

Creating new job opportunities in a changing economy

Written by By David Hinkle Economic Development Manager, Northwest New Mexico Council of Governments
Friday, 13 May 2016 04:54



The Northwest New Mexico Council of Governments is using the resources of a federal EDA “POWER” grant and working with partners in our region to create jobs replacing energy and coal jobs that have been or will be lost.

The long-term demand for coal has fallen, with energy industry sources blaming governmental regulation, international climate agreements, alternative energy production, and supply-and-demand pressure as the culprits. The US Energy Information Agency (EIA) estimates that U.S. coal production in the Western region will decline by 20% in 2016.

Farmington, NM has recently been named as the “Fastest Shrinking City in the US,” and general economic trends in the Four Corners region are not heading in a favorable direction.

Coal has been an important resource and job creator for Northwest New Mexico for 160 years. Coal brought the railroad through the area, which became “Gallup” in 1881, and has been important to the economy ever since. Even today it figures significantly into our economy. And in addition to coal, oil and gas resources produced from the San Juan Basin have been economic drivers in the region since the 1980’s.

Jobs related to coal mines, railroads, power plants and other energy-related activities support families, as well as every type and kind of business in our communities throughout the region. The products generated from these industries are sold outside of this market and, therefore, bring outside money into our economy and also result in the creation of jobs in the local area – both directly and indirectly involved in those industries. So as a net benefit of these jobs, we get relatively high wage jobs that bring new money into our area and result in the creation of

Creating new job opportunities in a changing economy

Written by By David Hinkle Economic Development Manager, Northwest New Mexico Council of Governments
Friday, 13 May 2016 04:54

numerous support jobs – all of which are directly related to the coal and energy industry.

As of 2010, coal mines and coal-fired power plants on the Navajo Nation, as well as on lands shared with the Hopi Tribe, accounted for 1,500 jobs and generated tax revenues representing over one-third of the Tribes' annual operating budgets, the largest source of tribal revenue after government grants and taxes.

I was assigned as the COG's new Economic Development Program Manager, and lead the POWER project, and have just finished my first full quarter of work, including conducting numerous stakeholder meetings and consultations, hiring a consultant firm, and promoting the project in the region. "In Northwest New Mexico, everyone is affected in some way by the mining and energy industries. Either you have family working in them or they are your customers. There are no easy answers to the economic problems our Four Corners region is facing. Working with economic development organizations, local governments and individual citizens, we are trying to get ahead of the trends.

So first, we are going to work to take care of the industries and jobs we have now (including the energy and coal jobs), and secondly, we are doubling our efforts in helping people to start their own businesses, while thirdly, we are working to bring targeted and responsible new industries here, and fourthly, we are always working at improving promotion of our tourism and recreation assets to outside visitors."

Website for the POWER initiative. <http://www.nwnmcog.com/power-grant.html>

By David Hinkle

***Economic Development Manager,
Northwest New Mexico Council of Governments***