

Quarterly Economic Summary

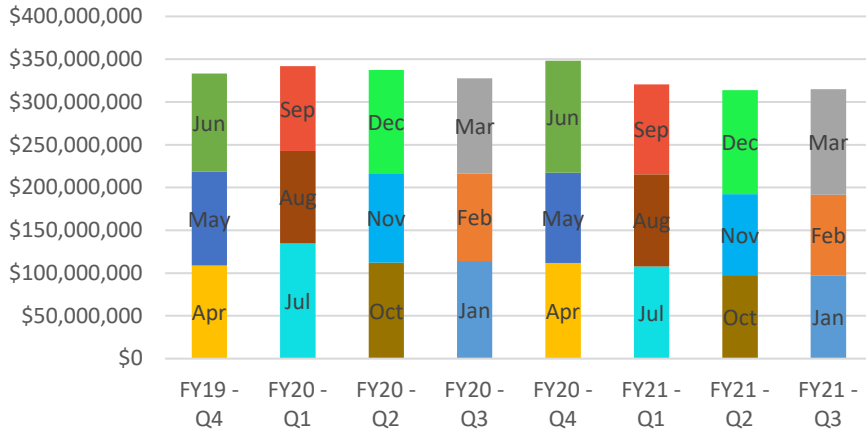
Chaves County



Released: May 2021

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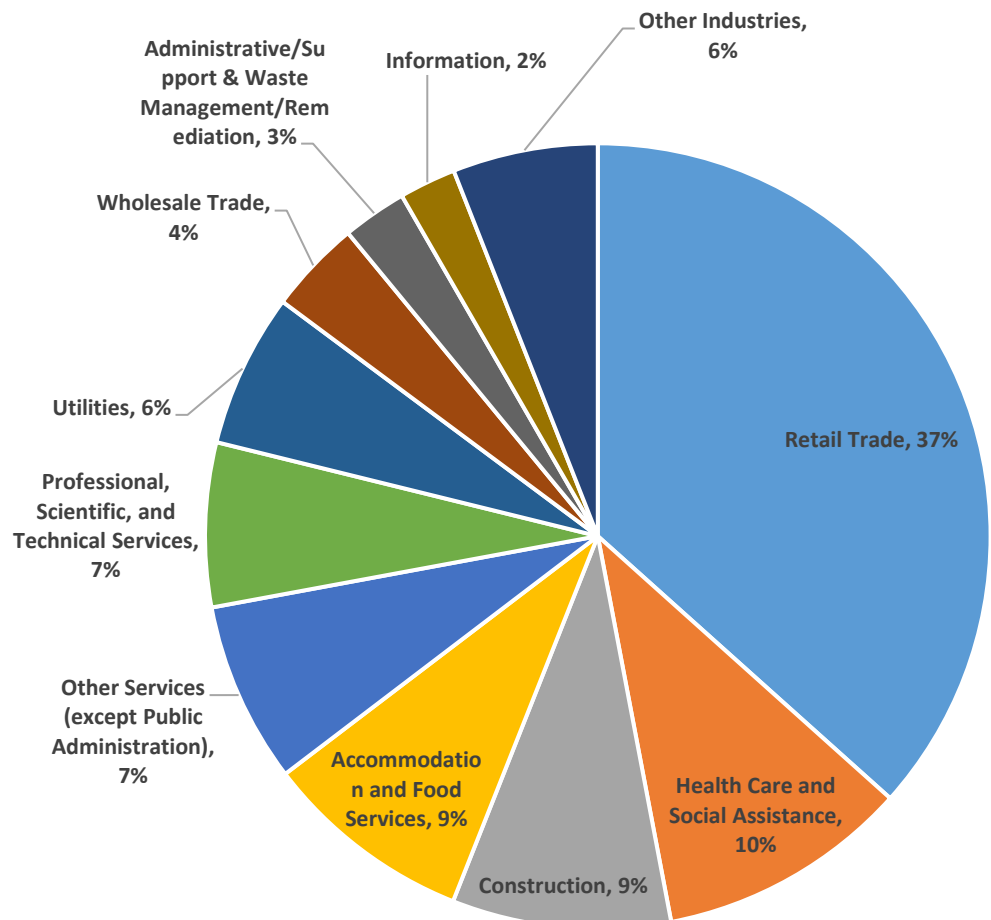
Chart 1. Matched Taxable Gross Receipts Per Quarter



During Q3 FY21, the state started rolling out vaccinations to a significant portion of the adult population. The economic effects of the pandemic waned as restrictions and limits on business capacity were lifted following improving health metrics. These shifts in policy, along with pent up demand, likely led to an increase in consumer spending on taxable goods and services. Though the uncertainty and impacts caused by the pandemic can still be seen, the economic stability of the state and many of its counties continues to improve.

Chaves County's matched taxable gross receipts (MTGR) remained relatively flat in Q3 FY21 as compared to Q2 FY21, as seen in Chart 1. The total amount of MTGR reported for Q3 (\$315M) is nearly \$16M less than the average amount of reported MTGR through the previous seven quarters. Despite these factors, March of Q3 in FY21 was the largest amount of reported MTGR since June of Q4 FY20. Table 1, on the next page, shows a decrease of \$12.5M

Chart 2. FY21 - Q3 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. Matched Taxable Gross Receipts by Industry

Industries	FY20 - Q3	FY21 - Q3	Growth	Year over year Change
Accommodation and Food Services	\$ 26,345,639	\$ 27,151,094	\$ 805,454	3%
Administrative/Support & Waste Management/Remediation	\$ 5,909,608	\$ 8,346,481	\$ 2,436,872	41%
Agriculture, Forestry, Fishing, and Hunting	\$ 653,395	\$ 795,204	\$ 141,809	22%
Arts, Entertainment, and Recreation	\$ 859,810	\$ 1,029,135	\$ 169,325	20%
Construction	\$ 50,000,678	\$ 28,288,391	\$ (21,712,286)	-43%
Educational Services	\$ 328,154	\$ 474,401	\$ 146,247	45%
Finance and Insurance	\$ 1,926,293	\$ 2,095,180	\$ 168,887	9%
Health Care and Social Assistance	\$ 30,028,606	\$ 32,598,594	\$ 2,569,987	9%
Information	\$ 14,547,005	\$ 7,343,094	\$ (7,203,911)	-50%
Management of Companies and Enterprises	\$ 345,361	\$ 187,621	\$ (157,739)	-46%
Manufacturing	\$ 4,710,877	\$ 5,404,841	\$ 693,964	15%
Mining, Quarrying, and Oil and Gas Extraction	\$ 5,297,363	\$ 111,106	\$ (5,186,257)	-98%
Other Services (except Public Administration)	\$ 25,919,333	\$ 23,386,177	\$ (2,533,156)	-10%
Professional, Scientific, and Technical Services	\$ 28,355,493	\$ 21,237,167	\$ (7,118,327)	-25%
Public Administration	\$ -	\$ 148,195	\$ 148,195	N/A
Real Estate and Rental and Leasing	\$ 6,784,163	\$ 5,527,448	\$ (1,256,716)	-19%
Retail Trade	\$ 91,385,480	\$ 115,121,157	\$ 23,735,678	26%
Transportation and Warehousing	\$ 3,465,869	\$ 2,451,463	\$ (1,014,405)	-29%
Unclassified Establishments	\$ 1,768,284	\$ 672,879	\$ (1,095,406)	-62%
Utilities	\$ 18,256,787	\$ 19,899,553	\$ 1,642,766	9%
Wholesale Trade	\$ 9,699,539	\$ 12,101,269	\$ 2,401,730	25%
All Industries	\$ 327,520,126	\$ 314,991,298	\$ (12,528,828)	-4%

from Q3 FY20 to the same time in FY21. The largest contributor to this 4% year-over-year (YOY) decrease came from the construction industry. In the first two months of Q3 FY21 the construction industry averaged \$7.7M in MTGR while in the third month MTGR increased to nearly \$12.9M. The previous 21 months averaged \$15M in MTGR in the construction industry. The retail trade industry reported \$115M in MTGR during Q3 FY21. This is the largest amount of quarterly MTGR reported for the retail trade industry dating back to Q4 FY19. Over the previous seven quarters, MTGR for the retail trade industry averaged \$106M.

Chart 3. Annual Total GRT Revenue Collections

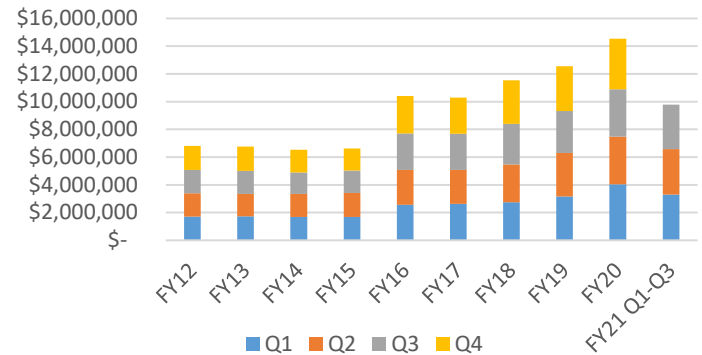


Chart 4. Quarterly GRT Revenue Collections

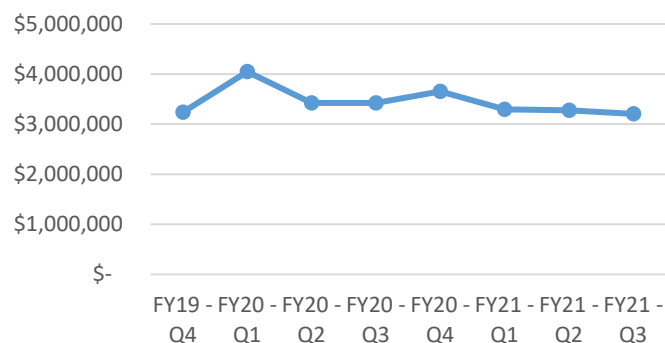
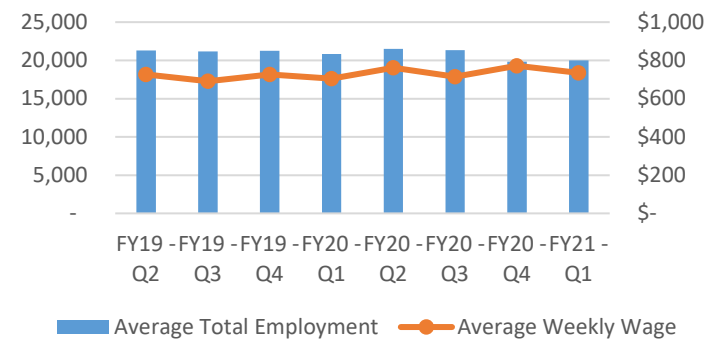


Chart 5. Quarterly Average Total Employment & Weekly Wage

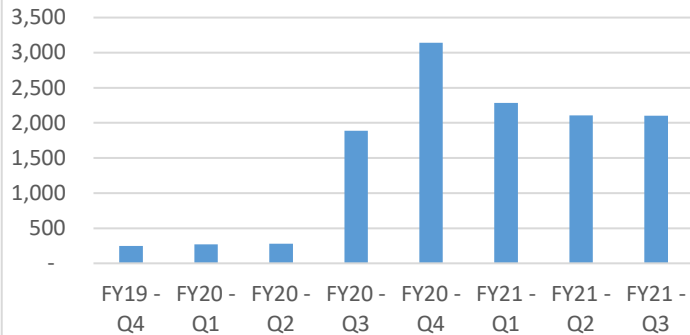


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Chart 6. Quarterly Initial Unemployment Claims



*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. Claimants who applied at the beginning of the pandemic may be reapplying, possibly causing an increase in IUC.

A significant increase in initial unemployment claims can be an early indicator of an economic downturn, and a drop 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. The 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 program often reported in news articles. However, as shown below, this quarterly data has a significant lag time for reporting and does not reflect the same quarter as 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-Q1 Employment Data and Establishments by Industry

Industry	YOY Change in		YOY change in		Number of Establishments	YOY Change in Establishments
	Average Employment	Average Employment	Average Weekly Wage	Average Weekly Wage		
Accommodation and Food Services	2,654	-12.0%	\$ 332	0.3%	133	1.5%
Administrative/Support & Waste Management/Remediation	661	-7.7%	\$ 570	13.8%	75	5.6%
Agriculture, Forestry, Fishing, and Hunting	1,286	1.0%	\$ 745	6.1%	84	-1.2%
Arts, Entertainment, and Recreation	215	-35.2%	\$ 493	38.5%	26	-3.7%
Construction	951	-6.5%	\$ 829	-2.1%	145	-4.0%
Educational Services	1,610	-5.9%	\$ 761	-4.2%	47	9.3%
Finance and Insurance	526	-2.6%	\$ 900	-1.9%	91	-2.2%
Health Care and Social Assistance	3,593	-4.0%	\$ 768	3.9%	446	3.5%
Information	170	-21.7%	\$ 828	23.0%	16	-11.1%
Management of Companies and Enterprises	59	78.8%	\$ 1,662	87.8%	10	11.1%
Manufacturing	1,035	11.4%	\$ 908	-2.8%	40	-7.0%
Mining, Quarrying, and Oil and Gas Extraction	303	-22.3%	\$ 1,288	6.6%	47	0.0%
Other Services (except Public Administration)	475	-15.6%	\$ 573	7.1%	109	-4.4%
Professional, Scientific, and Technical Services	571	-5.0%	\$ 983	-5.0%	122	-2.4%
Public Administration	1,170	7.2%	\$ 1,121	1.9%	83	-1.2%
Real Estate and Rental and Leasing	184	-1.6%	\$ 628	1.9%	65	1.6%
Retail Trade	2,823	1.0%	\$ 612	5.2%	208	-0.5%
Transportation and Warehousing	816	-3.4%	\$ 914	7.8%	75	-2.6%
Utilities	140	6.1%	\$ 1,147	2.8%	13	-7.1%
Wholesale Trade	797	-0.6%	\$ 846	8.6%	71	4.4%
All Industries	20,041	-4.3%	\$ 734	4.4%	1,906	0.1%

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