



Press Release

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Contact: Gerry Bradley, Research Director, New Mexico Voices for Children
Office: 244-9505 x23, Cell: 264-0074

New Data Released by Department of Labor Shows Job Growth Sagging; Advocates Point to Failure of Tax Cuts in New Mexico

ALBUQUERQUE -- Data released this week by two government agencies show the New Mexico economy is failing to make headway. Job growth is the best indicator of the momentum of the state's economy. After peaking at 2.3 percent in April 2004, job growth has slowed to 1.8% in February 2005 according to data from the New Mexico Labor Department.

New Mexico's Per Capita Income Ranking Stagnant

In a related development, the US Bureau of Economic Analysis reported that New Mexico's per capita income ranking was 47th in both 2003 and 2004. Per capita income is the best indicator of the well-being of a state's population. "We're looking at an economy where the primary indicators of economic health are not improving – we are stuck in a holding pattern", said Gerry Bradley, economist for New Mexico Voices for Children.

"This is disheartening, but hardly surprising, news", he continued. "This is further evidence that the personal income tax cuts passed in 2003 have failed to do what the Governor repeatedly claimed they would do: stimulate economic growth", he added.

New Mexico's Job Growth and Unemployment Rate Compared to Other States

New Mexico's over the year job growth rate was 1.8 percent in February 2005. This growth rate ranked New Mexico 23rd of all states and the District of Columbia.

The New Mexico unemployment rate was 5.6 percent in February 2005, above the national rate of 5.4 percent. The New Mexico unemployment rate placed the state 15th out of all states and the District of Columbia.

Personal Income Tax Cuts Continue to Fail to Stimulate New Mexico's Economy

"This data shows, again, that thinking we're going to tax cut our way to job growth is a fantasy", concluded Bradley.

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