

Trends & Outlook for Southern Utah's Economy

Apex ROI Board Meeting

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LABOR MARKET INFORMATION

What is LMI?

Quantitative and qualitative data and analysis related to employment and the workforce

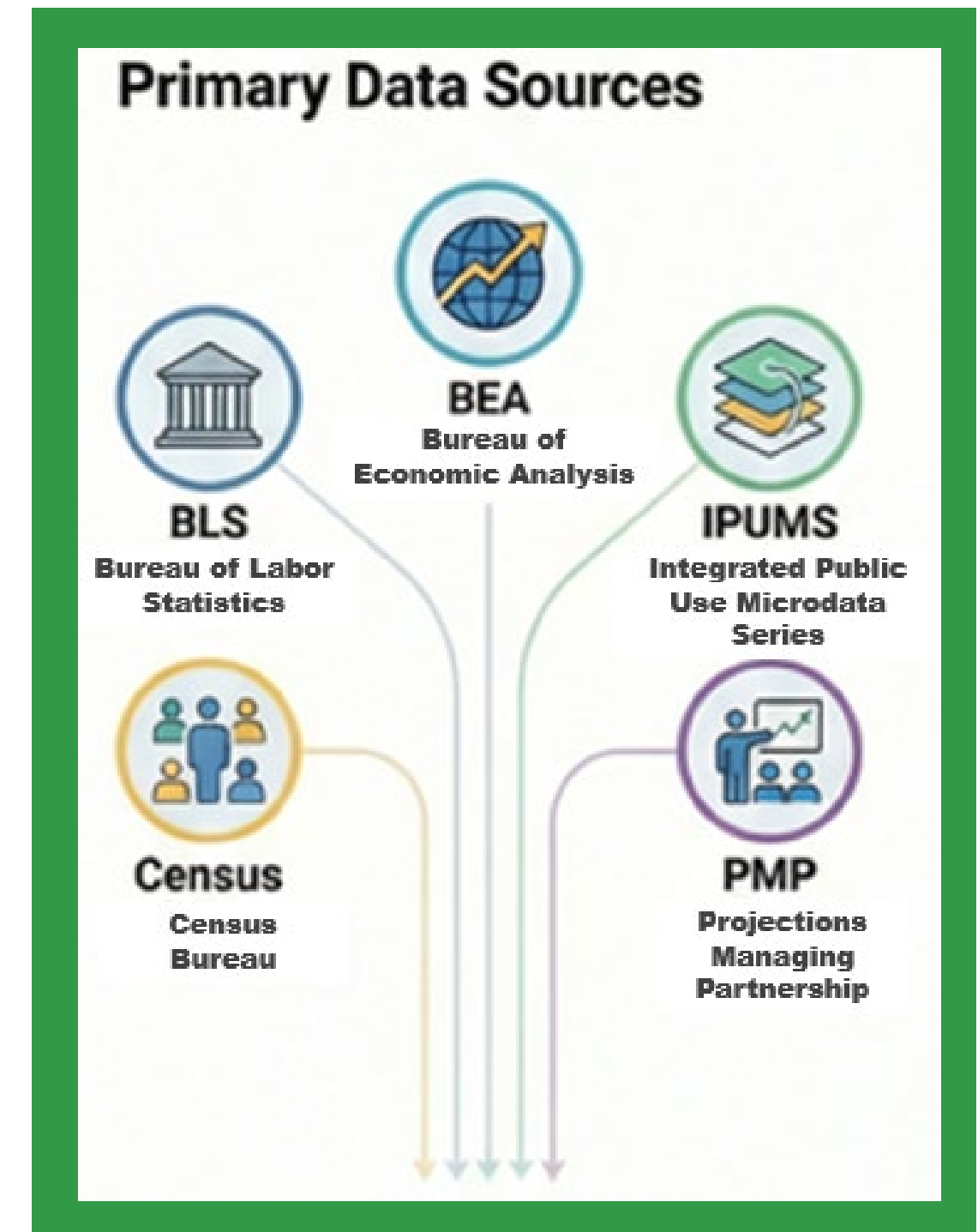


Examples

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

Applications

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



A faded, grayscale background image of a city skyline, likely San Francisco, featuring prominent skyscrapers like the Transamerica Pyramid and the Salesforce Tower. The image is positioned on the left side of the slide, behind the main text.

AGENDA

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

Cooling Labor Market

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



Photograph from Utah Office of Tourism

LABOR MARKETS

December 2025

Washington County

3.0%

Job growth rate

3.9%

Unemployment rate

State of Utah

1.4%

Job growth rate

3.8%

Unemployment rate

United States

0.0%

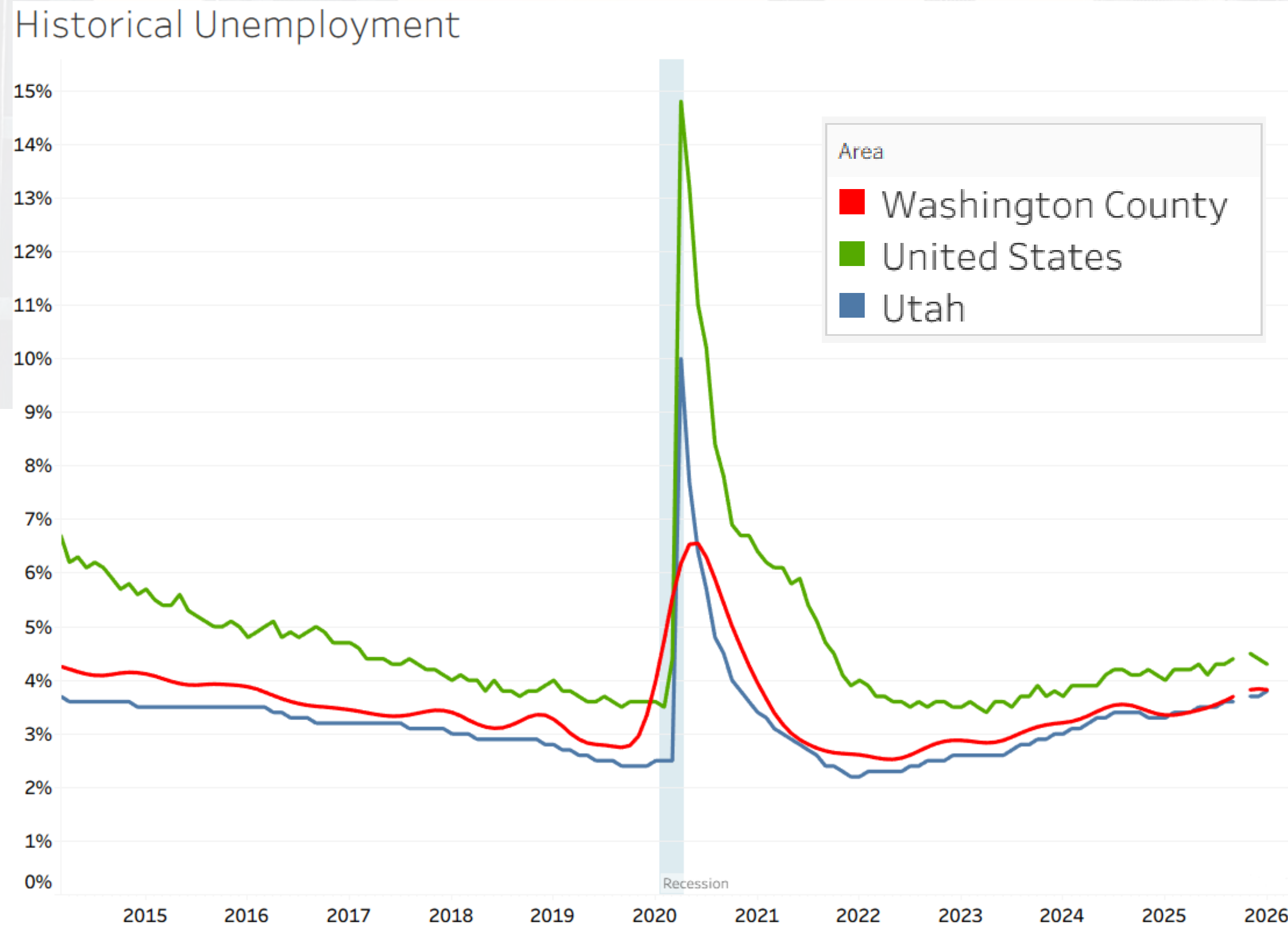
Job growth rate

4.3%

Unemployment rate

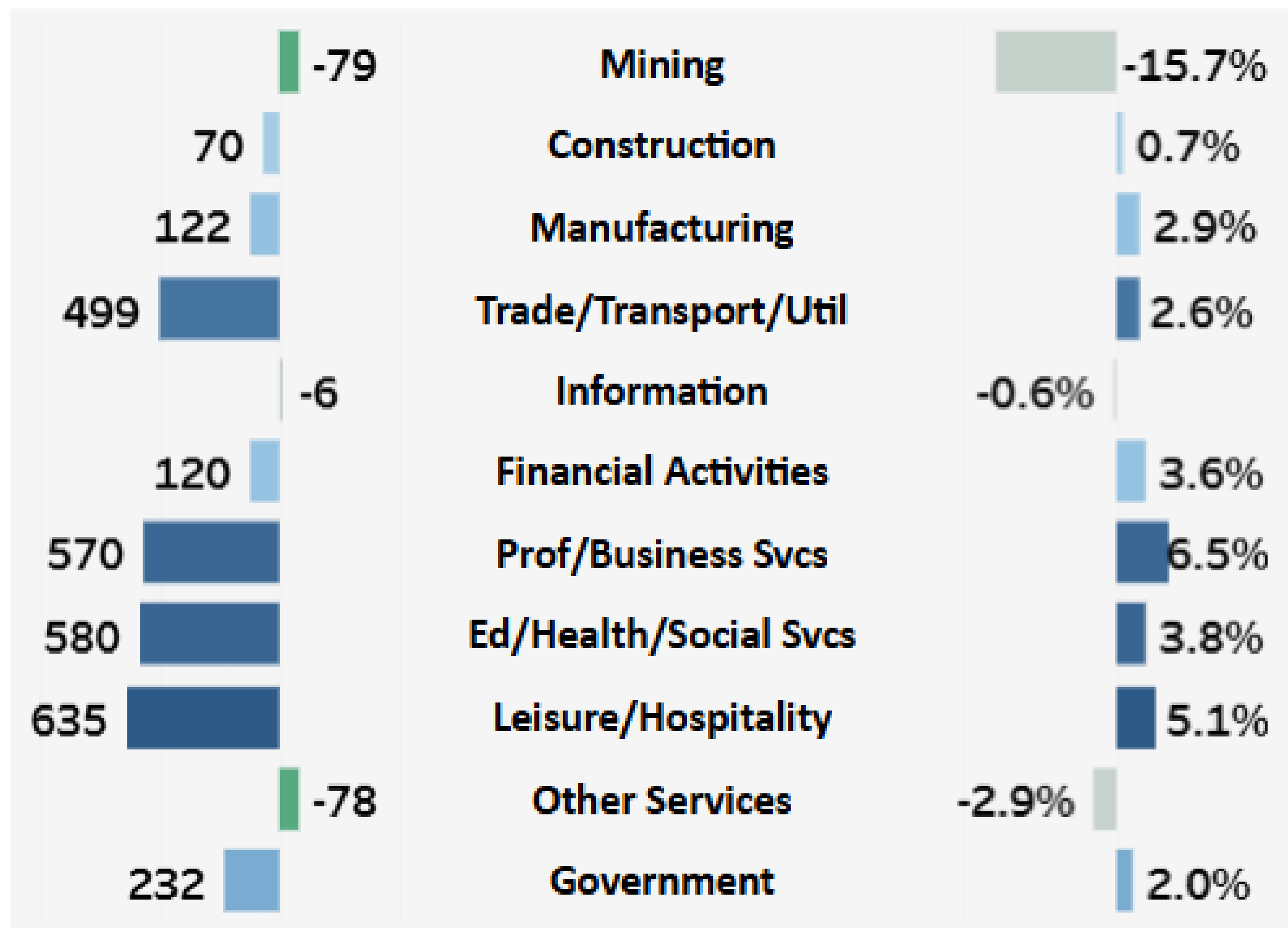


The Resilient Cooldown: Rising Unemployment

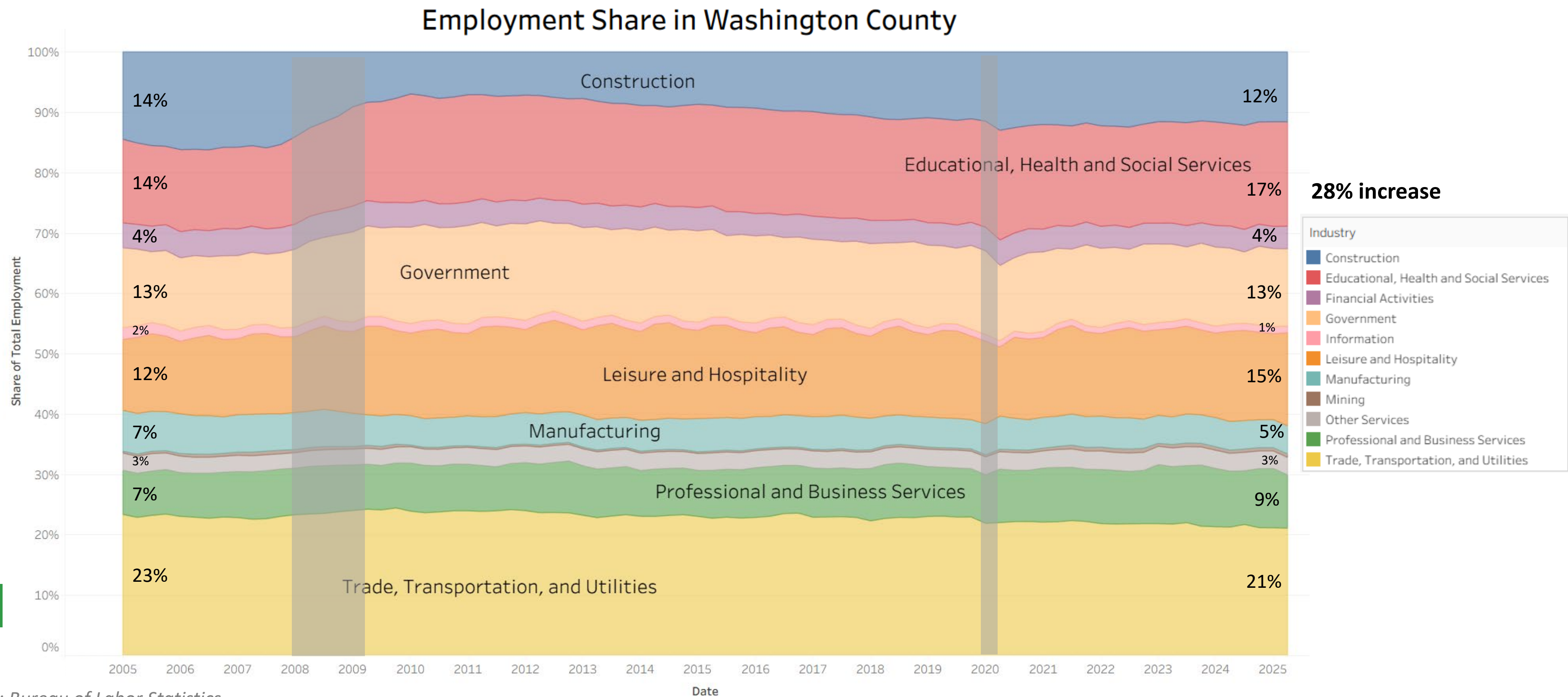


Washington County Job Growth

- Washington County has impressive job growth numbers in most industries
- Growth is led by the Leisure & Hospitality and Education, Health, & Social Services industries
- Trade, Transportation, & Utilities is declining statewide, but still growing in Washington County



Industry Changes 2005 - 2025



Source: Bureau of Labor Statistics

Economic Pressures

1. GROWING AND CHANGING
POPULATION
2. RISING COSTS
3. CHANGING TECHNOLOGIES

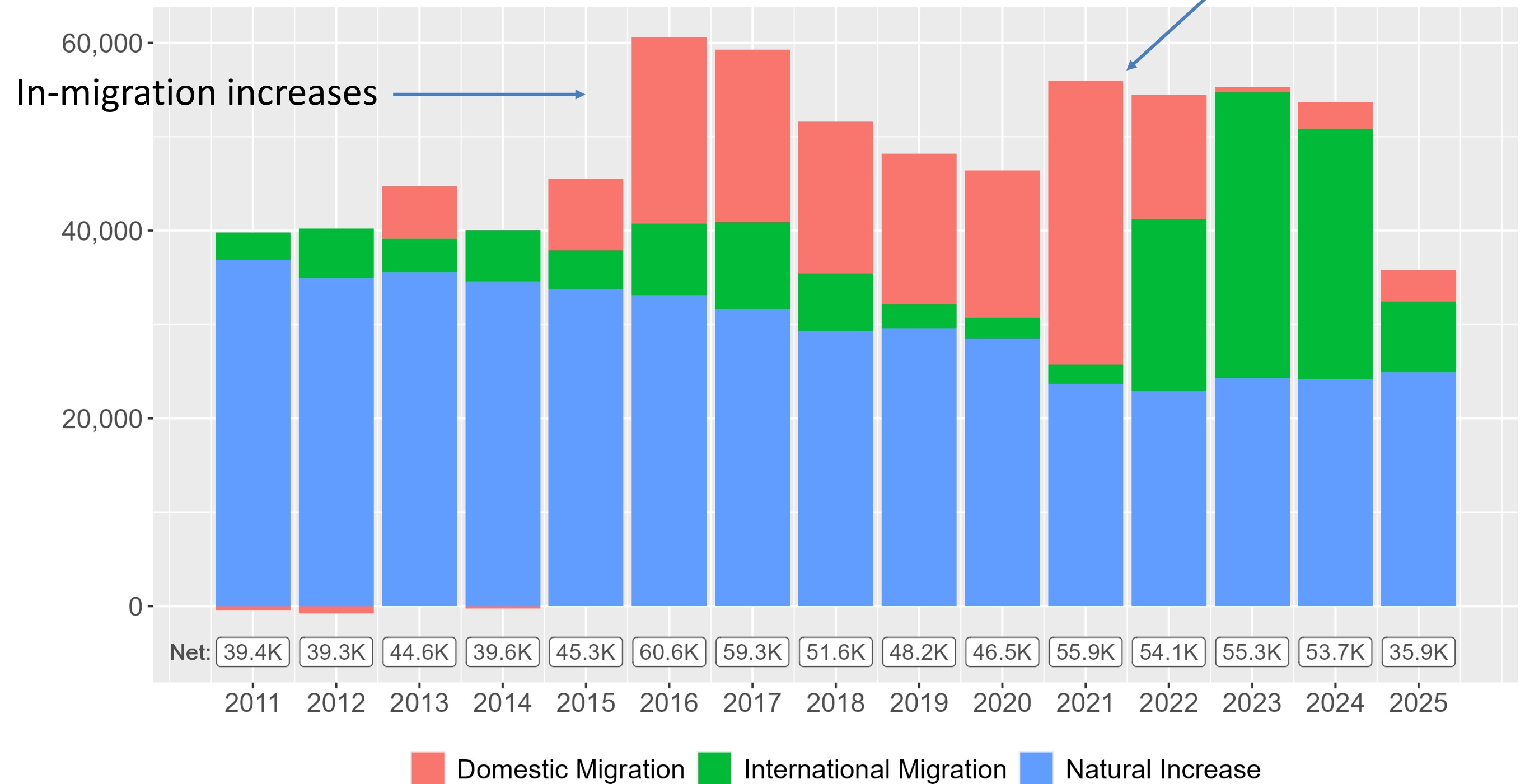


Photograph by David C Schultz

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.

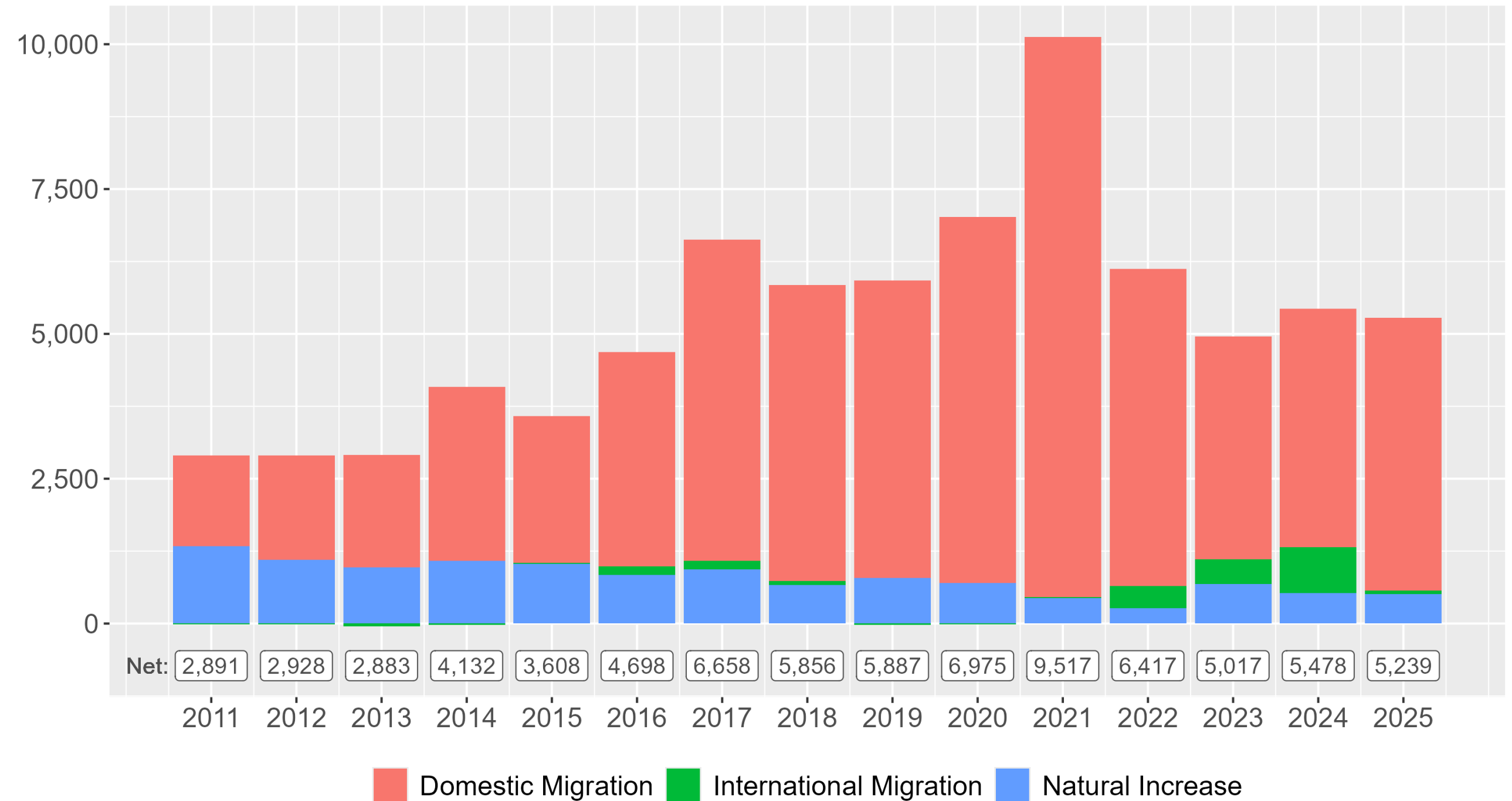


Washington County Net Migration

2011-2025

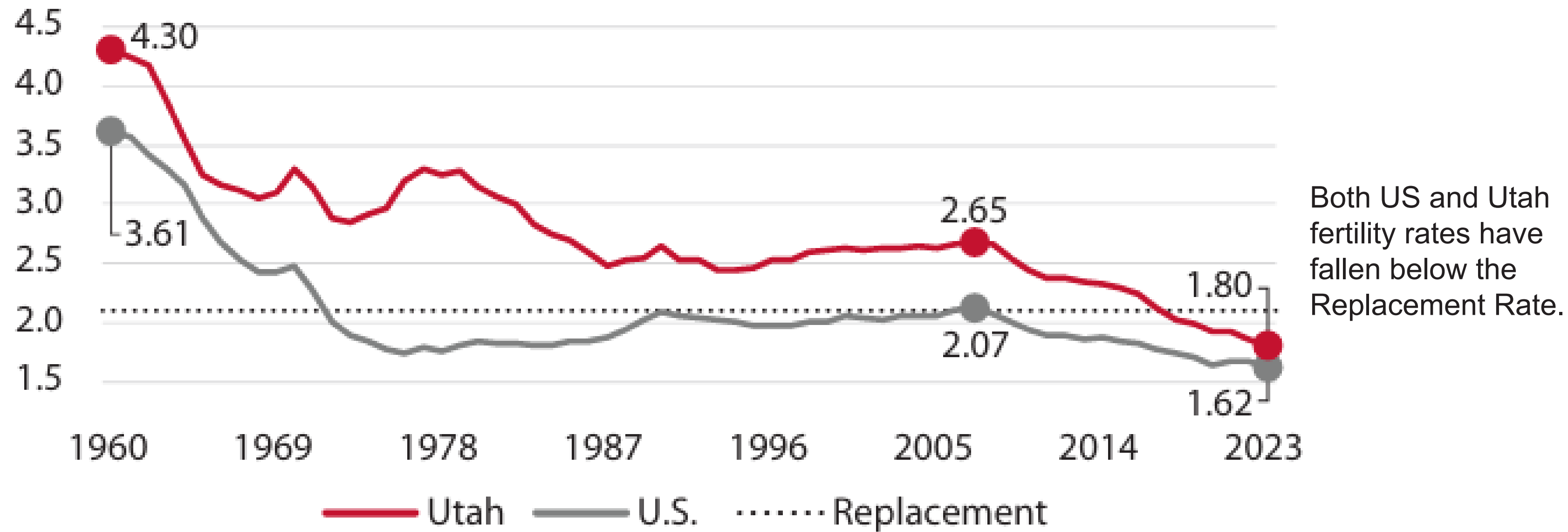
Washington County: Components of Population Change

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



Total Fertility Rate

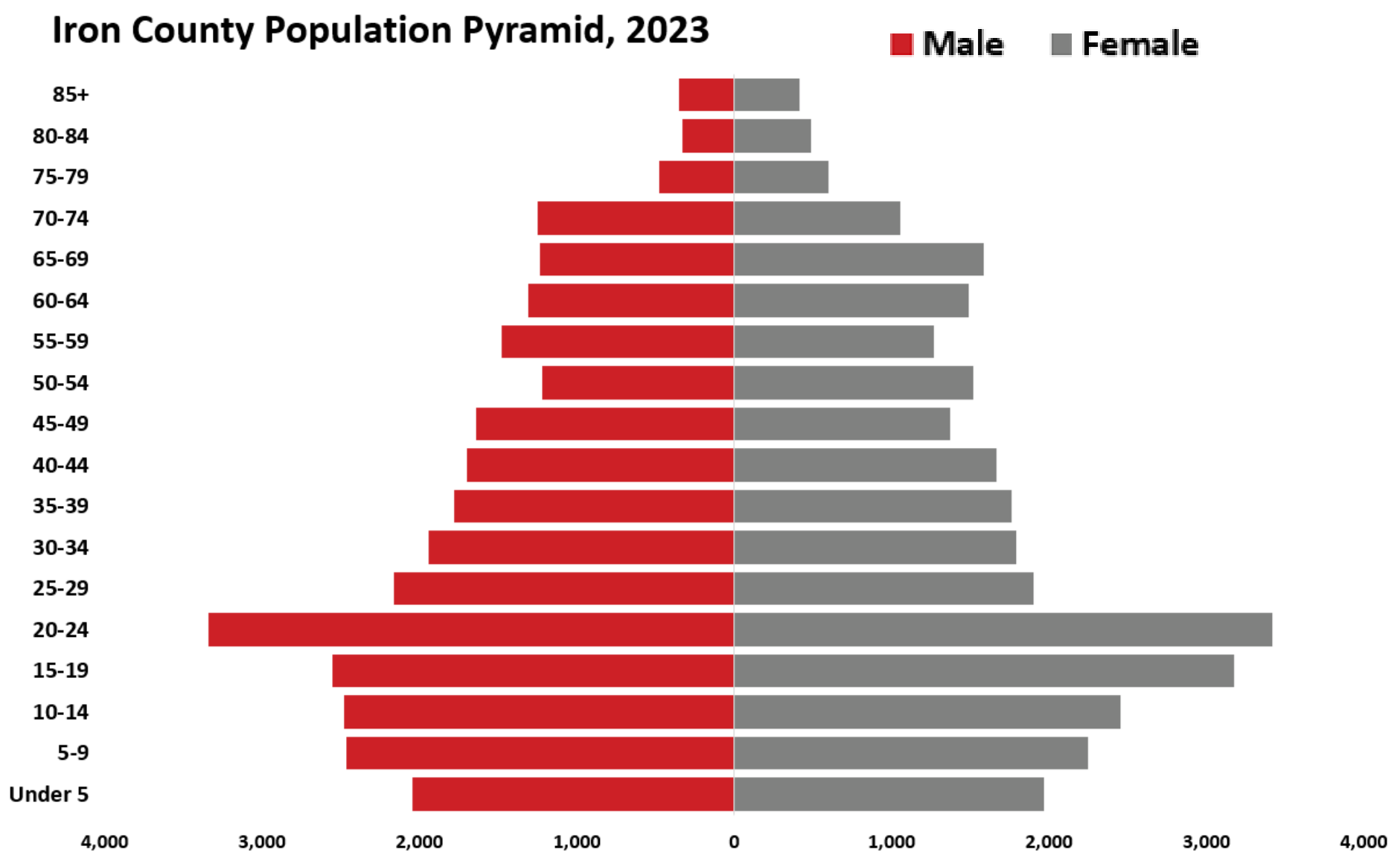
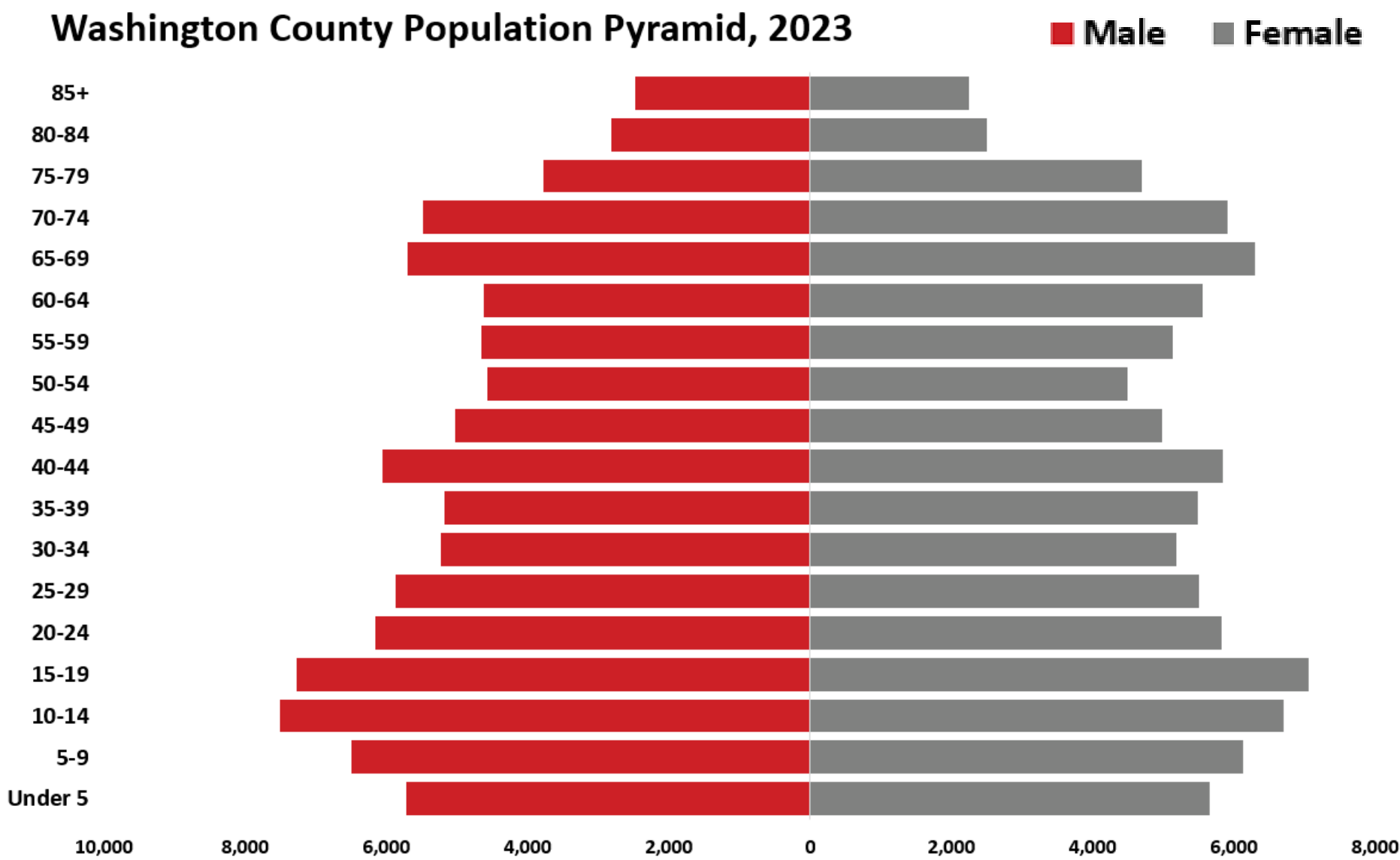
1960 - 2023



2023 Population

Washington County

Iron County



Source: United States Census Bureau

Under Pressure Historic Inflation

More money chasing fewer goods → Inflation

December 2025 inflation at 2.7% year-over-year

April 2026 inflation at 3.8% year-over-year

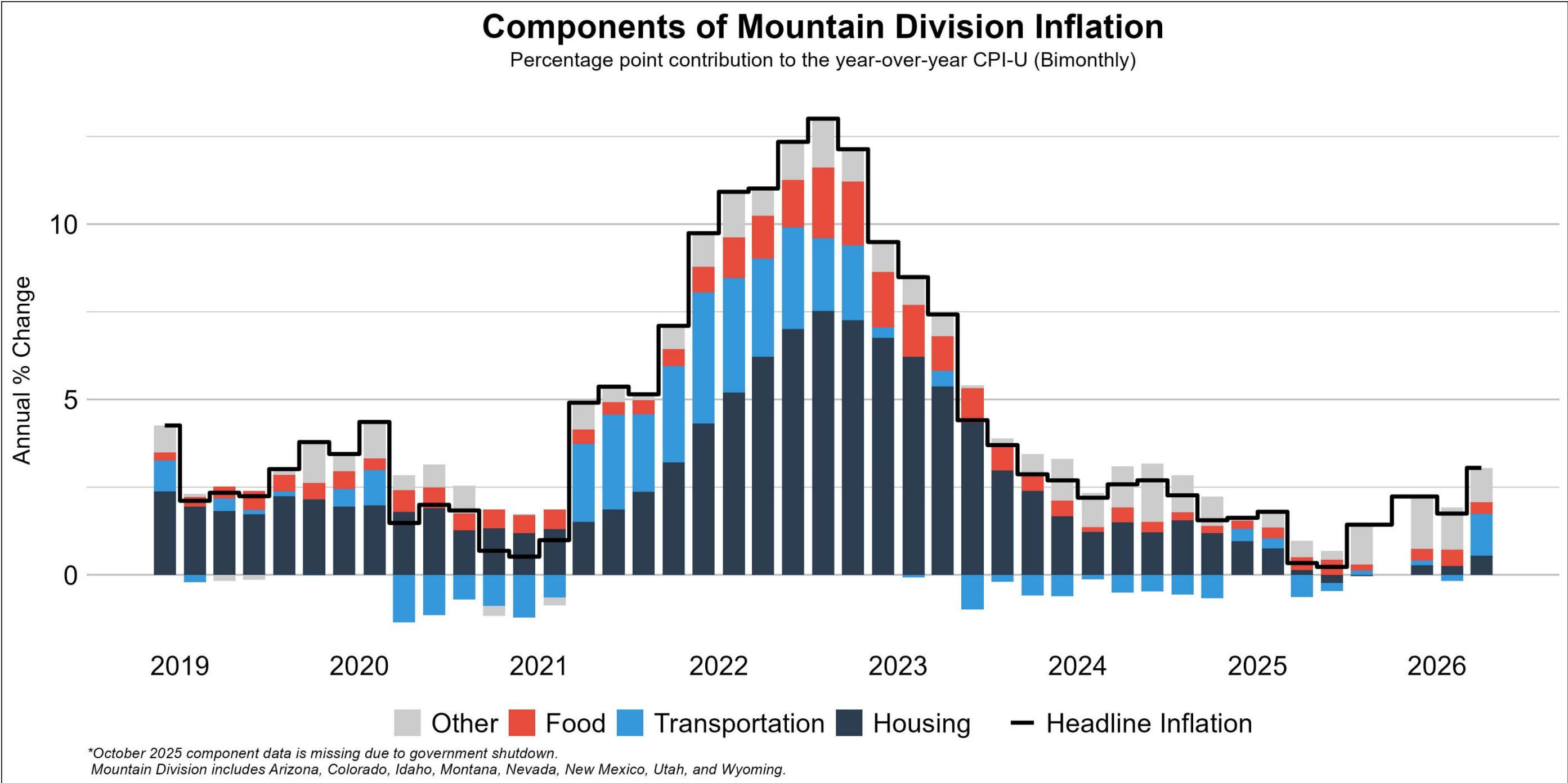
“The disinflation process during the last mile will be more uncertain, slower, and bumpier.”

– Isabel Schnabel, European Central Bank



Components of Inflation

3.8% annual inflation rate, all items (April 2025 to April 2026)

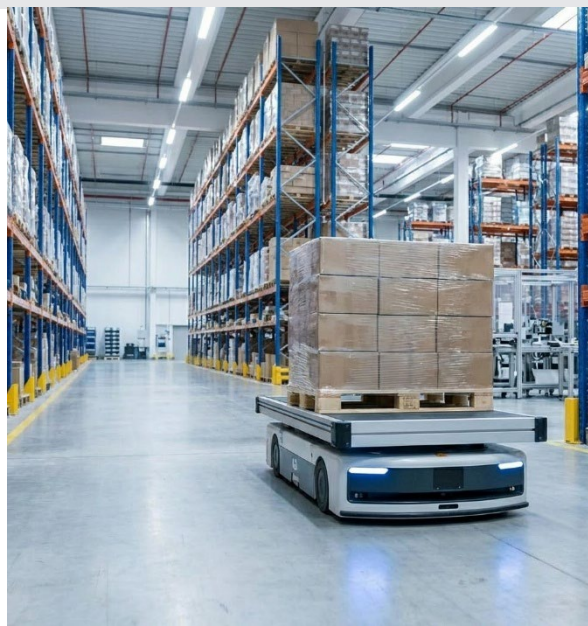


The Federal Reserve's Dual Mandate: Balancing Maximum Employment and Stable Prices

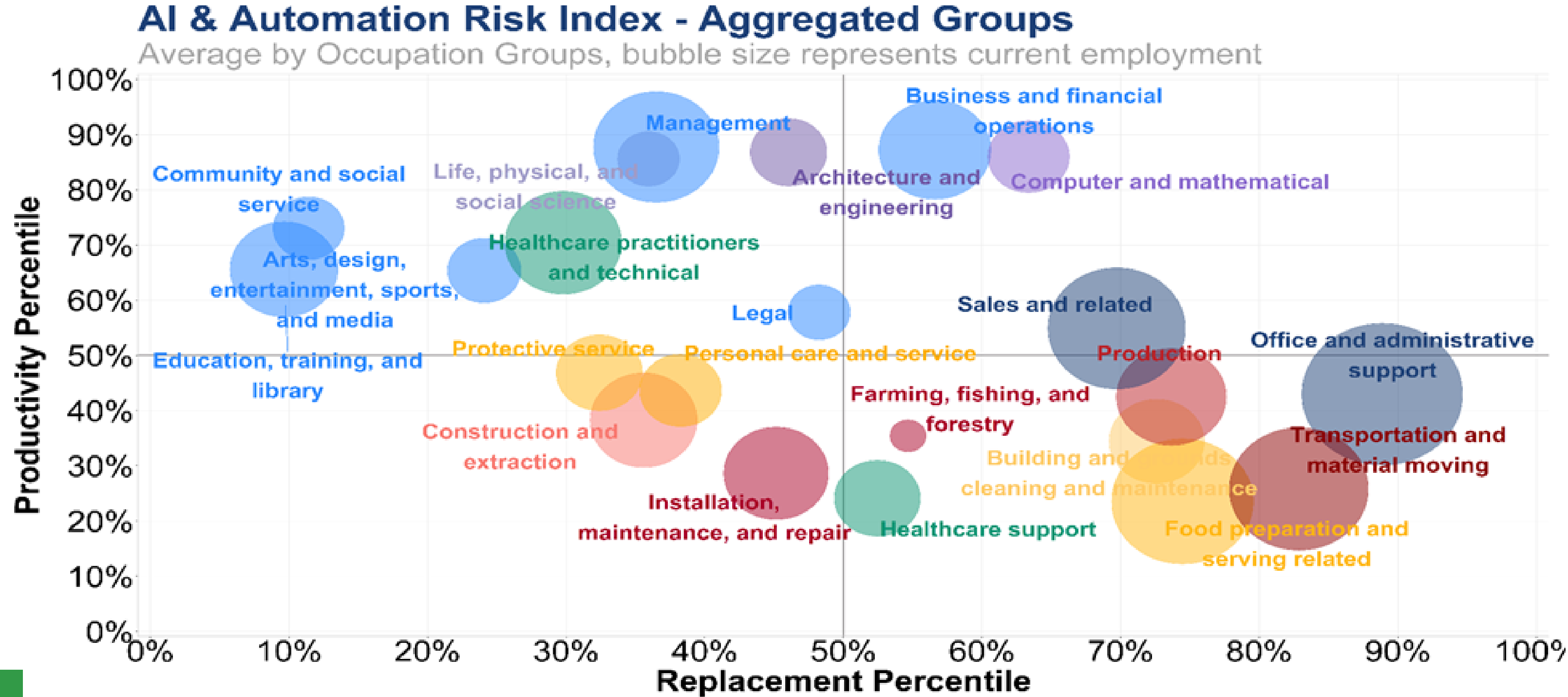


THE IMPACT OF AI & AUTOMATION

- 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.



The impact on different occupations is expected to vary widely



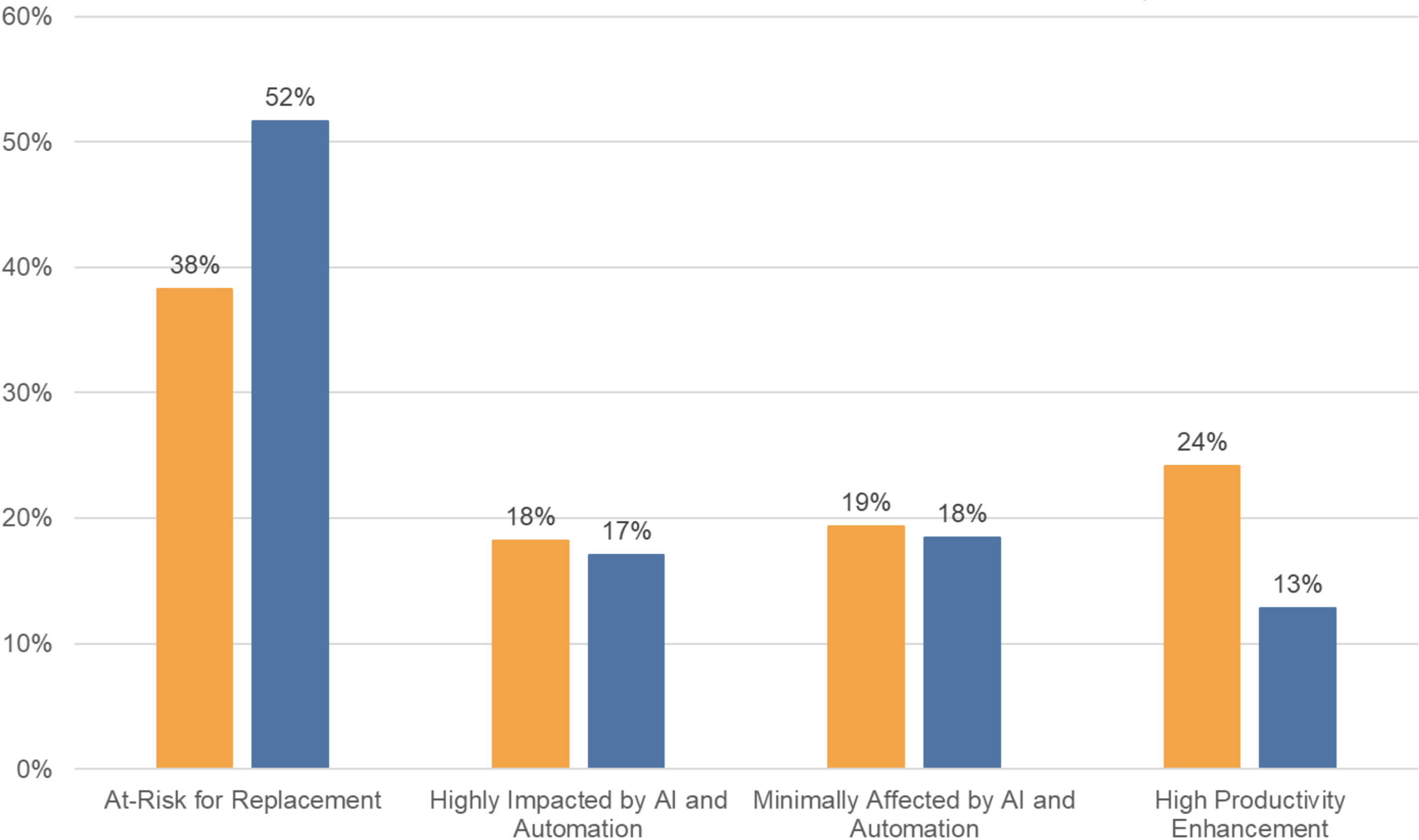
Source: AI & Automation Risk Index from The Conference Board.

Impact of AI & Automation, State and National

Share of 2024 Employment



- Utah has a **higher proportion** of people working in **productivity benefitting 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

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.

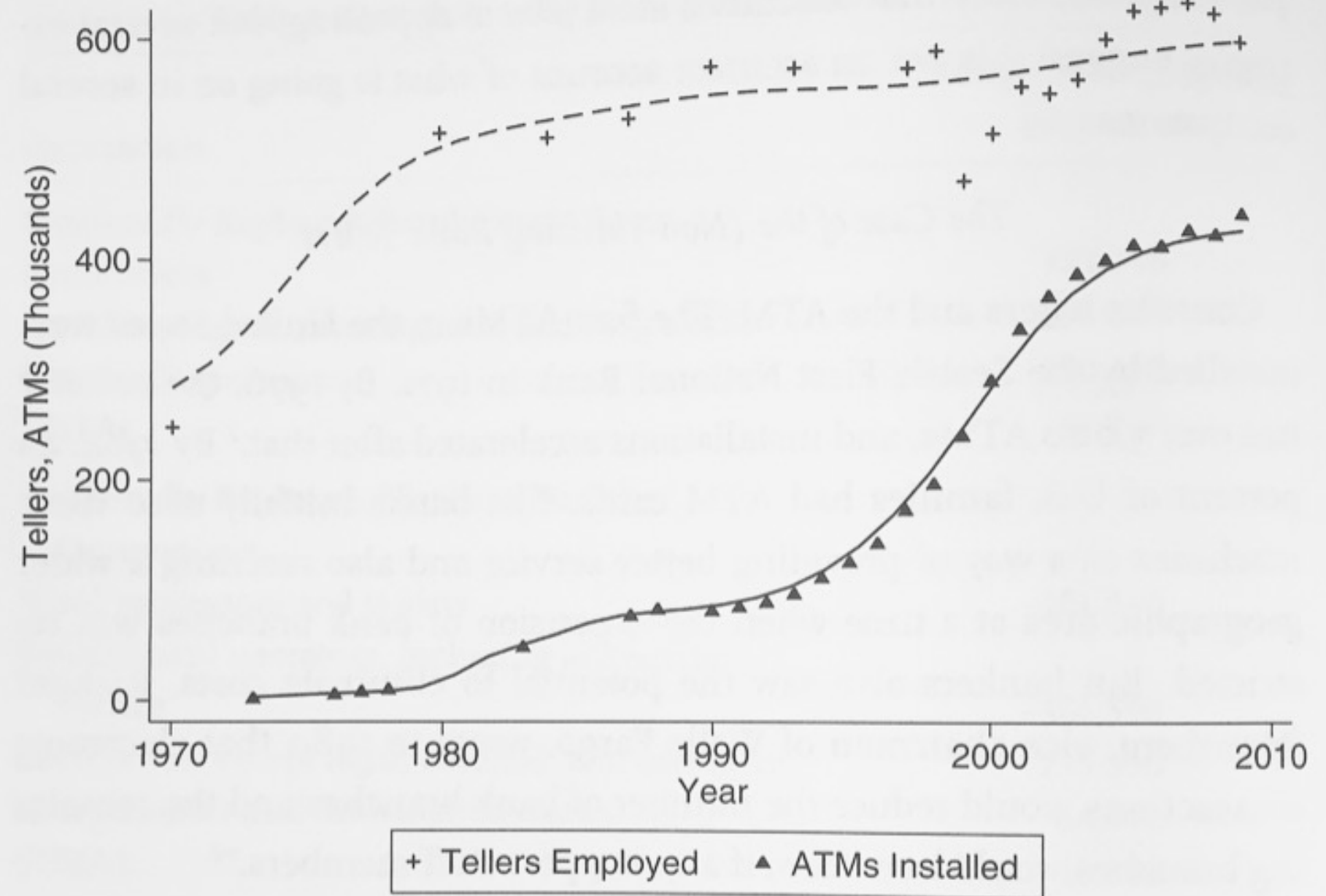


Figure 7.1. Adoption of automated teller machines did not reduce teller jobs. (Ruggles et al., Integrated Public Use Microdata Series: Version 5.0; Bureau of Labor Statistics, Occupational Employment Survey, <http://www.bls.gov/oes/>; Bank for International Settlements, Committee on Payment and Settlement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

The Approach

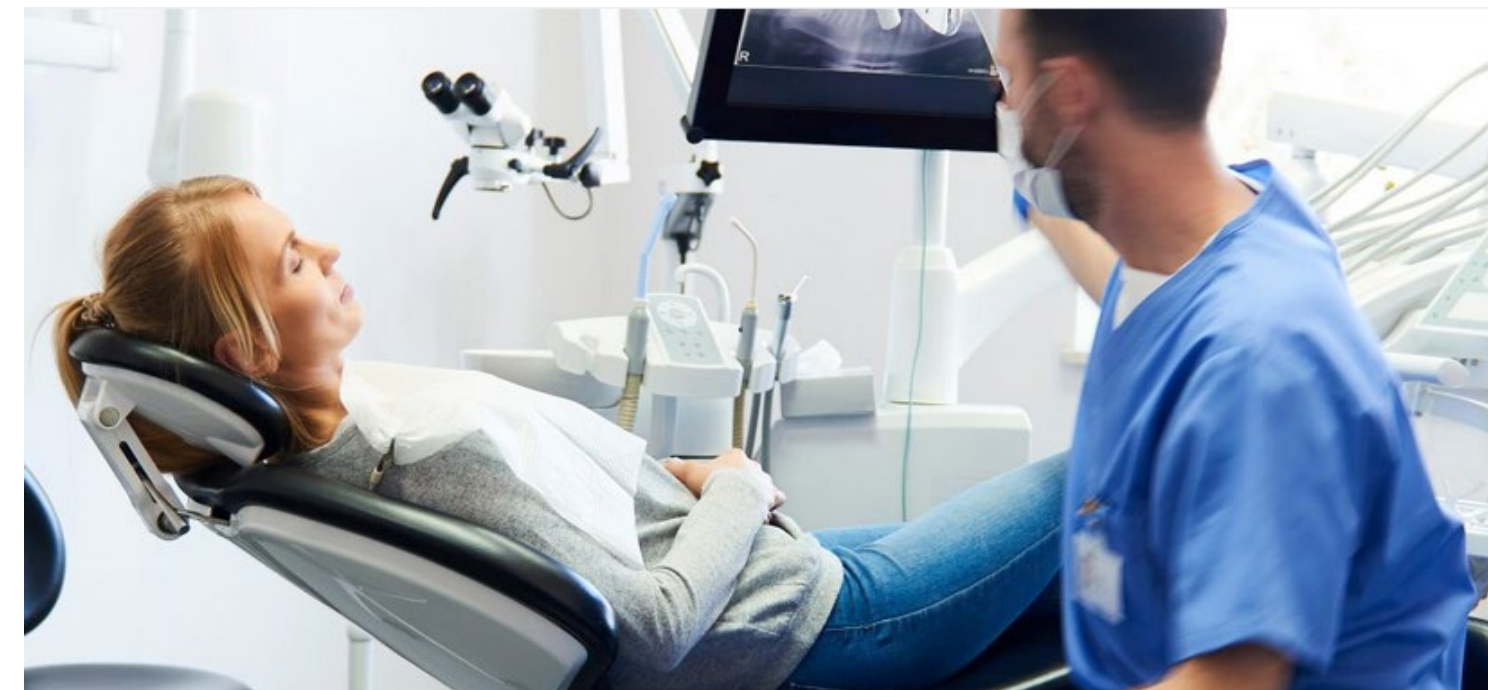
OAIP granted Dentacor a 12-month regulatory mitigation under the AI Learning Laboratory program to test a narrowly defined use of an AI-assisted radiograph diagnostic tool.

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.

Source: Utah Department of Commerce, Office of Artificial Intelligence Policy



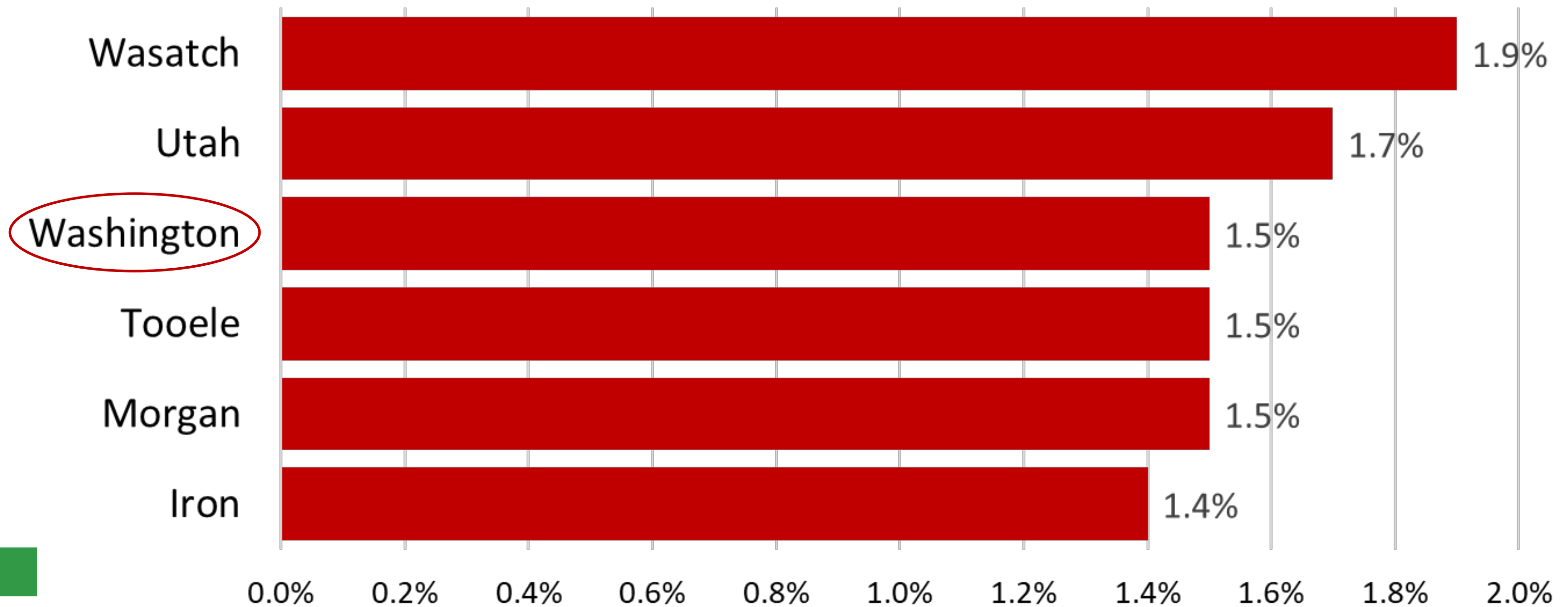
Looking to the Future

1. POPULATION GROWTH
2. NATIONAL UNCERTAINTY
3. EXPECTATIONS FOR 2026



Photograph by St George Inn & Suites

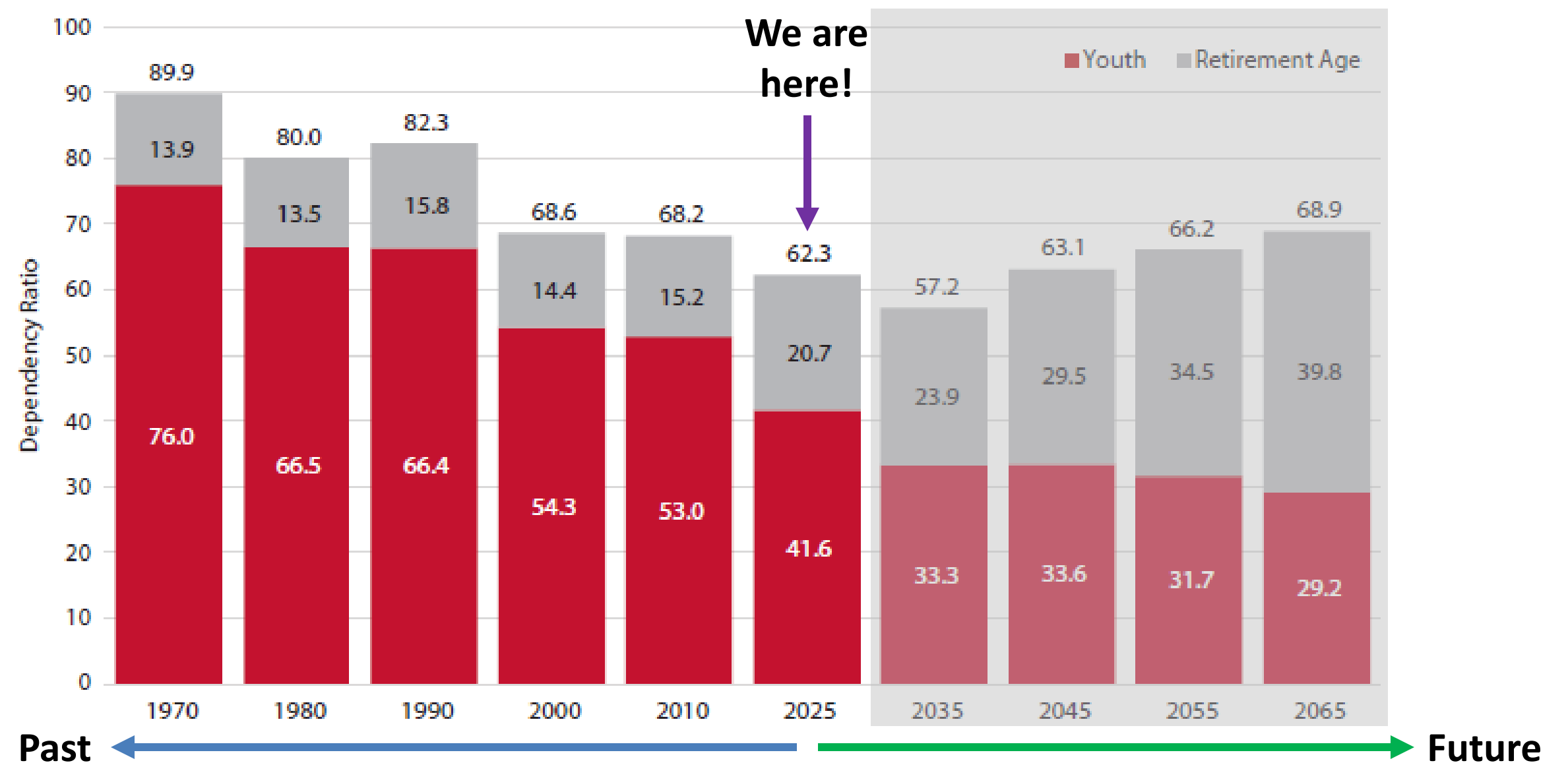
Projected Fastest Growing Counties



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's Aging Population

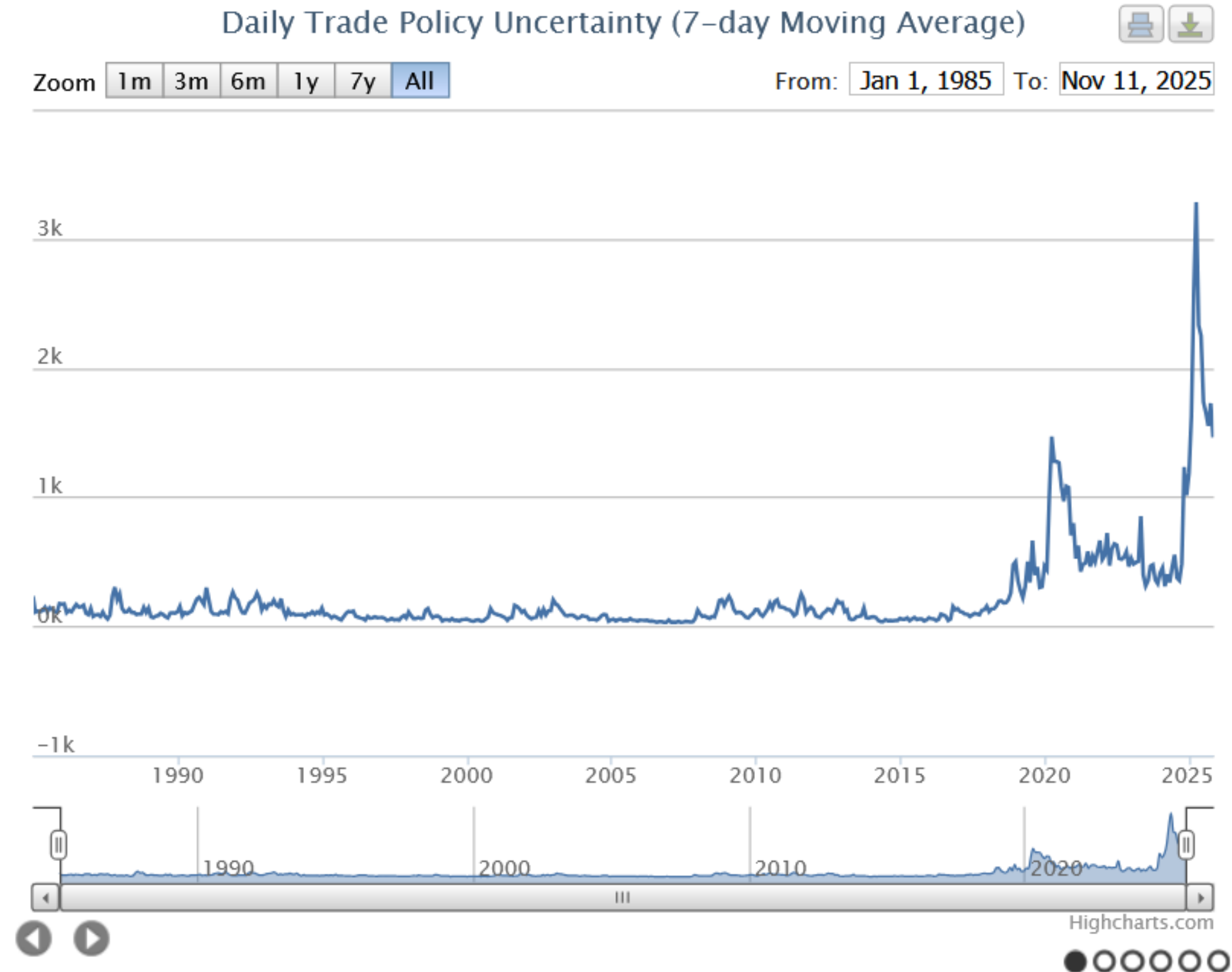
- Labor markets will remain tight as Utah's older population ages out of the workforce .
- Health care sector will continue to grow to support the aging population .
- Industries that support elderly consumers (home delivery, landscaping, home care services, etc.) will grow to support a larger customer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



Photograph by Bruno Aguirre

Economic Uncertainty

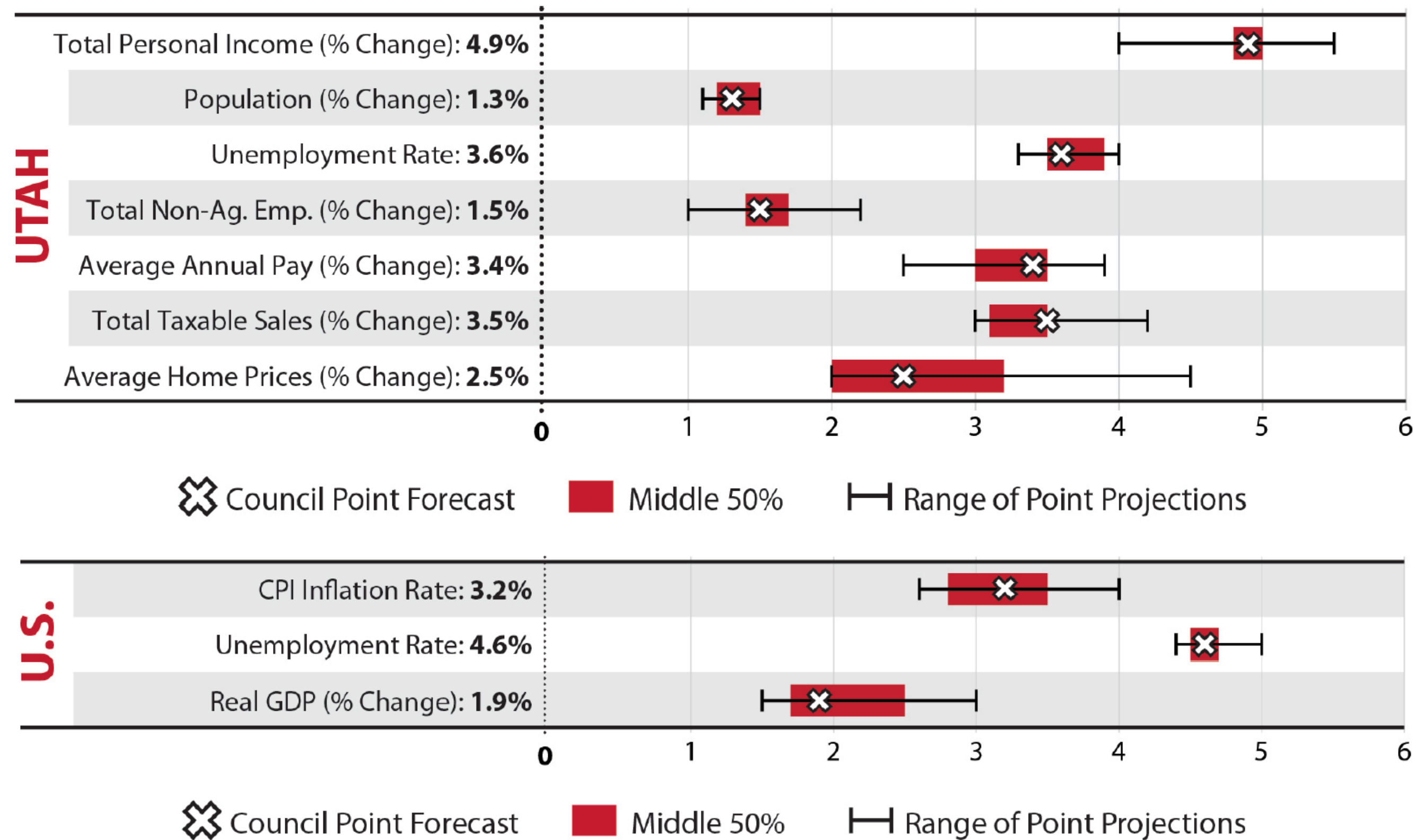
- Uncertainty slows growth as businesses and consumers reduce spending amid unclear economic outlook
 - Reduces consumer spending
 - Delays business investment
 - Disrupts financial markets
- Short-run phenomenon



Utah

Economic Outlook

2025 - 2026



THANK YOU

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