

The Analyst

ST. TAMMANY ECONOMIC DEVELOPMENT CORPORATION'S
ECONOMIC RESEARCH PUBLICATION

Q3 2025 Economic
Trends Report



Introduction

Welcome to St. Tammany Economic Development Corporation's publication of our Quarterly Economic Trends Report, a curated collection of economic indicators that help explain dynamics in the local, regional, and national economies and their interconnectivity. This publication is a product of **The AnalyST**, St. Tammany Economic Development Corporation's economic research publication suite. Tracking and understanding economic trends is an important exercise for economic developers, public officials, business professionals, and the general citizenry that empowers us to make the best possible decisions to help our community prosper.

This report covers data made available through the third quarter of 2025. Some of the government data regularly collected for the report was unavailable due to the government shutdown from October 1, 2025 to November 12, 2025. For most of the data points in this report, there was still new data available. Data for St. Tammany Parish is compared with the Greater New Orleans region, the state of Louisiana, and the nation. Throughout this report, the Greater New Orleans region is measured using the New Orleans-Metairie-Hammond, LA-MS combined statistical area. This includes the newly created Slidell-Mandeville-Covington, LA metropolitan statistical area (MSA), New Orleans MSA, and Bogalusa micropolitan statistical area. Previous versions of this report used the former New Orleans MSA that included St. Tammany Parish. St. Tammany Parish was removed from this MSA in 2023 to create the Slidell-Mandeville-Covington MSA by the Office of Management and Budget.

Through our publication of this and future quarterly economic trends reports, and other products of **The AnalyST**, St. Tammany Economic Development Corporation strives to fulfill our mission of being economic truth-tellers and providing meaningful, thoughtful analysis that lays the groundwork for transformational, results-driven economic development.



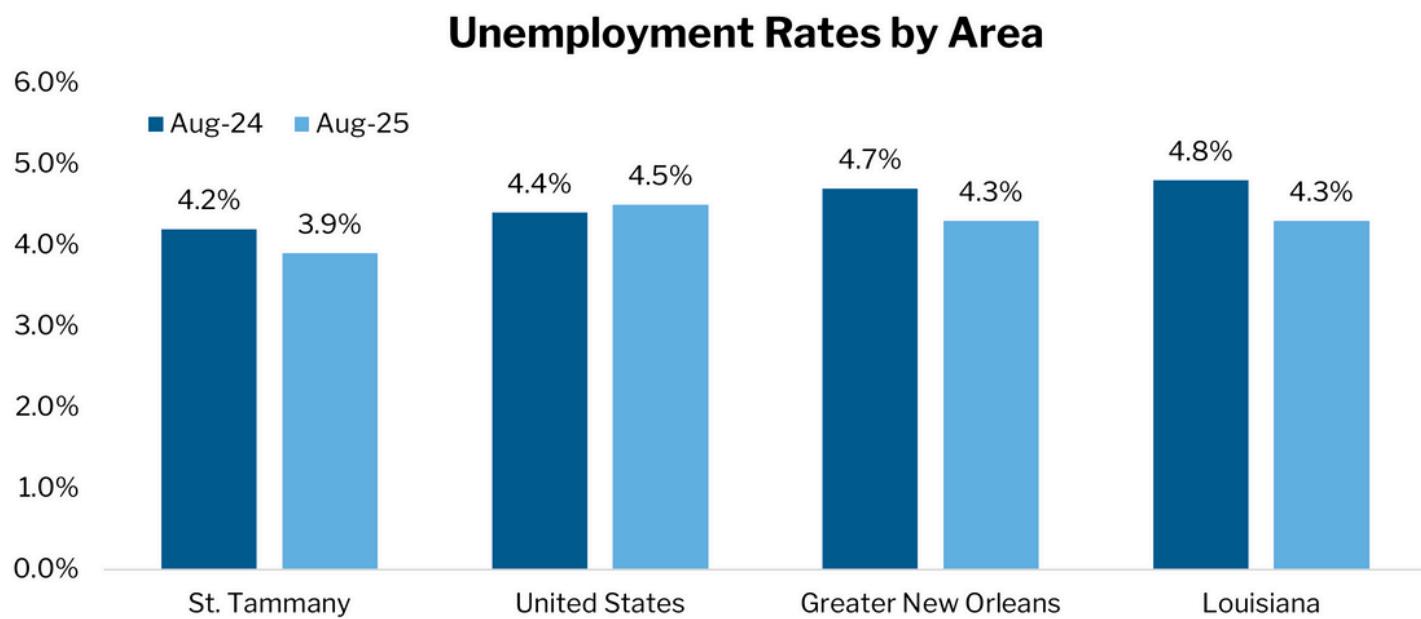
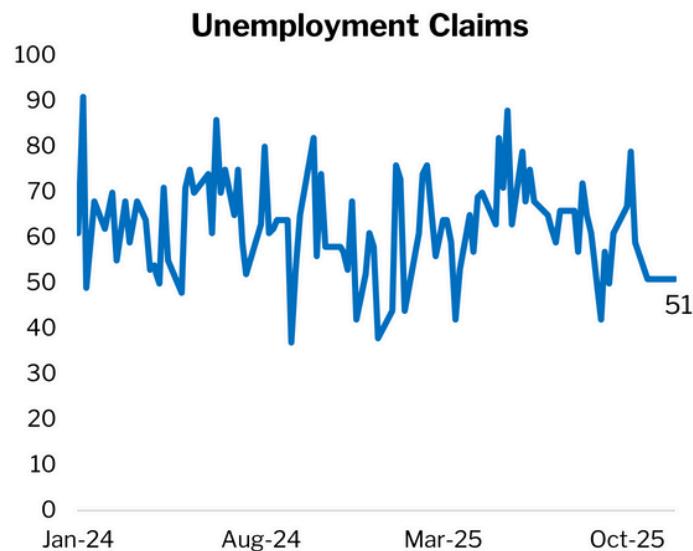
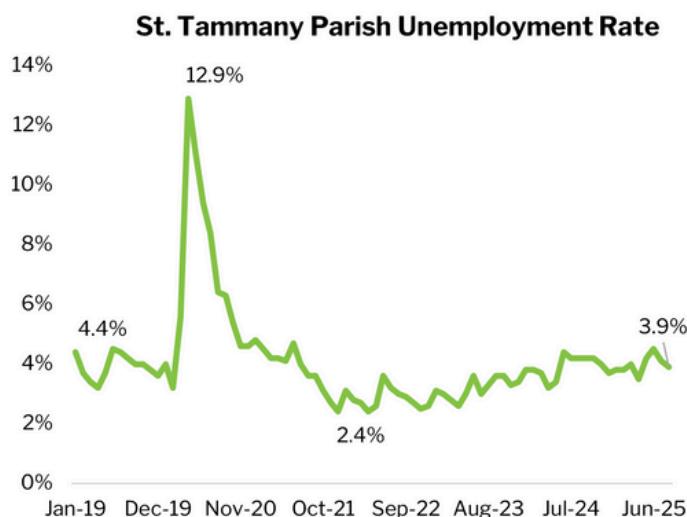
Unemployment

In August of 2025, the unemployment rate was 3.9 percent in St. Tammany Parish. **The rate has trended downward since peaking at the highest rate experienced in the post-pandemic era in June 2025 at 4.5 percent.**

The parish's August 2025 unemployment rate was **lower** than the previous August by **0.3 percentage points**.

St. Tammany's unemployment rate **remains lower** than the Greater New Orleans region, the state, and the national average.

The data for weekly new unemployment insurance claims for the parish indicate there was a small uptick in job losses in September and early October. These claims numbers were smaller than levels experienced the previous year. Data from early August and mid-October came in at lower levels. **This indicates the unemployment rate should remain stable in the next few data releases.**

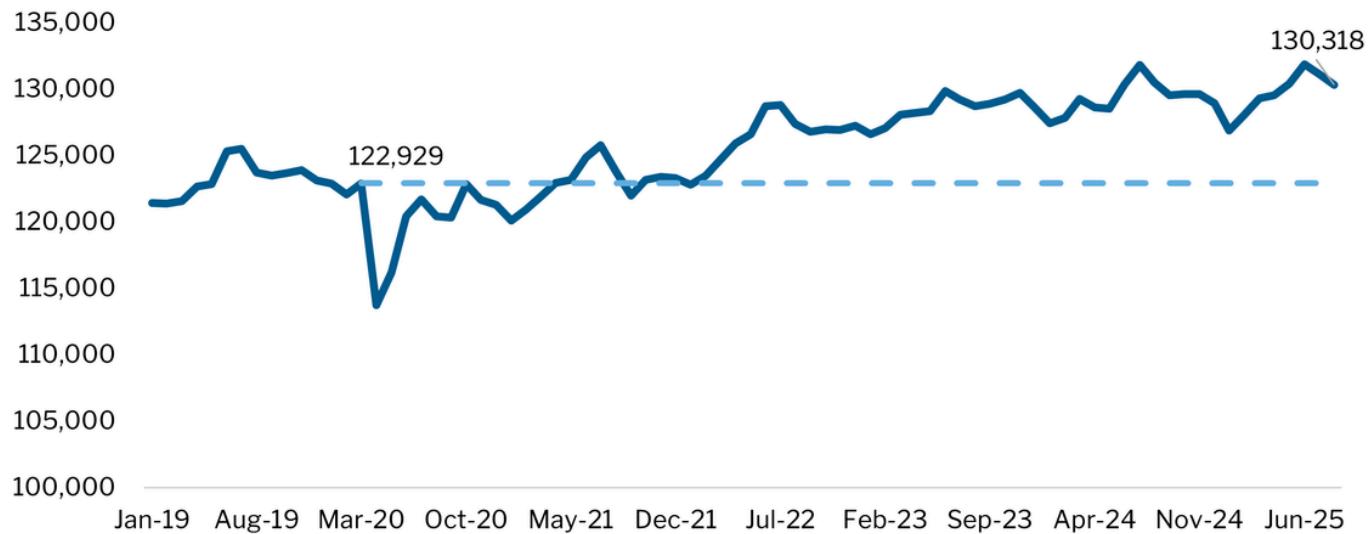


Labor Force

The labor force is defined as the number of working-age people who are either employed or actively seeking employment. In August 2025, the **Bureau of Labor Statistics measured 130,318 St. Tammany residents participating in the labor force.**

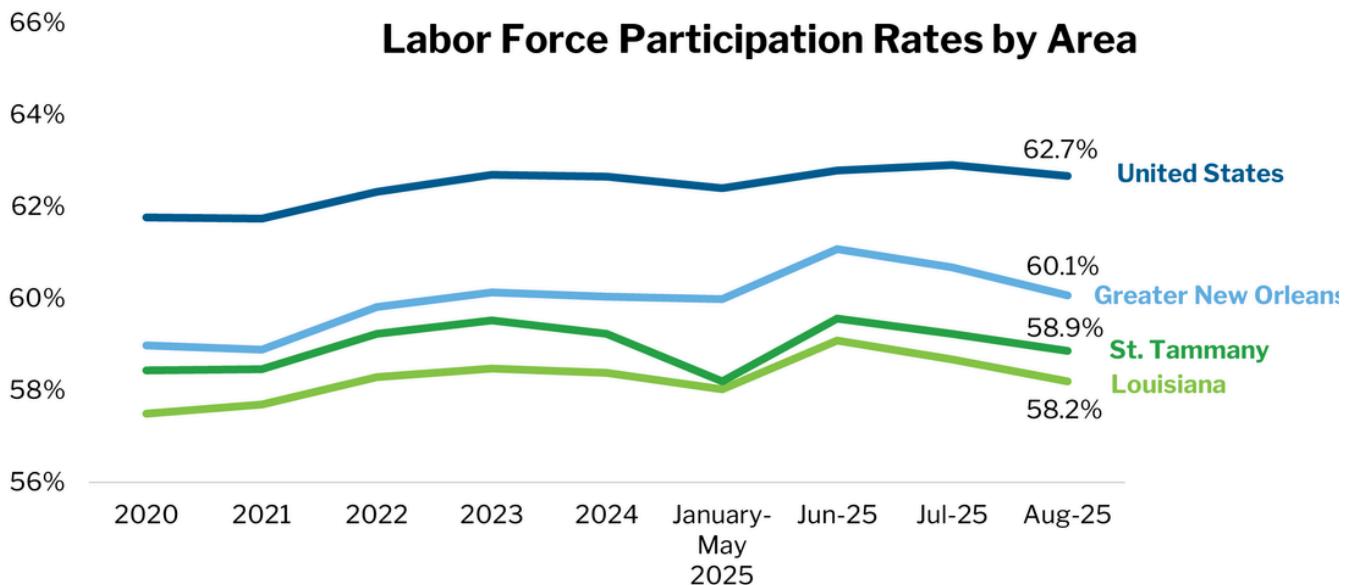
Compared to the previous August, this is a small decline of about 180 people in St. Tammany's labor force. The data available at the parish level is not seasonally adjusted and **declines in the month of August are consistent with seasonal patterns.**

St. Tammany Parish Labor Force



Gains in the parish's labor force have been modest over the last two years as higher inflation and elevated interest rates slowed the broader economy.

St. Tammany Parish has had lower labor force participation rates than the Greater New Orleans area and the national average. **In the last two months of available data, the participation rates for the parish, region, and the state have declined. Increasing the participation rate of existing residents can help expand the labor pool for local employers.**



Federal Government Employment

The largest federal government shutdown in history occurred during the research of this report, and many federal workers went without pay or were furloughed at their jobs for this 43-day stretch. Given this timing, the impact of the federal workforce in the area was reviewed.

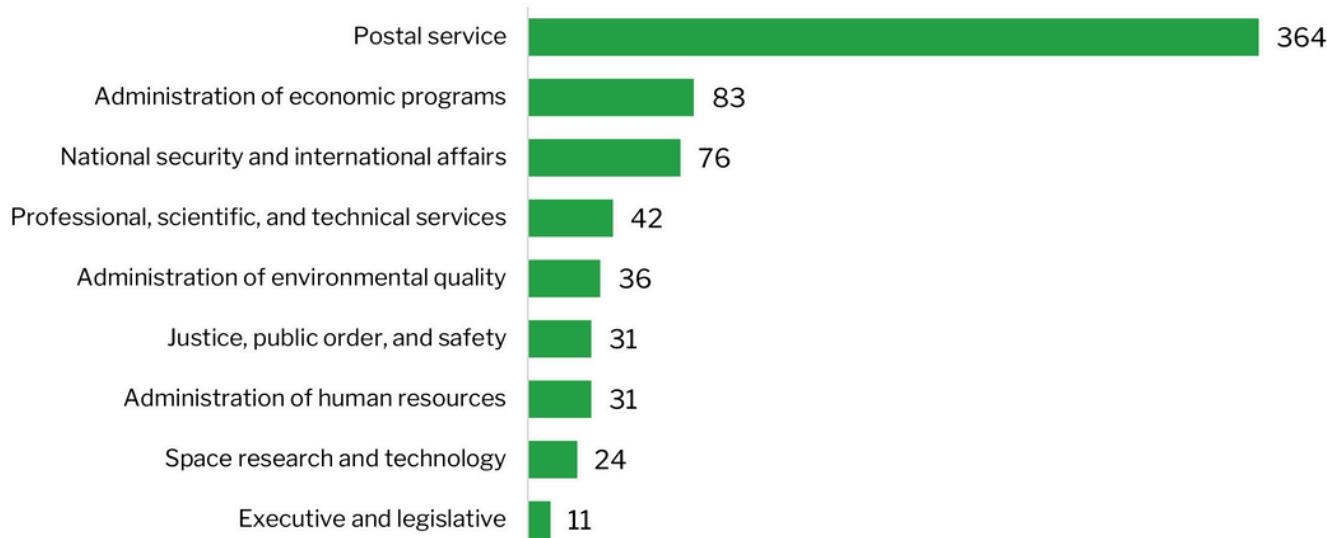
Federal workers in St. Tammany account for about 1.7 percent of the total parish workforce. This level is lower than the region, state, and national averages.

In the first quarter of 2025, the size of the federal government workforce in St. Tammany was about 700 workers. **This level has remained essentially unchanged over the previous nine quarters.**

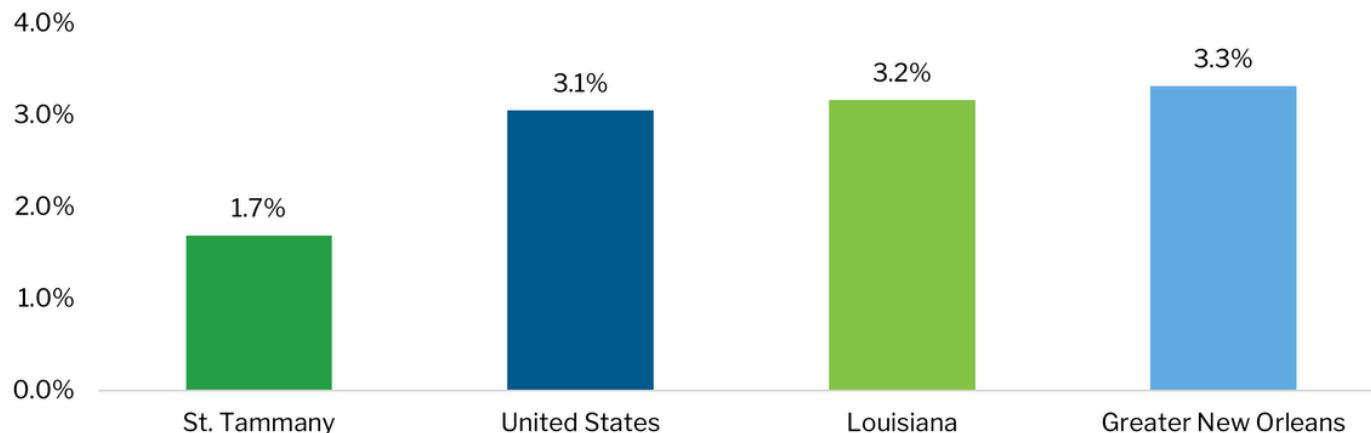
Just over half of these workers work for the postal service, which is an independent, self-funded agency and did not have their work or wages impacted.

The Greater New Orleans region has a higher rate of federal employment. These workers earn about \$330 million each quarter. **Some of these 12,630 workers may be residents of St. Tammany who commute into the metro area. This temporary loss of income could have dampened household spending during the shutdown period.**

St. Tammany Federal Workers by Program, Q1 2025



Federal Employment as a Percentage of Total Jobs, 2024



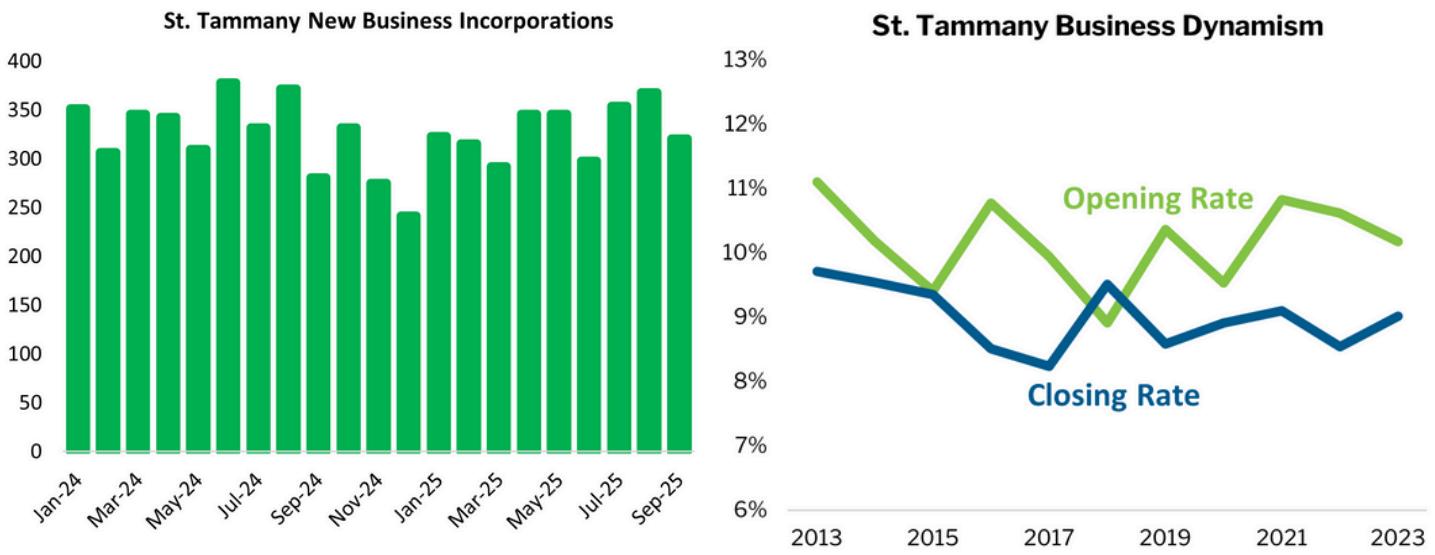
New Business Incorporations

Available data shows there was an average of **70 new business incorporation filings per week** in St. Tammany in the third quarter of 2025. There were 1,043 total new business incorporations in Q3. This was **40 filings above the third quarter of last year**.

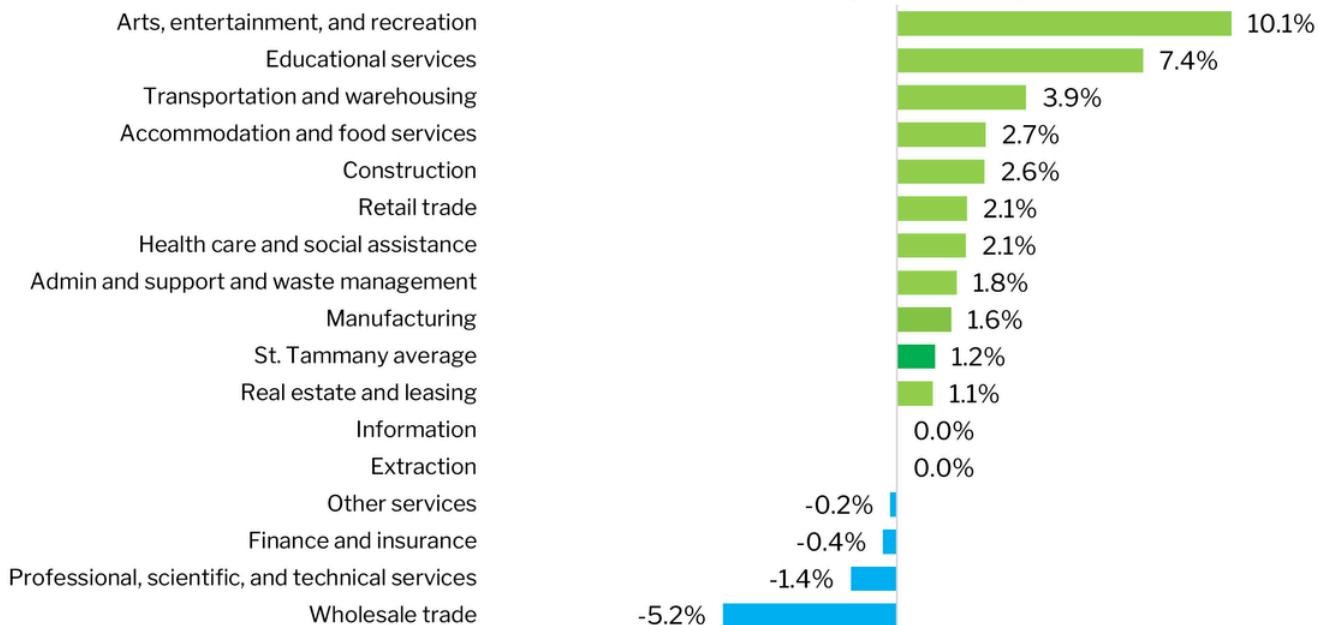
The Census Bureau tracks the rate of firm births and the rate of firm deaths in a region. **In the last decade, St. Tammany has maintained a higher opening rate than the closing rate for all but one year.**

When the opening rate is measured against the closing rate, the dynamism in an economy can be evaluated. This highlights whether the churn of businesses in a region is positive or negative. **New data for 2023 shows that St. Tammany Parish had a positive level of business churn where the opening rate was 1.2 percentage points higher than the closing rate.**

Business dynamism was strongest in the entertainment, education, and transportation and warehousing sectors. Four industries in the parish had more businesses close than open.



Rate of New Business Churn by Industry, 2023



Inflation

The Consumer Price Index (CPI) is calculated by the BLS and measures inflation by averaging prices for a basket of consumer goods and services. CPI is measured regionally, and Louisiana is part of the Southern region.

The Southern CPI year-over-year change rate returned to the Federal Reserve's target rate of 2 percent in March 2025 after four years of elevated levels. **In June 2025, the rate began to trend upward again. The most recent data for September revealed a rise to 2.7 percent.**

Many price categories continue to experience rates of inflation above 2 percent. These include products such as housing and food away from home. Both categories continue to face supply constraints – limited new housing supply and shortages of available workers. **The recent rise in household energy prices may be partly driven by increased demand from data centers supporting AI-related expansion.**

The federal administration has placed tariffs on several U.S. trading partners in recent months. Increased tariffs for imported goods could drive up costs for consumers. Many of these tariffs only took effect at the writing of this report. **The tariff policies have changed frequently, making it difficult to evaluate impacts on prices. The increase in home furnishings, products often produced overseas, may be an indication of some tariff impacts.**



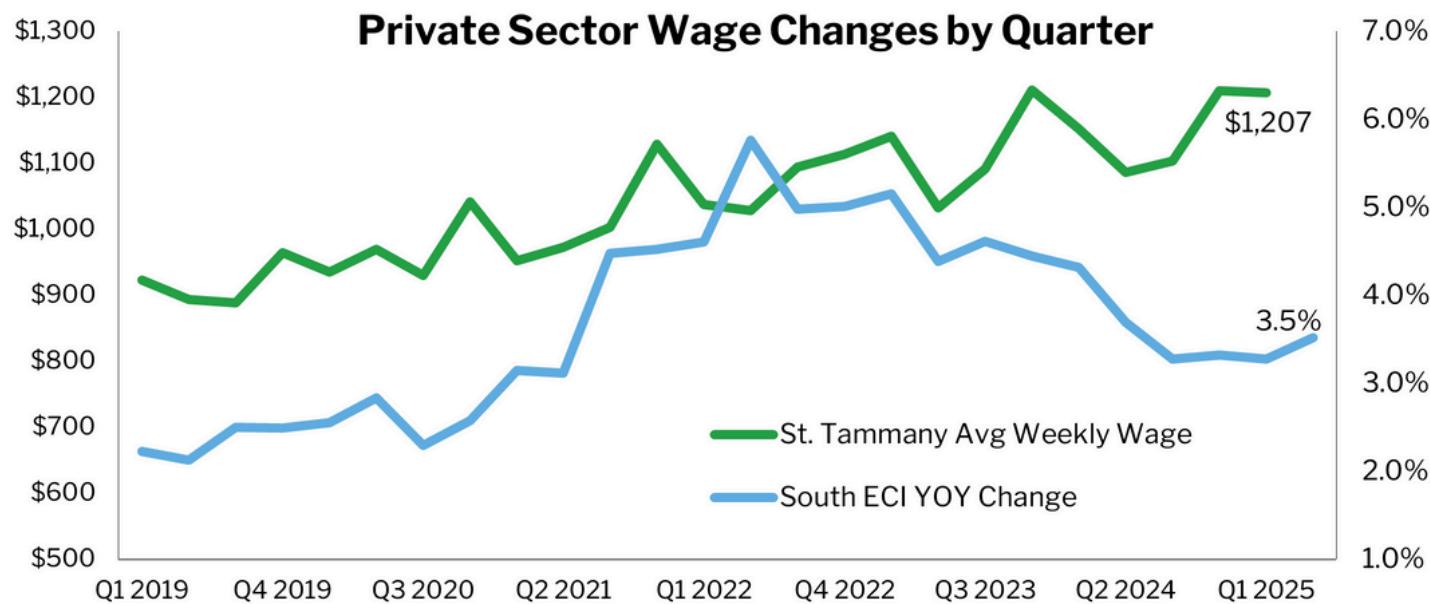
Wages

When wages rise at elevated rates, this can contribute to higher rates of inflation. Workers spend more and drive up demand while employers may have to increase prices to accommodate the rising wages. The BLS measures the change in hourly labor costs to employers over time to account for differences in occupation types and hours worked. This Employer Cost Index (ECI) helps examine changes in compensation over time.

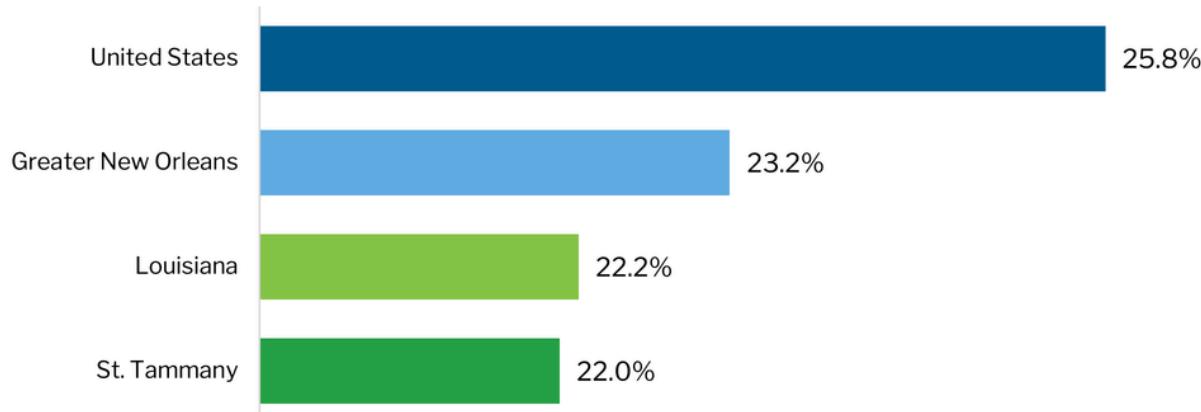
The year-over-year (YOY) change rate in ECI for private sector workers in the South was 3.5 percent in Q2 2025. There was no data for Q3 available at the writing of this report, likely delayed by the federal government shutdown.

The average weekly wage for St. Tammany's workers has continued to trend upward over time. **The most recent data from Q1 2025 found that private sector workers in St. Tammany Parish were averaging about \$1,207 weekly in wages. This represented a roughly five percent increase from Q1 of the previous year.**

Wages in St. Tammany Parish have not grown as fast in the last five years as in the state, region, or nation. The nominal, not adjusted for inflation, change in average earnings in the parish was 22 percent, almost four percentage points lower than the national average. **Increases in wages can be difficult for businesses with thinner margins, but helpful to workers in the region who now have more money to spend.**



Nominal Average Earnings Change by Area, 2019-2024



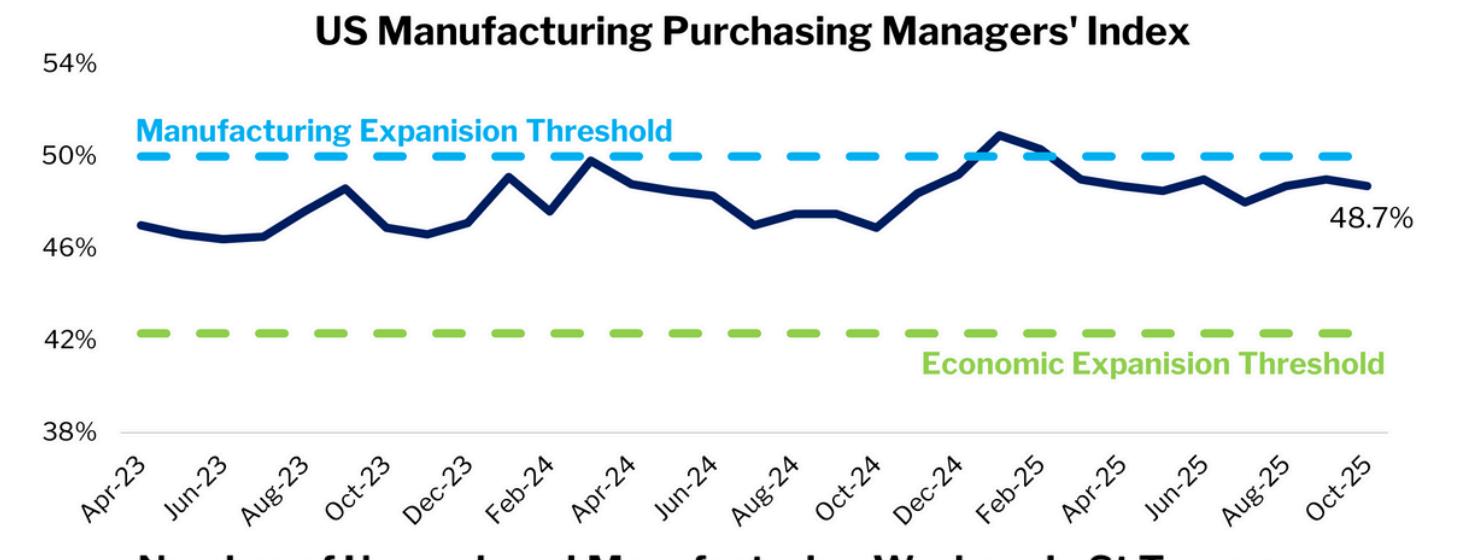
Manufacturing Industry

The Institute for Supply Management (ISM) produces an index of manufacturing activity based on a monthly survey of purchasing managers from more than 300 manufacturing firms across the country. The Manufacturing Purchasing Managers' Index (PMI) includes factors like business activity, new orders, employment, inventory, backlogs, international trade, and prices.

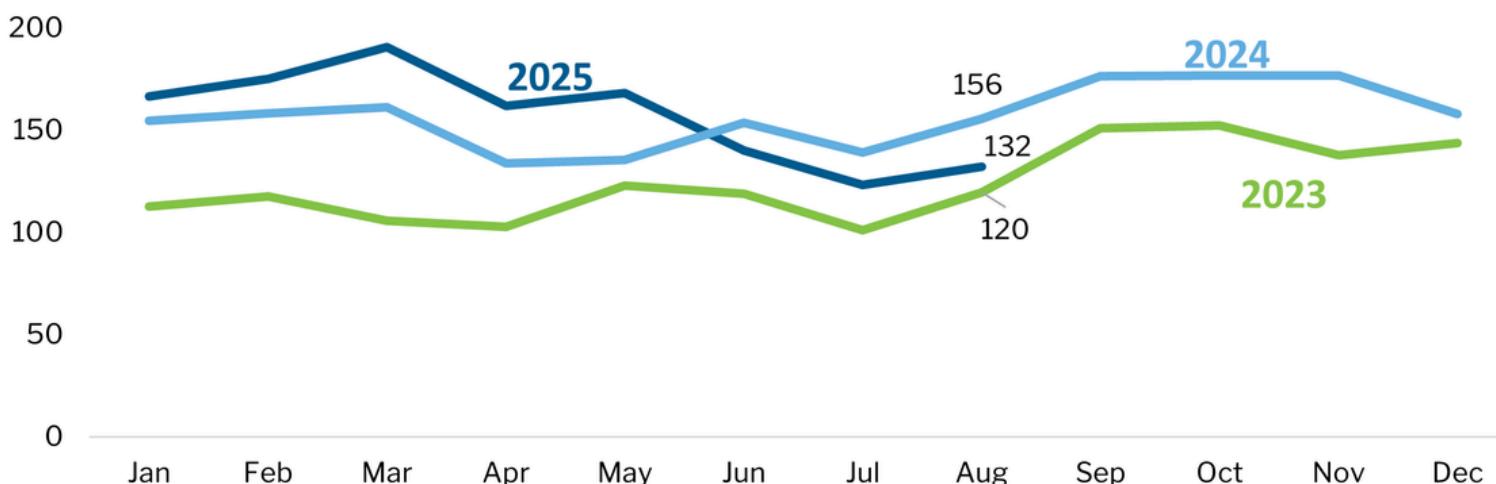
A manufacturing PMI score above 42.3 percent usually corresponds with expansion in the overall national economy. The U.S. economy continues to maintain this threshold in manufacturing. A PMI score of 50 corresponds with expansion within the manufacturing sector. In January and February of 2025, the index scored above the 50 percent threshold; however, it contracted below this level in the following months.

Many of the managers interviewed continued to cite unpredictable geopolitical risks as a key factor contributing to their dimmer outlook. Sixty-seven percent of those surveyed stated they are managing their headcounts rather than hiring.

In St. Tammany Parish, **manufacturing unemployment in 2025 had been higher than levels experienced in 2024 and 2023**. From May to July, there was a decline in workers with experience in manufacturing who were out of work. **This indicates local employers may be hiring these workers, a positive sign for the region despite the national and global challenges facing manufacturers.**



Number of Unemployed Manufacturing Workers in St Tammany



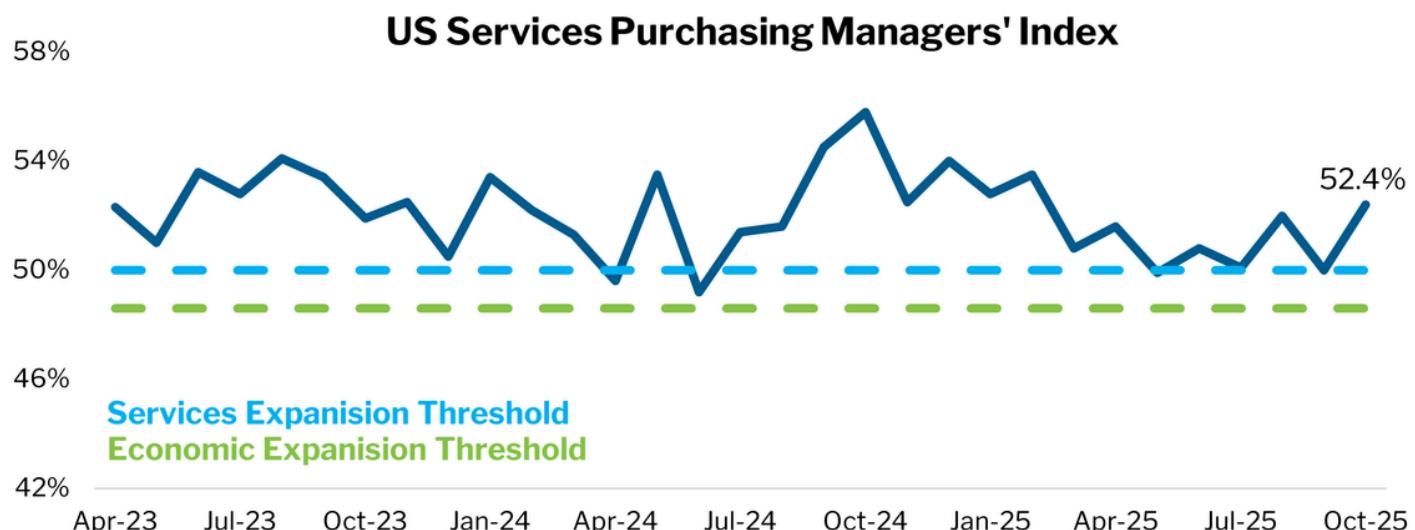
Services Industry

The ISM also produces a similar index of services industries. The ISM defines the service industry as all industries except manufacturing.

For these service industries, a PMI score above 48.6 percent usually corresponds with expansion in the overall national economy. The U.S. economy has been maintaining this threshold despite a fair amount of month-to-month variation. A score above 50 percent indicates expansion within the service industries. The score was 52.4 percent in October 2025, above both thresholds.

The year-over-year change rate in Services PMI from October 2024 to October 2025 was a 6.1 percent decrease. The index has declined in most months of 2025. New orders are rising, but employment is not expanding.

Unemployment in the services industries in St. Tammany Parish declined in July and August 2025. **Unemployment for workers in the services industries is now lower than it was at the same time a year ago. This reverses the trend of higher unemployment witnessed earlier in 2025. Data for September was unavailable at the time of publication due to delays in government data releases.**



Number of Unemployed Service Workers in St Tammany



Building Permits

Housing affordability continues to be a key piece for recruiting workforce to a region as well as retaining talent. New residential construction can help offset rising housing costs.

The number of new private sector housing units permitted in St. Tammany Parish was 69 for both July and August 2025. **These permitting levels were lower than in previous months and the year before.**

Data for September was not available due to the government shutdown.

The average value of the units was more than \$30,000 higher than the previous quarter.

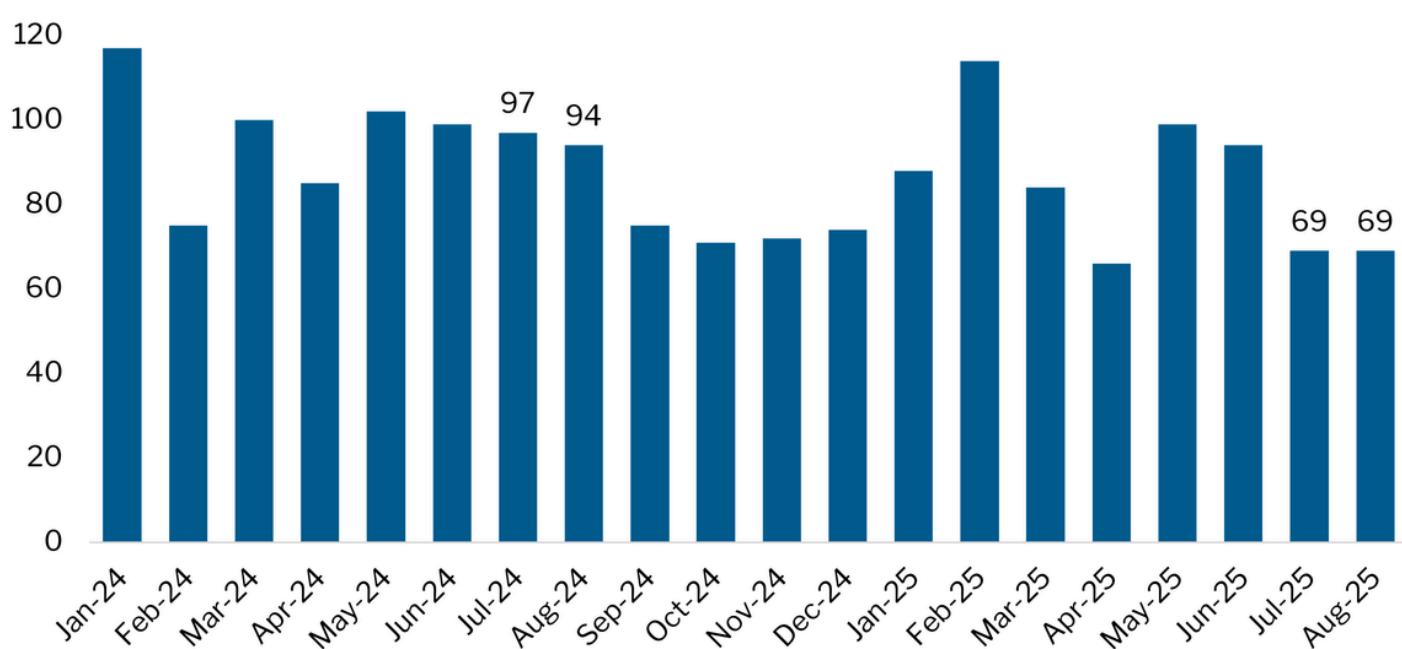
All the new units were single-family permits. Multifamily housing unit permits remain a very small piece of new housing in St. Tammany Parish.

The data indicates that the local construction market continues to expand at a slow pace. **A lack of new supply can be a significant contributor to rising housing prices.** The Federal Reserve reduced interest rates twice since August 2025. **Lower rates tend to spur more housing construction, and this could lead to an increase in permits in the coming months.**

St. Tammany Parish New Private Sector Housing Permits

Month	Value	Units	Average
Jul-25	\$20,493,000	69	\$297,000
Aug-25	\$28,395,000	69	\$411,522
Sept-25	NA		
Q3 2025 Totals	\$48,888,000	138	\$354,261

St. Tammany Monthly Single Family Building Permits



Residential Real Estate Market

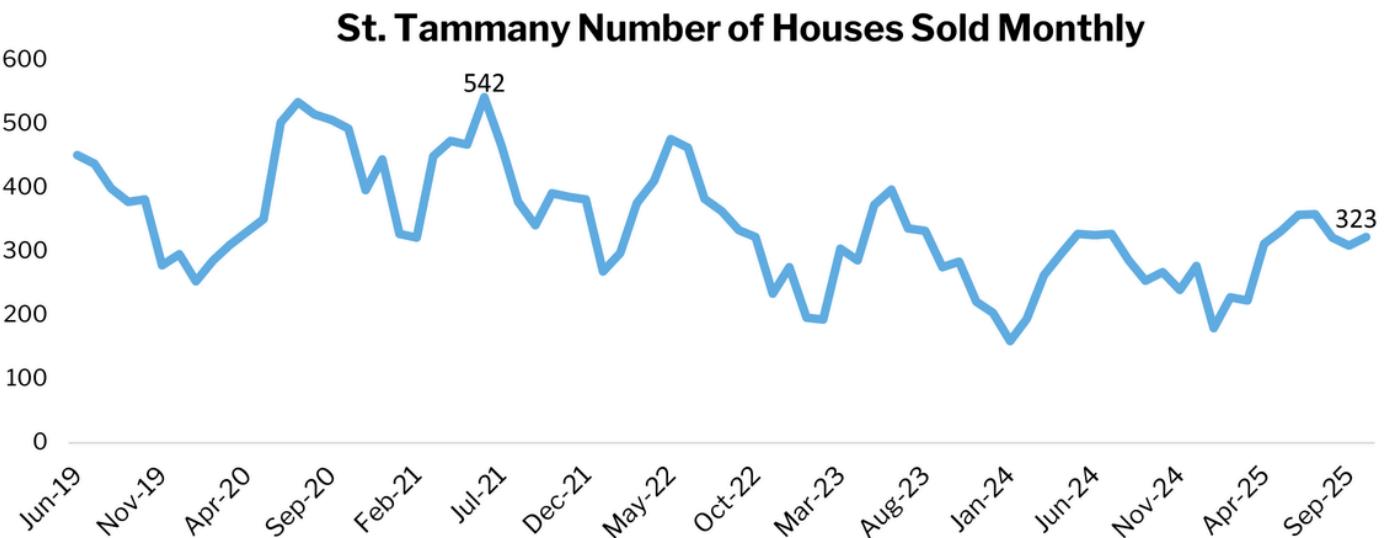
Meanwhile, in the existing home market, home sales are on the rise in St. Tammany Parish. **In October 2025, 323 sales closed on residential properties in the parish. This was a 20.5 percent increase from the previous year.** The year-over-year change rate has been positive for every month since November 2024, except for March 2025.

The inventory of homes for sale decreased slightly in the last year from 1,544 properties to 1,510, a 2.2 percent decrease.

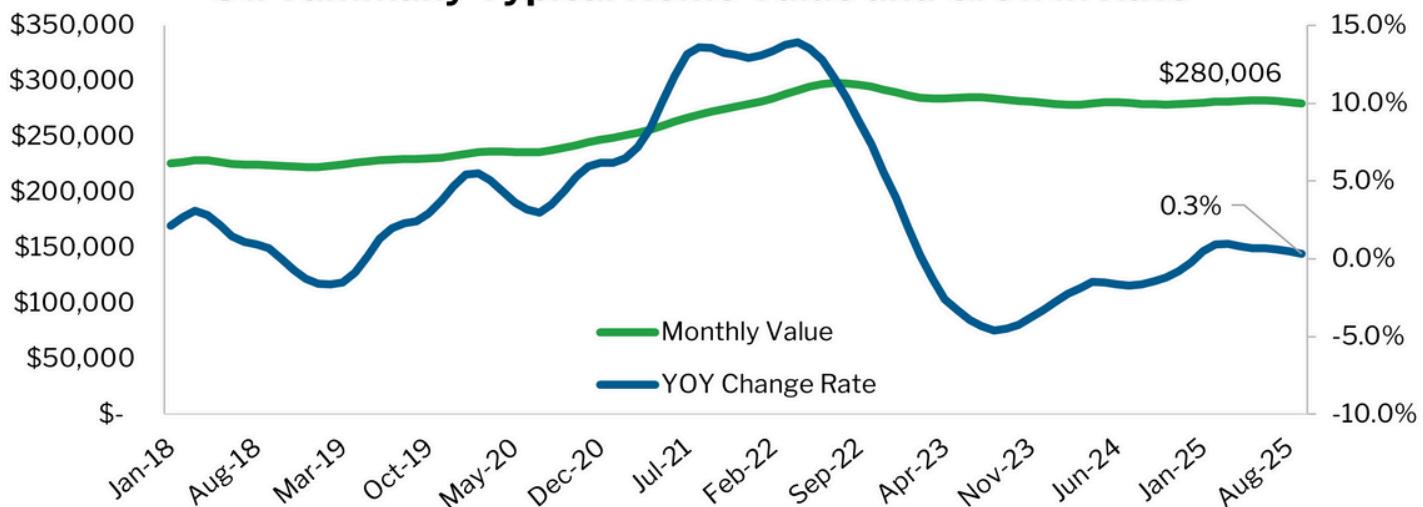
The average number of days on the market in the parish rose from 62 days in October 2024 to 69 days in October 2025.

Zillow creates its own typical home value data based on all homes in a region, not just recent sales. Their metric provides the typical value for a home within the 65th and 95th percentile range in each region. **This value for St. Tammany was \$288,000 in September 2025. This is about \$80,300 lower than the national average, giving the parish a relative affordability advantage.**

The year-over-year change for typical home value increased in the parish by 0.3 percent. After the large jump in prices in 2021, there was a recalibration period. **More recent trends suggest home values are rising at a more sustainable pace. The average rate for 2025 is 0.7 percent growth.**



St. Tammany Typical Home Value and Growth Rate



Retail Sales Tax

The graph below shows the total amount of sales tax collected within the parish from January 2019 through the end of September 2025. This provides insight into consumer spending in the parish and the amount of sales tax revenue that will be available for the local government. **St. Tammany Parish retains roughly half of these revenues, while the remaining portion flows to the state and local municipalities.**

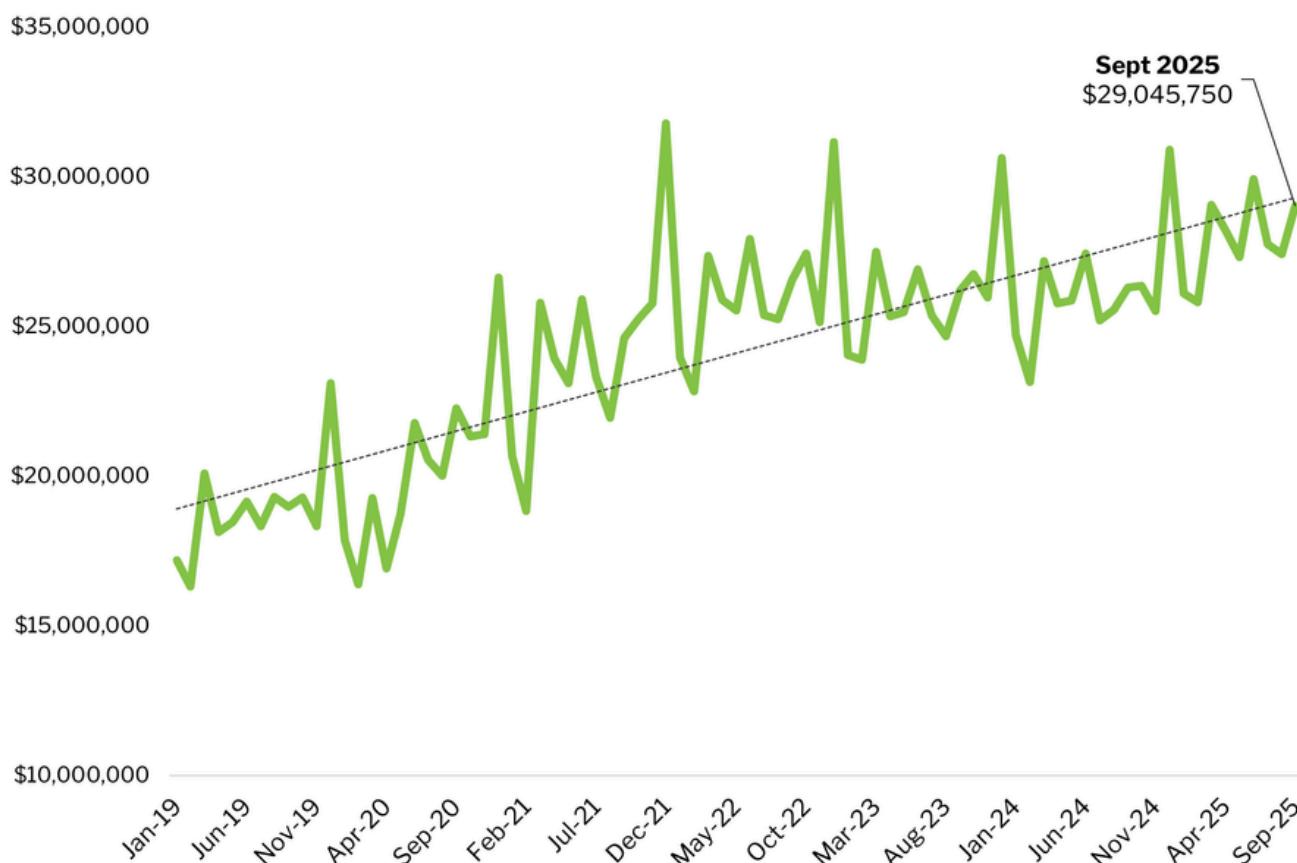
Retail sales tax collections rose as the economy was reopening after COVID-19 when interest rates were low and consumer spending was on the rise. Then, as inflation increased, the economy tightened, and regional spending flattened.

In 2025, each month's revenue has been higher than 2024 levels. **The increase in revenue is likely due to an increase in the state sales tax level from 4 to 5 percent that took effect at the beginning of the year. Higher prices may also be contributing to the elevated collections.**

The latest retail sales tax collections from September 2025 were \$29 million. **This was a 10.4 percent increase from the level a year ago. This high growth rate indicates spending may be increasing even after accounting for the tax hike and inflation.**

Research at the national level suggests that higher-income groups continue to spend and fuel the economy, while lower-income groups have started to cut back on their spending in recent months. This is referred to as a "K-shaped" economy.

St. Tammany Parish Monthly Retail Sales Tax Collections



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Key Takeaways

- Unemployment in St. Tammany has declined from its early summer high. **Recent unemployment insurance claims suggest that joblessness is likely to hold steady in coming data releases. The parish's unemployment rate remains below the metro, state, and national rates.**
- The decline in the unemployment rate may be partially due to a decline in the labor force and labor force participation rate. **National surveys for the manufacturing and services industries indicate that orders and operations continue to expand while employers remain hesitant to hire more workers due to economic and geopolitical instability.**
- New business incorporations in the parish reached their highest level in seven quarters during the third quarter of this year. **Long-term Census data show that business openings continue to outpace closures. This positive churn reflects steady entrepreneurial momentum.**
- Price increases for some essential goods like housing, food away from home, and energy bills remain elevated above the Federal Reserve's 2 percent inflation target. Recent tariffs could be amplifying these pressures, but the shifting policy landscape makes it difficult to fully assess their current impact.
- The earnings of workers in St. Tammany are rising, with the average weekly private-sector salary climbing over the past year. Yet overall growth in recent years trails regional, state, and national performance. **Wage growth in recent months has remained stable, yet higher than pre-pandemic rates.**
- Housing activity signals a tightening market, with existing home sales rising while new inventory is edging down. Home prices have shown sustainable growth in 2025. **Two reductions in interest rates by the Federal Reserve in September and October could help spur new building and more churn in the market.**
- Consumer spending has remained resilient despite challenging pricing conditions. **Parish retail sales data suggest continued consumer spending. The pace of growth in tax collections is higher than the recent tax increase.**
- **The federal shutdown may impact the economic data for Q4 2025. As the largest employer in the nation, workers who went 43 days without income could dampen spending.** Federal employment is a relatively small part of the St. Tammany economy. The Greater New Orleans region has a sizeable federal workforce that could have affected more parish residents.



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