NEW MEXICO ECONOMIC DEVELOPMENT

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Analysis: Los Alamos National Laboratory Supports 24,000 Jobs;
High Pay of Workers Generates Wealth

SANTA FE, N.M. – Los Alamos National Laboratory is responsible for more than 24,000 jobs in New Mexico and generates $3.1 billion in economic output across the state, according to a new analysis by UNM's Bureau of Business and Economic Research.

From federal fiscal years 2016 to 2018, LANL directly supported the employment of 14,754 workers and contractors. But LANL spending for procurement and by employees and families generated another 9,415 jobs.

The June, 2019 study indicates there are LANL employees in 27 of New Mexico's 33 counties with direct payroll spending of $1.46 billion

"The principal channel through which LANL impacts the state economy is the household expenditures of its well-paid employees," writes economists Jeffrey Mitchell and John Betak of the University of New Mexico. "Fully 80 percent of LANL's impact on the state economy was the result of household expenditures of employees and vendors. This is because money spent by LANL on salaries goods and services is spent again by their employees and vendors."

"The LANL analysis shows how important it is to retain and attract high-paying jobs to New Mexico," said Cabinet Secretary Alicia J. Keyes of the Economic Development Department. "The salary and spending from employees at the federal laboratories creates thousands of other jobs at businesses across the state and those incomes help families build stability and wealth."

"Part of being a good neighbor is bolstering the economic well-being of the communities where we live and operate," said Laboratory Director Thom Mason. "We're gratified how this report underlines the Laboratory's role as a major employer, a strong contributor to the state's economy, and a supporter of New Mexico businesses."

Over the three-year period, LANL spent an average of $752 million on the procurement

of goods and services with just over half spent with New Mexico-based businesses.

Highlights:
- Including direct, indirect and induced activities, the Laboratory is responsible for the creation of 24,169 jobs in the state, with 9,415 jobs created through the expenditures of its employees and vendors. The number of jobs supported by LANL is nearly equal to the employment in the state's manufacturing sector as a whole.
- In FY 2017, the average LANL salary was $112,386 per employee.
- Direct spending by LANL and its employees generated $1.9 billion in sales to New Mexico businesses.
- Employees and vendors paid $214 million in taxes in 2017
- The Laboratory's economic impact on the seven surrounding counties is equal to 15% of the total GDP of those counties.
- Since 2006, 1.8 million volunteer hours have been logged by former and current LANL employees.
- According to the analysis, Los Alamos County had the most LANL employees with 5,242, followed by Santa Fe County, 2,639; Rio Arriba County, 2,142; Bernalillo County, 765; and Sandoval County, 468.

The analysis looked at payroll records, procurement and spending data for the 2016, 2017 and 2018 federal fiscal years.

The Laboratory is operated for the federal government by Triad National Security LLC, a partnership between Battelle Memorial Institute, the Regents of the University of California, and the Regents of Texas A&M University.

A preliminary version of the report with the total $3.1 billion economic impact of LANL was released in January.

The full report has now been published with more financial information and spending detail by New Mexico county. Los Alamos National Laboratory commissioned the report and supplied financial data to the BBER for analysis. It can be found on the Laboratory website.

Media inquiries about the analysis should be directed to the LANL Press Office, 505-667-7000

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