

# Trends & Outlook for Southern Utah's Economy

CCHRA Luncheon  
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Senior Economist

February 17, 2026



# AGENDA

- 1 Labor Market Trends
- 2 Economic Pressures
- 3 Looking to the Future

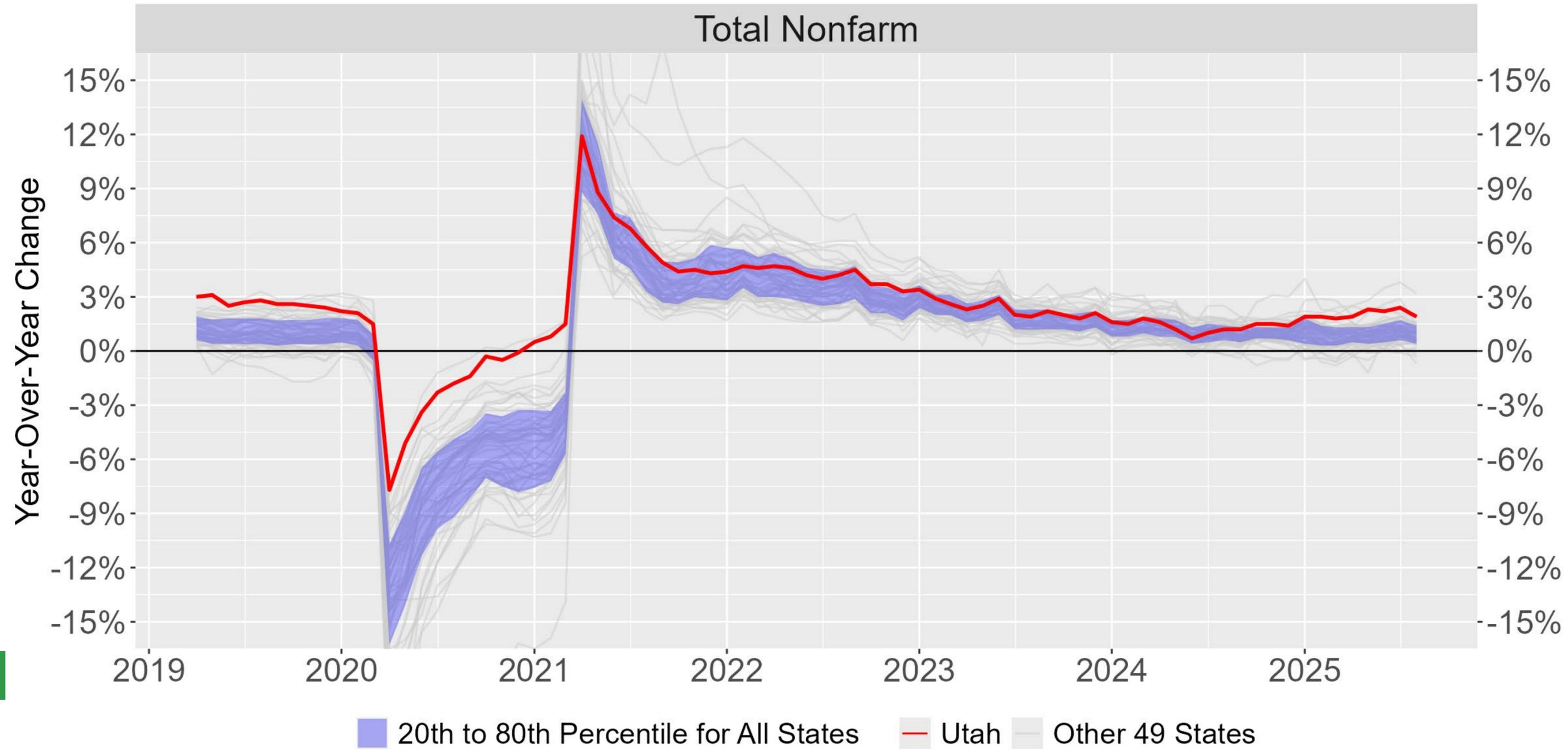
# Labor Market Trends in Southern Utah

1. COOLING LABOR MARKET
2. WHAT MAKES SOUTHERN UTAH STAND OUT
3. INDUSTRY CHANGES



Photograph from Utah Office of Tourism

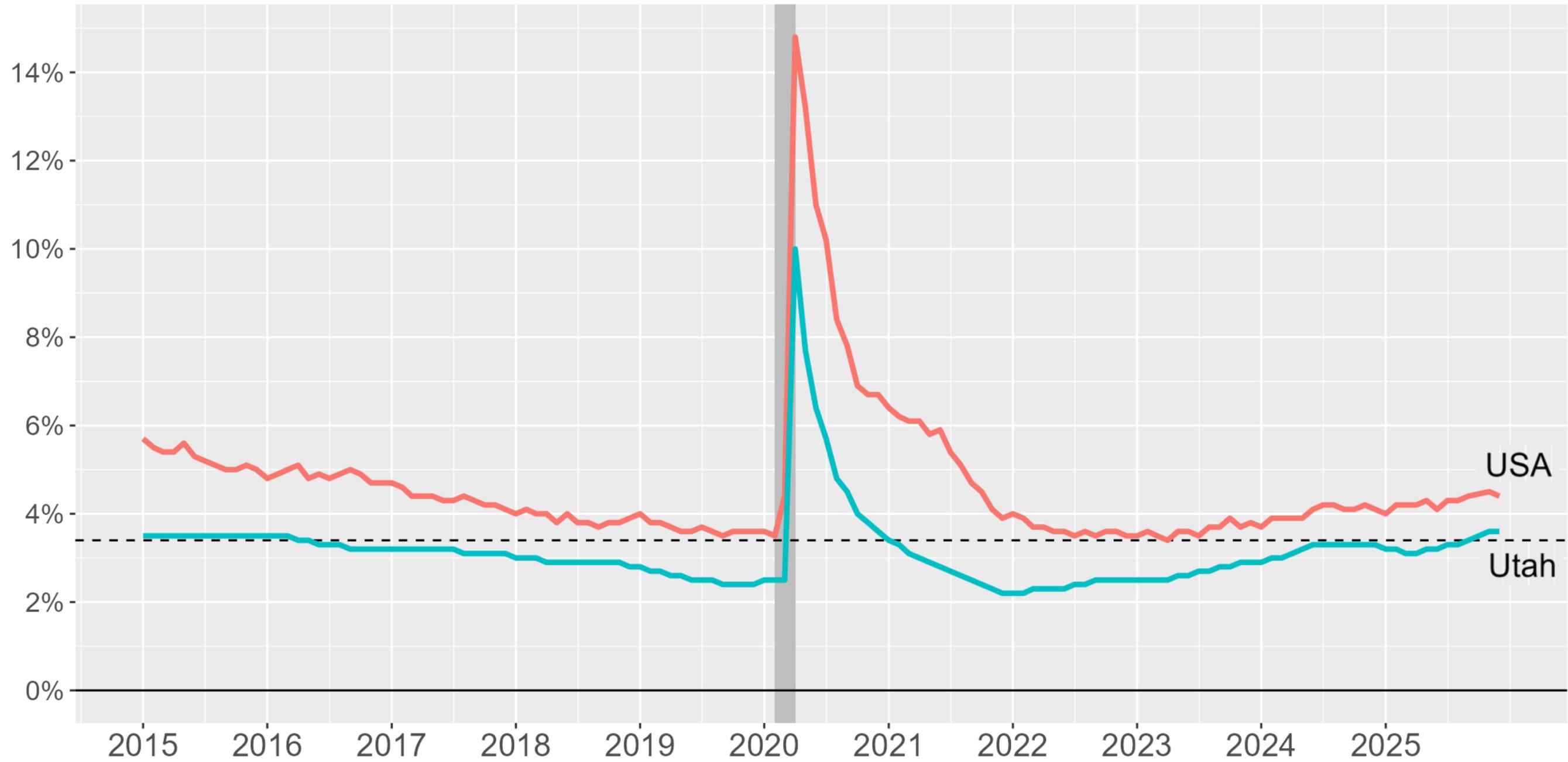
# Job Growth All States



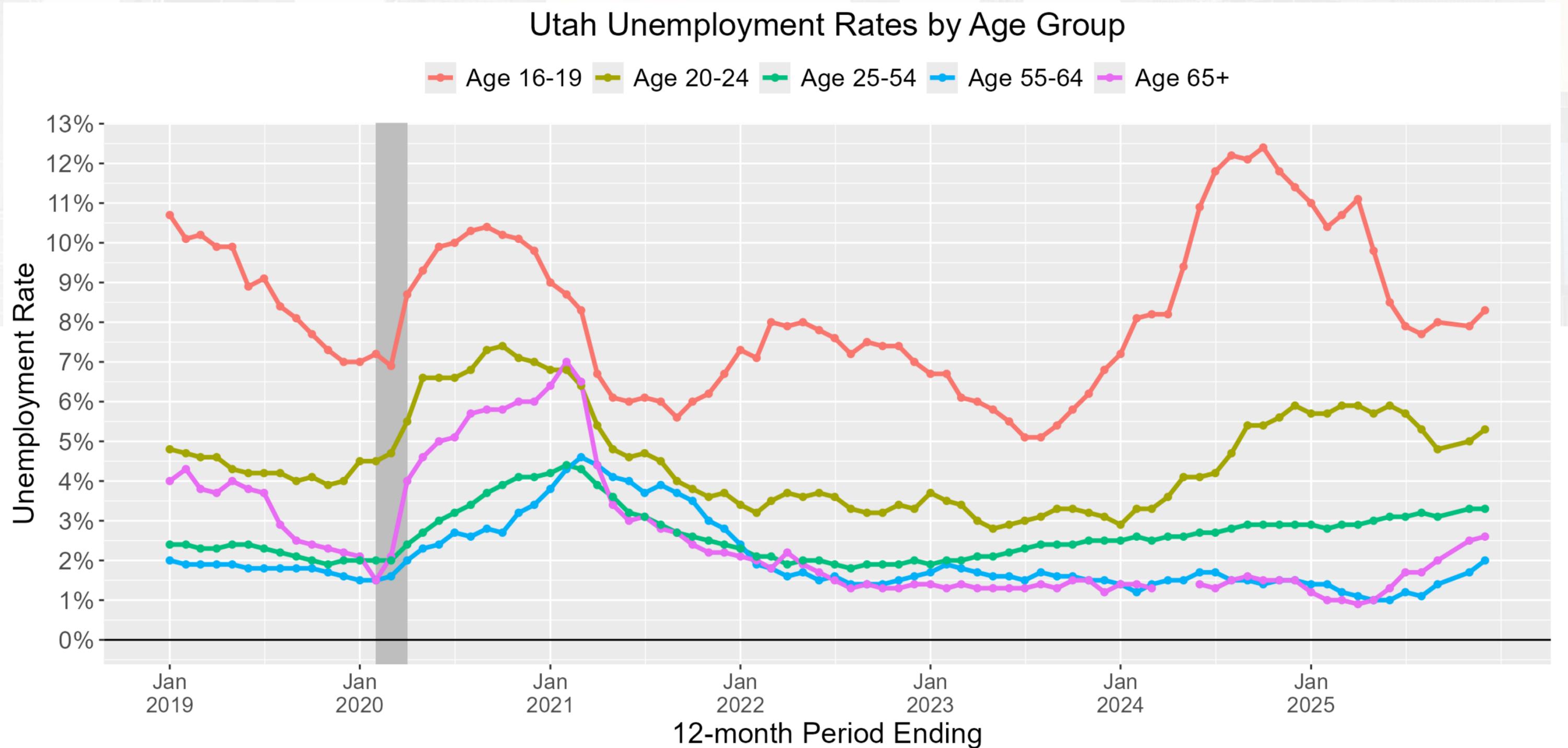
Source: Bureau of Labor Statistics

# The Resilient Cooldown: Rising Unemployment

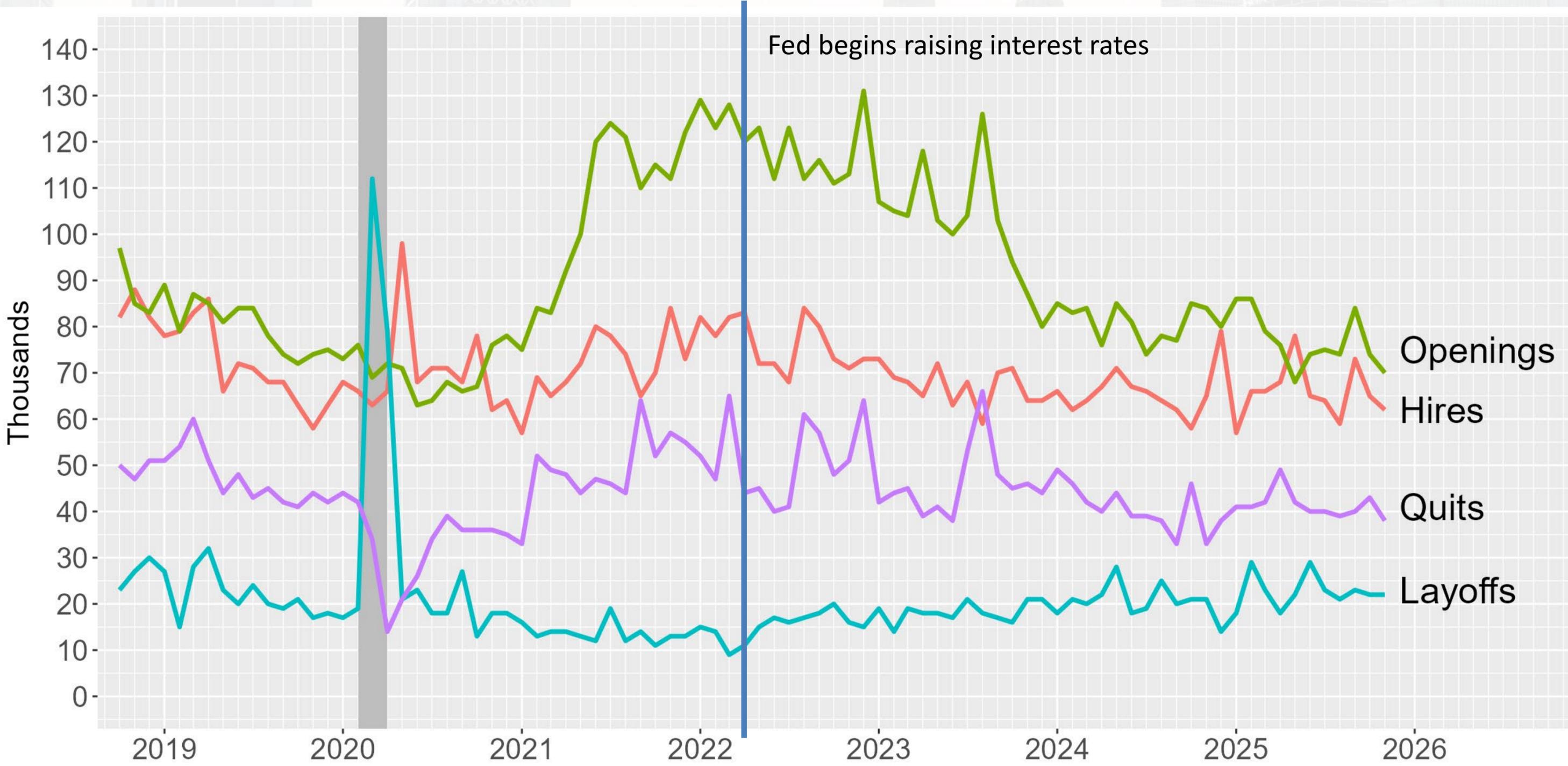
## Seasonally Adjusted Unemployment Rates



# The Resilient Cooldown: Rising Unemployment



# The Resilient Cooldown: Labor Demand Softens, but Overall Market Strength Holds

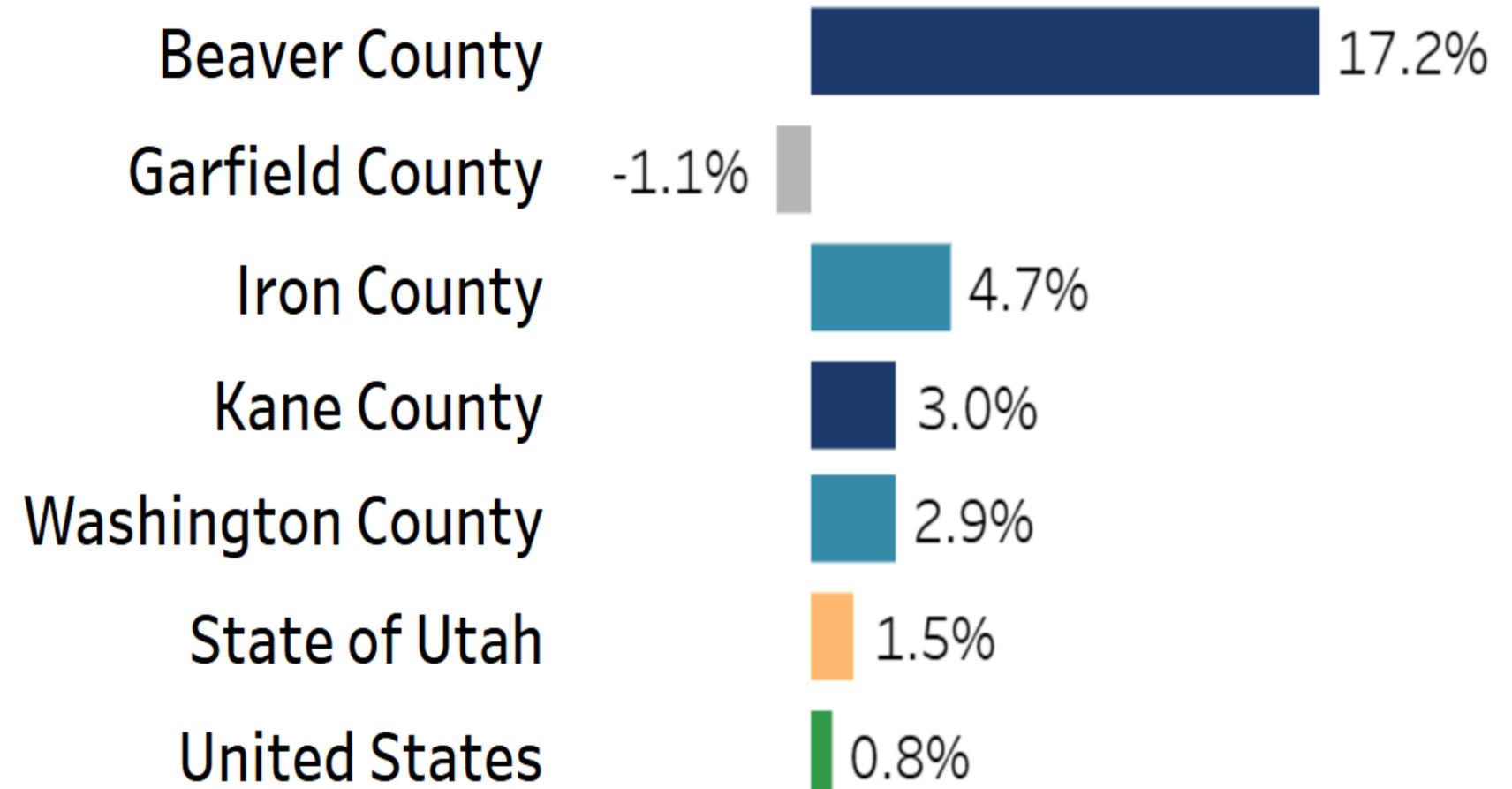


Source: Bureau of Labor Statistics

# Southwest Utah Job Growth

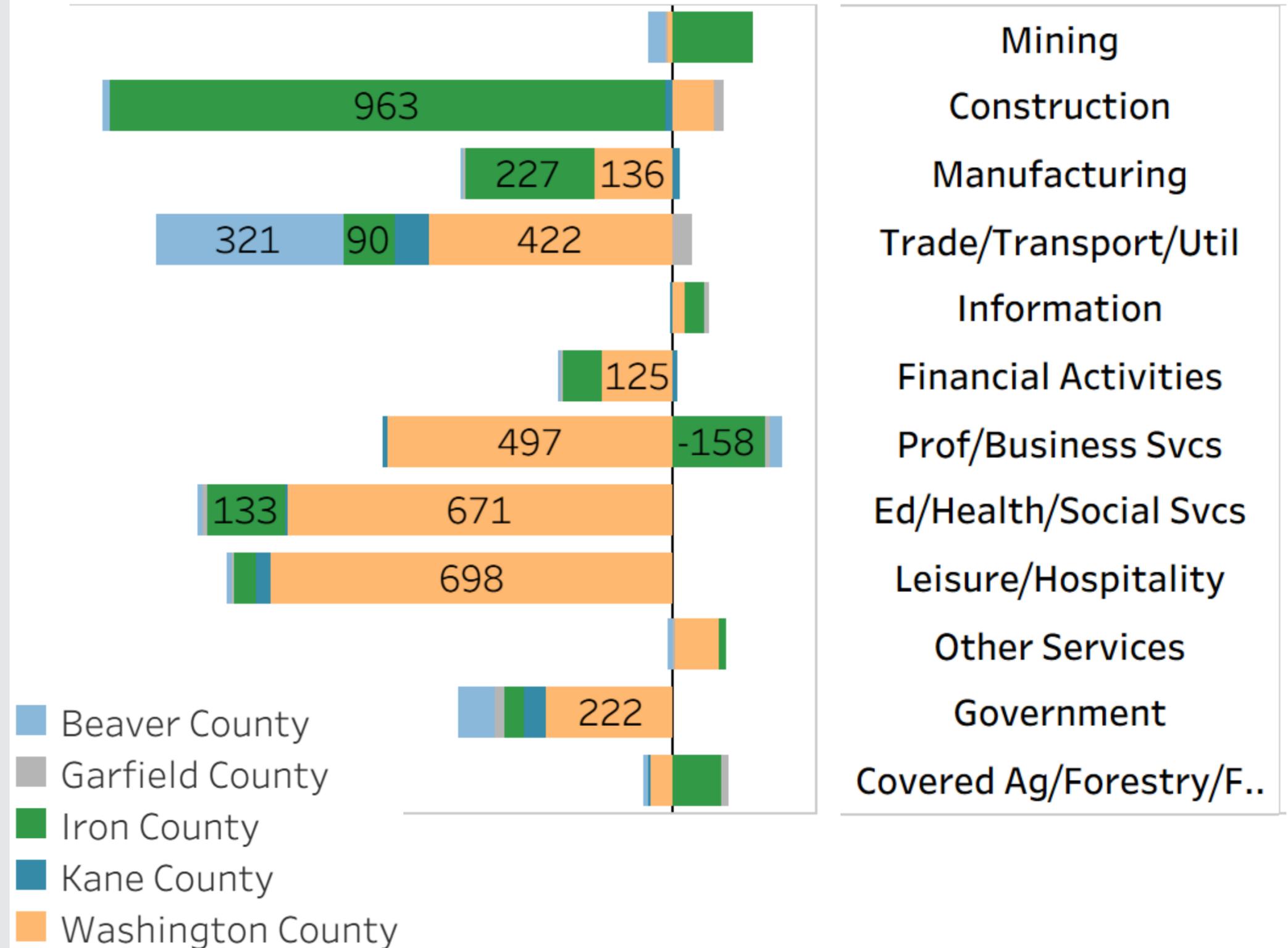
## Year-to-Year Change in Nonfarm Jobs **September 2025**

Beaver County	↑ 433
Garfield County	↓ -30
Iron County	↑ 1,222
Kane County	↑ 127
Washington County	↑ 2,612



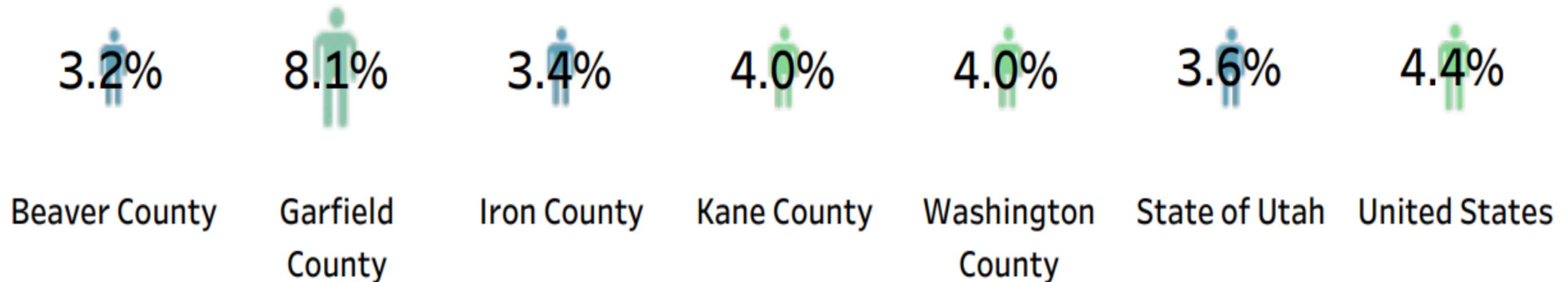
# Southwest Utah Job Growth

- Washington County dominates job growth numbers, except for construction
- Growth is led by the Construction and Education, Health, & Social Services industries
- Trade, Transportation, & Utilities is declining statewide, but still growing in Southwest Utah



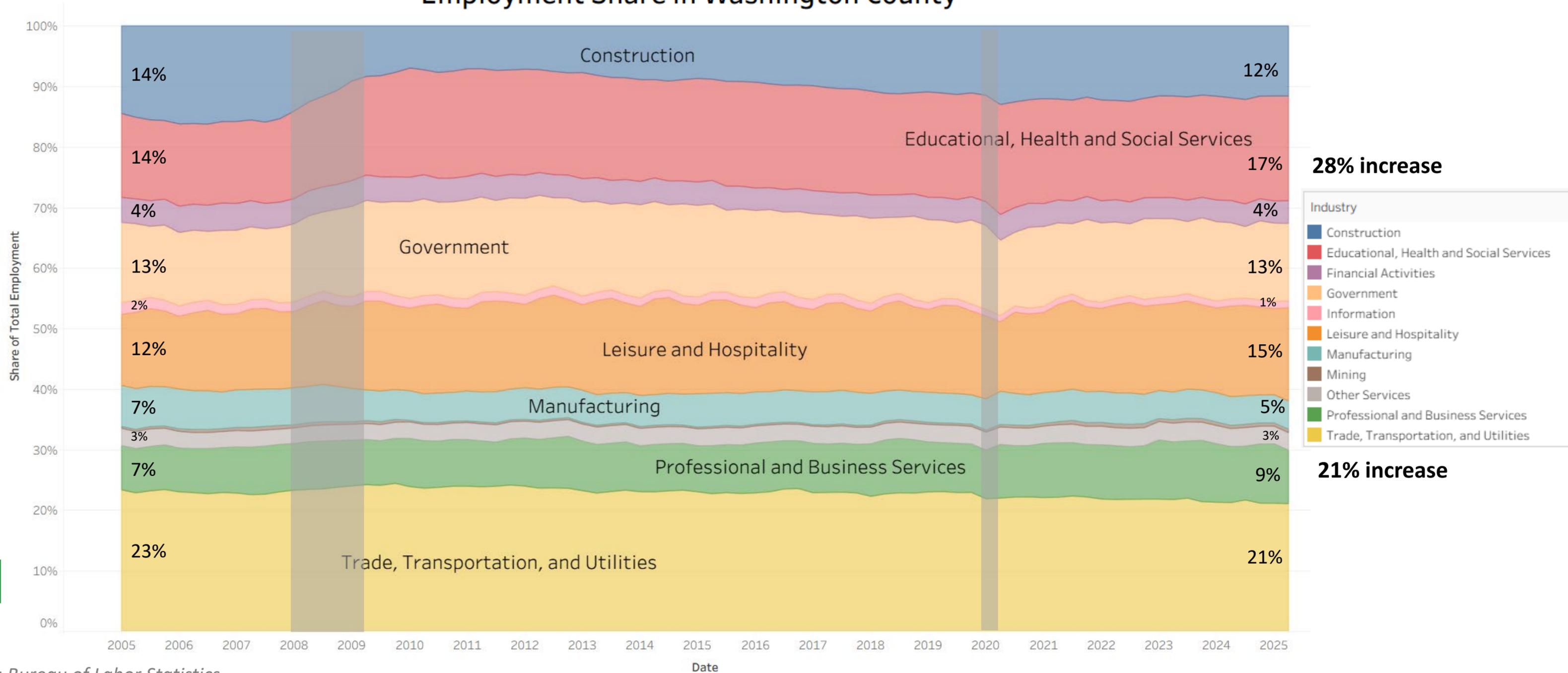
# Unemployment

## Seasonally Adjusted Unemployment Rate **December 2025**



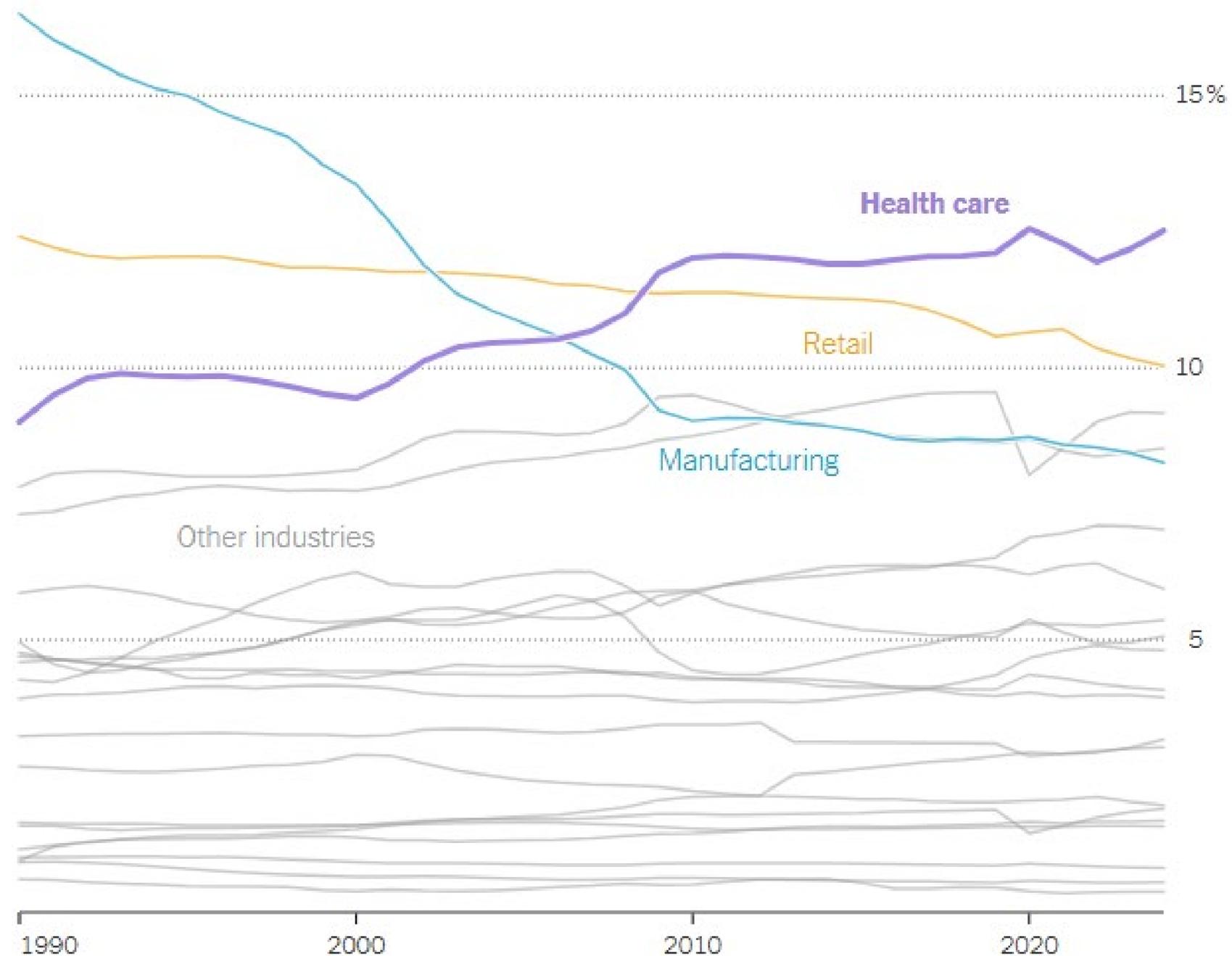
# Industry Changes 2005 - 2025

## Employment Share in Washington County



# Health Care

**Health care is the nation's top employer**  
Share of total U.S. employment, 1990-2024

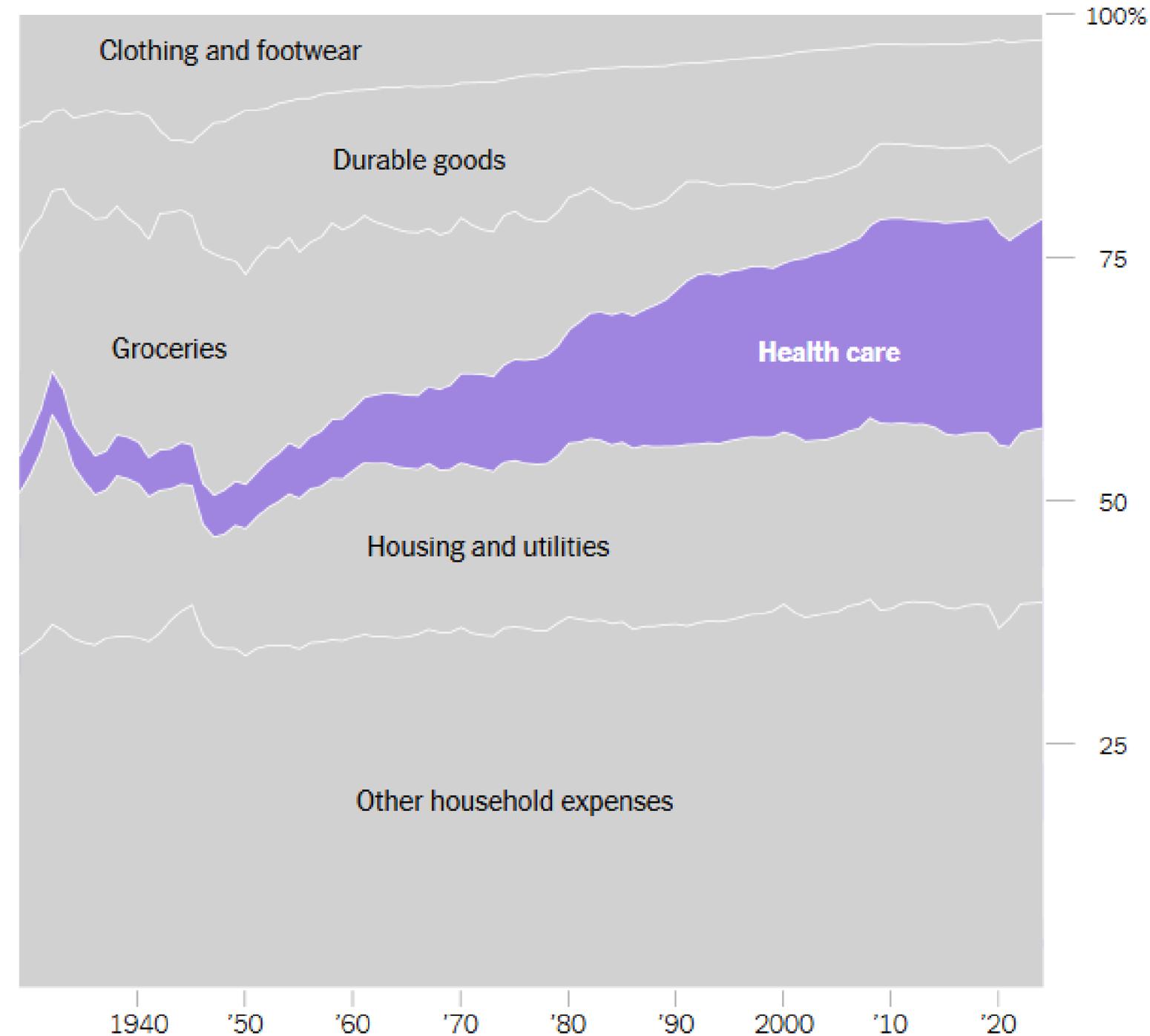


Largest  
employer  
nationally

Source: New York Times analysis of Quarterly Census of Employment and Wages - Note: Each industry category includes private sector and government jobs when applicable. - By The New York Times

# Health Care

**Americans now spend more on health care than groceries or housing**  
Share of U.S. household expenditures, 1929-2024



Second largest expenditure category nationally

Source: New York Times analysis of Bureau of Economic Analysis data - Note: The health care category includes spending on health insurance and pharmaceutical and other medical products. - By The New York Times

# Economic Pressures

1. GROWING AND CHANGING POPULATION
2. RISING COSTS

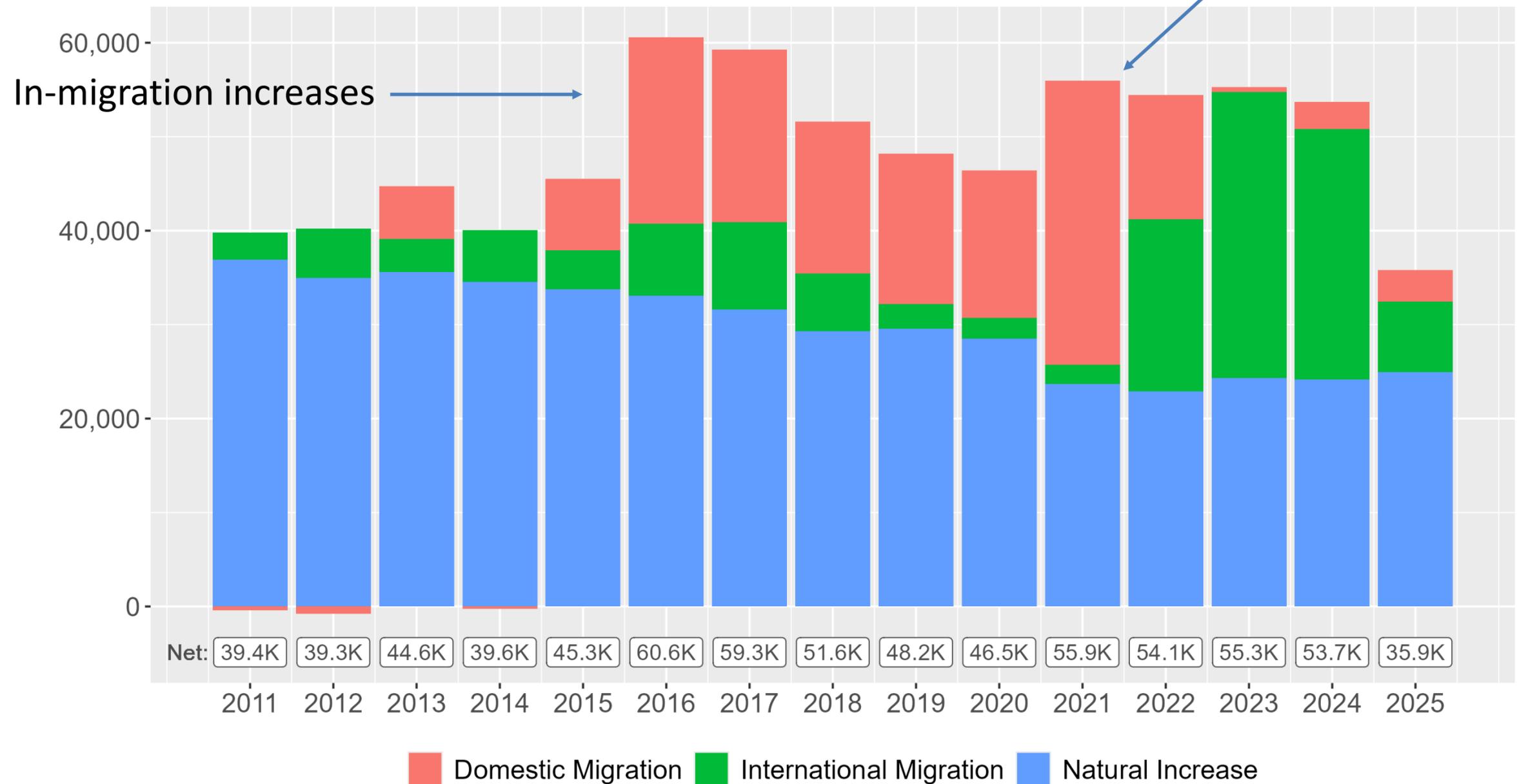


Photograph by David C Schultz

# Utah Net Migration

## 2011-2025

Utah: Components of Population Change



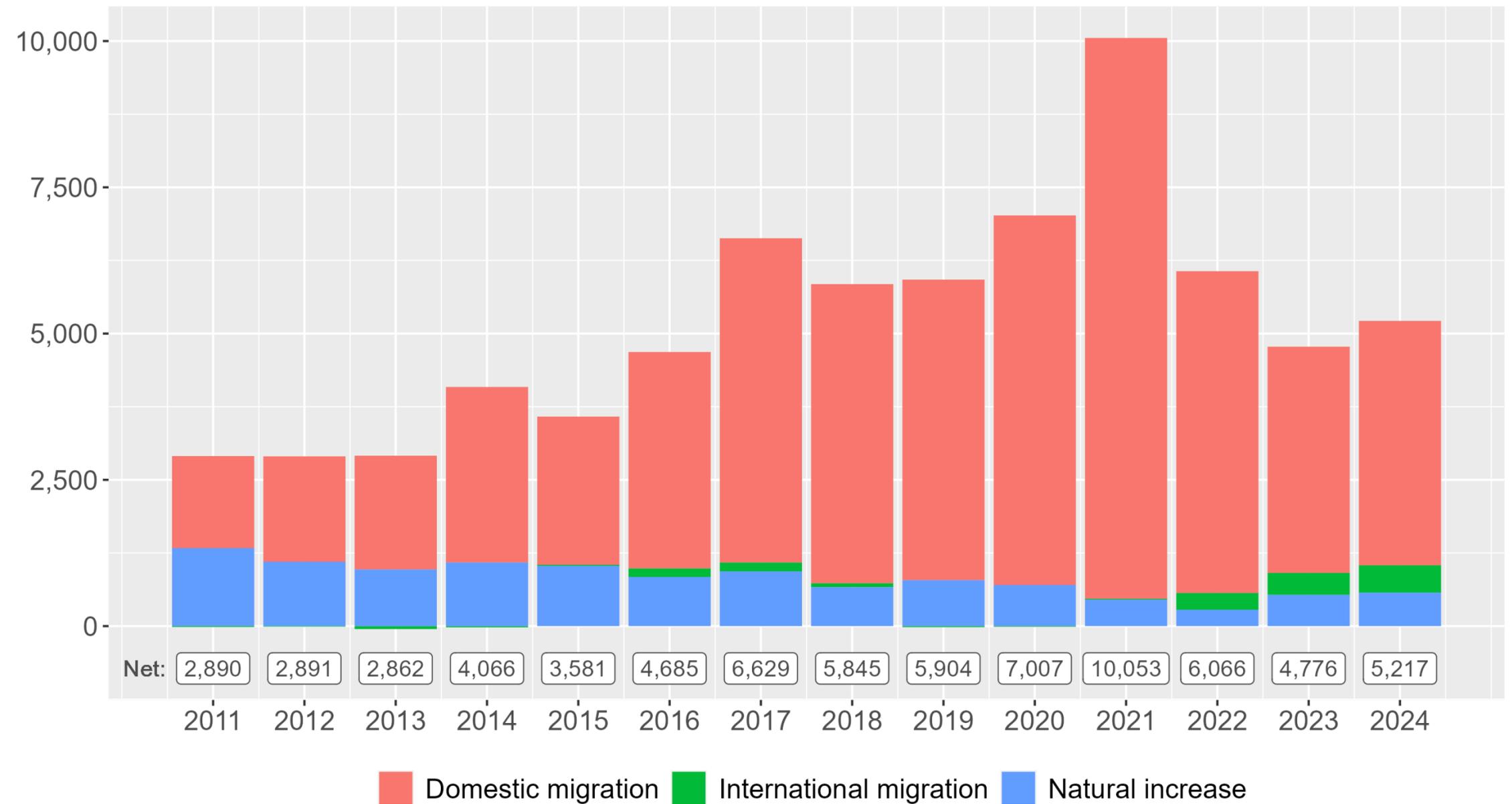
2025 saw a reversal in trend, as natural increase outpaced in-migration for the first time in 4 years.



# Washington County Net Migration

## 2011-2024

Washington County: Components of population change



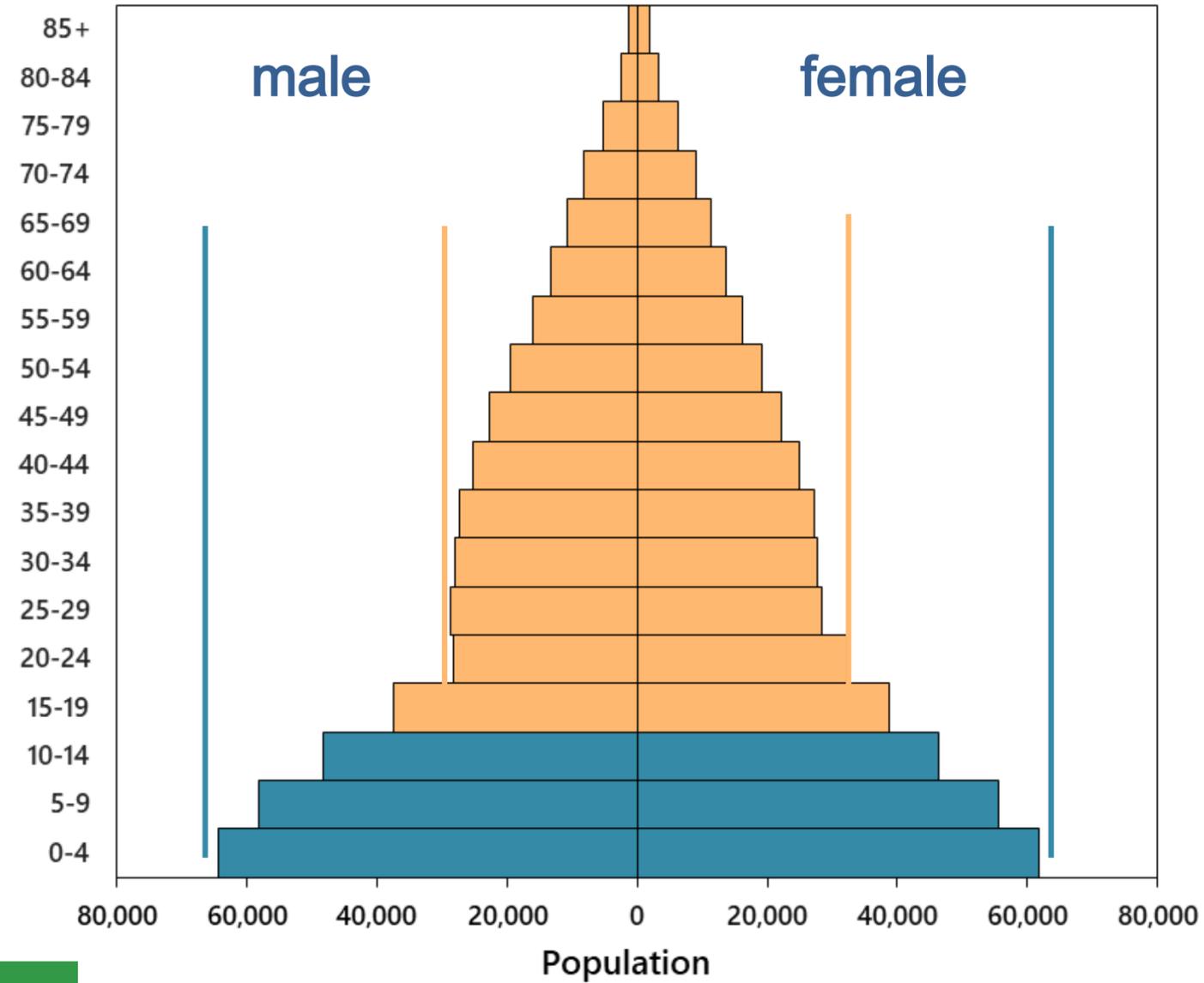
In-migration has been the main source of population growth in Washington County for more than a decade.



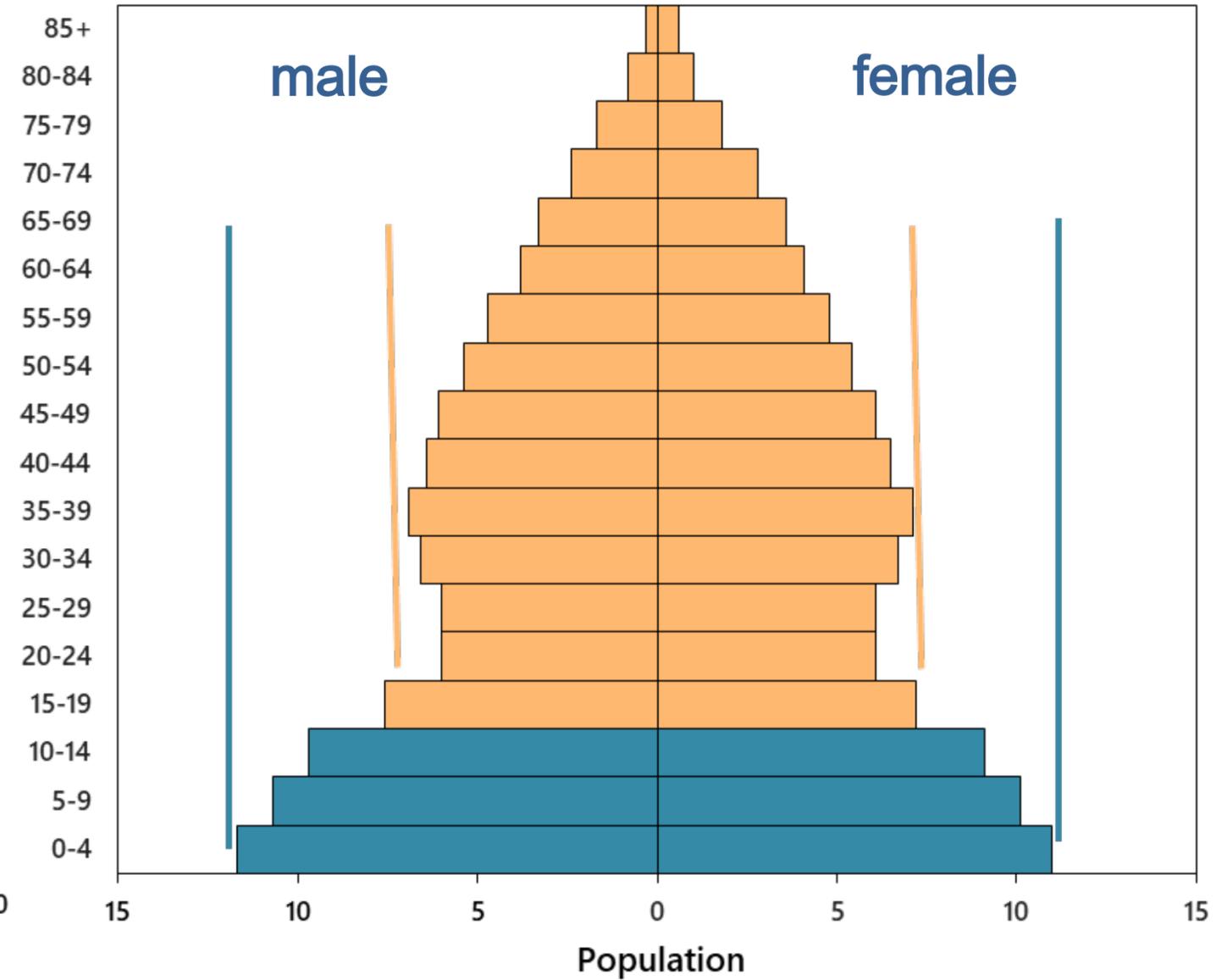
# 1960 Population

## Utah

## U.S.



 Baby Boom Generation



9%  
65+

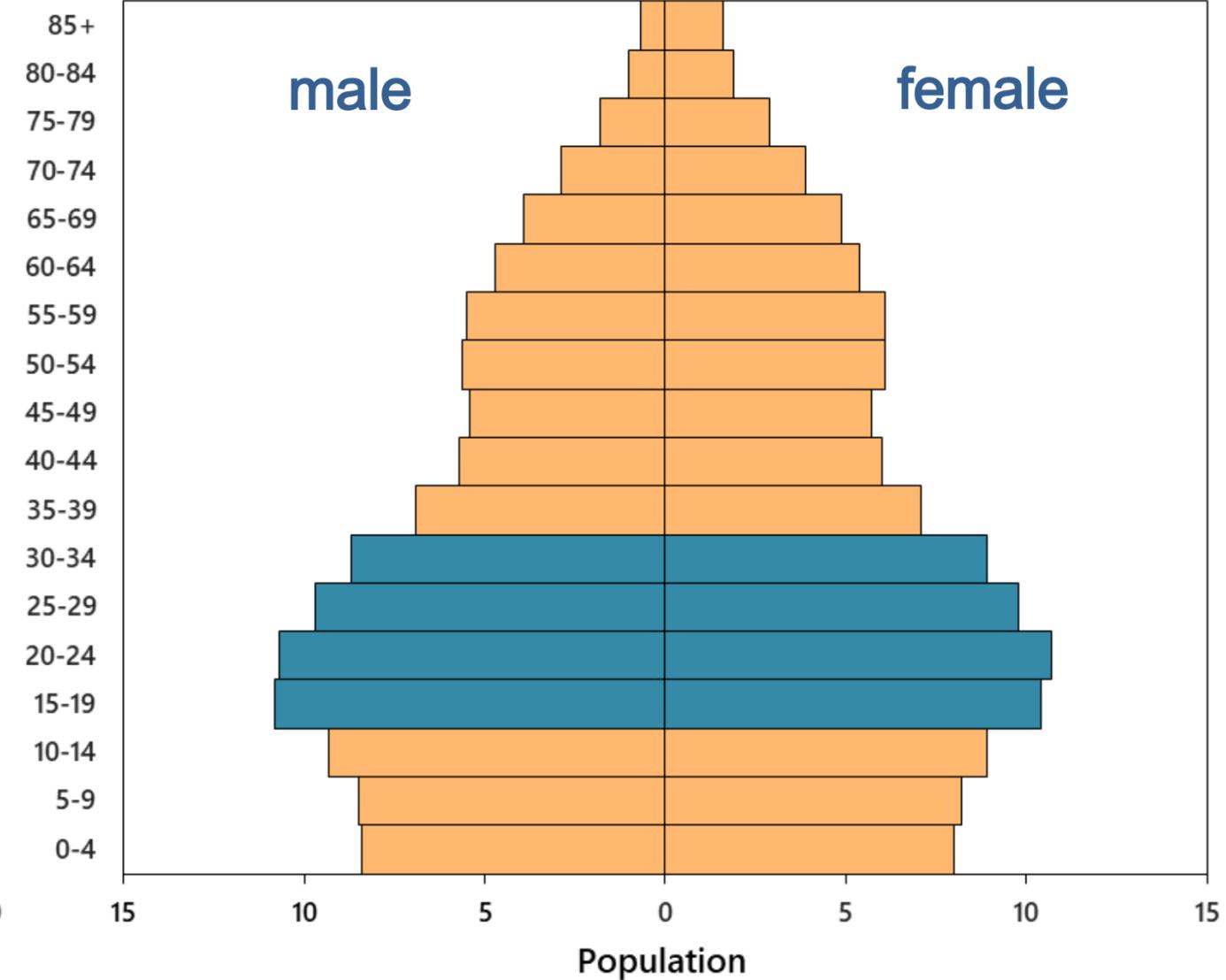
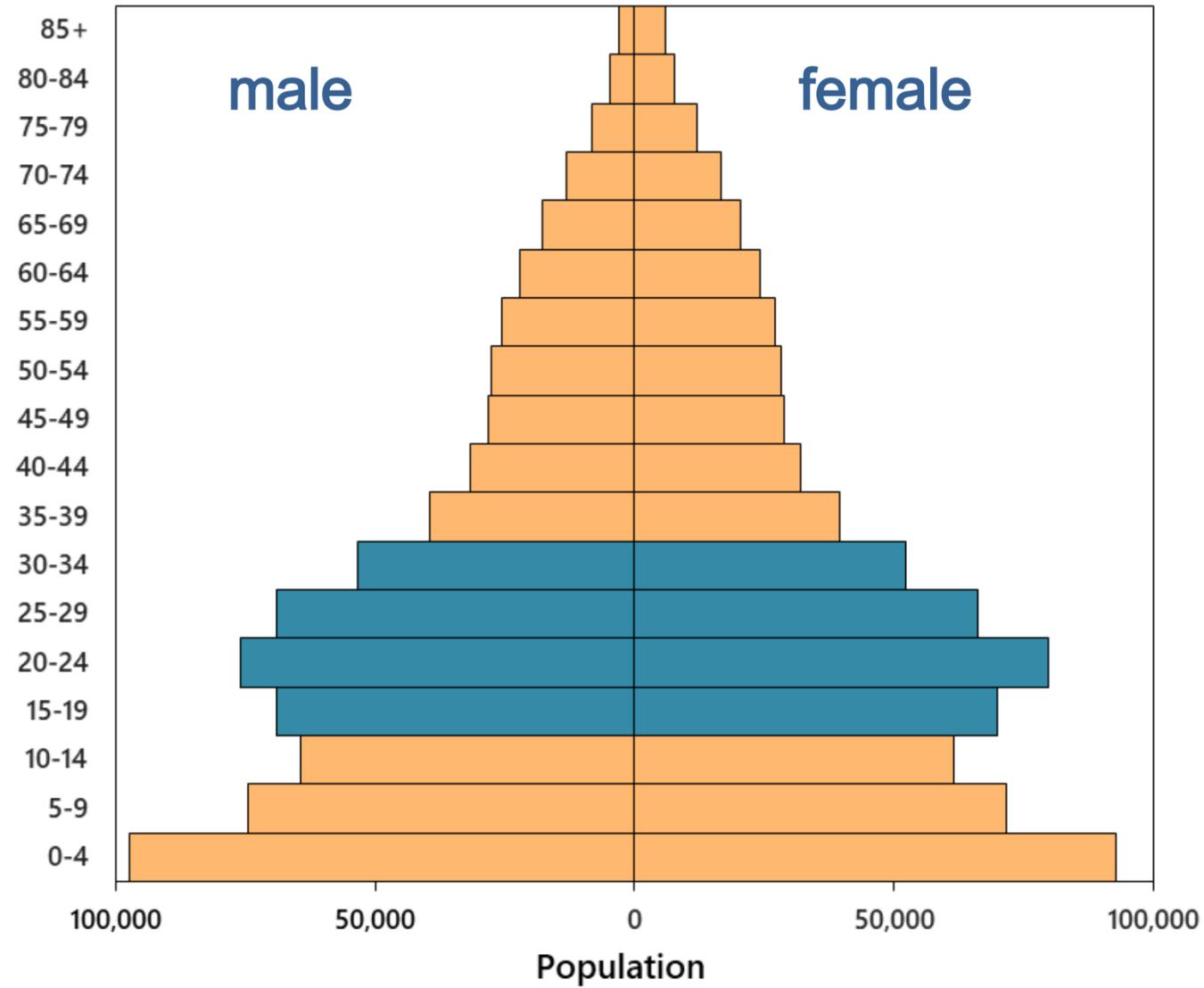
31%  
0 - 14

 Baby Boom Generation

# 1980 Population

## Utah

## U.S.



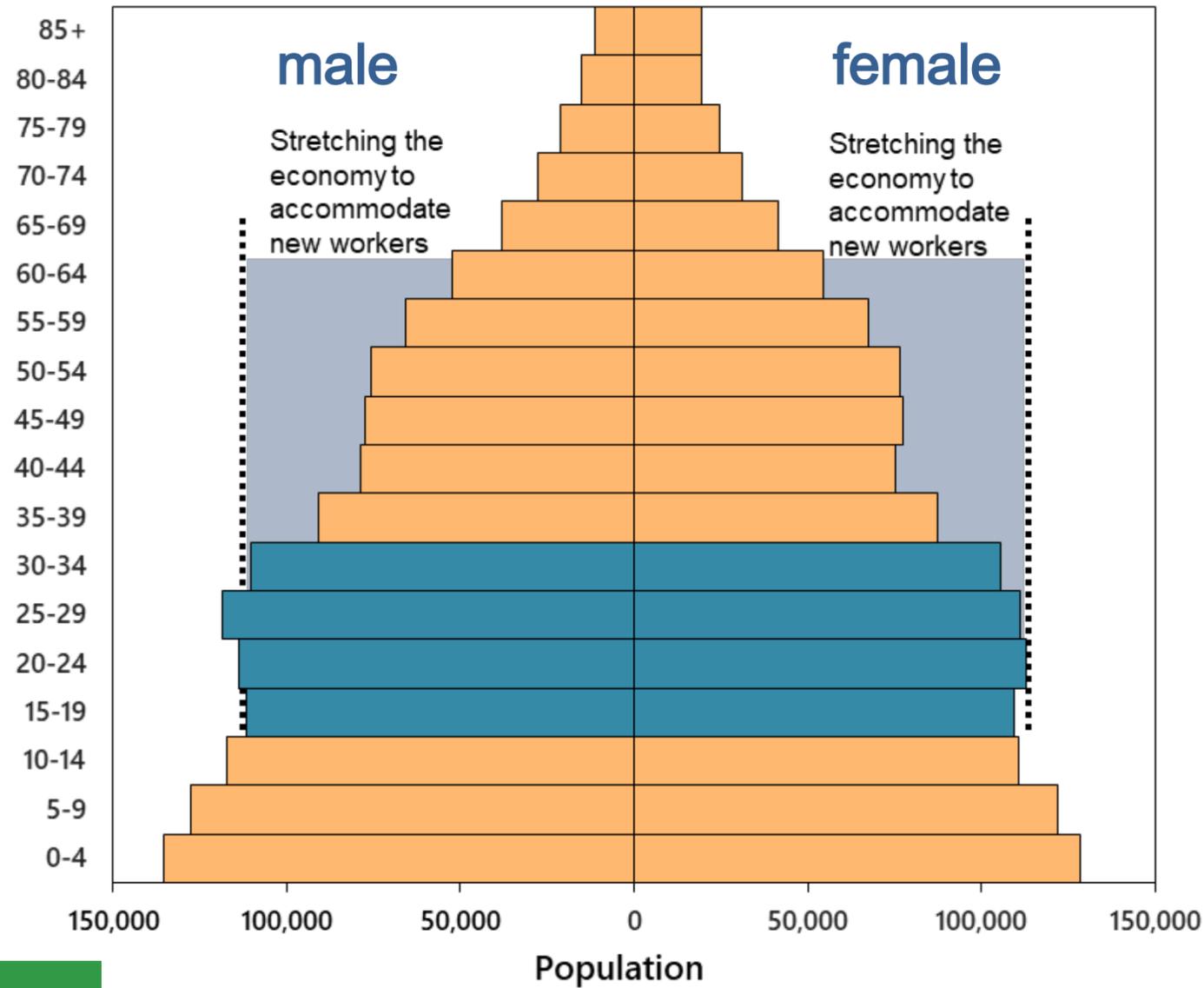
 Baby Boom Generation

 Baby Boom Generation

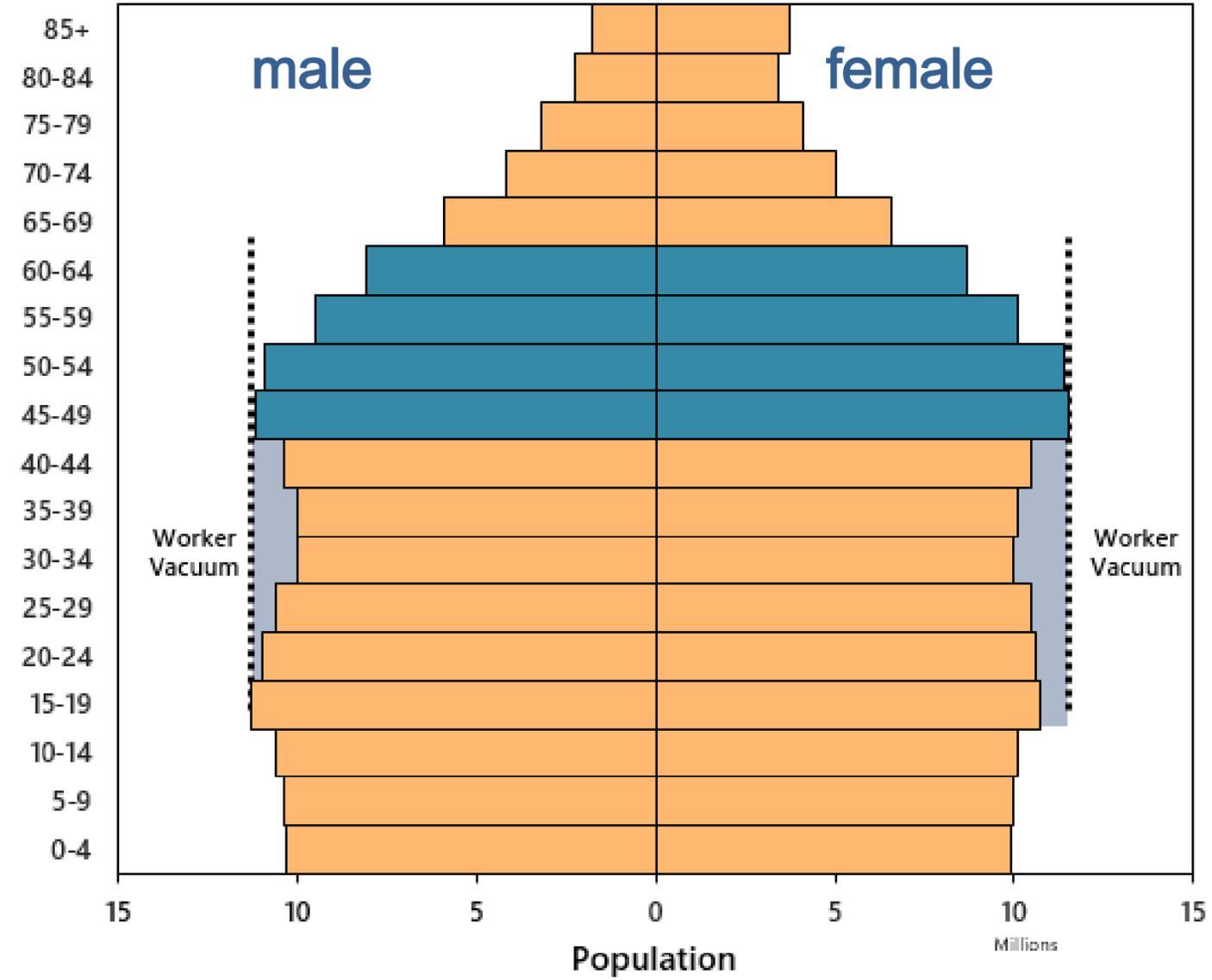
# 2010 Population

## Utah

## U.S.



■ Labor Force Dominance

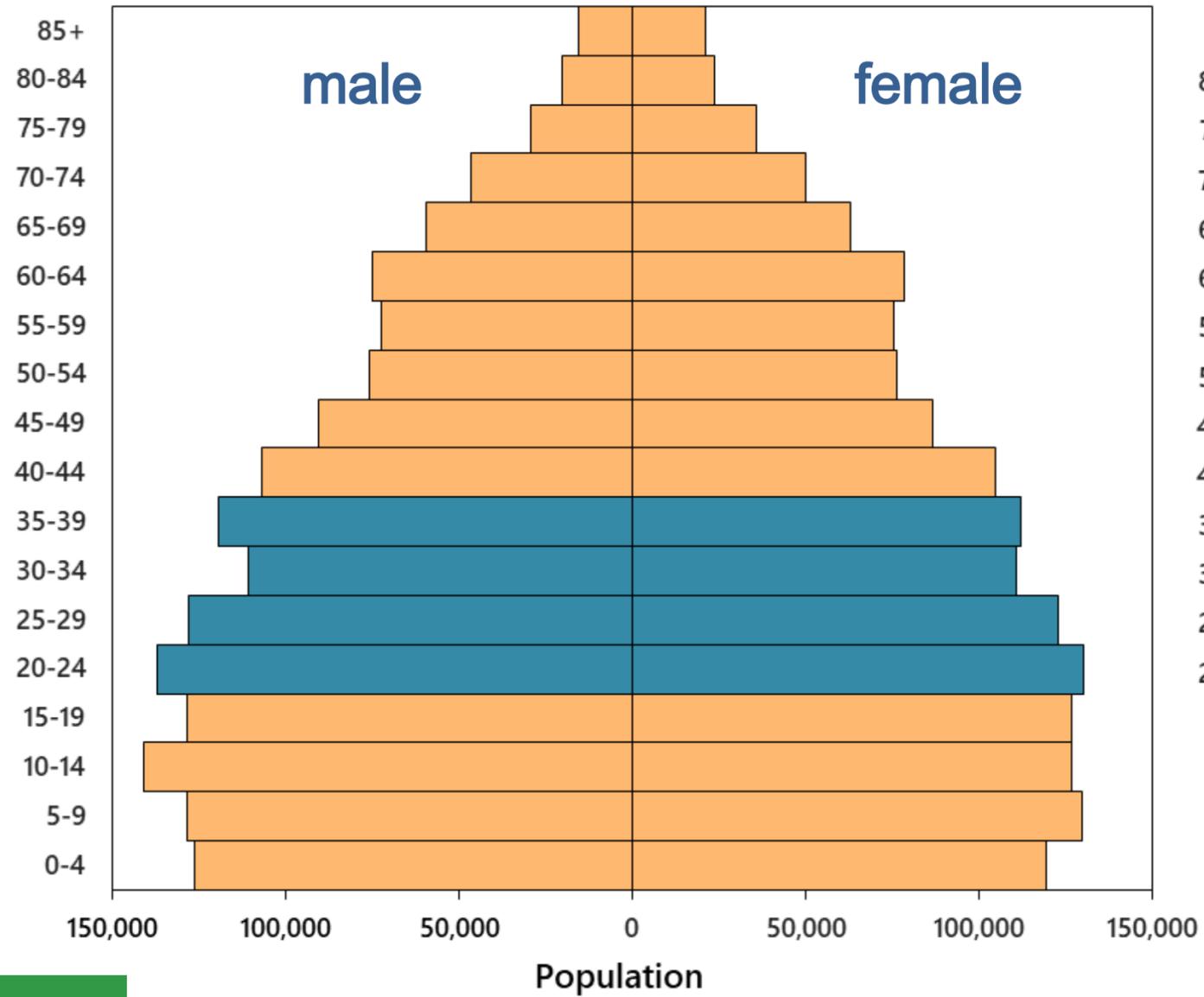


■ Baby Boom Generation

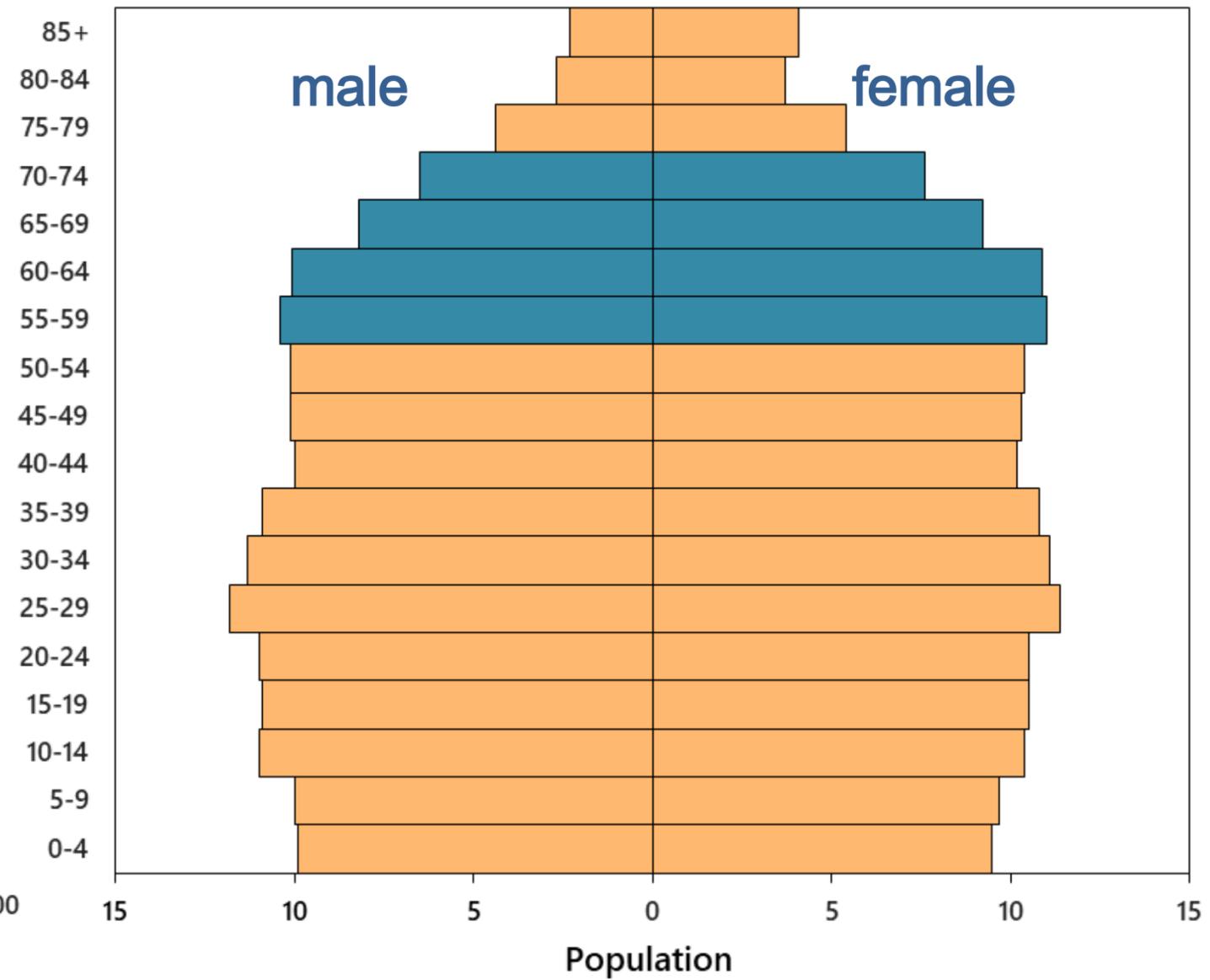
# 2020 Population

## Utah

## U.S.



■ Labor Force Dominance



■ Baby Boom Generation

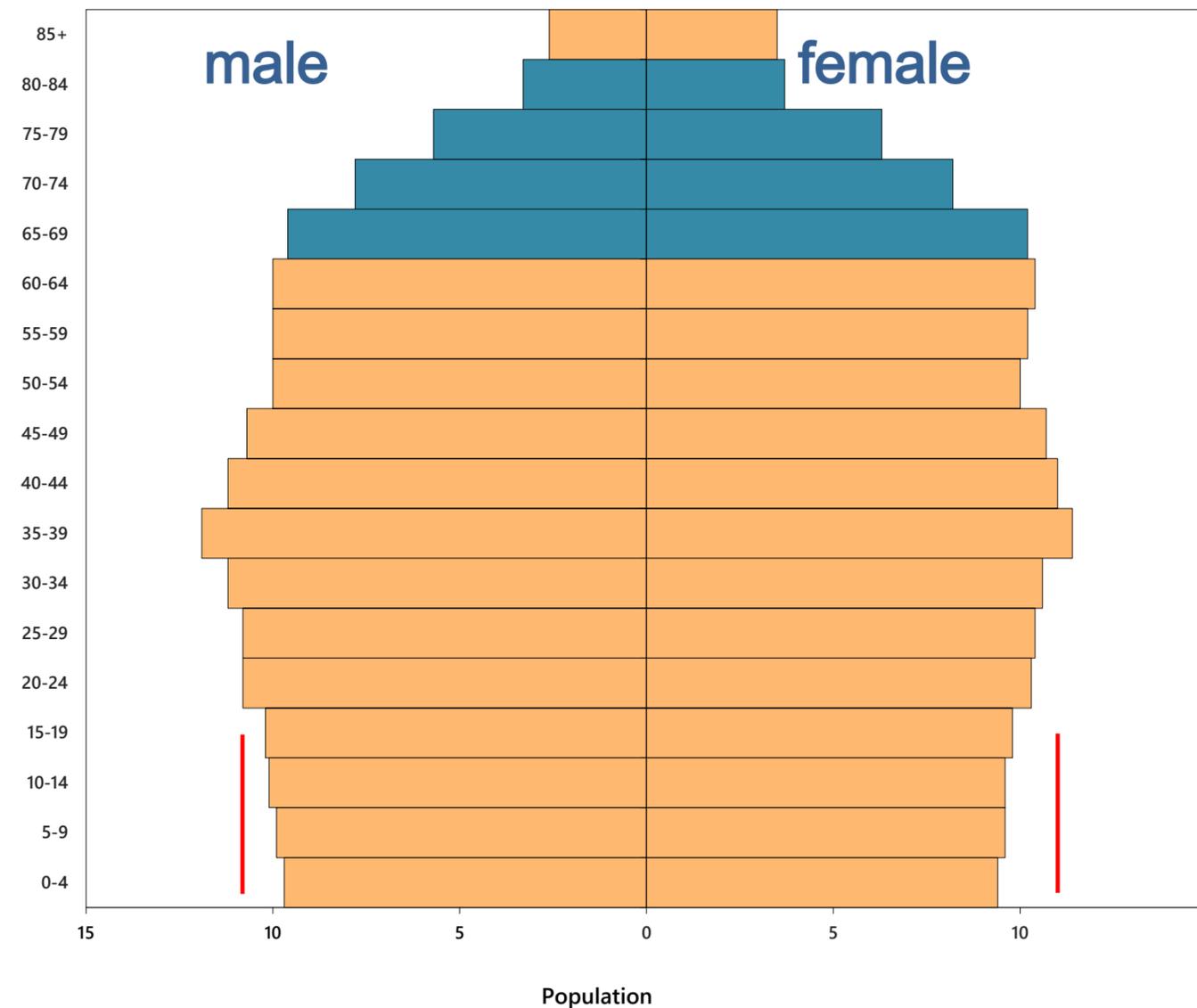
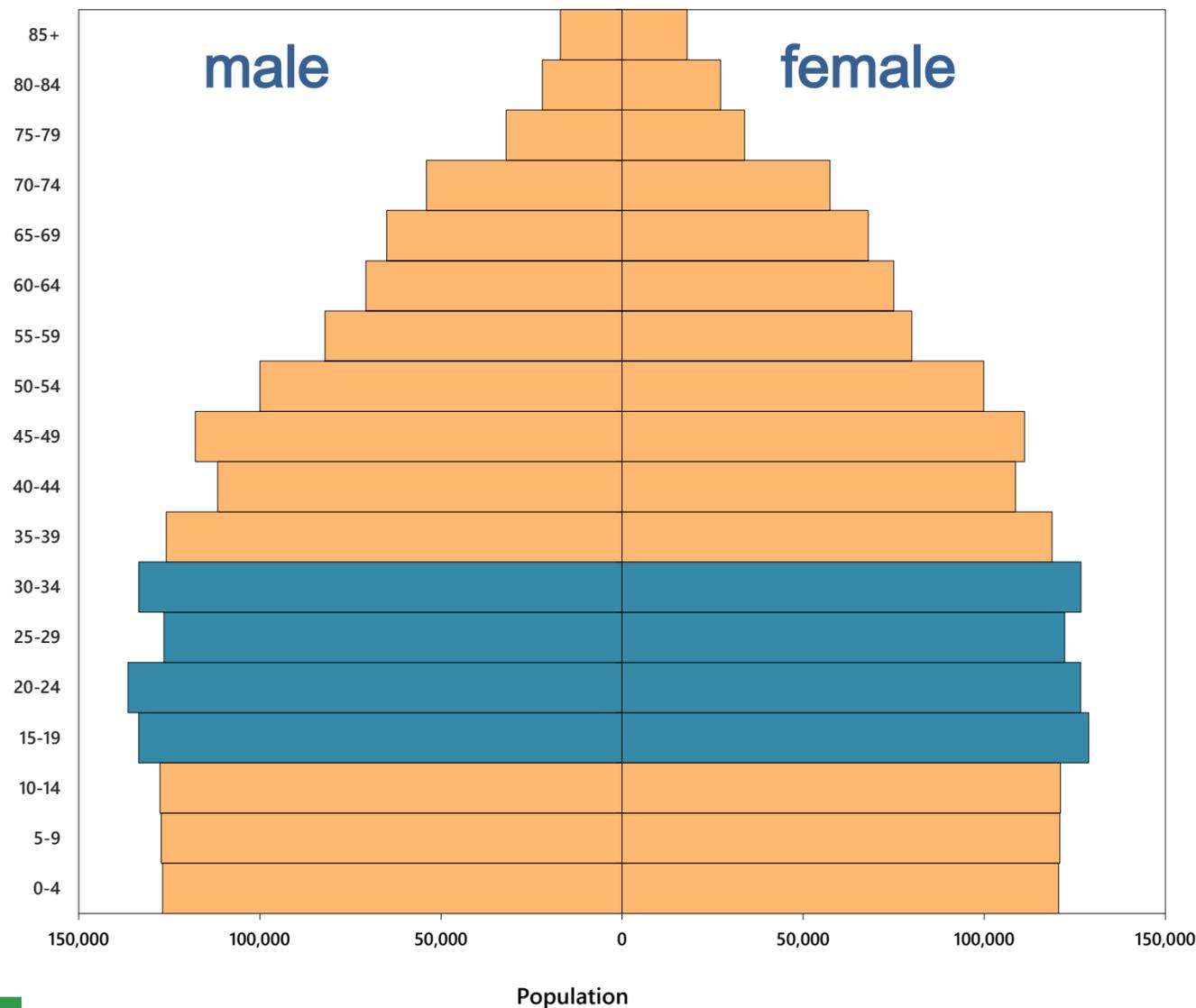
16.6%  
65+

18.4%  
0 - 14

# Projected 2030 Population

## Utah

## U.S.



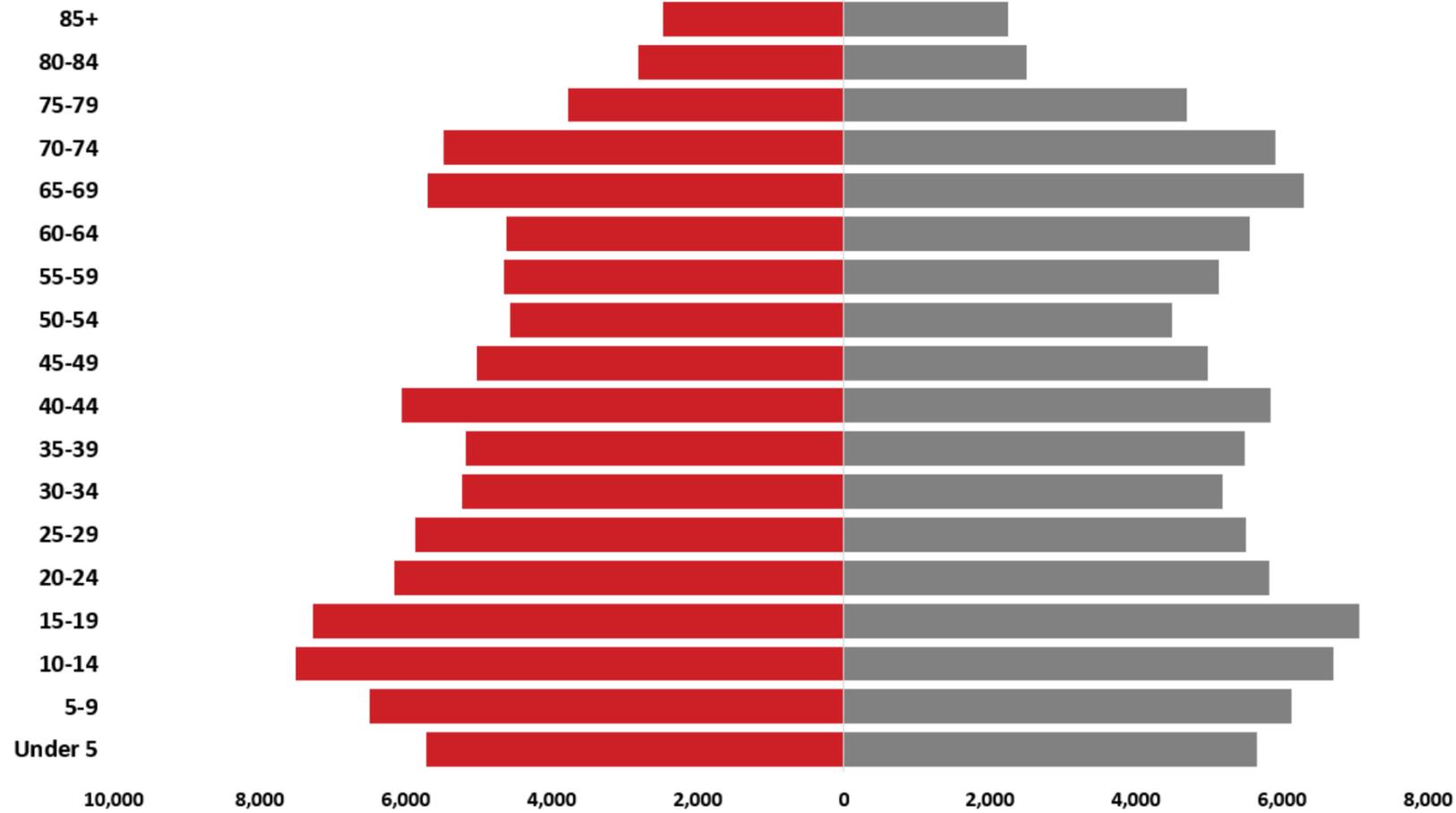
# 2023 Population

## Washington County

## Iron County

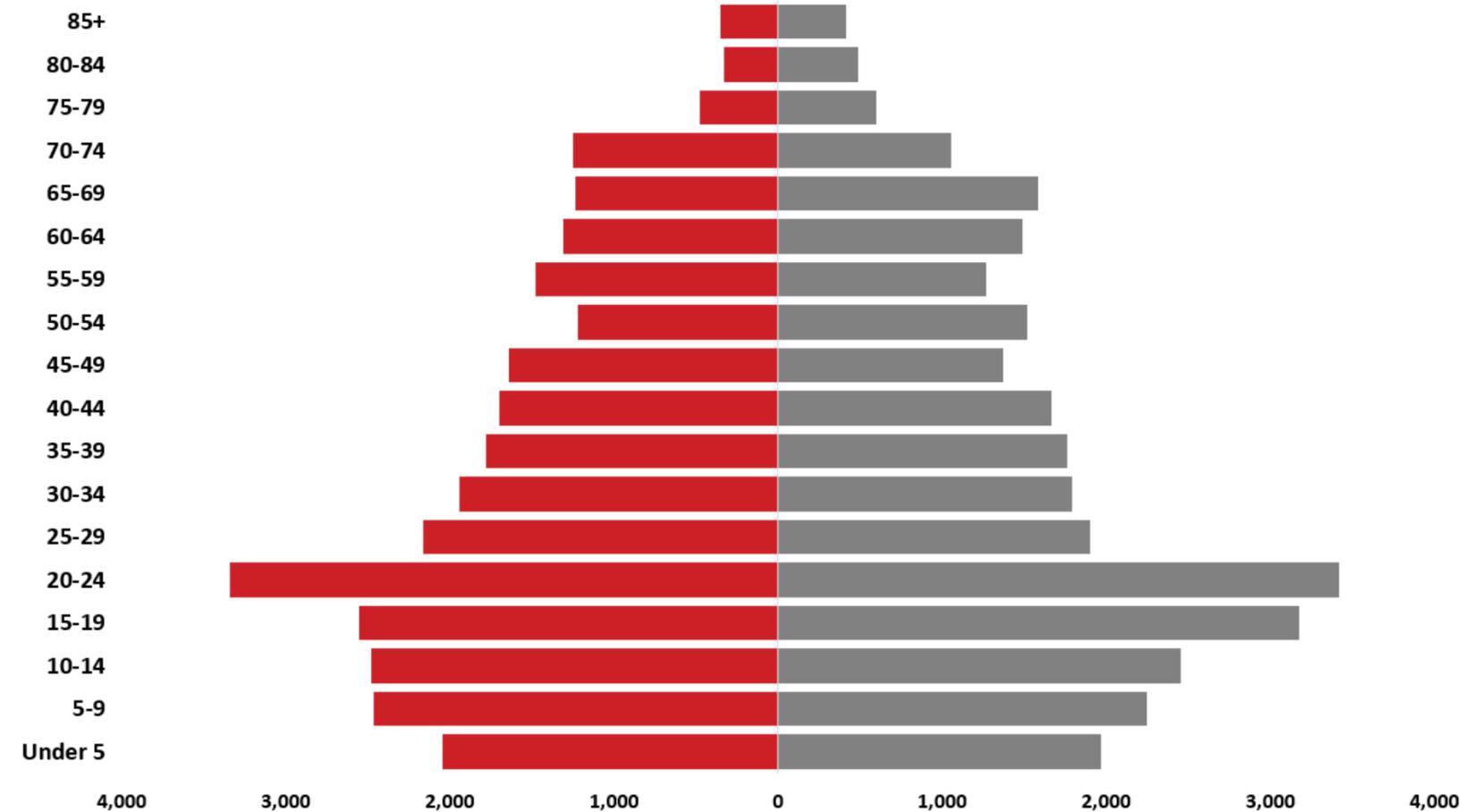
Washington County Population Pyramid, 2023

■ Male ■ Female

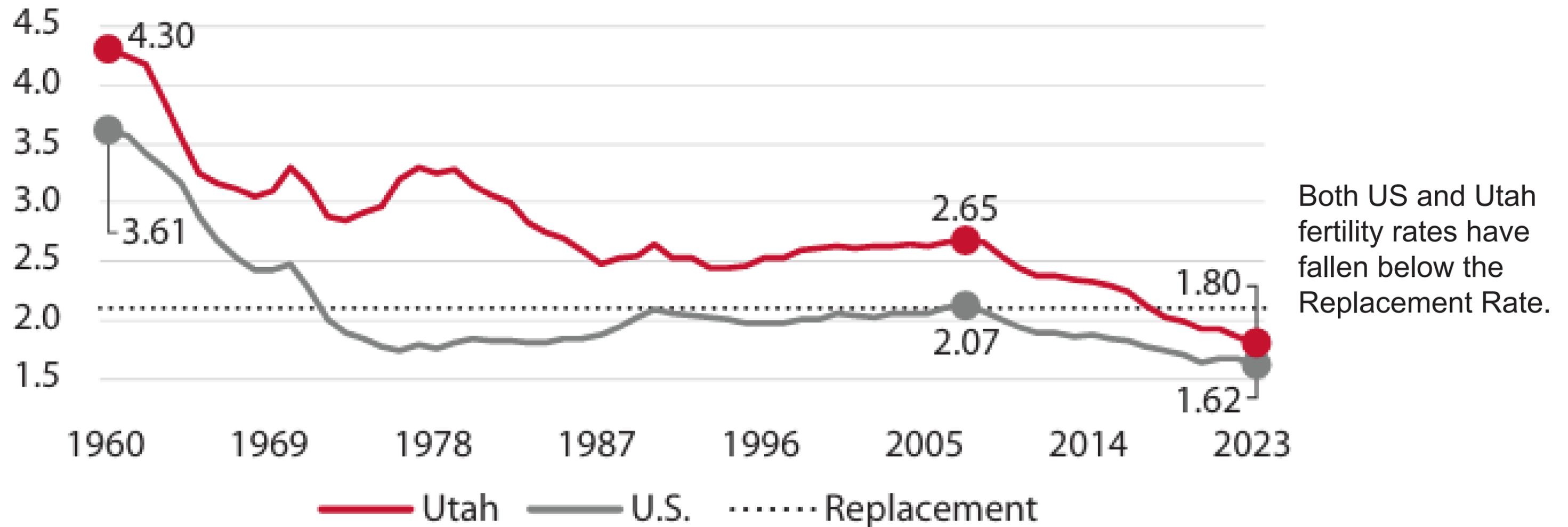


Iron County Population Pyramid, 2023

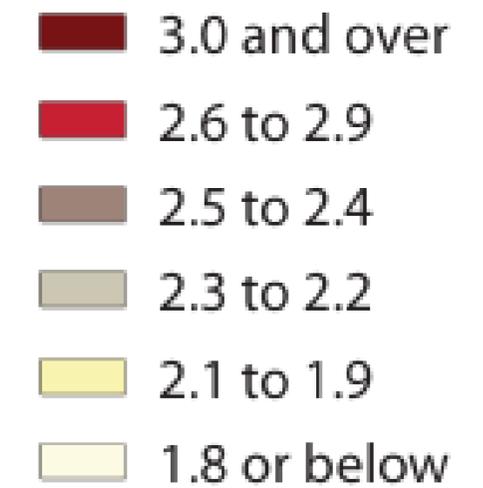
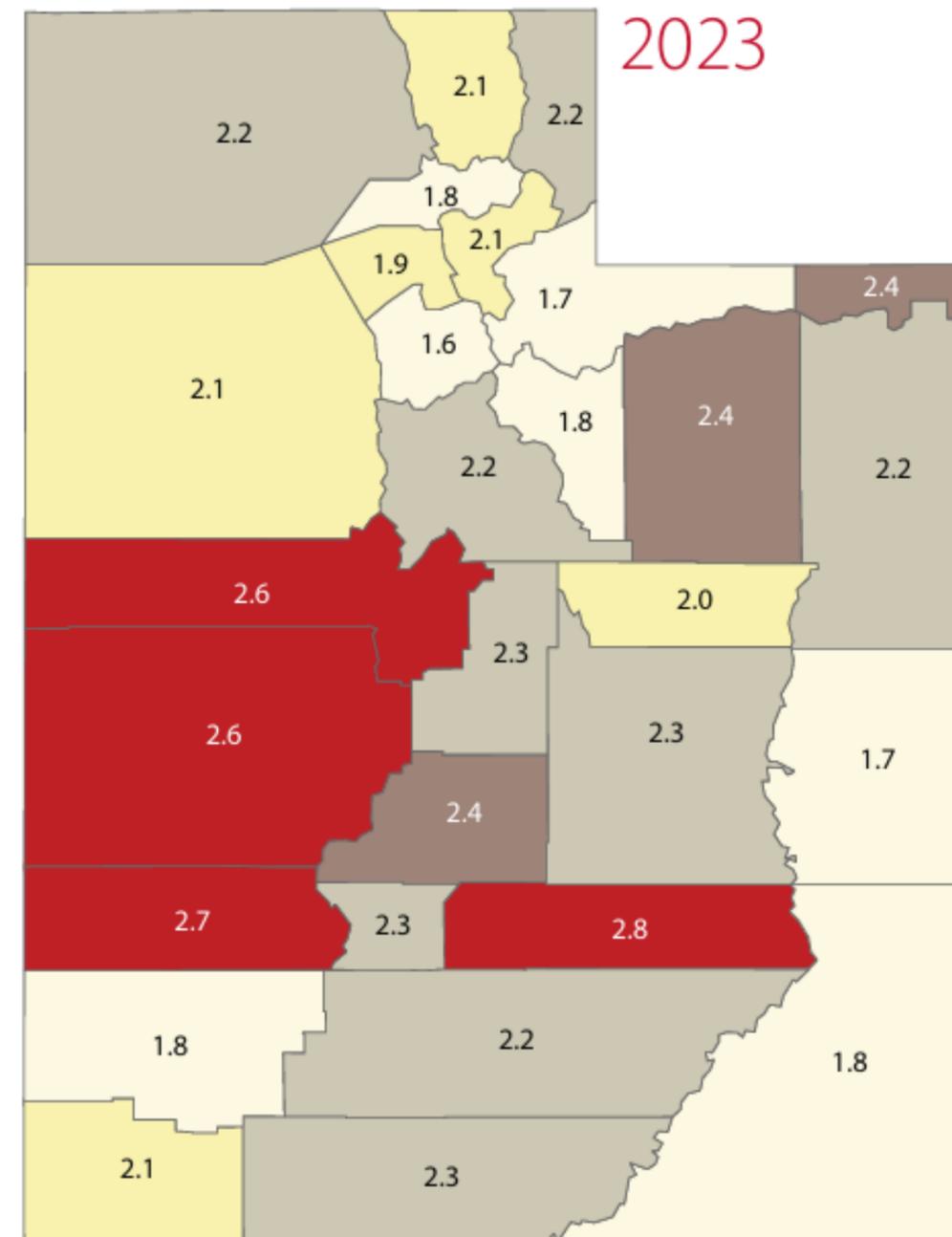
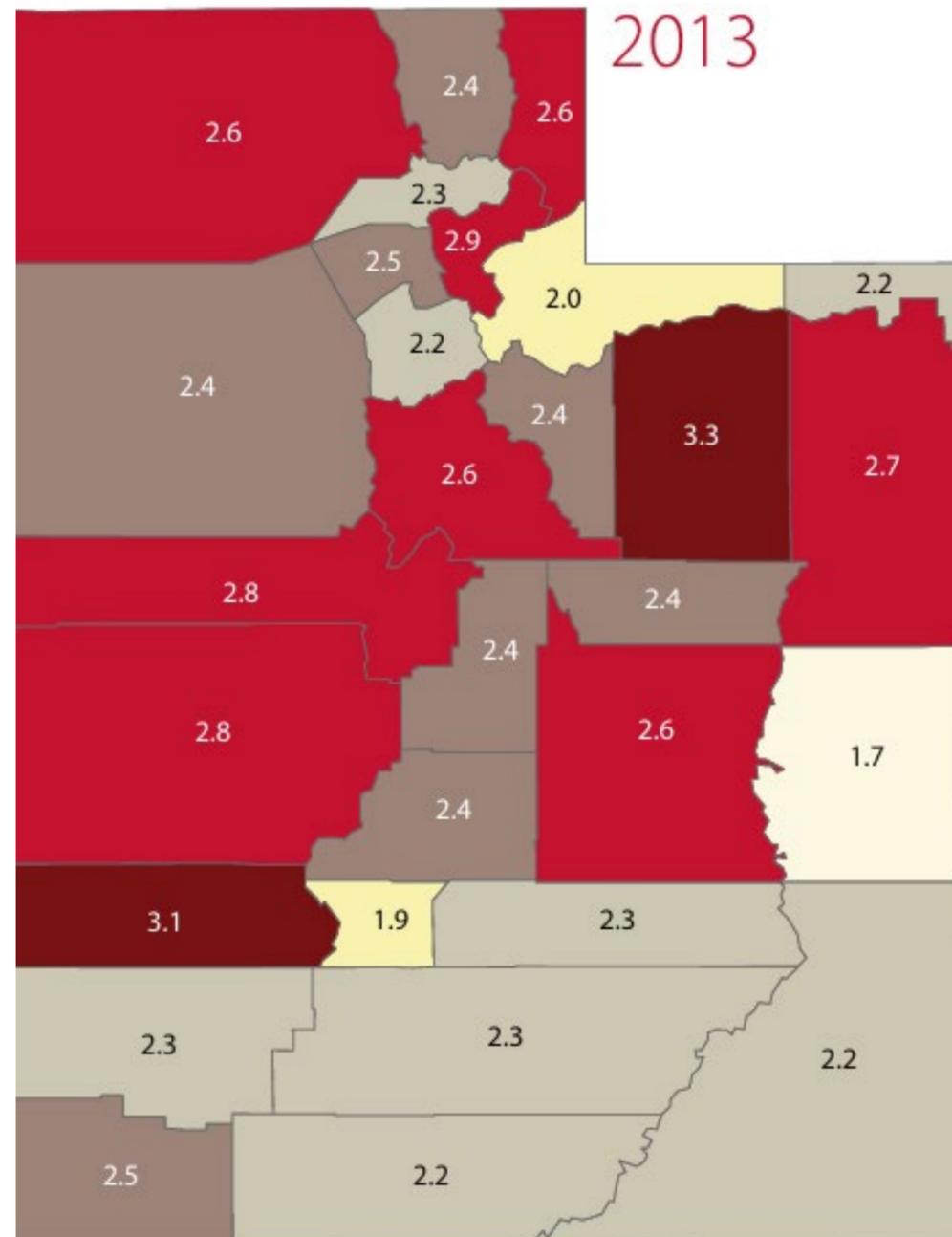
■ Male ■ Female



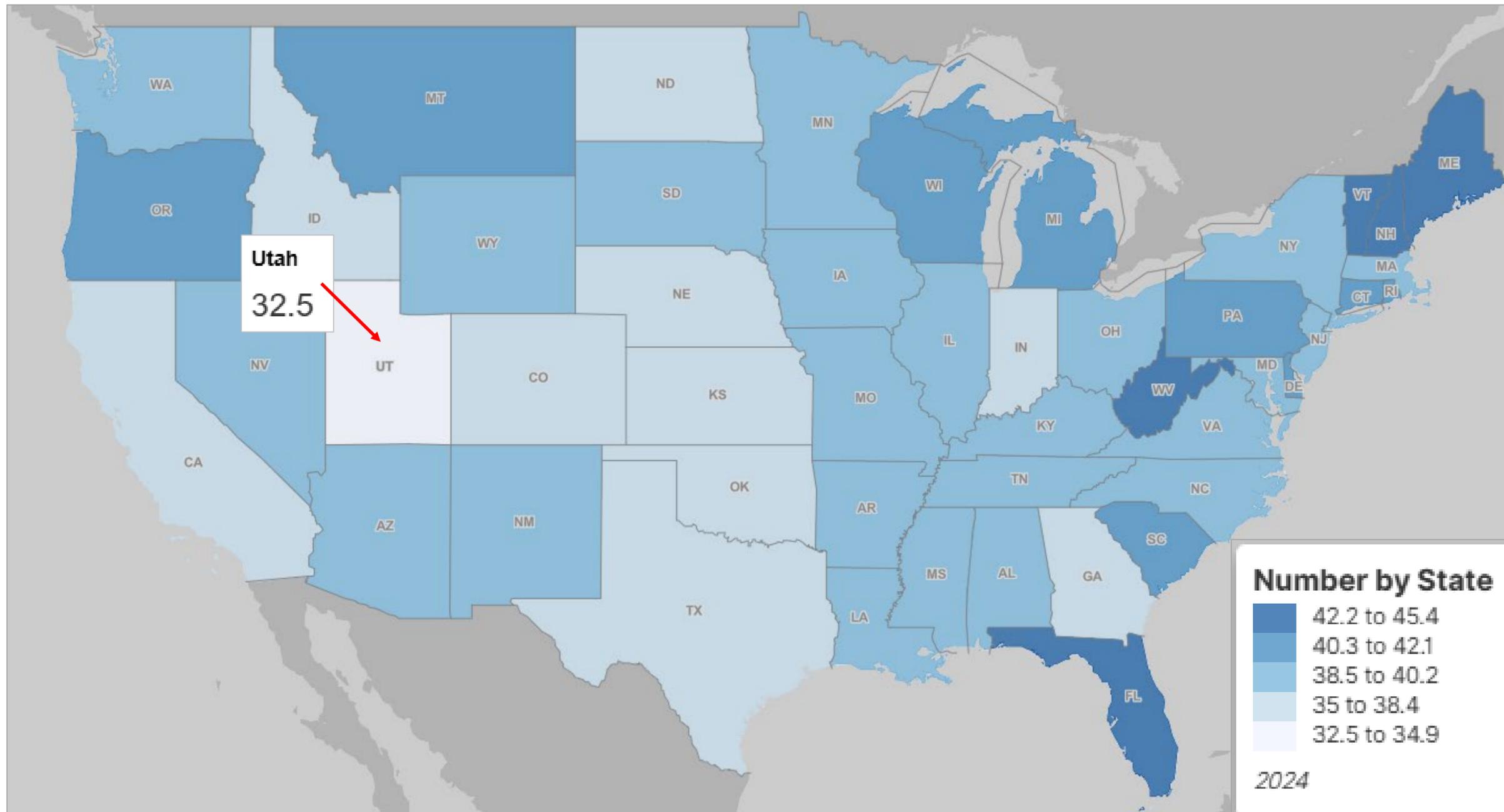
# Total Fertility Rate 1960 - 2023



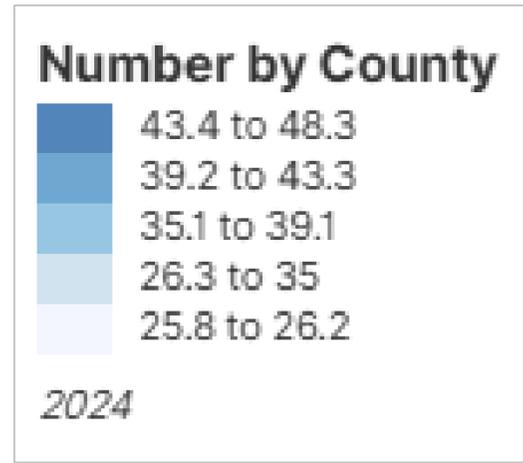
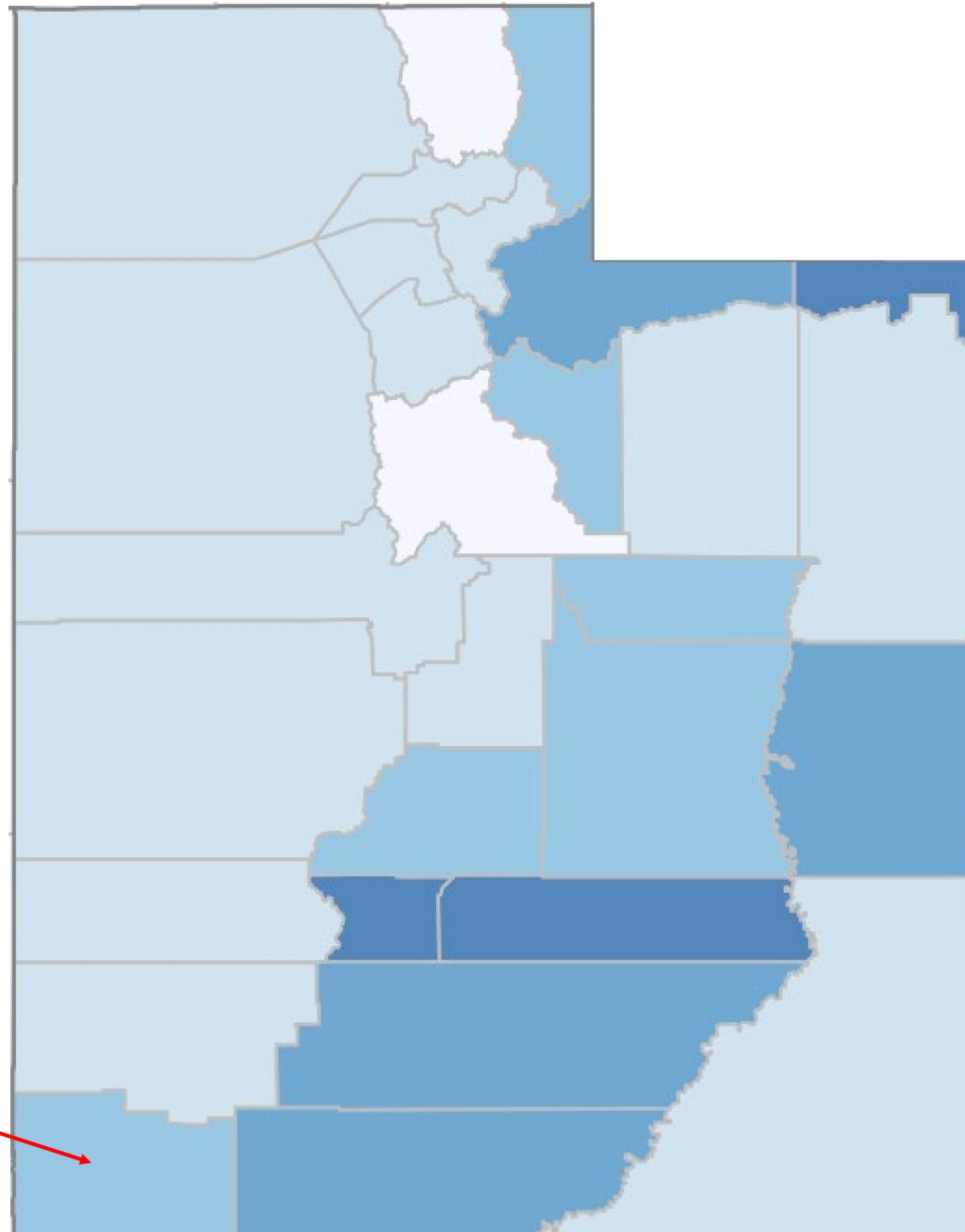
# County Fertility Rates 2013 & 2023



# Utah Still the Youngest State in 2024



# County Specific Median Ages 2024



**Washington  
County,  
Utah**  
39.1



# Under Pressure Historic Inflation

*More money chasing fewer goods* → Inflation

December 2025 inflation at 2.7% year-over-year

“The disinflation process during the last mile will be more uncertain, slower, and bumpier.”

– Isabel Schnabel, European Central Bank



# Components of Inflation

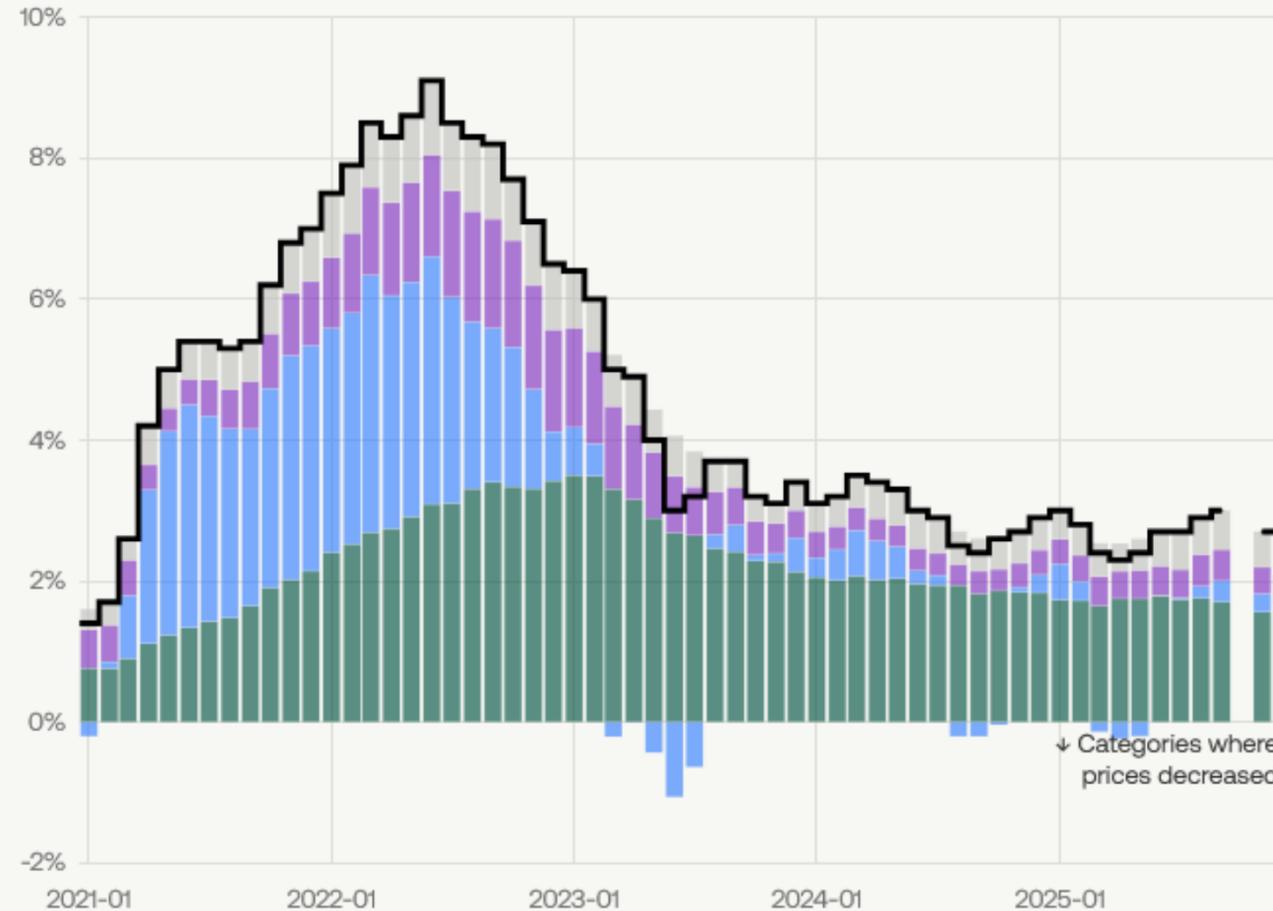
**2.7%** annual inflation rate, all items (Dec. 2024 to Dec. 2025)

**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 →

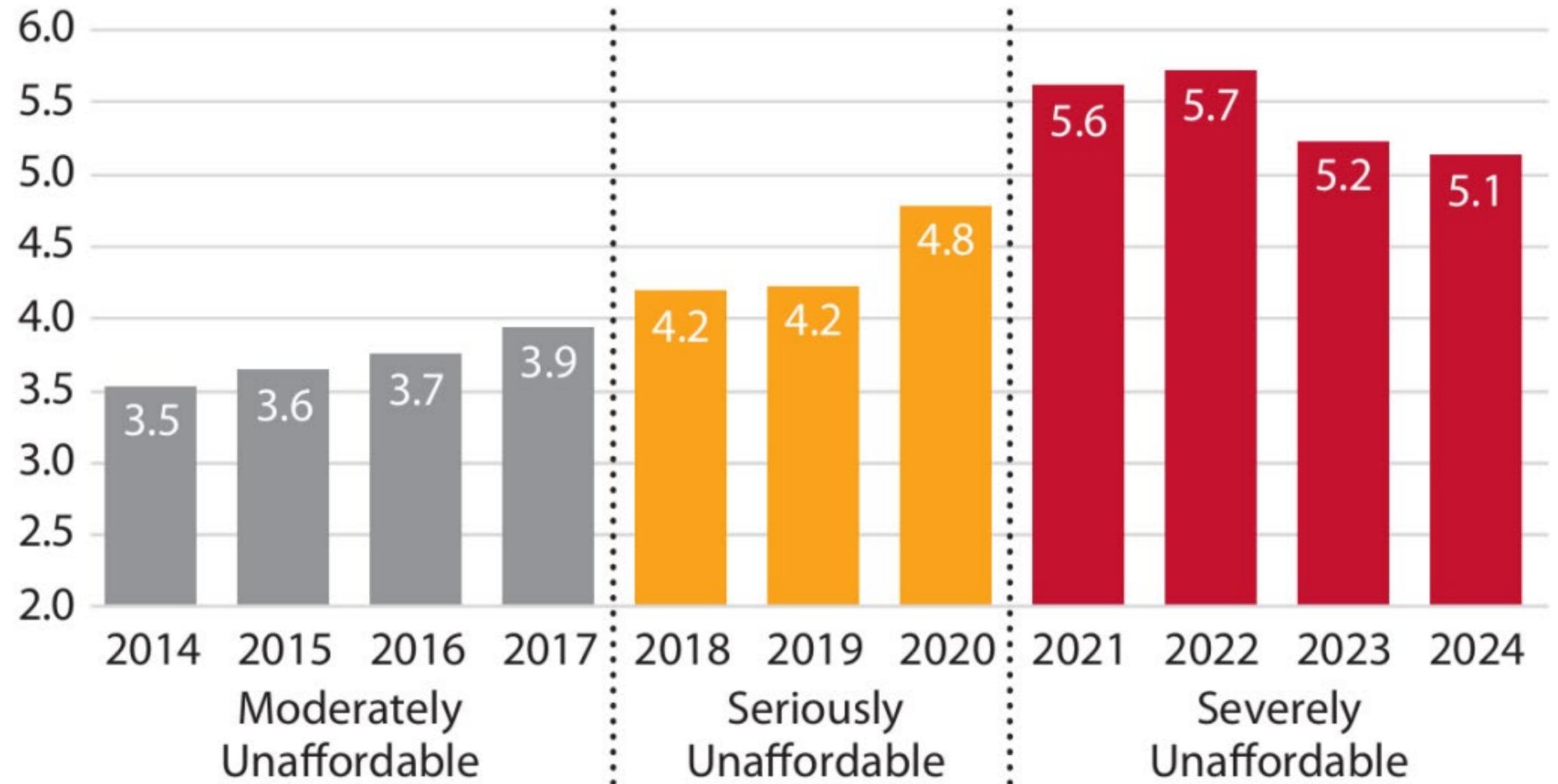
USA Facts

# The Federal Reserve's Dual Mandate: Balancing Maximum Employment and Stable Prices



# Utah More Unaffordable for New Buyers

- Ratio of median home price to median household income – metric for affordability
- Peaked in 2022 at 5.7

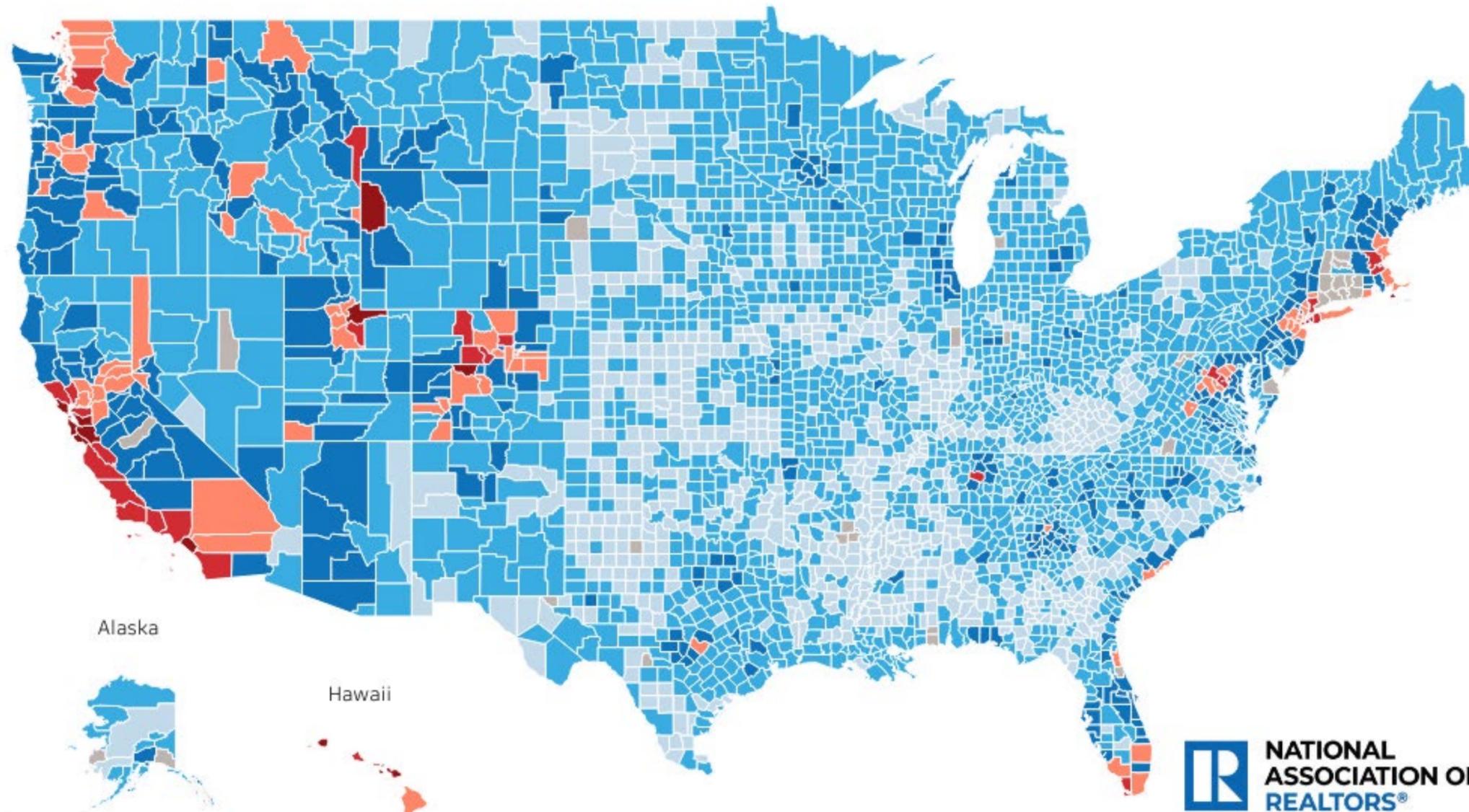
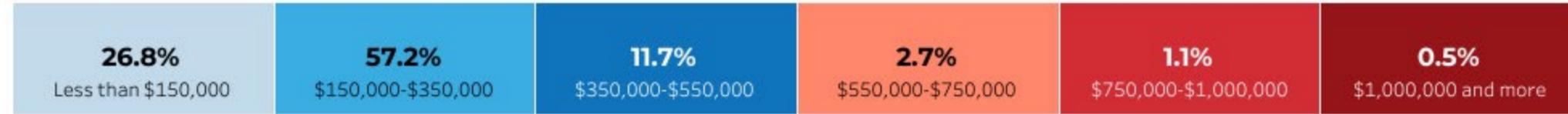


# County Median Home Prices

Q2 2025



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



## Housing Prices

- Washington County one of the most expensive counties nationwide



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

*Click below to download the map in pdf*

# Looking to the Future

1. CHANGING TECHNOLOGIES
2. POPULATION GROWTH
3. NATIONAL UNCERTAINTY
4. EXPECTATIONS FOR 2026



Photograph by St George Inn & Suites

# THE IMPACT OF AI & AUTOMATION

- The percentage of businesses using AI is growing, with adoption higher in Utah than the nation.
- AI skills are increasingly in demand across industries—job postings requesting AI skills aren't confined to tech jobs.
- Businesses and researchers expect AI to reshape occupations rather than eliminate them outright, although this depends on the occupation.
- Utah has a smaller percentage of workers in jobs considered high-risk for automation than the nation, and more employees in roles benefiting from AI.

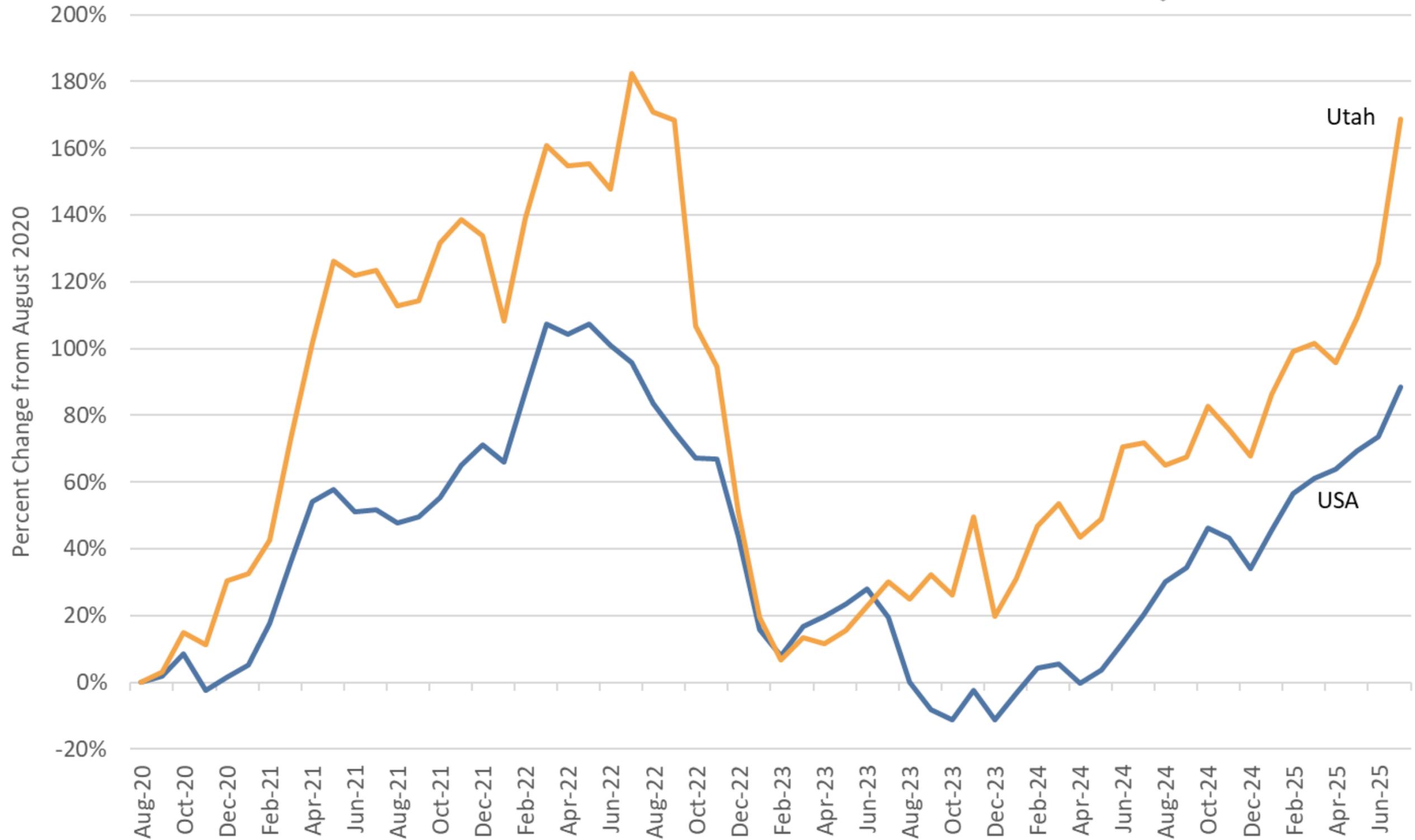


# AI Adoption

- Wages are 28% higher for job postings mentioning AI skills than those that do not

## Job Postings Including Artificial Intelligence Skills, State and National

Percent Change from August 2020

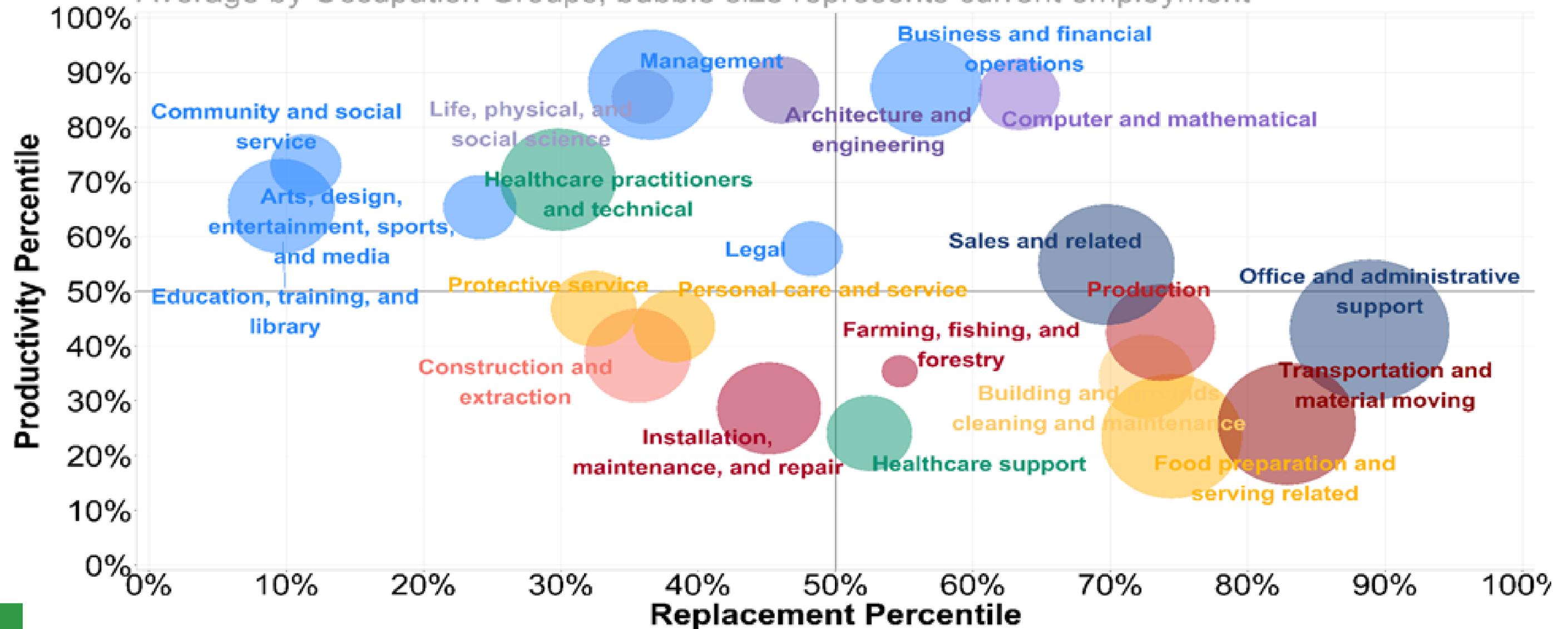


Source: Lightcast

# The impact on different occupations is expected to vary widely

## AI & Automation Risk Index - Aggregated Groups

Average by Occupation Groups, bubble size represents current employment



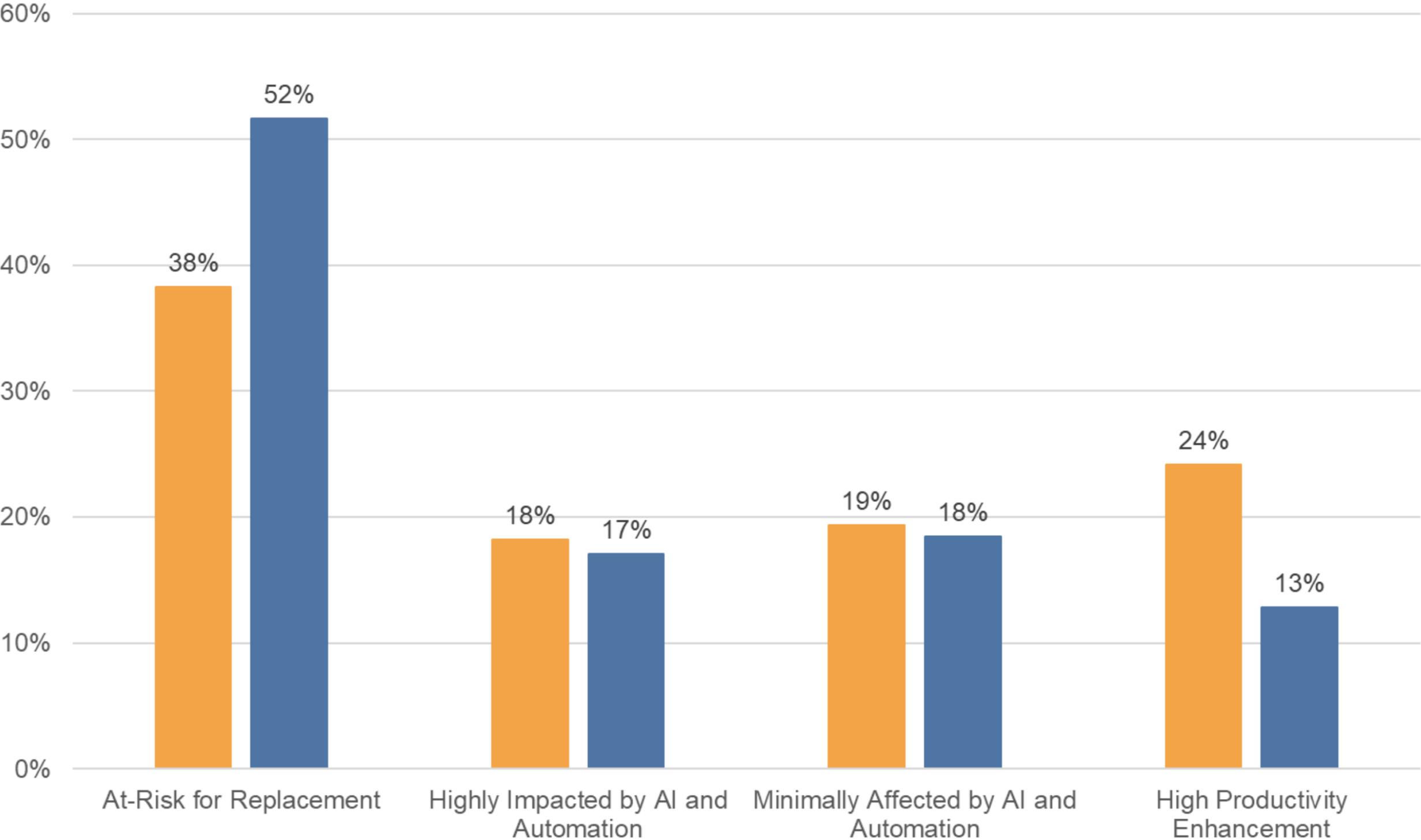
Source: AI & Automation Risk Index from The Conference Board.

# Impact of AI & Automation, State and National

Share of 2024 Employment



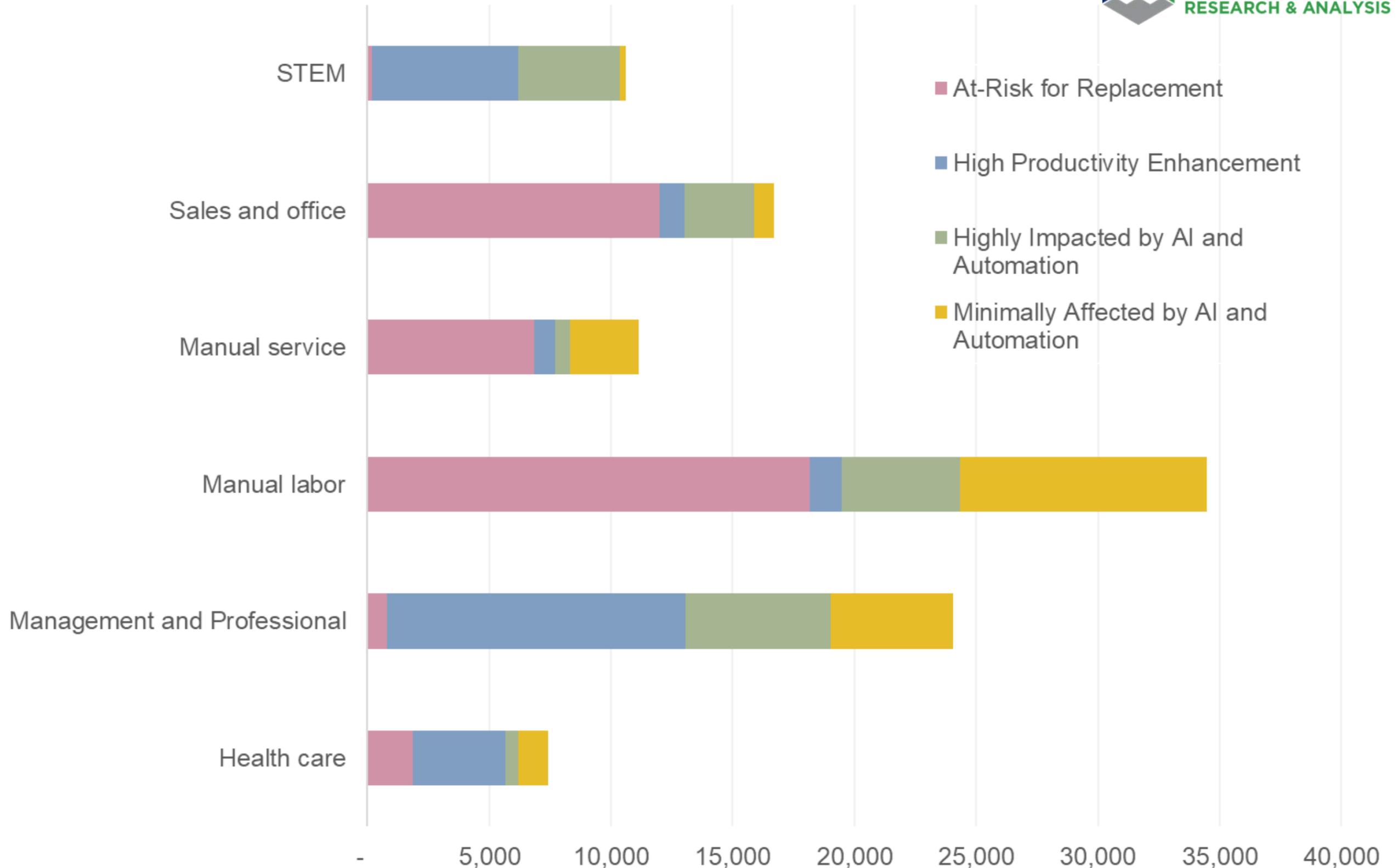
- Utah has a **higher proportion** of people working in **productivity benefiting occupations**
- Utah also has a **lower proportion** of employment in **occupations considered at-risk** for replacement



Source: BLS, Occupational Employment and Wage Statistics (OEWS); Conference Board AI and Automation Index

# Impact of AI & Automation

## 2024 Utah Employment by Occupation Group



Source: BLS, Occupational Employment and Wage Statistics (OEWS); Conference Board AI and Automation Index

- **Manual labor** occupations have the most jobs **at risk** for employment loss
- **Manual labor jobs minimally impacted** often involve non-routine tasks, high manual dexterity, complex problem-solving, & adaptability
- **Management and professional jobs** make up the largest portion of **productivity-benefitting jobs**

# 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.

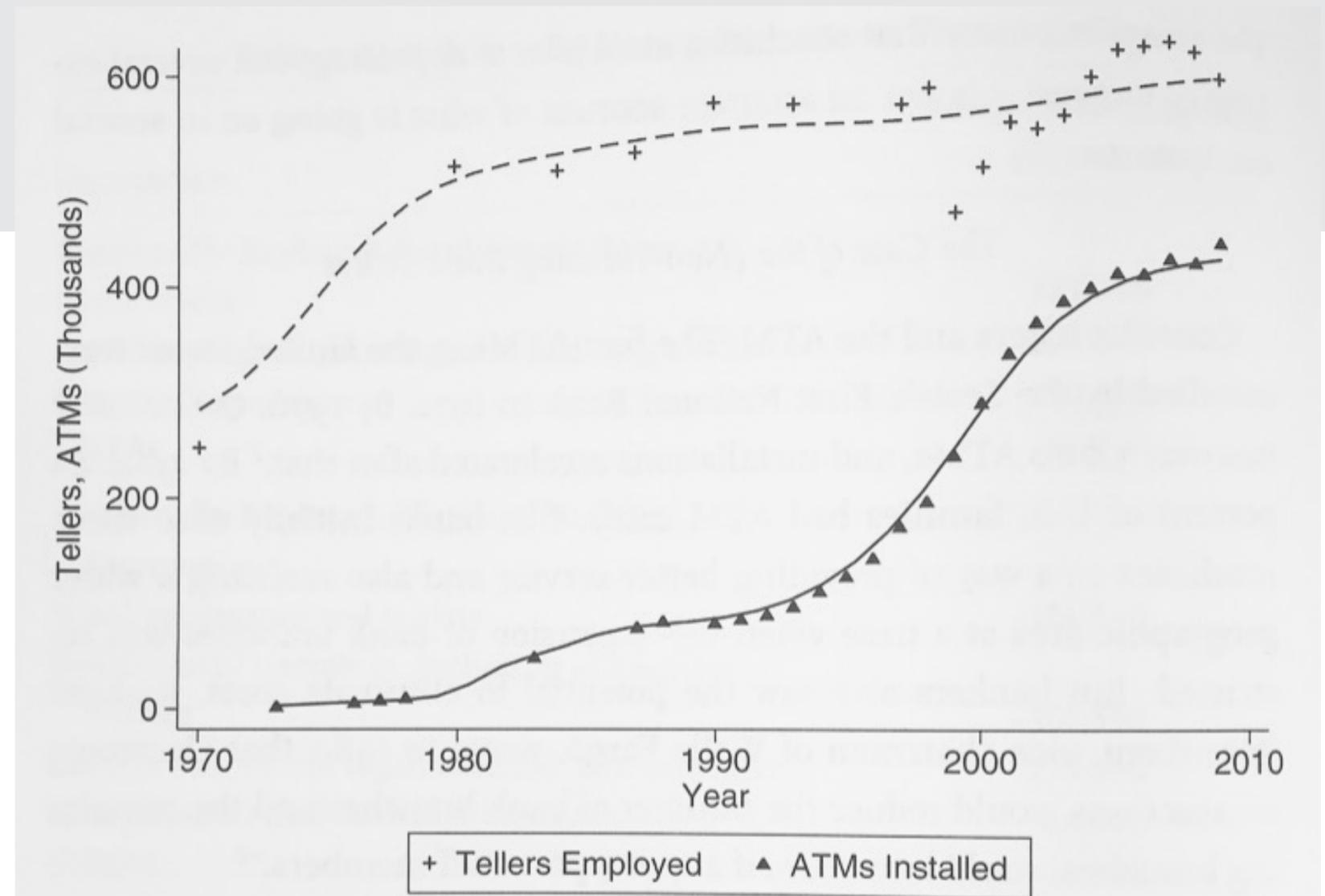


Figure 7.1. Adoption of automated teller machines did not reduce teller jobs. (Ruggles et al., Integrated Public Use Microdata Series: Version 5.0; Bureau of Labor Statistics, Occupational Employment Survey, <http://www.bls.gov/oes/>; Bank for International Settlements, Committee on Payment and Settlement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

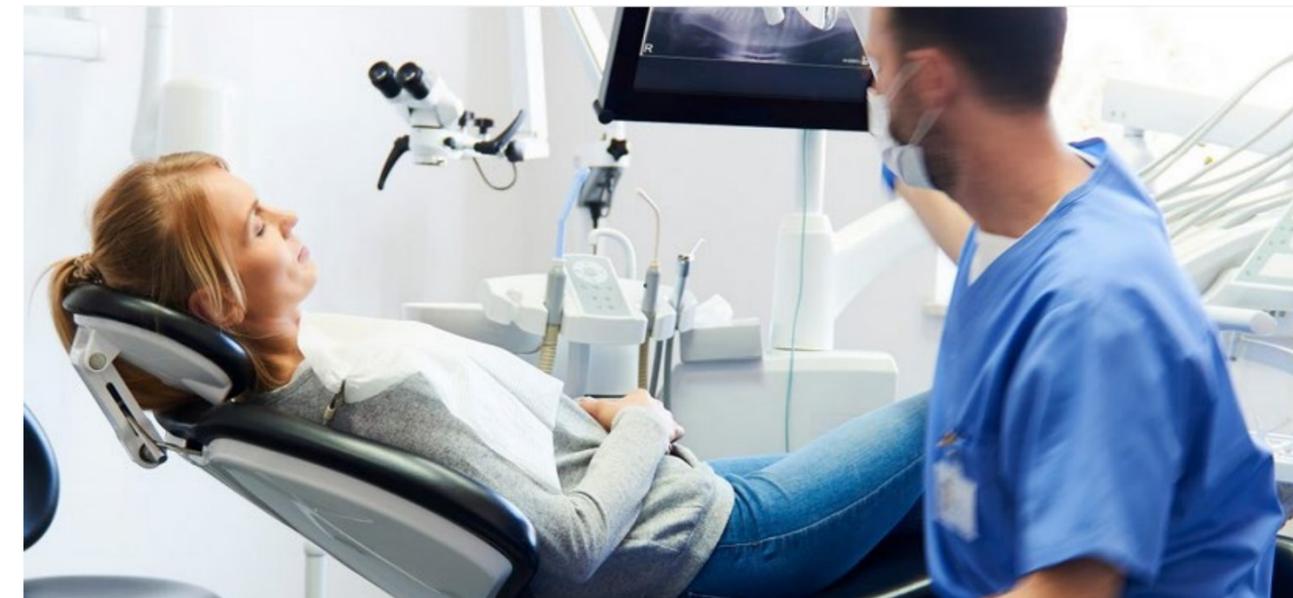
### The Approach

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.



# Artificial Intelligence



*“Over the last century, disruptive innovation has generally favored the young and the well-educated, because they can adapt to new ways of doing things. AI could be different, but I doubt it.”*

*David Dering*

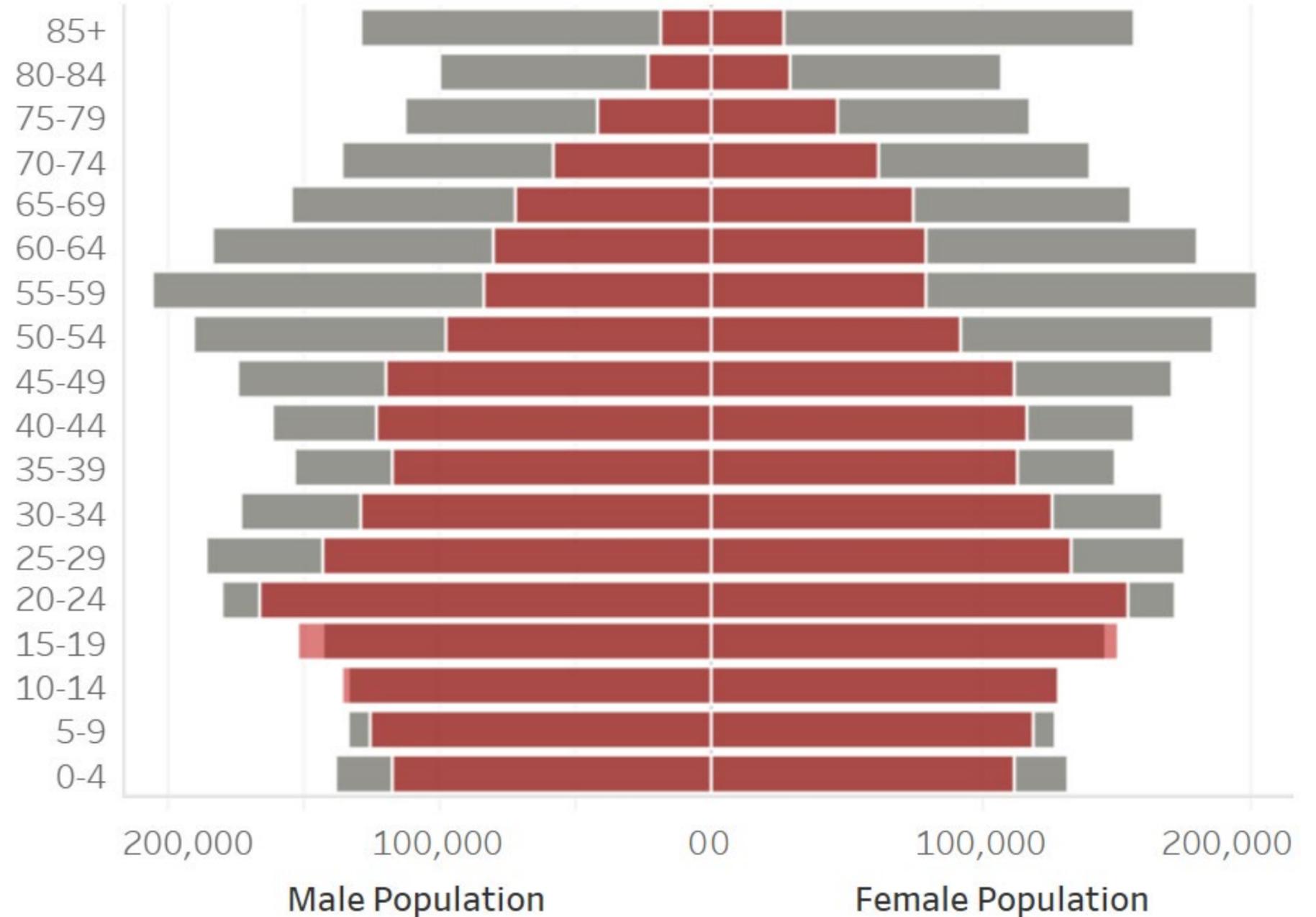
Utah

# Population Projections

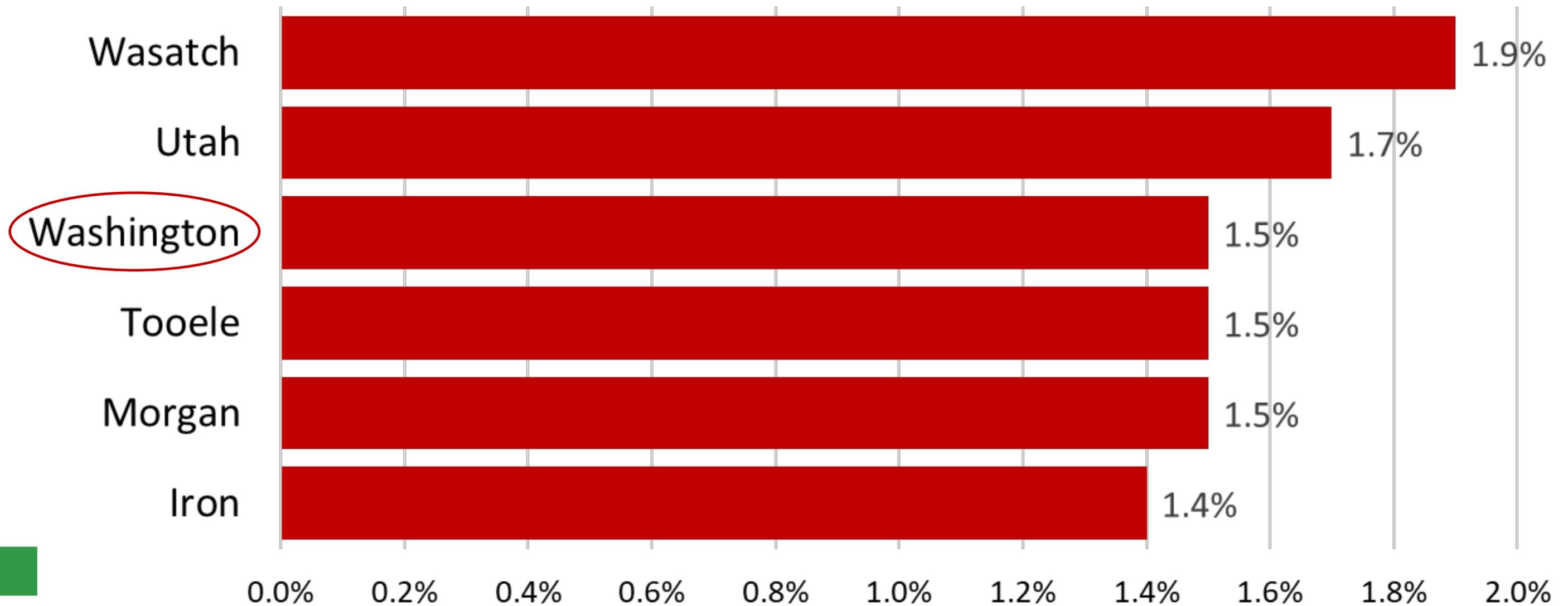
2025 - 2065

Population Pyramid: 2025 and 2065

2025 2065

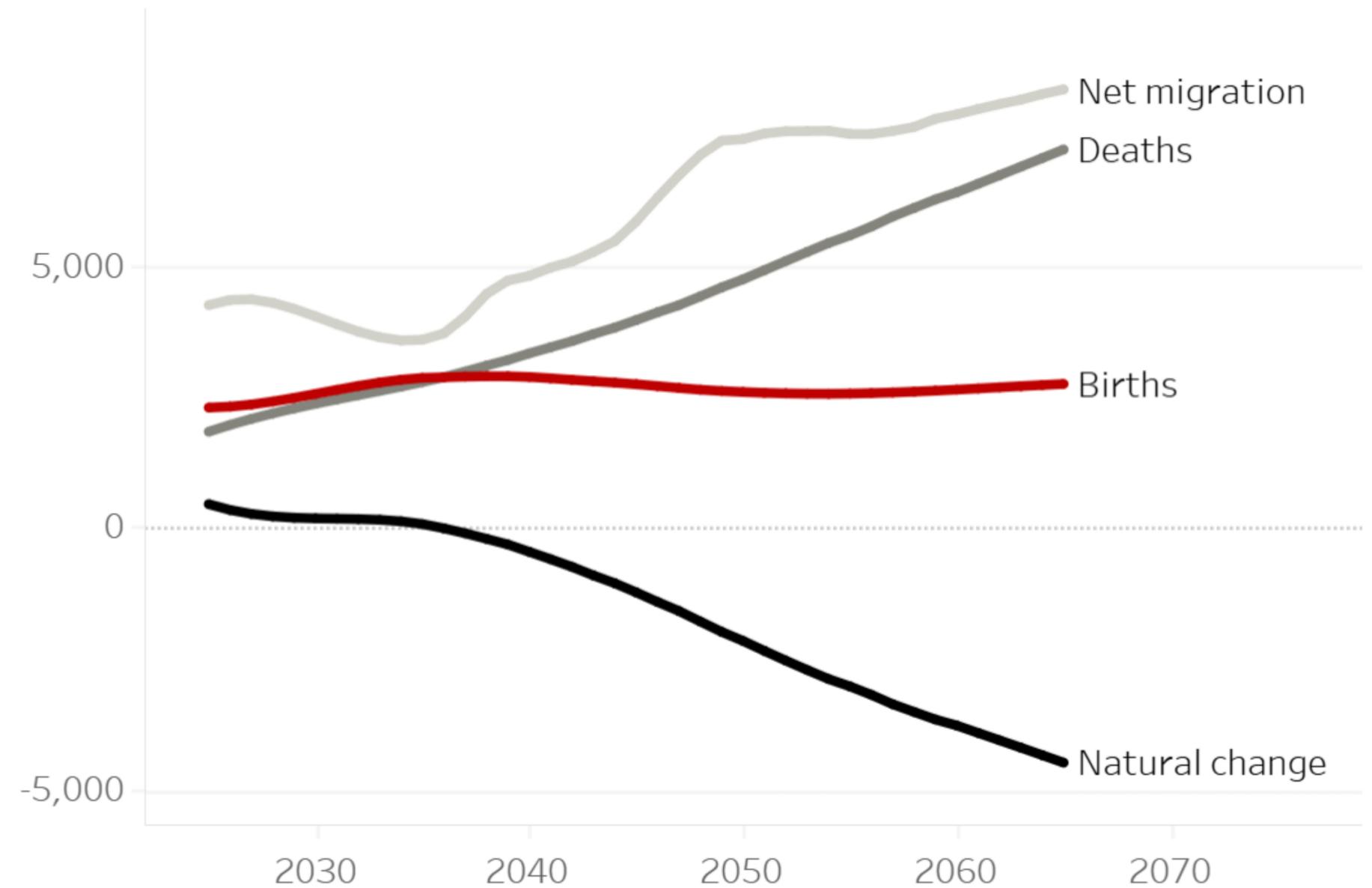


## Fastest Growing Counties



Washington County  
**Population  
Projections**  
2025 - 2065

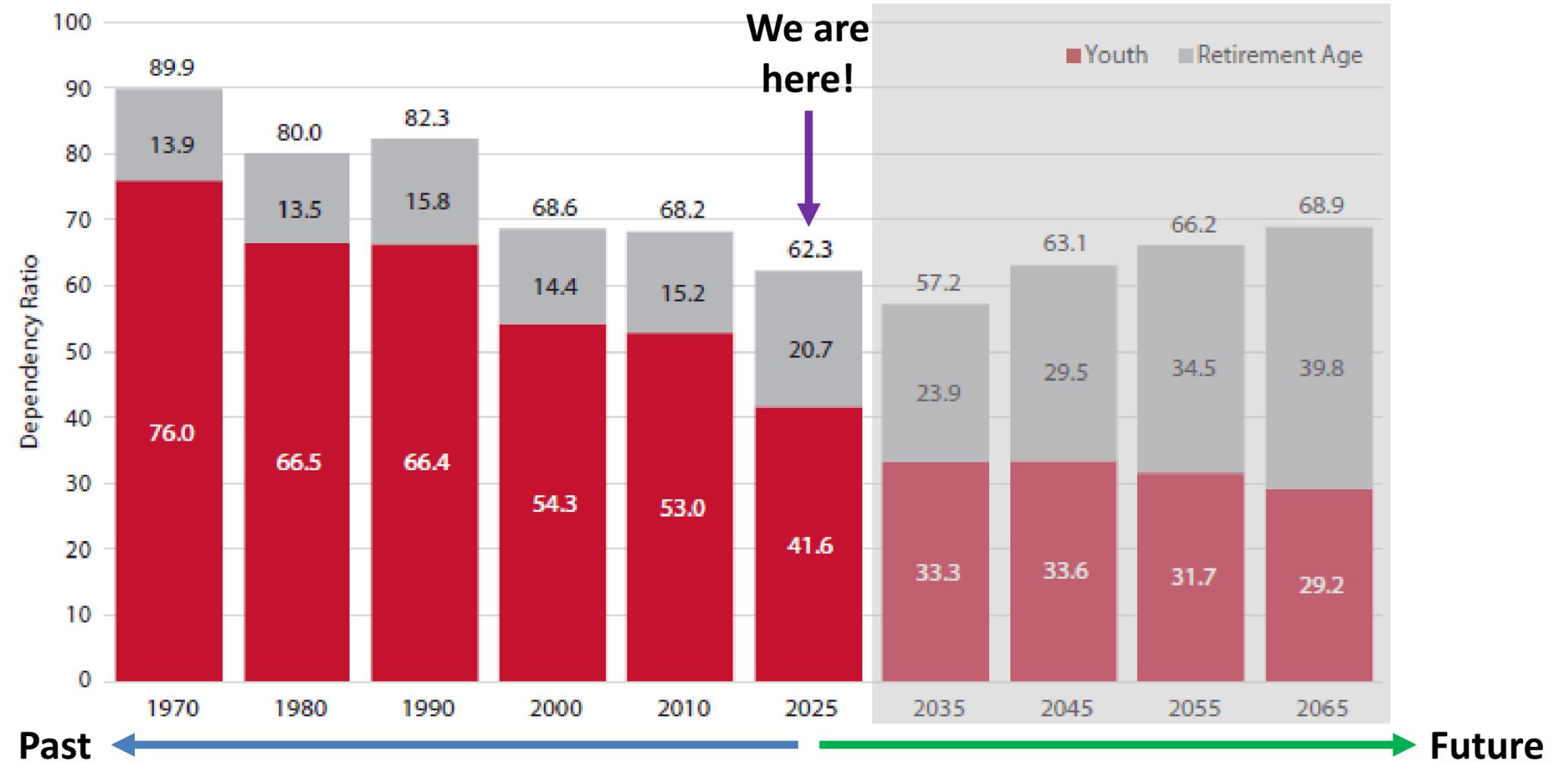
Components of Change: 2025 - 2065



# Utah Population Looking Ahead

Figure 27.4: Utah Dependency Ratios, 1970–2065

High growth in healthcare  
Impacts on inflation

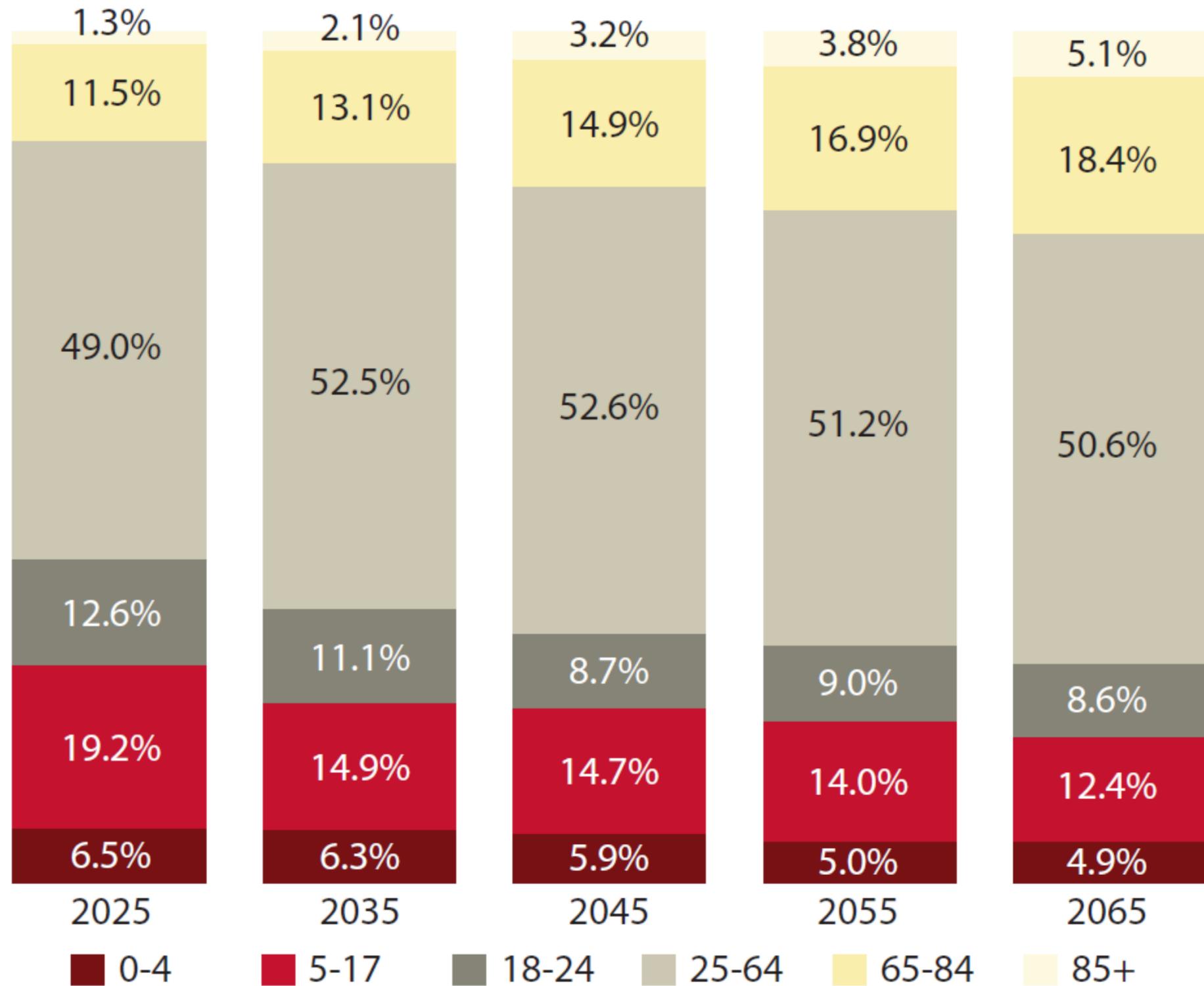


Note: Dependency Ratios are computed as the number of non-working-age persons per 100 working-age (18-64-year-old) persons in the population. Youth are less than 18 years old and retirement age is 65 years and older.  
Source: Kem C. Gardner Policy Institute analysis of U.S. Census Bureau Decennial Census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

# UTAH

## Projected Population by Age

2025 - 2065



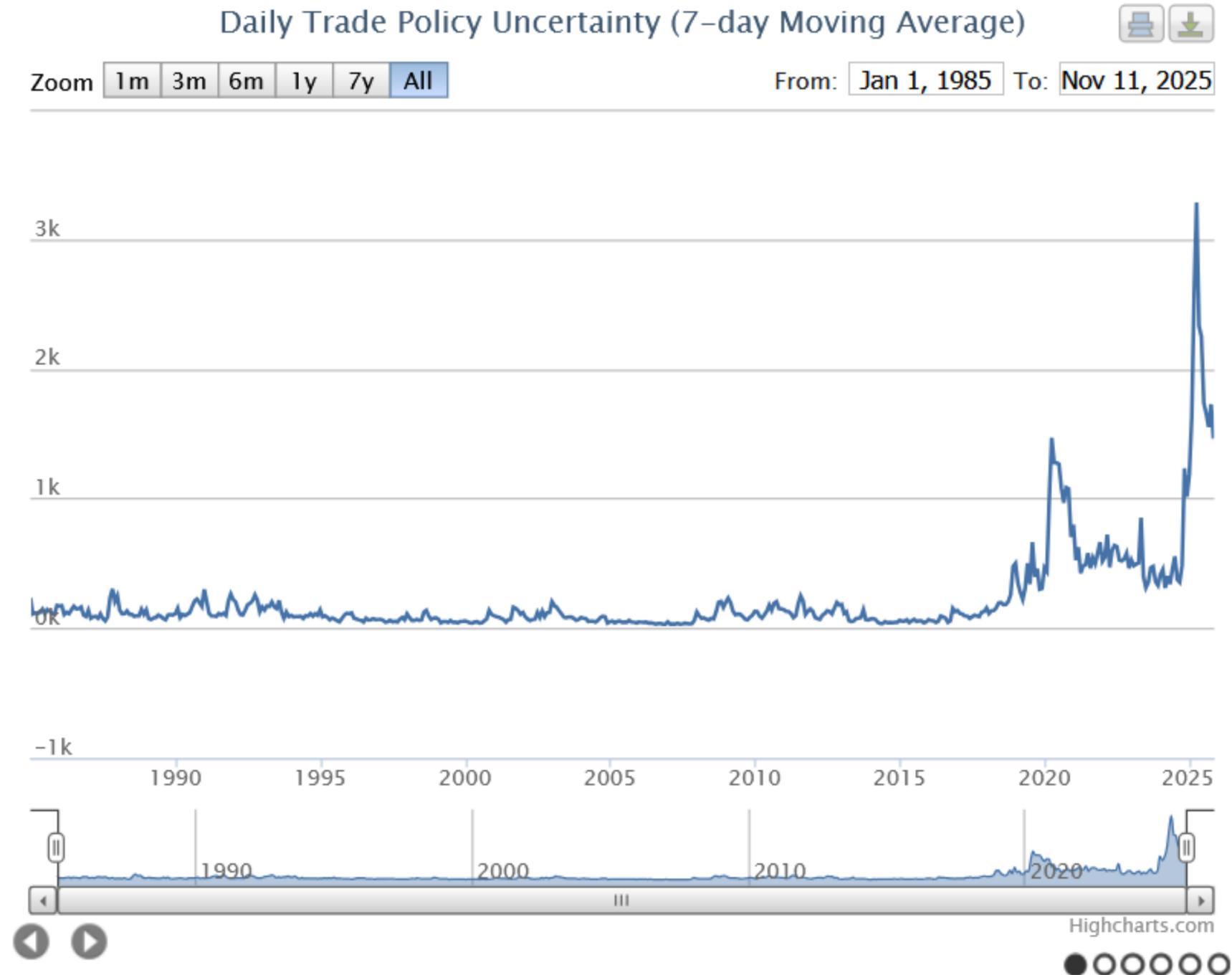
# Utah's Aging Population

- Labor markets will remain tight as Utah's older population ages out of the workforce .
- Health care sector will continue to grow to support the aging population .
- Industries that support elderly consumers (home delivery, landscaping, home care services, etc.) will grow to support a larger customer base .
- Adds to inflation as there's more consumption but a smaller workforce to produce goods and services .



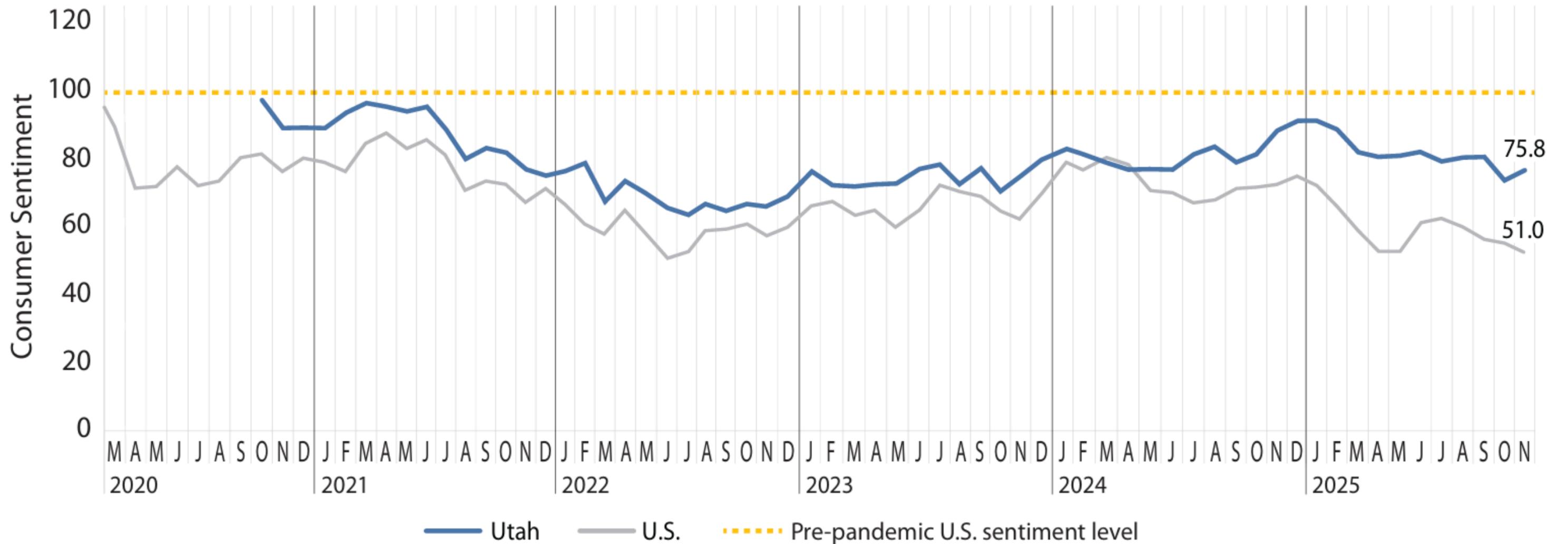
# Economic Uncertainty

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



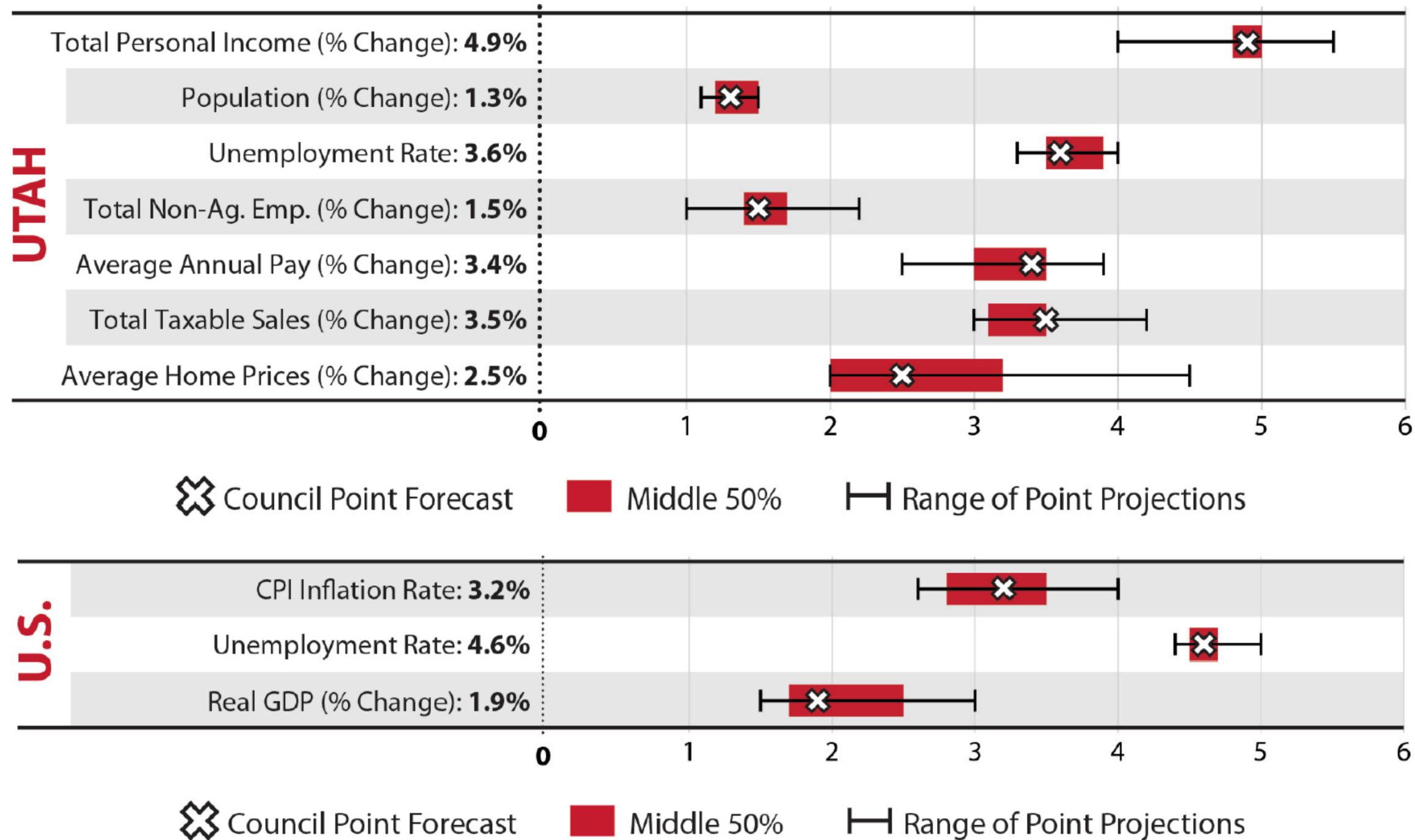
# Economic Uncertainty

### Consumer Sentiment Index: Utah and U.S.



# Utah Economic Outlook

2025 - 2026





**THANK**  
YOU

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