



May 2019 Labor Market Report - Workforce Solutions Lower Rio

The Texas Workforce Commission (TWC) released the May 2019 Labor Market and Employment reports. The seasonally adjusted national unemployment rate was unchanged at 3.6%. Texas decreased by .2% to 3.5%. Texas has the second-lowest unemployment rate of the ten largest states in the country. Florida has the lowest rate at 3.4%.

Statewide Overview for May: Texas had a net gain of 19,600 nonagricultural jobs in May, and has added 286,300 in the past year (seasonally adjusted). This represents a 2.3% annual employment growth rate. While the Texas unemployment rate has improved steadily, we have noted that the year-over-year job growth rate has begun to decelerate over the past few months.

Goods-Producing employment increased by 2,500 jobs in May, and a total of 76,700 jobs were added in the past twelve months. The Construction sector led this month, with a gain of 3,300 jobs. The Goods-Producing sector has seen a 4.1% growth rate over the past twelve months.

The Service sectors in total gained 17,100 jobs in May and a total of 209,600 jobs in the past year. This sector is growing at a 2.0% annual rate. The Professional & Business Services sector led in May, with an estimated 8,100 employees added.

Regional Unemployment Recap: The May unemployment rates show mixed results at the county and city levels.

Counties:

- Hidalgo County was unchanged at 5.0%
- Cameron County decreased by .1 %, to 4.6%
- Starr County decreased by .2%, to 7.7%
- Willacy County decreased by .3% to 7.7%
- Webb County was unchanged at 3.2%

Cities:

- McAllen had the lowest unemployment rate in the RGV with 3.5%, unchanged from April
- Edinburg was second at 3.7%, unchanged from April
- Harlingen was third at 4.4%, an increase of .1%
- Mission was fourth at 4.6%, an increase of .1%
- Laredo again had the lowest rate in our border region at 3.2%, unchanged from April

The Healthcare sector added the most jobs in May, with a total of 1,500 in the three MSAs combined.

Updated- Historical Record Low Unemployment Rates for Cities and Counties in RGV Region

**Our currently available data for the cities goes back to 2005, but it is likely the rates in the table below are the lows since 1990, since the city rates tend to track the county trends. Brownsville reached a new record low unemployment rate in May, besting their previous low established in April 2019.*

City Level- Record Low Unemployment Rates

| Year | Month | City | Previous Lowest Unemployment Rate | May 2019 Rate |
|------|---------|-------------|-----------------------------------|---------------|
| 2019 | Apr | Brownsville | 4.9 | *4.8 |
| 2019 | Apr | Edinburg | 3.7 | 3.7 |
| 2019 | Apr | Harlingen | 4.3 | 4.4 |
| 2019 | Apr | McAllen | 3.5 | 3.5 |
| 2019 | Apr | Laredo | 3.2 | 3.2 |
| 2019 | Apr | Mission | 4.5 | 4.6 |
| 2008 | Apr | Pharr | 4.6 | 5.3 |
| 2007 | Mar/Oct | San Benito | 4.9 | 4.9 |
| 2019 | Apr | San Juan | 5.4 | 5.6 |
| 2019 | Apr | Weslaco | 4.9 | 5.6 |

County Level- Record Low Unemployment Rates

| Year | Month | County | Previous Lowest Unemployment Rate | May 2019 Rate |
|------|-------|---------|-----------------------------------|---------------|
| 2019 | Apr | Cameron | 4.7 | *4.6 |
| 2019 | Apr | Hidalgo | 5.0 | 5.0 |
| 2019 | Apr | Starr | 7.9 | *7.7 |
| 2007 | Oct | Willacy | 7.0 | 7.7 |
| 2019 | Apr | Webb | 3.2 | 3.2 |

**Our available unemployment data at the county levels goes back to 1990. Cameron and Starr counties notched their lowest unemployment rates recorded since 1990 in May, further improving on their April 2019 record lows.*

Continued Tightening of our Labor Market

Our conversations with the business community continue to validate that recruiting and retaining employees remains a significant challenge. Many businesses, particularly those who are unable to increase their labor rates, are being impacted by this. Many of our business partners are looking for new ways to improve working conditions, lower costs, and improve productivity to remain competitive. Increased labor costs often present opportunities for improving the return on investment for projects that utilize automation, new technology, or process improvements.

As always, thanks again for your support and participation!

Texas Labor Market Review from TWC: <https://texaslmi.com/api/GetHomeLinks/TLMR>