

Houston Area Employment Situation

March 2026

CURRENT EMPLOYMENT AND LOCAL AREA UNEMPLOYMENT STATISTICS

A Modest Rebound: Houston's Labor Market Shows Early Signs Of Strength

Total Nonfarm

Over-the-month Change

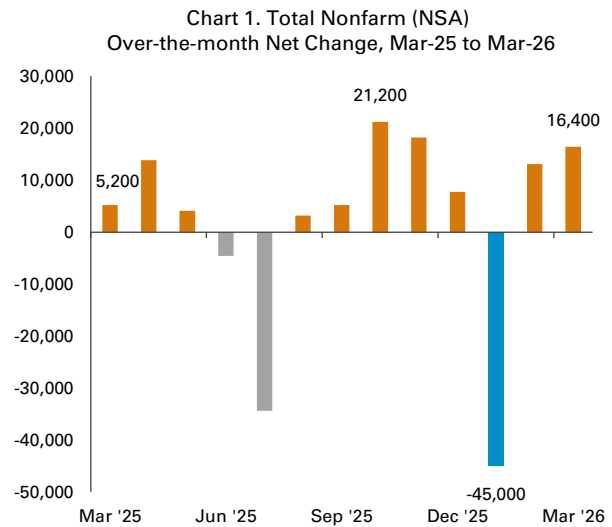
Houston MSA Total Nonfarm employment stood at 3,487,400 in March, up 16,400 jobs over the month, or 0.5 percent on a not-seasonally-adjusted basis (see Chart 1). A year ago Houston registered an over-the-month increase of 5,200 jobs. Prior to the pandemic, historically in the month of March, Total Nonfarm has on average added 12,600 jobs over the month, which indicates that this month's gains are moderately above the long-term average. Note that job growth is typical in March of each year with the only declines in this month occurring in 2009 due to Great Recession and 2020 at the start of the COVID-19 global pandemic.

The primary drivers of this March's growth were increases in Leisure and Hospitality; Professional and Business Services; and Government. Gains were also recorded in Manufacturing; Construction; and Private Education and Health Services. The net increase in jobs over the month was partially offset by losses in Financial Activities, and Information (see Chart 2). Houston MSA Total Nonfarm (seasonally adjusted) employment stood at 3,496,800, up 13,500 jobs over the month, or 0.4 percent vs. a historical average of 5,000. All analysis pertains to not-seasonally adjusted data unless otherwise noted. Source: BLS/TWC unless otherwise noted. NOTE: The Houston-Woodlands-Sugar Land, TX Metropolitan Statistical Area (MSA) consists of Austin, Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery, San Jacinto, and Waller Counties.

- Top-3 Drivers of Over-the-month Job Growth in March
- Leisure and Hospitality: 6,000
 - Professional and Business Services: 3,200
 - Government: 2,500

Over-the-year Change

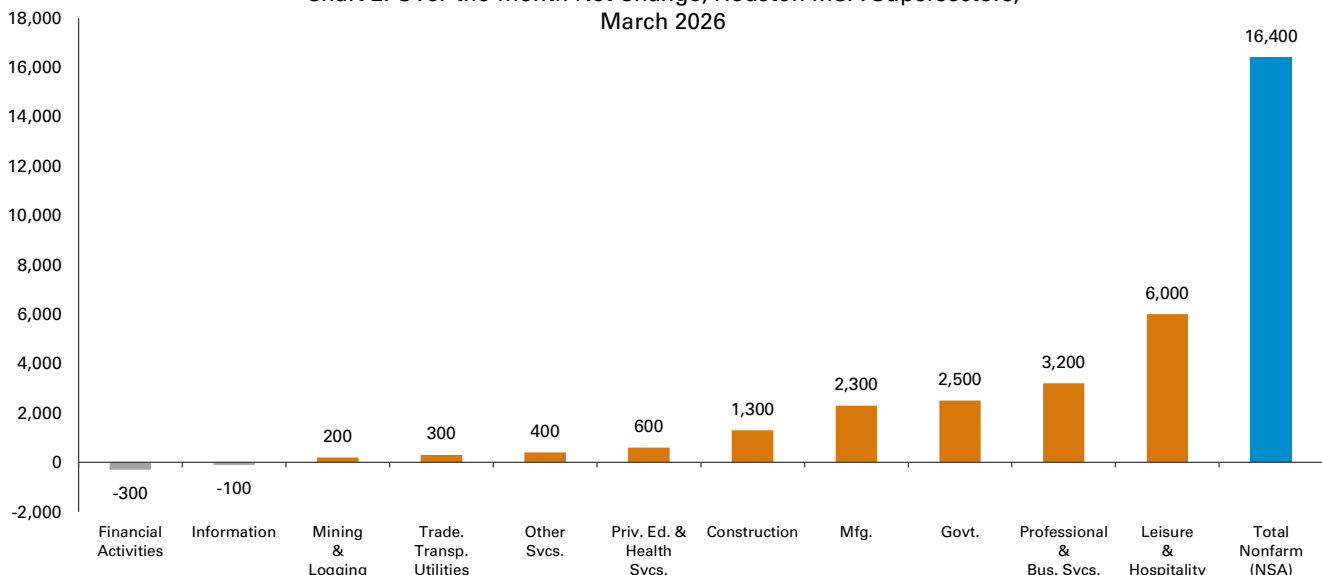
Over the year, Total Nonfarm employment was up 18,900 or 0.5 percent on a not-seasonally-adjusted basis and up 28,600 or 0.8 percent on a seasonally-adjusted basis (see NSA Chart 3). To compare, March 2025 saw a year-over-year gain of 46,200 jobs (NSA) from March 2024. Currently 6 out of 11 sectors show declines in employment year over year of which the top-three are Mining and Logging (-5,000); Financial Activities (-2,700); and Manufacturing (-2,300) (see Chart 4).



*blue bar may reflect January typical seasonal decline/gain occurring each year

Total Nonfarm employment not-seasonally-adjusted now exceeds its February 2020 pre-pandemic level of 3,193,400 jobs by 294,000, or 9.2 percent (297,100 jobs, 9.3 percent above 3,199,700 seasonally adjusted).

Chart 2. Over-the-month Net Change, Houston MSA Supersectors, March 2026



Houston Area Employment Situation

March 2026

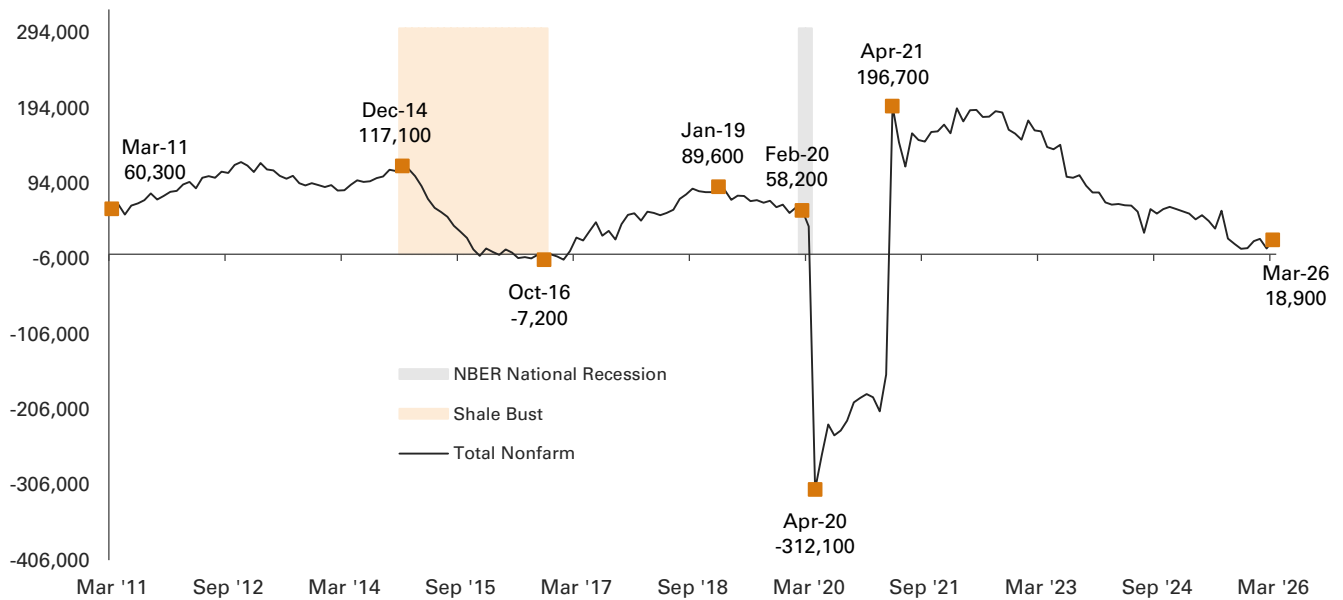
Previous Month's Revisions

Revised February 2026 Current Employment Statistics data for the Houston Metropolitan Area is unavailable at the time of publication.

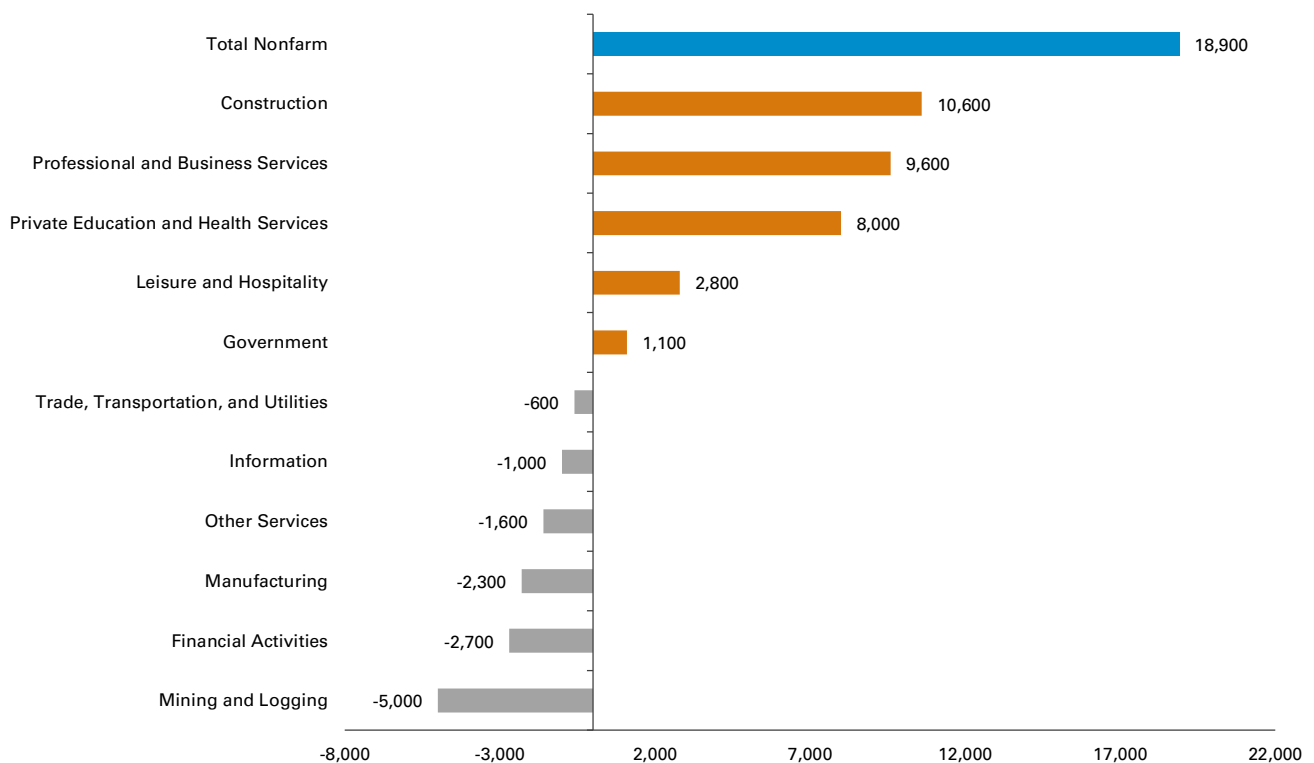
Top-3 Drivers of Over-the-year Job Growth in March

- Construction: 10,600
- Professional and Business Services: 9,600
- Private Education and Health Services: 8,000

**Chart 3. Total Nonfarm (NSA)
Over-the-year Net Change, Mar-11 to Mar-26**



**Chart 4. Over-the-year Net Change, Houston MSA Supersectors,
March 2025 to March 2026**



Supplemental Commentary

Houston's labor market showed modest improvement in March 2026, with hiring rebounding from the softer conditions observed earlier in the year. Total nonfarm employment increased by 16,400 jobs over the month on a not-seasonally-adjusted (NSA) basis, bringing total employment to 3.49 million. This gain exceeded the long-term March average of approximately 12,600 jobs, indicating stronger-than-usual seasonal hiring. On a seasonally adjusted basis, employment rose by 13,500 jobs, also well above historical norms, suggesting some stabilization in underlying labor demand following weaker momentum in the second half of 2025 and early 2026.

Despite the stronger monthly performance, year-over-year growth remained modest. Houston added 18,900 jobs over the year (+0.5 percent NSA), a slight improvement from recent months but still well below the pace observed in March 2025, when annual job growth exceeded 46,000 jobs. Notably, six of the eleven major sectors recorded employment declines over the year, underscoring that job growth remains uneven and concentrated across a limited number of industries. While the labor market continues to expand, the broader trend remains one of slower and more selective growth.

Industry performance in March reflected a mix of seasonal strength and structural divergence. Leisure and Hospitality led monthly gains, adding 6,000 jobs (+2,800 year over year), above the long-term historical average but broadly in line with the post-pandemic trend, where March gains have averaged around 6,500 jobs. While growth in the sector was supported by increased tourism and event-driven activity, overall performance remained close to typical seasonal norms. Houston hosted several major events during the month, including the NCA All-Star National Championships and the World Baseball Classic, both of which likely boosted demand for accommodation, food services, and entertainment. In addition, ongoing preparations for large-scale international events, such as the 2026 FIFA World Cup, continue to support activity in the sector. Taken together, these factors suggest that while March gains were solid, additional momentum may continue in the coming months as event-related and seasonal demand remains elevated.

Professional and Business Services added 3,200 jobs over the month and 9,600 jobs over the year, marking one of the strongest annual gains among major sectors and suggesting stabilization following earlier weakness. However, performance within the sector remained uneven. Professional, Scientific, and Technical Services (-400 jobs) and Management of Companies and Enterprises (-100) continued to experience declines; together, these two subsectors account for roughly half of total employment in the industry. In contrast, Administrative and Support and Waste Management and Remediation Services, the other major component of the sector, added 3,700 jobs in March. This subsector (NAICS Code 56) comprises businesses that provide essential, routine support for day-to-day operations of other organizations, ranging from office administration and staffing to cleaning and waste disposal. This strong gain reinforces the improved performance observed in this subsector over the past year, particularly following upward benchmark revisions. Overall, the data suggest strength concentrated in support-related functions even as higher-skill segments remain under pressure.

Government also posted a notable increase of 2,500 jobs in March, well above its historical average gain of 500 jobs, driven primarily by Local Government hiring tied to public education and administrative cycles. On a year-over-year basis, employment rose by 1,100 jobs, reflecting a modest improvement from the weakness observed in recent months, though the broader trend has remained subdued since 2025 (Chart 13). Federal Government employment in Houston has declined steadily since late 2024, standing at 35,100 jobs, down 4,900 from its peak of 38,000 in December 2024. Within the Government sector, the largest share of employment is concentrated in Local Government, particularly in education services, where hiring is closely tied to demographic trends, policy decisions, and fiscal conditions. Recent population data provide important context for these dynamics. According to the latest Annual Resident Population Estimates released by the Census Bureau, the Houston metropolitan area added approximately 126,700 residents between July 2024 and July 2025, the largest increase among U.S. metro areas. However, this represents a slowdown compared to the prior year's gain of roughly 190,300 residents, marking the slowest pace of population growth since 2022. While Houston's population is expected to continue expanding, the deceleration in growth may begin to affect demand in population-driven sectors over time. The immediate impact is likely to be limited, but the effects of slower population growth typically emerge with a lag, particularly in areas such as education, housing-related activity, and local services.

Goods-producing sectors also showed improvement over the month. Manufacturing recorded a strong gain of 2,300 jobs, the largest March increase on record, though the sector remains down 2,300 jobs over the year, reflecting continued softness in global industrial demand and energy-related production. Construction added 1,300 jobs in March and remained the fastest-growing sector over the year, with employment up 10,600 jobs (+4.2 percent). Growth in construction continues to be supported by infrastructure investment, industrial development, and population-driven demand, reinforcing its role as a primary driver of job growth in the region.

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Supplemental Commentary

Private Education and Health Services added 600 jobs over the month and 8,000 jobs over the year, maintaining its position as one of the most stable sources of employment growth in the region. Health Care and Social Assistance accounted for the majority of these gains. However, the below-average monthly increase suggests that even this traditionally stable sector is experiencing more measured growth compared to prior years.

At the same time, several sectors continued to face headwinds. Financial Activities declined by 300 jobs over the month and 2,700 jobs over the year, reflecting ongoing pressure from elevated interest rates and subdued real estate activity. Mining and Logging, representing oil and gas exploration, production, and oil field services, posted a modest monthly gain of 200 jobs but remained down 5,000 jobs over the year, underscoring the continued impact of lower oil prices throughout much of 2025 and early 2026.

Trade, Transportation, and Utilities posted only a marginal monthly gain of 300 jobs and declined slightly over the year (-600), pointing to continued softness in goods demand and logistics activity. Information (-100) and Other Services (+400) saw limited monthly changes but posted annual declines (-1,000 and -1,600, respectively), further contributing to the uneven nature of job growth across the region.

Labor market conditions remain stable but continue to favor employers. The Houston unemployment rate declined to 4.4 percent in March from 4.7 percent in February, though it remained above both the state and national rates. As in prior months, the decline was largely driven by typical seasonal patterns rather than a significant acceleration in hiring. Reinforcing this view, the Workforce Solutions Index (WSI) increased to 3.24 but remained below the equilibrium threshold of 4.0 for the 30th consecutive month, indicating that the supply of workers continues to exceed available job opportunities.

Looking ahead, the March data suggest that Houston's labor market may be stabilizing after a period of slowdown, but not yet returning to stronger expansion. Gains remain concentrated in construction, healthcare, and professional services, while energy-related, financial, and goods-producing sectors continue to face structural and cyclical challenges. With oil price volatility, evolving global demand, and tighter financial conditions still shaping the economic environment, Houston is likely to experience continued moderate and uneven growth in the near term.

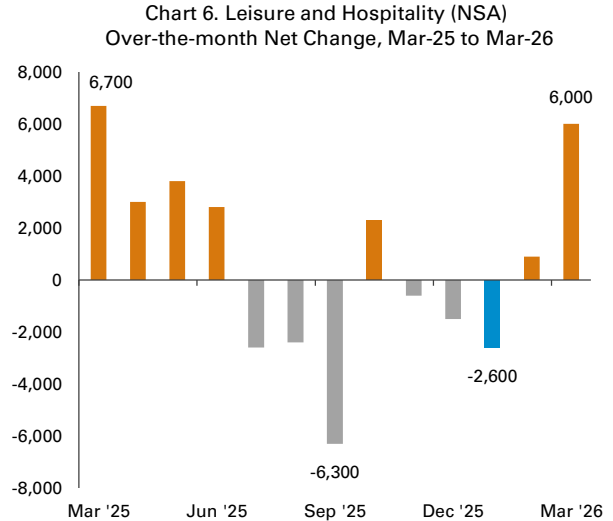
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GAINING INDUSTRY HIGHLIGHTS

Leisure and Hospitality

Over-the-month Change

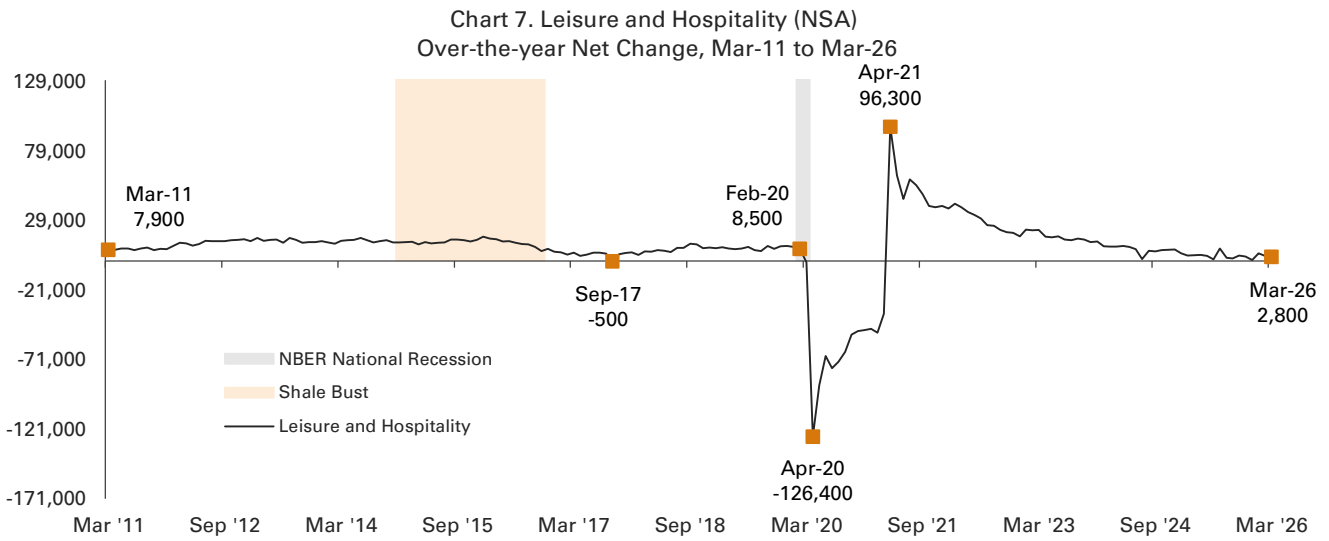
Leisure and Hospitality was the largest gaining sector over the month up 6,000 jobs, or 1.6 percent (see Chart 6). Historically in the month of March, Leisure and Hospitality has added an average of 4,400 jobs over the month, which indicates that this month's gains are moderately above the long-term average. Accommodation and Food Services was the largest contributor to the overall sector's increase, up 4,500 jobs over the month. The second-largest contributor was Arts, Entertainment, and Recreation, which added 1,500 jobs from February to March.



*blue bar may reflect January typical seasonal decline/gain occurring each year

Over-the-year Change

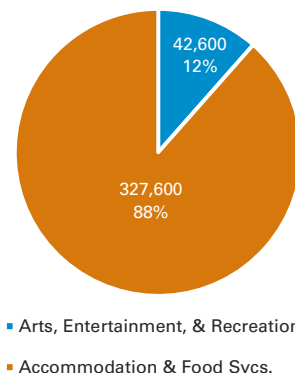
Year over year, Leisure and Hospitality was up 2,800 jobs, or 0.8 percent (see Chart 7). Accommodation and Food Services was the largest contributor to the overall sector's increase, up 2,700 jobs over the year. The second-largest contributor was Arts, Entertainment, and Recreation, which added 100 jobs from March a year ago. Total Leisure and Hospitality employment (NSA) now exceeds its February 2020 pre-pandemic level of 334,600 jobs by 35,600, or 10.6 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has remained constant at 10.6 percent over the past year.



About This Sector

This sector is composed of establishments that produce and promote in live performances, events, or 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 88 percent (see Chart 8).

Chart 8. Employment in Component Industries of Leisure and Hospitality Sector - March 2026



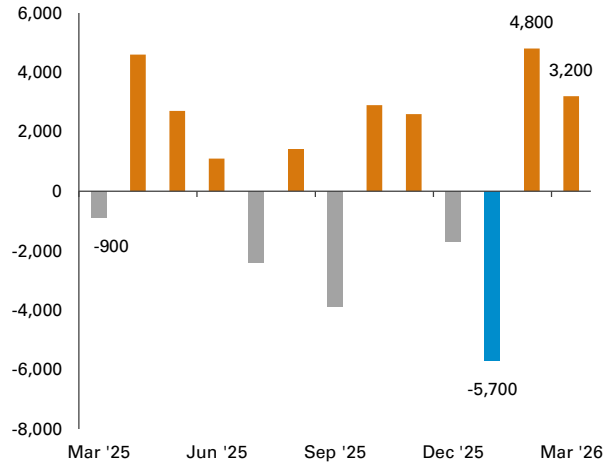
GAINING INDUSTRY HIGHLIGHTS

Professional and Business Services

Over-the-month Change

Professional and Business Services was the second-largest gaining sector over the month up 3,200 jobs, or 0.6 percent (see Chart 9). Historically in the month of March, Professional and Business Services has added an average of 2,700 jobs over the month, which indicates that this month's gains are slightly 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 3,700 jobs over the month. One component industry that provided a partial offset was Management of Companies and Enterprises, which lost 100 jobs from February to March. Lastly, Professional, Scientific, and Technical Services offset a portion of the sector's gains with a loss of -400 jobs.

Chart 9. Professional and Business Services (NSA)
Over-the-month Net Change, Mar-25 to Mar-26



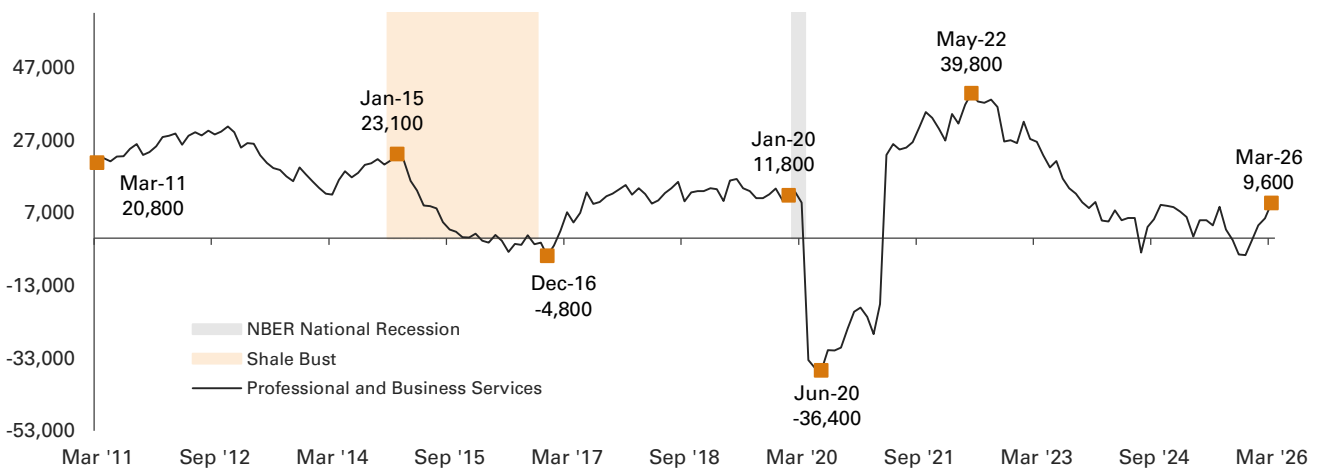
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Over-the-year Change

Year over year, Professional and Business Services was up 9,600 jobs, or 1.7 percent (see Chart 10). This was the largest over-the-year gain since December 2023's increase of 10,000 jobs. Among sectors currently showing growth, this sector is the third-fastest growing in percentage terms across the Houston area. Furthermore, 29.9 percent of total (gross) jobs added 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 increase, up 9,600 jobs over the year. The second-largest contributor

was Professional, Scientific, and Technical Services, which added 1,100 jobs from March a year ago. Lastly, Management of Companies and Enterprises offset a portion of the sector's gains with a loss of -1,100 jobs. Total Professional and Business Services employment (NSA) now exceeds its February 2020 pre-pandemic level of 514,600 jobs by 54,200, or 10.5 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has risen from 16.1 percent to 16.3 percent over the past year.

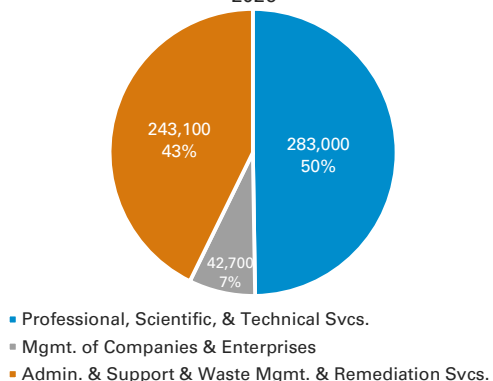
Chart 10. Professional and Business Services (NSA)
Over-the-year Net Change, Mar-11 to Mar-26



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 plurality of the sector's employment at 50 percent (see Chart 11).

Chart 11. Employment in Component Industries of Professional and Business Services Sector - March 2026

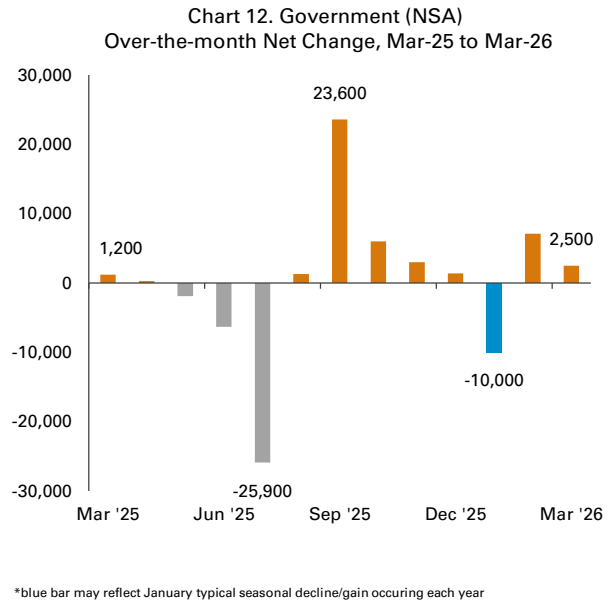


GAINING INDUSTRY HIGHLIGHTS

Government

Over-the-month Change

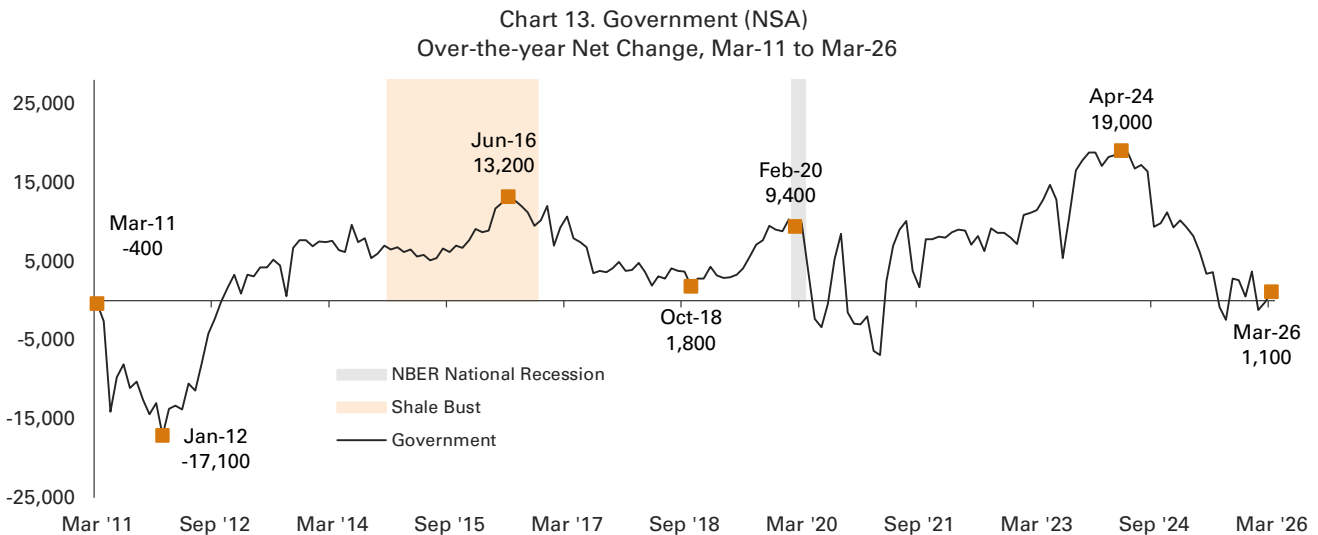
Government was the third-largest gaining sector over the month up 2,500 jobs, or 0.5 percent (see Chart 12). This was the second-largest gain in the month of March since records began in 1990. Historically in the month of March, Government has added an average of 500 jobs over the month, which indicates 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 2,500 jobs over the month. The second-largest contributor was State Government, which added 200 jobs from February to March. Lastly, Federal Government offset a portion of the sector's gains with a loss of -200 jobs.



Over-the-year Change

Year over year, Government was up 1,100 jobs, or 0.2 percent (see Chart 13). This was the largest over-the-year gain since December 2025's increase of 3,700 jobs. State Government was the largest contributor to the overall sector's increase, up 2,800 jobs over the year. The second-largest contributor was Local Government, which added 900 jobs from March a year ago. Lastly, Federal Government offset a portion of the sector's gains with a loss of -2,600 jobs. Total Government employment (NSA) now exceeds its February 2020 pre-pandemic level of 429,300 jobs by 43,200, or 10.1 percent. At the same time, the sector's share of

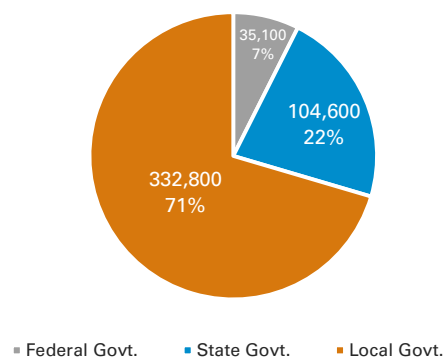
Houston area Total Nonfarm Employment has remained constant at 13.6 percent over the past year.



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 70 percent (see Chart 14).

Chart 14. Employment in Component Industries of Government Sector - March 2026

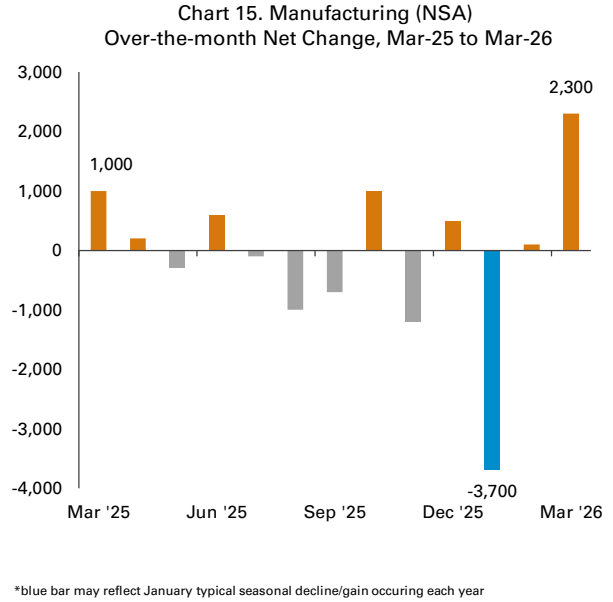


GAINING INDUSTRY HIGHLIGHTS

Manufacturing

Over-the-month Change

Manufacturing was the fourth-largest gaining sector over the month up 2,300 jobs, or 1.0 percent (see Chart 15). This was the largest-ever gain in the month of March since records began in 1990, beating the previous March record of 2,200 jobs in 2012. Historically in the month of March, Manufacturing has added an average of 400 jobs over the month, which indicates that this month's gains are substantially above the long-term average. Durable Goods was the largest contributor to the overall sector's increase, up 1,300 jobs over the month. The second-largest contributor was Non-Durable Goods, which added 1,000 jobs from February to March.

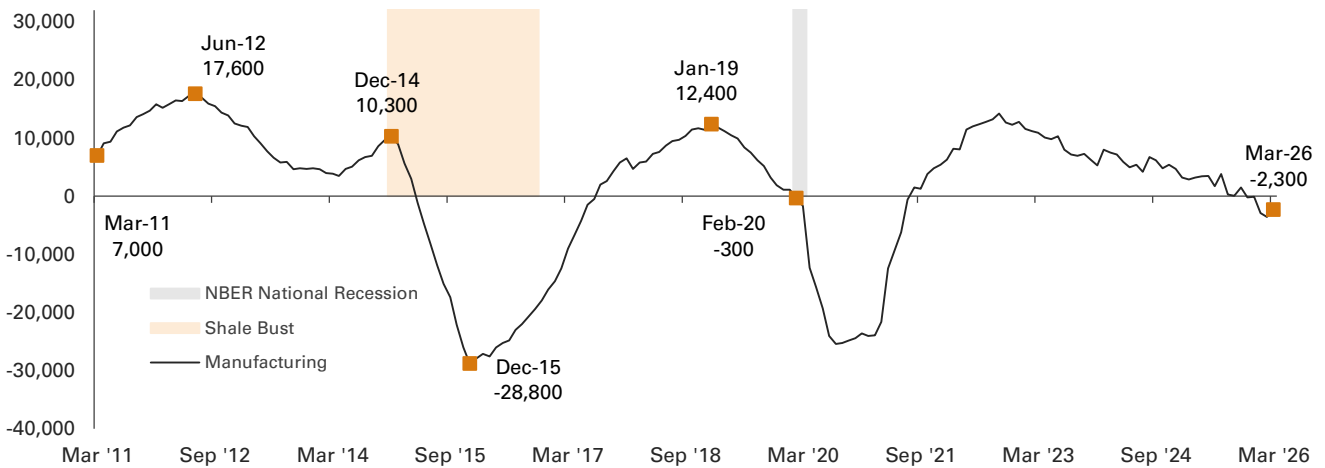


Over-the-year Change

Year over year, Manufacturing was down -2,300 jobs, or -1.0 percent (see Chart 16). Furthermore, 17.4 percent of total (gross) jobs lost across the region over the past year can be attributed to Manufacturing. Non-Durable Goods was the largest contributor to the overall sector's decline, down -3,200 jobs over the year. One component industry that provided a partial offset was Durable Goods, which gained 900 jobs from March a year ago. Total Manufacturing employment (NSA) now exceeds its February 2020 pre-pandemic level of 234,700 jobs by 4,600, or 2.0 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has fallen

from 7.0 percent to 6.9 percent over the past year.

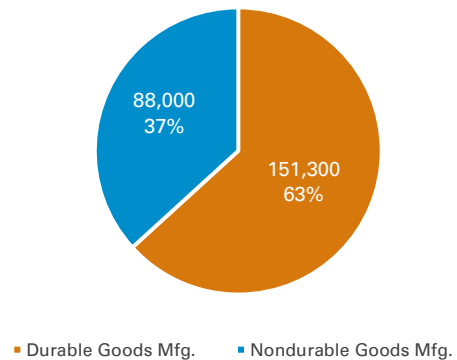
Chart 16. Manufacturing (NSA)
Over-the-year Net Change, Mar-11 to Mar-26



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 63 percent (see Chart 17).

Chart 17. Employment in Component Industries of Manufacturing Sector - March 2026

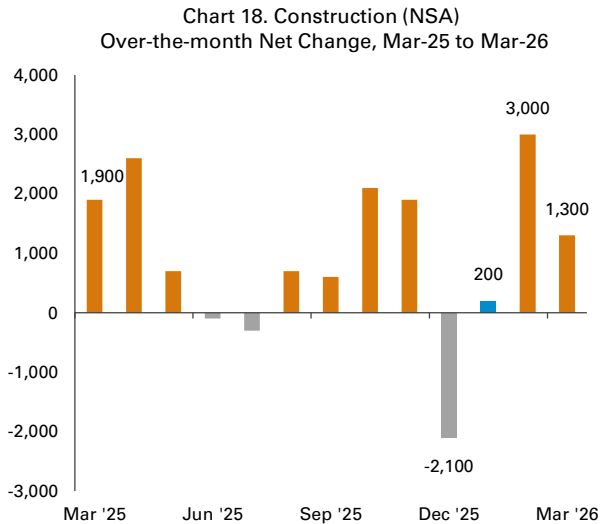


GAINING INDUSTRY HIGHLIGHTS

Construction

Over-the-month Change

Construction was the fifth-largest gaining sector over the month up 1,300 jobs, or 0.5 percent (see Chart 18). Historically in the month of March, Construction has added an average of 1,700 jobs over the month, which indicates that this month's gains are slightly below the long-term average. Specialty Trade Contractors was the largest contributor to the overall sector's increase, up 600 jobs over the month. The second-largest contributor was Construction of Buildings, which added 500 jobs from February to March. Lastly, Heavy and Civil Engineering Construction contributed, 200 jobs.



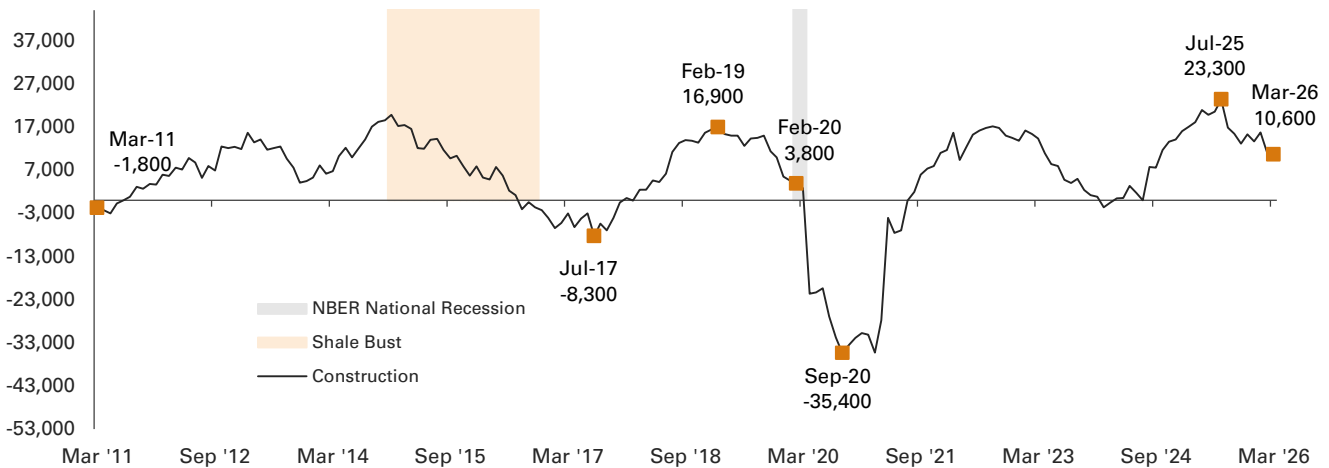
*blue bar may reflect January typical seasonal decline/gain occurring each year

Over-the-year Change

Year over year, Construction was up 10,600 jobs, or 4.2 percent (see Chart 19). Among sectors currently showing growth, this sector is the fastest-growing in percentage terms across the Houston area. Furthermore, 33.0 percent of total (gross) jobs added across the region over the past year can be attributed to Construction. Heavy and Civil Engineering Construction was the largest contributor to the overall sector's increase, up 4,400 jobs over the year. The second-largest contributor was Specialty Trade Contractors, which added 3,900 jobs from March a year ago. Lastly, Construction of Buildings contributed, 2,300 jobs. Total Construction

employment (NSA) now exceeds its February 2020 pre-pandemic level of 237,400 jobs by 24,500, or 10.3 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has risen from 7.2 percent to 7.5 percent over the past year.

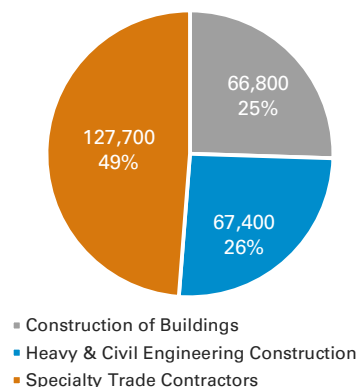
Chart 19. Construction (NSA)
Over-the-year Net Change, Mar-11 to Mar-26



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 20).

Chart 20. Employment in Component Industries
of Construction Sector - March 2026

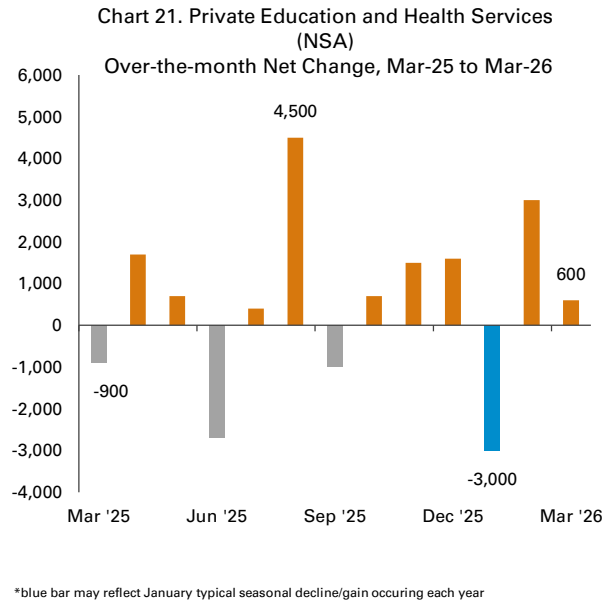


GAINING INDUSTRY HIGHLIGHTS

Private Education and Health Services

Over-the-month Change

Private Education and Health Services was the sixth-largest gaining sector over the month up 600 jobs, or 0.1 percent (see Chart 21). Historically in the month of March, Private Education and Health Services has added an average of 1,200 jobs over the month, which indicates that this month's gains are moderately below the long-term average. Health Care and Social Assistance was the largest contributor to the overall sector's increase, up 700 jobs over the month. One component industry that provided a partial offset was Private Educational Services, which lost -100 jobs from February to March.

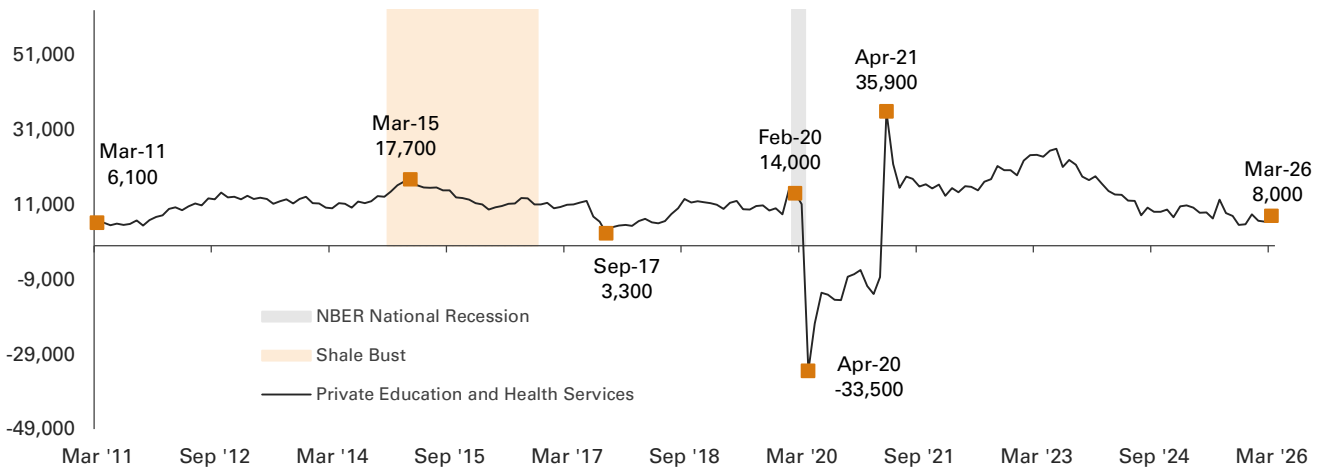


Over-the-year Change

Year over year, Private Education and Health Services was up 8,000 jobs, or 1.7 percent (see Chart 22). This was the largest over-the-year gain since December 2025's increase of 8,400 jobs. Among sectors currently showing growth, this sector is the second-fastest growing in percentage terms across the Houston area. Furthermore, 24.9 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 8,700 jobs over the year. One component industry that provided a partial offset was

Private Educational Services, which lost -700 jobs from March a year ago. Total Private Education and Health Services employment (NSA) now exceeds its February 2020 pre-pandemic level of 414,600 jobs by 59,300, or 14.3 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has risen from 13.4 percent to 13.6 percent over the past year.

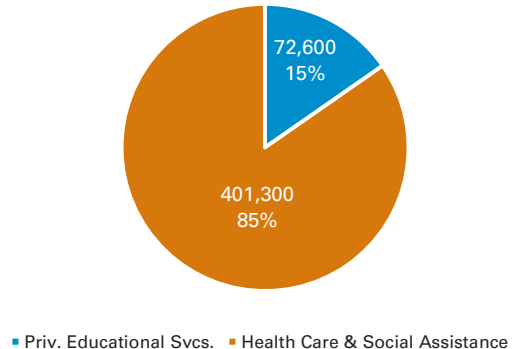
Chart 22. Private Education and Health Services (NSA)
Over-the-year Net Change, Mar-11 to Mar-26



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 85 percent (see Chart 23).

Chart 23. Employment in Component Industries of Private Education and Health Services Sector - March 2026

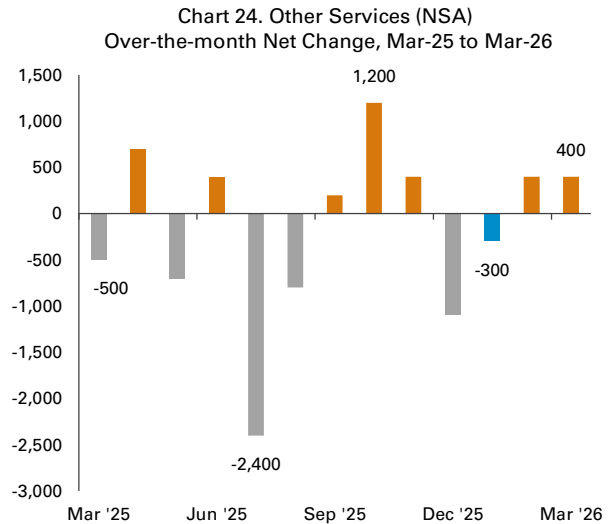


GAINING INDUSTRY HIGHLIGHTS

Other Services

Over-the-month Change

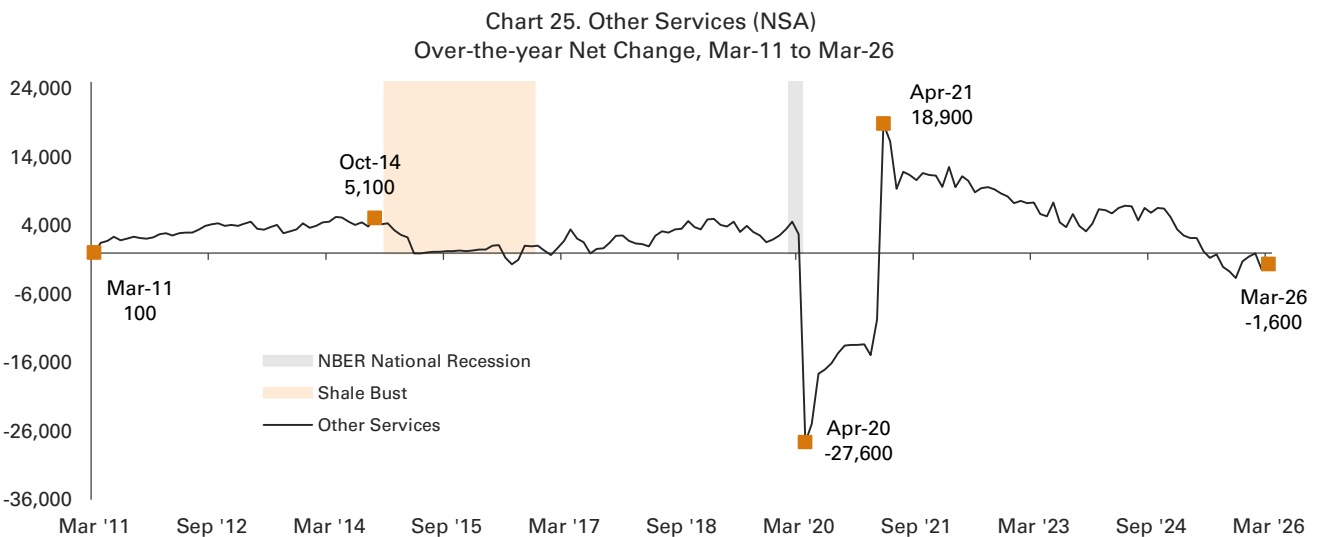
Other Services was the seventh-largest gaining sector over the month up 400 jobs, or 0.3 percent (see Chart 24). Historically in the month of March, Other Services has seen no change in jobs over the month, which indicates that this month's gains are substantially above the long-term average. NOTE: No subsector is published at the MSA level by the CES survey. See below for additional information.



*blue bar may reflect January typical seasonal decline/gain occurring each year

Over-the-year Change

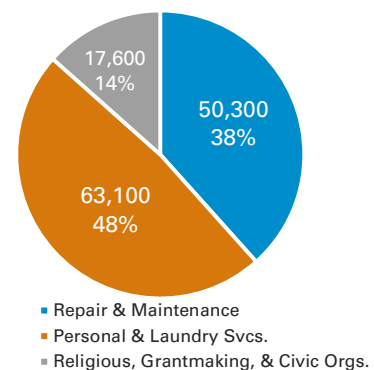
Year over year, Other Services was down -1,600 jobs, or -1.2 percent (see Chart 25). NOTE: No subsector is published at the MSA level by the CES survey. See below for additional information. Total Other Services employment (NSA) now exceeds its February 2020 pre-pandemic level of 119,200 jobs by 11,800, or 9.9 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has remained constant at 3.8 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 26). Across the Houston MSA, the concentration of jobs in the overall Other Services sector is 1 percent less than the national average.

Chart 26. Employment in Component Industries of Other Services Sector - March 2026



*estimated proportions based QCEW covered and NES self-employment

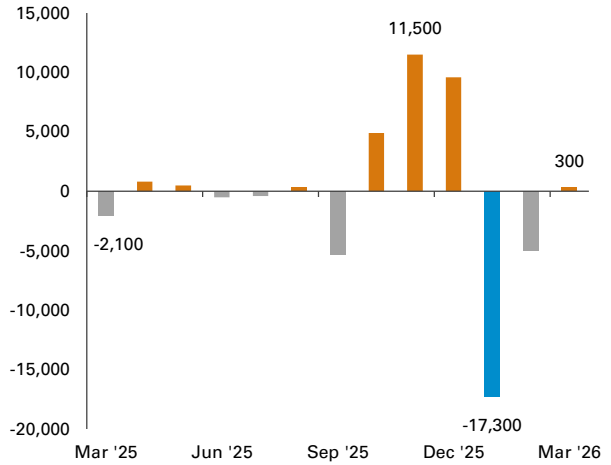
GAINING INDUSTRY HIGHLIGHTS

Trade, Transportation, and Utilities

Over-the-month Change

Trade, Transportation, and Utilities was the eighth-largest gaining sector over the month up 300 jobs, or 0.0 percent (see Chart 27). Historically in the month of March, Trade, Transportation, and Utilities has added an average of 1,500 jobs over the month, which indicates that this month's gains are substantially below the long-term average. Transportation, Warehousing, and Utilities was the largest contributor to the overall sector's increase, up 500 jobs over the month. One component industry, Retail Trade, saw no change from February to March. Lastly, Wholesale Trade offset a portion of the sector's gains with a loss of -200 jobs.

Chart 27. Trade, Transportation, and Utilities (NSA)
Over-the-month Net Change, Mar-25 to Mar-26



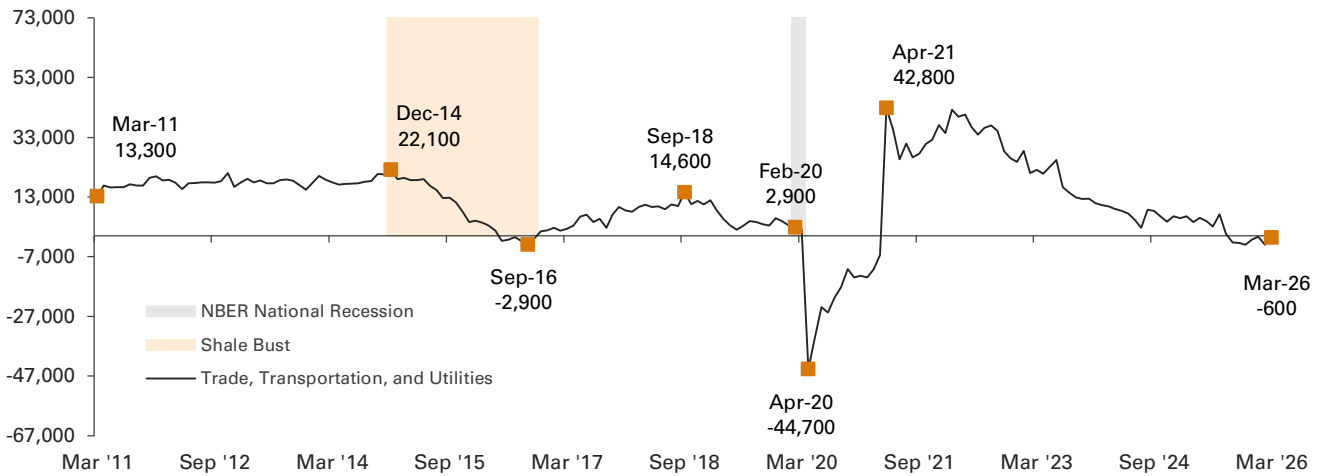
*blue bar may reflect January typical seasonal decline/gain occurring each year

Over-the-year Change

Year over year, Trade, Transportation, and Utilities was down -600 jobs, or -0.1 percent (see Chart 28). Wholesale Trade was the largest contributor to the overall sector's decline, down -1,500 jobs over the year. The second-largest declining contributor was Retail Trade, which lost -900 jobs from March a year ago. Lastly, Transportation, Warehousing, and Utilities offset a portion of the sector's losses with a gain of 1,800 jobs. Total Trade, Transportation, and Utilities employment (NSA) now exceeds its February 2020 pre-pandemic level of 628,700 jobs by 65,600, or 10.4 percent. At the same time, the sector's share of Houston area Total

Nonfarm Employment has fallen from 20.0 percent to 19.9 percent over the past year.

Chart 28. Trade, Transportation, and Utilities (NSA)
Over-the-year Net Change, Mar-11 to Mar-26



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 29).

Chart 29. Employment in Component Industries of
Trade, Transportation, and Utilities Sector - March
2026

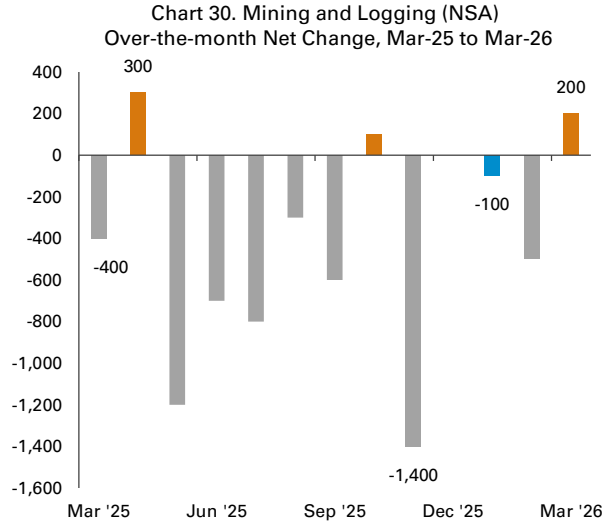


GAINING INDUSTRY HIGHLIGHTS

Mining and Logging

Over-the-month Change

Mining and Logging was the ninth-largest gaining sector over the month up 200 jobs, or 0.3 percent (see Chart 30). Historically in the month of March, Mining and Logging 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. Oil and Gas Extraction was the largest contributor to the overall sector's increase, up 200 jobs over the month. One component industry, Other Mining and Logging Undefined, saw no change from February to March. Lastly, Support Activities for Mining saw no change over the month.



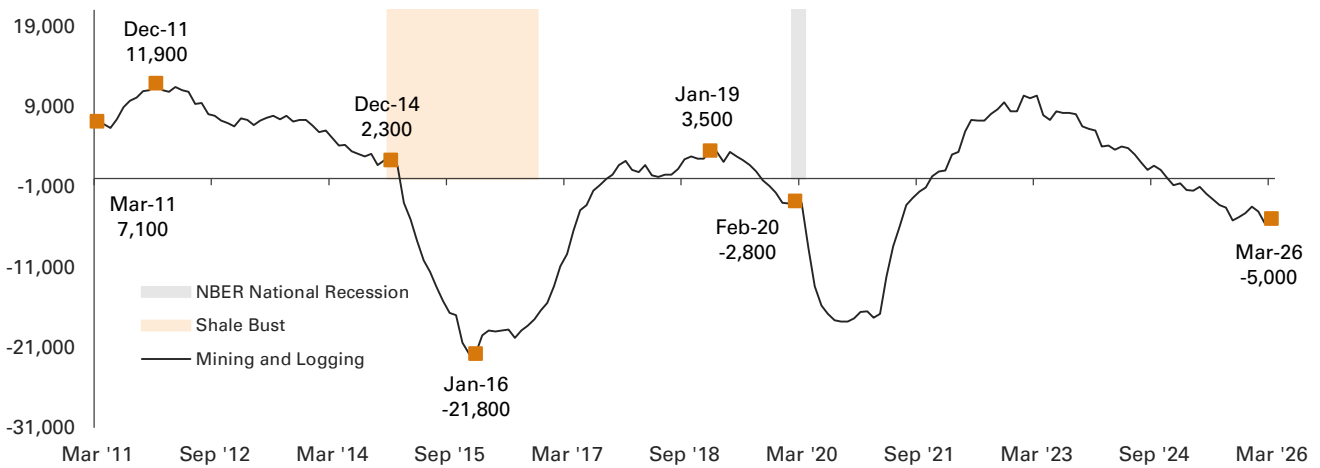
*blue bar may reflect January typical seasonal decline/gain occurring each year

Over-the-year Change

Year over year, Mining and Logging was down -5,000 jobs, or -6.5 percent (see Chart 31). Among sectors currently showing contraction, this sector is the fastest declining in percentage terms across the Houston area. Furthermore, 37.9 percent of total (gross) jobs lost across the region over the past year can be attributed to Mining and Logging. Oil and Gas Extraction was the largest contributor to the overall sector's decline, down -2,500 jobs over the year. The second-largest declining contributor was Support Activities for Mining, which lost -2,300 jobs from March a year ago. Lastly,

Other Mining and Logging Undefined subtracted, -200 jobs. Total Mining and Logging employment (NSA) remains -7,000 jobs, or -8.9 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 fallen from 2.2 percent to 2.0 percent over the past year.

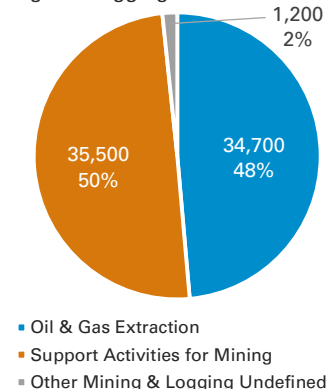
Chart 31. Mining and Logging (NSA) Over-the-year Net Change, Mar-11 to Mar-26



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 plurality of the sector's employment at 50 percent (see Chart 32).

Chart 32. Employment in Component Industries of Mining and Logging Sector - March 2026

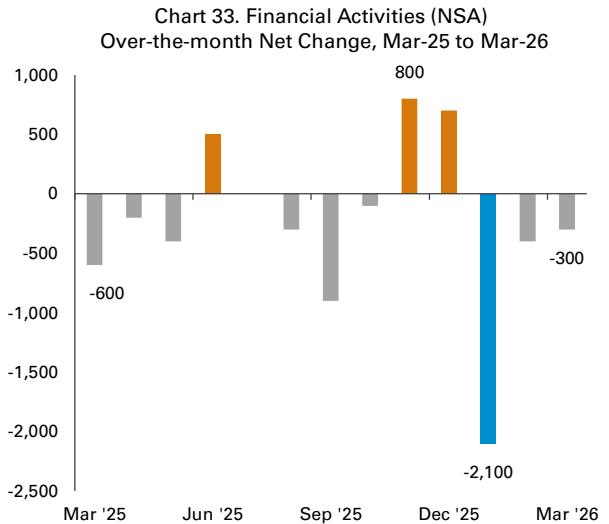


DECLINING INDUSTRY HIGHLIGHTS

Financial Activities

Over-the-month Change

Financial Activities was the largest declining sector over the month down -300 jobs, or -0.2 (see Chart 33). Historically in the month of March, Financial Activities has added an average of 300 jobs over the month, which indicates that this month's losses are substantially in contrast to the long-term average gain. Real Estate and Rental and Leasing was the largest contributor to the overall sector's decline, down -400 jobs over the month. One component industry that provided a partial offset was Finance and Insurance, which gained 100 jobs from February to March.



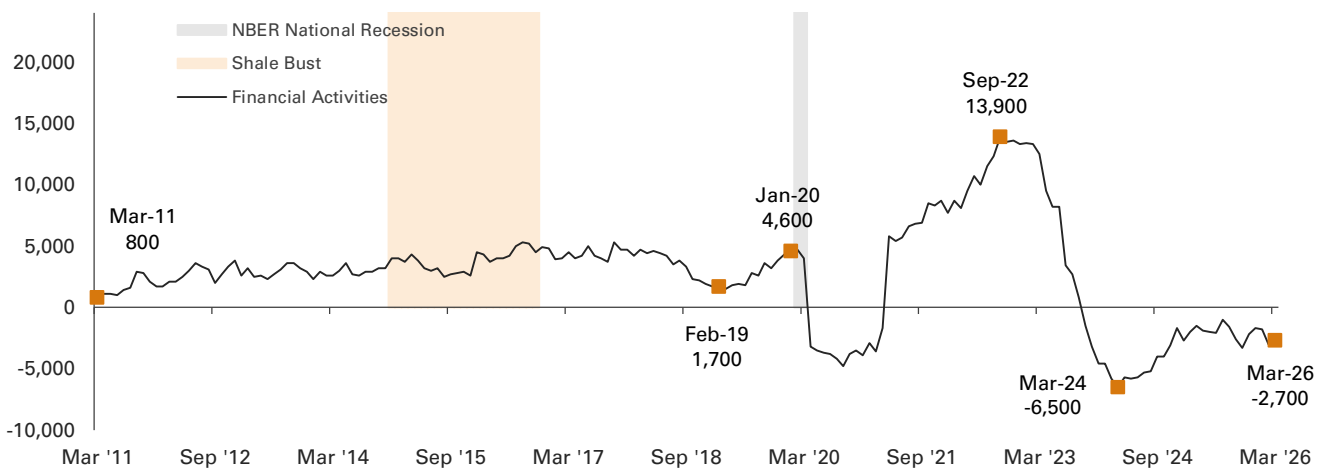
*blue bar may reflect January typical seasonal decline/gain occurring each year

Over-the-year Change

Year over year, Financial Activities was down -2,700 jobs, or -1.5 percent (see Chart 34). Among sectors currently showing contraction, this sector is the third-fastest declining in percentage terms across the Houston area. Furthermore, 20.5 percent of total (gross) jobs lost across the region over the past year can be attributed to Financial Activities. Finance and Insurance was the largest contributor to the overall sector's decline, down -2,100 jobs over the year. The second-largest declining contributor was Real Estate and Rental and Leasing, which lost -600 jobs from March a year ago. Total Financial Activities employment (NSA) now exceeds its February 2020

pre-pandemic level of 169,200 jobs by 7,300, or 4.3 percent. At the same time, the sector's share of Houston area Total Nonfarm Employment has fallen from 5.2 percent to 5.1 percent over the past year.

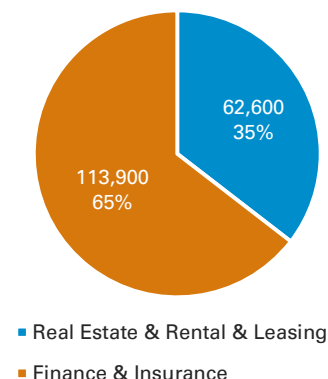
Chart 34. Financial Activities (NSA) Over-the-year Net Change, Mar-11 to Mar-26



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 65 percent (see Chart 35).

Chart 35. Employment in Component Industries of Financial Activities Sector - March 2026



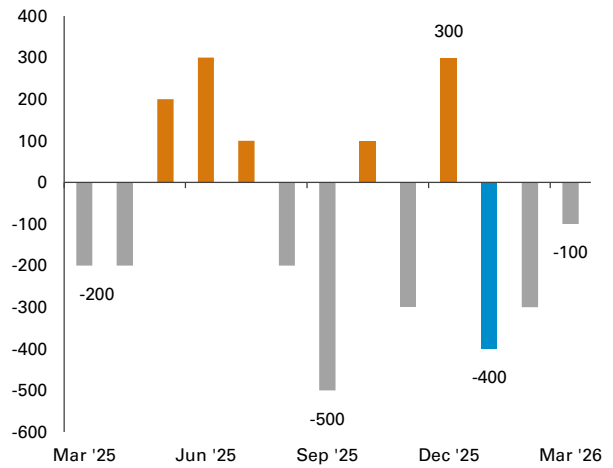
DECLINING INDUSTRY HIGHLIGHTS

Information

Over-the-month Change

Information was the second-largest declining sector over the month down -100 jobs, or -0.4 (see Chart 36). Historically in the month of March, Information has seen no change in jobs over the month, which indicates that this month's losses are on par with the long-term average. Telecommunications was the largest contributor to the overall sector's decline, down -100 jobs over the month. One component industry, Other Information Undefined, saw no change from February to March.

Chart 36. Information (NSA)
Over-the-month Net Change, Mar-25 to Mar-26



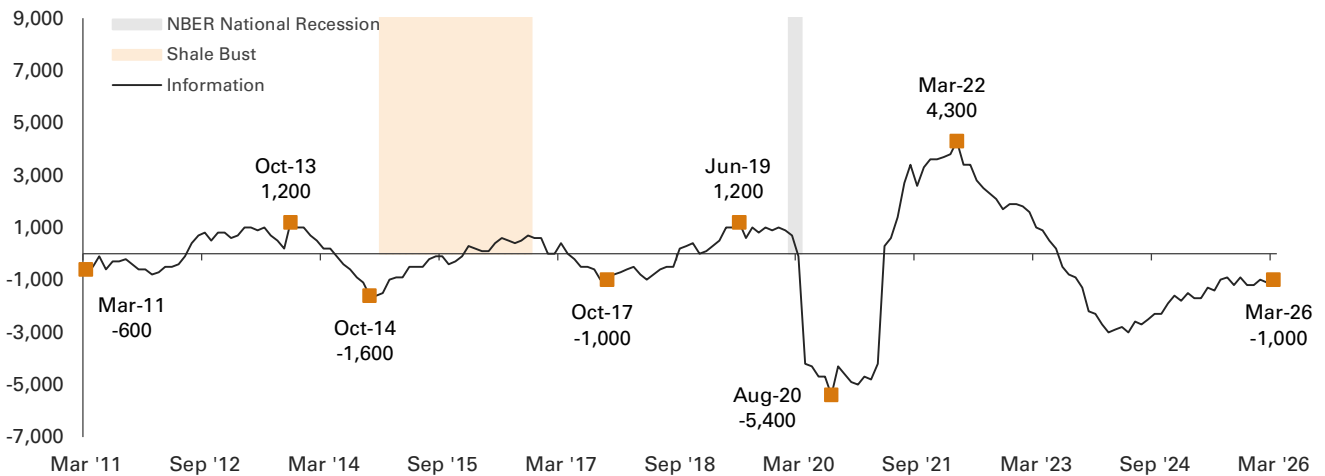
*blue bar may reflect January typical seasonal decline/gain occurring each year

Over-the-year Change

Year over year, Information was down -1,000 jobs, or -3.5 percent (see Chart 37). Among sectors currently showing contraction, this sector is the second-fastest declining in percentage terms across the Houston area. Other Information Undefined was the largest contributor to the overall sector's decline, down -600 jobs over the year. The second-largest declining contributor was Telecommunications, which lost -400 jobs from March a year ago. Total Information employment (NSA) remains -5,100 jobs, or -15.6 percent below its February 2020 pre-pandemic level of 32,700. At the

same time, the sector's share of Houston area Total Nonfarm Employment has remained constant at 0.8 percent over the past year.

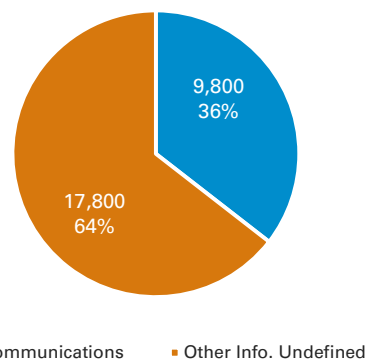
Chart 37. Information (NSA)
Over-the-year Net Change, Mar-11 to Mar-26



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 64 percent (see Chart 38).

Chart 38. Employment in Component Industries of Information Sector - March 2026



Local Area Unemployment Statistics

Not-Seasonally Adjusted

Houston Metro, Texas, and U.S. Unemployment

The Houston MSA (not-seasonally-adjusted) unemployment rate stood at 4.4 percent in March, down from February's 4.7 percent and up from 4.2 percent a year ago. This was above the statewide rate of 4.1 percent and above the national rate of 4.3 percent. An over-the-month decline in March is typical having occurred roughly 70 percent of the time over the past three decades. 171,469 individuals were unemployed in Houston in March, down from February's 184,344 and up from 165,609 in March 2025 (see Charts 39 and 40).

Chart 39. Unemployment Rates (NSA)
U.S., Texas, and Houston MSA
March 2026

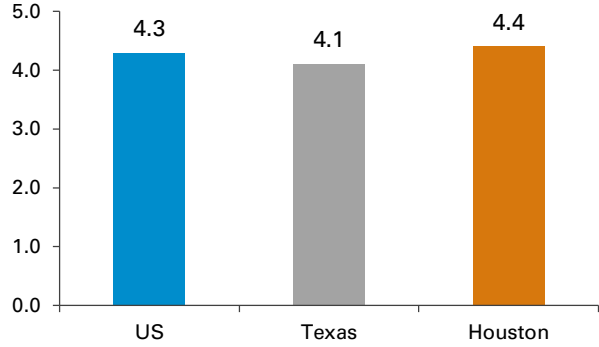
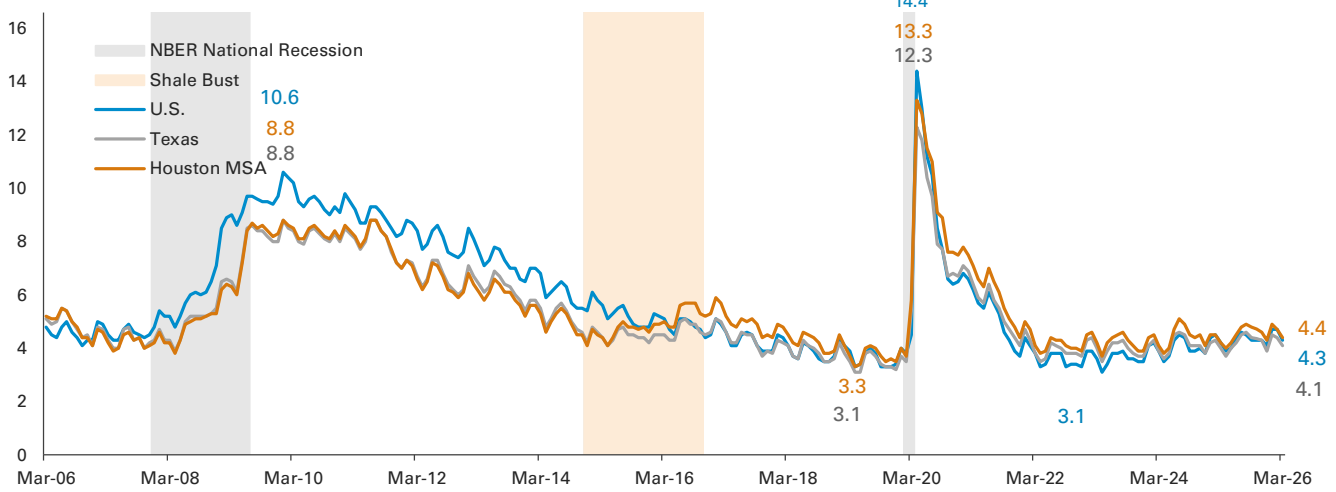


Chart 40. Unemployment Rates U.S., Texas, and Houston MSA (NSA)
March 2006 to March 2026

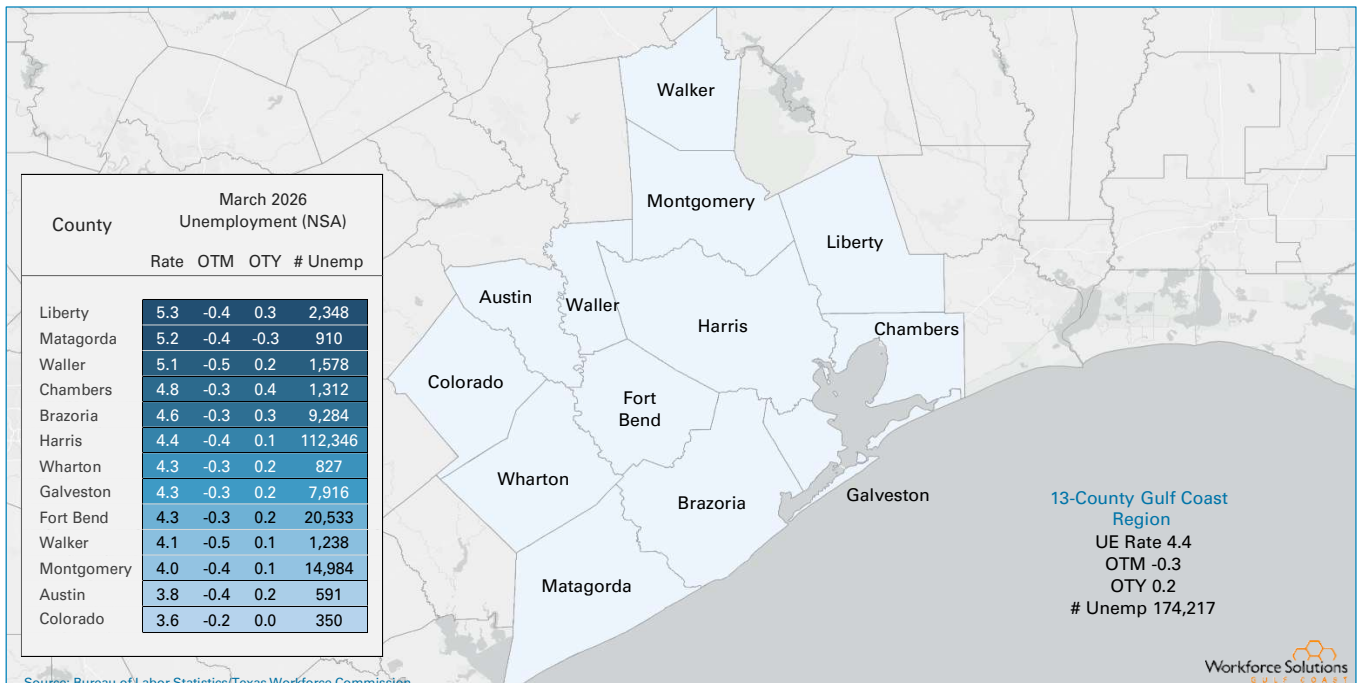


County-level Unemployment

Among the 13 counties that comprise the Gulf Coast Workforce Development Area, unemployment rates in March ranged from a high of 5.3 percent in Liberty County to a low of 3.6 percent in Colorado. Over the month, all 13 counties saw their unemployment rates decline in keeping with the region-wide decrease of -0.3 percentage points. Walker saw the largest percentage-point decrease in unemployment down -0.5 pp, representing -184 fewer unemployed workers compared to the previous month. This was followed by Waller (-0.5 pp, -195 workers) and Montgomery (-0.4 pp, -1279

workers). Over the year unemployment rates rose with, Chambers posting the largest increase, up 0.4 percentage points representing 102 more unemployed workers compared to a year ago followed by Liberty (0.3 pp, 121 workers) and Brazoria (0.3 pp, 640 workers). Since peaking at 448,765 in April 2020 due to the COVID-19 global pandemic, the number of unemployed workers in the Gulf Coast Region has fallen by -274,548 as of this March (see Map 1 legend).

Map 1. 13-County Gulf Coast Region Unemployment Rates March 2026 (NSA)



Local Area Unemployment Statistics (continued)

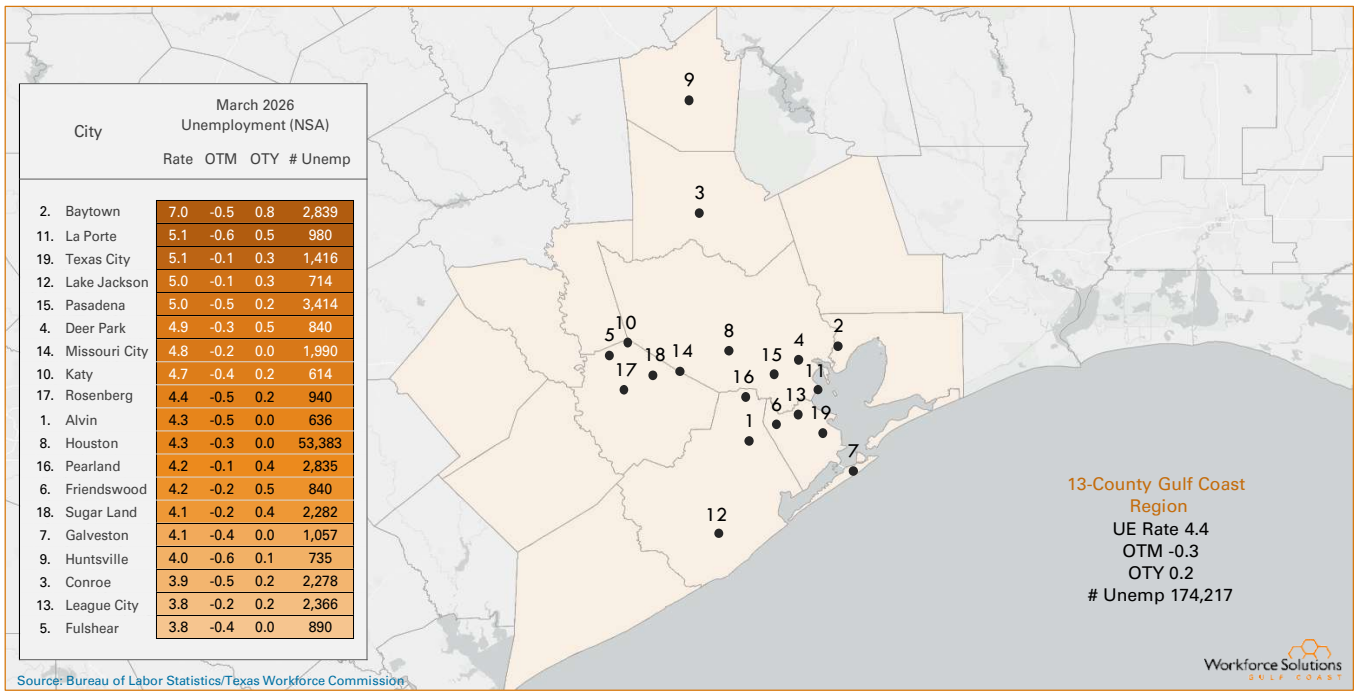
Not-Seasonally Adjusted

Unemployment Rates for Select Municipalities

Among the 19 cities in the Gulf Coast Workforce Development Area for which Local Area Unemployment Statistics are available, unemployment rates in March ranged from a high of 7.0 percent in Baytown to a low of 3.8 percent in Fulshear (see Map 2 legend). Over the month, all 19 cities saw their unemployment rates decline in keeping with region-wide decrease of -0.3 percentage points. La Porte saw the largest percentage-point decrease in unemployment down -

0.6 pp. representing -107 fewer unemployed workers compared to the previous month. This was followed by Huntsville (-0.6 pp, -129 workers) and Pasadena (-0.5 pp, -377 workers). Over the year unemployment rates rose with, Baytown posting the largest increase, up 0.8 percentage points representing 341 more unemployed workers compared to a year ago followed by Friendswood (0.5 pp, 104 workers) and La Porte (0.5 pp, 111 workers). The 19 cities below accounted for 47 percent of the 174,217 unemployed workers across the Gulf Coast Region as of this March (see Map 2 legend).

Map 2. 13-County Gulf Coast Region City Unemployment Rates March 2026 (NSA)



Seasonally Adjusted

Houston Metro, Texas, and U.S. Unemployment

The Houston MSA (seasonally-adjusted) unemployment rate stood at 4.6 percent in February, unchanged from January's 4.6 percent and up from 4.3 percent a year ago. This was above the statewide rate of 4.3 percent and above the national rate of 4.4 percent. 179,345 individuals were unemployed in Houston in February, down slightly from January's 179,388 and up from 167,763 in February 2025 (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 19 cities.

Chart 41. Unemployment Rates (SA)
 U.S., Texas, and Houston MSA
 February 2026

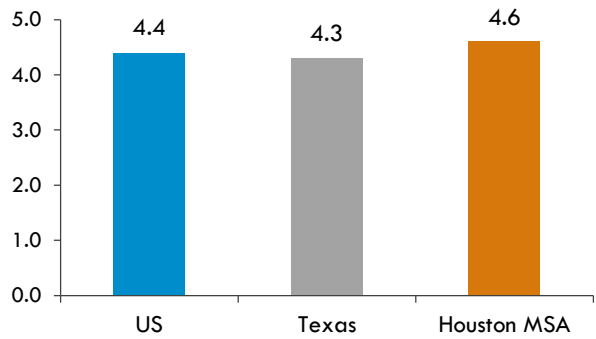
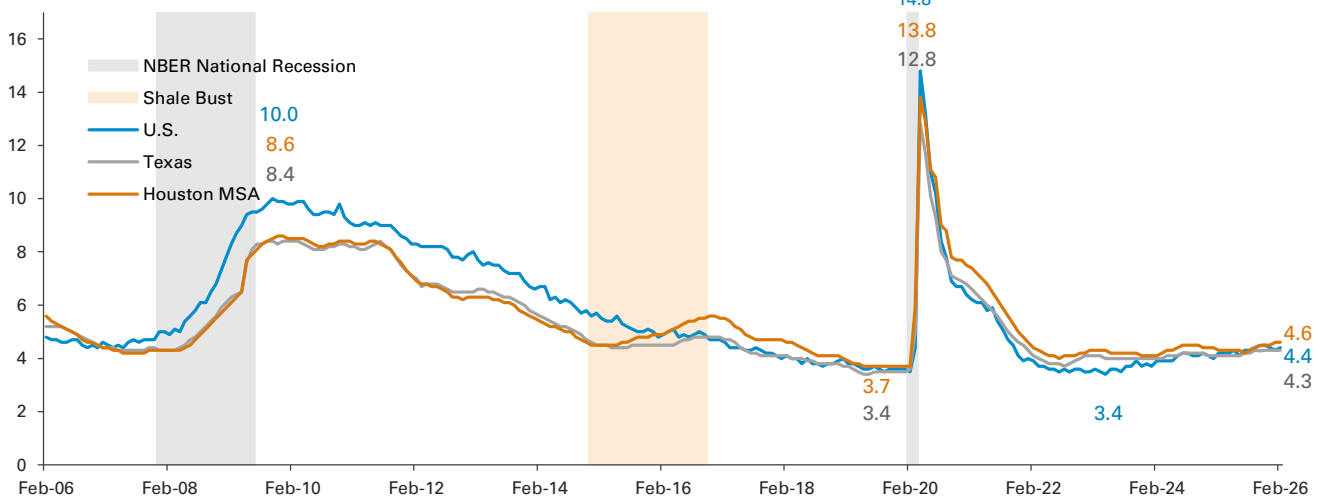


Chart 42. Unemployment Rates U.S., Texas, and Houston MSA (SA)
 February 2006 to February 2026



Houston MSA Workforce Solutions Index (WSI)

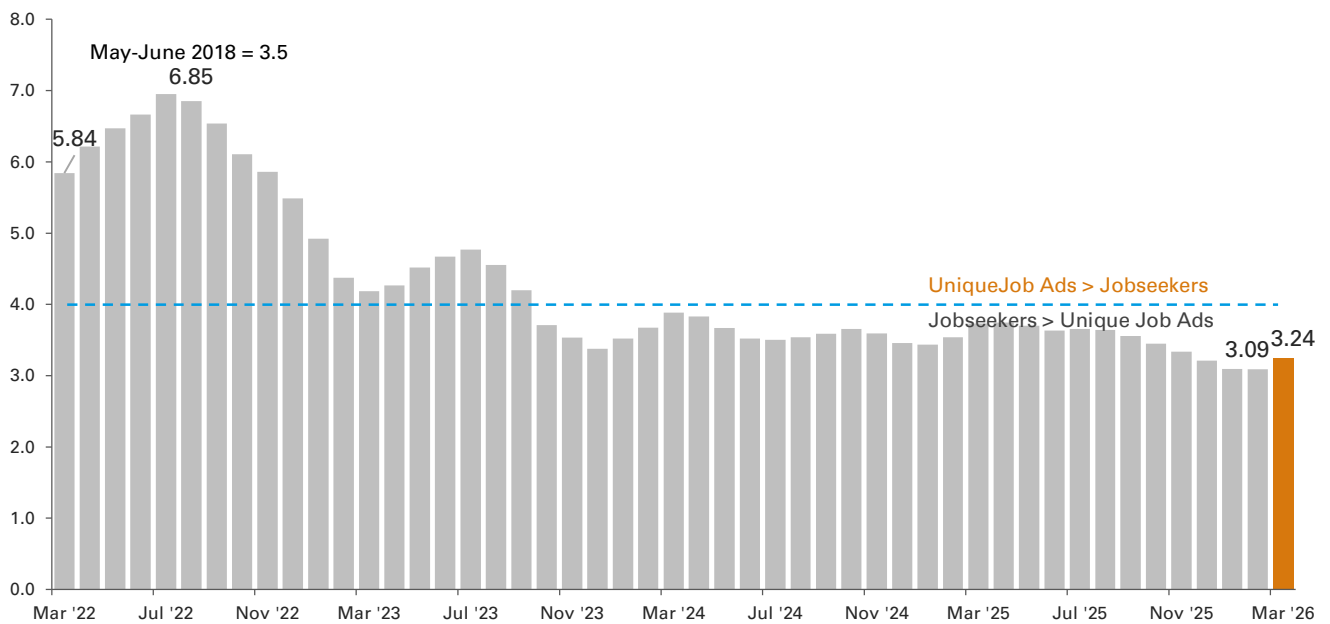


The Houston MSA Workforce Solutions Index (WSI)

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
 March
 2026:
3.24

Houston MSA Workforce Solutions Index - 2022 - 2026 (SA)



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



Workforce Solutions Index March 2026

The Houston MSA WSI for March stood at 3.24, up from February's 3.09. This was the result of a 14,000 increase in the number of active job ads between February and March coupled with a 2,000 decrease in the number of unemployed individuals between January and February. As of March the index has remained below the equilibrium value of 4.0. for 30 consecutive months while remaining above 3.0. As a result, the WSI continues to suggest that a requirement of three work search activities each week may be appropriate for individuals receiving unemployment insurance given the relative availability of jobs at present.



Houston Area Employment Situation

March 2026

Table 1. Houston MSA Sectors and Major Industry Subcomponents

NAICS Industry	Mar-26	Feb-26	Mar-25	Monthly	Monthly	Yearly	Yearly %
Total Nonfarm	3,487,400	3,471,000	3,468,500	16,400	0.5%	18,900	0.5%
Total Private	3,014,900	3,001,000	2,997,100	13,900	0.5%	17,800	0.6%
Goods Producing	572,600	568,800	569,300	3,800	0.7%	3,300	0.6%
..Mining and Logging	71,400	71,200	76,400	200	0.3%	-5,000	-6.5%
...Oil and Gas Extraction	34,700	34,500	37,200	200	0.6%	-2,500	-6.7%
...Support Activities for Mining	35,500	35,500	37,800	0	0.0%	-2,300	-6.1%
..Construction	261,900	260,600	251,300	1,300	0.5%	10,600	4.2%
..Construction of Buildings	66,800	66,300	64,500	500	0.8%	2,300	3.6%
..Heavy and Civil Engineering Construction	67,400	67,200	63,000	200	0.3%	4,400	7.0%
..Specialty Trade Contractors	127,700	127,100	123,800	600	0.5%	3,900	3.2%
..Manufacturing	239,300	237,000	241,600	2,300	1.0%	-2,300	-1.0%
..Durable Goods	151,300	150,000	150,400	1,300	0.9%	900	0.6%
...Fabricated Metal Product Manufacturing	54,800	54,600	54,600	200	0.4%	200	0.4%
...Machinery Manufacturing	39,600	39,300	39,600	300	0.8%	0	0.0%
....Agriculture, Construction, and Mining Machinery Mfg.	18,800	18,700	19,100	100	0.5%	-300	-1.6%
...Computer and Electronic Product Manufacturing	15,200	15,200	14,900	0	0.0%	300	2.0%
..Non-Durable Goods	88,000	87,000	91,200	1,000	1.1%	-3,200	-3.5%
...Petroleum and Coal Products Manufacturing	7,500	7,500	8,200	0	0.0%	-700	-8.5%
...Chemical Manufacturing	43,200	43,300	43,800	-100	-0.2%	-600	-1.4%
Service Providing	2,914,800	2,902,200	2,899,200	12,600	0.4%	15,600	0.5%
..Private Service Providing	2,442,300	2,432,200	2,427,800	10,100	0.4%	14,500	0.6%
..Trade, Transportation, and Utilities	694,300	694,000	694,900	300	0.0%	-600	-0.1%
...Wholesale Trade	177,400	177,600	178,900	-200	-0.1%	-1,500	-0.8%
....Merchant Wholesalers, Durable Goods	110,400	110,500	111,300	-100	-0.1%	-900	-0.8%
.....Prof. and Commercial Equip. Supplies Wholesalers	18,000	18,000	18,100	0	0.0%	-100	-0.6%
....Merchant Wholesalers, Nondurable Goods	55,200	55,400	56,100	-200	-0.4%	-900	-1.6%
...Retail Trade	317,000	317,000	317,900	0	0.0%	-900	-0.3%
....Motor Vehicle and Parts Dealers	44,600	44,700	45,200	-100	-0.2%	-600	-1.3%
....Bldg. Material and Garden Equip. and Supplies Dealers	24,000	23,600	25,000	400	1.7%	-1,000	-4.0%
....Food and Beverage Stores	77,800	78,000	76,500	-200	-0.3%	1,300	1.7%
....Health and Personal Care Stores	60,700	61,200	61,700	-500	-0.8%	-1,000	-1.6%
....Clothing and Clothing Accessories Stores	16,200	16,300	16,500	-100	-0.6%	-300	-1.8%
....General Merchandise Stores	44,500	44,900	45,200	-400	-0.9%	-700	-1.5%
.....Department Stores	22,600	22,500	22,300	100	0.4%	300	1.3%
.....Other General Merchandise Stores	24,300	24,300	25,100	0	0.0%	-800	-3.2%
...Transportation, Warehousing, and Utilities	199,900	199,400	198,100	500	0.3%	1,800	0.9%
....Utilities	25,100	24,900	24,000	200	0.8%	1,100	4.6%
.....Air Transportation	21,700	21,700	21,200	0	0.0%	500	2.4%
.....Truck Transportation	30,800	30,600	30,200	200	0.7%	600	2.0%
.....Pipeline Transportation	15,900	15,800	15,000	100	0.6%	900	6.0%
..Information	27,600	27,700	28,600	-100	-0.4%	-1,000	-3.5%
...Telecommunications	9,800	9,900	10,200	-100	-1.0%	-400	-3.9%
..Financial Activities	176,500	176,800	179,200	-300	-0.2%	-2,700	-1.5%
...Finance and Insurance	113,900	113,800	116,000	100	0.1%	-2,100	-1.8%
....Credit Intermediation and Related Activities	44,600	44,600	46,000	0	0.0%	-1,400	-3.0%
.....Depository Credit Intermediation	29,700	29,800	30,700	-100	-0.3%	-1,000	-3.3%
....Securities, Commodity Contracts, and Fin. Investments	20,400	20,400	20,600	0	0.0%	-200	-1.0%
....Insurance Carriers and Related Activities	48,900	48,800	49,400	100	0.2%	-500	-1.0%
...Real Estate and Rental and Leasing	62,600	63,000	63,200	-400	-0.6%	-600	-0.9%
..Professional and Business Services	568,800	565,600	559,200	3,200	0.6%	9,600	1.7%
...Professional, Scientific, and Technical Services	283,000	283,400	281,900	-400	-0.1%	1,100	0.4%
....Legal Services	34,300	34,500	33,800	-200	-0.6%	500	1.5%
....Accounting, Tax Preparation, Bookkeeping, and Payroll	27,700	27,900	29,500	-200	-0.7%	-1,800	-6.1%
....Architectural, Engineering, and Related Services	78,500	78,700	77,500	-200	-0.3%	1,000	1.3%
....Computer Systems Design and Related Services	41,200	41,400	41,900	-200	-0.5%	-700	-1.7%
...Management of Companies and Enterprises	42,700	42,800	43,800	-100	-0.2%	-1,100	-2.5%
...Admin. and Support and Waste Mgmt. and Remediation	243,100	239,400	233,500	3,700	1.5%	9,600	4.1%
....Administrative and Support Services	228,400	225,100	220,000	3,300	1.5%	8,400	3.8%
.....Employment Services	81,400	79,100	77,300	2,300	2.9%	4,100	5.3%
.....Services to Buildings and Dwellings	60,000	59,000	56,600	1,000	1.7%	3,400	6.0%
..Educational and Health Services	473,900	473,300	465,900	600	0.1%	8,000	1.7%
...Educational Services	72,600	72,700	73,300	-100	-0.1%	-700	-1.0%
...Health Care and Social Assistance	401,300	400,600	392,600	700	0.2%	8,700	2.2%
....Ambulatory Health Care Services	202,500	201,700	197,700	800	0.4%	4,800	2.4%
....Hospitals	102,200	101,700	99,400	500	0.5%	2,800	2.8%
..Leisure and Hospitality	370,200	364,200	367,400	6,000	1.6%	2,800	0.8%
...Arts, Entertainment, and Recreation	42,600	41,100	42,500	1,500	3.6%	100	0.2%
...Accommodation and Food Services	327,600	323,100	324,900	4,500	1.4%	2,700	0.8%
....Accommodation	27,000	26,600	27,800	400	1.5%	-800	-2.9%
....Food Services and Drinking Places	300,600	296,500	297,100	4,100	1.4%	3,500	1.2%
..Other Services	131,000	130,600	132,600	400	0.3%	-1,600	-1.2%
Government	472,500	470,000	471,400	2,500	0.5%	1,100	0.2%
..Federal Government	35,100	35,300	37,700	-200	-0.6%	-2,600	-6.9%
..State Government	104,600	104,400	101,800	200	0.2%	2,800	2.8%
...State Government Educational Services	57,200	57,100	55,600	100	0.2%	1,600	2.9%
..Local Government	332,800	330,300	331,900	2,500	0.8%	900	0.3%
...Local Government Educational Services	229,200	227,400	228,400	1,800	0.8%	800	0.4%