Key Takeaways

Employment
- In October 2023, year-over-year (YoY) non-farm employment gains continued for thirty-one consecutive months in the U.S., El Paso, and Las Cruces.
- Las Cruces experienced mixed YoY employment results across sectors. Employment declines were registered in Las Cruces in the Trade and Manufacturing sectors with a decrease of 400 jobs (-4.3%), and 100 jobs (-2.9%), respectively. Transportation and Utilities sector remained stagnant.
- El Paso experienced positive YoY employment gains, with all five observed sectors adding jobs compared to October 2022, with the Mining and Construction sector showing the largest relative increase of 600 jobs (3.4%).

Bankruptcies
- Total bankruptcy filing in El Paso increased by 19.7% (83 cases) YoY from August to November 2023, Austin had the largest relative increase at 37.2% (118 cases).
- Midland recorded the lowest YoY increase in bankruptcy from August to November 2022 to the same period in 2023, from 54 to 60 cases at 11.1% (6 cases).

Sales Tax Collections
- All selected Texas cities experienced an increase in sales and use tax collections from 2022 to 2023, with Fort Worth experiencing the largest level increase of approximately $12 million and Laredo experiencing the highest percentage growth of 8.2%.
- In 2023, El Paso’s sales and use tax collections increased by approximately $5 million (4%) compared to the previous year in 2022.

Quick-Glance Indicators

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

El Paso and Ciudad Juárez Air Passengers, Thousands

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

1 Selected cities include Houston, San Antonio, Dallas, Austin, Fort Worth, El Paso, McAllen and Laredo.
Bankruptcies on the Rise in El Paso

Total bankruptcy filing in El Paso increased by 19.7% YoY from August to November 2023. The data reveals notable trends in bankruptcies for four Texas cities from August to November 2023.² The analysis of this article covers both Pro Se and Business bankruptcies.³

El Paso recorded the third-highest increase in the number of bankruptcies (83 cases) from August to November in 2023 on a YoY basis. The El Paso office of the Western District of Texas Bankruptcy Court documented 505 bankruptcies, encompassing Chapter 7, Chapter 11, and Chapter 13 cases from August 2023 to November 2023. This marks a YoY increase of 83 total bankruptcy filings, reflecting a percentage growth of 19.7%.

San Antonio also observed a significant upswing, experiencing an increase of 29.4%, or 145 additional cases in the Western District of Texas.

² Bankruptcy cases include Chapter 7, 11 and 13. Bankruptcy filings are disclosed by the U.S. Bankruptcy Court.
³ Pro Se: Individuals who file for bankruptcy.
In Austin Texas, there was a substantial percentage increase in bankruptcy cases (37.2%), representing an additional 118 cases during this period.

Conversely, Midland maintained the lowest increase in bankruptcy filings, registering a growth rate of 11.1% and adding 6 cases during this period.

Sales Tax Collections

**El Paso Sales Tax Collection Increased by $5 Million**

Sales tax collections increased in all the selected cities, suggesting possible growth. However, it is important to note that this rise in sales tax collection may also be influenced by inflationary pressures.

The sales tax collections across the selected cities demonstrated a consistent upward trend from 2021 to 2023. This finding suggests possible growth in consumer spending; however, it may also be influenced by inflationary pressures.

<table>
<thead>
<tr>
<th>City</th>
<th>A 2022</th>
<th>B 2023</th>
<th>B-A</th>
<th>B-A (Δ%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Houston, TX</td>
<td>$848,613</td>
<td>$892,880</td>
<td>$44,267</td>
<td>5.2%</td>
</tr>
<tr>
<td>San Antonio, TX</td>
<td>$466,370</td>
<td>$479,107</td>
<td>$12,737</td>
<td>2.7%</td>
</tr>
<tr>
<td>Dallas, TX</td>
<td>$408,638</td>
<td>$426,748</td>
<td>$18,110</td>
<td>4.4%</td>
</tr>
<tr>
<td>Austin, TX</td>
<td>$335,449</td>
<td>$346,507</td>
<td>$11,058</td>
<td>3.3%</td>
</tr>
<tr>
<td>Fort Worth, TX</td>
<td>$279,947</td>
<td>$231,940</td>
<td>$119,193</td>
<td>5.5%</td>
</tr>
<tr>
<td>El Paso, TX</td>
<td>$327,551</td>
<td>$332,636</td>
<td>$5,085</td>
<td>1.6%</td>
</tr>
<tr>
<td>McAllen, TX</td>
<td>$90,956</td>
<td>$93,703</td>
<td>$2,747</td>
<td>3.0%</td>
</tr>
<tr>
<td>Laredo, TX</td>
<td>$56,788</td>
<td>$61,460</td>
<td>$4,672</td>
<td>8.2%</td>
</tr>
</tbody>
</table>

Note: The given months and years represent the collection dates. Selected cities have sales and use tax rates of 1%, except for Laredo and McAllen which have rates of 1.25% and 2.0%, respectively. The maximum rate in Texas is 8.25%; a fixed 6.25% by the state and a 2.0% rate that combined local entities may charge.

Source: Hunt Institute calculations using data from the Texas Comptroller of Public Accounts.

The table above highlights sales and use tax collections for eight selected cities in Texas. The selected cities experienced increased sales and use tax collections between 2022 and 2023. Laredo recorded the highest growth rate at 8.2%. Fort Worth, Houston, and Dallas closely followed with growth rates of 5.5%, 5.2%, and 4.4%, respectively. El Paso and McAllen exhibited more moderate increases with 4.0% and 3.0% growth rates, respectively. El Paso accumulated approximately $133 million in sales and use tax collections in 2023, indicating a $5 million increase compared to the previous year. However, this increase is lower than the growth observed from 2021 to 2022 ($13 million), suggesting a reduction in sales tax collection growth during that period.

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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