

Houston Area Employment Situation

November 2024

CURRENT EMPLOYMENT AND LOCAL AREA UNEMPLOYMENT STATISTICS

November Sees Typical Holiday Season Growth with 55,400 Jobs Forecasted by Year's End 2025

Total Nonfarm

Over-the-month Change

Houston MSA Total Nonfarm employment stood at 3,496,500 in November, up 20,300 jobs over the month, or 0.6 percent on a not-seasonally-adjusted basis (see Chart 1). A year ago Houston registered an over-the-month increase of 20,200 jobs. This was the largest November over-the-month gain in since 2022. Prior to the pandemic, historically in the month of November, Total Nonfarm has on average added 11,900 jobs over the month, which indicates that this month's gains are substantially above the long-term average.

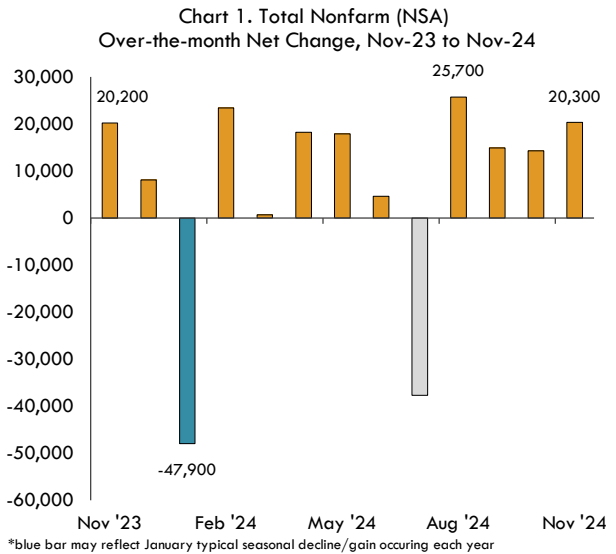
The primary drivers of this November's growth were increases in Trade, Transportation, and Utilities; Government; and Private Education and Health Services. Gains were also recorded in Professional and Business Services; Financial Activities; and Information. The net increase in jobs over the month was partially offset by losses in Leisure and Hospitality; Other Services; and Mining and Logging. (see Chart 2). Houston MSA Total Nonfarm (seasonally adjusted) employment stood at 3,472,800, up 7,600 jobs over the month, or 0.2 percent vs. a historical average of 3,300. 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 November

- Trade, Transportation, and Utilities: 11,500
- Government: 3,600
- Private Education and Health Services: 2,700

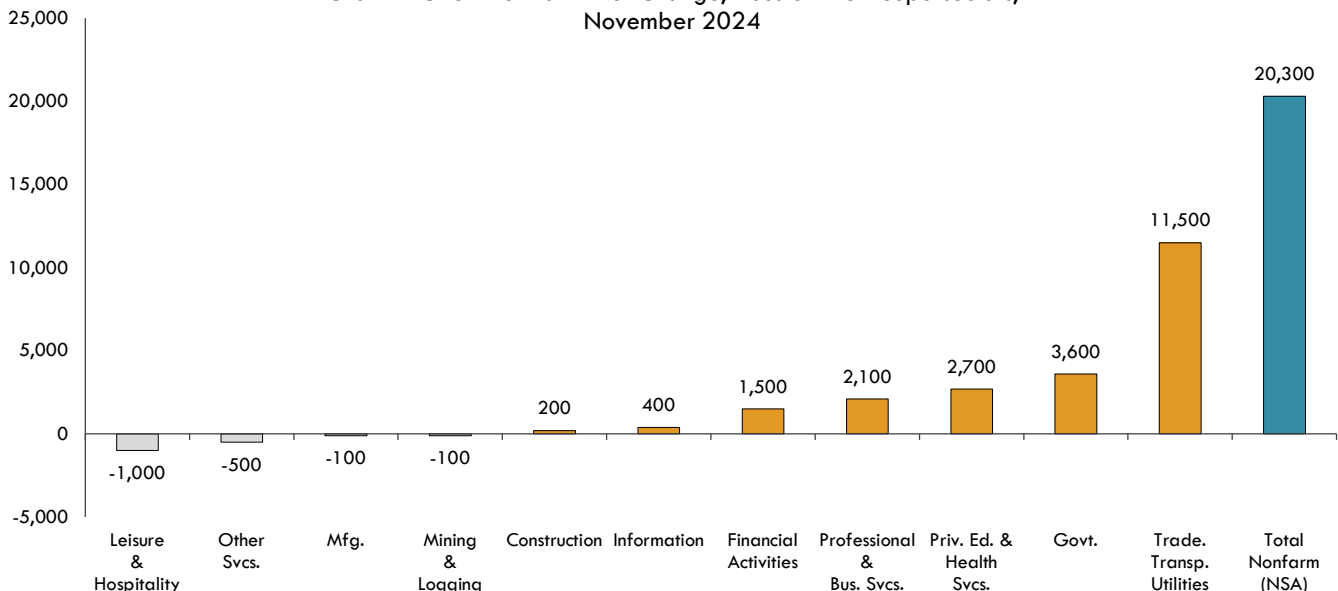
Over-the-year Change

Over the year, Total Nonfarm employment was up 62,500 or 1.8 percent on a not-seasonally-adjusted basis and up 62,800 or 1.8 percent on a seasonally-adjusted basis (see NSA Chart 3). To compare, November 2023 saw a year-over-year gain of 95,300 jobs (NSA) from November 2022. Currently 9 out of 11 sectors show growth year over year of which the top-three are Construction (16,100); Private Education and Health Services (12,600); and Financial Activities (7,800) (see Chart 4). Total Nonfarm employment not-seasonally-adjusted now exceeds its



February 2020 pre-pandemic level of 3,191,800 jobs by 304,700, or 9.5 percent (275,800 jobs, 8.6 percent above 3,197,000 seasonally adjusted).

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



Houston Area Employment Situation

November 2024

Previous Month's Revisions

Total Nonfarm employment was revised upward by 2,200 jobs for a September to October larger net gain of 14,300 compared to an original estimate of 12,100 jobs. An upward revision of +1,700 jobs in Trade, Transportation, and Utilities was the largest contributor followed by Professional and Business Services (+1,600) and Leisure and Hospitality (+1,300). Downward revisions in Other Services (-1,100), Construction (-1,000), and Manufacturing (-300) provided a partial offset of the overall upward revision to Total Nonfarm employment (see Chart 5).

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

- Construction: 16,100
- Private Education and Health Services: 12,600
- Financial Activities: 7,800

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

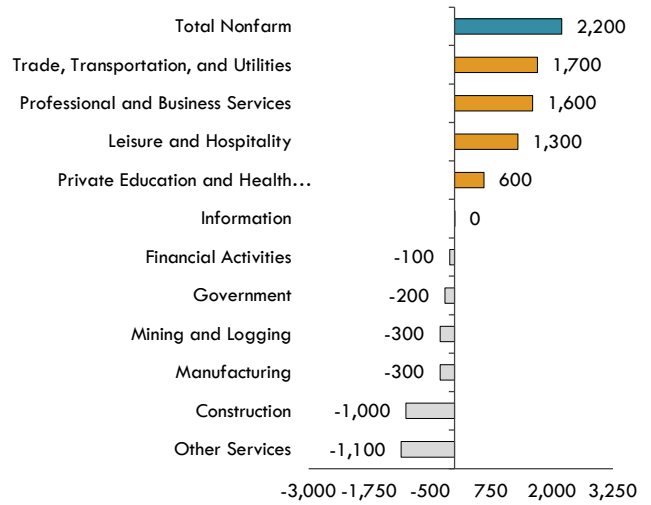


Chart 3. Total Nonfarm (NSA)
Over-the-year Net Change, Nov-09 to Nov-24

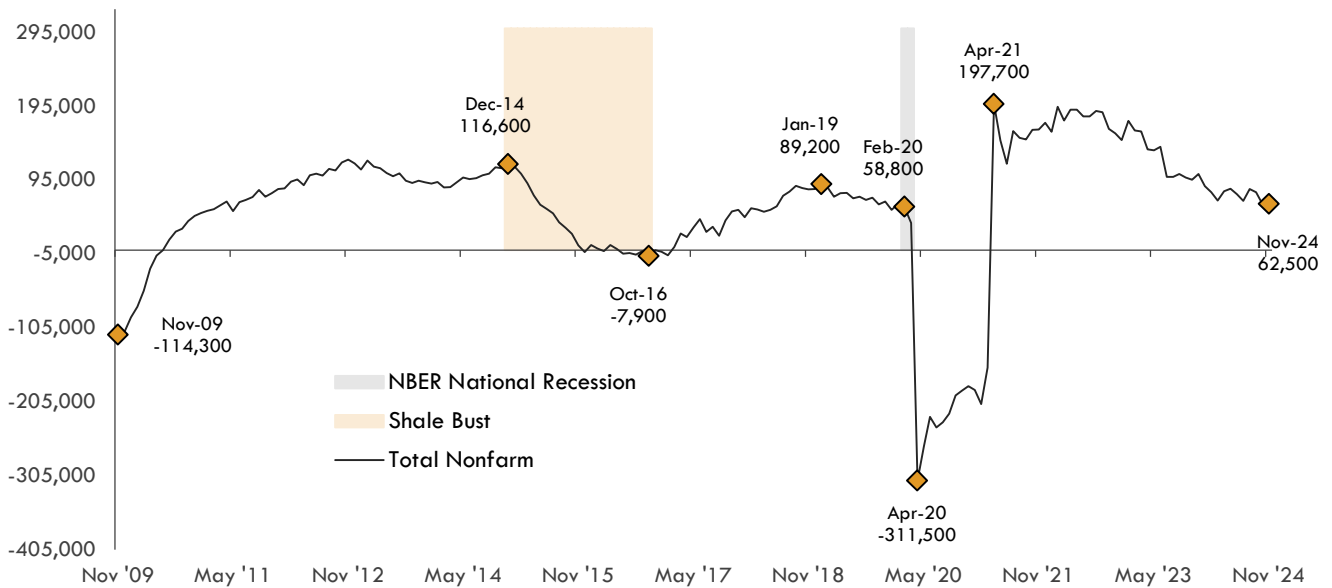
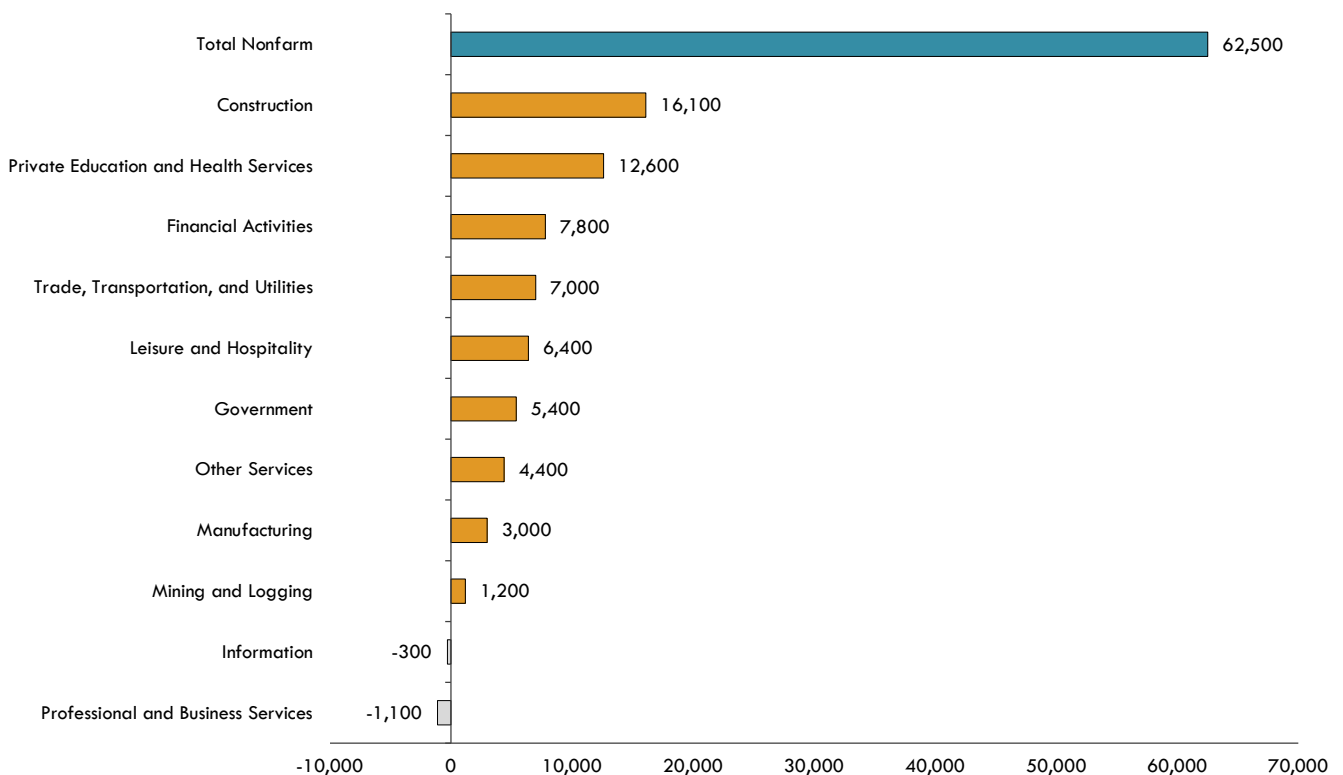


Chart 4. Over-the-year Net Change, Houston MSA Supersectors,
November 2023 to November 2024



Supplemental Commentary

Highlights from November and 2025 Employment Forecast

After October's less-than-stellar performance, November marked a return to average if not respectable job growth for Houston. Over the month, the region added 20,300 jobs not seasonally adjusted. As context, Total Nonfarm Employment (NSA) has seen job growth above 20,000 each November since 2019. Seasonally adjusted, the Houston MSA added 7,600 jobs over the month, which is in line with the average seen since 2017, excluding the 2x outlier years of 2020 and 2021. Overall, the typical drivers of November job growth played their respective parts with Trade, Transportation, and Utilities adding 11,500 jobs over the month with the bulk of gains coming from Retail as the holiday shopping season proceeded to get fully under way. Government, composed primarily of jobs in public education, added 3,600 jobs in keeping with residual hiring by ISDs, community colleges, and public universities late into the fall each year. Private Education and Healthcare added 3,000 jobs with all gains coming from the latter segment. In fact the only industry sector to categorically underperform this November was Leisure and Hospitality with a loss of -1,000 jobs. As is the case most months, pinpointing the exact cause is difficult but the data suggests significant layoffs in the Arts, Entertainment and Recreation space (-1,000 jobs) along with below average gains among hotels and eating and drinking establishments.

Despite November's gains over the month, the damage done by October's poor showing has left the region's over-the-year growth near the lows of the year at 62,500 versus nearly 78,000 as recently as September. However, as 2024 winds down, Houston's labor market continues to demonstrate its unique blend of resilience and transition. The region's recovery from the pandemic-induced job losses of 2020 has been extraordinary, marked by three consecutive years of annual job growth exceeding 100,000—a record-breaking achievement. This surge was fueled by the rapid reopening of the economy, robust demand across key sectors, and sustained elevated energy prices. However, 2024 saw a noticeable slowdown, with job gains projected to total around 50,000—the slowest pace since 2010, excluding shale bust and pandemic years. This decline reflects a normalization of growth as the market aligns with Houston's long-term average of 65,000 annual job gains, signaling the end of an “overheating” period.

In spite of the deceleration, Houston's labor market remains dynamic and robust. Nearly all major industries have surpassed their pre-pandemic employment levels. Most industries tied to oil and gas have also expanded, supported by stable and elevated oil prices. Sectors such as financial activities and private education & health services have demonstrated impressive job gain, achieving growth even in a high-interest-rate environment. However, mining and logging have struggled to regain pre-pandemic employment levels, hindered by the adoption of new technologies and the lingering impacts of the shale bust. Similarly, durable goods manufacturing, which is closely linked to the oil and gas sector, continues to face long-term challenges, preventing it from fully returning to February 2020 employment levels.

Inflation, once a pressing concern, has markedly improved. After peaking at 10.2% in mid-2022, it now sits at a manageable 2.1%, thanks to Federal Reserve policies and the easing of pandemic-era supply chain constraints. However, consumer spending in Houston reveals a more cautious picture. Data from sales taxes on retail goods and services indicates that while nominal spending has increased, inflation-adjusted figures have stagnated.

Looking ahead to 2025, Houston is expected to add approximately 55,000 jobs—a rate of growth that, while slower than the post-pandemic surge, indicates sustained economic vitality. Health care and social assistance are poised to lead this expansion, driven by ongoing investments and demographic trends, such as an aging population. The government sector, particularly public education, is also expected to grow following recent hiring pattern and adapts to growing population in the region and student enrollment.

However, headwinds persist in certain industries. Construction, which has been a standout performer, is projected to shed approximately 7,000 jobs due to cautious housing market forecasts and expectation for interest rates changes. Durable goods manufacturing, heavily tied to the oil sector, faces continued challenges from global market shifts and technological advancements.

Overall, Houston's labor market remains healthy, balancing steady growth with a recalibration of expectations. While the extraordinary gains of recent years may have passed, the city's diverse economy and strong foundations position it well for continued success in 2025 and beyond.

Continues on next page

Year-end 2025 Houston Area Employment Forecast

Industry Sector	Net Change
Health Care and Social Assistance	15,100
Government	12,200
Professional and Business Services	10,100
Transportation Warehousing and Utilities	7,400
Leisure and Hospitality	6,200
Other Services	5,800
Wholesale Trade	3,500
Financial Activities	2,000
Private Educational Services	1,800
Non-durable Goods	1,600
Mining and Logging	1,200
Information	0
Retail Trade	-1,700
Durable Goods	-2,400
Construction	-7,400
Total	55,400

Section intentionally left blank



Happy holidays!

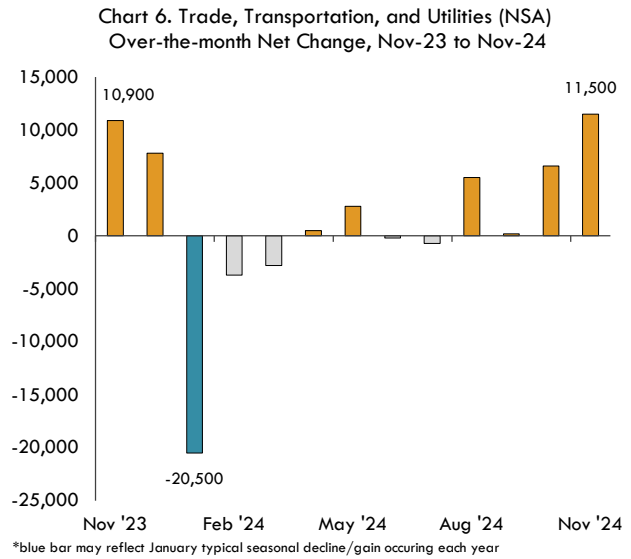


GAINING INDUSTRY HIGHLIGHTS

Trade, Transportation, and Utilities

Over-the-month Change

Trade, Transportation, and Utilities was the largest gaining sector over the month up 11,500 jobs, or 1.6 percent (see Chart 6). This was the largest November over-the-month gain in since 2022. Historically in the month of November, Trade, Transportation, and Utilities has added an average of 9,300 jobs over the month, which indicates that this month's gains are slightly above the long-term average. Retail Trade was the largest contributor to the overall sector's increase, up 7,000 jobs over the month. The second-largest contributor was Transportation, Warehousing, and Utilities, which added 3,600 jobs from October to November. Lastly, Wholesale Trade contributed, 900 jobs. Trade, Transportation, and Utilities employment was revised upward by 1,700 jobs for a September to October larger net gain of 6,600 compared to an original estimate of 4,900 jobs.

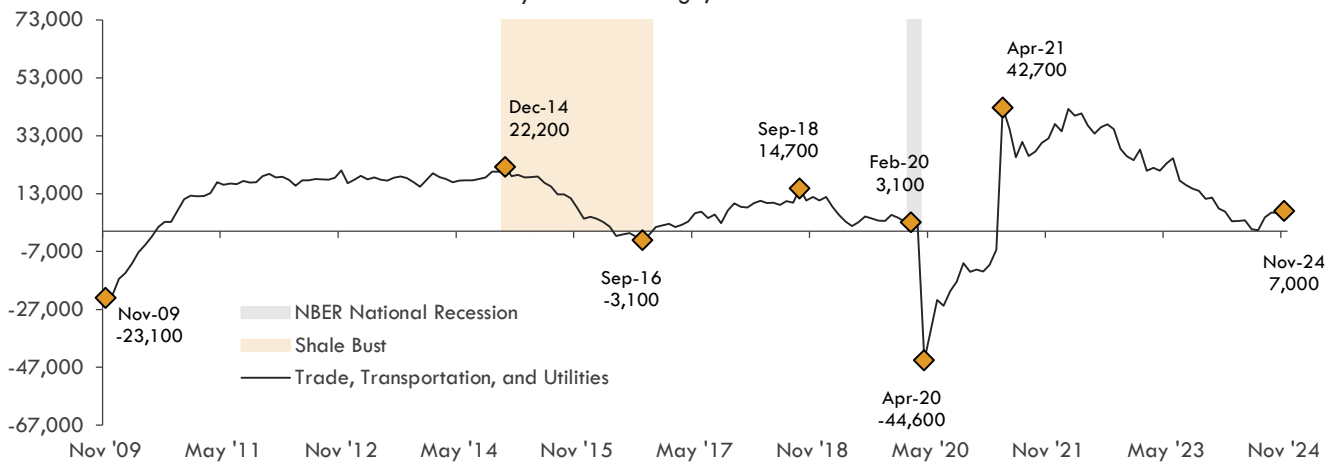


Over-the-year Change

Year over year, Trade, Transportation, and Utilities was up 7,000 jobs, or 1.0 percent (see Chart 7). This was the largest over-the-year gain since January 2024's increase of 7,900 jobs. It also marks 44 consecutive months of over-the-year gains. Wholesale Trade was the largest contributor to the overall sector's increase, up 6,800 jobs over the year. The second-largest contributor was Retail Trade, which added 1,600 jobs from November a year ago. Lastly, Transportation, Warehousing, and Utilities offset a portion of the sector's gains with a loss of -1,400 jobs. Total Trade, Transportation, and Utilities employment

Utilities (NSA) now exceeds its February 2020 pre-pandemic level of 628,500 jobs by 81,800, or 13.0 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has fallen from 20.5 percent to 20.3 percent over the past year.

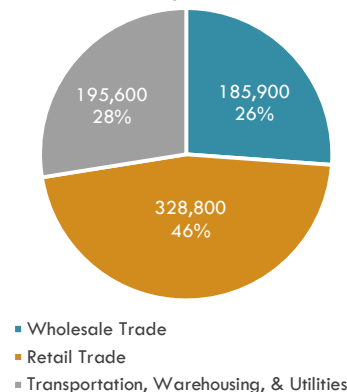
Chart 7. Trade, Transportation, and Utilities (NSA)
Over-the-year Net Change, Nov-09 to Nov-24



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 8).

Chart 8. Employment in Component Industries of Trade, Transportation, and Utilities Sector - November 2024

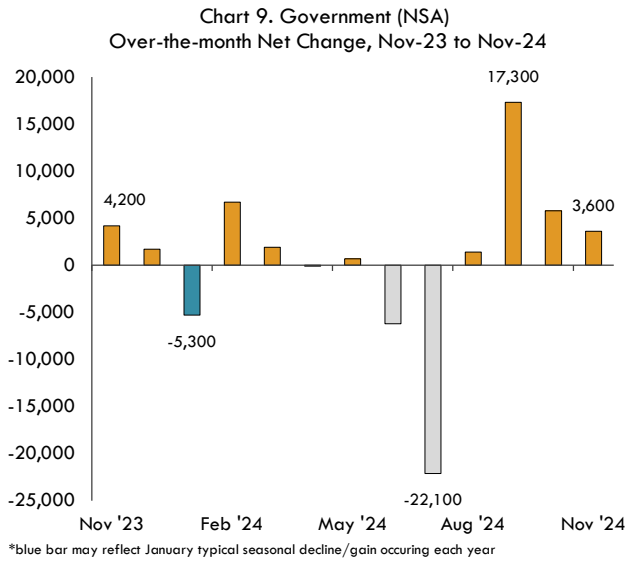


GAINING INDUSTRY HIGHLIGHTS

Government

Over-the-month Change

Government was the second-largest gaining sector over the month up 3,600 jobs, or 0.8 percent (see Chart 9). Historically in the month of November, Government has added an average of 2,300 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 2,700 jobs over the month. The second-largest contributor was Federal Government, which added 500 jobs from October to November. Lastly, State Government contributed, 400 jobs. Government employment was revised downward by -200 jobs for a September to October smaller net gain of 5,800 compared to an original estimate of 6,000 jobs.

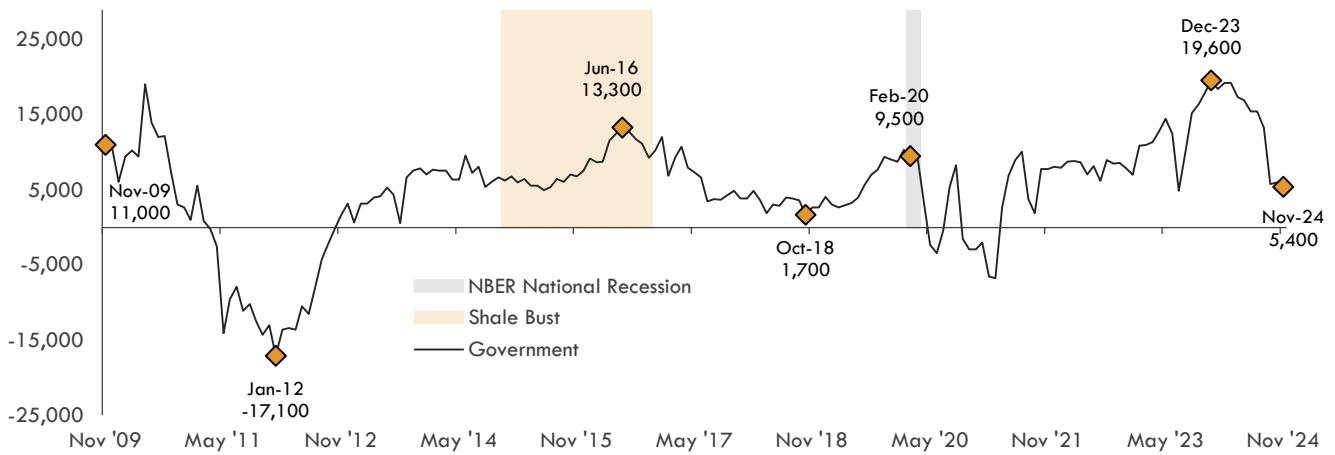


Over-the-year Change

Year over year, Government was up 5,400 jobs, or 1.2 percent (see Chart 10). This November also marks 44 consecutive months of over-the-year gains. Local Government was the largest contributor to the overall sector's increase, up 2,300 jobs over the year. The second-largest contributor was State Government, which added 2,200 jobs from November a year ago. Lastly, Federal Government contributed, 900 jobs. Total Government employment (NSA) now exceeds its February 2020 pre-pandemic level of 428,400 jobs by 34,900, or 8.1 percent. At the same time, the sector's share of Houston area Total Nonfarm

Employment has remained constant at 13.3 percent over the past year.

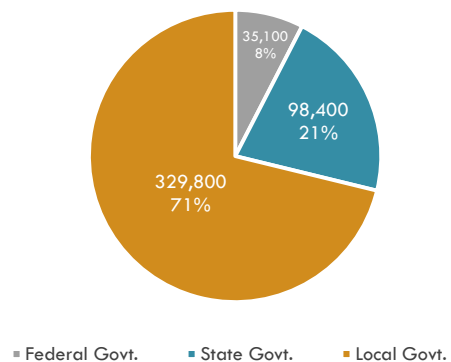
Chart 10. Government (NSA) Over-the-year Net Change, Nov-09 to Nov-24



About This Sector

This sector consists of establishments of federal, state, and local government agencies that administer, oversee, and manage public programs and have executive, legislative, or judicial authority over other institutions within a given area that are not performed by private establishments. For MSA data, this includes public education but excludes healthcare. Of the three main component industries, Local Government accounts for the majority of the sector's employment at 71 percent (see Chart 11). Across the Houston MSA, the concentration of jobs in the overall Government sector is 11 percent less than the national average.

Chart 11. Employment in Component Industries of Government Sector - November 2024

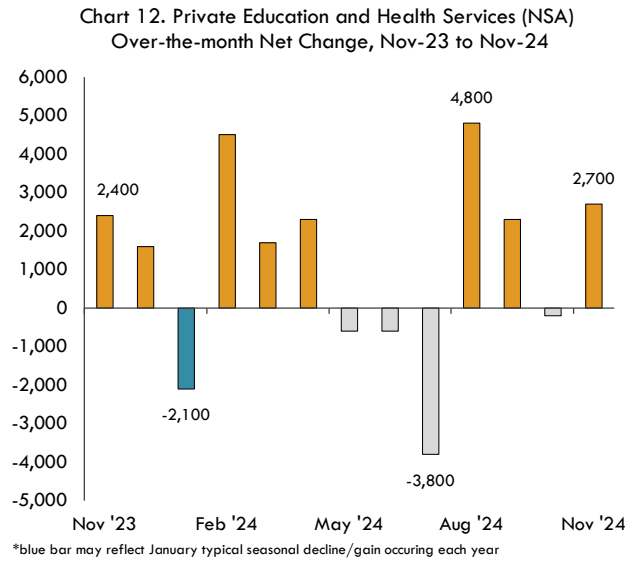


GAINING INDUSTRY HIGHLIGHTS

Private Education and Health Services

Over-the-month Change

Private Education and Health Services was the third-largest gaining sector over the month up 2,700 jobs, or 0.6 percent (see Chart 12). This was the largest November gain since 2020 and the second-largest gain historically for the month of November since records began in 1990. Historically in the month of November, Private Education and Health Services has added an average of 1,000 jobs over the month, which indicates that this month's gains are substantially above the long-term average. Health Care and Social Assistance was the largest contributor to the overall sector's increase, up 3,000 jobs over the month. One component industry that provided a partial offset was Private Educational Services, which lost -300 jobs from October to November. Private Education and Health Services employment was revised upward by 600 jobs for a September to October smaller net loss of -200 compared to an original estimate of -800 jobs.

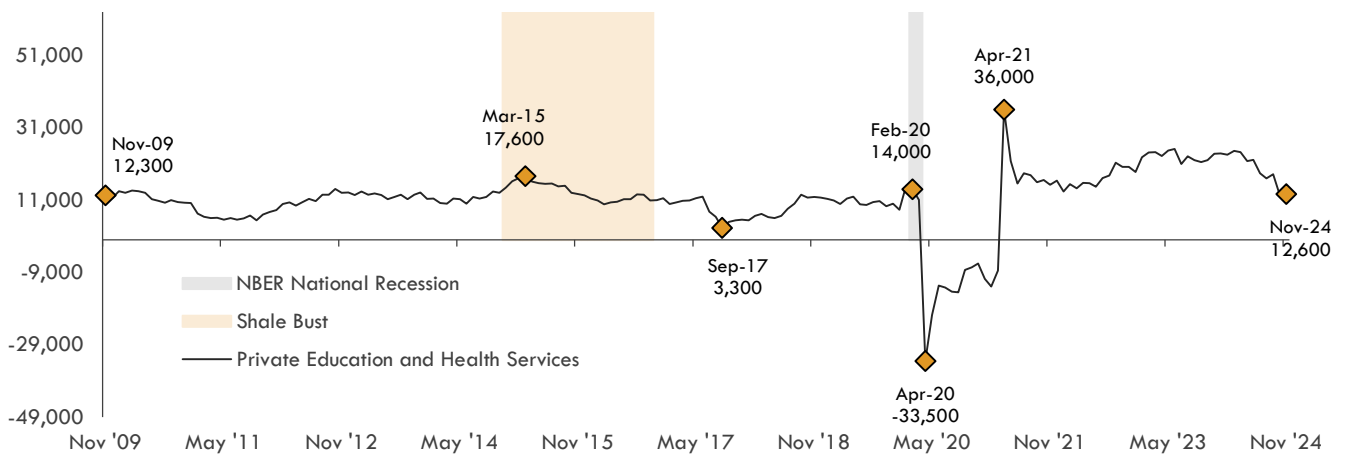


Over-the-year Change

Year over year, Private Education and Health Services was up 12,600 jobs, or 2.7 percent (see Chart 13). Furthermore, 19.7 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 11,700 jobs over the year. The second-largest contributor was Private Educational Services, which added 900 jobs from November a year ago. Total Private Education and Health Services employment (NSA) now exceeds its February 2020 pre-pandemic level of 414,400

jobs by 58,900, or 14.2 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has risen from 13.4 percent to 13.5 percent over the past year.

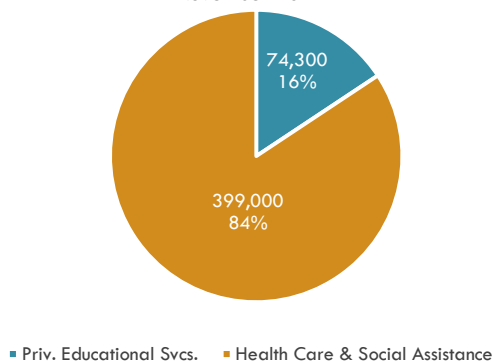
Chart 13. Private Education and Health Services (NSA)
Over-the-year Net Change, Nov-09 to Nov-24



About This Sector

This sector is composed of establishments that provide private education services (i.e. excluding publicly-funded primary, secondary, and postsecondary institutions) and establishments that provide healthcare and social assistance to individuals. Of the two main component industries, Health Care and Social Assistance accounts for the majority of the sector's employment at 84 percent (see Chart 14). Across the Houston MSA, the concentration of jobs in the overall sector is 19 percent less than the national average, despite the high physical concentration of healthcare jobs centered around Texas Medical Center.

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



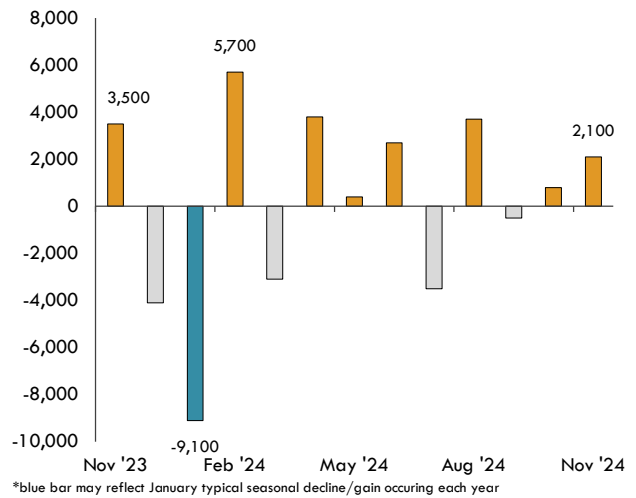
GAINING INDUSTRY HIGHLIGHTS

Professional and Business Services

Over-the-month Change

Professional and Business Services also saw an increase over the month up 2,100 jobs, or 0.4 percent (see Chart 15). Historically in the month of November, Professional and Business Services has added an average of 600 jobs over the month, which indicates that this month's gains are substantially above the long-term average. Administrative and Support and Waste Management and Remediation Services was the largest contributor to the overall sector's increase, up 1,300 jobs over the month. The second-largest contributor was Professional, Scientific, and Technical Services, which added 700 jobs from October to November. Lastly, Management of Companies and Enterprises contributed, 100 jobs. Professional and Business Services employment was revised upward by 1,600 jobs for a September to October complete erasure of losses resulting in a net gain of 800 compared to an original estimate of -800 jobs.

Chart 15. Professional and Business Services (NSA)
Over-the-month Net Change, Nov-23 to Nov-24

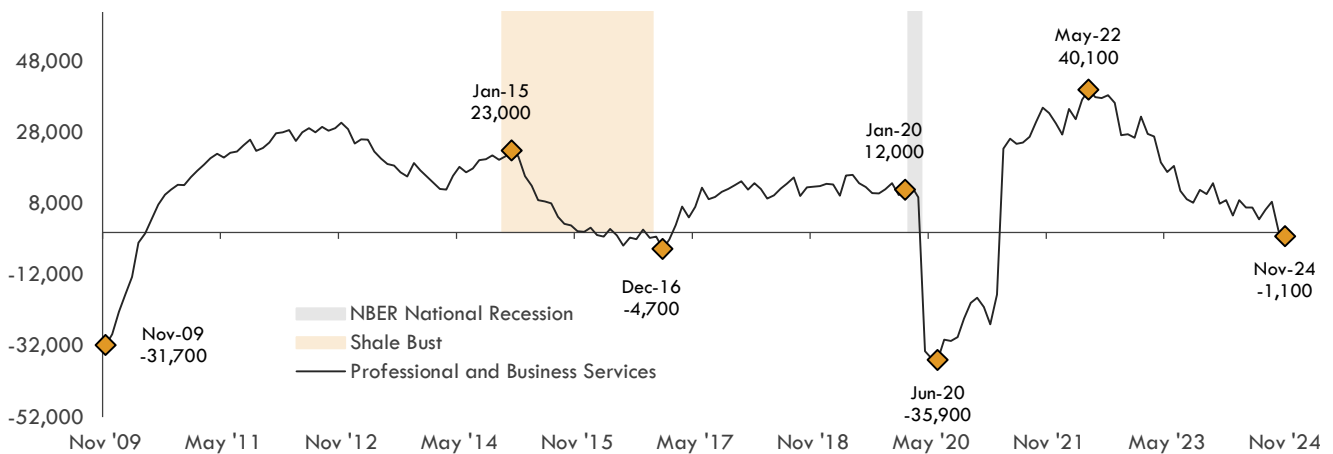


Over-the-year Change

Year over year, Professional and Business Services was down -1,100 jobs, or -0.2 percent (see Chart 16). This was the largest over-the-year decline since March 2021's decrease of -17,500 jobs. Among sectors currently showing contraction, this sector is the second-fastest declining in percentage terms across the Houston area. Furthermore, 78.6 percent of total (gross) jobs lost across the region over the past year can be attributed to Professional and Business Services. Administrative and Support and Waste Management and Remediation Services was the largest contributor to the overall sector's decline, down -7,700 jobs over

over the year. One component industry that provided a partial offset was Management of Companies and Enterprises, which gained 800 jobs from November a year ago. Lastly, Professional, Scientific, and Technical Services offset a portion of the sector's losses with a gain of 5,800 jobs. Total Professional and Business Services employment (NSA) now exceeds its February 2020 pre-pandemic level of 514,700 jobs by 52,000, or 10.1 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has fallen from 16.5 percent to 16.2 percent over the past year.

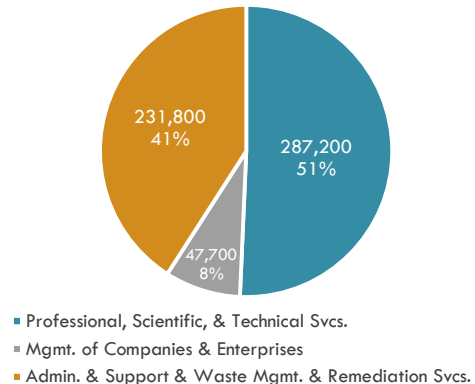
Chart 16. Professional and Business Services (NSA)
Over-the-year Net Change, Nov-09 to Nov-24



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 51 percent (see Chart 17). Across the Houston MSA, the concentration of jobs in the overall sector is 13 percent higher than the national average, due to a 19-percent higher concentration in Professional, Scientific, and Technical Services serving the oil and gas industry.

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

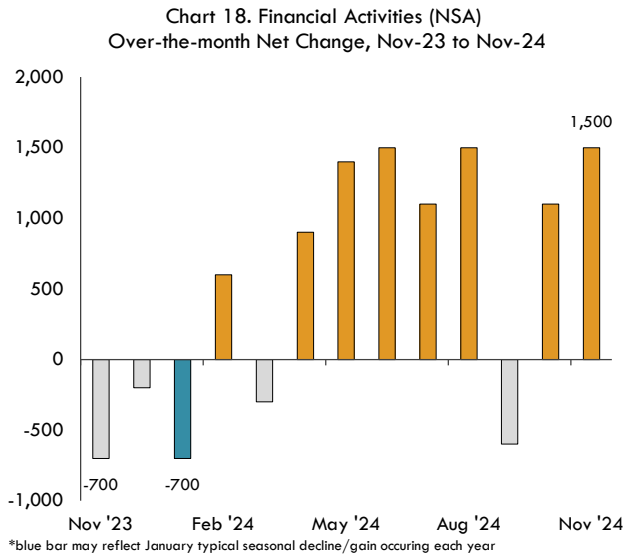


GAINING INDUSTRY HIGHLIGHTS

Financial Activities

Over-the-month Change

Financial Activities also saw an increase over the month up 1,500 jobs, or 0.8 percent (see Chart 18). This was the largest-ever gain in the month of November since records began in 1990, beating the previous November record of 600 jobs in 1996. Historically in the month of November, Financial Activities has lost an average of -100 jobs over the month, which indicates that this month's gains are substantially in contrast to the long-term average decline. Finance and Insurance was the largest contributor to the overall sector's increase, up 800 jobs over the month. The second-largest contributor was Real Estate and Rental and Leasing, which added 700 jobs from October to November. Financial Activities employment was revised downward by -100 jobs for a September to October smaller net gain of 1,100 compared to an original estimate of 1,200 jobs.

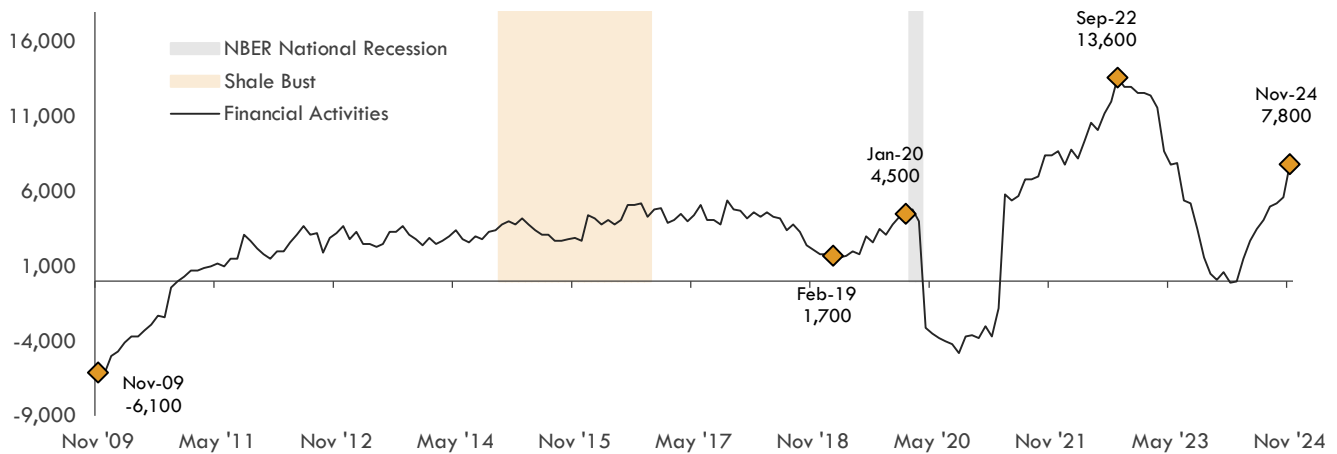


Over-the-year Change

Year over year, Financial Activities was up 7,800 jobs, or 4.2 percent (see Chart 19). This was the largest over-the-year gain since June 2023's increase of 7,900 jobs. It also marks nine 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. Finance and Insurance was the largest contributor to the overall sector's increase, up 4,900 jobs over the year. The second-largest contributor was Real Estate and Rental and Leasing, which added 2,900 jobs from November a year ago. Total Financial Activities

employment (NSA) now exceeds its February 2020 pre-pandemic level of 169,200 jobs by 25,500, or 15.1 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has risen from 5.4 percent to 5.6 percent over the past year.

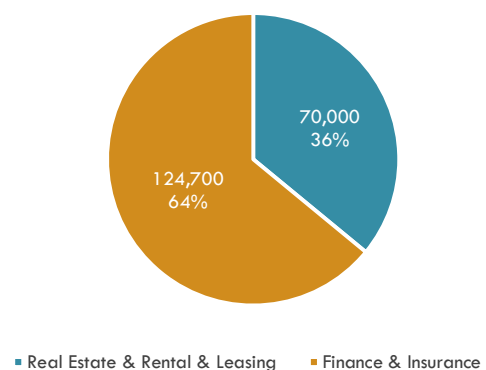
Chart 19. Financial Activities (NSA)
Over-the-year Net Change, Nov-09 to Nov-24



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 20). Across the Houston MSA, the concentration of jobs in the overall Financial Activities sector is 4 percent less than the national average, due to a 15-percent lower concentration in Finance and Insurance offsetting a 28-percent higher concentration in Real Estate and Rental and Leasing.

Chart 20. Employment in Component Industries of
Financial Activities Sector - November 2024

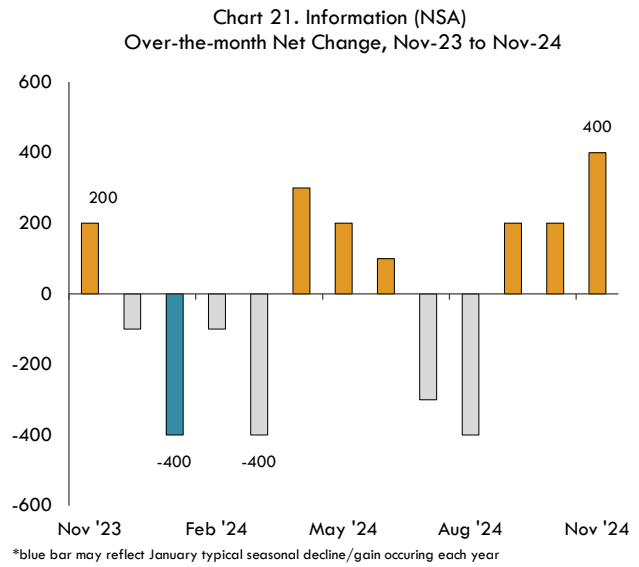


GAINING INDUSTRY HIGHLIGHTS

Information

Over-the-month Change

Information also saw an increase over the month up 400 jobs, or 1.2 percent (see Chart 21). This was the largest November over-the-month gain in since 2022. Historically in the month of November, Information has added an average of 200 jobs over the month, which indicates that this month's gains are on par with the long-term average. Other Information Undefined was the largest contributor to the overall sector's increase, up 300 jobs over the month. The second-largest contributor was Telecommunications, which added 100 jobs from October to November. Information employment saw no revision from September to October leaving the previous month's original increase of 200 intact.

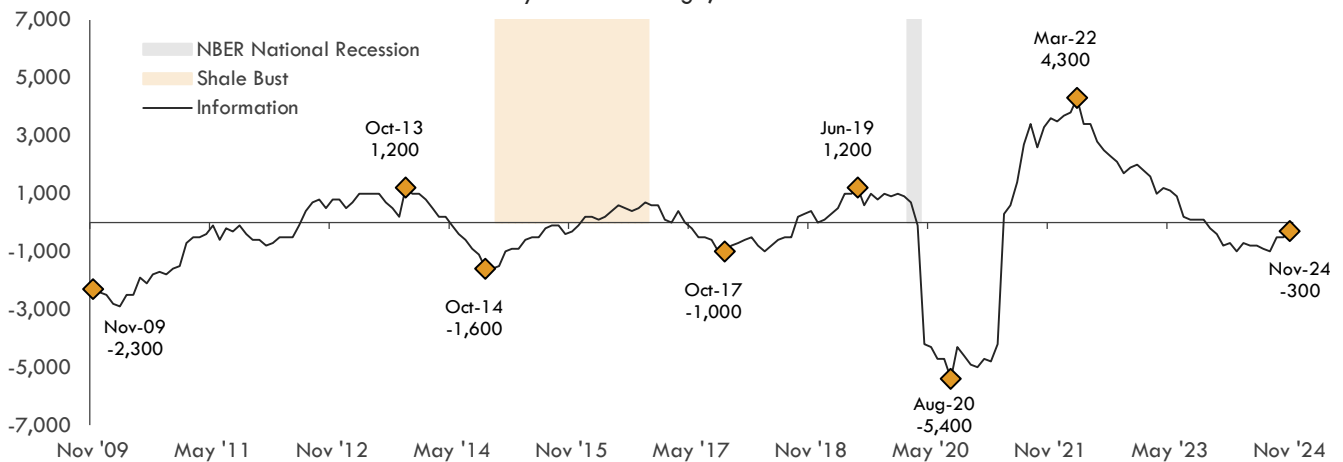


Over-the-year Change

Year over year, Information was down -300 jobs, or -0.9 percent (see Chart 22). This November also marks 13 consecutive months of over-the-year losses. Among sectors currently showing contraction, this sector is the fastest declining in percentage terms across the Houston area. Furthermore, 21.4 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 -300 jobs over the year. One component industry, Telecommunications, saw no change from November a year ago. Total Information

employment (NSA) now exceeds its February 2020 pre-pandemic level of 32,700 jobs by 200, or 0.6 percent. 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.

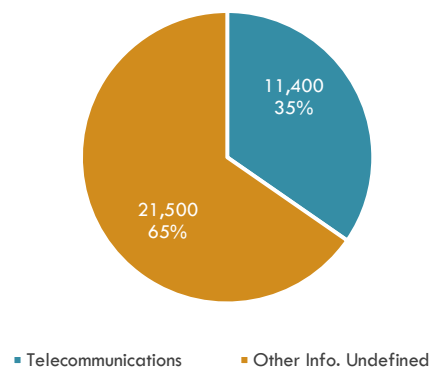
Chart 22. Information (NSA) Over-the-year Net Change, Nov-09 to Nov-24



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 23). Across the Houston MSA, the concentration of jobs in the overall Information sector is 50 percent less than the national average.

Chart 23. Employment in Component Industries of Information Sector - November 2024

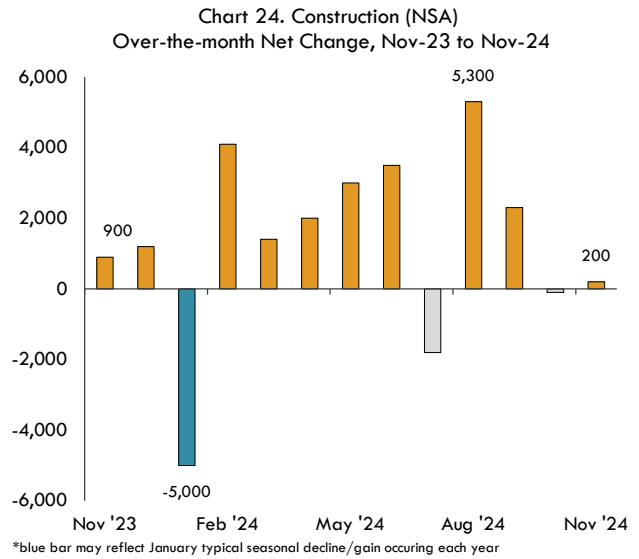


GAINING INDUSTRY HIGHLIGHTS

Construction

Over-the-month Change

Construction also saw an increase over the month up 200 jobs, or 0.1 percent (see Chart 24). Historically in the month of November, Construction has lost an average of -1,300 jobs over the month, which indicates that this month's gains are substantially in contrast to the long-term average decline. Construction of Buildings was the largest contributor to the overall sector's increase, up 200 jobs over the month. The second-largest contributor was Heavy and Civil Engineering Construction, which added 200 jobs from October to November. Lastly, Specialty Trade Contractors offset a portion of the sector's gains with a loss of -200 jobs. Construction employment was revised downward by -1,000 jobs for a September to October complete erasure of gains leaving a net loss of -100 compared to an original estimate of 900 jobs.

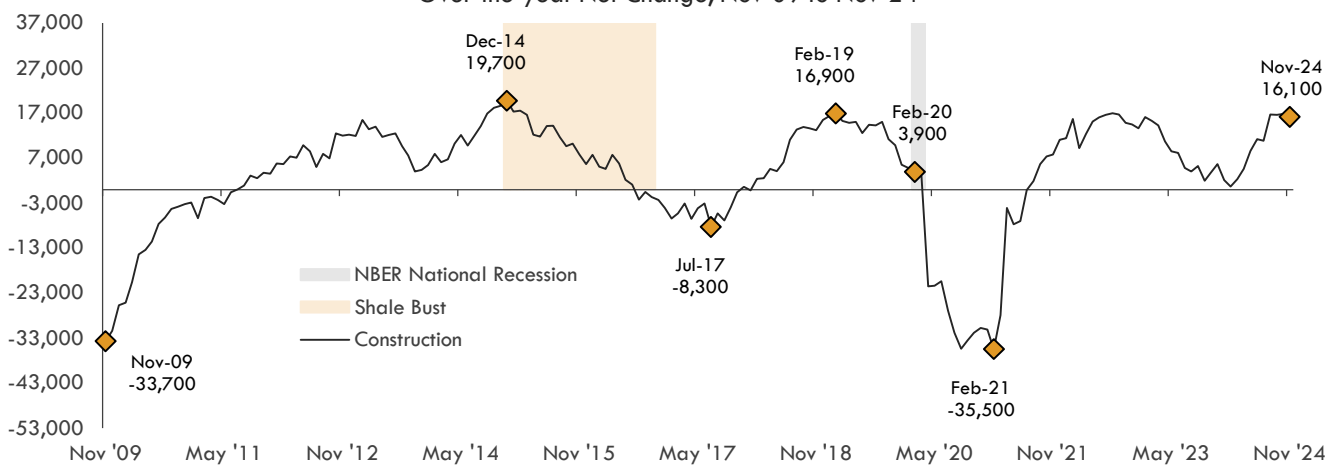


Over-the-year Change

Year over year, Construction was up 16,100 jobs, or 6.9 percent (see Chart 25). This November 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. Furthermore, 25.2 percent of total (gross) jobs added across the region over the past year can be attributed to Construction. Specialty Trade Contractors was the largest contributor to the overall sector's increase, up 6,800 jobs over the year. The second-largest contributor was Heavy and Civil Engineering Construction, which added 6,000 jobs from

November a year ago. Lastly, Construction of Buildings contributed, 3,300 jobs. Total Construction employment (NSA) now exceeds its February 2020 pre-pandemic level of 237,400 jobs by 12,000, or 5.1 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has risen from 6.8 percent to 7.1 percent over the past year.

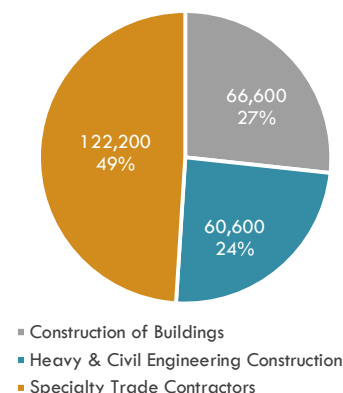
Chart 25. Construction (NSA)
Over-the-year Net Change, Nov-09 to Nov-24



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 37 percent higher than the national average, due to 2.4 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 - November 2024

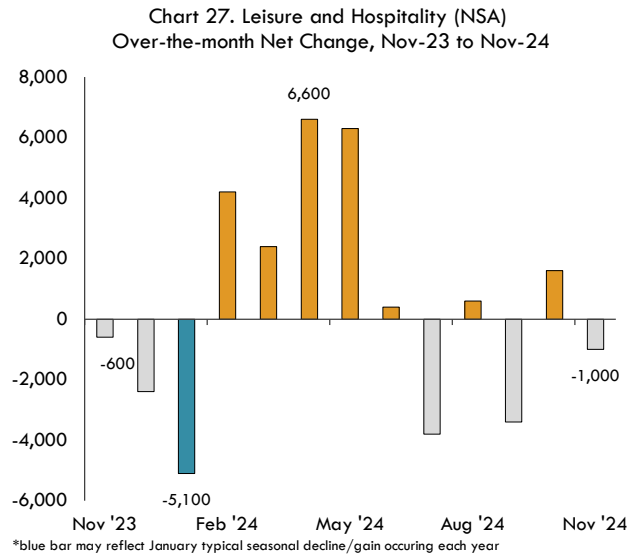


DECLINING INDUSTRY HIGHLIGHTS

Leisure and Hospitality

Over-the-month Change

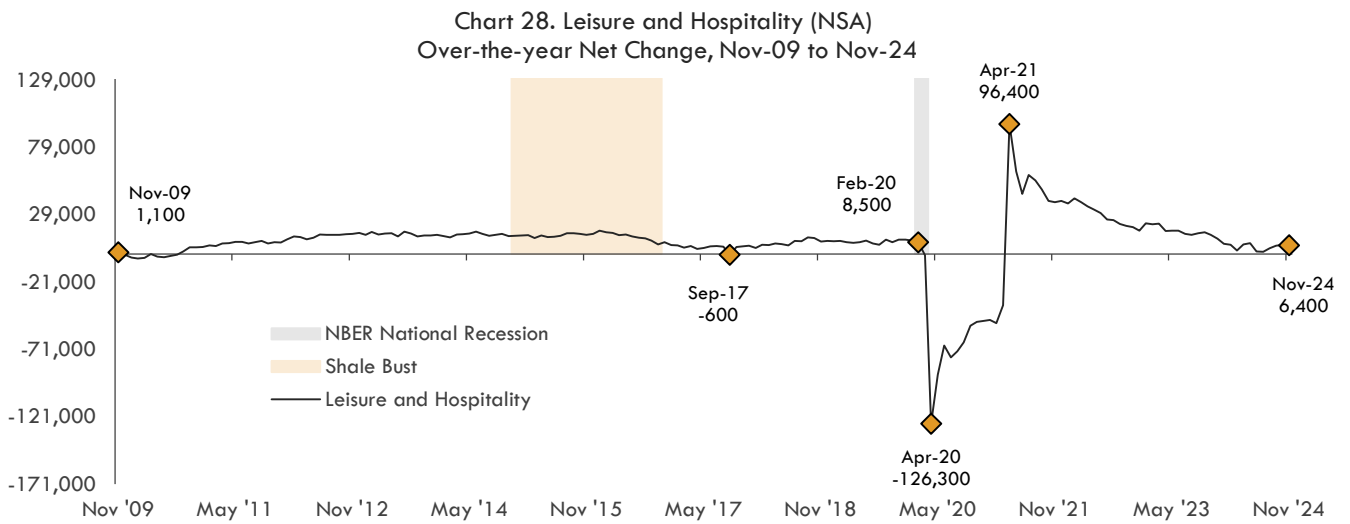
Leisure and Hospitality was the largest declining sector over the month down -1,000 jobs, or -0.3 (see Chart 27). This was the largest November over-the-month decline in since 2018. Historically in the month of November, Leisure and Hospitality has added an average of 200 jobs over the month, which indicates that this month's losses are substantially in contrast to the long-term average gain. Arts, Entertainment, and Recreation was the largest contributor to the overall sector's decline, down -1,000 jobs over the month. One component industry, Accommodation and Food Services, saw no change from October to November. Leisure and Hospitality employment was revised upward by 1,300 jobs for a September to October larger net gain of 1,600 compared to an original estimate of 300 jobs.



Over-the-year Change

Year over year, Leisure and Hospitality was up 6,400 jobs, or 1.8 percent (see Chart 28). This November also marks 44 consecutive months of over-the-year gains. Accommodation and Food Services was the largest contributor to the overall sector's increase, up 5,500 jobs over the year. The second-largest contributor was Arts, Entertainment, and Recreation, which added 900 jobs from November a year ago. Total Leisure and Hospitality employment (NSA) now exceeds its February 2020 pre-pandemic level of 334,500 jobs by 28,400, or 8.5 percent. At the same time, the sector's share of Houston area Total

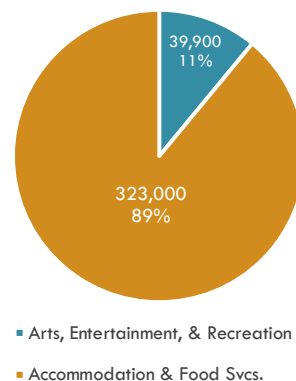
Nonfarm Employment has remained constant at 10.4 percent over the past year.



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 29). Across the Houston MSA, the concentration of jobs in the overall sector is 1 percent less than the national average.

Chart 29. Employment in Component Industries of Leisure and Hospitality Sector - November 2024

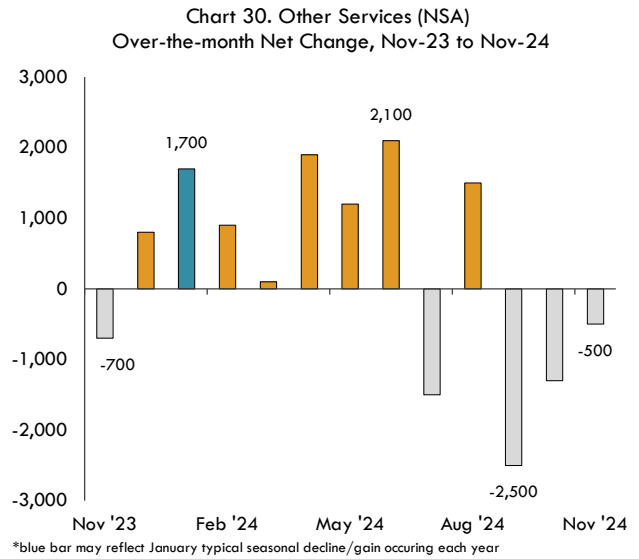


DECLINING INDUSTRY HIGHLIGHTS

Other Services

Over-the-month Change

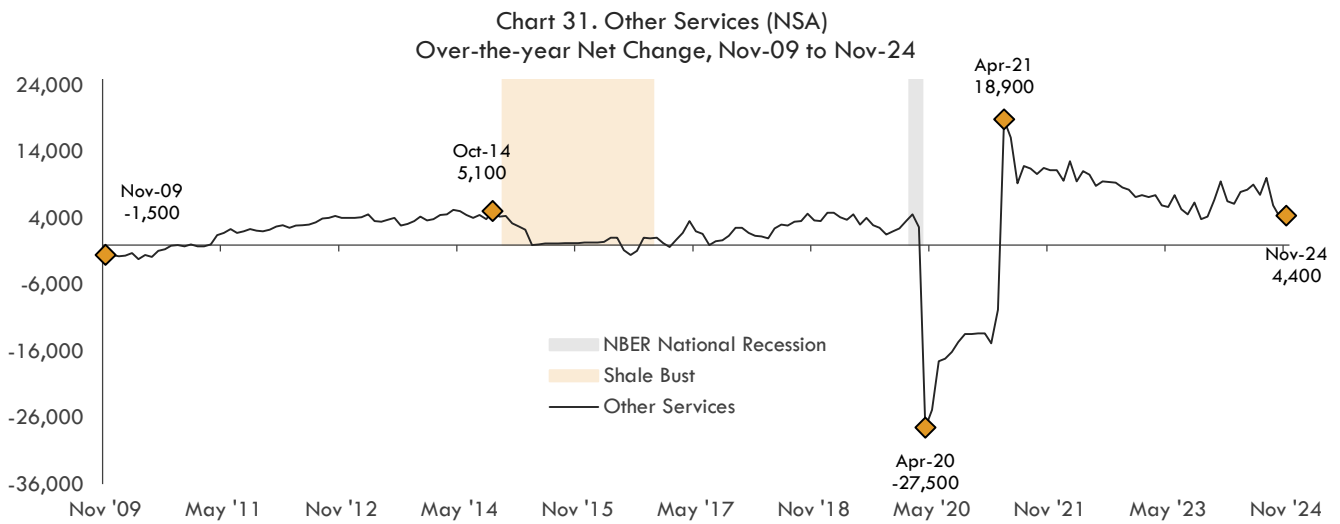
Other Services was the second-largest declining sector over the month down -500 jobs, or -0.4 (see Chart 30). Historically in the month of November, Other Services has lost an average of -700 jobs over the month, which indicates that this month's losses are slightly smaller than the long-term average decline. NOTE: No subsector is published at the MSA level by the CES survey. See below for additional information. Other Services employment was revised downward by -1,100 jobs for a September to October larger net loss of -1,300 compared to an original estimate of -200 jobs.



Over-the-year Change

Year over year, Other Services was up 4,400 jobs, or 3.5 percent (see Chart 31). This was the third-largest over-the-year gain in November since records began in 1990. It also marks 44 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. 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 12,600, or 10.6 percent. At the same time, the sector's

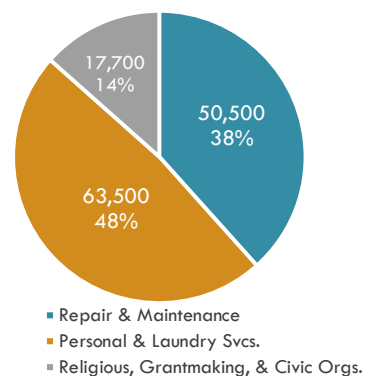
share of Houston area Total Nonfarm Employment has remained constant at 3.7 percent over the past year.



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 32). Across the Houston MSA, the concentration of jobs in the overall Other Services sector is 2 percent higher than the national average.

Chart 32. Employment in Component Industries of Other Services Sector - November 2024



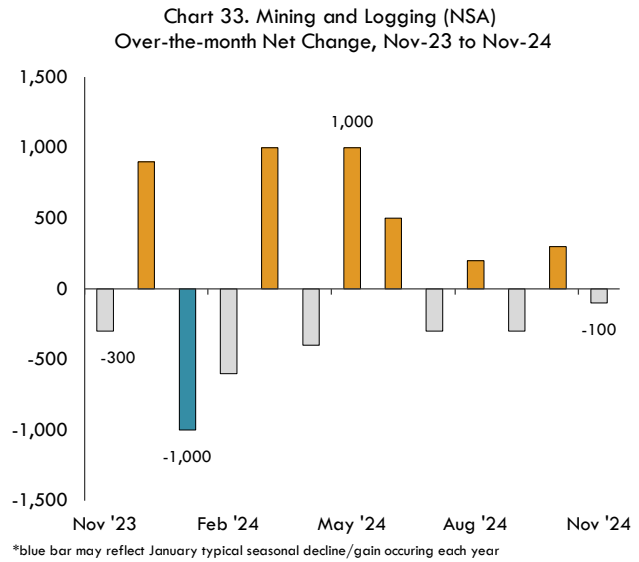
*estimated proportions based QCEW covered and NES self-employment

DECLINING INDUSTRY HIGHLIGHTS

Mining and Logging

Over-the-month Change

Mining and Logging was the third-largest declining sector over the month down -100 jobs, or -0.1 (see Chart 33). Historically in the month of November, Mining and Logging has lost an average of -100 jobs over the month, which indicates that this month's losses are on par with the long-term average. Other Mining and Logging Undefined was the largest contributor to the overall sector's decline, down -200 jobs over the month. One component industry, Support Activities for Mining, saw no change from October to November. Lastly, Oil and Gas Extraction offset a portion of the sector's losses with a gain of 100 jobs. Mining and Logging employment was revised downward by -300 jobs for a September to October smaller net gain of 300 compared to an original estimate of 600 jobs.

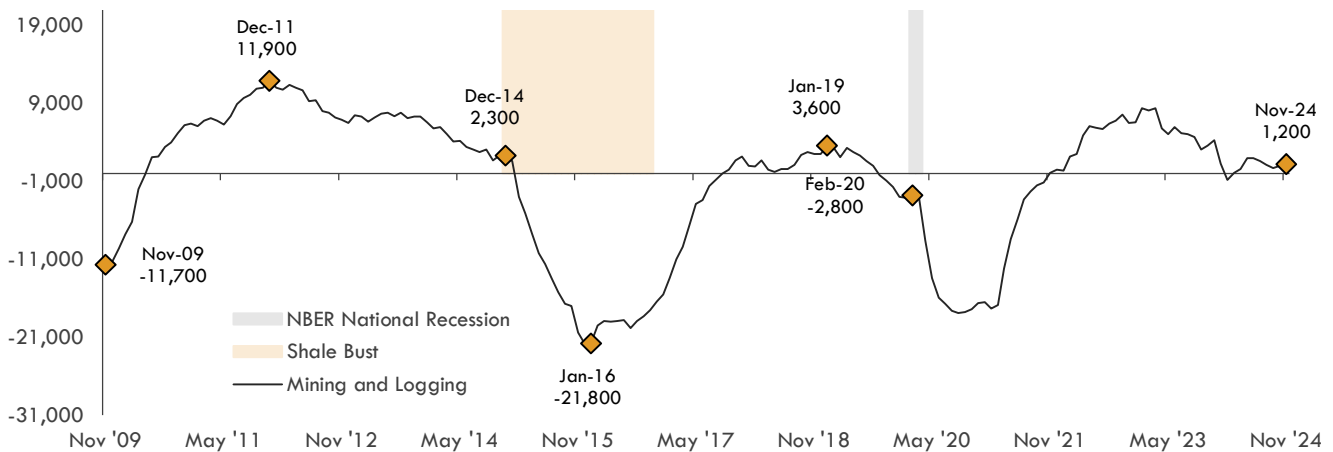


Over-the-year Change

Year over year, Mining and Logging was up 1,200 jobs, or 1.7 percent (see Chart 34). This was the largest over-the-year gain since July 2024's increase of 1,600 jobs. It also marks nine consecutive months of over-the-year gains. Oil and Gas Extraction was the largest contributor to the overall sector's increase, up 800 jobs over the year. The second-largest contributor was Support Activities for Mining, which added 400 jobs from November a year ago. Lastly, Other Mining and Logging Undefined saw no change over the month. Total Mining and Logging employment (NSA) remains -5,900 jobs, or -7.5

percent below its February 2020 pre-pandemic level of 78,400. At the same time, the sector's share of Houston area Total Nonfarm Employment has remained constant at 2.1 percent over the past year.

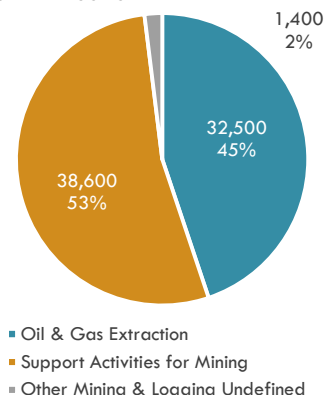
Chart 34. Mining and Logging (NSA)
Over-the-year Net Change, Nov-09 to Nov-24



About This Sector

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

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

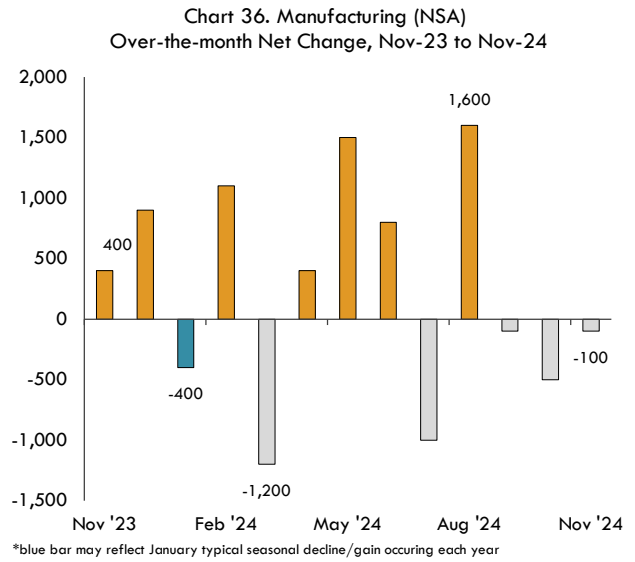


DECLINING INDUSTRY HIGHLIGHTS

Manufacturing

Over-the-month Change

Manufacturing also saw a decrease over the month down -100 jobs, or 0.0 (see Chart 36). This was the largest November over-the-month decline in since 2019. Historically in the month of November, Manufacturing 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. Durable Goods was the largest contributor to the overall sector's decline, down -100 jobs over the month. One component industry, Non-Durable Goods, saw no change from October to November. Manufacturing employment was revised downward by -300 jobs for a September to October larger net loss of -500 compared to an original estimate of -200 jobs.

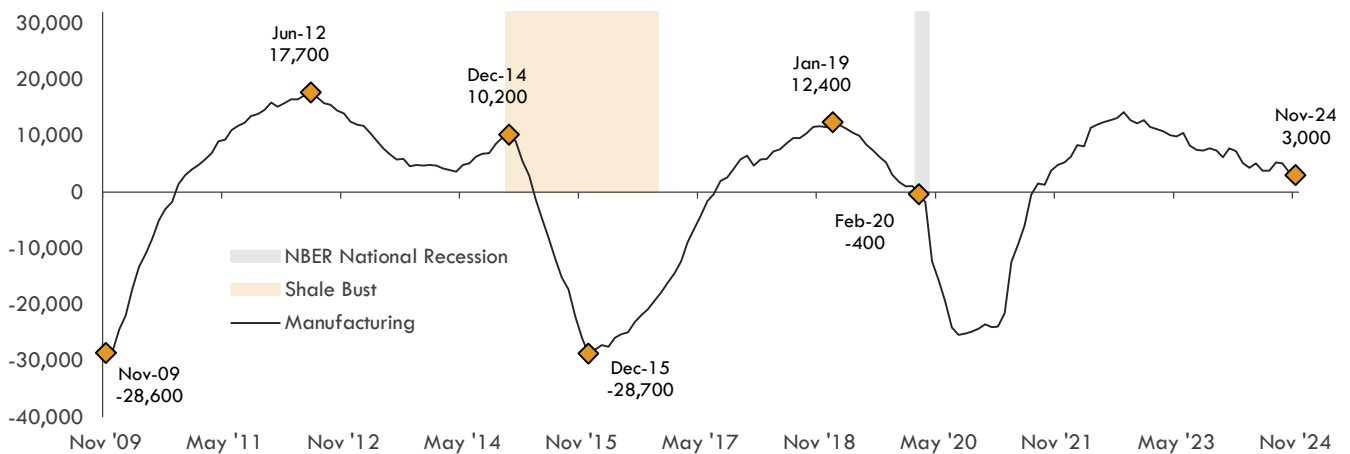


Over-the-year Change

Year over year, Manufacturing was up 3,000 jobs, or 1.3 percent (see Chart 37). This November also marks 40 consecutive months of over-the-year gains. Durable Goods was the largest contributor to the overall sector's increase, up 2,200 jobs over the year. The second-largest contributor was Non-Durable Goods, which added 800 jobs from November a year ago. Total Manufacturing employment (NSA) now exceeds its February 2020 pre-pandemic level of 234,500 jobs by 4,300, or 1.8 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has remained constant at 6.9 percent

over the past year.

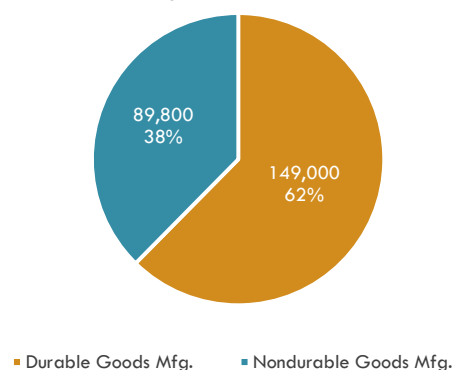
Chart 37. Manufacturing (NSA) Over-the-year Net Change, Nov-09 to Nov-24



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 62 percent (see Chart 38). Across the Houston MSA, the concentration of jobs in the overall Manufacturing sector is 15 percent less than the national average.

Chart 38. Employment in Component Industries of Manufacturing Sector - November 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 4.5 percent in November, unchanged from October's 4.5 percent and up from 3.8 percent a year ago. This was above the statewide rate of 4.2 percent and above the national rate of 4.0 percent. An over-the-month increase in November is typical having occurred roughly 70 percent of the time over the past three decades 171,094 individuals were unemployed in Houston in November, down slightly from October's 167,300 and up from 139,011 in November 2023 (see Charts 39 and 40).

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

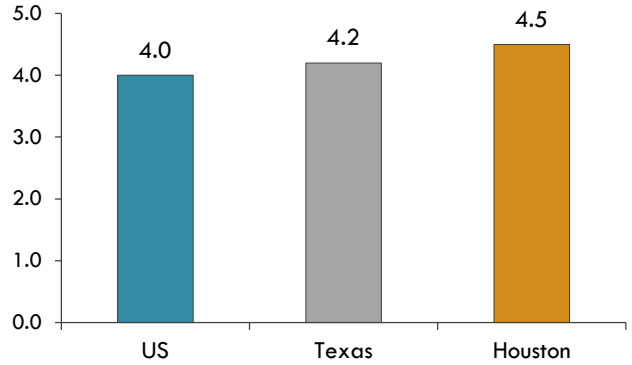
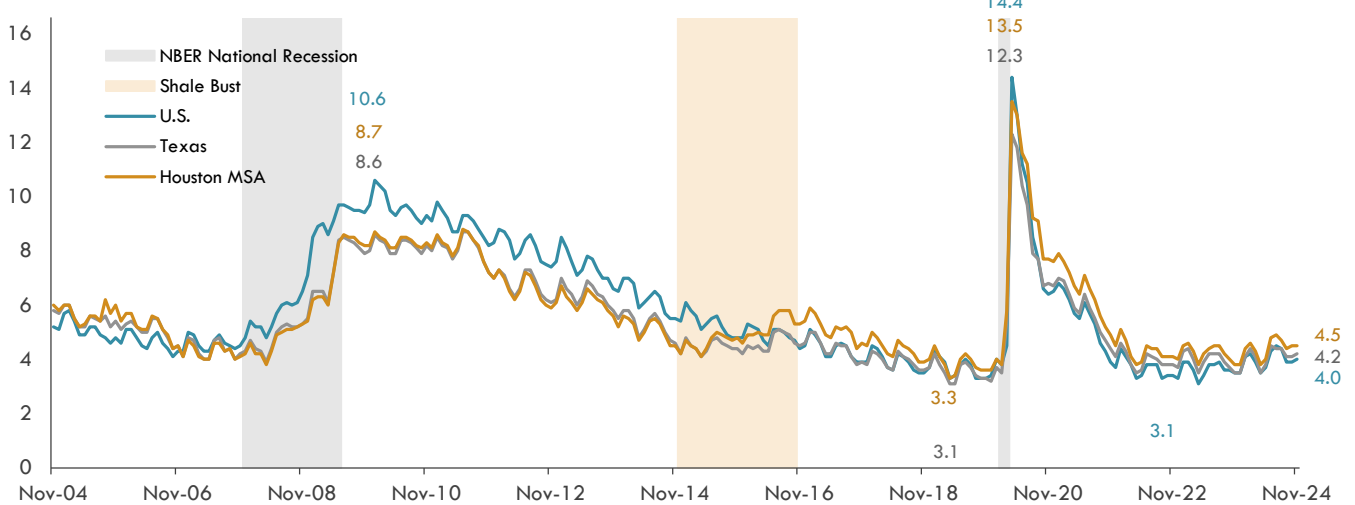


Chart 40. Unemployment Rates U.S., Texas, and Houston MSA (NSA)
November 2004 to November 2024

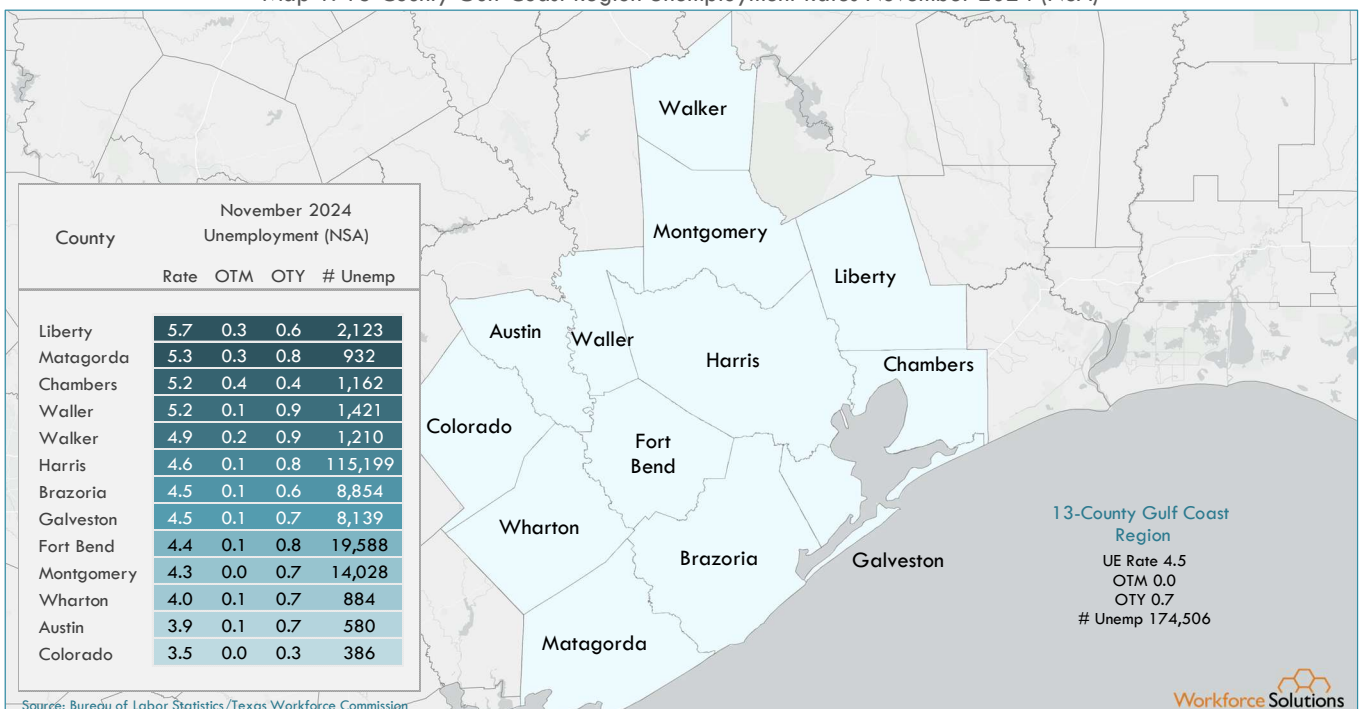


County-level Unemployment

Among the 13 counties that comprise the Gulf Coast Workforce Development Area, unemployment rates in November ranged from a high of 5.7 percent in Liberty County to a low of 3.5 percent in Colorado. Over the month, 11 counties saw their unemployment rates rise in contrast to no change on average across the region while two saw no changes. Over the year unemployment rates rose with, Waller posting the largest increase, up 0.9 percentage points representing 287 more unemployed workers compared to a year ago followed by Walker (0.9 pp, 246 workers) and Matagorda (0.8 pp, 172

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 -274,349 as of this November (see Map 1 legend).

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



Local Area Unemployment Statistics (continued)

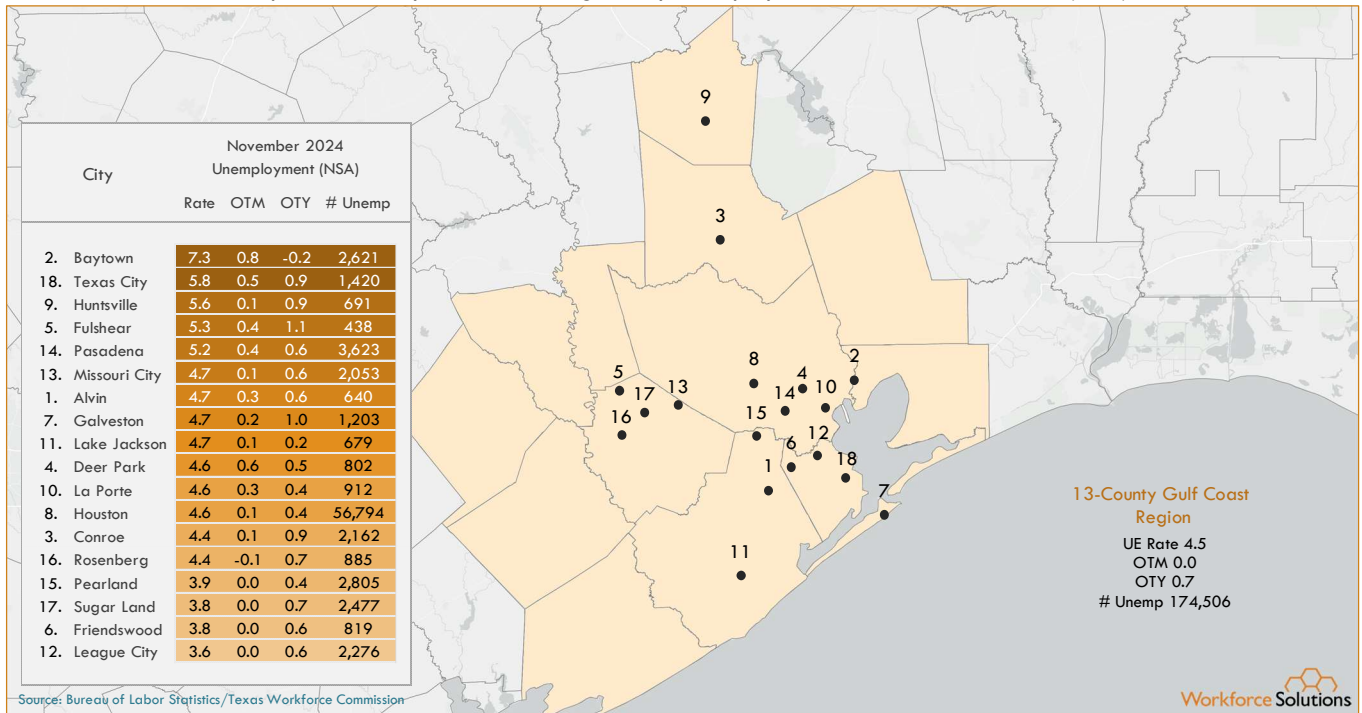
Not-Seasonally Adjusted

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 November ranged from a high of 7.3 percent in Baytown to a low of 3.6 percent in League City (see Map 2 legend). Over the month, 13 cities saw their unemployment rates rise in contrast to no change on average across the region while four saw no changes and one declined. Over the year unemployment rates rose with, Fulshear posting

the largest increase, up 1.1 percentage points representing 107 more unemployed workers compared to a year ago followed by Galveston (1.0 pp, 296 workers) and Texas City (0.9 pp, 253 workers). The 18 cities below accounted for 48 percent of the 174,506 unemployed workers across the Gulf Coast Region as of this November (see Map 2 legend).

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



Seasonally Adjusted

Houston Metro, Texas, and U.S. Unemployment

The Houston MSA (seasonally-adjusted) unemployment rate stood at 4.5 percent in October, up from September's 4.4 percent and up from 4.1 percent a year ago. This was above the statewide rate of 4.1 percent and above the national rate of 4.1 percent. 168,569 individuals were unemployed in Houston in October, up from September's 165,801 and up from 150,674 in October 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
 October 2024

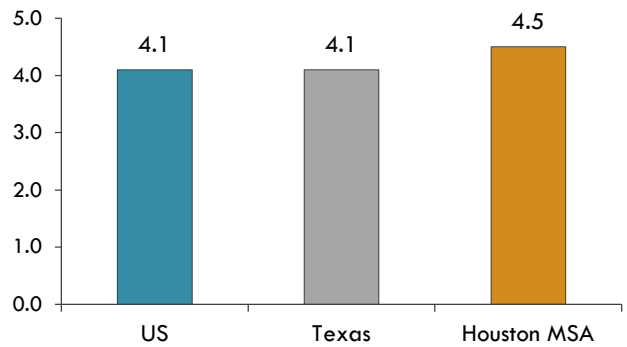
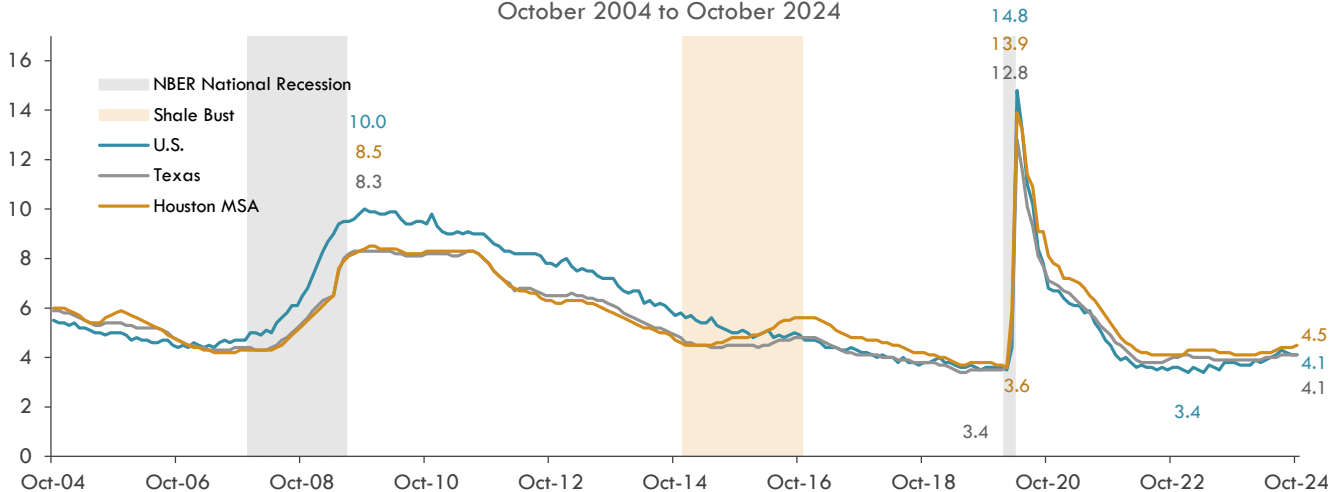


Chart 42. Unemployment Rates U.S., Texas, and Houston MSA (SA)
 October 2004 to October 2024



Gulf Coast Workforce Solutions Index (WSI)

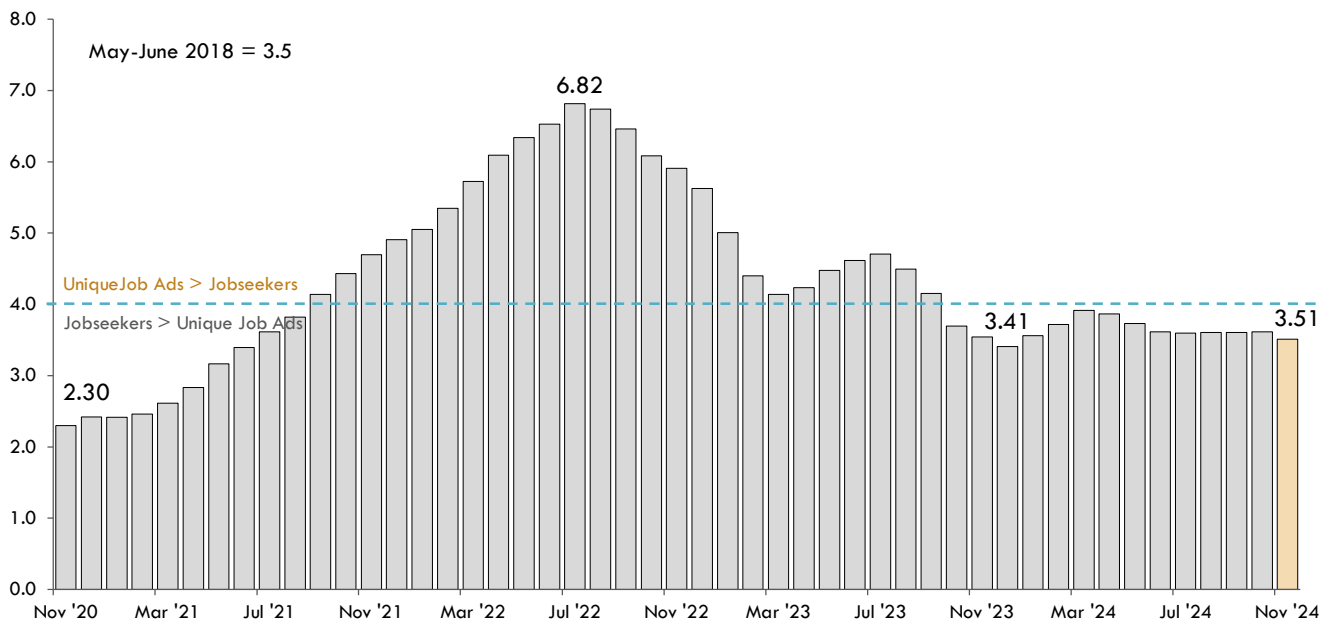


The Gulf Coast Workforce Solutions Index (WSI)

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
November
2024:
3.51

Gulf Coast Workforce Solutions Index - Houston MSA 2020 - 2024 (SA)



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



Workforce Solutions Index November 2024

The Houston MSA WSI for November stood at 3.51, down from October's slight upward revision to 3.62. This was the result of a -12,000 decline in the number of active job ads in November coupled with a slight increase in the number of unemployed individuals north of 160,000 in recent months.

The index has continued to trend sideways for the past year while remaining below the equilibrium value of 4.0. As a result, the WSI continues to suggest that a requirement of three work search activities may be appropriate for individuals receiving unemployment insurance given the relative availability of jobs at present.



Houston Area Employment Situation

November 2024

Table 1. Houston MSA Sectors and Major Industry Subcomponents

NAICS Industry	Nov-24	Oct-24	Nov-23	Monthly	Monthly	Yearly	Yearly %
Total Nonfarm	3,496,500	3,476,200	3,434,000	20,300	0.6%	62,500	1.8%
Total Private	3,033,200	3,016,500	2,976,100	16,700	0.6%	57,100	1.9%
Goods Producing	560,700	560,700	540,400	0	0.0%	20,300	3.8%
.Mining and Logging	72,500	72,600	71,300	-100	-0.1%	1,200	1.7%
...Oil and Gas Extraction	32,500	32,400	31,700	100	0.3%	800	2.5%
...Support Activities for Mining	38,600	38,600	38,200	0	0.0%	400	1.0%
..Construction	249,400	249,200	233,300	200	0.1%	16,100	6.9%
..Construction of Buildings	66,600	66,400	63,300	200	0.3%	3,300	5.2%
..Heavy and Civil Engineering Construction	60,600	60,400	54,600	200	0.3%	6,000	11.0%
..Specialty Trade Contractors	122,200	122,400	115,400	-200	-0.2%	6,800	5.9%
..Manufacturing	238,800	238,900	235,800	-100	0.0%	3,000	1.3%
..Durable Goods	149,000	149,100	146,800	-100	-0.1%	2,200	1.5%
...Fabricated Metal Product Manufacturing	52,600	52,500	51,700	100	0.2%	900	1.7%
...Machinery Manufacturing	42,600	43,000	42,600	-400	-0.9%	0	0.0%
....Agriculture, Construction, and Mining Machinery Mfg.	22,800	23,000	22,800	-200	-0.9%	0	0.0%
...Computer and Electronic Product Manufacturing	14,600	14,500	14,500	100	0.7%	100	0.7%
..Non-Durable Goods	89,800	89,800	89,000	0	0.0%	800	0.9%
...Petroleum and Coal Products Manufacturing	8,200	8,300	8,000	-100	-1.2%	200	2.5%
...Chemical Manufacturing	42,700	42,800	42,400	-100	-0.2%	300	0.7%
Service Providing	2,935,800	2,915,500	2,893,600	20,300	0.7%	42,200	1.5%
.Private Service Providing	2,472,500	2,455,800	2,435,700	16,700	0.7%	36,800	1.5%
..Trade, Transportation, and Utilities	710,300	698,800	703,300	11,500	1.6%	7,000	1.0%
...Wholesale Trade	185,900	185,000	179,100	900	0.5%	6,800	3.8%
....Merchant Wholesalers, Durable Goods	116,400	116,000	111,900	400	0.3%	4,500	4.0%
.....Prof. and Commercial Equip. Supplies Wholesalers	19,300	19,200	18,800	100	0.5%	500	2.7%
....Merchant Wholesalers, Nondurable Goods	57,400	57,000	55,300	400	0.7%	2,100	3.8%
...Retail Trade	328,800	321,800	327,200	7,000	2.2%	1,600	0.5%
....Motor Vehicle and Parts Dealers	44,800	44,900	45,100	-100	-0.2%	-300	-0.7%
....Bldg. Material and Garden Equip. and Supplies Dealers	24,100	24,300	23,500	-200	-0.8%	600	2.6%
....Food and Beverage Stores	76,800	76,000	75,900	800	1.1%	900	1.2%
....Health and Personal Care Stores	65,300	63,000	64,400	2,300	3.7%	900	1.4%
....Clothing and Clothing Accessories Stores	20,800	20,100	20,900	700	3.5%	-100	-0.5%
....General Merchandise Stores	44,500	42,900	43,500	1,600	3.7%	1,000	2.3%
.....Department Stores	21,500	21,300	22,400	200	0.9%	-900	-4.0%
.....Other General Merchandise Stores	28,300	26,300	28,100	2,000	7.6%	200	0.7%
...Transportation, Warehousing, and Utilities	195,600	192,000	197,000	3,600	1.9%	-1,400	-0.7%
....Utilities	23,500	23,400	23,000	100	0.4%	500	2.2%
.....Air Transportation	22,400	22,500	22,500	-100	-0.4%	-100	-0.4%
.....Truck Transportation	30,700	30,400	30,400	300	1.0%	300	1.0%
.....Pipeline Transportation	14,600	14,400	14,100	200	1.4%	500	3.5%
..Information	32,900	32,500	33,200	400	1.2%	-300	-0.9%
...Telecommunications	11,400	11,300	11,400	100	0.9%	0	0.0%
..Financial Activities	194,700	193,200	186,900	1,500	0.8%	7,800	4.2%
...Finance and Insurance	124,700	123,900	119,800	800	0.6%	4,900	4.1%
....Credit Intermediation and Related Activities	49,500	49,400	47,800	100	0.2%	1,700	3.6%
.....Depository Credit Intermediation	31,800	31,700	30,800	100	0.3%	1,000	3.2%
.....Securities, Commodity Contracts, and Fin. Investments	25,500	25,400	24,500	100	0.4%	1,000	4.1%
....Insurance Carriers and Related Activities	49,700	49,100	47,500	600	1.2%	2,200	4.6%
...Real Estate and Rental and Leasing	70,000	69,300	67,100	700	1.0%	2,900	4.3%
..Professional and Business Services	566,700	564,600	567,800	2,100	0.4%	-1,100	-0.2%
...Professional, Scientific, and Technical Services	287,200	286,500	281,400	700	0.2%	5,800	2.1%
....Legal Services	33,400	33,400	32,700	0	0.0%	700	2.1%
....Accounting, Tax Preparation, Bookkeeping, and Payroll	29,500	29,500	29,500	0	0.0%	0	0.0%
....Architectural, Engineering, and Related Services	79,200	78,800	76,400	400	0.5%	2,800	3.7%
....Computer Systems Design and Related Services	41,700	41,600	41,900	100	0.2%	-200	-0.5%
...Management of Companies and Enterprises	47,700	47,600	46,900	100	0.2%	800	1.7%
...Admin. and Support and Waste Mgmt. and Remediation	231,800	230,500	239,500	1,300	0.6%	-7,700	-3.2%
....Administrative and Support Services	218,300	216,900	226,700	1,400	0.6%	-8,400	-3.7%
.....Employment Services	80,700	80,400	83,700	300	0.4%	-3,000	-3.6%
.....Services to Buildings and Dwellings	55,000	55,600	55,600	-600	-1.1%	-600	-1.1%
..Educational and Health Services	473,300	470,600	460,700	2,700	0.6%	12,600	2.7%
...Educational Services	74,300	74,600	73,400	-300	-0.4%	900	1.2%
...Health Care and Social Assistance	399,000	396,000	387,300	3,000	0.8%	11,700	3.0%
....Ambulatory Health Care Services	203,200	200,400	196,300	2,800	1.4%	6,900	3.5%
....Hospitals	99,900	99,600	96,800	300	0.3%	3,100	3.2%
..Leisure and Hospitality	362,900	363,900	356,500	-1,000	-0.3%	6,400	1.8%
...Arts, Entertainment, and Recreation	39,900	40,900	39,000	-1,000	-2.4%	900	2.3%
...Accommodation and Food Services	323,000	323,000	317,500	0	0.0%	5,500	1.7%
....Accommodation	27,000	27,200	26,500	-200	-0.7%	500	1.9%
....Food Services and Drinking Places	296,000	295,800	291,000	200	0.1%	5,000	1.7%
..Other Services	131,700	132,200	127,300	-500	-0.4%	4,400	3.5%
Government	463,300	459,700	457,900	3,600	0.8%	5,400	1.2%
.Federal Government	35,100	34,600	34,200	500	1.4%	900	2.6%
.State Government	98,400	98,000	96,200	400	0.4%	2,200	2.3%
..State Government Educational Services	53,700	53,400	53,200	300	0.6%	500	0.9%
.Local Government	329,800	327,100	327,500	2,700	0.8%	2,300	0.7%
..Local Government Educational Services	227,000	225,000	228,300	2,000	0.9%	-1,300	-0.6%