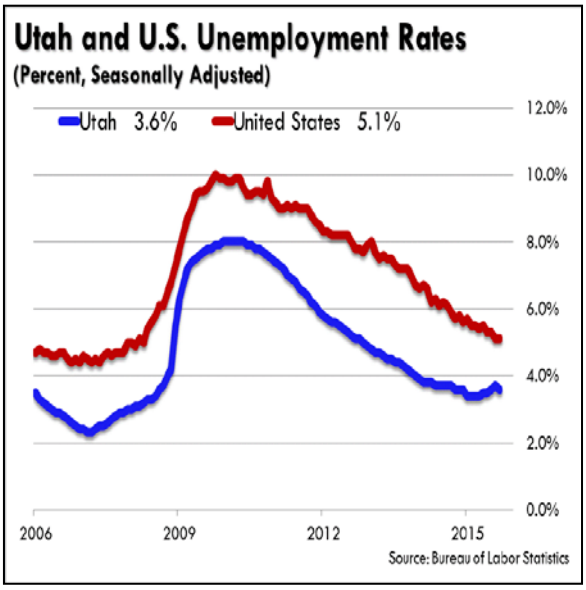
Utah Economic Update

October 20, 2015

Summary

Nonfarm payroll employment in Utah declined by 700 jobs and the unemployment rate fell to 3.6 percent in September according to data released by the Bureau of Labor Statistics (BLS).

Utah Unemployment Rate



During September, the unemployment rate in Utah declined by 0.1 percentage point to 3.6 percent. The number of people counted as unemployed fell by 367 in September to 53,387, while the labor force fell by 367 to 1,468,152. Among the 50 states and the District of Columbia, only 5 posted lower unemployment rates. A year earlier, the unemployment rate in Utah stood at 3.7 percent.

The 10 year peak for the unemployment rate in Utah was 8.0 percent in May 2010. The series high for the unemployment rate in Utah occurred in March 1983 when the unemployment rate reached 9.6 percent. The 10 year low for the unemployment rate was 2.3 percent in March 2007. This also represents the series low for the unemployment rate in Utah. BLS began publishing the state unemployment rate series in 1976.

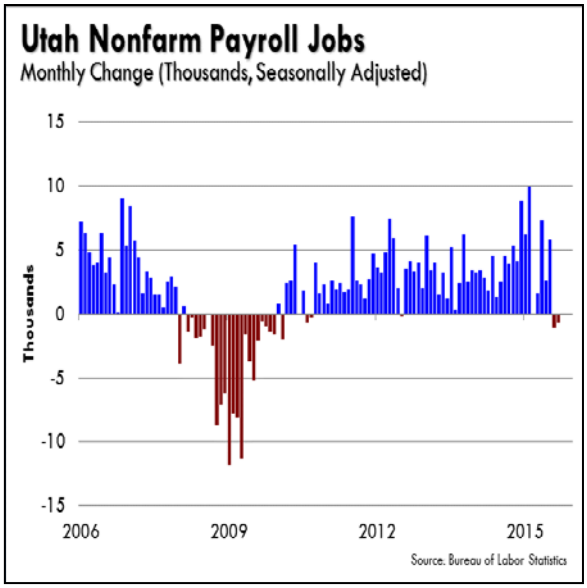
The national unemployment rate was unchanged at 5.1 percent in September. September's unemployment rate was 0.8 percentage point lower than a year earlier. The ten year high for the national unemployment rate was 10.0 percent in October 2009. The ten year low was 4.4 percent in May 2007.

Prepared by the Joint Economic Committee

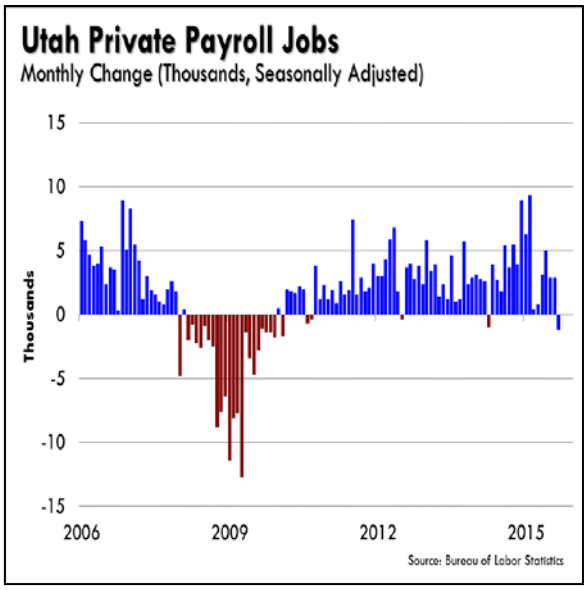
Senator Dan Coats, Chairman Rep. Kevin Brady, Vice Chairman

Utah Payroll Employment

Utah nonfarm payrolls declined by 700 jobs, or 0.05 percent, on a seasonally adjusted basis during September. In the prior month, nonfarm payrolls declined by 1,100. Over the past 12 months nonfarm payrolls in Utah increased by 49,800, or 3.73 percent. Utah nonfarm payroll employment has increased in 9 of the past 12 months.



Nationally nonfarm payrolls increased by 142,000 jobs in September, or 0.10 percent. Over the 12 month period ending in September 2015 nonfarm payrolls grew by 2,752,000 jobs, or 1.97 percent. Utah posted the highest percentage gain in nonfarm payroll employment among the 50 states and the District of Columbia over the past 12 months.



During September, Utah private sector payrolls declined by 1,200, or 0.10 percent. Private sector payrolls increased by 2,900 jobs in the prior month. Over the past 12 months, private sector payrolls in Utah increased by 47,800, or 4.33 percent. Utah private sector payroll employment has increased in 7 of the past 12 months.

Nationally private-sector payroll jobs increased by 118,000 jobs in September, or 0.10 percent. Over the past 12 months, the nation's economy has added 2,603,000 jobs in the private sector, an increase of 2.21 percent. Utah posted the highest percentage gain in private sector payroll employment among the 50 states and the District of Columbia over the past 12 months.

During September, total government payroll employment in Utah increased by 500, or 0.22 percent. Federal government payroll employment declined by 500, or 1.42 percent. State government payroll employment increased by 1,100, or 1.48 percent, while local government payroll employment declined by 100, or 0.08 percent.

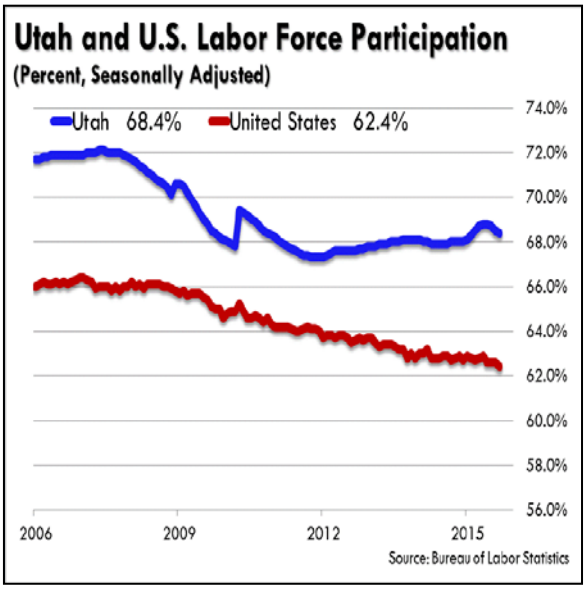
Over the past year, total government payroll employment increased by 2,000, or 0.87 percent. State government payroll employment increased by 1,400, or 1.89 percent. Local government payroll employment increased by 100, or 0.08 percent.

The best performing sectors on a seasonally adjusted basis during September were Construction (+2,000) and Information (+700). The poorest performing sectors during the month were Leisure & Hospitality (-2,200) and Trade, Transportation & Utilities (-900).

The best performing sectors during the last twelve months were Leisure & Hospitality (+9,800) and Educational & Health Services (+9,700). The poorest performing sectors for the year were Mining & Logging (-900) and Other Services (+400).

<u>Other Utah Labor Force Statistics</u>

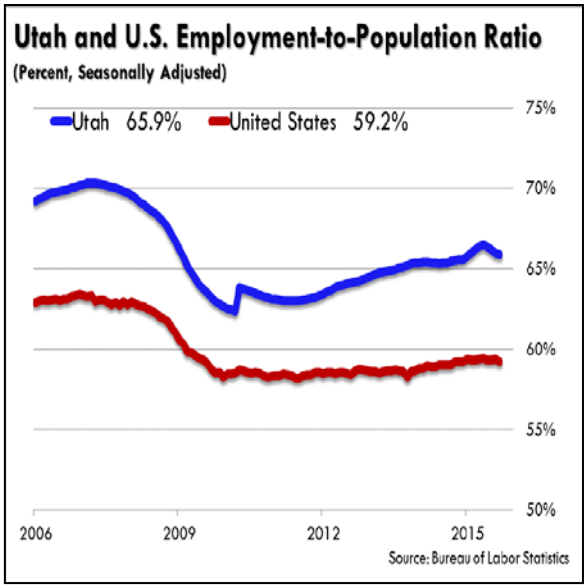
The labor force participation rate in Utah declined to 68.4 percent in September from 68.5 percent the prior month. Among the 50 states and the District of Columbia, 7 have a higher labor force participation rate than Utah. The labor force participation rate in Utah is unchanged from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.



The 10 year high for the labor force participation rate in Utah was 72.1 percent in June 2007. The series high for the labor force participation rate in Utah occurred in June 1994 when the labor force participation rate hit 73.2 percent. The 10 year low for the labor force participation rate was 67.3 percent in January 2012. The series low for the labor force participation rate occurred in December 1977 when the labor force participation rate hit 62.6 percent.

The national labor force participation rate declined by 0.2 percentage point to 62.4 percent in September. That rate was 0.3 percentage point lower than a year earlier. At 62.4 percent, the labor force participation rate is at its lowest level since September 1977.

The employment-to-population ratio, or the percentage of the Utah civilian noninstitutionalized population 16 years and older counted as employed, declined to 65.9 percent in September from 66.0 percent the prior month. Among the 50 states and the District of Columbia, 6 have higher employment-to-population ratios than Utah. The employment-to-population ratio in Utah is 0.5 percentage point higher than a year earlier.



The 10 year high for the employment-to-population ratio in Utah was 70.3 percent in May 2007. The series high for the employment-to-population ratio in Utah occurred in June 1994 when the employment-to-population ratio hit 70.4 percent. The 10 year low for the employment-to-population ratio was 62.4 percent in March 2010. The series low for the employment-to-population ratio occurred in March 1976 when the employment-to-population ratio hit 58.9 percent.

The national employment-to-population ratio declined by 0.2 percentage point to 59.2 percent in September. That rate was 0.2 percentage point higher than a year earlier. The employment-to-population ratio stood at 59.4 percent when the recession ended in June 2009 and at 62.7 percent when it began in December 2007. The all-time high for the employment-to-population ratio was 64.7 percent in April 2000. The 10 year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for October is scheduled for release on Friday, November 20. The national employment situation report for October will be released on Friday, November 6.