

# Houston Area Employment Situation

November 2021

## CURRENT EMPLOYMENT AND LOCAL AREA UNEMPLOYMENT STATISTICS

*Seasonal Hiring Delivers as Upstream Oil and Gas Awakens from an 18-month Slumber*

### Total Nonfarm

#### Over-the-month Change

Houston MSA Total Nonfarm (not-seasonally adjusted) employment stood at 3,128,300 in November, up 33,100 jobs over the month, or 1.1 percent. A year ago Houston registered an over-the-month increase of 21,400 jobs. This was the largest-ever gain in the month of November since records began in 1990. The largest all-time one-month gain on record for this sector occurred in May 2020, up 67,200 jobs. The largest one-month decline on record outside of seasonal job losses in January and July occurred in April 2020, down -343,400 jobs. (see Chart 1.) Prior to the pandemic, historically in the month of November, Total Nonfarm has on average added 12,300 jobs over the month, which indicates that this month's gains are substantially above the long-term average.

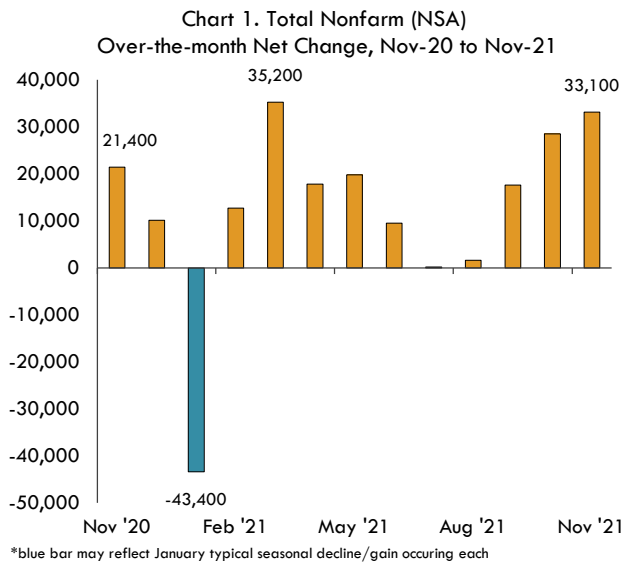
The primary drivers of this November's growth were increases in Trade, Transportation, and Utilities, Mining and Logging, and Education and Health Services. Gains were also recorded in Government, Manufacturing, and Other Services. The net increase in jobs over the month was partially offset by losses in Professional and Business Services and Construction. (see Chart 2.) Houston MSA Total Nonfarm (seasonally adjusted) employment stood at 3,102,200, up 18,700 jobs over the month, or 0.6 percent vs. a historical average of 4,800. Note that analysis throughout the remainder of this report references not-seasonally adjusted data as seasonally-adjusted data is unavailable for major sectors and their sub-components.

#### Top-3 Drivers of Over-the-month Job Growth in November

- Trade, Transportation, and Utilities: 16,800
- Mining and Logging: 4,300
- Education and Health Services: 4,100

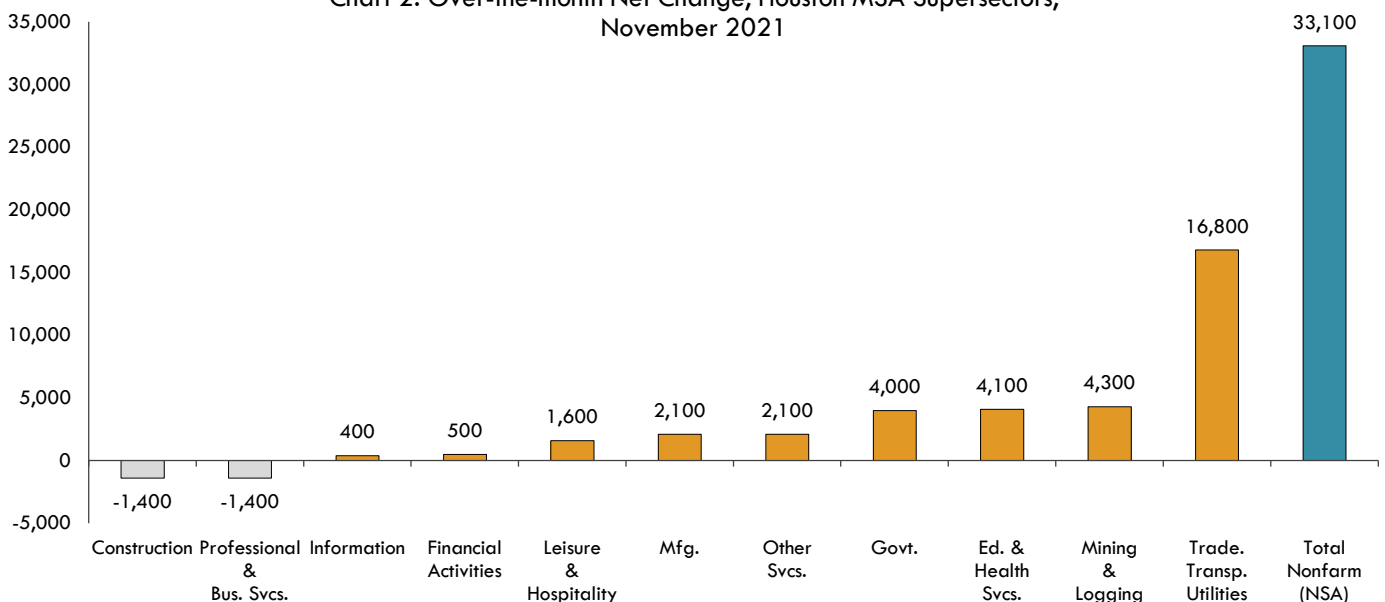
#### Over-the-year Change

Over the year, Total Nonfarm employment was up 142,700 or 4.8 percent on a not-seasonally-adjusted basis and up 138,800 or 4.7 percent on a seasonally-adjusted basis. (see NSA Chart 3.) To compare, November 2020 saw a year-over-year loss of -222,200 jobs (NSA) from November 2019. The largest over-the-year gain on record for Total Nonfarm Employment occurred in April 2021, up 187,200 jobs. The largest over-the-year decline on record occurred in April 2020, down -313,700 jobs.



Currently 9 out of 11 sectors show growth year over year of which the top-three are Professional and Business Services (33,400), Trade, Transportation, and Utilities (26,200), and Leisure and Hospitality (25,800). (see Chart 4.) COVID-19 resulted in the loss of -361,400 jobs over March and April 2020 of which approximately 80 percent of Total Nonfarm employment has been recovered to date.

Chart 2. Over-the-month Net Change, Houston MSA Supersectors, November 2021



# Houston Area Employment Situation

November 2021

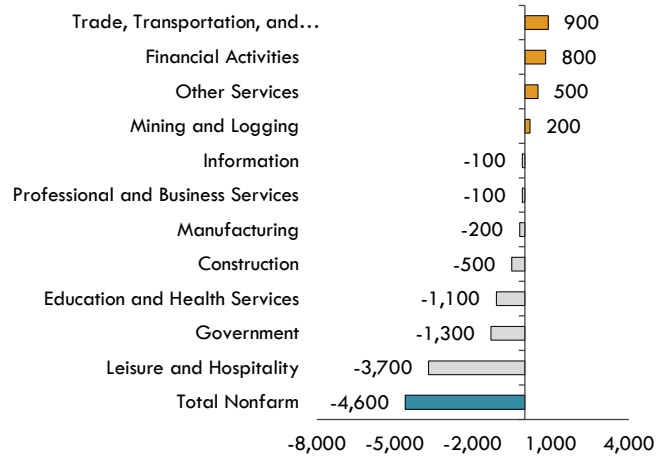
## Previous Month's Revisions

Total Nonfarm employment was revised downward by -4,600 jobs for a September to October smaller net gain of 28,500 compared to an original estimate of 33,100 jobs. A downward revision of -3,700 jobs in Leisure and Hospitality was the largest contributor followed by Government (-1,300) and Education and Health Services (-1,100). Upward revisions in Trade, Transportation, and Utilities (+900), Financial Activities (+800), and Other Services (+500) provided a partial offset of the overall downward revision to Total Nonfarm employment. (see Chart 5.)

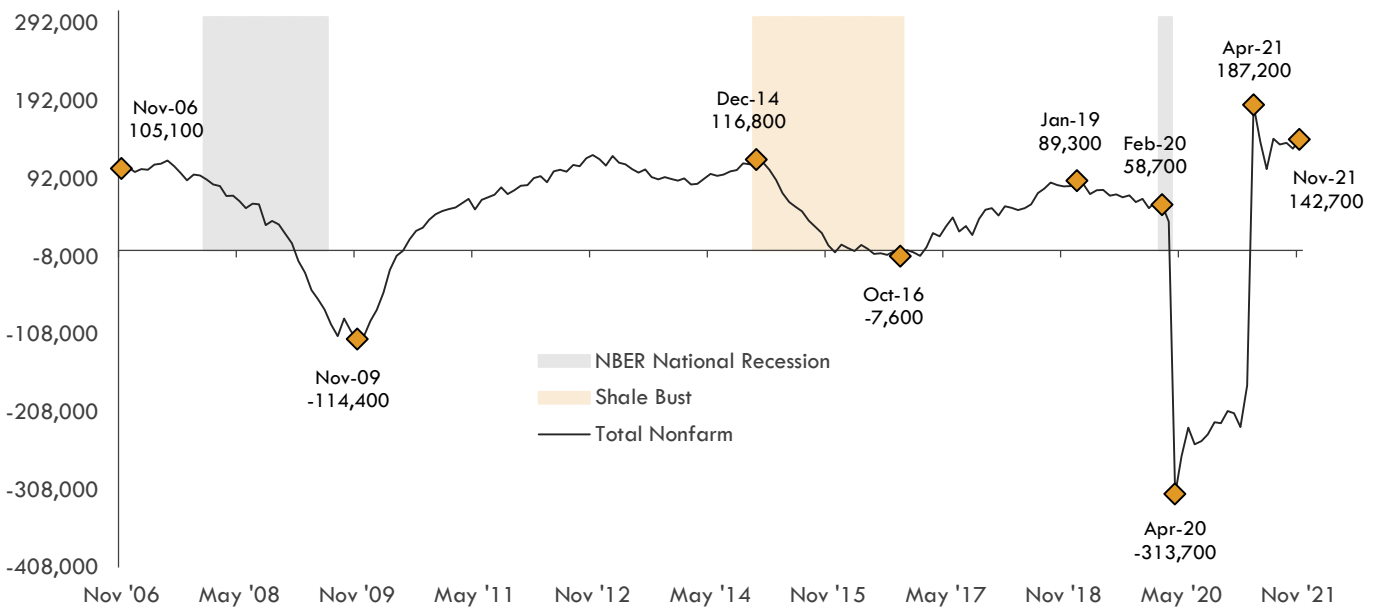
**Top-3 Drivers of Over-the-year Job Growth in November**

- Professional and Business Services: 33,400
- Trade, Transportation, and Utilities: 26,200
- Leisure and Hospitality: 25,800

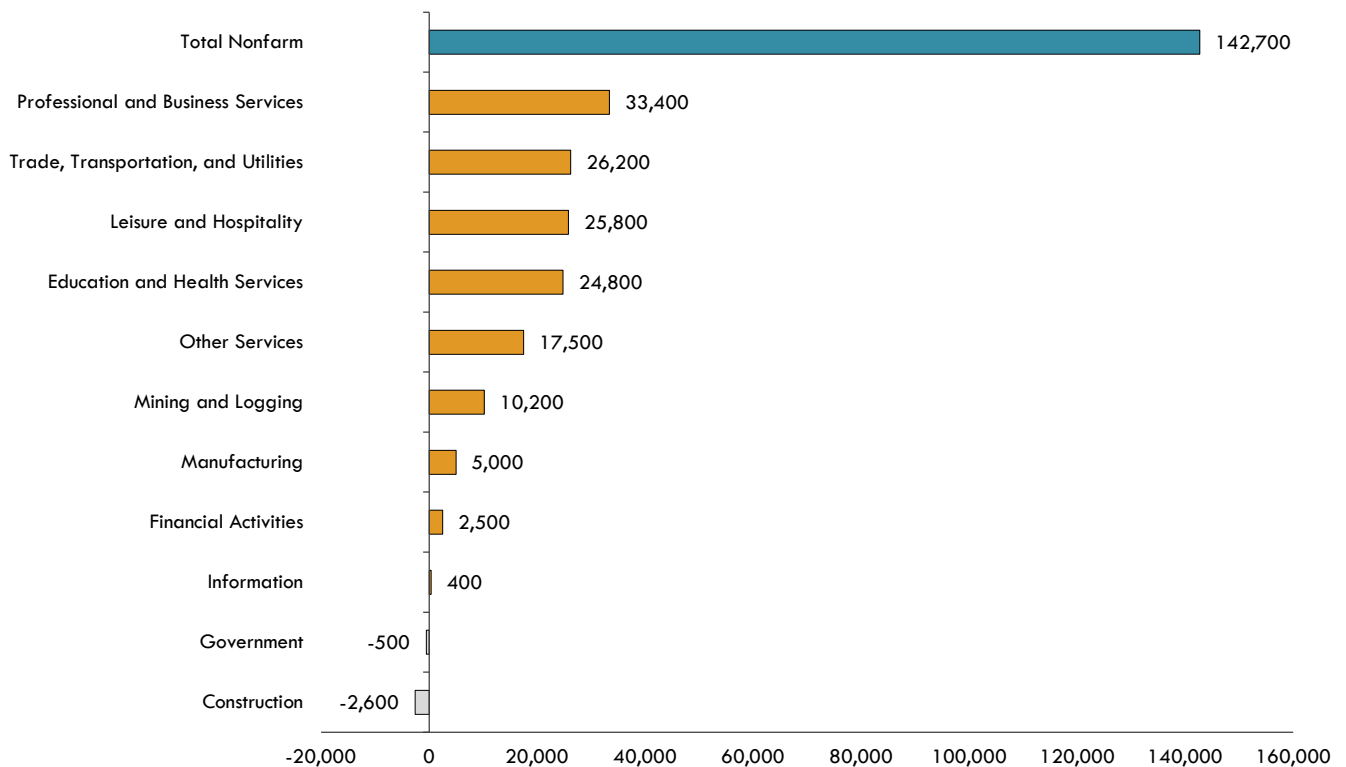
**Chart 5. Net Revisions for Selected Supersectors and Major Industries, October 2021**



**Chart 3. Total Nonfarm (NSA) Over-the-year Net Change, Nov-06 to Nov-21**



**Chart 4. Over-the-year Net Change, Houston MSA Supersectors, November 2020 to November 2021**

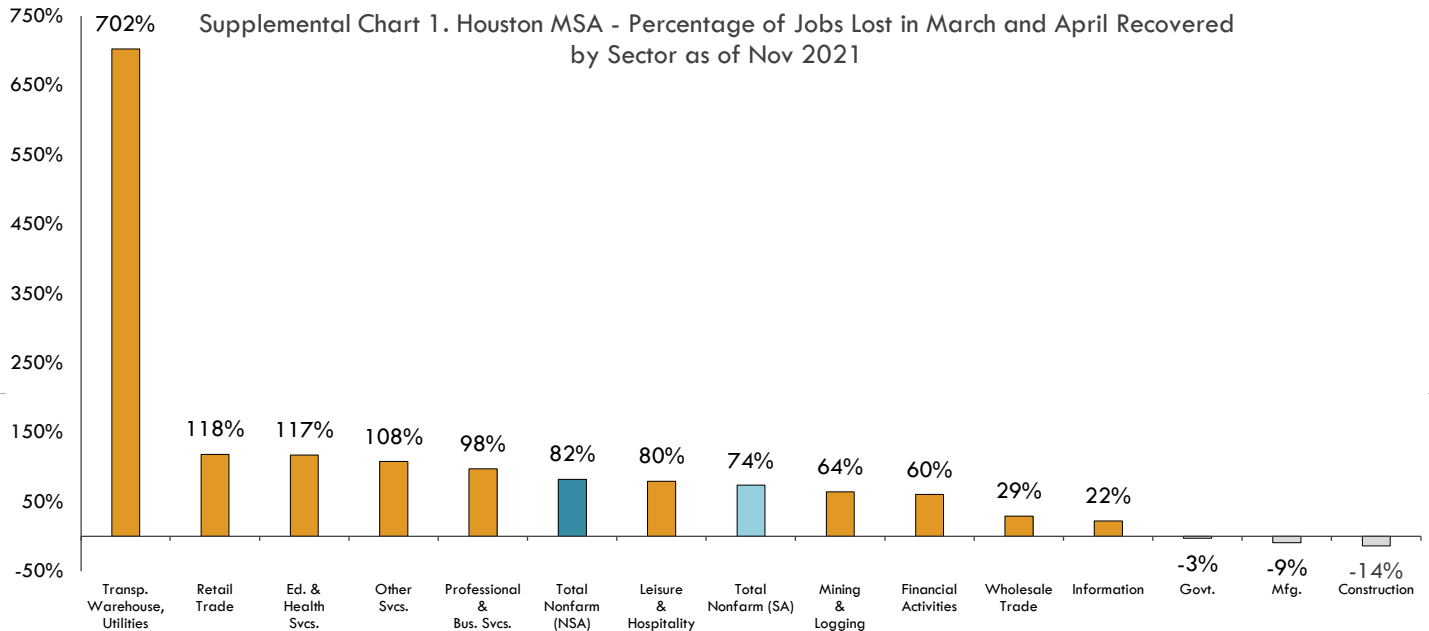


## Supplemental Commentary

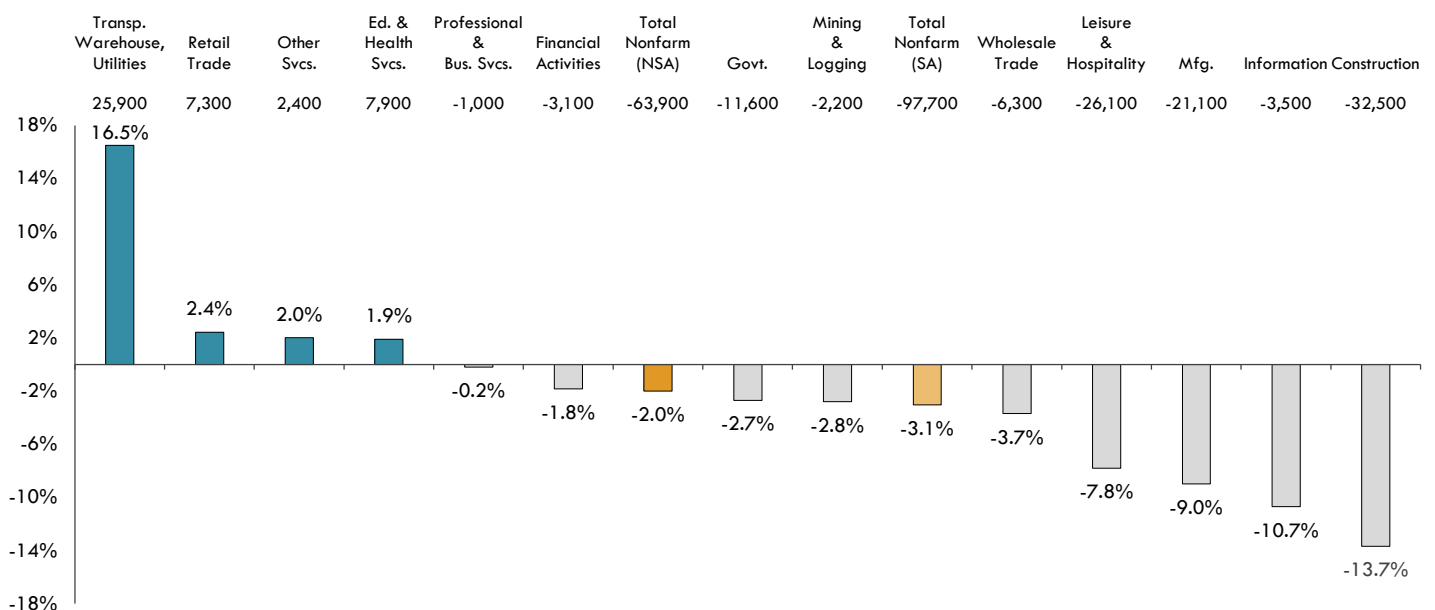
### Overall Impressions

Overall there were lots of positives to be found in November's jobs report however caution remains warranted as the region has now seen two months back-to-back with initial estimates approaching if not exceeding 30,000 jobs but sizeable downward revisions. Cumulative revisions over August, September, and October resulted in 17,500 fewer jobs added than originally reported. Returning to this November, the sources of above-average growth were wide-spread. Mining and Logging posted an all-time high over-the-month gain since records began in 1990. Education and Health also saw a record November. Other Services posted a record November and only the second time it has added jobs this month while Manufacturing also saw a monthly record. Professional and Business Services lost jobs over the month however losses in November have become commonplace over the past decade. Lastly, typical growth in Retail and Transportation and Warehousing accounted for roughly half of the month's gains.

Whether the magnitude of the aforementioned increases persist after revisions next month and next spring remains to be seen however, it is worth noting that some amount of improvement is long overdue among sectors heavily related to oil and gas, namely Mining and Logging. Prior to November, this sector saw 18 consecutive months without any recovery of jobs lost over March and April 2020. November's strong showing has now catapulted its recovery rate to 64 percent versus -9 percent in October. (See Supplemental Chart 1.) While Manufacturing has yet to follow suit, readers should keep in mind that this sector is roughly three times larger than Mining and Logging and therefore will require much larger absolute growth in order to reach a positive recovery rate. (see Supplemental Chart 2 for employment gaps relative to February 2020 for comparison.) As of November four sectors, Transportation, Warehousing and Utilities; Retail Trade; Education and Health Services; and Other Services have now reached employment levels beyond those recorded in February 2020 with Professional and Business Services only 1,000 jobs shy of achieve this same milestone.



Supplemental Chart 2. Houston MSA Current Employment Level as of Nov 2021 Relative to February 2020 by Sector



## A New Way to Gauge the Local Labor Market

### Introducing the Workforce Solutions Index

With this month's Employment Situation, the Gulf Coast Workforce Board and Workforce Solutions are pleased to present the Workforce Solutions Index (WSI). The Index is designed to capture changes in supply and demand within the labor market over time. A value above 4.0 signals that the number of unique active job ads across the region exceeds the number of unemployed jobseekers. A value below 4.0 indicates the reverse. As the Index deviates further and further from 4.0, it implies that the labor market is increasingly out of balance, which can reflect labor shortages and upward wage pressures as widely reported in recent months, or a scarcity of jobs resulting in increased numbers of unemployed individuals as seen during economic downturns. In addition, the Index is monitored by the Gulf Coast Workforce Board as part of its periodic reevaluation of work search requirements of UI recipients and may factor in policy changes as needed.

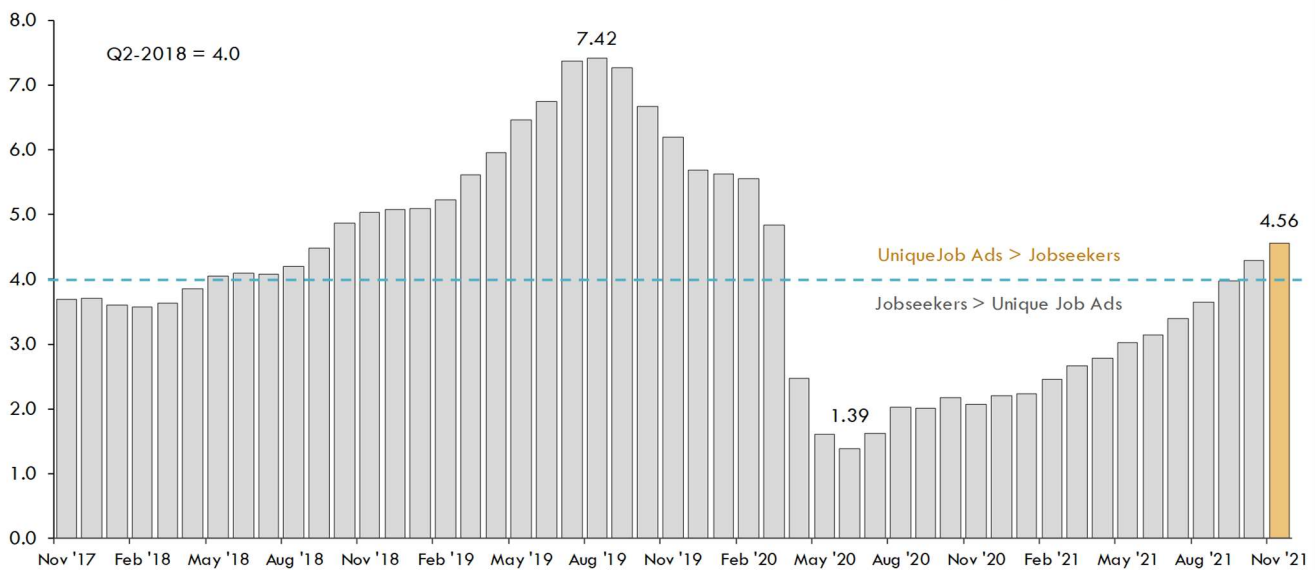


### The Gulf Coast Workforce Solutions Index (WSI)

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  
November  
2021:  
4.56

Gulf Coast Workforce Solutions Index - Houston MSA 2017 - 2021 (SA)



Note: data subject to revisions.



### Workforce Solutions Index November

The Houston MSA WSI for November stood at 4.56, up from October's 4.29, and marking two consecutive months with a reading above 4.0. The most recent similar inflection point occurred between April and May 2018, roughly a year and a half into the recovery from the 2015-2016 Shale Bust. November's reading reflects continued improvement in the local economy observed throughout 2021. It also indicates that employer demand for workers has begun to outstrip supply in recent months, lending credence to frequent reports of labor shortages. At the peak in August 2019, the imbalance between available jobs and unemployed workers reached an extreme with nearly 2 unique job ads for every 1 unemployed resident across the region. Conversely, the disruptive effects of the pandemic resulted in a record low WSI in June 2020 with nearly 3.4 unemployed workers for every unique job posted.



Here's wishing you happy holidays!



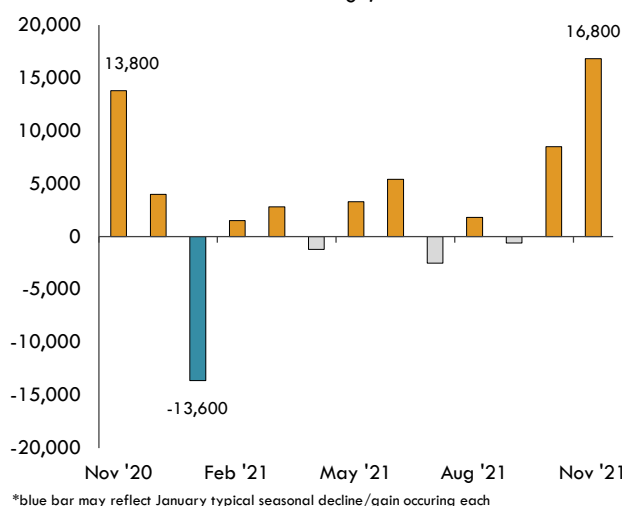
## GAINING INDUSTRY HIGHLIGHTS

### Trade, Transportation, and Utilities

#### Over-the-month Change

Trade, Transportation, and Utilities was the largest gaining sector over the month up 16,800 jobs, or 2.6 percent. (see Chart 6.) The largest all-time one-month gain on record for this sector occurred in November 2019, up 17,400 jobs. The largest decline on record occurred in April 2020, down -50,000 jobs. Historically in the month of November, Trade, Transportation, and Utilities has added an average of 9,400 jobs over the month, which indicates that this month's gains are substantially above the long-term average. Transportation, Warehousing, and Utilities was the largest contributor to the overall sector's increase, up 8,100 jobs over the month. The second-largest contributor was Retail Trade, which added 7,500 jobs from October to November. Lastly, Wholesale Trade contributed, 1,200 jobs. Trade, Transportation, and Utilities employment was revised upward by 900 jobs for a September to October larger net gain of 8,500 compared to an original estimate of 7,600 jobs.

Chart 6. Trade, Transportation, and Utilities (NSA)  
Over-the-month Net Change, Nov-20 to Nov-21

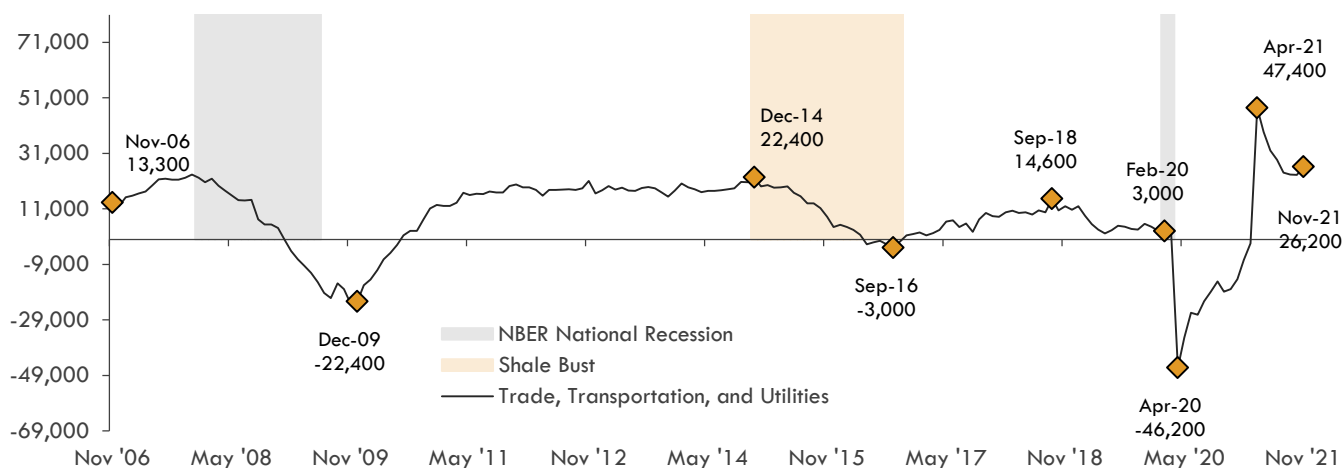


#### Over-the-year Change

Year over year, Trade, Transportation, and Utilities was up 26,200 jobs, or 4.2 percent. (see Chart 7.) This was the largest-ever year-over-year gain in the month of November since records began in 1990. Furthermore, 18.0 percent of total (gross) jobs added across the region over the past year can be attributed to Trade, Transportation, and Utilities. The largest over-the-year gain on record for this sector occurred in April 2021, up 47,400 jobs. The largest decline on record occurred in April 2020, down -46,200 jobs. Transportation, Warehousing, and Utilities was the largest contributor to the overall sector's

increase, up 13,000 jobs over the year. The second-largest contributor was Wholesale Trade, which added 8,100 jobs from November a year ago. Lastly, Retail Trade contributed, 5,100 jobs. Trade, Transportation, and Utilities's share of Houston area Total Nonfarm Employment has fallen from 21.1 percent to 21.0 percent over the past year.

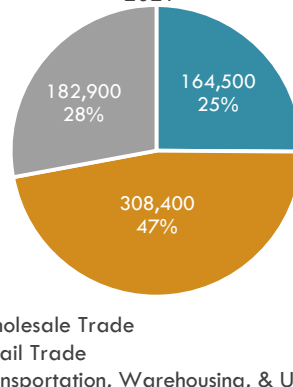
Chart 7. Trade, Transportation, and Utilities (NSA)  
Over-the-year Net Change, Nov-06 to Nov-21



#### 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 47 percent. (see Chart 8.) Across the Houston MSA, the concentration of jobs in the overall sector is 11 percent higher than the national average, due to a 37-percent higher concentration in Wholesale Trade primarily related to the oil and gas industry.

Chart 8. Employment in Component Industries of  
Trade, Transportation, and Utilities Sector - November  
2021



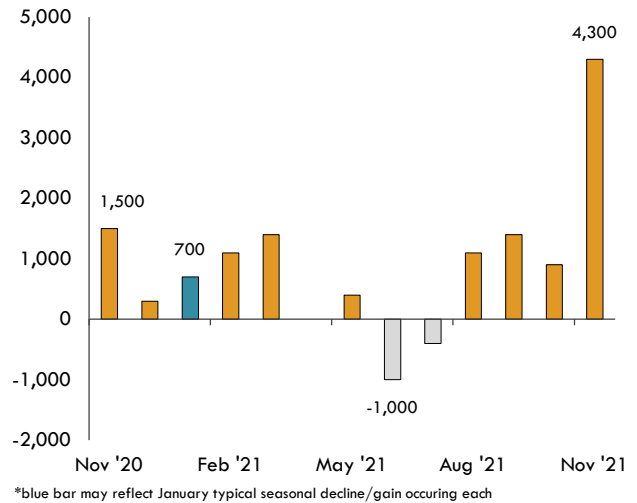
## GAINING INDUSTRY HIGHLIGHTS

### Mining and Logging

#### Over-the-month Change

Mining and Logging was the second-largest gaining sector over the month up 4,300 jobs, or 6.0 percent. (see Chart 9.) This was the largest-ever gain in the month of November, or any other month, since records began in 1990. The largest decline on record occurred in April 2020, down -5,200 jobs. Historically in the month of November, Mining and Logging has lost an average of -70 jobs over the month, which indicates that this month's gains are substantially in contrast to the long-term average decline. Oil and Gas Extraction was the largest contributor to the overall sector's increase, up 2,300 jobs over the month. The second-largest contributor was Support Activities for Mining, which added 1,800 jobs from October to November. Lastly, Other Mining and Logging Undefined contributed, 200 jobs. Mining and Logging employment was revised upward by 200 jobs for a September to October larger net gain of 900 compared to an original estimate of 700 jobs.

Chart 9. Mining and Logging (NSA)  
Over-the-month Net Change, Nov-20 to Nov-21

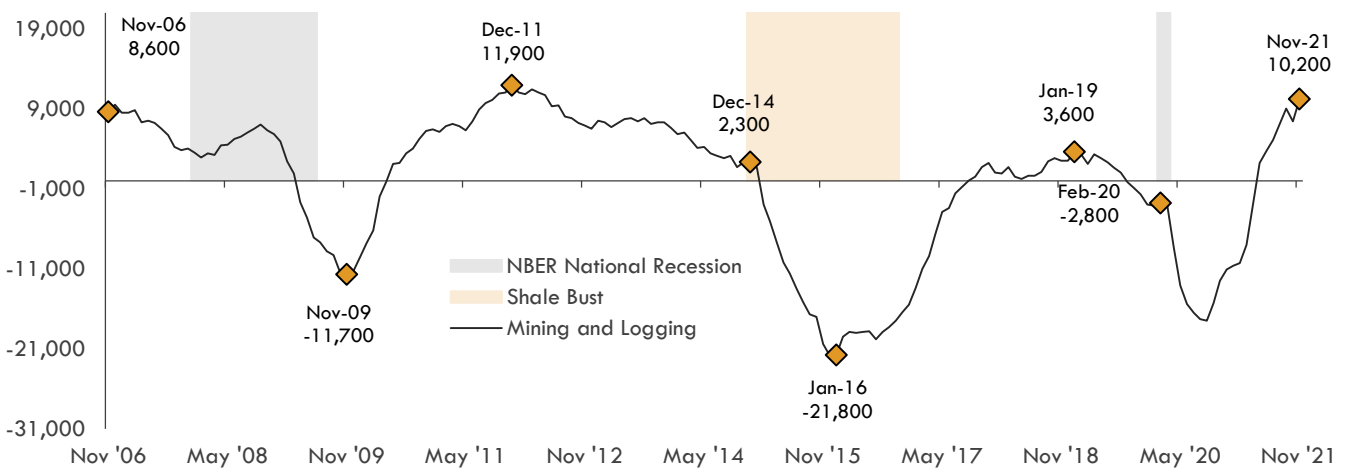


#### Over-the-year Change

Year over year, Mining and Logging was up 10,200 jobs, or 15.5 percent. (see Chart 10.) Among sectors currently showing growth, this sector is the second-fastest growing in percentage terms across the Houston area. The largest over-the-year gain on record for this sector occurred in December 2011, up 11,900 jobs. The largest decline on record occurred in January 2016, down -21,800 jobs. Support Activities for Mining was the largest contributor to the overall sector's increase, up 5,700 jobs over the year. The second-largest contributor was Oil and Gas Extraction, which added 3,400 jobs from November a year ago.

Lastly, Other Mining and Logging Undefined contributed, 1,100 jobs. Since shedding -6,100 jobs over March and April 2020 due to the impact of COVID-19, this sector has recovered approximately 60 percent of jobs lost as of November. Mining and Logging's share of Houston area Total Nonfarm Employment has risen from 2.2 percent to 2.4 percent over the past year.

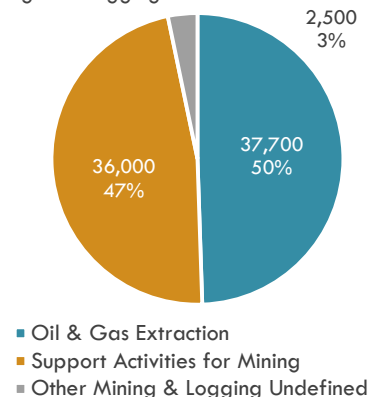
Chart 10. Mining and Logging (NSA)  
Over-the-year Net Change, Nov-06 to Nov-21



#### 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, Oil and Gas Extraction 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 Mining and Logging sector is 5.6 times the national average, due to the region's role as a global hub for the oil and gas industry.

Chart 11. Employment in Component Industries of Mining and Logging Sector - November 2021



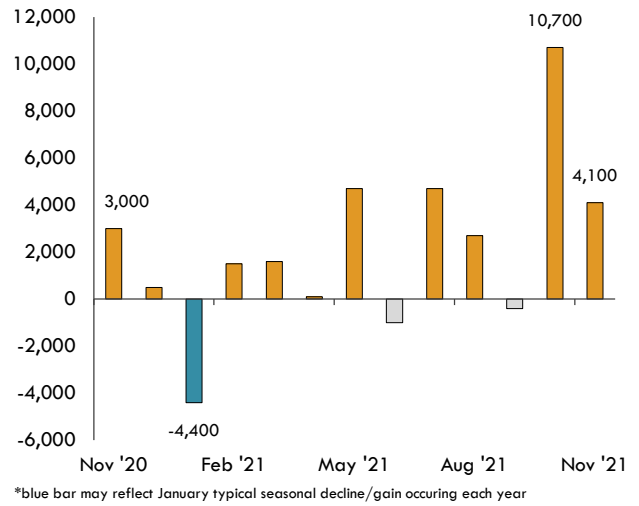
## GAINING INDUSTRY HIGHLIGHTS

### Education and Health Services

#### Over-the-month Change

Education and Health Services was the third-largest gaining sector over the month up 4,100 jobs, or 1.0 percent. (see Chart 12.) This was the largest-ever gain in the month of November since records began in 1990. The largest all-time one-month gain on record for this sector occurred in May 2020, up 15,500 jobs. The largest decline on record occurred in April 2020, down -42,900 jobs. Historically in the month of November, Education and Health Services has added an average of 1,100 jobs over the month, which indicates that this month's gains are substantially above the long-term average. Health Care and Social Assistance was the largest contributor to the overall sector's increase, up 3,700 jobs over the month. The second-largest contributor was Educational Services, which added 400 jobs from October to November. Education and Health Services employment was revised downward by -1,100 jobs for a September to October smaller net gain of 10,700 compared to an original estimate of 11,800 jobs.

Chart 12. Education and Health Services (NSA)  
Over-the-month Net Change, Nov-20 to Nov-21

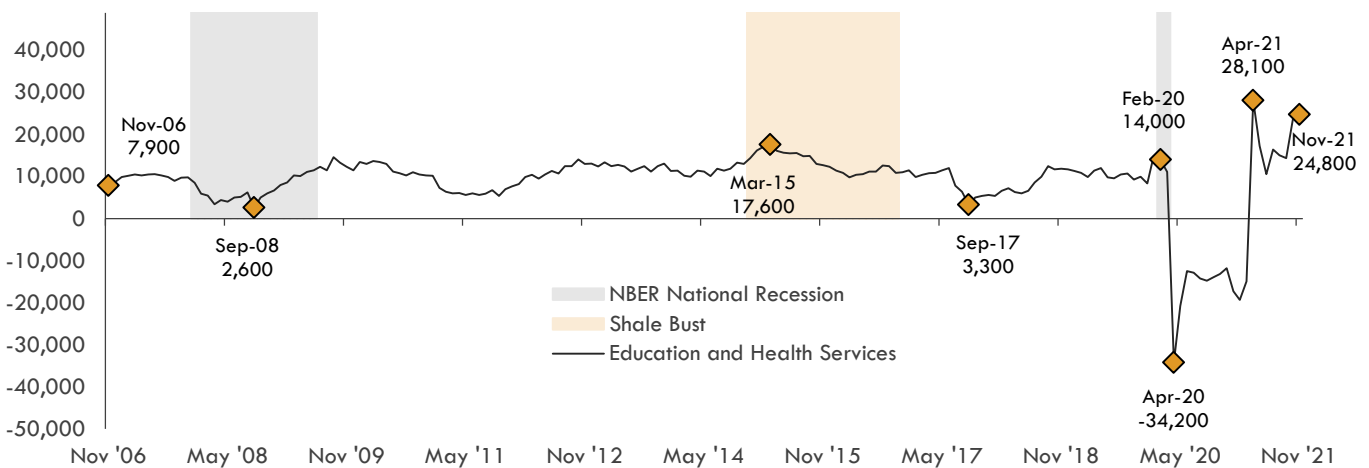


#### Over-the-year Change

Year over year, Education and Health Services was up 24,800 jobs, or 6.2 percent. (see Chart 13.) This was the largest-ever year-over-year gain in the month of November since records began in 1990. Furthermore, 17.0 percent of total (gross) jobs added across the region over the past year can be attributed to Education and Health Services. The largest over-the-year gain on record for this sector occurred in April 2021, up 28,100 jobs. The largest decline on record occurred in April 2020, down -34,200 jobs. Health Care and Social Assistance was the largest contributor to the overall sector's increase, up 17,700 jobs

over the year. The second-largest contributor was Educational Services, which added 7,100 jobs from November a year ago. Since shedding -45,700 jobs over March and April 2020 due to the impact of COVID-19, this sector has recovered approximately 120 percent of jobs lost as of November. Education and Health Services's share of Houston area Total Nonfarm Employment has risen from 13.3 percent to 13.5 percent over the past year.

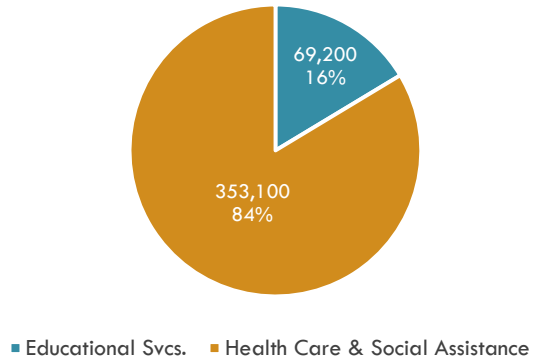
Chart 13. Education and Health Services (NSA)  
Over-the-year Net Change, Nov-06 to Nov-21



#### 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.)

Chart 14. Employment in Component Industries of Education and Health Services Sector - November 2021



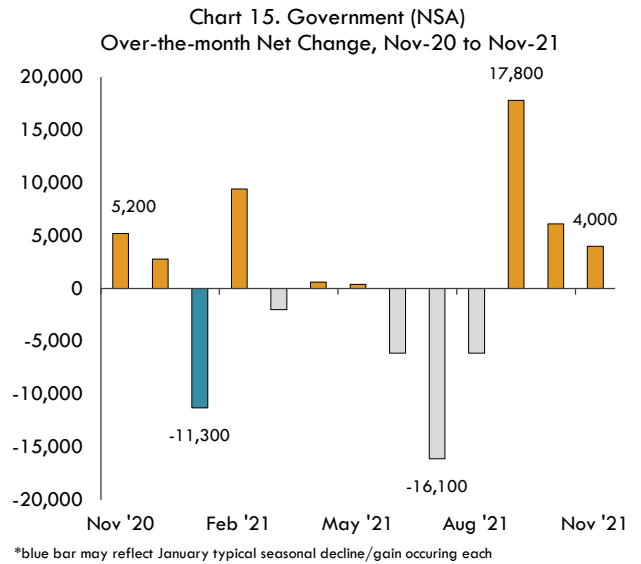
## GAINING INDUSTRY HIGHLIGHTS

### Government

#### Over-the-month Change

Government also saw an increase over the month up 4,000 jobs, or 1.0 percent. (see Chart 15.) The largest all-time one-month gain on record for this sector occurred in September 2013, up 22,500 jobs. The largest decline on record occurred in April 2020, down -10,700 jobs. Historically in the month of November, Government has added an average of 2,400 jobs over the month, which indicates that this month's gains are substantially above the long-term average. Government, which includes primary, secondary, and postsecondary public education typically sees modest gains in November as remaining positions within public schools are filled. Local Government was the largest contributor to the overall sector's increase, up 2,300 jobs over the month. The second-largest contributor was Federal Government, which added 1,000 jobs from October to November. Lastly, State Government contributed, 700 jobs. Government employment was revised downward by -1,300 jobs for a September to October smaller net gain of 6,100

to an original estimate of 7,400 jobs.

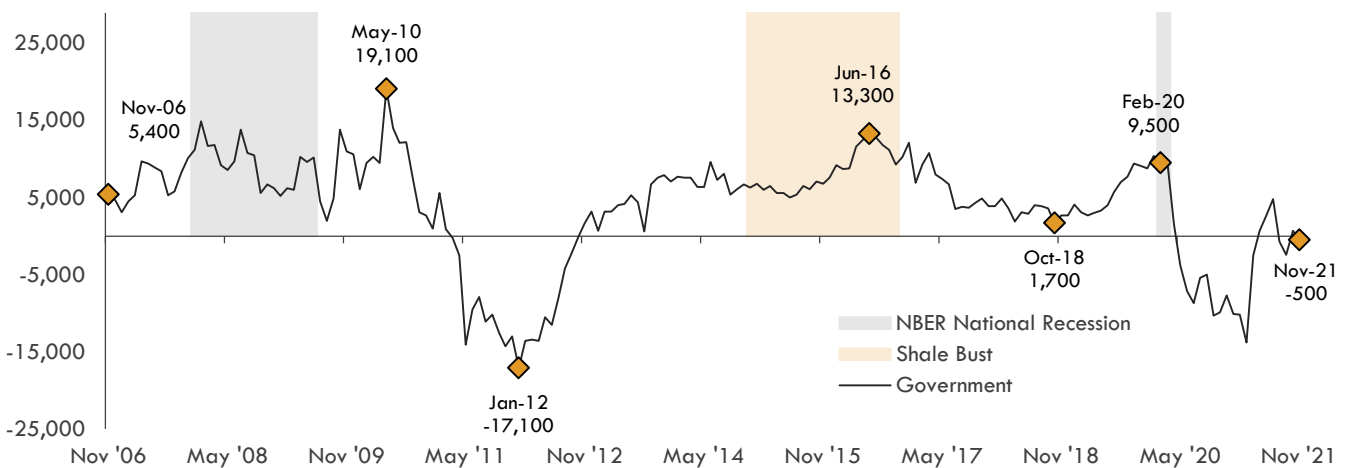


#### Over-the-year Change

Year over year, Government was down -500 jobs, or -0.1 percent. (see Chart 16.) Among sectors currently showing contraction, this sector is the second-fastest declining in percentage terms across the Houston area. Furthermore, 16.1 percent of total (gross) jobs lost across the region over the past year can be attributed to Government. The largest over-the-year gain on record for this sector occurred in May 2010, up 19,100 jobs. The largest decline on record occurred in January 2012, down -17,100 jobs. Local Government was the largest contributor to the overall sector's decline, down -2,800 jobs over

the year. One component industry that provided a partial offset was Federal Government, which gained 900 jobs from November a year ago. Lastly, State Government offset a portion of the sector's losses with a gain of 1,400 jobs. Since shedding -9,100 jobs over March and April 2020 due to the impact of COVID-19, this sector continues to post losses resulting in total employment that remains 0 percent below levels reported in February 2020. Government's share of Houston area Total Nonfarm Employment has fallen from 14.0 percent to 13.3 percent over the past year.

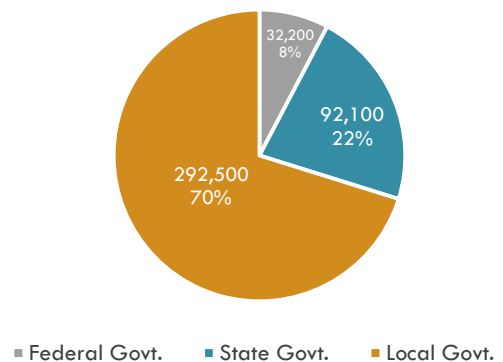
Chart 16. Government (NSA)  
Over-the-year Net Change, Nov-06 to Nov-21



#### 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 70 percent. (see Chart 17.)

Chart 17. Employment in Component Industries of Government Sector - November 2021





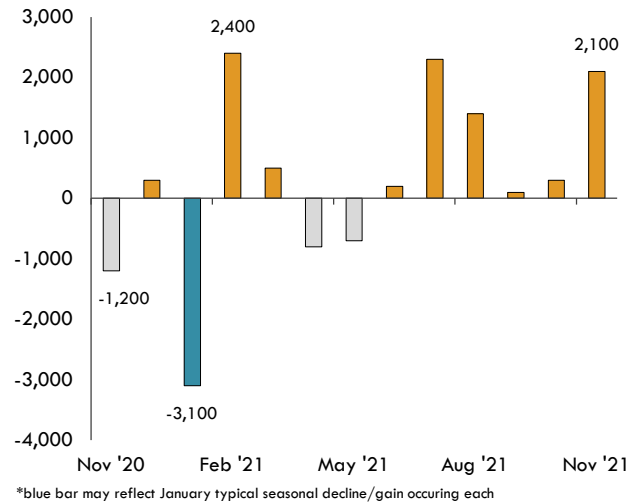
## GAINING INDUSTRY HIGHLIGHTS

### Manufacturing

#### Over-the-month Change

Manufacturing also saw an increase over the month up 2,100 jobs, or 1.0 percent. (see Chart 18.) This was the largest-ever gain in the month of November since records began in 1990. The largest all-time one-month gain on record for this sector occurred in June 1990, up 3,200 jobs. The largest decline on record occurred in April 2020, down -10,600 jobs. Historically in the month of November, Manufacturing has added an average of 500 jobs over the month, which indicates that this month's gains are substantially above the long-term average. Durable Goods was the largest contributor to the overall sector's increase, up 1,600 jobs over the month. The second-largest contributor was Non-Durable Goods, which added 500 jobs from October to November. Manufacturing employment was revised downward by -200 jobs for a September to October smaller net gain of 300 compared to an original estimate of 500 jobs.

Chart 18. Manufacturing (NSA)  
Over-the-month Net Change, Nov-20 to Nov-21

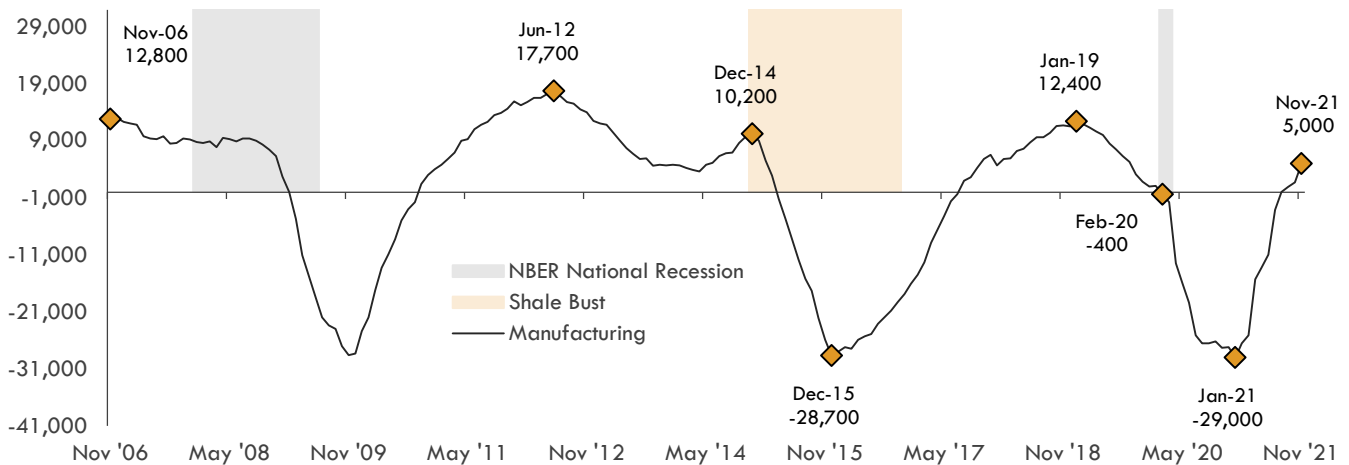


#### Over-the-year Change

Year over year, Manufacturing was up 5,000 jobs, or 2.4 percent. (see Chart 19.) The largest over-the-year gain on record for this sector occurred in June 2012, up 17,700 jobs. The largest decline on record occurred in January 2021, down -29,000 jobs. Durable Goods was the largest contributor to the overall sector's increase, up 6,400 jobs over the year. One component industry that provided a partial offset was Non-Durable Goods, which lost -1,400 jobs from November a year ago. Since shedding -11,500 jobs over March and April 2020 due to the impact of COVID-19, this sector continues to post

losses resulting in total employment that remains -10 percent below levels reported in February 2020. Manufacturing's share of Houston area Total Nonfarm Employment has fallen from 7.0 percent to 6.8 percent over the past year.

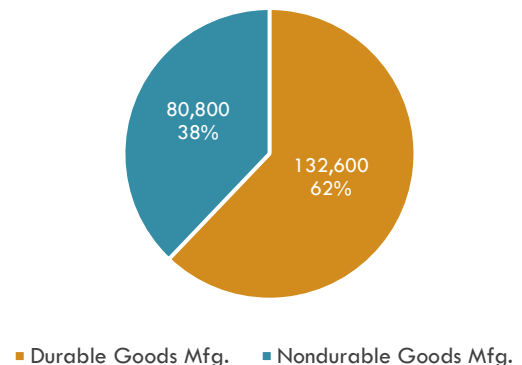
Chart 19. Manufacturing (NSA)  
Over-the-year Net Change, Nov-06 to Nov-21



#### 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 62 percent. (see Chart 20.) Across the Houston MSA, the concentration of jobs in the overall Manufacturing sector is 19 percent less than the national average.

Chart 20. Employment in Component Industries of Manufacturing Sector - November 2021



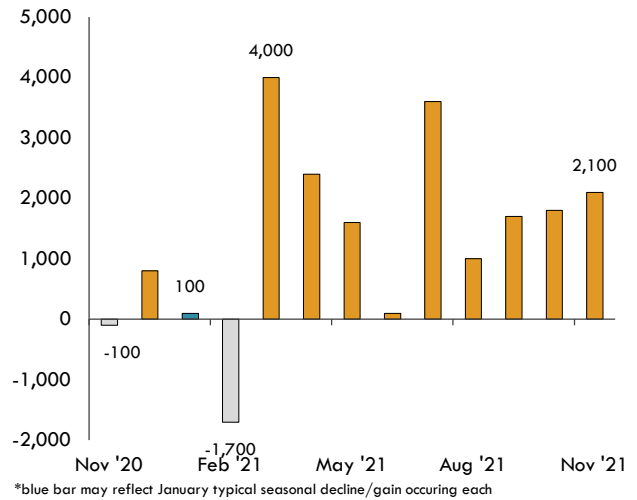
## GAINING INDUSTRY HIGHLIGHTS

### Other Services

#### Over-the-month Change

Other Services also saw an increase over the month up 2,100 jobs, or 1.8 percent. (see Chart 21.) This was the largest-ever gain in the month of November since records began in 1990. The largest all-time one-month gain on record for this sector occurred in June 2020, up 8,000 jobs. The largest decline on record occurred in April 2020, down -28,300 jobs. Historically in the month of November, Other Services has lost an average of -700 jobs over the month, which indicates that this month's gains are substantially in contrast to 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 upward by 500 jobs for a September to October larger net gain of 1,800 compared to an original estimate of 1,300 jobs.

Chart 21. Other Services (NSA)  
Over-the-month Net Change, Nov-20 to Nov-21

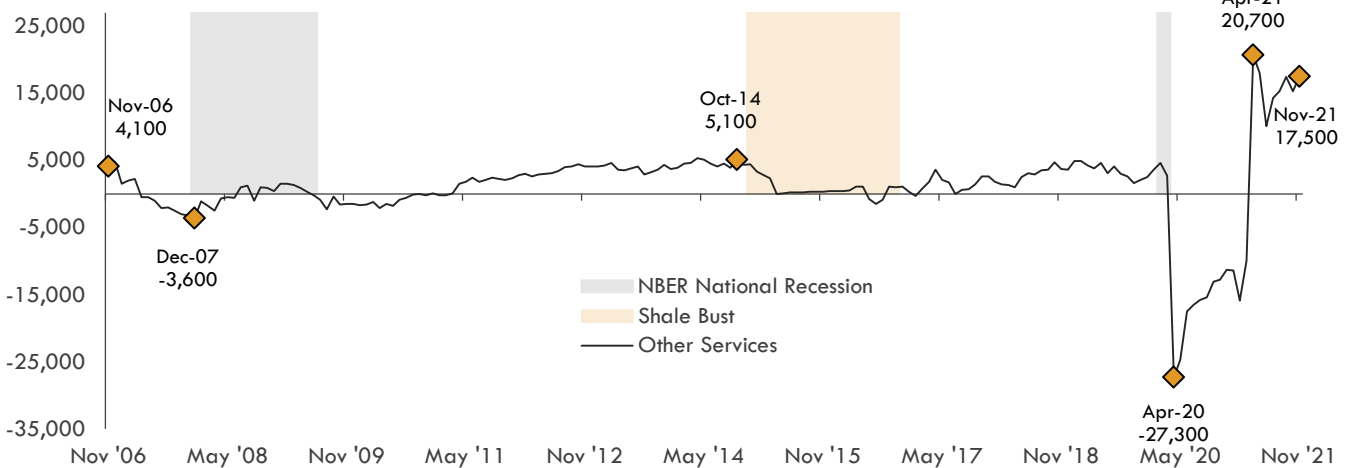


#### Over-the-year Change

Year over year, Other Services was up 17,500 jobs, or 16.8 percent. (see Chart 22.) This was the largest-ever year-over-year gain in the month of November since records began in 1990. Among sectors currently showing growth, this sector is the fastest-growing in percentage terms across the Houston area. The largest over-the-year gain on record for this sector occurred in April 2021, up 20,700 jobs. The largest decline on record occurred in April 2020, down -27,300 jobs. NOTE: No subsector is published at the MSA level by the CES survey. See below for additional information. Since shedding -30,200 jobs over March

and April 2020 due to the impact of COVID-19, this sector has recovered approximately 110 percent of jobs lost as of November. Other Services's share of Houston area Total Nonfarm Employment has risen from 3.5 percent to 3.9 percent over the past year.

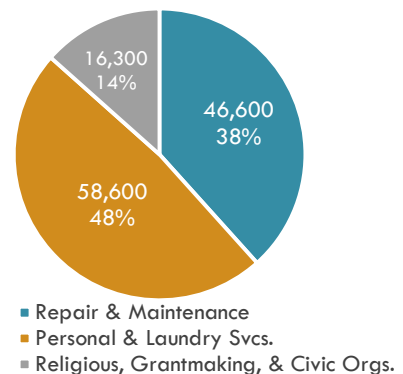
Chart 22. Other Services (NSA)  
Over-the-year Net Change, Nov-06 to Nov-21



#### 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 23.)

Chart 23. Employment in Component Industries of  
Other Services Sector - November 2021



\*estimated proportions based QCEW covered and NES self-employment

## GAINING INDUSTRY HIGHLIGHTS

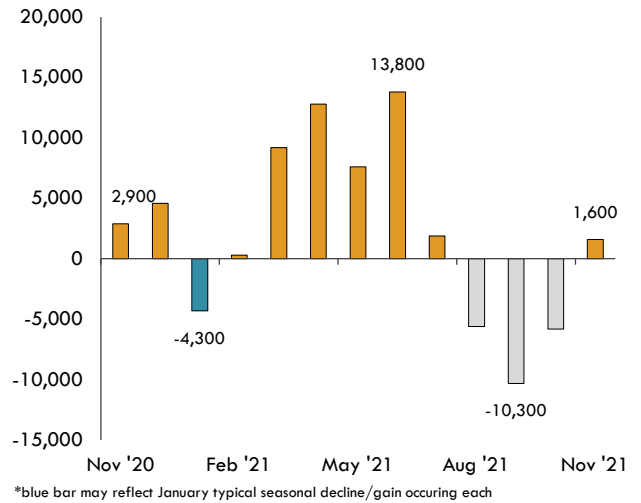
### Leisure and Hospitality

#### Over-the-month Change

Leisure and Hospitality also saw an increase over the month up 1,600 jobs, or 0.5 percent. (see Chart 24.) The largest all-time one-month gain on record for this sector occurred in May 2020, up 42,100 jobs. The largest decline on record occurred in April 2020, down -123,400 jobs. Historically in the month of November, Leisure and Hospitality has added an average of 300 jobs over the month, which indicates that this month's gains are substantially above the long-term average. November historically has proven to be a mixed month for Leisure and Hospitality in that gains have been recorded a slight majority of the time with the balance made up by losses. Accommodation and Food 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 Arts, Entertainment, and Recreation, which lost -400 jobs from October to November. Leisure and Hospitality employment was revised downward by -3,700 jobs for a September to October larger net loss of

-5,800 compared to an original estimate of -2,100 jobs.

Chart 24. Leisure and Hospitality (NSA)  
Over-the-month Net Change, Nov-20 to Nov-21

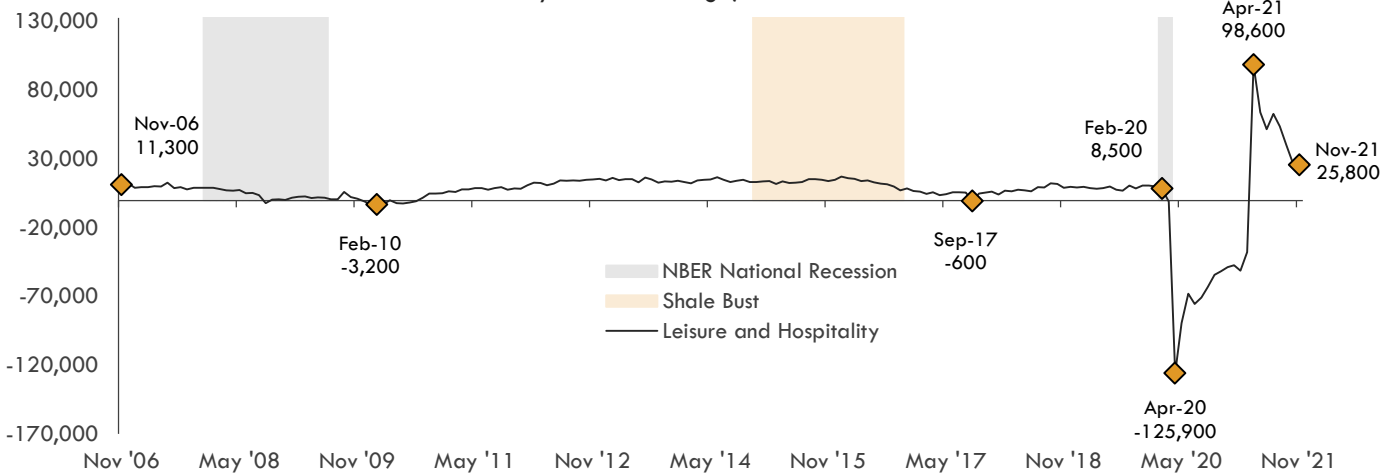


#### Over-the-year Change

Year over year, Leisure and Hospitality was up 25,800 jobs, or 9.1 percent. (see Chart 25.) This was the largest-ever year-over-year gain in the month of November 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, 17.7 percent of total (gross) jobs added across the region over the past year can be attributed to Leisure and Hospitality. The largest over-the-year gain on record for this sector occurred in April 2021, up 98,600 jobs. The largest decline on record occurred in April 2020, down -125,900 jobs.

Accommodation and Food Services was the largest contributor to the overall sector's increase, up 22,900 jobs over the year. The second-largest contributor was Arts, Entertainment, and Recreation, which added 2,900 jobs from November a year ago. Since shedding -127,900 jobs over March and April 2020 due to the impact of COVID-19, this sector has recovered approximately 80 percent of jobs lost as of November. Leisure and Hospitality's share of Houston area Total Nonfarm Employment has risen from 9.5 percent to 9.9 percent over the past year.

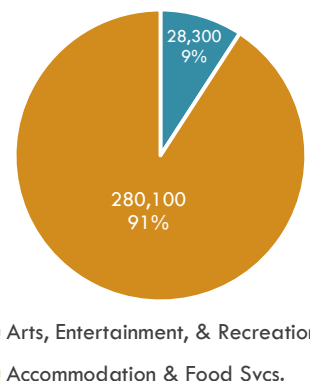
Chart 25. Leisure and Hospitality (NSA)  
Over-the-year Net Change, Nov-06 to Nov-21



#### About This Sector

This sector is composed of establishments that produce and promote in live performances, events, of 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. Of the two main component industries, Accommodation and Food Services accounts for the majority of the sector's employment at 91 percent. (see Chart 26.)

Chart 26. Employment in Component Industries of Leisure and Hospitality Sector - November 2021



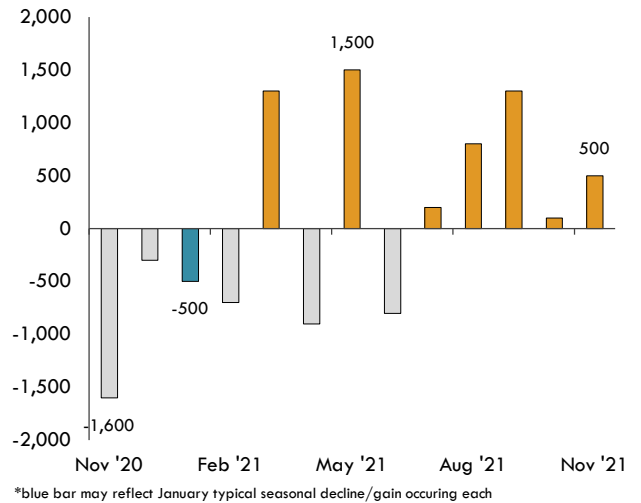
## GAINING INDUSTRY HIGHLIGHTS

### Financial Activities

#### Over-the-month Change

Financial Activities also saw an increase over the month up 500 jobs, or 0.3 percent. (see Chart 27.) The largest all-time one-month gain on record for this sector occurred in October 2020, up 2,700 jobs. The largest decline on record occurred in April 2020, down -6,900 jobs. Historically in the month of November, Financial Activities has lost an average of -100 jobs over the month, which indicates that this month's gains are substantially in contrast to the long-term average decline. Finance and Insurance was the largest contributor to the overall sector's increase, up 600 jobs over the month. One component industry that provided a partial offset was Real Estate and Rental and Leasing, which lost -100 jobs from October to November. Financial Activities employment was revised upward by 800 jobs for a September to October complete erasure of losses resulting in a net gain of 100 compared to an original estimate of -700 jobs.

Chart 27. Financial Activities (NSA)  
Over-the-month Net Change, Nov-20 to Nov-21

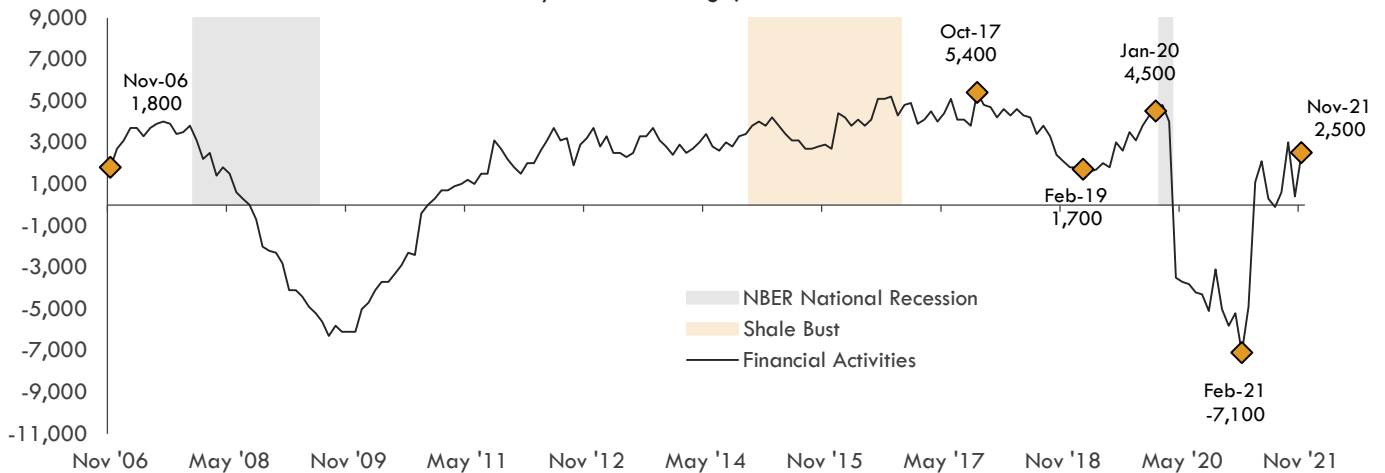


#### Over-the-year Change

Year over year, Financial Activities was up 2,500 jobs, or 1.5 percent. (see Chart 28.) The largest over-the-year gain on record for this sector occurred in September 1998, up 9,000 jobs. The largest decline on record occurred in February 2021, down -7,100 jobs. Finance and Insurance was the largest contributor to the overall sector's increase, up 3,700 jobs over the year. One component industry that provided a partial offset was Real Estate and Rental and Leasing, which lost -1,200 jobs from November a year ago. Since shedding -7,800 jobs over March and April 2020 due to the impact of COVID-19, this

sector has recovered approximately 60 percent of jobs lost as of November. Financial Activities's share of Houston area Total Nonfarm Employment has fallen from 5.5 percent to 5.3 percent over the past year.

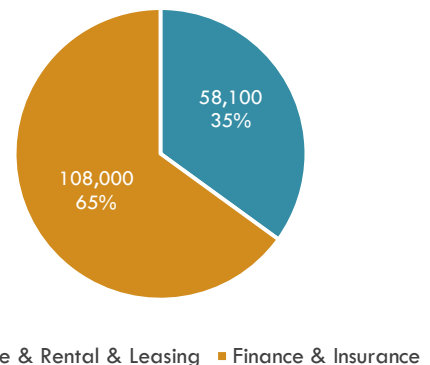
Chart 28. Financial Activities (NSA)  
Over-the-year Net Change, Nov-06 to Nov-21



#### 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 65 percent. (see Chart 29.) Across the Houston MSA, the concentration of jobs in the overall Financial Activities sector is 11 percent less than the national average, due to a 21-percent lower concentration in Finance and Insurance offsetting a 19-percent higher concentration in Real Estate and Rental and Leasing.

Chart 29. Employment in Component Industries of  
Financial Activities Sector - November 2021



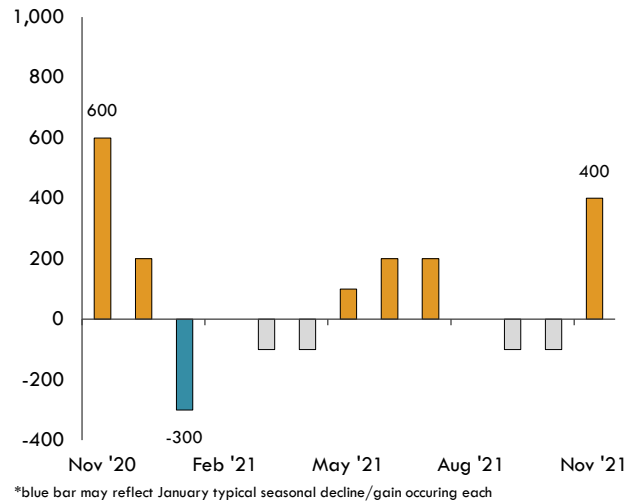
## GAINING INDUSTRY HIGHLIGHTS

### Information

#### Over-the-month Change

Information also saw an increase over the month up 400 jobs, or 1.4 percent. (see Chart 30.) The largest all-time one-month gain on record for this sector occurred in July 1994, up 1,500 jobs. The largest decline on record occurred in April 2020, down -3,900 jobs. Historically in the month of November, Information has added an average of 200 jobs over the month, which indicates that this month's gains are slightly above the long-term average. Other Information Undefined was the largest contributor to the overall sector's increase, up 300 jobs over the month. The second-largest contributor was Telecommunications, which added 100 jobs from October to November. Information employment was revised downward by -100 jobs for a September to October net loss of -100 compared to an original estimate of zero net change in jobs over the month.

Chart 30. Information (NSA)  
Over-the-month Net Change, Nov-20 to Nov-21

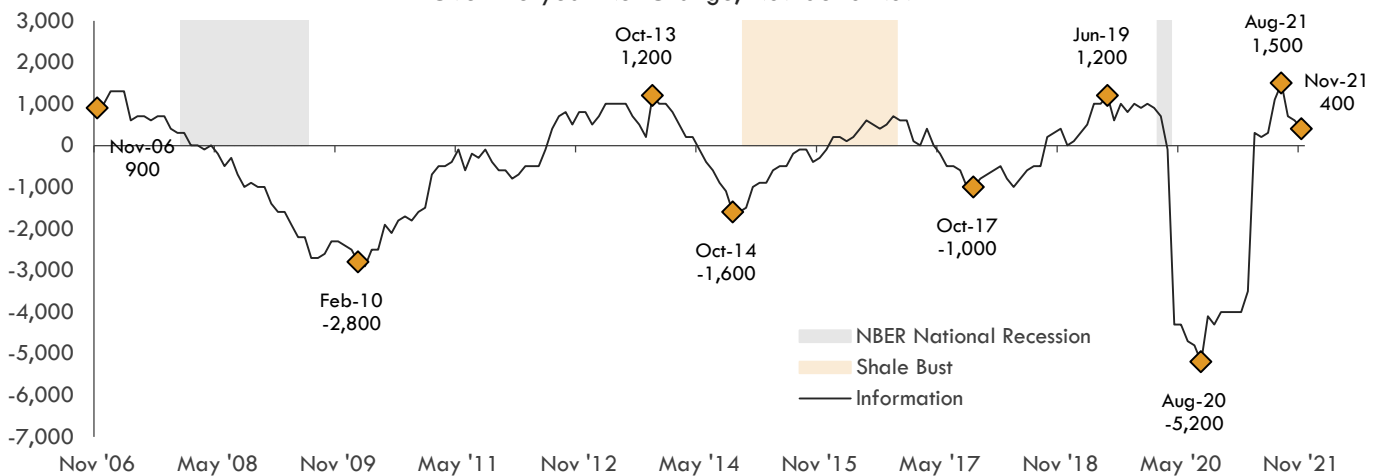


#### Over-the-year Change

Year over year, Information was up 400 jobs, or 1.4 percent. (see Chart 31.) The largest over-the-year gain on record for this sector occurred in June 1997, up 4,600 jobs. The largest decline on record occurred in April 2002, down -7,000 jobs. Other Information Undefined was the largest contributor to the overall sector's increase, up 700 jobs over the year. One component industry that provided a partial offset was Telecommunications, which lost -300 jobs from November a year ago. Since shedding -4,500 jobs over March and April 2020 due to the impact of COVID-19, this sector has recovered approximately 20 percent

of jobs lost as of November. Information's share of Houston area Total Nonfarm Employment has remained constant at 1.0 percent over the past year.

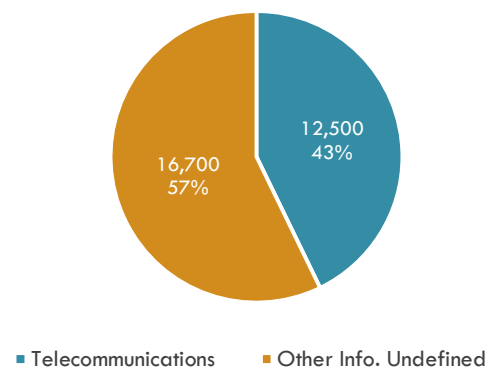
Chart 31. Information (NSA)  
Over-the-year Net Change, Nov-06 to Nov-21



#### 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 57 percent. (see Chart 32.) Across the Houston MSA, the concentration of jobs in the overall Information sector is 50 percent less than the national average.

Chart 32. Employment in Component Industries of Information Sector - November 2021



DECLINING INDUSTRY HIGHLIGHTS

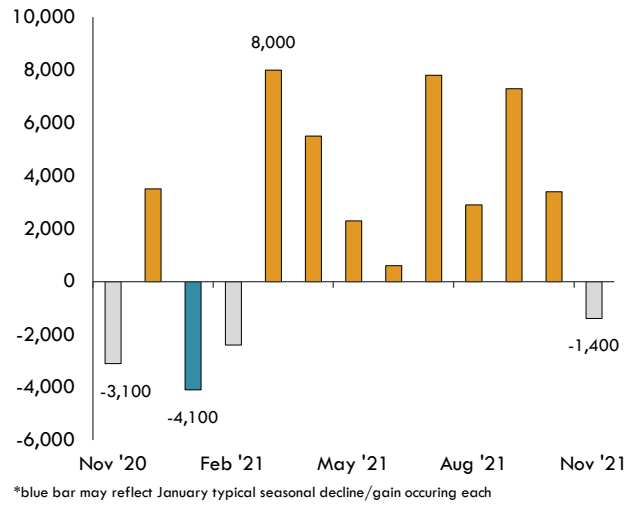
Professional and Business Services

Over-the-month Change

Professional and Business Services was the largest declining sector over the month down -1,400 jobs, or -0.3 percent. (see Chart 33.) The largest all-time one-month gain on record for this sector occurred in March 2021, up 8,000 jobs. The largest decline on record occurred in April 2020, down -37,800 jobs. Historically in the month of November, Professional and Business Services has added an average of 500 jobs over the month, which indicates that this month's losses are substantially in contrast to the long-term average gain. Administrative and Support and Waste Management and Remediation Services was the largest contributor to the overall sector's decline, down -1,400 jobs over the month. The second-largest declining contributor was Professional, Scientific, and Technical Services, which lost -300 jobs from October to November. Lastly, Management of Companies and Enterprises offset a portion of the sector's losses with a gain of 300 jobs. Professional and Business Services employment was revised downward by -100

jobs for a September to October smaller net gain of 3,400 compared to an original estimate of 3,500 jobs.

Chart 33. Professional and Business Services (NSA)  
Over-the-month Net Change, Nov-20 to Nov-21

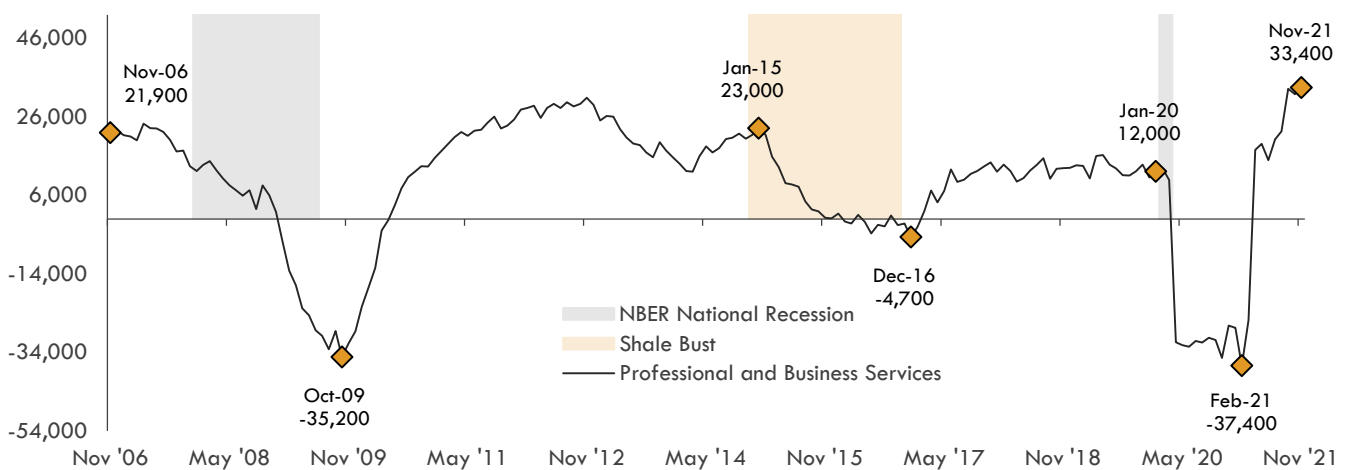


Over-the-year Change

Year over year, Professional and Business Services was up 33,400 jobs, or 7.0 percent. (see Chart 34.) This was the largest-ever year-over-year gain in the month of November, or any other month, since records began in 1990. Furthermore, 22.9 percent of total (gross) jobs added across the region over the past year can be attributed to Professional and Business Services. The largest decline on record occurred in February 2021, down -37,400 jobs. Professional, Scientific, and Technical Services was the largest contributor to the overall sector's increase, up 18,200 jobs over the year. The second-largest

contributor was Administrative and Support and Waste Management and Remediation Services, which added 15,400 jobs from November a year ago. Lastly, Management of Companies and Enterprises offset a portion of the sector's gains with a loss of -200 jobs. Since shedding -41,400 jobs over March and April 2020 due to the impact of COVID-19, this sector has recovered approximately 100 percent of jobs lost as of November. Professional and Business Services's share of Houston area Total Nonfarm Employment has risen from 16.1 percent to 16.4 percent over the past year.

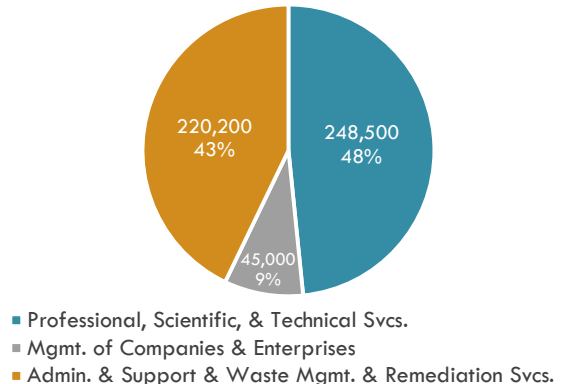
Chart 34. Professional and Business Services (NSA)  
Over-the-year Net Change, Nov-06 to Nov-21



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 plurality of the sector's employment at 48 percent. (see Chart 35.) Across the Houston MSA, the concentration of jobs in the overall sector is 13 percent higher than the national average, due to times more jobs in Professional, Scientific, and Technical Services serving the oil and gas industry.

Chart 35. Employment in Component Industries of Professional and Business Services Sector - November 2021

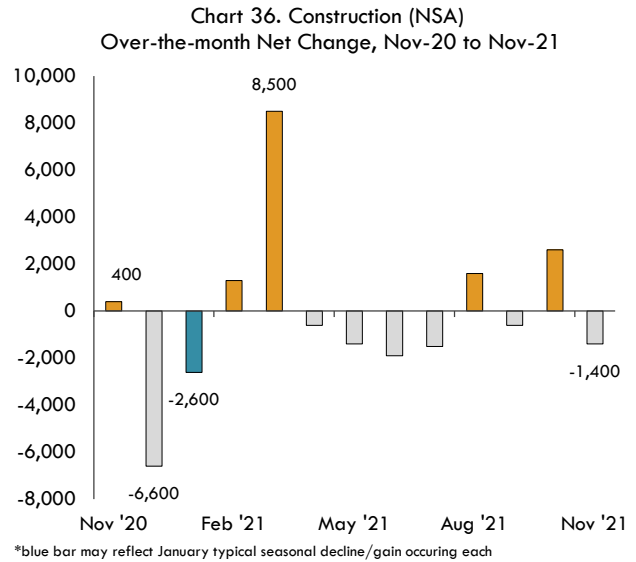


## DECLINING INDUSTRY HIGHLIGHTS

### Construction

#### Over-the-month Change

Construction was the second-largest declining sector over the month down -1,400 jobs, or -0.7 percent. (see Chart 36.) The largest all-time one-month gain on record for this sector occurred in March 2021, up 8,500 jobs. The largest decline on record occurred in April 2020, down -23,700 jobs. Historically in the month of November, Construction has lost an average of -1,200 jobs over the month, which indicates that this month's losses are slightly larger than the long-term average decline. Job losses in Construction have been typical in most Novembers since records began. Construction of Buildings was the largest contributor to the overall sector's decline, down -600 jobs over the month. The second-largest declining contributor was Specialty Trade Contractors, which lost -500 jobs from October to November. Lastly, Heavy and Civil Engineering Construction subtracted, -300 jobs. Construction employment was revised downward by -500 jobs for a September to October smaller net gain of 2,600 compared to an original estimate of 3,100 jobs.

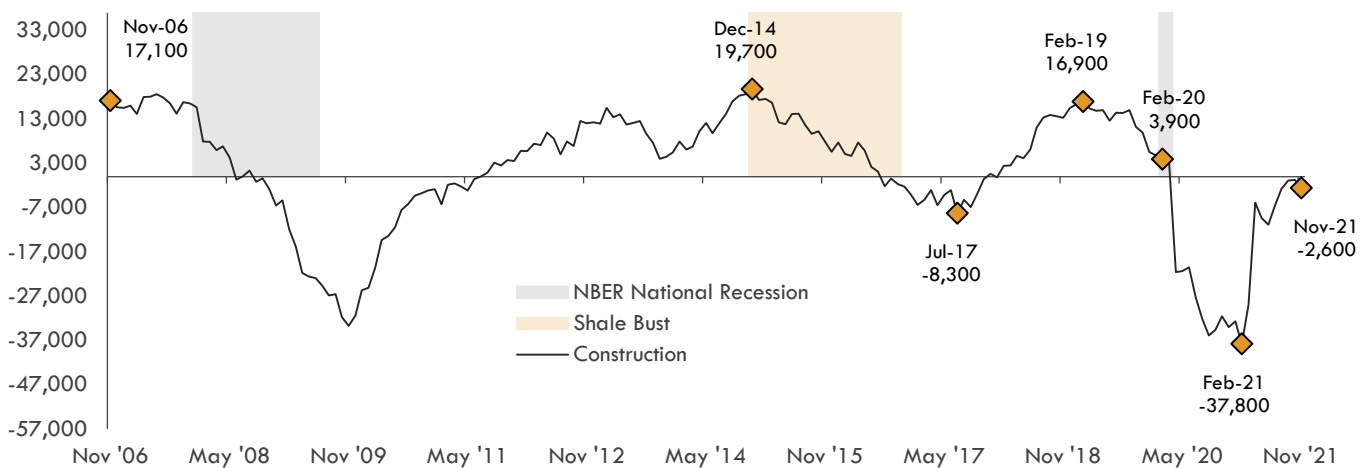


#### Over-the-year Change

Year over year, Construction was down -2,600 jobs, or -1.3 percent. (see Chart 37.) Among sectors currently showing contraction, this sector is the fastest declining in percentage terms across the Houston area. Furthermore, 83.9 percent of total (gross) jobs lost across the region over the past year can be attributed to Construction. The largest over-the-year gain on record for this sector occurred in December 2014, up 19,700 jobs. The largest decline on record occurred in February 2021, down -37,800 jobs. Specialty Trade Contractors was the largest contributor to the overall sector's decline, down -1,700 jobs

over the year. The second-largest declining contributor was Construction of Buildings, which lost -1,200 jobs from November a year ago. Lastly, Heavy and Civil Engineering Construction offset a portion of the sector's losses with a gain of 300 jobs. Since shedding -24,000 jobs over March and April 2020 due to the impact of COVID-19, this sector continues to post losses resulting in total employment that remains -10 percent below levels reported in February 2020. Construction's share of Houston area Total Nonfarm Employment has fallen from 7.0 percent to 6.5 percent over the past year.

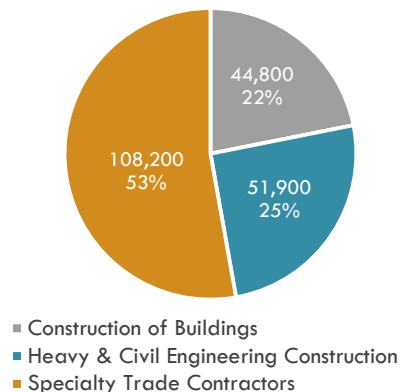
Chart 37. Construction (NSA)  
Over-the-year Net Change, Nov-06 to Nov-21



#### About This Sector

This sector comprises establishments engaged in the construction of buildings, infrastructure, site preparation and subdivision, and specialty trades e.g. masonry, painting, and electrical work. Of the three main component industries, Specialty Trade Contractors accounts for a slight majority of the sector's employment at just over 53 percent. (see Chart 38.) Across the Houston MSA, the concentration of jobs in the overall Construction sector is 29 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 38. Employment in Component Industries of Construction Sector - November 2021



## Unemployment Rates

### Not-Seasonally Adjusted

The Houston MSA (not-seasonally-adjusted) unemployment rate stood at 5.1 percent in November, down from October's 5.4 percent and down from 7.9 percent a year ago. This was above the statewide rate of 4.5 percent and above the national rate of 3.9 percent. 178,163 individuals were unemployed in Houston in November, down from October's 184,918 and down from 266,857 in November 2020.

Chart 39. Unemployment Rates (NSA)  
U.S., Texas, and Houston MSA  
November 2021

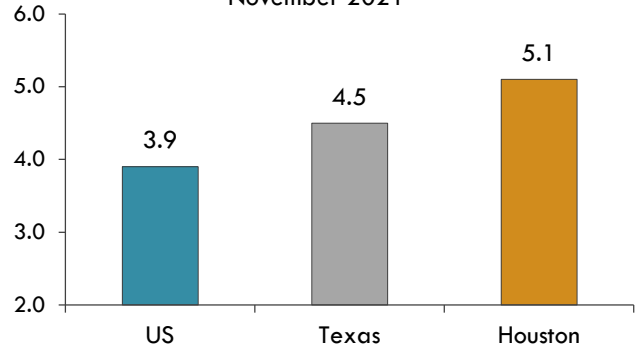
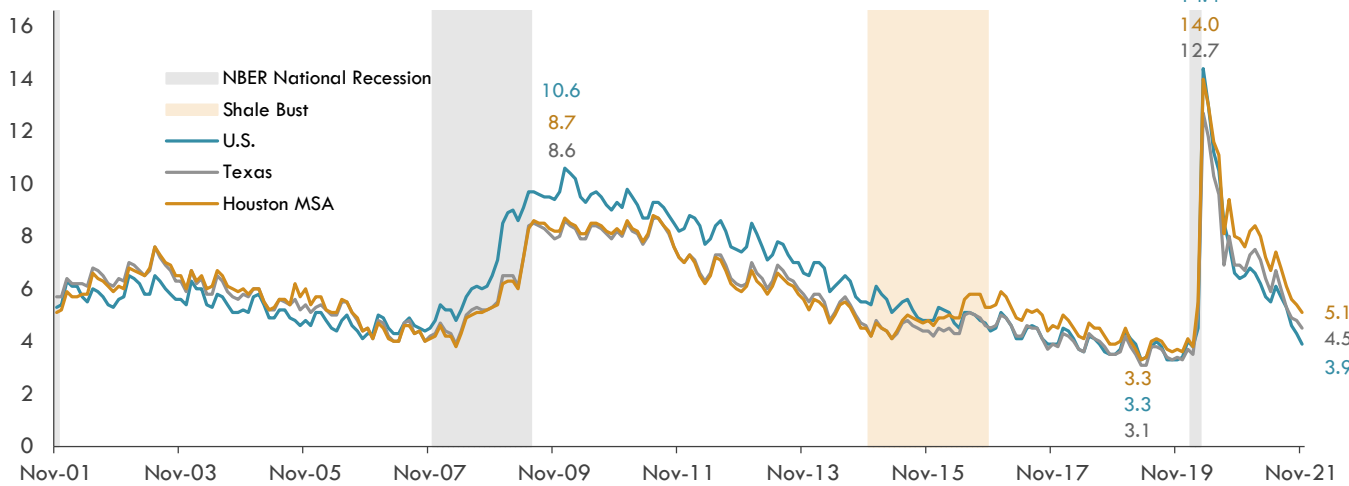


Chart 40. Unemployment Rates U.S., Texas, and Houston MSA (NSA)  
November 2001 to November 2021



### Seasonally Adjusted

The Houston MSA (seasonally-adjusted) unemployment rate stood at 5.7 percent in October, down slightly from September's 5.8 percent and down from 7.9 percent a year ago. This was above the statewide rate of 5.4 percent and above the national rate of 4.6 percent. 196,626 individuals were unemployed in Houston in October, virtually unchanged, down slightly from September's 198,377 and down from 270,434 in October 2020.

Chart 41. Unemployment Rates (SA)  
U.S., Texas, and Houston MSA  
October 2021

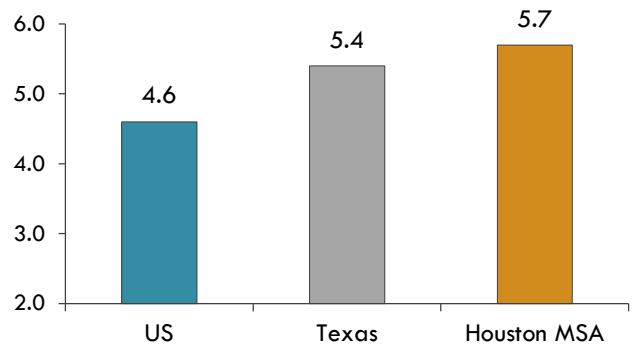
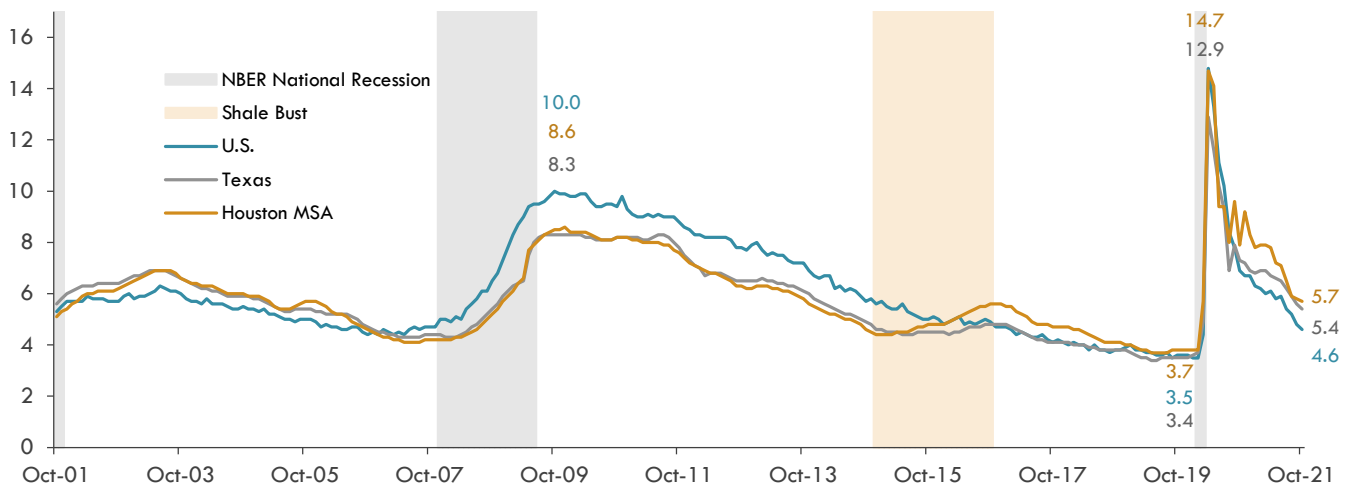


Chart 42. Unemployment Rates U.S., Texas, and Houston MSA (SA)  
October 2001 to October 2021





# Houston Area Employment Situation

November 2021

Table 1. Houston MSA Sectors and Major Industry Subcomponents

NAICS Industry	Nov-21	Oct-21	Nov-20	Monthly	Monthly	Yearly	Yearly %
<b>Total Nonfarm</b>	<b>3,128,300</b>	<b>3,095,200</b>	<b>2,985,600</b>	<b>33,100</b>	<b>1.1%</b>	<b>142,700</b>	<b>4.8%</b>
Total Private	2,711,500	2,682,400	2,568,300	29,100	1.1%	143,200	5.6%
Goods Producing	494,500	489,500	481,900	5,000	1.0%	12,600	2.6%
<b>.Mining and Logging</b>	<b>76,200</b>	<b>71,900</b>	<b>66,000</b>	<b>4,300</b>	<b>6.0%</b>	<b>10,200</b>	<b>15.5%</b>
...Oil and Gas Extraction	37,700	35,400	34,300	2,300	6.5%	3,400	9.9%
...Support Activities for Mining	36,000	34,200	30,300	1,800	5.3%	5,700	18.8%
<b>.Construction</b>	<b>204,900</b>	<b>206,300</b>	<b>207,500</b>	<b>-1,400</b>	<b>-0.7%</b>	<b>-2,600</b>	<b>-1.3%</b>
..Construction of Buildings	44,800	45,400	46,000	-600	-1.3%	-1,200	-2.6%
..Heavy and Civil Engineering Construction	51,900	52,200	51,600	-300	-0.6%	300	0.6%
..Specialty Trade Contractors	108,200	108,700	109,900	-500	-0.5%	-1,700	-1.5%
<b>.Manufacturing</b>	<b>213,400</b>	<b>211,300</b>	<b>208,400</b>	<b>2,100</b>	<b>1.0%</b>	<b>5,000</b>	<b>2.4%</b>
..Durable Goods	132,600	131,000	126,200	1,600	1.2%	6,400	5.1%
...Fabricated Metal Product Manufacturing	43,500	43,800	42,900	-300	-0.7%	600	1.4%
...Machinery Manufacturing	37,300	37,300	38,800	0	0.0%	-1,500	-3.9%
....Agriculture, Construction, and Mining Machinery Mfg.	19,600	19,600	20,500	0	0.0%	-900	-4.4%
...Computer and Electronic Product Manufacturing	12,900	12,900	12,900	0	0.0%	0	0.0%
..Non-Durable Goods	80,800	80,300	82,200	500	0.6%	-1,400	-1.7%
...Petroleum and Coal Products Manufacturing	9,200	9,100	8,700	100	1.1%	500	5.7%
...Chemical Manufacturing	38,300	38,300	39,200	0	0.0%	-900	-2.3%
Service Providing	2,633,800	2,605,700	2,503,700	28,100	1.1%	130,100	5.2%
.Private Service Providing	2,217,000	2,192,900	2,086,400	24,100	1.1%	130,600	6.3%
<b>..Trade, Transportation, and Utilities</b>	<b>655,800</b>	<b>639,000</b>	<b>629,600</b>	<b>16,800</b>	<b>2.6%</b>	<b>26,200</b>	<b>4.2%</b>
...Wholesale Trade	164,500	163,300	156,400	1,200	0.7%	8,100	5.2%
....Merchant Wholesalers, Durable Goods	101,000	101,100	96,900	-100	-0.1%	4,100	4.2%
.....Prof. and Commercial Equip. Supplies Wholesalers	17,000	16,900	16,800	100	0.6%	200	1.2%
....Merchant Wholesalers, Nondurable Goods	51,200	50,400	49,400	800	1.6%	1,800	3.6%
...Retail Trade	308,400	300,900	303,300	7,500	2.5%	5,100	1.7%
....Motor Vehicle and Parts Dealers	42,300	41,900	40,700	400	1.0%	1,600	3.9%
....Bldg. Material and Garden Equip. and Supplies Dealers	22,800	23,200	23,300	-400	-1.7%	-500	-2.1%
....Food and Beverage Stores	72,800	71,800	70,300	1,000	1.4%	2,500	3.6%
....Health and Personal Care Stores	19,900	19,300	18,500	600	3.1%	1,400	7.6%
....Clothing and Clothing Accessories Stores	27,400	25,100	24,700	2,300	9.2%	2,700	10.9%
....General Merchandise Stores	61,200	59,300	60,200	1,900	3.2%	1,000	1.7%
.....Department Stores	18,400	17,100	17,600	1,300	7.6%	800	4.5%
.....Other General Merchandise Stores	42,800	42,200	42,600	600	1.4%	200	0.5%
...Transportation, Warehousing, and Utilities	182,900	174,800	169,900	8,100	4.6%	13,000	7.7%
....Utilities	17,200	17,100	17,100	100	0.6%	100	0.6%
.....Air Transportation	18,300	18,300	18,400	0	0.0%	-100	-0.5%
.....Truck Transportation	27,300	27,400	26,700	-100	-0.4%	600	2.2%
.....Pipeline Transportation	11,700	11,600	11,900	100	0.9%	-200	-1.7%
<b>..Information</b>	<b>29,200</b>	<b>28,800</b>	<b>28,800</b>	<b>400</b>	<b>1.4%</b>	<b>400</b>	<b>1.4%</b>
...Telecommunications	12,500	12,400	12,800	100	0.8%	-300	-2.3%
<b>..Financial Activities</b>	<b>166,100</b>	<b>165,600</b>	<b>163,600</b>	<b>500</b>	<b>0.3%</b>	<b>2,500</b>	<b>1.5%</b>
...Finance and Insurance	108,000	107,400	104,300	600	0.6%	3,700	3.5%
....Credit Intermediation and Related Activities	43,700	43,600	44,000	100	0.2%	-300	-0.7%
.....Depository Credit Intermediation	28,700	28,700	29,100	0	0.0%	-400	-1.4%
....Securities, Commodity Contracts, and Fin. Investments	21,200	21,200	20,500	0	0.0%	700	3.4%
....Insurance Carriers and Related Activities	43,100	42,600	39,800	500	1.2%	3,300	8.3%
...Real Estate and Rental and Leasing	58,100	58,200	59,300	-100	-0.2%	-1,200	-2.0%
<b>..Professional and Business Services</b>	<b>513,700</b>	<b>515,100</b>	<b>480,300</b>	<b>-1,400</b>	<b>-0.3%</b>	<b>33,400</b>	<b>7.0%</b>
...Professional, Scientific, and Technical Services	248,500	248,800	230,300	-300	-0.1%	18,200	7.9%
....Legal Services	28,700	28,700	27,800	0	0.0%	900	3.2%
....Accounting, Tax Preparation, Bookkeeping, and Payroll	24,600	24,200	24,400	400	1.7%	200	0.8%
....Architectural, Engineering, and Related Services	66,500	66,700	65,300	-200	-0.3%	1,200	1.8%
....Computer Systems Design and Related Services	37,800	37,900	34,700	-100	-0.3%	3,100	8.9%
...Management of Companies and Enterprises	45,000	44,700	45,200	300	0.7%	-200	-0.4%
...Admin. and Support and Waste Mgmt. and Remediation	220,200	221,600	204,800	-1,400	-0.6%	15,400	7.5%
....Administrative and Support Services	206,600	207,700	193,000	-1,100	-0.5%	13,600	7.0%
.....Employment Services	81,500	84,200	73,300	-2,700	-3.2%	8,200	11.2%
.....Services to Buildings and Dwellings	52,800	53,600	50,400	-800	-1.5%	2,400	4.8%
<b>..Educational and Health Services</b>	<b>422,300</b>	<b>418,200</b>	<b>397,500</b>	<b>4,100</b>	<b>1.0%</b>	<b>24,800</b>	<b>6.2%</b>
...Educational Services	69,200	68,800	62,100	400	0.6%	7,100	11.4%
...Health Care and Social Assistance	353,100	349,400	335,400	3,700	1.1%	17,700	5.3%
....Ambulatory Health Care Services	177,200	174,000	167,900	3,200	1.8%	9,300	5.5%
....Hospitals	89,600	89,200	88,200	400	0.4%	1,400	1.6%
<b>..Leisure and Hospitality</b>	<b>308,400</b>	<b>306,800</b>	<b>282,600</b>	<b>1,600</b>	<b>0.5%</b>	<b>25,800</b>	<b>9.1%</b>
...Arts, Entertainment, and Recreation	28,300	28,700	25,400	-400	-1.4%	2,900	11.4%
...Accommodation and Food Services	280,100	278,100	257,200	2,000	0.7%	22,900	8.9%
....Accommodation	21,800	21,700	19,200	100	0.5%	2,600	13.5%
....Food Services and Drinking Places	258,300	256,400	238,000	1,900	0.7%	20,300	8.5%
<b>..Other Services</b>	<b>121,500</b>	<b>119,400</b>	<b>104,000</b>	<b>2,100</b>	<b>1.8%</b>	<b>17,500</b>	<b>16.8%</b>
<b>Government</b>	<b>416,800</b>	<b>412,800</b>	<b>417,300</b>	<b>4,000</b>	<b>1.0%</b>	<b>-500</b>	<b>-0.1%</b>
.Federal Government	32,200	31,200	31,300	1,000	3.2%	900	2.9%
.State Government	92,100	91,400	90,700	700	0.8%	1,400	1.5%
..State Government Educational Services	53,600	53,100	52,900	500	0.9%	700	1.3%
.Local Government	292,500	290,200	295,300	2,300	0.8%	-2,800	-0.9%
..Local Government Educational Services	197,800	195,800	199,900	2,000	1.0%	-2,100	-1.1%