



June 2017 Labor Market Report - Workforce Solutions Lower Rio

The Texas Workforce Commission (TWC) released the June 2017 Labor Market and Employment reports. The seasonally adjusted national unemployment rate increased by .1%, to 4.4%, and Texas decreased by .2% to 4.6%.

Statewide Overview for June: Texas had a strong net gain of 40,200 Nonagricultural jobs in June, and has added a total of 319,300 in the past year (seasonally adjusted). Goods-Producing employment increased by 9,700 jobs, with gains of 4,600 in Manufacturing, 4,400 in Mining & Logging, and 700 in Construction. The Mining sector has grown by 10.3% in the past twelve months, as both drilling and fracking of previously drilled wells has picked up substantially in the Permian Basin in response to rising oil prices over the past year.

The Service sectors in total gained 30,500 jobs. The Healthcare sector led all others in the Services group with a gain of 13,000 jobs. The Trade sector gained 600 jobs in June.

Regional Unemployment Recap: The June data shows the unemployment rate increasing in both cities and counties across the region. Unemployment rates typically decline in the March - May period, and then increase during the summer months. A review of the attached trend chart illustrates this seasonal pattern very well.

Counties: At the county level, all had significant increases in June:

- Hidalgo County increased by .8%, to 8.3%
- Cameron County increased by .8%, to 7.8%
- Starr County increased by .7%, to 12.6%
- Willacy County increased by .4%, to 12.7%
- Webb County increased by .3, to 4.7%

Cities: The cities in the region also experienced increases in their unemployment rates in June:

- McAllen had the lowest rate in the RGV at 5.7%, an increase of .3% from May
- Edinburg was the second-lowest at 5.9%, an increase of .5%
- Harlingen was next at 6.9%, an increase of .3%
- Laredo again had the lowest rate in our border region at 4.7%, an increase of .3%

Hidalgo, Cameron, and Webb County MSA Combined Total Employment Change Estimates for June 2017:

Employment Sectors	McAllen MSA	Brownsville MSA	Laredo MSA	Total Region
Healthcare & Private Education	-400	-1000	100	-1300
Leisure & Hospitality	400	400	100	900
Government (Public Ed, Law Enforcement)	-700	-300	-200	-1200
Business & Professional Services	-200	200	100	100
Mining & Construction	0	100	100	200
Trade, Transportation, Utilities	100	200	300	600
Manufacturing	0	0	0	0
Total All Non-Agriculture Sectors:	-700	-300	500	-500

The Government sector lost a total of 1,200 jobs, reflecting the seasonal layoffs in the public education system for summer. Life Care Hospitals of South Texas in Hidalgo County was closing in June and had announced layoffs of their 206 employees. I am not sure at this point what caused the estimated loss of 1,000 healthcare jobs in Cameron County. They had a net gain of 400 jobs in the May reports, and their year-over-year comparison shows a net increase of 500 jobs in the sector. Leisure and Hospitality employment added 900 jobs, reflecting the beginning of the summer travel and vacation season.

Texas Labor Market Review from TWC:

http://www.tracer2.com/admin/uploadedPublications/2138_TLMR-Current_Edition.pdf