

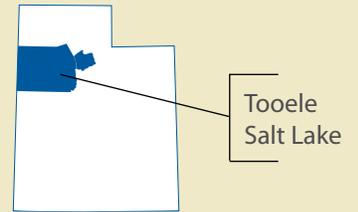
# local insights

An economic and labor market analysis of the Wasatch Front South

## wasatchfrontsouth



**Employment growth of 2.2%**  
*will most likely continue.*



### in this issue

- Solid Growth and Low Unemployment..... 1
- Current Events..... 2
- Wasatch Front South Economy at a Glance ..... 4
- Census Bureau Facts Profile Our Communities..... 6
- Looking to the American Community Survey ..... 8

## Solid Growth and Low Unemployment

By Jim Robson, Economist

The Wasatch Front South service area labor market cooled from a year-over employment growth of 2.7 percent at the beginning of 2014 to about 2.1 percent spring and summer. The region's unemployment rate was around 3.5 percent by mid-year 2014 and drifted down to 3.3 percent by the end of the year. In 2013, Wasatch Front South unemployment averaged 4.2 percent. Economic expansion has brought down the unemployment rate low enough so that many employers are reporting some difficulty in recruiting the workers they need. This may put some upward pressure on wages in the coming year.

Overall for the Wasatch Front South (Salt Lake and Tooele counties), continuing healthy job growth and an improved labor market characterizes economic conditions through 2014 and into 2015. The average 2014 job count in the Wasatch Front South area showed estimated employment growth of around 2.2 percent, adding an additional 13,800 jobs. Substantial job increases were added from professional, scientific and technical services, state higher education, administrative support, accommodations and food services, and finance and insurance. Looking toward 2015, job growth will likely continue between 2.2 to 2.5 percent in the region, with Tooele County once again contributing to positive job growth.

### contact

**Regional Economist:**

**Jim Robson**  
jrobson@utah.gov • 801-526-9626

**Workforce Development Specialists:**

**Vicki Giesler**  
vgiesler@utah.gov • 801-503-7296

**Julie Lay**  
jlay@utah.gov • 801-518-2468

**Agnes Lomu**  
alomu@utah.gov • 385-210-4610

**Edina Cesko-Wilson**  
ecesco@utah.gov • 801-633-6951

**Gary Kimber**  
gkimber@utah.gov • 801-300-1995



## Salt Lake County

- Year-over job increases continue across most major industry sectors with overall nonfarm payroll employment growth of 2.5 percent from September 2013 to September 2014. Total jobs in September 2014 were 642,872, an increase of 15,805 jobs over 12 months.
- The most new jobs are being created in professional, scientific and technical services, construction, administrative support services, state government, and finance and insurance services.
- Within professional, scientific and technical services a substantial number of the job opportunities are in computer systems design, accounting and bookkeeping, advertising, management and technical consulting, architectural and engineering services.
- Construction employment grew by 5.5 percent for the 12 months ending in September 2014. Residential construction activities added 500 positions and all other construction activities increased employment by 1,219.
- Within the administrative support services industry, most of the new jobs created were in temporary help services.
- The state government increase of 1,561 jobs, growing by 3.7 percent from a year earlier, is somewhat surprising at first glance. In fact, most state government agencies show no significant job growth or even have small reductions. The

growth in state government was found in two areas—higher education and the University of Utah Hospital system.

- In Salt Lake County, state colleges, universities and technical schools added 940 jobs and the University Hospital and clinics added 504 jobs. Together, all other state government functions had a net loss of 117 positions in the county.
- Mining employment was down by 386 jobs, with much of the decline related to the major landslide in April 2013 at the Bingham Canyon Kennecott Copper Mine and some reduced need for construction-related mining activities.
- During the fourth quarter of 2014, initial unemployment insurance claims averaged 605, the lowest level in Salt Lake County for any fourth quarter since 2007. This indicates that the Salt Lake County labor market has the lowest levels of job separations in seven years.
- For the year ending in September 2014, there was a net increase of 3.6 percent in firms and worksites within Salt Lake County. This increase of 1,403 units brought the total count of firms and worksites to 40,361.
- The seasonally adjusted unemployment rate in Salt Lake County has continued to come down in 2014. By December there were about 19,300 unemployed, with an unemployment rate of about 3.3 percent compared to 3.9 percent in December 2013. Employment gains among the

## current events

### UNIVERSITY OF UTAH RANKED WITH 50 TOP SCIENCE RESEARCH FACILITIES

An American colleges and universities ranking service released a list of the top 50 science research universities, including the University of Utah. The University of Utah, ranked at number 43, was chosen because of its diverse array of research projects and opportunities for inquisitive minds, as well as the strength of its medical program. “Regardless of one’s interests, there are sure to be interesting prospects for research and invention at the University of Utah.”

— *Utah Business*

### HOW UTAH BECAME THE NEXT SILICON VALLEY

Utah has a lot in common with other places involved in [advanced industries]: local universities that graduate a lot of S.T.E.M. students; policies and infrastructure that attract businesses (for instance, tax breaks and a light-rail system that connects the state’s biggest cities); and strong relationships among local companies, local governments and economic-development organizations. Especially since the mid-aughts, venture capitalists have invested surprising amounts in Utah companies; in the first half of last year, the state was the sixth most popular destination for venture-capital funding.

— *The New Yorker*

## LOCAL ROADS FALLING BEHIND ON REPAIRS, REPORT STATES

Utah's local roads and byways need more funding to keep them from falling into disrepair, according to a report by the Utah Foundation. Of city and county officials who responded to the report's survey, 82 percent of city and 95 percent of county leaders believe the amount of transportation funding currently available is insufficient to maintain and repair the roads in their areas, the report states. The report defines "local roads" as roads leading to local areas, rather than major highways.

— *Utah Business*



For more current events:

<http://utaheconomywfnorth.blogspot.com/>

majority of Salt Lake County industry sectors are expected to continue. Overall average job growth in 2014 was estimated to be about 14,100 or in the neighborhood of 2.3 percent. This was a slowing of economic activity from the county's employment growth of 20,395 in 2013. The 2015 economic outlook continues to be positioned with broad based employment gains continuing at about 2.3 to 2.6 percent.

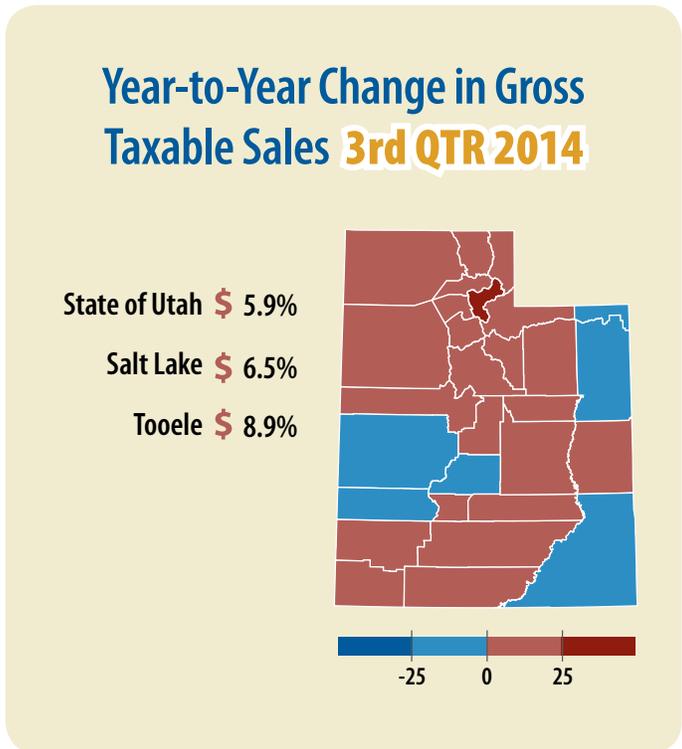
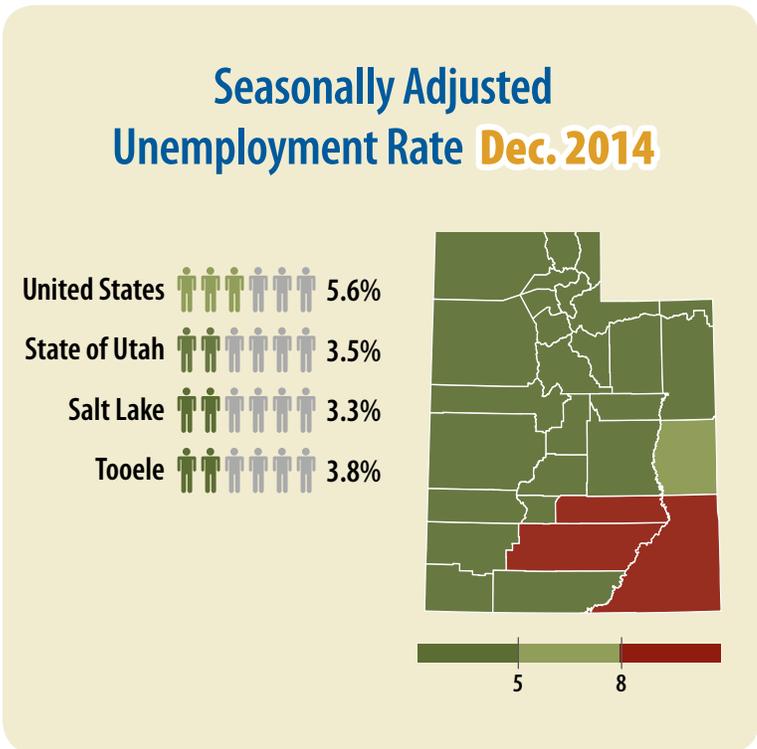
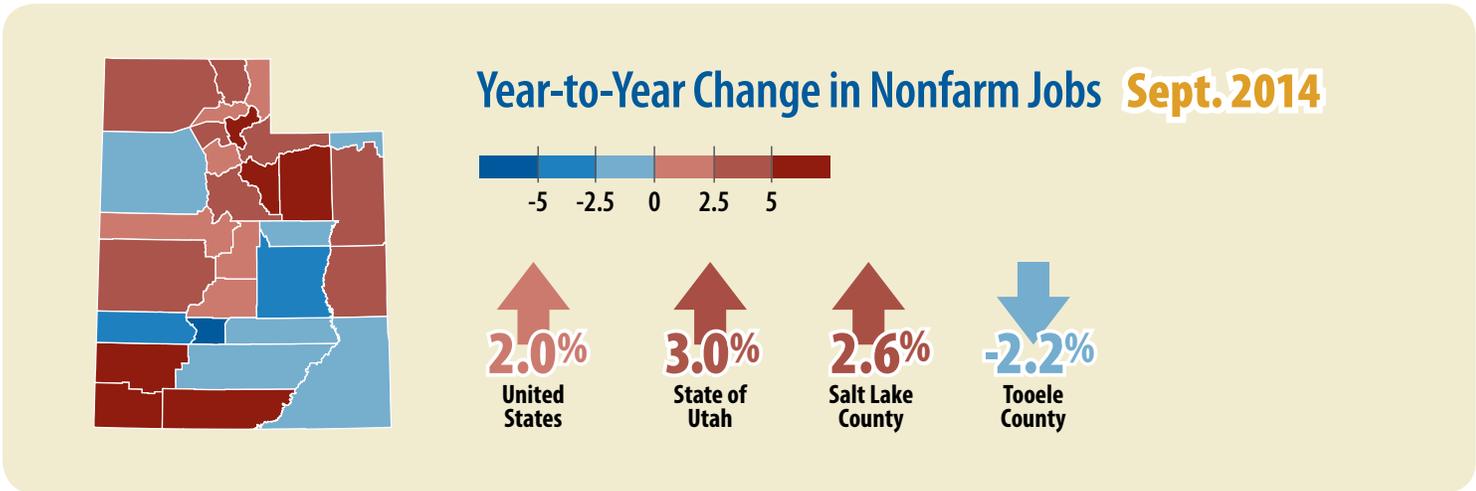
## Tooele County

- Tooele County's own job recession continued during 2014. The county experienced year-over job losses of 334 for the 12 months ending in September 2014.
- The three largest job reductions occurred in administrative support and waste management services decreasing by 272 jobs, the federal government shedding 76 jobs and professional and technical declining by 84. Many of these losses stem from the direct and indirect effects of the Deseret Chemical Depot closure which was completed in the summer of 2014.
- The four industries showing the largest September 2014 year-over employment increases include health care and social services (59), transportation and warehousing (42), local government (38) and information (27).
- Overall, nonfarm payroll employment totaled 15,094 in September 2014. This is the lowest job count for the month of September since 2006.
- During the fourth quarter of 2014, initial unemployment insurance claims averaged the lowest level in Tooele County for any fourth quarter since 2006. This indicates that the Tooele County labor market has returned to non-recessionary levels of job separations.
- For the year ending in September 2014 there was a net increase of 2.9 percent in firms and worksites within Tooele County. This increase of 30 units brought the total count of firms and worksites to 1,048. This increase in payroll firms and worksites is another sign that the economic climate is improving and that new job growth will be returning.
- In September of 2012, the unemployment rate was around 5.8 percent, improving throughout 2013 to record a rate of 5.2 percent in September 2013. As of September 2014, there were 1,206 unemployed Tooele County Residents looking for work and a jobless rate of 4.1 percent. By December of 2014 the jobless rate had receded to 3.8 percent.
- In 2013 average annual nonfarm payroll jobs totaled 15,419 in Tooele County. For 2014 there were an estimated 14,984, a reduction of 435 or a decline in payroll positions of 2.8 percent. After accounting for seasonal variations, the level of jobs in the county stabilized in 2014. Therefore, the outlook for 2015 is for the Tooele County labor market to return to the plus side of the ledger with some positive overall job additions.



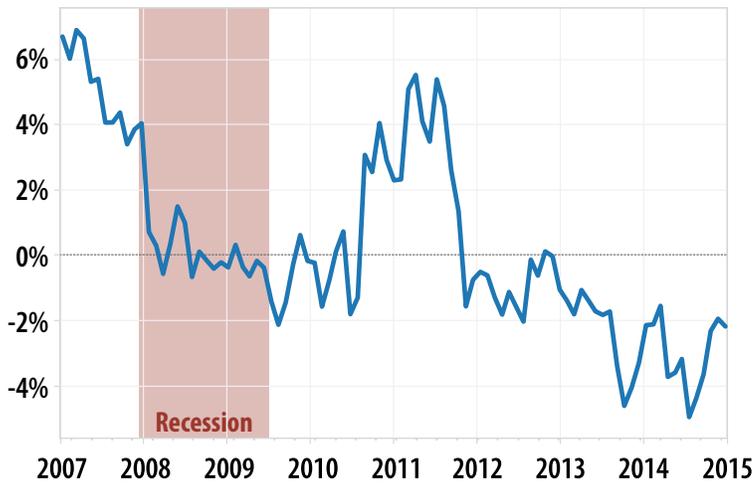
# Wasatch Front South Economy

## at a glance



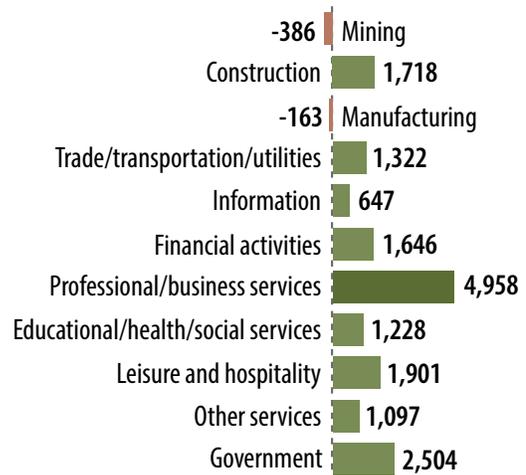
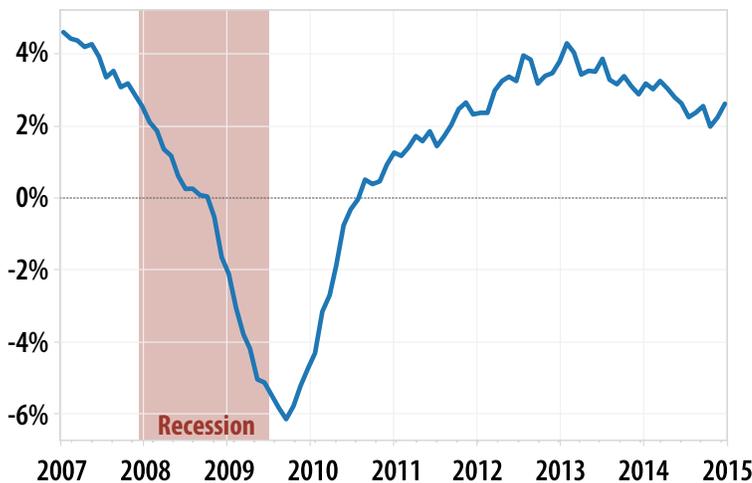
## Tooele County Job Growth Sept. 2014

**-334**



## Salt Lake County Job Growth Sept. 2014

**16,511**





# Census Bureau Facts Profile Our Communities

By Jim Robson, Economist

In this issue of a *Local Insights* a comparison of some labor market characteristics is drawn between the most recent American Community Survey (ACS) five-year estimates, 1990 Census and 2000 Census. In December of last year the most recent set of five-year ACS estimates were released covering the period of 2009 through 2013. Comparing census statistics with the latest ACS provides the opportunity to view labor market changes in the last 20 years.

The five-year ACS data collected between 2009 and 2013 supplies information on more than 40 economic, housing and social topics. ACS surveys are collected every month from about 1,230 households throughout the State of Utah. By combining information over a five-year collection window, it is possible to produce reasonably reliable information on all of Utah's counties, regardless of size, as well as for every city, town and neighborhood (census tract). Before the ACS was instituted, the once-each-decade Census "long form questionnaire" gave a snapshot of our counties, cities and neighborhoods. In 2005, the monthly ACS replaced the census long form.

## Labor Force Status and Type of Worker

Among the questions asked of each household surveyed are inquiries concerning the employment situation for all those 16 years of age and older. A person is defined to be in the labor force if they are employed or they are unemployed. To fit the definition of an unemployed member of the labor force, in addition to being jobless you must be actively seeking work in the last four weeks. If you are not employed, unemployed or in the armed services, you are considered to be "not in the labor force."

Figure 1 provides the labor for status information for the two counties in the Wasatch Front South region. Also included is the comparative information for the United

States and the State of Utah. Figure 2 gives us information on employed workers 16 years and over by class of work. Workers are classified among four categories. These categories are private wage and salary workers, government workers, self-employed and unpaid family workers.

## Salt Lake County

In 1990, 70.5 percent of the population 16 and over were in the labor force, this percentage is known as the labor force participation rate. This statistic is the percentage of the population that is employed plus the percentage that is unemployed. The labor force participation rate increased in Salt Lake County in 2000 and again in the 2009 to 2013 period, reaching 71.4 percent. This is quite different than the pattern shown for the State of Utah, with the participation rate falling after 2000. This somewhat lower rate for the state is likely due to three effects: first, the result of the aging population as members of the baby boom generation move into retirement age; second, the effects of the great recession as some people left the labor force because of the difficulty in finding jobs; and finally, others sought more education and training.

Notice that Salt Lake County has higher labor force participation and subsequently lower percentages of those "not in the labor force" than on average in the U.S., statewide or in Tooele County.

For Salt Lake County, the 5.4 percent unemployment rate in the 2009 to 2013 period reflects the end of the great recession in 2009 and slow recovery in 2010 with more improvement and recovery in subsequent years. By the end of 2014, the unemployment rate in Salt Lake County was estimated to have fallen to 3.3 percent, which is in line with the rates estimated from the 1990 and 2000 censuses.

Noticeable changes by class of worker are shown in Figure 2 for Salt Lake County. There has been an increase in the proportion of private wage and salary workers with consistent drops in the percentage of self-employed and unpaid family workers over time. There are also relatively less government workers in the latest ACS data than there were in 1990.

## Tooele County

One item of particular note in Figure 1 for Tooele County, is the rapid growth in the population 16 and over from 1990 to 2000, increasing by 55.9 percent. Then from 2000 to the current five year ACS estimates, population growth while somewhat reduced, increased again by a substantial 42.7 percent rate. In the year 2000 the labor force participation rate in Tooele County reached 68.2 percent and was little changed in the 2009 to 2013 time frame at 68 percent.

Figure 2 illustrates the most distinctive characteristic of Tooele County with regard to employment, the strong historical presence of federal government jobs and its recent drop. In 1990, 44.4 percent of the employed were government workers and just a decade later this had declined to 20.9 percent. Two trends account for this result. First, a reduction in the Federal Government jobs, and second, the large influx of population — many of which commute outside of the county to jobs in Salt Lake County.

The labor force status and class of worker information are just two examples of the wealth of information available for all regions of the state from each decennial census and from the ACS.

**Figure 1: Wasatch Front South Labor Force Status: 1990 Census, 2000 Census and ACS\* 2009–2013**

		Population Ages 16 and Over		As a Percent of the Population Ages 16 and Over				
		Count	Percent Growth	In the Labor Force			Not in the Labor Force	Armed Forces
				Total	Employed	Unemployed		
U.S.	1990 Census	191,829,271	-	64.4%	60.3%	4.1%	34.7%	0.9%
	2000 Census	217,168,077	13.2%	63.4%	59.7%	3.7%	36.1%	0.5%
	ACS 2009–2013	246,191,954	13.4%	63.8%	57.6%	6.2%	35.7%	0.4%
State of Utah	1990 Census	1,154,039	-	67.4%	63.8%	3.6%	32.0%	0.6%
	2000 Census	1,600,279	38.7%	68.7%	65.3%	3.4%	31.0%	0.3%
	ACS 2009–2013	2,021,139	26.3%	68.1%	63.1%	5.0%	31.6%	0.3%
Salt Lake County	1990 Census	496,050	-	70.5%	67.2%	3.4%	29.2%	0.2%
	2000 Census	657,612	32.6%	70.9%	67.7%	3.2%	28.9%	0.1%
	ACS 2009–2013	775,675	18.0%	71.4%	66.0%	5.4%	28.5%	0.1%
Tooele County	1990 Census	17,988	-	66.5%	61.4%	5.2%	31.4%	2.1%
	2000 Census	28,052	55.9%	68.2%	64.4%	3.8%	31.5%	0.3%
	ACS 2009–2013	40,038	42.7%	68.0%	63.4%	4.6%	30.7%	1.3%

\*ACS 2009–2013 — American Community Survey 5-year Estimates 2009–2013.  
 \*\*Self-employed Workers — in own not incorporated business.  
 Source: U.S. Census Bureau: 1990 Census, 2000 Census and American Community Survey 5-year Estimates 2009–2013.

**Figure 2: Wasatch Front South Class of Worker: 1990 Census, 2000 Census and ACS\* 2009–2013**

		Employed Ages 16 and Over		As a Percent of the Employed Ages 16 and Over			
		Count	Percent Growth	Private Wage and Salary Workers	Government Workers	Self-employed Workers**	Unpaid Family Workers
U.S.	1990 Census	115,681,202	-	77.4%	15.2%	7.0%	0.4%
	2000 Census	129,721,512	12.1%	78.5%	14.6%	6.6%	0.3%
	ACS 2009–2013	141,864,697	9.4%	78.8%	14.9%	6.2%	0.1%
State of Utah	1990 Census	736,059	-	74.0%	18.8%	6.8%	0.4%
	2000 Census	1,044,362	41.9%	78.2%	15.7%	5.8%	0.3%
	ACS 2009–2013	1,275,709	22.2%	79.0%	16.1%	4.8%	0.1%
Utah County	1990 Census	105,102	-	79.0%	13.4%	7.0%	0.5%
	2000 Census	166,107	58.0%	81.6%	12.1%	5.9%	0.3%
	ACS 2009–2013	225,875	36.0%	82.3%	12.8%	4.7%	0.2%
Salt Lake County	1990 Census	333,193	-	78.8%	14.8%	6.1%	0.3%
	2000 Census	445,128	33.6%	81.1%	13.5%	5.2%	0.2%
	ACS 2009–2013	511,735	15.0%	81.1%	14.0%	4.8%	0.1%
Tooele County	1990 Census	11,037	-	51.4%	44.4%	4.0%	0.2%
	2000 Census	18,073	63.7%	73.1%	20.9%	5.7%	0.3%
	ACS 2009–2013	25,376	40.4%	75.1%	21.1%	3.7%	0.1%

\*ACS 2009–2013 — American Community Survey 5-year Estimates 2009–2013.  
 \*\*Self-employed Workers — in own not incorporated business.  
 Source: U.S. Census Bureau: 1990 Census, 2000 Census and American Community Survey 5-year Estimates 2009–2013.



Workforce Services  
 Workforce Research and Analysis (WRA) Division  
 140 E. 300 S. • Salt Lake City, UT 84111  
 Equal Opportunity Employer/Programs

## utahinsights

*Executive Director:* Jon Pierpont

*Director, WRA:* Carrie Mayne

*Supervising Economist:* Mark Knold

*Designer:* Reason Robles

To subscribe or request a copy,  
 please call: 801-526-9785

[jobs.utah.gov/wi/topjobs/](http://jobs.utah.gov/wi/topjobs/)



# Looking to the American Community Survey

By Mark Knold, Supervising Economist

---

*“Sampling, statisticians have told us, is a much more effective way of getting a good census.”*

— Rob Lowe

---

The Rob Lowe quote is designed to be humorous. Is the best way to get answers about an entire population to not question the entire population but instead only part of it?

When we hear “census,” we often think of the once-every-ten-year questioning as mandated by the Constitution. In that context though, we often think of “census” as an event instead of what it is—an enumeration.

A census targets an entire population. In contrast, if that is impractical or impossible, then a smaller portion (a survey) of the population needs serve as a viable substitute. Rob Lowe’s humor stems from the idea that when we do the national decennial Census, much of the data comes from a survey. To him, that is an oxymoron.

The U.S. Constitution mandates the decennial Census for the purpose of allocating Congressional representation. That is fulfilled in our modern U.S. Census via the “short form,” the portion that everyone gets and answers and thus makes it a census. That information is largely just a head count of people. Yet the Census event offers a great way to gather additional characteristic information about the U.S. population. That information formerly came from the now-deceased “long form”—a survey within the Census.

The long-form decennial survey has now been transformed into an ongoing exposé called the American Community Survey (ACS). From this rendering we get a wealth of U.S. population characteristics like educational achievement, income levels, poverty status and much more.

This issue of *Local Insights* is looking at Utah’s recent ACS data and comparing some demographic variables of today to those same variables in the past. Have things changed in Utah’s local economies over time? The frequency of the ACS makes these evaluations available in a more timely fashion.