

# Workforce News

September 2006

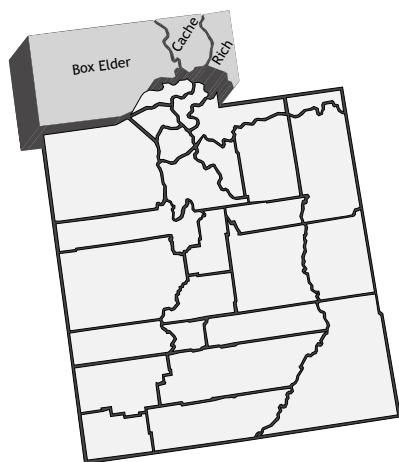


A publication of the Department of Workforce Services

# News

**Bear River: Box Elder, Cache, Rich**

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## Manufacturing in Northern Utah

Looking back through the recession, manufacturing took a big hit but is beginning to recover in the six northern counties of the Beehive State. Now that we can safely say the economic doldrums are in the past, it's interesting to see what the impact on payrolls was in Utah during the first half of the 2000 decade.

Manufacturing companies in the six northern counties in general lost employment during the recession, but in the last year or so, have started to add jobs to get back to the 2000 manufacturing employment figures. It's a slow process, and some of the counties are still struggling. The only county that did not end up in the red (negative growth in jobs) was Davis, but not by much. The graph on page 2 shows the employment levels in manufacturing in 2000 and in 2005 for each of the counties. This allows a look at not only the relative size of each county's manufacturing job base, but also the number of jobs the county's manufacturing sector lost over the five-year period.

*(continued)*



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<http://jobs.utah.gov/opencms/wi/counties>

# Manufacturing in Northern Utah

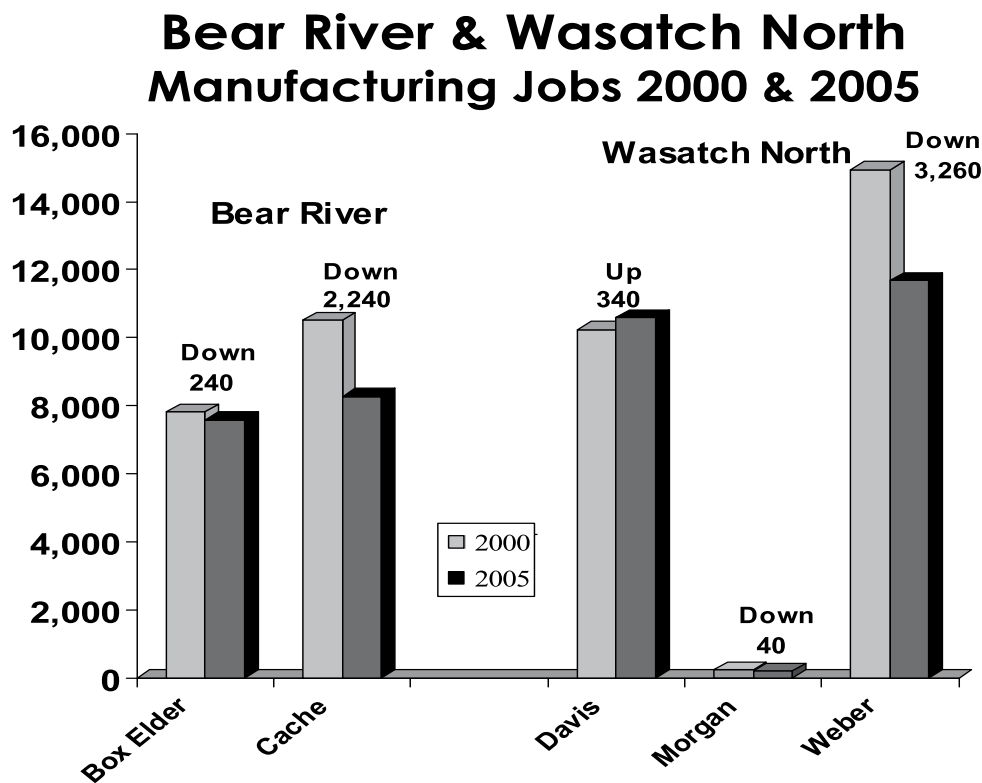
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Back to Davis...It was up only 340 new jobs of over the 10,200 figure of 2000. In the Bear River counties, both Box Elder and Cache suffered net declines in manufacturing jobs. Box Elder was off only 240 from the 7,800 level in 2000. Cache, however, lost 2,240 jobs in manufacturing in the five-year comparison. Rich County has virtually no manufacturing employment so is not shown on the graph.

In the Wasatch North three-county area (Davis, Morgan, and Weber) the biggest player in manufacturing is Weber County. This county really shed jobs in a hurry over the 2000-2005 span. In total, Weber lost some 3,260 positions, dropping from 14,930 jobs in 2000 to 11,670 in 2005. Davis County was able to hang on to positive manufacturing employment growth, but not by much. In fact, it lost all of its 340 positions between 2000 and 2001. Davis added manufacturing jobs in the remaining years. Morgan, which has a much smaller manufacturing base—some 200 to 250 jobs, lost about 40 positions between 2000 and 2005.

### Bad News...Good News

The bad news about manufacturing is that it is highly susceptible to all levels of economic fluctuations. Cache and Weber manufacturers felt that. What acerbated the slowdown,



Source: Utah Department of Workforce Services, Workforce Information, August 2006.

and specifically Weber County, was the terror attacks late in 2001. Those impacted the transportation industry including the firms in transportation equipment manufacturing. Some companies lost orders, downsized, or worse.

The good news is that the manufacturing industry is rebounding in northern Utah. Manufacturing job loss is slowing down significantly, even reversing and adding jobs. Weber County continues to lose a few manufacturing positions but that will be short-lived. The economy is always changing, and for northern Utah counties, this change is positive.

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# County News

**Box Elder County:** Job growth accelerated to a 4.8 percent rate in March of 2006. Roughly 880 new jobs were created. Construction grew strongly by 17 percent. Manufacturing added nearly 300 new jobs. Wholesale and retail trade increased, as did transportation and warehousing. In the business services industry, new positions were also added. Accommodation and food services increased employment by 100 jobs. Unemployment in June of 2006 dipped to 2.9 percent, down from the 4.3 rate of June 2005. Building activity improved dramatically in the first quarter of 2006 compared to the same period in 2005. New dwelling permits jumped from 84 to 179, a 128-percent increase in total valuation (from \$11.6 million to \$29.0 million). All of these indicators point toward a very vibrant economy in Box Elder County.

**Cache County:** Joblessness dropped significantly in the county to 2.4 percent, down from the 3.5-percent rate experienced in June of 2005. Employment also grew by 1.8 percent. In the March year-over comparison nearly 900 new positions were created. Trade and healthcare added a combined 550 jobs. Construction activity enjoyed a healthy 160-job increase. Construction increased over last year. Dwelling permits were up about 40 percent and the total valuation increased 91 percent, from \$25.3 million to \$48.7 million. Most of the added value was residential building, which accounted for \$24 million of the \$48.7-million total. In summary, the economy in Cache County is improving at a steady, positive pace.

**Rich County:** Rich County experienced a 6.1-percent new jobs growth rate in the March year-over comparison between 2005 and 2006. Although it was only 30 positions, it's still good news. Half of the new jobs were for the construction industry and the real estate industry. The healthcare sector also added jobs. Employment in government was virtually unchanged. Building activity improved some during the first quarter of 2006, compared to 2005, but only by 6 percent. New dwelling permits remained unchanged at five in the quarter-over comparison. Total construction valuation increased from \$1.6 million to \$1.7 million (or 6 percent). First quarter is typically a slow period for Rich County but the indicators substantiate a growing economy.

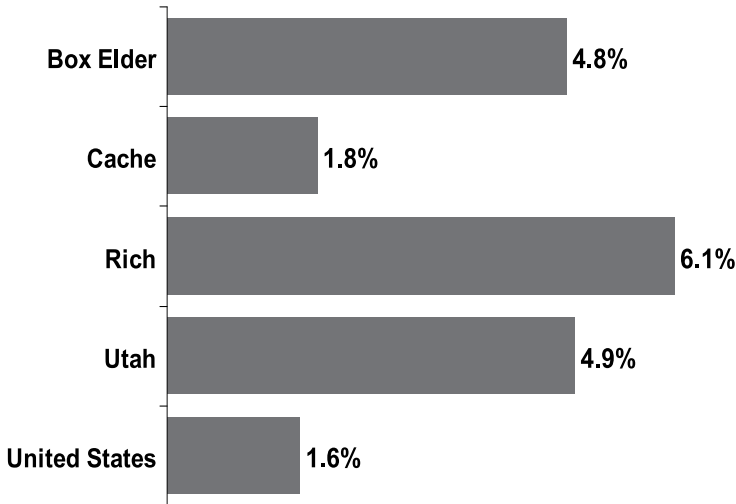
## What's Up?

- ✦ City officials are breathing sighs of relief with the formal announcement that a West Liberty Foods plant will come to Tremonton. The new plant is expected to employ about 200 and may eventually hire up to 500.
- ✦ Utah State University's Space Dynamics Laboratory is still planning a layoff despite \$2.5 million that may be coming through a bill passed by the U.S. House of Representatives. SDL announced it would cut 18 percent of its work force—potentially up to 40 jobs—because of decreases in NASA research funding.
- ✦ Fluctuating water levels at Bear Lake—although a concern to tourism officials—has had little impact on the number of people who vacation at the reservoir. In fact, the number of visitors to the lake has continued to increase despite the varying water levels.

**Bear River: Box Elder, Cache, Rich**

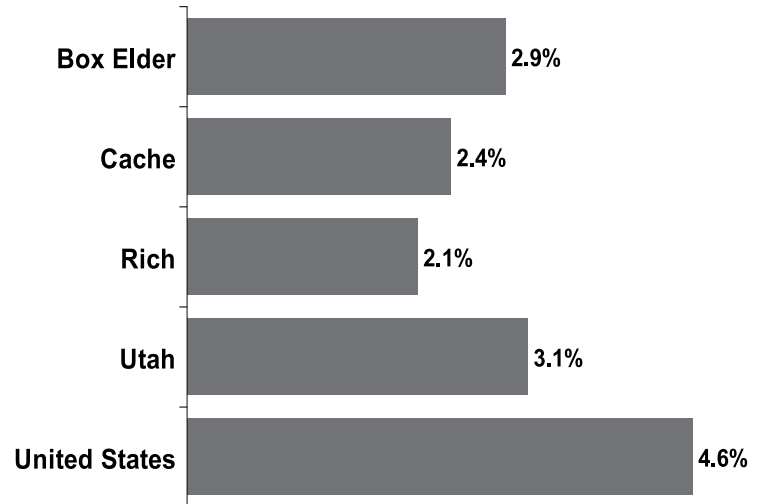
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**Change in Bear River Non-farm Jobs  
March 2005 to March 2006**



Source: Utah Dept. of Workforce Services; U.S. Bureau of Labor Statistics.

**Seasonally Adjusted Unemployment Rate  
Bear River June 2006**



Source: Utah Dept. of Workforce Services; U.S. Bureau of Labor Statistics.

03-51BR-0906