

Shrinking Military Workforce in Corpus Christi

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Takeaways

- The military base in Corpus Christi is the largest employer of the Coastal Bend.
- In addition to military personnel, Naval Air Station Corpus Christi and Corpus Christi Army Depot together employ more than 5,600 civilians and contractors.
- The sizes of the military and civilian workforce in the two military installations, however, have shrunk gradually over the past 20 years.

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Many people call Corpus Christi an oil town, but few know that its military base has long been the city's largest employer. The base has not only played a virtual role in defending our nation, but its activities have also been a lifeblood of the local economy.

The Naval Air Station Corpus Christi (NASCC) in Flour Bluff also houses the Corpus Christi Army Depot (CCAD) and more than 50 other military commands, including the Coast Guard and the Customs and Border Protection Service. NASCC focuses primarily on pilot training.

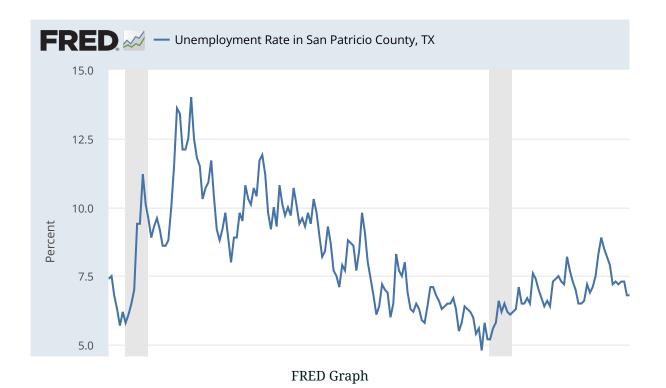
Most government economic data, such as the monthly employment and unemployment reports released by the Bureau of Labor Statistics, cover civilians and thus exclude the military. For this reason, the military workforce seems to work "behind the scene." In Corpus Christi, it sheer size can hardly be ignored though.

CCAD is one of the largest industrial employers in South Texas. The depot is also the Department of Defense's largest rotary wind repair facility and the world's leader in repair and overhaul for helicopters, such as UH-60 Black Hawks, CH-47 Chinooks, AH-64 Apaches, and the HH-60 Pave Hawks.

The majority of the workforce on the base is in fact not military. In addition to roughly 2,000 active-duty military

personnel and about 800 in reserve, the two installations together employ more than 5,600 civilians including private contractors.

Before 2011, the metro area was also home to Naval Station Ingleside in San Patricio County. That base was closed as an outcome of the 2005 round of BRAC, which stands for the periodic Base Realignment and Closure process executed by the Department of Defense for military installations across the nation. The closing of the Naval Station led to a cumulative total of more than 2,000 military and civilian jobs that disappeared between 2005 and 2011. A study at Texas A&M University-Corpus Christi, published by the Defence and Peace Economics journal, underscores the larger impact of BRAC's realignments of civilian contractors than the impact of military personnel on the local economy.



The DoD has not initiated another BRAC process since 2005. Still, the 2005 BRAC decision to close NS Ingleside has had a long-lasting effect on its local economy. Before 2005, San

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Patricio County's unemployment rate was close to that of its neighboring Nueces County.

After 2005, especially following the full closure of the Ingleside naval base in 2011, San Patricio County's unemployment rate has stayed persistently higher by about one percent.

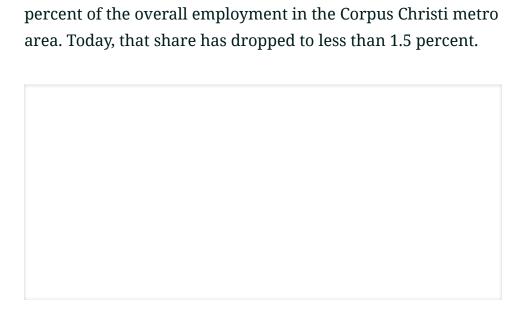
While BRAC actions were devastating for communities subject to base closures, military realignments were more of a subtle, continuous process over time. Even after 2011, the workforce on Corpus Christi's only military base has continued to drop. Between 2012 and 2019, the total number of employees working for NASCC and CCAD

has dropped by more than 1,600.

In fact, the number of military personnel in Corpus Christi has shrunk steadily since the turn of this century. During the 2005 BRAC round that led to the eventual closure of Naval Station Ingleside in 2011, the metro area lost a total of 1,741 military personnel.

During the next five years, military employment stayed steadily around 4,550, while the regional economy benefited from an oil production boom that ended in 2015. Since 2016, the size of military employment in Corpus Christi has nearly reduced by half from 4,986 to 2,440.

Two decades ago, the federal military made up nearly 4



The shrinking size of the military is not part of a nationwide trend though. This can be understood through the calculation of the location quotient index for Corpus Christi's military employment. The local quotient index compares the share of military employment in Corpus Christi to the share of military employment nationwide.

In 2001, the location quotient of Corpus Christi's military employment was 2.5, meaning that the relative size of the military workforce was 2.5 times as large as that elsewhere in the U.S. In 2021, the index reduced to 1.1, which means the relative size of Corpus Christi's military personnel was about the same as that of a typical U.S. city.

Despite their shrinking employment sizes, the two military installations have continued to play a vital role in accomplishing their missions of pilot training and helicopter repair. They are still the lifeblood of the Corpus Christi community and its economy.

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According to the <u>Texas Comptroller of Public Accounts</u>, military personnel in Corpus Christi bring with them a total of nearly 800 dependents. About 650 are children that attend school within the city.

The workforce of over 5,600 civilian employees on the local military base accounts for nearly 4 percent of all jobs in Nueces County. The average earnings of those workers are slightly below \$80,000 — about \$20,000 above the average for all jobs in the area — as most of them have mechanical skills, particularly in the inspection and repair of aircraft and components.

The <u>Texas Comptroller</u> office has estimated that the two military installations in Corpus Christi together generate an economic impact of \$2.8 billion each year. Instead of simply protecting the presence of the military facilities in Corpus Christi, South Texas's economic growth would have been stronger if their operations were to expand instead of shrinking as they have experienced in the past two decades.

According to the <u>TAMU-CC</u> study on <u>BRAC</u> actions, the absolute size of the local economic impact from an expansion in a military installation's operation is greater than that from a reduction in its operation. This finding lends credence to the potential economic benefits of recent development in the Unmanned Aircraft System (UAS) program at TAMU-CC.

During the ongoing war in Ukraine, drones have proven to be game chargers for detecting and destroying enemies. The success of the application of drones in modern warfare further supports the promotion of UAS-related programs going forward.

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