

Utah's Long-Term Demographic and Economic Projections

Background

The Kem C. Gardner Policy Institute has produced preliminary long-term demographic and economic projections for the State of Utah. These 50-year projections indicate continued population growth and illuminate a range of future dynamics and structural shifts for Utah. While baseline (middle scenario) results are the focus of this fact sheet, the work also includes two additional scenarios for Utah's future based on plausible possibilities for trends in fertility, mortality, and migration. The full suite of projections products are available at gardner.utah.edu.

Projected Populations

- **5.5 million in 2065** – Utah's population is projected to increase from approximately 3 million in 2015 to 5.5 million in 2065. This is about the size of Minnesota today. The projected population growth represents an increase of 2.5 million new people and an annual average rate of change of 1.2 percent.
- **National comparison** – National projections from 2015 to 2060 (the furthest available date) indicate a growth rate less than half the Utah rate (76.6 percent in Utah vs. 30.8 percent nationally).
- **Scenarios** – Analysts recognize many factors will influence future population growth. Because of this uncertainty the Gardner Policy Institute produced a baseline (middle), low, and high scenarios. By 2065 the projected populations range from a low of 4.6 million to a high of 6.2 million.
- **Time horizons** – The Utah population reached 3 million in 2015. Under the baseline scenario, Utah is projected to reach 4 million in 2034 (19 years after 2015), 5 million in 2054 (20 years after 2034), and 5.5 million in 2065.

Growth Rate

- **Faster than the nation** – Though growth rates are projected to decelerate over the next 50 years, they are also projected to exceed national growth rates. Utah's growth in each decade ranges from 8.8 (2050-2060) to 16.9 percent growth (2010-2020). The national range is 4.4 (2050-2060) to 7.5 percent (2010-2020).

Components of Population Change

- **Slow decline in fertility** – The Utah fertility rate (average number of children born to a Utah woman in her lifetime) is projected to continue slowly declining. From 2015-2065, the Utah fertility rate is projected to decline from 2.31 to 2.28. These rates are projected to remain well above the nation's comparable rates of 1.87 in 2015 and 1.86 in 2065.
- **Increasing life expectancy** – Over the next 50 years, life expectancy is projected to increase 4.5 years for women and 7.1 years for men. The sharper increase for men narrows the life expectancy gap traditionally seen between the sexes.
- **Declining natural increase** – Natural increase (births minus deaths) is projected to remain positive and account for 66 percent of the cumulative population increase to 2065. However, given increased life expectancy and declining fertility, the rate and amount of natural increase is projected to slowly decline over time.
- **Increasing role of net migration** – Net migration accounts for 34 percent of the cumulative population increase to 2065. Over time, projections show converging rates between natural increase and net migration.

Age Composition

- **Median age** – Utah's median age is projected to increase by about nine years, rising from 30.8 years in 2015 to 39.5 years in 2065. This is a result of declining fertility and increasing life expectancy, which contributes to a larger share of retirement age persons in the population.
- **65-and-older population** – The share of the population ages 65 and older is projected to double over the next 50 years, rising from 10.2 percent of the population in 2015 to 21.3 percent in 2065.
- **An era of centenarians** - In 2015, Utah had only 337 centenarians (people at least 100 years old). That amount is projected to be over 20 times greater by 2065, reaching 6,844 centenarians.
- **School-age population** – The population ages 5-17 is projected to increase, but compose a smaller share of the population in 2065 than it does today. While annual increases in the school-age population are projected to exceed 9,000 for the first four years of projections, they are projected to remain below 9,000 for every subsequent year.
- **Dependency ratio** – The dependency ratio is the population ages 0-17 and 65-plus per 100 persons ages 18-64. Utah's dependency ratio, which is higher than the national dependency ratio, is projected to rise in the next 50 years. The gap between Utah and U.S. dependency ratios is projected to decrease. Importantly, the composition of dependent persons is projected to change due to a decreasing youth dependency ratio and an increasing retirement age dependency ratio. It is the projected rising retirement ratio that increases the overall dependency ratio.

Households and Employment

- **Household size** – The number of households is projected to grow steadily into the future, but average persons per household is projected to decrease from 2.99 in 2015 to 2.52 in 2065.
- **Employment by industry** – Projections indicate stable employment growth that mirrors population growth. Each of 11 major industries is projected to grow in the next 50 years with the exception of military, utilities, and farming. Professional and business services is projected to experience the most rapid growth among major industries.
- **Median age of labor force** – The median age of the labor force is projected to increase about five years, rising from 37.8 years in 2015 to 42.1 years in 2065.

To access the complete suite of projections products or any additional information, visit gardner.utah.edu or contact the Kem C. Gardner Policy Institute at 801-587-9224, or effie.johnson@utah.edu.