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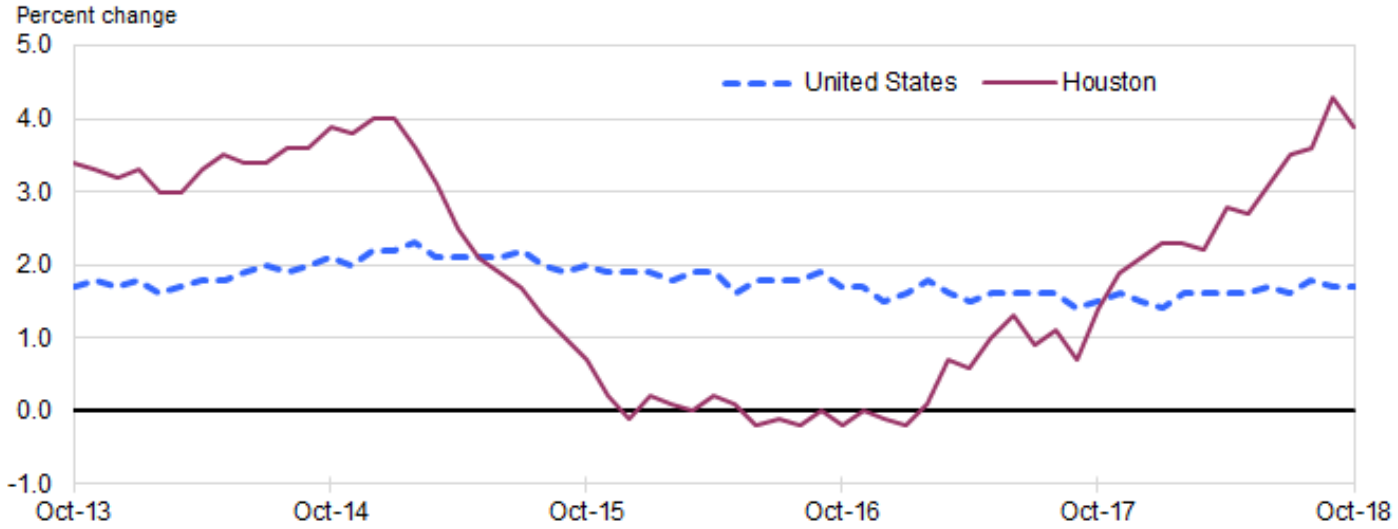
Houston Area Employment — October 2018

Total nonfarm employment in the Houston-The Woodlands-Sugar Land Metropolitan Statistical Area stood at 3,158,800 in October 2018, up 117,800 or 3.9 percent, from one year earlier, the U.S. Bureau of Labor Statistics reported today. During the same period, the national job count increased 1.7 percent. Assistant Commissioner for Regional Operations Stanley W. Suchman noted that among the 12 largest metropolitan areas in the country, Houston ranked first in both the number of jobs added over the year and the annual rate of job growth. (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, October 2013–October 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 October 2017 to October 2018, up 30,600. Job gains were widespread within the sector, but most notable in the employment services industry which added 11,200 jobs, a 12.7-percent increase over the year. Houston's professional and business services employment rose 6.3 percent since October 2017, compared to the national increase of 2.6 percent. (See table 1 and chart 2.)

Construction added 25,600 jobs locally from October 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 15,900 or 26.9 percent. Area employment in the construction supersector climbed 11.6 percent compared to the 4.4-percent gain for the nation.

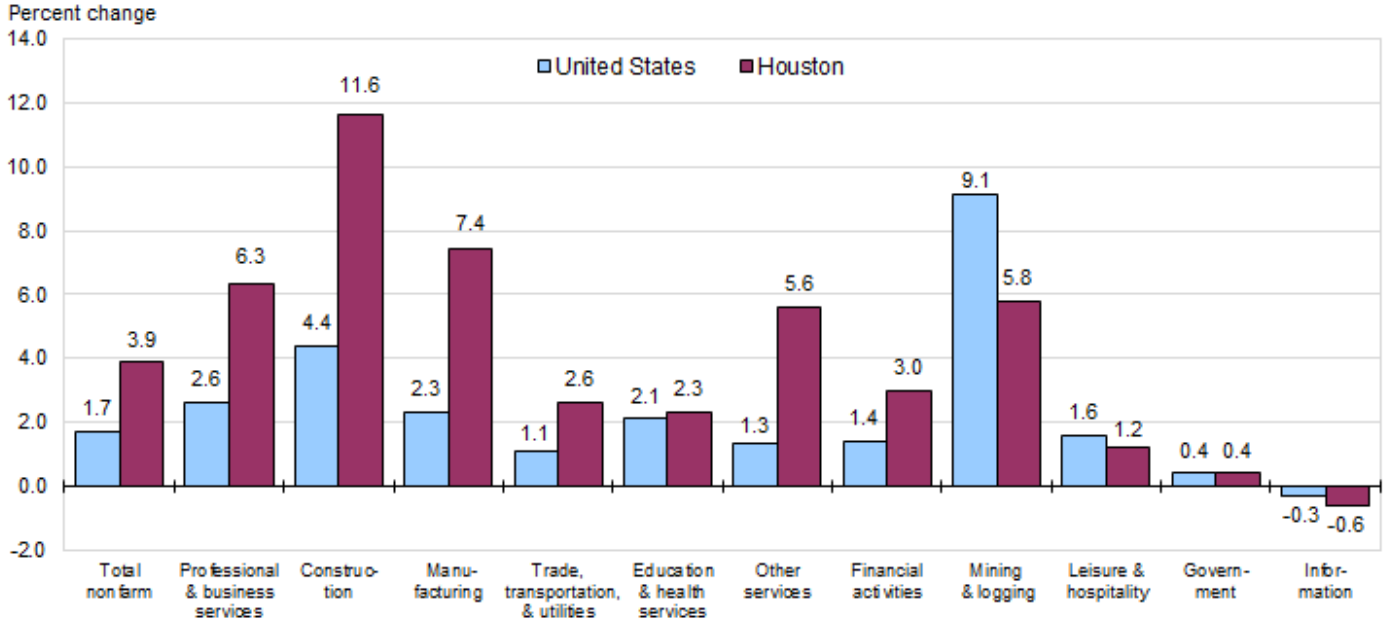
Manufacturing in Houston added 16,100 jobs from October 2017 to October 2018. Local gains occurred in both the durable and non-durable goods manufacturing industries, but durable goods manufacturing produced the bulk of the increase (+13,700). The 7.4-percent increase in manufacturing employment in Houston compared to 2.3 percent nationally. This marked the 12th consecutive month of annual job growth in the local area and the fastest annual rate of gain since July 2012.

Trade, transportation, and utilities, Houston's largest employer, added 16,000 jobs from October 2017 to October 2018. All three sub-sectors added jobs: retail trade (+5,600); transportation, warehousing, and utilities (+5,600); and wholesale trade (+4,800). Over the year, local employment in the trade, transportation, and utilities sector increased 2.6 percent, more than double the 1.1-percent nationwide increase.

Two other local sectors added at least 6,100 jobs over the year. Houston's education and health services employment rose 8,800 from October a year ago. This gain represented a 2.3-percent increase locally, compared to the national advance of 2.1 percent. The other services sector in Houston added 6,100 jobs from October 2017; local employment rose 5.6 percent compared to 1.3 percent nationally.

Three additional local sectors had annual job gains of at least 3,700: financial activities (+4,800), mining and logging (+4,500), and leisure and hospitality (+3,700). Government had the smallest employment gain in the Houston area, up 1,800 jobs, or 0.4 percent from October a year ago.

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



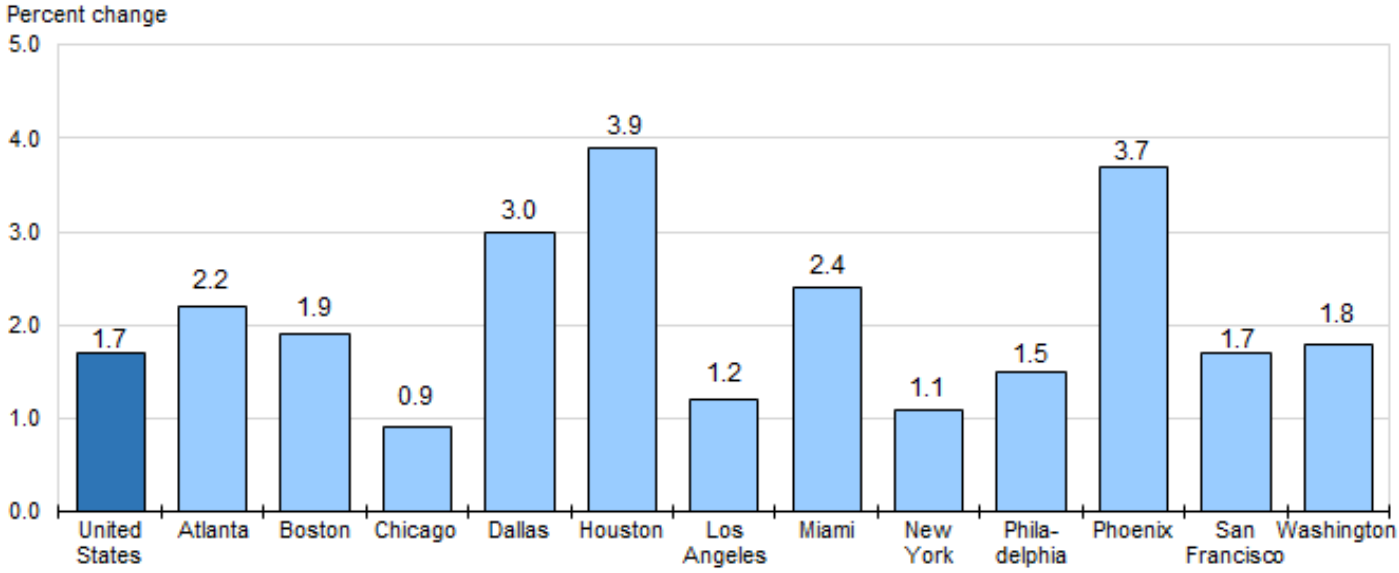
Source: U.S. Bureau of Labor Statistics.

Employment in the 12 largest metropolitan areas

Houston-The Woodlands-Sugar Land was 1 of the nation's 12 largest metropolitan statistical areas in October 2018. All 12 areas had over-the-year job growth during the period, with the rates of job growth in 7 areas exceeding the national increase of 1.7 percent. Houston (+3.9 percent), Phoenix-Mesa-Scottsdale (+3.7

percent), and Dallas-Fort Worth-Arlington (+3.0 percent) had the fastest rates of job growth. Chicago-Naperville-Elgin (+0.9 percent), New York-Newark-Jersey City (+1.1 percent), and Los Angeles-Long Beach-Anaheim (+1.2 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, October 2018



Source: U.S. Bureau of Labor Statistics.

Houston added the largest number of jobs over the year, 117,800, followed by Dallas (+109,000) and New York (+108,500). Chicago had the smallest employment gain over the year, 41,300, followed by San Francisco-Oakland-Hayward (+41,700) and Philadelphia-Camden-Wilmington (+43,600). Annual job gains in the remaining six metropolitan areas ranged from 76,700 in Phoenix to 53,100 in Boston-Cambridge-Nashua.

Over the year, professional and business services added the most jobs in six areas: Atlanta-Sandy Springs-Roswell, Boston, Dallas, Houston, San Francisco, and Washington-Arlington-Alexandria. Construction gained the most jobs in three areas: Chicago, Miami-Fort Lauderdale-West Palm Beach, and Phoenix.

The other services sector recorded the largest employment loss in three areas: Atlanta, Chicago, and San Francisco. Information lost the most jobs in three other areas: Houston, New York, and Philadelphia. Dallas and Washington were the only metropolitan areas to record gains in all supersectors.

Metropolitan area employment data for November 2018 are scheduled to be released on Friday, December 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	Oct. 2017	Aug. 2018	Sep. 2018	Oct. 2018(p)	Oct. 2017 to Oct. 2018(p)	
					Net change	Percent change
United States						
Total nonfarm	148,203	149,406	149,738	150,753	2,550	1.7
Mining and logging	700	763	759	764	64	9.1
Construction	7,182	7,529	7,474	7,500	318	4.4
Manufacturing	12,509	12,823	12,791	12,800	291	2.3
Trade, transportation, and utilities	27,604	27,797	27,715	27,910	306	1.1
Information	2,784	2,787	2,753	2,776	-8	-0.3
Financial activities	8,499	8,654	8,606	8,616	117	1.4
Professional and business services	20,815	21,217	21,185	21,352	537	2.6
Education and health services	23,515	23,430	23,691	24,018	503	2.1
Leisure and hospitality	16,100	17,076	16,530	16,360	260	1.6
Other services	5,808	5,910	5,864	5,886	78	1.3
Government	22,687	21,420	22,370	22,771	84	0.4
Houston-The Woodlands-Sugar Land, TX Metropolitan Statistical Area						
Total nonfarm	3,041.0	3,122.1	3,135.2	3,158.8	117.8	3.9
Mining and logging	77.1	80.7	80.4	81.6	4.5	5.8
Construction	220.2	243.9	243.7	245.8	25.6	11.6
Manufacturing	216.7	231.2	232.6	232.8	16.1	7.4
Trade, transportation, and utilities	619.9	634.5	629.8	635.9	16.0	2.6
Information	31.2	31.1	30.8	31.0	-0.2	-0.6
Financial activities	160.4	164.3	164.6	165.2	4.8	3.0
Professional and business services	488.8	518.0	517.0	519.4	30.6	6.3
Education and health services	386.3	394.6	394.1	395.1	8.8	2.3
Leisure and hospitality	319.9	325.9	324.1	323.6	3.7	1.2
Other services	108.5	111.9	112.5	114.6	6.1	5.6
Government	412.0	386.0	405.6	413.8	1.8	0.4

(p) preliminary

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

Area and Industry	Oct. 2017	Aug. 2018	Sep. 2018	Oct. 2018(p)	Oct. 2017 to Oct. 2018(p)	
					Net change	Percent change
Atlanta-Sandy Springs-Roswell, GA						
Total nonfarm	2,752.2	2,789.6	2,796.5	2,813.0	60.8	2.2
Mining and logging	1.6	1.6	1.6	1.6	0.0	0.0
Construction	124.8	132.2	133.5	135.1	10.3	8.3
Manufacturing	167.8	169.1	169.3	169.0	1.2	0.7
Trade, transportation, and utilities	607.7	616.9	620.1	621.6	13.9	2.3
Information	99.7	96.5	97.6	98.1	-1.6	-1.6
Financial activities	170.9	170.0	169.0	169.8	-1.1	-0.6
Professional and business services	503.1	507.0	508.5	519.0	15.9	3.2
Education and health services	346.5	356.2	358.3	359.8	13.3	3.8
Leisure and hospitality	290.7	308.1	302.9	301.3	10.6	3.6
Other services	100.5	98.6	98.4	97.8	-2.7	-2.7
Government	338.9	333.4	337.3	339.9	1.0	0.3
Boston-Cambridge-Nashua, MA-NH						
Total nonfarm	2,767.5	2,805.7	2,800.6	2,820.6	53.1	1.9
Mining, logging, and construction	118.6	125.2	124.2	125.3	6.7	5.6
Manufacturing	187.3	192.2	190.5	191.8	4.5	2.4
Trade, transportation, and utilities	427.2	426.5	424.6	428.9	1.7	0.4
Information	79.3	81.7	79.7	80.2	0.9	1.1
Financial activities	185.0	186.4	184.1	183.5	-1.5	-0.8
Professional and business services	489.0	515.6	511.9	515.6	26.6	5.4
Education and health services	586.0	585.1	588.1	597.5	11.5	2.0
Leisure and hospitality	275.4	298.2	279.9	276.0	0.6	0.2
Other services	105.0	108.4	104.8	105.3	0.3	0.3
Government	314.7	286.4	312.8	316.5	1.8	0.6
Chicago-Naperville-Elgin, IL-IN-WI						
Total nonfarm	4,754.6	4,766.3	4,751.5	4,795.9	41.3	0.9
Mining and logging	1.6	1.6	1.6	1.6	0.0	0.0
Construction	182.6	191.8	191.1	193.2	10.6	5.8
Manufacturing	416.2	423.0	423.7	424.8	8.6	2.1
Trade, transportation, and utilities	955.6	953.0	944.7	959.1	3.5	0.4
Information	77.9	74.9	74.2	76.1	-1.8	-2.3
Financial activities	305.8	312.5	309.6	310.0	4.2	1.4
Professional and business services	842.3	844.0	838.0	844.9	2.6	0.3
Education and health services	735.5	720.5	726.2	738.7	3.2	0.4
Leisure and hospitality	482.6	507.5	490.2	486.0	3.4	0.7
Other services	195.2	194.5	191.7	191.6	-3.6	-1.8
Government	559.3	543.0	560.5	569.9	10.6	1.9
Dallas-Fort Worth-Arlington, TX						
Total nonfarm	3,643.4	3,714.1	3,720.8	3,752.4	109.0	3.0
Mining, logging, and construction	216.6	231.5	229.9	231.1	14.5	6.7
Manufacturing	273.8	279.3	279.5	281.1	7.3	2.7
Trade, transportation, and utilities	778.1	787.4	786.7	791.1	13.0	1.7
Information	82.6	83.9	83.6	84.2	1.6	1.9
Financial activities	296.8	299.8	302.8	303.8	7.0	2.4
Professional and business services	600.3	626.7	623.5	629.5	29.2	4.9
Education and health services	446.6	456.8	457.3	461.1	14.5	3.2
Leisure and hospitality	382.9	397.5	392.4	396.3	13.4	3.5
Other services	124.0	128.0	126.8	127.4	3.4	2.7
Government	441.7	423.2	438.3	446.8	5.1	1.2
Houston-The Woodlands-Sugar Land, TX						
Total nonfarm	3,041.0	3,122.1	3,135.2	3,158.8	117.8	3.9
Mining and logging	77.1	80.7	80.4	81.6	4.5	5.8
Construction	220.2	243.9	243.7	245.8	25.6	11.6

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	Oct. 2017	Aug. 2018	Sep. 2018	Oct. 2018(p)	Oct. 2017 to Oct. 2018(p)	
					Net change	Percent change
Manufacturing	216.7	231.2	232.6	232.8	16.1	7.4
Trade, transportation, and utilities	619.9	634.5	629.8	635.9	16.0	2.6
Information	31.2	31.1	30.8	31.0	-0.2	-0.6
Financial activities	160.4	164.3	164.6	165.2	4.8	3.0
Professional and business services	488.8	518.0	517.0	519.4	30.6	6.3
Education and health services	386.3	394.6	394.1	395.1	8.8	2.3
Leisure and hospitality	319.9	325.9	324.1	323.6	3.7	1.2
Other services	108.5	111.9	112.5	114.6	6.1	5.6
Government	412.0	386.0	405.6	413.8	1.8	0.4
Los Angeles-Long Beach-Anaheim, CA						
Total nonfarm	6,121.5	6,105.4	6,135.3	6,193.9	72.4	1.2
Mining and logging	2.9	2.9	3.0	3.0	0.1	3.4
Construction	246.0	249.3	248.0	249.7	3.7	1.5
Manufacturing	505.4	504.9	504.7	501.8	-3.6	-0.7
Trade, transportation, and utilities	1,109.2	1,101.1	1,097.2	1,106.2	-3.0	-0.3
Information	247.1	248.5	244.4	246.6	-0.5	-0.2
Financial activities	339.8	340.9	341.0	340.4	0.6	0.2
Professional and business services	931.7	946.3	946.3	961.2	29.5	3.2
Education and health services	1,027.1	1,027.8	1,036.6	1,046.8	19.7	1.9
Leisure and hospitality	752.5	781.8	780.7	783.4	30.9	4.1
Other services	205.2	201.9	203.3	205.4	0.2	0.1
Government	754.6	700.0	730.1	749.4	-5.2	-0.7
Miami-Fort Lauderdale-West Palm Beach, FL						
Total nonfarm	2,636.0	2,664.1	2,668.6	2,700.0	64.0	2.4
Mining and logging	0.7	0.8	0.8	0.8	0.1	14.3
Construction	132.5	144.8	145.6	147.3	14.8	11.2
Manufacturing	90.4	98.0	96.1	97.5	7.1	7.9
Trade, transportation, and utilities	595.5	601.5	600.3	607.3	11.8	2.0
Information	50.0	50.5	50.2	51.0	1.0	2.0
Financial activities	177.1	182.2	181.1	182.2	5.1	2.9
Professional and business services	440.6	434.6	437.9	446.1	5.5	1.2
Education and health services	396.2	395.6	398.0	404.0	7.8	2.0
Leisure and hospitality	314.2	321.6	321.7	325.6	11.4	3.6
Other services	124.1	125.2	126.6	127.6	3.5	2.8
Government	314.7	309.3	310.3	310.6	-4.1	-1.3
New York-Newark-Jersey City, NY-NJ-PA						
Total nonfarm	9,770.9	9,795.8	9,782.2	9,879.4	108.5	1.1
Mining, logging, and construction	408.0	416.4	415.6	415.5	7.5	1.8
Manufacturing	364.2	365.0	364.9	365.5	1.3	0.4
Trade, transportation, and utilities	1,759.1	1,748.2	1,746.8	1,764.0	4.9	0.3
Information	288.6	286.9	285.1	286.4	-2.2	-0.8
Financial activities	780.7	787.7	779.7	778.9	-1.8	-0.2
Professional and business services	1,560.8	1,582.3	1,571.6	1,580.4	19.6	1.3
Education and health services	1,956.4	1,922.1	1,965.7	2,017.2	60.8	3.1
Leisure and hospitality	917.9	1,000.0	953.1	929.7	11.8	1.3
Other services	424.0	430.2	424.7	431.8	7.8	1.8
Government	1,311.2	1,257.0	1,275.0	1,310.0	-1.2	-0.1
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD						
Total nonfarm	2,947.4	2,942.9	2,968.2	2,991.0	43.6	1.5
Mining, logging, and construction	118.4	123.0	122.2	122.8	4.4	3.7
Manufacturing	180.7	181.0	181.6	181.9	1.2	0.7
Trade, transportation, and utilities	525.5	525.3	525.7	531.9	6.4	1.2
Information	44.9	44.7	44.1	43.7	-1.2	-2.7

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	Oct. 2017	Aug. 2018	Sep. 2018	Oct. 2018(p)	Oct. 2017 to Oct. 2018(p)	
					Net change	Percent change
Financial activities	215.0	218.5	218.4	217.1	2.1	1.0
Professional and business services	476.0	481.7	483.1	488.2	12.2	2.6
Education and health services	658.2	644.8	662.3	671.4	13.2	2.0
Leisure and hospitality	268.4	286.2	270.7	267.6	-0.8	-0.3
Other services	118.9	121.6	120.0	120.6	1.7	1.4
Government	341.4	316.1	340.1	345.8	4.4	1.3
Phoenix-Mesa-Scottsdale, AZ						
Total nonfarm	2,067.1	2,101.6	2,123.8	2,143.8	76.7	3.7
Mining and logging	3.2	3.2	3.2	3.2	0.0	0.0
Construction	117.2	130.4	131.0	133.9	16.7	14.2
Manufacturing	125.2	131.0	131.8	132.3	7.1	5.7
Trade, transportation, and utilities	396.5	400.5	400.7	401.1	4.6	1.2
Information	35.5	37.0	37.8	38.3	2.8	7.9
Financial activities	188.3	190.8	191.2	192.3	4.0	2.1
Professional and business services	353.8	358.2	361.8	368.0	14.2	4.0
Education and health services	313.3	318.6	321.5	325.1	11.8	3.8
Leisure and hospitality	223.0	228.4	229.0	233.0	10.0	4.5
Other services	64.9	65.3	65.0	65.8	0.9	1.4
Government	246.2	238.2	250.8	250.8	4.6	1.9
San Francisco-Oakland-Hayward, CA						
Total nonfarm	2,418.3	2,442.6	2,448.9	2,460.0	41.7	1.7
Mining and logging	0.5	0.5	0.5	0.5	0.0	0.0
Construction	121.4	125.0	124.7	124.9	3.5	2.9
Manufacturing	141.9	143.7	143.6	142.1	0.2	0.1
Trade, transportation, and utilities	385.4	389.1	387.3	386.3	0.9	0.2
Information	107.7	112.3	111.9	111.9	4.2	3.9
Financial activities	142.9	144.7	143.6	143.4	0.5	0.3
Professional and business services	482.1	499.4	496.7	502.4	20.3	4.2
Education and health services	354.5	352.3	356.1	359.5	5.0	1.4
Leisure and hospitality	272.5	278.6	278.7	277.0	4.5	1.7
Other services	86.9	85.7	85.0	85.4	-1.5	-1.7
Government	322.5	311.3	320.8	326.6	4.1	1.3
Washington-Arlington-Alexandria, DC-VA-MD-WV						
Total nonfarm	3,292.7	3,334.0	3,339.6	3,353.4	60.7	1.8
Mining, logging, and construction	162.5	169.7	169.2	168.6	6.1	3.8
Manufacturing	54.9	55.8	55.9	56.1	1.2	2.2
Trade, transportation, and utilities	406.0	414.2	413.8	415.6	9.6	2.4
Information	73.2	74.0	73.7	74.4	1.2	1.6
Financial activities	158.1	161.4	161.6	160.6	2.5	1.6
Professional and business services	749.8	777.7	768.3	770.1	20.3	2.7
Education and health services	448.4	439.1	446.1	449.8	1.4	0.3
Leisure and hospitality	328.8	349.6	339.5	338.5	9.7	3.0
Other services	207.4	211.0	209.5	210.7	3.3	1.6
Government	703.6	681.5	702.0	709.0	5.4	0.8

(p) preliminary