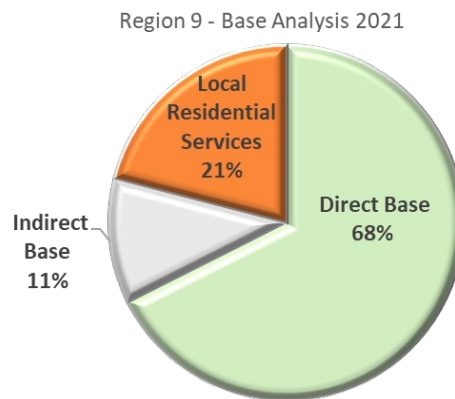
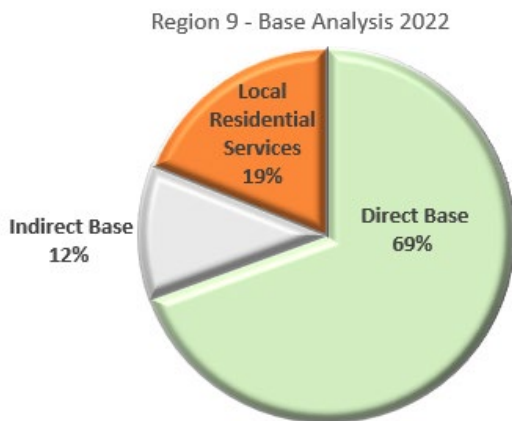


Economic Base Analysis provides insights into the economic activities that bring outside dollars into a community. Industries that sell goods or services outside the local area are considered the base of the economy; these “**Direct Basic Industries**” are responsible for growth or decline of the local economy.

Each county in the region has varying numbers of jobs in base industries. In Region 9, counties rely heavily on household spending to provide jobs. Archuleta, La Plata and San Juan County economies are supported by jobs in tourism, agriculture related services and forestry remain a significant source of employment for Dolores County. Sixty-nine percent of our region’s jobs are direct base (39,709). This is a 1% decrease from 2021.

Region 9 - Percentage of Jobs in Base Industries 2022						2022	2021
	Archuleta	Dolores	La Plata	Montezuma	San Juan	Region 9	Region 9
Agribusiness	8%	30%	7%	12%	1%	9%	10%
Mining	0%	1%	2%	2%	0%	2%	2%
Manufacturing	1%	2%	1%	3%	2%	2%	2%
Government	3%	5%	11%	5%	2%	8%	9%
Regional Services	14%	9%	20%	21%	11%	19%	18%
Tourism	32%	8%	28%	16%	52%	25%	28%
Households	41%	46%	31%	42%	32%	36%	32%
Total # jobs	4,356	691	20,904	8,386	427	39,709	34,765



Base industries also generate additional secondary jobs in the economy that are classified as either “Indirect Base” or “Local Resident Services.” **Indirect Base** employment results from base industry firms purchases of goods or services necessary for the operations of their business.

The earnings, rents, interest and profits generated by the base industries are spent locally to purchase food, clothes, services (health care), and to pay taxes. The jobs that this spending creates are classified as “**Local Resident Services**”. Examples of Local Resident Services jobs include most retailers, lawyers, public school teachers, and local police officers. Of the total number of jobs in the region in 2022, 19% are in **Local Residential Services** (10,831 jobs). Local Residential Services jobs decreased by 2% from 2021. Of the total number of jobs in the region in 2022, 12% are in Indirect Base industries (6,606 jobs). This is a 2% increase from 2021.

2022	Direct Base	Indirect Base	*LRS	Total # Jobs**
Archuleta	5,343	864	1,002	7,209
Dolores	981	75	(66)	990
La Plata	23,242	4,749	7,511	35,502
Montezuma	9,715	899	2,315	12,929
San Juan	428	19	69	516
Region 9	39,709	6,606	10,831	57,146

The negative (-66) jobs in Local Resident Services are jobs that Dolores "lost" due to commuters making their purchases elsewhere – i.e., jobs supported in Durango or Cortez when residents from Dolores County go there to purchase items

* Local Resident Services they couldn't get locally. Some people would think of this as leakage, but in this case, it is more the fact that the small population base cannot support as many industries as needed by the locals and those "missing" goods or services are purchased from a neighboring county or state. Some examples of this might be medical services or a car dealership.

Base Industry Components – Region 9 has drilled down into some of the base industry categories to separate out their most important components, based on which employment sectors are interacting to produce goods and services. These components include agribusiness, manufacturing, government, mining, household spending, regional services and tourism.

For example, to provide a more accurate picture of the agricultural sector we can link agricultural production to other segments of the economy that directly and indirectly support agriculture. **Agribusiness** encompasses the traditional farm production of commodities such as wheat, hay, and livestock with linkages to the agricultural inputs necessary for their growth. Agricultural inputs include such items as chemicals, seed, fertilizer, feed, fuel, and machinery. Agribusiness also includes the processing and marketing necessary to bring the final goods to the consumer (trade).

# of Jobs in Agribusiness							
County	Production	Trade	Inputs	Processing	2022	2021	% Change
Archuleta	286	30	98	40	454	410	10%
Dolores	222	49	21	-	292	264	10%
La Plata	797	211	286	389	1,683	1,635	3%
Montezuma	748	98	169	113	1,128	1,165	-3%
San Juan	-	-	3	-	3	-	100%
Region 9	2,053	388	577	542	3,560	3,474	2%

The number of jobs in Agribusiness increased 2% from 3,474 in 2021 to 3,560 in 2022. The slight decrease seen in Montezuma was due to a loss of four jobs in the trade segment.

Total # Jobs Manufacturing			
County	2022	2021	% Change
Archuleta	67	71	-6%
Dolores	15	18	-20%
La Plata	279	279	0%
Montezuma	271	266	2%
San Juan	9	3	67%
Region 9	641	637	1%

Manufacturing is the production of finished goods that may also be used for manufacturing other, more complex products. Or they may be sold to wholesalers, who in turn sell them to retailers, who then sell them to end users – the "consumers".

The number of jobs in Manufacturing increased 1% from 637 jobs in 2021 to 641 in 2022.

Total # Jobs in Government			
County	2022	2021	% Change
Archuleta	134	102	24%
Dolores	46	47	-2%
La Plata	2,518	2,347	7%
Montezuma	490	484	1%
San Juan	10	9	10%
Region 9	3,198	2,989	7%

Government jobs in base industries includes all Federal and State governmental activities because it is assumed that the dollars for these programs either came from outside the county or are controlled by sources located outside the county.

*Federal and State Governments

This includes all Federal employees including military and defense-related civilian workers, all Federal government program staff and administrators, and some postal service employees. It also includes most State funded employees because the location of these employees is generally outside of local control and in response to regional needs. Finally, this basic industry group includes those local government employees who are funded by Federal or State grants-in-aid or subsidies.

The number of jobs in Government increased 7% from 2,989 jobs in 2021 to 3,198 in 2022. This was most evident in Archuleta County with an increase of 32 jobs.

Total # Jobs in Mining Industry			
County	2022	2021	% Change
Archuleta	25	31	-24%
Dolores	11	12	-9%
La Plata	501	494	1%
Montezuma	176	167	5%
San Juan	-	0	0%
Region 9	713	704	1%

Mining includes all mine operation and support activities. Mine operations include establishments operating mines, quarries, or oil and gas wells. Mining support activities include businesses that perform exploration and/or other mining activities. For example, the oil and gas industry employs heavy construction and excavation firms to clear sites, trucking and pipeline companies to transport products,

chemists, electricians, welders and a complex supply chain to support that industry.

The number of jobs in Mining increased 1% from 704 in 2021 to 713 in 2022. There were some job losses in Archuleta and Dolores Counties.

Declines in base industries such as Government and Mining are especially impactful since these jobs are generally some of the best paid in the regional economy.

One very important base industry in our region (36% of jobs) is created by **households** that spend money earned elsewhere (commuters), or at a different point in time (retirees). Commuting jobs can be negative if a region has a large number of in-commuters, as seen in La Plata County.

# Jobs from Household Spending							
County	Commuters	Retirees	Public Assistance	*DIR	2022	2021	% Change
Archuleta	5	1,189	611	397	2,202	1,545	30%
Dolores	157	146	106	39	448	133	70%
La Plata	(173)	4,259	1,450	1,744	7,280	6,120	16%
Montezuma	563	1,781	1,150	538	4,032	3,140	22%
San Juan	22	62	30	22	136	152	-12%
Region 9	574	7,437	3,347	2,740	14,098	11,090	21%

Household income includes money that comes from outside of the local economy, including transfer payments to retirees (such as Medicare), the unemployed and disabled; interest, dividends and rent. Household spending supports jobs in the local economy, such as the local barber, a nurse, or a clerk in the supermarket where a retiree or commuter shops.

The number of jobs in Household Spending increased 21% from 11,090 jobs in 2021 to 14,098 jobs in 2022. This was especially evident in Dolores County.

Regional services encompass a variety of economic sectors, including Business, Communications, Construction, Education, Finance, Insurance and Real Estate, as well as Trade. Some examples of these services include hospitals, airports, telecommunications systems and colleges.

# Jobs in Regional Services									
County	Business	Communications	Construction	Education	*FI&RE	Trade	2022	2021	% Change
Archuleta	35	3	89	588	15	21	751	775	-3%
Dolores	1	2	22	61	-	4	90	105	-17%
La Plata	1,265	125	293	2,297	128	426	4,534	4,434	2%
Montezuma	351	6	444	1,168	18	74	2,061	2,062	0%
San Juan	13	0	9	26	0	-	49	45	7%
Region 9	1,665	136	857	4,140	161	525	7,485	7,421	1%

*F,I & RE = Finance, Insurance and Real Estate

The number of jobs in Regional Services increased 1% from 7,421 jobs in 2021 to 7,485 in 2022. Archuleta and Dolores Counties saw a reduction of jobs in this industry during that time period.

There are many types of businesses that support the **tourist** industry, including Resorts (lodging), 2nd Homes (construction and real estate sectors), Services (restaurants, wholesale and retail trade, entertainment venues), and Transportation (airlines, car rentals, guide services, etc.).

# Jobs in Tourism Industry							
County	Resorts	2nd Homes	Services	Transportation	2022	2021	% Change
Archuleta	733	681	262	36	1,712	1,667	3%
Dolores	67	10	1	2	80	80	0%
La Plata	3,387	1,368	1,470	199	6,424	6,154	4%
Montezuma	860	213	329	156	1,558	1,494	4%
San Juan	143	36	43	0	222	218	2%
Region 9	5,190	2,308	2,105	393	9,996	9,613	4%

Employment generated by occupants of second homes is dispersed over a large number of industries. For example, second home visitors eat in restaurants like traditional visitors. However, because second-home owners have relatively high disposable incomes, they tend to generate greater employment in sporting goods, clothing shops and numerous services than do traditional tourists. Real estate sales and property management jobs are also generated by second home activity. Second homes also have a direct effect on the use of utilities including gas, electric and communication services.

The number of jobs in Tourism increased 4% from 9,613 in 2021 to 9,996 in 2022.

For more in-depth information regarding the regional economy please visit Region 9 at <https://www.region9edd.org>.