

New Mexico economy: New jobs no boon for state's poor

(16 comments; last comment posted Yesterday 10:11 pm)

<http://www.freenewmexican.com/news/48665.html>

[print](#) | [email](#) this story

Related Links

[Payrolls grow by 128,000 in August](#)
[New Mexico Voices for Children](#)
[NM unemployment: some numbers 2](#)
[New Mexico AFL-CIO](#)
[A look at New Mexico economic rankings \(2005\)](#)

By [Barbara Ferry](#) | The New Mexican

September 2, 2006

New Mexico is creating jobs at a gallop, but the state's thriving economy hasn't lifted many working people out of poverty, according to a report released Friday by an Albuquerque-based child advocacy group.

Gerry Bradley, an economist with New Mexico Voices for Children, said one reason is the new jobs being created are disproportionately in low-wage industries, such as retail, construction and food preparation.

Another reason is that job growth has largely bypassed rural areas of the state, he said.

"On job growth, we're doing very, very well, but that hasn't turned into progress in areas such as poverty in any substantive way yet," Bradley said.

One bright spot for the state is growth in the oil and gas industry, a source of higher-wage jobs, according to the report, *The State of Working New Mexico, 2006*.

Employment growth rates soared to 7 percent in 2004 and 8 percent in 2005, compared with 1.5 to 2 percent during the late-1990s, according to the report. "But we see really very little change in the poverty numbers," Bradley said.

The U.S. Census Bureau reported this week that 17.9 percent of New Mexicans live at or below the federal poverty line. But Voices for Children says the federal poverty threshold — \$20,000 for a family of four — is outdated and does not accurately show how many people are struggling.

According to the report,

38.2 percent of the state's population was "still struggling with poverty" in 2004. However, that number represents a decrease from 43.5 percent in 2003, according to the study.

Christine Trujillo, president of the New Mexico AFL-CIO, said labor advocates will take their fight for a higher state minimum wage back to the Legislature during next year's 60-day session.

Efforts to raise the minimum wage to \$7.50 an hour failed during the last session despite support from Gov. Bill Richardson and legislative leaders. Trujillo blamed the failure on the restaurant and agriculture industries.

While the minimum wage for many workers in Santa Fe is \$9.50 an hour — the highest in the nation — the state minimum remains at the federal floor of \$5.15 an hour. The report says 6 percent of New Mexico workers earn the federal minimum, compared with 3 percent nationally.

Sherry Hooper, director of the Food Depot, said working people often need food from the pantries she works with. A statewide study of food banks found that 41 percent of those receiving assistance had at least one adult in the family working, she said, and the Depot's food banks and pantries gave food to more than 39,000 city residents during April, May and June of this year.

"It's a common myth that the people we serve are too lazy to work," Hooper said. "We have working families who are playing by all of society's rules, and they still can't make ends meet."

Contact Barbara Ferry at 995-3817 or bferry@sfnewmexican.com.