



## Postsecondary Education Propels Utah's Economy Forward

Between Utah's [strong economic measures](#)<sup>1</sup> and numerous nationally recognized achievements (i.e. [Best States Rankings](#)<sup>2</sup>, [Top States for Business 2019](#)<sup>3</sup>, [Utah Ranks Among the Fastest Growing States in the Nation](#)<sup>4</sup>), it is clear that the state's economy has experienced one of the strongest expansions in the country. As Utah's economy prospers, the need for an educated, skilled workforce has increased. Correspondingly, as individuals earn postsecondary credentials, increased benefits can be seen in lower unemployment rates and growing wage premiums.

The Utah System of Higher Education has played a significant role in the state's success. By providing educational opportunities that align with industry need and the desires of students, the education-workforce pipeline continues to respond to the needs of Utah's economy.

### Utah's growing labor market

Since the Great Recession, when the state last experienced a labor market contraction, Utah has added between 27,000 and 50,000 new jobs each year.

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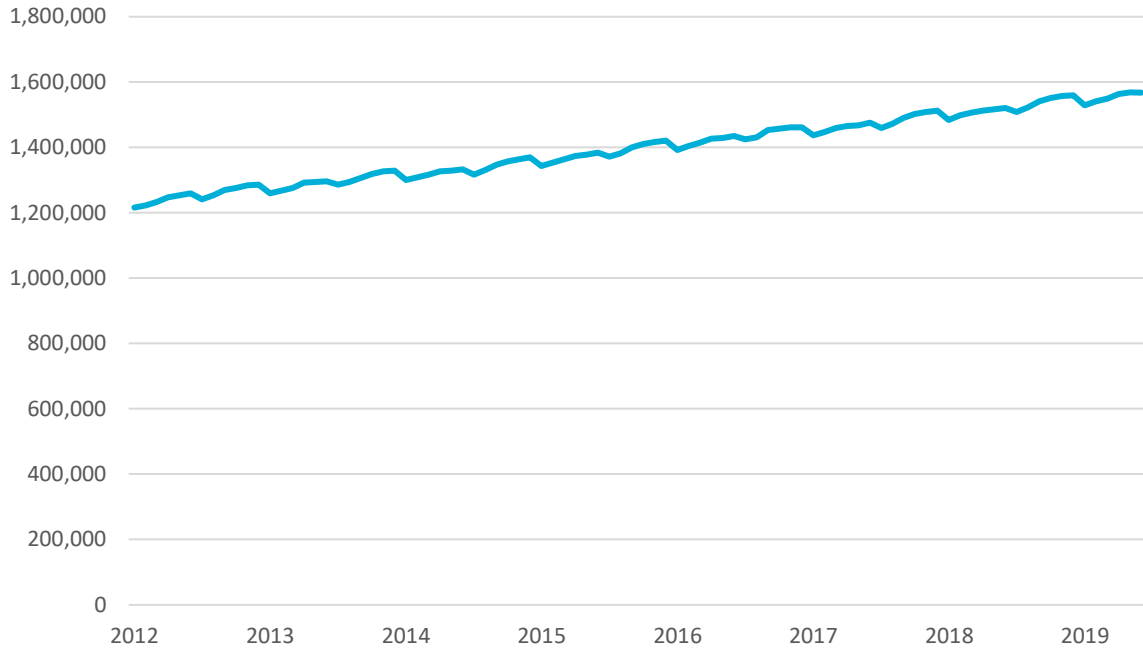
<sup>1</sup> Kem. C. Gardner Policy Institute, *January 2020 Economic Summary*, <https://gardner.utah.edu/wp-content/uploads/January-2020-Economic-Summary.pdf>

<sup>2</sup> U.S. News & World Report, *Best States Rankings*, <https://www.usnews.com/news/best-states/utah>

<sup>3</sup> CNBC, *Top States for Business 2019*, <https://www.cnbc.com/2019/07/09/top-states-for-business-utah.html>

<sup>4</sup> Forbes, *Utah Ranks Among the Fastest Growing States in the Nation*, <https://www.forbes.com/sites/brendarichardson/2019/12/09/utah-ranks-among-the-fastest-growing-states-in-the-nation-heres-why/#72d7a9eb217f>

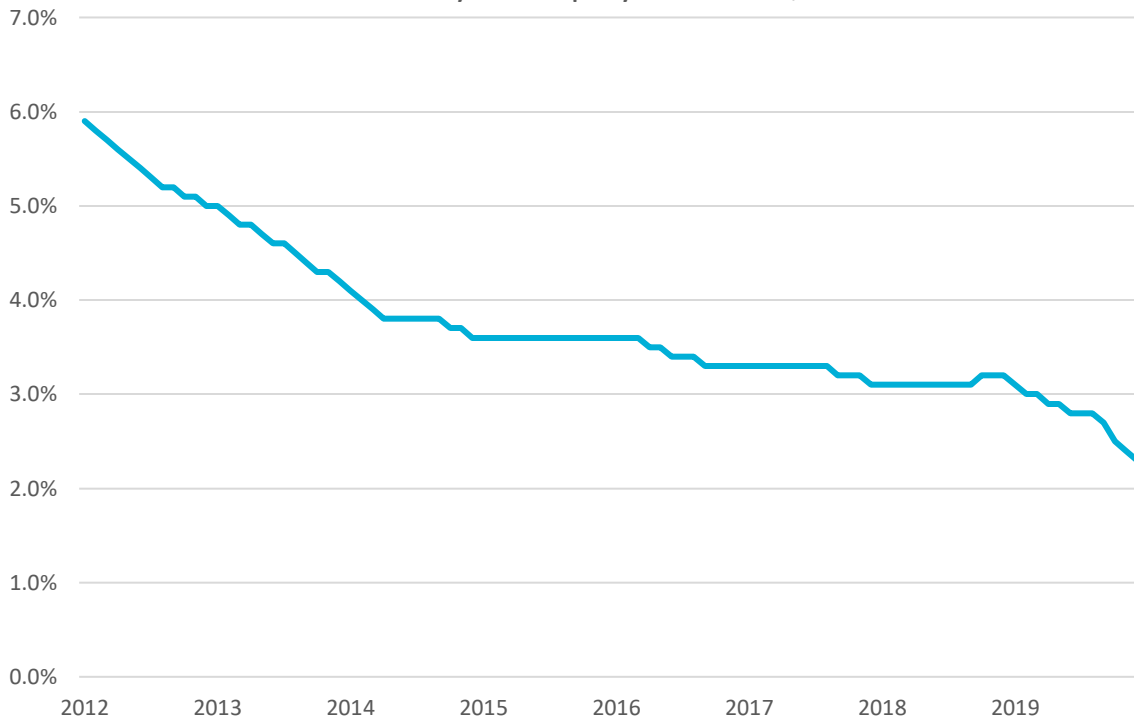
### Utah Employment 2012-2019



Source: Bureau of Labor Statistics

Unemployment has also steadily trended downward, reaching rates below 3.0% at the close of the decade.

### Utah Monthly Unemployment Rate, 2012-2019

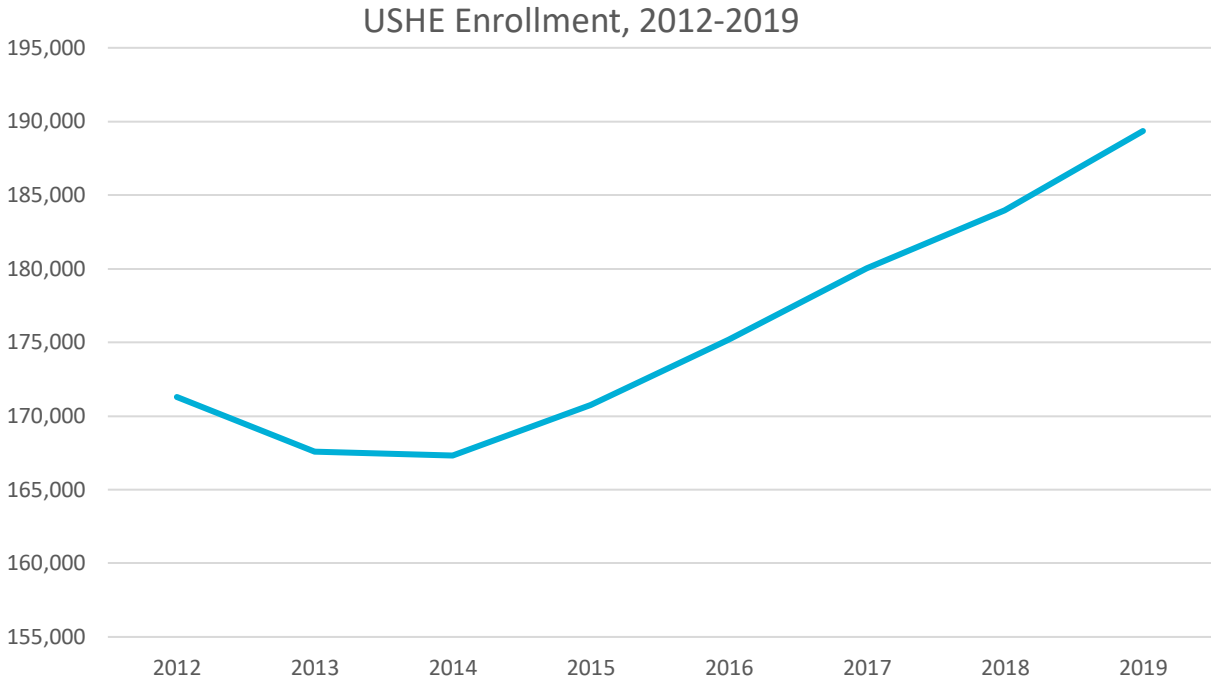


Source: Bureau of Labor Statistics

## Utah’s higher education system provides the skilled labor needed to grow the economy

To address the growing demand for skilled workers in the state, labor supply had to expand to meet the needs of businesses looking to increase production. The primary source of labor supply growth is the education system, where individuals gain knowledge, skills, and abilities employers need to expand production of their goods and the provision of services.

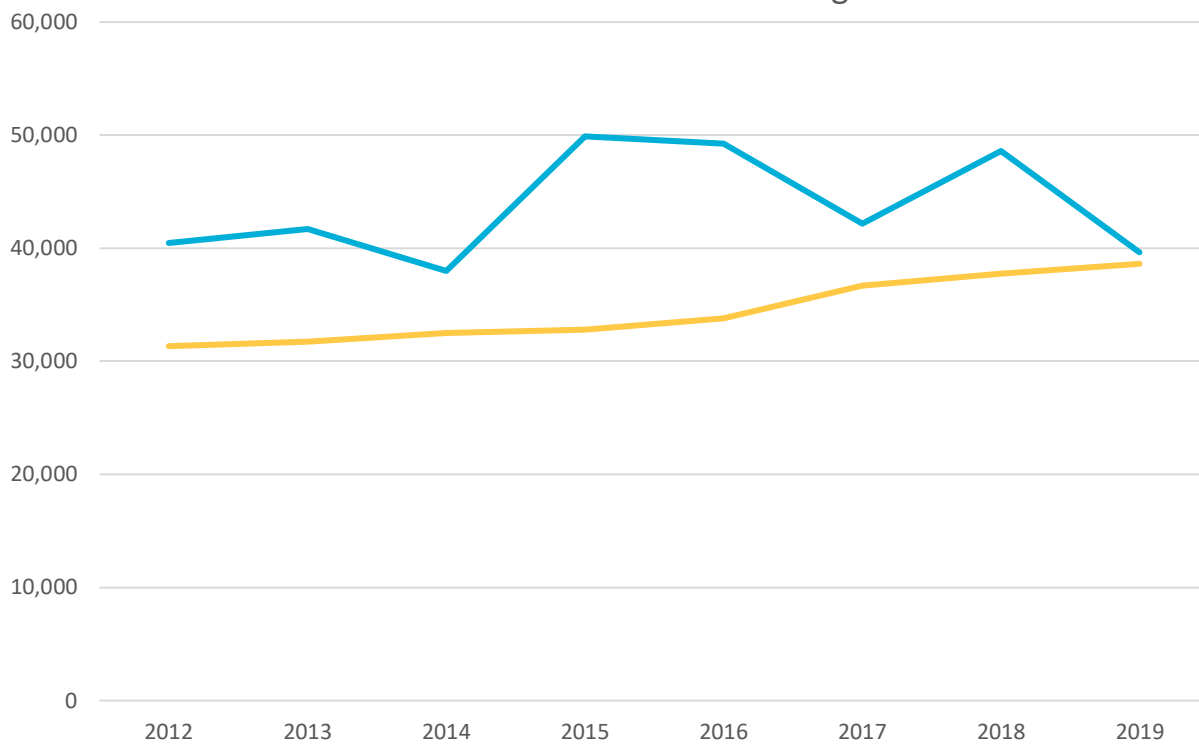
Institutions of higher education play a central role in creating the labor supply to meet the growing demand, thus fueling the economic engine of our state. Each year as more than 37,000 jobs were added to the economy, enrollment in USHE’s eight public colleges and universities averaged roughly 175,000 students.



Source: Utah System of Higher Education, Fall Full Time Equivalent Student

Students attending the higher education institutions completed an average of 34,400 certificates and degrees per year, preparing them to fill open jobs in the economy. Of the roughly 22,800 students who completed a degree or certificate in 2014 and did not return to a Utah public institution for additional education, nearly 75% of them were working for Utah employers the following year and 64% were still employed in Utah in 2019.

## Post-Recession Growth in Jobs and Degrees



Source: Bureau of Labor Statistics; Utah System of Higher Education

— Net New Jobs — Degrees & Awards

### Economic benefits of postsecondary education

Earning degrees and certificates (and therefore elevating the educational attainment of the state population) has both measurable and immeasurable benefits.

As of 2017, an increase in one’s education level from high school diploma to just some college increases an individual’s annual earnings by an average of \$3,300. Completing a bachelor’s degree includes a wage premium over \$15,000.

Median Earnings of Utahns Age 25 and Older, 2017	
Education Level	Median Earnings
All Education Levels	\$38,828
Less than High School Diploma	\$27,134
High School Diploma or Equivalent	\$31,280
Some College or Associate Degree	\$34,534
Bachelor's Degree	\$47,092
Graduate or Professional Degree	\$70,156

Source: U.S. Census Bureau, American Community Survey, 1-year estimates

A current picture of individuals working for a Utah employer who completed a degree or certificate five years ago shows median annual wages that had increased, depending on the award level, between \$10,000 and \$41,000. Earnings increases are not only beneficial to the individual, but also to the state as

a whole through taxable income increases, increases in purchases, and improvements in overall economic stability.

While the statewide unemployment rate has trended downward over this expansionary period to levels below 3.0%, Utahns with postsecondary credentials have seen their unemployment rates drop even lower. In 2017, those with some postsecondary education experienced unemployment rates between 1 and 1.5 percentage points below those with only a high school diploma, indicating that postsecondary education not only results in higher paying jobs for USHE students but also considerably lowers the likelihood of experiencing spells of unemployment.

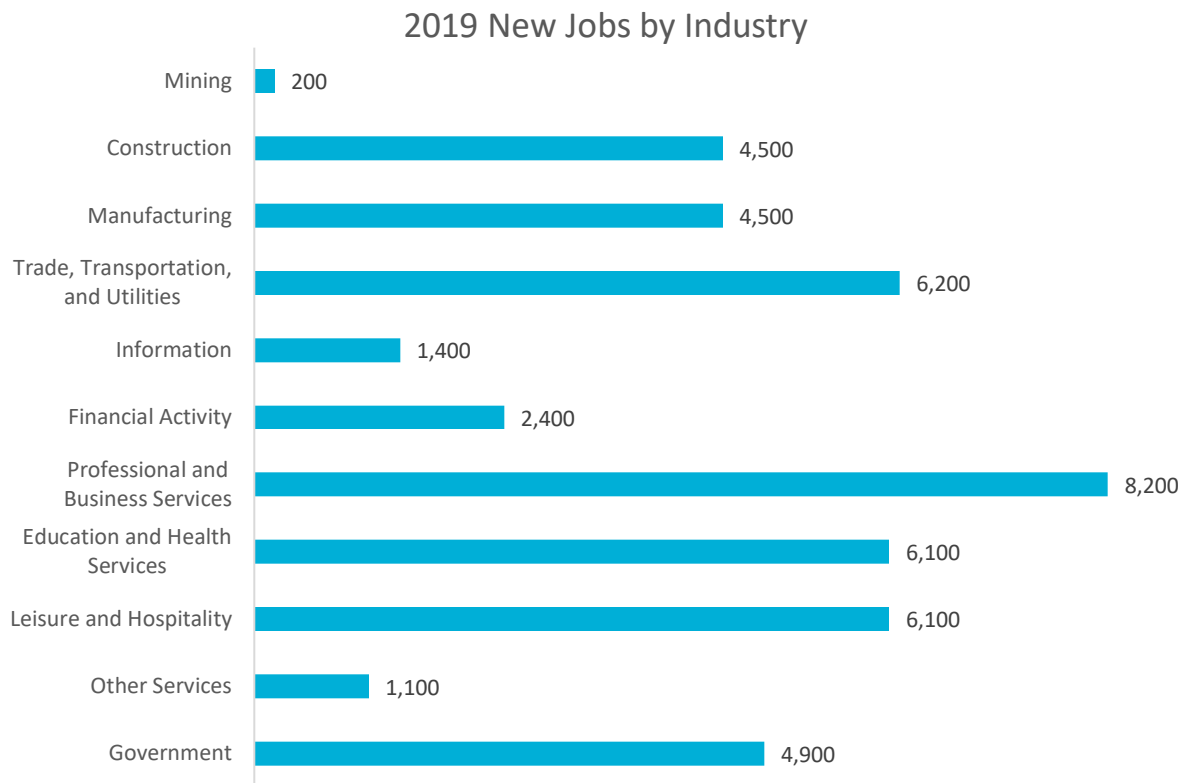
Education Level	Unemployment Rate
Less than High School Diploma	5.2%
High School Diploma or Equivalent	3.4%
Some College or Associate Degree	2.4%
Bachelor's Degree or Higher	2.0%

Source: U.S. Census Bureau, American Community Survey, 1-year estimates

### Higher education meets Utah’s workforce demand

Generally speaking, markets operate most efficiently when supply meets demand. In labor markets this means that not only are there enough available workers to meet the volume of demand generated by employers, but that the mix of education, training, and skills held by the labor pool matches the specific needs of growing industries.

Utah is known as one of the most economically diverse states in the nation, so a large variety of skilled workers is needed to meet demand. In 2019, all major industry sectors posted net growth in jobs, with the largest growth volume occurring in professional and business services; trade, transportation and utilities; education and health services; and leisure and hospitality.



Source: Department of Workforce Services

### Most common programs of study align with workforce needs

USHE’s 2014 graduates held jobs in a variety of industries in 2019, and their patterns of employment show a responsiveness to Utah’s diverse labor market. Overall, 2014 graduates were most likely to hold jobs in health care, education, and professional services. Other popular industries of employment included trade, transportation, and utilities, and financial services. All of these industries include jobs of various skill level and generally pay about-average salaries.

## 5-Year Post Completion Employment for 2014 Cohort

Certificates	
Industry	Employment Share
Education and Health Services	43.9%
Professional and Business Services	15.7%
Trade, Transportation, and Utilities	15.1%
Public Administration	6.1%
Manufacturing	4.7%
Construction	3.9%
Financial Services	3.6%
Leisure and Hospitality	3.3%
Other Services (except Public Administration)	2.0%
Information	1.9%
Associate Degrees	
Industry	Employment Share
Education and Health Services	40.1%
Professional and Business Services	17.8%
Trade, Transportation, and Utilities	13.4%
Financial Services	6.5%
Manufacturing	5.7%
Public Administration	5.7%
Leisure and Hospitality	3.4%
Construction	2.9%
Information	2.8%
Other Services (except Public Administration)	1.6%
Mining	0.2%
Bachelor's Degrees	
Industry	Employment Share
Education and Health Services	37.3%
Professional and Business Services	19.7%
Trade, Transportation, and Utilities	11.6%
Financial Services	8.0%
Public Administration	6.5%
Manufacturing	6.1%
Information	3.6%
Leisure and Hospitality	3.0%
Construction	2.7%
Agriculture, Forestry, Fishing and Hunting	0.2%
Mining	0.1%

Masters Degrees	
Industry	Employment Share
Education and Health Services	48.4%
Professional and Business Services	18.3%
Trade, Transportation, and Utilities	8.2%
Financial Services	6.6%
Public Administration	6.6%
Manufacturing	5.9%
Information	2.8%
Construction	1.3%
Leisure and Hospitality	1.1%
Other Services (except Public Administration)	0.6%
Professional Degrees	
Industry	Employment Share
Education and Health Services	63.0%
Professional and Business Services	21.7%
Trade, Transportation, and Utilities	9.0%
Public Administration	6.3%



The most recent set of graduates appear to also be focused on future job prospects as indicated by their programs of study. Four of the five most common programs align directly with workforce needs: health professions, business management, computer and information sciences, and education. This group makes up 38% of the completers for the 2018-19 academic year.

Program of Study	Degrees and Awards, 2018-19
Liberal Arts and Sciences, General Studies and Humanities	8,403
Health Professions and Related Programs	5,237
Business, Management, Marketing, and Related Support Services	4,943
Computer and Information Sciences and Support Services	2,320
Education	2,041
Social Sciences	1,811
Psychology	1,495
Engineering	1,460
Visual and Performing Arts	1,243
Communication, Journalism, and Related Programs	1,108
Biological and Biomedical Sciences	842
Homeland Security, Law Enforcement, Firefighting and Related Protective Services	695
Public Administration and Social Service Professions	687
Parks, Recreation, Leisure, and Fitness Studies	643
Family and Consumer Sciences/Human Sciences	641
English Language and Literature/Letters	529
Engineering Technologies and Engineering-related Fields	491
Physical Sciences	476
Multi/Interdisciplinary Studies	412
Transportation and Materials Moving	359
Foreign Languages, Literatures, and Linguistics	310
Mathematics and Statistics	285
Mechanic and Repair Technologies/Technicians	275
Agriculture, Agriculture Operations, and Related Sciences	267
History	223
Natural Resources and Conservation	204
Legal Professions and Studies	176
Construction Trades	152
Area, Ethnic, Cultural, Gender, and Group Studies	128
Architecture and Related Services	115
Communications Technologies/Technicians and Support Services	102
Science Technologies/Technicians	98
Philosophy and Religious Studies	96
Personal and Culinary Services	95
Precision Production	74
Military Technologies and Applied Sciences	3