VANGST

U.S. Cannabis Jobs Report 2026

New York doubles its job total while lower prices challenge the national market

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Design by Manuel Fabian

Employment in America's legal cannabis industry remained relatively stable in 2025, with a slight 2.7% downturn in total job numbers.

Six state markets recorded double-digit job growth, with New York more than doubling its head count in just 12 months. The Empire State added an astonishing 16,160 jobs to become the nation's third largest cannabis employer with 28,660 jobs.

Aside from those half-dozen growth states, cannabis markets faced significant challenges in 2025. Softening prices for wholesale cannabis continued to drive price compression at the retail level. The United States continues to struggle with a significant oversupply of harvested product.

With cultivation outstripping the ability of processors and retailers to sell the product, 2025 marked an inflection point. For the first time since the U.S. adult-use market opened in 2014, legal retail sales declined year over year. With total national revenue taking a slight dip to $29.1 billion, down 3.3% from 2025, the total number of jobs followed with a 2.9% loss.

As of early 2026 there were 412,500 Americans employed in the legal cannabis industry.

For eight years, from 2014 through early 2022, the legal cannabis industry enjoyed double-digit growth in both revenue and job creation. That was due to a number of factors: new states coming online; the migration of legacy consumers to the legal market; and new canna-curious consumers attracted by the legal market's variety of branded products sold in safe, welcoming retail spaces.

With the legal market now in its second decade many of those early state markets—Colorado, California, Washington, Oregon, Michigan—are now mature. Most of their legacy migration is complete. In those markets, consumers aren't abandoning cannabis. They're still filling their baskets at a steady rate. But price compression means the same amount of retail product now costs less. The bundle that cost $150 three years ago may now cost $97. The customer is pocketing the savings and putting it towards the spiking price of gas and groceries.

Emerging markets like New York, Maryland, and Ohio registered old-style leaps in job creation. Maryland added 3,500 jobs last year. Ohio saw the creation of 2,596 new positions. Those increases helped soften the job losses in mature states like California and Michigan.

One potential game-changer in 2026 or 2027 could be the rescheduling of medical cannabis from Schedule I to Schedule III. Whitney Economics analysis indicates that while there are tax benefits to rescheduling, the extent of those benefits and the overall effect on the medical market will depend on the timing of the policy change and the details of the federal rules still to come.

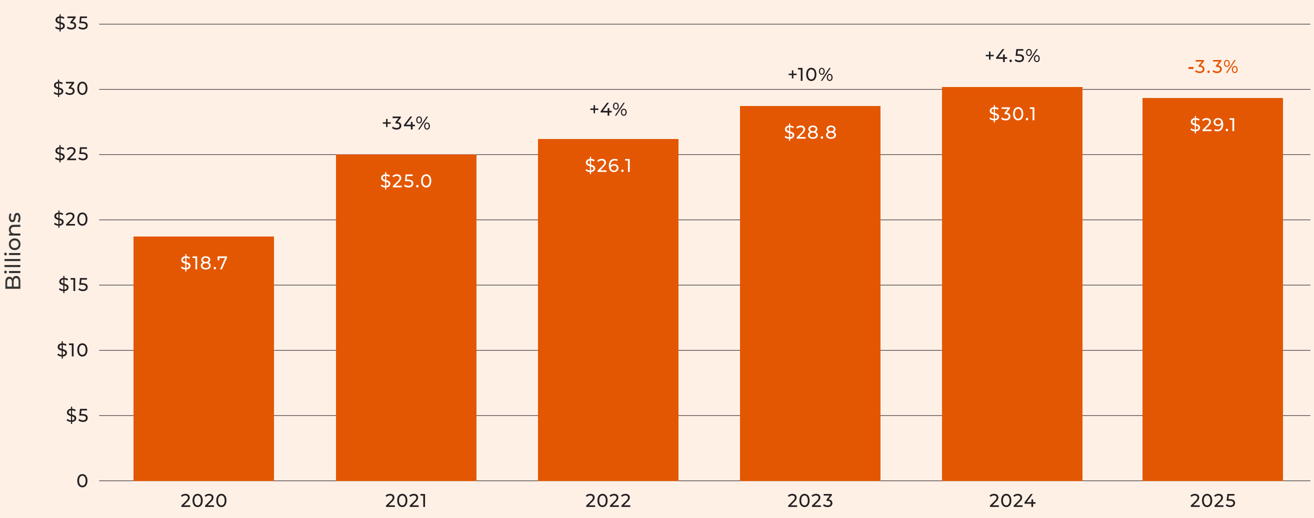
Revenue: A First-Time National Market Dip

For the first time since adult-use cannabis stores opened in 2014, the national retail market posted a decline in overall sales.

What happened? Two words:
Pricing compression.

In-store checkout data indicates that the number of items in a consumer's basket, in most states, remained about the same or slightly increased over the past year. At the same time the transaction value —the total cost of goods in the basket— remained steady or decreased. This is a great value deal for consumers but it puts retailers in a pinch. Store operators are seeing smaller average basket value even as they're scrambling to absorb higher operating costs—with inflation driving up fuel, utilities, contracted services, etc.

U.S. Legal Cannabis Sales (2020–2025)



As more state markets mature, job growth will be harder to come by. Policy and regulators will play a greater role in revenue and job growth.

With price compression stunting market growth, some states are attempting to raise tax rates to offset declining tax revenue. Michigan recently implemented a 24% wholesale cannabis tax, which is expected to have a negative impact on job numbers in that state.

As current policies falter, it's more important for industry and regulators to work together in ways that promote growth and job development. When this occurs, as in New York, good things can happen.

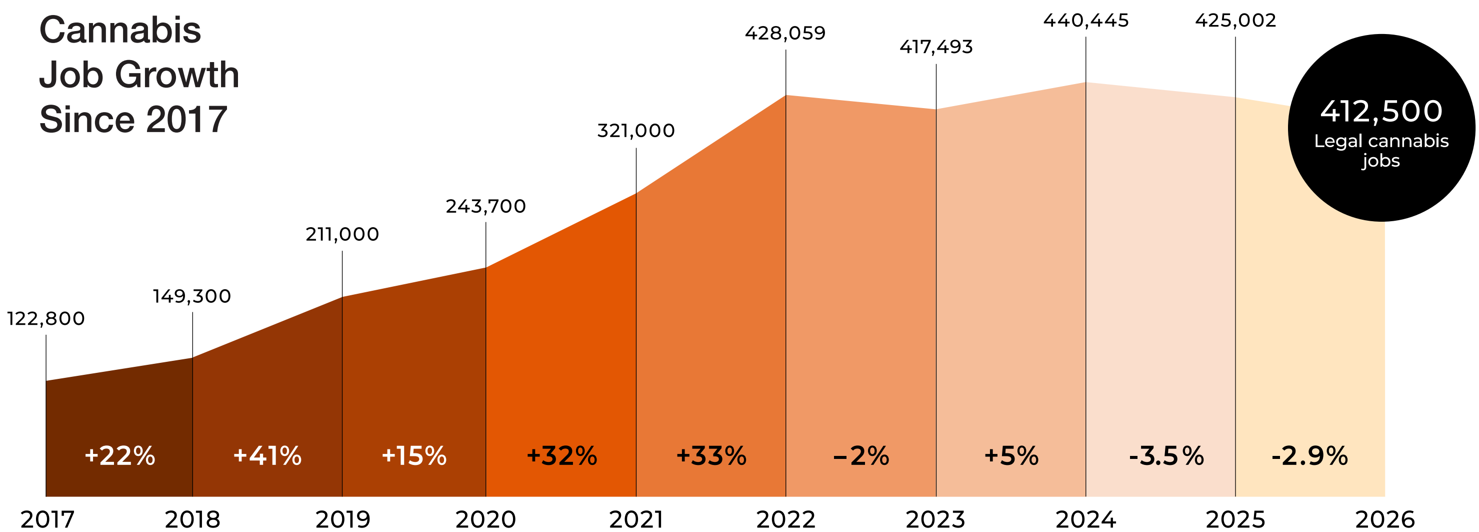
America's Top Cannabis Job Markets

Total cannabis jobs per state as of Q1 2026

		2025 Jobs	Year over Year Change
1	California	57,500	▼
2	Michigan	42,500	▼
3	New York	28,660	▲
4	Massachusetts	27,234	▲
5	Florida*	25,698	▼
6	Pennsylvania*	23,619	▼
7	Missouri	22,722	▲
8	Colorado	20,009	▼
9	Illinois	19,500	▼
10	New Jersey	17,486	▲

* Medical-only state

Cannabis Job Growth Since 2017



Cannabis Job Gains and Losses

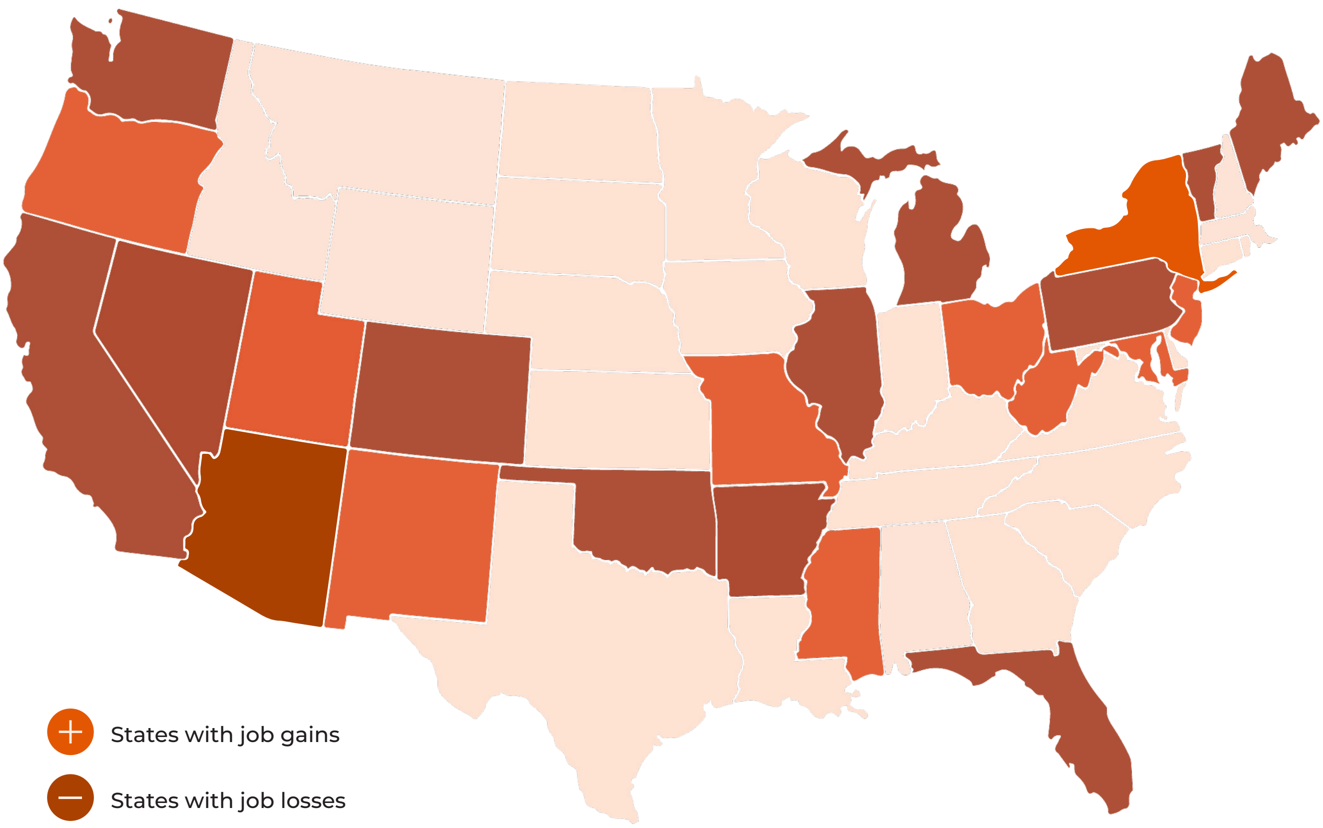
Cannabis employment has been relatively stable over the past few years after experiencing explosive growth from 2014 – 2022. As the market evolves, this is the sign that the industry is maturing. Some market declines have been replaced by growth in others.

With price compression impacting the profitability of companies, we are starting to see more entrants and exits into various state markets. For those states that had too many licenses, we're starting to see a reset of sorts, resulting in job losses, while states that have previously limited licenses are loosening the reins.

Even with this see-sawing effect, the legal sales in all 40 states represent only 30% to 35% of the nation's total cannabis demand.

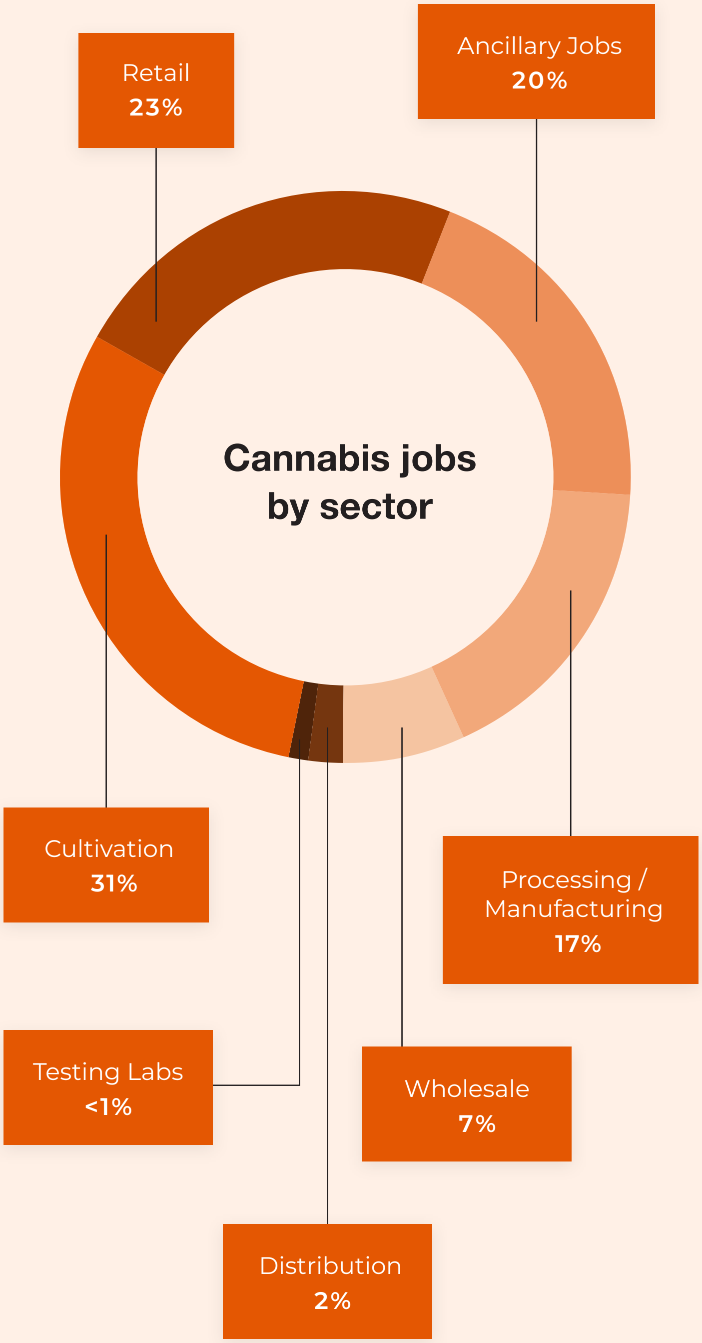
A new paradigm must be established to capture more legal participation and, as a result, more business and job creation.

In the interim, we are forecasting that there will still be growth, just at a lower rate than what we have been used to. New and emerging markets will be the source of growth, with fewer and fewer new entrants into the existing legal, regulated space.



What is a cannabis job?

America's legal cannabis industry supports 412,500 jobs with more than $29.1 billion in annual revenue. Here's a breakdown of job sectors within the industry.



What's it pay?

Cultivation

Director of Cultivation: $110k – $180k
Grow Manager: $75k – $125k
Grower / Horticulturalist: $22 – $38 / hour
Trimmer: $16 – $24 / hour

Extraction

Extraction Manager: $85k – $145k
Quality Manager: $80k – $135k
Chemist: $70k – $130k
Extraction Technician: $20 – $35 / hour

Manufacturing

Director of Manufacturing: $115k – $170k
Production Supervisor: $60k – $95k
Edibles Specialist: $18 – $ 30 / hour
Production Technician: $17 – $27 / hour

Retail

Director of Retail: $100k – $180k
Store Manager: $65k – $110k
Inventory Manager: $50k – $90k
Assistant Manager: $50k – $80k
Budtender: $17 – $26 / hour

Delivery

Delivery Manager: $65k – $110k
Dispatch Agent: $20 – $30 / hour
Warehouse Associate: $17 – $24 / hour

A Workforce Built for Cannabis: Vangst's Role in a Dynamic Industry

The cannabis industry has never stood still, and neither has Vangst.

As 2026 brings new market entrants, tightening margins, and a regulatory landscape that continues to shift beneath operators' feet, Vangst's contribution to the industry has been defined by something deceptively simple: showing up, consistently, across every market that matters.

As one of the few true national labor partners in cannabis, Vangst brings a unified solution set to a famously fragmented industry — combining direct hire and executive search, on-demand gig staffing through Vangst Gigs, and payroll and compliance services into a single platform built to scale with operators wherever they grow.

Vangst has seen the market lifecycle play out from origination in Colorado and the West Coast states: the boom, the over-hiring, the inflated wages, the financial models built on unstable flower prices, and the margin compression that follows. Carrying those lessons into newer markets has made Vangst a true partner for operators looking to thrive and grow.

Leadership Acquisition

Vangst's direct hire and executive search divisions continue to place the operators, scientists, and brand-builders who shape the industry's most influential companies.

Seed-to-sale workforce: Vangst Gigs

Our ground-up approach to the workforce that executes the day-to-day cultivation, processing, production, packaging, and retail, reflects a hard truth about cannabis. Nothing gets done without those team members. A decade ago there were no listings for “head of cultivation” on LinkedIn. Vangst built that talent pipeline from scratch. Today we offer a state-of-the-art platform for on-demand hourly staffing: Vangst Gigs.

Employee turnover in cannabis is notoriously high, and operational missteps carry regulatory weight. Vangst Gigs solves these problems with a 360-hour "try before you hire" conversion model. Instead of betting on a resume, operators evaluate staffers on their body of work: showing up, following procedures, fitting with the team. Bring five candidates onto the practice squad at the same level, and promote the strongest performer based on demonstrated capabilities.

Payroll and compliance

Vangst’s payroll and compliance services have become an integral part of our platform. By acting as employer of record for placed workers, Vangst absorbs the operational and regulatory tasks that come with every hourly hire: wage compliance, tax admin, workers' comp, I-9 verification, as well as state-specific mandates.

Flexibility in a changing market

Together, these three service lines give operators the maneuverability they need in times of unusual headwinds. Vangst's flexible model lets clients run one-to-three-month trials in new directions without building out entire new departments. We let you stay nimble while policy and demand shake out.

Every harvest staffed on time, every dispensary opened on schedule, every leadership team assembled: Vangst offers a staffing partner that didn't exist ten years ago.

As cannabis continues to mature, Vangst's consistency, experience, and full-spectrum service is built for exactly this moment.

Want to learn more about Vangst's hiring services?

Learn more and schedule a call at https://vangst.com/employer/

States with Job Gains

The most common trait among the top 10 states that gained jobs over the past year were that most came from emerging states. This is generally where one would expect these gains to occur and the state legal markets are ramping and the level of legal participation grows. It is notable that every one of these states, except for Oregon also added licenses in 2025. Had it not been for a handful of states, the jobs picture would have been much different. This demonstrates how much new and emerging markets play a role in the growth of the industry.

Legal participation is directly correlated to state-licensed access to retail stores. Consumers can't buy what they can't find.

	2025 Jobs	Change	Percent Change
New York	28,660	16,160	129.3%
Maryland	13,500	3,500	35%
Ohio	12,500	2,596	26.2%
New Jersey	17,486	2,468	16.5%
Oregon	14,124	374	2.7%
Missouri	22,722	369	1.7%
Utah	2,703	258	10.5%
Massachusetts	27,234	234	0.9%
D. C.	935	139	17.5%
West Virginia	1,576	138	9.6%

States with Job Losses

Nearly all of 2025's job losses came from mature or near-mature markets. Revenue growth rates have slowed. Most of their consumer participation has been captured. Illinois was particularly impacted by high sales taxes that pushed consumers—and jobs—out of the legal market or led them to purchase in adjacent states.

	2025 Jobs	Change	Percent Change
California	57,500	(17,123)	-22%
Florida	25,698	(5,270)	-17%
Illinois	19,500	(3,000)	-13.3%
Michigan	42,500	(2,500)	-5.6%
Arkansas	2,383	(1,920)	-44.6%
Pennsylvania	23,619	(1,381)	-5.5%
Colorado	20,009	(1,354)	-6.3%
Nevada	11,210	(880)	-7.3%
Arizona	9,250	(750)	-7.5%

Cannabis Licenses: The Jobs Driver

States with relatively unlimited licenses tend to drive the most employment. However, these same states have the most downside risks due to harvest oversaturation and price declines.

More than a dozen states saw license declines in 2025. Most of those declines were due to market consolidation (purchase/merger) or businesses folding up shop.

In Oklahoma, state regulators implemented a license moratorium and increased enforcement considerably. Despite being a relatively small market from a revenue perspective, Oklahoma has the second most licenses in the country, behind only California (which has nearly 10x the population of the Sooner State).

In fact, 8 states account for more than 75% of the entire country's licenses.

Job creation is correlated to cannabis licenses

The demand for labor is also tied to the number of licenses in each market. In 2025, license volumes continued to decline. Based on a report from CRB monitor, including Q1'26, there have been 7 straight quarters of license declines (Approved and pending licenses). Data from regulators show that there were declines in every major category of licenses except for retail. In fact, over a dozen states experienced license declines.

Licensing data can tell a complex story. A rise in retail licenses is almost always a positive economic indicator, as greater retail access drives both legacy consumer migration to the legal market as well as the addition of canna-curious adults for whom the unlicensed market is a non-starter.

A pullback in cultivation licenses, by contrast, is a good sign in a grow sector that remains wildly unbalanced in terms of licensed capacity.

State Licensing Data

License change by Sector	Total Licenses	Retail Licenses	Cultivation	Processing	Labs	Wholesale	Delivery
State cannabis licenses	36,000	12,754	15,987	5,374	220	249	1,416
Year-over-year change	-1,277	+752	-1,552	-171	-24	-18	-264

Market is right sizing

While the chart above doesn't paint the entire picture, it does show that the market is beginning to right-size. The 2023-2024 post-Covid hangover— a period in which operators were reluctant to release employees hired during the pandemic sales surge— is over. We're now seeing an easing of concern for labor access.

Across many states we're seeing a transition. Retail labor has become more transitory, with stable headcounts but higher churn within those roles. Staff members are becoming more specialized in the cannabis manufacturing sector.

Meanwhile, the cultivation industry faces continued challenges. There's simply too much harvest for the industry to accommodate. That oversupply has driven wholesale prices down, which in turn has and continues to push farmers out of the cannabis business. Nobody likes to see good growers leave the field. But it may be necessary if the industry is going to find balance and a solid pricing floor that allows manufacturers and retails to survive and thrive.

License Applications: What's in the pipeline

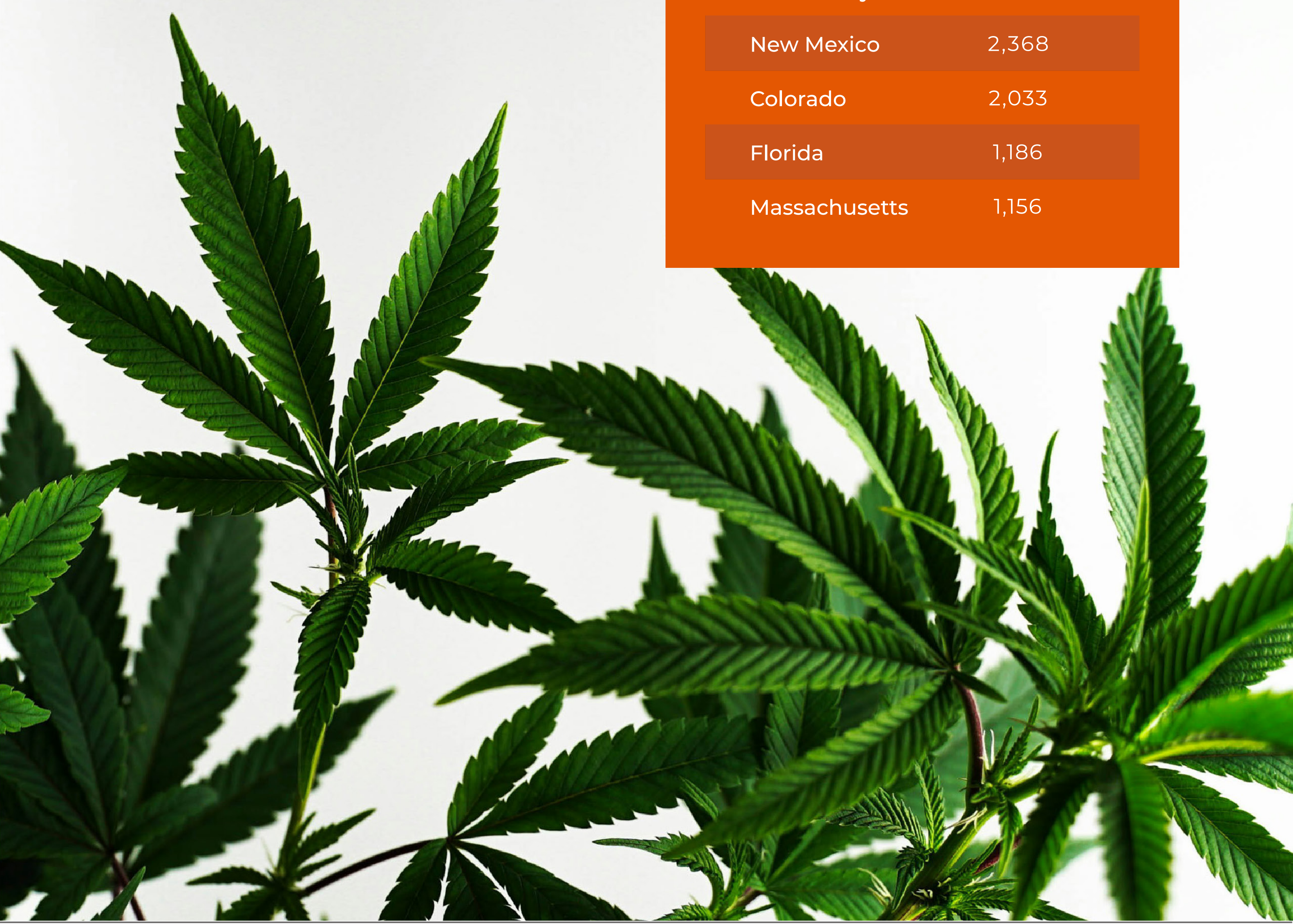
Over a dozen states saw a net reduction in licenses in 2025. Nationwide, new license applications have slowed to a trickle.

One bright spot: The number of non-cultivation license applications already in process is robust.

Cultivation licenses are in decline, while the demand for retail licenses and manufacturing licenses remains strong. As consumer demand becomes more nuanced, purchasing patterns are beginning to shift away from flower and more over to derivative products that require manufacturing. This has resulted in a shift in labor demand away from cultivation and in favor of manufacturing and retail.

Top 10 States: Total Cannabis Licenses

	Total Licenses (Jan 2026)
California	7,553
Oklahoma	4,345
Michigan	3,910
Washington	2,745
Oregon	2,672
New Jersey	2,395
New Mexico	2,368
Colorado	2,033
Florida	1,186
Massachusetts	1,156



State Market Highlights

Several states stood out for their 2025 performance and their 2026 outlook.

While some markets appear well-positioned for continued strength, others are showing signs of potential weakness or instability. With 24 states experiencing year-over-year sales declines in 2025, New York and Ohio were the two states that buoyed the overall market.

New York

The entire cannabis industry has been asking for years: When will New York finally take off? It appears that the Empire State finally achieved liftoff in 2025.

New York	
2025 Jobs	28,660
Net Change in Employment	16,160
2025 Legal Retail Sales	$1,874,384,615
2026 Retail Forecast	$2,346,566,178
2026 Jobs Outlook	**STRONG GAINS**

Access and enforcement drive revenue

Two factors worked together to lift New York's legal market. After a notoriously sluggish start, New York finally saw a significant number of retail licensees come online.

In early 2025 there were roughly 300 licensed cannabis retailers open for business in New York. By the end of the year that number topped 520. New York's Cannabis Control Board approved more than 320 new licenses over the course of 2025, bringing the total to more than 2,000 by early 2026. It doesn't end there: The state reports a queue of more than 4,000 applications in process.

At the same time, state and local officials stepped up their enforcement of unlicensed retailers.

A change in state law enacted in 2024 gave local municipalities regulatory authority to close down unlicensed cannabis stores. With that new authority, counties and cities were able to pursue nuisance actions and penalties against property owners who rented space to illicit cannabis operators. New York City's high-profile "Operation Padlock" closed down nearly 1,400 unlicensed retailers.

Meanwhile, the New York Office of Cannabis Management stepped up its enforcement actions, rising from 823 regulatory inspections in 2023 to more than 5,200 in 2024.

That stepped-up enforcement moved consumer demand into state-licensed (and tax paying) retail operations in 2025.

Result: A surge in licensed cannabis sales. That sales increase led to the creation of more than 16,000 new jobs.

Michigan

Michigan has become a textbook case of how not to manage a regulated cannabis program.

After experiencing multiple years of expansion, we're forecasting the Michigan market to decline by almost $1 billion. That may sound shocking— but we feel it's realistic.

Those previous years of robust growth came at the expense of existing licensed operators, who faced a growing oversupply of cultivation licenses and supply saturation.

Michigan now finds itself in a classic old-school Oregon situation. Faced with a massive oversupply of harvest, the state now suffers from some of the lowest wholesale and retail prices in the country.

State legislators, seeing falling tax revenues, responded in the worst way possible. They increased taxes on wholesale product by an additional 24%. Sales in Q1 2026 have plummeted. We expect this downturn to continue through the end of the year and result in a loss of nearly 8,000 jobs.

Michigan

2025 Jobs	42,500
Net Change in Employment	-2,500
2025 Legal Retail Sales	$3,176,888,397
2026 Retail Forecast	$2,265,036,678
2026 Jobs Outlook	**MAJOR COLLAPSE**
2026 Jobs Projection	**34,634**

Ohio

Ohio expanded its new adult-use regulatory model, after being a large medical market. It also was able to capture demand from neighboring states like Michigan. Ohio increased licensure overall, mainly in the retail sector. While this led to a surge in sales in 2025, look for sales growth to soften in the coming year, driven by slower legal participation growth and pricing compression.

Ohio

2025 Jobs	12,500
Net Change in Employment	2,596
2025 Legal Retail Sales	$1,073,512,626
2026 Retail Forecast	$1,216,619,611
2026 Jobs Outlook	**MODEST GAINS**

California

The California market, the nation's largest, continues to soften as oversupply has led to negative year-over-year revenue growth.

Many licensed cultivators are abandoning their licenses and, unfortunately, returning to the unregulated market.

While the state saw an uptick in retail licenses in 2025, consumer access remains a serious issue. More than half (52%) of all California counties continue to prohibit licensed cannabis sales. Out-of-state tourists account for nearly one-third of all licensed retail sales.

While retailers always welcome purchases from visiting adults, that data point can be taken as an indicator of how much cannabis demand from in-state residents is being met by the unlicensed market. California faces several significant obstacles that will need to be overcome before legal participation can reach the 50% mark.

California

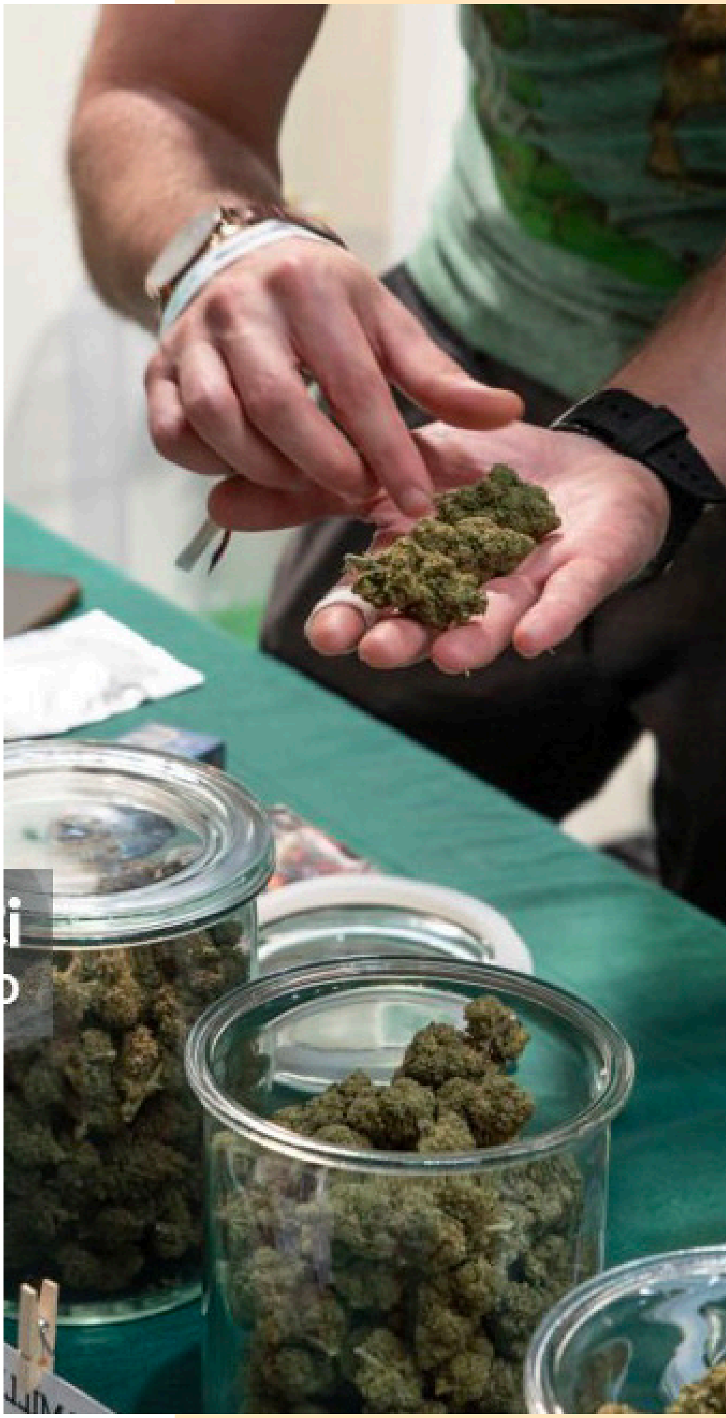
2025 Jobs	57,500
Net Change in Employment	-17,123
2025 Legal Retail Sales	$4,060,162,745
2026 Retail Forecast	$4,497,038,731
2026 Jobs Outlook	**SLIGHT UPTICK**

Illinois

The Illinois market continued to struggle in 2025. Operators are still contending with high taxes and strict compliance rules. Consumers are looking elsewhere.

With an effective sales tax rate of 36.25%, licensed retailers are struggling to win over local consumers. Too many of those customers are driving to neighboring states—Missouri and Michigan—to acquire their products.

Illinois consumers also have access to intoxicating hemp products. This is capping the levels of legal participation and lowering growth projections and reduced employment by 3,000 jobs. Oversupply and pricing compression are also adding to the mix. Tax revenues are down and retail sales are flat, which gave cannabis operators little incentive to add jobs.



Illinois

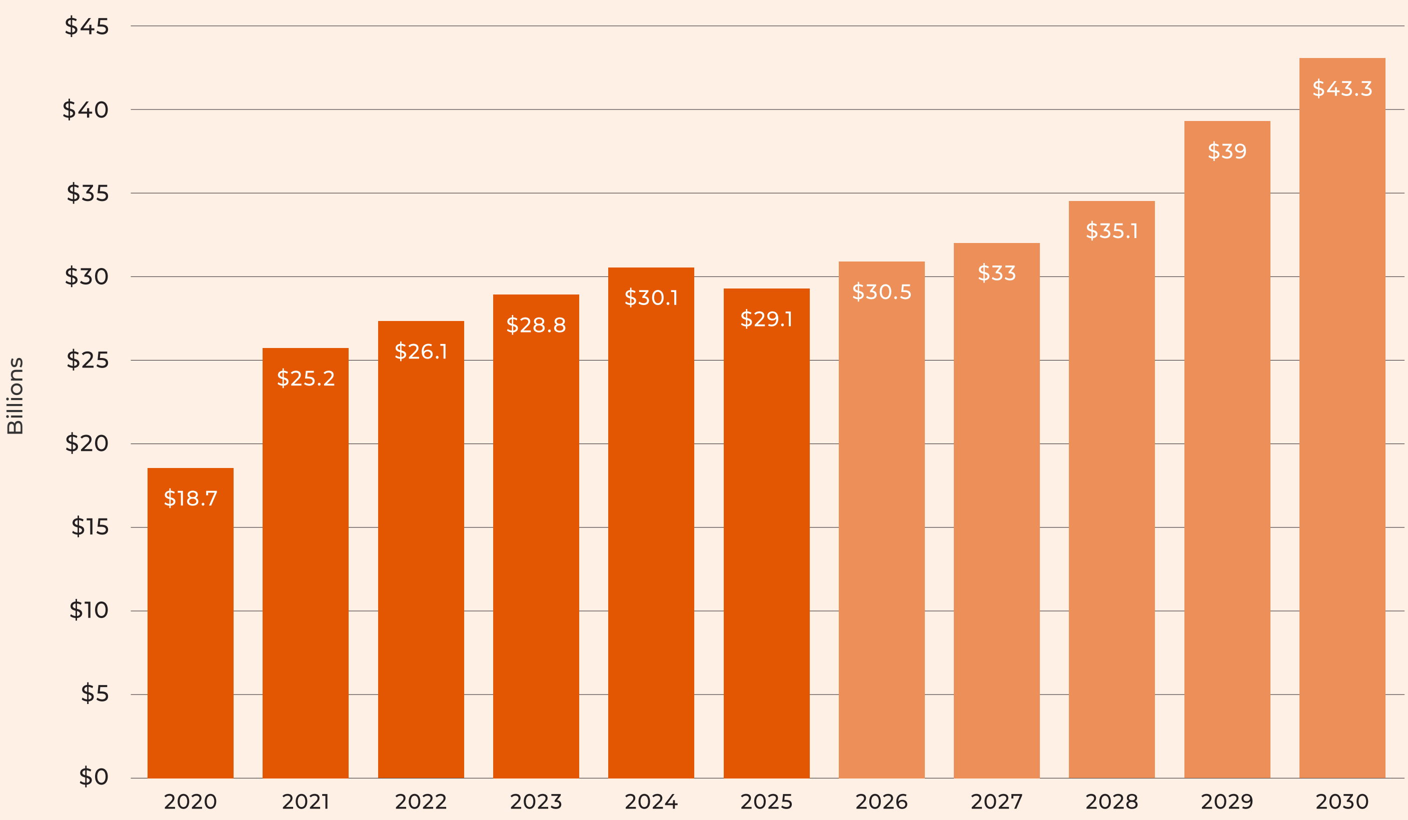
2025 Jobs	19,500
Net Change in Employment	(3,000)
2025 Legal Retail Sales	$1,658,613,012
2026 Retail Forecast	$1,749,923,399
2026 Jobs Outlook	**FLAT**

Forecasting the Year Ahead

It's hard to overstate the impact that harvest oversupply and pricing compression have had on the overall U.S. cannabis market. At Whitney Economics, we've updated our forecasting models to account for these accelerated price declines. Even with price declines factored in, we forecast a modest amount of growth in U.S. retail sales in 2026.

U.S. Legal Regulated Cannabis Forecast

Whitney Economics (2020 - 2030)



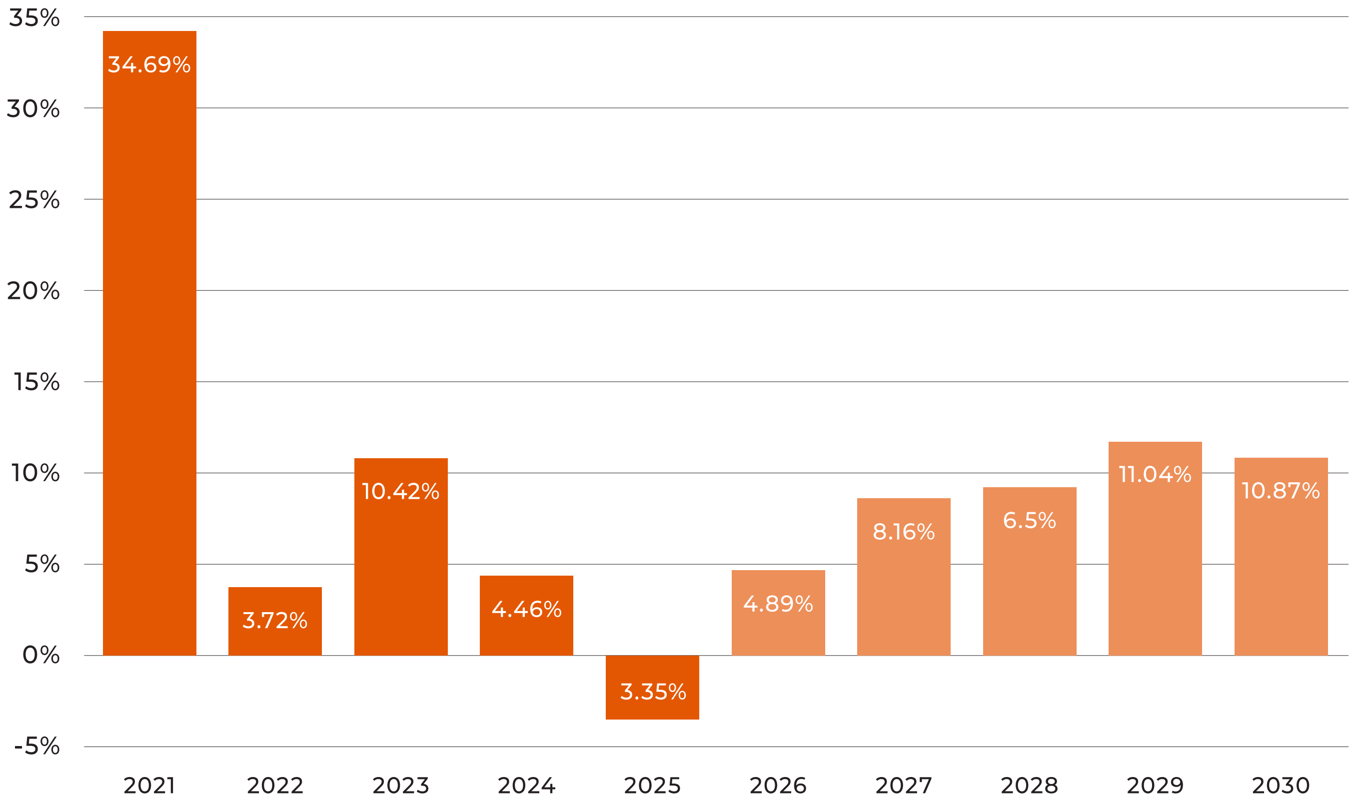
We expect labor demand to continue its decline in the cultivation sector, as state regulators tighten licenses and shrink harvest capacity to bring supply and demand into balance.

At the same time, we forecast a rise in demand for skilled workers in the manufacturing sector, as processed products continue to gain favor among consumers.

Retail staff demand will remain strong and steady. We expect most retailers to maintain a steady overall headcount while continually hiring in response to internal employee churn.

National Cannabis Revenue Growth Rate

2021 - 2030, past and forecast



The Meaning of Schedule III

In late April 2026, the Trump administration moved to reclassify cannabis from Schedule I to Schedule III. The rescheduling order was signed on April 23 by acting U.S. Attorney General Todd Blanche.

How will this affect the medical and adult-use cannabis markets? It's too early to tell. Ask five cannabis lawyers to predict the fallout and you're likely to get five very different answers. Over the past decade we've learned through hard experience that rules and regulations are paramount. A state can vote to legalize adult use, but the size of a market and its rates of expansion are entirely dependent on the regulatory framework established by state officials.

We expect a similar dynamic with regard to Schedule III. It will take months if not years for federal regulators to establish rules around Schedule III cannabis, and more time after that for state regulators to create their own rules that fit with, or work around, the new federal situation.

About Vangst

Vangst is the cannabis industry's workforce partner, connecting top talent with fast-growing cannabis companies across the U.S.

Vangst helps companies find and attract the talent they need to grow their business. From on-demand temp staffing to vetted full-time placements, Vangst supports every stage of the hiring process — helping businesses scale and individuals launch or grow their cannabis careers.

About Whitney Economics

Beau Whitney is the founder and Chief Economist at Whitney Economics, a global leader in cannabis and hemp business consulting, data, and economic research. His work applying economic principles to create actionable operational and policy recommendations has been recognized by government, business, and media throughout the economic world.

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