



August 2018 Labor Market Report - Workforce Solutions Lower Rio

The Texas Workforce Commission (TWC) released the August 2018 Labor Market and Employment reports. The seasonally adjusted national unemployment rate was unchanged at 3.9%, and Texas decreased by .1% to 3.9%.

Statewide Overview for August: Texas had a net gain of 32,000 nonagricultural jobs in August, and has added 394,500 in the past year (seasonally adjusted). This represents a 3.2% annual employment growth rate.

Goods-Producing employment increased by 6,800 jobs in August, and a total of 113,800 jobs were added in the past twelve months. The Manufacturing sector led this month, with a gain of 3,200 jobs. The Goods-Producing sector has seen a 6.4% growth rate over the past twelve months, and the growth rate is continuing to accelerate.

The Service sectors in total gained 25,200 jobs in August and a total of 280,700 jobs in the past year. This sector is growing at a 2.7% annual rate. The Professional & Business Services sector led in August, with an estimated 10,300 employees added, followed closely by the Trade, Transportation, & Utilities sector, which added 8,700 new jobs.

Regional Unemployment Recap: The August 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 6.6%
- Cameron County decreased by .4 %, to 6.2%
- Starr County decreased by 1.1%, to 9.1%
- Willacy County decreased by 1.9% to 9.6%
- Webb County decreased by .2% to 3.8%

Cities: The cities generally decreased in August as well:

- McAllen had the lowest unemployment rate in the RGV with 4.9%, unchanged from July.
- Edinburg was second at 5.0%, a decrease of .1%.
- Harlingen was third at 5.7%, a decrease of .4%
- Laredo again had the lowest rate in our border region, at 3.8%, a decrease of .2%.

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

Employment Sectors	McAllen MSA	Brownsville MSA	Laredo MSA	Total Region
Healthcare & Private Education	700		100	800
Leisure & Hospitality		-500		-500
Government (Public Ed, Law Enforcement)	1,500	-200	100	1,400
Business & Professional Services		200		200
Mining & Construction				
Trade, Transportation, Utilities	-200	300	200	300
Manufacturing				
Information	-100			-100
Financial Activities	-100			-100
Other Services			-100	-100
Total All Non-Agriculture Sectors:	1,800	-200	300	1,900

The primary contributor to the employment gains in our region was the Government sector, with an estimated 1,400 new jobs. This is likely the beginning of the return to work for public education support staff who were laid off during the summer months. We expect to see additional gains in the September reports when they are released.

Tightening Labor Market

As mentioned last month, business conditions continue to improve, and we are experiencing a very “tight” labor market both in our region and across the country. Many businesses continue to report recruitment difficulties across all sectors, as well as rising wage rates, as they compete for increasingly scarce labor. Interestingly, the labor market is also very tight in Reynosa, and the maquilas are facing recruitment challenges as well.

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