

## WYOMING DEMOGRAPHIC AND ECONOMIC TREND



**WY Construction Coalition**  
**February 22, 2013**  
**Cheyenne, Wyoming**

**Wenlin Liu, Senior Economist**  
**Economic Analysis Division**  
**State of Wyoming**

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## Increasingly Solid National Economy

The economic recovery is gaining traction and broad based:

- Steady job growth , 1.7% in 2012 was the fastest since 2006.
- Unemployment insurance claim – lowest in 5 years.
- Consumer is regaining confidence .
- Corporate earnings are better than expected.
- Automobile sales continues to increase – highest in 5 years.
- QE – monetary stimulus.
- Home sales (10%, 2007), housing construction (28%, 2008), and home prices are rising (6%, 2006).
- Delinquency is very low, credit is flowing more freely.
- Stock market is rising, near record.

Negative factors:

- expiration of payroll tax holiday – 2%, and lower gov't spending.
- Persistent high gasoline price.
- Slow GDP growth – only around 2%.
- Still high unemployment rate.

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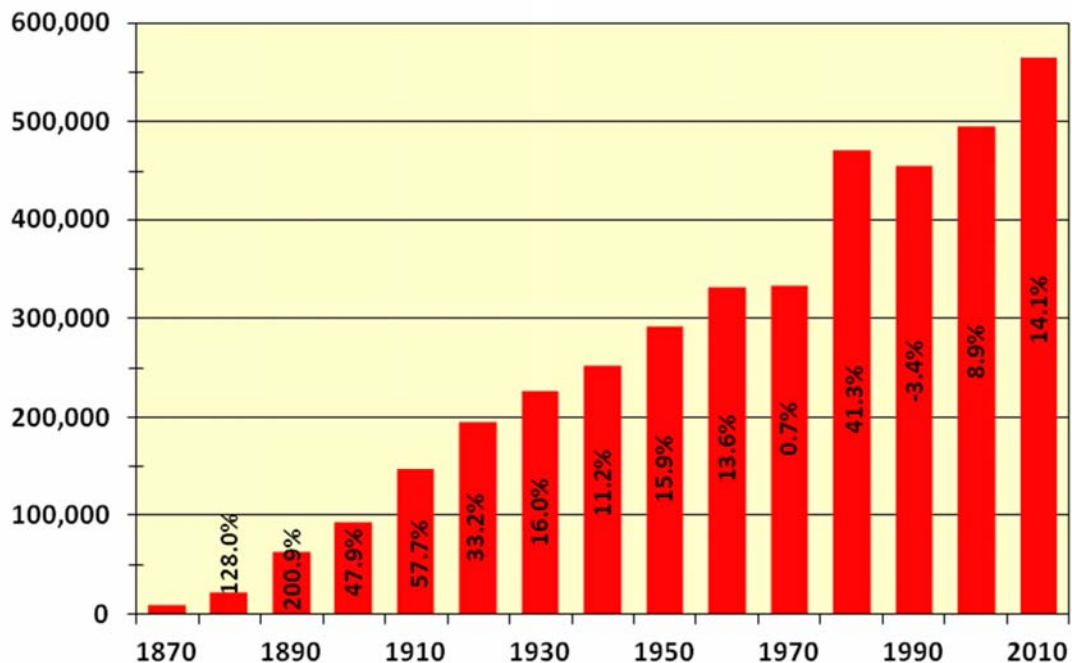
## U.S. Regular Retail Gasoline Prices (Dollars per Gallon)



Source: U.S. Energy Information Administration

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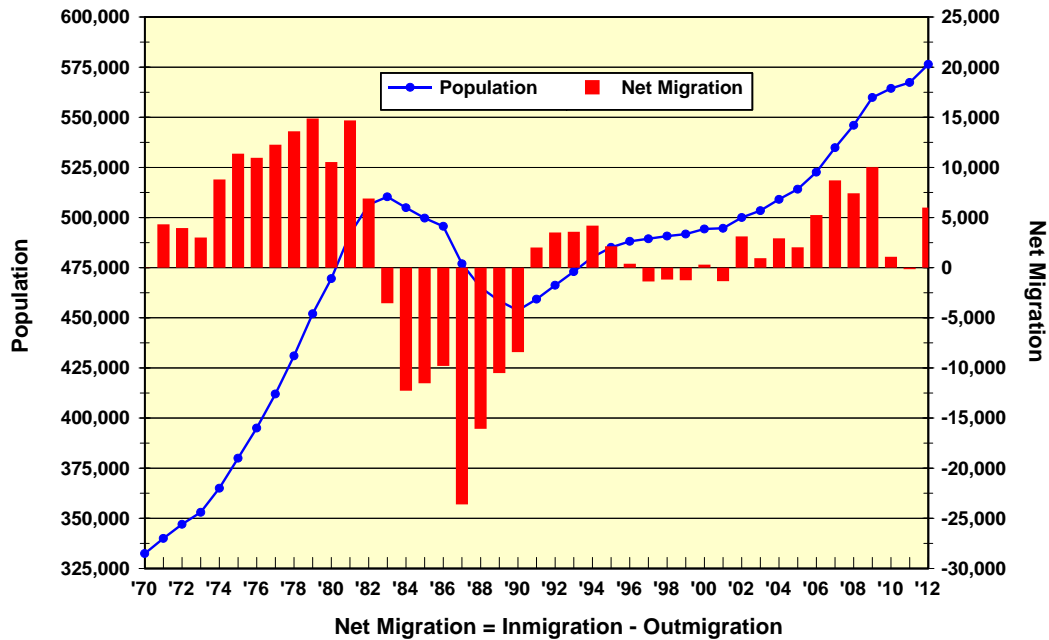
## Decennial Population and Percent Change for Wyoming



Source: U.S. Census Bureau

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### Wyoming Population and Net Migration: 1970 to 2012

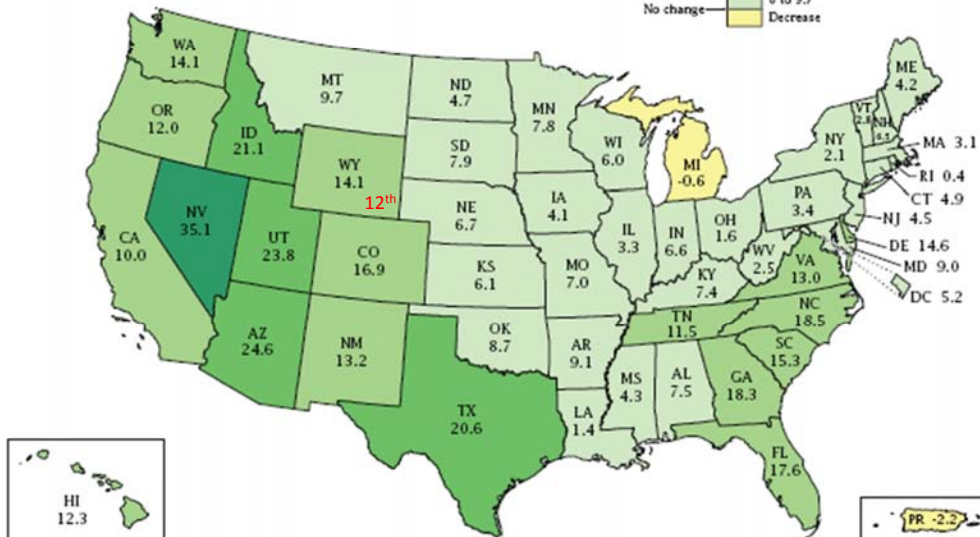


Source: U.S. Census Bureau

Prepared by Wyoming Economic Analysis Division

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### Percent Change in Resident Population for the 50 States, the District of Columbia, and Puerto Rico: 2000 to 2010

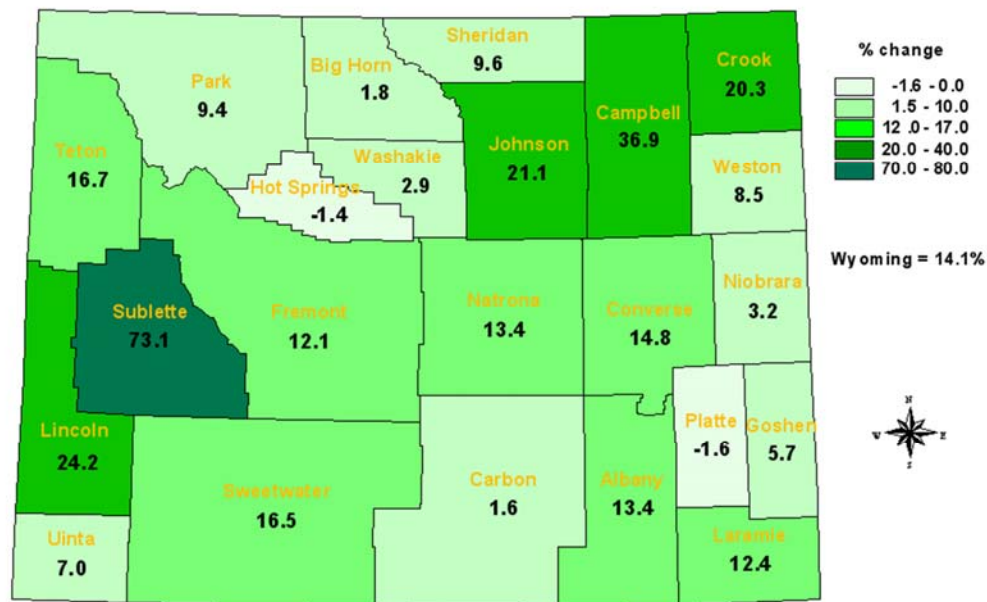


U.S. Department of Commerce

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### Percent Change in Resident Population by County: 2000 to 2010

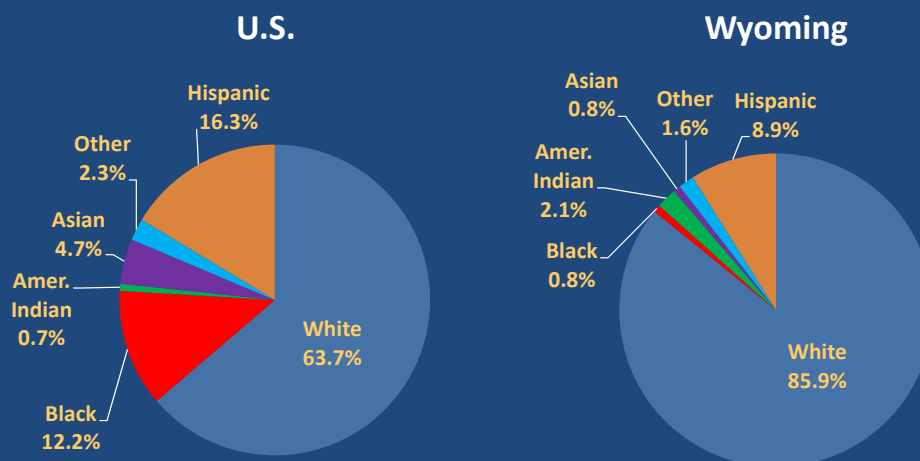


Source: U.S. Census Bureau

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### Population Distribution by Race and Hispanic: 2010



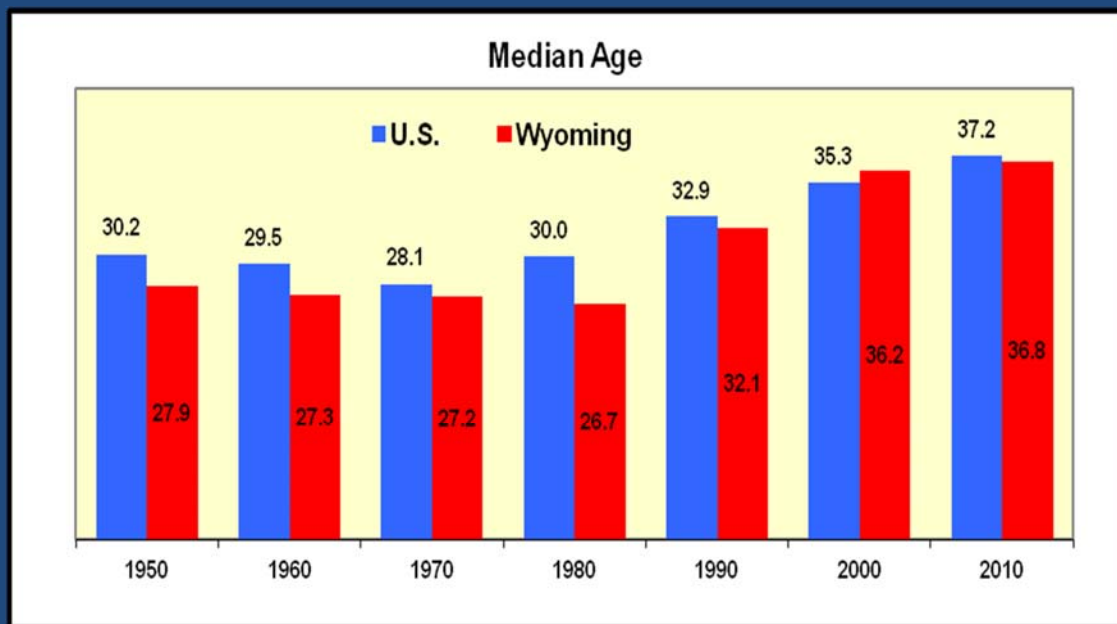
#### Percent of White:

HI	22.7%	ME	94.4%
D.C.	34.8%	VT	94.3%
CA	40.1%	WV	93.2%
NM	40.5%	NH	92.3%
TX	45.3%	ND	88.9%

Wyoming ranked 9<sup>th</sup> highest

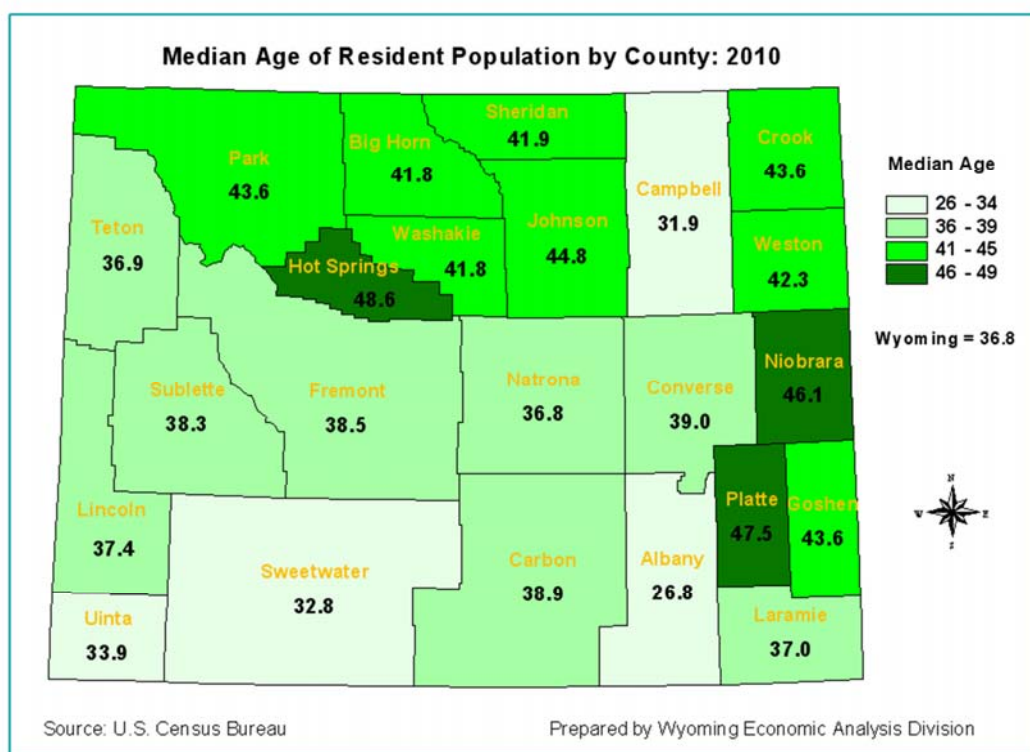
Source: U.S. Census Bureau

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Source: U.S. Census Bureau

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# Population Aging

Speed and pattern are determined by  
3 principal factors:

- Most important is the Secular decline in fertility rates
  - sustained increase in the ratio of old to young (<5 vs. 65 & +).
- Mortality rates declined substantially in many countries over the past century (rising life expectancy: Japan=83, US=79)
  - public health, medical tech, standards of living.
- Baby boom in developed countries
  - pronounced rise in post-WWII fertility rates.

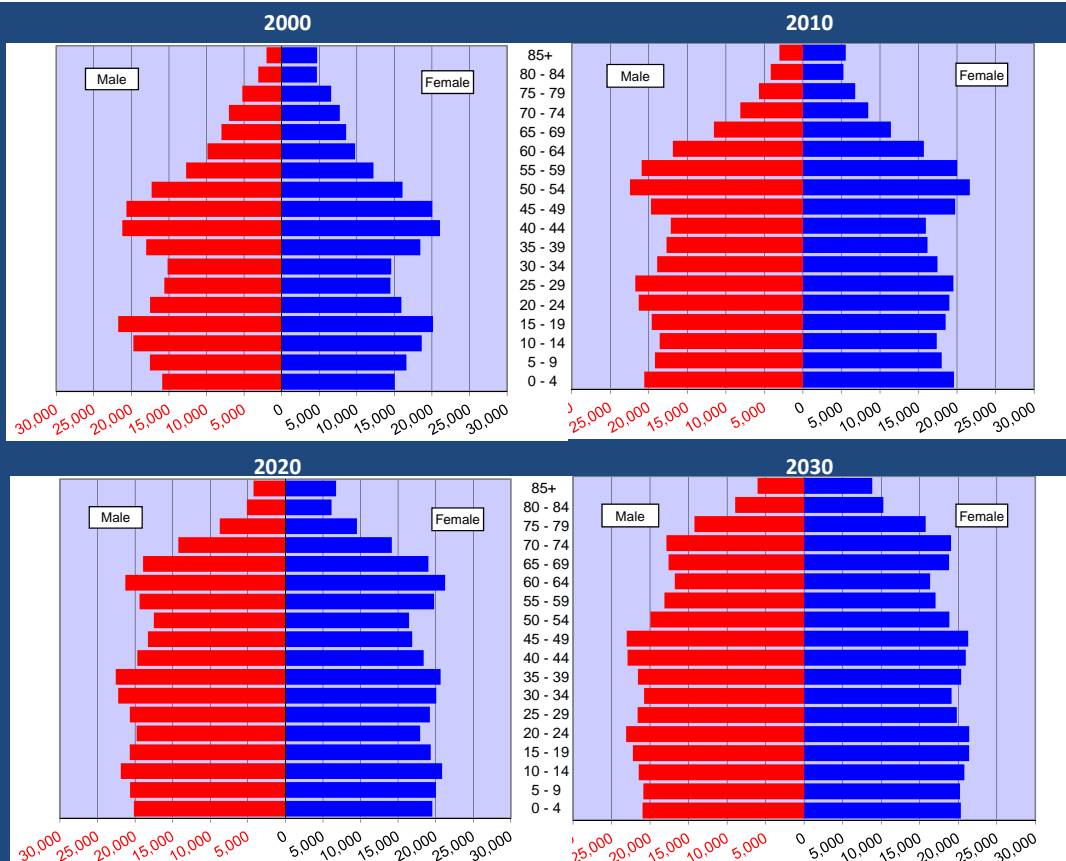
Percent of Population 65 and over:

Japan = 22%; Germany = 20%; Western Europe = 19%. WORLD = 8%.

U.S. = 13.0% in 2010, 19.3% in 2030.

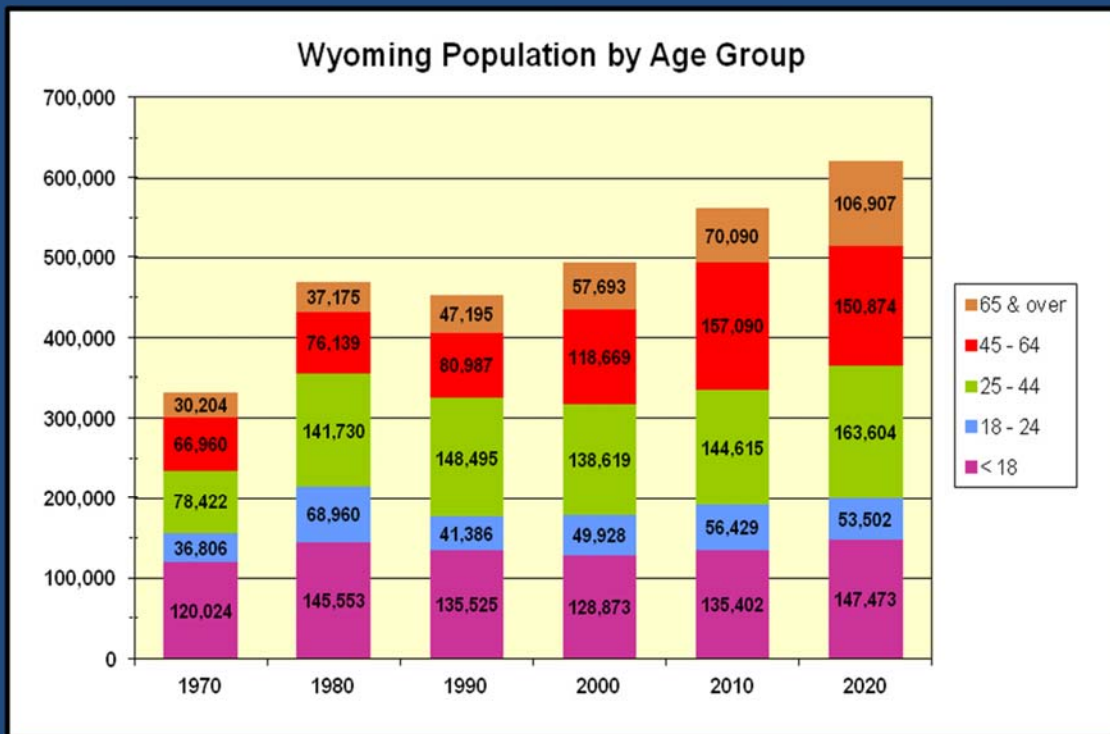
Wyoming = 12.4% in 2010, 20.5% in 2030.

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Source: U.S. Census Bureau and Wyoming Economic Analysis Division

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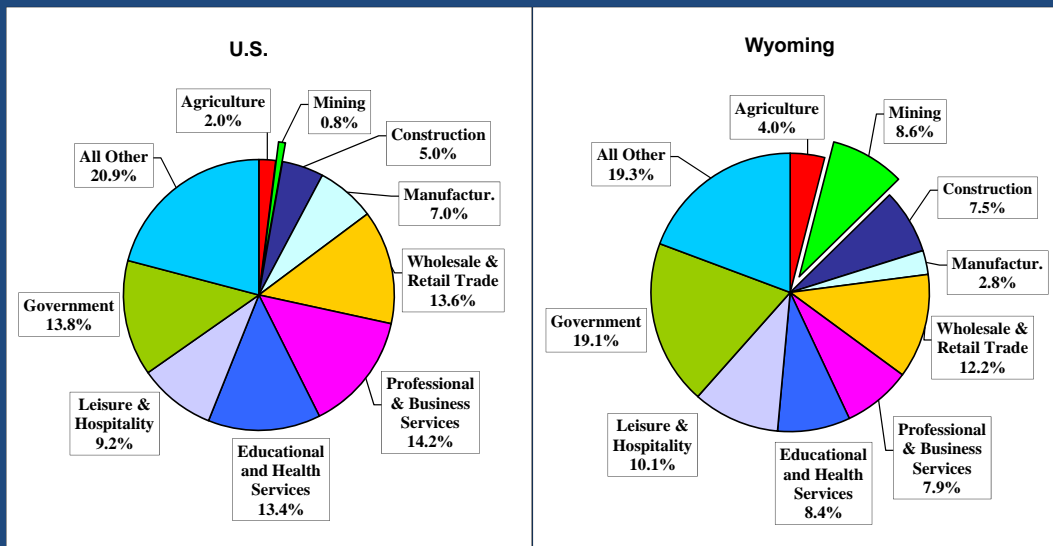


Source: U.S. Census Bureau and Wyoming Economic Analysis Division

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## Employment by Industry for U.S. and Wyoming: 2011

(Includes: full and part-time wage and salary jobs, and proprietors employment)



**Wyoming = 391,484**  
**U.S. = 175,834,700**

Mining - 1<sup>st</sup>  
 Construction - 1<sup>st</sup>  
 Government - 3<sup>rd</sup>

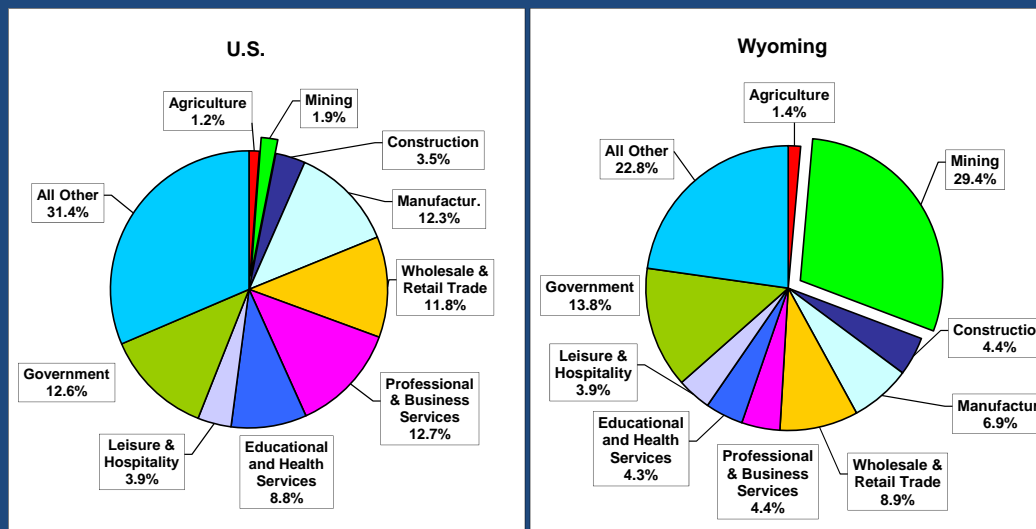
Manufacturing - 49<sup>th</sup>  
 Prof. & Bus. Svcs. - 51<sup>st</sup>  
 Educ. & Health Svcs. - 50<sup>th</sup>

Source: U.S. Bureau of Economic Analysis

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## Gross Domestic Product for U.S. and Wyoming: 2011 by Industry



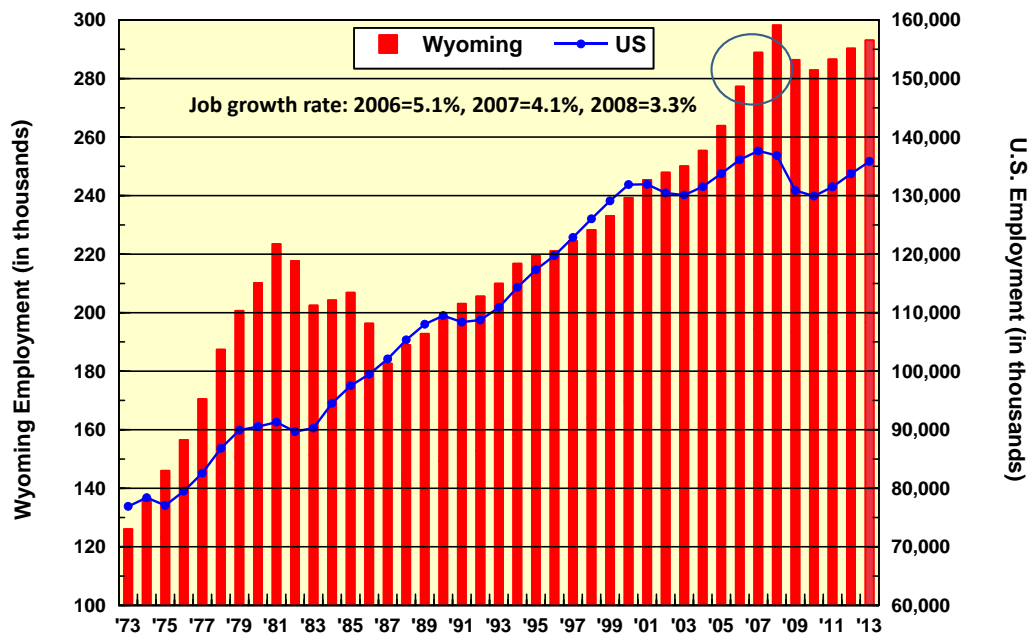
Note: GDP is often referred to as its "value added", is equal to its gross output (sales or receipts and other operating income, plus inventory change) minus its intermediate inputs (consumption of goods and services purchased from other industries or imported).

Source: U.S. Bureau of Economic Analysis

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## Non-Agr Wage and Salary Employment for Wyoming and U.S.

(Number of jobs)



Source: U.S. Bureau of Labor Statistics

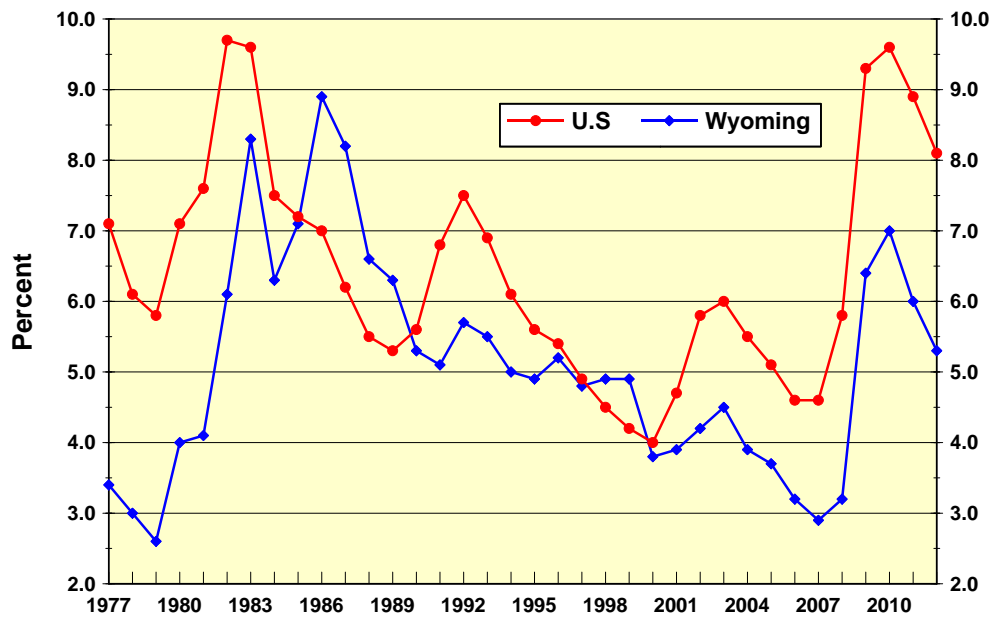
Prepared by Wyoming Economic Analysis Division

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## Wyoming and US Unemployment Rates: 1977 - 2012

Annual Average



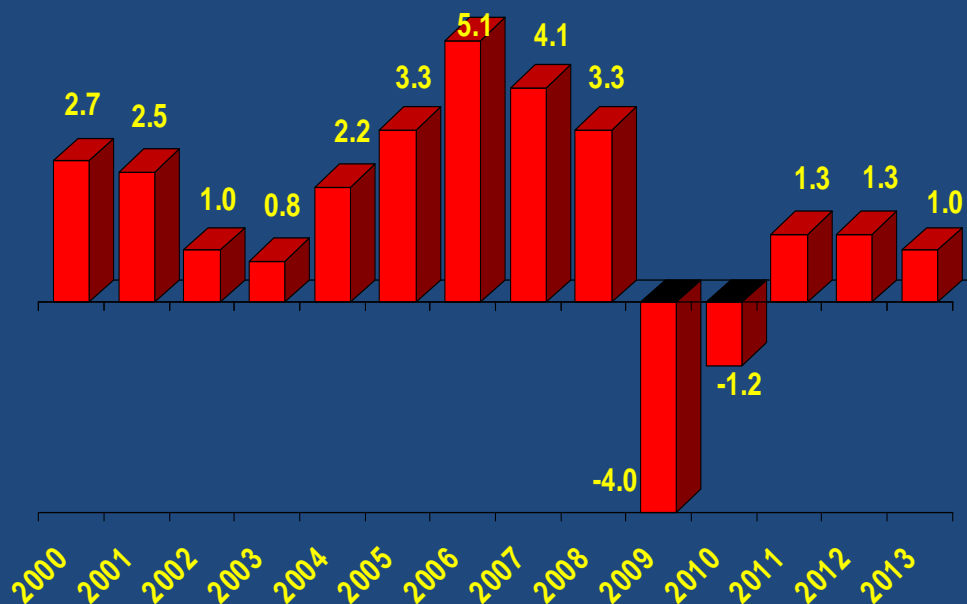
Source: U.S. Bureau of Labor Statistics

Prepared by Wyoming Economic Analysis Division

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## Wyoming Job Growth Outlook:

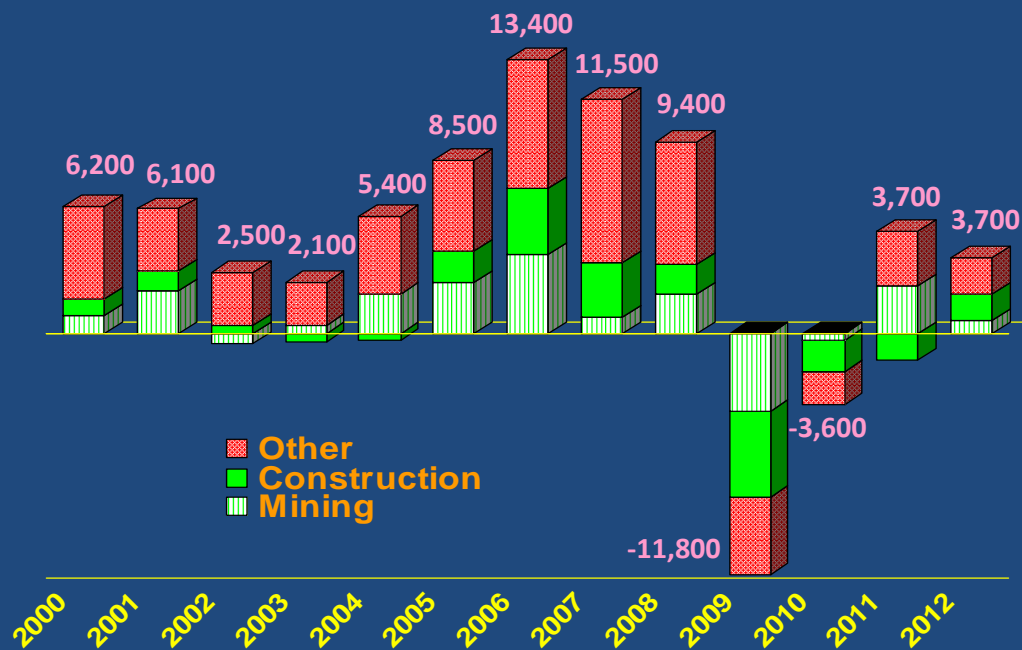
Annual Percent Change In Non-Farm Employment



Source: U.S. Bureau of Labor Statistics

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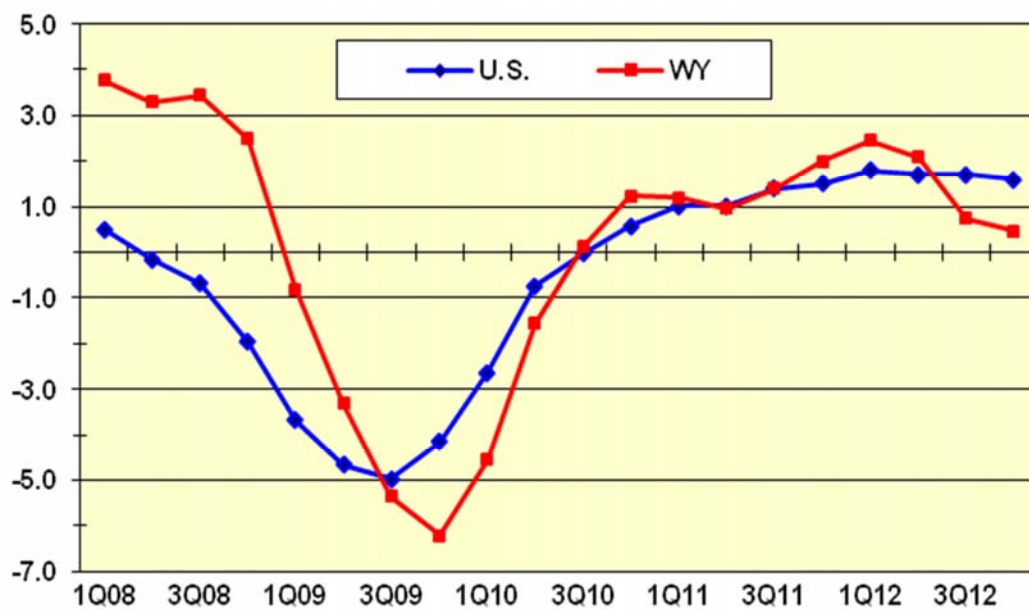
## Wyoming's Annual Job Change



Source: U.S. Bureau of Labor Statistics

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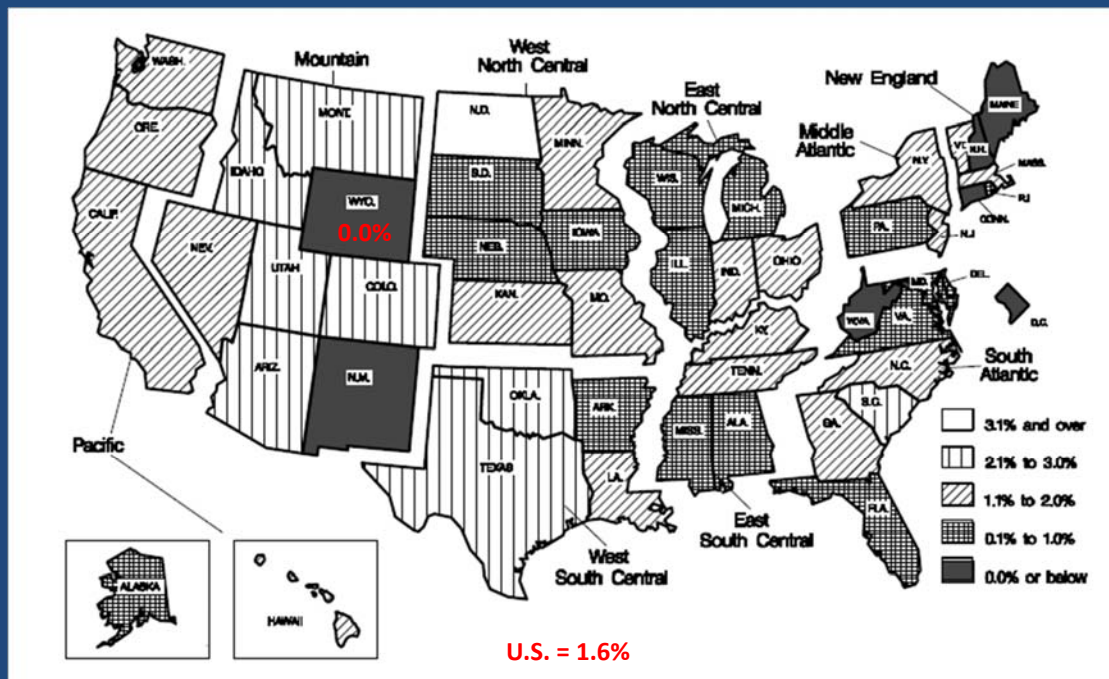
## Annual Percent Change in Non-Farm Employment



Source: U.S. BLS and Wyoming DWS

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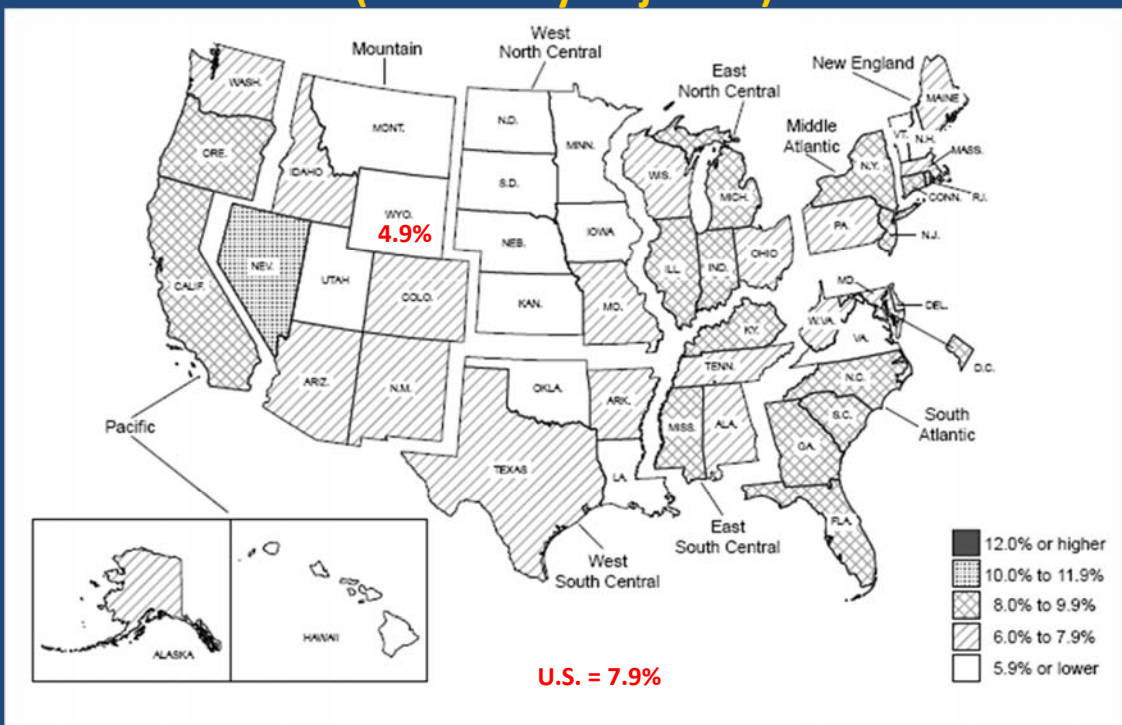
## Percentage Change in Non-farm Employment by State December 2011 – December 2012



Source: U.S. Bureau of Labor Statistics

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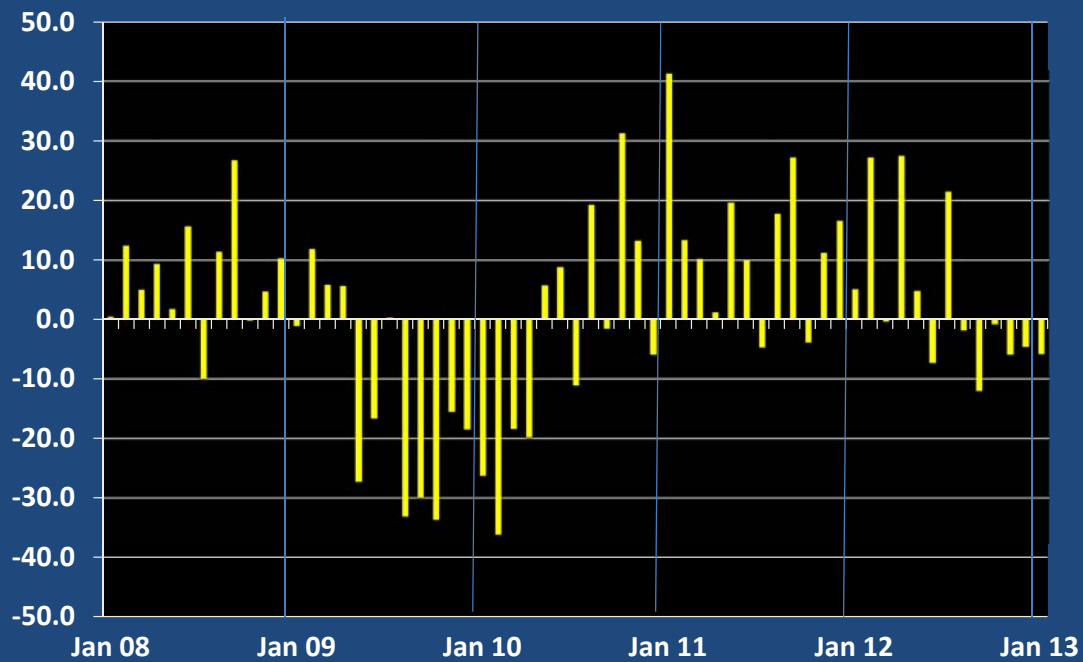
## Unemployment Rate by State December 2012 (Seasonally Adjusted)



Source: U.S. Bureau of Labor Statistics

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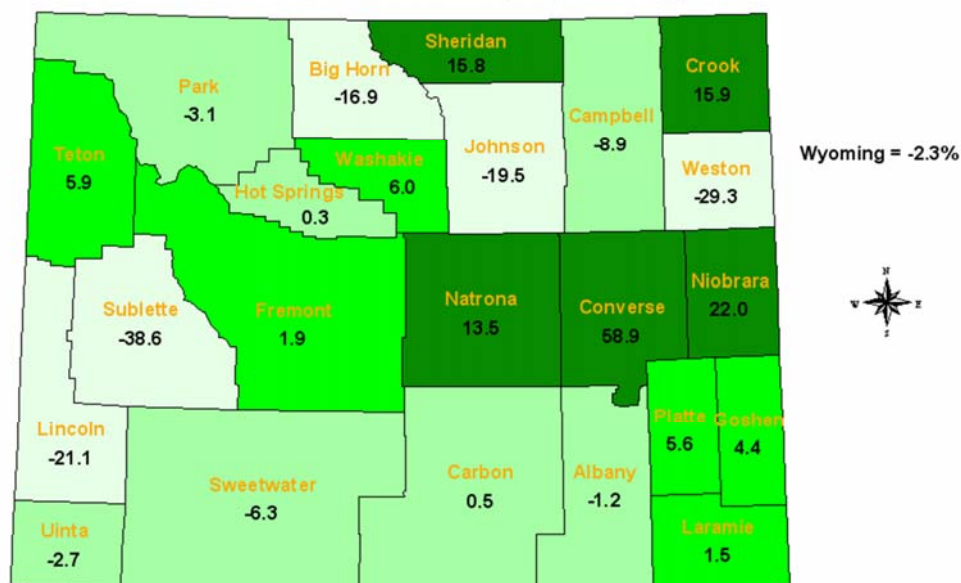
## Percent Change in Wyoming's Sales Tax Collections (year over year)



Source: Wyoming Department of Revenue

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### Annual Percent Change in Sales Tax Collections: FY2012 YTD to FY2013 YTD (July-January)



Source: Wyoming Department of Revenue

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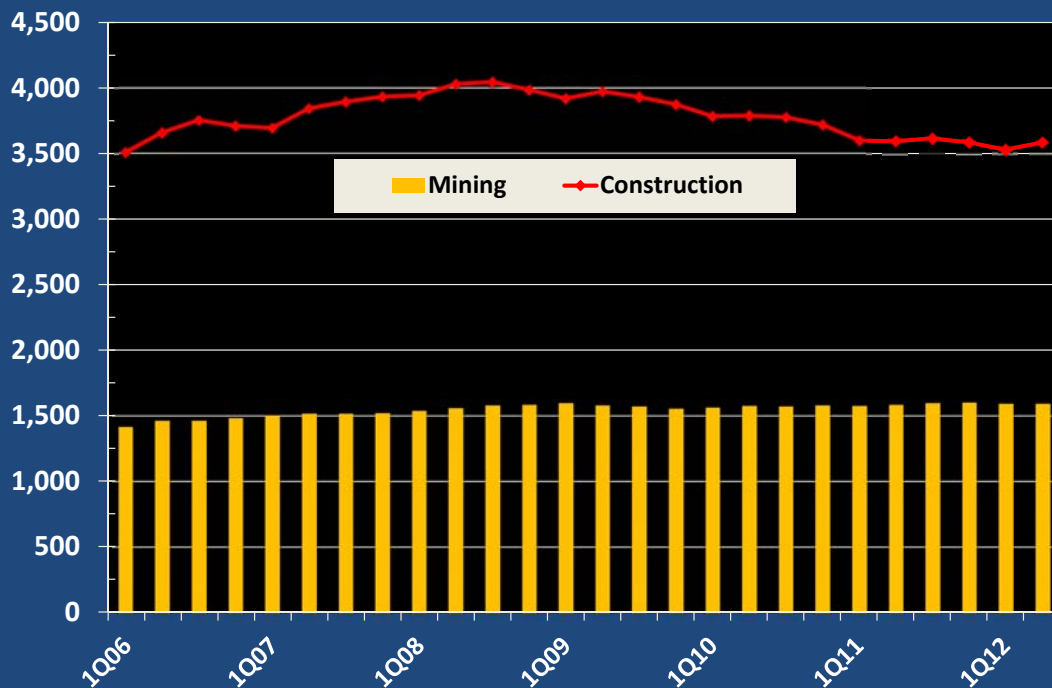
### Annual Percent Change in Wyoming's Wage Rate (1Q2006 to 2Q2012)



Source: U.S. Bureau of Labor Statistics

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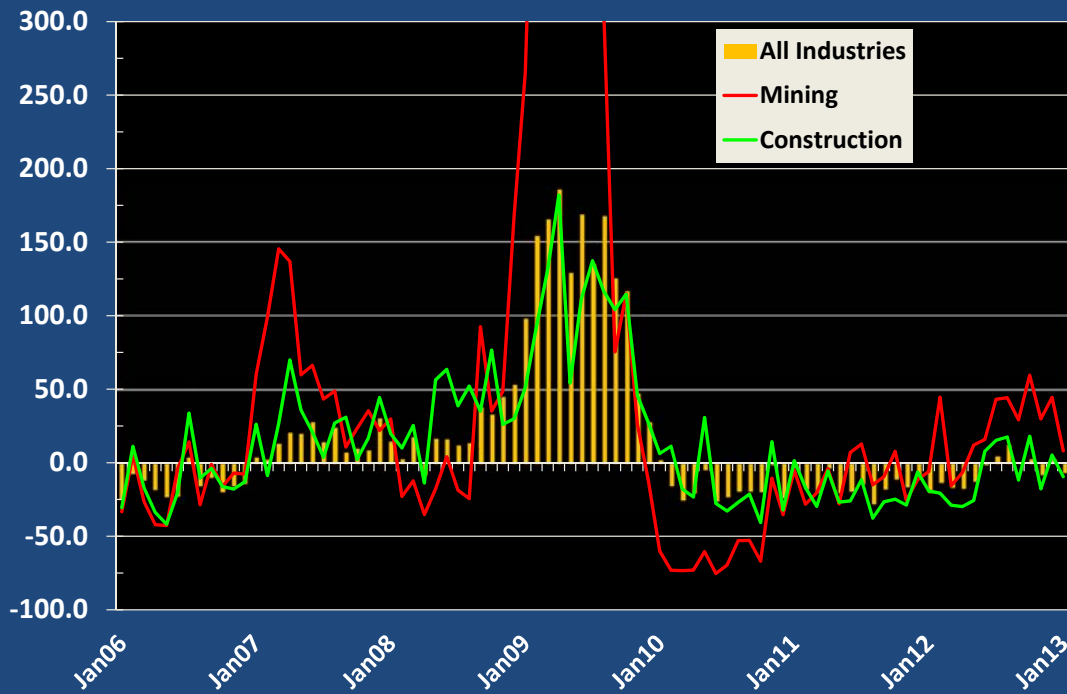
### Number of Business Establishment in Wyoming



Source: U.S. Bureau of Labor Statistics

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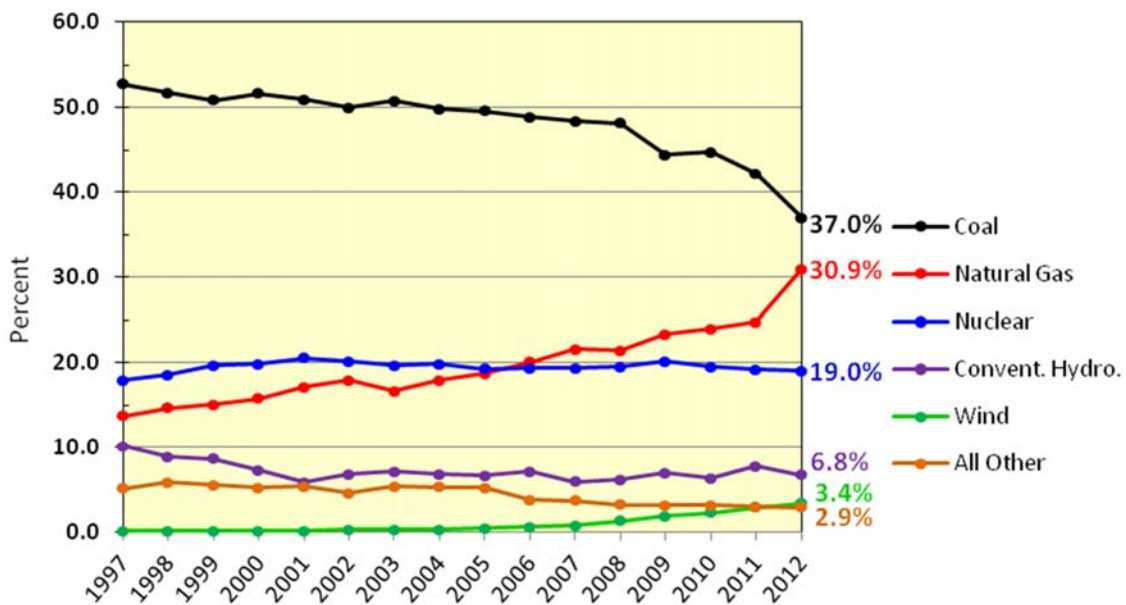
## Percent Change in Wyoming's Initial Jobless Claim (year over year)



Source: Wyoming Department of Workforce Services

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## U.S. Electricity Generation by Energy Source

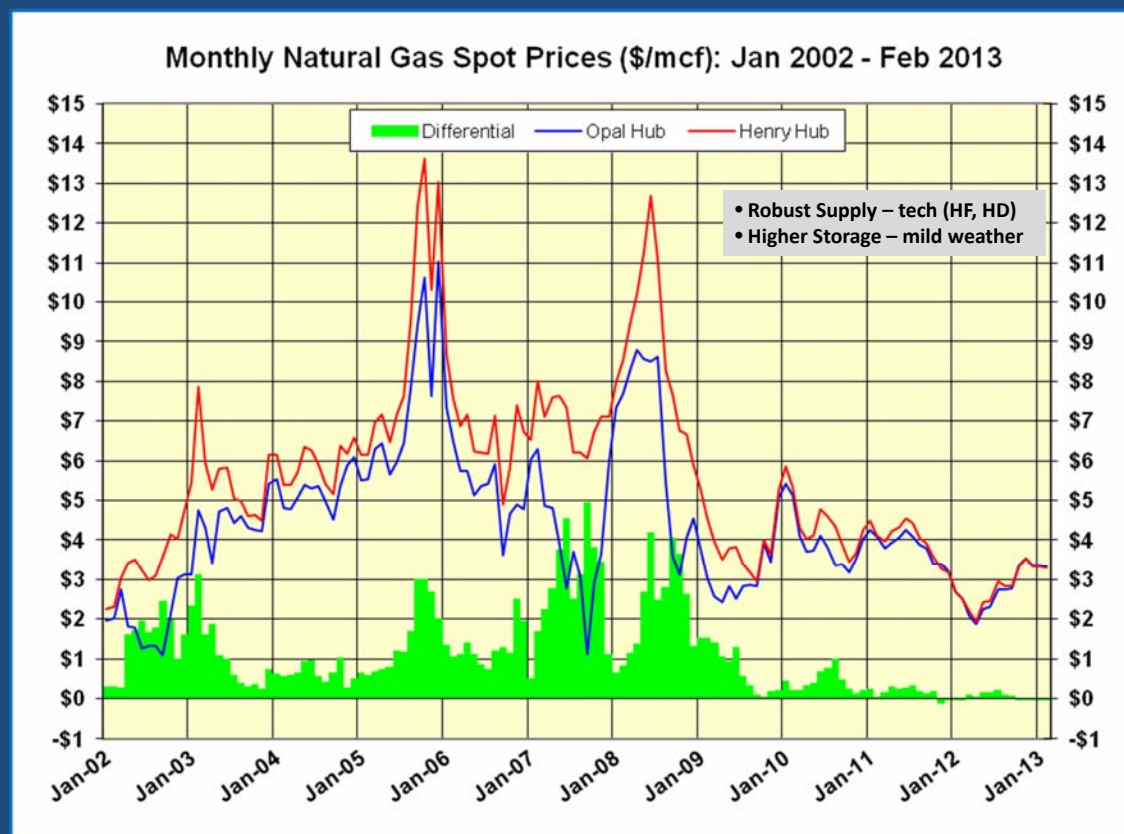


Source: EIA

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## Wyoming Revenue and Tax Facts

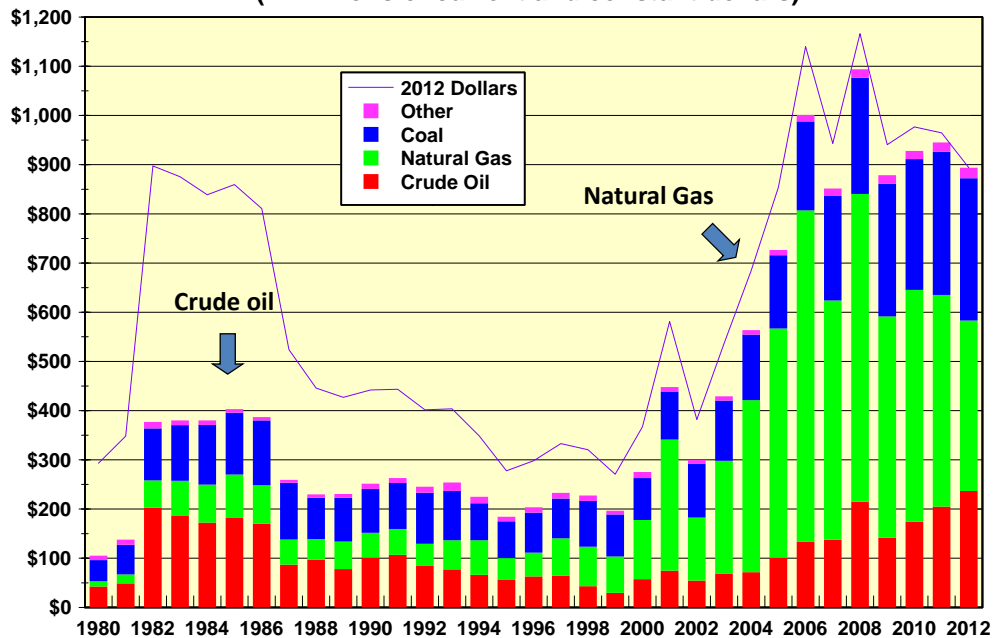
- Tax structure reliant on extractive industries.
  - Mineral income currently makes up about two-thirds of State and over half of Local Government revenue.
  - FY 2012 Mineral income is obtained from:
    - Mineral severance taxes (\$893.7 million).
    - Federal mineral royalties (\$954.7 million).
    - Mineral property taxes (\$1,006.5 million).
    - Sales and use taxes (\$194.5 million).
    - Income from PWMTF (\$235.8 million).
- No income tax, low property and sales tax rates (food exemption).
- Near top rank in per capita state and local government revenue and expenditures.
- Household tax burden ranks among the lowest in the nation.
  - Mineral portion is exported out of state.

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## Mineral Severance Taxes: FY1980 - FY2012

(in millions of current and constant dollars)



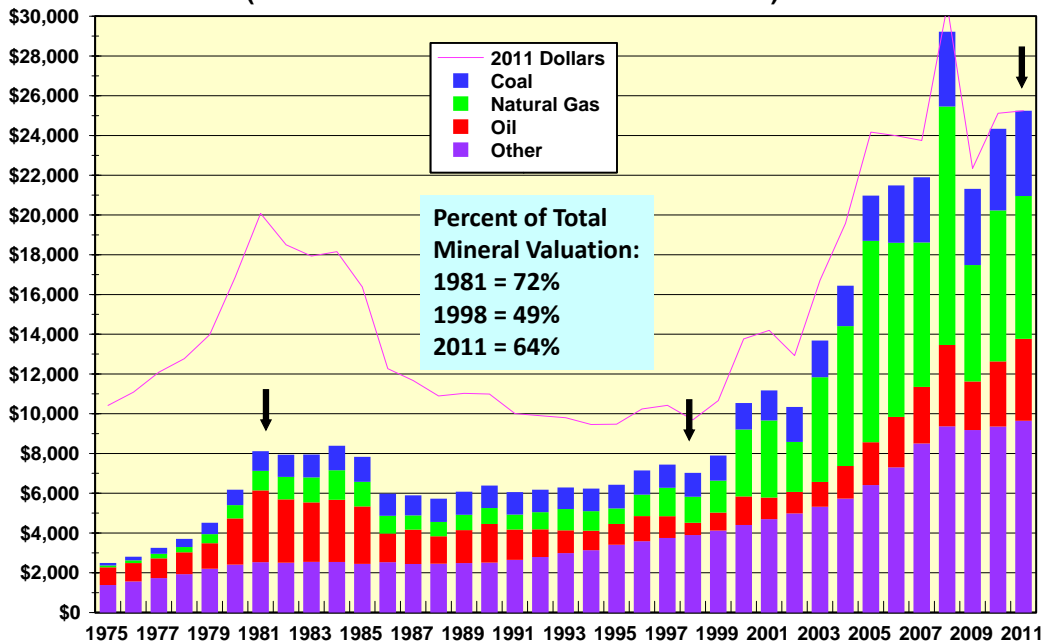
Source: Wyoming CREG

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## Total Locally and State Assessed Valuation

(in millions of current and constant dollars)

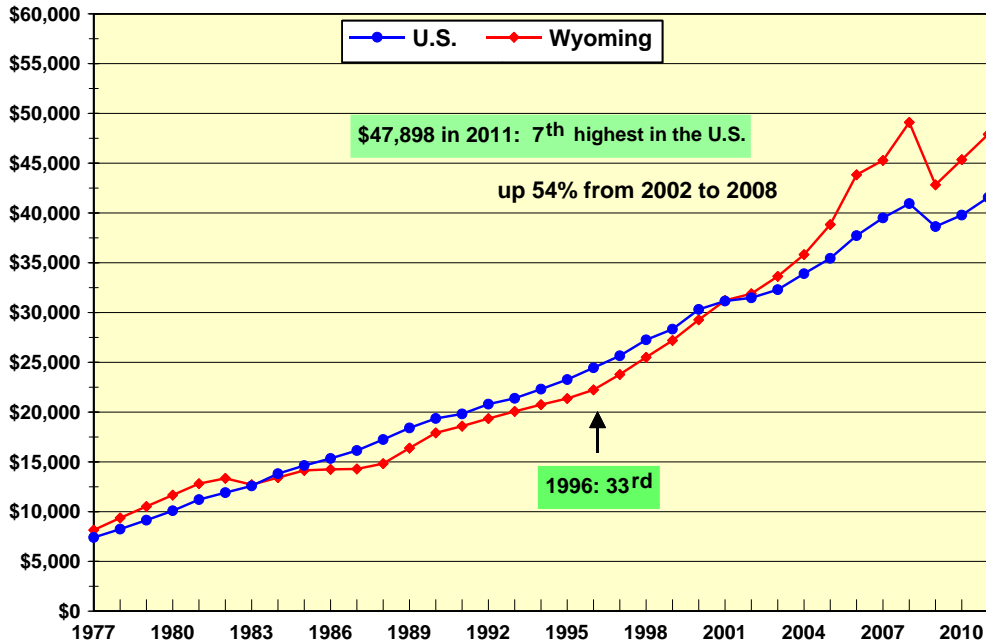


\* Other includes other minerals, real and personal property

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### Per Capita Personal Income for US and Wyoming: 1977 - 2011



Source: U.S. Bureau of Economic Analysis

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## Economic Ranking Shifted

Median Household Income:	2000	2011	% Change
U.S.	\$41,994	\$50,502	20.3%
Wyoming	\$37,892	\$56,322	48.6%
Ranking	36 <sup>th</sup>	14 <sup>th</sup>	3 <sup>rd</sup>

Poverty Rate:	2000	2011	Change
U.S.	12.4%	15.9%	+3.5%
Wyoming	11.4%	11.3%	-0.1%
Ranking	26 <sup>th</sup>	46 <sup>th</sup>	50 <sup>th</sup>

Source: U.S. Census Bureau

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## Economic Ranking Shifted

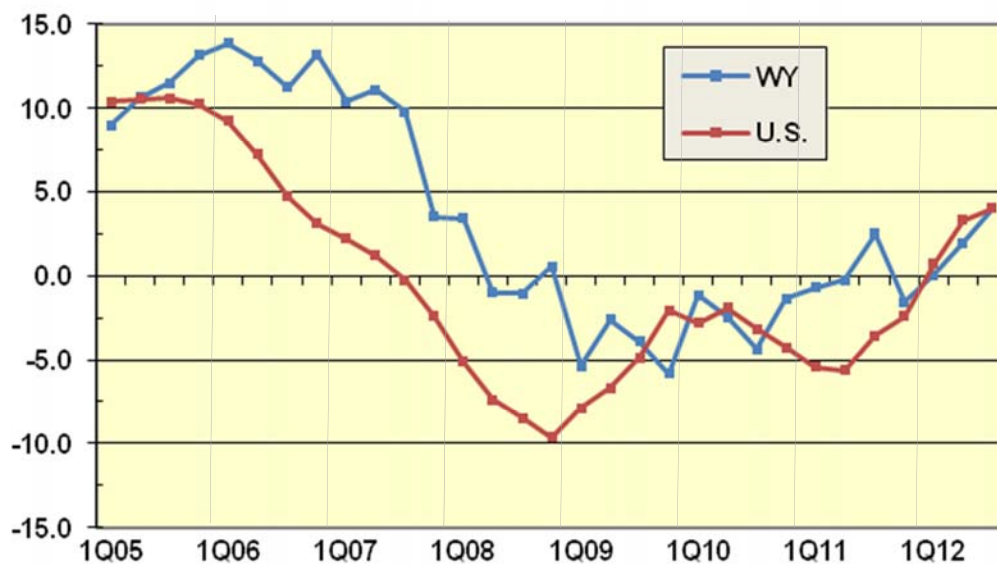
Median Home Value:	2000	2011	% Change
U.S.	\$111,800	\$173,600	55.3%
Wyoming	\$91,500	\$179,900	96.6%
Ranking	35 <sup>th</sup>	21 <sup>st</sup>	4 <sup>th</sup>

Median Gross Rent:	2000	2011	% Change
U.S.	\$602	\$871	44.7%
Wyoming	\$437	\$759	73.7%
Ranking	48 <sup>th</sup>	27 <sup>th</sup>	2 <sup>nd</sup>

Source: U.S. Census Bureau

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**Annual Percent Change in Home Prices  
(1Q2005 to 3Q2012)**

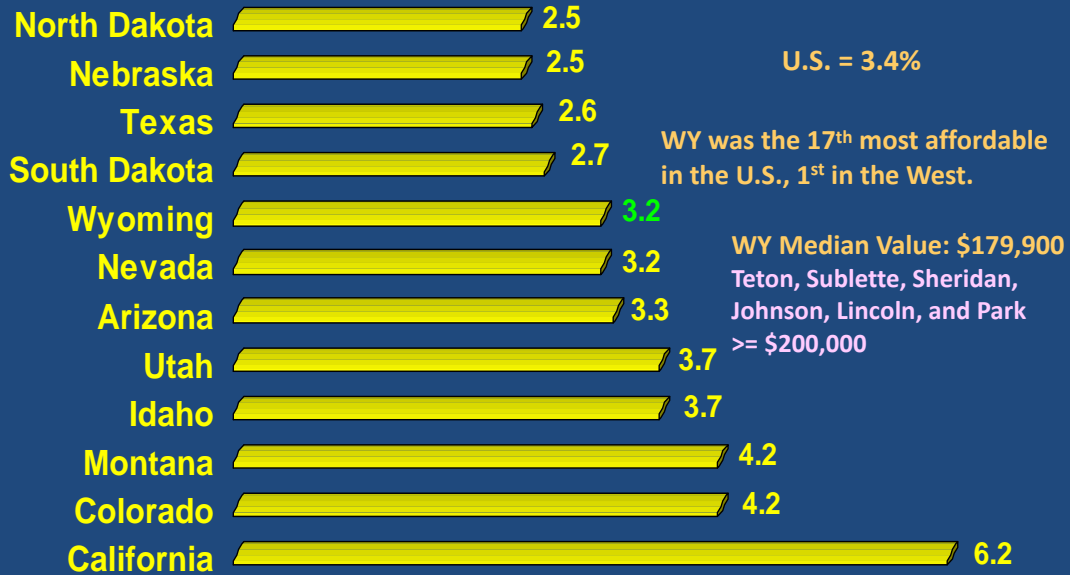


Source: Federal Housing Finance Agency

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# Housing Affordability: 2011

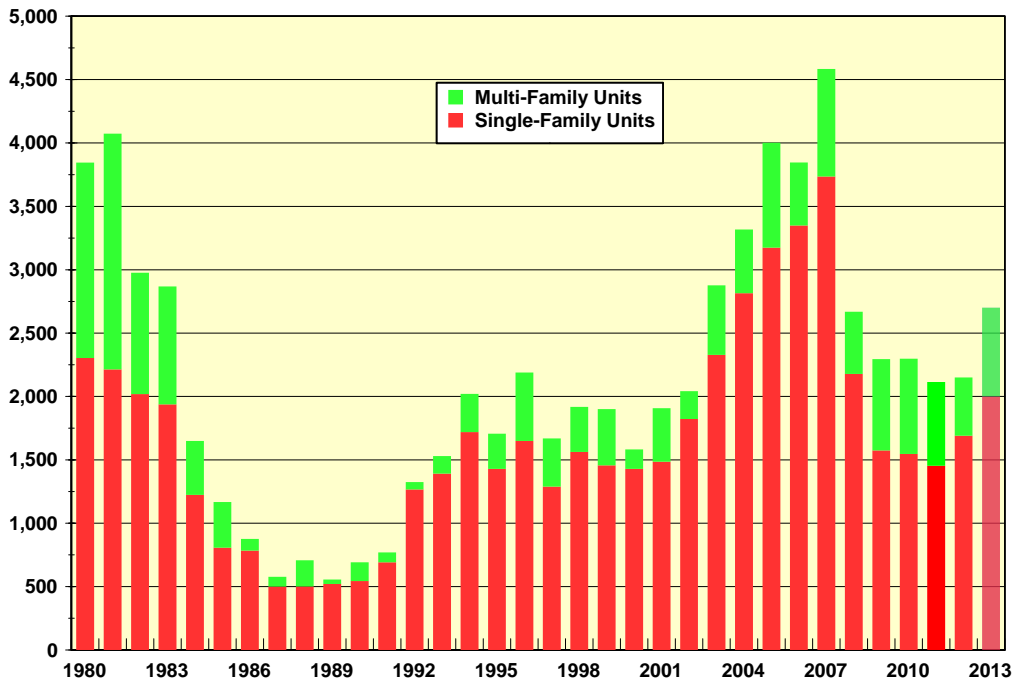
(Ratio of Median Value of Housing Unit to Median Household Income)



Source: U.S. Census Bureau

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## Residential Building Permits Authorized in Wyoming



Source: U.S. Census Bureau and Wyoming Economic Analysis Division

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## Wyoming's Economic Outlook

- WY economy will continue to improve, but may experience a soft period in 2013 – population grow <1%, and employment will grow about 1.0%; unemployment rate remains around 5%.
    - Current weak NG and coal prices and lack of production growth.
  - Global commodity demand and recent U.S.' strengthening economy.
  - Expansion of oil development from Niobara Shale – Converse and Natrona.
  - Housing market continues to recover from the mild correction. Stellar wage and population growth supports consumers spending and residential construction.
  - Because of its large proportion and pivotal role in WY's economy, the improvement or deterioration in mining industry will trigger into other economic sections. Coal industry is stabilizing, NG future prices \$4/mcf. Potential coal and LNG exports may help to lift prices.
  - Tourism industry will benefit from solid national recovery because it bolsters tourists' spending ability.
- Potential Projects: Chokecherry and Sierra Madre; Moneta Divide; Transmission lines.

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**THANK YOU!**

**Economic Analysis Division – EAD**

*"Wyoming's Source for Business and Economic Information"*

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