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Dear Client:

It should come as no surprise that most of the jobs in the 5-county Austin-Round Rock metro area are held by residents of these counties. But what may be surprising is how many jobs in the metro are held by residents beyond those boundaries and, in some cases, waaaay beyond.

The USCensus Bureau has a report called the Longitudinal-Employer Household Dynamics (LEHD). Don't let this bureaucratic name put you off. There is some interesting info here. According to LEHD 2010 data, **71% of the Austin metro area's estimated 800,000 jobs were held by residents living within the metro.**

Think about this. This means that 29% of the remaining jobs were held by workers living *outside* Travis, Williamson, Hays, Bastrop and Caldwell counties. Break it down by the numbers: 567,432 jobs were held by residents of the five counties. But, this also means **232,568 jobs in the Austin metro were held by those living in more distant counties.** Almost a quarter million jobs. Amazing. Especially when you realize these are 2010 numbers and the population is growing rapidly.

Okay, where do these out-of-metro job holders live? To the *south*: there were **28,500 living in San Antonio's Bexar County**, 7,400 in Seguin's Guadalupe County and 6,100 in New Braunfels' Comal County. To the *north*: there were **9,100 job holders living in Temple's Bell County**, 5,000 in Burnet County and 4,100 in Waco's McLennan County.

Well, you say, this explains all those traffic jams/delays on roadways leading into and out of the area. True — at least for some of it. Notice we consciously used the phrase "job holders" because the LEHD doesn't break out those who *work from home* for companies in the Austin metro. And in this tech-oriented era, those numbers could be significant. So, they wouldn't necessarily be working *in* the metro, just holding jobs that originate in the metro.

But there's an even more amazing aspect to this – additional Austin metro job holders who live in *faraway* counties. **A label has been coined for those who hold jobs in the Austin metro and live many counties away – "super commuters". These folks may live a three-hour drive from Austin.** And they are part of a growing national trend. Check out the next item for an examination of these "super commuters."

The emergence of mega-regions as drivers of economic growth is a recent development and the Austin area is caught up in this new phenomenon. Is the Austin metro part of the “Super Commuter” trend?

“Super Commuters” have been defined as those who live in one metro and hold a job in a different metro. Houston and Dallas are prime examples often used to illustrate. The USCensus Bureau’s Longitudinal-Employer Household Dynamics (LEHD) study points out **these two biggest Texas metros had more than 13% of their jobholders commuting from another metro area.** Thirteen percent of these huge population centers is a big number.

Now let’s add the 5-county Austin metro to this mix. The Texas Triangle -- composed of Dallas to the north, Houston to the east, San Antonio to the south and including Austin as its heart —has been referred to as **“the economic jobs engine of North America.”** The mega-region is widely recognized as an economic powerhouse, with a diversified and sophisticated economy. And there is a lot of economic intermingling within the Triangle.

Given that, how many Austin metro jobs are held by residents in the Dallas-Fort Worth and Houston metros? You know it’s close to a 3-hour commute between Austin and these two bigger metros. Hang on. This’ll surprise you. According to the LEHD data, **about 63,636 of the Austin region’s jobholders live in the Dallas-Fort Worth metro area. And 49,411 Austin metro’s jobholders live in the Houston metro.**

You saw in the previous story about 28,500 residents of San Antonio’s Bexar County live there and hold jobs in the Austin metro. Additionally, another metro in the Triangle, **Killeen-Temple, contributed about 11,767 to the Austin workforce.** There’s more. But you get the picture. A significant number of jobs in the Austin metro are held by residents of other metros.

How many residents of the 5-county Austin area metro love living here so much they hold jobs in Texas metros almost 200 miles away?

As we’ve regularly reported, jobs are being created in the Austin metro at one of the fastest rates in the nation and this has been true for several years. **So how many residents of a very highly-ranked livable metro (Austin) hold jobs originating outside the area?**

Using the same Census Bureau data previously cited, **57,403 residents of the Austin metro hold jobs in the Dallas region, 46,572 Austin area residents hold jobs in the Houston metro 30,977 Austin area residents hold jobs in the San Antonio metro and 8,401 local residents hold jobs in the Killeen-Temple metro.** While numbers from long ago are not available, this has to qualify as one of the more interesting trends in today’s economy.

Is it “Game On” for Austin’s vision vs. San Antonio’s? A business writer in San Antonio claims Austin is borrowing ideas from San Antonio and then looking to trump what the Alamo City has accomplished. Are we seeing an escalation of competition, instead of collaboration?

Writing in the *San Antonio Business Journal* this week, **W. Scott Bailey** says “San Antonio and Austin have a unique relationship. **At times they are allies, working together for the greater good of a larger region. But they can also be fierce competitors.**”

Pointing to the Austin City Council’s consideration this week of Imagine Austin, a new strategic plan that would guide development for the Capitol City, Bailey asked his readers: “Sound familiar? Last month, **San Antonio’s City Council formally endorsed SA2020, a civic improvement and development plan.**”

Bailey wrote: “**It’s no secret that San Antonio and Austin are competing for a variety of economic opportunities – and for talent.** In addition, both cities are working to attract more residents to their respective urban centers.” (Click on the Archives button at the top of the page and go to the June 8th edition to see our report on a healthcare company that’s moving its HQ from Austin to San Antonio.)

He quoted a senior planner for the City of Austin who admitted that **Austin “borrowed some inspiration”** from other markets – including San Antonio.

A key difference between the two plans is the duration. **Austin is pursuing a 30-year plan. The Alamo City’s plan “seeks to transform San Antonio into a world-class city over the next eight years,”** reported Bailey. SA2020 CEO **Darryl Byrd** was quoted as saying San Antonio’s plan intentionally covers a shorter period.

“If you push it too far, people might take some plays off,” he says, borrowing a sports analogy. “**It’s easier to keep the energy and the engagement high (over fewer years).**”

All this may be a bit of a spat, not head-on confrontation. **But it would be a mistake to regard the Alamo City has an area routinely bested by Austin in most economic stats.** No longer does San Antonio rely solely on tourism and military as its economic base. San Antonio is re-energized and moving quickly to become much more competitive – with Austin and other areas.

While Austin, San Antonio and other Texas metros are competing to be the best, California’s economy is still struggling. One current example: the state’s comptroller said this week “the major drivers of revenues in the state are still showing signs of weakness” after “more tepid improvement in revenues than previously forecasted.”

Flying in coach is only going to get worse, according to a business travel columnist who was given a preview of newer model airplanes ordered by major airlines.

“Here’s some sobering – no, when you think about it, bone-crunching – news: Flying in coach is about to get worse. A whole lot worse,” reports **Joe Brancatelli**. “They are **reducing the precious little seat space and legroom** you currently get and are **squeezing in more chairs per row and more rows per plane**. And these newer, smaller, more densely configured seats have other drawbacks: **They are thinner and the seatbacks won’t recline as far as they once did**. The news from the back of the bus is, as I said, bone crunching.” Two airlines that carry a majority of passengers at Austin-Bergstrom International Airport (ABIA) were mentioned.

Southwest Airlines’ (37.6% Austin market share) new jets will have an extra row of thinner, lighter-weight chairs. And more than 400 planes in its current fleet will be **retrofitted to add a row of seats and reduce the chair’s pitch and recline.**

American Airlines (20.6% Austin market share) will add more seats per row in its bigger jets and reduce the width of each seat to just 17 inches between the armrests. A standard, armless dining room chair is at least 18 inches wide and, of course, is not bolted to other dining chairs.

Here’s what Brancatelli recommends: **Fly JetBlue Airways whenever possible** because it still offers the roomiest coach seats in the domestic skies ... **use SeatGuru.com as your guide** because it has seat stats on virtually every carrier and every aircraft ... and **buy your way out of coach** because American, United, Delta, etc. offer more perks for the coach traveler – including (your budget permitting) upgrades to business class or first class for frequent flyers. Twenty years ago, you might **get lucky and have a vacant seat adjacent to your seat**. Not likely now. The industry is filling around 77% of its seats, after cutting back on flights.

When **Dr. Louis Overholster** heard Burger King was introducing a 510 calorie *bacon* ice cream sundae, he said “What a refreshing way to enjoy a massive stroke on a hot summer’s day!”

Sincerely



Editor/Publisher