

# Houston Area Employment Situation

September 2024

## CURRENT EMPLOYMENT AND LOCAL AREA UNEMPLOYMENT STATISTICS

*Autumn Kicks-Off with More Job Growth Post-Beryl*

### Total Nonfarm

#### Over-the-month Change

Houston MSA Total Nonfarm employment stood at 3,458,700 in September, up 11,700 jobs over the month, or 0.3 percent on a not-seasonally-adjusted basis (see Chart 1). A year ago Houston registered an over-the-month increase of 19,400 jobs. Prior to the pandemic, historically in the month of September, Total Nonfarm has on average added 5,900 jobs over the month, which indicates that this month's gains are substantially above the long-term average.

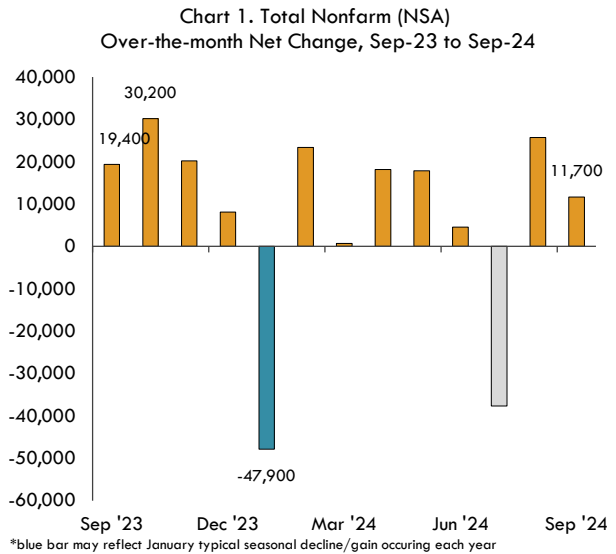
The primary drivers of this September's growth were increases in Government; Construction; and Private Education and Health Services. Gains were also recorded in Professional and Business Services; Information; and Manufacturing. The net increase in jobs over the month was partially offset by losses in Leisure and Hospitality; Other Services; and Financial Activities. (see Chart 2). Houston MSA Total Nonfarm (seasonally adjusted) employment stood at 3,465,000, up 5,200 jobs over the month, or 0.2 percent vs. a historical average of 3,400. All analysis pertains to not-seasonally adjusted data unless otherwise noted. Data source: BLS/TWC. NOTE: The Houston-Woodlands-Sugar Land, TX Metropolitan Statistical Area (MSA) consists of Austin, Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, and Waller Counties. Analysis of major sectors and their sub-components throughout the remainder of this report references not-seasonally adjusted data. All data provided by BLS/TWC unless otherwise noted.

**Top-3 Drivers of Over-the-month Job Growth in September**

- Government: 13,900
- Construction: 2,300
- Private Education and Health Services: 1,900

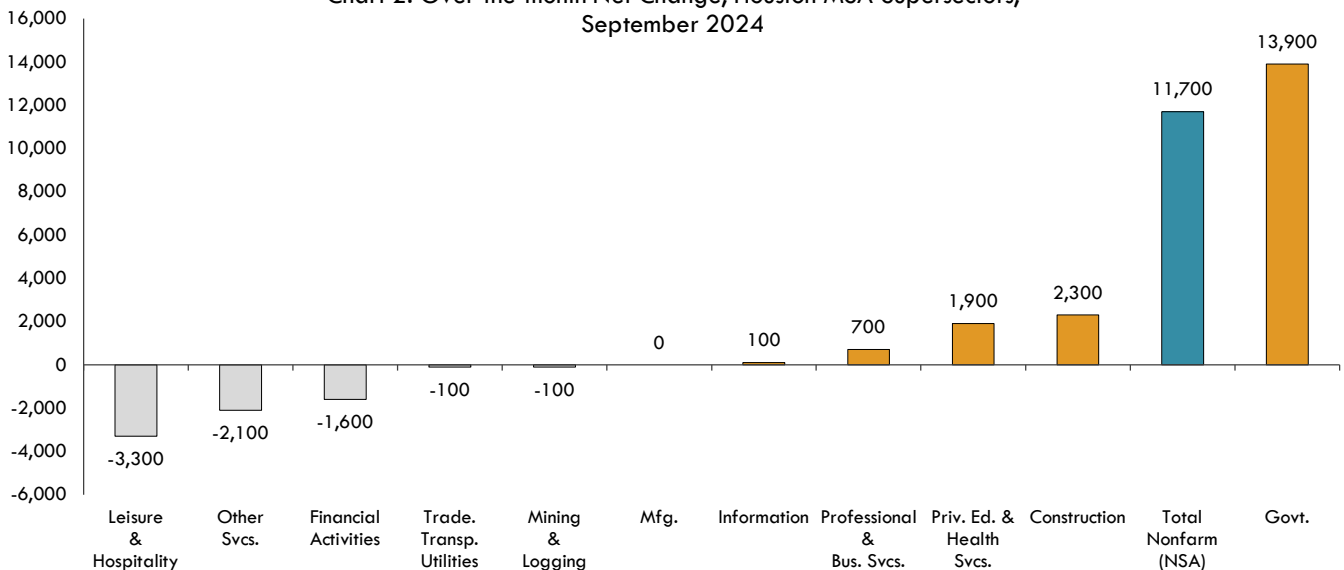
#### Over-the-year Change

Over the year, Total Nonfarm employment was up 75,100 or 2.2 percent on a not-seasonally-adjusted basis and up 69,600 or 2.0 percent on a seasonally-adjusted basis (see NSA Chart 3). To compare, September 2023 saw a year-over-year gain of 103,100 jobs (NSA) from September 2022. Currently 10 out of 11 sectors show growth year over year of which the top-three are Private Education and Health Services (17,700); Construction (16,600); and Professional and Business Services (9,800) (see Chart 4). Total Nonfarm employment not-seasonally-adjusted



now exceeds its February 2020 pre-pandemic level of 3,191,800 jobs by 266,900, or 8.4 percent (268,000 jobs, 8.4 percent above 3,197,000 seasonally adjusted).

Chart 2. Over-the-month Net Change, Houston MSA Supersectors, September 2024



## Previous Month's Revisions

Total Nonfarm employment was revised upward by 2,300 jobs for a July to August larger net gain of 25,700 compared to an original estimate of 23,400 jobs. An upward revision of +1,800 jobs in Professional and Business Services was the largest contributor followed by Private Education and Health Services (+1,400) and Construction (+800). Downward revisions in Leisure and Hospitality (-1,100), Financial Activities (-700), and Trade, Transportation, and Utilities (-600) provided a partial offset of the overall upward revision to Total Nonfarm employment (see Chart 5).

### Top-3 Drivers of Over-the-year Job Growth in September

- Private Education and Health Services: 17,700
- Construction: 16,600
- Professional and Business Services: 9,800

Chart 5. Net Revisions for Selected Supersectors and Major Industries, August 2024

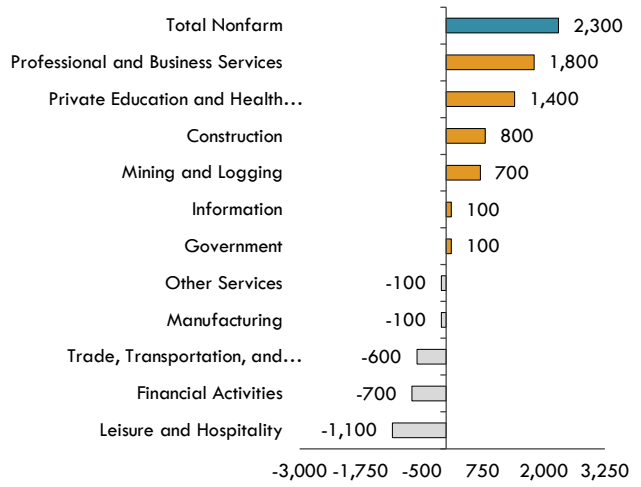


Chart 3. Total Nonfarm (NSA)  
Over-the-year Net Change, Sep-09 to Sep-24

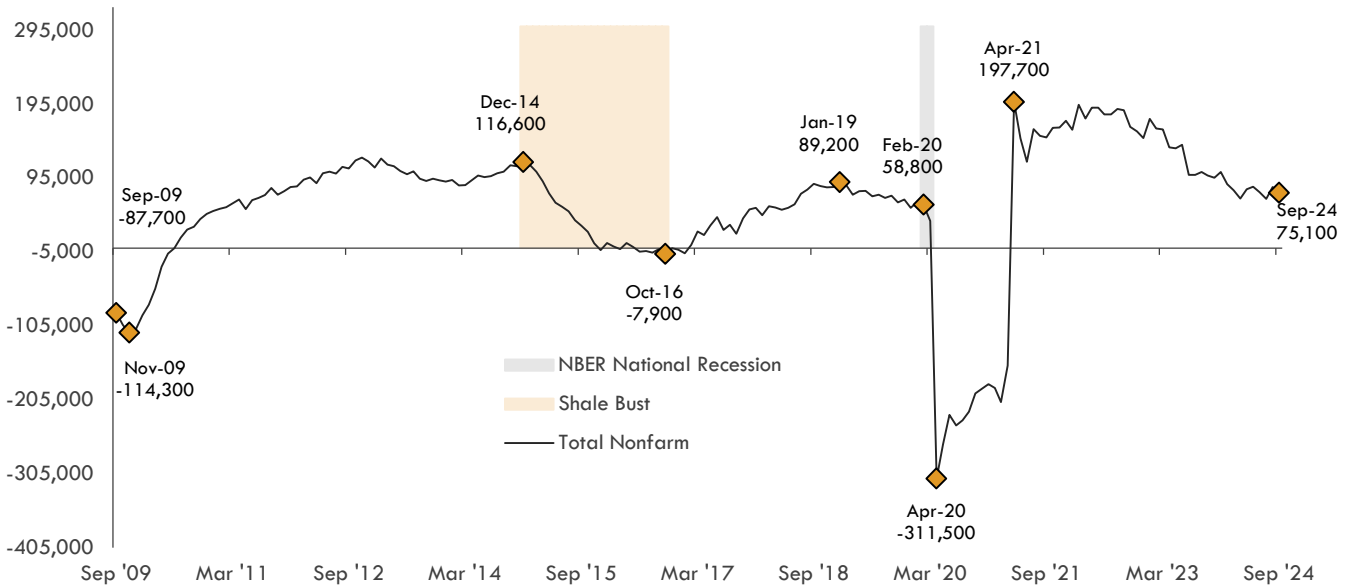
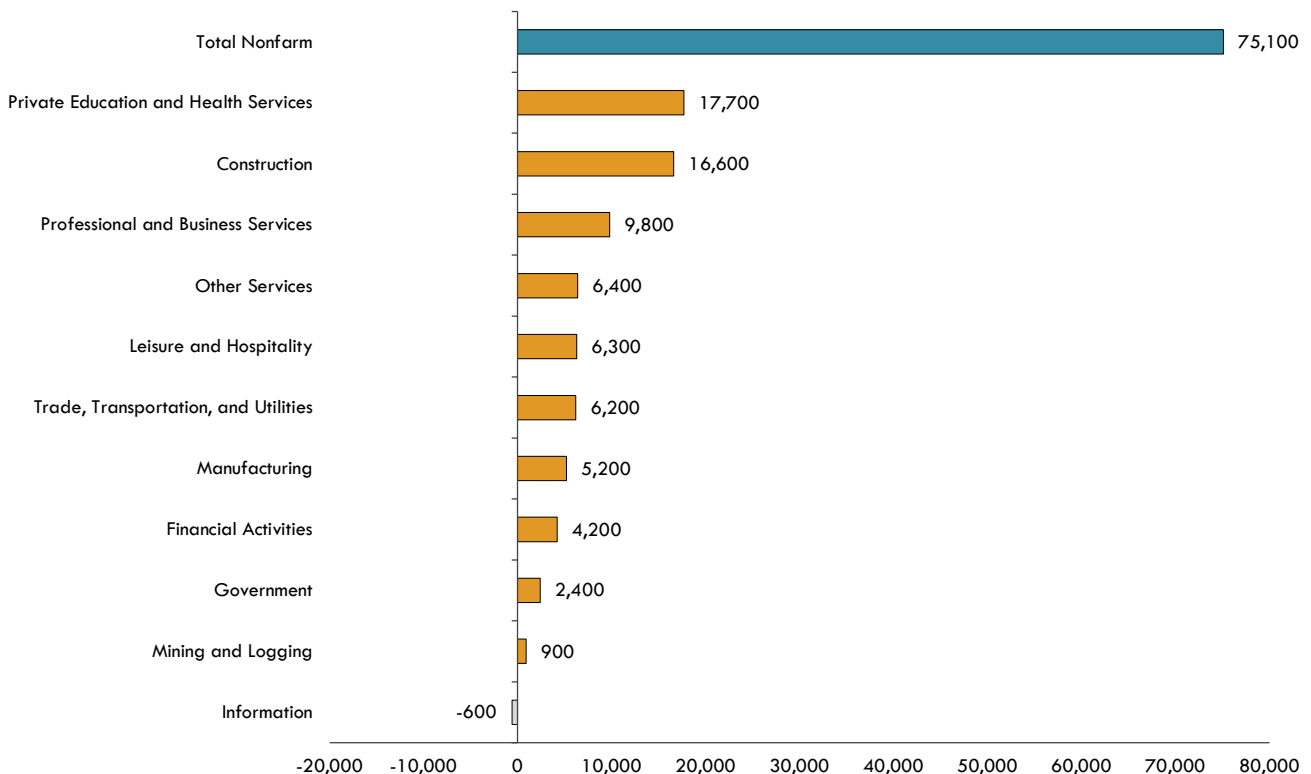


Chart 4. Over-the-year Net Change, Houston MSA Supersectors,  
September 2023 to September 2024



## Supplemental Commentary

### Highlights from September

September proved to be another solid month for job growth across Houston with residual momentum from August's post-Beryl rebound resulting in 11,700 jobs added over the month (+5,200, seasonally adjusted).

Government, i.e. public schools, led the way with nearly 14,000 jobs added in September. At first glance these gains appeared lower than average. but this fails to account for the sector undergoing a shift in seasonal patterns. Gains in public education are now being seen in August, in contrast to previous years, due to the start of the school year for some districts now occurring in the first half of the month. Combining Government's gains this August and September yielded an increase of around 15,300 jobs, comparable to 2019's 15,200 jobs over the same two-month period.

Construction, which has performed well throughout 2024, added 2,300 jobs in September cementing its status as the fastest-growing sector in percentage terms this year.

Private Education and Health added 1,900 over the month driven almost entirely by Private Education mirroring the aforementioned gains seen in public education. In contrast Healthcare and Social Assistance faltered over the month with net loss of -100 jobs. Hospitals, a subset of Healthcare and Social Assistance saw a loss of -200. Declines in September among Hospitals numbering in the low hundreds are not uncommon however this September's losses are unlikely to reflect layoffs by Texas Children's Hospital announced in August. According to the Houston Chronicle, those layoffs are expected to take place primarily in October and November of this year with additional layoffs in June 2025. (Houston Chronicle August 15, 2024 – "Texas Children's Hospital laid off 997 employees in recent job cuts, document shows") It's unclear how quickly these workers will be reabsorbed into other parts of the healthcare system, which may make it difficult to observe these layoffs in the data.

Professional and Business Service saw modest gains in September adding 700 jobs in contrast to typical losses of roughly the same magnitude historically. Of the medley of various services that comprise the sector, Employment Services aka temporary staffing firms, stood out with a gain 1,300 jobs on the back of August's record 1,900. After losses in June and July, with the latter possibly attributed to Hurricane Beryl, it was encouraging to see the proxy for contractor staff across Houston experience a post-storm rebound.

Among the largest declining sectors over the month, Leisure and Hospitality, Other Services, and Financial Activities all saw losses consistent with seasonal trends after accounting for unusually strong gains in August, again due to post-Beryl rebound effects.

The unemployment rate (not-seasonally-adjusted) continued its decline, falling to 4.4 percent, after a summer spike that began in June where it reached 4.8 percent. That was followed by a post-pandemic high of 4.9 percent in July in part thanks to Hurricane Beryl where it remained elevated through August at 4.7 percent. Seasonally adjusted, the unemployment rate continues to hold steady, also at 4.4 percent as of August, suggesting that the gradual increases seen throughout 2024 may be stabilizing. These improvements were reflected in initial claims for unemployment insurance, which spent most of September below 4,000. Moreover, the week of September 28th registered just 3,406 for the fewest initial claims of any week thus far in 2024, which was also comparable to same week in 2023 with 3,476. Similarly, continuing claims fell from their multi-year peak of 45,067 for the month of July to 37,746 in August falling further in September to 34,714 and in the process have returned to the average seen throughout the past year.

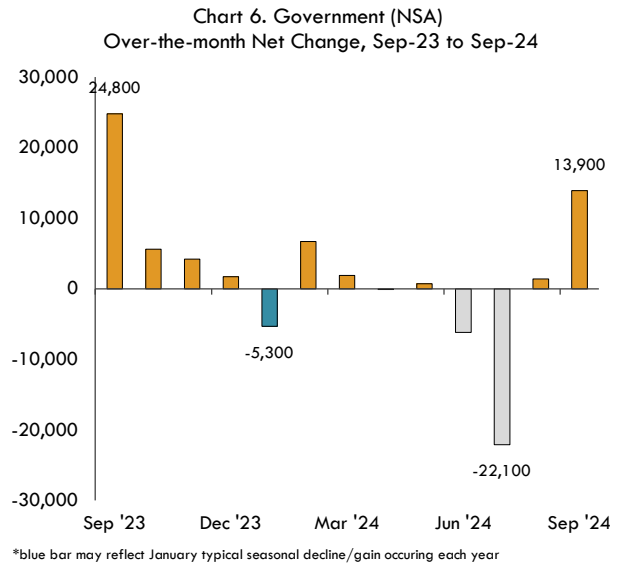
So with three job reports remaining in 2024, where does that leave Houston's job market? I would argue, in pretty good shape. Hurricane Beryl will go down in history like many past storms: truly unfortunate devastation for some, a fair amount of disruption for most, and fleeting impacts on the job market as a whole. That said, a storm with a category or two higher and this narrative might be completely different. However, our luck has managed to continue. The port strike has been deferred until next year if not averted entirely. If cooler heads prevail, hopefully we won't have to learn first-hand how the effects might ripple across the region and state. So, with year-over-year job growth sitting at roughly 70,000 to 75,000, an unemployment rate that shows signs of stabilizing, and more support coming from the Federal Reserve in the form of interest rate cuts, 2024 is shaping up to deliver some of the most average performance we've seen since before the pandemic. And that's perfectly ok.

## GAINING INDUSTRY HIGHLIGHTS

### Government

#### Over-the-month Change

Government was the largest gaining sector over the month up 13,900 jobs, or 3.2 percent (see Chart 6). Historically in the month of September, Government has added an average of 15,100 jobs over the month, which indicates that this month's gains are on par with the long-term average. Local Government was the largest contributor to the overall sector's increase, up 13,100 jobs over the month. The second-largest contributor was State Government, which added 700 jobs from August to September. Lastly, Federal Government contributed, 100 jobs. Government employment was revised upward by 100 jobs for a July to August larger net gain of 1,400 compared to an original estimate of 1,300 jobs.

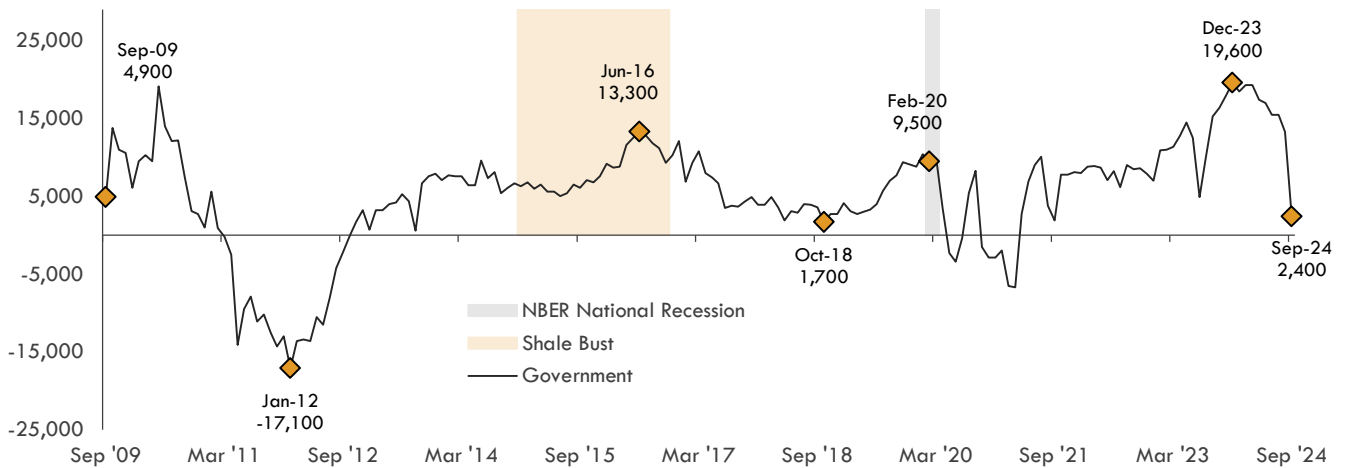


#### Over-the-year Change

Year over year, Government was up 2,400 jobs, or 0.5 percent (see Chart 7). This September also marks 42 consecutive months of over-the-year gains. State Government was the largest contributor to the overall sector's increase, up 2,400 jobs over the year. The second-largest contributor was Federal Government, which added 1,200 jobs from September a year ago. Lastly, Local Government offset a portion of the sector's gains with a loss of -1,200 jobs. Total Government employment (NSA) now exceeds its February 2020 pre-pandemic level of 428,400 jobs by 22,100, or 5.2 percent. At the same time, the sector's share

of Houston area Total Nonfarm Employment has fallen from 13.2 percent to 13.0 percent over the past year.

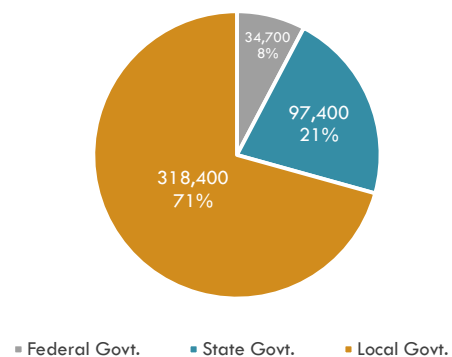
Chart 7. Government (NSA)  
Over-the-year Net Change, Sep-09 to Sep-24



#### About This Sector

This sector consists of establishments of federal, state, and local government agencies that administer, oversee, and manage public programs and have executive, legislative, or judicial authority over other institutions within a given area that are not performed by private establishments. For MSA data, this includes public education but excludes healthcare. Of the three main component industries, Local Government accounts for the majority of the sector's employment at 71 percent (see Chart 8). Across the Houston MSA, the concentration of jobs in the overall Government sector is 12 percent less than the national average.

Chart 8. Employment in Component Industries of Government Sector - September 2024

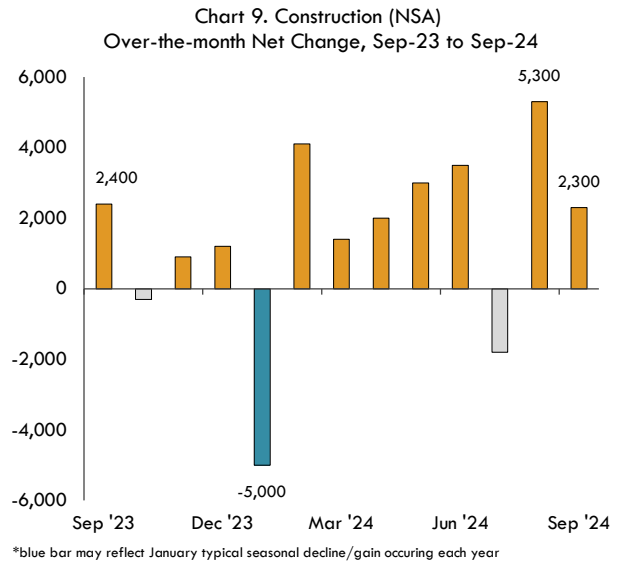


GAINING INDUSTRY HIGHLIGHTS

Construction

Over-the-month Change

Construction was the second-largest gaining sector over the month up 2,300 jobs, or 0.9 percent (see Chart 9). This was the largest September gain since 2023 and the third-largest gain historically for the month of September since records began in 1990. Historically in the month of September, Construction has added an average of 500 jobs over the month, which indicates that this month's gains are substantially above the long-term average. Heavy and Civil Engineering Construction was the largest contributor to the overall sector's increase, up 1,100 jobs over the month. The second-largest contributor was Specialty Trade Contractors, which added 700 jobs from August to September. Lastly, Construction of Buildings contributed, 500 jobs. Construction employment was revised upward by 800 jobs for a July to August larger net gain of 5,300 compared to an original estimate of 4,500 jobs.

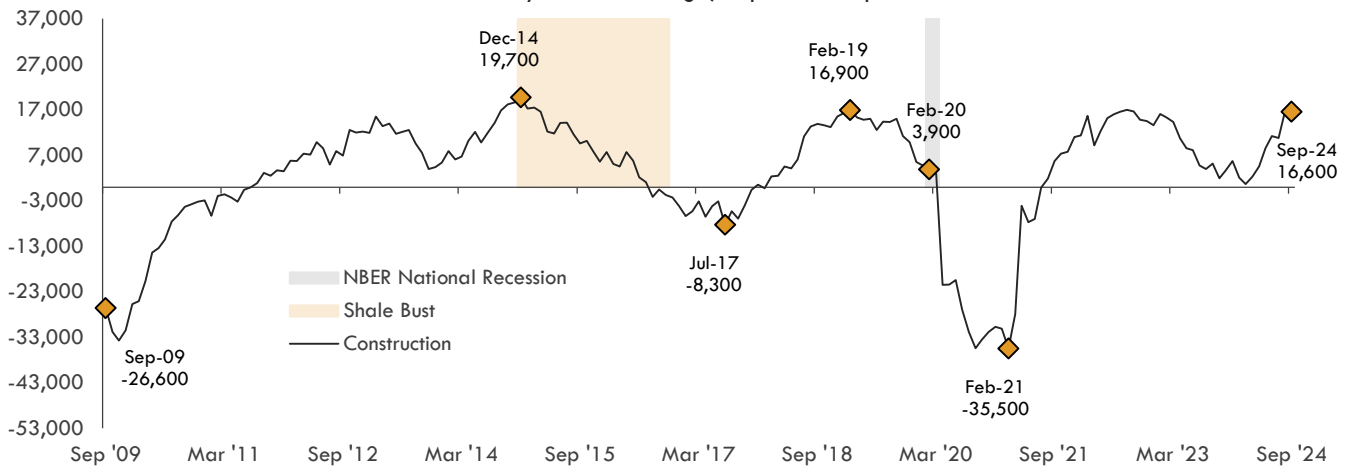


Over-the-year Change

Year over year, Construction was up 16,600 jobs, or 7.1 percent (see Chart 10). This was the third-largest over-the-year gain in September since records began in 1990. It also marks 38 consecutive months of over-the-year gains. Among sectors currently showing growth, this sector is the fastest-growing in percentage terms across the Houston area. Furthermore, 21.9 percent of total (gross) jobs added across the region over the past year can be attributed to Construction. Heavy and Civil Engineering Construction was the largest contributor to the overall sector's increase, up 6,800 jobs over the year. The second-largest

contributor was Specialty Trade Contractors, which added 5,300 jobs from September a year ago. Lastly, Construction of Buildings contributed, 4,500 jobs. Total Construction employment (NSA) now exceeds its February 2020 pre-pandemic level of 237,400 jobs by 11,900, or 5.0 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has risen from 6.9 percent to 7.2 percent over the past year.

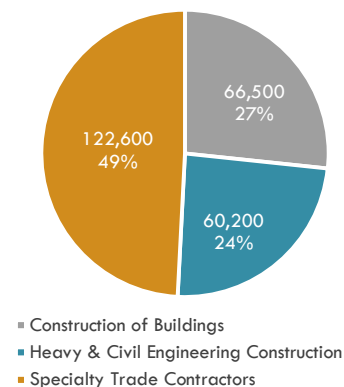
Chart 10. Construction (NSA) Over-the-year Net Change, Sep-09 to Sep-24



About This Sector

This sector comprises establishments engaged in the construction of buildings, infrastructure, site preparation and sub-division, and specialty trades e.g. masonry, painting, and electrical work. Of the three main component industries, Specialty Trade Contractors accounts for a plurality of the sector's employment at 49 percent (see Chart 11). Across the Houston MSA, the concentration of jobs in the overall Construction sector is 36 percent higher than the national average, due to 2.3 times more jobs in Heavy and Civil Engineering Construction related to turnaround maintenance of petrochemical facilities.

Chart 11. Employment in Component Industries of Construction Sector - September 2024

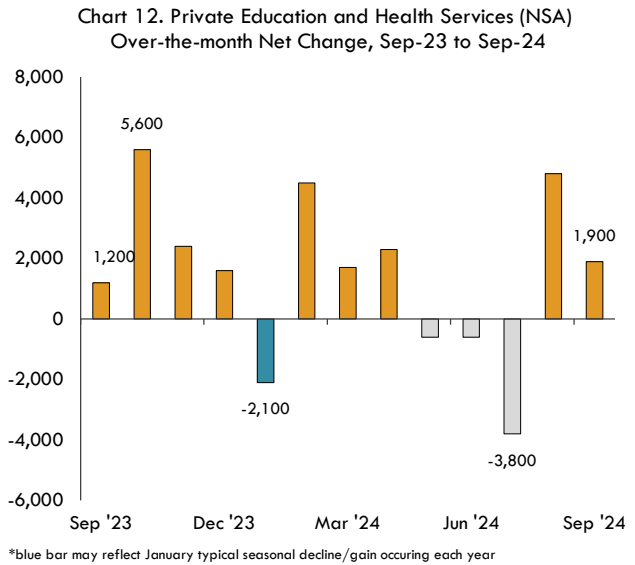


GAINING INDUSTRY HIGHLIGHTS

Private Education and Health Services

Over-the-month Change

Private Education and Health Services was the third-largest gaining sector over the month up 1,900 jobs, or 0.4 percent (see Chart 12). This was the largest September over-the-month gain in since 2022. Historically in the month of September, Private Education and Health Services has added an average of 1,300 jobs over the month, which indicates that this month's gains are moderately above the long-term average. Private Educational Services was the largest contributor to the overall sector's increase, up 2,000 jobs over the month. One component industry that provided a partial offset was Health Care and Social Assistance, which lost -100 jobs from August to September. Private Education and Health Services employment was revised upward by 1,400 jobs for a July to August larger net gain of 4,800 compared to an original estimate of 3,400 jobs.

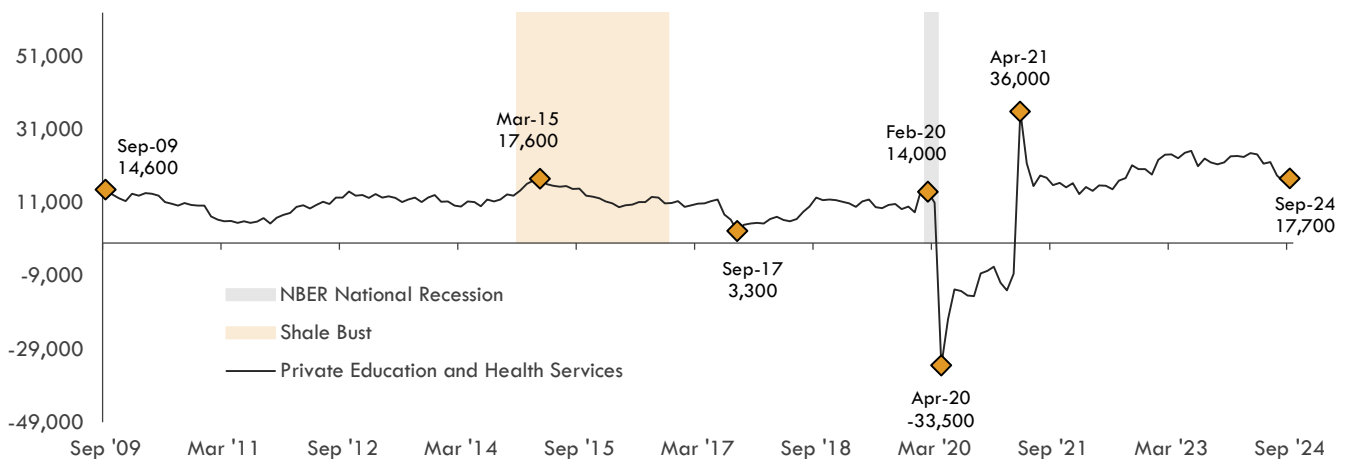


Over-the-year Change

Year over year, Private Education and Health Services was up 17,700 jobs, or 3.9 percent (see Chart 13). This was the third-largest over-the-year gain in September since records began in 1990. Among sectors currently showing growth, this sector is the third-fastest growing in percentage terms across the Houston area. Furthermore, 23.4 percent of total (gross) jobs added across the region over the past year can be attributed to Private Education and Health Services. Health Care and Social Assistance was the largest contributor to the overall sector's increase, up 15,700 jobs over the year. The second-largest contributor was

Private Educational Services, which added 2,000 jobs from September a year ago. Total Private Education and Health Services employment (NSA) now exceeds its February 2020 pre-pandemic level of 414,400 jobs by 56,000, or 13.5 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has risen from 13.4 percent to 13.6 percent over the past year.

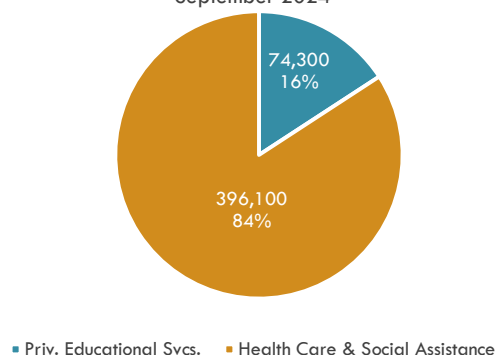
Chart 13. Private Education and Health Services (NSA)  
Over-the-year Net Change, Sep-09 to Sep-24



About This Sector

This sector is composed of establishments that provide private education services (i.e. excluding publicly-funded primary, secondary, and postsecondary institutions) and establishments that provide healthcare and social assistance to individuals. Of the two main component industries, Health Care and Social Assistance accounts for the majority of the sector's employment at 84 percent (see Chart 14). Across the Houston MSA, the concentration of jobs in the overall sector is 18 percent less than the national average, despite the high physical concentration of healthcare jobs centered around Texas Medical Center.

Chart 14. Employment in Component Industries of  
Private Education and Health Services Sector -  
September 2024

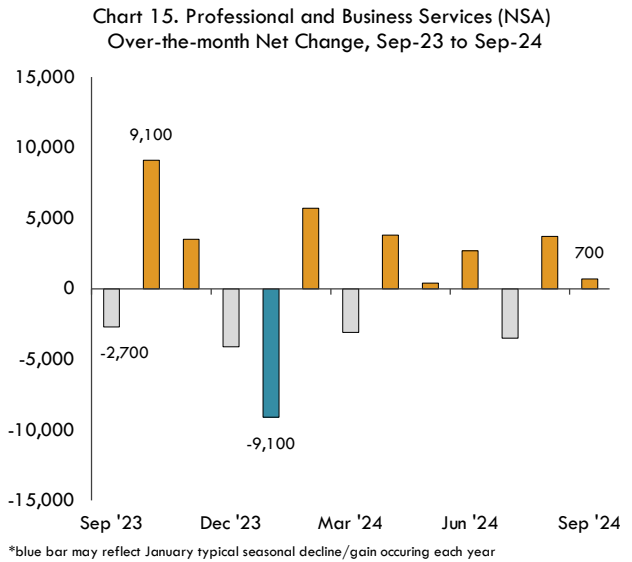


GAINING INDUSTRY HIGHLIGHTS

Professional and Business Services

Over-the-month Change

Professional and Business Services also saw an increase over the month up 700 jobs, or 0.1 percent (see Chart 15). This was the largest September over-the-month gain in since 2006. Historically in the month of September, Professional and Business Services has lost an average of -1,100 jobs over the month, which indicates that this month's gains are substantially in contrast to the long-term average decline. Management of Companies and Enterprises was the largest contributor to the overall sector's increase, up 400 jobs over the month. The second-largest contributor was Administrative and Support and Waste Management and Remediation Services, which added 300 jobs from August to September. Lastly, Professional, Scientific, and Technical Services saw no change over the month. Professional and Business Services employment was revised upward by 1,800 jobs for a July to August larger net gain of 3,700 compared to an original estimate of 1,900 jobs.

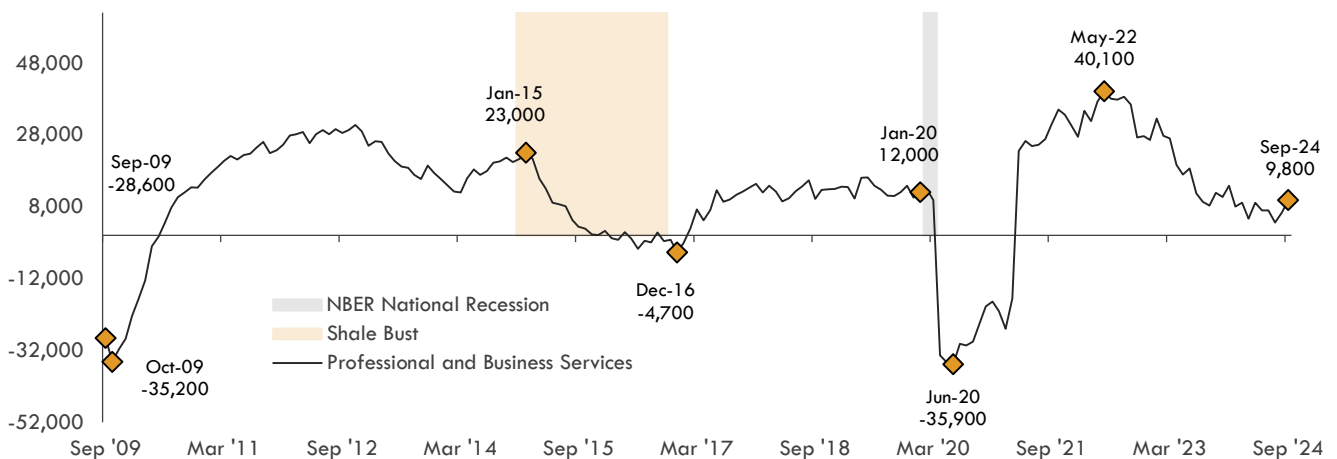


Over-the-year Change

Year over year, Professional and Business Services was up 9,800 jobs, or 1.8 percent (see Chart 16). This was the largest over-the-year gain since December 2023's increase of 13,800 jobs. It also marks 42 consecutive months of over-the-year gains. Professional, Scientific, and Technical Services was the largest contributor to the overall sector's increase, up 9,200 jobs over the year. The second-largest contributor was Management of Companies and Enterprises, which added 700 jobs from September a year ago. Lastly, Administrative and Support and Waste Management and Remediation Services offset a portion

of the sector's gains with a loss of -100 jobs. Total Professional and Business Services employment (NSA) now exceeds its February 2020 pre-pandemic level of 514,700 jobs by 50,300, or 9.8 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has remained constant at 16.4 percent over the past year.

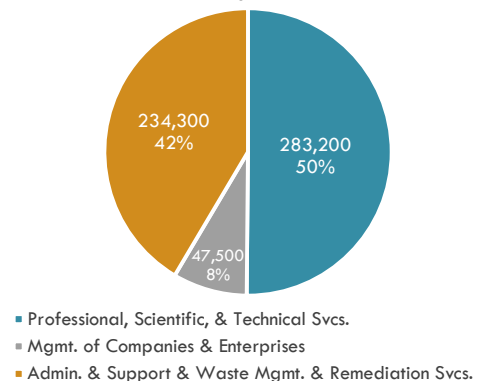
Chart 16. Professional and Business Services (NSA)  
Over-the-year Net Change, Sep-09 to Sep-24



About This Sector

This sector is composed of establishments specializing in professional, scientific, and technical activities; management of establishments holding equity interests in order to influence management decisions; and office administration, hiring of personnel, security, cleaning, and waste disposal. Of the three main component industries, Professional, Scientific, and Technical Services accounts for a slight majority of the sector's employment at just over 50 percent (see Chart 17). Across the Houston MSA, the concentration of jobs in the overall sector is 13 percent higher than the national average, due to a 19-percent higher concentration in Professional, Scientific, and Technical Services serving the oil and gas industry.

Chart 17. Employment in Component Industries of Professional and Business Services Sector - September 2024



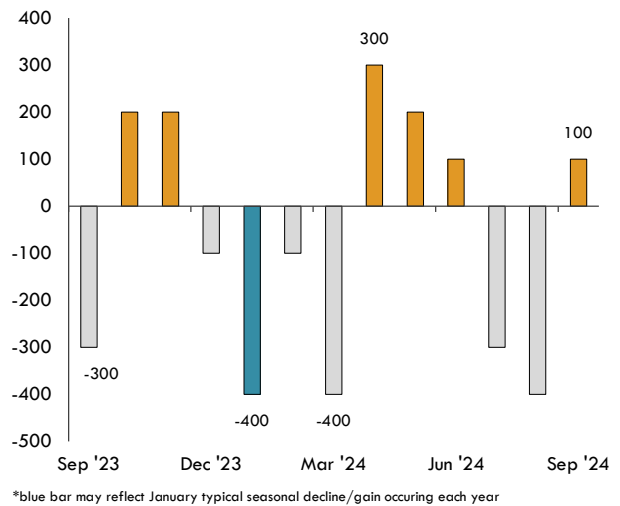
GAINING INDUSTRY HIGHLIGHTS

Information

Over-the-month Change

Information also saw an increase over the month up 100 jobs, or 0.3 percent (see Chart 18). This September tied with several previous years for the second-largest gain in the month of September since records began in 1990. Historically in the month of September, Information has lost an average of -300 jobs over the month, which indicates that this month's gains are moderately in contrast to the long-term average decline. Other Information Undefined was the largest contributor to the overall sector's increase, up 100 jobs over the month. One component industry, Telecommunications, saw no change from August to September. Information employment was revised upward by 100 jobs for a July to August smaller net loss of -400 compared to an original estimate of -500 jobs.

Chart 18. Information (NSA)  
Over-the-month Net Change, Sep-23 to Sep-24

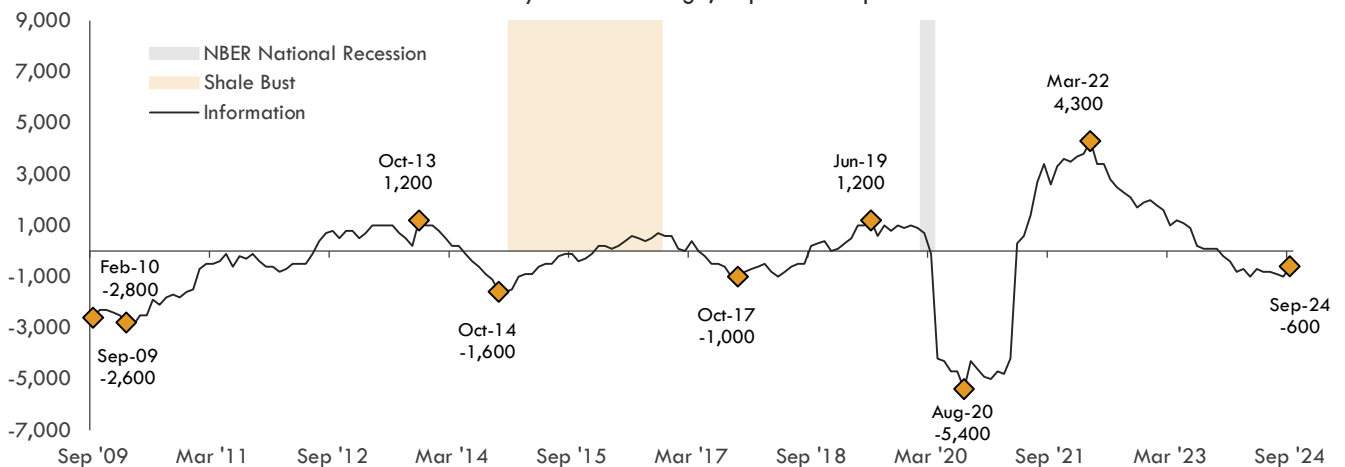


Over-the-year Change

Year over year, Information was down -600 jobs, or -1.8 percent (see Chart 19). This September also marks 11 consecutive months of over-the-year losses. Furthermore, 100.0 percent of total (gross) jobs lost across the region over the past year can be attributed to Information. Other Information Undefined was the largest contributor to the overall sector's decline, down -500 jobs over the year. The second-largest declining contributor was Telecommunications, which lost -100 jobs from September a year ago. Total Information employment (NSA) remains -500 jobs, or -1.5 percent below its February 2020 pre-pandemic level

of 32,700. At the same time, the sector's share of Houston area Total Nonfarm Employment has remained constant at 1.0 percent over the past year.

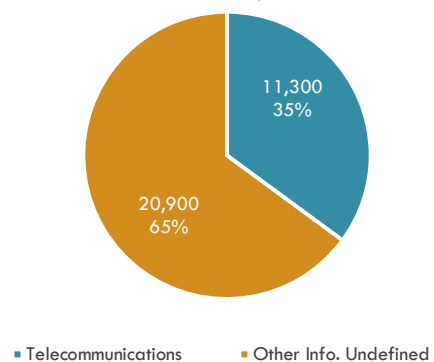
Chart 19. Information (NSA)  
Over-the-year Net Change, Sep-09 to Sep-24



About This Sector

This sector comprises establishments producing and distributing information and cultural products, e.g. traditional and online news publishing; software publishing; the motion picture and sound recording; TV broadcasting; and telecommunications. Of the two main component industries, Other Information Undefined accounts for the majority of the sector's employment at 65 percent (see Chart 20). Across the Houston MSA, the concentration of jobs in the overall Information sector is 51 percent less than the national average.

Chart 20. Employment in Component Industries of Information Sector - September 2024



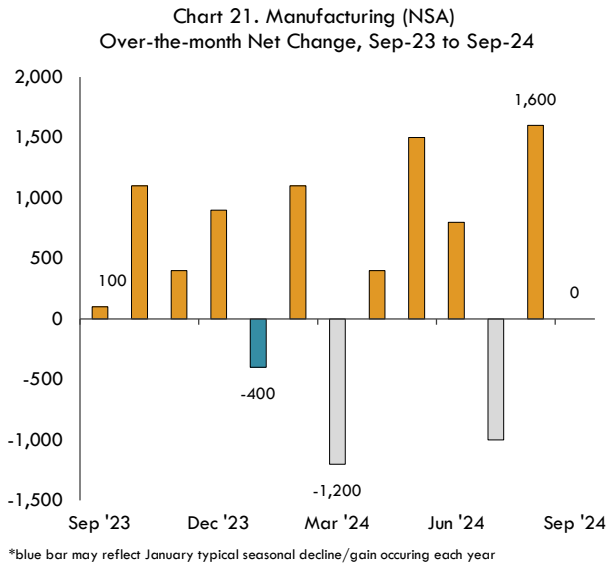


GAINING INDUSTRY HIGHLIGHTS

Manufacturing

Over-the-month Change

Manufacturing was unchanged over the month. (see Chart 21). Historically in the month of September, Manufacturing has lost an average of -400 jobs over the month, which indicates that this month's net zero change is moderately in contrast to the long-term average decline. Durable Goods was the largest source of gains despite no change to the overall sector, up 400 jobs over the month. One component industry that provided a partial offset was Non-Durable Goods, which lost -400 jobs. Manufacturing employment was revised downward by -100 jobs for a July to August smaller net gain of 1,600 compared to an original estimate of 1,700 jobs.

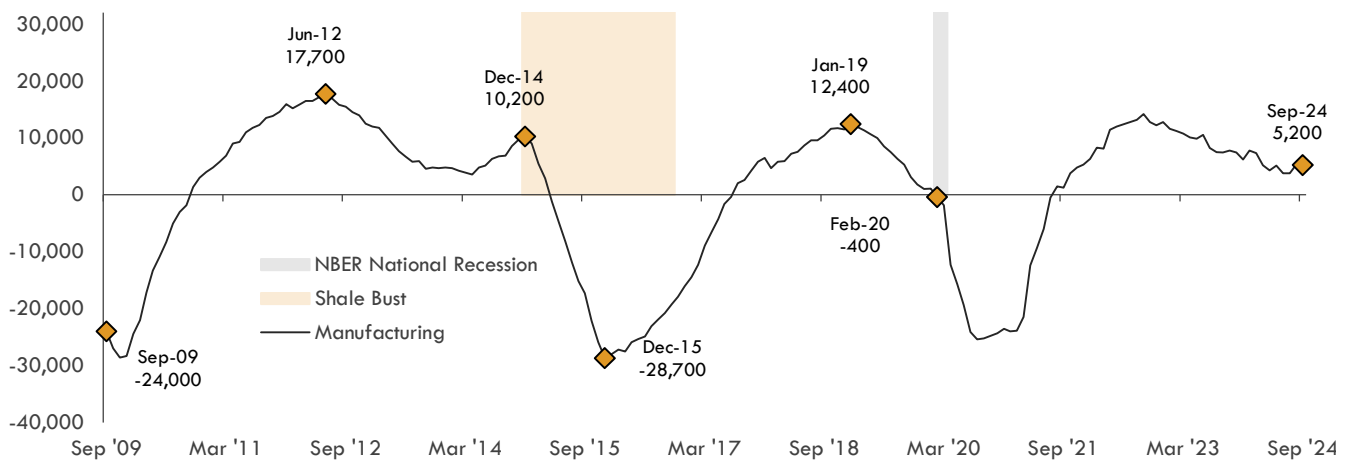


Over-the-year Change

Year over year, Manufacturing was up 5,200 jobs, or 2.2 percent (see Chart 22). This September also marks 38 consecutive months of over-the-year gains. Durable Goods was the largest contributor to the overall sector's increase, up 3,900 jobs over the year. The second-largest contributor was Non-Durable Goods, which added 1,300 jobs from September a year ago. Total Manufacturing employment (NSA) now exceeds its February 2020 pre-pandemic level of 234,500 jobs by 5,000, or 2.1 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has remained constant at 6.9 percent

over the past year.

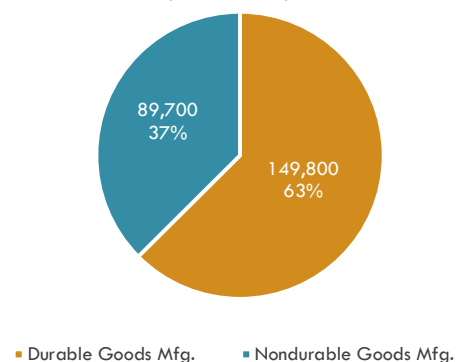
Chart 22. Manufacturing (NSA) Over-the-year Net Change, Sep-09 to Sep-24



About This Sector

This sector comprises establishments engaged in the mechanical, physical, or chemical transformation of materials, substances, or components into new products. Of the two main component industries, Durable Goods accounts for the majority of the sector's employment at 63 percent (see Chart 23). Across the Houston MSA, the concentration of jobs in the overall Manufacturing sector is 15 percent less than the national average.

Chart 23. Employment in Component Industries of Manufacturing Sector - September 2024

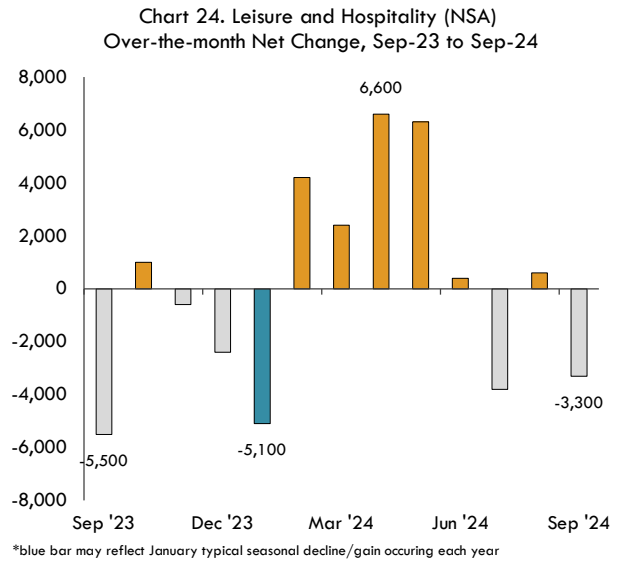


DECLINING INDUSTRY HIGHLIGHTS

Leisure and Hospitality

Over-the-month Change

Leisure and Hospitality was the largest declining sector over the month down -3,300 jobs, or -0.9 (see Chart 24). Historically in the month of September, Leisure and Hospitality has lost an average of -3,800 jobs over the month, which indicates that this month's losses are slightly smaller than the long-term average decline. Accommodation and Food Services was the largest contributor to the overall sector's decline, down -2,600 jobs over the month. The second-largest declining contributor was Arts, Entertainment, and Recreation, which lost -700 jobs from August to September. Leisure and Hospitality employment was revised downward by -1,100 jobs for a July to August smaller net gain of 600 compared to an original estimate of 1,700 jobs.

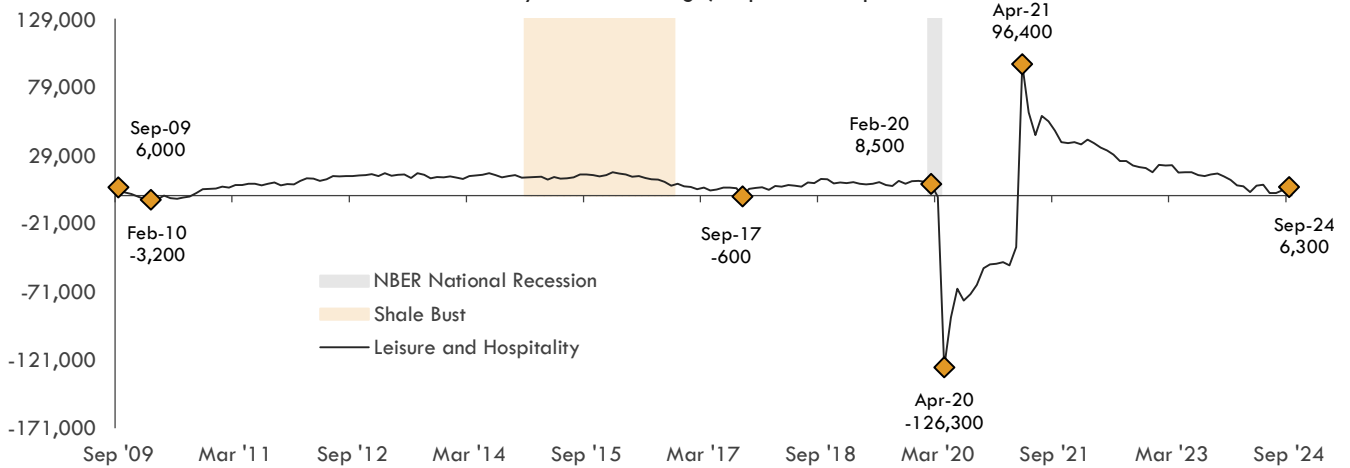


Over-the-year Change

Year over year, Leisure and Hospitality was up 6,300 jobs, or 1.8 percent (see Chart 25). This was the largest over-the-year gain since May 2024's increase of 8,100 jobs. It also marks 42 consecutive months of over-the-year gains. Accommodation and Food Services was the largest contributor to the overall sector's increase, up 4,500 jobs over the year. The second-largest contributor was Arts, Entertainment, and Recreation, which added 1,800 jobs from September a year ago. Total Leisure and Hospitality employment (NSA) now exceeds its February 2020 pre-pandemic level of 334,500 jobs by 27,900, or 8.3 percent.

At the same time, the sector's share of Houston area Total Nonfarm Employment has remained constant at 10.5 percent over the past year.

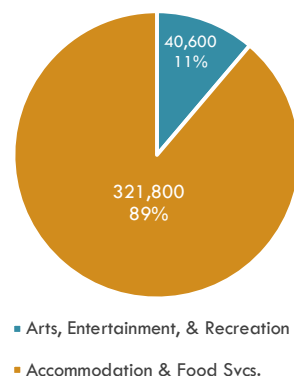
Chart 25. Leisure and Hospitality (NSA) Over-the-year Net Change, Sep-09 to Sep-24



About This Sector

This sector is composed of establishments that produce and promote in live performances, events, or exhibits of historical, cultural, or educational interest or related to recreation or hobbies intended for public viewing; and provide customers with lodging and/or meals and beverages for immediate consumption. NOTE: movie theaters are classified under the Information sector rather than Leisure and Hospitality. Of the two main component industries, Accommodation and Food Services accounts for the majority of the sector's employment at 89 percent (see Chart 26). Across the Houston MSA, the concentration of jobs in the overall sector is 3 percent less than the national average.

Chart 26. Employment in Component Industries of Leisure and Hospitality Sector - September 2024

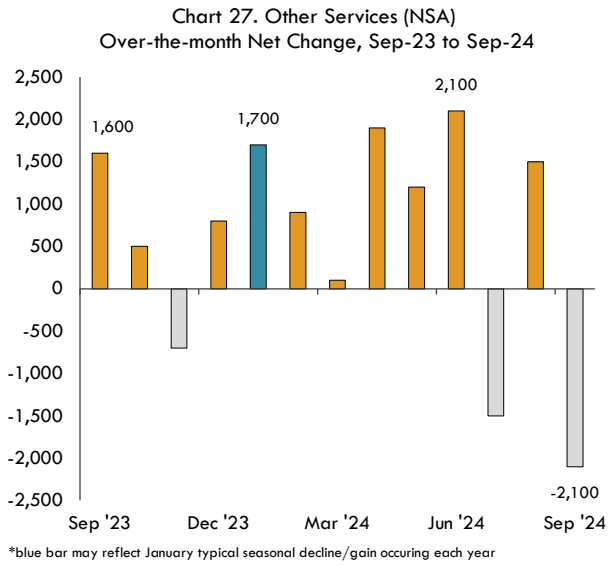


DECLINING INDUSTRY HIGHLIGHTS

Other Services

Over-the-month Change

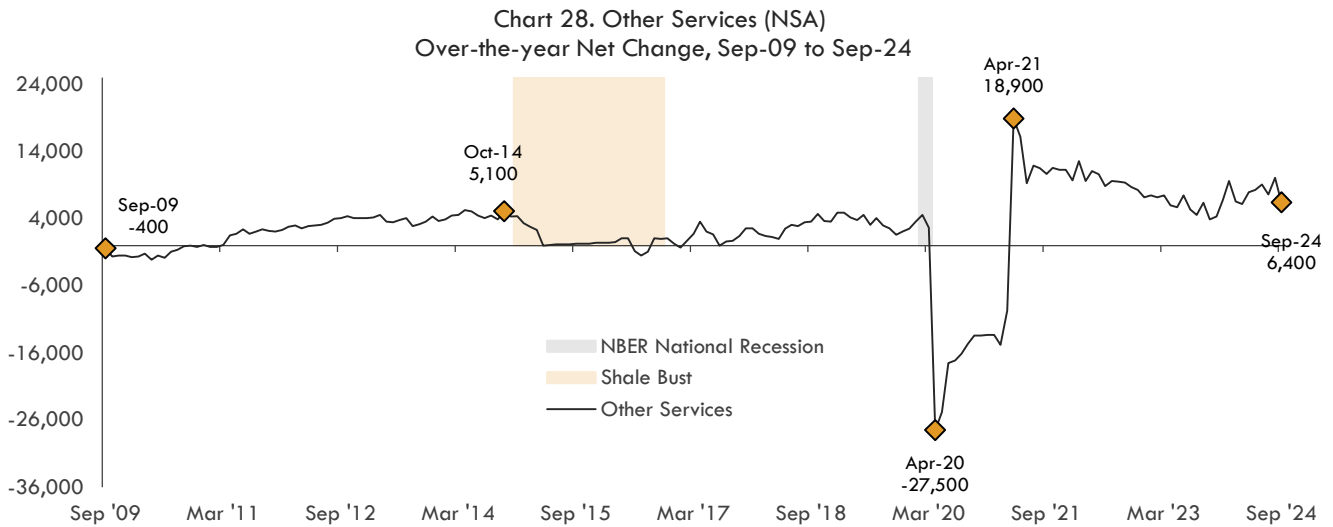
Other Services was the second-largest declining sector over the month down -2,100 jobs, or -1.5 (see Chart 27). This was the largest September over-the-month decline in since 2015. Historically in the month of September, Other Services has lost an average of -2,400 jobs over the month, which indicates that this month's losses are slightly smaller than the long-term average decline. NOTE: No subsector is published at the MSA level by the CES survey. See below for additional information. Other Services employment was revised downward by -100 jobs for a July to August smaller net gain of 1,500 compared to an original estimate of 1,600 jobs.



Over-the-year Change

Year over year, Other Services was up 6,400 jobs, or 5.0 percent (see Chart 28). This was the third-largest over-the-year gain in September since records began in 1990. It also marks 42 consecutive months of over-the-year gains. Among sectors currently showing growth, this sector is the second-fastest growing in percentage terms across the Houston area. NOTE: No subsector is published at the MSA level by the CES survey. See below for additional information. Total Other Services employment (NSA) now exceeds its February 2020 pre-pandemic level of 119,100 jobs by 14,800, or 12.4 percent. At the same time, the sector's

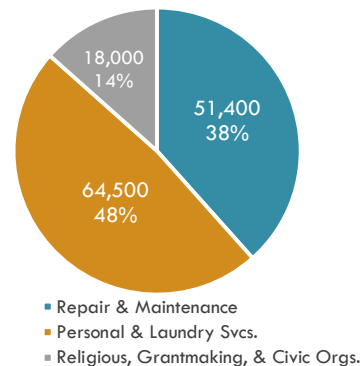
share of Houston area Total Nonfarm Employment has risen from 3.8 percent to 3.9 percent over the past year.



About This Sector

This sector comprises establishments engaged in services not classified elsewhere such as equipment and machinery repair, religious activities, grantmaking, advocacy, and providing dry-cleaning and laundry services, and personal care services. Of the three main component industries, Personal and Laundry Services accounts for a plurality of the sector's employment at 48 percent as a subsector where self-employment is prevalent (source: Census - Non Employer Statistics and BLS - Quarterly Census of Employment and Wages) (see Chart 29). Across the Houston MSA, the concentration of jobs in the overall Other Services sector is 4 percent higher than the national average.

Chart 29. Employment in Component Industries of Other Services Sector - September 2024

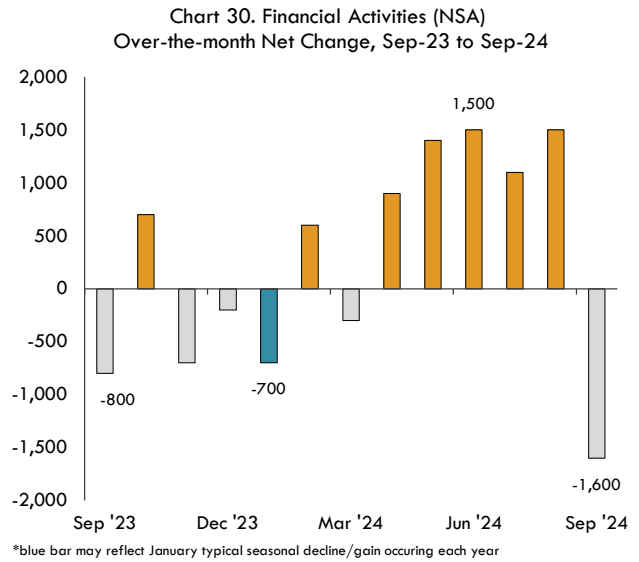


DECLINING INDUSTRY HIGHLIGHTS

Financial Activities

Over-the-month Change

Financial Activities was the third-largest declining sector over the month down -1,600 jobs, or -0.8 (see Chart 30). This was the largest-ever decline in the month of September since records began in 1990, beating the previous September record of -1,400 jobs lost in 2008. Historically in the month of September, Financial Activities has lost an average of -500 jobs over the month, which indicates that this month's losses are substantially larger than the long-term average decline. Real Estate and Rental and Leasing was the largest contributor to the overall sector's decline, down -800 jobs over the month. The second-largest declining contributor was Finance and Insurance, which lost -800 jobs from August to September. Financial Activities employment was revised downward by -700 jobs for a July to August smaller net gain of 1,500 compared to an original estimate of 2,200 jobs.

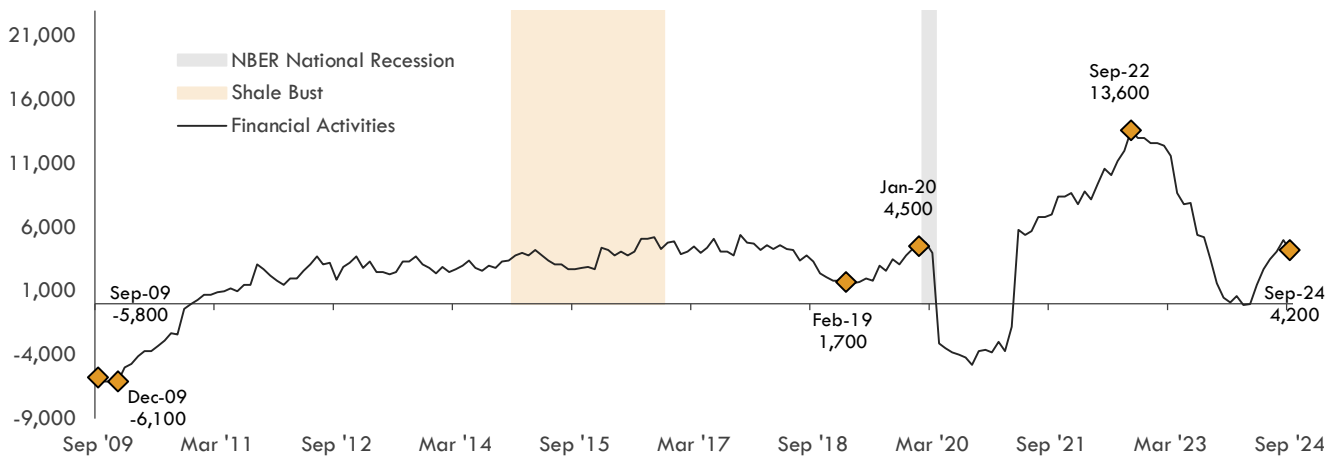


Over-the-year Change

Year over year, Financial Activities was up 4,200 jobs, or 2.2 percent (see Chart 31). This September also marks nine consecutive months of over-the-year gains. Finance and Insurance was the largest contributor to the overall sector's increase, up 3,000 jobs over the year. The second-largest contributor was Real Estate and Rental and Leasing, which added 1,200 jobs from September a year ago. Total Financial Activities employment (NSA) now exceeds its February 2020 pre-pandemic level of 169,200 jobs by 21,900, or 12.9 percent. At the same time, the sector's share of Houston area Total Nonfarm

Employment has remained constant at 5.5 percent over the past year.

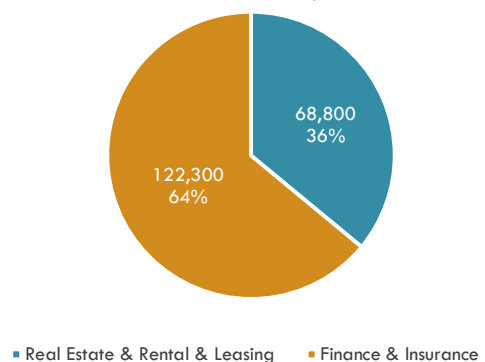
Chart 31. Financial Activities (NSA) Over-the-year Net Change, Sep-09 to Sep-24



About This Sector

This sector is composed of establishments renting, leasing, or allowing use of assets, and financial transactions such as creation, liquidation, or change in ownership of financial assets, underwriting of insurance, and annuities. Of the two main component industries, Finance and Insurance accounts for the majority of the sector's employment at 64 percent (see Chart 32). Across the Houston MSA, the concentration of jobs in the overall Financial Activities sector is 5 percent less than the national average, due to a 17-percent lower concentration in Finance and Insurance offsetting a 26-percent higher concentration in Real Estate and Rental and Leasing.

Chart 32. Employment in Component Industries of Financial Activities Sector - September 2024

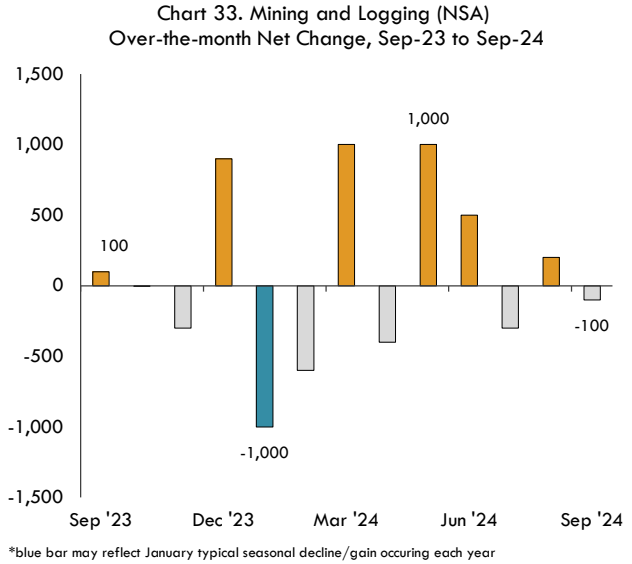


DECLINING INDUSTRY HIGHLIGHTS

Mining and Logging

Over-the-month Change

Mining and Logging also saw a decrease over the month down -100 jobs, or -0.1 (see Chart 33). This was the largest September over-the-month decline in since 2020. Historically in the month of September, Mining and Logging has lost an average of -300 jobs over the month, which indicates that this month's losses are slightly smaller than the long-term average decline. Other Mining and Logging Undefined was the largest contributor to the overall sector's decline, down -100 jobs over the month. The second-largest declining contributor was Oil and Gas Extraction, which lost -100 jobs from August to September. Lastly, Support Activities for Mining offset a portion of the sector's losses with a gain of 100 jobs. Mining and Logging employment was revised upward by 700 jobs for a July to August complete erasure of losses resulting in a net gain of 200 compared to an original estimate of -500 jobs.

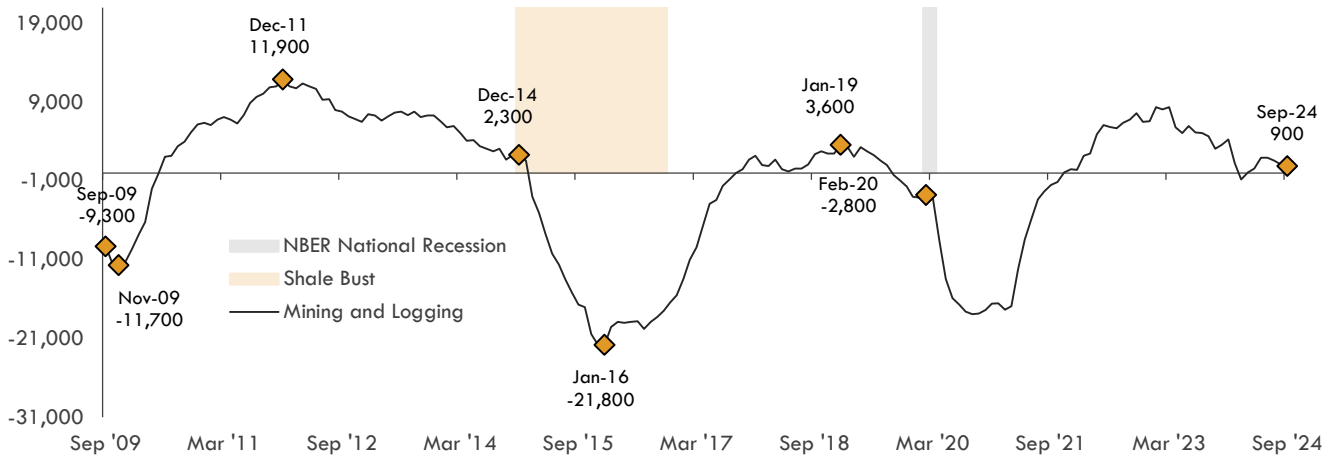


Over-the-year Change

Year over year, Mining and Logging was up 900 jobs, or 1.3 percent (see Chart 34). This September also marks seven consecutive months of over-the-year gains. Oil and Gas Extraction was the largest contributor to the overall sector's increase, up 700 jobs over the year. The second-largest contributor was Other Mining and Logging Undefined, which added 100 jobs from September a year ago. Lastly, Support Activities for Mining contributed, 100 jobs. Total Mining and Logging employment (NSA) remains -5,900 jobs, or -7.5 percent below its February 2020 pre-pandemic level of 78,400. At the

same time, the sector's share of Houston area Total Nonfarm Employment has remained constant at 2.1 percent over the past year.

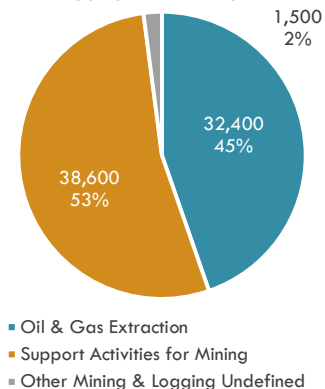
Chart 34. Mining and Logging (NSA) Over-the-year Net Change, Sep-09 to Sep-24



About This Sector

This sector comprises establishments extracting naturally occurring minerals such as coal and ores; liquid minerals, such as crude petroleum and natural gas; and timber. Of the three main component industries, Support Activities for Mining accounts for a slight majority of the sector's employment at just over 53 percent (see Chart 35). Across the Houston MSA, the concentration of jobs in the overall Mining and Logging sector is 5.2 times the national average, due to the region's role as a global hub for the oil and gas industry.

Chart 35. Employment in Component Industries of Mining and Logging Sector - September 2024



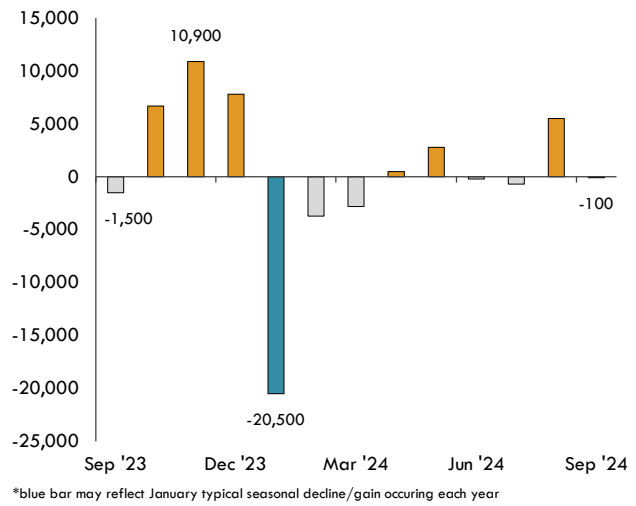
DECLINING INDUSTRY HIGHLIGHTS

Trade, Transportation, and Utilities

Over-the-month Change

Trade, Transportation, and Utilities also saw a decrease over the month down -100 jobs, or 0.0 (see Chart 36). Historically in the month of September, Trade, Transportation, and Utilities has lost an average of -2,200 jobs over the month, which indicates that this month's losses are substantially smaller than the long-term average decline. Transportation, Warehousing, and Utilities was the largest contributor to the overall sector's decline, down -300 jobs over the month. The second-largest declining contributor was Retail Trade, which lost -100 jobs from August to September. Lastly, Wholesale Trade offset a portion of the sector's losses with a gain of 300 jobs. Trade, Transportation, and Utilities employment was revised downward by -600 jobs for a July to August smaller net gain of 5,500 compared to an original estimate of 6,100 jobs.

Chart 36. Trade, Transportation, and Utilities (NSA)  
Over-the-month Net Change, Sep-23 to Sep-24

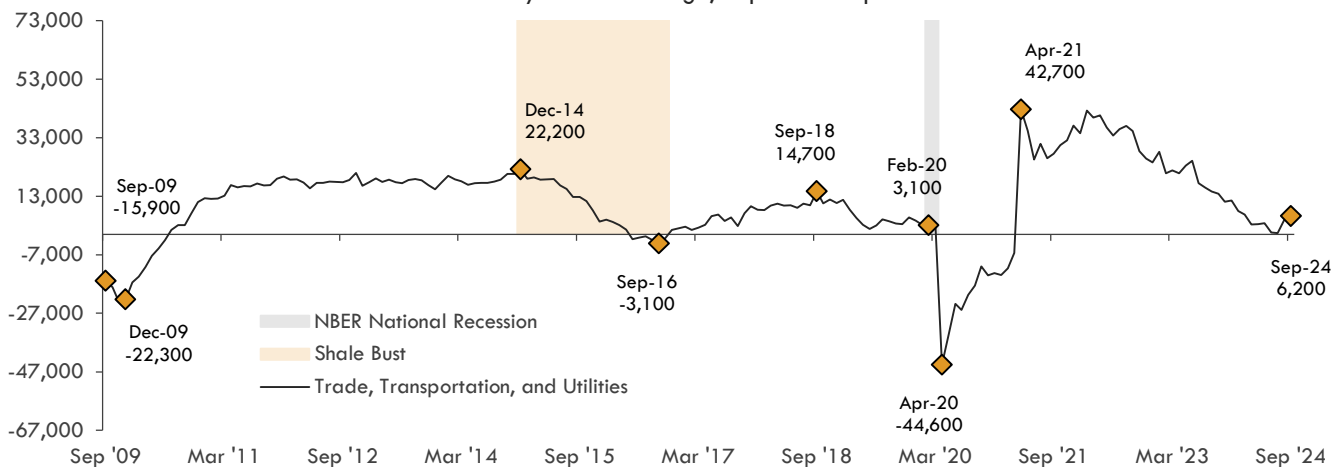


Over-the-year Change

Year over year, Trade, Transportation, and Utilities was up 6,200 jobs, or 0.9 percent (see Chart 37). This was the largest over-the-year gain since February 2024's increase of 6,800 jobs. It also marks 42 consecutive months of over-the-year gains. Wholesale Trade was the largest contributor to the overall sector's increase, up 5,000 jobs over the year. The second-largest contributor was Retail Trade, which added 700 jobs from September a year ago. Lastly, Transportation, Warehousing, and Utilities contributed, 500 jobs. Total Trade, Transportation, and Utilities employment (NSA) now exceeds its February 2020

pre-pandemic level of 628,500 jobs by 63,400, or 10.1 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has fallen from 20.3 percent to 20.0 percent over the past year.

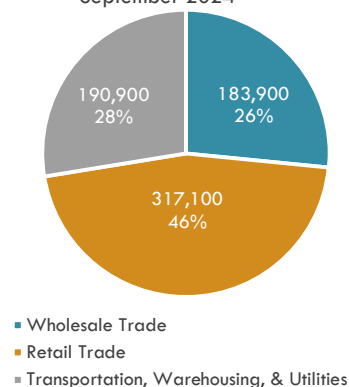
Chart 37. Trade, Transportation, and Utilities (NSA)  
Over-the-year Net Change, Sep-09 to Sep-24



About This Sector

This sector is composed of establishments wholesaling agriculture, mining, and manufactured goods; retailing goods in small quantities to the public incl. online; transporting passengers and cargo; warehousing and storage; and providing electricity, natural gas, water, and sewage removal. Of the three main component industries, Retail Trade accounts for a plurality of the sector's employment at 46 percent (see Chart 38).

Chart 38. Employment in Component Industries of Trade, Transportation, and Utilities Sector - September 2024



## Local Area Unemployment Statistics

### Not-Seasonally Adjusted

#### Houston Metro, Texas, and U.S. Unemployment

The Houston MSA (not-seasonally-adjusted) unemployment rate stood at 4.4 percent in September, down from August's 4.7 percent and up from 4.2 percent a year ago. This was above the statewide rate of 4.1 percent and above the national rate of 3.9 percent. An over-the-month decline in August is typical having occurred roughly two-thirds of the time over the past three decades making this month's decrease consistent with historical seasonal trends. 166,746 individuals were unemployed in Houston in September, down from August's 177,668 and up from 153,999 in September 2023 (see Charts 39 and 40).

Chart 39. Unemployment Rates (NSA)  
U.S., Texas, and Houston MSA  
September 2024

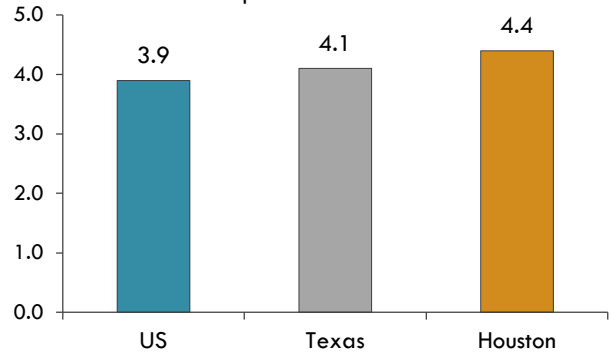
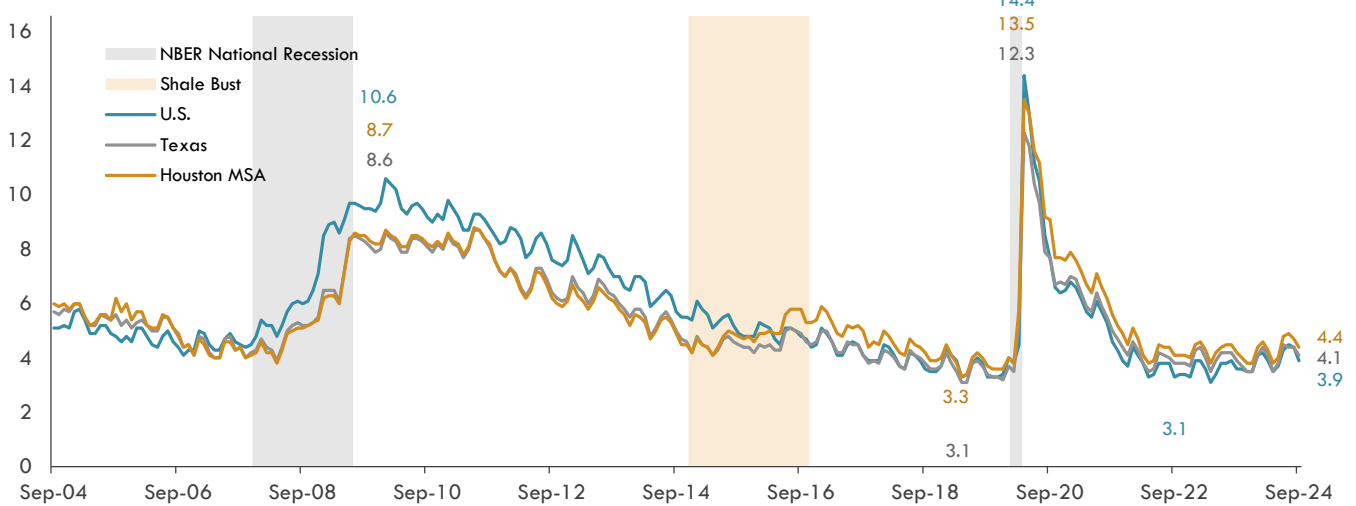


Chart 40. Unemployment Rates U.S., Texas, and Houston MSA (NSA)  
September 2004 to September 2024

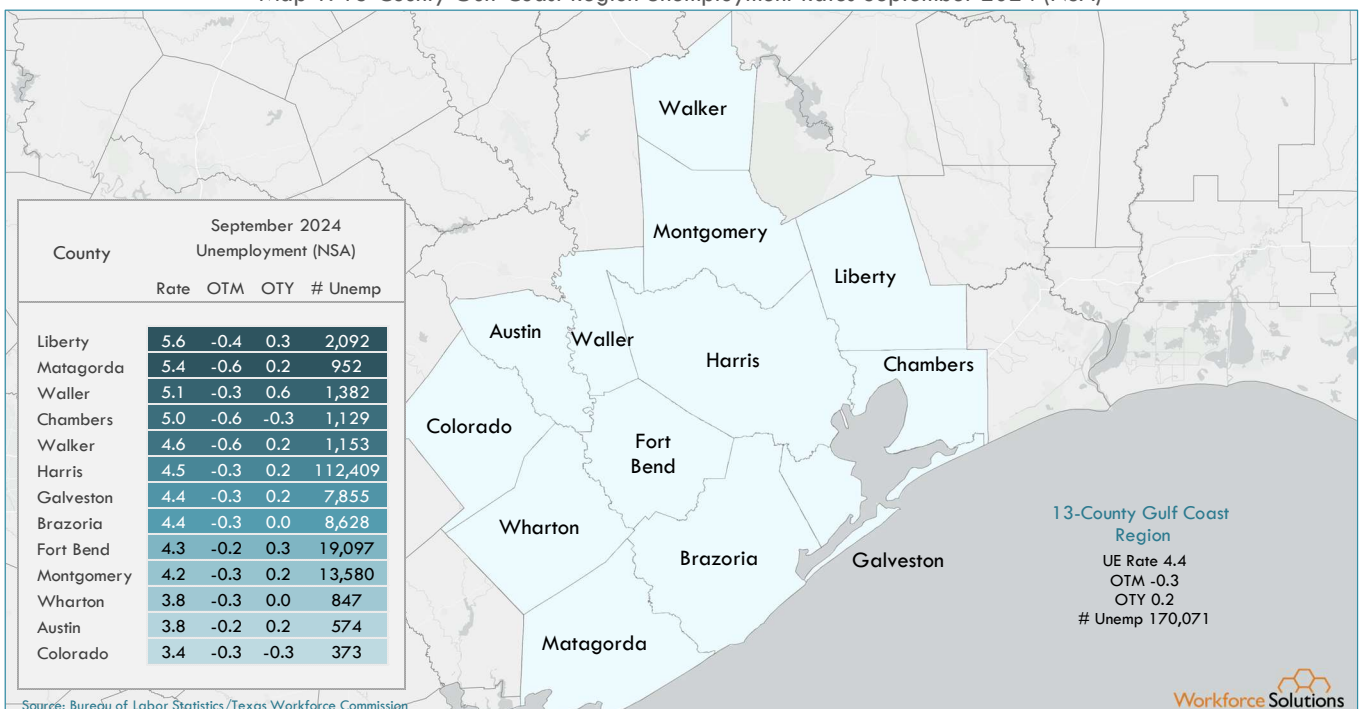


#### County-level Unemployment

Among the 13 counties that comprise the Gulf Coast Workforce Development Area, unemployment rates in September ranged from a high of 5.6 percent in Liberty County to a low of 3.4 percent in Colorado. Over the month, all 13 counties saw their unemployment rates decline in keeping with the region-wide decrease of -0.3 percentage points. Walker saw the largest percentage-point decrease in unemployment down -0.6 pp. representing -120 fewer unemployed workers compared to the previous month. This was followed by Matagorda (-0.6 pp, -87 workers) and Chambers (-0.6 pp, -114 workers). Over the year

unemployment rates rose with, Waller posting the largest increase, up 0.6 percentage points representing 193 more unemployed workers compared to a year ago followed by Liberty (0.3 pp, 152 workers) and Fort Bend (0.3 pp, 1,650 workers). Since peaking at 448,855 in April 2020 due to the COVID-19 global pandemic, the number of unemployed workers in the Gulf Coast Region has fallen by -278,784 as of this September (see Map 1 legend).

Map 1. 13-County Gulf Coast Region Unemployment Rates September 2024 (NSA)



## Local Area Unemployment Statistics (continued)

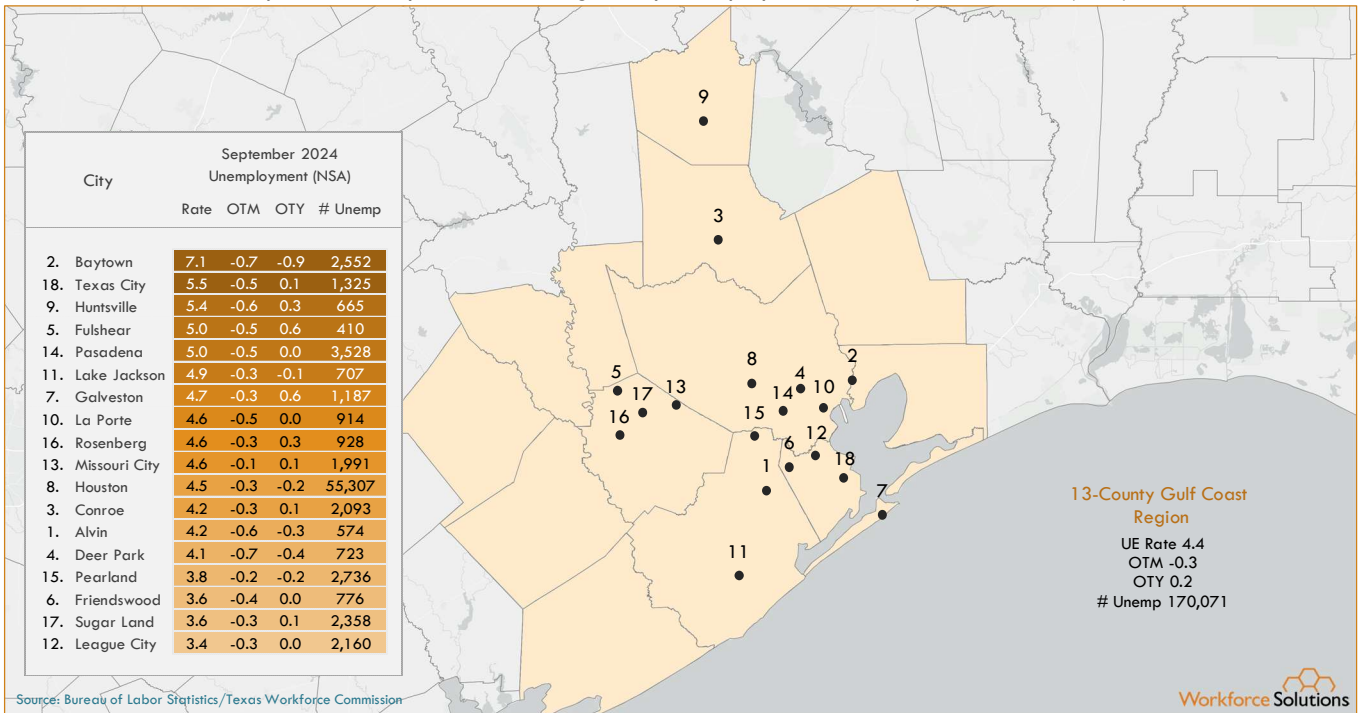
### Not-Seasonally Adjusted

#### Unemployment Rates for Select Municipalities

Among the 18 cities in the Gulf Coast Workforce Development Area for which Local Area Unemployment Statistics are available, unemployment rates in September ranged from a high of 7.1 percent in Baytown to a low of 3.4 percent in League City (see Map 2 legend). Over the month, all 18 cities saw their unemployment rates decline in keeping with region-wide decrease of -0.3 percentage points. Deer Park saw the largest percentage-point decrease in unemployment down -0.7 pp.

representing -116 fewer unemployed workers compared to the previous month. This was followed by Baytown (-0.7 pp, -259 workers) and Huntsville (-0.6 pp, -74 workers). Over the year unemployment rates rose with, Galveston posting the largest increase, up 0.6 percentage points representing 179 more unemployed workers compared to a year ago followed by Fulshear (0.6 pp, 61 workers) and Huntsville (0.3 pp, 53 workers). The 18 cities below accounted for 48 percent of the 170,071 unemployed workers across the Gulf Coast Region as of this September (see Map 2 legend).

Map 2. 13-County Gulf Coast Region City Unemployment Rates September 2024 (NSA)



### Seasonally Adjusted

#### Houston Metro, Texas, and U.S. Unemployment

The Houston MSA (seasonally-adjusted) unemployment rate stood at 4.4 percent in August, unchanged from July's 4.4 percent and up from 4.2 percent a year ago. This was above the statewide rate of 4.1 percent and above the national rate of 4.2 percent. 164,316 individuals were unemployed in Houston in August, down slightly from July's 161,647 and up from 153,128 in August 2023 (see Charts 41 and 42). NOTE: Seasonally-adjusted data for the MSA are available with a one-month delay but are not available for the 13-County Region or 18 cities.

Chart 41. Unemployment Rates (SA)  
 U.S., Texas, and Houston MSA  
 August 2024

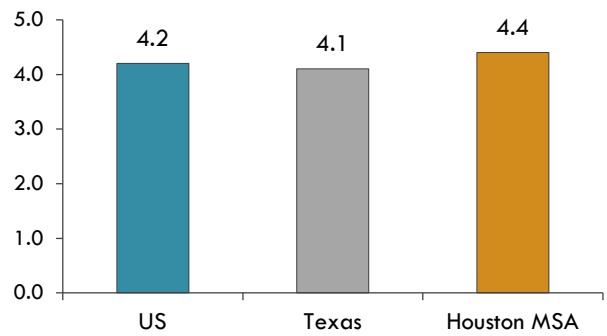
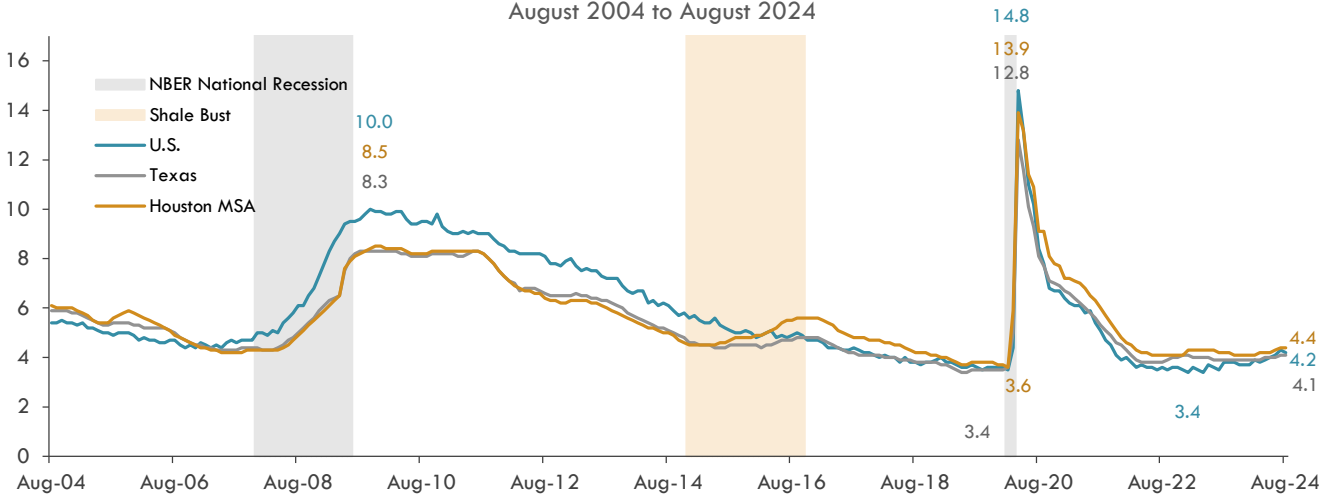


Chart 42. Unemployment Rates U.S., Texas, and Houston MSA (SA)  
 August 2004 to August 2024





## Gulf Coast Workforce Solutions Index (WSI)

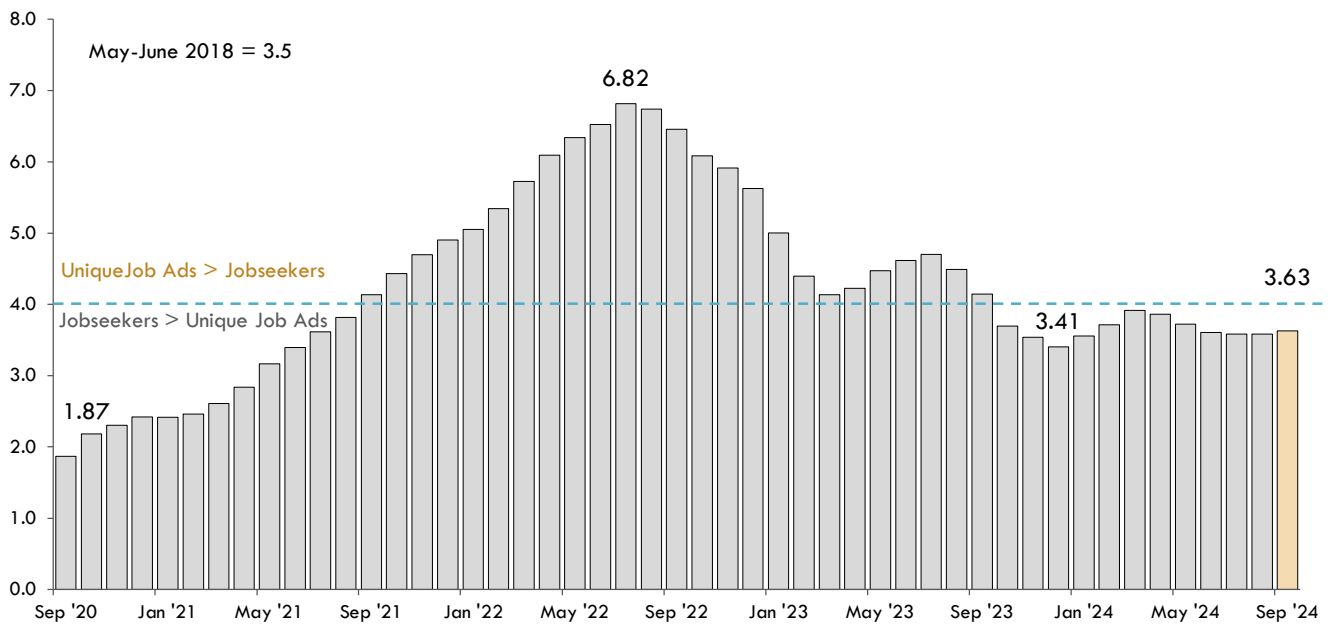


### The Gulf Coast Workforce Solutions Index (WSI)

The WSI is an indicator designed to capture shifts in the local labor market, specifically the balance between available jobs and unemployed workers at a given point in time. Values above 4.0 signal a surplus of jobs while values less than 4.0 signal a surplus of jobseekers. The Gulf Coast Workforce Board monitors the WSI as part of its ongoing review of the region's unemployment insurance work search requirement and reserves the right to adjust the number of weekly job search contacts as labor market conditions warrant. In the event of change to the work search requirement, the Board will notify the Texas Workforce Commission who will in turn notify UI recipients.

WSI Reading  
September  
2024:  
**3.63**

Gulf Coast Workforce Solutions Index - Houston MSA 2017 - 2022 (SA)



Source(s): Emsi-Burning Glass and BLS/TWC - LAUS  
Note: data subject to revisions.



### Workforce Solutions Index September 2024

The Houston MSA WSI for September stood at 3.63, reflecting little change from August's downward revised reading of 3.59. This was the result of extremely modest increases in both the number of active job ads and unemployed individuals in recent months.

After rising slightly since December 2023 and trending sideways to date, the index remains below the equilibrium value of 4.0. As a result, the WSI continues to suggest that a requirement of three work search activities may be appropriate for individuals receiving unemployment insurance given the relative availability of jobs at present.



Table 1. Houston MSA Sectors and Major Industry Subcomponents

NAICS Industry	Sep-24	Aug-24	Sep-23	Monthly	Monthly	Yearly	Yearly %
<b>Total Nonfarm</b>	<b>3,458,700</b>	<b>3,447,000</b>	<b>3,383,600</b>	<b>11,700</b>	<b>0.3%</b>	<b>75,100</b>	<b>2.2%</b>
Total Private	3,008,200	3,010,400	2,935,500	-2,200	-0.1%	72,700	2.5%
Goods Producing	561,300	559,100	538,600	2,200	0.4%	22,700	4.2%
<b>.Mining and Logging</b>	<b>72,500</b>	<b>72,600</b>	<b>71,600</b>	<b>-100</b>	<b>-0.1%</b>	<b>900</b>	<b>1.3%</b>
...Oil and Gas Extraction	32,400	32,500	31,700	-100	-0.3%	700	2.2%
...Support Activities for Mining	38,600	38,500	38,500	100	0.3%	100	0.3%
<b>.Construction</b>	<b>249,300</b>	<b>247,000</b>	<b>232,700</b>	<b>2,300</b>	<b>0.9%</b>	<b>16,600</b>	<b>7.1%</b>
..Construction of Buildings	66,500	66,000	62,000	500	0.8%	4,500	7.3%
..Heavy and Civil Engineering Construction	60,200	59,100	53,400	1,100	1.9%	6,800	12.7%
..Specialty Trade Contractors	122,600	121,900	117,300	700	0.6%	5,300	4.5%
<b>.Manufacturing</b>	<b>239,500</b>	<b>239,500</b>	<b>234,300</b>	<b>0</b>	<b>0.0%</b>	<b>5,200</b>	<b>2.2%</b>
..Durable Goods	149,800	149,400	145,900	400	0.3%	3,900	2.7%
...Fabricated Metal Product Manufacturing	52,800	52,800	51,300	0	0.0%	1,500	2.9%
...Machinery Manufacturing	43,000	43,000	42,700	0	0.0%	300	0.7%
....Agriculture, Construction, and Mining Machinery Mfg.	23,000	23,000	22,800	0	0.0%	200	0.9%
...Computer and Electronic Product Manufacturing	14,600	14,600	14,400	0	0.0%	200	1.4%
..Non-Durable Goods	89,700	90,100	88,400	-400	-0.4%	1,300	1.5%
...Petroleum and Coal Products Manufacturing	8,200	8,300	8,000	-100	-1.2%	200	2.5%
...Chemical Manufacturing	42,700	42,800	42,300	-100	-0.2%	400	0.9%
Service Providing	2,897,400	2,887,900	2,845,000	9,500	0.3%	52,400	1.8%
.Private Service Providing	2,446,900	2,451,300	2,396,900	-4,400	-0.2%	50,000	2.1%
<b>..Trade, Transportation, and Utilities</b>	<b>691,900</b>	<b>692,000</b>	<b>685,700</b>	<b>-100</b>	<b>0.0%</b>	<b>6,200</b>	<b>0.9%</b>
...Wholesale Trade	183,900	183,600	178,900	300	0.2%	5,000	2.8%
....Merchant Wholesalers, Durable Goods	115,300	114,900	111,700	400	0.3%	3,600	3.2%
....Prof. and Commercial Equip. Supplies Wholesalers	19,200	19,100	18,900	100	0.5%	300	1.6%
....Merchant Wholesalers, Nondurable Goods	56,800	56,800	55,300	0	0.0%	1,500	2.7%
...Retail Trade	317,100	317,200	316,400	-100	0.0%	700	0.2%
....Motor Vehicle and Parts Dealers	44,200	44,300	44,700	-100	-0.2%	-500	-1.1%
....Bldg. Material and Garden Equip. and Supplies Dealers	24,100	24,300	23,500	-200	-0.8%	600	2.6%
....Food and Beverage Stores	74,300	74,300	74,200	0	0.0%	100	0.1%
....Health and Personal Care Stores	62,200	61,900	61,500	300	0.5%	700	1.1%
....Clothing and Clothing Accessories Stores	19,500	19,300	19,400	200	1.0%	100	0.5%
....General Merchandise Stores	42,700	42,600	42,100	100	0.2%	600	1.4%
....Department Stores	20,900	20,700	21,500	200	1.0%	-600	-2.8%
....Other General Merchandise Stores	25,600	26,300	25,600	-700	-2.7%	0	0.0%
...Transportation, Warehousing, and Utilities	190,900	191,200	190,400	-300	-0.2%	500	0.3%
....Utilities	23,300	23,300	22,400	0	0.0%	900	4.0%
....Air Transportation	22,400	22,600	22,200	-200	-0.9%	200	0.9%
....Truck Transportation	30,300	30,200	29,900	100	0.3%	400	1.3%
....Pipeline Transportation	14,300	14,300	13,800	0	0.0%	500	3.6%
<b>..Information</b>	<b>32,200</b>	<b>32,100</b>	<b>32,800</b>	<b>100</b>	<b>0.3%</b>	<b>-600</b>	<b>-1.8%</b>
...Telecommunications	11,300	11,300	11,400	0	0.0%	-100	-0.9%
<b>..Financial Activities</b>	<b>191,100</b>	<b>192,700</b>	<b>186,900</b>	<b>-1,600</b>	<b>-0.8%</b>	<b>4,200</b>	<b>2.2%</b>
...Finance and Insurance	122,300	123,100	119,300	-800	-0.6%	3,000	2.5%
....Credit Intermediation and Related Activities	48,800	49,100	47,500	-300	-0.6%	1,300	2.7%
....Depository Credit Intermediation	31,300	31,500	30,700	-200	-0.6%	600	2.0%
....Securities, Commodity Contracts, and Fin. Investments	25,000	25,200	24,300	-200	-0.8%	700	2.9%
....Insurance Carriers and Related Activities	48,500	48,800	47,500	-300	-0.6%	1,000	2.1%
...Real Estate and Rental and Leasing	68,800	69,600	67,600	-800	-1.1%	1,200	1.8%
<b>..Professional and Business Services</b>	<b>565,000</b>	<b>564,300</b>	<b>555,200</b>	<b>700</b>	<b>0.1%</b>	<b>9,800</b>	<b>1.8%</b>
...Professional, Scientific, and Technical Services	283,200	283,200	274,000	0	0.0%	9,200	3.4%
....Legal Services	32,800	32,700	31,900	100	0.3%	900	2.8%
....Accounting, Tax Preparation, Bookkeeping, and Payroll	29,000	28,900	28,700	100	0.3%	300	1.0%
....Architectural, Engineering, and Related Services	78,100	78,300	74,300	-200	-0.3%	3,800	5.1%
....Computer Systems Design and Related Services	41,200	41,300	40,900	-100	-0.2%	300	0.7%
...Management of Companies and Enterprises	47,500	47,100	46,800	400	0.8%	700	1.5%
...Admin. and Support and Waste Mgmt. and Remediation	234,300	234,000	234,400	300	0.1%	-100	0.0%
....Administrative and Support Services	220,800	220,500	221,800	300	0.1%	-1,000	-0.5%
....Employment Services	81,900	80,600	81,400	1,300	1.6%	500	0.6%
....Services to Buildings and Dwellings	57,100	56,800	55,700	300	0.5%	1,400	2.5%
<b>..Educational and Health Services</b>	<b>470,400</b>	<b>468,500</b>	<b>452,700</b>	<b>1,900</b>	<b>0.4%</b>	<b>17,700</b>	<b>3.9%</b>
...Educational Services	74,300	72,300	72,300	2,000	2.8%	2,000	2.8%
...Health Care and Social Assistance	396,100	396,200	380,400	-100	0.0%	15,700	4.1%
....Ambulatory Health Care Services	200,300	200,100	192,500	200	0.1%	7,800	4.1%
....Hospitals	99,600	99,800	95,700	-200	-0.2%	3,900	4.1%
<b>..Leisure and Hospitality</b>	<b>362,400</b>	<b>365,700</b>	<b>356,100</b>	<b>-3,300</b>	<b>-0.9%</b>	<b>6,300</b>	<b>1.8%</b>
...Arts, Entertainment, and Recreation	40,600	41,300	38,800	-700	-1.7%	1,800	4.6%
...Accommodation and Food Services	321,800	324,400	317,300	-2,600	-0.8%	4,500	1.4%
....Accommodation	27,100	27,100	26,700	0	0.0%	400	1.5%
....Food Services and Drinking Places	294,700	297,300	290,600	-2,600	-0.9%	4,100	1.4%
<b>..Other Services</b>	<b>133,900</b>	<b>136,000</b>	<b>127,500</b>	<b>-2,100</b>	<b>-1.5%</b>	<b>6,400</b>	<b>5.0%</b>
<b>Government</b>	<b>450,500</b>	<b>436,600</b>	<b>448,100</b>	<b>13,900</b>	<b>3.2%</b>	<b>2,400</b>	<b>0.5%</b>
.Federal Government	34,700	34,600	33,500	100	0.3%	1,200	3.6%
.State Government	97,400	96,700	95,000	700	0.7%	2,400	2.5%
..State Government Educational Services	52,700	52,000	52,100	700	1.3%	600	1.2%
.Local Government	318,400	305,300	319,600	13,100	4.3%	-1,200	-0.4%
..Local Government Educational Services	217,300	204,800	220,700	12,500	6.1%	-3,400	-1.5%