Los Alamos National Laboratory accounts for nearly $3 billion of New Mexico’s economy

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UNM study looked at direct jobs, indirect jobs, procurements, other factors

LOS ALAMOS, New Mexico, April 27, 2011—Los Alamos National Laboratory is crucial to New Mexico’s economic health, creating a $2.9 billion impact on the state’s economy and supporting about 24,000 jobs, according to a new University of New Mexico study. In fiscal year 2009, the Lab directly injected $1.6 billion into New Mexico’s economy, with an additional $1.3 billion resulting from indirect economic spending. The indirect impacts are the ripple effect of LANL vendors purchasing goods and services and LANL employees and vendors’ employees spending their
earnings in the region. UNM calculated the Lab’s economic impact based on employee compensation, purchases of goods and services, construction expenditures, taxes, and other outlays. LANL is the sixth-largest employer in New Mexico, according to UNM’s Bureau of Business and Economic Research. Nearly 24,000 jobs in New Mexico were made possible by the Lab’s activities in fiscal year 2009. Of these, 11,685 were direct jobs (employees and contractors), and nearly 12,000 resulted from indirect economic impacts. UNM’s Bureau of Business and Economic Research was commissioned by the Laboratory in 2009 to conduct a study of the Lab’s economic impact. The BBER used the IMPLAN® economic impact analysis modeling system as well as proprietary data to produce the report, “Impact of Los Alamos National Laboratory on the Economies of Northern New Mexico and the State as a Whole.”

“The Laboratory has a rich legacy of science in service to the nation. Our history is closely interwoven with the Northern New Mexico region as the sixth-largest employer in the state,” said Lab Director Michael Anastasio. “Not only does the Lab create jobs, but we also support initiatives that promote economic development independent of the Laboratory.” The seven-county region of Northern New Mexico benefits from 80 percent of the Lab’s economic impact ($2.3 billion), much of it concentrated in the counties of Los Alamos, Santa Fe, and Rio Arriba.

- Los Alamos County receives an estimated billion-dollar economic benefit with nearly 8,000 jobs, 5,000 of which are direct employees and contractors.
- Santa Fe County receives an estimated $672 million economic benefit with 6,400 jobs, 2,300 of which are direct employees and contractors.
- Rio Arriba County receives an estimated $300 million economic benefit with 3,500 jobs, 1,900 of which are direct employees and contractors.

Other economic benefits to the state:

- The Lab’s overall state and local tax impact is estimated to be $136 million, which includes gross receipts tax revenues generated by the direct and indirect economic activity associated with operations and construction expenditures, and employee-paid property taxes.
- The Lab purchased $683 million worth of in-state goods and services—everything from office supplies, architectural, engineering and design fabrication services, information technology products, construction-related purchases, equipment, and accessories to business, consulting, safety and security, project management, and other professional services.
- The Lab’s 3,500 retirees living in New Mexico spent $124 million in retirement benefits in the state and contributed to an overall direct and indirect economic impact of $240 million.

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