Public Employment in New Mexico
A Look at Current Employment and Recessionary Impacts
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Employment in the Public Sector

There is no doubt that the public sector and its workers are a significant part of New Mexico’s economy and workforce. Sandia and Los Alamos national laboratories, White Sands Missile Range, and four military installations are major drivers of the size and significance of New Mexico’s public sector. New Mexico’s numerous Native American tribes also drive public sector services and employment.

According to the Quarterly Census of Employment and Wages (QCEW), public employment comprised about 23 percent of all employment in New Mexico as of 2012, equaling about 182,190 workers statewide in nearly every major industry sector. Public sector workers are teachers, police officers, mental health workers, tour guides, transportation maintenance workers, lawyers, and many others in a variety of jobs. Wages paid to public sector workers make up about a quarter of all wages; in 2012, public sector payroll equaled over $8.1 billion.

New Mexico has the largest concentration of public sector workers of the southwestern states. In the U.S., approximately 16 percent of all workers are employed in the public sector. Oklahoma follows New Mexico, with close to 21 percent of employment in the public sector. Public sector employment in the remaining southwestern states ranges from around 16 to just over 17 percent of total employment.

Public sector workers can be found in every county in the state, and the level of employment does not vary much between metropolitan and more rural areas. Public sector employment comprised 23 percent of employment in New Mexico’s four Metropolitan Statistical Areas (MSAs) in 2012, while public employment in more rural areas comprised about 24 percent of total employment. The Santa Fe MSA had the largest concentration of public sector workers, which is unsurprising as the capital is located in the MSA. The Albuquerque MSA had the smallest concentration of public sector workers. While the level of public sector employment is similar in these two types of areas, the types of employment likely differ to some degree, based on the industry makeup of each county.

Based on the North American Industry Classification System (NAICS), all of the employment in the public administration industry (about 62,100) is considered public employment. Therefore, this industry has the largest concentration of public workers. Education services, on the other hand, has the largest number of public workers. In 2012, about 68,700 education workers, or about 89 percent, were employed in the public sector. The health care and social assistance industry is ranked third in number of public sector workers.
workers, while arts, entertainment, and recreation had the third highest concentration of public workers.

**Public Employment Growth in Recent Years**

Both public and private employment growth slowed on an annual basis between 2006 and 2008, and both experienced over-the-year job losses for 2009 and 2010. Private sector employment experienced steeper and more significant declines in job growth and greater job losses overall. The private sector, however, saw a quicker bounce back during the early recovery (2010 to 2012). Job losses slowed more in the private sector than the public between 2010 and 2011, and growth was again positive in 2011; growth in the public sector was slower and did not reach measurable positive levels until 2012. Public sector employment saw an annual growth rate of 0.5 percent that same year.

The public sector’s share of total employment increased during the recession. This was mostly due, however, to the sharper job losses experienced in the private sector. Public sector employment increased from 22.4 percent of total employment in 2007 to 24.2 percent in 2010. As the private sector rebounded more robustly, the public sector’s share of total employment decreased from its peak in 2010 to equal about 23.2 percent in 2012.

Not all areas of the public sector have seen similar changes in employment in recent years. Prior to the recession, local, state, and federal government were experiencing similar changes in employment. Job growth fluctuated between a negative 0.7 percent and 2.1 percent. Between 2008 and 2010, federal government employment increased sharply, likely due to hires for the U.S. Census as well as jobs created through the American Recovery and Reinvestment Act (ARRA). During the same time, both state and local government employment was steadily declining. By 2011, all three government subsectors were experiencing the largest, or very close to the largest, over-the-year job losses in recent years. Local government saw a negative growth rate of 1.3 percent, while federal government saw negative growth of 3.3 percent. State government employment saw the largest job losses between 2008 and 2011, with employment declining by 5.6 percent, or over 2,800 jobs. Job losses between 2010 and 2011 alone equaled 4.1 percent. Between 2011 and 2012, all three government subsectors saw job losses slow, although employment has yet to reach pre-recession levels.