



April 2019 Labor Market Report - Workforce Solutions Lower Rio

The Texas Workforce Commission (TWC) released the April 2019 Labor Market and Employment reports. The seasonally adjusted national unemployment rate was 3.6%, down .2% from March. Texas decreased by .1% to 3.7%.

Statewide Overview for April: Texas had a net gain of 28,900 nonagricultural jobs in April, and has added 294,200 in the past year (seasonally adjusted). This represents a 2.4% annual employment growth rate.

Goods-Producing employment increased by 8,800 jobs in April, and a total of 80,500 jobs were added in the past twelve months. The Construction sector led this month, with a gain of 5,800 jobs. The Goods-Producing sector has seen a 4.4% growth rate over the past twelve months.

The Service sectors in total gained 20,100 jobs in April and a total of 213,700 jobs in the past year. This sector is growing at a 2.0% annual rate. The Professional & Business Services sector led in April, with an estimated 8,400 employees added.

The primary contributor to the employment gains in our region was the Trade and Transportation sector, with an estimated 700 new jobs.

Regional Unemployment Recap: The April data shows the unemployment rates decreasing significantly across our region at the county and city levels. **The April estimates show the lowest unemployment rates since 1990 in four of the five counties, and since 2005 in eight of the ten cities we track (see table below).** Historically, the months of April and October usually have the lowest unemployment rates of the year in our region.

Counties:

- Hidalgo County decreased by .8%, to 5.0%
- Cameron County decreased by .8 %, to 4.7%
- Starr County decreased by 1.2%, to 7.9%
- Willacy County decreased by .2% to 8.0%
- Webb County decreased by .6% to 3.2%

Cities: The cities all decreased in April as well:

- McAllen had the lowest unemployment rate in the RGV with 3.5%, a decrease of .6%
- Edinburg was second at 3.7%, a decrease of .5%.
- Harlingen was third at 4.3%, a decrease of .7%.
- Mission was fourth at 4.5%, a decrease of .6%

- Laredo again had the lowest rate in our border region, at 3.2%, a decrease of .6%.

Historical Record Low Unemployment Rate Information 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.*

City Level- Record Low Unemployment Rates

Year	Month	City	Previous Lowest Unemployment Rate	Apr. 2019 Rate
2018	Oct	Brownsville	5.1	*4.9
2008	Apr	Edinburg	4.0	*3.7
2007	Apr	Harlingen	4.5	*4.3
2008	Apr	Mc Allen	3.9	*3.5
2018	Oct	Laredo	3.4	*3.2
2007	May	Mission	4.9	*4.5
2008	Apr	Pharr	4.6	5.3
2007	Mar/Oct	San Benito	4.9	5.1
2007	May/Oct	San Juan	5.6	*5.4
2007	May	Weslaco	5.2	*4.9

County Level- Record Low Unemployment Rates

Year	Month	County	Lowest Unemployment Rate	Apr. 2019 Rate
2018	Oct	Cameron	5.2	*4.7
2018	Oct	Hidalgo	5.5	*5.0
2018	Oct	Starr	*7.9	*7.9
2007	Oct	Willacy	7.0	8.0
2017	Oct/Dec	Webb	3.4	*3.2

**All counties in our region except Willacy accomplished their lowest unemployment rates since at least 1990. While data is not readily available for previous years, it is possible that these are the historical lowest rates recorded for these counties. However, there were periods in the 1950s and 1960s which had the lowest unemployment rates recorded at the national and state levels.*

Impact of Tightening Labor Market on Business Community

As mentioned previously, our conversations with the business community validate that recruiting and retaining employees continues to be a significant challenge. We are seeing wage rates rise and an increase in “churn” regionally, as many employees look for better opportunities and are more willing to risk changing employers.

It will be increasingly important for businesses to review their compensation structure, policies, and working conditions to improve employee retention in today’s labor market.

In order to tap into new talent pipelines, some businesses may want to reevaluate their positions on internships both for college and high school students. Outreaching Veterans, Ex-Offenders, and Individuals with Disabilities can also help companies find new talent sources. Workforce Solutions can assist businesses with these efforts. **For more information:** www.WFSolutions.org

These challenges are occurring across the nation, not just in our region.

At a recent meeting of the Dallas Branch of the Federal Reserve held in Brownsville, President Robert Kaplan provided the following insight into national and state labor market trends:

- The U-6 employment data, which represents “discouraged, under-employed, and unemployed” workers, including individuals who had given up on finding employment as well as part-time workers wanting full-time employment, is at 7.3%, its lowest recorded level.
- Nationally, wages are rising at a 3.2% rate, and the wage growth rate is accelerating.
- Our national workforce is growing at around 100,000 people per month, and we are creating over 200,000 or more new jobs per month.
- If our economy continues to strengthen as it has been, the need for more workers will become even more critical, and our immigration issues will remain an important national priority.

As always, thanks again for your support and participation!

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