TEXAS A&M UNIVERSITY
Private Enterprise
Research Center

ECONOMIC INDICATORS
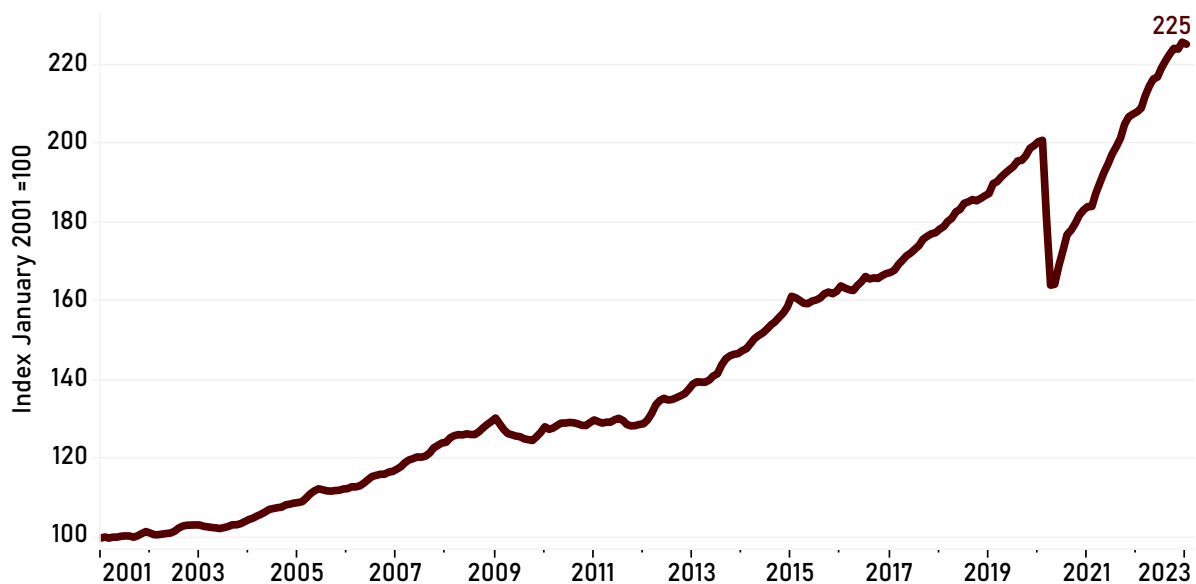## OF THE COLLEGE STATION-BRYAN MSA

MARCH 2023

HIGHLIGHTS

- The Business-Cycle Index decreased 0.2% from December 2022 to January 2023.
- The local unemployment rate increased to 3.2% in January 2023 compared to 3.1% in December.
- In the March data release, January's local nonfarm employment decreased by 0.2% from December 2022.
- Inflation-adjusted taxable sales were down by almost 1% from December 2022 to January 2023.
- Inflation-adjusted quarterly wages were up by 1.1% in the third quarter of 2022 from the previous quarter.

THE COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

The Business-Cycle Index for January 2023 is essentially unchanged at 225, decreasing by 0.2% from its December 2022 value. The imperceptible adjustment in the graph is a result of an increased unemployment rate, a decrease in nonfarm employment, and a decrease in inflation-adjustment taxable sales. Quarterly total wages were updated this month, and the most recent value (for the third quarter of 2022) was up by 1.1% from the previous quarter.

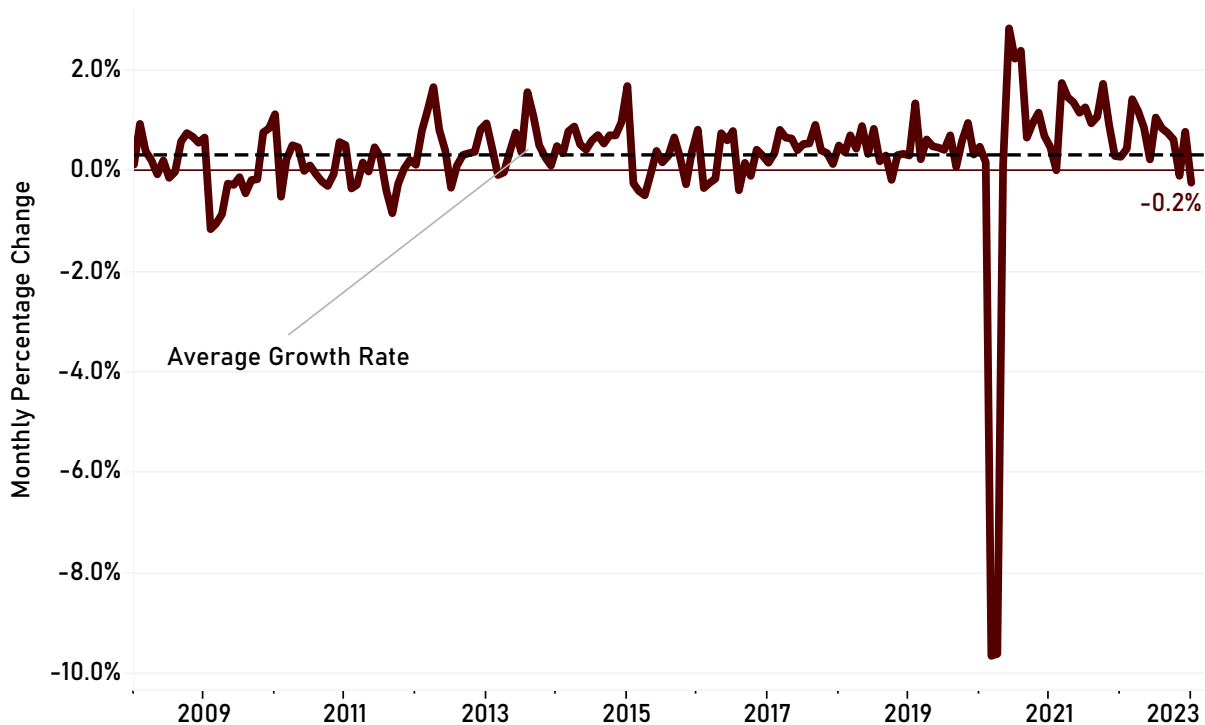**FIGURE 1. COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX**

Last reported data point: January 2023 (monthly). Source: Private Enterprise Research Center.

THE COLLEGE STATION-BRYAN BUSINESS-CYCLE

The 0.2% decrease in the CSB Business-Cycle from December 2022 to January 2023 is shown in Figure 2. The local unemployment rate increased to 3.2% in January from 3.1% in December 2022. The revised nonfarm employment series decreased by 220 workers from 137,129 in December 2022 to 136,909 in January. The third monthly variable, inflation-adjusted taxable sales, decreased by 1% between December and January. The fourth variable used to estimate in the business cycle, quarterly inflation-adjusted total wages, was updated this month. The new figure, for the third quarter of 2022, shows a 1.1% increase in inflation-adjusted quarterly wages from the previous quarter and an increase of 8.6% from the previous year.

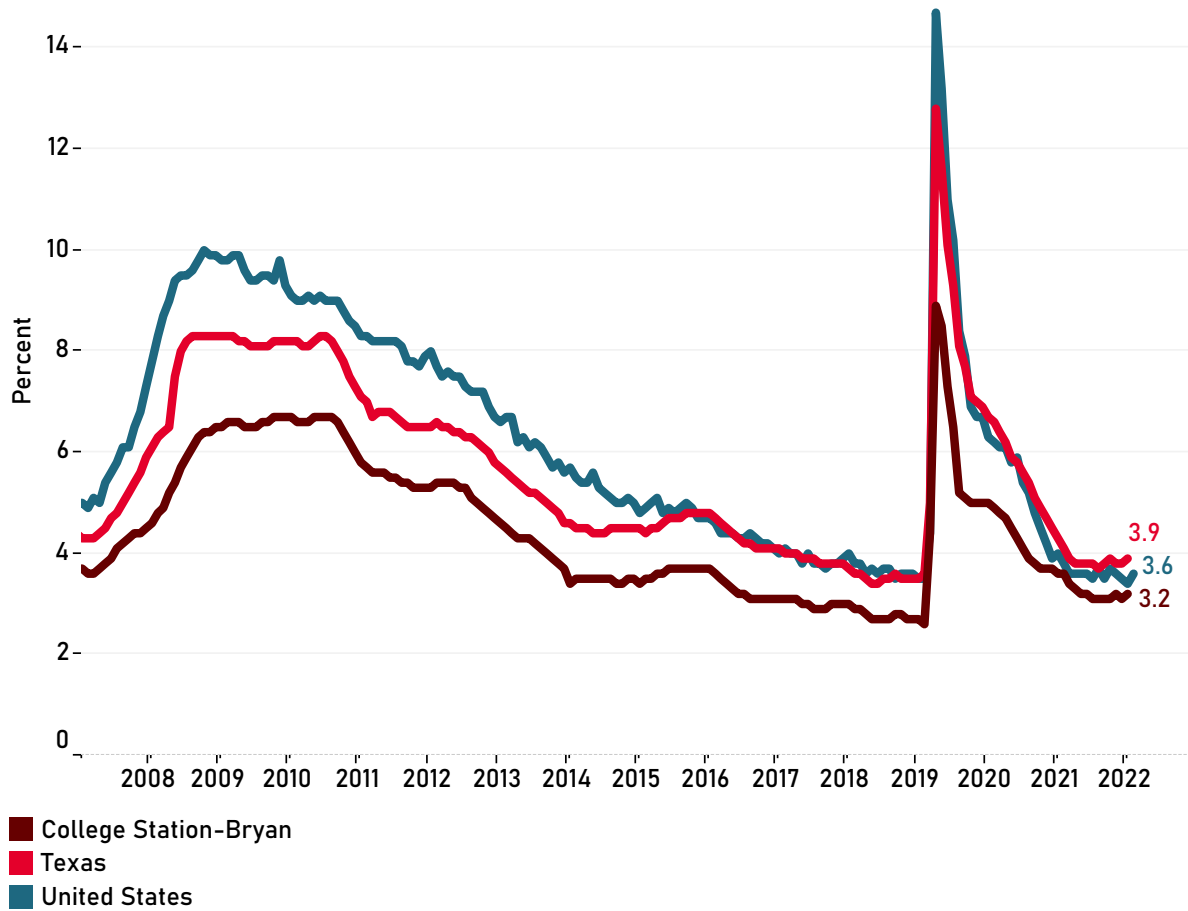**FIGURE 2. COLLEGE STATION-BRYAN BUSINESS-CYCLE**

Month-to-month growth rates. Last reported data point: January 2023 (monthly). Source: Private Enterprise Research Center.

UNEMPLOYMENT RATE

Figure 3 shows the unemployment rates for College Station-Bryan and for Texas from January 2008 to January 2023, and for the nation as a whole through February 2023. The unemployment rate in College Station-Bryan increased to 3.2% in January compared to 3.1% in December 2022. The Texas rate also increased to 3.9% compared to 3.8% in December. At the national level, the rate increased to 3.6% in February compared to 3.4% in January. It is important to keep in mind that all of these unemployment rates are considered low by historical comparisons. The state and metropolitan area unemployment rates for February will be released by the Bureau of Labor Statistics on March 24 and April 5, 2023, respectively.

FIGURE 3. UNEMPLOYMENT RATE

Source: Bureau of Labor Statistics. Seasonally adjusted. Last reported data point: January 2023 for College Station-Bryan and Texas and February 2023 for the United States (monthly).
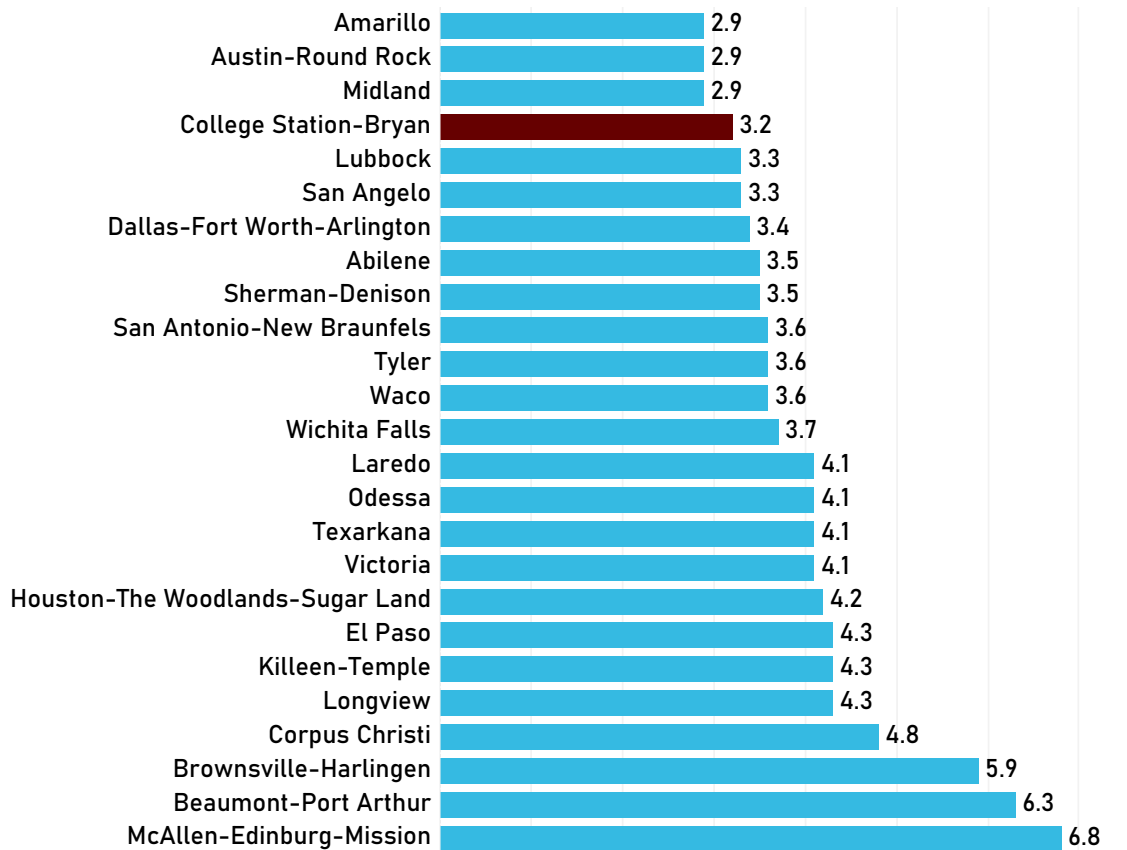
FOCUS ON THE COLLEGE STATION-BRYAN MSA

This month we present the unemployment rates in the Texas Metropolitan Statistical Areas (MSAs) for the month of January. We also present the revision of the local area's nonfarm employment series and track the long-run movements of nonfarm employment and local real taxable sales. Lastly, we discuss local and national air travel.

TEXAS MSA UNEMPLOYMENT RATES

Figure 4 depicts the local unemployment rates for all Texas MSAs for January 2023. College Station-Bryan's rate of 3.2% was the second lowest, behind the 2.9% rate of Amarillo, Austin-Round Rock, and Midland. At the other extreme, McAllen-Edinburg-Mission, Beaumont-Port Arthur, and Brownsville- Harlingen had the three highest unemployment rates at 6.8%, 6.3%, and 5.9%, respectively. Austin-Round Rock had the lowest unemployment rate among the four largest MSAs, while Dallas-Fort Worth-Arlington's rate was 3.4%, San Antonio-New Braunfels' rate was 3.6%, and Houston-The Woodlands-Sugar Land again had the highest unemployment rate in this group at 4.2%.

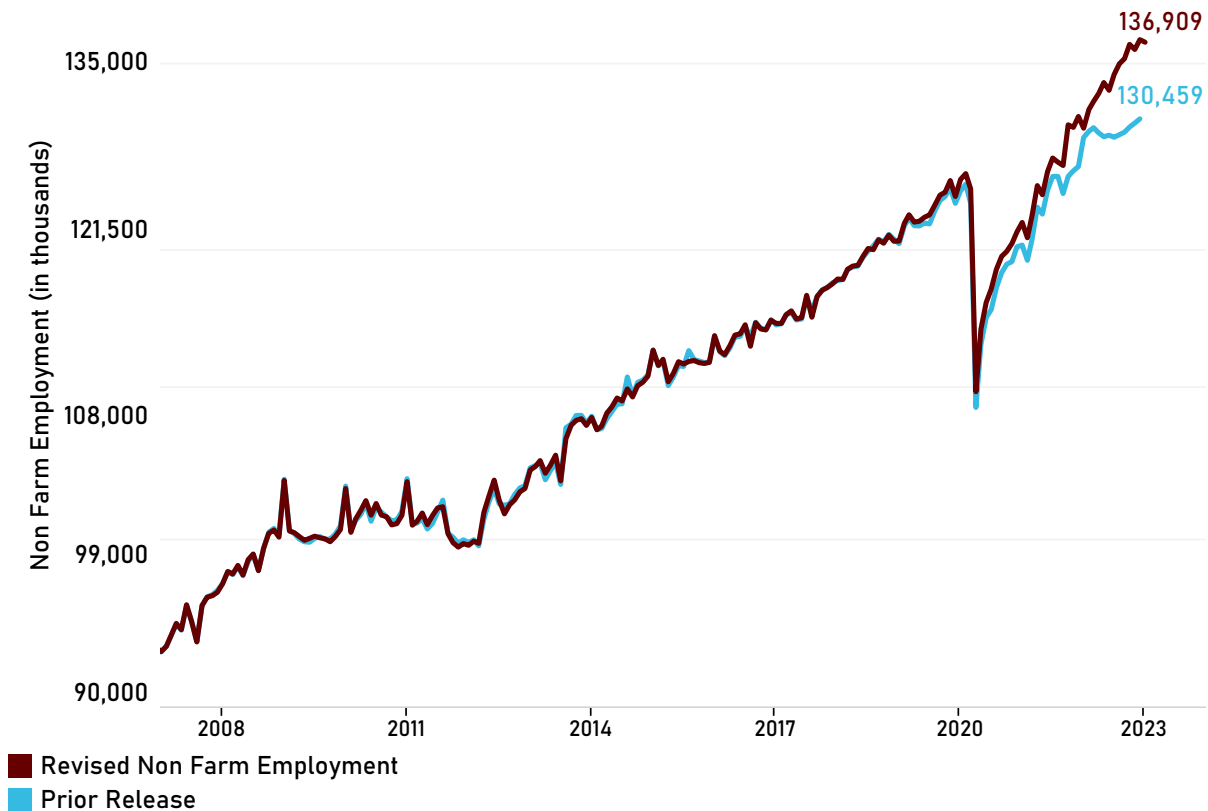**FIGURE 4. UNEMPLOYMENT RATES IN TEXAS MSAs, JANUARY 2023**

MSA	Unemployment Rate
Amarillo	2.9
Austin–Round Rock	2.9
Midland	2.9
College Station–Bryan	3.2
Lubbock	3.3
San Angelo	3.3
Dallas–Fort Worth–Arlington	3.4
Abilene	3.5
Sherman–Denison	3.5
San Antonio–New Braunfels	3.6
Tyler	3.6
Waco	3.6
Wichita Falls	3.7
Laredo	4.1
Odessa	4.1
Texarkana	4.1
Victoria	4.1
Houston–The Woodlands–Sugar Land	4.2
El Paso	4.3
Killeen–Temple	4.3
Longview	4.3
Corpus Christi	4.8
Brownsville–Harlingen	5.9
Beaumont–Port Arthur	6.3
McAllen–Edinburg–Mission	6.8

Source: Bureau of Labor Statistics, Local Area Unemployment Statistics, seasonally adjusted, January 2023.

REVISION OF NONFARM EMPLOYMENT

The Bureau of Labor Statistics (BLS) made significant changes to the nonfarm employment series for states and metropolitan statistical areas with their March data release. Figure 5 presents the previous release of the employment series along with the revised employment series. Prior to the revision, the local area's nonfarm employment series showed a more subdued post-COVID rebound than is shown in the March revision. With the March release, the BLS revised upward its estimates of employment in months following the Covid-19 recession. For example, prior to the revision, the December 2022 estimate of College Station-Bryan nonfarm employment was 130,459 but that count was revised upwards to 137,129 in the revision. The employment count in January 2023 is now estimated to have been 136,909. The BLS notes that the large revision to its data is a by-product of annual benchmarking and updated seasonal adjustment factors. Each year the nonfarm employment estimates from the Current Employment Survey are benchmarked to the census of employers and this, along with other methodological updates, produces the revised series.

Revised Non Farm Employment
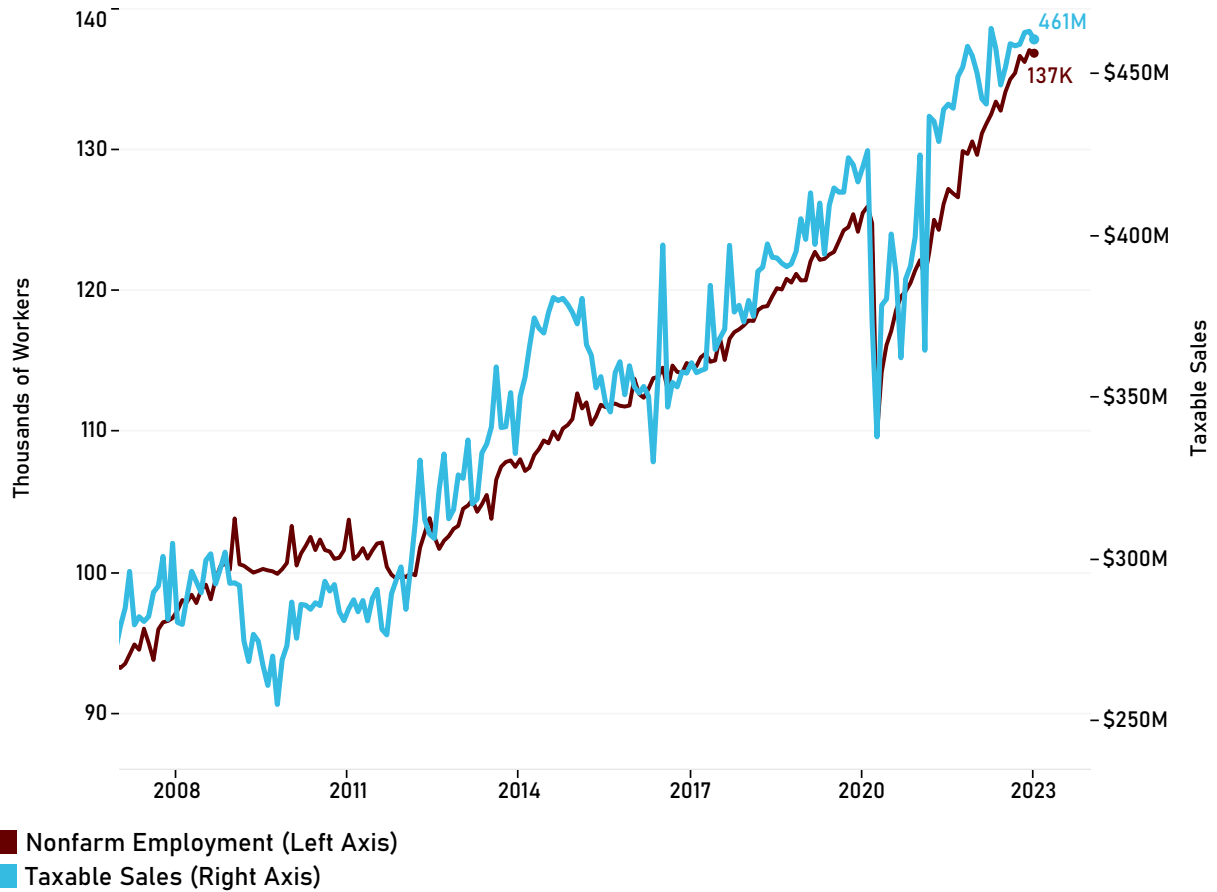**Prior Release**

Source: Nonfarm Employment from Federal Reserve Bank Dallas, Texas Workforce Commission, and Bureau of Labor Statistics, Total Nonfarm Payroll Employment for Texas Metropolitan Statistical Areas, two-step Seasonally Adjusted, retrieved from Federal Reserve Bank of Dallas.

NONFARM EMPLOYMENT & REAL TAXABLE SALES IN COLLEGE STATION-BRYAN

Nonfarm employment and inflation-adjusted taxable sales in the College Station-Bryan MSA from January 2008 to the present are depicted in Figure 6. As seen in the figure, these series move similarly through time, and their patterns are reflected in the Business-Cycle Index. After the Great Recession, both series experienced slow growth for a number of years, but from the beginning of 2012 to February 2020, nonfarm employment grew steadily, while the growth in taxable sales was more volatile. As of January 2023, inflation-adjusted taxable sales were 8.1% higher than in the immediate pre-Covid recession month of February 2020, while nonfarm employment was 8.6% higher than in February 2020.

FIGURE 6. NONFARM EMPLOYMENT AND REAL TAXABLE SALES, COLLEGE STATION-BRYAN MSA

Nonfarm Employment (Left Axis)
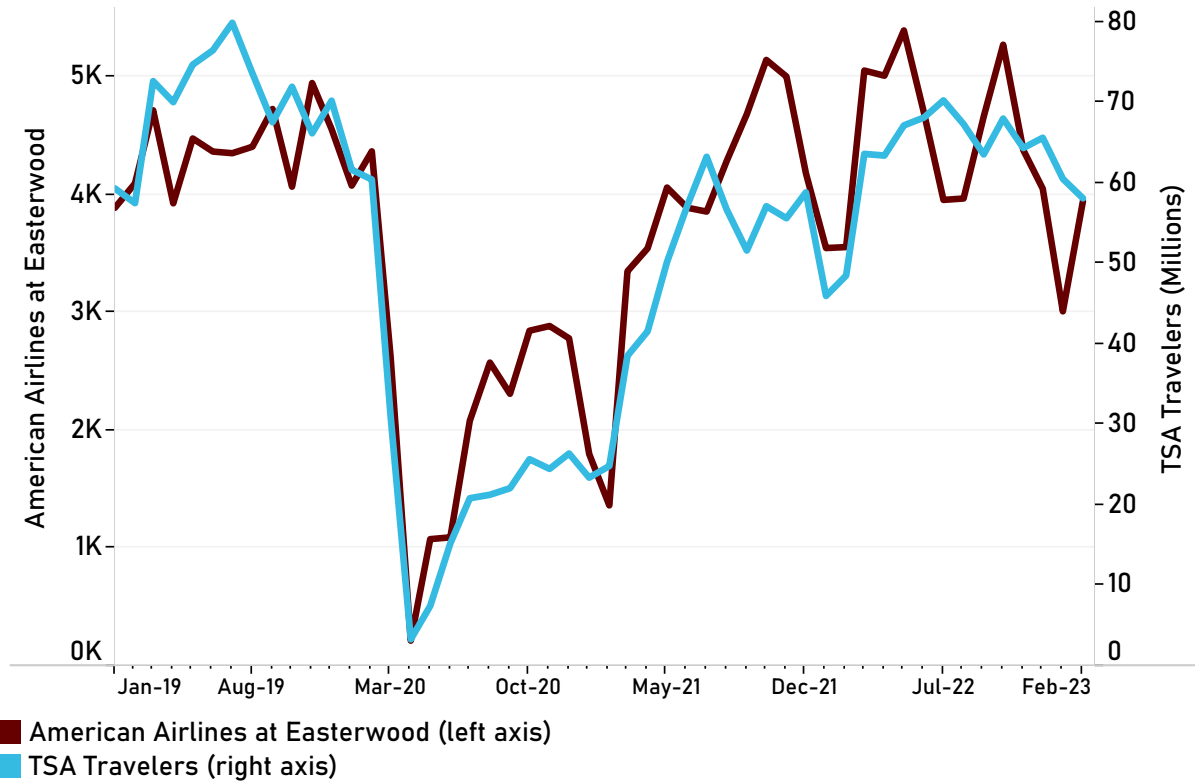**Taxable Sales (Right Axis)**

Source: Nonfarm Employment from Federal Reserve Bank Dallas, Texas Workforce Commission, and Bureau of Labor Statistics, Total Nonfarm Payroll Employment for Texas Metropolitan Statistical Areas, two-step Seasonally Adjusted, retrieved from Federal Reserve Bank of Dallas. Taxable sales from Texas Comptroller of Public Accounts.

AIR TRAVEL

Figure 7 depicts the enplanements at Easterwood Airport on American Airlines (left axis) and the number of travelers passing through Transportation Security Administration (TSA) checkpoints (right axis) from January 2019 to February 2023. As seen in the figure, the national and local passenger counts have followed similar patterns from the beginning of 2019 to the present. Both show substantial declines in 2020 during the first months of the pandemic. Nationally, February's air travel was 4% lower than the number of travelers in February 2020, just before the onset of the pandemic restrictions. Local air travel out of Easterwood Airport on American Airlines in February 2023 was 10% lower than in February 2020.

FIGURE 7. AMERICAN AIRLINES ENPLANEMENTS AT EASTERWOOD AIRPORT & TOTAL TRAVELERS THROUGH TSA CHECKPOINTS

■ American Airlines at Easterwood (left axis)
■ TSA Travelers (right axis)

Sources: Texas A&M University System and Transportation Security Administration. Last reported data point February 2023 (monthly).

NOTES AND LINKS

The extent of the College Station-Bryan MSA is defined by the Census Bureau and includes Brazos, Burleson, and Robertson counties. The Business-Cycle Index is re-estimated each month using the most recent data for the four economic variables included in the model: the unemployment rate, nonfarm employment, real wages, and real taxable sales. The real wage series is released on a quarterly basis and the other three are released monthly. The underlying data series are subject to revision. With new monthly data and revisions of past data, each month the Index and the Business-Cycle will differ from previous estimates.

For more details about the CSB Business-Cycle Index see: *Methodology for Constructing an Economic Index for the College Station-Bryan Metropolitan Statistical Area.*

DATA SOURCES

Enplanements at Easterwood Airport
Texas A&M University System based on email request. Received March 9, 2023.

Inflation
U.S. Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers: All Items [CPIAUCSL], retrieved from FRED, Federal Reserve Bank of St. Louis; https://fred.stlouisfed.org/series/CPIAUCSL.Wages and Taxable Sales are converted to real dollars

Nonfarm Employment
Federal Reserve Bank of Dallas, Texas Workforce Commission, and Bureau of Labor Statistics, Total Nonfarm Payroll Employment for Texas Metropolitan Statistical Areas, two-step Seasonally Adjusted, retrieved from Federal Reserve Bank of Dallas. https://www.dallasfed.org/research/econdata/brysa.aspx

Taxable Sales (Sales and Use Tax Allocation)
Texas Comptroller of Public Accounts, Allocation Payment Detail, Current Period Collections. Data available through Texas Comptroller of Public Accounts: https://mycpa.cpa.state.tx.us/allocation/AllocDetail. Historical data prior to 2016 from Texas Comptroller of Public Accounts. Seasonal Adjustment by Private Enterprise Research Center.

Travelers through TSA Checkpoints
Transportation Security Administration https://www.tsa.gov/coronavirus/passenger-throughput

Unemployment Rate
Bureau of Labor Statistics, Unemployment by Metropolitan Area, Seasonally Adjusted, Local Area Unemployment Statistics, retrieved from Bureau of Labor Statistics, https://www.bls.gov/lau/metrossa.htm

Wages
U.S. Bureau of Labor Statistics and Federal Reserve Bank of St. Louis, Total Quarterly Wages in College Station-Bryan, TX (MSA) [ENUC177830010SA], retrieved from FRED, Federal Reserve Bank of St. Louis; https://fred.stlouisfed.org/series/ENUC177830010SA.

CONTACT

BRAZOS VALLEY
ECONOMIC DEVELOPMENT
CORPORATION

The Brazos Valley Economic Development Corporation serves Brazos County, the City of Bryan, the City of College Station, Texas A&M University, the surrounding region and private sector investors through the Invest Brazos Valley program. BVEDC helps companies launch, grow, and locate in the Brazos Valley.

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