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IMPACT OF THE SALT LAKE CITY INTERNATIONAL AIRPORT ON THE UTAH ECONOMY

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Introduction

The services of Delta Air Lines, Morris Air, United Airlines, American Airlines and other tenants of the Salt Lake City International Airport are critical to Utah's economic vitality. These airlines enable business enterprise and job growth throughout the state as they link Utah's economy with businesses throughout the world. In addition, air service benefits the Utah economy through the operating and capital expenditures of businesses located at the Salt Lake City International Airport. The airlines, together with aviation operations, concessionaires, support service companies, government agencies, and air freight companies at the Airport, serve as major centers of earnings and employment for Utah households.

The Bureau of Economic and Business Research (BEBR) recently assessed the impact of air service on Utah's economy. The study focused on the operating and capital purchases of airlines and other Salt Lake City International Airport tenants from Utah businesses. It was determined that such purchases contribute significantly to employment and earnings levels in the state.

The operating expenditures of both airlines and other airport tenants (during calendar year 1992) and the Airport Authority (during fiscal year 1992) were analyzed. Through direct, indirect, and induced economic effects, Operating expenditures will generate over \$348 million annually in earnings and nearly 13,000 jobs for Utah households. Similarly, BEBR analyzed over 220 capital projects included in the Airport Authority's 1989-1996 improvement program. Through direct, indirect, and induced economic impacts, these projects will generate up to \$392 million in earnings and 16,500 years of employment for Utah households.

BEBR based its estimates on a standard tool of regional economic analysis, the RIMS II input-output model, developed by the Bureau of Economic Analysis, of the U.S. Department of Commerce. While RIMS II offers a reliable and comprehensive assessment of indirect and induced economic impacts, it probably underestimates the value of airport improvements to Utah's current and future

economic strength. RIMS II does not consider the benefits of increasingly efficient and accessible air service to Utah businesses and individuals. Estimation of these benefits is beyond the scope of the study.

This report explores the economic significance of air service at the Salt Lake City International Airport and the increasingly important role the Airport and the aviation industry play in the state's current and future economic prosperity. The following pages (1) illustrate the significant growth of Airport services and facilities during the past decade; (2) discuss the methodology of the impact study; and (3) analyze the significance of the study's findings.

Airport Profile¹

Salt Lake City International Airport is not only Utah's primary source of air service, but also a major link in the nation's air transportation system. The Airport provides facilities for all of the major national airlines and serves as a hub operation for Delta Air Lines. During the past decade, airlines such as Delta, Morris, United and American have dramatically expanded passenger and cargo services at the Airport. As services have expanded, however, airlines and the Salt Lake City Airport Authority have maintained reliable arrival and departure times and achieved high levels of customer service. Such quality, in addition to Utahns' increasing demand for air transportation services, ensures that the Airport continues to be a key element in the growth of the Utah economy for the foreseeable future.

The Airport and its Services. Salt Lake City International Airport operates on a 7,200-acre site located about five miles northwest of downtown Salt Lake City. The Airport operates two satellite ports: Airport II in West Jordan (ten miles south) and Tooele Valley Airport (22 miles southwest in Tooele County). Collectively, the three ports represent the city airports. Salt Lake City owns these airports and has delegated managing responsibility to the Salt Lake City Airport Authority.

The Airport's primary service area is the extended Wasatch Front, consisting of Cache, Box Elder, Weber, Davis, Salt Lake, Utah, Tooele, and Summit counties. These counties are home to 86 percent of Utah's total population (over 1.5 million persons, according to the Utah Population Estimates Committee²). The Airport also serves a larger secondary service area consisting of the remaining counties of Utah and regions of adjacent states.

Currently, eleven major, regional, and commuter airlines provide regularly scheduled passenger service. In addition, several charter airlines offer occasional passenger services. Tables 1 and 2 document the daily services of the Airport's major and commuter airlines, as measured during the period January through September 1993. Together, these tables indicate that the Airport offers 275 daily departures accommodating over 33,000 seats and serving over 95 non-stop destinations. The Airport's dominant air carrier is Delta Air Lines, which offers over 55 percent (152) of the Airport's daily departures and nearly 74 percent (23,641) of daily seats.

Table 1
Daily Domestic Passenger Service
Salt Lake City International Airport
Major Airlines, January - September 1993

Major Airline	Departures	Seats	Nonstop Destinations	% Total Departures	% Total Seats	% Total Destinations
Delta Air Lines	152	23,641	51	70.5	73.9	65.4
Morris Air Service	27	3,807	14	12.6	11.9	17.9
American Airlines	10	1,420	4	4.7	4.4	5.1
United Airlines	10	1,124	3	4.7	3.5	3.8
Continental Airlines	5	750	1	2.3	2.3	1.3
America West Airlines	4	488	2	1.9	1.5	2.6
Northwest Airlines	4	334	1	1.9	1.0	1.3
Trans World Airlines	3	414	2	1.4	1.3	2.6
Totals	215	31,978	78	100.0	100.0	100.0

Source: Salt Lake City Airport Authority, unpublished data (1993).

Table 2
Daily Domestic Passenger Service
Salt Lake City International Airport
Commuter Airlines, January - September 1993

Commuter Airline	Departures	Seats	Nonstop Destinations	% Total Departures	% Total Seats	% Total Destinations
Sky West Airlines	55	1,434	16	91.7	95.3	89.0
Horizon Air	3	54	1	5.0	3.6	5.5
Alpine Aviation	2	16	1	3.3	1.1	5.5
Totals	60	1,504	18	100.0	100.0	100.0

Source: Salt Lake City Airport Authority, unpublished data (1993).

In addition to these passenger services, the Airport offers extensive cargo transportation services. Five major airlines offer scheduled cargo services. Approximately 20 nonscheduled feeder cargo airlines offer additional service.

As airlines expand their services, the Salt Lake City International Airport enlarges and improves its facilities. Currently, the Airport features two air carrier passenger terminals, four interconnected concourses, 50 gates, and one commuter terminal with 13 aircraft parking positions. A wide variety of shops, restaurants, and other amenities operate within this infrastructure. The Airport also features an executive air terminal for charter services and a host of general aviation services for rent, including 221 T-hangars and 97 shade hangars. Approximately 450 general aviation aircraft base their operations at the Airport. The most important element of the Airport, however, is its set of runways. Two runways serve large air carrier aircraft. The Airport has begun construction of a third major runway, which will become operational in 1995.

A Decade of Growth. Delta and other airlines at the Salt Lake City International Airport have experienced steady growth in passenger service during the past ten years. As the data in Table 3 indicate, the Airport boarded (or enplaned) over twice as many passengers in 1992 as in 1982. The number of passengers boarding increased at an average annual rate of 9.1 percent throughout this period. Figure 1 graphically illustrates this growth. As passenger service has soared, so too has Airport cargo transportation (Table 4 and Figure 2). Airline shipments of freight and air mail, as measured by weight, increased over 300 percent from 1982 through 1992. This represents an average annual growth rate of 15.7 percent.

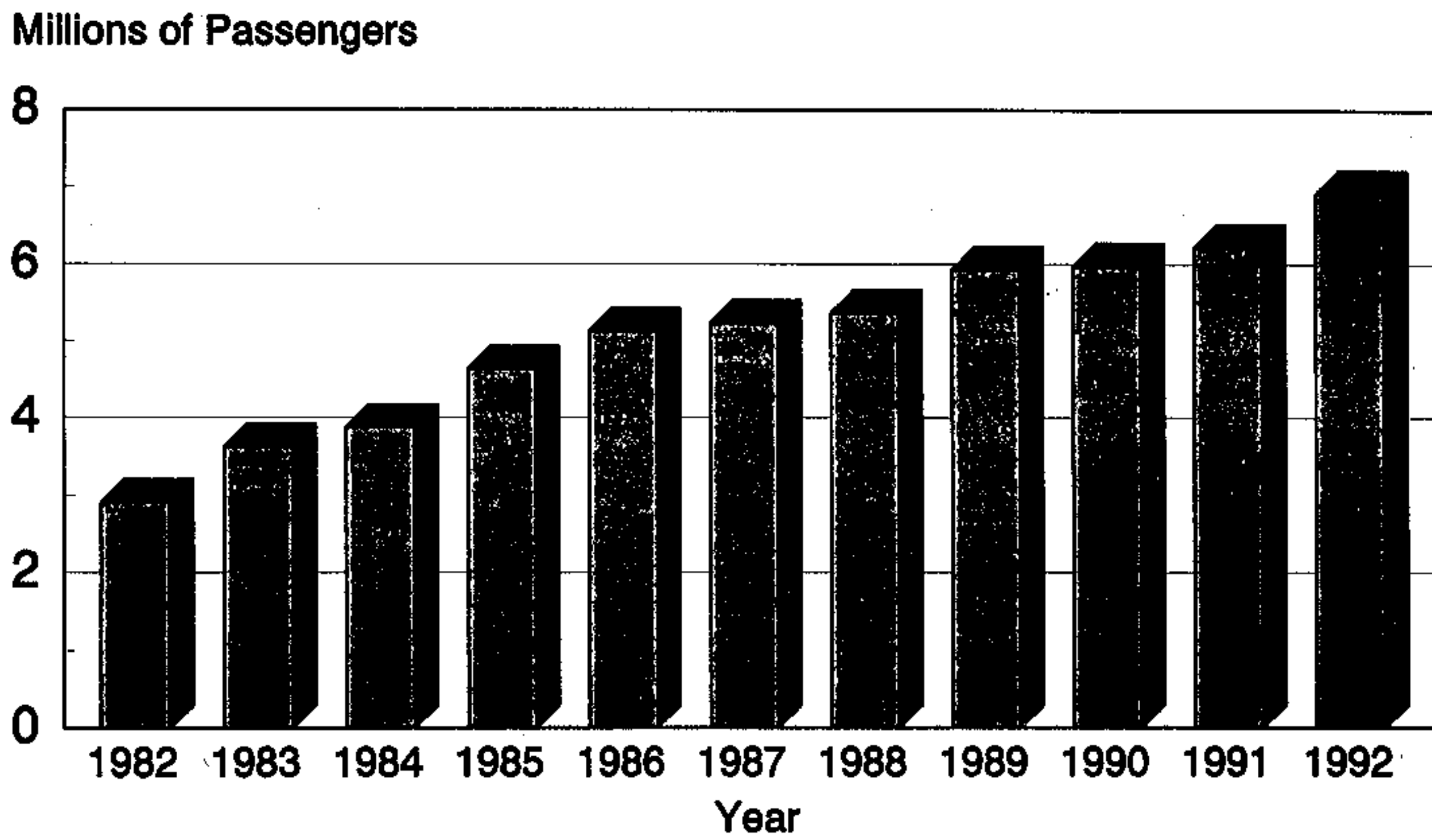
The Airport's growth stems from its new status as an airline "hubbing" operation. Since deregulation of the airline industry in 1978, most airlines have developed hub-and-spoke route networks as a means of increasing their effective service frequencies, passenger volume, and profitability. An airline will route and schedule its flights through a central hub airport from other points on the airlines' system. This allows passengers to transfer conveniently between connecting flights. Western Airlines established a hub operation at Salt Lake City International Airport in May 1982. This led to a dramatic increase in passenger and cargo transportation

Table 3
Total Enplaned Passengers Per Year
Salt Lake City International Airport, 1982-1992

Year	Total Passengers	Percent Change
1982	2,908,501	—
1983	3,630,412	24.8
1984	3,880,468	6.9
1985	4,636,914	19.5
1986	5,126,678	10.6
1987	5,235,097	2.1
1988	5,366,612	2.5
1989	5,927,551	10.5
1990	5,967,730	.7
1991	6,213,018	4.1
1992	6,920,374	11.4

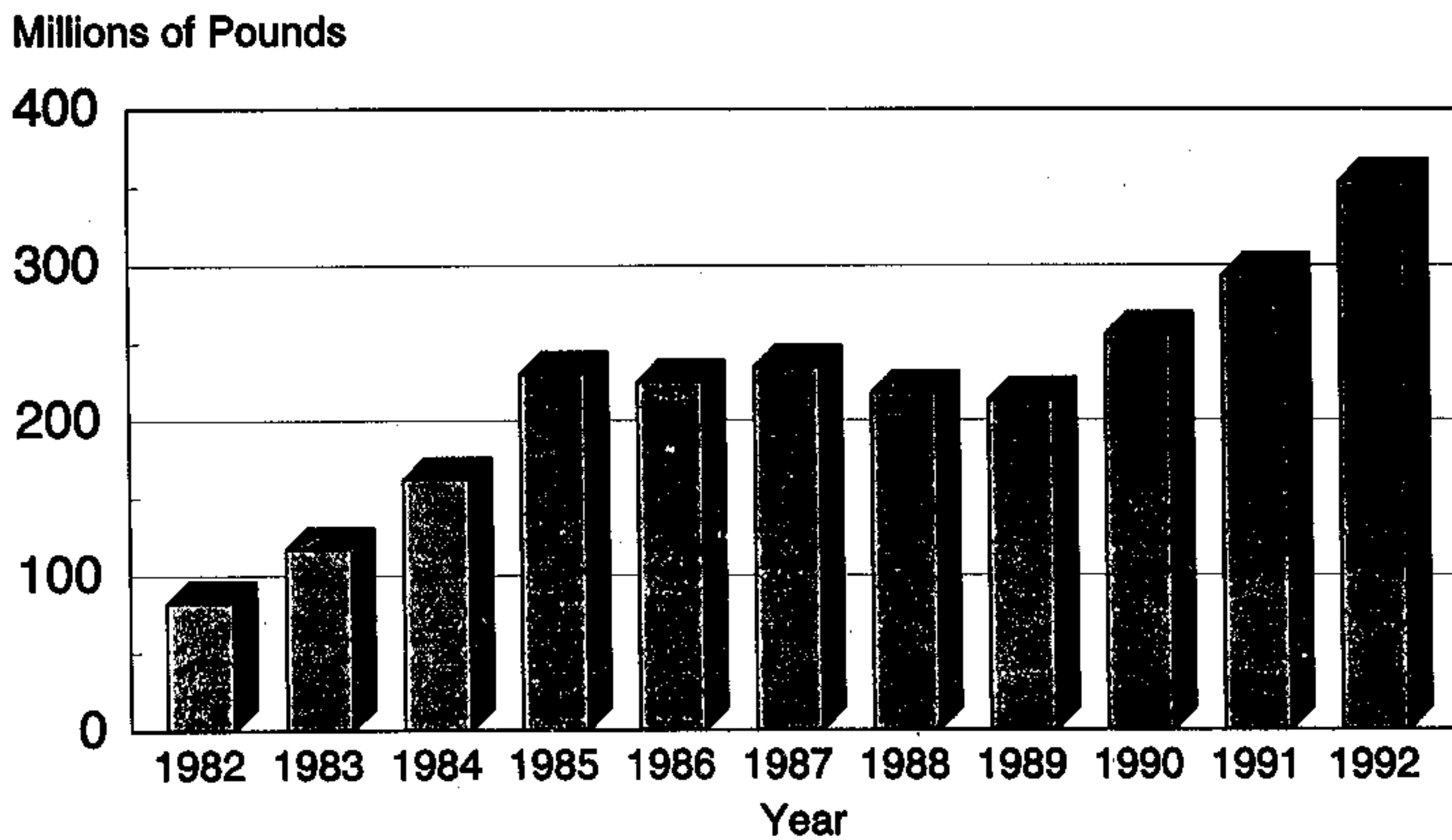
Source: Salt Lake City Airport Authority, unpublished data (1993).

Figure 1
Salt Lake City International Airport
Total Passenger Enplanements 1982-1992



Source: Salt Lake City Airport Authority

Figure 2
Salt Lake City International Airport
Total Emplaned and Deplaned Cargo 1982-1992



Source: Salt Lake City Airport Authority

Year	Total Cargo (lbs)	Percent Change
1982	82,483,552	— —
1983	117,055,245	41.9
1984	162,100,326	38.5
1985	230,407,884	42.1
1986	224,969,646	-2.4
1987	234,578,770	4.3
1988	217,678,132	-7.2
1989	213,194,474	-2.1
1990	255,224,621	19.7
1991	293,361,141	14.9
1992	353,637,048	20.5

Source: Salt Lake City Airport Authority, unpublished data (1993).

The future of Salt Lake City International Airport depends on its ability to maintain high quality hubbing operations, increase non-stop services to domestic and international markets, and serve Utah's expanding market for transportation services. The importance of the local market is highlighted by the recent growth of Morris Air, a low-fare carrier based in Salt Lake City since 1984. Formerly a charter service, Morris Air received FAA certification as a scheduled airline in 1992. As it has focused on Western destinations, Morris has steadily increased its share of Utah traffic. Tables 5 and 6 document this trend. Table 5 indicates that Morris' share of total Airport passenger traffic has risen from 2.1 percent in 1990 to 15.4 percent during the first nine months of 1993. Table 6 provides a better reflection of Morris' share of the growing Utah market. It shows that Morris' market share of non-connecting Airport passengers has risen from 4.2 percent in 1990 to 23.4 percent during the first nine months of 1993.

volumes over the 1982-1992 period. Since 1982, Western and Delta (which acquired Western in 1986) have routed increasing numbers of passengers and cargo shipments to non-Utah destinations through the Salt Lake City International Airport. This increase in "connecting" traffic is reflected in statistics showing that connecting passengers at the Airport rose from 10 percent to 50 percent of total Airport passengers over the period 1982-1992.

As operations have increased, however, the Airport and its airlines appear to have maintained the quality of air service. In 1992, the U.S. Department of Transportation's annual survey of 30 U.S. airports ranked Salt Lake City International Airport 10th in on-time arrivals and 14th in on-time departures. In addition, a 1993 nation-wide survey of the 32 largest U.S. airlines (commissioned by the major airlines) ranked the Airport fourth in overall customer satisfaction. Satisfaction criteria included clear and understandable airport signs, cleanliness, availability of ground transportation, quality of food, overall appearance, access to departure gates, ease of parking, and baggage delivery service. Similarly, surveys by *Conde Nast Traveler Magazine* and Kagel Research Associates, among others, have recognized the Airport for its customer service.

Airline	FY 1990 (%)	Jan - Sep 1993 (%)
Delta Air Lines	78.6	68.1
Morris Air Service	2.1	15.4
United Airlines	4.1	3.7
SkyWest Airlines	3.2	3.4
American Airlines	3.7	3.3
Continental Airlines	2.5	2.1
Northwest Airlines	.8	1.6
America West Airlines	2.8	1.4
Trans World	1.2	.8
Horizon Air	.4	.1
Alpine Aviation	.0	.0

Source: Salt Lake City Airport Authority, Air Traffic Statistics (1985-1993).

Table 6
Airlines' Share of Non-Connecting
Passengers, 1990 and 1993
Salt Lake City International Airport

Airline	FY 1990 (%)	Jan - Sep 1993 (%)
Delta Air Lines	58.6	47.1
Morris Air Service	4.2	23.4
United Airlines	8.0	6.7
SkyWest Airlines	6.4	6.2
American Airlines	6.5	5.6
America West Airlines	5.6	3.8
Northwest Airlines	1.6	2.9
Continental	4.8	2.1
Trans World	2.4	1.5
Horizon Air	.7	.3
Alpine Aviation	.1	.1

Source: Salt Lake City Airport Authority, Air Traffic Statistics (1985-1993).

Measuring Economic Impacts

As air services improve, airlines and other Airport tenants exert increasingly significant impacts on the Utah economy. Local firms expand the scope of their marketing efforts as transportation becomes increasingly efficient and accessible. New firms and firms outside Utah establish operations in the state as air services improve. These impacts are known as "downstream" or agglomeration effects: airport services flow "downstream" to businesses that rely on air transportation. In addition, the Airport exerts direct or "upstream" impacts on the Utah economy. Annual operations expenditures and periodic capital improvement projects require the goods and services of local businesses. The Airport's purchases expand the output of these "upstream" businesses thereby increasing employment and earnings throughout Utah.

While Airport impacts on the Utah economy are diverse, they resist measurement. "Downstream" impacts are particularly difficult to assess. Thus, BEBR focused its study on the "upstream" impacts of Airport operations and capital expenditures on the Utah economy.

BEBR employed a standard tool of regional economic impact analysis, the "Regional Input-Output Modeling System" (RIMS II). Developed by the Bureau of Economic Analysis (BEA) of the U.S. Department of Commerce, RIMS II provides a 531-sector input-output model of the Utah economy. This model traces the flow of Airport operating and capital purchases, or *input requirements*, throughout the Utah economy. The model then estimates the total amount of *output required* from each industrial sector to satisfy Airport purchases. RIMS II refers to this output as "purchase requirements."

Three types of purchase requirements are recognized by the RIMS II model: direct, indirect, and induced. Airlines, the Airport Authority, and other airport tenants generate *direct requirements* as they purchase goods and services directly from Utah suppliers in various industrial sectors. These suppliers generate *indirect requirements* as they purchase goods and services from other industrial sectors to satisfy the initial direct requirements. As the airport and its suppliers generate direct and indirect requirements, they will also pay wages, salaries, and benefits to employees. These employees, in turn, generate *induced requirements* as they spend their earnings and purchase goods and services from various industrial sectors.

RIMS II models the relationship between direct, indirect, and induced purchase requirements for each industrial sector of the Utah economy. Given airport direct requirements from a particular industrial sector (e.g., Radio and TV Communication Equipment), RIMS II estimates corresponding indirect and induced requirements from other industrial sectors. The model measures these requirements in terms of earnings and employment generated. The BEA defines earnings as the sum of wages and salaries, proprietors' income, and other labor income (employer contributions for insurance and retirement benefits). Hereafter, this report will refer to other labor income as "benefits." The RIMS II employment impacts encompass both full- and part-time employment, based on the labor mix existing during 1989.

The sum of direct, indirect, and induced requirements represents the *total economic impact* of Airport spending. Further description of the model's characteristics and applicability appears in three BEA publications.³

RIMS II, however, represents only one possible approach to the Airport's impact on the Utah economy. Several alternative methodologies exist. One popular approach, for example, defines economic

impact in terms of spending, not earnings or employment. Applied to Airport capital improvements and operations, this approach would measure the amount of spending generated per dollar of Airport purchases. This approach, however, is inaccurate and potentially misleading.

A "total spending generated" figure would include significant double-counting. The figure would sum purchases made by vendors of both final and intermediate goods and services. Thus, if an Airport improvement included purchases of radio communication equipment from a local retailer, the "total spending generated" figure would include the amount paid by the Airport, the price paid by the retailer who bought the equipment from a wholesaler, the price paid by the wholesaler who bought the equipment from a local manufacturer, the amounts paid by the manufacturer who bought raw materials from local suppliers, and so on. Obviously, the "total spending generated" figure would not reflect the actual *value* generated in the Utah economy by the original Airport purchase.

Further, a "total spending generated" figure would reflect the *structure* of Utah's economy more than it would reflect actual *benefits* conferred to residents of the economy. A dollar of Airport purchases from one industrial sector will generate more or less subsequent spending depending on the interdependence of the sector with the rest of the Utah economy. If the sector exhibits little interdependence, subsequent spending will be relatively low, and vice versa. A "total spending generated" figure, therefore, provides little, if any, reflection of the actual benefits of Airport spending, i.e., whether the spending raised income and employment significantly in the Utah economy.

Similar problems characterize other approaches to the economic impact of Airport capital improvements. Thus, BEBR favors the RIMS II model. Not only does the model rely on sound methodology and avoid problems of double-counting, it also focuses on the critical considerations of any economic impact: employment and earnings. BEBR believes that the RIMS II approach yields an accurate measure of the benefits of Airport operations expenditures and capital improvements to the residents of Utah.

Data Collection

A reliable RIMS II impact study requires a wide range of data. BEBR relied on several sources for its data needs. These included capital budgeting publications of the Airport Authority, interviews with Airport Authority engineers and accountants, and air

traffic statistics. One of the most important sources of data was a survey of the 1992 operating expenditures of business firms and government organizations that maintain an on-site presence at the Airport. The Airport Authority administered approximately 100 questionnaires and asked respondents to limit their responses to data pertaining to on-site Airport operations only.

The survey revealed several significant aspects of Airport operations. First, employment at the Airport has risen significantly during the period 1989 through 1992. As Table 7 documents, total employment has risen 34 percent, from 8,101 to 10,853 employees. Table 8 shows that this increase in employment accompanied a corresponding rise in compensation of employees. Note that this table does not adjust for inflation. Airlines, as might be expected, generate a significant proportion (about 60 percent) of Airport employment. Tables 9 and 10 list the five largest Airport tenants in terms of employment and compensation, respectively. Interestingly, while Delta accounts for about 40 percent of total Airport employment, it accounts for nearly 67 percent of total compensation.

It should be noted, however, that the Airport Authority survey excluded several types of businesses that rely heavily on the Airport. These include ground transportation services such as taxi and limousine services and various businesses associated with the travel industry, such as hotels and motels, restaurants, and travel agencies. Similarly, the survey excluded general aviation tenants and other businesses that lease space at the Airport but maintain off-site business operations and do not generate significant employment or income at the Airport itself.

BEBR's study reflects the reliability and limitations of the Airport Authority survey and other Airport data. While BEBR and the Airport Authority gathered extensive data on operations and capital spending, these data ignore a wide range of Airport impacts on the Utah economy. Perhaps most importantly, the analysis does not capture the important effects of air transportation on Utah's service industries, such as hotels and other lodging places, retailing, and amusement and recreation services.

The Airport's Economic Impact

The Airport spends millions of dollars annually to maintain and expand services and facilities. As noted, operating expenditures exceeded \$750 million in 1992. Capital spending is equally significant: during the period July 1989 through December 1996,

Table 7 Total Employment, 1988 and 1992 Salt Lake City International Airport			
Employer	1988 Airport Employment	1992 Airport Employment	Percent Growth 1988-1992
Airports	5,129	6,325	23.3
Other Airport Tenants	2,746	4,176	52.1
Airport Authority	226	352	55.8
Total	8,101	10,853	34.0

Source: Salt Lake City Airport Authority, unpublished data (1993).

Table 8 Labor Compensation, 1988 and 1992 Salt Lake City International Airport			
Employer	1988 Labor Compensation	1992 Labor Compensation	Percent Change 1988-1992
Airlines	\$131,935,600	\$348,666,200	164.3
Other Airport Tenants	60,667,800	94,552,000	55.9
Airport Authority	7,432,200	11,794,700	58.7
Total	\$200,035,600	\$455,012,900	127.5

Source: Salt Lake City Airport Authority, unpublished data (1993).

Table 9 Largest Airport Employers 1992 Employment Salt Lake City International Airport	
Employer	Percent Share of Total Airport Employment
Delta Air Lines	39.5
Morris Air Service	10.5
Continental Airlines	8.4
SkyWest Airlines	3.9
McDonnell Douglas	3.8
All Other Airport Tenants	33.9
Total	100.0

Source: Salt Lake City Airport Authority, unpublished data (1993).

Table 10 Largest Airport Employers 1992 Labor Compensation Salt Lake City International Airport	
Employer	Percent Share of Total Airport Compensation
Delta Air Lines	66.5
Morris Air Service	5.7
McDonnell Douglas	4.3
Federal Aviation Admin. (FAA)	2.9
Salt Lake City Airport Authority	2.6
All Other Airport Tenants	18.0
Total	100.0

Source: Salt Lake City Airport Authority, unpublished data (1993).

the Airport will conduct capital improvement projects valued at over \$470 million. Projects range from construction of a new parallel runway (the largest single project, valued at over \$120 million) and a 2,000-stall covered parking structure to expansion of numerous terminal buildings, concourses, and hangars. These projects represent the Airport's most extensive capital improvement program to date.

BEBR has estimated the expansionary effect of Airport operations and capital spending on the Utah economy. Through direct, indirect, and induced economic effects, operating expenditures will generate over \$348 million annually in earnings and nearly 13,000 jobs for Utah households (see Table 11). Similarly, through direct, indirect, and induced economic effects, capital spending will generate up to \$392 million in earnings and 16,500 job years of employment for Utah households (see Table 12).

The impacts featured in Tables 11 and 12 reflect several important assumptions. RIMS II defines an economic impact as the effect of an injection of spending into a regional economy. This injection increases purchases of goods and services in the economy. These purchases, in turn, generate direct, indirect, and induced requirements which raise the level of regional economic activity.

The economic impact of an Airport expenditure, therefore, depends on the source of revenues used to make the expenditure. If an airline's expenditures, for example, divert revenues solely from in-state applications, these expenditures will have little, if any, economic impact on Utah. No influx of funds into the economy will occur; assets will only move from one sector of the economy to another.

BEBR has adjusted the Airport's economic impacts to reflect the sources of funding used to finance operations and capital expenditures. With respect to the impact of *operations expenditures*, BEBR estimates that at least 52 percent of Airport annual revenues derives from out-of-state sources. This percentage is based on Airport Authority passenger statistics and BEBR's 1990-91 Utah Skier Survey.⁴ Airport statistics indicated the ratio of connecting passengers to total passengers during the past year. Since connecting passengers tend to be non-Utah residents, this ratio represents a minimum estimate of the proportion of Airport revenues derived from out-of-state sources. This proportion, however, ignores a significant percentage of non-connecting passengers who also reside out-of-state. These passengers travel to Utah for business or to visit ski resorts and other state attractions. The Utah Skier Survey provides a usable estimate of the number of tourists who travel to Utah by airplane. BEBR, therefore, used its survey findings to develop a ratio (52 percent) that reflects the portion of Airport revenues derived from both tourists and connecting passengers.

The economic impacts of Airport *capital spending* incorporate a significantly different funding assumption. BEBR treated the total value of such spending (about \$470 million) as an injection of money into the Utah economy. This assumption is in line with RIMS II documentation, which treats construction spending as a wholly exogenous impact on regional economies. Airport capital improvement projects, however, may have diverted funds from in-state applications. Since capital spending was not adjusted to reflect this in-state funding, the Airport's upstream impact on the Utah economy may be somewhat overstated.

Table 11 Economic Impact of 1992 Operations Expenditures Salt Lake City International Airport		
	Earnings Generated	Years of Employment Generated
Direct Impact	\$214,100,340	5,610
Indirect and Induced Impact	134,115,492	7,339
Total Impact	\$348,215,832	12,949
Source: Salt Lake City Airport Authority, unpublished data (1989-1993); Bureau of Economic and Business Research, David Eccles School of Business, University of Utah, unpublished report (1993).		

Table 12 Economic Impact of Airport Capital Expenditures, 1989-1996 Salt Lake City International Airport		
	Earnings Generated	Years of Employment Generated
Direct Impact	\$ 31,320,507	757
Indirect and Induced Impact	360,462,489	15,702
Total Impact	\$391,782,996	16,458
Source: Salt Lake City Airport Authority, unpublished data (1989-1993); Bureau of Economic and Business Research, David Eccles School of Business, University of Utah, unpublished report (1993).		

Significance of the Airport's Economic Impact

Delta, American, United and other tenants of Salt Lake City International Airport represent an integral component of the Utah economy. BEBR's analysis illuminates one aspect of the Airport's contributions to Utah's economic strength, namely its impact on the jobs and income of Utah workers and their families. To place this impact in perspective BEBR compared the total earnings generated by the Airport to total earnings in Utah and Salt Lake County. Such comparison does not imply that the airlines and other Airport tenants generated a certain percentage of state or county earnings. Rather, it simply places the Airport's economic impact within a wider context and permits some limited assessments of the impact's significance.

BEA data indicate that total earnings of Utah workers equalled about \$21.8 billion in 1992.⁵ During this year, earnings generated by Airport operating and capital spending (after annualizing capital spending impacts over the period 1989-1996) equalled about \$400 million. This represents 1.8 percent of total state earnings. Evidently, Salt Lake City International Airport tenants contribute substantially to Utah economic activity.

Based on the most recent BEA data for Utah counties⁶, BEBR estimates that Salt Lake County labor and proprietors' earnings equalled about \$11.3 billion in 1992. Earnings generated by the Salt Lake City International Airport represent about 3.5 percent of this sum. These percentages constitute a impressive portion of county earnings. The airlines and their fellow Airport tenants appear to contribute significantly to the Salt Lake County economy.

Indeed, the Airport may be an even more important contributor to state and county economic activity than BEBR findings suggest. While the RIMS II model considers all economic activity generated by Airport *purchases*, it does not account for activity generated by Airport *services*. As the Airport and its airlines expand, they will provide increasingly efficient and accessible service to Utah businesses and individuals. Such improved air service has important economic benefits, none of which is encompassed by the RIMS II model. Further, improved air service will attract new businesses to Utah. While this phenomenon, known as agglomeration, is valuable to Utah's economy, it is not considered by RIMS II. Thus, BEBR's analysis no doubt underestimates the overall economic impact of Airport capital improvements and operations.

Conclusion

The findings of the BEBR study show that Utah's economy grows as airlines and other businesses at the Salt Lake City International Airport expand and improve services to state businesses and residents. The Airport Authority, airport tenants, and contractors not only benefit Utah workers through increased employment, but also contribute significantly to total earnings in Utah and Salt Lake County. Due to limitations of the RIMS II model, BEBR's findings probably underestimate the value of Airport contributions to Utah's economy.

Endnotes

¹ Buzz Hunt, Director of Air Service and Marketing for the Salt Lake City Airport Authority, contributed substantially to the content of this section.

² See Barber, Brad T. and Taylor, Jeanine M. "1992 Population Estimates for Utah and Its Counties." *Utah Economic and Business Review*, Vol. 52, Nos. 11 and 12 (November/December 1992).

³ *Regional Multipliers: A User Handbook for the Regional Input-Output Modeling System (RIMS II)* (U.S. Department of Commerce, Bureau of Economic Analysis, Second Edition, May 1992); and *Regional Input-Output Modeling System (RIMS II): Estimation, Evaluation, and Application of a Disaggregated Regional Impact Model* (U.S. Department of Commerce, Bureau of Economic Analysis, 1981).

⁴ See Fjeldsted, Boyd L. and Hachman, Frank C. "Results of the 1990-91 Utah Skier Survey." *Utah Economic and Business Review*, Vol. 51, Nos. 8 and 9 (August/September 1991).

⁵ U.S. Department of Commerce, Bureau of Economic Analysis. *Regional Economic Information System (REIS)*.

⁶ See Fjeldsted, Boyd L. "Personal Income in Utah Counties, 1991." *Utah Economic and Business Review*, Vol. 53, Nos. 2 and 3 (February/March 1993).

Utah Business Statistics

UTAH DATA	Jun. 1992	Jun. 1993	% Change from Year Ago	12-Month Average This Year	12-Month Average Last Year	12-Month Average % Change
Total Personal Income (seasonally adjusted, mil. of dol., qnty.)	27,953	30,362	8.6%	29,410	27,145	8.3%
New Corporations (no.)	594	472	-20.5%	574	530	8.2%
New Car, Truck, and Motor Home Sales (no.)	5,521	5,885	6.6%	5,449	4,946	10.2%
Agriculture -----						
Average Prices Received by Farmers (dol.)						
Lambs (cwt.)	54.40	50.00	-8.1%	54.66	48.68	12.3%
Milk, All (cwt.) 1	12.30	12.30	0.0%	12.13	12.16	-0.2%
Barley (per bushel)	2.48	2.30	-7.3%	2.25	2.32	-3.2%
Alfalfa Hay, Baled (per ton) 2	61.00	72.00	18.0%	64.33	55.92	15.1%
Commercial Red Meat Production (thous. of lbs.)	34,800	38,518	10.7%	35,502	34,518	2.9%
Construction -----						
Total Construction (thous. of dol.) 3	145,913.7	195,497.8	34.0%	132,658.5	106,800.6	24.2%
Residential	97,803.4	151,229.3	54.6%	91,668.5	67,823.7	35.2%
Nonresidential	27,925.1	21,875.9	-21.7%	23,464.3	22,220.5	5.6%
Additions, Alterations, and Conversions	20,185.2	22,392.6	10.9%	17,525.7	16,756.4	4.6%
Total Permit Construction (thous. of dol.) 4	173,293.9	243,104.1	40.3%	159,140.5	133,679.0	19.0%
Residential	113,602.3	173,868.4	53.1%	107,190.9	78,728.2	36.2%
Nonresidential	26,510.9	46,720.2	76.2%	32,449.6	36,136.8	-10.2%
Additions, Alterations, and Repairs	33,180.7	22,515.5	-32.1%	19,500.0	18,814.0	3.6%
New Dwelling Units (no.)	1,386	2,206	59.2%	1,247	934	33.6%
Employment -----						
Civilian Labor Force (thous.)	815.4	854.1	4.7%	822.2	809.9	1.5%
Employed	776.7	814.6	4.9%	784.4	770.3	1.8%
Unemployed	38.7	39.5	2.1%	37.8	39.7	-4.8%
Percent of Labor Force	4.8	4.6	-4.2%	4.6	4.9	-6.5%
Nonagricultural Jobs (thous.)	771.9	807.9	4.7%	782.5	755.4	3.6%
Mining	8.3	8.7	4.8%	8.5	8.5	0.2%
Contract Construction	36.6	41.0	12.0%	36.7	33.0	11.2%
Manufacturing	106.4	107.9	1.4%	105.5	105.5	0.0%
Transportation, Communications, and Utilities	44.1	46.1	4.5%	44.5	43.0	3.5%
Wholesale Trade	40.0	41.1	2.8%	40.9	40.4	1.1%
Retail Trade	144.9	151.5	4.6%	147.3	141.1	4.4%
Finance, Insurance, and Real Estate	37.3	39.7	6.4%	38.1	36.7	3.7%
Services 5	195.8	210.9	7.7%	203.0	191.6	5.9%
Federal Government	38.6	35.5	-8.0%	36.9	38.5	-4.2%
State Government 6	45.3	47.5	4.9%	46.7	45.0	3.7%
Local Government 6	74.6	78.0	4.6%	74.6	72.2	3.4%
Average Weekly Hours						
Mining	40.6	42.8	5.4%	44.2	43.3	2.0%
Manufacturing	40.6	39.7	-2.2%	39.9	40.1	-0.6%
Wholesale Trade	35.5	37.0	4.2%	36.5	36.2	0.8%
Retail Trade	27.3	27.9	2.2%	26.0	26.8	-3.1%
Amount of Unemployment Compensation (thous. of dol.)	6,309.7	6,083.8	-3.6%	6,495.5	6,742.7	-3.7%
Finance (qnty.) -----						
Total State and Nationally Chartered Banks (no.)	39	36	-7.7%	38	39	-2.5%
Total Assets (mil. of dol.)	12,604.3	13,379.5	6.2%	13,248.1	12,460.4	6.3%
Total Liabilities (mil. of dol.)	11,693.6	12,404.1	6.1%	12,282.7	11,579.1	6.1%
Total Equity Capital (mil. of dol.)	910.7	975.4	7.1%	965.5	881.3	9.6%
Capital to Assets 7	8.61	8.63	0.2%	8.63	8.42	2.4%
Loan Loss Reserve Ratio	2.28	2.31	1.3%	2.29	2.22	2.9%
Loans to Assets	60.75	58.00	-4.5%	58.57	60.83	-3.7%
Temporary Investment Ratio	17.74	21.09	18.9%	19.76	18.15	8.9%
Return on Assets	0.30	0.36	20.0%	0.34	0.26	34.3%
Production -----						
Crude Oil to Refineries, Barrels Received (thous. of bbls.)	3,761.8	3,713.6	-1.3%	3,567.9	3,699.0	-3.5%
Crude Oil (thous. of bbls.)	1,865.6	1,788.4	-4.1%	1,831.0	1,835.1	-0.2%
Natural Gas (mil. of cu. ft.)	25,353.5	28,357.9	11.9%	28,017.7	26,049.6	7.6%
Coal (thous. short tons)	1,625.0	1,900.0	16.9%	1,735.5	1,829.5	-5.1%
Travel/Tourism -----						
Air Passengers (total no. on and off, S.L. Int'l. Airport)	1,330,673	1,510,321	13.5%	1,251,619	1,068,458	17.1%
Highway Traffic Count Across State Lines (qnty.)	47,049	47,896	1.8%	47,492	46,570	2.0%
Visits to State and National Parks and Monuments	2,362,072	2,483,894	5.2%	1,366,890	1,300,456	5.1%
Utilities -----						
Electric Customers (Residential)	507,406	518,097	2.1%	515,111	503,634	2.3%
Electric Customers (Commercial)	50,666	51,844	2.3%	51,644	50,063	3.2%
Natural Gas Customers (Residential and Commercial)	508,906	527,527	3.7%	519,881	504,485	3.1%
Natural Gas Customers (Industrial)	803	718	-10.6%	784	717	9.2%
Telephone Lines in Service (U.S. West, Residential Access)	553,722	573,463	3.6%	566,123	547,269	3.4%
Telephone Lines in Service (U.S. West, Business Access)	209,283	223,987	7.0%	217,076	207,103	4.8%

Utah Business Statistics

UTAH DATA

	Jun. 1992	Jun. 1993	% Change from Year Ago	12-Month Average This Year	12-Month Average Last Year	12-Month Average % Change
Davis County						
Nonagricultural Employment (thous.)	62.6	65.5	4.6%	62.2	60.2	3.3%
Unemployment Rate (seasonally adjusted)	4.1	4.1	0.0%	4.3	4.4	-3.6%
Authorized Permit Construction (thous. of dol.)	26,091.7	22,091.5	-15.3%	19,046.1	16,904.1	12.7%
New Dwelling Units (no.)	140	164	17.1%	134	103	30.1%
New Car, Truck, and Motor Home Sales, Owner's County (no.)	476	550	15.5%	483	443	9.1%
Electric Customers (Residential)	51,614	52,785	2.3%	52,498	51,340	2.3%
Electric Customers (Commercial)	3,927	4,060	3.4%	4,054	3,914	3.6%
Natural Gas Customers (Residential and Commercial)	55,291	56,951	3.0%	56,220	54,761	2.7%
Natural Gas Customers (Industrial)	96	84	-12.5%	88	87	1.3%
Telephone Lines in Service (U.S. West, Residential Access)	64,787	67,433	4.1%	66,260	63,811	3.8%
Telephone Lines in Service (U.S. West, Business Access)	14,037	15,236	8.5%	14,650	13,850	5.8%
Salt Lake County						
Nonagricultural Employment (thous.)	392.3	411.8	5.0%	398.0	383.9	3.7%
Unemployment Rate (seasonally adjusted)	4.3	4.1	-4.7%	4.2	4.6	-9.0%
Authorized Permit Construction (thous. of dol.)	59,413.8	91,475.3	54.0%	61,040.3	46,924.5	30.1%
New Dwelling Units (no.)	431	749	73.8%	409	311	31.4%
New Car, Truck, and Motor Home Sales, Owner's County (no.)	2,574	3,195	24.1%	2,744	2,343	17.1%
Electric Customers (Residential)	252,188	257,032	1.9%	256,402	252,052	1.7%
Electric Customers (Commercial)	21,845	22,317	2.2%	22,252	21,828	1.9%
Natural Gas Customers (Residential and Commercial)	235,852	241,402	2.4%	239,247	234,516	2.0%
Natural Gas Customers (Industrial)	369	294	-20.3%	350	307	13.8%
Telephone Lines in Service (U.S. West, Residential Access)	260,156	268,010	3.0%	264,932	257,230	3.0%
Telephone Lines in Service (U.S. West, Business Access)	123,871	131,461	6.1%	128,151	122,934	4.2%
Utah County						
Nonagricultural Employment (thous.)	99.7	104.9	5.2%	104.1	100.2	3.9%
Unemployment Rate (seasonally adjusted)	4.2	4.2	0.0%	4.1	4.4	-7.0%
Authorized Permit Construction (thous. of dol.)	30,351.5	45,743.1	50.7%	28,664.7	23,845.4	20.2%
New Dwelling Units (no.)	316	344	8.9%	231	182	26.9%
New Car, Truck, and Motor Home Sales, Owner's County (no.)	472	537	13.8%	491	451	8.8%
Electric Customers (Residential)	55,727	58,997	5.9%	57,393	55,197	4.0%
Electric Customers (Commercial)	6,314	6,627	5.0%	6,791	6,254	8.6%
Natural Gas Customers (Residential and Commercial)	67,629	70,494	4.2%	69,555	67,131	3.6%
Natural Gas Customers (Industrial)	85	92	8.2%	93	83	11.6%
Telephone Lines in Service (U.S. West, Residential Access)	71,357	74,495	4.4%	73,495	70,777	3.8%
Telephone Lines in Service (U.S. West, Business Access)	23,201	25,593	10.3%	24,430	23,013	6.2%
Weber County						
Nonagricultural Employment (thous.)	70.0	70.1	0.1%	70.8	69.0	2.6%
Unemployment Rate (seasonally adjusted)	5.7	5.5	-3.5%	6.0	5.8	4.5%
Authorized Permit Construction (thous. of dol.)	13,384.7	13,928.6	4.1%	9,289.2	8,631.8	7.6%
New Dwelling Units (no.)	85	101	18.8%	66	60	9.4%
New Car, Truck, and Motor Home Sales, Owner's County (no.)	577	470	-18.5%	431	414	4.1%
Electric Customers (Residential)	56,295	57,267	1.7%	56,969	56,041	1.7%
Electric Customers (Commercial)	5,334	5,463	2.4%	5,404	5,259	2.7%
Natural Gas Customers (Residential and Commercial)	52,971	54,281	2.5%	53,730	52,551	2.2%
Natural Gas Customers (Industrial)	98	96	-2.0%	97	91	5.7%
Telephone Lines in Service (U.S. West, Residential Access)	49,825	51,201	2.8%	50,567	49,239	2.7%
Telephone Lines in Service (U.S. West, Business Access)	13,630	14,251	4.6%	13,934	13,716	1.6%

- 1 Before deductions for hauling and government withholding, but includes quality, quantity and other premiums. Excludes hauling subsidies.
- 2 Mid-month prices.
- 3 Obtained from U.S. Bureau of the Census Construction Statistics Division.
- 4 Obtained from *Utah Construction Report*.
- 5 Includes services by nonprofit and religious organizations.
- 6 Includes public schools and college institutions.
- 7 Includes allowance for loan losses.

Sources:

Personal Income	U.S. Department of Commerce, Bureau of Economic Analysis.
New Corporations	Utah Department of Commerce, Division of Corporations and Commercial Code.
New Car and Truck Sales	Utah State Tax Commission, Economic and Statistical Unit.
Agriculture	U.S. Department of Agriculture, Utah Agricultural Statistics Service, <i>Utah Agriculture</i> .
Construction Data	U.S. Bureau of the Census and Bureau of Economic and Business Research, <i>Utah Construction Report</i> .
Employment Data	Utah Department of Employment Security.
Finance Data	Utah Department of Financial Institutions.
Crude Oil Production	Utah Department of Oil, Gas, and Mining and Area Oil Refineries.
Natural Gas Production	Utah Department of Oil, Gas, and Mining.
Coal Production	U.S. Department of Energy.
Air Passengers	Salt Lake City International Airport, Statistics Division.
Highway Traffic Count	Utah Department of Transportation.
Visits to State and National Parks and Monuments	U.S. Forest Service and Utah State Parks and Recreation Department.
Utilities Data	Cooperating Utah Utility Companies.

Utah Business Statistics

UTAH DATA	Jul. 1992	Jul. 1993	% Change from Year Ago	12-Month Average This Year	12-Month Average Last Year	12-Month Average % Change
Total Personal Income (seasonally adjusted, mil. of dol., qly.)	28,461	NA	NA	NA	27,325	NA
New Corporations (no.)	576	715	24.1%	585	536	9.2%
New Car, Truck, and Motor Home Sales (no.)	5,870	NA	NA	NA	5,005	NA
Agriculture -----						
Average Prices Received by Farmers (dol.)						
Lambs (cwt.)	53.30	50.00	-6.2%	54.38	49.13	10.7%
Milk, All (cwt.) 1	12.50	12.10	-3.2%	12.10	12.28	-1.4%
Barley (per bushel)	2.23	2.20	-1.3%	2.25	2.33	-3.6%
Alfalfa Hay, Baled (per ton) 2	64.00	68.00	6.3%	64.67	56.17	15.1%
Commercial Red Meat Production (thous. of lbs.)	36,783	36,167	-1.7%	35,450	34,727	2.1%
Construction -----						
Total Construction (thous. of dol.) 3	131,507.4	162,554.8	23.6%	135,245.8	109,318.8	23.7%
Residential	91,705.1	123,483.8	34.7%	94,316.7	69,654.2	35.4%
Nonresidential	22,312.6	17,482.2	-21.6%	23,061.8	22,867.9	0.8%
Additions, Alterations, and Conversions	17,489.7	21,588.8	23.4%	17,867.3	16,796.7	6.4%
Total Permit Construction (thous. of dol.) 4	145,531.7	195,356.7	34.2%	163,292.6	135,096.5	20.9%
Residential	101,864.2	144,212.5	41.6%	110,719.9	80,464.3	37.6%
Nonresidential	24,688.5	30,116.9	22.0%	32,902.0	35,819.9	-8.1%
Additions, Alterations, and Repairs	18,979.0	21,027.3	10.8%	19,670.7	18,812.3	4.6%
New Dwelling Units (no.)	1,282	1,683	31.3%	1,281	965	32.7%
Employment -----						
Civilian Labor Force (thous.)	816.9	861.5	5.5%	825.3	810.3	1.8%
Employed	779.7	828.7	6.3%	788.0	771.0	2.2%
Unemployed	37.2	32.7	-12.1%	37.3	39.3	-5.2%
Percent of Labor Force	4.6	3.8	-17.4%	4.5	4.9	-7.2%
Nonagricultural Jobs (thous.)	762.3	800.4	5.0%	785.9	757.3	3.8%
Mining	8.4	8.9	6.0%	8.6	8.5	1.0%
Contract Construction	37.8	42.2	11.6%	37.2	33.3	11.8%
Manufacturing	108.0	108.1	0.1%	105.8	105.8	0.0%
Transportation, Communications, and Utilities	44.5	46.4	4.3%	44.7	43.1	3.7%
Wholesale Trade	40.1	41.2	2.7%	40.8	40.3	1.2%
Retail Trade	144.2	150.9	4.6%	148.1	141.7	4.5%
Finance, Insurance, and Real Estate	37.5	40.0	6.7%	38.2	36.8	3.9%
Services 5	197.0	213.0	8.1%	204.3	192.3	6.3%
Federal Government	38.0	35.5	-6.6%	36.6	38.4	-4.7%
State Government 6	43.6	45.5	4.4%	46.8	45.1	3.7%
Local Government 6	65.4	68.7	5.0%	74.9	72.3	3.6%
Average Weekly Hours						
Mining	42.6	43.3	1.6%	44.2	43.2	2.4%
Manufacturing	40.1	39.7	-1.0%	39.9	40.2	-0.8%
Wholesale Trade	36.0	36.7	1.9%	36.6	36.0	1.7%
Retail Trade	27.8	28.2	1.4%	26.0	26.9	-3.3%
Amount of Unemployment Compensation (thous. of dol.)	5,744.9	4,935.6	-14.1%	6,428.0	6,765.1	-5.0%
Finance (qly.) -----						
Total State and Nationally Chartered Banks (no.)	39	NA	NA	NA	39	NA
Total Assets (mil. of dol.)	12,890.5	NA	NA	NA	12,515.8	NA
Total Liabilities (mil. of dol.)	11,943.8	NA	NA	NA	11,627.1	NA
Total Equity Capital (mil. of dol.)	946.8	NA	NA	NA	888.8	NA
Capital to Assets 7	8.71	NA	NA	NA	8.45	NA
Loan Loss Reserve Ratio	2.28	NA	NA	NA	2.23	NA
Loans to Assets	59.96	NA	NA	NA	60.73	NA
Temporary Investment Ratio	18.64	NA	NA	NA	18.11	NA
Return on Assets	0.38	NA	NA	NA	0.27	NA
Production -----						
Crude Oil to Refineries, Barrels Received (thous. of bbls.)	3,807.3	3,722.1	-2.2%	3,560.8	3,706.4	-3.9%
Crude Oil (thous. of bbls.)	1,922.5	1,733.6	-6.7%	1,820.2	1,851.8	-1.7%
Natural Gas (mil. of cu. ft.)	26,008.3	27,521.4	5.8%	28,143.8	26,023.0	8.1%
Coal (thous. short tons)	1,348.0	1,616.0	19.9%	1,757.8	1,803.8	-2.6%
Travel/Tourism -----						
Air Passengers (total no. on and off, S.L. Int'l. Airport)	1,473,208	1,549,844	5.2%	1,258,005	1,088,272	15.6%
Highway Traffic Count Across State Lines (qly.)	47,251	49,023	3.8%	47,640	46,665	2.1%
Visits to State and National Parks and Monuments	2,690,149	2,347,113	-12.8%	1,338,304	1,309,350	2.2%
Utilities -----						
Electric Customers (Residential)	506,975	519,867	2.5%	516,185	504,391	2.3%
Electric Customers (Commercial)	50,009	52,127	4.2%	51,821	50,117	3.4%
Natural Gas Customers (Residential and Commercial)	509,288	527,219	3.5%	521,376	505,534	3.1%
Natural Gas Customers (Industrial)	802	703	-12.3%	775	733	5.8%
Telephone Lines in Service (U.S. West, Residential Access)	554,991	575,949	3.8%	567,869	548,942	3.4%
Telephone Lines in Service (U.S. West, Business Access)	209,788	224,948	7.2%	218,339	207,421	5.3%

Utah Business Statistics

UTAH DATA	Jul. 1992	Jul. 1993	% Change from Year Ago	12-Month Average This Year	12-Month Average Last Year	12-Month Average % Change
Davis County -----						
Nonagricultural Employment (thous.)	62.6	66.5	6.2%	62.5	60.4	3.6%
Unemployment Rate (seasonally adjusted)	4.2	3.6	-14.3%	4.2	4.4	-4.0%
Authorized Permit Construction (thous. of dol.)	17,738.6	23,840.4	34.4%	19,554.6	17,290.0	13.1%
New Dwelling Units (no.)	129	165	27.9%	137	106	29.9%
New Car, Truck, and Motor Home Sales, Owner's County (no.)	578	NA	NA	NA	446	NA
Electric Customers (Residential)	51,728	53,268	3.0%	52,626	51,431	2.3%
Electric Customers (Commercial)	3,911	4,188	7.1%	4,077	3,920	4.0%
Natural Gas Customers (Residential and Commercial)	55,313	56,950	3.0%	56,357	54,864	2.7%
Natural Gas Customers (Industrial)	88	84	-4.5%	88	88	-0.2%
Telephone Lines in Service (U.S. West, Residential Access)	65,035	67,712	4.1%	66,484	64,016	3.9%
Telephone Lines in Service (U.S. West, Business Access)	14,075	15,294	8.7%	14,752	13,888	6.2%
Salt Lake County -----						
Nonagricultural Employment (thous.)	388.8	407.9	4.9%	399.9	384.9	3.9%
Unemployment Rate (seasonally adjusted)	4.3	3.4	-20.9%	4.1	4.5	-9.8%
Authorized Permit Construction (thous. of dol.)	51,872.4	83,911.6	61.8%	63,710.2	47,223.9	34.9%
New Dwelling Units (no.)	388	686	76.8%	434	318	36.6%
New Car, Truck, and Motor Home Sales, Owner's County (no.)	2,821	NA	NA	NA	2,373	NA
Electric Customers (Residential)	253,998	258,008	1.6%	256,736	252,417	1.7%
Electric Customers (Commercial)	22,013	22,578	2.6%	22,299	21,867	2.0%
Natural Gas Customers (Residential and Commercial)	236,109	241,306	2.2%	239,680	234,857	2.1%
Natural Gas Customers (Industrial)	373	285	-23.6%	343	318	7.9%
Telephone Lines in Service (U.S. West, Residential Access)	260,541	268,936	3.2%	265,632	257,949	3.0%
Telephone Lines in Service (U.S. West, Business Access)	123,961	131,705	6.2%	128,796	122,926	4.8%
Utah County -----						
Nonagricultural Employment (thous.)	98.9	103.8	5.0%	104.5	100.4	4.1%
Unemployment Rate (seasonally adjusted)	4.1	3.8	-7.3%	4.1	4.4	-6.8%
Authorized Permit Construction (thous. of dol.)	23,260.1	26,085.7	12.1%	28,900.1	23,933.9	20.7%
New Dwelling Units (no.)	158	239	51.3%	238	184	29.4%
New Car, Truck, and Motor Home Sales, Owner's County (no.)	524	NA	NA	NA	455	NA
Electric Customers (Residential)	55,847	58,962	5.6%	57,653	55,329	4.2%
Electric Customers (Commercial)	6,303	6,669	5.8%	6,822	6,265	8.9%
Natural Gas Customers (Residential and Commercial)	67,763	70,594	4.2%	69,790	67,295	3.7%
Natural Gas Customers (Industrial)	86	91	5.8%	93	83	11.5%
Telephone Lines in Service (U.S. West, Residential Access)	71,566	74,877	4.6%	73,771	70,992	3.9%
Telephone Lines in Service (U.S. West, Business Access)	23,269	25,778	10.8%	24,639	23,076	6.8%
Weber County -----						
Nonagricultural Employment (thous.)	68.8	70.0	1.7%	70.8	69.1	2.5%
Unemployment Rate (seasonally adjusted)	6.0	4.8	-20.0%	5.9	5.8	2.6%
Authorized Permit Construction (thous. of dol.)	9,002.2	12,453.5	38.3%	9,576.8	8,632.1	10.9%
New Dwelling Units (no.)	68	94	38.2%	68	60	12.6%
New Car, Truck, and Motor Home Sales, Owner's County (no.)	353	NA	NA	NA	416	NA
Electric Customers (Residential)	56,444	57,191	1.3%	57,031	56,120	1.6%
Electric Customers (Commercial)	5,338	5,407	1.3%	5,410	5,274	2.6%
Natural Gas Customers (Residential and Commercial)	52,989	54,212	2.3%	53,832	52,641	2.3%
Natural Gas Customers (Industrial)	98	95	-3.1%	96	93	3.8%
Telephone Lines in Service (U.S. West, Residential Access)	49,838	51,350	3.0%	50,693	49,360	2.7%
Telephone Lines in Service (U.S. West, Business Access)	13,746	14,356	4.4%	13,985	13,725	1.9%

1 Before deductions for hauling and government withholding, but includes quality, quantity and other premiums. Excludes hauling subsidies.

2 Mid-month prices.

3 Obtained from U.S. Bureau of the Census Construction Statistics Division.

4 Obtained from *Utah Construction Report*.

5 Includes services by nonprofit and religious organizations.

6 Includes public schools and college institutions.

7 Includes allowance for loan losses.

ae advance estimate

a anticipated

NA Not Available

Sources:

Personal Income	U.S. Department of Commerce, Bureau of Economic Analysis.
New Corporations	Utah Department of Commerce, Division of Corporations and Commercial Code.
New Car and Truck Sales	Utah State Tax Commission, Economic and Statistical Unit.
Agriculture	U.S. Department of Agriculture, Utah Agricultural Statistics Service, <i>Utah Agriculture</i> .
Construction Data	U.S. Bureau of the Census and Bureau of Economic and Business Research, <i>Utah Construction Report</i> .
Employment Data	Utah Department of Employment Security.
Finance Data	Utah Department of Financial Institutions.
Crude Oil Production	Utah Department of Oil, Gas, and Mining and Area Oil Refineries.
Natural Gas Production	Utah Department of Oil, Gas, and Mining.
Coal Production	U.S. Department of Energy.
Air Passengers	Salt Lake City International Airport, Statistics Division.
Highway Traffic Count	Utah Department of Transportation.
Visits to State and National Parks and Monuments	U.S. Forest Service and Utah State Parks and Recreation Department.
Utilities Data	Cooperating Utah Utility Companies.

NATIONAL DATA	Jun. 1992	Jun. 1993	% Change from Year Ago	12-Month Average This Year	12-Month Average Last Year	12-Month Average % Change
U.S. Gross Domestic Product (seasonally adjusted, bil., qtl.)	5,991.4	6,327.6	5.6%	6,210.8	5,865.6	5.9%
Total Personal Income (seasonally adjusted, bil. of dol.)	5,111.2	5,373.6	5.1%	5,274.0	4,974.5	6.0%
Industrial Production Index (seasonally adjusted, 1987=100)	106.0	110.4	4.2%	108.7	105.3	3.3%
New Plant and Equipment Expenditures by Business (bil., qtl.)	541.4	579.8	7.1%	562.6	533.2	5.5%
Net Exports of Goods and Services (seasonally adjusted, bil., qtl.)	-33.9	-65.1	92.0%	-47.8	-18.4	159.2%
Exports of Goods and Services (seasonally adjusted, bil., qtl.)	632.4	660.0	4.4%	651.8	623.7	4.5%
Imports of Goods and Services (seasonally adjusted, bil., qtl.)	666.3	725.0	8.8%	699.5	642.2	8.9%
Composite Index of 11 Leading Indicators (1982=100)	148.8	151.5	1.8%	150.9	146.5	3.0%
Price Indexes						
Consumer Price Indexes (not seasonally adjusted, 1982-84=100)						
CPI-U (All Urban Consumers) All Items	140.2	144.4	3.0%	142.5	138.2	3.1%
CPI-U (All Urban Consumers) Food & Beverages	138.3	141.1	2.0%	140.0	137.6	1.8%
CPI-U (All Urban Consumers) Housing	137.7	141.5	2.8%	139.4	135.6	2.8%
CPI-U (All Urban Consumers) Transportation	126.9	130.3	2.7%	128.7	124.7	3.2%
CPI-U (All Urban Consumers) Medical Care	189.4	201.1	6.2%	195.9	183.8	6.6%
CPI-U (All Urban Consumers) Energy	105.9	106.5	0.6%	104.4	101.7	2.6%
Producer Price Index (not seasonally adjusted, 1982=100)						
Producer Price Index, All Finished Goods	123.9	125.6	1.4%	124.4	122.2	1.8%
GDP Implicit Price Deflator (seasonally adjusted, 1987=100, qtl.)	120.9	124.0	2.6%	122.7	119.5	2.7%
Civilian Employment (seasonally adjusted)						
Labor Force (mil.)	127.3	128.1	0.6%	127.5	126.0	1.1%
Employment (mil.)	117.5	119.2	1.4%	118.3	117.1	1.0%
Unemployment Rate	7.7	7.0	-9.1%	7.2	7.1	1.6%
Construction						
Total Construction (thous. of dol.)	16,944,746	18,224,775	7.6%	14,348,951	13,382,183	7.2%
Residential	9,465,058	10,469,562	10.6%	8,139,446	7,287,062	11.7%
Nonresidential	3,484,310	3,584,957	2.9%	2,908,115	2,850,972	2.0%
Additions, Alterations, and Conversions	3,995,378	4,170,256	4.4%	3,301,390	3,244,149	1.8%
New Dwelling Units (no.)	108,281	118,392	9.3%	92,996	86,805	7.1%
Interest Rates						
Federal Funds Rate	3.76	3.04	-19.1%	3.08	4.56	-32.4%
Discount Rate on New 91-day Treasury bills	3.70	3.10	-16.2%	3.05	4.41	-30.9%
Yield on Long-term Treasury bonds	7.72	6.55	-15.2%	7.02	7.88	-10.9%
Average Prime Rate Charged by Banks	6.50	6.00	-7.7%	6.00	7.25	-17.2%
Mortgage Rate (Conventional 1st mortgage, new home, U.S. avg.)	8.15	7.02	-13.9%	7.50	8.51	-11.8%
U.S. and Utah Consumer Sentiment Indexes (1966=100, qtl.)						
U.S. Population's View of the U.S.	77.2	85.6	10.9%	81.2	76.5	6.2%
Utahns' View of the U.S.	77.1	82.4	6.9%	79.6	77.3	3.0%
Utahns' View of Utah	91.6	94.8	3.5%	92.3	83.1	11.1%

Sources: *Survey of Current Business*, U.S. Department of Commerce: U.S. Gross Domestic Product, Total Personal Income, Industrial Production Index, New Plant and Equipment Expenditures by Business, Export/Import Data, Composite Index of 11 Leading Indicators, GDP Implicit Price Deflator, National Employment Data, Interest Rates.

Monthly Labor Review, U.S. Department of Labor, Bureau of Labor Statistics: Consumer Price Indexes, Producer Price Index.

Permit Authorized Construction in Permit Issuing Places, U.S. Bureau of the Census: National Construction Data.

University of Michigan and University of Utah Survey Research Center: U.S. and Utah Consumer Sentiment Indexes.

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NATIONAL DATA	Jul. 1992	Jul. 1993	% Change from Year Ago	12-Month Average This Year	12-Month Average Last Year	12-Month Average % Change
U.S. Gross Domestic Product (seasonally adjusted, bil., qtl.)	6,059.5	6,396.3 ^{ae}	5.6%	6,238.8	5,890.7	5.9%
Total Personal Income (seasonally adjusted, bil. of dol.)	5,128.6	5,357.8	4.5%	5,293.1	4,998.2	5.9%
Industrial Production Index (seasonally adjusted, 1987=100)	106.8	110.9	3.8%	109.1	105.5	3.4%
New Plant and Equipment Expenditures by Business (bil., qtl.)	547.4	598.9 ^a	9.4%	566.9	534.9	6.0%
Net Exports of Goods and Services (seasonally adjusted, bil., qtl.)	-38.8	NA	NA	NA	-20.0	NA
Exports of Goods and Services (seasonally adjusted, bil., qtl.)	641.1	NA	NA	NA	626.9	NA
Imports of Goods and Services (seasonally adjusted, bil., qtl.)	679.9	NA	NA	NA	646.9	NA
Composite Index of 11 Leading Indicators (1982=100)	148.9	151.6	1.8%	151.2	146.8	3.0%
Price Indexes -----						
Consumer Price Indexes (not seasonally adjusted, 1982-84=100)						
CPI-U (All Urban Consumers) All Items	140.5	144.4	2.8%	142.9	138.6	3.1%
CPI-U (All Urban Consumers) Food & Beverages	138.1	141.1	2.2%	140.3	137.7	1.9%
CPI-U (All Urban Consumers) Housing	138.3	141.9	2.6%	139.7	135.9	2.7%
CPI-U (All Urban Consumers) Transportation	127.2	130.3	2.4%	129.0	125.0	3.1%
CPI-U (All Urban Consumers) Medical Care	190.7	202.2	6.0%	196.9	184.9	6.5%
CPI-U (All Urban Consumers) Energy	106.0	105.8	-0.2%	104.3	102.0	2.3%
Producer Price Index (not seasonally adjusted, 1982=100)						
Producer Price Index, All Finished Goods	123.7	125.3	1.3%	124.6	122.4	1.8%
GDP Implicit Price Deflator (seasonally adjusted, 1987=100, qtl.)	121.2	124.5 ^{ae}	2.7%	123.0	119.8	2.7%
Civilian Employment (seasonally adjusted) -----						
Labor Force (mil.)	127.4	128.1	0.5%	127.5	126.2	1.0%
Employment (mil.)	117.7	119.3	1.4%	118.4	117.2	1.1%
Unemployment Rate	7.6	6.8	-10.5%	7.2	7.2	-0.3%
Construction -----						
Total Construction (thous. of dol.)	16,148,802	16,535,903	2.4%	14,381,209	13,501,972	6.5%
Residential	8,737,917	9,452,898	8.2%	8,199,028	7,367,233	11.3%
Nonresidential	3,416,721	3,370,420	-1.4%	2,904,257	2,862,726	1.5%
Additions, Alterations, and Conversions	3,994,164	3,712,585	-7.0%	3,277,925	3,272,013	0.2%
New Dwelling Units (no.)	101,548	104,782	3.2%	93,266	87,462	6.6%
Interest Rates -----						
Federal Funds Rate	3.25	3.06	-5.8%	3.07	4.35	-29.5%
Discount Rate on New 91-day Treasury bills	3.28	3.05	-7.0%	3.03	4.21	-28.2%
Yield on Long-term Treasury bonds	7.40	6.34	-14.3%	6.93	7.78	-11.0%
Average Prime Rate Charged by Banks	6.02	6.00	-0.3%	6.00	7.04	-14.8%
Mortgage Rate (Conventional 1st mortgage, new home, U.S. avg.)	7.81	6.95	-11.0%	7.43	8.40	-11.5%
U.S. and Utah Consumer Sentiment Indexes (1966=100, qtl.) -----						
U.S. Population's View of the U.S.	76.6	NA	NA	NA	76.0	NA
Utahns' View of the U.S.	74.6	76.1	2.0%	79.7	76.3	4.4%
Utahns' View of Utah	88.2	94.3	6.9%	92.8	83.2	11.6%

Sources: *Survey of Current Business*, U.S. Department of Commerce: U.S. Gross Domestic Product, Total Personal Income, Industrial Production Index, New Plant and Equipment Expenditures by Business, Export/Import Data, Composite Index of 11 Leading Indicators, GDP Implicit Price Deflator, National Employment Data, Interest Rates.

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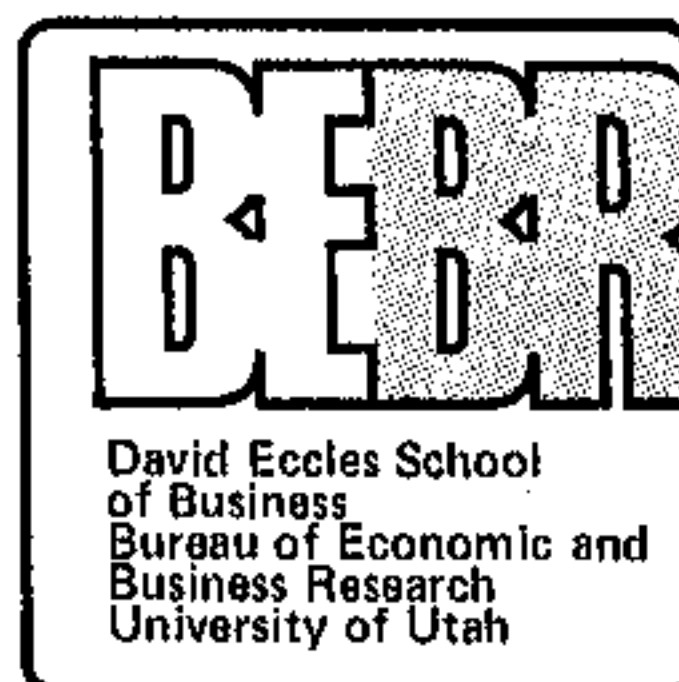
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