

EMPLOYMENT CHANGE IN UTAH: COUNTIES AND SECTORS

Over the past three years job losses have occurred in 25 of Utah's 29 counties, *Tables 1-2*. The four counties with job growth are: Tooele, Sanpete, Grand and Beaver. All of these counties are relatively small, and consequently employment trends can be significantly altered by the addition or expansion of just a few firms. From May 2007 to May 2010 Sanpete led all counties with a seven percent gain in employment. Tooele leads in terms of numeric change with an increase of 510 jobs over the past three years. The two poorest performing counties are Juab and Wasatch Counties. Both counties have had employment declines exceeding 20 percent.

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Table 1

Counties Ranked by Percent Change in Nonfarm Employment

		2007 May	2010 May	Percent Change
1	Sanpete	6,948	7,431	7.0%
2	Beaver	2,024	2,132	5.3%
3	Grand	4,879	5,043	3.4%
4	Tooele	15,325	15,835	3.3%
5	Wayne	1,137	1,132	-0.4%
6	Millard	4,042	4,005	-0.9%
7	Duchesne	7,616	7,492	-1.6%
8	Cache	49,487	48,600	-1.8%
9	San Juan	4,426	4,335	-2.1%
10	Summit	19,235	18,626	-3.2%
11	Garfield	2,653	2,559	-3.5%
12	Sevier	8,126	7,807	-3.9%
13	Davis	106,110	101,611	-4.2%
14	Morgan	1,942	1,849	-4.8%
15	Salt Lake	600,984	571,948	-4.8%
16	Carbon	10,106	9,582	-5.2%
17	Utah	181,795	171,980	-5.4%
18	Daggett	475	447	-5.9%
19	Weber	95,732	89,242	-6.8%
20	Emery	4,132	3,803	-8.0%
21	Kane	3,501	3,209	-8.3%
22	Iron	17,848	15,965	-10.6%
23	Box Elder	19,796	17,436	-11.9%
24	Uintah	14,747	12,949	-12.2%
25	Washington	54,690	46,294	-15.4%
26	Piute	394	331	-16.0%
27	Rich	790	662	-16.2%
28	Wasatch	7,426	5,747	-22.6%
29	Juab	4,119	3,162	-23.2%

Source: Utah Department of Workforce Services.

Table 2
Counties Ranked by Numeric Change
in Nonfarm Employment

	2007 May	2010 May	Numeric Change
1 Tooele	15,325	15,835	510
2 Sanpete	6,948	7,431	483
3 Grand	4,879	5,043	164
4 Beaver	2,024	2,132	108
5 Wayne	1,137	1,132	-5
6 Daggett	475	447	-28
7 Millard	4,042	4,005	-37
8 Piute	394	331	-63
9 San Juan	4,426	4,335	-91
10 Morgan	1,942	1,849	-93
11 Garfield	2,653	2,559	-94
12 Duchesne	7,616	7,492	-124
13 Rich	790	662	-128
14 Kane	3,501	3,209	-292
15 Sevier	8,126	7,807	-319
16 Emery	4,132	3,803	-329
17 Carbon	10,106	9,582	-524
18 Summit	19,235	18,626	-609
19 Cache	49,487	48,600	-887
20 Juab	4,119	3,162	-957
21 Wasatch	7,426	5,747	-1,679
22 Uintah	14,747	12,949	-1,798
23 Iron	17,848	15,965	-1,883
24 Box Elder	19,796	17,436	-2,360
25 Davis	106,110	101,611	-4,499
26 Weber	95,732	89,242	-6,490
27 Washington	54,690	46,294	-8,396
28 Utah	181,795	171,980	-9,815
29 Salt Lake	600,984	571,948	-29,036

Source: Utah Department of Workforce Services.

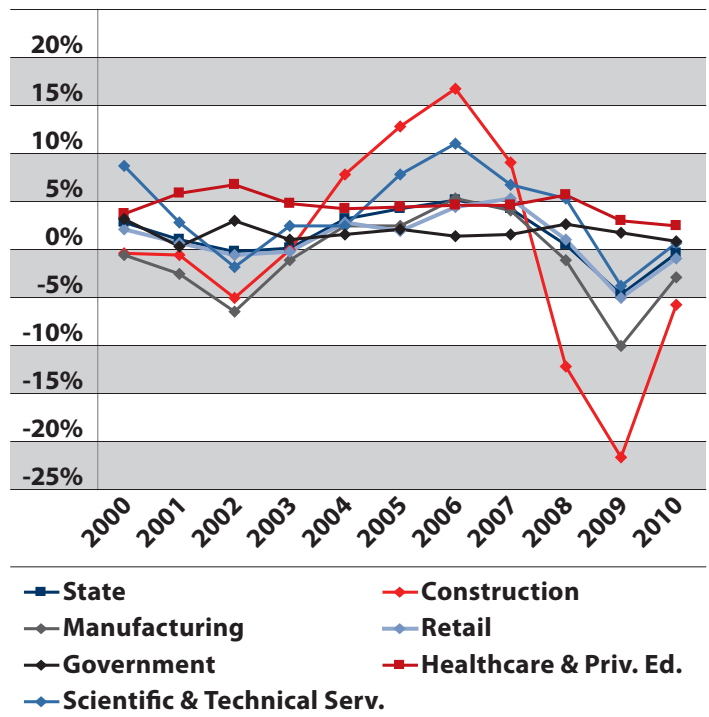
Of the four Wasatch Front Counties, Weber County has suffered the largest relative decline in employment. Nonfarm employment in Weber County has declined from 95,700 to 89,250 in three years, a drop of 6.8 percent. Over the same period, Utah County is down 5.4 percent, Salt Lake County 4.8 percent and Davis County 4.2 percent. Washington and Iron Counties, two high growth areas during the boom of 2004-2007, are now down double digits, 15.4 percent and 10.6 percent respectively. Salt Lake County has suffered the largest numeric loss with a decline of 29,000 jobs in three years. Utah County's loss has nearly reached 10,000 jobs and Washington County has lost 8,400 jobs.

The impact of the recession on major employment sectors has varied significantly, *Figure 1*. No other

sector approaches the losses of the construction sector. From 2007 to 2010 the job loss for construction is expected to be 35 percent, with losses extending over a three year period. Manufacturing is the only other major sector that will have three years of declines. Two major sectors; healthcare and government have managed to avoid declines. During periods of economic expansion healthcare grows at a 4.5-5.0 percent clip and during economic contractions growth slows to 2.0-2.5 percent annually.

Employment in both construction and manufacturing will be lower in 2010 than in 2000. The average annual growth rate over the 10 year period for construction is projected at -0.85 percent and for manufacturing -1.39 percent, *Table 3*. Both scientific and technical services and healthcare have very solid rates of growth over the 10 year period. The annual growth rate for scientific and technical services is projected at 2.96 percent and for healthcare 4.33 percent.

Figure 1
Percent Change in Employment by Major Sector
2000 to 2010



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Table 3
Employment in Selected Major Sectors – 2000 to 2010

Year	Construction	Manufacturing	Retail	Scientific & Technical Services	Healthcare & Priv. Education	Government
2000	72,239	125,675	131,381	49,001	78,628	190,119
2001	71,620	122,092	131,904	50,183	82,946	190,117
2002	67,838	113,873	130,727	49,119	88,322	195,246
2003	67,599	112,291	129,992	50,146	92,328	196,537
2004	72,631	114,765	133,159	51,216	96,037	198,877
2005	81,685	117,246	135,370	55,062	99,965	202,307
2006	95,164	123,064	140,842	60,920	104,181	204,483
2007	103,449	127,693	147,847	64,872	108,695	206,869
2008	90,469	125,852	148,833	68,160	114,439	211,709
2009	70,527	112,878	140,840	65,387	117,559	214,713
2010	66,300	109,300	139,200	65,570	120,160	216,000
AAGR*	-0.85%	-1.39%	0.58%	2.96%	4.33%	1.28%

*Average Annual Growth Rate

Source: Utah Department of Workforce Services.

The troubles of the construction sector have been well documented but less has been said about the manufacturing sector's loss of jobs. Five subsectors account for nearly 75 percent of the job losses in manufacturing, *Table 4*. The economic well-being of four of the five sectors; wood products, nonmetallic mineral products, fabricated metal products and furniture are all dependent on construction. The wood products subsector includes: wood trusses wood flooring, manufactured homes, prefab wood buildings, laminated wood products. Nonmetallic mineral products include: processing of sand, gravel, stone, clay and refractory materials into products for intermediate or final consumption, generally by the construction sector. Firms in the fabricated metal sector engage in manufacturing metal shapes

Table 4
Changes in Selected Manufacturing Subsectors

Subsector	2007	2010	Percent Change	Numeric Change
Wood Product Manufacturing	4,154	2,000	-51.9%	-2,154
Nonmetallic Mineral Product Manufacturing	6,446	4,667	-27.6%	-1,779
Fabricated Metal Product Manufacturing	12,359	11,341	-8.2%	-1,018
Transportation Equipment Manufacturing	14,670	12,447	-15.2%	-2,223
Furniture and Related Product Manufacturing	8,910	5,339	-40.1%	-3,571
All Other Manufacturing Subsectors	81,110	77,049	-5.0%	-4,061
Manufacturing (31-33)	127,649	112,843	-11.6%	14,806

Source: Utah Department of Workforce Services.

and much of the output is used in the construction of new commercial buildings. Finally furniture manufacturing's relationship to construction, particularly construction of new homes, is obvious. A significant share of the loss of jobs in the furniture subsector is due to the closure of the La-Z-Boy manufacturing facility in Box Elder County.

The transportation equipment sector, which is not related to construction, has suffered job losses due to cutbacks at the aerospace company ATK, which manufactures guided missile and satellite launch systems and spacecraft systems.

While it has been a difficult three years for the Utah economy, the worst is over. The recovery of the construction sector is projected to begin in 2011 with an increase of 3,000 jobs. This gain of 4.2 percent will lead all other sectors and will support

an anticipated 2,600 job increase in manufacturing. All other sectors, with the exception of mining, will report job gains in 2011 leading to employment gains for most counties.