

THE ECONOMY AT A GLANCE

HOUSTON



GREATER HOUSTON
PARTNERSHIP.

Making Houston Greater.

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A LOOK IN THE MIRROR

Each fall, the U.S. Census Bureau releases the American Community Survey (ACS), its annual snapshot of the nation's economic, demographic, housing, and social characteristics. By examining ACS data over time, one can see shifts in the population. This issue of *Glance* examines ACS data for '12 and '22 and discusses the changes in Houston over that time.

Race and Ethnicity

Houston's Black, Asian, and Hispanic populations have grown substantially over the past 10 years while the white population has stagnated. The region has also seen a surge in residents self-identifying as being of more than one race.

CHANGES IN METRO HOUSTON RACE/ETHNICITY

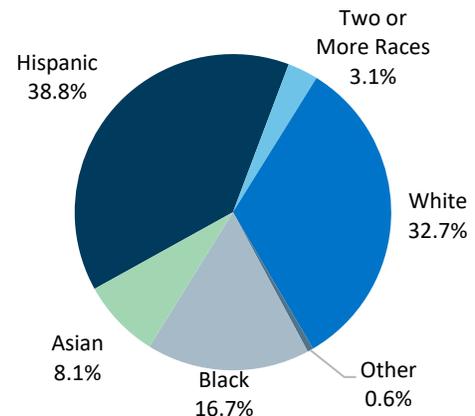
Race/Ethnicity	Population		Change '12 – '22	
	'22	'12	#	%
Hispanic	2,847,163	2,228,634	618,529	27.8
White	2,401,035	2,406,315	-5,280	-0.2
Black	1,224,158	1,037,595	186,563	18.0
Asian	594,582	418,237	176,345	42.2
Two or More Races	228,938	90,217	138,721	153.8
Some Other Race	32,071	10,443	21,628	207.1
AIAN	7,468	9,182	-1,714	-18.7
NHPI	4,703	3,538	1,165	32.9
Total	7,340,118	6,204,161	1,135,957	18.3

AIAN = American Indian Alaskan Native
NHPI = Native Hawaiian Pacific Islander

Source: U.S. Census Bureau, American Community Survey

Hispanics now comprise the largest racial/ethnic community in the region. However, no single group constitutes a majority of Houston's population. It's been that way since the late '90s.

METRO POPULATION, RACIAL/ETHNIC COMPOSITION

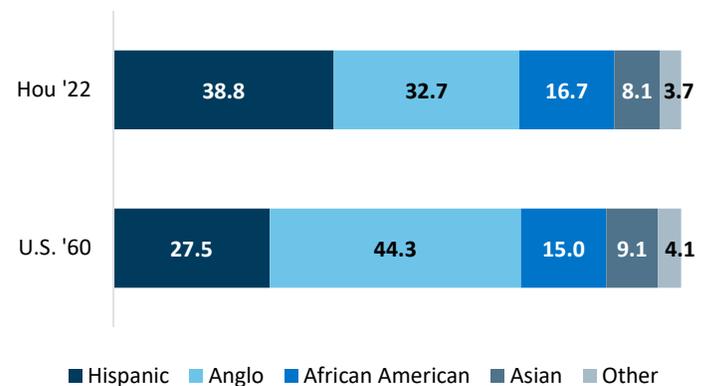


Note: Other includes American Indian, Alaskan Native, Native Hawaiian, Pacific Islander, and other races.

Source: U.S. Census Bureau, American Community Survey

The demographic shifts which began here 20 years ago have started to filter through to the rest of the nation. Houston today resembles what the U.S. will look like 40 years from now.

RACE/ETHNICITY, % OF POPULATION Houston Today v. U.S. in '60



Source: U.S. Census Bureau

Foreign-Born Population

Individuals born outside the U.S. represent a larger share of the region's population than they did a decade ago—22.3 percent in '12 versus 23.9 percent today. By comparison, the foreign-born population for the nation was 13.9 percent in '22, up marginally from 13.0 percent in '12.

Houston added 370,000 foreign-born residents over the decade. International migration accounted for about one-third of the region’s overall population gains. Our foreign-born population now exceeds the total population of metros like Jacksonville, Fla.; Providence, R.I.; Milwaukee, Wis.; or Oklahoma City, Okla.

PLACE OF BIRTH, METRO HOUSTON RESIDENTS

Origin	'22		'12	
	Count	%	Count	%
Native Born	5,585,830	76.1	4,820,633	77.7
Foreign Born	1,754,288	23.9	1,383,528	22.3
Total	7,206,841	100.0	6,086,895	100.0

Source: U.S. Census Bureau, American Community Survey

Well over half (61.2 percent) of Houston’s foreign-born residents came from Latin America, 25.9 percent came from Asia, 6.8 percent from Africa, 4.9 percent from Europe, 1.0 percent from North America, and 0.2 percent from Oceania.

TOP 20 COUNTRIES OF ORIGIN HOUSTON FOREIGN-BORN POPULATION

Country	Residents	Country	Residents
Mexico	579,046	Cuba	37,485
El Salvador	149,458	Philippines	37,291
India	107,001	Colombia	33,875
Honduras	104,607	Canada	21,145
Vietnam	83,554	U.K.	19,064
China	76,069	Korea	16,248
Guatemala	58,855	Taiwan	11,966
Venezuela	53,373	Iran	10,364
Nigeria	42,908	Turkey	10,003
Pakistan	39,689	Nicaragua	9,883

Source: U.S. Census Bureau, American Community Survey

Nearly two-thirds (62.6 percent) of Houston’s foreign-born entered the U.S. prior to '10 while the remainder (37.4 percent) entered after '10.

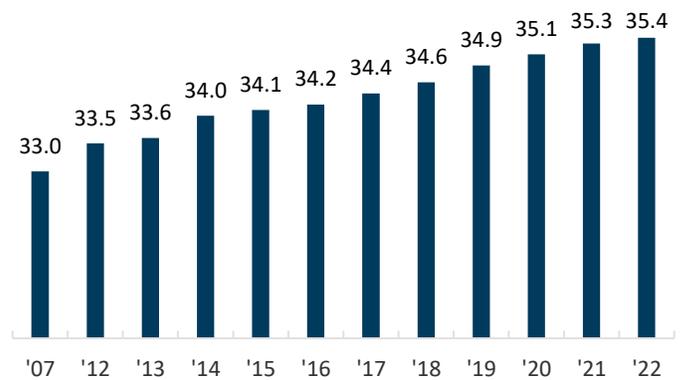
LANGUAGE SPOKEN AT HOME

Among residents five years or older, 40.1 percent speak a language other than English at home. Thirty percent of the Houston population speaks Spanish at home, 4.8 percent speak an Asian/Pacific Islander language, 3.7 percent speak an Indo-European language, and 1.5 percent speak another language.

AGE

Houston’s population continues to mature. In '12, the region’s median age was 33.5 years. In '22, the median was 35.4. The median for the U.S. was 39.0 last year.

METRO HOUSTON MEDIAN AGE



Source: U.S. Census Bureau, American Community Survey

Advances in medicine, better nutrition, and healthier lifestyles have increased human longevity nudging up the region’s median age. In '82, someone who turned 65 might live to another 16.8 years. In '12, someone who turned 65 might live another 19.3 years. As a result, the 65-plus population is the fastest-growing age group in Houston, up 58.2 percent since '12. That age group now accounts for one in eight residents versus one in 11 a decade ago.

“Youth” are the slowest growing population group. Children, adolescents, and teenagers represented 28.3 percent of Houston’s population in '22, down from 30.5 percent 10 years ago.

CHANGES IN METRO HOUSTON AGE PROFILE

Age Group	Residents		Change, '12 - '22	
	'22	'12	#	%
0-19	2,077,253	1,867,452	209,801	11.2
20-35	1,541,425	1,364,915	176,509	12.9
35-54	2,011,192	1,724,757	286,436	16.6
55-64	800,073	670,049	130,023	19.4
65+	902,835	570,783	332,052	58.2
Total	7,340,118	6,204,161	1,134,821	18.3

Note: columns may not sum accurately due to rounding.

Source: Partnership calculations based on American Community Survey data

EDUCATIONAL ATTAINMENT

Over 4.0 million residents, 85.2 percent of the adult population, have graduated high school. That’s increased from 81.1 percent (3.2 million) in '12. Over 1.7 million have a college degree, climbing from 1.1 million ten years ago.

While improvements in instruction have contributed to the increase, the passing away of older, less-educated generations has been a factor as well. In '12, only 78.2 percent of the population over 65 had graduated high school, and only 27.0 percent held a college degree. By '22 that had jumped to 83.3 and 33.4 percent respectively.

METRO HOUSTON EDUCATIONAL ATTAINMENT

Population 25 years and older	4,760,503	3,909,515
Highest Level of Education Attained	% in '22	% in '12
Less than 9th grade	8.5	9.5
9th to 12th grade, no diploma	6.3	9.4
High school graduate	22.8	23.5
Some college, no degree	19.1	21.9
Associate degree	7.2	6.0
Bachelor's degree	22.6	19.3
Graduate or professional degree	13.4	10.3
High school graduate or higher	85.1	81.1
Bachelor's degree or higher	36.0	29.6

Source: U.S. Census Bureau, American Community Survey

EMPLOYMENT BY INDUSTRY, METRO HOUSTON

Industry	'22		'12	
	Jobs	% Tot	Jobs	% Tot
Mining ¹	86,378	2.4	100,539	3.5
Construction	359,833	10.0	258,829	9.0
Manufacturing	323,052	9.0	301,954	10.5
Wholesale trade	90,135	2.5	98,257	3.4
Retail trade	395,613	11.0	318,840	11.1
TWU ²	259,356	7.2	172,061	6.0
Information	39,463	1.1	41,157	1.4
FIRE ³	226,094	6.3	166,123	5.8
Business Services ⁴	493,906	13.8	361,364	12.5
Education, Health Care	733,584	20.4	575,589	20.0
Leisure and Hospitality ⁵	282,284	7.9	230,308	8.0
Other Services ⁶	182,898	5.1	166,617	5.8
Public Administration	114,676	3.2	91,091	3.2

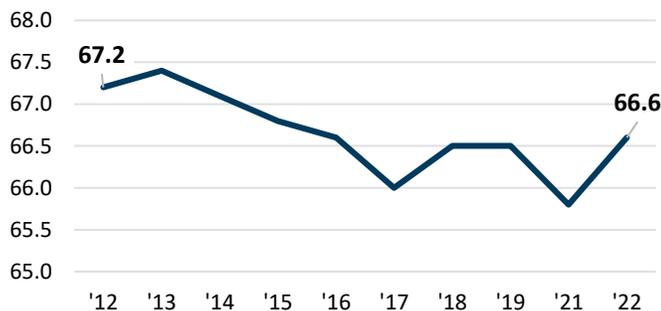
(1) Agriculture, forestry, fishing and hunting, and mining; (2) Transportation and warehousing, and utilities; (3) Finance and insurance, and real estate and rental and leasing; (4) Professional, scientific, and management, administrative services; (5) Arts, entertainment, recreation, hotels, restaurants, bars; (6) Personal care, repair, civic organizations.

Source: U.S. Census Bureau, American Community Survey

LABOR FORCE PARTICIPATION

The labor force participation rate (LFPR) is the percentage of population over 16 that is employed or unemployed and actively seeking work. Houston's LFPR has trended down since the '00s. The nadir hit during the pandemic but has since ticked up. At 66.6 percent, Houston's rate was above that of the U.S. rate, which averaged 63.5 percent in '22.

LABOR FORCE PARTICIPATION RATE, METRO HOUSTON*



* Percent population over 16 employed or actively seeking work.

Source: U.S. Census Bureau, American Community Survey

The bump in our labor force participation reflects Houston's strengthening economy and healthy job market. As more of the working-age population is employed, consumer spending increases and adds an additional boost to economic growth.

EMPLOYMENT BY INDUSTRY

Education, health care, professional services, and retail dominate local employment, accounting for two out of every five jobs in the region. Energy and manufacturing account for roughly one in four.

Travel to Work

Houstonians are spending more time in traffic. The average travel time to work was 30.0 minutes in '22, up from 28.6 minutes in '12.

- Most workers (71.0 percent) drove to work alone in '22, down from 79.6 percent in '12.
- Only 10.6 percent of all commuters carpool, down from 11.1 percent 10 years ago.
- A fraction (1.4 percent) of all commuters used public transit in '22, down from 2.6 percent in '12.
- 1.1 percent walked to work, down from 1.4 percent 10 years ago.

Remote work arrangements have shown little signs of abating. Two years ago, one in six (15.5 percent) worked from home. Last year, one in eight (13.0 percent) employed Houstonians worked from home.

Nationwide, 15.2 percent of all job holders worked from home in '22, down from 17.9 percent in '21.

Households

Houston added 582,000 households since '12, helping to explain the strength of our housing market over the decade. In '22, roughly one-third (35.7 percent) of the 2.7 million households included someone under 18 and one-fourth (25.1 percent) someone over 65. One in four households were headed by a single/unmarried woman, one in six by a single/unmarried man.

HOUSEHOLD COMPOSITION, METRO HOUSTON – '22

Household Type	#	%
Married-couple household	1,311,398	48.9
With children under 18	587,829	21.9
Cohabiting couple household	206,360	7.7
With children under 18 years	92,870	3.5
Male householder, no spouse/partner	478,381	17.8
With children under 18 years	26,633	1.0
Female householder, no spouse/partner	686,506	25.6
With children under 18 years	152,566	5.7
Males living alone	332,666	12.4
Females living alone	350,930	13.1
Total	2,682,645	100.0

Source: U.S. Census Bureau, American Community Survey

Household Income

Median household income was \$74,863 in '22, up 33.8 percent in nominal terms from \$55,910 in '12. Adjusted for inflation, median household income is up only 4.4 percent over the decade.

Marital Status

Half the region's population over 15, nearly 2.9 million residents, is currently married. One-third has never married. The remaining group is either widowed, separated, or divorced. Those rates are little changed since '12.

MARITAL STATUS, POPULATION 15 AND OLDER, '22

	Count	%
Currently married	2,865,415	49.5
Never married	2,049,086	35.4
Divorced	518,082	9.0
Widowed	238,546	4.1
Separated	113,582	2.0
Total	5,784,711	100.0

Source: U.S. Census Bureau, American Community Survey

Fertility

The Census Bureau measures "fertility" as the number of births per 1,000 women aged 15 to 50. At the '09 fertility peak, there were 71 births per 1,000 women. In '22, there were 55 per 1,000. One-third (33.1 percent) of all births last year were to unmarried women.

FERTILITY RATES, METRO HOUSTON, '22

Mother's Age	Births Per 1,000 Women
15 to 50 years old	55
15 to 19 years old	9
20 to 34 years old	90
35 to 50 years old	37

Source: U.S. Census Bureau, American Community Survey

Poverty

In '12, nearly one in eight Houston families (13.0 percent) had household incomes below the poverty line. That improved marginally over the decade. Last year, 11.7 percent of all families lived in poverty.

- In families with children under 18, the rate slipped from 18.9 percent to 17.1 percent.
- In single-mother households with children under 18, the rate slipped from 31.4 percent in '12 to 29.3 percent in '22.
- For residents 65 and older, the rate rose from 10.5 percent to 12.5 percent.

Disability Status

One in 11 Houstonians responded to the ACS that they have some form of impairment (e.g., hearing, vision, ambulatory, cognitive, self-care or independent living). That's up from one in 10 a decade ago. Disabilities are more common across all age groups, not just Houston's older population.

DISABILITY STATUS, METRO HOUSTON POPULATION

	'22		'12	
	Count	% Pop	Count	% Pop
Population*	7,283,795	100.0	6,156,197	100.0
Without a disability	6,489,289	89.1	5,554,283	90.2
With a disability	794,506	10.9	601,914	9.8
Under 18 years	85,032	4.5	63,172	3.7
18 to 64 years	406,843	9.0	333,644	8.6
65 and older	302,631	34.0	205,098	36.5

* Non-institutionalized population

Source: U.S. Census Bureau, American Community Survey

Health Insurance Coverage

More Houstonians carry health insurance but the improvement has been marginal. Ten years ago, 76.6 percent of the metro population had coverage. In '22, 82.0 did. Nationwide, 92.0 percent of the population carried health insurance in '22.

Health Insurance Coverage in Metro Houston

	% Population	
	'22	'12
With health insurance	82.0	76.6
With private health insurance	61.4	57.0
With public coverage	28.0	26.0
No health insurance	18.0	23.4

Source: U.S. Census Bureau American Community Survey

Employment was no guarantee of benefits. One out of every five employed workers lacked coverage in '22.

Mobility

One million Houstonians—14.0 percent of residents one year and older—moved in the prior year. The majority changed apartments or houses within the Houston metro area, but a substantial number moved here from outside the region.

PLACE OF RESIDENCE, ONE YEAR AGO*

Location	Residents	%
Same house	6,261,383	86.3
Different house	993,826	13.7
Different house in the U.S.	912,155	12.6
Same county	543,904	7.5
Different county	368,251	5.1
Same state	224,199	3.1
Different state	144,052	2.0
Abroad	81,671	1.1
Total	7,255,209	100.0

* For population 1 year old and older.

Note: Question was asked in '22 about place of residence in '21.

Source: U.S. Census Bureau, American Community Survey

Key Economic Indicators



Aviation — The Houston Airport System (HAS) handled 58.9 million passengers in the 12 months ending August '23, up 12.7 percent from 52.2 million handled over the comparable period in '22. While a substantial improvement over last year, passenger traffic remains 400,000 passengers (0.7 percent) below August of '19.



Construction — Dodge Data & Analytics reports \$21.1 billion in contracts were awarded in the first eight months of '23, down 12.1 percent from the \$24.0 billion issued over the comparable period in '22. Nonresidential activity fell 14.6 percent, residential activity 19.4 percent, while infrastructure awards were up 11.4 percent.



Energy — The Baker Hughes count of active domestic rotary rigs slipped to 623 in the last full week of September, down from 765 the same week in '22. The spot price for West Texas Intermediate averaged \$89.74 in September, down from \$93.67 in September of last year. However, crude traded above \$90 the last week of the month and some analysts expect it to reach \$100 per barrel by the end of the year.



Home Sales — Houston area realtors sold 7,983 single-family homes in August, a 3.8 percent drop from August the year prior. August was the 17th consecutive month of declining sales as

Houston returns to the seasonal trending that prevailed before the pandemic.



Inflation — Inflation rose 0.6 percent in August on a seasonally adjusted basis, after increasing 0.2 percent in July. Over the last 12 months, inflation rose 3.7 percent.



Employment — Metro Houston added 87,600 jobs in the 12 months ending August '23. Every major sector but two have seen job gains. Houston's unemployment rate increased from 4.5 percent in June to 4.8 percent, Texas' rate from 4.2 percent to 4.5 percent, and the U.S. rate remained at 3.8 percent. Locally, initial claims for unemployment benefits and continued claims continue to trend down.

JOB GAINS/LOSSES, 12 MONTHS ENDING AUG '23 METRO HOUSTON

Sector	Jobs	Sector	Jobs
Health Care	16,600	Arts, Recreation	2,100
Prof, Sci, Tech Svcs	12,700	Local Education	1,800
Wholesale Trade	10,000	Private Education	1,800
Transport/Warehousing	9,400	Hotels	1,400
Manufacturing	7,200	Fed Government	1,100
Retail Trade	7,000	Restaurants, Bars	400
Energy	3,500	Finance/Insurance	100
Admin Support	3,500	Information	-
Real Estate	3,300	Other Services	-1,800
State Government	2,500	Construction	-6,800

Source: Texas Workforce Commission data



Purchasing Managers Index — Economic activity in Houston expanded at a modestly faster pace in August than July. Manufacturing reported contraction at a very slow pace and nonmanufacturing expanded at a minimally faster rate than last month, according to the most recent Houston Purchasing Managers Index (PMI) prepared by the Institute for Supply Management-Houston.

The overall PMI rose 1.5 points to 53.6 in August, up from 52.1 in July. The Manufacturing PMI rose 2.3 points to 49.3. The Nonmanufacturing PMI rose 1.4 points to 54.6. Readings above 50 indicate expansion, below 50 indicate contraction.



Vehicle Sales — Houston-area dealers sold 246,456 cars, trucks, and SUVs through the first eight months of '23, a 17.3 percent increase over the 210,121 sold during the comparable period in '22. Sales have surpassed pre-COVID levels but remain short of the Fracking Boom peak.

HOUSTON MSA NONFARM PAYROLL EMPLOYMENT (000)

	August 23	July 23	August 22	Change from		% Change from	
				July 23	August 22	July 23	August 22
Total Nonfarm Payroll Jobs	3,348.4	3,345.1	3,260.8	3.3	87.6	0.1	2.7
<i>Total Private</i>	<i>2,927.1</i>	<i>2,923.4</i>	<i>2,846.1</i>	<i>3.7</i>	<i>81.0</i>	<i>0.1</i>	<i>2.8</i>
<i>Goods Producing</i>	<i>522.9</i>	<i>525.8</i>	<i>519.0</i>	<i>-2.9</i>	<i>3.9</i>	<i>-0.6</i>	<i>0.8</i>
<i>Service Providing</i>	<i>2,825.5</i>	<i>2,819.3</i>	<i>2,741.8</i>	<i>6.2</i>	<i>83.7</i>	<i>0.2</i>	<i>3.1</i>
<i>Private Service Providing</i>	<i>2,404.2</i>	<i>2,397.6</i>	<i>2,327.1</i>	<i>6.6</i>	<i>77.1</i>	<i>0.3</i>	<i>3.3</i>
Mining and Logging	69.9	70.1	66.4	-0.2	3.5	-0.3	5.3
Oil & Gas Extraction	29.7	29.7	29.1	0.0	0.6	0.0	2.1
Support Activities for Mining	38.5	38.6	35.8	-0.1	2.7	-0.3	7.5
Construction	219.4	221.7	226.2	-2.3	-6.8	-1.0	-3.0
Manufacturing	233.6	234.0	226.4	-0.4	7.2	-0.2	3.2
Durable Goods Manufacturing	144.7	144.1	139.1	0.6	5.6	0.4	4.0
Nondurable Goods Manufacturing	88.9	89.9	87.3	-1.0	1.6	-1.1	1.8
Wholesale Trade	181.0	179.9	171.0	1.1	10.0	0.6	5.8
Retail Trade	320.5	321.7	313.5	-1.2	7.0	-0.4	2.2
Transportation, Warehousing and Utilities	194.4	194.0	185.0	0.4	9.4	0.2	5.1
Utilities	20.4	20.4	19.8	0.0	0.6	0.0	3.0
Air Transportation	20.5	20.6	20.1	-0.1	0.4	-0.5	2.0
Truck Transportation	31.2	31.2	30.7	0.0	0.5	0.0	1.6
Pipeline Transportation	13.0	13.0	12.5	0.0	0.5	0.0	4.0
Information	33.1	33.3	33.1	-0.2	0.0	-0.6	0.0
Telecommunications	11.8	11.8	11.8	0.0	0.0	0.0	0.0
Finance & Insurance	114.8	116.3	114.7	-1.5	0.1	-1.3	0.1
Real Estate & Rental and Leasing	69.6	70.9	66.3	-1.3	3.3	-1.8	5.0
Professional & Business Services	565.7	562.2	547.4	3.5	18.3	0.6	3.3
Professional, Scientific & Technical Services	276.5	276.2	263.8	0.3	12.7	0.1	4.8
<i>Legal Services</i>	<i>33.1</i>	<i>33.2</i>	<i>31.0</i>	<i>-0.1</i>	<i>2.1</i>	<i>-0.3</i>	<i>6.8</i>
<i>Accounting, Tax Preparation, Bookkeeping</i>	<i>28.7</i>	<i>28.9</i>	<i>27.3</i>	<i>-0.2</i>	<i>1.4</i>	<i>-0.7</i>	<i>5.1</i>
<i>Architectural, Engineering & Related Services</i>	<i>77.3</i>	<i>76.9</i>	<i>69.9</i>	<i>0.4</i>	<i>7.4</i>	<i>0.5</i>	<i>10.6</i>
<i>Computer Systems Design & Related Services</i>	<i>43.9</i>	<i>44.0</i>	<i>42.5</i>	<i>-0.1</i>	<i>1.4</i>	<i>-0.2</i>	<i>3.3</i>
Admin & Support/Waste Mgt & Remediation	241.5	238.6	238.0	2.9	3.5	1.2	1.5
<i>Administrative & Support Services</i>	<i>227.5</i>	<i>224.5</i>	<i>225.2</i>	<i>3.0</i>	<i>2.3</i>	<i>1.3</i>	<i>1.0</i>
<i>Employment Services</i>	<i>85.8</i>	<i>85.1</i>	<i>88.4</i>	<i>0.7</i>	<i>-2.6</i>	<i>0.8</i>	<i>-2.9</i>
Private Educational Services	70.7	70.0	68.9	0.7	1.8	1.0	2.6
Health Care & Social Assistance	376.3	379.7	359.7	-3.4	16.6	-0.9	4.6
Arts, Entertainment & Recreation	41.4	42.2	39.3	-0.8	2.1	-1.9	5.3
Accommodation & Food Services	309.7	310.0	307.9	-0.3	1.8	-0.1	0.6
Other Services	121.3	117.4	120.3	3.9	1.0	3.3	0.8
Government	421.3	421.7	414.7	-0.4	6.6	-0.1	1.6
Federal Government	33.4	33.4	32.2	0.0	1.2	0.0	3.7
State Government	94.8	94.5	92.5	0.3	2.3	0.3	2.5
<i>State Government Educational Services</i>	<i>53.1</i>	<i>52.9</i>	<i>51.8</i>	<i>0.2</i>	<i>1.3</i>	<i>0.4</i>	<i>2.5</i>
Local Government	293.1	293.8	290.0	-0.7	3.1	-0.2	1.1
<i>Local Government Educational Services</i>	<i>196.8</i>	<i>197.5</i>	<i>195.0</i>	<i>-0.7</i>	<i>1.8</i>	<i>-0.4</i>	<i>0.9</i>

SOURCE: Texas Workforce Commission