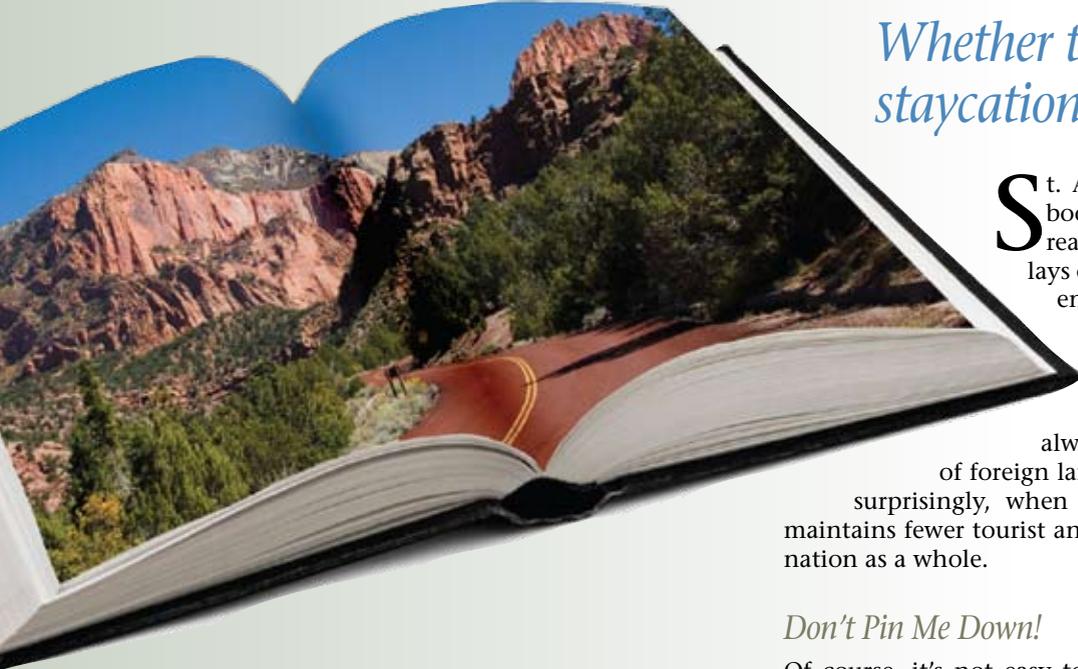


## Many Nonurban Counties

# Reliant

## on Tourism-Related Jobs

*Whether they are  
staycations or vacations*



St. Augustine wrote, “The World is a book, and those who do not travel read only a page.” Certainly, Utah lays claim to one of the most beautiful, enticing and intriguing chapters in St. Augustine’s imaginary tome. Others agree. I live 20 miles from the gateway to Zion National Park, and my summers are always filled with the lilting sound of foreign languages and unusual accents. Yet, surprisingly, when it comes to employment, Utah maintains fewer tourist and recreation-related jobs than the nation as a whole.

### *Don't Pin Me Down!*

Of course, it's not easy to pin down what's tourist-related employment and what's not. Tourists eat at restaurants and shop at retail outlets—but so do locals. Tourists rent cars and fly in planes—but so do locals. Tourists golf and attend theatrical productions—but so do locals. Labor market economists typically use employment in the leisure and hospitality services industry as a proxy for tourism employment. Leisure/hospitality services include a wide variety of businesses: performing arts, spectator sports, museums, amusement/recreation, all types of lodging, restaurants, fast-food providers, and drinking establishments. Again, many of these services are used by locals. However, in determining the importance of tourism to an economy, the share of total employment is a better indicator than the actual number of jobs. In other words, an area with a high percentage of leisure/hospitality jobs would be more dependent on tourism for employment than an area with a low share.

Most counties with a high proportion of leisure & hospitality services jobs experience employment fluctuations.

## Leisure and Hospitality Industry Employment as a Percent of Total Nonfarm Jobs 2008\*

### *How Important is it?*

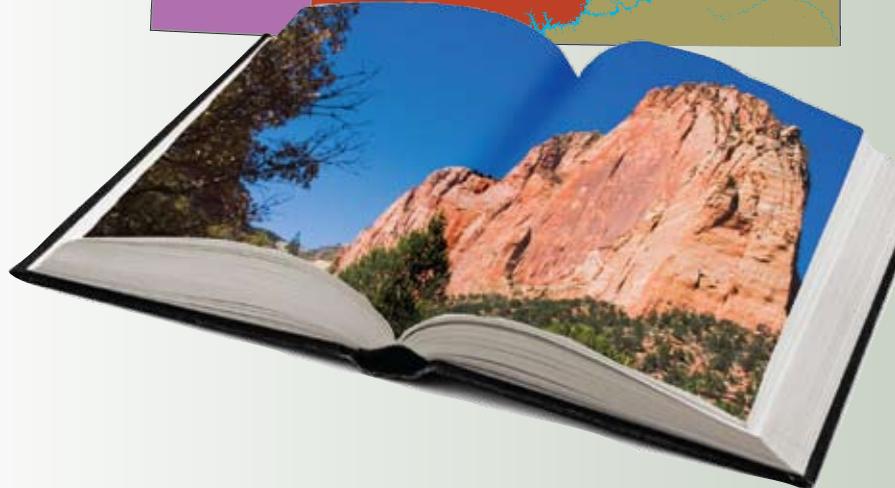
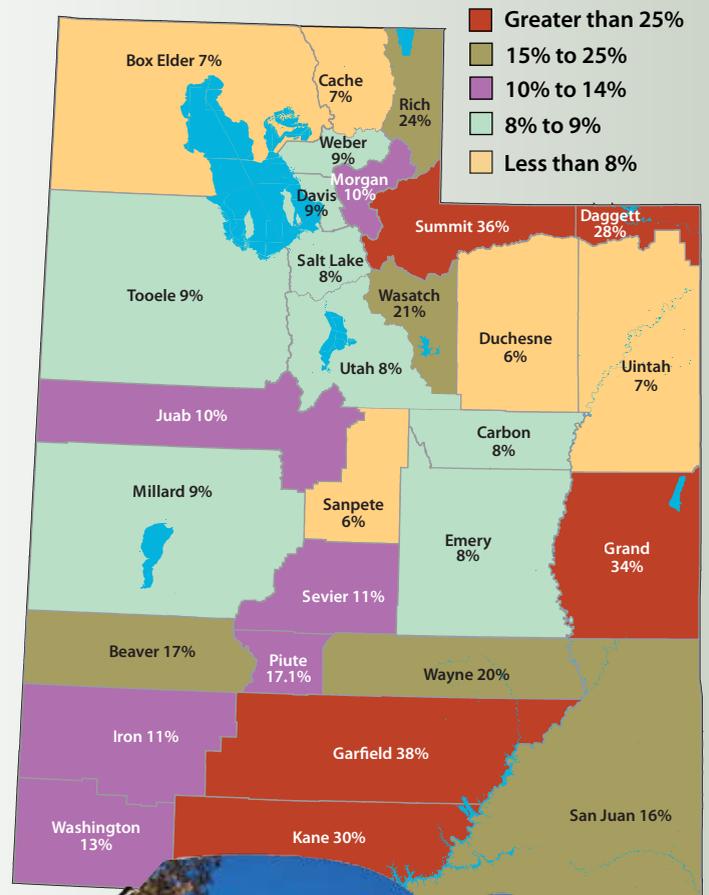
Despite Utah's reputation as a travel destination, its share of leisure/hospitality jobs is slightly less than the national average—about 9 percent for Utah compared to 10 percent for the U.S. Not surprisingly, most urban counties show leisure/hospitality employment shares of 8 to 9 percent—right around the state average. (They do, after all, incorporate the lion's share of Utah jobs.) On the other hand, counties outside the Wasatch Front run the gamut from little tourism dependence to an almost extraordinary reliance on travel-related employment.

At the top of the list is Garfield County. Visitors to Bryce Canyon provide employment opportunities to almost 40 percent of the county's workers. Utah's other major recreational draw—skiing—comes into play in Summit County, where 36 percent of jobs can be found in the leisure/hospitality sector. In addition, recreational activities in Grand, Daggett and Kane counties have created strong tourism economies. These three areas show leisure/hospitality employment shares of roughly 30 percent. Think about it another way...in these counties, tourism-related jobs employ about one-third of the work force. Another five nonurban counties—Rich, Wasatch, Wayne, Beaver, and San Juan—rank in the second tier of tourism-dependent counties, with leisure/hospitality employment shares of 16 to 24 percent.

On the other end of the scale, the counties with the smallest share of tourism-related employment are also all off the Wasatch Front. Box Elder, Cache, Uintah, Sanpete, and Duchesne counties all display leisure/hospitality services employment percentages of 7 percent or less.

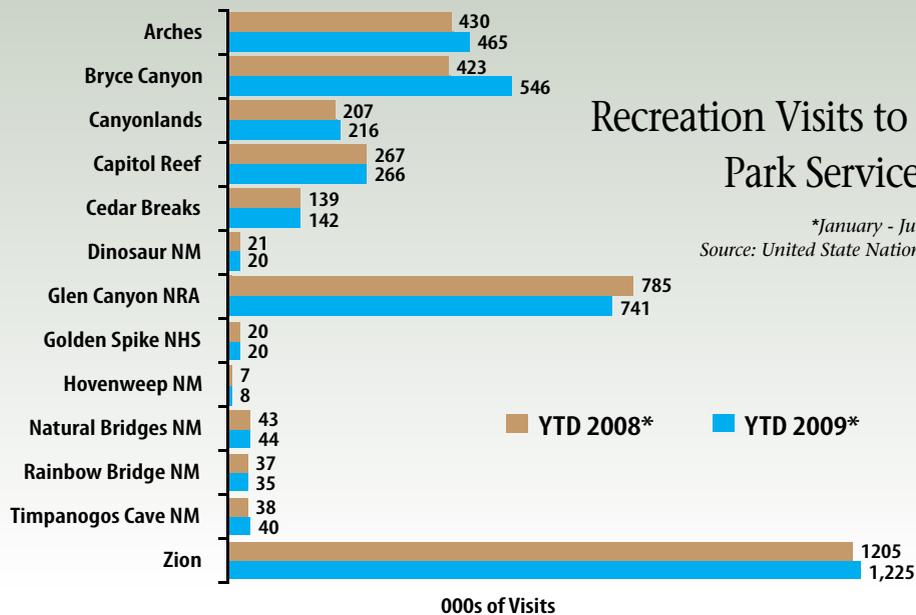
### *Tourism Dependence Brings Its Own Challenges*

Since tourism employment opportunities are typically seasonal, most counties with a high proportion of leisure/hospitality services jobs experience



\* Preliminary

Source: Utah Department of Workforce Services



The U.S. National Park Service reports that recreation visits for its Utah sites are up 4 percent for the first six months of 2009.

substantial employment fluctuations. This seasonality also means workers are often unemployed in the off-season—which sometimes translates into perennially high unemployment rates. In 2008, three of the counties with high dependence on tourism employment—Garfield, Grand, and Wayne—also experienced some of the highest unemployment rates in the state. Summit is the exception here. The reason? Unemployment rates are calculated by a worker’s county of residence and few of Summit County’s leisure hospitality service workers can actually afford to live within the county’s borders. In addition, because of this industry’s seasonal, part-time and “low-wage” nature, counties with a high dependence on tourism-related employment typically show lower-than-average wages. However, don’t forget businesses which service the tourist crowd are often owned by locals and provide a substantial income to owners.

#### *A Tale of Tourism and the Recession*

How has the current economic downturn affected tourism employment outside the Wasatch Front? Remarkably, during the recessionary year of 2008, most counties managed to either maintain or add to their leisure/hospitality employment. However, the beginning of 2009 tells a different tale. In the first quarter of 2009, almost every county showed a decline in leisure/hospitality jobs as travelers stayed home and spent less. In addition, both the Mountain Travel Research Program and the Rocky Mountain Lodging Report suggest hotel occupancy rates throughout Utah were down



for the first few months of 2009—although reservations for future stays appear to be improving.

For counties whose tourism bread-and-butter jobs are associated with summer travel, there may be more good news. The U.S. National Park Service reports that recreation visits for its Utah sites are up 4 percent for the first six months of 2009. Nine of the state’s 13 national parks, monuments, historical sites, and recreation areas have experienced increased visitation. The large addition to hotel rooms at Ruby’s Inn may be contributing to the 29-percent boost in visits to Bryce Canyon. Plus, stops at Utah’s most-visited national park—Zion—are up almost 2 percent from last year. A few smaller parks and monuments did experience declining visits, but the largest drop occurred at the Glen Canyon National Recreation Area where 44,000 fewer visits occurred between January-July 2009 than in the same time period in 2008. ●