

THE ECONOMY AT A GLANCE

HOUSTON



GREATER HOUSTON
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Making Houston Greater.

A publication of the Greater Houston Partnership

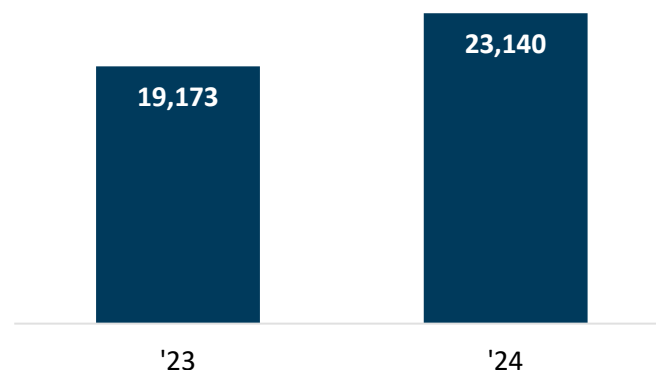
Volume 33 Number 9 – September 2025

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jobs now make up nearly 12 percent of metro Houston's broader fuel, power generation, transmission, and storage sector.

METRO HOUSTONIANS EMPLOYED IN RENEWABLE ENERGY*

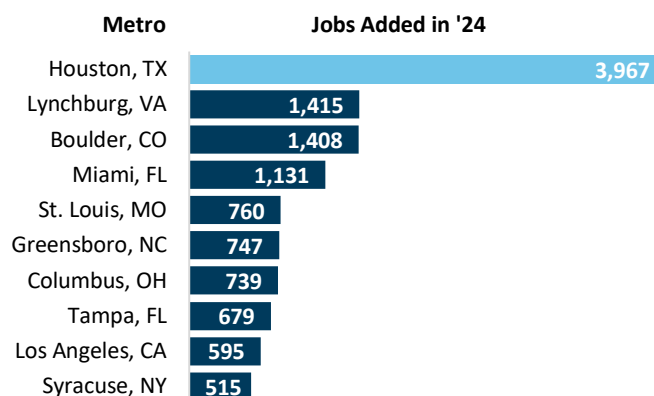


Note: *Includes power generation from solar, wind, hydroelectric and other non-fossil fuels, plus power storage, and smart grid.

Source: Partnership analysis of U.S. Department of Energy USEER data

Houston's renewable energy sector is by far the fastest growing in the nation as measured by employee headcount. With 3,967 new jobs, Houston added almost three times as many workers to its renewable energy labor force as the runner-up metros of Lynchburg, VA, or Boulder, CO.

TOP U.S. METROS FOR JOB GROWTH IN RENEWABLE ENERGY*



Note: *Includes power generation from solar, wind, hydroelectric and other non-fossil fuels, plus power storage, and smart grid.

Source: Partnership analysis of U.S. Department of Energy USEER data

RENEWABLE ENERGY CAPITAL OF THE NATION?

The U.S. Department of Energy released its 2025 U.S. Energy & Employment Report (USEER) in late August, providing invaluable data on employment trends across the energy sector.

It should come as no surprise that the data shows Houston remains the energy capital of the nation, leading all other metros with almost 200,000 people employed in producing fuels, power generation, transmission, distribution, and storage. This puts Houston significantly ahead of major coastal metros like New York or Los Angeles, which employ just over 100,000 workers each.

TOP U.S. METROS IN '24 FOR EMPLOYMENT IN FUELS, POWER GENERATION, TRANSMISSION, AND STORAGE

Metro	Jobs	Metro	Jobs
1 Houston	197,884	11 Phoenix	35,513
2 Los Angeles	106,381	12 Atlanta	35,426
3 New York	101,780	13 Miami	32,935
4 San Francisco	64,781	14 Washington	31,632
5 Dallas	59,193	15 Tulsa	31,377
6 Chicago	58,150	16 San Antonio	30,407
7 Boston	48,174	17 Sacramento	28,356
8 Philadelphia	42,890	18 Minneapolis	28,255
9 Denver	39,099	19 Riverside	28,045
10 Midland	38,527	20 Pittsburgh	27,877

Source: Partnership analysis of U.S. Department of Energy USEER data

While most of this workforce is involved in conventional fuels and modes of power transmission, employment in renewable energy has grown rapidly. Year-over-year, the number of people employed in renewable energy (defined here to include solar, wind, hydroelectric and other non-fossil fuel forms of power generation, plus power storage and smart grid transmission) grew by 20.7 percent from 19,173 workers in '23 to 23,140 in '24. Renewable energy

Of the region’s 49,500 total jobs added in ’24, renewable energy represents 8.0 percent of all job growth. That means that roughly one-in-twelve new jobs created in Houston last year was in renewable energy. It produced slightly fewer jobs than sectors like construction (5,000 jobs) or wholesale (4,200 jobs) but more than other major sectors like retail (2,700 jobs) or restaurants and bars (1,700 jobs).

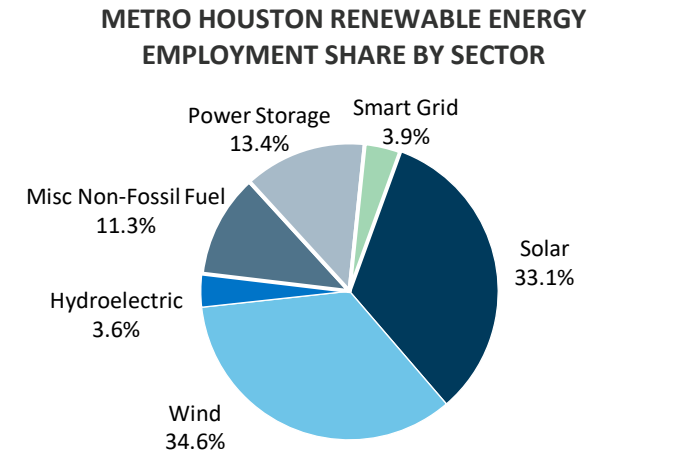
Solar power generation accounted for most of this growth with 2,395 new jobs. Other non-fossil fuel power generation (excluding solar, wind, and hydroelectric) also accounted for a substantial share with 1,502 new jobs. Hydroelectric power generation and power storage added a moderate number of jobs, while wind power generation and smart grid transmission saw slight declines of fewer than 100 employees each.

METRO HOUSTON
RENEWABLE ENERGY JOB GROWTH BY SECTOR

Sector	Jobs		Change	
	'23	'24	#	%
Solar Generation	5,275	7,670	2,395	45.4
Wind Generation	8,095	8,001	-94	-1.2
Hydroelectric Generation	730	836	107	14.6
Misc Non-Fossil Fuel Gen	1,119	2,622	1,502	134.2
Power Storage	2,954	3,109	154	5.2
Smart Grid Transmission	1,000	903	-98	-9.7
TOTAL	19,173	23,140	3,967	20.7

Source: Partnership analysis of U.S. Department of Energy USEER data

With many companies building factories to produce photovoltaic panels and related components in the region, solar manufacturing represents a significant growth area. Global energy companies like India’s Waaree Energies and Japan’s TMEIC have identified Houston’s strength in solar manufacturing and have been building large production facilities in the region that will cumulatively hire thousands of workers.



Source: Partnership analysis of U.S. Department of Energy USEER data

Despite its slight year-over-year decline, wind power generation remains larger than solar and still employs more Houstonians than any other form of renewable energy. As of ’25, wind accounts for over 8,000 jobs and represents 34.6 percent of all renewable energy employment in the region. While many of the actual wind farms that generate power are in West Texas, a large share of companies that engineer, manufacture, and maintain the state’s wind turbines or wind grid infrastructure are in Houston.

In fact, metro Houston’s wind sector is so significant that it leads the nation by employee headcount. No other metro has as many people working in wind power generation, and only one other, Chicago, even comes close. Notably, Houston’s wind power workforce is more than twice as large as that of New York and more than four times as large as that of Los Angeles.

TOP U.S. METROS IN ’24 FOR EMPLOYMENT
IN WIND POWER GENERATION

Metro		Jobs	Metro		Jobs
1	Houston	8,001	11	Seattle	2,034
2	Chicago	7,465	12	San Francisco	2,024
3	Dallas	5,046	13	Orlando	1,965
4	Denver	4,245	14	Austin	1,961
5	Indianapolis	4,228	15	Washington	1,721
6	New York	3,807	16	Los Angeles	1,706
7	Detroit	2,833	17	Bakersfield	1,333
8	Boston	2,596	18	Atlanta	1,312
9	Miami	2,402	19	Philadelphia	1,284
10	San Antonio	2,050	20	Phoenix	1,231

Source: Partnership analysis of U.S. Department of Energy USEER data

This year’s USEER data shows that while traditional oil and gas play a critical role in Houston’s economy, renewable energy is a major sector for growth. The region is stepping up to meet rising energy needs while using a diverse set of power sources and reducing carbon emissions. The businesses involved in these undertakings have thrived, adding to their respective workforces at a rapid pace as demand for their output trends upwards.

SAVE THE DATE

On Wednesday, September 17, the Greater Houston Partnership will host an Economy Series webinar presented by Fifth-Third Bank. The Partnership’s Manager of Economic Research, Colin Baker, will present his insights into recent developments in the local and national economies and highlight some of the many features that make Houston globally competitive. To register for the event, go to the corresponding [events page](#) on the Partnership’s website.

Key Economic Indicators

Clicking on the hyperlinks below will provide additional details on that indicator.



Aviation — The Houston Airport System (HAS) handled 62.4 million passengers in the 12 months ending July '25. That represents a 0.5 percent increase over the 62.1 million handled during the same period last year and a continued improvement over pre-pandemic levels of travel. Domestic and international travel accounted for 49.2 million and 13.2 million passengers, respectively.



Construction — The value of construction contract awards in the Houston area reached \$44.9 billion for the 12 months ending July '25, according to reports from Dodge Data & Analytics. That's an increase of 11.4 percent from the \$40.4 awarded during the same period last year. July alone brought \$3.8 billion in new construction awards, including \$895.6 million for single-family homes and \$501.2 million for offices and banks.



Energy — The U.S. Energy Information Administration (EIA) projects that domestic crude oil production will hit an all-time high of 13.6 million barrels per day (b/d) in December before leveling off in '26. Lower crude prices have constrained production in recent months, leading to less new drilling and fewer well completions. But the EIA predicts that productivity growth in existing wells will more than offset those constraints by year's end.



Home Sales — Brokers closed on 60,065 single-family homes year-to-date through August '25, according to the Houston Association of Realtors (HAR). This represents a 4.6 percent increase compared to the same period in '24. Inventories of homes on the market dropped for the first time in '25 but remained near July's all-time high. Mortgage rates continued to decline to their lowest level since October '24, while prices show signs of easing.



Inflation — Inflation in the Houston region fell in August, despite increasing nationally for the fourth straight month. Prices, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), rose 2.9 percent nationwide between August '24 and August '25. That is higher than the 2.7 percent annual increase recorded in July. Metro Houston's annual inflation rate dropped sharply from its previous reading of 1.8 percent in June to 1.1 percent last month.



Purchasing Managers Index — Houston's economy expanded at a modest pace in July, according to the Houston Purchasing Managers Index (PMI) prepared by the Institute for Supply Management-Houston. The overall PMI, which measures broad economic activity according to a survey of supply chain executives, was 52.3 in July, a slight increase from 50.6 in June and above the break-even point of 45, indicating economic expansion. The improvement over June was driven by substantial growth in the manufacturing sector, which increased almost 10 points from 41.9 in June to 51.2 in July. This follows five months of contraction, with growth led by the non-durable goods sector. Non-manufacturing remained steady, with only a slight increase from 52.3 to 52.5.



Unemployment — Metro Houston's unemployment rate increased marginally in July, rising to 4.5 percent from 4.3 percent in June, according to data published by the Texas Workforce Commission. That is lower than the 5.0 percent rate recorded in July '24 when Hurricane Beryl struck the region. Houston's number came in slightly lower than the national unemployment rate of 4.6 percent, but higher than the statewide 4.2 percent.



Vehicle Sales — Houston-area dealers sold 384,051 new cars, trucks, and SUVs in the 12 months ending July '25, according to TexAuto Facts, published by InfoNation Inc. This represents a 9.1 percent increase in sales over the same period last year. Truck and SUV sales were up 11.6 percent, and car sales were almost flat, up 0.2 percent.

Colin Baker, Margaret Barrientos, Clara Richardson, and Leta Wauson contributed to this issue of Houston: The Economy at a Glance.

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If you're not subscribed to **Economy at a Glance** or **other key economic indicators**, sign up [here](#).

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The Partnership also posts short videos with the latest U.S. and local economic trends. You can find those videos on the Partnership's [LinkedIn](#) page.

HOUSTON MSA NONFARM PAYROLL EMPLOYMENT

	July '25	June '25	July '24	Change From		% Change From	
				June '25	July '24	June '25	July '24
Total Nonfarm Payroll Jobs	3,449,500	3,480,000	3,386,900	-30,500	62,600	-0.9	1.8
Total Private	3,012,800	3,016,700	2,949,900	-3,900	62,900	-0.1	2.1
Goods Producing	555,600	556,900	543,500	-1,300	12,100	-0.2	2.2
Service Providing	2,893,900	2,923,100	2,843,400	-29,200	50,500	-1.0	1.8
Private Service Providing	2,457,200	2,459,800	2,406,400	-2,600	50,800	-0.1	2.1
Mining & Logging	81,100	81,400	77,400	-300	3,700	-0.4	4.8
Oil & Gas Extraction	38,700	38,700	37,400	0	1,300	0.0	3.5
Support Activities for Mining	40,900	41,300	38,700	-400	2,200	-1.0	5.7
Construction	234,500	234,900	227,900	-400	6,600	-0.2	2.9
Manufacturing	240,000	240,600	238,200	-600	1,800	-0.2	0.8
Durable Goods Manufacturing	148,700	148,200	148,000	500	700	0.3	0.5
Nondurable Goods Manufacturing	91,300	92,400	90,200	-1,100	1,100	-1.2	1.2
Wholesale Trade	181,600	182,700	178,600	-1,100	3,000	-0.6	1.7
Retail Trade	322,600	322,200	316,800	400	5,800	0.1	1.8
Transportation, Warehousing & Utilities	197,800	197,900	192,400	-100	5,400	-0.1	2.8
Utilities	24,900	25,000	24,100	-100	800	-0.4	3.3
Air Transportation	22,100	22,000	21,600	100	500	0.5	2.3
Truck Transportation	31,300	31,200	30,400	100	900	0.3	3.0
Pipeline Transportation	14,600	14,500	13,900	100	700	0.7	5.0
Information	29,600	29,500	30,300	100	-700	0.3	-2.3
Telecommunications	10,500	10,500	11,200	0	-700	0.0	-6.3
Finance & Insurance	118,600	117,700	116,700	900	1,900	0.8	1.6
Real Estate & Rental & Leasing	64,500	64,500	62,900	0	1,600	0.0	2.5
Professional & Business Services	555,400	557,200	560,000	-1,800	-4,600	-0.3	-0.8
Professional, Scientific & Technical Services	282,300	280,800	280,800	1,500	1,500	0.5	0.5
Legal Services	34,000	33,800	33,600	200	400	0.6	1.2
Accounting, Tax Preparation & Bookkeeping	27,800	27,500	27,600	300	200	1.1	0.7
Architectural, Engineering & Related Services	79,700	79,100	76,900	600	2,800	0.8	3.6
Computer Systems Design & Related Services	42,400	42,100	44,100	300	-1,700	0.7	-3.9
Admin & Support, Waste Mgt & Remediation	226,500	229,400	231,300	-2,900	-4,800	-1.3	-2.1
Administrative & Support Services	214,000	216,800	218,600	-2,800	-4,600	-1.3	-2.1
Employment Services	74,300	76,200	74,600	-1,900	-300	-2.5	-0.4
Private Educational Services	71,300	71,800	68,400	-500	2,900	-0.7	4.2
Health Care & Social Assistance	399,200	398,100	384,800	1,100	14,400	0.3	3.7
Arts, Entertainment & Recreation	45,000	45,200	43,100	-200	1,900	-0.4	4.4
Accommodation & Food Services	333,200	333,600	320,900	-400	12,300	-0.1	3.8
Other Services	138,400	139,400	131,500	-1,000	6,900	-0.7	5.2
Government	436,700	463,300	437,000	-26,600	-300	-5.7	-0.1
Federal Government	37,000	36,900	37,100	100	-100	0.3	-0.3
State Government	100,100	100,800	96,700	-700	3,400	-0.7	3.5
State Government Educational Services	52,900	54,100	51,600	-1,200	1,300	-2.2	2.5
Local Government	299,600	325,600	303,200	-26,000	-3,600	-8.0	-1.2
Local Government Educational Services	196,500	220,200	202,400	-23,700	-5,900	-10.8	-2.9

Source: Texas Workforce Commission