



State of Utah

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UTAH'S EMPLOYMENT SUMMARY: JUNE 2009

Utah's nonfarm wage and salaried job count for June 2009, as generated by the United States Bureau of Labor Statistics (BLS), contracted by 3.7 percent. Approximately 46,100 jobs have been removed from the Utah economy over the past year, lowering total wage and salary employment to 1,215,400.

Utah's other primary indicator of current labor market conditions, the seasonally adjusted unemployment rate, rose by three-tenths to 5.7 percent in June. Last June, the state's rate was 3.3 percent, a 2.4 percentage-point increase over the past 12 months. Approximately 78,100

Utahns were considered unemployed in June 2009, compared against 46,000 last June, an increase of 32,100 unemployed workers. The United States unemployment rate continued to rise, reaching 9.5 percent for June.

Mark Knold, chief economist for the Department of Workforce Services, commented, "We can speak of the Utah economy and its situation, but the Utah economy is not going to act independently of the national economy. Therefore, the key to seeing Utah's future is to focus upon the national economy and to monitor its prospects. Nationally, job losses were higher than expected in June, yet they were lower than expected the month before, in May. Which month was the anomaly? Probably both. If the employment profile of the two months are averaged, it fits nicely into the trend pattern of employment declines of the past 16 months. That's not to say more job losses are a good thing, only that the heavy job losses in June are probably not an indication that the economy has jumped off track. A tepid economic rebound beginning sometime in the next six months is still anticipated."

The road to economic recovery will be a long one, and employment and unemployment numbers will be one of the last economic variables to respond. Industrial output will bottom out and rebound many months before the labor market decline reaches a bottom and begins to rebound. A Utah rebound in output will move hand-in-hand with the rise in national output. Many analysts believe that will occur during the second half of 2009. If so, the earliest an employment rebound can be expected in Utah would then be sometime during the first half of 2010.

The extreme shock to the nation's financial sector is the primary culprit of this economic downturn. As the Utah economy did not avoid the national financial impact, it will not develop any kind of economic rebound in defiance of the economic drag that continues to plague the nation's economy.

It is interesting that the financial sector itself in Utah is not faring anywhere near as badly as several other industries, even though it is the financial sector and its woes that will be the

Utah Labor Market Indicators June 2009

Employment % Change: -3.7%
Employment # Change: -46,100
Unemployment Rate: 5.7%

United States

Employment Change: -4.2%
Unemployment Rate: 9.5%

defining memory of this “Great Recession.” The industry has lost “only” 3,000 jobs over the past year in Utah, a small number compared against the nearly 18,000 jobs lost in construction, or the 13,300 evaporated manufacturing jobs. Probably the major reason for the relative moderation in financial losses is that Utah did not have a major “Wall Street” presence within the framework of its financial structure. Banks, credit unions, credit card centers, and mortgage activities make up the bulk of Utah’s financial framework.

Where the financial collapse hit Utah hardest was in the construction sector—particularly in residential construction. The precursors to the financial bubble fueled a housing boom and housing price run-up in Utah. Home building flourished. This caused a construction industry that is normally around 6 percent of the Utah employment base to swell to nearly 9 percent. In retrospect, this was an employment percentage not sustainable by historic standards, and the pendulum was destined to swing. Anytime economic variables are out of kilter with their historical norms, either a boom or bust environment is underway. Time always brings it back into balance. It was the shutting down of the credit markets that had the greatest impact upon pulling back Utah’s construction industry.

It was the stock market downfall of September 2008 that brought about the additional whammy of significant job losses to the manufacturing sector. Down by 13,300 jobs over the past year, it combines with the construction industry to account for two-thirds of all Utah job losses.

Utah population growth is the driving force behind the two industries that are managing to add more jobs during this downturn—healthcare and education. Both industries are more attuned to the size and needs of the local population base than the whims and quirks of the Wall Street wizards. Much of the state’s education is administered through government agencies (local school districts, state-funded higher education, etc.). It will be interesting to evaluate when the next school year begins in August whether Utah’s education community will be able to maintain, let alone expand upon, its teaching base in the face of strained budgets.

*** Utah’s July employment information will be released at 9:00 a.m. on Thursday, August 20, 2009.**

*** County unemployment rates for June will be posted by July 20 at**

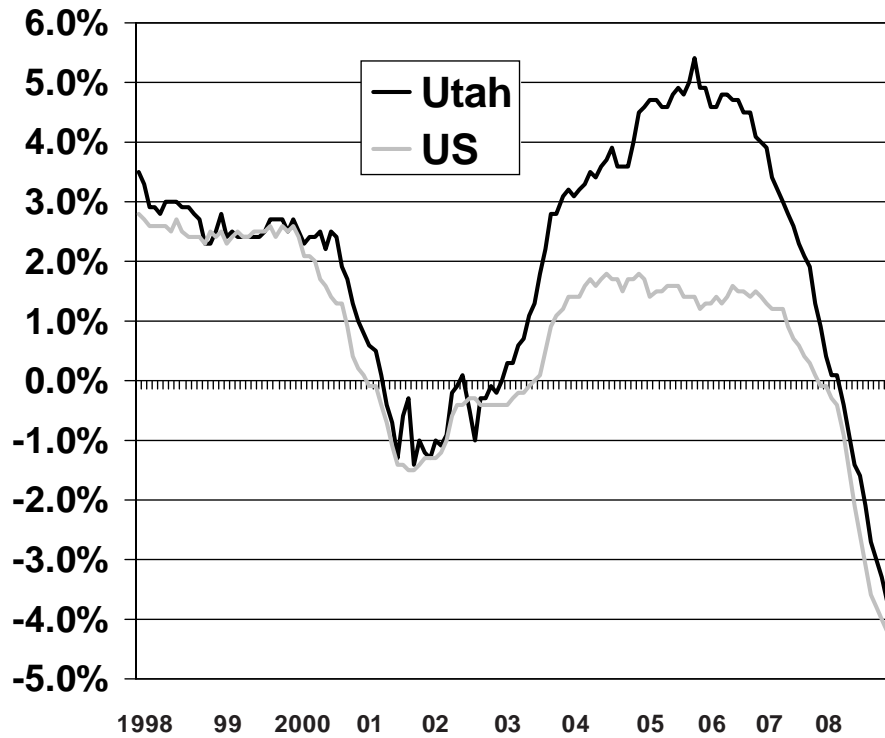
<http://jobs.utah.gov/opencms/wi/pubs/une/season.pdf>

Utah Nonagricultural Jobs by Industry and Components of the Labor Force

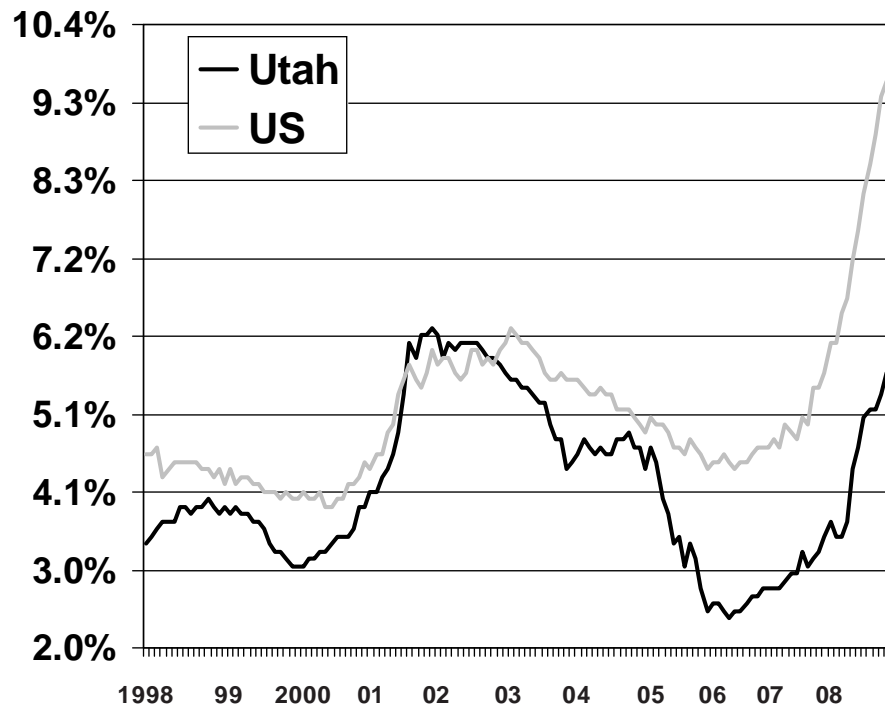
Numbers are in thousands	June(p) 2009	June 2008	Percentage Change	May(r) 2009	May 2008	Percentage Change
CIVILIAN LABOR FORCE (seasonally-adjusted)	1,371.6	1,381.3	-0.7	1,382.4	1,379.7	0.2
Employed	1,293.5	1,335.3	-3.1	1,307.5	1,334.3	-2.0
Unemployed	78.1	46.0	69.8	74.9	45.4	65.0
Unemployment Rate	5.7	3.3		5.4	3.3	
NONAGRICULTURAL EMPLOYMENT (Thousands)	1,215.4	1,261.5	-3.7	1,213.8	1,256.7	-3.4
Not seasonally-adjusted						
GOODS PRODUCING	204.0	233.6	-12.7	202.9	231.7	-12.4
Natural Resources, and Mining	13.9	12.6	10.5	13.7	12.3	11.5
Construction	76.4	94.1	-18.8	75.6	92.7	-18.4
Construction of Buildings	15.6	19.1	-18.5	15.3	18.7	-18.3
Heavy and Civil Engineering	10.4	11.1	-5.9	10.0	10.8	
Specialty Trade Contractors	50.4	63.9	-21.1	49.9	63.1	-20.9
Manufacturing	113.6	126.9	-10.5	113.6	126.7	-10.4
Durable Goods	74.3	85.3	-12.9	74.2	85.3	-13.0
Primary and Fabricated Metals	16.5	16.6	-0.9	16.5	16.6	-0.4
Computer and Electronic Products	13.0	13.2	-1.4	13.1	13.1	-0.3
Transportation and Equipment Manufacturing	13.5	14.4	-6.4	13.5	14.4	-5.9
Non-Durable Goods	39.3	41.5	-5.4	39.4	41.4	-4.9
SERVICES PROVIDING	1,011.4	1,027.8	-1.6	1,010.9	1,025.0	-1.4
Trade, Transportation, and Utilities	241.2	248.8	-3.0	241.0	247.8	-2.7
Wholesale Trade	45.3	48.6	-6.7	45.5	48.5	-6.1
Retail Trade	146.6	149.1	-1.7	146.3	148.2	-1.2
Motor Vehicle and Parts Dealers	19.0	19.2	-1.0	18.9	19.3	-1.9
Food and Beverage Stores	24.7	24.7	0.0	24.6	24.5	0.6
General Merchandise Stores	28.0	28.7	-2.2	28.2	28.3	-0.2
Transportation and Utilities	48.6	51.0	-4.7	49.2	51.2	-3.9
Utilities	3.9	4.2	-5.4	4.0	4.2	-4.6
Transportation & Warehousing	44.7	46.9	-4.6	45.2	47.0	-3.8
Air Transportation	6.2	6.9	-10.9	6.2	7.0	-10.5
Truck Transportation	18.8	19.7	-4.6	18.7	19.6	-4.4
Information	29.8	31.5	-5.2	29.9	31.4	-4.8
Publishing Industries	9.7	10.0	-3.5	9.7	10.0	-3.2
Motion Picture and Sound Recording	4.0	4.7	-15.1	3.9	4.6	-15.4
Telecommunications	5.1	5.3	-4.1	5.1	5.2	-2.5
Internet Service Providers	5.5	5.4	2.1	5.5	5.5	1.0
Financial Activities	71.2	74.2	-4.1	72.0	74.3	-3.1
Finance and Insurance	54.8	56.0	-2.1	55.4	56.1	-1.3
Real Estate and Rental and Leasing	16.4	18.2	-10.0	16.8	18.2	-7.6
Professional and Business Services	156.9	164.4	-4.6	156.7	164.2	-4.6
Professional, Scientific, and Technical Services	66.9	68.0	-1.6	66.9	67.7	-1.3
Architectural, Engineering, and Related	14.6	14.0	4.1	14.4	13.8	4.1
Computer Systems Design and Related	16.2	15.8	2.6	16.2	15.8	2.4
Management of Companies and Enterprises	20.6	20.5	0.7	20.5	20.3	0.7
Administration & Support						
& Waste Management & Remediation	69.4	76.0	-8.7	69.4	76.2	-8.9
Employment Services	19.5	21.8	-10.3	19.5	22.0	-11.3
Business Support Services	15.8	16.5	-4.7	16.0	16.9	-5.3
Education and Health Services	146.3	142.6	2.6	147.4	143.1	3.0
Educational Services	29.6	28.9	2.5	30.3	29.5	2.7
Health Services and Social Assistance	116.7	113.7	2.6	117.1	113.6	3.0
Ambulatory Health Care Services	47.9	45.8	4.6	47.7	45.6	4.4
Hospitals	30.8	30.6	0.9	31.1	30.5	1.9
Nursing and Residential Care Facilities	21.6	21.4	1.0	21.8	21.5	1.4
Social Assistance	16.3	16.0	2.4	16.5	16.0	3.1
Leisure and Hospitality	113.2	116.8	-3.1	109.9	114.3	-3.8
Arts, Entertainment, and Recreation	18.1	18.5	-2.2	16.3	16.7	-2.3
Accommodation and Food Services	95.1	98.3	-3.3	93.6	97.6	-4.1
Accommodation	18.7	18.9	-1.1	18.1	18.7	-3.2
Food Services and Drinking Places	76.4	79.4	-3.8	74.7	78.8	-5.2
Other Services	33.5	35.9	-6.6	33.3	35.6	-6.5
Government	219.9	213.6	3.0	220.7	214.3	3.0
Federal Government	35.6	35.7	-0.1	35.8	35.9	-0.3
Federal Defense	15.8	15.5	2.0	15.8	15.7	0.3
Other Federal Government	19.8	20.2	-1.8	20.0	20.2	-0.7
State Government	64.3	62.5	2.8	64.2	62.4	2.8
State Schools	34.7	33.7	3.0	35.1	33.7	4.3
Other State Government	29.6	28.8	2.6	29.0	28.7	1.1
Local Government	120.0	115.4	4.0	120.7	116.0	4.1
Local Education	67.2	64.1	4.8	69.1	66.0	4.7
Other Local Government	52.8	51.3	3.0	51.7	50.0	3.3

Source: U.S. Bureau of Labor Statistics p = preliminary r = revised July 16, 2009

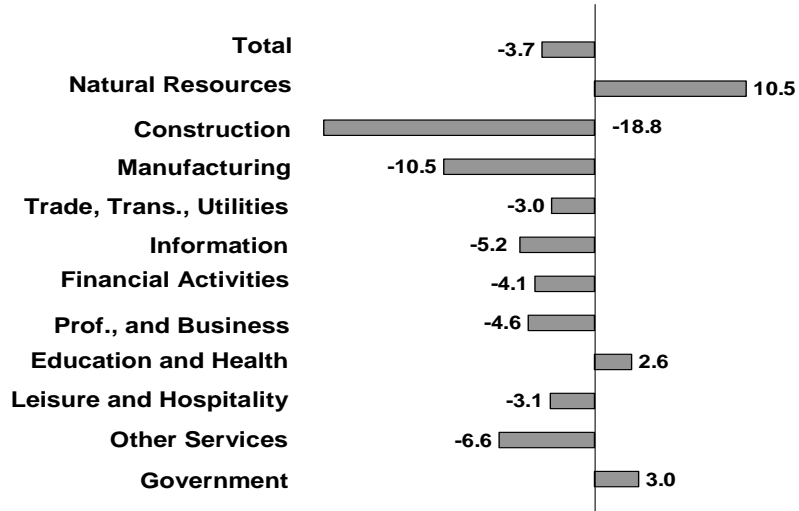
Year-Over Percent Change in Nonfarm Jobs



Seasonally Adjusted Unemployment Rates

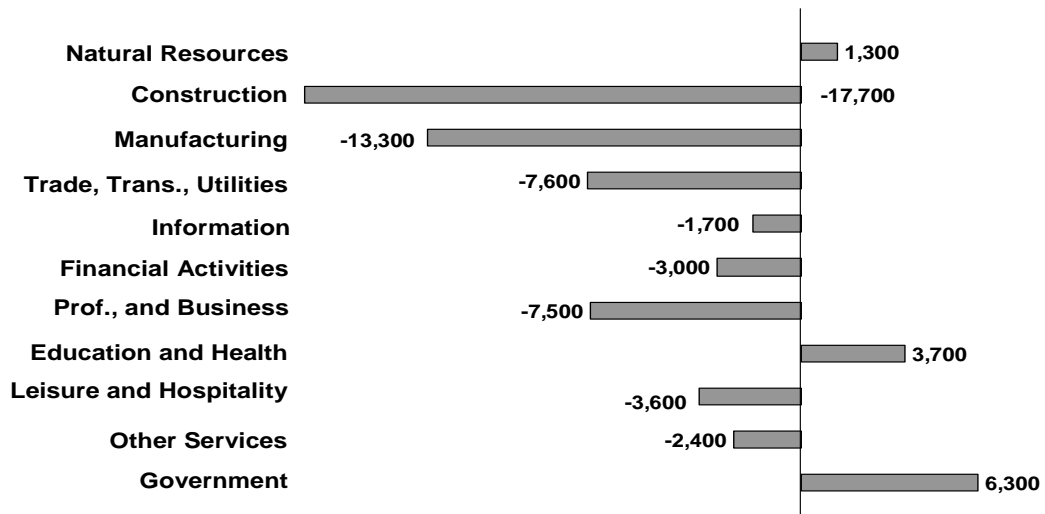


Utah Nonfarm Industry Profile (Percent Change) June 2008 – 2009



Source: U.S. Bureau of Labor Statistics

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



Source: U.S. Bureau of Labor Statistics

NONFARM EMPLOYMENT IN UTAH'S COUNTIES

	June 2009(p)	June 2008	Percent Change	May 2009(r)	April 2009(r)
State Total	1,215,369	1,261,467	-3.7	1,214,854	1,220,965
Bear River	68,531	72,379	-5.3	69,112	69,638
Box Elder	19,391	20,967	-7.5	19,651	19,572
Cache	48,200	50,483	-4.5	48,700	49,400
Rich	940	929	1.1	761	665
Wasatch Front	795,783	826,452	-3.7	796,878	797,622
North	196,469	204,334	-3.8	196,801	196,798
Davis	102,695	105,948	-3.1	103,184	102,589
Morgan	1,978	1,944	1.8	1,925	1,877
Weber	91,795	96,442	-4.8	91,692	92,332
South	599,314	622,118	-3.7	600,077	600,824
Salt Lake	582,902	606,183	-3.8	583,929	584,921
Tooele	16,412	15,935	3.0	16,148	15,902
Mountainland	202,019	212,366	-4.9	200,372	207,724
Summit	20,000	20,960	-4.6	18,699	22,185
Utah	175,513	184,524	-4.9	175,369	179,375
Wasatch	6,507	6,882	-5.5	6,303	6,163
Central	25,380	25,205	0.7	25,314	25,060
Juab	3,307	3,341	-1.0	3,463	3,426
Millard	4,180	4,097	2.0	4,152	4,110
Piute	323	341	-5.2	377	359
Sanpete	7,956	7,857	1.3	7,936	7,937
Sevier	8,374	8,361	0.2	8,197	8,097
Wayne	1,240	1,208	2.6	1,190	1,132
Southwestern	74,976	77,135	-2.8	75,669	74,553
Beaver	2,311	2,237	3.3	2,152	2,060
Garfield	2,936	2,842	3.3	2,836	2,480
Iron	15,920	16,316	-2.4	16,620	16,627
Kane	3,453	3,517	-1.8	3,261	2,980
Washington	50,356	52,223	-3.6	50,800	50,406
Uintah Basin	24,807	24,650	0.6	23,934	23,405
Daggett	402	475	-15.4	377	349
Duchesne	8,802	8,572	2.7	8,235	8,125
Uintah	15,603	15,603	0.0	15,322	14,931
Southeastern	23,873	23,280	2.5	23,575	22,965
Carbon	10,189	9,501	7.2	10,154	10,111
Emery	3,976	4,019	-1.1	4,011	3,916
Grand	5,198	5,296	-1.8	5,031	4,695
San Juan	4,509	4,464	1.0	4,379	4,243

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, 7/16/09