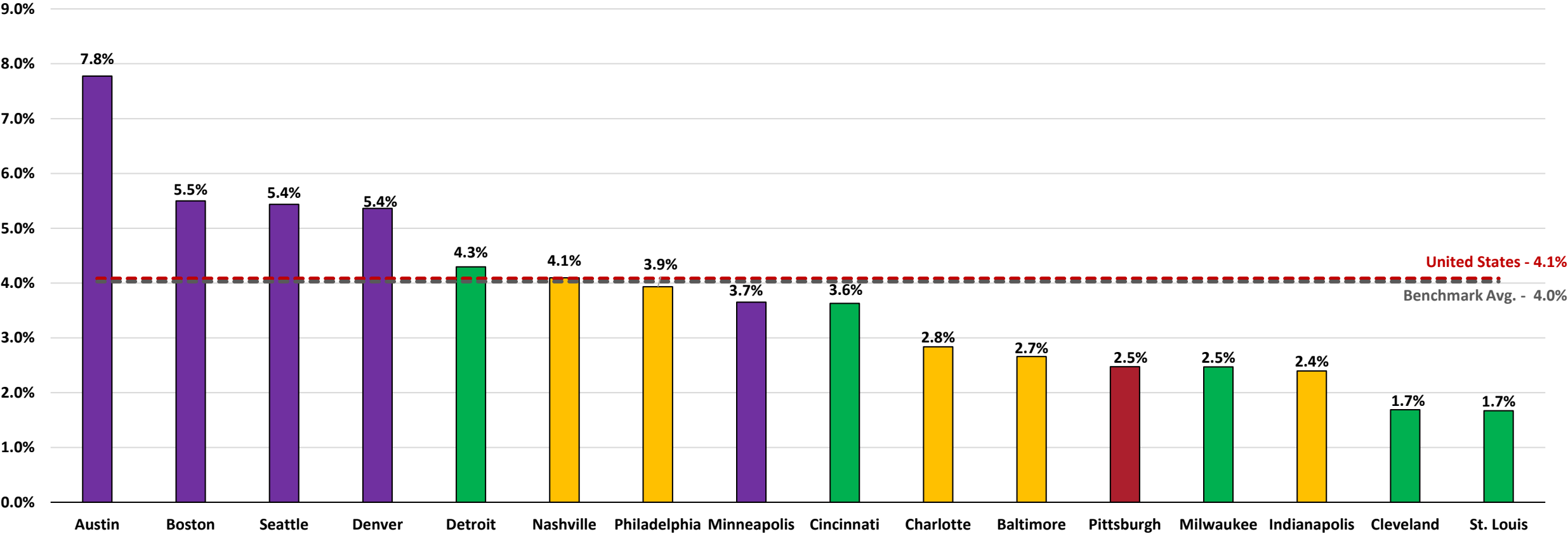
- The Pittsburgh MSA had a 2.5% increase in employment between November 2020 and November 2021 as the region gained 27,500 jobs. For the third consecutive month, the region ranked 12th among the benchmark regions. Pittsburgh did outperform three of its five peer benchmark regions, however.
- Employment in the Pittsburgh MSA is 94.4% of what it was two years ago, trailing all benchmark regions along with the Benchmark and National averages. This is the sixth consecutive month employment hovered around the 94% level after slowly climbing through the spring.
- The shortfall between the region's year-over-year change in employment and the national and benchmark rates has steadily increased since late spring.
- The Construction industry in the Pittsburgh MSA continues to significantly outperform the nation. Information and Utilities also had an above average year-over-year employment increase. While most other industries showed increased employment over November 2020, several reported losses including Mining & Logging, Wholesale Trade, Transportation and Warehousing and Financial Activities.
- Construction, Utilities and Information are the only the industries in the Pittsburgh MSA to have regained a higher proportion of employment than the nation compared to November 2019. Eight of the fifteen industries are within five percentage points of comparable month pre-pandemic employment levels. The biggest laggards continue to be Leisure and Hospitality and Other Services which were disproportionately impact by the pandemic, Mining and Logging which is impacted by broader market conditions, and Wholesale Trade which has been mired in a long-term decline that predates the pandemic.

Key Findings (cont'd)

- Month-to-month employment in the region has largely stabilized among the major industries since spring with most of the movement largely being driven by traditional seasonal patterns in recent months. Construction has dropped since August, Leisure and Hospitality entered its traditional seasonal contraction in November, while Retail saw its traditional increase for the holidays.
- Leisure and Hospitality underwent its traditional seasonal contraction in November driven by decreases in Arts, Entertainment and Recreation and Accommodations, while Food Services and Drinking Places remained steady. The month-to-month change in Arts, Entertainment and Recreation and Accommodation dropped at a steeper rate than the nation, while Food Services and Drinking Places kept pace with the U.S. albeit at a lower level.
- Overall, Leisure and Hospitality employment in the Pittsburgh MSA has continued to close the gap with historic numbers despite its seasonal contraction in November. The Arts, Entertainment and Recreation sector is the only component of Leisure and Hospitality that has returned to pre-pandemic employment levels with November employment tracking with historical trends. Accommodations experienced a steeper drop in November employment than historic trends would indicate and remains the weakest component of Leisure and Hospitality. Food Services and Drinking Places, the largest and least seasonal sector, also continued to close the gap with historic employment levels.
- ***Outlook – The region continues to slowly add employment and is creeping closer to pre-pandemic employment levels, but has remained at close to 94% of 2019 levels for six consecutive months. Much of the movement among the industries continues to be its historic seasonal patterns. Month-to-month employment fell in Construction, while the coming holidays drove an increase in Retail employment. Much of the continuing employment shortfall is due to Leisure and Hospitality, Other Services, Mining and Logging and Wholesale Trade. These sectors will drive the continuing rebound, although long term trends in Mining and Logging and Wholesale Trade that predate the pandemic mean that their contribution will likely be limited.***

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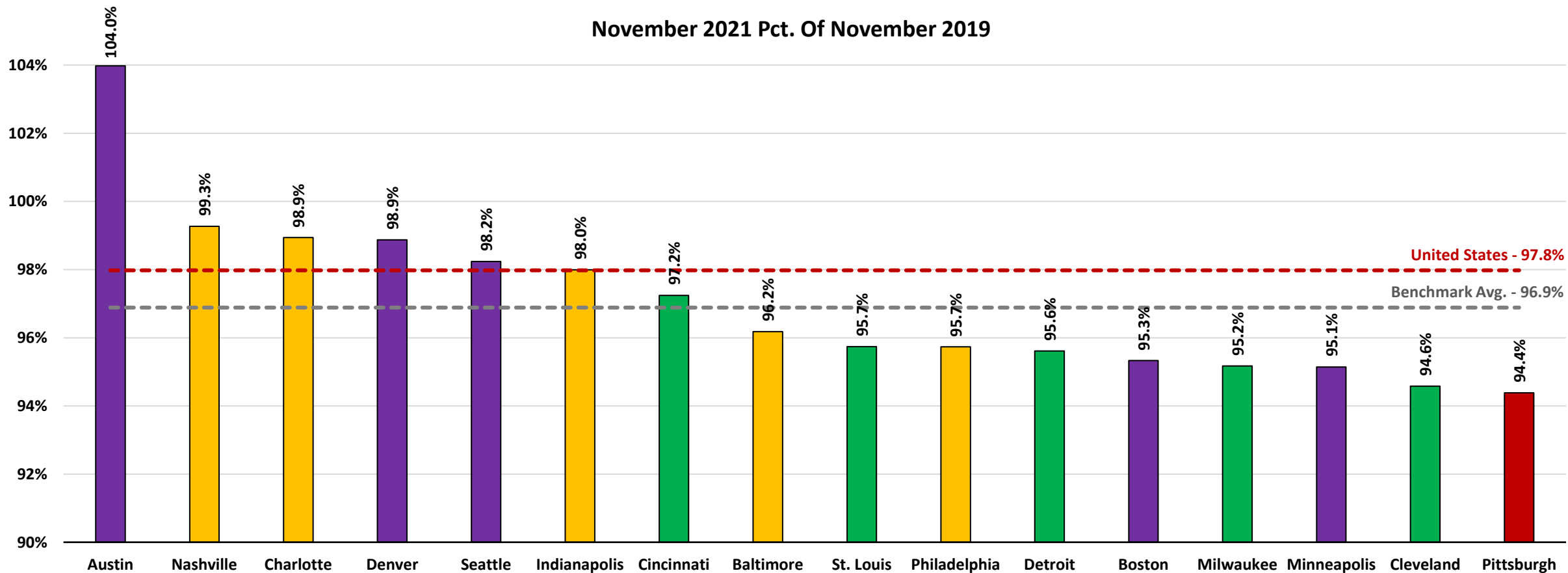
Employment Change - November 2020 to November 2021



Green=Peer Markets
Purple=Aspirational Markets
Orange=Competitive Markets

Source: BLS Current Employment Statistics, November 2021, preliminary

Employment in the Pittsburgh MSA is 94.4% of what it was two years ago, trailing all benchmark regions along with the Benchmark and National averages. This is the sixth consecutive month employment hovered around the 94% level after slowly climbing through the spring. Austin, Nashville's, Charlotte, Denver, Seattle and Indianapolis all outperformed the nation in employment recovery. Not surprisingly, they also rank among the fastest growing benchmark metros.



Green=Peer Markets

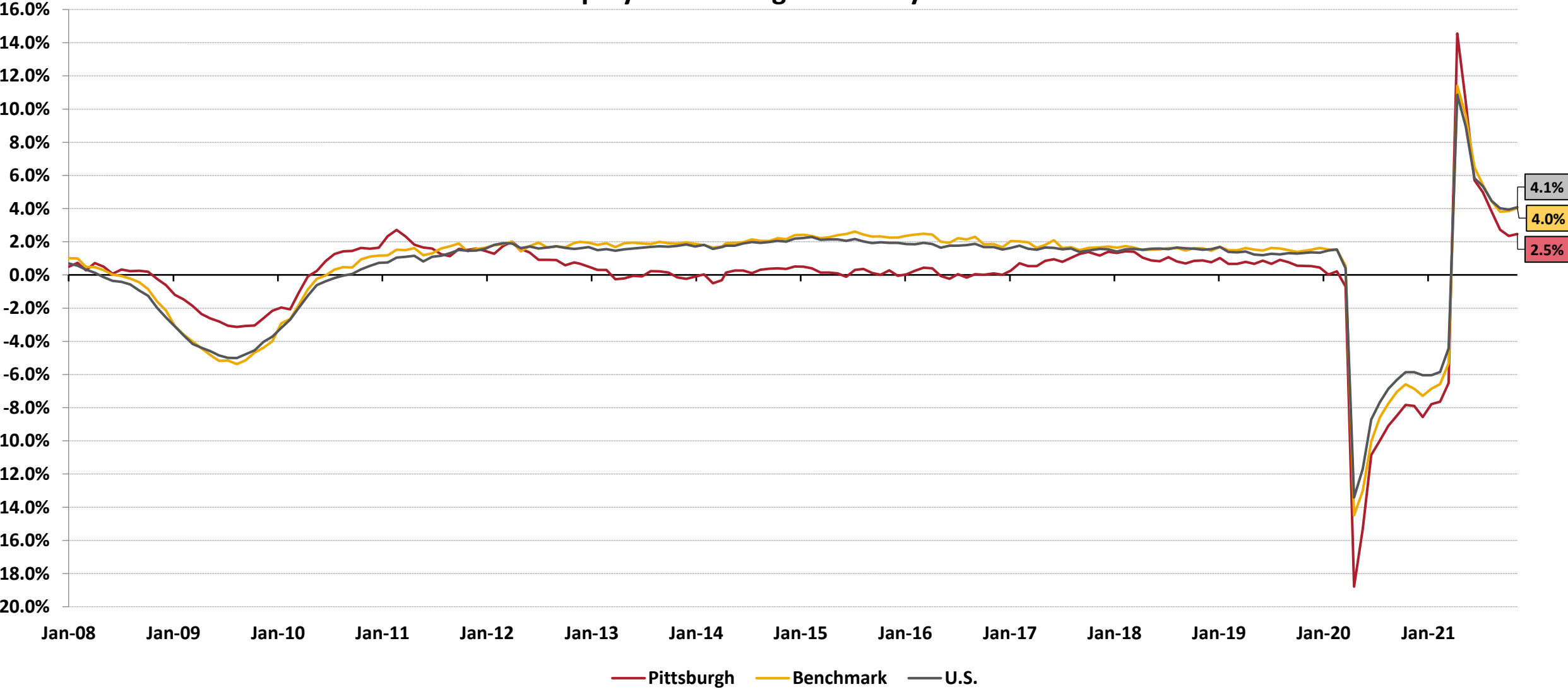
Purple=Aspirational Markets

Orange=Competitive Markets

Source: BLS Current Employment Statistics

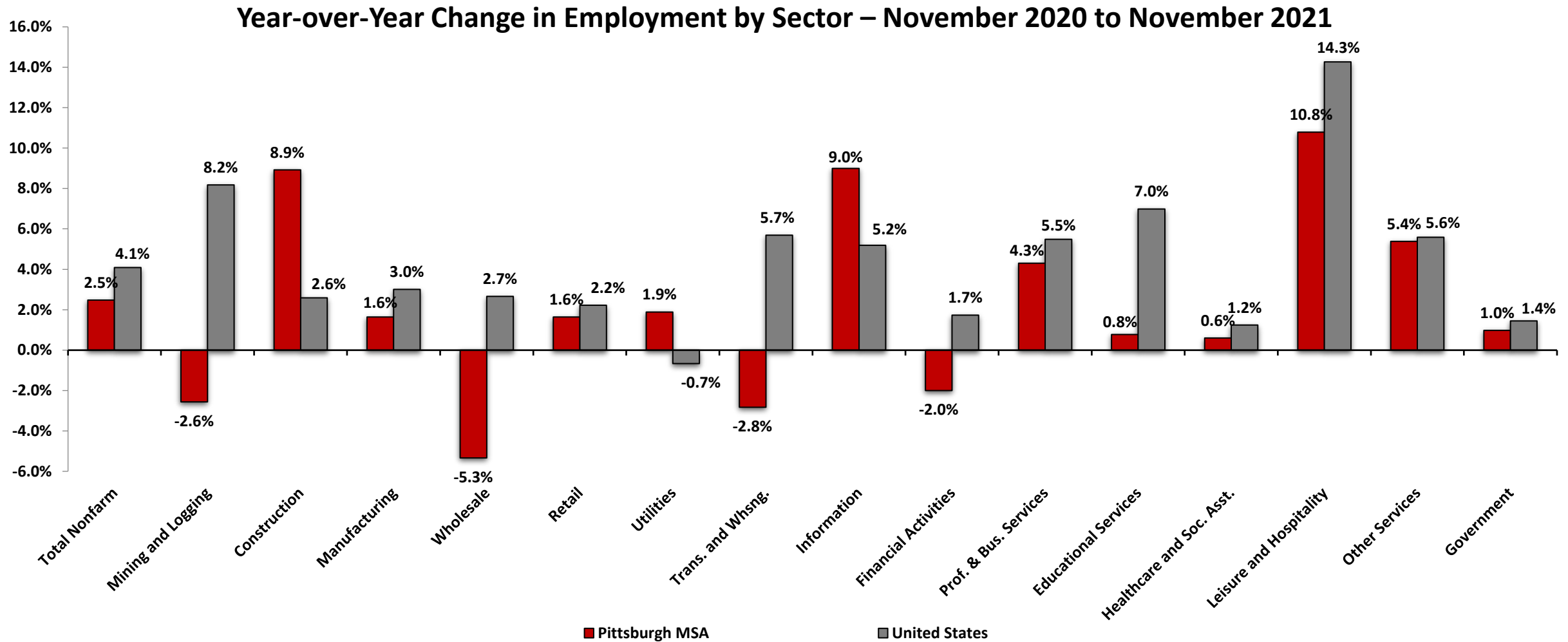
The shortfall between the region's year-over-year change in employment and the national and benchmark rates has steadily increased since late spring.

Year over Year Employment Change - January 2008 to November 2021



Source: BLS Current Employment Statistics

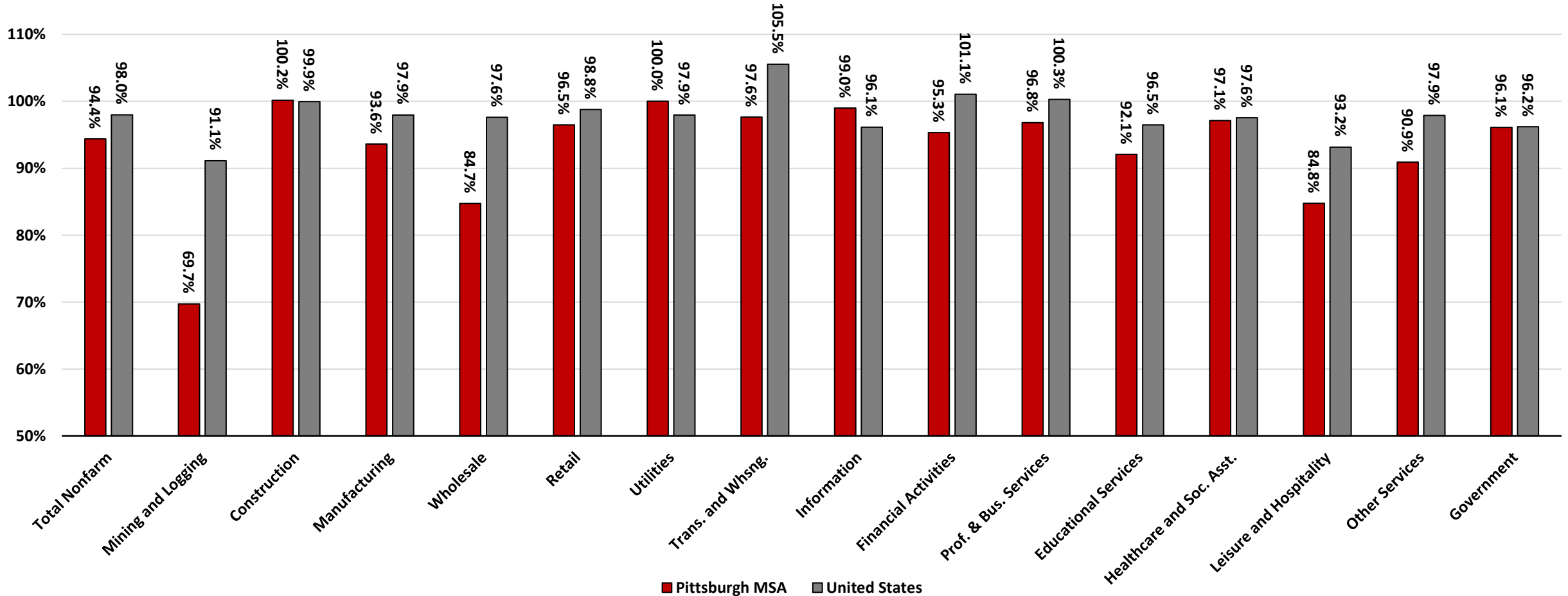
The Construction industry in the Pittsburgh MSA continues to significantly outperform the nation. Information and Utilities also had an above average year-over-year employment increase. While most other industries showed increased employment over November 2020, several reported losses including Mining & Logging, Wholesale Trade, Transportation and Warehousing and Financial Activities.



Source: BLS Current Employment Statistics, November 2021, preliminary

Construction, Utilities and Information are the only the industries in the Pittsburgh MSA to have regained a higher proportion of employment than the nation over November 2019. Eight of the fifteen industries are within five percentage points of comparable month pre-pandemic employment levels. The biggest laggards continue to be Leisure and Hospitality and Other Services which were disproportionately impact by the pandemic, Mining and Logging which is impacted by broader market conditions, and Wholesale Trade which has been mired in a long-term decline that predates the pandemic.

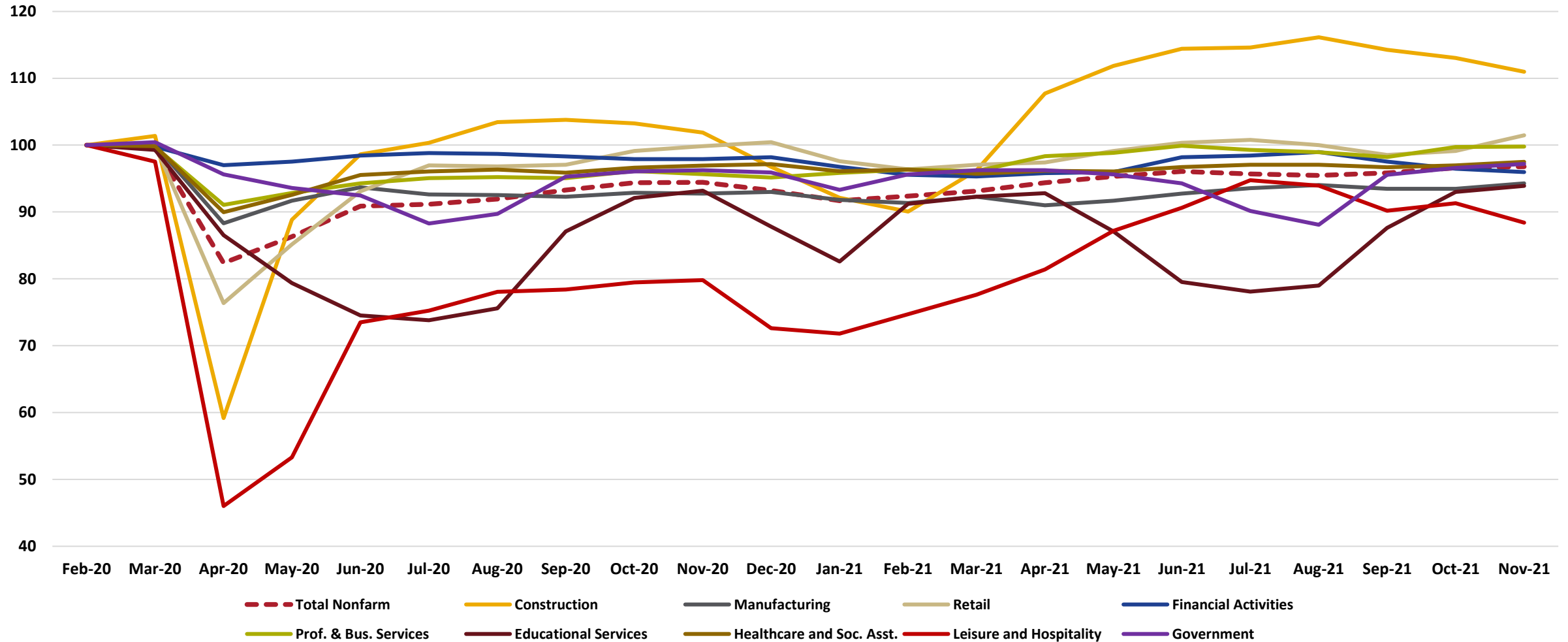
November 2021 Pct. of November 2019 by Industry



Source: BLS Current Employment Statistics

Month-to-month employment in the region has largely stabilized among the major industries since spring with most of the movement largely being driven by traditional seasonal patterns in recent months. Construction has dropped since August, Leisure and Hospitality entered its traditional seasonal contraction in November while Retail saw its traditional increase for the holidays.

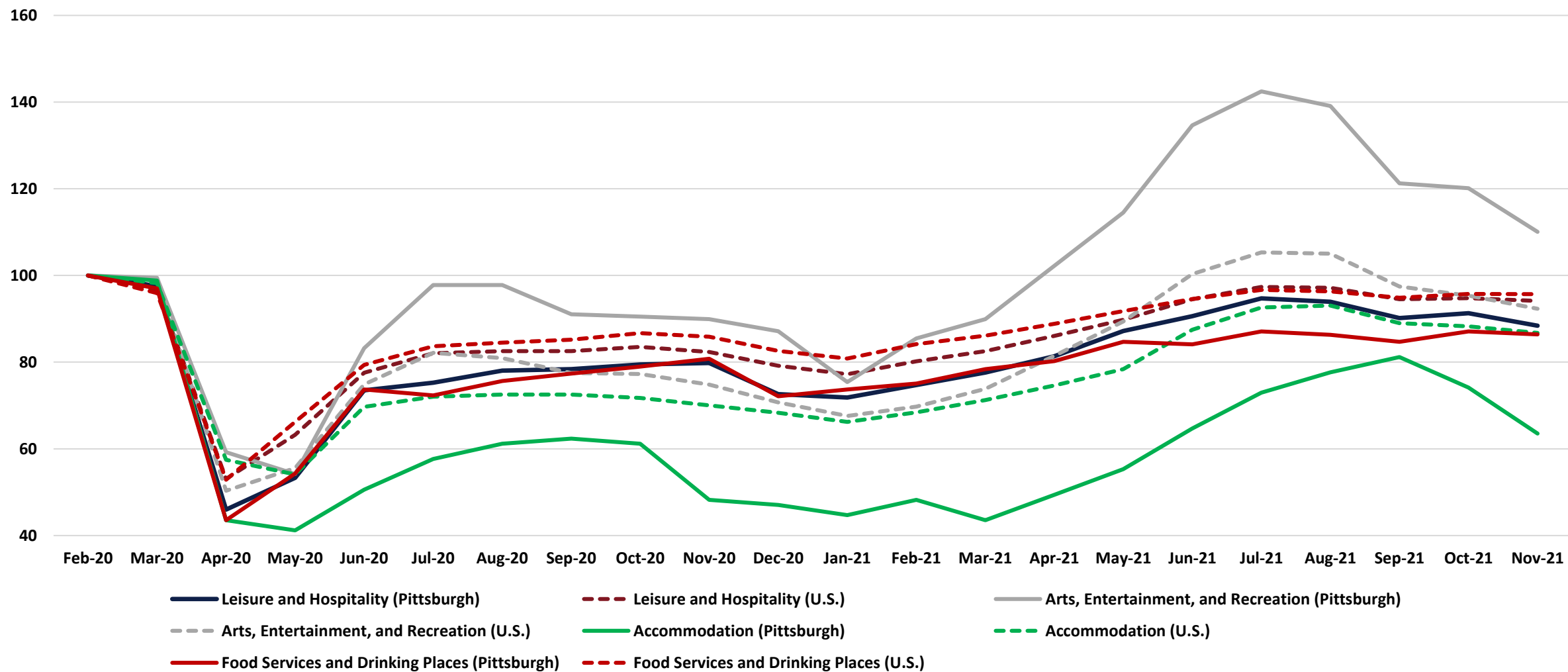
Employment Index - February, 2020 = 100



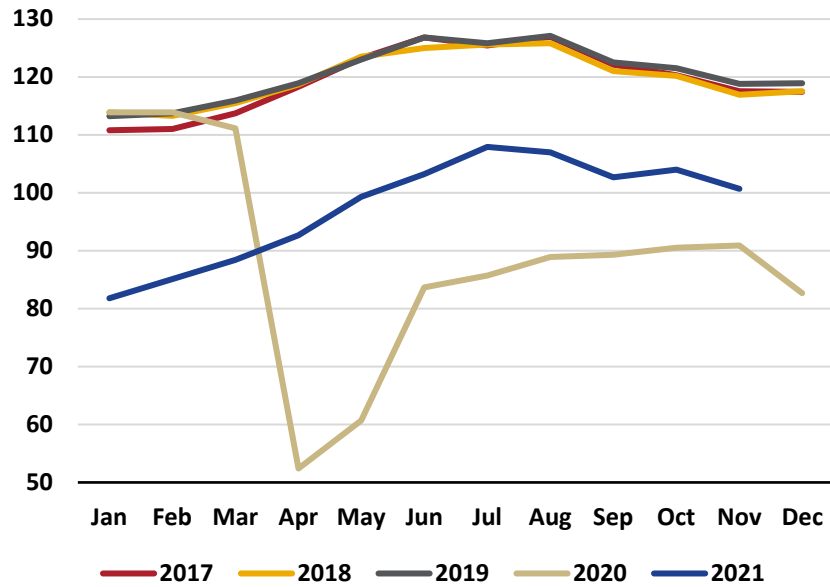
Source: BLS Current Employment Statistics

Leisure and Hospitality underwent its traditional seasonal contraction in November driven by decreases in Arts, Entertainment and Recreation and Accommodations, while Food Services and Drinking Places remained steady. The month-to-month change in Arts, Entertainment and Recreation and Accommodation dropped at a steeper rate than the nation, while Food Services and Drinking Places kept pace with the U.S. albeit at a lower level.

Leisure and Hospitality Employment Index - February, 2020 = 100



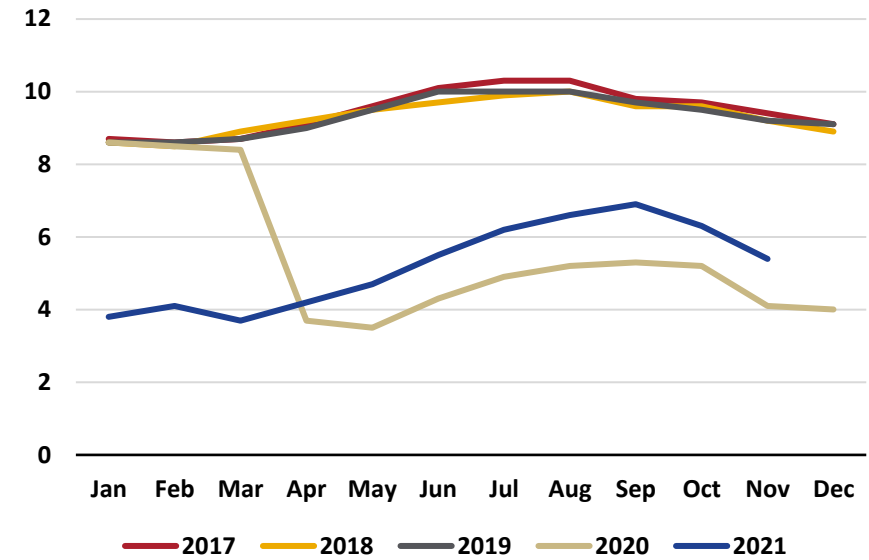
Leisure and Hospitality Employment (000s)



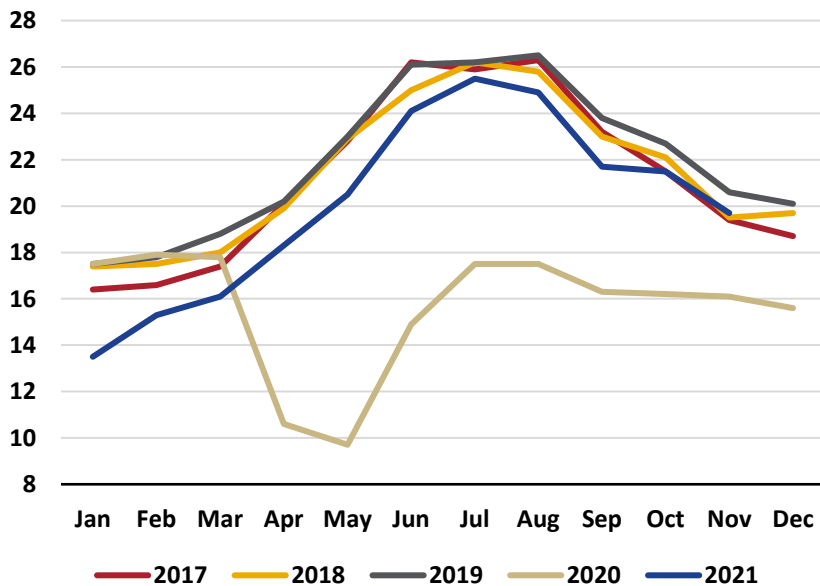
Overall, Leisure and Hospitality employment in the Pittsburgh MSA has continued to close the gap with historic numbers despite its seasonal contraction in November.

Accommodations experienced a steeper drop in November employment than historic trends would indicate. It remains the weakest component of Leisure and Hospitality.

Accommodations Employment (000s)



Arts, Ent. and Rec. Employment (000s)



Despite a seasonal contraction in November, the Arts, Entertainment and Recreation sector is the only component of Leisure and Hospitality that has returned to pre-pandemic employment levels.

Food Services and Drinking Places, the largest and least seasonal sector, also continued to close the gap with historic employment levels. Employment remained steady going into the holiday, consistent with historical trends.

Food Svs. and Drinking Places Employment (000s)

