SPECIAL REPORT: RGV LABOR MARKET ANALYSIS- Aug 2026

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Beyond the Unemployment Rate

Understanding the workforce challenges — and opportunities — behind the numbers in Hidalgo, Starr, & Willacy Counties (WFSLRGV Region)

376k+	13.8%	52%	$24.2M
Jobs in Regional Economy	Regional Job Growth (2020–2025)	Jobs in Lower-Wage Occupations	Workforce Training Investments

SECTION 1
• THE ECONOMY IS GROWING — BUT NOT FOR EVERYONE

Growth Without Mobility

The Workforce Solutions region added jobs at a rate that outpaced the nation between 2020 and 2025 — 13.8% regional growth versus 10.6% nationally. Yet, the job counts tell only part of the story.

With approximately 376,000 jobs supporting the regional economy, the region has strong momentum and significant opportunities for continued growth. But more than half (283,130) of those positions sit at the lower end of the wage spectrum, while only 15% (80,250) reside in the highest wage tier.

TOP 5 OCCUPATIONS BY NUMBER OF JOBS		TOP 5 HIGHEST-PAYING OCCUPATIONS BY MEDIAN HOURLY WAGE	
Description	Median Hourly Wage	Description	Median Hourly Wage
Healthcare Support	$11.51	Management	$36.77
Office and Administrative	$17.54	Architecture and Engineering	$36.41
Educational Instruction and Library	$22.70	Life, Physical and Social Science	$22.75
Sales and Related	$14.15	Computer and Mathematical	$32.43
Food Preparation and Serving	$11.49	Healthcare Practitioners and Tech	$32.12

Long-term regional prosperity depends on creating stronger pathways into higher-skill, higher-wage careers — careers that support upward mobility and family-sustaining incomes, not just employment statistics.

> **“Economic development success should be measured not only by the number of jobs created, but also by the quality of jobs available and the ability of residents to advance into careers that support family-sustaining wages.”**

Building Workforce Stability

The workforce data presented in this section highlights where challenges are most concentrated and where opportunities for improvement are greatest. By identifying measurable workforce trends, Workforce Solutions and its regional partners can focus investments and collaborative strategies where they will have the greatest impact on economic mobility and regional prosperity

In 2025, the Workforce Solutions region recorded 220,373 hires and 213,168 separations. This near-equal exchange reflects a workforce market that is moving fast but not always moving up. High employee turnover is not evenly distributed – it is concentrated in lower-wage occupations and industries.

At the same time, employers consistently report challenges finding qualified applicants, retaining employees, and filling skills gaps in technical occupations. These are not isolated complaints — they are symptoms of a workforce ecosystem under strain.

WHAT TURNOVER COSTS	
For Employers	**For Workers**
• **Increased recruitment and onboarding costs** • **Elevated training expenditures** • **Productivity gaps and workforce shortages**	• **Disrupted career trajectories** • **Reduced long-term financial stability** • **Fewer opportunities for advancement**

These findings reinforce that workforce challenges require targeted interventions, not one-size-fits-all solutions. Services and resources from different organizations may be necessary to address systemic or individual challenges. Coordinated collaboration among ecosystem partners is the most effective path forward.

Who Is Filing for Unemployment?

An analysis of 8,388 unemployment claims filed between January 2026 and March 2026 reveals that joblessness is concentrated within specific industries — not spread uniformly across the economy.

53%	36	63%
Claimants Ages 25–44	Median Age of Claimants	High School Diploma or Less

Most unemployed workers represent the region's prime working-age population—a valuable talent pool with the skills and potential to contribute to the regional economy. By emphasizing rapid reemployment alongside targeted upskilling, Workforce Solutions and its partners can help individuals return to work more quickly while preparing them for higher-skill, higher-wage career opportunities.

Educational attainment remains one of the strongest predictors of long-term economic mobility. With nearly two-thirds of claimants holding a high school diploma or less, targeted up-skilling is not a program option — it is an economic imperative. The following are the top four occupational sectors with the most unemployed during the period analyzed:

Construction — 2,652 Claims (31.6%)

Construction dominates the claims data by a wide margin. Work is inherently project-based: workers are hired when contracts begin and released when they end, creating predictable cycles of employment and unemployment. Portable credentials — licensed trades, OSHA certifications, operator qualifications — would allow workers to move more quickly between employers when a project ends, but many lack access to those credentials.

Administrative and Support Services — 1,066 Claims (12.7%)

These roles are among the first cut when businesses reduce costs, and the last rehired when conditions improve. A significant share of this workforce is placed through staffing agencies, facing regular employment interruptions by design. Low wage floors and high competition suppress worker leverage and limit pathways to advancement.

Health Care and Social Assistance — 750 Claims (8.9%)

Claims in a growing sector signal a workforce composition problem, not a demand problem. A large share of health care employment in the Valley consists of direct care workers in roles that are low-wage, part-time, or tied to individual patient contracts. When funding lapses or patient census shifts, these workers lose hours rapidly — even as the broader sector continues to expand.

Professional, Scientific, and Technical Services — 564 Claims (6.7%)

This sector's presence in the top four is a signal worth watching. Professional and technical roles are typically associated with higher wages and greater stability. Claims here likely reflect project-based contract work, grant-funded position endings, and early effects of technology-driven displacement. As automation reshapes knowledge-work occupations, the RGV must anticipate that higher-credential workers are not immune to structural unemployment.

SECTION 3
•TURNING CHALLENGES INTO OPPORTUNITIES

A Coordinated Regional Response Is Already Underway

The data points to concentrated challenges. Concentrated challenges can be addressed through targeted strategies — and across the Rio Grande Valley, that work is happening now. Workforce Solutions – Lower Rio Grande Valley, along with its ecosystem partners are strategically investing in workforce development.

6,100+	$24.2M	3
Returned to Work Within 10 Weeks	Secured in Training Investments	Active Industry Sector Partnerships

Rapid Reemployment

More than 6,100 unemployment claimants returned to work within ten weeks — a result that demonstrates the tangible effectiveness of targeted job matching and workforce navigation services. This outcome does not happen automatically; it reflects deliberate investment in rapid response infrastructure.

$24.2 Million in Training Investments

Through Workforce Innovation and Opportunity Act (WIOA) funding and competitive statewide grants, Workforce Solutions - Lower Rio Grande Valley has secured or is in the process of receiving approximately $24.2 million in workforce training investments over the past year. This level of investment is only possible through the collaboration of ecosystem partners in economic development, education, community-based organizations, and local government.

Industry Sector Partnerships

Industry-led sector partnerships are aligning workforce investments with real employer demand in three high-growth sectors:

◆ Healthcare ◆ Information Technology ◆ Construction Trades

These partnerships bring ecosystem partners together to address skill gaps and strengthen the talent pipeline — ensuring training investments reflect actual labor market conditions, not projections made in isolation from the employers who will ultimately hire.

Education + Skills Integration

Regional partners increasingly deliver integrated programming that combines foundational education with job-ready credentials:

- GED preparation paired with occupational training; English as a Second Language (ESL) instruction
- Digital literacy for a technology-driven economy
- Industry-recognized credentials aligned to employer demand

This integrated approach accelerates employment pathways and improves long-term workforce outcomes for participants who might otherwise face sequential barriers to both education and employment.

SECTION 4
• THE FULL PICTURE: SUPPORTING WORKING FAMILIES

Workforce Participation Depends on More Than Job Availability

Behind every workforce statistic is a family navigating the realities of daily life. For working parents, reliable and affordable child care is the foundation that makes workforce participation possible.

5,500	**9,700**
Parents Receiving Child Care Assistance	**Children Supported Each Day**

For the thousands of Rio Grande Valley parents relying on child care assistance, that support is the difference between being able to work or not. Without it, training programs go unfilled and job offers go unaccepted — regardless of how many positions are available in the market.

Child care investment strengthens the broader economy

- **High-quality care enhances child development — cognitive, social, emotional, and physical — laying the foundation for lifelong learning and workforce readiness**
- **Stable child care enables workforce participation, increasing household incomes and consumer spending**
- **Communities benefit from reduced long-term dependence on public assistance**
- **Employers gain a more reliable, stable workforce when parents have dependable care arrangements**

FINAL TAKEAWAY

Building a Stronger Regional Workforce Ecosystem

The Rio Grande Valley's workforce data tells an encouraging story of a growing economy, while also identifying clear opportunities to strengthen economic mobility and workforce participation across the region.

The challenges highlighted in this report are not random. They are concentrated and measurable—and that means they are addressable. By understanding where workforce barriers exist, regional partners can better align resources, target investments, and develop strategies that connect more individuals to meaningful career opportunities.

Continued progress will require expanding pathways into higher-skill, higher-wage careers; helping unemployed workers return to employment quickly or gain new skills; strengthening child care as essential workforce infrastructure; and ensuring education and training remain closely aligned with the evolving needs of regional employers.

The opportunity ahead is to bring these strengths together around a shared regional workforce strategy—one that helps businesses grow, creates greater economic mobility for individuals and families, and positions the Rio Grande Valley for long-term prosperity.

Rio Grande Valley Economic Mobility Ecosystem

Working together to build pathways to prosperity for our region.

Partner With Us

If your organization shares a commitment to expanding economic opportunity in the Rio Grande Valley, Workforce Solutions invites you to be part of the solution. Whether you are an employer looking to strengthen your talent pipeline, an educator aligning programs to labor market demand, or a community organization serving working families — there is a place for you in this ecosystem.

To explore partnership opportunities in Starr, Hidalgo, and Willacy Counties, contact BusinessRelations@wfsolutions.org
To explore partnership opportunities in Cameron County, visit https://www.wfscameron.org/contact-us/

Prepared by Workforce Solutions Lower Rio Grande Valley. Produced in recognition of our ongoing regional collaboration with Workforce Solutions Cameron and our many workforce ecosystem partners committed to strengthening economic opportunity across the Rio Grande Valley.