

Economy Check In

Utah League of Cities and Towns

May 18, 2020

Juliette Tennert, Chief Economist

INFORMED DECISIONS™

Navigating COVID-19:

How to Save Your Business



DAVID ECCLES SCHOOL OF BUSINESS

The Data that Matters Most to Short and Long-Term Forecasts

Friday, May 22 | 11 a.m. – 12 p.m. MT | Virtual Session

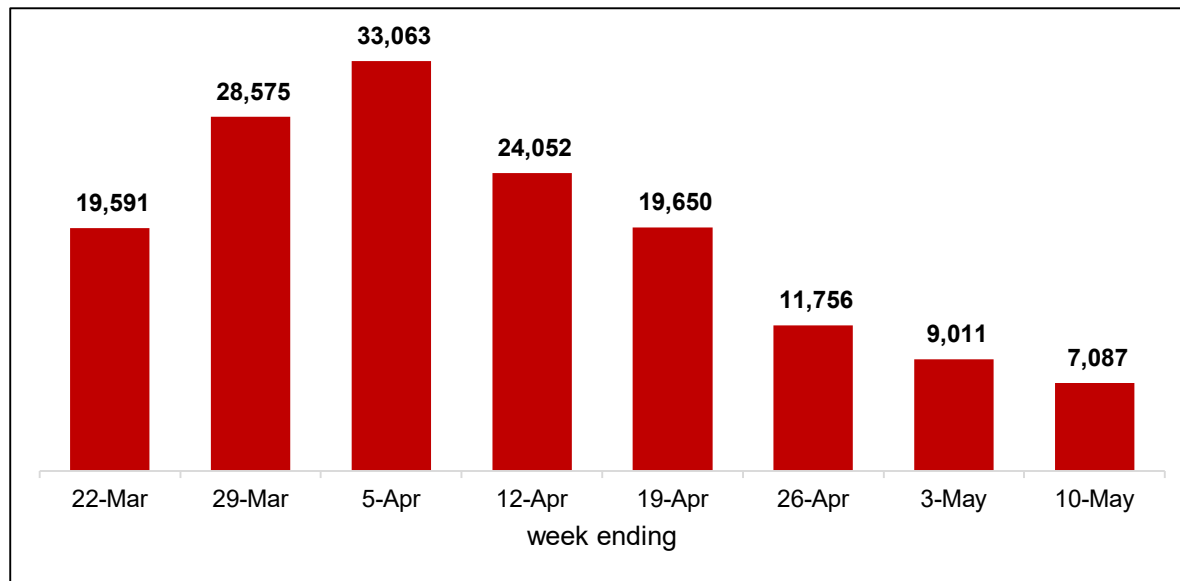
Upcoming session dates: May 29.

<https://eccles.utah.edu/programs/executive-education/product/mikeleavitt>

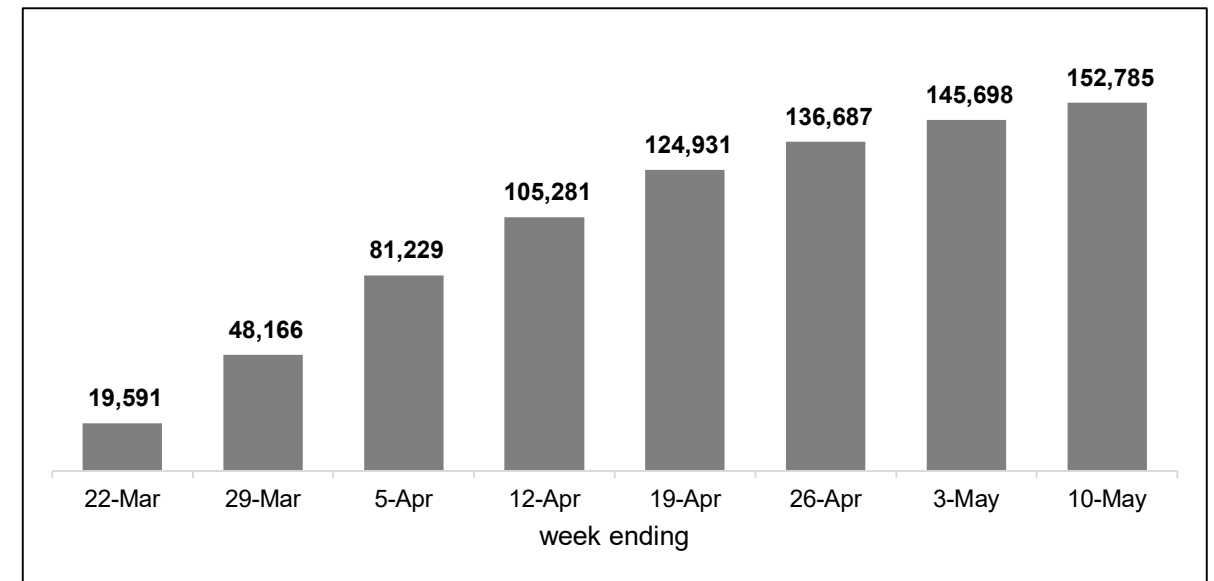
The Utah economy has sharply contracted; 3 years of growth gone

Situation improving; peak intensity in April

Weekly COVID-19 Initial Jobless Claims



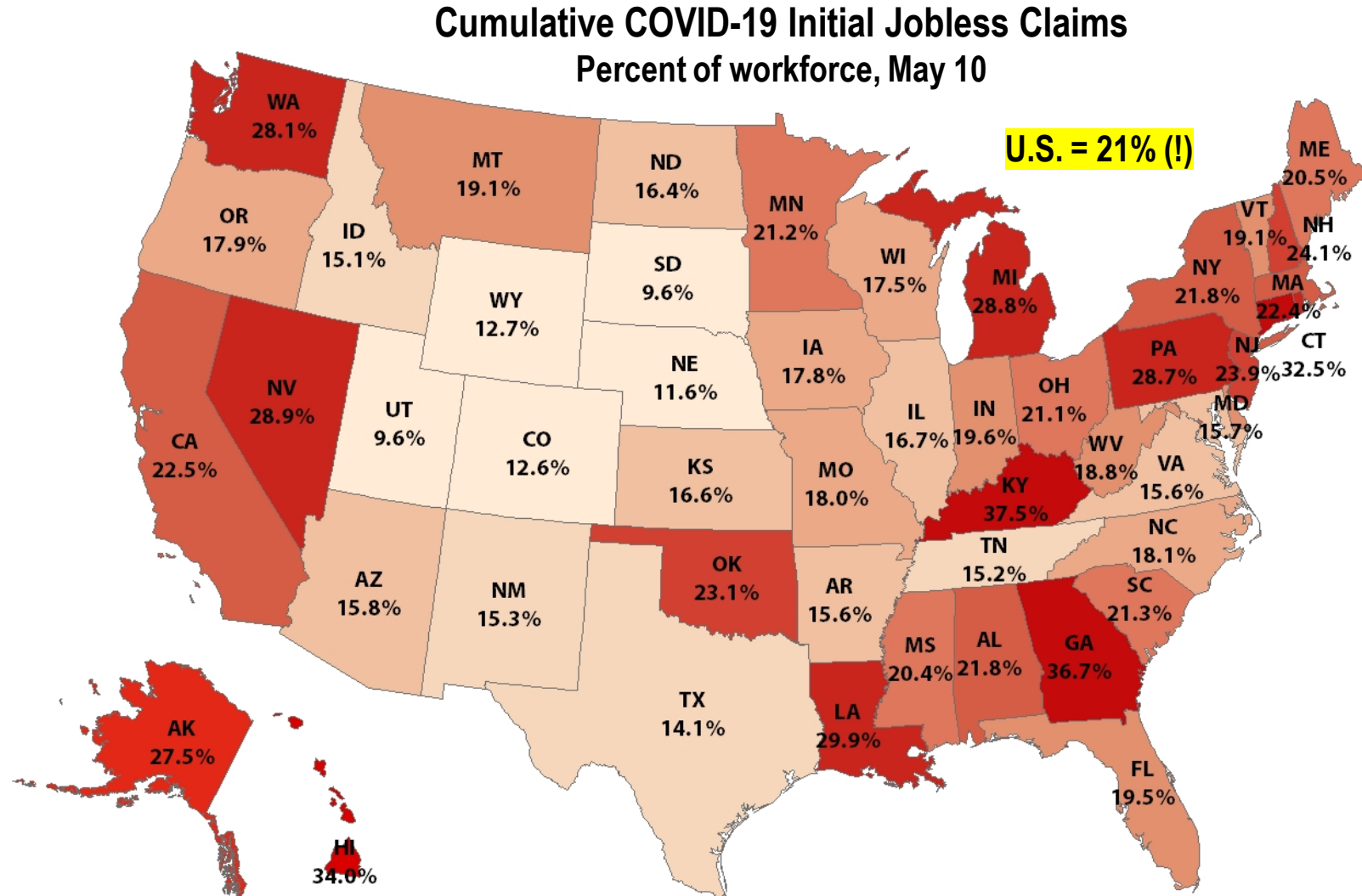
Cumulative COVID-19 Jobless Claims



Source: Utah Department of Workforce Services

Net Utah job growth expected in 30-60 days

State of Utah will lead the nation in recovery



Source: Utah Department of Workforce Services and U.S. Bureau of Labor Statistics

Hardest hit industries relatively low-wage

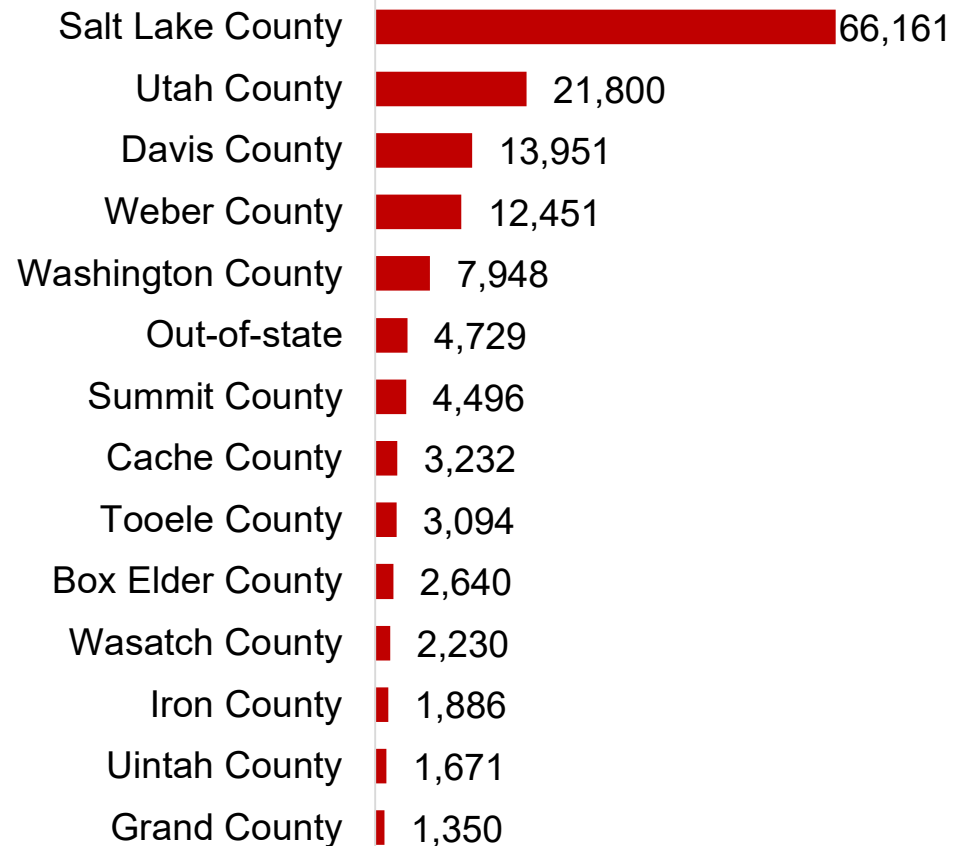
Cumulative COVID-19 Initial Jobless Claims in Utah by Industry, through May 10

Industry	COVID-19 Initial Claims	% of All Claims Filed	Claims % of Industry Feb. Jobs	Avg. 2018 Weekly Wage
Accommodations and food services	23,532	15.4%	17.4%	\$355
Retail trade	17,737	11.6%	10.3%	\$644
Health care and social assistance	14,383	9.4%	8.8%	\$846
Administrative and waste services	13,783	9.0%	16.2%	\$698
Manufacturing	11,379	7.4%	8.4%	\$1,115
Transportation and Warehousing	6,881	4.5%	10.5%	\$968
Professional and technical services	6,706	4.4%	6.0%	\$1,424
Other Services	6,602	4.3%	15.3%	\$686
Construction	5,907	3.9%	5.5%	\$982
Educational services	5,405	3.5%	10.2%	\$840
Arts; entertainment; and recreation	5,084	3.3%	17.5%	\$543
Wholesale trade	3,770	2.5%	7.2%	\$1,325
Information	2,705	1.8%	6.6%	\$1,507
Real estate and rental and leasing	2,545	1.7%	11.5%	\$971
Government	1,926	1.3%	0.7%	\$927
Finance and insurance	1,773	1.2%	2.6%	\$1,306
Management of companies and enterprises	1,050	0.7%	5.0%	\$1,832
Natural resources and mining	1,006	0.7%	11.3%	\$1,177
Utilities	43	0.0%	1.2%	\$1,966
Unknown Industry	19,122	12.5%	-	-
Out of State Employer	1,446	0.9%	-	-
TOTAL	152,785	100.0%	9.6%	\$933

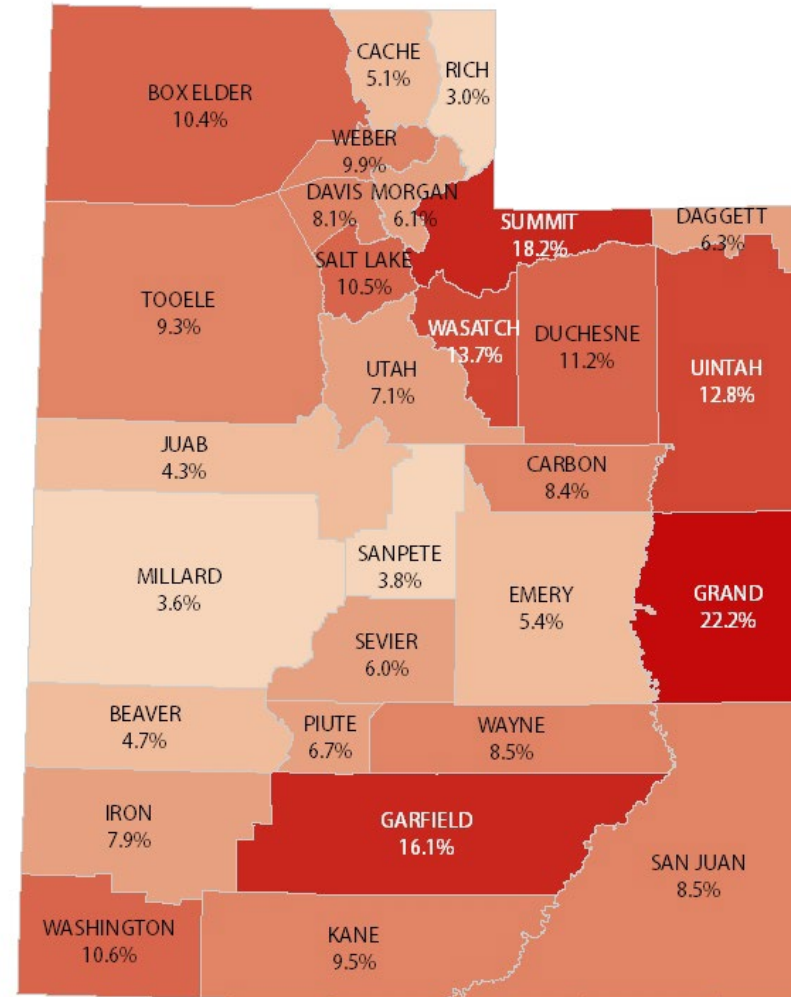
Source: Utah Department of Workforce Services and U.S. Bureau of Labor Statistics

Impacts vary across the state

Counties with 1,000 + Cumulative Claims through May 10



COVID-19 Cumulative Claims % of Workforce



Source: Utah Department of Workforce Services and U.S. Bureau of Labor Statistics

Sales impacts finally coming into view

COVID-19 Impact on Retail Sales

Major NAICS Category	Change in Utah taxable sales MAR 19-20		Year-over change in US retail sales	
	\$ millions	%	MAR	APR
FOOD SERVICES & DRINKING PLACES	-\$159.2	-26.4%	-28.2%	-48.8%
RETAIL-MOTOR VEHICLE & PARTS DEALERS	-\$142.9	-20.5%	-24.5%	-32.1%
ACCOMMODATION	-\$127.0	-47.3%		
RETAIL-CLOTHING & CLOTHING ACCESSORIES STORES	-\$84.0	-44.5%	-51.3%	-89.3%
ARTS, ENTERTAINMENT, AND RECREATION	-\$72.5	-51.3%		
RETAIL-FURNITURE & HOME FURNISHINGS STORES	-\$11.8	-11.3%	-19.0%	-66.3%
RETAIL-SPORTING GOODS, HOBBY, MUSIC, & BOOK STORES	-\$8.2	-7.2%	-18.0%	-48.7%
RETAIL-HEALTH & PERSONAL CARE STORES	-\$6.6	-9.9%	6.6%	-10.8%
RETAIL-GASOLINE STATIONS	\$5.5	5.0%	-18.1%	-42.6%
RETAIL-MISCELLANEOUS RETAIL TRADE	\$6.6	3.2%	-4.9%	-30.5%
RETAIL-ELECTRONICS & APPLIANCE STORES	\$11.5	8.6%	-11.8%	-64.8%
RETAIL-BUILD. MATERIAL, GARDEN EQUIP. & SUPPLIES DEALERS	\$52.9	17.5%	7.2%	1.2%
RETAIL-GENERAL MERCHANDISE STORES	\$109.4	18.8%	6.1%	-13.8%
RETAIL-FOOD & BEVERAGE STORES	\$153.4	36.2%	27.0%	13.3%
NONSTORE RETAILERS	\$187.6	76.4%	16.3%	21.2%
TOTAL, ALL TAXABLE SALES	-\$26.7	-0.4%		

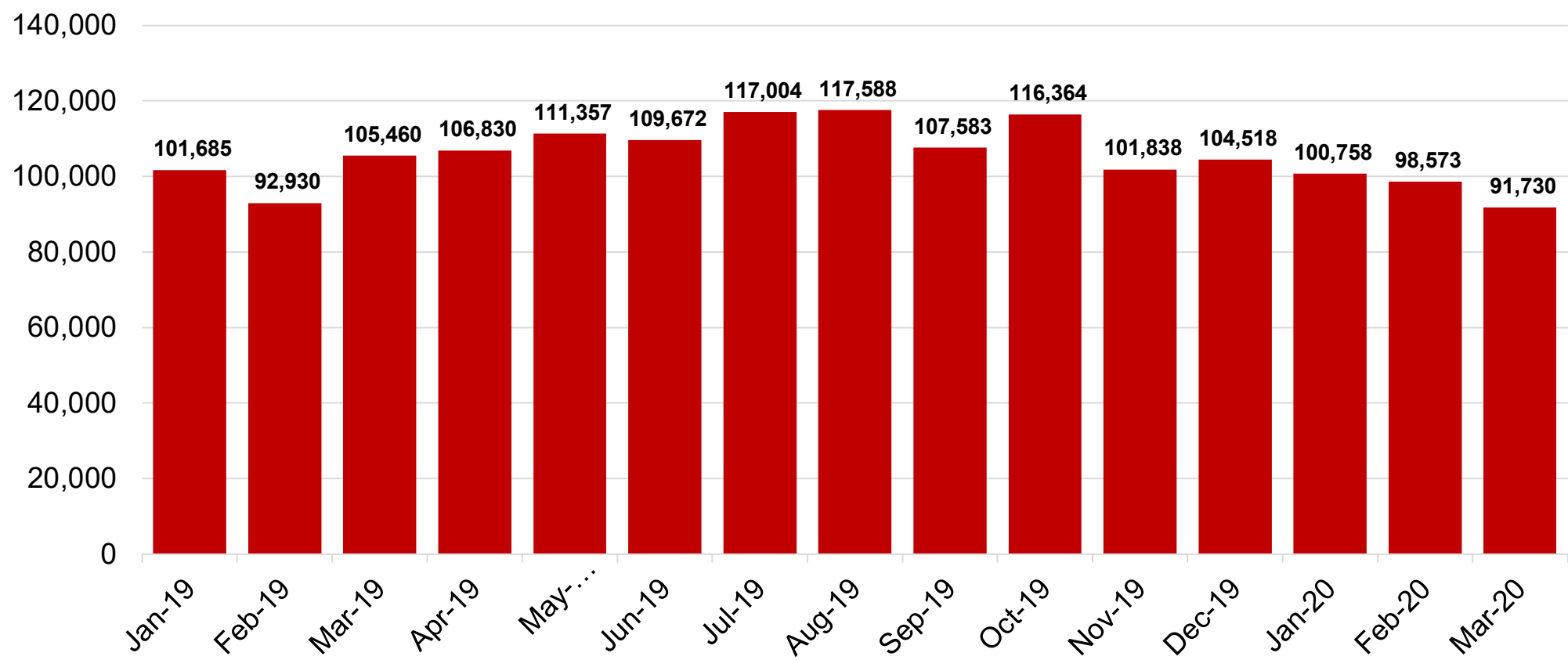
Full Utah data at <https://tax.utah.gov/econstats/tax-return-data>

Note: U.S. information provided for context; Utah taxable sales base does not align with full US retail sales for all categories

Source: Utah State Tax Commission and US Census Bureau

Taxable motor fuel gallons down 13% over last year

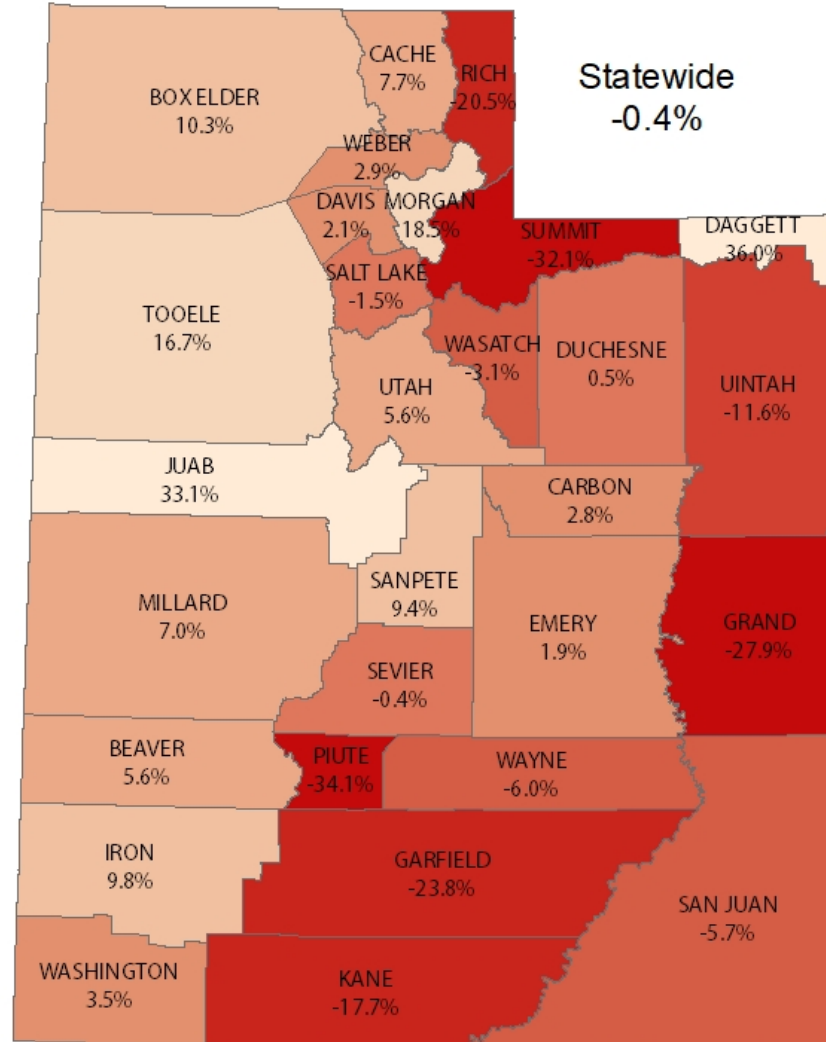
Millions of Taxable Motor Fuel Gallons Sold in Utah



Source: Utah State Tax Commission

Impacts vary across the state

Change in Taxable Sales, March 2019 – March 2020



Source: Utah State Tax Commission

UTAH LEADS TOGETHER

Utah's plan for a health and
economic recovery

Prepared by the Economic Response Task Force

This economic response aims to protect lives and livelihoods. It provides a dynamic plan for a dynamic situation. The data and measures that inform this plan will be monitored daily and the recommendations will be updated as required.

May 20, 2020

VERSION 3



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