

STATEMENT OF EXISTING CONDITIONS

3.0 GENERAL ECONOMIC CHARACTERISTICS

There are three basic industries in the two-county area: in order of importance, they are mining, manufacturing and agriculture. Although government may be considered, in parts of New Mexico, a base industry because of heavy federal government activity, this is not the case for Lea and Eddy Counties. Most of the government activity in this area is of normal size and supportive of the area. On the other hand, the retail and services sectors are larger than might be expected from the general activity of the area. Eddy County encounters heavy tourist traffic attracted to Carlsbad Caverns; thus, the average size of the retail sector is somewhat above normal. Transportation facilities and the transportation sector within the area are well developed because of the existence of heavy-type industry activity within the area.

3.1 AGRICULTURE

In 1974 income figures prepared by the Bureau of Economic Analysis show that the agriculture industry's mainstay in the two-county area was meat animals and livestock. Total agricultural receipts in Eddy County in 1974 amounted to just over \$31.4 million of which 59 percent was received from the animals and livestock sector. In Lea County slightly more than \$20.9 million in receipts were registered from farm marketings in 1974. Of this amount