



# New Mexico Economic Update

August 19, 2016

## Summary

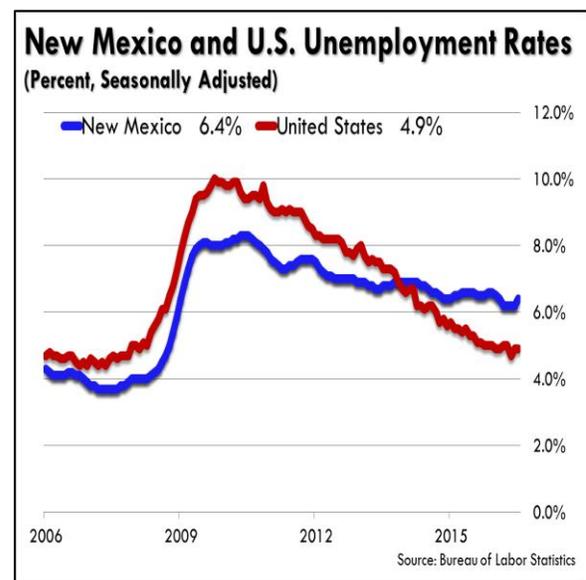
Nonfarm payroll employment in New Mexico declined by 1,500 jobs and the unemployment rate rose to 6.4 percent in July according to data released by the Bureau of Labor Statistics (BLS).

## New Mexico Unemployment Rate

During July, the unemployment rate in New Mexico increased by 0.2 percentage point to 6.4 percent. The number of people counted as unemployed rose by 1,755 in July to 59,292, while the labor force grew by 2,226 to 926,421. Among the 50 states and the District of Columbia, 48 posted lower unemployment rates for the month than New Mexico. A year earlier, the unemployment rate in New Mexico stood at 6.6 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 July. July's unemployment rate was 0.4 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 declined by 1,500 jobs, or 0.18 percent, on a seasonally adjusted basis during July. In the prior month, nonfarm payrolls increased by 1,100. Over the past 12 months nonfarm payrolls in New Mexico increased by 7,600, or 0.92 percent. New Mexico nonfarm payroll employment has increased in 7 of the past 12 months.

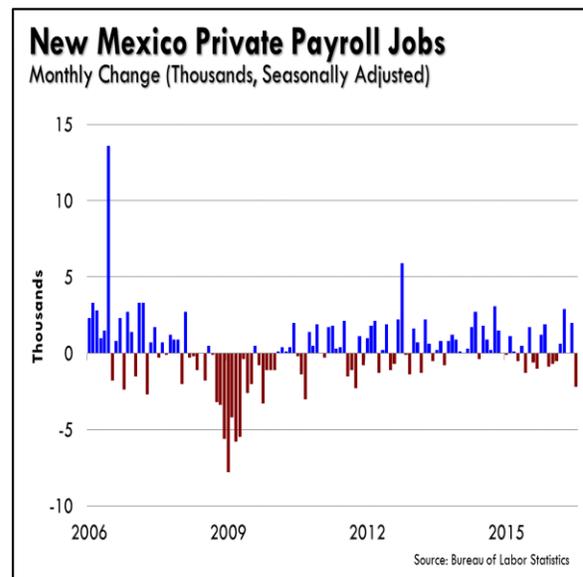
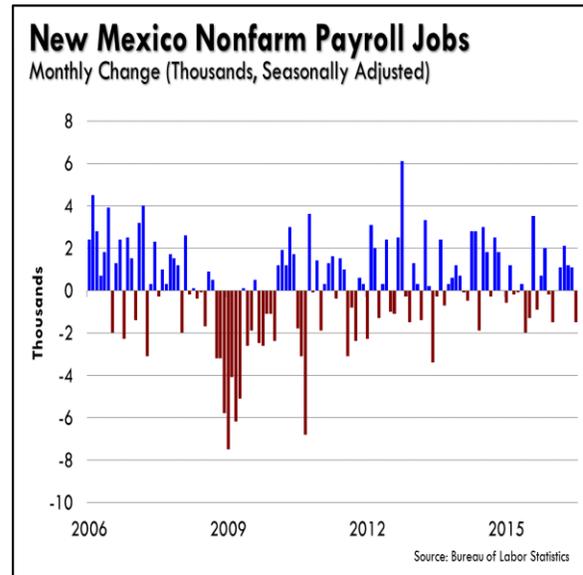
Nationally, nonfarm payrolls increased by 255,000 jobs in July, or 0.18 percent. Over the 12-month period ending July 2016, nonfarm payrolls grew by 2,447,000 jobs, or 1.72 percent. New Mexico ranks 38th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During July, New Mexico private sector payrolls declined by 2,200, or 0.34 percent. Private sector payrolls increased by 2,000 jobs in the prior month. Over the past 12 months, private sector payrolls in New Mexico increased by 2,700, or 0.42 percent. New Mexico private sector payroll employment has increased in 5 of the past 12 months.

Nationally private-sector payroll jobs increased by 217,000 jobs in July, or 0.18 percent. Over the past 12 months, the nation's economy has added 2,293,000 jobs in the private sector, an increase of 1.91 percent. New Mexico ranks 43rd among the 50 states and the District of Columbia for percentage gain in private-sector payroll employment over the past 12 months.

During July, total government payroll employment in New Mexico increased by 700, or 0.37 percent. Federal government payroll employment declined by 500, or 1.72 percent. State government payroll employment increased by 1,700, or 3.01 percent, while local government payroll employment declined by 500, or 0.48 percent.

Over the past year, total government payroll employment increased by 4,900, or 2.63 percent. State government payroll employment increased by 800, or 1.40 percent. Local government payroll employment increased by 4,600, or 4.61 percent.



The best performing sectors on a seasonally adjusted basis during July were Total Government (+700) and Educational & Health Services (+300). The poorest performing sectors during the month were Leisure & Hospitality (-1,200) and Manufacturing (-600).

The best performing sectors during the last twelve months were Educational & Health Services (+8,800) and Total Government (+4,900). The poorest performing sectors during the last twelve months were Mining & Logging (-6,600) and Trade, Transportation & Utilities (-2,300).

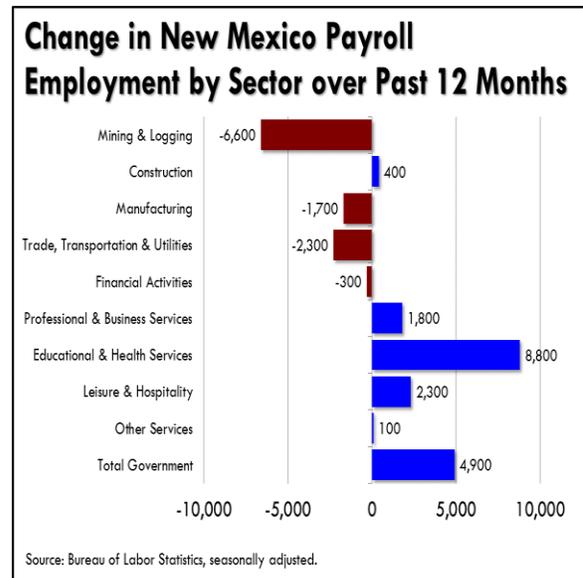
### Other New Mexico Labor Force Statistics

The labor force participation rate in New Mexico rose to 57.5 percent in July from 57.4 percent the prior month. At 57.5 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 0.1 percentage point to 62.8 percent in July, 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, was unchanged at 53.8 percent in July. At 53.8 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 higher than a year earlier.



The 10-year high for the employment-to-population ratio in New Mexico was 60.9 percent in September 2006. The series high for the employment-to-population ratio in New Mexico occurred in June 2006 when the employment-to-population ratio hit 61.0 percent. 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 0.1 percentage point to 59.7 percent in July. That rate was 0.4 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 August is scheduled for release on September 20, 2016. The national employment situation report for August will be released on Friday, September 2, 2016.

