



October 1-3, 2008 Tucumcari, NM

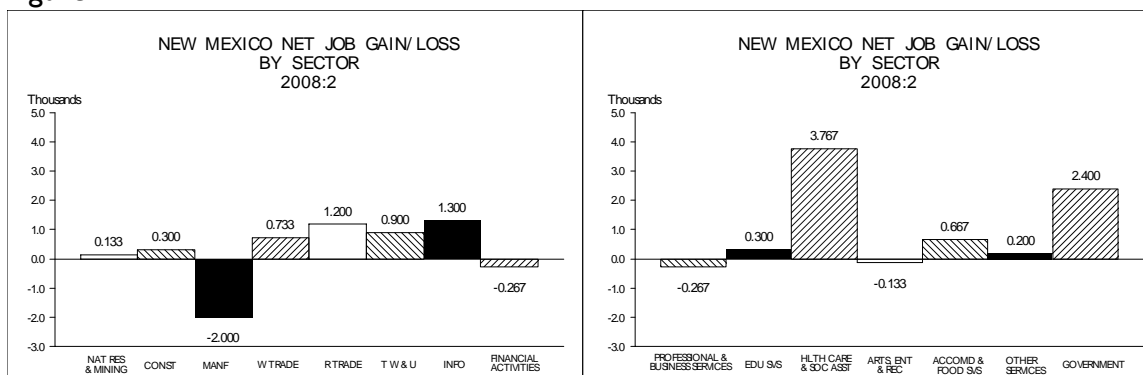
New Mexico Overview

THE NEW MEXICO ECONOMY: RECENT DEVELOPMENTS AND OUTLOOK

For the first time in more than two years, the pace of economic expansion in New Mexico has increased. Nonfarm employment growth reached 1.1% in the second quarter of 2008, following a 0.6% gain in the first quarter. The second quarter increase likely does not signal a turning point, however, given recent events (layoffs and closures, particularly in the manufacturing sector). New Mexico personal income growth slowed to 5.5% during the first quarter of 2008, down from 7.1% in the preceding quarter. The seasonally adjusted rate of unemployment checked in at 3.7%, still pretty low, but a few ticks above the rates posted in the previous four quarters.

The New Mexico economy added 9,233 net new jobs during the second quarter of 2008, compared to the second quarter of 2007. Once again, the lions share of the new jobs were in health care and social assistance (Figure 1), which enjoyed an employment gain of 3,767 (3.8%). Hospital expansion in Rio Rancho and Albuquerque's west side, along with new hospitals in Santa Fe, Las Cruces, and several other areas in the state, are responsible for many of the new jobs.

Figure 1



The government sector added 2,400 jobs in the fourth quarter, a 1.2% gain. State government employment rose 0.5%, while federal government employment was up 0.4%. The bulk of the government sector employment increase came at the local level, which added 2,000 jobs, a 1.9% jump. With only 367 of those 2,000 in education, it seems likely that more than a few came in Native American operations, including casinos & resorts. For example, Isleta Pueblo opened a new hotel, and several other pueblos are in expansion mode.

Two other sectors exhibited employment gains in excess of 1,000. These were retail trade (1,200, 1.3%), and information (1,300, 8.6%). Retail trade performed exceptionally well despite a weak economy and a number of store closings, including Sharper Image, CompUSA, and two Wilson's Luggage, all in Albuquerque, and Linen 'n Things, in Santa Fe.

It would seem that a large number of the information sector jobs were in the film industry. While the data in the Current Employment Statistics (CES) program published by the New Mexico Department of Workforce Solutions (NMDWS) does not show enough detail to isolate the film industry, the Quarterly Census of Employment and Wages (QCEW), also published by NMDWS, does. Although the QCEW data lag the CES data by a couple of quarters, the QCEW data are very high quality. They indicate that employment in the 'motion picture and sound recording industry' (NAICS 515) went from just over 2,800 during the fourth quarter of 2006 to just over 4,200 during the fourth quarter of 2007, an increase of about 1,400. Comparing that number to the 1,300, second quarter of 2008 CES gain gives credence to this paragraph's opening sentence.

The transportation/warehousing/utilities (TWU) sector added 900 jobs during the past year, a 3.7% gain. The QCEW data for the fourth quarter of 2007 show the same net employment gain, with truck transportation providing the bulk of the increase. This data suggests that the bulk of the TWU employment increase as given in the CES data for the second quarter of 2008 is also in truck transportation.

Two other sectors each added close to 700 jobs during the second quarter. Wholesale trade employment increased 733 (3.1%), while accommodation and food services posted a gain of 667 (0.8%).

There was a teeny bit of good news from the construction sector, which enjoyed an employment increase for the first time in over a year during the second quarter. The gain was rather small, though, 0.5%, or 133 jobs, and is not likely to persist. Housing continued to plummet, as total housing units authorized fell another 39.6%. Single-family authorizations dropped 42.3%, while multi-family authorizations were down 24.2%.

High oil prices notwithstanding, employment growth in the mining sector slowed to barely a crawl, posting a second quarter gain of only 0.7%, or 133 jobs. Other sectors exhibiting only small employment increases during the second quarter include educational services (300 jobs, 2.2%), and other services (200 jobs, 0.7%).

There were plenty of points of weakness in the second quarter, sectors in which employment growth was negative. The most extreme of these was manufacturing, which posted an employment drop of 2,000 (down 5.4%). Much of the decline is a result of the reduction of 1,500 jobs at Intel. Other losses came at firms scattered around the state, including Advent Solar in Albuquerque and Millennium Transit in Roswell.

The other shrinking sectors included financial activities (-267 jobs, -0.8%), professional and business services (-267 jobs, -0.2%), and arts, entertainment, and recreation (-133 jobs, -1.5%).

The state of the New Mexico economy is not particularly rosy. Only two sectors, health care and government, are adding jobs at a substantial clip, with a few other sectors also contributing. Manufacturing is in severe contraction mode, with more bad news in the pipeline; and mining employment growth has slowed substantially. The construction sector is no source of promise,

at least in the near term. Slow growth in the near term, and moderate growth at best in the longer term, awaits the New Mexico economy.

This forecast of the New Mexico economy is based upon the BASELINE0008 national economic forecast of Global Insight. The outlook for the New Mexico economy is one of rather slow growth for the next four quarters, and then picking up slightly thereafter. Nonfarm employment growth is expected to attain only 0.8% in 2008, rising to 1.3% in 2009, and near 1.5% annually thereafter. New Mexico personal income growth will reach 5.4% this year, and remain in the 4.5 – 5.5% range throughout the forecast period. The unemployment rate will hold near 4.0% throughout.

New Mexico employment growth increased during the second quarter of 2008 for the first time in more than two years, but the worst is not yet over, and the turning point is not yet reached. Extreme weakness in the manufacturing sector, along with a still shrinking construction sector, will keep the economy struggling for the remainder of 2008 and into 2009. Following that, moderate growth is the best that can be expected. Nonfarm employment growth is slated to increase only 0.8% in 2008 and 1.3% in 2009. Employment growth will then rise to just over 1.5% each year through 2013. Personal income growth will fluctuate around 5.0% annually, while unemployment hovers in the neighborhood of 4.0%.

For the next couple of years, the major drag on the New Mexico economy will be the manufacturing sector, where the situation has gone from bad to worse (Figure 2). Already burdened with massive layoffs at Intel, further layoffs and closures are at hand. Eclipse Aviation has announced the release of one third of its work force, or 650 jobs, effective immediately. The company did so to achieve a greater degree of cost effectiveness, and suggested that re-hiring might occur somewhere down the line. Several other manufacturing firms have indicated they plan to close within the next year, with the loss of close to 800 jobs. These include Sparton Electronics and Windsor Foods (Jose Ole), both in Albuquerque, Solo Cup (Belen), and Proper Foods (Deming). Of course there will be some new manufacturing jobs appearing. Both Schott Solar and Advent Solar plan to add a significant number of jobs over the next few years, but both of these firms, and other solar-related firms, face some downside risk from the tax consequences of their operations. There are currently some significant federal tax credits available to producers and consumers for investment, production, and installation of solar technology. The credits are due to expire at the end of this calendar year, unless extended by Congress. Should they be allowed to expire, solar technology firms both in New Mexico and nationwide will suffer, in terms of lower production and fewer jobs. Still, many manufacturing firms in New Mexico will continue to add jobs, but not nearly enough to offset the job losses mentioned above.

Expanding firms include Xurex Nano-Coatings, Rastra, Rudolph Technologies, Nanopore, Aerospace Composite Structures, Wavefront Sciences, Emcore, Pheonix Cabinets, Aercrete LLC, and Northrop Grumman in Albuquerque, Aeromechanical Industries in Rio Rancho, AquaRanch Industries (a fish farm in Clovis), Marietta Biscuit Company in Alamogordo, MCS Industries in Las Cruces, and Raytheon Corp. in Farmington. New Mexico manufacturing employment is expected to post declines of 6.2%, 5.0%, and 1.0% in 2008, 2009, and 2010, respectively. Beginning in 2011, manufacturing employment will begin to show small gains.

The construction sector will post an employment decline of 0.6% in 2008, but is expected to experience a mild turnaround beginning in 2009, with employment growth of near 2.0% annually from 2010 through 2013. New housing permits will continue to exhibit double-digit declines through the first quarter of 2009, and then begin a turnaround, slowly at first, but jumping to double-digit gains in the second half of 2009 and continue thusly through 2011 before leveling off. Governor Richardson recently signed a bill allocating \$200 million to highway and bridge construction, so that should provide a needed boost to the construction sector.

Growth in mining employment has been shrinking since the second half of 2006, and is not expected to reverse course, although small gains will persevere through this year and next. Mining employment growth will become mildly negative from 2010 through 2013. Oil prices have moderated somewhat recently, and actually dropped to near \$100/barrel on the news that Hurricane Gustav caused only relatively minor damage to New Orleans.

As regards the future of uranium mining in New Mexico, Texas-based Uranium Resources, Inc, has terminated its agreement to purchase a uranium mill site north of Grants. The company had originally agreed to purchase the site in anticipation of the return of uranium mining to the state. The termination was a result of a recent drop in the market price of uranium, from \$120/pound to \$60/pound.

Other sources of weakness during the forecast period, in the form of rather slow employment growth, include the other services, accommodation & food services, arts, entertainment & recreation, retail trade, and financial activities, sectors. The financial activities sector will enjoy solid growth in 2009 and 2010, though, 2.6% and 2.0%, respectively, a result of the creation of hundreds of jobs at Fidelity Investments in Albuquerque.

Moderate sources of strength include the wholesale trade, TWU, professional & business services, and educational services sectors.

The health care and social assistance sector will again be a major provider of new jobs during the next five years, averaging more than 3.0% employment growth, or between 3,000 and 4,000 jobs, per year. Growth will include two major new hospitals in Rio Rancho, one by Presbyterian Healthcare Services, and another by UNM in partnership with Legacy Hospital Partners of Plano, Texas.

Of course, the government sector will continue to add several thousand jobs each year, posting growth rates of near 1.5% annually. Local government will grow near 2.0% annually, including hundreds of new jobs at Native American casinos. State government employment will enjoy growth of 1.2% annually. At the federal level, employment will be basically unchanged during the forecast period, except for 2010, when Census 2010 workers arrive, and 2011, when they leave.

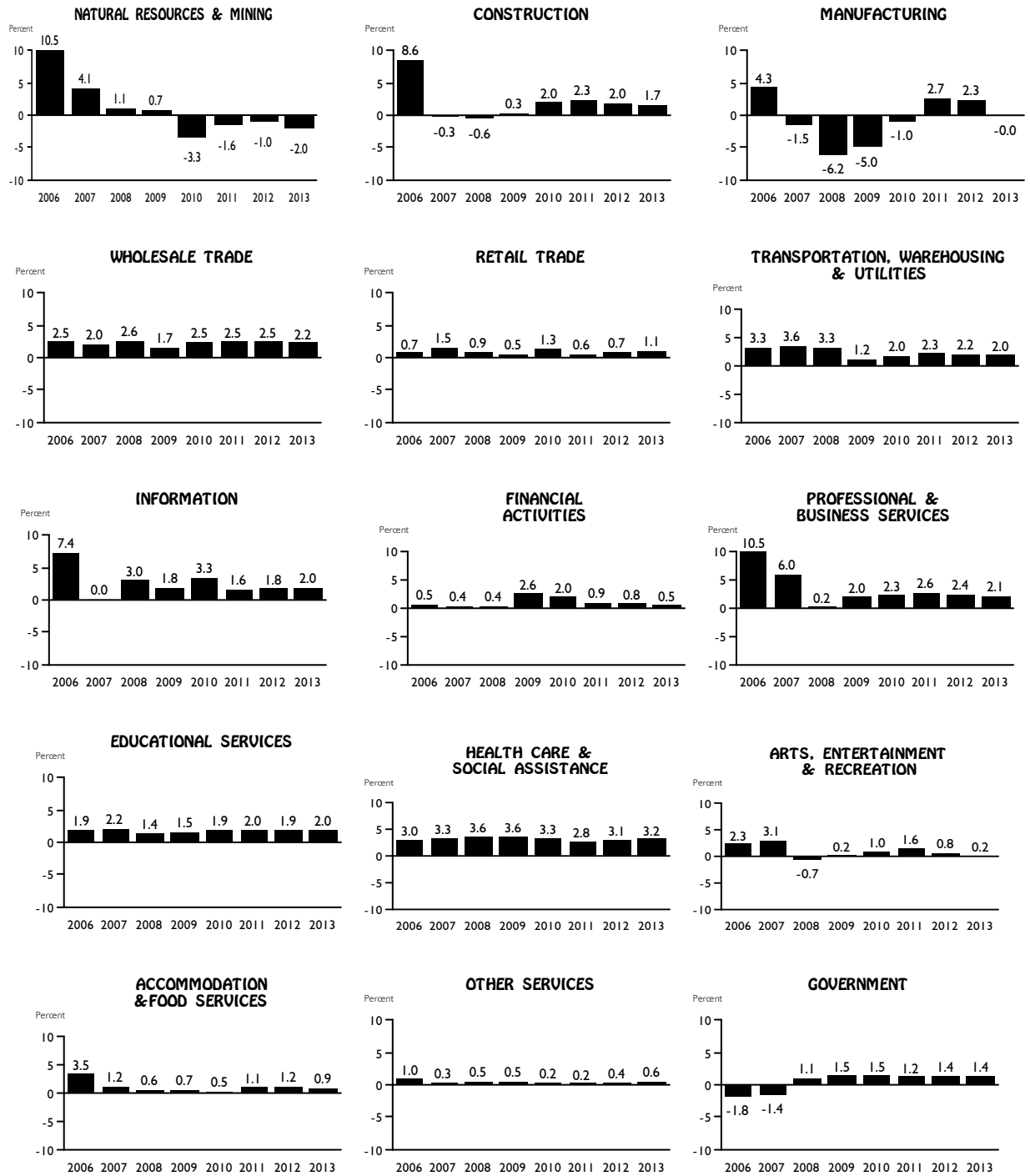
The information sector will also provide a boost to the economy, averaging employment gains of almost 3.0% annually through 2010, and near 2.0% thereafter. Both Comcast and Verizon

are hiring, Sony Imageworks is building a digital special effects studio in Albuquerque, and Hewlett-Packard plans to open a technical support center in Rio Rancho. The City of Rio Rancho is negotiating with two more film studios, Lionsgate Studios and City of Vision Studios. Another company, Pangea Pictures Corp. of Los Angeles, plans to build a visual effects and post-production facility in Albuquerque.

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FIGURE 2

New Mexico Employment Growth By Sector 2006 TO 2013



New Mexico Export Profile

Total Dollar Value of Exports from New Mexico to Select Countries

	Annual 2003	Annual 2004	Annual 2005	Annual 2006	Annual 2007
China (Mainland)	\$206,759,262	\$220,974,790	\$444,872,474	\$701,572,124	\$685,943,853
Malaysia	\$224,860,480	\$224,757,438	\$342,690,777	\$490,070,276	\$477,400,891
Mexico	\$242,017,787	\$357,569,013	\$184,988,083	\$258,012,866	\$375,381,160
Canada	\$117,920,768	\$113,140,987	\$133,919,586	\$194,284,677	\$236,032,463
Phillippines	\$441,113,722	\$203,077,095	\$453,405,579	\$267,382,604	\$82,349,042
Japan	\$33,780,203	\$43,513,335	\$75,207,290	\$59,298,971	\$78,284,492
Germany	\$21,808,527	\$27,485,911	\$41,916,336	\$44,934,371	\$56,675,903
United Kingdom	\$20,354,961	\$29,307,828	\$46,890,269	\$43,099,137	\$53,185,846
Republic of Korea	\$423,702,314	\$49,465,495	\$91,393,722	\$183,871,542	\$76,746,971
France	\$18,333,255	\$13,546,188	\$20,897,685	\$34,377,815	\$38,416,717
China (Taiwan)	\$201,147,944	\$74,005,603	\$147,013,875	\$144,705,346	\$60,887,959
Israel	\$31,269,917	\$149,189,827	\$27,707,005	\$36,638,702	\$41,872,308
Total All Countries	\$2,325,609,448	\$2,045,805,871	\$2,540,264,473	\$2,891,558,567	\$2,583,288,298

Total Dollar Value of Exports by Commodity in Ranked Order

Electric Machinery ETC; Sound & TV Equipment	\$1,792,592,088	\$1,269,672,868	\$1,859,246,874	\$1,966,322,910	\$1,564,340,953
Industrial Machinery, Including Computers	\$122,963,837	\$179,551,875	\$202,611,607	\$249,253,801	\$254,339,877
Optic, Photo ETC, Medical/Surgical Instruments	\$48,949,714	\$90,631,697	\$48,158,486	\$113,598,318	\$92,759,188
Misc. Chemical Products	\$6,156,335	\$25,894,836	\$29,400,130	\$49,290,927	\$73,213,767
Mineral Fuel, Oil Etc; Bitumin Subst.; Mineral Wax	\$19,512,440	\$11,616,363	\$5,025,360	\$18,682,773	\$39,517,767
Vehicles, Except Railway or Tramway, and Parts, etc.	\$42,604,851	\$40,585,784	\$36,260,970	\$59,050,645	\$74,721,669
Plastics & Articles Thereof	\$20,803,493	\$46,825,899	\$27,820,693	\$32,630,527	\$66,218,383
Dairy Products	\$3,466,756	\$6,378,027	\$2,706,958	\$4,509,547	\$19,610,644
Articles of Iron or Steel	\$20,957,993	\$34,921,721	\$7,007,533	\$17,487,438	\$40,188,863
Aircraft, Spacecraft & Parts Thereof	\$30,448,146	\$26,566,455	\$40,369,554	\$75,147,455	\$59,785,933
Natural Pearls, Precious Stones & Metals	\$18,813,107	\$106,543,431	\$89,547,149	\$40,878,756	\$26,736,484
Ores, Slag & Ash	\$3,277,350	\$13,001,386	\$14,110,000	\$20,868,643	\$20,031,559
Cotton, Including Yarn & Woven Fabric	\$5,234,926	\$5,148,027	\$229,707	\$2,553,146	\$21,648,742
Sugars & Sugar Confectionary	\$6,586,464	\$9,370,312	\$11,651,922	\$9,670,572	\$16,106,684
Fertilizers	\$8,753,956	\$5,934,785	\$9,519,013	\$10,932,687	\$11,215,233

Data provided by WISER (wisetrade.org), from the US Census Bureau, Foreign Trade Division

New Mexico Exports: Top Six Commodity Groups to Top Six Countries

(By Dollar Value)	Annual 2006	Annual 2007	% Change 2006-2007
China (Mainland)			
Electric Machinery ETC, Sound & TV Equipment	\$670,162,346	\$648,130,585	-3.3%
Industrial Machinery, Including Computers	\$8,297,807	\$8,372,974	0.9%
Optic, Photo ETC, Medical/Surgical Instruments	\$9,257,489	\$6,132,589	-33.8%
Cotton, Including Yarn and Woven Fabric Thereof	\$1,640,296	\$5,320,371	224.4%
Ceramic Products	\$3,020,045	\$3,430,480	13.6%
Miscellaneous Chemical Products	\$534,061	\$2,218,008	315.3%
Rubber and Articles Thereof	\$1,787,467	\$1,516,210	-15.2%
Malaysia			
Electric Machinery ETC, Sound & TV Equipment	\$456,444,599	\$466,150,235	2.1%
Industrial Machinery, Including Computers	\$28,996,466	\$10,655,592	-63.3%
Miscellaneous Chemical Products	\$66,189	\$504,765	662.6%
Optic, Photo ETC, Medical/Surgical Instruments	\$4,485,938	\$44,013	-99.0%
Inorganic Chemicals: Precious Rare Earth Metals, Radioactive Compounds	\$32,640	\$4,029	-87.7%
Aircraft, Spacecraft and Parts Thereof	\$19,790	\$0	-100.0%
Mexico			
Industrial Machinery, Including Computers	\$45,093,621	\$77,751,497	72.4%
Electric Machinery ETC, Sound & TV Equipment	\$22,493,655	\$63,575,649	182.6%
Vehicles, Except Railway or Tramway, And Parts Etc.	\$50,520,913	\$43,139,888	-14.6%
Articles of Iron or Steel	\$12,505,259	\$36,973,704	195.7%
Plastics and Articles Thereof	\$25,190,246	\$35,840,229	42.3%
Optic, Photo Etc. Medical or Surgical Instruments Etc.	\$7,807,631	\$21,830,341	179.6%
Canada			
Electric Machinery ETC, Sound & TV Equipment	\$46,123,636	\$56,615,060	22.7%
Industrial Machinery, Including Computers	\$53,302,352	\$37,409,043	-29.8%
Mineral Fuel Oil Etc.; Bitumin Subst.; Mineral Wax	\$16,739,424	\$37,375,157	123.3%
Vehicles, Except Railway or Tramway, And Parts Etc.	\$3,051,010	\$23,173,671	659.5%
Pearls, Precious Stones, Metals, Coin	\$21,867,376	\$14,336,882	-34.4%
Optic, Photo ETC, Medical/Surgical Instruments	\$5,548,225	\$12,052,069	117.2%
Phillipines			
Electric Machinery ETC, Sound & TV Equipment	\$264,100,953	\$82,042,202	-68.9%
Industrial Machinery, Including Computers	\$1,153,480	\$85,052	-92.6%
Food Industry Residues & Waste; Prep Animal Food	\$24,800	\$97,000	291.1%
Nickel and Articles Thereof	\$0	\$26,713	
Cotton, Including Yarn and Woven Fabric Thereof	\$0	\$26,233	
Optic, Photo, Etc, Medical or Surgical Instruments	\$1,978,111	\$8,000	-99.6%
Japan			
Industrial Machinery, Including Computers	\$19,486,528	\$22,323,095	14.6%
Aircraft, Spacecraft and Parts Thereof	\$3,371,008	\$16,259,136	382.3%
Ores, Slag and Ash	\$7,642,499	\$14,643,778	91.6%
Special Classification Provisions, Nesol	\$6,561,295	\$5,056,246	-22.9%
Miscellaneous Articles of Base Metal	\$2,804,269	\$4,306,587	53.6%
Optic, Photo, Etc, Medical or Surgical Instruments	\$6,910,965	\$3,973,723	-42.5%

Data provided by WISER (wisetrade.org), from the US Census Bureau, Foreign Trade Division

Manufacturing: Selected Indicators

New Mexico

2000 to 2007

Indicators	2000	2001 ^r	2002 ^r	2003 ^r	2004 ^r	2005 ^r	2006 ^r	2007 ^p
Employment & Wages*								
Total manufacturing employment	41,738	40,974	38,365	36,472	35,870	36,306	37,659	37,059
% Change from the previous year	1.2	-1.8	-6.4	-4.9	-1.7	1.2	3.7	-1.6
Food manufacturing	5,119	5,536	5,675	5,862	5,585	5,570	5,635	5,378
Nonmetallic mineral products	2,679	2,613	2,478	2,316	2,314	2,470	2,677	2,744
Fabricated metal products	2,998	3,013	2,772	2,635	2,756	2,818	2,826	2,903
Computer and electronic products	12,307	12,510	11,446	10,790	10,326	10,114	10,400	9,433
Transportation equipment	2,436	2,239	1,894	1,532	1,575	1,823	2,261	2,712
Miscellaneous manufacturing	3,613	3,220	3,293	3,149	2,938	2,891	2,584	2,431
All other manufacturing	12,586	11,843	10,807	10,188	10,376	10,620	11,276	11,458
Average annual pay, all mfg. sectors combined ¹ (\$)	\$38,342	\$38,196	\$37,791	\$39,507	\$40,591	\$41,844	\$44,107	\$47,434
% Change from the previous year	9.2	-0.4	-1.1	4.5	2.7	3.1	5.4	7.5
Production (\$ Mil.)								
Value of shipments	\$15,241	\$11,464	\$10,168	\$10,670	\$17,097	\$26,740	\$16,477	na
Value added ²	10,171	6,632	5,991	6,150	11,599	20,386	9,070	na
Cost of materials	5,092	4,711	4,254	4,601	5,451	6,444	7,432	na
Number of Businesses								
Nonemployers ³	na	3,305	3,455	3,366	3,381	3,240	3,391	na
Establishments with a payroll ⁴	1,563	1,585	1,545	1,532	1,549	1,531	1,518	na
With 1 to 4 employees ⁵	735	762	740	706	739	728	695	na
With 5 to 9 employees	307	292	293	313	314	294	298	na
With 10 to 19 employees	212	230	235	235	217	230	223	na
With 20 to 49 employees	181	173	161	166	166	160	170	na
With 50 to 99 employees	57	64	56	54	55	59	69	na
With 100 to 249 employees	50	42	41	42	45	44	45	na
With 250 to 499 employees	13	15	13	10	9	12	14	na
With 500 to 999 employees	6	4	3	3	1	1	1	na
With 1,000 or more employees	2	3	3	3	3	3	3	na

* Employment and wage data in this table refer to jobs covered by New Mexico unemployment insurance and related statutes. The data are annual average
na Not available.

p Preliminary.

r Revised.

1 Wages represent the gross amount paid within the year. Commissions, bonuses, and overtime pay are included. Average annual pay is calculated by dividing total wages by average employment for each year.

2 Value added is a measure of manufacturing activity that is derived by subtracting the cost of materials (including supplies, containers, fuel, purchased electricity, and contract work) from the value of shipments (products manufactured plus receipts for services rendered). The result of this calculation is adjusted by the addition of value added by merchandising operations plus the net change in finished goods and work-in-process between the beginning- and end-of-year inventories. Value added avoids the duplication in the figure for value of shipments that results from the use of products of some establishments as materials by others. It is considered to be the best measure available for comparing the relative economic importance of manufacturing among industries and geographic areas.

3 A nonemployer business is one that has no paid employees, has annual business receipts of \$1,000 or more (\$1 or more in the construction industries), and is subject to federal income taxes. Most nonemployers are self-employed individuals operating very small unincorporated businesses, which may or may not be the owner's principal source of income.

4 An establishment is a single physical location at which business is conducted or services or industrial operations are performed. It is not necessarily identical with a company or enterprise, which may consist of one or more establishments. When two or more activities are carried on at a single location under a single ownership, all activities generally are grouped together as a single establishment. The entire establishment is classified on the basis of its major activity and data are included in that classification. This data table includes establishments if they had a payroll at any time during the year, even if employment in mid-March was zero. Employment figures that accompany the County Business Patterns establishment counts (not shown in this table) are based on the mid-March payroll.

5 The size group "1 to 4" includes establishments that did not report any paid employees in the mid-March pay period but paid wages to at least one employee some time during the year.

Source: U.S. Dept. of Labor, Bureau of Labor Statistics, *Quarterly Census of Employment and Wages (QCEW)*; U.S. Dept. of Commerce, Bureau of the Economic Analysis, *Annual Survey of Manufactures, County Business Patterns*, and *Nonemployer Statistics*, internet sites.

**Manufacturing: Annual Growth Rates[#] (%) of Selected Indicators
New Mexico
2001 to 2007**

Indicators	2001 ^r	2002 ^r	2003 ^r	2004 ^r	2005 ^r	2006 ^r	2007 ^p
Employment & Wages*							
Total manufacturing employment	-1.8	-6.4	-4.9	-1.7	1.2	3.7	-1.6
Food manufacturing	8.1	2.5	3.3	-4.7	-0.3	1.2	-4.6
Nonmetallic mineral products	-2.5	-5.2	-6.5	-0.1	6.7	8.4	2.5
Fabricated metal products	0.5	-8.0	-4.9	4.6	2.2	0.3	2.7
Computer and electronic products	1.6	-8.5	-5.7	-4.3	-2.1	2.8	-9.3
Transportation equipment	-8.1	-15.4	-19.1	2.8	15.7	24.0	19.9
Miscellaneous manufacturing	-10.9	2.3	-4.4	-6.7	-1.6	-10.6	-5.9
All other manufacturing	-5.9	-8.7	-5.7	1.8	2.4	6.2	1.6
Average annual pay, all mfg. sectors combined ¹ (\$)	-0.4	-1.1	4.5	2.7	3.1	5.4	7.5
Production (\$ Mil.)							
Value of shipments	-24.8	-11.3	4.9	60.2	56.4	-38.4	-
Value added ²	-34.8	-9.7	2.7	88.6	75.8	-55.5	-
Cost of materials	-7.5	-9.7	8.2	18.5	18.2	15.3	-
Number of Businesses							
Nonemployers ³	-	4.5	-2.6	0.4	-4.2	4.7	-
Establishments with a payroll ⁴	1.4	-2.5	-0.8	1.1	-1.2	-0.8	-
With 1 to 4 employees ⁵	3.7	-2.9	-4.6	4.7	-1.5	-4.5	-
With 5 to 9 employees	-4.9	0.3	6.8	0.3	-6.4	1.4	-
With 10 to 19 employees	8.5	2.2	0.0	-7.7	6.0	-3.0	-
With 20 to 49 employees	-4.4	-6.9	3.1	0.0	-3.6	6.3	-
With 50 to 99 employees	12.3	-12.5	-3.6	1.9	7.3	16.9	-
With 100 to 249 employees	-16.0	-2.4	2.4	7.1	-2.2	2.3	-
With 250 to 499 employees	15.4	-13.3	-23.1	-10.0	33.3	16.7	-
With 500 to 999 employees	-33.3	-25.0	0.0	-66.7	0.0	0.0	-
With 1,000 or more employees	50.0	0.0	0.0	0.0	0.0	0.0	-

Percent change from the previous year. Calculations are based on unrounded numbers.

* Employment and wage data in this table refer to jobs covered by New Mexico unemployment insurance and related statutes.

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1 Wages represent the gross amount paid within the year. Commissions, bonuses, and overtime pay are included. Average annual pay is calculated by dividing total wages by average employment for each year.

2 Value added is a measure of manufacturing activity that is derived by subtracting the cost of materials (including supplies, containers, fuel, purchased electricity, and contract work) from the value of shipments (products manufactured plus receipts for services rendered). The result of this calculation is adjusted by the addition of value added by merchandising operations plus the net change in finished goods and work-in-process between the beginning- and end-of-year inventories. Value added avoids the duplication in the figure for value of shipments that results from the use of products of some establishments as materials by others. It is considered to be the best measure available for comparing the relative economic importance of manufacturing among industries and geographic areas.

3 A nonemployer business is one that has no paid employees, has annual business receipts of \$1,000 or more (\$1 or more in the construction industries), and is subject to federal income taxes. Most nonemployers are self-employed individuals operating very small unincorporated businesses, which may or may not be the owner's principal source of income.

4 An establishment is a single physical location at which business is conducted or services or industrial operations are performed. It is not necessarily identical with a company or enterprise, which may consist of one or more establishments. When two or more activities are carried on at a single location under a single ownership, all activities generally are grouped together as a single establishment. The entire establishment is classified on the basis of its major activity and all data are included in that classification. This data table includes establishments if they had a payroll at any time during the year, even if employment in mid-March was zero. Employment figures that accompany the County Business Patterns establishment counts (not shown in this table) are based on the mid-March payroll.

5 The size group "1 to 4" includes establishments that did not report any paid employees in the mid-March pay period but paid wages to at least one employee at some time during the year.

Source: U.S. Dept. of Labor, Bureau of Labor Statistics, *Quarterly Census of Employment and Wages (QCEW)*; U.S. Dept. of Commerce, Bureau of the Census, *Annual Survey of Manufactures, County Business Patterns*, and *Nonemployer Statistics*, internet sites.

**Travel and Tourism: Selected Indicators
New Mexico and Selected Cities
1997 to 2007**

Indicators	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006 ^r	2007 ^p
NM Leisure & Hospitality Employment (000s)											
Leisure & hospitality	73.3	73.6	75.6	77.2	78.5	80.0	81.5	82.5	83.8	86.7	87.9
Arts, entertainment & recreation	6.6	6.6	7.1	7.3	7.2	7.4	7.7	7.9	8.1	8.3	8.5
Accommodation & food services	66.8	66.9	68.6	69.9	71.3	72.7	73.8	74.6	75.8	78.4	79.3
NM Taxable Gross Receipts¹ (\$000s)											
Eating & drinking places ^{2, 3}	\$1,457,234	\$1,517,371	\$1,563,593	\$1,601,650	\$1,669,085	\$1,717,808	\$1,816,123	\$2,021,868	\$2,105,561	\$2,263,336	\$2,448,165
Lodging establishments ³	505,948	525,393	538,392	548,870	528,299	538,574	575,157	607,497	657,913	710,381	728,757
New Mexico Lodgers Tax Receipts⁴ (\$000s)											
	\$20,163	\$20,628	\$21,414	\$23,189	\$24,192	\$25,707	\$26,531	\$26,400	\$31,155	\$33,522	\$37,044
Hotel /Motel Occupancy Rates (%)											
New Mexico	64.9	63.2	61.8	63.2	61.3	61.8	60.0	61.2	64.0	63.8	63.3
Albuquerque*	66.6	63.1	62.0	64.9	61.8	60.9	58.9	60.1	64.8	64.5	63.1
Santa Fe	68.5	69.0	68.3	67.7	65.5	64.7	63.1	64.1	66.8	63.5	63.4
Farmington	na	70.6	67.1	67.9	61.7	62.7	60.6	63.9	67.3	68.7	70.4
Carlsbad	60.1	60.6	54.2	55.9	53.7	52.7	52.6	54.1	55.5	63.2	na
Las Cruces	57.7	56.7	56.0	55.7	60.3	72.1	67.7	70.3	68.6	73.9	72.9
Taos	50.8	53.0	53.0	51.3	51.5	52.4	51.1	50.2	51.1	50.8	53.1
Visits to New Mexico National Parks & Monuments (000s)											
	2,253	2,076	2,016	1,766	1,844	1,819	1,825	1,733	1,650	1,620	1,622
Visits to New Mexico State Parks (000s)											
	5,206	4,953	4,677	4,195	3,982	4,013	3,918	3,857	4,360	3,939	4,619
Passenger⁵ Traffic at Albuquerque International Sunport (000s)											
Total	6,290	6,149	6,152	6,292	6,182	6,118	6,064	6,320	6,466	6,487	6,667
Enplaned	3,139	3,070	3,021	3,146	3,088	3,063	3,040	3,171	3,245	3,261	3,346
Deplaned	3,151	3,080	3,132	3,146	3,094	3,055	3,025	3,149	3,222	3,226	3,321

* Albuquerque occupancy rates for 2006 forward are not directly comparable with previous years due to an increase in the number of hotels participating in 2006 and a change in survey categories.

na Not available. p Preliminary. r Revised. 1 Taxable gross receipts are total sales less all applicable exemptions and deductions. Deductions are designed to make the gross receipts tax reach only receipts from sales to final users. Thus, taxable gross receipts should not be construed as total sales. In 2005, various deductions were implemented for food and medical purchases. These data have been adjusted to maintain comparability. Thus, food and medical deductions were added back to taxable gross receipts. 2 Includes the liquor-dispensers-by-the-drink industry. 3 Gross receipts for eating & drinking places and for lodging establishments are consistent throughout this time series. The series uses Standard Industrial Classification (SIC)-based data through 2002 and North American Industry Classification System (NAICS)-based data after 2002. However, the data are comparable for these two sectors. 4 Lodger's tax receipts are shown on a fiscal year basis (July 1 to June 30). 5 Commercial airline passengers.

Note: Gross receipts data reflect the calendar year of sales of activity.

Source: New Mexico Dept. of Workforce Solutions, Economic Research and Analysis; New Mexico Taxation and Revenue Dept.; New Mexico Dept. of Finance and Admin., Local Government Division; U.S. Dept. of the Interior, National Park Service; New Mexico Energy, Minerals and Natural Resources Dept., Park and Recreation Division; City of Albuquerque, Albuquerque International Sunport; and Rocky Mountain Lodging Report.

Table prepared by: Bureau of Business and Economic Research, University of New Mexico.

State Museums and Monuments Attendance¹
New Mexico
2000 to 2007

Museums and Monuments	2000	2001	2002	2003	2004	2005	2006^r	2007
State Museums:								
Palace of the Governors (Santa Fe)	88,370	82,269	70,936	60,456	64,688	60,422	55,279	59,555
Museum of Art ² (Santa Fe)	80,116	84,563	66,319	59,415	112,979	68,871	85,050	71,854
International Folk Art (Santa Fe)	68,718	75,710	70,650	71,701	85,733	87,400	73,626	68,282
Indian Arts and Culture (Santa Fe)	41,437	38,052	46,545	45,935	46,248	49,561	43,297	41,157
Natural History and Science (Albuquerque)	306,917	275,410	257,928	245,495	247,422	246,705	231,888	234,362
Space History (Alamogordo)	134,467	131,406	132,264	124,338	114,829	107,585	104,536	106,207
Farm and Ranch Heritage (Las Cruces)	16,217	18,267	32,903	35,593	32,413	30,245	28,250	27,247
National Hispanic Cultural Center ³ (Albuquerque)	20,101	32,012	37,624	43,724	38,822	84,460	106,162	107,075
Total Museum Attendance	756,343	737,689	715,169	686,657	743,134	735,249	728,088	715,739
State Monuments:								
Coronado (Bernalillo)	16,908	16,257	13,247	12,673	12,810	10,268	14,499	12,775
El Camino Real International Heritage Center ⁴ (between Socorro and T or C)	-	-	-	-	-	4,597	9,383	7,525
Ft. Selden (Radium Springs)	7,746	6,732	8,770	7,093	6,571	7,536	7,020	5,570
Ft. Sumner (Ft. Sumner)	7,572	6,933	6,020	5,601	5,761	7,426	5,073	5,774
Jemez (Jemez Springs)	17,765	16,976	15,147	12,501	12,472	13,029	13,585	12,170
Lincoln (Lincoln)	34,876	37,742	28,158	27,009	24,694	27,318	30,657	32,309
Total Monument Attendance	84,867	84,640	71,342	64,877	62,308	70,174	80,217	76,123

r Revised.

1 State museums and monuments under the New Mexico Dept. of Cultural Affairs. Data are by calendar year.

2 Formerly called the Museum of Fine Arts.

3 The 2000 data for the National Hispanic Cultural Center represent only a partial-year count. The museum opened in October 2000.

4 The 2005 data for El Camino Real International Heritage Center represent only a partial-year count. The Center opened in November 2005.

Source: New Mexico Dept. of Cultural Affairs.

Table prepared by: Bureau of Business and Economic Research, University of New Mexico.