

Quarterly Economic Summary

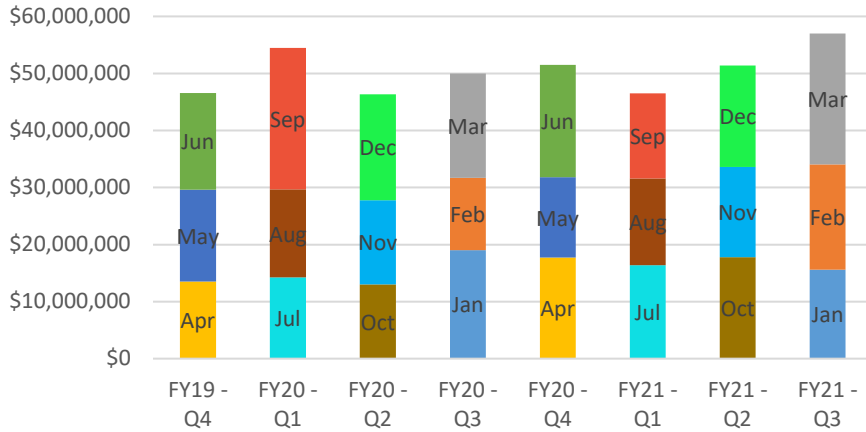
Socorro County



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

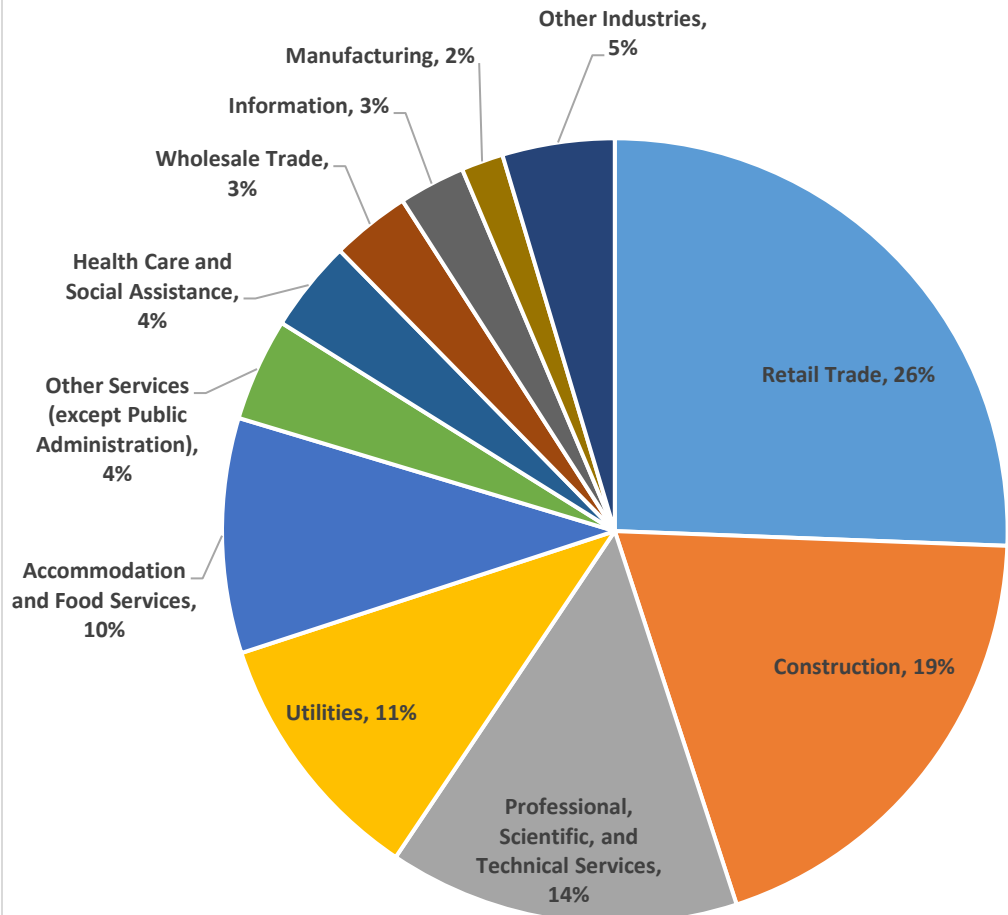
Chart 1. Matched Taxable Gross Receipts Per Quarter



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.

Socorro County's matched taxable gross receipts (MTGR) increased by 11% in Q3 FY21 as compared to Q2 FY21, as seen in Chart 1. Q3 FY21 was the largest amount of MTGR reported over the last eight quarters. More specifically, Q3 FY21 is the third largest amount of quarterly MTGR dating back to FY04. The month of March in Q3 FY21 was the driver for the quarter, reporting nearly \$23M in MTGR which is \$6M greater than the 24-month average for Socorro County.

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	\$ 6,438,916	\$ 5,395,674	\$ (1,043,243)	-16%
Administrative/Support & Waste Management/Remediation	\$ 506,981	\$ 952,499	\$ 445,518	88%
Agriculture, Forestry, Fishing, and Hunting	\$ 109,767	\$ 114,902	\$ 5,135	5%
Arts, Entertainment, and Recreation	\$ -	\$ -	\$ -	N/A
Construction	\$ 7,963,198	\$ 10,809,486	\$ 2,846,288	36%
Educational Services	\$ 36,400	\$ 52,450	\$ 16,050	44%
Finance and Insurance	\$ 153,990	\$ 151,877	\$ (2,114)	-1%
Health Care and Social Assistance	\$ 1,949,046	\$ 2,103,358	\$ 154,312	8%
Information	\$ 2,775,965	\$ 1,526,302	\$ (1,249,663)	-45%
Manufacturing	\$ 615,412	\$ 964,988	\$ 349,577	57%
Other Services (except Public Administration)	\$ 3,403,076	\$ 2,362,719	\$ (1,040,357)	-31%
Professional, Scientific, and Technical Services	\$ 2,730,517	\$ 8,051,314	\$ 5,320,797	195%
Public Administration	\$ -	\$ -	\$ -	N/A
Real Estate and Rental and Leasing	\$ 788,978	\$ 884,728	\$ 95,750	12%
Retail Trade	\$ 14,215,465	\$ 14,275,206	\$ 59,741	0%
Transportation and Warehousing	\$ 321,223	\$ 211,237	\$ (109,986)	-34%
Unclassified Establishments	\$ 287,816	\$ 209,250	\$ (78,566)	-27%
Utilities	\$ 4,341,937	\$ 5,888,726	\$ 1,546,790	36%
Wholesale Trade	\$ 2,223,117	\$ 1,813,893	\$ (409,224)	-18%
All Industries	\$ 49,981,213	\$ 56,992,311	\$ 7,011,098	14%

When comparing Q3 FY20 to Q3 FY21, MTGR increased by \$7M or 14%, as seen in Table 1. The largest contributor to this year-over-year (YOY) increase came from the professional, scientific, and technical services industry, which reported an increase of \$5.3M or 195%. Despite this YOY increase for Socorro County, six industries reported a decline in MTGR when comparing the two periods. The largest decline was reported by the information industry, with a YOY loss of \$1.2M or 45%. Gross receipts tax (GRT) revenue collections increased by \$64K, or 12%, from Q2 FY21 to Q3 FY21, shown in Chart 4.

Chart 3. Annual Total GRT Revenue Collections

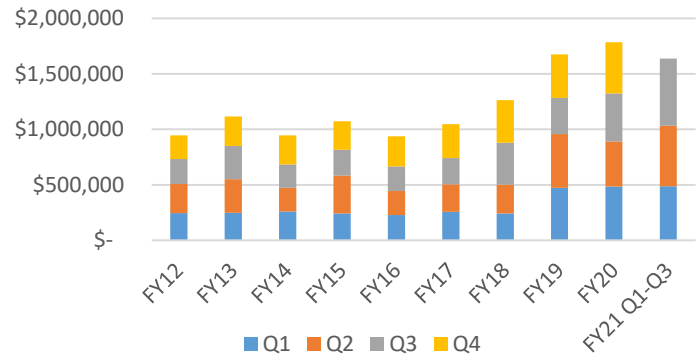


Chart 4. Quarterly GRT Revenue Collections

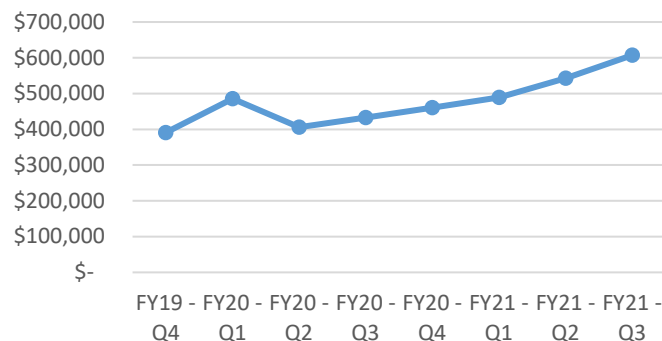
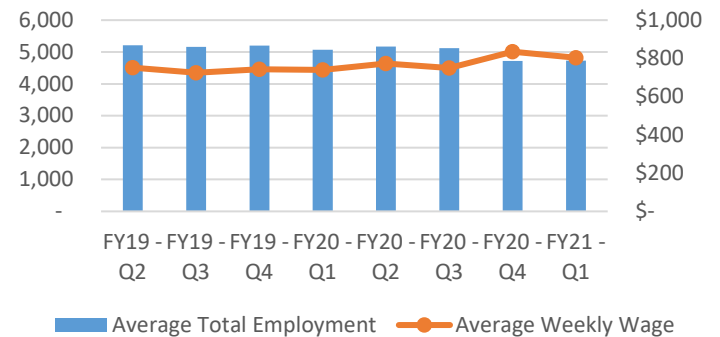


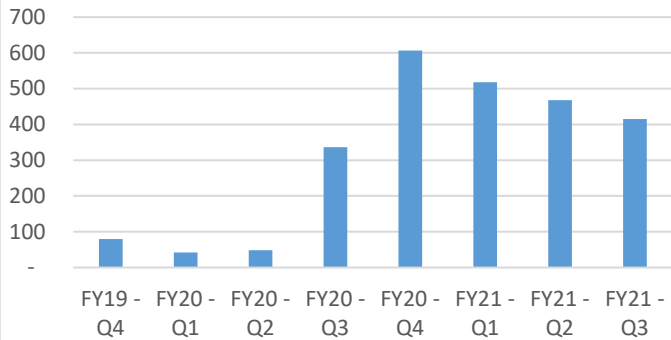
Chart 5. Quarterly Average Total Employment & Weekly Wage



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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	Average Employment	YOY Change in		Average Weekly Wage	YOY change in		Number of Establishments	YOY Change in Establishments
		Average Employment	Average Weekly Wage		Average Weekly Wage	Establishments		
Accommodation and Food Services	425	-27.5%	\$ 327	8.3%	39	-9.3%		
Administrative/Support & Waste Management/Remediation	62	-7.5%	\$ 1,009	16.0%	12	0.0%		
Agriculture, Forestry, Fishing, and Hunting	280	6.1%	\$ 609	-8.3%	16	14.3%		
Arts, Entertainment, and Recreation	*	*	*	*	2	100.0%		
Construction	105	5.0%	\$ 748	5.6%	25	8.7%		
Educational Services	*	*	*	*	13	0.0%		
Finance and Insurance	73	-13.1%	\$ 649	19.3%	16	6.7%		
Health Care and Social Assistance	970	0.9%	\$ 717	4.8%	113	14.1%		
Information	17	-15.0%	\$ 1,347	53.4%	8	0.0%		
Management of Companies and Enterprises	*	*	*	*	3	0.0%		
Manufacturing	67	-25.6%	\$ 642	-8.8%	9	12.5%		
Mining, Quarrying, and Oil and Gas Extraction	*	*	*	*	2	0.0%		
Other Services (except Public Administration)	31	-24.4%	\$ 515	22.3%	17	6.3%		
Professional, Scientific, and Technical Services	320	4.2%	\$ 1,237	-5.6%	27	0.0%		
Public Administration	436	10.1%	\$ 1,078	-2.4%	40	8.1%		
Real Estate and Rental and Leasing	12	9.1%	\$ 616	8.1%	7	-30.0%		
Retail Trade	439	4.0%	\$ 481	8.1%	34	-2.9%		
Transportation and Warehousing	128	-17.4%	\$ 845	10.9%	20	0.0%		
Utilities	74	*	\$ 868	*	6	0.0%		
Wholesale Trade	*	*	*	*	1	0.0%		
All Industries	4,729	-6.8%	\$ 804	8.4%	410	4.3%		

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