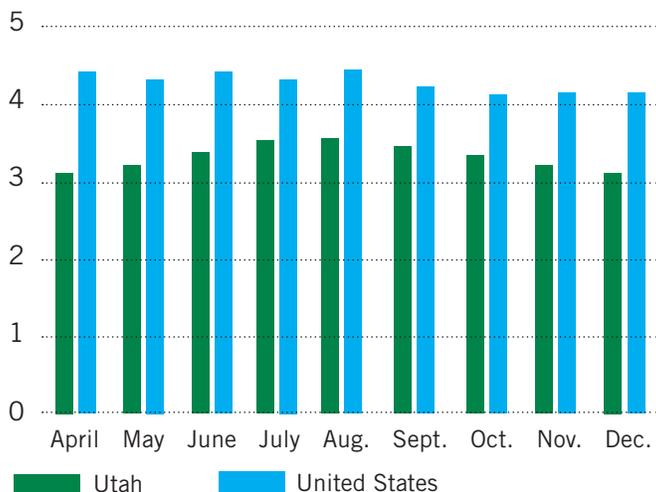




Utah Employment Trends Report

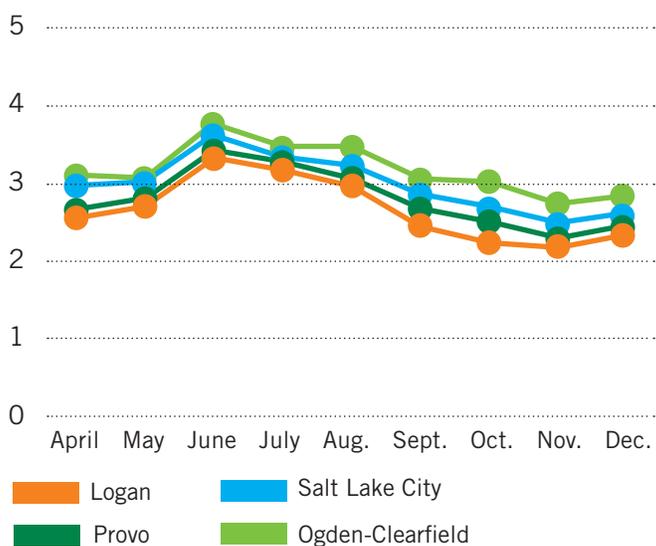
WASATCH FRONT

Unemployment Rate (Utah vs. U.S.)



The unemployment rate in Utah was a full percentage point lower than the U.S. rate in December. (Source: U.S. Bureau of Labor Statistics)

Utah Unemployment Rate



Utah's unemployment rate since April; Provo-Orem continues to have one of the lowest rates in the country (Source: U.S. Bureau of Labor Statistics)

Two Trends to Watch Closely in 2018: Shortage of Skilled Workers and Housing Prices

Looking ahead to 2018, the outlook continues to be strong for the state's economy. According to the U.S. Bureau of Labor Statistics (BLS), the state's unemployment rate is a full percentage point below the national number, and certain metro areas feature some of the lowest unemployment rates in the country.

In a recent The Deseret News article, Utah Department of Workforce Services chief economist, Carrie Mayne said, "Utah's labor market experienced a solid year of steady, sustainable expansion with job growth averaging 3.1 percent and unemployment at 3.5 percent."

These statistics paint a pretty rosy picture for the state economy, and things are indeed strong. However, there are a couple of market dynamics to monitor that may slow the economy's momentum.

First, a recap story by the Tribune on the Silicon Slopes Tech Summit cast a bright light on the widening gap between industry demand for skilled workers and the available labor supply.

The article cited there are 4,000 unfilled technology jobs in Utah that pay – on average – \$81,000 a year. But the state's universities are producing 400 computer science graduates a year. Even with lots of in-migration, it will be difficult to bridge the shortage.

Second, multiple news stories in the last month have covered the booming housing market in the Wasatch Front area. According to a [report](#) from [Realtor.com](#), Utah was second only to Washington among states for annual growth in home prices at 10.7 percent. Year-over-year metro home prices went up a whopping 8.8 percent in Salt Lake City.

Realtor.com's [2018 Salt Lake Housing Forecast](#) indicates that 2017 was the third best year for single-family home sales and the biggest ever for multifamily sales. Salt Lake City ranks number six on the top-10 home buying markets for next year.

What do these rankings mean, besides the homebuying market is hot? Home prices that may have been slightly depressed in recent years are now coming up to national levels. In 2017, the median sale price of a single-family house in Salt Lake County climbed 10 percent to \$325,000.

For employers, housing prices will most definitely impact compensation packages, especially for those candidates that may require relocation. While no one is predicting a shortage of affordable housing yet, that is another dynamic that – if it begins to occur – will affect the talent pool and place upward pressure on compensation.

