

2008 City of El Paso Business Climate Survey



Carlos Olmedo, MS
Guadalupe Corral, MA
Roberto Tinajero, MS
Mario E. Caire, MS
Dennis L. Soden, PhD

**Technical Report No. 2008-09
February 2009**



The University of Texas at El Paso

2008 City of El Paso Business Climate Survey

Introduction

As the national economy enters its 13th month of recession and consumer confidence is at an all-time low,¹ the factors influencing profitability of all businesses in general, and performance of small firms in particular, become even more critical. The issues constraining small business sales, profits, productivity, and growth have been documented at the national level over the past 25 years.² Issues consistently listed as areas of concern include:

- Current and prospective revenues (driven by consumer sentiment and spending outlook);
- Business operating costs;
- Adequate quantity and quality of workforce;
- Access to financial capital; and
- Government regulation/environment (federal, state and local).

The economic performance and outlook for El Paso is more optimistic relative to the national situation. El Paso's sound basic growth dynamics coupled with the opportunities offered via the BRAC/Grow the Army Initiative expansion at Fort Bliss as well as the Texas Tech 4-year medical school bode well for the prospective growth of the borderplex economy.³ This does not suggest that there are no issues facing area businesses. While data has not been collected on a regular, consistent basis over time, anecdotal

¹ The Conference Board, 2008.

² Cole, Rebel A. and John D. Wolken, 1996. "Bank and Nonbank Competition for Small Business Credit: Evidence from the 1987 and 1993 National Surveys for Small Business Finances," **Federal Reserve Bulletin**, pp. 984-995 (November);

See also Bittler, Marianne P., Alicia M. Robb and John D. Wolken., 2001. "Financial Services Used by Small Businesses: Evidence from the 1998 Survey of Small Business Finances," **Federal Reserve Bulletin**, pp. 183-2005 (April);

See also Mach, Traci L. and John D. Wolken. 2006. "Financial Services Used by Small Businesses: Evidence from the 2003 Survey of Small Business Finances," **Federal Reserve Bulletin**, pp. A167-A195 (October).

See also Small Business Administration, Office of Advocacy, 2006. "Report on the Regulation Flexibility Act," Annual Report of the Chief Counsel for Advocacy on Implementation of the Regulatory Flexibility Act and Executive Order 13272 (April). Accessed at <http://www.sba.gov/advo> on January 14, 2009.

³ Fullerton, Thomas M. and Angel L. Molina, 2008. "Borderplex Long-Term Economic Trends to 2027," **Business Report SR08-1**, University of Texas at El Paso Border Region Modeling Project;

See also Regional Growth Management Plan, City of El Paso, Texas (forthcoming). Being prepared by Science Applications International Corporation and the Institute for Policy and Economic Development, University of Texas at El Paso.

evidence reveals that El Paso firms deal with factors/concerns highly similar to those identified nationwide.⁴ The present study develops baseline data for El Paso concerning the issues noted.

The Institute for Policy and Economic Development (IPED) at the University of Texas at El Paso conducted a business climate survey for the City of El Paso Economic Development Department to assess the current economic conditions faced by area businesses and their perceptions on future business operations. Indices for current and leading conditions that can be tracked over time are developed using reported/anticipated changes in business costs, revenues, investment, and employment over the past three months as well as over the next 12 months. The survey also measures how employers rate several characteristics related to doing business in El Paso, ranging from support services to opportunities and obstacles for growth to education and workforce training. Where applicable, responses from the present study are compared to answers from two recent surveys conducted by IPED in 2007 (*BRAC Impact on Industry*)⁵ and 2008 (*City of El Paso Citizen Survey*)⁶ to identify if there are any noticeable changes in business perceptions. A total of 571 firms provided feedback in this present survey. Table 1 shows the number of respondents by industry sector, with 54 percent of the final sample comprised of firms in: 1) Wholesale & Retail Trade, 2) Manufacturing, 3) Professional, Scientific & Technical Services, and 4) Health.

Table 1. Firm Respondents by Industry Sector

Industry Sector	Count	% of Total
Agriculture, Mining & Utilities	4	0.7
Construction	39	6.8
Manufacturing	68	11.9
Wholesale & Retail Trade	130	22.8
Transportation & Warehousing	19	3.3
Information	14	2.5
Finance & Insurance	15	2.6
Real Estate, Rental & Leasing	22	3.9
Prof., Scientific & Tech. Services	58	10.2
Administrative/Support & Waste Management/Remediation	26	4.6
Educational (Private)	6	1.1
Health	52	9.1
Social Assistance	26	4.6
Leisure & Hospitality	47	8.2
Other Services	45	7.9
Total	571	100.0

⁴ Schauer, David A. 2000. "Capital Access and Financial Services in El Paso," Institute for Policy and Economic Development, University of Texas at El Paso, TR2000-06;

See also Olmedo, Carlos et al., 2007. "Base Realignment and Closure Impact on Industry in El Paso, TX and Doña Ana, NM," Institute for Policy and Economic Development, University of Texas at El Paso, TR2008-01 (December).

⁵ Ibid.

⁶ Olmedo, Carlos, Daniel J. Quiñones and Dennis L. Soden, 2008. "2008 City of El Paso Citizen Survey," Institute for Policy and Economic Development, University of Texas at El Paso, TR2008-02 (January).

Key Survey Findings

Opportunities and Barriers

- ✓ Most important issues to improving business opportunities include 1) improving education/worker training, 2) reducing taxes, 3) increasing opportunities for growth/tourism, 4) having a more progressive local government, and 5) creating more/better jobs and increasing income.
- ✓ Greatest barriers that businesses face are 1) the general economic slowdown, 2) finding qualified labor, and 3) rising costs.

Changes in Business Operations (over the past 3 months and over the next 12 months)

- ✓ Seventy-nine percent of local businesses experienced rising costs over the past three months and 55 percent expect an increase in costs over the next 12 months.
- ✓ Seventy-six percent of respondents reported falling or no change in revenues over the past three months; 70 percent anticipate revenues to continue to decline or not to change over the next year.
- ✓ Two-thirds of firms reported no change or some increase in investment over the past three months; over the next 12 months, two-thirds anticipate no change or some increase in investment
- ✓ Over half of respondents reported no change in their workforce over the past three months and do not foresee any employment changes over the next year.
- ✓ Cross-tabulations between industry (see Table 1) and business operations reveal the following:

Over the past 3 months:

- **Costs** – Majority of firms across all industries reported a significant rise in costs.
- **Revenues** – Between 60 and 100 percent of firms in all industry sectors reported either a decrease or no change in revenues. However, some industry sectors performed better than others; in particular, one in three firms in 1) Construction, 2) Information, and 3) Leisure & Hospitality, as well as one in four firms in 4) Manufacturing, 5) Professional, Scientific & Technical, and 6) Health experienced an increase in revenues.
- **Investment** – Over half of firms in 1) Transportation & Warehousing, 2) Information, 3) Professional, Scientific & Technical, 4) Administrative & Support, and 5) Education experienced an increase in business investment. Roughly 40 percent of firms in 6) Manufacturing, 7) Wholesale & Retail Trade, 8) Finance & Insurance, and 9) Social Assistance also reported additional investment.
- **Employment** – Most industry sectors have a majority of firms that reported no change in employment. Better performing industry sectors that experienced an increase in their workforce include one in three firms in 1) Professional, Scientific & Technical, as well as one in four firms in 2) Manufacturing and 3) Social Assistance.

Over the next 12 months:

- **Costs** – Between 50 and 70 percent of firms in 1) Wholesale & Retail Trade, 2) Transportation & Warehousing, 3) Information, 4) Administration & Support, 5) Education, 6) Social Assistance, and 7) Agriculture anticipate no change or a decrease in costs. A majority of firms in the remaining industry sectors expect an increase in costs.
- **Revenues** – Excluding construction, between 60 and 100 percent of firms in all industry sectors expect either a decrease or no change in revenues. However, some industry sectors are more optimistic than others with respect to increasing sales; these include half of firms in 1) Construction, as well as one in three firms in 2) Manufacturing, 3) Professional, Scientific & Technical, 4) Health, and 5) Administrative & Support.
- **Investment** – Between 40 and 60 percent of firms in the following industry sectors anticipate an increase in investment: 1) Construction, 2) Wholesale & Retail Trade, 3) Transportation & Warehousing, 4) Financing & Insurance, 5) Real Estate, Rental & Leasing, and 6) Education.
- **Employment** – Most industry sectors have a majority of firms that expect no change in employment. However, some industry sectors predict to add more workers than others; in particular, between 30 and 40 percent of firms in 1) Manufacturing, 2) Professional, Scientific & Technical, and 3) Leisure & Hospitality expect to hire.

Current and Leading Conditions Indices (based on changes in business operations)

- ✓ Economic indices ranging from 1 to 5, where higher scores indicate economic growth, lower scores suggest negative economic conditions, and a score close to 3 is a sign that the economy is relatively stable reveal the following:
 - El Paso has a **current conditions** index of 2.76 (measures the last three months).
 - El Paso has a **leading conditions** index of 2.92 (measures the next 12 months).
 - Increasing business costs are limiting the area's economic growth potential in both indices.

Growth from Fort Bliss and Workforce Skills

- ✓ Almost half (48 percent) of respondents have experienced or expect an increase in sales due to Fort Bliss growth.
- ✓ More than half (52 percent) of businesses have had difficulty finding trained and/or qualified staff in the past 12 months.
 - Top industry sectors with qualified staff problems include: 1) Administrative & Support, 2) Construction, 3) Manufacturing, 4) Professional, 5) Social Assistance, and 6) Health.
- ✓ Firms listed "competency & general skills" (e.g. responsible, reliable, etc.) as the top skill required by their business, while both "education/experience/certification" and "good customer service/communication" skills ranked as the second most required skill.

El Paso Business Characteristics (the following characteristics were rated by respondents with an opinion as a “strength,” “average” or “weakness” of doing business in El Paso)

✓ **Business support and opportunities**

- *Geographic location, available commercial space and available office space* – rated as strengths by a majority of all respondents.
- *Government support for businesses* – rated a weakness by over 40 percent of respondents.
- *Supplier opportunities in El Paso and business support agencies* – rated primarily as average characteristics of El Paso by the business sector.
- *Access to government contracts and supplier opportunities to Mexico* – respondents were divided on whether these two characteristics are a strength, average, or weakness.

✓ **Financing, costs and taxes**

- *Labor costs* – rated as either average or strength by majority of respondents.
- *Property taxes* – rated as a weakness by two thirds of all respondents.
- *Commercial/real estate costs, access to capital, permitting/licensing, and sales taxes* – these four attributes received a greater percentage of average ratings by responding firms.

✓ **Education, training and labor**

- *University of Texas at El Paso* – rated as a strength by over half of all respondents.
- *El Paso Community College* – rated as either average or strength by over 80 percent of firms.
- *K-12 education* – rated as an average characteristics by over 40 percent of respondents; one-third of firms qualified K-12 education as a weakness in El Paso.
- *Availability of qualified labor* – rated as a weakness by half of respondents.
- *Productivity of labor, wage levels and training providers* – all three characteristics rated as either average or a weakness by a majority of respondents.

✓ **Utilities**

- *Gas costs* – rated primarily average by respondents.
- *Water and electricity costs* – both rated as either average or weakness by most firms.

✓ **Transportation**

- *Passenger air, air freight and rail* - all three attributes rated as either average or a strength by a majority of respondents.
- *Cross-border infrastructure* – rated mainly average by firms; remaining firms with an opinion split on whether this attribute of El Paso is a strength or weakness.

✓ **Quality of Life**

- *Public safety* – rated as a strength by majority of firm respondents.
- *Housing availability* – rated as average or a strength by majority of firm respondents.
- *Recreational activities and downtown condition* – both rated as a weakness by over half of firms.
- *Cultural activities and entertainment/shopping* – both rated average by roughly half of firms.
- *Healthcare and public transportation* – both rated as average or a weakness by majority of firms.

Positive and Negative Issues about El Paso

- ✓ Most positive issues about El Paso as a place to do business are its border location, potential for growth, weather, and friendly people.
- ✓ Most negative issues about El Paso as a place to do business are its border location, income levels, poverty, taxes, business costs, education, and skill of labor.
- ✓ Most positive issues about El Paso as a place to do live are its weather and the area is considered a safe, peaceful, friendly, and culturally rich place for families.
- ✓ Most negative issues about El Paso as a place to live are the lack of recreational and entertainment activities and the region's income levels, poverty and taxes.

Business with the Maquiladora Industry

- ✓ Forty-one percent of firms in 1) Manufacturing, 2) Professional Services, and 3) Data Processing said that they do business or would be interested in doing business with Mexico's maquiladora industry.

Methodology and Sample Characteristics

The business climate survey (see Appendix A) was developed by IPED in collaboration with the City of El Paso Economic Development Department. English and Spanish versions were converted to electronic format and made available online for use by business respondents who preferred to answer the survey via the Internet. The electronic version was also used by bilingual interviewers at the IPED Survey Research Center to track responses of firms that were contacted by telephone. Two versions of the final questionnaire were created with one version targeted for industries in 1) Manufacturing, 2) Professional, Scientific & Technical Services, and 3) Data Processing; the second version targeted the remaining private sector industries. Both surveys were identical with the exception that manufacturing, professional services and data processing firms were asked two additional questions related to the maquiladora industry across the border. The survey questions cover the following topics:

- 1) Opportunities and barriers
- 2) Changes in business operations
- 3) Growth from Fort Bliss and workforce skills
- 4) El Paso business characteristics
- 5) Positive and negative issues about El Paso
- 6) Firm characteristics
- 7) Business with the maquiladora industry

The target sample, provided by the Economic Development Department and obtained from Dun and Bradstreet's *Selectory* business database, consisted of over 6,000 El Paso County firms with five or more

employees; of these, 938 were manufacturing, professional service and data processing firms that received the survey version with the two additional maquiladora questions. All businesses were contacted in two phases. During the first phase, surveys were mailed out between the end of September and early October of 2008, with a return postage-paid envelope included. To further improve on the response rate, a unique ID assigned to each firm was used to identify non-respondents of the mail survey so that they could be contacted by telephone during the second phase, which was conducted throughout November of 2008. During the telephone phase, bilingual interviewers asked for the owner, general manager or someone with decision making authority in order to ensure that responses were obtained from the perspective of the business management. If respondents did not have the time to complete the survey by phone, they were given the option to complete the survey online or were faxed the survey so that they could complete it in writing and return the results via fax.

A final sample size of 571 surveys was achieved for an overall response rate of 9.5 percent (see Table 1 above). At the 95 percent confidence level, sample findings provide an accuracy level of plus or minus four percent. Of the 571 total respondents, 128 of these are companies that received the survey version with the added maquiladora questions; specifically, 68 are companies in manufacturing, 58 in professional services and two in data processing (see Table 1 above). With regards to the firm characteristics of respondents, 46 percent are small establishments that employ between 5 and 10 workers (Figure 1), and half of the businesses have been in operation for 20 years or less (Figure 2). Frequencies for survey responses discussed in the remainder of the report are provided in Appendix B.

Figure 1. Full- and Part-time Employees

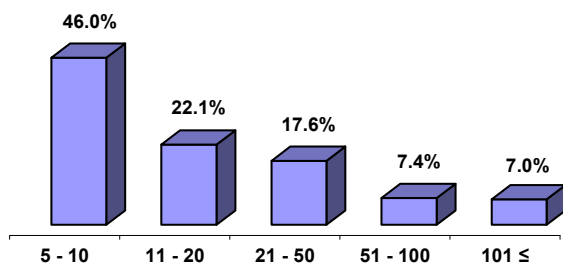
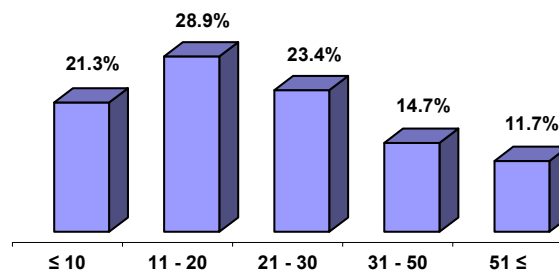


Figure 2. Years in Operation

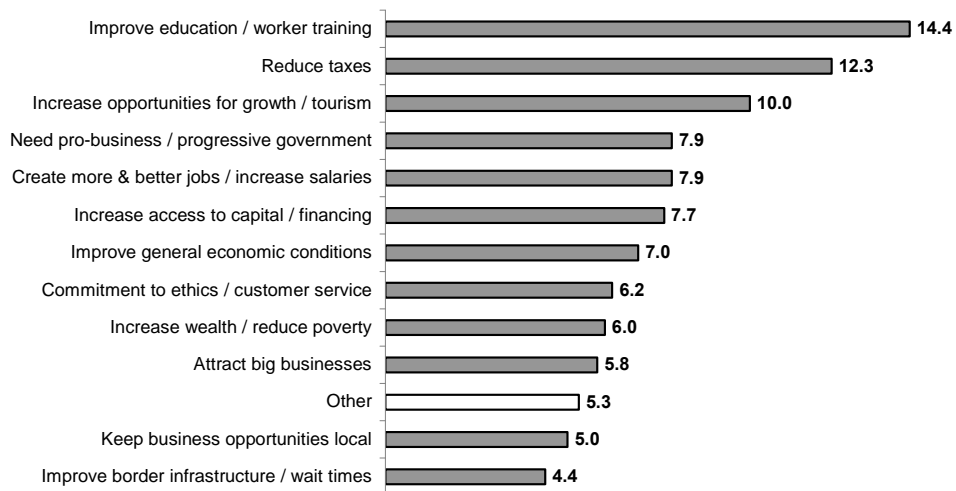


Survey Findings

Opportunities and Barriers

Survey respondents were first asked to list the two most important issues for improving business opportunities in El Paso followed by the two greatest barriers facing their business. These questions help identify ways to promote local commerce and recognize impediments to economic growth. The two issues most mentioned by respondents that would develop business opportunities are 1) improving education and workforce training and 2) reducing taxes (Figure 3). The two greatest barriers that businesses listed as facing are 1) the current economic conditions and 2) finding qualified labor (Figure 4). In total, 28.3 percent of firms in Figure 3 pointed towards education or topics highly influenced by education – worker training, better jobs, increasing incomes, and reducing poverty – as issues that would best improve the region’s business climate. These results from business management are similar to answers provided by El Paso residents in the *2008 City of El Paso Citizen Survey* where 24.9 percent indicated that employment opportunities, salaries and education were the most important issues for elected officials to work on. It is documented that increasing educational attainment is a critical step to improving many challenges facing El Paso,⁷ and both businesses and residents echo this sentiment.

Figure 3. Q2. Top issues to improving business opportunities (as a percent of total responses).

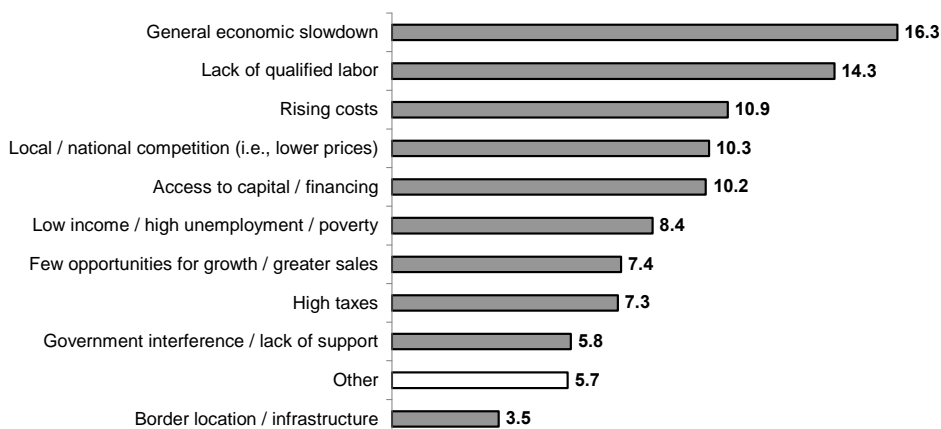


⁷ Day, Jennifer Cheeseman and Eric C. Newburger, 2002. “The Big Payoff: Educational Attainment and Synthetic Estimates of Work-Life Earnings,” Current Population Reports, Census;

See also Fullerton, Thomas M., 2001. “Educational Attainment and Border Income Performance,” Economic and Financial Review, 3: 2-10;

See also Soden, Dennis L. et al., 2001. “All ‘Bout Children: Children’s Health and well-being in the Paso Del Norte Region,” Paso Del Norte Child Health Factbook, IPED TR 2001-5.

Figure 4. Q3. Top barriers facing businesses (as a percent of total responses).



Two other issues many firms indicated can improve business opportunities include reducing taxes and a more progressive local government (Figure 3), while two other issues many firms see as barriers to growth include rising business costs and various forms of competition, such as the inability to match low prices from national chains or from companies that pay low wages (Figure 4). Another topic of interest to public officials and community leaders is the ability of area businesses to access debt capital. The present business climate survey, which targeted all businesses with more than five employees, indicates that debt financing is a top barrier to growth for one in ten of the responding firms. These results come at a time when firms have experienced a contraction of available credit due to the 2008 financial crisis of the U.S. banking system. By comparison, the 2007 *BRAC Impact on Industry* survey, administered only to industries with strong linkages to the military, also found that capital access is not the most significant barrier among the majority of local businesses who are prepared in most cases for financing growth opportunities (one in ten business managers reported that acquiring financing was difficult or very difficult). The similarity in results appear to indicate that while capital access may be problematic for some companies, there are other more important issues that the business sector feels is limiting their growth potential. Tracking this important issue in follow-up surveys will provide more definitive understanding about the accessibility of credit for area firms.

Changes in Business Operations

Responses to the following questions provide a measure of current and leading conditions faced by area businesses through reported/anticipated changes in their costs, revenues, investment (such as equipment or other capital used in the production of goods and services), and employment over the past three months as well as over the next 12 months. Results suggest that the El Paso economy is moderately stable and will continue to remain so with a slight improvement over the next 12 months;

however, there are signs that rising business costs are limiting the area’s economic growth potential. Reported higher costs are not a regional occurrence only. They first appeared as increases in petroleum prices nationwide in 2008 and, consequently, trickled down to the local economy in the form of higher prices for the transportation and raw materials used across all business sectors. The more recent financial instability in the nation’s banking system has also led to higher costs of borrowing for businesses and may be playing a large role in firms’ perceptions about costs over the next year.

Costs and Revenues

Over the past three months, local businesses experienced rising costs that are not being fully offset by greater revenue streams, with a majority or 79.4 percent of firms reporting some or a high increase in business costs (Figure 5) and 34.8 percent and 40.9 percent, respectively, reporting a drop or no change in revenues (Figure 6). Over the next 12 months, the business sector anticipates that revenues will not keep pace with rising costs with 54.8 percent of firms expecting an increase in costs (Figure 5) and only 30.4 percent predicting greater sales income (Figure 6). Nonetheless, the business forecast improves slightly over the next year with regards to costs and revenues.

Figure 5. Q4. Changes in business costs.

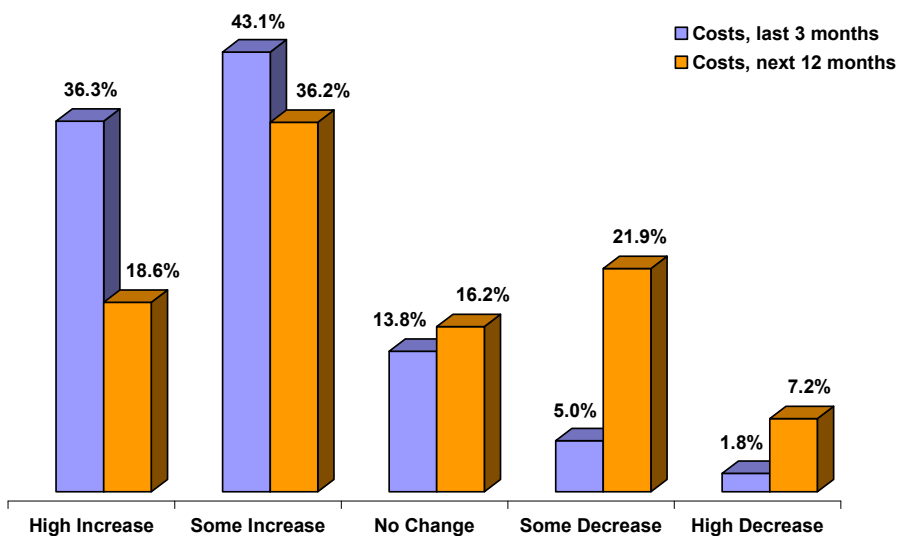
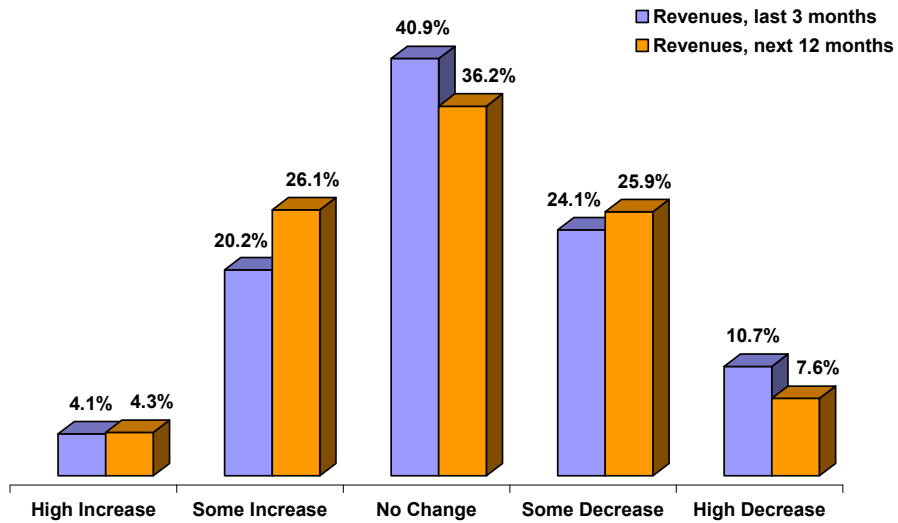


Figure 6. Q4. Changes in business revenues



Investment and Employment

Over one-third (36.9 percent) of respondents reported no change in investment in their business and nearly one-third (31.9 percent) said they experienced some increase in business investment over the past three months (Figure 7). Over the next year, two-thirds (67.1 percent) of businesses predict no change or some increase in investment (Figure 7). Over half of respondents also reported that they have neither laid off nor hired additional workers over the past three months and do not foresee any significant changes to their workforce over the next 12 months (Figure 8). Although rising costs and stagnant revenues typically lower business expectations, survey results show an El Paso economy that has remained and is expected to remain moderately stable with regard to business investment and jobs.

Figure 7. Q4. Changes in business investment

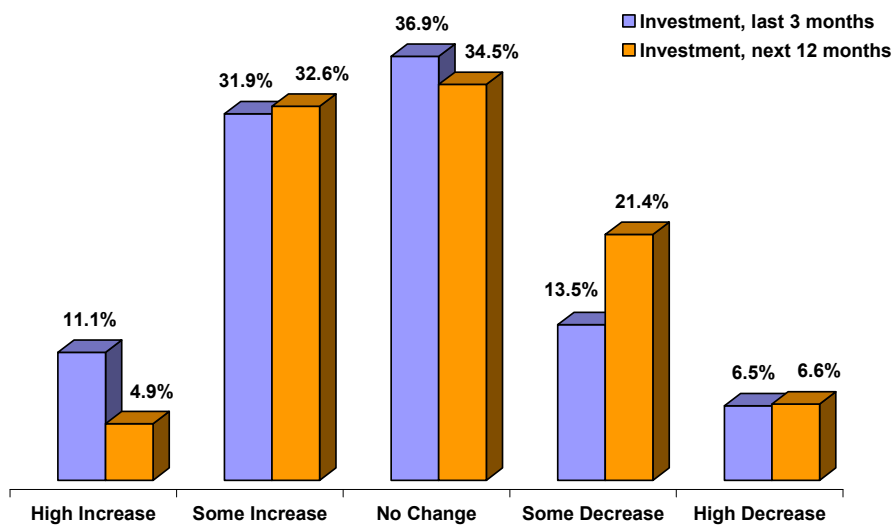
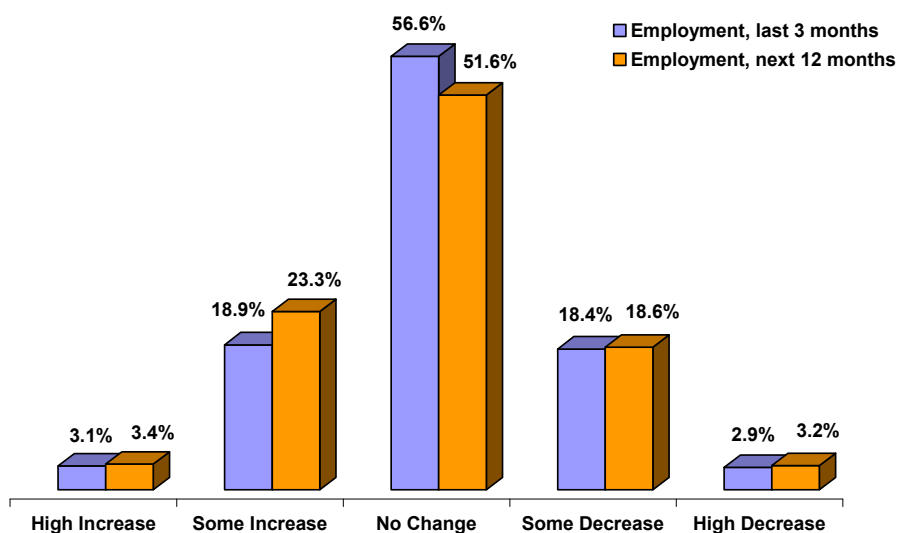


Figure 8. Q4. Changes in business employment



Crosstabulations

Crosstabulations provide an effective means of analyzing relationships between two factors within the data that are not easily detected when examining total responses from the entire sample. Tables C1 and C2 in Appendix C correlate industry sectors with changes in costs, revenues, investment, and employment experienced by firms over the past 3 months and expected over the next 12 months, respectively. In summary:

Over the past 3 months:

- **Costs** – A majority of firms, between 60 and 100 percent, in all industry sectors experienced a significant increase in costs.
- **Revenues** – A majority of firms, between 60 and 100 percent, in all industry sectors reported either a decrease or no change in revenues (versus an increase). However, some industry sectors performed better than others; in particular, one in three firms in 1) Construction, 2) Information, and 3) Leisure & Hospitality, as well as one in four firms in 4) Manufacturing, 5) Professional, Scientific & Technical, and 6) Health experienced an increase in revenues.
- **Investment** – Over half of firms in 1) Transportation & Warehousing, 2) Information, 3) Professional, Scientific & Technical, 4) Administrative & Support, and 5) Education experienced an increase in business investment. Roughly 40 percent of firms in 6) Manufacturing, 7) Wholesale & Retail Trade, 8) Finance & Insurance, and 9) Social Assistance also reported additional investment.
- **Employment** – Most industry sectors have a majority of firms that reported no change in employment (compared to an increase or a decrease). Better performing industry sectors that experienced an increase in their workforce include one in three firms in 1) Professional, Scientific & Technical, as well as one in four firms in 2) Manufacturing and 3) Social Assistance.

Over the next 12 months:

- **Costs** – Between 50 and 70 percent of firms in 1) Wholesale & Retail Trade, 2) Transportation & Warehousing, 3) Information, 4) Administration & Support, 5) Education, 6) Social Assistance, and 7) Agriculture, Mining & Utilities anticipate no change or a decrease in costs. A majority of firms in the remaining industry sectors expect an increase in costs.
- **Revenues** – Excluding construction, a majority of firms, between 60 and 100 percent, in all industry sectors expect either a decrease or no change in revenues (versus an increase). However, some industry sectors are more optimistic than others with respect to increasing sales; these include half of firms in 1) Construction, as well as one in three firms in 2) Manufacturing, 3) Professional, Scientific & Technical, 4) Health, and 5) Administrative & Support.
- **Investment** – Between 40 and 60 percent of firms in the following industry sectors anticipate an increase in investment: 1) Construction, 2) Wholesale & Retail Trade, 3) Transportation & Warehousing, 4) Financing & Insurance, 5) Real Estate, Rental & Leasing, and 6) Education.
- **Employment** – Most industry sectors have a majority of firms that expect no change (compared to an increase or decrease) in employment. However, some industry sectors predict to add more workers than others; in particular, between 30 and 40 percent of firms in 1) Manufacturing, 2) Professional, Scientific & Technical, and 3) Leisure & Hospitality expect to hire.

Business Climate Index

A key objective for the El Paso business climate survey is the development of indices for current and leading conditions that can be tracked through time. Tables 2 and 3 each provide an overall index using responses to changes in business costs, revenues, investment, and employment, as well as indices that measure each of these business operations individually. These indices can be tracked with future business climate surveys and their values can be analyzed and compared in order to make current and leading trends for area firm conditions more apparent. The interpretation for these index scores is relatively simple: using a scale from 1 to 5, higher scores indicate economic growth and lower scores suggest negative economic conditions; a score of 3 or close to 3 is a sign that the economy is not changing or is relatively stable. More specifically, lower scores represent a combination of rising costs or business contraction in the form of lower revenues, investment and employment, while higher scores correspond with a combination of falling costs and expanding revenues, investment and employment.

Table 2 shows an overall *current conditions* index score of 2.76, with rising costs (index of 1.93) the main impediment to more favorable economic conditions over the past three months. Table 3 shows an overall *leading conditions* index score of 2.92, with over half of business respondents expecting costs to continue rising over the next 12 months. As noted above, index results suggest that the El Paso economy is for the most part stable and will continue to remain so, with economic expansion closely tied to whether or

not costs will stabilize; that is, if costs do not increase or even fall during the next year, the economy may witness growth rather than just stability.

Table 2. Current Conditions Index (over the past 3 months).

	% High Increase	% Some Increase	% No Change	% Some Decrease	% High Decrease	Index
Costs	36.3	43.1	13.8	5.0	1.8	1.93
Revenues	4.1	20.2	40.9	24.1	10.7	2.83
Investments	11.1	31.9	36.9	13.5	6.5	3.28
Employment	3.1	18.9	56.6	18.4	2.9	3.01
Overall Index						2.76

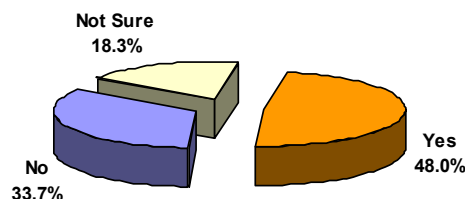
Table 3. Leading Conditions Index (over the next 12 months).

	% High Increase	% Some Increase	% No Change	% Some Decrease	% High Decrease	Index
Costs	18.6	36.2	16.2	21.9	7.2	2.63
Revenues	4.3	26.1	36.2	25.9	7.6	2.94
Investments	4.9	32.6	34.5	21.4	6.6	3.08
Employment	3.4	23.3	51.6	18.6	3.2	3.05
Overall Index						2.92

Growth from Fort Bliss and Workforce Skills

The following three questions were asked to compare against similar questions on the 2007 *BRAC Impact on Industry* survey. Businesses first provided their input on whether they had experienced or expected an increase in business from growth at Fort Bliss. Almost half (48 percent) of the total respondents noted that they have experienced or expect an increase in business due to Fort Bliss expansion, while one in three do not expect any impact (Figure 9). The percentage that answered “yes” in the present survey is slightly lower than the results from the *BRAC Impact on Industry* survey, where 53.2 percent of firms replied that Fort Bliss has or will improve their sales. Since the *BRAC* survey only targeted industries with the highest linkages to the military, this minor difference is sensible.

Figure 9. Q5. Have you experienced or expect an increase in business from growth at Fort Bliss?



Employers were next asked whether they have had difficulty finding trained and/or qualified staff in the past 12 months; more than half (51.5 percent) answered “yes” (Figure 10). By comparison, 48 percent of employers in the December 2007 *BRAC* survey had difficulty finding trained and/or qualified staff.

Figure 10. Q6. Have you had difficulty finding trained and/or qualified staff in the last 12 months?

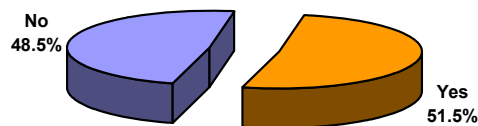
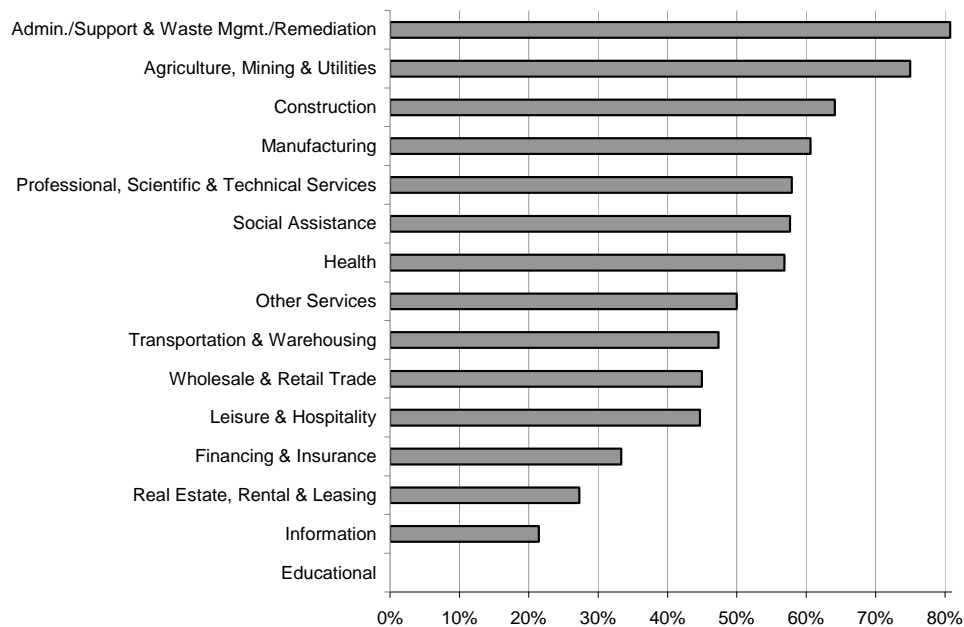


Figure 11 crosstabulations show that firms across the economy are reporting that they are having difficulty finding trained and/or qualified workers. The Administrative & Support sector, which includes employment (temporary) agencies and call centers, topped the list with 81 percent of its firms indicating that finding qualified staff is problematic.

Figure 11. Crosstab: Q6. 1) Difficulty finding trained and/or qualified staff and 2) industry sectors.



Respondents were also asked to list the top three skills required of their employees (Figure 12). The top skill designated by employers is “competency & general skills.” The most important skill sets in the present survey are similar to the top responses from the *BRAC Impact on Industry* survey, with two notable movements: 1) technical skills topped the *BRAC* survey, while in the present survey, technical skills ranked fifth; and 2) education/experience/certification scored much higher in the present survey.

Figure 12. Q7. Top three skills required by businesses (as a percent of total responses).



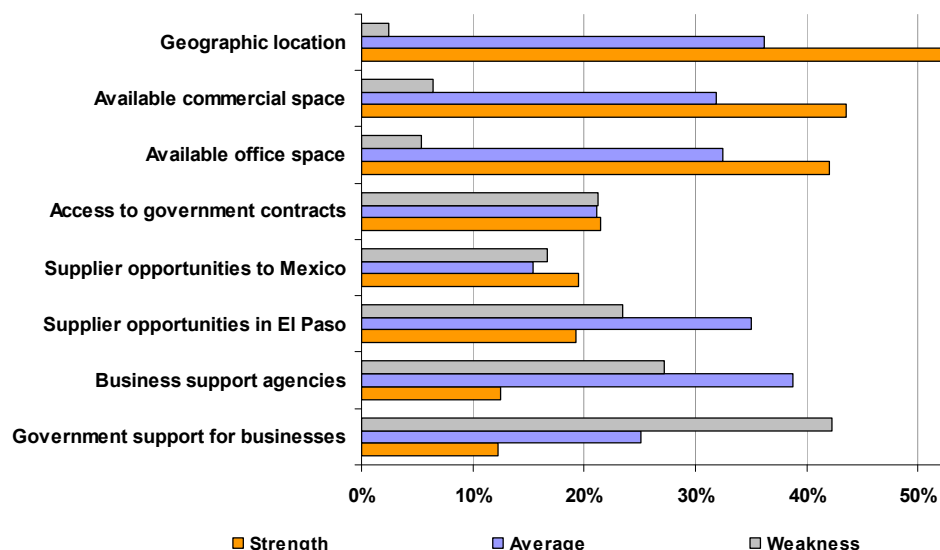
El Paso Business Characteristics

Respondents subsequently rated from 36 characteristics regarding the El Paso economy from a business perspective, designating each characteristic as a strong, average or weak attribute of El Paso; the available answer choices were “strength,” “average,” “weakness,” or “no opinion.” The characteristics were grouped into one of the following six topics: 1) Business Support & Opportunities; 2) Financing, Costs & Taxes; 3) Education, Training & Labor; 4) Utilities; 5) Transportation; and 6) Quality of Life. In Figures 13 through 18 below, only respondents with an opinion are analyzed.

Business Support and Opportunities

Respondents first rated business support and opportunity attributes of El Paso (Figure 13). Results across all industries show that three of these characteristics are primarily rated as regional strengths: 1) geographic location, 2) available commercial space, and 3) available office space. Conversely, government support for business received a weakness rating by over 40 percent of all firms. Most respondents rated as average 1) supplier opportunities in El Paso and 2) business support agencies, while 1) access to government contracts and 2) supplier opportunities to Mexico received mixed ratings.

Figure 13. Q8. Business support and opportunities.



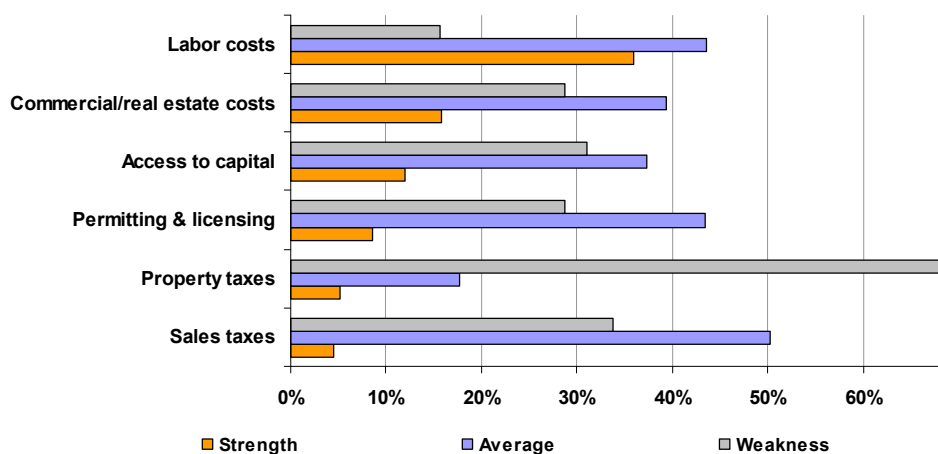
Crosstabulations provide greater insight into the differences between industry sectors and their perceptions of the various business support and opportunities in El Paso (Appendix D, Table D1). Taking into consideration only firms with an opinion, the most notable findings include:

- *Access to government grants* – The percentage of firms rating this characteristic as a strength is greatest in 1) Construction, 2) Wholesale & Retail Trade, 3) Transportation & Warehousing, 4) Real Estate, Rental & Leasing, 5) Education, and 6) Health. On the other hand, the percentage of firms rating it as a weakness is greatest in 1) Manufacturing, 2) Professional, Scientific & Technical, 3) Administrative & Support, and 4) Social Assistance.
- *Government support* – The percentage of firms rating this attribute as a weakness is greatest in all industry sectors, with the exception of four firms in Agriculture, Mining & Utilities and 22 firms in Real Estate, Rental & Leasing, which mostly rated government support as average.
- *Geographic location* – Firms in Agriculture, Mining & Utilities equally rated this characteristic either as a strength, average or weakness. The percentage of firms rating geographic location as a strength is greatest in all other industry sectors, with the exception of firms in 1) Real Estate, 2) Administrative & Support, 3) Social Assistance, and 4) Leisure & Hospitality, which mostly rated location as average.
- *Available commercial space* – Firms in Agriculture, Mining & Utilities equally rated this characteristic either as average or a weakness, while firms in Financing & Insurance equally rated it either as a strength or average. The percentage of firms rating this attribute as a strength is greatest in all other industry sectors, with the exception of firms in 1) Administration & Support and 2) Social Assistance, which mainly considered the availability of commercial space in El Paso as average.

Financing, Costs and Taxes

Firms next assessed financing, costs and taxes (Figure 14). Thirty-six and 44 percent of total firm respondents, respectively, rated labor costs either as a strength or an average characteristic of El Paso. Most employers perceived the following as average qualities of El Paso: 1) commercial and real estate costs, 2) capital access, 3) permitting and licensing, and 4) sales taxes; however, roughly 30 percent believe these four qualities are weaknesses. Property taxes received the worst evaluation, rated as a weakness by over two-thirds of respondents.

Figure 14. Q8. Financing, costs and taxes.



Crosstabulations between industry sectors and their thoughts on finance, cost and tax characteristics (Appendix D, Table D2) reveal the following:

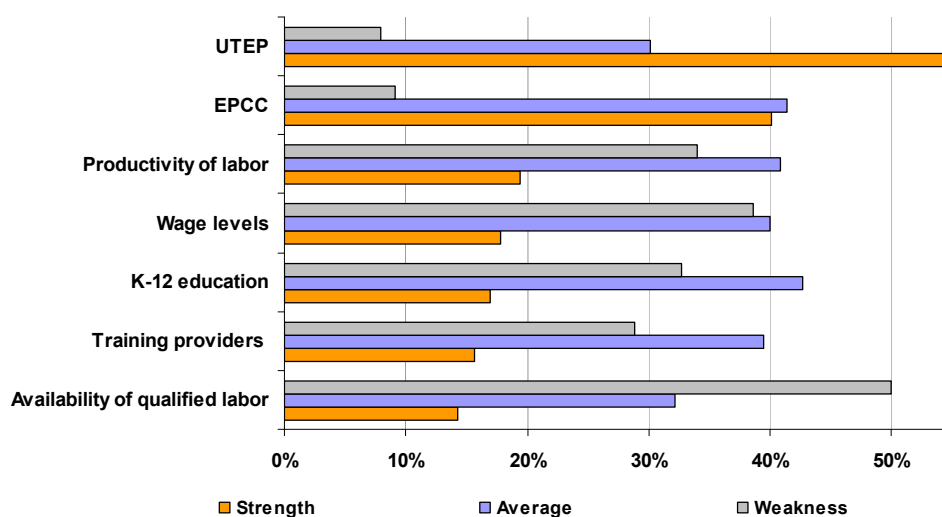
- *Access to capital* – The percentage of firms in Agriculture, Mining & Utilities is equally divided in rating this characteristic as a strength, average or weakness of El Paso. The majority of firms in all other industry sectors rated access to capital as average, with the exception of firms in 1) Information, 2) Education 3) Social Assistance, and 4) Leisure & Hospitality, which primarily rated financial capital access as a weakness.
- *Commercial and real estate costs* – Most firms in all industry sectors rated this attribute as average, with the exception of firms in 1) Social Assistance (which are divided on whether it is a strength, average, or weakness) and 2) Leisure & Hospitality (which mostly think this attribute is a weakness).
- *Labor costs* – The percentage of firms that rated labor costs as an average characteristic is greatest in all industry sectors, with the exception of firms in 1) Information and 2) Professional, Scientific & Technical, which rated the cost of labor in El Paso primarily as a strength.

- *Property taxes* – A majority of firms in all industry sectors rated this characteristic as a weakness, with the exception of six firms in private Education, which mainly rated property taxes an El Paso strength.

Education, Training and Labor

Respondents also provided their opinions about El Paso’s education, training and labor force (Figure 15). The University of Texas at El Paso and El Paso Community College received very favorable ratings; however, K-12 education was rated as a weakness by 33 percent of employers. When asked about labor, half of respondents rated availability of qualified labor as a weak characteristic of El Paso; productivity fared better, with 60 percent of respondents rating labor productivity in El Paso as average or strong. Almost 40 percent of employers feel that training providers are doing an average job training the area’s workforce, while 29 percent believe they are performing poorly. Respondents were split as to whether wage levels are an average or weak characteristic of El Paso.

Figure 15. Q8. Education, training and labor.



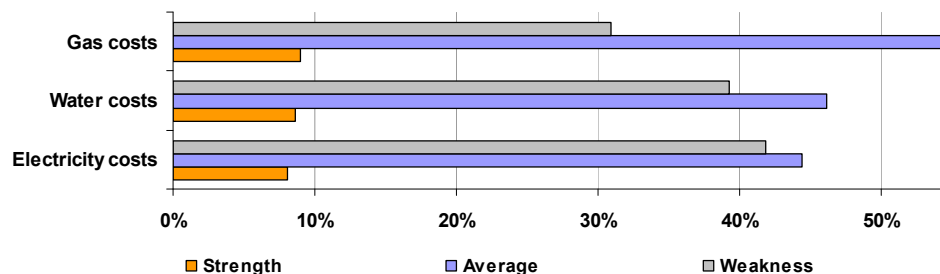
Most notable findings from cross-tabulations assessing the association between education, training and labor characteristics and industry sectors (Appendix D, Table D3) include:

- *Training providers* – The greatest percentage of firms in 1) Agriculture, Mining & Utilities, 2) Construction, and 3) Manufacturing rated provider training as a weakness of El Paso. The majority of firms in all other industry sectors rated this characteristic as average.
- *Availability of qualified labor* – The percentage of firms rating the availability of qualified labor either as a weakness or average characteristic of El Paso is greatest in all industry sectors.
- *Wage levels* – Firms in all sectors mainly rated wage levels as a weakness or average characteristic.

Utilities

The three utility costs (Figure 16) received primarily an average or weakness rating, with less than 10 percent considering these costs strengths of doing business in El Paso. The most favorable judgment was directed towards gas, with 54 percent of all respondents giving this expenditure an average rating.

Figure 16. Q8. Utilities.



Crosstabulations between industry sectors and utility ratings (Appendix D, Table D4) show the following:

- *Electricity costs* – A majority of firms in all industry sectors rated electricity costs either as a weakness or average characteristic of El Paso.
- *Gas costs* – The greatest percentage of firms in all industry sectors rated gas costs as average, with the exception of firms in 1) Education and 2) Leisure & Hospitality, which mostly rated this attribute as a weakness of El Paso.
- *Water costs* – Firms in Agriculture, Mining & Utilities are equally divided on whether water costs are a strength, average or weakness of El Paso. Most firms in all other industry sectors rated this characteristic either as an average characteristic or a weakness.

Transportation

Respondents next provided feedback on transportation modes and infrastructure (Figure 17). Most businesses rated 1) passenger air, 2) air freight, and 3) rail transportation as either an average or strong characteristics of El Paso. A larger percentage of firms believe the region’s cross-border infrastructure is an average characteristic of El Paso; however, 22 percent of firms think it is a weakness and only 18 percent believe it is a community strength.

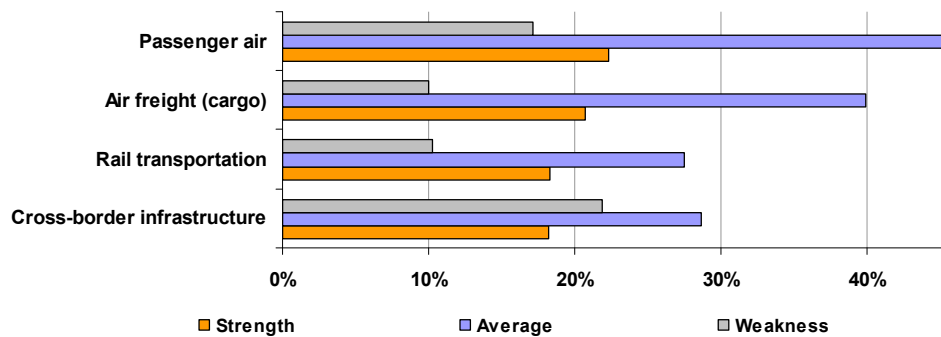
Most notable findings from crosstabulations between ratings on transportation characteristics and industry sectors (Appendix D, Table D5) include:

- Passenger air, air freight and rail transportation – The percentage of firms that rated these three transportation characteristics either as average or a strength of El Paso is greatest across all industry

sectors, with the exception of firms in Education, which are equally divided on whether air freight is a strength, average or weakness.

- Cross-border infrastructure – The majority of firms in all industry sectors rated this characteristic either as average or a weakness of El Paso, with the exception of firms in 1) Information (which are divided in rating this characteristic as either a strength or average) and 2) Financing & Insurance (which rated this attribute as a strength).

Figure 17. Q8. Transportation.



Quality of Life

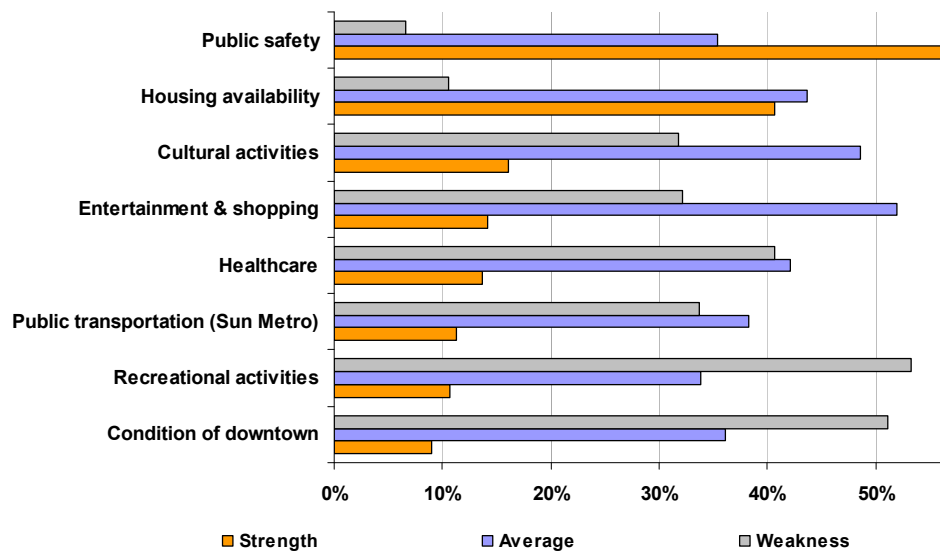
To conclude the section dealing with El Paso characteristics from a business perspective, employers were asked to rate area quality of life indicators (Figure 18). An overwhelming number, over 90 percent and 80 percent, respectively, of respondents rated public safety and housing availability as either a strong or average characteristic of El Paso. A majority of businesses rated the following El Paso attributes as average: 1) cultural activities, 2) entertainment and shopping, 3) healthcare, and 4) public transportation. Recreational activities and the condition of downtown received the worst assessment of all quality of life indicators, with over half of respondents rating them as weaknesses.

Most notable findings from crosstabulations examining quality of life indicators in El Paso and individual industry sectors (Appendix D, Table D6) include:

- *Public safety* – The greatest percentage of firms in all industry sectors rated public safety as a strength of El Paso, with the exception of firms in Education, which mainly qualified this as an average characteristic of El Paso.
- *Condition of downtown* – Firms in Education are equally divided on rating this characteristic as a strength, average or weakness of El Paso, while firms in Information rated it as an average characteristic. The greatest percentage of firms in all other industry sectors rated downtown’s condition as a weakness of El Paso.

- *Public transportation and healthcare* – The percentage of firms that rated both of these characteristics either as average or a weakness of El Paso is greatest in all industry sectors.
- *Housing availability* – The majority of firms in all industry sectors rated housing availability either as a strength or average characteristic of El Paso.

Figure 18. Q8. Quality of life.



Positive and Negative Issues about El Paso

The following two open-ended questions asked survey respondents their perceptions about El Paso as a place to do business (to work) and as a place of residence (to live). First, businesses provided their top positive and top negative issue about El Paso as a place for conducting business. El Paso’s border location ranked number one as the most positive issue followed by the region’s potential for growth, its weather and friendly people (Figure 19).

Interestingly, El Paso’s border location also topped the most negative issue about El Paso as a place to do business (Figure 20). The fact that border location ranked overall as both the number one positive and negative issue about El Paso from a business perspective appears to reflect that El Paso’s geographic strength is also a source of disadvantage. While logistics-related industries, manufacturing, professional services, and retail trade highly benefit from proximity to Mexico,⁸ border location also means direct competition from Mexican labor and industry, thus putting downward pressure on wages

⁸ Hanson, Gordon H., 2001. “U.S.-México Integration and Regional Economies: Evidence from Border City Pairs,” *Journal of Urban Economics*, v50, pp. 250-287.

across various El Paso industries. Although lower wages can be beneficial because they allow some businesses to reduce costs, the drawback is that overall income growth is constrained, thus limiting business growth opportunities. The area's income levels, poverty, taxes, business costs, education, and skill of labor also received many negative responses, further illustrating the key challenges facing business in El Paso's current economy.

Figure 19. Q9. Most positive issue about El Paso as a place to do business.

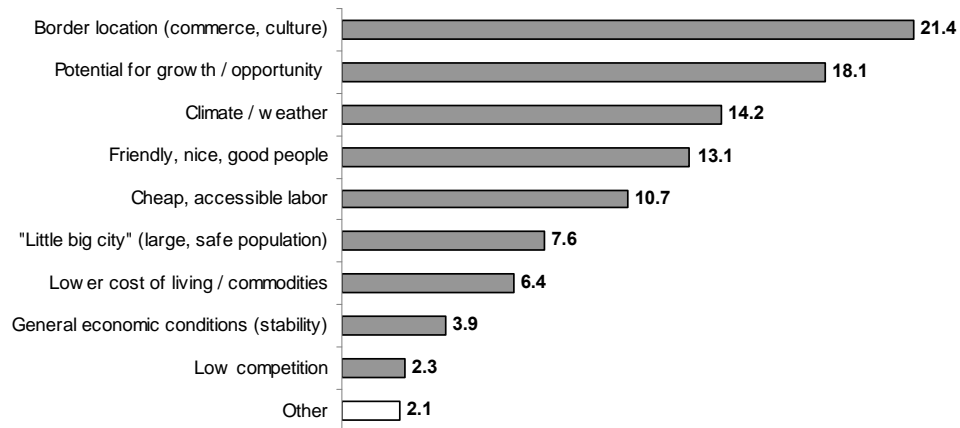
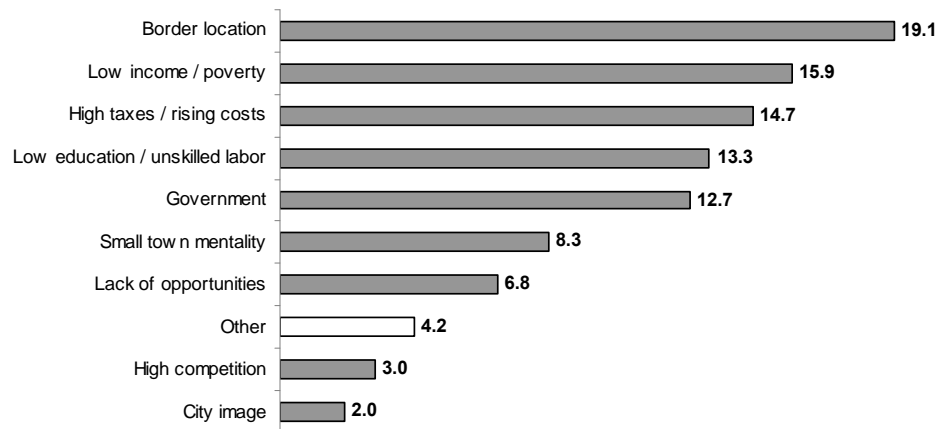
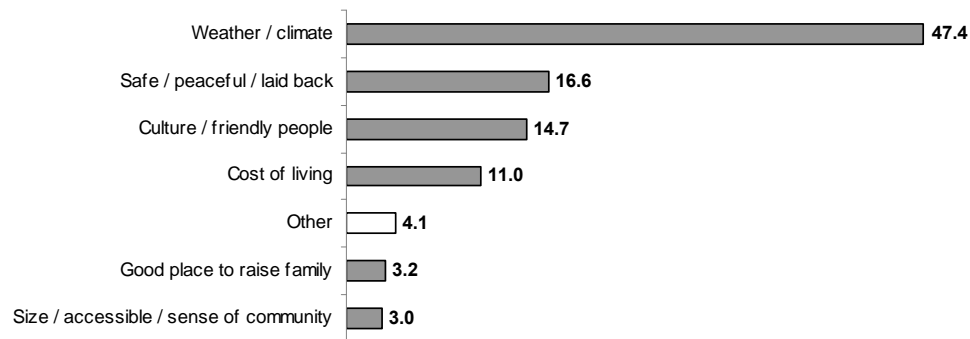


Figure 20. Q9. Most negative issue about El Paso as a place to do business.



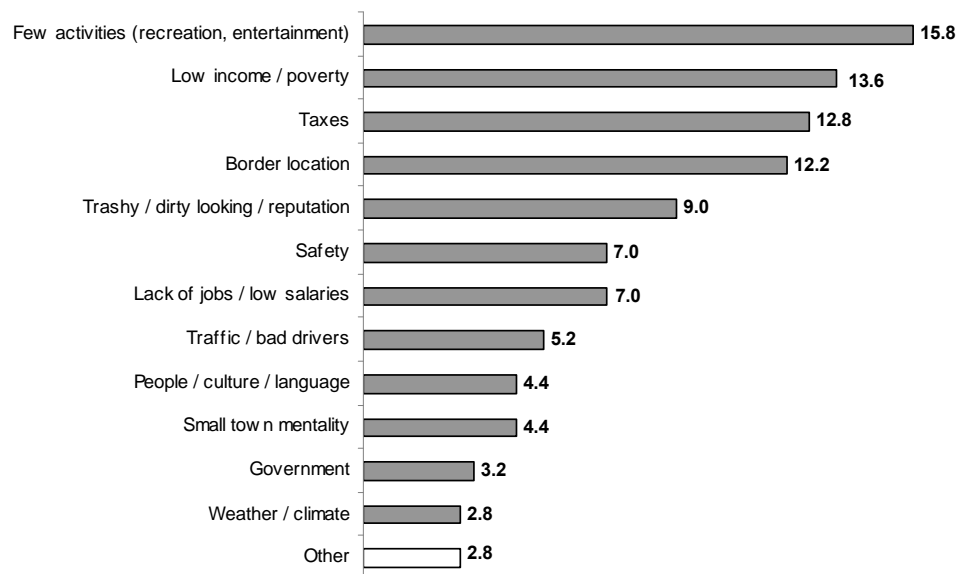
Second, business managers provided their top positive and top negative issue about El Paso as a place to live. Almost half of respondents mentioned the region's weather as El Paso's most attractive asset as a place of residence (Figure 21). Most other positive responses related to the region as a safe, peaceful, friendly, and cultural pleasing place to raise a family. These business results are reminiscent of residential results from the *2008 City of El Paso Citizen Survey* where climate and weather were also listed as the top positive image that comes to mind about El Paso; similarly, residents in the *2008 Citizen Survey* also listed El Paso as a secure, peaceful, friendly, and culturally pleasing place for families.

Figure 21. Q10. Most positive issue about El Paso as a place to live.



The negative aspects for El Paso as a place to live were more diverse than the positive issues. Lack of recreational and entertainment activities topped the negative list for firm respondents, followed by the area's low income, poverty and taxes (Figure 22 above). By comparison, lack of jobs, poor wages and violence were the most negative issues listed by residents in the *2008 Citizen Survey*. The fact that lack of jobs topped the *2008 Citizen Survey* but not the present survey may be linked to the fact that the present survey obtained feedback from working individuals, primarily business owners and managers; on the other hand, the residential survey included all persons, regardless of whether they were employed, unemployed or underemployed. Consequently, business owners and managers, which have a higher level of job security, rate issues other than lack of jobs as areas to be more concerned about.

Figure 22. Q10. Most negative issue about El Paso as a place to live.

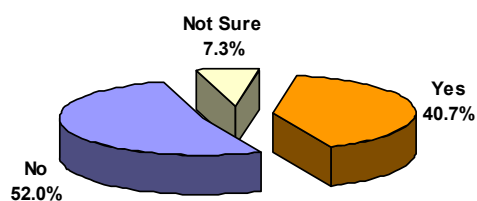


Business with the Maquiladora Industry

A total of 938 eight firms in 1) Manufacturing, 2) Professional, Scientific & Technical Services, and 3) Data Processing were targeted; 128 of these firms responded and answered the two additional maquiladora-related questions. Respondents first indicated whether they do business or would be interested in doing business with Mexico's maquiladora industry. Forty-one percent answered "yes" while 52 percent answered "no" (Figure 23). When asked what kind of support would assist them to expand their business or to start doing business with the maquiladora industry, respondents provided the following suggestions:

- Be provided with contact information, as well as information and knowledge on ways to do business with Mexican firms;
- Improve border infrastructure;
- Increase manufacturing and sales opportunities with Mexico;
- Improve safety;
- Better advertising and marketing strategies; and
- Provide access to capital.

Figure 23. Q14. Firms doing business or interested in doing business with maquiladoras.



Conclusion

Survey results reveal that El Paso firms deal with factors – current/prospective economic conditions, business operating costs, adequate workforce, financial capital access, and government regulation/environment – highly similar to those identified in national studies. Indices on business operations show that El Paso's economic performance and employment base are moderately stable and that area businesses are slightly more optimistic over the next 12 month horizon. Military expansion and the newly accredited medical school, coupled with sound recruitment and workforce training dynamics bode well for the region's growth prospective. Overall, the economy's current and future outlook is positive when compared to many parts of the nation that are in full recession with declining consumer confidence and increasing unemployment.

Appendix A

2008 City of El Paso Business Climate Survey

1) Please provide your company information below (or tape your business card):

Company Name: _____

Address: _____

Zip: _____

Contact Name/Title: _____

Email: _____

Phone: _____

Fax: _____

2) What are the two most important issues to improving overall business opportunities in El Paso?

1. _____

2. _____

3) What are the two greatest barriers facing your business?

1. _____

2. _____

4) Please describe below any change in your business costs, revenues, investment, and employment over the past 3 months and over the next 12 months. (Mark your answers with “x” or “✓”)

	Over the Past 3 Months					Over the Next 12 Months				
	High Increase	Some Increase	No Change	Some Decrease	High Decrease	High Increase	Some Increase	No Change	Some Decrease	High Decrease
Costs										
Revenues										
Investments										
Employment										

5) Has your firm experienced or expect an increase in business from growth at Fort Bliss?

___ Yes ___ No ___ Not Sure

6) Have you had difficulty finding trained and/or qualified staff in the last 12 months? ___Yes ___No

7) What are the top three skills required by your business?

1. _____

2. _____

3. _____

8) Please rate the following El Paso characteristics from a business perspective. (Mark your answers with “x” or “√”).

		Strength	Average	Weakness	No Opinion
Business Support & Opportunities	Access to government contracts				
	Supplier opportunities in El Paso				
	Supplier opportunities to Mexico				
	Government support for businesses				
	Business support agencies				
	Geographic location				
	Available commercial space				
	Available office space				
Financing, Costs & Taxes	Access to capital				
	Property taxes				
	Sales taxes				
	Commercial & real estate costs				
	Labor costs				
	Permitting & licensing				
Education, Training & Labor	K-12 education				
	El Paso Community College				
	University of Texas at El Paso				
	Training providers (worker training)				
	Availability of qualified labor				
	Productivity of labor				
	Wage levels				
Utilities	Electricity costs				
	Gas costs				
	Water costs				
Transportation	Passenger air				
	Air freight (cargo)				
	Rail transportation				
	Cross-border infrastructure				
Quality of Life	Public safety				
	Condition of downtown				
	Recreational activities				
	Cultural activities				
	Entertainment & shopping				
	Public transportation (Sun Metro)				
	Housing availability				
	Healthcare				

9) What is the most positive and most negative issue about El Paso as a place to do business?

Positive (only 1) _____

Negative (only 1) _____

10) What is the most positive and most negative issue about El Paso as a place to live?

Positive (only 1) _____

Negative (only 1) _____

11) How many part- and full-time employees (20 hours or more weekly) does your business have locally?

10 or Less 31 to 50 101 to 150 501 to 750
 11 to 20 51 to 75 151 to 250 751 to 1,000
 21 to 30 76 to 100 251 to 500 1,000 or more

12) How long has this business operated in El Paso (including previous and current owners)? _____

13) Please classify below the industry your business is in. (Mark your answer with “x” or “✓”)

Goods Producing		Service Providing	
Natural Resources & Mining		Wholesale & Retail Trade & Utilities	
Construction		Transportation & Warehousing	
Manufacturing		Information	
Food & beverage		Finance & Insurance	
Textile, apparel & leather		Real Estate, Rental & Leasing	
Wood, paper & printing		Educational	
Petroleum & coal		Health Care	
Chemical (dye, pesticide, medicine, etc.)		Social Assistance	
Plastics & rubber		Leisure & Hospitality	
Nonmetallic mineral (glass, cement, etc.)		Professional & Business Services	
Metal (iron, steel, aluminum, copper, etc.)		Legal, accounting, tax, & payroll	
Fabricated metal (forging, machine shops, etc.)		Architectural & engineering	
Machinery (industrial, commercial, engine, etc.)		Design & computer systems	
Computer, electronic, electrical, & appliance		Mgmt. & technical consulting	
Transportation (vehicle, air, rail, & ship parts)		Scientific research & development	
Furniture (household & office)		Administrative & business support	
Other manufacturing (please specify)		Other Services (please specify)	

14) Would you like to receive business related information from the City of El Paso? Yes No

15) Does your firm do business or be interested in doing business with Mexico’s maquiladora industry?

Yes No (ignore question 16) Not Sure (ignore question 16)

16) What kind of support would assist you to expand your business or start doing business with the maquiladora industry? _____

Appendix B

2008 City of El Paso Business Climate Survey – Frequencies

Q2. What are the two most important issues to improving overall business opportunities in El Paso?

First most important issue.

	Frequency	Valid Percent
Access to capital and financing	44	8.3
New big businesses	33	6.3
Lack of jobs / good salaries	47	8.9
General economic conditions	41	7.8
Low income / Poverty	29	5.5
Government	43	8.1
Education	80	15.2
Taxes	66	12.5
Keep business opportunities local	23	4.4
International boundary / Bridges	18	3.4
Opportunities / Growth / Tourism	53	10.0
Ethics / Customer service	29	5.5
Miscellaneous	22	4.2
Total	528	100.0

Second most important issue.

	Frequency	Valid Percent
Access to capital and financing	31	6.9
New big businesses	24	5.3
Lack of jobs / good salaries	30	6.7
General economic conditions	27	6.0
Low income / Poverty	30	6.7
Government	34	7.6
Education	61	13.6
Taxes	54	12.0
Keep business opportunities local	26	5.8
International boundary / Bridges	25	5.6
Opportunities / Growth / Tourism	45	10.0
Ethics / Customer service	32	7.1
Miscellaneous	30	6.7
Total	449	100.0

Q3. What are the two greatest barriers facing your business?

First greatest barrier.

	Frequency	Valid Percent
Qualified labor	75	14.1
Local / National competition	50	9.4
Rising costs	49	9.2
General economic conditions / Gro	114	21.5
Government	30	5.6
Taxes	37	7.0
Access to capital	54	10.2
Low income / Poverty	36	6.8
Border location	16	3.0
Opportunities / Growth / Demand	39	7.3
Miscellaneous	31	5.8
Total	531	100.0

Second greatest barrier.

	Frequency	Valid Percent
Qualified labor	65	14.3
Local / National competition	51	11.3
Rising costs	58	12.8
General economic conditions / Gro	47	10.4
Government	27	6.0
Taxes	35	7.7
Access to capital	46	10.2
Low income / Poverty	47	10.4
Border location	18	4.0
Opportunities / Growth / Demand	34	7.5
Miscellaneous	25	5.5
Total	453	100.0

Q4. Please describe any changes in your business costs, revenues, investments, and employment over the past 3 months and over the next 12 months.

Costs over the past 3 months.

	Frequency	Valid Percent
High Increase	203	36.3
Some Increase	241	43.1
No Change	77	13.8
Some Decrease	28	5.0
High Decrease	10	1.8
Total	559	100.0

Costs in the next 12 months.

	Frequency	Valid Percent
High Increase	101	18.6
Some Increase	197	36.2
No Change	88	16.2
Some Decrease	119	21.9
High Decrease	39	7.2
Total	544	100.0

Revenues over the past 3 months.

	Frequency	Valid Percent
High Increase	23	4.1
Some Increase	113	20.2
No Change	229	40.9
Some Decrease	135	24.1
High Decrease	60	10.7
Total	560	100.0

Revenues in the next 12 months.

	Frequency	Valid Percent
High Increase	23	4.3
Some Increase	141	26.1
No Change	196	36.2
Some Decrease	140	25.9
High Decrease	41	7.6
Total	541	100.0

Investments over the past 3 months.

	Frequency	Valid Percent
High Increase	60	11.1
Some Increase	172	31.9
No Change	199	36.9
Some Decrease	73	13.5
High Decrease	35	6.5
Total	539	100.0

Investments in the next 12 months.

	Frequency	Valid Percent
High Increase	26	4.9
Some Increase	172	32.6
No Change	182	34.5
Some Decrease	113	21.4
High Decrease	35	6.6
Total	528	100.0

Employment over the past 3 months.

	Frequency	Valid Percent
High Increase	17	3.1
Some Increase	104	18.9
No Change	311	56.6
Some Decrease	101	18.4
High Decrease	16	2.9
Total	549	100.0

Employment in the next 12 months.

	Frequency	Valid Percent
High Increase	18	3.4
Some Increase	125	23.3
No Change	277	51.6
Some Decrease	100	18.6
High Decrease	17	3.2
Total	537	100.0

Q5. Has your firm experienced or expect an increase in business from growth at Fort Bliss?

	Frequency	Valid Percent
Yes	273	48.0
No	191	33.6
Not sure	105	18.5
Total	569	100.0

Q6. Have you had difficulty finding trained and/or qualified staff in the last 12 months?

	Frequency	Valid Percent
Yes	290	51.3
No	275	48.7
Total	565	100.0

Q7. What are the top three skills required by your business?

Number one skill.

	Frequency	Valid Percent
Technical (refrigeration, mechanical, plumbing, etc.)	56.0	10.0
Customer service & communication	80.0	14.3
Competency & general skills (responsible, reliable, etc.)	73.0	13.1
Medical	33.0	5.9
Other professional (teaching, mgmt, organization, etc.)	43.0	7.7
Financial, insurance or real estate	9.0	1.6
Language (bilingualism, strong command of English)	28.0	5.0
Education, experience & certification	82.0	14.7
Transportation / trucking	11.0	2.0
Construction	12.0	2.2
Engineering	20.0	3.6
Marketing & sales	45.0	8.1
Electrical	7.0	1.3
Writing, reading, math	17.0	3.0
Computer literate	27.0	4.8
Miscellaneous	15.0	2.7
Total	558.0	100.0

Number two skill.

	Frequency	Valid Percent
Technical (mechanical, plumbing, etc.)	40	7.4
Customer service & communication	58	10.8
Competency & general skills (reliable, responsible, etc.)	101	18.8
Office & clerical	16	3.0
Medical	17	3.2
Other professional (teaching, mgmt, organization, etc.)	46	8.6
Financial, insurance or real estate	18	3.4
Language (bilingualism, strong command of English)	34	6.3
Education, experience & certification	74	13.8
Transportation / trucking	7	1.3
Construction	14	2.6
Engineering	5	0.9
Marketing & sales	22	4.1
Electrical	5	0.9
Writing, reading & math	15	2.8
Computer literate	42	7.8
Miscellaneous	23	4.3
Total	537	100.0

Number three skill.

	Frequency	Valid Percent
Technical (refrigeration, mechanical, plumbing, etc.)	35	7.5
Customer service & communication	59	12.6
Competency & general skills (responsible, reliable, etc.)	136	29.1
Office & clerical	14	3.0
Medical	15	3.2
Other professional (teaching, mgmt, organization, etc.)	43	9.2
Financial, insurance or real estate	12	2.6
Language (bilingualism, strong command of English)	28	6.0
Education, experience & certification	41	8.8
Transportation / trucking	11	2.4
Construction	6	1.3
Engineering	5	1.1
Marketing & sales	15	3.2
Electrical	1	0.2
Writing, reading & math	10	2.1
Computer literate	19	4.1
Miscellaneous	18	3.8
Total	468	100.0

Q8. Please rate the following El Paso characteristics from a business perspective.

Business Support and Opportunities

Access to government contracts

	Frequency	Valid Percent
Strength	119	21.5
Average	117	21.1
Weakness	118	21.3
No Opinion	200	36.1
Total	554	100.0

Supplier opportunities in El Paso

	Frequency	Valid Percent
Strength	107	19.2
Average	195	35.0
Weakness	131	23.5
No Opinion	124	22.3
Total	557	100.0

Supplier opportunities to Mexico

	Frequency	Valid Percent
Strength	108	19.5
Average	85	15.4
Weakness	92	16.6
No Opinion	268	48.5
Total	553	100.0

Government support for businesses

	Frequency	Valid Percent
Strength	68	12.3
Average	139	25.1
Weakness	234	42.2
No Opinion	113	20.4
Total	554	100.0

Business support agencies

	Frequency	Valid Percent
Strength	69	12.5
Average	214	38.8
Weakness	150	27.2
No Opinion	119	21.6
Total	552	100.0

Geographic location

	Frequency	Valid Percent
Strength	240	43.2
Average	165	29.7
Weakness	111	20.0
No Opinion	40	7.2
Total	556	100.0

Available commercial space

	Frequency	Valid Percent
Strength	243	43.5
Average	178	31.9
Weakness	36	6.5
No Opinion	101	18.1
Total	558	100.0

Available office space

	Frequency	Valid Percent
Strength	233	42.0
Average	180	32.4
Weakness	30	5.4
No Opinion	112	20.2
Total	555	100.0

Financing, Costs and Taxes

Access to capital

	Frequency	Valid Percent
Strength	67	12.0
Average	208	37.3
Weakness	173	31.0
No Opinion	110	19.7
Total	558	100.0

Property taxes

	Frequency	Valid Percent
Strength	29	5.2
Average	99	17.7
Weakness	383	68.4
No Opinion	49	8.8
Total	560	100.0

Sales taxes

	Frequency	Valid Percent
Strength	25	4.5
Average	279	50.2
Weakness	188	33.8
No Opinion	64	11.5
Total	556	100.0

Commercial & real estate costs

	Frequency	Valid Percent
Strength	88	15.8
Average	219	39.3
Weakness	160	28.7
No Opinion	90	16.2
Total	557	100.0

Labor costs

	Frequency	Valid Percent
Strength	201	35.9
Average	244	43.6
Weakness	88	15.7
No Opinion	27	4.8
Total	560	100.0

Permitting & licensing

	Frequency	Valid Percent
Strength	48	8.6
Average	243	43.4
Weakness	161	28.8
No Opinion	108	19.3
Total	560	100.0

Education, Training and Labor

K-12 education

	Frequency	Valid Percent
Strength	94	16.9
Average	237	42.6
Weakness	182	32.7
No Opinion	43	7.7
Total	556	100.0

El Paso Community College

	Frequency	Valid Percent
Strength	224	40.1
Average	231	41.4
Weakness	51	9.1
No Opinion	52	9.3
Total	558	100.0

University of Texas at El Paso

	Frequency	Valid Percent
Strength	303	54.7
Average	167	30.1
Weakness	44	7.9
No Opinion	40	7.2
Total	554	100.0

Training providers (worker training)

	Frequency	Valid Percent
Strength	87	15.7
Average	219	39.5
Weakness	160	28.8
No Opinion	89	16.0
Total	555	100.0

Availability of qualified labor

	Frequency	Valid Percent
Strength	80	14.3
Average	180	32.2
Weakness	279	49.9
No Opinion	20	3.6
Total	559	100.0

Productivity of labor

	Frequency	Valid Percent
Strength	108	19.4
Average	227	40.8
Weakness	189	34.0
No Opinion	32	5.8
Total	556	100.0

Wage levels

	Frequency	Valid Percent
Strength	99	17.8
Average	222	40.0
Weakness	214	38.6
No Opinion	20	3.6
Total	555	100.0

Utilities

Electricity costs

	Frequency	Valid Percent
Strength	45	8.1
Average	247	44.4
Weakness	233	41.9
No Opinion	31	5.6
Total	556	100.0

Gas costs

	Frequency	Valid Percent
Strength	50	9.0
Average	302	54.3
Weakness	172	30.9
No Opinion	32	5.8
Total	556	100.0

Water costs

	Frequency	Valid Percent
Strength	48	8.6
Average	257	46.1
Weakness	219	39.3
No Opinion	33	5.9
Total	557	100.0

Transportation

Passenger air

	Frequency	Valid Percent
Strength	125	22.3
Average	256	45.7
Weakness	96	17.1
No Opinion	83	14.8
Total	560	100.0

Air freight (cargo)

	Frequency	Valid Percent
Strength	116	20.8
Average	223	39.9
Weakness	56	10.0
No Opinion	164	29.3
Total	559	100.0

Rail transportation

	Frequency	Valid Percent
Strength	102	18.3
Average	153	27.5
Weakness	57	10.2
No Opinion	245	44.0
Total	557	100.0

Cross-border infrastructure

	Frequency	Valid Percent
Strength	101	18.2
Average	159	28.7
Weakness	121	21.8
No Opinion	173	31.2
Total	554	100.0

Quality of Life

Public safety

	Frequency	Valid Percent
Strength	316	56.5
Average	198	35.4
Weakness	37	6.6
No Opinion	8	1.4
Total	559	100.0

Condition of downtown

	Frequency	Valid Percent
Strength	50	8.9
Average	202	36.1
Weakness	286	51.2
No Opinion	21	3.8
Total	559	100.0

Recreational activities

	Frequency	Valid Percent
Strength	60	10.7
Average	189	33.8
Weakness	298	53.3
No Opinion	12	2.1
Total	559	100.0

Cultural activities

	Frequency	Valid Percent
Strength	90	16.1
Average	272	48.6
Weakness	178	31.8
No Opinion	20	3.6
Total	560	100.0

Entertainment & shopping

	Frequency	Valid Percent
Strength	79	14.1
Average	291	52.0
Weakness	180	32.1
No Opinion	10	1.8
Total	560	100.0

Public transportation (Sun Metro)

	Frequency	Valid Percent
Strength	63	11.3
Average	213	38.2
Weakness	188	33.8
No Opinion	93	16.7
Total	557	100.0

Housing availability

	Frequency	Valid Percent
Strength	227	40.7
Average	244	43.7
Weakness	59	10.6
No Opinion	28	5.0
Total	558	100.0

Healthcare

	Frequency	Valid Percent
Strength	76	13.6
Average	235	42.1
Weakness	227	40.7
No Opinion	20	3.6
Total	558	100.0

Q9. What is the most positive and negative issue about El Paso as a place to do business?

Positive

	Frequency	Valid Percent
Border location	110	21.4
Lower costs	33	6.4
Cheap, accessible labor	55	10.7
Friendly, nice, good, helpful people	67	13.1
Potential for growth	93	18.1
"Little big city" (safe, large pop.)	39	7.6
Climate / Weather	73	14.2
General economic conditions	20	3.9
Low competition	12	2.3
Miscellaneous	11	2.1
Total	513	100.0

Negative

	Frequency	Valid Percent
Government	64	12.7
Border location	96	19.1
Low income / Poverty	80	15.9
High competition	15	3.0
Educated / trained labor	67	13.3
Taxes and costs	74	14.7
Lack of opportunities	34	6.8
Small town mentality	42	8.3
City image	10	2.0
Miscellaneous	21	4.2
Total	503	100.0

Q10. What is the most positive and negative issue about El Paso as a place to live?

Positive

	Frequency	Valid Percent
Cost of living	59	11.0
Weather / climate	254	47.4
Good size, accessible	10	1.9
Culture / Friendly people	79	14.7
Safe / Peaceful	74	13.8
Good place to raise family	17	3.2
Sense of community	6	1.1
Laid back	15	2.8
Miscellaneous	22	4.1
Total	536	100.0

Negative

	Frequency	Valid Percent
Border location	61	12.2
Government	16	3.2
Nothing to do / Boring	79	15.8
Taxes	64	12.8
Low income / Poverty	68	13.6
Lack of jobs / Good salaries	35	7.0
Trashy / dirty looking / reputation	45	9.0
Small town mentality	22	4.4
Safety	35	7.0
Traffic / Bad drivers	26	5.2
People / Culture / Language	22	4.4
Weather / climate	14	2.8
Miscellaneous	14	2.8
Total	501	100.0

Q11. How many paid part- and full-time employees (20 hours or more weekly) does your business have?

	Frequency	Valid Percent
10 or less	256	46.0
11 to 20	123	22.1
21 to 30	49	8.8
31 to 50	49	8.8
51 to 75	27	4.8
76 to 100	14	2.5
101 to 150	12	2.2
151 to 250	8	1.4
251 to 500	10	1.8
501 to 750	4	0.7
751 to 1,000	4	0.7
1,000 or more	1	0.2
Total	557	100.0

Q12. How long has this business operated in El Paso (including previous and current owners)?

	Frequency	Valid Percent
10 or less	115	21.3
11 - 20	156	28.9
21 - 30	126	23.4
31 - 40	56	10.4
41 - 50	23	4.3
51 or more	63	11.7
Total	539	100.0

Q13. Please classify the industry your business is in.

	Frequency	Valid Percent
Agriculture, Mining & Utilities	4	0.7
Construction	39	6.8
Manufacturing	68	11.9
Wholesale & Retail Trade	130	22.8
Transportation & Warehousing	19	3.3
Information	14	2.5
Financing & Insurance	15	2.6
Real Estate, Rental & Leasing	22	3.9
Educational	6	1.1
Health	52	9.1
Social Assistance	26	4.6
Leisure & Hospitality	47	8.2
Professional, Scientific & Technical Services	58	10.2
Admin/Support & Waste Mgmt/Remediation	26	4.6
Other Services	45	7.9
Total	571	100.0

Q14. Would you like to receive business related information from the City of El Paso?

	Frequency	Valid Percent
Yes	369	68.8
No	167	31.2
Total	536	100.0

Q15. Does your firm do business or be interested in doing business with Mexico's maquiladora industry?

	Frequency	Valid Percent
Yes	72	40.7
No	92	52.0
Not sure	13	7.3
Total	177	100.0

Q16. What kind of support would assist you to expand business with Mexico's maquiladora industry?

	Frequency	Valid Percent
Contacts/Information/Knowledge	25	40.3
Improve safety	4	6.5
Improve border infrastructure	5	8.1
Advertising/Marketing	4	6.5
Increase manufacturing/sales	5	8.1
Access to capital	2	3.2
Already doing business in Mexico	12	19.4
Miscellaneous	5	8.1
Total	62	100.0

Appendix C

2008 City of El Paso Business Climate Survey

Crosstabulations:

- 1) El Paso Changes in Business Operations and 2) Industry Sector**

Table C1. Crosstab: 1) Changes in business operations over past 3 months and 2) industry sectors (numbers represent percents).

Past 3 months	Industry	Industry Sectors														Total	
		Agriculture Mining & Utilities	Construction	Manufacturing	Wholesale & Retail Trade	Transport & Warehouse	Information	Finance & Insurance	Real Estate, Rental & Leasing	Professional, Scientific & Tech.	Admin/Support & Waste Mgmt/Rem	Education	Health	Social Assistance	Leisure & Hospitality		Other Services
Costs	High Increase	50	51	41	32	50	23	21	27	19	40	33	25	60	49	41	36
	Some Increase	25	41	50	39	33	38	57	50	58	32	67	51	28	40	32	43
	No Change	25	3	8	18	6	23	14	18	19	16	0	22	4	6	16	14
Revenues	High Increase	0	0	0	4	6	0	0	0	2	0	0	0	0	2	2	4
	Some Increase	0	15	8	4	0	0	0	5	5	0	0	2	0	2	2	4
	No Change	0	18	20	17	21	38	21	18	21	20	17	23	12	32	18	20
Investments	High Increase	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Some Increase	50	24	31	32	50	25	21	18	36	44	50	28	30	27	38	32
	No Change	25	34	44	40	17	42	36	68	31	32	17	28	35	47	29	37
Employment	High Increase	0	0	0	2	0	0	8	0	4	0	0	2	0	4	9	3
	Some Increase	0	21	22	15	21	8	15	18	34	13	0	18	25	17	16	19
	No Change	50	55	48	60	63	85	46	55	46	67	83	65	50	57	55	57
Total	High Increase	25	21	20	20	16	8	31	23	13	21	17	14	25	17	16	18
	Some Increase	25	3	6	2	6	0	7	9	15	4	17	18	25	7	19	14
	No Change	25	21	20	20	16	8	46	55	46	67	83	65	50	57	55	57
Total	High Increase	25	3	6	2	6	0	7	9	15	4	17	18	25	17	16	18
	Some Increase	25	21	20	20	16	8	31	23	13	21	17	14	25	17	16	18
	No Change	25	21	20	20	16	8	31	23	13	21	17	14	25	17	16	18

Table C2. Crosstab: 1) Changes in business operations over next 12 months and 2) industry sectors (numbers represent percents).

Next 12 months	Industry	Industry Sectors														Total	
		Agriculture Mining & Utilities	Construction	Manufacturing	Wholesale & Retail Trade	Transport & Warehouse	Information	Finance & Insurance	Real Estate, Rental & Leasing	Professional, Scientific & Tech.	Admin/Support & Waste Mgmt/Rem	Education	Health	Social Assistance	Leisure & Hospitality		Other Services
Costs	High Increase	0	27	23	15	11	8	21	24	9	20	17	20	35	27	12	19
	Some Increase	0	38	42	31	22	31	36	29	53	24	33	46	13	45	30	36
	No Change	0	8	17	19	11	15	7	14	21	20	33	18	13	5	21	16
Revenues	High Increase	67	24	14	30	44	38	21	24	14	20	17	12	17	18	23	22
	Some Increase	0	16	5	5	0	0	7	0	7	0	0	2	0	5	0	4
	No Change	0	34	31	20	22	23	21	18	32	32	17	35	27	24	21	26
Investments	High Increase	33	5	8	9	6	8	14	5	7	4	0	6	9	7	12	8
	Some Increase	0	11	8	2	6	0	14	9	4	4	0	2	5	2	7	5
	No Change	0	30	25	39	50	25	29	32	32	28	50	24	30	30	41	33
Employment	High Increase	33	27	47	37	31	42	14	32	30	24	33	39	20	42	27	34
	Some Increase	0	3	6	4	0	0	5	5	9	8	0	14	5	2	12	21
	No Change	0	8	6	1	0	0	8	5	5	4	0	0	0	7	7	7
Total	High Increase	33	27	47	37	31	42	14	32	30	24	33	39	20	42	27	34
	Some Increase	0	3	6	4	0	0	5	5	9	8	0	14	5	2	12	21
	No Change	0	8	6	1	0	0	8	5	5	4	0	0	0	7	7	7
Total	High Increase	33	27	47	37	31	42	14	32	30	24	33	39	20	42	27	34
	Some Increase	0	3	6	4	0	0	5	5	9	8	0	14	5	2	12	21
	No Change	0	8	6	1	0	0	8	5	5	4	0	0	0	7	7	7

Appendix D

2008 City of El Paso Business Climate Survey

Crosstabulations:

1) El Paso Business Characteristics and 2) Industry Sector

Table D1. Business Support and Opportunities (numbers represent percents)

Characteristic	Industry	Sector																	Total
		Agriculture Mining & Utilities	Construc- tion	Manufac- turing	Wholesale & Retail Trade	Transport & Ware- house	Informa- tion	Finance & Insurance	Real Estate, Rental & Leasing	Profess- ional, Scientific & Tech.	Admin/Sup- port & Waste Mgmt/Rem	Education	Health	Social Assistance	Leisure & Hospitality	Other Services			
Access to government contracts	Strength	0	34	13	24	32	14	20	43	11	32	33	24	19	13	18	21		
	Average	33	32	27	17	16	7	13	24	17	24	0	18	19	20	20	21		
	Weakness No Opinion	0 67	18 16	28 33	21 38	21 32	14 64	20 47	5 29	30 26	36 8	0 67	8 50	31 31	13 53	23 39	21		
Supplier opportunities in El Paso	Strength	0	21	17	21	37	21	20	29	7	4	33	22	19	24	19	19		
	Average	67	37	43	28	37	29	20	38	42	42	33	27	35	31	44	35		
	Weakness No Opinion	0 33	29 13	32 8	27 23	11 16	29 21	7 53	19 14	16 35	38 15	0 33	0 33	18 33	19 27	21 16	24		
Supplier opportunities to Mexico	Strength	0	16	26	27	37	15	20	24	13	15	17	22	4	7	14	20		
	Average	0	21	25	13	26	15	7	19	16	15	0	10	12	11	16	15		
	Weakness No Opinion	0 100	13 50	20 29	20 41	11 26	8 62	7 67	29 29	11 61	19 50	0 83	10 58	12 72	27 56	19 51	17		
Government support	Strength	0	13	8	17	21	15	13	5	5	4	33	18	12	11	10	12		
	Average	67	26	27	24	16	23	7	48	35	27	0	16	23	25	21	25		
	Weakness No Opinion	33 0	47 13	53 12	35 23	42 21	38 23	40 40	29 19	42 18	54 15	50 17	41 25	42 23	32 32	55 14	42		
Business support agencies	Strength	0	18	9	12	26	21	7	10	13	16	0	10	19	9	12	13		
	Average	33	50	43	31	26	36	36	43	41	52	0	37	42	44	40	39		
	Weakness No Opinion	0 67	18 13	35 12	29 29	32 16	21 21	29 29	33 14	25 21	28 4	67 33	27 25	19 19	16 31	30 19	27		
Geographic location	Strength	33	53	44	48	74	58	60	33	40	23	50	39	23	33	44	43		
	Average	33	24	30	26	11	17	20	38	35	31	33	24	54	38	33	30		
	Weakness No Opinion	33 0	24 0	20 6	17 9	16 0	8 17	13 7	24 5	18 7	27 19	17 0	33 4	15 8	18 11	19 5	20		
Available commercial space	Strength	0	55	42	45	58	64	40	67	43	23	67	41	23	40	40	44		
	Average	33	24	35	32	32	21	40	24	30	38	0	37	35	22	44	32		
	Weakness No Opinion	33 33	3 18	8 15	5 18	5 5	0 14	0 20	5 5	5 21	4 35	17 17	8 14	12 31	13 24	5 12	6		
Available office space	Strength	0	45	38	41	58	50	47	67	46	31	67	39	35	41	35	42		
	Average	33	39	34	31	21	21	40	29	35	38	0	39	27	23	40	32		
	Weakness No Opinion	0 67	0 16	5 23	6 22	5 16	7 21	7 7	0 5	5 14	0 31	17 17	8 14	8 31	9 27	5 21	5		

Table D2. Financing, Costs and Taxes (numbers represent percents)

Characteristic	Industry	Industry																Total
		Agriculture Mining & Utilities	Construc- tion	Manufac- turing	Wholesale & Retail Trade	Transport & Ware- house	Informa- tion	Finance & Insurance	Real Estate, Rental & Leasing	Profess- ional, Scientific & Tech.	Admin/Sup- port & Waste Mgmt/Rem	Education	Health	Social Assistance	Leisure & Hospitality	Other Services		
Access to capital	Strength	25	13	6	15	11	7	7	24	13	4	0	17	0	18	9	12	
	Average	25	42	39	34	37	21	47	52	46	46	17	37	15	31	41	37	
	Weakness	25	32	34	26	32	43	27	14	29	38	67	23	58	38	27	31	
Property taxes	No Opinion	25	13	20	25	21	29	20	10	13	12	17	23	27	13	23	20	
	Strength	0	8	5	9	0	0	0	0	2	0	50	4	4	7	5	5	
	Average	0	13	17	22	5	36	13	19	13	12	17	13	27	22	18	18	
Sales taxes	Weakness	100	76	76	56	89	64	73	67	80	73	0	73	54	67	70	68	
	No Opinion	0	3	3	13	5	0	13	14	5	15	33	10	15	4	7	9	
	Strength	0	8	3	5	0	0	0	5	4	0	33	4	4	7	7	4	
Commercial & real estate costs	Average	75	58	48	51	53	64	47	71	55	38	37	50	50	48	48	50	
	Weakness	25	34	36	33	37	29	33	14	34	42	17	40	23	39	34	34	
	No Opinion	0	0	13	11	11	7	20	10	7	21	17	19	23	7	11	12	
Labor costs	Strength	25	11	20	18	5	14	27	14	16	12	17	12	23	11	16	16	
	Average	50	47	47	33	47	43	40	43	44	38	50	46	27	36	30	39	
	Weakness	25	29	23	26	37	36	7	33	31	27	17	25	27	40	37	29	
Permitting & licensing	No Opinion	0	13	9	23	11	7	27	10	9	23	17	17	23	13	16	16	
	Strength	25	34	42	36	37	50	20	38	48	27	33	33	31	38	23	36	
	Average	75	47	45	37	42	36	60	52	36	50	50	52	38	42	48	44	
Other	Weakness	0	18	8	19	21	7	7	5	13	15	0	13	31	18	25	16	
	No Opinion	0	0	3	11	0	1	2	1	2	2	1	1	0	1	2	27	
	Strength	0	11	3	12	5	14	13	10	7	4	0	6	8	9	11	9	
Total	Average	25	47	50	42	47	29	27	25	48	58	67	40	42	44	39	43	
	Weakness	50	34	27	20	26	14	33	50	30	27	17	29	31	38	34	29	
	No Opinion	25	8	20	26	21	43	27	15	14	12	17	25	19	9	16	19	

Table D3. Education, Training and Labor (numbers represent percents)

Characteristic	Industry	Sector														Total	
		Agriculture Mining & Utilities	Construc- tion	Manufac- turing	Wholesale & Retail Trade	Transport & Ware- house	Informa- tion	Finance & Insurance	Real Estate, Rental & Leasing	Profess- ional, Scientific & Tech.	Admin/Sup- port & Waste Mgmt/Rem	Education	Health	Social Assistance	Leisure & Hospitality		Other Services
K-12 education	Strength	0	24	12	22	26	7	7	24	7	8	50	10	31	7	27	17
	Average	25	41	50	39	42	50	40	33	42	62	17	44	38	48	39	43
	Weakness	75	35	24	30	26	36	53	38	40	27	33	42	31	36	20	33
El Paso Community College	No Opinion	0	0	14	9	5	7	0	5	4	4	0	4	0	9	14	8
	Strength	0	38	29	41	53	36	47	38	38	38	83	46	50	32	48	40
	Average	100	43	51	36	32	43	47	43	50	32	17	35	35	52	34	41
University of Texas at El Paso	Weakness	0	8	6	10	5	14	7	14	4	4	0	13	12	9	7	9
	No Opinion	0	11	14	12	11	7	0	5	8	0	6	4	4	7	11	9
	Strength	75	54	45	60	63	50	60	52	48	62	100	56	54	50	50	55
Training providers (worker training)	Average	25	32	30	40	37	36	53	57	36	54	50	37	52	45	32	39
	Weakness	50	54	39	21	21	14	27	10	20	27	17	33	36	20	45	29
	No Opinion	25	11	17	16	16	36	7	5	29	19	17	17	0	18	7	16
Availability of qualified labor	Strength	0	11	11	20	32	29	7	25	11	4	17	6	8	13	18	14
	Average	25	13	30	38	37	36	40	40	30	35	50	27	35	36	25	32
	Weakness	75	74	56	38	32	36	40	35	55	58	33	63	58	44	52	50
Productivity of labor	No Opinion	0	3	3	4	0	0	13	0	4	4	0	4	0	7	5	4
	Strength	0	24	18	20	28	36	20	45	18	8	50	21	19	7	14	19
	Average	25	32	50	42	56	29	40	25	43	46	0	31	31	50	45	41
Wage levels	Weakness	75	41	30	33	6	21	27	30	36	38	33	40	46	36	32	34
	No Opinion	0	3	2	5	11	14	13	0	4	8	17	8	4	7	9	6
	Strength	0	21	26	14	16	29	20	30	24	8	0	13	15	23	9	18
Wage levels	Average	75	39	47	43	32	29	27	30	43	31	40	37	42	43	36	40
	Weakness	25	39	26	35	53	43	40	40	30	62	60	46	42	30	52	39
	No Opinion	0	0	2	8	0	0	13	0	4	0	0	4	0	5	2	4

Table D4. Utilities and Transportation (numbers represent percents)

Characteristic	Industry	Sector														Total	
		Agriculture Mining & Utilities	Construc- tion	Manufac- turing	Wholesale & Retail Trade	Transport & Ware- house	Informa- tion	Finance & Insurance	Real Estate, Rental & Leasing	Profess- ional, Scientific & Tech.	Admin/Sup- port & Waste Mgmt/Rem	Education	Health	Social Assistance	Leisure & Hospitality		Other Services
Electricity costs	Strength	0	14	3	10	5	14	0	5	13	8	17	4	4	9	9	8
	Average	25	62	43	40	37	36	60	52	48	54	33	42	62	36	34	44
	Weakness	75	19	49	43	58	43	20	43	32	31	50	48	31	55	48	42
Gas costs	No Opinion	0	5	5	6	0	7	20	0	7	8	0	6	4	0	9	6
	Strength	0	19	9	11	5	7	7	5	13	4	33	6	8	4	5	9
	Average	75	57	51	55	53	64	60	62	55	64	17	56	58	47	48	54
Water costs	Weakness	25	19	34	26	42	21	20	33	25	28	50	31	31	49	41	31
	No Opinion	0	5	6	8	0	7	13	0	7	4	0	8	4	0	7	6
	Strength	25	11	6	12	5	14	0	0	11	4	17	4	8	11	9	9
Passenger air	Average	75	50	47	41	37	36	47	62	48	50	0	58	44	41	43	46
	Weakness	0	13	15	16	21	21	13	19	16	19	17	15	24	20	20	17
	No Opinion	0	16	18	20	5	7	0	10	9	8	50	10	20	17	18	15
Air freight (cargo)	Strength	50	29	21	21	37	29	27	14	16	23	17	13	8	16	27	21
	Average	50	26	41	38	32	43	33	67	48	46	17	42	24	42	39	40
	Weakness	0	8	11	13	26	7	7	5	5	4	17	13	4	13	7	10
Rail transportation	No Opinion	0	37	27	28	5	21	33	14	30	27	50	31	64	29	27	29
	Strength	0	24	20	18	32	29	14	24	16	19	17	17	4	16	18	18
	Average	50	29	26	31	16	7	29	33	30	31	0	31	16	34	18	27
Crossborder infrastructure	Weakness	0	5	17	9	21	7	14	10	11	8	0	12	4	9	11	10
	No Opinion	0	42	38	42	32	57	43	33	43	42	83	40	76	41	52	44
	Strength	0	16	17	21	26	29	40	29	16	12	17	21	8	7	18	18
Crossborder infrastructure	Average	33	37	38	25	11	29	13	33	27	35	17	31	16	39	23	29
	Weakness	0	8	22	25	32	7	20	14	25	15	33	19	16	27	32	22
	No Opinion	67	39	23	29	32	36	27	24	32	38	33	29	60	27	27	31

Table D5. Quality of Life (numbers represent percents)

Characteristic	Industry	Quality of Life (numbers represent percents)																Total
		Agriculture Mining & Utilities	Construction	Manufacturing	Wholesale & Retail Trade	Transport & Ware- house	Informa- tion	Finance & Insurance	Real Estate, Rental & Leasing	Profess- ional, Scientific & Tech.	Admin/Sup port & Waste Mgmt/Rem	Education	Health	Social Assistance	Leisure & Hospitality	Other Services		
Public safety	Strength	100	53	50	57	58	79	53	57	71	58	17	52	62	59	43	57	
	Average	0	45	44	33	37	14	47	38	23	38	67	31	31	32	48	35	
	Weakness	0	3	5	9	5	7	0	5	4	4	17	13	8	7	7	7	
Condition of downtown	No Opinion	0	0	2	2	0	0	0	0	2	0	0	4	0	2	2	1	
	Strength	0	8	5	11	11	7	7	10	5	4	33	8	12	13	11	9	
	Average	25	39	35	38	32	57	33	43	25	46	33	29	38	38	39	36	
Recreational activities	Weakness	75	53	58	46	47	29	53	48	68	50	33	60	50	44	43	51	
	No Opinion	0	0	3	6	11	7	7	0	2	0	0	4	0	4	7	4	
	Strength	0	13	8	9	5	29	13	10	16	0	17	15	12	9	11	11	
Cultural activities	Average	50	32	32	41	16	36	20	33	21	35	17	38	46	39	30	34	
	Weakness	50	55	56	48	74	36	67	57	61	65	67	42	42	52	55	53	
	No Opinion	0	0	5	2	5	0	0	0	2	0	0	4	0	0	5	2	
Entertainment & shopping	Strength	0	16	11	17	11	29	20	19	11	4	17	17	8	13	14	14	
	Average	25	45	59	53	63	57	33	52	39	54	83	48	69	49	55	52	
	Weakness	75	39	29	27	21	14	47	29	46	42	0	33	23	38	27	32	
Public transportation (Sun Metro)	No Opinion	0	0	2	2	5	0	0	0	4	0	0	2	0	0	5	2	
	Strength	25	5	6	22	11	7	7	10	2	8	17	13	12	7	11	11	
	Average	25	37	50	28	47	36	47	43	34	19	33	46	35	58	34	38	
Housing availability	Weakness	50	37	28	37	16	36	27	43	45	42	17	25	35	20	41	34	
	No Opinion	0	21	16	13	26	21	20	5	20	31	33	15	19	16	14	17	
	Strength	25	29	42	45	37	50	60	38	45	31	33	35	38	47	36	41	
Healthcare	Average	75	61	47	39	53	36	33	48	38	54	50	52	38	29	45	44	
	Weakness	0	8	8	11	11	7	0	14	9	4	0	10	19	20	14	11	
	No Opinion	0	3	3	5	0	7	7	0	9	12	17	4	4	4	5	5	
Healthcare	Strength	0	18	8	14	11	14	20	19	16	15	17	17	4	16	9	14	
	Average	50	50	42	35	53	50	60	57	48	35	0	48	46	36	34	42	
	Weakness	50	32	49	43	32	29	20	24	34	50	67	31	46	49	50	41	
Healthcare	No Opinion	0	0	2	7	5	7	0	0	2	0	17	4	4	0	7	4	