



PRESS RELEASE

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CONTACT: Gerry Bradley, Research Director, New Mexico Voices for Children
505-244-9505 ext. 23 (p), 505-264-0074 (c), gbradley@nmvoices.org

OR: Sharon Kayne, Communications Director, New Mexico Voices for Children
505-244-9505 ext. 30 (p), 505-401-8709 (c), 505-244-9509 (f), skayne@nmvoices.org

Job Watch: NM job growth flattens, unemployment up for first time in 7 years

ALBUQUERQUE—The state may be celebrating unexpectedly good revenue from oil and natural gas taxes, but other economic news is not so good for working New Mexicans.

New Mexico's job growth rate flattened in June for the first time since 2001, according to data released last week by the U.S. Bureau of Labor Statistics (BLS). The data show that New Mexico's unemployment rate rose from 3.8 percent in May to 3.9 percent in June, after adjusting for the normal changes for the month and season. The state's unemployment rate was 3.5 percent in June 2007.

A sluggish national economy is to blame.

"New Mexico's labor market is usually cushioned from the national business cycle, but this time, the national downturn is showing up in the state's economy more quickly than usual," said Gerry Bradley, Research Director for New Mexico Voices for Children

New Mexico has seen just 7,000 new jobs created since June 2007. That translates to a growth rate of less than 1 percent. The manufacturing sector has actually lost 2,000 jobs since June 2007.

On top of that, inflation is up to 5 percent, according to the BLS. Nationally, real wages - that is, wages adjusted for inflation - are not keeping pace with inflation.

The state's economic growth, as measured by growth in the state's personal income, is also on the decline. It receded from 2.3 percent in the first quarter of 2007 to 0.8 percent in the first quarter of 2008. "Labor market and personal income estimates are important because they reflect patterns in living standards for the state's working population," said Bradley.

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2340 Alamo SE, Suite 120, Albuquerque, NM 87106-3523; 505-244-9505 (p); www.nmvoices.org