

Quarterly Economic Summary

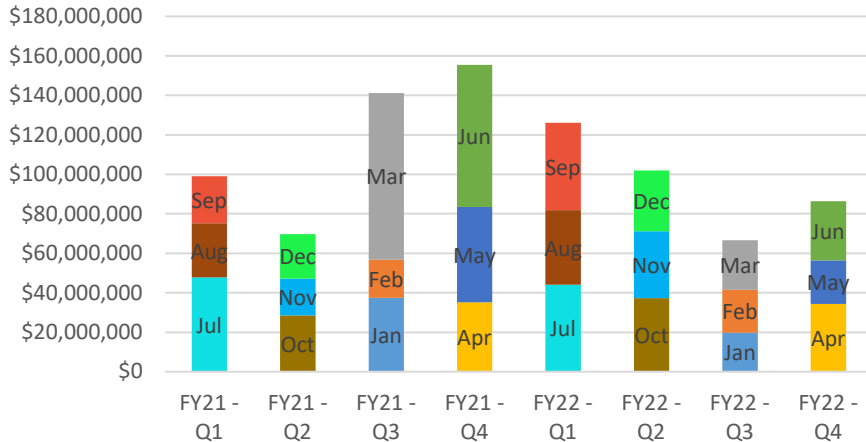
Torrance County

Released: September 2022



Prepared by: Joel Salas, Economist; Ryan Eustice, Economist

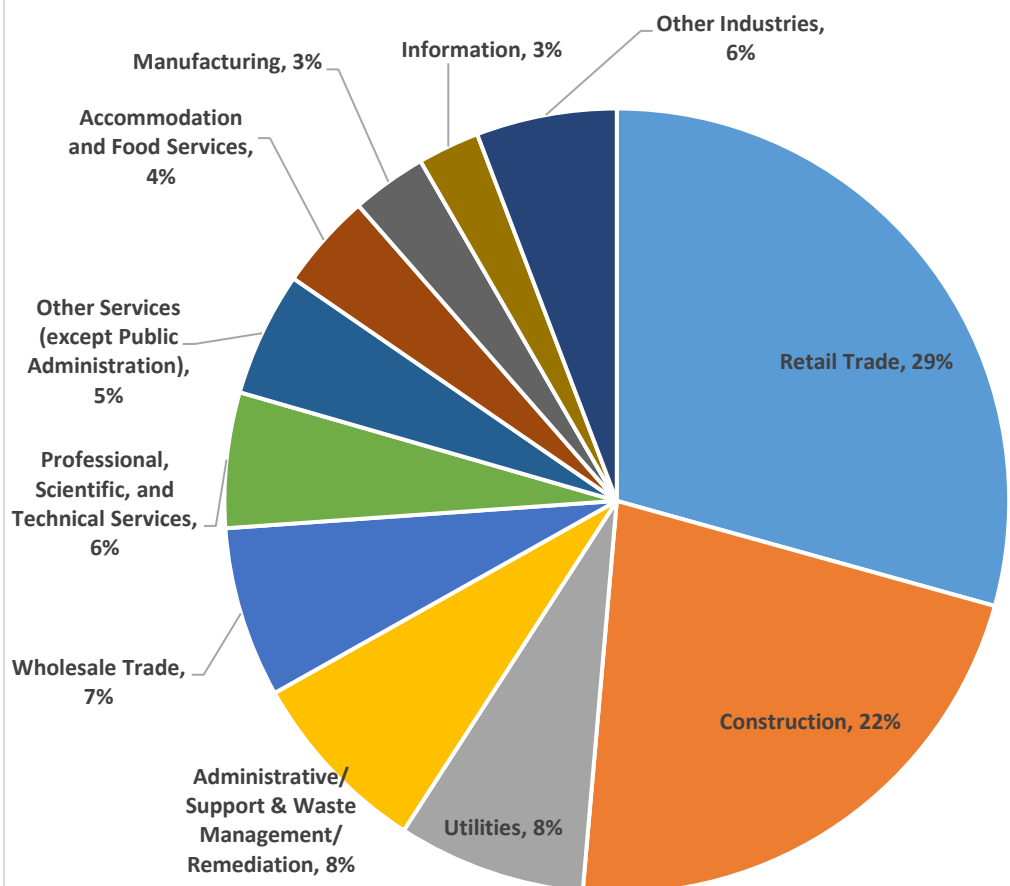
Chart 1. Matched Taxable Gross Receipts Per Quarter



Gross receipts growth across the state significantly outpaced inflation over the last year, and 31 of 33 counties saw growth during that time. The state improved from an already strong third quarter for economic growth in the fourth quarter of FY22 of 20% for all industries compared with the same quarter a year ago and an increase of 29% compared with the same quarter before the COVID-19 pandemic hit. Rising inflation and interest rates pose risks, but the outlook is for continued strong growth in New Mexico.

Over the last six quarters, Torrance County's matched taxable gross receipts (MTGR) have averaged \$678M, heavily driven by the construction industry. Since Q3 FY22, when a large-scale construction project concluded, MTGR for Torrance County has averaged \$76M. Chart 1 shows that quarterly MTGR increased by \$20M or nearly 30%. Since the contraction of the construction industry, the retail trade industry has made up the largest

Chart 2. FY22 - 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.

Quarterly Economic Summary

Torrance County



Table 1. FY22 - Q4 Matched Taxable Gross Receipts by Industry

Industries	FY22 - Q4	YOY Growth	YOY % Change	%Change from FY19-	
				Q4 (Pre-COVID)	
Accommodation and Food Services	\$ 3,372,465	\$ 595,773	21%		71%
Administrative/Support & Waste Management/Remediation	\$ 6,557,461	\$ (80,822)	-1%		625%
Agriculture, Forestry, Fishing, and Hunting	\$ 536,054	\$ 151,756	39%		-15%
Arts, Entertainment, and Recreation	\$ 51,195	\$ (18,171)	-26%		-47%
Construction	\$ 18,736,650	\$ (84,855,349)	-82%		217%
Educational Services	\$ 181,770	\$ (36,294)	-17%		17%
Finance and Insurance	\$ 92,177	\$ 29,545	47%		41%
Health Care and Social Assistance	\$ 697,785	\$ 357,060	105%		26%
Information	\$ 2,164,853	\$ 627,084	41%		-29%
Management of Companies and Enterprises	\$ -	\$ -	N/A		N/A
Manufacturing	\$ 2,629,713	\$ 1,010,328	62%		100%
Mining, Quarrying, and Oil and Gas Extraction	\$ 68,587	\$ 17,252	34%		-23%
Other Services (except Public Administration)	\$ 4,351,866	\$ (868,517)	-17%		14%
Professional, Scientific, and Technical Services	\$ 4,734,881	\$ 2,946,465	165%		291%
Public Administration	\$ -	\$ -	N/A		-100%
Real Estate and Rental and Leasing	\$ 1,513,641	\$ (171,012)	-10%		76%
Retail Trade	\$ 24,888,011	\$ 5,544,587	29%		79%
Transportation and Warehousing	\$ 713,642	\$ 297,299	71%		33%
Unclassified Establishments	\$ 1,059,557	\$ 940,713	792%		420%
Utilities	\$ 6,576,083	\$ 3,229,163	96%		52%
Wholesale Trade	\$ 5,968,476	\$ 1,460,180	32%		221%
All Industries	\$ 86,412,736	\$ (69,103,537)	-44%		105%

percentage of quarterly MTGR, shown in Chart 2 on the previous page. When comparing MTGR, Q4 of FY22 is most comparable to Q1 FY21, when Torrance County reported \$12M higher in MTGR. Table 1 shows a decrease of \$69M from Q4 in FY21 to FY22 of the same period. Table 1 also shows 13 industries that reported a year-over-year (YOY) increase. Despite the increases from multiple industries, the construction industry, which reported a YOY decline of nearly \$85M, or 82%, negated all gains when looking at all industries combined.

Chart 3. Annual Total GRT Revenue Collections

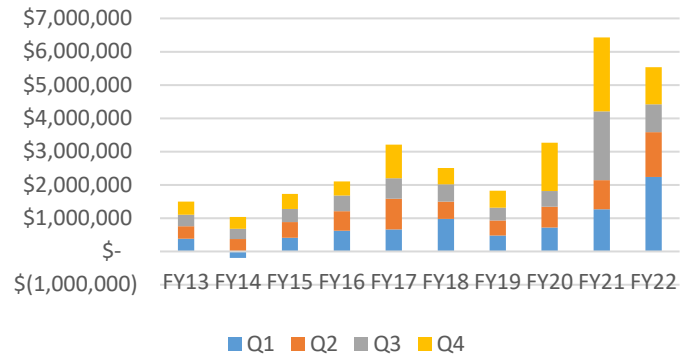


Chart 4. Quarterly GRT Revenue Collections

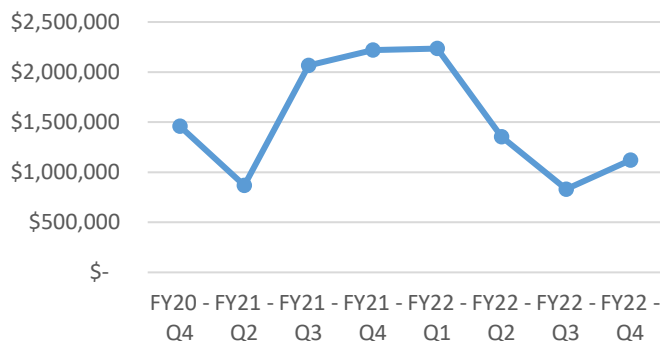
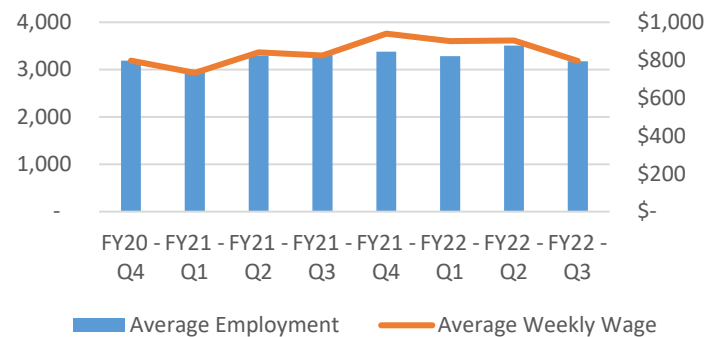


Chart 5. Total Employment & Weekly Wage

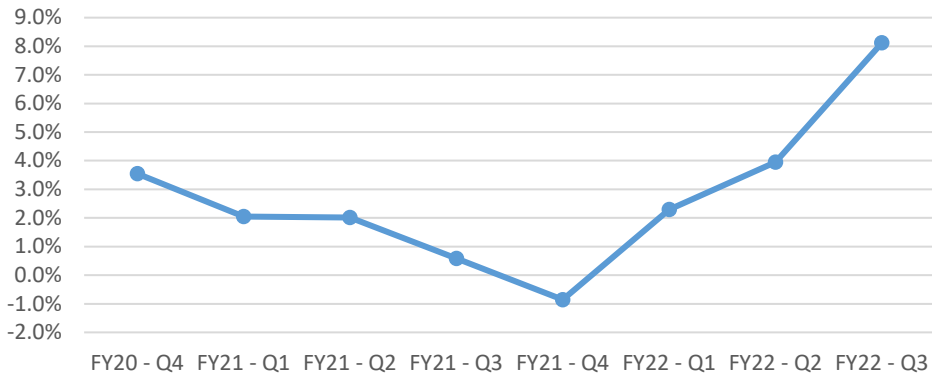


Quarterly Economic Summary

Torrance County



Chart 6. Establishment Year-Over-Year % Change



An **establishment**, as used in the QCEW and subsequently Chart 6 and Table 2, is an economic unit, such as a farm, factory, or store, which produces goods or provides services at a single physical worksite and engaged, predominantly, in one type of economic activity.

The **Quarterly Census of Employment and Wages**, or the **QCEW**, used in Charts 5-6 and Table 2, produces comprehensive data on the number of establishments, monthly employment and quarterly wages for workers covered by state unemployment insurance (UI) laws and federal workers covered by the Unemployment Compensation for Federal Employees (UCFE) program. These data are aggregated to many different levels, starting at the 6-digit NAICS industry level, to higher industry levels (NAICS industry groups, sectors, and supersectors), and to higher geographic levels (MSA, state and national).

Data are based on information reported by New Mexico employers, covering 97% of nonfarm wage and salary workers. Data are published every quarter. Considered the gold standard for its reliability of industry data, the QCEW data are the most complete universe of monthly employment and quarterly wage information by detailed industry.

Table 2. FY22 - Q3 Employment Data and Establishments by Industry

Industry	Average Employment	YOY Change in Average Employment	Average Weekly Wage	YOY change in Average Weekly Wage	Number of Establishments	YOY Change in Establishments
Accommodation and Food Services	170	-7.6%	\$ 355	17.9%	21	10.5%
Administrative/Support & Waste Management/Remediation	186	-7.5%	\$ 1,013	23.8%	10	11.1%
Agriculture, Forestry, Fishing, and Hunting	75	31.6%	\$ 566	7.0%	18	0.0%
Arts, Entertainment, and Recreation	29	-6.5%	\$ 665	-7.5%	9	12.5%
Construction	202	-37.1%	\$ 838	-43.7%	44	2.3%
Educational Services	668	*	\$ 696	*	11	0.0%
Finance and Insurance	41	32.3%	\$ 1,131	-1.6%	12	20.0%
Health Care and Social Assistance	490	-4.7%	\$ 878	14.2%	72	16.1%
Information	32	18.5%	\$ 691	0.0%	8	0.0%
Management of Companies and Enterprises	*	*	*	*	2	100.0%
Manufacturing	122	24.5%	\$ 1,637	48.3%	15	7.1%
Mining, Quarrying, and Oil and Gas Extraction	*	*	*	*	3	50.0%
Other Services (except Public Administration)	54	35.0%	\$ 1,016	-19.9%	18	28.6%
Professional, Scientific, and Technical Services	71	47.9%	\$ 1,093	-19.8%	16	14.3%
Public Administration	218	1.4%	\$ 880	19.9%	27	0.0%
Real Estate and Rental and Leasing	*	*	*	*	1	0.0%
Retail Trade	500	-10.1%	\$ 575	-15.7%	44	0.0%
Transportation and Warehousing	63	-3.1%	\$ 632	-8.8%	23	9.5%
Utilities	97	*	\$ 1,046	*	8	0.0%
Wholesale Trade	129	-24.6%	\$ 736	23.7%	11	-8.3%
All Industries	3,174	-4.3%	\$ 796	-3.4%	373	8.1%

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