

Key Takeaways

Employment

- From June 2024 to June 2023, El Paso experienced an increase of 7,500 jobs (2.2%), with significant growth in the services sector. Similarly, Las Cruces experienced an increase of 3,600 jobs (4.7%) over the same period, particularly in the services and trade sectors.
- Ciudad Juárez exhibited a Year-over-Year (YoY) decrease of 16,268 jobs (-3.2%) in June 2024, driven primarily by continued declines in manufacturing sector employment.

Bankruptcies

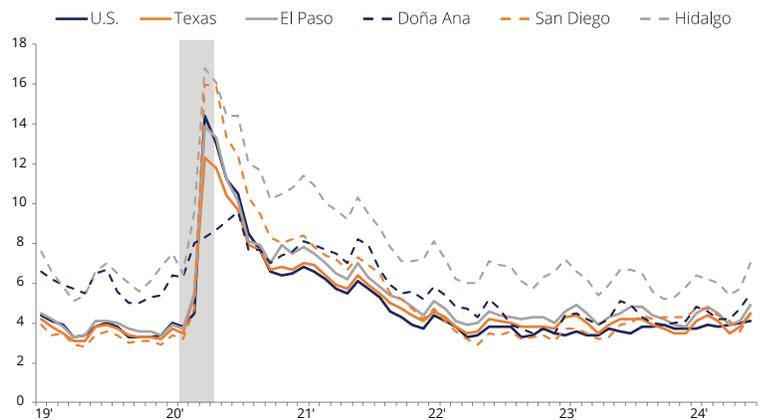
- Total bankruptcy filings in El Paso increased by 145 cases (18.9%) from January to July 2024 compared to the same period in 2023. Austin had the largest relative increase at 319 cases (54.3%).
- Midland recorded the second lowest (El Paso being the lowest) Year-over-Year increase in bankruptcies from January to July 2024 to the same period in 2023, from 91 to 114 cases at 23 cases (25.3%).

Hotel Occupancy Rate

- The hotel occupancy rates for the selected Metropolitan Statistical Areas (MSAs) during the first half of 2024 displayed a typically seasonal pattern: higher in June (summer), lower in January-February (winter), and rising in March-May (spring).¹
- In the first half of 2024, Ciudad Juárez, El Paso, and Laredo had the highest hotel occupancy rates, averaging 68.9%, slightly below 2023's 72.0%. Additionally, Las Cruces, McAllen, and San Antonio had hotel occupancy rates, averaging 61.4%, close to 2023's 62.5% for the same period.

Quick-Glance Indicators

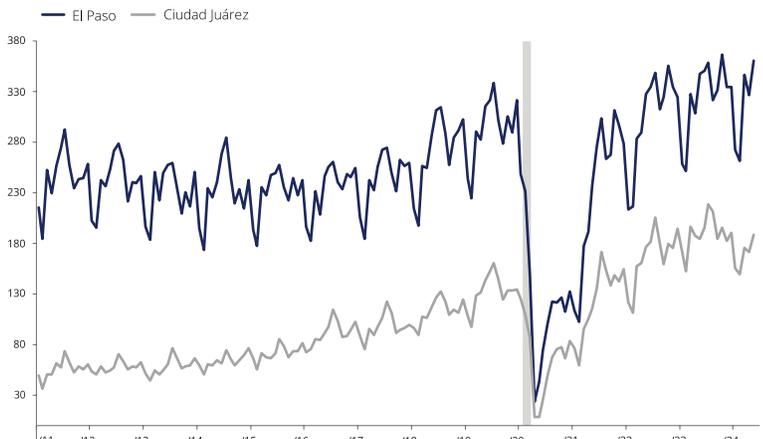
Unemployment Rates for U.S., State, and Selected MSA Economies



Note: Data as of June 2024. The shaded area indicates recession as defined by the National Bureau of Economic Research (2020 recession began in February and ended in April).

Source: Hunt Institute calculations using data from the U.S. Bureau of Labor Statistics.

El Paso and Ciudad Juárez Air Passengers, Thousands



Note: Data as of May 2024. The shaded area indicates recession as defined by the National Bureau of Economic Research (2020 recession began in February and ended in April).

Source: Hunt Institute using El Paso International Airport and Grupo OMA data.

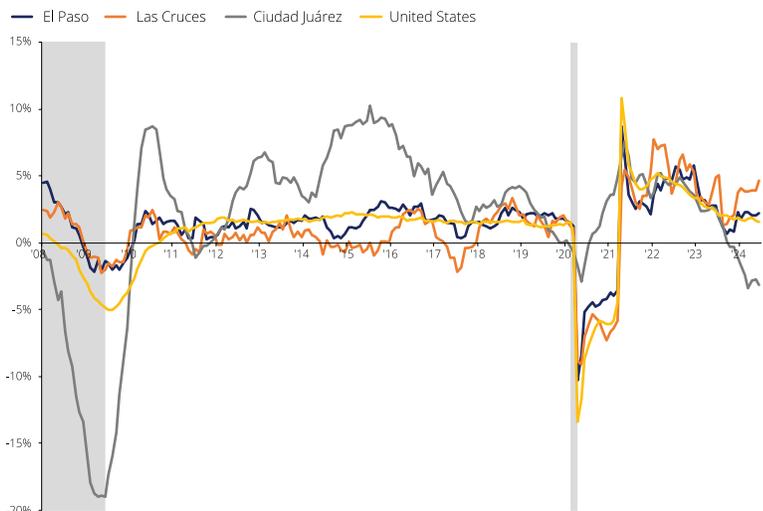
Employment

Persistent Manufacturing Employment Losses in the Paso del Norte Region

The manufacturing sector continues to suffer significant employment losses in the Paso del Norte region.

The U.S. experienced an increase of 2,487,000 non-farm jobs (1.6%) in June 2024 on a Year-over-Year (YoY) basis. During the same period, El Paso and Las Cruces experienced YoY gains of 7,500 jobs (2.2%) and 3,600 jobs (4.7%), respectively. Meanwhile, Ciudad Juárez lost 16,268 jobs (-3.2%), driven by a decline in the manufacturing sector of -20,300 jobs (-6.1%). The decline in manufacturing employment can be attributed to political uncertainty in both countries due to elections, a slowdown in the U.S. economy and consumption, and increasing labor costs in Mexico.²

Paso del Norte Total Non-Farm Employment (Year-over-Year, %)



Note: Preliminary data for June 2024. Shaded areas indicate recession as defined by the National Bureau of Economic Research (2020 recession began in February and ended in April).

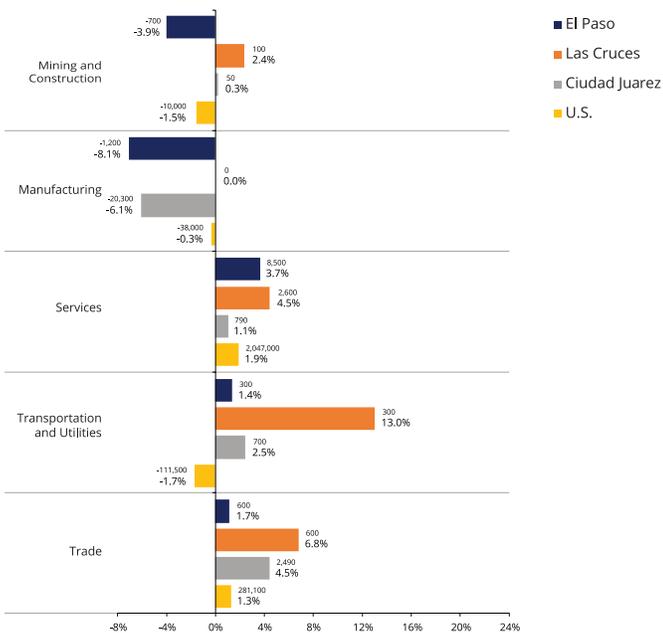
Source: Hunt Institute calculations using data from the U.S. Bureau of Labor Statistics and Instituto Mexicano del Seguro Social.

¹ The selected MSAs include El Paso, Las Cruces, Ciudad Juárez, Laredo, McAllen, and San Antonio.
² Miranda, Salvador. "Se perdieron 2 mil 563 empleos en junio; sector manufactura es el más afectado." El Heraldo de Juárez. July 10, 2024 <https://www.elheraldodejuarez.com.mx/local/juarez/se-perdieron-2-mil-563-empleos-en-junio-sector-manufactura-es-el-mas-afectado-12216911.html>

The Hunt Institute tracks five non-farm employment sectors in the Paso del Norte region. In El Paso, the following sectors experienced employment growth on a YoY basis from June 2024 to June 2024: Services by 8,400 jobs (3.7%), Trade by 600 jobs (1.2%), and Transportation and Utilities by 700 jobs (3.3%), while the Mining and Construction sector shrank by 500 jobs (-2.9%), and Manufacturing by 1,500 (-8.0%). In Las Cruces, non-farm employment increased in the Services sector by 2,100 jobs (3.6%) the Trade sector by 300 jobs (3.3%), the Transportation and Utilities sector by 200 jobs (8.3%), the Mining and Construction sector by 200 jobs (5.1%), and the Manufacturing sector by 100 jobs (2.9%).

The Hunt Institute tracks five non-farm employment sectors in the Paso del Norte region. In El Paso, the following sectors experienced employment growth on a YoY basis from June 2023 to June 2024: services grew by 8,500 jobs (3.7%), transportation and utilities by 300 jobs (1.4%), and trade by 600 jobs (1.2%), while manufacturing lost 1,200 jobs (-6.5%), and mining and construction lost 700 jobs (-3.9%). Las Cruces registered growth in four sectors: services by 2,600 jobs (4.5%), transportation and utilities by 300 jobs (13.0%), mining and construction by 100 jobs (2.4%), trade by 600 jobs (6.8%), while the manufacturing sector remained stagnant.

Paso del Norte Total Non-farm Employment by Sector (Year-over-Year, %)



Note: Preliminary data for June 2024.
Source: Hunt Institute calculations using data from the U.S. Bureau of Labor Statistics and Instituto Mexicano del Seguro Social.

Bankruptcies

Bankruptcies on the Rise in El Paso City

Total bankruptcy filing in El Paso increased by 145 cases YoY from January to July 2024, including both Pro Se and Business bankruptcies.³

El Paso recorded the lowest percentage increase in the number of bankruptcies (18.9%) among four of the selected Texas cities from January to July 2024 on a YoY basis.⁴ The El Paso Office of the Western District of Texas Bankruptcy Court recorded 911 bankruptcies – including Chapter 7, Chapter 11, and Chapter 13 cases – from January 2024 to July 2024. When comparing El Paso’s bankruptcy filings in July 2024 to those in July 2023, there was an increase of 21 filings (19.8%). However, on a Month-over-Month basis, there was no decline in the number of filing cases from June 2024 to July 2024, with both months reporting 127 cases.

Overall, the other selected Texas cities also experienced an increase in total bankruptcy filings from January to July 2024 on a YoY basis. For this period, Austin, San Antonio, and Midland experienced growth rates of 54.3%, 43.3%, and 25.3%, respectively.

Total Bankruptcy Filings in Austin, El Paso, Midland, and San Antonio (Year-over-Year)

City	A Jan-Jul 2023	B Jan-Jul 2024	B-A	B-A (Δ%)
Austin, TX	587	906	319	54.3%
El Paso, TX	766	911	145	18.9%
Midland, TX	91	114	23	25.3%
San Antonio, TX	1,017	1,457	440	43.3%

Note: Numbers include Chapter 7, Chapter 11, and Chapter 13 cases for the El Paso Office of the Western District of Texas U.S. Bankruptcy Court.

Source: Hunt Institute using data from the Western District of Texas U.S. Bankruptcy Court.

³ Pro Se: Individuals who file for bankruptcy.
⁴ Selected Texas cities include Austin, El Paso, Midland, and San Antonio

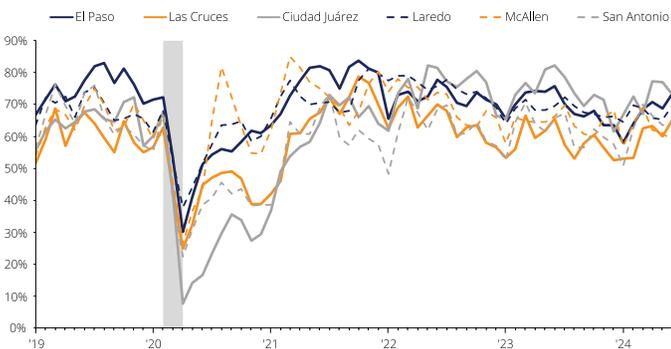
Hotel Occupancy Rates

Hotel Occupancy Rates Decline

Hotel occupancy in June 2024 declined in five of the six selected Metropolitan Statistical Areas (MSAs) compared to the same month in 2023.

The pattern in hotel occupancy rates observed in the selected MSAs from January to June 2024 is almost the same as that observed from January to June 2023. In June 2024, Ciudad Juárez, El Paso, Las Cruces, McAllen, and San Antonio experienced declines in hotel occupancy rates by an average of 4.2 percentage points compared to June 2023. At the same time, the hotel occupancy rate in Laredo remained stable at 69.6%. In May 2024, most MSAs experienced decreased rates by an average of 3.5 percentage points compared to May 2023, except for San Antonio, which registered an increase. In April 2024, Las Cruces, Ciudad Juárez, and San Antonio experienced an increase in hotel occupancy rates compared to April 2023, while El Paso, Laredo, and McAllen did not.

Hotel Occupancy Rates by MSA through June 2024 (Year-over-Year, %)



Note: Data as of June 2024. McAllen includes Edinburg and Mission; San Antonio includes New Braunfels. Shaded area indicates NBER defined recession (2020 recession began in February and ended in April).
Source: Hunt Institute using STR data.

One reason for the decline in hotel occupancy rates in 2024 is that, according to the latest data from the hotel industry, over half of the rooms at budget hotels nationwide were vacant during the first quarter of 2024 as inflation impacted travelers reduced their spending.⁵

⁵ Fickenscher, Lisa. "Budget hotel vacancies top 50% as inflation-weary Americans cut back on travel". New York Post, April 16, 2024. <https://nypost.com/2024/04/16/business/budget-hotel-vacancies-top-50-as-inflation-weary-americans-cut-back-on-travel/>

News in Research

Check out the Hunt Institute's latest white paper on residential property taxes in El Paso County.



Residential Property Taxes in El Paso County: Determinants and Breakdowns

by Erik Devos, Zifeng Feng, John D. Gibson, and Mayra G. Maldonado explores how El Paso's property tax rate, a frequent subject of local conversation and media coverage, is more than just a point of debate; it reflects the community's ongoing search for understanding and fairness. With Texas lacking a state income tax, property taxes in El Paso are crucial for supporting essential services such as education, infrastructure, and public safety. This white paper addresses the recurring question, "Why is El Paso's property tax rate so high?" by presenting a thorough comparative analysis, detailed case studies, and trend evaluations. It also delves deep into the intricacies of how property taxes are determined, offering a detailed examination of the system's workings. Designed to be a key resource, it provides clarity on the often-complex mechanisms behind property taxes and guides readers through the factors that shape these rates.

About Hunt Institute for Global Competitiveness

Since 2014, the Hunt Institute for Global Competitiveness at The University of Texas at El Paso has provided economic analysis of the Paso del Norte Region that includes the binational communities of El Paso, Texas; Las Cruces, N.M.; and Ciudad Juárez, Mexico. The mission of the Hunt Institute is to produce high-quality market analysis tools that strengthen regional and binational cross-border social and economic development.

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