

Gulf Coast Workforce Board
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FOR IMMEDIATE RELEASE

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TEACHERS, STAFF RETURNING TO WORK PROVIDE BOOST TO A LACKLUSTER SEPTEMBER JOBS REPORT

(HOUSTON) The Houston area added nearly 15,000 jobs in September boosted primarily by hiring in the Government sector, according to data released this morning by Workforce Solutions. The 19,400 returning schoolteachers, administrators and support staff, which make up the bulk of the Government employment sector, offset job losses in Trade, Transportation and Utilities (-7,200), and in Construction (-3,000).

"This month's report is very seasonally-driven," said Workforce Solutions economist Parker Harvey. "We traditionally see an uptick in Government hiring during the month so that's not a surprise; but there are some concerning hiring trends in other sectors that I'm keeping an eye on."

Harvey pointed to the Construction sector, which posted a loss of 3,000 jobs in September, "This is substantially in contrast to the long-term average," he said, noting that the sector typically shows a small boost in hiring during September.

Losses in both the Construction of Buildings and Specialty Trade Contractors subsectors were especially acute, down 2,000 and 1,500 respectively, but were partially offset by hiring in the Heavy Construction subsector (+500). "Construction is one sector that I've been expecting to come under pressure as interest rates rise. Perhaps this is the first sign of that finally coming to fruition," he added.

Another sector posting job losses was the Trade, Transportation and Utilities, which shed 7,200 jobs last month making it the second month in a row the sector has lost jobs. "I do expect the Retail Trade portion of this sector to tick upward over the next couple of months as companies hire additional staff for the holiday shopping season, Harvey added. "However, the two consecutive declines in Transportation, Warehousing and Utilities, the distribution and logistics subsector of Trade, Transportation and Utilities —have totaled 7,000 jobs, which more than offsets all of the gains in this subsector between February and July. This is concerning."

Despite the mixed report, unemployment fell nearly half a point to a not-seasonally adjusted 4.2% in September. Adjusted for seasonal fluctuations, the unemployment rate for the Houston-Galveston region remained steady at 4.5 percent in August. The seasonally adjusted figures for September will be released in November with the October jobs report.

Additional labor market information, including the detailed September report, can be found online at: www.wrksolutions.com/localstats. The Texas Workforce Commission will release October employment data on November 18, 2022.

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ABOUT WORKFORCE SOLUTIONS: <u>Workforce Solutions</u> is dedicated to keeping the Texas Gulf Coast region a great place to do business, work and live. Our employer-driven, people-focused approach elevates the economic and human potential of the region to attract and retain the best employers, afford everyone the dignity of a job, and remain indispensable to the global economy. As the public workforce system for 13 counties in the Houston-Galveston region, we work in tandem with the Texas Workforce Commission and the statewide Workforce Solutions network to maintain the state's largest job-match database – <u>www.WorkInTexas.com</u>.

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