

Gulf Coast Workforce Board P.O. Box 22777 • Houston, Texas 77227-2777 MAIN: 713.627.3200 FAX: 713.993.4578 www.wrksolutions.com

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TEPID HIRING IN DECEMBER TO FINISH OUT 2023

Unemployment remains steady, but Leisure and Hospitality sees largest drop on record for the month

(HOUSTON, TX) Houston area employers added 3,600 jobs in December, closing out a robust 2023 that added a total of 70,100 (69,600 seasonally adjusted) jobs to the local economy, according to numbers released Friday morning by Workforce Solutions.

The Trade, Transportation, and Utilities sector added 6,600 on the strength of hiring in the retail sector as the holiday shopping season came to a close. The Retail subsector alone added 7,100, it's largest December month gain since 2000. The Bureau of Labor Statistics' employer survey data is gathered during the week of the 12th of every month, which for December fell two weeks prior to Christmas Day.

Education and Health Services also had a record month adding 2,100 positions – besting the previous record of 1,700 set in 2006. Ambulatory care services, which includes doctor's offices, outpatient care services, and home healthcare services, was the largest contributor, adding 1,500.

Who didn't have a good holiday season? Both the Warehousing and Transportation and the Leisure and Hospitality sectors lost a substantial number of jobs last month. The former sector, representing the logistics industry, reported a lost of 800 jobs, "which is only the 3rd time that's ever happened in December," said Parker Harvey, Manager for Regional Economic Analysis at the workforce development agency. "The other two happened in December 2001, possibly related to the September 11th attacks, and in 1996 - so it's unclear what caused it," he added.

Meanwhile, the Leisure and Hospitality sector dropped 1,900 – it's biggest December decline on record – led by losses in in foodservice and drinking establishments. "Many times over the years, this sector posted zero job growth in December, so to see this big of a loss is unprecedented. Keep in mind we also saw unprecedented losses in June last year so there's a real possibility that any weakness, if it's real, is being exaggerated," Harvey explained.

Unemployment remained steady between November and December at 3.8 percent. Seasonally adjusted unemployment for November remained steady at 4.4 percent between October and November.

Additional labor market information, including the detailed November report can be found online at <u>www.wrksolutions.com/localstats</u>. The Texas Workforce Commission will release December employment data on March 8, 2024.

ABOUT WORKFORCE SOLUTIONS: <u>Workforce Solutions</u> is dedicated to keeping the Texas Gulf Coast region a great place to do business, work and live. Our employer-driven, people-focused approach elevates the economic and human potential of the region to attract and retain the best employers, afford everyone the dignity of a job, and remain indispensable to the global economy. As the



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public workforce system for 13 counties in the Houston-Galveston region, we work in tandem with the Texas Workforce Commission and the statewide Workforce Solutions network to maintain the state's largest job-match database – <u>www.WorkInTexas.com</u>.

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