

Industrial Employment & Growth in Rural Utah

Determining which industries have been growing the fastest in rural Utah is important for mainly two reasons. First, it helps us assess whether past economic development policies have been successful. Second, it provides a hint as to which industries will likely exhibit strong growth in the future. Knowing which industries are the largest is also important for understanding what drives the rural economy. Here we will look at the top five rural industries by size and growth.

Rural counties are conventionally classified as those that fall outside of metropolitan and micropolitan statistical areas. According to this

definition, there are 14 rural counties in Utah. The complete list is Beaver, Daggett, Duchesne, Emery, Garfield, Grand, Kane, Millard, Piute, Rich, San Juan, Sanpete, Sevier, and Wayne Counties.

What are the Largest Rural Industries?

Figure 1 shows the five largest rural industries. Industry size is measured in terms of employment within the industry. To put rural employment in perspective, the average number of jobs in the 14 rural counties was 48,866 in 2009, which accounted for 4.1 percent of Utah's total employment.

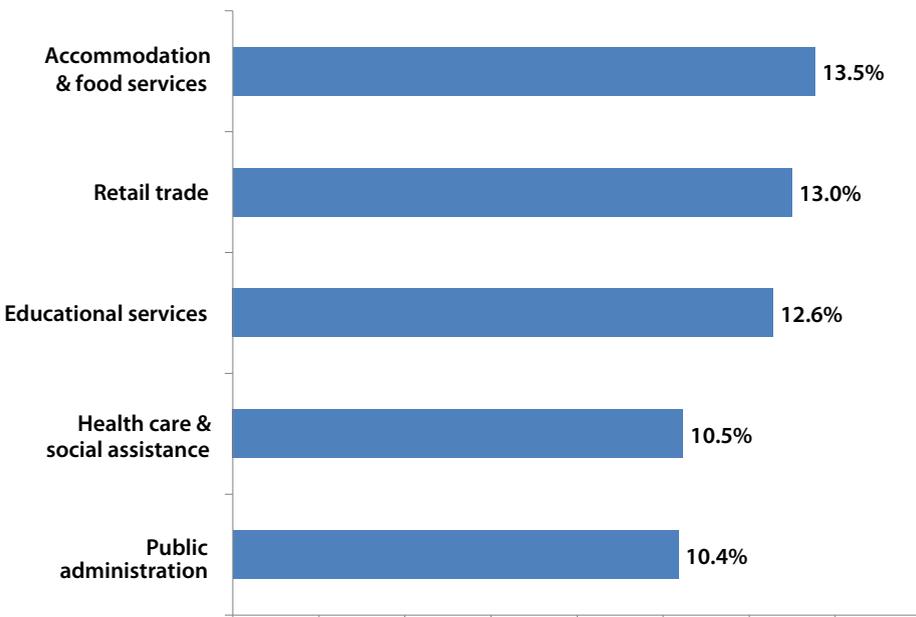
As Figure 1 reveals, the accommodation and food services industry is the largest rural employer. Many rural counties are located near national parks, which draw in tourism dollars that support the industry. Retail trade is ranked second and the percentage is fairly close to the U.S. average of 13.6 percent of total employment. Government usually accounts for a large share of employment in rural counties, represented here by education and public administration. All of the public administration workers and 96 percent of education workers are government employees.

Which Industries are Growing the Fastest?

The fastest growing industries in rural Utah are presented in Figure 2. Growth is measured as the total percentage change from 2000 to 2009. For the purpose of comparison, the total non-agricultural employment growth rate for rural Utah has been included. Keep in mind that the employment growth rate includes 2009, which represents the bottom of the recessionary trough.

The fastest growing rural industry is administrative and waste services. This industry encompasses a wide range of different types of services, including employment agencies, telephone call





Source: Utah Department of Workforce Services.

Figure 1.

Five Largest Rural Industries, 2009 (as a Percentage of Total Rural Employment)

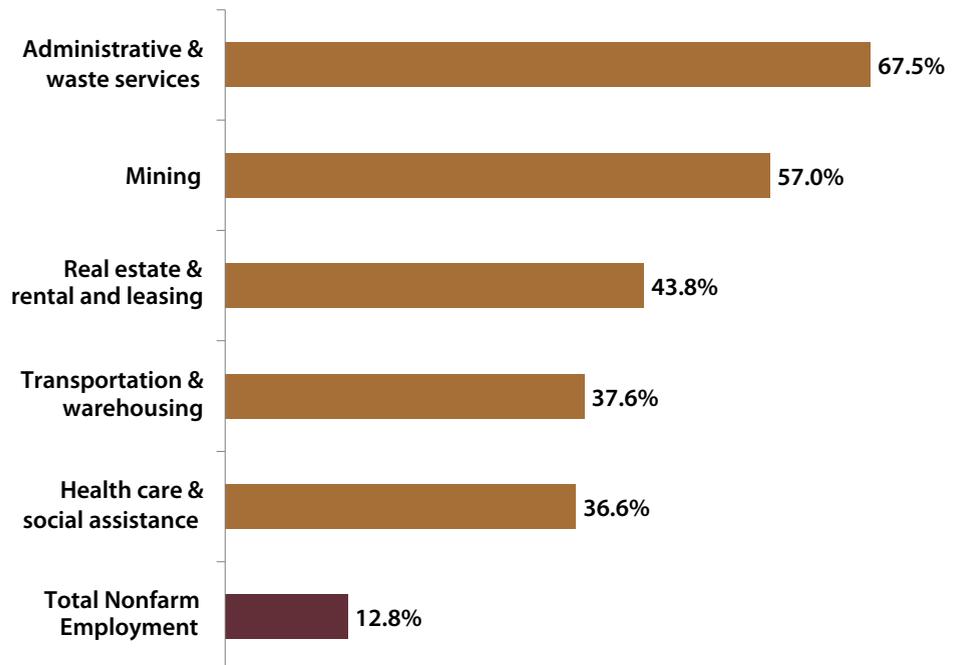


Figure 2.

Five Fastest Growing Rural Industries, 2000-2009

centers, collection agencies, and travel agencies, along with waste collection, treatment, and disposal. The second-fastest growing rural industry is mining, which includes not only oil, gas, and coal extraction, but metallic and non-metallic mineral extraction as well. For several rural counties, mining is the driving force behind their economies.

Interestingly, healthcare is the only industry found on both lists. Typically, large industries tend not to grow rapidly because demand only increases with population growth. The robust rural demand for healthcare services indicates that each individual, on average, is demanding a greater amount of healthcare services. In this respect, rural Utah is consistent with the ever-growing demand for healthcare services across the United States. 📍



Source: Utah Department of Workforce Services.