

Texas State University - San Marcos Field Center

The SBDC business advisors provide training and consulting to small business owners at Texas State University in San Marcos.

Austin has long been regarded as the cultural, political, educational, and environmental center of Texas. Austin attracted and continues to attract a diverse mix of politicians, teachers, writers, musicians, environmentalists, and average citizens who fall in love with the natural beauty of the central Texas area.

Austin is sometimes called the “Gateway to the Hill Country.” The Balcones Escarpment runs along the city’s western edge and rises up to separate the flat prairies of Texas from the rolling hills surrounding Austin. The Highland lakes chain including three lakes that surround the city of Austin provide ample opportunity for all types of water sports. The most prominent of these lakes is Town Lake, which bisects



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downtown Austin and boasts some ten-miles of hike-and-bike trails bordering its perimeter.

Since its inception, Austin’s populations have included a variety of immigrant groups. Germans, Swedes and Mexicans were the most prominent groups of people inhabiting the beautiful and haunting rolling hills of Central Texas in Austin’s early years. The Mexican immigrant population became even more prominent during the mid 1900’s as large numbers of Mexican immigrants fled Mexico as political unrest deepened during the Mexican Revolution. Hispanic populations now make up over one-third of Austin’s population.

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:: 12 counties make up the Austin/San Marcos Field Center Area

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World” reputation that Austin now enjoys. The late renowned blues guitarist Stevie Ray Vaughan said that he honed his unique talents in East Austin haunts such as the Victory Grill.

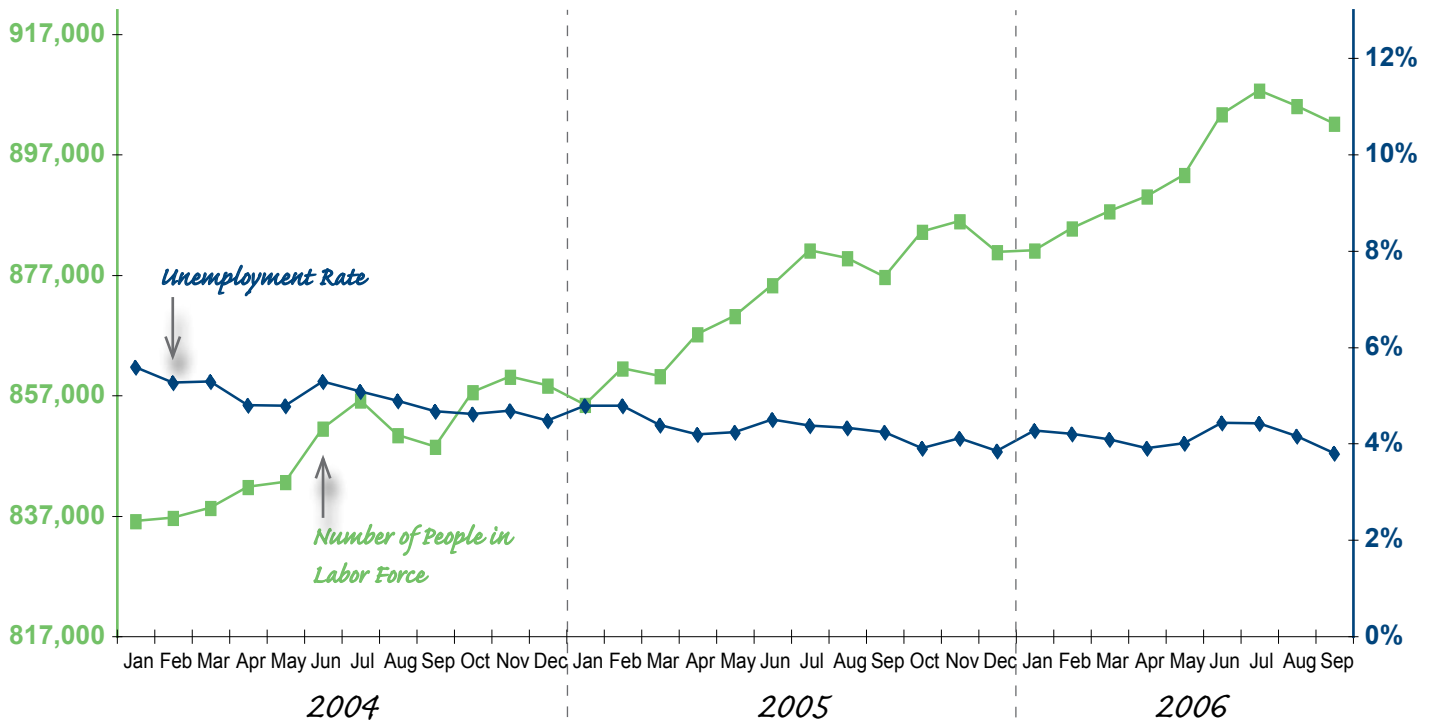
Much of Austin’s most recent growth is a direct result of the technology boom. Austin has made a history as a leader in both technology and the creative arts. The same entrepreneurial spirit that led 19-year old Michael Dell to launch a now-Fortune 500 company from his University of Texas dorm room has also propelled Austin as a music and film center. The pages of Austin’s history and myth unfold at the Texas State History Museum while the legacy of President lives on at the LBJ Presidential Library and Museum. From buffalo chips to silicon chips, the little trading post by the Colorado River that

would be known as Austin, has emerged as the focal point of the Silicon Hills.

Labor Market Highlights

Recent changes in the Austin / San Marcos field center area resembles recent changes in the San Antonio field center area. The Austin / San Marcos area experienced steady growth in jobs from the beginning of 2004 to the beginning of 2006, from approximately 836,000 to 885,000 jobs. Even as the labor force grew, members looking for work declined over the same period, from over 46,000 claims to 34,000 at the end of 2005. Correspondingly, the unemployment rate fell from 5.6 percent to 3.8 percent during that time.

Size of Labor Force and Unemployment Rate Since 2004



Texas State University - San Marcos SBDC Area: 12 counties
Data Source: Texas Workforce Commission

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The Field Center Area Jobs chart shows both the number of jobs in field center counties and the concentration of the industry relative to the rest of the state at the end of the first quarter of 2005. Travis County (Austin) exerts a strong influence on the field center numbers since it accounts for 73 percent of the jobs.

The “field center ratio” shows the proportion of industry jobs compared to all jobs in the area. Although less prominent than in other southwest Texas field center areas, 40 percent of the jobs in the Austin / San Marcos field center area are in two industries: education and health services (0.214); and trade, transportation, and utilities (0.191).

The question of whether these industry ratios are high or low can be determined by comparing them with the proportions that the industry represents in the rest of the state. For example, the field center area reports 96,489 professional and business service jobs, which is over 13 percent of all jobs in the area. To reflect the state average, the proportion needs to be nearly 12 percent of jobs in this industry. Dividing 0.136 (the field center ratio) by 0.119 (the state ratio) yields a quotient of 1.14. This number is referred to as a “location quotient.” When the location quotient is less than 1.0, the area industry is under-represented relative to the state.

When the location quotient is greater than 1.0, the area

Field Center Jobs Per County by Industry

	Bastrop	Blanco	Burnet	Caldwell	Fayette	Hays	Lampas	Lee
Natural Resources & Mining	220	203	117	447	724	270	43	529
Construction	855	279	1,078	320	456	3,107	712	755
Manufacturing	1,055	66	973	277	1,035	3,879	500	397
Trade, Transportation & Utilities	2,661	689	2,524	1,356	2,025	9,453	956	1,244
Information	67	26	233	45	124	1,019	44	17
Financial Activities	503	140	535	225	501	1,454	331	276
Professional & Business Services	579	156	986	286	261	2,590	235	179
Education & Health Services	3,615	459	2,733	2,207	1,852	13,507	1,063	912
Leisure & Hospitality	1,305	244	1,437	584	886	5,273	409	327
Other Services	345	59	293	168	225	1,056	205	128
Public Administration	958	123	646	442	350	1,345	223	569
Unclassified	26	5	6	12	0	30	10	0
Total Jobs	12,189	2,449	11,561	6,369	8,439	42,983	4,731	5,333

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industry is over-represented relative to the state. So, a quotient of 1.14 indicates that the professional and business service industry is represented in the Austin / San Marcos field center area at a greater level than the state average.

What other industries have a particular foothold in the Austin / San Marcos Field Center? Reflecting the headquarters for state government in Austin, the nearly 53,000 public administration jobs are more than 7 percent of the area labor market. Across the state, public administration represents a little more than 4 percent of jobs. A second industry with a notable

concentration in the Austin / San Marcos field center area is the information industry, with a location quotient of 1.30. While the 22,000-plus jobs in this industry is relatively small, it nonetheless represents a greater concentration in information jobs than is found in the rest of the state.

As in the San Antonio area, natural resources and mining is under-represented in the Austin / San Marcos field center area. However, unlike San Antonio, manufacturing jobs in the Austin / San Marcos area nearly keep pace with the state average.

Field Center Jobs

Per County by Industry Continued

	LLano	San Saba	Travis	Williamson	Region	Region Ratio	State	State Ratio	Region-State Location Quotient
Natural Resources & Mining	53	178	1,792	806	5,382	0.007	236,676	0.024	0.30
Construction	426	52	30,868	9,728	48,636	0.066	623,516	0.064	1.03
Manufacturing	116	26	45,687	7,097	61,108	0.083	913,295	0.094	0.89
Trade, Transportation & Utilities	948	432	88,898	28,584	139,770	0.190	2,109,207	0.217	0.88
Information	30	0	20,605	914	23,124	0.031	229,125	0.024	1.34
Financial Activities	263	45	33,534	6,289	44,096	0.060	614,050	0.063	0.95
Professional & Business Services	123	36	85,733	10,380	101,544	0.138	1,205,726	0.124	1.12
Education & Health Services	915	415	104,904	21,017	153,599	0.209	2,180,498	0.224	0.93
Leisure & Hospitality	981	231	54,454	10,590	76,721	0.104	926,487	0.095	1.10
Other Services	112	87	18,442	3,957	25,077	0.034	275,574	0.028	1.21
Public Administration	226	370	46,307	3,263	54,822	0.075	408,555	0.042	1.78
Unclassified	7	0	583	126	805	0.001	10,958	0.001	0.97
Total Jobs	4,200	1,872	531,807	102,751	734,684		9,733,667		

Data Source: Texas Workforce Commission

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County Business Patterns 2004

	'1-4'	'5-9'	'10-19'	'20-49'	'50-99'
Forestry, fishing, hunting, & agricultural support	23	8	2	0	0
Mining	125	28	27	20	2
Utilities	62	36	12	12	7
Construction	2,236	589	326	236	95
Manufacturing	571	246	186	178	83
Wholesale trade	925	360	253	183	43
Retail trade	2,426	1,326	781	474	155
Transportation & warehousing	392	100	66	69	23
Information	491	161	132	101	42
Finance & insurance	1,553	484	292	153	57
Real Estate & rental & leasing	1,444	407	164	54	17
Professional, scientific & technical services	3,823	821	510	323	99
Management of companies & enterprises	99	46	39	31	12
Admin, support, waste mgt, remediation services	1,069	293	230	164	77
Educational services	251	84	67	60	19
Health care and social assistance	1,656	834	530	342	108
Arts, entertainment & recreation	319	78	69	51	36
Accommodation & food services	847	511	712	764	224
Other services (except public administration)	2,125	800	449	252	63
Unclassified establishments	170	9	1	1	0
Total	20,607	7,221	4,848	3,468	1,162

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County Business Patterns

2004 Continued

	'100-249'	'250-499'	Over 500	Total	1-4%
Forestry, fishing, hunting, & agricultural support	0	0	0	33	70%
Mining	1	0	0	203	62%
Utilities	4	0	0	133	47%
Construction	45	8	2	3,537	63%
Manufacturing	57	13	16	1,350	42%
Wholesale trade	20	5	6	1,795	52%
Retail trade	116	31	2	5,311	46%
Transportation & warehousing	13	2	2	667	59%
Information	26	8	9	970	51%
Finance & insurance	26	9	6	2,580	60%
Real Estate & rental & leasing	10	1	1	2,098	69%
Professional, scientific & technical services	44	12	4	5,636	68%
Management of companies & enterprises	11	4	3	245	40%
Admin, support, waste mgt, remediation services	68	26	11	1,938	55%
Educational services	10	2	3	496	51%
Health care and social assistance	57	18	16	3,561	47%
Arts, entertainment & recreation	14	1	1	569	56%
Accommodation & food services	58	7	1	3,124	27%
Other services (except public administration)	21	4	0	3,714	57%
Unclassified establishments	0	0	0	181	94%
Total	601	151	83	38,141	54%