



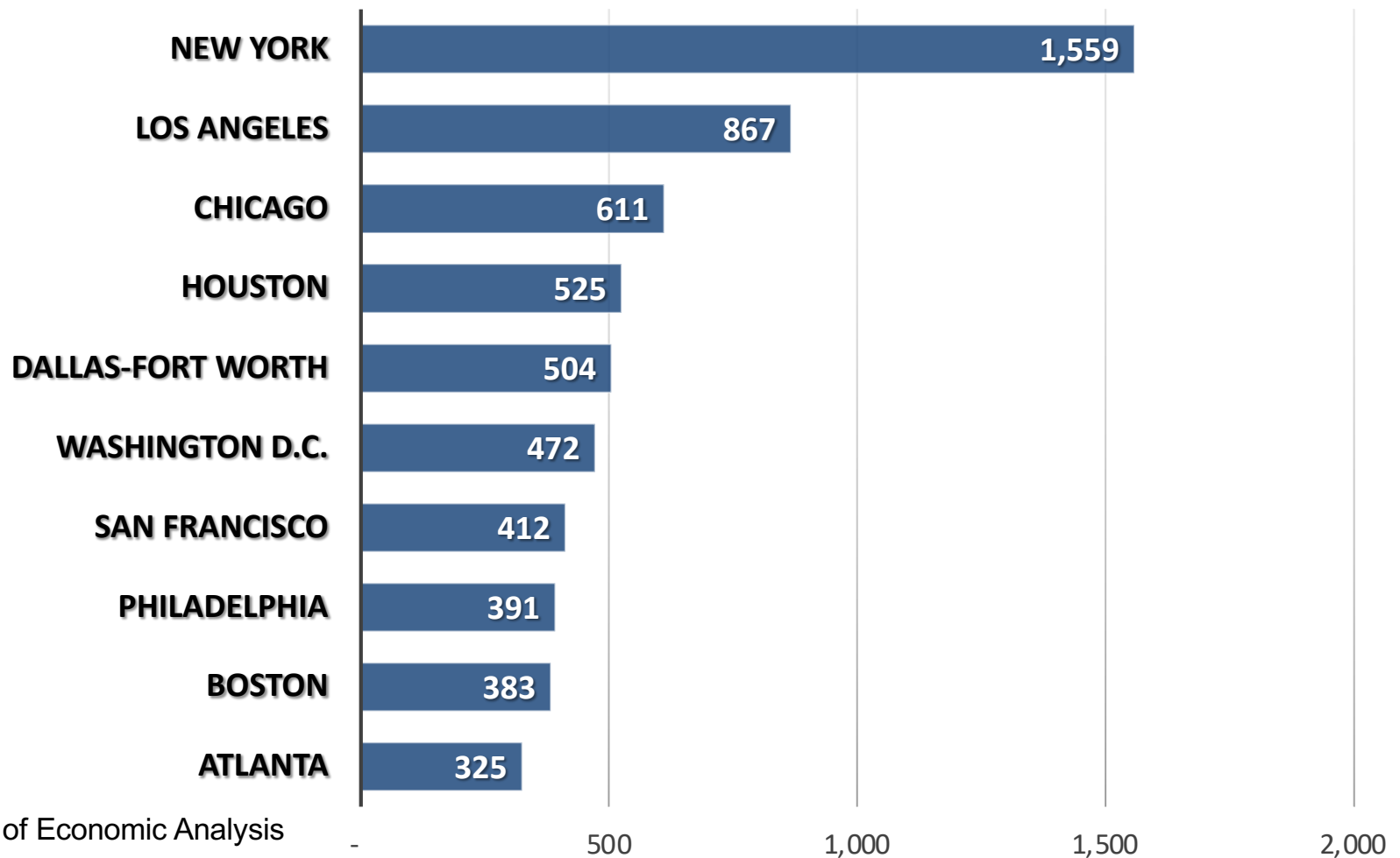
Houston's Labor Market

Houston Labor Market Overview

- Economy
- Population
- The structure of Houston's labor market
- Drivers of recent job growth and losses
- Short-term outlook for job growth
- Long-term outlook for job growth

Houston - Fourth Largest Economy

- 2014 Gross Domestic Product of 525.4 Billion
 - 31st Largest economy if it were a country



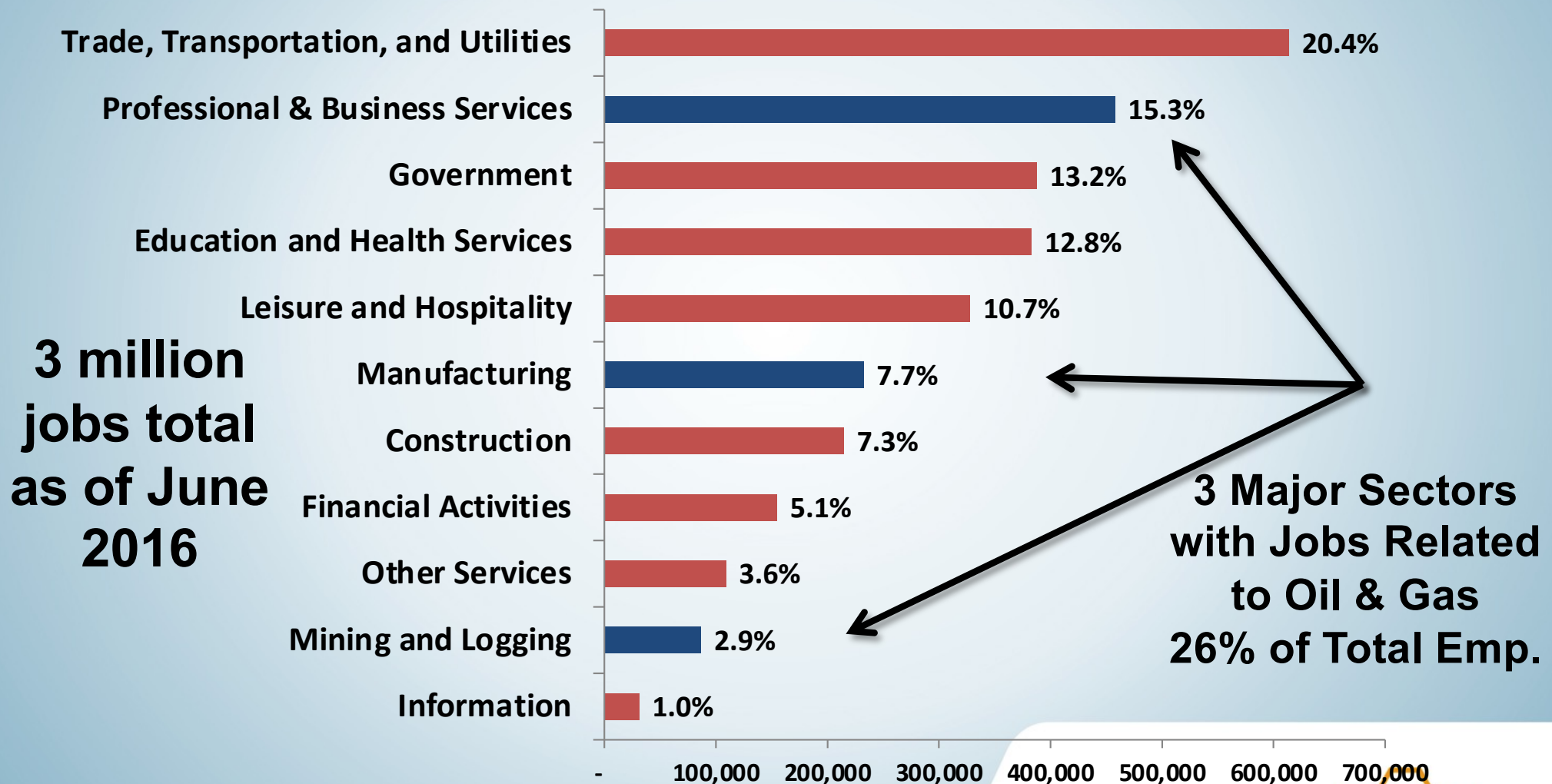
**Home to Houston MSA
2015 Population 6.7 Million**

**Leads the Nation in
Population Growth**

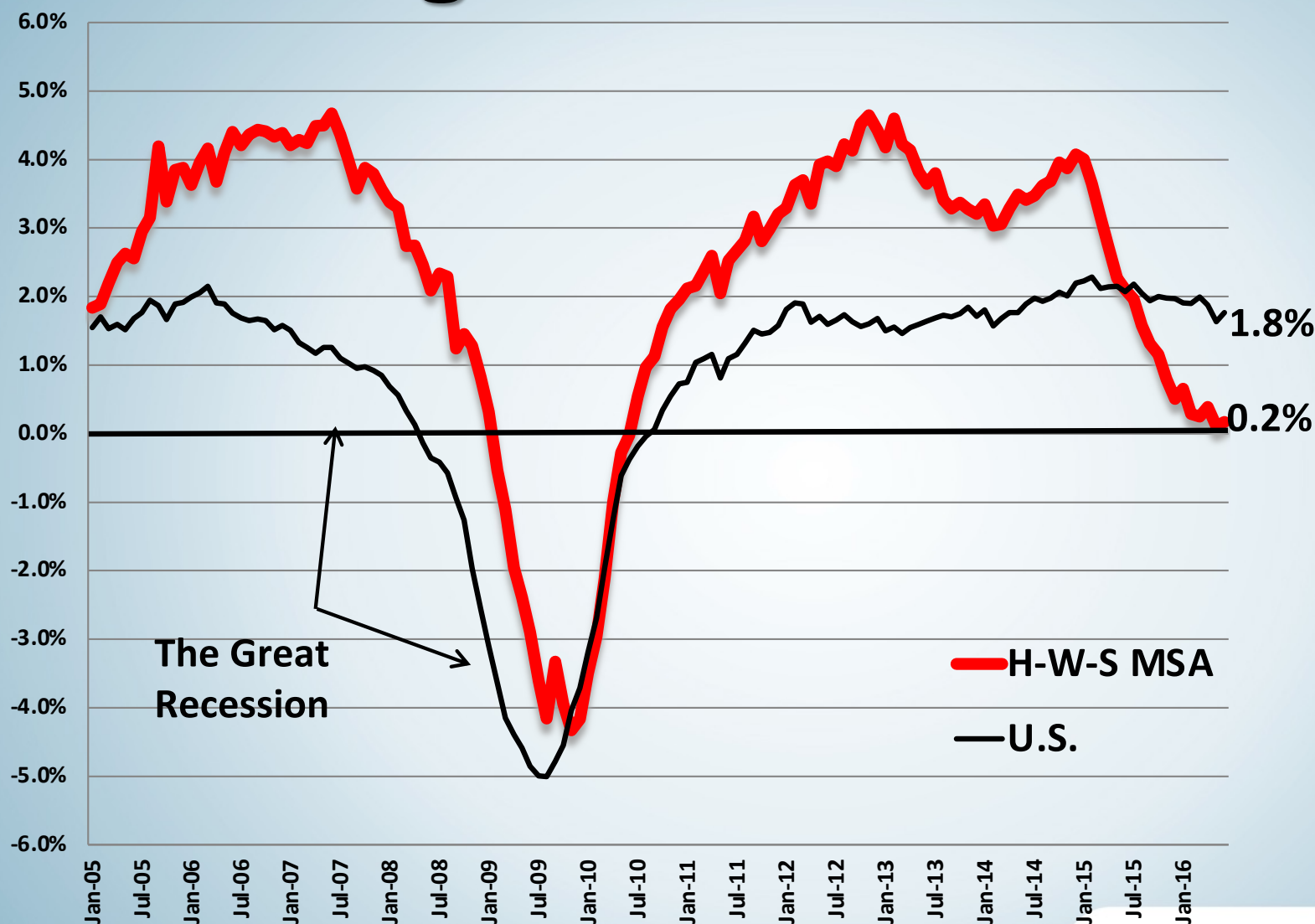
**Adding 159,000 Residents
July 2014 to July 2015**

Makeup of Houston's Economy

Share of Total Nonfarm Employment, Houston MSA Super Sectors,
June 2016



Strong Job Growth Until 2015



**H-W-S MSA
Most Recent
Peak 4.6%
February 2013**

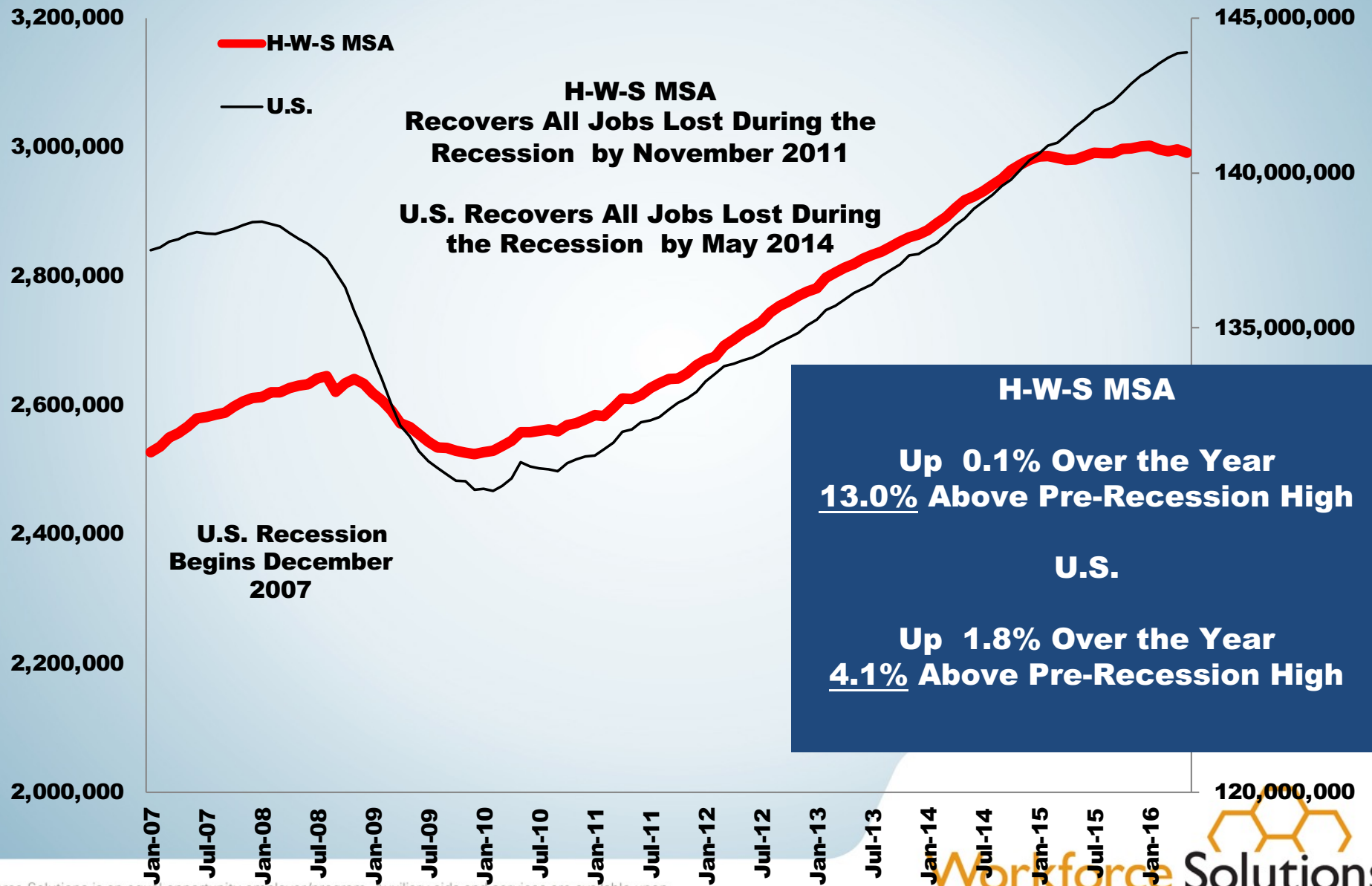
**Crude Prices
Crash!**

**The Great
Recession**

**— H-W-S MSA
— U.S.**

Houston vs U.S.

Seasonally Adjusted Growth Since Recession





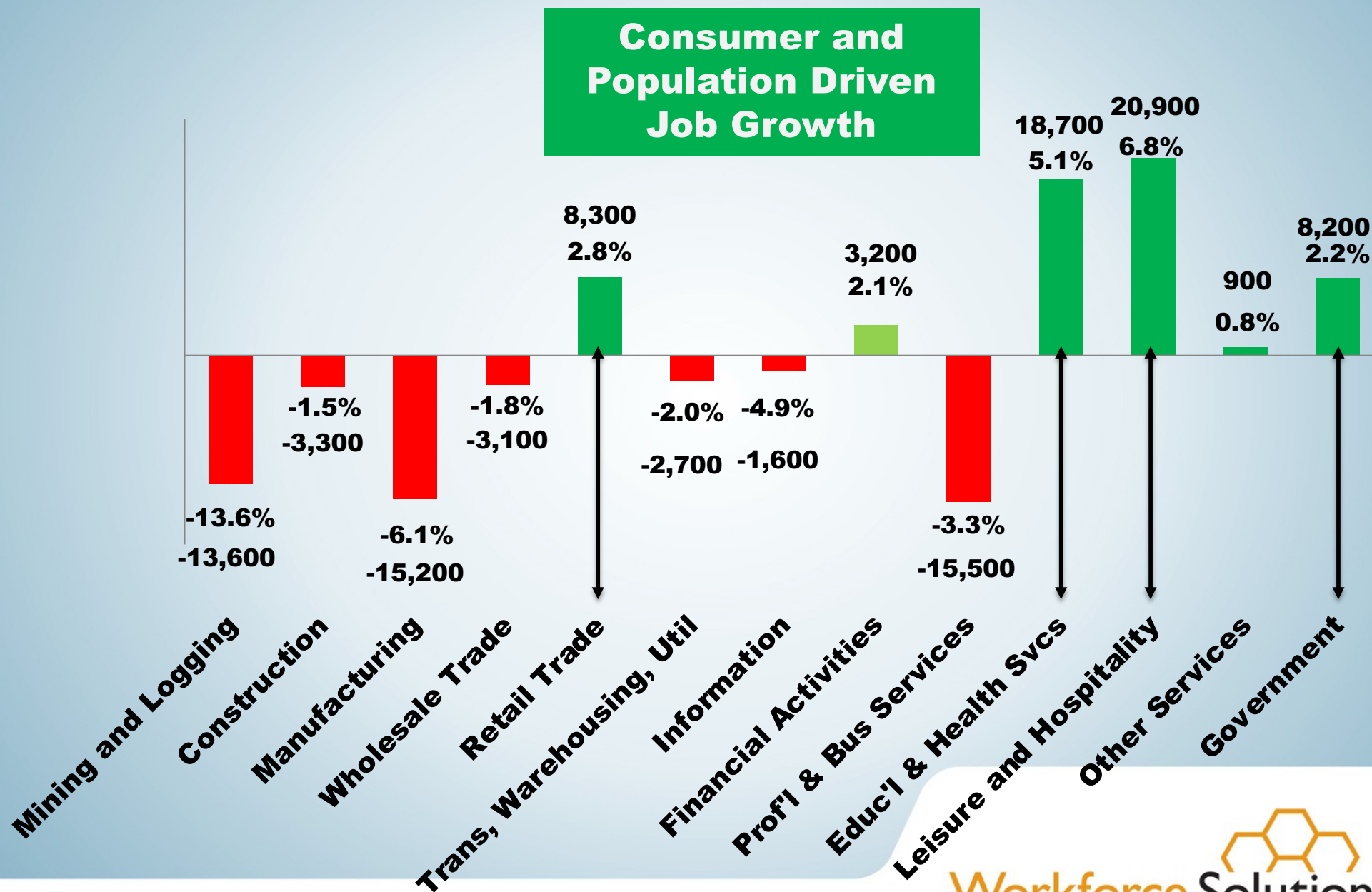
What's driving Houston's job growth and losses?



Drivers of Houston's Job Growth

- Houston added **54,400** jobs over the past year
 - 38.4% from Leisure and Hospitality
 - 34.4% from Educational and Health Services
 - 15.1% from Government
- Houston lost **49,200** jobs over the past year
 - 31.5% from Professional and Business Services
 - 30.9% from Manufacturing
 - 27.6% from Mining and Logging
- $54,400 - 49,200 =$ Net Gain of **5,200 jobs**

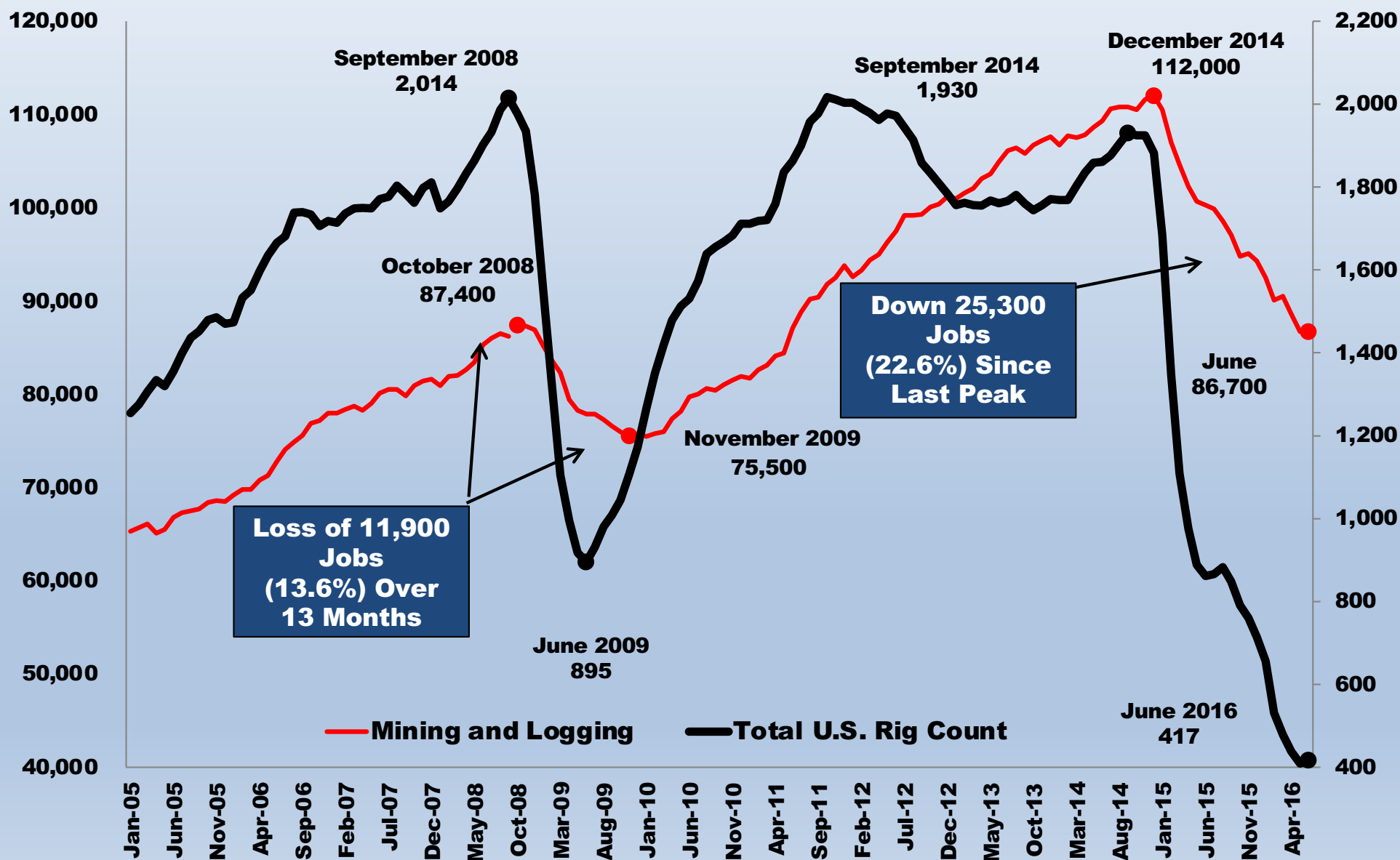
Change in Jobs by Industry 2015-2016



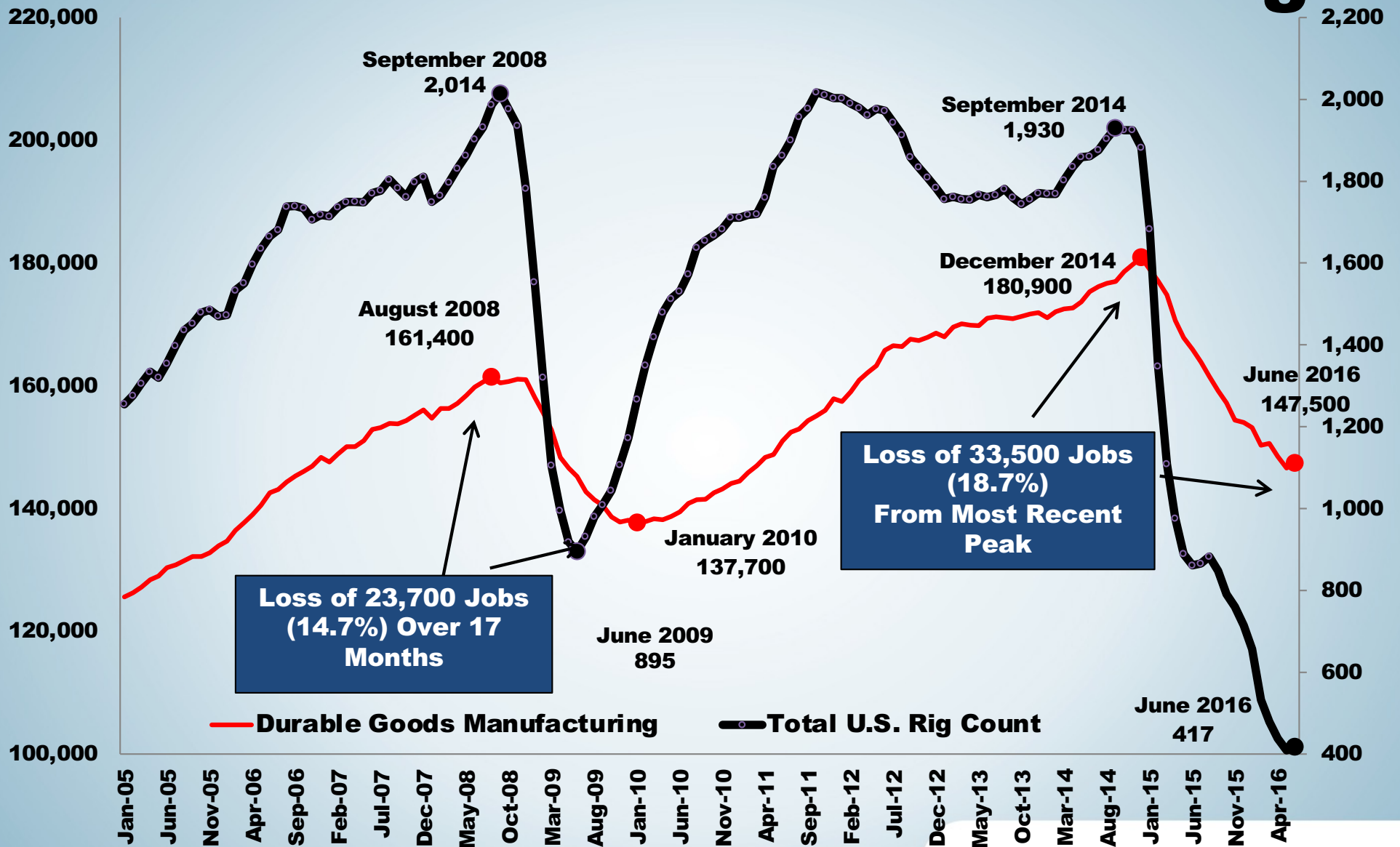
Energy Losses are Accumulating

Mining and Logging	25,300
Durable Goods Manufacturing	33,500
Professional and Business Services	17,400
Total	76,200

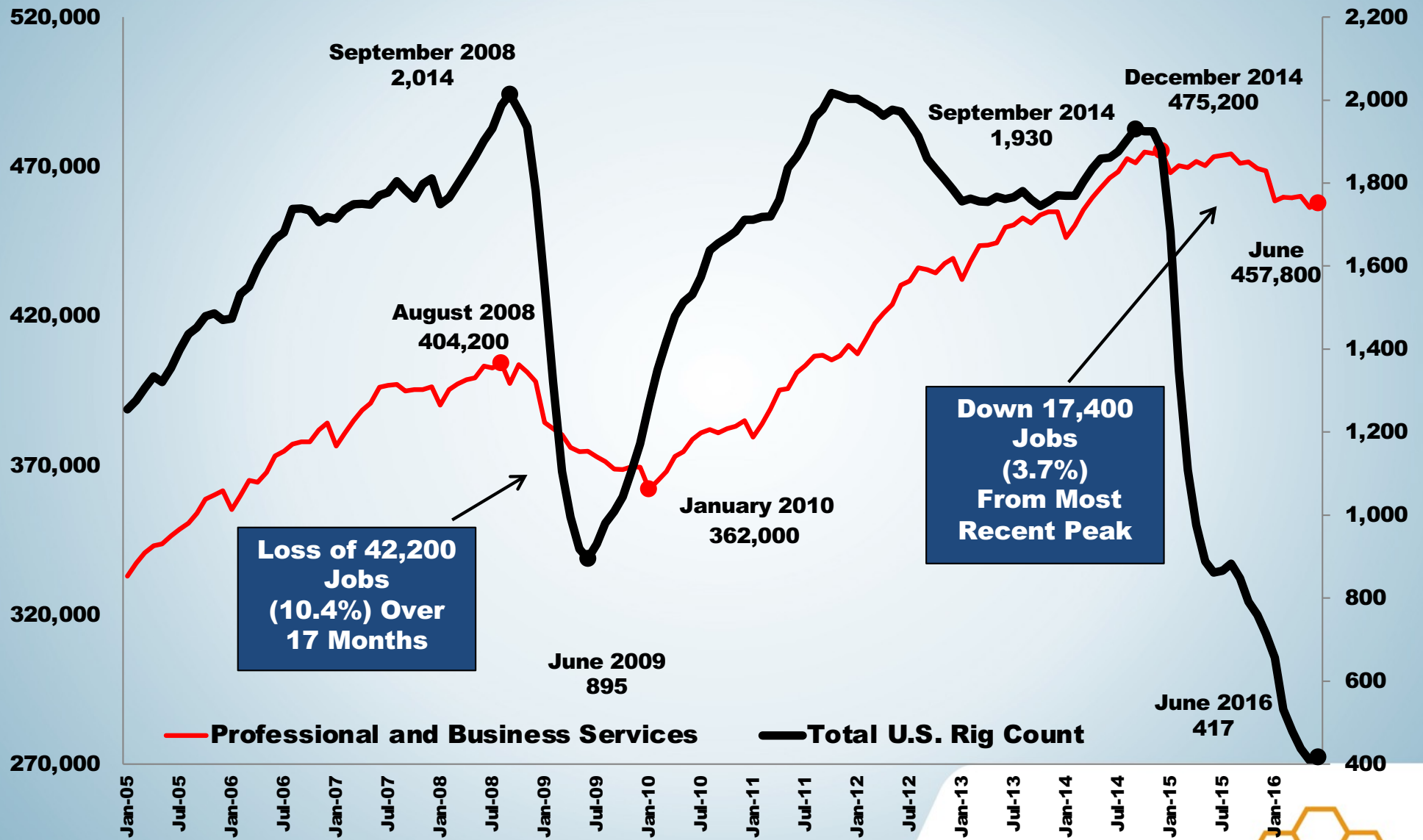
Mining and Logging



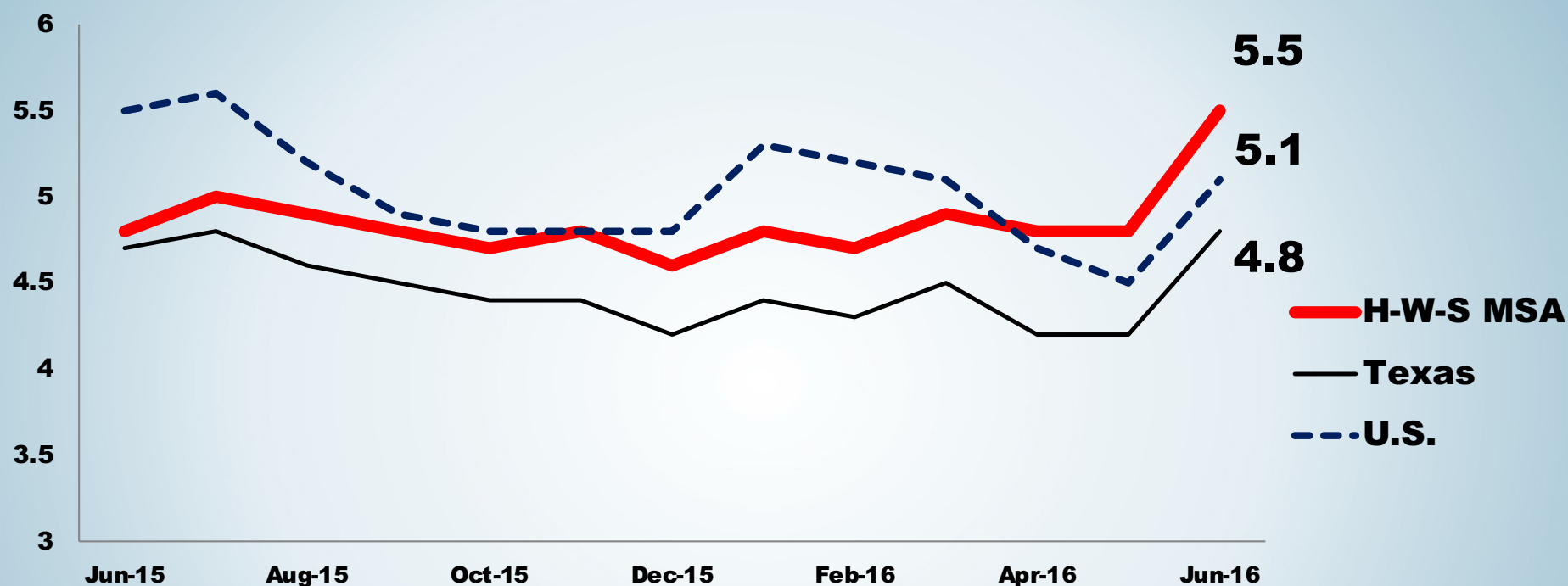
Durable Goods Manufacturing



Professional and Business Services



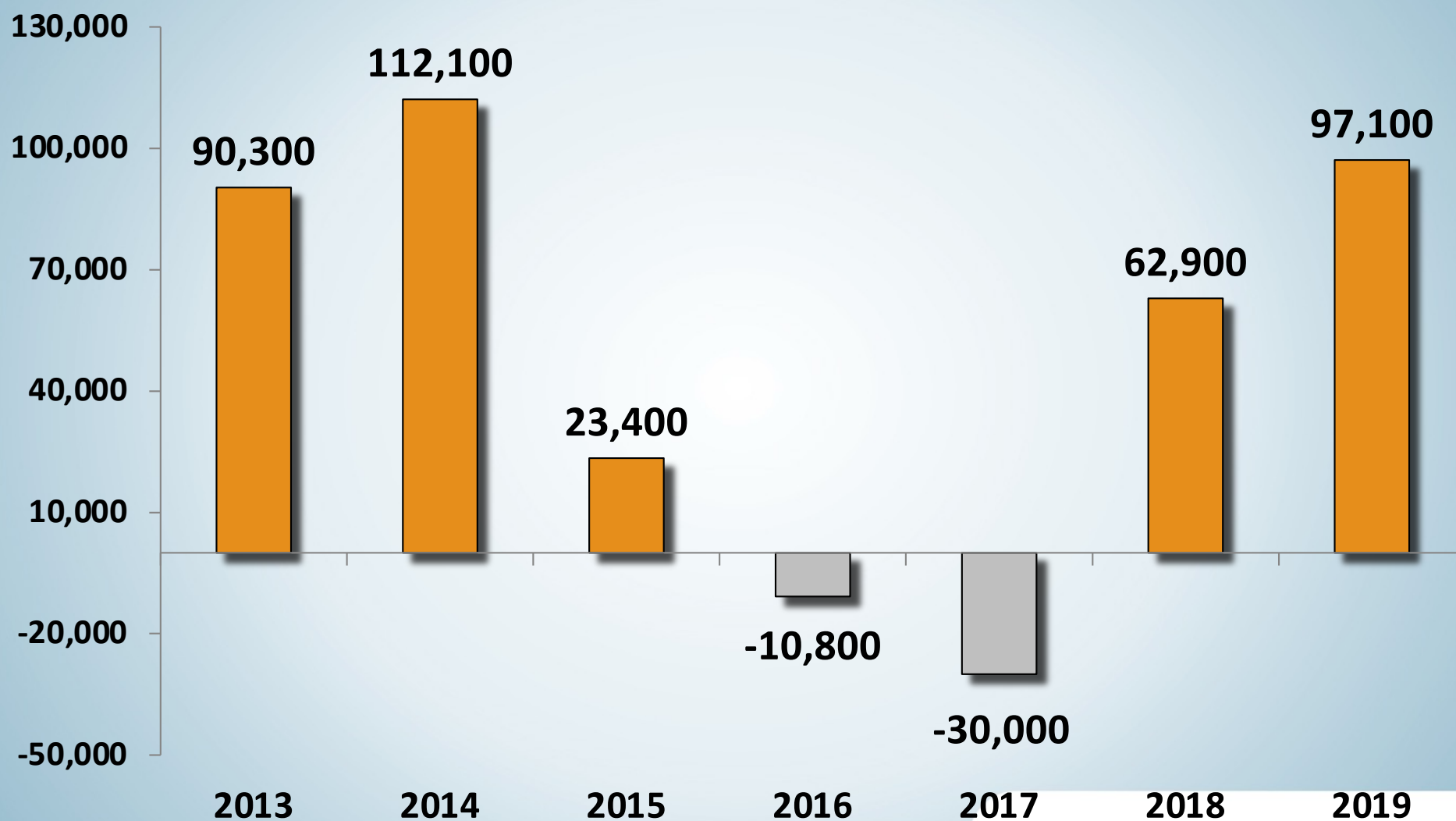
Labor Force and Unemployment



	June 2016	May 2016	June 2015
Civilian Labor Force	3,285,288	3,264,176	3,257,658
Total Employed	3,105,339	3,106,896	3,100,165
Unemployed	179,949	157,280	157,493
Unemployment Rate	5.5%	4.8%%	4.8%

What does the near future hold?

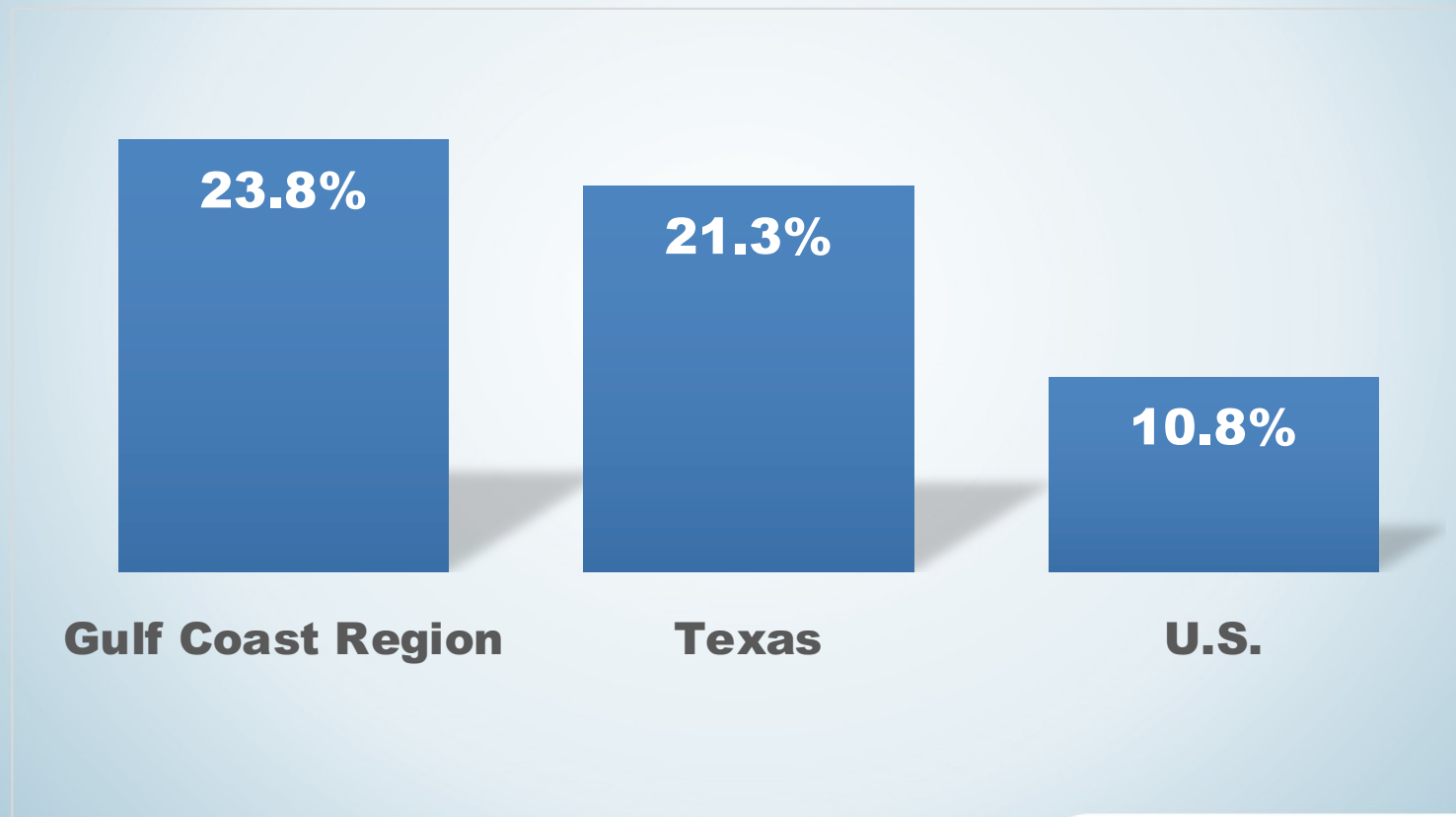
Houston Jobs Forecast - 2016 and Beyond



Source: University of Houston - Institute for Regional Forecasting

What's the long-term outlook?

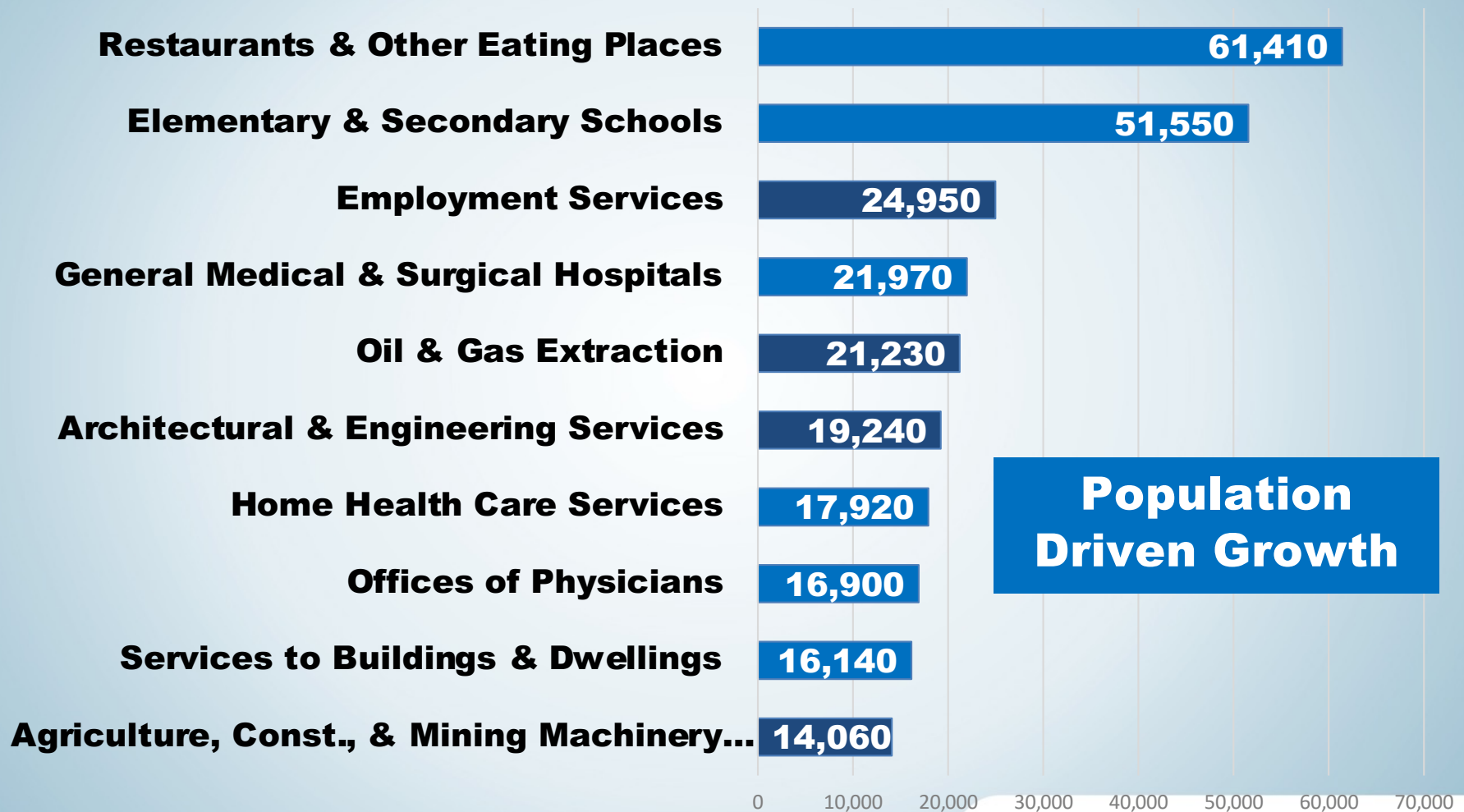
2012 to 2022



13-County Gulf Coast Region



Top 10 Industries Adding Most Jobs



Population Growth Will Continue Regardless of Oil Prices!

Health Care

Restaurants

Port Activity
(shipping, trucking,
rail, warehousing,
logistics)

Retail Trade

Personal Care

Construction

**Repair and Service
Companies**

Education

Petrochemicals

