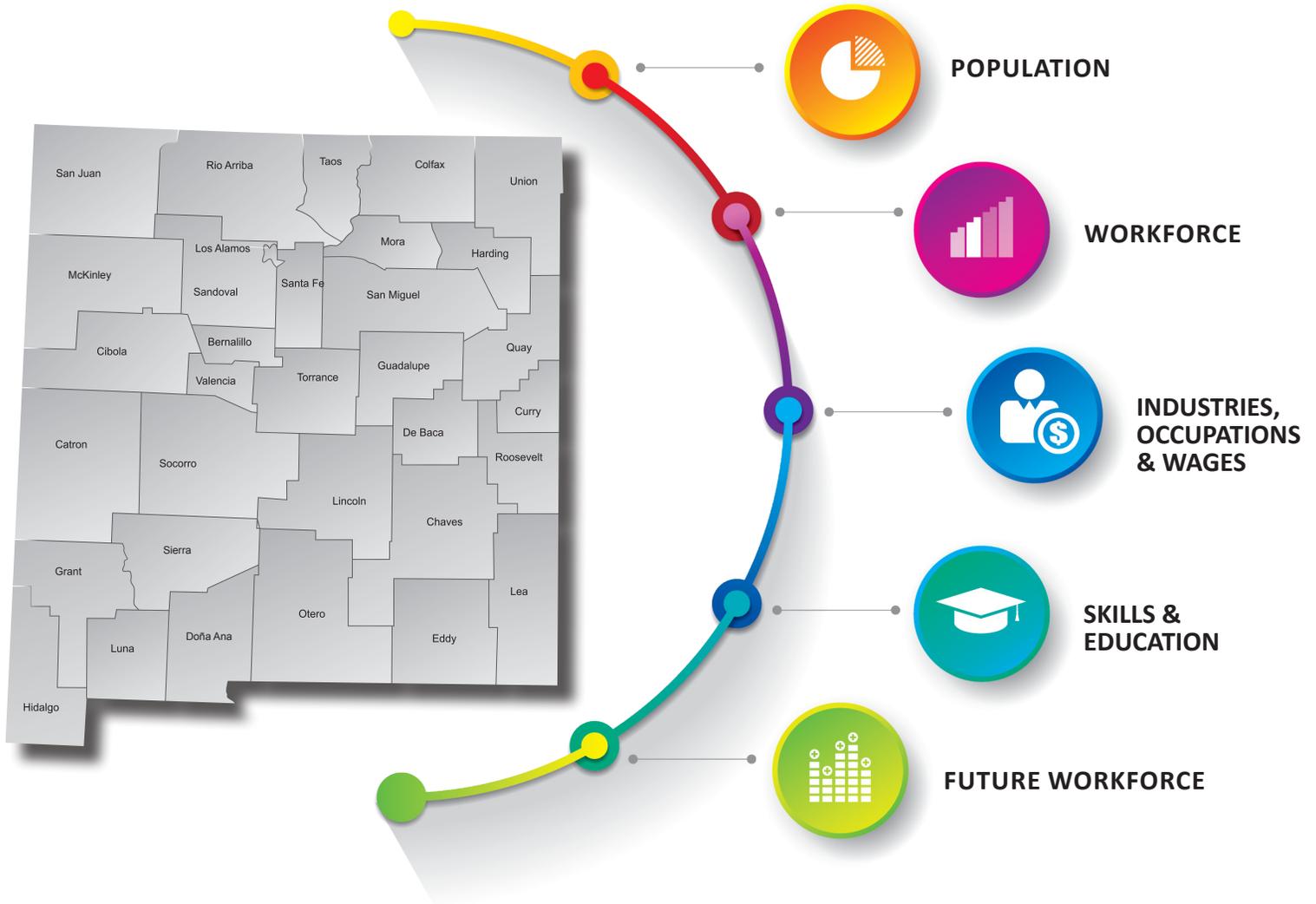


NEW MEXICO 2015

STATE OF THE WORKFORCE REPORT

A REPORT HIGHLIGHTING NEW MEXICO'S CURRENT AND FUTURE WORKFORCE



State of New Mexico Workforce Report 2015

Susana Martinez
Governor
State of New Mexico

Celina Bussey
Cabinet Secretary
New Mexico Department of
Workforce Solutions

Prepared by New Mexico
Department of
Workforce Solutions
Economic Research and
Analysis Bureau

For further information contact:
New Mexico Department of
Workforce Solutions
Economic Research and
Analysis Bureau
P.O. Box 1928
Albuquerque, NM 87103
Phone: (505) 383-2729
Email:
NMDWS.Economicresearch
@state.nm.us



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General Note:

All information presented in this report was compiled by the New Mexico Department of Workforce Solutions's (NMDWS) Economic Research and Analysis Bureau (ER&A). This report looks at data for multiple geographies at the state, region, Metropolitan Statistics Area (MSA), and county level. New Mexico has four MSAs—Albuquerque (Bernalillo, Sandoval, Tarrant, and Valencia counties), Farmington (San Juan County), Las Cruces (Doña Ana County), and Santa Fe (Santa Fe County). New Mexico's four regions include the Central, Eastern, Northern, and Southwestern regions. For geographic information on counties within each region, refer to the corresponding map. Non-historical data in this report represents the most recent data that is available and varies by data source.



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SUMMARY AND FINDINGS

New Mexico's Population

- New Mexico had the fourth lowest population growth in the U.S. from 2012 to 2013. New Mexico is more rural than all of its surrounding states; around two-thirds of its population resides in one of its four metropolitan statistics areas (MSAs), with more than two out of five residing in the Albuquerque MSA alone.
- A large proportion of New Mexico's population is either young or aging. Over one-third of the population is under the age of 25, which is a greater share than the national average and the averages of several neighboring states. The measure of young workers is an indicator of the potential future workforce. A key focus will be to retain these younger workers in the state by ensuring job opportunities.
- New Mexico's population is racially and ethnically diverse. The large concentrations of Hispanic and American Indian populations are unique within the region and the nation.
- New Mexico struggles with low income and high poverty levels, points of major concern. New Mexico's average household income is the seventh lowest in the country and the lowest among its neighboring states. Nearly one out of five New Mexicans lived below the poverty level in 2013. Nearly two-thirds of persons living below the poverty level had a high school education or less. Increasing and improving employment opportunities will ultimately lead to



higher incomes, reduced poverty rates, and better standards of living for New Mexico's residents and workers.

New Mexico's Workforce

- While participation in the labor force has declined across the southwestern states and the nation as a whole in recent years, New Mexico's labor force participation rate declined more than those of the U.S. and New Mexico's other neighboring states. In 2013, 59.3 percent of New Mexico's population (16 years and older) participated in the labor force, down 3.7 percentage points from 2008.
- Between 2008 and 2013, labor force participation for workers between 45 and 54 years declined by 4.5 percentage points, the largest decrease of all age groups. Labor force participation for workers between 16 and 19 years declined by 3.8 percentage points. Between 2008 and 2013, labor force participation increased for workers 65 and older. The largest increases occurred for workers between 65 and 74. In this age group, the labor force participation rate grew by 1.3 percentage points.
- The median age of New Mexico's workforce was 39.8 years in 2013, as compared to the median age for the U.S. of 40.3 years. The median age of New Mexico's workforce was higher than that of all neighboring states. Persons within almost all age categories 45 years and above within New Mexico made up higher shares of the labor force relative to equivalent age groups in neighboring states. Men comprised a larger percentage of New Mexico's labor force than women at every age category in 2013. Women between the ages of 45 and 74 years comprised a larger share of the labor force than women across all age categories.
- American Indians face greater challenges and barriers within the labor market. Labor force participation for this group was 6.5 percentage points lower than the average in 2013. American Indians also experience some of the highest unemployment rates, as do Black/African Americans, in spite of the fact that this racial group has one of the highest labor force participation rates.

SUMMARY AND FINDINGS

- As with the nation as a whole, each step up in educational attainment within New Mexico correlates with a higher labor force participation rate.

How it's Growing

- New Mexico's labor market was operating at a very high level during the mid-to-late 2000s, with key indicators reaching historic levels: the statewide unemployment rate dipped to a series-low annual average of 3.5 percent for 2007, while household survey-based employment grew to an all-time high of 904,735 a year later. Conditions changed rapidly, however, as effects of the Great Recession took hold.
- New Mexico's employment and labor force growth in the years preceding the downturn exceeded national rates and ranked near the middle among neighboring states. New Mexico entered the recession late and has since lagged the nation in speed and extent of recovery.
- Among New Mexico's regions, the recession's labor market impacts were more severe, and subsequent recoveries less robust, in the Central and Northern regions than in the Eastern and Southwestern regions. The Eastern Region's recovery has been particularly strong, with employment growing at a nearly 5 percent clip between 2010 and 2013, far exceeding the statewide average of 0.8 percent.
- County-level estimates show that Eastern Region employment was boosted sharply by oil and gas activities in the Permian Basin, with Lea and Eddy counties posting respective 2013 over-the-year employment gains of 4.4 percent and 4.2 percent, well above the statewide average of 0.3 percent. The other New Mexico counties with growth of at least 1.5 percent were Guadalupe, Taos, Colfax, Luna, Otero, and Roosevelt. Counties with employment declines of at least 1.5 percent were Los Alamos, Socorro, McKinley, Mora, Lincoln, Hidalgo, and Cibola.

Industries, Occupations, and Wages

- The health care industry employs the largest percentage of New Mexico's workforce (16.1 percent) and saw the largest numeric growth in employment

between 2008 and 2013. Accommodation and food services was the only other industry within the top five largest that saw employment growth over the five-year period. Retail trade, educational services, and public administration, the remaining top five largest industries, experienced a drop in employment between 2.5 and 4.7 percent. Mining, with only 3.3 percent of New Mexico's workforce, experienced the fastest growth. Utilities was the only other industry to experience positive growth.

- Construction and manufacturing, which comprise 5.8 and 3.7 percent of total employment, respectively, saw a combined loss of 21,133 jobs between 2008 and 2013. Losses occurred the fastest in construction (24.9 percent), with the information industry joining manufacturing with job losses around 17 to 18 percent.
- Over one-third of New Mexico's workers are employed in an office/administrative support, retail sales, or food preparation and serving occupation. These occupations are often the most common across the U.S., but the average wages in these occupations typically fall below the total all-occupation average wage. Science, technology, engineering, and mathematics (STEM) occupations, along with management occupations, are often the highest paying in New Mexico and other states.

Skills and Education

- New Mexico has lower educational attainment rates of both the population and the labor force than its neighbors and many states in the nation. Close to 30 percent of the labor force had earned a bachelor's degree or higher as of 2013. This ranks New Mexico fifth out of the six southwestern states, leading only Oklahoma in this measurement, and leaves it trailing the national rate by 4.7 percentage points.
- The largest number of future jobs are projected to require a high school diploma/GED or less to enter into the occupation. While this represents a large number of future jobs, jobs that require a bachelor's degree or more are projected to grow the fastest, from approximately 173,410 to 196,700, representing growth of 13.4 percent.

SUMMARY AND FINDINGS

■ New Mexico's competitive disadvantage is heightened by lower public high school graduation rates. New Mexico falls far behind neighboring states and the U.S. in this measurement. For the 2012–13 school year, 70 percent of students graduated in four years. This was 11 percentage points lower than the graduation rates for the U.S. and five percentage points lower than Arizona, the neighboring state with the next lowest rate. It is imperative that educational attainment be a focus of policy makers to ensure New Mexico strengthens its ability to compete for businesses and to provide better opportunities for all of its citizens.

The Future Workforce

■ New Mexico is projected to see employment grow by about 101,610 jobs between 2012 and 2022, representing growth of 12.0 percent. This growth is projected to generate approximately 30,540 new job openings a year, of which 35 percent (10,780) are anticipated to come from new job openings, with the remaining 65 percent (19,760) coming from the need to replace workers leaving their occupation.

■ The Albuquerque MSA (the same geography as the Central Region) is projected to experience the fastest growth of the state's four MSAs, while the Northern Region is projected to experience the fastest growth of its regions. While more than half of the Northern Region's growth is anticipated to occur outside of its two MSAs, the majority of growth in the Southwestern Region is projected to occur within the Las Cruces MSA.

The Eastern Region's employment is projected to grow slightly slower than that of the state as a whole, but faster than employment in the Southwestern Region.

■ Once again, the health care and educational services industries are projected to lead all industries in numeric employment growth. These two industries, along with accommodation and food services; administrative support and waste management services; and arts, entertainment, and recreation, are projected to see the fastest employment growth over the ten-year period.

■ State government, information, agriculture, manufacturing, and federal government are all projected to experience a decline in employment, with the greatest losses projected in federal government; all substate areas are projected to experience job losses in this industry. Agriculture is projected to grow in the Central and Northern regions, manufacturing is projected to grow only in the Northern Region, information is projected to grow the most in the Northern Region, and the Santa Fe MSA is the only substate area projected to experience growth in state government.

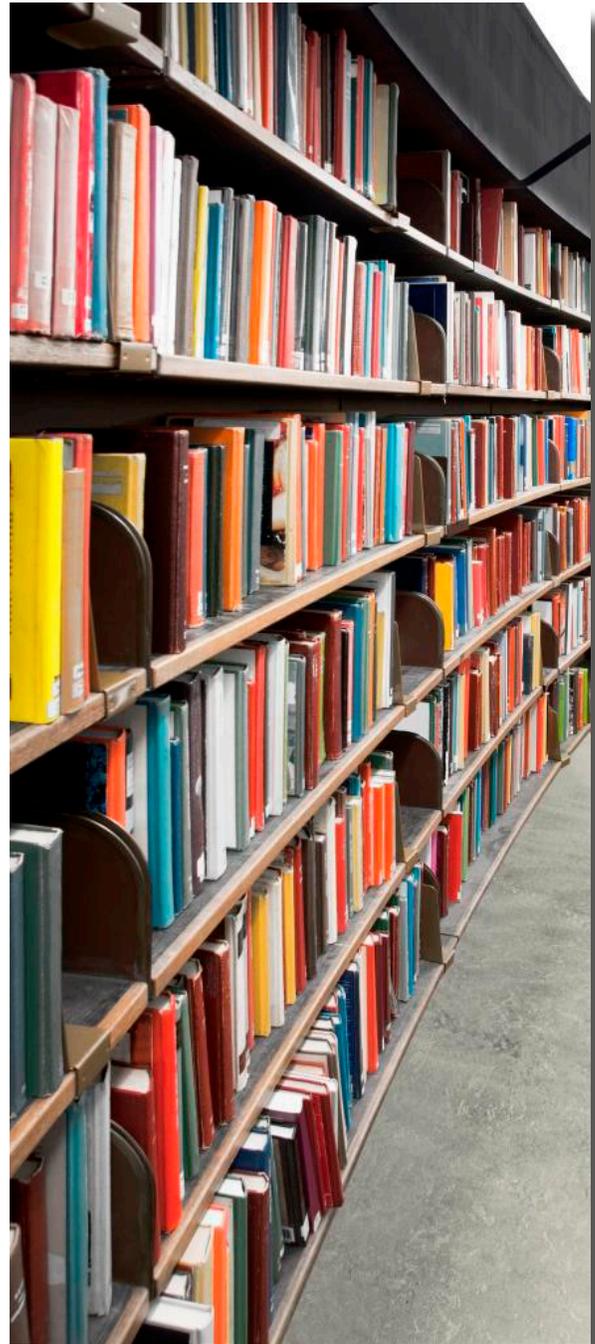
■ Within the state's industry subsectors, employment growth is projected to be largest in educational services, ambulatory health care services, and food services and drinking places. Building material and garden equipment and supplies dealers; social assistance; waste management and remediation



SUMMARY AND FINDINGS

services; and nursing and residential care facilities join educational services and ambulatory health care services in having the fastest growth of all subsectors.

- Within occupations, projected numeric employment growth is largest in the food preparation and serving-related; personal care and services; and education, library, and training occupational groups. These occupational groups are joined by the healthcare support; community and social services; healthcare practitioners and technical; and computer and mathematical occupational groups in having the fastest projected employment growth.
- While several large detailed occupations are projected to contribute many new jobs over the projection period, there are notable smaller occupations that have fast growth rates that drive their designation as top growth occupations, including industrial machinery mechanics; physical therapists; coaches and scouts; market research analysts and specialists; postsecondary health specialties teachers; other health technologists and technicians; and interpreters and translators.
- New Mexico's "Star" occupations are those that are projected to have the best prospects when combining median wages, projected future job openings, and employment growth rate. Elementary and middle school teachers are ranked at the top of New Mexico's Star occupations. Eleven of the 28 Star occupations are either education or health care-related occupations. Six of the occupations are management or computer and mathematical occupations. The occupations on the list span nearly every required education level, although 21 require more than a high school diploma/GED.



NEW MEXICO'S POPULATION

A SNAPSHOT OF POPULATION ACROSS THE STATE

State, Regional, and County Population Estimates

Over the last year, New Mexico's population has grown slower than that of the nation and our neighboring states.

Population growth in New Mexico has varied widely over the past 20 years. In 2013, New Mexico had an estimated population of slightly under 2.1 million people, an increase of less than one-tenth of one percent from 2012. New Mexico had the fourth lowest population growth in the country, preceded by Pennsylvania, and West Virginia and Maine, both which lost population over the year.

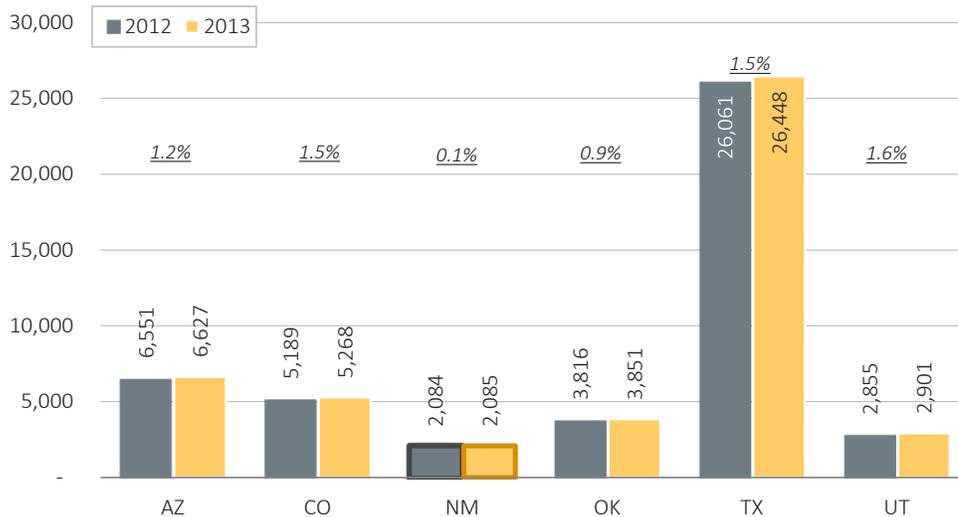
This recent slow population growth contrasts greatly to New Mexico's past population growth. Over the 20-year time span starting in 1993, New Mexico's population increased by 27.4 percent. This growth rate is faster than that of the national overall rate of 21.6 percent, but slower than most other neighboring states, with the exception of Oklahoma, at 18.4 percent. Arizona, at 63.0 percent, was the fastest-growing of the neighboring states during the 20-year period, followed by Utah, Colorado, and Texas.

New Mexico was not only the least populated among neighboring states in 2013, but it also had the fewest inhabitants per square mile. The population density was 17.2 persons per square mile, unchanged from last year, followed by Utah at 35.3 persons per square mile.

The five least populated counties in New Mexico in 2013 were Guadalupe, Union, Catron, De Baca, and Harding. The five most populated counties were, not surprisingly, either part of or geographically equivalent to one of New Mexico's four MSAs.

New Mexico's four metropolitan statistical areas (MSAs)—Albuquerque, Santa Fe, Farmington, and Las Cruces—are home to two-thirds of the state's population. The Central Region, which also represents the Albuquerque MSA, contains just over 43 percent of the state's population and saw the greatest population growth between 1993 and 2013, increasing at a rate of 38.9 percent over the 20-year period, or an average annual rate of 1.9 percent.

Total Population & Growth
New Mexico & Neighboring States, 2012–2013

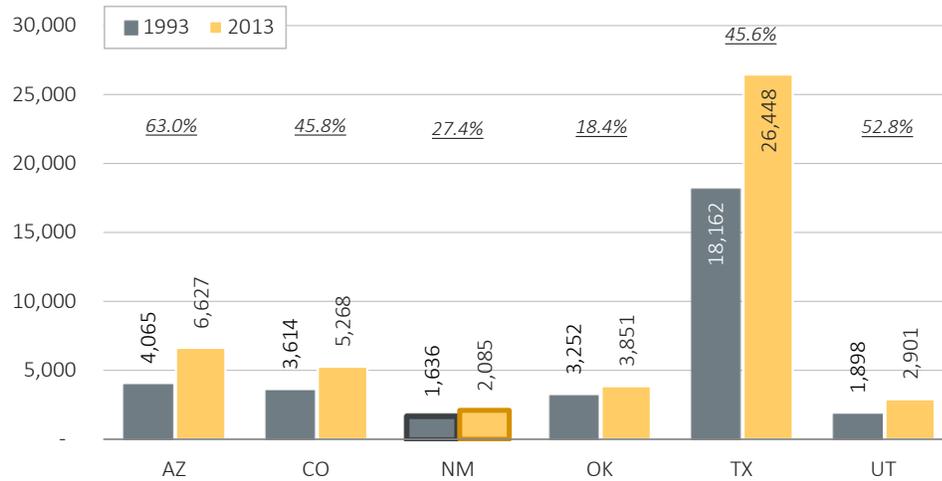


Source: U.S. Census Bureau, National, State, and County Intercensal Estimates
Numbers are in thousands, and percentages represent overall growth.

NEW MEXICO'S POPULATION

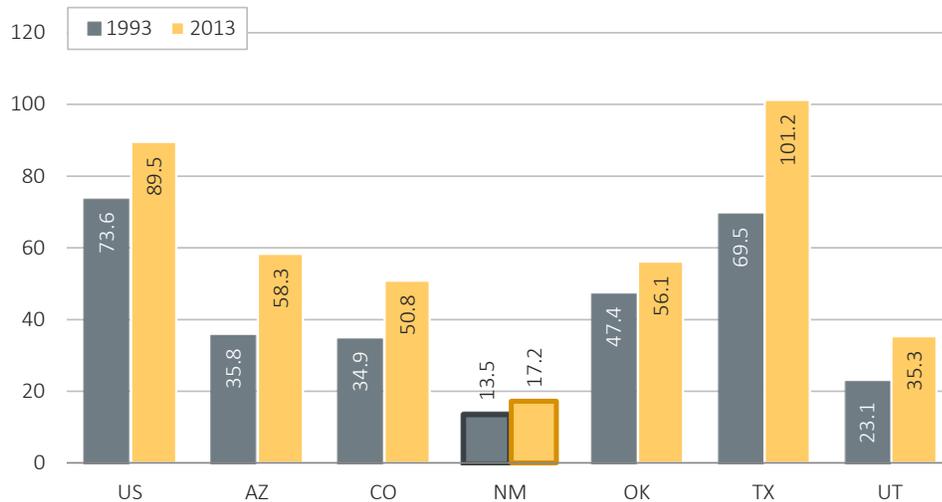
A SNAPSHOT OF POPULATION ACROSS THE STATE

Total Population & Growth New Mexico & Neighboring States, 1993–2013



Source: U.S. Census Bureau, National, State, and County Intercensal Estimates
Numbers are in thousands, and percentages represent overall growth.

Population Density New Mexico & Neighboring States, 1993 & 2013

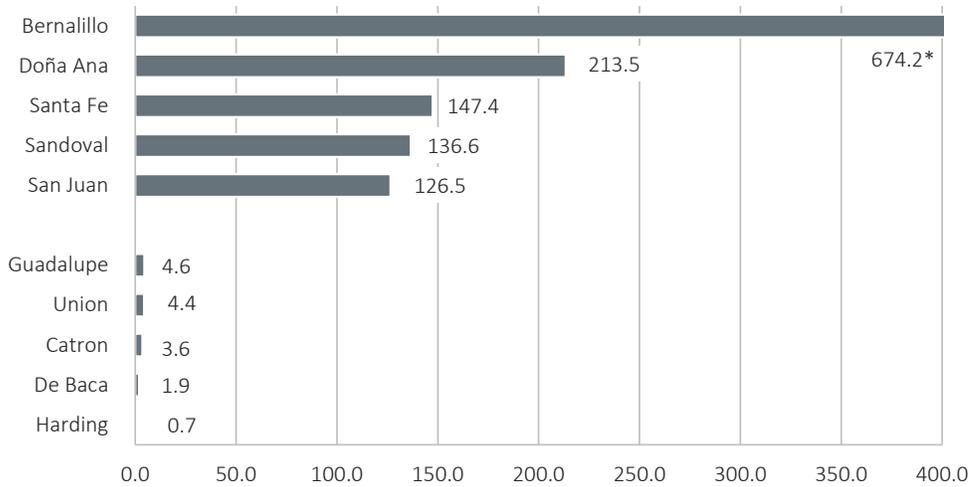


Source: U.S. Census Bureau, National, State, and County Intercensal Estimates and QuickFacts

NEW MEXICO'S POPULATION

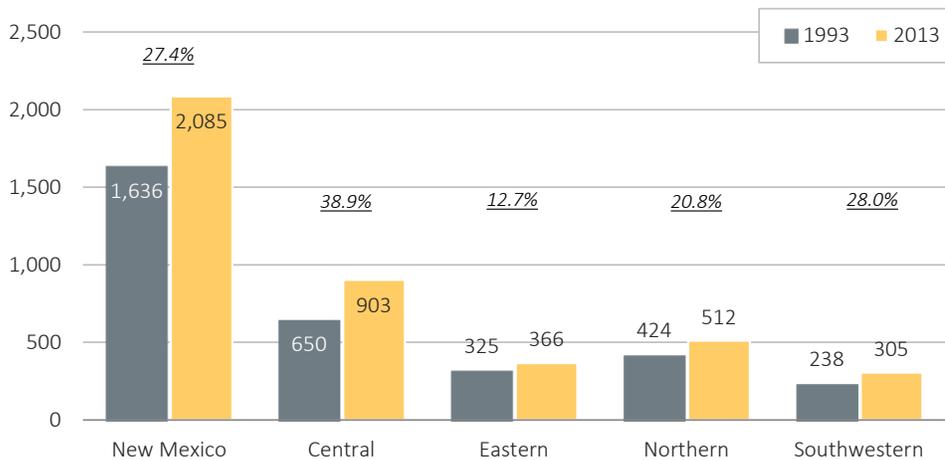
A SNAPSHOT OF POPULATION ACROSS THE STATE

Total Population Most & Least Populated Counties, 2013



Source: U.S. Census Bureau, State and County Intercensal Estimates
* Bernalillo employment exceeds the chart maximum for comparative purposes. Numbers are in thousands.

Total Population & Growth New Mexico & Its Regions, 1993–2013



Source: U.S. Census Bureau, State and County Intercensal Estimates
Numbers are in thousands, and percentages represent overall growth.

NEW MEXICO'S POPULATION

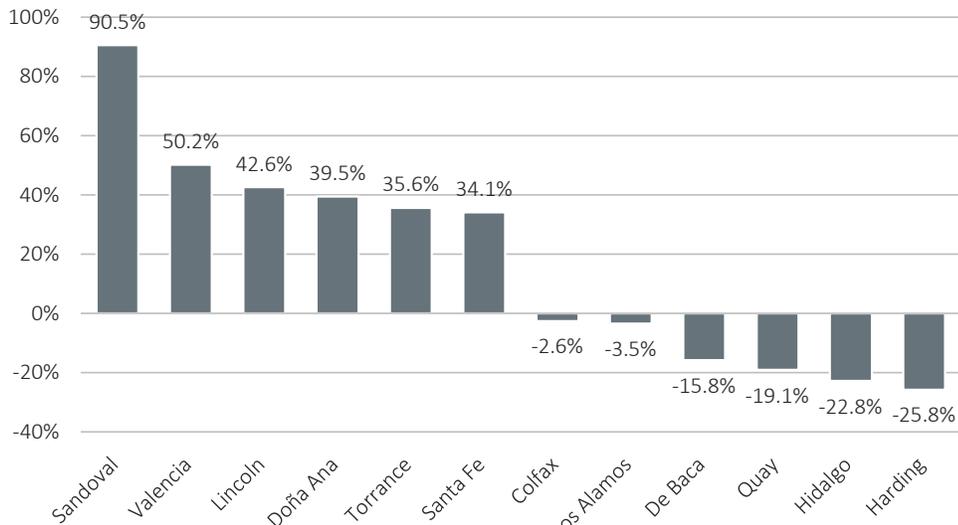
A SNAPSHOT OF POPULATION ACROSS THE STATE

Over the last 20 years, between 1993 and 2013, more than half of all counties in New Mexico had double digit growth rates. Sandoval County, located in the Central Region, claimed the highest growth rate of all 33 New Mexico counties, at a rate of 90.5 percent. The next-fastest growth rates belonged to Valencia, at 50.2 percent, followed by

Lincoln, at 42.6 percent; Doña Ana, at 39.5 percent; Torrance, at 35.6 percent; and Santa Fe, at 34.1 percent. Over the past two decades, only six counties had a decline in population. The counties of Harding, Hidalgo, Quay, De Baca, Los Alamos, and Colfax declined at rates ranging from a negative 25.8 percent to a negative 2.6 percent.



Population Growth
Top Growing & Shrinking Counties, 1993–2013



Source: U.S. Census Bureau, State and County Intercensal Estimates

Why population matters

Population is one of the key elements by which a business can assess the extant labor pool, and it is often taken into consideration by businesses determining whether to relocate to or establish themselves in a certain area. No one area or population profile is right for every business; some employers seek rural areas, whereas others wish to take advantage of areas with high-density populations. The characteristics of the population also come into consideration as businesses determine whether the population of an area fits the model for their targeted customer base. Population levels, characteristics, and density are important to any business as it decides to invest in a community.

NEW MEXICO'S POPULATION

A SNAPSHOT OF POPULATION ACROSS THE STATE

Age of the Population

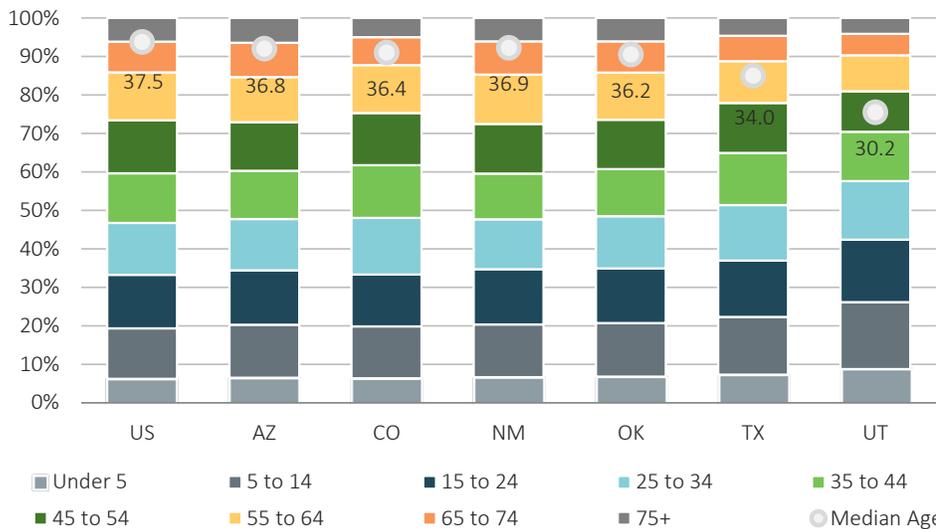
New Mexico has a large population of young and aging persons.

As the baby boomer generation ages, the nation as a whole has seen an increase in its aging and elderly population. This trend is seen in New Mexico as well. In 2013, the median age of the New Mexican population was 36.9, younger than the national average of 37.5 but the oldest of all its neighboring states. Median ages in the neighboring states ranged from a low of 30.2 in Utah to 36.8 in Arizona.

Although New Mexico's median age rises yearly with the aging of a populous generation, the state has a significant young population. Nearly 35 percent of the population is under the age of 25, which is a greater share than the

national average of 33.3 percent. The prime workforce age group spans the ages of 25 to 44; about 25 percent of New Mexico's population falls into this range, a lower number than the national average of 26.3 percent, and the lowest of the neighboring states. The aging population is comparatively large; 14.7 percent of New Mexico's population is over the age of 65. This percentage is higher than the national average of 14.1 but lower than Arizona's rate of 15.4 percent. In sum, when taken in comparison with the national average, New Mexico is weighted toward large populations of young and aging persons, with a disproportionately low representation of working-age individuals.

**Population Distribution & Median Age
New Mexico & Neighboring States, 2013**

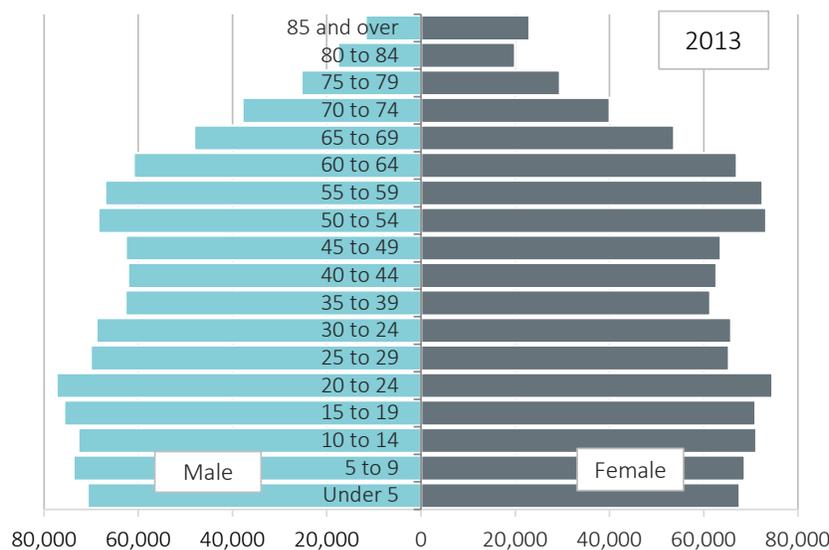
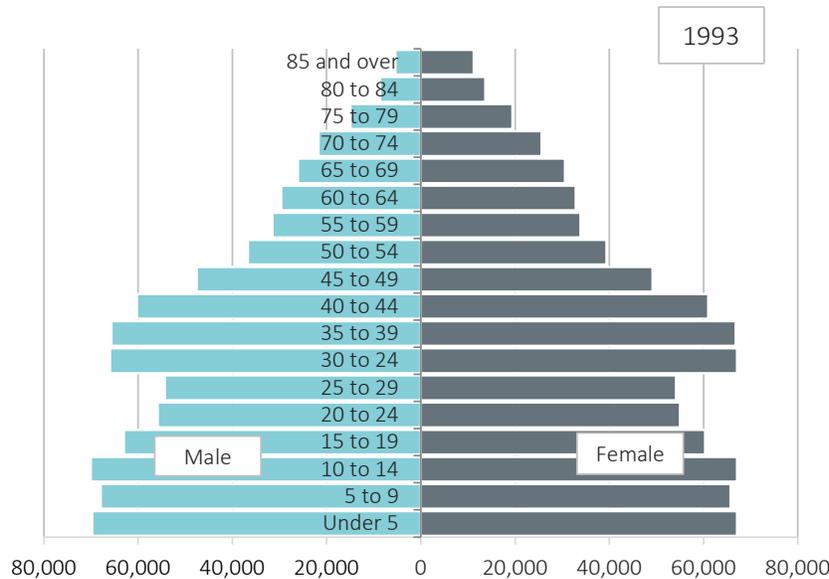


Source: U.S. Census Bureau, American Community Survey, 2013 1-Year Estimates, Table B01001: Sex by Age

NEW MEXICO'S POPULATION

A SNAPSHOT OF POPULATION ACROSS THE STATE

Population by Age
New Mexico, 1993 & 2013



Source: U.S. Census Bureau, American Community Survey, 2013 1-Year Estimates, Table B01001: Sex by Age and State Population Estimates and Demographic Components of Population Change: 1990 to 1999

What does age mean?

The age of the population is a quality that businesses and educators examine when attempting to characterize the future workforce. New Mexico currently has a large aging population and a relatively small labor force in prime working age, but the size of the youth population promises a larger labor force to come. Businesses looking to establish themselves often value the size of the future workforce, as it indicates the potential for expansion. In turn, educators and educational institutions may devise programs of study based on the careers they predict will be in high demand in the future.

NEW MEXICO'S POPULATION

A SNAPSHOT OF POPULATION ACROSS THE STATE

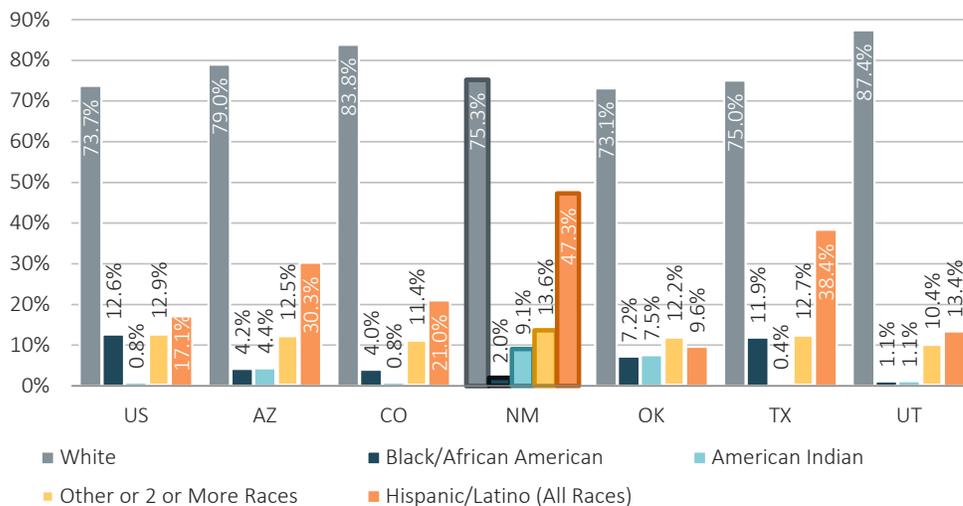
Race & Ethnicity

New Mexico's racial and ethnic diversity makes for a unique place to live.

Per the decennial Census of 2010, New Mexico is one of four states that is considered a majority-minority state, which is defined as a state whose population is composed of less than 50 percent non-Hispanic Whites. The other three states are Hawaii, California, and Texas. In 2013, slightly over 47 percent of the New Mexican population was Hispanic/Latino, the

highest rate of any other state in the country. Slightly over 9 percent of New Mexico's population was American Indian, the second highest behind Alaska, whose American Indian population comprised 14.3 percent of the total population. These percentages were higher than the nationwide average and the averages of all other neighboring states.

Racial & Ethnic Diversity
New Mexico & Neighboring States, 2013



Source: U.S. Census Bureau, American Community Survey, 2013 1-Year Estimates, Table B02001: Race and Table B03001: Hispanic or Latino Origin by Specific Origin
Other category includes those that are Asian, Native Hawaiian/Other Pacific, or other race not mentioned.

Strength in diversity

A diverse population provides multiple economic benefits. Rich and distinct cultural heritage can support a variety of business and employment opportunities. Furthermore, a diverse labor force can serve as an enticement to businesses that seek to target a diverse customer base. Businesses that plan to target multilingual and multicultural customers may look for a labor force that is able to better communicate with and understand the specific needs and demands of such a customer base.

NEW MEXICO'S POPULATION

A SNAPSHOT OF POPULATION ACROSS THE STATE

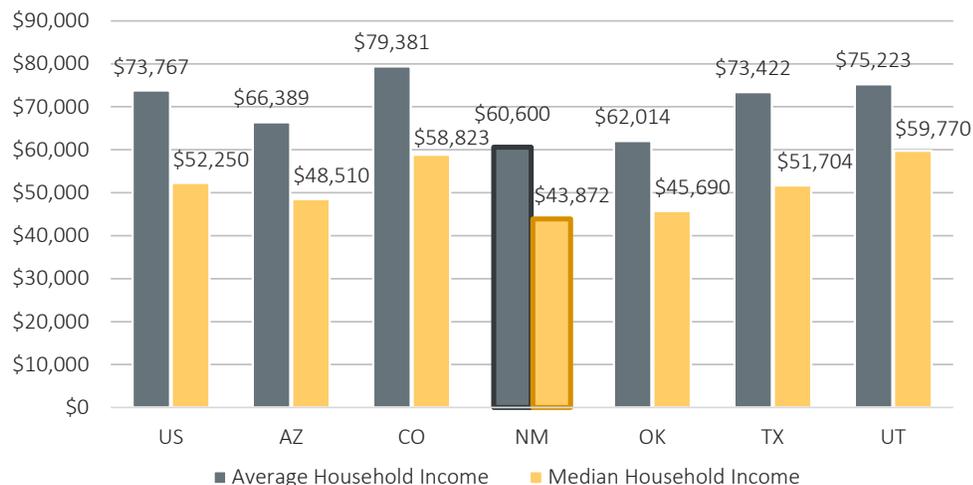
Income

New Mexico has the lowest average income and median income of all neighboring states and the seventh lowest in the country.

The average household income in 2013 in New Mexico was \$60,600, lower than the U.S. average of \$73,767 and the seventh lowest in the country. New Mexico's median income in 2013 for the past 12 months was \$43,872, also lower than

the U.S. average of \$52,250 and the lowest in the surrounding states. Median income represents the income at which half of New Mexicans earn less than that income, and half earn more than that income.

**Average and Median Household Income
New Mexico & Neighboring States, 2013**



Source: U.S. Census Bureau, American Community Survey, 2013 1-Year Estimates, Table DP03: Selected Economic Characteristics

Income as an indicator of economic health

A high household median income is an indicator of a prosperous local economy that supports high-wage jobs and demonstrates that residents have a higher level of purchasing power. These indicators can work towards attracting new businesses to the area, which in turn employ a greater percentage of the workforce. Because median income is one of many measurements that are symptomatic of economic health, it is used as a diagnostic gauge by economic developers, policymakers, and other parties interested in evaluating the state of the economy and labor force.

NEW MEXICO'S POPULATION

A SNAPSHOT OF POPULATION ACROSS THE STATE

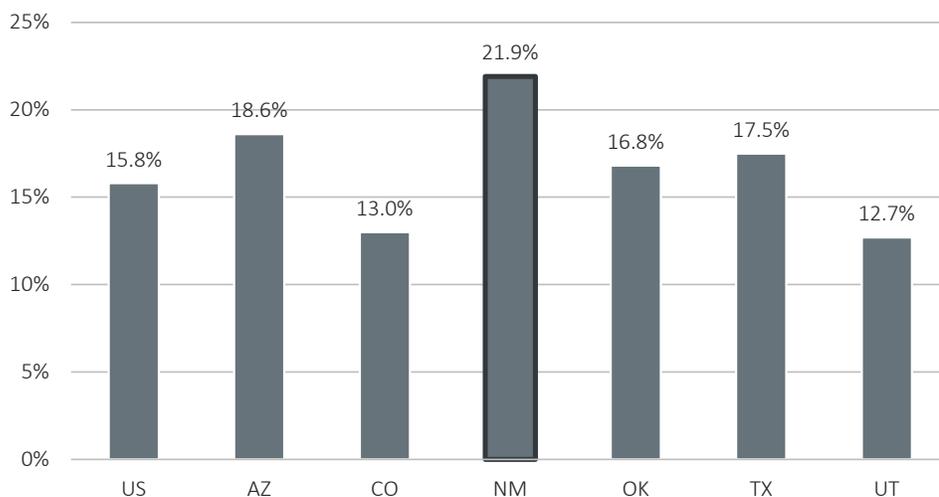
Poverty

New Mexico has the second highest percentage of people living below the poverty level in the country.

In 2013, New Mexico had 21.9 percent of its population living below the poverty level, the second highest in the country behind Mississippi, which had 24.0 percent of its population living below the poverty level. Slightly over 30 percent of

those persons living below the poverty level in New Mexico had less than a high school education. Almost 31 percent of persons living below the poverty level had earned a high school diploma or GED.

Percentage of Persons Living Below the Poverty Level in New Mexico & Neighboring States, 2013



Source: U.S. Census Bureau, American Community Survey, 2013 1-Year Estimates, Table S1701: Poverty Status in the Past 12 Months

Poverty's impacts on the labor force

Reducing New Mexico's poverty level is an important goal in any plan to strengthen the economy, attract new business, and improve the living standards of the population. Poverty is a multifaceted issue that is not only strongly influenced by educational attainment and employment opportunities, but is deeply intertwined with a variety of societal factors such as purchasing power, health, and community development. Successfully reducing the state's poverty level and increasing income and employment would likely generate enhanced economic development opportunities that benefit all New Mexicans.

NEW MEXICO'S WORKFORCE

WHAT IT LOOKS LIKE NOW

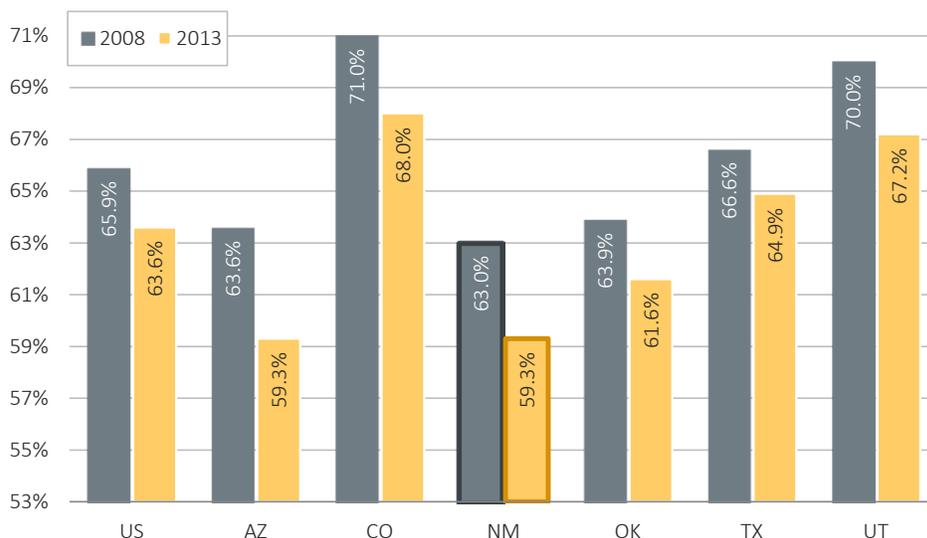
Labor Force Participation

In 2013, as in 2008, New Mexico's labor force participation rate was the lowest compared to all neighboring states and had declined more than those of the U.S. and all neighboring states, except Arizona, in recent years.

In 2013, New Mexico and Arizona each posted labor force participation rates of 59.3 percent. This was 4.3 percentage points below the U.S. labor force participation rate and the lowest participation rate compared with other neighboring states. For New Mexico, this represented a decline of 3.7 percentage points between 2008 and 2013. Arizona was the only state to show a steeper decline in its labor force participation rate during the period, falling by 4.3 percentage

points. Indicatively, Arizona's and New Mexico's labor force participation rates in 2008 were within one percentage point of that of Oklahoma; however, in 2013 they had each diverged by 2.3 percentage points below Oklahoma's participation rate. Texas, whose labor force participation fell by only 1.7 percentage points from 2008, was the only neighboring state whose labor force participation rate declined less than that of the nation as a whole.

Labor Force Participation
New Mexico & Neighboring States, 2008 & 2013



Source: U.S. Census Bureau, American Community Survey, 2008 and 2013 1-Year Estimates, Table S2301: Employment Status

Note: Unless otherwise noted, all information and data specific to labor force demographics gathered from the U.S. Census Bureau (participation, gender, race, age, education, etc.) includes both civilian and active duty armed forces populations. Labor force estimates, employment, and unemployment data, both in total and at industry and occupational levels, counts only the civilian labor force due to methodology of data collection under the Quarterly Census of Employment and Wages (QCEW), Occupational Employment Statistics (OES), and Local Area Unemployment Statistics (LAUS) programs.

What does labor force participation mean?

Labor force participation shows the civilian noninstitutional population age 16 and older in the labor force. (i.e., persons who are either employed or unemployed and actively looking for work). This rate is driven by many factors including employment opportunities, the age of the population, cultural factors, and income and wealth. As more employment opportunities emerge within a wide range of industries and occupations, we may expect to see increases in labor force participation as more people see relevant opportunities and are motivated to seek work.

NEW MEXICO'S WORKFORCE

WHAT IT LOOKS LIKE NOW

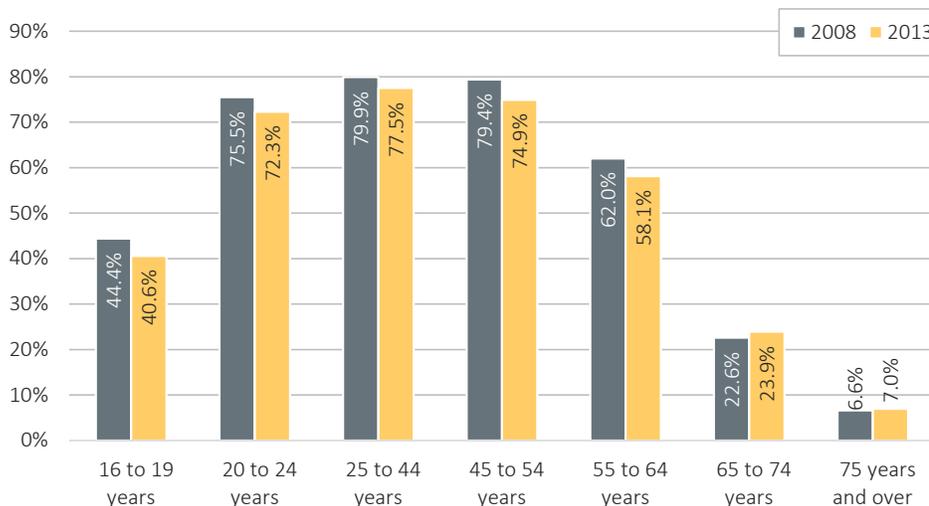
Labor Force Participation by Age Group

New Mexico's labor force participation has declined at most age ranges, but the participation rates of the youngest and the middle-aged (45 to 54 years) sections have fallen the most. In contrast, workers 65 and older have experienced increases in labor force participation.

Between 2008 and 2013, labor force participation for workers 45 to 54 years declined by 4.5 percentage points, the largest decrease of all age groups. Nevertheless, almost 75 percent of this age group were still participating in the labor force in 2013, the second highest labor force participation rate of all age groups. The participation rate of the workforce between 55 and 64 years fell by 3.9 percentage points. Labor force participation for workers between 16 and 19 years declined by 3.8 percentage points. Traditionally, less of a percentage of this age group participate in the labor force. While this is

partly because many persons within this age group are still living as dependents with parents, possibly still continuing their education, it is also true that competition increases in contracted labor markets, especially among workers with less experience or less developed skills, making it more difficult to obtain a job. Between 2008 and 2013, labor force participation increased for workers 65 and older. The largest increases occurred for workers between 65 and 74. In this age group, the labor force participation rate grew by 1.3 percentage points.

Labor Force Participation by Age Cohort
New Mexico, 2008 & 2013



Source: US Census Bureau, American Community Survey, 2008 and 2013 1-Year Estimates, Table S2301: Employment Status

Why does age affect labor force participation?

New Mexicans of different age groups face various challenges within the labor market, which leads to divergent long-term and short-term trends. The young tend to have less developed skills and less relevant experience than older workers, on average, and so experience more difficulty in a competitive labor market. They may drop out of the labor force, or they may delay entering it by gaining more education, especially during a recession. With the aging of baby boomers, and increases in average lifespan, older workers tend to delay retirements and work longer. Within the middle-aged cohorts, many workers may become marginally attached or discouraged workers due to pressure from a greater supply of older workers, an effect perhaps exacerbated by the recent recession.

NEW MEXICO'S WORKFORCE

WHAT IT LOOKS LIKE NOW

Age & Gender of the Labor Force

New Mexico's labor force has a higher median age than that of all neighboring states and is only 0.5 percentage point short of the median age of the nation's labor force.

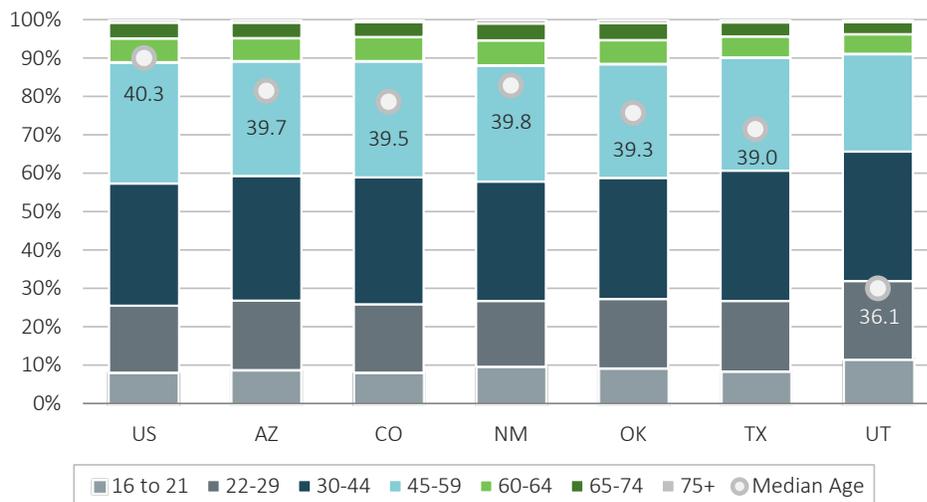
The median age of New Mexico's labor force was 39.8 years in 2013. This represented the highest median age, when compared with other neighboring states, and came somewhat close to the median age for the U.S. labor force of 40.3 years. The median age of neighboring states' labor forces ranged from Arizona's, at 39.7 years, to that of Utah, which had the lowest median age, at 36.1 years.

New Mexico's distribution of labor force participation is weighted towards older workers when compared with neighboring states. Workers between 22 and 29 years account for 17.1 percent of the labor force, and workers between 30 and 44 years account for 31.1 percent. Persons in these two age groups comprised a smaller share of the total labor force in New Mexico than in other states. Workers in almost all age categories 45 and above comprised larger shares of the total labor force within New Mexico than in neighboring states.

Within both New Mexico and Oklahoma, only 0.9 percent of workers 75 years and above participated in the labor force; still, this small share of the labor force was higher than that of the equivalent age group in other neighboring states.

In 2013, men comprised a larger percentage of New Mexico's labor force than women across all measured age categories. It is interesting to note that women between 16 and 44 comprised a smaller share of the labor force than did women across all age categories 16 and older. The lower levels in female share of the workforce may be partially due to women within these age categories often being the primary providers of parental care to dependent children. In contrast, women between 45 and 74 comprised a larger share of the labor force than the all-age average. Men represented 58.0 percent of the workforce of those 75 and older, the largest male share of the labor force of all age groups.

Labor Force Distribution & Workforce Median Age
New Mexico & Neighboring States, 2013



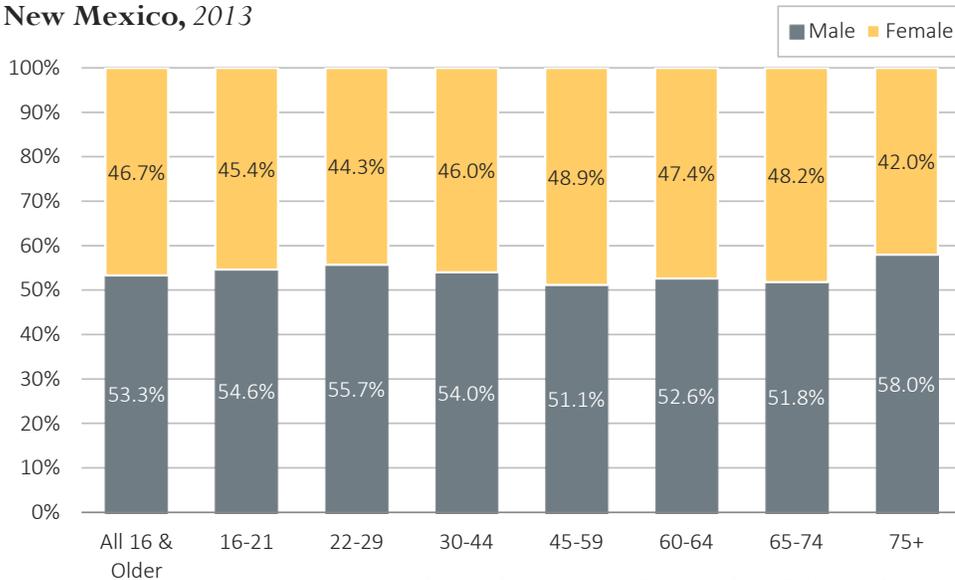
Source: U.S. Census Bureau, American Community Survey, 2013 1-Year Estimates, Table B23001: Sex by Age by Employment Status and Table B23013: Median Age by Sex for Workers 16 to 24 Years Data is for the labor force population 16 years and older. Median age is for workers 16 to 64.

NEW MEXICO'S WORKFORCE

WHAT IT LOOKS LIKE NOW



Labor Force Distribution by Gender
New Mexico, 2013



Source: U.S. Census Bureau, American Community Survey 2013 1-Year Estimates, Table B23001: Sex by Age by Employment Status
Data is for the labor force population 16 years and older.

Age of the population versus age of the labor force

At almost 15 percent, the share of the total population that is over 65 is higher than that of all New Mexico's neighboring states, except Arizona, while the share of people under 25 is below the average of neighboring states but above the national average. The median age of the workforce was the highest in the region. The experience of older workers that remain in the labor force should be properly valued. However, the demand for workers in the future must also be considered as New Mexico's older workers retire and leave the labor force. Nearly 35 percent of New Mexico's population was under the age of 25 in 2013. This younger population may be able to serve the future demand for workers with appropriate education and training programs. Efforts should also be made to retain New Mexico's young workers within the state.

NEW MEXICO'S WORKFORCE

WHAT IT LOOKS LIKE NOW

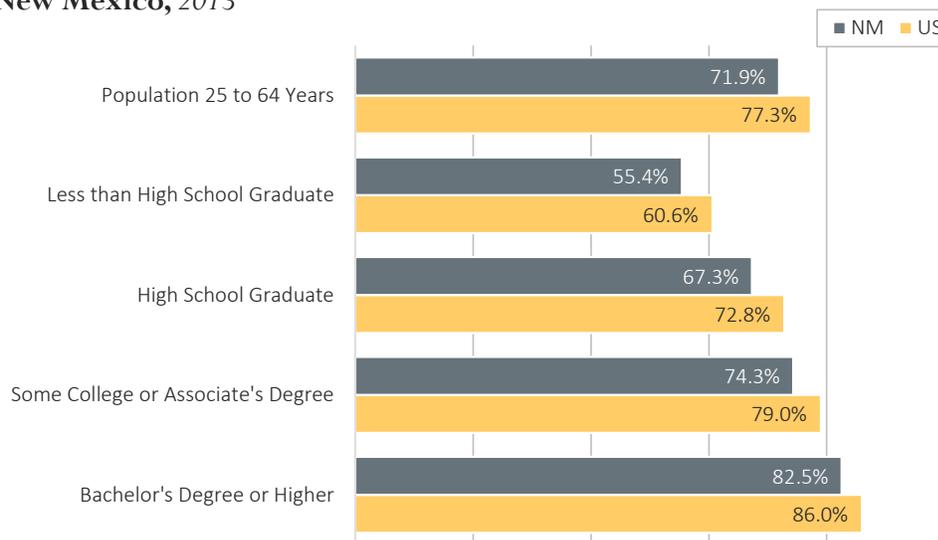
Race & Ethnicity of the Labor Force

New Mexico's workforce is racially and ethnically diverse, but some minority populations face greater challenges and barriers within the labor market.

In 2013, most racial and ethnic groups participated in the labor force at higher rates than that of all persons 16 and older (59.3 percent) across all races and ethnicities. Nevertheless, the labor force participation rate of American Indians was 6.5 percentage points lower than the average in 2013. This group, along with those persons that identify themselves as Black/African American in New Mexico, also experienced

some of the highest unemployment rates during that year. American Indian New Mexicans saw close to 18 percent of their labor force unemployed in 2013, the highest of all racial and ethnic groups. New Mexicans that identified themselves as Asian had the highest labor force participation and lowest unemployment rate.

Labor Force Participation by Educational Attainment
New Mexico, 2013



Source: US Census Bureau, American Community Survey, 2013 1-Year Estimates, Table S2301: Employment Status
Data is for labor force participates between 25 and 64 only.

Diversity and employment challenges

It is well known that New Mexico has a unique mix of different racial and ethnic groups and that each of these face very different challenges in finding work, with some groups facing a disproportionate balance of these challenges. In order to improve employment opportunities in New Mexico, its diverse population should be seen as an asset with all of the various racial and ethnic groups being provided equal access to job opportunities within the state.

NEW MEXICO'S WORKFORCE

WHAT IT LOOKS LIKE NOW

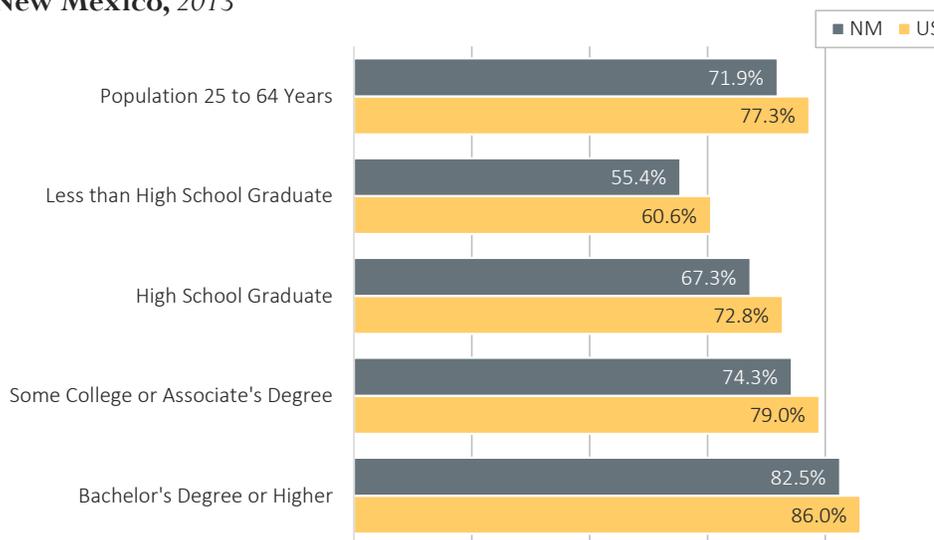
Labor Force Participation by Educational Attainment

Though New Mexico's labor force participation rate is lower than that of the national average, both overall and at each level of educational attainment, its workforce tracks very closely with that of the nation as a whole in that each step up in education correlates with an increase in labor force participation rate.

In 2013, 71.9 percent of persons between 25 and 64 participated in the labor force in New Mexico. Of those persons with a bachelor's degree or higher, 82.5 percent participated in the labor force. In 2013, persons with some college or an associate's degree in New Mexico had a labor force participation rate of 74.3 percent. Only 55.4 percent of persons without a high school diploma or GED participated in the labor force.

Labor force participation in New Mexico is lower than in the nation as a whole across all levels of educational attainment. Persons in New Mexico with a high school diploma or GED had a labor force participation rate that was 5.5 percentage points lower than those educated equivalently in the nation as a whole in 2013.

Labor Force Participation by Educational Attainment
New Mexico, 2013



Source: US Census Bureau, American Community Survey, 2013 1-Year Estimates, Table S2301: Employment Status
Data is for labor force participants between 25 and 64 only.

Educational attainment and participation in the labor force

There is a significant correlation between level of educational attainment and likelihood of participation in the labor force. It may be that people with higher levels of education find it easier to obtain a job and thus have more motivation to stay within the labor force. However, there is also the possibility that a proportion of those persons with lower levels of education are currently not participating in the labor force because they are studying, or planning to study, to attain a higher level of education.

NEW MEXICO'S WORKFORCE

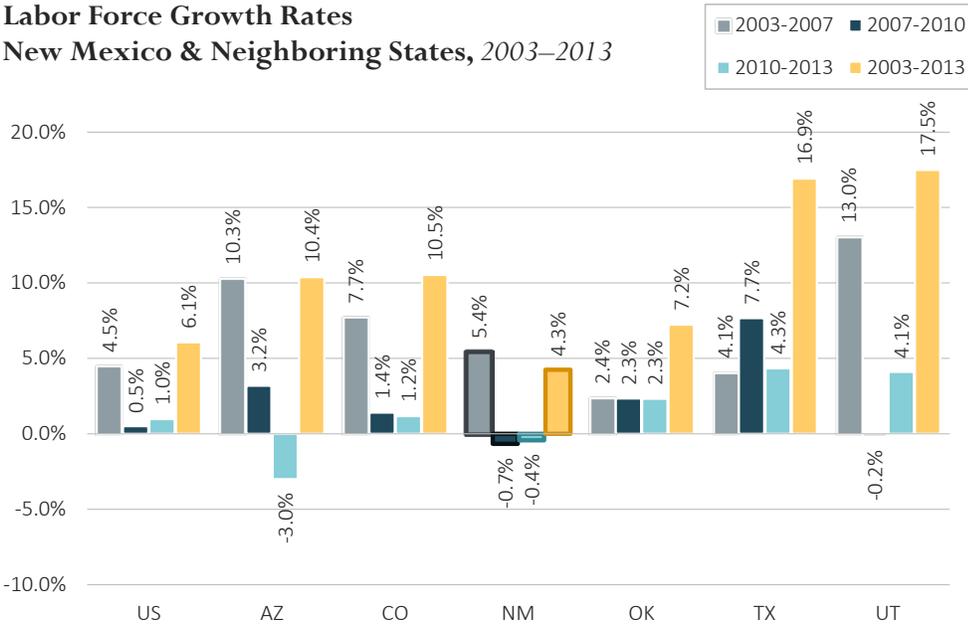
HOW IT'S GROWING

Labor Force Growth

New Mexico's civilian labor force estimate for 2013 was 1.1 percent below its 2007 level, with disparate labor market impacts throughout the state during the recession and recovery. The Eastern and Southwestern regions posted gains well above 4 percent, while the Central and Northern regions registered declines.

The Great Recession's effects extended well past its official end in June 2009, with labor markets still recovering years later. New Mexico's civilian labor force contracted by 1.4 percent for 2009 alone, pushing 2007–2010 growth to negative 0.7 percent. Utah, at negative 0.2 percent, was the only other among the six southwest states analyzed that posted a decline for the period, while the U.S. civilian

labor force estimate edged up 0.5 percent. Both Arizona, at negative 3.0 percent, and New Mexico, at negative 0.4 percent, registered declines for 2010–2013, countering a slight U.S. increase of 1.0 percent. Over the past ten years, New Mexico's civilian labor force growth, at 4.3 percent, lagged the national average, at 6.1 percent, and the rates for neighboring states.



Source: U.S. Bureau of Labor Statistics estimates and NMDWS calculations

Within New Mexico, the Southwestern and Eastern regions fared better during the downturn than did the Central and Northern regions. The Southwestern Region posted labor force growth of 3.0 percent for 2007–2010 and 1.3 percent for 2010–2013, while respective Eastern Region increases were 1.2 percent and 3.3 percent. These gains were more than offset by losses for the Central Region, at negative

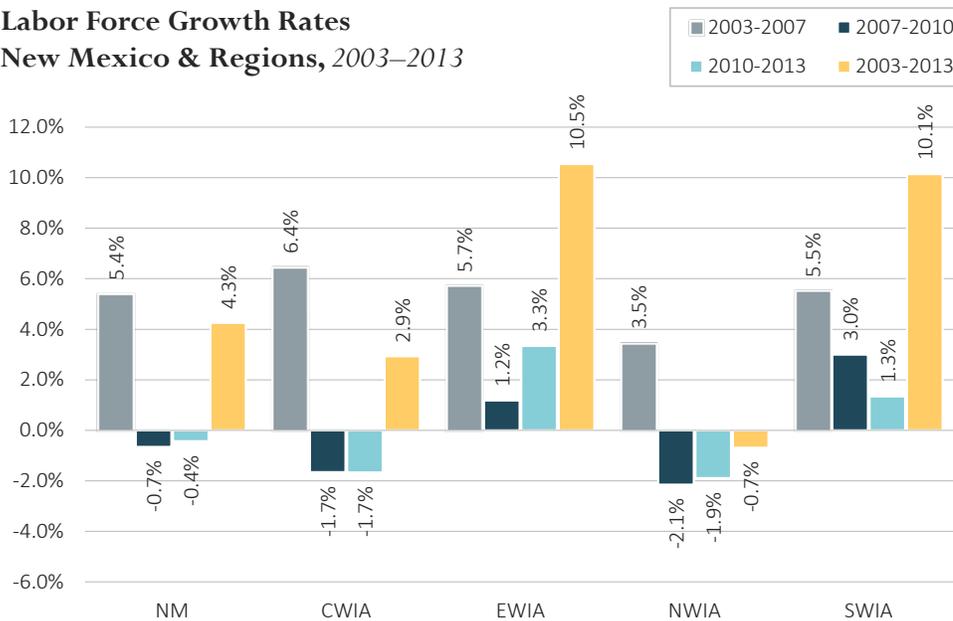
1.7 percent for both periods, and the Northern Region, at negative 2.1 percent for 2007–2010 and negative 1.9 percent for 2010–2013. Statewide labor force expansion of 4.3 percent for 2003–2013 was likewise unevenly distributed, with the Eastern Region up 10.5 percent, the Southwestern Region up 10.1 percent, the Central Region up 2.9 percent, and the Northern Region down 0.7 percent.

NEW MEXICO'S WORKFORCE

HOW IT'S GROWING



Labor Force Growth Rates
New Mexico & Regions, 2003–2013



Source: U.S. Bureau of Labor Statistics estimates and NMDWS calculations

Bright spots and areas of continued focus

Post-recession labor market recovery has been generally slow throughout the country, with labor force dynamics—changes in levels and participation rates—the subject of much debate. Slower job and population growth for New Mexico may reflect, in part, worker migration to more abundant opportunities out of state. New Mexico's labor force growth exceeded the national average in the years preceding the recession's onset, but the state's gradual recovery has been insufficient to counter losses. The one area of strength has been southeastern New Mexico's oil and gas activities, which have produced significant direct and indirect labor market gains.

NEW MEXICO'S WORKFORCE

HOW IT'S GROWING

Employment Growth

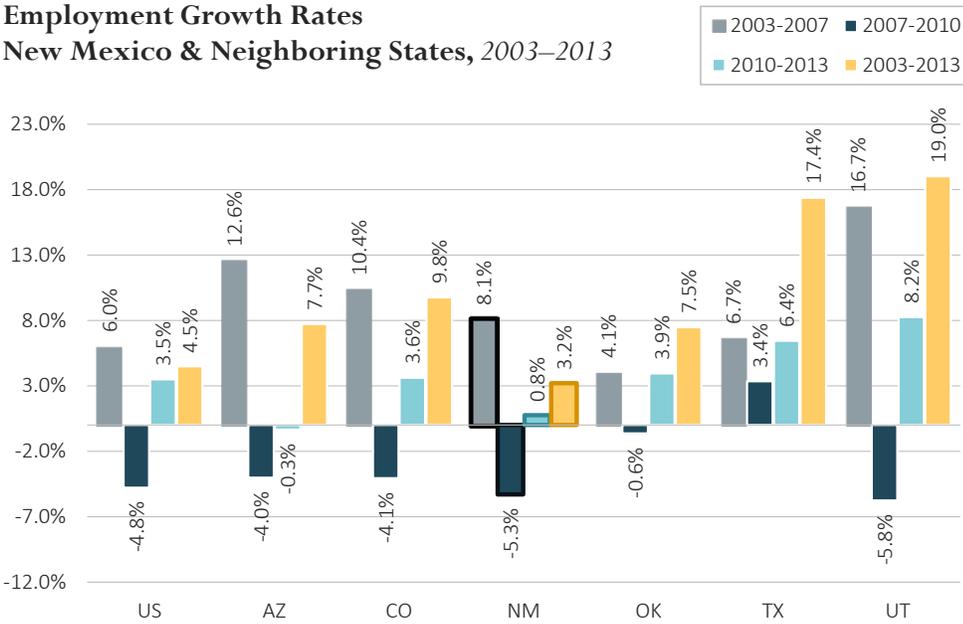
New Mexico's household survey-based employment has recovered modestly since the depths of the recession, with most neighboring states, and the nation as a whole, posting higher growth rates.

New Mexico's employment growth, at 8.1 percent, ranked near the middle among neighboring states and the U.S. in the years preceding the Great Recession (2003–2007). The downturn's effects, however, pushed New Mexico's employment growth to negative 5.3 percent between 2007 and 2010, a precipitous decline eclipsed only by Utah's negative 5.8 percent dip. From 2010 to 2013, Texas, at 6.4 percent, and Utah, at 8.2 percent, posted rapid employment growth, while the New Mexico gain was just 0.8 percent, exceeding only Arizona's, at negative 0.3 percent. Growth rates for the 2003–2013 period ranged from 19.0 percent for Utah to 3.2 percent for New Mexico.

New Mexico's 2003–2007 employment growth comprised solid increases for all four regions: Southwestern, 9.5 percent; Eastern, 8.8 percent; Central, 8.7 percent; and Northern, 6.1 percent. The bulk of recessionary losses, however, occurred

in the Central and Northern regions, with employment tumbling more than 6.5 percent for each. The Eastern Region, at 4.9 percent, posted the highest growth rate during the 2010–2013 recovery, far exceeding the statewide increase of 0.8 percent.

Eastern Region employment was boosted by robust 2013 over-the-year gains for Lea County, at 4.4 percent, and Eddy County, at 4.2 percent. Los Alamos County employment contracted by 3.9 percent from a year earlier, the largest decline statewide, with Taos, at 2.1 percent, recording the highest rate of growth in the Northern Region. All four Central Region counties grew by 0.2 percent, while the Southwestern Region's 2013 year-over-year increases ranged from 1.8 percent for Luna County to negative 2.6 percent for Socorro County.



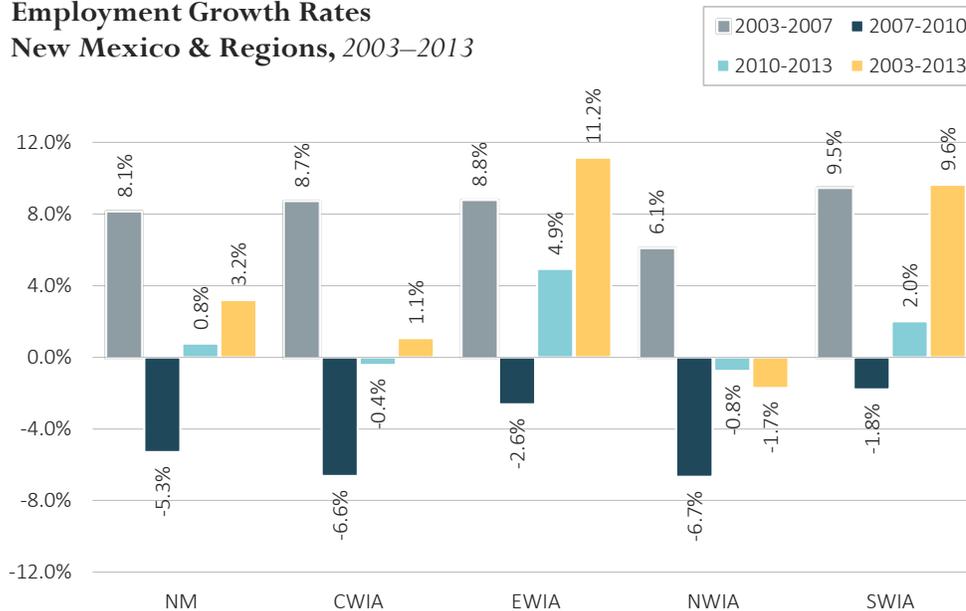
Source: U.S. Bureau of Labor Statistics estimates and NMDWS calculations

NEW MEXICO'S WORKFORCE

HOW IT'S GROWING



Employment Growth Rates
New Mexico & Regions, 2003–2013



Source: U.S. Bureau of Labor Statistics estimates and NMDWS calculations

Bright spots and areas of continued focus

New Mexico's employment growth, after exceeding the U.S. rate in the years preceding the recession, during the recovery has been lower than the national average and the rates for surrounding states. Growth in the Eastern Region, primarily centered on oil and gas activities in the Permian Basin, has been a key driver of employment gains, but continued contraction in the Central and Northern regions prevented any significant improvement in statewide conditions. Southwestern employment levels, while positive, have been minimal since the area's economy entered recovery.

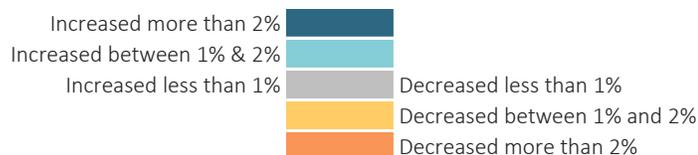
NEW MEXICO'S WORKFORCE

HOW IT'S GROWING

Over-the-Year Employment Changes
New Mexico's Counties by Region, 2007–2013



Source: U.S. Bureau of Labor Statistics estimates and NMDWS calculations



NEW MEXICO'S WORKFORCE

HOW IT'S GROWING

Unemployment Growth

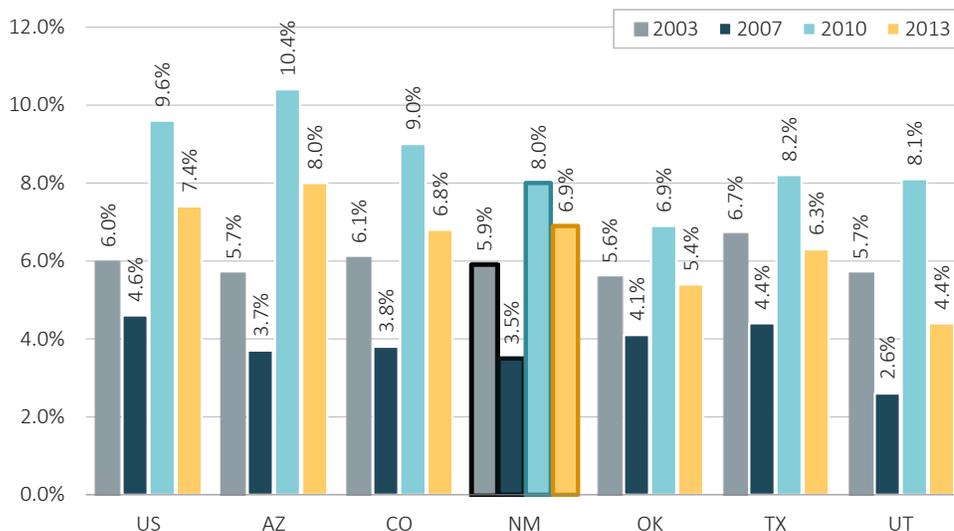
New Mexico's unemployment rate increased more sharply than the national average during the recession and decreased more gradually during early recovery.

Unemployment rates for the U.S. and the six neighboring southwest states were remarkably similar prior to the last business cycle peak, ranging in 2003 from a high of 6.7 percent in Texas to a low of 5.6 percent in Oklahoma. New Mexico's rate, at 5.9 percent, was nearer the low end. From 2003 through 2007, joblessness fell more sharply in New Mexico, to 3.5 percent, than in any of the other states except Utah, where it dipped from 5.7 percent to 2.6 percent. Between 2007 and 2010, the national unemployment rate more than doubled, from 4.6 percent to 9.6 percent, and all six neighboring states also posted large gains, with New Mexico's increase, from 3.5 percent to 8.0 percent, ranking near the middle. During the 2010–2013 recovery, New Mexico's unemployment rate fell to 6.9 percent, a more gradual decline than for its neighbors and the nation as a whole.

The Central Region's unemployment rate was lower than the statewide level for 2003 (5.5 percent to 5.9 percent) and 2007 (3.4 percent to 3.5 percent) before recessionary impacts reversed the relationship, with the Central Region's rate moving higher than New Mexico's for 2010 (8.3 percent to 8.0 percent) and 2013 (7.2 percent to 6.9 percent). Eastern Region joblessness was lower than the statewide rate for all four years (2003, 5.7 percent; 2007, 3.0 percent; 2010, 6.6 percent; and 2013, 5.2 percent). Conversely, the Southwestern Region's unemployment rate exceeded the statewide level for all four years (7.7 percent, 4.3 percent, 8.7 percent, and 8.1 percent).

County-level 2007–2010 unemployment rate changes provide additional detail on recessionary effects. In the Southwestern Region, Luna County, which regularly posts the state's highest

Unemployment Rates
New Mexico & Neighboring States, 2003–2013



Source: U.S. Bureau of Labor Statistics

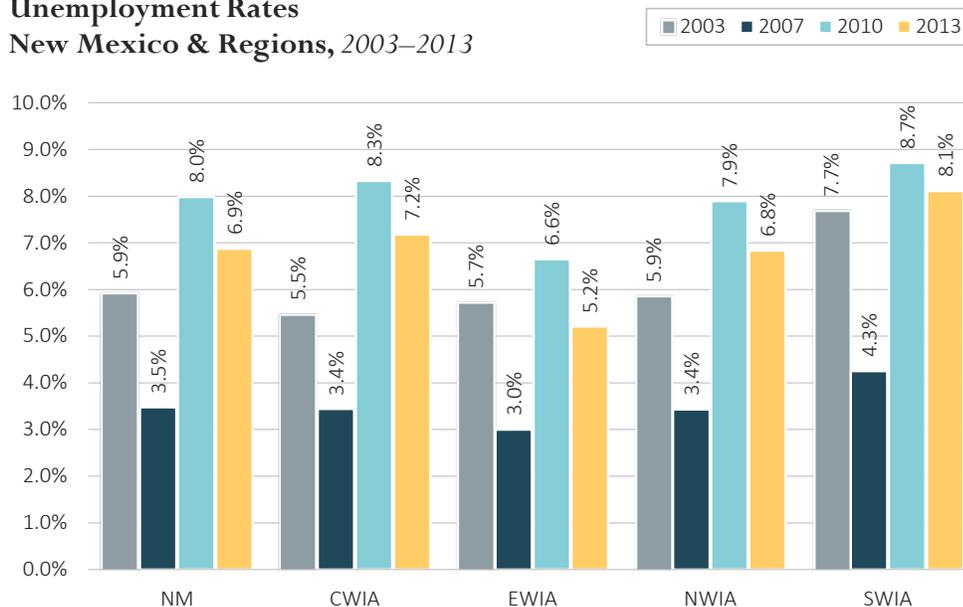
NEW MEXICO'S WORKFORCE

HOW IT'S GROWING

unemployment rate, registered the largest increase, at 8.4 percentage points, from 9.4 percent to 17.8 percent. Grant County's rate nearly tripled, from 3.5 percent to 10.2 percent, a 6.7 percentage point increase. Socorro County's change, at 2.7 percentage points, from 3.0 percent to 5.7 percent, was the region's smallest. The Northern Region's largest increase came in Mora County, up 7.5 percentage points, from 7.3 percent to 14.8 percent. Los Alamos County recorded the smallest increase, at 1.4 percentage points, from 2.0 percent to 3.4 percent. Central Region changes ranged from 5.9 points for Valencia County, from 3.6 percent to 9.5 percent,

to 4.8 points for both Bernalillo County, from 3.3 percent to 8.1 percent, and Sandoval County, from 4.0 percent to 8.8 percent. Lea County's unemployment rate more than tripled, from 2.3 percent to 7.4 percent, up 5.1 percentage points, representing the Eastern Region's largest change. Its smallest was De Baca County's increase of 2.0 points, from 3.6 percent to 5.6 percent.

Unemployment Rates
New Mexico & Regions, 2003–2013



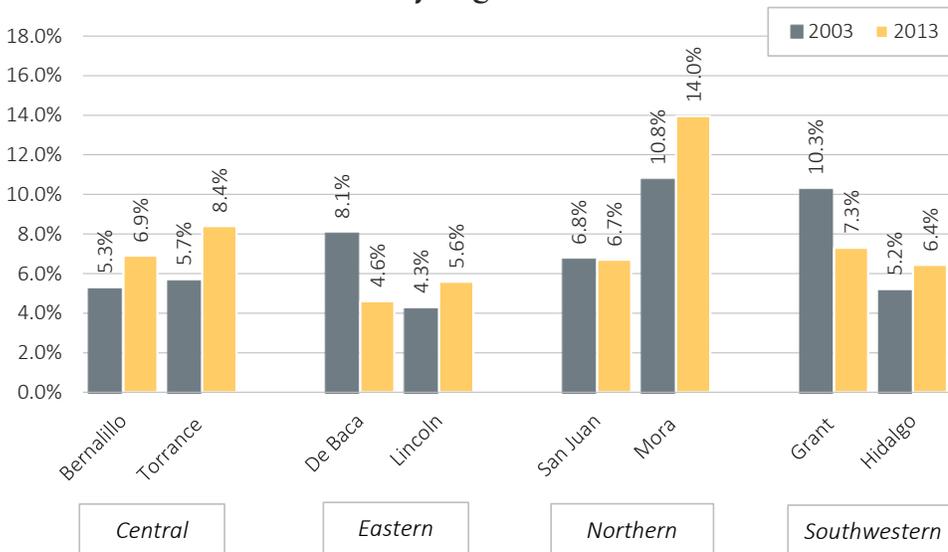
Source: U.S. Bureau of Labor Statistics estimates and NMDWS calculations



NEW MEXICO'S WORKFORCE

HOW IT'S GROWING

Unemployment Rates for Counties with Largest/Smallest Increases
Select New Mexico Counties by Region, 2003–2013



Source: U.S. Bureau of Labor Statistics estimates and NMDWS calculations

During the 2010–2013 recovery, joblessness declined for nearly every county as the statewide unemployment rate decreased 1.1 percentage points, from 8.0 percent to 6.9 percent. Only three counties, all in the Northern Region, posted increases: Los Alamos, 3.4 percent to 4.0 percent; McKinley, 9.2 percent to 9.3 percent; and Rio Arriba, 8.2 percent to 8.3 percent. The largest decrease for the Northern Region occurred in San Juan County, where the rate dipped 2.4 percentage points, from 9.1 percent to 6.7 percent. Central Region unemployment rate changes ranged from

negative 1.7 percentage points for Valencia County, from 9.5 percent to 7.8 percent, to negative 0.8 point for Sandoval County, from 8.8 percent to 8.0 percent. The widest spread in rate changes occurred in the Eastern Region, with Lea County down 3.3 points, from 7.4 percent to 4.1 percent, and Curry County down just 0.2 point, from 5.3 percent to 5.1 percent. Grant County, down 2.9 percentage points, from 10.2 percent to 7.3 percent, posted the largest Southwestern Region decline, while Sierra County, down 0.1 point, from 6.3 percent to 6.2 percent, tallied the smallest.

Bright spots and areas of continued focus

New Mexico's labor market recovery has been gradual, with the unemployment rate declining more slowly than in neighboring states and for the nation as a whole. With lagging employment growth, the New Mexico unemployment rate decline was due mostly to a large number of the unemployed exiting the labor force. The state's economy has been boosted by oil and gas activity in southeastern New Mexico's portion of the Permian Basin, but continued recovery of the state's labor market will require more broad improvement, with multiple sectors creating employment opportunities that expand the labor force.

NEW MEXICO'S WORKFORCE

INDUSTRIES, OCCUPATIONS & WAGES

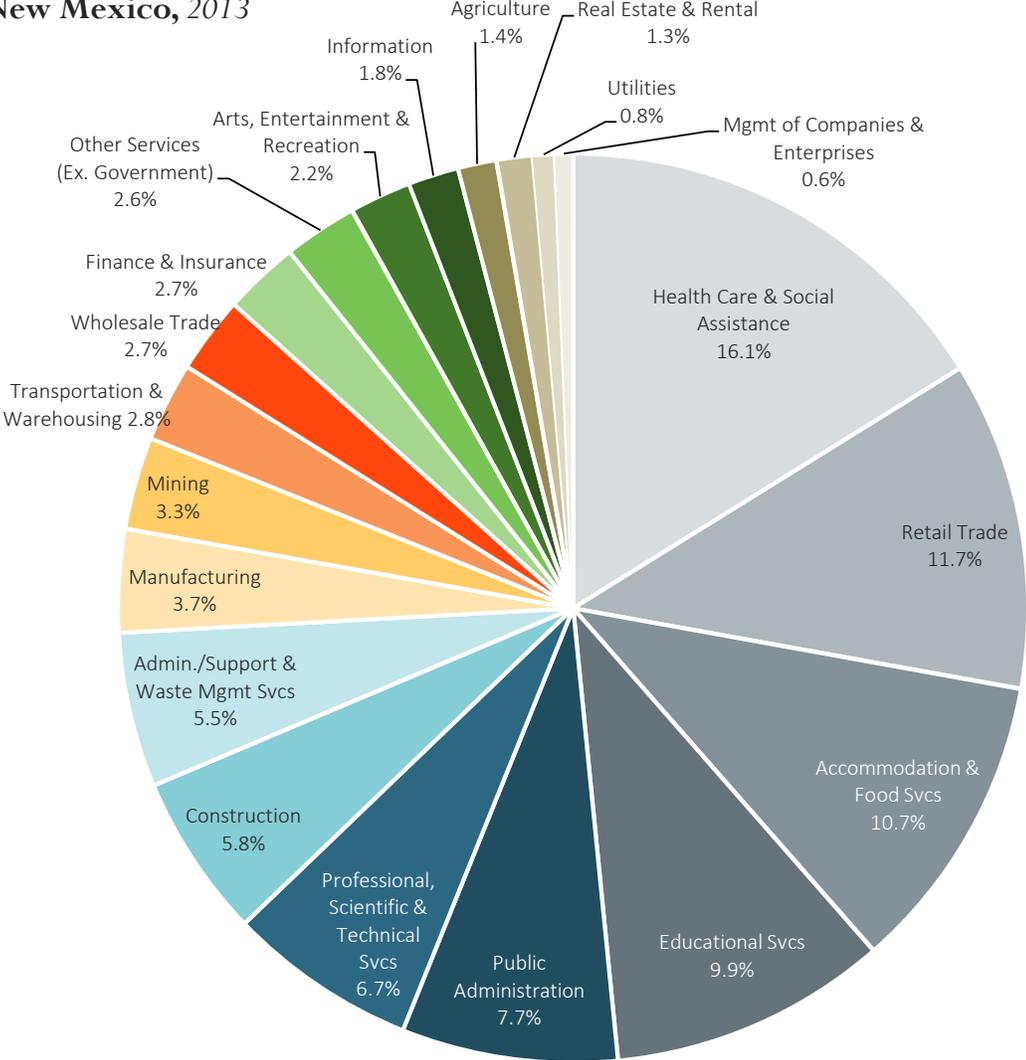
Employment in New Mexico's Industries

The health care industry has shown the largest growth in all regions throughout New Mexico, except the Eastern Region, where mining has shown the largest and fastest growth.

In 2013, nearly one in every six New Mexico jobs (16.1 percent) was in the health care industry, making it the top employing industry within the state and all regions. Retail trade, accommodation and food services, and educational

services followed health care, with a combined share of total employment amounting to 32.3 percent. These top four employing industries account for almost half of the jobs within New Mexico.

Industry Distribution
New Mexico, 2013

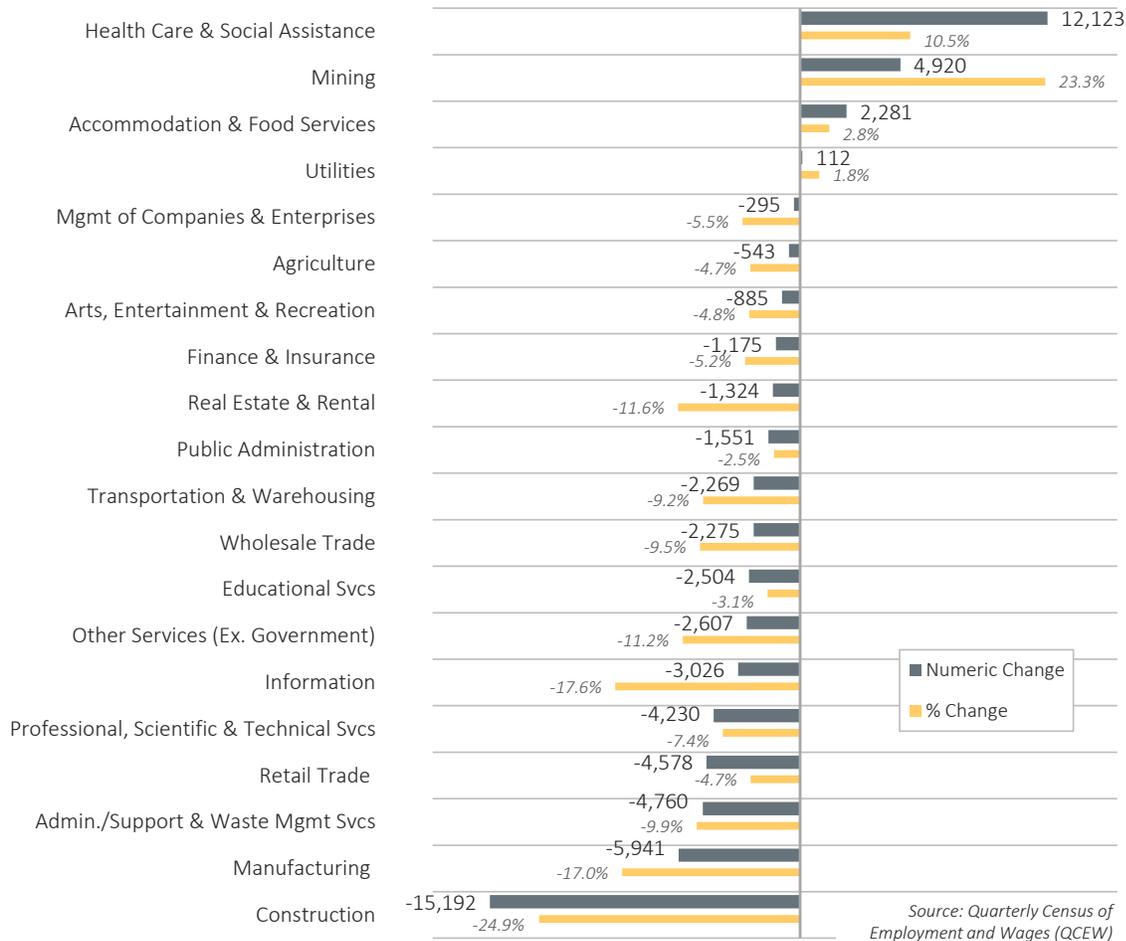


Source: Quarterly Census of Employment and Wages (QCEW)

NEW MEXICO'S WORKFORCE

INDUSTRIES, OCCUPATIONS & WAGES

Industry Employment Growth New Mexico, 2008–2013



Four industries saw positive growth between 2008 and 2013. Health care had the largest share of employment and added the most jobs between 2008 and 2013. During this period, 12,123 new jobs were added, representing 10.5 percent growth. Mining, though it only represented 3.3 percent of total employment in 2013, was the fastest growing industry in the state over the same period. Between 2008 and 2013 the industry expanded by 23.3 percent, adding 4,920 new jobs, representing the second largest number of new jobs added across all industries. Accommodation and food services,

which employed 10.7 percent of working New Mexicans in 2013, also saw positive growth. The industry added 2,281 new jobs, a 2.8 percent increase, between 2008 and 2013. Utilities, which employed 0.8 percent of working New Mexicans in 2013, added 112 jobs, a 1.8 percent increase, between 2008 and 2013. Several industries saw employment decline between 2008 and 2013. Manufacturing and construction faced the largest losses, totaling 21,133, with construction contracting the fastest (by 24.9 percent).

NEW MEXICO'S WORKFORCE

INDUSTRIES, OCCUPATIONS & WAGES

Industry employment distribution in New Mexico's regions reflects that of the state as a whole. In 2013, health care was the top employing industry in every region. Retail trade made up the second largest share of employment in all regions except the Southwestern Region of the state, where educational services has the second largest share of

employment. Employment in mining made up a significant share of the Eastern Region's total employment, whereas employment in accommodation and food services composed a large share of total employment in the Northern and Central regions.

Largest and Fastest Growing Industries New Mexico's Regions, 2008–2013

CENTRAL		NORTHERN	
Largest Growth	Fastest Growth	Largest Growth	Fastest Growth
Health Care & Social Assistance Public Administration Accommodation & Food Services Utilities Arts, Entertainment, and Recreation	Utilities Mining Health Care & Social Assistance Public Administration Arts, Entertainment, and Recreation	Health Care & Social Assistance Accommodation & Food Services Agriculture Mining	Agriculture Health Care & Social Assistance Accommodation & Food Services Mining
EASTERN		SOUTHWESTERN	
Largest Growth	Fastest Growth	Largest Growth	Fastest Growth
Mining Retail Trade Accommodation & Food Services Admin./Support & Waste Mgmt Svcs Manufacturing	Mining Utilities Accommodation & Food Services Retail Trade Admin./Support & Waste Mgmt Svcs	Health Care & Social Assistance Accommodation & Food Services Professional, Scientific & Technical Svcs Mining Utilities	Health Care & Social Assistance Utilities Mining Professional, Scientific & Technical Svcs Accommodation & Food Services

Source: Quarterly Census of Employment and Wages (QCEW)
Only four industries experienced growth between 2008 and 2013 within the Northern Region.

Industry-level employment growth data is often suppressed for New Mexico's regions and counties, so specific data is not provided in this report. The largest and fastest growing industries are listed based on growth between 2008 and 2013. Health care was the largest growth industry for all regions except the Eastern Region, where mining showed the

largest and fastest growth. Both utilities and mining were in the top three fastest growing industries for all regions, except the Northern Region. Agriculture, forestry, fishing, and hunting was the fastest growing industry within the Northern Region.

Bright spots and areas of continued focus

Employment within New Mexico declined by about 4.1 percent between 2008 and 2013, with a loss of approximately 33,700 jobs. The health care industry is a bright spot within New Mexico, in terms of employment distribution as well as fast and numerically substantial job growth. The mining industry has also been providing increasingly good employment opportunities; growth of around 23.3 percent between 2008 and 2013 exceeded the next highest growth rate by 12.8 percentage points, but growth is concentrated in the southeastern counties. Of New Mexico's top five employing industries, health care and accommodation and food services experienced positive employment growth between 2008 and 2013. Retail trade, educational services, and public administration, the remaining industries within the top five, along with many other industries, experienced job losses over the period. Construction suffered the largest loss of employment and lost those jobs more quickly than other industries, illustrating the significant impacts of the 2007 to 2009 recession and slow recovery.

NEW MEXICO'S WORKFORCE

INDUSTRIES, OCCUPATIONS & WAGES

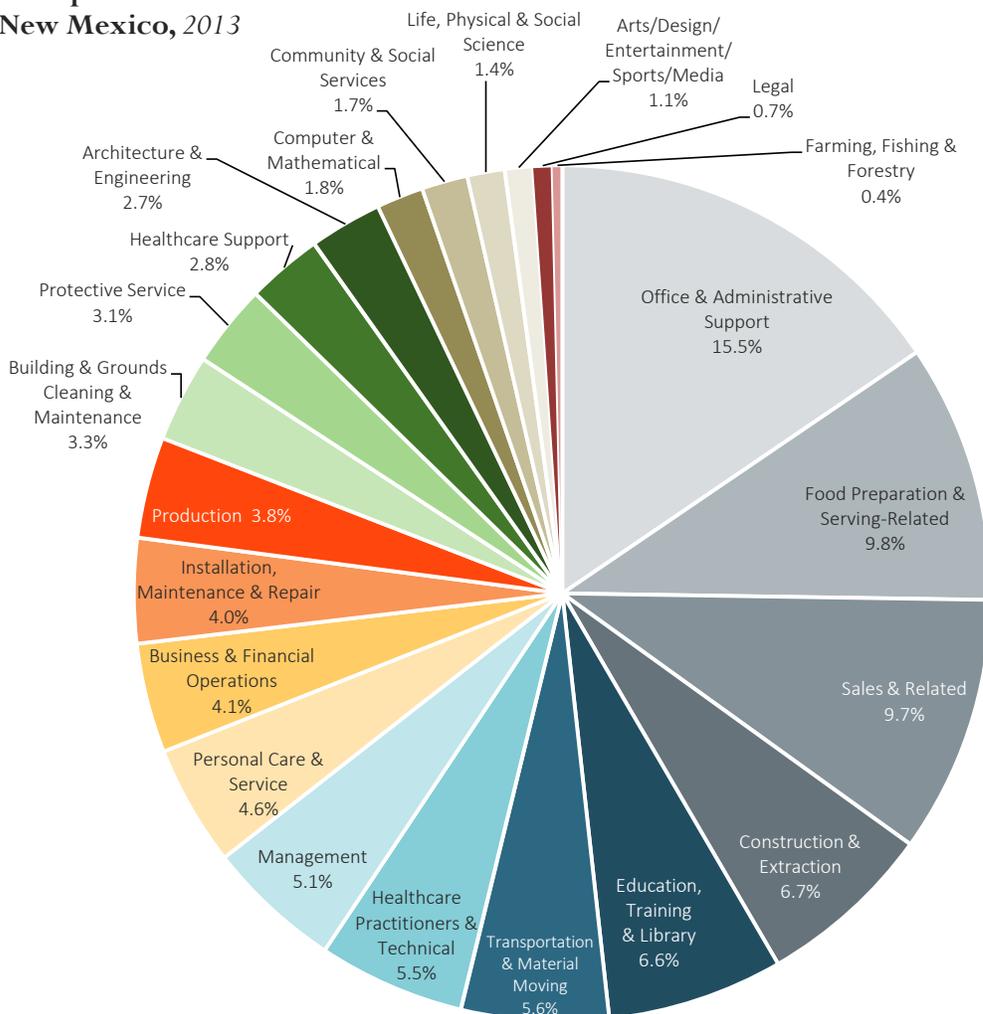
Occupational Employment of the Workforce

A fourth of New Mexico's workforce is employed in office and administrative support or sales and sales-related occupations. The highest paying occupational groups were in the management and architecture and engineering occupational fields.

In 2013, sales and administrative occupations accounted for a fourth of all New Mexico jobs. Employment in office and administrative support occupations, the group with the highest share of all employment, made up 15.5 percent of all New Mexico jobs. Sales and sales-related occupations and food preparation and serving occupations each contributed about 10 percent of total employment. Forty-eight percent of all employment in New Mexico fell within

the top five employing occupational categories. Of the top five occupational groups, education, training, and library (6.6 percent) was the only occupation that paid an average wage above the all-occupation average. The only occupational group within the top five that did not fall within sales, service, or office-related occupations was construction and extraction.

Occupational Distribution
New Mexico, 2013



Source: Occupational Employment Statistics (OES) program

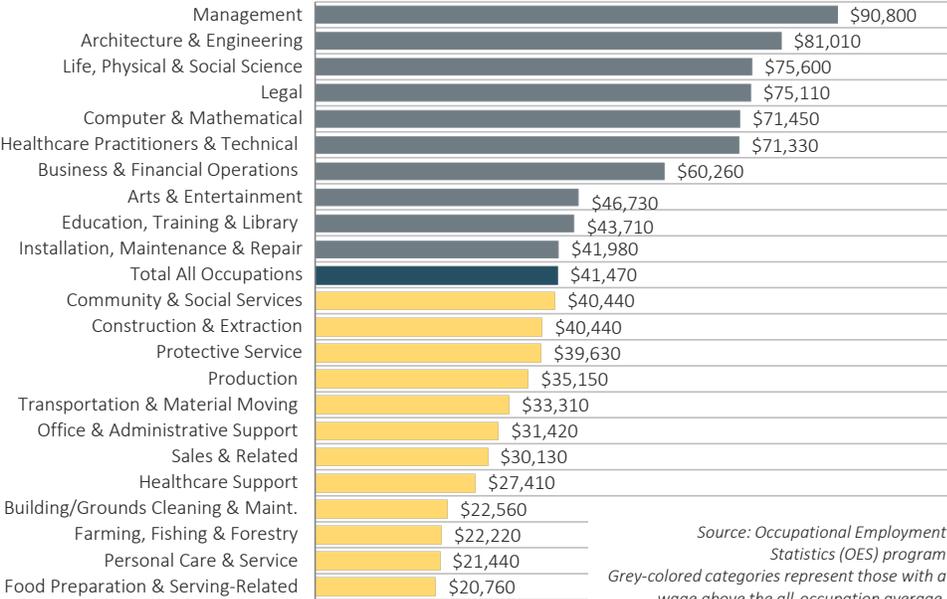
NEW MEXICO'S WORKFORCE

INDUSTRIES, OCCUPATIONS & WAGES

The highest paying occupational groups were management (5.1 percent of total employment) and architecture and engineering (2.7 percent of total employment), with mean wages of \$90,800 and \$80,010, respectively. Education, training, and library occupations accounted for 6.6 percent of total employment, with a mean wage of \$43,710. While it was not the highest paying occupational group, the mean wage was above the total all-occupational mean wage. Architecture and engineering; life, physical, and social science; and

computer and mathematical groups fall within STEM (science, technology, engineering, and mathematics) occupations and made up approximately 6 percent of employment. The mean wages of STEM jobs were all above the total all-occupation mean wage. The other five occupational groups paying higher than the all-occupation average had a combined share of total occupational employment of 16.8 percent.

Mean Wage of Occupations
New Mexico, 2013



Bright spots and areas of continued focus

Though office-based and sales-related occupations have lost many jobs since 2007, they still held the highest share of the occupational distribution in 2013. Healthcare and education are bright spots in that their share of total employment has increased and they both offer higher than average wages. Healthcare jobs were less impacted by the recession and have recently experienced growth. Healthcare and education are also projected to continue providing some of the most lucrative employment options in the future.

NEW MEXICO'S WORKFORCE

SKILLS & EDUCATION

Educational Attainment of the Population & Labor Force

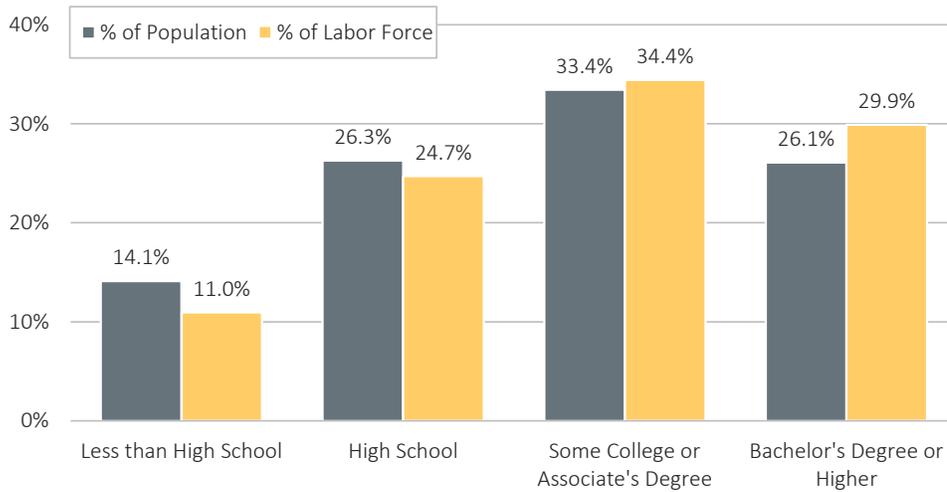
New Mexico's education attainment was lower, on average, than surrounding states and the nation. New Mexico's average freshman graduation rates were the lowest compared to surrounding states and the nation.

In 2013, New Mexico was home to a less educated populace than the surrounding states and the nation, on average. About 86 percent of the general population and 89 percent of the labor force had at least a high school degree or equivalent, meaning that 11 percent of the labor force had not attained that level of education. This is higher than the national average of 9.4 percent. Additionally, 29.9 percent of

the New Mexico labor force had earned a bachelor's degree or higher level of education. This is lower than the national average of 34.6 percent and is the second lowest in the region; Oklahoma has the smallest share of the labor force holding a bachelors or more, at 28.2 percent.

New Mexico's labor force, however, may be suited to the

Educational Attainment for the Population & Labor Force
New Mexico, 2013



Source: U.S. Census Bureau, American Community Survey, 2013 1-Year Estimates, Table B23006: Educational Attainment by Employment Status for the Population 25 to 64 Years. Data is for civilian labor force (population 25 to 64), as military has specific educational requirements that may impact analysis.

demands and needs of the state's employers, at least when it comes to educational attainment. Although nearly 30 percent of New Mexico's workforce had earned a bachelor's degree or higher as of 2013, only 16.5 percent of jobs within the state actually required that level of education upon entry into the job (as of 2012). A number of workers, therefore, may

be employed in positions that do not demand the degree of education they have earned. It is important to note, however, that education level is not always reflective of the entire skill set needed for a particular position.

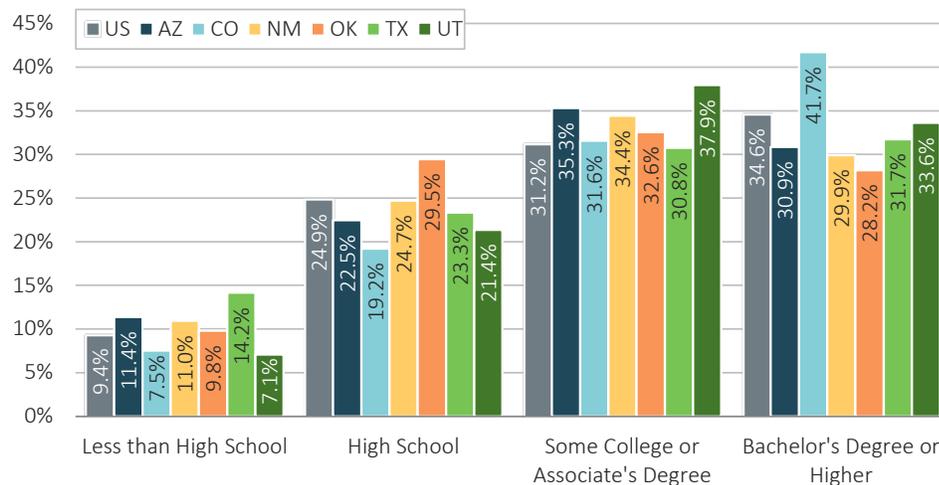
About two-thirds of New Mexico's jobs require a high school



NEW MEXICO'S WORKFORCE

SKILLS & EDUCATION

Educational Attainment of the Labor Force
New Mexico & Neighboring States, 2013



Source: U.S. Census Bureau, American Community Survey, 2013 1-Year Estimates, Table B23006: Educational Attainment by Employment Status for the Population 25 to 64 Years Data is for the civilian labor force (population 25 to 64); military has specific educational requirements that may impact analysis.

diploma/equivalent or less, based on standard occupational education requirements determined by the U.S. Department of Labor. Occupations with this education requirement are projected to add approximately 66,600 jobs between 2012 and 2022; this represents the largest numerical growth over the ten-year period when compared to jobs that have higher education requirements. However, the jobs which are projected to see the fastest rate of growth are jobs requiring a master's degree. Although these jobs will only expand by about 2,900 openings, this represents a high growth rate of 21.6 percent, given the smaller demand pool. Furthermore, jobs requiring a bachelor's degree are expected to grow at the rate of 12.6 percent, representing 17,500 new jobs.

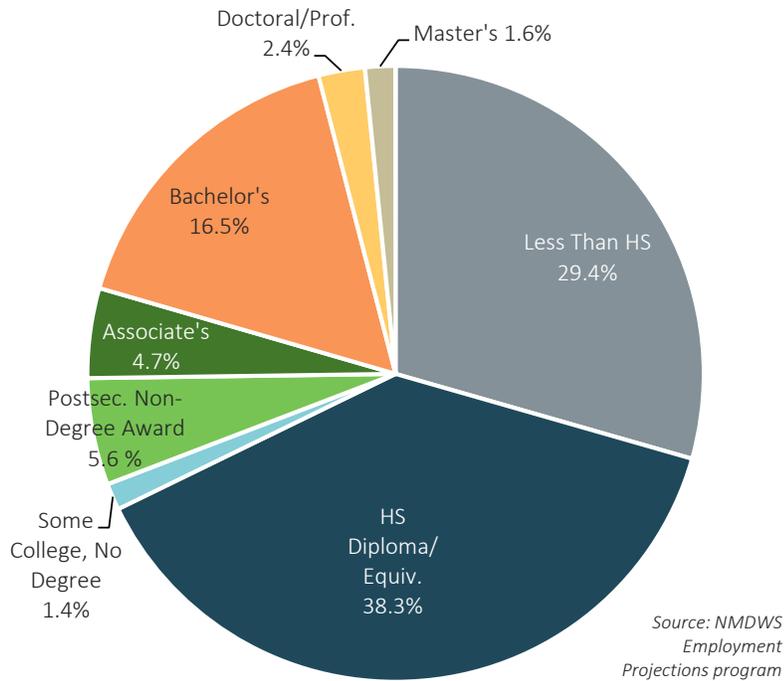
New Mexico struggles with below-average graduation rates. For the 2012–2013 school year, New Mexico was ranked forty-eighth of all reporting states in public high school graduation rates. This measures the percentage of students who graduate in four years with a high school diploma. New Mexico's graduation rate was 63 percent in the 2010–2011 school year, much less than the national average of 79 percent. New Mexico's rate did increase to 70 percent in the 2012–2013 school year, but it still fell short of the national average of 81 percent. New Mexico's graduation rates were the lowest of all neighboring states; neighboring states saw 75 to 88 percent of students graduate.



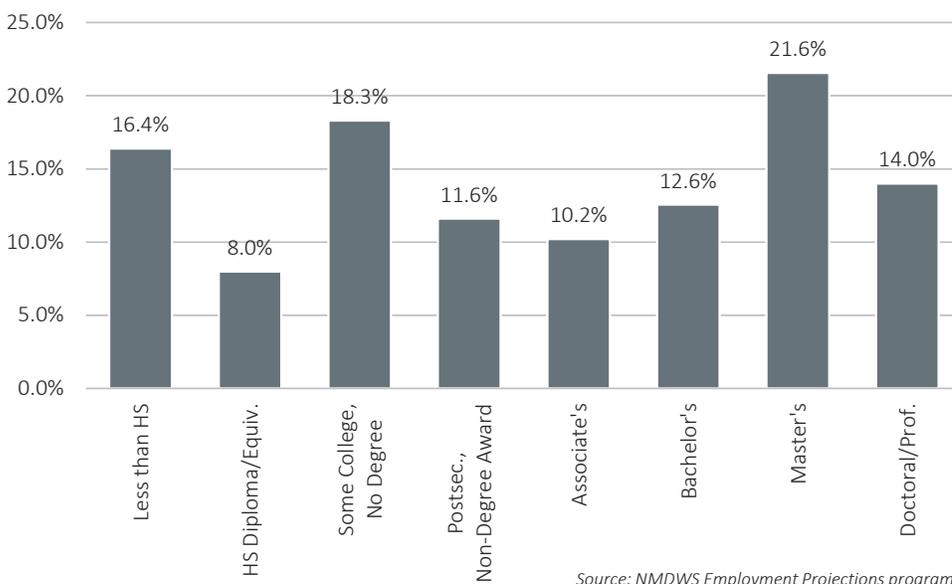
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Employment by Educational Requirement
New Mexico, 2012



Employment Growth by Educational Attainment Required
New Mexico, 2012–2022

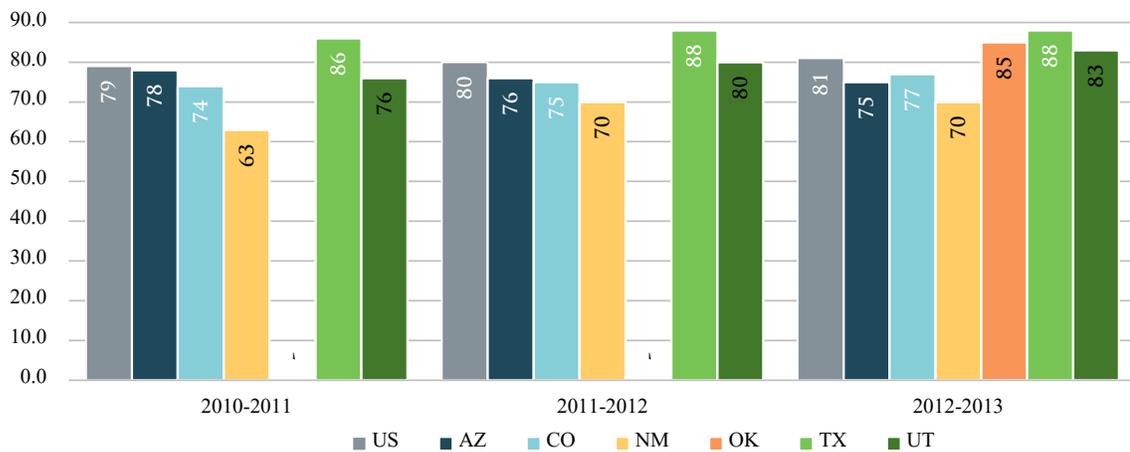


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SKILLS & EDUCATION



Graduation Rate New Mexico, 2010-2013



Source: National Center for Education Statistics

The adjusted cohort graduation rate (ACGR) represents an estimate of the percentage of students who graduate in 4 years with a high school diploma.

Note: Oklahoma rates are not available for the 2010-2011 and 2011-2012 school years.

Education and continuing challenges

The educational attainment of the labor force is one of the most important factors in the continuing economic development of the state and its business environment. Businesses that seek to recruit highly educated professionals look to put down roots in states and communities that support a labor force with the requisite education level. New Mexico may currently be positively situated in equilibrium, wherein the majority of jobs do not require a bachelor's degree or higher and, in turn, the majority of the labor force has not attained one. Projected economic trends, however, threaten this state of balance. Jobs requiring a bachelor's degree or higher are projected to grow faster than jobs requiring a high school degree or less. Policy makers and educators should continue to focus their efforts on improving high school graduation rates and educational attainment, in general, to ensure that the future workforce can serve as a major asset in the attraction and development of new businesses alongside improving the employment opportunities for New Mexico's workers.

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THE FUTURE WORKFORCE

Projected Employment Growth in New Mexico's Industries

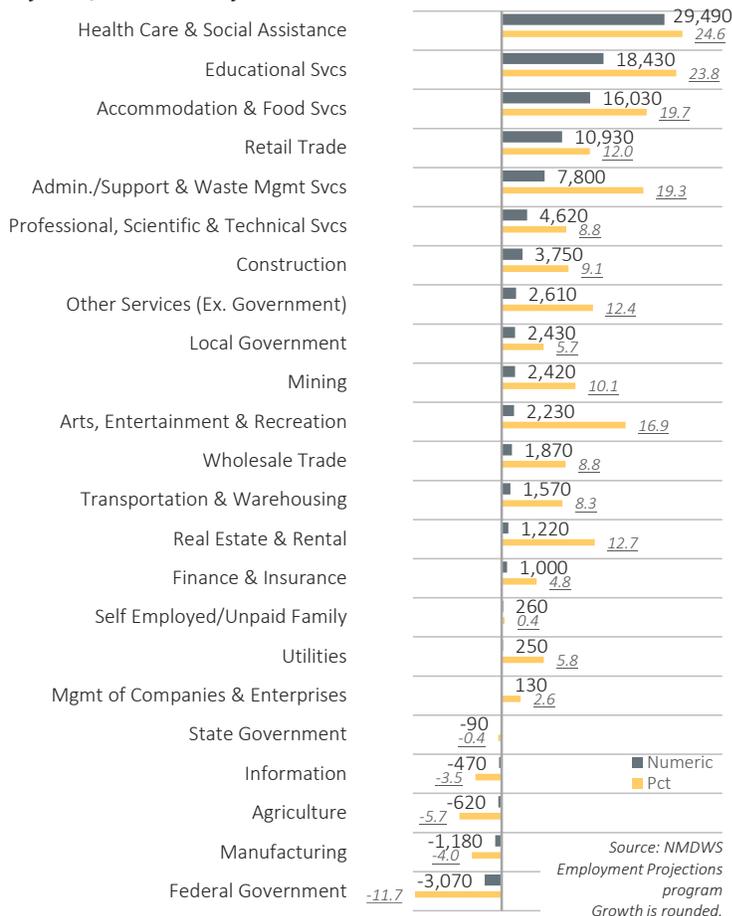
The health care and social assistance and educational services industries once again lead the way in projected employment growth. Employment is projected to increase by more than 23 percent in each industry, with growth in both combined exceeding 47,000 and representing nearly half of all projected employment growth in the state.

Employment in New Mexico is projected to increase from approximately 845,380 to 946,990 between 2012 and 2022; this represents growth of 12.0 percent, or roughly 101,610 jobs. Growth is anticipated to create approximately 30,540 job openings per year, of which 35 percent (10,780) are

projected to be new job openings from growth, while the remaining 65 percent (19,760) are projected to come from the need to replace workers leaving their occupation (e.g., retirement, occupational change).

Projected Employment Growth by Major Industry, 2012–2022

New Mexico



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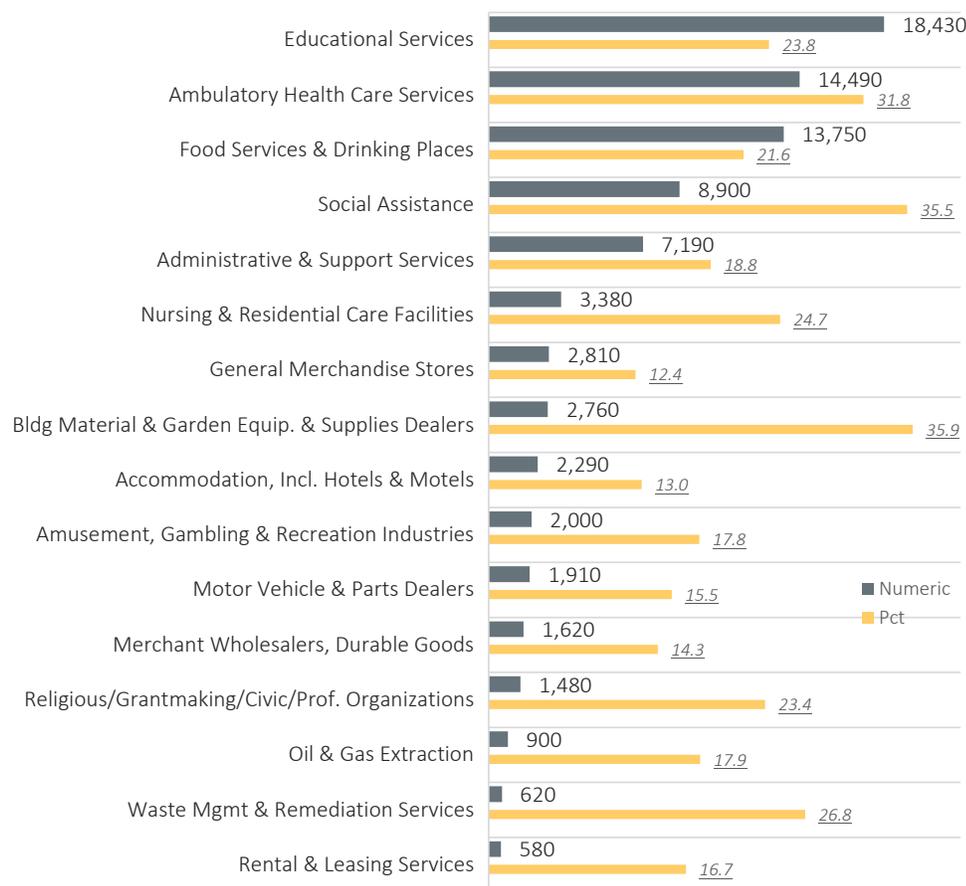
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The health care and social assistance and educational services industries are anticipated to provide the largest number of new jobs, with employment projected to grow by 29,490 (24.6 percent) and 18,430 (23.8 percent), respectively, over the ten-year period. Accommodation and food services; administrative, support, and waste management services; and arts, entertainment, and recreation are each projected to see their employment increase by over 16 percent. Of the 23 major industries for which employment projections are produced, five are projected to see a decline in employment, with the federal government and manufacturing industries experiencing the largest numeric losses.

NMDWS also produces industry employment projections for nearly 100 industry subsectors. Educational services leads all subsectors in projected employment growth. The major educational services industry only includes this one subsector, partially explaining why it leads other subsectors. Three of the four subsectors within health care and social assistance can be found in the top 16 growth subsectors, including ambulatory health care services; social assistance; and nursing and residential care facilities. In fact, these three subsectors fall within the top six with respect to employment growth and the top five with respect to rate of growth. Building material and garden equipment and supplies dealers is projected to see the fastest growth of all 16 subsectors shown (35.9 percent).

Industry Subsectors Projected to Grow the Most and Fastest, 2012–2022

New Mexico



Source: NMDWS Employment Projections program
Growth is rounded.
Only includes industries with 2012 employment greater than 380.

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Projected Employment Growth in New Mexico's Substate Areas

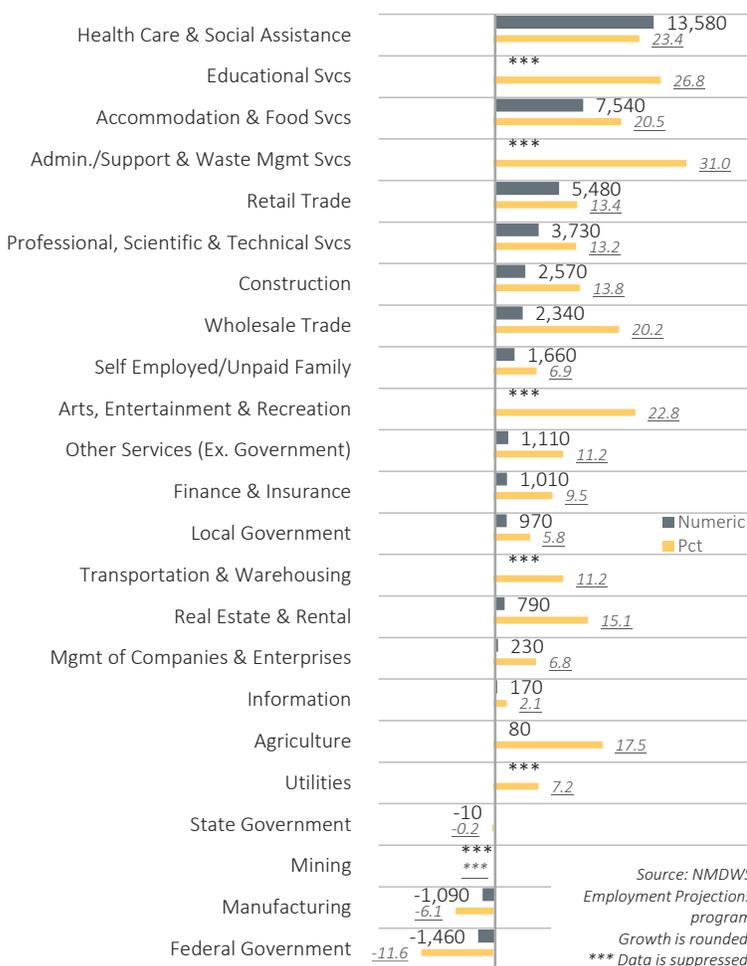
NMDWS prepares industry and industry subsector employment projections for New Mexico's four MSAs and four regions (with the Albuquerque MSA and Central Region representing the same geography). While large industries are similar across all substate areas, projected employment growth, and how strong it may or may not be, can be unique to specific areas.

Central Region/Albuquerque MSA

The Central Region and Albuquerque MSA represent the same geography and, therefore, the same economic data. The economy is expected to generate about 56,730 new jobs through the year 2022, with employment increasing from 379,740 to 436,470 (rounded). This represents a growth rate of about 14.9 percent, which is higher than that of the state. With over 40 percent of the labor force located in the Central Region (as of 2013), projected employment growth trends reflect, to a large degree, those of the state as a whole. Health care and social assistance and educational services are projected to see the largest and some of the fastest employment growth. Many industries are projected to grow faster in the Central Region/Albuquerque MSA than in the state. When analyzing both growth rate and numeric growth (as a percentage of industry statewide growth), a few industries stand out as being particularly strong, including self-employed and unpaid family workers; wholesale trade; finance and insurance; management of companies and enterprises; administrative support and waste management services; and arts, entertainment, and recreation. The agriculture industry is very small in the Central Region/Albuquerque MSA, but is expected to grow. The Northern Region is the only other region projected to experience employment growth in this industry.

Projected Employment Growth by Major Industry, 2012–2022

**Central Region/
Albuquerque MSA**



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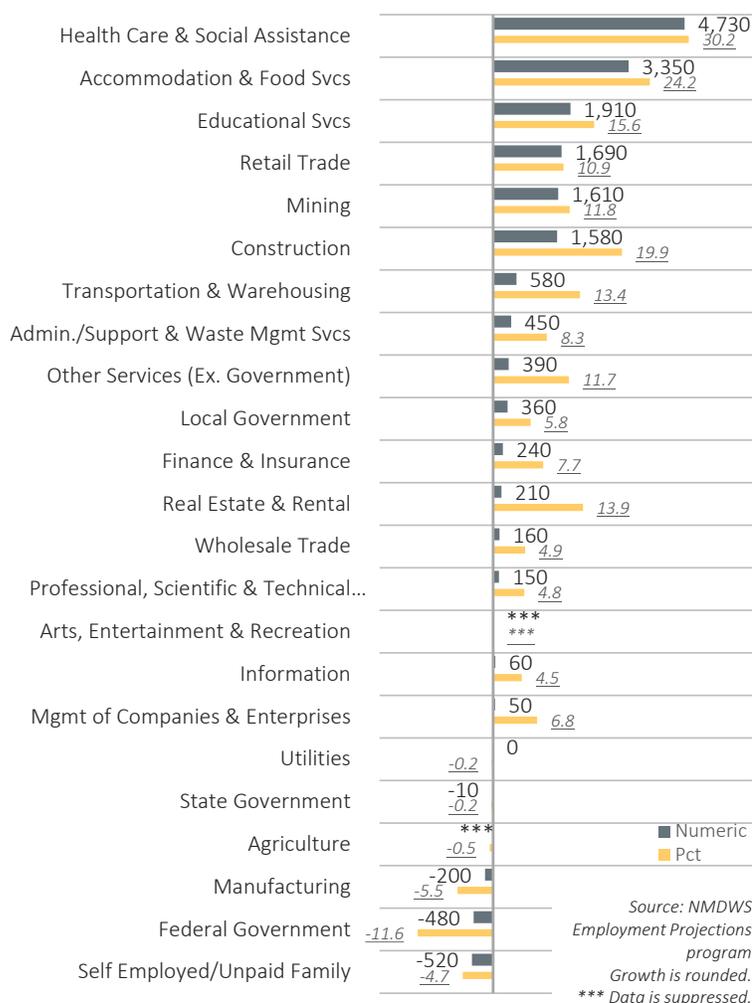
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Eastern Region

The Eastern Region, which does not house an MSA, is projected to experience employment growth of about 11.7 percent, or 16,370 jobs, over the projection period; this rate is slower than that of the state. Employment is projected to increase from approximately 139,730 to 156,100 (rounded). The health care and social assistance and accommodation and food services industries are projected to see the largest and fastest employment growth. Mining, construction, and transportation and warehousing are industries of strength

in the region, as they are projected to experience faster employment growth than at the state level, and projected employment growth represents a decent amount of total industry growth statewide. Close to half of all gross projected employment growth in the mining industry is anticipated to occur in the Eastern Region; this measure does not take into consideration losses in other substate areas. The growth in construction and transportation and warehousing is likely tied to such growth.

Projected Employment Growth by Major Industry, 2012–2022 **Eastern Region**



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Northern Region and Farmington and Santa Fe MSAs

The Northern Region, which includes the Farmington and Santa Fe MSAs, is projected to see employment grow from about 200,840 to 233,090, representing 32,250 new jobs (rounded) and growth of 16.1 percent. The region is projected to see its employment grow more quickly than any other New Mexico region and all of its MSAs. Interestingly, a large portion of this growth is projected to occur in the non-MSA areas of the north.

Health care and social assistance and accommodation and food services top the list of industries for largest projected

growth. Employment in many industries is expected to grow more quickly than at the state level. Industries projected to grow faster in the north than at the state level and for which employment growth makes up a decent share of industry growth statewide include the following: self-employed and unpaid family workers; mining; utilities; wholesale trade; information; administrative support and waste management services; other services; professional, scientific, and technical services; and manufacturing. Agriculture is also projected to grow, and only in the Northern and Central regions. The Northern Region is unique in that it's the only region that is projected to see an increase in employment in the manufacturing industry, although losses in other substate areas are projected to exceed such gains.

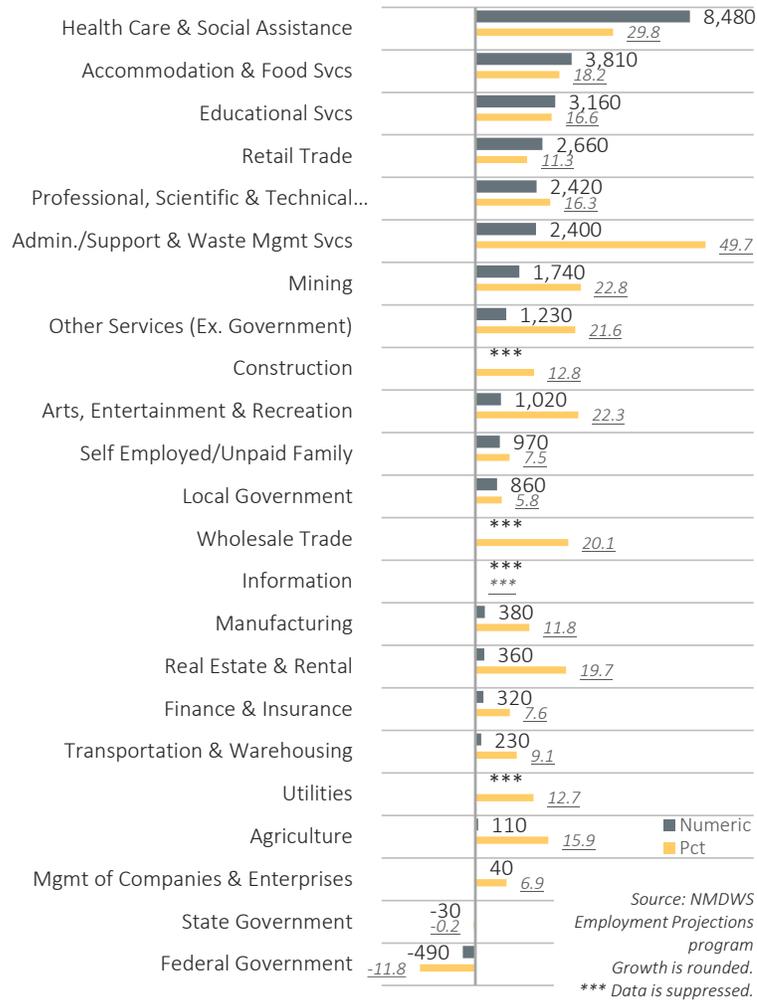


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Projected Employment Growth by Major Industry, 2012–2022

Northern Region



In the Northern Region, much of the employment growth over the ten-year period is projected to occur outside of the two MSAs. Employment in the Farmington MSA is projected to grow by 13.0 percent, or about 6,850 jobs, with employment increasing from 52,480 to 59,330 (rounded). Employment in the Santa Fe MSA is projected to grow by 8.7 percent, the slowest of all four MSAs, or about 5,670 jobs. Employment is projected to increase from 65,160 to about 70,830 (rounded). While employment is projected to grow more slowly in the MSAs than in the region as a whole, employment in the non-MSA areas is projected to grow much faster, driving the region's higher growth rate of 16.1 percent.



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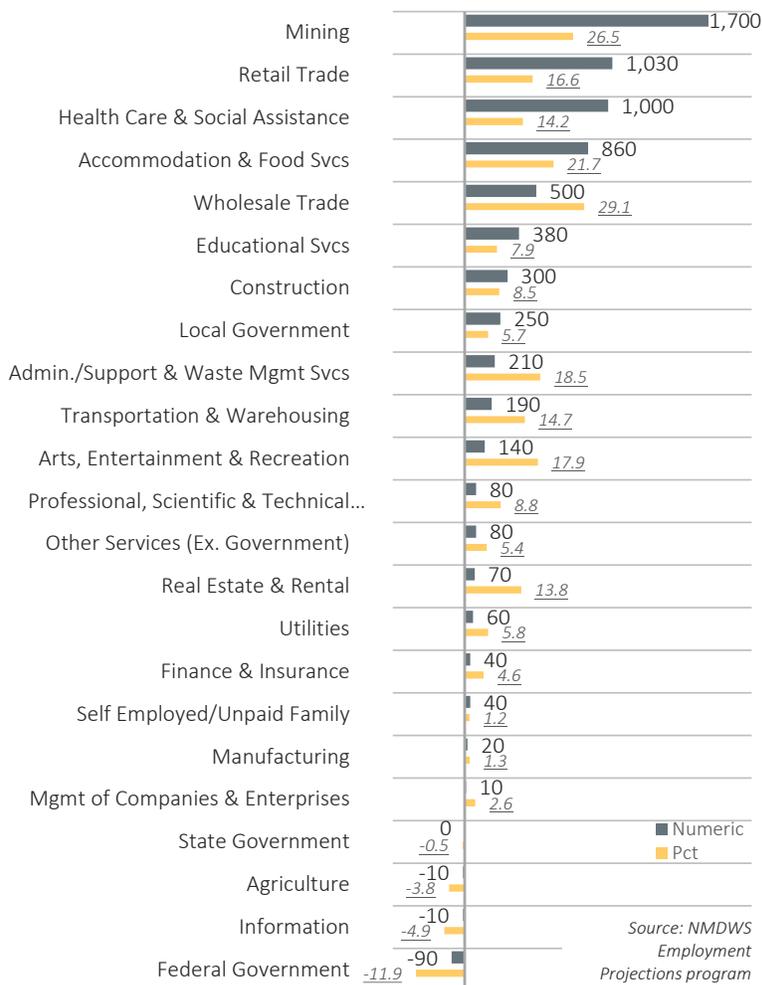
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The Northern Region's two MSAs do have some key areas of growth. Within the Farmington MSA, the mining, wholesale trade, and transportation and warehousing industries are projected to grow faster than at the state level, with numeric growth comprising a fair share of total industry growth statewide. The growth in these industries is largely related to mining operations in the San Juan Basin. Employment growth in mining in the Northern Region is almost entirely expected to come from growth within the Farmington MSA. Within the Santa Fe MSA, the construction, finance and insurance, and state government industries have strong projected employment prospects when evaluating rate of growth and share of statewide industry growth. The Santa Fe MSA is the only substate area that is projected to see employment grow in state government. Losses in state government in other substate areas are anticipated to outweigh such gains.

As mentioned before, growth in many industries is projected to be strongest in the non-MSA areas of the Northern Region. Three industries—agriculture, manufacturing, and information—are actually projected to experience their only employment growth outside of the two MSAs. Other key industries that have fast and significant growth, comparatively, include self-employed and unpaid family workers; utilities; professional, scientific, and technical services; administrative support and waste management services; and other services. In addition, the projected growth in health care and social assistance and arts, entertainment, and recreation stands out within the non-MSA areas.

Projected Employment Growth by Major Industry, 2012–2022

Farmington MSA



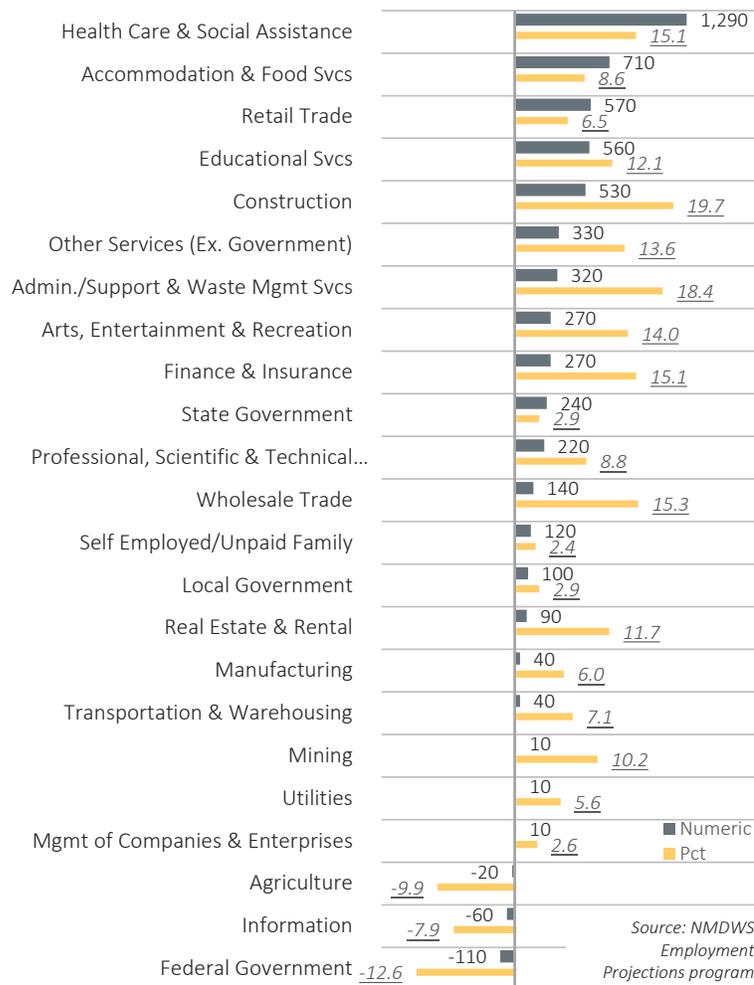
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Projected Employment Growth by Major Industry, 2012–2022

Santa Fe MSA



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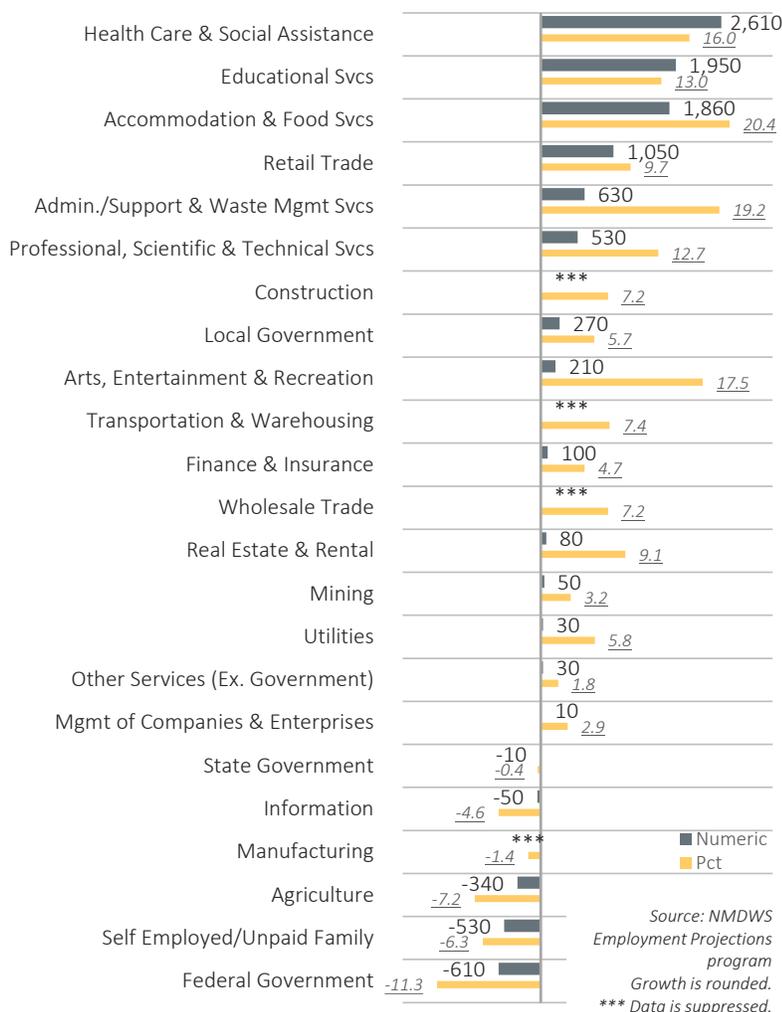
Southwestern Region and Las Cruces MSA

The Southwestern Region, which includes the Las Cruces MSA, is projected to see employment increase from about 105,780 to 114,140, representing 8,360 new jobs (rounded) and growth of 7.9 percent. This rate is the slowest of all regions and MSAs. Health care and social assistance and educational services are projected to experience the greatest

growth, although growth is slower than that which is anticipated to be seen at the state level. Many of the major industries are expected to grow more slowly in the Southwestern Region. Professional, scientific, and technical services is a key exception, with employment projected to grow by 12.7 percent and 530 jobs. This growth rate is 3.9 percentage points higher than that of the state.

Projected Employment Growth by Major Industry, 2012–2022

Southwestern Region



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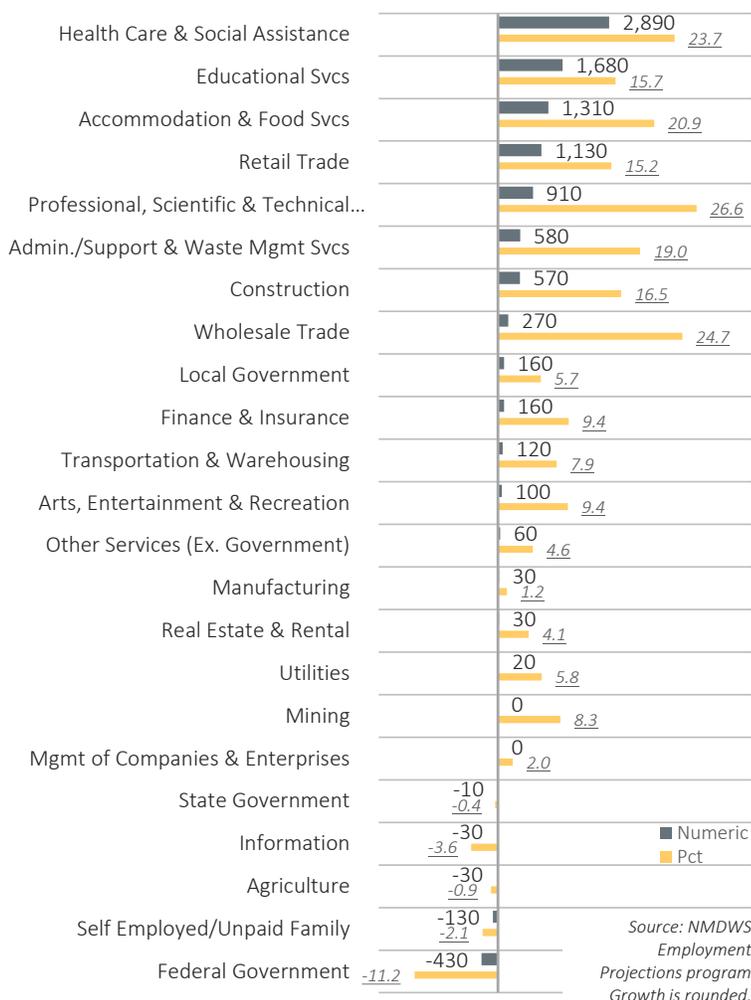
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The majority of growth in the Southwestern Region is projected to occur in the Las Cruces MSA, with employment increasing from 75,450 to 84,830, representing growth of 12.4 percent, or 9,380 new jobs (rounded). With this rate being much faster than that of the region as a whole, the non-MSA areas are anticipated to see significantly slower employment growth. Within the MSA, construction; professional, scientific, and technical services; wholesale trade; retail trade; and finance and insurance are all bright areas of growth, with growth rates greater than that seen at the state level and a large percentage of overall industry growth anticipated to occur within the area.



Projected Employment Growth by Major Industry, 2012–2022

Las Cruces MSA



Using industry employment projections

Employment projections are utilized by many stakeholders, such as policy makers, educators, and individuals, for a variety of purposes. Employment projections are used to develop, direct, and fund educational and training programs. For example, by identifying that there will be large gains in future job openings in health care, educational services, and accommodation and food services, policy makers and education and training program managers can make more informed decisions on how to allocate resources to meet future needs for these industries. On the other hand, job seekers can use projections to identify some of the best employment opportunities based on job growth, wages, and level of education required.

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THE FUTURE WORKFORCE

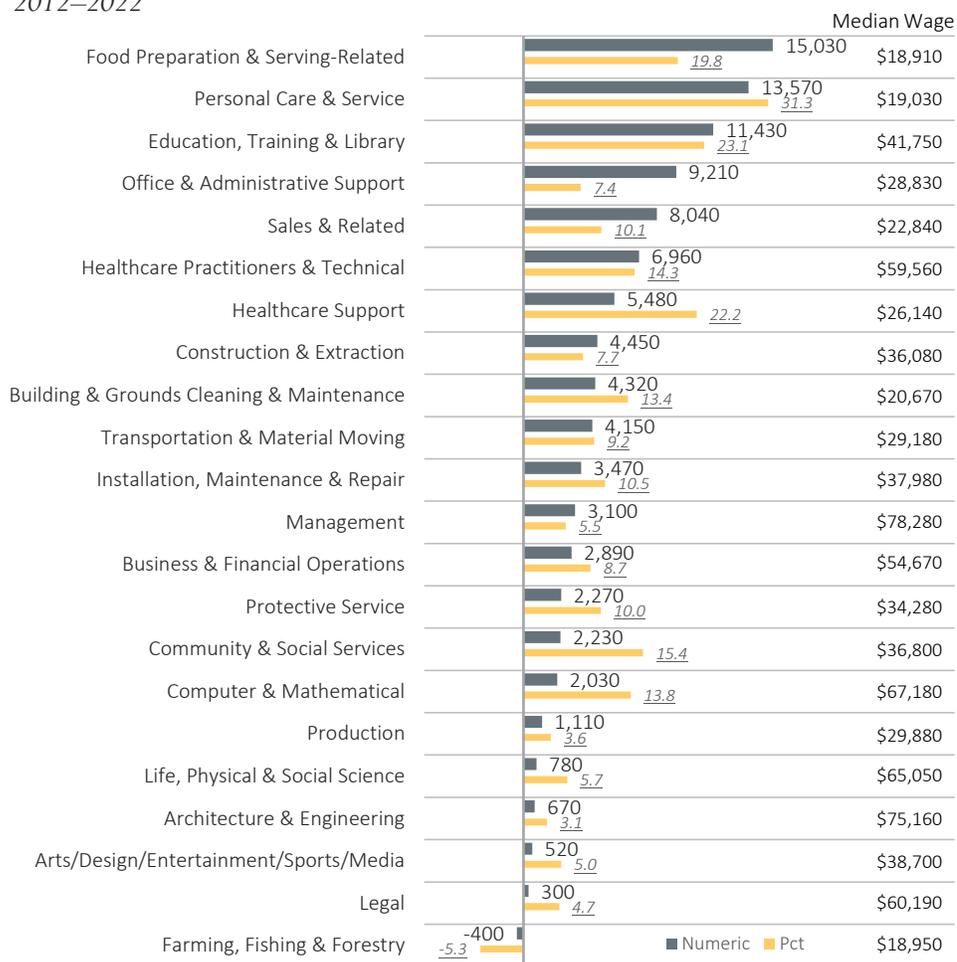
Projected Occupational Employment Growth

Personal care-related; education, training, and library; and healthcare-related occupations are projected to see the fastest employment growth between 2012 and 2022.

Employment is projected to grow by about 101,610 jobs, or 12.0 percent, in New Mexico between 2012 and 2022. This is anticipated to result in approximately 30,540 job openings a year (rounded), of which 35 percent (10,780) are projected to be new job openings from growth, while the remaining

65 percent (19,760) are projected to come from the need to replace workers leaving their occupation (e.g., retirement, occupational change).

Projected Employment Growth by Major Occupation, New Mexico 2012–2022



Source: NMDWS Employment Projections program
Growth is rounded.

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Employment growth in food preparation and serving occupations is projected to account for close to 15 percent of total growth across all occupations. The combination of this growth and that in personal care and service occupations (around 13 percent of total growth), health care-related occupations (just over 12 percent of total growth), and education, training, and library occupations (over 11 percent of total employment growth) comprises over 50 percent of total projected employment growth; that's not including the large growth anticipated for office and administrative support and sales and related occupations. These occupational groups are traditionally large; therefore, it is useful to look at how quickly employment is projected to grow to further identify occupational groups with promising growth prospects. Such groups include building and grounds cleaning and maintenance, but also community and social services and the higher-paying computer and mathematical occupational group.

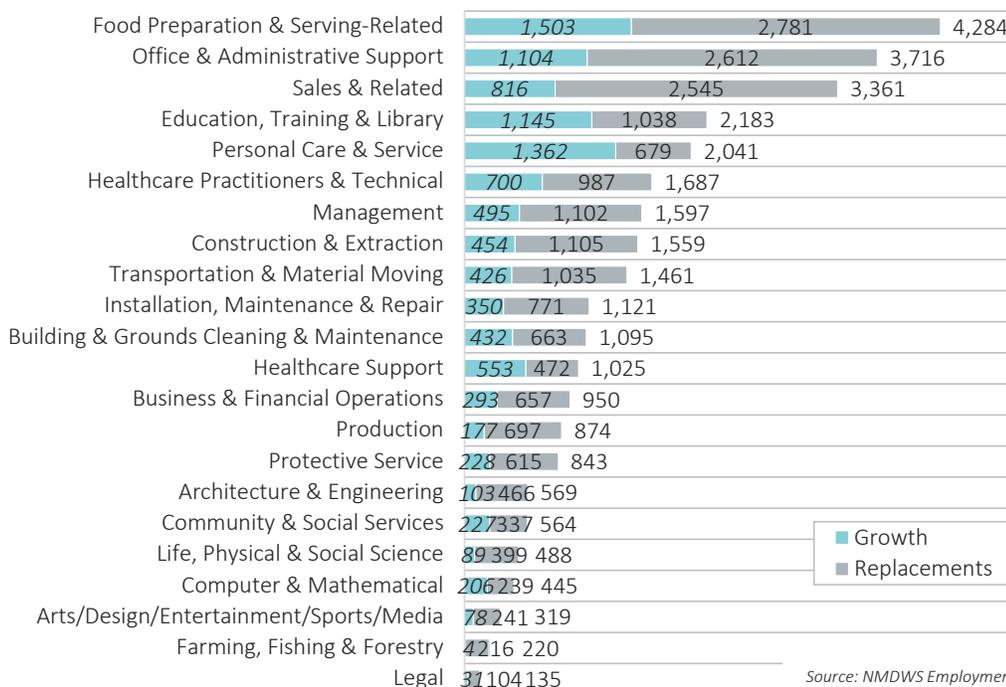
Typically, the number of projected job openings corresponds with projected employment growth; this is the case across

the majority of occupational groups. Projected annual job openings are shown by growth openings and replacement openings, which can provide useful information on types of employment demand anticipated in the future. Of the major occupational groups, only three are projected to see more job openings from growth than replacement needs. These groups include education, training, and library; personal care and service; and healthcare support.

NMDWS produces occupation employment projections for over 800 detailed occupations. Around 200 occupations are projected to grow by 100 or more; about 415 occupations are projected to grow by less than 100, statewide, over the projection period; just over 30 are not projected to see employment change; and just over 150 are projected to see their employment decline between 2012 and 2022. Again, large employment growth is not the sole indicator of industry or occupation employment prospects; rate of employment growth should also be evaluated. Tying in wage data provides an ability to evaluate economic impacts of projected employment growth.

Projected Annual Openings by Major Occupation Group 2012–2022

New Mexico



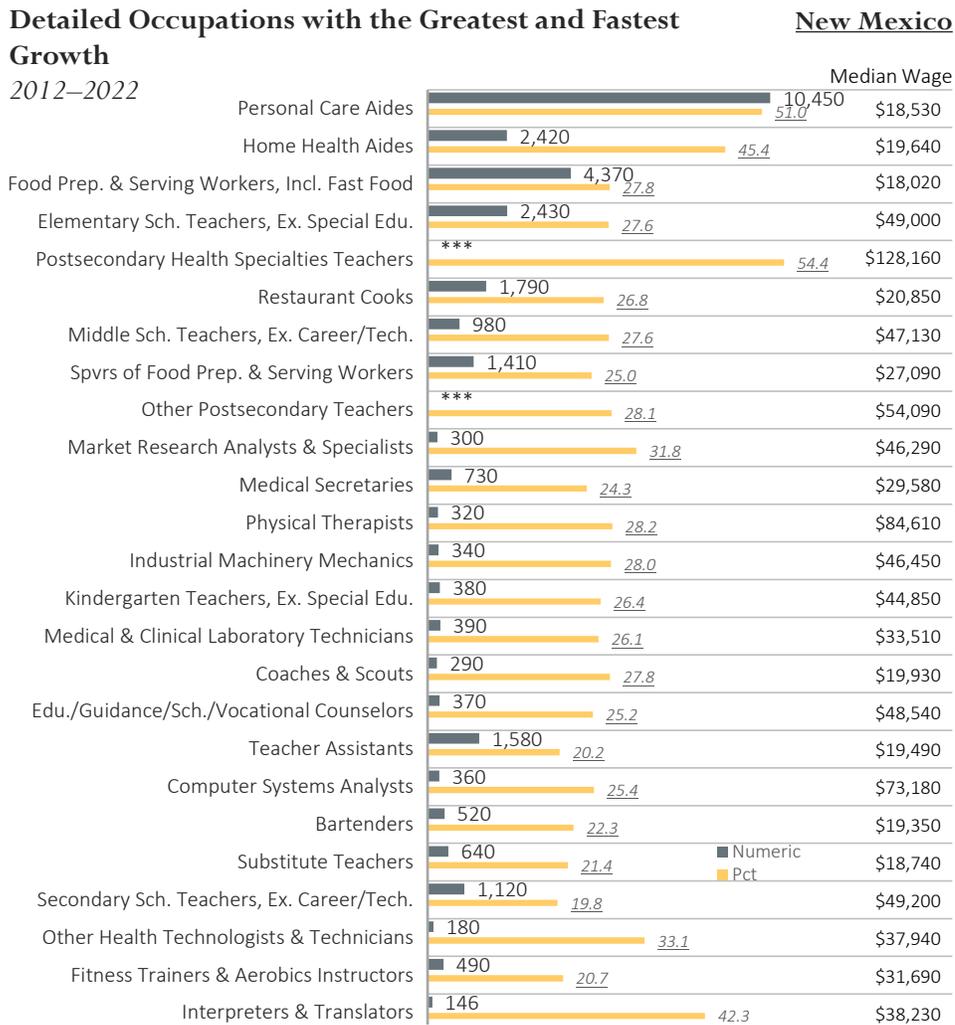
Source: NMDWS Employment Projections program

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When looking at detailed occupations that are projected to grow the fastest and by the greatest number of jobs, several large occupations make the list, including personal care aides (ranked third in total employment as of 2012), food preparation and serving workers (ranked eighth), elementary school teachers (ranked nineteenth), and teacher assistants (ranked twenty-third in total employment). Notable occupations for which their fast projected employment

growth drives their designation as one of the greatest and fastest growing include industrial machinery mechanics; physical therapists; coaches and scouts; market research analysts and specialists; postsecondary health specialties teachers; other health technologists and technicians; and interpreters and translators. All of these occupations, except coaches and scouts, have a median annual wage that is greater than that for all occupations combined.



Source: NMDWS Employment Projections program
Growth is rounded and *** indicates data is suppressed.
List includes occupations that rank at the top for both numeric and percentage growth. Excludes graduate teaching assistants.

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NMDWS uses employment projections and wage data to identify some of the best occupational opportunities within New Mexico. An occupation's designation as a "Star" occupation is based on the combination of its rankings with respect to projected annual job openings, rate of job growth, and median wage. Elementary and middle school teachers top the list of best occupational opportunities in New Mexico, with their rankings largely driven by projected annual job openings. The list includes six education occupations, five health care practitioner and technical occupations, three management occupations, and three computer and mathematical occupations. The Star occupations span nearly all education levels; more than half, however, require at least a bachelor's degree.

New Mexico's STAR Occupations

		Annual Openings	Median Annual Wage	Education Required for Entry
5-STAR ★★★★★				
25-2021	Elementary School Teachers ∞	440	\$49,000	Bachelor's Degree
25-2022	Middle School Teachers ∞	180	\$47,130	Bachelor's Degree
29-1123	Physical Therapists	60	\$84,610	Doctorate/Prof. Degree
11-9111	Medical & Health Services Mgrs	90	\$88,560	Bachelor's Degree
25-2031	Secondary School Teachers ∞	270	\$49,200	Bachelor's Degree
29-1141	Registered Nurses	540	\$64,070	Associate's Degree
11-1021	General & Operations Mgrs	500	\$79,140	Bachelor's Degree
13-1111	Management Analysts	140	\$60,890	Bachelor's Degree
25-2012	Kindergarten Teachers ∞	80	\$44,850	Bachelor's Degree
49-9041	Industrial Machinery Mechanics	70	\$46,450	High School Diploma/Equiv.
4-STAR ★★★★★				
15-1121	Computer Systems Analysts	60	\$73,180	Bachelor's Degree
25-1199	Postsec. Teachers, All Other	60	\$54,090	Doctorate/Prof. Degree
19-3031	Clinical, Counseling & Sch. Psychologists	70	\$61,570	Doctorate/Prof. Degree
47-5013	Oil/Gas/Mining Svc Unit Operators	140	\$50,350	Less than High School
11-9032	Elem./Secondary Edu. Administrators	60	\$75,590	Master's Degree
21-1012	Edu./Guid./Sch./Vocational Counselors	70	\$48,540	Master's Degree
29-2012	Medical & Clinical Lab. Technicians	80	\$33,510	Associate's Degree
15-1133	Systems Software Developers	60	\$85,560	Bachelor's Degree
15-1151	Computer User Support Specialists	110	\$42,500	Some College, No Degree
3-STAR ★★★★★				
39-9031	Fitness Trainers & Aerobics Instructors	80	\$31,690	High School Diploma/Equiv.
43-1011	Spvrs of Office & Administrative Workers	340	\$42,720	High School Diploma/Equiv.
29-2061	Licensed Practical & Vocational Nurses	120	\$44,830	Postsec., Non-Degree Award
25-2052	K-Elem. Special Ed. Teachers	50	\$48,340	Bachelor's Degree
21-1021	Child, Family & School Social Workers	60	\$36,560	Bachelor's Degree
41-3099	Sales Reps, Services, All Other	70	\$48,010	High School Diploma/Equiv.
29-2041	Emergency Medical Techs & Paramedics	70	\$34,960	Postsec., Non-Degree Award
31-9091	Dental Assistants	70	\$31,560	Postsec., Non-Degree Award
43-3011	Bill & Account Collectors	70	\$31,770	High School Diploma/Equiv.

∞ Excludes preschool through kindergarten special education teachers and middle through postsecondary school special, career, and technical education teachers.

Using occupational employment projections

Occupational employment projections are used to inform policy decisions on education, training, and resource allocation. They also provide information for job seekers to engage in focused career exploration. Occupational projections are often found to be very relevant inasmuch as they refer to specific job-related tasks and skills. Many of the projected future jobs will be in occupations that typically have large employment. These occupations, however, often offer lower-than-average wages.

There are a variety of factors that an individual weighs differently when he or she is searching for a job or exploring career opportunities and making employment decisions. Some place the greatest importance on wage and income, while others are more concerned with employability prospects, work environment, location, or benefits. Occupational projections can be extremely useful to job seekers in helping them assess which occupations best meet what they are looking for in a job and career. Information on the best occupational opportunities not only provides these individuals with information to make informed career choices, but it sheds a brighter light on the factors they should be considering when making such choices.



New Mexico Department of Workforce Solutions

P.O. Box 1928

Albuquerque, NM 87102

www.dws.state.nm.us