

Personal Income

Overview

Utah's 2001 total personal income of \$54.6 billion is up 4.1% from the 2000 total. This is somewhat slower than the U.S. growth of 5.0%. Utah's 2001 per capita income is forecasted at \$23,800, an increase of 1.9% over the 2000 estimate. Utah's 2000 per capita income ranks 45th among the states. It is 79% of the U.S. average, a small improvement from 75% in 1989.

2000 Summary and 2001 Outlook

Utah's 2001 total personal income (TPI) is forecasted at \$54.6 billion, up 4.1% from the 2000 total, a sharp slowdown from the 2000 growth rate of 6.7%. The 2001 growth is Utah's slowest annual TPI expansion since 1987's 4.1%. Utah's 2001 TPI grew somewhat slower than the forecasted national TPI growth of 5.0%, which is down from the 1999-2000 growth of 7.0%. The Utah and U.S. economic slowdown of 2001 is evident in these TPI growth rates.

Per capita personal income (PCI) is an area's annual total personal income divided by the total population as of July 1 of that year. Utah's 2001 PCI is approximately \$23,800, an increase of 1.9% over the 2000 estimate. From 1989 to 2001, Utah's percentage of the national PCI has increased by four points (from 75% to 79%).

Significant Issues

Composition of Total Personal Income. The largest single component of total personal income is "earnings by place of work." This portion consists of the total earnings from farm and nonfarm industries, including contributions for social insurance. In 2000, Utahns' earnings by place of work reached \$40.7 billion, representing 78% of TPI. About 10% of this figure was proprietors' income, while 90% was wages, salaries, and other labor income. Nonfarm earnings (\$40.5 billion) was over 99% of total earnings; farm income comprised less than 1%. Private sector nonfarm earnings accounted for 81% of nonfarm earnings, while earnings from public (government) industries made up 18%. Although earnings from government employment have been declining as a share of Utah's total earnings, it is still relatively more important than the U.S. share (18% to 16%, respectively).

The other two major components of TPI are dividends, interest, and rent (DIR), and transfer payments (ie. Social Security, pensions, and welfare payments). In 2000, DIR amounted to \$8.7 billion, and transfer payments were \$5.3 billion. Some of the major differences between the economic compositions of Utah and the United States lie in these two parameters. Perhaps the most significant is that Utah transfer payments comprise a much smaller share of TPI than the national figure (10% versus 13%). DIR is also relatively smaller. Thus, Utahns must rely to a greater extent on earnings. The problem with this is that Utah's average wage is only 83% (in 2000) of the U.S. average. Due to these two factors, Utah's TPI is relatively lower than the national total personal income.

The industrial composition of Utah's TPI has changed in recent years. In 1980, prior to the last two recessions, goods-producing industries (mining, construction, manufacturing) generated over 30% of Utah's total earnings. By 2000 that share had dropped to 22%. Similarly, 23% of U.S. earnings are from goods-producing jobs.

Four major industry sectors generate over three-fourths of Utah's total earnings. Services is the leader, providing 28% of earnings; government

(including military) pays 18%. Trade (wholesale plus retail) accounts for roughly 16% of Utah's total earnings, while manufacturing has slipped to 13%. Construction, transportation/communications/utilities, and finance/insurance/real estate are all between 7% and 8%, while mining and agriculture/agricultural services each generated about 1% of earnings.

Per Capita Personal Income. Utah's 2000 per capita personal income of \$23,364 ranked 45th among the 50 states including the District of Columbia. During the 1970s, Utah's PCI ranged between 83% and 85% of the United States' PCI. However, from 1977 to 1989, this parameter dropped 10 percentage points—from 85% to 75%. From 1989 to 1997, gradual improvements in this comparison occurred; it peaked at 81% in 1997, then slipped back to 79% in 2000.

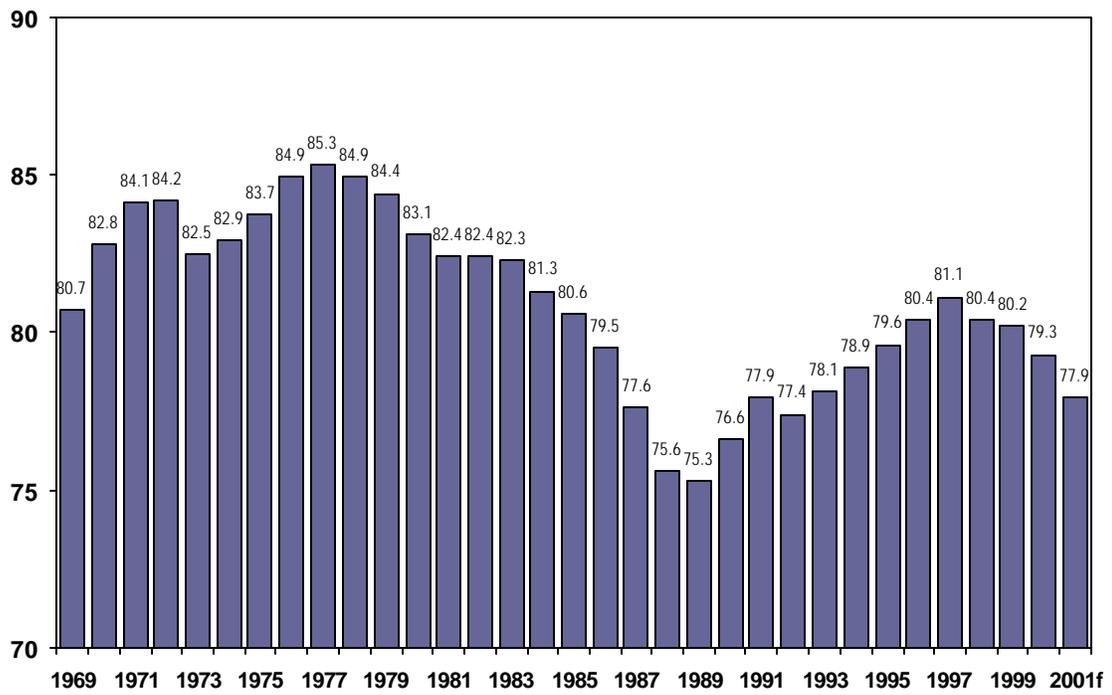
County Personal and Per Capita Income. Only two of Utah's 29 counties (Kane and Uintah) posted double-digit 1999 to 2000 growth in total personal income, about the same as the 1999 achievement. Rapid TPI county growth is generally tied to rapid increases in nonagricultural wages, which is the largest component of total personal income. On the other end of the scale, 16 counties' TPI grew by one-half or less of the state rate. This typically occurs because of the slow growth of nonfarm jobs.

Four counties, Summit, Salt Lake, Kane, and Davis, have 2000 PCI estimates higher than the state average. Summit County's \$42,400 is the highest in Utah; it exceeds the state average by 81%. San Juan County's \$13,600 is lowest; it is only 52% of the Utah average. The 2000 per capita income of the United States, at \$29,451, is higher than that of all of Utah's counties except Summit.

Conclusion

Utah's total and per capita personal income estimates comprise another important indicator of the direction of Utah's economy. The recent slow growth of both of these parameters reflects the slowdown in which Utah finds itself. Moreover, the average annual pay of Utah's workers is somewhat lower than the U.S. average, which contributes to a lower ranking in per capita personal income.

Figure 26
Utah Per Capita Personal Income as a Percent of U.S.



Source: U.S. Department of Commerce, Bureau of Economic Analysis, Governor's Office of Planning and Budget

f = forecast

Components of Utah's Total Personal Income

Components	Millions of Dollars			Percent Change		2000 Percent Distribution			
	1998r	1999r	2000p	98-99	99-00	Utah	U.S.	Utah	U.S.
Personal income	46,781	49,172	52,474	5.1	6.7	100.0	100.0		
Earnings by place of work	35,808	38,111	40,713	6.4	6.8	77.6	73.1		
less: Personal contrb. for social insurance	2,040	2,174	2,293	6.6	5.5	4.4	4.3		
plus: Adjustment for residence	23	23	24	0.0	4.3	0.0	0.0		
equals: Net earnings by place of residence	33,791	35,960	38,445	6.4	6.9	73.3	68.8		
plus: Dividends, interest, and rent	8,132	8,158	8,700	0.3	6.6	16.6	18.3		
plus: Transfer payments	4,857	5,053	5,329	4.0	5.5	10.2	12.9		
Components of earnings	35,808	38,111	40,713	6.4	6.8	77.6	73.1		
Wage and salary disbursements	28,614	30,471	32,683	6.5	7.3	62.3	58.2		
Other labor income	3,523	3,663	3,853	4.0	5.2	7.3	6.4		
Proprietors' income 8/	3,671	3,977	4,177	8.3	5.0	8.0	8.6		
Farm proprietors' income	126	133	89	5.6	-33.1	0.2	0.4	Industry Distribution	
Nonfarm proprietors' income	3,545	3,844	4,088	8.4	6.3	7.8	8.2	Utah	U.S.
Earnings by industry	35,808	38,111	40,713	6.4	6.8	77.6	73.1	100.0	100.0
Farm earnings	224	230	200	2.7	-13.0	0.4	0.6	0.5	0.8
Nonfarm earnings	35,584	37,881	40,513	6.5	6.9	77.2	72.5	99.5	99.2
Private earnings	28,992	30,968	33,106	6.8	6.9	63.1	61.2	81.3	83.6
Ag. services, forestry, fishing & other	141	155	177	9.9	14.2	0.3	0.5	0.4	0.7
Mining	433	421	456	-2.8	8.3	0.9	0.6	1.1	0.8
Construction	2,806	3,084	3,211	9.9	4.1	6.1	4.4	7.9	6.0
Manufacturing	4,877	5,004	5,216	2.6	4.2	9.9	11.5	12.8	15.8
Durable goods	3,408	3,520	3,689	3.3	4.8	7.0	7.3	9.1	9.9
Nondurable goods	1,470	1,484	1,527	1.0	2.9	2.9	4.3	3.8	5.8
Transportation and public utilities	2,622	2,778	2,987	5.9	7.5	5.7	5.0	7.3	6.8
Wholesale trade	2,061	2,186	2,355	6.1	7.7	4.5	4.5	5.8	6.2
Retail trade	3,644	3,894	3,952	6.9	1.5	7.5	6.4	9.7	8.7
Finance, insurance, and real estate	2,769	2,938	3,135	6.1	6.7	6.0	6.9	7.7	9.4
Services	9,639	10,508	11,617	9.0	10.6	22.1	21.4	28.5	29.2
Government and government enterprises	6,591	6,912	7,407	4.9	7.2	14.1	11.4	18.2	15.5
Federal, civilian	1,700	1,782	1,963	4.8	10.2	3.7	2.3	4.8	3.1
Military	378	392	421	3.7	7.4	0.8	0.9	1.0	1.2
State	1,832	1,949	2,095	6.4	7.5	4.0	2.3	5.1	3.2
Local	2,682	2,789	2,929	4.0	5.0	5.6	5.8	7.2	8.0
Population (thousands)	2,163	2,202	2,246						
Per capita personal income (dollars)	21,624	22,335	23,364						

r = revised

p= preliminary

Note: The above population estimates, prepared by the U.S. Department of Commerce, differ somewhat from Utah Population Estimates Committee numbers.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, September 2001

Table 34

Personal and Per Capita Income--Utah and U.S.

Year	Total Personal Income (millions of dollars)		Annual Growth Rates		Per Capita Personal Income (dollars)		Utah as % of U.S.
	Utah	U.S.	Utah	U.S.	Utah	U.S.	
1960	\$1,832	\$409,617	6.9	4.4	\$2,035	\$2,276	89.4
1961	1,958	427,094	6.9	4.3	2,091	2,334	89.6
1962	2,137	454,486	9.1	6.4	2,230	2,447	91.1
1963	2,221	477,521	4.0	5.1	2,281	2,534	90.0
1964	2,334	511,831	5.1	7.2	2,386	2,679	89.1
1965	2,472	553,074	5.9	8.1	2,494	2,859	87.2
1966	2,629	601,119	6.3	8.7	2,605	3,075	84.7
1967	2,773	644,282	5.5	7.2	2,721	3,264	83.4
1968	2,984	707,542	7.6	9.8	2,900	3,550	81.7
1969	3,249	774,262	8.9	9.4	3,103	3,846	80.7
1970	3,614	834,455	11.2	7.8	3,391	4,095	82.8
1971	4,026	899,249	11.4	7.8	3,658	4,348	84.1
1972	4,514	988,362	12.1	9.9	3,979	4,723	84.2
1973	5,057	1,107,992	12.0	12.1	4,326	5,242	82.5
1974	5,686	1,220,181	12.4	10.1	4,743	5,720	82.9
1975	6,355	1,326,214	11.8	8.7	5,150	6,155	83.7
1976	7,302	1,469,752	14.9	10.8	5,739	6,756	84.9
1977	8,331	1,630,901	14.1	11.0	6,328	7,421	85.3
1978	9,606	1,841,340	15.3	12.9	7,041	8,291	84.9
1979	11,026	2,072,839	14.8	12.6	7,786	9,230	84.4
1980	12,464	2,313,921	13.0	11.6	8,464	10,183	83.1
1981	14,078	2,588,335	13.0	11.9	9,290	11,280	82.4
1982	15,282	2,756,954	8.5	6.5	9,807	11,901	82.4
1983	16,481	2,935,040	7.8	6.5	10,333	12,554	82.3
1984	18,223	3,260,064	10.6	11.1	11,233	13,824	81.3
1985	19,462	3,498,662	6.8	7.3	11,846	14,705	80.6
1986	20,367	3,697,359	4.6	5.7	12,248	15,397	79.5
1987	21,208	3,945,515	4.1	6.7	12,638	16,284	77.6
1988	22,225	4,255,000	4.8	7.8	13,156	17,403	75.6
1989	23,843	4,582,429	7.3	7.7	13,977	18,566	75.3
1990	25,939	4,885,525	8.8	6.6	14,996	19,584	76.6
1991	27,750	5,065,416	7.0	3.7	15,603	20,039	77.9
1992	29,788	5,376,622	7.3	6.1	16,234	20,979	77.4
1993	31,950	5,598,446	7.3	4.1	16,844	21,557	78.1
1994	34,579	5,878,362	8.2	5.0	17,651	22,358	78.9
1995	37,278	6,192,235	7.8	5.3	18,514	23,272	79.6
1996	40,354	6,538,103	8.3	5.6	19,519	24,286	80.4
1997	43,696	6,928,545	8.3	6.0	20,618	25,427	81.1
1998	46,781	7,418,754	7.1	7.1	21,624	26,909	80.4
1999	49,172	7,769,648	5.1	4.7	22,335	27,859	80.2
2000(p)	52,474	8,312,312	6.7	7.0	23,364	29,451	79.3
2001(f)	54,625	8,728,000	4.1	5.0	23,800	30,560	77.9

p = preliminary

f = forecast

Sources: U.S. Department of Commerce, Bureau of Economic Analysis,
and Utah Governor's Office of Planning and Budget.

Table 35
Total Personal Income by District and County

	Millions of Dollars				Percent Change		
	1997	1998	1999(p)	2000(f)	97-98	98-99	99-00
State Total	\$43,695.9	\$46,823.5	\$49,573.0	\$52,474.0	7.2	5.9	5.9
Bear River	2,328.1	2,485.5	2,629.2	2,673.4	6.8	5.8	1.7
Box Elder	823.6	868.4	922.0	941.1	5.4	6.2	2.1
Cache	1,476.2	1,587.5	1,674.7	1,699.0	7.5	5.5	1.4
Rich	28.3	29.6	32.5	33.4	4.5	10.0	2.6
Wasatch Front	29,998.0	31,993.5	33,806.1	35,741.3	6.7	5.7	5.7
North	8,683.4	9,275.9	9,860.0	10,209.5	6.8	6.3	3.5
Davis	4,712.7	5,057.5	5,417.1	5,720.5	7.3	7.1	5.6
Morgan	127.4	138.5	147.5	152.5	8.7	6.5	3.4
Weber	3,843.3	4,079.9	4,295.4	4,336.5	6.2	5.3	1.0
South	21,314.5	22,717.7	23,946.0	25,531.9	6.6	5.4	6.6
Salt Lake	20,762.1	22,097.4	23,254.1	24,827.5	6.4	5.2	6.8
Tooele	552.5	620.3	691.9	704.4	12.3	11.5	1.8
Mountainland	6,815.6	7,449.2	7,986.1	8,697.3	9.3	7.2	8.9
Summit	960.1	1,066.6	1,153.2	1,261.9	11.1	8.1	9.4
Utah	5,600.0	6,098.3	6,521.2	7,104.5	8.9	6.9	8.9
Wasatch	255.6	284.3	311.7	330.9	11.3	9.6	6.2
Central	921.5	983.4	1,030.5	1,070.9	6.7	4.8	3.9
Juab	107.0	117.7	122.0	129.9	9.9	3.7	6.5
Millard	185.9	200.4	208.1	213.9	7.8	3.8	2.8
Piute	19.2	21.5	23.0	23.4	11.8	6.8	1.9
Sanpete	280.9	300.5	318.1	332.4	7.0	5.8	4.5
Sevier	290.7	300.4	314.6	322.2	3.3	4.7	2.4
Wayne	37.7	42.9	44.8	49.1	13.9	4.3	9.7
Southwestern	2,137.7	2,341.6	2,490.4	2,629.8	9.5	6.4	5.6
Beaver	92.7	101.7	112.6	112.2	9.8	10.6	-0.4
Garfield	72.6	75.5	80.9	81.4	4.1	7.1	0.6
Iron	465.2	508.2	533.7	543.9	9.3	5.0	1.9
Kane	120.0	128.8	134.4	152.2	7.4	4.3	13.2
Washington	1,387.3	1,527.3	1,628.9	1,740.3	10.1	6.7	6.8
Uintah Basin	602.3	634.8	656.2	714.0	5.4	3.4	8.8
Daggett	12.5	13.0	13.4	13.3	3.6	3.4	-0.6
Duchesne	225.6	237.3	241.6	256.7	5.2	1.8	6.2
Uintah	364.2	384.4	401.2	444.0	5.6	4.3	10.7
Southeastern	892.8	935.6	974.6	947.3	4.8	4.2	-2.8
Carbon	406.6	420.4	432.3	427.0	3.4	2.8	-1.2
Emery	174.8	178.3	183.8	184.2	2.0	3.1	0.2
Grand	146.8	160.1	172.9	161.9	9.0	8.0	-6.4
San Juan	164.6	176.9	185.5	174.2	7.5	4.9	-6.1
Salt Lake - Ogden MSA	29,318.1	31,234.7	32,966.7	34,884.4	6.5	5.5	5.8
U.S. percent change	--	--	--	--	7.1	4.7	7.0

p = preliminary

f = forecast

Note: The 1998 and 1999 state total estimates are comparable with the county estimates but not with the estimates shown elsewhere in this chapter.

Sources: 1997-1999, State Total 2000: U.S. Dept. of Commerce, BEA, May, September 2001; 2000: Utah Department of Workforce Services, Workforce Information, November 2001

Table 36
Per Capita Income by District and County

County/MCD	1990	2000(f)	Percent	Percent of State Total	
			Change	1990	2000
			90-00		
State Total	\$14,996	\$23,364	56	100	100
Bear River	13,904	19,600	41	93	84
Box Elder	15,218	22,000	45	101	94
Cache	13,259	18,600	40	88	80
Rich	12,369	17,000	37	82	73
Wasatch Front	16,260	25,900	59	108	111
North	15,493	23,100	49	103	99
Davis	14,994	23,900	59	100	102
Morgan	13,676	21,400	56	91	92
Weber	16,151	22,100	37	108	95
South	16,618	27,200	64	111	116
Salt Lake	16,681	27,600	65	111	118
Tooele	14,889	17,300	16	99	74
Mountainland	12,699	21,000	65	85	90
Summit	23,297	42,400	82	155	181
Utah	12,043	19,300	60	80	83
Wasatch	13,340	21,700	63	89	93
Central	13,340	16,200	21	89	69
Juab	11,674	15,800	35	78	68
Millard	13,493	17,200	27	90	74
Piute	10,796	16,300	51	72	70
Sanpete	11,389	14,600	28	76	62
Sevier	12,446	17,100	37	83	73
Wayne	10,789	19,600	82	72	84
Southwestern	13,340	18,700	40	89	80
Beaver	12,488	18,700	50	83	80
Garfield	12,436	17,200	38	83	74
Iron	11,951	16,100	35	80	69
Kane	13,288	25,200	90	89	108
Washington	12,584	19,300	53	84	83
Uintah Basin	13,340	17,600	32	89	75
Daggett	13,253	14,500	9	88	62
Duchesne	12,201	17,900	47	81	77
Uintah	11,213	17,600	57	75	75
Southeastern	13,340	17,500	31	89	75
Carbon	14,518	20,900	44	97	89
Emery	12,311	17,000	38	82	73
Grand	12,556	19,100	52	84	82
San Juan	8,761	12,100	38	58	52
Salt Lake - Ogden MSA	16,307	26,200	61	109	112
United States	19,584	29,676	52	131	127

f = forecast

Sources: 1990, State Total, U.S. 2000: U.S. Dept. of Commerce, BEA, May, September 2001;
2000: Utah Department of Workforce Services, Workforce Information, November 2001