



# New Mexico Economic Update

March 28, 2016

## Summary

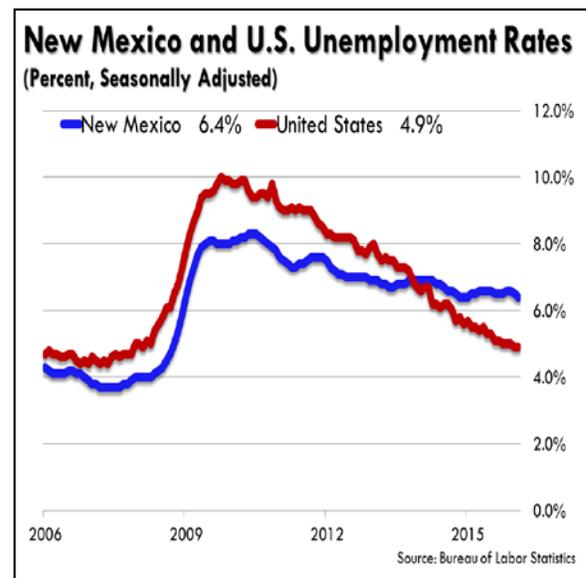
Nonfarm payroll employment in New Mexico increased by 300 jobs and the unemployment rate fell to 6.4 percent in February according to data released by the Bureau of Labor Statistics (BLS).

## New Mexico Unemployment Rate

During February, the unemployment rate in New Mexico declined by 0.1 percentage point to 6.4 percent. The number of people counted as unemployed fell by 770 in February to 58,380, while the labor force grew by 1,546 to 916,426. Among the 50 states and the District of Columbia, 45 posted lower unemployment rates for the month than New Mexico. A year earlier, the unemployment rate in New Mexico stood at 6.5 percent.

The 10 year peak for the unemployment rate in New Mexico was 8.3 percent in July 2010. The series high for the unemployment rate in New Mexico occurred in March 1983 when the unemployment rate reached 10.5 percent. The 10 year low for the unemployment rate was 3.7 percent in August 2007. This also represents the series low for the unemployment rate in New Mexico. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate was unchanged at 4.9 percent in February. February's unemployment rate was 0.6 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2007.



## New Mexico Payroll Employment

New Mexico nonfarm payrolls increased by 300 jobs, or 0.04 percent, on a seasonally adjusted basis during February. In the prior month, nonfarm payrolls declined by 1,500. Over the past 12 months nonfarm payrolls in New Mexico increased by 600, or 0.07 percent. New Mexico nonfarm payroll employment has increased in 5 of the past 12 months.

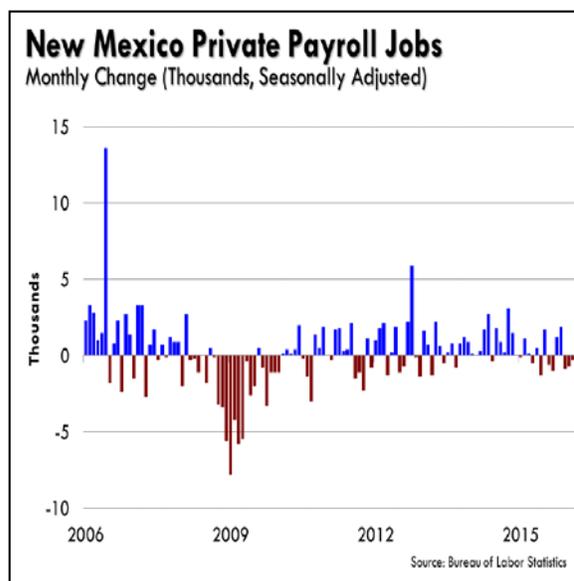
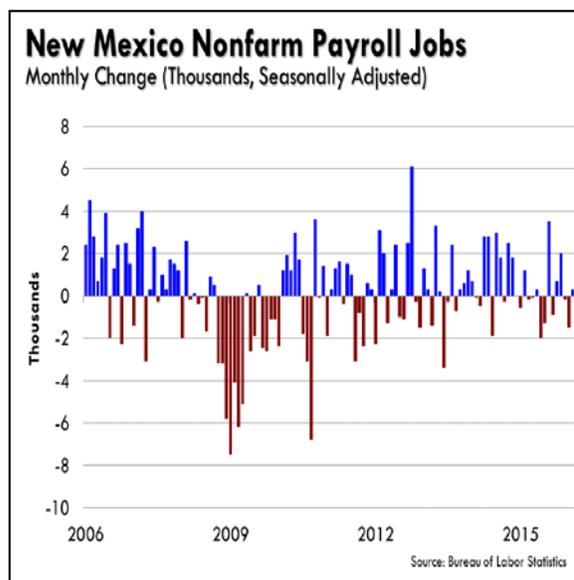
Nationally, nonfarm payrolls increased by 242,000 jobs in February, or 0.17 percent. Over the 12-month period ending February 2016 nonfarm payrolls grew by 2,672,000 jobs, or 1.9 percent. New Mexico ranks 44th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During February, New Mexico private sector payrolls declined by 300, or 0.05 percent. Private sector payrolls declined by 700 jobs in the prior month. Over the past 12 months, private sector payrolls in New Mexico increased by 100, or 0.02 percent. New Mexico private sector payroll employment has increased in 5 of the past 12 months.

Nationally private-sector payroll jobs increased by 230,000 jobs in 1.9, or 0.19 percent. Over the past 12 months, the nation's economy has added 2,597,000 jobs in the private sector, an increase of 2.18 percent.

New Mexico ranks 44th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During February, total government payroll employment in New Mexico increased by 600, or 0.32 percent. Federal government payroll employment increased by 200, or 0.69 percent. State government payroll employment declined by 100, or 0.17 percent, while local government payroll employment increased by 500, or 0.48 percent.



Over the past year, total government payroll employment increased by 500, or 0.26 percent. State government payroll employment increased by 100, or 0.17 percent. Local government payroll employment increased by 300, or 0.29 percent.

The best performing sectors on a seasonally adjusted basis during February were Construction (+900) and Total Government (+600). The poorest performing sectors during the month were Mining & Logging (-1,100) and Professional & Business Services (-900).

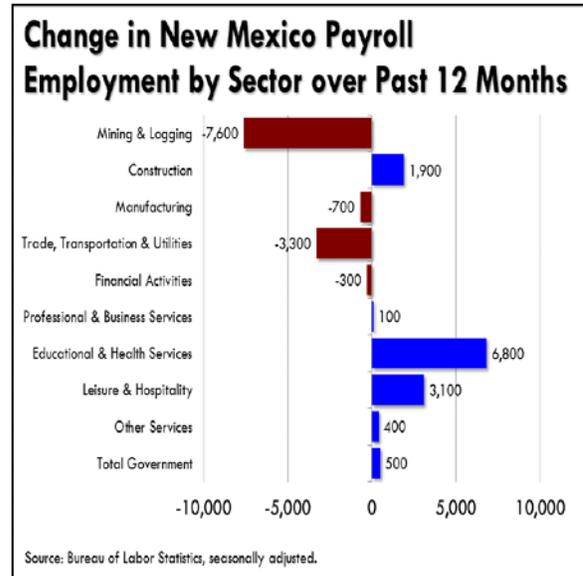
The best performing sectors during the last twelve months were Educational & Health Services (+6,800) and Leisure & Hospitality (+3,100). The poorest performing sectors for the year were Mining & Logging (-7,600) and Trade, Transportation & Utilities (-3,300).

#### Other New Mexico Labor Force Statistics

The labor force participation rate in New Mexico rose to 56.9 percent in February from 56.8 percent the prior month. At 56.9 percent, New Mexico has one of the five lowest labor force participation rates in the nation. The labor force participation rate in New Mexico is unchanged from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.

The 10 year high for the labor force participation rate in New Mexico was 63.6 percent in August 2006. The series high for the labor force participation rate in New Mexico occurred in July 1990 when the labor force participation rate hit 64.1 percent. The 10 year low for the labor force participation rate was 56.8 percent in January 2016. This also represents the series low for the labor force participation rate in New Mexico.

The national labor force participation rate rose by 0.2 percentage point to 62.9 percent in February, but remains near its 38-year low of 62.4 percent.



The employment-to-population ratio, or the percentage of the New Mexico civilian noninstitutionalized population 16 years and older counted as employed, rose to 53.3 percent in February from 53.2 percent the prior month. At 53.3 percent, New Mexico has one of the five lowest employment-to-population ratios in the nation. The employment-to-population ratio in New Mexico is 0.4 percentage point lower than a year earlier.

The 10 year high for the employment-to-population ratio in New Mexico was 61.0 percent in June 2006. This also represents the series high for the employment-to-population ratio in New Mexico. The 10 year low for the employment-to-population ratio was 53.1 percent in December 2015. The series low for the employment-to-population ratio occurred in January 2016 when the employment-to-population ratio hit 53.1 percent.

The national employment-to-population ratio rose by 0.2 percentage point to 59.8 percent in February. That rate was 0.5 percentage point higher than a year earlier. The all-time high for the employment-to-population ratio was 64.7 in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population ratio posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for March is scheduled for release on April 15, 2016. The national employment situation report for March will be released on Friday, April 1, 2016.

