

Economic Profile Workshop

Understanding your County's Economy Using the Economic Profile System (EPS)

Rio Puerco RMP Revision
USFS TEAMS and BLM Rio Puerco
Field Office

Thursday July 31, 2008



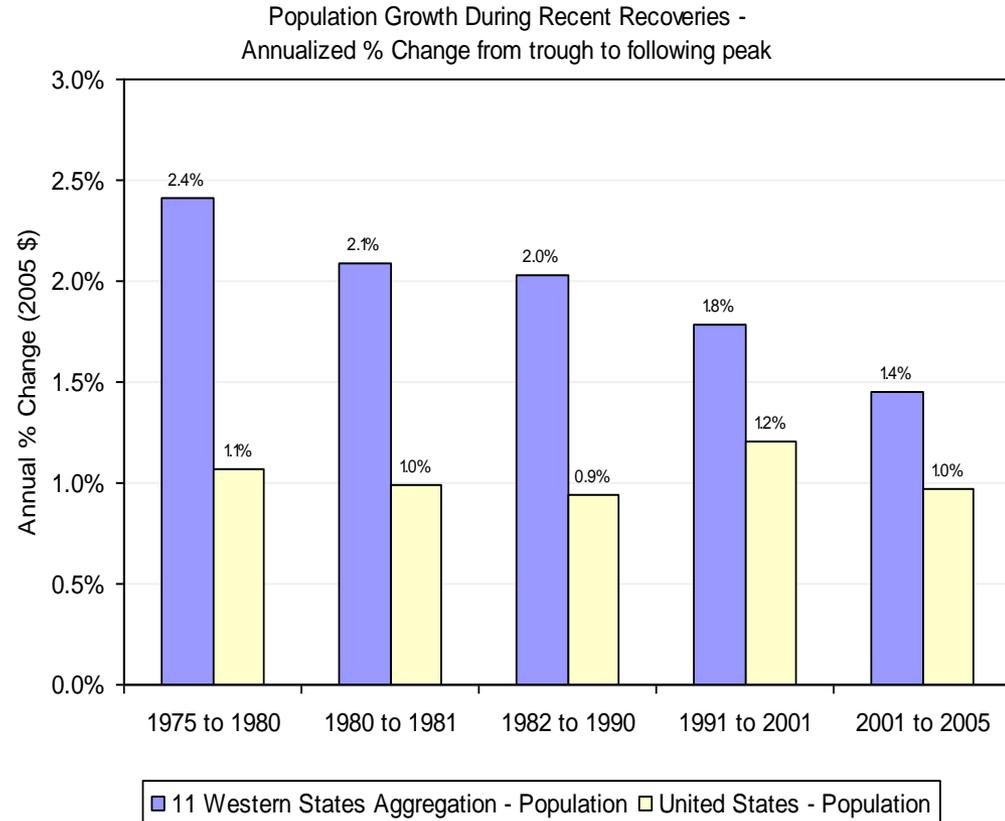
The Changing Economy of the West



The Changing Economy of the West

Population change

- From 1970 to 2005 population in the 11 western states grew by 32,512,598 people, a **96%** increase while the US increased by **45%**
- In the latest recession recovery (2001 to 2005), **population growth in the West outpaced the US** (up 1.4% compared to 1%)



The Changing Economy of the West

Change in age

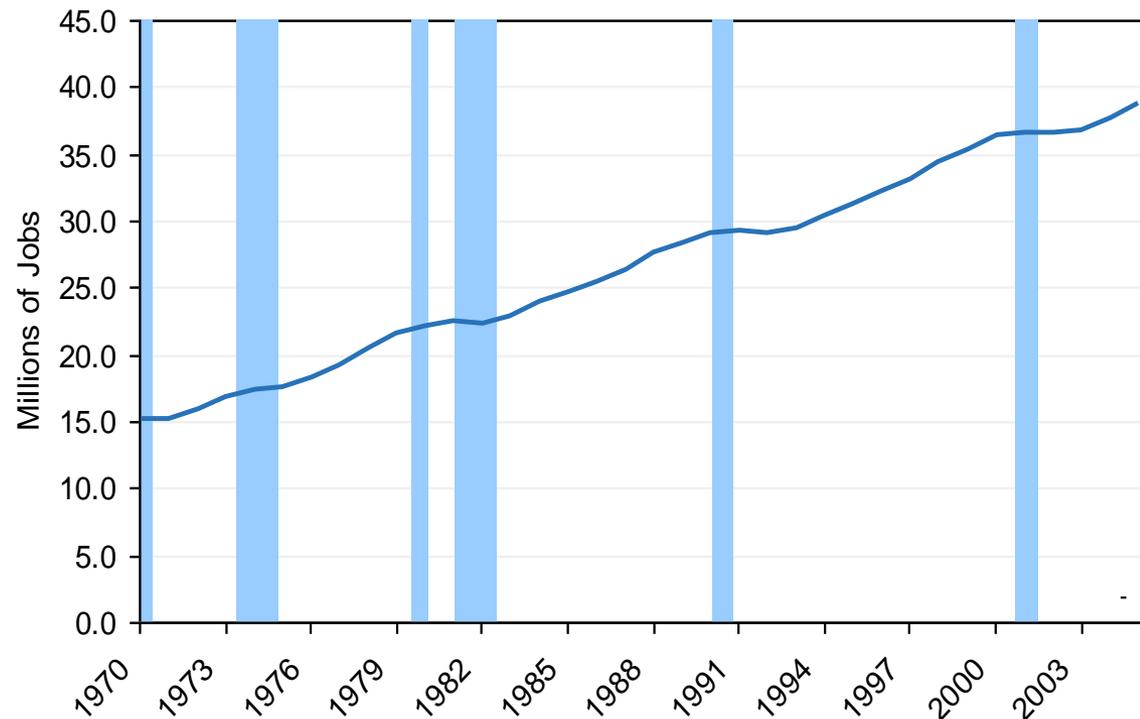
- The population has **gotten older** since 1990. The median age in 2000 is 33.7 years, up from 31.9 years in 1990
- The age group that has grown the fastest, is the group from **50 to 54 years**, up 1,502,480 people. Their share of total **rose by 1.7%**



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Employment

- From 1970 to 2005, 23,621,402 new jobs were created.
- In the latest recession recovery employment growth in the West outpaced the US



The Changing Economy of the West

Personal Income – labor and non-labor sources

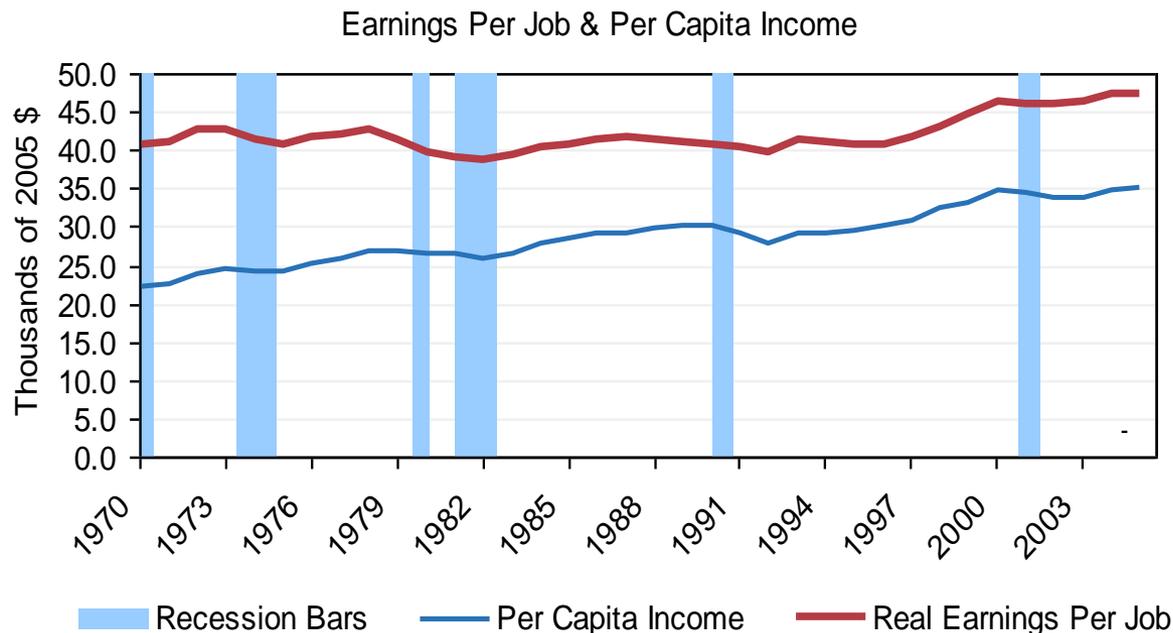
- From 1970 to 2005, personal income added \$1,567,397 million in real terms.
- In the latest recovery income growth in the West outpaced the US
- In the last 35 years, non-labor sources grew at an annual rate of 3.8%, outpacing labor sources which grew at a 3% rate

Labor vs. Non-Labor										
All income in millions of 2005 dollars	1970		1995		2005		New	% of	% Chg	% Chg
	% of		% of		% of		Income	New	Ann. Rate	Ann. Rate
	1970	Total	1995	Total	2005	Total	70-05	Income	70-05	95-05
Total Personal Income	757,129	100%	1,672,363	100%	2,324,526	100%	1,567,397	100.0%	3.3%	3.3%
Labor Sources	572,797	76%	1,128,871	68%	1,636,433	70%	1,063,636	67.9%	3.0%	3.8%
Non-Labor Sources	184,332	24%	543,492	32%	688,093	30%	503,761	32.1%	3.8%	2.4%
Dividends, interest, and rent	112,821	15%	324,034	19%	384,849	17%	272,028	17.4%	3.6%	1.7%
Personal current transfer receipts	71,511	9%	219,457	13%	303,244	13%	231,733	14.8%	4.2%	3.3%

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Earnings Per Job and Per Capita Income

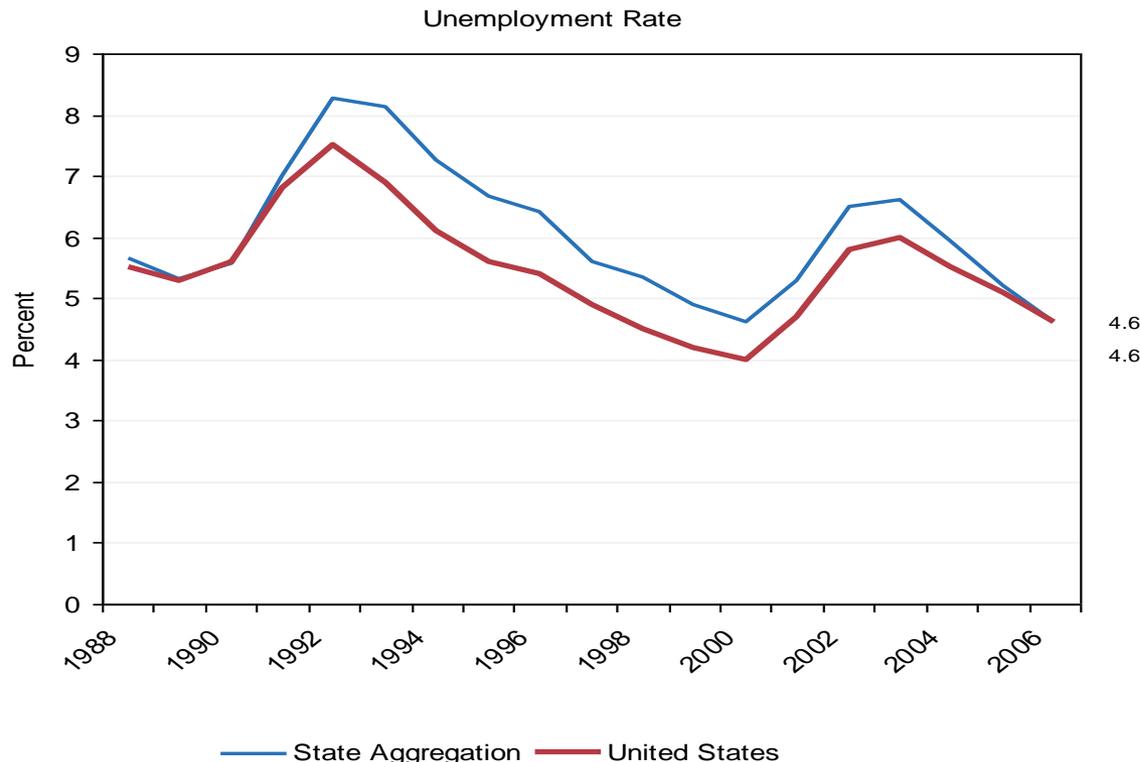
- Average earnings per job rose from \$40,563 in 1970 to \$47,507 in 2005, which was higher than the nation in 2005 (\$45,817)
- Per capita income rose from \$22,341 in 1970 to \$35,006 in 2005, which was also higher than the nation (\$34,471)



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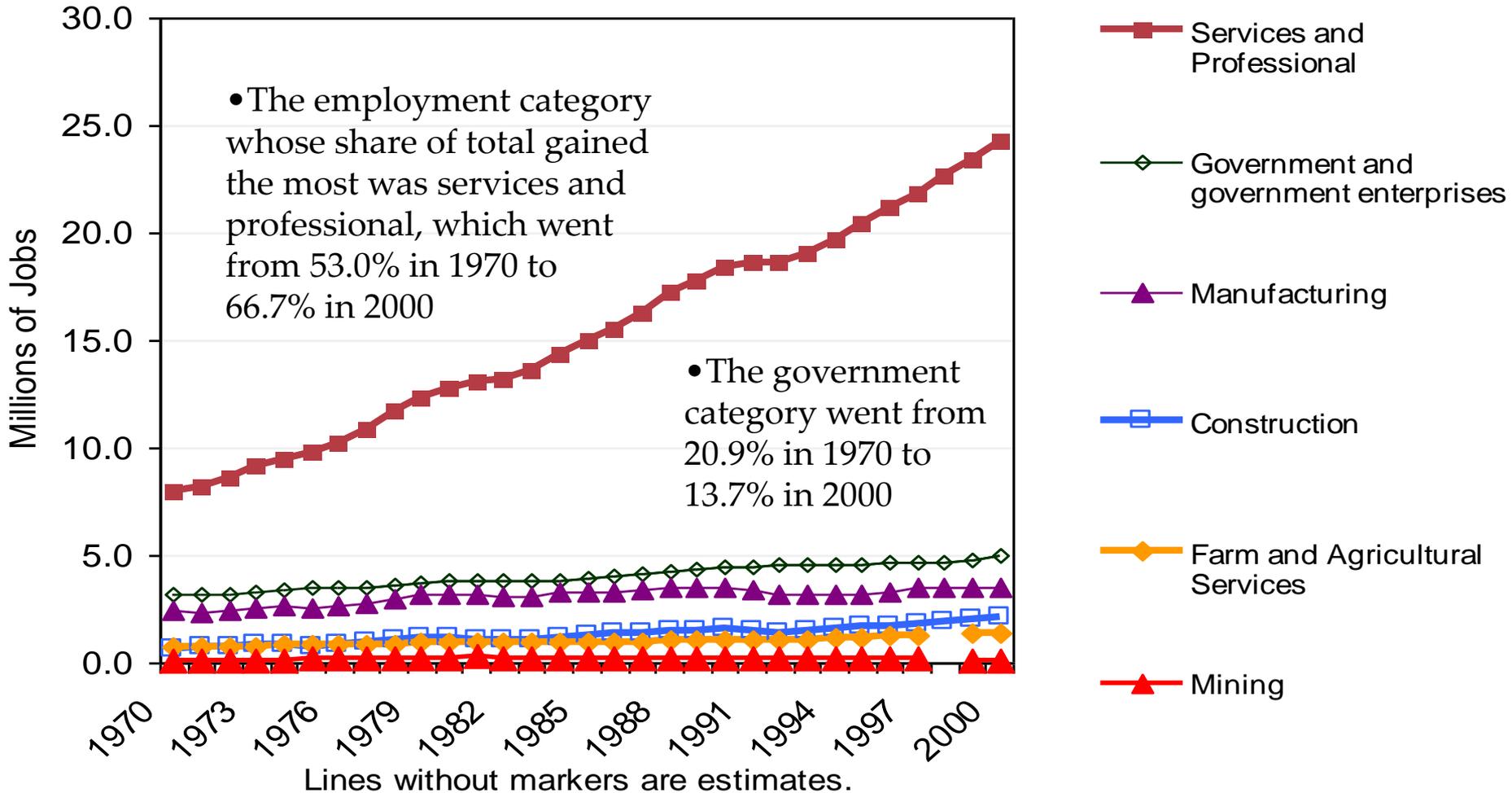
Unemployment

- Since 1990, the unemployment rate varied from a low of 4.6% in 2006 to a high of 8.3% in 1992



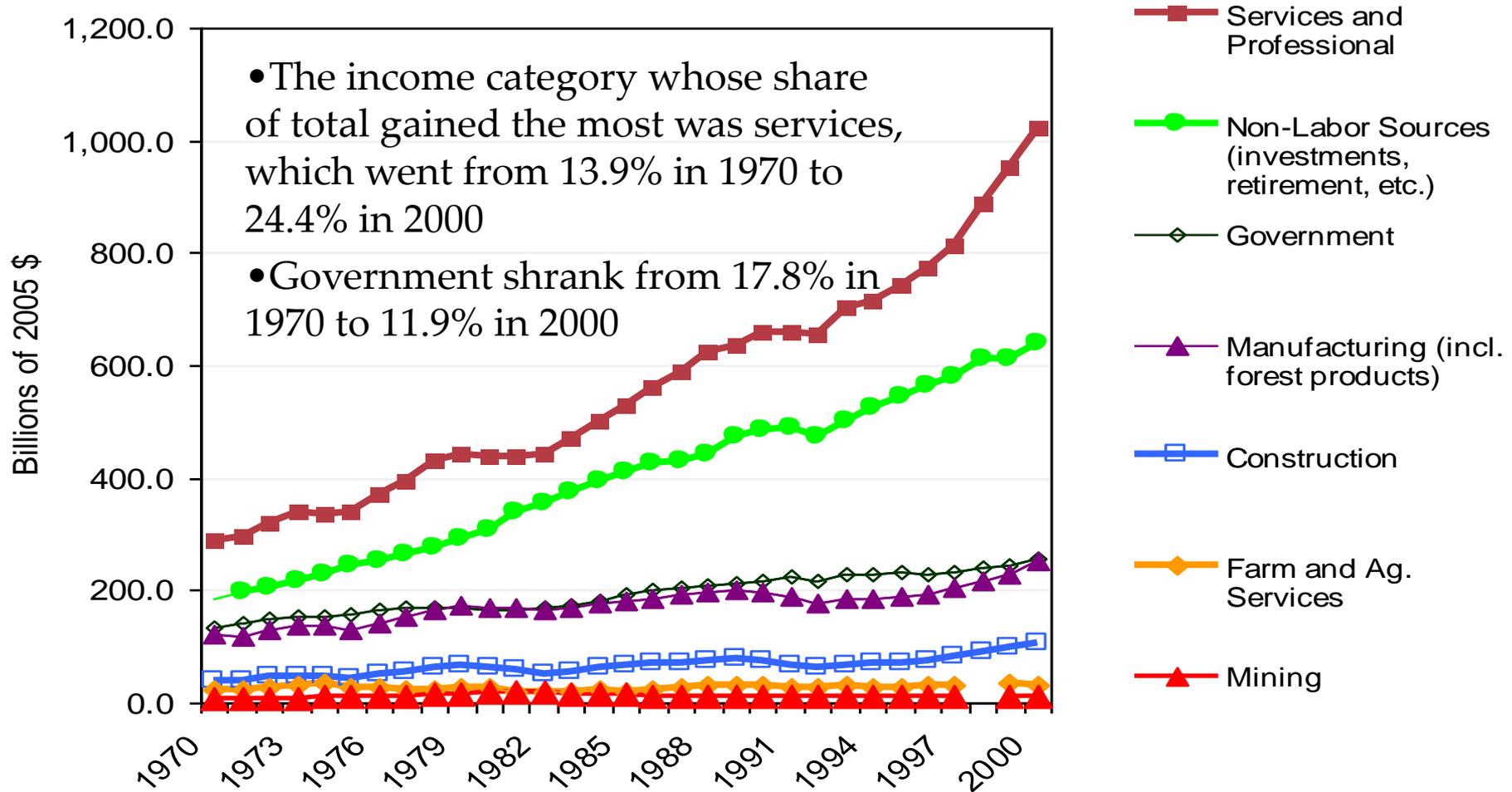
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Employment History (by SIC)



The Changing Economy of the West

Income History (by SIC)



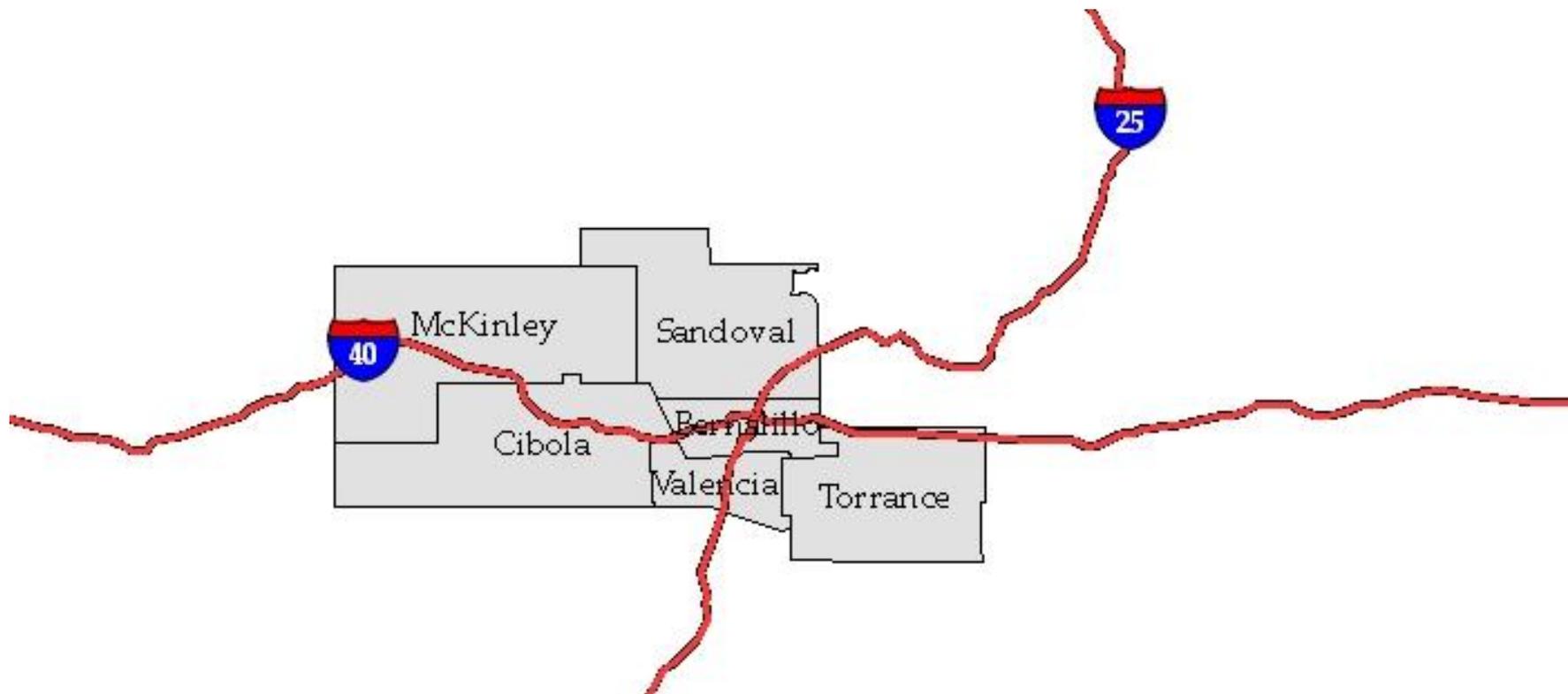
The Changing Economy of the West

Wages

- Goods-producing employees (5,215,468 workers) were paid an average of \$47,069
- Service-providing employees (18,897,309 workers) were paid an average of \$40,282
- Wages are shaded in green when they are more than 20% higher than the wages for all sectors and in red when they are less than 20% lower.

Wages and Employment in 2005			
	Employment	% of Total	Average Annual Wages
Total Private & Public	28,724,207	100%	42,204
Total Private	24,112,777	84%	41,750
Goods-Producing	5,215,468	18%	47,069
Natural Resources and Mining	721,109	3%	29,361
Agriculture, forestry, fishing & hunting	600,794	2%	21,769
Mining	120,317	0%	67,271
Construction	1,899,549	7%	42,209
Manufacturing (Incl. Forest Products)	2,594,808	9%	55,548
Service-Providing	18,897,309	66%	40,282
Trade, Transportation, and Utilities	5,356,560	19%	36,578
Information	804,062	3%	74,981
Financial Activities	1,715,817	6%	61,781
Professional and Business Services	3,824,453	13%	50,179
Education and Health Services	2,963,666	10%	39,611
Leisure and Hospitality	3,052,449	11%	19,639
Other Services	1,102,854	4%	24,074
Unclassified	77,445	0%	41,320
Total Public	4,611,431	16%	44,579
Federal Government	568,901	2%	57,871
State Government	962,692	3%	45,783
Local Government	3,079,840	11%	41,747

BLM Management that Influences Local Economic Activity



BLM Management that Influences Local Economic Activity

- Recreation (wildlife and non-wildlife related)
- Grazing
- Forest Products
- Mining
- Externally Funded Ecosystem Restoration
- Payments to counties
- BLM expenditures and employment



Recreation

- BLM land within the Rio Puerco Field Office provides for a wide array of recreational opportunities
- On their way to the planning area, and once they arrive, these visitors spend money on goods and services they would spend elsewhere if these opportunities did not exist. In this manner the opportunities on BLM contribute to the local economy by attracting these visitors
- Recreation contributes 2.5 percent of the total Rio Puerco Field Office employment and 1.2 percent of labor income contributions. This amounted to approximately 18 jobs and \$490,000 in labor income on an average annual basis



Grazing

- 8.3 percent (132,000) of the State's 2002 Cattle and Calf inventory was contained in the six county area. Torrance contained 49,000 or roughly 3 percent of the inventory
- Actual use of AUMs within the field office has varied between 59,000 and 87,000 and is currently around 70,000. In 2002 BLM AUMs in the field office (77,000) supported forage for approximately 5 percent of the six county inventory
- Grazing providing 2.4 and 0.5 percent of the total Rio Puerco Field Office employment and labor income contributions. This amounted to approximately 16 jobs and \$207,000 in labor income on an average annual basis.



Forest Products

- Rio Puerco Field Office Staff estimate approximately 700 CCF removed from BLM between 2003 and 2007; corresponds to roughly 4 percent of fuelwood removed from Cibola and Santa Fe National Forests (An average of 19,000 CCF)
- While small relative to fuelwood cut from Forest Service lands, BLM contributions are still locally important.
 - In winter months almost all fuelwood gathering occurs on BLM since USFS collection areas are closed and inaccessible due to snow and mud
- Stewardship projects with local area groups/pueblos also provide further contributions
- These forest product contributions provide less than one job and \$2,800 in labor income on an average annual basis however, these estimates do not account for household use of fuelwood from BLM



Mining

- In 2006 McKinley and Sandoval produced the least amount of oil and gas in the state and were the only counties within the impact area producing oil and gas.
- Oil production went down for all lands in Sandoval (from 80,731 to 77,143 barrels) and increased in McKinley (4,873 to 16,852 barrels) between 2006 and 2007.
- Gas production was down for all lands in both counties from 2006 to 2007 falling from 1,247,637 to 960,820 MCF in Sandoval County and from 26,212 to 16,401 MCF in McKinley County (State of New Mexico, 2008).
- In addition to oil and gas, crushed stone, sand and gravel are also removed from BLM. These mining related activities provide 70 and 82 percent of the total Rio Puerco Field Office employment and labor income contributions.



Externally Funded Ecosystem Restoration

- Contributions from contracted activities not accounted for in BLM Budget expenditures; fuels treatments, tree planting, Weed spraying and road work
- Stewardship agreements with area pueblos also provides “wood for work”
- This work provides less than one percent of the total Rio Puerco Field Office employment and labor income contributions



Payments to Counties

- PILT
- Range Revenues
- Leasing and minerals payments
- These payments provide approximately 5 and 3 percent of the total Rio Puerco Field Office employment and labor income contributions



BLM Expenditures and Employment

- Expenditures associated with program related work
- Expenditures on salaries of both full and part time employees
- These contributions provide 20 and 13 percent of the total Rio Puerco Field Office employment and labor income contributions



Employment and Labor Income Contributions by Resource Program

Resource	Jobs	share of total	Labor Income	share of total
Recreation: non-local only	16.9	2.51%	458.9	1.11%
Wildlife and Fish: non-local only	1.3	0.19%	33.6	0.08%
Grazing	16.7	2.48%	207.2	0.50%
Timber	0.1	0.02%	2.8	0.01%
Minerals	477.6	70.97%	34257.4	82.98%
Alt. Funded Ecosystem Rest	3.4	0.51%	94.7	0.23%
Payments to States/Counties	36.9	5.48%	1293.0	3.13%
Forest Service Expenditures	120.1	17.85%	4934.4	11.95%
Total BLM management	672.9	100%	41282.1	100%



Current role of BLM related employment to the area economy

Industry	Area Totals	BLM related	BLM share of industry
Agriculture	2,987	29	0.98%
Mining	1,231	235	19.07%
Utilities	1,096	2	0.15%
Construction	40,646	7	0.02%
Manufacturing	27,361	6	0.02%
Wholesale Trade	17,776	12	0.07%
Transportation & Warehousing	16,194	11	0.07%
Retail Trade	53,485	52	0.10%
Information	12,377	5	0.04%
Finance & Insurance	18,984	15	0.08%
Real Estate & Rental & Leasing	22,774	22	0.10%
Prof, Scientific, & Tech Services	44,780	22	0.05%
Mngt of Companies	4,374	8	0.18%
Admin, Waste Mngt & Rem Serv	38,060	19	0.05%
Educational Services	8,682	7	0.08%
Health Care & Social Assistance	56,069	50	0.09%
Arts, Entertainment, and Rec	8,720	10	0.11%
Accommodation & Food Services	39,769	40	0.10%
Other Services	22,937	23	0.10%
Government	95,199	98	0.10%
Total	533,499	673	
BLM as a share of area total	---	0.13%	

Current role of BLM related labor income to the area economy

Industry	Area Totals	BLM related	BLM share of industry
Agriculture	\$58,093	\$476	0.82%
Mining	\$116,974	\$25,602	21.89%
Utilities	\$84,169	\$129	0.15%
Construction	\$1,859,984	\$334	0.02%
Manufacturing	\$1,805,079	\$358	0.02%
Wholesale Trade	\$940,617	\$650	0.07%
Transportation & Warehousing	\$802,464	\$548	0.07%
Retail Trade	\$1,606,179	\$1,536	0.10%
Information	\$623,048	\$255	0.04%
Finance & Insurance	\$968,506	\$764	0.08%
Real Estate & Rental & Leasing	\$425,133	\$437	0.10%
Prof, Scientific, & Tech Services	\$2,845,414	\$1,282	0.05%
Mngt of Companies	\$269,010	\$484	0.18%
Admin, Waste Mngt & Rem Serv	\$1,045,505	\$494	0.05%
Educational Services	\$206,957	\$175	0.08%
Health Care & Social Assistance	\$2,192,177	\$1,987	0.09%
Arts, Entertainment, and Rec	\$99,319	\$126	0.13%
Accommodation & Food Services	\$694,803	\$688	0.10%
Other Services	\$594,793	\$563	0.09%
Government	\$5,688,999	\$4,394	0.08%
Total	\$22,927,224	\$41,282	
BLM as a share of area total	---	0.18%	

Introduction to Economic Profile System

- The Economic Profile System (EPS) allows users to produce socioeconomic profiles at a variety of geographic scales using Microsoft Excel
- Profiles contain tables and figures that illustrate
 - long-term trends in population
 - employment and personal income by industry
 - average earnings
 - business development
 - retirement and other non-labor income
 - commuting patterns
 - Agriculture
 - earnings by industry



Introduction to Economic Profile System

- Databases used for EPS profiles are from:
 - Bureau of the Census including County Business Patterns
 - Bureau of Labor Statistics
 - Regional Economic Information System (REIS) of the Bureau of Economic Analysis, U.S. Department of Commerce



Introduction to Economic Profile System

- EPS was developed in partnership with the Bureau of Land Management and the Sonoran Institute
- It continues to be refined and improved by Headwaters Economics

<http://www.headwaterseconomics.org/eps/>



Introduction to Economic Profile System

There are two ways to get profiles:

- You can view finished EPS profiles for each of the counties and states in the 11 Western states as Acrobat (.pdf) files
- If you need to aggregate counties, need an area that we have not posted, or need EPSC profiles, you can download the two systems at
- <http://www.headwaterseconomics.org/eps/>



Introduction to Economic Profile System Community (EPSC)

Geographic scale - *finer*

- Nation, Region, Division, States, Counties, County Subdivisions, Places (Towns), Indian Reservations, Congressional Districts

Databases used – *never suppressed*

- Bureau of the Census, Decennial Census of Population and Housing, 1990, 2000. (1990 to 2000 comparisons at the county level only)

Time series used - *limited*

- it is only available for 2000 with limited comparisons to 1990

