Current Employment Statistics 2016 Benchmark Review
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The New Mexico Department of Workforce Solutions (NMDWS) and the U.S. Bureau of Labor Statistics (BLS) revise Current Employment Statistics (CES) estimates each year by incorporating the employment data collected through the Quarterly Census of Employment and Wages (QCEW) program for employees covered under unemployment insurance (UI). This covered employment accounts for approximately 97 percent of CES total nonfarm employment. Additionally, the CES estimates are adjusted to account for employment in industries where UI coverage is not mandatory, such as non-office insurance sales workers, child daycare workers, religious organizations, and private schools and hospitals. During this benchmarking process, estimates for New Mexico and its four Metropolitan Statistical Areas (MSAs)—Albuquerque, Farmington, Las Cruces, and Santa Fe—are revised. This year’s benchmark also incorporates improvements to state government data, including revisions back to March 2011 at the statewide level, to September 1991 at the Albuquerque MSA level, and to May 1991 at the Santa Fe MSA level. For further details, see the “Improvements to State Government Data” box.

Revisions at the statewide level were also affected by series structure changes in two industries. Manufacturing and education and health services will be broken out into detailed industry sectors from January 2017 onward. Manufacturing, which will break out into durable goods and non-durable goods, had two minor revisions in 1994, but the vast majority of revision in the industry began in April 2009. Within education and health services, which will break out into educational services and health care and social assistance, revisions began in June 2009. This article, however, only concentrates on benchmark revisions and average monthly changes for 2016.

New Mexico

The benchmark revision increased New Mexico’s total nonfarm employment by an average of 2,600 jobs a month, or 0.3 percent, for 2016. In nine out of 12 months, employment was revised up from original estimates, with six upward revisions equaling or exceeding 5,500 jobs. The most significant upward revision was in October, in which employment exceeded original estimates by 7,600 jobs. The most significant downward revision (a drop of 9,900 jobs) occurred in June. Private-sector employment was benchmarked up by an average of 1,300 jobs, or 0.2 percent a month,

Users of CES historical data are advised to update records by downloading the revised data from the NMDWS’s interactive labor market information data website, LASER (www.jobs.state.nm.us/analyzer), or the BLS website (www.bls.gov). 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.

Improvements to State Government Data

In 2006, SHARE, an integrated human resources and accounting system, was implemented at state agencies to, among other functions, centralize and standardize employment and wage reporting. SHARE was able to report UI Tax data to DWS by state agency as required by law but did not have employee location details to report county-level Quarterly Census of Employment and Wages (QCEW) data or any Current Employment Statistics (CES) data. In 2015, a programming change was implemented, and state agency departments were instructed to assign each employee to an agency location. By the first quarter of 2016, all state agencies had completed the task of assigning employee locations. We currently have more than 1,100 unique agency locations throughout the state. QCEW and CES data programs are now receiving more accurate information for all state agencies and locations, resulting in better state government data than ever before. However, the more detailed reporting caused a large employment decrease for Santa Fe County/MSA beginning in third quarter 2015, as state agency employment was correctly allocated to specific work locations. Employment in other areas throughout New Mexico did increase, but increases were widespread and less noticeable.
New Mexico employment was revised up by 1,400 jobs, or 2.4 percent, by within the government industry sector, state government services by 1,300 jobs, or 0.9 percent, on average. Miscellaneous significant downward revisions. The industry was adjusted down average. Education and health services experienced the most Financial activities was revised up 400 jobs, or 1.2 percent, on average. Wholesale trade and retail trade were each revised up by an average of 600 jobs, or 3.1 percent, on average. Within the goods-producing industries, construction was revised down by 700 jobs, or 1.6 percent, on average. Mining and manufacturing were revised up from their pre-benchmark levels by an average of 600 jobs, or 3.1 percent, and 300 jobs, or 1.1 percent, respectively.

On average, service-providing industries were revised up 2,400 jobs, or 0.3 percent. Nevertheless, they—and, specifically, private service-providing industries (up 1,100 jobs, or 0.2 percent)—were the main cause of the overall downward trend in June. Of the private service-providing industries that were revised down in June, education and health services alone was revised down 4,900 jobs. Employment was revised up from original estimates in six of the nine private service-providing industries and revised down in two. In one industry (professional and business services), there was no average change. The largest numeric and percentage revision up was in transportation, warehousing, and utilities, which was adjusted up by 1,000 jobs, or 4.3 percent, on average. Wholesale trade and retail trade were each revised up by an average of 600 jobs per month (or 2.9 percent and 0.6 percent, respectively). Financial activities was revised up 400 jobs, or 1.2 percent, on average. Education and health services experienced the most significant downward revisions. The industry was adjusted down by 1,300 jobs, or 0.9 percent, on average. Miscellaneous other services employment decreased by 400 jobs, or 1.4 percent, due to revisions. All other private industry revisions were relatively minor.

Within the government industry sector, state government employment was revised up by 1,400 jobs, or 2.4 percent, by benchmark revisions, with state government education up 1,800 jobs, or 7.0 percent. While federal government employment was revised up 400 jobs, or 1.4 percent, local government was revised down 400 jobs, or 0.4 percent. This last revision was in spite of local government education being revised up by an average of 200 jobs, or 0.4 percent. Exhibit 2 displays adjustments to average employment after benchmark revision.

Albuquerque MSA

Albuquerque’s revisions broadly reflected those of the state in that estimates were generally revised up, though an atypical downward revision occurred in June. Nevertheless, Albuquerque’s upward revisions, taken as a percentage of employment, were far more significant in both private and government employment than those in the state. The government component of these upward revisions result, at least in part, from the previously mentioned state government data improvements (again, see “Improvements to State Government Data” box). Total nonfarm employment within the Albuquerque MSA saw a monthly average increase of 3,900 jobs as a result of the 2016 benchmarking. This represented
a 1.0 percent upward revision. Private employment accounted for the majority of the increase in the total nonfarm employment level, with an average upward revision of 2,300 jobs, or 0.8 percent. Government employment was revised up by 1,600 jobs, or 2.0 percent. Exhibit 3 displays monthly employment adjustments following the 2016 benchmark revision.

Employment in goods-producing industries was adjusted up by an average of 700 jobs, or 1.9 percent. Of the goods-producing industries, manufacturing was revised up most significantly, especially in the latter half of the year. Average employment in the industry rose by 500 jobs, or 3.2 percent, after benchmark revision. Upward adjustments to construction employment, on the other hand, were mainly in the first half of the year, with average employment increasing by 300 jobs, or 1.4 percent.

Employment in service-providing industries (including government) was revised up from the original estimate by 3,100 jobs, representing an increase of 0.9 percent. Private service-providing industries were revised up 1,500 jobs, or 0.6 percent. Of employment in the private service-providing industries, in six industries it was revised up, in two it was revised down, and in one employment was unchanged from the original estimate. The private service-providing industry that experienced the largest upward revision to employment was education and health services (up 600 jobs, or 0.9 percent). The industry’s largest revisions occurred in the latter half of the year. Retail trade employment was revised up by 500 jobs (an increase of 1.2 percent), and leisure and hospitality employment was revised up by 400 jobs (an increase of 1.0 percent). Employment in each of wholesale trade (up 2.6 percent) and transportation, warehousing, and utilities (up 3.1 percent) increased by 300 jobs after benchmark. Financial activities was revised up 200 jobs, or 1.1 percent. Of the industries that had their employment revised down, information experienced the most significant movement. The industry’s employment was revised down by 700 jobs, or 8.2 percent, the largest percentage change in the MSA. Professional and business services (down 100 jobs, or 0.2 percent) saw the most modest revision. Miscellaneous other services employment was unchanged from the original estimate.

Within government, the vast majority of the revisions occurred in state government, which was revised up 1,300 jobs, or 4.7 percent, on average. Some of this change no doubt resulted from
the data improvements for state government mentioned previously. Local government employment (up 0.5 percent) and federal government (up 1.4 percent) were each revised up by 200 jobs. Exhibit 4 displays adjustments to average employment after benchmark revision.

Santa Fe MSA

The Santa Fe MSA total nonfarm employment estimate was revised up by an average of 300 jobs, representing a 0.5 percent increase from its pre-benchmark estimate. The estimate for total private employment increased by 0.4 percent, representing an average of 200 more jobs. Government employment, in the aggregate, was up by 200 jobs, or 1.2 percent, from the original estimated average. In January, the private sector industries experienced their most significant downward revision (-600 jobs), while government experienced its greatest upward revision (800 jobs). This trend reversed through the year, and by the last quarter of 2016, government revisions were negative or neutral, while the private industries experienced some of their greatest upward revisions (especially 900 jobs in November). Exhibit 5 displays the monthly employment adjustments following the 2016 benchmark revision.

Goods-producing employment, in aggregate, was revised down an average of 100 jobs, or 2.6 percent, with this revision all stemming from construction, which was down 3.4 percent. The final estimate for manufacturing was unchanged from the pre-benchmark employment.

Service-providing industries (including government), in aggregate, were revised up 500 jobs, or 0.8 percent. Private service-providing industries were revised up 200 jobs, or 0.5 percent. Of the private service-providing industries, three had their employment revised up, two had their employment revised down, and four were unchanged from the original estimate. Leisure and hospitality was revised up 300 jobs, or 3.0 percent. Wholesale trade (up 10.0 percent) and financial activities (up 4.2 percent) were each adjusted up by 100 jobs, on average. Retail trade and education and health services each experienced 100-job downward revisions, with employment reduced by 1.1 percent and 0.9 percent, respectively. Employment estimates for all other private industries remained the same after benchmark.

In Santa Fe government, employment was revised up 100 jobs in each of state government (up 1.2 percent) and local government.
(up 1.4 percent). Federal government employment was unaffected by the benchmark. Exhibit 6 displays adjustments to average employment after benchmark revision.

Las Cruces MSA

Total nonfarm employment was revised up in the Las Cruces MSA by an average of 1,100 jobs a month, a 1.5 percent increase. Employment within total private industries was revised up by 300 jobs, on average, an increase of 0.6 percent. However, a more significant impact on total nonfarm revisions came from government employment, which was benchmarked up by an average of 700 jobs, or 3.6 percent. Exhibit 7 displays the monthly employment adjustments following the 2016 benchmark revision.

Goods-producing employment was revised up by 300 jobs, or 5.2 percent. Within goods-producing industries, there was an increase of 200 jobs, or 9.5 percent, in manufacturing, while construction was up 100 jobs, or 2.7 percent. Employment in service-providing industries (including government) was revised up by an average of 800 jobs, or 1.2 percent. Employment in private service-providing industries was revised down 100 jobs, or 0.2 percent. Employment in three private service-providing industries was revised up, in three it was revised down, and in three there was no change to employment. Employment within leisure and hospitality was revised up by 400 jobs, on average, representing an increase of 5.1 percent. Employment in each of transportation, warehousing, and utilities (up 5.0 percent) and wholesale trade (up 8.3 percent) increased by 100 jobs.

Education and health services saw the largest downward revision of all industries. Employment in the industry decreased by 300 jobs, or 1.9 percent, due to revisions. Information reported the most significant percentage change within the MSA. The industry’s growth was revised down 200 jobs, or 22.2 percent. Employment within retail trade was revised down 100 jobs, or 1.3 percent, due to benchmarking. All other private service-providing industries within the Las Cruces MSA showed no change in their average employment as a result of the 2016 benchmark.

Both state government and local government sectors in Las Cruces saw revisions in employment. Employment in state government was revised up 800 jobs, or 11.3 percent. Some of this change no doubt resulted from the previously mentioned data improvements for state government. Local government was revised down by
100 jobs, or 1.1 percent, while federal government employment was unchanged after the benchmark. Exhibit 8 displays adjustments to average employment after benchmark revision.

Farmington MSA

Total nonfarm employment in the Farmington MSA experienced an average monthly decrease of 2,300 jobs, or 4.5 percent, with particularly significant downward revisions in the private-sector industries. Total private employment, on average, was revised down by 2,200 jobs, representing a 5.5 percent change. Government employment was benchmarked down by 0.9 percent, or an average of 100 jobs. Exhibit 9 displays the monthly employment adjustments following the 2016 benchmark revision.

Employment estimates within goods-producing industries were revised down by an average of 1,500 jobs between pre-benchmark and benchmark, which represented a 14.0 percent decrease. Employment in service-providing industries (including government) was revised down by an average of 800 jobs, or 2.0 percent, with most of these downward revisions occurring in private service-providing industries (down 700 jobs, or 2.4 percent). Local government employment was down 100 jobs, or 1.1 percent. Federal government and state government posted no changes in annual averages between pre-benchmark and benchmark monthly estimates. Exhibit 10 displays adjustments to average employment after benchmark revision.

Effect of Benchmark Revisions on Over-the-Year Growth Rates

New Mexico

Prior to benchmarking, New Mexico was estimated to have added 2,400 jobs in total across all nonfarm industries (not seasonally adjusted) between 2015 and 2016. This represented an average growth rate of 0.3 percent. The benchmark, which also included revisions to 2015 estimates, adjusted the average over-the-year growth up to 2,600 jobs, which, due to rounding, did not result in a change to the rate of over-the-year growth. In all months—except May, June, and July—over-the-year growth was adjusted up. The downward revision to June’s over-the-year growth from +14,100 jobs, or 1.7 percent, to -300 jobs, or 0.0 percent, was the most significant by far. This revision stems from a combination of large downward revisions in several service-providing industries, including education and health services, down 6,300 jobs, professional and business services, down 2,400 jobs, and government, down 2,400 jobs. (See Exhibit 11 for month-by-month comparisons.)

Revisions to private-sector employment, though quite variable from month to month, made no change to the average over-the-year growth, which remained at a positive 2,100 jobs, or 0.3 percent. Of the 12 private-sector industries, average growth was revised up in seven industries, revised down in four, and unchanged in one. Retail trade saw its over-the-year growth revised up by 800 jobs, or 0.9 percentage point, from a loss of 1,200 jobs (1.3 percent) to a loss of 400 jobs (0.4 percent). In five industries, upward revisions resulted in a reduction in losses as opposed to a change from negative to positive average growth. Over-the-year growth in each of transportation, warehousing, and utilities (up 2.5 percentage points) and mining (up 2.4 percentage points) were increased by 600 jobs during the benchmark. Though the remaining upward revisions were small, information (from -100 to +100 jobs) and financial activities (from -100 to +200 jobs) each shifted to moderate positive growth.

Education and health services’ job growth rate was the most negatively affected by benchmark revisions. The industry was originally estimated to have over-the-year gains of 7,300 jobs,
or 5.5 percent. After benchmark, this was revised down to a gain of 5,400 jobs, or 4.1 percent (a difference of 1,900 jobs, or 1.4 percentage points). The other significant downward revision occurred in construction. Prior to benchmark, the average over-the-year growth in the industry for 2016 was 600 jobs, or 1.4 percent, whereas after benchmark, the industry posted an average over-the-year loss of 100 jobs, or 0.2 percent. This represents a downward revision of 700 jobs, or 1.6 percentage points. Other downward revisions were relatively minor and mainly stemmed from reduced gains rather than shifts from a gain to a loss.

Average government employment growth between 2015 and 2016 was revised from 300 jobs, or 0.2 percent, up to 500 jobs, adjusting the growth rate up to 0.3 percent. Within government, the series with the largest effect due to revisions was federal government, which was revised up from a loss of 100 jobs, or 0.3 percent, to a gain of 300 jobs, or 1.0 percent.

**Albuquerque MSA**

The original annual average growth of 3,800 jobs, or 1.0 percent, for the Albuquerque MSA was revised up to 6,500 jobs, or 1.7 percent. (See Exhibit 12 for month-by-month comparisons.) Private-sector revisions resulted in the originally estimated average over-the-year gain of 3,300 jobs, or 1.1 percent, being revised up to 4,900 jobs, or 1.6 percent.

In eight of the 11 private-sector industries in the Albuquerque
MSA, growth was revised up, in two it was revised down, and in one it remained the same. Six of the industries with upward revisions ended with positive average over-the-year growth. Industries with the most significant improvements were retail trade (from a loss of 800 jobs, or 1.9 percent, to neutral growth) and manufacturing (from a loss of 800 jobs, or 4.9 percent, to a loss of 400 jobs, or 2.4 percent). All other private industries with upwardly revised growth saw more modest increases in already reported gains. The private industry with the largest average over-the-year gain following the revisions was education and health services, which ended with a gain of 2,500 jobs, or 4.0 percent. The private industries with downward revisions to average over-the-year growth were information (from a gain of 300 jobs, or 3.7 percent, down to a loss of 300 jobs, or 3.7 percent) and professional and business services (from a gain of 1,100 jobs, or 1.9 percent, down to a gain of 900 jobs, or 1.6 percent). Growth in miscellaneous other services was unchanged by the benchmark.

In government, average over-the-year employment gains (600 jobs, or 0.7 percent) increased to 1,600 jobs, or 2.0 percent. Most of this increase came from the adjustment in state government (revised up 800 jobs, or 2.8 percentage points), which was partially a result of the improvements to state government data reported earlier in this article.

Santa Fe MSA

The revised average over-the-year employment growth for the Santa Fe MSA was 200 jobs, or 0.3 percent, a substantial adjustment
down from the original estimate of 800 jobs, or 1.3 percent. (See Exhibit 13 for month-by-month comparisons.) Aggregate growth for private industries was revised up to 900 jobs, or 1.9 percent, from an over-the-year gain of 800 jobs, or 1.7 percent. Within the private-industry sector, four industries each had their employment growth revised up by 100 jobs. Leisure and hospitality was adjusted up from a gain of 400 jobs, or 4.1 percent, to one of 500 jobs, or 5.1 percent. Wholesale trade and information were adjusted up from neutral growth to a gain of 100 jobs, representing increases of 10.0 percent and 12.5 percent, respectively. Financial activities was revised up from a decline of 100 jobs to zero growth. Education and health services was revised down from a gain of 400 jobs, or 3.6 percent, to a gain of 200 jobs, or 1.8 percent. Construction was the only other private industry to be revised, moving down from a gain of 100 jobs, or 3.6 percent, to zero growth.

Over-the-year growth in government was adjusted down from zero growth to a loss of 700 jobs, or 4.0 percent. Most of this downward revision originated from a 7.6-percentage-point downward revision in state government, also representing a drop from zero growth to a loss of 700 jobs. This loss is primarily due to the more accurate reallocation of state government locations to other areas within New Mexico mentioned earlier in this article.

Las Cruces MSA

Previous estimates reported the 2016 annual average growth of the Las Cruces MSA as 500 jobs, or 0.7 percent, but this was revised up to 1,300 jobs, or 1.8 percent, after benchmark. (See Exhibit 14 for month-by-month comparisons.) Private-sector revisions resulted in an average over-the-year gain of 900 jobs, or 1.8 percent, being adjusted up to a gain of 1,200 jobs, or 2.3 percent. Of the 11 private-sector industries, average growth was revised up in four industries, revised down in three, and unchanged in four. The private industry with the most notable improvement to growth was leisure and hospitality, with growth revised from zero to a gain of 300 jobs, or 3.8 percent. Manufacturing employment growth was also improved, with a loss of 200 jobs, or 8.7 percent, revised to zero growth. On the other hand, growth in education and health services employment was revised down from an over-the-year gain of 1,100 jobs, or 7.6 percent, to a gain of 700 jobs, or 4.8 percent. In government, an average over-the-year employment loss of 300 jobs, or 1.5 percent, was increased to a gain of 100 jobs, or 0.5 percent. This gain is primarily due to the more accurate reallocation of state government locations mentioned earlier in this article.

Farmington MSA

Over-the-year growth in total nonfarm employment was revised down from a loss of 200 jobs, or 0.4 percent, to a loss of 2,500 jobs, or 4.9 percent. (See Exhibit 15 for month-by-month comparisons.) Farmington MSA employment was revised down in every industry series component in the 2016 benchmark, but the revisions were most significant in the goods-producing industries. Private-sector revisions resulted in an average over-the-year loss of 2,500 jobs, or 6.2 percent, replacing the pre-benchmark estimated loss of 300 jobs, or 0.7 percent. Much of this downward revision originates in the goods-producing industries, most likely mining. Over-the-year growth in goods-producing industries changed from a loss of 700 jobs, or 6.1 percent, to a loss of 2,300 jobs, or 20.0 percent. Growth in the service-providing industries decreased from a gain of 500 jobs, or 1.3 percent, to a loss of 200 jobs, or 0.5 percent. In government, an average over-the-year employment gain of 100 jobs, or 1.3 percent, to a loss of 200 jobs, or 0.5 percent. This all originated from a downward revision in local government, which fell from a gain of 100 jobs, or 1.1 percent, to zero growth.