

# Texas Economic Update

April 15, 2016

## Summary

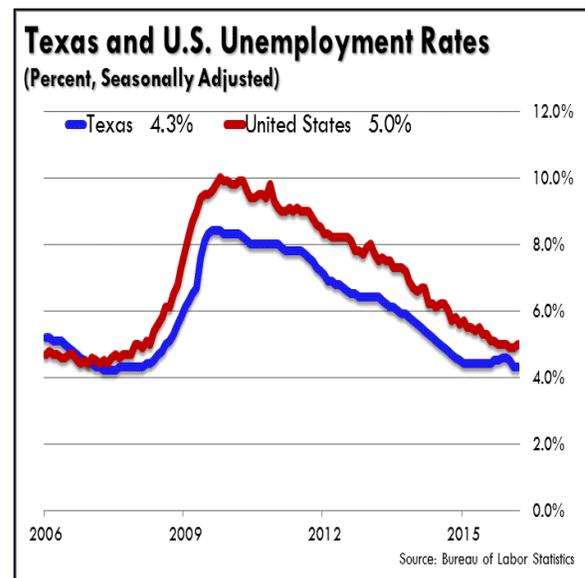
Nonfarm payroll employment in Texas declined by 12,000 jobs and the unemployment rate was unchanged at 4.3 percent in March according to data released by the Bureau of Labor Statistics (BLS).

## Texas Unemployment Rate

During March, the unemployment rate in Texas was unchanged at 4.3 percent. The number of people counted as unemployed rose by 2,359 in March to 577,214, while the labor force grew by 57,819 to 13,273,740. Among the 50 states and the District of Columbia, 16 posted lower unemployment rates for the month than Texas. A year earlier, the unemployment rate in Texas stood at 4.4 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 4.2 percent in July 2007. 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 rose by 0.1 percentage point to 5.0 percent in March. March's unemployment rate was 0.5 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2007.



## Texas Payroll Employment

Texas nonfarm payrolls declined by 12,000 jobs, or 0.10 percent, on a seasonally adjusted basis during March. In the prior month, nonfarm payrolls increased by 8,700. Over the past 12 months nonfarm payrolls in Texas increased by 185,000, or 1.57 percent. Texas nonfarm payroll employment has increased in 11 of the past 12 months.

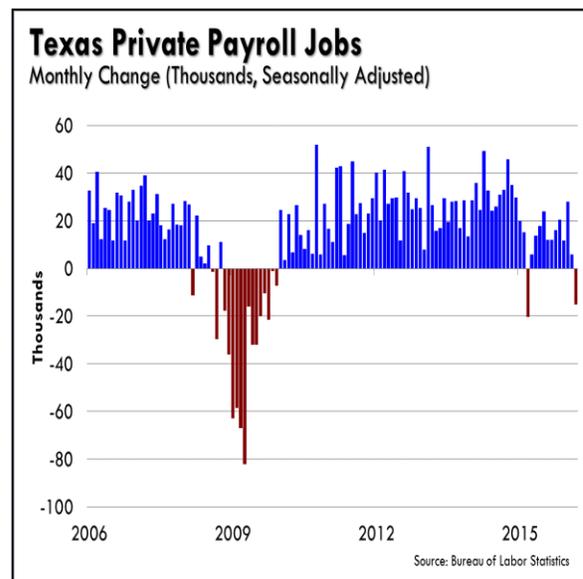
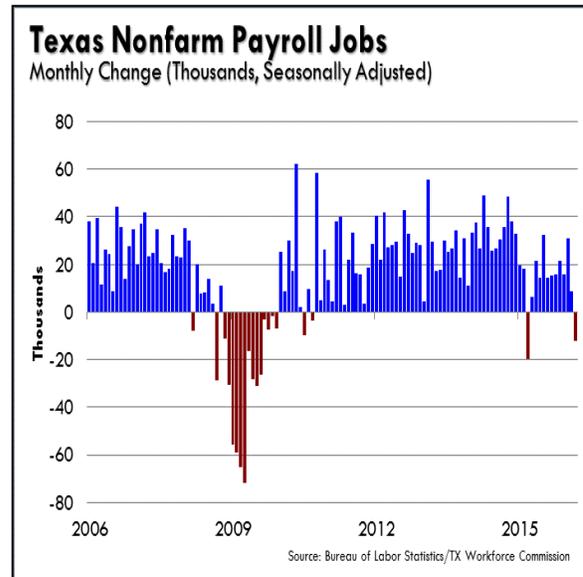
Nationally, nonfarm payrolls increased by 215,000 jobs in March, or 0.15 percent. Over the 12-month period ending March 2016 nonfarm payrolls grew by 2,802,000 jobs, or 1.99 percent. Texas ranks 29th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During March, Texas private sector payrolls declined by 15,100, or 0.15 percent. Private sector payrolls increased by 5,700 jobs in the prior month. Over the past 12 months, private sector payrolls in Texas increased by 152,300, or 1.53 percent. Texas private sector payroll employment has increased in 11 of the past 12 months.

Nationally private-sector payroll jobs increased by 195,000 jobs in 1.99, or 0.16 percent. Over the past 12 months, the nation's economy has added 2,681,000 jobs in the private sector, an increase of 2.25 percent.

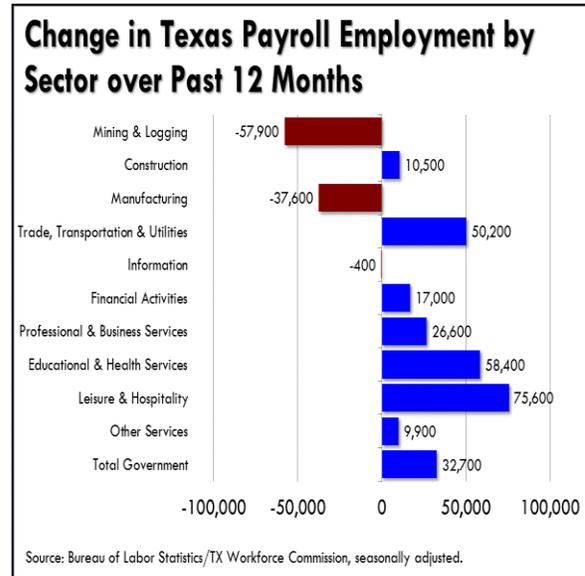
Texas ranks 32nd among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During March, total government payroll employment in Texas increased by 3,100, or 0.17 percent. Federal government payroll employment was unchanged. State government payroll employment increased by 200, or 0.05 percent, while local government payroll employment increased by 2,900, or 0.22 percent.



Over the past year, total government payroll employment increased by 32,700, or 1.77 percent. State government payroll employment increased by 5,900, or 1.61 percent. Local government payroll employment increased by 24,100, or 1.88 percent.

The best performing sectors on a seasonally adjusted basis during March were Total Government (+3,100) and Other Services (+3,100). The poorest performing sectors during the month were Mining & Logging (-7,500) and Professional & Business Services (-6,000).



The best performing sectors during the last twelve months were Leisure & Hospitality (+75,600) and Educational & Health Services (+58,400). The poorest performing sectors for the year were Mining & Logging (-57,900) and Manufacturing (-37,600).

#### Other Texas Labor Force Statistics

The labor force participation rate in Texas rose to 63.8 percent in March from 63.6 percent the prior month. Among the 50 states and the District of Columbia, 25 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 66.7 percent in April 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 63.4 percent in January 2016. 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 rose by 0.1 percentage point to 63.0 percent in March, but remains near its 38-year low of 62.4 percent.

The employment-to-population ratio, or the percentage of the Texas civilian noninstitutionalized population 16 years and older counted as employed, rose to 61.0 percent in March from 60.8 percent the prior month. Among the 50 states and the District of Columbia, 23 have higher employment-to-population ratios than Texas. The employment-to-population ratio in Texas is unchanged from a year earlier.

The 10 year high for the employment-to-population ratio in Texas was 63.3 percent in May 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 60.5 percent in December 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 59.9 percent in March. That rate was 0.6 percentage point higher than a year earlier. The all-time high for the employment-to-population ratio was 64.7 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 ratio posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for April is scheduled for release on May 20, 2016. The national employment situation report for April will be released on Friday, May 6, 2016.

