

# The Lubbock Economy

APRIL 2022



Still Here to Stay

# Lubbock Economic Analysis

The Lubbock Economy continues to remain strong coming out of the pandemic, Lubbock's highly skilled and educated workforce, proximity and connection to major national and international markets, and affordable utility and living costs drives the local economy. Lubbock's diverse economy based on manufacturing, agriculture, wholesale and retail trade services, as well as government, education and health care move the business and employment opportunities that drives the Lubbock economy in 2022.

Retail sales for March 2022 are up 20% when compared to March 2021 and 25% from three years ago. New vehicle sales are down 13% from last March due to supply shortages, and down 33% from March 2019. Used vehicle sales are down 13% compared to March 2021, and 13% from three years ago.

Tourism is recovering, with strength in the motel tax collections, but are still down 14% compared to March 2021 and up 5% compared to three years ago. Airline boarding's are beginning to recover, indicated by the 27% increase since March 2021; however, they are still down 13% when compared to 2019.

Workers employed are up 5,000 over 12 months ago on both the household and employer survey. The labor force has increased 2% compared to March 2021 and 3% from three years ago. Wages are up 4% from last year and 12% from three years ago.

Construction is starting to slow down with the dollar amount of building permits issued down 3% compared to last year and up 21% from three years ago. YTD is \$461,821,152, up 111% from last year. Residential construction starts for March 2022 are down 12% compared to one year ago and up 4% from three years ago. The median house price for March 2022 \$261,000 compared to \$274,300 one year ago and \$195,057 three years ago.

Commodities all show higher prices, with oil up 70% since March 2021 and natural gas up 174%, boosting the rig count to six from five since last year. For March 2022, wheat is up 68%, corn is up 12% and cotton is up 38% when compared to March 2021. Fat cattle are up 29% for the month when compared to March one year ago. Milk prices are up 36% from last March; higher input costs have cut profitability for dairy producers.

# Lubbock Economic Pulse

Economic Components	Current Month	Last Month	One Year Ago
Index (Base Jan. 88 @ 100)	385.89	355.00	
Sales Tax Collections	\$ 6,623,551	\$ 6,859,267	\$ 5,539,130
Sales Tax Collections – Year to Date	\$ 30,770,815	\$ 24,147,264	\$ 25,625,420
New Vehicle Sales	727	789	835
Used Vehicle Sales	2,098	1,901	2,424
Airline Boardings	39,434	30,538	31,075
Hotel/Motel Receipt Tax	\$ 641,182	\$ 521,486	\$ 743,675
Population	263,648	263,648	252,506
Employment – CLF*	169,642	169,384	166,332
Unemployment Rate*	% 3.00	% 3.70	% 5.20
Total Workers Employed* (Household Survey)	164,547	163,113	157,726
Total Workers Employed* (Employer Survey)	155,000	154,800	147,400
Average Weekly Wages	\$ 928.00	\$ 928.00	\$ 892.00
Gas Meters	77,438	76,554	75,278
Interest Rates (30 year mortgage rates)	% 5.500	% 5.250	% 3.000
Building Permits (Dollar Amount)	\$ 72,961,124	\$ 206,043,168	\$ 75,056,223
Year to Date Permits (Dollar Amount)	\$ 461,821,152	\$ 388,860,028	\$ 218,559,146
Residential Starts	198	241	225
Year to Date Starts	760	562	62
Median House Sold Price	\$ 261,000	\$ 229,900	\$ 274,300
Drilling Rigs in Panhandle	6	6	5
Oil Per Barrel	\$ 106.95	\$ 96.18	\$ 63.06
Natural Gas	\$ 7.30	\$ 4.54	\$ 2.66
Wheat Per Bushel	\$ 11.00	\$ 11.35	\$ 6.54
Fed Cattle Per CWT	\$ 155.00	\$ 148.00	\$ 120.50
Corn	\$ 7.35	\$ 7.60	\$ 6.54
Cotton (Cents Per Pound)	\$ 99.77	\$ 95.90	\$ 72.10
Milk	\$ 24.00	\$ 22.00	\$ 17.59

# Trends and Comparisons

## April 2022

	<u>Amarillo</u> Actual	<u>Lubbock</u> Actual	<u>Midland</u> Actual	<u>Odessa</u> Actual
Retail Sales Tax	\$ 6,854,426	\$ 6,623,551	\$ 5,075,581	\$ 4,492,581
Airline Boardings	27,603	39,434	49,384	
Hotel Motel Tax	\$ 551,348	\$ 641,182		\$ 99,657
Building Permits March	\$18,099,900	\$72,961,124		\$ 750,000
Housing Starts MTD	46	198		87
Housing Starts YTD	188	760		276
New Vehicle Sales	537	727	1,324	Odessa Included
Used Vehicle Sales	1,586	2,098	1,696	Odessa Included
<b><u>Workers Employed</u></b>				
Household Survey	132,798	164,547	100,733	77,407
Employer's Survey	124,300	155,000	105,300	74,000
Civil Labor Force	136,476	169,642	104,383	81,556
Unemployment Rate	2.7%	3.0%	3.5%	5.1%