2012 Employment Estimates Benchmark Review
Katie Bass, Economist

The New Mexico Department of Workforce Solutions (NMDWS) and the US Bureau of Labor Statistics (BLS) annually revise nonfarm employment estimates by incorporating the employment data collected for employees covered under unemployment insurance (UI). Approximately 97 percent of total non-farm employment is accounted for by this employment survey from the Quarterly Census of Employment and Wages program (QCEW). Additionally, the estimates are adjusted to account for employment in industries where UI is not mandatory, such as non-office insurance sales workers, child daycare workers, religious organizations, and private schools and hospitals. The difference between the benchmark level and previously published estimates is distributed across 11 months of estimates, ending with the previous April estimates. This revision process is referred to as “benchmarking.” This year’s benchmarking also had minor revisions made in 2010’s estimates for the Las Cruces and Santa Fe MSAs. The benchmarks discussed in this article concentrate on the past 12 months of revisions and the average monthly changes for 2012. For more detailed information on the methodology, please refer to the BLS Handbook of Methods at http://www.bls.gov/opub/hom/pdf/homch2.pdf.

New Mexico
Prior to benchmarking, New Mexico employment was estimated to have grown at an annual average rate of negative 0.2 percent. Over the year, the government sector averaged 3,800 fewer jobs, while the private sector averaged 1,800 more jobs than the previous year. The New Mexico benchmark adjusted the average annual growth rate upwards to a positive 0.1 percent. Over-the-year losses in government averaged less than that previously estimated, while private-sector revisions averaged larger over-the-year gains than their pre-benchmark levels.

The New Mexico benchmark revision for total nonfarm employment had a monthly average increase of 1,900 jobs, or 0.2 percent, for 2012. The second half of 2012 showed New Mexico with larger employment than originally estimated, while employment estimates in the first half of the year were revised downward. Private-sector employment was benchmarked down by an average of 200 jobs a month, with a pattern similar to that of total nonfarm employment. Downward revisions made to the 2011 employment level, however, secured positive gains in the private sector over the year in 2012. Likewise, government employment was revised upward to a larger degree throughout the latter half of the year, with an average of 2,100 more jobs per month for 2012. Despite the additional jobs, government still posted over-the-year job losses for 2012; losses were due in part to upward revisions to 2011 data. The corresponding chart displays the monthly employment adjustments for the 2012 benchmark revision.

Goods-producing industries had some revisions throughout the year but averaged no change. Service-providing
industries averaged an additional 1,900 jobs per month (a 0.3 percent increase). Of the three goods-producing industries, mining and logging was revised upward by an average of 1,400 jobs per month, representing a 6.0 percent increase from its original estimate. Construction and manufacturing were revised downward from their pre-benchmarked levels by an average of 1,100 and 200 jobs, respectively.

Employment in a majority of the private service-providing industries was revised up from original estimates; wholesale trade and information averaged no change for the benchmark, while education and health services, and leisure and hospitality were revised downward. The education and health services employment estimate was adjusted down 3.6 percent, representing an average monthly decrease of 4,600 jobs. Leisure and hospitality was adjusted down by an average of 700 jobs per month (a 0.8 percent decrease). Employment estimates increased in retail trade (up 500 jobs, or 0.5 percent); transportation, warehousing, and utilities (up 1,200 jobs, or 5.3 percent); financial activities (up 400 jobs, or 1.2 percent); professional and business services (up 1,000 jobs, or 1.0 percent); and miscellaneous other services (up 2,100 jobs, or 7.8 percent).

Total government had an average of 2,100 more jobs per month for 2012. State government had the largest revision upward; employment increased by 3.4 percent, or an additional 1,900 jobs, on average. The majority of the revision came from state government educational services, which averaged 2,300 more jobs per month than originally estimated (a 9.0 percent increase). Federal government was also revised upward, averaging an increase of 300 jobs per month (a 1.1 percent change). Local government had modest revisions, with an average decrease of 100 jobs, or 0.1 percent.

Albuquerque MSA

The Albuquerque MSA had a monthly average decrease of 2,600 jobs from 2012 benchmarking (a 0.7 percent change). The pre-benchmarked annual average growth rate was negative 0.5 percent but was revised slightly upward to a post-benchmark growth rate of negative 0.2 percent. Private employment accounted for the decrease in the total nonfarm employment level, with average
monthly revisions downwards of 3,300 jobs, or 1.1 percent. Government partially offset the overall decrease with a revision upwards of 600 jobs, or 0.8 percent.

Both service-providing and goods-producing industries were revised to lower levels than previously estimated. Goods-producing industries, overall, were adjusted downward by a monthly average of 700 jobs, or 1.8 percent. The two goods-producing industries—mining and construction, and manufacturing—each were adjusted by an average of 300 jobs less per month, accounting for a 1.8 and 1.9 percent decrease, respectively.

The remaining private industries include five industries that were revised upward and four that were revised downward. Retail trade (down 1.5 percent) and professional and business services (down 1.1 percent) were each revised by an average of 600 jobs less per month. The information sector had a revision of 300 fewer jobs, or a negative 4.0 percent. The educational and health services sector was revised down by 4.1 percent, for an average loss of 2,400 jobs. Five industries—wholesale trade, up 100 jobs; transportation, warehousing, and utilities, up 200 jobs; financial activities, up 600 jobs; leisure and hospitality, up 300 jobs; and miscellaneous other services, up 100 jobs—posted over-the-year annual average employment increases in the benchmarked series. The three public subsectors—federal, up 200 jobs; state, up 100 jobs; and local, up 400 jobs—posted larger employment levels than previously estimated.

**Santa Fe MSA**

Annual average over-the-year employment growth, after revisions, was 0.3 percent, down from the original estimate of 2.0 percent. The Santa Fe MSA was revised downward by an average of 900 jobs each month, representing a 1.5 percent decrease from its pre-benchmark estimate. Total private employment decreased by 2.9 percent, representing an average of 1,300 fewer jobs a month. Government was benchmarked upwards by an average of 400 jobs, with revisions coming from local government; there was no change in the federal or state annual average employment levels.

Total private employment averaged 1,300 fewer jobs than previously estimated, reflecting a 2.9 percent decrease. The majority of the revisions were in service-providing industries. Goods-producing employment was revised upwards an average of 100 jobs, with the change coming from manufacturing; construction averaged no change for 2012. Wholesale trade, information, and financial activities each were revised downward an average of 100 jobs per month. The remaining decreases in private sectors came in professional and business services, down 300; educational and health services, down 600; and leisure and hospitality, down 800. Two private industries—retail trade (up 100) and miscellaneous other services (up 500)—added jobs during benchmarking.

**Las Cruces MSA**

Total nonfarm employment was revised upward in the Las Cruces MSA by an average of 600 jobs a month, a 0.8 percent increase. Previous estimates reported the 2012 annual average growth rate at negative 1.6 percent, but revisions increased the rate to a negative 0.2 percent. The Las Cruces MSA had many downward revisions to its 2010 and 2011 data that contributed to fewer losses over the year than previously estimated for 2012. Both public- and private-sector industries had positive revisions for 2012. Good-producing employment was revised down by 300 jobs, coming from revisions made in construction, while manufacturing averaged no change for 2012. Construction’s post benchmark levels reported negative over-the-year job growth throughout 2012. Four private service-providing industries—retail trade, up 400; financial activities, up
300; educational and health services, up 400; and leisure and hospitality, up 100—posted over-the-year annual average employment increases for every month in 2012. Government post-benchmark employment was larger than previously estimated. Federal and local government employment was revised upwards by 4.1 percent and 3.1 percent, respectively. State government had minor revisions in the last quarter of 2012 but, for the most part, was unchanged from previous estimates.

Farmington MSA

Farmington MSA total nonfarm employment was revised upward, changing its pre-benchmark growth rate from an annual average of negative 1.2 percent to a positive 0.5 percent. Total nonfarm employment had an average increase of 800 jobs (a 1.7 percent increase), with upward revisions in both public- and private-sector industries. Overall total private employment averaged an increase of 600 jobs per month, representing a 1.6 percent change. Service-providing industries had more jobs than originally estimated for every month in 2012; employment increased by an average of 1,100 jobs. Good-producing industries were revised downwards an average of 300 jobs per month, a 2.9 percent decrease. Government was benchmarked upwards by 1.8 percent, or an average of 200 more jobs per month, with increases coming from local government; federal and state governments had no change in their annual averages.