

Houston Area Employment Situation

February 2025

CURRENT EMPLOYMENT AND LOCAL AREA UNEMPLOYMENT STATISTICS

February Signals Moderation: Job Gains Tempered by Sector Losses

Total Nonfarm

Over-the-month Change

Houston MSA Total Nonfarm employment stood at 3,452,600 in February, up 15,200 jobs over the month, or 0.4 percent on a not-seasonally-adjusted basis (see Chart 1). A year ago Houston registered an over-the-month increase of 28,600 jobs. Prior to the pandemic, historically in the month of February, Total Nonfarm has on average added 18,400 jobs over the month, which indicates that this month's gains are slightly below the long-term average. Not-seasonally adjusted February data tends to exaggerate over-the-month job growth each year due to seasonal job losses in January. As a result gains in most sectors and Total Nonfarm employment should be viewed with caution. It is recommended to compare to all previous Februarys to determine if "growth" is in line with historical trends.

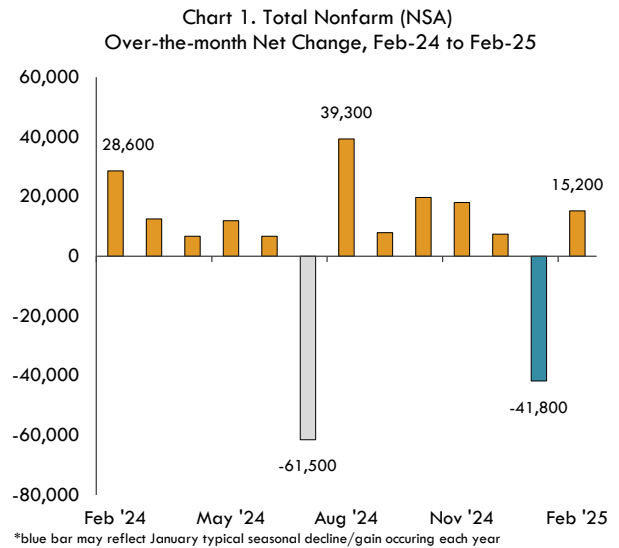
The primary drivers of this February's growth were increases in Government; Leisure and Hospitality; and Construction. Gains were also recorded in Private Education and Health Services. The net increase in jobs over the month was partially offset by losses in Professional and Business Services; Manufacturing; and Trade, Transportation, and Utilities. (see Chart 2). Houston MSA Total Nonfarm (seasonally adjusted) employment stood at 3,464,000, down -2,400 jobs over the month, or -0.1 percent vs. a historical average of 3,800. 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 February

- Government: 9,400
- Leisure and Hospitality: 4,300
- Construction: 4,000

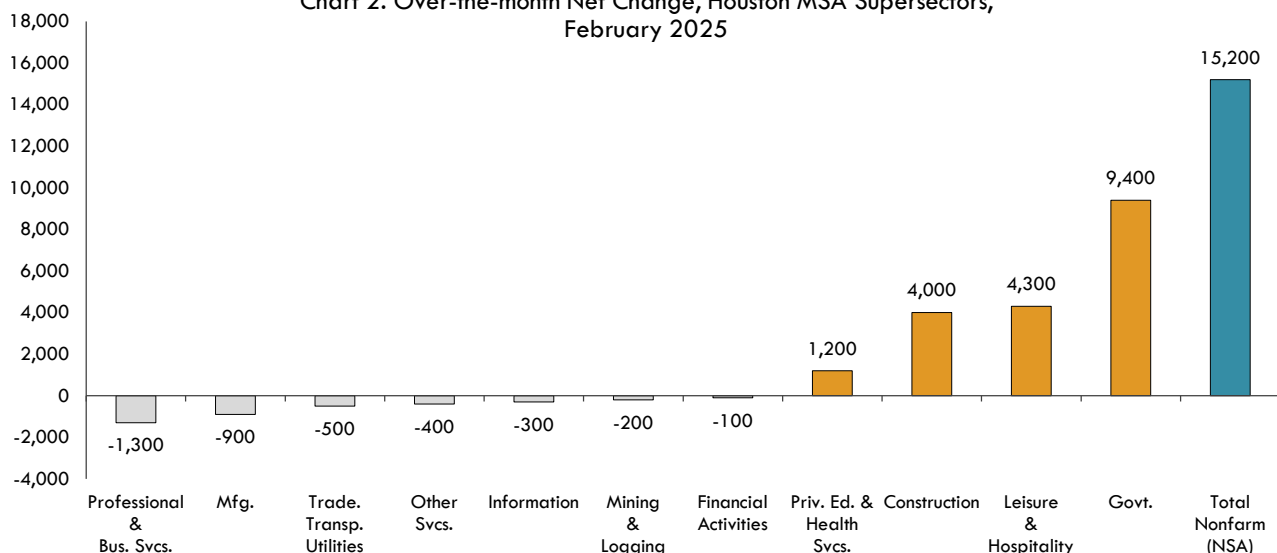
Over-the-year Change

Over the year, Total Nonfarm employment was up 42,000 or 1.2 percent on a not-seasonally-adjusted basis and up 46,000 or 1.3 percent on a seasonally-adjusted basis (see NSA Chart 3). To compare, February 2024 saw a year-over-year gain of 64,800 jobs (NSA) from February 2023. Currently 9 out of 11 sectors show growth year over year of which the top-three are Trade, Transportation, and Utilities (9,300); Government (9,200); and Private Education and Health Services (7,400) (see Chart 4).



Total Nonfarm employment not-seasonally-adjusted now exceeds its February 2020 pre-pandemic level of 3,193,600 jobs by 259,000, or 8.1 percent (264,200 jobs, 8.3 percent above 3,199,800 seasonally adjusted).

Chart 2. Over-the-month Net Change, Houston MSA Supersectors, February 2025



Houston Area Employment Situation

February 2025

Previous Month's Revisions

Total Nonfarm employment was revised downward by -1,100 jobs for a December to January larger net loss of -41,800 compared to an original estimate of -40,700 jobs. A downward revision of -700 jobs in Professional and Business Services was the largest contributor followed by Manufacturing (-400) and Private Education and Health Services (-400). Upward revisions in Information (+300), Construction (+300), and Financial Activities (+300) 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 February

- Trade, Transportation, and Utilities: 9,300
- Government: 9,200
- Private Education and Health Services: 7,400

Chart 5. Net Revisions for Selected Supersectors and Major Industries, January 2025

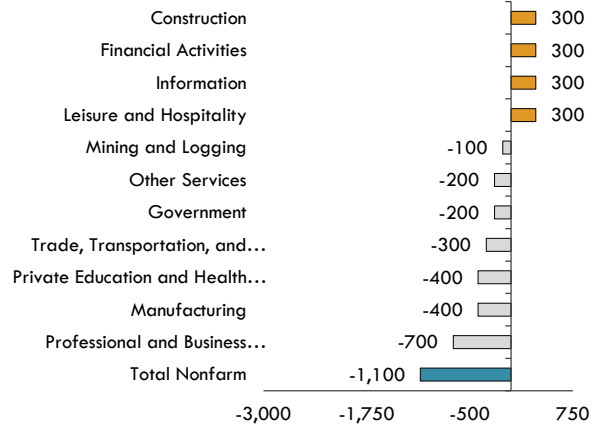


Chart 3. Total Nonfarm (NSA)
Over-the-year Net Change, Feb-10 to Feb-25

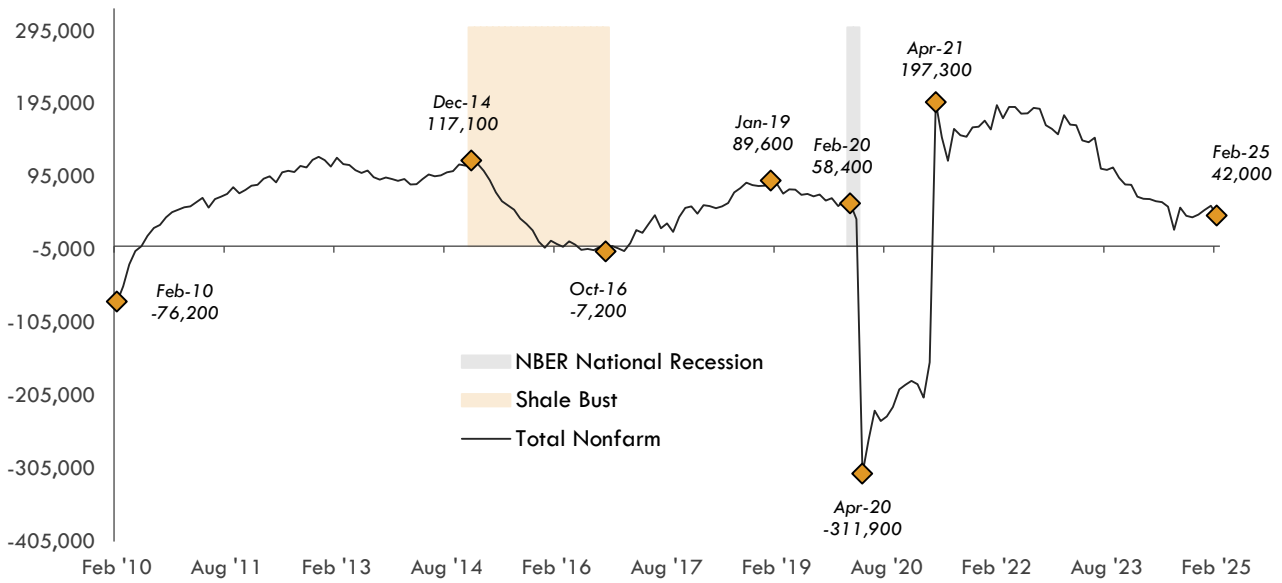
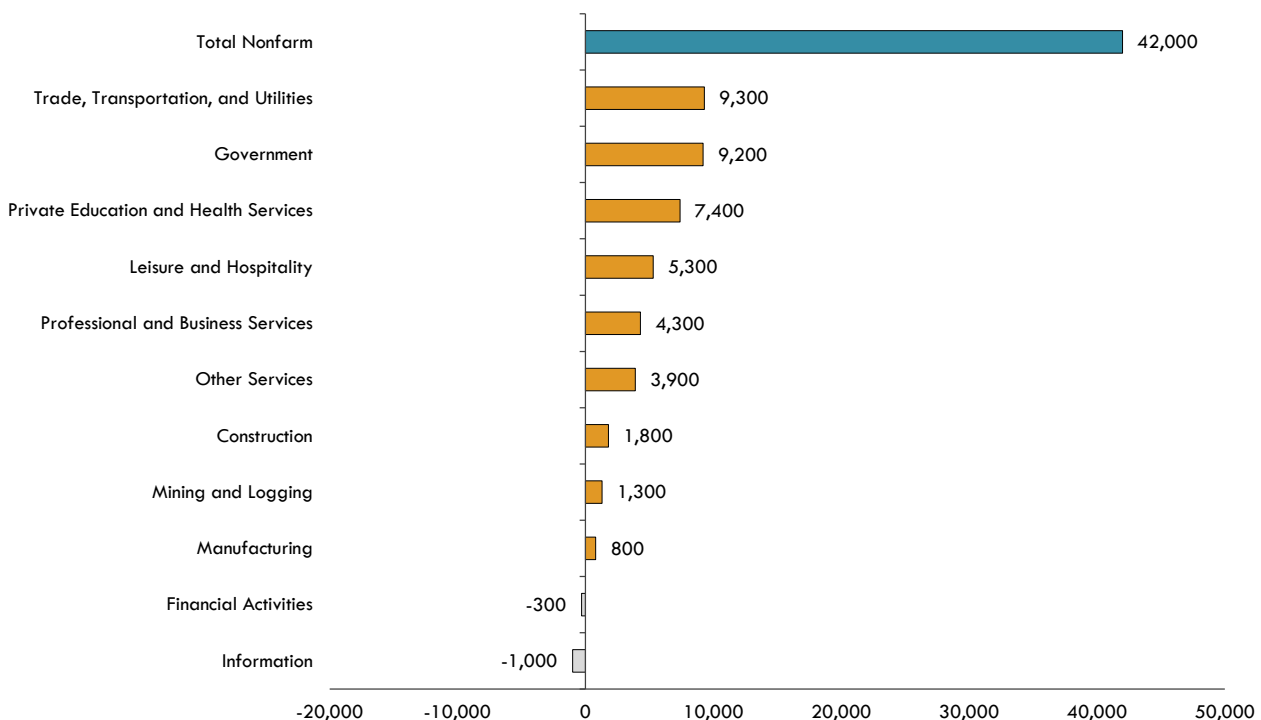


Chart 4. Over-the-year Net Change, Houston MSA Supersectors,
February 2024 to February 2025



Houston Area Employment Situation

February 2025

Supplemental Commentary

Total nonfarm employment in the Houston metro area increased by 15,200 jobs (not seasonally adjusted)—below the typical February average of 18,400. On a seasonally adjusted basis, the region saw a decline of 2,400 jobs, marking a slower-than-usual month for the local labor market. It's important to interpret these numbers in context: February's job gains follow January losses and population adjustment effects, which tend to exaggerate monthly swings this time of year.

Beyond short-term seasonal distortions, Houston's labor market is transitioning out of the rapid post-COVID recovery period and entering a more typical phase of slower, steadier growth. Following benchmark revisions and in line with our projected annual gain of around 55,000 jobs in 2025, current trends suggest job growth will likely follow pre-pandemic norms. Still, as we move further into the year, it will take a few more months to confirm this pattern. February also brought heightened caution across the economy, as businesses await clarity on a range of national policy issues, including interest rates, inflation, trade, and immigration.

The largest decline in February came from Professional and Business Services, which lost 1,300 jobs, marking only the second time this sector has posted a February loss on record. This drop may signal broader economic uncertainty or reflect persistent data estimation challenges that have affected this sector in recent months.

Several other industries also reported job losses. Manufacturing declined by 900 jobs, the sharpest February drop in over a decade, while Mining and Logging (-200) and Financial Activities (-100) continued their slow downward trends. These declines appear to stem from ongoing macroeconomic uncertainty, higher interest rates and broader economic conditions. In addition, Trade, Transportation, and Utilities posted a modest decline of 500 jobs, driven largely by seasonal reductions in retail employment following the holiday season.

On a more positive note, Government led job gains with 9,400 new positions, driven by a strong rebound in Local Government (+8,700) as school districts resumed full operations for the spring semester.

Leisure and Hospitality added 4,300 jobs, reversing January's seasonal losses, with Accommodation and Food Services (+3,300) accounting for the majority of that growth. Meanwhile, the Construction sector added 4,000 jobs, powered by a robust increase in Specialty Trade Contractors (+3,400). This level of growth is slightly above the long-term February average of 3,600 jobs and continues the sector's strong performance. Together, these gains helped offset losses in other sectors, making them the primary drivers of job growth across the Houston region for the month.

The unemployment rate rose slightly to 4.5% in February, up from 4.4% in January and above the Texas average of 4.3%. This modest increase is notable because February usually sees a decline in unemployment. Houston recorded 174,561 unemployed individuals, up from 168,911 the previous month. The Workforce Solutions Index (WSI) remains suspended as state and federal agencies adjust seasonal methodology, limiting near-term insight into labor market balance.

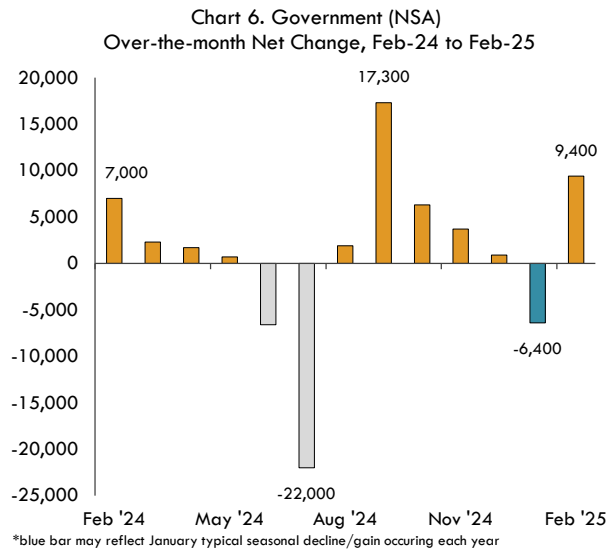
Overall, February's report paints a picture of a cooling yet stable labor market. The next few months will be important in showing whether this slower pace sticks around, or if hiring picks up again once some of the uncertainty clears.

GAINING INDUSTRY HIGHLIGHTS

Government

Over-the-month Change

Government was the largest gaining sector over the month up 9,400 jobs, or 2.0 percent (see Chart 6). Historically in the month of February, Government has added an average of 6,400 jobs over the month, which indicates that this month's gains are substantially above the long-term average. Local Government was the largest contributor to the overall sector's increase, up 8,700 jobs over the month. The second-largest contributor was State Government, which added 800 jobs from January to February. Lastly, Federal Government offset a portion of the sector's gains with a loss of -100 jobs. Government employment was revised downward by -200 jobs for a December to January larger net loss of -6,400 compared to an original estimate of -6,200 jobs.

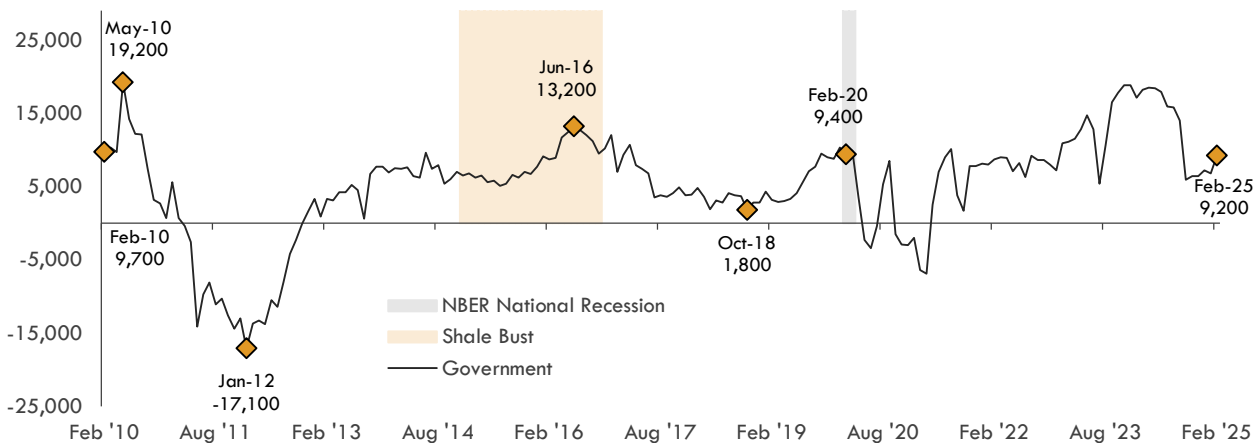


Over-the-year Change

Year over year, Government was up 9,200 jobs, or 2.0 percent (see Chart 7). This was the largest over-the-year gain since August 2024's increase of 14,000 jobs. Among sectors currently showing growth, this sector is the second-fastest growing in percentage terms across the Houston area. Furthermore, 21.2 percent of total (gross) jobs added across the region over the past year can be attributed to Government. Local Government was the largest contributor to the overall sector's increase, up 4,100 jobs over the year. The second-largest contributor was State Government, which added 3,500 jobs from February a

year ago. Lastly, Federal Government contributed, 1,600 jobs. Total Government employment (NSA) now exceeds its February 2020 pre-pandemic level of 429,300 jobs by 40,800, or 9.5 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has risen from 13.5 percent to 13.6 percent over the past year.

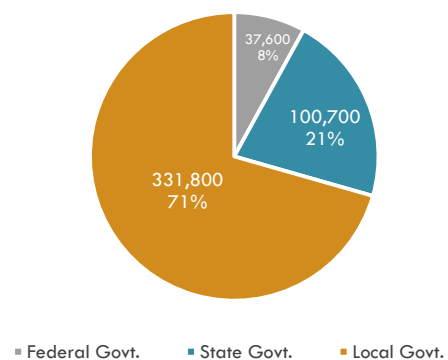
Chart 7. Government (NSA) Over-the-year Net Change, Feb-10 to Feb-25



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).

Chart 8. Employment in Component Industries of Government Sector - February 2025

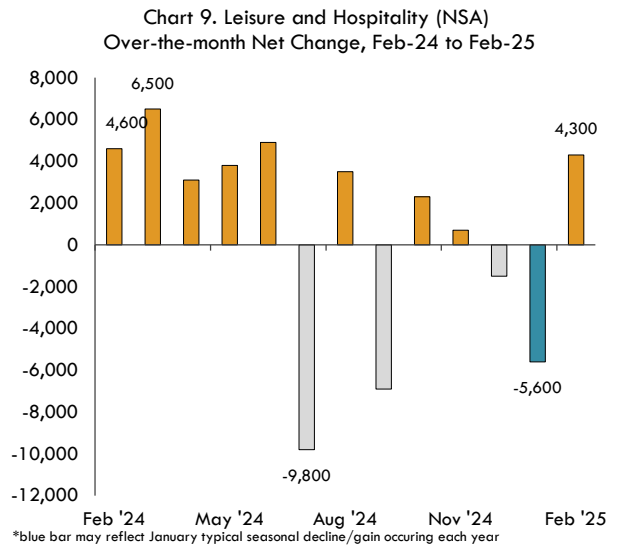


GAINING INDUSTRY HIGHLIGHTS

Leisure and Hospitality

Over-the-month Change

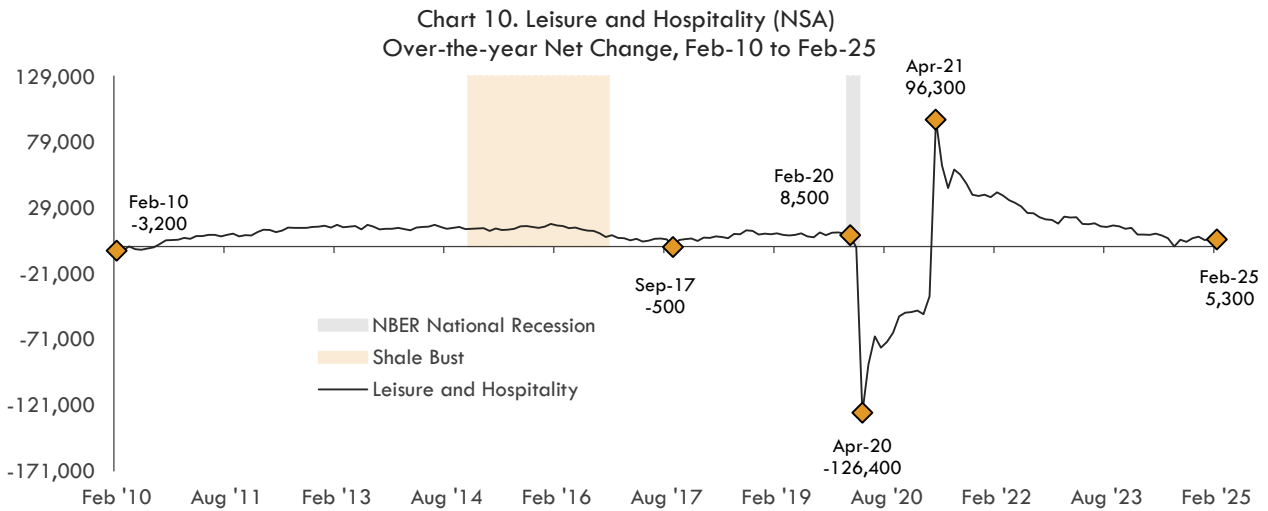
Leisure and Hospitality was the second-largest gaining sector over the month up 4,300 jobs, or 1.2 percent (see Chart 9). Historically in the month of February, Leisure and Hospitality has added an average of 3,600 jobs over the month, which indicates that this month's gains are slightly above the long-term average. Accommodation and Food Services was the largest contributor to the overall sector's increase, up 3,300 jobs over the month. The second-largest contributor was Arts, Entertainment, and Recreation, which added 1,000 jobs from January to February. Leisure and Hospitality employment was revised upward by 300 jobs for a December to January smaller net loss of -5,600 compared to an original estimate of -5,900 jobs.



Over-the-year Change

Year over year, Leisure and Hospitality was up 5,300 jobs, or 1.5 percent (see Chart 10). Arts, Entertainment, and Recreation was the largest contributor to the overall sector's increase, up 2,900 jobs over the year. The second-largest contributor was Accommodation and Food Services, which added 2,400 jobs from February a year ago. Total Leisure and Hospitality employment (NSA) now exceeds its February 2020 pre-pandemic level of 334,600 jobs by 26,200, or 7.8 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has remained constant at 10.4 percent over the past

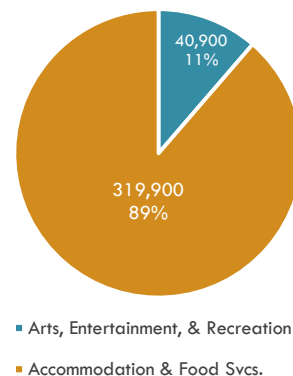
year.



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. 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 11).

Chart 11. Employment in Component Industries of Leisure and Hospitality Sector - February 2025

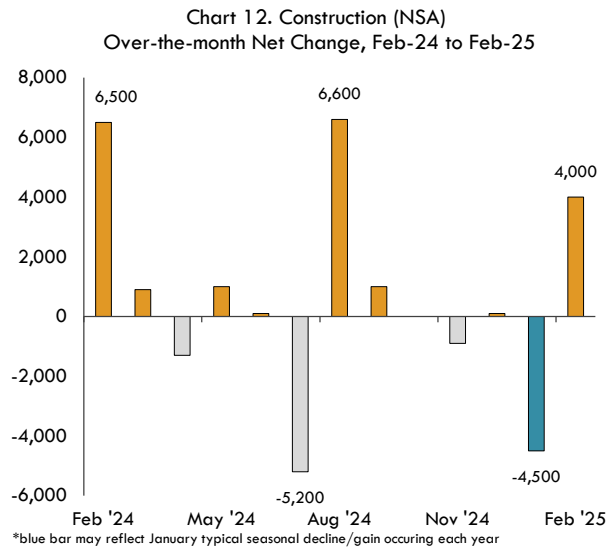


GAINING INDUSTRY HIGHLIGHTS

Construction

Over-the-month Change

Construction was the third-largest gaining sector over the month up 4,000 jobs, or 1.7 percent (see Chart 12). Historically in the month of February, Construction has added an average of 3,600 jobs over the month, which indicates that this month's gains are slightly above the long-term average. Specialty Trade Contractors was the largest contributor to the overall sector's increase, up 3,400 jobs over the month. The second-largest contributor was Construction of Buildings, which added 400 jobs from January to February. Lastly, Heavy and Civil Engineering Construction contributed, 200 jobs. Construction employment was revised upward by 300 jobs for a December to January smaller net loss of -4,500 compared to an original estimate of -4,800 jobs.

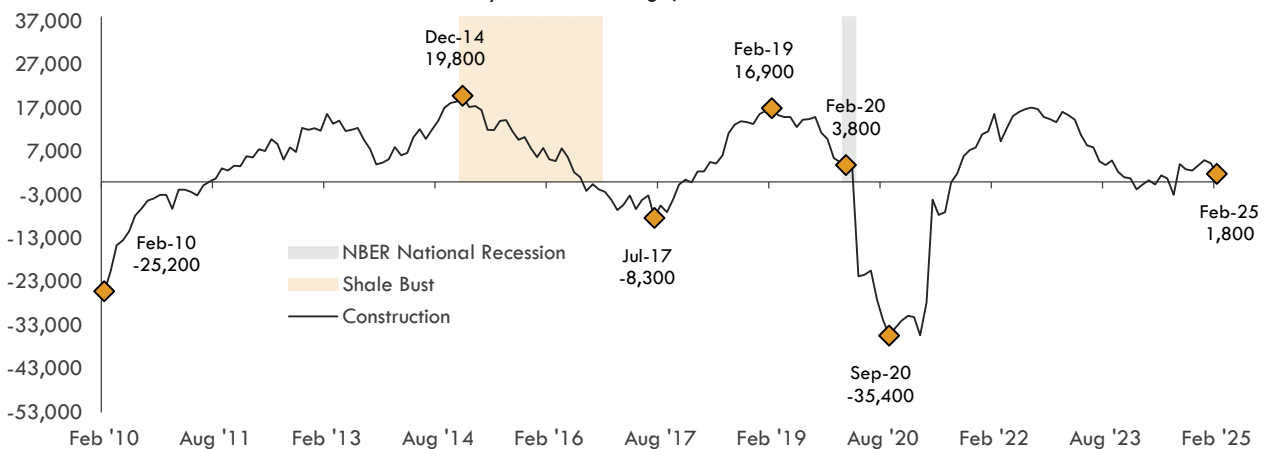


Over-the-year Change

Year over year, Construction was up 1,800 jobs, or 0.8 percent (see Chart 13). Specialty Trade Contractors was the largest contributor to the overall sector's increase, up 2,300 jobs over the year. The second-largest contributor was Construction of Buildings, which added 100 jobs from February a year ago. Lastly, Heavy and Civil Engineering Construction offset a portion of the sector's gains with a loss of -600 jobs. Total Construction employment (NSA) remains -3,200 jobs, or -1.3 percent below its February 2020 pre-pandemic level of 237,400. At the same time, the sector's share of Houston area Total Nonfarm

Employment has remained constant at 6.8 percent over the past year.

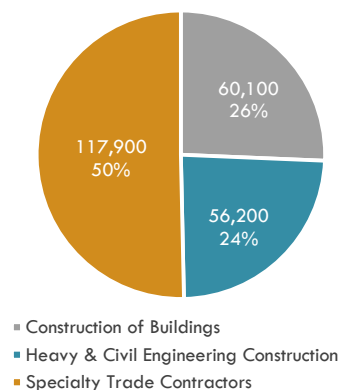
Chart 13. Construction (NSA) Over-the-year Net Change, Feb-10 to Feb-25



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 slight majority of the sector's employment at just over 50 percent (see Chart 14).

Chart 14. Employment in Component Industries of Construction Sector - February 2025



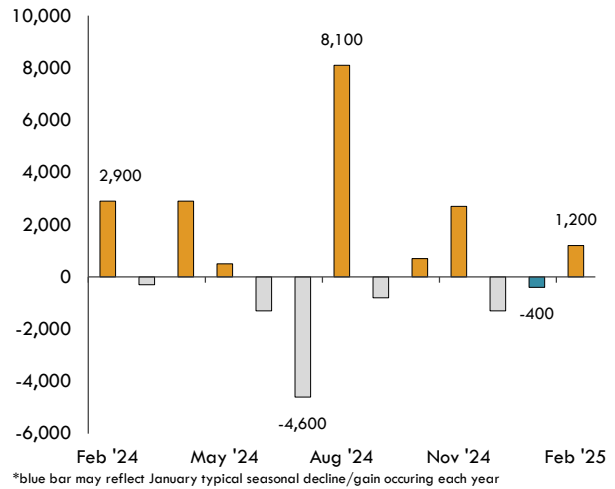
GAINING INDUSTRY HIGHLIGHTS

Private Education and Health Services

Over-the-month Change

Private Education and Health Services was the fourth-largest gaining sector over the month up 1,200 jobs, or 0.3 percent (see Chart 15). Historically in the month of February, Private Education and Health Services has added an average of 1,900 jobs over the month, which indicates that this month's gains are moderately below the long-term average. Private Educational Services was the largest contributor to the overall sector's increase, up 1,600 jobs over the month. One component industry that provided a partial offset was Health Care and Social Assistance, which lost -400 jobs from January to February. Private Education and Health Services employment was revised downward by -400 jobs for a December to January net loss of -400 compared to an original estimate of zero net change in jobs over the month.

Chart 15. Private Education and Health Services (NSA)
Over-the-month Net Change, Feb-24 to Feb-25

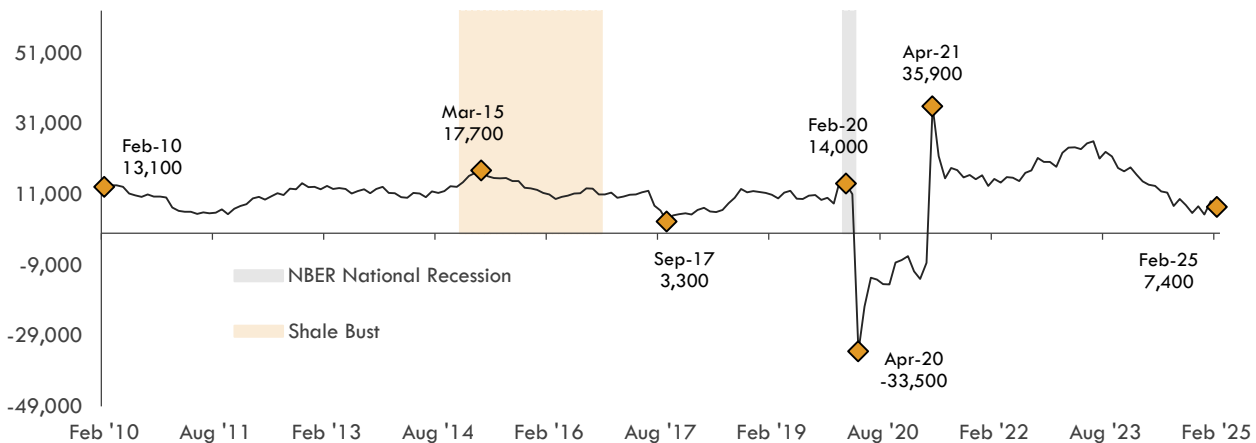


Over-the-year Change

Year over year, Private Education and Health Services was up 7,400 jobs, or 1.6 percent (see Chart 16). Furthermore, 17.1 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 6,700 jobs over the year. The second-largest contributor was Private Educational Services, which added 700 jobs from February a year ago. Total Private Education and Health Services employment (NSA) now exceeds its February 2020 pre-pandemic level of 414,600 jobs

by 48,800, or 11.8 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has remained constant at 13.4 percent over the past year.

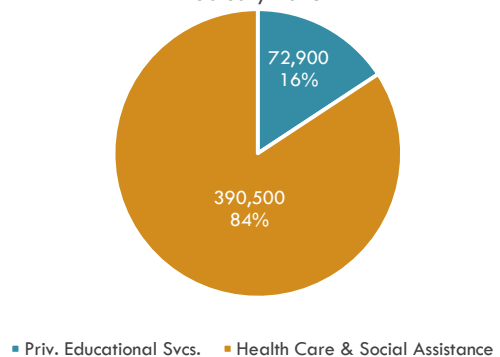
Chart 16. Private Education and Health Services (NSA)
Over-the-year Net Change, Feb-10 to Feb-25



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 17).

Chart 17. Employment in Component Industries of
Private Education and Health Services Sector -
February 2025



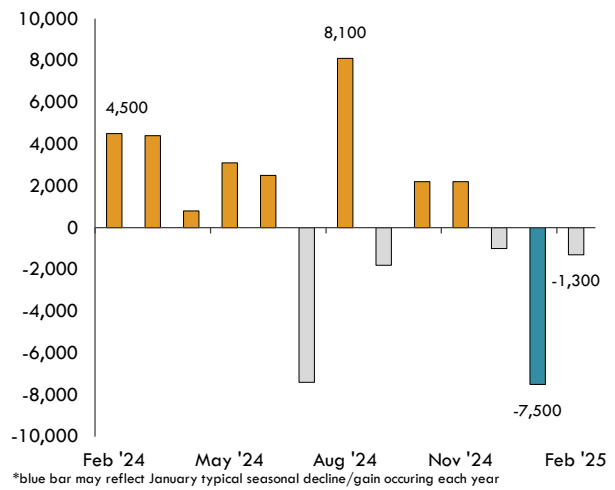
DECLINING INDUSTRY HIGHLIGHTS

Professional and Business Services

Over-the-month Change

Professional and Business Services was the largest declining sector over the month down -1,300 jobs, or -0.2 (see Chart 18). This was the second-largest decline in the month of February since records began in 1990. Historically in the month of February, Professional and Business Services has added an average of 3,300 jobs over the month, which indicates that this month's losses are substantially in contrast to the long-term average gain. Professional, Scientific, and Technical Services was the largest contributor to the overall sector's decline, down -1,400 jobs over the month. The second-largest declining contributor was Management of Companies and Enterprises, which lost -100 jobs from January to February. Lastly, Administrative and Support and Waste Management and Remediation Services offset a portion of the sector's losses with a gain of 200 jobs. Professional and Business Services employment was revised downward by -700 jobs for a December to January larger net loss of -7,500 compared to an original estimate of -6,800 jobs.

Chart 18. Professional and Business Services (NSA)
Over-the-month Net Change, Feb-24 to Feb-25

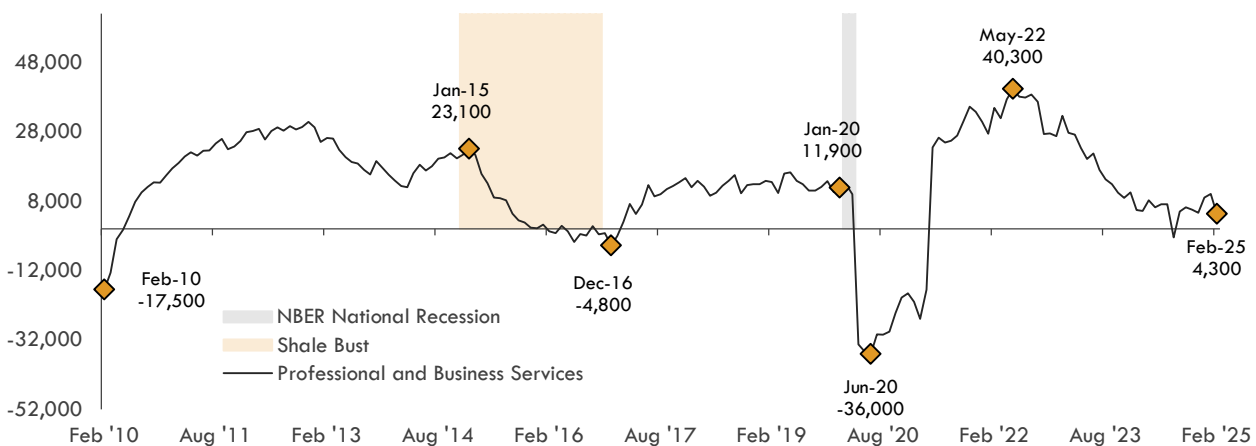


Over-the-year Change

Year over year, Professional and Business Services was up 4,300 jobs, or 0.8 percent (see Chart 19). Professional, Scientific, and Technical Services was the largest contributor to the overall sector's increase, up 6,100 jobs over the year. One component industry that provided a partial offset was Management of Companies and Enterprises, which lost -100 jobs from February 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 -1,700 jobs. Total Professional and Business Services employment (NSA) now exceeds its February

2020 pre-pandemic level of 514,800 jobs by 46,100, or 9.0 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has remained constant at 16.3 percent over the past year.

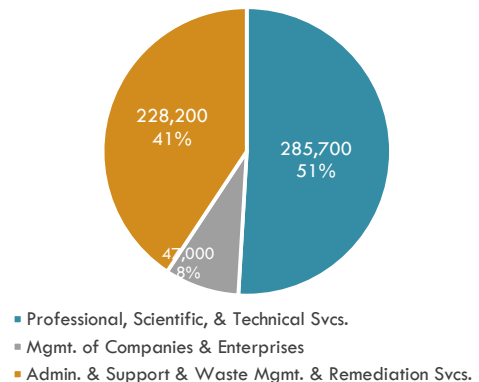
Chart 19. Professional and Business Services (NSA)
Over-the-year Net Change, Feb-10 to Feb-25



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 51 percent (see Chart 20).

Chart 20. Employment in Component Industries of Professional and Business Services Sector - February 2025

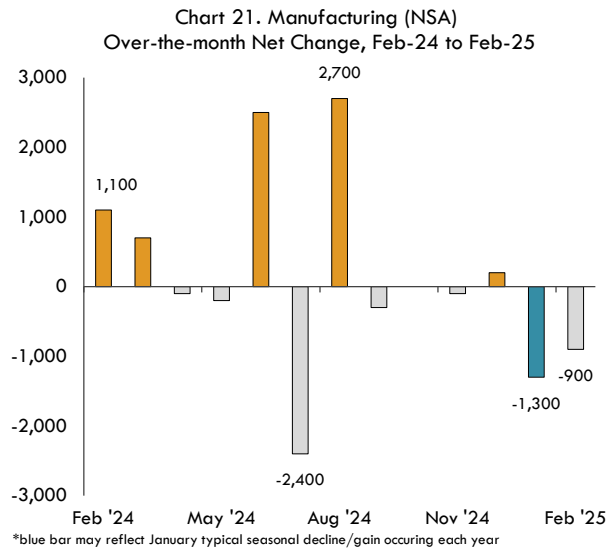


DECLINING INDUSTRY HIGHLIGHTS

Manufacturing

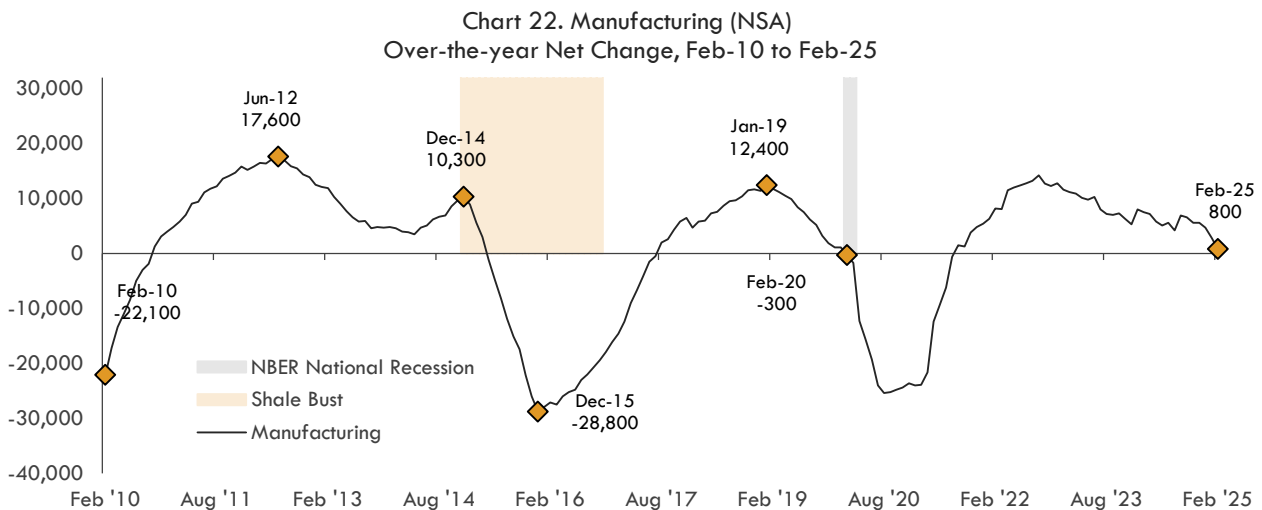
Over-the-month Change

Manufacturing was the second-largest declining sector over the month down -900 jobs, or -0.4 (see Chart 21). Historically in the month of February, Manufacturing has added an average of 600 jobs over the month, which indicates that this month's losses are substantially in contrast to the long-term average gain. Durable Goods was the largest contributor to the overall sector's decline, down -700 jobs over the month. The second-largest declining contributor was Non-Durable Goods, which lost -200 jobs from January to February. Manufacturing employment was revised downward by -400 jobs for a December to January larger net loss of -1,300 compared to an original estimate of -900 jobs.



Over-the-year Change

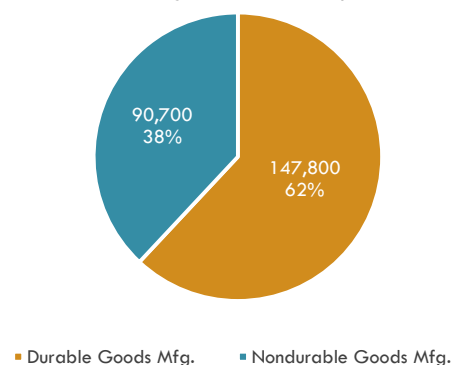
Year over year, Manufacturing was up 800 jobs, or 0.3 percent (see Chart 22). Non-Durable Goods was the largest contributor to the overall sector's increase, up 900 jobs over the year. One component industry that provided a partial offset was Durable Goods, which lost -100 jobs from February a year ago. Total Manufacturing employment (NSA) now exceeds its February 2020 pre-pandemic level of 234,700 jobs by 3,800, or 1.6 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has remained constant at 7.0 percent over the past year.



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 23).

Chart 23. Employment in Component Industries of Manufacturing Sector - February 2025



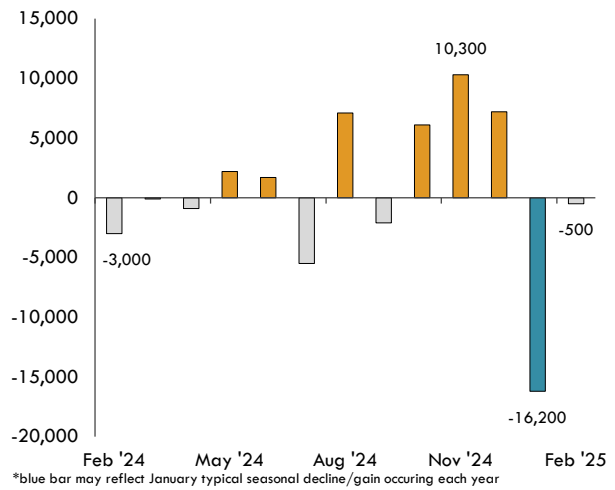
DECLINING INDUSTRY HIGHLIGHTS

Trade, Transportation, and Utilities

Over-the-month Change

Trade, Transportation, and Utilities was the third-largest declining sector over the month down -500 jobs, or -0.1 (see Chart 24). Historically in the month of February, Trade, Transportation, and Utilities has lost an average of -2,500 jobs over the month, which indicates that this month's losses are substantially smaller than the long-term average decline. Retail Trade was the largest contributor to the overall sector's decline, down -2,100 jobs over the month. One component industry that provided a partial offset was Transportation, Warehousing, and Utilities, which gained 200 jobs from January to February. Lastly, Wholesale Trade offset a portion of the sector's losses with a gain of 1,400 jobs. Trade, Transportation, and Utilities employment was revised downward by -300 jobs for a December to January larger net loss of -16,200 compared to an original estimate of -15,900 jobs.

Chart 24. Trade, Transportation, and Utilities (NSA)
Over-the-month Net Change, Feb-24 to Feb-25

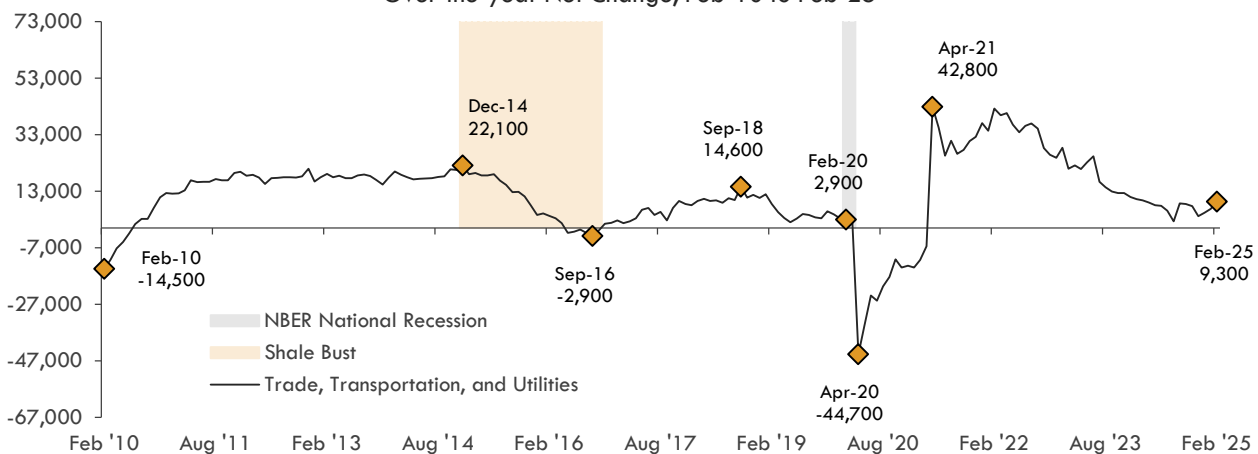


Over-the-year Change

Year over year, Trade, Transportation, and Utilities was up 9,300 jobs, or 1.3 percent (see Chart 25). This was the largest over-the-year gain since February 2024's increase of 9,800 jobs. Furthermore, 21.5 percent of total (gross) jobs added across the region over the past year can be attributed to Trade, Transportation, and Utilities. Transportation, Warehousing, and Utilities was the largest contributor to the overall sector's increase, up 4,500 jobs over the year. The second-largest contributor was Wholesale Trade, which added 3,800 jobs from February a year ago. Lastly, Retail Trade contributed, 1,000 jobs. Total

Trade, Transportation, and Utilities employment (NSA) now exceeds its February 2020 pre-pandemic level of 628,700 jobs by 71,000, or 11.3 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has remained constant at 20.2 percent over the past year.

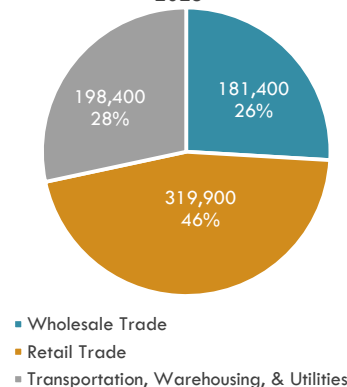
Chart 25. Trade, Transportation, and Utilities (NSA)
Over-the-year Net Change, Feb-10 to Feb-25



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 26).

Chart 26. Employment in Component Industries of
Trade, Transportation, and Utilities Sector - February
2025

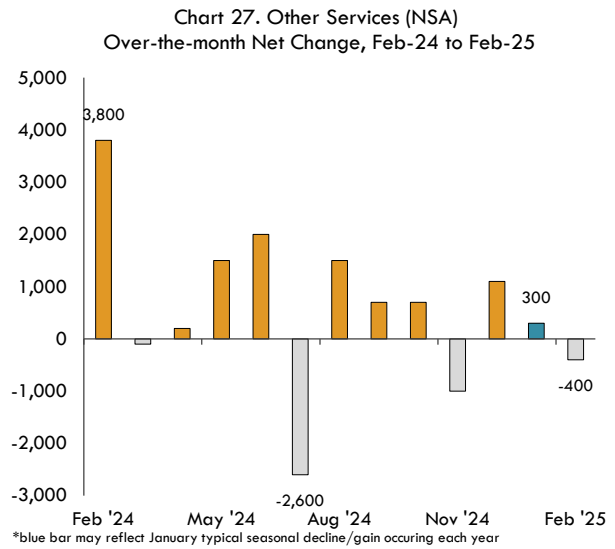


DECLINING INDUSTRY HIGHLIGHTS

Other Services

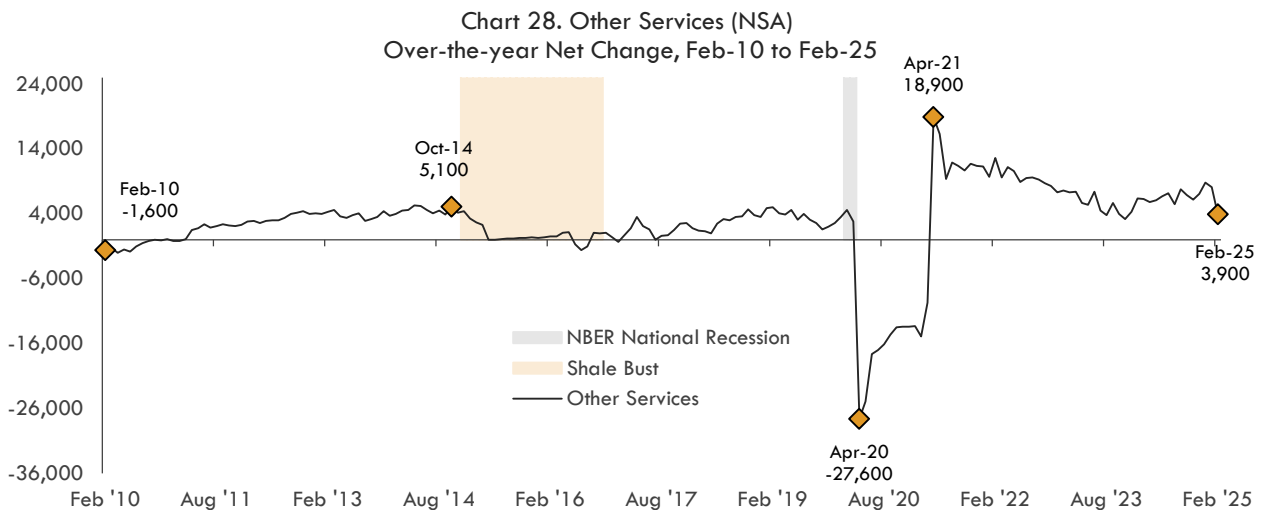
Over-the-month Change

Other Services also saw a decrease over the month down -400 jobs, or -0.3 (see Chart 27). This was the largest-ever decline in the month of February since records began in 1990. Historically in the month of February, Other Services has added an average of 1,000 jobs over the month, which indicates that this month's losses are substantially in contrast to the long-term average gain. 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 -200 jobs for a December to January smaller net gain of 300 compared to an original estimate of 500 jobs.



Over-the-year Change

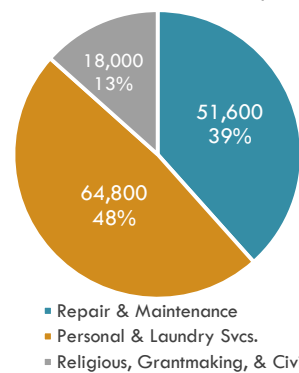
Year over year, Other Services was up 3,900 jobs, or 3.0 percent (see Chart 28). Among sectors currently showing growth, this sector is the fastest-growing in percentage terms across the Houston area. NOTE: No subsector is published at the MSA level by the CES survey. See below for additional information. Total Other Services employment (NSA) now exceeds its February 2020 pre-pandemic level of 119,200 jobs by 15,200, or 12.8 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has remained constant at 3.8 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 3 percent higher than the national average.

Chart 29. Employment in Component Industries of Other Services Sector - February 2025



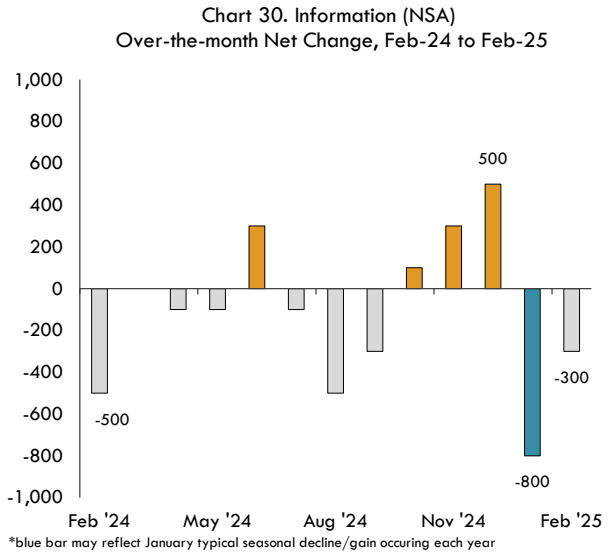
*estimated proportions based QCEW covered and NES self-employment

DECLINING INDUSTRY HIGHLIGHTS

Information

Over-the-month Change

Information also saw a decrease over the month down -300 jobs, or -1.0 (see Chart 30). This February tied with 2010 for the third-largest decline in the month of February since records began in 1990. Historically in the month of February, Information has added an average of 100 jobs over the month, which indicates that this month's losses are on par with the long-term average. Other Information Undefined was the largest contributor to the overall sector's decline, down -300 jobs over the month. One component industry, Telecommunications, saw no change from January to February. Information employment was revised upward by 300 jobs for a December to January smaller net loss of -800 compared to an original estimate of -1,100 jobs.

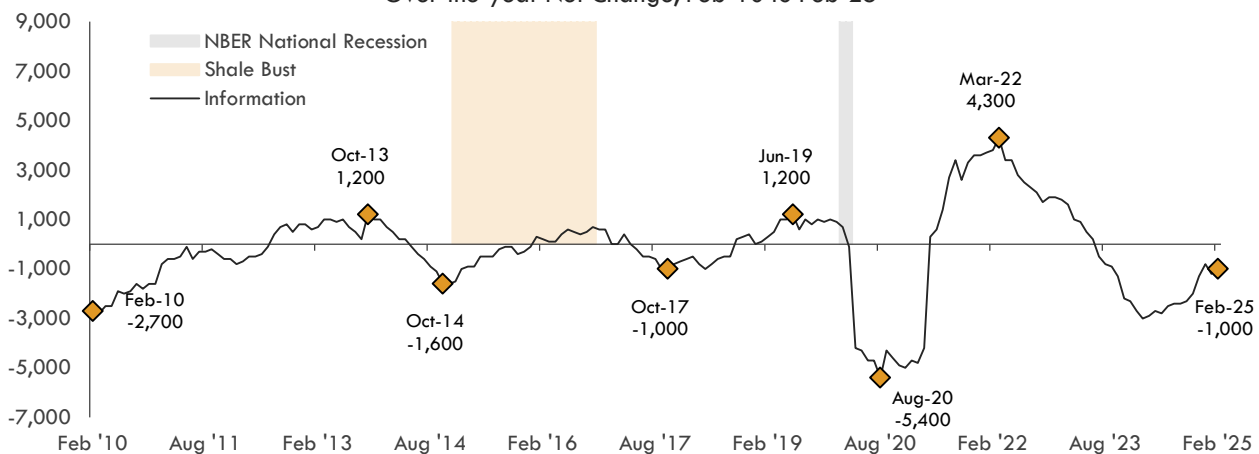


Over-the-year Change

Year over year, Information was down -1,000 jobs, or -3.3 percent (see Chart 31). Among sectors currently showing contraction, this sector is the fastest declining in percentage terms across the Houston area. Furthermore, 76.9 percent of total (gross) jobs lost across the region over the past year can be attributed to Information. Telecommunications was the largest contributor to the overall sector's decline, down -800 jobs over the year. The second-largest declining contributor was Other Information Undefined, which lost -200 jobs from February a year ago. Total Information employment (NSA) remains -3,400

jobs, or -10.4 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 0.9 percent over the past year.

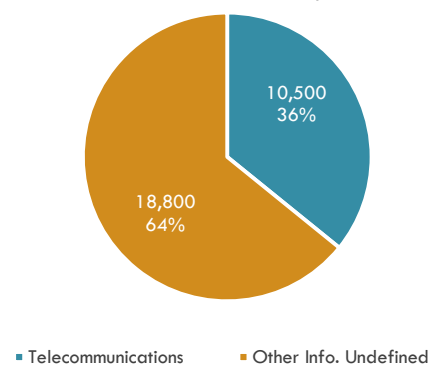
Chart 31. Information (NSA) Over-the-year Net Change, Feb-10 to Feb-25



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 64 percent (see Chart 32).

Chart 32. Employment in Component Industries of Information Sector - February 2025

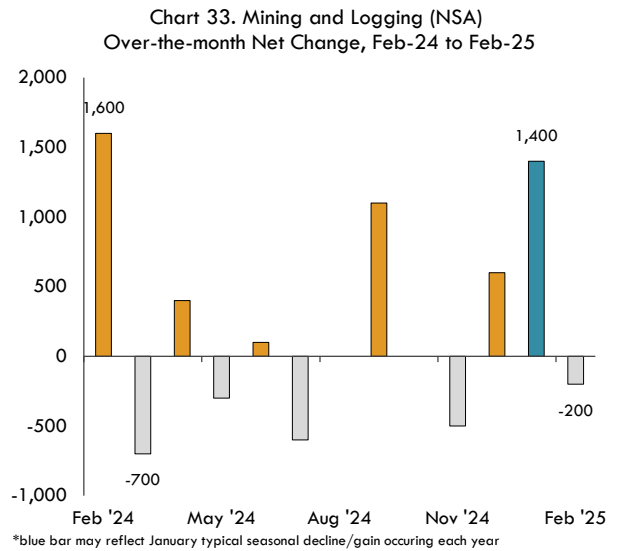


DECLINING INDUSTRY HIGHLIGHTS

Mining and Logging

Over-the-month Change

Mining and Logging also saw a decrease over the month down -200 jobs, or -0.2 (see Chart 33). Historically in the month of February, Mining and Logging has seen no change in jobs over the month, which indicates that this month's losses are substantially in contrast to the long-term average gain. Support Activities for Mining was the largest contributor to the overall sector's decline, down -100 jobs over the month. The second-largest declining contributor was Other Mining and Logging Undefined, which lost -100 jobs from January to February. Lastly, Oil and Gas Extraction saw no change over the month. Mining and Logging employment was revised downward by -100 jobs for a December to January smaller net gain of 1,400 compared to an original estimate of 1,500 jobs.

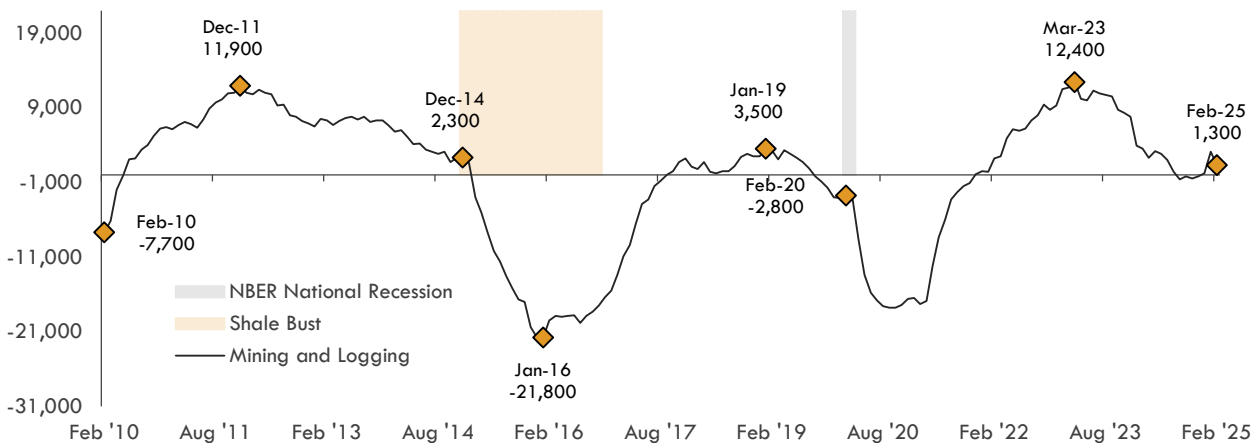


Over-the-year Change

Year over year, Mining and Logging was up 1,300 jobs, or 1.7 percent (see Chart 34). Among sectors currently showing growth, this sector is the third-fastest growing in percentage terms across the Houston area. Oil and Gas Extraction was the largest contributor to the overall sector's increase, up 1,300 jobs over the year. The second-largest contributor was Support Activities for Mining, which added 400 jobs from February a year ago. Lastly, Other Mining and Logging Undefined offset a portion of the sector's gains with a loss of -400 jobs. Total Mining and Logging employment (NSA) now exceeds its February 2020

pre-pandemic level of 78,400 jobs by 1,400, or 1.8 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has remained constant at 2.3 percent over the past year.

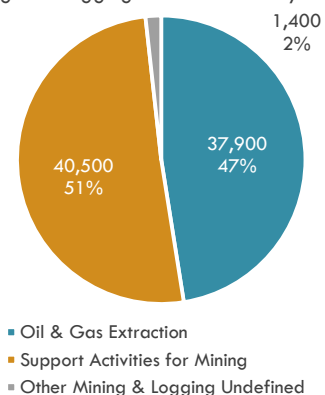
Chart 34. Mining and Logging (NSA) Over-the-year Net Change, Feb-10 to Feb-25



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 51 percent (see Chart 35).

Chart 35. Employment in Component Industries of Mining and Logging Sector - February 2025

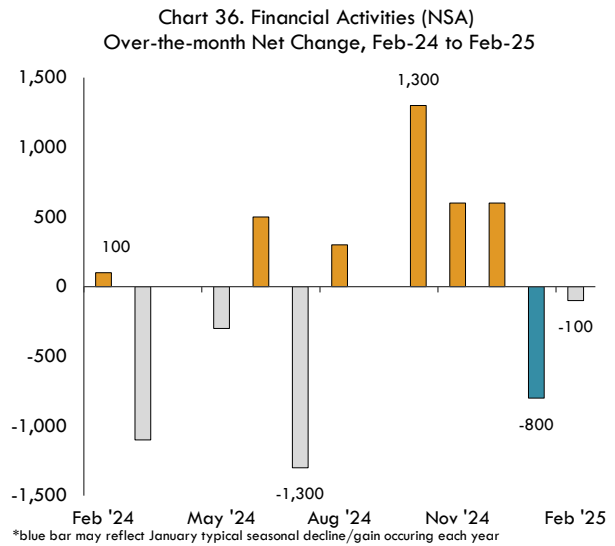


DECLINING INDUSTRY HIGHLIGHTS

Financial Activities

Over-the-month Change

Financial Activities also saw a decrease over the month down -100 jobs, or -0.1 (see Chart 36). This February tied with 2009 for the third-largest decline in the month of February since records began in 1990. Historically in the month of February, Financial Activities has added an average of 500 jobs over the month, which indicates that this month's losses are moderately in contrast to the long-term average gain. Real Estate and Rental and Leasing was the largest contributor to the overall sector's decline, down -300 jobs over the month. One component industry that provided a partial offset was Finance and Insurance, which gained 200 jobs from January to February. Financial Activities employment was revised upward by 300 jobs for a December to January smaller net loss of -800 compared to an original estimate of -1,100 jobs.

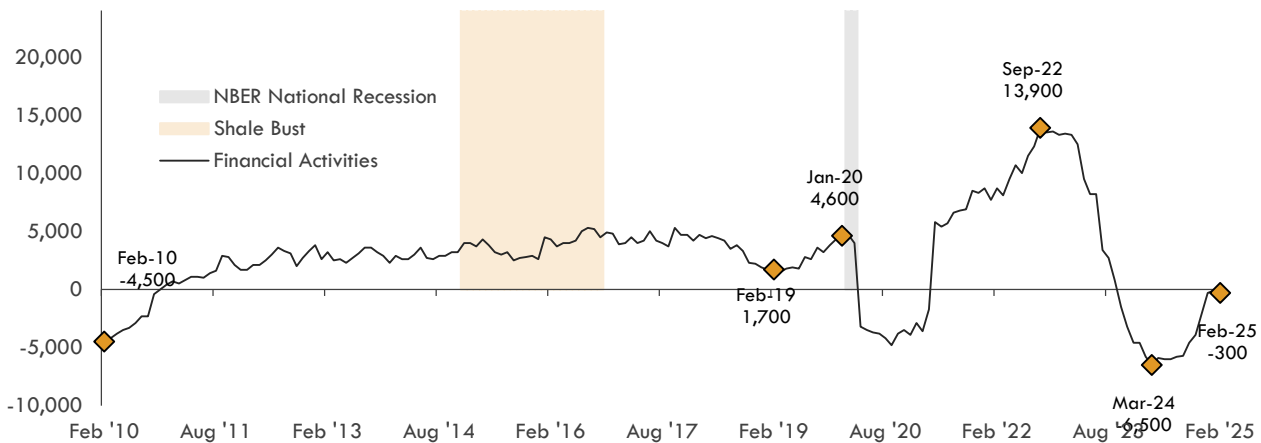


Over-the-year Change

Year over year, Financial Activities was down -300 jobs, or -0.2 percent (see Chart 37). Among sectors currently showing contraction, this sector is the second-fastest declining in percentage terms across the Houston area. Furthermore, 23.1 percent of total (gross) jobs lost across the region over the past year can be attributed to Financial Activities. Real Estate and Rental and Leasing was the largest contributor to the overall sector's decline, down -200 jobs over the year. The second-largest declining contributor was Finance and Insurance, which lost -100 jobs from February a year ago. Total Financial Activities

employment (NSA) now exceeds its February 2020 pre-pandemic level of 169,200 jobs by 12,300, or 7.3 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has remained constant at 5.3 percent over the past year.

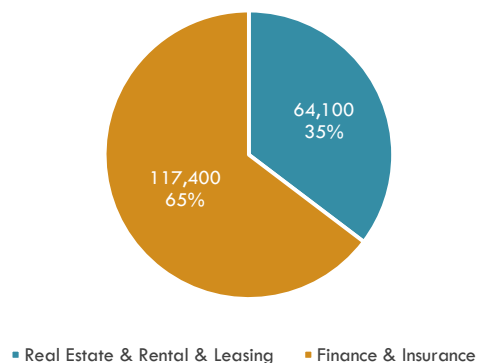
Chart 37. Financial Activities (NSA)
Over-the-year Net Change, Feb-10 to Feb-25



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 38).

Chart 38. Employment in Component Industries of Financial Activities Sector - February 2025



Local Area Unemployment Statistics

Not-Seasonally Adjusted

Houston Metro, Texas, and U.S. Unemployment

The Houston MSA (not-seasonally-adjusted) unemployment rate stood at 4.5 percent in February, up from January's 4.4 percent and up from 4.4 percent a year ago. This was above the statewide rate of 4.3 percent and An over-the-month decline in February is typical having occurred roughly 80 percent of the time over the past three decades 174,561 individuals were unemployed in Houston in February, up from January's 168,911 and up from 167,521 in February 2024 (see Charts 39 and 40).

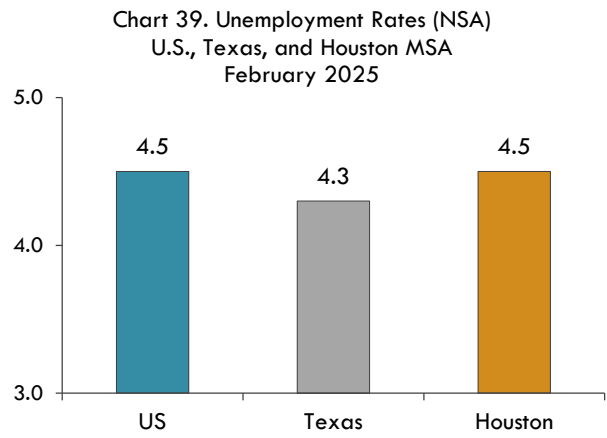
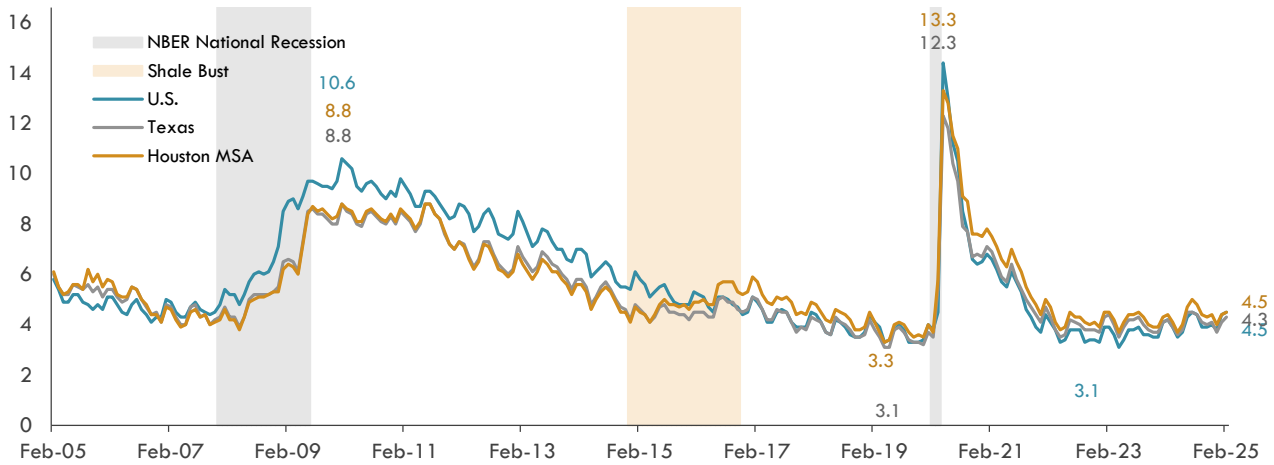


Chart 40. Unemployment Rates U.S., Texas, and Houston MSA (NSA) February 2005 to February 2025

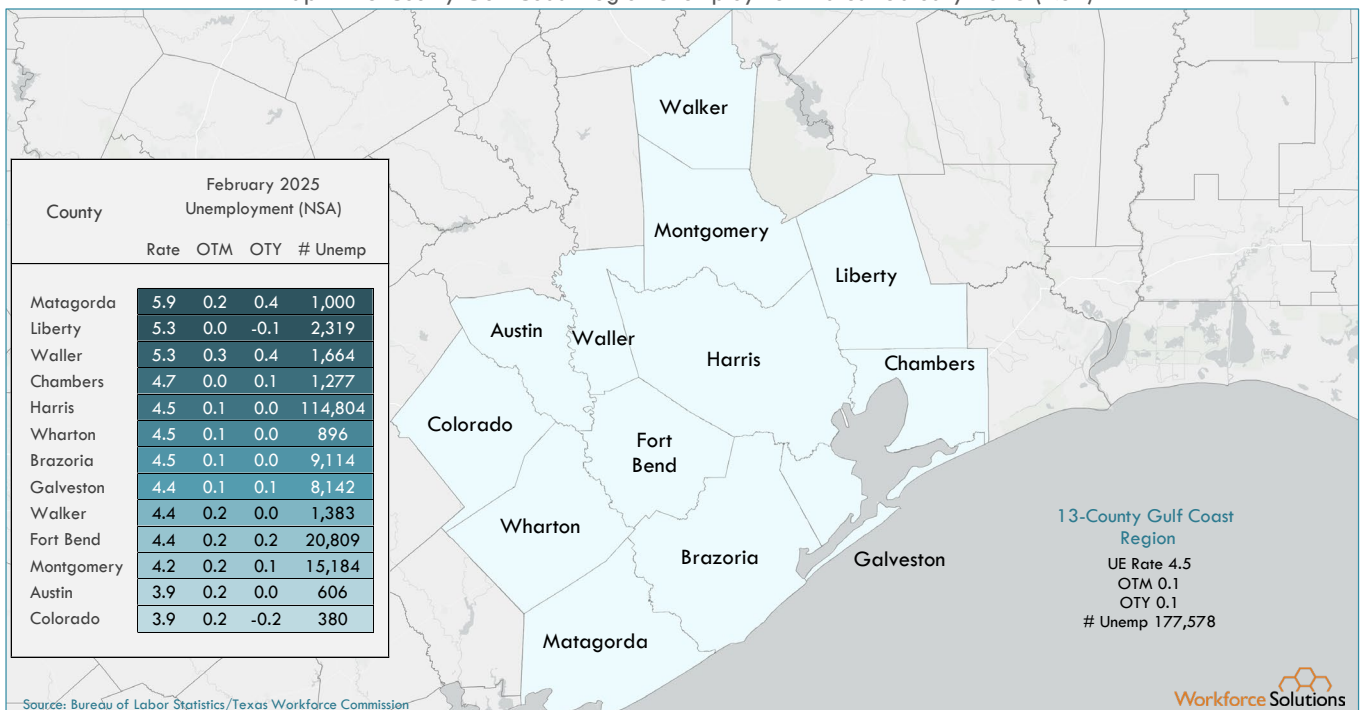


County-level Unemployment

Among the 13 counties that comprise the Gulf Coast Workforce Development Area, unemployment rates in February ranged from a high of 5.9 percent in Matagorda County to a low of 3.9 percent in Colorado. Over the month, 11 counties saw their unemployment rates rise in keeping with the region-wide increase of 0.1 percentage points while two saw no changes. Waller saw the largest percentage-point increase in unemployment up 0.3 pp. representing 101 more unemployed workers compared to the previous month. This was followed by Montgomery (0.2 pp, 630 workers) and Walker (0.2 pp, 97

workers). Over the year unemployment rates also rose with, Matagorda posting the largest increase, up 0.4 percentage points representing 107 more unemployed workers compared to a year ago followed by Waller (0.4 pp, 152 workers) and Fort Bend (0.2 pp, 1,142 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 - 271,277 as of this February (see Map 1 legend).

Map 1. 13-County Gulf Coast Region Unemployment Rates February 2025 (NSA)



Local Area Unemployment Statistics (continued)

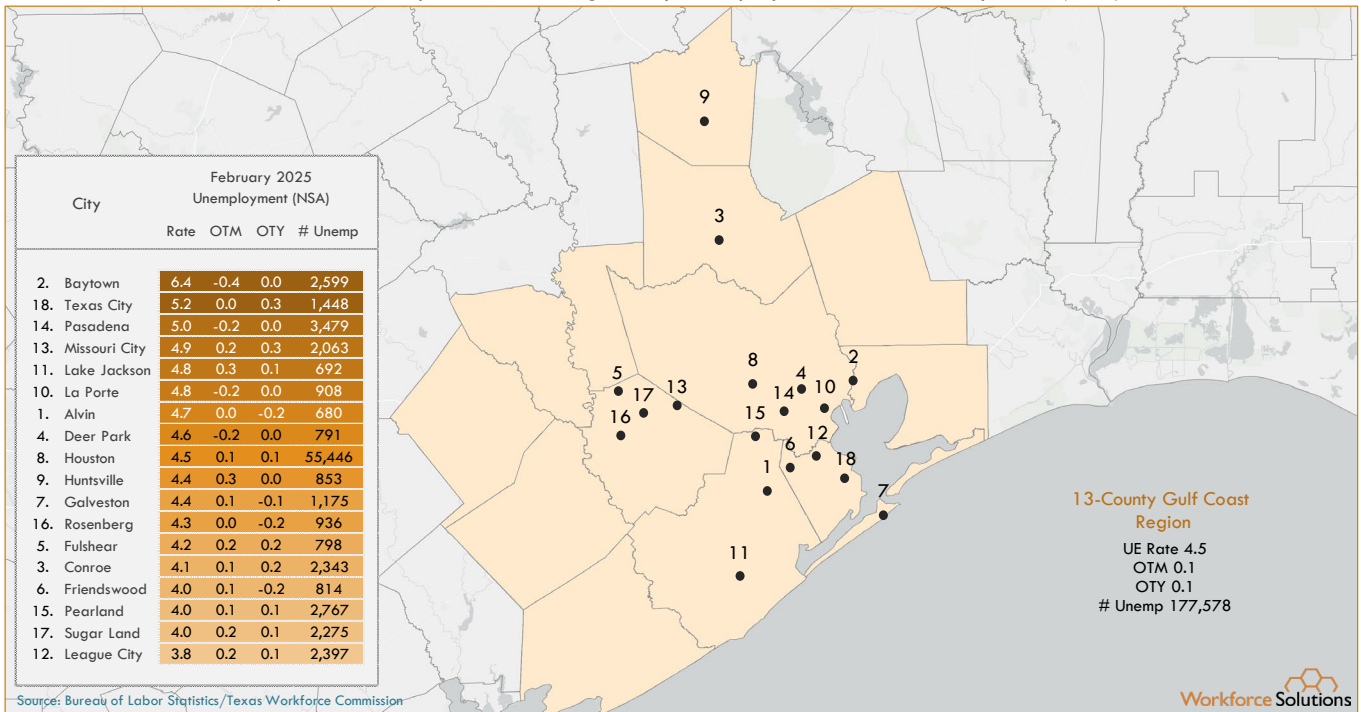
Not-Seasonally Adjusted

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 February ranged from a high of 6.4 percent in Baytown to a low of 3.8 percent in League City (see Map 2 legend). Over the month, 11 cities saw their unemployment rates rise in keeping with the region-wide increase of 0.1 percentage points while four declined and three saw no changes. Huntsville saw the largest percentage-point increase in

unemployment up 0.3 pp representing 76 more unemployed workers compared to the previous month. This was followed by Lake Jackson (0.3 pp, 45 workers) and Fulshear (0.2 pp, 25 workers). Over the year unemployment rates also rose with, Missouri City posting the largest increase, up 0.3 percentage points representing 172 more unemployed workers compared to a year ago followed by Texas City (0.3 pp, 113 workers) and Fulshear (0.2 pp, 43 workers). The 18 cities below accounted for 46 percent of the 177,578 unemployed workers across the Gulf Coast Region as of this February (see Map 2 legend).

Map 2. 13-County Gulf Coast Region City Unemployment Rates February 2025 (NSA)



Seasonally Adjusted

Per the Bureau of Labor Statistics 'Due to methodological changes and conversion to the 2020-based Office of Management and Budget (OMB) delineations, smoothed seasonally adjusted data for metropolitan areas and metropolitan divisions will not be updated in conjunction with the January, February, or March 2025 news releases, and may not become available again until a few months thereafter.

Chart 41. Unemployment Rates (SA)
 U.S., Texas, and Houston MSA
 January 2025

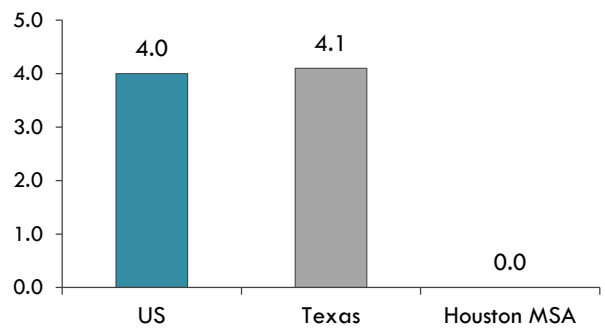
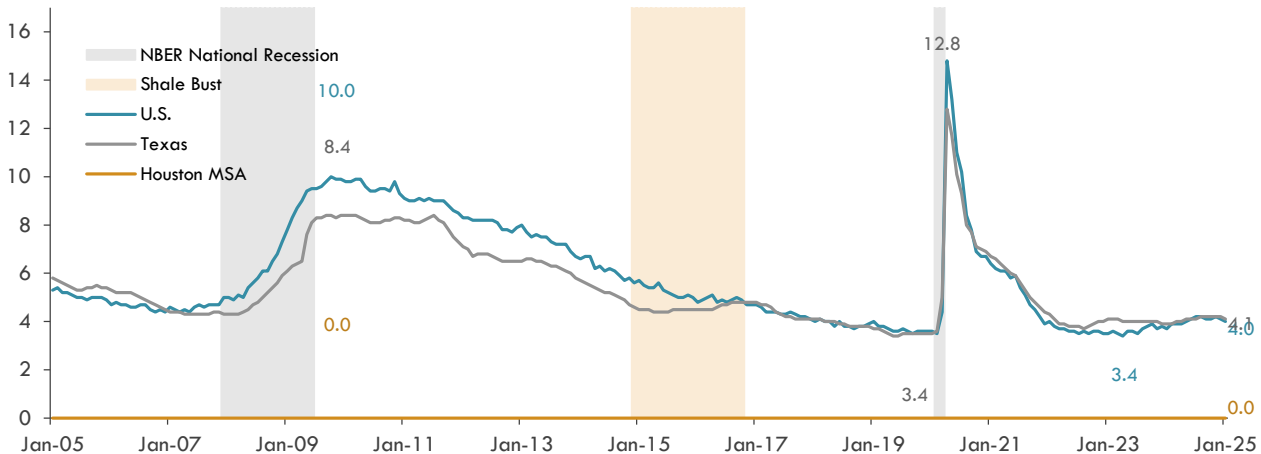


Chart 42. Unemployment Rates U.S., Texas, and Houston MSA (SA)
 January 2005 to January 2025



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
February
2025:
Not Available

The Workforce Solutions Index will resume publication once seasonally-adjusted unemployment statistics for the Houston metropolitan area become available.

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



Workforce Solutions Index February 2025

See note above regarding temporary suspension of the Workforce Solutions Index.



Table 1. Houston MSA Sectors and Major Industry Subcomponents

NAICS Industry	Feb-25	Jan-25	Feb-24	Monthly	Monthly	Yearly	Yearly %
Total Nonfarm	3,452,600	3,437,400	3,410,600	15,200	0.4%	42,000	1.2%
Total Private	2,982,500	2,976,700	2,949,700	5,800	0.2%	32,800	1.1%
Goods Producing	552,500	549,600	548,600	2,900	0.5%	3,900	0.7%
..Mining and Logging	79,800	80,000	78,500	-200	-0.3%	1,300	1.7%
...Oil and Gas Extraction	37,900	37,900	36,600	0	0.0%	1,300	3.6%
...Support Activities for Mining	40,500	40,600	40,100	-100	-0.2%	400	1.0%
..Construction	234,200	230,200	232,400	4,000	1.7%	1,800	0.8%
..Construction of Buildings	60,100	59,700	60,000	400	0.7%	100	0.2%
..Heavy and Civil Engineering Construction	56,200	56,000	56,800	200	0.4%	-600	-1.1%
..Specialty Trade Contractors	117,900	114,500	115,600	3,400	3.0%	2,300	2.0%
..Manufacturing	238,500	239,400	237,700	-900	-0.4%	800	0.3%
..Durable Goods	147,800	148,500	147,900	-700	-0.5%	-100	-0.1%
...Fabricated Metal Product Manufacturing	53,900	53,900	53,400	0	0.0%	500	0.9%
...Machinery Manufacturing	39,900	40,100	40,300	-200	-0.5%	-400	-1.0%
....Agriculture, Construction, and Mining Machinery Mfg.	20,100	20,300	20,500	-200	-1.0%	-400	-2.0%
...Computer and Electronic Product Manufacturing	14,100	14,200	14,100	-100	-0.7%	0	0.0%
..Non-Durable Goods	90,700	90,900	89,800	-200	-0.2%	900	1.0%
...Petroleum and Coal Products Manufacturing	8,100	8,100	8,000	0	0.0%	100	1.3%
...Chemical Manufacturing	43,600	43,700	42,700	-100	-0.2%	900	2.1%
Service Providing	2,900,100	2,887,800	2,862,000	12,300	0.4%	38,100	1.3%
..Private Service Providing	2,430,000	2,427,100	2,401,100	2,900	0.1%	28,900	1.2%
..Trade, Transportation, and Utilities	699,700	700,200	690,400	-500	-0.1%	9,300	1.3%
...Wholesale Trade	181,400	180,000	177,600	1,400	0.8%	3,800	2.1%
....Merchant Wholesalers, Durable Goods	112,700	112,100	111,000	600	0.5%	1,700	1.5%
.....Prof. and Commercial Equip. Supplies Wholesalers	18,200	18,100	18,400	100	0.6%	-200	-1.1%
....Merchant Wholesalers, Nondurable Goods	56,400	55,700	55,000	700	1.3%	1,400	2.5%
...Retail Trade	319,900	322,000	318,900	-2,100	-0.7%	1,000	0.3%
....Motor Vehicle and Parts Dealers	45,700	45,400	44,700	300	0.7%	1,000	2.2%
....Bldg. Material and Garden Equip. and Supplies Dealers	23,300	23,400	24,000	-100	-0.4%	-700	-2.9%
....Food and Beverage Stores	78,000	78,000	77,100	0	0.0%	900	1.2%
....Health and Personal Care Stores	62,300	63,100	62,500	-800	-1.3%	-200	-0.3%
....Clothing and Clothing Accessories Stores	20,400	20,800	20,400	-400	-1.9%	0	0.0%
....General Merchandise Stores	41,900	42,300	42,100	-400	-0.9%	-200	-0.5%
....Department Stores	21,600	21,700	21,800	-100	-0.5%	-200	-0.9%
.....Other General Merchandise Stores	25,000	25,900	25,000	-900	-3.5%	0	0.0%
...Transportation, Warehousing, and Utilities	198,400	198,200	193,900	200	0.1%	4,500	2.3%
....Utilities	24,700	24,600	23,600	100	0.4%	1,100	4.7%
.....Air Transportation	21,700	21,500	22,200	200	0.9%	-500	-2.3%
.....Truck Transportation	31,200	30,900	30,300	300	1.0%	900	3.0%
.....Pipeline Transportation	14,300	14,200	13,500	100	0.7%	800	5.9%
..Information	29,300	29,600	30,300	-300	-1.0%	-1,000	-3.3%
...Telecommunications	10,500	10,500	11,300	0	0.0%	-800	-7.1%
..Financial Activities	181,500	181,600	181,800	-100	-0.1%	-300	-0.2%
...Finance and Insurance	117,400	117,200	117,500	200	0.2%	-100	-0.1%
....Credit Intermediation and Related Activities	46,300	46,300	46,200	0	0.0%	100	0.2%
.....Depository Credit Intermediation	30,900	30,900	30,800	0	0.0%	100	0.3%
....Securities, Commodity Contracts, and Fin. Investments	21,600	21,500	21,200	100	0.5%	400	1.9%
....Insurance Carriers and Related Activities	49,500	49,400	50,100	100	0.2%	-600	-1.2%
...Real Estate and Rental and Leasing	64,100	64,400	64,300	-300	-0.5%	-200	-0.3%
..Professional and Business Services	560,900	562,200	556,600	-1,300	-0.2%	4,300	0.8%
...Professional, Scientific, and Technical Services	285,700	287,100	279,600	-1,400	-0.5%	6,100	2.2%
....Legal Services	33,600	33,800	32,200	-200	-0.6%	1,400	4.3%
....Accounting, Tax Preparation, Bookkeeping, and Payroll	28,900	28,700	29,800	200	0.7%	-900	-3.0%
....Architectural, Engineering, and Related Services	79,200	79,100	74,800	100	0.1%	4,400	5.9%
....Computer Systems Design and Related Services	43,000	43,200	43,400	-200	-0.5%	-400	-0.9%
...Management of Companies and Enterprises	47,000	47,100	47,100	-100	-0.2%	-100	-0.2%
...Admin. and Support and Waste Mgmt. and Remediation	228,200	228,000	229,900	200	0.1%	-1,700	-0.7%
....Administrative and Support Services	215,700	215,500	217,300	200	0.1%	-1,600	-0.7%
....Employment Services	77,500	77,000	78,500	500	0.6%	-1,000	-1.3%
....Services to Buildings and Dwellings	56,000	55,500	53,000	500	0.9%	3,000	5.7%
..Educational and Health Services	463,400	462,200	456,000	1,200	0.3%	7,400	1.6%
...Educational Services	72,900	71,300	72,200	1,600	2.2%	700	1.0%
...Health Care and Social Assistance	390,500	390,900	383,800	-400	-0.1%	6,700	1.7%
....Ambulatory Health Care Services	196,600	197,400	192,800	-800	-0.4%	3,800	2.0%
....Hospitals	99,600	99,600	97,800	0	0.0%	1,800	1.8%
..Leisure and Hospitality	360,800	356,500	355,500	4,300	1.2%	5,300	1.5%
...Arts, Entertainment, and Recreation	40,900	39,900	38,000	1,000	2.5%	2,900	7.6%
...Accommodation and Food Services	319,900	316,600	317,500	3,300	1.0%	2,400	0.8%
....Accommodation	27,600	27,000	26,400	600	2.2%	1,200	4.5%
....Food Services and Drinking Places	292,300	289,600	291,100	2,700	0.9%	1,200	0.4%
..Other Services	134,400	134,800	130,500	-400	-0.3%	3,900	3.0%
Government	470,100	460,700	460,900	9,400	2.0%	9,200	2.0%
..Federal Government	37,600	37,700	36,000	-100	-0.3%	1,600	4.4%
..State Government	100,700	99,900	97,200	800	0.8%	3,500	3.6%
...State Government Educational Services	54,600	54,000	53,300	600	1.1%	1,300	2.4%
..Local Government	323,300	329,200	321,800	-5,900	-1.8%	1,500	0.5%
...Local Government Educational Services	220,400	225,200	222,400	-4,800	-2.1%	-2,000	-0.9%