



The Lingering Effects of the Great Recession

A pre- to post-recession comparison of ACS economic indicators

To what extent are the effects of the Great Recession still noticeable in Utah's largest metropolitan areas? Recently released data from the U.S. Census Bureau's American Community Survey (ACS) allows for a pre-recession to post-recession analysis of the following Metropolitan Statistical Areas (MSAs): Logan, Ogden-Clearfield, Provo-Orem, St. George and Salt Lake City. Not surprisingly, we have seen some significant changes since the onset of the Great Recession.

Labor Force

The 2011 ACS reports significantly lower levels of employment in all of the five Utah MSAs than in 2007, which comes as no surprise. More recent sources of labor force statistics, however, tell us that the level of employment at the end of 2012 is near to 2007 levels of employment in Logan, Ogden-Clearfield and Provo-Orem. Employment in the Salt Lake MSA has actually surpassed 2007 levels, while St. George MSA employment remains significantly lower.

Despite the effects of the Great Recession, the changes in labor force participation rates (share of the 16 and older population who are working or seeking work) in all metro areas except Logan were not statistically significant. Logan's labor force participation rate dropped from 72.6 percent in 2007 to 69.6 percent by 2011.

Income

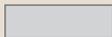
Generally speaking, the lowest income brackets increased their share of households over the five-year period as mid-upper income brackets typically decreased their share. Figure 1 displays the 2007–2011 changes in household income and benefits in more detail. Median household annual income also shows a statistically significant decrease in four of the five metro areas (Figure 2).

Poverty

Predictably, poverty increased in most metropolitan areas in Utah in the wake of the largest recession

Figure 1:
Change in Total Household Income and Benefits
2011 ACS One-Year Estimates vs. 2007 ACS One-Year Estimates
Metropolitan Statistical Areas of Utah

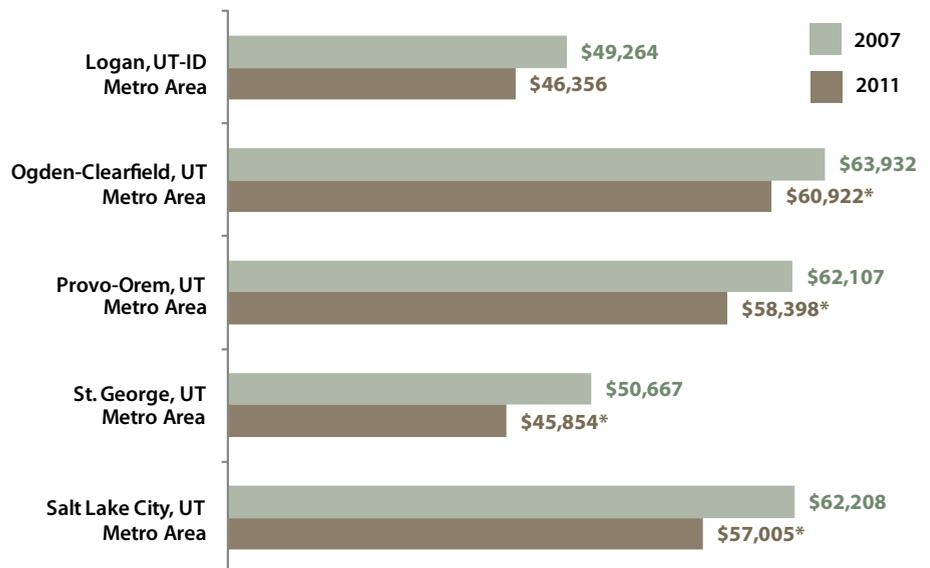
	Logan, UT-ID Metro Area		Ogden-Clearfield, UT Metro Area		Provo-Orem, UT Metro Area		St. George, UT Metro Area		Salt Lake City, UT Metro Area	
	2011	2007	2011	2007	2011	2007	2011	2007	2011	2007
Less than \$10,000	5.40%	3.30%	4.90%	4.50%	5.20%	3.80%	5.80%	1.60%	5.90%	4.00%
\$10,000 to \$14,999	4.20%	4.00%	3.40%	2.60%	4.60%	2.90%	6.00%	3.70%	4.20%	3.80%
\$15,000 to \$24,999	13.30%	11.10%	7.70%	6.30%	9.40%	7.20%	9.90%	10.00%	9.40%	7.20%
\$25,000 to \$34,999	12.60%	16.60%	10.50%	8.00%	9.30%	10.50%	12.10%	13.40%	9.90%	8.90%
\$35,000 to \$49,999	17.10%	15.60%	13.30%	14.50%	13.70%	14.40%	22.00%	19.80%	13.90%	13.90%
\$50,000 to \$74,999	20.70%	19.80%	21.90%	22.90%	23.80%	22.20%	18.40%	23.20%	22.30%	22.20%
\$75,000 to \$99,999	12.40%	14.30%	15.30%	16.70%	13.70%	16.20%	13.60%	12.90%	13.10%	15.50%
\$100,000 to \$149,999	10.60%	11.90%	14.90%	15.60%	13.10%	15.50%	8.10%	10.80%	13.50%	14.90%
\$150,000 to \$199,999	2.20%	2.00%	4.30%	5.10%	4.10%	3.80%	2.20%	2.10%	4.10%	5.50%
\$200,000 or more	1.60%	1.50%	3.90%	3.90%	3.20%	3.50%	1.90%	2.30%	3.70%	4.00%

 Indicates that the 2011 estimate is significantly different (at a 90 percent confidence level) than the 2007 estimate.

since the Great Depression. For example, in the Salt Lake MSA, the percentage of families whose previous 12-month income was below the poverty level doubled from 5.6 percent in 2007 to 11.2 percent in 2011, virtually identical to outcomes in the Provo and St. George metros as well. Higher poverty levels hit various groups of people as well as families of various compositions: families with young children (under five years), families with older children (5–17 years), working-age individuals and retirement-age individuals all saw more incomes below the poverty level.

The recent recession has changed the economic landscape in ways that are still significant in larger Utah metropolitan areas. Incomes are still lower for many Utahns. In fact, more Utah residents have income below the poverty level than before the recession. Even employment levels remain lower in some areas of the state. 

Figure 2:
Medial Annual Household Income
2007 ACS One-Year Estimates vs. 2011 ACS One-Year Estimates
Metropolitan Statistical Areas of Utah



*Indicates that the 2011 estimate is significantly different (at a 90 percent confidence level) than the 2007 estimate.
 Source: American Community Survey, U.S. Census Bureau