2016-2026 Industry Employment Projections

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The New Mexico Department of Workforce Solutions' (NMDWS) Economic Research and Analysis Bureau (ER&A) produces long-term industry and occupational employment projections every two years. Data are produced in conjunction with the U.S. Department of Labor (USDOL) and are available for New Mexico, its four metropolitan statistical areas (Albuquerque, Farmington, Las Cruces, and Santa Fe), and four workforce regions (Central, Northern, Eastern, and Southwestern, as defined by the Workforce Innovation and Opportunity Act (WIOA) and referred to as "regions"). The recently released data project employment across the ten-year period of 2016 to 2026 and are available for over 90 industry subsectors and close to 800 detailed occupations at the state and substate levels.

Employment projections are used for a variety of purposes. Individuals often use projections when exploring future career opportunities and making employment decisions. Businesses and public entities use the data when making decisions related to future workforce needs and demand for particular occupations and skill sets. Employment projections are critical for education institutions that are developing programs and determining the allocation of resources. All in all, employment growth and occupational demand provide insight into key growth sectors and potential areas of decline across New Mexico's industries and occupations. Such insight assists policy makers, individuals, employers, and educators in making informed decisions that will ultimately help align the supply of and demand for workers in New Mexico and reduce workforce shortages and surpluses.

This article provides a summary of industry employment projections for New Mexico and its substate areas (regions and MSAs). (An article summarizing occupational employment projections will be published in next month's Labor Market Review.) Industry employment projections are produced for the 21 industry sectors and 91 industry subsectors.

Accessing Projections Data and Methodology and Viewing Interactive Data Visualizations

Projections data are available in downloadable formats at the NMDWS interactive data site, LASER, at www.jobs.state.nm.us/analyzer.

This is the first time that online dashboards have been produced to provide interactive visualizations of projections data. To access the employment projections dashboards, visit https://www.dws.state.nm.us/Labor-Market-Information/Data-Statistics-Dashboards/Employment-Projections. This page also includes detailed methodological information and projections-related definitions.

1| Projected Employment Growth by Substate Area

		2016	2026	#	%
	New Mexico	**861,820**	**919,400**	**57,580**	**6.7%**
REGIONS	Central Region	392,390	418,150	25,760	6.6%
	Eastern Region	138,840	148,220	9,380	6.8%
	Northern Region	198,110	211,360	13,250	6.7%
	Southwestern Region	107,020	114,520	7,500	7.0%
MSAs	Albuquerque	392,390	418,150	25,760	6.6%
	Farmington	50,490	54,060	3,570	7.1%
	Las Cruces	76,840	82,410	5,570	7.3%
	Santa Fe	65,230	69,080	3,850	5.9%

Employment, projected employment, and numeric growth are rounded.
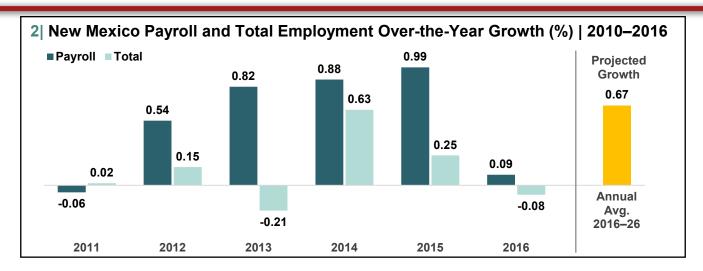
Overview of Employment Growth

New Mexico's employment is projected to grow by 57,580 jobs, or by 6.7 percent, between 2016 and 2026.

New Mexico's 2016 employment of 861,820 is projected to grow to 919,400 by 2026. This increase represents an additional 57,580 jobs and 6.7 percent growth. (Employment estimates, projections, and numeric growth are rounded.) As shown in Exhibit 1, of the state's four workforce regions, the Southwestern Region is projected to experience the highest percentage growth (7.0 percent). Growth in the Las Cruces MSA (7.3 percent) is anticipated to be the primary driver of that region's growth. The MSA also has the highest projected percentage growth of the state's four MSAs. The largest numeric growth is, unsurprisingly, anticipated to occur in the state's most populated region (Central) and MSA (Albuquerque). Percentage growth in the Central, Northern, and Eastern Regions is either equal or nearly equal to growth statewide (ranging from 6.6 percent in Central to 6.8 percent in Eastern). Within the Northern Region, growth in the Farmington MSA of 7.1 percent is projected to exceed growth in the Santa Fe MSA of 5.9 percent.

The Southwestern Region and Las Cruces MSA are expected to see the fastest employment growth over the period.

Exhibit 2 provides over-the-year percentage growth in both payroll employment (from the Quarterly Census of Employment and Wages (QCEW) program) and total employment (from the Local Area Unemployment Statistics (LAUS) program) between 2010 and 2016. (For more information on these programs, access the Labor Market Information Data Program Guide at https://www.dws.state.nm.us/Portals/0/DM/LMI/LMI_data_program_guide.pdf.) Payroll employment grew by an average 0.54 percent per year between 2010 and 2016, while total employment grew by an average 0.13 percent. Annual projected employment growth is expected to average 0.67 percent per year between 2016 and 2026. (Note that the QCEW, LAUS, and projections programs have different methodologies and estimate or count employment

2| New Mexico Payroll and Total Employment Over-the-Year Growth (%) | 2010–2016

■ Payroll   ■ Total

Year	Payroll	Total
2011	-0.06	0.02
2012	0.54	0.15
2013	0.82	-0.21
2014	0.88	0.63
2015	0.99	0.25
2016	0.09	-0.08

Projected Growth
0.67
Annual Avg. 2016–26

differently. The combination of data sources illustrated in Exhibit 2 is shown for the purposes of a high-level comparison only.)
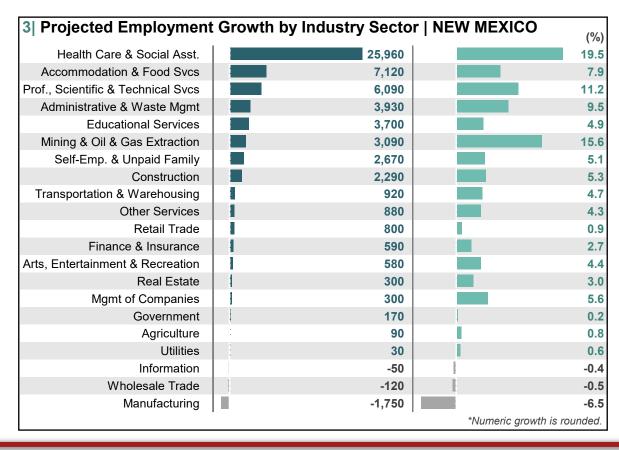
Projected Growth by Industry Sector

The health care and social assistance sector is projected to grow the fastest and provide more new jobs than any other sector.
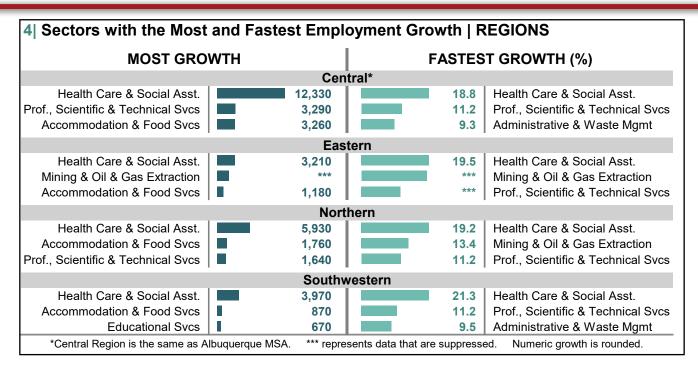
As illustrated in Exhibit 3, about two-thirds of all projected employment growth is anticipated to occur in just three industry sectors—health care and social assistance (25,960 jobs, or 19.5 percent growth), accommodation and food services (7,120 jobs, or 7.9 percent growth), and professional, scientific, and technical services (6,090 jobs, or 11.2 percent growth). The percentage growth of these three sectors exceeds the all-industry average of 6.7 percent. Two other sectors have percentage growth above the all-industry average, including mining and oil and gas

extraction (3,090 jobs, or 15.6 percent) and administrative and waste management (3,930 jobs, or 9.5 percent). Three sectors are projected to see a decline in employment. Losses in information (50 jobs, or 0.4 percent) and wholesale trade (120 jobs, or 0.5 percent) are projected to be measurably smaller than losses in manufacturing (1,750 jobs, or 6.5 percent).

The health care and social assistance and accommodation and food services sectors are projected to provide more new jobs than most other sectors in every area of the state. Additionally, the health care and social assistance and professional, scientific, and technical services sectors are anticipated to be among the fastest growing statewide.

The top three industry sectors projected to grow the most and the top three projected to grow the fastest are, for the most part, the

3| Projected Employment Growth by Industry Sector | NEW MEXICO

Industry Sector	Growth	(%)
Health Care & Social Asst.	25,960	19.5
Accommodation & Food Svcs	7,120	7.9
Prof., Scientific & Technical Svcs	6,090	11.2
Administrative & Waste Mgmt	3,930	9.5
Educational Services	3,700	4.9
Mining & Oil & Gas Extraction	3,090	15.6
Self-Emp. & Unpaid Family	2,670	5.1
Construction	2,290	5.3
Transportation & Warehousing	920	4.7
Other Services	880	4.3
Retail Trade	800	0.9
Finance & Insurance	590	2.7
Arts, Entertainment & Recreation	580	4.4
Real Estate	300	3.0
Mgmt of Companies	300	5.6
Government	170	0.2
Agriculture	90	0.8
Utilities	30	0.6
Information	-50	-0.4
Wholesale Trade	-120	-0.5
Manufacturing	-1,750	-6.5

Numeric growth is rounded.

4| Sectors with the Most and Fastest Employment Growth | REGIONS

MOST GROWTH		FASTEST GROWTH (%)	
Central*			
Health Care & Social Asst.	12,330	18.8	Health Care & Social Asst.
Prof., Scientific & Technical Svcs	3,290	11.2	Prof., Scientific & Technical Svcs
Accommodation & Food Svcs	3,260	9.3	Administrative & Waste Mgmt
Eastern			
Health Care & Social Asst.	3,210	19.5	Health Care & Social Asst.
Mining & Oil & Gas Extraction	***	***	Mining & Oil & Gas Extraction
Accommodation & Food Svcs	1,180	***	Prof., Scientific & Technical Svcs
Northern			
Health Care & Social Asst.	5,930	19.2	Health Care & Social Asst.
Accommodation & Food Svcs	1,760	13.4	Mining & Oil & Gas Extraction
Prof., Scientific & Technical Svcs	1,640	11.2	Prof., Scientific & Technical Svcs
Southwestern			
Health Care & Social Asst.	3,970	21.3	Health Care & Social Asst.
Accommodation & Food Svcs	870	11.2	Prof., Scientific & Technical Svcs
Educational Svcs	670	9.5	Administrative & Waste Mgmt

*Central Region is the same as Albuquerque MSA.   *** represents data that are suppressed.   Numeric growth is rounded.

5| Sectors with the Most and Fastest Employment Growth | MSAs

MOST GROWTH		FASTEST GROWTH (%)	
Albuquerque*			
Health Care & Social Asst.	12,330	18.8	Health Care & Social Asst.
Prof., Scientific & Technical Svcs	3,290	11.2	Prof., Scientific & Technical Svcs
Accommodation & Food Svcs	3,260	9.3	Administrative & Waste Mgmt
Farmington			
Health Care & Social Asst.	1,420	18.2	Health Care & Social Asst.
Mining & Oil & Gas Extraction	730	14.5	Mining & Oil & Gas Extraction
Accommodation & Food Svcs	410	11.2	Prof., Scientific & Technical Svcs
Las Cruces			
Health Care & Social Asst.	3,060	21.8	Health Care & Social Asst.
Accommodation & Food Svcs	640	***	Mining & Oil & Gas Extraction
Educational Services	480	11.2	Prof., Scientific & Technical Svcs
Santa Fe			
Health Care & Social Asst.	1,890	21.0	Health Care & Social Asst.
Accommodation & Food Svcs	690	11.2	Prof., Scientific & Technical Svcs
Prof., Scientific & Technical Svcs	270	9.2	Administrative & Waste Mgmt

*Albuquerque MSA is the same as Central Region.   *** represents data that are suppressed.   Numeric growth is rounded.

same across all four regions and MSAs. Health care and social assistance and accommodation and food services are among the three sectors to grow the *most* in all substate areas. Health care and social assistance is joined by professional, scientific, and technical services to be among the three *fastest*-growing industry sectors in all substate areas. Mining and oil and gas extraction is projected to grow faster than most sectors in the Eastern and Northern Regions, as well as the Farmington and Las Cruces MSAs, while the administrative and waste management sector is projected to grow more quickly in the Central and Southwestern Regions, as well as the Albuquerque and Santa Fe MSAs.

Additional highlights of regional industry sector growth:

- Mining and oil and gas extraction employment growth is projected to primarily occur in the Eastern Region. In the north, however, sector growth in the Farmington MSA is expected to be strong, comprising nearly all sector growth for the Northern Region and playing a significant role in the MSAs overall projected employment growth.

- Growth in the arts, entertainment, and recreation sector is expected to be concentrated in urban areas (MSAs), particularly in the Albuquerque and Santa Fe MSAs. Growth in Santa Fe is significant for that MSA's overall projected employment growth.

- Growth in the finance and insurance and management of companies sectors is also projected to primarily occur in urban areas, particularly in the Albuquerque MSA.

- While the agriculture sector is not projected to grow by much statewide (90 jobs), growth is expected to be concentrated in the Southwestern Region and primarily in the Las Cruces MSA. (75 percent of the Southwestern Region's agriculture growth is projected to occur in the MSA). Agriculture is projected to decline in the Eastern Region.

- Employment losses in manufacturing are expected to occur in every substate area, but the majority of losses are anticipated for urban areas, particularly the Albuquerque MSA.

- The more rural areas (non-MSA areas) of the Southwestern Region are projected to see employment gains in government that are significantly larger than gains in any other area of the state.

- Employment in wholesale trade is projected to drop in all substate areas, with no one substate area seeing significantly larger losses.

- The information sector is projected to shrink in all substate areas, with losses in the Santa Fe MSA being comparatively significant for that area's overall projected employment change.

Projected Growth by Industry Subsector

New jobs in ambulatory health care services are projected to represent nearly one-quarter of all new jobs by 2026.

Projections are prepared for 91 industry subsectors in New Mexico. Exhibit 6 provides the top 20 subsectors projected to grow the *most* and the top 20 projected to grow the *fastest*. Ambulatory health care services is expected to see more new jobs over the ten-year period than any other subsector, with employment projected to grow by 13,970 jo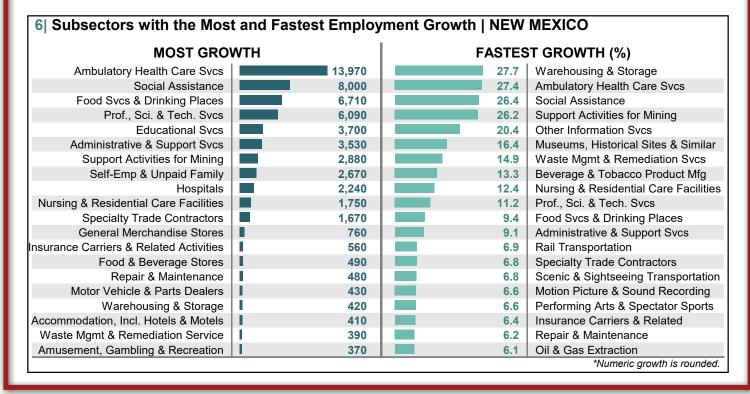bs, representing nearly one-quarter of total projected employment growth for the state. The social assistance subsector is projected to see 8,000 new jobs by 2026, while the food services and drinking places and professional, scientific, and technical services subsectors are expected to crack 6,000 new jobs over the projection period.

The warehousing and storage subsector is projected to grow faster than all other subsectors over the period, followed closely by ambulatory health care services.

Ambulatory health care services and social assistance are both within the top three fastest-growing subsectors, with rates of 27.4 and 26.4 percent, respectively. Warehousing and storage, however, is projected to grow faster than all other subsectors, at a rate of 27.7 percent (420 jobs). Support activities for mining and other information services are the only other subsectors with projected growth of more than 20 percent, with rates of 26.2 and 20.4 percent, respectively.

While numeric employment growth indicates strong demand and many new job opportunities, percentage growth is an indicator of *growing* demand, even if new job opportunities aren't as large. In other words, percentage growth can help identify subsectors with an increasingly bright outlook and role in the industrial composition of an area.

Exhibit 7 lists New Mexico's fast-growth subsectors, or those with percentage growth above the all-industry average of 6.7 percent. Five subsectors listed under "Fastest Growth" in Exhibit 6 are projected to grow quickly, even if their numeric growth is not comparatively large. These are led by other information services, with an increase of 70 jobs but percentage growth of 20.4 percent. Museums, historical sites, and similar institutions are projected to grow by 120 jobs, or 16.4 percent, while beverage and tobacco product manufacturing is also projected to grow by 120 jobs, with percentage growth of 13.3 percent. Growth of 150 jobs, or 6.9

6| Subsectors with the Most and Fastest Employment Growth | NEW MEXICO

MOST GROWTH		FASTEST GROWTH (%)	
Ambulatory Health Care Svcs	13,970	27.7	Warehousing & Storage
Social Assistance	8,000	27.4	Ambulatory Health Care Svcs
Food Svcs & Drinking Places	6,710	26.4	Social Assistance
Prof., Sci. & Tech. Svcs	6,090	26.2	Support Activities for Mining
Educational Svcs	3,700	20.4	Other Information Svcs
Administrative & Support Svcs	3,530	16.4	Museums, Historical Sites & Similar
Support Activities for Mining	2,880	14.9	Waste Mgmt & Remediation Svcs
Self-Emp & Unpaid Family	2,670	13.3	Beverage & Tobacco Product Mfg
Hospitals	2,240	12.4	Nursing & Residential Care Facilities
Nursing & Residential Care Facilities	1,750	11.2	Prof., Sci. & Tech. Svcs
Specialty Trade Contractors	1,670	9.4	Food Svcs & Drinking Places
General Merchandise Stores	760	9.1	Administrative & Support Svcs
Insurance Carriers & Related Activities	560	6.9	Rail Transportation
Food & Beverage Stores	490	6.8	Specialty Trade Contractors
Repair & Maintenance	480	6.8	Scenic & Sightseeing Transportation
Motor Vehicle & Parts Dealers	430	6.6	Motion Picture & Sound Recording
Warehousing & Storage	420	6.6	Performing Arts & Spectator Sports
Accommodation, Incl. Hotels & Motels	410	6.4	Insurance Carriers & Related
Waste Mgmt & Remediation Service	390	6.2	Repair & Maintenance
Amusement, Gambling & Recreation	370	6.1	Oil & Gas Extraction

Numeric growth is rounded.

7| Fast-Growth Subsectors | NEW MEXICO
Projected Percentage Growth Above All-Industry Average of 6.7%

Industry Sector	Industry Subsector	Employment		Growth	
		2016	2026	#	%
Mining & Oil & Gas Extraction	Support Activities for Mining*	11,000	13,880	2,880	26.2
Construction	Specialty Trade Contractors*	24,420	26,090	1,670	6.8
Manufacturing	Beverage & Tobacco Product Mfg	890	1,010	120	13.3
Transportation & Warehousing	Rail Transportation	2,110	2,260	150	6.9
	Scenic & Sightseeing Transportation	150	160	10	6.8
	Warehousing & Storage*	1,500	1,910	410	27.7
Information	Other Information Svcs	340	410	70	20.4
Prof., Scientific & Technical Svcs	Professional & Tech. Svcs*	54,360	60,450	6,090	11.2
Administative & Waste Mgmt	Administrative & Support Svcs*	38,870	42,410	3,540	9.1
	Waste Mgmt & Remediation Svc*	2,630	3,030	400	14.9
Health Care & Social Asst.	Ambulatory Health Care Svcs*	50,910	64,880	13,970	27.4
	Nursing & Residential Care Facilities*	14,120	15,870	1,750	12.4
	Social Assistance*	30,300	38,300	8,000	26.4
Arts, Entert. & Recreation	Museums, Historical & Similar	730	850	120	16.4
Accommodation & Food Svcs	Food Svcs & Drinking Places*	71,210	77,920	6,710	9.4

Also a large-growth subsector, with numeric growth within the top 75th percentile of all subsectors
Employment and numeric growth are rounded.

percent, in rail transportation and 10 jobs, or 6.8 percent, in scenic and sightseeing transportation rounds out these five fast-growth subsectors.

The top growth subsectors for the state and substate areas are extremely similar. Only a few exceptions exist, such as large growth in local government in the Southwestern Region and large growth in the oil and gas extraction and support activities for mining sectors in the Eastern Region and Farmington MSA. There is even less variation when looking at fastest-growing subsectors. Because of these similarities, subsector growth at the substate level is not summarized here. Interactive visualizations with all available data for all areas are available through the Projections Dashboards at https://www.dws.state.nm.us/Labor-Market-Information/Data-Statistics-Dashboards/Employment-Projections.

Methodology Note

The Employment Projections program produces both industry and occupation employment projections covering a ten-year period at the state, MSA, and workforce region level. Projections are based on methodologies developed by USDOL for forecasting state and area occupational needs using both national information and procedures specifically adapted to each state's industrial and occupational patterns. ER&A utilizes the Projections Suite software system, which is a national standard product of the Projections Workgroup, under the direction of the Projections Managing Partnership (PMP).

Industry employment is primarily derived from employment reported at the establishment level through the Quarterly Census of Employment and Wages (QCEW) program, at the 2-digit NAICS level. Industry employment projections are developed through time-share, shift-share, extrapolation, and regression model analysis using state-specific inputs.

Occupation employment projections are derived by applying staffing patterns (the distribution of occupations by industry) developed through the Occupational Employment Statistics (OES) survey. Occupational estimates for self-employed and unpaid family workers are not industry-specific, and are reported as one sector, as opposed to being distributed across industries.

The projections process necessarily has some limitations that should be acknowledged. Long-term projections report what is likely to happen if historical and state-level employment patterns continue on their historical growth trends; this includes trends in population, labor force, productivity, and economic growth. Projections do not take into consideration major shocks to the economy, and they assume that employment will ultimately return to levels that fit long-term growth trends.