

# Economic Trends & Tools

UAC Management Conference 2025
Marilyn Cannon, Regional Economist



- 1 Labor market trends
- 2 Economic pressures
- 3 Looking to the future
- 4 Tools on the DWS website





### Labor Market Trends in Utah

- 1. JOB GROWTH
- 2. INDUSTRY CHANGES
- 3. WHAT MAKES UTAH STAND OUT

### UTAH'S LABOR MARKET

March 2025

1.7%

Job growth rate

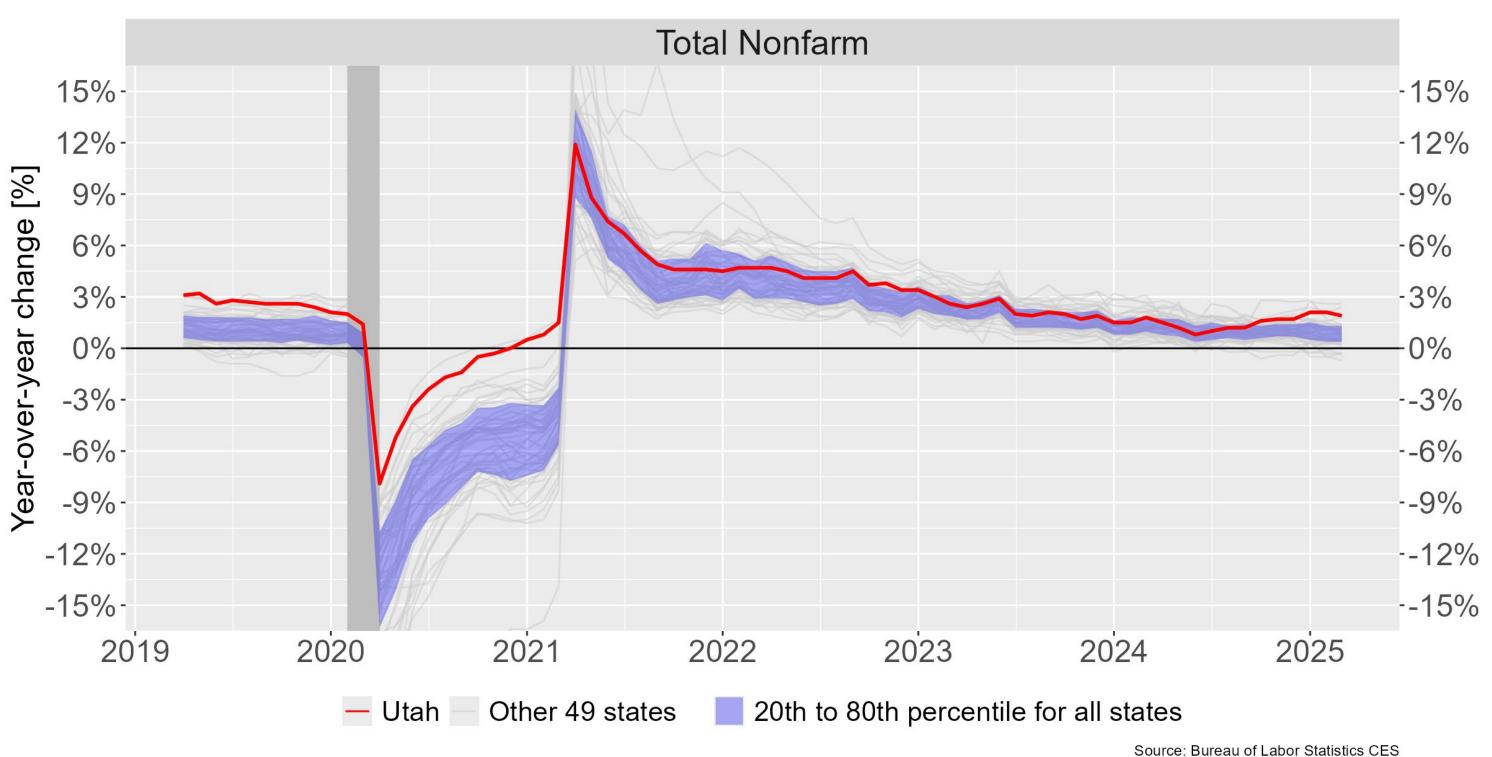
3.1%

Unemployment rate



### JOB GROWTH All States



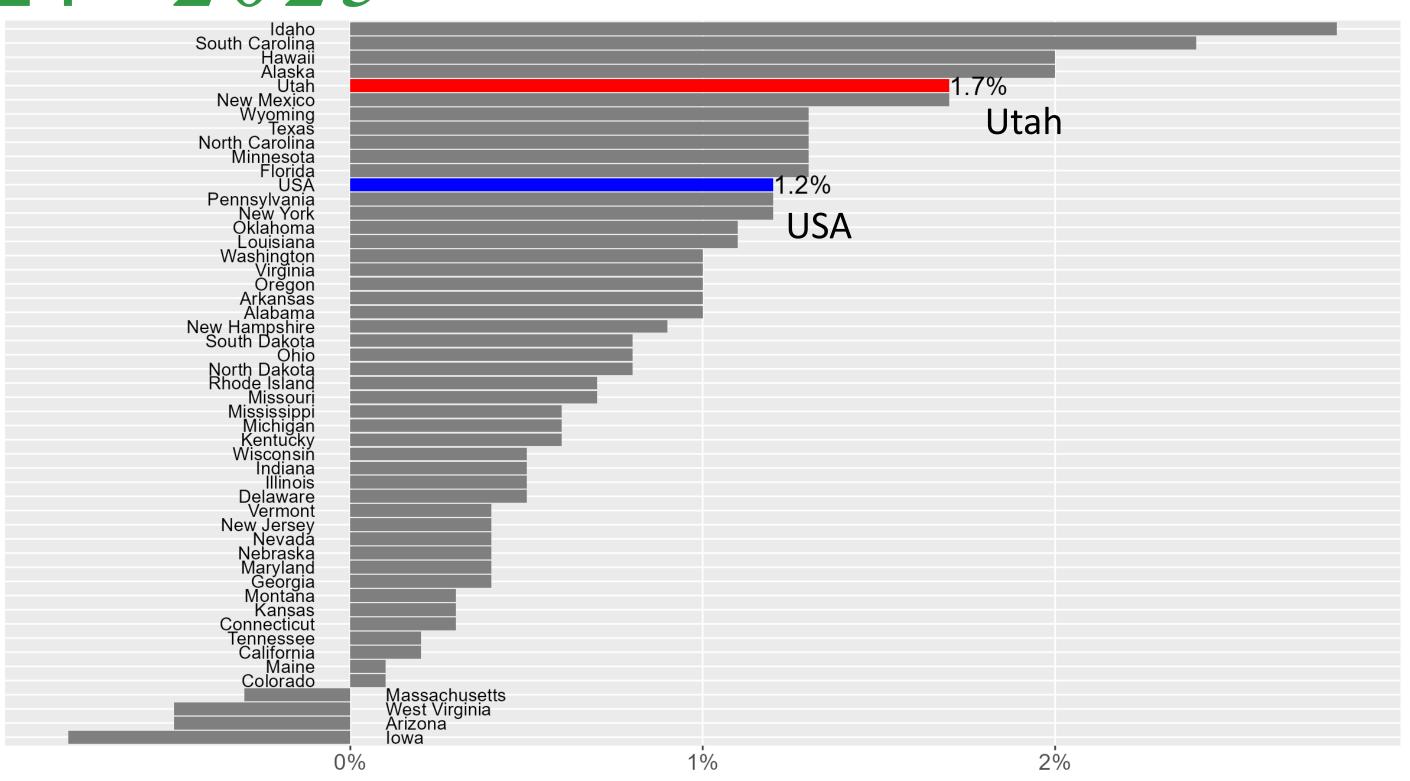


#### YEAR-OVER JOB GROWTH STATE COMPARISON March 2024 - 2025



Utah is 5<sup>th</sup> in the nation for year-over job growth.

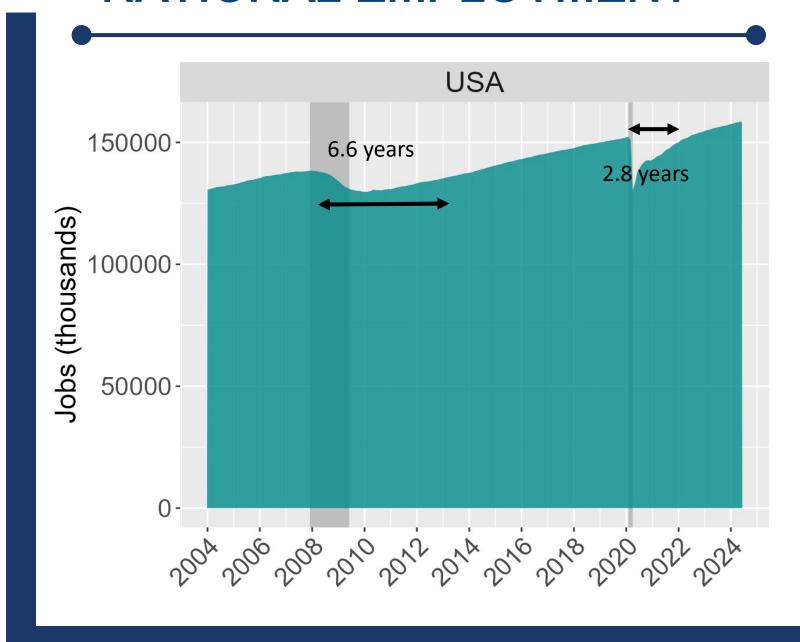
Starting to slow from tremendous post-2020 growth.



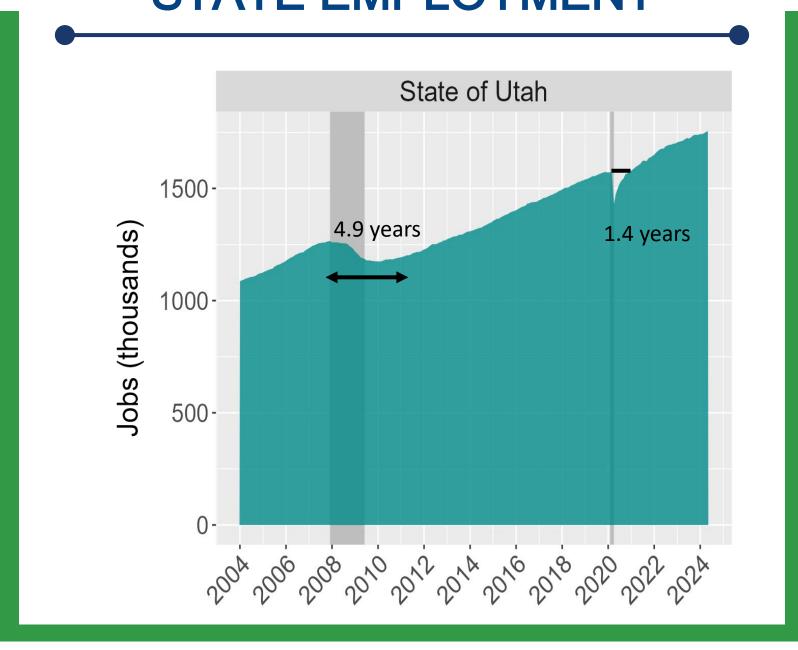
Source: Bureau of Labor Statistics

### UTAH OUTPERFORMS THE NATIONAL ECONOMY

#### NATIONAL EMPLOYMENT



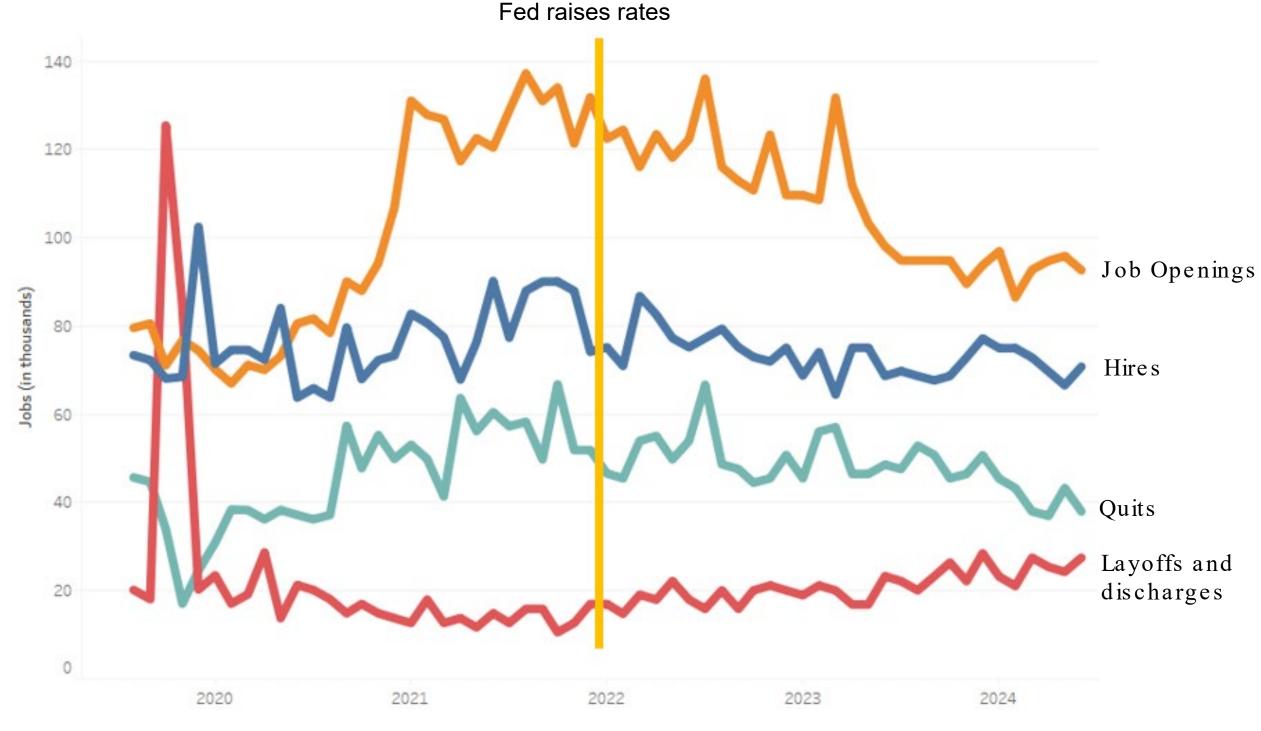
#### STATE EMPLOYMENT



### 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.

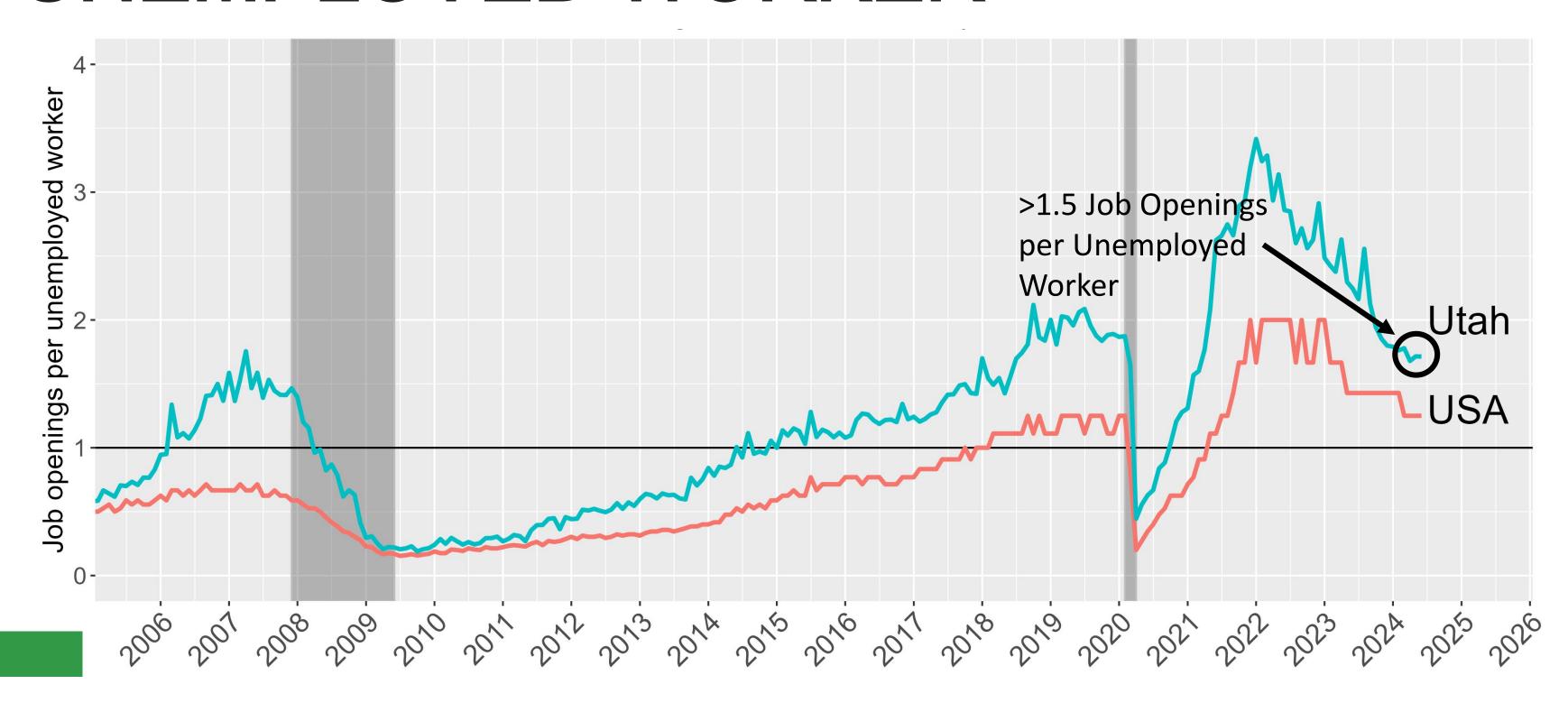




Source: BLS: Utah JOLTS

### FEWER JOB OPENINGS PER UNEMPLOYED WORKER



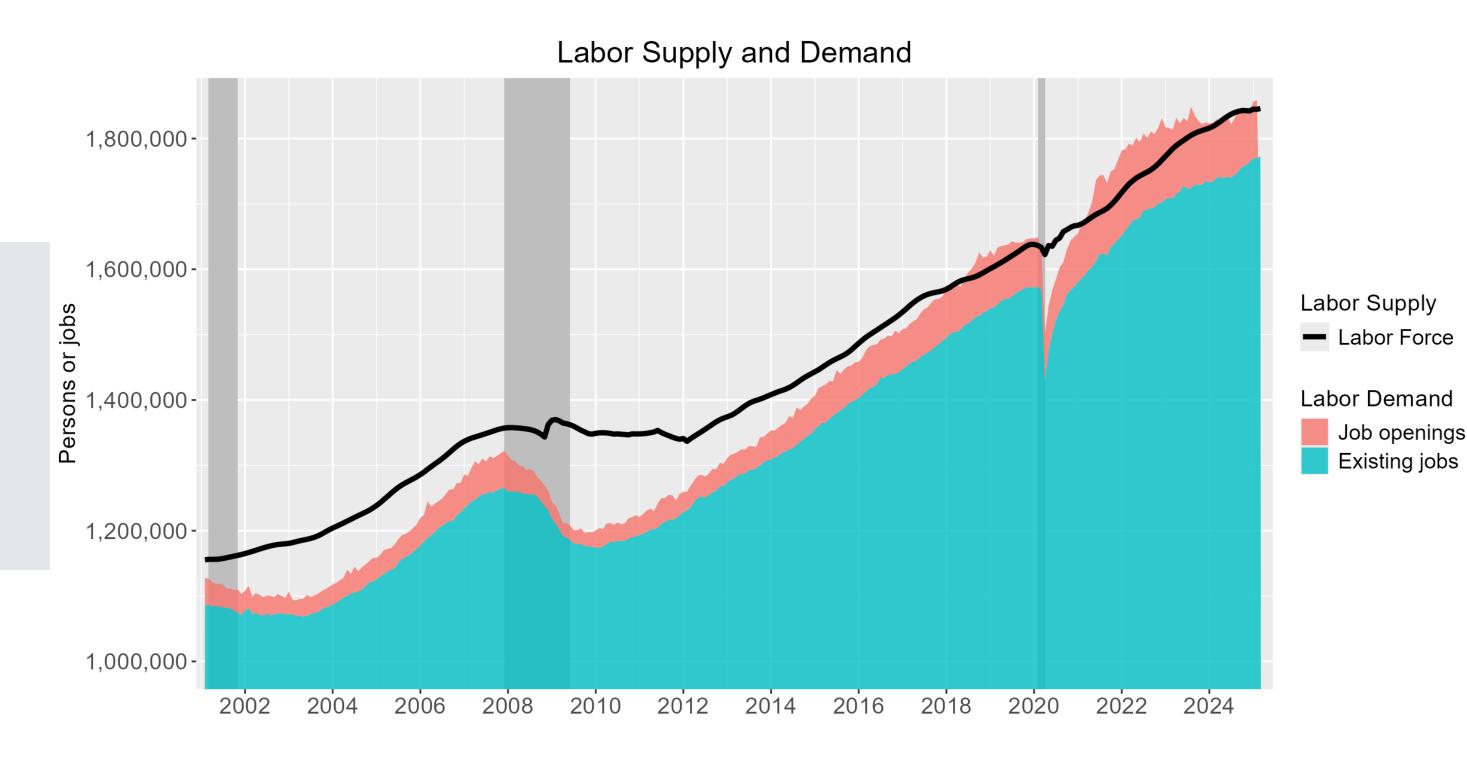


### LABOR SUPPLY AND DEMAND



Available labor force has historically been ample for the Utah workforce .

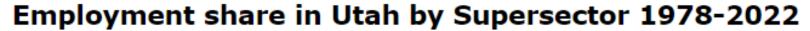
Pressure began to build pre-2020 and has resumed since, lessening recently.

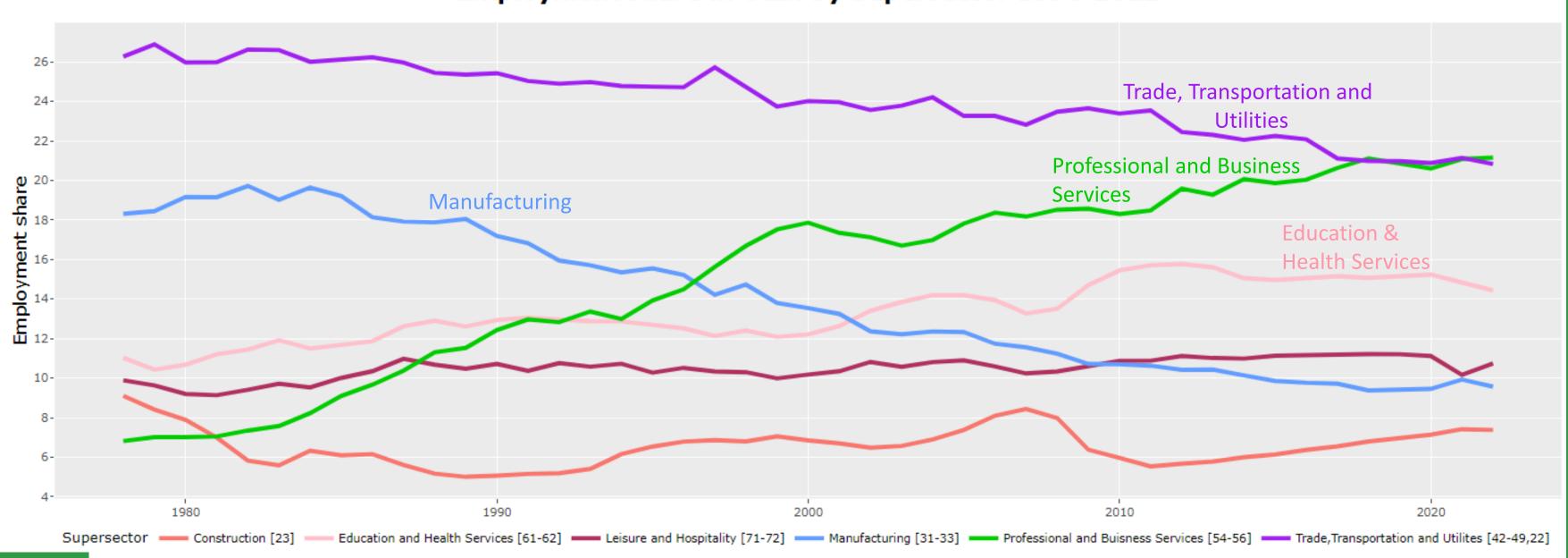


Source: Bureau of Labor Statistics, LAUS, JOLTS, and CES

### CHANGING INDUSTRIES IN UTAH



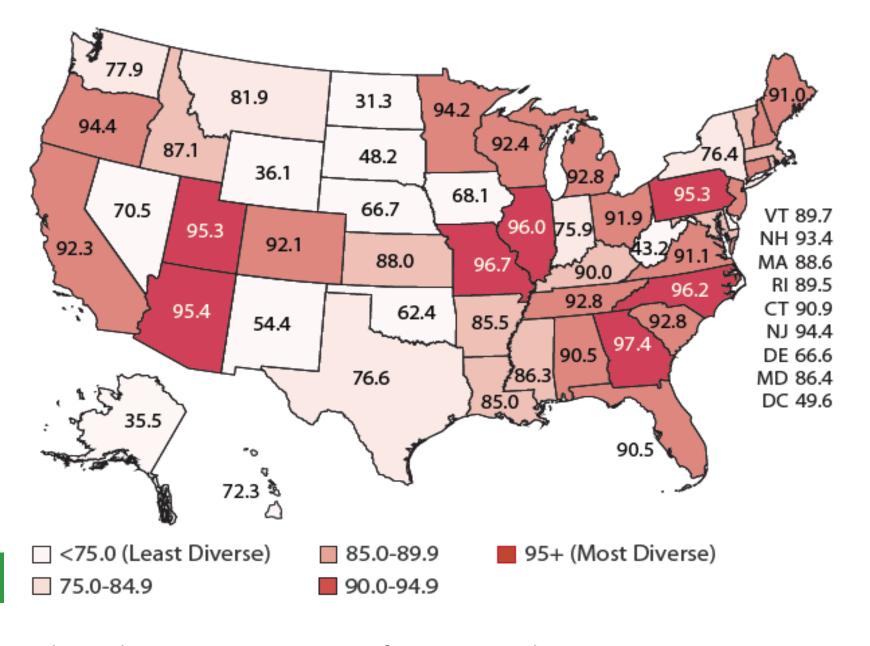


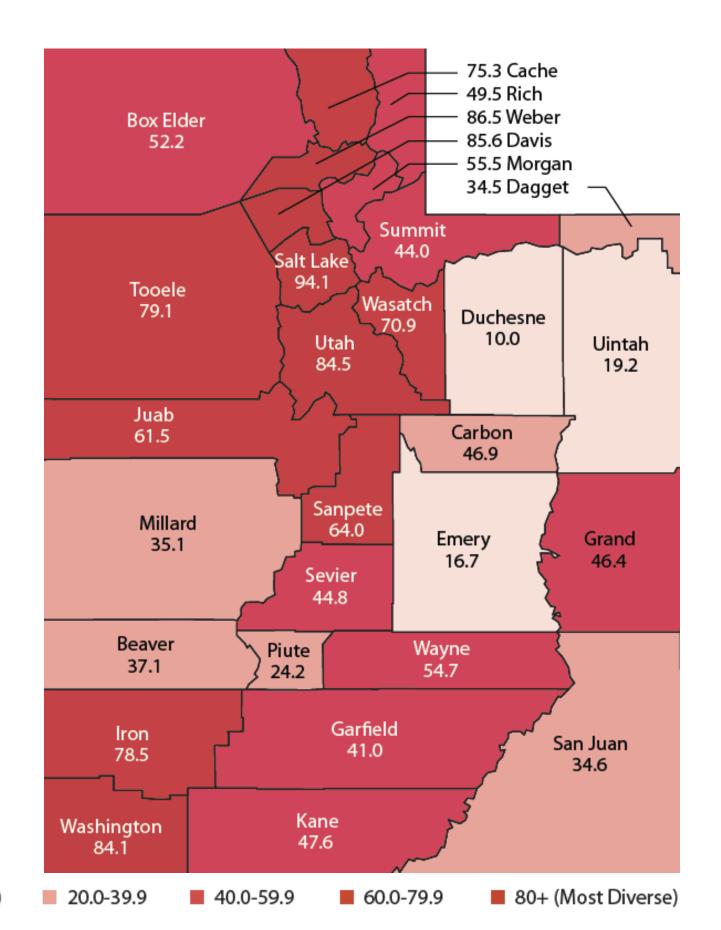


#### HACHMAN INDEX SCORES



#### Measuring Economic Diversification



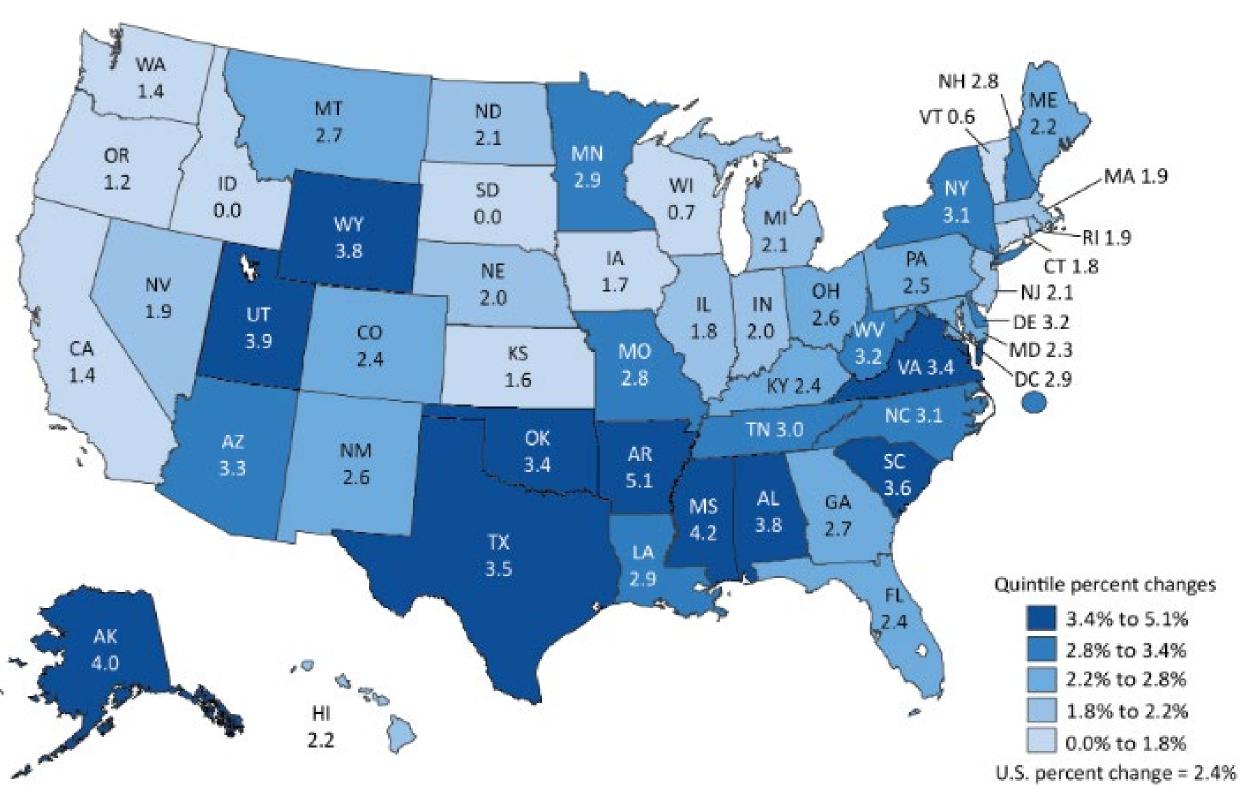




#### REAL GDP

# Percent Change at Annual Rate

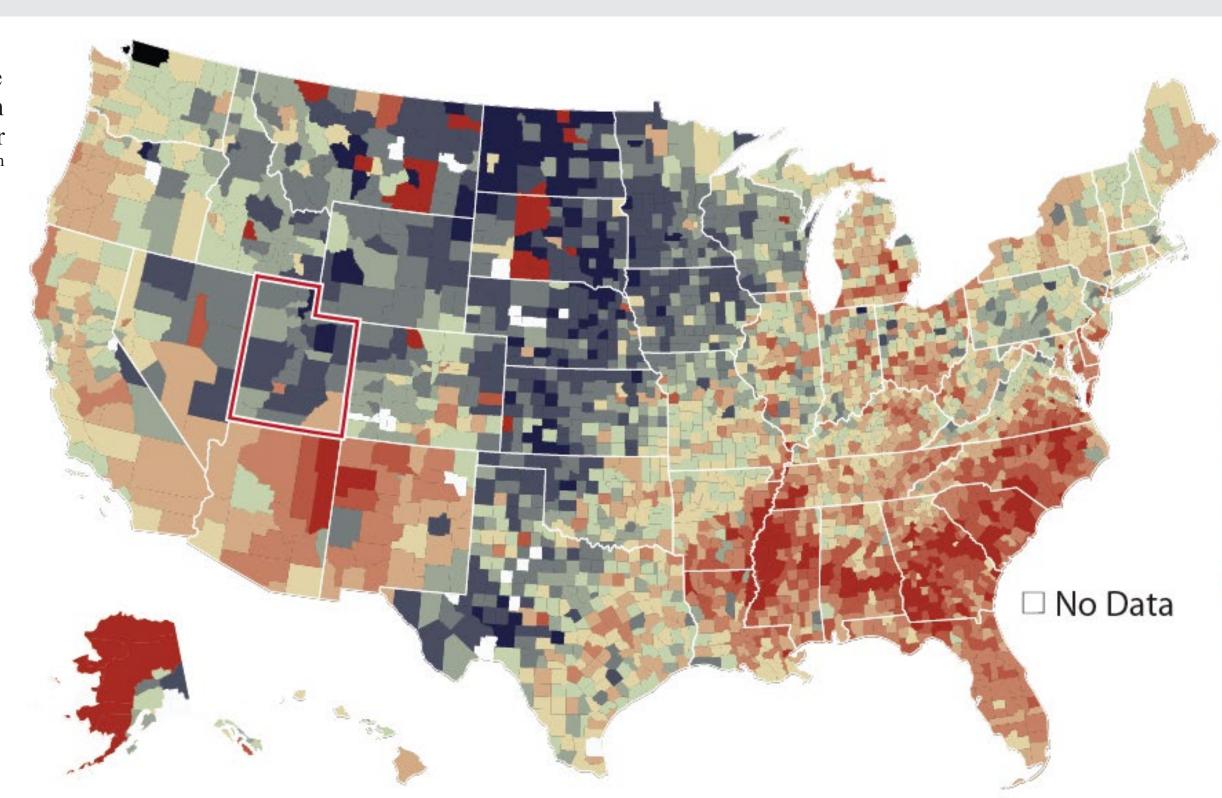
2024:Q3 - 2024:Q4



### UTAH LEADS MANY STATES IN UPWARD MOBILITY



Tracking the average income for children born from 1978 to 1992 for parents earning in the 25<sup>th</sup> income percentile



Higher levels of upward mobility

>\$44,220 \$39,290-\$44,220 \$36,340-\$39,290 \$34,530-\$36,340 \$33,050-\$34,530 \$31,690-\$33,050 \$30,030-\$31,690 \$28,330-\$30,030 \$26,160-\$28,330 <\$26,160

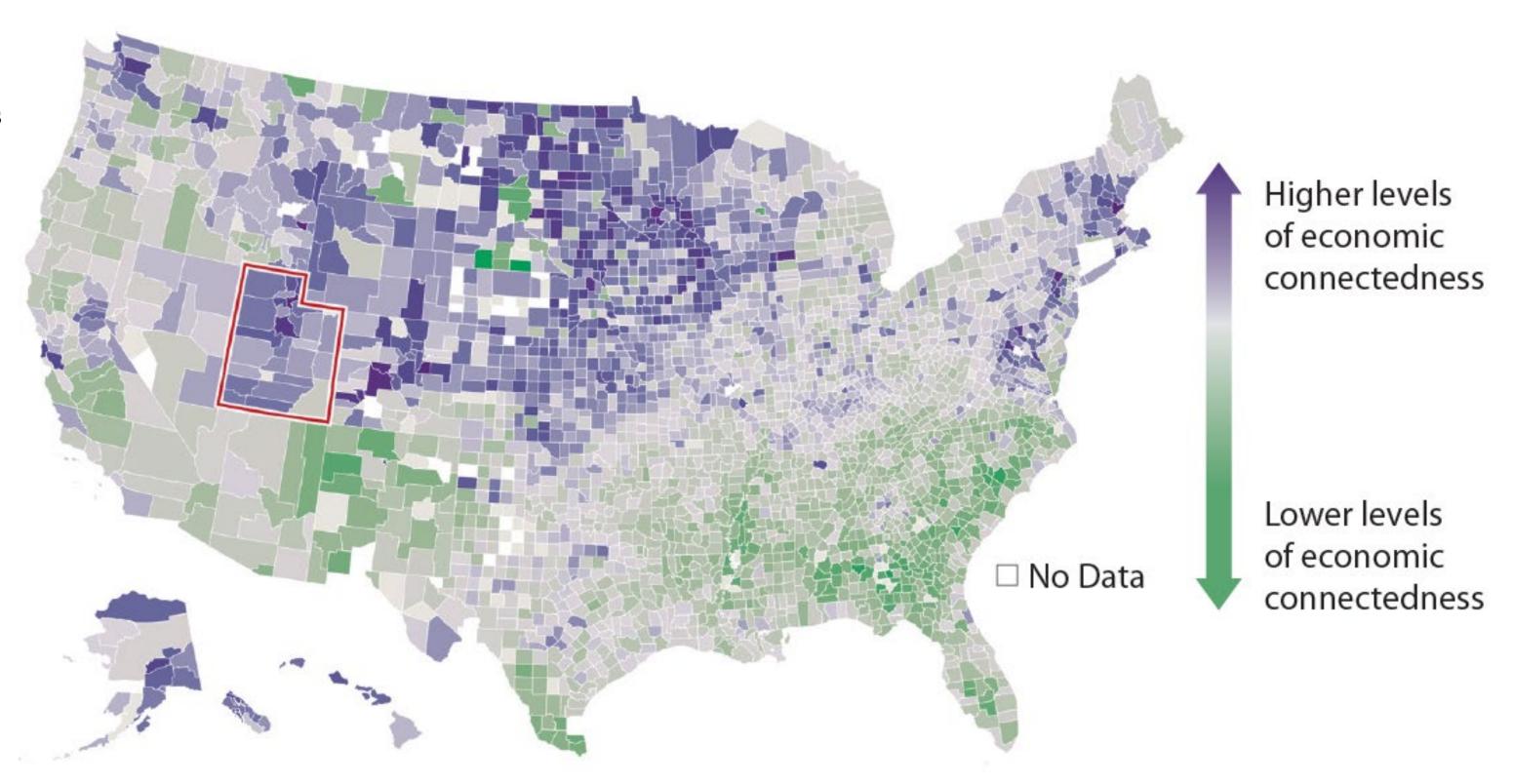
Lower levels of upward mobility

### UTAH EXHIBITS HIGH LEVELS OF ECONOMIC CONNECTION

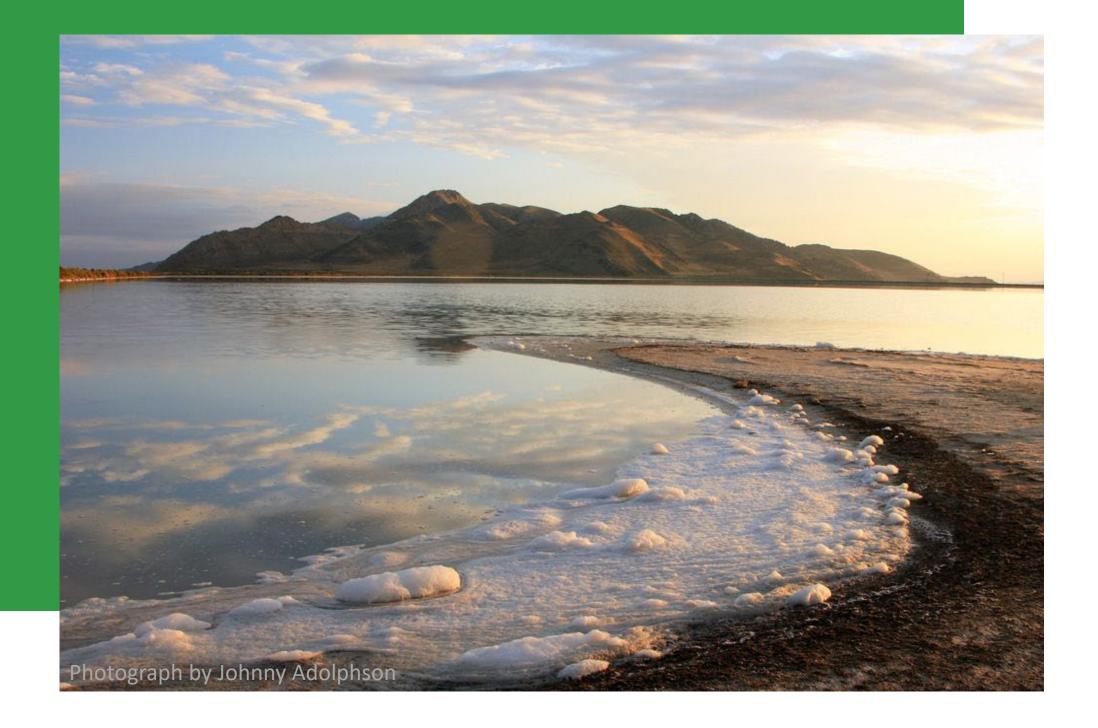


"The share of high socioeconomic status friends among individuals with low socioeconomic status"

A higher value indicates more connections across income levels



Source: Social Capital I: Measurement and Associations with Economic Mobility, Raj Chetty et al, accessed via Nature.com





### Economic Pressures

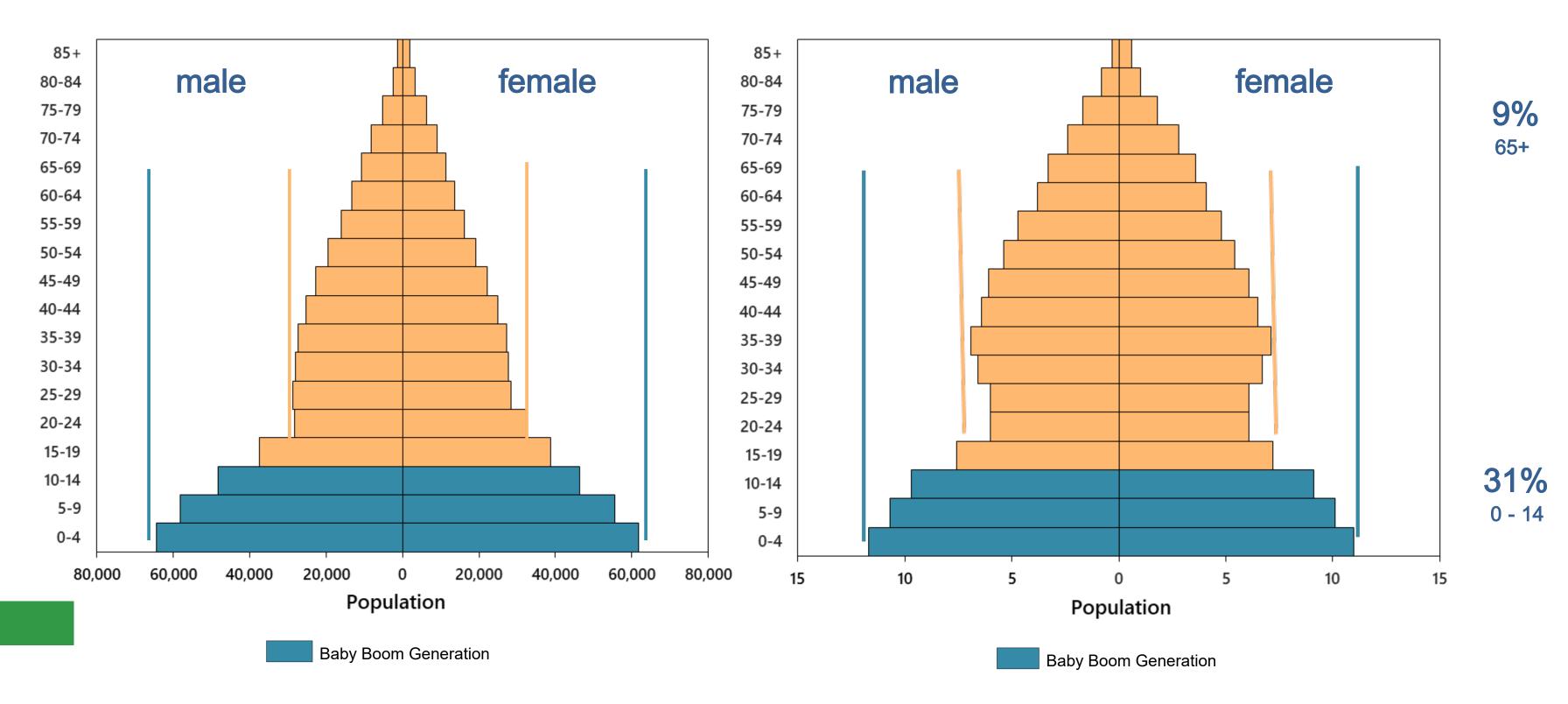
1. GROWING AND CHANGING POPULATION

2. INFLATION

3. RISING HOUSING COSTS

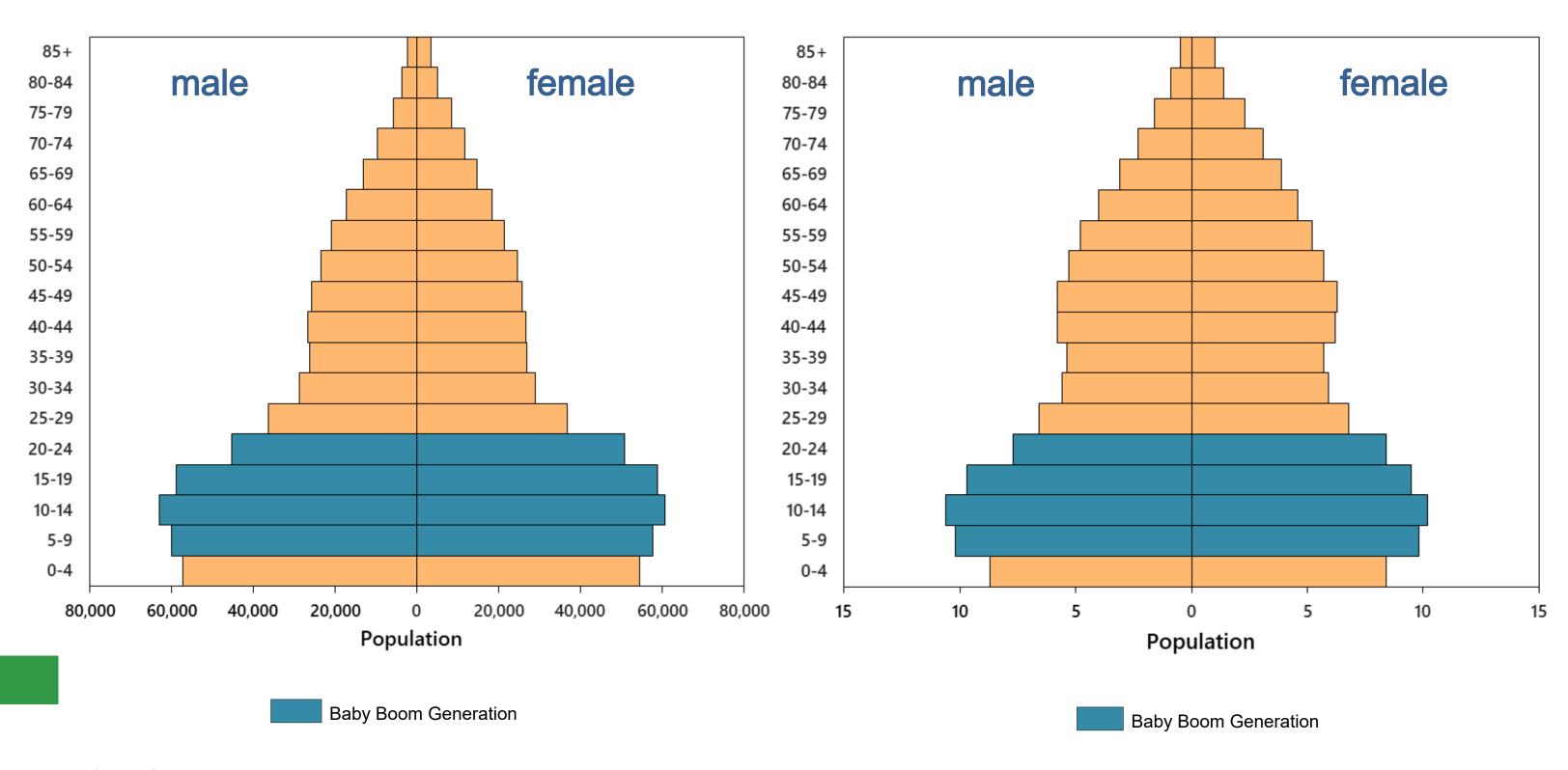
#### UTAH





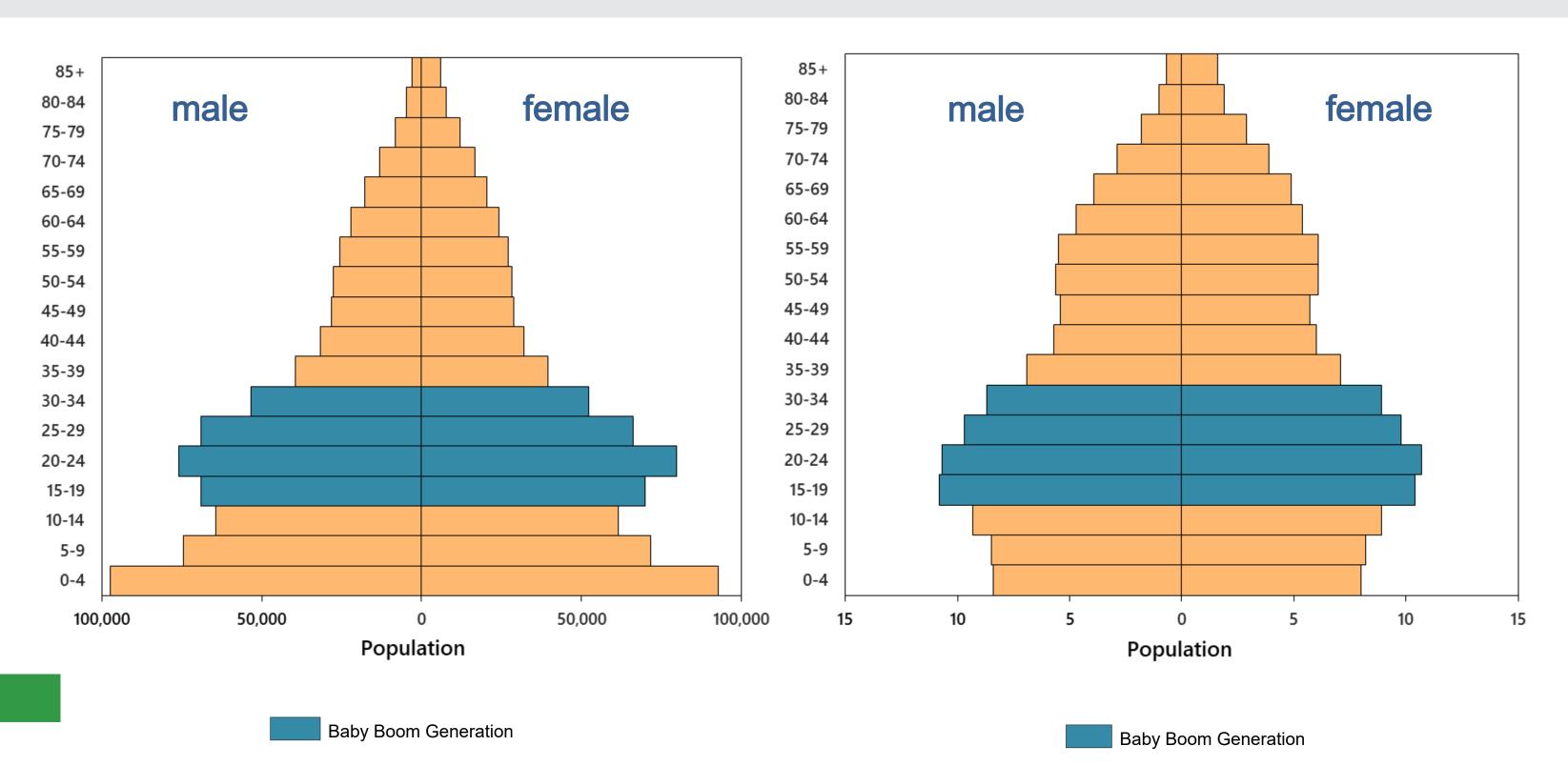
#### UTAH





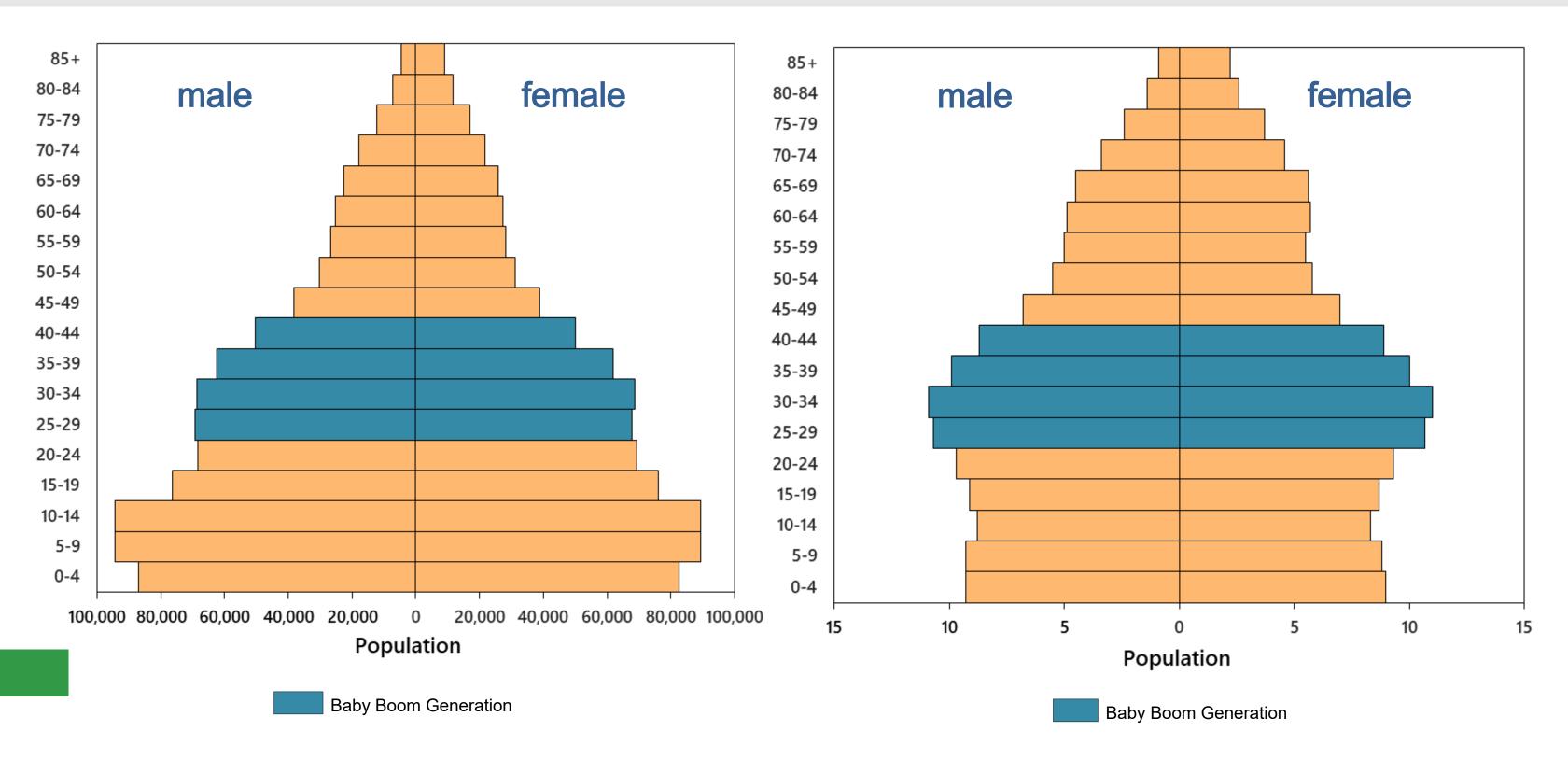
#### UTAH





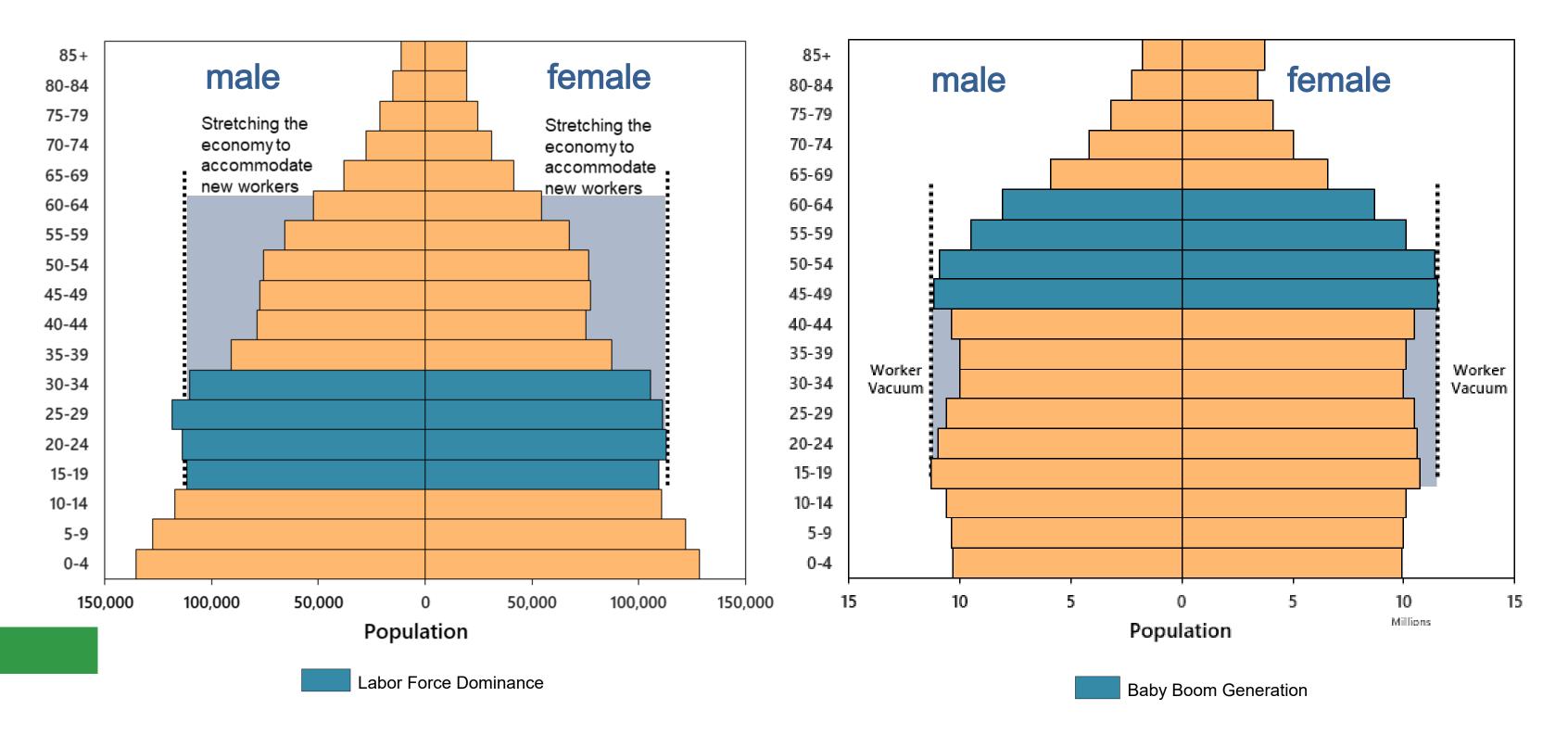
#### UTAH





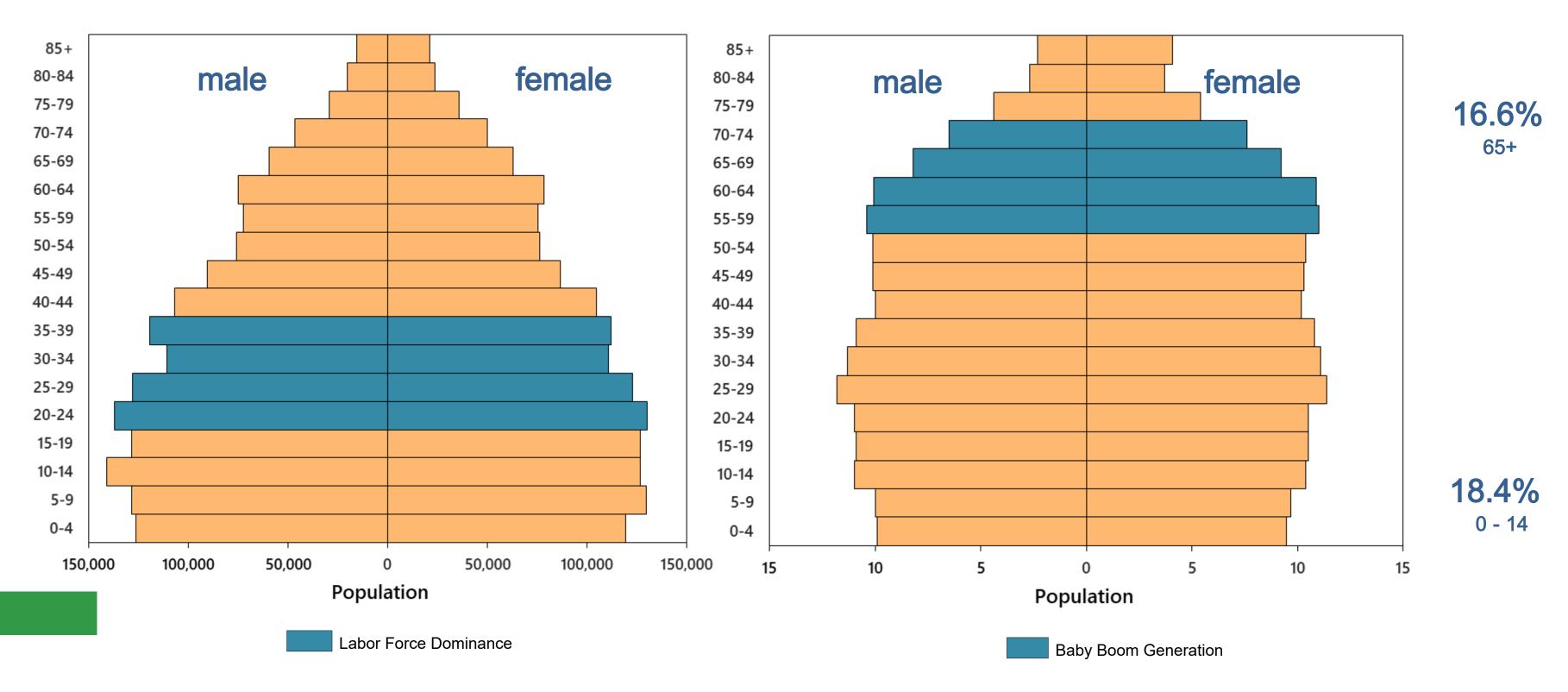
# 2010 POPULATION UTAH





# 2020 POPULATION UTAH

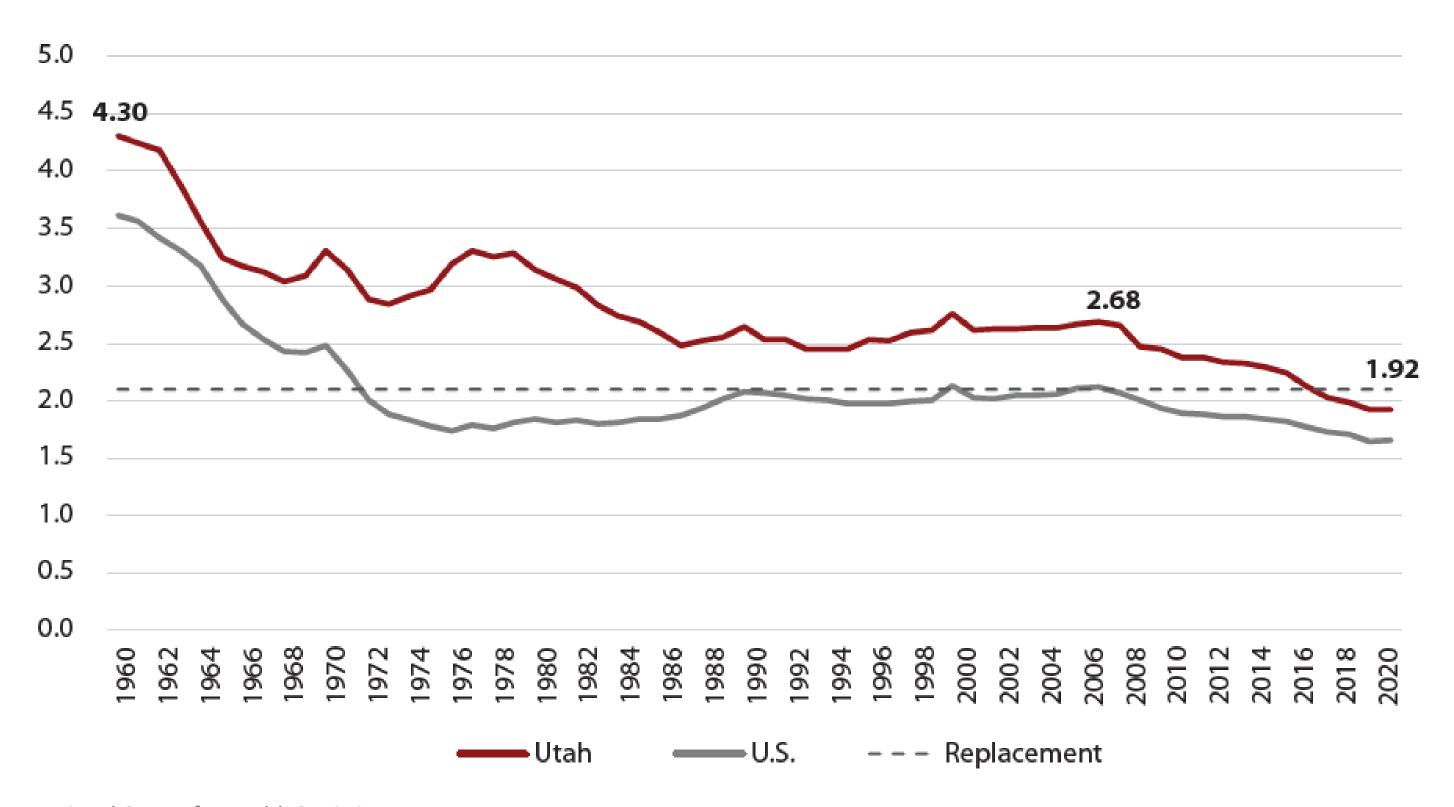
WORKFORCE SERVICES RESEARCH & ANALYSIS



#### TOTAL FERTILITY RATE

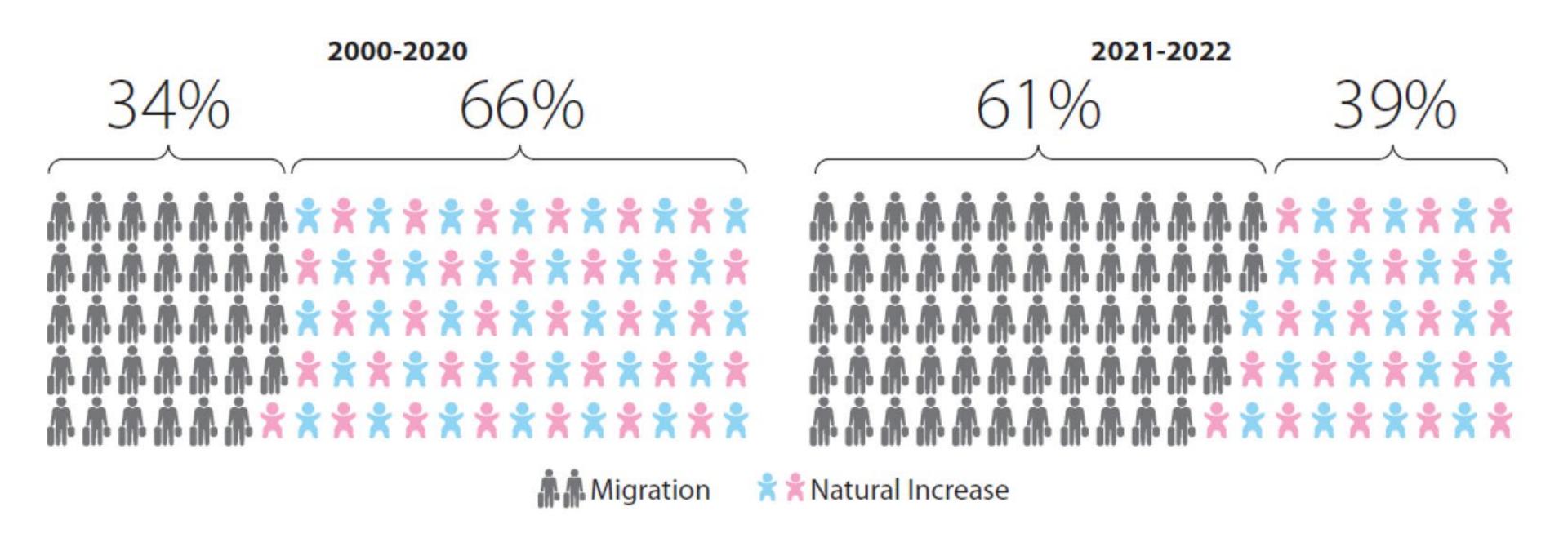
#### 1960 - 2021





### UTAH COMPONENTS OF POPULATION CHANGE







### PLAUSIBLE LABOR SHORTAGE SOLUTIONS

- 1. KEEP BABY BOOMERS IN THE LABOR FORCE LONGER.
- 2. IMPORT LABOR FROM OTHER COUNTRIES.
- 3. INCREASE PRODUCTIVITY OF WORKERS USING AUTOMATION AND ARTIFICIAL INTELLIGENCE.
- 4. INCENTIVIZE BIRTHS.
- 5. LET THE ECONOMY NATURALLY SHRINK.



#### UTAH

### Components of Population Change

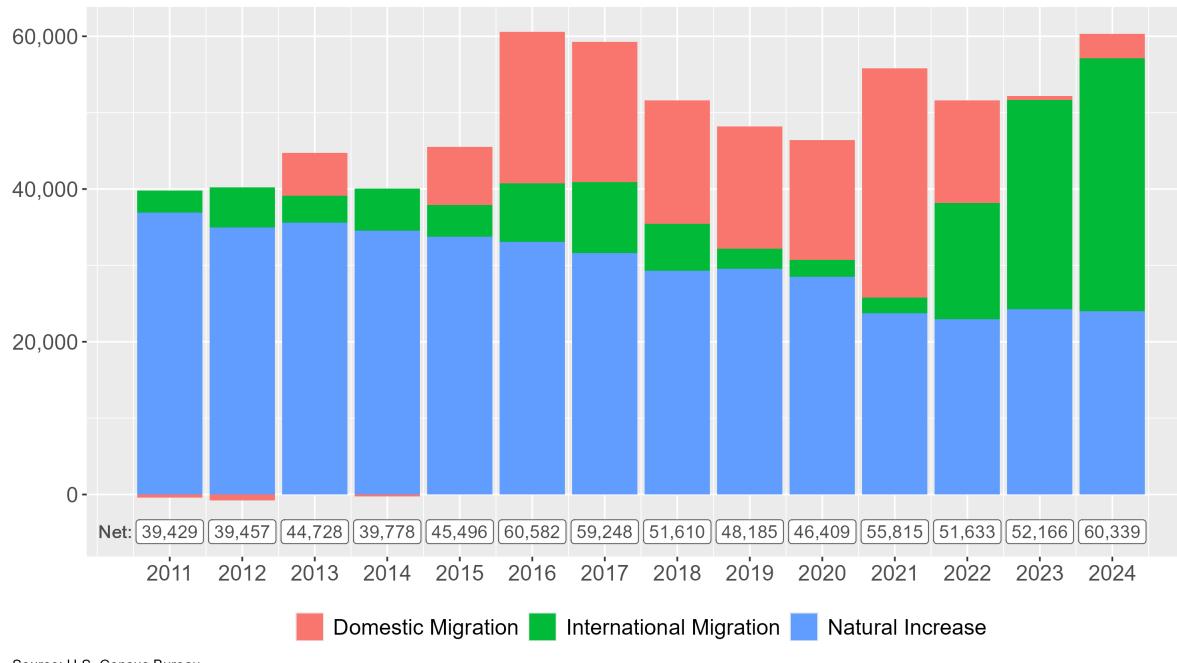
Natural increase consistently decreasing year-over.

In-migration increases in the '10's, fueled by positive economic growth.

Post 2020, in -migration has become the largest component of population growth.



#### Utah: Components of Population Change



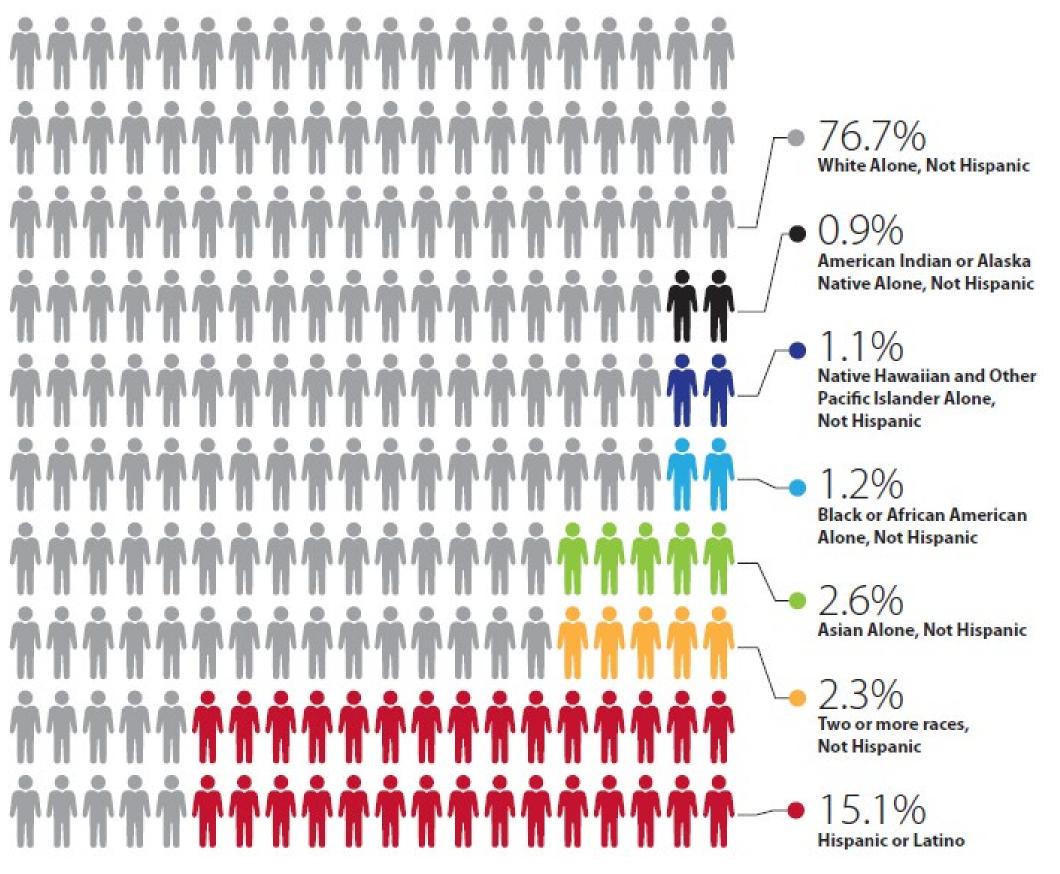
Source: U.S. Census Bureau

Source: U.S. Census



### UTAH POPULATION BY RACE AND ETHNICITY

2022

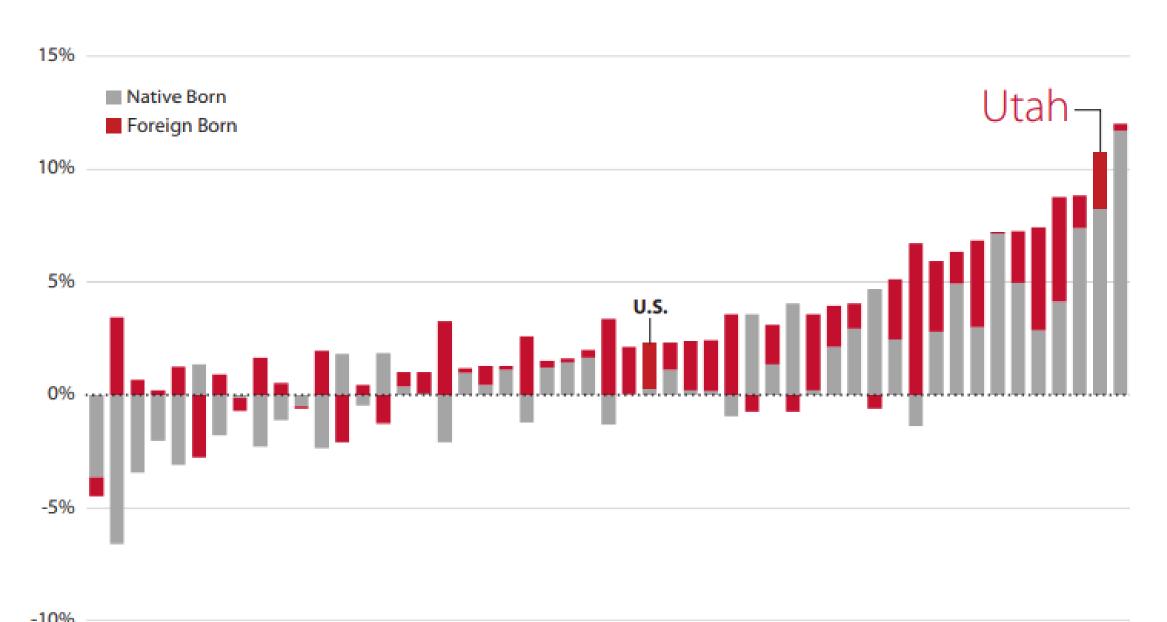


Source: Kem C. Gardner Policy Institute, U.S. Census Bureau, Population Division

### MIGRATION PLAYS A BIG ROLE IN EMPLOYMENT GROWTH



Percent Change in Overall Employment by Place of Birth and State, January 2020-July 2024





# Under Pressure HISTORIC INFLATION

#### *More money* chasing *fewer goods* → Inflation

Multiple sources...

- 1. Federal aid from pandemic
- 2. High demand for goods
- 3. International supply chain disruption
- 4. Labor shortage
- 5. Tariffs

February 2025 inflation at 2.8% year-over-year

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

– Isabel Schnabel, European Central Bank

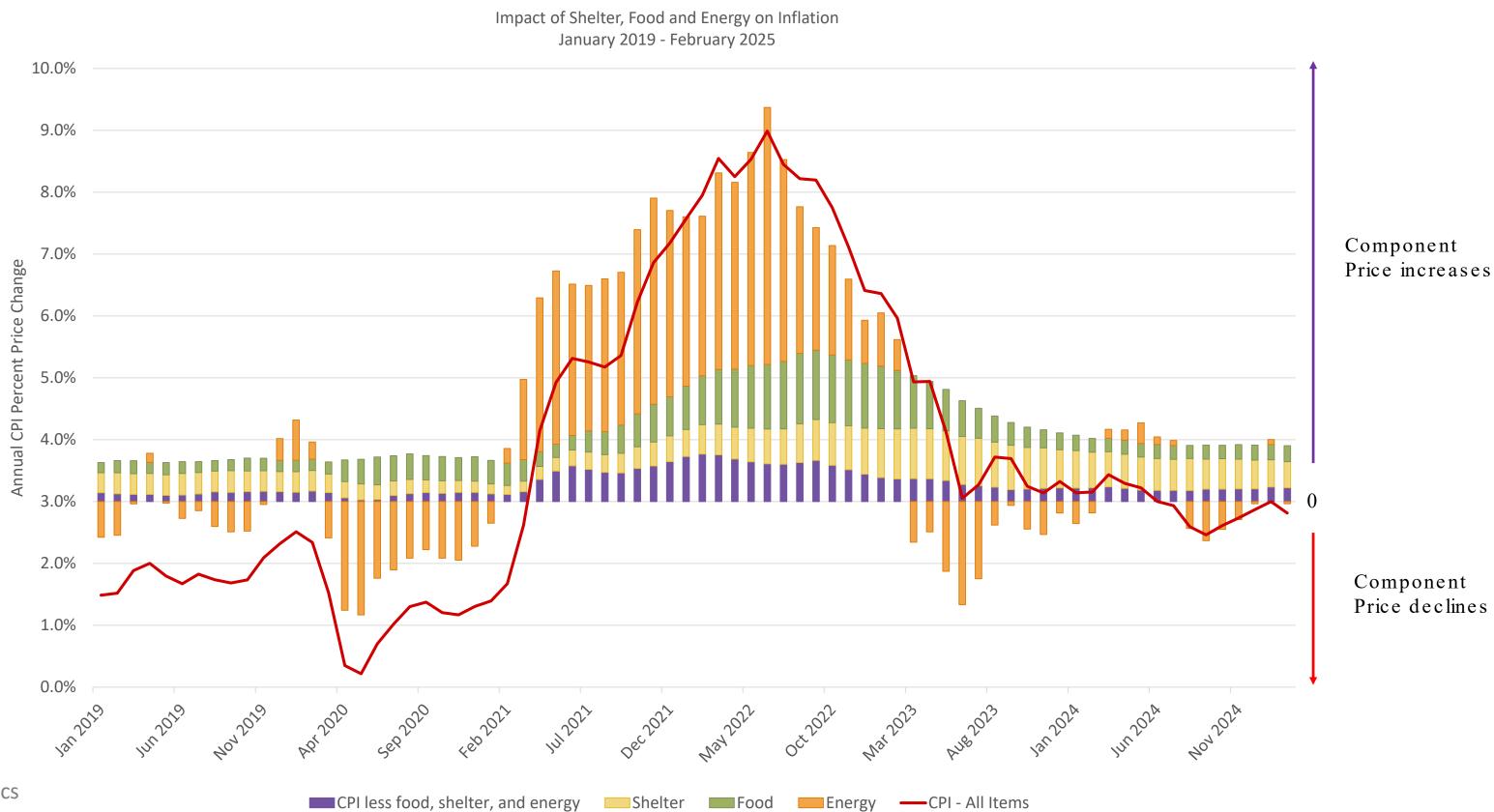


### COMPONENTS OF INFLATION



March 2022
Federal Reserve
begins raising
interest rates

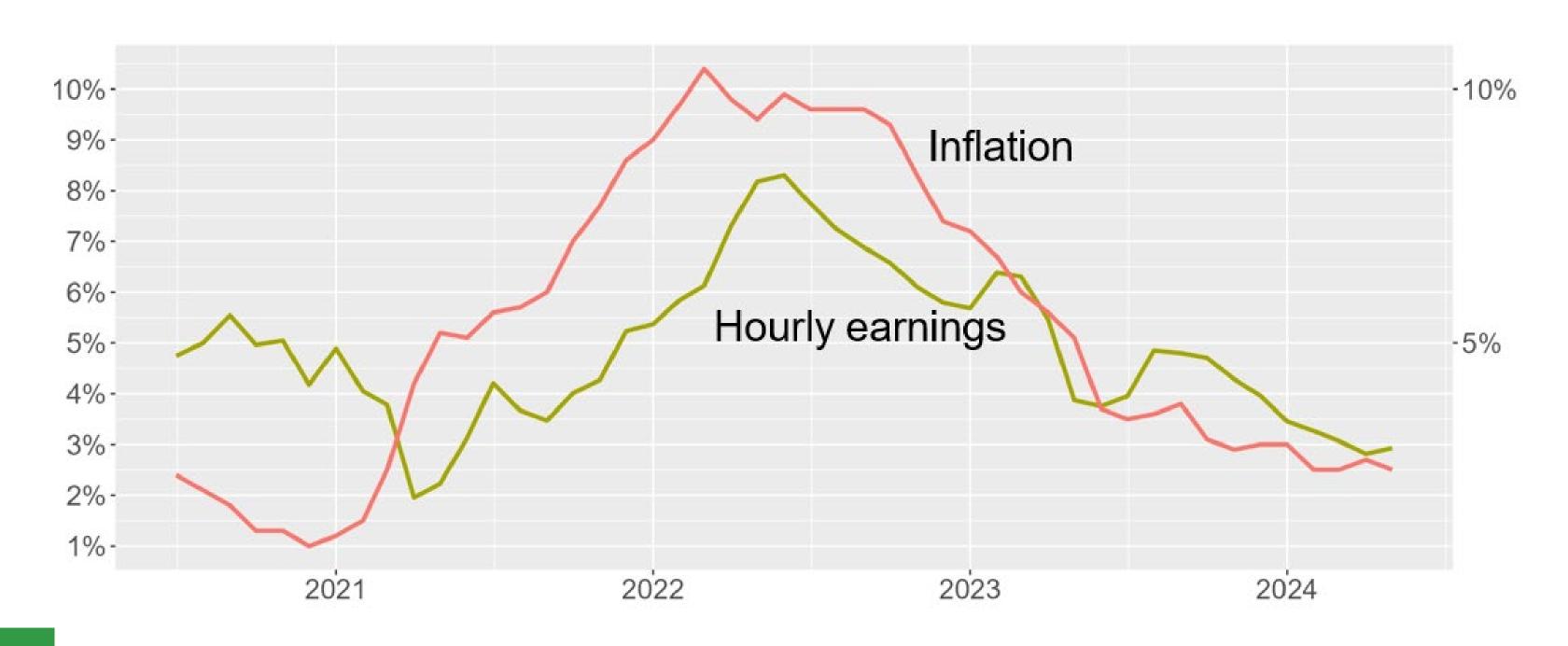
September 2024
Federal Reserve
begins cutting
interest rates



#### LOCAL INFLATION

#### **UTAH EARNINGS**

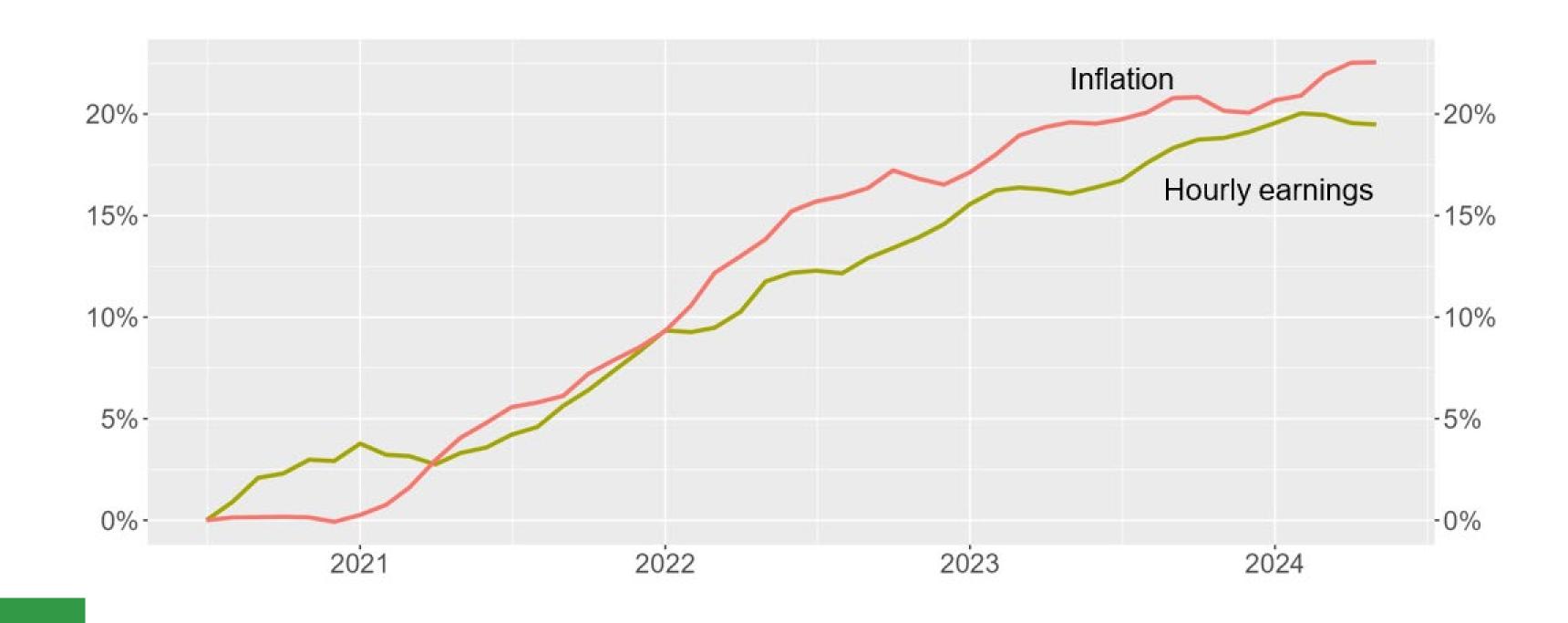






## LOCAL INFLATION UTAH EARNINGS

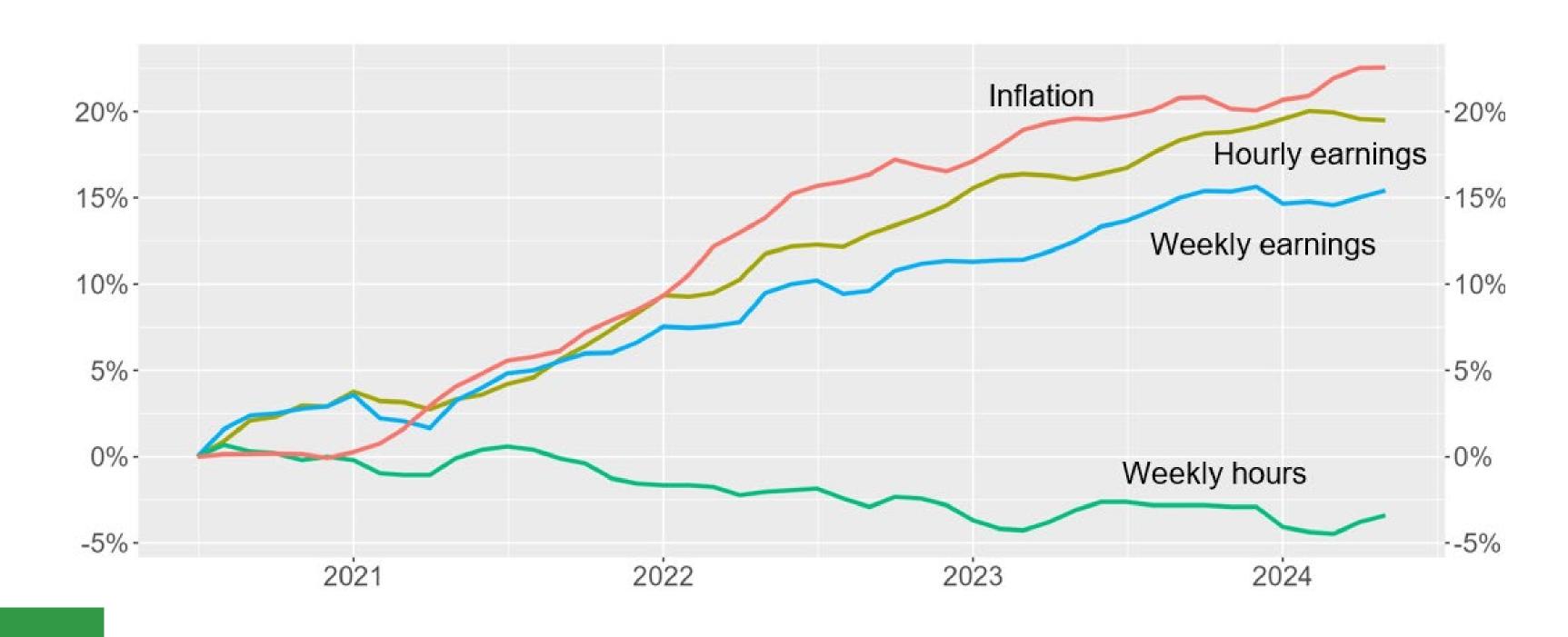






## LOCAL INFLATION UTAH EARNINGS





#### CUMULATIVE PERCENT CHANGE IN

### U.S. GROCERY PRICES

30% 25% 20% 15% 10% January 2015 – January 2020 January 2020 – October 2024

Note: Values derived using U.S. Bureau of Labor Statistics'

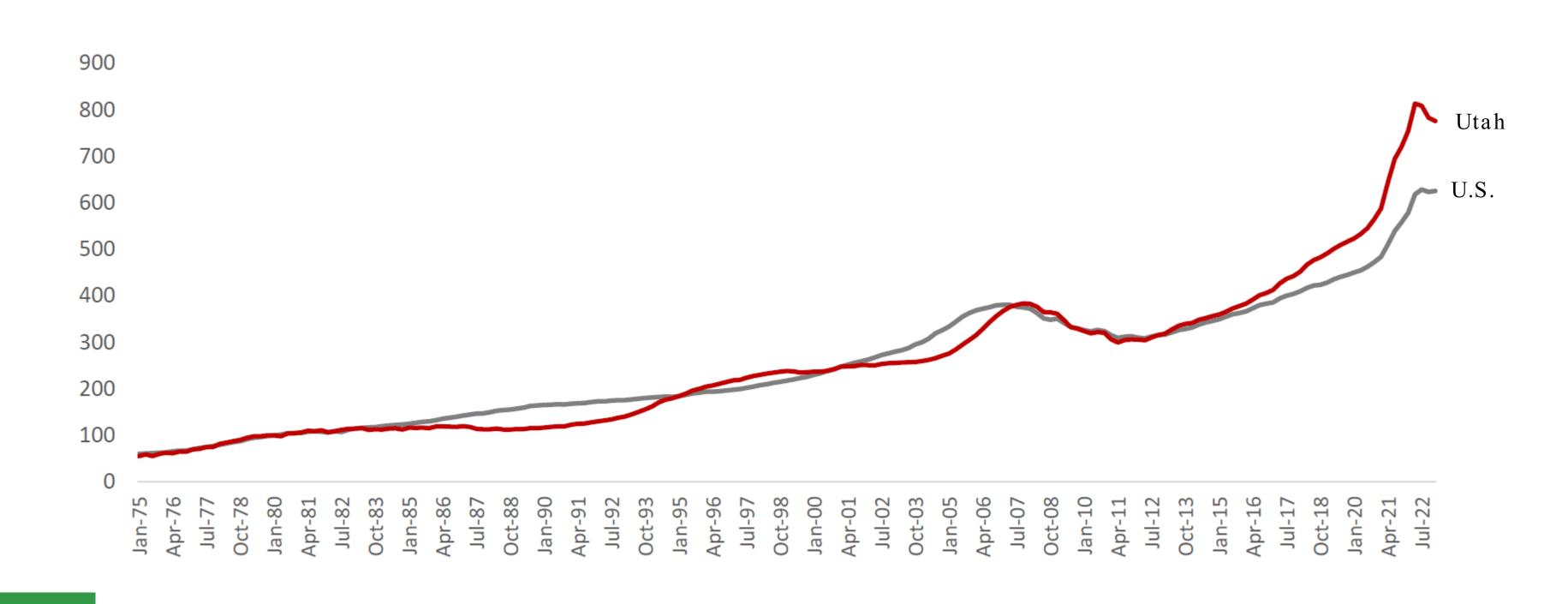
Consumer Price Index

Source: Kem C. Gardner Institute, U.S. Bureau of Labor Statistics



## HOUSING PRICE INDEX UTAH & U.S.





#### HOUSING AFFORDABILITY

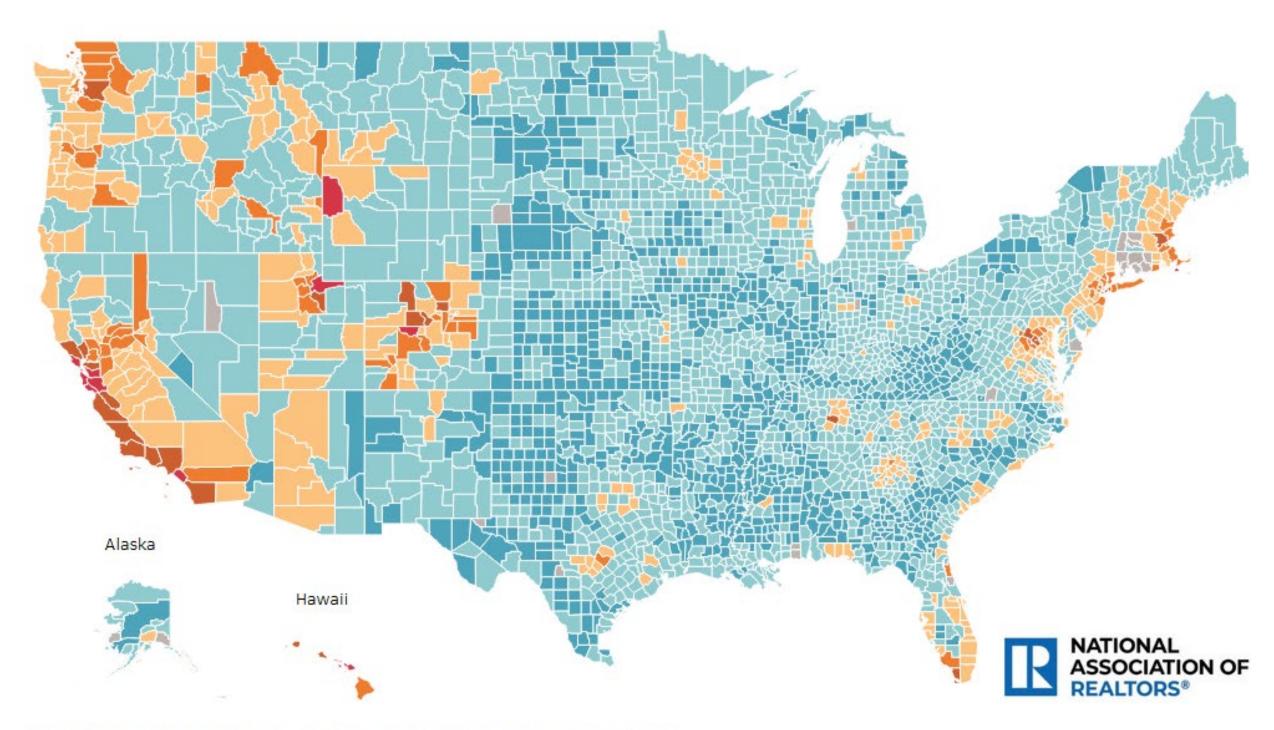


**31.2%** Less than \$150,000

**54.6%** \$150,000-\$350,000

**10.3%** \$350,000-\$550,000

**2.4%** \$550,000-\$750,000 **0.9%** \$750,000-\$1,000,000 **0.5%** \$1,000,000 and more



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

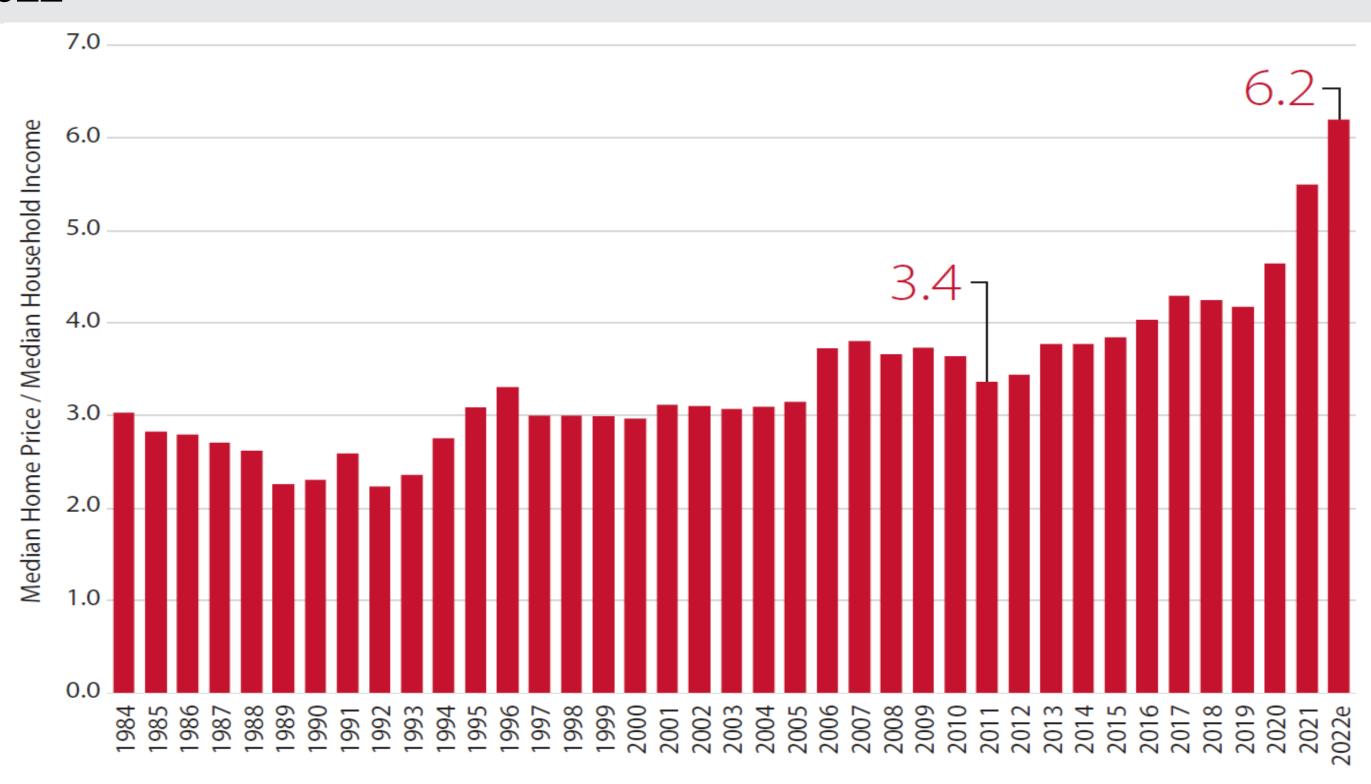
Click below to download the map in pdf

Source: National Association of Realtors

# Ratio of Utah Median Home Price to Median Household Income



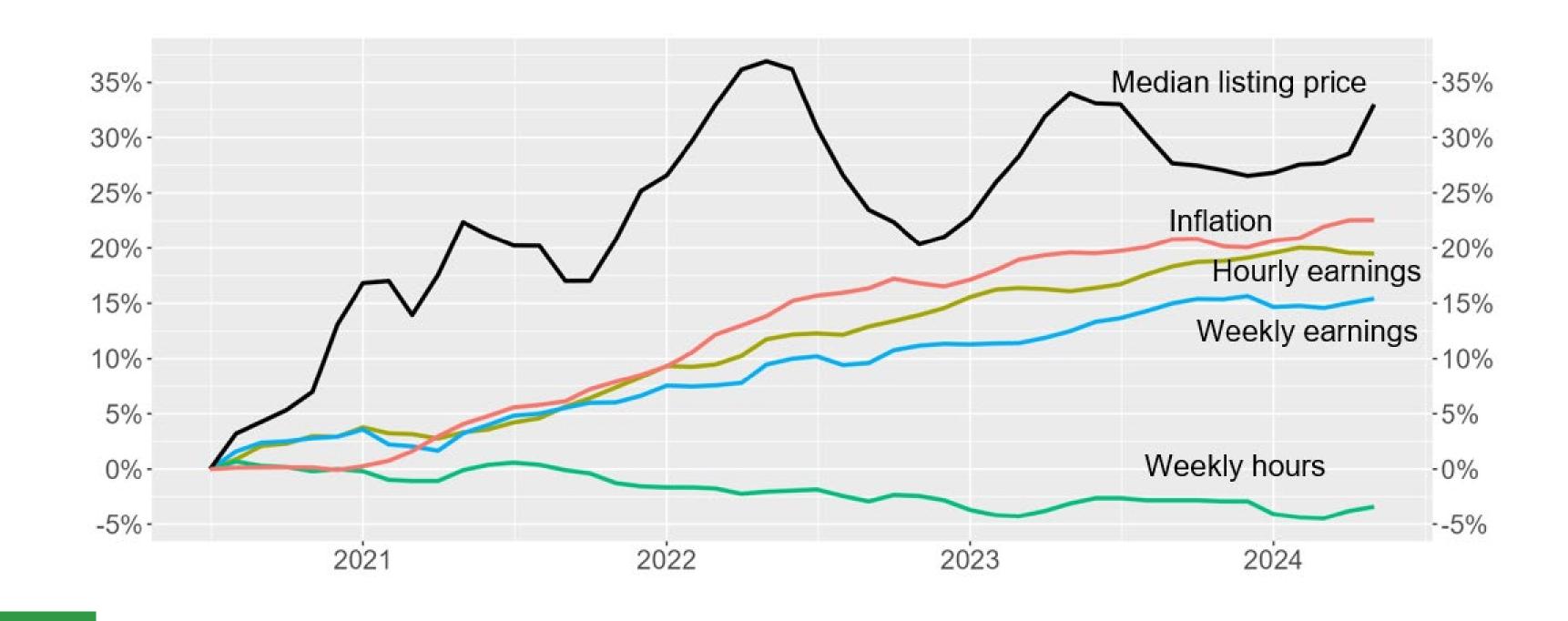
1984 to 2022





# LOCAL INFLATION UTAH EARNINGS



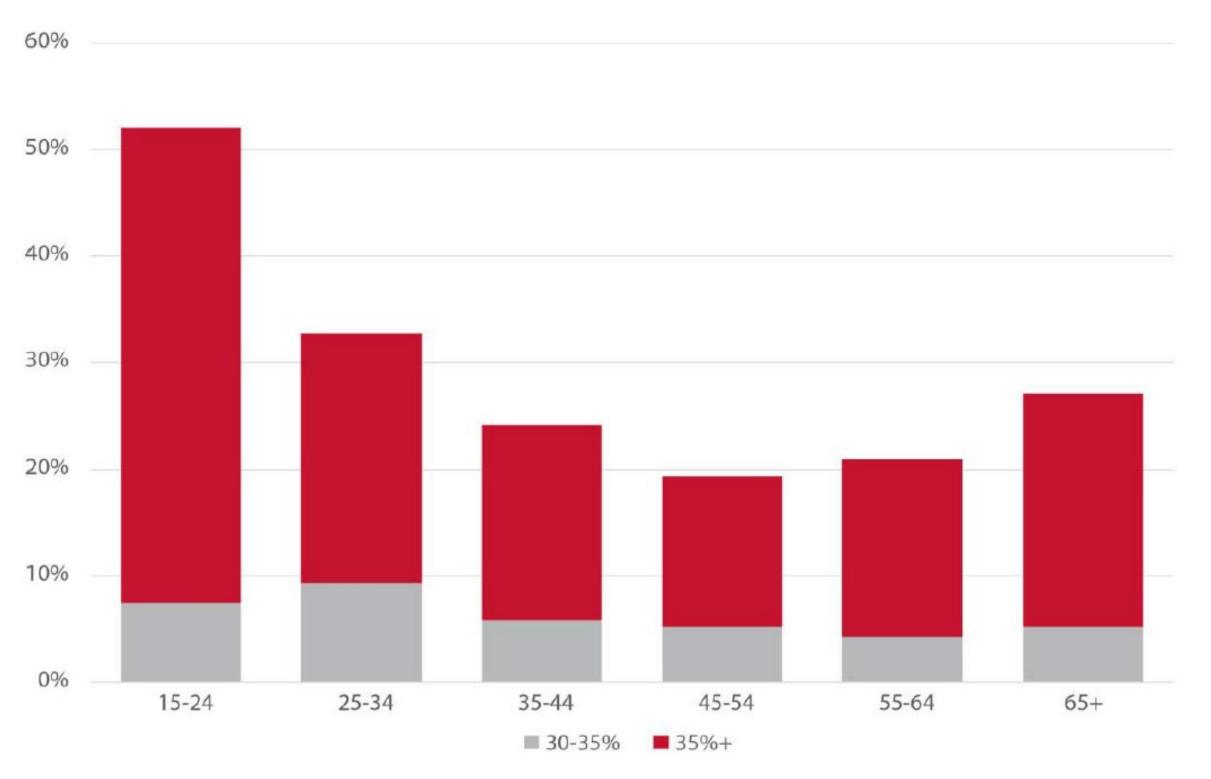




# HOUSING AFFORDABILITY



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

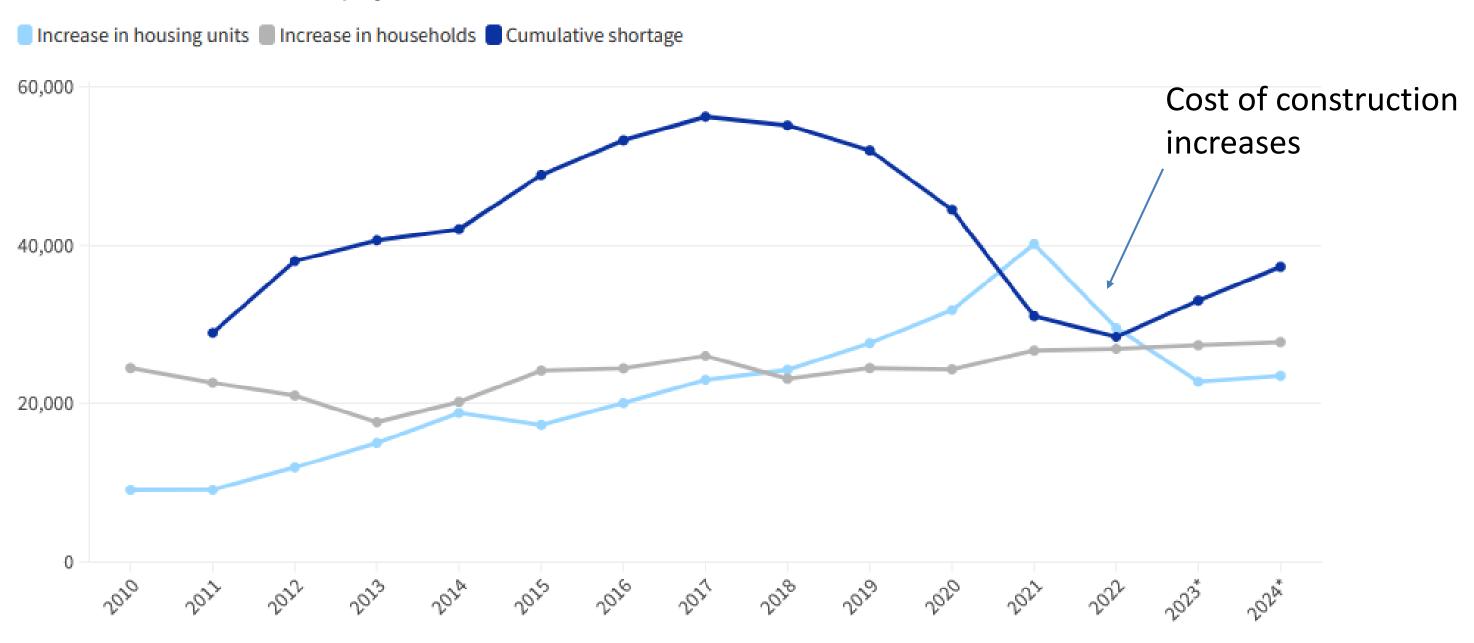


# UTAH'S HOUSING DEFICIT



# Household Formation Outpaces Home Construction

The rapid rise in mortgage rates threatens to undo recent progress addressing the state's housing shortage, two researchers said. Numbers for 2023 and 2024 are projected.





# HOUSING MARKET CALCIFICATION

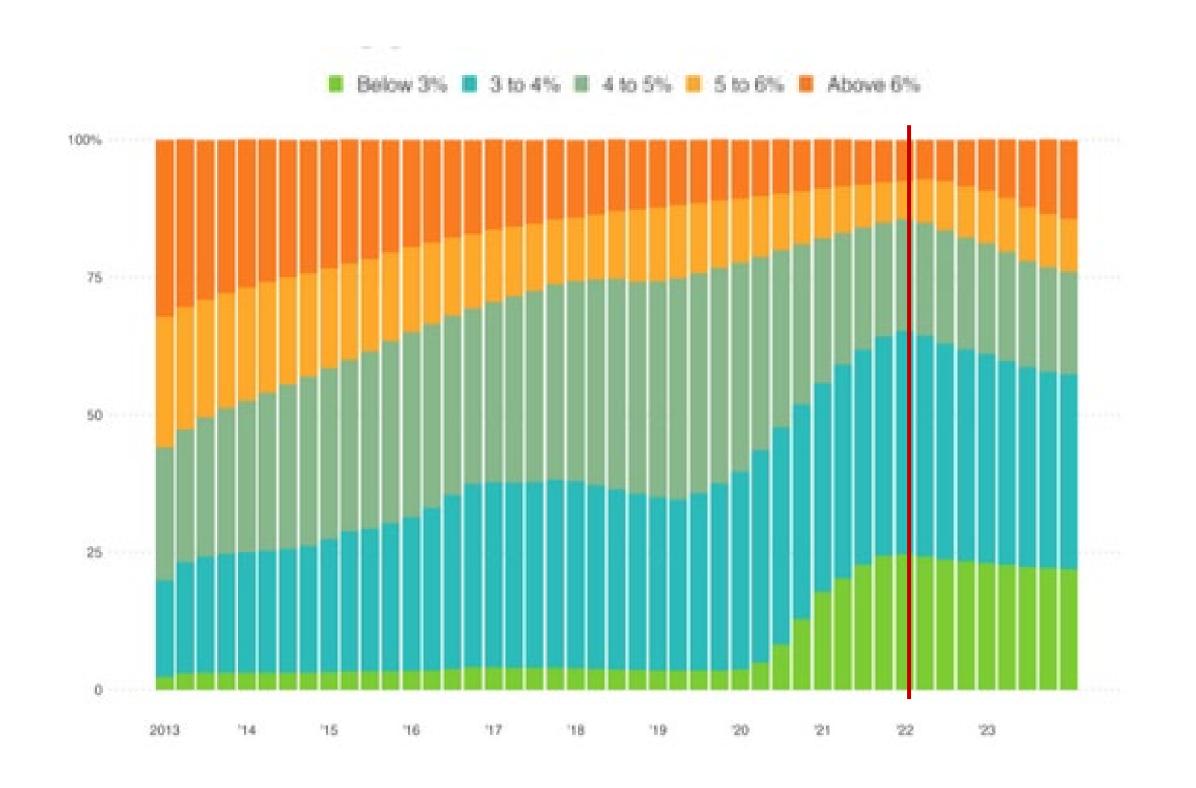
# Interest Rates on Existing Mortgages



Nearly 9 in 10 U.S. mortgage holders have a rate below 6%.

Mortgage ranks below 3% increased dramatically during 2020 and 2021 until slowing in growth after the 2022 Fed rate hike.

Since 2022, the largest growth has been in mortgages with rates above 6%.



Source: RedFin, National Mortgage Database





# Looking to the Future

1. POPULATION PROJECTIONS

2. CHALLENGES AND OPPORTUNITIES

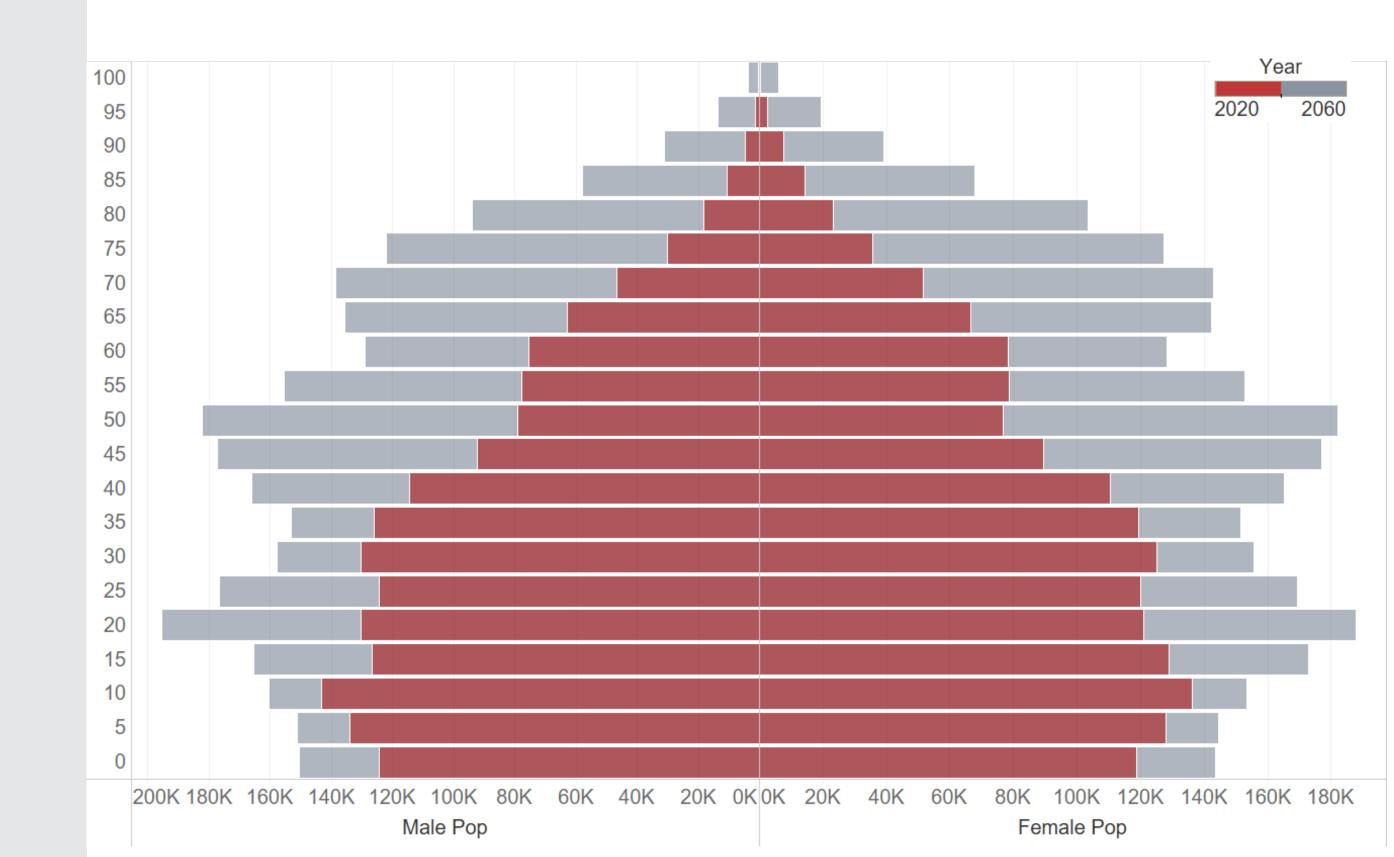
3. NATIONAL UNCERTAINTY



# UTAH

# Population Projections

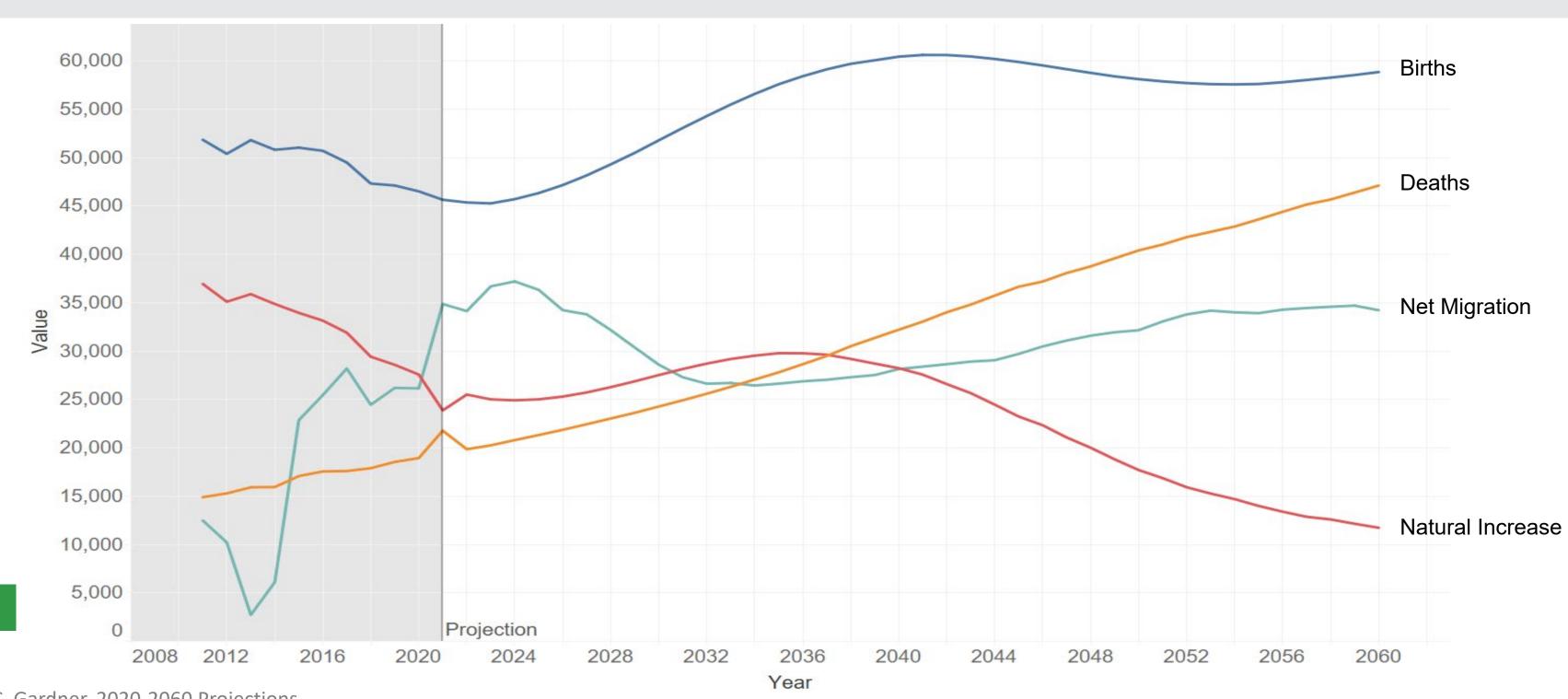
2020 - 2060



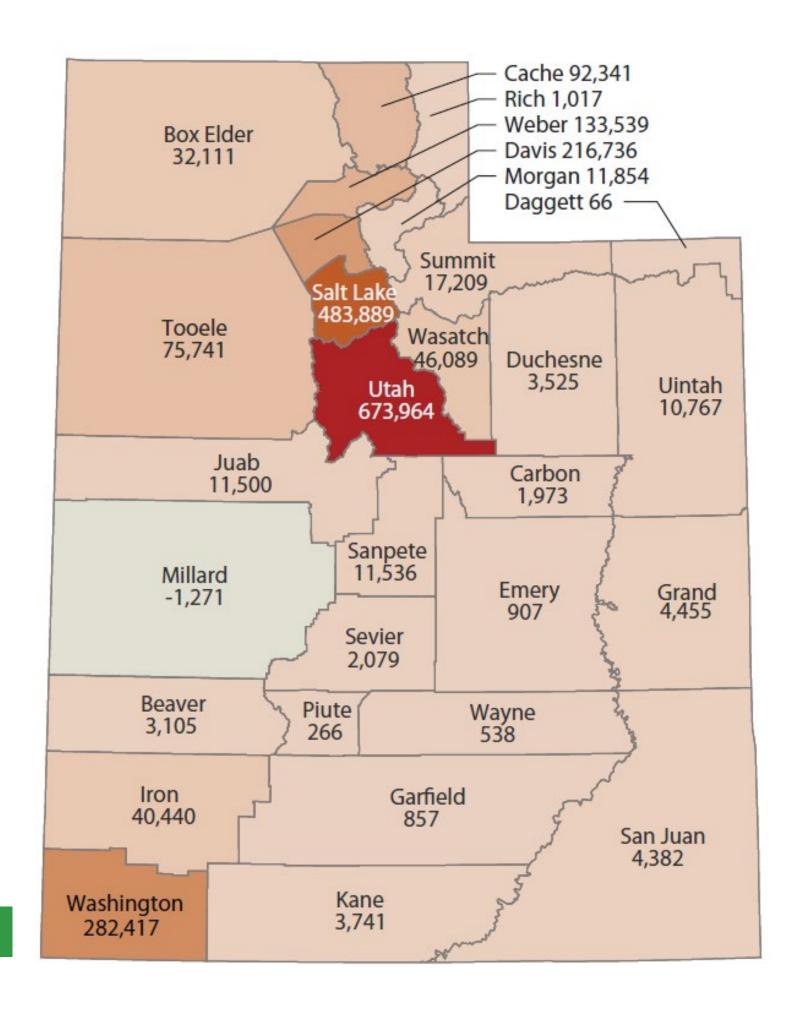




# Components of Population Change



Source: Kem C. Gardner, 2020-2060 Projections





# Utah Projected County Population Change

2020 - 2060

- Utah County's population is expected to double to 1.3 million
- With a projected population of 1.7 million by 2060, Salt Lake County will remain the largest county by population
- Washington, Davis and Weber counties are expected to grow by nearly 633,000



# UTAH DEPENDENCY RATIO

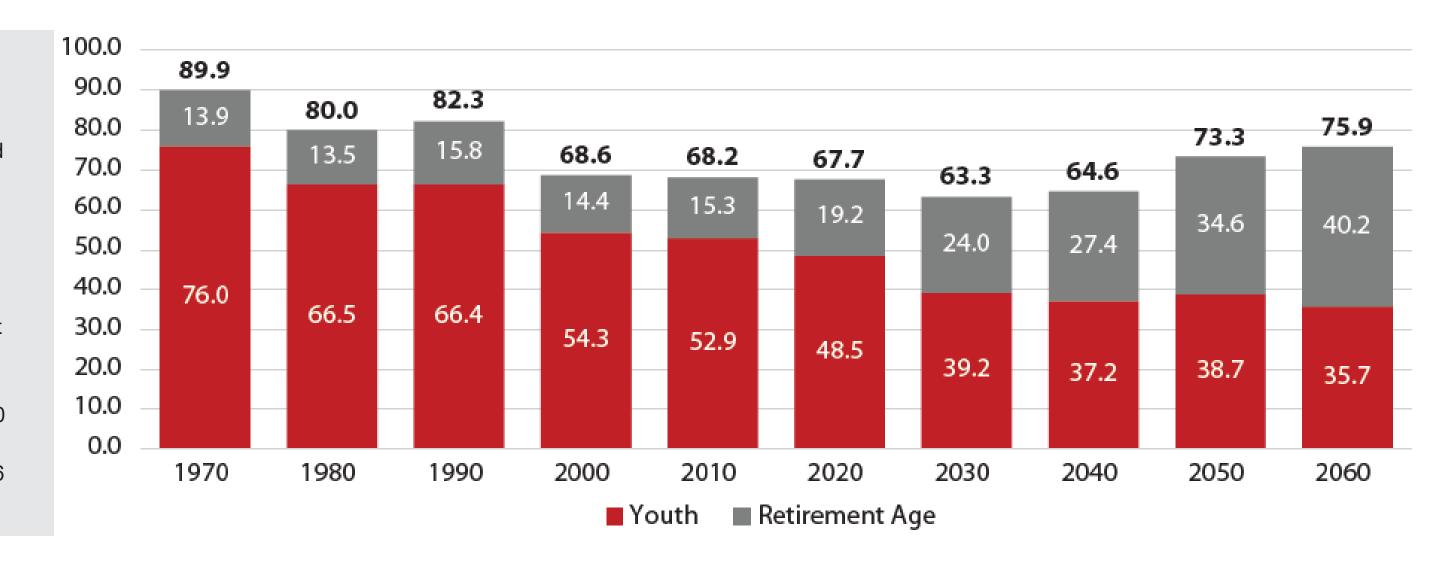


#### **Dependency Ratio**

Ratio of dependents (people under 18 and over 65) to working age population (people between the ages of 18 and 65)

1970 - 2060

- The Kem C. Gardner Policy Institute expects the dependency ratio to bottom out in 2030 and increase over the next three decades.
- Thus, from 2030 to 2060, a group of 100 working -age residents will be responsible for supporting an additional 12.6 dependents.



# 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





# UTAH LONG TERM Industry Projections

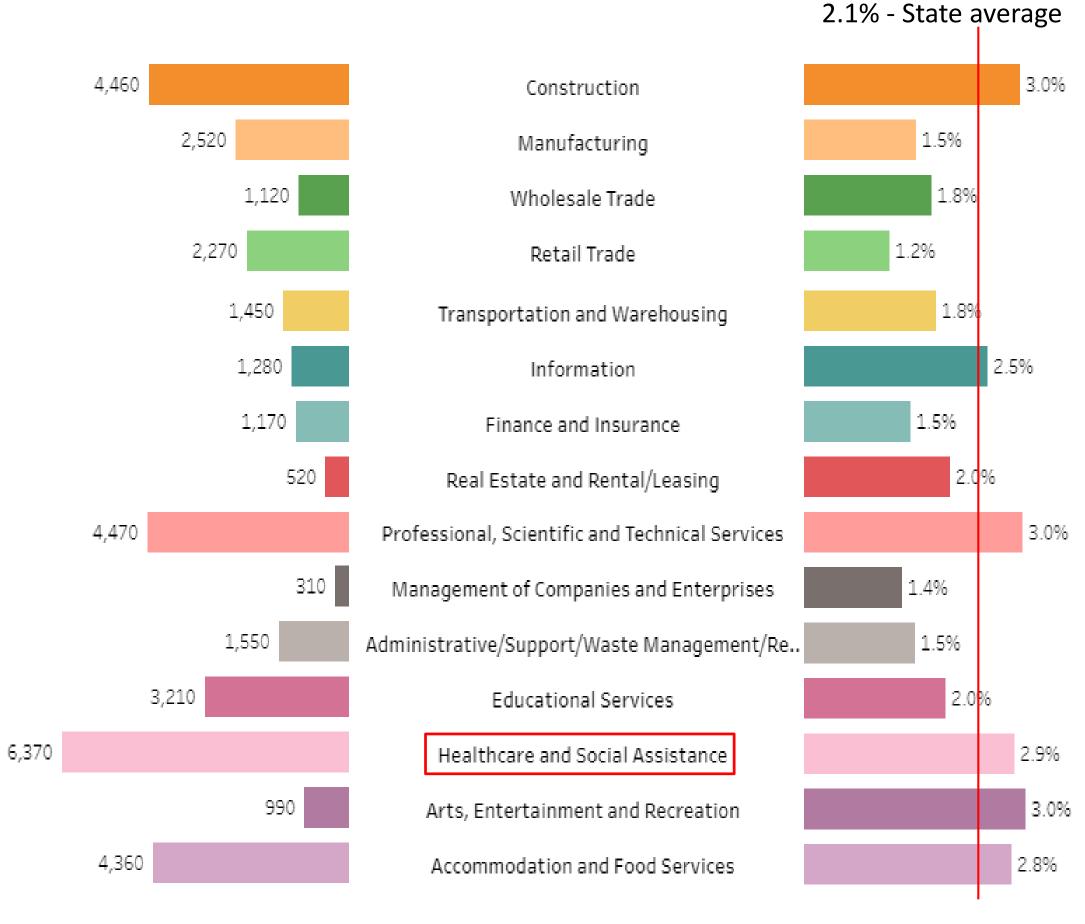
2022 - 2032

2.1%

Annual growth rate

249,530

**Annual openings** 







# UNDER PRESSURE ECONOMIC UNCERTAINTY

## Recent market 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

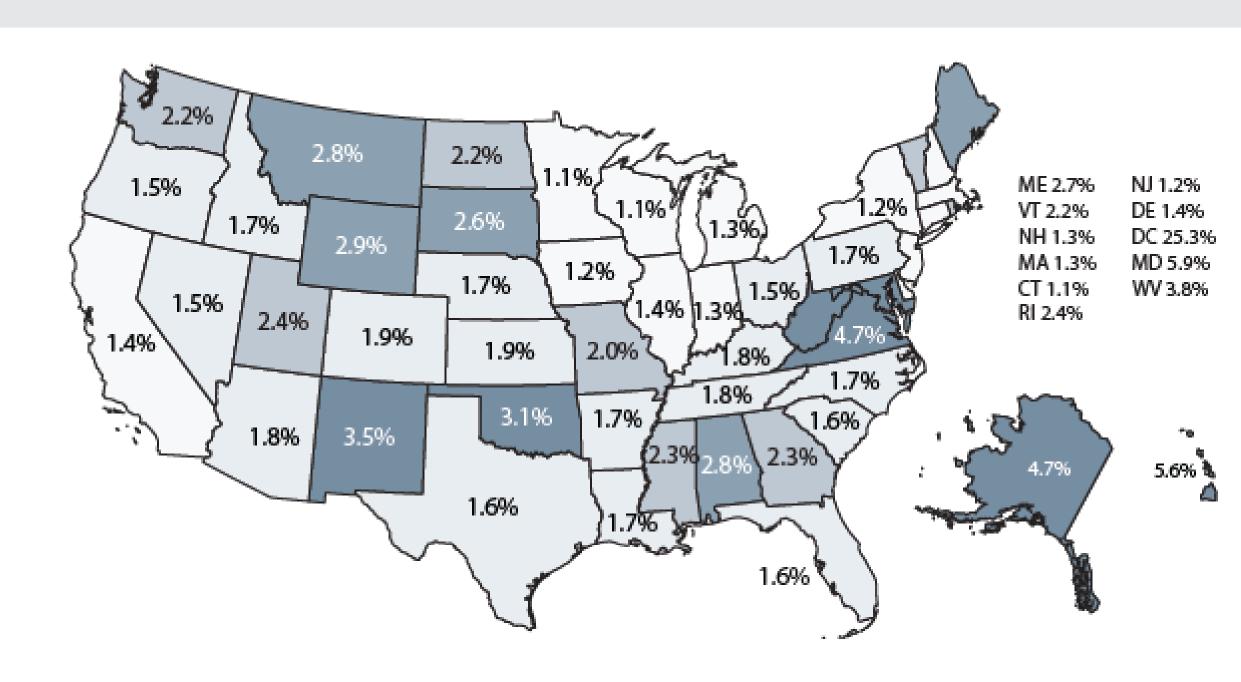


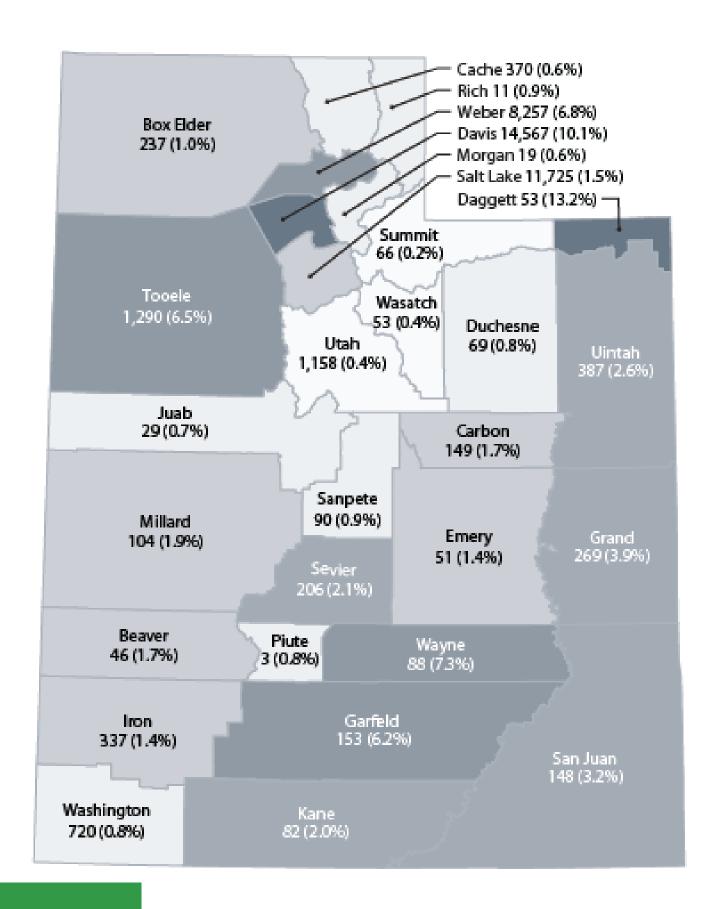
# NATIONAL UNCERTAINTY



# FEDERAL CIVILIAN EMPLOYMENT SHARES

- Most federal employees work for the Department of Defense, Department of Treasury, USPS and Department of Veterans Affairs
- Among U.S. states, Utah ranks 14<sup>th</sup> in its share of federal jobs to total jobs (excluding military)







# FEDERAL CIVILIAN EMPLOYMENT Counts and Shares by County

# ESCALATING TARIFS

### WHO BENEFITS?

#### **Domestic producers**

By raising the prices for imported goods, tariffs could increase sales and profits for domestic competitors.

#### Workers in industries competing with importers

Tariffs could protect jobs and increase wages in competing sectors.

#### Governments

Tariffs represent an additional revenue source for the government.

### WHAT ARE TARIFFS?

Tariffs are taxes on goods imported from other countries which give a price advantage to locally - produced goods over similar, imported goods.

### WHO IS HARMED?

#### Consumers

Tariffs can increase prices of imported goods which can reduce people's purchasing power and slow down economic activity.

#### Business that rely on imports or exports

Companies that use imported raw materials could encounter higher costs which could inhibit their productivity and profitability. Companies that export materials could encounter lower demand as retaliatory tariffs make US goods more expensive.

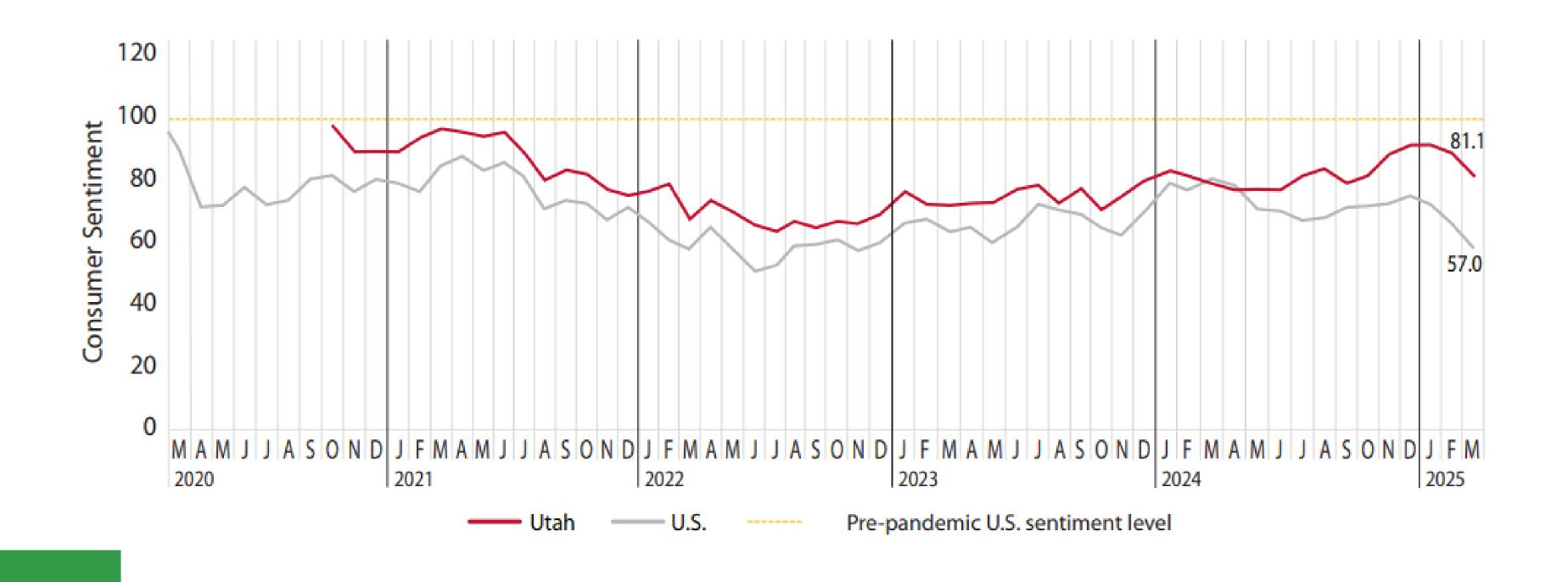
#### Global trade partners

Other countries could retaliate with their own tariffs, causing disruptions in global trade.

# CONSUMER SENTIMENT INDEX







# THE CONFERENCE BOARD U.S. Economic Outlook



The Conference Board US Economic Outlook, 2024-2026

March forecasts				Updated April 4th		
	2024	2025	2026	2024	2025	2026
Real GDP	2.8	2.0	1.6	2.8	1.6	1.4
Fed Funds* (%)	4.375	3.625	3.125	4.375	3.625	3.125
PCE Inflation (%Y/Y)	2.5	2.5	2.4	2.5	2.9	2.9
Unemployment rate (%)	4.0	4.3	4.3	4.0	4.4	4.5
Real Disposable Income	2.7	1.8	1.8	2.7	1.6	1.7

<sup>\*</sup> Midpoint, Period End

# Kiplinger March forecasts

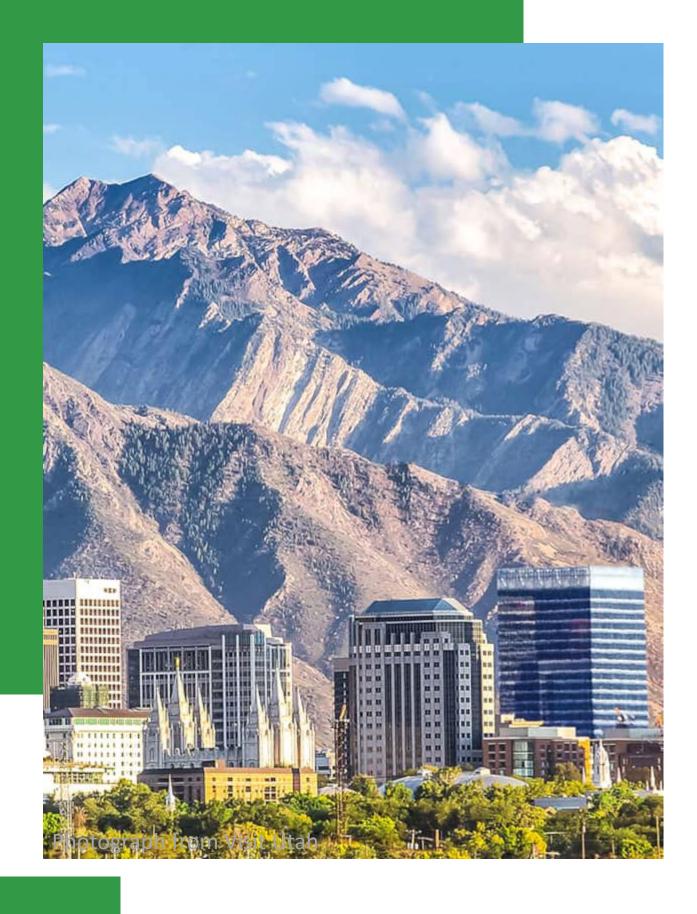
March forecasts	
Economic Forecasts	
GDP growth 2.0% in '25, down from 2.8% in '24 Interest rates	
10-year rate rising later in year as progress on inflation stalls	
Inflation 3.6% at end '25, up from 2.9% at end '24	
Unemployment 4.3% at end '25, up from 4.1% at end '24	
Crude oil Trading from \$70 to \$75 per barrel this spring	
After-tax income Rising 2.1% in '25 (adj. for inflation), down from 2.7% in '24	
Complete economic outlook at kiplinger.com/outlooks	

#### Updated April 3rd **Economic Forecasts** GDP growth NEW 1.7% in '25, down from 2.8% in '24 Interest rates NEW 10-year yield dipping below 4.0% as economy slows Inflation NEW 5.0% at end '25, up from 2.9% at end '24 Unemployment NEW 4.5% at end '25, up from 4.1% at end '24 Crude oil NEW Trading around \$70 per barrel this spring Motor vehicle sales 15.4 million cars & light trucks in '25, down from 15.8 million in '24 Complete economic outlook at

kiplinger.com/outlooks



# QUICK QUESTION BREAK





# Tools & resources on the DVVS website

1. WHAT IS LABOR MARKET INFORMATION?

2. VISUALIZATIONS

3. UTAH ECONOMIC DATA VIEWER

4. CONTACT US!

# LABOR MARKET INFORMATION





P.O. Box 100127 Arlington, VA 22210

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

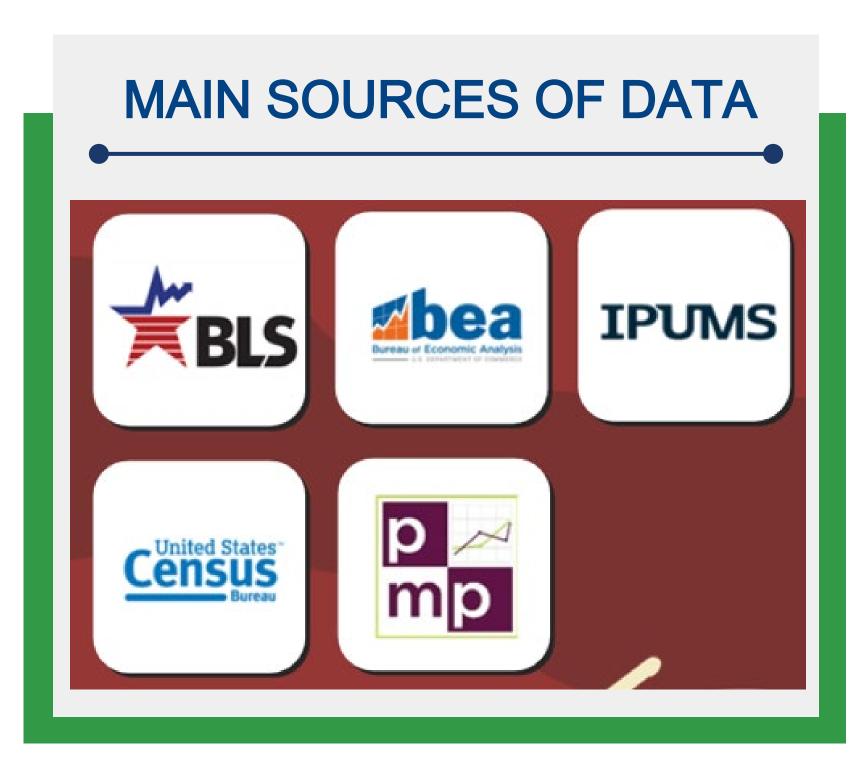
# Defining Labor Market Information (LMI) and LMI Customers

### **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





# DWS WEBSITE





jobs.utah.gov/wi



# LOCAL INSIGHTS



**Employment Update** 

Local Insights

#### Overview

County Snapshots

Regional Snapshots

Annual Profiles

Economic Data

For Career Exploration

For Employers

Utah Economic Data

Viewer

Workforce Statistics

Explore All Data

Publications

Resources

Contact Us

## **Local Insights**

Local Insights provides current economic and labor market analysis for decision-making in the areas of regional planning, local economic development and policy design. It is comprised of four sub-products:

### **County Snapshots**



Current Economic Profile

# **Annual Profiles**



In-Depth County Data

### **Regional Snapshots**



Regional Economic Profile

### **Economic Blog**



Local Economic Commentary

# VISUALIZATIONS



**Employment Update** 

Local Insights

Economic Data

For Career Exploration

For Employers

Utah Economic Data Viewer

Workforce Statistics

Explore All Data

Publications

Resources

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### **Economic Data Categories**

#### **Employment**



Current, historical and projected employment information. Includes monthly and quarterly data at the state and county level.

View Data

#### Wage and Income



Wage and income measures plus some of the tools available to make wage adjustments across time and geographies.

View Data

#### Occupational



Occupational descriptions, wages and requirements. Also covers regional differences and occupational projections.

View Data

#### Demographic



Characteristics of Utah's population including statistics on population size, age, sex, education, marital status and more.

View Data

#### **Labor Force**



Profiles of potential and current workers. Includes data on unemployment, migration, commuting and demographics.

View Data

#### Firm and Industry



Industry employment, wage and projection information. Also includes largest employers by county and company listings through FirmFind.

View Data

#### Economic Indicators



Statistics that indicate the direction of an economy. Includes economic

#### Other Data



Miscellaneous economic data outside of our other categories.

#### **Utah Economic Data Viewer**

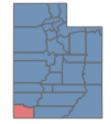


A tool containing data on occupations, firms, wages, employment,



# OCCUPATION AND INDUSTRY PROJECTIONS

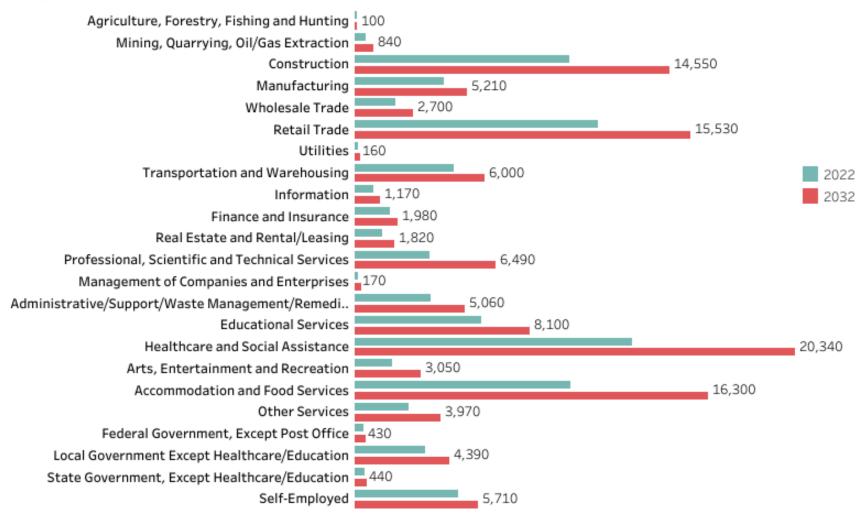
# Washington County 2022-2032 Employment Projections by Industry



Select Region

Washington County

#### **Employment by Industry**



#### **Annual Employment Change**





# UTAH ECONOMIC DATA VIEWER



## UEDV UTAH ECONOMIC DATA VIEWER

Welcome to the Utah Economic Data Viewer. Search for Utah economic and demographic data using tools designed to meet your data needs.



Job opening projections, wages, skill requirements, related occupations, employment outlook, training and education information, and current openings listed with the Department of Workforce Services.

• Related Occupations Explorer

Find occupations where skills are transferable.

Wages and Occupational Openings Data (WOOD)

Wage information for Utah jobs at the statewide and selected sub-state areas.

Labor Force Data Viewer

Utah employment and unemployment data by county and statewide from 1990 - Current data. Firm Find

FirmFind provides names, addresses, phone numbers, industry, and employment size of virtually all firms in Utah. Information is available for specific county, groups of counties, or for the entire State.

• Industry Employment and Wages

Industry employment and wage data is collected through the Quarterly Census of Employment and Wages (QCEW) program. The primary source for QCEW data are the reports submitted by employers to the Utah Unemployment Insurance program.

• Population Data Viewer

Utah population data is obtained from the Utah Population Estimates
Committee. The Utah Population Estimates Committee prepares the official state
and county population estimates for the State of Utah.

• Data Axle Employer Database

Employer information is provided by Data Axle.

Source: https://jobs.utah.gov/utwid/home



# OCCUPATION EXPLORER



### **Registered Nurses**

Assess patient health problems and needs, develop and implement nursing care plans, and maintain medical records. Administer nursing care to ill, injured, convalescent, or disabled patients. May advise patients on health maintenance and disease prevention or provide case management. Licensing or registration required. Includes Clinical Nurse Specialists. Excludes "Nurse Anesthetists" (29-1151), "Nurse Midwives" (29-1161), and "Nurse Practitioners" (29-1171).

Occupation Outlook



This occupation is expected to experience faster than average employment growth with a high volume of annual job openings. The need for replacements, rather than business expansion is projected to make up the majority of job openings in the coming decade.

#### Occupation Wages

Area Name	Hourly Inexperienced	Hourly Median	Annual Inexperienced	Annual Median	On the Job Training	Education	Experience
Cache	\$30.50	\$38.42	\$63,430	\$79,920	Information not available	Associate's degree	None
Central Southwest Utah	\$31.24	\$38.77	\$64,980	\$80,640	Information not available	Associate's degree	None
Eastern Utah	\$28.65	\$36.85	\$59,590	\$76,640	Information not available	Associate's degree	None
Ogden-Clearfield Metro	\$30.48	\$37.33	\$63,400	\$77,640	Information not available	Associate's degree	None
Provo-Orem Metro	\$30.80	\$37.78	\$64,060	\$78,580	Information not available	Associate's degree	None
Salt Lake Metro	\$32.46	\$38.49	\$67,520	\$80,060	Information not available	Associate's degree	None





# CONTACT US

**Employment Update** 

Local Insights

Economic Data

Publications

Resources

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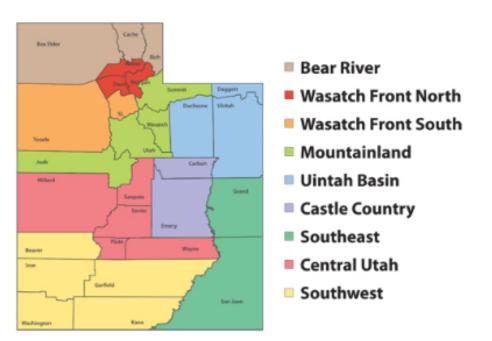
### **Contact**

Monday-Friday (closed on Federal and State holidays) 8:00 a.m. - 5:00 p.m.

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