

local insights

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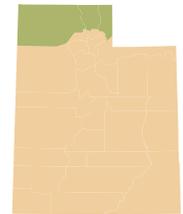


An economic and labor market analysis of the Bear River Area

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Employment by Race, Ethnicity and Gender in Bear River



BY TYSON SMITH, ECONOMIST

This July marks the fiftieth anniversary of the Civil Rights Act of 1964, the seminal piece of anti-discrimination legislation in the United States. Title VII of the Civil Rights Act legally protects employees and job applicants from prejudice based on their race, color, religion, gender, national origin, age, disability or genetic information. The Title also established the U.S. Equal Employment Opportunity Commission (EEOC), the agency responsible for enforcing the laws against employment discrimination. The EEOC has the authority to investigate charges of discrimination against employers who are covered by the law and in cases where wrongdoing is discovered the EEOC can file a lawsuit against the business on behalf of the individual and the public interest.

The EEOC is responsible for collecting and analyzing data relating to the job patterns of minorities and women in the workplace. Public and private employers, as well as unions and labor organizations are required to report the composition of their

workforces by gender, race and ethnicity. The EEOC uses demographic labor force information to establish employment benchmarks that can be used to investigate accusations of discrimination.

How is Equal Employment Opportunity Information Used?

While the EEOC is primarily concerned with collecting workforce data for the sake of enforcing federal laws that make it illegal to discriminate against job applicants or employees, the data can also be used by economists and researchers to better understand the gender, racial and ethnic distribution of the workforce in a specific geography. The most valuable tool for examining Equal Employment Opportunity (EEO) data at the local level is available through the U.S. Census Bureau. The American Community Survey (ACS) performs a custom tabulation of EEO data that estimates detailed data for every county in the United States. This data set serves as the primary external benchmark for comparing the race, ethnicity and gender composition of an organization's

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internal workforce, to the analogous external labor market, within a specified geography and occupation. The most recent EEO tables estimated county level statistics based on a five-year data collection period from 2006 to 2010. The five-year survey window minimizes the error caused by small sample sizes, making the granular data more accurate than they would be otherwise.

The tables offer an abundance of applications—many of which are too specific for this publication. This article will primarily use Bear River Economic Service Area data from EEO worksite tables to illuminate broader trends in the regional labor force.

Racial, Ethnic and Gender Demographics

EEO tables are one of the many U.S. Census Bureau sources that offer county, state and national employment data that includes

demographic information. Knowing the overall composition of the workforce in a given geography helps to define the diversity of the local population. For tabulation purposes, Hispanics or Latinos are split into two racial categories—white alone and all other. In the not Hispanic or Latino ethnic group, the EEO formulations provide racial breakouts for five, one-race categories as well as four, two-or-more race categories and finally a “balance” grouping. One-race categories include: White, Black or African American, American Indian and Alaska Native, Asian and Native Hawaiian/other Pacific Islanders.

According to EEO estimates 88.3 percent of the employed civilians 16 years and older in Bear River had a racial and ethnic profile of White, Not Hispanic. That proportion is above the state average of 82.6 percent, and significantly greater than the national average of 67.0 percent. In most cases, national employment is much more diverse than it is in Bear River, which is reflective of general population demographics. The Bear River workforce consists of an estimated 8.2 percent Hispanics or Latinos, 1.6 percent Asians and 0.4 percent Blacks or African Americans, while the U.S. includes 14.6 percent Hispanics or Latinos, 4.8 percent Asians and 11.3 percent Blacks or African Americans.

Male and female employment was split in Bear River—57.0 percent and 43.0 percent,

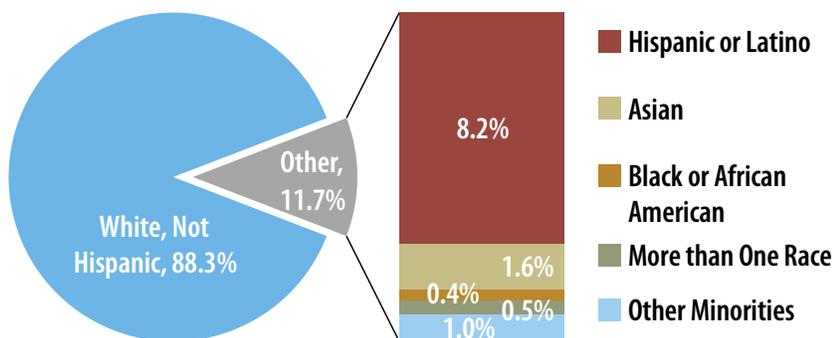
respectively—aligning more closely with national averages—52.9 percent male and 47.1 percent female. Figure 2 highlights the counts of male and female workers in Bear River. The data are broken into major racial and ethnic groups and two broad job categories: blue collar and white collar occupations. Blue collar jobs are loosely defined as jobs performed in work clothes that largely involve manual labor, while white collar work generally refers to professional, managerial or administrative work.

The occupational information in the EEO tables is the most valuable aspect of the data set. There are several other databases that combine demographic classifications with employment statistics; however, those sources rarely identify the occupational title of, or type of work performed by, the worker. The EEOC uses the occupational profiles of a given labor market as a gauge by which individual firms are measured. The data tell an interesting story about the occupational differences between men and women, and among different races and ethnicities.

Major Occupational Group Demographics

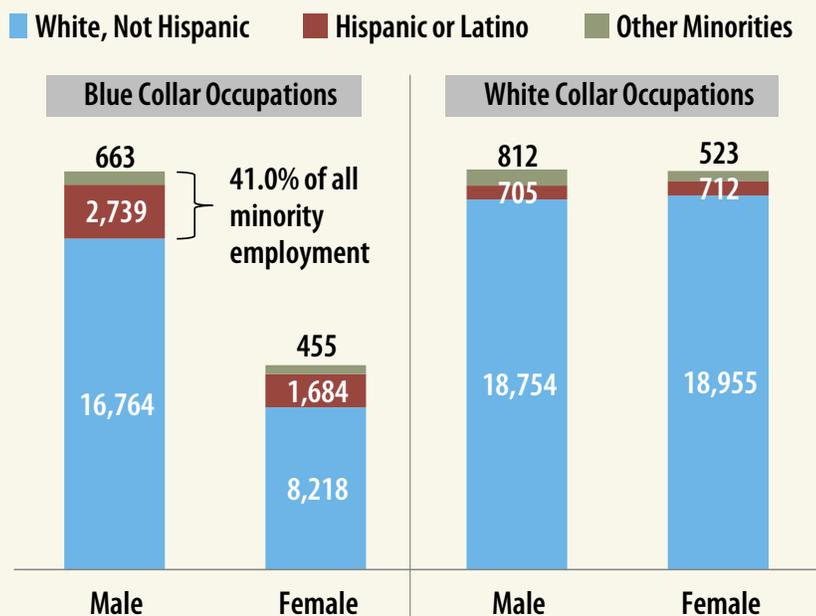
The EEO tables combine all detailed occupations into 14 broad occupational groups, seven of which fit the blue collar worker definition and seven represent the white collar occupations. Figure 2 highlights the significant disparity between males that work in blue collar occupations and females in the same professions. On the other hand, approximately the same numbers of women work in white collar jobs as men. The specific occupational groups in Figure 3 further demonstrate the uneven distribution of the genders among job types. The top seven occupational titles in Figure 3 represent the jobs that are categorized as blue collar. The data show that males hold the vast majority (estimated 81.8 percent) of jobs in the blue collar professions, except for one. Twice as many females work in service worker (except protective) jobs as men. The specific job titles included in the non-protective service worker occupational group are those that have traditionally been

Figure 1: Bear River Racial/Ethnic Distribution of Employment, 2006 to 2010



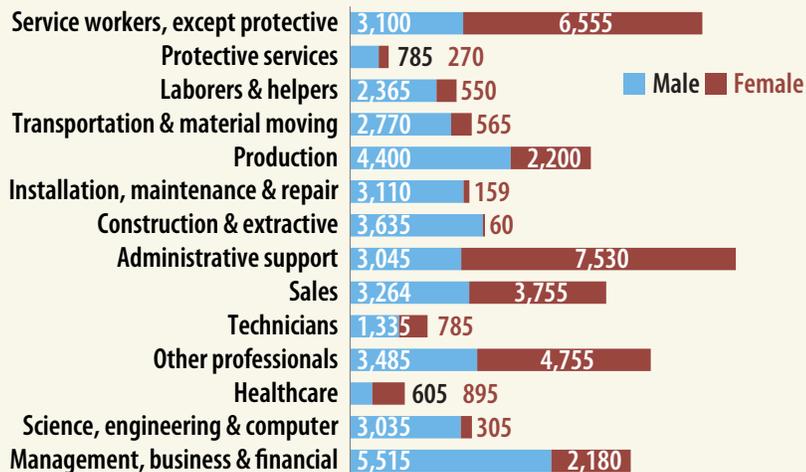
Source: U.S. Census Bureau American Community Survey

Figure 2: Bear River Occupational Participation by Gender and Race/Ethnicity, 2006 to 2010



Source: U.S. Census Bureau American Community Survey

Figure 3: Bear River Occupational Group Employment by Gender, 2006 to 2010



Source: U.S. Census Bureau American Community Survey

dominated by women, like waiters and waitresses, and hairdressers, hairstylists and cosmetologists. Unfortunately, service worker (except protective) jobs tend to be among the lowest paying in Bear River.

The same low wage issue is true for the white collar occupational group that is overwhelmingly comprised of females: administrative support. Women are employed in over two times as many administrative support positions than men in Bear River. However, females participate in the professional occupational groups—the bottom seven groups in Figure 3—at a much more equitable rate than the blue collar occupations. Women are well represented among sales workers, technicians, other professionals and healthcare practitioners, as well as management, business and financial professionals, though the specific jobs that employ women tend to be lower-paying than male workers. Excluding the administrative support occupations, women represent an estimated 42.3 percent of all white collar employment in Bear River.

In stark contrast to female workers, an estimated 66.6 percent of minority employment is in blue collar occupations. Minority workers in Bear River are 67.7 percent more likely to work in the blue collar occupational groups as White, Not Hispanic workers. Production workers, service workers (except protective) and laborers and helpers constituted 23.7, 20.6 and 7.9 percent of the minority jobs in Bear River, respectively.

Figure 4 shows the percentage of each minority group that works in each occupational group. The shading in each cell represents a percentage value that is either above, below, or similar to the Bear River average. Any cell shaded in red denotes a percentage of employment that is meaningfully higher than average, any cell shaded in blue is markedly lower than average. For example, 7.3 percent of Hispanics or Latinos in Bear River are construction and extractive workers, which is 2.1 percentage points higher than the Bear River average of 5.2 percent. In



Employment by Race, Ethnicity and Gender Continued

that case the cell is shaded red. Similarly, 7.3 percent of Hispanics or Latinos in Bear River are administrative support workers, however in this case the cell is shaded blue, because that proportion is 7.6 percentage points lower than the Bear River average of 14.9 percent.

The employment “heat map” in Figure 4 helps illustrate the relatively high

participation rates of minority workers in low-paying, blue collar jobs, and the relatively low levels of affiliation minority workers have with high-paying, white collar occupations. This sort of occupational distribution among minority workers is not dramatically dissimilar from national trends, and does not necessarily reflect discriminatory employment practices. The dichotomy between White, Not Hispanic occupational trends and minority occupational trends is, in part, an educational gap. According to the EEO educational attainment tables, over 30 percent of the minority labor force in Bear River had not completed high school. Of the White, Not Hispanic labor force the proportion of people that had not graduated from high school falls to 2.8 percent. Furthermore, the percent of White, Not Hispanic laborers that had

obtained Bachelor’s, Master’s or Doctoral degrees is 29.8 percent, twice the rate of minority workers at 15.2 percent.

Why Does EEO Data Matter?

EEO data serves three purposes: 1) provide a benchmark of the gender and racial/ethnic composition of the local labor market as a tool for EEOC investigators; 2) educate the public of labor force trends and the structure of the workforce; 3) raise awareness of the challenges facing women and minorities in the workforce. The ACS tabulates an impressive amount of EEO data that can be used for all three purposes. The Department of Workforce Services will continue to showcase publicly-available data in an attempt to explain the labor dynamics of the State of Utah.

Figure 4: Occupational Group Participation by Race/Ethnicity in Bear River from 2006 to 2010

		Hispanic or Latino	Asian	Black or African American	More than One Race	Other Minorities	Percent of Total Minority Population	Minority Participation Rates Relative to Area Average	
Blue Collar Occupations	Workforce Count	5,832	1,146	299	337	682	67%		
	Service workers, except protective	23.5%	14.8%	25.1%	9.8%	8.7%			Very High
	Protective services	0.0%	2.2%	0.0%	0.0%	5.1%			High
	Laborers & helpers	9.4%	5.6%	10.0%	1.2%	1.2%			Average
	Transportation & material moving	3.9%	2.5%	3.3%	1.2%	4.3%			Low
	Production	27.4%	10.9%	6.7%	10.1%	27.0%			Very Low
	Installation, maintenance & repair	4.0%	3.9%	0.0%	4.2%	4.4%			
	Construction & extractive	7.3%	0.0%	0.0%	4.5%	11.0%			
Subtotal	75.5%	40.0%	45.2%	30.9%	61.6%				
White Collar Occupations	Administrative support	7.3%	6.5%	3.3%	17.5%	16.7%	33%		
	Sales	5.1%	7.3%	0.0%	13.1%	7.3%			
	Technicians	0.4%	2.2%	0.0%	0.0%	0.0%			
	Other professionals	4.9%	32.2%	11.7%	26.7%	8.1%			
	Healthcare practitioners	0.2%	0.9%	0.0%	0.0%	0.0%			
	Science, engineering & computer	2.6%	4.8%	13.0%	7.4%	2.2%			
	Management, business & financial	4.1%	6.1%	26.8%	4.5%	4.1%			
	Subtotal	24.5%	60.0%	54.8%	69.1%	38.4%			

Source: U.S. Census Bureau American Community Survey



County Trends in Key Economic Metrics

BY TYSON SMITH, ECONOMIST

Regional Overview

Third-quarter employment in the Bear River Economic Service Area (ESA) grew 2.4 percent from 2012 to 2013. In total, the service area added 1,577 nonfarm payroll jobs year-over-year for a quarterly average of 68,497 employees. Bear River increased employment at a slower rate than the rest of the state, which grew 3.2 percent over the same period. Annual growth in Bear River accelerated from the second quarter 2013 rate of 2.0 percent.

Industry Employment in Bear River

Aligning firms and organizations that perform similar functions provides a construct for examining employment and the economy. Total nonfarm employment contains 12 industry groups that can be clustered into two production types: goods-producing (mining, construction and manufacturing) and service-providing (trade, transportation and utilities, information, financial activities, professional and business services, educational, health and social services, leisure and hospitality, other services, unclassified, as well as government).

- **Goods-Producing Employment:** In the third quarter of 2013, 27.7 percent of total nonfarm employment in Bear River was in private sector goods-producing jobs compared to the state average of 16.2 percent reflecting the strong manufacturing presence in the area. Private employment in goods-production grew at a rate of 2.1 percent per year, adding 393 jobs. Construction employment drove the growth in this super sector, increasing at a rate of 6.2 percent.
- **Service-Providing Employment:** Over 50 percent of the nonfarm jobs in Bear River are categorized in the private service-providing sector. Employment in this sector increased by 1,039 jobs, or 3.0 percent, from the third quarter of 2012 to the third quarter of 2013. The educational, health and social services, financial activities, and leisure and hospitality sectors added 583, 203 and 191 jobs, respectively; the largest numeric increases in the service area.

- **Government Employment:** Government employment is generally classified in the service-providing group; however, the government sector functions differently than the for-profit private sector and is therefore evaluated separately. In Bear River, government jobs represent over one-fifth of total employment. Government employment in the service area grew by 1.0 percent year-over-year. Local and state government employment increased by a total of 145 employees over the year, while the number of federal government jobs decreased by 8 positions.

In the state of Utah and in Bear River, unemployment rates have fallen over the last year while employment has grown. In December 2012, the seasonally adjusted unemployment rate for the ESA was 4.9 percent, compared to 3.6 percent in 2013. The 1.3 percentage point difference represents an estimated 914 fewer people unemployed. Over the last six months, the area's unemployment rate has fallen significantly, from 4.2 percent in July. In December, the Bear River unemployment rate was 0.4 percentage points below the state average of 4.1 percent.

The average number of unemployed people filing initial unemployment insurance claims increased slightly from the fourth quarter of 2012 to the fourth quarter of 2013, though the difference can partially be attributed to the federal government shutdown.

Economic growth, and increased employment, helped foster an increase in sales in the third quarter of 2013. Taxable sales for Bear River increased 5.3 percent year-over-year to a total of approximately \$526.2 million. As labor market conditions trend toward recovery, consumption and investment should increase as well.

Box Elder County

Total nonfarm employment in Box Elder County increased 4.7 percent year-over-year in the third quarter. From 2012 to 2013

County Trends in Key Economic Metrics Continued

Box Elder County added 758 nonfarm jobs, resulting in total employment equal to 17,012.

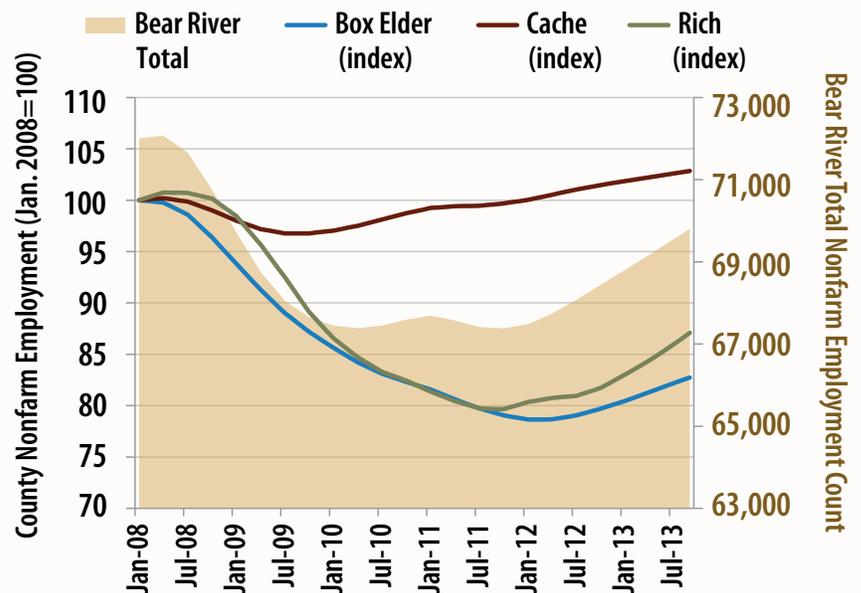
- **Goods-Producing Employment:** Increased 6.5 percent, or 367 jobs, from the third quarter of 2012. Manufacturing, the county's largest industry, added 288 jobs.
- **Service-Providing Employment:** Added 315 jobs year-over-year, a growth rate of 5.0 percent. The professional and business services and the educational, health and social services sectors tallied 157 and 65 new jobs, respectively.
- **Government Employment:** Third-quarter government employment grew 3.0 percent from 2012 to 2013. Nearly 96 percent of government jobs were added by local government, which increased employment by 70 employees.

The Box Elder County unemployment rate settled at 4.4 percent in December 2013, which represents a 0.2 percentage point decrease from November. Over the last 12 months, the county unemployment rate has fallen 2.1 percentage points. Box Elder County was 0.3 percentage points higher than the state average in December.

On average, the number of initial unemployment claims filed per week in the fourth quarter decreased by 13 claims from 2012 to 2013. The average number of weekly claims in the fourth quarter was down by approximately 23 claims per week from the peak of 77 in 2008.

Third-quarter taxable sales in the county increased 5.5 percent from 2012 to 2013, marking the fifth straight improving quarter. In the third quarter of 2013, taxable sales were approximately \$143.7 million, which was an increase of

Figure 5: Bear River Employment Trends—Seasonally Adjusted



approximately \$7.5 million from the previous year.

Cache County

Third-quarter total nonfarm employment in Cache County grew 1.6 percent from 2012 to 2013. Cache County added 787 nonfarm jobs year-over-year, resulting in total employment equal to 50,639.

- **Goods-Producing Employment:** Increased by 29 jobs, or 0.2 percent, from the third quarter of 2012. Construction, added 144 jobs; manufacturing, on the other hand, lost 117 positions.
- **Service-Providing Employment:** Grew 5.2 percent year-over-year, adding 682 jobs from third quarter 2012 to third quarter 2013. Educational, health and social services and financial activities generated the largest number of new jobs, 509 and 229 jobs, respectively.
- **Government Employment:** Third-quarter government employment

rose from 11,132 in 2012 to 11,205 in 2013. The state government added 125 employees, while local government lost 42 jobs.

The unemployment rate in Cache County was 3.3 percent in December 2013, a 0.1 percentage point decrease from November. Since December 2012, the county unemployment rate has fallen 1.0 percentage points and registered significantly lower than the state average of 4.1 percent. The average number of initial unemployment claims filed per week in the fourth quarter of 2013 was 54 claims, 6 fewer than 2012 and 41 fewer than 2008.

Year-over changes in taxable sales out-paced state averages in the third quarter 2013. Taxable sales in the county rose 4.9 percent from 2012 to 2013. In the third quarter of 2013 taxable sales were approximately \$368.2 million, which was an increase of approximately \$17.3 million from the previous year.

Figure 6: County Unemployment Rates— Seasonally Adjusted

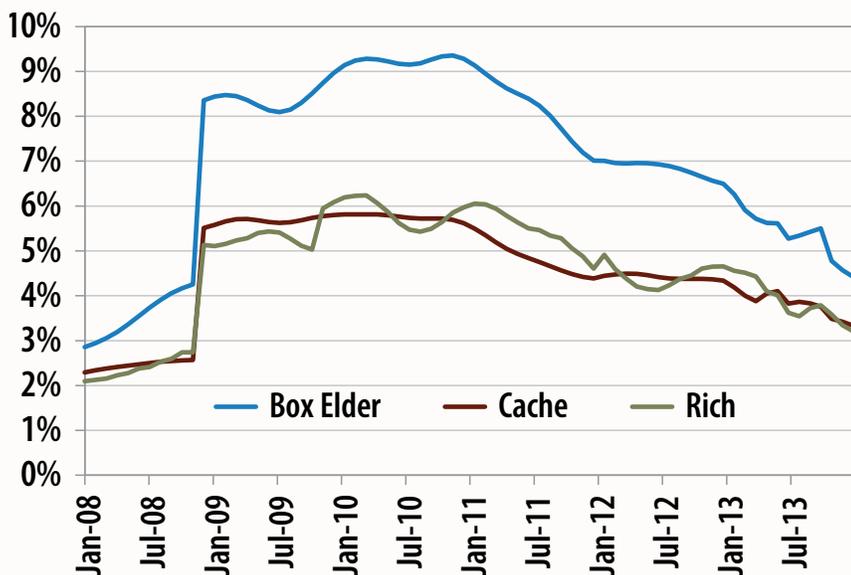
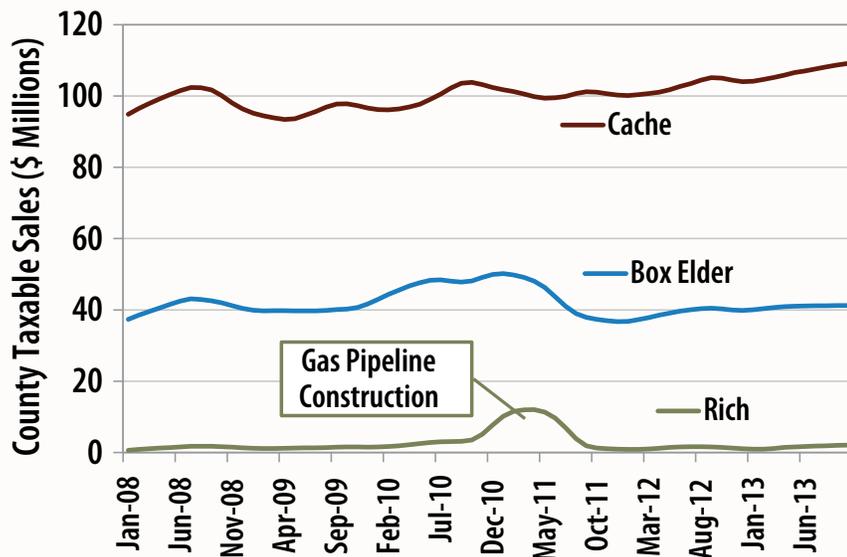


Figure 7. County Sales Trends Nonfarm Employment— Seasonally Adjusted, Not Adjusted for Inflation



Source: Utah State Tax Commission

Rich County

Third-quarter total nonfarm employment in Rich County increased 3.8 percent year-over-year. Total employment in the third quarter of 2013 in Rich County was 846, a 31 job increase from the same period in 2012.

- Goods-Producing Employment:** Employment in this sector decreased by only two jobs from the third quarter of 2012. Construction, which makes up 80 percent of all goods-producing jobs in the county, lost seven jobs from 2012 to 2013.
- Service-Providing Employment:** This sector added 43 jobs for a growth rate of 6.9 percent from the previous year. The professional and business services and the leisure and hospitality industries increased by 31 and 27 jobs, respectively.
- Government Employment:** Government employment shrank by 4.2 percent from the third quarter 2012 to the third quarter 2013. State and federal government remained stable, while local government lost 9 jobs.

December’s unemployment rate for Rich County measured 3.2 percent representing a 0.1 percentage point decrease from the month prior. Over the last year, the county unemployment rate has fallen 1.4 percentage points. Rich County was 0.8 percentage points lower than the state rate in December. On average, the number of initial unemployment claims filed per week in the fourth quarter increased by less than one claim from 2012 to 2013.

Third-quarter taxable sales in the county increased 13.0 percent from 2012 to 2013, nearly four times the state average. In the third quarter of 2013 taxable sales were approximately \$14.3 million, which was an increase of approximately \$1.7 million from the previous year.



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The Equal Employment Opportunity Data

BY MELAUNI JENSEN, LMI ANALYST

From 2010 - 2013, there was an estimated 5.0 percent population growth in Utah compared to 2.4 percent in the United States. Demographic statistics like this from the U.S. Census Bureau's American Community Survey (ACS) are important and useful for the communities of Utah. The ACS asks a variety of demographic questions including race, gender, employment, income and education, and is a valuable source of occupational information. The survey provides unbiased data that are used to create occupational profiles as complete and accurate as possible. Profiles can then be used by government, community organizations or private businesses to make informed decisions.

Regional economists at the Department of Workforce Services analyze the data in an effort to tell a story about the changing aspects of the economy. The profile for a geographic area helps to reveal trends in the workforce and the economy. For instance, research has shown that the changes in age, compared to population growth, could make an impact on the future workforce. As people live longer, more workers retire, which can reduce the growth in the future labor force. Communities will need information like this to keep up with changing dynamics.

The ACS tells stories that can help communities to plan. Businesses can use the information about education and employment to find

strategic places to develop new establishments in their industry. A business specializing in senior services might look for potential employees skilled in nursing, or a business trying to obtain funding needs to show that their diversity follows the community. In an effort to keep up with basic services, local governments can look at commuting patterns and population to make decisions about transportation, or aging statistics to find the need for hospitals and schools. Local non-profit groups benefit from seeing a profile of the area that helps with emergency planning, finding funding or developing community projects. In a world that is growing technologically, jobs are changing and educators might use the data to evaluate the need to teach new methods and skills.

The combinations are endless in both the gathering and the analysis of these statistics, but it is clear that demographics are an important tool for communities transitioning to the changing future.

Many of these analyses can be found on Utah's Labor Market and Economy blog and other publications. <http://jobs.utah.gov/wi/pubs/publicat.html> and <http://economyutah.blogspot.com>