

FAST TRACK ECONOMIC DEVELOPMENT STRATEGIC PLANNING

NEW MEXICO
LEGISLATURE
INTERIM JOBS COUNCIL

Session 4
Regional Assessments
September 11th, 2013
Roswell

Interim Jobs Council Agenda – Session 4

Regional Assessments

September 11th, 2013

Interim Committee Procedures - Raul Burciaga

Review Jobs Council Process and Work to Date

- Coherence
- Predicament number
- Industry sector estimates

Session 4 – Regional Assessments

- E-base Jobs estimates per COG district
- Transactions required
- Gaps in Factor of production

Preview of Session 5

- Major Factor of Production Gaps
- Crosswalk to Initiatives, Programs & Policies

Public Comment

The Process

Coherence:

Agree on the theoretical construct, nomenclature and process

Economic Predicament:

Agree on the number of new, economic-base jobs that must be created

Economic Sector Selection:

Agree on a ranked list of the sectors with the highest potential for generating the economic-base jobs

Geographic Distribution and Resource Gaps:

Agree on areas of the state in which the new, economic-base jobs are most likely to be created

Policy and Program Implications:

Agree on job creation program and policy initiatives needed to deliver the job numbers

Logic Model

HOW THIS PROCESS IS DIFFERENT?

1. Predicament driven: *Economic Base Jobs needed*
2. High impact only focus: *Sectors capable of moving the needle*
3. Short term focus: *Results in 3-5 years*
4. Common sense - consensus process: *Looking for the obvious*
5. Sector specific “But fors”: *Must do or fail*
6. Prioritize: *By Industry, location and factors of production gaps*
7. Comprehensive: *Includes outliers - program innovations*
8. Assessment: *Not a plan – Think > Plan > Do*
9. Clinical intuitive: *Intuitive WAGs first followed by formal statistical analytics*
10. Inclusive: *Integrate, collaborate, and coordinate with other economic planning efforts*

CONSENSUS DECISIONS

1. Define economic development *(E > P)*
2. The rationale for planning: *Why try to plan something we know can't be planned?*
3. The process logic model: *Predicament driven - Try to stay out of the weeds*
4. Program ambition: *Strategic-predictive, Opportunistic or Good Government*
5. Planning Horizon: *Mid term 3-5*
6. Primary Planning Metric: *Measurable Economic base jobs*
7. Impact Threshold criteria: *Capable of moving the needle on job creation in 3-5 years*
8. Clinical Intuitive: *Consensus WAG, common sense first checked by statistical analytics -*
9. Geographic Focus: *Statewide, Planning Districts or Workforce Districts*
10. Comprehensive: *Include outlier economic base sectors and program innovations*
11. Not a plan: *Think > Plan > Do, Plan - not telling anyone what to do (yet)*

ECONOMIC BASE JOB CREATION CALCULUS

	2013	2023	Calculus Used (2013)	Calculus Used (2023)	Decade Deltas (Δ)	Descriptions
Population Growth	2,091,000	2,300,100		10%	209,100	Change in New Population
Workforce Participation	993,225	1,092,548	48%	48%	99,323	Change in Jobs for Population Growth
Unemployment Rate	89,390	43,702	9%	4%	45,688	Jobs to reach Goal Unemployment Rate
Employment Rate	903,835	1,048,846	91%	96%	145,011	Total Jobs Needed at Goal Employment Rate
E-base Jobs Rate	316,342	367,096	35%	35%	50,754	E-base needed for full employment
E-base Attrition Rate		110,129		30%	110,129	To replace E-base jobs lost
Total E-base Needs					160,883	Total E-base jobs needed
Annual E-base					16088	Average needed per Year
Program Reliant						How many are procured by programs vs automatically?

SESSION 2 PREDICAMENT NUMBER CONSENSUS CONCLUSIONS

1. How many people will live in the state by 2023? **2,300,100**
2. How many jobs will be needed to support the new population? **1,092,548**
3. How many jobs will be needed to get to full employment? **(36,300)**
4. How many jobs needed for full employment and growth? **166,800**
5. How many will need to be *economic base jobs*? **58,400**
6. How many *economic base jobs* will be lost over 10 years? **110,129**
7. How many total *economic base jobs* will be needed? **160,883**
8. How many *economic base jobs* need to be created each year? **16,088**
9. How many *economic base jobs* are program reliant? **Tabled**

ECONOMIC BASE JOBS CALCULUS

Support new population growth		43,691
Employ those currently unemployed	+	45,688
<u>Replace jobs that will be lost</u>	+	<u>110,129</u>
Total Economic base jobs needed	=	160,883

ECONOMIC BASE SECTORS

List of Economic Base Industry Sectors:

1. Back Office Services (Call Centers)

2. Exported Services

3. Solo - Independent Work

4. Integrated IT & Cyber (Non-Government)

5. Digital Media

6. Visitor Driven

7. Emerging Technologies (Non-Government)

8. Manufacturing

9. Extractives

10. Agriculture, Food, and Forestry

11. Government

12. Health and Social Services

13. Education Services

Potential Economic Base Sectors for the State

Legislative Jobs Council Session 3 | Taos, NM | Aug. 8th 2013 10am

<i>List of General Industry Sectors:</i>	<i>Jobs</i>	<i>Transactions</i>
Back Office Services (Call Centers)	25,000	70
Exported Services	15,000	1,500
Solo - Independent Work	12,000	12,000
Integrated IT & Cyber (Non-Government)	16,000	1600
Digital Media	9,100	160
Visitor Driven	22,400	228
Emerging Technologies (Non-Government)	1,000	200
Manufacturing	15,000	506
Extractives	10,000	250 7
Agriculture, Food, and Forestry	3,000	186
Government	8,100	?
Health and Social Services	23,000	15,000
Education Services	2,500	25
Total	162,100	31,732

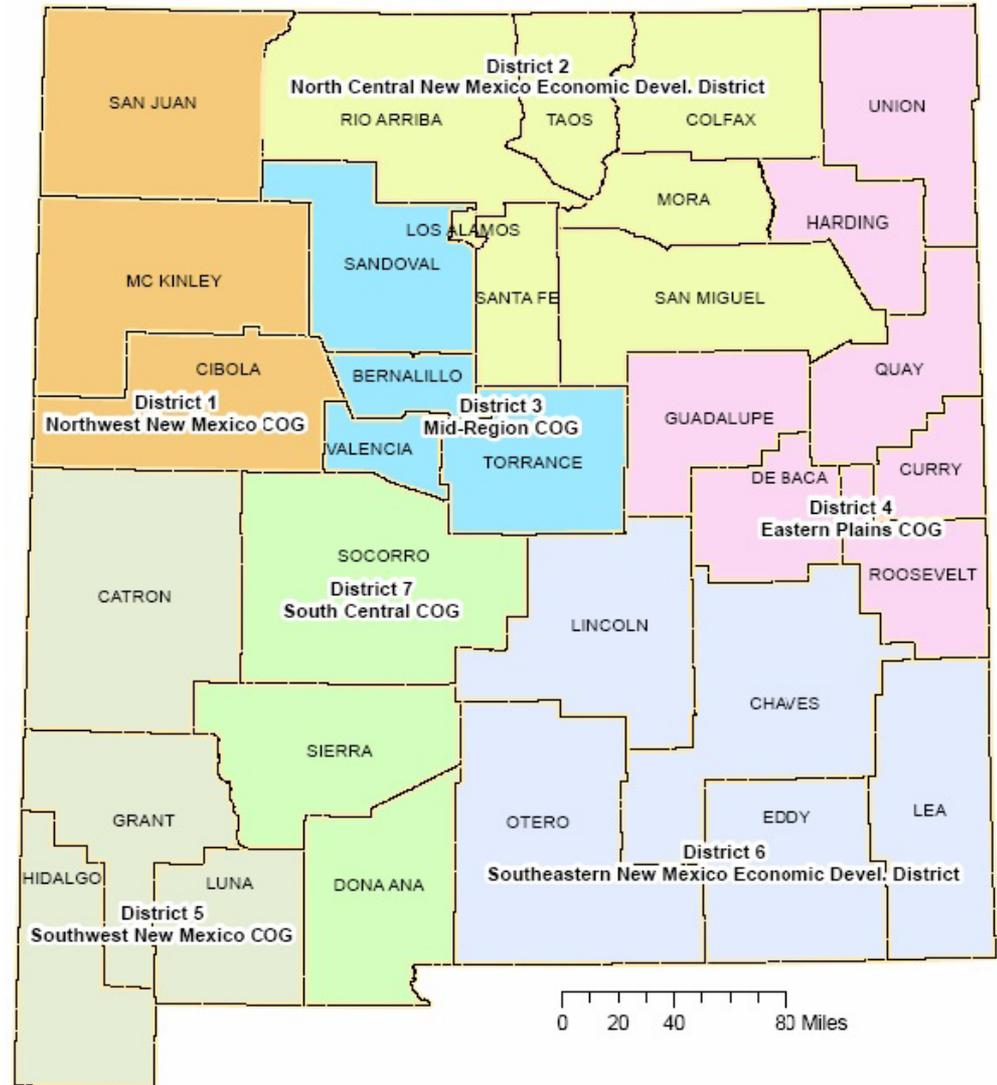
SESSION 4 - ROSWELL

THE REGIONS

Why Regions?

Rationale

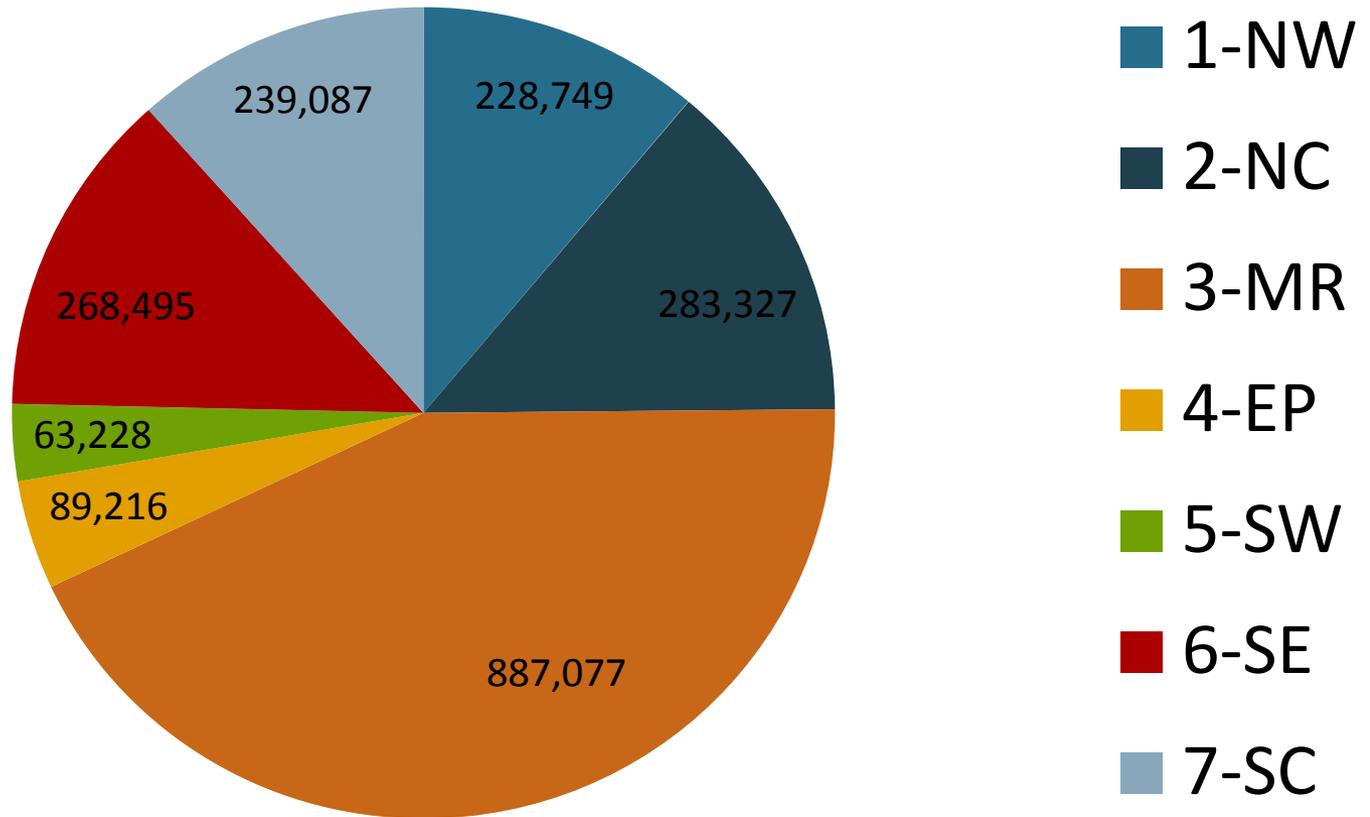
- Council of Government
- Economic Development Districts
- Workforce Districts



State Planning and Development Districts
in New Mexico

REGIONAL PROPORTIONS

Population of Individual COG



ESTIMATED E-BASE JOBS

INDUSTRY SECTOR / REGION

See “Jobs by Region” Worksheet

How many e-base jobs can your region create in the next ten years in each of the 14 economic base industry sectors?

When aggregated, how close are the regional job creation numbers to the state-wide estimates made in Taos?

Rationale

Instructions

TRANSACTIONS

See “Transactions” Worksheet

In your region, how many transactions will it take to achieve the estimated number of e-base jobs in each sector?

Rationale

Instructions

FACTORS OF PRODUCTION GAPS

See “Factors of Production” Worksheet

What will keep your region from achieving the estimated number of jobs in each industry sector?

Rationale

Instructions

SESSION 5 – SILVER CITY GAPS TO IPP CROSSWALK

Major gaps in factors of production