



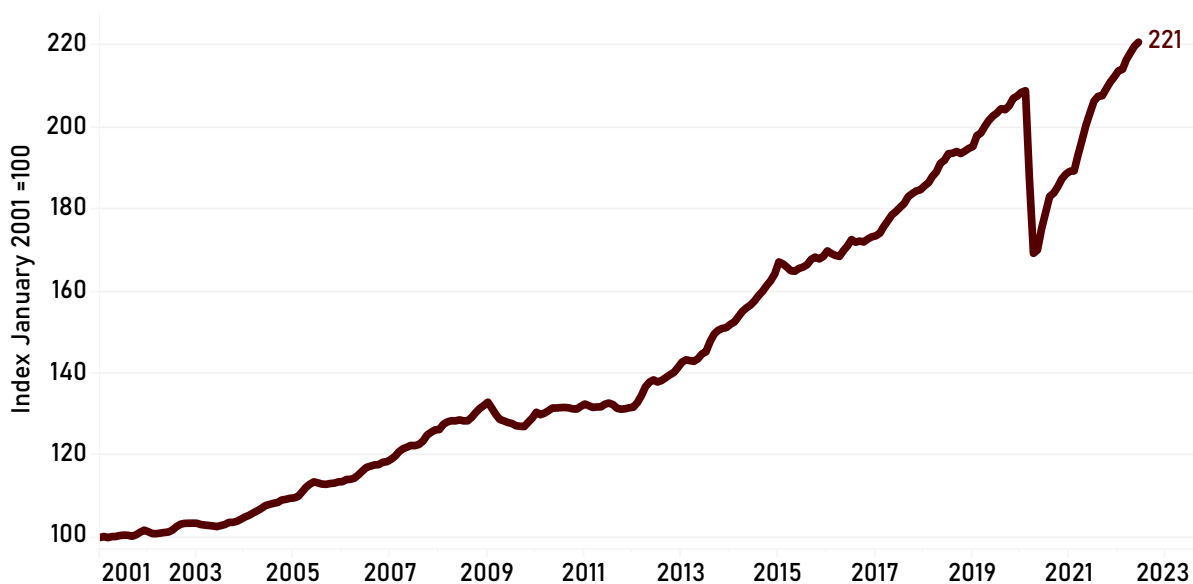
## HIGHLIGHTS

- The Business-Cycle Index increased 0.5% from May 2022 to June 2022.
- The local unemployment rate remained unchanged at 3.2% in June 2022.
- Local nonfarm employment in June increased by 1% from May and was 2.95% higher than its pre-pandemic high in February 2020.
- Local seasonally adjusted real (inflation-adjusted) taxable sales decreased by 2.4% from May 2022 to June 2022 but were 1.8% higher than the same month in 2021.
- The Government sector, including Texas A&M University, accounted for 32% of local total wages and 34% of employment during the fourth quarter of 2021.

## THE COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

The Business-Cycle Index rose by one index point to reach 221 in June 2022, as shown in Figure 1. This was an increase of 0.5% from its May value and resulted from an unchanged unemployment rate, a substantial increase in nonfarm employment, and despite a decrease in inflation adjusted taxable sales.

FIGURE 1. COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

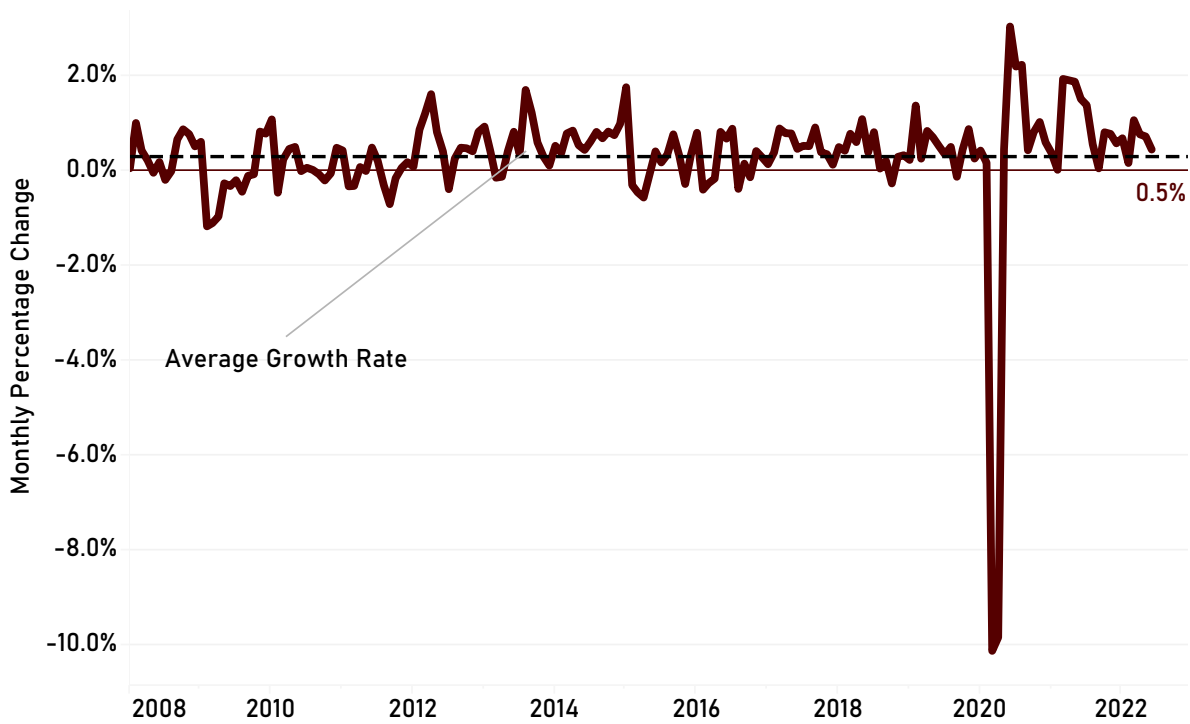


Last reported data point: June 2022 (monthly). Source: Private Enterprise Research Center.

## THE COLLEGE STATION-BRYAN BUSINESS-CYCLE

The 0.5% increase in the CSB Business-Cycle from May 2022 to June 2022 is shown in Figure 2. While the local unemployment rate remained unchanged in June, nonfarm employment showed a marked increase of 1,320 workers, from 127,311 in May 2022 to 128,631 in June. As mentioned, the third monthly variable, inflation-adjusted taxable sales, decreased by 2.4% between May and June. Meanwhile, our fourth series, inflation-adjusted quarterly wages, was last updated June 2022. The next data release for that series is scheduled for September 7, 2022.

FIGURE 2. COLLEGE STATION-BRYAN BUSINESS-CYCLE

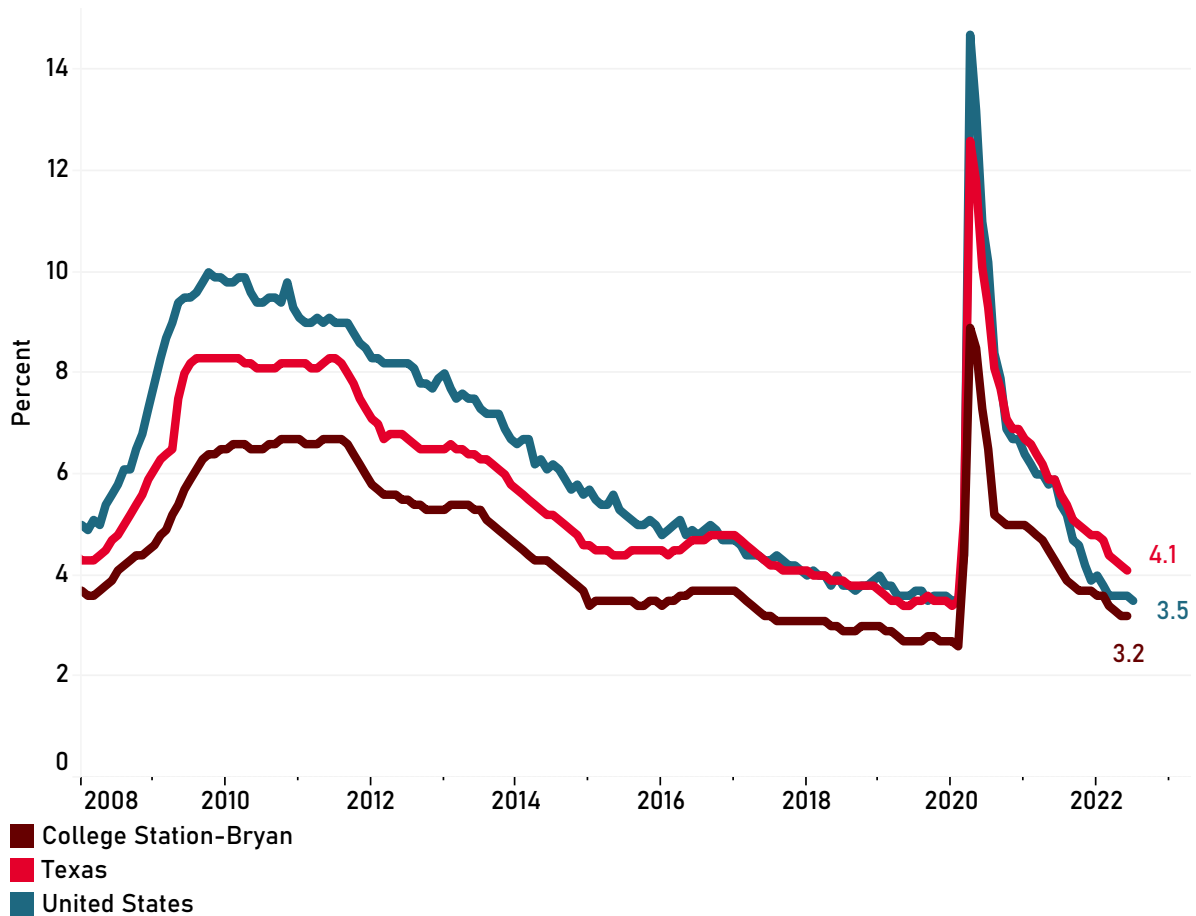


Month-to-month growth rates. Last reported data point: June 2022 (monthly). Source: Private Enterprise Research Center.

## UNEMPLOYMENT RATE

Figure 3 depicts the unemployment rates for College Station-Bryan and for Texas from January 2008 to June 2022, and for the nation as a whole through July 2022. As noted, the unemployment rate in College Station-Bryan remained the same at 3.2% in June. The June unemployment rate for Texas fell to 4.1% from 4.2% in May. The national rate in July decreased to 3.5% from the 3.6% reported in June. The state and the metropolitan area employment and unemployment rates for the month of August will be released by the Bureau of Labor Statistics on August 19 and August 31, respectively.

FIGURE 3. UNEMPLOYMENT RATE



Seasonally adjusted. Last reported data point: June 2022 for College Station-Bryan and Texas, July 2022 for the United States (monthly). Source: Bureau of Labor Statistics.

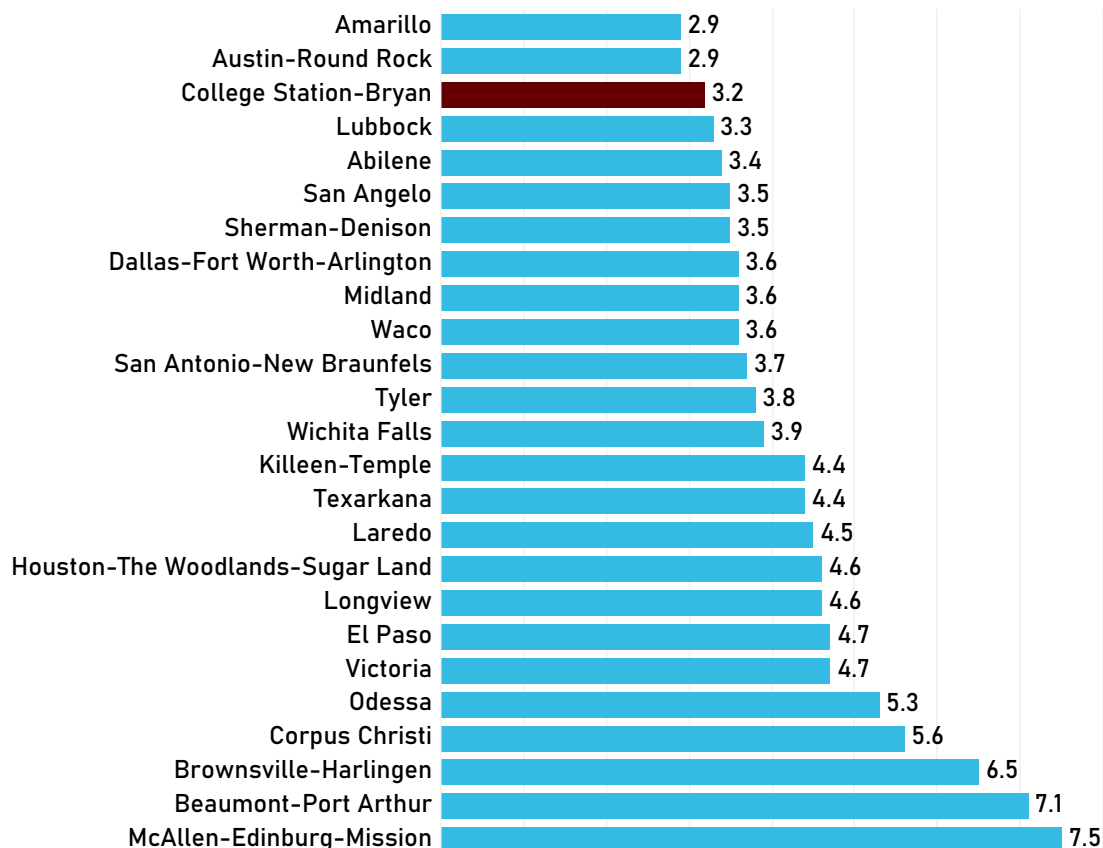
### FOCUS ON THE COLLEGE STATION-BRYAN MSA

This month we present the unemployment rates in the Texas Metropolitan Statistical Areas (MSAs) in June, identify local industry level employment and wages, and discuss local and national air travel.

### TEXAS MSA UNEMPLOYMENT RATES

Figure 4 depicts the local unemployment rates for all Texas MSAs for June 2022. College Station-Bryan MSA's rate of 3.2% was second lowest to the 2.9% rate for both Austin-Round Rock and Amarillo. McAllen-Edinburg-Mission, Beaumont-Port Arthur, and Brownsville-Harlingen had the three highest unemployment rates at 7.5%, 7.1%, and 6.5%, respectively. Austin-Round Rock had the lowest unemployment rate among the four largest MSAs, while Dallas-Fort Worth-Arlington's rate was 3.6%, San Antonio-New Braunfels' rate was 3.7%, and Houston-The Woodlands-Sugar Land again had the highest unemployment rate in this group at 4.6%.

**FIGURE 4. UNEMPLOYMENT RATES IN TEXAS MSAs, JUNE 2022**



Source: Bureau of Labor Statistics, Local Area Unemployment Statistics, seasonally adjusted, June 2022.

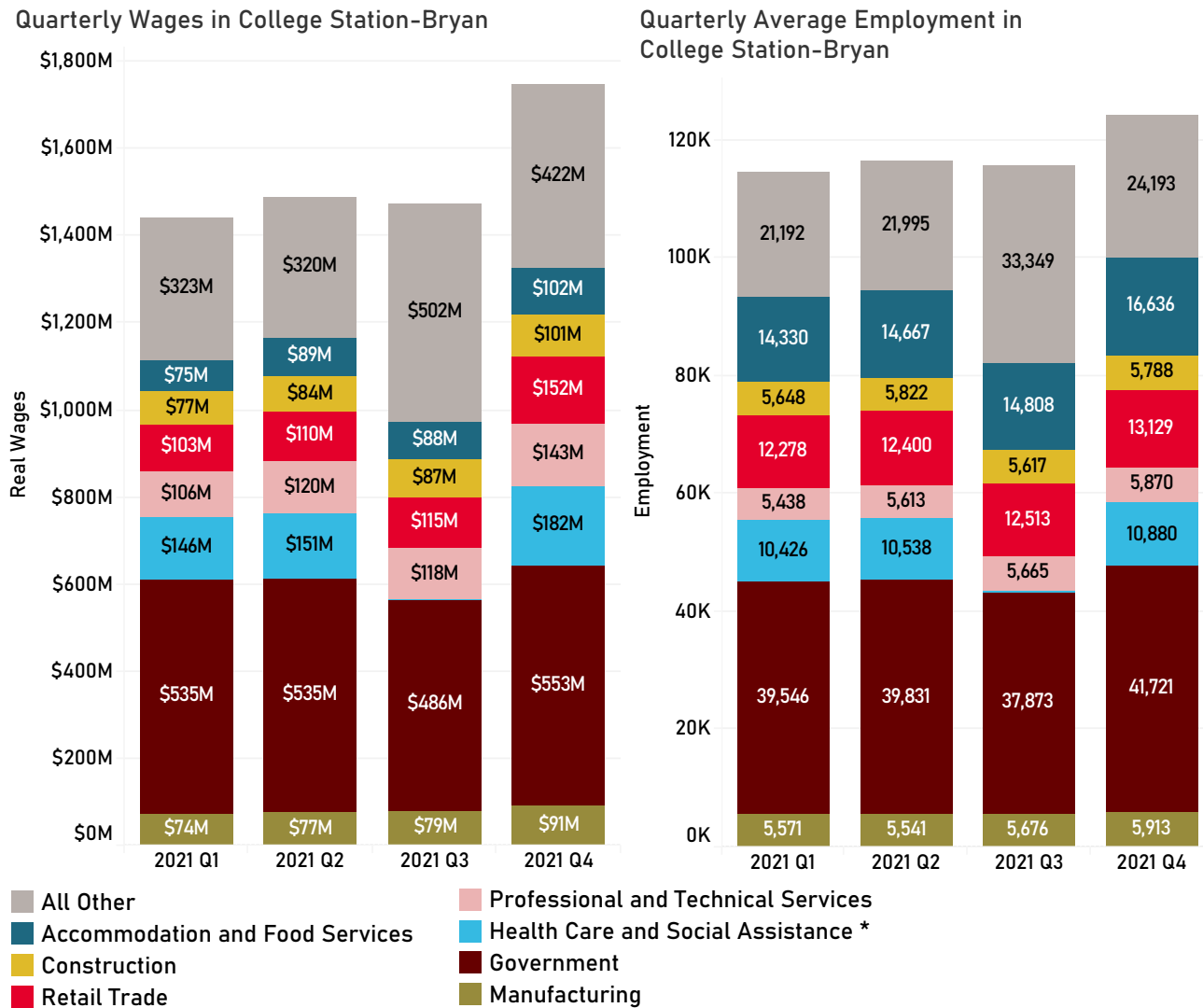
### QUARTERLY WAGES AND EMPLOYMENT IN COLLEGE STATION-BRYAN

Figure 5 presents inflation adjusted, industry level total quarterly wages and average monthly employment in College Station-Bryan. Total quarterly wage series is one of the four inputs in our business-cycle model and is the sole series released on a quarterly basis. The graph on the left side of the figure depicts inflation adjusted wages for the four quarters of 2021 and the graph on the right depicts the average monthly employment for the same time period. Both series are not seasonally adjusted, which allows for the addition of the component industries. The data depicted in the figure are from the Quarterly Census of Employment and Wages conducted by the Bureau of Labor Statistics. During the third quarter of 2021, data for the Health Care and Social Assistance industry was not disclosed and is included in the All Other category.

The Government sector, including Texas A&M University, is the largest industry in terms of both wages and employment. In the fourth quarter of 2021, the Government sector accounted for 32% of wages and 34% of employment. Manufacturing’s share of wages and employment were almost identical at 5%. The wage share in higher paying industries is higher than the employment share. This is the case for Health Care and Social Assistance, Professional and Technical Services, Construction, and All Other. In the lower paying industries - Retail Trade and Accommodation and Food Services - the wage share is lower than the employment share.

The fourth quarter inflation adjusted total wages and employment show the typical seasonal increase due to increased hiring in Retail Trade and Accommodation and Food Services. Recall that the values in the figure are not seasonally adjusted, but that our model uses seasonally adjusted real total wages. The seasonally adjusted total wage series also indicates an increase for the fourth quarter - the most recent available data point. However, individual worker real monthly wages, available from other surveys, have not kept up with inflation in recent months. The quarterly real total wage bill can increase if employment continues to expand. Tracking this series when it is released next month will indicate whether total local wages are keeping up with inflation.

**FIGURE 5. QUARTERLY WAGES AND EMPLOYMENT BY INDUSTRY IN COLLEGE STATION-BRYAN**

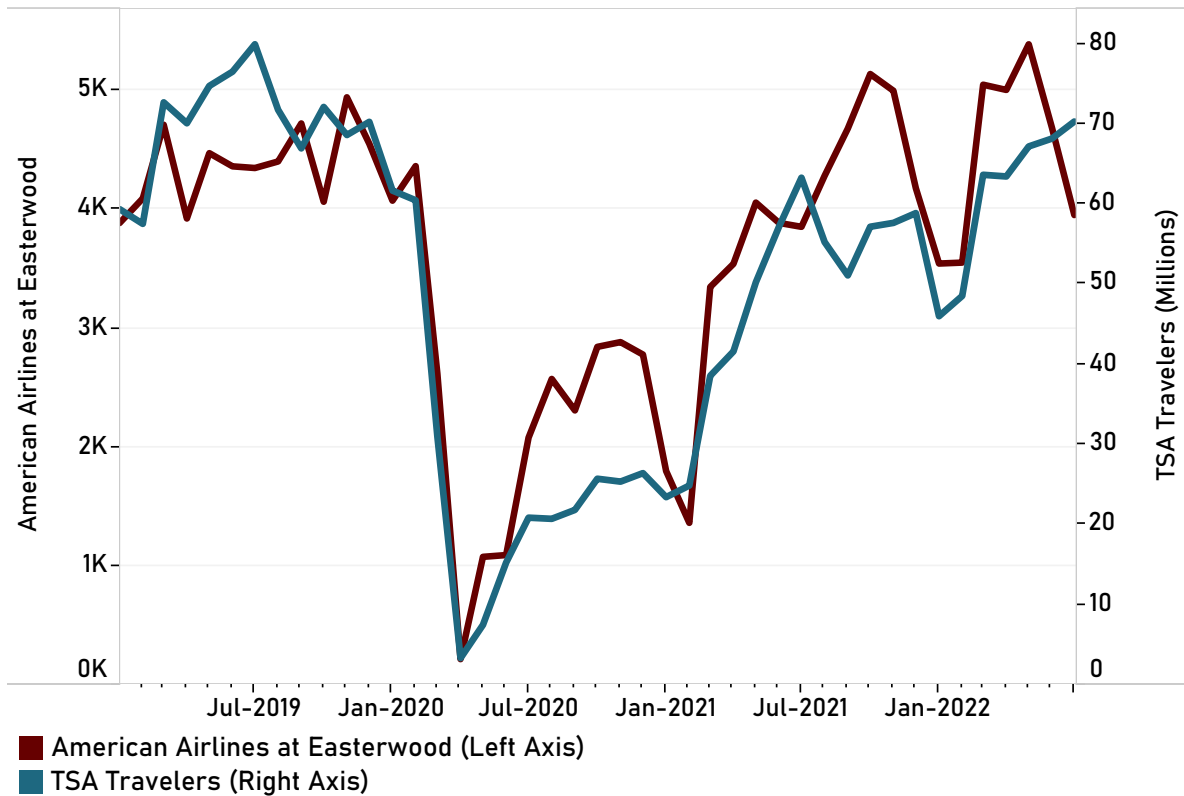


Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages. Wages depicted in Quarter 2 of 2022 US dollars. \*Health Care and Social Assistance are not available for 2021 Q3 and included in "All Other" category. Both series are not seasonally adjusted.

## AIR TRAVEL

Figure 6 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 July 2022. As seen in the figure, the national and local passenger counts have followed similar patterns from the beginning of 2019 to the present. Nationally, July's air travel was much higher than travel in July 2020 and 2021 but was 12% lower than the number of travelers in July 2019. As with national air travel, the number of travelers out of Easterwood Airport on American Airlines in July 2022 was higher than in July of the previous two years but was 9% lower than in July 2019.

**FIGURE 6. AMERICAN AIRLINES ENPLANEMENTS AT EASTERWOOD AIRPORT & TOTAL TRAVELERS THROUGH TSA CHECKPOINTS**



Sources: Texas A&M University System and Transportation Security Administration. Last reported data point July 2022 (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 August 10, 2022.

### **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 (inflation-adjusted) using the CPI-U.

### **Nonfarm Employment**

Federal Reserve Bank of Dallas, Texas Workforce Commission, and Bureau of Labor Statistics, Total Non-farm 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>

### **Quarterly Wages and Employment by Industry**

Bureau of Labor Statistics, Quarterly Census of Employment and Wages, retrieved from <https://www.bls.gov/cew/downloadable-data-files.htm>

### **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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