

The Economy in 2017, AKA Opportunity is often delivered in a fog of uncertainty

Impacts and Opportunities of the Economic Downturn Across the Region
Wyoming Association of Community College Trustees 2016 Policy Summit
Dr. Anne Alexander, Economist and Associate Provost for Undergraduate Education, UW

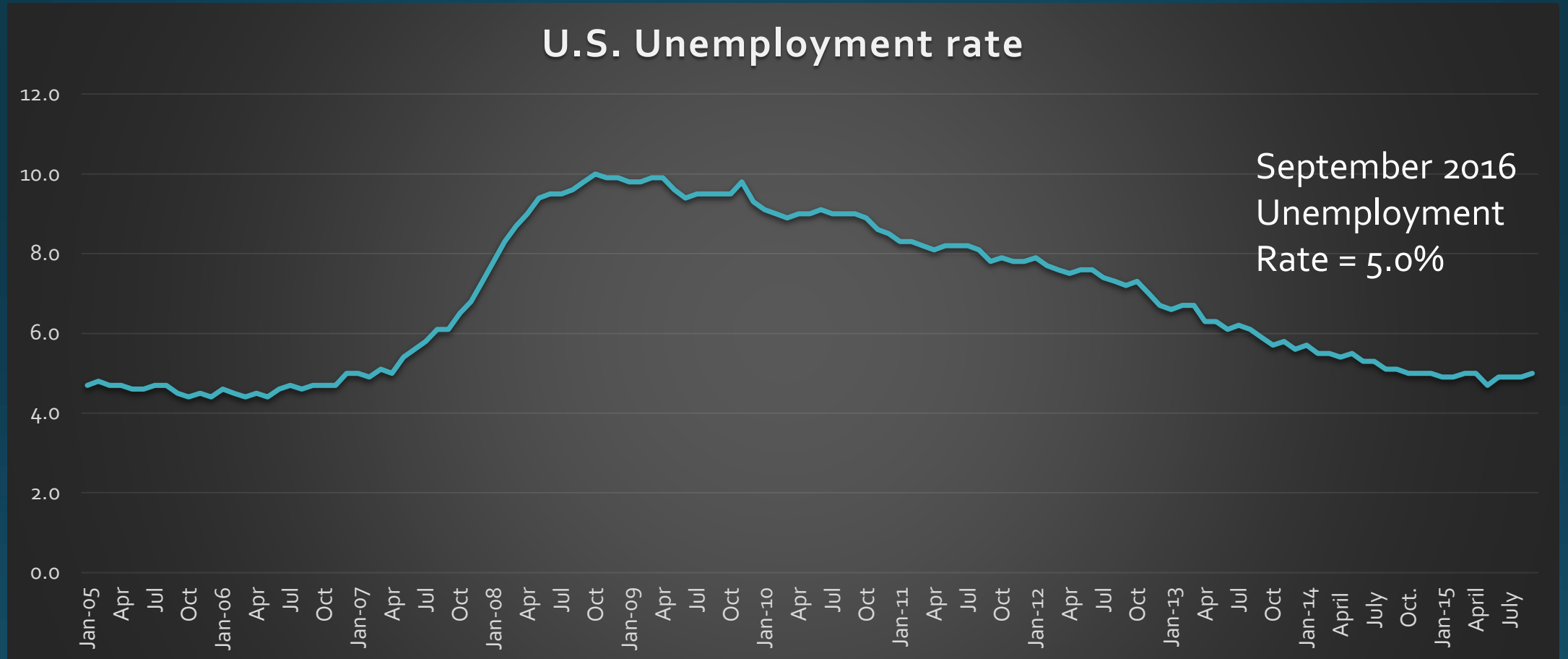


UNIVERSITY OF WYOMING

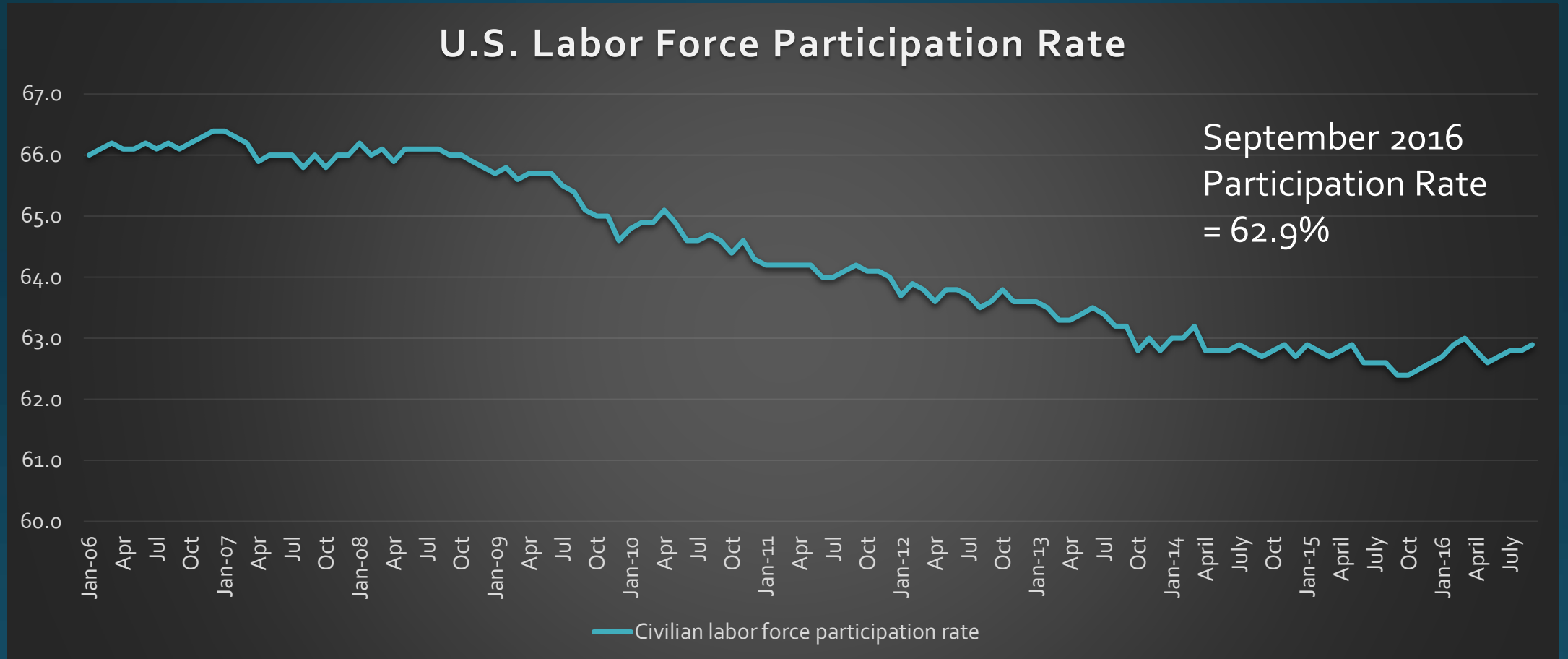
It kind of feels like this right now.



U.S. Employment Situation

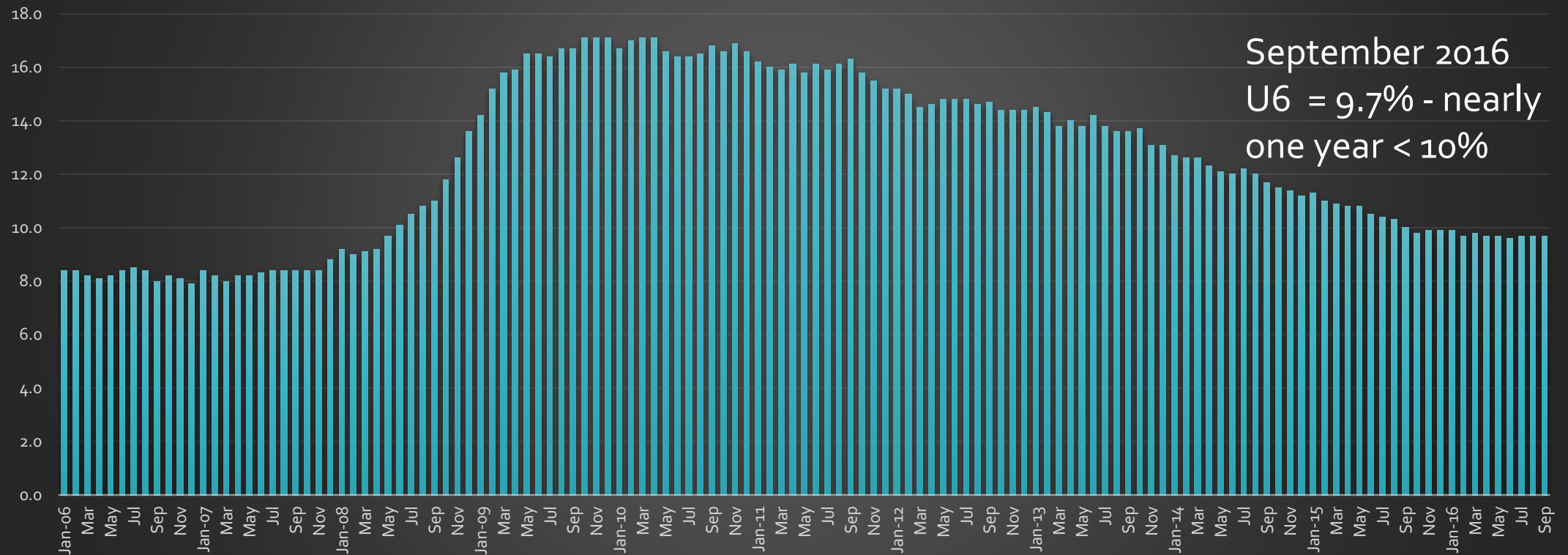


U.S. Employment Situation



U.S. Employment Situation

Unemployed, marginally attached, employed part time for economic reasons, as a percent of all civilian labor force plus all marginally attached workers



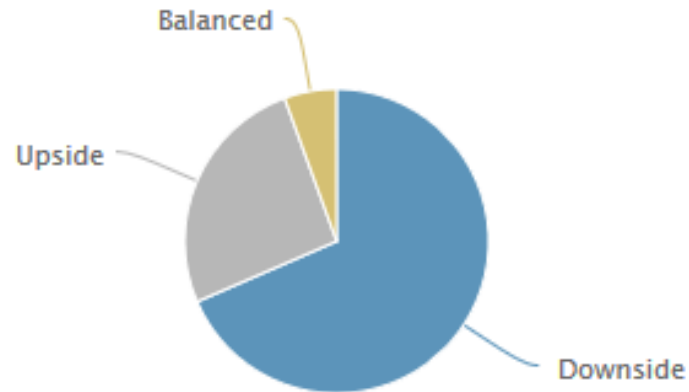
U.S. Employment situation

- Initial jobless claim filings are at a 43-year low.
- 444K people entered the labor force again in September.
- This is good, right?

WSJ Economic Forecast Survey

Q&A: Economic Risks

Is the risk to your GDP growth forecast for the next 12 months more to the upside or downside?



U.S. Economic Anxiety Index – 1022 people across the country, socioeconomic status, gender, race, and political persuasions

- Losing sleep over their financial situation:
 - September 2015: 28%.
 - September 2016: 32%
- Confident that you could find a new job within 6 months if you lost your current job?
 - September 2015: 46%
 - September 2016: 41%

U.S. Economic Anxiety Index

- Think the economy for parents' generation was better than today: 58%
- Expect the economy for the next generation of Americans to be worse: 46%
- Believe a college degree is necessary to find good work: 67%

U.S. Economic Anxiety Index

- 47% believe they may lose their jobs in the next 12 months.
- Over 60% fear they may not have saved enough for retirement.
- Over 40% fear they may not be able to afford college for their children.
- 70% fear facing an unexpected medical bill, and over 50% fear they may not be able to make mortgage payments
- Of the 17% who had college loans, over 50% feared being able to make their payment
- 61% say that job opportunities where they live are hard to find.

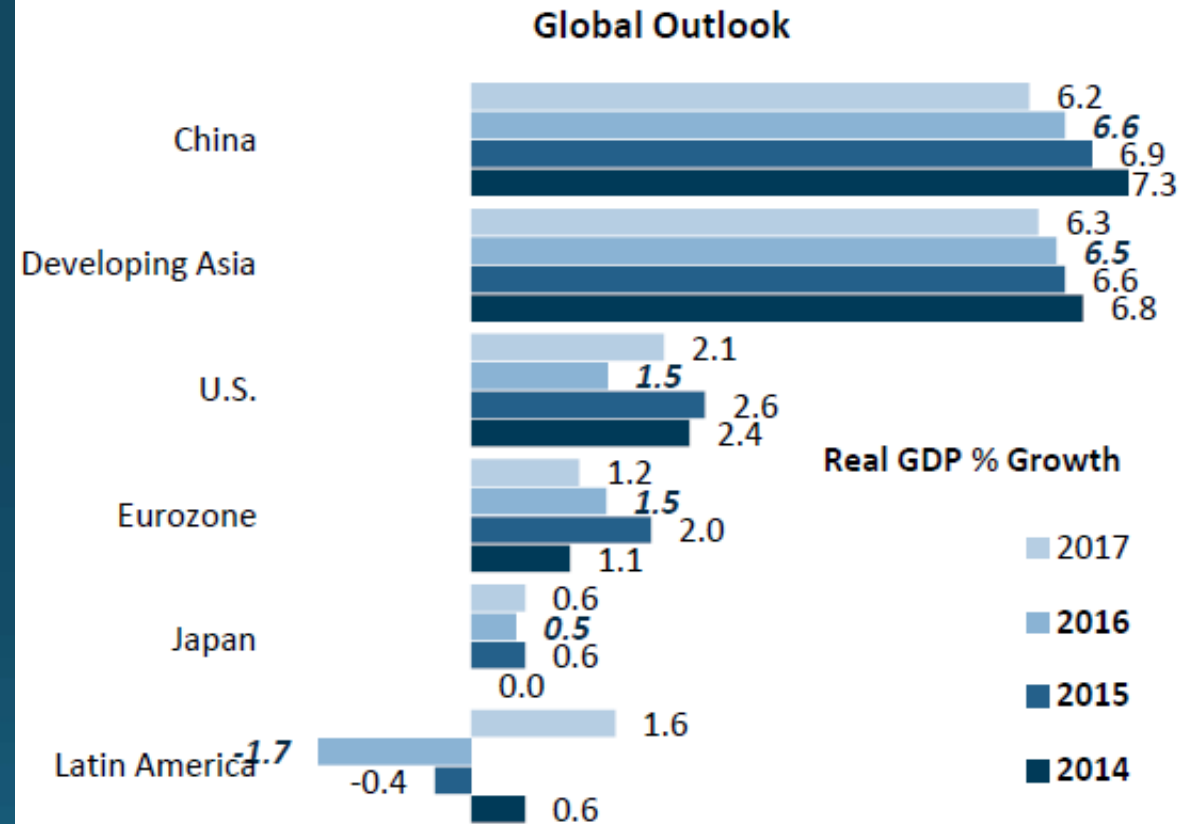
U.S. Economic Anxiety Index

- Think decline of manufacturing jobs is more due to trade deals than natural changes in the economy: 55 %
- Think the U.S. economic system is “rigged” in favor of certain groups: 71%.

Global Anxiety

- The global economy continues to be one of the biggest risks for the U.S. economy over the near-term.

Subdued Global Demand

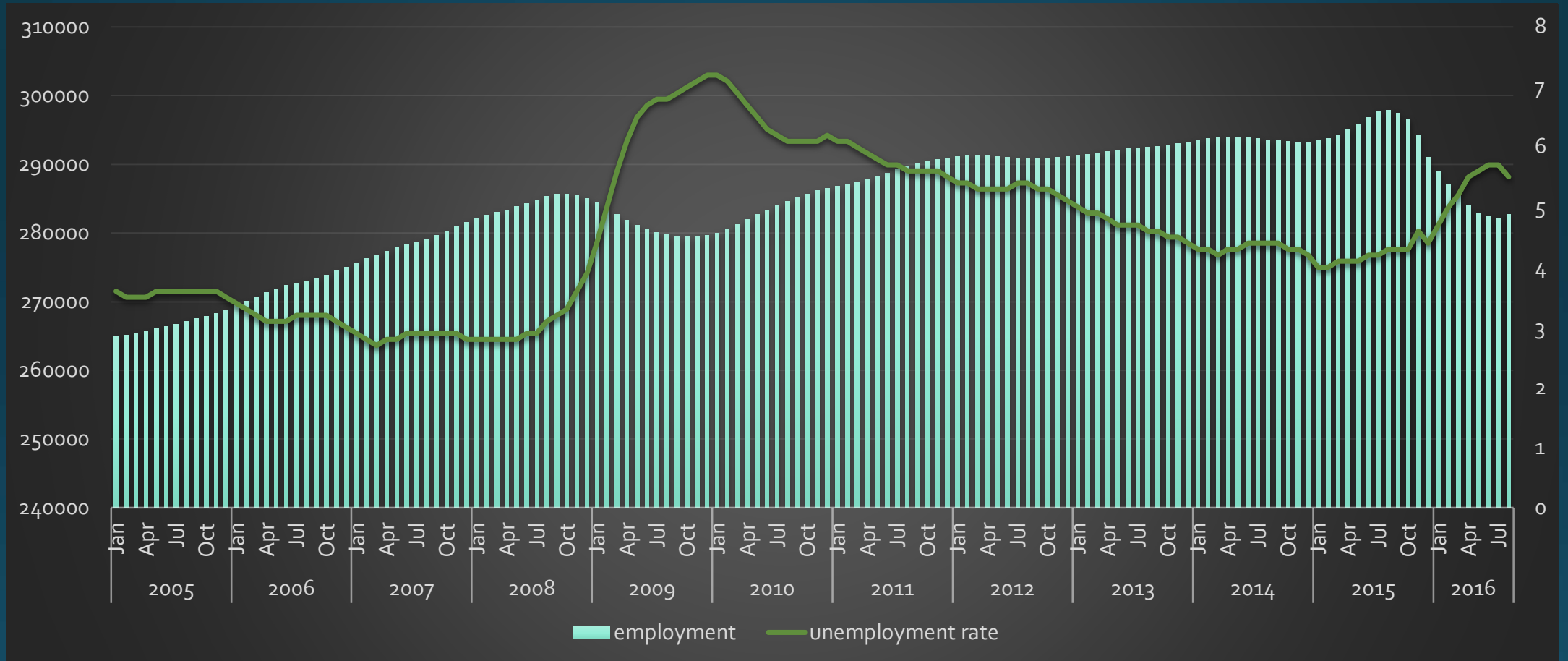


Source: Bank of the West Economics, IMF, Bloomberg

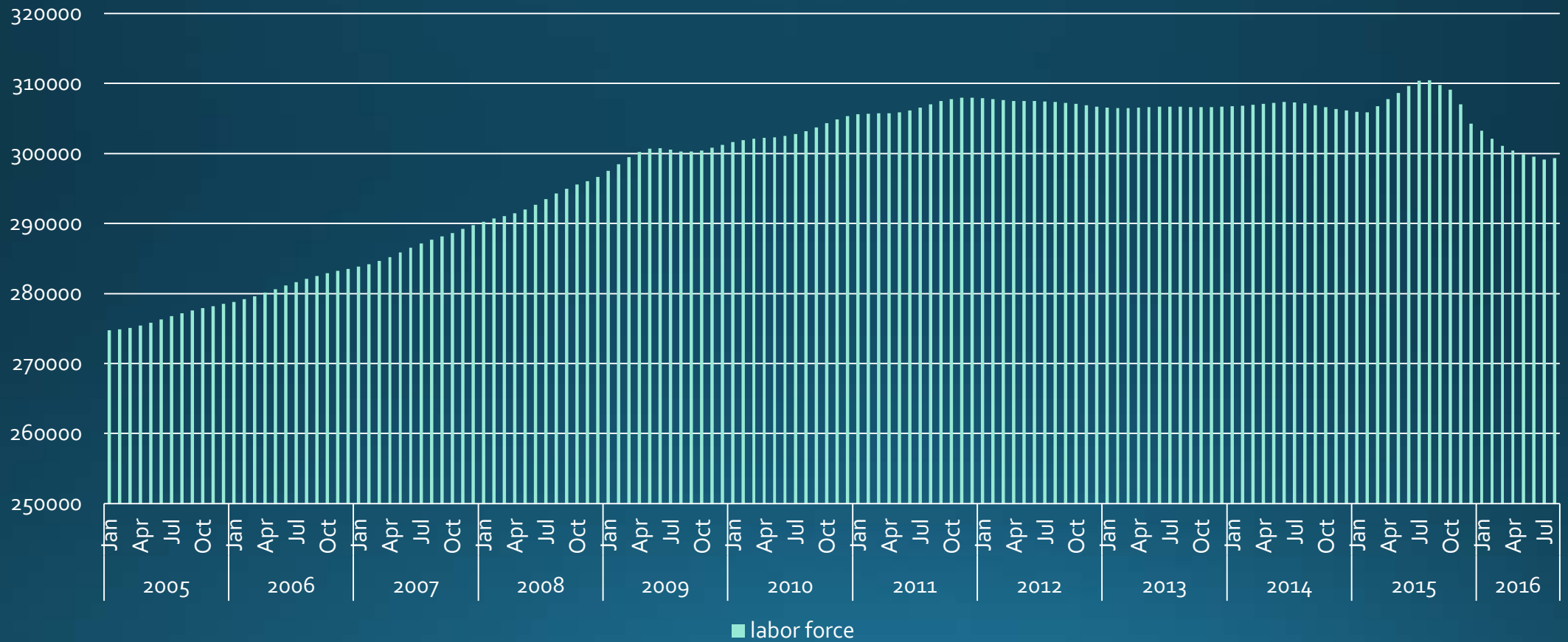
Global Anxiety

- Downside risks to the global outlook for 2017:
 - Brexit
 - Rebalancing of China's economy
 - Stagnation in advanced economies
 - Growing calls for protectionist policies
 - Spread of the Zika virus in Latin America, the Caribbean, and Southern United States – along with other emerging contagions
 - Multiple acts of terrorism leading to anxiety about travel and migration
 - Continuing conflicts in Africa and the Middle East.

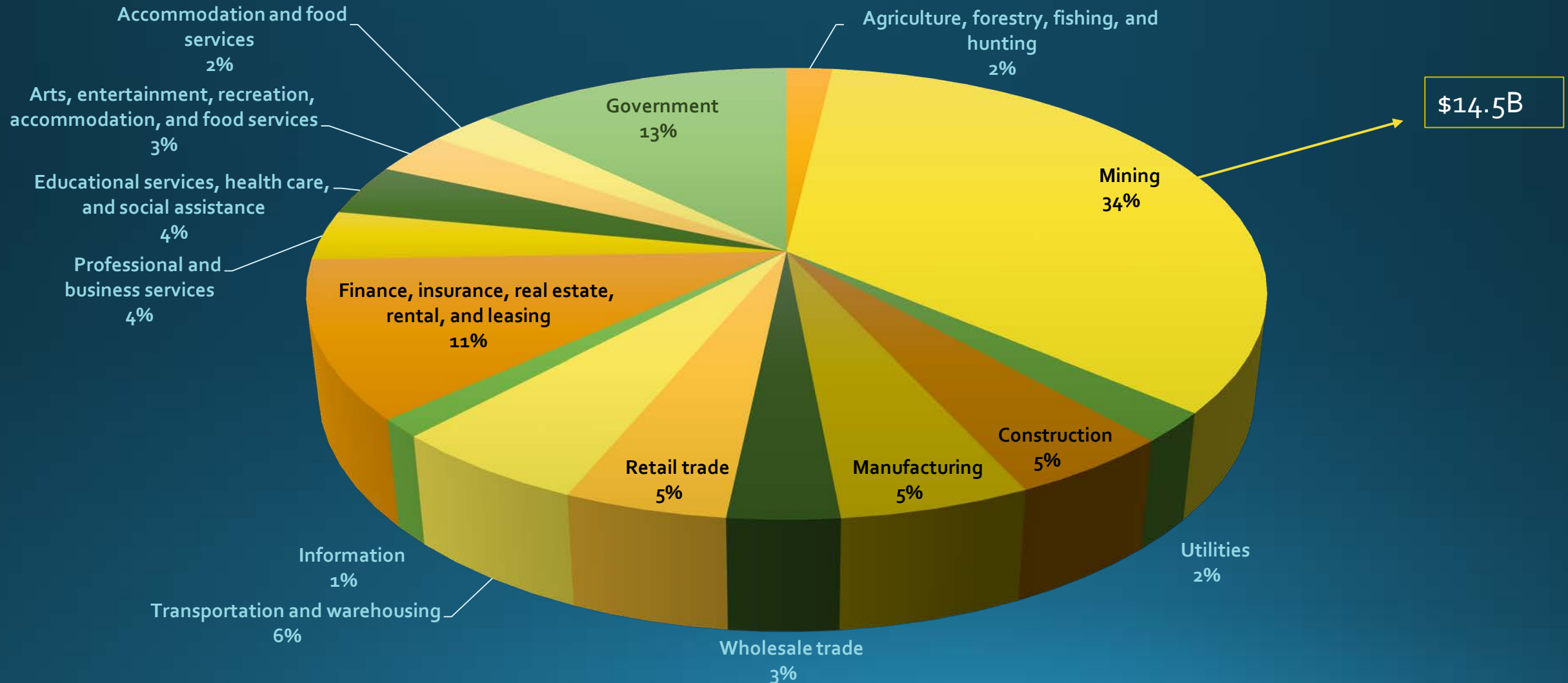
Wyoming Employment and Unemployment Rate, 2005-2016



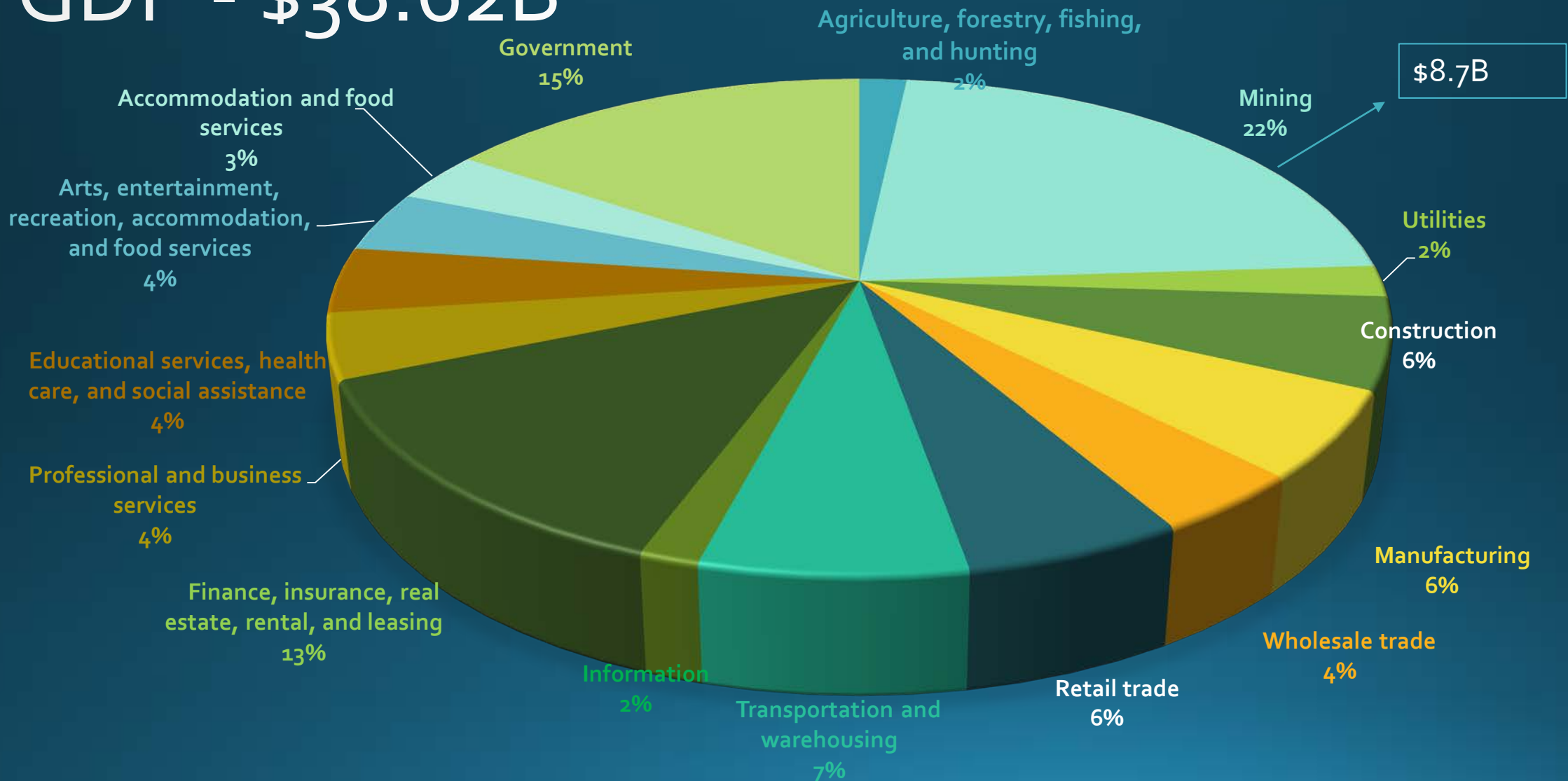
Wyoming Labor Force, 2005-2016



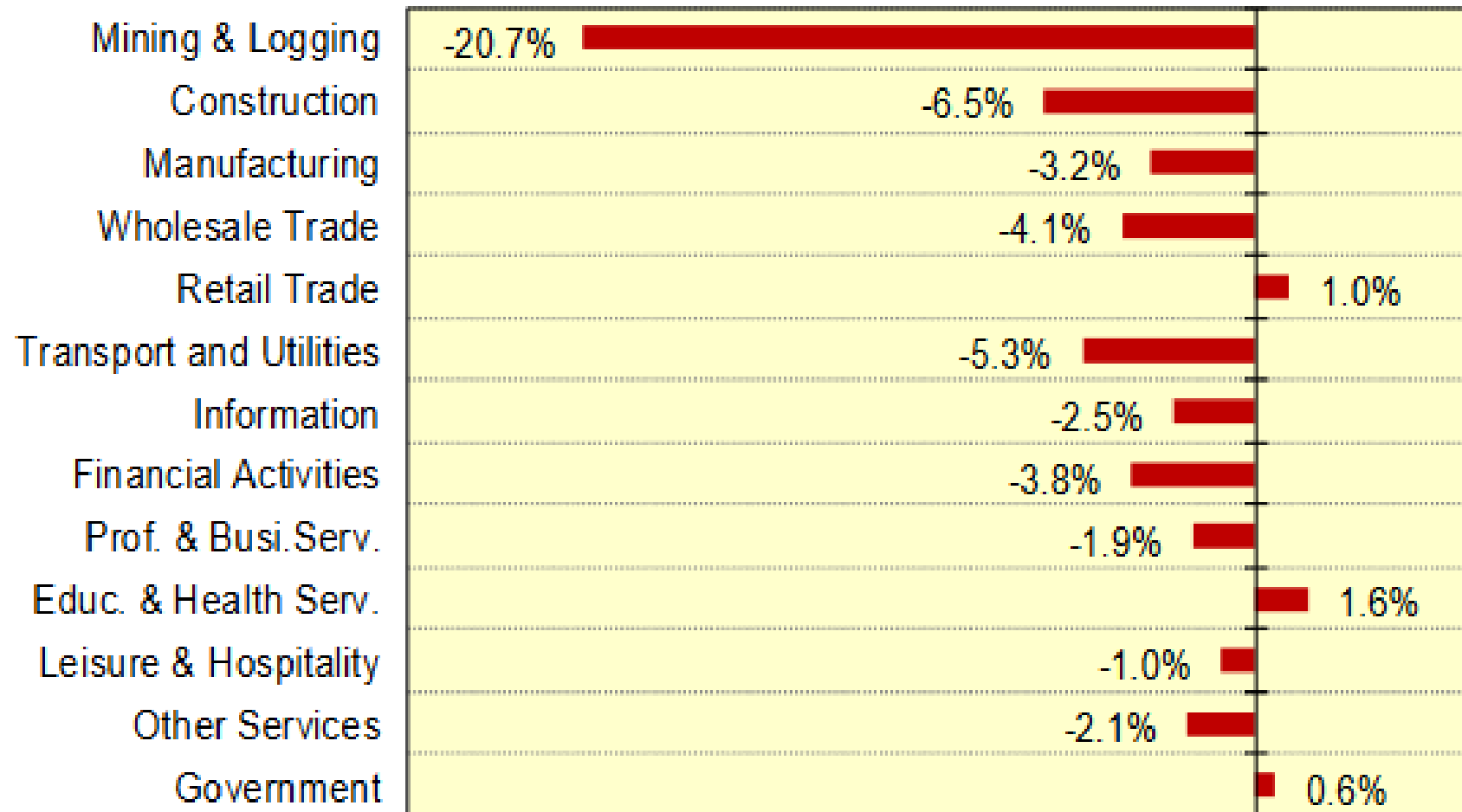
2011 - Wyoming's Industry contributions to GDP (total in today's dollars: \$41.58B)



2015 - Wyoming's Industry contributions to GDP - \$38.62B

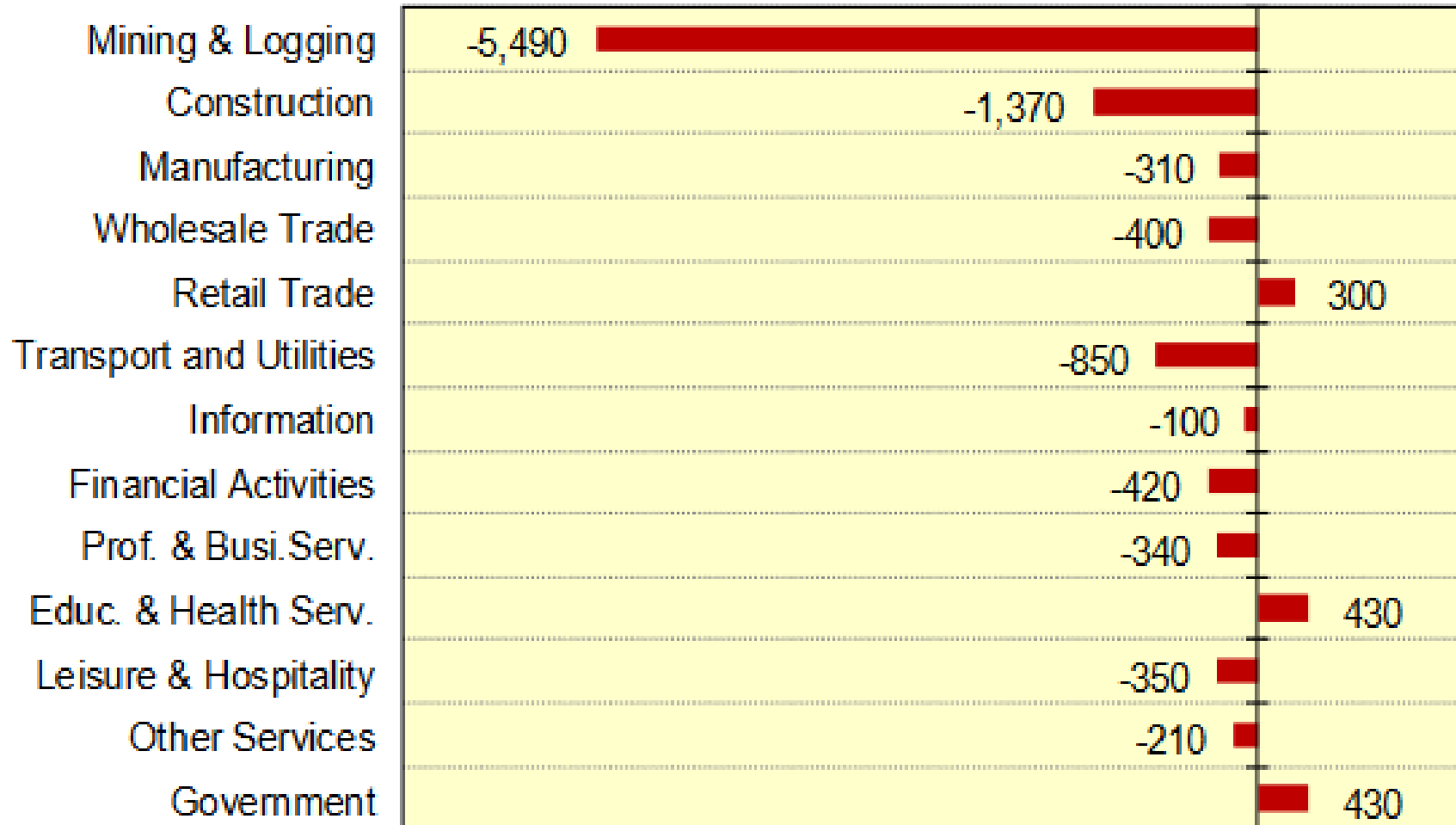


**Percent Change in Wyoming Employment by Industry:
1st Quarter 2015 to 1st Quarter 2016**



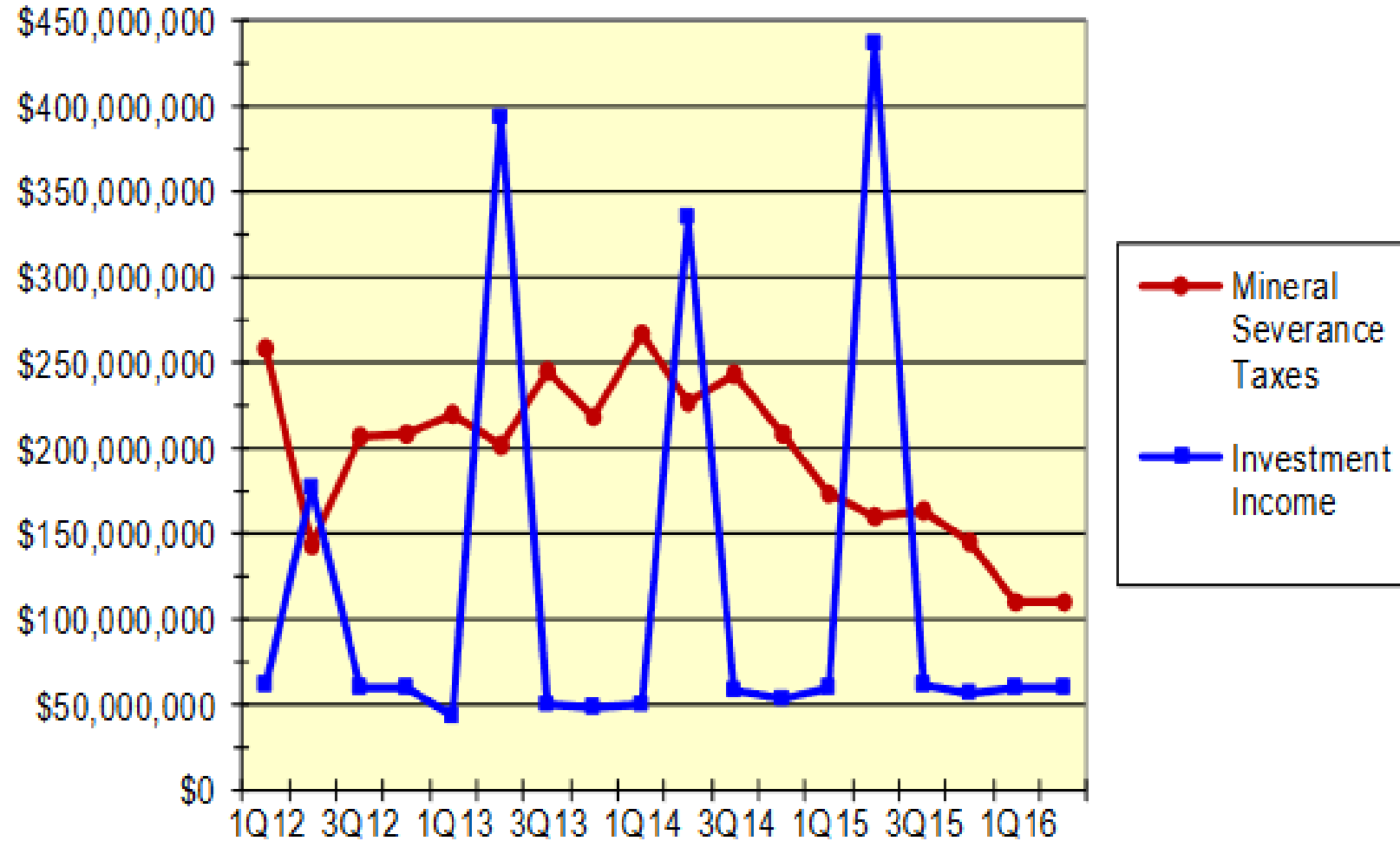
Source: U.S. BLS and Wyoming DWS

Numerical Change in Employment by Industry:
1st Quarter 2015 to 1st Quarter 2016



Source: U.S. BLS and Wyoming DWS

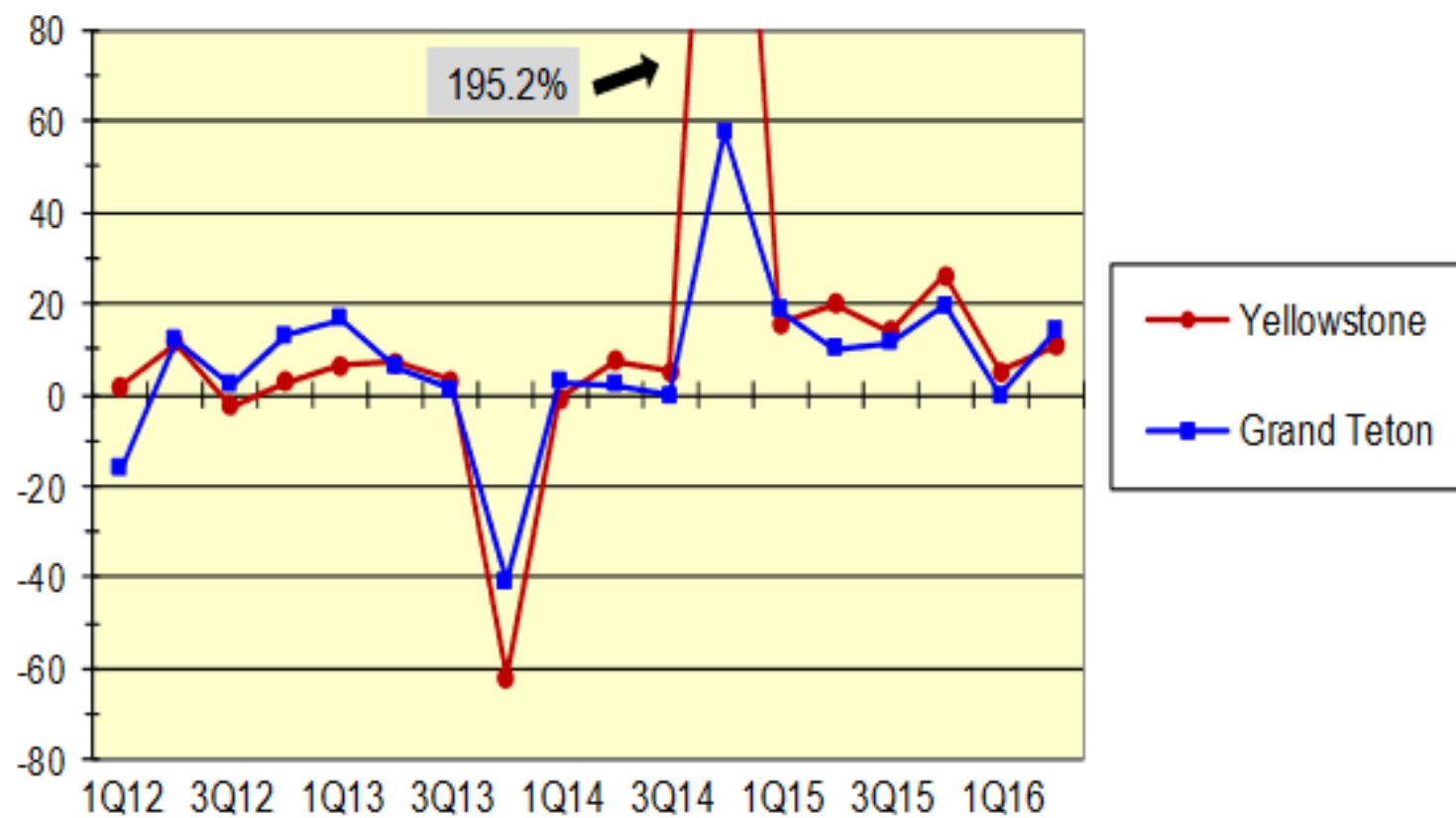
Selected Revenue Sources for the State of Wyoming



Source: Wyoming Auditor's Office

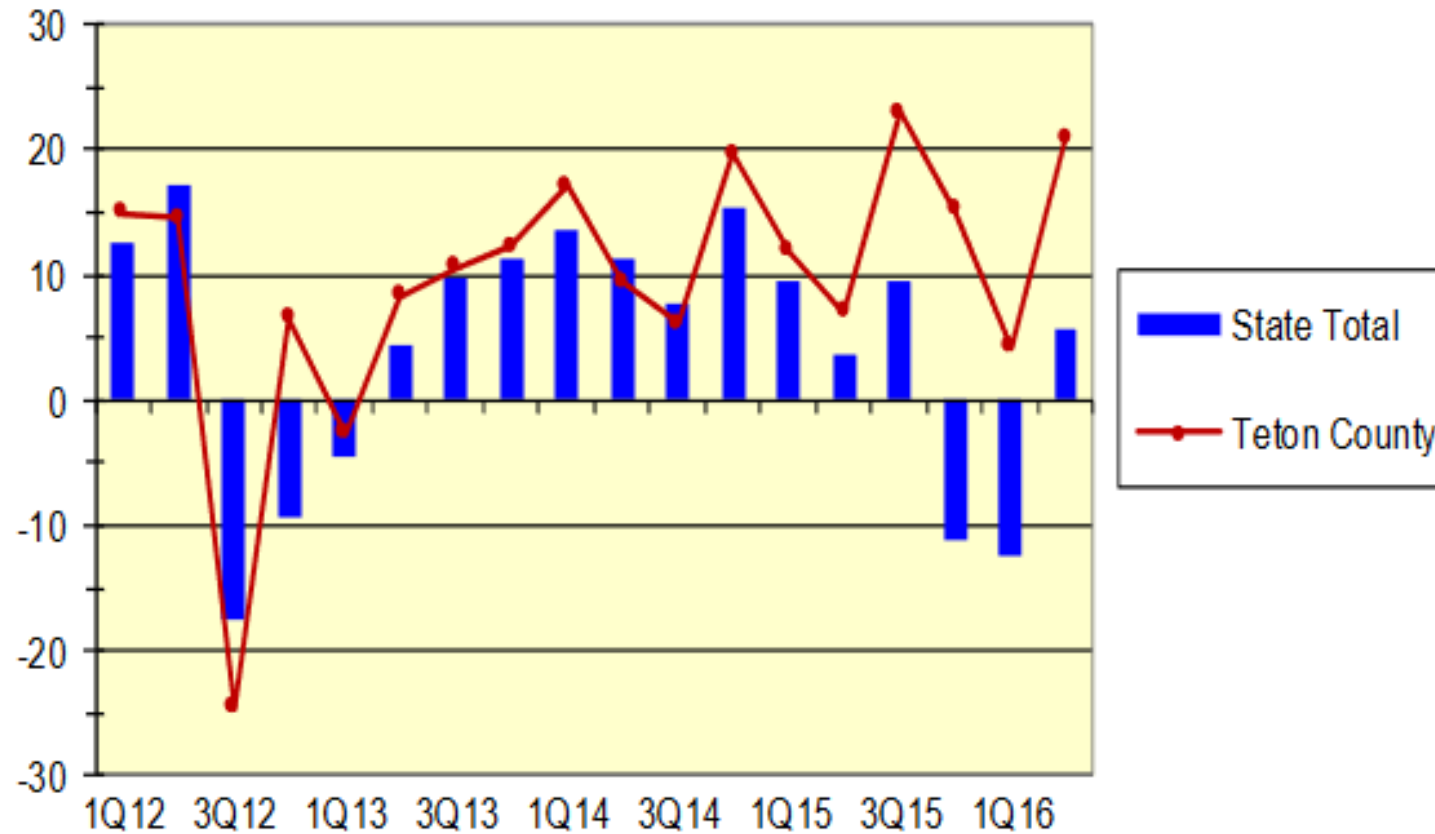
According to the Wyoming Economic Analysis Division: "The \$109.4 million in mineral severance taxes generated in the second quarter of 2016 was slightly higher than the first quarter....but was 31.4% lower than the previous year level. "

Annual Percent Change in Number of Visitations



Source: National Park Service

Annual Percent Change in Lodging Sales

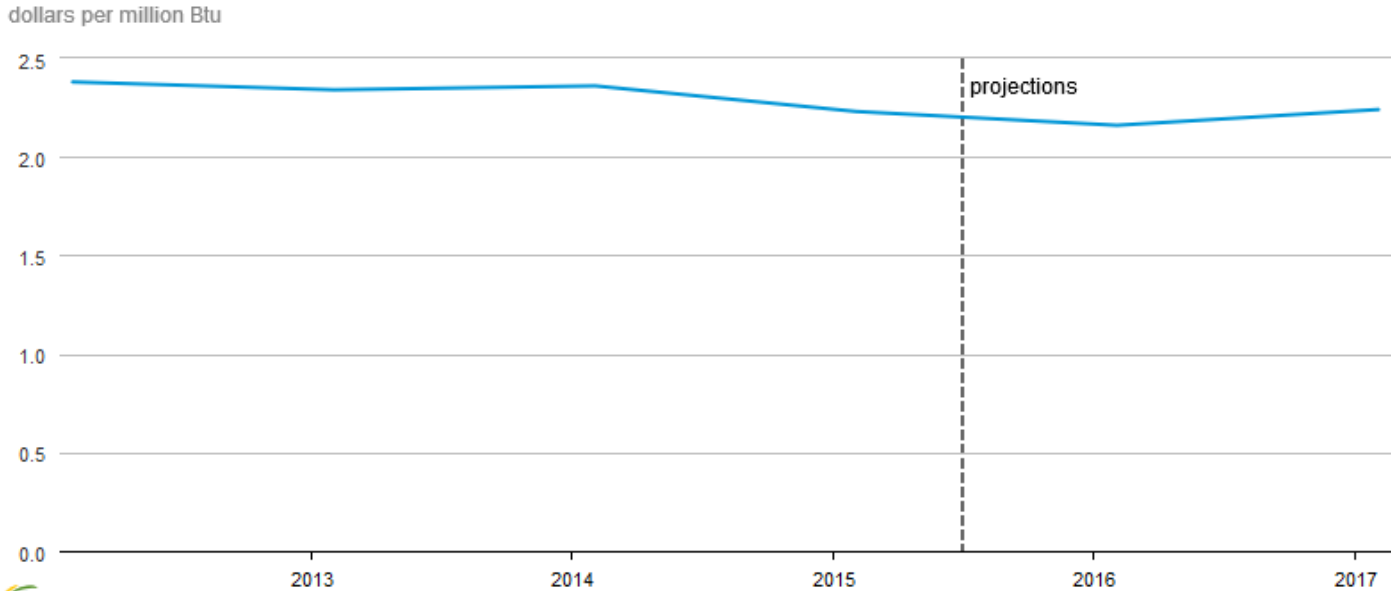


Source: Wyoming Department of Revenue

“Lodging sales in Wyoming showed a year-over-year growth rate of 5.6%. The statewide change would have been negative withoutTeton County”

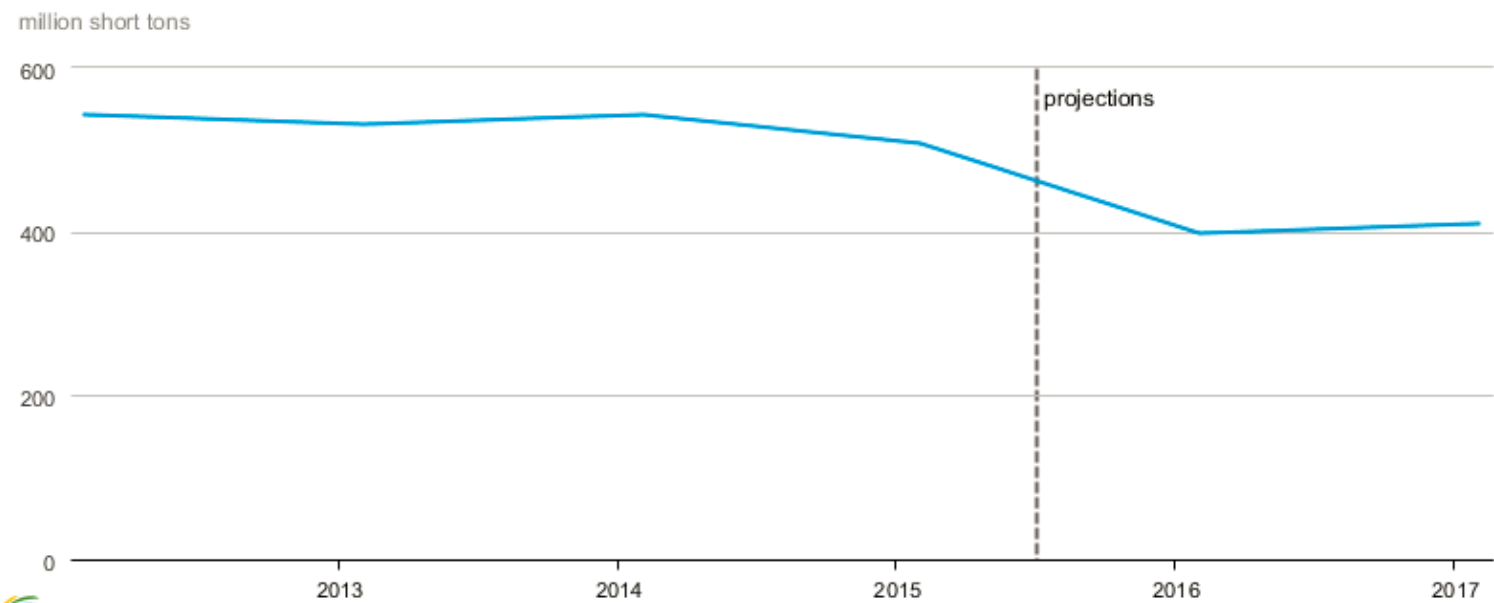
Wyoming Economic Analysis Division

Cost of Coal Delivered to Electric Generating Plants



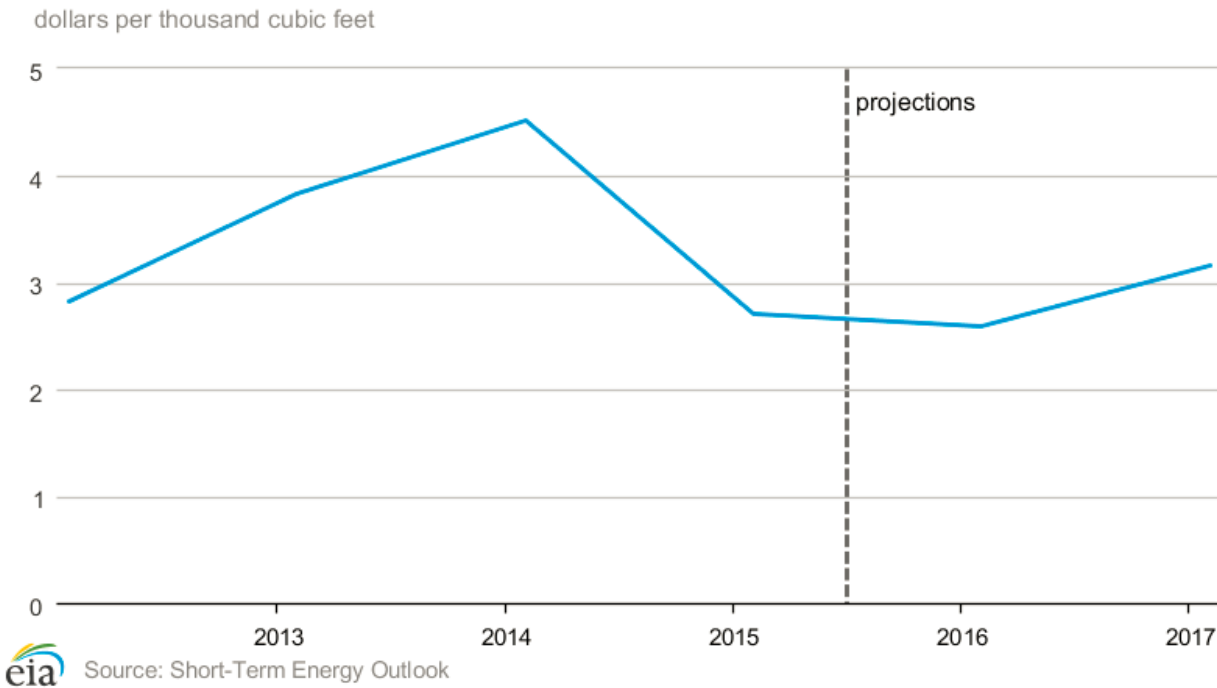
eia Source: Short-Term Energy Outlook

Coal Production Western Region



eia Source: Short-Term Energy Outlook

Natural Gas Henry Hub Spot Price (\$/mcf)



Oil Prices

Actual (Jun. 2016)	Projected: Dec. 2016	Projected: Jun. 2017	Projected: Dec. 2017
\$48.33	\$49.74 ▲	\$52.50	\$54.03

WSF Economic Forecast

Labor market projections – Wyoming DWS

Industry Title	Employment		Change, 2014-2024	
	2014 (Base Year)	2024 (Projected)	N	%
Total	286,962	291,289	4,327	1.5%
Agriculture, Forestry, Fishing & Hunting	2,577	2,913	336	13.0%
Mining	27,291	21,160	-6,131	-22.5%
Utilities	2,490	2,719	229	9.2%
Construction	23,721	22,717	-1,004	-4.2%
Manufacturing	9,811	9,013	-798	-8.1%
Wholesale Trade	9,500	9,268	-232	-2.4%
Retail Trade	29,794	31,492	1,698	5.7%
Transportation & Warehousing	13,179	12,363	-816	-6.2%
Information	3,775	3,634	-141	-3.7%
Finance & Insurance	6,772	7,014	242	3.6%
Real Estate & Rent. & Leasing	4,456	4,456	0	0.0%
Professional, Scientific, & Technical Services	9,513	9,296	-217	-2.3%
Management of Companies & Enterprises	1,011	1,003	-8	-0.8%
Administrative & Support & Waste Management & Remediation Services	7,898	7,655	-243	-3.1%
Educational Services	28,476	30,293	1,817	6.4%
Health Care & Social Assistance	31,499	37,464	5,965	18.9%
Arts, Ent., & Recreation	2,990	3,295	305	10.2%
Acc. & Food Services	32,321	36,184	3,863	12.0%
Other Services (except Government)	7,832	7,275	-557	-7.1%
Federal Government, Excluding Post Office	6,278	6,383	105	1.7%
Postal Service	1,082	878	-204	-18.9%
State Government, Excluding Education & Hospitals	9,106	8,882	-224	-2.5%
Local Government, Excluding Education & Hospitals	15,590	15,932	342	2.2%

New Wyoming High School Graduates Enrolled in Higher Education

	Fall 2004		Fall 2006		Fall 2008		Fall 2010		Fall 2012		Fall 2014	
	#	%	#	%	#	%	#	%	#	%	#	%
Wyoming High School Graduates, prior spring¹	5,830		5,480		5,483		5,416		5,418		5,429	
<i>Enrolled in a Wyoming Institution*...</i>												
University of Wyoming ²	858	14.7%	898	16.4%	860	15.7%	774	14.3%	741	13.7%	776	14.3%
Wyoming Community Colleges	1,487	25.5%	1,443	26.3%	1,579	28.8%	1,879	34.7%	1,669	30.8%	1,504	27.7%
College America - Cheyenne ²	-	0.0%	-	0.0%	3	0.1%	23	0.4%	7	0.1%	1	0.0%
WyoTech - Laramie ²	50	0.9%	26	0.5%	37	0.7%	23	0.4%	9	0.2%	8	0.1%
Total, Enrolled in a WY Institution*	2,395	41.1%	2,367	43.2%	2,479	45.2%	2,699	49.8%	2,426	44.8%	2,289	42.2%
<i>Enrolled Out-of-State...</i>												
Out-of-state institutions ³	1,093	18.7%	864	15.8%	783	14.3%	760	14.0%	744	13.7%	769	14.2%
Total, New WY High School Graduates Enrolled in Higher Education*	3,488	59.8%	3,231	59.0%	3,262	59.5%	3,459	63.9%	3,170	58.5%	3,058	56.3%
<i>For information purposes: Enrolled at...(Certificate granting)</i>												
Cheeks Int'l Acad. of Beauty ²	4	0.1%	7	0.1%	4	0.1%	23	0.4%	22	0.4%	12	0.2%

*First-time degree/certificate-seeking undergraduate students who graduated from high school in the previous 12 months and enrolled at degree-granting institutions.

Sources:

¹WDE Statistical Report Series, Series 2, "Completers (Graduates) - Regular Diploma Only"

²IPEDS Peer Analysis System

³NCES Digest of Education Statistics, Table 309.20 "Residence and migration of all first-time degree/certificate-seeking undergraduates in degree-granting postsecondary institutions who graduated from high school in the previous 12 months, by state or jurisdiction: Fall 2014"

P16.057

OIA: TLS

29-Jul-2016

We can do more together

- We'll never find the new frontier if we don't strike out to find it.