



May 2018 Labor Market Report - Workforce Solutions Lower Rio

The Texas Workforce Commission (TWC) released the May 2018 Labor Market and Employment reports. The seasonally adjusted national unemployment rate declined by .1% to 3.8%, and Texas held steady at 4.1%.

Statewide Overview for May: Texas had a net gain of 34,700 nonagricultural jobs in May and has added 352,100 in the past year (seasonally adjusted). This represents a 2.9% annual employment growth rate.

Goods-Producing employment increased by 13,300 jobs in May, and a total of 101,400 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 5.7% growth rate over the past twelve months, and the growth rate is accelerating.

The Service sectors in total gained 21,400 jobs in May, and a total of 250,700 jobs in the past year. The Health Services sector led in May with an estimated 8,100 employees added, followed by Professional & Business Services with 4,300.

Regional Unemployment Recap: The May data shows the unemployment rates decreasing across our region at the county and city levels. We continue to see significantly lower unemployment rates than reported one year ago.

Counties:

- Hidalgo County decreased by .3%, to 6.2%
- Cameron County decreased by .2 %, to 6.0%
- Starr County decreased by .8%, to 9.6%
- Willacy County decreased by .1% to 11.0%
- Webb County was unchanged at 3.6%

Cities: The cities showed improvement overall, with most decreasing in May:

- McAllen and Edinburg had the lowest unemployment rates in the RGV with 4.5%, decreasing .2% and .1%, respectively
- Mission was third at 5.6%, a decreasing of .3%
- Laredo again had the lowest rate in our border region, remaining steady at 3.6%

**We expect to see the usual seasonal spike in area unemployment rates when the June data is released, reflecting the public-school system's summer breaks and the temporary layoffs of support personnel.

Hidalgo, Cameron, and Webb County MSA Regional Employment Change Estimates for May 2018:

Employment Sectors	McAllen MSA	Brownsville MSA	Laredo MSA	Total Region
Healthcare & Private Education	900	400	100	1,400
Leisure & Hospitality	200	200	200	600
Government (Public Ed, Law Enforcement)	700	-200	0	500
Business & Professional Services	-300	-100	0	-400
Mining & Construction	100	0	100	200
Trade, Transportation, Utilities	200	0	0	200
Manufacturing	-100	100	0	0
Information	100	0	0	100
Financial Activities	100	0	0	100
Other Services	0	0	0	0
Total All Non-Agriculture Sectors:	1,900	400	400	2,700

The primary contributor to the employment gains in our region was once again the Healthcare sector, which added an estimated 1,400 jobs for the second consecutive month.

The Leisure & Hospitality sector had the next largest increase, with an estimated gain of 600 jobs.

Tightening Labor Market

As we have pointed out over the past year, we are experiencing an extremely tight unemployment rate, both in our region and across the country. Recently the Bureau of Labor Statistics released their monthly JOLTS (Job Openings and Labor Turnover Survey) report and it showed more job openings across the USA than the total number of unemployed persons!

We will see continued recruitment difficulties for many companies as well as rising wage rates, as businesses compete for scarce labor.

Now is a good time for the business community to develop new recruitment strategies for talent.

Veterans, persons with disabilities, and ex-offenders are three groups that Workforce Solutions and our partners continuously work with to help them attain gainful employment. If you would like more information you can reach out to your nearest Workforce Solutions One-Stop Center or go to our website at www.WFSolutions.org.

Another strategy businesses can pursue is partnering with the area Universities, Community Colleges, and even K-12 Public School Districts to provide internships for students. This is an excellent way to get acquainted with potential talent and at the same time help

prepare our young people for the workforce. Many interns end up taking an interest in the companies who sponsored them and becoming permanent employees when they complete their education.

We are partners with RGV LEAD in sponsoring “Externships for Teachers”- a summer externship program that places high school and middle school teachers and counselors in worksites (at no cost to the business) for three days in late July. The objective is for them to receive mentoring from business professionals to gain firsthand experiences they can take back to the classroom with them. This is an excellent way to arm our teachers with a good understanding of the expectations and needs of the business community so they can better prepare our youth for careers. If you would like more information, contact David Gutierrez, our Education Liaison, at 9565-683-3706, or David@WFSolutions.org.

As we have continued to grow and develop the number of “dual enrollment” programs at area high schools, we are seeing more and more students graduating from high school with certificates and associate degrees from area community colleges and technical schools. The companies that reach out to intern these students are likely to be the ones who employ them once they graduate!

As always, thanks again for your support and participation!

Texas Labor Market Review from TWC:

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