New Mexico’s Mass Layoff Statistics (MLS) program collects weekly initial claims from the unemployment insurance database to determine if an employer has had a “mass layoff.” When more than 50 initial claims are filed against an employer in a five-week period, the employer is contacted to determine if a layoff has occurred. For this report, we reviewed the monthly layoff event activity, the weekly regular initial claims activity, and the quarterly layoff event activity during the current recession.

New Mexico can really be said to have fallen victim of the global recession in fourth quarter of 2008. Monthly layoff incidents increased to a staggering 30 events for fourth quarter of 2008 and an alarming 36 events for second quarter of 2009. In fact, the two highest points for monthly layoff events were the months of December 2008 with 16 events and June 2009 with 14 events.

It appears from the graphs, though, that the worst may be behind us in New Mexico as layoff events are back to more normal levels. The third quarter 2009 monthly layoff events have fallen to levels of five, four, and six events per month. Layoff events normally fall between the range of four and eight events per month.

The following chart shows that initial claims activity related to mass layoff events increased significantly during the current recession. Beginning in fourth quarter 2008 through the present, weekly claims have risen to never-before-seen levels. Weekly claims peaked at 3,308 on February 21, 2009, from a weekly average of 952 for 2006, 1,089 for 2007, and 1,325 for 2008, reflecting an increase in claims toward the latter part of the year.
of that year as New Mexico entered the national recession. Initial claims have since fallen off, reflecting improvement, though continued claims and eligibility for extended benefits, which are seeing real increases, are not included in the graphs below. The initial claims weekly average for 2009 is currently 2,042 or about double the normal activity.

The layoffs affected all age groups (see graph). The percentage of initial claims by age group to total MLS initial claims for the quarter remained relatively consistent. The under 30 age group generally represents 20 percent of the total, the 30 to 44 age group generally represents 35 percent of the total, the 45 to 54 age group generally represents 25 percent of the total, and the 55 and over age group generally represents 20 percent of total.