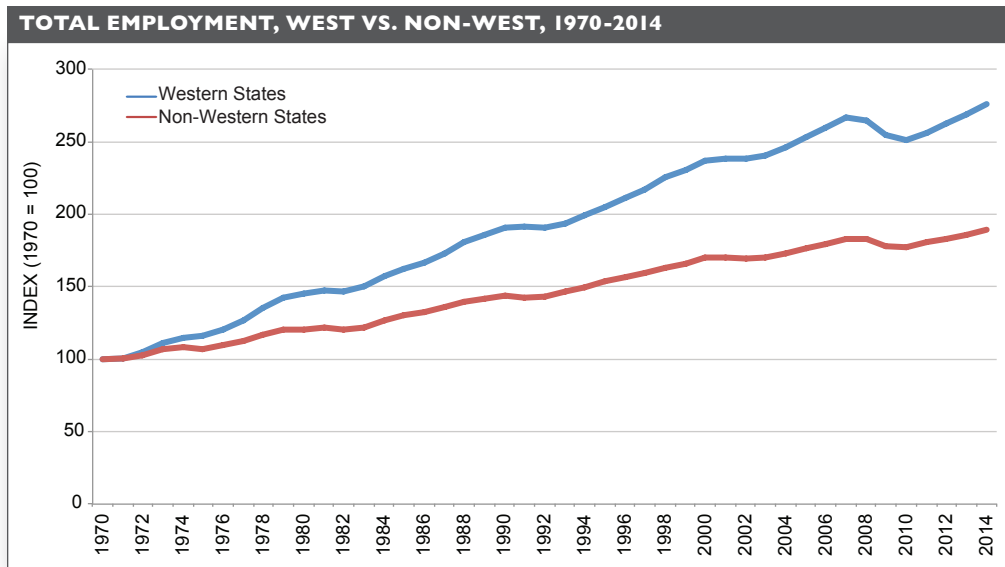




# WEST'S ECONOMY OUTPERFORMING REST OF UNITED STATES

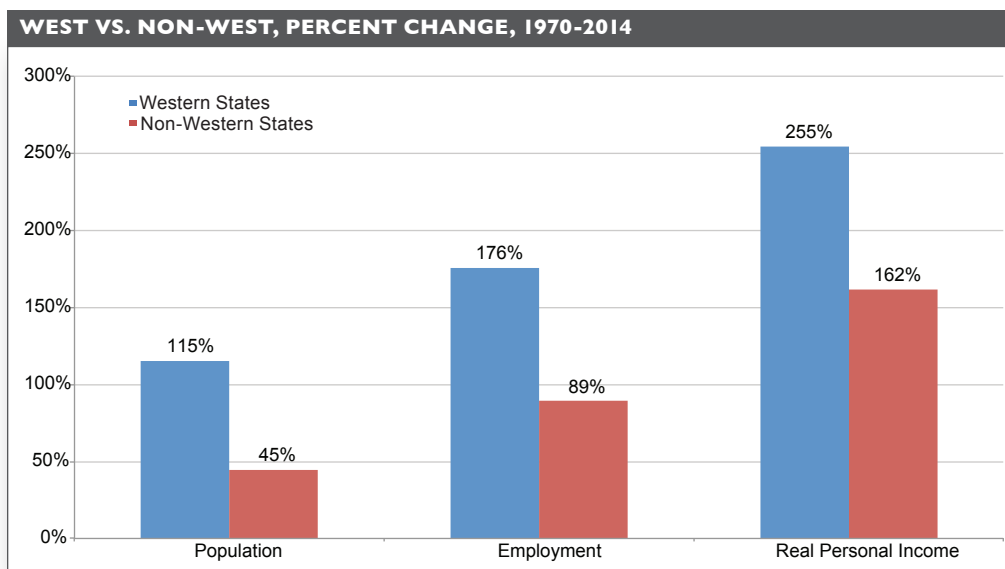
This summary analyzes the West's economy, the region's economic performance, and what is driving economic growth.

## Employment in the West is outpacing the rest of the country.



COMPARED TO THE REST OF THE COUNTRY, FROM 1970-2014, THE WEST'S EMPLOYMENT GREW TWICE AS FAST

From 1970 to 2014, employment in the West grew by 176%. During the same time period, non-western employment growth was 89%, or roughly half as fast as the West.



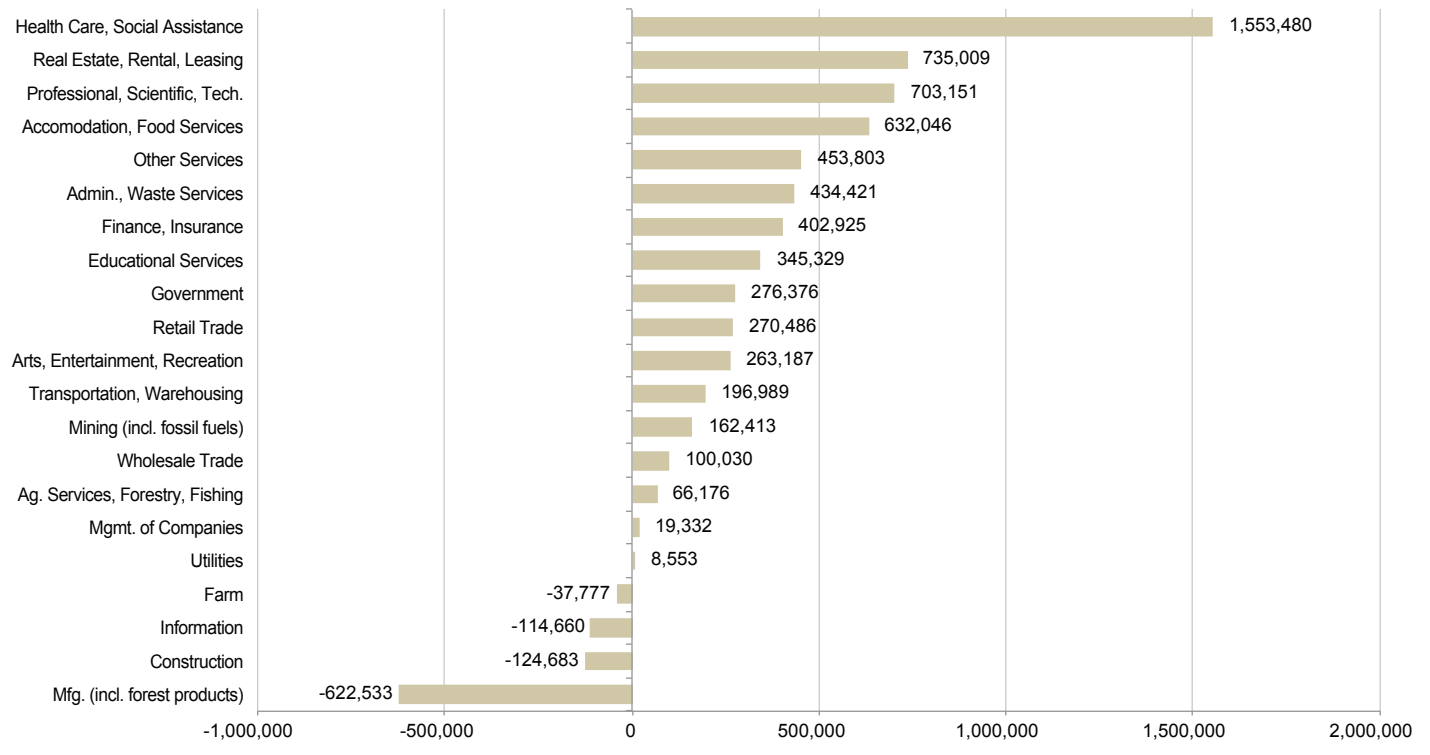
From 1970 to 2014 the West's population and employment grew roughly twice as fast as the rest of the country. Real personal income in the West also rose significantly faster than in non-western states.

*The western economy has outperformed the rest of the U.S. economy in key measures of growth—population, employment, and real personal income—during the last four decades.*

—West Is Best

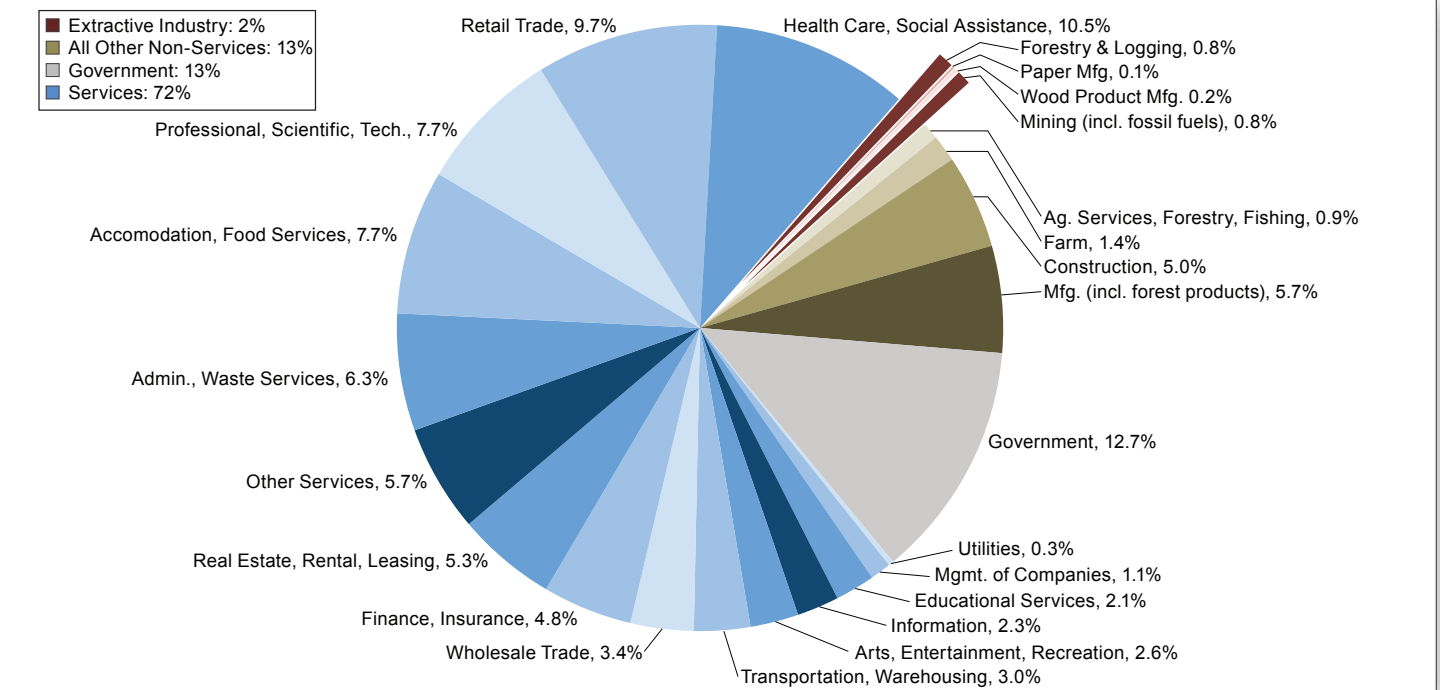
# Services industries, many of them high-wage, led the West's job growth, diversifying the region's economy.

**CHANGE IN EMPLOYMENT BY INDUSTRY, WEST, 2001-2014**



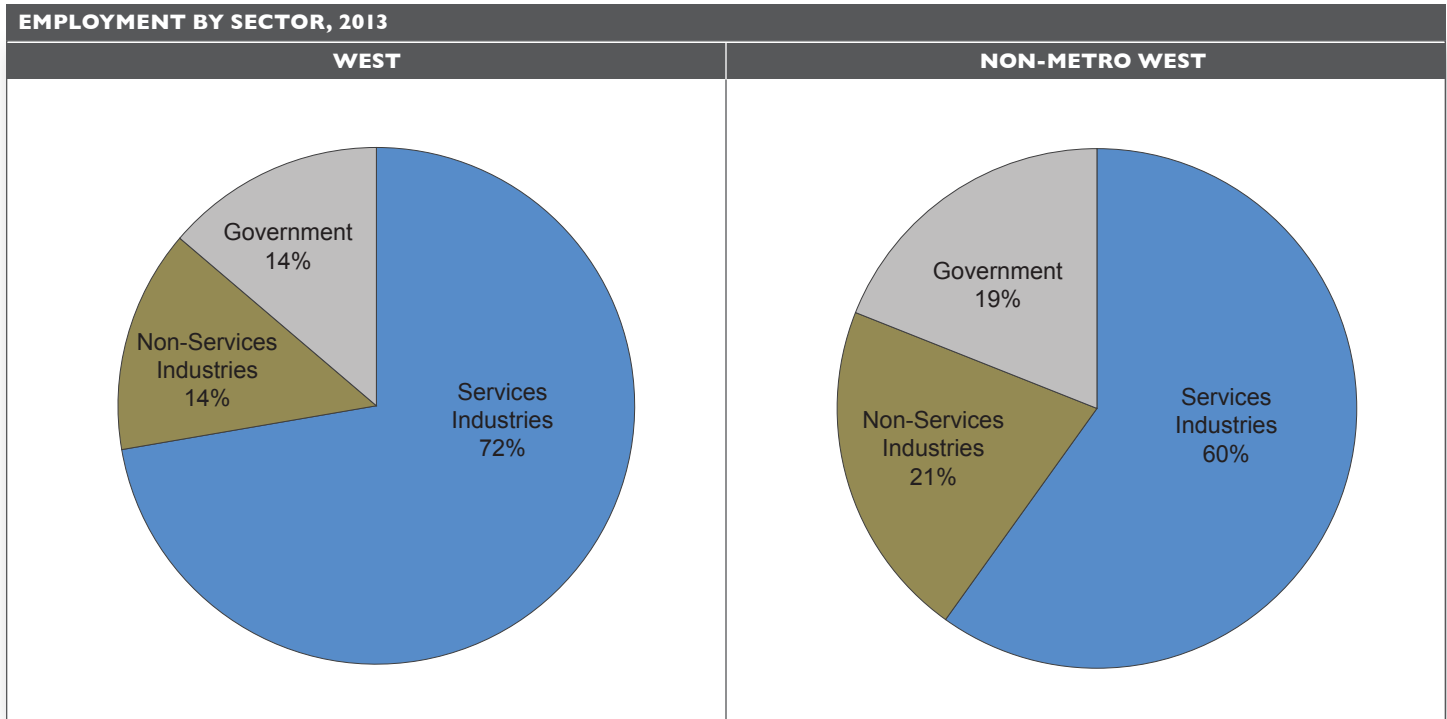
From 2001 to 2014, the West's economy created 5.7 million net new jobs, with 92 percent of the overall growth from services industries. The fastest growing were Health Care & Social Assistance; Real Estate, Rental & Leasing; and Professional, Scientific, & Technical services.

**EMPLOYMENT BY INDUSTRY, PERCENT OF TOTAL, WEST, 2014**



The West's diverse industry mix is increasingly important to the region's future economic growth and resilience.

## Services are the largest employment sector in both the West overall and in the non-metro West.



Across the West, in both large cities and small towns, services sectors—from doctors and engineers to teachers and accountants—are the largest source of jobs. In non-metro areas, non-services industries and government account for a slightly larger share of employment.

**EMPLOYMENT CONCENTRATIONS IN WESTERN COUNTIES, 2013**

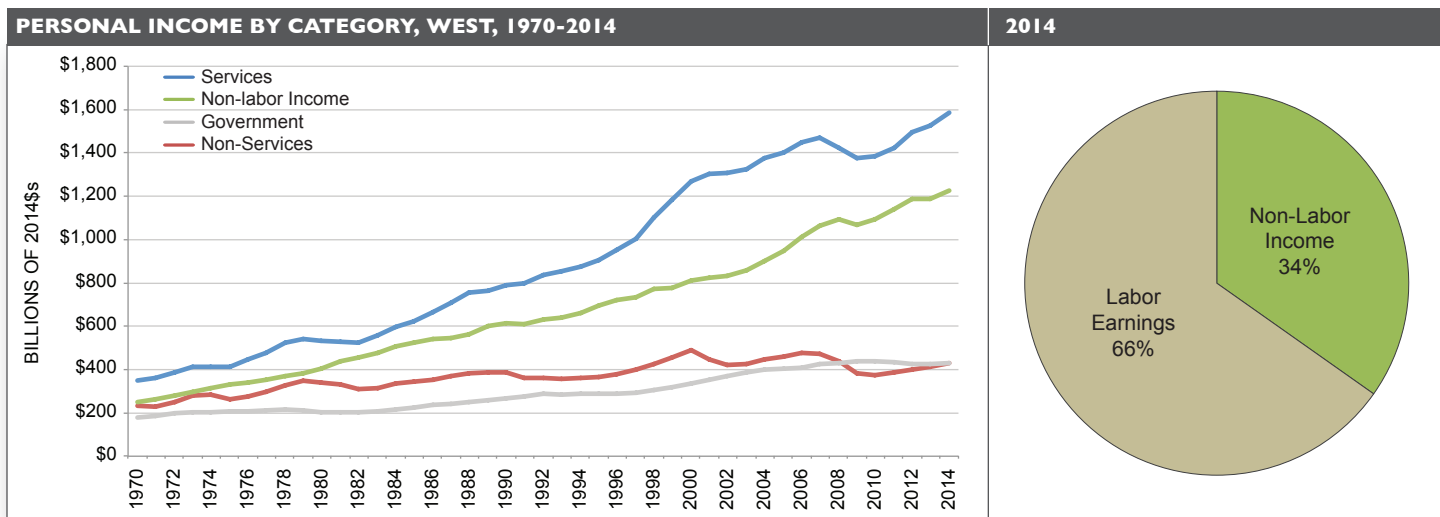
≥ Fifteen Percent of Private Jobs	# Counties	% of Total
Mining, Oil, & Gas	35	8%
Forestry, Wood Products, & Paper	12	3%
Health Care	248	60%
High Wage Services*	189	46%

\*Six services sectors pay on average better than overall earnings per job for all private industries in the West: information; finance and insurance; management of companies and enterprises; professional, scientific, and technical services; wholesale trade; and utilities.

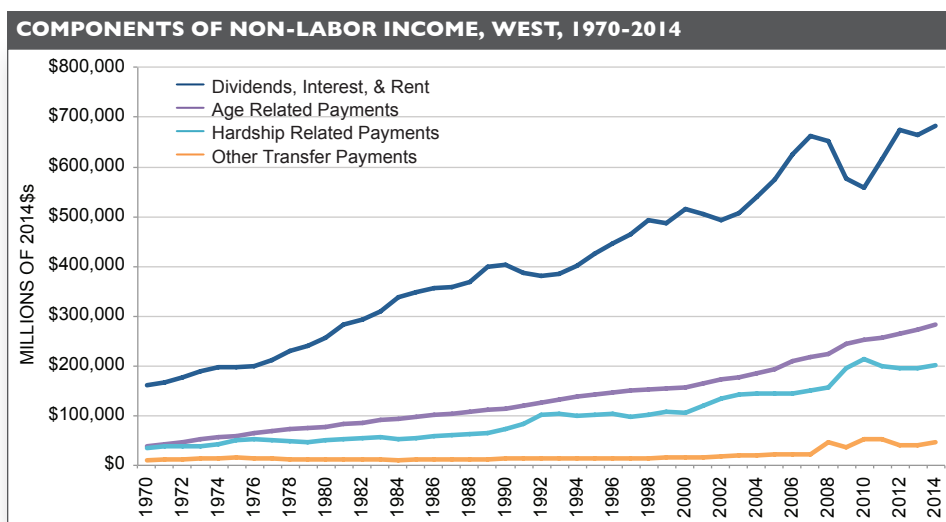
*Many more western counties have a high concentration of health care and high wage services jobs compared to forestry, wood products and paper; or mining, oil, and gas.*

**FIVE TIMES  
AS MANY  
COUNTIES HAD A  
CONCENTRATION OF  
HIGH WAGE  
SERVICES JOBS  
COMPARED TO  
MINING, OIL  
AND GAS**

# Non-Labor income is a large and growing source of personal income.



Since 1970, personal income in the West has grown dramatically, especially from services sectors and non-labor. From 1970 to 2014, personal income in services sectors grew from \$349 billion to \$1.6 trillion and non-labor income grew from \$249 billion to \$1.2 trillion.



MORE THAN  
**HALF**  
OF ALL COUNTIES  
RECEIVE AT LEAST  
**40%**  
OF PERSONAL INCOME  
FROM NON-LABOR  
SOURCES

From 1970 to 2014, non-labor income increased by 396% in real terms. In 2014, investment income (\$683 billion) and age related payments (\$282 billion) were the largest sources of non-labor income.

**Sources**  
West Is Best report: <http://headwaterseconomics.org/land/west-is-best-value-of-public-lands>.  
Data in this publication comes from U.S. Department of Commerce. 2015. Bureau of Economic Analysis, Regional Economic Accounts, Washington, D.C.; U.S. Department of Commerce. 2015. Census Bureau, County Business Patterns, Washington, D.C. Note: Some data are withheld by the federal government to avoid the disclosure of potentially confidential information. Headwaters Economics uses data from the U.S. Department of Commerce to estimate these data gaps.  
The West is defined as the 11 public lands continental western states: Arizona, California, Colorado, Idaho, Nevada, Oregon, Utah, Washington, and Wyoming. Non-Metropolitan counties are counties without an urbanized area of 50,000 or more population, or a high degree of social and economic integration with a Metropolitan Statistical Area as measured by commuting ties.  
Services encompass an array of sectors ranging from low-wage industries such as accommodation and food services to high-wage industries such as professional and technical services, including architects, engineers, and computer programmers. Six services sectors pay on average better than overall earnings per job for all private industries in the West: information; finance and insurance; management of companies and enterprises; professional, scientific, and technical services; wholesale trade; and utilities. For more details on services industries, see North American Industry Classification System (NAICS) definitions, available here: <http://www.census.gov/cgi-bin/sssd/naics/naicsrch?chart=2007>.  
Non-labor income consists of dividends, interest, rent (money earned from investments); age related payments including Social Security, railroad retirement disability benefits, and Medicare; hardship related payments including public assistance medical care (incl. Medicaid), income maintenance benefits (incl. SSI, Food Stamps, etc.), and unemployment; other payments include workers comp, disability, military and veterans benefits, other transfer receipts, transfers to nonprofit organizations, and education transfer payments. For details on non-labor income see: <https://bea.gov/about/pdf/acm/2015/may/the-importance-of-non-labor-income.pdf>.

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Headwaters Economics is an independent research group whose mission is to improve community development and land management decisions in the West.