

February 2026

Albuquerque Employment Trends Positive for Second Straight Month as Food Services and Health Care Drive Continued Growth

Albuquerque, N.M., March 3, 2026 – Albuquerque-area employers continued to add jobs in February, with hiring outpacing separations for the second consecutive month, according to the Payday HCM Albuquerque Jobs Report. Across a representative panel of 567 local businesses, the report recorded 773 new hires against 389 separations, a net gain of 384 positions within the sample. The findings point to sustained early-year momentum, with food services and health care leading the expansion, and the share of firms adding employees reaching its highest level since May 2025.

Key Insights

- **Food services is leading the expansion.** Among the sectors tracked in the panel, food services and drinking places showed the strongest growth, with a net gain of 84 positions across 67 businesses. Combined with gains in accommodation (+28 across 42 businesses), the broader hospitality industry accounted for nearly 30 percent of the panel's total net gains in February, suggesting healthy consumer-facing demand heading into spring.
- **Growth is broadening, not concentrating.** The share of panel firms expanding their workforce rose from 29.1% in January to 32.3% in February, while the share contracting dropped from 12.1% to 9.5%. The diffusion index, which measures the breadth of employment change, improved from 17.0 to 22.8. These indicators suggest the growth trend is broad-based rather than driven by a small number of large employers.
- **Turnover continues to ease.** The monthly turnover rate within the panel fell from 2.02% in January to 1.63% in February, extending the stabilizing trend observed in the final quarter of 2025. Lower turnover paired with continued hiring activity points to improving workforce retention across the region.
- **Geographic snapshot.** Within the panel, Albuquerque proper accounted for the large majority of net gains, with eight more businesses actively processing payroll compared to January. The surrounding communities contributed modest additional growth. Seven new businesses entered the panel during the month.

Top Growing Sectors, February 2026

Sector-level data from Payday HCM's employer panel, classified by NAICS code.

Sector	Businesses	Net Change	Hires / Separations
Food Services & Drinking Places	67	+84	+187 / -103
Ambulatory Health Care	54	+54	+91 / -37
Performing Arts & Entertainment	9	+48	+49 / -1
Nursing & Residential Care	17	+32	+39 / -7
Educational Services	17	+31	+37 / -6
Accommodation (Hotels)	42	+28	+83 / -55
Specialty Trade Contractors	26	+22	+32 / -10

Notable declines within the panel: Beverage manufacturing (-8), government agencies (-5 combined), and credit intermediation (-3) posted the largest contractions. All three reflect small sample sizes within the panel, and none suggest broader sectoral weakness.

What We're Seeing

"What we are seeing in our data is a continuation of the positive trend that started the year. It is not just that employers are hiring. It is that the growth is spread across a wide range of industries and business sizes. When nearly a third of the businesses in our panel are adding people in the same month, that is a meaningful signal about confidence in the local economy. Food services is leading the way, which makes sense heading into spring. For smaller restaurant and hotel operators in Albuquerque who have struggled with staffing, this kind of steady activity is encouraging."

– Andy Siegel, Founder and CEO, Payday HCM

About this report:

The Payday HCM Albuquerque Jobs Report is a monthly analysis of anonymized payroll data from a representative panel of Albuquerque-area businesses with five or more employees. The panel currently includes 567 employers representing approximately ten percent of qualifying businesses in the region. The report identifies local employment trends based on this cross-section and should not be interpreted as a count of all jobs in the Albuquerque metro area. Full methodology is available [here](#). For questions or to schedule an interview with Andy Siegel, contact marketing@paydayhcm.com.