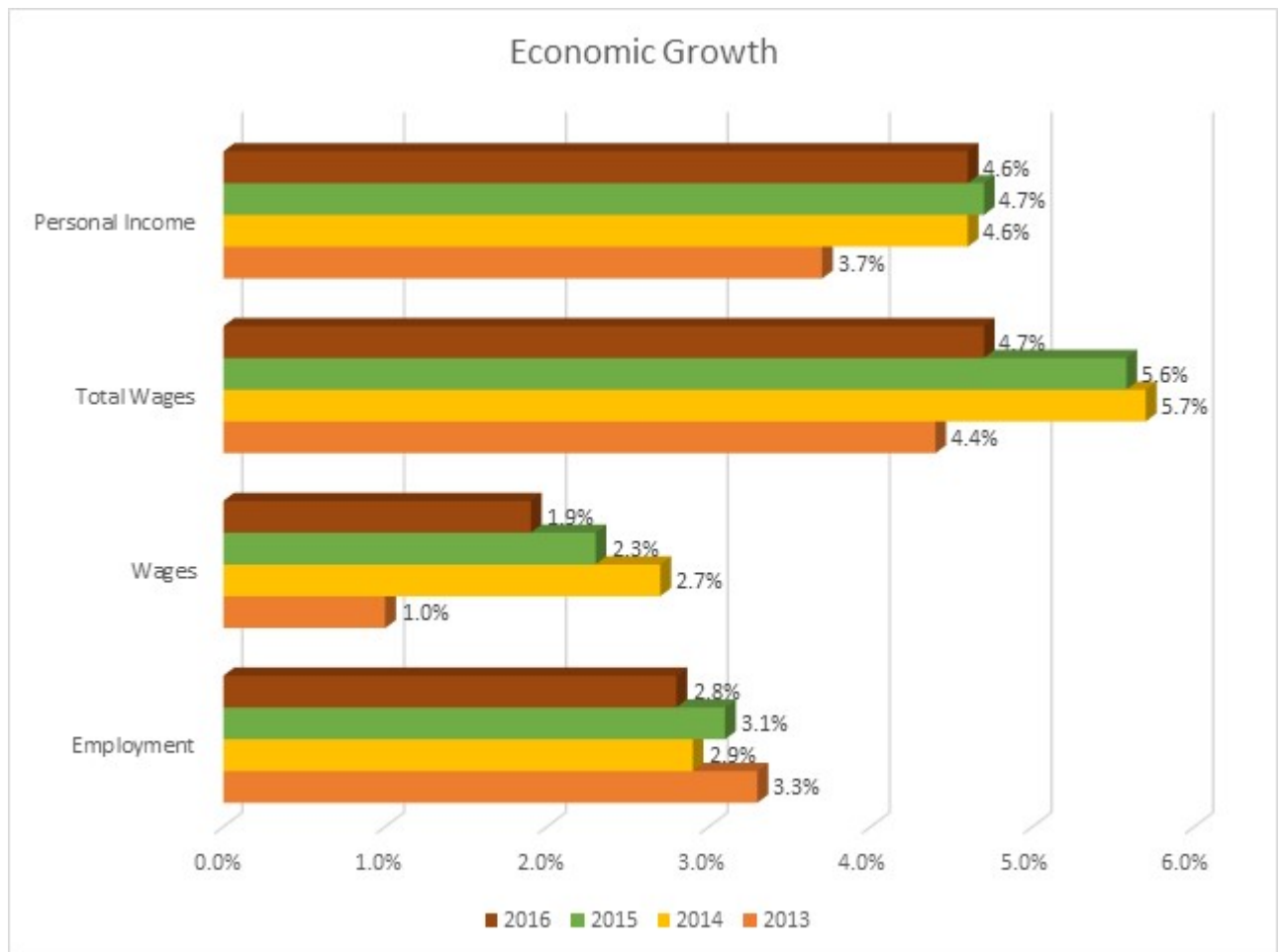


Fiscal Highlights

Employment Drives Economic Growth - Andrea Wilko

Strong employment continues to be the largest factor in economic growth in Utah. Economists expect employment to continue to expand through 2015 and 2016 with growth rates of 3.1% and 2.8% respectively. Employment growth is widespread with eight of the ten primary sectors experiencing job growth. Mining is the one sector showing job losses. This is due to coal mine closures and a slowdown in copper production.

Wages are also contributing to economic growth in the state with growth of 2.3% in FY 2015 expected to moderate to 1.9% in 2016. Combining the estimated wage growth with employment forecasts, economists expect total wages to grow by 5.5% in FY 2015 and 4.7% for 2016. Personal Income, which consists of factors beyond wages, is expected to grow at 4.7% in FY 2015 and 4.6% in FY 2016. The information is shown in the chart below.



Overall, we expect the economy to continue at a brisk pace for the remainder of the year and into 2016. Next month, we will present a comprehensive report to the Legislature detailing the overall condition of the economy, and we will present a range forecast for FY 2015 state revenue. Stay tuned.