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## **TYPICAL JULY EMPLOYMENT PICTURES BELIES VOLATILITY UNDERNEATH** *Despite private sector gains, Government's big drop of 23,000 drags down overall employment*

(HOUSTON, TX) Private employers in the Houston area added 6,700 jobs in July, but the overall job market was dragged down by larger than average losses in the Government sector, according to numbers released this morning by Workforce Solutions.

"That this sector saw job losses is not surprising," said Parker Harvey, principal economist at the regional workforce development agency. While this sector regularly experiences a big drop in employment in July due to the end of the school year, it tends to reverse itself within a couple months when teachers and school support staff return after summer break. "The number of reported job losses, however, is much higher than normal," he said, adding it could be a combination of announced reductions in force at local school districts and an estimation error that could be revised in August.

Private sector employment remains a mixed bag with losses posted in sectors that typically see a mid-summer bump in employment. The good news: payrolls in the Manufacturing and Construction sectors grew by a combined 4,600 jobs with both experiencing their largest ever July gains of 3,100 and 1,500 respectively. There was also positive traction in the Financial Activities sector, which added the most jobs in July, 4,200, it's largest ever one-month gain on record.

The bad news: Professional and Business Services reported its largest ever July loss of 5,300 jobs, snapping a five-month winning streak. The Leisure and Hospitality sector took it on the chin with another 1,000 jobs lost in July after the previous month's unprecedented drop. That estimated loss of 6,000 jobs in that sector was unchanged after revisions for June were made.

Not-seasonally adjusted Unemployment went up three-tenths of a point to 4.8 percent, which Harvey attributes to the aforementioned layoffs in both the Government and Professional and Business Services sectors. Seasonally-adjusted unemployment for June was unchanged at 4.4 percent.

Additional labor market information, including the detailed July report can be found online at [www.wrksolutions.com/localstats](http://www.wrksolutions.com/localstats). The Texas Workforce Commission will release August employment data on September 15, 2023.

**ABOUT WORKFORCE SOLUTIONS:** [Workforce Solutions](http://www.WorkforceSolutions.com) 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 – [www.WorkInTexas.com](http://www.WorkInTexas.com).

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