

# STATE OF NEW MEXICO WORKFORCE REPORT

# 2007



Prepared by New Mexico Department of Labor  
Economic Research and Analysis  
Arthur J. Martinez, Bureau Chief

January 2007

New Mexico  
Department of  
**LABOR**





# **State of New Mexico Workforce Report**

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**January 2007**

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## *January 2007 Update*

The State of the Workforce report is a planning resource that was first produced by the Economic Research and Analysis Bureau of the New Mexico Department of Labor in the fall of 2003. Most of the data and findings were later updated for this version of the report to reflect the most current information available as of early January 2007.

The most notable revision is the inclusion of occupational and industry employment projections that go through to the year 2014. All of the trends and analyses were verified and new observations duly noted.

The 2007 update comes at an exciting time for New Mexico. The state has emerged from a sluggish period of job growth following the national recession that began in 2001. The state's rate of job growth has now returned to our long-term average. The effects of economic development efforts to attract new employers to the state can already be seen in the state's fledgling film industry. Within the near-term horizon are hundreds of additional jobs in aircraft manufacturing, cabinet manufacturing, mattress manufacturing, and scientific research and development.

In many parts of the state there are plenty of new jobs. Yet longstanding problems remain in many rural areas of the state. There are also longstanding "quality" concerns about the jobs that we have.

This report looks at the character of the New Mexico work force and its strengths and weaknesses. The report examines workforce demand, workforce supply, future workforce supply, and quality of life. In addition, there is one appendix, which includes a narrative description of the current condition of employment and projections of future employment trends in the state and a first approach to understanding the New Mexico economy in terms of industry clusters.

## Summary and Findings

### Workforce Demand

- Job growth is a primary indicator of the health of a state economy. In 2005 the rate of job growth in the state of New Mexico was 2.4 percent, for growth of about 18,800 jobs over the year. New Mexico had the twelfth highest job growth in the country. Nevada, Arizona, and Idaho had the highest rate of job growth in the country. Historically, New Mexico's job growth was 17.2 percent over the last ten years. Las Cruces led the state with about 34 percent job growth, followed by Farmington and Albuquerque respectively. Santa Fe was well below the statewide average, but showed much improvement in the last five-year period.
- Most of the jobs in the state of New Mexico are in either the service-providing industries or government. The concentration of services employment in New Mexico is typical of the nation as a whole, while the proportion of government jobs in New Mexico is higher because of the presence of two national defense laboratories and three large Air Force bases.
- The New Mexico Department of Labor's research staff projects employment growth for the next ten years. The industry with the largest growth between 2004 and 2014 will be administrative and support services, with an employment increase of about 21,100 jobs. Health Care and Social Assistance comes in second, with growth of 17,800 jobs. Health care employment is expected to remain very important to the New Mexico employment picture, with combined growth in ambulatory health services, hospitals, and nursing care.
- Tourism related employment will also perform well, with growth of 11,700 jobs in accommodations and Food Service and 2,500 jobs in Arts, Entertainment and Recreation industries.
- The largest occupational clusters in New Mexico are in Office and Administrative Support occupations with employment of about 124,600, Retail and Wholesale Sales occupations with about 116,000 workers, Food Preparation & Serving-Related occupations with employment of about 72,000, and Construction & Extraction occupations with employment of about 67,600.
- Many of the occupations with the largest concentration of employment require little education. Only short-term on-the-job training is required for such occupations as retail sales persons, cashiers, and waiters and waitresses. On the other hand, the general and operations manager occupation, with employment of about 11,200 in





the year 2004, requires a Bachelor's degree plus work experience. Registered nurses are another occupation requiring more education, with an Associate Degree required. There were about 12,100 registered nurses working in New Mexico in 2004.

- In general, almost 40 percent of the jobs existing in New Mexico in the year 2002 required only short-term on-the-job training, with another 19 percent requiring only moderate on-the-job training. Roughly a quarter of New Mexico's jobs required a higher education degree, with 11.4 percent requiring a Bachelor's, 1.5 percent requiring an MA and 0.9 percent requiring a PhD. In addition, 1.5 percent required a first professional degree such as a law degree or an MD.
- New Mexico has made a concerted effort to join the ranks of the New Economy states by encouraging technology transfer from the Sandia and Los Alamos National Laboratories. According to the 2002 State New Economy Index of the Progressive Policy Institute Technology Project, New Mexico ranked 27th out of the 50 states. New Mexico ranked 46th in workforce education, 36th in manufacturing workforce education, 38th in technology in schools, and 6th in information technology jobs.

### ***Current and Future Workforce Supply***

- Over the long term, New Mexico's unemployment rate tends to be higher than the national unemployment rate. The unemployment rate in the central region of New Mexico tends to be lower than in the state as a whole. This is because the structure of the economy in central New Mexico is more typical of the nation as a whole.
- According to the 2005 Census estimates, New Mexico's population was 1.9 million. The state's population grew 6 percent between 2000 and 2005. This was one of the fastest growth rates in the country. New Mexico still has had a low population density with less than 16 persons per square mile compared to an average of 54 for our neighboring states.
- New Mexico is a young state, like most of the states in the West. New Mexico's median age was 36.2 years, compared to a national average of 36.4 years. New Mexico has a diverse population, with the largest proportion of Hispanics of any state (44 percent) and the second largest concentration of Native Americans.
- New Mexico median family income was \$44,097 in 2005, compared to the national average of \$55,832. Albuquerque family income was higher than the state level at \$54,570.

- Poverty in New Mexico is a continuing problem, with 14.3 percent of the population living in poverty according to the most recent numbers from the Current Population Survey. The comparable proportion for the United States was 10.2 percent. Neighboring states ranged from 8 percent in Utah to 14.2 percent in Texas.
- More New Mexico households are headed by single parents. New Mexico had 8.5 percent of households headed by a single female, while the national average was 7.6. This is a concern because such demographics contribute to New Mexico's high poverty rate and dependency on public assistance. Roughly 4.7 percent of New Mexico households receive Temporary Assistance for Needy Families, compared to a US average of 3.4 percent.
- Albuquerque ranked fourth out of eight regional cities in the percentage of the population 25 and over that have graduated from high school, with a rate of 25.2 percent. The New Mexico rate was somewhat higher at 28.6 percent, with the national rate at 29.6 percent.
- The proportion of residents with Bachelor's degrees aged 25 and above is a key indicator of the preparedness level of the work force. In the state overall, 14.2 percent of residents had Bachelor's degrees in 2005. The national proportion was 17.2 percent. New Mexico has a higher proportion of residents with graduate or professional degrees than the US national average – 10.9 percent in New Mexico versus 10.0 percent nationally due to the presence of the National Labs and research facilities.
- Of all Bachelor's degrees held by the state's population, 75 percent are held by non-Hispanic whites, compared to 19 percent held by Hispanics and just over 2 percent by Native Americans. This educational gap is a significant challenge in moving New Mexico toward a high-wage employment structure.
- Approximately 25 percent of the New Mexico workforce is on the payroll of federal, state, or local government. New Mexico ranks high in measures of state government employment because of the state's commitment to a geographically dispersed higher education system.
- Almost 50 percent of the students in the public education system in New Mexico are Hispanic, reflecting the diversity and youth of the state's population. The national average of Hispanic students in public education was closer to 15 percent.
- The high school completion rate in New Mexico has been falling over the last fifteen years, which clearly represents a problem for workforce preparedness. The rate has



fallen from just over 84 percent in the 1989-91 period to about 83 percent in the 1998-2000 period. New Mexico's high school completion rate was about three points below the national average.

- New Mexico has experienced a troubling out-migration of young, college-educated people, with 18 percent of this group leaving the state between 1990 and 2000. This is an indication of weak demand for an educated labor force and is also reflected in the employment projections.

### ***Quality of Life***

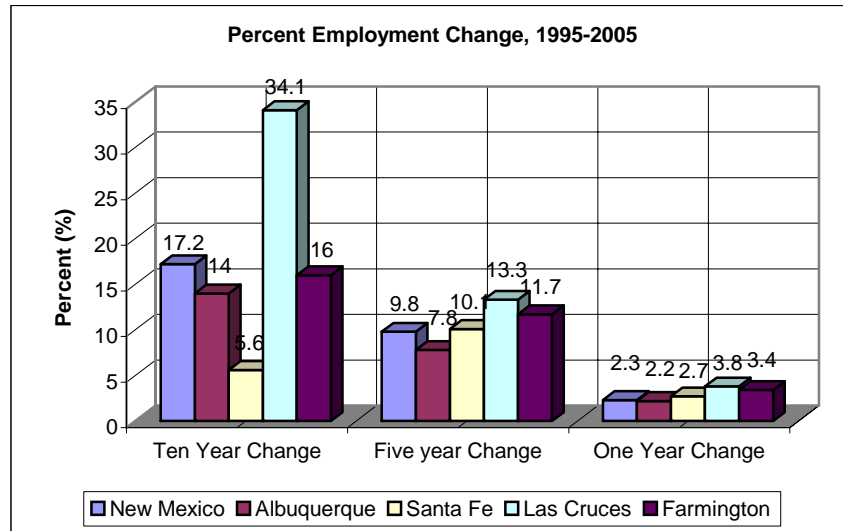
- New Mexico is very close to the national average for attracting singles, with over one quarter of its residents living alone. The proportion was 30 percent in Albuquerque. Of regional cities, Denver was the highest with over 40 percent of its residents living alone.
- New Mexico's median home value in 2005 was \$125,500, substantially less than the national average of \$167,500. The median home value in Albuquerque, however, was \$149,900, above Tucson, El Paso, Amarillo, and Lubbock. New Mexico housing costs are still relatively affordable, requiring about 22 percent of household income, similar to the nation as a whole. The ratio was about 24 percent in Albuquerque, about the same as in Phoenix and Tucson but below Denver's 26.3 percent.
- New Mexico leads most of the surrounding states in the number of crimes per 100,000 population. The high level of violent crimes in Albuquerque compared to other regional cities is an impediment to economic development.

## Workforce Demand

### Statewide and MSA Employment Growth Reflects Economic Growth of Region

#### How are we doing?

New Mexico and the metropolitan areas within the state have experienced substantial employment growth over the past ten years. The state has over seventeen percent more jobs than a decade ago. Job growth has been moderate for most of the MSAs over the ten, five and one-year horizons. The Las Cruces MSA had the fastest employment growth overall. The Albuquerque MSA has been the most affected by the downturn in the economy that started in 2001 and lasted through 2003, which is reflected in the five-year period. The Albuquerque MSA has the largest and most diverse share of employment in the State. It is important to understand an area's employment size and rate of change before considering other factors, such as critical industries and occupations.



Source: NMDOL, Local Area Unemployment Statistics, Table C

#### Why is this important?

This report reviews several areas, including Statewide, the MSAs and the Workforce Investment Areas (WIAs). Geographic detail provides an important dimension for the data to follow.

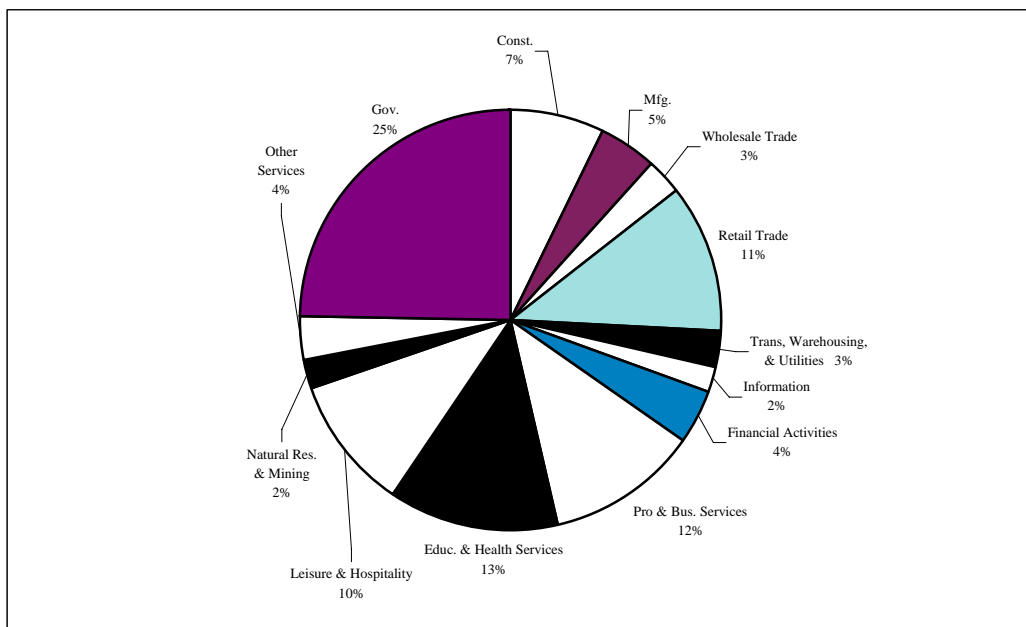


## Employment Distribution by Industry Sectors

### How are we doing?

In New Mexico, one of every four jobs is in the government sector. The largest private sector industry, educational and health services, accounts for thirteen percent of the state's jobs, followed by retail trade with twelve percent of the employment and professional and business services with eleven percent of the total. Today's economy has become very service-oriented, with the goods-producing industries of mining, construction and manufacturing accounting for only about thirteen percent of all employment in the state.

October 2006 Industry Distribution



Source: NMDOL, Current Employment Statistics

### Why is this important?

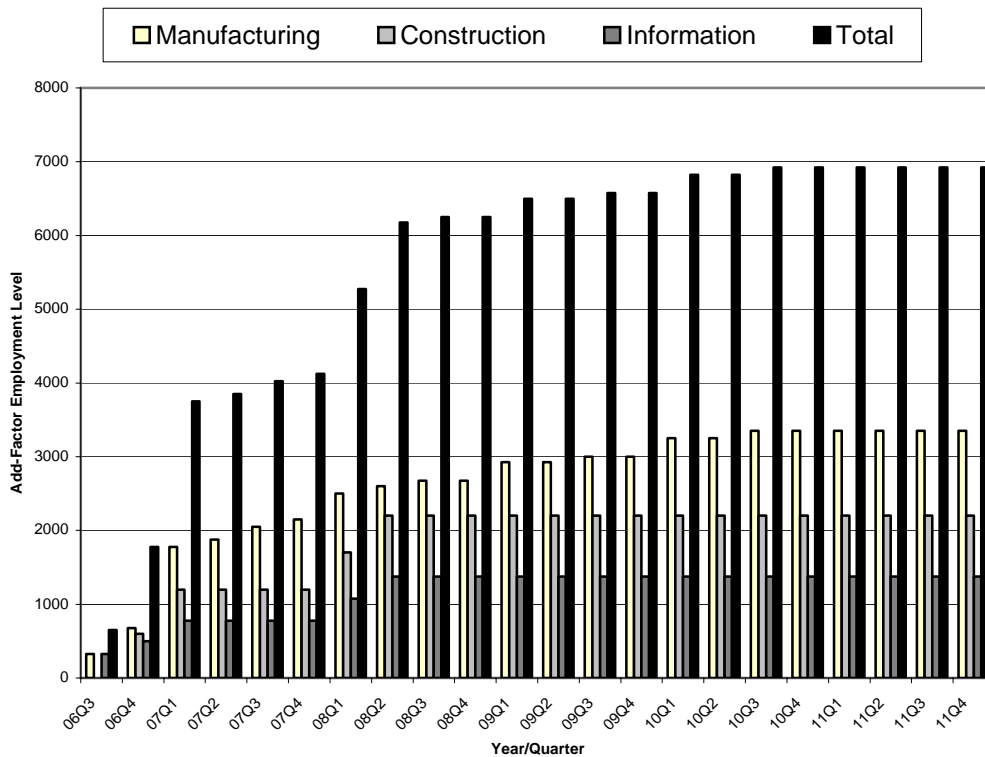
To the extent workforce policy makers target entry-level workers, services and government industries offer many competitive advantages. While some service jobs are high paying, most are not and require minimal education and training. Government jobs, as well, are plentiful in the area at various levels - federal, state, and local - and offer an element of security.

## Establishing or Expanding Presence in New Mexico

### How are we doing?

A number of firms have indicated their intention to expand their operations in New Mexico creating hundreds of new jobs. The table on this page is adapted from the FOR\_UNM forecast for the New Mexico economy. The table shows "add factor" adjustments in the forecast for employment gains that are expected in the state. Employment numbers are shown cumulatively for each quarter through to the end of 2011.

Add-Factor Adjustments



Source: NMDOL, Local Area Unemployment Statistics

### Why is this important?

New Mexico needs new jobs for workers who will be entering the workforce as well as for those who are currently unemployed. Export industries, where the product or service is sold beyond the state's boundaries, provide a net gain in employment and the most benefits for the state.



## ***Many New Jobs in the Medical and Educational Fields Created Each Year***

### *How are we doing?*

In looking at the NAICS sector industry projections for New Mexico, administrative and support service industries will be the fastest growing. In the medical field, health care and social assistance will create nearly 18,000 new jobs as the population ages. Public administration will provide over 15,000 jobs to the economy while educational services and accommodation & food services are projected to add almost 12,000 jobs each. While it appears transportation and warehousing is the only sector that will experience negative growth, it is more reasonable to assume there will be three industries experiencing flat growth.

	<b>New Mexico Industry</b>	<b>Estimated Cumulative Growth, 2004-2014</b>
1	Administrative and Support Services	21,064
2	Health Care and Social Assistance	17,838
3	Public Administration	15,343
4	Educational Services	11,822
5	Accommodation and Food Service	11,691
6	Professional, Scientific, Technical Services	9,579
7	Trade Retail	8,859
8	Manufacturing	7,173
9	Information	3,862
10	Agriculture	2,714
11	Arts, Entertainment, Recreation	2,536
12	Construction	2,143
13	Wholesale Trade	1,430
14	Mining	1,064
15	Real Estate, Rental, Leasing	759
16	Finance and Insurance	362
17	Management of Companies & Enterprises	166
18	Transportation and Warehousing	-284

*Source: NMDOL, Economic Research & Analysis*

### *Why is this important?*

While the previous page focuses on historical growth, this table focuses on projected growth. It is important to know where the job growth is expected to be. The fastest growing industries represent areas of high worker demand. This is where the need for future workers is projected. Economic development and job training programs can use this information to target high-growth industries.

## Clustering of Earnings Across Occupations Depicts Office Economy

### How are we doing?

Building on data seen on previous pages, broad clustering of occupations identifies an office economy that accounts for well above a third of all the wages earned in the State. These include the core clusters of office and administrative support (14% of all wages earned), management occupations (13% of all wages earned), business and financial operations (5% of all wages earned), and computer and mathematical occupations (3% of all wages earned).

Occupation Title	Employment	Annual Wage	Total Annual Wage	% of Total Wages
Office and administrative support	121,870	\$25,800	\$3,144,246,000	14%
Management	39,760	\$71,040	\$2,824,550,400	13%
Healthcare practitioners and technical	38,810	\$56,430	\$2,190,048,300	10%
Construction and extraction	56,510	\$30,260	\$1,709,992,600	8%
Transportation and material moving	44,760	\$27,070	\$1,211,653,200	5%
Architecture and engineering	19,670	\$62,610	\$1,231,538,700	6%
Food preparation and serving related	72,560	\$15,340	\$1,113,070,400	5%
Installation, maintenance, and repair	32,750	\$33,460	\$1,095,815,000	5%
Business and financial operations	22,700	\$49,100	\$1,114,570,000	5%
General and operations managers	10,720	\$80,790	\$866,068,800	4%
Production	31,310	\$28,470	\$891,395,700	4%
Life, physical, and social science	11,920	\$68,210	\$813,063,200	4%
Protective service	22,920	\$30,130	\$690,579,600	3%
Computer and mathematical	11,150	\$60,370	\$673,125,500	3%
Retail salespersons	30,190	\$20,750	\$626,442,500	3%
Registered nurses	11,170	\$54,380	\$607,424,600	3%
Building & grounds cleaning & mts.	28,880	\$18,210	\$525,904,800	2%
Personal care and service	23,440	\$18,340	\$429,889,600	2%
Healthcare support	19,490	\$22,030	\$429,364,700	2%
Total all occupations	763,430	\$33,180	\$22,188,743,600	100%

Source: Bureau of Labor Statistics, 2005  
[http://www.bls.gov/oes/current/oes\\_nm.htm#b00-0000](http://www.bls.gov/oes/current/oes_nm.htm#b00-0000)

### Why is this important?

In addition to looking at key industries, it is important to look for occupations that are critical in a labor market area. Policy makers need to be able to determine whether to focus on jobs that are the highest paying, or on jobs in which there is the most demand. In looking at the quality of jobs in a region, we can look at both employment and wages of major occupational groups. One method to do this is an analysis of total annual wages (employment \* annual earnings).

Clusters of occupations are also relevant across various industries or disciplines. Management occupations, for example, exist across all sectors of employment, as do computer occupations. Therefore, developing skills and knowledge critical to success in these occupations will benefit all industry sectors.





## Minimal Education and Training are Required for Many Jobs

### How are we doing?

Many of the jobs that New Mexican workers fill are entry-level positions. This list is typical for most states and areas. While entry-level positions are generally low paying, they usually afford easy labor market entry and minimal training. They typically represent a start to a career that can often lead to more advanced positions.

Title	Est. Employment	Annual Wage	Education and Training
1 Retail Salespersons	30,190	\$20,750	Short-Term on-the-Job Train.
2 Cashiers	17,890	\$16,820	Short-Term on-the-Job Train.
3 Waiters and Waitresses	14,920	\$13,900	Short-Term on-the-Job Train.
4 Secretaries, Except Legal, Medical, and Executive	-	\$24,910	Moderate-Term on-the-Job Train
5 Combined Food Preparation and Serving Workers	14,060	\$13,380	Short-Term on-the-Job Train.
6 Office Clerks, General	13,850	\$21,410	Short-Term on-the-Job Train.
7 Janitors and Cleaners, Exc. Maids & Housekeeping Cleaners	12,710	\$18,450	Short-Term on-the-Job Train.
8 Registered Nurses	11,170	\$54,380	Associates Degree
9 General and Operations Managers	10,720	\$80,790	Degree Plus Work Experience
10 Customer Service Representatives	10,090	\$24,430	Moderate-Term on-the-Job Train.
11 Elementary School Teachers, Except Special Education	10,070	\$37,450	Bachelor's Degree
12 Bookkeeping, Accounting, and Auditing Clerks	9,730	\$26,730	Moderate-Term on-the-Job Train.
13 Truck Drivers, Heavy and Tractor-Trailer	9,310	\$32,910	Moderate-Term on-the-Job Train.
14 Laborers and Freight, Stock, and Material Movers, Hand	9,080	\$18,750	Short-term on-the-job Train.
15 Construction Laborers	8,990	\$20,980	Moderate-Term on-the-Job Train.
16 Executive Secretaries and Administrative Assistants	8,330	\$32,700	Moderate-term on-the-job Train.
17 Stock Clerks and Order Fillers	8,200	\$20,550	Short-Term on-the-Job Train.
18 Maids and Housekeeping Cleaners	8,090	\$14,630	Short-Term on-the-Job Train.
19 Maintenance and Repair Workers, General	7,700	\$26,320	Moderate-term on-the-job Train.
20 First-Line Supervisors/Managers of Retail Sales Workers	7,620	\$31,770	Work Experience in a Related Occupation
21 Carpenters	7,410	\$28,890	Long-term on-the-job Train.
22 Teacher Assistants	7,360	\$15,480	Short-Term on-the-Job Train.
23 Nursing Aides, Orderlies, and Attendants	7,030	\$19,840	Short-Term on-the-Job Train.
24 Managers, Miscellaneous Classifications	3,660	\$90,450	Varies
25 Farmworkers and Laborers, Crop, Nursery, & Greenhouse	3,330	\$13,490	Short-Term on-the-Job Train.

Source Bureau of Labor Statistics, 2005

[http://www.bls.gov/oes/current/oes\\_nm.htm#b00-0000](http://www.bls.gov/oes/current/oes_nm.htm#b00-0000)

### Why is this important?

When considering specific occupations, it is valuable to work from current estimates of employment, because these are often the best guides as to what entry-level jobs are going to be available. However, when considering these jobs, it is important to note that while

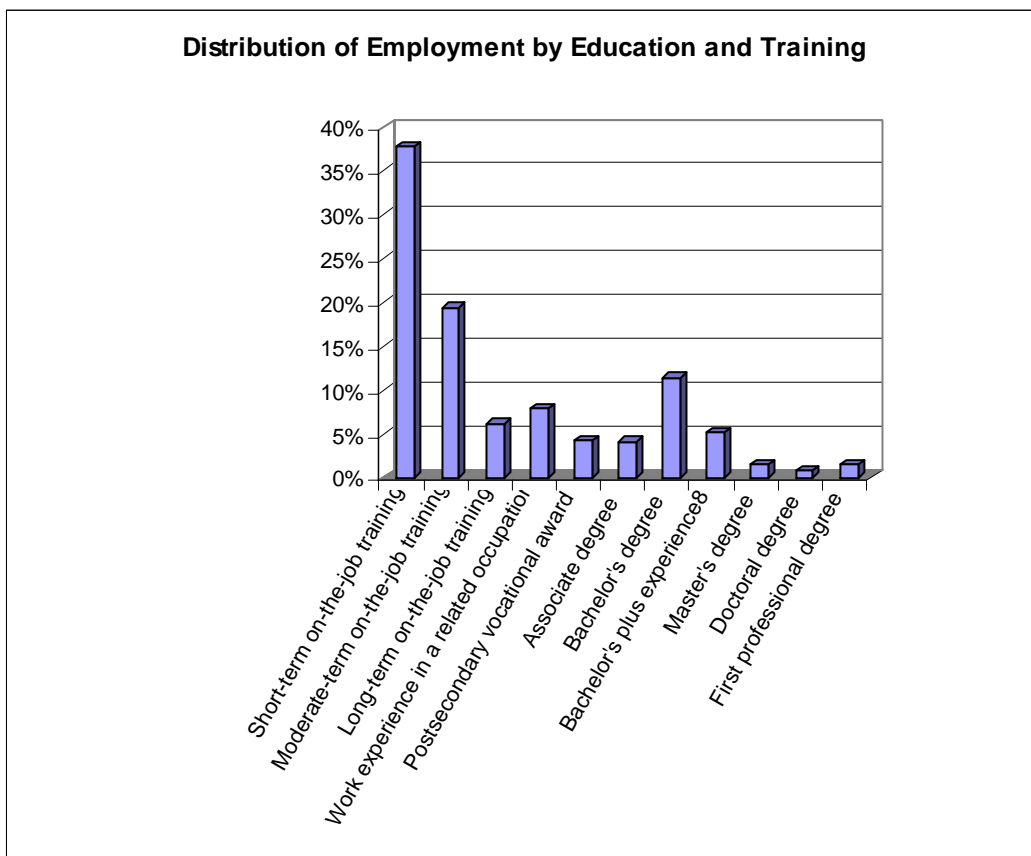
many require only short to mid-term on-the-job training, they also tend to have high turnover and high rates of part-time employment. Therefore, the overall quality of the job must be taken into account when deciding on job training priorities and resources. While entry-level positions provide easy access for job seekers into the labor market, there is a need to target job training for positions that can provide competitive wages. Appropriate on-the-job training and adult education are necessary in teaching existing workers and new labor entrants new skills that will lead to new careers.



## Distribution of Employment by Education & Training Categories

### How are we doing?

About 21 percent of the State's total jobs require a Bachelor's degree or higher. Conversely, over thirty seven percent of the area's jobs require only short-term on-the-job training. Overall, these numbers suggest that there are opportunities for both entry-level workers as well as workers that are more educated.



Source: NM Department of Labor (Base 2002 Estimated Employment)

### Why is this important?

While New Mexico has a high rate of jobs that require a Bachelor's degree or higher, there are many opportunities for entry-level workers. The State's high rates of services and government employment help to maintain the trend; employers must be able to find the skilled workforce they need that aligns with their educational requirements. We will look at that relationship in a later section of the report.

## **Meeting the Occupational Needs of the Health Care Industry**

### *How are we doing?*

The nation has been facing a critical shortage of skilled nurses. The work is difficult and requires several years of training despite the relatively high pay. The demand for health care workers is projected to exceed the supply as the population ages. The sector represents an enormous opportunity for education and training professionals to prepare individuals for a career. The challenge in New Mexico is that many health care support occupations do not pay an adequate wage compared to other States, and there is a huge chasm between the education and training requirements of professional and support workers, making career ladders very challenging and somewhat unobtainable.

<b>Occupation</b>	<b>Employment</b>	<b>Annual Wage</b>
<b>Professionals:</b>		
Family and general practitioners	1,280	\$155,050
Registered nurses	11,170	\$54,380
Licensed practical and licensed vocational nurses	4,610	\$38,620
Pharmacy technicians	1,430	\$26,200
Medical and clinical laboratory technologists	950	\$43,830
<b>Support:</b>		
Nursing aides, orderlies, and attendants	7,030	\$19,840
Medical assistants	2,860	\$24,660
Dental assistants	1,610	\$27,580
Veterinary assistants and laboratory animal caretakers	500	\$19,610
Medical transcriptionists	240	\$26,120

*Source Bureau of Labor Statistics, 2005*

*[http://www.bls.gov/oes/current/oes\\_nm.htm#b00-0000](http://www.bls.gov/oes/current/oes_nm.htm#b00-0000)*

### *Why is this important?*

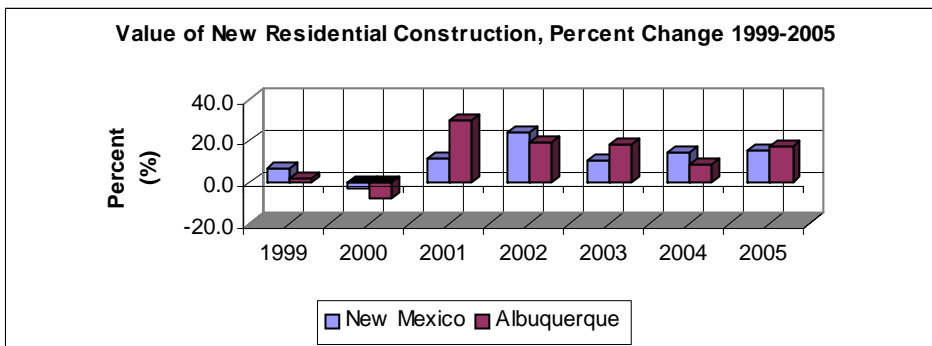
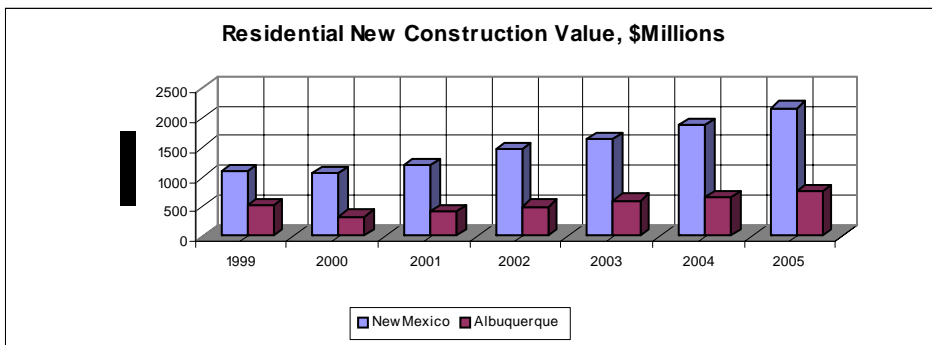
Understanding the demand for health care is important, considering the divide between professionals and support workers. While support jobs provide ample entry-level opportunities, career advancement is limited without proper education and training.



## Residential Development Softens

### How are we doing?

The value of housing construction across the state has increased over the past seven years, indicating economic growth and prosperity. Data for 2005 show that we hit new records in new residential construction values. All indications are 2006 numbers will be much lower when the fourth quarter permit data are compiled. Homeowners are moving up at the same time as apartment dwellers are taking advantage of low interest rates to purchase their first home. This rise in residential construction values is not just an urban phenomenon, but occurring across the state.



Source: University of New Mexico, BBER, 2005

### Why is this important?

In addition to having an impact on construction employment and wages, it is also important to understand the implications for future development. To maintain this growth, the retention and recruitment of new businesses and employees should focus on bringing an appropriate mix of industry, occupations, and skills. Given recent losses of high wage jobs in mining and manufacturing, special efforts to attract employers with higher paying jobs is important.

## Current Workforce Supply

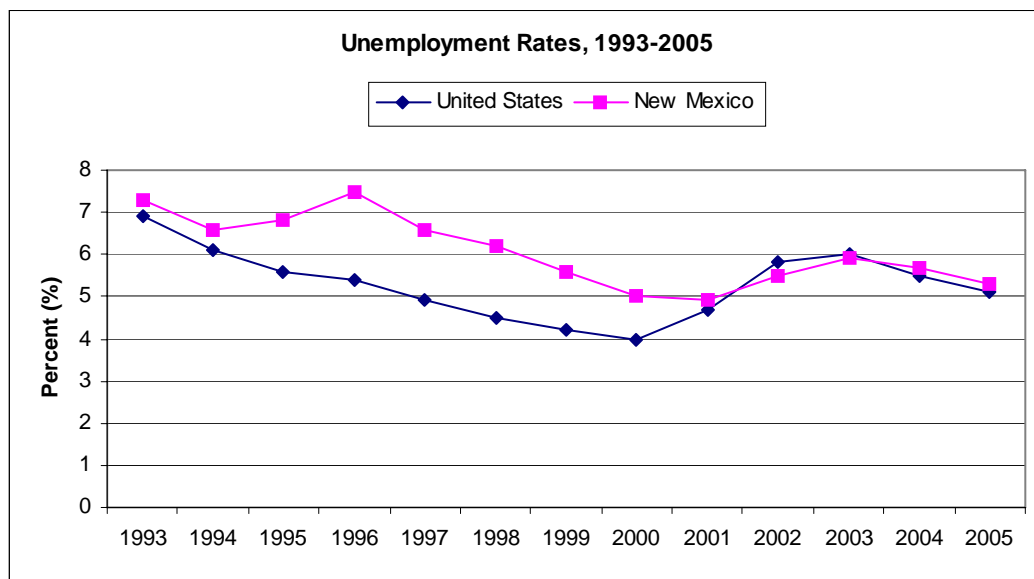
### **New Mexico Unemployment Rates Tend to be Higher Than the Nation's**

#### *How are we doing?*

Unemployment rates in New Mexico tend to stay above national rates due to a number of factors. New Mexico has relied heavily on natural resources, including minerals & metal mining, oil & natural gas extraction, and agriculture & forestry products. These industries have seen significant layoffs due to boom and bust cycles or just the overall decline of the industry in the global marketplace. New Mexico's relatively high unemployment rates indicate a ready workforce supply.

#### *Why is this important?*

Relatively high unemployment rates compared to the national average reveal an imbalance between the demand and supply of workers. This imbalance is partially explained by population growth and the influx of workers across the State, as well as imperfect matches between worker skills and employer needs. Retaining existing employers and attracting new employers with skill requirements similar to the available workforce, as well as training programs catering to specific employer needs, would work to reduce this imbalance.



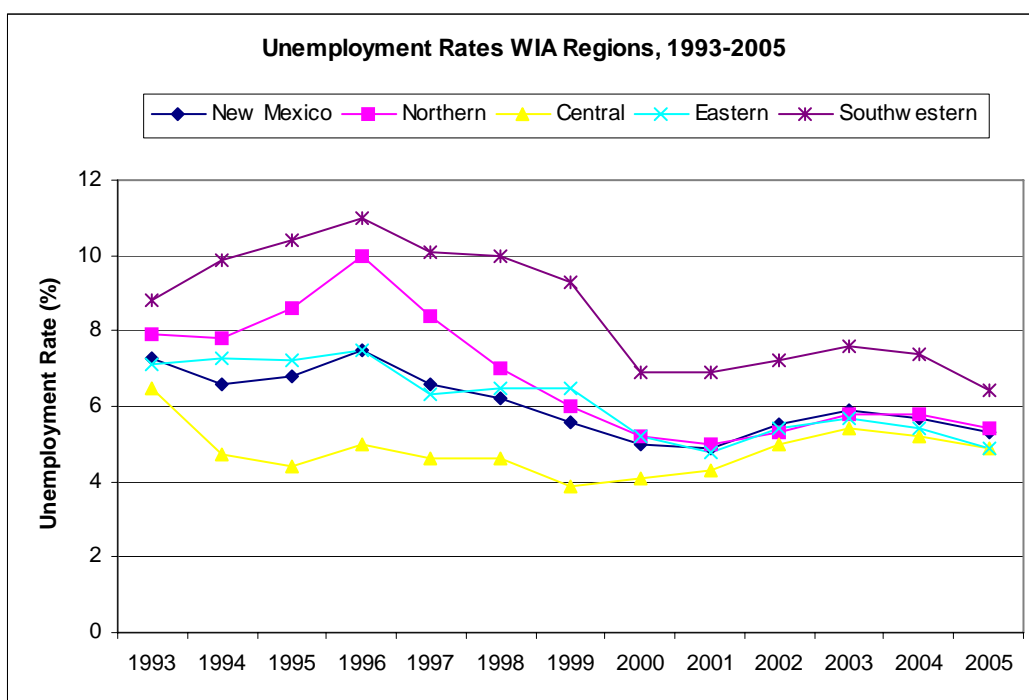
NMDOL - Local Area Unemployment Statistics



## The Central Region's Unemployment Rate is Consistently Lower

### How are we doing?

Unemployment in the Central WIA region has consistently been lower than other regions within the State. Major reasons for the lower rate are the diversity of the region's employer Base, the scale of employment opportunities, and relative clustering of workers and employers characteristic of high-density, urban centers.



NMDOL - Local Area Unemployment Statistics

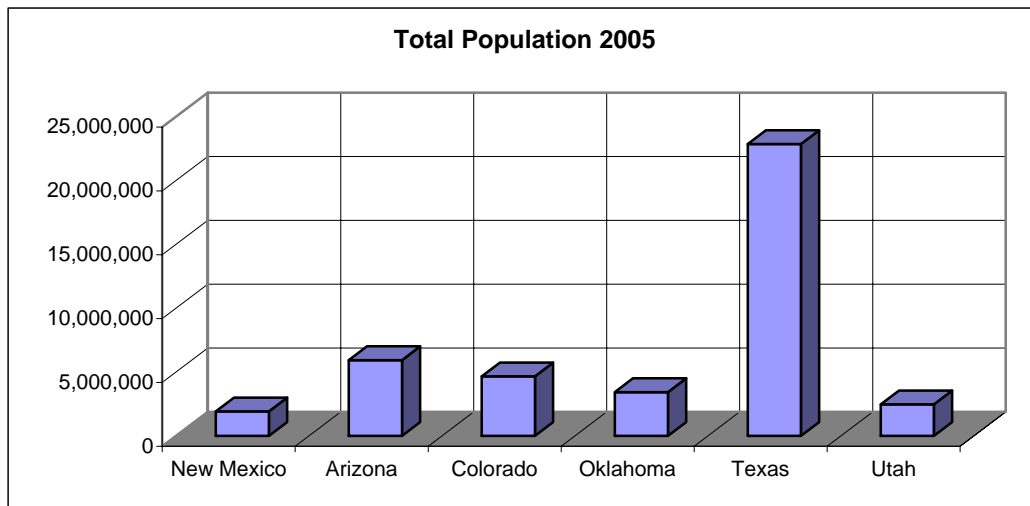
### Why is this important?

While the economy in the Central Region has been strong, many residents within the State have not shared in the prosperity. Improving Basic worker skills, encouraging new and existing business, and eliminating Barriers to employment (e.g., transportation, child care, etc.) in all areas of the State are issues that can be addressed to bring equality to all regions.

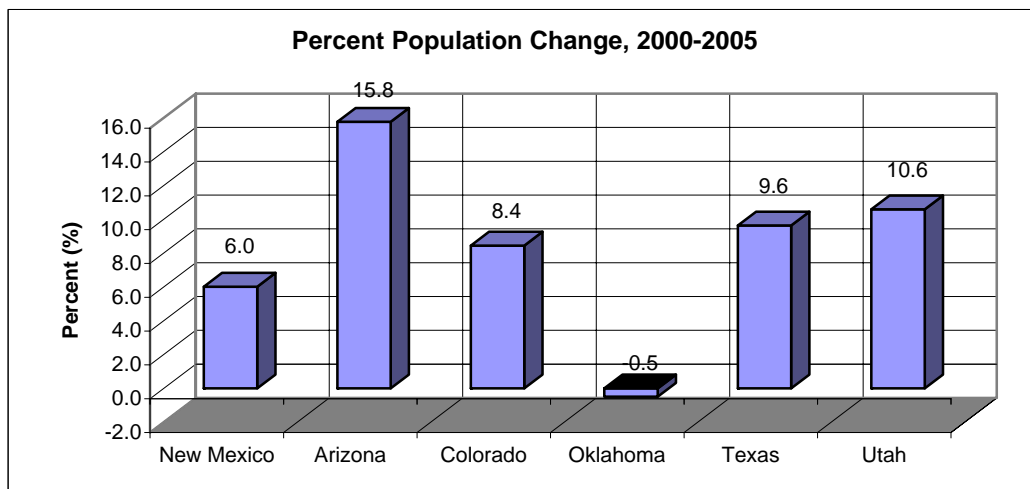
## Understanding Population Size, Change, and Density

### How are we doing?

In 2005 the Census Bureau estimated New Mexico's population at 1.9 million. Most of New Mexico's growth is occurring in or near the larger cities. There are four Metropolitan Statistical Areas (MSAs) in the state, with about 68 percent of the state's total population.



Source: US Census Bureau, 2005 Estimates



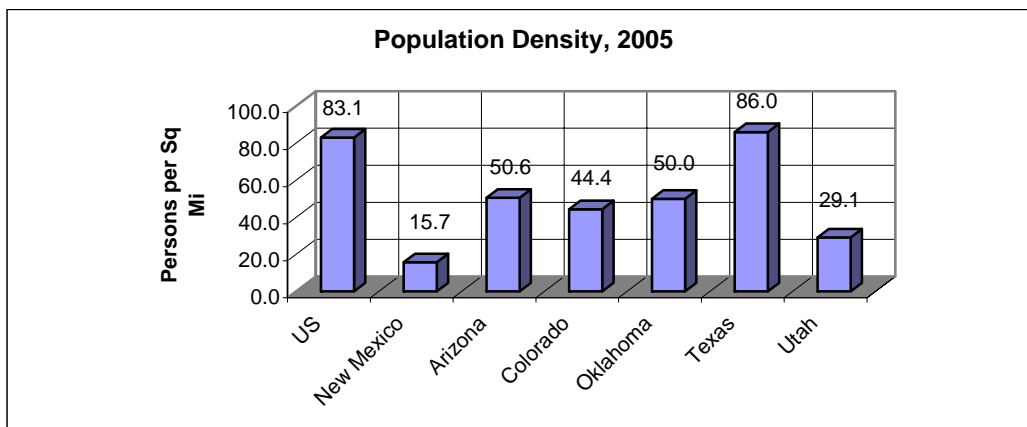
Source: US Census Bureau, 2005 Estimates

New Mexico's population is spread across more than 121 thousand square miles, which translates into a population density of 16 persons per square mile. The 2005 Census Bureau

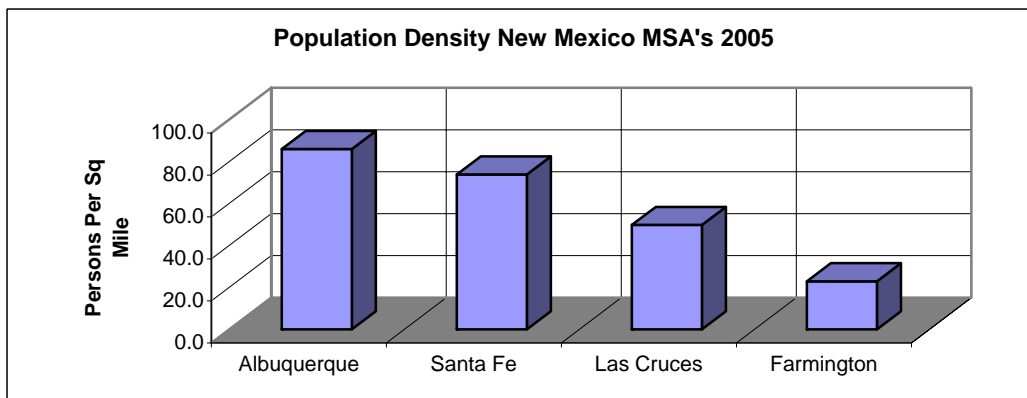




estimates show New Mexico growing slightly faster than the nation (5.3%), but slower than neighboring states, except Oklahoma.



Source: US Census Bureau, 2005 Estimates



Source: US Census Bureau, 2005 Estimates

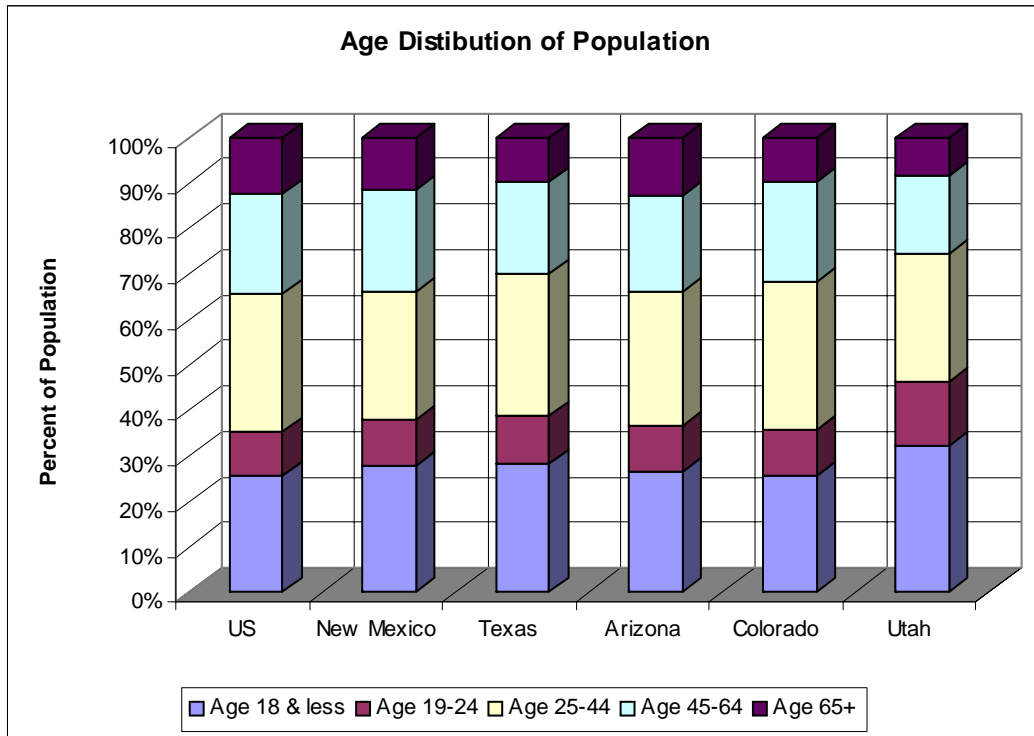
**Why is this important?**

In terms of attracting new business and skilled workers, the relative size of New Mexico's population, as well as the rate of change in size and density, matters. New Mexico is competing with much larger states with highly dense urban centers. The implications of these data can be seen when potential employers evaluate locations on conditions of workforce availability, diversity and proximity.

## Strong “Entry-Level” Age Demographics Compared to National Average

*How are we doing?*

Like most of the western United States, New Mexico is a young state, with a median age of 34.6 years.



Source: U.S. Census Bureau, 2005 Estimates

*Why is this important?*

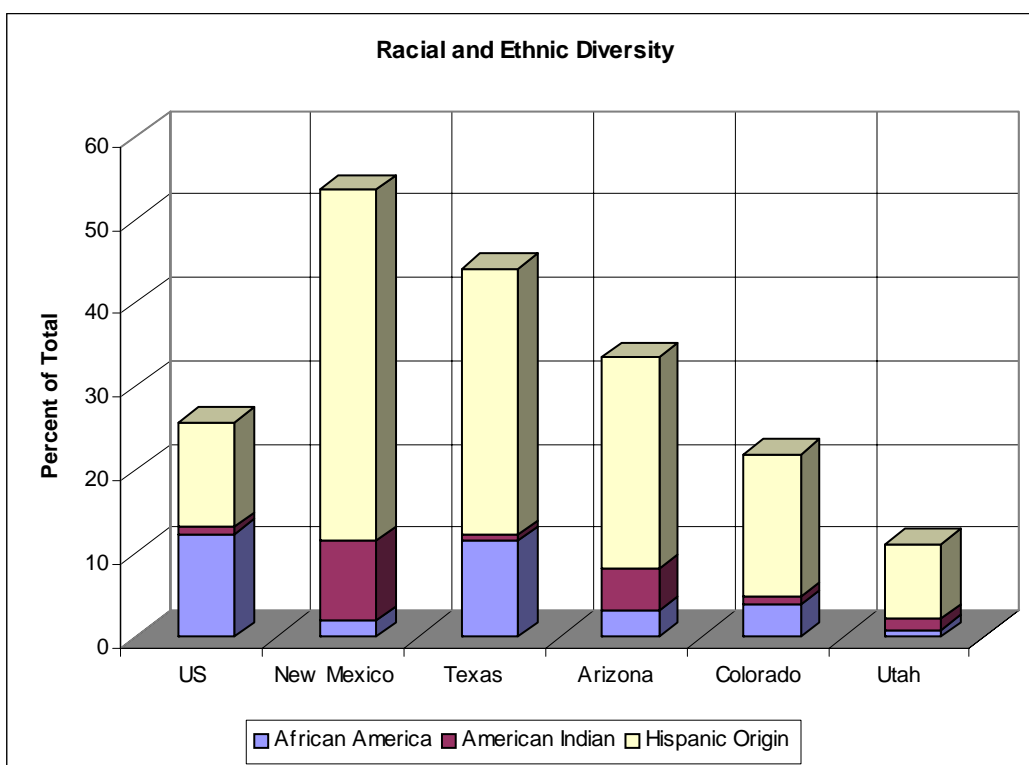
New Mexico is well positioned for the future with a competitive edge in rates of youth and entry-level workers compared to national averages. At the same time, New Mexico’s prime age workforce (age 25-44) is currently below the national average and most neighboring states. As the last of the Baby boomers (those born from 1946 to 1964) move closer to retirement, young workers will begin to enter the labor market.



## New Mexico Enjoys Broad Racial and Ethnic Diversity

### How are we doing?

Racial and ethnic diversity is a fundamental aspect of New Mexico's social landscape. New Mexico has a much larger Hispanic and American Indian population than the national average. In fact, New Mexico continues to have the largest concentration (44%) of Hispanics among the states and the second largest concentration (9.5%) of persons who identify only as American Indian or Alaskan Native, nationally.



Source: U.S. Census Bureau, 2005 Estimates

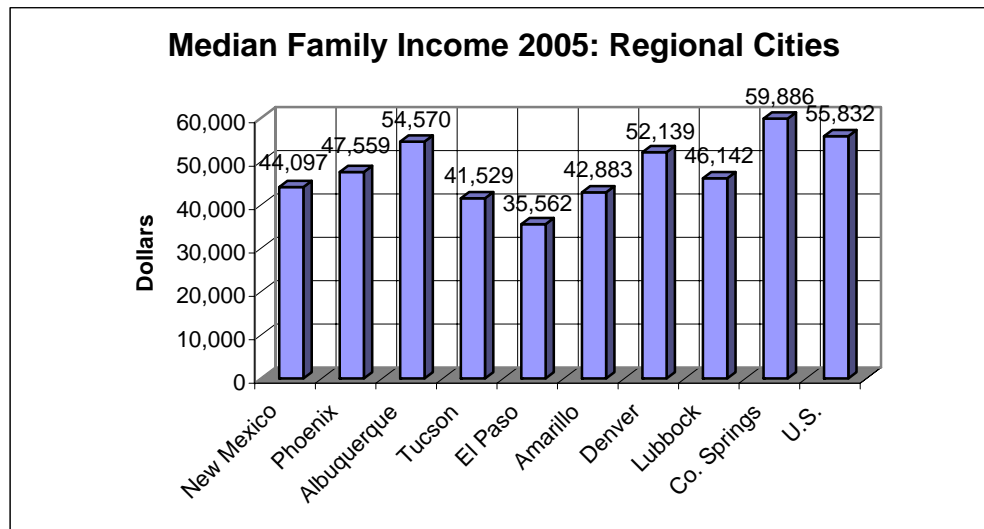
### Why is this important?

Cultural diversity of the New Mexico workforce offers many advantages in the new economy as employers take positions that are more global and seek multilingual and culturally sensitive workers. Diversity also brings with it challenges, such as literacy and other social services training needs.

## Median Household Income Varies Among Regional Cities

### How are we doing?

New Mexico falls somewhat below the national average while Albuquerque is fourth among eight regional cities.



Source: U.S. Census Bureau, 2005 Estimates

### Why is this important?

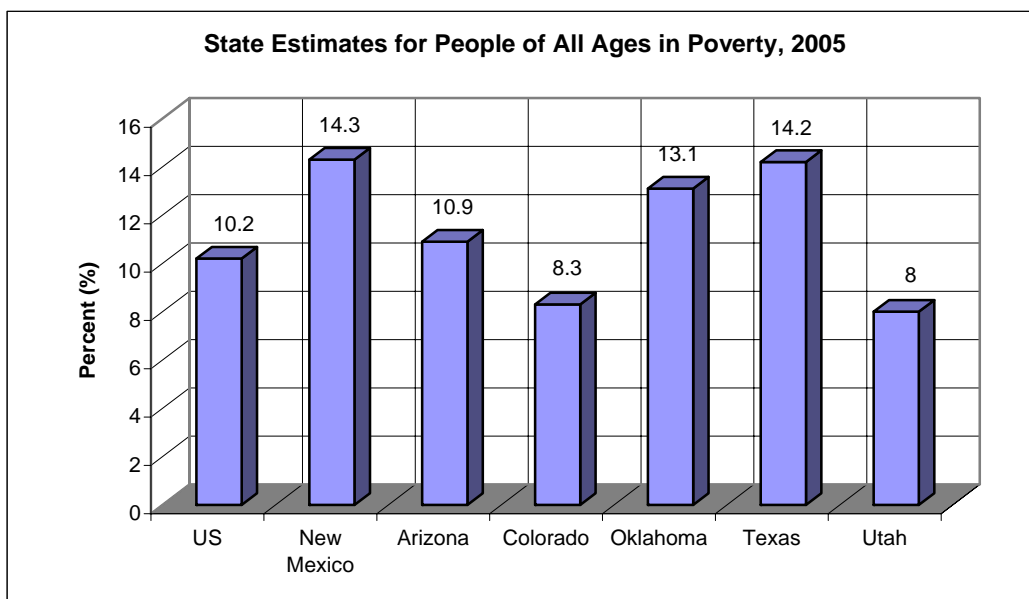
Median family income is the amount which divides the income distribution into two equal groups, half having incomes above the median and half having incomes below the median. Successful economies create opportunities for all families to increase their incomes and standard of living. Median family income underscores the importance of attracting and retaining high quality jobs in the state.



## Persistent High Poverty Rates Signal Underlying Trouble

### How are we doing?

New Mexico's poverty rate is one of the highest in the nation and certainly higher than the neighboring states.



Source: U.S. Census Bureau, 2005 Estimates

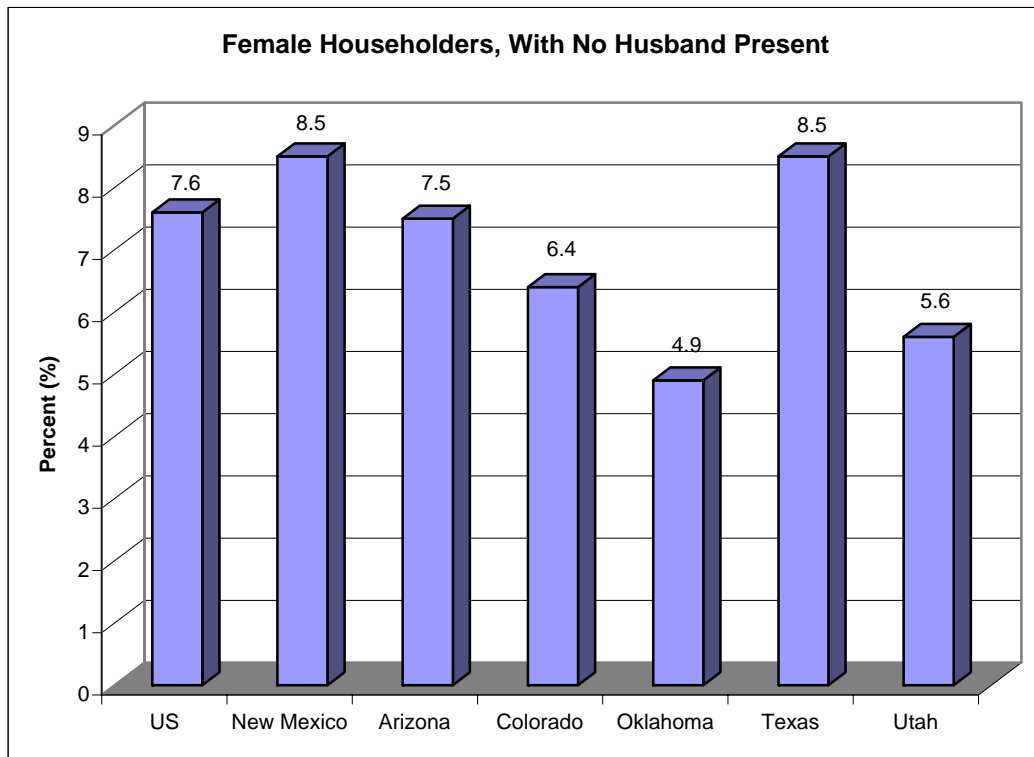
### Why is this important?

A high rate of people living in poverty ultimately impacts many other indicators such as education, employment, income, etc. To successfully recruit new business and foster business expansion, policies must address the issues of poverty and breaking the cycle of poverty for future generations.

## More New Mexico Households Are Lead by Single Females with Children Under 18

### How are we doing?

The number of households headed by single females with children under the age of 18 is significantly higher in New Mexico than neighboring states and the nation.



Source: U.S. Census Bureau, 2005 Estimates

### Why is this important?

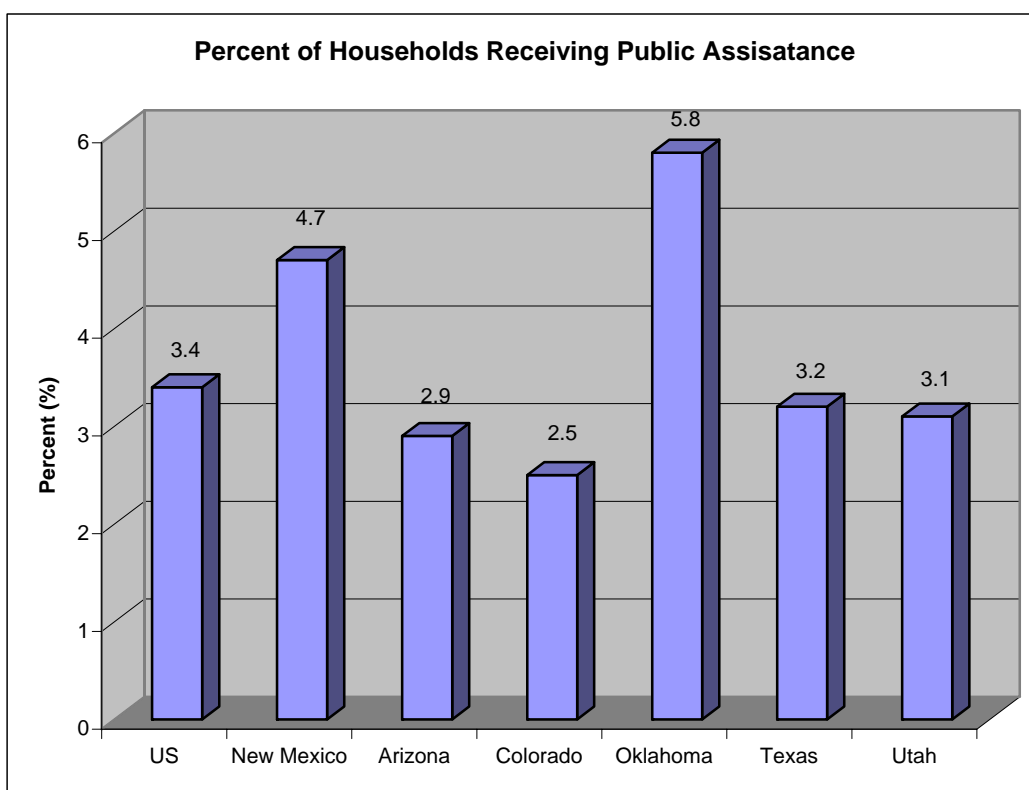
Of all households in New Mexico, over eight percent are led by a female with no husband present and with children under the age of 18. This provides both challenges and opportunities for policy makers as they seek to fill critical skills shortages, provide accessible childcare options, and minimize the level of children living in poverty.



## Households Receiving Public Assistance Higher in New Mexico

### How are we doing?

Nearly five percent of New Mexico households were receiving public assistance in 2000, a rate inexplicably higher than most of the surrounding states and well over the national average.



Source: U.S. Census Bureau, Census 2000

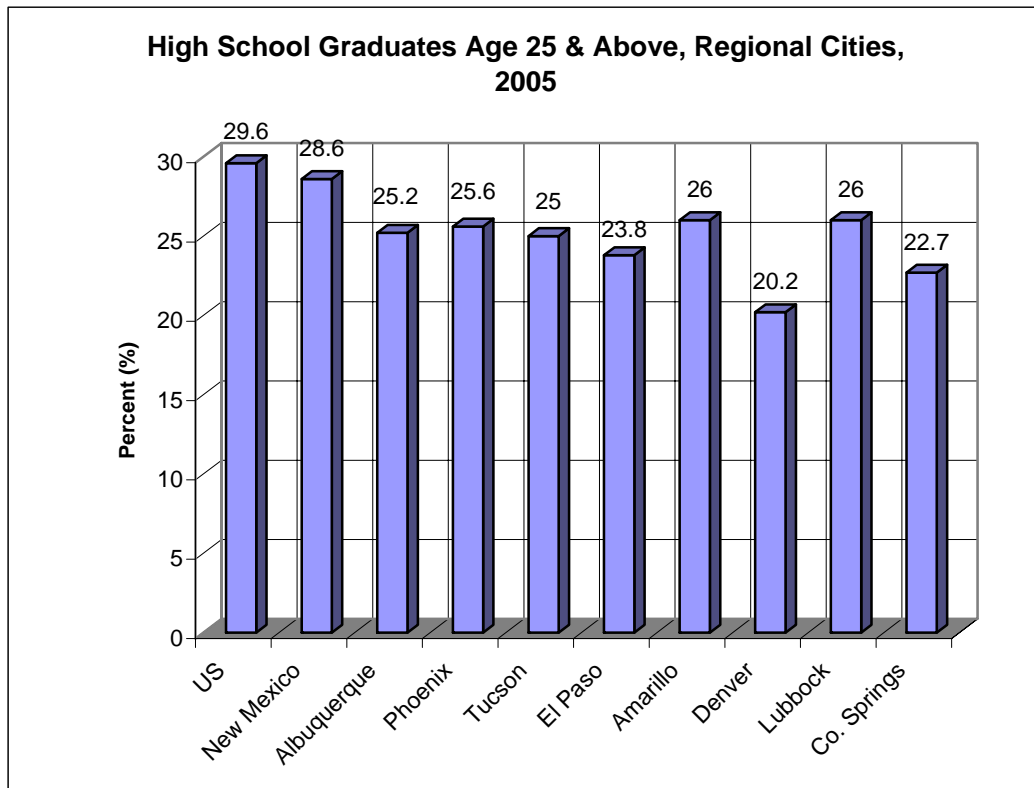
### Why is this important?

Like poverty rates and other indicators of economic well being, the high level of public assistance in New Mexico serves as witness to underlying troubles within the economy. Typically, those receiving public assistance have encountered problems that prevent them from achieving independence within society and require support services, such as training, childcare and transportation subsidies. This has a tremendous impact on available resources within the state.

## Demand for High School Graduates Well-Met by Labor Supply

### How are we doing?

Albuquerque ranks first out of eight regional cities in the percentage of the population age 25 and over that have graduated from high school, but the percentage is still well below the national average. Statewide average is two percentage points below the national average.



Source: U.S. Census Bureau, 2005 Estimates

### Why is this important?

Many entry-level jobs require basic education and training levels characteristic of that learned in high school.

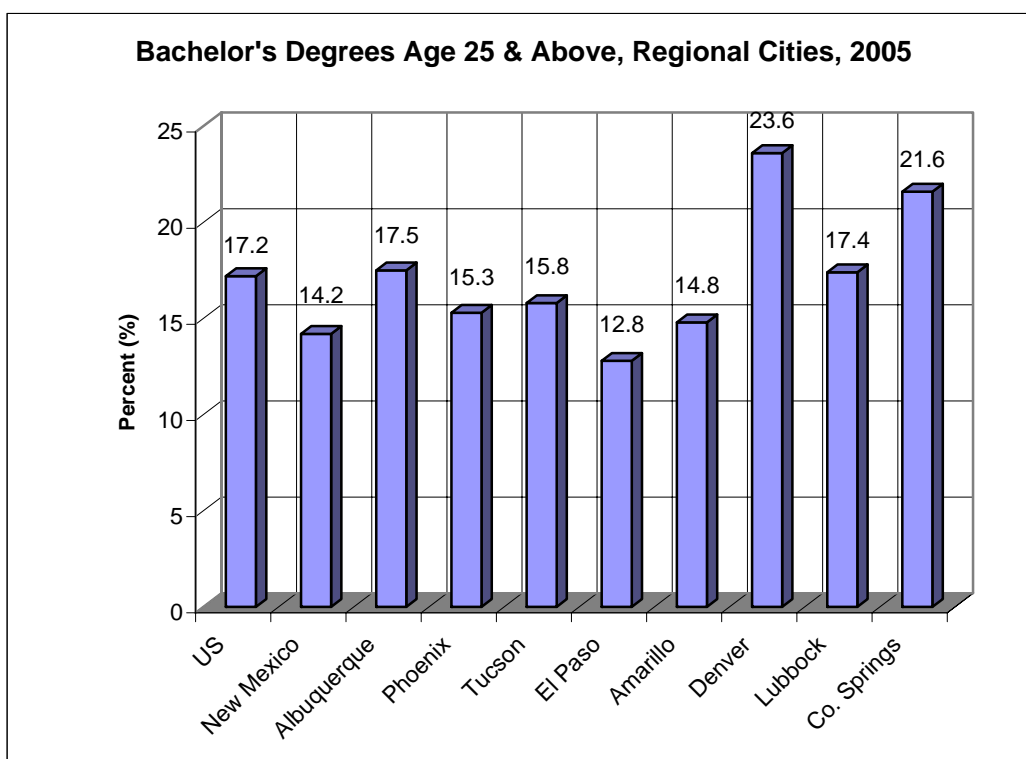




## ***Demand for Bachelor's Degree Better-Met in Urban Area***

### *How are we doing?*

The New Economy Index ranks New Mexico 46th among all states for workforce education, which is a weighted measure of the educational attainment of the workforce. As this chart shows, only 14.2 percent of residents age 25 and above possess a Bachelor's degree, statewide. In a comparison of regional cities, however, Albuquerque ranks eight out of the nine cities reviewed.



Source: U.S. Census Bureau, 2005 Estimates

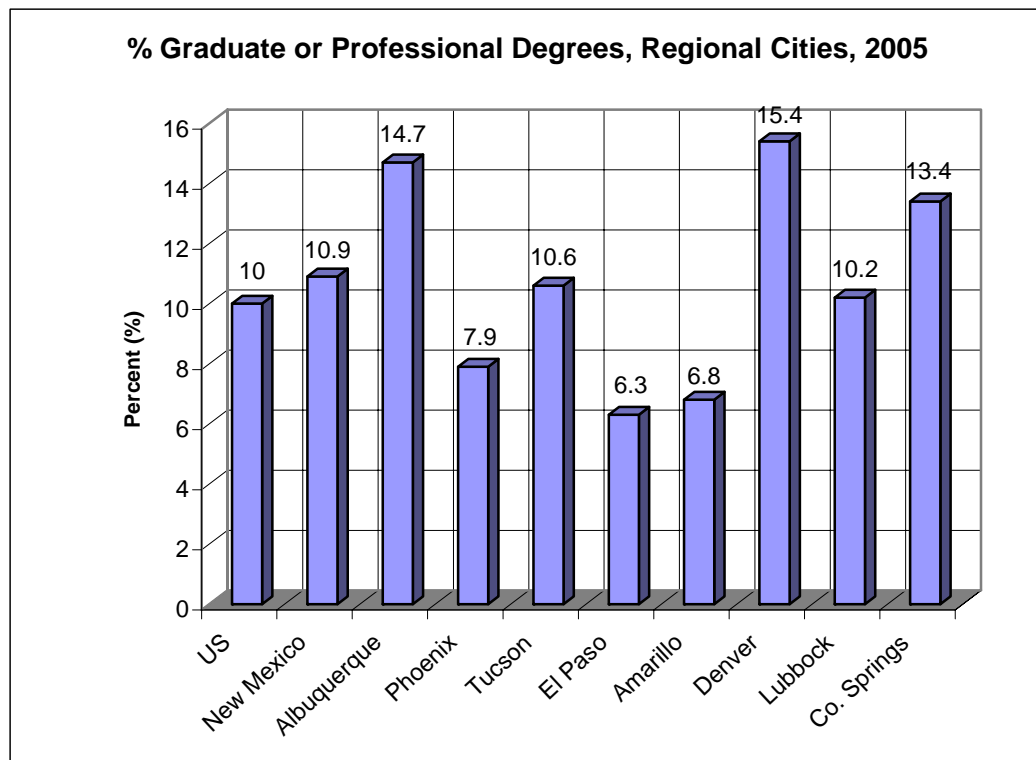
### *Why is this important?*

This is critically important, and appears to be a weakness for New Mexico. Employers are likely to locate "knowledge jobs" where they believe there are "knowledgeable people." The State has an average lower than the nation, which implies potential shortage of qualified workers. Albuquerque, however, has a significantly higher penetration of Bachelor's-degreed residents.

## National Labs and Technology Centers Boost Graduate and Professional Degrees

*How are we doing?*

In contrast to the previous chart showing a relatively low percentage of residents with Bachelor's degrees in the State, here we see that New Mexico actually has a slightly higher penetration of graduate or professional degrees than the nation. Contributing to this fact are the national laboratories and advanced technology firms throughout the state.



Source: U.S. Census Bureau, 2005 Estimates

*Why is this important?*

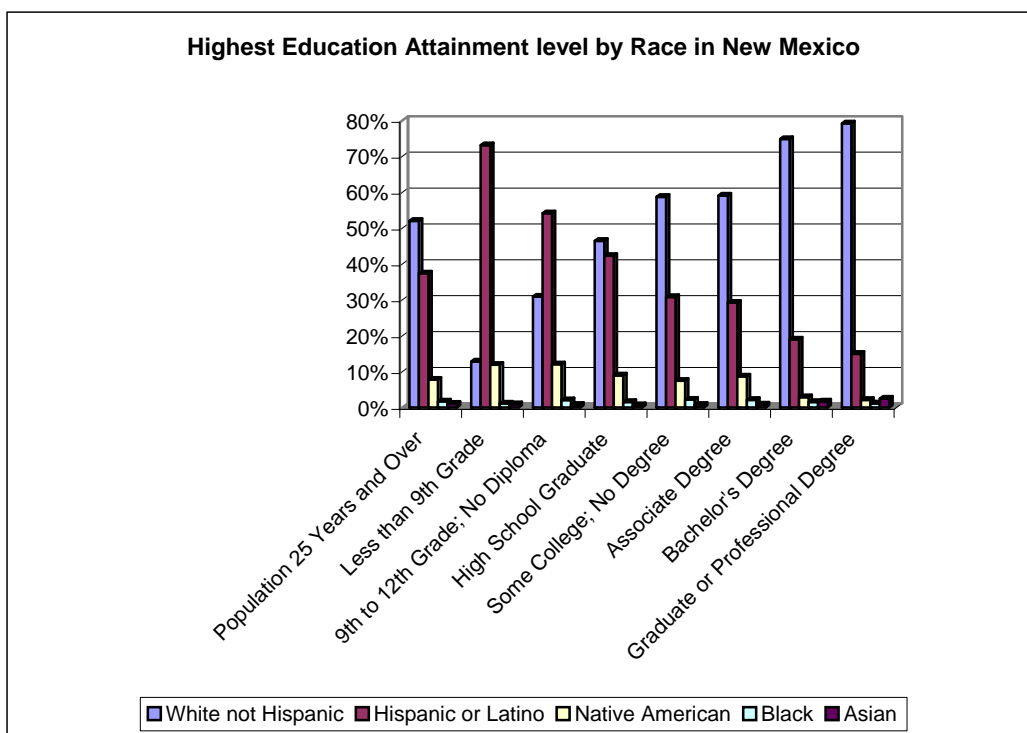
This is critically important, and appears to be a significant strength for New Mexico and Albuquerque. A greater than average percentage of residents with graduate or professional degrees provides a competitive advantage over other areas in the region.



## Racial and Ethnic Inequality in Educational Attainment

### How are we doing?

Of all Bachelor's degrees held by the state's population age 25 and over, 75 percent are held by non-Hispanic Whites compared to 19% held by Hispanics and just over 2% held by Native Americans. At the other end of the scale, Hispanics account for about 73 percent of those who have less than a 9th grade education.



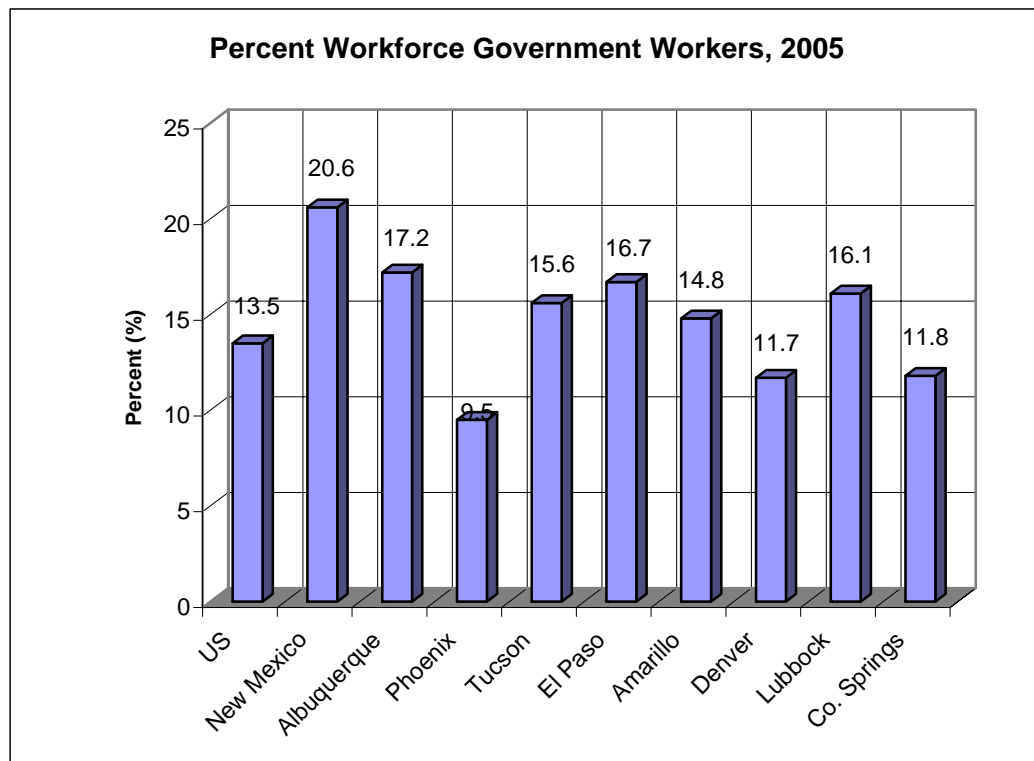
### Why is this important?

While the state's employers demand educated workers and can find workers to fill their positions, many of New Mexico's people lack the educational credentials for high-wage high-skill jobs.

## Government Workers as a Percent of Total Workforce

### How are we doing?

New Mexico is considerably above the national average in the percentage of government workers in the workforce. Albuquerque is high among regional cities in the percentage of government workers. Some factors that may explain part of this difference are the presence of national laboratories, numerous Indian tribal governments, and an extensive higher education workforce.



Source: U.S. Census Bureau, 2005 Estimates

### Why is it important?

Nationally, over the past two decades, employment in the government sector has grown more slowly than employment in the private sector. The enticement of private sector wages, benefits, and flexibility is an undeniable lure for job seekers.

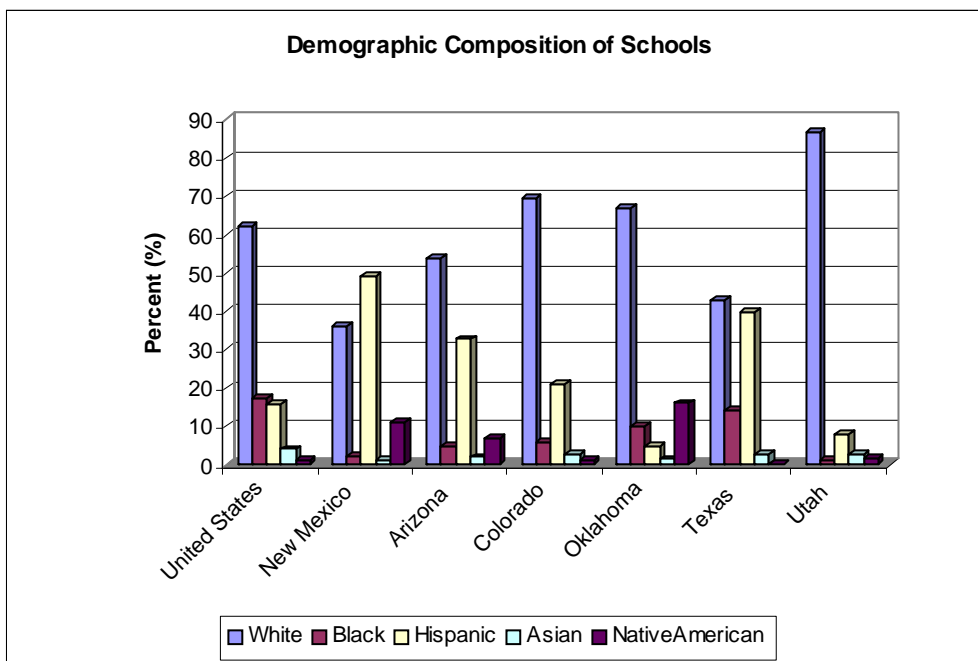


## Future Workforce Supply

### Diverse Student Enrollment Including Hispanic Population

#### How are we doing?

Reflecting the diversity of the overall population, New Mexico is a minority-majority state with the largest percentage of Hispanic students in the nation.



Source: National Center for Education Statistics

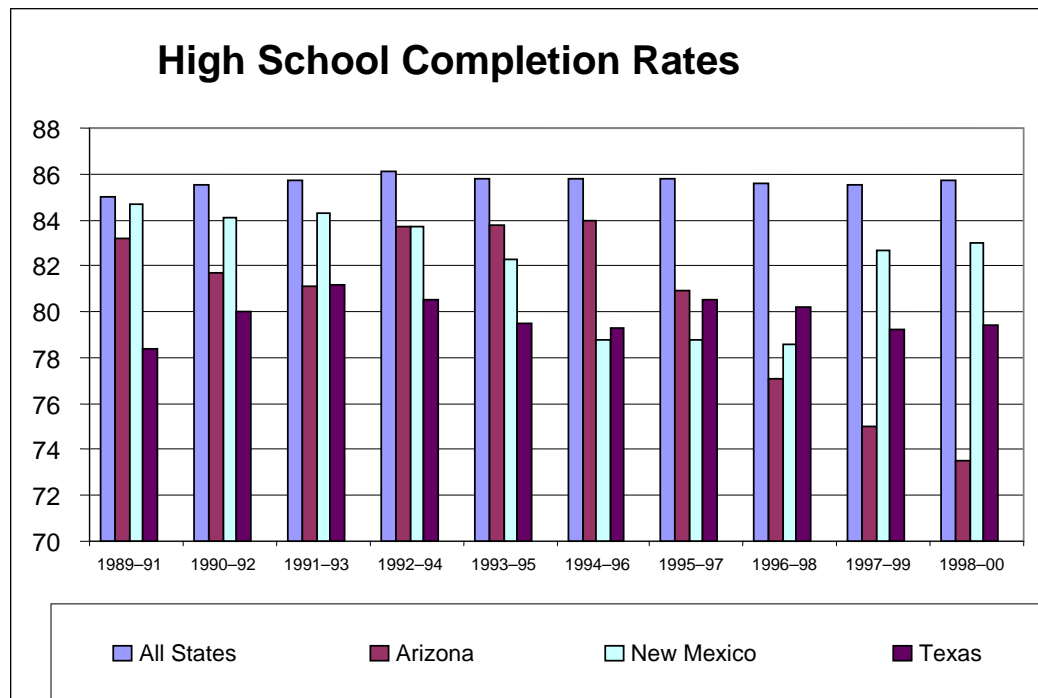
#### Why is this important?

As we look at the other education indicators, it is important to keep racial distribution in mind so that no child is left behind as diversity continues to increase.

## High School Completion Rates

### How are we doing?

The completion rate is computed and published for the young adult population in the years beyond high school—that is, the 18- through 24-year-old population. At the state level, three-year moving averages are computed to yield more stable estimates for completion rates. The high school completion rate is calculated based on responses to a basic item in the Current Population Survey about the highest level of educational attainment achieved by a person. While the completion rate for New Mexico is about three percent lower than the national average, it exceeds Arizona and Texas.



Source: National Center for Education Statistics

### Why is this important?

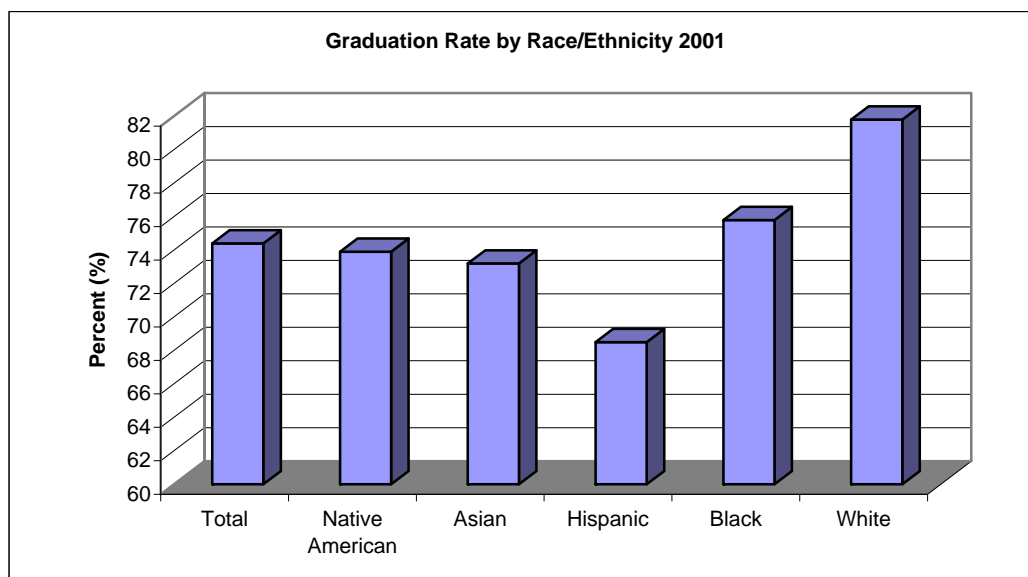
The education of the workforce is a key ingredient in the decision-making process used by economic planners in decisions about relocating or expanding businesses. Completion of high school is seen as a minimum standard that is necessary for further education and training.



## All Students Do Not Graduate at the Same Rate

### How are we doing?

The high school completion rates for 2001 show that New Mexico's minority students lag behind white students. Completion rates need to be equalized for minority students to ensure that the state has a trainable, well-educated workforce in the future.



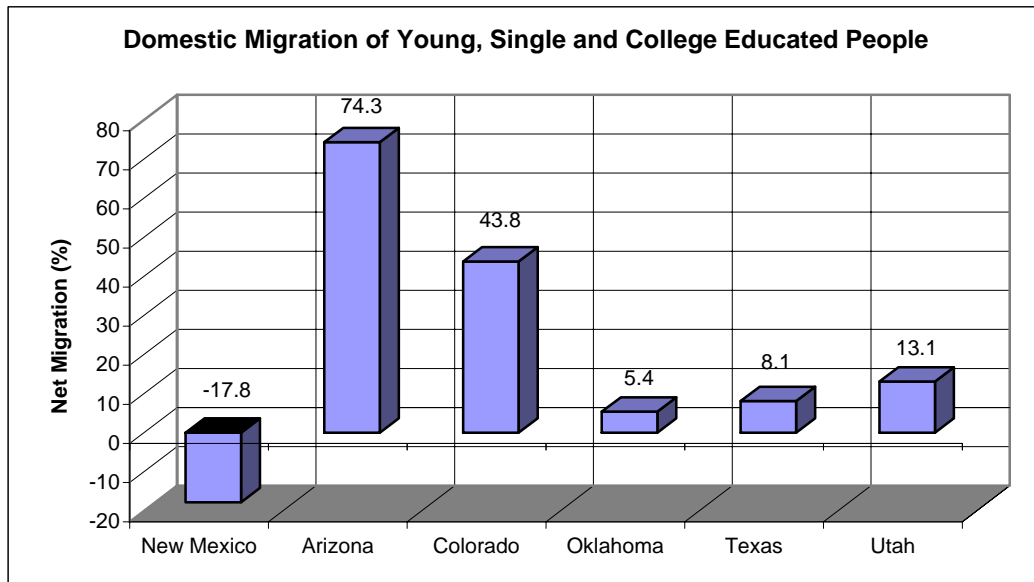
### Why is this important?

New Mexico is behind the national average in graduation from high school. While many New Mexico students complete an equivalency diploma, their chances for continued education are more limited than for students who graduate from high school. The low graduation rate for Hispanic students is especially troubling because Hispanic students make up about half of the state's student population.

## Domestic Migration of Young, Single & College-Educated People

### How are we doing?

New Mexico shows a net out-migration, meaning that more college educated, single, young people left the state than entered. We are losing our young people after they get their degrees and instead gaining individuals at the lowest educational levels who are moving into the state.



Source: U.S. Census Bureau, Census 2000

### Why is this important?

Defying the general population trend of outward migration, young, single, college-educated people are moving to the largest metropolitan areas. Younger college-educated people are highly mobile and more likely to move. The state is presented with challenges for keeping our graduates who are looking for suitable employment.





## WorkInNewMexico.gov

### A Guide to Career Clusters in New Mexico

A career cluster is a grouping of occupations and broad industries based on commonalities. By exploring careers within a cluster, job seekers and students can quickly and easily compare occupations that match their individual interests, skills, and education requirements.

The New Mexico Career Clusters Guidebook identifies 7 strategic marketing sectors or “clusters” as the foundation for the state’s future economy. The high-growth industries within these targeted sectors will create job opportunities requiring skilled workers with the appropriate levels of education and training. The guidebook assists in career planning and exploration by providing industry and occupational information and detailing the career pathways available in each career cluster.

Another valuable planning and exploration tool is the list of 16 career clusters defined by the U.S. Department of Education. These career clusters were developed to foster the adoption of career pathways strategies nationwide and are therefore structured differently than the 7 career clusters that highlight areas in which New Mexico has special value or competitive advantage. Job seekers and students can use the two complementary sources to explore career clusters from both the statewide and national perspectives. See [www.WorkInNewMexico.gov](http://www.WorkInNewMexico.gov) home page below:

**WORK IN NEW MEXICO**

This career guide is important to you if you're a **parent, student, job seeker, teacher, counselor, or employer.**

**Quick Start Menu**

- Home
- What are Career Clusters?
- How will you benefit?
- Guidebook F.A.Q.
- Develop "Skills for Life"

Download the Career Clusters Guidebook

Career Pathways: Education & Training

Economic Development: The Growth Engine to All Careers

**Are You Ready?**

Do you want to be a success, earn more money, work at a job you love, and be appreciated for it?

New Mexico Career Clusters put **you** in charge.

The state is developing new education and training programs in many different areas.

- Discover your interest.
- Find out more about it.
- Learn the skills to fulfill your dreams.

If you work hard and stay in school you'll earn higher salaries—much higher—than if you don't. Don't be left without a great future.

New Mexico's economy is moving, and you can be part of it.

This guidebook will help you understand how education and training for the 7 New Mexico Career Clusters available in public schools, through local Workforce Connection Centers, and in colleges and universities can help you earn new skills and get started on the career of your dreams.

Great careers are available all around the state for workers who have the skills and the motivation to succeed in today's 21st

**Career Clusters**

- Arts & Entertainment
- Business Services
- Communications & Information
- Energy & Environmental Technologies
- Engineering, Construction & Manufacturing
- Health & Biosciences
- Hospitality & Tourism

These industries are part of 7 new Career Clusters that define the economy we want to build for New Mexico.

How to get the most from the guidebook

Read more about Our Partners

Following is a list of the New Mexico Career Clusters Guidebook 7 strategic marketing sectors next to the 16 career clusters defined by the U.S. Department of Education.

## **Guidebook Career Clusters**

- Arts & Entertainment
- Business Services
- Communications & Information
- Energy & Environmental Technologies
- Engineering, Construction & Manufacturing
- Health & Biosciences
- Hospitality & Tourism

## **Department of Education Career Clusters**

- Agriculture, Food & Natural Resources
- Architecture & Construction
- Arts, A/V Technology & Communications
- Business, Management & Administration
- Education & Training
- Finance
- Government & Public Administration
- Health Science
- Hospitality & Tourism
- Human Services
- Information Technology
- Law, Public Safety & Security
- Manufacturing
- Marketing, Sales & Service
- Science, Technology, Engineering & Mathematics

*These industries are part of 7 new [Career Clusters](#) that define the economy we want to build for New Mexico.*

*These industries are part of 16 Career Clusters defined by the U.S. Department of Education*

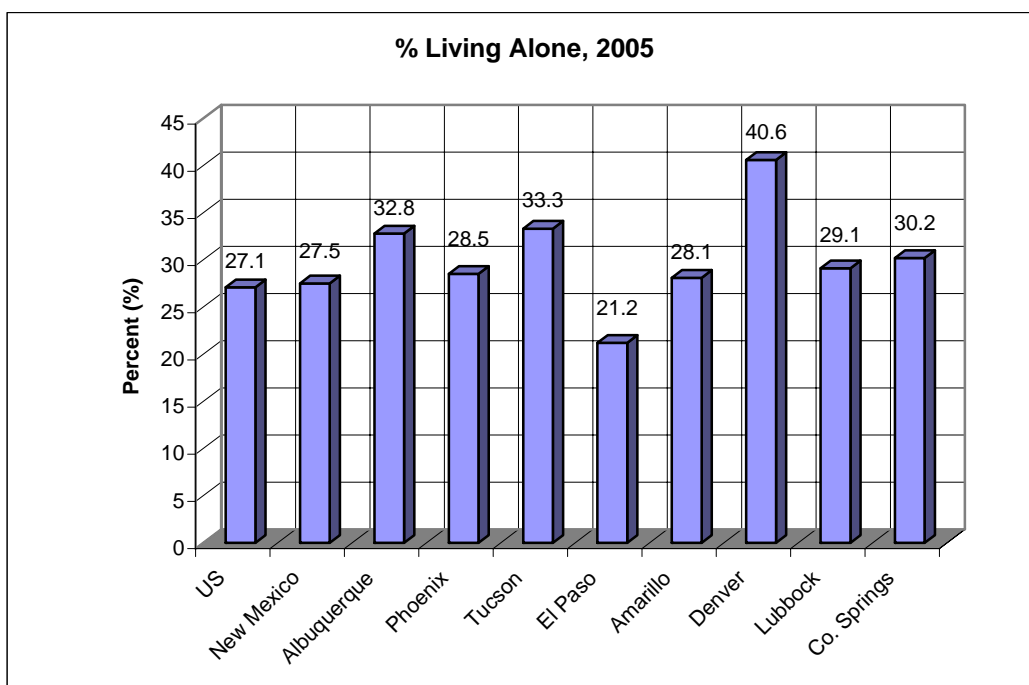


## Quality of Life

### Albuquerque, NM: An Attractive Residence for Singles

#### How are we doing?

New Mexico has fewer households led by singles than the national average. Over seventy-two percent of New Mexico's population lives with a family member.



Source: U.S. Census Bureau, 2005 Estimates

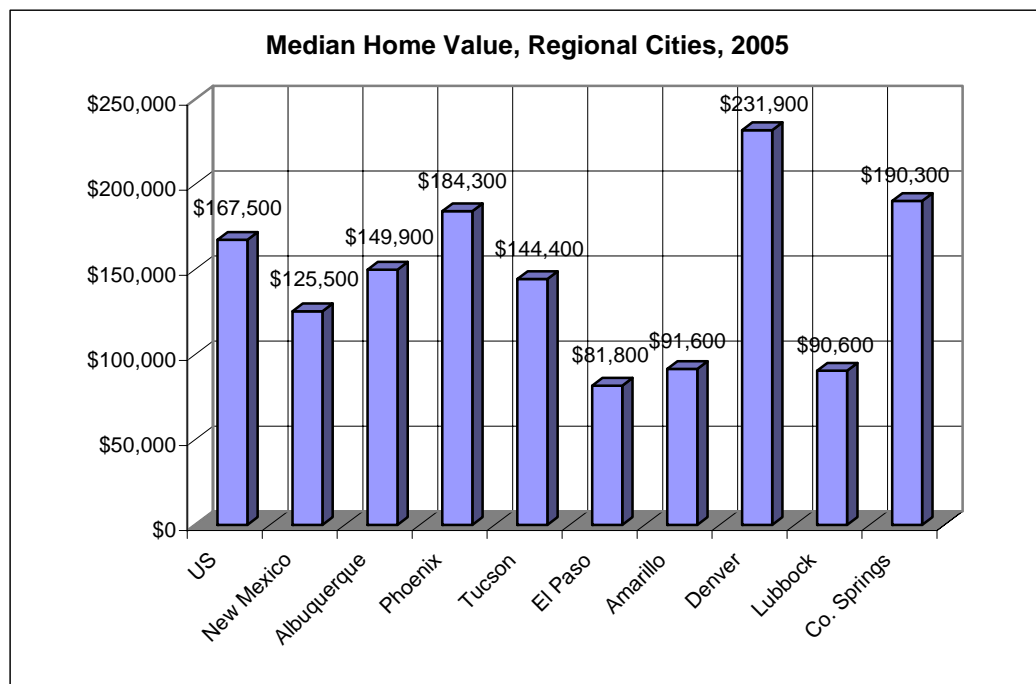
#### Why is it important?

Areas of New Mexico heavily reliant on hospitality and service industries are more likely to attract a younger, single, mobile workforce. Policy makers should consider family-friendly alternatives to meet the needs of New Mexico workers including business diversity, flexible hours, flexible working arrangements, childcare, education and job training opportunities, better healthcare benefits and transportation.

## Higher Median Home Values Take Greater Share of Income

### How are we doing?

New Mexico housing prices are considerably below the national average, but Albuquerque is closer to the national average and ranks fourth among regional cities. Median prices do not take into account quality differences that may exist.



Source: U.S. Census Bureau, 2005 Estimates

### Why is it important?

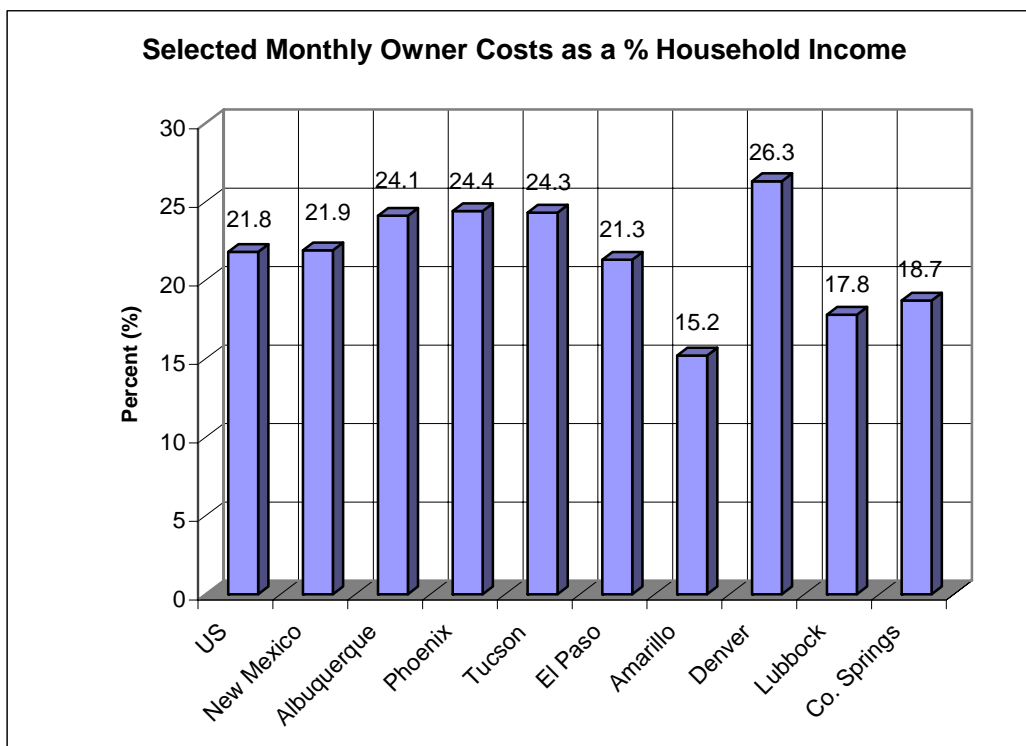
Expanding home ownership is good for the housing market and therefore good for the economy. Policy makers should also consider the impact of median home value as we compete for new jobs, new industries, and a representative workforce reflecting the diversity of New Mexico.



## Higher Housing Costs Take Larger Share of Household Income

### How are we doing?

New Mexico is slightly above the regional average while Albuquerque is fourth among regional cities.



Source: U. S. Census Bureau, Census 2000

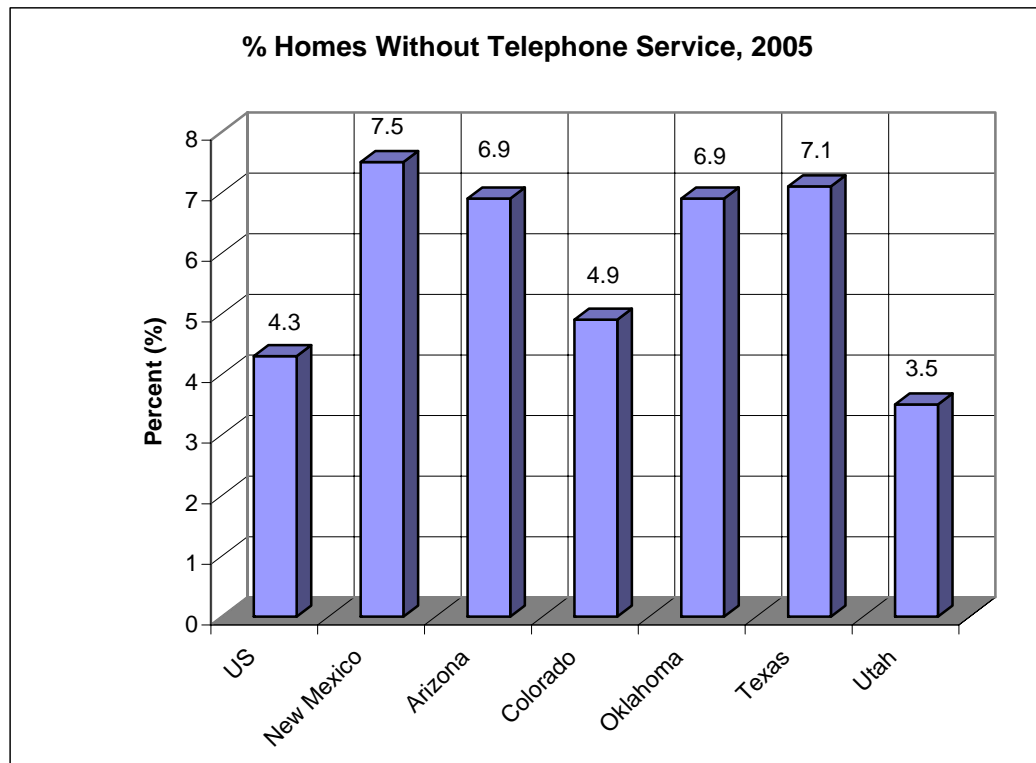
### Why is it important?

According to the U.S. Department of Housing and Urban Development, a home is considered affordable if not more than thirty percent of household income is spent on housing costs.

## Telecommunication Access Still an Urban/Rural Issue

### How are we doing?

New Mexico is significantly higher than both the national and regional averages in homes without telephones.



Source: U.S. Census Bureau, 2005 Estimates

### Why is it important?

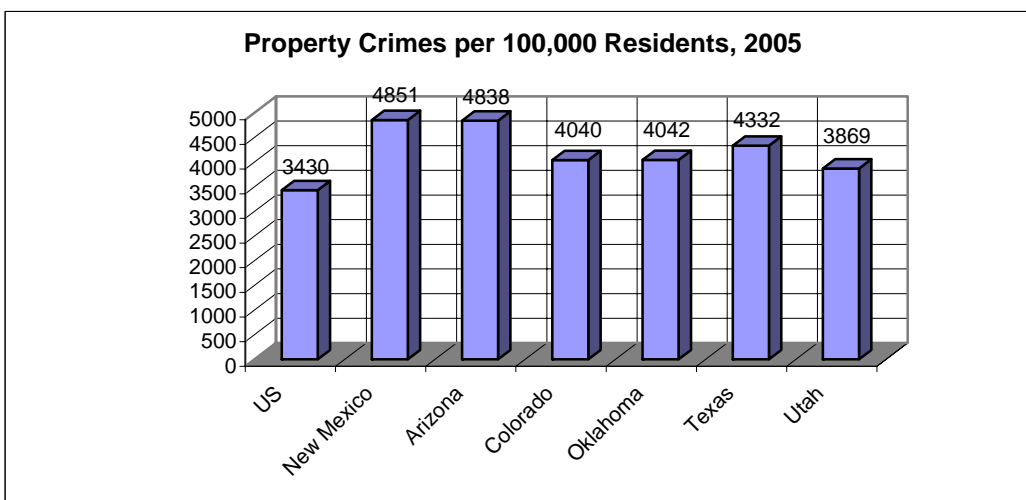
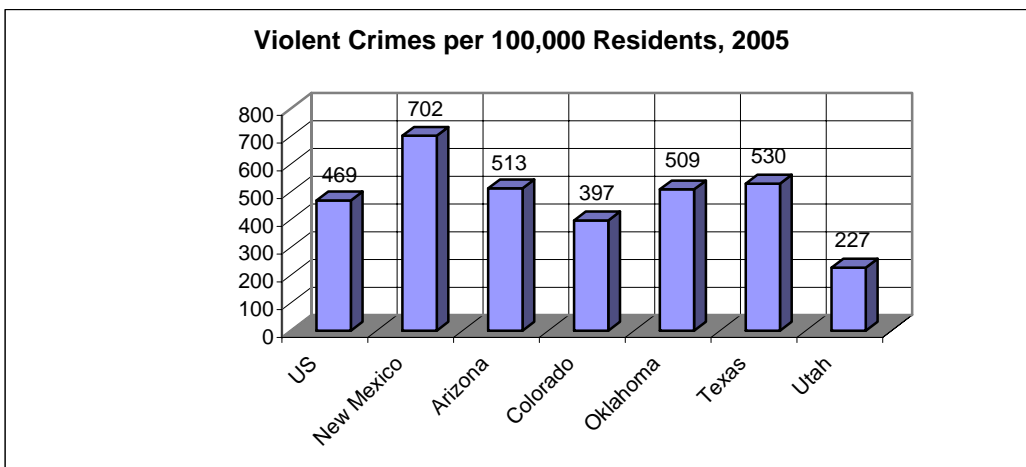
If the Internet becomes an indispensable tool in everyday life, all citizens, regardless of geography, social or economic status, need access to public information. Policy makers should examine ways to guarantee every community equality of access to local telephone service at reasonable rates to avoid social exclusion and reduce the gap between information haves and have-nots.



## Crime Statistics: An Impediment to Economic Development

### How are we doing?

Albuquerque exceeds the average crimes rates in both violent and property crimes according to the FBI.



Source: FBI, Uniform Crime Reports, 2005

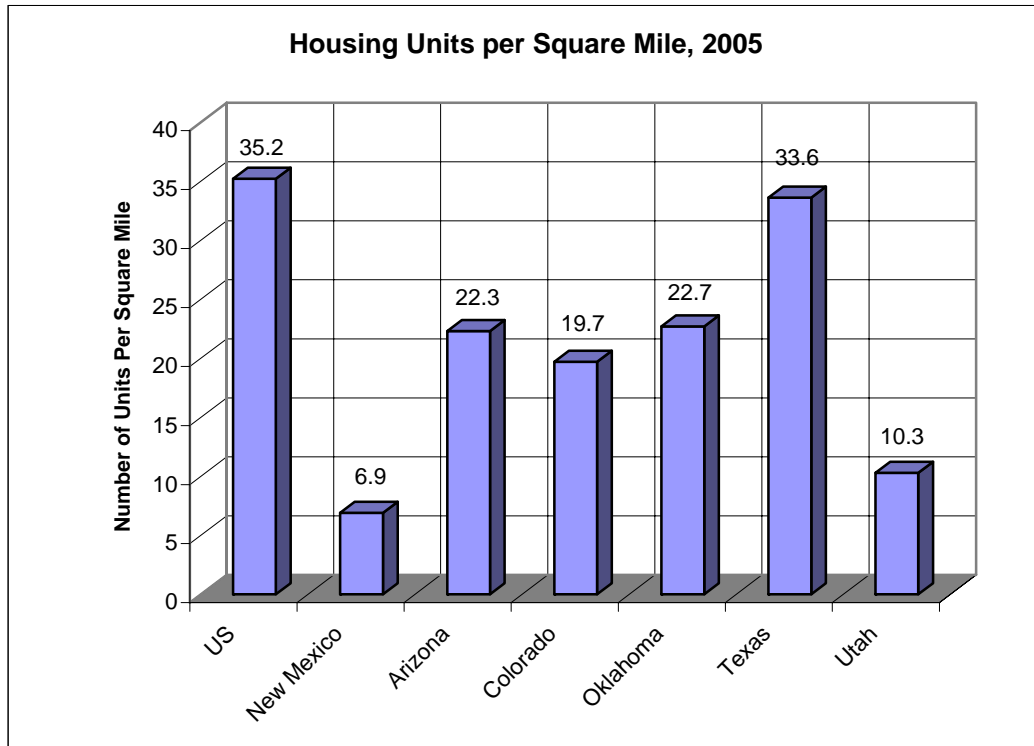
### Why is it important?

This is a key statistic that potential employers and employees look at when making a location decision. For this reason alone, high crime rates can have a major influence on local economies.

## Housing Density as an Indicator of Quality of Life

*How are we doing?*

Among regional states, New Mexico, at 6.9 housing units per square mile, is far below the regional average housing density of 23.1 units per square mile.



Source: U.S. Census Bureau, 2005 estimates

*Why is it important?*

Higher density housing development requires less land and provides economies of scale for infrastructure and transportation. Using public transportation, workers can move easily between workplace and home. Conversely, lower density development, often referred to as "urban sprawl," uses more land and requires a transportation network to support longer commuting requirements. In addition, higher infrastructure costs for water, sewer, roads and lighting systems must be considered. Is sufficient land available at a low enough price to ensure that the land and housing markets are competitive and affordable? While New Mexico is the 5th largest state, less than 45% of the land is privately owned and available for development.





## *Appendix 1 – The New Mexico Economy*



### ***New Mexico Employment Trends in 2005***

The New Mexico economy strengthened in 2005 and job growth increased to 2.4 percent, which was a marked improvement over the 1.9 percent growth rate in 2004. New Mexico continued to add jobs at a faster rate than the rest of the nation. National job growth was just 1.4 percent in 2005.

The New Mexico economy added 18,800 jobs in 2005. Job growth was above state's long-term average, having fallen below since 2001. The majority of the new jobs were in natural resources and mining, construction, government, education and health services, and professional and business services.

**Table 1** shows employment averages by NAICS super sector. Additional detail is shown in Table 2 on the next page.

	<u>Annual Average</u>			<u>Annual Growth</u>		<u>Percent Growth</u>	
	2003	2004	2005	2004	2005	2004	2005
Total	<b>775,600</b>	<b>790,400</b>	<b>809,200</b>	<b>14,800</b>	<b>18,800</b>	<b>1.9%</b>	<b>2.4%</b>
N.R. & Mining	14,300	15,100	16,900	800	1,800	5.6%	11.9%
Construction	47,000	50,300	54,300	3,300	4,000	7.0%	8.0%
Manufacturing	36,500	36,000	36,300	-500	300	-1.4%	0.8%
Wholesale Tr.	22,100	22,200	22,900	100	700	0.5%	3.2%
Retail Trade	90,900	92,200	94,000	1,300	1,800	1.4%	2.0%
T. W.	22,800	23,200	23,200	400	0	1.8%	0.0%
Information	15,800	14,900	14,600	-900	-300	-5.7%	-2.0%
Financial	33,900	35,000	35,000	1,100	0	3.2%	0.0%
Prof. & Bus.	88,500	90,000	92,500	1,500	2,500	1.7%	2.8%
Edu. & Health	98,900	102,400	105,300	3,500	2,900	3.5%	2.8%
Leisure/Hosp.	81,500	82,500	83,800	1,000	1,300	1.2%	1.6%
Other Services	28,500	28,900	29,300	400	400	1.4%	1.4%
Government	195,100	198,400	201,500	3,300	3,100	1.7%	1.6%

Source: NMDOL CES

Construction added the greatest number of jobs, adding 4,000 jobs or an increase of eight percent. Natural resources sector was the fastest growing sector. Prospects for the natural resources/mining industry improved again in 2005 when the industry grew 11.9 percent, adding 1,800 jobs. This was a big improvement over 2003 or 2004 when the industry gained just 300 and 800 jobs respectively. Sustained higher prices for oil and gas enabled this profit-driven expansion in mining employment.

The state's manufacturing industry saw its fortunes continue to improve in 2005 following three years of massive job losses. Employment stabilized somewhat in 2004 when just 500 jobs were lost, following the loss 5,200 jobs in the previous three years. In 2005, manufacturing added 300 jobs, a 0.8 percent increase.





The professional and business services industry continued growing, adding 2,500 jobs onto gains of 1,500 jobs in 2004. The improvement came in the administrative services component that includes many of the state's call centers.

Retail trade continued the comeback that the industry made in 2004. Job growth increased to two percent in 2005, adding 1,800 jobs. However, job growth was uneven as independent retailers lost out to the supercenters. Wholesale trade employment gained 700 jobs in 2005 or 3.2 percent. The leisure and hospitality industry continued to do fairly well, adding 1,300 jobs, mostly in food services and drinking places.

Government again saw strong growth adding 3,100 jobs in 2005 to the 3,300 jobs added in 2004. The majority of the jobs were added in the local government subsector, which includes some education and tribal government components.

Education and health services has shown decent gains in job growth in 2004 and 2005 where the industry added 3,500 and 2,900 jobs respectively. Only nursing care facilities and outpatient care centers displayed losses, all other subsectors added jobs in 2005.

Table 2

	Annual Average			Annual Growth		Percent Growth	
	2002	2003	2004	2003	2004	2003	2004
<b>Total</b>	766,100	775,600	790,700	9,500	15,100	1.2%	1.9%
<b>Natural Resources and Mining</b>	14,000	14,300	15,000	300	700	2.1%	4.9%
Oil & Gas Extraction, Well Drilling	10,000	10,500	11,100	500	600	5.0%	5.7%
Mining, Except Oil and Gas	4,000	3,600	3,700	-400	100	-10.0%	2.8%
<b>Construction</b>	45,800	47,000	50,100	1,200	3,100	2.6%	6.6%
Construction of Buildings	13,200	13,300	14,200	100	900	0.8%	6.8%
Residential Building Construction	6,600	7,100	7,900	500	800	7.6%	11.3%
Heavy and Civil Engineering Construction	8,500	8,000	8,400	-500	400	-5.9%	5.0%
Specialty Trade Contractors	24,100	25,600	27,600	1,500	2,000	6.2%	7.8%
<b>Manufacturing</b>	38,400	36,500	35,900	-1,900	-600	-4.9%	-1.6%
Durable Goods	27,000	25,200	24,800	-1,800	-400	-6.7%	-1.6%
Computer and Electronic Products	11,500	10,800	10,300	-700	-500	-6.1%	-4.6%
Semiconductor and Other Electronics	8,100	7,400	7,000	-700	-400	-8.6%	-5.4%
Non-Durable Goods	11,500	11,300	11,100	-200	-200	-1.7%	-1.8%
<b>Wholesale Trade</b>	22,600	22,100	22,100	-500	0	-2.2%	0.0%
<b>Retail Trade</b>	90,100	90,900	92,300	800	1,400	0.9%	1.5%
Motor Vehicle and Parts Dealers	12,300	12,400	12,700	100	300	0.8%	2.4%
Food and Beverage Stores	13,400	12,800	12,400	-600	-400	-4.5%	-3.1%
General Merchandise Stores	19,000	20,200	20,300	1,200	100	6.3%	0.5%
Department Stores	8,200	7,300	6,700	-900	-600	-11.0%	-8.2%
Other General Merchandise Stores	10,800	12,900	13,600	2,100	700	19.4%	5.4%
Miscellaneous Store Retailers	7,200	7,100	7,100	-100	0	-1.4%	0.0%
Nonstore Retailers	2,900	2,800	3,000	-100	200	-3.4%	7.1%
<b>Transportation, Warehousing, And Utilities</b>	22,800	22,800	23,300	0	500	0.0%	2.2%
Utilities	4,000	4,000	3,900	0	-100	0.0%	-2.5%
Transportation and Warehousing	18,800	18,800	19,400	0	600	0.0%	3.2%
Truck Transportation	6,300	6,500	6,700	200	200	3.2%	3.1%
<b>Information</b>	16,900	15,800	14,600	-1,100	-1,200	-6.5%	-7.6%
Telecommunications	8,300	7,500	6,600	-800	-900	-9.6%	-12.0%
<b>Financial Activities</b>	33,500	33,900	34,600	400	700	1.2%	2.1%
Finance and Insurance	23,600	23,800	24,100	200	300	0.8%	1.3%
Credit Intermediation and Related Activities	12,100	12,500	13,000	400	500	3.3%	4.0%
Insurance Carriers and Related Activities	9,600	9,500	9,400	-100	-100	-1.0%	-1.1%
Real Estate and Rental and Leasing	9,900	10,100	10,500	200	400	2.0%	4.0%
<b>Professional and Business Services</b>	89,200	88,500	90,300	-700	1,800	-0.8%	2.0%
Professional, Scientific, and Technical	39,900	41,000	42,100	1,100	1,100	2.8%	2.7%
Architectural, Engineering, and Related	10,700	10,700	10,900	0	200	0.0%	1.9%
Scientific Research and Development	12,400	12,900	13,400	500	500	4.0%	3.9%
Management of Companies and Enterprises	5,400	5,100	5,100	-300	0	-5.6%	0.0%
Administrative and Support and Waste	43,800	42,400	43,100	-1,400	700	-3.2%	1.7%
Employment Services	17,200	16,000	16,400	-1,200	400	-7.0%	2.5%
Business Support Services	6,300	5,700	5,700	-600	0	-9.5%	0.0%
<b>Educational and Health Services</b>	94,000	98,900	102,500	4,900	3,600	5.2%	3.6%
Educational Services	12,300	12,200	12,300	-100	100	-0.8%	0.8%
Health Care and Social Assistance	81,700	86,800	90,200	5,100	3,400	6.2%	3.9%
Ambulatory Health Care Services	33,000	35,600	37,500	2,600	1,900	7.9%	5.3%
Offices of Physicians	9,300	9,900	10,100	600	200	6.5%	2.0%
Outpatient Care Centers	8,700	8,000	8,300	-700	300	-8.0%	3.8%
Home Health Care Services	6,300	8,000	8,200	1,700	200	27.0%	2.5%
Hospitals	17,600	19,000	19,500	1,400	500	8.0%	2.6%
Nursing and Residential Care Facilities	12,800	12,700	13,600	-100	900	-0.8%	7.1%
Nursing Care Facilities	6,800	6,800	7,300	0	500	0.0%	7.4%
Social Assistance	18,400	19,400	19,700	1,000	300	5.4%	1.5%
<b>Leisure and Hospitality</b>	80,000	81,500	82,700	1,500	1,200	1.9%	1.5%
Arts, Entertainment, and Recreation	7,400	7,700	8,000	300	300	4.1%	3.9%
Accommodation and Food Services	72,700	73,800	74,600	1,100	800	1.5%	1.1%
Accommodation	13,700	13,500	13,600	-200	100	-1.5%	0.7%
Food Services and Drinking Places	59,000	60,300	61,100	1,300	800	2.2%	1.3%
Full-Service Restaurants	27,500	28,300	28,700	800	400	2.9%	1.4%
Limited-Service Eating Places	24,900	25,100	25,500	200	400	0.8%	1.6%
<b>Other Services</b>	28,000	28,500	29,100	500	600	1.8%	2.1%
Repair and Maintenance	7,400	7,600	7,700	200	100	2.7%	1.3%
<b>Government</b>	190,900	195,100	198,300	4,200	3,200	2.2%	1.6%
Federal Government	30,000	29,900	29,700	-100	-200	-0.3%	-0.7%
State Government	64,400	66,500	67,300	2,100	800	3.3%	1.2%
State Government Education	26,300	26,600	27,000	300	400	1.1%	1.5%
Local Government	96,600	98,700	101,400	2,100	2,700	2.2%	2.7%
Local Government Education	52,800	54,100	55,200	1,300	1,100	2.5%	2.0%



### *Long-term Employment Outlook*

The New Mexico economy is expected to generate about 121,100 new jobs through the year 2014 growing from 858,400 to 979,200 jobs as compared to the creation of 158,000 jobs projected in our 2012 Employment Projections for the period covering 2002-2012. The 121,100 jobs represent a growth rate approximating 14 percent.

### *Job Openings*

Job growth for the period 2002-2012 was previously projected in our 2012 report to be 20 percent. Total job openings, due to growth and replacement, occurring between 2004 and 2014 are estimated to be 121,100.

### *Mining*

Employment in the New Mexico mining industry is not projected to grow between 2004 and 2014. However, support activities for mining will show slight increases of 1,060 jobs from 2004 to 2014. Mining (except oil and gas) is projected to remain constant from 2004 to 2014. The oil and gas extraction sub-sector is projected to decline 16 percent, losing 510 jobs, over the 2004-2014 period.

### *Construction*

Employment in construction in New Mexico is expected to grow by about 2,140 jobs or four percent over the forecast period as construction employment will rise from 53,834 in 2004 to 55,977 in 2014. Employment in building construction is expected to increase by about 1,370 jobs or 10 percent from 2004 to 2014. Heavy and civil engineering construction is projected to lose 1,290 jobs or 10.8 percent during 2004 to 2014. Specialty construction trade contractors are projected to grow by 2,060 jobs or 7.4 percent. Subcontractors handle specialized construction work, and special trade work can be performed on either building or non-building projects.

### *Manufacturing*

New Mexico manufacturing employment is expected to increase 19.9 percent from 2004 to 2014. Manufacturing is projected to add 7,170 jobs increasing from 36,048 in 2004 to 43,221 in 2014. The largest number of new jobs will be added in the manufacturing of computer and electronic products sub-sector, followed by food manufacturing. The projection in these sub-sectors calls for job growth of 2,080 jobs or 18 percent and 1,180 or roughly 21 percent, respectively.

### ***Transportation and Warehousing***

Employment in the transportation and warehousing (TW) industry is expected to decline moderately. TW will decrease from 23,830 in 2004 to 23,540 in 2014, for an 11 percent loss. Within TW, truck transportation will add 200 for 2.8 percent growth. Transportation and Warehousing will be supported by increases in truck transportation, scenic and sightseeing, support activities for transportation, couriers and messengers and warehousing. Combined, these subsectors will add 620 jobs to TW. Trucking and warehousing will grow as ancillary services catch up with past growth in the retail trade and manufacturing sectors. Trucking and warehousing employment will also be boosted by the opening and upgrading of the long-awaited Santa Teresa point of entry in southern New Mexico as well as the widening of several New Mexico highways.

### ***Information***

The information industry will grow by 3,862 jobs or 25.3 percent between 2004 and 2014, as expanding telecommunication, internet service providers (ISP), broadcasting and motion picture subsectors continue to experience growth. Telecommunications employment is expected to rise by 2,113 jobs or 32.2 percent while ISPs, broadcasting and motion picture subsectors will increase by 33.1 percent, 28.6 percent and 22.7 percent respectively.

### ***Wholesale Trade***

The wholesale trade sector is projected to grow by 1,430 jobs or 6.4 percent during the forecast period. Jobs for merchant wholesalers of durable goods are projected to increase from 12,102 in 2004 to 13,165 in 2014. Jobs for merchant wholesalers of non-durable goods are projected to increase from 8,148 in 2004 to 8,300 in 2014. Wholesale electronic markets and agents and brokers are projected to grow by 11.1 percent from 1,941 in 2004 to 2,156 in 2014.

### ***Retail Trade***

The retail trade sector is projected to grow by 8,859 jobs or almost ten percent from 93,821 in 2004 to 102,680 in 2014. Within the retail trade sector, building material and garden equipment will lead the growth followed closely by general merchandising stores will add the most jobs, 2,210 and 2,110 or 27.4 percent and ten percent respectively, during the 2004 to 2014 period. The general merchandise sector includes the Wal-Mart and Target chains.

### ***Financial and Insurance***

Employment in financial activities is expected to increase by 362 jobs or 1.6 percent growth from 2004 to 2014. Jobs in finance and insurance are projected to rise from 22,745 in 2004 to 23,107 in 2014. The insurance carriers and related activities employment is expected to increase by 560 jobs or 7 percent. Credit related activities employment is expected to



remain constant adding 103 jobs over the next 10 years. Employment in securities, commodities, other financial investments and related activities is expected to grow by 1,100 jobs or 29 percent.

#### ***Real Estate and Rental and Leasing***

The real estate sector is projected to have job growth of 760, equating to roughly 6.7 percent, over the forecast horizon. Real estate is expected to add 379 jobs from 7,009 in 2004 to 7,388 jobs in 2014. Rental and leasing will grow by 391 jobs from 4,251 jobs in 2004 to 4,642 jobs in 2014.

#### ***Services***

Professional, scientific and technical services are projected to have less than average growth adding 9,579 jobs or growing 22.39 percent from 2004 to 2014. Management of companies will grow slightly from 5,069 in 2004 to 5,235 in 2014, adding 166 jobs.

Employment in administrative and support and waste management services is projected to increase from 44,248 to 65,312 jobs or 47.6 percent during the 2004 to 2014 period. This industry is projected to experience the fastest growth of all the industries from 2004 to 2014. The vast majority of the increase will be administrative and support services positions growing by 2,900 jobs or 49.5 percent. Waste management and remediation services are projected to grow by 8.1 percent or 163 jobs.

The education services industry is projected to experience below average growth, growing from 77,020 jobs to 88,850 or roughly 15.4 percent for the period 2004 to 2014. The industry is expected to add 11,830 jobs.

The fastest growth within the health services industry is anticipated to occur within the hospital care, over 35 percent and growing by 10,214 jobs, during the forecast period. Social assistance is projected to add 3,579 jobs, equating to roughly 18 percent growth, growing from 20,353 jobs in 2004 to 23,932 in 2014. Nursing and residential care facilities employment is projected to increase by 12.5 percent, rising from 15,869 jobs in 2004 to 17,844 in 2014.

Arts, entertainment and recreation industry will add jobs in the 2004 to 2014 period. Amusement, gambling and recreation will add the largest number of jobs in this industry growing by 2,092. This represents a 14.1 percent increase from 2004 to 2014. Performing arts is projected to grow at the fastest in the industry growing from 2,024 in 2004 to 2,394 in 2014 or 18.3 percent.

Accommodations and food services sector, is projected to experience average growth, growing from 76,883 jobs to 88,574 or 15.2 percent. Accommodations jobs are expected to

grow by 13.4 percent, growing from 15,318 to 17,363 jobs. Food services and drinking places is expected to experience below average growth. This subsector is expected to create 9,646 jobs, growing from 61,565 in 2004 to 71,211 in 2014 or 15.7 percent.

## Government

The government category used in the occupational projections is confined to administration and public safety and excludes almost all direct production and service functions of the government. Government construction, the US Postal Service, public transportation, public utilities, and public education and health services functions are allocated to appropriate categories. The overall government category is projected to add 15,343 jobs, growing from 81,952 jobs to 97,295, during the period covering 2004 to 2014. Federal government employment is projected to increase by 1,372 jobs or 7.6 percent over the forecast period. State government employment is projected to rise in New Mexico at less than average growth or 12.9 percent adding 2,360 jobs. The local government sector is projected to add 11,611 jobs for an increase of 25.5 percent.

Two major components usually considered under the rubric of local government have been allocated to the services sector in order to arrive at a more appropriate occupational distribution: public education (allocated to educational services); and Indian tribal casinos (allocated to amusement and recreational services). Although casino employment has been allocated to amusement and recreational services for this forecast, revenues from the Indian-owned casinos will make it possible for the Indian tribes and pueblos to offer more services and to expand employment in the tribal and pueblo governments.

## Occupational Projections

The occupational patterns that have existed in New Mexico in recent years are expected to shift somewhat over the 2004-2014 period. Slower employment growth, shifting industrial trends, and technological advances are the primary reasons for these shifts. Other factors affecting occupational trends include differences in the size and age structure of the population, changes in business practices, and economic factors. One of the occupational groups requiring the highest levels of education - computer and mathematical occupations - is expected to increase more rapidly than

### Fastest Growing New Mexico 2004-2014

(Occupations with over 100)

Occupation	% Chg 2004-2014
1 Computer Software Engineers.....	70%
2 Sales Engineers .....	61%
3 Psychiatric Aides.....	60%
4 Network Systems & Data Communications.....	58%
5 Probation Officers & Correctional Treatment ...	55%
6 Computer Hardware Engineers.....	55%
7 Industrial Engineers.....	53%
8 Computer Software Engineers, Application.....	51%
9 Gaming Dealers .....	49%
10 Cementing & Gluing Machine Operators.....	48%

Source: NMDOL OES Projections 2004 - 2014





the overall average. Business and financial operations occupations, also requiring higher education levels, will grow close to the average rate. Education, training and library occupations are expected to experience below average growth. Architecture and engineering occupations are expected to grow less than the average rate as well. Life, physical and social science occupations are also expected to grow less than average. Demand for community and social services occupations will also remain strong, growing faster than average. Legal occupations are expected to grow slightly less than the average rate. Arts, design, entertainment, sports, and media occupations are expected to experience average growth. Management growth will perform well below average. The single greatest number of new jobs will occur in food preparation and serving related occupations followed by office and administrative support. Demand for community and social services occupations will also remain strong, growing faster than the average. Legal occupations are expected to grow slower than the average.

Occupational Projections 2004-2014 Industry	Employment		# Chg	% Chg
	2004	2014		
Management	53,308	57,887	4,579	9%
Business & Financial Operations	23,940	28,620	4,680	20%
Computer & Mathematical	11,371	15,346	3,975	35%
Architectural & Engineering	20,473	24,794	4,321	21%
Life, Physical & Social Science	12,197	14,398	2,201	18%
Community & Social Services	13,593	16,930	3,337	25%
Legal	6,060	7,360	1,300	21%
Education, Training & library	52,913	60,474	7,561	14%
Arts, Design, Entertainment, Sports & Media	10,343	11,781	1,438	14%
Healthcare Practitioners & Technical	42,647	51,312	8,665	20%
Healthcare Support	22,256	27,042	4,786	22%
Protective Service	22,661	27,065	4,404	19%
Food Preparation & Serving Related	75,507	88,157	12,650	17%
Building & Grounds Cleaning & Maintenance	36,294	44,617	8,323	23%
Personal Care & Service	34,473	39,923	5,450	16%
Sales	91,358	102,081	10,723	12%
Office & Administrative Support	125,964	137,096	11,132	9%
Farming, Fishing & Forestry	16,878	18,859	1,981	12%
Construction & Extraction	67,554	75,028	7,474	11%
Installation, Maintenance & Repair	36,371	40,871	4,500	12%
Production	33,889	36,169	2,280	7%
Transportation & Material Moving	48,339	53,942	5,603	12%

Source: NMDOL OES Projections 2004-2014

Sales and related occupations are projected to have less than average growth. While office and administrative support is the second largest major group, employment in these

occupations, including clerical occupations, is expected to be less than average. Health care practitioners and technical occupations and healthcare support occupations are expected to grow at about the average. Installation, maintenance and repair occupations are expected to experience below average growth. Farming, fishing and forestry occupations, production occupations, construction and extraction occupations and transportation and material moving occupations are expected to grow less than average. Protective service occupations are anticipated to grow below average as well. Building and grounds cleaning and maintenance occupations are expected to experience average growth. And finally, personal care and service occupations are expected to experience less than average growth.

### ***Current New Mexico Labor Force Statistics***

New Mexico's seasonally adjusted unemployment rate increased to 4.3 percent in October 2006, up from 4.2 percent in September. The underlying trend is fairly flat, reflecting a stable labor market. The month-to-month movements this year have been larger than we are used to, and the best comparison is with the year ago number. A year ago New Mexico's unemployment rate was 4.9 percent, slightly higher than it is currently. The national unemployment rate was five percent in November 2005.

New Mexico Seasonally Adjusted	Preliminary Oct 2006	Revised Sep 2006	Oct 2005	Change Sep 2006	From Oct 2005
Civilian Labor Force	954,700	953,600	945,000	+1,300	+9,700
Employment	915,600	914,600	900,500	+1,000	+15,100
Unemployment	39,100	39,000	44,500	1,000	5,400
Rate	4.3%	4.2%	4.9%		
Rate ( <i>not seasonally adjusted</i> )	4.1%	4.1%	4.6%		

*Source: NMDOL Table A*

New Mexico's rate of over-the-year job growth was 2.4 percent in October 2006. There has been slight variation in the rate of job growth for the past two years. We have not seen widespread layoffs for a while and, in contrast, many employers are hiring. Even the state's worst performing industries are faring better than in the past, with every industry sector gaining at least some jobs. Overall, the state has added 18,800 jobs over the last year.

The information sector expanded at a faster pace than any other industry. The over-the-year growth rate was at -2 percent. The slowing of losses has come as a result of fewer telecommunications job losses, with exceptions, and significant gains from the state's fledgling film industry. The employment survey has difficulty measuring employment such as movie extras because of the short duration of the work and the out-of-state companies that do the hiring, but activity appears to be fairly brisk and more filming is expected.



The mining boom looks set to continue for the foreseeable future because oil and natural gas prices remain high. High prices are bad news for the consumer, but good for employment in the state's oil industry and also good for state revenue collections. Prospects for the state's construction industry are less secure. While construction remained strong with an over-the-year growth rate of eight percent, recent price increases and shortages for commodities such as steel, lumber and cement have driven building costs higher. Mortgage interest rates have also started to rise. Additionally, increased competition for construction labor to rebuild hurricane-ravaged parts of the country may increase local labor costs or lead to a shortage of construction workers. It is likely that the construction boom in the state will soon moderate.

Government employment increased only 1.6 percent, but this added a respectable 3,100 jobs over the year. Federal government finally added 300 jobs, having gone through a long spell without much growth. State government job growth has moderated to a 1,100 increase from a year ago. Local government employment increased by 1,800 jobs. Local government includes Indian tribes and their casinos.

Professional & business services was the leader in job growth, adding 2,500 jobs. Professional & business services had strength almost across the board, but notably in areas such as administrative and support services, professional, scientific and technical, and management of companies services.

Educational and health services, the state's largest private industry, had for a while been one of the main engines of growth for the state's job market, but the growth rate has moderated recently. In October, the industry was up 2.8 percent on the year, adding 2,900 jobs. The increase is below the average for other industries and remains at a five-year low. Peak growth for educational and health services topped out at 7,100 jobs in early 2002 and has steadily decreased since then. Slowing job growth is evident in most of the health care and social assistance categories, particularly the home health care component, which had received a multi-year boost from changes to state Medicaid policy. The lower growth rate in health care jobs may be with us for a while because the previous levels of job growth were at unsustainably high levels.

Retail trade employment has picked up a little, having been sluggish for most of the year. Currently retail trade shows a two percent gain on the year, increasing by just 1,800 jobs. Wholesale trade made strong gains recently, adding another 700 jobs to the 100 jobs over the previous year. Manufacturing employment managed to make stronger gains of 300 jobs despite weakness in computer and semiconductor subsectors. The leisure and hospitality industry made gains of 1.2 percent, adding 1,300 jobs, with the vast majority of gains in food services and drinking places. Financial activities employment remained unchanged from gains of 1,100 the previous year. The transportation and warehousing industry saw no job

gains over the year. The miscellaneous other services category added 400 jobs, growing at 1.4 percent.

### Population Characteristics

New Mexico's population was at 1,928,384 in 2005 for a growth of six percent over 2000. Slower population growth, and the concurrent aging of the population, is a national trend. Yet, in comparison, New Mexico is growing more quickly than the United States (2.5 percent) as a whole.

The table to the right represents the change in our population makeup from 2000 to 2005.

We cannot make comparisons to previous census reports due to a change in the way the census data is reported. Under the new structure of census reporting, the percent totals do not sum to 100 percent and thus the data might

Population Characteristics 2000 –2005				
	2000	Percent	2005	Percent
Total Population .....	1,819,046	100%	1,928,384	100%
One Race.....	1,752,719	96.4%	1,826,866	96.8%
White .....	1,214,253	66.8%	1,311,829	69.5%
Black .....	34,343	1.9%	35,604	1.9%
Native American .....	173,483	9.5%	181,064	9.6%
Asian/Pacific.....	20,758	1.2%	24,165	1.3%
Some Other Race .....	309,882	17.0%	274,204	14.5%
Two or More Races .....	66,327	3.6%	60,334	3.2%
Hispanic or Latino .....	765,386	42.1%	822,224	43.6%

..... Source: U.S. Census Bureau

seem confusing. What is significant is New Mexico's higher percentage of minorities than the nation as a whole. The different ethnic groups in New Mexico have varying age structures and rates of growth. These differences will significantly change the ethnic and racial composition of New Mexico in the future.

### Per Capita Personal Income

In 2005, New Mexico had a per capita personal income of \$20,798. This compares to a per capita income of \$17,261 in 2004, representing an increase of 20.5 percent. Still, New Mexico's per capita personal income was 83 percent of the national average of \$25,035.

### Total Personal Income

In 2005, New Mexico had a total personal income of \$53,826,000\* up from \$49,777,827\* in 2004, ranking the state 36th nationally. New Mexico's total personal income increased 8.1 percent over 2005 while the nation grew by 5.2 percent. New Mexico accounted for 0.5 percent of the national total. The average annual growth rate of total personal income in New Mexico over the past ten years was 6.3 percent while the average annual growth rate for the nation was six percent.

\* Income estimates with the exception of Per Capita Personal Income are in thousands of dollars.