

150 South State Street, Suite 444 Salt Lake City, Utah 84111 801.355.1400 utahfoundation.org

Aggregates Industry Adds \$680 Million to Utah's Economy New Utah Foundation Research Report Identifies Economic Impact

(March 4, 2019) – Aggregates – sand, gravel and crushed stone – account for \$331 million dollars in annual sales across Utah; 1,620 Utahns are directly employed in the aggregates industry. And a new research report from Utah Foundation finds the industry and its associated jobs have a much broader economic impact on the state, for a total of \$680 million a year and support for 3,410 jobs.

Key findings of the report *The Bedrock of Civilization: The Economic Impact of the Aggregates Industry in Utah* include:

- Most (90%) aggregates are consumed within 50 miles of mining and production; shipping costs rise sharply with distance.
- The aggregates industry is present in 26 of Utah's 29 counties and has a moderate or larger impact in 14.
- Unlike many other industries where borders are fluid and companies can choose where to expand and contract, the aggregates industry is dependent on the location of the natural resources which are mined. The aggregates industry is strongly tied to local communities. In Utah, there are aggregate quarries in at least 23 of 29 counties.
- Utah's aggregate industry directly employs 1,620 individuals and generates \$331 million in sales.
- Utah's aggregate industry supports another 1,790 jobs, for a total of 3,410 jobs and \$680 million in economic activity statewide.
- Earnings for Utahns within the industry and from all jobs supporting the industry results in up to \$9.1 million in revenue for Utah through state income taxes.
- Sales within the industry and from all sales supporting the industry may generate up to \$31 million in sales taxes for the state and another \$10 million for local governments.
- The value of aggregates industry output has rebounded in recent years but has not yet returned to its pre-recession peak, when adjusted for inflation. This reflects national and regional trends.

"Those involved in the aggregates industry often get little attention, but the work they do provides the basic materials necessary for modern civilization," said Utah Foundation Peter Reichard. "In conducting this study, we learned much about the significant impact those jobs and related sales have on Utah's economy and tax base."

The research report *The Bedrock of Civilization: The Economic Impact of the Aggregates Industry in Utah* was commissioned by Clyde Companies, Kilgore Companies and Staker Parson Materials and Construction. It is available on the Utah Foundation website at www.utahfoundation.org.

Utah Foundation's mission is to produce objective, thorough and well-reasoned research and analysis that promotes the effective use of public resources, a thriving economy, a well-prepared workforce and a high quality of life for Utahns. Utah Foundation seeks to help decision-makers and citizens understand and address complex issues. Utah Foundation also offers constructive guidance to improve governmental policies, programs and structures.

Utah Foundation is an independent, nonpartisan, nonprofit research organization.

Contacts:

Peter Reichard President, Utah Foundation (801)355-1400, ext. 1 peter@utahfoundation.org

Christopher Collard Research Analyst, Utah Foundation (801)355-1400, ext. 6 christopher@utahfoundation.org