THE 2025 ECONOMIC IMPACT OF MARINE CARGO ACTIVITY AT THE PORT OF HOUSTON ON THE UNITED STATES AND THE STATE OF TEXAS

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SUMMARY

The Port of Houston consists of public marine terminals owned by the Port of Houston Authority ("PHA") as well as private marine terminals located along the Houston Ship Channel. The public marine terminals include the Houston Public Grain Elevator #2, the Fentress Bracewell Barbours Cut Container Terminal, the Bayport Container Terminal, the Bulk Materials Handling Plant, Jacintoport, the Care Terminal, the PHA Terminals in the Houston Turning Basin, and the Woodhouse Terminal. Private terminals include the petroleum refineries, general cargo terminals (e.g., Manchester Terminal, Greensport Terminal, etc.), the petrochemical plants and the dry bulk/fertilizer terminals along the Houston Ship Channel included in the Port of Houston District. In 2025, these public and private marine terminals in the Port of Houston District handled 289.5 million tons of international and domestic cargo for exporters and importers located within the state of Texas, as well as throughout the United States. It is the purpose of this study to quantify the economic impacts generated by the cargo and vessel activity at these marine terminals both on the state of Texas, as well as the United States.

The purpose of this current study is to update the economic impacts of the Port of Houston and to also provide a measure of the economic impacts of the port on the U.S. economy. The analysis is based on the structural models developed by Martin Associates as part of the 2025 economic impact study conducted for the Port of Houston Authority[1]. To estimate the economic impacts on the national economy, Martin Associates developed national induced and indirect models, as well as national impact models for the related users sector. This sector consists of the importers and exporters using the Port of Houston's public and private marine terminals for containerized cargo; heavy equipment manufactures of agricultural, construction and mining equipment exporting and importing through the Port of Houston facilities; farmers exporting grain via the terminals; importers of steel products located both in Texas as well as throughout the U.S.; and users and manufacturers of the petroleum products and petrochemical products moving via the port's marine terminals. In addition to the jobs with these exporters and importers that are using the port, the related user impacts also include the support industries that are involved in providing goods and services to produce a specific export item moving via the port, or support manufacturers and retailers using imported cargo that moves through the port. It is important to emphasize that these related impacts are not necessarily generated by the Port of Houston, as the employment levels are based on the demand for the goods exported and imported via the port, but at the given point in time in 2025, these jobs with importers and exporters and the industries supporting these exporters and importers are related to the port, and underscore the far reaching geographical sphere of influence of the port in 2025.

Exhibit 1 shows the impacts of the Port of Houston cargo operations on the U.S., while Exhibit 2 presents the economic impacts on the state of Texas. The most significant difference between the

[1] The Economic Impacts of the Port of Houston on the State of Texas - 2025, prepared for the Port of Houston Authority, by Martin Associates, July 2026.

economic impacts on the United States vs. Texas are the related economic impacts, as these impacts are with the importers and exporters using the Port of Houston facilities and underscores the national economic significance of the port's public (PHA owned terminals) and private terminals. In addition, the induced and indirect impacts are larger for the nation than for the state, as these induced and indirect impacts and local purchases by individuals and firms reflect the total national impacts, rather than those just for the state. Also, federal, state, and local taxes are estimated for the total United States impact of the Port of Houston.

Exhibit 1
Summary of the 2025 Economic Impacts of the Port of Houston on the United States Economy

	PHA Terminals	Private Terminals	Total
JOBS			
Direct	29,361	62,969	92,330
Induced	52,290	116,889	169,178
Indirect	24,222	51,947	76,169
Subtotal	*105,873*	*231,805*	*337,677*
Related	1,324,288	1,864,721	3,189,009
Total	1,430,161	2,096,526	3,526,686
PERSONAL INCOME(MILLIONS)			
Direct	$2,621	$5,895	$8,516
Re-spending/Personal Consumption	$10,496	$23,606	$34,102
Indirect	$979	$2,100	$3,079
Subtotal	*$14,096*	*$31,600*	*$45,696*
Related	$79,255	$167,484	$246,739
Total	$93,351	$199,084	$292,435
TOTAL ECONOMIC VALUE (MILLIONS)			
Direct Business Revenue	$8,909	$27,227	$36,136
Re-spending/Personal Consumption	$10,496	$23,606	$34,102
Related Output	$328,022	$588,589	$916,611
Total Economic Value	$347,427	$639,422	$986,849
LOCAL PURCHASES (MILLIONS)	$2,534	$5,434	$7,968
FEDERAL/STATE/LOCALTAXES (MILLIONS)			
Direct	$800	$1,926	$2,726
Induced	$2,572	$5,783	$8,355
Indirect	$240	$514	$754
Subtotal	*$3,611*	*$8,224*	*$11,835*
Related	$25,223	$51,452	$76,675
Total	$28,835	$59,675	$88,510

Totals may not add due to rounding

Exhibit 2
Summary of the 2025 Economic Impacts of the Port of Houston on the State of Texas

	PHA Terminals	Private Terminals	Total
JOBS			
Direct	29,361	62,969	92,330
Induced	45,307	101,120	146,427
Indirect	21,646	46,423	68,069
Subtotal	*96,314*	*210,512*	*306,826*
Related	1,007,734	571,611	1,579,345
Total	1,104,048	782,123	1,886,172
PERSONAL INCOME(MILLIONS)			
Direct	$2,621	$5,895	$8,516
Re-spending/Local Personal Consumption	$8,594	$19,329	$27,923
Indirect	$875	$1,876	$2,751
Subtotal	*$12,090*	*$27,100*	*$39,190*
Related	$59,810	$51,325	$111,135
Total	$71,901	$78,425	$150,325
TOTAL ECONOMIC VALUE (MILLIONS)			
Direct Business Revenue	$8,909	$27,227	$36,136
Re-spending/Local Personal Consumption	$8,594	$19,329	$27,923
Related Output	$246,497	$227,098	$473,595
Total Economic Value	$264,001	$273,653	$537,654
LOCAL PURCHASES (MILLIONS)	$2,534	$5,434	$7,968
STATE/LOCALTAXES (MILLIONS)			
Direct	$272	$631	$903
Induced	$816	$1,836	$2,653
Indirect	$83	$178	$261
Subtotal	*$1,172*	*$2,645*	*$3,817*
Related	$6,323	$5,466	$11,789
Total	$7,495	$8,112	$15,606

Totals may not add due to rounding

In 2025, cargo activity at the public and private marine terminals at the Port of Houston supported 3,526,686 direct, induced, indirect and related jobs in the United States, of which 1,886,172 jobs were supported in the state of Texas:

- 92,330 are **direct** jobs. These jobs are generated by activities at the port, and if such activities should cease, the jobs would be discontinued over the short term. It is these jobs that are most directly dependent upon the Port of Houston. The direct jobs are with the International Longshoremen's Association, terminal operators, dependent shippers/consignees, stevedores, trucking firms, railroads, steamship agents, freight forwarders and customhouse brokers, warehousemen, federal and state government agencies, towing companies, pilot organizations, and marine construction companies, etc.

- 169,178 are **induced** jobs, or those jobs supporting the local and national purchases made by the 92,330 individuals holding the direct jobs due to port activity. Should the direct jobs be lost from the economy, the induced jobs supported by the purchases of the direct jobs would also be lost. Jobs with grocery stores, retail outlets, restaurants, transportation services, government services, schools and hospitals are examples of induced jobs. Of the 169,178 induced jobs, 146,427 were induced jobs held by Texas residents.

- The firms' dependent upon the Port of Houston made $8.0 billion of purchases for office supplies, equipment, utilities, communications, maintenance and repair services, transportation services, professional services and goods and services. These purchases supported 76,169 **indirect** jobs in the national economy, of which 68,069 were supported in the state.

- In addition to the direct, induced and indirect job impacts, the port activity supports 3,189,009 jobs throughout the United States, of which 1,579,345 related jobs are in the state of Texas. These jobs are considered to be **related** to activities at the port, but the degree of dependence on the port is difficult to estimate and should not be considered as dependent on the port as are the direct, induced and indirect jobs. If the Port of Houston were not available to these organizations, they would suffer an economic penalty over the longer term. Such a penalty would vary from a loss of employment opportunities in some cases to an increase in total transportation costs in other cases, which could, in turn, result in employment reductions and corporate relocations.

In 2025, marine cargo activity at the public and private marine terminals at the Port of Houston and along the Houston Ship Channel supported a total of $986.8 billion of total U.S. economic value, of which $537.7 billion of total economic value was supported in the state of Texas.

- Of the $986.8 billion of total U.S. economic value, $36.1 billion is the direct business revenue received by the firms directly dependent upon the port and providing maritime services and inland transportation services to the cargo handled at the marine terminals and the vessels calling the port, as well as ship and rig repair and maintenance services. An additional $916.6 billion represents the value of the output to the United States that is created due to the cargo moving via the Port of Houston public and private marine terminals. This includes the value added at each stage of producing an export cargo, as well as the value added at each stage of production for the firms using imported raw materials and intermediate products that flow via the marine terminals and are consumed within the state. The majority of these user impacts are associated with the imported steel products receipts. In addition, $34.1 billion of the re-spending of personal income and local consumption purchases are supported in the U.S. economy. These components are additive and represent independent monetary impacts supported by the cargo and vessel activity. Other dollar value impact measures are not included in the total economic value since they are interdependent. Direct income is not included since it is part of the direct business impact and similarly, local purchases by the firms are from the direct business revenue generated by port activity, and also used to pay indirect income. Finally, taxes are paid by the individuals from the direct, induced, indirect and related income and the direct business revenue and the related output.

- Marine activity supported $292.4 billion of total personal wage and salary income and local consumption expenditures in the United States. This includes $45.7 billion of direct, indirect, induced and consumption expenditures in the U.S., while the remaining $246.7 billion was received by the related port users throughout the United States. The 92,330 direct job holders received $8.5 billion of direct wage and salary income, for a direct annual salary of $92,230.

A total of $88.5 billion of federal, state, and local tax revenue in the U.S. was supported by maritime activity at the public and private terminals along the Houston Ship Channel. Of the $88.5 billion of federal, state, and local tax revenue supported in the U.S., $15.6 billion of state and local taxes was supported in the state of Texas.

Overall, the impacts nationwide are driven by the shipment and receipt of petroleum and chemical products to and from the Port of Houston facilities, while at the state level, the impacts within the state of Texas are driven by the shipment and receipt of containerized cargo throughout the state, as more than 85% of the containerized cargo imported and exported via the Port of Houston container terminals is destined or originates within the state of Texas. This compares to the more widespread national impact of the petroleum and chemical products that move to and from the Port to states throughout the U.S. The national impacts by state are presented in Exhibit 3. As this exhibit shows, the largest impact by state outside of Texas occurs in Louisiana, primarily driven by the shipment and receipt of petroleum and chemical products to and from the Port of Houston and refineries and chemicals manufacturing companies located in Louisiana. The second largest impact occurs in the state of Illinois, again driven by the shipment and receipts of chemicals and petroleum products to and from the Port of Houston and users within the state of Illinois.

Exhibit 3
National Economic Impact of the Port of Houston by State

STATE	JOBS	INCOME (MILLIONS)	ECONOMIC VALUE (MILLIONS)	STATE/LOCAL TAXES (MILLIONS)	FEDERAL TAXES (MILLIONS)
TX	1,886,172	$150,325	$537,654	$15,606	$28,332
LA	779,620	$71,731	$224,905	$8,292	$14,206
IL	70,155	$5,747	$18,798	$667	$1,135
CA	69,633	$4,677	$19,054	$557	$910
AL	61,524	$5,566	$15,035	$634	$1,111
AZ	49,378	$3,161	$12,755	$376	$616
MS	48,290	$4,394	$13,540	$507	$871
TN	44,085	$3,783	$12,414	$439	$747
AR	41,767	$3,376	$11,275	$393	$666
KY	37,018	$3,375	$10,594	$390	$668
PA	36,675	$3,287	$9,185	$376	$655
OK	35,125	$2,695	$8,709	$313	$533
IN	33,727	$2,473	$8,552	$289	$487
WI	31,479	$2,277	$8,292	$268	$447
MO	31,005	$2,450	$8,283	$285	$483
IA	27,112	$2,469	$6,578	$281	$493
OH	21,517	$1,931	$5,379	$221	$385
NM	20,560	$1,609	$4,980	$186	$319
WV	18,209	$1,660	$5,195	$192	$329
SC	17,201	$1,542	$3,917	$175	$309
KS	16,444	$1,383	$3,893	$158	$275
GA	15,044	$1,186	$3,949	$138	$234
MN	13,244	$1,197	$3,423	$137	$238
FL	12,170	$1,032	$3,042	$119	$205
VA	12,040	$1,081	$3,498	$125	$214
NJ	11,586	$1,026	$2,766	$117	$205
CO	11,508	$877	$2,864	$102	$173
NE	11,154	$973	$2,537	$111	$195
NC	8,556	$689	$2,089	$79	$137
MI	7,598	$667	$1,928	$77	$133
NY	7,034	$592	$1,663	$68	$118
UT	5,436	$475	$1,340	$54	$95
WA	5,042	$320	$1,352	$38	$62
WY	4,360	$380	$1,063	$43	$76
ND	3,109	$263	$706	$30	$53
ID	2,950	$220	$759	$26	$43
OR	2,864	$210	$812	$25	$41
MA	2,673	$207	$654	$24	$41
CT	2,424	$192	$611	$22	$38
MD	2,196	$182	$552	$21	$36
NV	2,187	$190	$551	$22	$38
SD	1,792	$158	$403	$18	$32
VT	1,553	$112	$378	$13	$22
MT	1,383	$119	$377	$14	$23
DE	910	$79	$249	$9	$16
RI	380	$32	$95	$4	$6
ME	323	$26	$81	$3	$5
NH	250	$22	$61	$3	$4
DC	224	$18	$57	$2	$4
TOTAL	3,526,686	$292,435	$986,849	$32,048	$56,463