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# **2026 Economic Outlook Conference: State of the Local Labor Market**

**Katherine Kleemann**

**January 28, 2026**

**“Low Hire, Low Fire”**

**Indeed: “A Labor  
Market in Pause”**

**“The Great Freeze”**

**“Labor Hoarding”**

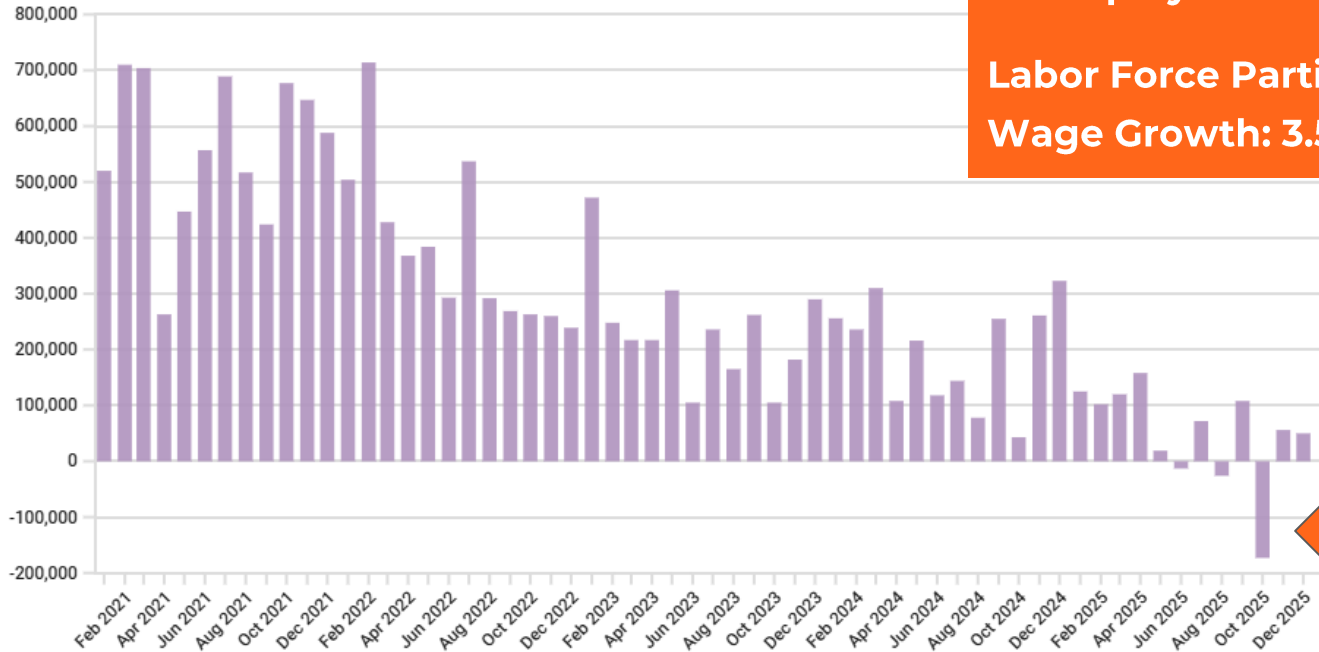
**SHRM: “2026 Labor  
Market Outlook: Stuck  
in Place”**

# Job Growth

## Tracking job growth since 2021

U.S. nonfarm payrolls from 2020 to 2025

■ Non-farm payrolls



**Job Growth: 584,000 Added 2025**

**Down from 2 Mil added in 2024**

**Unemployment Rate: 4.4%**

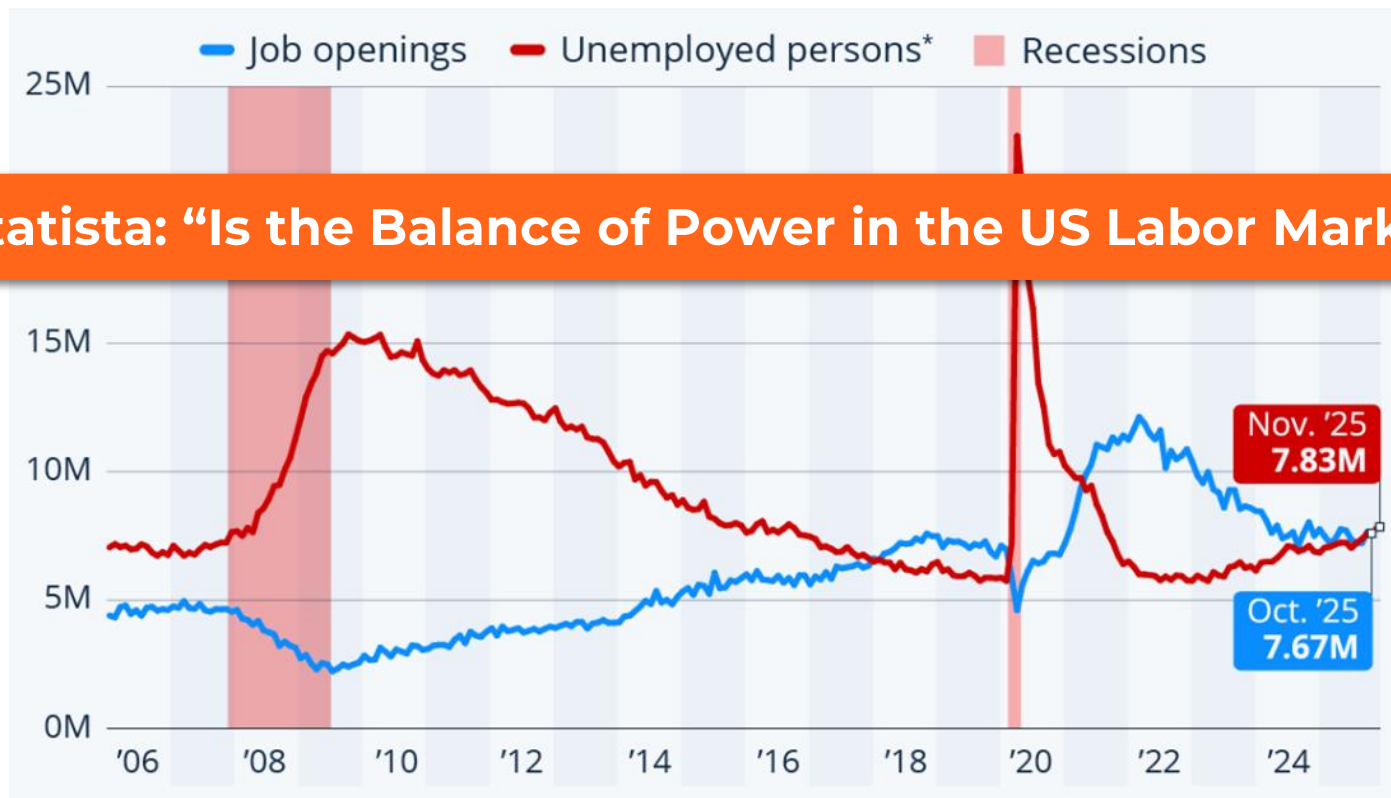
**Labor Force Participation Rate: 62.4%**

**Wage Growth: 3.5% (Sept. '25)**

**162,000 jobs lost in  
gov't sector Oct. '25**

**Source: US Bureau of Labor Statistics, Fox Business, St. Louis FED**

# Job Openings v. Unemployment



**Statista: “Is the Balance of Power in the US Labor Market Shifting?”**

Source: US Bureau of Labor Statistics, Statista

# A Tale of Two Job Markets

PwC's 29th Global CEO Survey: “CEO confidence in their company's revenue prospects has fallen to its lowest level in five years, as business leaders grapple with uneven returns from artificial intelligence, rising geopolitical risk, and intensifying cyber threats.”

The NFIB Small Business Optimism Index rose 0.5 points in December to 99.5 and remained above its 52-year average of 98.

*“2025 ended with a further increase in small business optimism. While Main Street business owners remain concerned about taxes, they anticipate favorable economic conditions in 2026 due to waning cost pressures, easing labor challenges, and an increase in capital investments.” NFIB Chief Economist Bill Dunkelberg*

# A Tale of Two Job Markets

“Government, Tech, Retail, and Warehousing, driven by factors like large-scale federal workforce reductions, AI shifts, and trade policy impacts.” Visual Capitalist (data source: Challenger, Gray & Christmas)

“Health care has stood out as a sector with an intense amount of demand.” Justin Ladner, Senior Labor Economist at SHRM

*65% of the jobs added in 2025 were in the healthcare sector (SHRM, BLS)*

# A Tale of Two Job Markets

“Large metros, especially those reliant on tech or government work, are hovering near or below pre-pandemic posting levels...

Smaller and mid-sized metros, particularly in the South and Mountain West, remain far more resilient.” indeed

*The hottest job markets in the country aren't in big cities. Instead, smaller metro areas look mighty at the moment. (Axios, indeed)*

# NOVEMBER 2025 STATE AND LOCAL WORKFORCE REPORT



**7,300**

## **JOBS GROWTH**

Texas added 146,300 jobs from November 2024 to November 2025. Texas' annual nonfarm growth rate reached **1%**, outpacing the U.S. growth rate by 0.7 percentage points.

**4.2%**

## **UNEMPLOYMENT RATE**

The seasonally adjusted unemployment rate rose a tenth of a point to 4.2 percent over September in Texas. The U.S. unemployment rate was higher at 4.5% in November 2025.

**64.7%**

## **LABOR FORCE PARTICIPATION RATE**

The Texas labor force participate rate has hit what seems to be a “stall” in 2025 at 64.7 percent, but remains about 2 points higher than the US. The total civilian labor force in Texas reached another high in November, hitting almost **15.9 Million**.

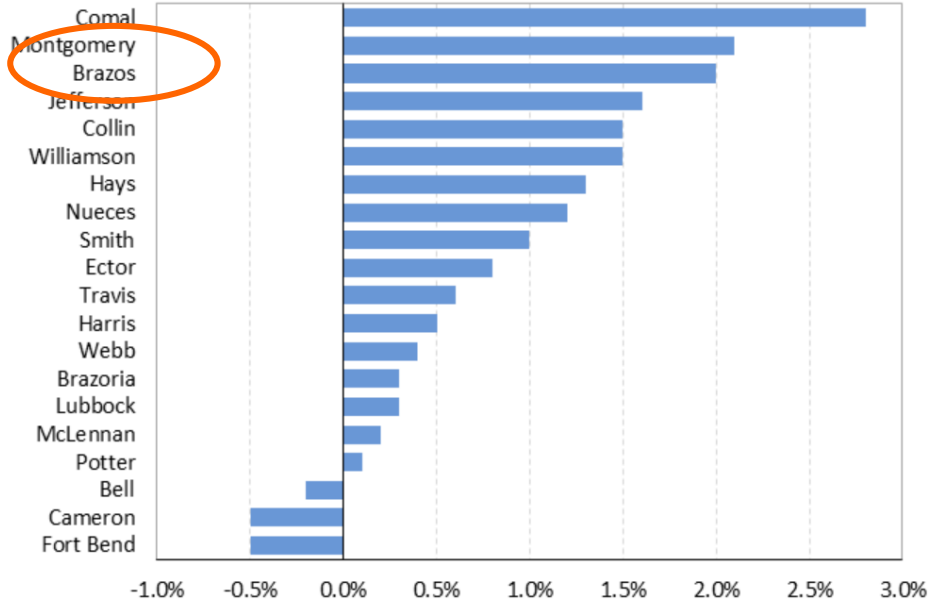
## **Local Employment Statistics**

County	Labor Force	Employed	Job Growth Rate	Unemployment Rate
<b>Brazos</b>	<b>142,372</b>	<b>137,708</b>	<b>2%</b>	<b>3.3%</b>



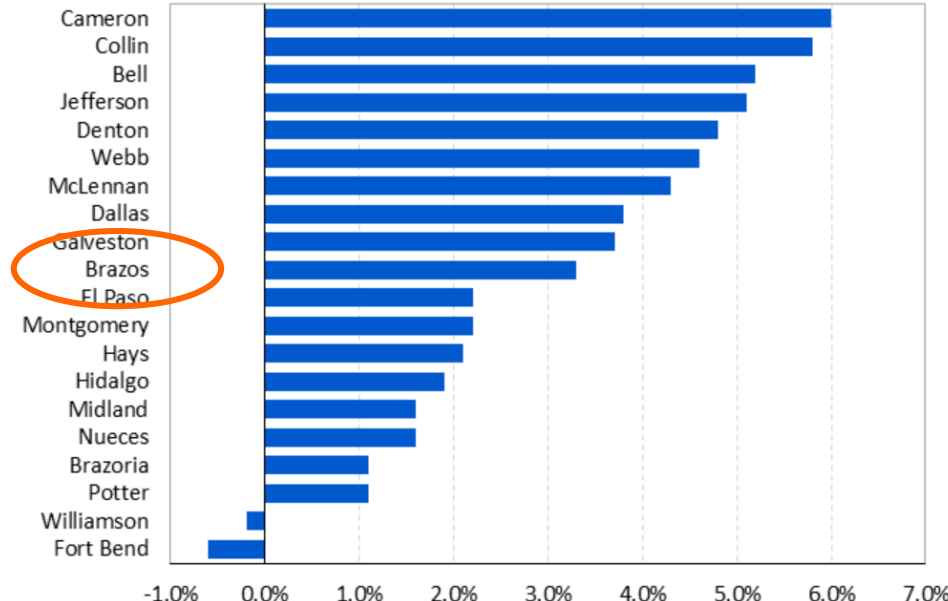
# Local Labor Market

**Chart 1. Over-the-year percent change in covered employment among selected large counties in Texas, March 2025**



Source: U.S. Bureau of Labor Statistics.

**Chart 2. Over-the-year percent change in covered average weekly wages among selected large counties in Texas, first quarter 2025**

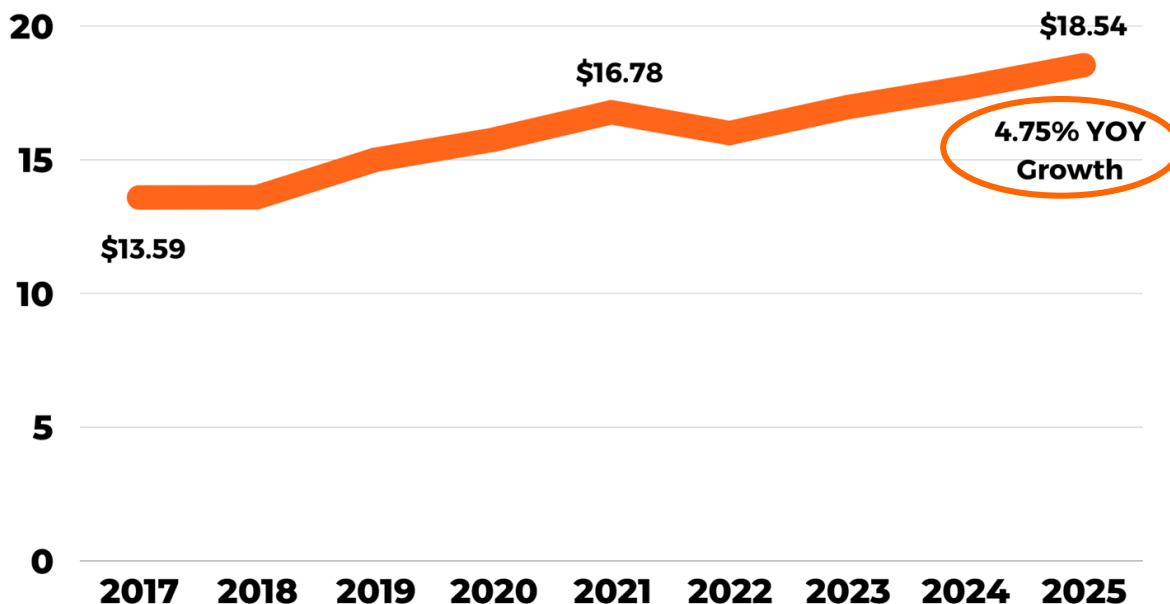


Source: U.S. Bureau of Labor Statistics.

Source: US Bureau of Labor Statistics

# Wages

## Spherion WKA Annual Avg. Hourly Pay Trend (Bryan, Brenham, Conroe, The Woodlands)



May 2024 BLS Occupational & Wages Survey  
Mean Hourly Wage:

College Station/Bryan: \$26.84\*  
\*Declined from \$26.96 in 2023

Texas \$30.60\*\*

\*\*Median in Texas: \$22.84

US \$32.66

# What Does it All Mean?

- Hiring is still hard, BUT...
- There is uncertainty, BUT...



Request a copy of  
Spherion's Fall 2025  
Local Salary Guide

***2026 the new 2016?***

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**Thank you.**



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