

Quarterly Economic Summary

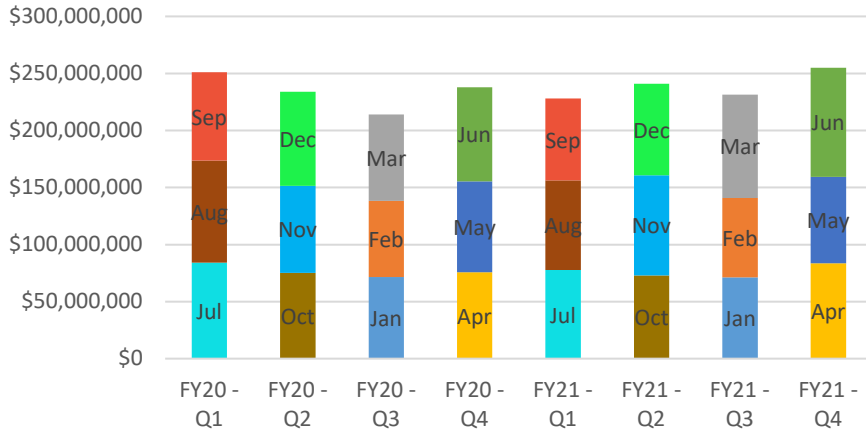
Curry County

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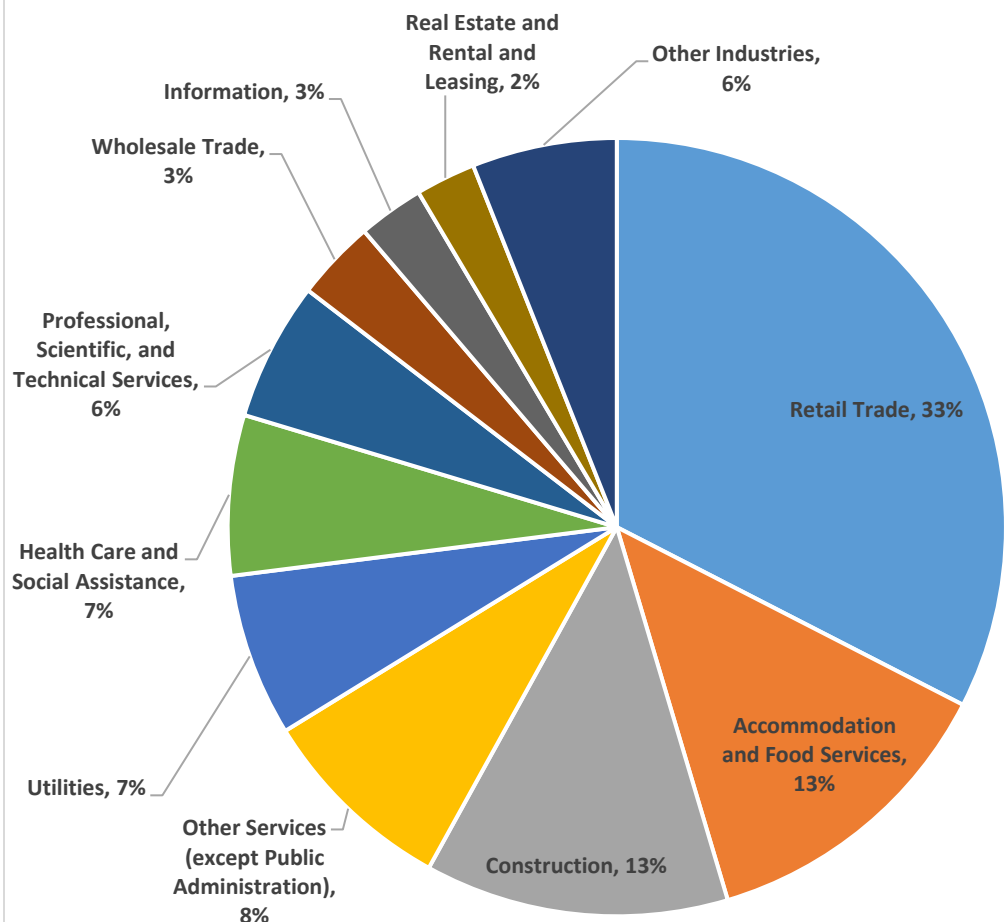
Chart 1. Matched Taxable Gross Receipts Per Quarter



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.

Curry County's matched taxable gross receipts (MTGR) increased in Q4 FY21 to its highest level for the last eight quarters (Chart 1). From Q3 to Q4 FY21, MTGR increased by \$23.3M, or roughly 10%. When comparing MTGR, Q4 FY21 is most comparable to Q4 FY19, when Curry County reported an increase of \$4.1M in MTGR. Table 1, on the next page, shows an increase of \$17M from Q4 in FY20 to FY21 of the same period.

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	\$ 32,741,586	\$ 8,615,903	36%	17%
Administrative/Support & Waste Management/Remediation	\$ 4,470,751	\$ 1,324,668	42%	-40%
Agriculture, Forestry, Fishing, and Hunting	\$ 492,125	\$ (298,302)	-38%	-25%
Arts, Entertainment, and Recreation	\$ 596,526	\$ 302,024	103%	-32%
Construction	\$ 32,173,925	\$ (4,905,925)	-13%	-44%
Educational Services	\$ 176,884	\$ 32,075	22%	-87%
Finance and Insurance	\$ 1,395,722	\$ 269,460	24%	23%
Health Care and Social Assistance	\$ 16,964,930	\$ 4,690,234	38%	21%
Information	\$ 6,963,050	\$ (6,696,735)	-49%	-45%
Management of Companies and Enterprises	\$ -	\$ -	N/A	N/A
Manufacturing	\$ 4,423,912	\$ (528,365)	-11%	-4%
Mining, Quarrying, and Oil and Gas Extraction	\$ -	\$ (2,331)	-100%	-100%
Other Services (except Public Administration)	\$ 20,905,764	\$ 1,549,172	8%	5%
Professional, Scientific, and Technical Services	\$ 14,677,586	\$ 5,501,785	60%	27%
Public Administration	\$ 32,944	\$ 29,441	840%	N/A
Real Estate and Rental and Leasing	\$ 6,356,339	\$ 1,536,401	32%	20%
Retail Trade	\$ 82,932,512	\$ 8,296,704	11%	20%
Transportation and Warehousing	\$ 2,179,493	\$ (3,301,002)	-60%	-7%
Unclassified Establishments	\$ 1,565,597	\$ 453,001	41%	78%
Utilities	\$ 17,245,026	\$ 396,583	2%	17%
Wholesale Trade	\$ 8,510,152	\$ (174,719)	-2%	5%
All Industries	\$ 254,859,209	\$ 17,068,605	7%	-2%

Table 1 also shows 13 industries that reported a year-over-year (YoY) increase. The largest increase came from the accommodation and food services industry, which posted a YoY gain of \$8.6M, or 36%.

Gross receipts tax (GRT) revenue collections increased by nearly \$173K, or 8%, from Q3 to Q4 FY21 (Chart 4).

Average weekly wages increased by \$91/week from Q1 to Q2 FY21. During this same period, quarterly employment grew by 580 workers (Chart 5).

Chart 3. Annual Total GRT Revenue Collections

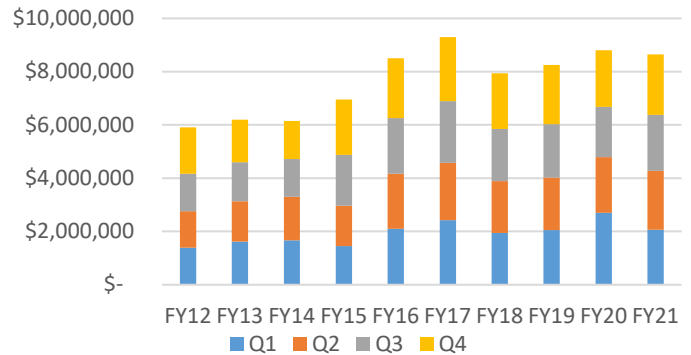


Chart 4. Quarterly GRT Revenue Collections

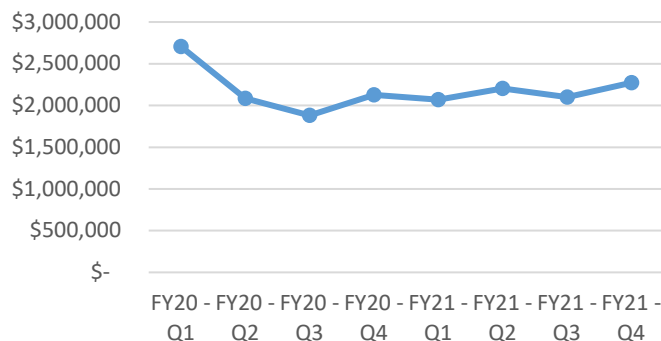
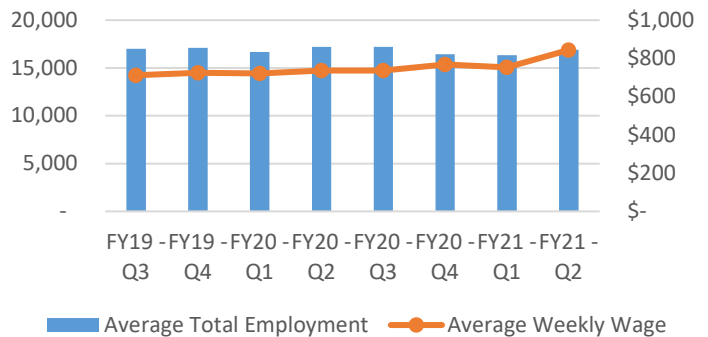


Chart 5. Quarterly Average Total Employment & Weekly Wage



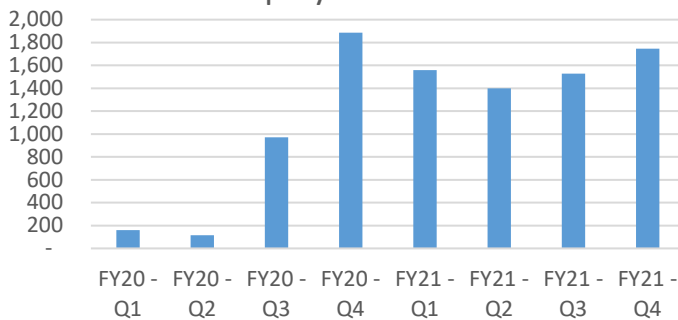
SOURCES: NEW MEXICO TAXATION AND REVENUE DEPT, NEW MEXICO DEPARTMENT OF WORKFORCE SOLUTIONS, U.S. BUREAU OF LABOR STATISTICS, U.S. BUREAU OF ECONOMIC ANALYSIS AND EDD CALCULATIONS

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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	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	1,638	-14.6%	\$ 315	6.4%	96	2.1%
Administrative/Support & Waste	471	7.0%	\$ 862	0.5%	66	-4.3%
Agriculture, Forestry, Fishing, and Hunting	1,344	-8.8%	\$ 718	1.7%	71	1.4%
Arts, Entertainment, and Recreation	128	-23.8%	\$ 366	-8.7%	15	-16.7%
Construction	817	6.4%	\$ 747	0.4%	121	2.5%
Educational Services	1,533	-10.3%	\$ 842	10.8%	12	-14.3%
Finance and Insurance	373	-3.4%	\$ 1,153	-2.3%	61	7.0%
Health Care and Social Assistance	3,532	-2.0%	\$ 728	-2.4%	211	4.5%
Information	63	-33.0%	\$ 686	4.4%	11	-8.3%
Management of Companies and Enterprises	263	-31.5%	\$ 1,392	42.8%	10	25.0%
Manufacturing	759	4.7%	\$ 997	-3.9%	39	14.7%
Mining, Quarrying, and Oil and Gas Extraction	13	-59.4%	\$ 986	14.9%	6	-14.3%
Other Services (except Public Administration)	448	-11.6%	\$ 549	7.6%	94	0.0%
Professional, Scientific, and Technical Services	484	1.3%	\$ 1,079	3.8%	112	3.7%
Public Administration	1,040	-5.1%	\$ 1,038	-1.0%	45	0.0%
Real Estate and Rental and Leasing	201	-2.4%	\$ 701	14.9%	63	6.8%
Retail Trade	2,253	-0.8%	\$ 538	0.6%	165	3.1%
Transportation and Warehousing	677	6.1%	\$ 915	-3.9%	56	1.8%
Utilities	136	-12.8%	\$ 1,353	-9.0%	11	0.0%
Wholesale Trade	448	-4.7%	\$ 788	3.4%	54	-1.8%
All Industries	16,622	-5.1%	\$ 745	2.6%	1,319	2.2%

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