



Border Business Briefs

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The University of Texas-Pan American

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JOB OPPORTUNITIES

Job opportunities in the Lower Rio Grande Valley tend to be concentrated in the health care and social assistance, retail and education areas.

- Major employment sectors are health care and social assistance 28 percent of total private employment , retail 18 percent , accommodation and food services 11 percent .
- Location quotients reveal two strong employment areas retail trade and health care and social assistance.
- Employment projections p. 2 indicate that industries/ occupations adding the most jobs are education, health care/social assistance, retail and local government.
- Top private sector employers p. 8 operate within the retail and health care and social assistance sectors.

2006 Location Quotients*

Industry	Cameron County	Hidalgo County
Ag., forestry, fishing & hunting	1.36	4.32
Mining, oil & gas extraction	0.02	0.55
Utilities	0.61	0.89
Construction	0.67	0.77
Manufacturing	0.74	0.46
Wholesale trade	0.59	0.72
Retail trade	1.26	1.37
Transp. & warehousing	1.01	0.85
Information	0.53	0.74
Finance & insurance	0.56	0.72
Real estate, rental & leasing	0.89	0.58
Prof. & tech. services	0.35	0.43
Management	0.43	0.14
Admin. & waste services	0.78	0.74
Educational services	0.40	0.62
Health care & social asst.	2.31	2.18
Arts, entertainment, & rec.	1.11	0.60
Accom. & food services	1.12	1.02
Other services	0.88	0.72

*A location quotient (LQ) is a ratio comparing the local percentage of employment in a sector to a base-area's^o (Texas in this case) average percentage of employment in that sector. An LQ greater than one suggests a regional advantage, or concentration of employment, in that sector. An LQ less than one suggests a regional disadvantage in that sector.

Source: Bureau of Labor Statistics

Employment Projections 2004-2014

Industries Adding the Most Jobs

	Annual Average Employment		Number Change	Percentage Change
	2004	2014		
Total, All Industries	351,900	448,900	97,000	27.6%
Elementary & Secondary Schools, Public & Private	48,150	64,200	16,050	33.3%
Home Health Care Services	27,150	41,250	14,100	51.9%
Local Government, Ex. Education & Hospitals	15,350	20,450	5,100	33.2%
General Medical & Surgical Hospitals, Public & Private	10,350	14,200	3,850	37.2%
Offices of Physicians	7,950	11,300	3,350	42.1%
Full-Service Restaurants	9,800	12,650	2,850	29.1%
Individual & Family Services	5,750	8,550	2,800	48.7%
Limited-Service Eating Places	11,700	14,200	2,500	21.4%
Employment Services	4,950	7,200	2,250	45.5%
Depository Credit Intermediation	4,300	5,750	1,450	33.7%
Colleges, Universities, & Prof. Schools, Public & Private	5,050	6,500	1,450	28.7%
Other General Merchandise Stores	5,500	6,800	1,300	23.6%

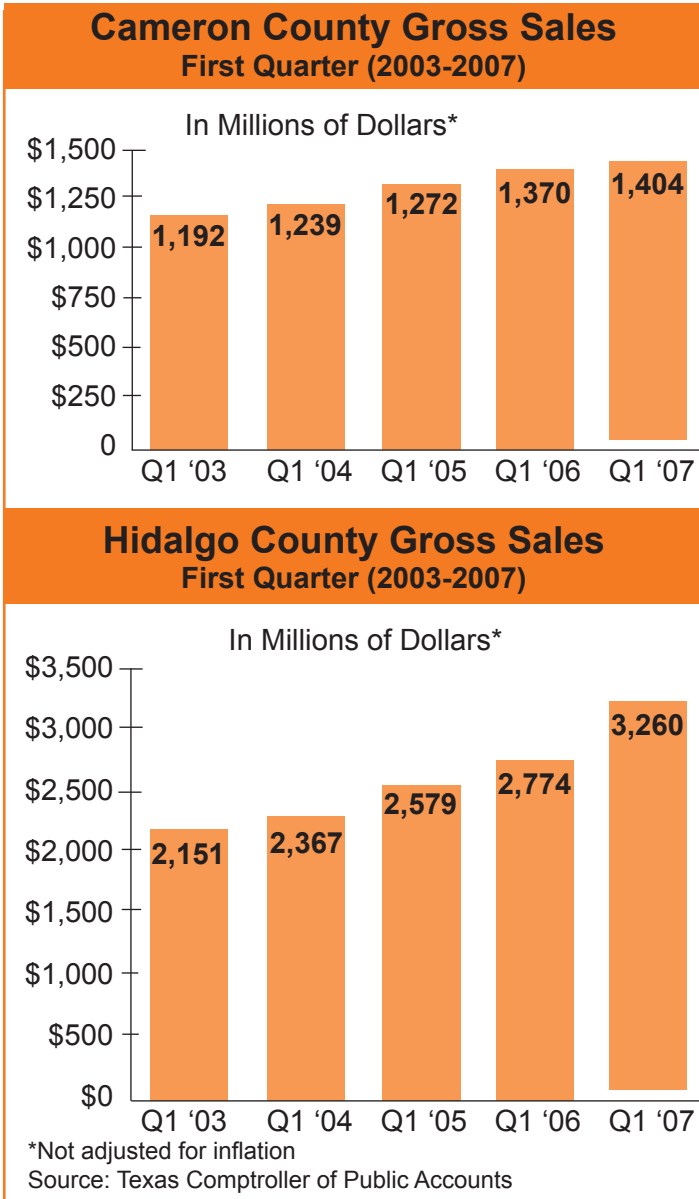
Occupations Adding the Most Jobs

	Annual Average Employment		Number Change	Percentage Change
	2004	2014		
Total, All Occupations	351,900	448,900	97,000	27.6%
Personal & Home Care Aides	18,450	27,950	9,500	51.5%
Retail Salespersons	13,200	16,850	3,650	27.7%
Home Health Aides	6,200	9,450	3,250	52.4%
Elementary School Teachers, Ex. Special Education	8,350	11,450	3,100	37.1%
Registered Nurses	6,600	9,600	3,000	45.5%
Combined Food Prep. & Serving Workers, Inc. Fast Food	9,400	11,700	2,300	24.5%
Secondary School Teachers, Ex. Spec. & Voc. Ed	5,600	7,550	1,950	34.8%
Customer Service Representatives	4,750	6,550	1,800	37.9%
Teacher Assistants	5,100	6,800	1,700	33.3%
Truck Drivers, Heavy & Tractor-Trailer	4,750	6,300	1,550	32.6%
Janitors & Cleaners, Ex. Maids & Housekeeping Cleaners	4,950	6,450	1,500	30.3%
Middle School Teachers, Ex. Spec. & Voc. Ed	4,600	6,050	1,450	31.5%

* Employment projections are for Cameron, Hidalgo, Starr and Willacy counties.
Source: Texas Workforce Commission

GROSS SALES

Overall, gross sales have increased between the first quarter of 2003 and the corresponding quarter of 2007. In Cameron County sales rose by 18 percent over that time period, while the corresponding increase amounted to 52 percent in Hidalgo County.



Relative to the first quarter of 2006, Cameron County's gross sales rose by three percent in the first quarter of 2007. The wholesale and retail trade sectors as well as accommodation and food services led the growth. Hidalgo County posted an increase of 18 percent over the same time period, a growth that was mainly fueled by utilities, construction, manufacturing, wholesale trade, retail trade, and accommodation and food services. Trade continued to dominate the economy of both counties, with retail and wholesale trade accounting for around two thirds of gross sales.

Gross Sales by County and Industry

In Millions of Dollars

Cameron County			
	Q1 '07	Q1 '06	Change
Construction	69	67	2%
Manufacturing	120	125	-3%
Wholesale Trade	149	143	5%
Retail Trade	793	756	5%
Accom./Food Serv.	106	101	6%
Other Services*	120	133	-9%
Other**	45	45	1%
All Industries***	1,404	1,370	3%

Hidalgo County			
	Q1 '07	Q1 '06	Change
Construction	238	176	35%
Manufacturing	269	228	18%
Wholesale Trade	428	259	65%
Retail Trade	1,807	1,616	12%
Accom./Food Serv.	186	170	9%
Other Services*	242	246	-2%
Other**	90	79	15%
All Industries***	3,260	2,774	18%

* The "Other Services" category includes the following sectors, each of which accounts for less than two percent of gross sales: Information; Finance and insurance; Real Estate; Professional, scientific and technical services; Management of companies and enterprises; Administrative, support, waste, management and remediation services; Educational services; Health care and social assistance; Arts, entertainment and recreation services; among others.

** The "Other" category includes the following sectors, each of which accounts for less than two percent of gross sales: Agriculture; Mining; Utilities; Transportation and warehousing; and Public administration.

*** Totals may not add up due to rounding and disclosure issues.

Source: Texas Comptroller of Public Accounts

EMPLOYMENT

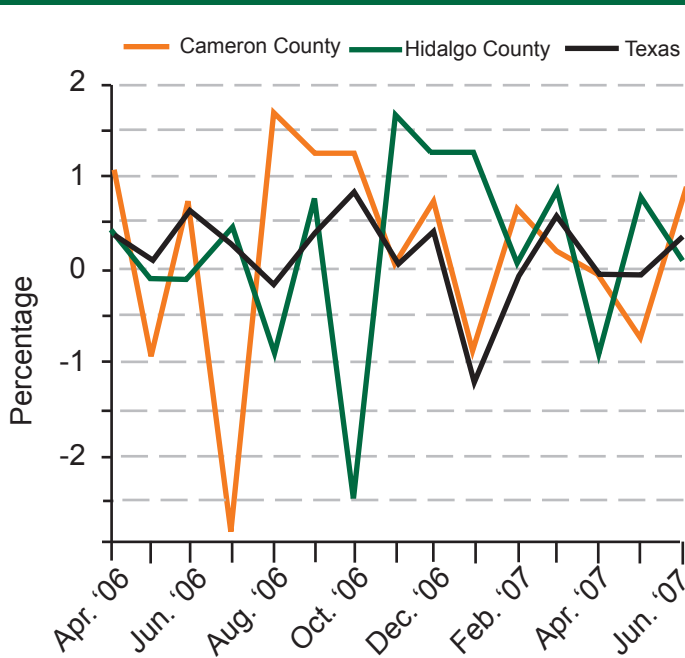
In June 2007, total employment stood at 135,829 for Cameron County and at 254,621 for Hidalgo County. This represented a 1.1 percent increase from June 2006 employment figures. The corresponding employment growth rate

Employment

	June '07	June '06	Change
Cameron County	135,829	136,334	-0.4%
Hidalgo County	254,621	249,978	1.9%
Texas	11,085,300	10,930,733	1.4%

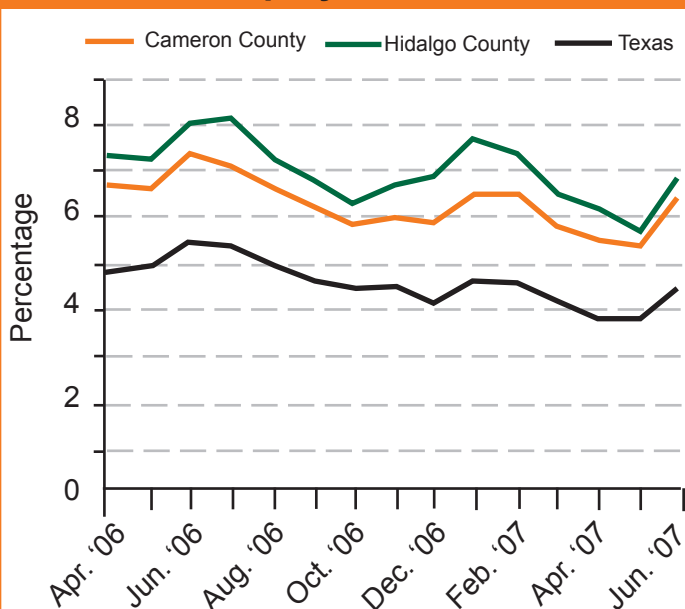
Source: Bureau of Labor Statistics

Employment Growth Rates Monthly Percentage Change



Source: Bureau of Labor Statistics

Unemployment Rates



Source: Bureau of Labor Statistics

for Texas was 1.4 percent.

By the end of the second quarter of 2007, the unemployment rate was 6.5 and 6.9 percent for Cameron and Hidalgo counties, respectively, compared to rates of 7.4 and 8.0 percent in June 2006. While such rates are higher than those reported for the state of Texas (4.6 percent in June 2007), the gap between the area's unemployment rate and those of Texas has consistently shrunk over time, from a 2.9 to 3.4 percentage point difference in June of 2003 to a 1.9 to 2.3 percentage point difference in 2007. Monthly employment growth fluctuations for Cameron County, more or less, mirrored those at the state level. However, employment growth and declines for Hidalgo County seem to be countercyclical to those of Texas during the summer months.

Population

	Jan. 2007	2015*	Projected Change
Cameron County	395,161	458,681	16%
Hidalgo County	723,433	929,120	28%
Texas	23,834,206	27,581,188	16%

*Population projections are based on the 2000-2004 migration scenario that takes into account post-2000 population trends.
Source: Texas Data Center, Office of the State Demographer

Student Enrollment at Institutions of Higher Education

	Fall 2002	Fall 2007	Change
UTB/TSC	9,974	11,376	14.1%
TSTC	4,246	5,487	29.2%
UTPA	14,392	17,435	21.1%
STC	13,695	19,809	44.6%

Source: Institutional Effectiveness Offices at respective institutions

UTB-TSC: University of Texas-Brownsville and Texas Southmost College
TSTC: Texas State Technical College
UTPA: The University of Texas-Pan American
STC: South Texas College

BANKING INDICATORS

Deposits at banks in the Valley area exhibited a general upward trend in the second quarter of 2007 relative to the same period in 2006. Deposits increased by 17 percent in Cameron County and by 26 percent in Hidalgo County. The largest increases in dollar terms were for the city of Brownsville 444 million in Cameron County and the city of Pharr 368 million in Hidalgo County.

In terms of market share, the city of Brownsville accounted for 62 percent of Cameron County's deposits, with the cities of Harlingen 24 percent and San Benito four percent rounding up the top three. Deposits at the city of McAllen's banks comprised slightly less than half of deposits in Hidalgo County 46 percent. The cities of Edinburg 13 percent and Pharr 12 percent ranked second and third, respectively, in terms of the size of their deposits.

Bank Deposits Cameron County

In Millions of Dollars

City	Q2 '07	Q2 '06	Change
Brownsville	\$2,390	\$1,946	22.8%
Harlingen	\$913	\$827	10.4%
San Benito	\$141	\$189	-25.2%
County Total**	\$3,864	\$3,316	16.6%

Bank Deposits Hidago County

In Millions of Dollars

City	Q2 '07	Q2 '06	Change
McAllen	\$3,426	\$2,975	15.2%
Edinburg	\$985	\$624	58.0%
Pharr	\$867	\$499	73.7%
County Total**	\$7,397	\$6,139	20.5%

* In rare instances, some financial institutions may make public only the last monthly deposit reported to the FDIC. Also, some financial institutions may attribute total monthly deposits for each branch to the main bank.

** County Total includes bank deposits in all cities within a county.

Source: Rio Grande Valley Partnership

BUILDING PERMITS

Residential construction activity in the Lower Rio Grande Valley decreased between the second quarter of 2006 and 2007. In Cameron and Hidalgo counties, the number of permits issued decreased by 38.6 and 24.4 percent, respectively. By the end of the second quarter, the dollar valuation of authorized housing units decreased by 26.5 percent in Cameron County and 10.1 percent in Hidalgo County compared to the same period of 2006.

New Privately Owned Housing Units Authorized by County

Number of Units

County	Q2 '07	Q2 '06	Change
Cameron	509	829	-38.6%
Hidalgo	1,739	2,301	-24.4%
	YTD '07*	YTD '06*	
Cameron	1,001	1,886	-46.9%
Hidalgo	3,397	4,642	-26.8%

Valuation (in thousands of dollars)

County	Q2 '07	Q2 '06	Change
Cameron	\$51,202	\$69,683	-26.5%
Hidalgo	\$227,900	\$253,435	-10.1%
	YTD '07*	YTD '06*	
Cameron	\$97,544	\$133,535	-27.0%
Hidalgo	\$414,503	\$483,282	-14.2%

Source: U.S. Census Bureau, Construction Statistics

* Year-to-date data include any late reports or corrections from prior months. Summing the published monthly data will not generate the same estimate that is published for year-to-date.

Housing Affordability (Q2 '07)

MLS Area	Median House Price	HAI*
Brownsville	\$128,500	0.96
Harlingen	\$78,900	1.56
McAllen	\$108,600	1.04
Texas	\$150,500	1.43
USA	\$227,133	1.04

*The Housing Affordability Index is the ratio of median family income to the income required to qualify for an 80 percent, fixed rate mortgage to purchase the median-priced home. The higher the ratio, the more affordable housing is. The MLS Area represents the local Realtors® association's geographical coverage area.

Source: Real Estate Center at Texas A&M University

TRANSPORTATION

Airports – Passenger Statistics*

	Q2 '07	Q2 '06	Change
Brownsville	47,229	46,390	1.8%
Harlingen	230,609	221,879	3.9%
McAllen	217,856	204,973	6.3%
Laredo	57,896	47,095	22.9%
El Paso	899,452	892,114	0.8%

*Passenger statistics includes both enplaned and deplaned values.

Source: Respective Airports

Land Ports of Entry – Border Crossings

Southbound Traffic

	Q2 '07	Q2 '06	Change
Trucks			
Rio Grande Valley*	186,587	182,037	2.5%
El Paso**	85,715	81,400	5.3%
Laredo	397,816	420,609	-5.4%
Rail			
Rio Grande Valley*	11,987	13,441	-10.8%
El Paso	-	-	-
Laredo	58,114	59,444	-2.2%
Vehicles			
Rio Grande Valley*	3,140,780	3,341,732	-6.0%
El Paso**	1,095,224	1,211,169	-9.6%
Laredo	1,456,867	1,508,601	-3.4%
Pedestrians			
Rio Grande Valley*	1,193,840	1,183,836	0.8%
El Paso**	1,428,446	1,274,150	12.1%
Laredo	962,495	1,017,430	-5.4%

Northbound Traffic

	Q2 '07	Q2 '06	Change
Trucks			
Rio Grande Valley*	195,410	189,485	3.1%
El Paso	203,155	196,565	3.4%
Laredo	399,758	380,331	5.1%
Rail			
Rio Grande Valley*	1,784	1,413	26.3%
El Paso	34,946	28,543	22.4%
Laredo	45,843	47,330	-3.1%
Vehicles			
Rio Grande Valley*	3,586,351	3,631,211	-1.2%
El Paso	3,527,139	4,011,472	-12.1%
Laredo	1,372,267	1,506,148	-8.9%
Pedestrians			
Rio Grande Valley*	1,553,548	1,478,539	5.1%
El Paso	2,041,731	1,793,884	13.8%
Laredo	1,117,475	1,107,229	0.9%

*Rio Grande Valley includes land ports of entry in Cameron and Hidalgo counties.

**El Paso has four international bridges. However, southbound data is collected for only two bridges since *Paso del Norte* is strictly northbound and Bridge of the Americas is a toll-free bridge. Thus, no official count for southbound traffic is available for Bridge of the Americas.

Source: U.S. Customs and Border Protection for northbound traffic; bridge operators for southbound traffic

EXPORT/IMPORT ACTIVITY

Export and import trade activity through the ports of Cameron and Hidalgo counties increased in the second quarter of 2007 compared with the same quarter in 2006. Exports to Mexico through the two counties' ports rose by almost eight percent compared to around four percent

through all Texas ports. Imports from Mexico increased by 9.4 percent through the two counties versus a 10.5 percent increase at the state level. Overall, the ports of Cameron and Hidalgo counties account for around 17 percent of Texas trade activity with Mexico.

Total U.S. Export Trade Activity Through Cameron and Hidalgo County Ports*

	In Millions of Dollars				
	Q2 '07	% of TX Export Trade Activity	Q2 '06	% of TX Export Trade Activity	Change
Brownsville	2,040	8.8%	1,847	8.2%	10.5%
Hidalgo	2,219	9.5%	2,108	9.4%	5.3%
Progreso	47	0.2%	37	0.2%	25.8%
Two County Total	4,306	18.5%	3,992	17.8%	7.9%
Texas Total	23,286		22,414		3.9%

Total U.S. Import Trade Activity Through Cameron and Hidalgo County Ports*

	In Millions of Dollars				
	Q2 '07	% of TX Import Trade Activity	Q2 '06	% of TX Import Trade Activity	Change
Brownsville	1,656	5.2%	1,576	5.4%	5.1%
Hidalgo	3,539	11.0%	3,172	10.9%	11.6%
Progreso	14	0.0%	14	0.0%	-3.1%
Two County Total	5,210	16.2%	4,762	16.4%	9.4%
Texas Total	32,160		29,113		10.5%

*Total export (import) trade activity through the Texas-Mexico border has two components: exports to (imports from) Mexico and exports whose final destination (country of origin) is a country other than Mexico (transshipment). The total export (import) trade activity figure, however, can be used interchangeably with exports to (imports from) Mexico, since the latter figure constitutes more than 95 percent of the total.

**Totals may not add up due to rounding.

Source: Texas Centers for Border Economic and Enterprise Development, Texas A&M International University, The University of Texas-Pan American and The University of Texas-EI Paso

Hotels

	Cameron County			Hidalgo County		
	Q2 '07	Q2 '06	Change	Q2 '07	Q2 '06	Change
Revenues (\$000)	\$37,051	\$36,139	2.5%	\$23,867	\$20,360	17.2%
Room nights available (000)	735.5	733.5	0.3%	600.0	566.2	6.0%
Occupancy Rate (%)	56.8	58.2	-2.4%	55.8	53.7	3.9%

Source: Texas Tourism



Border Business Briefs

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Dr. Cynthia J. Brown, Interim Vice Provost for Graduate Studies and Academic Centers
Dr. Suad Ghaddar, Research Associate, CBEST
Purvi Bhakta, Research Assistant, CBEST
Arnoldo Mata, Graphics/Layout

Center for Border Economic Studies,
 The University of Texas Pan American,
 1201 W. University Drive, Edinburg, TX 78539
 Phone: 956/381 3661
 Web site: www.utpa.edu/cbest

Largest Private Sector Employers

Employer Reported - June 2007

Cameron County

Abundant Life Home Health Inc.
 Bee First Primary Home Care
 Caring for You Home Health Inc.
 H-E-B Grocery Co.
 Keppel Amfels Inc.
 SSP Holdings Limited Partnership
 Texas Visiting Nurse Service Ltd.
 Valley Baptist Medical Center
 Vicki Roy Home Health Service LP
 Wal-Mart Associates Inc.

Hidalgo County

Apex Primary Care
 Convergys Customer Management Group
 Doctors Hospital at Renaissance
 Health Care Unlimited Inc.
 H-E-B Grocery Co.
 IPH Primary Home Care Inc.
 McAllen Hospitals LP
 Texas Visiting Nurse Service Ltd.
 VIP Providers Inc.
 Wal-Mart Associates Inc.

Source: Texas Workforce Commission

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