

# Economic Forecast 2026

Bank of Utah  
Davis Chamber of Commerce

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Department of Workforce Services

February 2026

# Labor Market Information Shop



P.O. Box 100127  
Arlington, VA 22210

- Employment Statistics
- Unemployment Statistics
- Job Forecasts
- Wages
- Demographic Characteristics

## Defining Labor Market Information (LMI) and LMI Customers

### Defining Labor Market Information.

Labor market information includes all quantitative or qualitative data and analysis related to employment and the workforce. The goal of LMI is to help customers make informed plans, choices, and decisions for a variety of purposes, including business investment decision making, career planning and preparation, education and training offerings, job search opportunities, hiring, and public or private workforce investments.<sup>1</sup>

# Economic and Labor Market Data

## LABOR MARKET INFORMATION

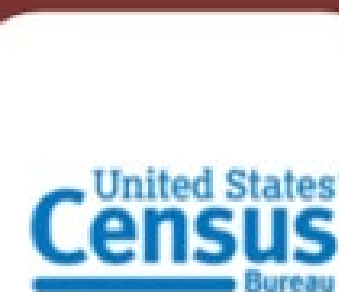
**How** is labor market information applied?

- Building Data Products
- Driving Policy
- Resource Allocation
- Strategic Planning
- Informing an Audience

## MAIN SOURCES OF DATA



**IPUMS**





# Overview

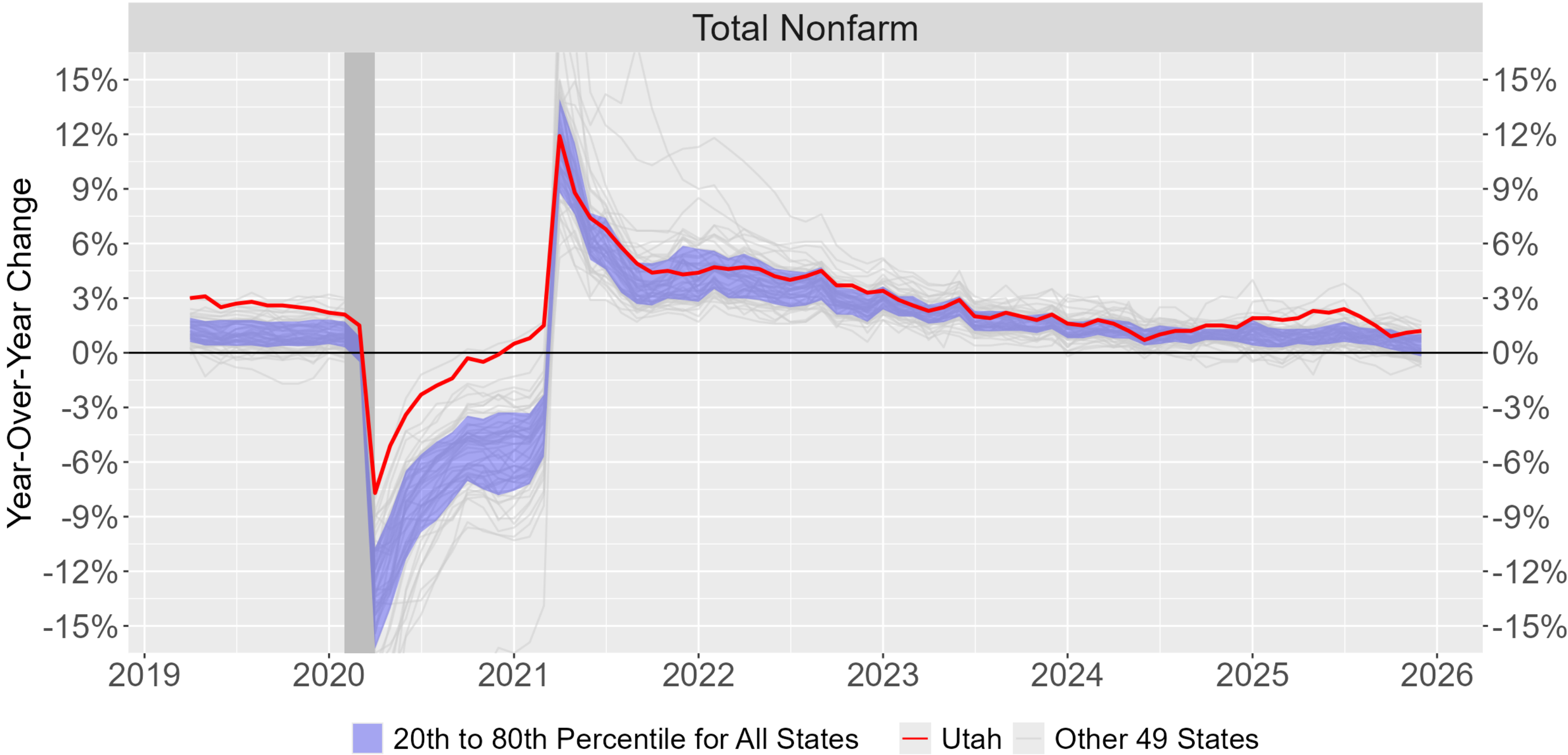
- 1 Labor Force and Job Market
- 2 Demographic Shifts
- 3 Housing Hurdles
- 4 Forecasts and Expectations



# Labor Force and Job Market

- Utah continues to outperform national metrics
- Labor market cooling
- Zoom-in on Northern Utah

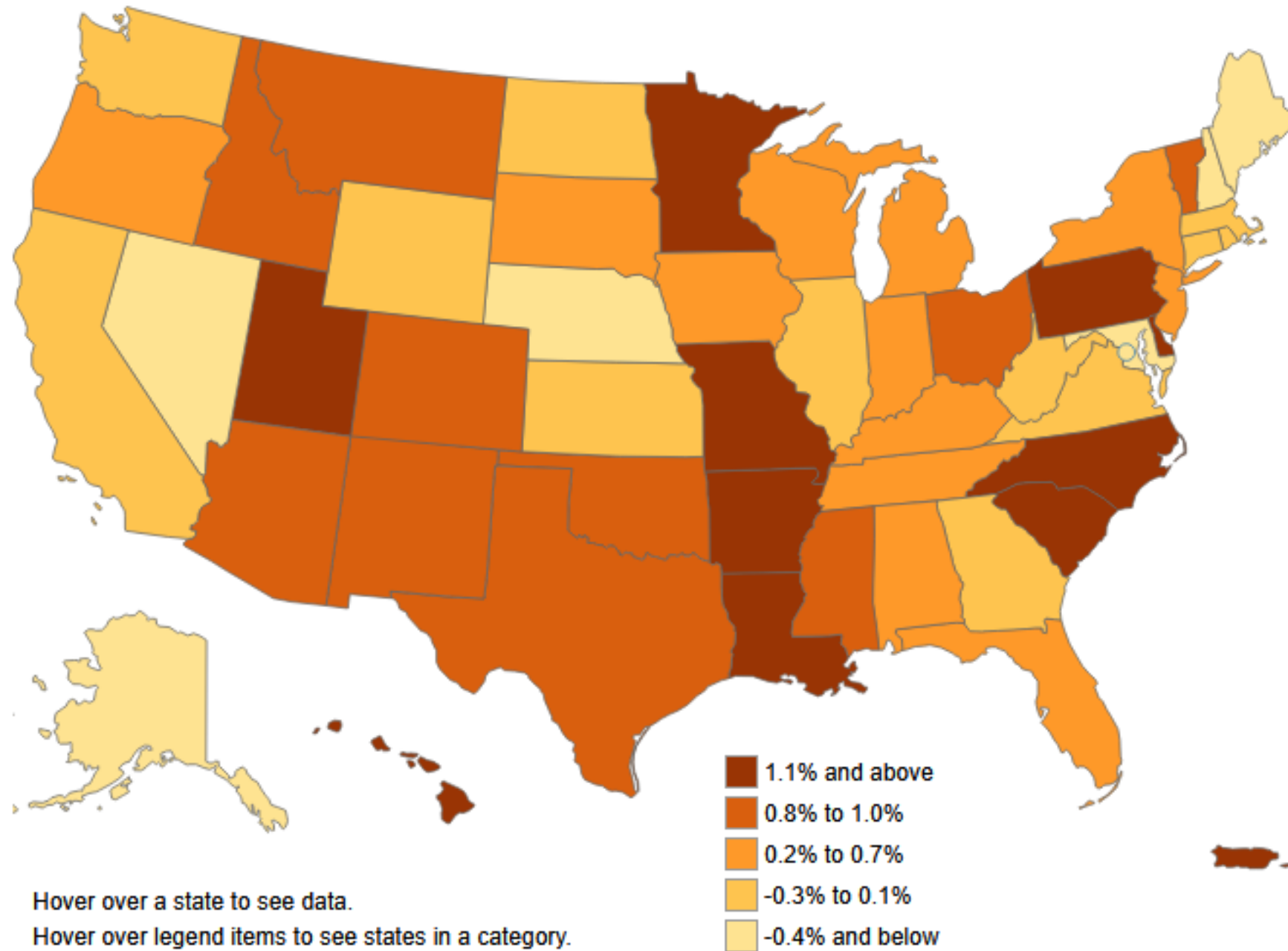
# Job Growth, Utah & Other States



Source: Bureau of Labor Statistics Current Employment Statistics (CES), not seasonally adjusted

# December 2025 YoY % Change in Nonfarm Employment

Change in nonfarm employment by state, December 2024 to December 2025, seasonally adjusted



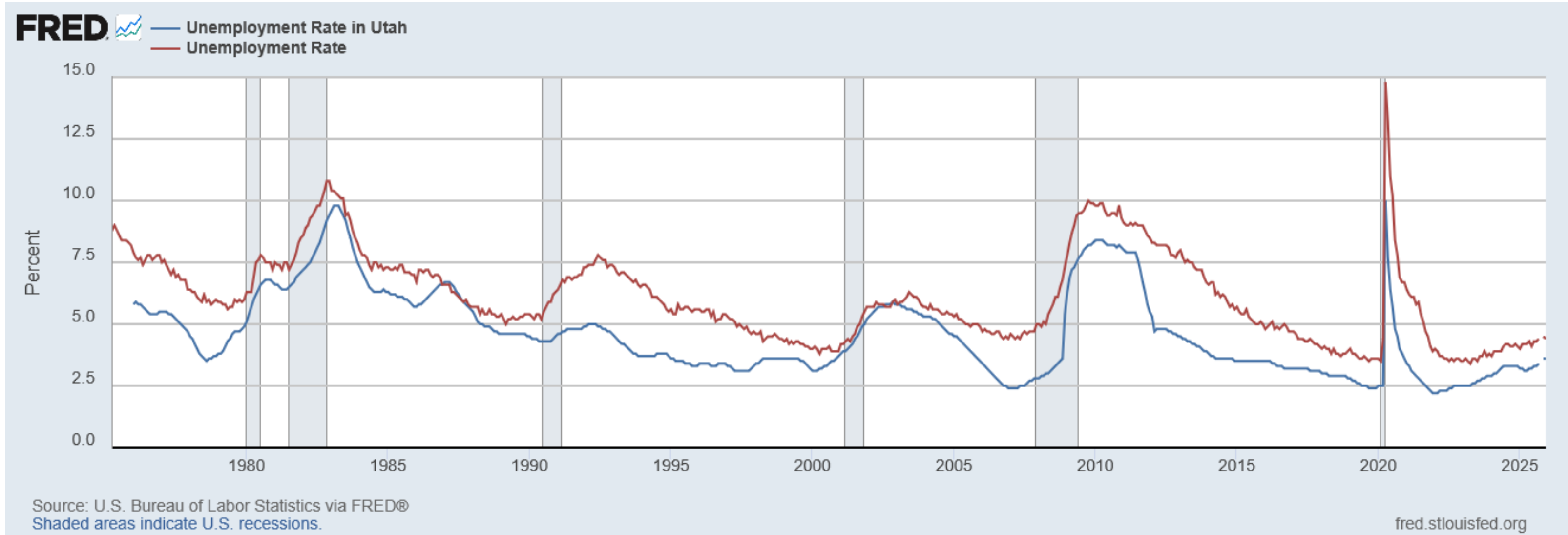
Hover over a state to see data.  
 Hover over legend items to see states in a category.  
 Source: U.S. Bureau of Labor Statistics.

State	Percent change	December 2024 employment (thousands)	December 2025 employment (thousands)	Net change (thousands)
Missouri	1.8	3,000.00	3,052.80	52.8
North Carolina	1.6	5,044.30	5,125.00	80.7
South Carolina	1.4	2,383.70	2,417.30	33.6
Louisiana	1.2	1,989.50	2,012.40	22.9
Pennsylvania	1.2	6,180.80	6,257.40	76.6
<b>Utah</b>	<b>1.2</b>	<b>1,764.00</b>	<b>1,784.60</b>	<b>20.6</b>
Arkansas	1.1	1,377.20	1,392.90	15.7
Delaware	1.1	490.8	496.1	5.3
Hawaii	1.1	645.8	653.2	7.4
Minnesota	1.1	3,034.40	3,068.50	34.1

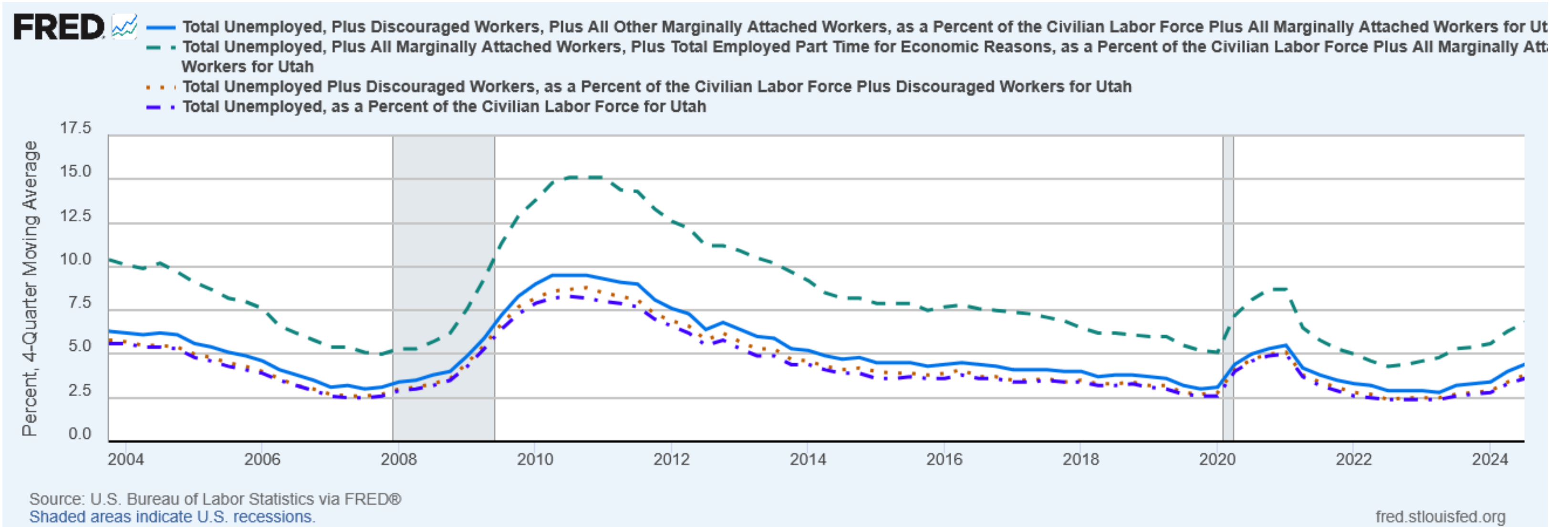
**U.S. Average = 0.4%**

# Unemployment Rate, Seasonally Adjusted

**December 2025**  
**-Utah: 3.6%**  
**-U.S.: 4.3%**

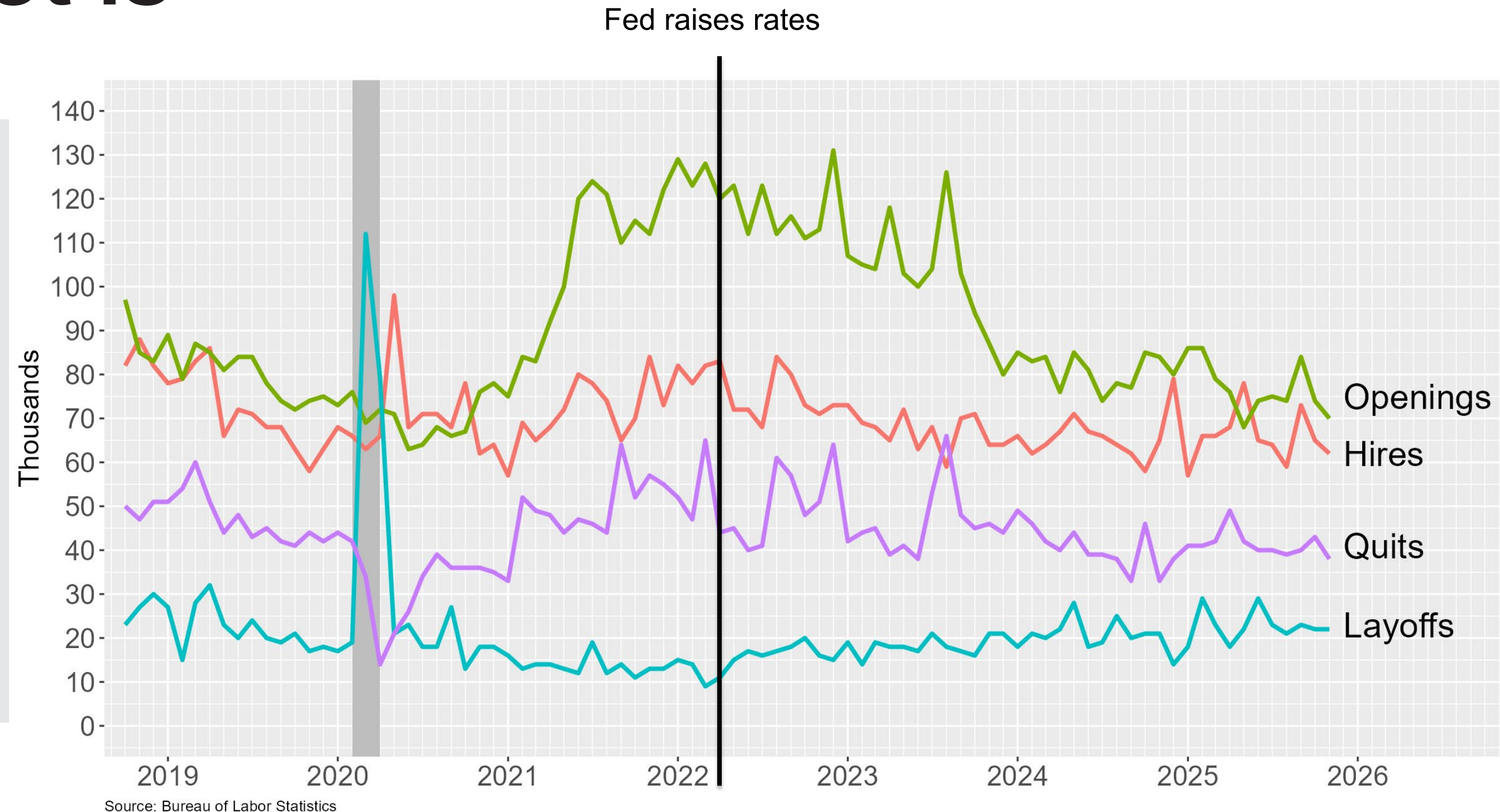


# Underemployment Rates Expanded, Seasonally Adjusted



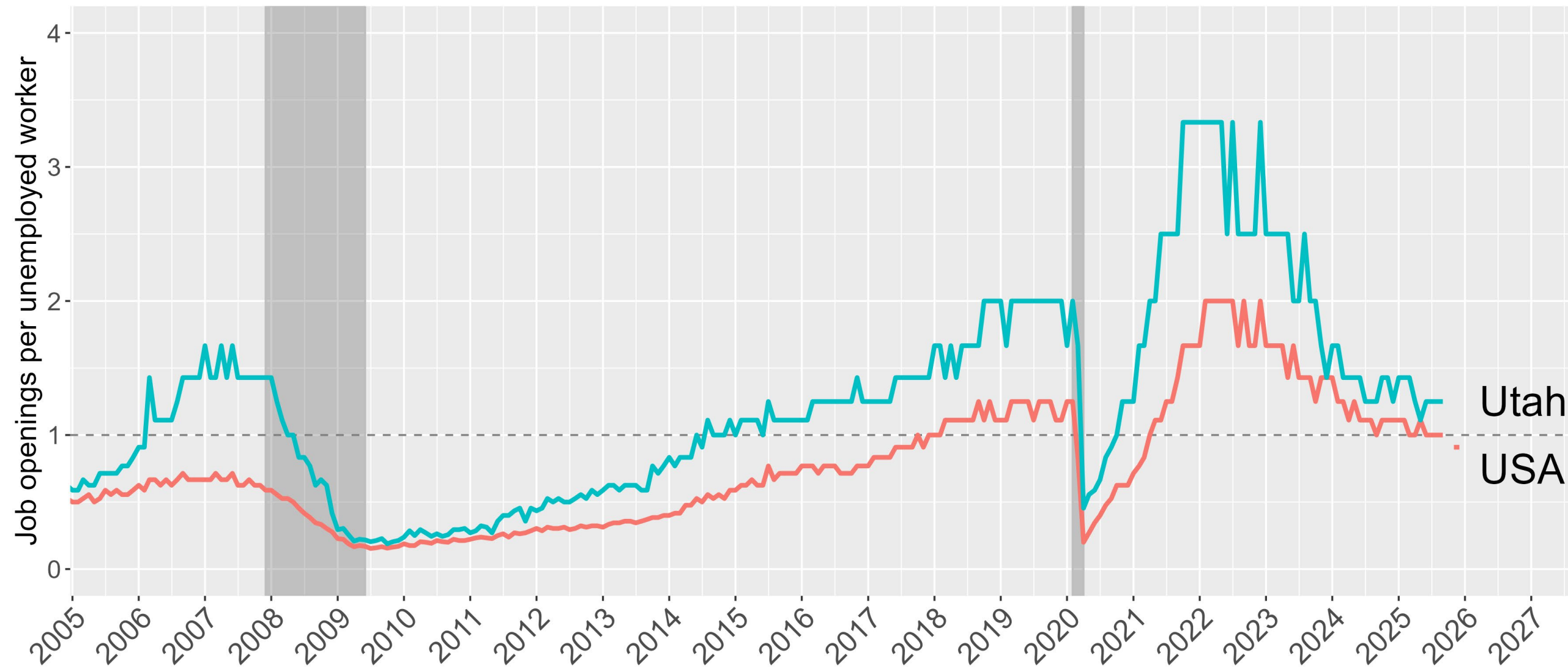
# Utah's Labor Market is Cooling

- As the economy slows from the heightened levels seen in 2022, job openings decline.
- Similarly, the quit rate declines as the certainty of finding another job decreases.
- Layoffs, which were low following the pandemic have begun to increase.
- Job openings and hires begin to equalize in 2025.



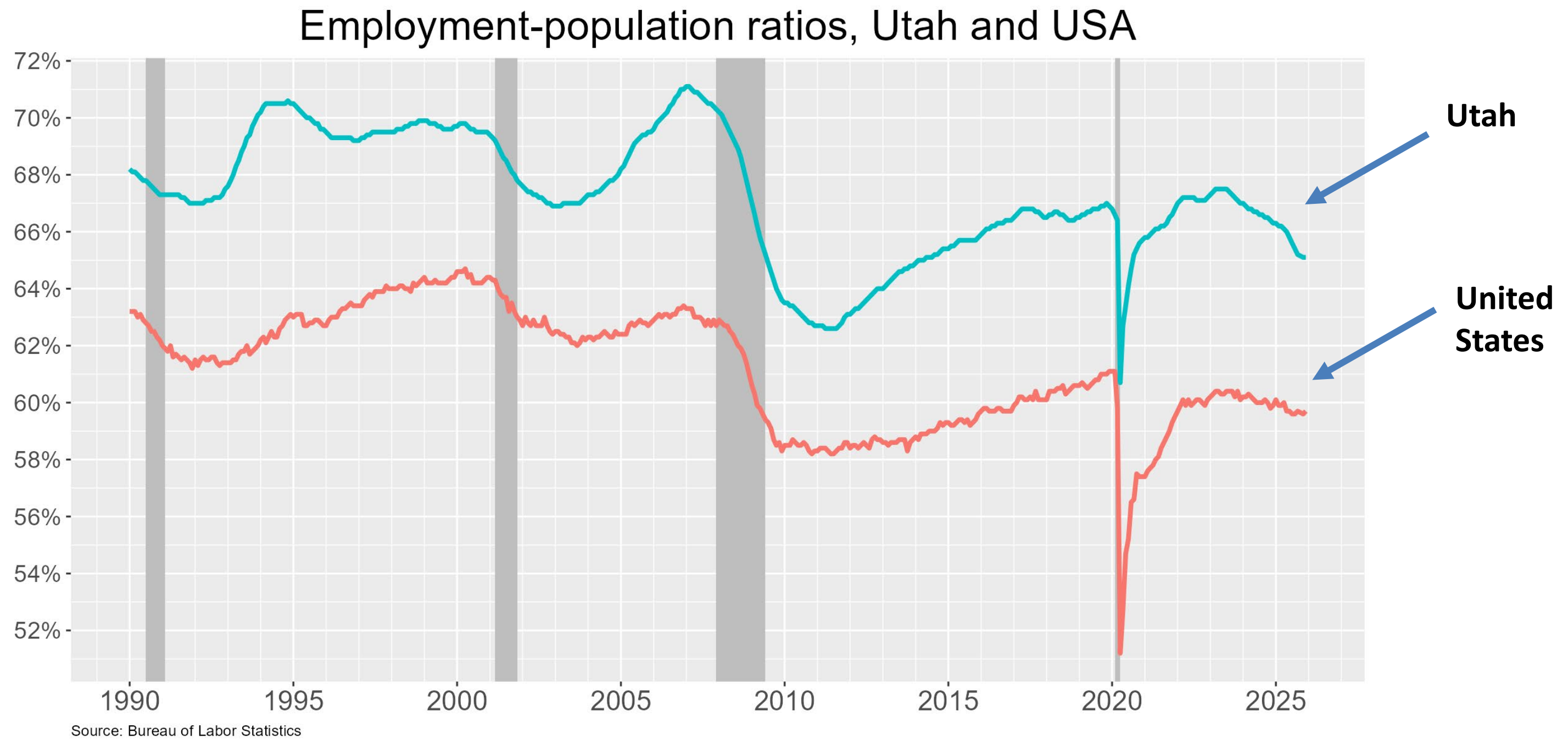
# Job Openings per Worker

### Job openings per unemployed worker



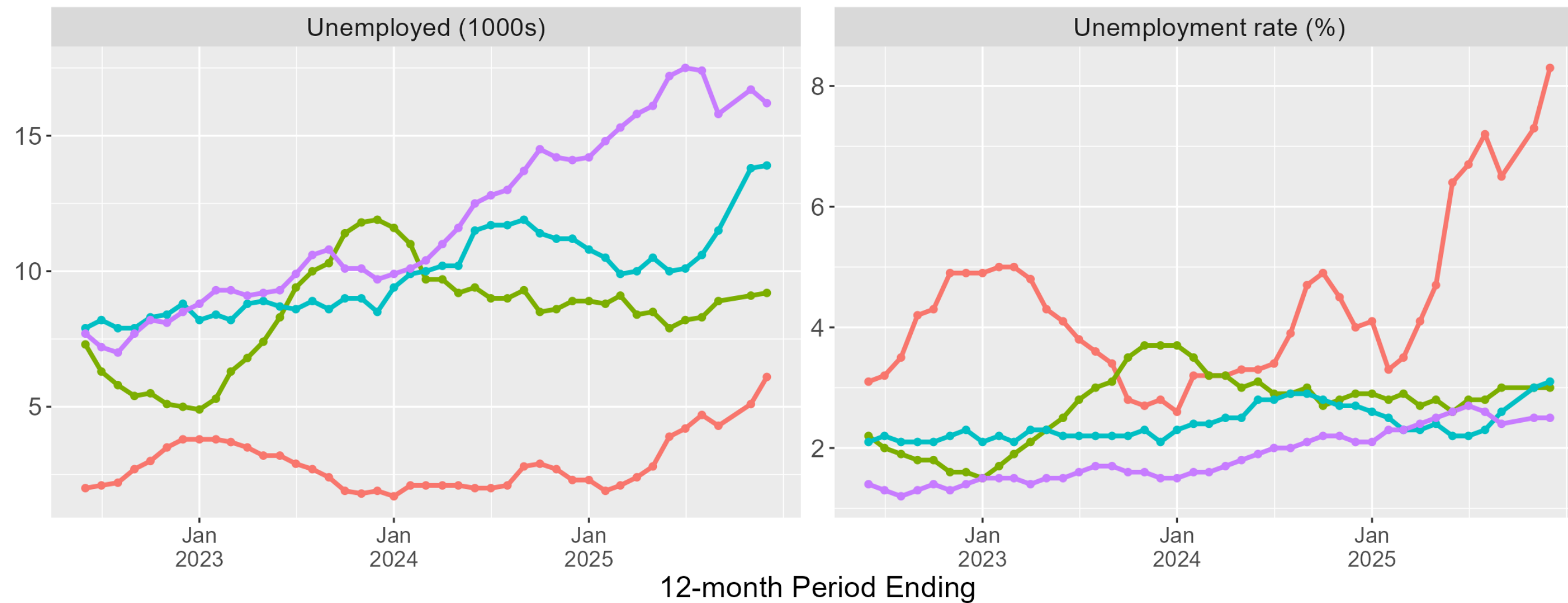
Source: Bureau of Labor Statistics

# Employment - Population Ratio



# Unemployment by Educational Attainment

Utah Labor Force by Educational Attainment

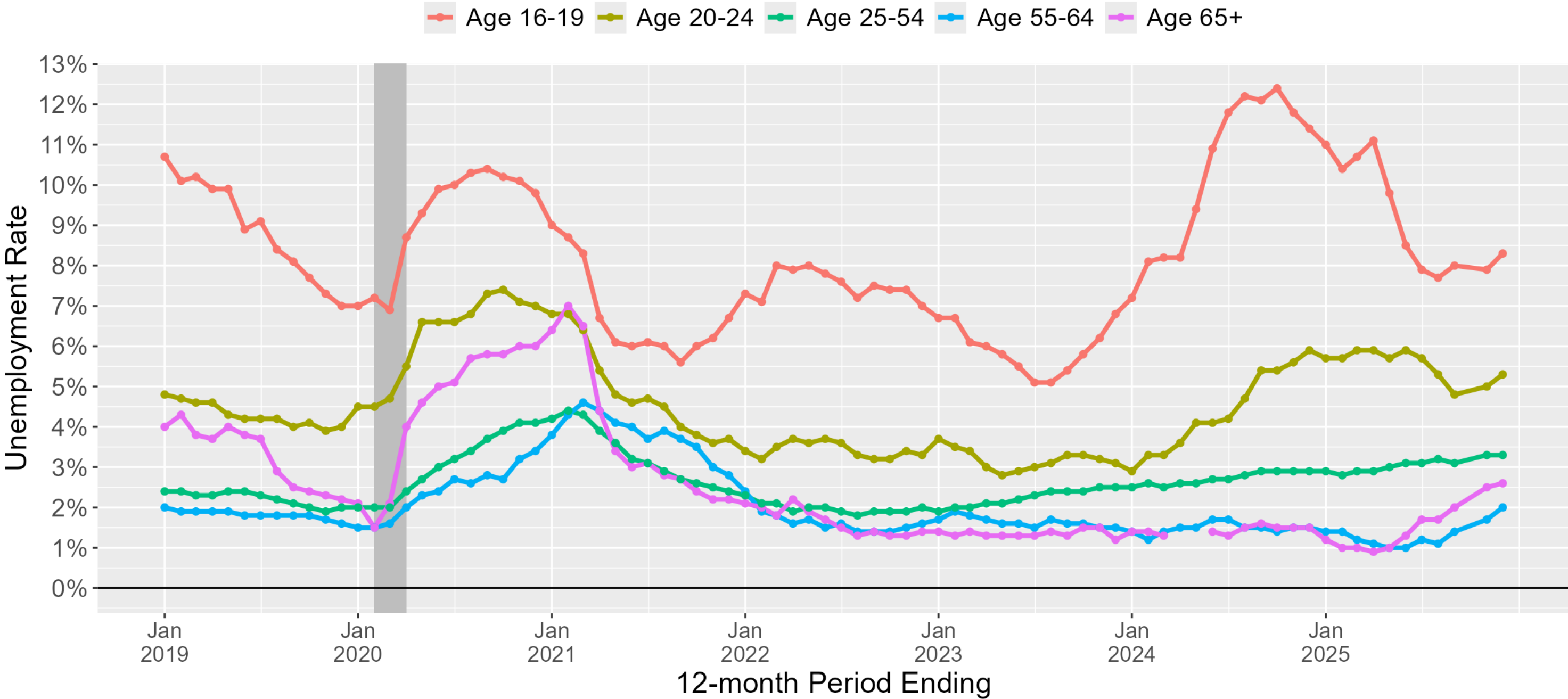


- Less than a High school diploma
- High school graduates, no college
- Some college or associate degree
- Bachelor's degree and higher

Source: Current Population Survey & Bureau of Labor Statistics

# Unemployment by Age

### Utah Unemployment Rates by Age Group



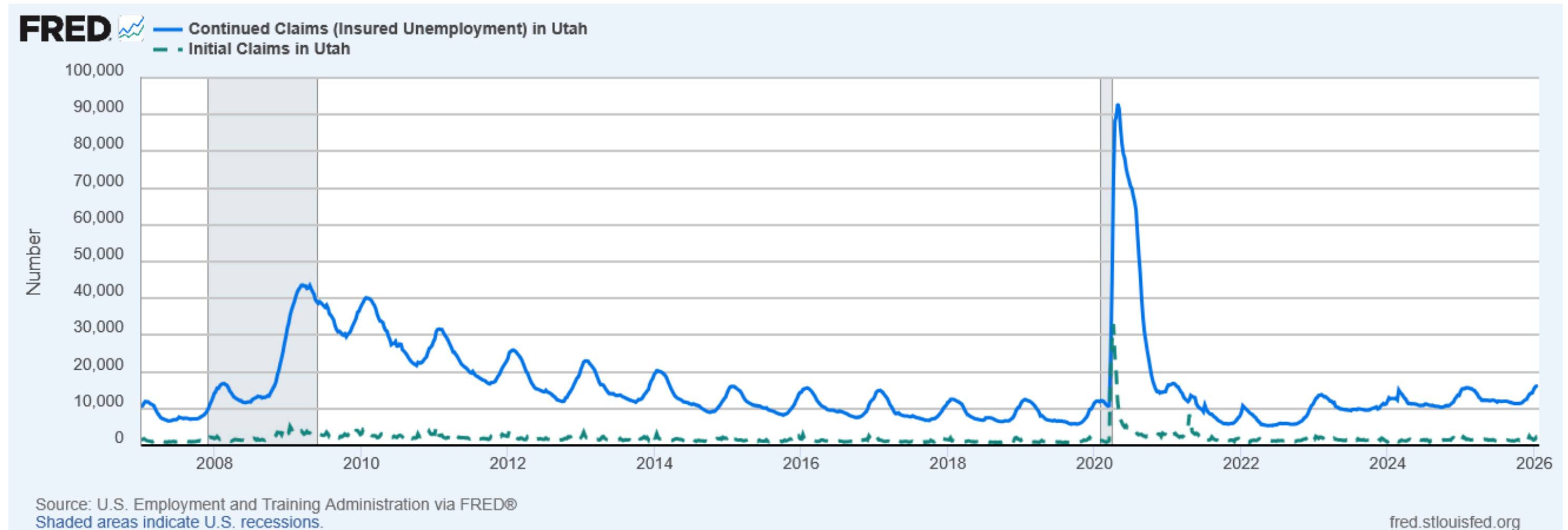
Source: Current Population Survey & Bureau of Labor Statistics

# Unemployment Insurance Claims

Low hire, low fire.

Retention over expansion.

CC now at highest levels since pandemic.





# Northern Utah Nonfarm Job Growth, September '25

## 1. Ed / Health / Social Services (+1.7% / +800 Jobs)

- Demographic Push.
- Institutional Stability.

## 2. Leisure/Hospitality (+1.1% / +384 Jobs)

- Utah's Amusement Capital
- The "Staycation"

## 3. Government (+0.3% / +239 Jobs)

- Strong Federal presence
- Public Universities

## 4. Financial Activities (+1.9% / +251 Jobs)

- Back-Office Hub.
- Real Estate Resilience.

## 5. Other Services (-1.8% / -165 Jobs)

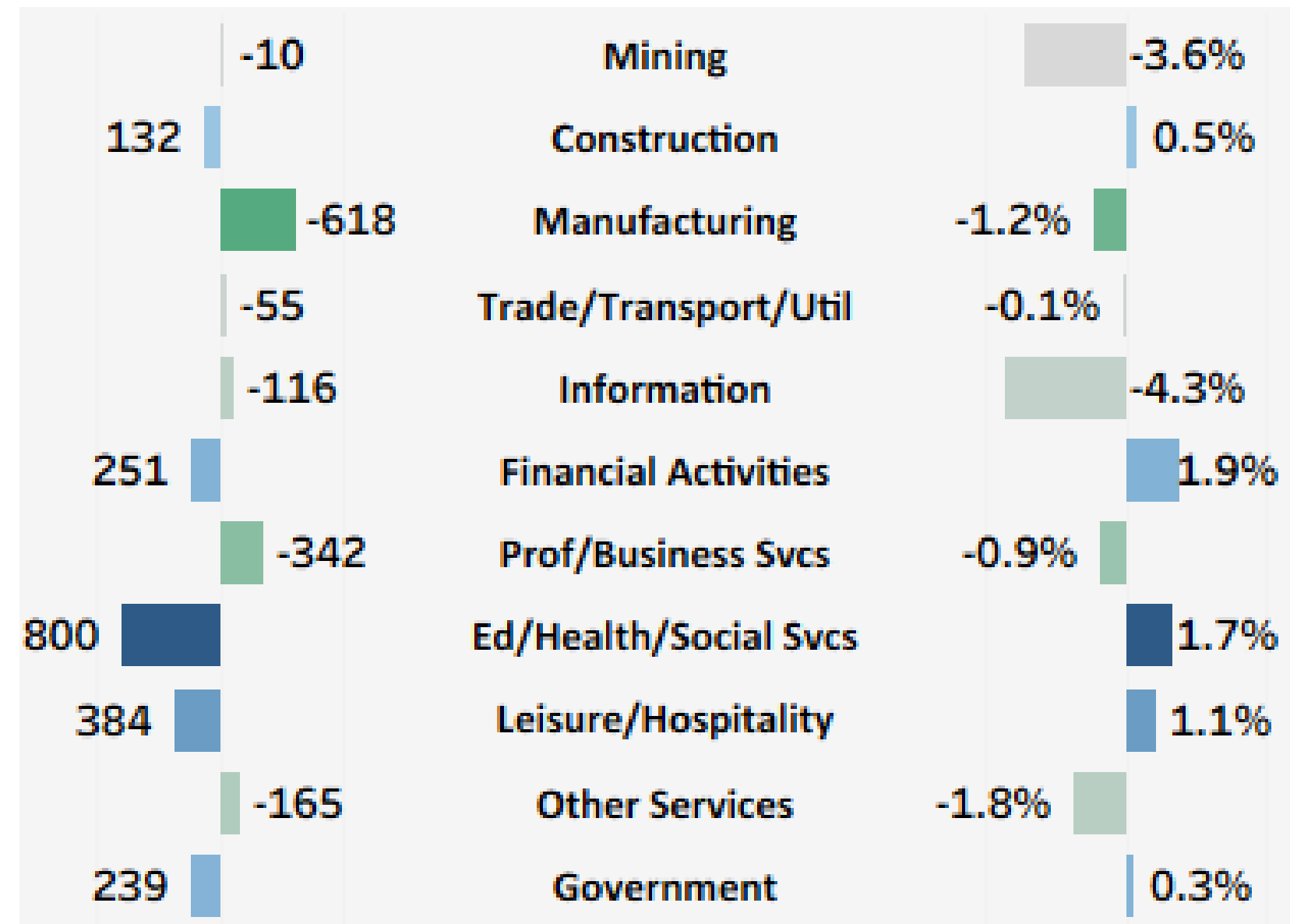
- Delayed automotive repairs.
- Discretionary cutbacks on personal care.

## 6. Prof. & Business Services (-0.9% / -342 Jobs)

- "Retention" Phase.
- Support Sector Cooling.

## 7. Manufacturing (-1.2% / -618 Jobs)

- Automation vs. Headcount.
- National Inventory Correction.





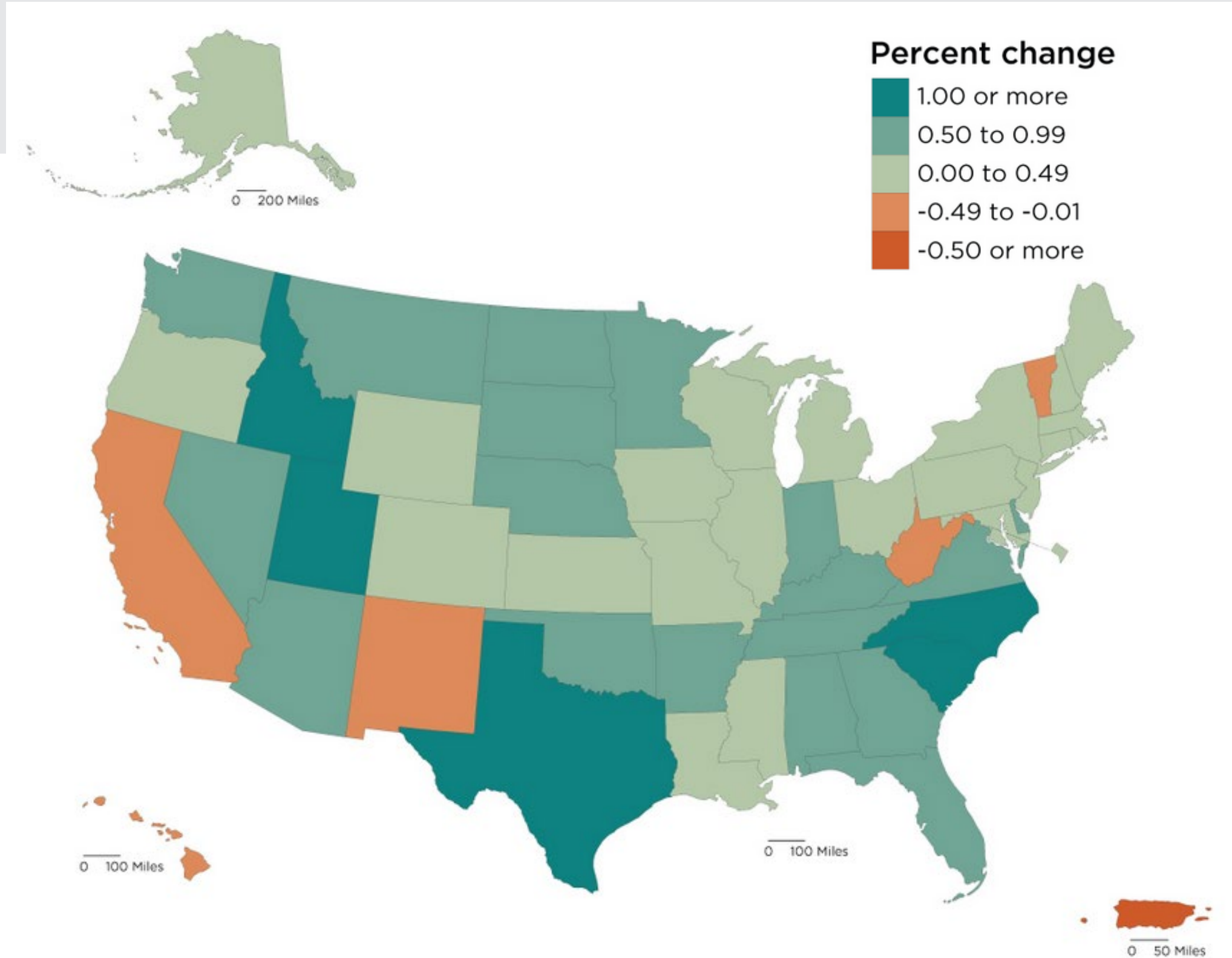
Photograph by Wyoming Department of Health

# Demographic Shifts

- **Aging Population**
- **Low Fertility**
- **Age Dependency Ratios**

# State Growth

## 2024 - 2025 U.S. Census



Rank	Geographic Area	Percent Growth
Source: U.S. Census Bureau, Vintage 2025 Population Estimates.		
1	South Carolina	1.5%
2	Idaho	1.4%
3	North Carolina	1.3%
4	Texas	1.2%
5	<b>Utah</b>	<b>1.0%</b>
6	Delaware	0.9%
7	Washington	0.9%
8	Arizona	0.9%
9	Nevada	0.9%
10	Tennessee	0.9%

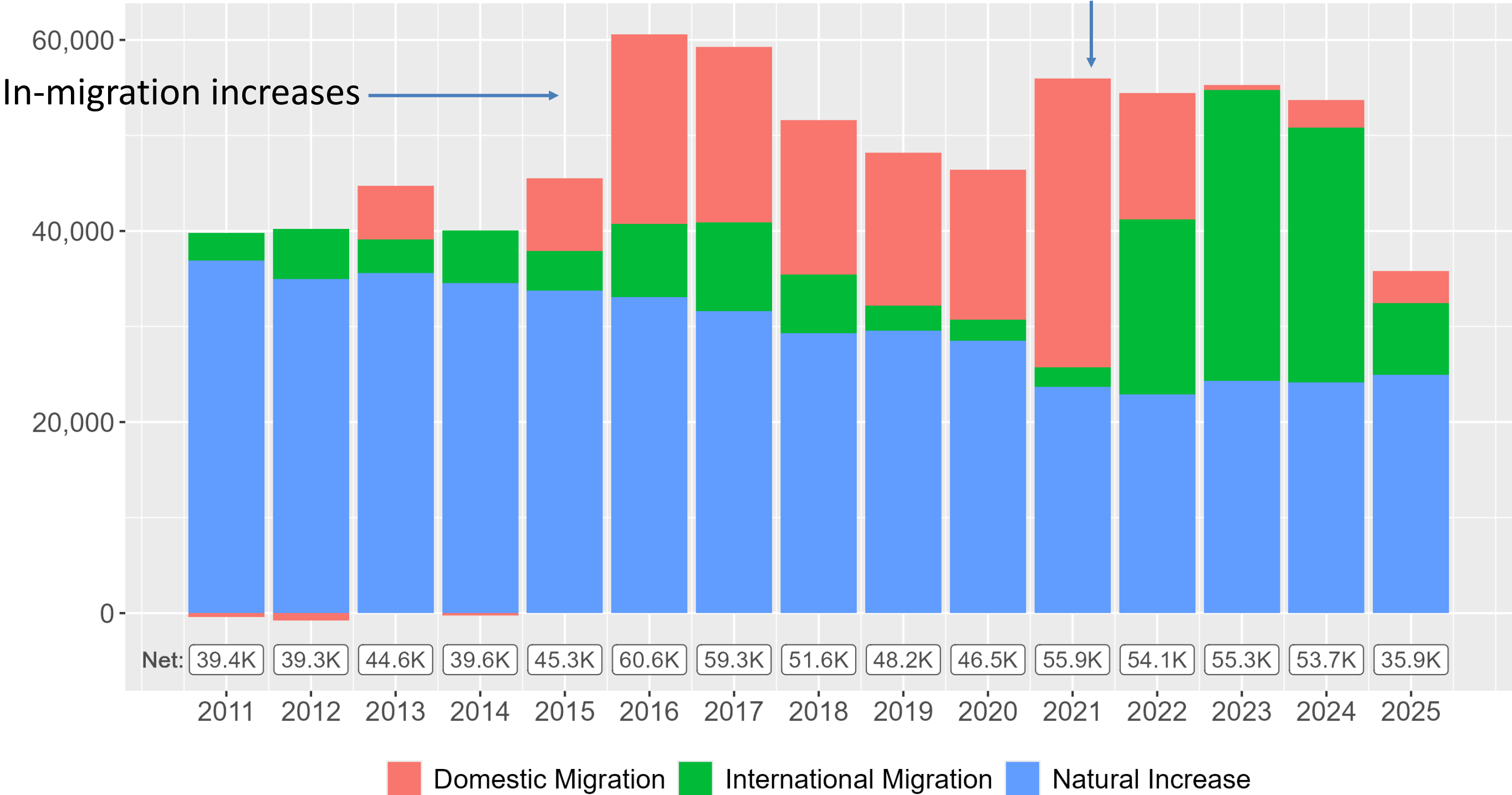
# Utah Net Migration 2011-2025



In-migration surpasses natural increase

In-migration increases pressure on housing market, decreases pressure on labor market.

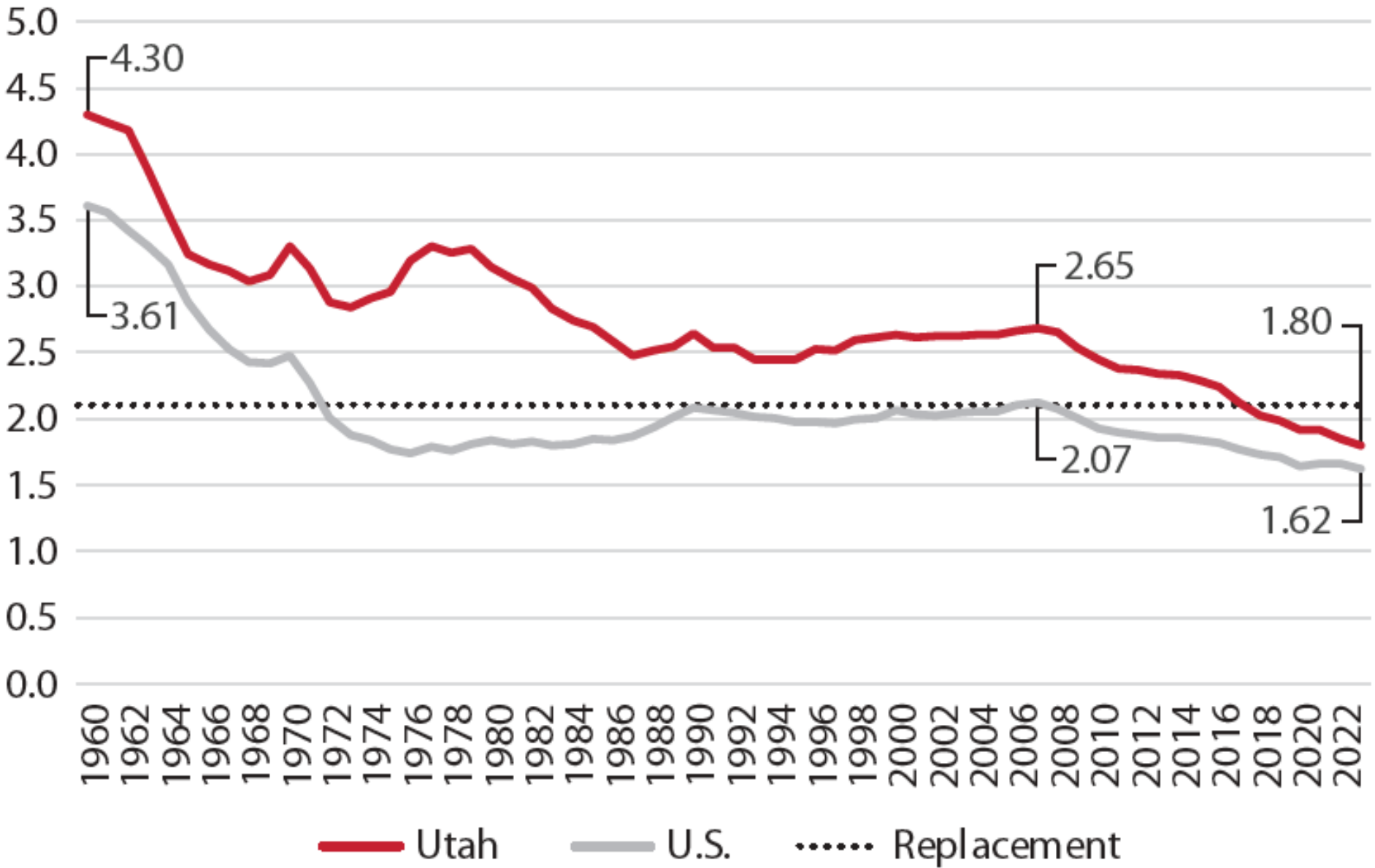
Net domestic is slowing. It *was* affordable.



Source: U.S. Census Bureau

Source: Kem C. Gardner Policy Institute and Utah Population Committee

# Total Fertility Rate 1960 - 2022



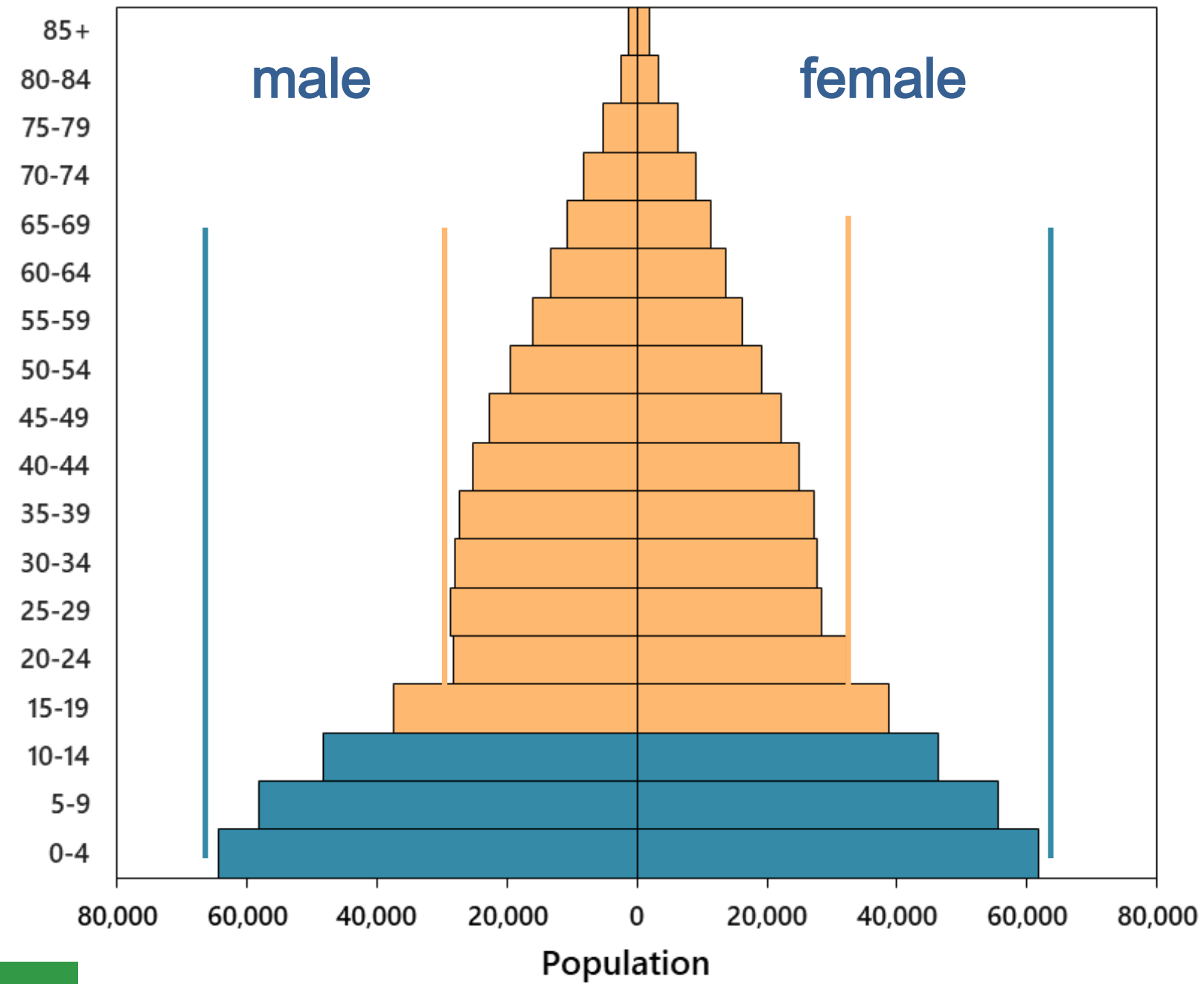
Note: Replacement (TFR of 2.1) is the theoretical fertility level at which the current population is replaced.


Source: National Center for Health Statistics

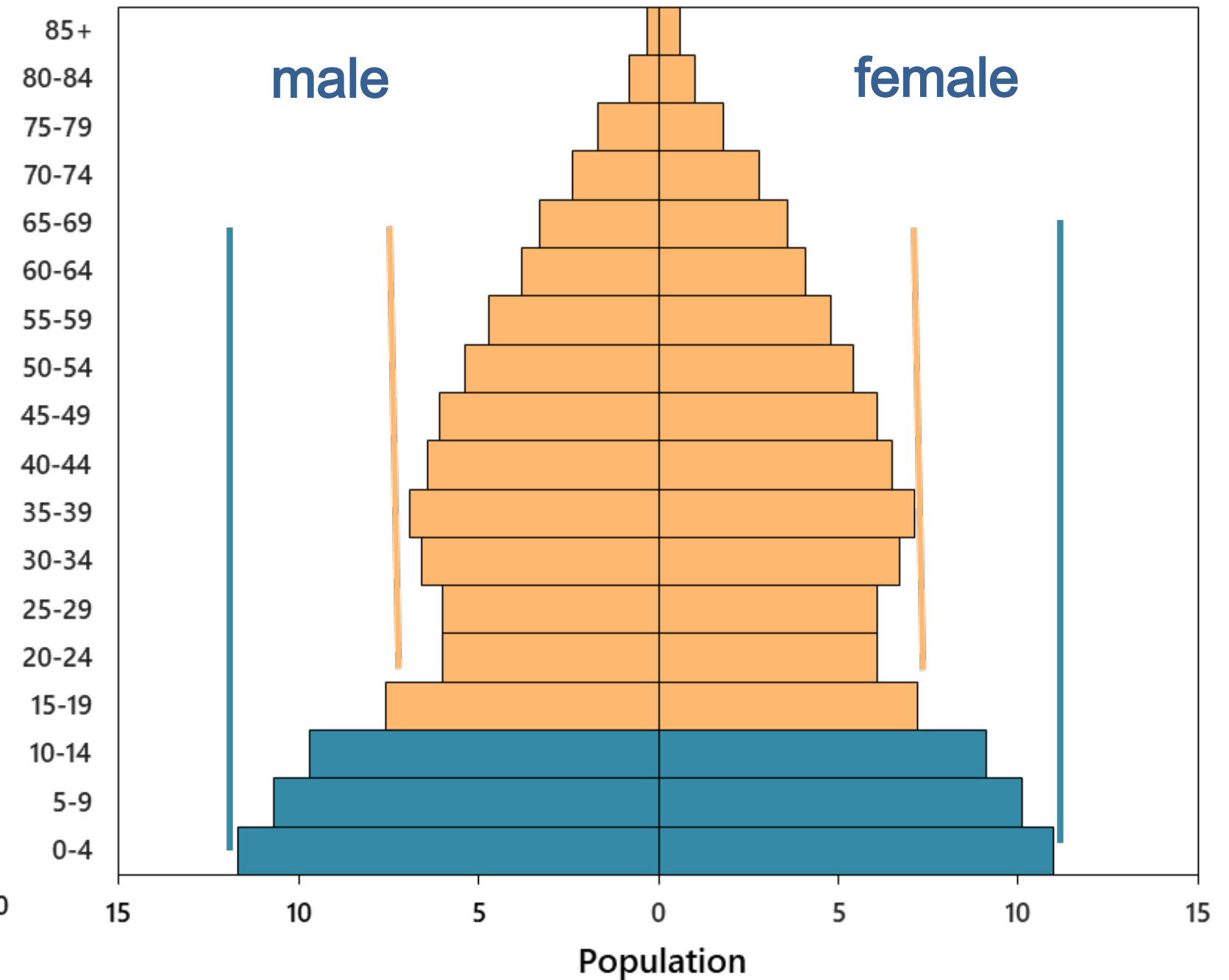
# 1960 Population

## Utah

## U.S.




 Baby Boom Generation



9%  
65+

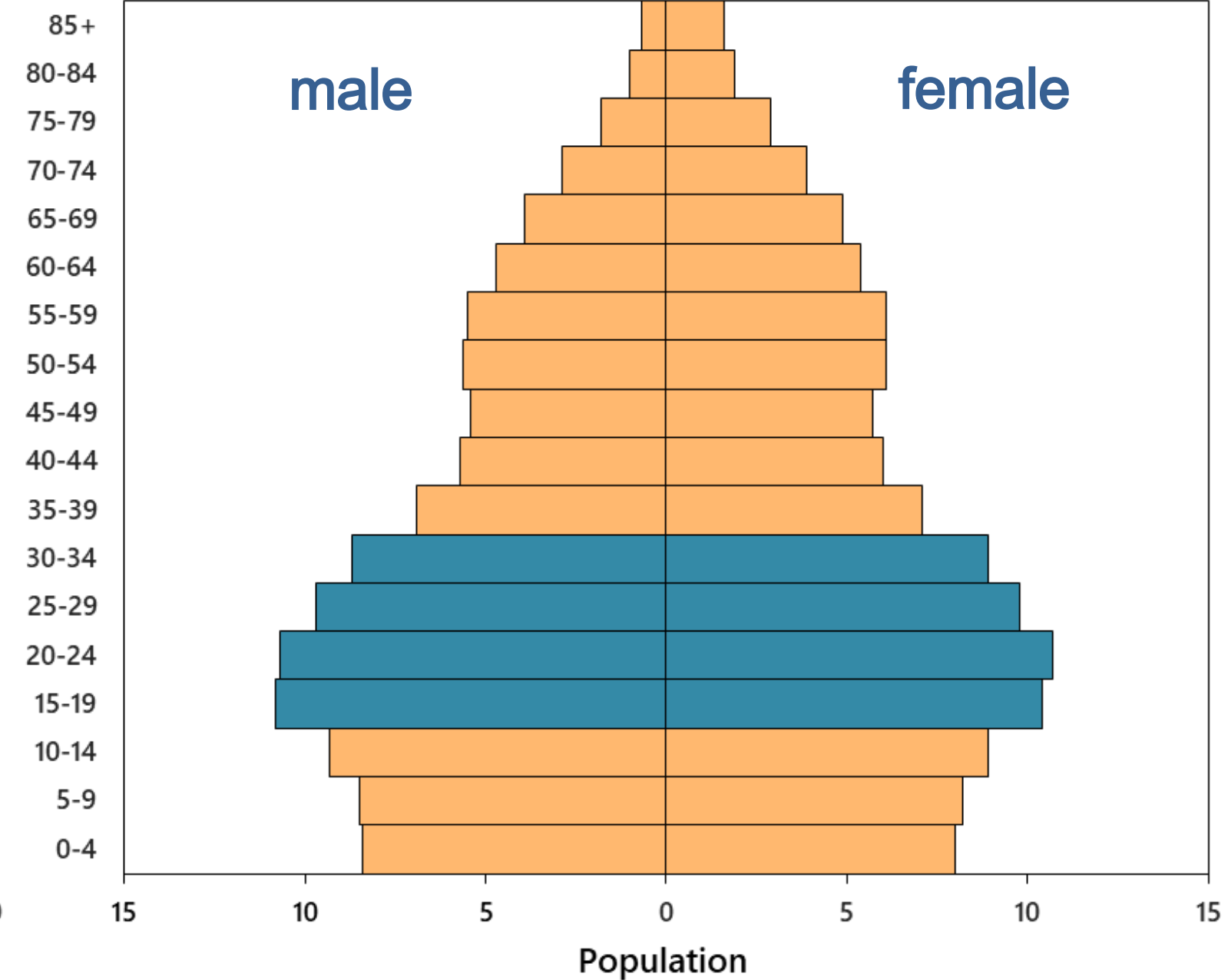
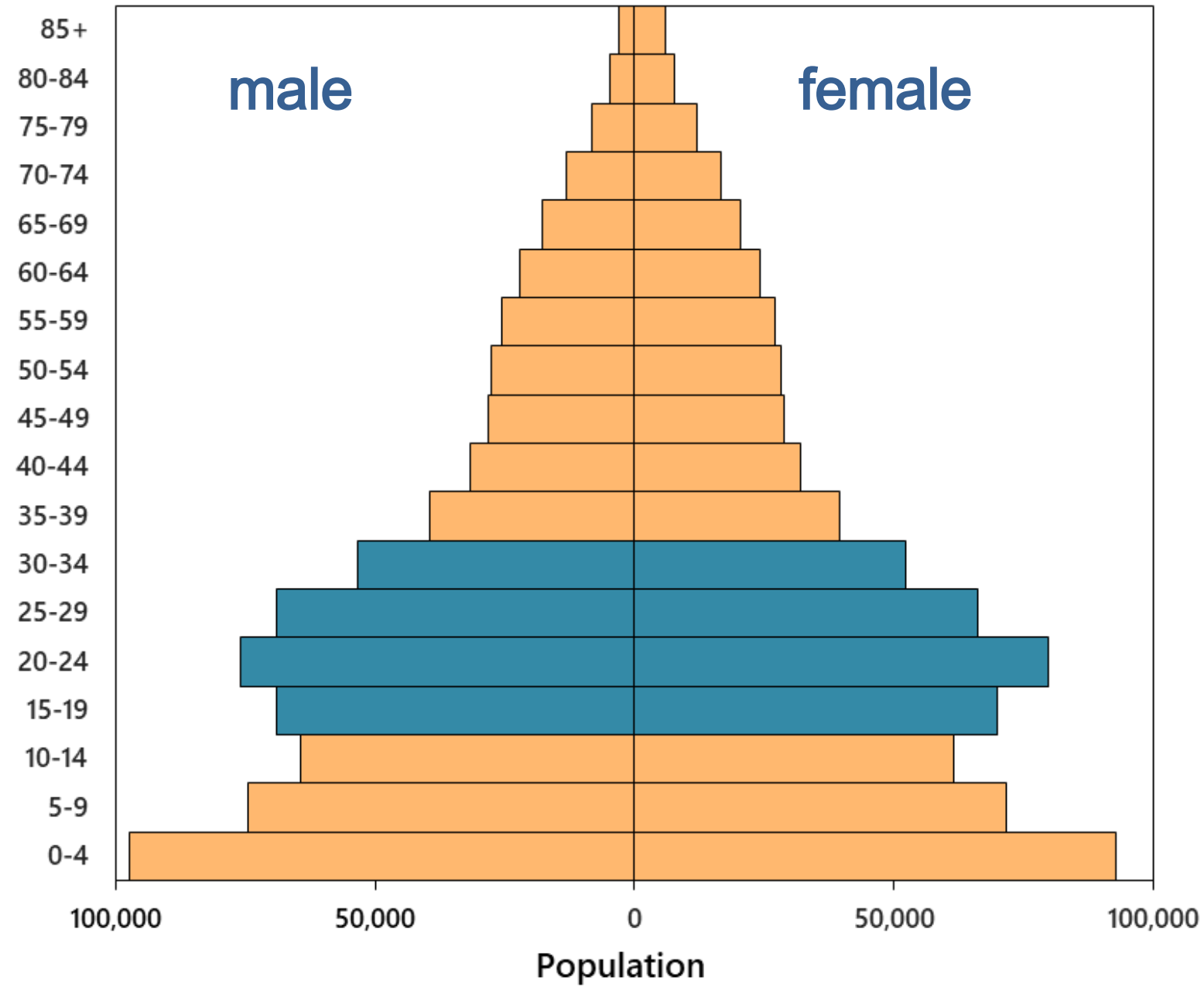
31%  
0 - 14


 Baby Boom Generation


# 1980 Population

## Utah

## U.S.



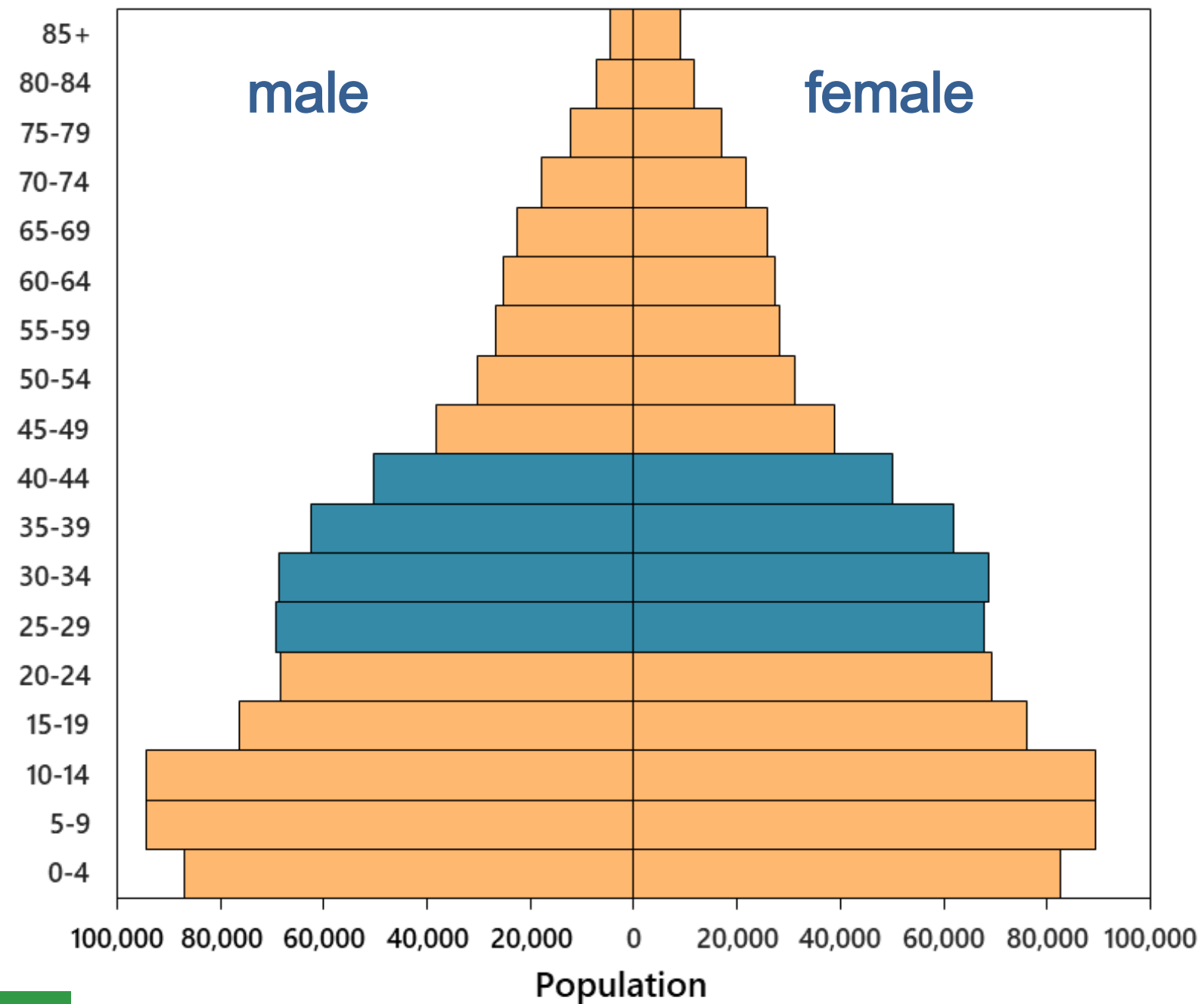
 Baby Boom Generation


 Baby Boom Generation

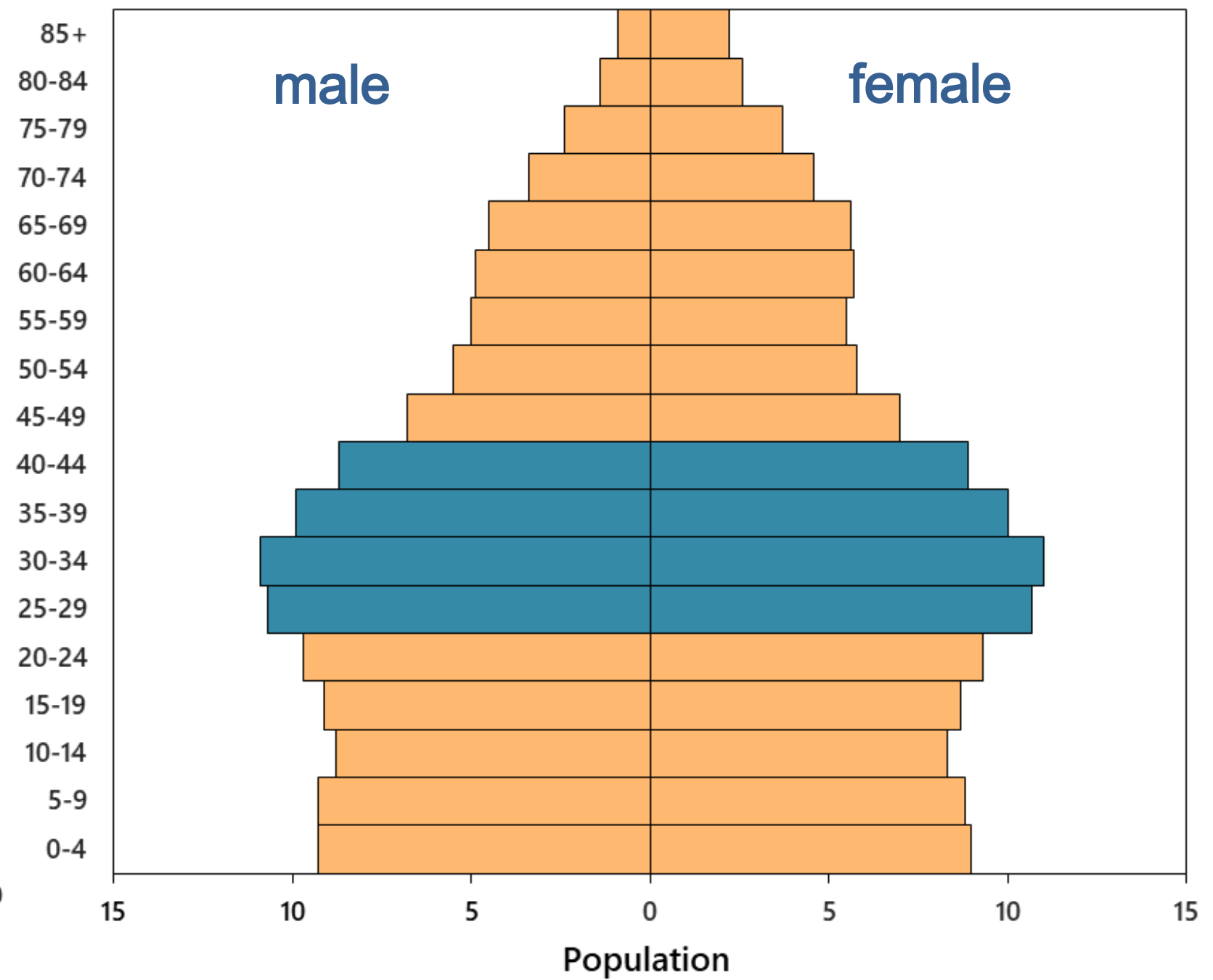
# 1990 Population


## Utah

## U.S.



 Baby Boom Generation

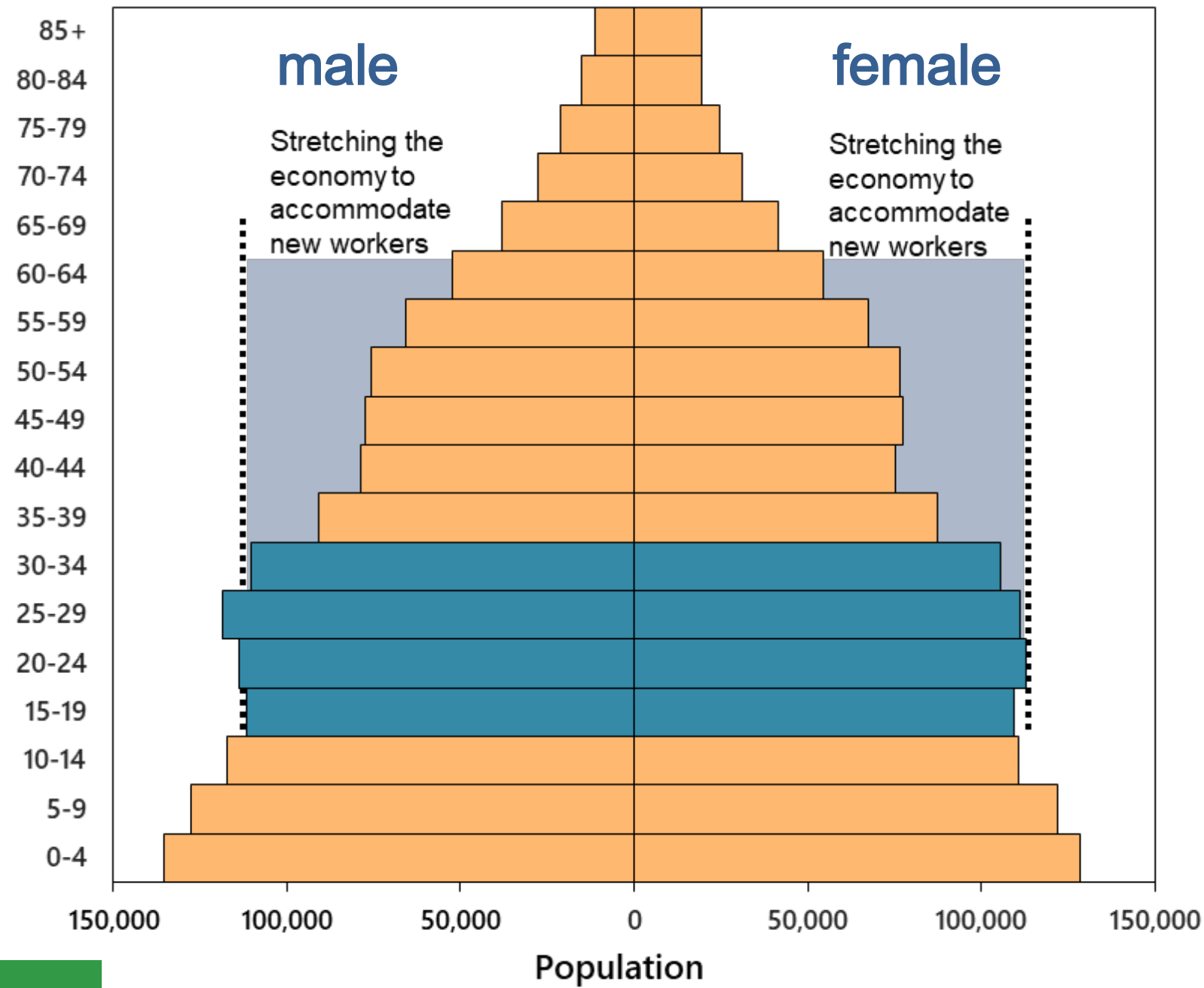


 Baby Boom Generation

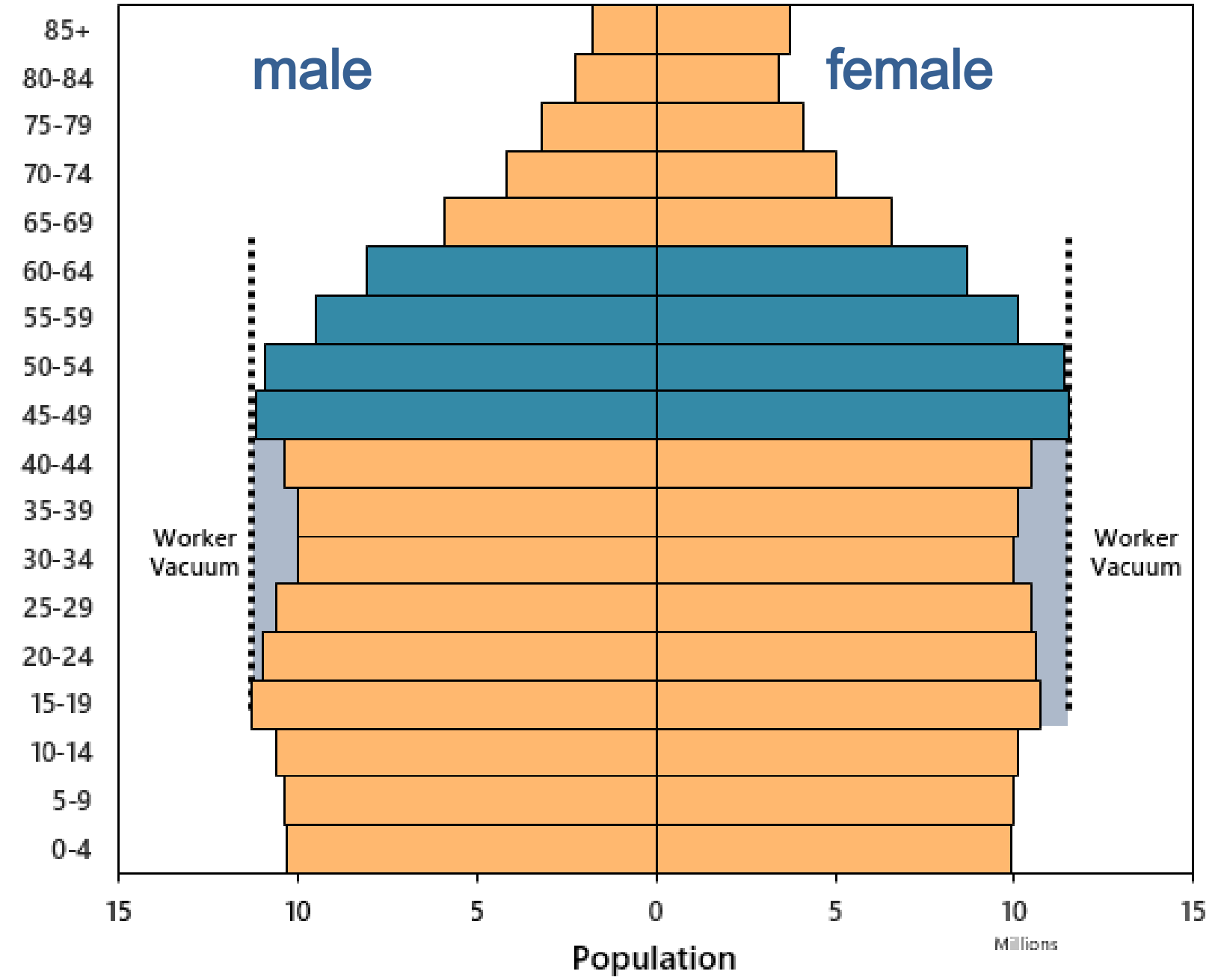
# 2010 Population


## Utah

## U.S.



 Labor Force Dominance

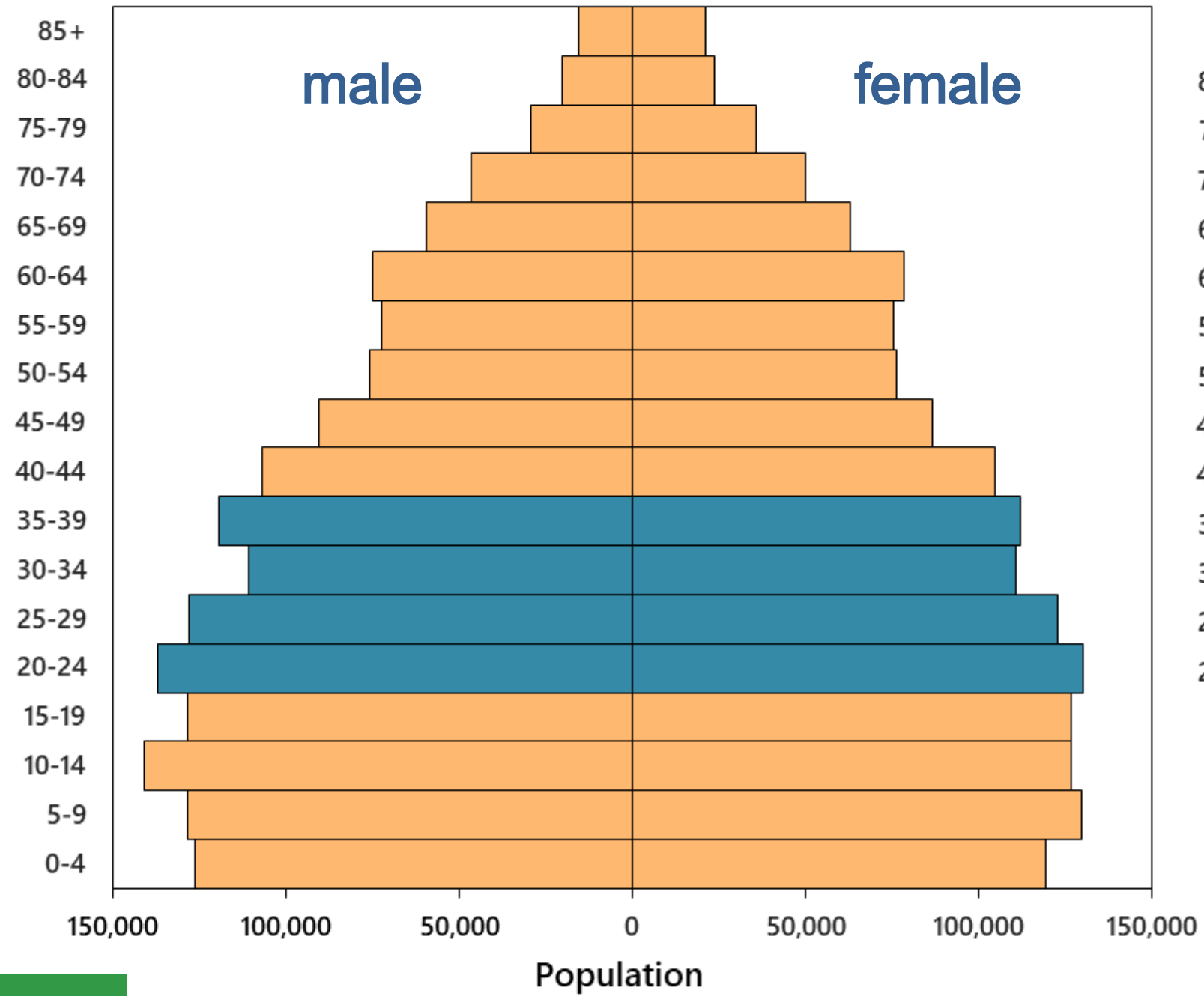


 Baby Boom Generation

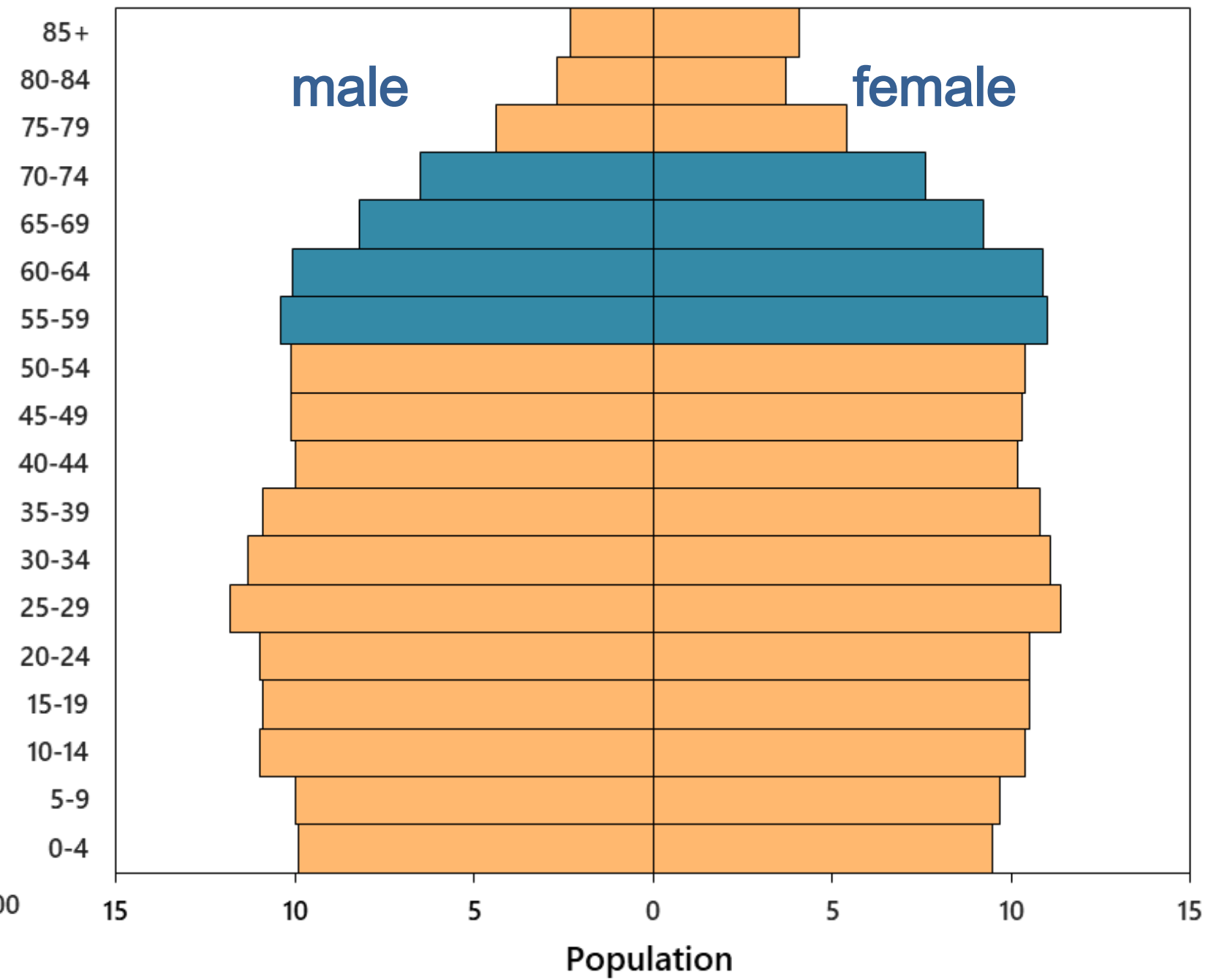
# 2020 Population

## Utah

## U.S.



■ Labor Force Dominance



16.6%  
65+

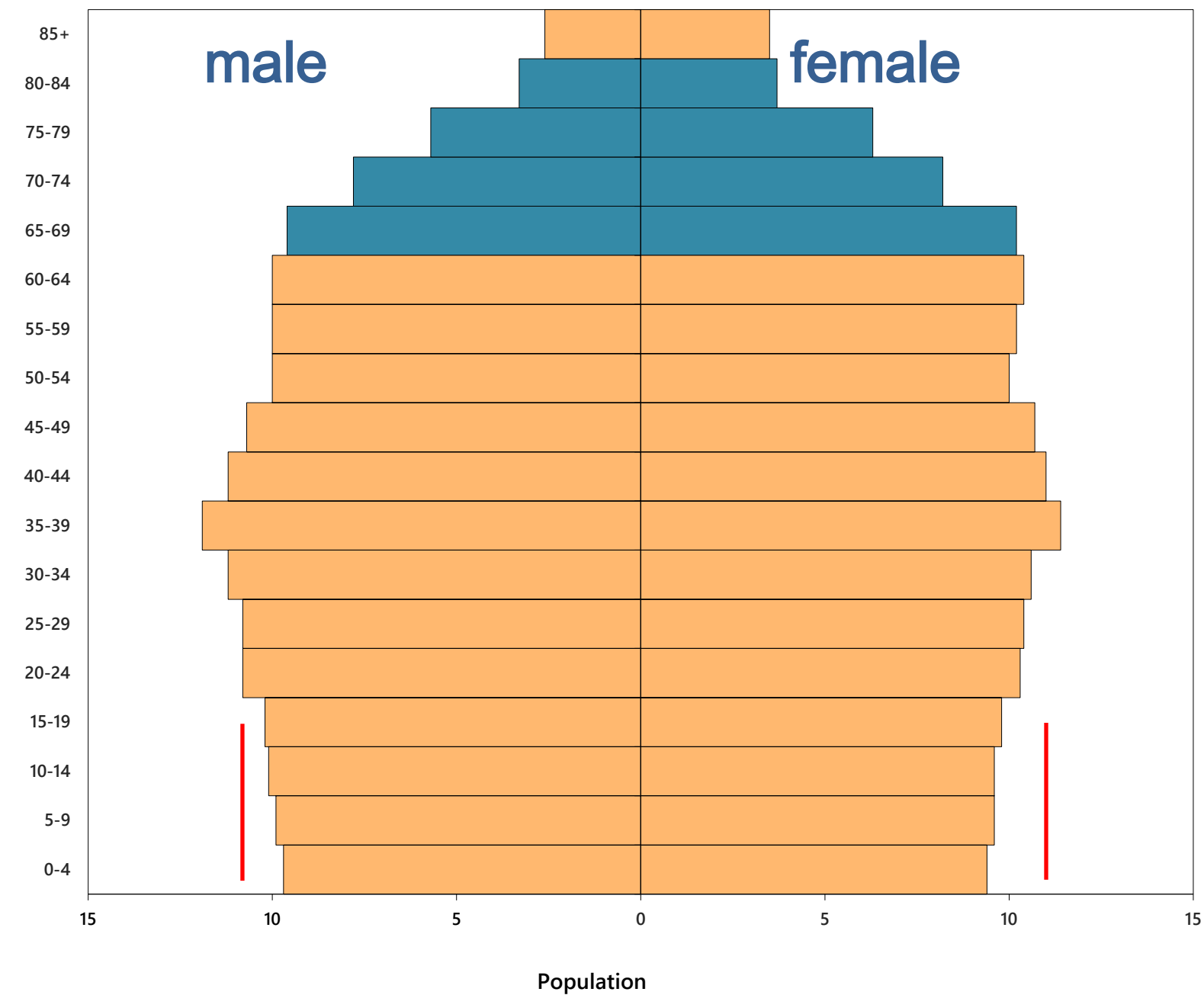
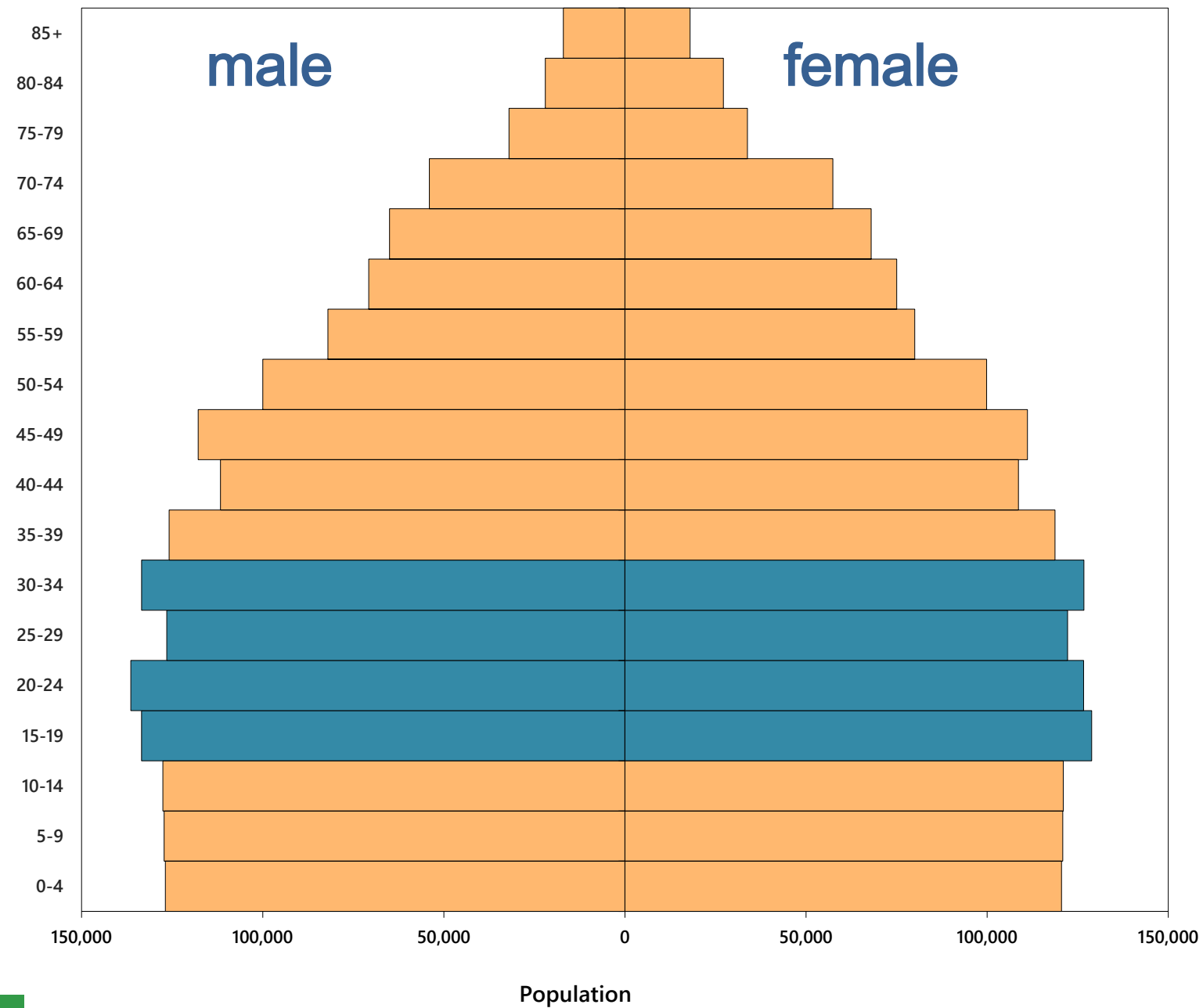
18.4%  
0 - 14

■ Baby Boom Generation

# Projected 2030 Population

## Utah

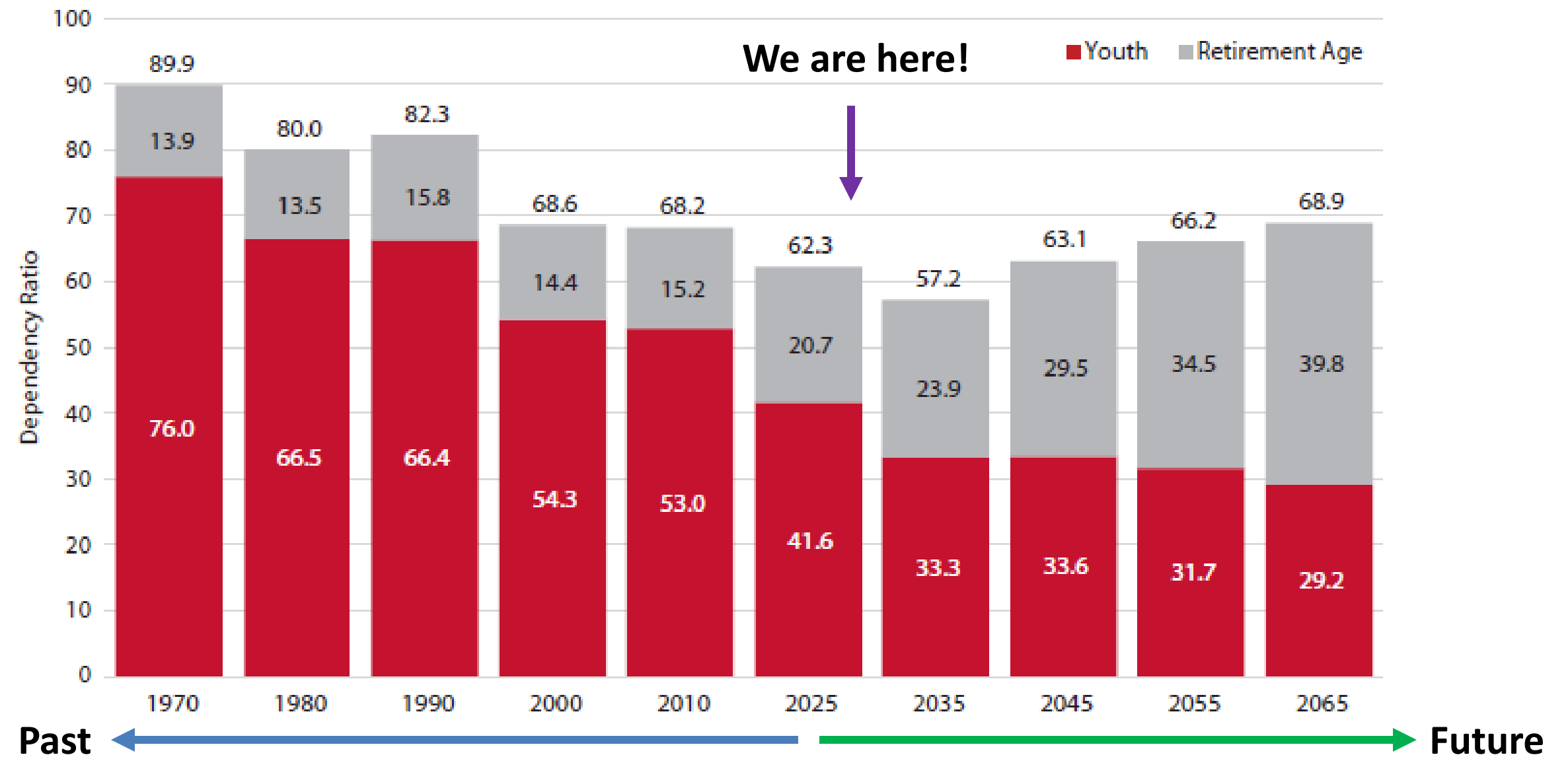
## U.S.



# Utah Population Looking Ahead

Figure 27.4: Utah Dependency Ratios, 1970–2065

High growth in healthcare  
Impacts on inflation



Note: Dependency Ratios are computed as the number of non-working-age persons per 100 working-age (18-64-year-old) persons in the population. Youth are less than 18 years old and retirement age is 65 years and older.  
Source: Kem C. Gardner Policy Institute analysis of U.S. Census Bureau Decennial Census data and Kem C. Gardner Policy Institute 2025–2065 Long-Term Planning Projections

# Housing Hurdles

- **Income vs. House Price**
- **Homeownership Rates**
- **Housing Burden**



# Components of Inflation

**2.7%** annual inflation rate, all items  
(Dec. 2024 to Dec. 2025)

**3/5** of the inflation rate was driven  
by price changes in housing.

In December 2025, housing contributed 1.6 percentage points to the 2.7% overall inflation rate.

Components of year-over-year percent change of CPI-U, all items, not seasonally adjusted

● Headline inflation ● Housing ● Transportation ● Food and beverages  
● All other categories



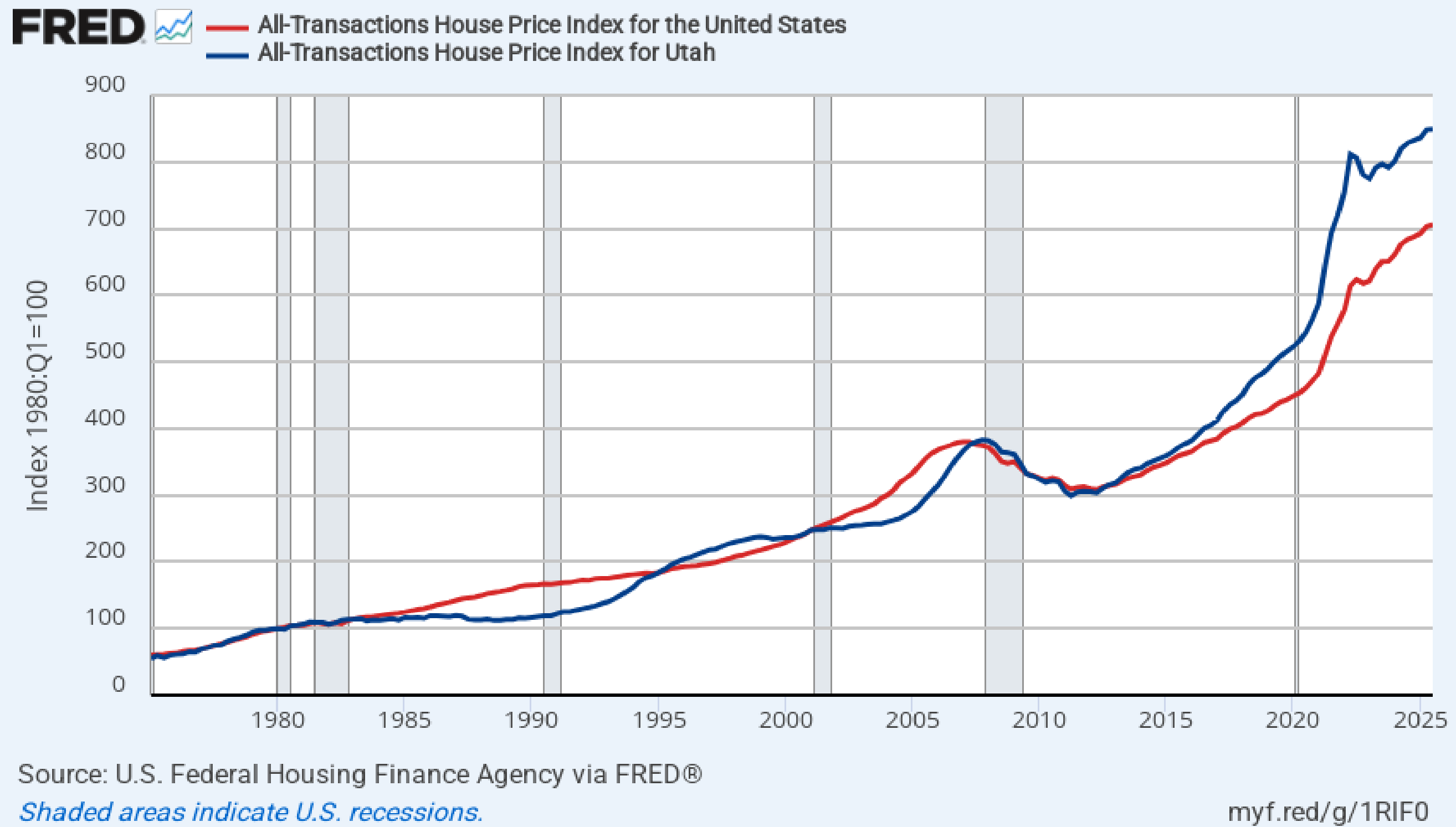
Component price  
increases

Component price  
declines

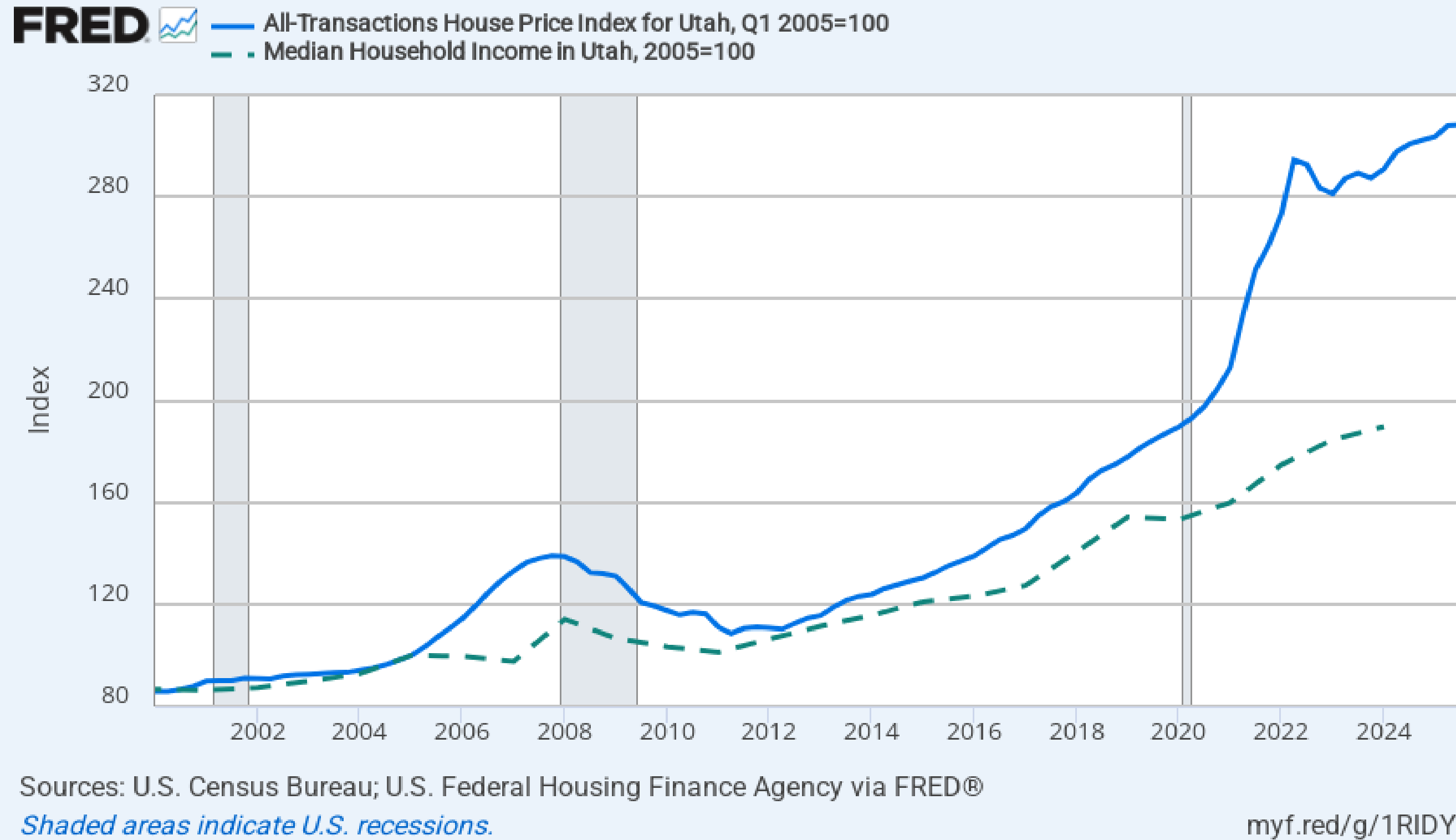
Source: Bureau of Labor Statistics →

USAFacts

# House Price Index, US and Utah



# Household Income and HPI

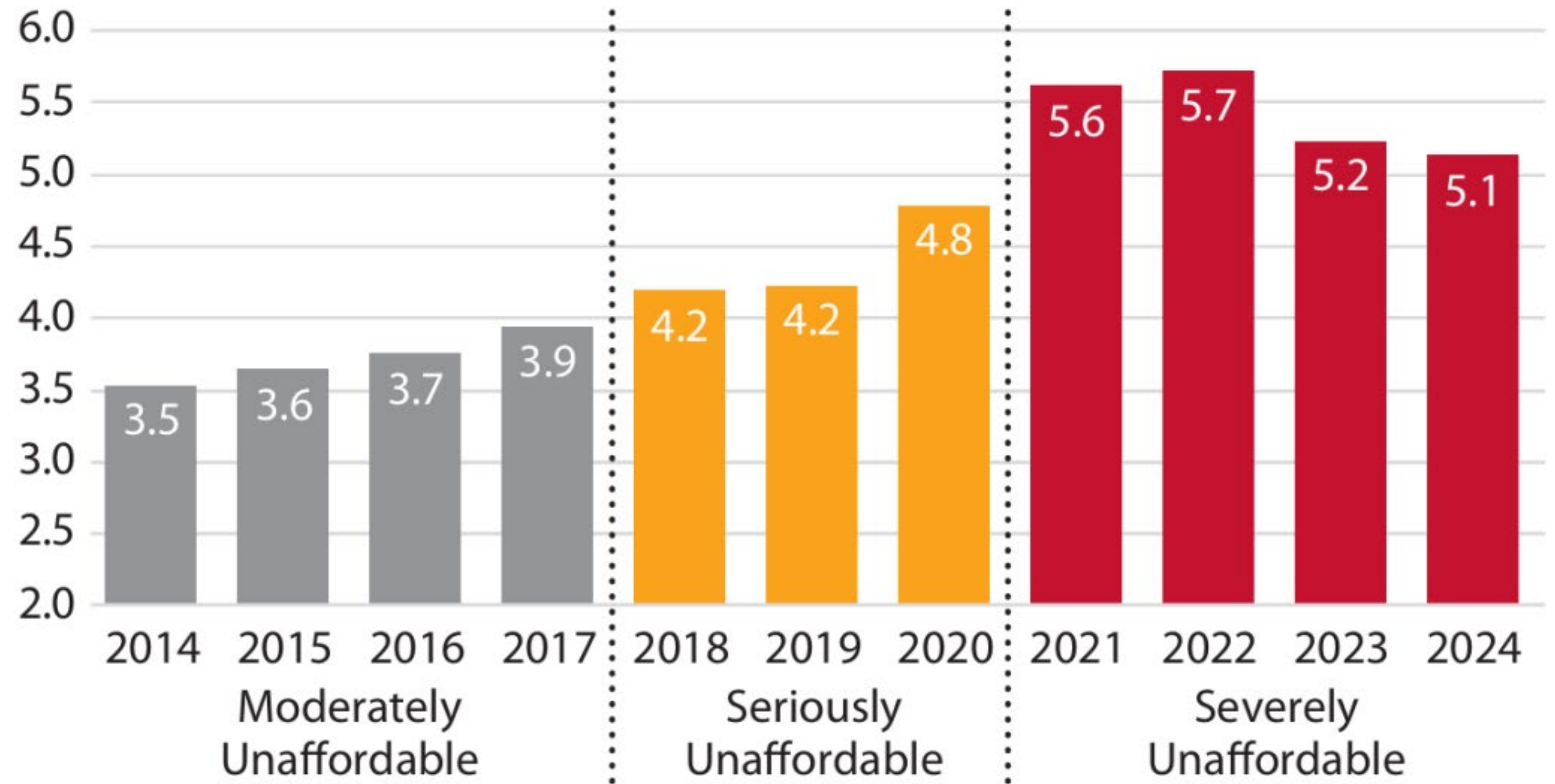


# Ratio of Utah Median Home Price to Median Household Income

2017 to 2024



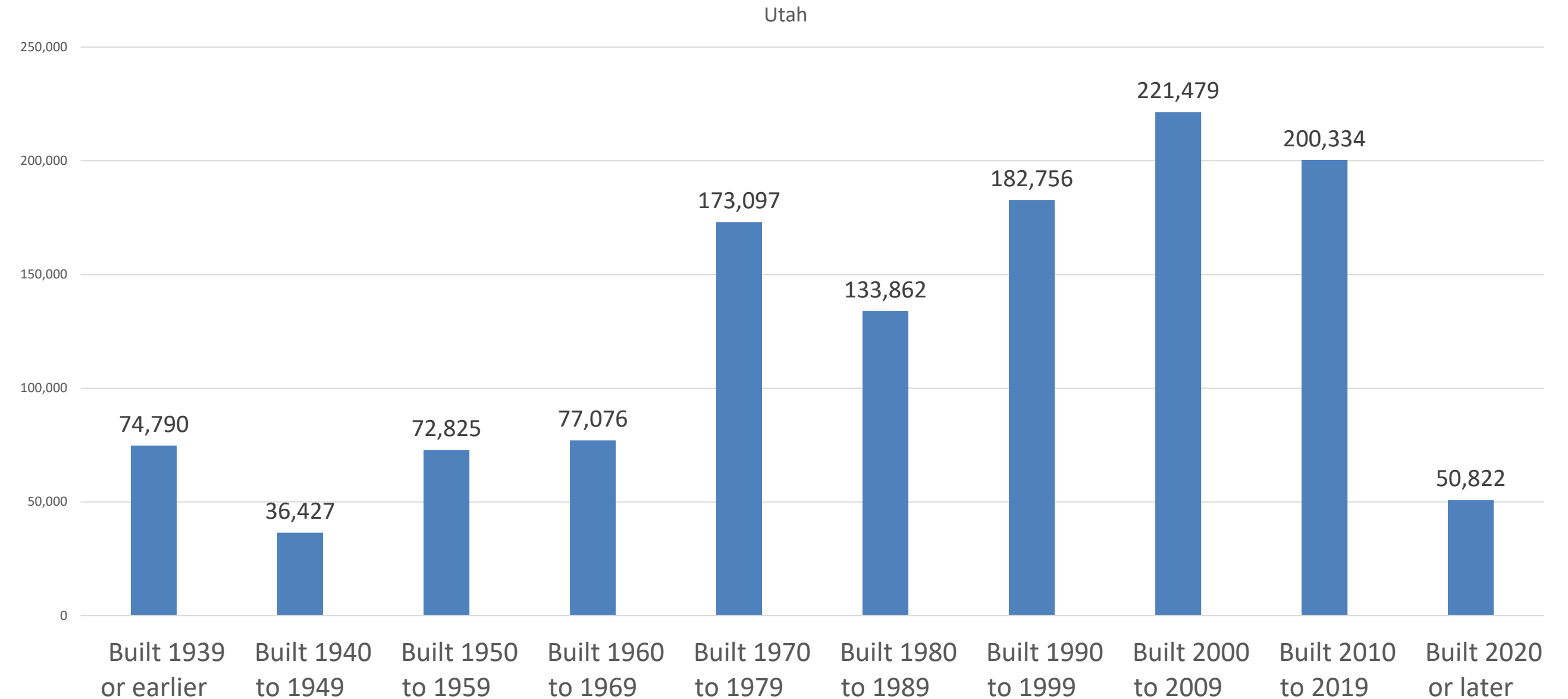
- Ratio of median home price to median household income – metric for affordability
- Since 2019, the median listing price of homes in Utah has risen 49%
- In 2024, the ratio was 5.1
- Peaked in 2021 at 5.7



# Housing Unit Construction By Decade (Through 2024)

**Note:** The Census Bureau defines a housing unit as a separate and independent living space that is intended for human habitation. It must meet the following criteria:

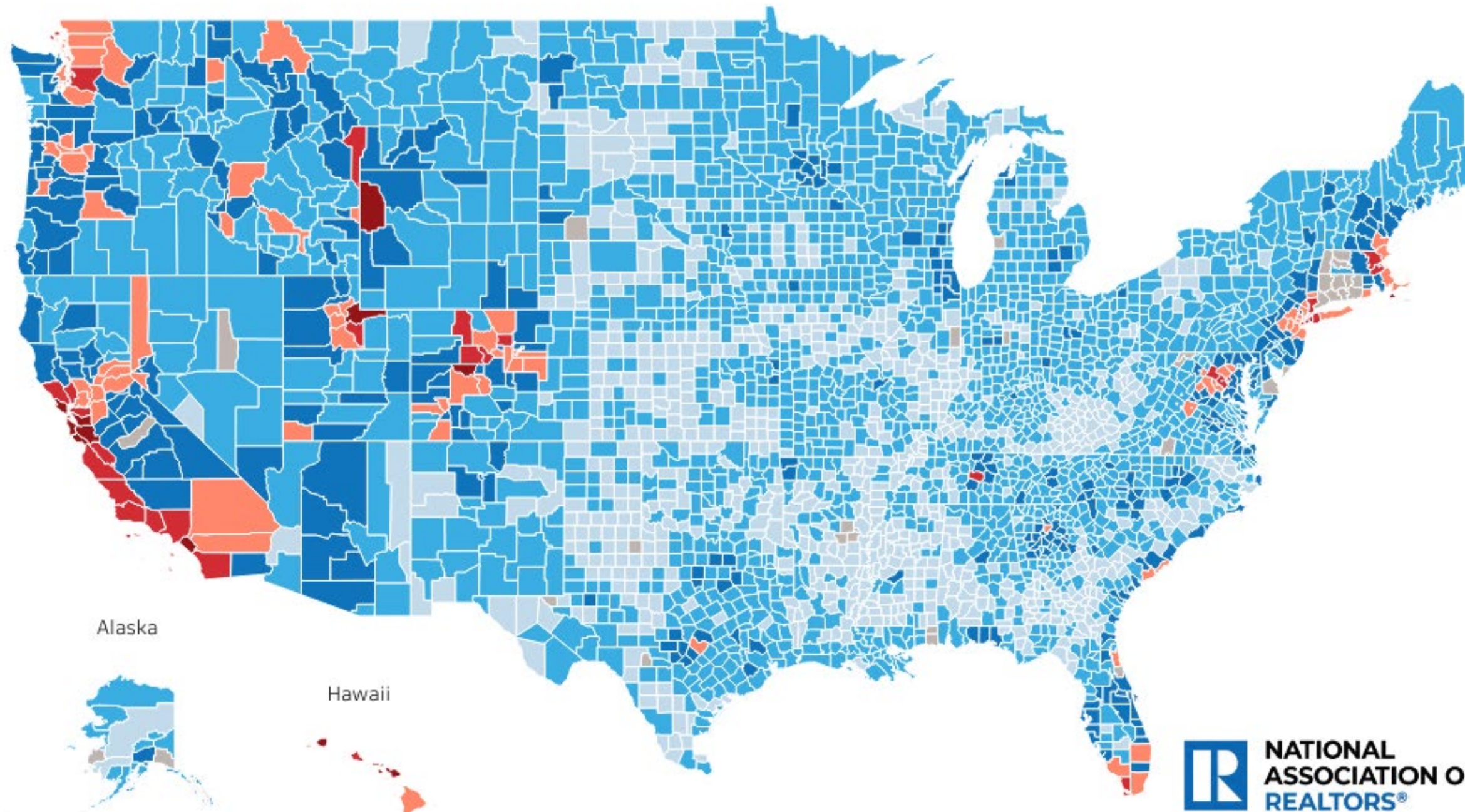
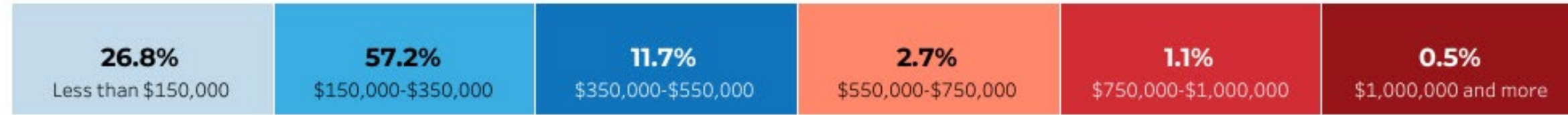
- Separate Entrance
- Living Facilities
- Independence



# County Median Home Prices

## Q2 2025

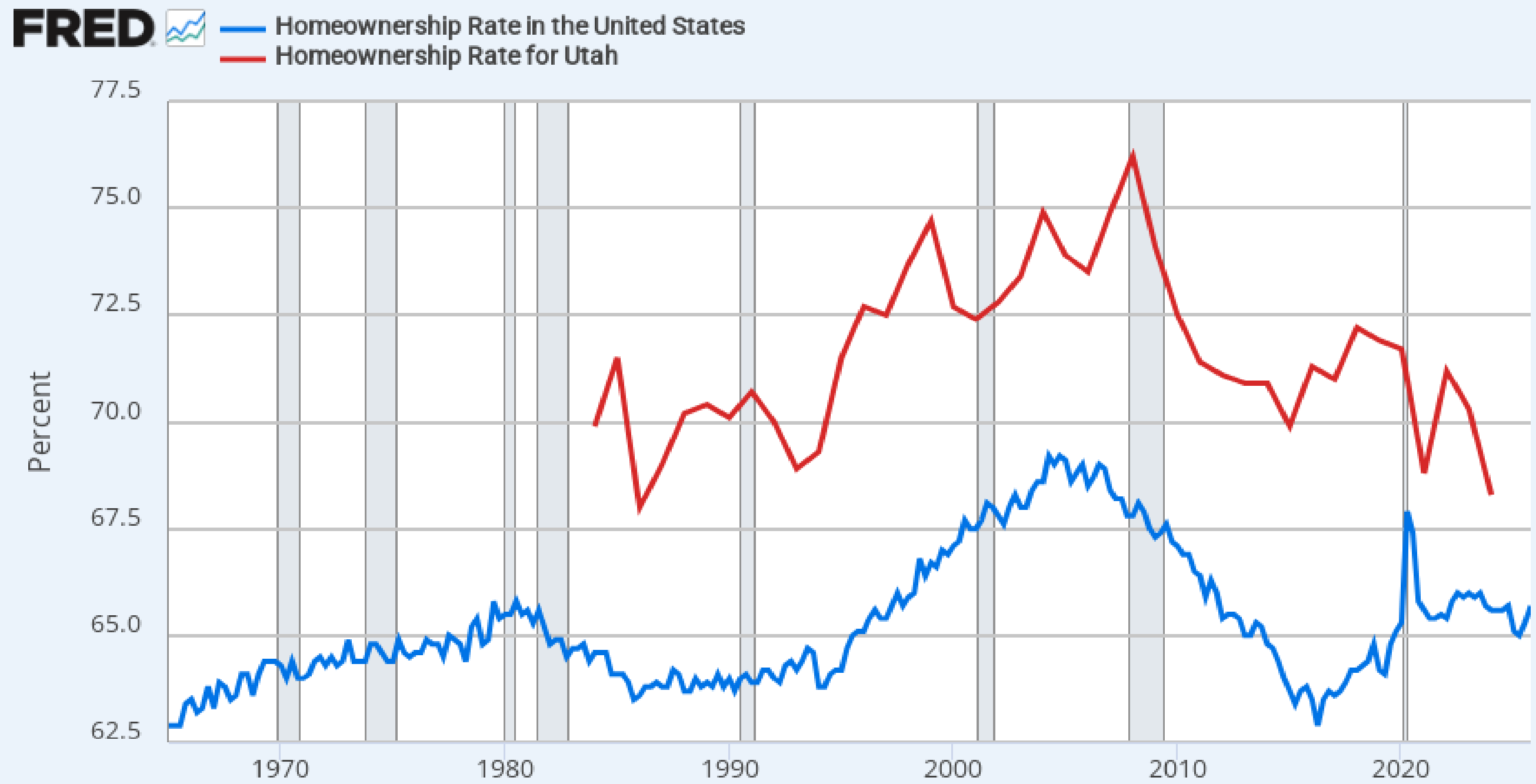
Hover over the bar to highlight. Click to filter. Press ESC to clear selection



Note: NAR Calculations of American Community Survey data; Federal Housing Finance Agency data.  
See Methodology.

*Click below to  
download the map in  
pdf*

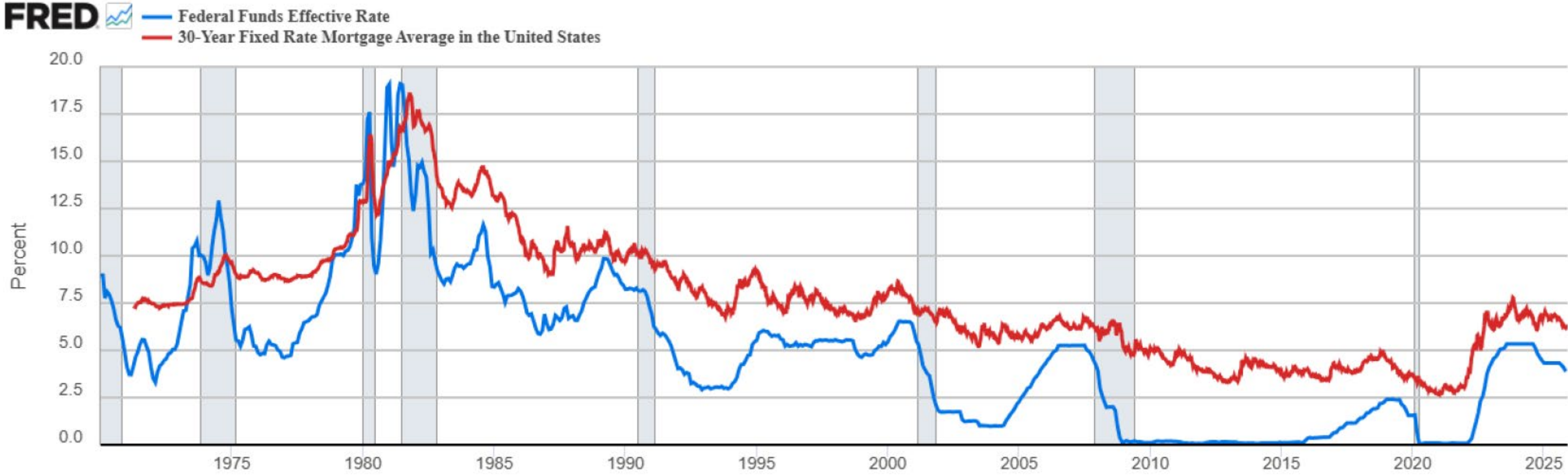
# Homeownership in the US and Utah



Source: U.S. Census Bureau via FRED®  
*Shaded areas indicate U.S. recessions.*

[myf.red/g/1RIDT](https://myf.red/g/1RIDT)

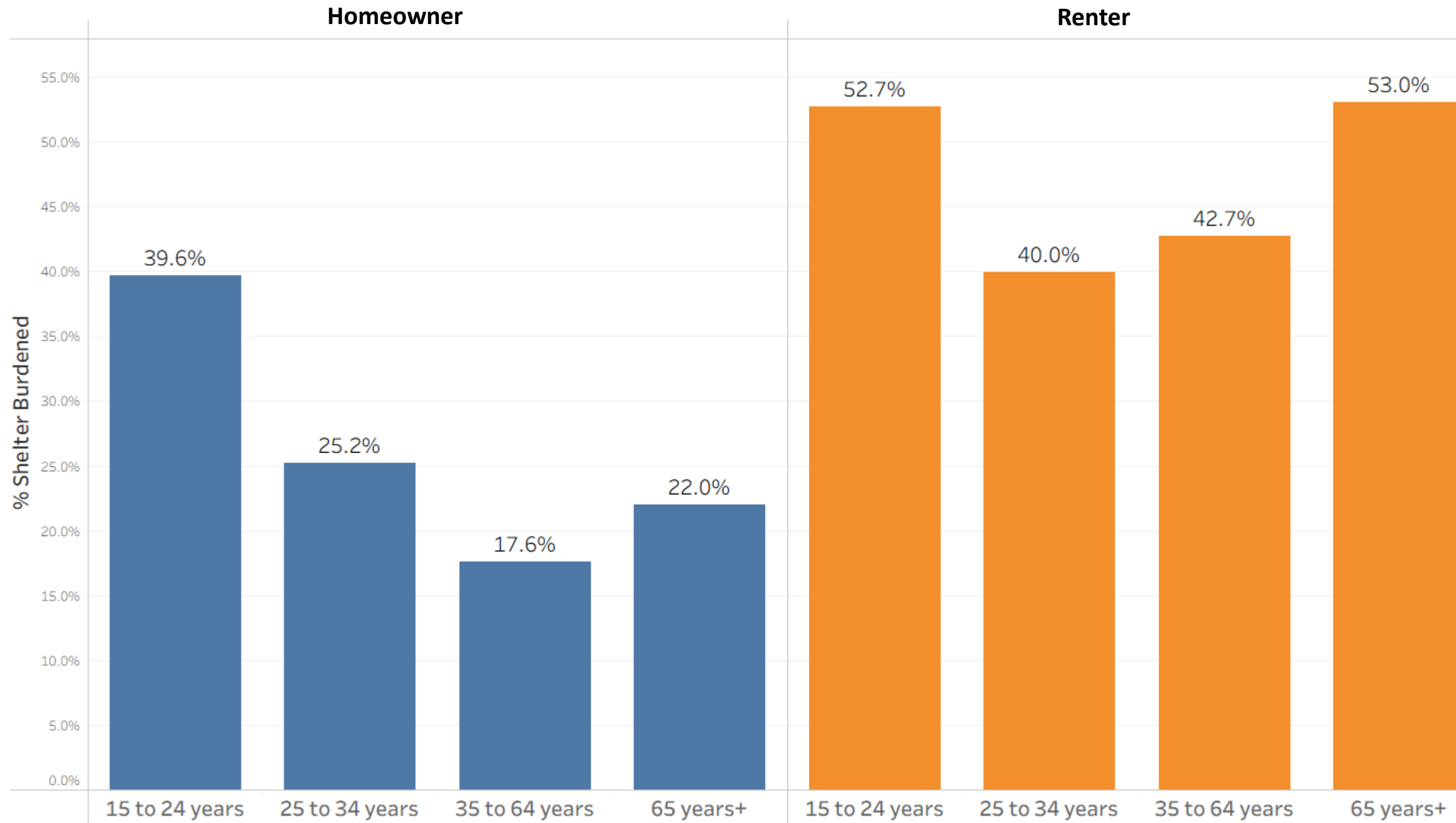
# Mortgage Rate Stickiness



Sources: Board of Governors of the Federal Reserve System (US); Freddie Mac via FRED®  
Shaded areas indicate U.S. recessions.

# Housing Burden

Share of households with housing cost burden above 30% income by age



Source: American Community Survey, 5-Year, 2024

# What does the future hold?

## Forecasts and Expectations

- **Technology Flux**
- **State Strengths**
- **2026 Predictions**



# ATM's and Tellers/Bankers

## “The Rise of Robots”

### Tellers vs. ATM Installations (1990s –Today)

- **ATM Explosion:** ~400,000 ATMs installed; assumed to eliminate tellers —but teller jobs rose.
- **Branch Strategy Shift:** ATMs cut average tellers/branch from 21 to 13, making branches cheaper to run. Banks opened more branches, netting more teller positions overall.
- **Evolving Job Role:** Tellers now focus on marketing and customer relations, often requiring higher skills and offering better wages.
- **General Trend:** Similar outcomes seen with scanning tech (cashiers) and e-discovery (paralegals) —tech often reshapes jobs rather than eliminating them.

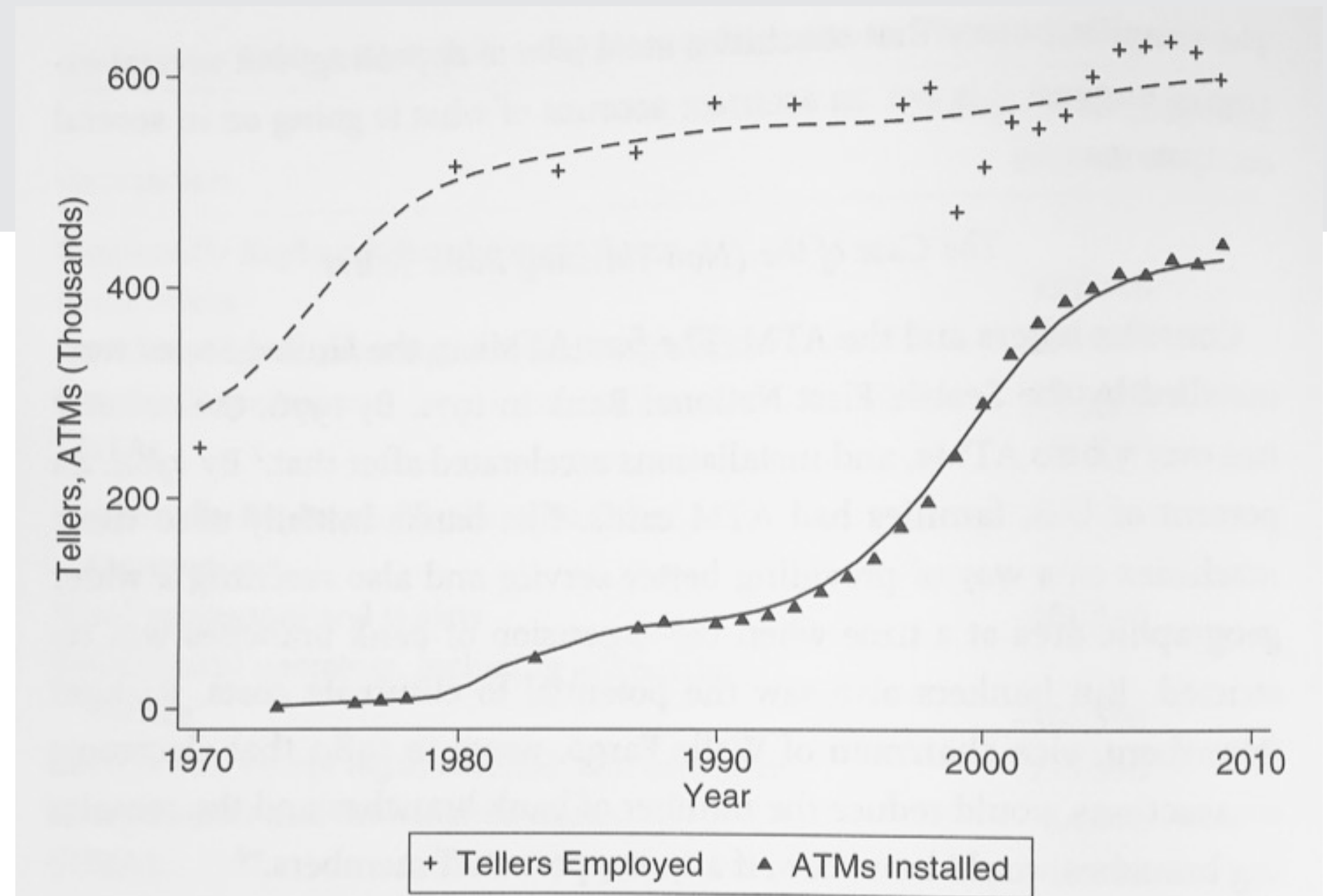


Figure 7.1. Adoption of automated teller machines did not reduce teller jobs. (Ruggles et al., Integrated Public Use Microdata Series: Version 5.0; Bureau of Labor Statistics, Occupational Employment Survey, <http://www.bls.gov/oes/>; Bank for International Settlements, Committee on Payment and Settlement Systems, various publications [see p. 243, note 9]).

# AI and Productivity in Utah

## Regulatory Relief Plan



### Dentacor

Using AI to responsibly expand access to essential dental care  
[Dentacor Mitigation Agreement](#)

Dentacor is addressing one of the most overlooked gaps in healthcare: access to oral health for Utah's most vulnerable populations. Many individuals experiencing homelessness or financial hardship live for years with untreated dental disease — not because treatment is complex, but because access is limited.

Dentacor's mobile dental hygiene model brings care directly to shelters, recovery programs, and transitional housing. Through a pilot with the Utah Office of Artificial Intelligence Policy (OAIP), Dentacor is testing whether AI can safely support this work by increasing clinical capacity without compromising patient safety.

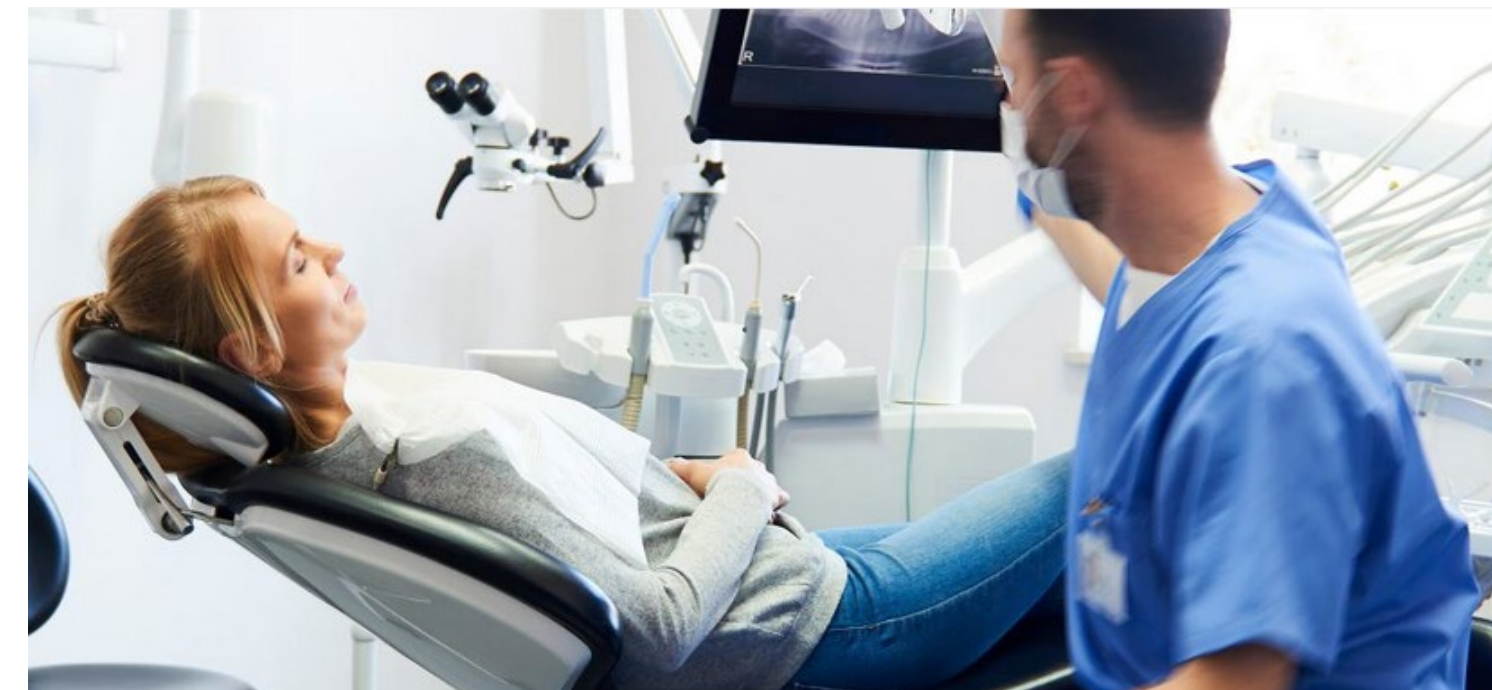
### The Approach

OAIP granted Dentacor a 12-month regulatory mitigation under the AI Learning Laboratory program to test a narrowly defined use of an AI-assisted radiograph diagnostic tool.

Under this pilot:

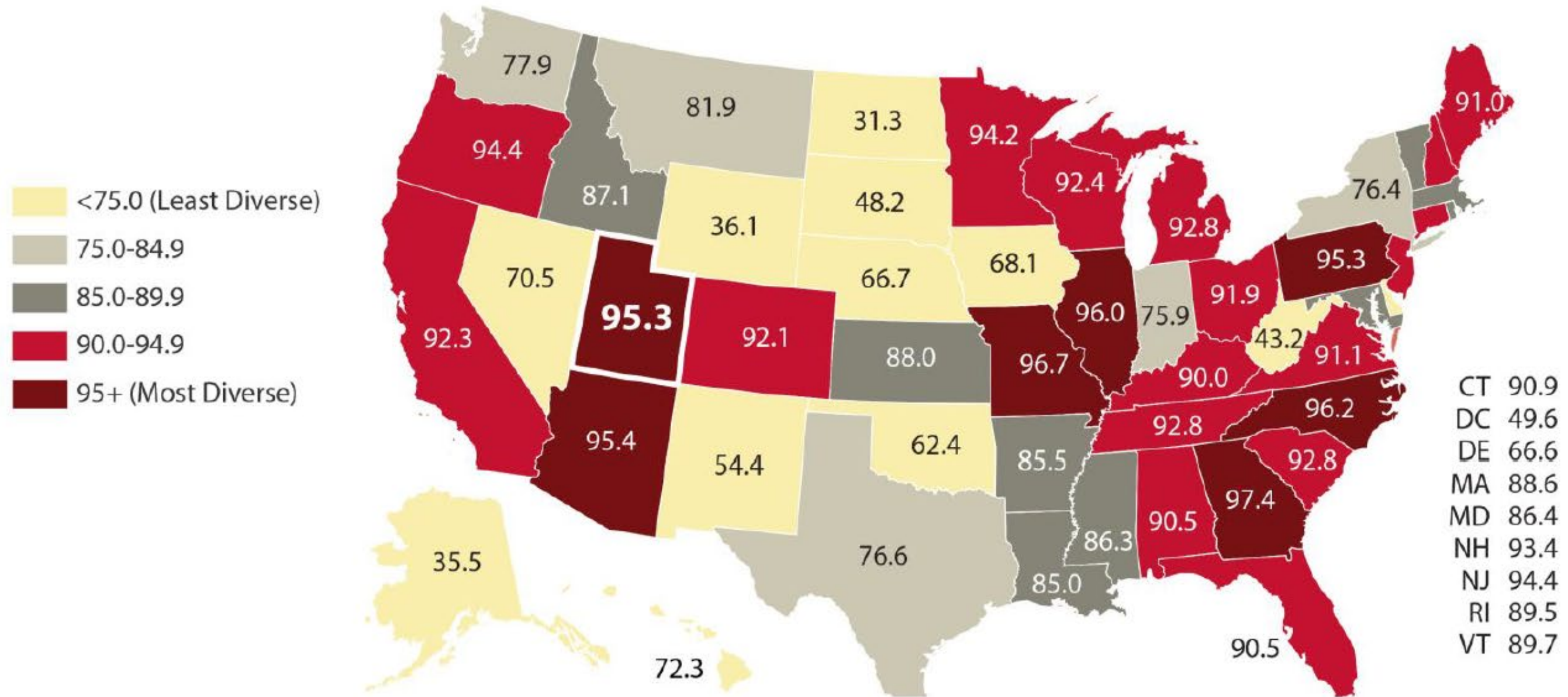
- Licensed dental hygienists may use AI to assist in diagnosing specific dental conditions
- Diagnoses must be confirmed by both the hygienist and the AI system
- Any disagreement is escalated to a licensed dentist
- Only a limited set of procedures is permitted
- All patients provide informed consent and receive full transparency

AI functions as a clinical support tool, not a replacement for professional judgment.



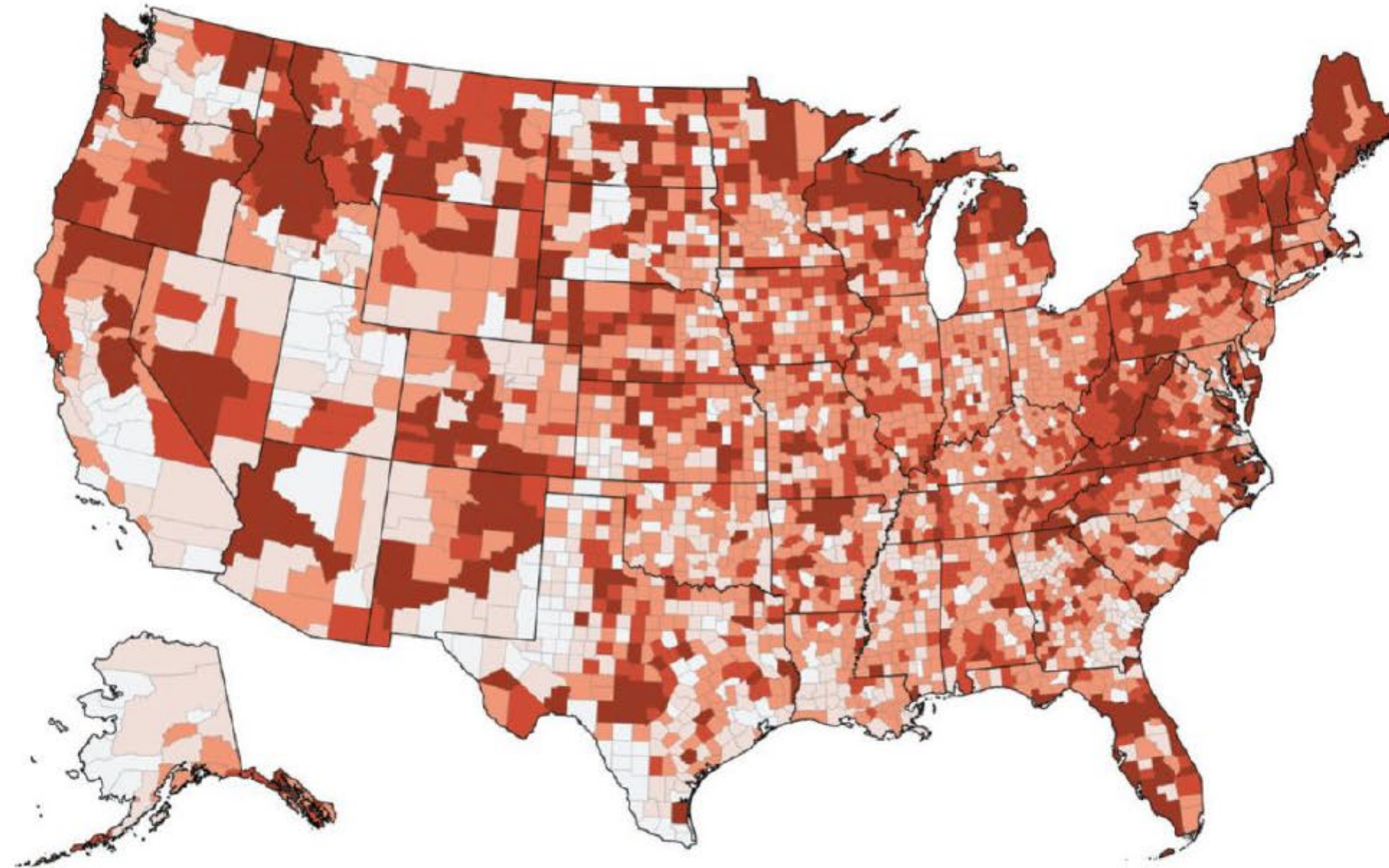
# State Strengths

## Utah Among Most Diverse Economies Measured by GDP

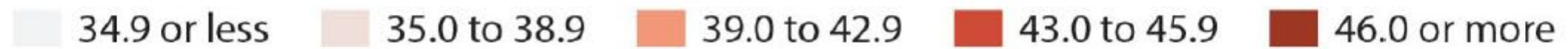


# State Strengths

Utah Remains the Youngest State (By Far)...

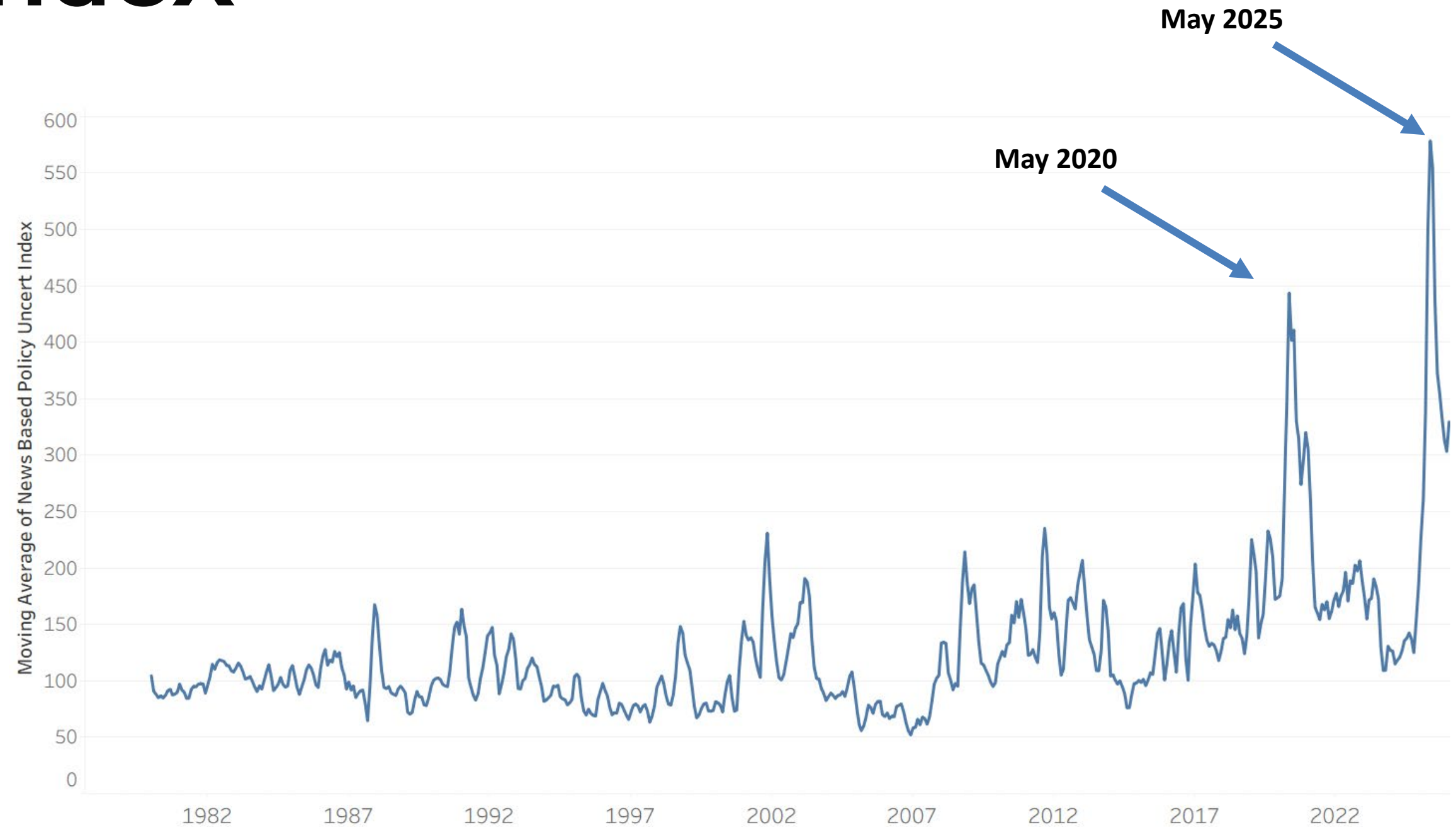


Note: Utah's median age of 32.4 ranks youngest in the nation. U.S. median age: 39.1  
Source: U.S. Census Bureau



# US News Based Policy Uncertainty Index

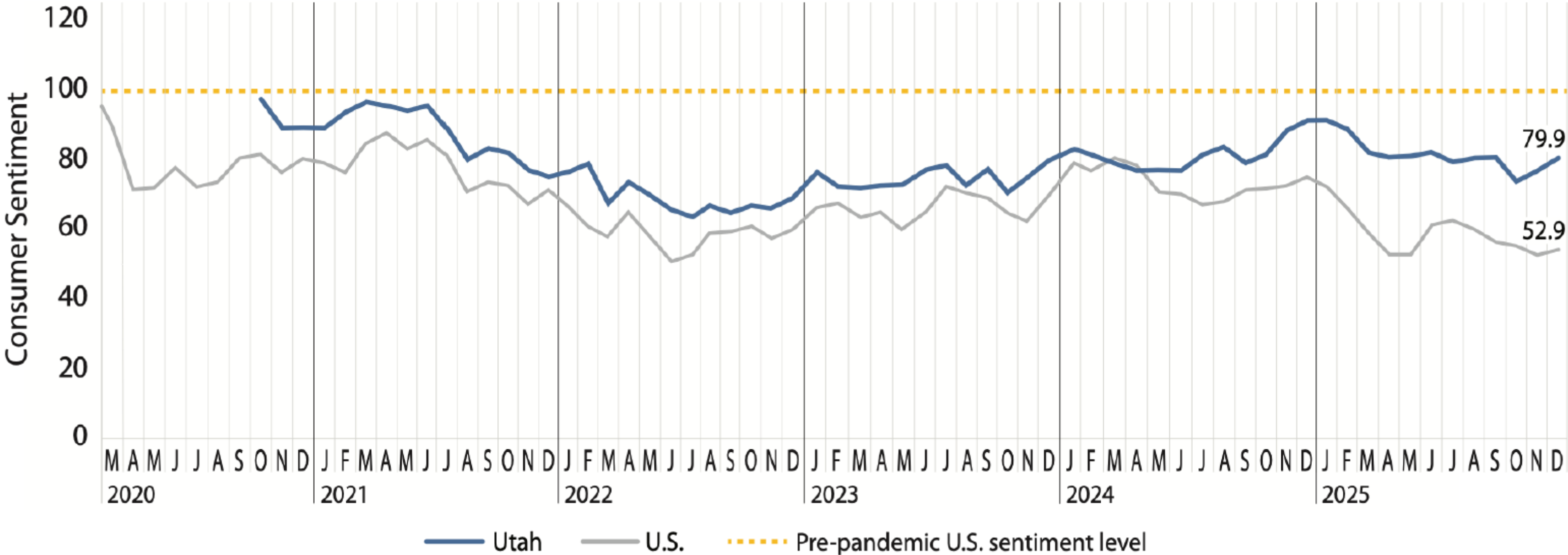
- Uncertainty slows growth as businesses and consumers reduce spending amid unclear economic outlook
  - Delays business investment
  - Disrupts financial markets



# Anxiety

## Utah and U.S. Consumer Sentiment Index

Consumer Sentiment Index: Utah and U.S.

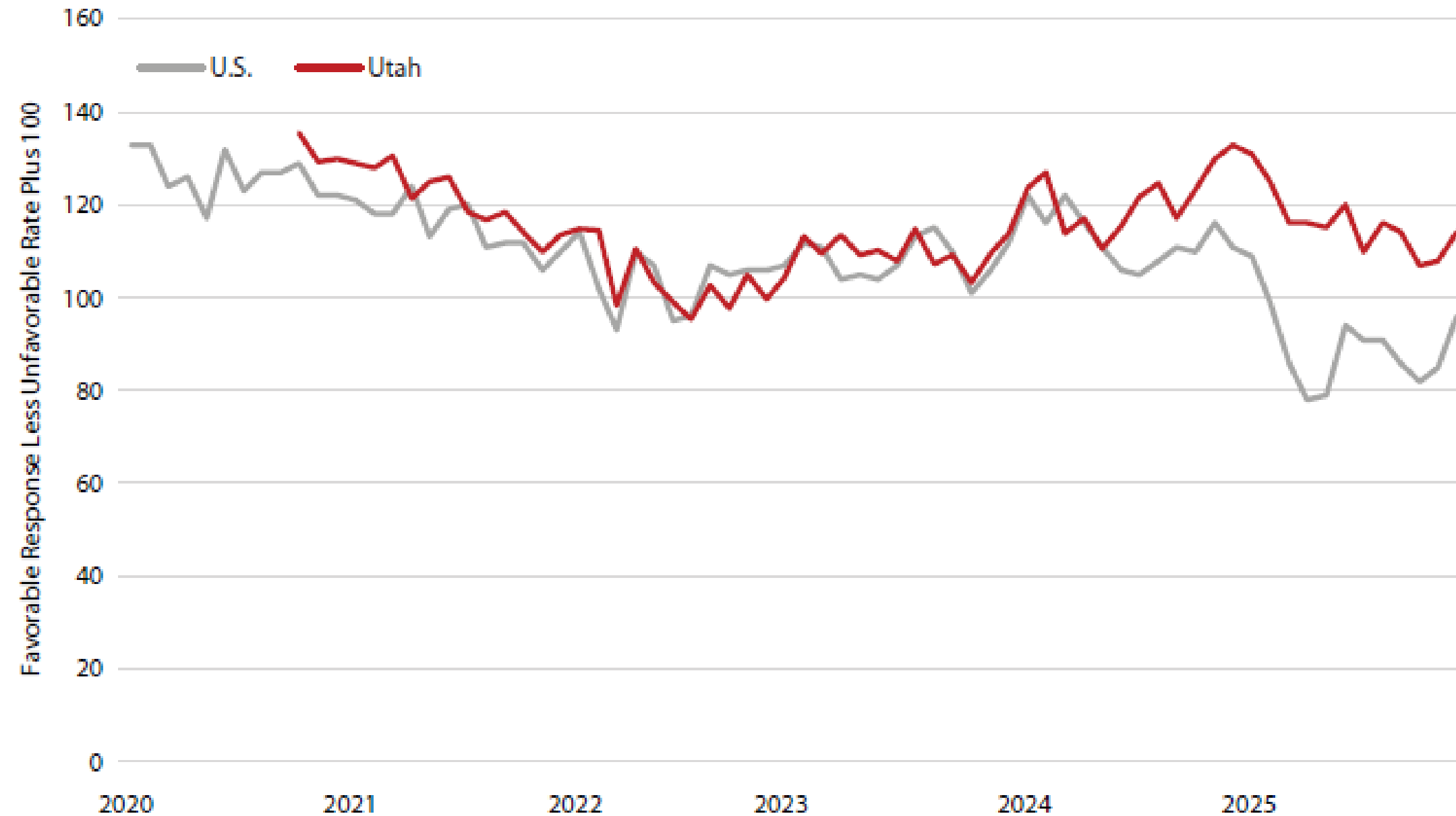


Source: Zions Bank, University of Michigan, and Kem C. Gardner Institute

# Expected Family Financial Situation Change in One Year, 2020 - 2025e

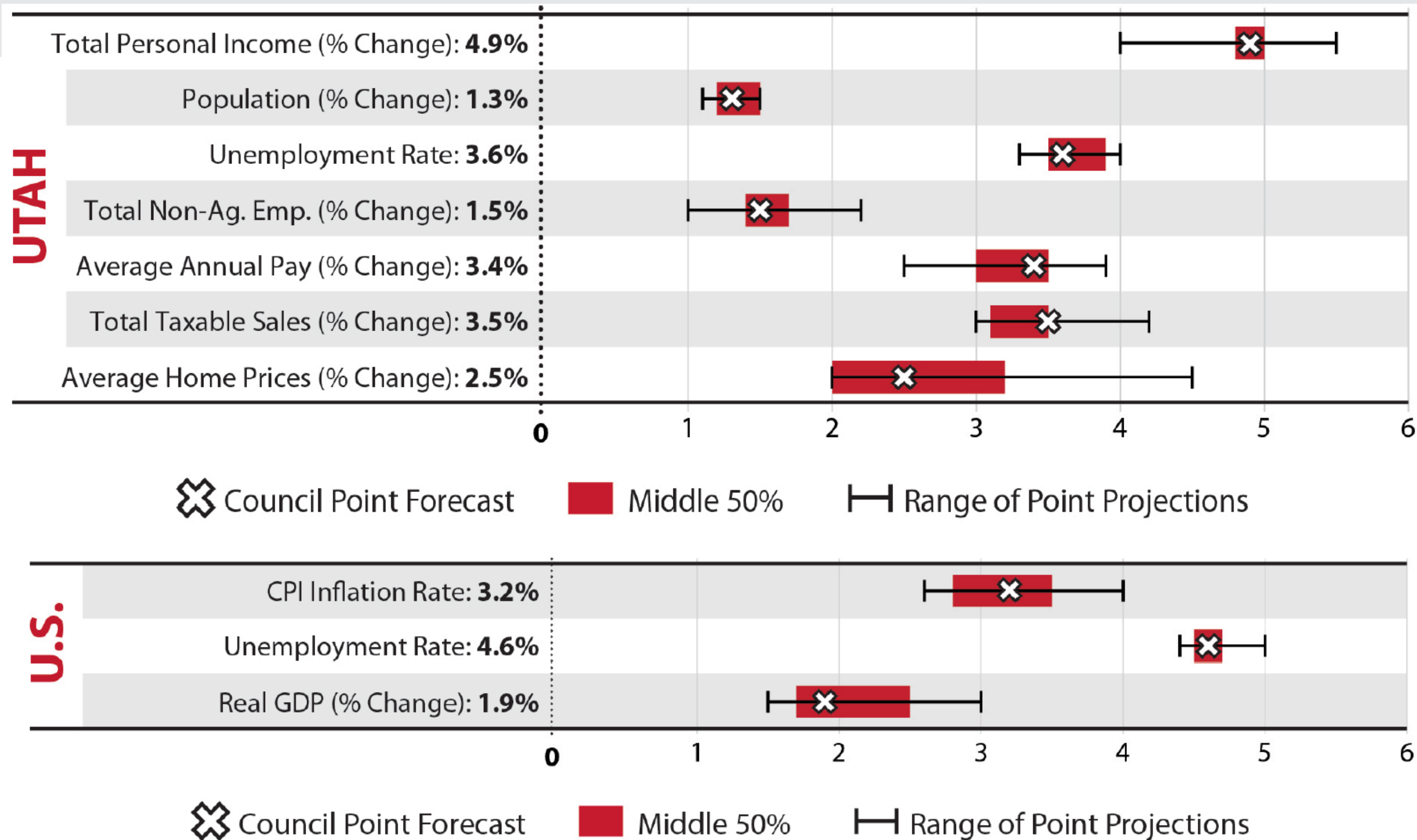
Utah's favorable positioning:

- Age advantage
- Highly credentialed
- Economic Diversity



Note: \*e=estimate for U.S. survey component (December 2025 for Michigan's component measure).  
Source: University of Michigan Surveys of Consumers and Zions Bank Consumer Sentiment Survey

# Economic Outlook





**THANK**  
YOU

385 .363 - 1248

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[jobs .utah .gov](http://jobs.utah.gov)