

Key Takeaways

Employment

- In July 2023, year-over-year (YoY) non-farm employment gains continued for twenty-eight consecutive months in the U.S., El Paso, and Las Cruces, and for thirty-six consecutive months in Ciudad Juárez.
- Las Cruces and Ciudad Juárez experienced mixed YoY employment results across sectors. Employment declines were registered in Las Cruces in the Trade and Transportation and Utilities sectors with a decrease of 200 jobs (-2.2%), and 100 jobs (-4.2%), respectively. In Ciudad Juárez, the Manufacturing sector experienced a reduction of 3,000 jobs (-0.9%).

Hotel Occupancy Rates

- Ciudad Juárez and El Paso consistently had the highest occupancy rates in 2023, especially during the summer months.

Border Crossings

- Commercial and noncommercial border crossings through the top ten Ports of Entry (PoEs)¹ continue to increase for the first half of 2023, with noncommercial and commercial border crossings increasing by 4,289,227 (6.8%) and 254,014 (11.0%), respectively, when compared to the same period of 2022.
- During the first half of 2023, out of the selected PoEs, El Paso was the only one to be severely impacted in commercial crossings with a decrease of -45.5% YoY (-13,279 loaded containers). This is partially explained by the temporary closure of the Bridge of Americas cargo section during April and May of 2023.

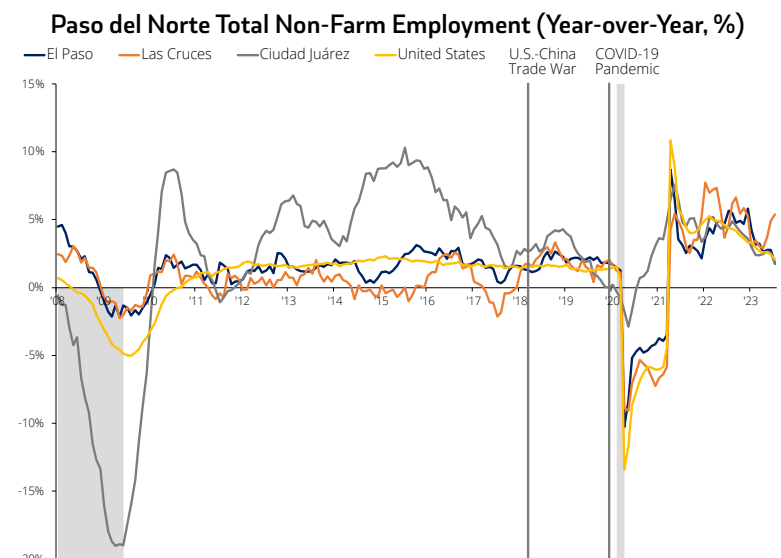
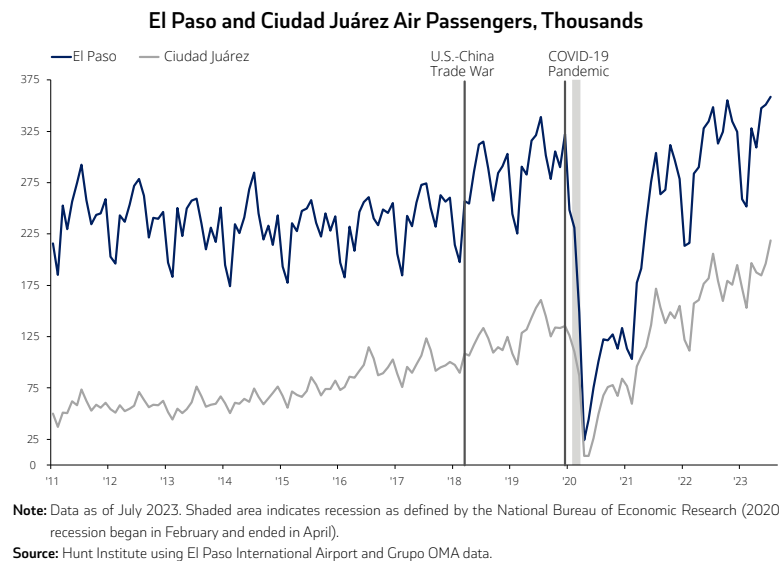
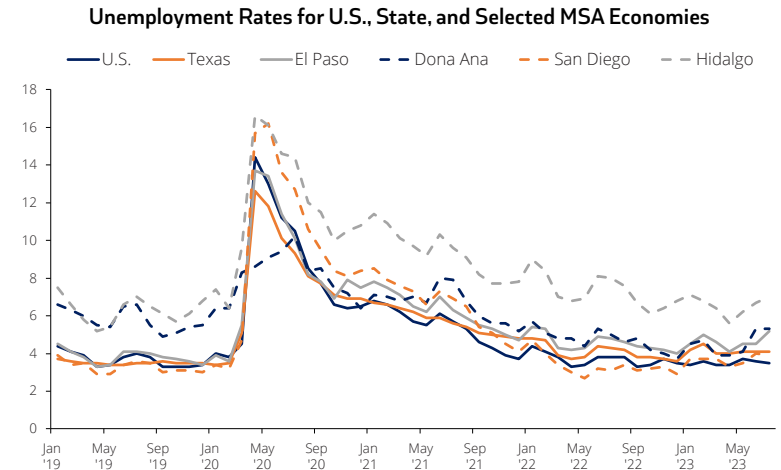
Employment

YoY Growth Shines Despite Monthly Dips in the Paso del Norte Region

Non-farm employment in July 2023 for the Paso del Norte region exceeded that of July 2022.

July 2023 marked the twenty-eighth consecutive month of year-over-year (YoY) non-farm employment gains in the U.S., El Paso, and Las Cruces, and the thirty-sixth consecutive month in Ciudad Juárez. At the national level, YoY gains of 3,159,000 jobs (2.1%) were observed in July 2023. Total non-farm employment also increased in El Paso by 5,900 jobs (1.8%), Las Cruces by 3,900 jobs (5.4%), and Ciudad Juárez by 9,000 jobs (1.8%). In a month-over-month comparison, however, non-farm

Quick-Glance Indicators



¹ Top ten selected PoEs include the following: Laredo, TX; Otay Mesa, CA; Hidalgo, TX; Ysleta, TX; Nogales, AZ; Calexico East, CA; Brownsville, TX; Eagle Pass, TX; Santa Teresa, NM; and El Paso, TX.

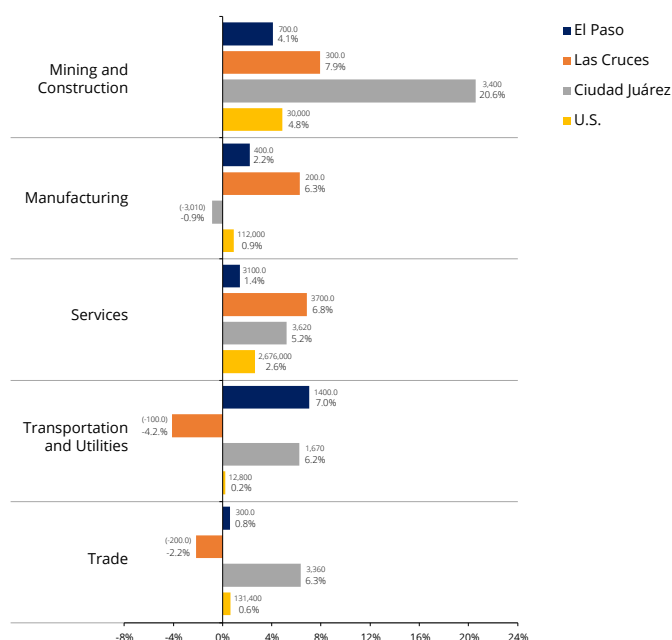
PASO DEL NORTE ECONOMIC INDICATOR REVIEW

September 2023

employment remained stagnant with a decrease in the U.S. of 871,000 jobs (-0.6%), while Ciudad Juárez, Las Cruces, and El Paso lost 2,900 jobs (-0.6%), 200 jobs (-0.3%), and 900 jobs (-0.3%), respectively.

The Hunt Institute tracks five non-farm employment sectors in the Paso del Norte region. In July 2023, the U.S. and El Paso added jobs in all five sectors on a YoY basis. In contrast, Ciudad Juárez experienced growth in four out of five sectors, and Las Cruces in three out of five sectors. The Services sector drove YoY job growth in the Paso del Norte region and the U.S.

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



Note: Preliminary data for July 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 El Paso, the following sectors experienced employment growth: Services by 3,100 jobs (1.4%), Manufacturing by 400 jobs (2.2%), Transportation and Utilities by 1,400 jobs (7.0%), Mining and Construction by 700 jobs (4.1%), and Trade by 300 jobs (0.6%). In Las Cruces, non-farm employment increased in Services by 3,700 jobs (6.8%), Manufacturing by 200 jobs (6.2%), and Mining and Construction by 300 jobs (7.9%), while Trade experienced a modest decline of 200 jobs (-2.2%), and Transportation and Utilities declined by 100 jobs (-4.2%). Ciudad Juárez recorded increases in four sectors: 3,360 jobs (6.3%) in Trade, 3,400 jobs (20.6%) in Mining and Construction, 1,670 jobs (6.2%) in Transportation and Utilities, and 3,620 jobs (5.2%) in Services. The Manufacturing sector lost 3,000 jobs (-0.9%). In a month-over-month comparison,

El Paso's non-farm employment increased in two out of five sectors. The Mining and Construction sector increased by 100 jobs (0.6%), the Manufacturing sector by 200 (1.1%), while the Services sector decreased by 1,200 jobs (-0.5%); the Trade and Transportation and Utilities sectors remained stagnant. Las Cruces exhibited employment growth in only one of the five sectors in a month-over-month comparison as the Trade sector grew by 100 jobs (1.1%), while the Manufacturing and Services sectors lost 100 jobs (-2.9%) and 200 jobs (-0.3%), respectively. The Transportation and Utilities and Mining and Construction sectors remained stagnant. Ciudad Juárez demonstrated moderate job gains in three out of five sectors in a month-over-month comparison. The Trade sector added 740 jobs (1.3%), the Mining and Construction sector added 90 jobs (0.5%), and the Transportation sector grew by 80 jobs (0.3%). The Manufacturing sector lost 3,140 jobs (-0.9%), and the Services sector decreased by 690 jobs (-0.9%).

Hotel Occupancy Rates

Regional Variations in Hotel Occupancy Rates

Ciudad Juárez and El Paso consistently had the highest occupancy rates among the selected MSAs.²

Across all selected MSAs, there was an increase in hotel occupancy rates from January 2023 to July 2023, which is typical for the summer months. Ciudad Juárez had the highest rate in July 2023, reflecting strong performance during the summer season. El Paso consistently had one of the highest occupancy rates among the selected MSAs during the same period of 2022.

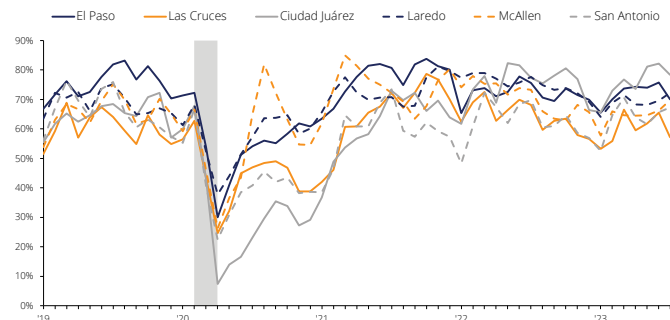
In April 2023 occupancy rates in the cities began to vary. Particularly noteworthy was the significant drop-in occupancy rates observed in Las Cruces by 6.9 percentage points compared to the previous month. Moving into May 2023, there was an upswing in occupancy rates for Ciudad Juárez, possibly attributed to seasonal tourism, while other cities maintained relatively stable rates. June 2023 followed suit with another increase in occupancy rates, with Ciudad Juárez leading the way with the highest rate among the selected MSAs. This is a common trend during the summer months, reflecting the heightened travel and tourism activity typical of this season.

However, in July 2023, the pattern was disrupted as El Paso, Las Cruces, and Ciudad Juárez experienced declines, contrasting with the expected summer trend of increased occupancy rates. Las Cruces continued to lag behind the other cities in terms of occupancy rates. It is worth noting that economic conditions, local events, and tourism are likely

² The selected MSAs include El Paso, Las Cruces, Ciudad Juárez, Laredo, McAllen, and San Antonio.

influencing factors contributing to the variations in hotel occupancy rates observed in each MSA throughout this period.

**Hotel Occupancy Rates by MSA through July 2023
(Year-over-Year, %)**



Note: Data as of July 2023. 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.

Border Crossings

Truck Crossings Reduced by Half in El Paso

In the period from January to June 2023, total commercial and noncommercial border crossings through the top ten Ports of Entry (PoEs) increased when compared to the same period in 2022.

For the first half of 2023, total commercial border crossings³ by the top ten PoEs surpassed those of the same period of 2022, with an increase of 254,014 (11.0%). In the first half of 2023, among the top ten points of entry for commercial traffic, Laredo saw the most significant YoY increase, with a rise of 191,604 (19.9%). From the selected PoEs, El Paso, Santa Teresa, Otay Mesa, and Brownsville showed a decrease of commercial crossings by 13,279 (-45.5%), 1,645 (-3.2%), 11,771 (-2.9%) and 745 (-1.1%), respectively.

In contrast, El Paso was the only PoE severely impacted in commercial crossings, with a -45.5% YoY decrease in loaded containers. This decline was likely due to a temporary suspension of commercial operations at the Bridge of the Americas by Customs and Border Protection (CBP). The decision to suspend operations for over two weeks in April was attributed to the reassignment of agents to process migrants seeking asylum in the United States.⁴

Noncommercial border crossings⁵ for the top ten PoEs increased by 4,289,227 (6.8%) for the first half of 2023, compared to the same period in the previous year.

³ Commercial border crossings include total loaded truck containers.

⁴ U.S. Customs and Border Protection, "CSMS # 55889711 - Temporary Closure - Bridge of the Americas (BOTA) Commercial Operations, Effective Friday, April 14, 2023," April 13, 2023, <https://content.govdelivery.com/accounts/USDHSCBP/bulletins/354cf2f#:text=The%20purpose%20of%20this%20CSMS%20is%20to%20manage%20the%20influx%20of%20migrants>.

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

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

Port of Entry	A Jan-June 2022	B Jan-June 2023	Share (%)	B-A	B-A (Δ%)
Laredo, TX	962,810	1,154,414	42.6%	191,604	19.9%
Otay Mesa, CA	409,296	397,525	14.7%	(11,771)	-2.9%
Hidalgo, TX	230,369	260,610	9.6%	30,241	13.1%
Ysleta, TX	202,539	229,372	8.5%	26,833	13.2%
Nogales, AZ	169,064	184,377	6.8%	15,313	9.1%
Calexico-East, CA	118,974	133,263	4.9%	14,289	12.0%
Brownsville, TX	68,674	67,929	2.5%	(745)	-1.1%
Eagles Pass, TX	67,446	70,620	2.6%	3,174	4.7%
Santa Teresa, NM	51,680	50,035	1.8%	(1,645)	-3.2%
El Paso, TX	29,163	15,884	0.6%	(13,279)	-45.5%
Total Top Ten	2,310,015	2,564,029	94.6%	254,014	11.0%
Total U.S.-MX	2,453,082	2,711,137	100.0%	258,055	10.5%

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.

As of June 2023, the San Ysidro and El Paso PoEs (excluding Ysleta PoE) had the largest share among the top ten noncommercial border crossings, accounting for 18.6% and 10.5% of noncommercial border crossings at the total PoEs, respectively. Only Otay Mesa experienced a reduction in noncommercial border crossings by 136,751 (-2.3%).

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

Port of Entry	A Jan-Mar 2022	B Jan-Mar 2023	Share (%)	B-A	B-A (Δ%)
San Ysidro, CA	15,581,986	16,105,698	18.6%	523,712	3.4%
El Paso, TX	8,705,173	9,099,302	10.5%	394,129	4.5%
Otay Mesa, CA	5,911,045	5,774,294	6.7%	(136,751)	-2.3%
Laredo, TX	5,730,971	6,330,956	7.3%	599,985	10.5%
Calexico, CA	5,190,277	5,465,835	6.3%	275,558	5.3%
Hidalgo, TX	5,119,173	6,181,627	7.1%	1,062,454	20.8%
Brownsville, TX	4,838,828	5,577,249	6.4%	738,421	15.3%
Nogales, AZ	4,806,419	5,032,617	5.8%	226,198	4.7%
San Luis, AZ	3,688,619	3,957,064	4.6%	268,445	7.3%
Eagle Pass, TX	3,147,315	3,484,391	4.0%	337,076	10.7%
Top Ten Total	62,719,806	67,009,033	77.3%	4,289,227	6.8%
Total U.S.-MX	80,382,308	86,663,822	100.0%	6,281,514	7.8%

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

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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