



State of Utah

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UTAH'S EMPLOYMENT SUMMARY: SEPTEMBER 2011

Statistics generated by the U.S. Bureau of Labor Statistics, Washington, D.C., derived from monthly employer and household surveys.

SALT LAKE CITY—Utah's nonfarm wage and salaried job count for September 2011 expanded by 2.8 percent compared to September 2010. This is a 12-month increase of 33,300 jobs, and raises total wage and salary employment to 1,225,200.

The seasonally-adjusted unemployment rate, Utah's other primary indicator of current labor market conditions also generated by BLS, registered 7.4 percent. Last month the rate was 7.6 percent, and a year ago the state's rate was 7.6 percent. Approximately 99,400 Utahns are considered unemployed. The United States unemployment rate, compared to last month, is unchanged at 9.1 percent.

There are encouraging signs coming from the Utah economy. Even with many restraining economic factors still prevalent in the national economy, Utah is currently able to produce an employment growth rate approaching its long-term average of 3.1 percent. This stands in contrast to the current U.S. employment growth rate of 1.1 percent. The question arises as to why Utah can achieve a higher growth rate. The answer seems to lie in persistent Utah labor force growth and the positive pressure that bears upon the economy.

Utah's labor force population (defined as those 16 years and older) is currently estimated to have grown over the past four years at a 2.0 percent yearly rate. Many of these people wish to have a job, yet the environment of the past three years has not allowed many to get a job. And so the labor force grew while the job count contracted. This creates a deficit (rising unemployment), but it also builds up pressure over time. The analogy is a dam (economic constraints) with water building behind it (labor force growth). At some point, even with the dam still in tact (weak national economy), the lake becomes full and the water spills over the top. That is an analogy for the current state of the Utah economy and the resulting higher-than-the-national-average employment growth. The labor force growth is pushing beyond the economic constraints.

The labor force population is the consumer and commerce generating portion of the population—even if they may not have a job. People can still spend beyond their means. As an example, young people take out loans or receive grants to attend an institute of higher education, even though they may not have a job. The pressure of the continual labor force growth of the past four-plus years is having a spill-over affect upon the Utah economy, even with less-than-favorable economic variables as the backdrop.

**September 2011
Labor Market Indicators**

Utah
Employment % Change: 2.8%
Employment # Change: 33,300
Unemployment Rate: 7.4%

United States
Employment Change: 1.1%
Unemployment Rate: 9.1%

Source: U.S. Bureau of Labor Statistics

Yet trouble spots still linger. The unemployment rate stands largely the same as a year ago, even with more people having entered the labor force over those 12 months. Either all these additional people found a job, or people are still being discouraged and not joining the labor force (the unemployment rate only includes those actively looking for a job). It appears to be a combination of the two. This month's report shows that around 33,300 jobs were created in Utah over the past year. So there are new jobs to be had. Yet the labor force participation rate (those 16 and over who are either working or looking for work) continues to fall, reaching another new recession-slide low of 65.5 percent this month (having started the recession around 72 percent). That sliding participation rate implies that a discouraged mentality still remains in the state. The employment growth rate will probably have to rise further and then maintain that level to halt and reverse this discouraged collective mindset.

Nearly all of Utah's industrial sectors are adding jobs. The only one not included in the employment expansion is construction, and even there, that industry is close to adding jobs. Every month the aforementioned job estimates are generated via a survey and statistical modeling. They are supplanted (or confirmed) later by data that comes through the more comprehensive unemployment insurance program—in other words, from a database akin to a census. Employment data through that census is now available through June 2011. Therefore, the September survey can be evaluated in reference to that data. The current Utah employment growth estimate of 2.8 percent seems in line with Utah's June census-based growth of 2.2 percent, when accounting for additional growth since then. But as for the individual industry performances in the current survey, they seem destined for some future adjustments. Some are overstated, some understated. The irony is that overstatements and understatements largely seem to be canceling each other out, with the overall end result being a reasonable 2.8 percent employment growth.

Two industries that jump out as overstated/understated yet countering each other are manufacturing and government. The June unemployment insurance program data has Utah manufacturing growing by 2,250 jobs over its prior 12 months. The September survey/model, on the other hand, has Utah manufacturing growing by 6,400 jobs over the most recent 12 months. That seems a bit aggressive and beyond a reasonable growth trend since June. Countering this though is government. The June unemployment insurance counts have Utah government growing by 3,900 positions—all of this in state and local government education. With the high amount of college enrollments in recent years and the large surge in K-12 age children rolling into Utah's school system, this growth is both natural and expected. The model, however, is estimating overall September government employment as being *down* by 1,700 positions. That also appears to be a number not in line with trend and destined for re-adjustment by the unemployment insurance counts. The irony is that the manufacturing overcount appears to be offset by the government undercount. The end result is an overall Utah 2.8-percent growth rate largely free of distortion.

Industry groups with significant Utah employment gains over the past 12 months include professional and business services, trade, transportation, the leisure and hospitality industry, non-government education, and healthcare.

*** Utah's October employment information will be released at 9:00 a.m. on Thursday, November 17, 2011.**

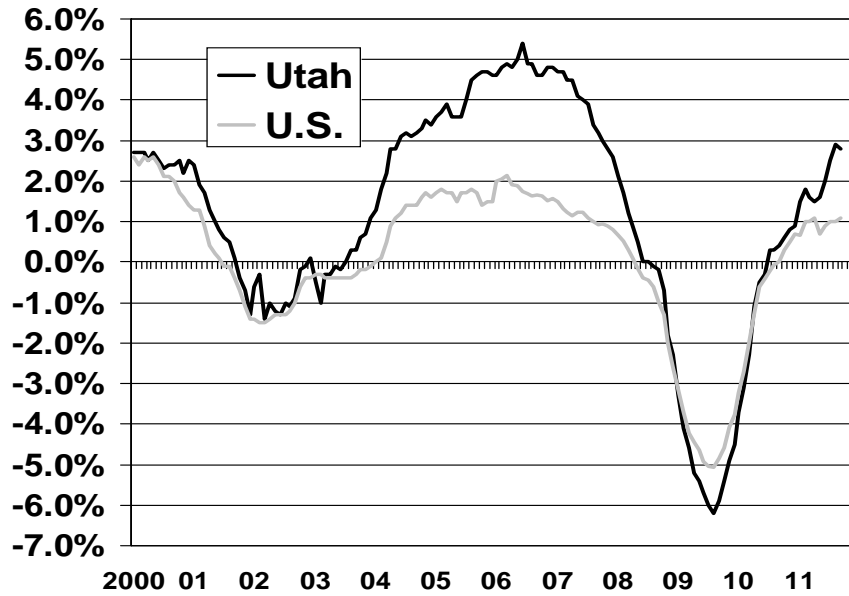
*** County unemployment rates for September will be posted on or shortly after October 24 at <http://jobs.utah.gov/opencms/wi/pubs/une/season.pdf>**

Utah Nonagricultural Jobs by Industry and Components of the Labor Force

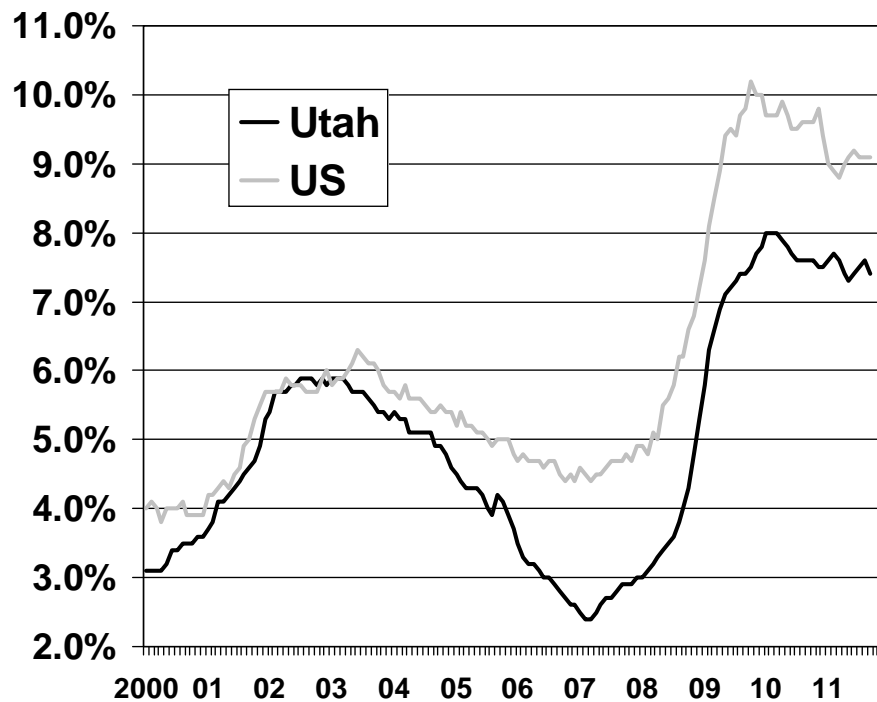
Numbers are in thousands	Sept.(p) 2011	Sept.[r] 2010	Percentage Change	Aug.(r) 2011	Aug.[r] 2010	Percentage Change
CIVILIAN LABOR FORCE (seasonally-adjusted)	1,341.8	1,360.9	-1.4	1,345.3	1,362.8	-1.3
Employed	1,242.4	1,257.7	-1.2	1,243.3	1,259.1	-1.3
Unemployed	99.4	103.2	-3.7	102.0	103.7	-1.6
Unemployment Rate	7.4	7.6		7.6	7.6	
NONAGRICULTURAL EMPLOYMENT (Thousands)	1,225.2	1,191.9	2.8	1,212.1	1,178.1	2.9
Not seasonally-adjusted						
GOODS PRODUCING	198.6	191.8	3.5	198.3	191.6	3.5
Natural Resources, and Mining	11.5	10.8	6.2	11.5	10.7	7.2
Construction	68.8	69.1	-0.4	68.9	68.7	0.3
Construction of Buildings	12.4	12.5	-0.7	12.3	12.7	-3.3
Heavy and Civil Engineering	12.9	11.2	15.0	12.7	10.2	23.7
Specialty Trade Contractors	43.5	45.4	-4.1	44.0	45.8	-3.9
Manufacturing	118.3	111.9	5.7	117.9	112.2	5.1
Durable Goods	77.2	72.2	6.9	77.0	72.3	6.5
Primary and Fabricated Metals	15.4	14.8	3.9	15.4	14.9	3.2
Computer and Electronic Products	14.3	13.4	6.5	14.2	13.4	6.5
Transportation and Equipment Manufacturing	10.5	11.0	-3.8	10.6	11.0	-3.3
Non-Durable Goods	41.1	39.7	3.5	40.9	39.9	2.5
SERVICES PROVIDING	1,026.6	1,000.1	2.6	1,013.8	986.4	2.8
Trade, Transportation, and Utilities	235.8	229.0	3.0	238.0	229.9	3.5
Wholesale Trade	45.3	44.1	2.7	45.4	44.2	2.6
Retail Trade	141.0	137.4	2.6	142.7	138.3	3.2
Motor Vehicle and Parts Dealers	16.1	16.1	0.0	16.1	16.1	0.0
Food and Beverage Stores	23.1	22.8	1.1	22.9	22.8	0.3
General Merchandise Stores	29.2	28.5	2.6	29.4	28.7	2.4
Transportation and Utilities	49.6	47.5	4.5	49.9	47.4	5.3
Utilities	4.1	4.1	0.6	4.1	4.1	1.0
Transportation & Warehousing	45.5	43.4	4.9	45.8	43.3	5.7
Air Transportation	6.7	6.6	1.3	6.7	6.5	3.9
Truck Transportation	18.4	18.1	1.7	18.5	18.0	2.5
Information	29.8	29.1	2.7	30.6	29.0	5.7
Publishing Industries	8.9	8.9	-0.3	8.9	9.0	-0.7
Motion Picture and Sound Recording	3.3	3.7	-10.2	3.7	3.7	0.0
Telecommunications	4.6	4.7	-2.7	4.6	4.7	-2.9
Internet Service Providers	7.6	6.8	12.4	7.5	6.7	12.6
Financial Activities	68.1	67.6	0.6	68.4	67.8	0.8
Finance and Insurance	52.1	51.5	1.1	52.2	51.5	1.3
Real Estate and Rental and Leasing	16.0	16.1	-1.0	16.2	16.3	-0.9
Professional and Business Services	165.1	154.4	7.0	166.5	155.0	7.4
Professional, Scientific, and Technical Services	71.9	65.1	10.4	71.5	64.9	10.2
Architectural, Engineering, and Related	12.4	12.0	2.8	12.5	12.1	3.4
Computer Systems Design and Related	16.7	15.0	11.2	16.7	15.0	11.6
Management of Companies and Enterprises	18.0	18.7	-4.0	18.1	18.7	-3.1
Administration & Support & Waste Management & Remediation	75.3	70.6	6.7	76.8	71.3	7.7
Employment Services	22.3	20.6	8.2	22.0	20.1	9.6
Business Support Services	16.0	15.7	1.7	16.3	16.1	1.1
Education and Health Services	160.8	157.0	2.4	154.1	151.7	1.6
Educational Services	38.5	36.3	6.0	32.0	31.7	0.9
Health Services and Social Assistance	122.3	120.6	1.4	122.1	120.0	1.8
Ambulatory Health Care Services	50.2	49.9	0.4	50.3	49.7	1.3
Hospitals	32.4	31.8	1.8	32.4	31.8	1.8
Nursing and Residential Care Facilities	22.7	22.2	2.1	22.7	22.2	2.4
Social Assistance	17.1	16.6	2.6	16.7	16.3	2.5
Leisure and Hospitality	115.8	111.1	4.2	117.6	113.8	3.3
Arts, Entertainment, and Recreation	17.6	16.8	4.4	18.8	18.2	3.1
Accommodation and Food Services	98.3	94.3	4.2	98.8	95.6	3.4
Accommodation	17.5	17.2	1.9	18.0	17.8	1.5
Food Services and Drinking Places	80.8	77.1	4.7	80.8	77.8	3.8
Other Services	34.4	33.5	2.5	35.3	34.4	2.4
Government	216.7	218.4	-0.8	203.4	204.9	-0.7
Federal Government	35.7	37.6	-4.9	36.4	38.2	-4.6
Federal Defense	16.3	17.0	-4.3	16.3	17.0	-3.8
Other Federal Government	19.5	20.6	-5.4	20.1	21.2	-5.2
State Government	65.7	65.8	-0.3	62.1	62.4	-0.4
State Schools	37.1	38.0	-2.3	33.6	34.7	-3.2
Other State Government	28.6	27.8	2.6	28.5	27.6	3.2
Local Government	115.3	115.0	0.3	104.8	104.4	0.4
Local Education	62.8	63.7	-1.5	52.1	52.5	-0.8
Other Local Government	52.5	51.3	2.5	52.8	51.9	1.8

Source: U.S. Bureau of Labor Statistics p = preliminary r = revised October 20, 2011

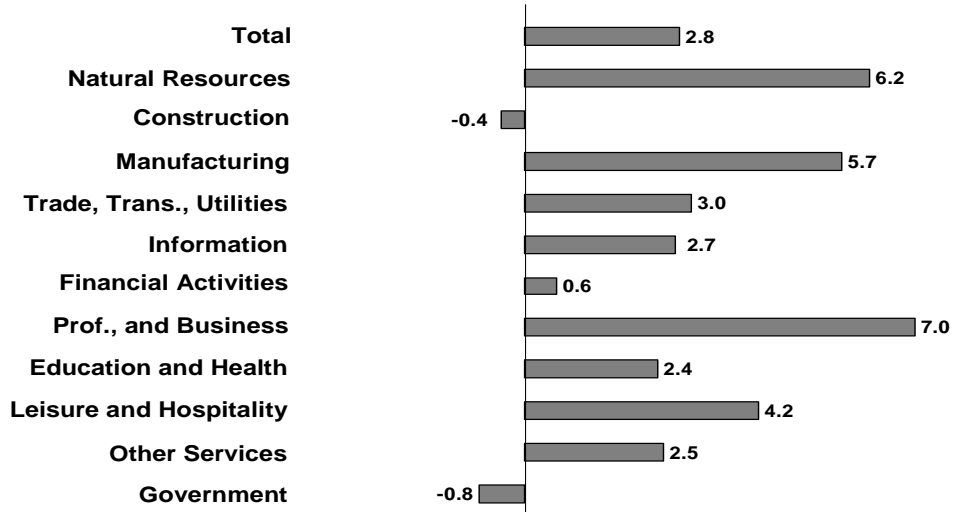
Year-Over Percent Change in Nonfarm Jobs



Seasonally Adjusted Unemployment Rates

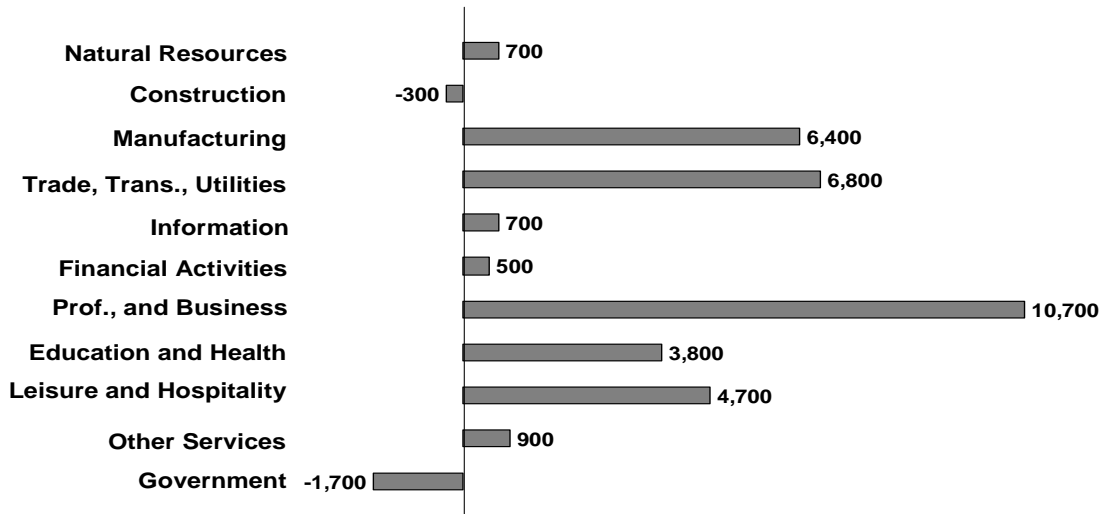


Utah Nonfarm Industry Profile (Percent Change) September 2010 - 2011



Source: U.S. Bureau of Labor Statistics

Utah Nonfarm Industry Profile (Numeric Change) September 2010 - 2011



Source: U.S. Bureau of Labor Statistics

NONFARM EMPLOYMENT IN UTAH'S COUNTIES

	September 2011 <i>Estimate</i>	September 2010 <i>Actual</i>	Percent Change	August 2011 <i>Estimate</i>	July 2011 <i>Estimate</i>
BEAVER	2,135	2,027	5.3	2,062	2,047
BOX ELDER	16,684	17,222	-3.1	16,466	16,473
CACHE	52,115	51,061	2.1	49,392	48,152
CARBON	9,427	9,494	-0.7	9,231	9,120
DAGGETT	488	487	0.2	492	495
DAVIS	106,490	101,271	5.2	106,811	105,997
DUCHESNE	7,998	7,478	7.0	7,962	7,790
EMERY	3,622	3,803	-4.8	3,529	3,487
GARFIELD	2,778	2,761	0.6	2,830	2,833
GRAND	5,065	4,873	3.9	5,179	5,289
IRON	15,648	15,497	1.0	14,078	14,103
JUAB	2,982	3,071	-2.9	2,976	2,935
KANE	3,347	3,281	2.0	3,410	3,330
MILLARD	4,090	4,131	-1.0	4,068	4,041
MORGAN	1,772	1,845	-3.9	1,747	1,710
PIUTE	276	295	-6.5	247	232
RICH	690	728	-5.2	802	817
SALT LAKE	588,312	573,150	2.6	586,240	582,291
SAN JUAN	4,469	4,418	1.2	4,500	4,331
SANPETE	7,109	7,037	1.0	6,246	6,079
SEVIER	8,148	8,047	1.3	8,060	8,011
SUMMIT	20,037	18,928	5.9	20,467	20,017
TOOELE	16,259	16,247	0.1	16,250	16,204
UINTAH	14,321	13,611	5.2	13,919	13,802
UTAH	186,452	177,881	4.8	181,110	177,487
WASATCH	6,247	6,058	3.1	5,857	5,823
WASHINGTON	45,817	46,268	-1.0	46,145	46,280
WAYNE	1,092	1,146	-4.7	1,135	1,151
WEBER	90,123	89,668	0.5	90,178	89,785

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

Note: Employment numbers are not seasonally adjusted. Therefore, comparisons of employment levels from one month to the next should not be used as job creation/loss estimates between those months. Seasonal factors could be the reason. For example, employment levels in September are usually higher than in August, as school employment resumes.

Source: Utah Department of Workforce Services, Workforce Research and Analysis, 10/20/11