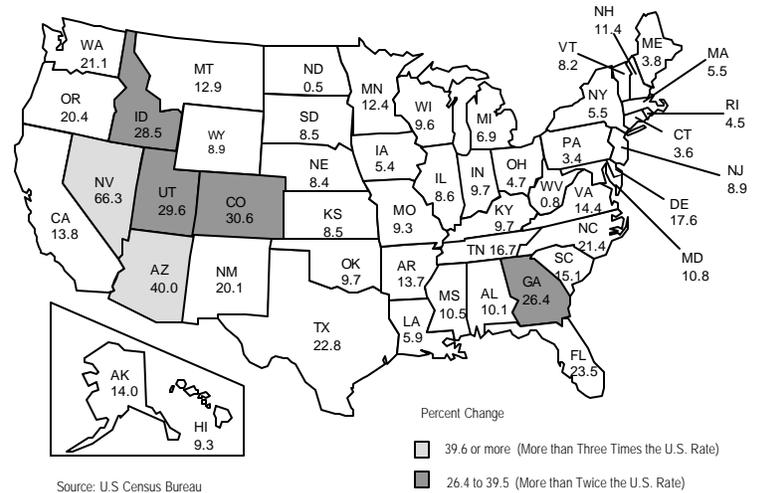




**Demographics**

- ▶ **Population:** Based on results of Census 2000, Utah's population reached 2,233,169. This represents a population increase of 510,319 persons from 1990 to 2000. The total 2000 population count for the U.S. was 281,421,906, with an increase of 32,712,033 persons.
- ▶ **Rate of Growth:** Utah ranked fourth among states with a population growth increase of 29.6% from 1990 to 2000. Utah grew more than twice as fast the U.S. during this ten year period. The U.S. rate of growth was 13.2%.
- ▶ **Median Age:** Utah continues to have the youngest median age in the country. In 1999, Utah's median age was 26.7, compared to 36.5 for the U.S.
- ▶ **Long Term Projections:** The state's population is projected to be 2.7 million in 2010, surpass 3.0 million by 2020, and reach 3.7 million by 2030.

Percent Change in Population for States: 1990 to 2000  
 U.S. Rate = 13.2%

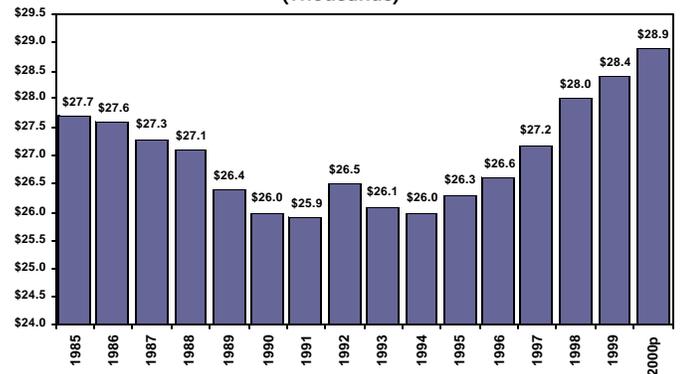


<b>Total Utah Population</b>	<b>2,233,169</b>
Increase (1990-2000)	510,319
Percent Change (1990-2000)	29.6%
<b>Total U.S. Population</b>	<b>281,421,906</b>
Increase (1990-2000)	32,712,033
Percent Change (1990-2000)	13.2%

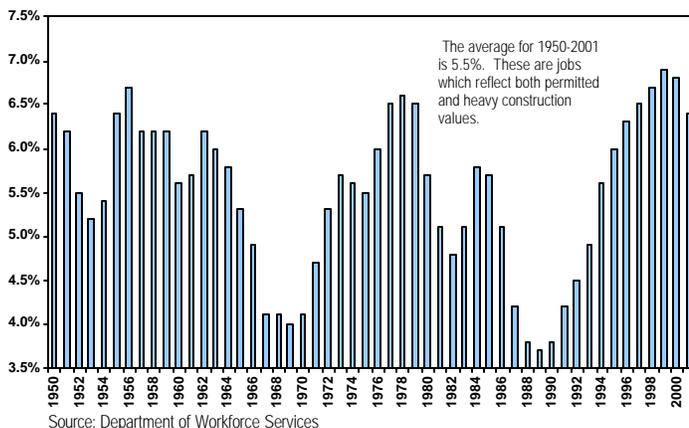
**Employment and Wages**

- ▶ **Job Growth** – After five consecutive years of declining job growth rates, Utah's job growth rate increased slightly in 2000 to 2.6%. Non-farm employers added 27,100 net new jobs in 2000.
- ▶ **Leading Industry** – The 16,700 new service industry jobs in 2000 comprise over 60% of Utah's net job gain. The service sector now comprises slightly more than one in every four jobs in the state. Construction activity, a major catalyst for growth over the past decade, showed no net gain for 2000. Utah ranks 13th among states in industrial diversity.
- ▶ **Unemployment** – During 2000, Utah's unemployment rate fell to 3.3%.
- ▶ **Average Wage** – The state's average wage increased 5.1% in 2000, to \$28,900. This is up from 1999's 3.8% increase, and higher than the consumer price index increase of 3.4%. Wages have now increased faster than inflation for six consecutive years.

Utah Nonagricultural Average Annual Wages  
 Inflation-Adjusted to Year 2000 Dollars  
 (Thousands)



Construction Jobs as a Percent of Total Non-Farm Jobs



<b>Total Nonagricultural Employment (2000)</b>	<b>1,075,600</b>
Increase (1999-2000)	27,102
Percent Change(1999-2000)	2.6%
Unemployment Rate(2000)	3.3%
<b>Total Nonagricultural Wages (2000)</b>	<b>\$31.1 billion</b>
Percent Change (1999-2000)	7.8%
<b>Average Wage Per Job</b>	<b>\$28,896</b>
Percent Change (1999-2000)	5.1%
<b>Total Personal Income (1999)</b>	<b>\$49.6 billion</b>
Percent Change (1998-1999)	5.9%
<b>Per Capita Personal Income (1999)</b>	<b>\$23,288</b>

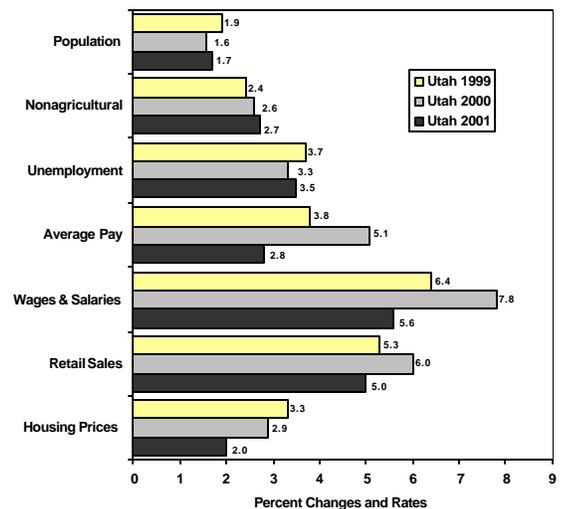
## Industry Focus

- ▶ **Defense** - The defense industry in Utah continued to rebound in 2000, with spending totaling \$1.42 billion and rising nearly 12% from the previous year. New operations beginning at Hill Air Force Base should prove to be a strengthening influence on the remainder of Utah's defense industry.
- ▶ **Tourism** - Tourism arrivals to Utah decreased in 2000 for the first time in several years. During 2000, an estimated 17.8 million non-resident travelers visited the state, a decrease of 2.2% from 1999. Despite the decline in the number of tourist arrivals to Utah, visitor spending actually increased by 1%, to \$4.25 billion.
- ▶ **Exports** - International merchandise exports have remained at approximately \$3.6 billion for six consecutive years. During the last half of the 1990s, exports to non-Asian countries grew at a healthy pace. Without a pick up in Asia, Utah's export sector will continue restructuring and ultimately be in a position to grow without Asia as the primary market.
- ▶ **High Tech** - Utah's high tech sector includes 65,000 jobs and comprises 6.0% of the state's job base. The technology sector is characterized by numerous small firms, a few medium-sized firms, and almost no large firms. Micron's announcement that they will begin to manufacture chips at the Lehi facility and the expansion of Intel's R&D activities could provide further stimulus to Utah's high tech sector.
- ▶ **Energy and Minerals** - Crude oil production declined slightly in 2000, although natural gas production increased. The coal industry is expected to be more successful in the future in the wake of rising coal prices. The value of Utah's mineral production in 2000 is estimated to be \$1.90 billion, an increase of approximately \$70 million from 1999.
- ▶ **Agriculture** - While incomes received by farmers and ranchers have varied over time, the financial position of Utah agriculture is healthy- the value of farm assets and farm equity has increased.

## Major Findings

- ▶ **Economy Remains Strong** - The Utah economy remains strong, continuing on a moderate growth path. Despite a slowdown in construction activity in the state in 2000, population, job, and income growth rates continue to outpace those of the nation. Utah's current prosperity occurs against a backdrop of a healthy international economy, and cooling national and regional economies.
- ▶ **Growing Faster than the Nation** - According to total population counts released by the U.S. Census Bureau, Utah, with a growth rate of 29.6%, grew twice as fast as the U.S., with a 13.2% rate of growth, from 1990 to 2000. Utah ranked fourth among states in the percent of population growth increase during this ten year period.
- ▶ **School-Age Population Boom** - The state is expecting a substantial increase in the school-age population (ages 5-17) beginning in 2004 and extending to at least 2015. The school-age population is projected to increase to 523,000 by 2005 and to 600,000 in 2010. Educating these children, while maintaining a reasonable tax burden, will be a major challenge for policy makers in the coming years.
- ▶ **Rebounding Defense Industry** - Utah's defense industry continued to rebound in 2000, as base closures and realignments in other states shifted jobs and military spending to the state. In 1999, defense spending in the state increased nearly 12% from the previous year. Hill Air Force Base's new classification as a "center of excellence" for low-observable technology will help ensure the viability of this large Utah employer.
- ▶ **Responding to the New Economy** - Utah appears to be well-positioned to prosper in the "New Economy," where an educated workforce, quality infrastructure, and attractive business climate have become increasingly more important.
- ▶ **Outlook for 2001** - Utah's economy should continue on a moderate growth track during 2001. Because of the build-up for the Olympics, job growth should accelerate a bit to 2.7%. The unemployment rate is expected to remain low at 3.5%. The average wage should once again increase just above inflation.

**Utah Economic Indicators: 1999-2001**



Source: Council of Economic Advisors' Revenue Assumptions Committee

## Significant Utah Rankings

<u>Demographic</u>				<u>Economic</u>			
	State Rank	Value*	Year		State Rank	Value*	Year
Population Growth Rate	4th	29.6%	1990-2000	Rate of Job Growth	11th	2.3%	(Nov) 2000(p)
Fertility Rate	1st	2.68	2000	Urban Status	6th	87% urban	1990
Life Expectancy	3rd	77.7 years	1990	Unemployment Rate	18th	3.3%	(Nov) 2000(p)
Median Age	1st	26.7 years	1999	Economic Diversity	13th	0.74 (index value)	1999
Household Size	1st	3.06 persons	1999	Median Household Income	8th	\$45,257	1997-1999
<u>Social Indicators</u>				Average Annual Pay	33rd	\$27,884	1999
Violent Crime	12th	275.5 per 100,000 people	1999	Per Capita Income	41st	\$23,288	1999
Poverty Rate	2nd	7.9%	1997-1999	*Rankings are based on the most current data available for all states, and may differ from more recent data available for Utah only.			
Educational Attainment	4th	91.0% of persons 25+ w/ high school degree	1999	Note: Rank is most favorable to least favorable.			