

# Quarterly Economic Summary

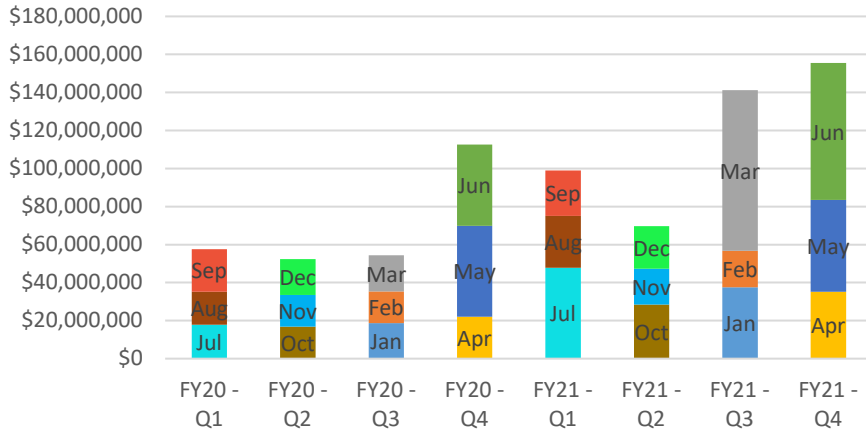
## Torrance County

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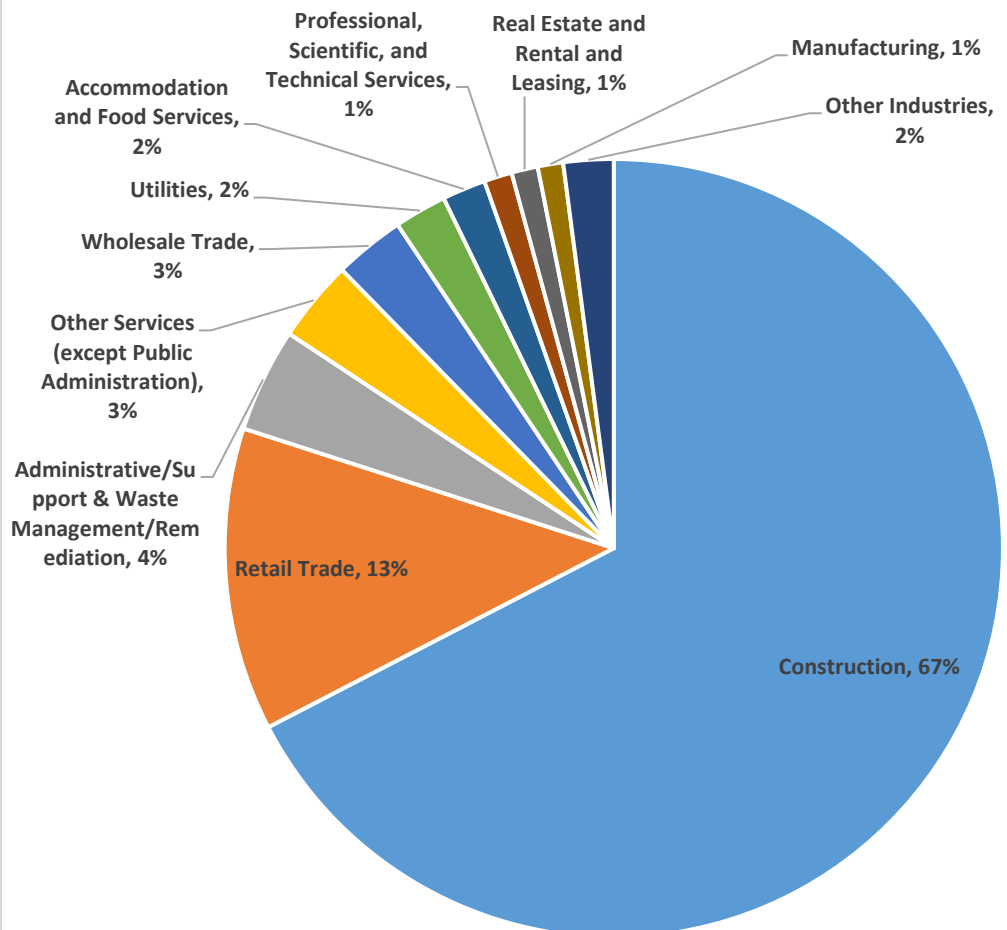
Chart 1. Matched Taxable Gross Receipts Per Quarter



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.

Torrance County's matched taxable gross receipts (MTGR) increased by \$14M, or 10%, in Q4 FY21 compared to Q3 FY21, shown in Chart 1. The quarterly MTGR reported for Torrance County in Q4 FY21 (\$155M) is the largest amount the county has seen in a single quarter. The construction industry was the sole reason for this record-breaking level of MTGR. The construction industry has reported exceptionally high MTGR

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.

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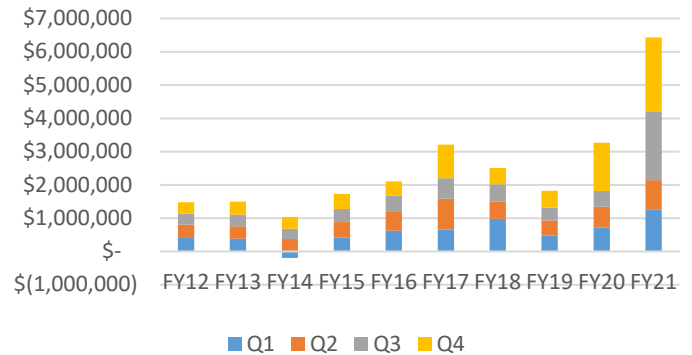


**Table 1. FY21 - Q4 Matched Taxable Gross Receipts by Industry**

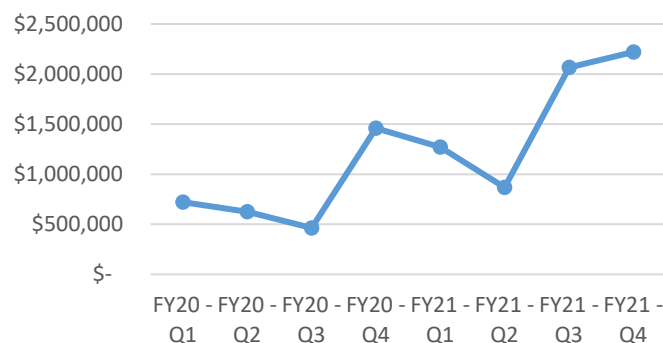
Industries	FY21 - Q4	YOY Growth	YOY % Change	2-Year % Change
Accommodation and Food Services	\$ 2,776,692	\$ 885,276	47%	41%
Administrative/Support & Waste Management/Remediation	\$ 6,638,283	\$ 796,496	14%	634%
Agriculture, Forestry, Fishing, and Hunting	\$ 384,298	\$ (596,343)	-61%	-39%
Arts, Entertainment, and Recreation	\$ 69,366	\$ 51,724	293%	-28%
Construction	\$ 103,591,999	\$ 40,606,923	64%	1651%
Educational Services	\$ 218,064	\$ (30,945)	-12%	41%
Finance and Insurance	\$ 62,632	\$ 13,418	27%	-5%
Health Care and Social Assistance	\$ 340,725	\$ (220,693)	-39%	-38%
Information	\$ 1,537,769	\$ (1,748,862)	-53%	-50%
Management of Companies and Enterprises	\$ -	\$ -	N/A	N/A
Manufacturing	\$ 1,619,385	\$ (44,766)	-3%	23%
Mining, Quarrying, and Oil and Gas Extraction	\$ 51,336	\$ 38,685	306%	-42%
Other Services (except Public Administration)	\$ 5,220,383	\$ 1,355,786	35%	36%
Professional, Scientific, and Technical Services	\$ 1,788,416	\$ (730,838)	-29%	48%
Public Administration	\$ -	\$ (128,933)	-100%	-100%
Real Estate and Rental and Leasing	\$ 1,684,653	\$ 766,658	84%	96%
Retail Trade	\$ 19,343,424	\$ 4,950,504	34%	39%
Transportation and Warehousing	\$ 416,344	\$ 53,922	15%	-22%
Unclassified Establishments	\$ 118,844	\$ 24,744	26%	-42%
Utilities	\$ 3,346,920	\$ (2,479,713)	-43%	-22%
Wholesale Trade	\$ 4,508,296	\$ (889,129)	-16%	143%
<b>All Industries</b>	<b>\$ 155,516,273</b>	<b>\$ 42,901,168</b>	<b>38%</b>	<b>269%</b>

over the past several quarters and is likely due to a large project in the region. Table 1 shows that Torrance County reported a \$42.9M, or 38%, year-over-year (YoY) increase in MTGR when comparing Q4 FY20 to Q4 FY21. The largest YoY decline came from the utilities industry, which reported a \$2.4M decrease in quarterly MTGR, bringing it to a level of MTGR last seen in Q2 FY19. Annual GRT revenue collections increased significantly in FY21, due to the significant increases in the construction industry's activity. FY21 revenue collections were 96% higher than FY20, an increase of \$3.2M.

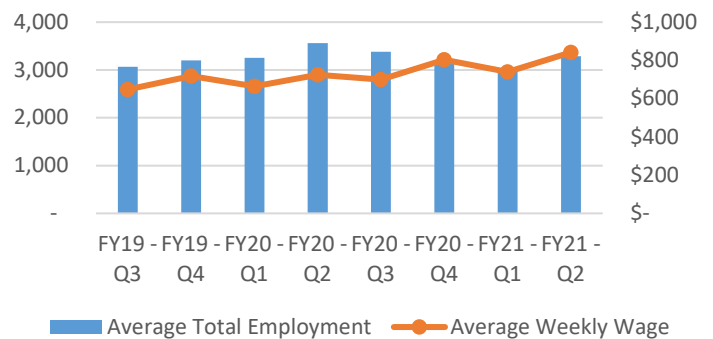
**Chart 3. Annual Total GRT Revenue Collections**



**Chart 4. Quarterly GRT Revenue Collections**



**Chart 5. Quarterly Average Total Employment & Weekly Wage**

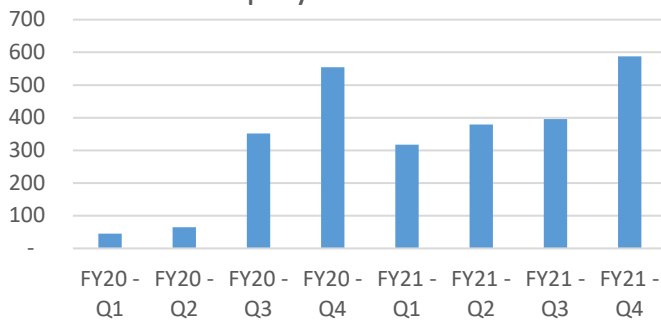


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Chart 6. Quarterly Initial Unemployment Claims



\*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		YOY change in Average Weekly Wage		Number of Establishments	YOY Change in Establishments
		Average	Average	Average	Average		
Accommodation and Food Services	184		-0.5%	\$ 301	23.9%	19	-5.0%
Administrative/Support & Waste Management/Remediation	201	*		\$ 818	*	8	0.0%
Agriculture, Forestry, Fishing, and Hunting	57		-10.9%	\$ 529	1.0%	18	0.0%
Arts, Entertainment, and Recreation	31	*		\$ 719	*	8	33.3%
Construction	322		45.7%	\$ 1,486	104.7%	46	-2.1%
Educational Services	*	*		*	*	11	0.0%
Finance and Insurance	31		0.0%	\$ 1,149	23.9%	10	25.0%
Health Care and Social Assistance	511		1.2%	\$ 772	2.1%	64	14.3%
Information	27		-10.0%	\$ 691	17.3%	8	0.0%
Management of Companies and Enterprises	*	*		*	*	1	#DIV/0!
Manufacturing	98		1.0%	\$ 1,104	58.8%	14	0.0%
Mining, Quarrying, and Oil and Gas Extraction	*	*		*	*	2	-33.3%
Other Services (except Public Administration)	40		2.6%	\$ 1,268	16.4%	15	-6.3%
Professional, Scientific, and Technical Services	48		-2.0%	\$ 1,363	88.8%	15	36.4%
Public Administration	215		-3.2%	\$ 733	9.1%	27	-3.6%
Real Estate and Rental and Leasing	*	*		*	*	1	0.0%
Retail Trade	556		-7.8%	\$ 682	15.0%	45	0.0%
Transportation and Warehousing	65		-12.2%	\$ 673	-2.6%	23	0.0%
Utilities	*	*		*	*	8	-11.1%
Wholesale Trade	133		-16.9%	\$ 679	-41.4%	12	9.1%
<b>All Industries</b>	<b>3,274</b>		<b>-3.2%</b>	<b>\$ 832</b>	<b>19.4%</b>	<b>355</b>	<b>3.5%</b>

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