

Key Takeaways

Employment

- Total non-farm employment increased in January 2023 on a year-over-year basis in the U.S. (4,904,000 jobs, 3.3%), El Paso (14,600 jobs, 4.5%), Las Cruces (2,100 jobs, 2.8%), and Ciudad Juárez (14,600 jobs, 3.0%).
- In January 2023 mixed changes in total non-farm employment were observed across the Paso del Norte region and the U.S.: increasing in Ciudad Juárez by 7,800 jobs (1.6%), while decreasing in El Paso by 3,300 jobs (-1.0%), Las Cruces by 1,900 jobs (-2.4%), and the U.S. by 2,508,000 jobs (-1.6%).

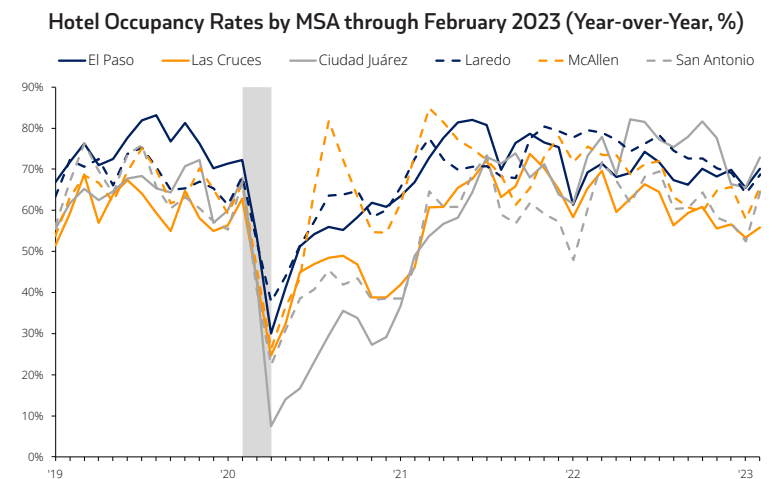
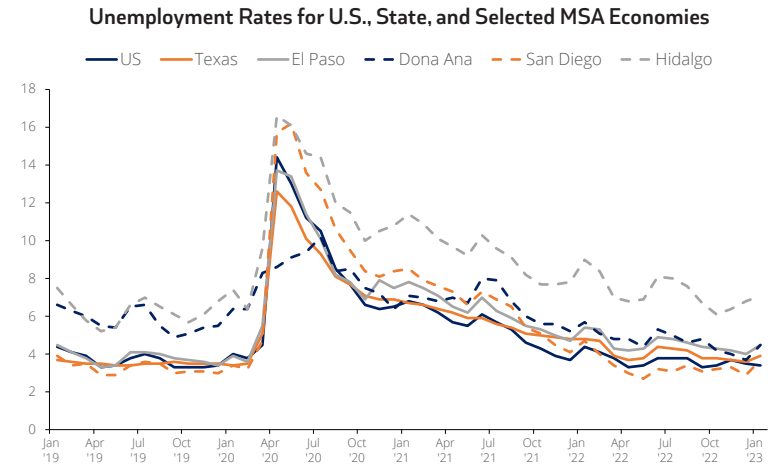
Sales Tax Collections

- All selected Texas cities¹ experienced an increase in sales tax allocations from the first quarter of 2022 to the same period of 2023, with Laredo having the largest relative increase at 11.3%.
- Houston had the largest sales tax allocation among the selected cities in all four years, with a value of \$229,334 thousand in 2023.

Border Crossings

- The Ysleta and the El Paso PoE were the only two of the top ten PoE to display a decrease of 2,981 (-0.7%) and 5,330 (-8.2%), respectively, in commercial border crossings in 2022 when compared to 2021.
- The San Ysidro and the El Paso PoE lead the way in noncommercial border crossing increases among the top ten PoE in 2022, making up 24.6% and 14.0%, respectively, of all noncommercial border crossings at the top ten PoE.

Quick-Glance Indicators

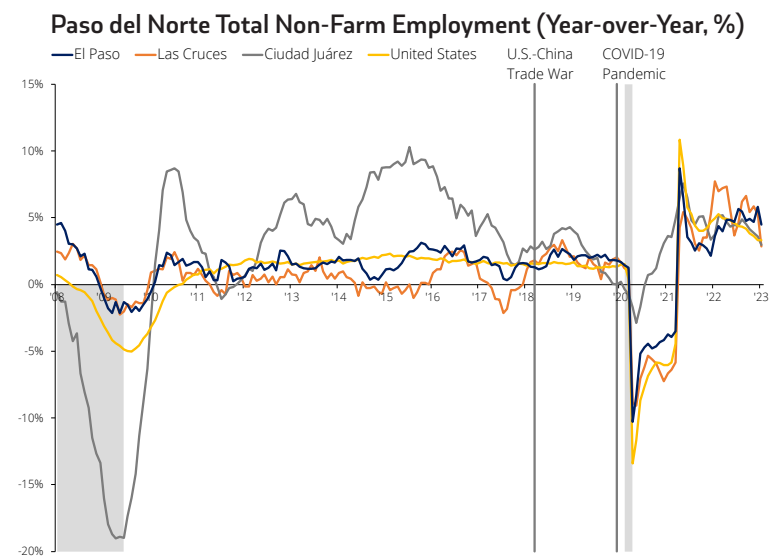


Employment

Job Growth Keeps Rising

Non-farm employment in January 2023 for the Paso del Norte region exceeded that of January 2022. In a month-over-month comparison, however, the outlook is mixed.

January 2023 marked the twenty-second consecutive month of year-over-year non-farm employment gains in the U.S., El Paso and Las Cruces, and the thirtieth consecutive month in Ciudad Juárez. At the national level, year-over-year gains of 4,904,000 jobs (3.3%) were observed in January 2023. Total non-farm employment also increased in El Paso by 14,600 jobs (4.5%), in Las Cruces by 2,100 jobs (2.8%), and in Ciudad Juárez by 14,600 jobs (3.0%). In a month-over-month comparison, however, non-farm employment decreased in the U.S. by 2,508,000 (1.6%), El Paso by 3,300 jobs (1.0%), and Las Cruces by 1,900 jobs (2.4%). In contrast, Ciudad Juárez experienced a month-over-month gain in non-farm employment of 7,800 jobs (1.6%).



¹Houston, San Antonio, Dallas, Austin, Fort Worth, El Paso, McAllen, and Laredo.

The Hunt Institute tracks five non-farm employment sectors in the Paso del Norte region.² While the U.S., El Paso, and Ciudad Juárez added jobs in all five sectors on a year-over-year basis for January 2023, Las Cruces experienced growth in four of the five sectors. The Services sector drove year-over-year job growth in El Paso, Las Cruces, and the U.S., while the Manufacturing sector drove growth in Ciudad Juárez. In El Paso, the Services sector grew by 10,100 jobs (4.6%), the Manufacturing sector by 1,200 jobs (6.9%), the Transportation and Utilities sector by 2,500 jobs (13.2%), the Mining and Construction sector by 600 jobs (3.6%), and the Trade sector by 200 jobs (0.4%). In Las Cruces, non-farm employment increased in the Services sector by 1,600 jobs (2.9%), the Manufacturing sector by 300 jobs (10.0%), the Mining and Construction sector by 100 jobs (2.7%), the Trade sector by 100 jobs (1.1%), and the Transportation and Utilities sector remained stagnant. Ciudad Juárez recorded increases in all five sectors: 7,400 jobs (2.3%) in Manufacturing, 1,000 jobs (1.9%) in Trade, 3,100 jobs (19.5%) in Mining and Construction, 1,400 jobs (5.4%) in Transportation and Utilities, and 1,700 jobs (2.4%) in Services.

Las Cruces exhibited growth in only one of the five sectors: Mining and Construction grew by 100 jobs (2.7%). The Services sector lost 1,700 jobs (-2.9%), Manufacturing by 100 jobs (-2.9%), Transportation and Utilities by 100 jobs (-4.0%), and Trade by 100 jobs (-1.1%).

Ciudad Juárez demonstrated positive job gains in all five sectors in a month-over-month comparison: Manufacturing increased by 5,700 jobs (1.7%), Mining and Construction by 1,200 jobs (6.4%), Services by 600 jobs (0.9%), Trade by 200 jobs (0.4%), and Transportation and Utilities by 90 jobs (0.3%).

Sales Tax Collections

Sales Tax Collections Continue to Increase in 2023

Sales tax revenue increased across selected Texas cities³ with Houston remaining the largest contributor and Fort Worth leading relative growth.

In a comparison of selected Texas cities, sales tax collections for first quarter of 2023 exceeded the level observed over the same periods in both 2021 and 2022.

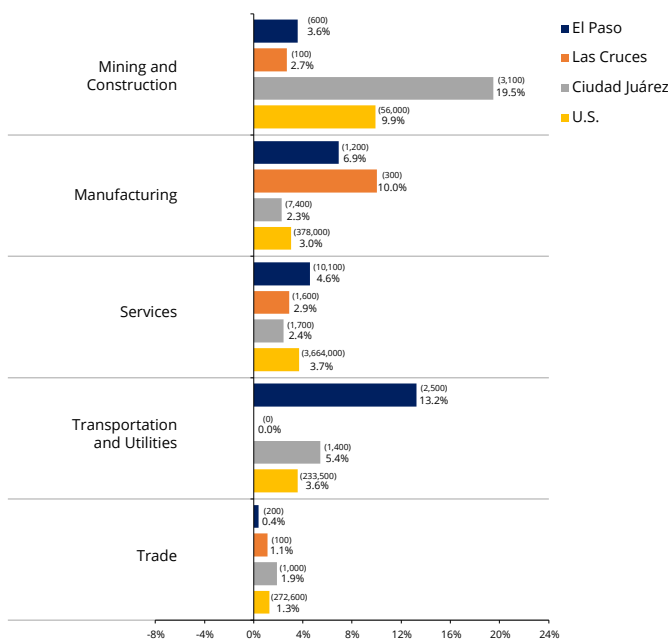
The Hunt Institute tracks sales tax revenue for selected cities in Texas to observe how El Paso compares to other large metropolitan cities. As of March 2023, El Paso sales and use tax allocation has been consistently increasing over the years, indicating a positive trend in economic growth. El Paso sales and use tax allocation growth rate is higher when compared to other larger cities, such as San Antonio.

All of the selected cities presented in the following table experienced an increase in sales tax allocations from the first quarter of 2020 to the same period of 2023, with Fort Worth having the largest increase of 34.5% in the first quarter of 2023. These relative cities also experienced an increase in their net payment from sales tax collection revenue in January to March 2023 compared to the same period the previous year.

In the first quarter of 2023, Houston remained the city with the largest sales tax allocation in absolute terms, with a value of \$229,334 thousand. San Antonio and Dallas followed with sales tax allocations of \$122,597 thousand and \$109,706 thousand, respectively. Laredo had the largest relative increase in sales tax allocation from the first quarter of 2022 to the same period of 2023 at 11.3%, while Dallas had the second-largest relative increase in sales tax allocation from the first quarter of 2022 to the same period of 2023 at 11.2%.

³ Houston, San Antonio, Dallas, Austin, Fort Worth, El Paso, McAllen, and Laredo.

Paso del Norte Total Non-Farm Employment by Sector, January 2023 (Year-over-Year)



Note: Preliminary data for January 2023. Services excludes Transportation and Utilities, and Trade. Numbers are rounded to the nearest hundred.

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

In a month-over-month, comparing December 2022 with January 2023, El Paso's non-farm employment lost jobs in all of the five sectors: Services decreased by 1,100 jobs (-0.5%), Transportation and Utilities by 400 jobs (-1.8%), Manufacturing by 100 jobs (-0.5%), and Trade by 1,700 jobs (-3.2%). Mining and Construction remained stagnant.

² The non-farm employment sectors tracked include Mining and Construction, Manufacturing, Service, Transportation and Utilities, and Trade.

Sales and Use Tax Allocations for Selected Texas Cities, Thousand USD

City	A Jan-Mar 2020	B Jan-Mar 2021	C Jan-Mar 2022	C Jan-Mar 2023	D-A (Δ%)	D-C (Δ%)
Houston, TX	\$186,801	\$177,354	\$210,211	\$229,334	22.8%	9.1%
San Antonio, TX	\$96,186	\$96,998	\$116,411	\$122,597	27.5%	5.3%
Dallas, TX	\$88,853	\$85,212	\$98,666	\$109,706	23.5%	11.2%
Austin, TX	\$65,714	\$62,348	\$79,662	\$88,191	34.2%	10.7%
Fort Worth, TX	\$44,255	\$44,968	\$53,624	\$59,535	34.5%	11.0%
El Paso, TX	\$26,753	\$27,155	\$32,669	\$34,559	29.2%	5.8%
McAllen, TX	\$19,107	\$19,815	\$23,901	\$25,095	31.3%	5.0%
Laredo, TX	\$11,902	\$11,708	\$14,310	\$15,926	33.8%	11.3%

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 who 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.

Border Crossings

Border Crossings Continued to Grow in 2022

Total commercial border crossings⁴, which include loaded truck containers, at the top ten PoE surpassed 2021 levels in 2022, with an increase of 326,206 (7.3%). For El Paso and Ysleta PoE these decreased during this period.

In 2022, total commercial and noncommercial border crossings through the top ten Ports of Entry (PoE) increased when compared to 2021.

Total commercial border crossings, which include loaded truck containers, at the top ten PoE surpassed 2021 levels in 2022, with an increase of 326,206 (7.3%).

Change in Commercial Traffic at the Top Ten U.S.-Mexico Border Ports of Entry

Port of Entry	A 2021	B 2022	Share (%)	B-A	B-A (Δ%)
Laredo, TX	1,910,648	2,080,941	41.0%	170,293	8.9%
Otay Mesa, CA	741,324	839,843	16.5%	98,519	13.3%
Hidalgo, TX	463,247	479,437	9.4%	16,190	3.5%
Ysleta, TX	419,074	416,093	8.2%	(2,981)	-0.7%
Nogales, AZ	275,445	280,894	5.5%	5,449	2.0%
Calexico-East, CA	224,949	245,153	4.8%	20,204	9.0%
Eagle Pass, TX	125,861	140,888	2.8%	15,027	11.9%
Brownsville, TX	137,136	139,809	2.8%	2,673	1.9%
Santa Teresa, NM	97,148	103,310	2.0%	6,162	6.3%
El Paso, TX	65,326	59,996	1.2%	(5,330)	-8.2%
Total	4,460,158	4,786,364	94.3%	326,206	7.3%

Note: Top ten ports based on 2022 traffic. Numbers are for loaded container truck crossings.

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

⁴ Commercial border crossings include total loaded truck containers.

⁵ Noncommercial border crossings include all pedestrians, personal vehicle, bus, and train passengers.

Compared to 2021, the Ysleta and the El Paso PoE were the only two of the top ten PoE to display a decrease of 2,981 (-0.7%) in commercial border crossings and 5,330 (-8.2%), respectively.

Noncommercial border crossings⁵ at the top ten PoE increased by 28.9 million (28.7%) from 2021 to 2022.

As of 2022, the San Ysidro and El Paso PoE (excluding the Ysleta PoE) lead the way in total top ten noncommercial border crossings, accounting for 24.6% and 14.0% of noncommercial border crossings at the top ten PoE, respectively. All of the top ten PoE exhibited an increase when compared to 2021, with Nogales and Hidalgo registering the two largest relative increases of 49.6% and 49.4%, respectively.

Change in Noncommercial Traffic at the Top Ten U.S.-Mexico Border Ports of Entry

Port of Entry	A 2021	B 2022	B-A	B-A (Δ%)
San Ysidro, CA	27,356,417	31,817,659	4,461,242	16.3%
El Paso, TX	13,277,539	18,128,209	4,850,670	36.5%
Otay Mesa, CA	9,466,339	11,952,075	2,485,736	26.3%
Laredo, TX	8,474,386	11,827,440	3,353,054	39.6%
Hidalgo, TX	7,245,665	10,828,154	3,582,489	49.4%
Calexico, CA	9,346,751	10,450,792	1,104,041	11.8%
Brownsville, TX	7,278,482	10,078,265	2,799,783	38.5%
Nogales, AZ	6,607,077	9,883,250	3,276,173	49.6%
San Luis, AZ	6,360,867	7,562,492	1,201,625	18.9%
Ysleta, TX	5,044,130	6,779,344	1,735,214	34.4%
Total	100,457,653	129,307,680	28,850,027	28.7%
21. Santa Teresa, NM	940,289	1,460,263	519,974	55.3%

Note: Top ten ports based on 2022 traffic. Numbers are for total passengers and pedestrians. Total is for the top ten ports.

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

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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