

## Appendix 2: Interim Legislative Jobs Council Initiative

2015 Comprehensive Economic Development Strategy – MRCOG

### Appendix 2

## Interim Legislative Jobs Council Initiative

The NM State Legislature in 2013 created the Interim Legislative Jobs Council to look at state-wide job creation. The Council was made up of legislators as well as representatives from private industry. Meetings were held around the state to identify three key findings: 1) the number of economic base jobs the state would need to get back to pre-recession levels; 2) the sectors in which we could create the jobs; and 3) the means necessary to achieve this job creation.

At the end of the year-long process, all parties involved identified the first two goals: a need for 162,000 economic base jobs in the next ten years across 13 sectors (see Table 1).

**Table 1.**

Economic Base Sectors	Sub Sectors	Job Estimates
Health and Social Services	Federal, Hospitals, Home Health Care, Assisted Living, Dentistry	23,000
Visitor Driven	Cultural, Business – Conferences and Meetings, Space, Destination Entertainment, Ecotourism, Retirement Living, Transportation, Hospitality, Gaming, Exported Art and Craft	22,400
Back Office Services	Call Centers, Sales, Accounting, Procurement, and Payroll Services	25,000
Integrated IT & Cyber (Non-Government)	Commercial Transaction Security, Software Engineering, Server Farms, Data Storage, etc	16,000
Manufacturing	Construction materials, Equipment, Aircraft Manufacturing and Repair, Electronics, Micro Electronics, Energy, Optics, Transport, Warehouse, and Logistics	15,000
Exported Services	Financial Services Research, Writing, Editing, and Publishing Exported Information Services (Broadcasters, Webmasters, Public Relations, Marketing, Social Media, Tele-Services, Online) Environmental Services Construction Management Services Philanthropic Services	15,000
Digital Media	Film, TV, Video Gaming & Testing, Modeling & Simulation	9,100
Solo - Independent Work	Consultants, Writers, Artists, Digital Animators, Financial Advisors, Accounting, Design Services, Medical Transcription, IT Services, etc	12,000
Government	Federal, Aerospace and Defense, Emerging Technologies (Public), State Government, Federal Contracted Services	8,100
Education Services	Higher Education	2,500
Extractives	Energy and Extractives, Oil and Gas, Mining, Uranium Processing	10,000
Emerging Technologies (Non-Government)	Optics/Photonics, Sensors, Biomedical, Water and Environmental Technologies, Bio-tech, Nano-Tech, Energy, Cyber-security	1,000
Agriculture, Food, and Forestry	Farming and Ranching, Vineyards & Productions, Production Greenhousing, FS, Processing and Packaging, Value-added Exported Services, Water, Arid Agriculture, Genetics, Food Security	3,000
		<b>162,100</b>

*Factors of Production:* Together with the New Mexico Association of Regional Councils (NewMARC) the IJC identified key factors of production (see Figure 1.) needed to achieve the job creation goals.

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Figure 1.

<b>Factors of Production:</b>				
<b>Capital</b>				
<b>Infrastructure:</b>				
<b>Water &amp; Sewer</b>				
<b>Bandwidth</b>				
<b>Transmission</b>				
<b>Roads &amp; Drainage</b>				
<b>Power and Gas</b>				
<b>Public Safety</b>				
<b>Transportation System</b>				
<b>Real Estate (Land and Building Inventory)</b>				
<b>Qualified Workforce, Education, Community Development</b>				
<b>Marketing and Sales (Deal Structuring, Lead Generation)</b>				
<b>Leadership, Business Climate (Tax and Regulatory Climate)</b>				

*Policy Recommendations:* Using key findings from the statewide process, the IJC developed a list of policy recommendations in 2014 to present to the 2015 NM State Legislature to kick start job creation in identified sectors (see Table 2.).

**Table 2.**

**Interim Legislative Jobs Council—policy recommendations:** job creation programs (red) and workforce/infrastructure (blue)

NM Partnership	\$500,000
LEDA	\$50,000,000
JTIP	\$12,000,000
Co-op Advertising	\$2,000,000
Local Staff Augmentation	\$4,500,000
Solo-Work Pilot	\$500,000
Forest Restoration Pilot	\$250,000
Middle School Physics Pilot	\$250,000
Broadband Needs Assessment	\$300,000
Work Force Gap Forecast Model	\$125,000
Tourism Department Marketing	\$3,500,000
NMSU STEM Education Program	\$475,000
WorkKeys Program	\$35,000
<b>FY 2016</b>	<b>\$74,435,000</b>

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*Regional Process:* In 2014, the NM State Legislature agreed to continue the jobs council work to include more localized data. The Councils of Governments were asked to conduct some planning meetings at the regional level to achieve the same objectives: identify the 1) number of economic base jobs the region would need to get back to pre-recession levels; 2) the best sectors for job creation; and 3) the means necessary to achieve this job creation.

The Mid-Region Council of Governments held three meetings:

1. August 2014: Objective: To get consensus, clarity and coherence on where we are and where we need to be. The meeting, of nearly 85 people, including community leaders, legislators, and economic development professionals in the Albuquerque Metro region looked at the following demographics:

Current population and population growth

Percent of the workforce employed

Jobs needed to support population growth

Unemployment rate

Jobs needed to support those currently unemployed

Jobs needed to replace those jobs that will be lost through attrition

Net economic base jobs needed each year for the next ten years

Through the deliberation of these questions, the participants identified a need of 82,500 economic base (traded) jobs needed in the next ten years or 8,250 jobs per year in the Albuquerque Metro Area. (See Predicament Matrix below).

2. September 2014: The objective of this meeting was to ask sector experts to identify the numbers of jobs in each of 13 sector areas that would be appropriate and reasonable for this region to assume it could create. Another 80 community leaders attended –many of the same leaders from the August meeting with the addition of key invited sector representatives.

The three sectors with the highest job projection numbers were Health and Social Services, Visitor Driven, and Back Office (see attached Table 3. for the numbers in all sectors).

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Table 3. Economic Sector Selection

<b>Economic Sector Selection - Mid-Region Council of Governments</b>			
<b>Sector Ranking By # of Jobs</b>	<b>Estimated E-Base Jobs</b>	<b>% of State's Estimated Sector Total</b>	<b>Factors of Production Gaps</b>
<b>Health and Social Services</b>	13,800	50%	Marketing, Infrastructure, Labor
<b>Visitor Driven</b>	13,200	51%	Marketing, Infrastructure
<b>Back Office Services</b>	12,000	87%	Marketing, Infrastructure, Labor
<b>Integrated IT &amp; Cyber (Non-Government)</b>	8,800	55%	Capital, Labor, Competitiveness
<b>Manufacturing</b>	8,250	39%	Marketing, Infrastructure, Land and Facilities, Capital
<b>Exported Services</b>	7,200	56%	Labor, Marketing, Infrastructure
<b>Digital Media</b>	5,400	74%	Infrastructure, Labor
<b>Solo - Independent Work</b>	5,160	46%	Not Identified
<b>Government</b>	4,860	47%	Not Identified
<b>Education Services</b>	1,500	59%	Not Identified
<b>Extractives</b>	1,000	6%	Not Identified
<b>Emerging Technologies (Non-Government)</b>	800	38%	Marketing, Capital
<b>Agriculture, Food, and Forestry</b>	600	10%	Not Identified
<b>Total:</b>	<b>82,570</b>		

3. May 5, 2015: The objective of this third meeting was to review the job creation goals set in 2014, recalibrate, if necessary, and identify tangible solutions and implementation strategies. 50 community leaders came together for this full day session to identify strategies. Additional strategies were provided through input from an economic development survey.

*Recalibration:* The numbers of jobs the group felt the region needed to create to get back to 2008 numbers declined slightly because the group revised down the attrition rate. The group felt that the region needs to create 58000 jobs per year over the next 10 years and 5,849 jobs per year.

Sector areas covered were Manufacturing, Education, Entrepreneurship and Tourism.