



State of Utah

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**Department of
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UTAH'S EMPLOYMENT SUMMARY: MAY 2009

Utah's nonfarm wage and salaried job count for May 2009, as generated by the United States Bureau of Labor Statistics (BLS), contracted by 3.3 percent. Approximately 41,800 jobs have been removed from the Utah economy over the past year, lowering total wage and salary employment to 1,214,900.

Utah's other primary indicator of current labor market conditions, the seasonally adjusted unemployment rate, rose slightly to 5.4 percent in May. Last May, the state's rate was 3.3 percent, a 2.1 percentage-point increase over the past 12 months. Approximately 74,800 Utahns were considered unemployed in May 2009, compared against 45,400 last May, an increase of 29,400 unemployed workers. The United States unemployment rate continued to rise, reaching 9.4 percent for May.

Mark Knold, chief economist for the Department of Workforce Services, commented, "Despite all the negative news, there are still bright spots in the economy. We make note that the economy dropped 3.3 percent of its jobs over the past year. Yet, we should also note that the economy held on to 97 percent of those jobs. That means there are still 1.214 million jobs in the Utah economy. Money is still being spent, and new construction projects and repairs are still going on. This is not the first time the economy has hit a rough patch, and it will not be the last. Oftentimes the seeds of future success are rooted in the difficult times of economic readjustment. Hope springs eternal."

Job losses are still adding up, but there are signs that the losses may be starting to moderate. Initial unemployment insurance claims are beginning to slow. That variable is used as a gauge for the amount of new workers thrust onto the unemployment rolls. Those already on those rolls are quite numerous, but the inflow of new applicants into the process is slowing. This suggests that the worst of the job losses are behind us, and that the low point of overall job loss in Utah may be approaching. We are not out of the woods yet, as employment is one of the last areas to recover once the business climate improves, but there is a feeling that the economy is close to turning a corner.

Nearly all industry sectors in Utah continue to show employment declines. Only government, healthcare, and natural resources showed year over employment gains (although the employment survey is probably overstating the natural resources employment gains; secondary evidence suggests a rapid reversal in the oil and gas industry in late 2008 after oil prices collapsed). Construction and manufacturing continue to be heavily impacted in this downturn—down 16,900 and 13,000 positions respectively. Construction's woes are well known and reported regularly in the national media. Manufacturing's ills are the result of a rapid reduction in

**Utah Labor Market Indicators
May 2009**

Employment % Change: -3.3%
Employment # Change: -41,800
Unemployment Rate: 5.4%

United States

Employment Change: -4.0%
Unemployment Rate: 9.4%

consumer spending, which pulled back big-ticket item purchases. Manufacturers have more of a need to draw down inventories of existing products than to keep the machines running and produce more.

The construction industry has been in a free fall since September 2007. It started with, and to date has been dominated by, severe cutbacks in residential activity, but now reductions in nonresidential activity are adding to the woes. Though large construction companies get the most exposure, the industry is actually typified by many small businesses run by a craftsman who employs anywhere from one to 10 workers. These are the construction businesses that have been impacted the most. In comparing first quarter 2009 employer levels against first quarter 2008, this industry has seen roughly 900 businesses evaporate from the scene. That leaves roughly 12,000 remaining. Contrast that with manufacturing, which has nearly as much job loss, but yet only scaled back by 30 employers.

Consumers pulling back and not spending with the carefree ease of the past has prompted a reduction in retail trade employment. Unlike the construction industry, it has not prompted a large pullback in retail establishments (being roughly the same from first quarter 2008 to first quarter 2009). But the employment numbers are down roughly 1,400 positions over the past year. Existing employers are making due with less.

There are also not as many goods to ship, and therefore trucking employment is also down, with roughly 700 fewer trucking jobs than at this time last year. Air transportation jobs are also down, as the economy affects the number of flying passengers. Losses here number close to 500.

Approximately 7,100 jobs have been eliminated in the professional and business services area. One of the weak points here is the employment services area. This is the industry that supplies workers to other industries, through businesses such as Manpower, SOS Staffing, etc. Employment levels are down as compared to the same time last year. This naturally makes sense as the entire business climate is shedding workers, but this area is actually built to be the most sensitive to either job losses or gains. Companies use this industry to maintain labor flexibility. They can quickly add workers as the need arises, or shed them if business so demands. Because of this industry's sensitive nature to the overall business climate and its rapid ability to respond, this industry is oftentimes used as a leading indicator of the economy's employment direction—a so called canary in the coal mine. With this industry's employment direction still downward, we conclude the economy is not yet at an inflection point, at least in terms of labor need.

Healthcare remains the stalwart in the Utah economy in the private sector. Healthcare employment expanded by 3 percent over the past year. A hybrid evaluation of the economy termed life sciences is still doing well in Utah. This includes the manufacture of healthcare products, pharmaceutical research, and biotechnology.

In the public sector, government employment is still higher than last year despite heavy constraints upon budgets. Public education is a big focus here, and the ongoing budget constraints, if they are to have their impact, will be upon the forthcoming school year, not so much the previous. Those numbers will be evaluated come September.

*** Utah's June employment information will be released at 9:00 a.m. on Thursday, July 16, 2009.**

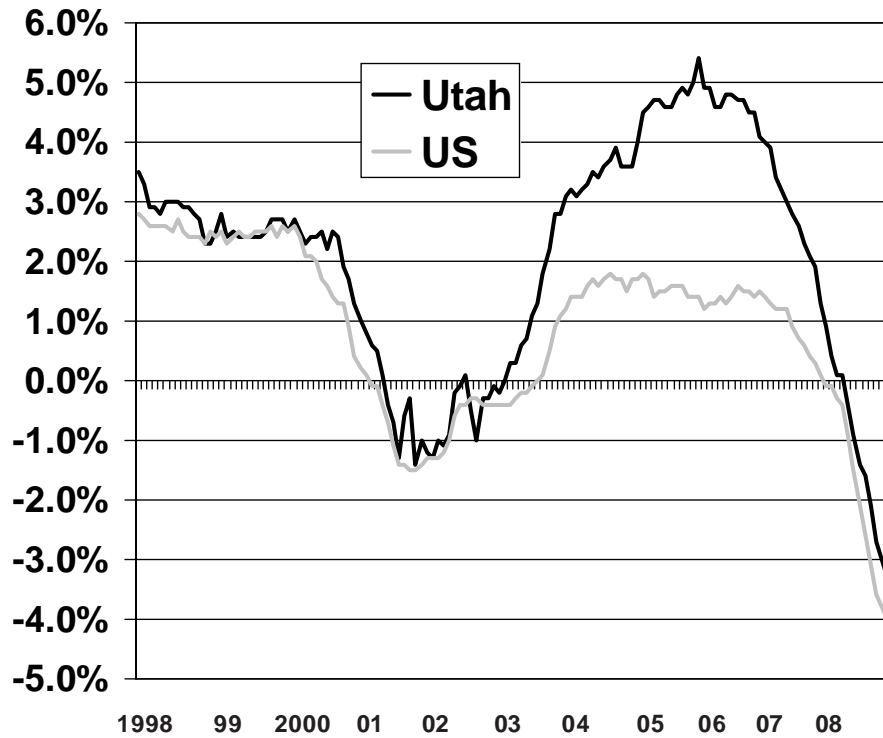
*** County unemployment rates for May will be posted by June 22 at <http://jobs.utah.gov/opencms/wi/pubs/une/season.pdf>**

Utah Nonagricultural Jobs by Industry and Components of the Labor Force

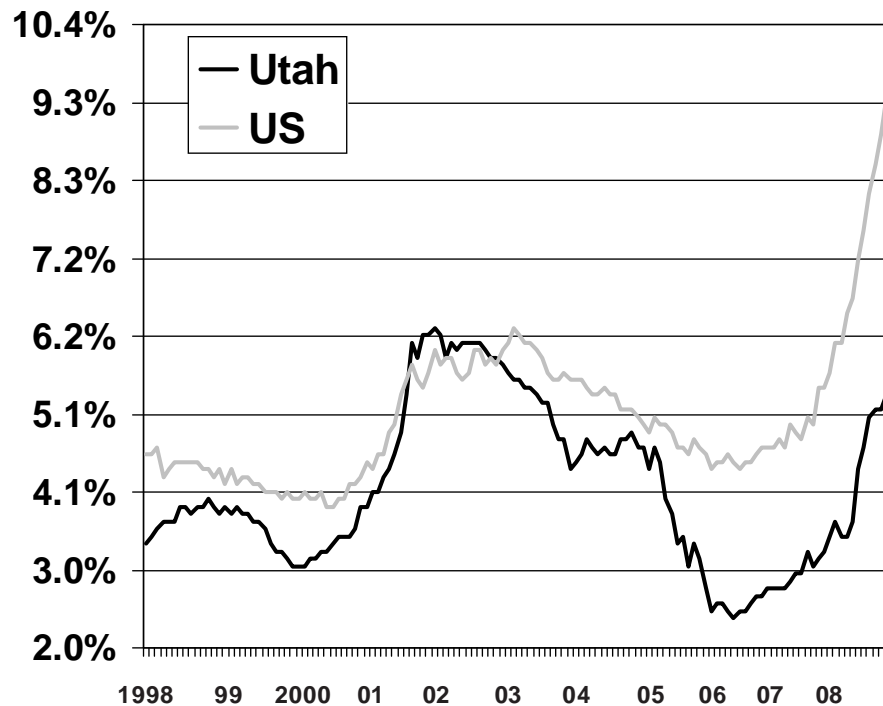
| Numbers are in thousands | May(p) 2009 | May 2008 | Percentage Change | April(r) 2009 | April 2008 | Percentage Change |
|---|----------------|----------------|----------------------|------------------|----------------|----------------------|
| CIVILIAN LABOR FORCE (seasonally-adjusted) | 1,382.2 | 1,379.7 | 0.2 | 1,379.4 | 1,379.0 | 0.0 |
| Employed | 1,307.4 | 1,334.3 | -2.0 | 1,308.1 | 1,333.3 | -1.9 |
| Unemployed | 74.8 | 45.4 | 64.8 | 71.3 | 45.7 | 56.0 |
| Unemployment Rate | 5.4 | 3.3 | | 5.2 | 3.3 | |
| NONAGRICULTURAL EMPLOYMENT (Thousands) | 1,214.9 | 1,256.7 | -3.3 | 1,221.2 | 1,258.9 | -3.0 |
| Not seasonally-adjusted | | | | | | |
| GOODS PRODUCING | 203.2 | 231.7 | -12.3 | 202.9 | 230.0 | -11.8 |
| Natural Resources, and Mining | 13.7 | 12.3 | 11.8 | 13.5 | 11.8 | 14.9 |
| Construction | 75.8 | 92.7 | -18.2 | 75.3 | 91.0 | -17.3 |
| Construction of Buildings | 15.4 | 18.7 | -17.7 | 15.5 | 18.7 | -16.9 |
| Heavy and Civil Engineering | 10.1 | 10.8 | -6.4 | 9.4 | 10.1 | |
| Specialty Trade Contractors | 50.3 | 63.1 | -20.3 | 50.4 | 62.2 | -19.1 |
| Manufacturing | 113.7 | 126.7 | -10.3 | 114.0 | 127.1 | -10.3 |
| Durable Goods | 74.3 | 85.3 | -12.9 | 74.8 | 85.7 | -12.7 |
| Primary and Fabricated Metals | 16.5 | 16.6 | -0.4 | 16.4 | 16.5 | -0.3 |
| Computer and Electronic Products | 13.2 | 13.1 | 1.0 | 13.2 | 13.1 | 1.1 |
| Transportation and Equipment Manufacturing | 13.6 | 14.4 | -5.6 | 13.6 | 14.4 | -5.4 |
| Non-Durable Goods | 39.4 | 41.4 | -4.9 | 39.3 | 41.5 | -5.4 |
| SERVICES PROVIDING | 1,011.6 | 1,025.0 | -1.3 | 1,018.3 | 1,029.0 | -1.0 |
| Trade, Transportation, and Utilities | 242.2 | 247.8 | -2.3 | 240.5 | 246.9 | -2.6 |
| Wholesale Trade | 45.4 | 48.5 | -6.2 | 45.3 | 48.2 | -6.0 |
| Retail Trade | 146.8 | 148.2 | -0.9 | 145.7 | 147.5 | -1.2 |
| Motor Vehicle and Parts Dealers | 18.9 | 19.3 | -1.8 | 18.8 | 19.2 | -2.1 |
| Food and Beverage Stores | 24.7 | 24.5 | 0.8 | 24.5 | 24.3 | 0.7 |
| General Merchandise Stores | 28.2 | 28.3 | -0.2 | 28.3 | 28.3 | -0.1 |
| Transportation and Utilities | 49.3 | 51.2 | -3.5 | 49.5 | 51.2 | -3.4 |
| Utilities | 4.0 | 4.2 | -4.9 | 4.0 | 4.2 | -4.8 |
| Transportation & Warehousing | 45.4 | 47.0 | -3.4 | 45.5 | 47.0 | -3.3 |
| Air Transportation | 6.5 | 7.0 | -6.4 | 6.5 | 7.0 | -6.9 |
| Truck Transportation | 18.9 | 19.6 | -3.5 | 18.8 | 19.4 | -3.1 |
| Information | 29.7 | 31.4 | -5.3 | 29.2 | 30.9 | -5.4 |
| Publishing Industries | 9.7 | 10.0 | -3.2 | 9.7 | 10.0 | -3.7 |
| Motion Picture and Sound Recording | 3.9 | 4.6 | -15.4 | 3.7 | 4.3 | -14.5 |
| Telecommunications | 5.1 | 5.2 | -2.7 | 5.1 | 5.2 | -1.5 |
| Internet Service Providers | 5.5 | 5.5 | 1.2 | 5.6 | 5.4 | 3.4 |
| Financial Activities | 72.3 | 74.3 | -2.7 | 72.7 | 74.6 | -2.5 |
| Finance and Insurance | 55.5 | 56.1 | -1.1 | 55.9 | 56.3 | -0.7 |
| Real Estate and Rental and Leasing | 16.8 | 18.2 | -7.6 | 16.8 | 18.3 | -8.2 |
| Professional and Business Services | 157.1 | 164.2 | -4.3 | 157.5 | 162.2 | -2.9 |
| Professional, Scientific, and Technical Services | 66.9 | 67.7 | -1.2 | 67.8 | 68.1 | -0.4 |
| Architectural, Engineering, and Related | 14.4 | 13.8 | 4.2 | 14.0 | 13.5 | 3.7 |
| Computer Systems Design and Related | 16.4 | 15.8 | 3.5 | 16.3 | 15.7 | 3.8 |
| Management of Companies and Enterprises | 20.5 | 20.3 | 0.7 | 20.4 | 20.3 | 0.5 |
| Administration & Support | | | | | | |
| & Waste Management & Remediation | 69.7 | 76.2 | -8.5 | 69.2 | 73.8 | -6.2 |
| Employment Services | 19.8 | 22.0 | -9.9 | 19.4 | 21.2 | -8.6 |
| Business Support Services | 16.0 | 16.9 | -5.1 | 16.2 | 16.9 | -4.4 |
| Education and Health Services | 147.2 | 143.1 | 2.9 | 151.3 | 147.2 | 2.8 |
| Educational Services | 30.3 | 29.5 | 2.7 | 34.9 | 34.1 | 2.5 |
| Health Services and Social Assistance | 117.0 | 113.6 | 2.9 | 116.3 | 113.1 | 2.8 |
| Ambulatory Health Care Services | 47.5 | 45.6 | 4.0 | 47.3 | 45.2 | 4.7 |
| Hospitals | 31.1 | 30.5 | 2.0 | 31.0 | 30.6 | 1.2 |
| Nursing and Residential Care Facilities | 21.8 | 21.5 | 1.5 | 21.7 | 21.3 | 1.9 |
| Social Assistance | 16.6 | 16.0 | 3.4 | 16.4 | 16.0 | 2.1 |
| Leisure and Hospitality | 109.4 | 114.3 | -4.3 | 112.1 | 117.4 | -4.5 |
| Arts, Entertainment, and Recreation | 16.1 | 16.7 | -3.5 | 18.4 | 19.1 | -3.3 |
| Accommodation and Food Services | 93.2 | 97.6 | -4.4 | 93.7 | 98.3 | -4.7 |
| Accommodation | 18.2 | 18.7 | -2.7 | 19.1 | 20.0 | -4.8 |
| Food Services and Drinking Places | 75.0 | 78.8 | -4.8 | 74.6 | 78.3 | -4.7 |
| Other Services | 33.3 | 35.6 | -6.7 | 33.7 | 35.4 | -4.8 |
| Government | 221.0 | 214.3 | 3.1 | 221.2 | 214.3 | 3.2 |
| Federal Government | 36.0 | 35.9 | 0.1 | 35.5 | 35.4 | 0.4 |
| Federal Defense | 15.8 | 15.7 | 0.3 | 15.8 | 15.8 | 0.3 |
| Other Federal Government | 20.2 | 20.2 | 0.0 | 19.7 | 19.6 | 0.5 |
| State Government | 64.2 | 62.4 | 2.9 | 67.0 | 65.1 | 3.0 |
| State Schools | 35.2 | 33.7 | 4.4 | 37.8 | 36.7 | 3.2 |
| Other State Government | 29.0 | 28.7 | 1.2 | 29.1 | 28.4 | 2.7 |
| Local Government | 120.8 | 116.0 | 4.1 | 118.7 | 113.9 | 4.2 |
| Local Education | 69.1 | 66.0 | 4.7 | 69.0 | 65.9 | 4.6 |
| Other Local Government | 51.8 | 50.0 | 3.4 | 49.8 | 48.0 | 3.7 |

Source: U.S. Bureau of Labor Statistics p = preliminary r = revised June 18, 2009

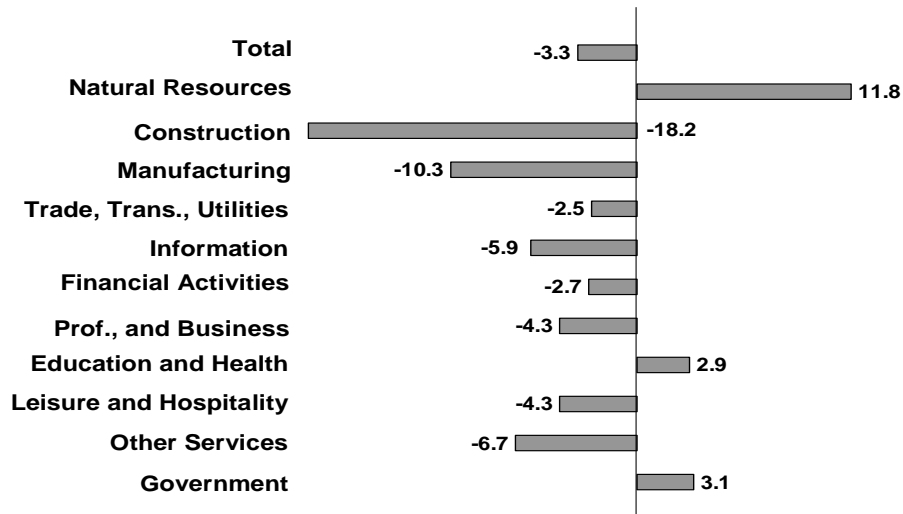
Year-Over Percent Change in Nonfarm Jobs



Seasonally Adjusted Unemployment Rates

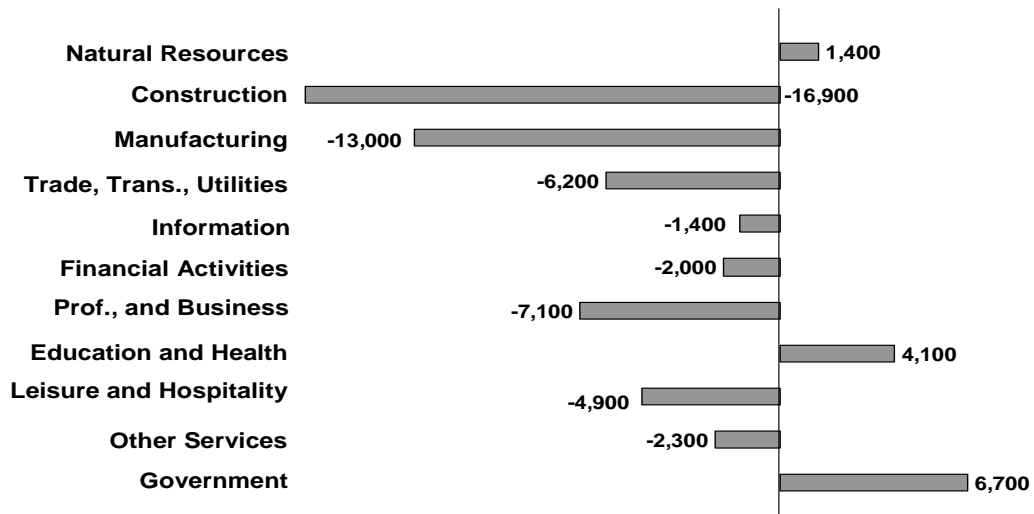


Utah Nonfarm Industry Profile (Percent Change) May 2008 – 2009



Source: U.S. Bureau of Labor Statistics

Utah Nonfarm Industry Profile (Numeric Change) May 2008 – 2009



Source: U.S. Bureau of Labor Statistics

NONFARM EMPLOYMENT IN UTAH'S COUNTIES

| | May 2009(p) | May 2008 | Percent Change | April 2009(r) | March 2009(r) |
|----------------------|----------------|-------------|-------------------|------------------|------------------|
| State Total | 1,214,854 | 1,256,819 | -3.3 | 1,221,165 | 1,219,019 |
| Bear River | 69,042 | 71,926 | -4.0 | 69,612 | 69,816 |
| Box Elder | 19,603 | 20,664 | -5.1 | 19,565 | 19,891 |
| Cache | 48,700 | 50,512 | -3.6 | 49,400 | 49,300 |
| Rich | 739 | 750 | -1.5 | 647 | 625 |
| Wasatch Front | 795,970 | 823,963 | -3.4 | 796,496 | 794,706 |
| North | 196,801 | 203,803 | -3.4 | 196,798 | 195,050 |
| Davis | 101,505 | 105,371 | -3.7 | 101,302 | 99,691 |
| Morgan | 1,875 | 1,939 | -3.3 | 1,832 | 1,807 |
| Weber | 93,421 | 96,493 | -3.2 | 93,664 | 93,552 |
| South | 599,169 | 620,160 | -3.4 | 599,698 | 599,656 |
| Salt Lake | 583,562 | 604,337 | -3.4 | 584,297 | 584,406 |
| Tooele | 15,606 | 15,823 | -1.4 | 15,401 | 15,250 |
| Mountainland | 201,092 | 210,895 | -4.6 | 208,672 | 210,100 |
| Summit | 19,607 | 20,141 | -2.6 | 23,311 | 25,349 |
| Utah | 175,551 | 184,038 | -4.6 | 179,548 | 178,967 |
| Wasatch | 5,933 | 6,716 | -11.7 | 5,813 | 5,784 |
| Central | 24,543 | 25,082 | -2.2 | 24,343 | 23,913 |
| Juab | 3,281 | 3,311 | -0.9 | 3,253 | 3,290 |
| Millard | 4,086 | 4,090 | -0.1 | 4,054 | 3,970 |
| Piute | 369 | 371 | -0.5 | 351 | 335 |
| Sanpete | 7,628 | 7,876 | -3.1 | 7,645 | 7,493 |
| Sevier | 7,984 | 8,256 | -3.3 | 7,902 | 7,814 |
| Wayne | 1,194 | 1,178 | 1.4 | 1,138 | 1,011 |
| Southwestern | 75,363 | 77,694 | -3.0 | 74,312 | 73,646 |
| Beaver | 2,149 | 2,146 | 0.1 | 2,061 | 2,068 |
| Garfield | 2,665 | 2,737 | -2.6 | 2,335 | 1,916 |
| Iron | 16,419 | 17,089 | -3.9 | 16,460 | 16,547 |
| Kane | 3,330 | 3,354 | -0.7 | 3,049 | 2,884 |
| Washington | 50,800 | 52,368 | -3.0 | 50,406 | 50,230 |
| Uintah Basin | 25,501 | 24,107 | 5.8 | 24,939 | 24,452 |
| Daggett | 402 | 446 | -9.9 | 374 | 369 |
| Duchesne | 9,120 | 8,358 | 9.1 | 8,962 | 8,828 |
| Uintah | 15,979 | 15,303 | 4.4 | 15,604 | 15,255 |
| Southeastern | 23,344 | 23,152 | 0.8 | 22,790 | 22,386 |
| Carbon | 10,370 | 9,553 | 8.6 | 10,347 | 10,333 |
| Emery | 3,653 | 4,066 | -10.2 | 3,574 | 3,504 |
| Grand | 5,031 | 5,139 | -2.1 | 4,703 | 4,488 |
| San Juan | 4,290 | 4,394 | -2.4 | 4,165 | 4,061 |

p = preliminary r = revised but not final.

Note: Numbers have been left unrounded for convenience rather than to denote accuracy.

Source: Utah Department of Workforce Services, Workforce Information, 6/18/09

Seasonally Adjusted Unemployment Rates

Next Update Scheduled for July 21

| | May 2009 (p) | April 2009 (r) | March 2009 (r) | May 2008 (r) |
|-----------------------|-----------------|-------------------|-------------------|-----------------|
| State Total | 5.4 | 5.2 | 5.3 | 3.3 |
| Beaver | 4.6 | 5.3 | 5.2 | 3.1 |
| Box Elder | 5.7 | 5.7 | 6.3 | 3.2 |
| Cache | 4.1 | 4.0 | 4.4 | 2.6 |
| Carbon | 6.2 | 6.0 | 5.9 | 4.8 |
| Daggett | 5.2 | 4.4 | 4.5 | 4.4 |
| Davis | 4.9 | 4.5 | 4.8 | 3.1 |
| Duchesne | 7.1 | 6.2 | 5.9 | 2.6 |
| Emery | 5.0 | 4.8 | 5.1 | 3.8 |
| Garfield | 7.7 | 8.2 | 8.8 | 5.6 |
| Grand | 6.9 | 7.4 | 7.7 | 5.3 |
| Iron | 6.4 | 6.3 | 6.3 | 4.0 |
| Juab | 6.6 | 6.8 | 7.7 | 4.5 |
| Kane | 5.4 | 5.4 | 6.0 | 3.9 |
| Millard | 4.6 | 4.2 | 4.5 | 3.2 |
| Morgan | 4.6 | 4.8 | 5.1 | 3.0 |
| Piute | 5.0 | 4.5 | 4.5 | 3.1 |
| Rich | 4.5 | 4.2 | 4.1 | 2.4 |
| Salt Lake | 5.3 | 5.1 | 5.1 | 3.2 |
| San Juan | 8.2 | 8.1 | 8.3 | 6.2 |
| Sanpete | 6.1 | 6.0 | 6.5 | 3.9 |
| Sevier | 5.6 | 5.6 | 6.0 | 3.7 |
| Summit | 5.7 | 5.5 | 4.7 | 3.0 |
| Tooele | 6.2 | 6.0 | 6.1 | 3.6 |
| Uintah | 6.6 | 5.9 | 5.0 | 2.3 |
| Utah | 4.9 | 4.8 | 4.9 | 3.1 |
| Wasatch | 6.1 | 5.9 | 5.7 | 3.4 |
| Washington | 7.0 | 7.0 | 7.1 | 4.2 |
| Wayne | 6.2 | 5.6 | 6.7 | 4.7 |
| Weber | 6.4 | 6.1 | 6.4 | 3.8 |
| United States: | 9.4 | 8.9 | 8.5 | 5.5 |

p=preliminary r=revised

Workforce Services, Workforce Information