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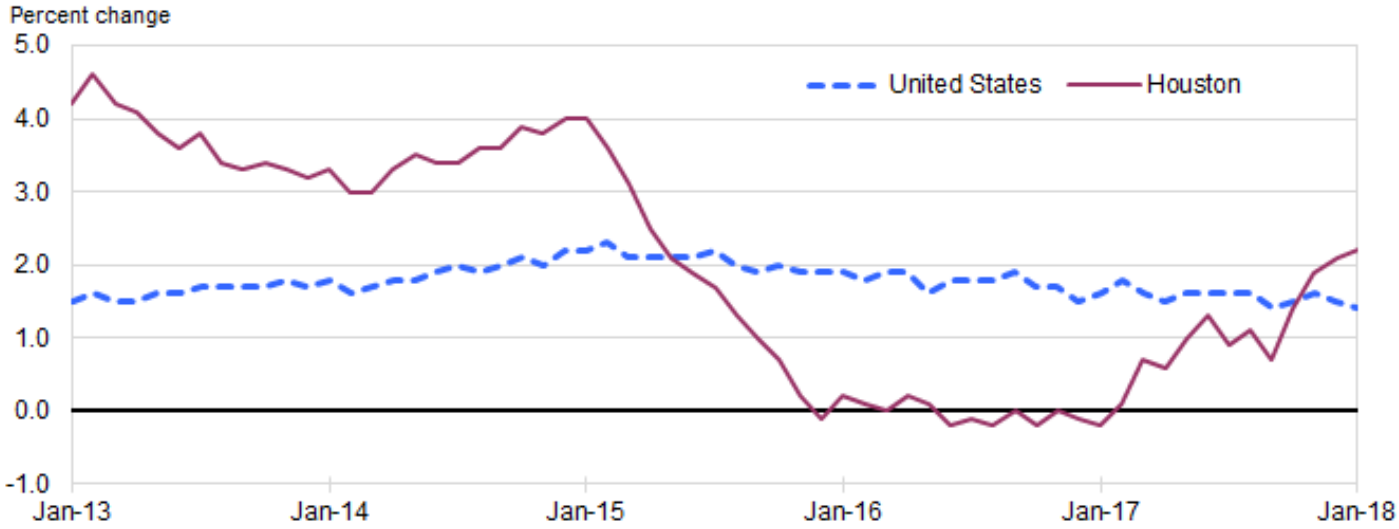
Houston Area Employment — January 2018

Total nonfarm employment in the Houston-The Woodlands-Sugar Land Metropolitan Statistical Area stood at 3,029,500 in January 2018, up 64,400 or 2.2 percent, from one year earlier, the U.S. Bureau of Labor Statistics reported today. During the same period, the national job count increased 1.4 percent. Assistant Commissioner for Regional Operations Stanley W. Suchman noted that January marked the third consecutive month that the Houston job growth rate 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, January 2013–January 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 January 2017 to January 2018, up 21,400 during the period. Job gains in the sector came primarily from the employment services industry which had a 16.7-percent rate of job growth over the year. Houston's professional and business services employment rose 4.6 percent since January 2017, more than double the national increase of 2.2 percent. (See table 1 and chart 2.)

Trade, transportation, and utilities, Houston's largest employer, added 9,300 jobs from January 2017 to January 2018. Employment rose in all three sub-sectors: wholesale trade (+4,800); retail trade (+3,100); and transportation, warehousing, and utilities (+1,400). Over the year, local employment in the trade, transportation, and utilities sector increased 1.5 percent compared to a 0.6-percent increase nationwide.

Construction employment rose by 9,200 from January a year ago. This was the third consecutive month of annual job gains for the sector following more than a year of annual declines. Job gains occurred in the three reporting industries: construction of buildings (+6,900), specialty trade contractors (+1,200), and heavy and civil engineering construction (+1,100). Area employment in the construction supersector rose at a 4.4-percent pace compared to the 3.6-percent gain for the nation.

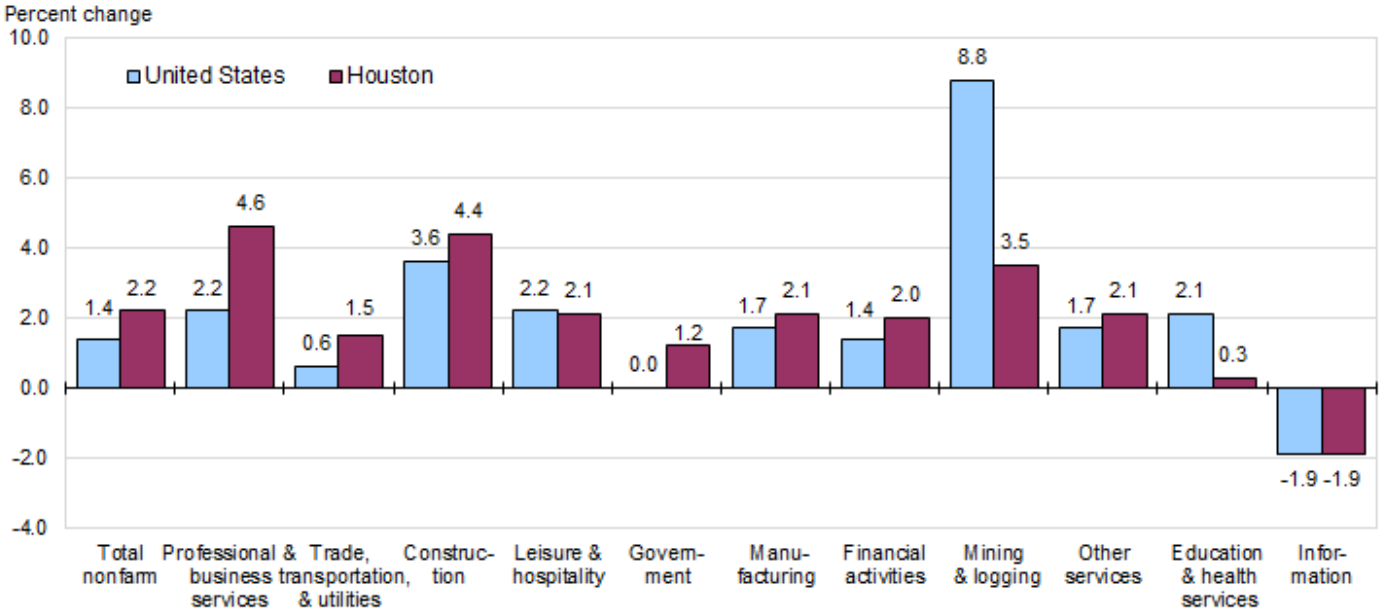
Houston's leisure and hospitality supersector added 6,400 jobs over the year. The 2.1-percent local rate of job growth compared to the 2.2-percent increase for the nation. Local job gains were concentrated in the sector's largest industry, food services and drinking places, which added 6,600 jobs during the period.

Government employment rose by 5,000 in the Houston area from January 2017 to January 2018. Employment in Houston's government supersector increased 1.2 percent over the year; nationally, employment in the supersector was essentially unchanged. In Houston, local government educational services accounted for the bulk of the increase, rising 2.8 percent.

Manufacturing employment in Houston rose by 4,600 from January a year ago, marking the third consecutive month of annual job growth. The durable goods manufacturing industry produced all of the job growth, as employment in non-durable goods manufacturing edged down over the year. Non-durable goods manufacturing has experienced annual employment declines each month since April 2017. Area employment in the manufacturing sector rose 2.1 percent from January a year ago, compared to 1.7 percent nationally.

Four other local sectors each had annual job gains of at least 1,100: financial activities (+3,100), mining and logging (+2,700), other services (+2,200), and education and health services (+1,100).

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

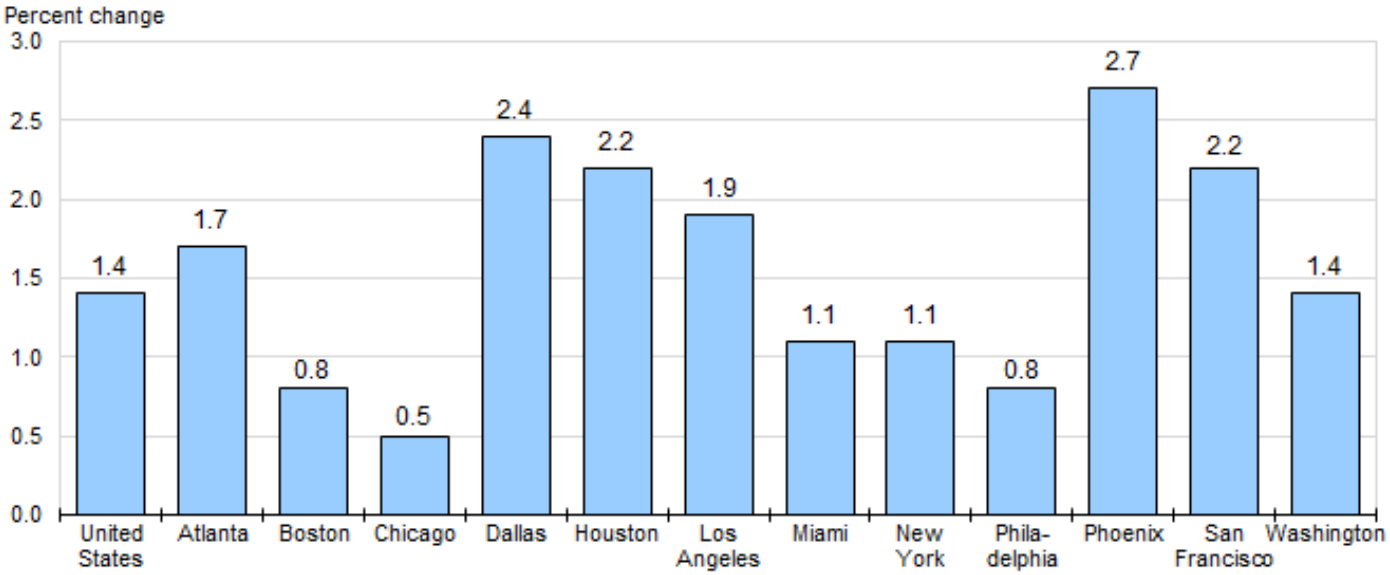


Source: U.S. Bureau of Labor Statistics.

Employment in the 12 largest metropolitan areas

Houston-The Woodlands-Sugar Land was 1 of the nation's 12 largest metropolitan statistical areas in January 2018. All 12 areas had over-the-year job growth during the period, with the rates of job growth in 6 areas exceeding the national increase of 1.4 percent. Phoenix-Mesa-Scottsdale had the fastest rate of job growth, up 2.7 percent, followed by Dallas-Fort Worth-Arlington, up 2.4 percent. Chicago-Naperville-Elgin had the slowest rate of job growth, 0.5 percent. (See chart 3 and table 2.)

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



Source: U.S. Bureau of Labor Statistics.

Los Angeles-Long Beach-Anaheim added the largest number of jobs over the year, 114,600, followed by New York-Newark-Jersey City, up 104,000. Boston-Cambridge-Nashua had the smallest employment gain over the year, adding 22,400 jobs. Chicago and Philadelphia-Camden-Wilmington each added 23,200 jobs. Annual gains in the remaining seven metropolitan areas ranged from 85,800 in Dallas to 29,700 in Miami-Fort Lauderdale-West Palm Beach.

Over the year, education and health services added the most jobs in five areas: Chicago, Los Angeles, New York, Philadelphia, and Phoenix. Professional and business services gained the most jobs in four areas: Boston, Houston, Miami, and San Francisco.

Metropolitan area employment data for February 2018 are scheduled to be released on Friday, March 23, 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 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	Jan. 2017	Nov. 2018	Dec. 2018	Jan. 2018(p)	Jan. 2017 to Jan. 2018(p)	
					Net change	Percent change
United States						
Total nonfarm	143,393	148,783	148,530	145,472	2,079	1.4
Mining and logging	637	703	700	693	56	8.8
Construction	6,459	7,117	6,970	6,692	233	3.6
Manufacturing	12,277	12,522	12,560	12,484	207	1.7
Trade, transportation, and utilities	27,305	28,171	28,337	27,464	159	0.6
Information	2,778	2,799	2,784	2,724	-54	-1.9
Financial activities	8,345	8,499	8,516	8,461	116	1.4
Professional and business services	19,875	20,864	20,770	20,319	444	2.2
Education and health services	22,766	23,609	23,556	23,250	484	2.1
Leisure and hospitality	15,124	15,877	15,862	15,452	328	2.2
Other services	5,656	5,809	5,800	5,751	95	1.7
Government	22,171	22,813	22,675	22,182	11	0.0
Houston-The Woodlands-Sugar Land, TX Metropolitan Statistical Area						
Total nonfarm	2,965.1	3,063.4	3,073.4	3,029.5	64.4	2.2
Mining and logging	76.1	77.5	77.9	78.8	2.7	3.5
Construction	210.1	221.6	221.4	219.3	9.2	4.4
Manufacturing	217.1	220.1	221.1	221.7	4.6	2.1
Trade, transportation, and utilities	613.1	633.7	640.2	622.4	9.3	1.5
Information	32.3	31.4	31.9	31.7	-0.6	-1.9
Financial activities	157.0	160.3	160.4	160.1	3.1	2.0
Professional and business services	467.2	491.9	492.8	488.6	21.4	4.6
Education and health services	379.3	384.1	383.9	380.4	1.1	0.3
Leisure and hospitality	306.4	319.5	318.5	312.8	6.4	2.1
Other services	106.0	108.0	109.2	108.2	2.2	2.1
Government	400.5	415.3	416.1	405.5	5.0	1.2

(p) preliminary

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

Area and Industry	Jan. 2017	Nov. 2018	Dec. 2018	Jan. 2018(p)	Jan. 2017 to Jan. 2018(p)	
					Net change	Percent change
Atlanta-Sandy Springs-Roswell, GA						
Total nonfarm	2,665.5	2,770.3	2,767.0	2,709.8	44.3	1.7
Mining and logging	1.6	1.6	1.6	1.6	0.0	0.0
Construction	116.7	126.0	125.6	121.1	4.4	3.8
Manufacturing	166.2	168.6	169.4	167.3	1.1	0.7
Trade, transportation, and utilities	595.0	619.2	622.9	606.6	11.6	1.9
Information	96.9	100.2	99.5	91.5	-5.4	-5.6
Financial activities	167.1	170.7	170.4	166.8	-0.3	-0.2
Professional and business services	487.7	504.4	501.2	492.4	4.7	1.0
Education and health services	334.2	348.4	349.2	344.0	9.8	2.9
Leisure and hospitality	274.7	290.7	290.3	285.5	10.8	3.9
Other services	96.9	99.0	100.3	98.9	2.0	2.1
Government	328.5	341.5	336.6	334.1	5.6	1.7
Boston-Cambridge-Nashua, MA-NH						
Total nonfarm	2,676.6	2,770.4	2,767.7	2,699.0	22.4	0.8
Mining, logging, and construction	102.8	117.7	114.5	107.4	4.6	4.5
Manufacturing	186.6	187.6	188.7	187.7	1.1	0.6
Trade, transportation, and utilities	423.9	431.7	436.7	421.9	-2.0	-0.5
Information	78.8	79.7	79.0	79.2	0.4	0.5
Financial activities	183.2	183.9	184.2	181.8	-1.4	-0.8
Professional and business services	467.0	489.6	487.5	478.7	11.7	2.5
Education and health services	569.0	589.9	589.0	575.0	6.0	1.1
Leisure and hospitality	254.2	267.5	267.4	257.6	3.4	1.3
Other services	99.5	104.9	103.9	101.1	1.6	1.6
Government	311.6	317.9	316.8	308.6	-3.0	-1.0
Chicago-Naperville-Elgin, IL-IN-WI						
Total nonfarm	4,583.7	4,758.6	4,730.9	4,606.9	23.2	0.5
Mining and logging	1.3	1.6	1.5	1.5	0.2	15.4
Construction	151.8	179.4	171.4	155.4	3.6	2.4
Manufacturing	411.2	419.1	420.2	416.2	5.0	1.2
Trade, transportation, and utilities	944.4	973.9	980.3	942.0	-2.4	-0.3
Information	80.6	77.8	78.2	76.7	-3.9	-4.8
Financial activities	299.8	304.3	304.8	306.5	6.7	2.2
Professional and business services	797.3	840.2	827.6	796.8	-0.5	-0.1
Education and health services	714.3	734.6	727.1	721.2	6.9	1.0
Leisure and hospitality	452.0	474.2	467.7	456.7	4.7	1.0
Other services	192.7	193.2	194.2	192.5	-0.2	-0.1
Government	538.3	560.3	557.9	541.4	3.1	0.6
Dallas-Fort Worth-Arlington, TX						
Total nonfarm	3,522.0	3,671.0	3,666.8	3,607.8	85.8	2.4
Mining, logging, and construction	205.3	215.6	211.9	209.6	4.3	2.1
Manufacturing	265.8	275.0	274.6	272.6	6.8	2.6
Trade, transportation, and utilities	762.3	792.2	796.0	773.2	10.9	1.4
Information	83.2	83.2	84.2	83.4	0.2	0.2
Financial activities	286.7	296.4	295.5	294.3	7.6	2.7
Professional and business services	581.2	604.6	602.3	588.4	7.2	1.2
Education and health services	434.4	452.6	450.4	447.9	13.5	3.1
Leisure and hospitality	357.5	382.6	383.1	378.1	20.6	5.8
Other services	117.6	123.8	123.3	121.8	4.2	3.6
Government	428.0	445.0	445.5	438.5	10.5	2.5
Houston-The Woodlands-Sugar Land, TX						
Total nonfarm	2,965.1	3,063.4	3,073.4	3,029.5	64.4	2.2
Mining and logging	76.1	77.5	77.9	78.8	2.7	3.5
Construction	210.1	221.6	221.4	219.3	9.2	4.4

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	Jan. 2017	Nov. 2018	Dec. 2018	Jan. 2018(p)	Jan. 2017 to Jan. 2018(p)	
					Net change	Percent change
Manufacturing	217.1	220.1	221.1	221.7	4.6	2.1
Trade, transportation, and utilities	613.1	633.7	640.2	622.4	9.3	1.5
Information	32.3	31.4	31.9	31.7	-0.6	-1.9
Financial activities	157.0	160.3	160.4	160.1	3.1	2.0
Professional and business services	467.2	491.9	492.8	488.6	21.4	4.6
Education and health services	379.3	384.1	383.9	380.4	1.1	0.3
Leisure and hospitality	306.4	319.5	318.5	312.8	6.4	2.1
Other services	106.0	108.0	109.2	108.2	2.2	2.1
Government	400.5	415.3	416.1	405.5	5.0	1.2
Los Angeles-Long Beach-Anaheim, CA						
Total nonfarm	5,948.0	6,152.5	6,169.0	6,062.6	114.6	1.9
Mining and logging	2.9	2.9	2.9	2.9	0.0	0.0
Construction	224.4	243.8	242.9	241.1	16.7	7.4
Manufacturing	511.6	506.8	507.8	503.1	-8.5	-1.7
Trade, transportation, and utilities	1,097.9	1,131.0	1,138.9	1,107.8	9.9	0.9
Information	237.9	247.3	246.2	233.5	-4.4	-1.8
Financial activities	337.5	341.2	343.9	339.9	2.4	0.7
Professional and business services	889.8	933.5	939.1	916.7	26.9	3.0
Education and health services	988.7	1,030.0	1,031.9	1,026.5	37.8	3.8
Leisure and hospitality	712.3	750.4	752.1	740.7	28.4	4.0
Other services	200.2	204.3	203.2	201.0	0.8	0.4
Government	744.8	761.3	760.1	749.4	4.6	0.6
Miami-Fort Lauderdale-West Palm Beach, FL						
Total nonfarm	2,616.2	2,666.5	2,679.3	2,645.9	29.7	1.1
Mining and logging	0.7	0.7	0.7	0.7	0.0	0.0
Construction	125.2	133.0	133.4	131.3	6.1	4.9
Manufacturing	87.8	90.8	92.0	91.2	3.4	3.9
Trade, transportation, and utilities	599.2	614.1	619.0	601.5	2.3	0.4
Information	50.8	50.6	50.5	50.3	-0.5	-1.0
Financial activities	178.1	179.5	181.7	177.9	-0.2	-0.1
Professional and business services	429.5	441.4	443.2	437.4	7.9	1.8
Education and health services	387.0	393.4	395.6	392.0	5.0	1.3
Leisure and hospitality	322.8	322.4	324.9	327.7	4.9	1.5
Other services	122.5	124.4	125.7	123.2	0.7	0.6
Government	312.6	316.2	312.6	312.7	0.1	0.0
New York-Newark-Jersey City, NY-NJ-PA						
Total nonfarm	9,434.7	9,825.7	9,838.2	9,538.7	104.0	1.1
Mining, logging, and construction	372.2	405.7	398.2	377.1	4.9	1.3
Manufacturing	362.1	363.8	363.6	358.8	-3.3	-0.9
Trade, transportation, and utilities	1,734.1	1,796.2	1,814.0	1,749.4	15.3	0.9
Information	280.7	290.2	288.3	280.7	0.0	0.0
Financial activities	763.3	779.3	781.8	770.6	7.3	1.0
Professional and business services	1,495.5	1,564.6	1,563.5	1,517.4	21.9	1.5
Education and health services	1,875.9	1,974.9	1,979.7	1,928.2	52.3	2.8
Leisure and hospitality	854.8	904.6	904.6	858.6	3.8	0.4
Other services	415.2	425.3	426.8	417.3	2.1	0.5
Government	1,280.9	1,321.1	1,317.7	1,280.6	-0.3	0.0
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD						
Total nonfarm	2,854.8	2,955.7	2,950.9	2,878.0	23.2	0.8
Mining, logging, and construction	110.3	116.8	113.8	106.3	-4.0	-3.6
Manufacturing	178.4	180.5	181.8	179.7	1.3	0.7
Trade, transportation, and utilities	523.0	537.2	542.1	523.7	0.7	0.1
Information	46.2	45.0	45.2	44.9	-1.3	-2.8

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	Jan. 2017	Nov. 2018	Dec. 2018	Jan. 2018(p)	Jan. 2017 to Jan. 2018(p)	
					Net change	Percent change
Financial activities	212.1	215.0	215.6	214.0	1.9	0.9
Professional and business services	455.3	475.3	472.1	457.0	1.7	0.4
Education and health services	628.4	659.4	656.5	644.3	15.9	2.5
Leisure and hospitality	248.2	262.4	260.0	252.0	3.8	1.5
Other services	118.9	119.2	119.9	118.6	-0.3	-0.3
Government	334.0	344.9	343.9	337.5	3.5	1.0
Phoenix-Mesa-Scottsdale, AZ						
Total nonfarm	1,999.5	2,086.3	2,088.4	2,052.5	53.0	2.7
Mining and logging	3.1	3.2	3.1	3.1	0.0	0.0
Construction	106.8	117.8	118.4	116.7	9.9	9.3
Manufacturing	120.2	125.7	128.2	127.2	7.0	5.8
Trade, transportation, and utilities	391.4	409.0	409.2	397.5	6.1	1.6
Information	35.0	35.4	35.6	35.3	0.3	0.9
Financial activities	182.8	190.3	188.8	189.1	6.3	3.4
Professional and business services	340.5	353.1	354.0	345.0	4.5	1.3
Education and health services	301.4	314.9	315.4	314.8	13.4	4.4
Leisure and hospitality	216.2	224.0	225.9	222.4	6.2	2.9
Other services	64.7	65.4	65.7	65.3	0.6	0.9
Government	237.4	247.5	244.1	236.1	-1.3	-0.5
San Francisco-Oakland-Hayward, CA						
Total nonfarm	2,347.4	2,435.7	2,437.7	2,398.3	50.9	2.2
Mining and logging	0.4	0.5	0.5	0.5	0.1	25.0
Construction	111.5	120.8	119.5	116.1	4.6	4.1
Manufacturing	135.7	142.4	141.6	140.4	4.7	3.5
Trade, transportation, and utilities	382.8	394.5	399.2	385.6	2.8	0.7
Information	101.9	108.2	108.1	106.9	5.0	4.9
Financial activities	140.6	142.5	143.9	142.3	1.7	1.2
Professional and business services	468.7	487.4	485.9	479.6	10.9	2.3
Education and health services	341.8	356.5	356.4	352.4	10.6	3.1
Leisure and hospitality	260.0	271.4	273.7	268.2	8.2	3.2
Other services	85.0	85.6	84.4	84.7	-0.3	-0.4
Government	319.0	325.9	324.5	321.6	2.6	0.8
Washington-Arlington-Alexandria, DC-VA-MD-WV						
Total nonfarm	3,214.7	3,306.2	3,310.2	3,258.5	43.8	1.4
Mining, logging, and construction	153.5	159.6	159.5	156.6	3.1	2.0
Manufacturing	54.2	55.1	54.7	54.5	0.3	0.6
Trade, transportation, and utilities	404.8	414.6	421.0	406.0	1.2	0.3
Information	73.6	73.4	74.9	74.7	1.1	1.5
Financial activities	154.8	157.3	158.6	157.8	3.0	1.9
Professional and business services	734.1	751.4	748.6	744.8	10.7	1.5
Education and health services	433.2	451.7	449.8	443.2	10.0	2.3
Leisure and hospitality	308.9	325.9	326.0	321.9	13.0	4.2
Other services	202.2	209.0	210.6	206.5	4.3	2.1
Government	695.4	708.2	706.5	692.5	-2.9	-0.4

(p) preliminary