



## **PRESS RELEASE**

For Immediate Release, September 3, 2004

**For More Information Contact:**

Kelly O'Donnell, Director of Research

(505) 792-5095 or cell: (505) 259-9713

Cheryl Gooding, Director of Communications

(505) 244-9505x 33 or cell: (505) 401-8709

### **PRESS CONFERENCE TO RELEASE NEW REPORT:**

#### **"The State of Working New Mexico in 2004"**

***Tuesday, September 7<sup>th</sup> at 11:00***

***New Mexico Voices for Children***

***801 Encino Place NE Suite F-21 Albuquerque***

### **The Sobering Reality: Quality of New Mexico Jobs Decreasing The Solution: A New Approach to Economic Development**

Albuquerque – The sobering reality about the state of working New Mexico in 2004 is that the quality of new jobs is diminishing (with more part-time jobs and fewer benefits), and wages are stagnant, according to a new report, "The State of Working New Mexico in 2004", released by New Mexico Voices for Children (NM Voices).

The report analyzes recent labor market trends to assess the effectiveness of New Mexico's economic development policies, and suggests policies to improve the economic well-being of New Mexico's working families.

"New Mexico's economy is under-performing in creating the types of higher wage, full-time jobs that enable New Mexicans to work their way out of poverty. Without the job growth stimulated by Medicaid-funded personal health care, the picture would look much worse", said Kelly O'Donnell, Ph.D., Director of Research at New Mexico Voices for Children, and author of the report.

Among the report's key findings:

- The quality of New Mexico jobs has diminished significantly:
  - Wages, particularly for low and moderate wage workers, are stagnant.
  - Involuntary part-time work, and under-employment, is increasing.
  - Rates of pension coverage are falling

- Most of the growth in private sector employment has been fueled by Medicaid-funded personal health care – payment for personal care attendants in the homes of low-income elderly and disabled adults who would otherwise qualify for nursing home care.
- New Mexico remains last among states in employer-provided health insurance.
- The unmet needs of many New Mexico workers – for healthcare, affordable childcare, and high quality public education -- put them at a disadvantage in the workplace and create a barrier to economic development now and in the future.
- New Mexico can improve the lives of working New Mexicans right now and pave the way for a high quality, high wage economy in the future by filling the gaps created by our low wage economy through a greater investment in healthcare, childcare, and education.

“Simply creating jobs – any kind of jobs – does not ensure prosperity for the majority of New Mexicans”, said Dr. O’Donnell. “New Mexico’s economic development strategy should strengthen the building blocks of a healthy economy – healthcare, education and child care – rather than trying to lure out-of-state businesses with generous tax breaks. When it comes to economic development in New Mexico, quality matters every bit as much as quantity”, she continued.