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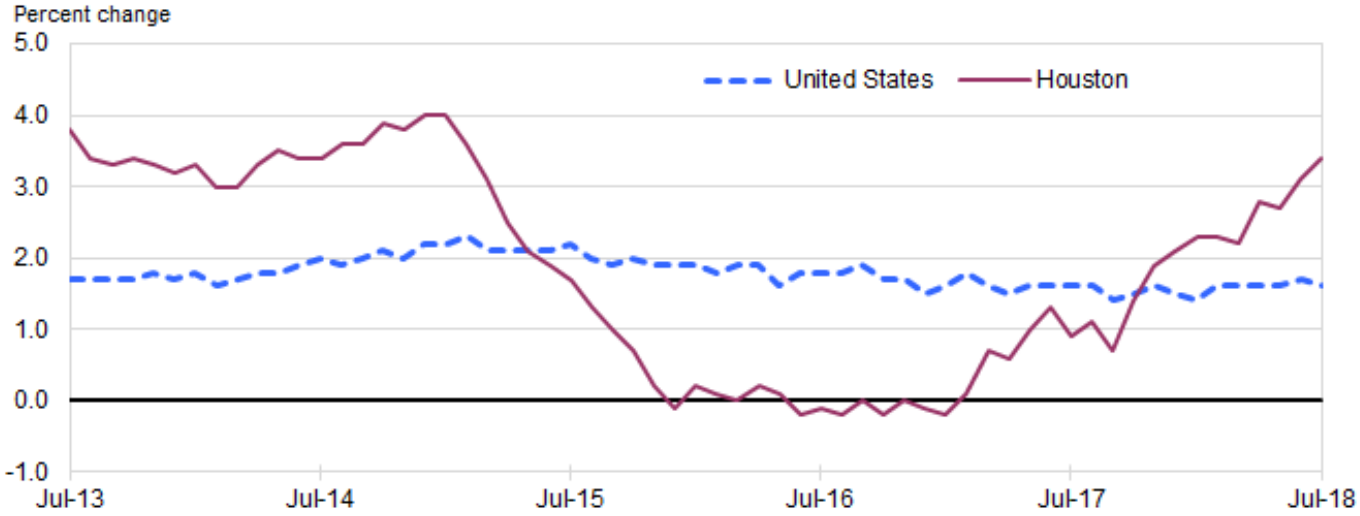
Houston Area Employment — July 2018

Total nonfarm employment in the Houston-The Woodlands-Sugar Land Metropolitan Statistical Area stood at 3,113,100 in July 2018, up 101,800 or 3.4 percent, from one year earlier, the U.S. Bureau of Labor Statistics reported today. During the same period, the national job count increased 1.6 percent. Assistant Commissioner for Regional Operations Stanley W. Suchman noted that July marked the first period of local annual job growth exceeding 100,000 since February 2015. July also marked the ninth consecutive month that Houston's rate of job growth has exceeded the U.S. average. Prior to this period, annual local job growth rates had been below the national average for more than two years. (See chart 1 and table 1; the Technical Note at the end of this release contains metropolitan area definitions. All data in this release are not seasonally adjusted; accordingly, over-the-year analysis is used throughout.)

Chart 1. Total nonfarm employment, over-the-year percent change in the United States and the Houston metropolitan area, July 2013–July 2018



Source: U.S. Bureau of Labor Statistics.

Industry employment

In the Houston metropolitan area, professional and business services added the largest number of jobs from July 2017 to July 2018, up 40,900. Job gains in the sector were large in the employment services industry which added 13,500 jobs, a 16.4-percent increase over the year. Houston's professional and business services employment rose 8.5 percent since July 2017, more than three times the national increase of 2.6 percent. (See table 1 and chart 2.)

Construction added 25,500 jobs locally from July a year ago, the second-largest job gain among the supersectors. Job gains occurred in each of the three reporting industries, with the largest gain in construction of buildings, up 15,200 or 26.9 percent. Area employment in the construction supersector climbed 11.9 percent compared to the 4.2-percent gain for the nation.

Trade, transportation, and utilities, Houston's largest employer, added 15,300 jobs from July 2017 to July 2018. Employment rose in all three sub-sectors: wholesale trade (+5,000); retail trade (+8,000); and transportation, warehousing, and utilities (+2,300). Over the year, local employment in the trade, transportation, and utilities sector increased 2.5 percent, more than double the 1.2-percent nationwide increase.

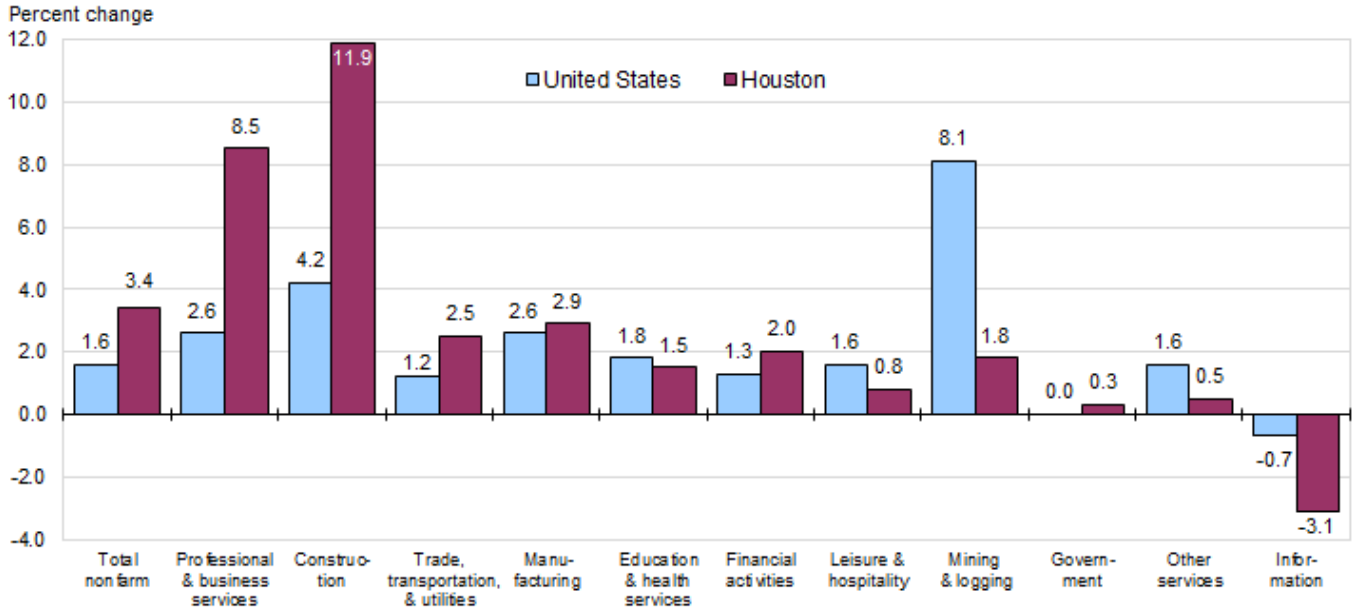
Manufacturing in Houston added 6,500 jobs from July 2017 to July 2018, marking the ninth consecutive month of annual growth. The local durable goods manufacturing industry produced all of the sector's job growth over the year, with fabricated metal product manufacturing adding nearly half of the sector's jobs (+3,100). Area employment in manufacturing rose 2.9 percent from July a year ago, compared to 2.6 percent nationally.

Houston's education and health services employment rose 5,600 from July a year ago. This gain represented a 1.5-percent increase locally, below the national advance of 1.8 percent. However, Houston's 1.5-percent job gain was the fastest annual rate for this local sector since August 2017.

Financial activities added 3,200 jobs from July 2017 in the Houston area; nearly all of the sector growth occurred in the real estate and rental and leasing industry. Local employment in the sector rose 2.0 percent compared to the 1.3-percent increase nationwide.

Three other local sectors had annual job gains of at least 1,300: leisure and hospitality (+2,600), mining and logging (+1,400), and government (+1,300). Only one Houston supersector, information, lost jobs from July 2017 to July 2018 (-1,000).

Chart 2. Total nonfarm and industry supersector employment, over-the-year percent change, United States and the Houston metropolitan area, July 2018

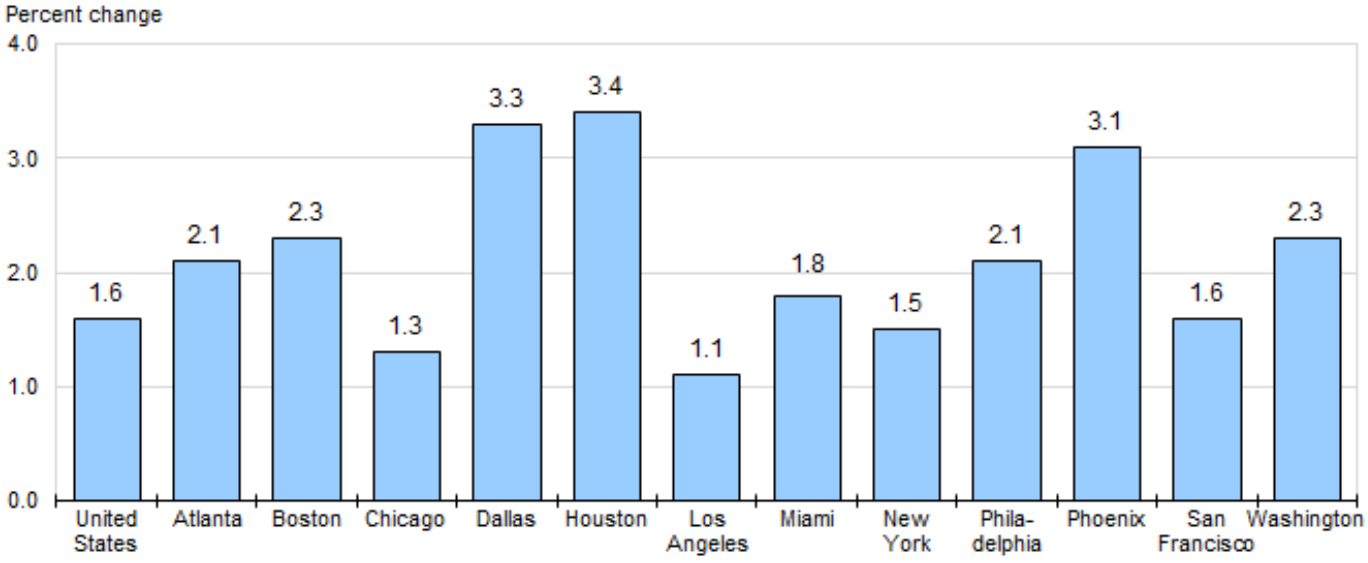


Source: U.S. Bureau of Labor Statistics.

Employment in the 12 largest metropolitan areas

Houston-The Woodlands-Sugar Land was 1 of the nation's 12 largest metropolitan statistical areas in July 2018. All 12 areas had over-the-year job growth during the period, with the rates of job growth in 8 areas exceeding the national increase of 1.6 percent. Houston (+3.4 percent), Dallas-Fort Worth-Arlington (+3.3 percent), and Phoenix-Mesa-Scottsdale (+3.1 percent) had the fastest rates of job growth. Los Angeles-Long Beach-Anaheim (+1.1 percent) and Chicago-Naperville-Elgin (+1.3 percent) had the slowest rates of job growth. (See chart 3 and table 2.)

Chart 3. Total nonfarm employment, over-the-year percent change, United States and 12 largest metropolitan areas, July 2018



Source: U.S. Bureau of Labor Statistics.

New York-Newark-Jersey City added the largest number of jobs over the year, 143,000, followed by Dallas (+118,200) and Houston (+101,800). San Francisco-Oakland-Hayward had the smallest employment gain over the year, adding 39,400 jobs. Annual gains in the remaining eight metropolitan areas ranged from 77,100 in Washington-Arlington-Alexandria to 45,800 in Miami-Fort Lauderdale-West Palm Beach.

Over the year, professional and business services added the most jobs in five areas: Boston-Cambridge-Nashua, Dallas, Houston, San Francisco, and Washington. Construction gained the most jobs in three areas: Chicago, Miami, and Phoenix.

Information recorded the largest employment loss in four areas: Atlanta-Sandy Springs-Roswell, Chicago, Houston, and Philadelphia-Camden-Wilmington. Dallas and Washington were the only metropolitan areas to record no losses in any supersector.

Metropolitan area employment data for August 2018 are scheduled to be released on Friday, September 21, 2018, at 10:00 a.m. (ET).

Technical Note

This release presents nonfarm payroll employment estimates from the Current Employment Statistics (CES) program. The CES survey is a Federal-State cooperative endeavor between State employment security agencies and the Bureau of Labor Statistics.

Definitions. Employment data refer to persons on establishment payrolls who receive pay for any part of the pay period that includes the 12th of the month. Persons are counted at their place of work rather than at their place of residence; those appearing on more than one payroll are counted on each payroll. Industries are classified on the basis of their principal activity in accordance with the 2012 version of the North American Industry Classification System.

Method of estimation. CES State and Area employment data are produced using several estimation procedures. Where possible these data are produced using a "weighted link relative" estimation technique in which a ratio of current-month weighted employment to that of the previous-month weighted employment is computed from a sample of establishments reporting for both months. The estimates of employment for the current month are then obtained by multiplying these ratios by the previous month's employment estimates. The weighted link relative technique is utilized for data series where the sample size meets certain statistical criteria.

For some employment series, the sample of establishments is very small or highly variable. In these cases, a model-based approach is used in estimation. These models use the direct sample estimates (described above), combined with forecasts of historical (benchmarked) data to decrease volatility in estimation. Two different models (Fay-Herriot Model and Small Domain Model) are used depending on the industry level being estimated. For more detailed information about each model, refer to the BLS Handbook of Methods.

Annual revisions. Employment estimates are adjusted annually to a complete count of jobs, called benchmarks, derived principally from tax reports that are submitted by employers who are covered under state unemployment insurance (UI) laws. The benchmark information is used to adjust the monthly estimates between the new benchmark and the preceding one and also to establish the level of employment for the new benchmark month. Thus, the benchmarking process establishes the level of employment, and the sample is used to measure the month-to-month changes in the level for the subsequent months.

Reliability of the estimates. The estimates presented in this release are based on sample surveys, administrative data, and modeling and, thus, are subject to sampling and other types of errors. Sampling error is a measure of sampling variability–that is, variation that occurs by chance because a sample rather than the entire population is surveyed. Survey data also are subject to nonsampling errors, such as those which can be introduced into the data collection and processing operations. Estimates not directly derived from sample surveys are subject to additional errors resulting from the specific estimation processes used. The sums of individual items may not always equal the totals shown in the same tables because of rounding.

Employment estimates. Measures of sampling error for the total private employment series are available for metropolitan areas and metropolitan divisions at www.bls.gov/sae/790stderr.htm. Measures of sampling error for more detailed series at the area and division level are available upon request. Measures of sampling error for states down to the supersector level are available on the BLS website at www.bls.gov/sae/790stderr.htm. Measures of nonsampling error are not available for the areas contained in this release. Information on recent benchmark revisions is available online at www.bls.gov/sae/benchmark2017.pdf

Area definitions. The substate area data published in this release reflect the delineations issued by the U.S. Office of Management and Budget, dated July 15, 2015. A detailed list of the geographic definitions is available at www.bls.gov/lau/lausmsa.htm.

The **Houston-The Woodlands-Sugar Land Metropolitan Statistical Area** includes Austin, Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, and Waller Counties in Texas.

Additional information

More complete information on the technical procedures used to develop these estimates and additional data appear in Employment and Earnings, which is available online at www.bls.gov/opub/ee/home.htm. Industry employment data for states and metropolitan areas from the Current Employment Statistics program are also available in the above mentioned news releases and from the Internet at www.bls.gov/sae/.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Employees on nonfarm payrolls by industry supersector, United States and Houston metropolitan area, not seasonally adjusted (numbers in thousands)

Area and Industry	Jul. 2017	May 2018	Jun. 2018	Jul. 2018(p)	Jul. 2017 to Jul. 2018(p)	
					Net change	Percent change
United States						
Total nonfarm	146,486	149,345	150,057	148,901	2,415	1.6
Mining and logging	692	732	747	748	56	8.1
Construction	7,197	7,283	7,443	7,500	303	4.2
Manufacturing	12,498	12,657	12,795	12,825	327	2.6
Trade, transportation, and utilities	27,460	27,685	27,812	27,786	326	1.2
Information	2,807	2,765	2,786	2,788	-19	-0.7
Financial activities	8,545	8,550	8,639	8,652	107	1.3
Professional and business services	20,619	20,936	21,124	21,147	528	2.6
Education and health services	22,881	23,635	23,435	23,304	423	1.8
Leisure and hospitality	16,888	16,550	17,040	17,163	275	1.6
Other services	5,852	5,887	5,956	5,944	92	1.6
Government	21,047	22,665	22,280	21,044	-3	0.0
Houston-The Woodlands-Sugar Land, TX Metropolitan Statistical Area						
Total nonfarm	3,011.3	3,110.2	3,131.6	3,113.1	101.8	3.4
Mining and logging	78.3	79.3	79.7	79.7	1.4	1.8
Construction	213.5	229.6	236.5	239.0	25.5	11.9
Manufacturing	220.9	227.6	228.2	227.4	6.5	2.9
Trade, transportation, and utilities	615.8	627.7	629.2	631.1	15.3	2.5
Information	32.6	31.3	31.4	31.6	-1.0	-3.1
Financial activities	160.0	162.9	163.8	163.2	3.2	2.0
Professional and business services	483.2	510.3	523.0	524.1	40.9	8.5
Education and health services	383.5	387.2	386.2	389.1	5.6	1.5
Leisure and hospitality	323.4	327.3	332.3	326.0	2.6	0.8
Other services	110.3	111.8	111.7	110.8	0.5	0.5
Government	389.8	415.2	409.6	391.1	1.3	0.3

(p) preliminary

Table 2. Employees on nonfarm payrolls by industry supersector, 12 largest metropolitan areas, not seasonally adjusted (numbers in thousands)

Area and Industry	Jul. 2017	May 2018	Jun. 2018	Jul. 2018(p)	Jul. 2017 to Jul. 2018(p)	
					Net change	Percent change
Atlanta-Sandy Springs-Roswell, GA						
Total nonfarm	2,714.6	2,771.4	2,782.2	2,771.6	57.0	2.1
Mining and logging	1.6	1.6	1.6	1.6	0.0	0.0
Construction	121.2	129.1	130.3	129.7	8.5	7.0
Manufacturing	167.3	168.9	168.8	170.1	2.8	1.7
Trade, transportation, and utilities	602.5	617.5	620.5	620.8	18.3	3.0
Information	97.7	91.7	94.6	94.5	-3.2	-3.3
Financial activities	171.4	170.3	171.4	169.9	-1.5	-0.9
Professional and business services	500.5	497.2	505.6	507.8	7.3	1.5
Education and health services	336.8	352.0	345.6	347.1	10.3	3.1
Leisure and hospitality	297.1	308.1	311.3	309.1	12.0	4.0
Other services	100.8	100.0	101.1	100.9	0.1	0.1
Government	317.7	335.0	331.4	320.1	2.4	0.8
Boston-Cambridge-Nashua, MA-NH						
Total nonfarm	2,750.8	2,787.5	2,824.4	2,813.0	62.2	2.3
Mining, logging, and construction	118.1	119.6	123.1	125.6	7.5	6.4
Manufacturing	188.4	188.6	191.8	192.7	4.3	2.3
Trade, transportation, and utilities	425.9	423.9	431.3	427.8	1.9	0.4
Information	81.0	79.5	80.5	81.4	0.4	0.5
Financial activities	187.7	183.5	185.8	186.4	-1.3	-0.7
Professional and business services	492.3	501.0	512.6	516.1	23.8	4.8
Education and health services	573.6	589.2	582.9	586.0	12.4	2.2
Leisure and hospitality	287.2	281.2	295.5	298.5	11.3	3.9
Other services	106.9	105.1	109.3	108.7	1.8	1.7
Government	289.7	315.9	311.6	289.8	0.1	0.0
Chicago-Naperville-Elgin, IL-IN-WI						
Total nonfarm	4,722.5	4,750.8	4,800.9	4,782.1	59.6	1.3
Mining and logging	1.6	1.6	1.6	1.6	0.0	0.0
Construction	182.2	183.7	189.9	193.2	11.0	6.0
Manufacturing	417.3	421.7	425.7	427.7	10.4	2.5
Trade, transportation, and utilities	946.9	952.4	954.5	952.6	5.7	0.6
Information	78.9	76.1	75.7	75.1	-3.8	-4.8
Financial activities	308.8	307.9	312.3	313.5	4.7	1.5
Professional and business services	834.1	823.0	840.8	845.0	10.9	1.3
Education and health services	712.4	737.8	729.4	718.1	5.7	0.8
Leisure and hospitality	502.9	489.7	508.9	512.3	9.4	1.9
Other services	197.8	195.0	197.1	196.2	-1.6	-0.8
Government	539.6	561.9	565.0	546.8	7.2	1.3
Dallas-Fort Worth-Arlington, TX						
Total nonfarm	3,585.8	3,706.2	3,720.4	3,704.0	118.2	3.3
Mining, logging, and construction	216.8	227.4	229.6	230.8	14.0	6.5
Manufacturing	272.3	276.1	278.2	278.0	5.7	2.1
Trade, transportation, and utilities	767.0	780.4	783.7	784.8	17.8	2.3
Information	84.0	84.2	84.2	84.4	0.4	0.5
Financial activities	296.7	298.4	299.7	299.2	2.5	0.8
Professional and business services	592.1	612.4	615.9	615.7	23.6	4.0
Education and health services	439.2	455.1	459.8	458.2	19.0	4.3
Leisure and hospitality	381.0	396.5	400.1	401.2	20.2	5.3
Other services	124.3	126.9	128.8	130.1	5.8	4.7
Government	412.4	448.8	440.4	421.6	9.2	2.2
Houston-The Woodlands-Sugar Land, TX						
Total nonfarm	3,011.3	3,110.2	3,131.6	3,113.1	101.8	3.4
Mining and logging	78.3	79.3	79.7	79.7	1.4	1.8

Note: See footnotes at end of table.

Table 2. Employees on nonfarm payrolls by industry supersector, 12 largest metropolitan areas, not seasonally adjusted (numbers in thousands) - Continued

Area and Industry	Jul. 2017	May 2018	Jun. 2018	Jul. 2018(p)	Jul. 2017 to Jul. 2018(p)	
					Net change	Percent change
Construction	213.5	229.6	236.5	239.0	25.5	11.9
Manufacturing	220.9	227.6	228.2	227.4	6.5	2.9
Trade, transportation, and utilities	615.8	627.7	629.2	631.1	15.3	2.5
Information	32.6	31.3	31.4	31.6	-1.0	-3.1
Financial activities	160.0	162.9	163.8	163.2	3.2	2.0
Professional and business services	483.2	510.3	523.0	524.1	40.9	8.5
Education and health services	383.5	387.2	386.2	389.1	5.6	1.5
Leisure and hospitality	323.4	327.3	332.3	326.0	2.6	0.8
Other services	110.3	111.8	111.7	110.8	0.5	0.5
Government	389.8	415.2	409.6	391.1	1.3	0.3
Los Angeles-Long Beach-Anaheim, CA						
Total nonfarm	6,008.6	6,125.8	6,130.8	6,073.2	64.6	1.1
Mining and logging	2.9	2.9	2.9	3.0	0.1	3.4
Construction	244.0	247.5	248.8	247.5	3.5	1.4
Manufacturing	508.9	507.1	505.4	507.6	-1.3	-0.3
Trade, transportation, and utilities	1,097.6	1,086.1	1,088.9	1,092.4	-5.2	-0.5
Information	232.5	238.0	239.2	237.1	4.6	2.0
Financial activities	342.6	339.3	339.5	340.1	-2.5	-0.7
Professional and business services	922.4	931.5	938.3	936.0	13.6	1.5
Education and health services	997.5	1,035.8	1,027.2	1,018.0	20.5	2.1
Leisure and hospitality	752.6	773.7	777.0	785.4	32.8	4.4
Other services	204.8	203.1	205.1	201.8	-3.0	-1.5
Government	702.8	760.8	758.5	704.3	1.5	0.2
Miami-Fort Lauderdale-West Palm Beach, FL						
Total nonfarm	2,595.2	2,669.3	2,649.7	2,641.0	45.8	1.8
Mining and logging	0.7	0.8	0.8	0.8	0.1	14.3
Construction	129.7	142.4	143.6	144.9	15.2	11.7
Manufacturing	88.5	97.9	97.8	97.9	9.4	10.6
Trade, transportation, and utilities	594.7	599.5	601.2	600.2	5.5	0.9
Information	50.7	50.6	50.6	50.3	-0.4	-0.8
Financial activities	179.1	180.5	181.7	181.9	2.8	1.6
Professional and business services	433.7	435.7	438.7	438.9	5.2	1.2
Education and health services	386.5	393.1	390.5	393.2	6.7	1.7
Leisure and hospitality	319.1	329.3	326.4	320.6	1.5	0.5
Other services	122.7	125.4	127.6	124.4	1.7	1.4
Government	289.8	314.1	290.8	287.9	-1.9	-0.7
New York-Newark-Jersey City, NY-NJ-PA						
Total nonfarm	9,698.6	9,833.1	9,905.8	9,841.6	143.0	1.5
Mining, logging, and construction	408.1	405.6	413.7	416.2	8.1	2.0
Manufacturing	365.9	363.9	366.4	364.5	-1.4	-0.4
Trade, transportation, and utilities	1,733.3	1,758.6	1,771.5	1,752.2	18.9	1.1
Information	287.4	283.0	289.4	286.4	-1.0	-0.3
Financial activities	788.0	773.6	786.2	788.6	0.6	0.1
Professional and business services	1,561.8	1,567.9	1,584.5	1,585.7	23.9	1.5
Education and health services	1,869.1	1,994.0	1,959.3	1,928.5	59.4	3.2
Leisure and hospitality	973.2	947.0	994.6	1,007.4	34.2	3.5
Other services	426.4	427.4	431.2	428.5	2.1	0.5
Government	1,285.4	1,312.1	1,309.0	1,283.6	-1.8	-0.1
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD						
Total nonfarm	2,893.4	2,962.3	2,975.9	2,954.9	61.5	2.1
Mining, logging, and construction	120.1	118.5	120.3	122.6	2.5	2.1
Manufacturing	181.6	182.0	182.1	181.7	0.1	0.1

Note: See footnotes at end of table.

Table 2. Employees on nonfarm payrolls by industry supersector, 12 largest metropolitan areas, not seasonally adjusted (numbers in thousands) - Continued

Area and Industry	Jul. 2017	May 2018	Jun. 2018	Jul. 2018(p)	Jul. 2017 to Jul. 2018(p)	
					Net change	Percent change
Trade, transportation, and utilities	518.4	528.0	531.0	527.5	9.1	1.8
Information	46.3	44.7	45.0	44.9	-1.4	-3.0
Financial activities	216.8	216.6	218.6	219.9	3.1	1.4
Professional and business services	467.5	480.2	484.5	488.0	20.5	4.4
Education and health services	626.6	654.5	647.1	647.9	21.3	3.4
Leisure and hospitality	280.0	274.1	285.5	285.8	5.8	2.1
Other services	122.1	121.5	122.8	121.6	-0.5	-0.4
Government	314.0	342.2	339.0	315.0	1.0	0.3
Phoenix-Mesa-Scottsdale, AZ						
Total nonfarm	1,985.6	2,087.7	2,057.0	2,046.9	61.3	3.1
Mining and logging	3.3	3.2	3.2	3.2	-0.1	-3.0
Construction	115.3	123.8	127.9	128.3	13.0	11.3
Manufacturing	124.1	129.4	130.6	131.5	7.4	6.0
Trade, transportation, and utilities	390.6	397.8	395.2	395.7	5.1	1.3
Information	36.2	37.1	37.4	36.8	0.6	1.7
Financial activities	186.5	188.8	189.1	189.0	2.5	1.3
Professional and business services	339.4	348.5	350.8	351.1	11.7	3.4
Education and health services	300.4	319.1	314.3	312.9	12.5	4.2
Leisure and hospitality	216.5	232.8	226.5	222.7	6.2	2.9
Other services	65.7	66.6	65.7	65.0	-0.7	-1.1
Government	207.6	240.6	216.3	210.7	3.1	1.5
San Francisco-Oakland-Hayward, CA						
Total nonfarm	2,395.5	2,435.8	2,439.6	2,434.9	39.4	1.6
Mining and logging	0.5	0.5	0.5	0.5	0.0	0.0
Construction	121.4	122.1	123.4	124.1	2.7	2.2
Manufacturing	141.3	142.3	143.1	144.4	3.1	2.2
Trade, transportation, and utilities	382.2	382.2	384.3	386.8	4.6	1.2
Information	108.2	108.2	110.1	112.6	4.4	4.1
Financial activities	143.4	143.0	142.7	143.1	-0.3	-0.2
Professional and business services	481.0	491.0	492.4	497.3	16.3	3.4
Education and health services	344.4	356.6	354.0	351.2	6.8	2.0
Leisure and hospitality	277.7	277.7	278.8	278.7	1.0	0.4
Other services	88.0	84.7	85.0	85.5	-2.5	-2.8
Government	307.4	327.5	325.3	310.7	3.3	1.1
Washington-Arlington-Alexandria, DC-VA-MD-WV						
Total nonfarm	3,283.1	3,325.5	3,357.3	3,360.2	77.1	2.3
Mining, logging, and construction	163.2	162.0	168.0	169.2	6.0	3.7
Manufacturing	55.2	55.6	55.9	55.9	0.7	1.3
Trade, transportation, and utilities	407.6	412.3	414.0	412.2	4.6	1.1
Information	74.2	75.0	75.7	74.2	0.0	0.0
Financial activities	159.3	159.2	161.6	162.3	3.0	1.9
Professional and business services	756.7	759.9	771.3	779.2	22.5	3.0
Education and health services	426.2	445.5	442.0	438.6	12.4	2.9
Leisure and hospitality	341.5	339.3	352.1	353.3	11.8	3.5
Other services	210.6	210.8	212.4	214.4	3.8	1.8
Government	688.6	705.9	704.3	700.9	12.3	1.8

(p) preliminary