

Continued growth predicted in '08 Utah economic report

Utah Gov. Jon Huntsman Jr. accepted the 22nd Annual Economic Report to the Governor on Thursday, and touted Utah's continued strength.

"Utah's economy is the strongest in the nation," Huntsman said. "In 2007, we've experienced several record highs. Our state population is growing at record levels. Utah had the nation's highest job growth rate. We have one of the nation's lowest unemployment rates. We are well positioned for our future."

Utah's economy remained strong during 2007. For the fourth consecutive year, the state outperformed the nation. Utah's job growth was the highest in the nation at 4.5 percent, compared to 1.3 percent nationally.

Residential construction valuation and dwelling permits weakened from record highs, but nonresidential construction valuation reached new historic highs. Utah's home price appreciation was the highest in the nation, one of only two states to experience double digit appreciation when home prices have stagnated or declined across the nation.

The value of energy and mineral commodities produced in Utah remained near record levels, largely due to higher prices rather than increased production.

"We experienced another year of great economic prosperity in 2007. An indicator of this

is our substantial employment growth," said the state's chief economist, Juliette Tennert. "We added 55,000 jobs last year - that's over 150 jobs per day."

The outlook for the coming year is similarly positive.

Utah's economy is experiencing remarkable growth, which will moderate in 2008. According to estimates, employment growth will be 3.2 percent, four times the national growth rate. Officials also expect Population growth to grow by 3.1 percent and net in-migration to remain strong at 41,000 as Utah's economy continues to outperform the national economy.

The unemployment rate is expected remain below 3 percent, due to a tight labor market.

Replicating the trend of the 1990s, for the fifth consecutive year, wages are expected to increase faster than inflation during 2008, thus improving Utah's standard of living. Construction employment growth should moderate due to a slowdown in single-family residential construction, but nonresidential construction should remain at record highs due to continued business, religious, and government projects.

To get a copy of a full copy of the 22nd Annual Economic Report to the Governor or the executive summary, visit governor.utah.gov/dea/ERG/2008ERG.pdf.