

Texans' personal income rose 5.6% in 2014 on speedy job growth

By SHERYL JEAN / Staff Writer

Many Texans are reaping the benefit of the state's fast pace of job growth over the last few years with higher personal income and wages.

The personal income of Texans jumped 5.6 percent in 2014 — more than four times the rate of inflation last year, according to estimates released Wednesday by the U.S. Bureau of Economic Analysis.

That increase ranked Texas fourth among all states and Washington, D.C. Tied for first place were Alaska and Oregon, with a 5.7 percent gain. Iowa and Mississippi tied for last place with a 1.3 percent gain.

The per-capita personal income — net earnings plus property income, government payments such as retirement, disability and insurance benefits — of Texas residents was an estimated \$45,426 in 2014. By dollar amount, Texas ranked 25th nationally.

“The data looks strong for Texas, and that isn't really surprising,” said Keith Phillips, senior economist for the Federal Reserve Bank of Dallas. “Job growth was very strong last year. And we actually finished last year pretty strong.”

Texas generated 407,400 jobs last year, second nationally after California. Last week, however, Phillips lowered his forecast for 2015 job growth in Texas to between 1 percent and 2 percent — a gain of 117,000 to 235,000 jobs — from 3.5 percent in 2014.

Phillips also expects personal income growth in Texas, the nation's largest oil-producing state, to weaken due to the impact of plunging oil prices.