

Quarterly Economic Summary

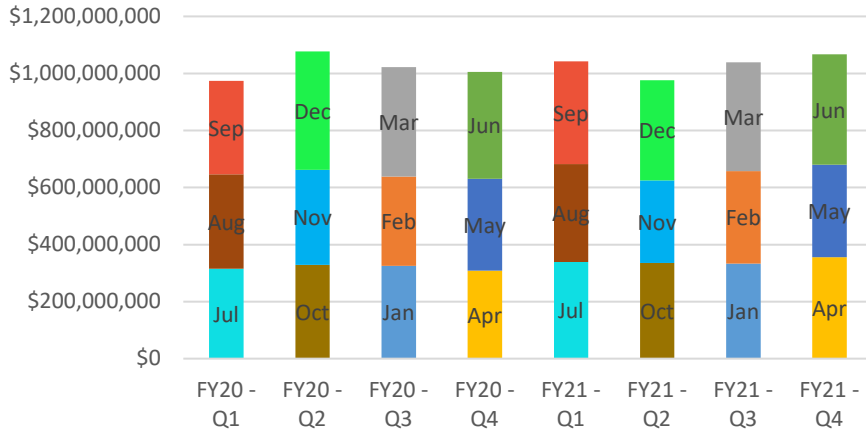
Doña Ana County



Released: August 2021

Prepared by: Joel Salas, Economist; Ryan Eustice, Economist

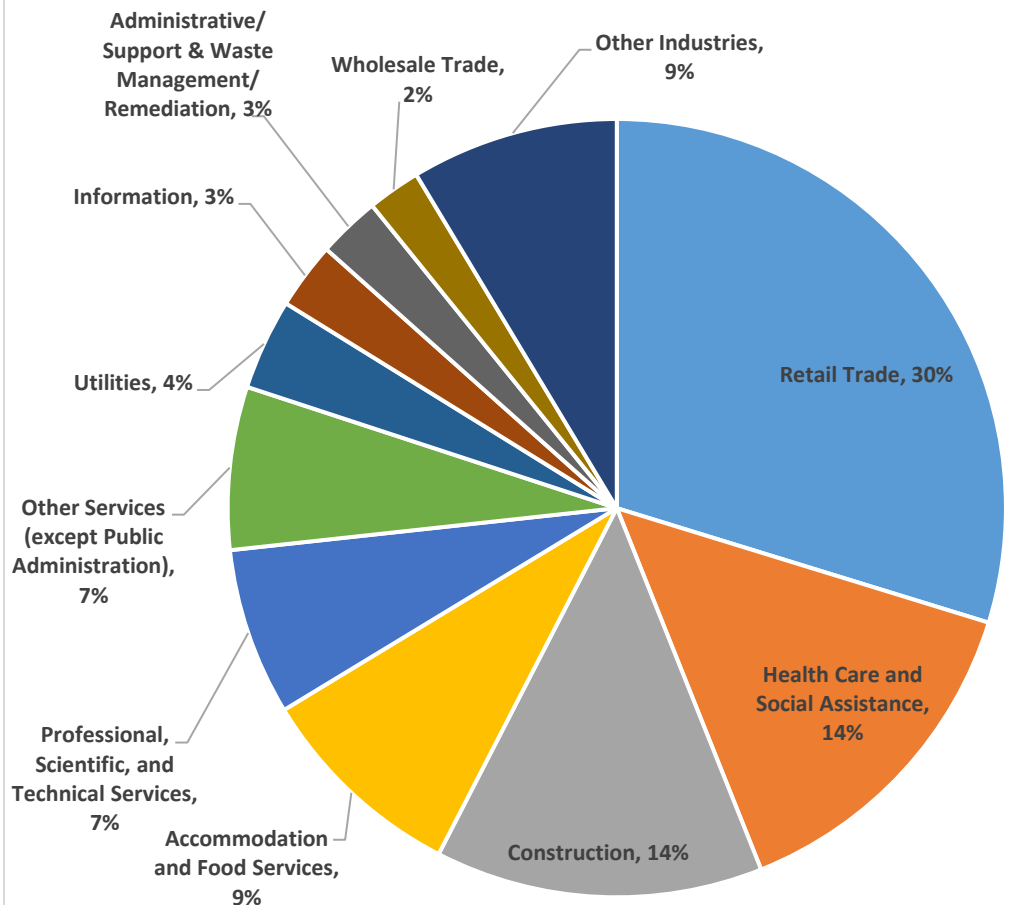
Chart 1. Matched Taxable Gross Receipts Per Quarter



Quarter four of FY21 provides the first full fiscal year of economic effects related to the COVID-19 pandemic. Economic shocks continue globally and throughout the state 18 months after the initial business closures and ensuing impacts. Federal policies, including additional direct payments and tax credits, coupled with pent up demand, led to an increase in consumer spending on taxable goods and services during this quarter, which is likely to continue. Additional pandemic-related shocks could be looming, making state-level efforts to restore the economy critical.

Over the last eight quarters matched taxable gross receipts (MTGR) in Doña Ana County have remained relatively flat (Chart 1). During Q4 FY21, Doña Ana County reported just over \$1B in MTGR, an increase of \$28M, or 3%, from Q3 FY21. When comparing MTGR, Q4 of FY21 is most comparable to Q2 FY20, when Doña Ana County reported \$9M higher in MTGR. The reported MTGR during Q4 FY21 was the second highest amount of MTGR dating back to FY18.

Chart 2. FY21 - Q4 Industry Size by Matched Taxable Gross Receipts



Matched Taxable Gross Receipts (MTGR) are the best tax data available to show underlying economic activity. The data collection process matches a tax payment with reported receipts for each taxpayer by industry.

Quarterly Economic Summary

Doña Ana County



Table 1. FY21 - Q4 Matched Taxable Gross Receipts by Industry

Industries	FY21 - Q4	YOY Growth	YOY % Change	2-Year % Change
Accommodation and Food Services	\$ 93,142,170	\$ 28,095,247	43%	5%
Administrative/Support & Waste Management/Remediation	\$ 27,535,888	\$ 9,820,415	55%	-9%
Agriculture, Forestry, Fishing, and Hunting	\$ 5,298,465	\$ 2,123,373	67%	154%
Arts, Entertainment, and Recreation	\$ 8,769,469	\$ 7,273,620	486%	13%
Construction	\$ 144,905,080	\$ (63,413,694)	-30%	14%
Educational Services	\$ 10,961,895	\$ 1,009,897	10%	11%
Finance and Insurance	\$ 8,843,463	\$ 1,820,394	26%	20%
Health Care and Social Assistance	\$ 151,062,370	\$ 19,619,785	15%	15%
Information	\$ 29,457,832	\$ (28,082,977)	-49%	-47%
Management of Companies and Enterprises	\$ -	\$ (760,083)	-100%	-100%
Manufacturing	\$ 21,463,364	\$ 7,461,683	53%	4%
Mining, Quarrying, and Oil and Gas Extraction	\$ 5,006,994	\$ 4,044,655	420%	322%
Other Services (except Public Administration)	\$ 72,014,602	\$ 8,234,309	13%	4%
Professional, Scientific, and Technical Services	\$ 73,982,816	\$ (5,580,519)	-7%	7%
Public Administration	\$ 1,095,932	\$ 220,092	25%	36%
Real Estate and Rental and Leasing	\$ 21,744,571	\$ 2,903,161	15%	46%
Retail Trade	\$ 316,594,329	\$ 52,378,053	20%	26%
Transportation and Warehousing	\$ 5,898,826	\$ 1,113,131	23%	-22%
Unclassified Establishments	\$ 2,606,346	\$ 436,805	20%	-72%
Utilities	\$ 40,187,262	\$ 4,745,158	13%	20%
Wholesale Trade	\$ 23,460,643	\$ 5,332,328	29%	43%
All Industries	\$ 1,067,442,598	\$ 61,982,807	6%	12%

When comparing Q4 FY20 to Q4 FY21, MTGR increased by nearly \$62M, shown in Table 1. The largest contributor to this increase was the retail trade industry, which reported a year-over-year (YoY) increase of \$52M or 20%. Despite the county's strong YoY increase, the construction industry reported a YoY loss of \$63M or 30%.

Gross receipts tax (GRT) revenue collections increased by \$950K, or 8%, from Q3 to Q4 FY21, shown in Chart 4. The amount collected during Q4 FY21, \$12.6M, is the largest amount over the last eight quarters.

Chart 3. Annual Total GRT Revenue Collections

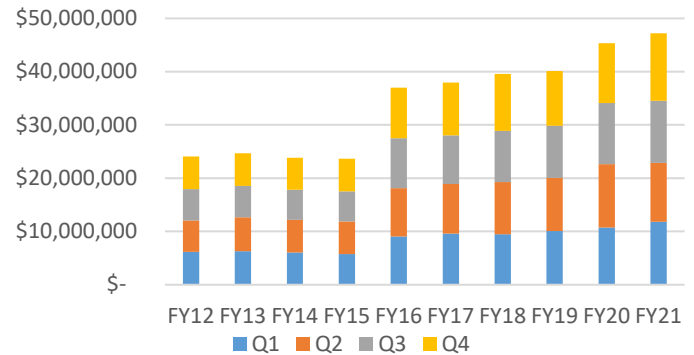


Chart 4. Quarterly GRT Revenue Collections

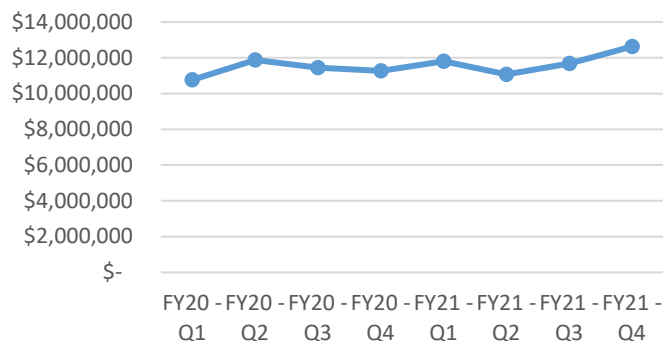
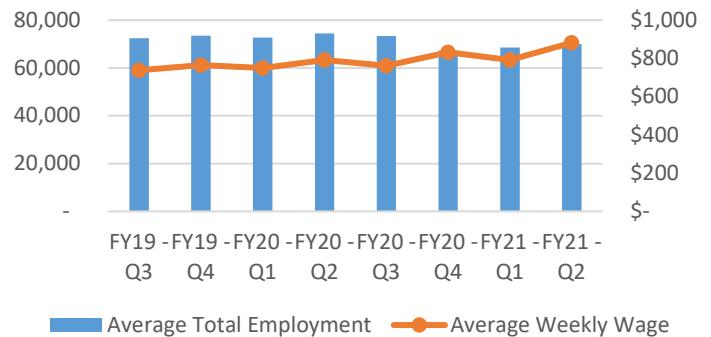


Chart 5. Quarterly Average Total Employment & Weekly Wage



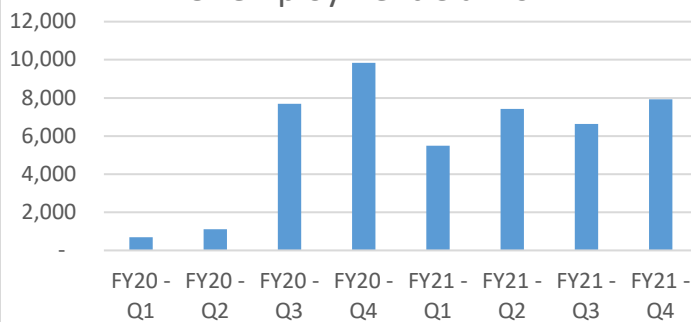
SOURCES: NEW MEXICO TAXATION AND REVENUE DEPT, NEW MEXICO DEPARTMENT OF WORKFORCE SOLUTIONS, U.S. BUREAU OF LABOR STATISTICS, U.S. BUREAU OF ECONOMIC ANALYSIS AND EDD CALCULATIONS

Quarterly Economic Summary

Doña Ana County



Chart 6. Quarterly Initial Unemployment Claims



*Weeks with low IUC amounts have total claims withheld to avoid disclosure of confidential information. The sum of all weeks may not reflect the true total and may include a few days outside of the quarter. Claimants must reapply once a year. Claims that were filed last year, when the pandemic first started, have expired and claimants need to reapply if they are still unemployed.

A significant increase in initial unemployment claims can be an early indicator of an economic downturn, and a reduction can be an early sign of an upturn. However, these numbers are also impacted by seasonal job fluctuations, federal government shutdowns resulting in temporary employee furloughs, or the closing of a major regional facility. The current unprecedented uptick in initial unemployment claims is clearly tied directly to the COVID-19 pandemic. As vaccination levels and other health indicators continue to improve and result in lessened health concerns and fewer business restrictions, these claims should decline, but it is impossible to predict how quickly employment numbers will return to pre-COVID-19 levels.

The *Quarterly Census of Employment and Wages (QCEW)* program publishes a quarterly count of establishments, employment and wages reported by employers, covering more than 95 percent of U.S. jobs. QCEW data are used as the benchmark source for employment, and this data is far more reliable than the monthly employment survey data in the *Current Employment Statistics (CES)* program often reported in news articles. However, as shown below, QCEW data has a significant lag time before it is reported and does not reflect the same quarter used in the other charts and tables above. This quarterly QCEW data combined with the other employment data, above, provide the best overall picture of employment levels using the most reliable data.

Table 2. FY21-Q3 Employment Data and Establishments by Industry

Industry	Average Employment	YOY Change in Average Employment		Average Weekly Wage	YOY change in Average Weekly Wage		Number of Establishments	YOY Change in Establishments
		Average	Average		Average	Average		
Accommodation and Food Services	6,005	-21.7%		\$ 328	0.9%	324	-3.6%	
Administrative/Support & Waste	3,415	3.7%		\$ 673	1.4%	266	6.4%	
Agriculture, Forestry, Fishing, and Hunting	2,016	-16.2%		\$ 571	3.8%	197	0.5%	
Arts, Entertainment, and Recreation	616	-49.5%		\$ 448	17.3%	61	5.2%	
Construction	4,017	-2.7%		\$ 833	5.0%	541	3.4%	
Educational Services	9,678	-8.6%		\$ 941	9.7%	132	10.9%	
Finance and Insurance	1,309	-14.2%		\$ 1,261	8.0%	252	4.6%	
Health Care and Social Assistance	15,555	-2.6%		\$ 726	4.6%	1,296	6.4%	
Information	512	-22.2%		\$ 842	15.7%	67	26.4%	
Management of Companies and Enterprises	96	6.7%		\$ 861	-22.4%	30	36.4%	
Manufacturing	2,779	0.5%		\$ 842	-13.5%	134	1.5%	
Mining, Quarrying, and Oil and Gas Extraction	41	-24.1%		\$ 602	-37.9%	8	0.0%	
Other Services (except Public Administration)	1,126	-9.6%		\$ 555	3.9%	318	2.3%	
Professional, Scientific, and Technical Services	3,726	0.2%		\$ 1,175	5.6%	482	8.8%	
Public Administration	5,869	-0.7%		\$ 1,357	2.0%	160	2.6%	
Real Estate and Rental and Leasing	806	-2.2%		\$ 633	6.4%	232	0.0%	
Retail Trade	6,990	-3.9%		\$ 555	6.1%	478	-1.4%	
Transportation and Warehousing	2,443	6.8%		\$ 815	-0.2%	166	5.7%	
Utilities	648	1.6%		\$ 1,175	-10.2%	26	0.0%	
Wholesale Trade	1,372	-3.6%		\$ 909	-0.7%	153	1.3%	
All Industries	69,019	-6.3%		\$ 802	5.5%	5,323	4.0%	

*Some data may be withheld to avoid disclosure of confidential information.