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Lubbock's Economy Keeps On Humming

IN CONTRAST TO conditions hampering growth and prosperity in other areas of the region, state and nation, Lubbock's economy continues holding its own.

Despite fears of rising energy costs eventually taking a toll on business bottom lines, Lubbock remains in good fiscal shape overall, according to the latest independently compiled statistics.

Amid a few clouds of concern, there were abundant rays of sunshine in data released for May by Lubbock National Bank and the Lubbock Economic Development Alliance.

Solid gains were reported in inflation-adjusted retail sales that were up 9 percent over last year as the Lubbock Economic Index hit its highest level since September 2004. (LEI has tracked the local economy since January 1996.)

While other regions' economic engines may be sputtering, Lubbock's continues humming right along, reported A-J Business Editor Chris Van Wagenen.

Or, as Amarillo economist Karr Ingham, publisher of the monthly report, put it: "Consumer spending is in the midst of an impressive cyclical upswing and plainly signals expansion in the Lubbock economy."

While there's no question the economy is doing well, there are hints of inflation that could be around for awhile, observed Gary Lawrence, LEDA's chief executive officer. Job growth in Lubbock continues to "decelerate," he said, adding many potential jobs are on hold as companies wrestle with rising fuel costs. "Everyone has been holding back from raising their prices, but there's a point they have to cover their expenses."

Nevertheless, other sectors of the economy remain strong. Sales of new and used vehicles were up 11 percent for the year, for example. And overall construction continued at a record clip.

Year in and year out, the Lubbock economy steadfastly fosters new development. Even when obstacles spring up in its path, it continues plowing ahead.

Our city continues to see an influx of new residents who want to be part of Lubbock for a number of reasons, including access to a major health care center. Our relatively low cost of living is another reason.

Lubbock is a lot more affordable to live in and do business in than any number of other cities. Sometimes, we just don't appreciate how good we have it out here.