

# Utah Economic Insights

Salt Lake County  
June 8, 2021



DAVID ECCLES SCHOOL OF BUSINESS

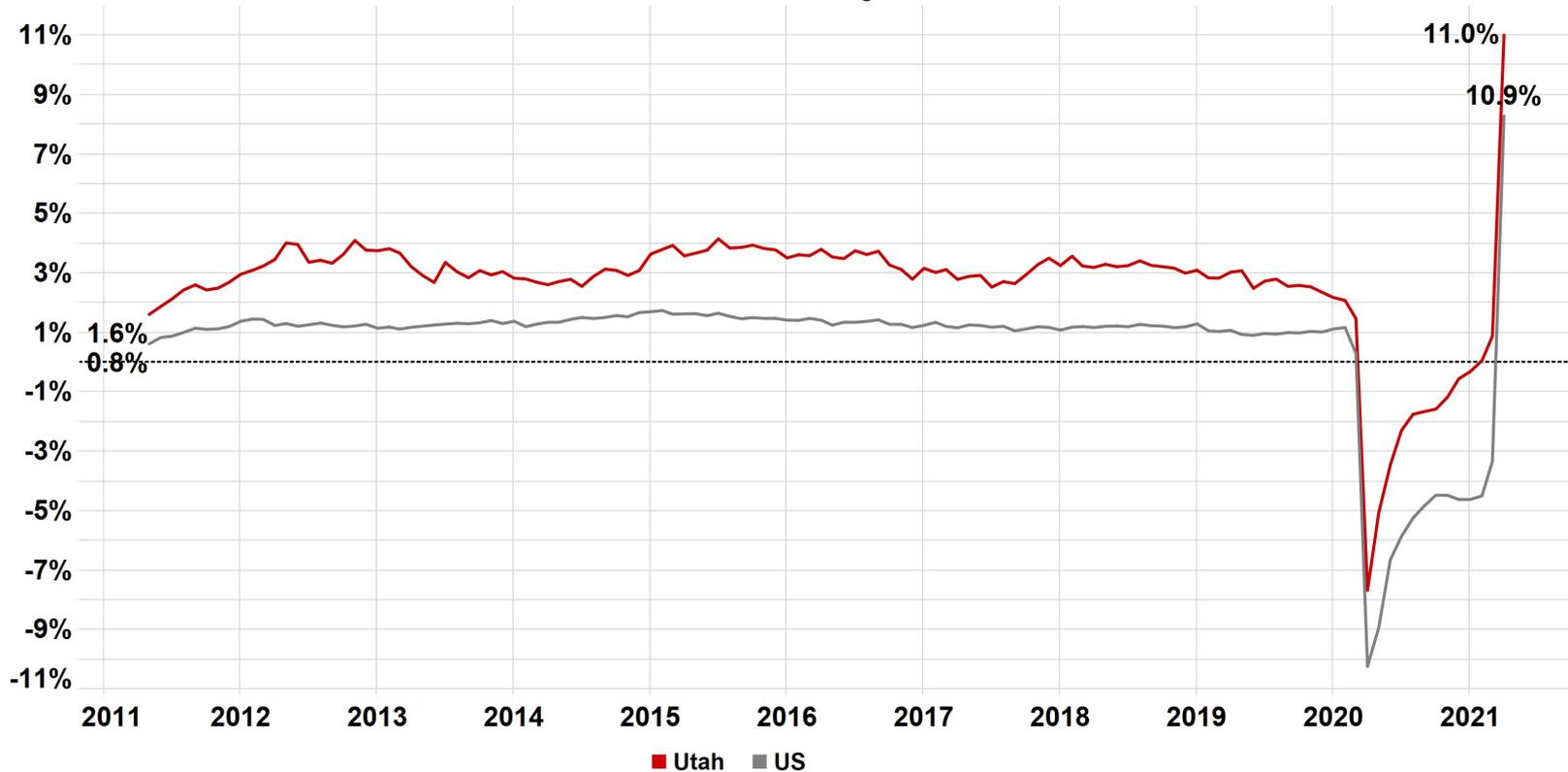
# Key Points

- **Recovery** – A strengthening economic recovery has commenced in Salt Lake County, Utah and the nation, despite worsening supply problems.
- **Utah nation-leading** – Utah is and will continue to be among the top-performing states in the nation. With 64% of total jobs in Utah and Salt Lake counties, metropolitan Utah will lead the way.
- **Growing pains** – Expect the recovery to be uneven as considerable adjustments are needed to fully re-open. These recovery pains will include supply constraints (labor and commodities) and price instability.
- **Productivity gains** – Watch for strong productivity gains because of fundamental shifts in the way we work and live. This will help prevent the economy from overheating.
- **Watch phrases** – National-leading, rapidly growing metroplex, a time to invest.

# Dynamics of Recovery

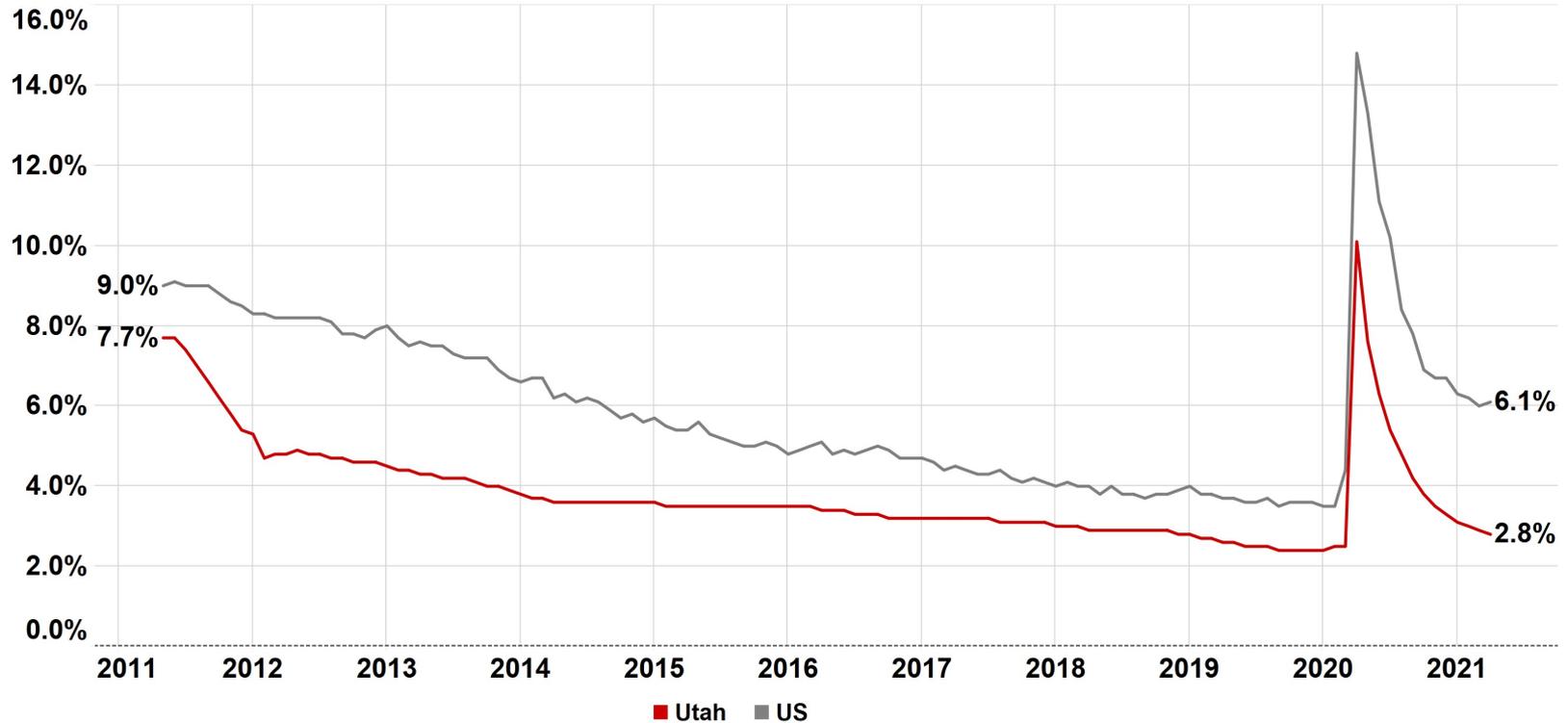
# Job Change

Year-Over Percent Change



Source: U.S. Bureau of Labor Statistics

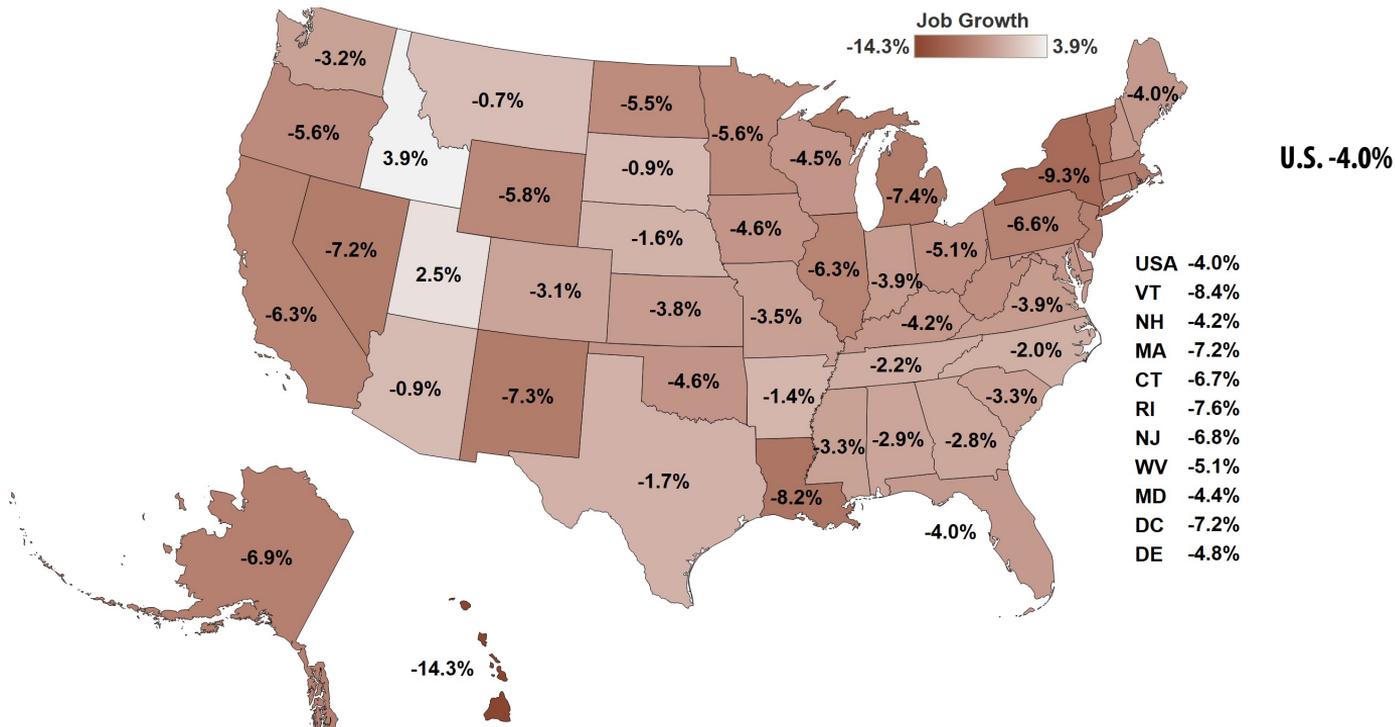
# Unemployment Rate



Source: U.S. Bureau of Labor Statistics

# Job Change

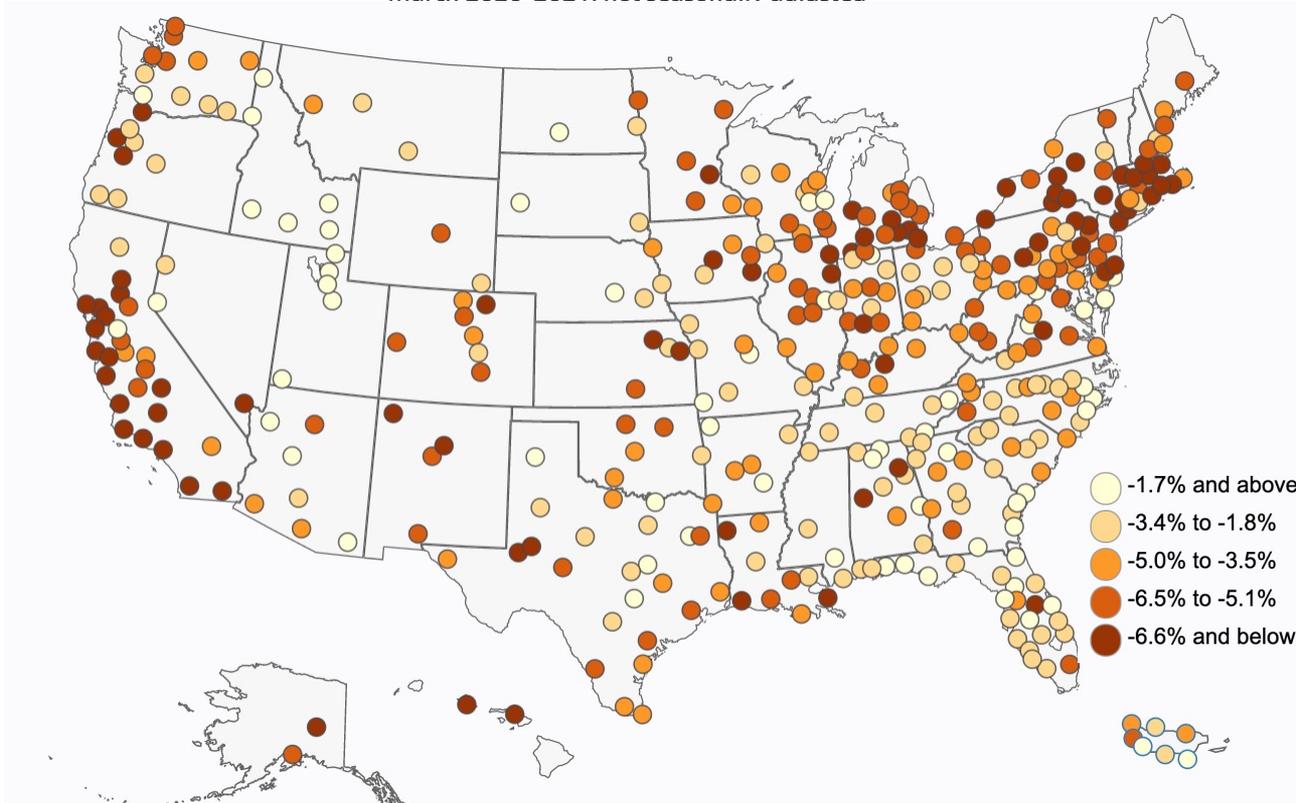
Two-Year Percent Change April 2021, Not Seasonally Adjusted



Source: U.S. Bureau of Labor Statistics

# Employment Change by Metro Area

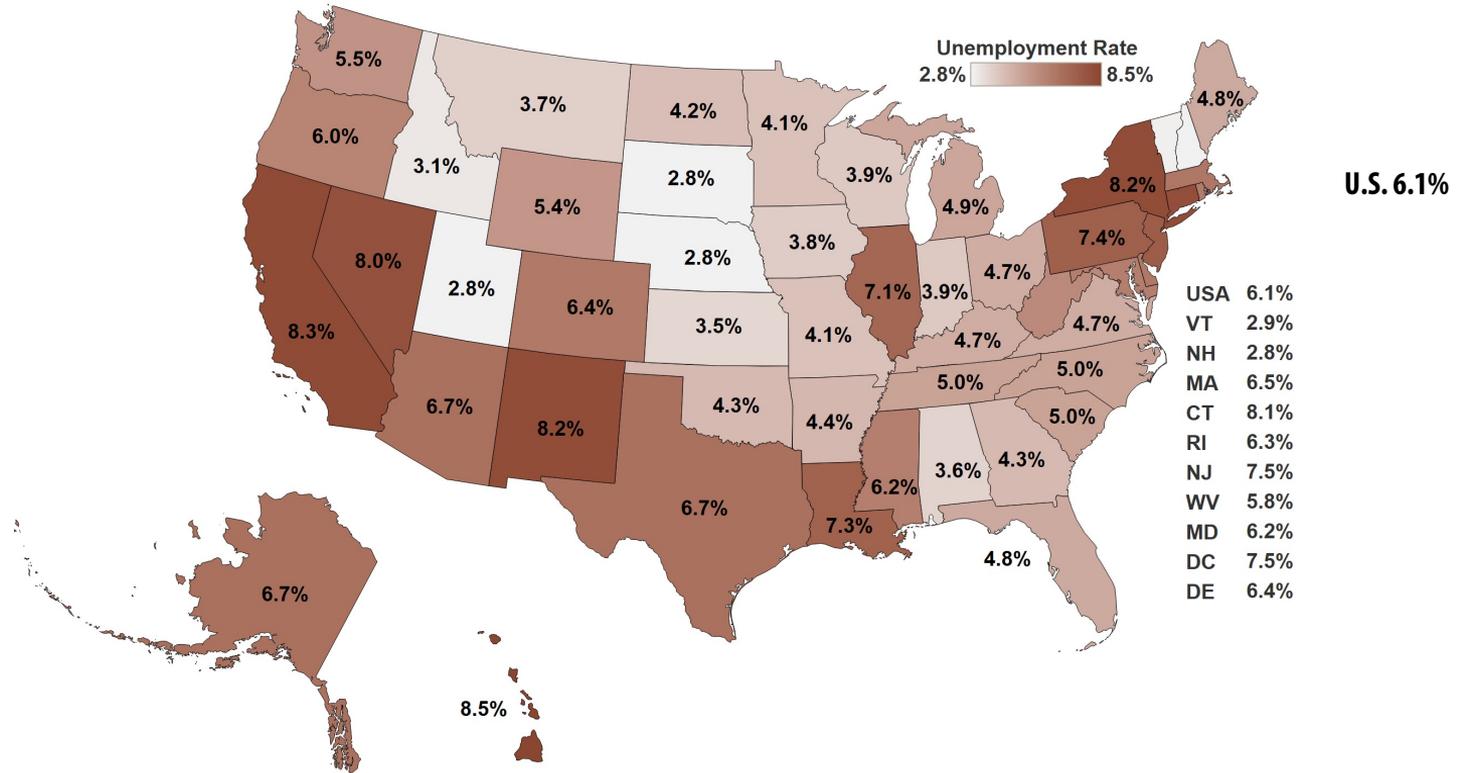
March 2020-2021. not seasonally adjusted



Source: U.S. Bureau of Labor Statistics

# Unemployment Rate

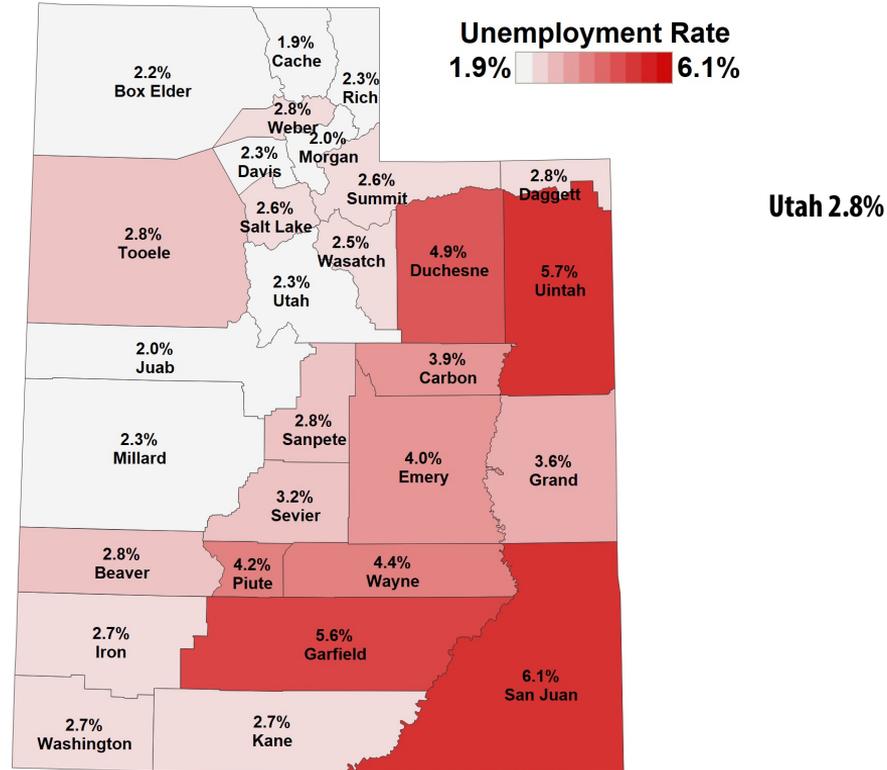
April 2021, Seasonally Adjusted



Source: U.S. Bureau of Labor Statistics

# Utah Unemployment by County

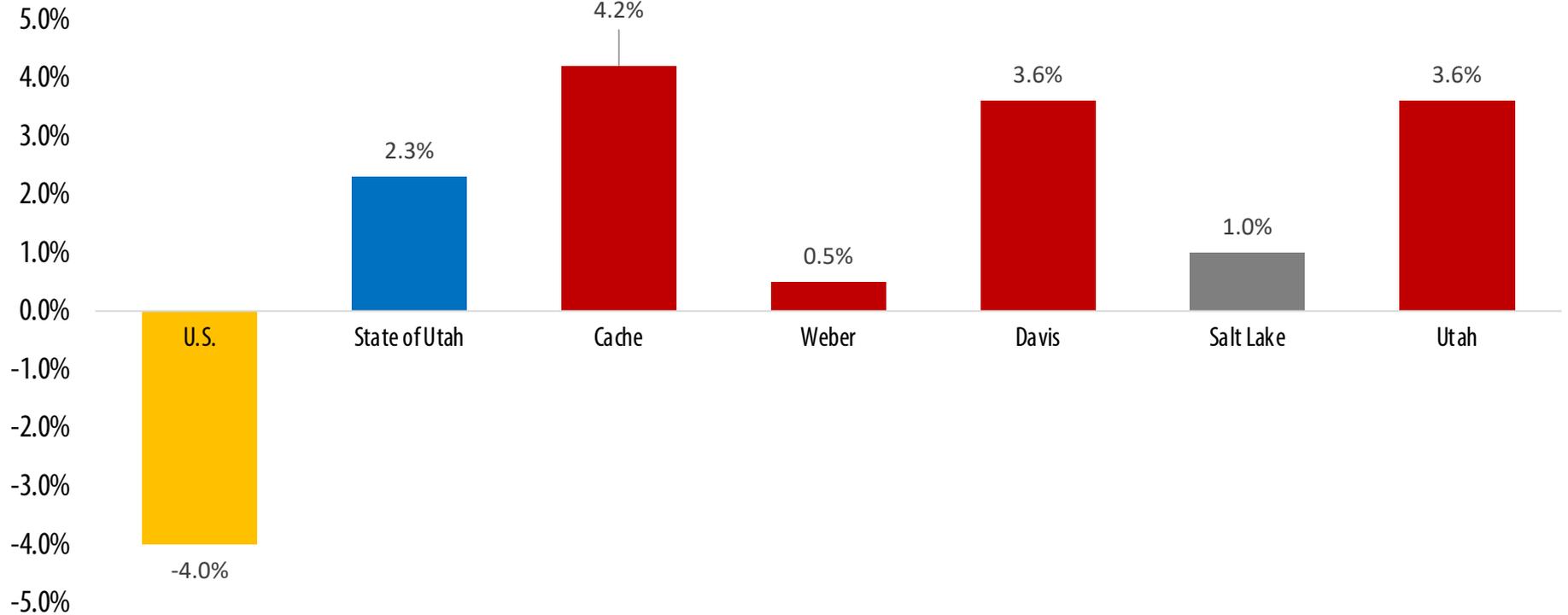
April 2021, Seasonally Adjusted



Source: U.S. Bureau of Labor Statistics

# Job Growth

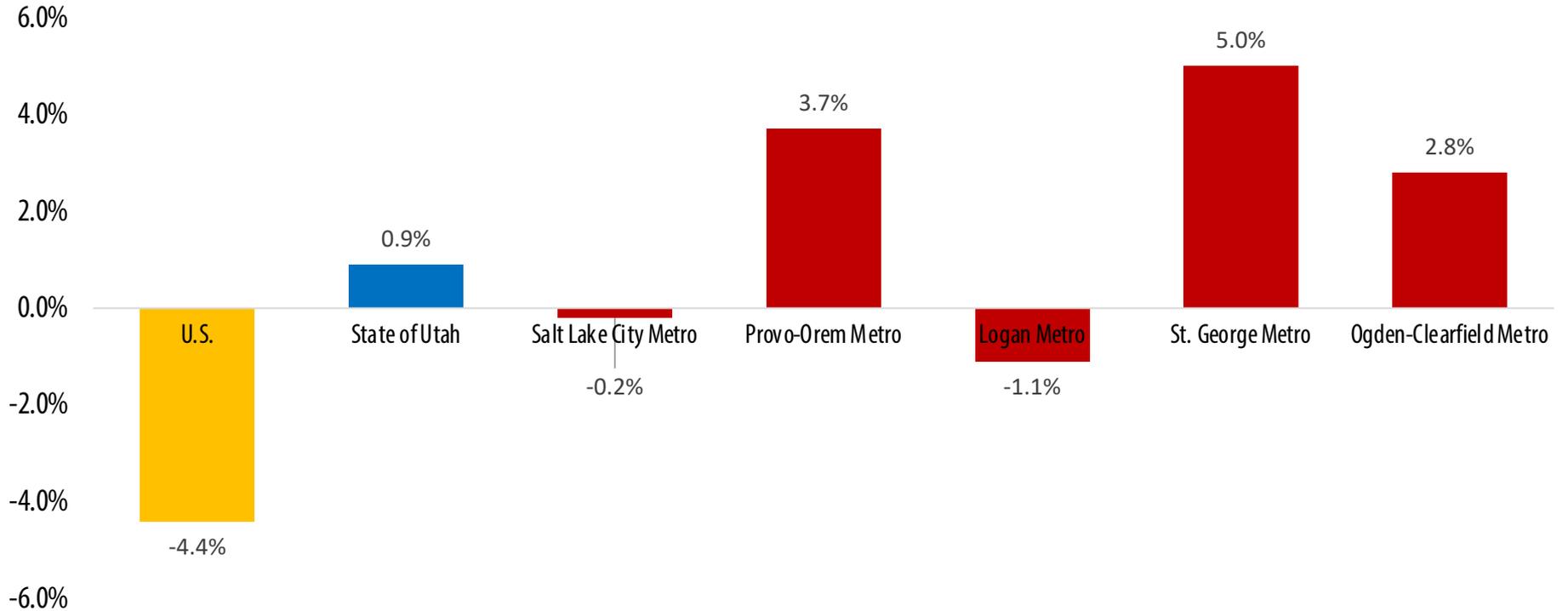
*April 2019-2021, Not Seasonally Adjusted*



Source: Bureau of Labor Statistics

# Job Growth

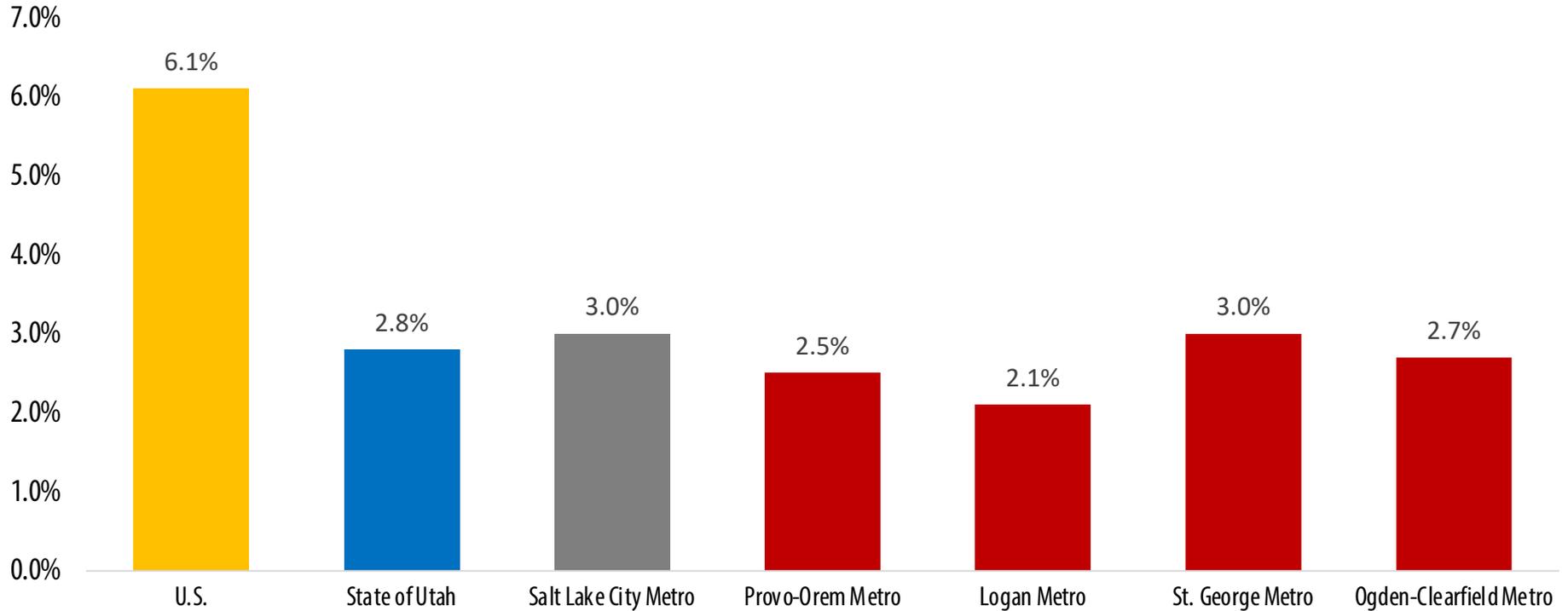
March 2020-2021, Not Seasonally Adjusted



Source: Bureau of Labor Statistics

# Unemployment Rate

March 2021, Not Seasonally Adjusted



Source: Bureau of Labor Statistics

# Where are people moving during the pandemic?

Biggest gains in net arrivals	Percent Change
Salt Lake City, UT	12.3%
Jacksonville, FL	10.8%
Richmond, VA	6.1%
Sacramento, CA	6.1%
Cleveland, OH	6.0%
Tampa, FL	5.7%
Milwaukee, WI	5.1%
Kansas City, MO	4.8%
Miami-Fort Lauderdale, FL	4.3%
Raleigh-Durham-Chapel Hill, NC	4.0%

Source: LinkedIn

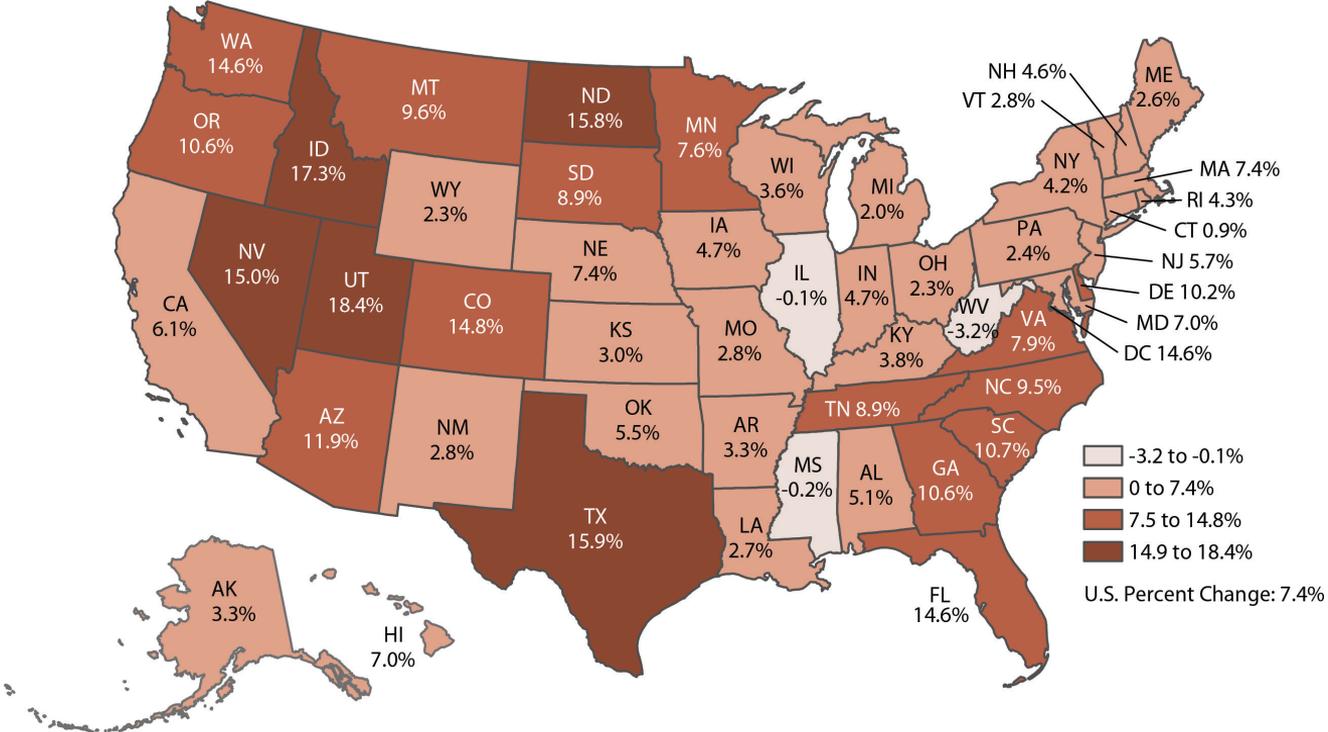
# Utah 2020 Census Results

## Utah Components of Change, 2000-2020 Censuses

	1990-2000	2000-2010	2010-2020
Resident Population Change	510,319	530,716	507,731
Natural Increase	296,285	381,181	330,489
Net Migration	214,034	149,535	177,242
Share of Change Due to Natural Increase	58.1%	71.8%	65.1%
Share of Change Due to Net Migration	41.9%	28.2%	34.9%

Source: Kem C. Gardner Policy Institute analysis of U.S. Census Bureau Apportionment Data, 1990-2020, and Utah Department of Health.

# Decadal Population Growth, 2010-2020



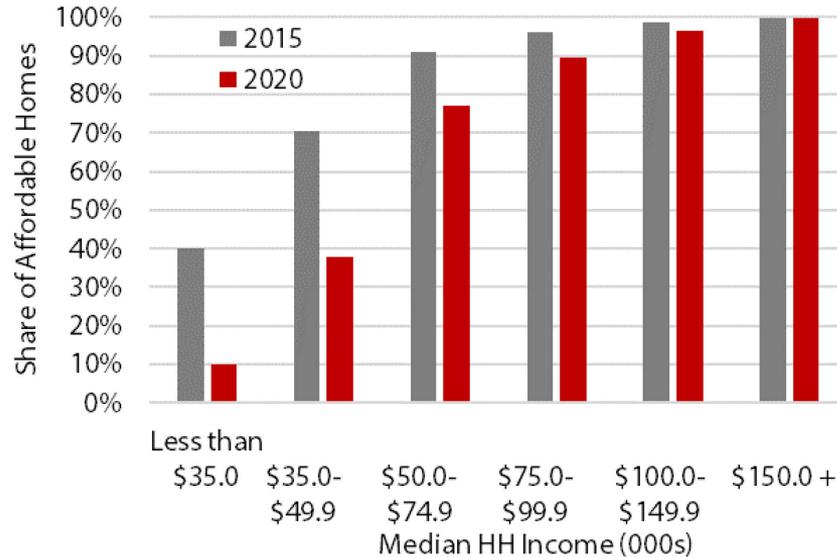
Source: 2020 Apportionment Data, U.S. Census Bureau



# Growing Pains

# Utah's Expensive Housing Market

## Available Affordable Homes by Household Income, Utah

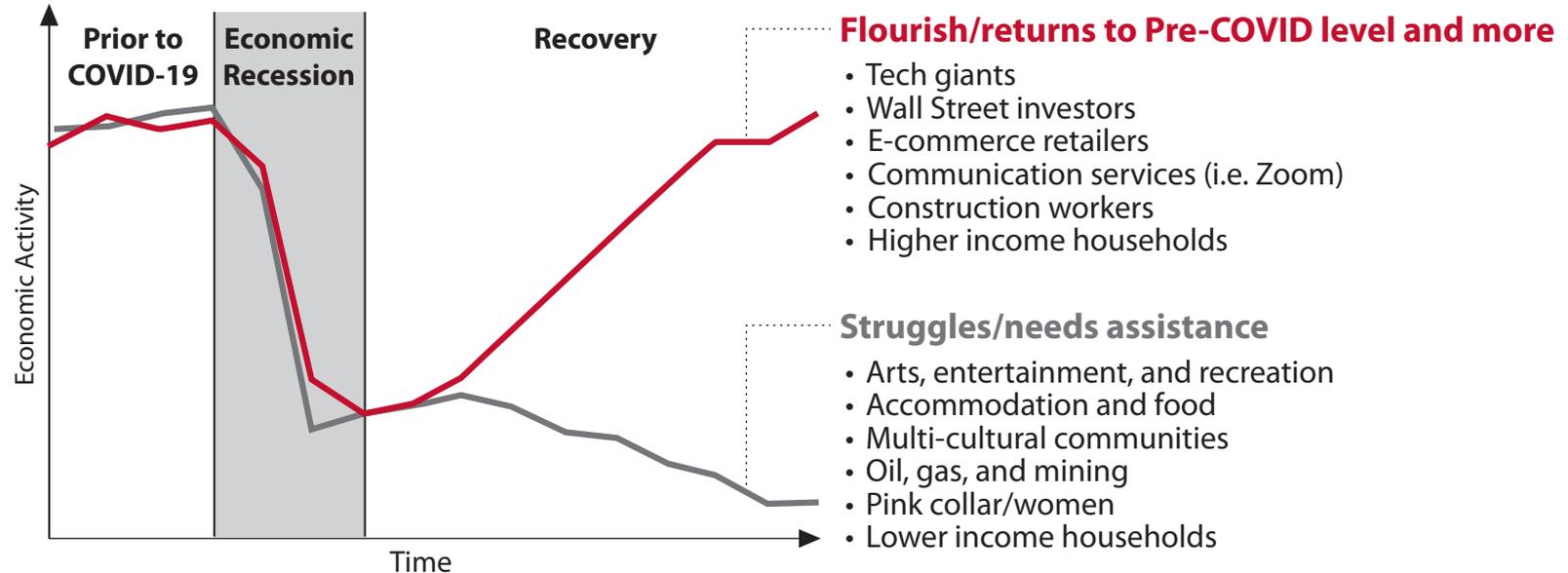


Note: Assumes 30% debt-to-income, PMI, annual avg. 30-yr mortgage, and property taxes.  
Source: Calculated by Kem C. Gardner Policy Institute based on U.S. Census Bureau, 2019 1-Year American Community Survey data. Home sales data provided by UtahRealEstate.com

# Look for an Uneven Re-Opening

- Continue to be a K-shaped recovery
- Difficulty finding workers
- \$300-a-week supplemental unemployment insurance benefits end June 30, 2021
- Shifts from food and beverage to eating and drinking, from on-line to instore, from temp to full-time
- Global shortages (semiconductors, vehicles, building materials, etc.)
- Inflation v. productivity gains
- Significant fiscal stimulus

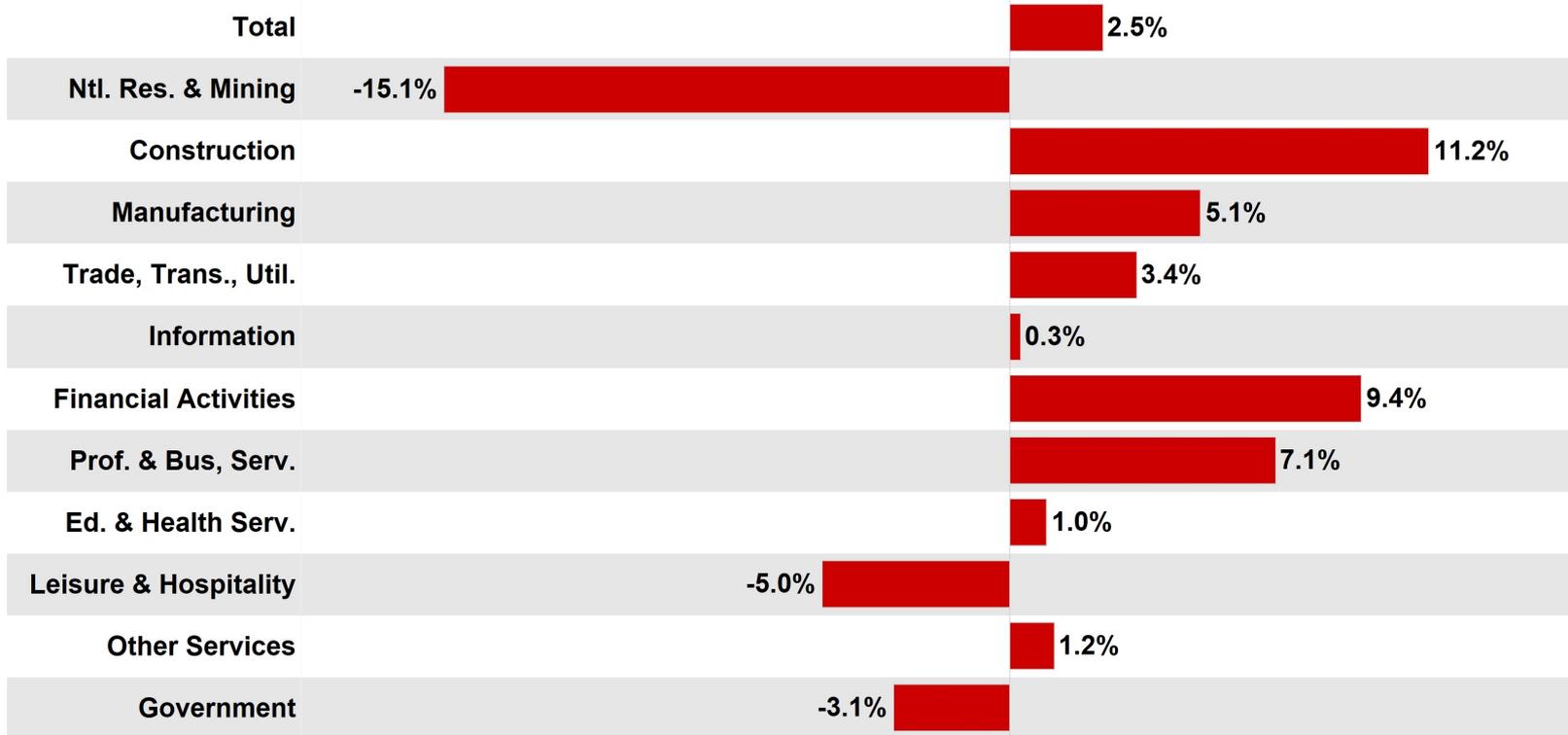
# K-Shaped Recovery Illustration



Source: Kem C. Gardner Policy Institute

# Utah Employment Change by Industry

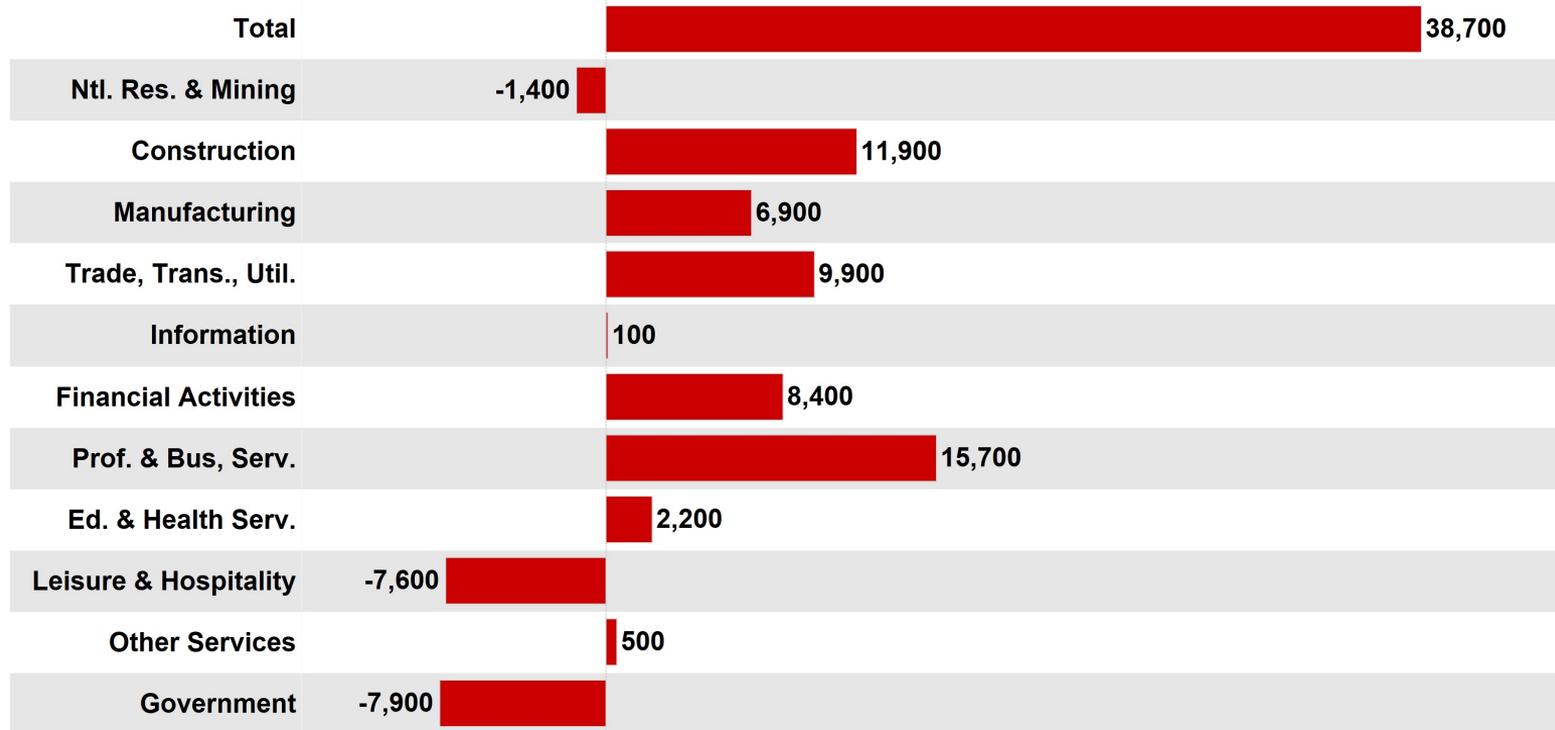
April 2021 Two-Year Percent Change



Source: U.S. Bureau of Labor Statistics

# Utah Employment Change by Industry

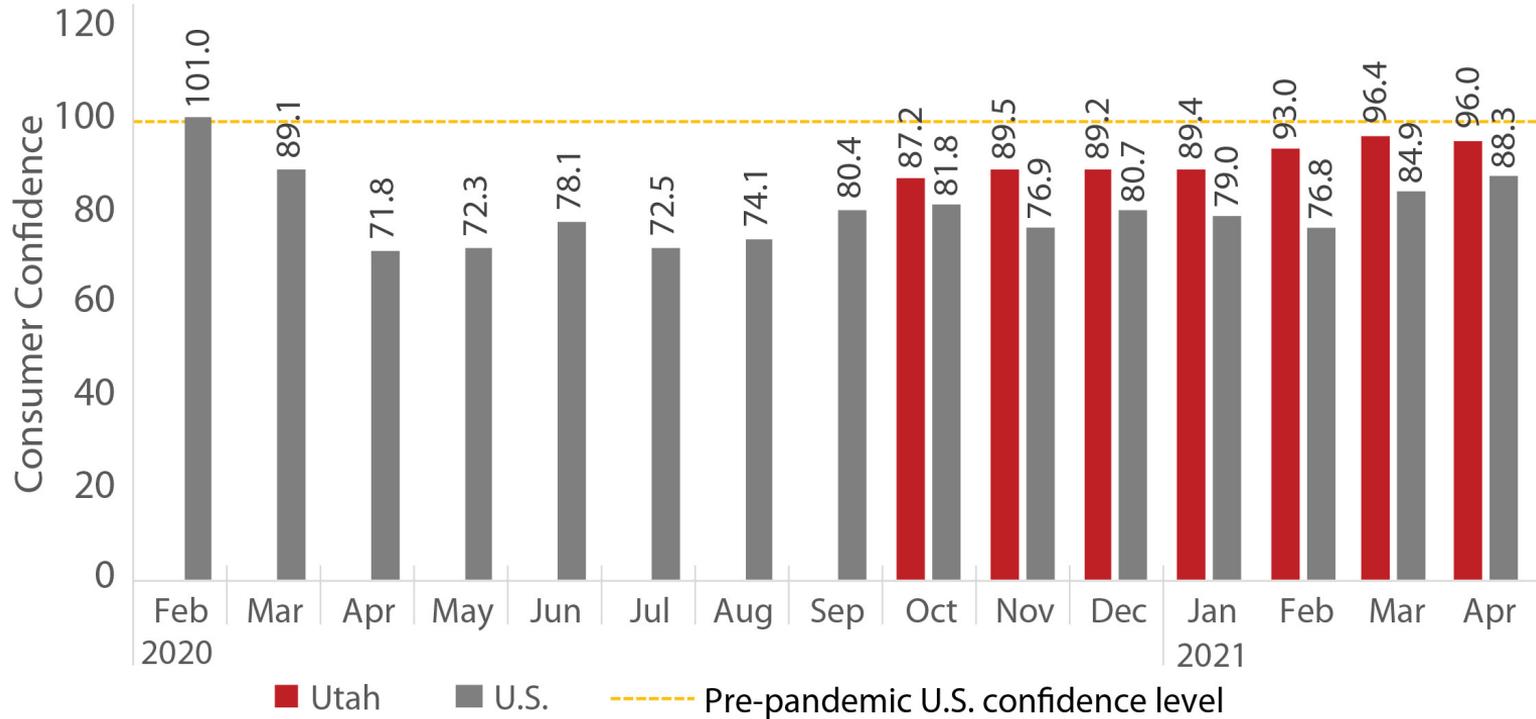
April 2021 Two-Year Absolute Change



Source: U.S. Bureau of Labor Statistics

# Outlook

# U.S. and Utah Consumer Confidence



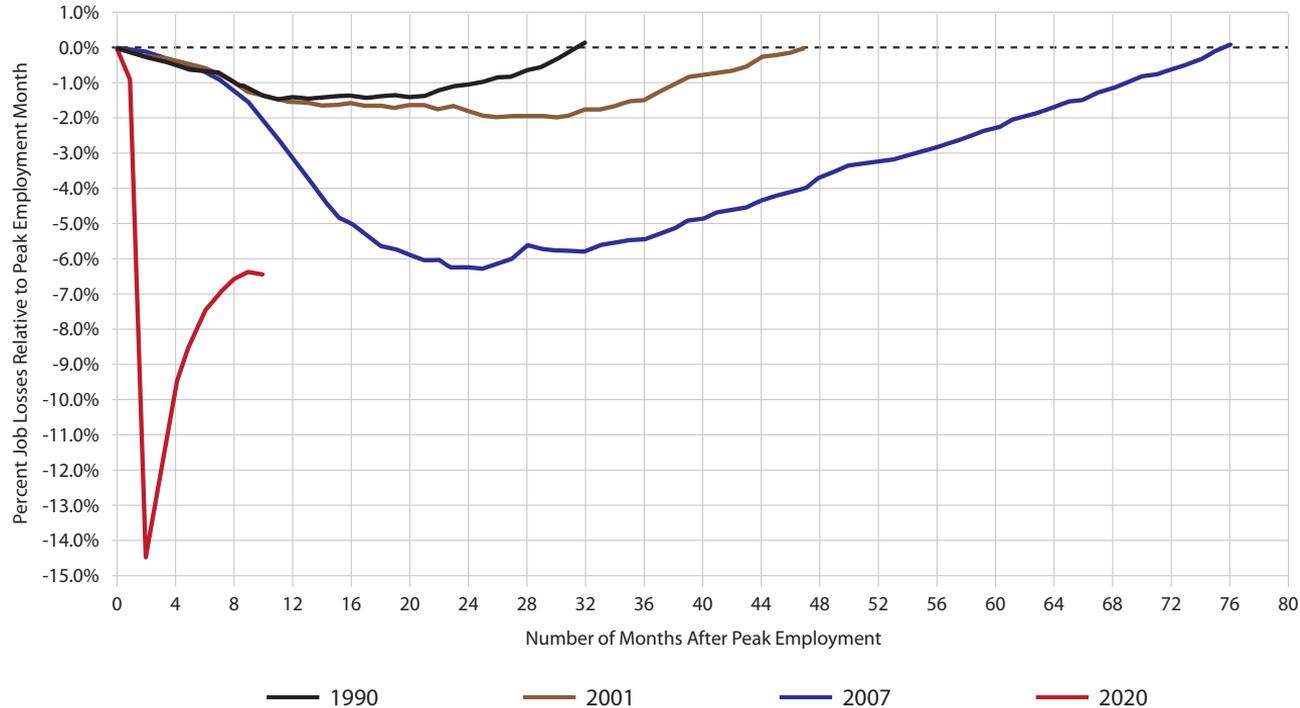
# Problems Should Prove Temporary

*Until the supply side of the economy wakes up and catches up with the fast-reviving demand side coming out of the pandemic, the economic statistics will undoubtedly hold more surprises – output and supply chains scrambled; labor, commodities and products in short supply; and price spikes. But there is money to be made. And, if history is any guide, when businesses can make a healthy profit, they will solve the problems. Quickly.*

Mark Zandi, Moody's Analytics

# U.S. Recession Profiles

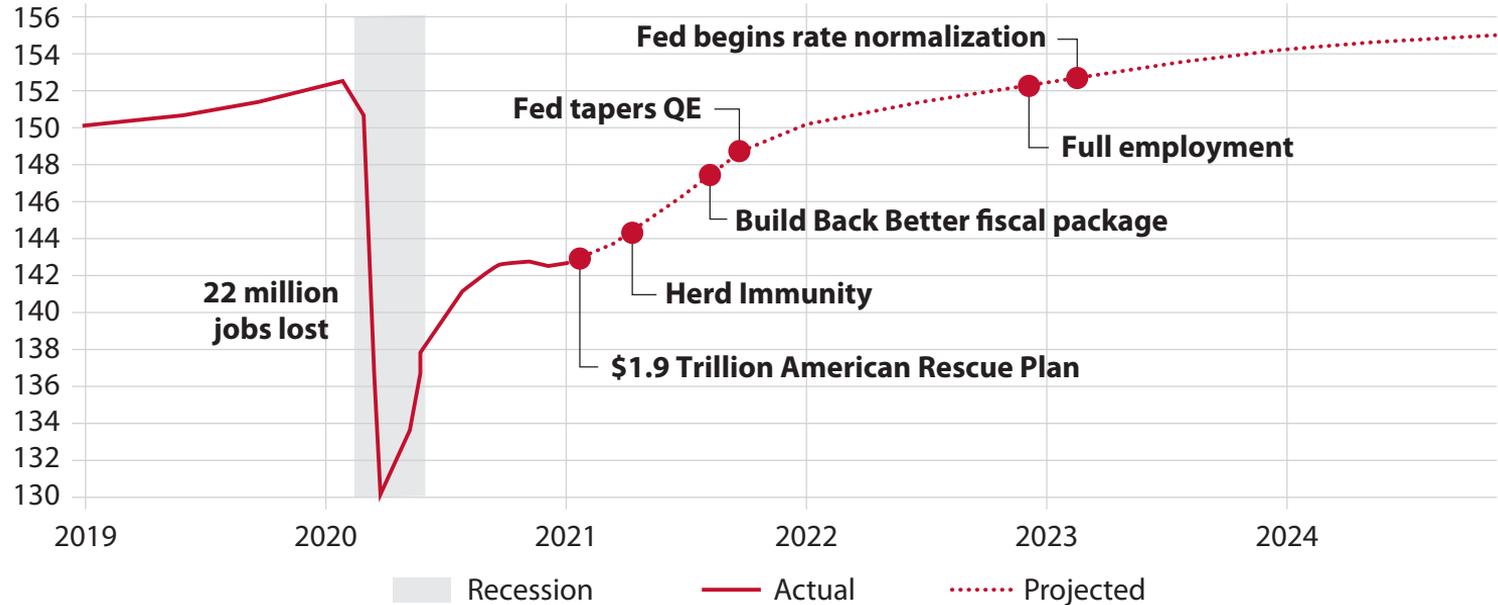
*Percent Job Losses in Last Four Recessions*



Source: Calculated Risk Blog

# The Swoosh Recovery

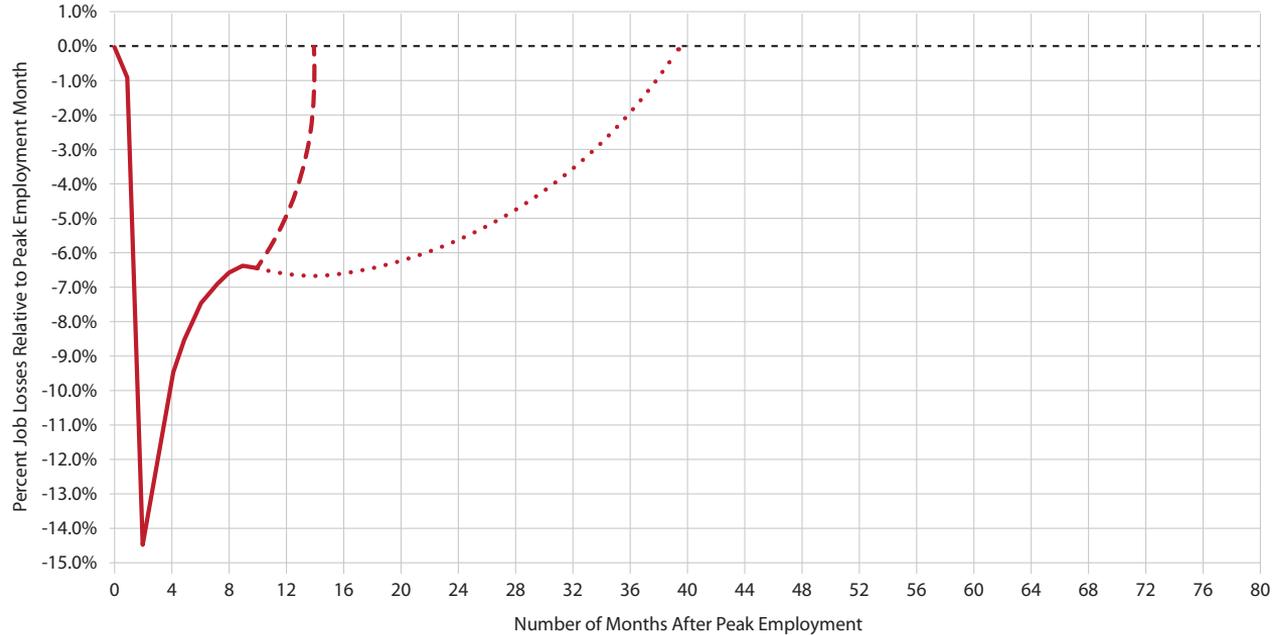
*U.S. nonfarm employment, millions*



Source: BLS, Moody's Analytics

# U.S. K-Shaped Recovery

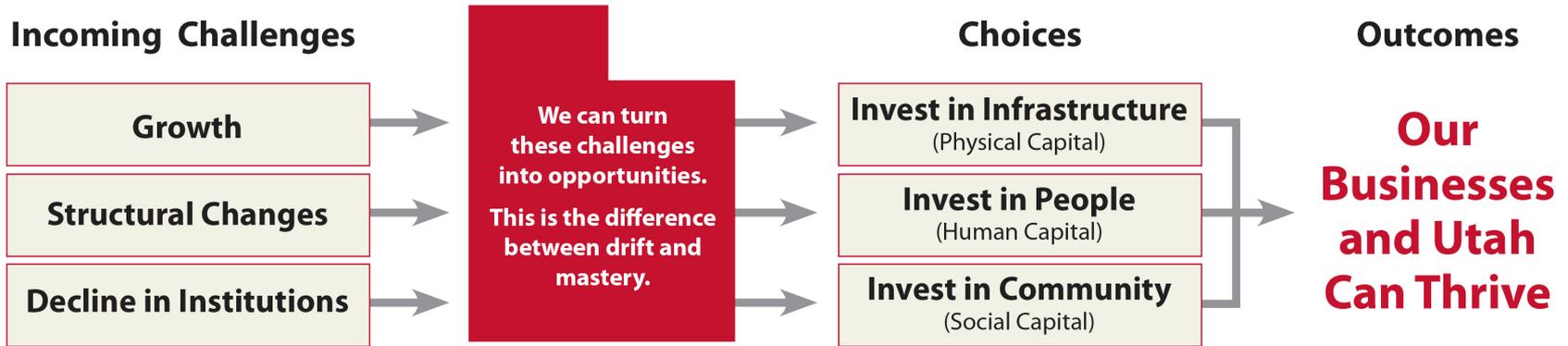
*Percent Job Loss Since Peak*



**The Split:** — Flourish    ..... Struggle

Source: Calculated Risk Blog

# What's on the Horizon and What Should We Do About it?



Source: Kem C. Gardner Policy Institute