

# issues in Labor Statistics



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## Recovery After Hurricane Katrina: Employment in the Gulf Coast Area

On August 29, 2005, Hurricane Katrina struck the Gulf Coast of the United States, causing tragic loss of life and catastrophic damage in local communities. The destruction of property and infrastructure resulted in large numbers of workers and their families being displaced. The devastating impact of this storm still resonates in the nation; however, substantial recovery in employment was evident by the third quarter of 2006 in many of the areas most heavily affected by Hurricane Katrina.

The effects of this storm on employment totals in the Quarterly Census of Employment and Wages (QCEW) were first apparent in data for September 2005. In the Gulf Coast, Hurricane Katrina caused the most extensive job losses in

two large parishes in Louisiana—Jefferson and Orleans—and one large county in Mississippi—Harrison. In addition to these areas, three parishes and two counties also suffered significant employment losses as a result of the storm: Plaquemines, St. Bernard, and St. Tammany Parishes in Louisiana, and Hancock and Jackson Counties in Mississippi. These eight areas were heavily affected by Hurricane Katrina and sustained the largest job losses within the Gulf Coast region. The destruction from high winds, storm surges, and flooding contributed to their combined loss of 127,900 jobs between August 2005 and August 2006. Damage in the Mississippi counties was largely due to hurricane-related winds and storm surges. In the Louisiana

parishes, damage was primarily from flooding, especially in Jefferson, Orleans, and St. Bernard. One year after the storm, the combined employment level in these eight communities recovered to 82 percent of the pre-Katrina level.

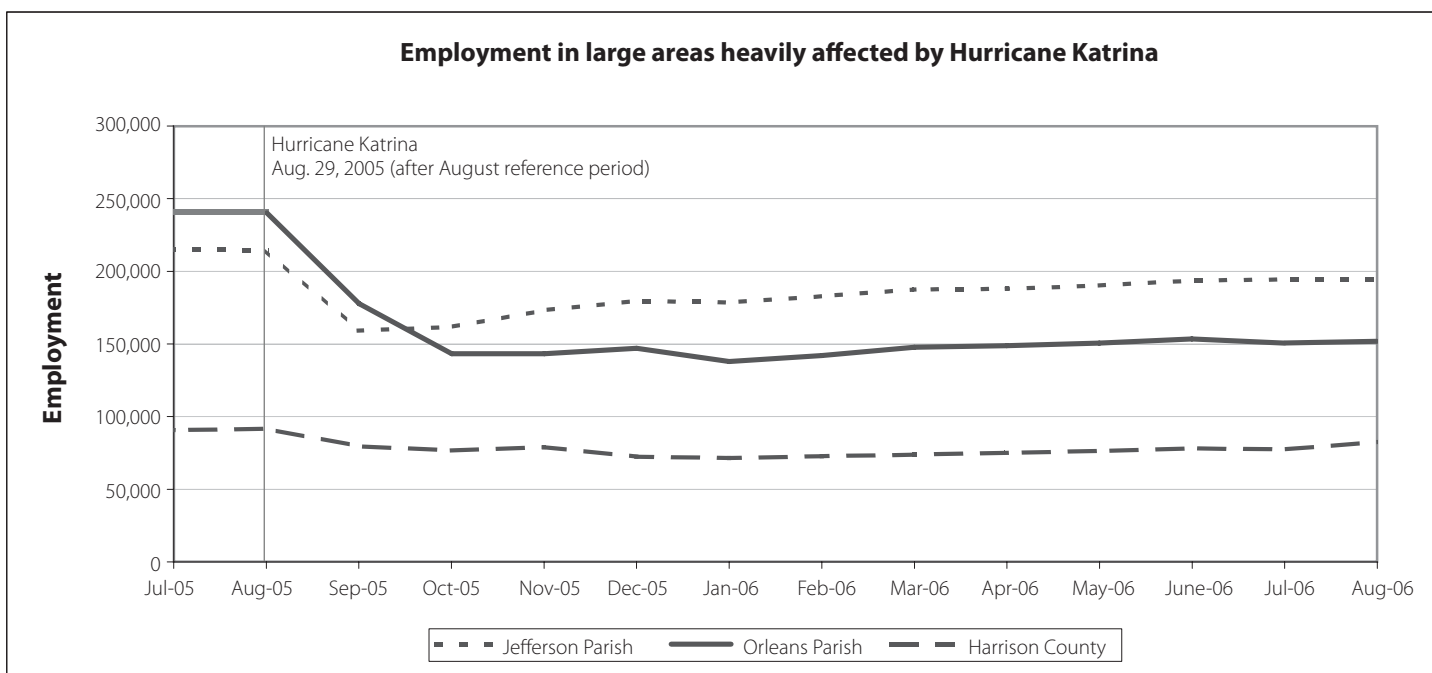
Among the three large areas, the recovery of jobs has been weakest in Orleans Parish, where August employment was down by 88,300 between 2005 and 2006. As of August 2006, employment had recovered to only 63 percent of its pre-Katrina level. Jefferson Parish rebounded more quickly and has experienced a much stronger recovery. As a result, by October 2005, Jefferson replaced Orleans as Louisiana's largest coastal parish and became the second largest parish in the state in terms of employment. In August

2005, the level of employment in Jefferson Parish was only 89 percent of the level in Orleans. A year later, employment in Jefferson was 28 percent greater than in Orleans.

August 2006 employment has recovered to 91 percent of the pre-Katrina level in Jefferson Parish and to 90 percent in Harrison County. Despite their significant recovery following the storm, employment levels in Jefferson Parish and Harrison County remained lower through August 2006; Jefferson was down 19,800 jobs and Harrison was down 8,900.

August employment in the five smaller communities of the Gulf Coast where employment was

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heavily impacted by Hurricane Katrina lost an aggregate 10,900 jobs over the year. Recovery was strong in this combined area, where total employment recovered to 93.4 percent of the pre-Katrina level. St. Tammany Parish, La., experienced a noteworthy recovery, with August 2006 employment growing by 2,200 jobs over the year and exceeding pre-Katrina levels by three percent. St. Bernard Parish, however, lost 9,300 jobs between August 2005 and August 2006, when employment was only 47 percent of the pre-Katrina level. Recovery in St. Bernard, like Orleans, has been considerably hindered by the damage from widespread flooding.

These data were obtained by the Quarterly Census of Employment and Wages in the Bureau of Labor Statistics. Data presented here are for all workers covered by State and Federal unemployment insurance programs. Large counties or parishes refer to those with employment levels of 75,000

**Employment in areas heavily affected by Hurricane Katrina**

Parish/County	August 2005 employment (in thousands)	August 2006 employment (in thousands)	August 2006 employment as percent of pre-Katrina employment	Change in employment, August 2005 to August 2006 (in thousands)
<b>Louisiana Parishes (5)</b>	555.9	439.9	79.1	-116.0
Jefferson	214.3	194.5	90.8	-19.8
Orleans	240.5	152.2	63.3	-88.3
Plaquemines	15.2	14.4	94.7	-0.8
St. Bernard	17.5	8.2	46.9	-9.3
St. Tammany	68.4	70.6	103.2	2.2
<b>Mississippi Counties (3)</b>	154.8	142.9	92.3	-11.9
Hancock	14.2	12.2	85.9	-2.0
Harrison	91.5	82.6	90.3	-8.9
Jackson	49.1	48.1	98.0	-1.0
<b>Total Affected Area (8)</b>	710.7	582.8	82.0	-127.9

or more in 2005. Additional charts are available online at [www.bls.gov/katrina/smallareas.pdf](http://www.bls.gov/katrina/smallareas.pdf). For additional information, contact Robert Viégas, an economist in the Division of Administrative Statis-

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