

CENTRAL REGION

INDUSTRIAL LABOR REPORT

Q3 2025

Better never settles

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CENTRAL REGION OVERVIEW

The Central Region continues to gain national attention for manufacturing investment, supported by a resilient, tech-adaptive workforce. Despite broader industrial normalization, the region benefits from strong fundamentals and targeted upskilling programs. In 2025, automation and AI are reshaping operations, and the Central Region's labor force stands out for its affordability, flexibility, and readiness for digital transformation. These advantages position the region for sustained growth and long-term competitiveness in a rapidly evolving industrial landscape.

This report highlights 14 key metropolitan areas with major industrial markets in the Central Region: Chicago, Indianapolis, Louisville, Detroit, Minneapolis-St. Paul, Kansas City, St. Louis, Cincinnati, Cleveland, Columbus, Austin, Dallas, Houston and San Antonio. It looks at the interplay between the supply and demand for industrial labor in the warehouse and manufacturing sectors and the supply and demand for industrial space in the region.

This report is intended to provide macro-level labor market indicators and is not meant for site selection decision-making purposes. Please contact our Location & Labor Analytics team for a customized, location-specific labor analysis.

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KEY TAKEAWAYS



The population of the Central Region's 14 major metropolitan areas has reached 53.3 million. Over the next five years, it is projected to grow by 3.0%, 80 basis points (bps) higher than the national growth rate of 2.2%.



The Central Region's material moving and production workforce is projected to grow by 1.9% and 1.4%, respectively, over the next five years. The four Texas markets (Austin, Dallas, Houston and San Antonio) are expected to lead growth in both sectors, with an average increase of 6.0%.



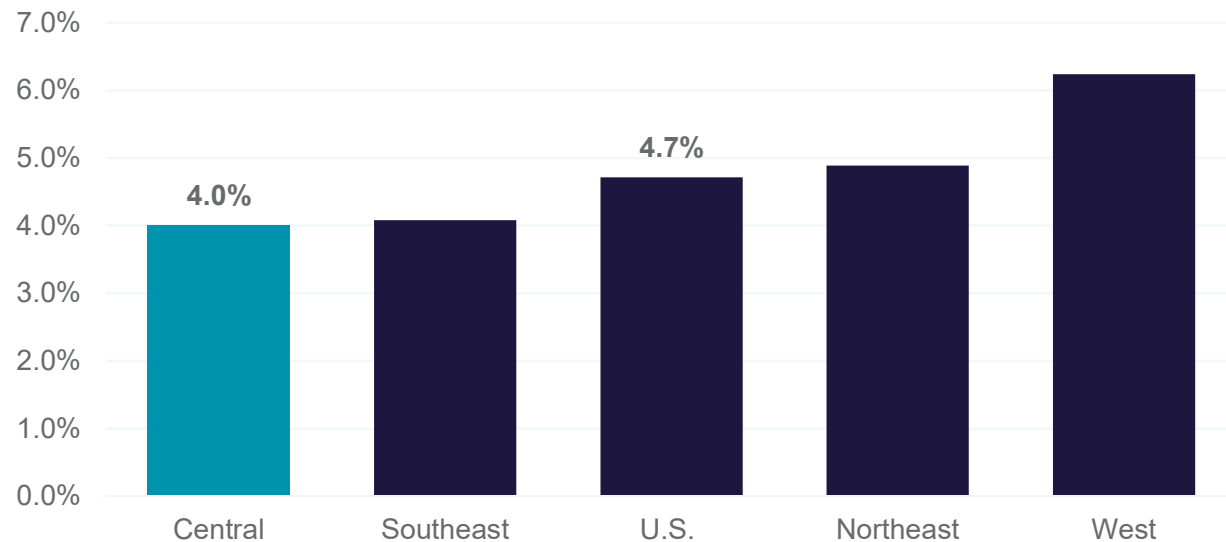
Robust demographics fueled industrial growth, establishing strong fundamentals across the Central Region. Development surged to meet demand, peaking in 2023. Since then, construction starts have moderated, a trend expected to help balance the market through the remainder of 2025.

WHAT TO WATCH

IMMIGRATION POLICY POTENTIAL IMPACTS

- Texas's labor force has the largest share of undocumented workers in the U.S. at 8.1%.
- However, the share across the Central Region is comparatively small, comprising 4.0% of the Region's labor force. All states in the region, except Texas, have shares at or below 5.0%. Ohio and Missouri are the least impacted, with undocumented workers making up only 1.5% of their respective labor forces.
- Production and construction are among the sectors in the Central Region most likely to be impacted by changes in immigration policy.

SHARE OF TOTAL LABOR FORCE, UNDOCUMENTED WORKERS



TARIFF IMPLICATIONS



The current elevated tariff rates are already impacting a wide range of construction materials, consumer goods and supply chains. Prolonged tariffs will likely cause the economy to slow and if key indicators like financial markets, inflation, and employment head too far in the wrong direction, POTUS may consider pulling back.

REDUCED TRADE & HIGHER UNCERTAINTY

Sustained tariffs could lead to reduced trade and higher uncertainty, which may prolong a sluggish demand environment in sectors like manufacturing and retail. This could result in slower job growth or even job losses in these sectors.

CONSTRUCTION COST INCREASES

Tariffs on construction materials like lumber, steel, and machinery can increase costs, leading to delays in construction projects.

SUPPLY CHAIN DIVERSIFICATION

Diversifying supply chains, accelerated by tariffs and the pandemic, has benefited industrial markets. However, if global trade declines due to tariffs, port markets and related employment could be negatively impacted.

RESHORING MANUFACTURING

Tariffs aimed at increasing domestic production could benefit certain industrial markets and potentially create jobs in manufacturing and distribution sectors. However, this is contingent on the success of reshoring efforts and the ability to offset negative consequences of high tariffs.

CENTRAL REGION

DEMOGRAPHICS



53.3M

Population

3.0%

Projected Population Growth (5-Year)

33.0M

Working Age Population
(Ages 18-64)

27.5M

Labor Force

\$83,096

Median Household Income

43.7%

Educational Attainment:
(% of Total Pop. Age 25+ with
High School to Associates Degree)

\$24.71

4-Position Warehouse
Average Hourly Wage

\$25.31

4-Position Production
Average Hourly Wage



*Demographic and labor statistics reflect 14 key metros included within the report, not the entire Central region.

Cushman & Wakefield | Central Region Industrial Labor Report Source: Cushman & Wakefield Research

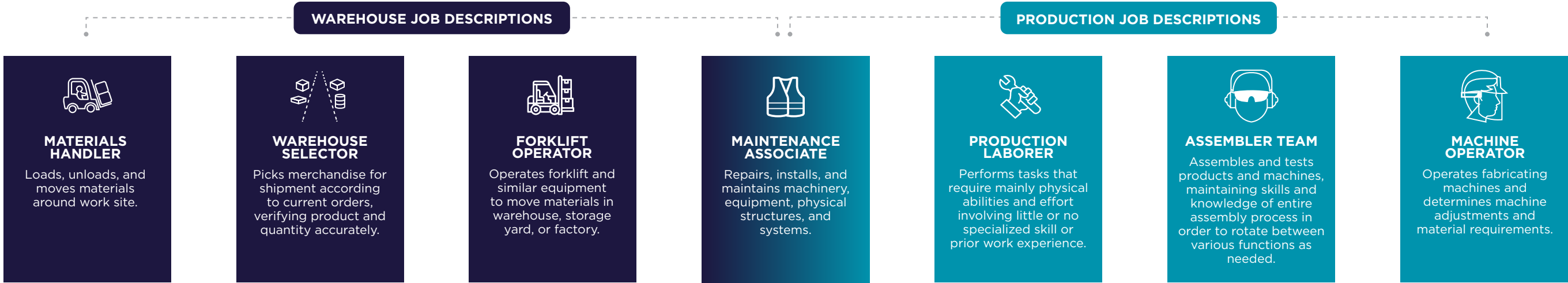
CENTRAL REGION

INDUSTRIAL WAGES



WAREHOUSE WAGES	U.S. AVERAGE	CENTRAL AVERAGE	Chicago	Indianapolis	Louisville	Detroit	Minneapolis	Kansas City	St. Louis	Cincinnati	Cleveland	Columbus	Austin	Dallas	Houston	San Antonio
INDEX	100	107	116	103	102	110	114	102	104	112	101	104	105	106	105	95
4-Position Average	\$23.04	\$24.71	\$26.64	\$23.71	\$23.56	\$25.33	\$26.37	\$23.42	\$23.95	\$25.83	\$23.26	\$24.04	\$24.21	\$24.38	\$24.18	\$21.90
Materials Handler	\$21.36	\$23.45	\$25.06	\$22.68	\$23.04	\$24.24	\$24.41	\$21.92	\$22.43	\$26.54	\$21.56	\$23.20	\$22.43	\$23.31	\$22.59	\$20.40
Warehouse Selector	\$22.28	\$23.33	\$25.05	\$22.28	\$21.55	\$24.00	\$25.44	\$22.46	\$22.67	\$22.58	\$22.70	\$22.58	\$23.45	\$22.94	\$23.10	\$21.16
Forklift Operator	\$22.34	\$24.54	\$26.32	\$23.75	\$24.08	\$25.32	\$25.57	\$22.91	\$23.43	\$27.66	\$22.48	\$24.19	\$23.55	\$24.35	\$23.65	\$21.37
Maintenance Associate	\$26.19	\$27.52	\$30.13	\$26.11	\$25.55	\$27.76	\$30.04	\$26.40	\$27.28	\$26.54	\$26.31	\$26.19	\$27.42	\$26.91	\$27.38	\$24.65

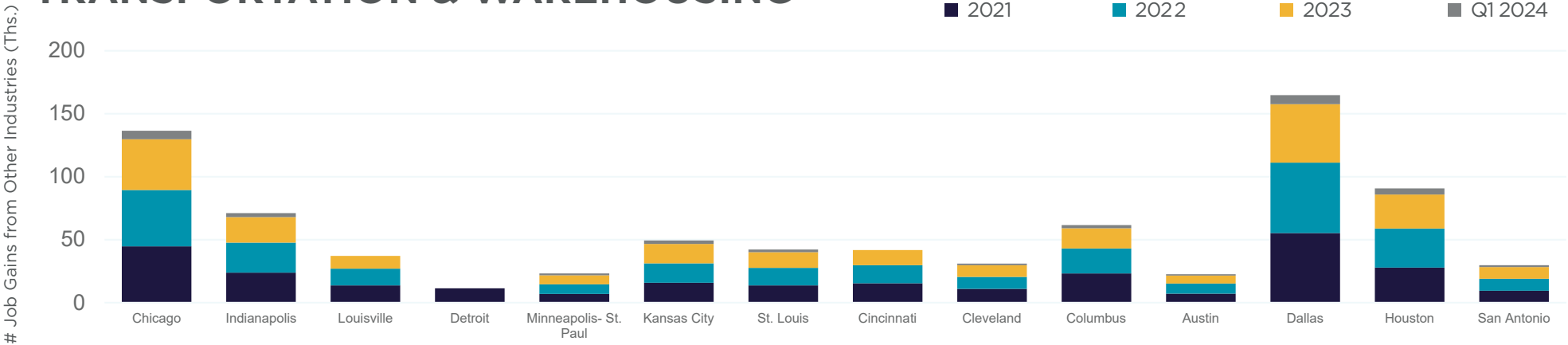
PRODUCTION WAGES	U.S. AVERAGE	CENTRAL AVERAGE	Chicago	Indianapolis	Louisville	Detroit	Minneapolis	Kansas City	St. Louis	Cincinnati	Cleveland	Columbus	Austin	Dallas	Houston	San Antonio
INDEX	100	108	113	101	102	112	113	105	105	119	100	104	105	104	105	96
4-Position Average	\$23.53	\$25.31	\$26.61	\$23.84	\$24.03	\$26.46	\$26.62	\$24.69	\$24.71	\$27.92	\$23.62	\$24.51	\$24.62	\$24.51	\$24.71	\$22.48
Production Laborer	\$19.75	\$21.77	\$23.11	\$20.92	\$21.31	\$22.49	\$22.53	\$20.29	\$20.79	\$24.68	\$20.06	\$21.55	\$20.59	\$21.72	\$20.92	\$18.79
Assembler Team	\$24.33	\$26.18	\$26.87	\$24.41	\$24.87	\$28.07	\$27.21	\$26.28	\$25.63	\$30.51	\$24.29	\$25.38	\$25.50	\$24.97	\$25.55	\$23.47
Machine Operator	\$23.86	\$25.65	\$26.33	\$23.92	\$24.39	\$27.51	\$26.70	\$25.78	\$25.15	\$29.93	\$23.82	\$24.91	\$24.95	\$24.42	\$24.97	\$23.00
Maintenance Associate	\$26.19	\$27.64	\$30.13	\$26.11	\$25.55	\$27.76	\$30.04	\$26.40	\$27.28	\$26.54	\$26.31	\$26.19	\$27.42	\$26.91	\$27.38	\$24.65



INDUSTRIAL JOB MIGRATION

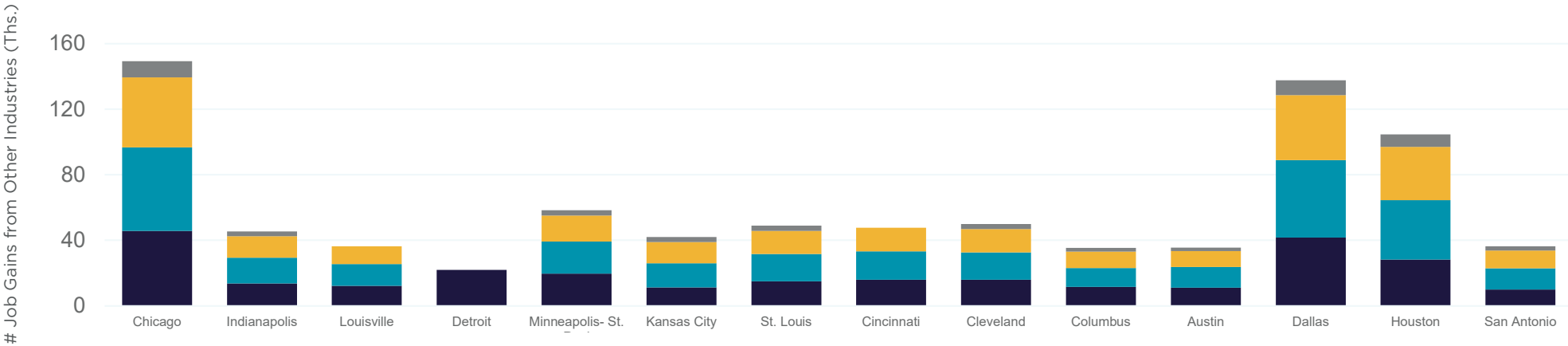
Workers Switching to Transportation/Warehousing and Manufacturing from Other Industries

TRANSPORTATION & WAREHOUSING



Since 2021, more than 813,000 employees in the Central Region metros changed from roles in other industries into transportation & warehousing jobs.

MANUFACTURING



Nearly 850,000 workers shifted roles to manufacturing in the key Central Region metros during the same period, led by the Chicago, Dallas, and Houston metros.

INDUSTRIAL CRE SUPPLY & DEMAND

OVERALL ABSORPTION & NEW SUPPLY





Chicago

Indianapolis

Louisville

Detroit

Minneapolis

Kansas City

St. Louis



CENTRAL REGION INDUSTRIAL

MARKET SPOTLIGHT

Click on a market name to learn more.

Cincinnati

Cleveland

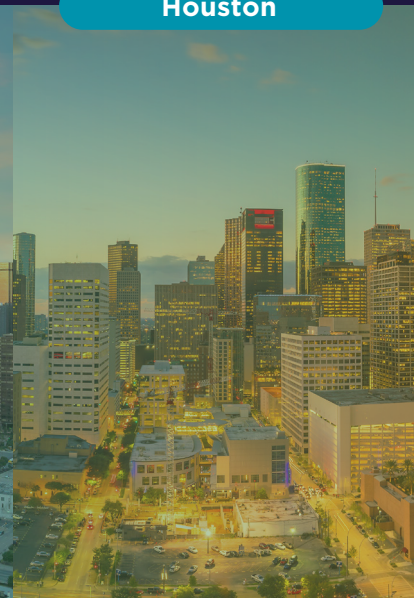
Columbus

Austin

Dallas

Houston

San Antonio



CHICAGO, IL

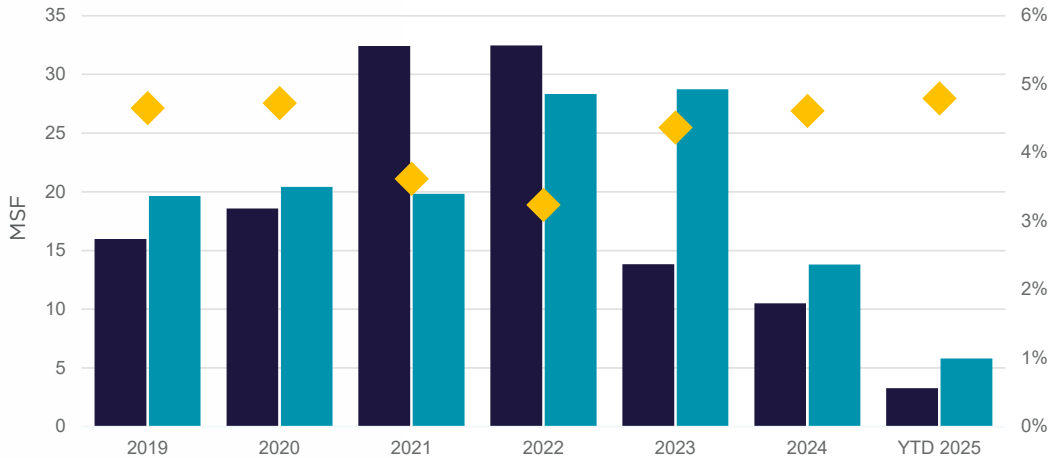


- The Chicago metro area is the most populous in the Central Region, with 9.2 million residents and a labor force of 4.7 million. Its population is projected to decline slightly by 0.1% over the next five years.
- Chicago’s median household income is \$91,894, one of the highest in the region behind Austin, with 23.3% of households earning below \$45,000.
- Production workers make up 57.2% of Chicago’s industrial labor force, totaling 255,176—the highest in the region. As reshoring gains momentum, Chicago stands to benefit from its strong concentration of production talent.
- Since 2020, 117 msf of industrial space has been delivered, with 111 msf absorbed. As of Q2 2025, just 6.8 msf is under construction, reflecting muted activity. However, construction starts have picked up, with five projects breaking ground in Q2, following two in Q1.



ABSORPTION, NEW SUPPLY & VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



RHS - Right-hand side axis

DEMOGRAPHICS	
Population	9,197,994
Projected Population Change (5-Year)	-0.1%
Working Age Population (Ages 18-64)	5,715,149
Labor Force	4,697,317
Median Household Income	\$91,894
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	41.7%
Target Blue Collar Demographic Volume	891,598
Target Blue Collar Demographic Concentration	0.9

INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2024 Employment Volume	191,324	297,625
Worker Concentration	1.1	1.0
Projected 5-Year Employment Growth	-0.8%	-1.3%
Average Wages*	\$26.64	\$26.61
Wage Index	116	113

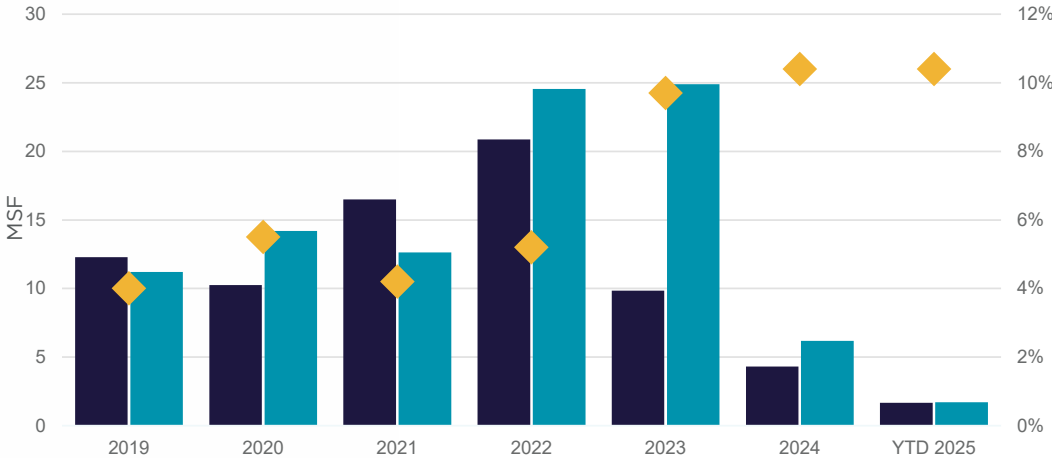
*Occupations included in the average wages are outlined on page 5.

INDIANAPOLIS, IN



ABSORPTION, NEW SUPPLY
& VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



RHS – Right-hand side axis

- An oversupply pushed Indianapolis’ overall vacancy rate higher, but with new deliveries slowing, the rate has leveled off as the market rebalances.
- Construction completions in the first half of 2025 fell 63.9% year-over-year (YOY), extending the downward trend that began in 2024 following record completions in 2022 and 2023.
- The Indianapolis metro area population is projected to grow 2.7% over the next five years, slightly higher than the U.S. projected growth of 2.2%.
- The material moving and production workforces are projected to grow by 1.4% and 0.7%, respectively, over the next five years.

DEMOGRAPHICS	
Population	2,130,549
Projected Population Change (5-Year)	2.7%
Working Age Population (Ages 18-64)	1,303,038
Labor Force	1,114,026
Median Household Income	\$79,998
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	45.0%
Target Blue Collar Demographic Volume	172,817
Target Blue Collar Demographic Concentration	0.7

INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2024 Employment Volume	57,738	65,537
Worker Concentration	1.4	1.1
Projected 5-Year Employment Growth	1.4%	0.7%
Average Wages*	\$23.71	\$23.84
Wage Index	103	101

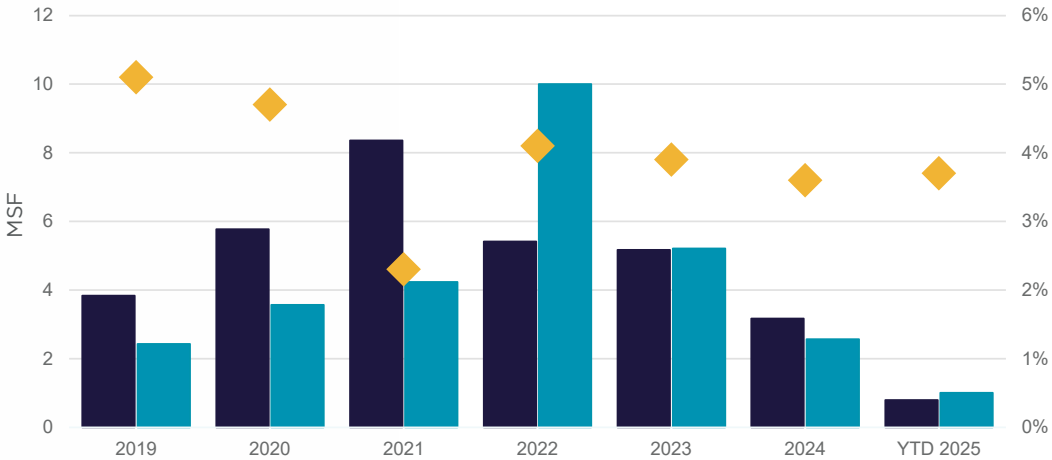
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LOUISVILLE, KY



ABSORPTION, NEW SUPPLY & VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



RHS - Right-hand side axis

- Recent announcements of General Electric/Haier re-shoring production of washing machines to Louisville as well as Apple and Corning’s expansion to manufacture all the cover glass used for iPhones and Apple Watches in Harrodsburg suggests positive future job growth.
- SiteSelection, the leading publication in corporate real estate, has named Louisville as number six for two years in a row as a top metro for investments per capita.
- While construction completions in 2025 remain low, the 6.4 msf of bulk space (buildings 100,000 square feet (sf) and larger) currently under construction suggests a healthy and moderated future supply for Louisville. Bulk inventory is expected to double in 2025 compared to 2024; however, ongoing uncertainty and elevated construction costs are likely to constrain speculative development.
- The low vacancy rate and rising asking rates reflect continued market interest with tenant demand competing with limited speculative construction.

DEMOGRAPHICS	
Population	1,369,387
Projected Population Change (5-Year)	1.4%
Working Age Population (Ages 18-64)	832,561
Labor Force	695,751
Median Household Income	\$71,229
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	50.6%
Target Blue Collar Demographic Volume	139,864
Target Blue Collar Demographic Concentration	0.9

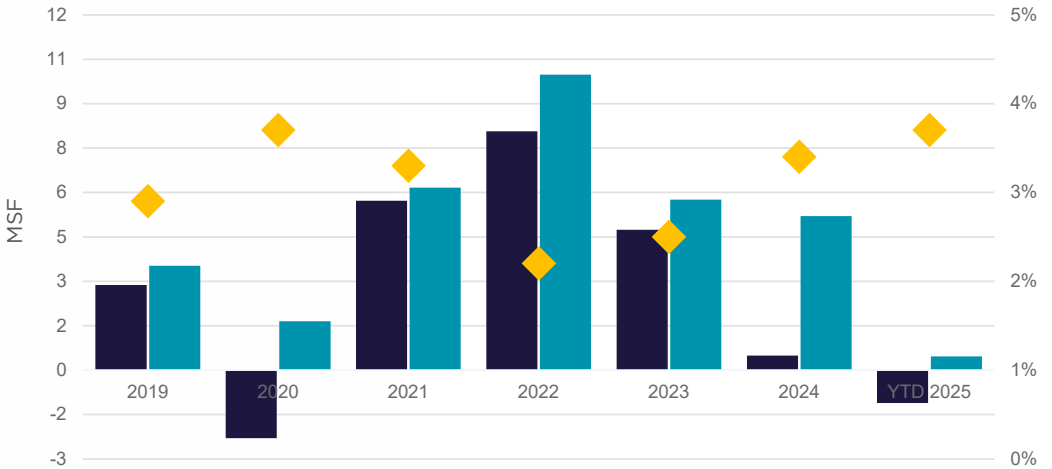
INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2024 Employment Volume	43,962	59,151
Worker Concentration	1.7	1.6
Projected 5-Year Employment Growth	1.4%	1.1%
Average Wages*	\$23.56	\$24.03
Wage Index	102	102

*Occupations included in the average wages are outlined on page 5.



ABSORPTION, NEW SUPPLY & VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



RHS - Right-hand side axis

- Metro Detroit’s production worker concentration index is 1.5, significantly above the Central Region average of 1.1. Regardless of a projected 1.7% decline in five years, Detroit remains a major industrial employment center in the region.
- Amid the EV transition, Metro Detroit continues to invest in internal combustion engine (ICE) manufacturing, sustaining thousands of skilled industrial jobs. Ongoing demand for parts, maintenance, and legacy vehicle production is driving workforce development programs focused on upskilling and retaining traditional automotive talent.
- Metro Detroit’s industrial vacancy rate rose to 3.7% in Q2 2025 after eight consecutive quarters of increases. However, despite softer demand and limited new construction, the region continues to perform well—ranking 9th lowest in vacancy among 83 U.S. markets and third lowest in the Central Region.

DEMOGRAPHICS	
Population	4,309,968
Projected Population Change (5-Year)	0.1%
Working Age Population (Ages 18-64)	2,624,912
Labor Force	2,040,041
Median Household Income	\$78,630
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	48.3%
Target Blue Collar Demographic Volume	341,816
Target Blue Collar Demographic Concentration	0.7

INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2024 Employment Volume	81,412	161,487
Worker Concentration	1.1	1.5
Projected 5-Year Employment Growth	-1.5%	-1.7%
Average Wages*	\$25.33	\$26.46
Wage Index	110	112

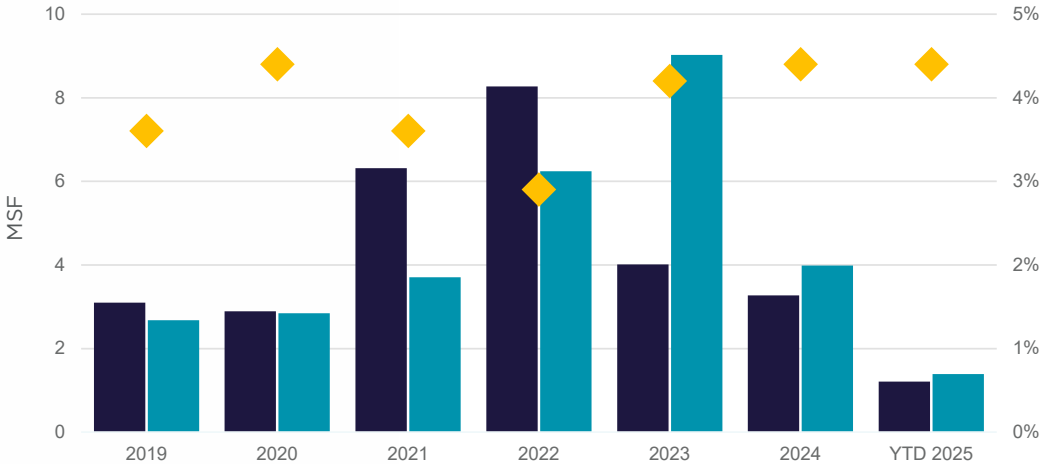
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MINNEAPOLIS - ST. PAUL, MN



ABSORPTION, NEW SUPPLY & VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



RHS - Right-hand side axis

- Industrial completions in the Minneapolis-St. Paul market slowed in the first half of 2025, totaling nearly 1.4 msf, a 49.1% YOY decrease. However, new starts during the same period, driven primarily by single-tenant build-to-suit projects, increased the under-construction pipeline by 24.9% YOY to 3.3 msf. As of Q2 2025, 63.9% of the inventory under development was build-to-suit. Additional speculative starts are expected in the coming quarters as developers with materials and entitlements in place move forward.
- Minneapolis-St. Paul's 91.9% labor force participation rate is higher than all other Central Region markets outside of Austin, Texas, and significantly outpace the U.S. average of 83.6%.
- The Minneapolis-St. Paul metro population is projected to increase by 3.0% over the next five years, above the U.S. projected population growth of 2.2%.

DEMOGRAPHICS	
Population	3,737,962
Projected Population Change (5-Year)	3.0%
Working Age Population (Ages 18-64)	2,300,749
Labor Force	2,045,105
Median Household Income	\$96,470
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	39.4%
Target Blue Collar Demographic Volume	196,492
Target Blue Collar Demographic Concentration	0.5

INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2024 Employment Volume	61,545	123,608
Worker Concentration	0.8	1.1
Projected 5-Year Employment Growth	3.1%	2.6%
Average Wages*	\$26.37	\$26.62
Wage Index	114	113

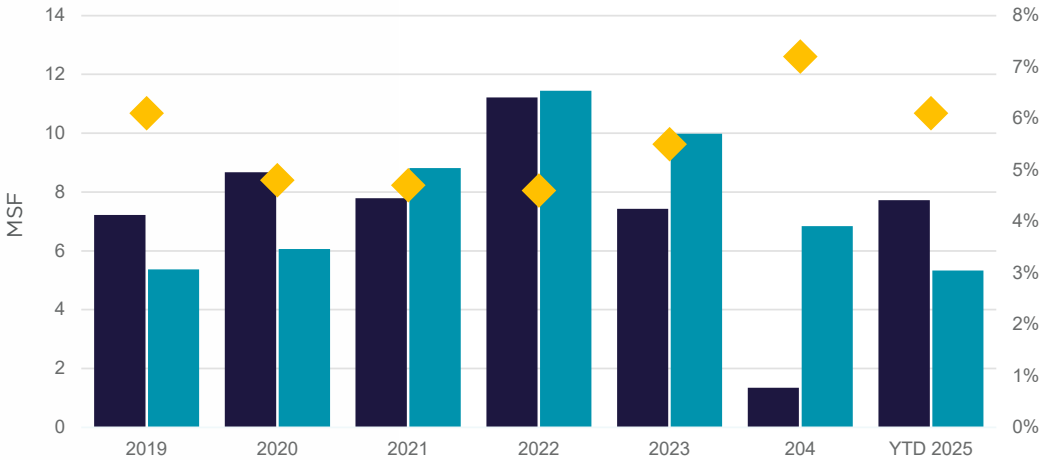
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KANSAS CITY, MO



ABSORPTION, NEW SUPPLY & VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



RHS - Right-hand side axis

- The Kansas City industrial market slowed noticeably in 2024, but a series of large deals that were agreed to in 2023 have powered both absorption and deliveries through the first half of 2025.
- Speculative construction starts have declined in the Kansas City market, with nearly 1.0 msf of speculative space underway at the end of the first quarter.
- Kansas City is a key distribution hub located at the intersection of major railroads and highways. It is home to a large number of regional and national distribution centers, and the number of jobs associated with logistics, transportation, and shipping are expected to continue increasing.
- The Kansas City MSA has recorded steady population growth, a trend that is projected to continue for the foreseeable future.

DEMOGRAPHICS	
Population	2,201,529
Projected Population Change (5-Year)	1.8%
Working Age Population (Ages 18-64)	1,333,473
Labor Force	1,169,064
Median Household Income	\$77,369
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	46.3%
Target Blue Collar Demographic Volume	176,031
Target Blue Collar Demographic Concentration	0.7

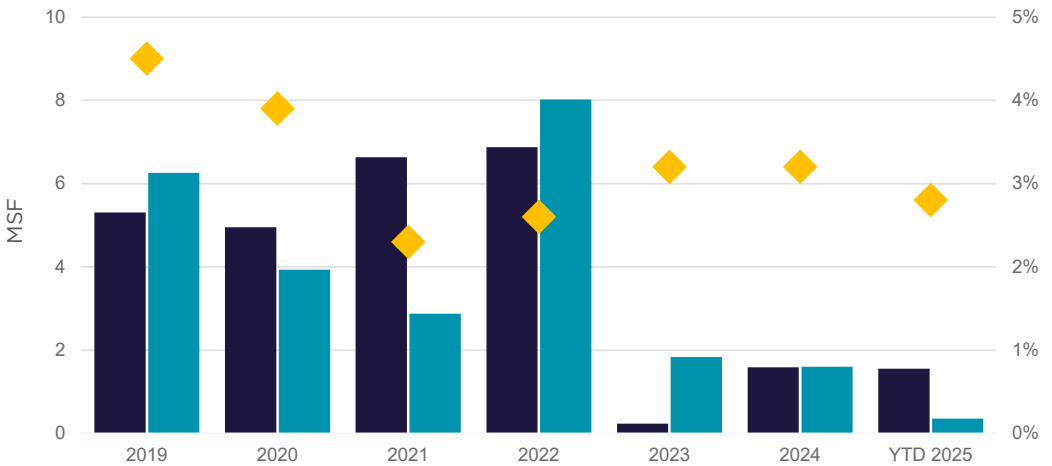
INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2024 Employment Volume	48,253	61,576
Worker Concentration	1.1	1.0
Projected 5-Year Employment Growth	0.2%	-0.2%
Average Wages*	\$23.42	\$24.69
Wage Index	102	105

*Occupations included in the average wages are outlined on page 5.



ABSORPTION, NEW SUPPLY
& VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



RHS - Right-hand side axis

- Overall vacancy in the St. Louis industrial sector has remained at 2.8% through the first half of 2025, last hitting this mark in the first quarter of 2023. This was the lowest vacancy rate recorded across all major Central region industrial markets in Q2 2025.
- A slowdown in speculative construction starts has been a key contributor to the market’s low vacancy. While St. Louis recently recorded an uptick in construction activity with more than 2.5 msf of new product underway in Q2 2025, over 90.0% of this activity is BTS development.
- The St. Louis metro area has a population of 2.8 million residents, with a projected increase of 0.6% over the next five years.
- St. Louis’ labor force participation rate sits at 87.6%, above the overall U.S. rate of 83.5% and the Central region rate of 86.8%. With both a production and material mover concentration of 1.0, St. Louis is aligned with the rest of the Central region and the U.S. overall.

DEMOGRAPHICS	
Population	2,805,755
Projected Population Change (5-Year)	0.6%
Working Age Population (Ages 18-64)	1,696,657
Labor Force	1,430,876
Median Household Income	\$77,891
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	46.8%
Target Blue Collar Demographic Volume	223,819
Target Blue Collar Demographic Concentration	0.7

INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2024 Employment Volume	52,926	75,989
Worker Concentration	1.0	1.0
Projected 5-Year Employment Growth	-0.2%	-0.2%
Average Wages*	\$23.95	\$24.71
Wage Index	104	105

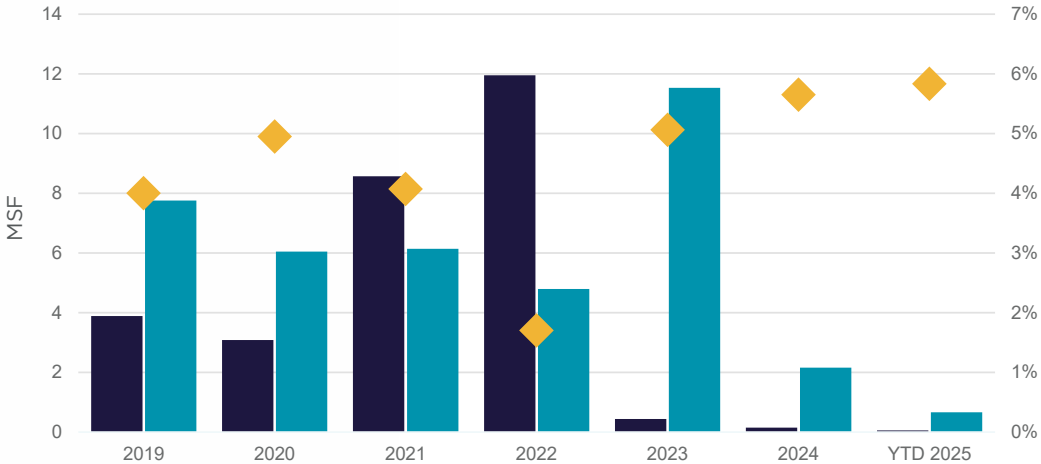
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CINCINNATI, OH



ABSORPTION, NEW SUPPLY
& VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



RHS - Right-hand side axis

- Following a multi-year building boom, industrial construction in Greater Cincinnati was scaled back significantly in 2024 and 2025. Nearly 1.8 msf of new construction was in-process as of Q2 2025, mostly in build-to-suit projects. Overall vacancy in Greater Cincinnati remained in the 5.5%-6.0% range for six consecutive quarters, while the market alternated between positive and negative quarters of net absorption since 2023.
- Of the 14 metro areas located in the Central Region, Greater Cincinnati has the fifth highest labor participation rate at 88.0%. For comparison, the next highest participation rate was 88.2% in Indianapolis.
- Nearly 178,000 blue collar workers live in the Cincinnati area, which is a higher figure than peer cities like Columbus, Indianapolis and Louisville.

DEMOGRAPHICS	
Population	2,252,186
Projected Population Change (5-Year)	0.9%
Working Age Population (Ages 18-64)	1,364,626
Labor Force	1,159,827
Median Household Income	\$77,885
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	47.6%
Target Blue Collar Demographic Volume	177,703
Target Blue Collar Demographic Concentration	0.7

INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2024 Employment Volume	52,117	75,055
Worker Concentration	1.2	1.2
Projected 5-Year Employment Growth	-1.2%	-1.3%
Average Wages*	\$25.83	\$27.92
Wage Index	112	119

*Occupations included in the average wages are outlined on page 5.

CLEVELAND, OH

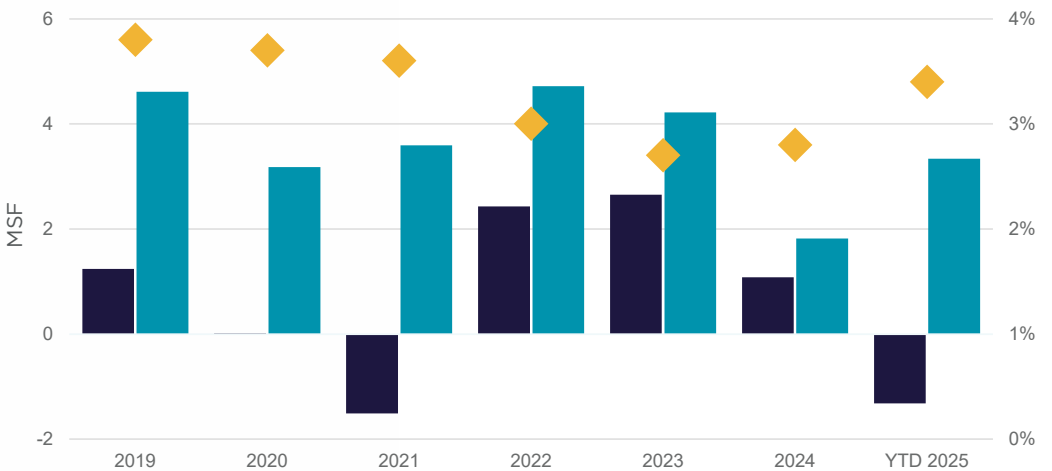


- Cleveland serves as a key logistics hub in the Midwest, thanks to its strategic location on Lake Erie and its connectivity via I-90, which links major cities such as Chicago and Boston.
- Cleveland has seen increased interest in data centers throughout the area due to the strategic location along with available land permitting large projects.
- Production remains a leading employer in Cleveland, supported by the recent expansion of Ford Motor Company’s plant. This sector accounts for 65.1% of the area’s industrial workforce.
- There has been major movement from Cleveland into the surrounding suburbs leaving the inner ring around downtown to transition into a younger population, helping rejuvenate the city.



ABSORPTION, NEW SUPPLY & VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



RHS - Right-hand side axis

DEMOGRAPHICS	
Population	2,133,103
Projected Population Change (5-Year)	-0.7%
Working Age Population (Ages 18-64)	1,271,151
Labor Force	1,051,813
Median Household Income	\$73,078
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	49.5%
Target Blue Collar Demographic Volume	174,919
Target Blue Collar Demographic Concentration	0.7

INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2024 Employment Volume	40,333	75,225
Worker Concentration	1.0	1.3
Projected 5-Year Employment Growth	0.0%	-0.5%
Average Wages*	\$23.26	\$23.62
Wage Index	101	100

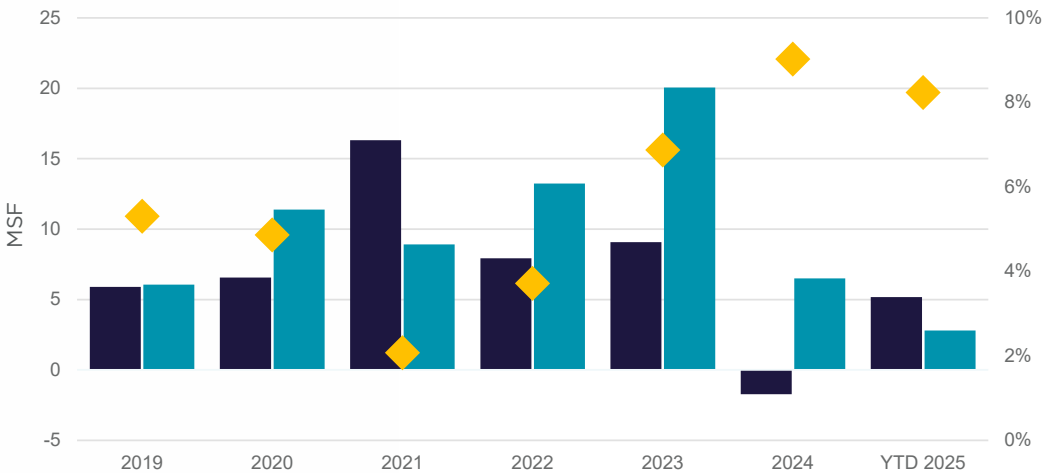
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COLUMBUS, OH



ABSORPTION, NEW SUPPLY & VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



RHS - Right-hand side axis

- Since 2019, the Columbus industrial market has grown by nearly 70.0 msf. New deliveries in the past six years accounted for 20.7% of all inventory. Ongoing new construction was 3.5 msf as of Q2 2025, comprised of manufacturing buildings and small speculative facilities. Following a 9.0% peak in Q4 2024, the overall vacancy rate fell to 8.2% in Q2 2025.
- With a metro population of nearly 2.2 million residents, 24.5% of Columbus is in the key demographic group of 18-34 years old. This is the largest such percentage in the Central Region outside of San Antonio and Austin.
- Furthermore, 62.6% of the population of Greater Columbus falls within the main working age group of 18-64 years. Outside of two cities in Texas, this is proportionally the largest working age group in the Central Region.

DEMOGRAPHICS	
Population	2,183,066
Projected Population Change (5-Year)	2.6%
Working Age Population (Ages 18-64)	1,366,070
Labor Force	1,150,610
Median Household Income	\$78,371
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	45.4%
Target Blue Collar Demographic Volume	156,967
Target Blue Collar Demographic Concentration	0.7

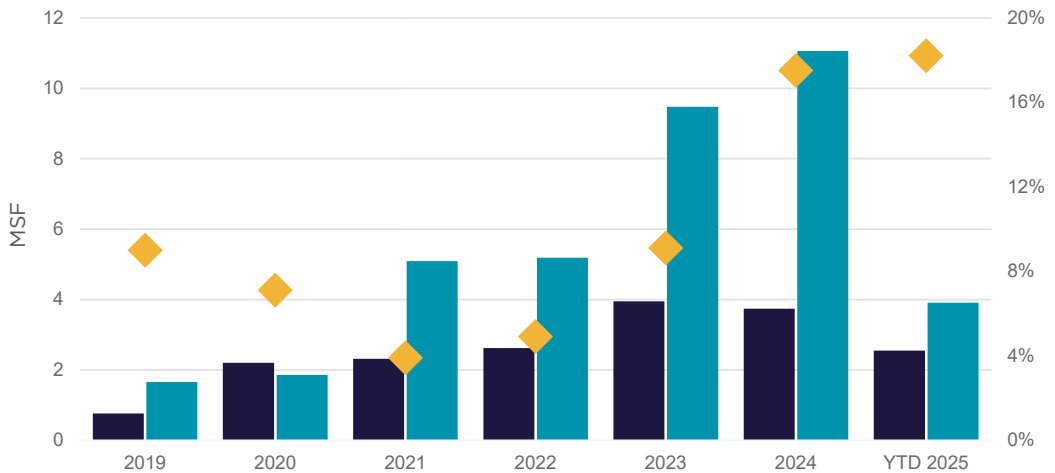
INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2024 Employment Volume	55,123	56,820
Worker Concentration	1.3	0.9
Projected 5-Year Employment Growth	1.7%	1.2%
Average Wages*	\$24.04	\$24.51
Wage Index	104	104

*Occupations included in the average wages are outlined on page 5.



ABSORPTION, NEW SUPPLY & VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



RHS - Right-hand side axis

- Although net absorption remains strong, the influx of new industrial supply is exerting upward pressure on vacancy rates. Since 2022, more than 30 msf of new industrial developments —many still unoccupied—have driven vacancies above 18.0%.
- While leasing activity will likely continue to normalize, demand is expected to stay positive as Austin continues to emerge as a premier industrial market.
- The Austin metro remains a top performer in job creation, supported by a low unemployment rate and a dynamic labor market that attracts talent from across the country.
- Austin’s population is among the fastest-growing in the U.S., driven by both domestic and international migration, which in turn stimulates economic growth and increases demand for housing and services.

DEMOGRAPHICS	
Population	2,569,262
Projected Population Change (5-Year)	9.9%
Working Age Population (Ages 18-64)	1,708,896
Labor Force	1,552,177
Median Household Income	\$98,814
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	38.2%
Target Blue Collar Demographic Volume	159,927
Target Blue Collar Demographic Concentration	0.6

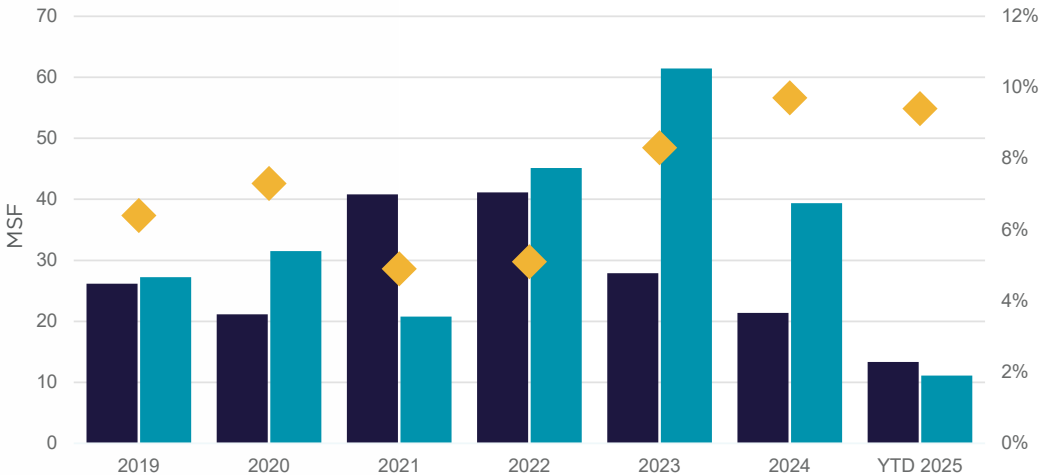
INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2024 Employment Volume	33,519	46,157
Worker Concentration	0.6	0.5
Projected 5-Year Employment Growth	10.1%	9.5%
Average Wages*	\$24.21	\$24.62
Wage Index	105	105

*Occupations included in the average wages are outlined on page 5.



ABSORPTION, NEW SUPPLY & VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



RHS - Right-hand side axis

- Dallas/Fort Worth has continued to outperform the nation despite elevated uncertainty. YTD net absorption totaled 13.3 msf at the end of Q2 2025, allowing vacancy to fall 30 bps YTD to 9.4%. Developers have become more disciplined with speculative construction, which should allow vacancy to fall to 9.0%-9.2% by year-end 2025 if absorption continues.
- The region’s central location, excellent infrastructure, friendly business climate and relatively low cost of living will continue driving population and job growth, generating more demand for industrial space by all types of users.
- More importantly, the working age (18-64) population is expected to grow an additional 5.4% over the next five years—nearly five times the national average—allowing strong job gains to continue.

DEMOGRAPHICS	
Population	8,108,497
Projected Population Change (5-Year)	5.6%
Working Age Population (Ages 18-64)	5,114,172
Labor Force	4,305,231
Median Household Income	\$87,745
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	41.8%
Target Blue Collar Demographic Volume	765,648
Target Blue Collar Demographic Concentration	0.9

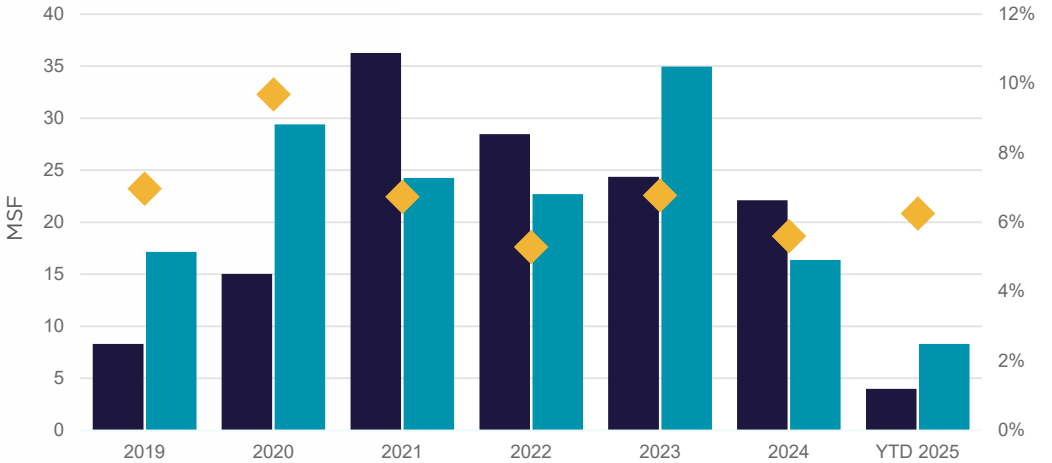
INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2024 Employment Volume	180,549	192,000
Worker Concentration	1.1	0.8
Projected 5-Year Employment Growth	4.2%	4.5%
Average Wages*	\$24.38	\$24.51
Wage Index	106	104

*Occupations included in the average wages are outlined on page 5.



ABSORPTION, NEW SUPPLY
& VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



RHS - Right-hand side axis

- Houston’s industrial market demonstrated solid fundamentals in Q2 2025, recording 3.4 msf of positive net absorption. New leasing activity rebounded strongly, totaling 7.9 msf—up 17.4% and reflecting improved demand.
- The development pipeline grew to 14.5 msf by Q2 2025, securing the region’s position as the third most active industrial construction market nationally. New construction starts totaled 4.8 msf, surpassing deliveries of 4.3 msf.
- Nearly 24% of the workforce is employed in industrial sectors, ranking the region among the nation’s top industrial labor markets.
- Competitive wages, combined with a skilled and sizable workforce, continue to reinforce Houston’s status as a prime industrial gateway.

DEMOGRAPHICS	
Population	7,595,981
Projected Population Change (5-Year)	6.0%
Working Age Population (Ages 18-64)	4,711,175
Labor Force	3,765,699
Median Household Income	\$75,843
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	42.5%
Target Blue Collar Demographic Volume	901,226
Target Blue Collar Demographic Concentration	1.1

INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2024 Employment Volume	130,263	187,565
Worker Concentration	0.9	0.9
Projected 5-Year Employment Growth	5.1%	4.6%
Average Wages*	\$24.18	\$24.71
Wage Index	105	105

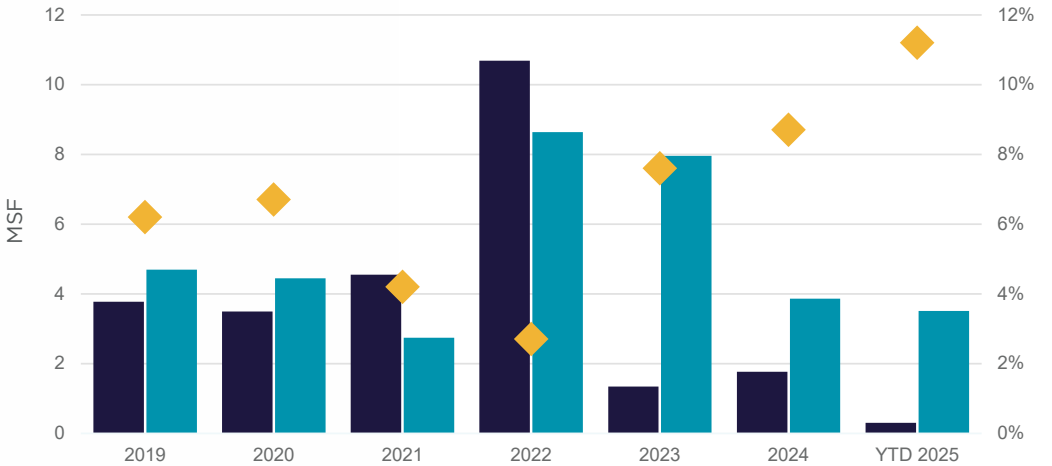
*Occupations included in the average wages are outlined on page 5.

SAN ANTONIO, TX



ABSORPTION, NEW SUPPLY & VACANCY RATES

- Overall Net Absorption
- Construction Completions
- Overall Vacancy Rate (RHS)



RHS - Right-hand side axis

- As of Q2 2025, San Antonio’s industrial overall vacancy rate rose to 11.2%, a YOY increase of 260 bps. This uptick is largely attributed to a surge in new construction deliveries and cautious tenant behavior, with many opting to forgo any expansion plans due to uncertain economic conditions.
- Leasing activity in San Antonio’s industrial market is down 31.0% YOY, signaling a broader slowdown, though net absorption turned positive with 483,000 sf gained in Q2 2025. The potential impact of rising tariffs remain a key risk, especially given the region’s strong ties to automotive and international trade.
- As of mid-2025, the San Antonio metro area maintains a low unemployment rate of 3.8%, with steady job growth across sectors like education, health services, and construction, which recorded a 3.2% YOY employment increase
- The San Antonio metro area’s economy is anchored by trade, government, healthcare, and hospitality, which together account for over 60.0% of regional employment. Major employers include H-E-B, Joint Base San Antonio, and Toyota.

DEMOGRAPHICS	
Population	2,688,418
Projected Population Change (5-Year)	4.6%
Working Age Population (Ages 18-64)	1,664,486
Labor Force	1,287,075
Median Household Income	\$67,542
Educational Attainment: % of Total Pop. Age 25+ with High School to Associates Degree	47.3%
Target Blue Collar Demographic Volume	320,693
Target Blue Collar Demographic Concentration	1.1

INDUSTRIAL LABOR	MATERIAL MOVING OCCUPATIONS	PRODUCTION OCCUPATIONS
2024 Employment Volume	130,263	187,565
Worker Concentration	0.9	0.7
Projected 5-Year Employment Growth	5.0%	4.7%
Average Wages*	\$21.90	\$22.48
Wage Index	95	96

*Occupations included in the average wages are outlined on page 5.



CENTRAL REGION

INDUSTRIAL LABOR REPORT

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