



Job Creation Works Better at State & National Level

By Julie Westland

If you've ever attended public hearings about development, you've probably heard the promise of job generation in conjunction with new development projects. In reality, the promise of new jobs tends to create the opposite effect. People are lured to developing areas in hopes of getting a job. Employers hire the most qualified candidates who are often outside the city or county in which the new jobs will be located. The city or town typically is left with a new crop of unemployed residents, and/or new housing developments which require taxpayers to fund maintenance/services for the expanded infrastructure. Unemployment actually increases in many instances. Two Colorado examples come to mind:

Ft Collins enticed Anheuser-Busch (AB) with subsidies so they would build a factory in hopes of creating jobs for its residents. The application process favored locals, but in the end, only 133 Ft. Collins residents were hired out of 500 jobs (and 20,000 initial applicants). It's not known how many people moved to the area hoping to get employed, but the City kept statistics on the employees' residences and found that, due to payment of subsidies to AB, the cost to taxpayers was \$376,000 per resident employed.

In 2007, BBC Research and Consulting was commissioned to study the affects of rapid growth from the oil business on 4 western Colorado counties. The counties and towns were concerned about what impacts future growth would have, how they'd absorb the population growth and accompanying demand on services, the impacts and costs of expanding and maintaining infrastructure, and the quality of life to long-time residents. A related citizen survey revealed that residents in Rifle ([Citizen Telegram](#), Feb. 10, 2010) preferred growth to occur in or around town, protecting agricultural areas to preserve the rural character of the communities, and 75% responded that open space and trails were very important to them.

These studies, and many others like them, show that there are some unexpected results at the local level from job creation. First, not all jobs go to local residents. Second, job creation generates the expectation of employment, and attracts more people to the county-- often increasing, rather than decreasing, unemployment. And third, the new residents of the county add to all of the county's problems around affordable housing. Job creation is a valuable thing for our federal and state governments to pursue; it energizes the economy and provides income taxes. But a local government should pursue other means of dealing with unemployment, including training assistance for residents and job-fair type activities. Job creation usually turns out to be a net negative on the local level.

Julie Westland is a Clear Creek County resident, and a director of SOLVE, an organization promoting sustainable land-use practices.

Clear Creek County Jobs in 2010

Industry Group	Total Employment	Employment Percent of Basic
Traditional - All Totals	983	26.71%
Traditional - Agribusiness - All Totals	42	1.15%
Traditional - Mining	670	18.22%
Traditional - Manufacturing	34	0.92%
Traditional - Government	236	6.42%
Regional Center / National Services - All Totals	290	7.89%
Regional Center / National Services - Construction	51	1.39%
Regional Center / National Services - Communications	34	0.92%
Regional Center / National Services - Trade and Transportation	29	0.79%
Regional Center / National Services - Professional and Business Services	77	2.08%
Regional Center / National Services - Finance, Insurance and Real Estate	1	0.02%
Regional Center / National Services - Education and Health Services	99	2.69%
Tourism	1343	36.50%
Households - Commuters	193	5.24%
Households - Retirees	427	11.61%
Households - with Public Assistance Income (excluding retirees)	117	3.19%
Households - with Dividends, Interest, and Rental Income (excluding retirees)	210	5.71%
Total Direct Basic	3679	
Indirect Basic	116	
Worker Local Res. Services (Non Basic)	859	
Total All Industries	4539	
Ratio: Total / Direct Basic	1	