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

ECONOMIC INDICATORS
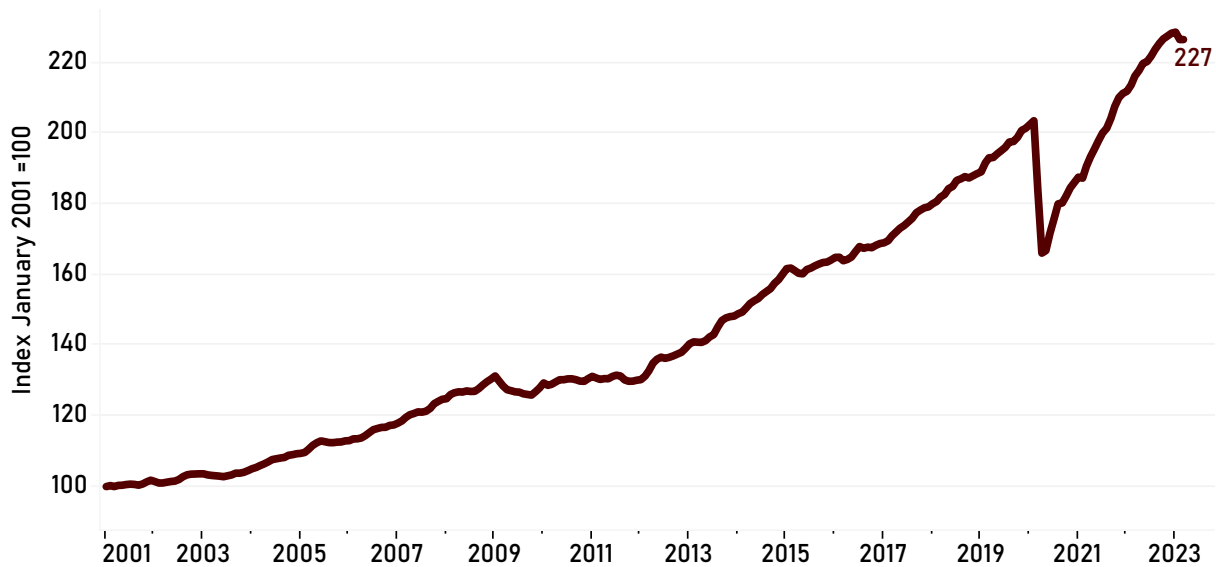## OF THE COLLEGE STATION-BRYAN MSA

MAY 2023

HIGHLIGHTS

- The Business-Cycle Index increased a slight 0.01% from February 2023 to March 2023.
- The local unemployment rate remained constant at 3.3% in March 2023 compared to its February value.
- March's local nonfarm employment decreased by 0.2% from February.
- Inflation-adjusted taxable sales were down by 0.3% from February 2023 to March 2023.
- State government employment, primarily Texas A&M University, typically declines about 13% between the spring and summer months each year.

THE COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX

The Business-Cycle Index for March 2023 rose by a few decimal points and is essentially unchanged at 227, a 0.01% increase from its February 2023 value. This slight increase mainly results from an unchanged unemployment rate from the previous month's value, and despite small decreases in nonfarm employment and inflation-adjusted taxable sales.

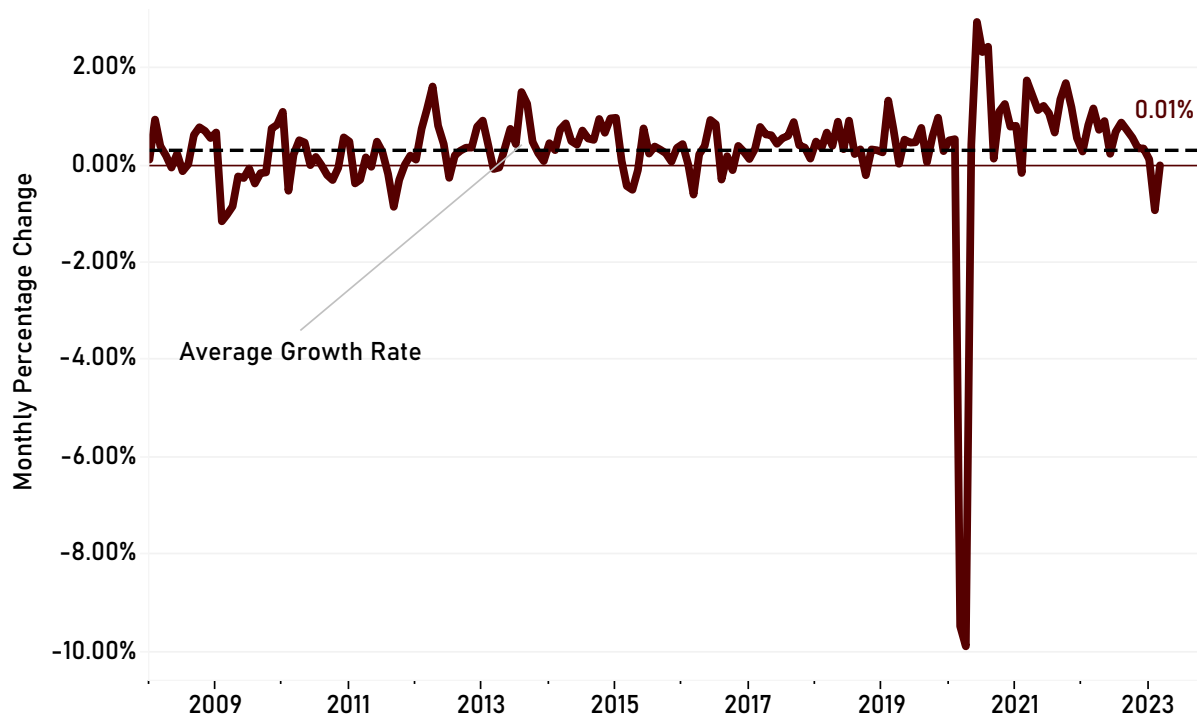**FIGURE 1. COLLEGE STATION-BRYAN BUSINESS-CYCLE INDEX**

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

THE COLLEGE STATION-BRYAN BUSINESS-CYCLE

The 0.01% increase in the CSB Business-Cycle from February 2023 to March 2023 is shown in Figure 2. The slight increase was driven by the unchanged local unemployment rate of 3.3% in March compared to February 2023. The stable unemployment rate is coupled with small decreases in nonfarm employment and inflation-adjusted taxable sales. Nonfarm employment fell by 285 workers from 136,431 in February 2023 to 136,146 in March. Inflation-adjusted taxable sales decreased by 0.3% between February and March. The fourth variable used to estimate the business cycle, quarterly inflation-adjusted total wages, was not updated this month.

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

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

UNEMPLOYMENT RATE

Figure 3 shows the unemployment rates for College Station-Bryan and Texas from January 2008 to March 2023, and for the nation as a whole through April 2023. The unemployment rate in College Station-Bryan remained at 3.3% in March, the same rate as February 2023. The Texas rate also remained constant at 4% compared to February. At the national level, however, the rate decreased from 3.5% in March to 3.4% in April. The state and metropolitan area unemployment rates for April will be released by the Bureau of Labor Statistics on May 19 and May 31, 2023, respectively.

FIGURE 3. UNEMPLOYMENT RATE

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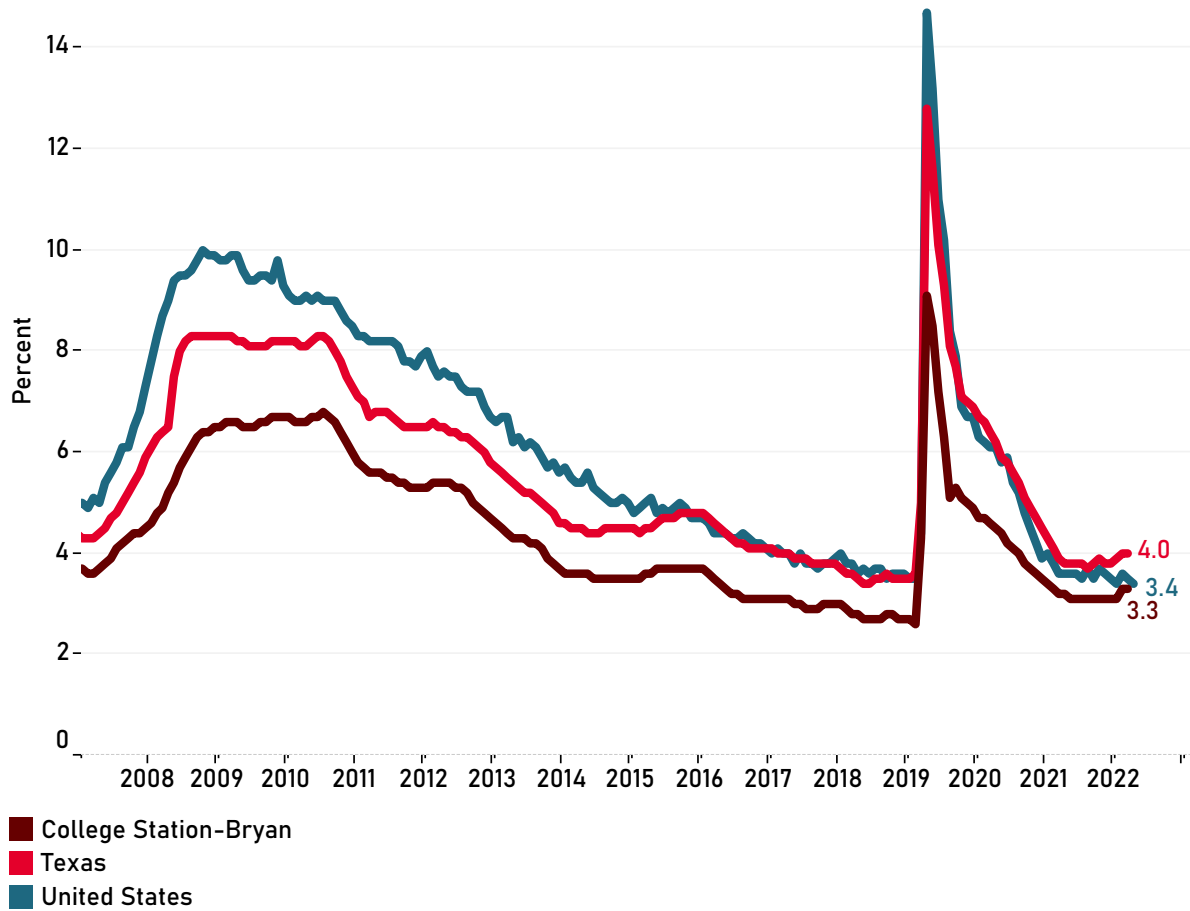
Source: Bureau of Labor Statistics. Seasonally adjusted. Last reported data point: March 2023 for College Station-Bryan and Texas and April 2023 for the United States (monthly).
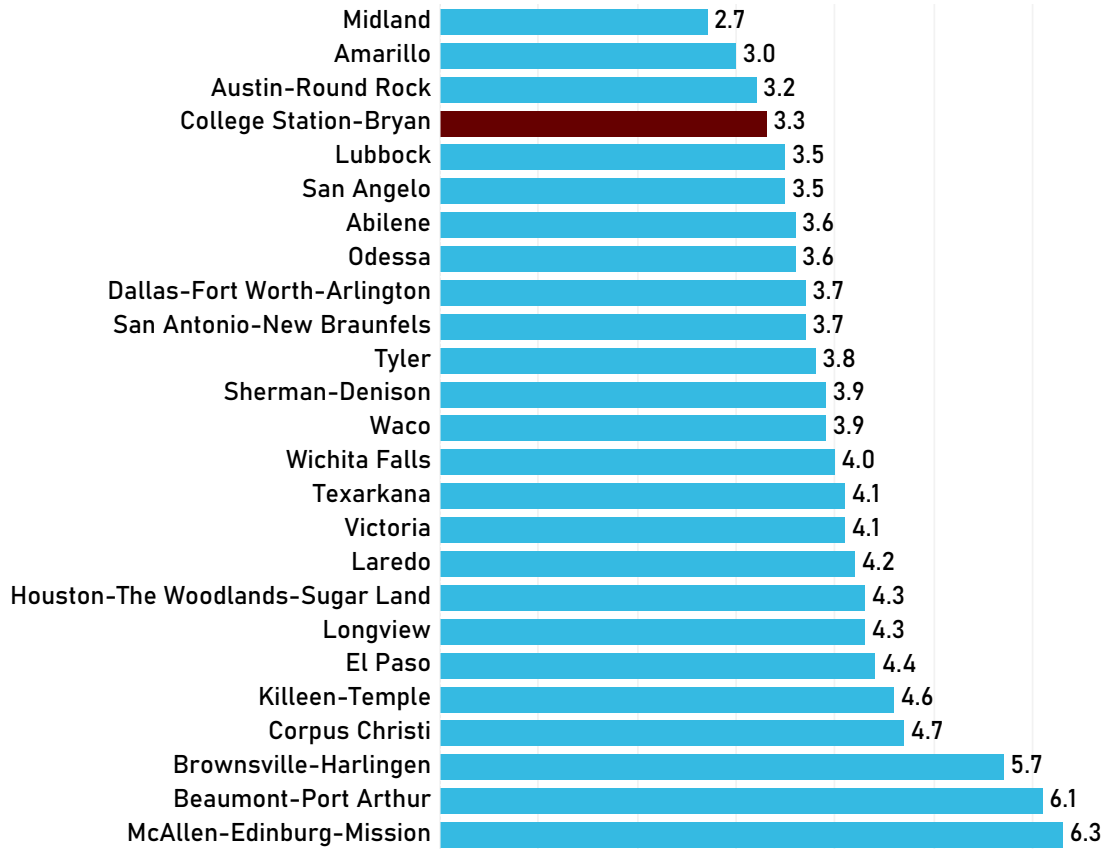
FOCUS ON THE COLLEGE STATION-BRYAN MSA

This month, we present the unemployment rates in the Texas Metropolitan Statistical Areas (MSAs) for the month of March. The seasonal movements in employment locally and around the state and local and national air travel are also discussed.

TEXAS MSA UNEMPLOYMENT RATES

Figure 4 depicts the local unemployment rates for all Texas MSAs for March 2023. College Station-Bryan's rate of 3.3% was the fourth lowest, behind the 2.7% rate for Midland and 3.0% rate for Amarillo and 3.2% rate for Austin-Round Rock. McAllen-Edinburg-Mission, Beaumont-Port Arthur, and Brownsville-Harlingen had the three highest unemployment rates at 6.3%, 6.1%, and 5.7%, respectively. Austin-Round Rock had the lowest unemployment rate among the four largest MSAs, while the rate in Dallas-Fort Worth-Arlington and San Antonio-New Braunfels was 3.7%. Houston-The Woodlands-Sugar Land again had the highest unemployment rate in this group at 4.3%. Except for the Houston metro area, the three other large MSAs reported unemployment rate increases.

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

MSA	Rate
Midland	2.7
Amarillo	3.0
Austin–Round Rock	3.2
College Station–Bryan	3.3
Lubbock	3.5
San Angelo	3.5
Abilene	3.6
Odessa	3.6
Dallas–Fort Worth–Arlington	3.7
San Antonio–New Braunfels	3.7
Tyler	3.8
Sherman–Denison	3.9
Waco	3.9
Wichita Falls	4.0
Texarkana	4.1
Victoria	4.1
Laredo	4.2
Houston–The Woodlands–Sugar Land	4.3
Longview	4.3
El Paso	4.4
Killeen–Temple	4.6
Corpus Christi	4.7
Brownsville–Harlingen	5.7
Beaumont–Port Arthur	6.1
McAllen–Edinburg–Mission	6.3

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

SEASONAL EMPLOYMENT IN THE COLLEGE STATION-BRYAN MSA

Seasonally adjusted data are used for the four series used in our Business-Cycle Index. This helps ensure that the model identifies overall trends rather than the economic ups and downs associated with regularly recurring events that happen every year. Examples of seasonal patterns include increased retail sales during the holiday season, and increased unemployment during graduation periods as students join the workforce and some are still looking for jobs. Seasonally adjusted data are intended to statistically remove these expected regularly recurring events from reported values of the data series, thereby allowing analysts to focus on changes in data that are not due just to regularly recurring seasonal patterns.

There are times when we are interested in these regularly recurring events. In this case, seasonally unadjusted data, i.e., data that includes the regularly recurring seasonal patterns, should be used. Seasonal patterns are particularly noticeable in the employment levels of certain local industries during the summer months. During the summer, local economic activity slows down as many Texas A&M students return home and local families leave the area for vacations. Figure 5 depicts changes in non-seasonally adjusted total nonfarm employment along with 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 13% from spring highs to summer lows during the pre-pandemic decade of 2010-2019. Local Government employment fell an average of 8.5% from spring highs to summer lows during these same years. Leisure and Hospitality showed a smaller seasonal pattern, down 2% from the spring to the summer months. The graph also illustrates that State Government employment has averaged about 25% of total employment over the last two years.

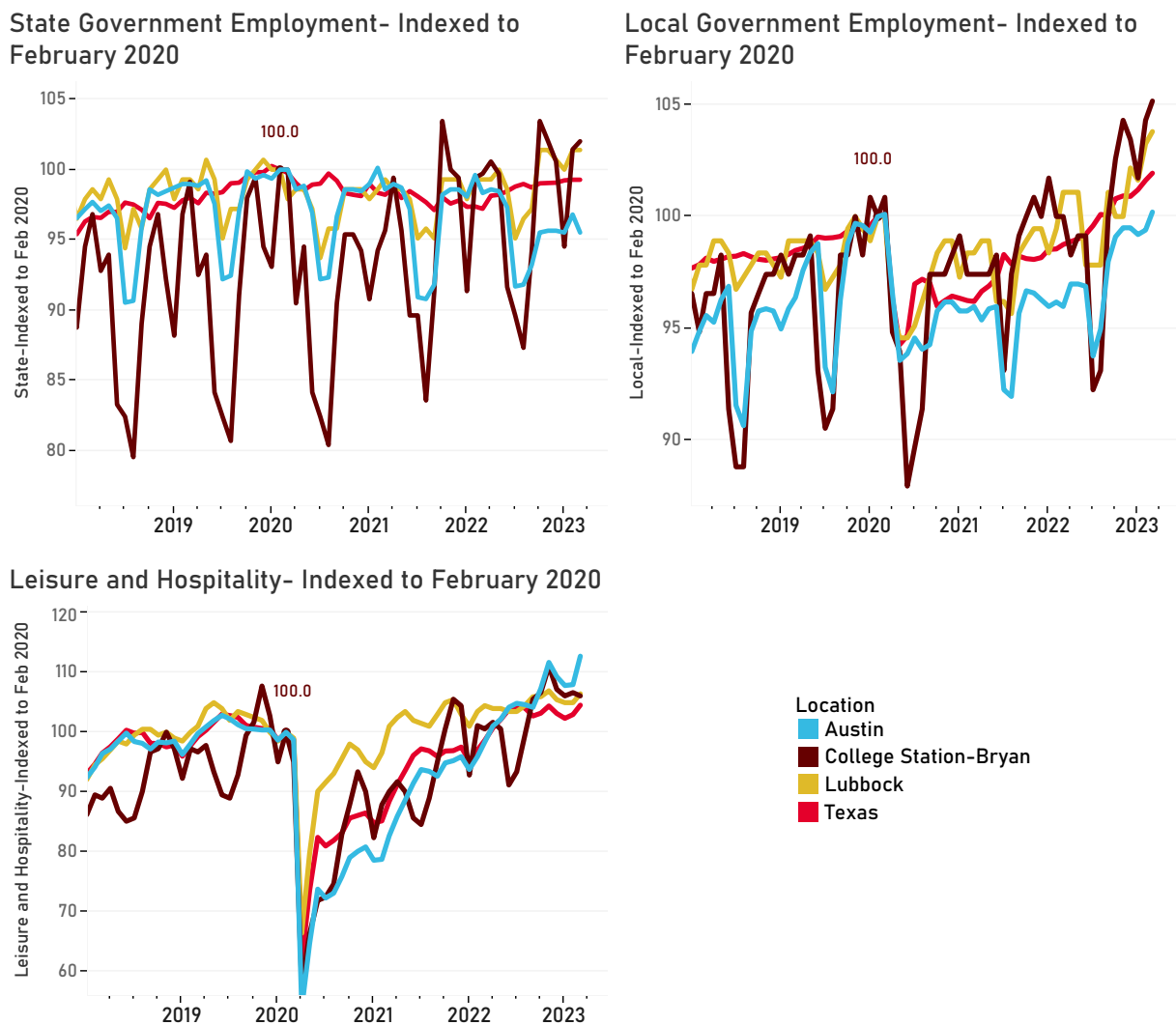### FIGURE 5. EMPLOYMENT SEASONALITY, COLLEGE STATION-BRYAN MSA
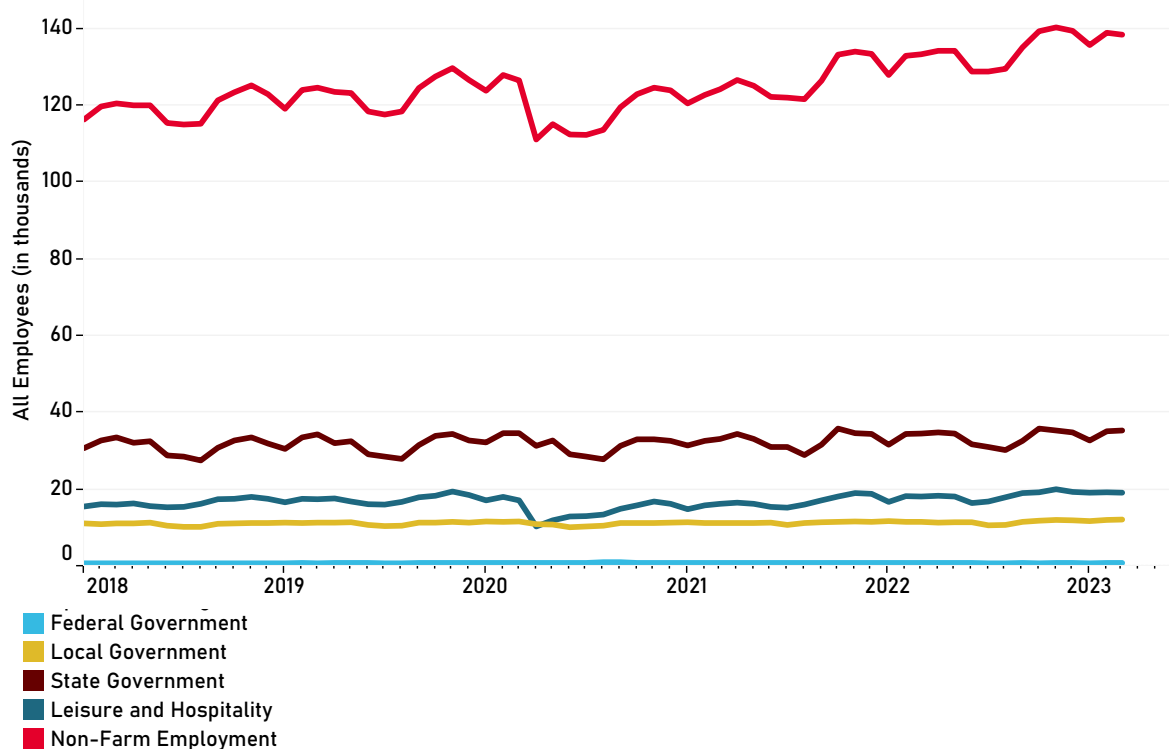
Source: Bureau of Labor Statistics, retrieved from Federal Reserve Bank of Dallas.

LOCAL SEASONAL EMPLOYMENT CHANGES COMPARED TO OTHER CITIES AND TEXAS

Figure 6 compares seasonal employment changes in College Station-Bryan to those in Austin, Lubbock, and the state of Texas for three select industries. All data are normalized to be 100 in February 2020, immediately before the pandemic-related shutdowns. Austin is much larger in population than College Station, houses a large state university, but does not have as large a student population relative to its total population. Lubbock shares more similarities to College Station-Bryan – it has a similar population, is the home of Texas Tech University, and also has a relatively large student population. That said, the summer employment declines in State Government are much larger in College Station-Bryan than in the other MSAs. The summer drops in Local Government employment in College Station-Bryan, while still larger than in the other MSAs, are closer to the pattern in Austin. The large declines in all areas during the start of the pandemic recession, March and April 2020, are evident in all of the depicted data series. Finally, for Leisure and Hospitality, the seasonal pattern in College Station Bryan pre-pandemic is larger than in the other areas graphed. All three MSAs exhibit larger seasonal patterns than found in the aggregate Texas data.

▌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
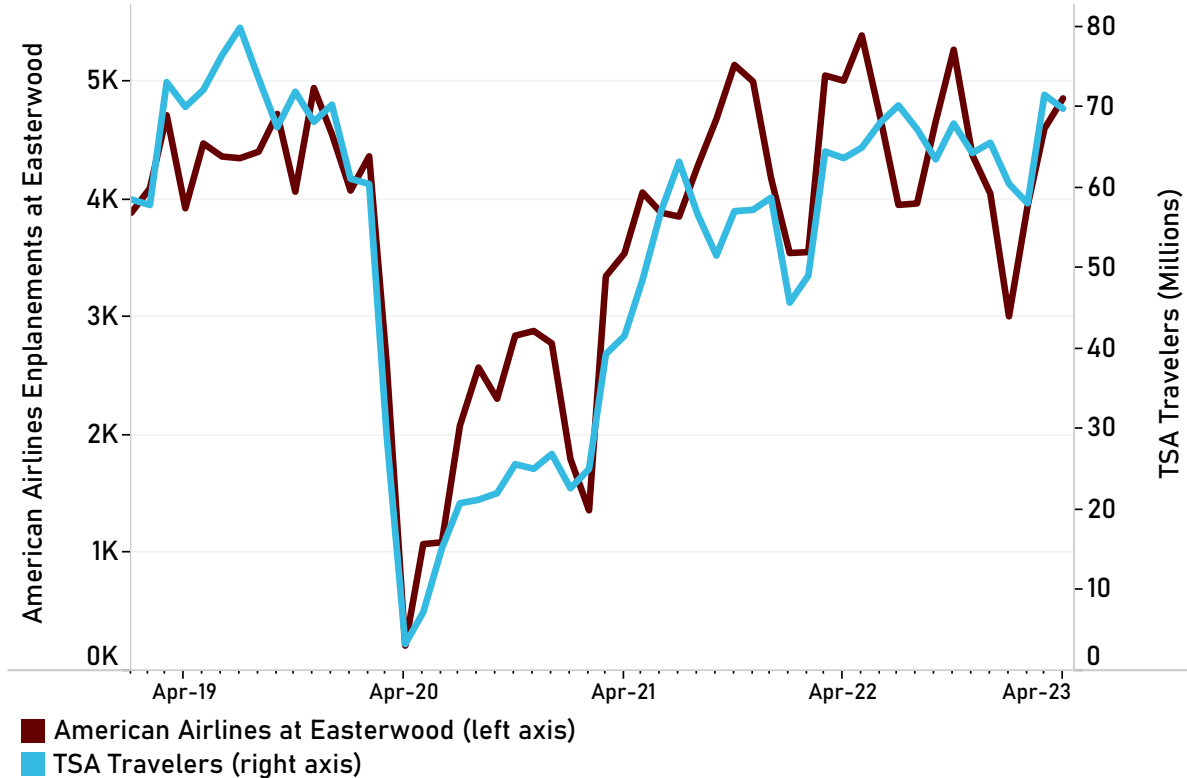- College Station–Bryan
- Lubbock
- Texas

Source: Bureau of Labor Statistics, retrieved from the Federal Reserve Bank of St. Louis

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 April 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, April's air travel was 15% higher than the number of travelers in February 2020, just before the onset of the pandemic restrictions. National air travel was also up 9% from April 2022. Local air travel out of Easterwood Airport on American Airlines in April 2023 was 11% higher than in February 2020, however, it was 2% lower than in April 2022.

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 April 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 May 8, 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

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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