



## UTAH'S WEAK JOB MARKET PERSISTS

Utah's employment conditions remain very weak, particularly given Utah's historic position as a high growth state. Employment over the past year has declined by more than 51,000 jobs and the Utah Department of Workforce Services is projecting the state will lose close to 55,000 jobs in 2009.

The most recent data show that only three sectors; health care, local government, and federal government have had positive job growth over the past 12 months, *Table 1*. Undoubtedly, the increase for local and federal employment is due to the \$1.9 billion in federal stimulus money received by Utah.

Nearly 75 percent of Utah's job losses are concentrated in construction, manufacturing, and professional and business services. Construction employment is down 16,400 jobs over the past twelve months. Construction also has the largest percent decline at 17.6 percent. The federal government sector had the largest percentage gain in employment at 3.4 percent, *Table 2*.

The loss of jobs and rising unemployment has put downward pressure on wage rates. The most recent wage data are first quarter data for 2009, which show a one percent increase in the average wage in Utah. A comparison with 2008

**Table 1**  
**Employment Change in Utah by Major Sector**  
(September 2008 to September 2009)

	September 2008	September 2009	Numeric Change
Health Services and Education	148,900	153,200	4,300
Local Government	113,900	116,500	2,600
Federal Government	35,300	36,500	1,200
Mining	13,500	13,500	0
State Government	65,500	64,900	-600
Information	30,700	29,400	-1,300
Transportation & Utilities	51,100	48,800	-2,300
Other Services	35,900	33,500	-2,400
Financial Activities	73,500	70,600	-2,900
Retail Trade	148,400	144,300	-4,100
Leisure and Hospitality	114,900	110,600	-4,300
Wholesale Trade	48,500	44,000	-4,500
Professional and Business Services	164,500	154,600	-9,900
Manufacturing	124,800	113,900	-10,900
Construction	92,200	75,800	-16,400
<b>Total</b>	<b>1,261,600</b>	<b>1,210,100</b>	<b>-51,500</b>

Source: Utah Department of Workforce Services.

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**Table 2**  
**Percent Change in Employment in Utah by Sector**  
 (September 2008 to September 2009)

	September 2008 (000)	September 2009 (000)	Percent Change
Federal Government	35.3	36.5	3.4%
Health Services and Education	148.9	153.2	2.9%
Local Government	113.9	116.5	2.3%
Mining	13.5	13.5	0.0%
State Government	65.5	64.9	-0.9%
Retail Trade	148.4	144.3	-2.8%
Leisure and Hospitality	114.9	110.6	-3.7%
Financial Activities	73.5	70.6	-3.9%
Information	30.7	29.4	-4.2%
Transportation & Utilities	51.1	48.8	-4.5%
Professional and Business Services	164.5	154.6	-6.0%
Other Services	35.9	33.5	-6.7%
Manufacturing	124.8	113.9	-8.7%
Wholesale Trade	48.5	44	-9.3%
Construction	92.2	75.8	-17.8%
Total	1,261.6	1,210.1	-4.1%

Source: Utah Department of Workforce Services.

shows that many sectors have experienced declines in the average wage rate, *Table 3*. The largest decline is in the trucking and warehousing sector, where wages have dropped 4.8 percent. Retail wages are down 2.6 percent. Of note, the average wage in construction has increased, but this is likely due to the increased number of employees in higher wage highway and heavy construction jobs. Overall, of course, total wages for the construction sector have dropped due to the loss of nearly 17,000 jobs. Total construction wages paid are down an estimated \$600 million.

Total wages paid in the first quarter for all sectors were down three percent. The affects of the decline in average wage as well as

the decline in total wages paid ripples through the economy with the most direct impact on the retail sector. Through the second quarter, retail sales in Utah are down 10.4 percent, a decline of \$1.35 billion. The hardest hit sectors are motor vehicle sales and furniture, down 24 percent and 22 percent respectively.

Virtually no major county in Utah has been insulated from the employment declines. Beaver and Daggett, two small counties, have seen some job increases over the past year, but the other 27 counties have all experienced job losses, *Table 4*. Uintah County, which a year ago led all counties in relative job growth, has seen a sharp reversal with 15.5 percent decline. Utah's two major employment centers, Salt Lake County and Utah County, have experienced job losses of 4.3 percent and 4.4 percent respectively. Salt Lake County has had the largest numeric change in employment over the past twelve months with a decline of 25,750 jobs, followed by Utah County's 8,240 job loss, *Table 5*.

**Table 3**  
**Percent Change in Average Wage**

	1st Qrt. 2008	1st Qrt. 2009	Absolute Change	Percent Change
Mining	\$72,708	\$71,364	-\$1,344	-1.8%
Construction	\$36,492	\$37,968	\$1,476	4.0%
Manufacturing	\$45,480	\$46,716	\$1,236	2.7%
Wholesale Trade	\$53,832	\$53,520	-\$312	-0.6%
Retail Trade	\$25,404	\$24,744	-\$660	-2.6%
Transportation and Warehousing	\$39,924	\$37,992	-\$1932	-4.8%
Information	\$47,808	\$47,760	-\$48	-0.1%
Finance and Insurance	\$51,084	\$53,388	\$2,304	4.5%
Professional, Scientific and Technical Services	\$54,432	\$56,244	\$1,812	3.3%
Health Care and Social Assistance	\$35,472	\$35,496	\$24	0.1%
Average Wage for All Sectors	\$36,768	\$37,129	\$361	1.0%
Total Wages Paid (billion)	\$11.475	\$11.128	-\$0.347	-3.0%

Source: Utah Department of Workforce Services.

Local economists are projecting Utah's job losses to touch bottom in 2009 with a decline of about 4.7 percent. Next year it is expected that the job market will slowly improve, but still register a slight decline of 1.8 percent, a loss of about 20,000 jobs. It now looks like any expansion in Utah's job market will be postponed until 2011.

**Table 4**  
**Counties Ranked by**  
**Percent of Change in**  
**Employment**  
(September 2008 to September  
2009)

	Percent Change
Uintah	-15.5%
Wasatch	-11.7%
Box Elder	-10.7%
Summit	-10.4%
Duchesne	-9.7%
Iron	-8.7%
Rich	-7.9%
Piute	-7.4%
Emery	-7.3%
Garfield	-6.6%
Sanpete	-6.5%
Sevier	-6.0%
Kane	-5.8%
Weber	-5.7%
Washington	-5.0%
Cache	-4.9%
Utah	-4.4%
Salt Lake	-4.3%
Morgan	-3.9%
Millard	-3.8%
Grand	-3.7%
Wayne	-3.6%
Davis	-3.2%
San Juan	-2.2%
Tooele	-2.1%
Carbon	-0.7%
Juab	-0.6%
Daggett	2.3
Beaver	3.1

Source: Utah Department of Workforce Services.

**Table 5**  
**Counties Ranked by Numeric Change**  
**in Employment**

	September 2008	September 2009	Numeric Change
Salt Lake	605,759	580,009	-25,750
Utah	187,660	179,420	-8,240
Weber	96,009	90,492	-5,517
Davis	103,907	100,612	-3,295
Washington	51,296	48,719	-2,577
Cache	51,418	48,900	-2,518
Uintah	16,073	13,577	-2,496
Box Elder	20,678	18,465	-2,213
Summit	20,879	18,706	-2,173
Iron	16,884	15,408	-1,476
Duchesne	8,644	7,803	-841
Wasatch	6,771	5,982	-789
Sanpete	7,868	7,358	-510
Sevier	8,272	7,777	-495
Tooele	15,614	15,285	-329
Emery	3,666	3,400	-266
Kane	3,461	3,260	-201
Garfield	2,846	2,658	-188
Grand	5,049	4,864	-185
Millard	4,041	3,886	-155
San Juan	4,392	4,294	-98
Morgan	1,911	1,836	-75
Rich	896	825	-71
Carbon	9,976	9,908	-68
Wayne	1,179	1,136	-43
Piute	382	354	-28
Juab	3,416	3,396	-20
Daggett	470	481	11
Beaver	2,187	2,255	68

Source: Utah Department of Workforce Services.