

# Houston Area Employment Situation

July 2024

## CURRENT EMPLOYMENT AND LOCAL AREA UNEMPLOYMENT STATISTICS

*Storm, Typical Seasonal Patterns, or Fundamentals? You Be the Judge*

### Total Nonfarm

#### Over-the-month Change

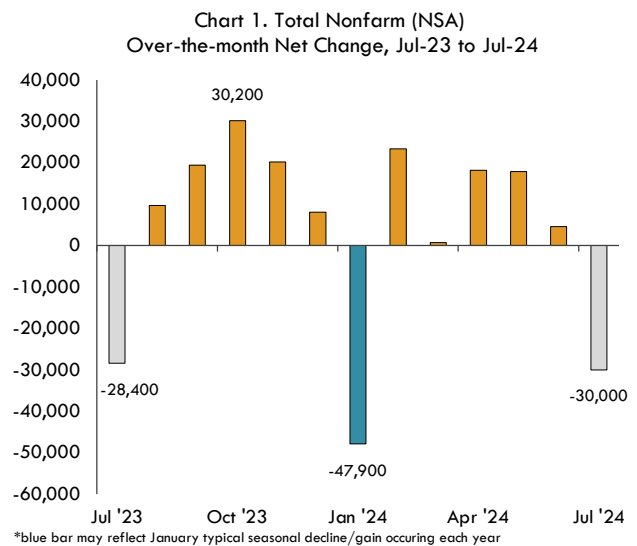
Houston MSA Total Nonfarm employment stood at 3,429,000 in July, down -30,000 jobs over the month, or -0.9 percent on a not-seasonally-adjusted basis (see Chart 1). A year ago Houston registered an over-the-month decrease of 28,400 jobs. This was the largest July over-the-month decline in since 2020. Historically in the month of July, Total Nonfarm has on average lost -15,600 jobs over the month, which indicates that this month's losses are substantially greater than the long-term average. Over-the-month job losses are typical in July of each year which are largely driven by seasonal declines in Local Government Educational Services, Leisure and Hospitality, and Construction.

The primary drivers of this July's decline were decreases in Government; Private Education and Health Services; and Professional and Business Services. Losses were also recorded in Leisure and Hospitality; Other Services; and Manufacturing. The net decrease in jobs over the month was partially offset by gains in Financial Activities; Trade, Transportation, and Utilities; and Mining and Logging. (see Chart 2). Houston MSA Total Nonfarm (seasonally adjusted) employment stood at 3,434,900, down -7,700 jobs over the month, or -0.2 percent vs. a historical average of 2,900. 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 Loss in July**
- Government: -17,900
  - Private Education and Health Services: -4,600
  - Professional and Business Services: -3,300

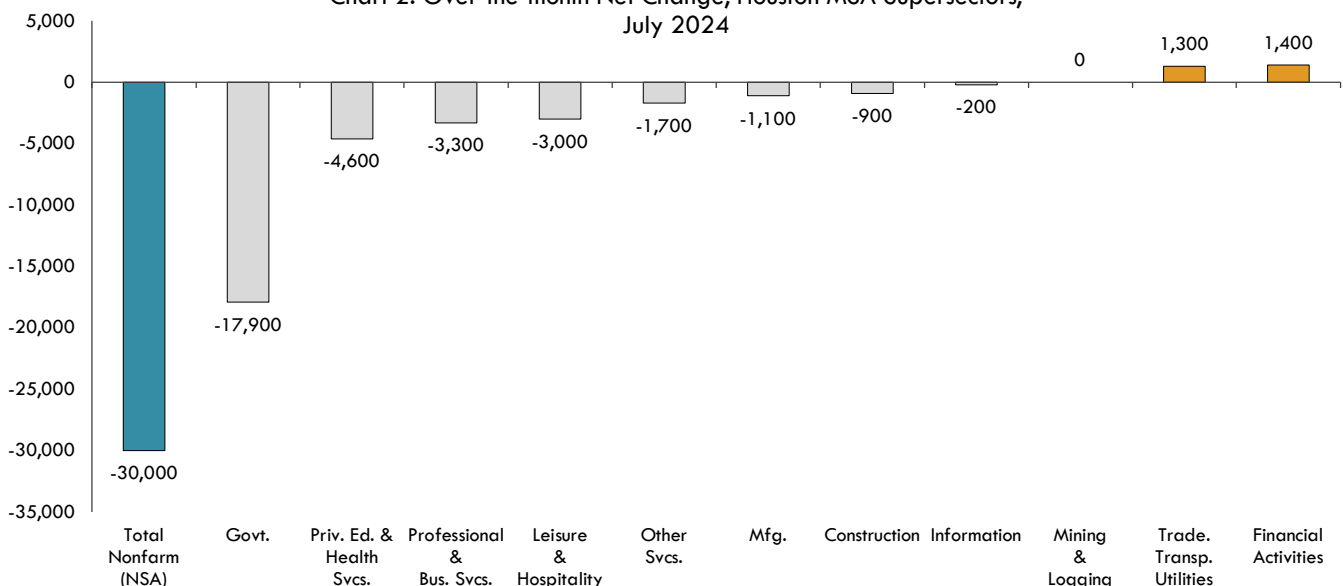
#### Over-the-year Change

Over the year, Total Nonfarm employment was up 74,500 or 2.2 percent on a not-seasonally-adjusted basis and up 70,400 or 2.1 percent on a seasonally-adjusted basis (see NSA Chart 3). To compare, July 2023 saw a year-over-year gain of 99,300 jobs (NSA) from July 2022. Currently 10 out of 11 sectors show growth year over year of which the top-three are Government (19,700); Private Education and Health Services (17,700); and Construction (11,700) (see Chart 4). Total Nonfarm employment not-seasonally-adjusted now exceeds its February 2020 pre-



by 237,200, or 7.4 percent (237,900 jobs, 7.4 percent above 3,197,000 seasonally adjusted).

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



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July 2024

## Previous Month's Revisions

Total Nonfarm employment was revised downward by -1,900 jobs for a May to June smaller net gain of 4,600 compared to an original estimate of 6,500 jobs. A downward revision of -1,400 jobs in Government was the largest contributor followed by Other Services (-1,400) and Construction (-1,100). Upward revisions in Professional and Business Services (+1,000), Mining and Logging (+600), and Manufacturing (+600) 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 July**
- Government: 19,700
  - Private Education and Health Services: 17,700
  - Construction: 11,700

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

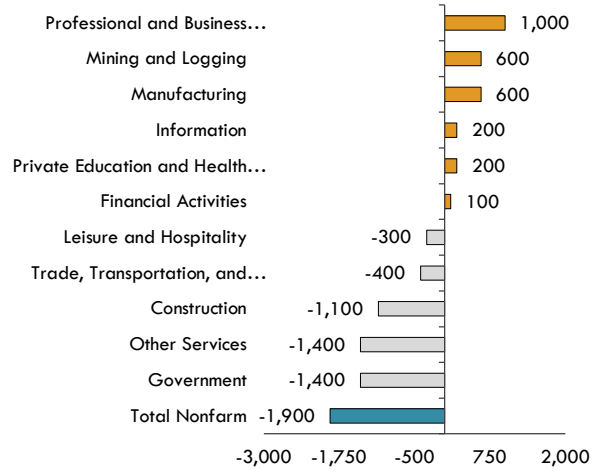


Chart 3. Total Nonfarm (NSA)  
Over-the-year Net Change, Jul-09 to Jul-24

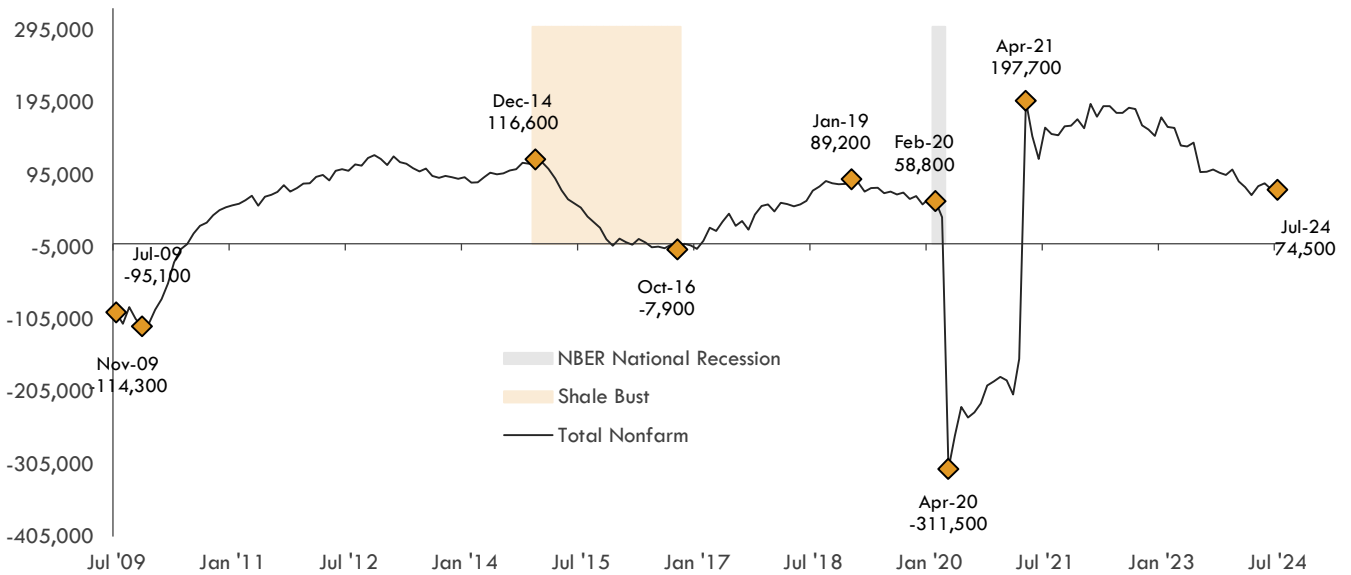
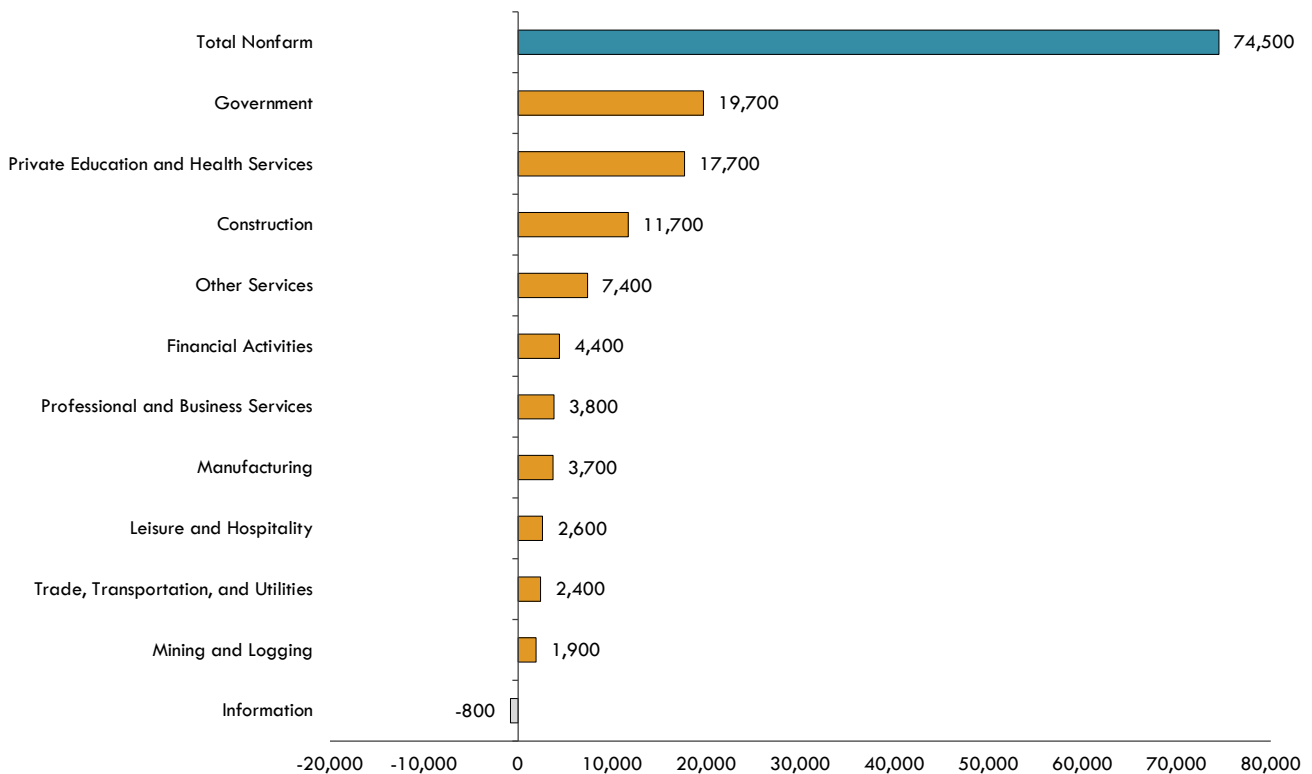


Chart 4. Over-the-year Net Change, Houston MSA Supersectors,  
July 2023 to July 2024



## Supplemental Commentary

### Overall Impressions

Looking back to last month, June's lackluster performance appeared to be the result of underestimated job growth in Leisure and Hospitality, long-term secular challenges in the Retail space, and cuts to contractor staff across industries. However, those dynamics combined with a sub-five percent yet multi-year high unemployment rate and rising continuing claims for UI suggested that June could be a meaningful inflection point in Houston's economy as we entered the second half of 2024. With the release of July's numbers we learned that June was even weaker than initially reported. Not seasonally adjusted, the region's gains shrank from 6,500 to 4,600. On a seasonally-adjusted basis the picture was even more grim with the region's meager gain of 100 jobs morphing into a loss of -4,500. See Chart 5 on page 2 and the first paragraph of each sector page for more details on over-the-month revisions.

This unfortunately set the stage for a less-than-spectacular July already hampered by seasonal losses that occur each year and exacerbated by Hurricane Beryl. The result was a loss of -30,000 jobs over the month (NSA) and a rare instance of a seasonally-adjusted loss in July to the tune of -7,700.

While Government, specifically Local Government Education, was the largest contributor, its loss of -17,900 jobs was more or less in line with typical seasonal declines related to the end of the school year.

On the other hand, Private Education and Health Services saw its worst July on record with a loss of -4,600 jobs driven almost entirely by declines Private Education Services and to a lesser extent Ambulatory Health Services.

Within Professional and Business Services, Technical Services managed to add 1,600 jobs in July while Administrative Support Waste Management Remediation Services, which also includes temporary staffing firm positions, lost -4,600 jobs. Given the hourly nature of many of these jobs coupled with their tendency to involve physical maintenance and security of commercial dwellings, it's not surprising that the storm magnified losses in this space.

Leisure and Hospitality, whose modest gain of only 700 jobs in June shrank to only 400 after revisions, saw a July loss of -3,000 jobs. This was perhaps a bit larger than normal but could reasonably be attributed to the storm. Trade, Transportation, and Utilities saw its subsectors display the full possible range of outcomes for the month with Wholesale Trade, posting its second-best July on record (+2,200 jobs) strangely enough, Retail registering a gain of 600, and Transportation and Warehousing shedding -1,500 jobs likely due to the sudden closure of U.S. Logistics Solutions at the end of June. Despite this mass layoff event, the overall Trade, Transportation, and Utilities sector still managed to see a net gain of 1,300 jobs over the month.

Manufacturing lost -1,100 jobs in July, which is somewhat unusual given that the sector tends to add jobs during the month outside of known economic downturns. As a result it's difficult to discern how much of this July's loss is the result of the storm or a deterioration in underlying fundamentals as suggested by recent declines in the ISM Manufacturing Purchasing Managers Index.

Lastly, Construction, which could be expected to see large but temporary storm-related losses due to the nature of the work involved, saw a relatively modest loss of only -900 jobs in July. Losses in July are typical in July however this July was among the top-five smallest declines over the past three decades.

As for the unemployment rate and unemployment insurance claims, all of the trends noted last month remained intact. The unemployment rate stood at 4.8 percent (NSA) for the second month in a row. The rate tends to fall slightly from June however the storm likely offset that otherwise normal seasonal pattern. Nonetheless, Houston's unemployment rate remains at levels last seen in late 2021 to early 2022. Initial claims for unemployment insurance, after spiking to nearly 12,000 in the week immediately after Hurricane Beryl, continued to fall to just over 4,000 during the week of August 3rd seemingly returning to the average seen throughout most of the past two years. Continuing claims on the other hand reached a milestone breaking 43,000 for the highest number since July 2021. While it's possible that the recent storm delayed some individuals from returning to employment and therefore caused an jump in claims, the trend has been one of increases month over month throughout nearly all of 2024 suggesting slowly building friction in the labor market.

In light of the dynamics highlighted above, the question remains "how much of July's performance is due to the storm, seasonal factors, or underlying fundamentals?" Part of the challenge in answering that question lies in the nature of Hurricane Beryl, which resulted in extensive wind damage in contrast to the widespread flooding that defined Hurricane Harvey in 2017. As a result, the latter storm provides little insight not to mention 2017 was a very different time for Houston and its economy. But regardless June's downward revisions do little to reassure us that July was simply a weather-related fluke. If August fails to produce its usual rebound from the prior month plus "a little extra" to make up for the storm, we may find ourselves thinking that September's anticipated rate cut couldn't get here soon enough.

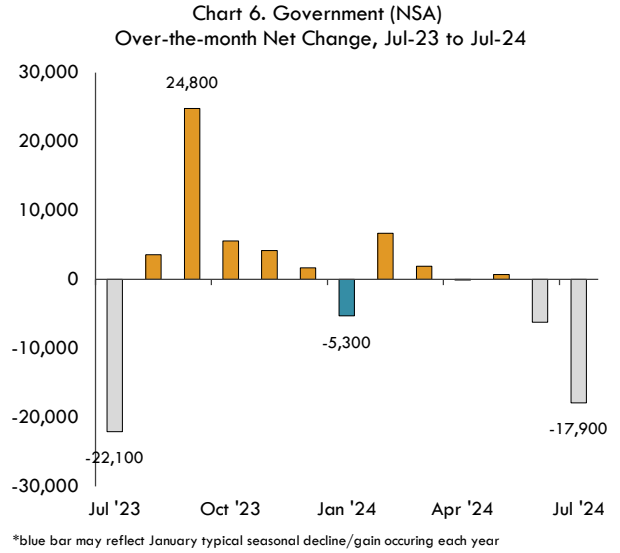
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## DECLINING INDUSTRY HIGHLIGHTS

### Government

#### Over-the-month Change

Government was the largest declining sector over the month down -17,900 jobs, or -3.9 percent (see Chart 6). Historically in the month of July, Government has lost an average of -13,700 jobs over the month, which indicates that this month's losses are moderately larger than the long-term average decline. Local Government was the largest contributor to the overall sector's decline, down -17,700 jobs over the month. The second-largest declining contributor was State Government, which lost -600 jobs from June to July. Lastly, Federal Government offset a portion of the sector's losses with a gain of 400 jobs. Government employment was revised downward by -1,400 jobs for a May to June larger net loss of -6,200 compared to an original estimate of -4,800 jobs.

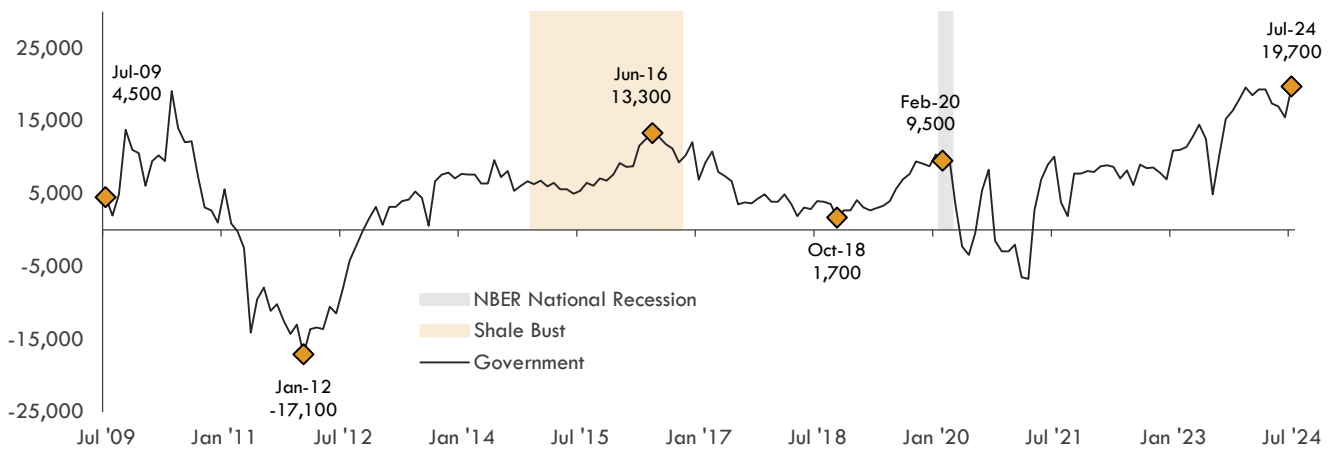


#### Over-the-year Change

Year over year, Government was up 19,700 jobs, or 4.7 percent (see Chart 7). This was the largest-ever over-the-year gain in July or any other month since records began, beating the previous record of 19,600 jobs added in December 2023. It also marks 40 consecutive months of over-the-year gains. Among sectors currently showing growth, this sector is the third-fastest growing in percentage terms across the Houston area. Furthermore, 26.2 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 15,300 jobs over the year. The second-largest contributor was State Government, which added 3,100 jobs from July a year ago. Lastly, Federal Government contributed, 1,300 jobs. Total Government employment (NSA) now exceeds its February 2020 pre-pandemic level of 428,400 jobs by 11,000, or 2.6 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has risen from 12.5 percent to 12.8 percent over the past year.

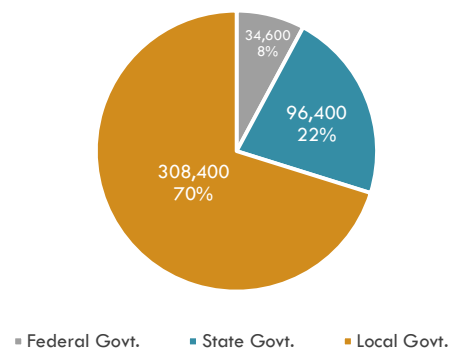
Chart 7. Government (NSA) Over-the-year Net Change, Jul-09 to Jul-24



#### About This Sector

This sector consists of establishments of federal, state, and local government agencies that administer, oversee, and manage public programs and have executive, legislative, or judicial authority over other institutions within a given area that are not performed by private establishments. For MSA data, this includes public education but excludes healthcare. Of the three main component industries, Local Government accounts for the majority of the sector's employment at 70 percent (see Chart 8). Across the Houston MSA, the concentration of jobs in the overall Government sector is 8 percent less than the national average.

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

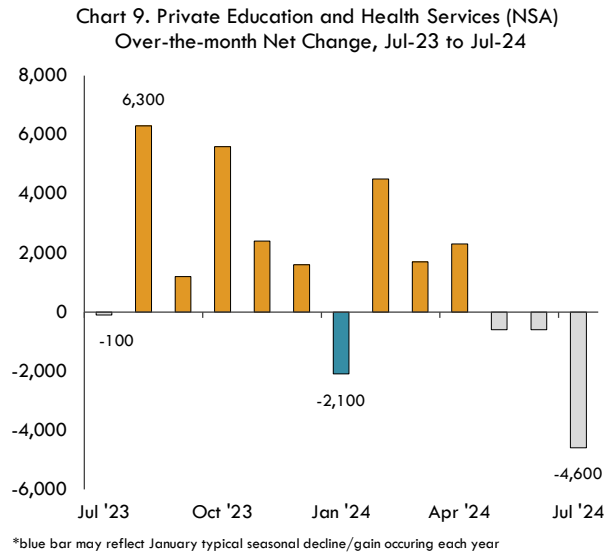


DECLINING INDUSTRY HIGHLIGHTS

Private Education and Health Services

Over-the-month Change

Private Education and Health Services was the second-largest declining sector over the month down -4,600 jobs, or -1.0 percent (see Chart 9). This was the largest-ever decline in the month of July since records began in 1990, beating the previous July record of -2,500 jobs lost in 2017. Private Educational Services was the largest contributor to the overall sector's decline, down -4,000 jobs over the month. The second-largest declining contributor was Health Care and Social Assistance, which lost -600 jobs from June to July. Private Education and Health Services employment was revised upward by 200 jobs for a May to June smaller net loss of -600 compared to an original estimate of -800 jobs.

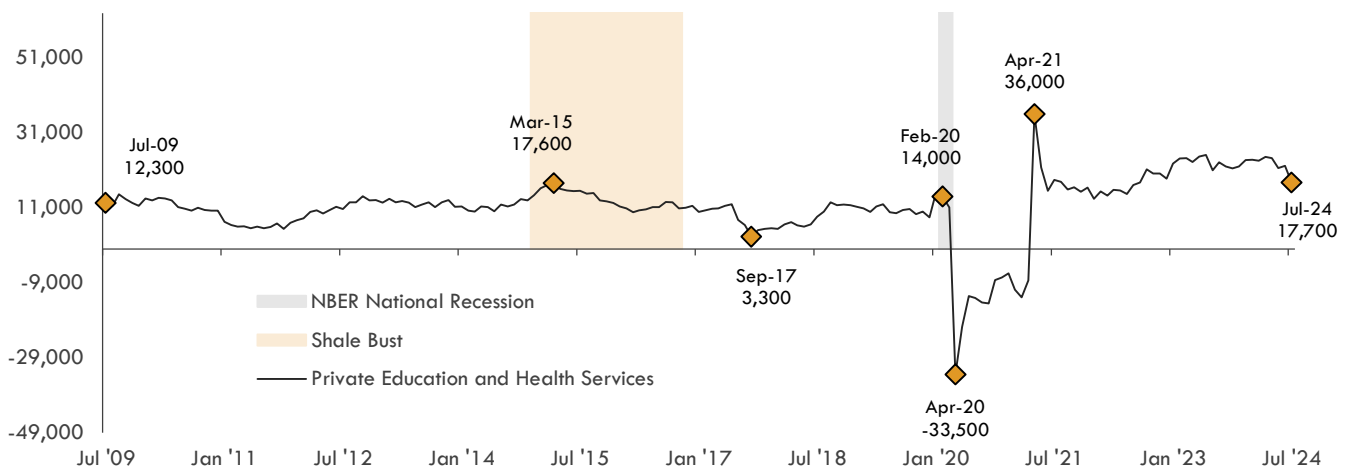


Over-the-year Change

Year over year, Private Education and Health Services was up 17,700 jobs, or 4.0 percent (see Chart 10). This was the third-largest over-the-year gain in July since records began in 1990. Furthermore, 23.5 percent of total (gross) jobs added across the region over the past year can be attributed to Private Education and Health Services. Health Care and Social Assistance was the largest contributor to the overall sector's increase, up 15,600 jobs over the year. The second-largest contributor was Private Educational Services, which added 2,100 jobs from July a year ago. Total Private Education and Health Services

employment (NSA) now exceeds its February 2020 pre-pandemic level of 414,400 jobs by 48,500, or 11.7 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has risen from 13.3 percent to 13.5 percent over the past year.

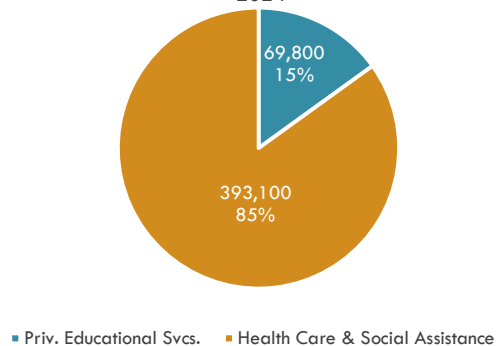
Chart 10. Private Education and Health Services (NSA) Over-the-year Net Change, Jul-09 to Jul-24



About This Sector

This sector is composed of establishments that provide private education services (i.e. excluding publicly-funded primary, secondary, and postsecondary institutions) and establishments that provide healthcare and social assistance to individuals. Of the two main component industries, Health Care and Social Assistance accounts for the majority of the sector's employment at 85 percent (see Chart 11). Across the Houston MSA, the concentration of jobs in the overall sector is 18 percent less than the national average, despite the high physical concentration of healthcare jobs centered around Texas Medical Center.

Chart 11. Employment in Component Industries of Private Education and Health Services Sector - July 2024



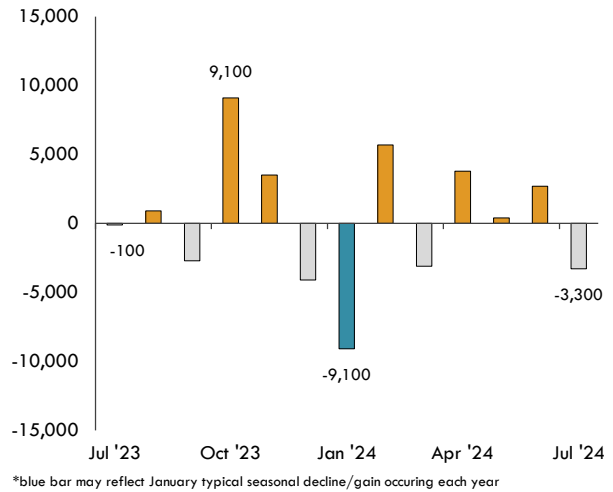
DECLINING INDUSTRY HIGHLIGHTS

Professional and Business Services

Over-the-month Change

Professional and Business Services was the third-largest declining sector over the month down -3,300 jobs, or -0.6 percent (see Chart 12). This was the largest-ever decline in the month of July since records began in 1990, beating the previous July record of -2,600 jobs lost in 1991. Historically in the month of July, Professional and Business Services has added an average of 900 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 -4,600 jobs over the month. The second-largest declining contributor was Management of Companies and Enterprises, which lost -300 jobs from June to July. Lastly, Professional, Scientific, and Technical Services offset a portion of the sector's losses with a gain of 1,600 jobs. Professional and Business Services employment was revised upward by 1,000 jobs for a May to June larger net gain of 2,700 compared to an original estimate of 1,700 jobs.

Chart 12. Professional and Business Services (NSA)  
Over-the-month Net Change, Jul-23 to Jul-24

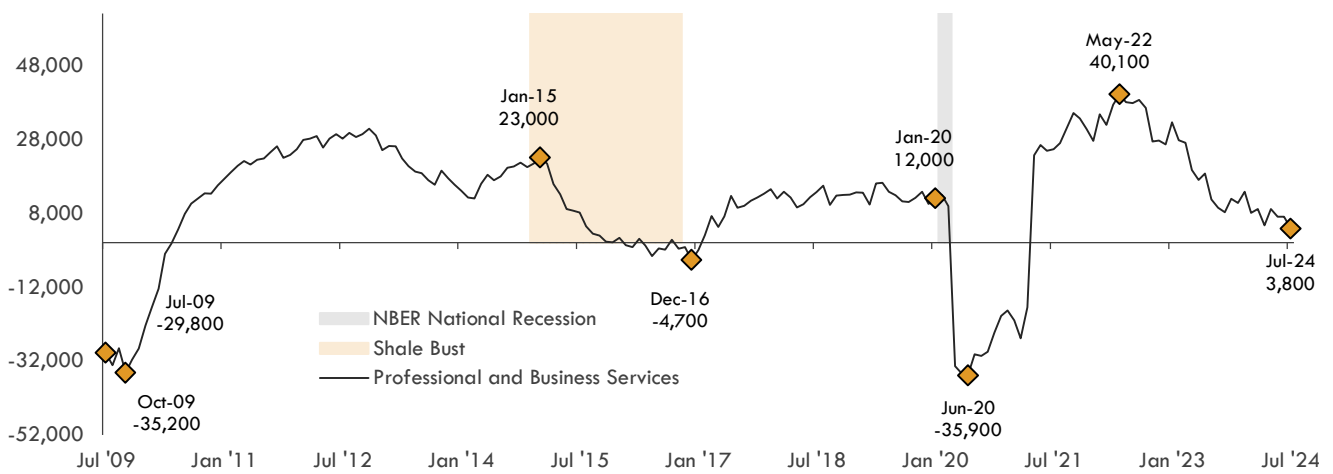


Over-the-year Change

Year over year, Professional and Business Services was up 3,800 jobs, or 0.7 percent (see Chart 13). This July also marks 40 consecutive months of over-the-year gains. Professional, Scientific, and Technical Services was the largest contributor to the overall sector's increase, up 6,600 jobs over the year. The second-largest contributor was Management of Companies and Enterprises, which added 200 jobs from July 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 -3,000 jobs. Total Professional and Business Services

employment (NSA) now exceeds its February 2020 pre-pandemic level of 514,700 jobs by 46,100, or 9.0 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has fallen from 16.6 percent to 16.4 percent over the past year.

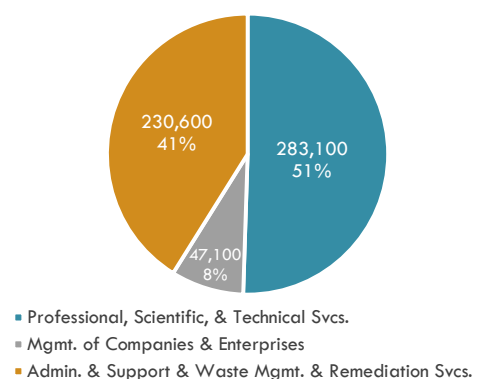
Chart 13. Professional and Business Services (NSA)  
Over-the-year Net Change, Jul-09 to Jul-24



About This Sector

This sector is composed of establishments specializing in professional, scientific, and technical activities; management of establishments holding equity interests in order to influence management decisions; and office administration, hiring of personnel, security, cleaning, and waste disposal. Of the three main component industries, Professional, Scientific, and Technical Services accounts for a slight majority of the sector's employment at just over 50 percent (see Chart 14). Across the Houston MSA, the concentration of jobs in the overall sector is 12 percent higher than the national average, due to a 18-percent higher concentration in Professional, Scientific, and Technical Services serving the oil and gas industry.

Chart 14. Employment in Component Industries of  
Professional and Business Services Sector - July 2024



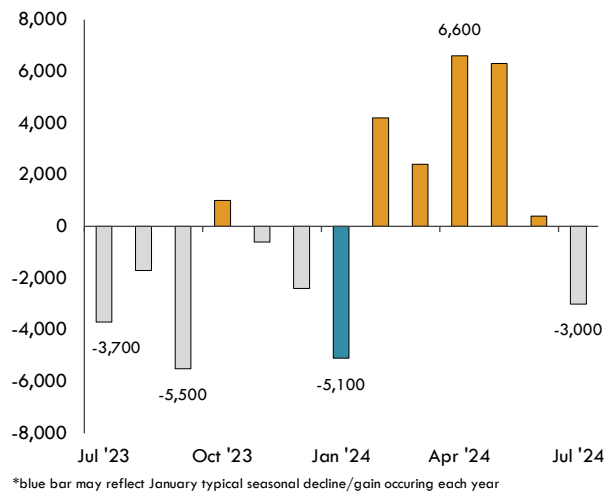
DECLINING INDUSTRY HIGHLIGHTS

Leisure and Hospitality

Over-the-month Change

Leisure and Hospitality also saw a decrease over the month down -3,000 jobs, or -0.8 percent (see Chart 15). Historically in the month of July, Leisure and Hospitality has lost an average of -1,600 jobs over the month, which indicates that this month's losses are substantially larger than the long-term average decline. Accommodation and Food Services was the largest contributor to the overall sector's decline, down -3,000 jobs over the month. One component industry, Arts, Entertainment, and Recreation, saw no change from June to July. Leisure and Hospitality employment was revised downward by -300 jobs for a May to June smaller net gain of 400 compared to an original estimate of 700 jobs.

Chart 15. Leisure and Hospitality (NSA)  
Over-the-month Net Change, Jul-23 to Jul-24

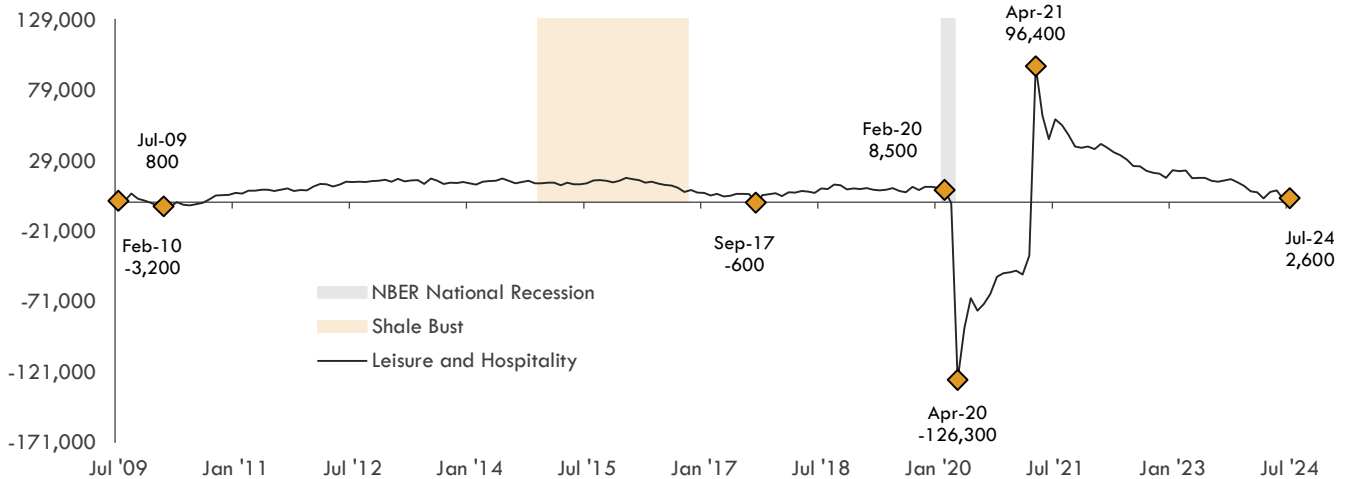


Over-the-year Change

Year over year, Leisure and Hospitality was up 2,600 jobs, or 0.7 percent (see Chart 16). This July also marks 40 consecutive months of over-the-year gains. Accommodation and Food Services was the largest contributor to the overall sector's increase, up 2,500 jobs over the year. The second-largest contributor was Arts, Entertainment, and Recreation, which added 100 jobs from July a year ago. Total Leisure and Hospitality employment (NSA) now exceeds its February 2020 pre-pandemic level of 334,500 jobs by 31,400, or 9.4 percent. At the same time, the sector's share of Houston area Total

Nonfarm Employment has fallen from 10.8 percent to 10.7 percent over the past year.

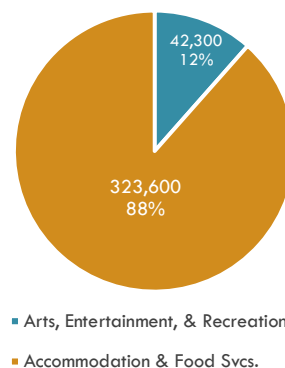
Chart 16. Leisure and Hospitality (NSA)  
Over-the-year Net Change, Jul-09 to Jul-24



About This Sector

This sector is composed of establishments that produce and promote in live performances, events, or exhibits of historical, cultural, or educational interest or related to recreation or hobbies intended for public viewing; and provide customers with lodging and/or meals and beverages for immediate consumption. NOTE: movie theaters are classified under the Information sector rather than Leisure and Hospitality. Of the two main component industries, Accommodation and Food Services accounts for the majority of the sector's employment at 88 percent (see Chart 17). Across the Houston MSA, the concentration of jobs in the overall sector is 4 percent less than the national average.

Chart 17. Employment in Component Industries of Leisure and Hospitality Sector - July 2024

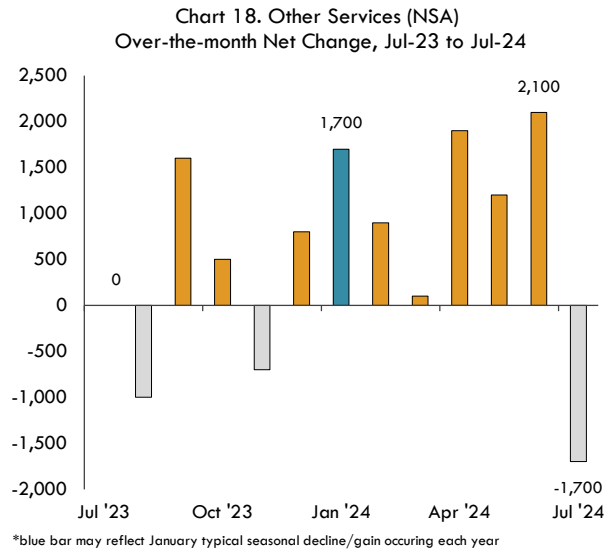


DECLINING INDUSTRY HIGHLIGHTS

Other Services

Over-the-month Change

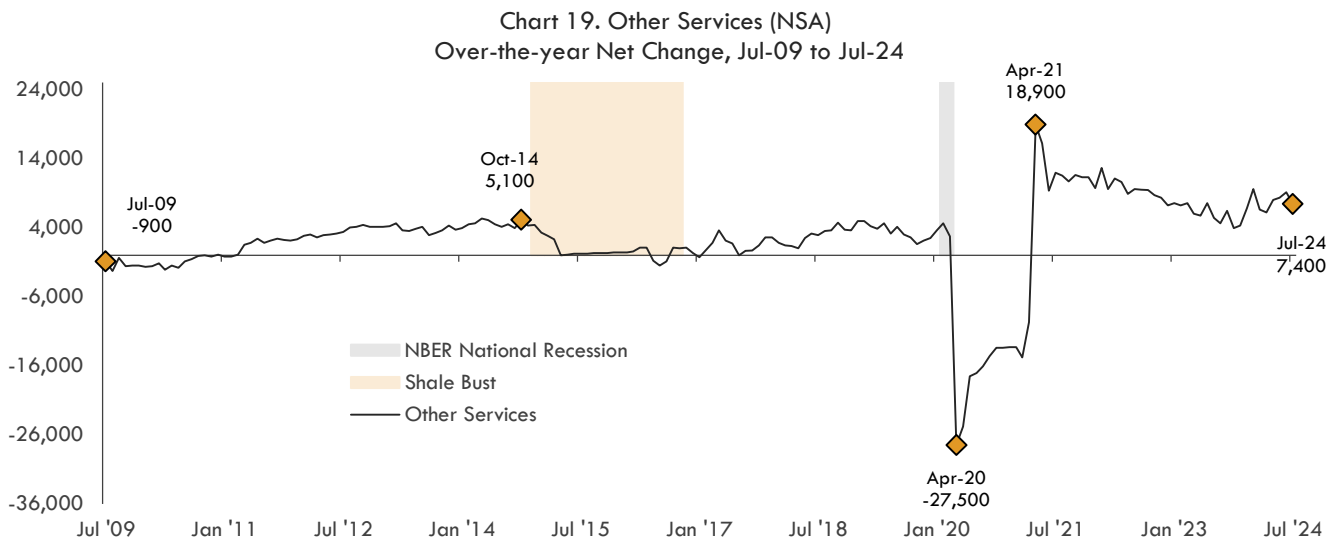
Other Services also saw a decrease over the month down -1,700 jobs, or -1.2 percent (see Chart 18). This was the largest July decline since 2018 and the third-largest decline historically in the month of July since records began in 1990. Historically in the month of July, Other Services has lost an average of -200 jobs over the month, which indicates that this month's losses are substantially larger than the long-term average decline. NOTE: No subsector is published at the MSA level by the CES survey. See below for additional information. Other Services employment was revised downward by -1,400 jobs for a May to June smaller net gain of 2,100 compared to an original estimate of 3,500 jobs.



Over-the-year Change

Year over year, Other Services was up 7,400 jobs, or 5.8 percent (see Chart 19). This was the third-largest over-the-year gain in July since records began in 1990. It also marks 40 consecutive months of over-the-year gains. Among sectors currently showing growth, this sector is the fastest-growing in percentage terms across the Houston area. NOTE: No subsector is published at the MSA level by the CES survey. See below for additional information. Total Other Services employment (NSA) now exceeds its February 2020 pre-pandemic level of 119,100 jobs by 15,200, or 12.8 percent. At the same time, the sector's

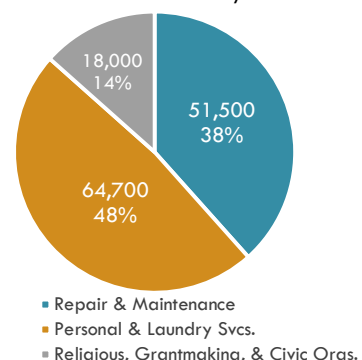
share of Houston area Total Nonfarm Employment has risen from 3.8 percent to 3.9 percent over the past year.



About This Sector

This sector comprises establishments engaged in services not classified elsewhere such as equipment and machinery repair, religious activities, grantmaking, advocacy, and providing dry-cleaning and laundry services, and personal care services. Of the three main component industries, Personal and Laundry Services accounts for a plurality of the sector's employment at 48 percent as a subsector where self-employment is prevalent (source: Census - Non Employer Statistics and BLS - Quarterly Census of Employment and Wages) (see Chart 20). Across the Houston MSA, the concentration of jobs in the overall Other Services sector is 4 percent higher than the national average.

Chart 20. Employment in Component Industries of Other Services Sector - July 2024



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

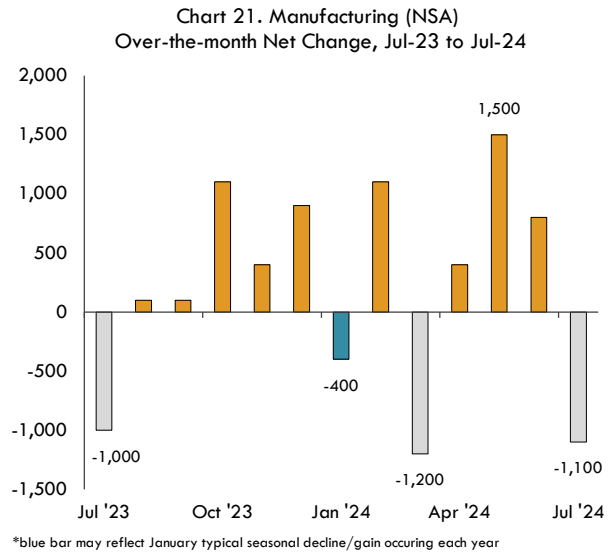


DECLINING INDUSTRY HIGHLIGHTS

Manufacturing

Over-the-month Change

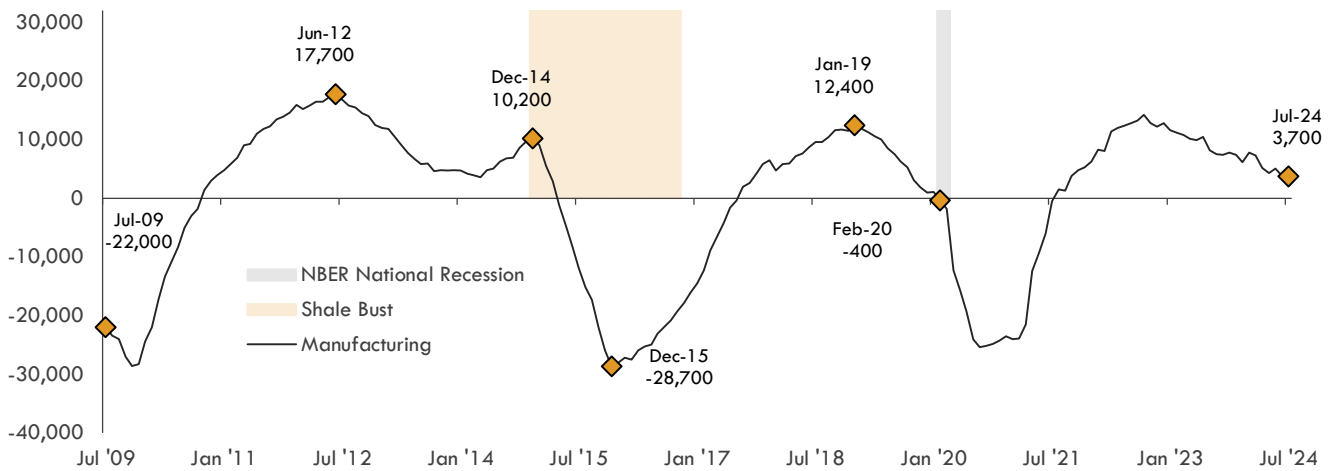
Manufacturing also saw a decrease over the month down -1,100 jobs, or -0.5 percent (see Chart 21). This was the largest July over-the-month decline in since 2020. Historically in the month of July, Manufacturing has lost an average of -300 jobs over the month, which indicates that this month's losses are substantially larger than the long-term average decline. Durable Goods was the largest contributor to the overall sector's decline, down -1,300 jobs over the month. One component industry that provided a partial offset was Non-Durable Goods, which gained 200 jobs from June to July. Manufacturing employment was revised upward by 600 jobs for a May to June larger net gain of 800 compared to an original estimate of 200 jobs.



Over-the-year Change

Year over year, Manufacturing was up 3,700 jobs, or 1.6 percent (see Chart 22). This July also marks 36 consecutive months of over-the-year gains. Durable Goods was the largest contributor to the overall sector's increase, up 3,700 jobs over the year. One component industry, Non-Durable Goods, saw no change from July a year ago. Total Manufacturing employment (NSA) now exceeds its February 2020 pre-pandemic level of 234,500 jobs by 3,300, or 1.4 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.

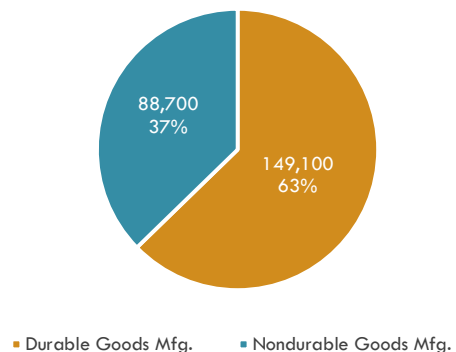
Chart 22. Manufacturing (NSA)  
Over-the-year Net Change, Jul-09 to Jul-24



About This Sector

This sector comprises establishments engaged in the mechanical, physical, or chemical transformation of materials, substances, or components into new products. Of the two main component industries, Durable Goods accounts for the majority of the sector's employment at 63 percent (see Chart 23). Across the Houston MSA, the concentration of jobs in the overall Manufacturing sector is 16 percent less than the national average.

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

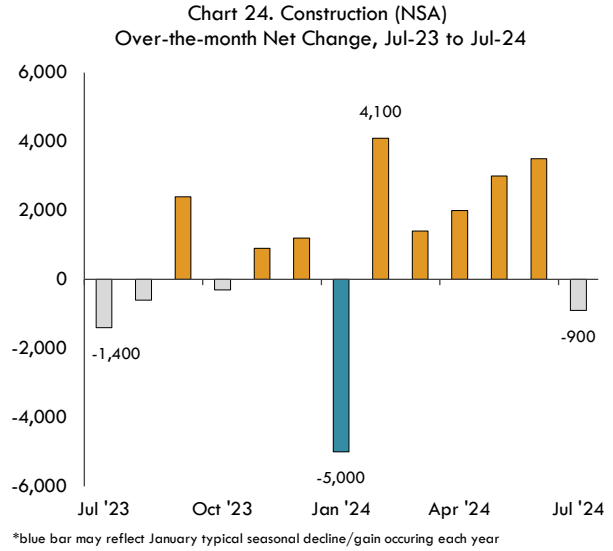


DECLINING INDUSTRY HIGHLIGHTS

Construction

Over-the-month Change

Construction also saw a decrease over the month down -900 jobs, or -0.4 percent (see Chart 24). Historically in the month of July, Construction has lost an average of -1,200 jobs over the month, which indicates that this month's losses are moderately smaller than the long-term average decline. Specialty Trade Contractors was the largest contributor to the overall sector's decline, down -1,100 jobs over the month. One component industry, Heavy and Civil Engineering Construction, saw no change from June to July. Lastly, Construction of Buildings offset a portion of the sector's losses with a gain of 200 jobs. Construction employment was revised downward by -1,100 jobs for a May to June smaller net gain of 3,500 compared to an original estimate of 4,600 jobs.

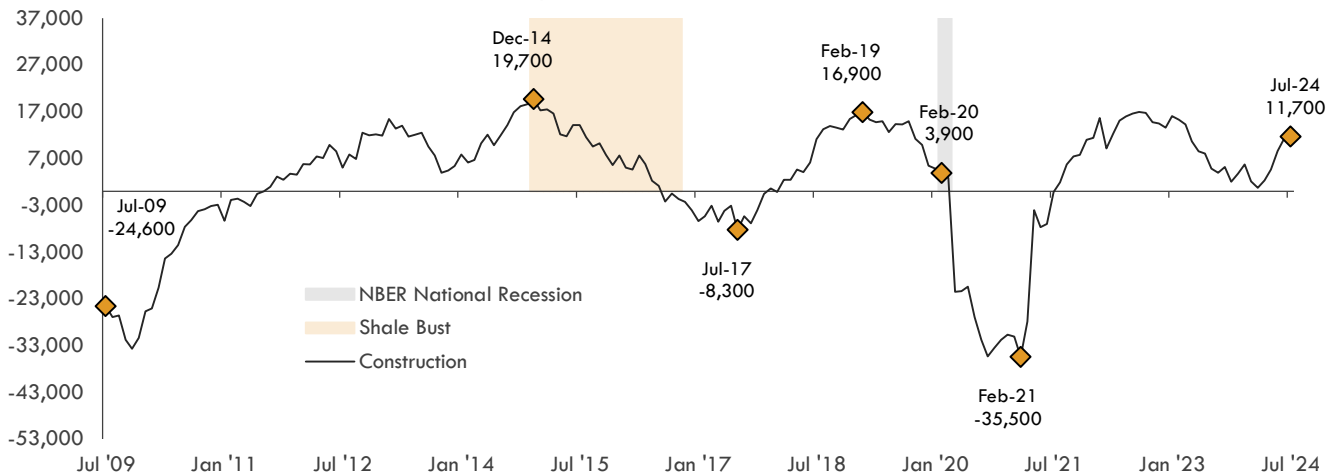


Over-the-year Change

Year over year, Construction was up 11,700 jobs, or 5.1 percent (see Chart 25). This was the largest over-the-year gain since March 2023's increase of 14,300 jobs. It also marks 36 consecutive months of over-the-year gains. Among sectors currently showing growth, this sector is the second-fastest growing in percentage terms across the Houston area. Furthermore, 15.5 percent of total (gross) jobs added across the region over the past year can be attributed to Construction. Heavy and Civil Engineering Construction was the largest contributor to the overall sector's increase, up 5,300 jobs over the year. The second-largest

contributor was Construction of Buildings, which added 5,000 jobs from July a year ago. Lastly, Specialty Trade Contractors contributed, 1,400 jobs. Total Construction employment (NSA) now exceeds its February 2020 pre-pandemic level of 237,400 jobs by 5,200, or 2.2 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has risen from 6.9 percent to 7.1 percent over the past year.

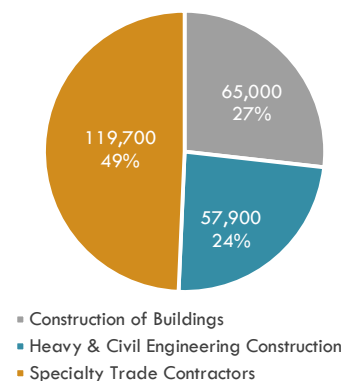
Chart 25. Construction (NSA)  
Over-the-year Net Change, Jul-09 to Jul-24



About This Sector

This sector comprises establishments engaged in the construction of buildings, infrastructure, site preparation and sub-division, and specialty trades e.g. masonry, painting, and electrical work. Of the three main component industries, Specialty Trade Contractors accounts for a plurality of the sector's employment at 49 percent (see Chart 26). Across the Houston MSA, the concentration of jobs in the overall Construction sector is 32 percent higher than the national average, due to 2.2 times more jobs in Heavy and Civil Engineering Construction related to turnaround maintenance of petrochemical facilities.

Chart 26. Employment in Component Industries of Construction Sector - July 2024

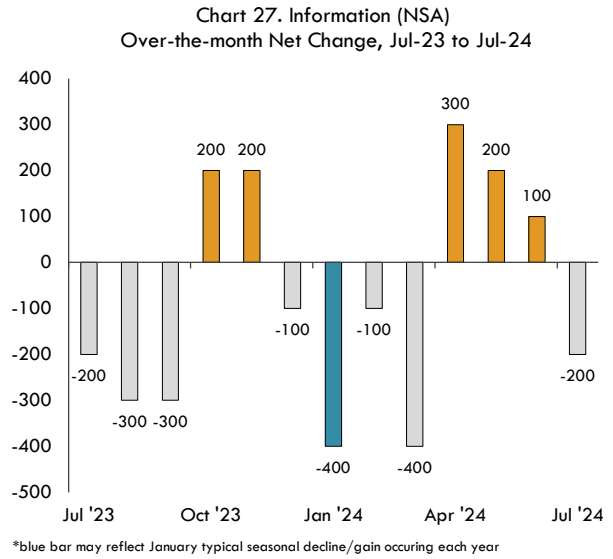


DECLINING INDUSTRY HIGHLIGHTS

Information

Over-the-month Change

Information also saw a decrease over the month down -200 jobs, or -0.6 percent (see Chart 27). Historically in the month of July, Information has lost an average of -100 jobs over the month, which indicates that this month's losses are moderately larger than the long-term average decline. Telecommunications was the largest contributor to the overall sector's decline, down -100 jobs over the month. The second-largest declining contributor was Other Information Undefined, which lost -100 jobs from June to July. Information employment was revised upward by 200 jobs for a May to June complete erasure of losses resulting in a net gain of 100 compared to an original estimate of -100 jobs.

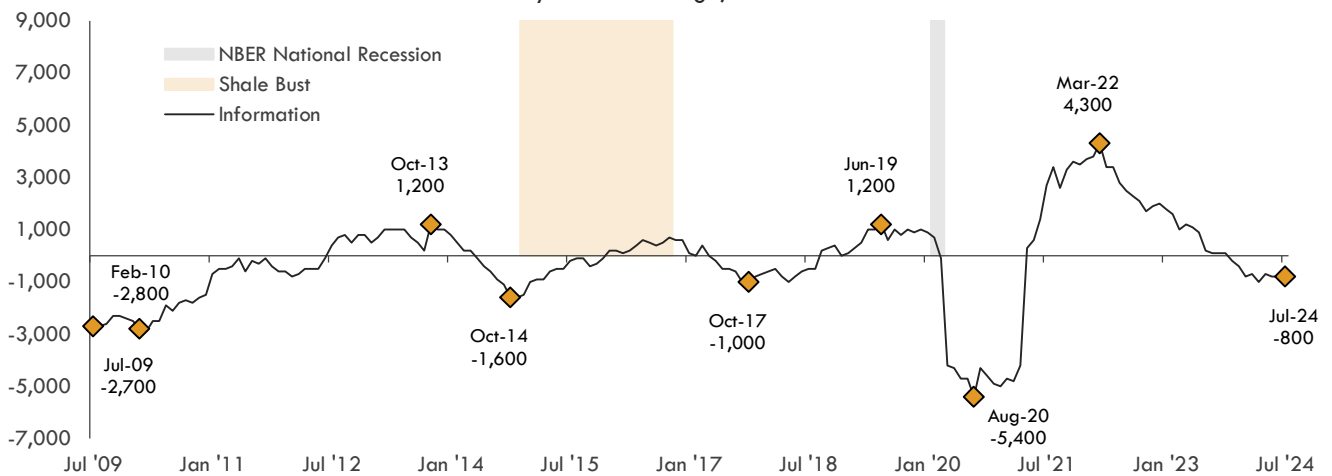


Over-the-year Change

Year over year, Information was down -800 jobs, or -2.4 percent (see Chart 28). This July also marks nine consecutive months of over-the-year losses. Furthermore, 100.0 percent of total (gross) jobs lost across the region over the past year can be attributed to Information. Other Information Undefined was the largest contributor to the overall sector's decline, down -500 jobs over the year. The second-largest declining contributor was Telecommunications, which lost -300 jobs from July a year ago. Total Information employment (NSA) remains -100 jobs, or -0.3 percent below its February 2020 pre-pandemic level of

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

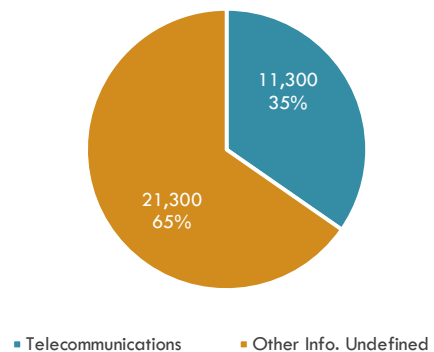
Chart 28. Information (NSA) Over-the-year Net Change, Jul-09 to Jul-24



About This Sector

This sector comprises establishments producing and distributing information and cultural products, e.g. traditional and online news publishing; software publishing; the motion picture and sound recording; TV broadcasting; and telecommunications. Of the two main component industries, Other Information Undefined accounts for the majority of the sector's employment at 65 percent (see Chart 29). Across the Houston MSA, the concentration of jobs in the overall Information sector is 50 percent less than the national average.

Chart 29. Employment in Component Industries of Information Sector - July 2024

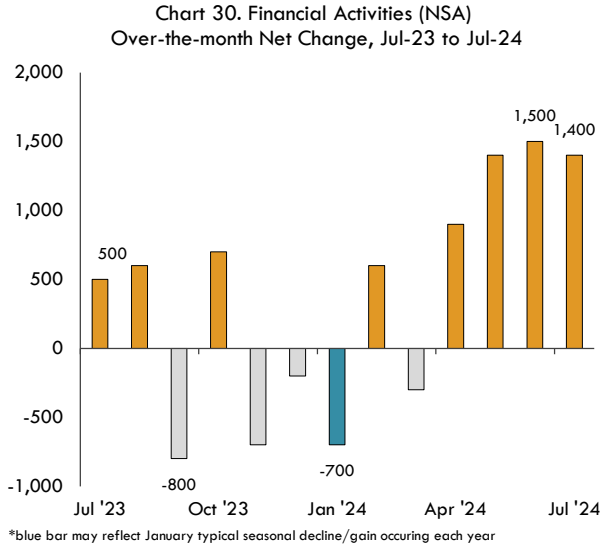


GAINING INDUSTRY HIGHLIGHTS

Financial Activities

Over-the-month Change

Financial Activities was the largest gaining sector over the month up 1,400 jobs, or 0.7 (see Chart 30). This was the largest July over-the-month gain in since 2022. Historically in the month of July, Financial Activities has added an average of 400 jobs over the month, which indicates that this month's gains are substantially above the long-term average. Finance and Insurance was the largest contributor to the overall sector's increase, up 800 jobs over the month. The second-largest contributor was Real Estate and Rental and Leasing, which added 600 jobs from June to July. Financial Activities employment was revised upward by 100 jobs for a May to June larger net gain of 1,500 compared to an original estimate of 1,400 jobs.

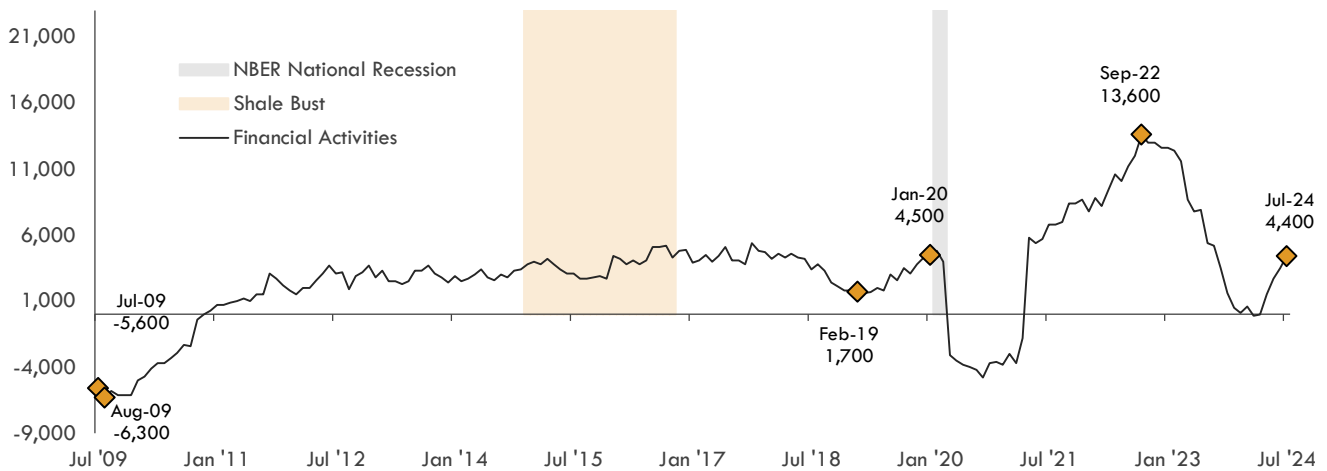


Over-the-year Change

Year over year, Financial Activities was up 4,400 jobs, or 2.4 percent (see Chart 31). This was the largest over-the-year gain since August 2023's increase of 5,200 jobs. It also marks nine consecutive months of over-the-year gains. Finance and Insurance was the largest contributor to the overall sector's increase, up 2,400 jobs over the year. The second-largest contributor was Real Estate and Rental and Leasing, which added 2,000 jobs from July a year ago. Total Financial Activities employment (NSA) now exceeds its February 2020 pre-pandemic level of 169,200 jobs by 22,300, or 13.2 percent. At the same time, the

sector's share of Houston area Total Nonfarm Employment has remained constant at 5.6 percent over the past year.

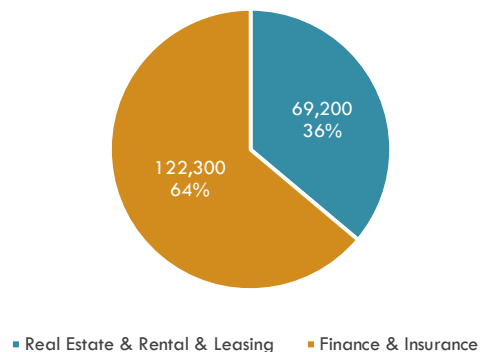
Chart 31. Financial Activities (NSA) Over-the-year Net Change, Jul-09 to Jul-24



About This Sector

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

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



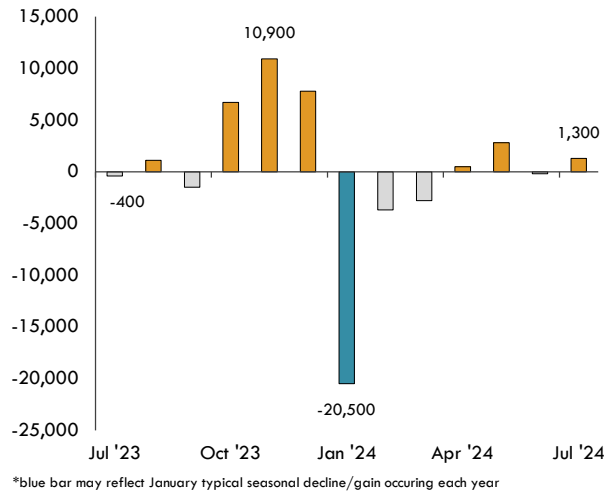
GAINING INDUSTRY HIGHLIGHTS

Trade, Transportation, and Utilities

Over-the-month Change

Trade, Transportation, and Utilities was the second-largest gaining sector over the month up 1,300 jobs, or 0.2 (see Chart 33). This was the largest July over-the-month gain in since 2022. Wholesale Trade was the largest contributor to the overall sector's increase, up 2,200 jobs over the month. The second-largest contributor was Retail Trade, which added 600 jobs from June to July. Lastly, Transportation, Warehousing, and Utilities offset a portion of the sector's gains with a loss of -1,500 jobs. Trade, Transportation, and Utilities employment was revised downward by -400 jobs for a May to June complete erasure of gains leaving a net loss of -200 compared to an original estimate of 200 jobs.

Chart 33. Trade, Transportation, and Utilities (NSA)  
Over-the-month Net Change, Jul-23 to Jul-24

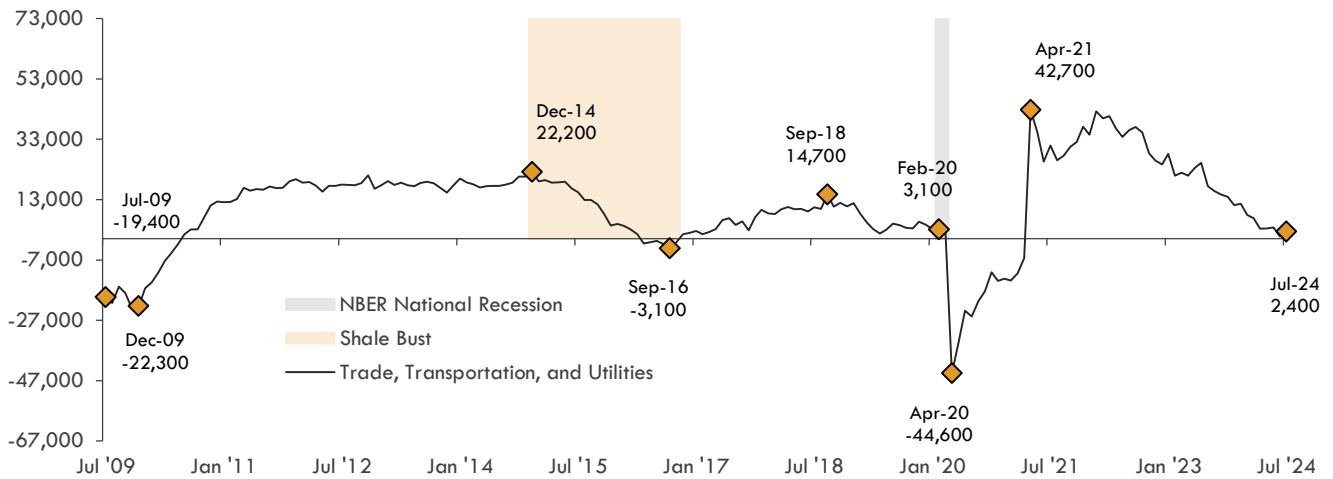


Over-the-year Change

Year over year, Trade, Transportation, and Utilities was up 2,400 jobs, or 0.3 percent (see Chart 34). This July also marks 40 consecutive months of over-the-year gains. Wholesale Trade was the largest contributor to the overall sector's increase, up 3,600 jobs over the year. The second-largest contributor was Transportation, Warehousing, and Utilities, which added 900 jobs from July a year ago. Lastly, Retail Trade offset a portion of the sector's gains with a loss of -2,100 jobs. Total Trade, Transportation, and Utilities employment (NSA) now exceeds its February 2020 pre-pandemic level of 628,500 jobs by 60,000,

or 9.5 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has fallen from 20.5 percent to 20.1 percent over the past year.

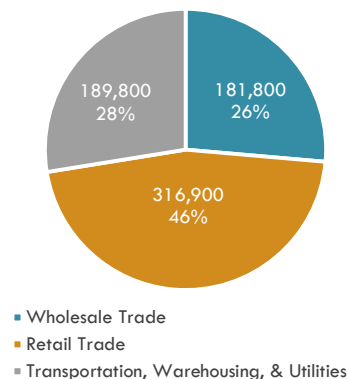
Chart 34. Trade, Transportation, and Utilities (NSA)  
Over-the-year Net Change, Jul-09 to Jul-24



About This Sector

This sector is composed of establishments wholesaling agriculture, mining, and manufactured goods; retailing goods in small quantities to the public incl. online; transporting passengers and cargo; warehousing and storage; and providing electricity, natural gas, water, and sewage removal. Of the three main component industries, Retail Trade accounts for a plurality of the sector's employment at 46 percent (see Chart 35).

Chart 35. Employment in Component Industries of Trade, Transportation, and Utilities Sector - July 2024

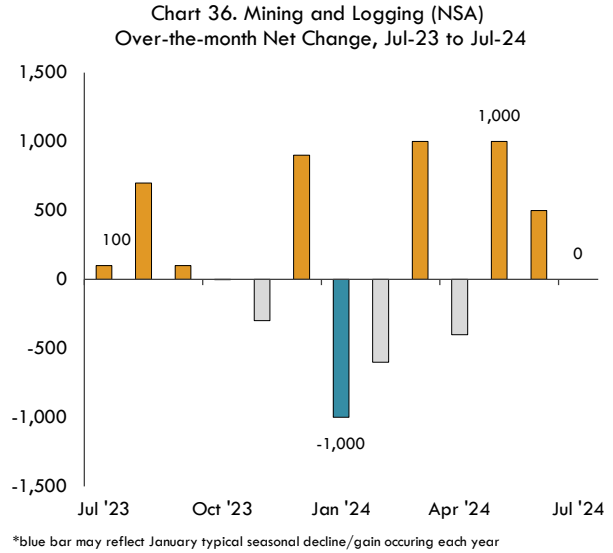


GAINING INDUSTRY HIGHLIGHTS

Mining and Logging

Over-the-month Change

Mining and Logging was unchanged over the month. (see Chart 36). Historically in the month of July, Mining and Logging has added an average of 300 jobs over the month, which indicates that this month's net zero change is slightly below the long-term average. Mining and Logging employment was revised upward by 600 jobs for a May to June complete erasure of losses resulting in a net gain of 500 compared to an original estimate of -100 jobs.

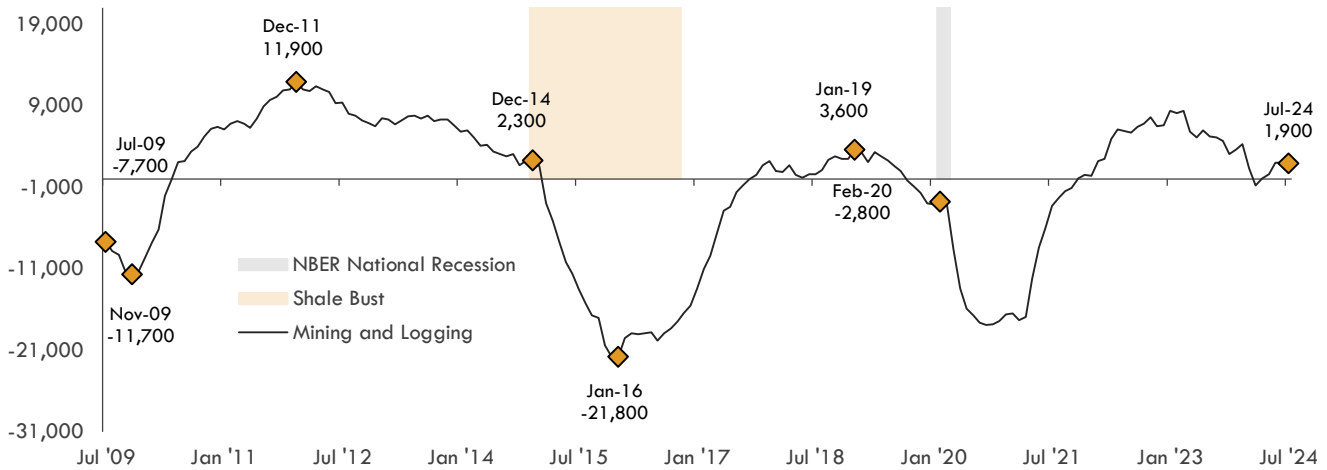


Over-the-year Change

Year over year, Mining and Logging was up 1,900 jobs, or 2.7 percent (see Chart 37). This July also marks five consecutive months of over-the-year gains. Oil and Gas Extraction was the largest contributor to the overall sector's increase, up 900 jobs over the year. The second-largest contributor was Support Activities for Mining, which added 800 jobs from July a year ago. Lastly, Other Mining and Logging Undefined contributed, 200 jobs. Total Mining and Logging employment (NSA) remains 5,700 jobs, or -7.3 percent below its February 2020 pre-pandemic level of 78,400. At the same time, the sector's share

of Houston area Total Nonfarm Employment has remained constant at 2.1 percent over the past year.

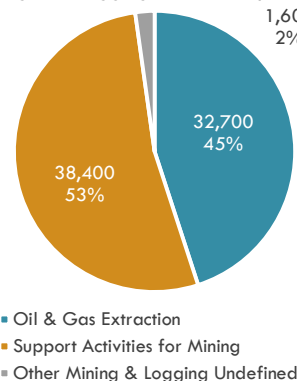
Chart 37. Mining and Logging (NSA)  
Over-the-year Net Change, Jul-09 to Jul-24



About This Sector

This sector comprises establishments extracting naturally occurring minerals such as coal and ores; liquid minerals, such as crude petroleum and natural gas; and timber. Of the three main component industries, Support Activities for Mining accounts for a slight majority of the sector's employment at just over 53 percent (see Chart 38). Across the Houston MSA, the concentration of jobs in the overall Mining and Logging sector is 5.2 times the national average, due to the region's role as a global hub for the oil and gas industry.

Chart 38. Employment in Component Industries of Mining and Logging Sector - July 2024



## Local Area Unemployment Statistics

### Not-Seasonally Adjusted

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

The Houston MSA (not-seasonally-adjusted) unemployment rate stood at 4.8 percent in July, unchanged from June's 4.8 percent and up from 4.5 percent a year ago. This was above the statewide rate of 4.4 percent and above the national rate of 4.5 percent. Performance of the unemployment rate in July has been mixed historically with a 60/40 split of declines to increases. 180,700 individuals were unemployed in Houston in July, down slightly from June's 179,401 and up from 163,162 in July 2023 (see Charts 39 and 40).

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

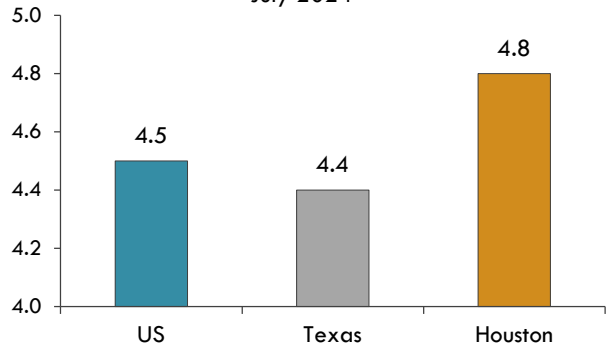
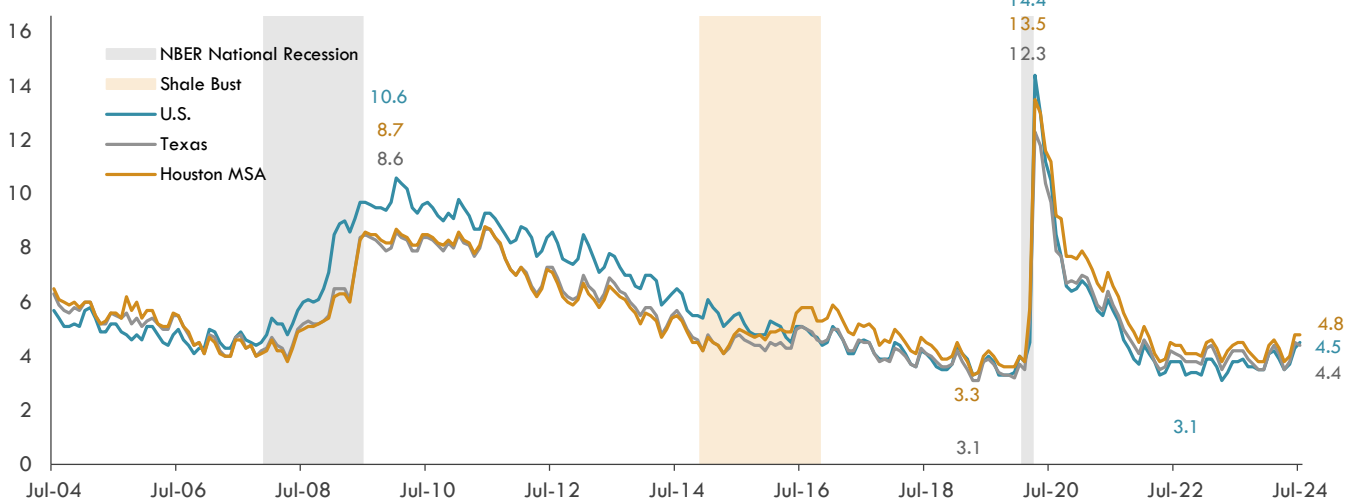


Chart 40. Unemployment Rates U.S., Texas, and Houston MSA (NSA)  
July 2004 to July 2024

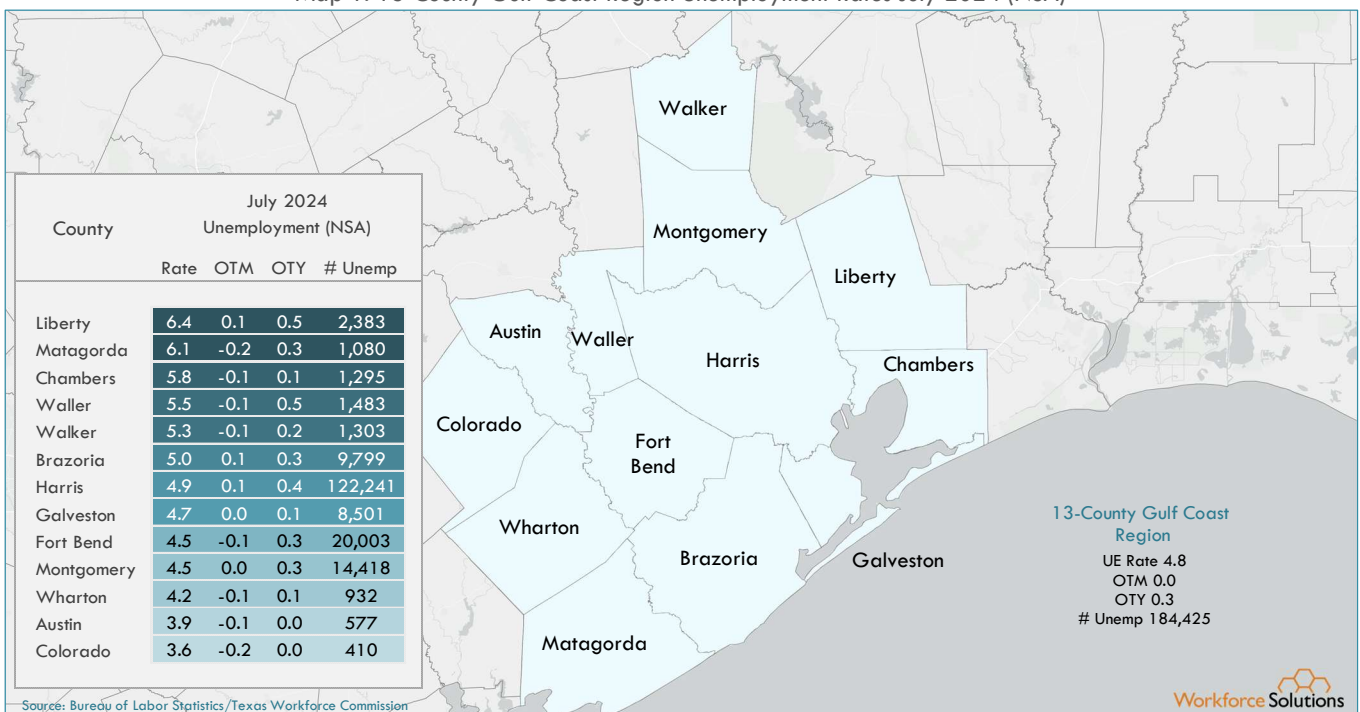


#### County-level Unemployment

Among the 13 counties that comprise the Gulf Coast Workforce Development Area, unemployment rates in July ranged from a high of 6.4 percent in Liberty County to a low of 3.6 percent in Colorado. Over the month, eight counties saw their unemployment rates decline in contrast to no change on average across the region while three increased and two saw no changes. Over the year unemployment rates rose with, Liberty posting the largest increase, up 0.5 percentage points representing 230 more unemployed workers compared to a year ago followed by Waller (0.5 pp, 166 workers) and Harris (0.4 pp, 12,609

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 -264,430 as of this July (see Map 1 legend).

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



## Local Area Unemployment Statistics (continued)

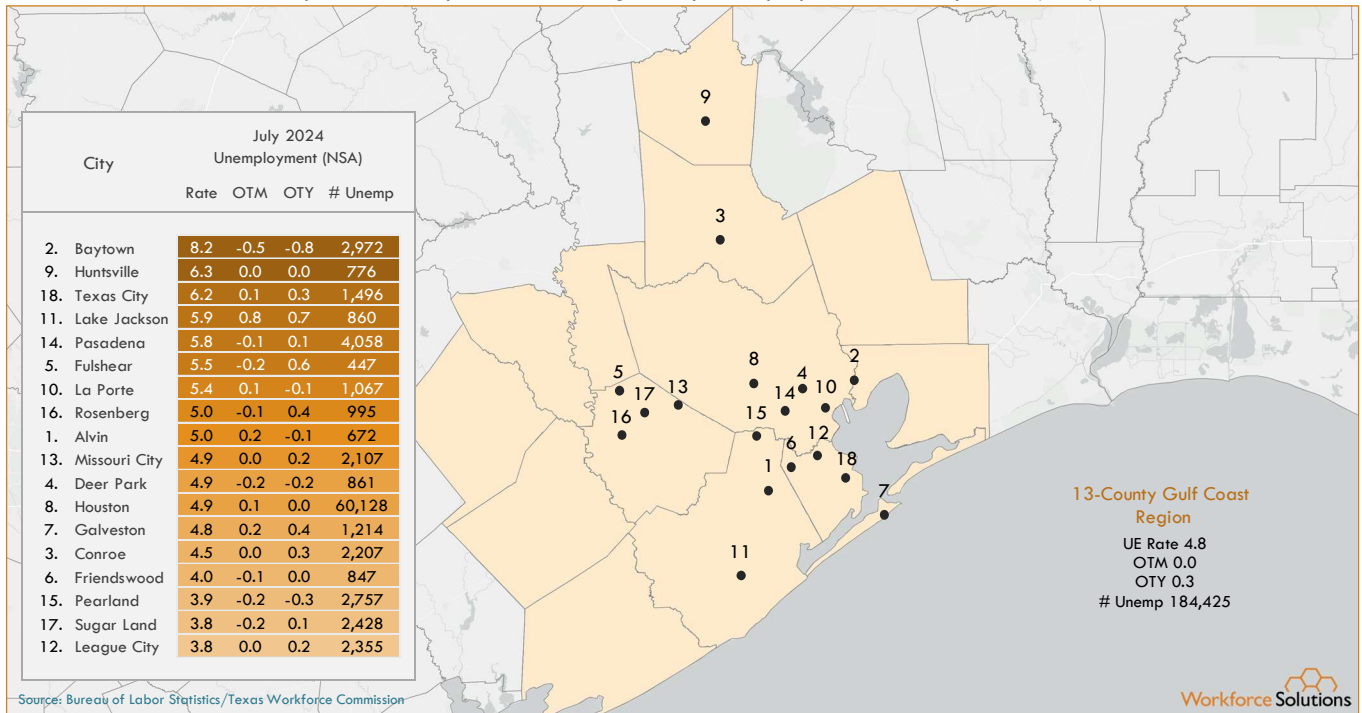
### Not-Seasonally Adjusted

#### Unemployment Rates for Select Municipalities

Among the 18 cities in the Gulf Coast Workforce Development Area for which Local Area Unemployment Statistics are available, unemployment rates in July ranged from a high of 8.2 percent in Baytown to a low of 3.8 percent in League City (see Map 2 legend). Over the month, eight cities saw their unemployment rates decline in contrast to no change on average across the region while six increased and four saw no changes. Over the year unemployment rates rose with, Lake Jackson

posting the largest increase, up 0.7 percentage points representing 130 more unemployed workers compared to a year ago followed by Fulshear (0.6 pp, 59 workers) and Galveston (0.4 pp, 145 workers). The 18 cities below accounted for 48 percent of the 184,425 unemployed workers across the Gulf Coast Region as of this July (see Map 2 legend).

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



### Seasonally Adjusted

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

The Houston MSA (seasonally-adjusted) unemployment rate stood at 4.3 percent in June, up from May's 4.2 percent and unchanged from a year ago. This was above the statewide rate of 4.0 percent and above the national rate of 4.1 percent. 158,295 individuals were unemployed in Houston in June, up from May's 155,004 and up from 154,158 in June 2023 (see Charts 41 and 42). NOTE: Seasonally-adjusted data for the MSA are available with a one-month delay but are not available for the 13-County Region or 18 cities.

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

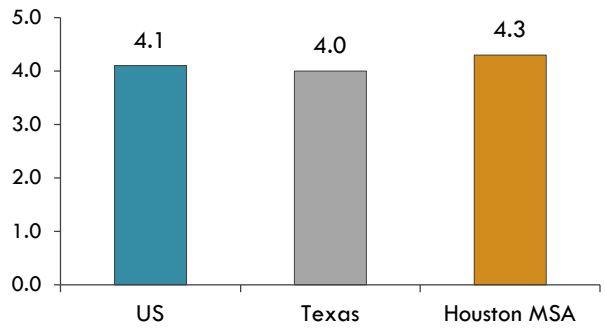
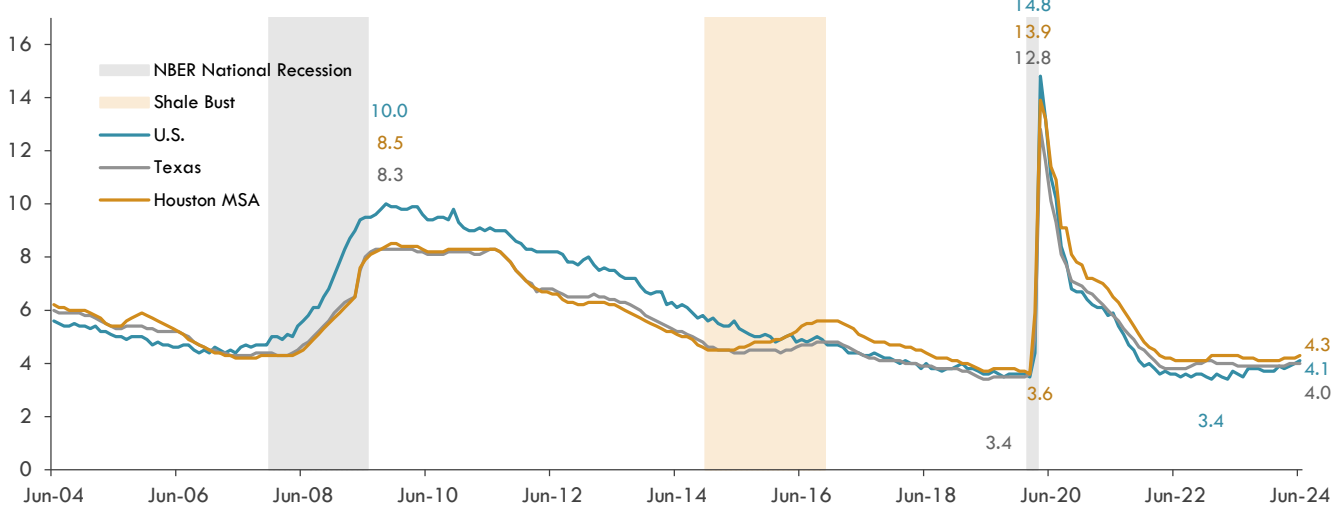


Chart 42. Unemployment Rates U.S., Texas, and Houston MSA (SA)  
 June 2004 to June 2024





Gulf Coast Workforce Solutions Index (WSI)

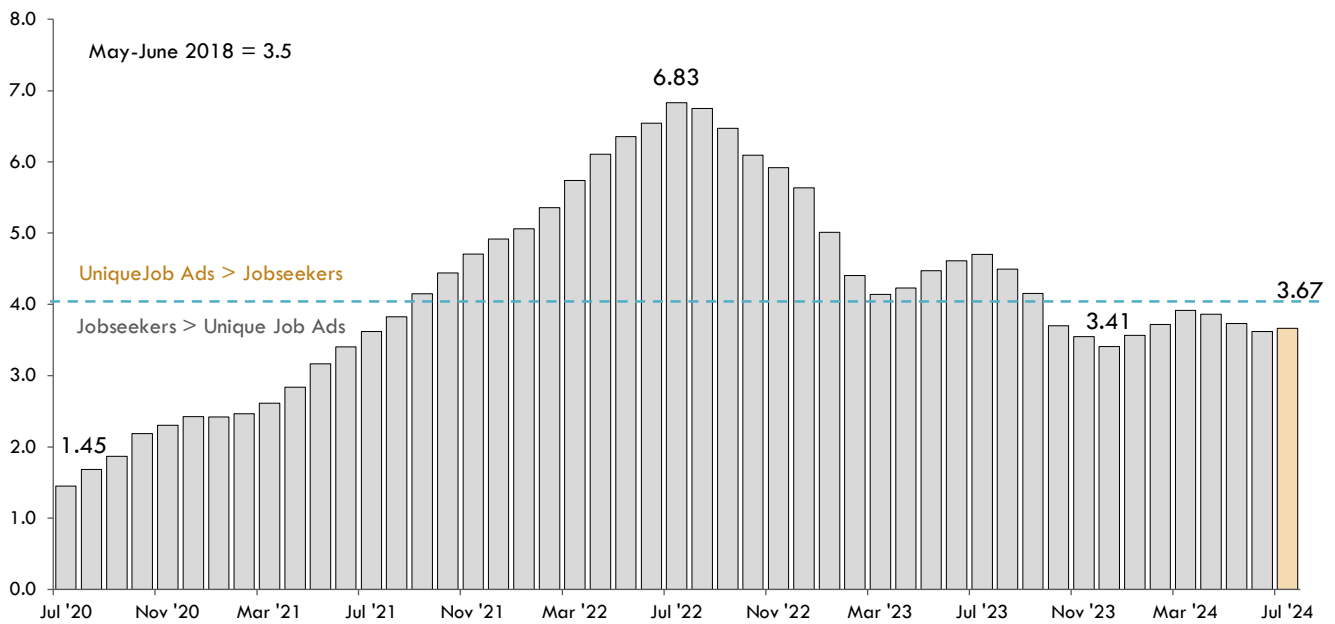


**The Gulf Coast Workforce Solutions Index (WSI)**

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

WSI Reading  
July  
2024:  
**3.67**

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



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



**Workforce Solutions Index July 2024**

The Houston MSA WSI for July stood at 3.67, up slightly from June's reading of 3.62. This was the result of a modest increase in the number of active job ads exceeding an equally modest increase in the number of unemployed individuals. The net effect of these changes was a slight rise in the index without a meaningful change in leverage held by employers relative to job seekers.

Despite the index rising since December 2023 to approach the index equilibrium of 4.0, a value of 3.67 continues to suggest that a requirement of three work search activities may be appropriate for individuals receiving unemployment insurance given the relative availability of jobs at present.



# Houston Area Employment Situation

July 2024

Table 1. Houston MSA Sectors and Major Industry Subcomponents

NAICS Industry	Jul-24	Jun-24	Jul-23	Monthly	Monthly	Yearly	Yearly %
<b>Total Nonfarm</b>	<b>3,429,000</b>	<b>3,459,000</b>	<b>3,354,500</b>	<b>-30,000</b>	<b>-0.9%</b>	<b>74,500</b>	<b>2.2%</b>
Total Private	2,989,600	3,001,700	2,934,800	-12,100	-0.4%	54,800	1.9%
Goods Producing	553,100	555,100	535,800	-2,000	-0.4%	17,300	3.2%
<b>..Mining and Logging</b>	<b>72,700</b>	<b>72,700</b>	<b>70,800</b>	<b>0</b>	<b>0.0%</b>	<b>1,900</b>	<b>2.7%</b>
...Oil and Gas Extraction	32,700	32,800	31,800	-100	-0.3%	900	2.8%
...Support Activities for Mining	38,400	38,400	37,600	0	0.0%	800	2.1%
<b>..Construction</b>	<b>242,600</b>	<b>243,500</b>	<b>230,900</b>	<b>-900</b>	<b>-0.4%</b>	<b>11,700</b>	<b>5.1%</b>
..Construction of Buildings	65,000	64,800	60,000	200	0.3%	5,000	8.3%
..Heavy and Civil Engineering Construction	57,900	57,900	52,600	0	0.0%	5,300	10.1%
..Specialty Trade Contractors	119,700	120,800	118,300	-1,100	-0.9%	1,400	1.2%
<b>..Manufacturing</b>	<b>237,800</b>	<b>238,900</b>	<b>234,100</b>	<b>-1,100</b>	<b>-0.5%</b>	<b>3,700</b>	<b>1.6%</b>
..Durable Goods	149,100	150,400	145,400	-1,300	-0.9%	3,700	2.5%
...Fabricated Metal Product Manufacturing	52,600	53,100	50,800	-500	-0.9%	1,800	3.5%
...Machinery Manufacturing	43,100	43,500	42,600	-400	-0.9%	500	1.2%
....Agriculture, Construction, and Mining Machinery Mfg.	23,100	23,200	22,800	-100	-0.4%	300	1.3%
...Computer and Electronic Product Manufacturing	14,600	14,700	14,500	-100	-0.7%	100	0.7%
..Non-Durable Goods	88,700	88,500	88,700	200	0.2%	0	0.0%
...Petroleum and Coal Products Manufacturing	8,200	8,100	8,000	100	1.2%	200	2.5%
...Chemical Manufacturing	42,200	42,000	42,500	200	0.5%	-300	-0.7%
Service Providing	2,875,900	2,903,900	2,818,700	-28,000	-1.0%	57,200	2.0%
.Private Service Providing	2,436,500	2,446,600	2,399,000	-10,100	-0.4%	37,500	1.6%
<b>..Trade, Transportation, and Utilities</b>	<b>688,500</b>	<b>687,200</b>	<b>686,100</b>	<b>1,300</b>	<b>0.2%</b>	<b>2,400</b>	<b>0.3%</b>
...Wholesale Trade	181,800	179,600	178,200	2,200	1.2%	3,600	2.0%
....Merchant Wholesalers, Durable Goods	114,000	112,500	111,200	1,500	1.3%	2,800	2.5%
....Prof. and Commercial Equip. Supplies Wholesalers	19,000	18,600	18,800	400	2.2%	200	1.1%
....Merchant Wholesalers, Nondurable Goods	56,000	55,300	55,100	700	1.3%	900	1.6%
...Retail Trade	316,900	316,300	319,000	600	0.2%	-2,100	-0.7%
....Motor Vehicle and Parts Dealers	44,400	44,300	44,300	100	0.2%	100	0.2%
....Bldg. Material and Garden Equip. and Supplies Dealers	23,900	24,000	24,300	-100	-0.4%	-400	-1.6%
....Food and Beverage Stores	74,700	74,400	74,300	300	0.4%	400	0.5%
....Health and Personal Care Stores	61,600	61,400	61,900	200	0.3%	-300	-0.5%
....Clothing and Clothing Accessories Stores	19,400	19,300	19,400	100	0.5%	0	0.0%
....General Merchandise Stores	42,200	42,100	42,500	100	0.2%	-300	-0.7%
....Department Stores	20,800	20,900	21,200	-100	-0.5%	-400	-1.9%
....Other General Merchandise Stores	26,200	26,100	26,600	100	0.4%	-400	-1.5%
...Transportation, Warehousing, and Utilities	189,800	191,300	188,900	-1,500	-0.8%	900	0.5%
....Utilities	23,200	23,300	22,000	-100	-0.4%	1,200	5.5%
....Air Transportation	22,600	22,700	22,300	-100	-0.4%	300	1.3%
....Truck Transportation	30,000	30,100	30,200	-100	-0.3%	-200	-0.7%
....Pipeline Transportation	14,300	14,200	13,700	100	0.7%	600	4.4%
<b>..Information</b>	<b>32,600</b>	<b>32,800</b>	<b>33,400</b>	<b>-200</b>	<b>-0.6%</b>	<b>-800</b>	<b>-2.4%</b>
...Telecommunications	11,300	11,400	11,600	-100	-0.9%	-300	-2.6%
<b>..Financial Activities</b>	<b>191,500</b>	<b>190,100</b>	<b>187,100</b>	<b>1,400</b>	<b>0.7%</b>	<b>4,400</b>	<b>2.4%</b>
...Finance and Insurance	122,300	121,500	119,900	800	0.7%	2,400	2.0%
....Credit Intermediation and Related Activities	48,700	48,500	47,800	200	0.4%	900	1.9%
....Depository Credit Intermediation	31,300	31,200	30,800	100	0.3%	500	1.6%
....Securities, Commodity Contracts, and Fin. Investments	25,100	24,900	25,000	200	0.8%	100	0.4%
....Insurance Carriers and Related Activities	48,500	48,100	47,100	400	0.8%	1,400	3.0%
...Real Estate and Rental and Leasing	69,200	68,600	67,200	600	0.9%	2,000	3.0%
<b>..Professional and Business Services</b>	<b>560,800</b>	<b>564,100</b>	<b>557,000</b>	<b>-3,300</b>	<b>-0.6%</b>	<b>3,800</b>	<b>0.7%</b>
...Professional, Scientific, and Technical Services	283,100	281,500	276,500	1,600	0.6%	6,600	2.4%
....Legal Services	32,800	32,800	32,400	0	0.0%	400	1.2%
....Accounting, Tax Preparation, Bookkeeping, and Payroll	29,000	28,900	29,100	100	0.3%	-100	-0.3%
....Architectural, Engineering, and Related Services	78,600	77,200	74,300	1,400	1.8%	4,300	5.8%
....Computer Systems Design and Related Services	41,000	41,000	42,500	0	0.0%	-1,500	-3.5%
...Management of Companies and Enterprises	47,100	47,400	46,900	-300	-0.6%	200	0.4%
...Admin. and Support and Waste Mgmt. and Remediation	230,600	235,200	233,600	-4,600	-2.0%	-3,000	-1.3%
....Administrative and Support Services	217,400	222,000	221,000	-4,600	-2.1%	-3,600	-1.6%
....Employment Services	78,500	80,600	79,800	-2,100	-2.6%	-1,300	-1.6%
....Services to Buildings and Dwellings	55,900	56,900	57,400	-1,000	-1.8%	-1,500	-2.6%
<b>..Educational and Health Services</b>	<b>462,900</b>	<b>467,500</b>	<b>445,200</b>	<b>-4,600</b>	<b>-1.0%</b>	<b>17,700</b>	<b>4.0%</b>
...Educational Services	69,800	73,800	67,700	-4,000	-5.4%	2,100	3.1%
...Health Care and Social Assistance	393,100	393,700	377,500	-600	-0.2%	15,600	4.1%
....Ambulatory Health Care Services	197,800	199,000	191,100	-1,200	-0.6%	6,700	3.5%
....Hospitals	99,200	98,600	93,600	600	0.6%	5,600	6.0%
<b>..Leisure and Hospitality</b>	<b>365,900</b>	<b>368,900</b>	<b>363,300</b>	<b>-3,000</b>	<b>-0.8%</b>	<b>2,600</b>	<b>0.7%</b>
...Arts, Entertainment, and Recreation	42,300	42,300	42,200	0	0.0%	100	0.2%
...Accommodation and Food Services	323,600	326,600	321,100	-3,000	-0.9%	2,500	0.8%
....Accommodation	27,100	27,600	27,600	-500	-1.8%	-500	-1.8%
....Food Services and Drinking Places	296,500	299,000	293,500	-2,500	-0.8%	3,000	1.0%
<b>..Other Services</b>	<b>134,300</b>	<b>136,000</b>	<b>126,900</b>	<b>-1,700</b>	<b>-1.3%</b>	<b>7,400</b>	<b>5.8%</b>
<b>Government</b>	<b>439,400</b>	<b>457,300</b>	<b>419,700</b>	<b>-17,900</b>	<b>-3.9%</b>	<b>19,700</b>	<b>4.7%</b>
.Federal Government	34,600	34,200	33,300	400	1.2%	1,300	3.9%
.State Government	96,400	97,000	93,300	-600	-0.6%	3,100	3.3%
..State Government Educational Services	51,700	52,700	50,700	-1,000	-1.9%	1,000	2.0%
.Local Government	308,400	326,100	293,100	-17,700	-5.4%	15,300	5.2%
..Local Government Educational Services	207,600	224,400	196,200	-16,800	-7.5%	11,400	5.8%