



## LABORING FOR LESS: AS TEXANS CELEBRATE LABOR DAY, NEW NUMBERS SHOW THEIR PERSONAL INCOME LOSES GROUND TO OTHER STATES

Recent data on personal income and per capita personal income released by the Bureau of Economic Statistics (BEA) demonstrates the devastating effects of the recession on Americans across the country, especially in Texas where per capita personal income fell from a rank of 26<sup>th</sup> to 29<sup>th</sup> in the United States. Despite a 2 percent population increase in Texas between 2008 and 2009, total personal income declined by 1.6 percent to \$904.2 billion. Although Texas had a lower unemployment rate (8.2 percent) compared to the national average (9.5 percent), per capita personal income in the state declined faster than the national rate. Twenty-one out of the 25 Texas metro areas (MSA) experienced declines in per capita personal income. Statewide, the decline in per capita personal income has been most pronounced in the larger MSAs during the recession. The data also indicate the role of unemployment insurance (UI) as an income stabilizer. Without the state UI program and federal UI extensions, per capita income would have fallen as much as 4 percent in 2009.

- **21 of 25 Texas metro areas experienced declines in their overall per capita income between 2008 – 2009.**
- **Texas ranks 42<sup>nd</sup> in the nation for change (-3.5 percent) in per capita personal income in 2009.**
- **South Texas metro areas, McAllen, Brownsville and Laredo rank at the bottom of all 366 U.S. metropolitan areas for per capita personal income.**
- **Unemployment insurance offset per capita personal income losses in Texas by 0.5 percent between 2008 – 2009.**

### Per Capita Personal Income & Unemployment Insurance

While per capita personal income declined in Texas, unemployment insurance (UI) cushioned the blow. Without UI coverage as a safety net for jobless Texans, per capita income would have plunged as much as 4 percent, as opposed to a 3.5 percent decline in 2009.

Impact of Unemployment Insurance (UI) Payments on Per Capita Personal Income, Texas & U.S. 2008-2009					
	2008	2009	Percent Change	2009 without UI	Percent Change w/out UI
U.S.	\$40,166	\$39,138	-2.6%	\$38,831	-3.3%
TX	\$37,809	\$36,464	-3.5%	\$36,303	-4%

*Source: CPPP analysis, Bureau of Economic Analysis, Personal Income for Metropolitan Areas, 2009*

### Per Capita Personal Income by Metropolitan Area, Texas 2007-2009

Area	Per capita personal income					
	Dollars			Rank in United States	Percent change from preceding period	
	2007	2008	2009	2009	2008	2009
<b>Metropolitan portion of the United States</b>	<b>41,260</b>	<b>41,930</b>	<b>40,757</b>	<b>...</b>	<b>1.6</b>	<b>-2.8</b>
<b>Metropolitan Statistical Areas</b>						
Abilene, TX	32,176	33,589	33,016	232	4.4	-1.7
Amarillo, TX	33,129	34,729	34,150	194	4.8	-1.7
Austin-Round Rock-San Marcos, TX	37,477	37,362	35,522	155	-0.3	-4.9
Beaumont-Port Arthur, TX	33,791	35,507	35,252	166	5.1	-0.7
Brownsville-Harlingen, TX	20,502	21,387	21,456	365	4.3	0.3
College Station-Bryan, TX	27,436	28,176	27,818	349	2.7	-1.3
Corpus Christi, TX	33,975	35,636	34,743	177	4.9	-2.5
Dallas-Fort Worth-Arlington, TX	41,267	41,667	39,514	72	1.0	-5.2
El Paso, TX	26,924	28,071	28,638	342	4.3	2.0
Houston-Sugar Land-Baytown, TX	44,333	45,835	43,568	37	3.4	-4.9
Killeen-Temple-Fort Hood, TX	35,255	37,070	38,757	87	5.1	4.6
Laredo, TX	22,041	22,831	22,409	364	3.6	-1.8
Longview, TX	34,169	36,046	34,847	174	5.5	-3.3
Lubbock, TX	31,306	32,447	32,166	257	3.6	-0.9
McAllen-Edinburg-Mission, TX	18,979	19,721	19,720	366	3.9	0.0
Midland, TX	49,590	53,968	49,441	13	8.8	-8.4
Odessa, TX	32,121	34,622	32,135	258	7.8	-7.2
San Angelo, TX	32,291	33,666	33,229	222	4.3	-1.3
San Antonio-New Braunfels, TX	34,368	34,937	34,500	184	1.7	-1.3
Sherman-Denison, TX	29,687	30,516	29,979	319	2.8	-1.8
Texarkana, TX-Texarkana, AR	31,311	32,338	31,900	267	3.3	-1.4
Tyler, TX	35,329	36,456	35,316	165	3.2	-3.1
Victoria, TX	34,392	35,809	33,989	205	4.1	-5.1
Waco, TX	29,830	30,748	30,731	301	3.1	-0.1
Wichita Falls, TX	34,065	35,910	35,344	162	5.4	-1.6

Source: Bureau of Economic Analysis, Personal Income for Metropolitan Areas, 2009. 2009, <http://www.bea.gov/newsreleases/regional/mpi/2010/mpi0810.htm>

Figures are preliminary. 1. Per capita personal income was computed using Census Bureau midyear population estimates. 2. Percent change calculated from unrounded data. 3. The metropolitan area definitions used by BEA for its personal income estimates are the county-based definitions issued by the Office of Management