



Did You Know...

- Alliant Techsystems (ATK) said it has been awarded a contract to supply small-caliber ammunition worth \$93 million. http://www.sltrib.com/business/ci_13748293
- The growing ranks of the unemployed have drained the budget of a state-administered program that provides new-job training. http://www.sltrib.com/business/ci_13818957
- Like a year ago, employers in Utah seem reluctant to pad their payrolls this holiday season with part-time workers. http://www.sltrib.com/business/ci_13853319



Putting Government Employment in **PERSPECTIVE**

Government is currently one of only three industries in Utah that is showing year-over employment growth. The others are healthcare and private-sector education. This has been the case over the last year, as all other industries have experienced some sort of employment contraction since October 2008, with construction, manufacturing, and financial services experiencing contractions more along the lines of the past two years.

Government is comprised of three branches—federal, state, and local. All can be classified and quantified with employment, individually or in aggregate. Government in aggregate makes up around 18.2 percent of all Utah employment, making it the second largest employment sector (and generally in most other states also) behind retail trade. This is up from 17.2 percent just two years ago, but it is not so much that government is growing beyond its normal proportions. Instead, it is more a matter of other industries losing jobs, thus causing their percentage of total employment to shrink, which makes government look bigger.

Government has not grown beyond its proportions. Its customer base is largely the Utah population, and

in Utah, the population has been growing at a much faster rate than can be seen in total government growth. From 2003 through 2008, Utah's population has grown by 14.3 percent, while government employment has grown by 7.7 percent. Three years ago, when Utah's economy was booming, government was the slowest growing of all Utah industries. It is quite common during good economic times for government to be one of the slowest growing industries.

Just over half of all government employment in Utah is found at the local government level. The biggest employer within the local government sphere is the local school districts. Local government employment has grown by 10.3 percent between 2003 and 2008, with most of this growth driven by increasing numbers of young Utah children aging their way into the K-6 education system.

Most of the growth in government recorded over the past year (during the economic downturn) has been at the local government level. Local government employment has expanded by 1.9 percent over the past year.

State government employment has grown by 8.5 percent between 2003 and

2008, with two-thirds of this growth coming within the higher education system. In the face of constrained budgets, state government employment has contracted over the past year by 1.1 percent. This has happened in the face of a noticeable increase in higher education enrollments over the past year. It is the conundrum of economic downturns that state budgets feel the pinch of declining revenues, while many workers idled by the recession use the down time to take advantage of the higher education system to further their skills and education. There is commonly an inverse relationship between the health of the economy, and the level of higher education enrollment.

The federal government makes up about 17 percent of all government employment in Utah. Federal government employment in Utah has actually contracted by 1 percent between 2003 and 2008. Recently though, with much federal stimulus money in the mix, federal government employment in Utah has grown by nearly 4 percent over the past year.

Both federal and local government employment levels have helped to add new jobs to the Utah economy over the past year. 