**TEXAS A&M UNIVERSITY**
Private Enterprise
Research Center

# ECONOMIC INDICATORS
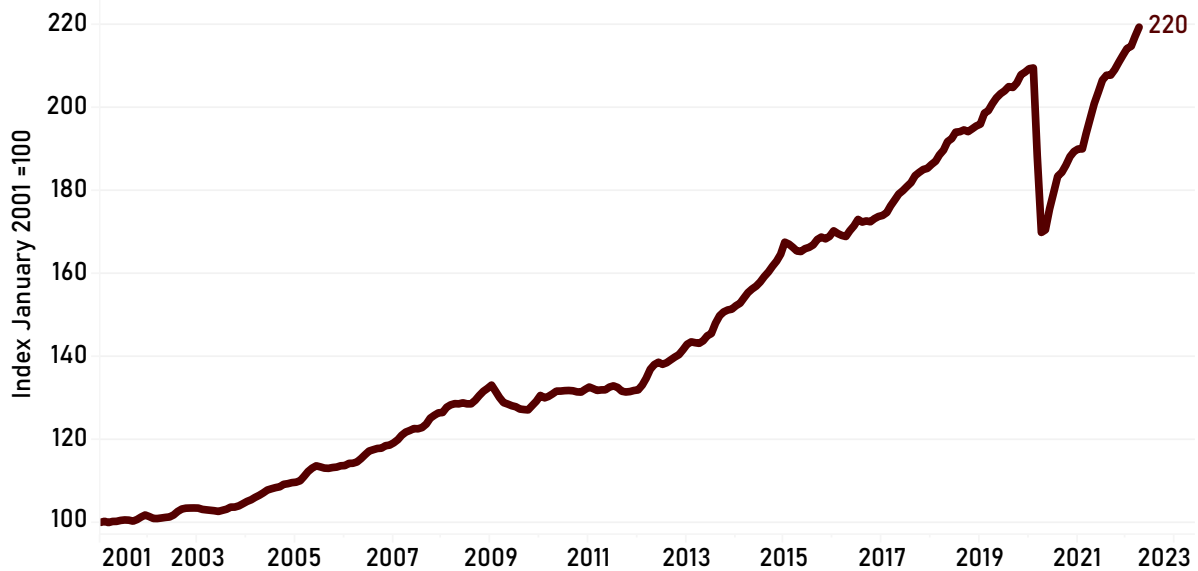## OF THE COLLEGE STATION-BRYAN MSA

**JUNE 2022**

## HIGHLIGHTS

- The Business-Cycle Index increased 1.1% from March 2022 to April 2022.
- The local unemployment rate decreased to 3.3% in April 2022 from 3.4% in March 2022.
- Local nonfarm employment in April increased by 0.5% from March and was 2.3% higher than its pre-pandemic high in February 2020.
- Local real taxable sales increased by 3.8% from March 2022 to April 2022 and were 6.4% higher than the same month in 2021.
- Real total quarterly wages in the fourth quarter of 2021 increased 8.9% from the previous quarter.
- State Government employment in College Station-Bryan has averaged around 26% of total employment in recent years.

## THE COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

The Business-Cycle Index rose to 220 in April 2022, as shown in Figure 1. This increase of 1.1% from its March value resulted from a decrease in unemployment rate, an increase in nonfarm employment, and an increase in inflation-adjusted taxable sales.
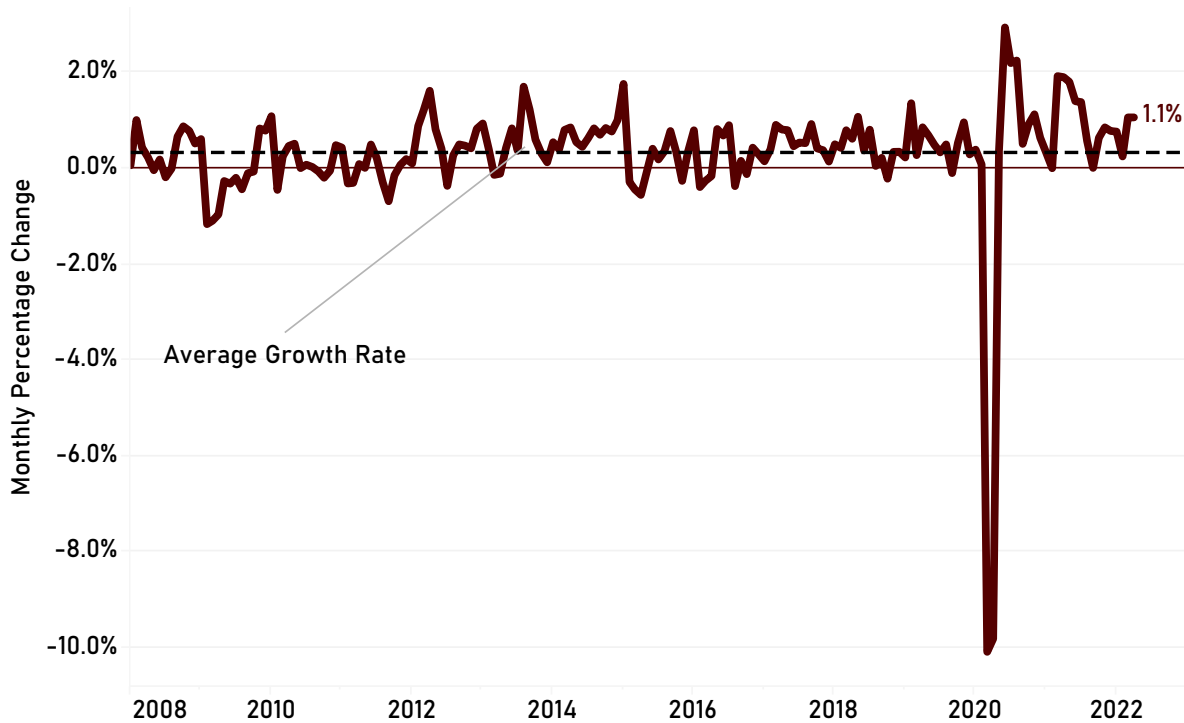
**FIGURE 1. COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX**



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

## THE COLLEGE STATION-BRYAN BUSINESS-CYCLE

The 1.1% increase in the CSB Business-Cycle from March 2022 to April 2022 is shown in Figure 2. The local unemployment rate decreased from 3.4% in March to 3.3% in April. Nonfarm employment showed a modest increase of 610 workers, from 127,164 workers in March 2022 to 127,774 in April 2022. The third monthly variable, inflation-adjusted taxable sales, increased 3.8% between March and April. The update of the fourth series used in the business-cycle model, inflation-adjusted quarterly wages, was released this month. This series is reported with the longest delay. The update indicates that inflation-adjusted wages increased 8.9% from the third to fourth quarter of 2021.

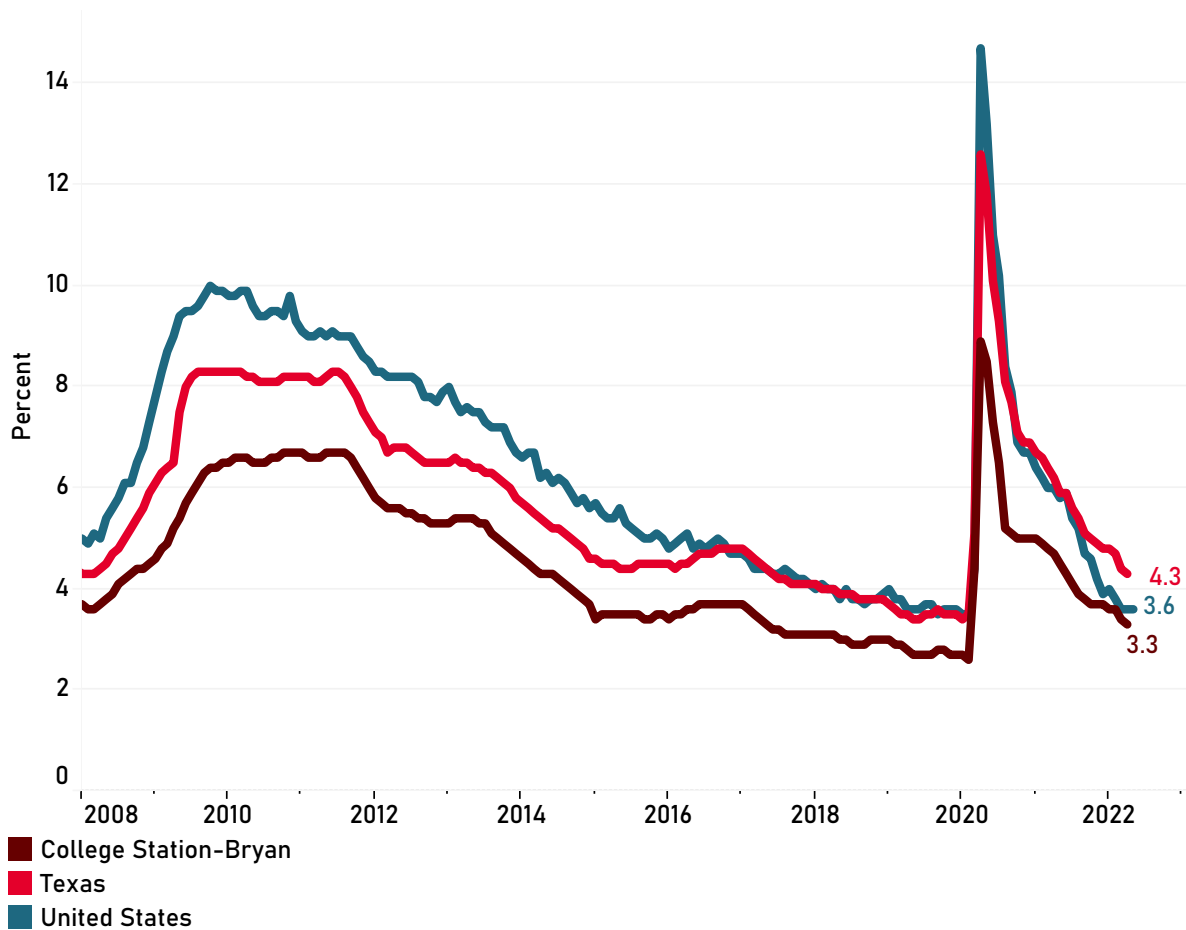**▌ FIGURE 2. COLLEGE STATION-BRYAN BUSINESS-CYCLE**



Month-to-month growth rates. Last reported data point: April 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 April 2022, and for the nation as a whole through May 2022. As noted, the unemployment rate in College Station-Bryan decreased to 3.3% in April 2022. The April 2022 unemployment rate for Texas fell to 4.3% from 4.4% in March. The national rate, available up to May 2022, remained at 3.6%, the same as in April. The state and the metropolitan area employment and unemployment rates for the month of May will be released by the Bureau of Labor Statistics on June 17 and June 29, respectively.

**FIGURE 3. UNEMPLOYMENT RATE**



Seasonally adjusted. Last reported data point: April 2022 for College Station-Bryan and Texas, May 2022 for the United States (monthly). Source: Bureau of Labor Statistics.
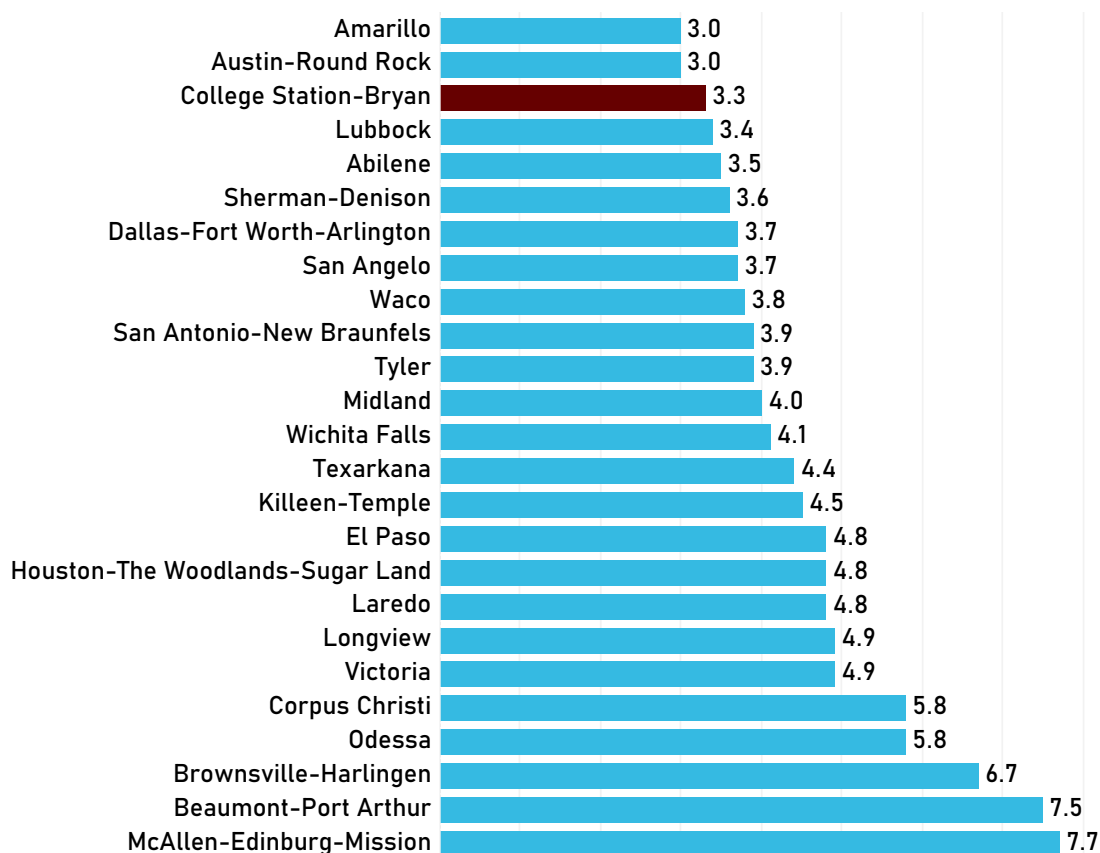
## FOCUS ON THE COLLEGE STATION-BRYAN MSA

This month we present the unemployment rates in the Texas Metropolitan Statistical Areas (MSAs) for April, analyze seasonal movements in employment locally and around the state, and discuss local and national air travel.

## TEXAS MSA UNEMPLOYMENT RATES

Figure 4 depicts all Texas MSA unemployment rates for April 2022. College Station-Bryan MSA's rate of 3.3% in April was second lowest to the 3.0% rate for both Amarillo and Austin-Round Rock. McAllen-Edinburg-Mission, Beaumont-Port Arthur, and Brownsville-Harlingen had the three highest unemployment rates at 7.7%, 7.5%, and 6.7%, respectively. Austin-Round Rock had the lowest unemployment rate among the four largest MSAs, Dallas-Fort Worth-Arlington's rate was 3.7%, San Antonio-New Braunfels recorded a rate of 3.9%, while Houston-The Woodlands-Sugar Land again had the highest rate in this group at 4.8%.

## FIGURE 4. UNEMPLOYMENT RATES IN TEXAS MSAs, APRIL 2022



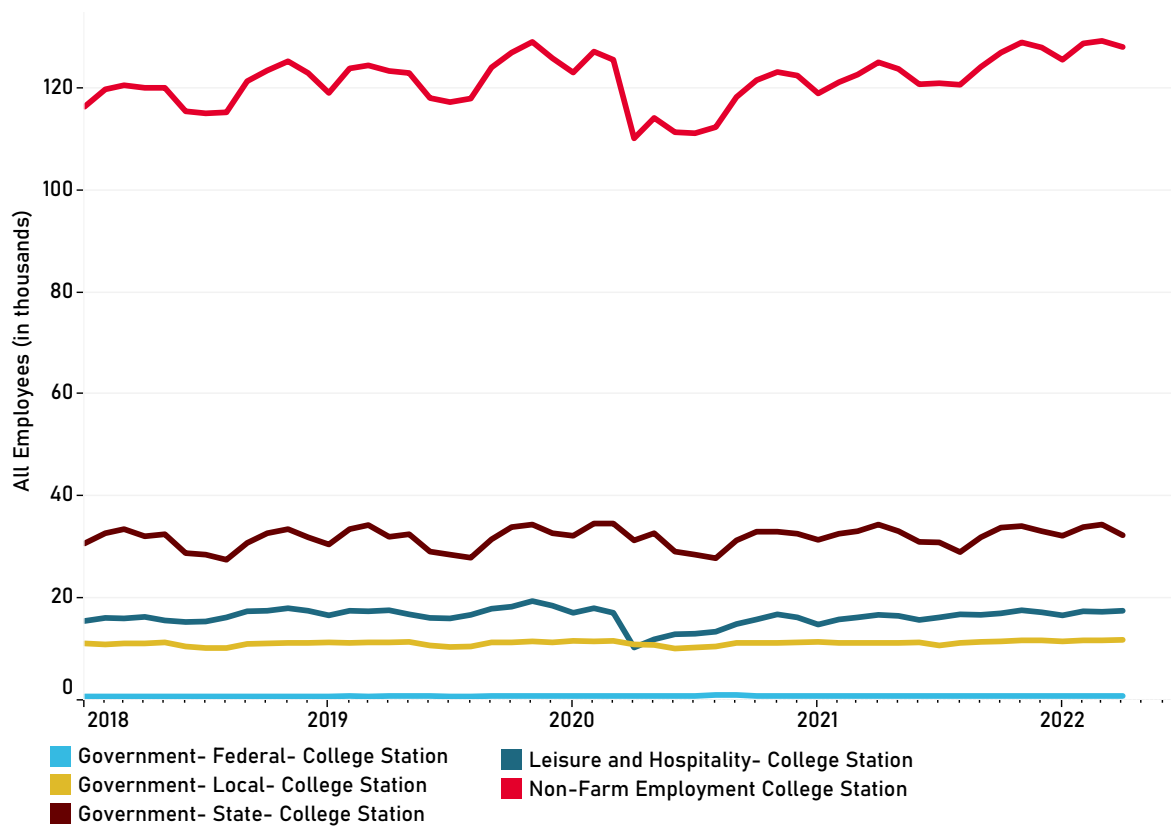| MSA | Rate |
|---|---|
| Amarillo | 3.0 |
| Austin–Round Rock | 3.0 |
| College Station–Bryan | 3.3 |
| Lubbock | 3.4 |
| Abilene | 3.5 |
| Sherman–Denison | 3.6 |
| Dallas–Fort Worth–Arlington | 3.7 |
| San Angelo | 3.7 |
| Waco | 3.8 |
| San Antonio–New Braunfels | 3.9 |
| Tyler | 3.9 |
| Midland | 4.0 |
| Wichita Falls | 4.1 |
| Texarkana | 4.4 |
| Killeen–Temple | 4.5 |
| El Paso | 4.8 |
| Houston–The Woodlands–Sugar Land | 4.8 |
| Laredo | 4.8 |
| Longview | 4.9 |
| Victoria | 4.9 |
| Corpus Christi | 5.8 |
| Odessa | 5.8 |
| Brownsville–Harlingen | 6.7 |
| Beaumont–Port Arthur | 7.5 |
| McAllen–Edinburg–Mission | 7.7 |

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

## SEASONAL EMPLOYMENT IN THE COLLEGE STATION-BRYAN MSA

Seasonally adjusted data are used for the four series used to estimate the business-cycle index. This helps ensure that the model identifies overall trends rather than the economic ups and downs associated with regularly recurring events such as the seasons of a year.  During the summer months, local economic activity slows down as many Texas A&M students leave for the summer and families are away for vacations, and this is reflected in employment levels in certain industries.

Figure 5 depicts changes in non-seasonally adjusted total nonfarm employment; State, Local, and Federal Government employment; and Leisure and Hospitality employment from January 2018 to the present. As seen in the figure, particularly for the total nonfarm and State Government (primarily Texas A&M) series, employment moves up and down with the seasons, with the highest employment during the spring and fall months and the lowest occurring in January and, especially, during the summer months.  State Government employment fell an average of 17% from spring highs to August lows during the pre-pandemic decade of 2010-2019.  Local Government employment fell an average of 9.6% from spring highs to August lows during these same years.  Leisure and Hospitality showed a smaller seasonal pattern, and with changes in the timing of the pattern over the years, but the typical decline was near 4% during the depth of the summer season. The graph also illustrates that State Government employment has averaged about 26% of total employment in recent years.

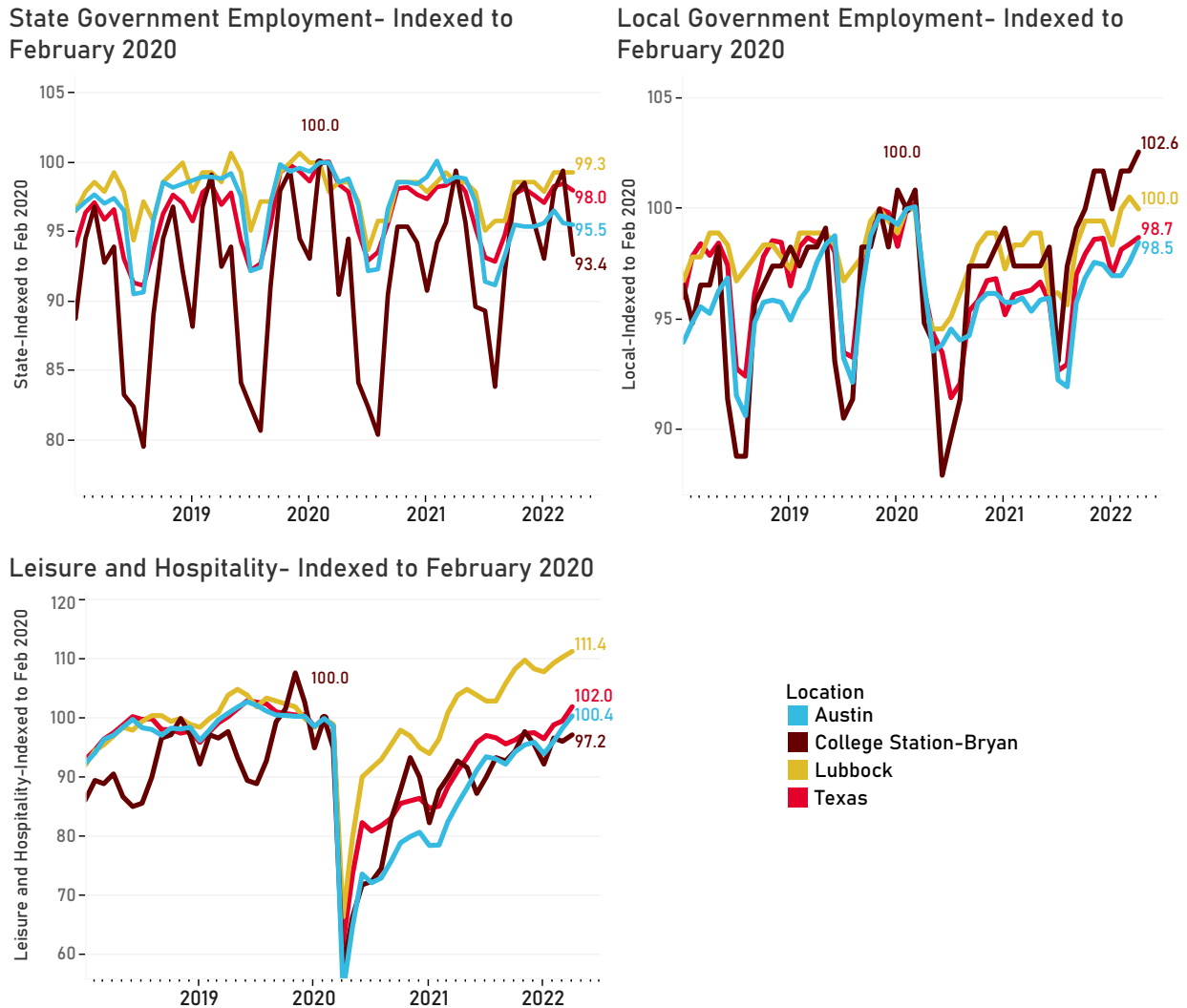FIGURE 5. EMPLOYMENT SEASONALITY, COLLEGE STATION-BRYAN



Source: Bureau of Labor Statistics. Not seasonally adjusted.

## LOCAL SEASONAL EMPLOYMENT CHANGES COMPARED TO OTHER CITIES AND THE STATE

Figure 6 compares seasonal employment changes in College Station-Bryan to those in Austin, Lubbock, and the state of Texas for three select industries. Lubbock is the home of Texas Tech University and also has a relatively large student population. It is also similar in population to College Station-Bryan. The seasonal pattern in State Government is much larger in College Station-Bryan than in the other MSAs. The seasonal pattern in Local Government in College Station-Bryan is closer to the pattern of the other MSAs in the graph. The large decline in all areas during the start of the pandemic recession, March and April 2020, are evident in all of the data series in the graphs. Finally, for Leisure and Hospitality, the seasonal pattern in College Station-Bryan pre-pandemic appears larger than in the other entities graphed, although after the large pandemic decline the seasonal patterns have been altered.

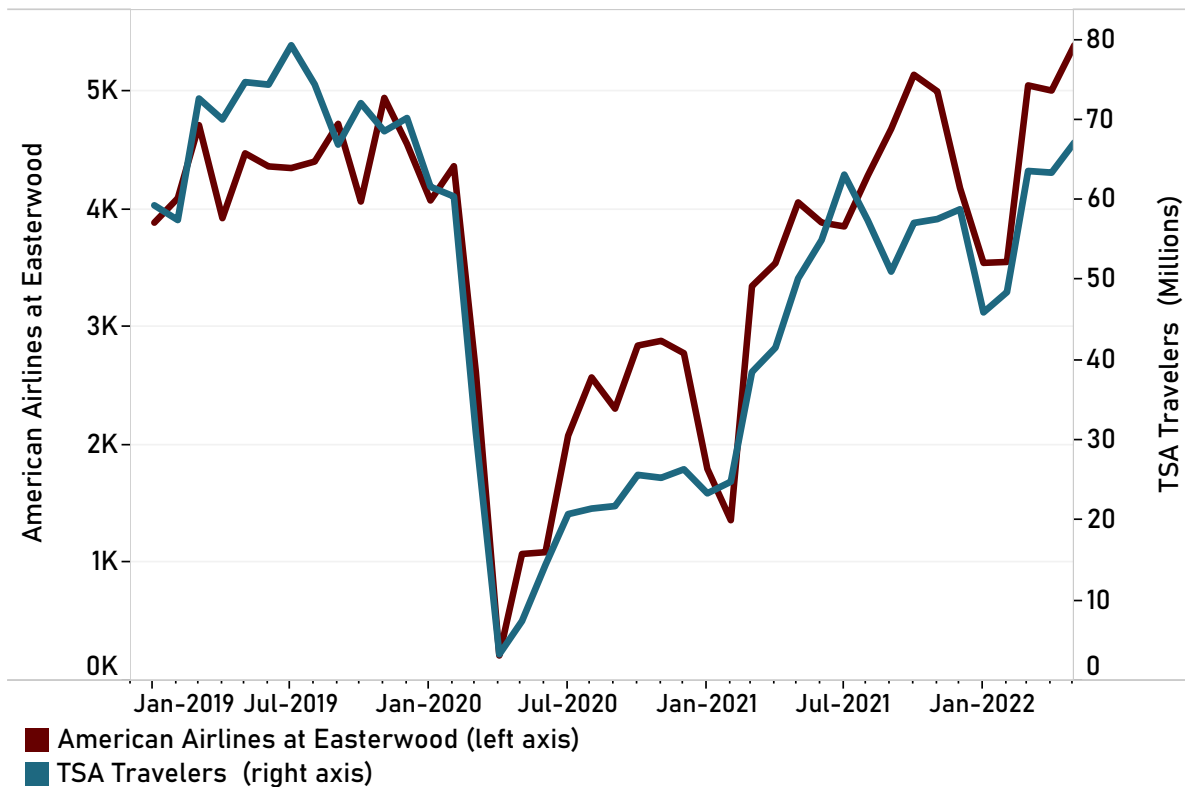FIGURE 6. EMPLOYMENT CHANGE FOR SELECT CITIES AND TEXAS

### State Government Employment– Indexed to February 2020



### Local Government Employment– Indexed to February 2020



### Leisure and Hospitality– Indexed to February 2020



Location
- Austin
- College Station–Bryan
- Lubbock
- Texas

Source: Bureau of Labor Statistics, retrieved from FRED, Federal Reserve Bank of St. Louis, not seasonally adjusted.

## AIR TRAVEL

Figure 7 depicts the enplanements at Easterwood Airport on American Airlines and the number of travelers through Transportation Security Administration (TSA) checkpoints from January 2019 to May 2022. As seen in the figure, the monthly national and local passenger counts have followed the same general pattern from the beginning of 2019 to the present. Nationally, May's air travel was much higher than travel in May 2020 and 2021 but was 90% of the number of travelers in May 2019. As with national air travel, the number of travelers out of Easterwood Airport on American Airlines in May 2022 was higher than in May of the previous two years, but was also 20% higher than in May 2019. As air travelers to and from College Station-Bryan adjust to the end of United Airlines' service, travel on American Airlines might be expected to show an increase.

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



Sources: Texas A&M University System and Transportation Security Administration.

## 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 June 7, 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 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

**Nonfarm Employment by Industry**
U.S. Bureau of Labor Statistics, State Employment and Unemployment, in College Station-Bryan, TX (MSA), retrieved from FRED, Federal Reserve Bank of St. Louis.

**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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