



Economic Development

The South Texas region occupies a diverse landscape including beaches, ports, ranches and vibrant cities. Its diverse scenery is reflected in its economy. The region is home to an assortment of industries that make South Texas not only unique but also competitive.

Despite the waning importance of manufacturing in most parts of the U.S., several manufacturing industries have been able to retain jobs in the region. This is particularly true in the food-processing sector, whose products benefit from strong consumer demand in the region.

The region's geographic proximity to Mexico makes industries allied with international

trade extremely important. Its transportation sector, particularly truck transportation, is an engine of local economic growth as well as a lifeline to the national economy. Service industries, particularly education and health care services, also are important.

The sections that follow look at the state of the South Texas regional economy, including its structure and the competitive advantages it enjoys.

Economic Trends

Exhibit 2 displays the estimated increase in employment expected for South Texas, its urban and rural areas and the state of Texas as a whole from 2002 to 2012. These expected changes are presented in the form of growth indices using 2002 as the base year, with an index equal to 100.

The MSAs of McAllen-Edinburg-Mission and Laredo are expected to experience the highest job growth rates.

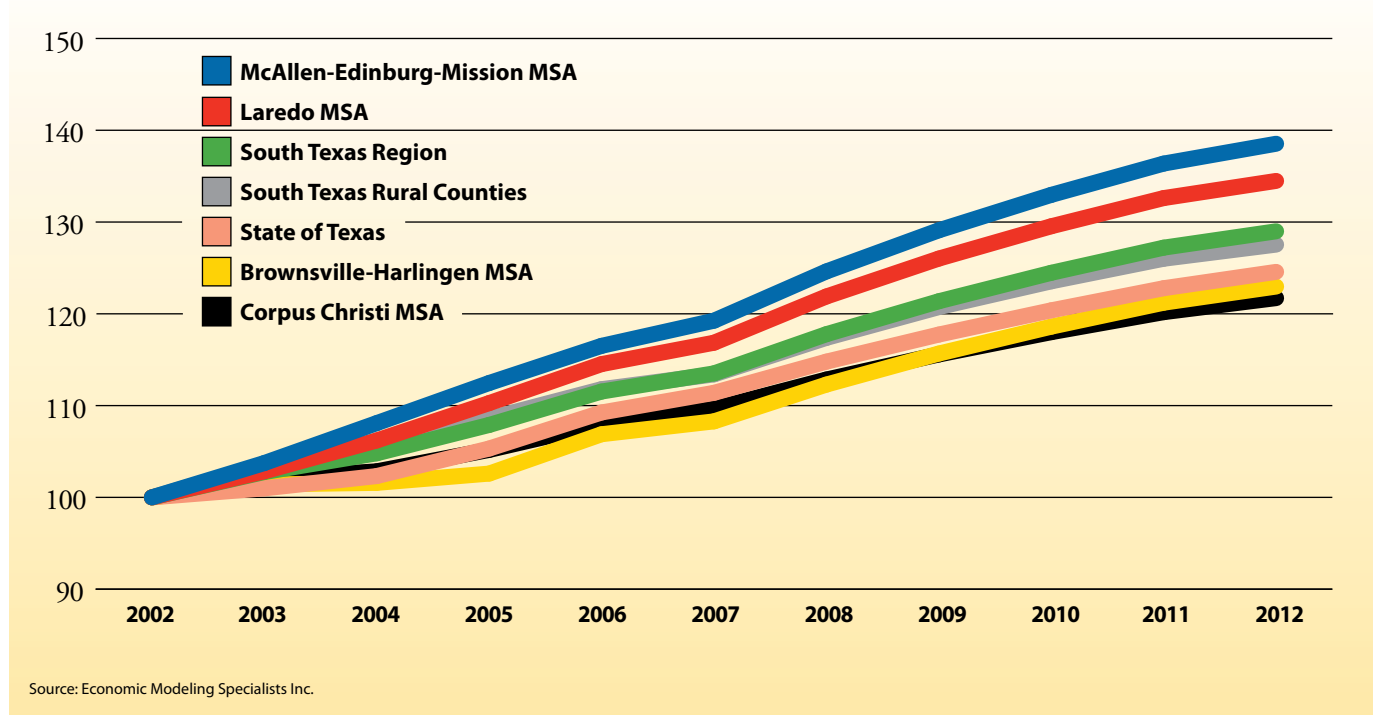


Bayfront Convention Center in Corpus Christi

PHOTO: Broken Piggy Bank

Exhibit 2

South Texas Region Employment Indices, 2002-2012



The metropolitan statistical areas of McAllen-Edinburg-Mission and Laredo are expected to experience the highest job growth rates. From 2002 to 2012, employment is projected to grow by 38.5 percent and 34.5 percent for the McAllen-Edinburg-Mission and Laredo MSAs, respectively. For the South Texas region as a whole, the projected employment growth rate is estimated at about 29 percent, higher than the projected state growth rate of about 25 percent.

Some areas in South Texas are expected to grow at a slower rate than the state average. Corpus Christi MSA employment is expected to grow at a rate of 21.7 percent over the 11-year period. The Brownsville-Harlingen MSA is expected to increase its employment by 23.0 percent, while the region's rural

counties should boost employment by 27.5 percent.

Exhibit 3 provides a more detailed picture of projected employment growth in the South Texas region. This exhibit displays growth indices, again with 2002 as the base year with an index value of 100, for various industries in the region. Employment numbers for these industries are presented at the 11-industry “supersector” level of the North American Industry Classification System (NAICS).¹

A supersector, which is identified by a two digit NAICS code, represents an aggregation of industries producing a set of related goods and services. At the most aggregate level, industries are classified into either goods producing or service producing supersectors. The goods producing supersector is

The educational and health services sector is expected to experience the most significant employment growth from 2002 to 2012.



composed of three supersectors pertaining to natural resources and mining, construction, and manufacturing. The service producing supersector, on the other hand, is comprised of eight supersectors that provide services ranging from trade, transportation, utilities, to information, finance, education, health, and government.

The educational and health services sector is expected to experience the most significant employment growth from 2002 to 2012, with a final index value of 152.7, representing a 52.7 percent employment increase over the 11-year time period.

Other industry sectors expected to experience significant employment growth include financial activities and professional and

Naval Air Station Test Cell

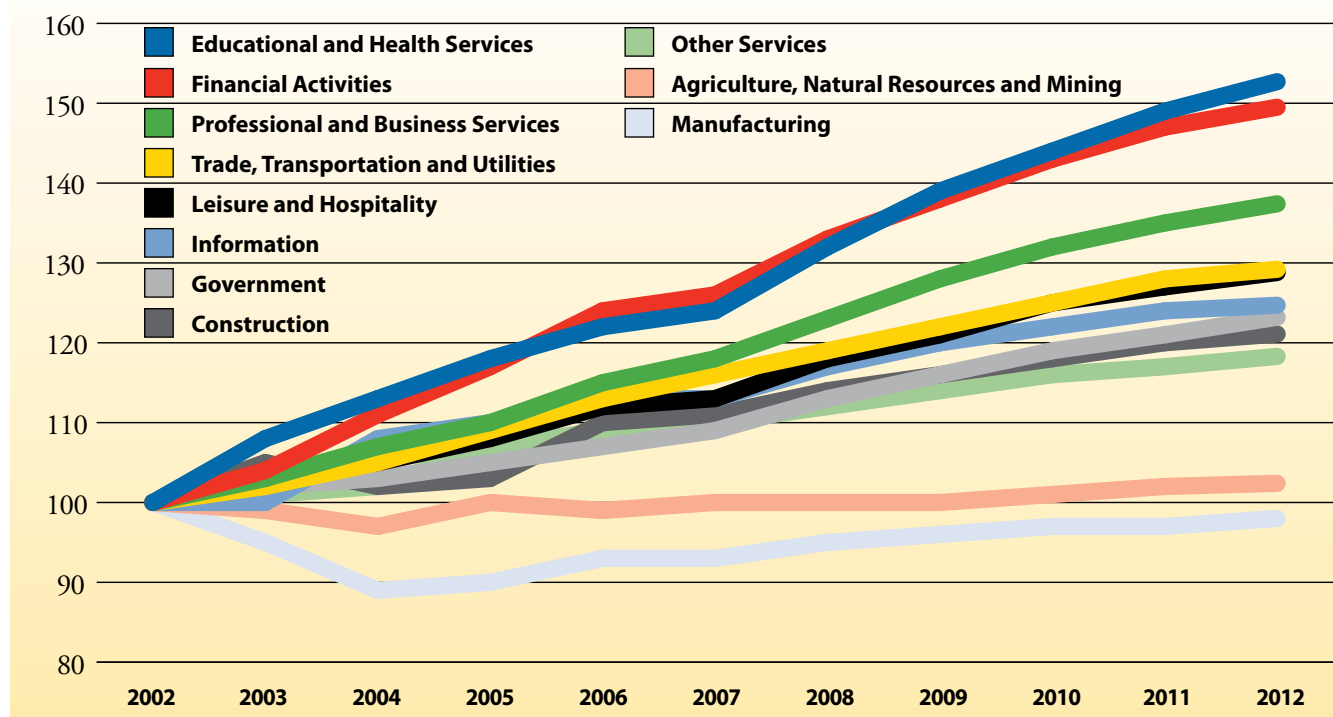
At this writing, the federal government is set to begin construction on an engine test cell facility at the Naval Air Station in Kingsville. The new facility will provide state-of-the-art testing capabilities for F405 engines, which are used on the T-45 aircraft used by student pilots.

The \$12.7 million dollar construction contract, awarded by the Department of Defense, includes several technological improvements. A prefabricated run room constructed using acoustical paneling, primary and secondary air inlets and an exhaust augments will be built into the facility. About 50 to 75 new jobs will be created during the construction phase.

According to the base's Chief of Naval Air Training, Lt. Sean Roberston, the current test cell, built in the 1980s, is outdated and suffering from considerable wear and corrosion. Construction of the new test cell facility will be finished in early 2010.

Exhibit 3

South Texas Region Employment by Industry Sector, 2002-2012



Source: Economic Modeling Specialists Inc.



business services, which are expected to post growth rates of 49.5 percent and 37.4 percent, respectively. Other regional industries expected to realize positive job growth rates by 2012 include the “other services” sector (18.3 percent) and the trade, transportation and utilities sector (29.2 percent).²

In contrast to this relatively robust growth, the agriculture, natural resources and mining sector is expected to grow jobs at a rate of just 2.4 percent over the study period. The only supersector expected to shed jobs is manufacturing, projected to lose about 2 percent of its jobs.

Economic Structure

All job growth depends upon the region’s economic structure. That structure comprises multiple characteristics, including natural resources, labor force characteristics and the composition and concentration of the region’s industries. This latter characteristic, which is alternatively referred to as clustering, is particularly important since industry clusters allow firms within the cluster to have access to more suppliers, skilled laborers, and

the transfer of knowledge and information.³ These beneficial consequences that result from high industry concentrations give a region its competitive edge.⁴

One tool that can be used to identify industry concentration is the “location quotient.” An industry’s location quotient simply compares the share of a region’s economy attributable to an industry to the share that the same industry accounts for in the nation’s economy.

In essence, the share an industry accounts for in the national economy is seen as the “norm” for that industry, so comparing that norm with the share for a regional economy indicates whether that region tends to have “a lot” or “a little” of a particular industry.

Typically, a region will contain “a lot” of industries for which it has some natural or developed competitive advantage, based for instance on a local abundance of a particular resource, climate, an advantageous natural feature (such as proximity to a port, for instance), labor skills or some other factor.

A location quotient greater than one signifies that the region has a high concentration of employment in the industry compared to the same industry at the national level. This means that the region is “specialized” in that particular industry.

A location quotient of less than one indicates that the region’s concentration in the industry under consideration is less than that of the same industry at the national level. In essence, the region is less specialized in that given industry.

Exhibit 4 lists the Top 50 industries in the South Texas region with the largest location quotients, based on 2007 employment. These industries are grouped based on

Beeville: Main Street City

The Texas Historical Commission designated Beeville as a Texas Main Street City in 2006.⁵ In 2008, the National Trust for Historic Preservation tapped Beeville as a National Main Street City.⁶ This designation is based on basic performance standards that provide a benchmark for revitalization of the commercial district. The Texas Main Street Program has assisted more than 140 Texas cities and resulted in more than \$1.3 billion in downtown revitalization. The national program is designed to reward and recognize preservation and economic development strategies that assist cities in revitalizing their historic downtowns and commercial districts.



Exhibit 4

South Texas Largest Industry Location Quotients, 2007

Agriculture, Natural Resources and Mining

NAICS Code	Description	2007 Jobs	2007 LQ
21311	Support activities for mining	13,491	8.39
21229	Other metal ore mining	156	5.79
11421	Hunting and trapping	386	4.26
21111	Oil and gas extraction	5,856	2.89
11511	Support activities for crop production	8,037	2.84
11411	Fishing	1,306	2.63

Construction

NAICS Code	Description	2007 Jobs	2007 LQ
23621	Industrial building construction	5,665	5.17
23819	Other building exterior contractors	2,043	5.08
23712	Oil and gas pipeline construction	1,375	2.68
23799	Other heavy construction	2,000	2.10

Manufacturing

NAICS Code	Description	2007 Jobs	2007 LQ
31621	Footwear manufacturing	1,047	11.12
32411	Petroleum refineries	2,688	7.02
31183	Tortilla manufacturing	605	6.27
31121	Flour milling and malt manufacturing	393	4.09
33661	Ship and boat building	2,930	3.49
31131	Sugar manufacturing	227	3.15
31171	Seafood product preparation and packaging	620	2.78
32552	Adhesive manufacturing	267	2.11
32791	Abrasive product manufacturing	130	2.11

Trade, Transportation and Utilities

NAICS Code	Description	2007 Jobs	2007 LQ
48851	Freight transportation arrangement	7,906	7.52
48833	Navigational services to shipping	535	4.44
48819	Other support activities for air transport	2,273	4.39
48839	Other support activities for water transport	190	3.44
48521	Interurban and rural bus transportation	377	3.26
49312	Refrigerated warehousing and storage	789	2.91
42472	Other petroleum merchant wholesalers	1,104	2.89



The South Texas footwear manufacturing industry has 11 times more workers than the same industry at the national level.

Exhibit 4 (cont.)

South Texas Largest Industry Location Quotients, 2007

NAICS Code	Description	2007 Jobs	2007 LQ
48412	General freight trucking, long-distance	15,368	2.53
49313	Farm product warehousing and storage	136	2.48
42448	Fruit and vegetable merchant wholesalers	1,069	2.42
42471	Petroleum bulk stations and terminals	408	2.26
44521	Meat markets	613	2.14
44523	Fruit and vegetable markets	589	2.12
22131	Water supply and irrigation systems	430	2.10
44711	Gasoline stations with convenience stores	7,898	1.91
44131	Automotive parts and accessories stores	3,582	1.89
44112	Used car dealers	2,591	1.87
42481	Beer and ale merchant wholesalers	919	1.86

Financial Activities

NAICS Code	Description	2007 Jobs	2007 LQ
52592	Trusts, estates, and agency accounts	876	4.88
52591	Open-end investment funds	1,002	2.95
52313	Commodity contracts dealing	225	2.47
53241	Heavy machinery rental and leasing	1,361	2.31
53242	Office equipment rental and leasing	212	2.16

Professional and Business Services

NAICS Code	Description	2007 Jobs	2007 LQ
56142	Telephone call centers	6,484	2.96
56121	Facilities support services	1,644	1.84

Educational and Health Services

NAICS Code	Description	2007 Jobs	2007 LQ
62161	Home health care services	52,470	8.50
61141	Business and secretarial schools	313	3.14
62412	Services for the elderly and disabled	9,365	2.76
62191	Ambulance services	2,277	2.44

Leisure and Hospitality

NAICS Code	Description	2007 Jobs	2007 LQ
72121	RV parks and recreational camps	758	1.98
71312	Amusement arcades	204	1.83

Source: Economic Modeling Specialists Inc.



their respective NAICS supersectors and are ranked from the highest to lowest location quotient for each supersector.⁷

The location quotients for these 50 industries ranged in value from 1.83 for amusement arcades to 11.12 for the footwear manufacturing industry. In the case of amusement arcades, the level of employment in this South Texas industry is 83 percent more than its national counterpart. On the other hand, the South Texas footwear manufacturing industry has 11 times more workers than the same industry at the national level.

Most Competitive Industries

While location quotients provide important information on regional industry concentrations, the portrait they paint is only

a snapshot, a static measure for a particular point in time. To assess the competitive resilience of a regional industry, a more dynamic measure is needed. One such measure is “shift-share analysis.”

In this analysis, the change in an industry’s presence in a region is divided into three components: the portion attributable to the overall growth or decline in the nation’s economy (the national growth effect); that attributable to the industry’s national level growth or decline above or below the national growth trend (the industry mix effect); and that attributable to the region’s competitiveness as a site for the industry (the regional competitiveness effect).

Exhibit 5 lists the 50 most competitive industries in South Texas, based on shift-share analysis. The industries are ranked based

The home health care services industry posted the largest gain in employment between 2002 and 2007, with 15,319 jobs created.

Ranching in South Texas

Livestock ranches in the South Texas region are a big reason why Texas leads the nation in the number of cattle and calves.⁸ According to data from the United States Department of Agriculture National Agriculture Statistics Service, there were 9,464 ranches of cattle and calves, sheep, and lambs in the region in 2002. Some ranches that have cattle and sheep may be counted twice, and individuals who have one head of cattle (or one sheep or lamb) may also be counted as a ranch. Currently, the region’s ranches are home to 67,000 Angora goats, 943,000 head of cattle, 211,300 goats, and 145,200 head of sheep and lambs.

Ranching has always been an integral part of the South Texas culture and economy. Some of the state’s largest ranches are located in the region. And though these ranches and their culture have long histories, at least one ranch has been at the forefront of innovation in cattle breeding.

Richard King and Gideon K. Lewis founded the King Ranch in 1852 on Santa Gertrudis Creek.⁹ According to the King Ranch Web site, “The founders and management of the King Ranch have always had the vision of developing hardy, heat tolerant breeds of cattle that could also produce beef of superior quality.” To that end, the ranch developed two breeds of cattle, the Santa Gertrudis and the Santa Cruz.

The Santa Gertrudis, the first beef breed developed in the U.S., as recognized by the U.S. Department of Agriculture in 1940, was also the first new breed developed worldwide in more than 100 years. Today, the breed is recognized for its ability to thrive in hot climates all over the world.

More recently, the ranch developed the Santa Cruz breed, which can withstand the harsh South Texas climate while providing a better-marbled, more tender cut of beef.

Exhibit 5

Most Competitive Industries in South Texas, 2007**Construction**

Rank	NAICS Code	Description	Nat Growth Effect	Ind Mix Effect	Competitive Effect	Job Change 2002-2007
16	23819	Other building exterior contractors	63	387	821	1,272
37	23712	Oil and gas pipeline construction	68	86	387	542
42	23713	Power and communication system construction	34	25	409	469

Manufacturing

Rank	NAICS Code	Description	Nat Growth Effect	Ind Mix Effect	Competitive Effect	Job Change 2002-2007
27	31621	Footwear manufacturing	18	(58)	873	834
44	33531	Electrical equipment manufacturing	52	(108)	504	447
50	33999	All other miscellaneous manufacturing	43	(63)	379	359

Trade, Transportation and Utilities

Rank	NAICS Code	Description	Nat Growth Effect	Ind Mix Effect	Competitive Effect	Job Change 2002-2007
3	48412	General freight trucking, long-distance	920	461	2,788	4,170
6	45211	Department stores	621	(1,071)	4,295	3,845
13	44711	Gasoline stations with convenience stores	520	(619)	1,672	1,572
15	44814	Family clothing stores	262	400	717	1,379
17	44411	Home centers	154	302	807	1,262
22	48411	General freight trucking, local	232	99	765	1,096
26	48819	Other support activities for air transport.	114	209	558	881
28	44611	Pharmacies and drug stores	204	(59)	628	773
29	44111	New car dealers	492	(617)	859	734
33	44131	Automotive parts and accessories stores	244	(210)	573	607
34	44511	Supermarkets and other grocery stores	1,207	(1,251)	647	603
36	45299	All other general merchandise stores	140	(30)	464	575
40	48422	Other specialized trucking, local	110	8	363	481
41	48833	Navigational services to shipping	5	(5)	476	477
43	42433	Women's and children's clothing merchant wholesalers	16	10	427	452



Exhibit 5 (cont.)

Most Competitive Industries in South Texas, 2007

Rank	NAICS Code	Description	Nat Growth Effect	Ind Mix Effect	Competitive Effect	Job Change 2002-2007
46	42383	Industrial machinery merchant wholesalers	145	(141)	401	405
47	44619	Other health and personal care stores	47	(31)	362	379
49	44811	Men's clothing stores	17	(8)	359	369

Information

Rank	NAICS Code	Description	Nat Growth Effect	Ind Mix Effect	Competitive Effect	Job Change 2002-2007
20	51721	Wireless telecommunications carriers	84	5	1,047	1,136
45	51511	Radio broadcasting	35	(13)	384	407

Financial Activities

Rank	NAICS Code	Description	Nat Growth Effect	Ind Mix Effect	Competitive Effect	Job Change 2002-2007
7	52211	Commercial banking	643	(182)	2,485	2,947

Professional and Business Services

Rank	NAICS Code	Description	Nat Growth Effect	Ind Mix Effect	Competitive Effect	Job Change 2002-2007
12	56132	Temporary help services	593	704	524	1,821
21	54161	Management consulting services	208	330	588	1,126
24	54121	Accounting and bookkeeping services	368	35	591	994
35	56133	Professional employer organizations	20	(44)	613	589

Education and Health Services

Rank	NAICS Code	Description	Nat Growth Effect	Ind Mix Effect	Competitive Effect	Job Change 2002-2007
1	62161	Home health care services	3,051	9,593	2,674	15,319
4	62412	Services for the elderly and disabled	440	2,047	1,517	4,005
9	62111	Offices of physicians	1,094	179	984	2,258
10	62211	General medical and surgical hospitals	1,695	(227)	583	2,051
14	62331	Community care facilities for the elderly	107	173	1,123	1,403
18	62441	Child day care services	882	(485)	839	1,235
23	62311	Nursing care facilities	548	(472)	1,002	1,078
25	62134	Offices of specialty therapists	130	341	519	990
30	62191	Ambulance services	127	165	440	731
32	61151	Technical and trade schools	41	60	580	681

Exhibit 5 (cont.)

Most Competitive Industries in South Texas, 2007

Rank	NAICS Code	Description	Nat Growth Effect	Ind Mix Effect	Competitive Effect	Job Change 2002-2007
38	62231	Other hospitals	36	53	435	524

Leisure and Hospitality

Rank	NAICS Code	Description	Nat Growth Effect	Ind Mix Effect	Competitive Effect	Job Change 2002-2007
5	72221	Limited-service eating places	2,118	1,490	395	4,004
19	72231	Food service contractors	181	100	856	1,137
39	71131	Promoters with facilities	13	35	461	509

Other Services

Rank	NAICS Code	Description	Nat Growth Effect	Ind Mix Effect	Competitive Effect	Job Change 2002-2007
8	81411	Private households	607	1,641	652	2,899
48	81121	Electronic equipment repair and maintenance	47	(27)	356	376

Government

Rank	NAICS Code	Description	Nat Growth Effect	Ind Mix Effect	Competitive Effect	Job Change 2002-2007
2	93000	Local government	9,496	(1,786)	4,185	11,895
11	91100	Federal government, civilian, except postal service	1,228	(278)	1,025	1,975
31	91200	Federal government, military	1,015	(1,250)	942	707

Source: Economic Modeling Specialists Inc.

on their change in employment between 2002 and 2007, and grouped based on their respective NAICS supersectors.

The home health care services industry posted the largest gain in employment between 2002 and 2007, with 15,319 jobs created. Based on the shift-share analysis, about 63 percent of this increase in employment (9,593 jobs) is attributable to the industry mix effect; in essence, this means that the national home health care services industry grew at a faster rate than did the national economy between 2002 and 2007.

Another industry that posted significant gains in South Texas employment is local government. From 2002 to 2007, this sector increased its employment in the region by 11,895. Roughly 61 percent of this change in employment was influenced by growth trends in the national economy.

Industries comprising the region's construction, manufacturing, and trade, transportation and utilities supersectors experienced job growth largely by virtue of the regional competitiveness effect. In the case of the industries comprising the region's construction



and transportation sectors, the competitive effect and the industry mix effect both played major roles; individual growth rates for these industries were larger than national growth trends for the same time period.¹⁰

Good Jobs for the Future

Shift-share analysis identified the region's most competitive industries — those that possess the best probabilities for increased employment opportunities. What types of occupations can South Texans expect to find within these industries?

Exhibit 6 presents a list of “good jobs” for the future in South Texas. The exhibit presents occupation information by grouping occupations based on their educational requirements.

Occupations requiring doctoral and professional degrees command the highest median annual earnings, with a weighted average of \$117,363 for the region. Occupations requiring educational levels ranging from associate to master's degrees are expected to provide median annual earnings of about

\$20,000 more than occupations requiring only various forms of “on-the-job-training.”

For the purpose of this analysis, a “good job” is one for which the weighted average (using total job openings as a weight) of median annual earnings exceeds \$29,243. This yields 140 occupations for the South Texas region.

It should be noted that many occupations that meet the “good jobs” definition do not require a bachelor's degree. There are a number of occupations which entail related work experience, “on-the-job-training”, or postsecondary vocational awards that provide good wages. For example, aircraft mechanics and service technicians, who typically have postsecondary vocational training, earn a median annual income of approximately \$44,000. Occupations that entail long-term on-the-job-training, such as telecommunications equipment installers and repairers, could earn a median annual income of roughly \$49,000. Other occupations that could earn similar annual wages, such as wholesale and manufacturing

(continued on page 23)

There are 140 occupations in South Texas that pay at least \$29,000 in annual income.

Economic Development in Alice, Texas

According to the executive director of the Alice/Jim Wells County Economic Development Corporation, the city of Alice and Jim Wells County are experiencing expansion in several area industries. Due to the rising global demand for and skyrocketing prices of oil and natural gas, several new companies have begun operations in town, including Trend Services (an equipment rental company) Carbo Ceramics (a ceramic parts manufacturer) and CC Forbes (an oil and gas operator).

Several existing businesses have expanded and in some cases built additional facilities including Petron (an oil and gas manufacturer and supplier), Montez Electric and Dixie Ironworks. In addition, two new hotels are under construction, as are a new restaurant, a sporting goods store and a woman's apparel store. A biomedical research facility recently completed in Jim Wells County has added 52 new jobs and increased personal income in the South Texas region by \$2.1 million.

Exhibit 6

“Good Jobs” in the South Texas Region, 2007-2012

Doctoral and First Professional Degrees	2007 Jobs	2012 Jobs	Total Job Openings	Growth	Replacement	Median Annual Earnings
Physicians and surgeons	3,429	3,927	678	498	180	\$165,904
Dentists, general	273	312	62	39	23	129,648
Pharmacists	1,228	1,504	382	276	106	111,856
Lawyers	2,619	2,971	489	352	137	76,168
Optometrists	172	214	51	42	9	63,835
Clinical, counseling, and school psychologists	501	607	122	106	16	46,095
Weighted Average Annual Earnings						\$117,363

Master's degree	2007 Jobs	2012 Jobs	Total Job Openings	Growth	Replacement	Median Annual Earnings
Geoscientists, except hydrologists and geographers	379	429	95	50	45	\$106,073
Physical therapists	927	1,154	273	227	46	80,152
Occupational therapists	486	597	141	111	30	74,748
Speech-language pathologists	937	1,110	254	173	81	58,068
Counselors, all other	566	654	138	88	50	54,550
Instructional coordinators	1,092	1,338	318	246	72	53,838
Educational, vocational, and school counselors	2,353	2,704	573	351	222	52,225
Environmental scientists and specialists, including health	358	406	90	48	42	52,176
Librarians	1,064	1,183	263	119	144	47,092
Mental health counselors	234	275	57	41	16	38,012
Mental health and substance abuse social workers	271	315	67	44	23	32,440
Weighted Average Annual Earnings						\$58,723

Degree plus Work Experience	2007 Jobs	2012 Jobs	Total Job Openings	Growth	Replacement	Median Annual Earnings
Chief executives	5,473	6,346	983	873	110	\$109,867
Marketing managers	408	463	82	55	27	98,519
Engineering managers	304	335	60	31	29	96,327
Computer and information systems managers	447	506	91	59	32	80,271



Exhibit 6 (cont.)

“Good Jobs” in the South Texas Region, 2007-2012

Degree plus Work Experience	2007 Jobs	2012 Jobs	Total Job Openings	Growth	Replacement	Median Annual Earnings
Sales managers	913	1,023	192	110	82	74,078
Financial managers	1,801	2,105	387	304	83	72,549
Medical and health services managers	1,568	1,870	404	302	102	71,350
General and operations managers	11,124	11,987	2,107	863	1,244	68,193
Education administrators, elementary and secondary school	2,062	2,368	560	306	254	66,487
Administrative services managers	1,176	1,333	310	157	153	65,141
Judges, magistrate judges, and magistrates	263	302	64	39	25	56,056
Management analysts	2,456	2,818	451	362	89	53,410
Vocational education teachers, middle school	367	385	67	18	49	48,182
Vocational education teachers, secondary school	957	1,078	285	121	164	47,262
Producers and directors	264	310	71	46	25	40,726
Weighted Average Annual Earnings						\$73,383

Bachelor's Degree	2007 Jobs	2012 Jobs	Total Job Openings	Growth	Replacement	Median Annual Earnings
Health diagnosing and treating practitioners, all other	323	388	78	65	13	\$109,751
Petroleum engineers	226	251	53	25	28	107,285
Physician assistants	390	483	119	93	26	90,172
Mechanical engineers	302	333	60	31	29	77,152
Computer software engineers, systems software	357	419	82	62	20	71,684
Computer software engineers, applications	294	362	83	68	15	70,875
Industrial engineers	244	297	82	53	29	\$66,281
Civil engineers	860	948	175	88	87	62,286
Network systems and data communications analysts	435	548	142	113	29	59,070
Financial analysts	772	985	221	213	8	58,352
Business operation specialists, all other	3,413	3,953	717	540	177	55,595

Exhibit 6 (cont.)

“Good Jobs” in the South Texas Region, 2007-2012

Bachelor's Degree	2007 Jobs	2012 Jobs	Total Job Openings	Growth	Replacement	Median Annual Earnings
Adult literacy, remedial education, and GED teachers and instructors	808	978	192	170	22	54,961
Computer systems analysts	866	1,025	261	159	102	54,169
Loan officers	1,109	1,241	188	132	56	52,375
Human resources, training, and labor relations specialists, all other	328	374	75	46	29	50,191
Computer programmers	723	749	97	26	71	49,878
Dietitians and nutritionists	339	393	87	54	33	46,398
Accountants and auditors	5,331	6,079	1,028	748	280	46,249
Medical and clinical laboratory technologists	619	710	137	91	46	45,798
Secondary school teachers, except special and vocational education	9,813	11,328	2,976	1,515	1,461	45,434
Public relations specialists	732	829	120	97	23	44,817
Middle school teachers, except special and vocational education	8,752	10,523	2,671	1,771	900	44,665
Construction managers	5,000	5,492	578	492	86	44,151
Market research analysts	518	576	71	58	13	43,975
Special education teachers, preschool, kindergarten, and elementary school	1,033	1,218	291	185	106	43,468
Network and computer systems administrators	601	715	177	114	63	43,312
Social and community service managers	689	777	142	88	54	43,228
Elementary school teachers, except special education	18,887	21,896	4,789	3,009	1,780	42,868
Special education teachers, secondary school	546	628	142	82	60	42,842
Compensation, benefits, and job analysis specialists	322	369	77	47	30	41,697
Special education teachers, middle school	509	575	123	66	57	41,663
Kindergarten teachers, except special education	1,683	1,953	380	270	110	41,190
Medical and public health social workers	642	785	205	143	62	40,703



Exhibit 6 (cont.)

“Good Jobs” in the South Texas Region, 2007-2012

Bachelor’s Degree	2007 Jobs	2012 Jobs	Total Job Openings	Growth	Replacement	Median Annual Earnings
Training and development specialists	463	528	109	65	44	40,258
Probation officers and correctional treatment specialists	470	545	102	75	27	34,717
Securities, commodities, and financial services sales agents	1,818	2,294	520	476	44	33,059
Child, family, and school social workers	1,237	1,415	301	178	123	32,396
Tax examiners, collectors, and revenue agents	309	349	79	40	39	31,869
Editors	359	399	78	40	38	31,600
Insurance sales agents	3,151	3,627	623	476	147	31,565
Social workers, all other	215	248	51	33	18	30,076
Weighted Average Annual Earnings						\$45,427

Associates Degree	2007 Jobs	2012 Jobs	Total Job Openings	Growth	Replacement	Median Annual Earnings
Computer specialists, all other	247	281	56	34	22	\$70,379
Electrical and electronic engineering technicians	615	663	107	48	59	58,220
Registered nurses	11,853	14,281	3,395	2,428	967	57,049
Physical therapist assistants	421	532	138	111	27	52,787
Dental hygienists	456	560	147	104	43	52,531
Life, physical, and social science technicians, all other	408	458	127	50	77	51,237
Geological and petroleum technicians	181	204	57	23	34	50,282
Respiratory therapists	493	601	144	108	36	48,856
Radiologic technologists and technicians	1,068	1,273	277	205	72	46,582
Environmental science and protection technicians, including health	288	335	101	47	54	43,834
Interior designers	267	307	55	40	15	37,838
Paralegals and legal assistants	711	831	164	120	44	34,114
Computer support specialists	1,506	1,716	424	210	214	31,394

Exhibit 6 (cont.)

“Good Jobs” in the South Texas Region, 2007-2012

Associates Degree	2007 Jobs	2012 Jobs	Total Job Openings	Growth	Replacement	Median Annual Earnings
Respiratory therapy technicians	186	209	51	23	28	31,007
Weighted Average Annual Earnings						\$52,483

Postsecondary vocational award	2007 Jobs	2012 Jobs	Total Job Openings	Growth	Replacement	Median Annual Earnings
Aircraft mechanics and service technicians	2,071	2,347	380	276	104	\$43,981
Licensed practical and licensed vocational nurses	6,684	7,693	1,915	1,009	906	37,139
Court reporters	253	295	57	42	15	36,541
Surgical technologists	473	583	182	110	72	35,701
Mobile heavy equipment mechanics, except engines	868	990	203	122	81	29,643
Weighted Average Annual Earnings						\$37,425

Long-term on-the-job training	2007 Jobs	2012 Jobs	Total Job Openings	Growth	Replacement	Median Annual Earnings
Claims adjusters, examiners, and investigators	837	921	179	84	95	\$59,084
Compliance officers, except agriculture, construction, health and safety, and transportation	2,950	3,284	506	334	172	54,815
Telecommunications line installers and repairers	784	844	150	60	90	49,200
Petroleum pump system operators, refinery operators, and gaugers	1,107	1,213	333	106	227	47,248
Sheet metal workers	873	932	151	59	92	46,388
Telecommunications equipment installers and repairers, except line installers	960	1,019	162	59	103	45,424
Coaches and scouts	603	682	140	79	61	42,269
Electrical power-line installers and repairers	600	650	141	50	91	41,398
Police and sheriff's patrol officers	4,721	5,507	1,417	786	631	39,426



Exhibit 6 (cont.)

“Good Jobs” in the South Texas Region, 2007-2012

Long-term on-the-job training	2007 Jobs	2012 Jobs	Total Job Openings	Growth	Replacement	Median Annual Earnings
Industrial machinery mechanics	1,454	1,641	305	187	118	37,542
Fire fighters	1,828	2,119	624	291	333	37,134
Brickmasons and blockmasons	661	694	77	33	44	32,006
Electricians	3,266	3,560	595	294	301	31,535
Plumbers, pipefitters, and steamfitters	2,428	2,690	462	262	200	31,263
Machinists	1,399	1,559	286	160	126	31,207
Heating, air conditioning, and refrigeration mechanics and installers	2,054	2,257	334	203	131	29,814
Weighted Average Annual Earnings						\$39,677

Moderate-term on-the-job training	2007 Jobs	2012 Jobs	Total Job Openings	Growth	Replacement	Median Annual Earnings
Sales representatives, wholesale and manufacturing, technical and scientific products	1,388	1,565	243	177	66	\$57,341
Sales representatives, wholesale and manufacturing, except technical and scientific products	5,460	6,104	1,157	644	513	40,510
Rotary drill operators, oil and gas	659	724	116	65	51	39,660
Plating and coating machine setters, operators, and tenders, metal and plastic	223	243	67	20	47	37,176
Wellhead pumpers	512	565	180	53	127	36,865
Derrick operators, oil and gas	284	321	59	37	22	35,364
Sales representatives, services, all other	2,448	2,908	627	460	167	34,396
Advertising sales agents	692	800	156	108	48	33,848
Service unit operators, oil, gas, and mining	1,353	1,544	296	191	105	31,618
Executive secretaries and administrative assistants	7,054	8,015	1,465	961	504	30,926
Truck drivers, heavy and tractor-trailer	15,647	18,186	3,665	2,539	1,126	29,432
Weighted Average Annual Earnings						\$33,121

Exhibit 6 (cont.)

“Good Jobs” in the South Texas Region, 2007-2012

Short-term on-the-job training	2007 Jobs	2012 Jobs	Total Job Openings	Growth	Replacement	Median Annual Earnings
Postal service mail carriers	1,175	1,203	200	28	172	\$44,658
Production, planning, and expediting clerks	944	1,041	223	97	126	38,213
Transportation workers, all other	254	300	69	46	23	33,840
Weighted Average Annual Earnings						\$40,220

Work experience in a related field	2007 Jobs	2012 Jobs	Total Job Openings	Growth	Replacement	Median Annual Earnings
Industrial production managers	426	456	114	30	84	\$79,133
Managers, all other	8,395	9,765	1,431	1,370	61	78,587
First-line supervisors/managers of police and detectives	702	815	223	113	110	71,845
Transportation, storage, and distribution managers	732	875	226	143	83	59,808
First-line supervisors/managers of non-retail sales workers	4,591	5,239	718	648	70	54,205
Detectives and criminal investigators	3,437	4,151	1,090	714	376	53,794
First-line supervisors/managers of mechanics, installers, and repairers	2,319	2,530	472	211	261	47,035
Purchasing agents, except wholesale, retail, and farm products	747	811	139	64	75	43,145
First-line supervisors/managers of construction trades and extraction workers	6,764	7,414	865	650	215	42,233
Cost estimators	640	727	137	87	50	40,120
First-line supervisors/managers of production and operating workers	2,634	2,822	457	188	269	39,802
Lodging managers	919	1,157	258	238	20	38,488
Wholesale and retail buyers, except farm products	580	643	102	63	39	38,426
First-line supervisors/managers of transportation and material-moving machine and vehicle operators	1,031	1,176	243	145	98	37,980



Exhibit 6 (cont.)

“Good Jobs” in the South Texas Region, 2007-2012

Work experience in a related field	2007 Jobs	2012 Jobs	Total Job Openings	Growth	Replacement	Median Annual Earnings
First-line supervisors/managers of office and administrative support workers	7,852	8,703	1,590	851	739	35,459
First-line supervisors/managers of correctional officers	417	489	129	72	57	33,004
Construction and building inspectors	830	958	193	128	65	31,313
First-line supervisors/managers of retail sales workers	16,075	18,135	2,879	2,060	819	29,408
Weighted Average Annual Earnings						\$45,394

Sources: Economic Modeling Specialists Inc., Texas Workforce Commission and Comptroller calculations.

sales representatives and postal service mail carriers, require moderate-term and short-term on-the-job-training, respectively.

Exhibit 7 lists 25 occupations expected to have the highest number of job openings between 2007 and 2012. The occupation most in demand, personal and home care aide, is expected to create a total of 16,360 openings between 2007 and 2012 with median annual earnings of approximately \$13,998.¹¹

Nineteen of the 25 occupations with the most openings, accounting for about 76 percent of the total, do not require educational preparation beyond a high school diploma. Of the remaining six occupations requiring educational training beyond high school, four are in the field of education and require at least a bachelor’s degree.

Exhibit 7 makes obvious the positive relationship between educational levels and annual earnings. Of the 25 occupations with the most openings, the postsecondary teacher occupation has the highest median

annual earnings, at \$84,261, and the highest educational requirement, a doctoral degree.

Comptroller Assistance

One of the many functions of the Texas Comptroller’s office is to provide economic development information to local governments and other groups, and to analyze demographics, the labor force and other economic factors needed to generate economic growth in communities. Through the Texas EDGE (Economic Data for Growth and Expansion) Program, the agency can run economic models and provide analyses that identify occupational and industry trends and their effects on local and regional economies.

The Comptroller’s office also can provide local demographic data, identify business clusters and provide maps of regional infrastructure including highways, railroads and other public facilities. For assistance, please visit www.window.state.tx.us/texasedge or e-mail texas.edge@cpa.state.tx.us.

Exhibit 7

Occupations in South Texas with the Most Projected Openings by 2012

Rank	Description	2007 Jobs	2012 Jobs	Total Job Openings	Growth	Replacement	Annual Earnings
1	Personal and home care aides	43,066	55,939	16,360	12,873	3,487	\$13,998
2	Retail salespersons	30,334	34,491	8,199	4,157	4,042	17,909
3	Cashiers, except gaming	22,818	24,292	7,214	1,474	5,740	15,101
4	Combined food preparation and serving workers, including fast food	24,792	28,216	5,771	3,424	2,347	13,541
5	Customer service representatives	17,463	20,695	5,609	3,232	2,377	19,968
6	Waiters and waitresses	12,611	14,463	5,228	1,852	3,376	13,499
7	Elementary school teachers, except special education	18,887	21,896	4,789	3,009	1,780	42,868
8	Office clerks, general	17,894	20,347	4,042	2,453	1,589	18,699
9	Truck drivers, heavy and tractor-trailer	15,647	18,186	3,665	2,539	1,126	29,432
10	Home health aides	12,545	15,661	3,652	3,116	536	15,766
11	Registered nurses	11,853	14,281	3,395	2,428	967	57,049
12	Maids and housekeeping cleaners	12,770	15,568	3,338	2,798	540	13,104
13	Teacher assistants	12,699	14,862	3,101	2,163	938	21,528
14	Laborers and freight, stock, and material movers, hand	12,503	13,601	3,013	1,098	1,915	16,682
15	Secondary school teachers, except special and vocational education	9,813	11,328	2,976	1,515	1,461	45,434
16	Child care workers	11,521	13,905	2,896	2,384	512	12,667
17	First-line supervisors/managers of retail sales workers	16,075	18,135	2,879	2,060	819	29,408
18	Middle school teachers, except special and vocational education	8,752	10,523	2,671	1,771	900	44,665
19	Janitors and cleaners, except maids and housekeeping cleaners	11,544	13,017	2,527	1,473	1,054	16,578
20	Postsecondary teachers	8,599	10,351	2,447	1,752	695	84,261
21	Secretaries, except legal, medical, and executive	14,302	15,381	2,153	1,079	1,074	22,443
22	General and operations managers	11,124	11,987	2,107	863	1,244	68,193
23	Bookkeeping, accounting, and auditing clerks	10,980	12,349	2,082	1,369	713	25,189
24	Licensed practical and licensed vocational nurses	6,684	7,693	1,915	1,009	906	37,139
25	Receptionists and information clerks	6,532	7,582	1,829	1,050	779	17,638

Sources: Economic Modeling Specialists Inc. and the Texas Workforce Commission.



Professional Athletic Teams

The South Texas region is home to a number of professional athletic teams (**Exhibit 8**).

Exhibit 8
Professional Athletic Teams, South Texas Region

Team Name	Location	Professional Sport
Corpus Christi Rays	Corpus Christi	Minor League Hockey
Laredo Bucks	Laredo	Minor League Hockey
Rio Grande Valley Killer Bees	Hidalgo	Minor League Hockey
Corpus Christi Hooks	Corpus Christi	Minor League Baseball
Rio Grande Valley Vipers	McAllen	Minor League Basketball
Corpus Christi Sharks	Corpus Christi	Arena Football League 2
Rio Grande Valley Dorados	McAllen	Arena Football League 2

Sources: Central Hockey League, Minor League Baseball, National Basketball Association Developmental League and Arena Football League 2.

Professional sports teams accounted for more than 350 jobs and more than \$1.2 million in earnings in the South Texas region in 2006.¹²

Since August 2007, the Comptroller’s office has responded to more than 200 Texas EDGE requests from city and county government officials, economic development corporations, private businesses and members of the media. Requests have covered many topics including demographics, economic development, economic modeling and taxes.

The Comptroller’s office also provides local governments with information about tax-related programs and identifies opportunities to raise funds for economic development efforts through property, sales and franchise tax revenues, exemptions and credits. The agency also provides information on special assessments and other opportunities related to disaster relief.

The Comptroller’s Local Government Assistance and Economic Development Division provides free risk assessments to local governments. These give local officials reasonable assurance that risks to local objectives have been identified and show the controls and mitigating factors associated with each.

Finally, the Comptroller’s State Energy Conservation Office (SECO) can help local governments slash their energy costs and adopt cost-effective clean energy technologies. SECO offers local governments a free preliminary energy audit of their facilities. The audit provides recommendations for reducing electricity consumption by improving the efficiency of heating and air conditioning systems and using more efficient lighting.

Businesses in the South Texas region generated more than \$51.7 billion in gross sales in 2005 and \$58.5 billion in 2006.

Going Shopping

Businesses in the South Texas region generated more than \$51.7 billion in gross sales in 2005 and \$58.5 billion in 2006. About 28.1 percent, or more than \$14.5 billion, was subject to state and local sales taxes in 2005; in 2006, about 27.3 percent or nearly \$16 billion was taxed. State sales taxes levied in the region totaled \$908 million in 2005 and almost \$1 billion in 2006 (**Exhibit 9**).

Exhibit 9

Gross Sales and Sales Tax, South Texas Region, 2005 and 2006

County	Gross Sales 2005	Gross Sales 2006	Amount Subject to Tax 2005	Amount Subject to Tax 2006	Sales Tax 2005	Sales Tax 2006
Nueces	\$21,782,149,048	\$24,672,083,386	\$3,373,606,560	\$3,643,767,387	\$210,850,410	\$227,735,462
Hidalgo	11,902,452,565	13,159,835,600	4,520,824,224	4,898,683,353	282,551,514	306,167,710
Cameron	5,941,763,789	6,560,908,853	2,462,967,384	2,614,886,838	153,935,462	163,430,427
Webb	4,897,434,141	5,597,906,669	1,791,904,731	1,985,993,032	111,994,046	124,124,565
Other Counties	7,187,728,530	8,512,428,715	2,378,438,246	2,851,738,576	148,652,390	178,233,661
TOTAL	\$51,711,528,073	\$58,503,163,223	\$14,527,741,145	\$15,995,069,186	\$907,983,822	\$999,691,824

Note: Numbers may not total due to rounding.
Source: Texas Comptroller of Public Accounts.

The South Texas region had more than 90,000 retail employees in both 2005 and 2006, earning total wages of nearly \$1.9 billion in 2005 and nearly \$2 billion in 2006 (**Exhibit 10**). Hidalgo County had the highest number of retail jobs, followed by Nueces and Cameron counties. The annual average salary of the region's retail employees was \$20,557 in 2005 and \$21,087 in 2006, an increase of 2.6 percent.

Exhibit 10

Retail Employees and Wages, South Texas Region, 2005 and 2006

County	Employees 2005	Total wages 2005	Employees 2006	Total wages 2006
Hidalgo	28,068	\$580,056,469	29,481	\$619,499,726
Nueces	17,205	394,219,996	17,311	403,516,391
Cameron	15,554	293,467,474	16,154	314,811,379
Webb	11,501	232,917,358	12,012	247,882,547
Other Counties	17,719	350,459,811	17,603	366,145,596
TOTAL	90,047	\$1,851,121,108	92,561	\$1,951,855,639

Source: Texas Comptroller of Public Accounts.

The La Plaza Mall in McAllen, with more than 1.2 million square feet of stores, has a trade area population of almost 590,000 people. Nearly one quarter of the households in this trade area have incomes of at least \$50,000. (A trade area is the geographical area from which shoppers originate.)¹³

Laredo's 1.2 million-square-foot Mall del Norte, with more than 160 stores, has a trade area of more than 330,000 people who have an average household income of about \$40,000.¹⁴



Industry Profile – Fishing

A 2005 study commissioned by National Oceanographic and Atmospheric Administration-Fisheries (NOAA-Fisheries) identified communities in Texas that were associated with the state’s commercial and recreational fishing industry.¹⁵ According to this report, 67 communities along the Texas coast have ties to the fishing industry. Approximately one-third of these communities, 21 cities from Refugio County to Cameron County, are located in the South Texas region.

According to NOAA, Brownsville is the only urban area along the Texas coast that is extensively engaged in the fishing industry. While the city is home to industries not directly associated with fishing, the city has a broad set of infrastructure and services that support its fishing industry (**Exhibit 11**).

The Port of Brownsville has one of the largest shrimp trawl fleets in the country.¹⁶ In fact, data from

the NOAA-Fisheries commissioned study revealed that Brownsville and the neighboring city of Port Isabel were home to 210 Gulf shrimp permit holders in Texas in 2003. These two communities accounted for approximately 38 percent of all Gulf shrimp permit holders along the Texas coast.¹⁷

Not only is the Brownsville area home to a significant shrimp fishing industry, it is also one of the leading commercial fishing ports in the U.S. in terms of ex-vessel value of landings, which is the value of finfish and shellfish that are caught and unloaded at port. According to NOAA’s National Marine Fisheries Service, the Brownsville-Port Isabel area ranked as the seventh-largest commercial fishing port in 2006.¹⁸ In that year, the port landed 30.5 million pounds valued at \$52 million. This volume and value accounted for 29 percent of Texas’ total commercial landings and ex-vessel value in the same year.

Exhibit 11

Infrastructure and Services that Support the Brownsville Fishing Industry, 2003

Infrastructure or Service	Number
Boat yards/builders (commercial/recreational)	2
Commercial Docking Facilities	1
Fishing gear, electronics, welding, and other repair	3
Fishing associations (commercial/recreational)	1
Fish processors (wholesale fish house)	2
Net makers	8
Bait and Tackle/Fishing Supplies	2
Recreational Fishing Tournaments	2
Seafood Restaurants	8
Seafood Retail Markets	1
Trucking Operations	1
Commercial Boats	approximately 150

Source: National Oceanographic and Atmospheric Administration.

Industry Profile – Agriculture

Agriculture is a major factor in the South Texas regional economy. Crop and animal production provided nearly 20,000 jobs in 2007.¹⁹

Cattle

Texas is the national leader in cattle, ranking first among states in its number of cattle, number of cattle operations and value of all cattle.²⁰ The South Texas region had about 7 percent of the state's cattle or 943,000 head in 2008 (**Exhibit 12**).²¹

Exhibit 12

Head of Cattle, South Texas, 2008

County	All Cattle
Kleberg	107,000
Bee	75,000
Starr	62,000
Webb	60,000
Uvalde	59,000
Other Counties	580,000
South Texas Total	943,000

Source: U.S. Department of Agriculture.

Sugarcane

Texas is the nation's fourth-largest producer of sugarcane, and all of it is grown in the South Texas region — more than 1.6 million tons harvested from 39,200 acres in 2006.²² Hidalgo County was the region's — and state's — largest sugarcane producer (**Exhibit 13**).²³

Exhibit 13

Sugarcane Production, South Texas, 2006

County	Harvested Acres	Produced Tons
Hidalgo	20,900	882,000
Cameron	12,500	474,000
Willacy	5,800	259,000
South Texas Total	39,200	1,615,000

Source: U.S. Department of Agriculture.

Sorghum for Grain

Texas is the nation's second-largest producer of grain sorghum, and South Texas produces a large portion of the state total.²⁴

South Texas farmers harvested nearly 19.4 million bushels of sorghum for grain in 2006, 31.1 percent of the state total. Four of the top five sorghum-producing counties are in the South Texas region. Hidalgo County was the region's — and state's — largest producer, with more than 4.4 million bushels, followed by Cameron County. In all, more than 430,000 acres of sorghum were harvested in the region in 2006 (**Exhibit 14**).²⁵

Exhibit 14

Region's Largest Producers of Grain Sorghum South Texas, 2006

County	Planted Acres	Harvested Acres	Produced Bushels
Hidalgo	101,100	63,700	4,409,000
Cameron	91,300	78,000	4,028,000
Nueces	158,700	92,400	2,631,000
San Patricio	66,700	43,100	2,095,000
Kleberg	41,100	39,000	1,900,000

Source: U.S. Department of Agriculture.

Cotton

Texas is the nation's largest producer of cotton, and the South Texas region produces much of it.²⁶

The region's farmers produced nearly 400,000 bales of upland cotton in 2006, or about 7 percent of the state total. In that year, the region had 257,000 harvested acres of cotton, 6 percent of the state's total acreage. Kleberg and Nueces counties were the region's largest cotton producers (**Exhibit 15**).²⁷

Citrus

Grapefruit dominates the Texas citrus industry, with most of the remainder being oranges. The South Texas region is home to *all* Texas citrus production. Hidalgo County contains 85 percent of all citrus acres in Texas, with the remainder in Cameron and Willacy counties.²⁸ In the 2005-2006 growing



Exhibit 15
**Region’s Largest Producers of Upland Cotton
 South Texas, 2006**

County	Planted Acres	Harvested Acres	Produced Bales
Kleberg	39,900	35,600	68,200
Nueces	175,900	54,500	63,800
Hidalgo	77,800	33,300	56,300
Cameron	55,000	38,200	50,600
San Patricio	191,300	27,100	47,000

Source: U.S. Department of Agriculture.

season, Texas was the nation’s third-largest citrus producer, behind Florida and California (**Exhibit 16**). Preliminary numbers show that production has increased since 2005-2006, to 7.1 million boxes of grapefruit and 2 million boxes of oranges in 2006-2007, increases of 37 percent and 24 percent, respectively.²⁹

Exhibit 16
**Grapefruit and Orange Production
 South Texas, 2005-2006**

	Production (boxes)	Price (dollars per box)	Value
Grapefruit	5,200,000	\$12.17	\$63,292,000
Oranges	1,600,000	6.62	10,598,000
Total	6,800,000	-	\$73,890,000

Source: U.S. Department of Agriculture.

Onions

The South Texas region is also a large producer of onions. Texas is the nation’s second-largest producer of onions, and South Texas produces the vast majority of them. Four counties in the region — Cameron, Hidalgo, Starr and Willacy — held three quarters of the acreage harvested in Texas during 2006.³⁰



Resaca Grove Farm, Rio Grande Valley

PHOTO: Marin Pierce/Resaca Grove Farm

Industry Profile – Ports and International Trade

Located on the border with Mexico and the Gulf Coast, the South Texas region is perfectly positioned for international trade.

Inland Ports

Trade between Mexico and the South Texas region totaled nearly \$162 billion in 2007, up 28 percent since 2004. Trucks moved the majority of these goods, accounting for \$125 billion worth or 77 percent of the total. The next most-common mode of transport was rail, which accounted for nearly \$36 billion or 22 percent of the region's trade with Mexico. The remainder was transported by mail, pipeline, air or water.

Eight inland ports in the South Texas region had truck trade with Mexico in 2007. Of these, Laredo was by far the busiest, with nearly \$83 billion in goods passing through during 2007 (**Exhibit 17**).³¹

Texas has five rail border crossings with Mexico. Three of these are located in South Texas, in Brownsville, Eagle Pass and Laredo. Union Pacific and the Kansas City Southern Railway control the tracks at these three crossings.³²

Six inland ports in South Texas had rail trade with Mexico in 2007. Of these, Laredo again was the busiest with more than \$27 billion in goods passing through during 2007 (**Exhibit 18**).³³

Seaports

South Texas has five seaports: Corpus Christi, Port Mansfield, Harlingen, Port Isabel and Brownsville.³⁴ By far the largest of these is the Port at Corpus Christi, located in Nueces County about 150 miles north of the Mexico border. The

port has a channel depth of 45 feet, more than 125 acres of open storage and fabrication sites, heavy lifting capabilities, dockside rail from multiple carriers, excellent highway access and more than 295,500 square feet of covered dockside storage.

In 2006, the Port of Corpus Christi was ranked as the nation's sixth-largest port in total cargo tonnage, handling 77.6 million tons. Nearly 70 percent of this cargo was involved in international trade, with nearly 60 percent of the total being international imports (**Exhibit 19**).³⁵

Three rail carriers serve the Port of Corpus Christi: Burlington Northern Santa Fe, Texas Mexican Rail-

Exhibit 17

South Texas Truck Trade with Mexico, 2004-2007 (In thousands)

Port	2004	2005	2006	2007
Laredo	\$63,985,424	\$66,825,760	\$78,502,346	\$82,637,671
Hidalgo	15,863,990	18,242,670	19,940,728	21,687,869
Brownsville	9,800,070	10,415,716	11,177,461	11,550,517
Eagle Pass	4,098,505	4,283,099	4,598,952	4,830,991
Del Rio	2,797,043	3,038,457	3,113,976	3,219,973
Rio Grande City	220,912	234,076	372,714	348,311
Progreso	142,543	135,429	218,696	288,052
Roma	79,343	77,708	141,118	171,442
Total South Texas	\$96,987,831	\$103,252,915	\$118,065,990	\$124,734,826

Note: Numbers may not total due to rounding.
Source: U.S. Department of Transportation—Bureau of Transportation Statistics.

Exhibit 18

South Texas Rail Trade with Mexico, 2004-2007 (In thousands)

Port	2004	2005	2006	2007
Laredo	\$25,398,735	\$26,626,769	\$25,224,937	\$27,316,593
Eagle Pass	2,758,847	3,388,990	6,634,602	7,189,979
Brownsville	787,761	924,944	1,198,117	1,353,422
Hidalgo	2,020	6,801	3,867	1,062
Rio Grande City	80	51	-	647
Del Rio	48	159	463	290
Progreso	50	404	184	-
Roma	-	-	-	-
Total South Texas	\$28,947,541	\$30,948,117	\$33,062,170	\$35,861,993

Note: Numbers may not total due to rounding.
Source: U.S. Department of Transportation—Bureau of Transportation Statistics.



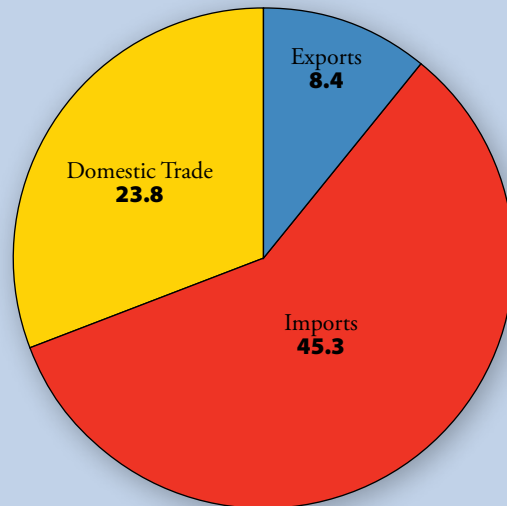
way Company and Union Pacific Railroad. In addition, the port’s public docks are served by 26 miles of port-owned rail lines operated by Corpus Christi Terminal Railroad. Several highways connect Corpus Christi to the U.S. and Mexico. Interstate 37 and U.S. Highway 181 are located just one mile from the port. The Gulf Intracoastal Waterway meets the ship channel and provides access to U.S. inland waterways.³⁶

In 2004, a private consulting firm estimated that the Port of Corpus Christi was responsible for nearly 40,000 direct and indirect Texas jobs and nearly \$2.2 billion in personal income. In addition, the study estimated that the port generated just under \$2.8 billion in business revenue and indirect purchases and contributed more than \$195 million in state and local taxes annually.³⁷

The second-largest port in the region, the Port of Brownsville, is located at the southernmost tip of Texas, at the end of a channel leading to the Gulf of Mexico by way of the Brazos Santiago Pass. Located about two miles southwest of Brownsville, it is adjacent to the Rio Grande River, providing an entry point to Mexico. The port’s primary activities include the construction of offshore rigs, ship repair and dismantling, steel fabrication, boat construction, rail car rehabilitation, liquefied petroleum gas storage and distribution, waste oil recovery and grain handling and storage.³⁸

In 2006, a private consulting firm estimated that the Port of Brownsville was responsible for about 38,000 direct and indirect Texas jobs and \$1.9 billion in personal income in the state. In addition, the study estimated that the port generated almost \$2.8 billion in business revenue and indirect purchases and contributed nearly \$174 million in state and local taxes annually.³⁹

Exhibit 19
**Port of Corpus Christi Cargo Volume, 2006
 (In million tons)**



Source: American Association of Port Authorities.



International Bridge Toll Booth, Laredo, Texas

PHOTO: Craig Steiner

Endnotes

- ¹ U.S. Department of Labor, “NAICS Supersectors for CES Program,” <http://www.bls.gov/sae/saesuper.htm>. (Last visited June 25, 2008.)
- ² The Other Services sector represents all industries covered under the two digit NAICS code 82. These industries that are primarily engaged in the provision of repair and maintenance services for automotive, electronic, commercial and industrial machines and equipment. It also encompasses personal services such as laundry, dry cleaning, hair, nail, and skin care, funeral parlors, organizations that have religious, social advocacy, civic, political, and business purposes.
- ³ National Governors Association, *A Governor’s Guide to Cluster-Based Economic Development* (Washington, D.C., 2002), p. 9, http://www.eda.gov/ImageCache/EDAPublic/documents/pdfdocs/nga_5fclusters_2epdf/v1/nga_5fclusters.pdf. (Last visited June 25, 2008.)
- ⁴ Laila Assanie and Mine Yücel, “Industry Clusters Shape Texas Economy,” *Southwest Economy* (September/October 2007), <http://dallasfed.org/research/swe/2007/swe0705b.cfm>. (Last visited June 25, 2008.)
- ⁵ Texas Historical Commission, “Texas Main Street Program Celebrates 25 Years of Success,” February 27, 2006, <http://www.thc.state.tx.us/news/pressreleases/pr2006/pr227b06.shtml>. (Last visited June 25, 2008.)
- ⁶ Randy Reese, “National Main Street City: Gonzales Honored Nationally for Hard Work,” *The Gonzales Inquirer*, http://www.cityofgonzales.org/upload/w48ghHStjQ_National%20Main%20Street.pdf. (Last visited June 25, 2008.)
- ⁷ U.S. Department of Labor, “NAICS Supersectors for CES Program.”
- ⁸ Texas Department of Agriculture, “Ag Week Fact Sheet: Texas Packs a Punch,” 2006, http://www.agr.state.tx.us/agt/media/media_render/0,1460,1848_17066_8792_0,00.html. (Last visited June 25, 2008.)
- ⁹ Texas State Historical Association, “The Handbook of Texas Online—King Ranch,” <http://www.tshaonline.org/handbook/online/articles/KK/apk1.html>. (Last visited June 25, 2008.)
- ¹⁰ These transportation industries include general freight trucking, long-distance (NAICS 48412); general freight trucking, local (NAICS 48411); other support activities for air transportation (NAICS 48819); and other specialized trucking, local (NAICS 48422).
- ¹¹ Median annual earnings were estimated by multiplying the median hourly earning for the industry by 2,080 work hours. The exceptions to this estimation are the elementary, middle school, and secondary education related occupations. These occupations generally operate around nine months of work. These annual wages were obtained from the Texas Workforce Commission.
- ¹² Texas Comptroller of Public Accounts estimates and North American Industrial Classification System, “Codes 711211, 711219 and 711310—Professional Sports Teams and related Activities.”
- ¹³ Simon Property Group, “La Plaza Mall,” http://www.simon.com/Mall/LeasingSheet/2546_LaPlaza_PropFactSheet.pdf. (Last visited June 25, 2008.)
- ¹⁴ CBL & Associates Properties, Inc., “Mall del Norte,” <http://www.malldelnorte.com/shop/malldelnorte.nsf/facts>; and CBL & Associates Properties, Inc., “Demographic Summary,” p. 6, <http://www.malldelnorte.com/shop/malldelnorte.nsf/demographpdfweb/demographics?opendocument>. (Last visited June 25, 2008.)
- ¹⁵ U.S. Department of Commerce, National Oceanographic and Atmospheric Administration, Fisheries- Southeastern Region, *Identifying Communities Associated with the Fishing Industry in Texas*, by Impact Assessment, Inc. (St. Petersburg, Florida, December 2005), p. 347, http://sero.nmfs.noaa.gov/sf/socialsci/pdfs/Texas_collapsed-Feb06.pdf. (Last visited July 1, 2008.) (Consultant’s report.)
- ¹⁶ U.S. Department of Commerce, National Oceanographic and Atmospheric Administration, Fisheries- Southeastern Region, *Identifying Communities Associated with the Fishing Industry in Texas*, p. 351.
- ¹⁷ U.S. Department of Commerce, National Oceanographic and Atmospheric Administration, Fisheries- Southeastern Region, *Identifying Communities Associated with the Fishing Industry in Texas*, p. 396.
- ¹⁸ U.S. Department of Commerce, National Oceanographic and Atmospheric Administration, “Commercial Fishery Landings,” <http://www.st.nmfs.noaa.gov/st1/commercial/index.html>. (Last visited July 1, 2008.) Custom query created.
- ¹⁹ Data provided by EMSI, an analysis platform and database for economic research.
- ²⁰ U.S. Department of Agriculture and Texas Department of Agriculture, *2006 Texas Agricultural Statistics* (Austin, Texas, October 2007), p. 25, http://www.nass.usda.gov/Statistics_by_State/Texas/Publications/Annual_Statistical_Bulletin/bull2006.pdf. (Last visited July 1, 2008.)
- ²¹ U.S. Department of Agriculture, “Quick Stats: Agricultural Statistics Data Base,” <http://www.nass.usda.gov/QuickStats>. (Last visited June 30, 2008.) Custom query created.
- ²² U.S. Department of Agriculture and Texas Department of Agriculture, *2006 Texas Agricultural Statistics*, pp. 74 and 117.
- ²³ U.S. Department of Agriculture, National Agricultural Statistics Service, “Quick Stats: Agricultural Statistics Data Base.”
- ²⁴ U.S. Department of Agriculture and Texas Department of Agriculture, *2006 Texas Agricultural Statistics*, pp. 74 and 103.



- ²⁵ U.S. Department of Agriculture, National Agricultural Statistics Service, “Quick Stats: Agricultural Statistics Data Base.”
- ²⁶ The Texas A&M University System, The Agriculture Program, “Cotton in Texas,” <http://aggie-horticulture.tamu.edu/extension/cropbriefs/cotton.html>. (Last visited July 1, 2008.)
- ²⁷ U.S. Department of Agriculture, National Agricultural Statistics Service, “Quick Stats: Agricultural Statistics Data Base.”
- ²⁸ Texas A&M University, “The Texas Citrus Industry,” <http://aggie-horticulture.tamu.edu/citrus/l2286.htm>. (Last visited July 1, 2008.)
- ²⁹ U.S. Department of Agriculture and Texas Department of Agriculture, *2006 Texas Agricultural Statistics*, pp. 135 and 143.
- ³⁰ U.S. Department of Agriculture and Texas Department of Agriculture, *2006 Texas Agricultural Statistics*, pp. 136 and 142.
- ³¹ U.S. Department of Transportation—Bureau of Transportation Statistics, “Transborder Freight Data,” http://www.bts.gov/programs/international/transborder/TBDR_QA.html. (Last visited July 1, 2008.) Custom query created.
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- ³³ U.S. Department of Transportation—Bureau of Transportation Statistics, “Transborder Freight Data.”
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- ³⁶ Port of Corpus Christi, “General Information,” <http://www.portofcorpuschristi.com/GeneralInformation.html>. (Last visited July 1, 2008.)
- ³⁷ Port of Corpus Christi, *The Local and Regional Economic Impacts of the Port of Corpus Christi*, by Martin Associates (Corpus Christi, Texas, February 10, 2004) <http://www.portofcorpuschristi.com/pdfs/Economic%20Impact%20Report.pdf>. (Last visited July 1, 2008.)
- ³⁸ Port of Brownsville, “About The Port,” http://www.portofbrownsville.com/index.php?option=com_content&task=view&id=12&Itemid=27. (Last visited July 1, 2008.)
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