

Texas Economic Update

November 20, 2015

Summary

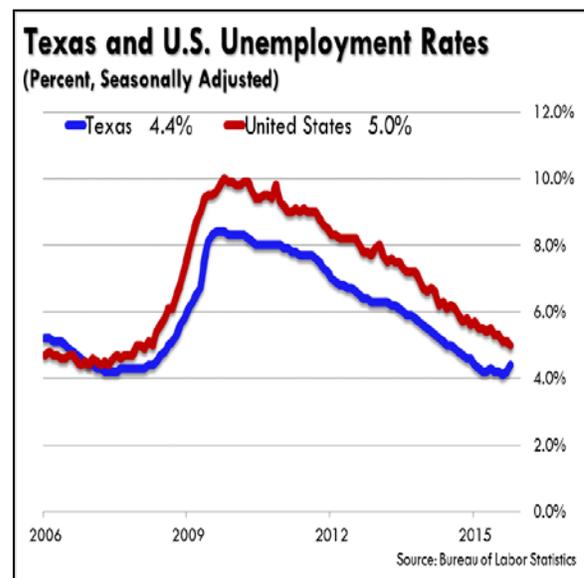
Nonfarm payroll employment in Texas increased by 20,000 jobs and the unemployment rate rose to 4.4 percent in October according to data released by the Bureau of Labor Statistics (BLS).

Texas Unemployment Rate

During October, the unemployment rate in Texas increased by 0.2 percentage point to 4.4 percent. The number of people counted as unemployed rose by 25,417 in October to 570,084, while the labor force grew by 26,243 to 13,036,216. Among the 50 states and the District of Columbia, 18 posted lower unemployment rates for the month than Texas. A year earlier, the unemployment rate in Texas stood at 4.7 percent.

The 10 year peak for the unemployment rate in Texas was 8.4 percent in October 2009. The series high for the unemployment rate in Texas occurred in November 1986 when the unemployment rate reached 9.2 percent. The 10 year low for the unemployment rate in Texas was 4.1 percent in August 2015. The series low for the unemployment rate in Texas occurred in December 2000 when the unemployment rate reached 4.0 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate declined by 0.1 percentage point to 5.0 percent in October. October's unemployment rate was 0.7 percentage point lower than a year earlier. The ten year high for the national unemployment rate was 10.0 percent in October 2009. The ten year low was 4.4 percent in May 2007.



Texas Payroll Employment

Texas nonfarm payrolls increased by 20,000 jobs, or 0.17 percent, on a seasonally adjusted basis during October. In the prior month, nonfarm payrolls increased by 29,200. Over the past 12 months nonfarm payrolls in Texas increased by 203,900, or 1.75 percent. Texas nonfarm payroll employment has increased in 10 of the past 12 months.

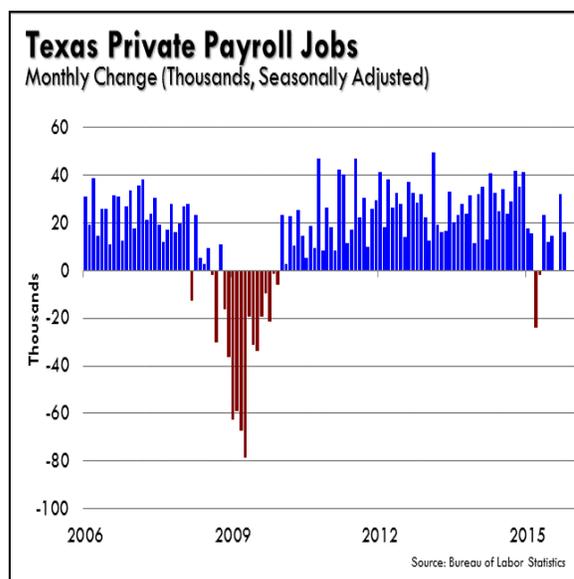
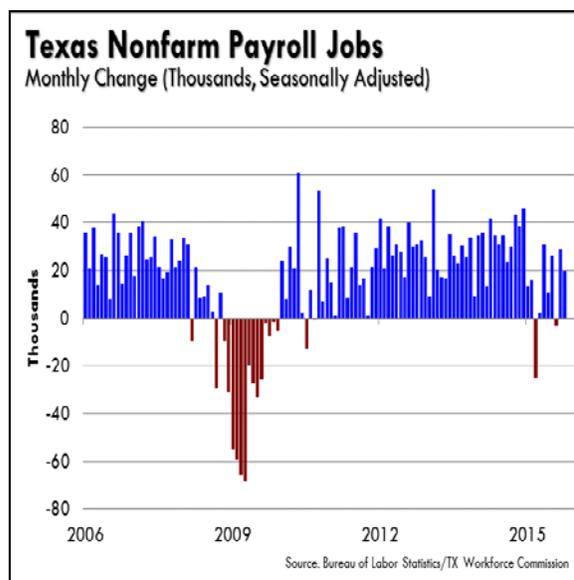
Nationally nonfarm payrolls increased by 271,000 jobs in October, or 0.19 percent. Over the 12 month period ending in October 2015 nonfarm payrolls grew by 2,814,000 jobs, or 2.01 percent. Texas ranks 22nd among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During October, Texas private sector payrolls increased by 15,900, or 0.16 percent. Private sector payrolls increased by 32,000 jobs in the prior month. Over the past 12 months, private sector payrolls in Texas increased by 180,800, or 1.84 percent. Texas private sector payroll employment has increased in 9 of the past 12 months.

Nationally private-sector payroll jobs increased by 268,000 jobs in 2.01, or 0.22 percent. Over the past 12 months, the nation's economy has added 2,709,000 jobs in the private sector, an increase of 2.30 percent.

Texas ranks 23rd among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During October, total government payroll employment in Texas increased by 4,100, or 0.22 percent. Federal government payroll employment increased by 300, or 0.16 percent. State government payroll employment increased by 600, or 0.16 percent, while local government payroll employment increased by 3,200, or 0.25 percent.



Over the past year, total government payroll employment increased by 23,100, or 1.26 percent. State government payroll employment increased by 2,500, or 0.69 percent. Local government payroll employment increased by 19,800, or 1.55 percent.

The best performing sectors on a seasonally adjusted basis during October were Leisure & Hospitality (+12,400) and Total Government (+4,100). The poorest performing sectors during the month were Manufacturing (-4,800) and Mining & Logging (-2,000).

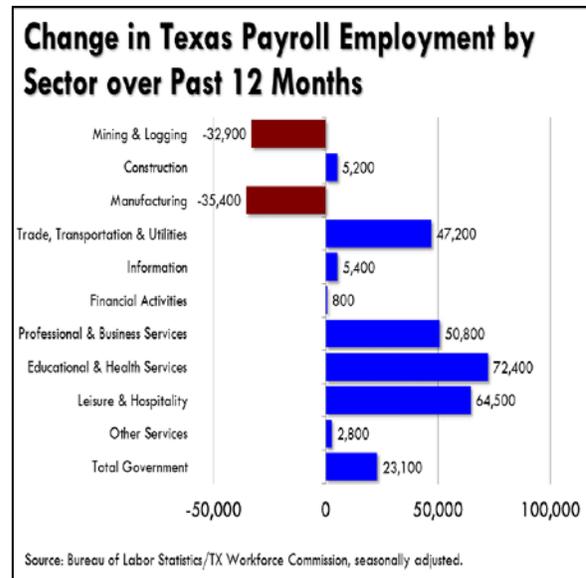
The best performing sectors during the last twelve months were Educational & Health Services (+72,400) and Leisure & Hospitality (+64,500). The poorest performing sectors for the year were Manufacturing (-35,400) and Mining & Logging (-32,900).

Other Texas Labor Force Statistics

The labor force participation rate in Texas was unchanged at 63.3 percent in October. Among the 50 states and the District of Columbia, 26 have a higher labor force participation rate than Texas. The labor force participation rate in Texas is unchanged from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10 year high for the labor force participation rate in Texas was 67.0 percent in January 2006. The series high for the labor force participation rate in Texas occurred in September 1995 when the labor force participation rate hit 69.4 percent. The 10 year low for the labor force participation rate was 63.3 percent in October 2015. The series low for the labor force participation rate occurred in January 1976 when the labor force participation rate hit 63.2 percent.

The national labor force participation rate was unchanged at 62.4 percent in October. That rate was 0.4 percentage point lower than a year earlier. At 62.4 percent, the labor force participation rate is at its lowest level since September 1977.



The employment-to-population ratio, or the percentage of the Texas civilian noninstitutionalized population 16 years and older counted as employed, declined to 60.6 percent in October from 60.7 percent the prior month. Among the 50 states and the District of Columbia, 24 have higher employment-to-population ratios than Texas. The employment-to-population ratio in Texas is 1.4 percentage point lower than a year earlier.

The 10 year high for the employment-to-population ratio in Texas was 63.5 percent in February 2006. The series high for the employment-to-population ratio in Texas occurred in November 1998 when the employment-to-population ratio hit 65.7 percent. The 10 year low for the employment-to-population ratio was 60.6 percent in October 2015. The series low for the employment-to-population ratio occurred in March 1976 when the employment-to-population ratio hit 59.5 percent.

The national employment-to-population ratio rose by 0.1 percentage point to 59.3 percent in October. That rate was 0.1 percentage point higher than a year earlier, but still 0.1 percentage point lower than it was when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent in April 2000. The 10 year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for November is scheduled for release on Friday, December 18. The national employment situation report for November will be released on Friday, December 4.

