

MICHIGAN'S LABOR MARKET NEWS

VOL. 77, NO. 12
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Inflation Trends in Michigan

Feature Article pg. 16

Map of the Month: First Quarter Increase in Housing Prices Relative to Michigan, 2020–2021

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Industry Focus: Food and Beverage Stores

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Michigan's jobless rate declined by 0.3 percentage points in December to 5.6 percent, as employment in the state rose by 16,000.

DECEMBER 2021 JOBLESS RATE

MICHIGAN

5.6%

NATIONAL

3.9%

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IT'S BIGGER THAN DATA.

The Bureau of Labor Market Information and Strategic Initiatives is your one-stop shop for information and analysis on Michigan's population, labor market, and more.

- Our Federal-State Programs division runs the state's cooperative agreements with the U.S. Bureau of Labor Statistics and the U.S. Census Bureau, making us the official source for this information.
- Our Research and Analytics division conducts workforce research and program evaluation, giving you the insight you need to make smarter decisions.

Michigan's unemployment rate fell by three-tenths of a percentage point to 5.6 percent in December 2021, down 2.6 percentage points since December 2020 and nearly 2 percentage points above the pre-pandemic February 2020 rate. The state's labor force was nearly unchanged since November but has decreased by 2.0 percent over the year. Payroll jobs advanced by 10,800 or 0.3 percent in December, marking the eighth consecutive month of job gains in Michigan.

This issue of *Michigan's Labor Market News* focuses on inflation trends in Michigan. Using data from the Consumer Price Index, our Feature Article highlights key indicators, wage trends, and the cost of goods and services in the state. Our Map of the Month visualizes national housing price trends relative to Michigan, and our Industry Focus spotlights an industry heavily impacted by price inflation—*Food and beverage stores*. Finally, our Relevant Rankings section compares price changes in food and energy by metropolitan statistical area.

We hope you enjoy this issue of *Michigan's Labor Market News*. Please let us know if there is something you would like to know more about.



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MICHIGAN JOBLESS RATE DECREASES IN DECEMBER

Michigan's seasonally adjusted jobless rate receded by three-tenths of a percentage point between November and December to 5.6 percent.

The national unemployment rate also fell by three-tenths of a percentage point in December, to 3.9 percent. Michigan's jobless rate was 1.7 percentage points above the U.S. rate. The Michigan rate dropped sharply by 2.6 percentage points since December 2020, similar to the national rate decline of 2.8 percentage points over this period.

The Michigan and national labor force levels were little changed in December. Statewide employment rose by 0.4 percent over the month, matching the rate of employment gain nationwide. Michigan's number of unemployed moved down by 5.4 percent while the U.S. unemployment total decreased by 7.1 percent during December.

The number of unemployed registered large reductions since December 2020 in Michigan (-33.8 percent) and the U.S. (-41.4 percent), as workers were recalled to jobs from pandemic-related layoffs.

Despite notable improvements during 2021, Michigan's number of unemployed was 81,000

above the pre-pandemic February 2020 count. Michigan's December jobless rate was nearly two full percentage points above the pre-pandemic rate of 3.7 percent.

Michigan Share of Total Unemployed by Gender Displays Mixed Trends Over Past Two Years

Michigan's Current Population Survey (CPS) provides detailed labor market information by gender, including the unemployment status of adult men and women. An examination of the quarterly percentage shares of all Michigan unemployed by gender for those 20 years of age or older reveals a deviation in trend direction during the height of pandemic-related layoffs in the second quarter 2020.¹

Historically, the number and share of Michigan unemployed adult men exceeds the share of unemployed women for a number of reasons. Men generally have a higher overall labor force level, and men have disproportionate shares of workers in certain industries with relatively high unemployment. The first quarter of 2020, just prior to the pandemic, had adult men at about

58 percent of the total number of unemployed, while adult women comprised 33 percent. With the onset of significant layoffs in April 2020 due to the pandemic, the share of unemployed accounted for by women 20 years and over soared to 46 percent, matching the male share. Adult men gradually increased their share of total unemployed as 2020 progressed, but did not reach the pre-pandemic percentage.

The first quarter of 2021 exhibited the largest difference in percentage shares of the unemployed during that year, with adult males making up 57 percent of the jobless while adult females comprised 33 percent. Adult men continued to account for the largest percentage of the unemployed through the end of 2021. However, it is important to note that despite men accounting for a higher share of Michigan unemployed, other labor market data reveals that women in the labor force were in many ways more negatively impacted than men during the pandemic. Specifically, women have recorded larger percent cuts in employment and labor force than men in Michigan since pre-pandemic February 2020.

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¹The Current Population Survey definition of "number of unemployed" includes people 16 or older. This analysis focuses on the shares of all unemployed comprised of adult males and females 20 years of age or older. This means the shares listed in this analysis will not add up to 100 percent of the total 16+ unemployed.

Note: Data Revision Causing Temporary Series Break in September 2021

The household survey data for the Detroit metro area in January 2021 had an unusually large drop in unemployment that exceeded statistical reliability criteria. As a result, the U.S. Department of Labor, Bureau of Labor Statistics (BLS) applied a statistical adjustment to that data as they have been doing monthly to any erratic household data since the start of the pandemic in April 2020.

This adjustment produced some distortions in the benchmarking factors used for Michigan, the Detroit metro area, and the Balance of Michigan. To reduce these distortions, the BLS has modified this intervention with the publication of September 2021 through November 2021 estimates. This modification resulted in estimates that better reflect the model inputs for the most recent three months and produced a revised September seasonally adjusted Michigan unemployment rate of 6.3 percent. This also resulted in an upward revision in September unemployment rates for all Michigan metro areas, regions, and counties. Data corrections for January to August 2021 will be addressed during the usual annual revision process at the end of 2021. The revised estimates will be published in March 2022.

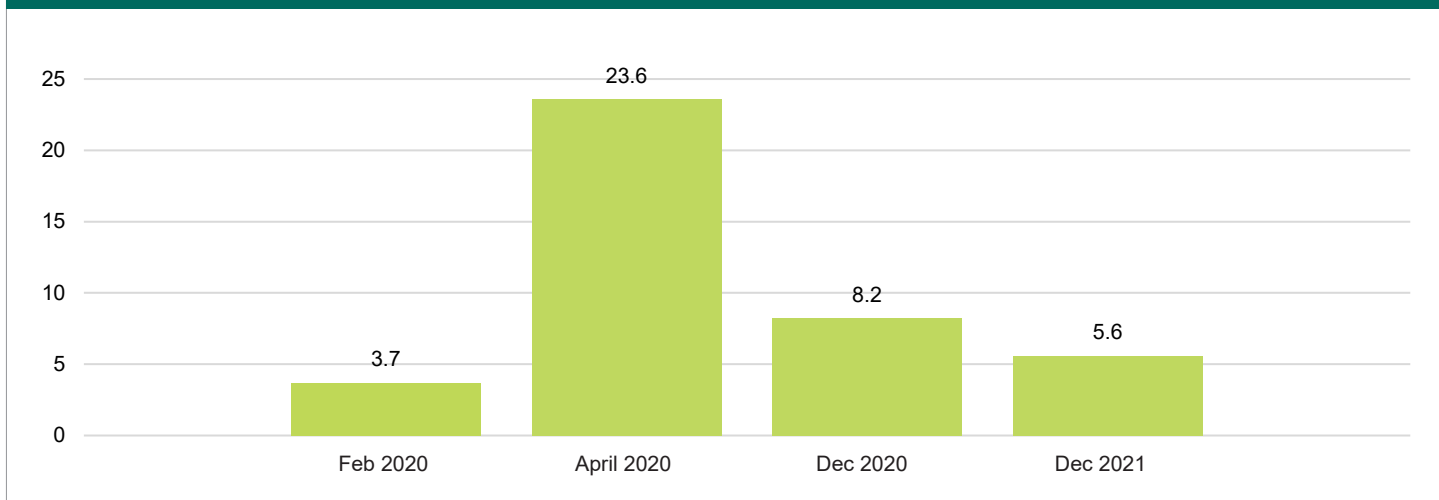
The revised estimates for September 2021, October 2021, November 2021, and the newly published December 2021 data can be fully compared with data for all months of 2020 and prior years. However, the data for September–December 2021 should not be compared with previously released estimates for January–August 2021 until all months of 2021 are revised in March 2022.

MICHIGAN LABOR FORCE ESTIMATES, DEC 2021 (SEASONALLY ADJUSTED)

	DEC 2021	NOV 2021	DEC 2020	OVER THE MONTH		OVER THE YEAR	
				NUMERIC	PERCENT	NUMERIC	PERCENT
Civilian Labor Force	4,759,000	4,758,000	4,855,000	1,000	0.0%	-96,000	-2.0%
Employed	4,494,000	4,478,000	4,455,000	16,000	0.4%	39,000	0.9%
Unemployed	265,000	280,000	400,000	-15,000	-5.4%	-135,000	-33.8%
Unemployment Rate	5.6	5.9	8.2	-0.3	XXX	-2.6	XXX

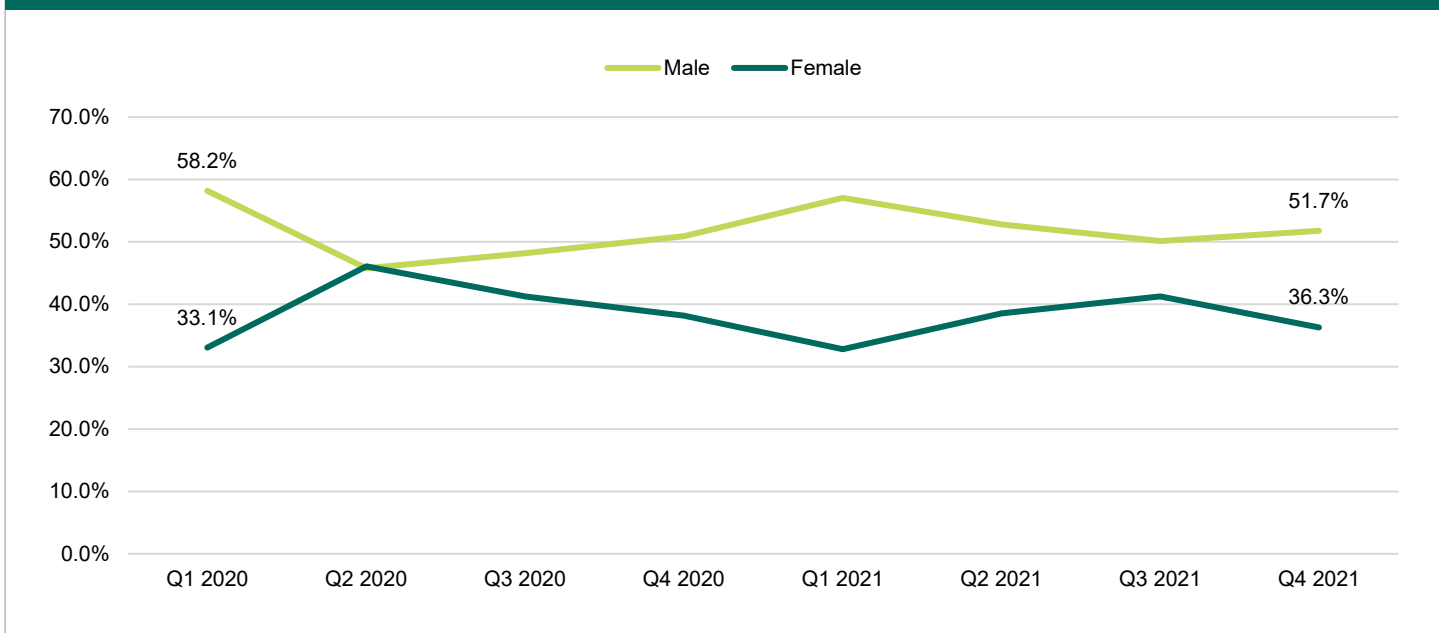
Source: Local Area Unemployment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget

MICHIGAN SELECT UNEMPLOYMENT RATES, FEB 2020–DEC 2021 (PERCENT)



Source: Local Area Unemployment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget

MICHIGAN QUARTERLY PERCENTAGE SHARE OF UNEMPLOYED BY GENDER, FIRST QUARTER 2020–FOURTH QUARTER 2021



Source: Local Area Unemployment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget



MICHIGAN JOB TRENDS BY INDUSTRY SECTOR

Monthly Overview

Michigan seasonally adjusted nonfarm payroll jobs advanced by 10,800 in December to 4,247,700 (+0.3 percent). This marked the eighth consecutive month of job gains in Michigan. Job levels in the state still remain below pre-pandemic levels by 4.6 percent.

Nationally, seasonally adjusted nonfarm jobs edged up slightly by 0.1 percent in December. Since December 2020, jobs advanced nationally by 4.5 percent, somewhat below the Michigan rate of gain (+5.5 percent).

Over the month, most of Michigan's major industry sectors registered minimal change

of less than 1,000 jobs. On a numeric basis, the bulk of statewide job additions occurred in *Professional and business services* (+8,800), and *Trade, transportation, utilities* (+4,700). *Retail jobs* advanced in December, as holiday shopping season gains were above normal, and employment fell in *Accommodation and food services* with cuts in the restaurant industry.

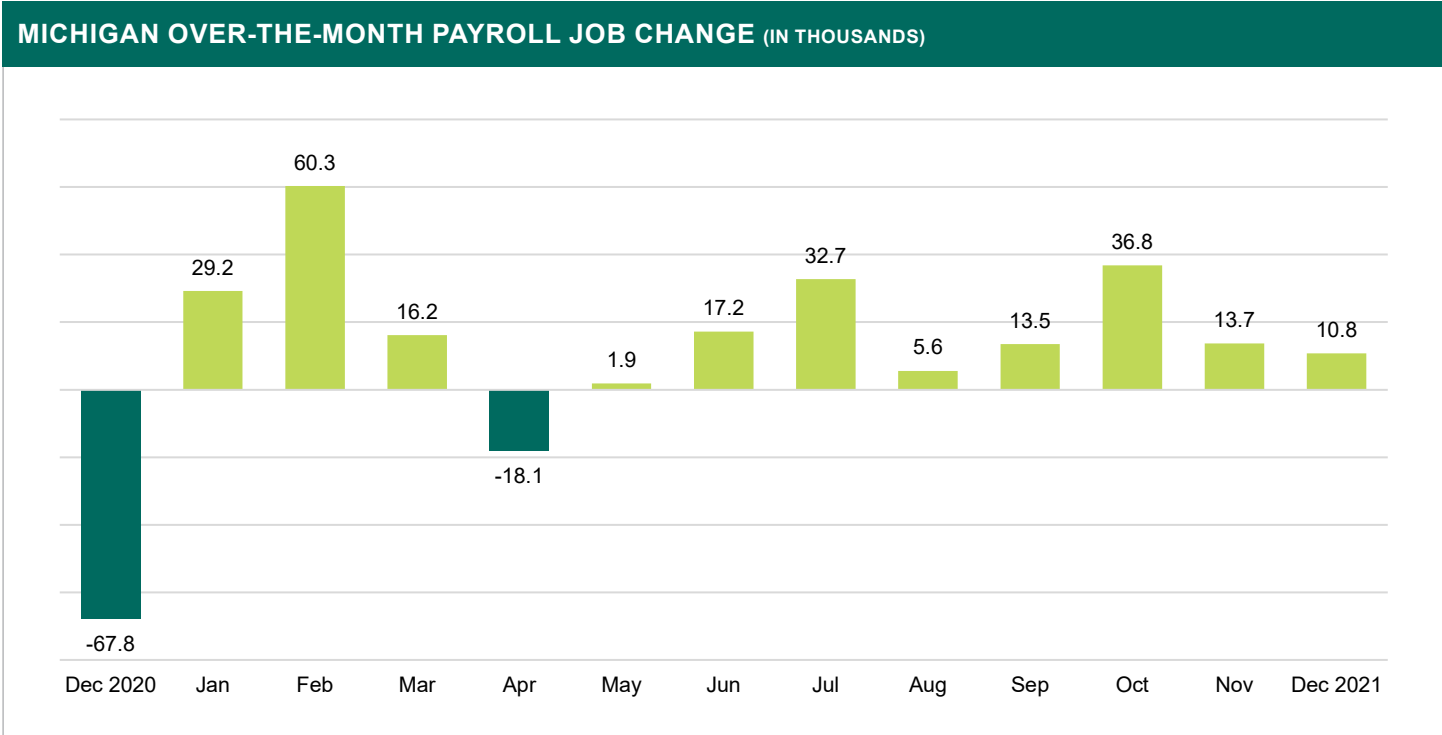
Over the Year

Michigan experienced a 5.5 percent advancement in seasonally adjusted nonfarm payroll jobs since December 2020. This was above the national rate of job gain over this period. All 11 of Michigan's major industry

sectors added jobs since December 2020. The most notable was the *Leisure and hospitality* sector, which rebounded by 36.5 percent since December 2020. This reflected the recall of workers from pandemic-related job cuts, but jobs in this sector remain well below pre-pandemic levels. A notable job addition since December 2020 also occurred in *Professional and business services* (+6.7 percent).

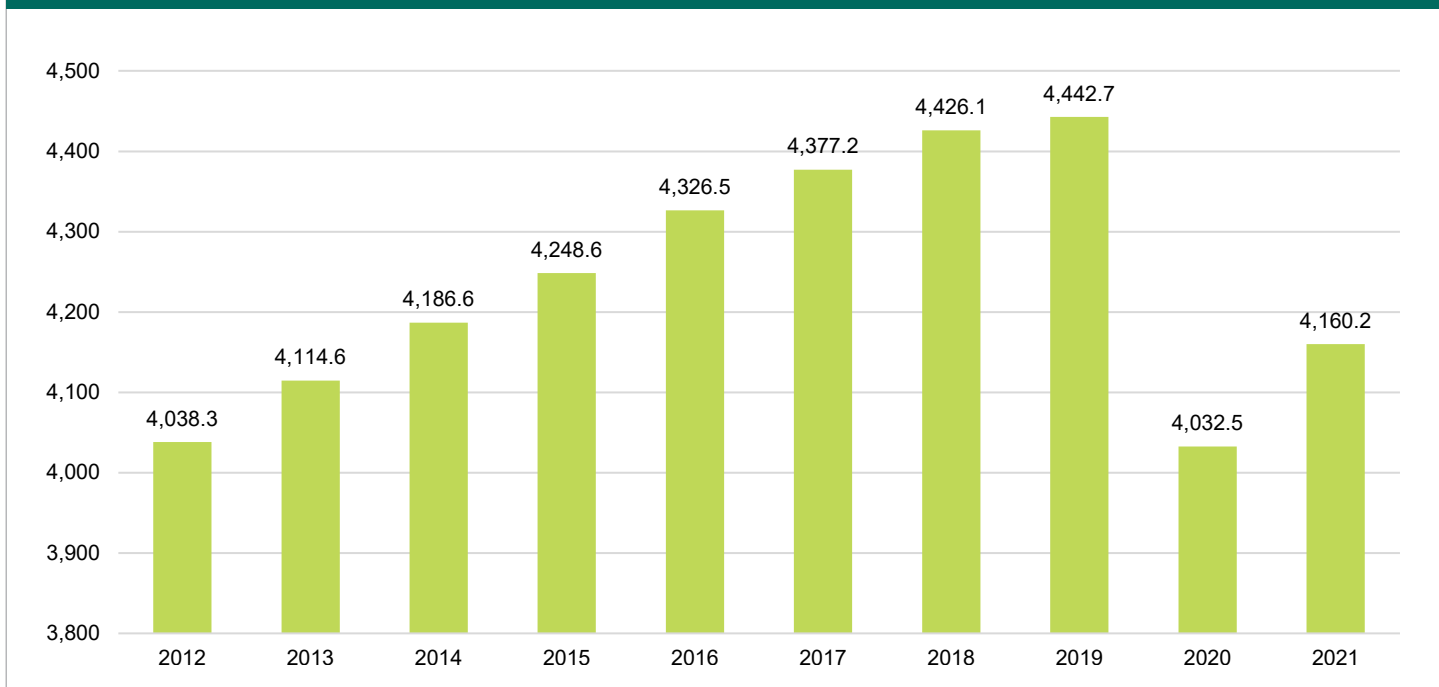
Michigan 2021 Annual Averages

Preliminary annual average data on Michigan nonfarm payroll jobs shows a healthy rebound in employment in 2021, reflecting jobs recovered following the sharp pandemic-related job losses



Source: Current Employment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget

MICHIGAN TOTAL NONFARM ANNUAL AVERAGE JOBS, 2012–2021 (IN THOUSANDS)



Source: Current Employment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget

in 2020. Prior to the pandemic, Michigan had recorded nine consecutive years of job gains. However, in 2020, jobs plunged sharply by over 400,000 (-9.2 percent) in Michigan. In 2021, a partial recovery resulted in a gain of 127,700 positions (+3.2 percent), but this still leaves Michigan jobs 6.4 percent below 2019 pre-pandemic levels.

Nine of Michigan's 11 major industry sectors added jobs during 2021. The two exceptions

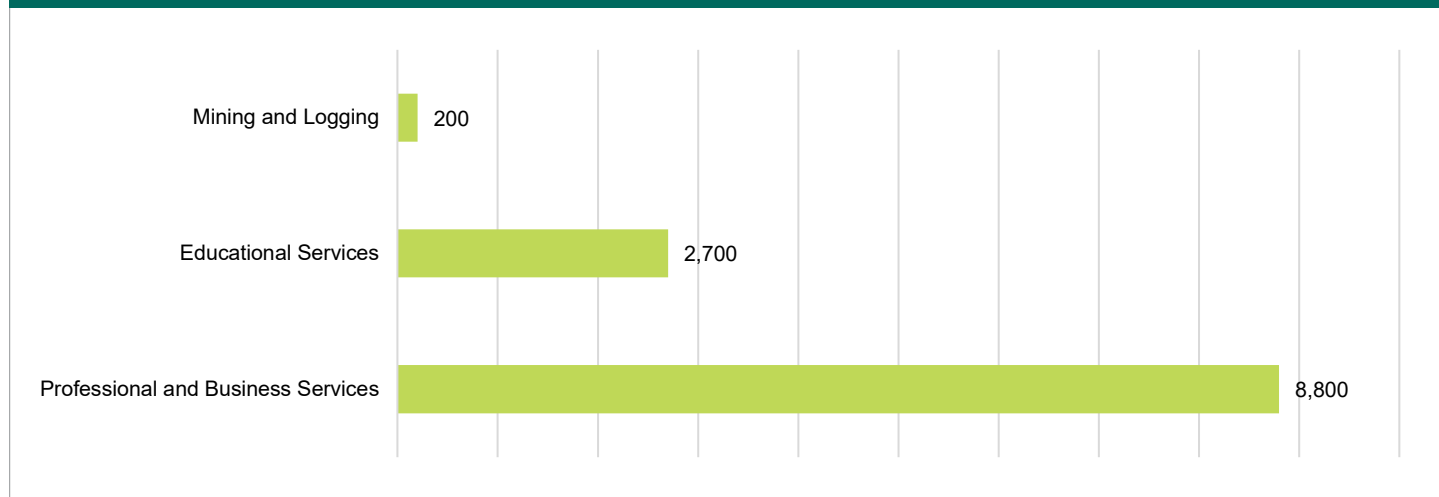
were the *Information* sector (-1.1 percent) and the *Government* sector (-0.3 percent). Five major industries in Michigan recalled workers at a rate higher than the statewide average. These included the *Leisure and hospitality* (+8.5 percent), *Mining and logging* (+7.3 percent), *Construction* (+7.0 percent), *Professional and business services* (+5.2 percent), and *Trade, transportation, and utilities* (+4.5 percent) sectors.

Significant Industry Employment Developments

MINING AND LOGGING

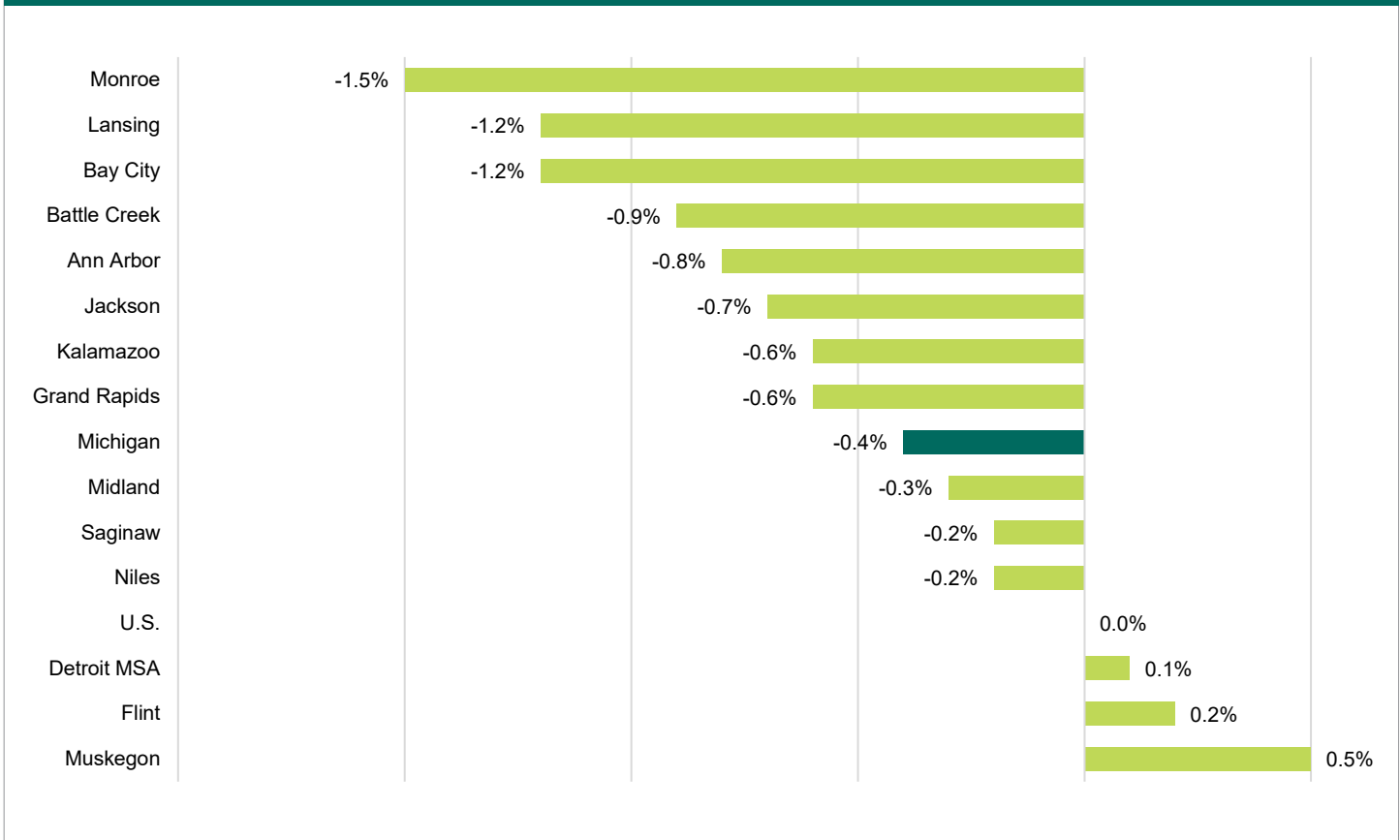
Over the month, seasonally adjusted payroll jobs in the *Mining and logging* sector edged up by 200 or 2.9 percent. Jobs in this industry are slightly above the February 2020 pre-pandemic level. Over the year, jobs in this sector rebounded by 4.3 percent, which was lower than the 5.5

MICHIGAN OVER-THE-MONTH JOB CHANGE BY SELECT INDUSTRY, NOV–DEC 2021 (IN THOUSANDS)



Source: Current Employment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget

MICHIGAN MSA JOB CHANGE, NOV–DEC 2021 (NOT SEASONALLY ADJUSTED)



Source: Current Employment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget

percent growth rate statewide. Nationally, the sector advanced by 0.9 percent over the month and by 9.9 percent since December 2020.

EDUCATIONAL SERVICES

Within the *Education and health services* sector, *Educational services* added 2,700 jobs in December (+4.1 percent). The overall sector showed little job change over the month as jobs in *Health care and social assistance* declined. Over the year, jobs in the *Educational services* subsector rebounded by 9.3 percent, which was above the pace of overall job gains in Michigan. Jobs in this industry nationally increased by 7.0 percent over the year.

PROFESSIONAL AND BUSINESS SERVICES

Seasonally adjusted nonfarm payroll jobs in the *Professional and business services* sector grew the most of all major industry sectors over the month, up by 8,800 or 1.4 percent. This monthly job gain in Michigan exceeded the national trend, where the sector advanced by 0.2 percent over the month. Michigan job additions were led by *Administrative and support services*, with a December job hike of 6,400 or 2.4 percent. Since

December 2020, jobs advanced by 6.7 percent in the broader sector, which was above the rate of overall job gain over this period.

Metropolitan Statistical Areas (MSAs)

Not seasonally adjusted nonfarm payroll jobs declined in 11 of Michigan's 14 Metropolitan Statistical Areas (MSAs) over the month. Of those with a job reduction in December, eight experienced a greater percentage cut than the statewide -0.4 percent decrease. While marginal, the Muskegon MSA (+0.5 percent), Flint MSA (+0.2 percent), and the Detroit MSA (+0.1 percent) were the only metro regions with job additions over the month.

Jobs in the *Manufacturing* sector were flat or increased in most Michigan metro areas in December. The only exception was the Bay City MSA, where factory jobs edged down by 200. Similarly, jobs in the *Trade, transportation, and utilities* sector increased across most area regions, driven by job additions in the *Retail* sector associated with the holiday shopping season. Conversely, *Leisure and hospitality* jobs

contracted in December across all Michigan metro areas.

Over the year, unadjusted nonfarm payroll jobs increased in all of Michigan's 14 MSAs. Four MSAs added jobs at a rate above the statewide unadjusted growth rate of 5.5 percent: Kalamazoo (+6.6 percent), Detroit (+6.2 percent), Lansing (+5.8 percent), and Jackson (+5.6 percent). Other MSAs with significant job additions of roughly 5.0 percent since December 2020 included Monroe, Niles, Grand Rapids, and Ann Arbor.

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Economic Analyst



MICHIGAN PAYROLL JOBS (SEASONALLY ADJUSTED)

INDUSTRY	DEC 2021	NOV 2021	DEC 2020	OVER THE MONTH		OVER THE YEAR	
				LEVEL	PERCENT	LEVEL	PERCENT
TOTAL NONFARM	4,247,700	4,236,900	4,027,900	10,800	0.3%	219,800	5.5%
Total Private	3,661,400	3,651,100	3,465,700	10,300	0.3%	195,700	5.6%
Private Service-Providing	2,889,200	2,880,600	2,711,600	8,600	0.3%	177,600	6.5%
GOODS-PRODUCING	772,200	770,500	754,100	1,700	0.2%	18,100	2.4%
Mining, Logging, and Construction	185,300	186,000	181,900	-700	-0.4%	3,400	1.9%
Mining and Logging	7,200	7,000	6,900	200	2.9%	300	4.3%
Construction	178,100	179,000	175,000	-900	-0.5%	3,100	1.8%
Manufacturing	586,900	584,500	572,200	2,400	0.4%	14,700	2.6%
Durable Goods	443,000	442,400	431,600	600	0.1%	11,400	2.6%
Transportation Equipment Manufacturing	182,300	181,800	178,900	500	0.3%	3,400	1.9%
Non-Durable Goods	143,900	142,100	140,600	1,800	1.3%	3,300	2.3%
SERVICE-PROVIDING	3,475,500	3,466,400	3,273,800	9,100	0.3%	201,700	6.2%
Trade, Transportation, and Utilities	794,900	790,200	769,900	4,700	0.6%	25,000	3.2%
Wholesale Trade	163,600	163,400	161,400	200	0.1%	2,200	1.4%
Retail Trade	451,200	449,200	442,700	2,000	0.4%	8,500	1.9%
Transportation, Warehousing, and Utilities	180,100	177,600	165,800	2,500	1.4%	14,300	8.6%
Information	50,800	50,500	48,700	300	0.6%	2,100	4.3%
Financial Activities	225,800	226,400	224,500	-600	-0.3%	1,300	0.6%
Finance and Insurance	174,100	175,200	174,300	-1,100	-0.6%	-200	-0.1%
Real Estate and Rental and Leasing	51,700	51,200	50,200	500	1.0%	1,500	3.0%
Professional and Business Services	650,100	641,300	609,400	8,800	1.4%	40,700	6.7%
Professional, Scientific, and Technical Services	309,100	306,500	293,900	2,600	0.8%	15,200	5.2%
Management of Companies and Enterprises	72,200	72,400	69,600	-200	-0.3%	2,600	3.7%
Administrative and Support and Waste Management and Remediation Services	268,800	262,400	245,900	6,400	2.4%	22,900	9.3%
Education and Health Services	640,600	640,900	638,400	-300	0.0%	2,200	0.3%
Educational Services	69,300	66,600	63,400	2,700	4.1%	5,900	9.3%
Health Care and Social Assistance	571,300	574,300	575,000	-3,000	-0.5%	-3,700	-0.6%
Leisure and Hospitality	377,600	381,200	276,600	-3,600	-0.9%	101,000	36.5%
Arts, Entertainment, and Recreation	50,700	50,800	34,300	-100	-0.2%	16,400	47.8%
Accommodation and Food Services	326,900	330,400	242,300	-3,500	-1.1%	84,600	34.9%
Other Services	149,400	150,100	144,100	-700	-0.5%	5,300	3.7%
Government	586,300	585,800	562,200	500	0.1%	24,100	4.3%
Federal Government	54,800	55,100	53,300	-300	-0.5%	1,500	2.8%
State Government	180,600	179,600	168,500	1,000	0.6%	12,100	7.2%
Local Government	350,900	351,100	340,400	-200	-0.1%	10,500	3.1%

Source: Current Employment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget

REGIONAL LABOR MARKET ANALYSIS

NOTE: September 2021 unemployment rates by metro area and county were revised upward significantly by the U.S. Department of Labor, Bureau of Labor Statistics. Please see the note on page four of this publication for more details.

ANN ARBOR METROPOLITAN AREA

- Joblessness in the Ann Arbor MSA declined by 0.2 percentage points in December to 3.2 percent and remained the lowest unemployment rate among Michigan's 14 metro areas.
- The number of unemployed in the region dropped significantly over the past year by 3,600.

MONTHLY INDUSTRY DEVELOPMENTS

- Total nonfarm payroll jobs in the Ann Arbor metro area declined by 1,800 or 0.8 percent in December to 218,900. This rate of job reduction exceeded the job cut statewide (-0.4 percent).

INDUSTRY TRENDS

- Jobs in both the *Mining, logging, and construction* (-3.9 percent) and *State government* (-0.4 percent) sectors fell by typical seasonal amounts during December.

BAY CITY METROPOLITAN AREA

- The unemployment rate in the Bay City MSA moved up in December by 0.3 percentage points to 5.3 percent but fell sharply by 2.1 percentage points since December 2020.
- The regional workforce remained unchanged over the month and dropped by 3.7 percent over the year.

MONTHLY INDUSTRY DEVELOPMENTS

- Regional jobs in the Bay City area decreased by 400 or 1.2 percent in December to 32,900, tied for the second largest monthly percent decline among Michigan metro areas.

INDUSTRY TRENDS

- *Manufacturing* jobs decreased by 200 or 4.1 percent over the month. Bay City was the only Michigan metro area with job cuts in this sector in December.

FLINT METROPOLITAN AREA

- Although joblessness in the region declined in December by 0.3 percentage points to 6.1 percent, Flint tied for the highest monthly jobless rate among all statewide metro areas.
- The total number of unemployed decreased both over the month (-4.5 percent) and over the year (-28.9 percent).

MONTHLY INDUSTRY DEVELOPMENTS

- In December, regional payroll jobs in the Flint MSA edged up by 200 or 0.2 percent, to 132,200.
- Regional *Trade, transportation, and utilities* jobs recorded typical seasonal gains, moving up by 200 or 0.7 percent over the month, to 27,100.

INDUSTRY TRENDS

- Flint *Leisure and hospitality* job levels jumped substantially since December 2020 (+32.4 percent), but this mainly reflected a high level of pandemic-related layoff activity in this industry during the fourth quarter of 2020.

BATTLE CREEK METROPOLITAN AREA

- The Battle Creek MSA jobless rate edged down by 0.2 percentage points in December, to 5.3 percent.
- Over the year, total labor force declined by 4.7 percent (-2,900), which was the largest percent drop among major Michigan labor market areas.

MONTHLY INDUSTRY DEVELOPMENTS

- In December, regional nonfarm employment within the Battle Creek area fell by 500 (-0.9 percent) over the month, to 53,300.
- Total jobs in *Nondurable goods manufacturing* remained down in December due to an ongoing labor dispute.

INDUSTRY TRENDS

- Typical seasonal job cuts were recorded in the *Mining, logging, and construction* (-300) sector in December. Jobs inched down by 100 over the past year in this industry.

DETROIT-WARREN-DEARBORN METRO AREA

- The Detroit MSA unemployment rate advanced by 0.5 percentage points over the month to 4.3 percent in December, the largest percentage point increase among Michigan metro areas.
- The total number of unemployed persons increased by 12,000 or 15.2 percent during December as the number of employed individuals remained flat over the month.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll jobs in the Detroit MSA remained virtually flat over the month, inching up by only 0.1 percent this month to 1,977,000.
- Jobs within the *Professional, scientific, and technical services* sector rose significantly in December, moving up by 1,900 or 0.9 percent, to 212,800.

INDUSTRY TRENDS

- Employment in the *Nursing and residential care* sector moved down by 500 in December and has declined for three of the past five months.

GRAND RAPIDS-WYOMING METRO AREA

- Joblessness in the Grand Rapids labor market edged down marginally by 0.1 percentage point in December to 3.5 percent.
- Employment levels were essentially flat in December and have only advanced by 0.4 percent over the last year.

MONTHLY INDUSTRY DEVELOPMENTS

- Over the month, nonfarm payroll jobs in the Grand Rapids MSA declined by 3,300 or 0.6 percent in December to 548,700.
- Higher than average seasonal job reductions were recorded within the *Professional and business services* sector, as jobs fell by 1,700 or 2.3 percent, which was the largest percent decrease among all Michigan metro areas.

INDUSTRY TRENDS

- Larger than normal seasonal job gains were recorded in both *Retail trade* (+700) and *Transportation, warehousing, and utilities* (+600).

CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	ANN ARBOR			BATTLE CREEK			BAY CITY		
	DEC 2021	NOV 2021	DEC 2020	DEC 2021	NOV 2021	DEC 2020	DEC 2021	NOV 2021	DEC 2020
PLACE OF RESIDENCE									
Civilian Labor Force	190,400	190,600	192,600	58,800	58,900	61,700	47,200	47,200	49,000
Employed	184,300	184,200	183,000	55,700	55,700	56,900	44,700	44,800	45,400
Unemployed	6,100	6,400	9,700	3,100	3,200	4,700	2,500	2,400	3,600
Unemployment Rate	3.2	3.4	5.0	5.3	5.5	7.7	5.3	5.0	7.4
PLACE OF WORK									
Total Nonfarm Jobs	218,900	220,700	208,900	53,300	53,800	53,000	32,900	33,300	32,000
Mining, Logging, and Construction	4,900	5,100	4,600	1,700	2,000	1,800	1,400	1,500	1,400
Manufacturing	13,700	13,700	13,200	9,900	9,900	10,300	4,700	4,900	4,500
Trade, Transportation, and Utilities	27,100	26,900	26,300	9,800	9,800	9,500	6,900	6,900	7,100
Wholesale Trade	6,400	6,400	6,300	*	*	*	*	*	*
Retail Trade	15,800	15,700	15,400	6,300	6,200	5,900	4,600	4,700	4,800
Information	6,300	6,300	6,000	*	*	*	300	300	300
Financial Activities	6,500	6,600	6,400	1,100	1,100	1,100	1,300	1,300	1,300
Professional and Business Services	29,900	30,300	29,400	5,100	5,100	5,100	2,500	2,500	2,500
Educational and Health Services	27,700	27,900	27,900	9,400	9,500	9,700	5,800	5,700	5,800
Leisure and Hospitality	14,300	14,400	9,800	3,700	3,800	3,200	3,700	3,800	3,000
Other Services	5,400	5,500	5,300	1,900	1,800	1,800	1,000	1,000	1,000
Government	83,100	84,000	80,000	10,400	10,500	10,300	5,300	5,400	5,100
DETROIT-WARREN-DEARBORN									
FLINT									
GRAND RAPIDS-WYOMING									
	DEC 2021	NOV 2021	DEC 2020	DEC 2021	NOV 2021	DEC 2020	DEC 2021	NOV 2021	DEC 2020
PLACE OF RESIDENCE									
Civilian Labor Force	2,107,000	2,096,000	2,136,000	173,900	173,300	179,100	562,600	562,900	573,500
Employed	2,017,000	2,017,000	1,916,000	163,300	162,200	164,200	542,900	542,800	540,900
Unemployed	91,000	79,000	220,000	10,600	11,100	14,900	19,600	20,100	32,600
Unemployment Rate	4.3	3.8	10.3	6.1	6.4	8.3	3.5	3.6	5.7
PLACE OF WORK									
Total Nonfarm Jobs	1,977,000	1,974,900	1,861,000	132,200	132,000	128,200	548,700	552,000	523,600
Mining, Logging, and Construction	75,000	79,900	74,600	5,800	5,900	5,400	25,700	27,000	24,900
Manufacturing	248,500	246,800	239,000	13,700	13,400	13,700	109,100	108,600	107,300
Trade, Transportation, and Utilities	387,600	380,100	375,100	27,100	26,900	27,300	100,900	99,600	98,300
Wholesale Trade	80,200	79,900	80,200	5,000	5,000	5,200	31,600	31,600	31,000
Retail Trade	206,500	202,100	205,400	17,500	17,500	17,800	49,300	48,600	48,500
Information	25,200	25,300	24,900	1,000	1,000	1,000	5,600	5,600	5,400
Financial Activities	126,300	126,200	123,600	5,900	6,000	5,900	26,600	27,000	26,500
Professional and Business Services	399,300	397,600	369,800	16,600	16,700	16,800	73,700	75,400	71,300
Educational and Health Services	297,600	299,200	292,300	25,400	25,400	25,400	94,700	94,900	92,300
Leisure and Hospitality	165,400	166,300	117,600	13,900	14,000	10,500	42,900	44,200	30,700
Other Services	66,600	66,900	64,500	4,900	4,900	4,700	20,600	20,600	19,800
Government	185,500	186,600	179,600	17,900	17,800	17,500	48,900	49,100	47,100

Source: Current Employment Statistics and Local Area Unemployment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget
 * Data is suppressed

JACKSON METROPOLITAN AREA

- The Jackson MSA jobless rate edged down by only 0.1 percentage point in December to 4.6 percent.
- Over the year, regional workforce fell by 1,000 or 1.4 percent, similar to the statewide rate of decline (-1.7 percent).

MONTHLY INDUSTRY DEVELOPMENTS

- Jackson area payroll jobs dropped over the month by 400 or 0.7 percent in December, to 56,700.
- An uptick in jobs within the *Service-providing* (+3,000) sector produced all of the net new job additions since December 2020

INDUSTRY TRENDS

- Regional *Government* jobs moved down by 200 or 2.5 percent over the month and were 6.1 percent below December 2019 job levels.

KALAMAZOO-PORTAGE METRO AREA

- In December, the Kalamazoo area jobless rate was unchanged at 4.1 percent.
- Since December 2020, the regional workforce edged down by 0.6 percent, the smallest percent decline among major Michigan labor markets.

MONTHLY INDUSTRY DEVELOPMENTS

- Regional nonfarm jobs within the Kalamazoo MSA fell in December by 900 or 0.6 percent, to 146,500.
- Regional jobs in the *Manufacturing* sector rose by 0.9 percent (+200), slightly above the statewide rate of gain this month.

INDUSTRY TRENDS

- A typical seasonal job decline was recorded in the *Mining, logging, and construction* sector, (-4.3 percent to 6,600). Jobs in this industry dropped by 2.9 percent since December 2020.

LANSING-EAST LANSING METRO AREA

- December joblessness in the Lansing region was little changed, inching down by 0.1 percentage point to 3.8 percent.
- Despite minimal change in the unemployment rate in December, the area rate has dropped substantially over the past year by 2.1 percentage points.

MONTHLY INDUSTRY DEVELOPMENTS

- In December, regional payroll jobs in the Lansing MSA declined by 1.2 percent to 226,900, tied with the Bay City MSA for the second largest monthly percent job cut among Michigan metro areas.

INDUSTRY TRENDS

- Area jobs within the *Leisure and hospitality* industry recorded typical seasonal reductions in December, moving down by 300 or 2.0 percent. Jobs were still 19.4 percent below pre-pandemic December 2019 levels.

MIDLAND METROPOLITAN AREA

- The Midland MSA jobless rate was stable in December, remaining at 3.9 percent.
- Since December 2020, the total number of unemployed residents fell sharply by 900 (or 37.5 percent) to 1,500.

MONTHLY INDUSTRY DEVELOPMENTS

- Nonfarm payroll employment in the Midland metro area remained virtually unchanged in December, moving down by only 100 or 0.3 percent to 36,700.

INDUSTRY TRENDS

- Since December 2020, nonfarm jobs in the region rose by 1,600.

MONROE METROPOLITAN AREA

- Over the month, the unemployment rate in the Monroe labor market declined by 0.3 percentage points to 4.3 percent.
- The local jobless rate dropped significantly by nearly two percentage points over the past year, and was 6.2 percent in December 2020.

MONTHLY INDUSTRY DEVELOPMENTS

- Total nonfarm payroll jobs in the Monroe region decreased by 600 or 1.5 percent in December, to 38,700. Seasonal job cuts occurred in several industries.

INDUSTRY TRENDS

- Regional *Government* jobs fell by 200 or 4.0 percent over the month to 4,800. Jobs in this sector were nearly 13 percent below December 2019 counts.

MUSKEGON METROPOLITAN AREA

- The Muskegon metro area unemployment rate fell by 0.4 percentage points in December to 6.1 percent. The regional jobless rate was down sharply from the 8.9 percent rate recorded in December 2020.
- Total employment rose by 500 over the month, leading to the drop in the jobless rate.

MONTHLY INDUSTRY DEVELOPMENTS

- Over the month, Muskegon regional payroll jobs edged up by 300 or 0.5 percent to 59,900, the fourth consecutive month of job gains recorded in this metro area.

INDUSTRY TRENDS

- Muskegon area jobs in the *Leisure and hospitality* sector advanced by 1,000 over the past year, as workers were recalled from pandemic-related layoffs. However, area jobs in this industry remain below pre-pandemic levels.

CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	JACKSON			KALAMAZOO-PORTAGE			LANSING-EAST LANSING		
	DEC 2021	NOV 2021	DEC 2020	DEC 2021	NOV 2021	DEC 2020	DEC 2021	NOV 2021	DEC 2020
PLACE OF RESIDENCE									
Civilian Labor Force	72,000	72,000	73,000	163,800	163,800	164,800	238,000	239,500	240,200
Employed	68,700	68,700	67,900	157,200	157,100	154,300	228,900	230,200	226,200
Unemployed	3,300	3,400	5,100	6,700	6,700	10,500	9,100	9,400	14,100
Unemployment Rate	4.6	4.7	7.0	4.1	4.1	6.3	3.8	3.9	5.9
PLACE OF WORK									
Total Nonfarm Jobs	56,700	57,100	53,700	146,500	147,400	137,400	226,900	229,600	214,500
Mining, Logging, and Construction	2,100	2,200	2,100	6,600	6,900	6,800	9,200	9,500	8,300
Manufacturing	8,800	8,800	8,800	22,400	22,200	21,900	18,900	18,700	18,600
Trade, Transportation, and Utilities	13,200	13,000	12,100	28,000	27,900	26,500	36,000	35,700	34,900
Wholesale Trade	*	*	*	6,700	6,700	6,400	5,900	5,900	5,800
Retail Trade	6,700	6,600	6,600	15,600	15,700	15,300	20,900	20,800	20,700
Information	200	200	200	900	900	800	3,200	3,200	3,100
Financial Activities	2,200	2,300	2,200	7,700	7,700	7,800	17,600	17,600	17,200
Professional and Business Services	5,500	5,500	5,100	16,500	16,600	15,600	22,300	22,000	22,200
Educational and Health Services	10,400	10,500	10,000	24,700	24,900	24,400	30,600	30,700	30,600
Leisure and Hospitality	4,300	4,400	3,500	13,100	13,300	9,900	15,000	15,300	10,600
Other Services	2,300	2,300	2,200	4,800	4,800	4,700	9,000	9,100	8,800
Government	7,700	7,900	7,500	21,800	22,200	19,000	65,100	67,800	60,200
MIDLAND									
	DEC 2021	NOV 2021	DEC 2020	DEC 2021	NOV 2021	DEC 2020	DEC 2021	NOV 2021	DEC 2020
PLACE OF RESIDENCE									
Civilian Labor Force	38,800	38,700	39,800	72,000	72,000	73,000	73,700	73,400	76,900
Employed	37,200	37,200	37,400	68,900	68,700	68,500	69,200	68,700	70,000
Unemployed	1,500	1,500	2,400	3,100	3,300	4,500	4,500	4,700	6,800
Unemployment Rate	3.9	3.9	5.9	4.3	4.6	6.2	6.1	6.5	8.9
PLACE OF WORK									
Total Nonfarm Jobs	36,700	36,800	35,100	38,700	39,300	36,900	59,900	59,600	58,400
Mining, Logging, and Construction	*	*	*	1,800	2,000	1,700	2,500	2,500	2,400
Manufacturing	*	*	*	5,500	5,500	5,200	11,900	11,900	11,900
Trade, Transportation, and Utilities	*	*	*	10,300	10,400	10,200	14,000	13,600	14,000
Wholesale Trade	*	*	*	1,600	1,600	1,600	*	*	*
Retail Trade	*	*	*	4,700	4,800	4,600	11,600	11,100	11,100
Information	*	*	*	*	*	*	200	200	200
Financial Activities	*	*	*	800	800	800	1,700	1,700	1,700
Professional and Business Services	*	*	*	5,500	5,400	5,100	2,900	2,900	3,000
Educational and Health Services	*	*	*	4,600	4,600	4,500	10,900	10,900	10,900
Leisure and Hospitality	*	*	*	3,700	3,900	2,800	6,700	6,800	5,700
Other Services	*	*	*	1,400	1,400	1,400	1,900	1,900	1,800
Government	3,000	3,000	2,700	4,800	5,000	4,900	7,200	7,200	6,800

Source: Current Employment Statistics and Local Area Unemployment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget
 * Data is suppressed

NILES-BENTON HARBOR METRO AREA

- The Niles-Benton Harbor unemployment rate stayed virtually unchanged, inching down by only 0.1 percentage point to 4.6 percent in December.
- The total number of employed persons rose both over the month (+0.6 percent) and over the year (+0.7 percent).

MONTHLY INDUSTRY DEVELOPMENTS

- Total payroll jobs in the Benton Harbor MSA remained relatively flat over the month, declining by only 100 or 0.2 percent to 60,100.
- Although regional jobs within the *Trade, transportation, and utilities* sector increased seasonally by 4.1 percent over the month, employment fell by 5.6 percent below pre-pandemic December 2019 levels.

INDUSTRY TRENDS

- Typical seasonal job cuts were recorded within both the *Mining, logging, and construction* (-200) and *Leisure and hospitality* (-300) industries during December.

SAGINAW METROPOLITAN AREA

- The Saginaw labor market jobless rate fell by 0.2 percentage points in December to 5.7 percent, still 1.3 percentage points higher than the statewide rate.
- Total labor force decreased by 3,100 or 3.6 percent over the year due to declines in both the number of employed (-1.3 percent) and unemployed (-30.9 percent).

MONTHLY INDUSTRY DEVELOPMENTS

- Regional payroll jobs in the Saginaw metro area edged down by only 200 or 0.2 percent in December, to 82,300.
- Jobs within *Transportation equipment manufacturing* dropped by 14.0 percent since the December 2019 pre-pandemic level.

INDUSTRY TRENDS

- Regional jobs in both *Mining, logging, and construction* (-200) and *State government* (-300) recorded typical seasonal job reductions in December.

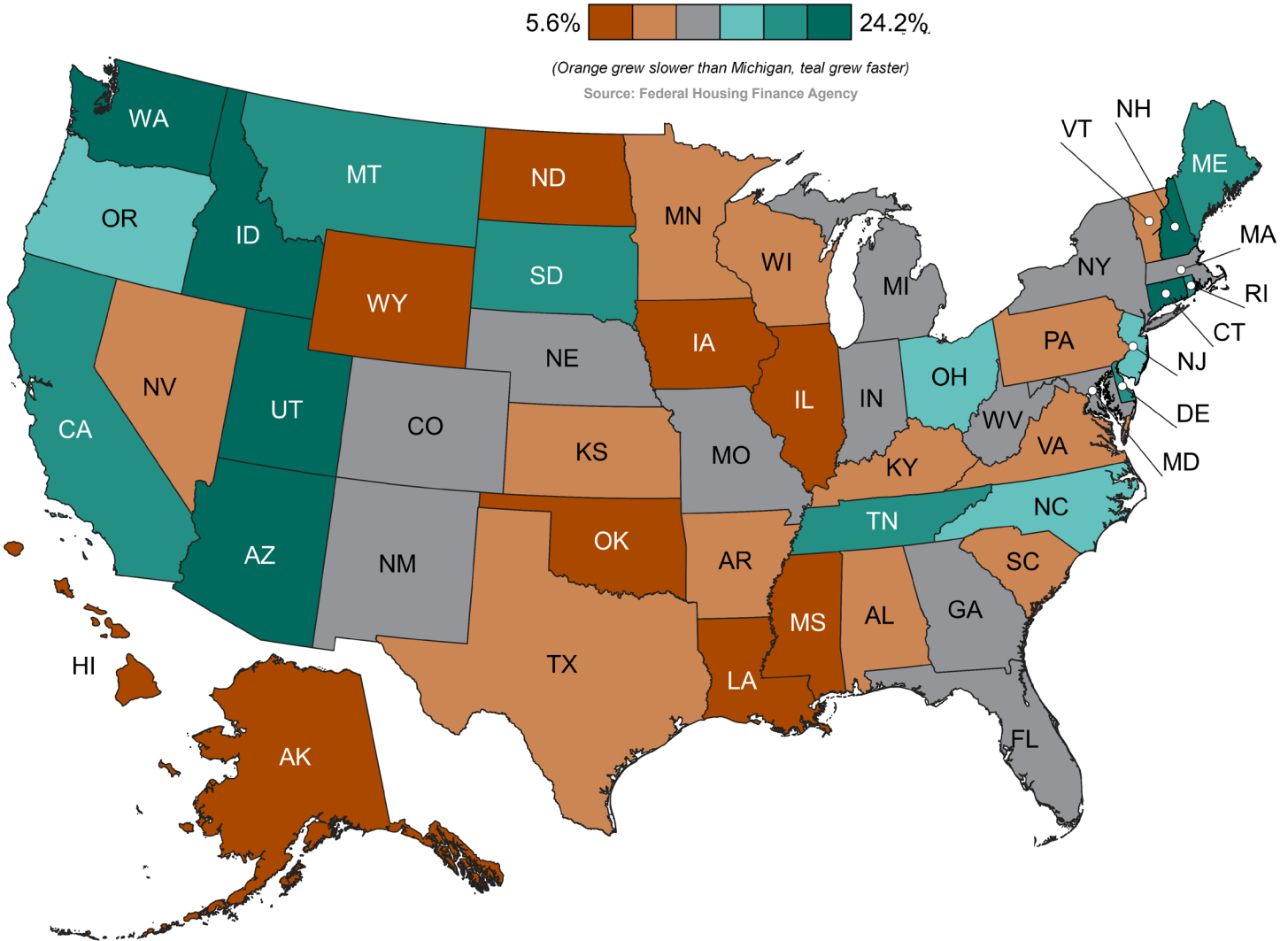
CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	NILES-BENTON HARBOR			SAGINAW					
	DEC 2021	NOV 2021	DEC 2020	DEC 2021	NOV 2021	DEC 2020			
PLACE OF RESIDENCE									
Civilian Labor Force	70,500	70,200	72,000	82,200	82,000	85,300			
Employed	67,300	66,900	66,800	77,500	77,100	78,500			
Unemployed	3,300	3,300	5,200	4,700	4,800	6,800			
Unemployment Rate	4.6	4.7	7.2	5.7	5.9	7.9			
PLACE OF WORK									
Total Nonfarm Jobs	60,100	60,200	57,300	82,300	82,500	80,100			
Mining, Logging, and Construction	2,300	2,500	2,300	3,000	3,200	3,000			
Manufacturing	12,200	12,200	11,900	11,000	10,800	10,900			
Trade, Transportation, and Utilities	10,200	9,800	10,300	17,500	17,200	17,100			
Wholesale Trade	*	*	*	1,800	1,800	1,900			
Retail Trade	6,400	6,200	6,800	12,700	12,500	12,300			
Information	400	400	400	1,000	1,000	1,000			
Financial Activities	2,500	2,500	2,500	3,700	3,700	3,700			
Professional and Business Services	5,500	5,500	5,400	10,400	10,300	10,200			
Educational and Health Services	9,900	9,900	9,300	15,200	15,300	15,400			
Leisure and Hospitality	6,600	6,900	5,100	7,600	7,700	5,700			
Other Services	2,100	2,100	2,000	2,700	2,700	2,600			
Government	8,400	8,400	8,100	10,200	10,600	10,500			
	UPPER PENINSULA		NORTHEAST MICHIGAN			NORTHWEST MICHIGAN			
	DEC 2021	NOV 2021	DEC 2020	DEC 2021	NOV 2021	DEC 2020	DEC 2021	NOV 2021	DEC 2020
PLACE OF RESIDENCE									
Civilian Labor Force	131,200	131,800	134,000	77,500	78,700	80,400	143,000	143,700	144,700
Employed	124,100	125,300	124,300	72,000	73,700	72,900	135,600	137,100	133,100
Unemployed	7,100	6,500	9,700	5,600	5,000	7,500	7,400	6,600	11,500
Unemployment Rate	5.4	4.9	7.3	7.2	6.3	9.3	5.2	4.6	8.0

Source: Current Employment Statistics and Local Area Unemployment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget
 * Data is suppressed

MAP OF THE MONTH:

FIRST QUARTER INCREASE IN HOUSING PRICES RELATIVE TO MICHIGAN, 2020–2021



This month's feature article describes price inflation for goods, services, and housing prices. Data from the Federal Housing Finance Agencies (FHFA) House Price Index (HPI) provides quarterly mortgage sales transaction data to track housing prices across the nation. Since the start of the pandemic in first quarter 2020 to first quarter 2021, U.S. home prices increased

an average of 13.1 percent according to the index. Rising home prices are often attributed to a decrease in housing supply and low interest rates, creating more demand. Michigan housing prices increased at a rate similar to the national average, rising 12.9 percent over the year. Home price increases in Michigan were 26th highest among all states. In the map above, teal states

indicate a more dramatic pace of increase, compared to Michigan, while orange states are those that did not rise as quickly.

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ASHLEY TARVER
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INFLATION TRENDS IN MICHIGAN

Inflation is often described as the upward price movement of goods and services in an economy, and it is often associated with the loss of purchasing power over time. As inflation rises, an individual's purchasing power decreases, meaning that each dollar of earnings can buy fewer goods and services. By adjusting interest rates and the supply of money in the economy, monetary policy can directly influence inflation levels. Using data from the Consumer Price Index, this article analyzes the most current information available to provide insight on what effect inflation is having on consumer goods and services.

Consumer Price Index

Changes in the level of inflation are the result of multiple variables. As the demand for goods and services within an economy exceeds the capacity to produce goods and services, this can result in price increases. One way inflation can be measured is with the Consumer Price Index (CPI). According to the U.S. Bureau of

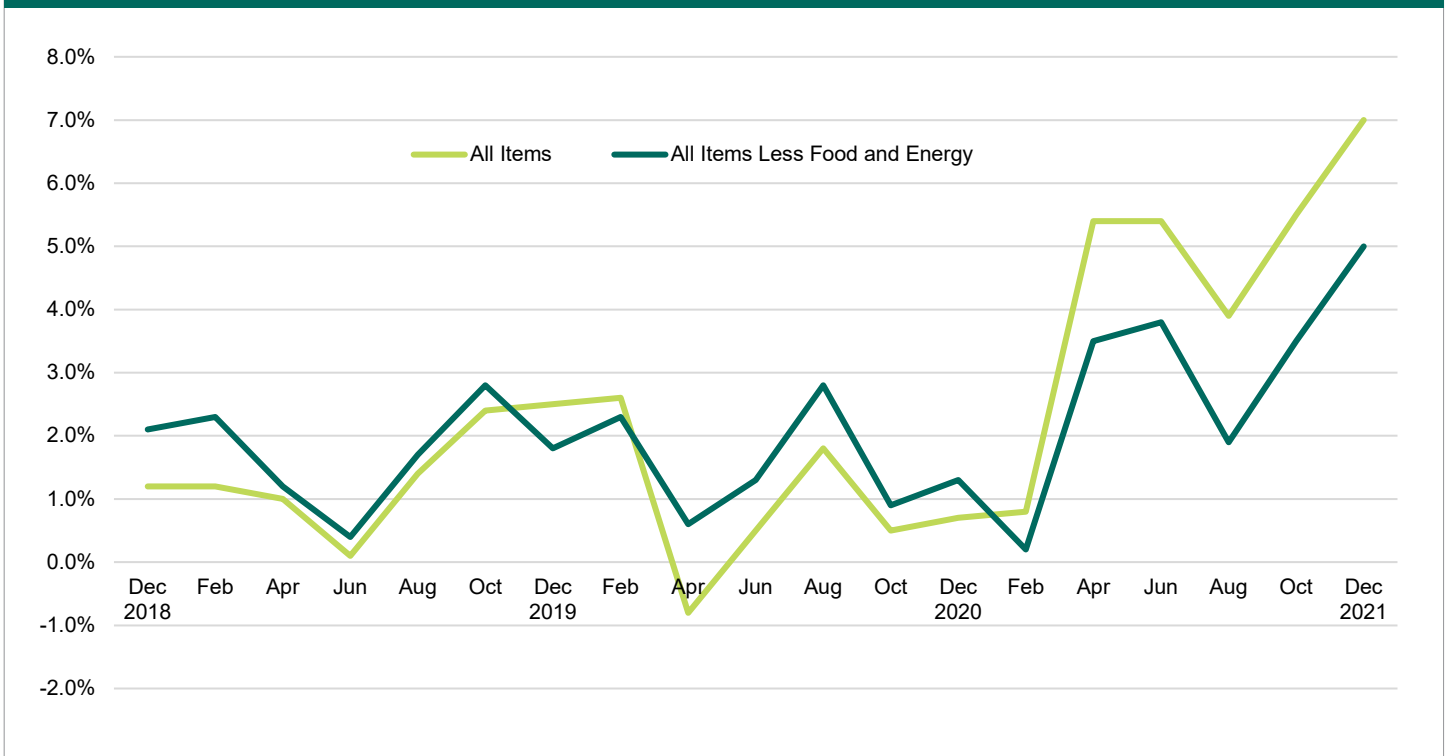
Labor Statistics (BLS), the CPI is "a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services." The Consumer Price Index that is calculated by the BLS uses a market basket of goods and services for a typical urban consumer, which includes food and beverages, housing (shelter, fuels, and utilities), apparel, transportation, medical care, recreation, education and communication, and other goods and services. Constructed using a set of surveys, pricing data for about 80,000 items is collected each month for prices paid by consumers for goods and services purchased. The data are available for predefined geographic areas such as metropolitan areas, including the Detroit-Warren-Dearborn Metropolitan Statistical Area (Lapeer, Livingston, Macomb, Oakland, St. Clair, and Wayne counties) and can be compared to nationwide trends. Though CPI data are not available at the statewide level, data for the Detroit MSA is Michigan's closest representation of statewide inflation.

Recent Price Trends

Data from the Consumer Price Index for All Urban Consumers (CPI-U), which covers those not living in rural nonmetropolitan areas, institutions, and more, has shown that prices in the Detroit-Warren-Dearborn area have increased 1.1 percent during the two months ending in December 2021. Policymakers generally aim for an inflation rate of around two percent. Over the past 12 months, the CPI-U rose by 7.0 percent both nationally and in the Detroit area. In Detroit, this is the greatest 12-month increase in the CPI-U since April 1989. Recent price trends in the CPI-U for the Detroit MSA have largely mirrored the national average. The index for all items less food and energy rose 1.2 percent from October to December in Detroit. Over the year, the index for all items less food and energy increased 5.5 percent nationally, outpacing Detroit's 5.0 percent change.

Food and energy are a volatile resource and remain important to the typical market basket of all consumers. The all items less food and

OVER-THE-YEAR PERCENT CHANGE IN CPI-U, DETROIT-WARREN-DEARBORN MSA, DEC 2018–DEC 2021



Source: Consumer Price Index, U.S. Bureau of Labor Statistics

energy index was 2.0 percent lower than the all items index in the Detroit MSA over the year, showing the significant impact that food and energy can have on inflation. Recent surges in prices on all items over the year can result in added costs for consumers.

FOOD

According to CPI data, food prices in the Detroit-Warren-Dearborn MSA rose 1.6 percent from October to December 2021. Rising food prices were largely driven by a 2.5 percent increase in food away from home prices, which includes restaurants, cafeterias, and vending purchases. Food at home prices, otherwise known as groceries, also experienced an increase, though at a lower 0.9 percent. Since December 2020, food prices rose by 9.6 percent, with groceries having increased by 10 percent. The food groups that experienced the greatest percent change were meats, poultry, fish, and eggs (+20.3 percent), cereals and bakery products (+13.6 percent), and dairy and related products (+12.8 percent). Food away from home prices were up 9.1 percent during the same period. The increase in prices over the year for all food indexes can disproportionately affect households due to the share of income spent on necessities such as food.

ENERGY

Over the year, energy prices rose by 27.4 percent in Detroit, largely driven by a 54.8 percent price increase in gasoline (all types). Utility (piped) gas service prices swelled by 17.7 percent over the year, while electricity prices rose by 2.1 percent.

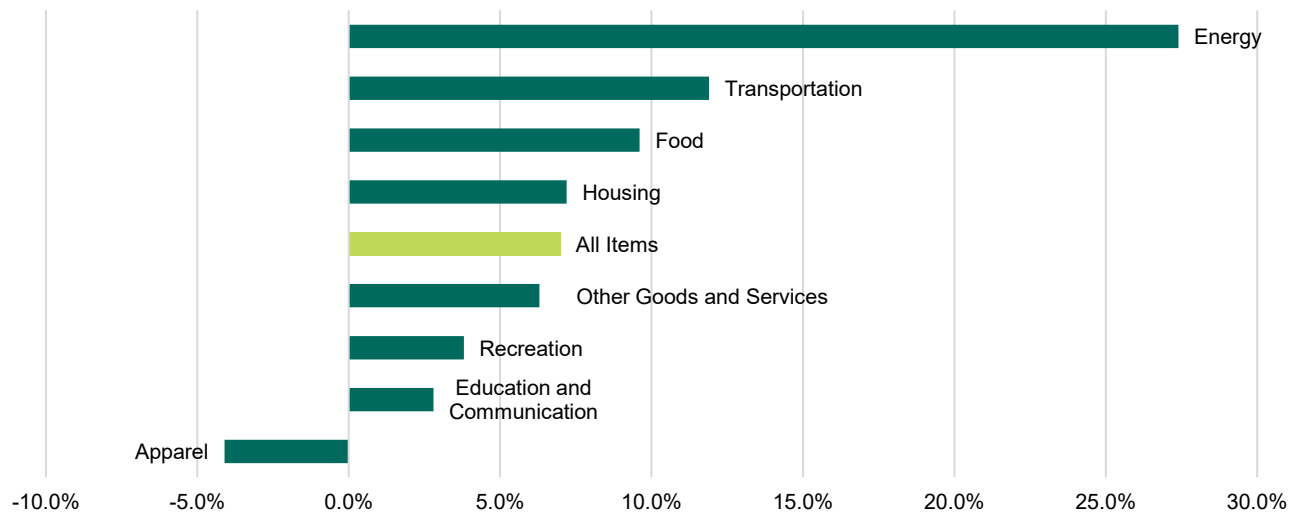
According to CPI Average Price Data, electricity pricing per kilowatt-hour in the Detroit-Warren-Dearborn MSA was 17.7 cents in December 2021, higher than the U.S. city average of 14.2 cents. Before the start of the COVID-19 pandemic in February 2020, the price per kilowatt-hour of electricity in Michigan and the U.S. was 16.4 cents and 13.4 cents, respectively. A year later in February 2021, prices had risen to 17.5 cents in Detroit, while the U.S. average showed little change, increasing to 13.7 cents per kilowatt-hour. In February 2020, the average price of gasoline in the Detroit MSA was \$2.38 per gallon and \$2.53 in the U.S. By February 2021, gas prices per gallon had increased somewhat to \$2.44 in Michigan and \$2.56 in the U.S. During the two months ending in December 2021, the energy index declined by 1.1 percent. This decrease in energy prices was largely driven by drops in prices for both electricity (-4.2 percent) and gasoline (all types) (-0.8 percent).

Prices for utility (piped) gas service increased 2.5 percent during the period. In December 2021, gasoline (all types) prices were \$3.32 per gallon in the Detroit MSA, lower than the U.S. average of \$3.51 per gallon. With price increases in gasoline (all types), utility (piped) gas services, and electricity over the year, energy prices have been impacted significantly both nationally and locally.

TRANSPORTATION

The transportation index consists of various sources such as new vehicles, airline fares, gasoline, and motor vehicle insurance. The index increased 0.7 percent over the two months ending in December 2021 and 11.9 percent over the year. Private transportation, which includes purchases made by households on items such as new and used motor vehicles, fuel, vehicle parts and equipment, and insurance has increased by 13.2 percent over the year. In the Detroit area, prices for used cars and trucks have increased 37.9 percent in the last year, on par with the national average of 37.3 percent. Another segment of the transportation index is motor vehicle insurance, which in the Detroit area has seen a 1.5 percent decrease during the two months ending in December 2021 and a 2.1 percent drop over the year. The rise in used cars and trucks and gasoline (all types) prices

12-MONTH PERCENT CHANGE IN THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS, SELECTED ITEMS (NOT SEASONALLY ADJUSTED)



Source: Consumer Price Index, U.S. Bureau of Labor Statistics

over the year, resulted in an increase in the transportation index.

HOUSING

The housing index includes pricing data on rent of primary residence, owners' equivalent rent, utilities, and furniture. Exceeding the national average price increase of 5.1 percent, housing in the Detroit area rose by 7.2 percent,

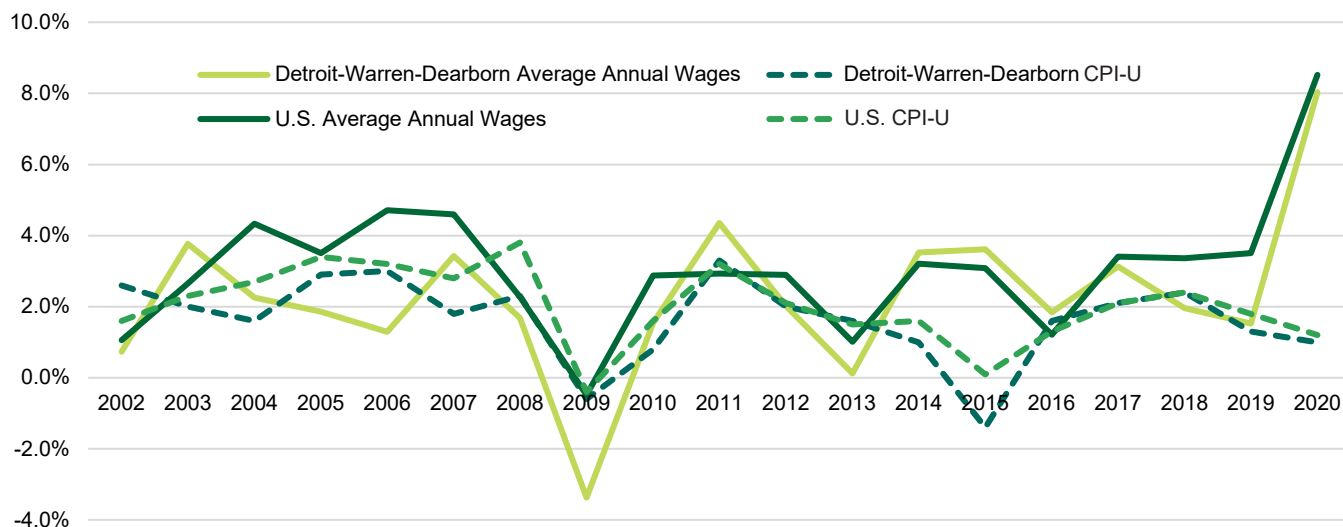
the largest 12-month change since March 1983. The rent of primary residences in the Detroit area has increased 6.7 percent over the year, while the owners' equivalent rent of primary residence, which measures the change in the amount a homeowner would pay or earn in rent for their home, has grown by 7.3 percent over the year. Increases in housing prices may be a result of lower mortgage interest rates seen in the last

year. In the same period, prices for household furnishings and operations have gone up by 7.2 percent. Detroit area housing prices continue to rise, during the two months ending in December 2021, prices increased by 1.6 percent.

EDUCATION AND COMMUNICATION

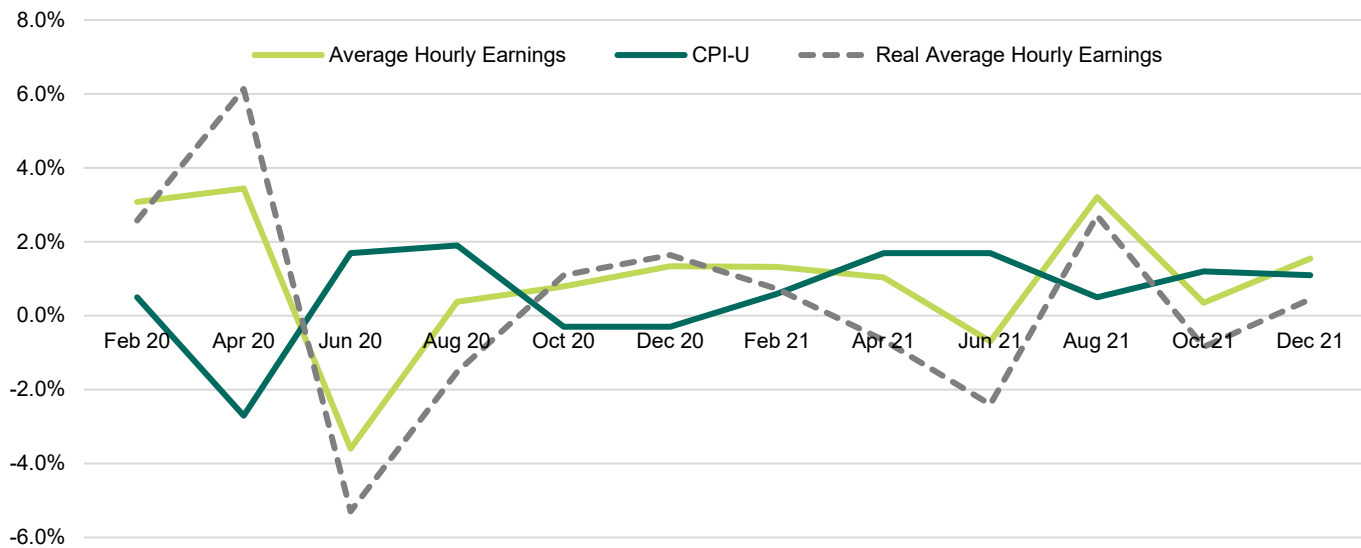
The education and communication index, which includes price data for college tuition,

12-MONTH PERCENT CHANGE IN AVERAGE ANNUAL WAGES AND CPI-U



Source: Consumer Price Index, U.S. Bureau of Labor Statistics

TWO-MONTH PERCENT CHANGE IN DETROIT-WARREN-DEARBORN MSA REAL AVERAGE HOURLY EARNINGS



Source: Consumer Price Index, U.S. Bureau of Labor Statistics; Current Employment Statistics; Bureau of Labor Market Information and Strategic Initiatives; Michigan Department of Technology, Management & Budget

postage, telephone services, and computer software and accessories, has seen some decline in the two months ending in December 2021, falling by 0.2 percent. Prices paid for the index over the year have increased by 2.8 percent. Tuition, other school fees, and childcare index prices were unchanged in recent months but saw a 4.1 percent increase over the year.

Wage Trends

Using wage data from the Quarterly Census of Employment and Wages (QCEW), the percent change in average annual wages in the Detroit MSA and U.S. can be directly compared to changing CPI-U rates. The percent change in average annual wages outpaced annual CPI-U rates in both geographies in recent years. By the end of the Great Recession, wages in the Detroit MSA had fallen 3.4 percent from 2008 to 2009, while the CPI-U had decreased by 0.6 percent. Nationally, wages were nearly equal to the CPI-U, having fallen 0.5 percent and 0.4 percent during the same period. In 2020, the percent change in annual wages of 8.0 percent in the Detroit MSA and 8.5 percent nationally had far exceeded the percent change in the CPI-U of 1.0 percent and 1.2 percent, respectively.

According to the BLS, real earnings “indicate the purchasing power of money earnings after adjustment for changes over time in the

prices of consumer goods and services.” Data taken from the Current Employment Statistics (CES) program and the CPI-U show that real average hourly earnings in the Detroit MSA increased 0.4 percent during the two months ending in December 2021. This is due to a 1.5 percent increase in average hourly earnings and a 1.1 percent uptick in the CPI-U.

In Michigan, during the two months ending in December 2021, average hourly earnings for the private sector saw the greatest increase (3 percent) in both the *Construction and Financial activities* sectors. Hourly earnings in the *Trade, transportation, and utilities* sector and the *Information* sector saw the smallest percent change during this period, having decreased by 0.6 percent and 0.8 percent. Since the start of the pandemic in February 2020, real average hourly earnings have fluctuated with a low point in June 2020, when real earnings fell 5.3 percent over the two months due to a 3.6 percent drop in earnings and a 1.7 percent increase in the CPI-U. Real average hourly earnings rebounded by the end of 2020 but fell again early in 2021, signifying that average hourly earnings declined and the CPI-U rose.

Over the 12 months ending in December 2021, average hourly earnings increased by 6.9 percent in the Detroit MSA, just below the 7.0 percent increase in the CPI-U during the period.

Conclusion

In the last year, consumer goods and services have seen notable price increases for most indexes at both the national level and in the Detroit-Warren-Dearborn MSA. In the last 12 months, the CPI-U has risen by 7.0 percent, driven up by price increases in food, housing, transportation, education, and other indexes. Average hourly earnings in the Detroit MSA increased by 6.9 percent over the year, just below the rise in the CPI-U. The energy index experienced one of the greatest price increases over the year, largely due to rising gasoline and utility (piped) gas service prices. Housing prices in the Detroit MSA swelled beyond the national average, with the largest over-the-year increase in the MSA since March 1983.

DYLAN SCHAFER
Economic Analyst

FOOD AND BEVERAGE STORES

The *Food and beverage stores* industry has been heavily impacted not only by price inflation, but also in the supply of available workers. Employment levels for *Food and beverage stores*, a subsector of *Retail trade*, saw a decrease during 2020. However, this industry employed nearly 2.2 percent of the state's workforce. Compared to other states, Michigan ranked 13th nationally for most employees in this industry.

According to Quarterly Census Employment and Wages (QCEW) annual average employment data in 2020, the share of *Food and beverage stores* employment in the *Retail trade* sector was slightly higher at 17.2 percent from the previous year's 16.6 percent.

In 2020, there were 3,200 fewer employees in *Food and beverage stores* over the prior year. Wages in *Food and beverage stores* rose by 11 percent from 2019 to 2020.

Within *Food and beverage stores*, there were 5,100 firms that employed 75,200 people. There are three industry groups that make up *Food and beverage stores*: *Grocery stores* employing 57,000 workers or 77 percent of this industry, *Specialty food stores* totaled 9,700

TOP FIVE JOBS BY EMPLOYMENT, FOOD AND BEVERAGE STORES		
OCCUPATIONS	2020 EMPLOYMENT	MEDIAN ANNUAL WAGE
Cashiers	25,070	\$23,590
Stockers and Order Fillers	13,830	\$25,370
Food Preparation Workers	4,270	\$24,300
First-Line Supervisors of Retail Sales Workers	4,260	\$38,370
Fast Food and Counter Workers	3,940	\$23,290

Source: 2020 Occupational Employment and Wage Estimates, Bureau of Labor Market Information and Strategic Initiatives, Michigan Department of Technology, Management & Budget

workers (13 percent), while *Beer, wine, and liquor stores* employed the remaining 6,900 workers (9 percent). The Michigan median hourly wage for this industry was \$11.81, ranking 13th nationally.

This translates to a projected annual change of -0.4 percent, compared to the state's rate 0.0 percent.

ALONZIA STEPHENS
Economic Analyst

Industry Outlook

This industry's long-term projected employment change shows a growth rate of -4.1 percent (-3,200 jobs) through 2028, which is lower than the Michigan average projected growth rate for all industries of 0.1 percent.

MICHIGAN FOOD AND BEVERAGE STORES BY THE NUMBERS



73,725
2020 TOTAL MICHIGAN EMPLOYMENT

2.2%
OF MICHIGAN JOBS

13TH
NATIONAL EMPLOYMENT RANK



<5
FIRMS WITH 500+ EMPLOYEES



375
FIRMS WITH 50-499 EMPLOYEES



4,767
FIRMS WITH <50 EMPLOYEES



-4.1% (-3,200 JOBS)
2018-2028 EMPLOYMENT PROJECTIONS



\$24,560
MEDIAN ANNUAL WAGE

\$11.81
MEDIAN HOURLY WAGE

Source: 2020 Occupational Employment and Wage Estimates and Bureau of Labor Statistics; 2018-2028 Employment Projections; Second Quarter 2021 Quarterly Census of Employment and Wages; Bureau of Labor Market Information and Strategic Initiatives; Michigan Department of Technology, Management & Budget

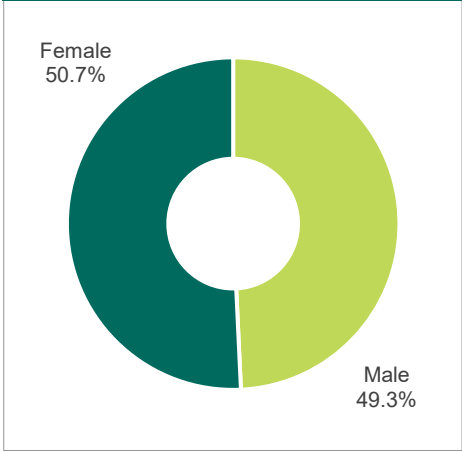


EMPLOYMENT BY AGE, FOOD AND BEVERAGE STORES



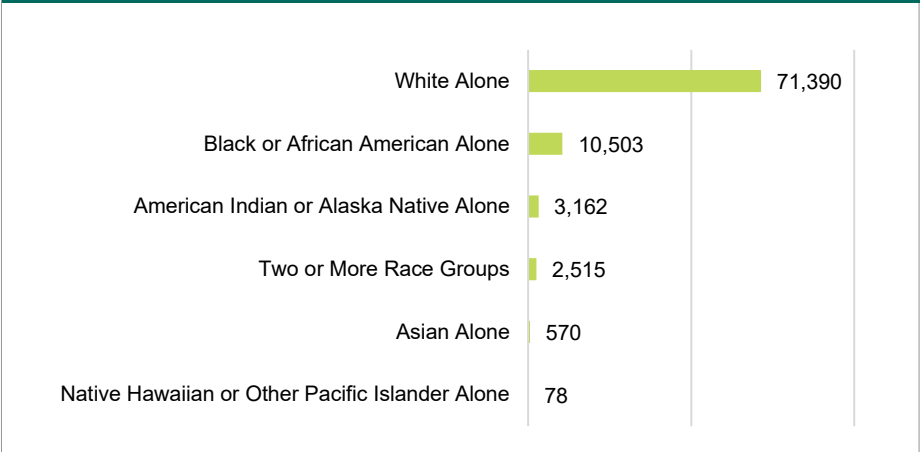
Source: Longitudinal-Employer Household Dynamics Program, U.S. Census Bureau

EMPLOYMENT BY SEX



Source: Longitudinal-Employer Household Dynamics Program, U.S. Census Bureau

EMPLOYMENT BY RACE AND ETHNICITY



Source: Longitudinal-Employer Household Dynamics Program, U.S. Census Bureau

RECORD YEAR FOR JOB ADS IN 2021

Overall Advertisements

In 2021 there were over one million total available online job advertisements in Michigan, the highest number of postings ever recorded. In prior years, total annual online job postings have averaged at about 800,000, including in 2020, which had 797,000 online ads throughout the year. Although unemployment improved during 2021, the labor force has not yet made a full recovery. The number of individuals that have left the labor force, and those who are unable to return due to a variety of reasons, can in part explain the high volume of online job ads in 2021.

Education

During the past year, more than half of the online job postings specified a minimum education requirement. Of these, 53 percent specified a minimum of a high school diploma, 34 percent specified a need for a bachelor's degree, 9 percent required at least an associate degree and 5 percent for a master's degree or above. Each of these education categories had a percent increase in total ads of more than 25 percent compared to 2020. Job ads requiring a master's

degree or above grew by 26 percent and there was a 41 percent increase for both high school diplomas and bachelor's degrees. Advertisements specifying an associate degree had the largest increase from 2020 to 2021 at 65 percent.

Industries and Occupations

From 2020 to 2021, every industry had an uptick in total online job advertisements. In both years, *Health care and social assistance* was the topmost industry for posting jobs. Over the year, this industry had the largest numerical increase of 45,200 ads (+31 percent). The next largest increases were in *Manufacturing* with 34,400 more ads in 2021 than in 2020 (+49 percent) and *Accommodation and food services* with 17,400 more ads (+27 percent). The three greatest percent changes were in *Information* (+77 percent), *Public administration* (+65 percent), and *Real estate and rental and leasing* (+51 percent).

In both 2020 and 2021, the top three most posted occupations were *Registered nurses*, *Retail salespersons*, and *First-line supervisors of retail sales workers*. The largest numerical increase of job postings by occupation between the two

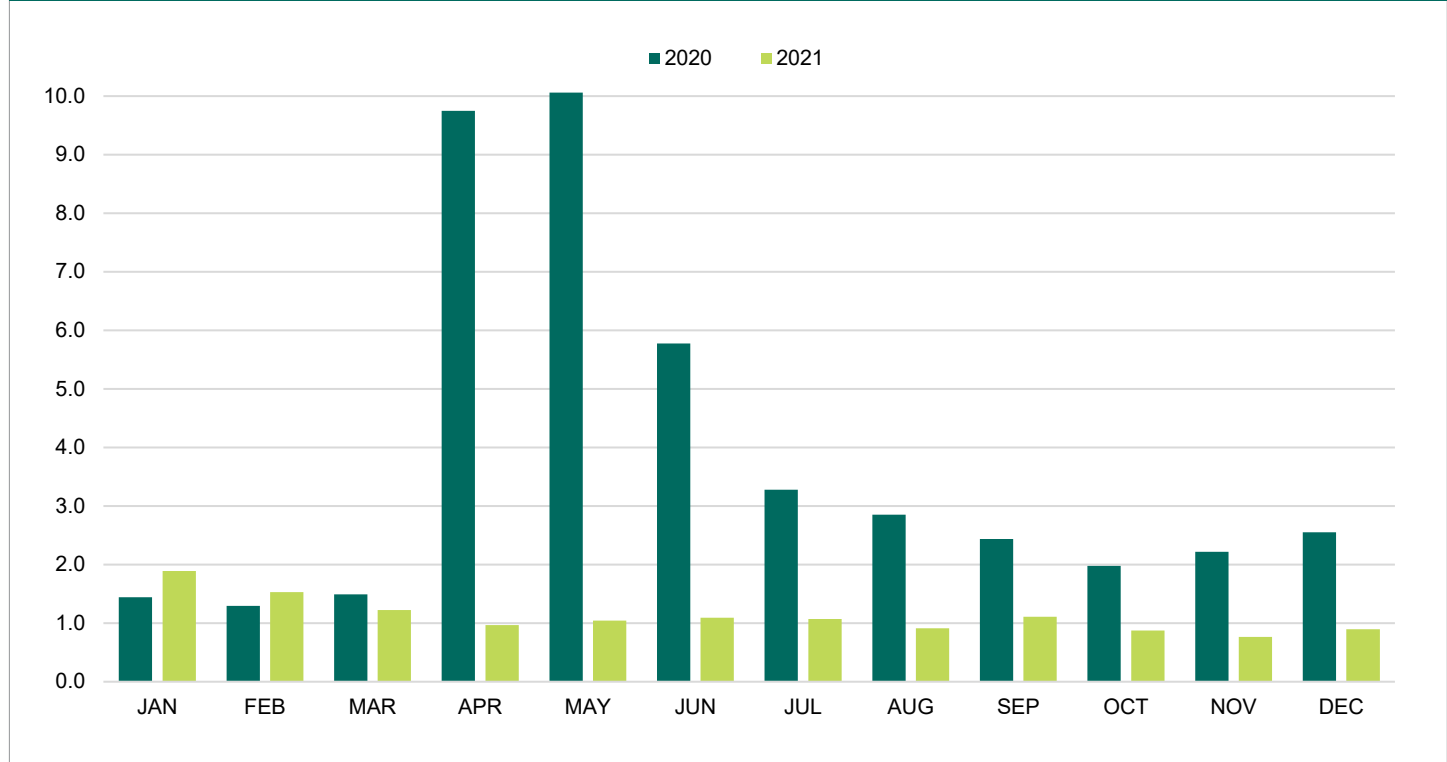
years were *Registered nurses* (+12,100 ads), *Heavy and tractor-trailer truck drivers* (+7,300 ads), and *Managers, all other* (+7,200 ads).

Supply and Demand

In January 2021, the supply/demand rate was 1.9. By December 2021, the rate had fallen to 0.9. The rate of 0.9 represents approximately 90 unemployed persons per every 100 open online advertisements. This means, by the end of the year, the number of online job advertisements were outpacing the number of unemployed persons in Michigan. Over the course of the year, the number of people considered unemployed declined while job advertisements remained at high volumes. Together, this effectively brought down the supply/demand rate. This is in stark contrast to the year 2020, where the number of unemployed individuals was consistently higher than the number of job advertisements, leading to a supply/demand rate that was always greater than 1.0.

TRISHA SCHLEGEL
Economic Analyst

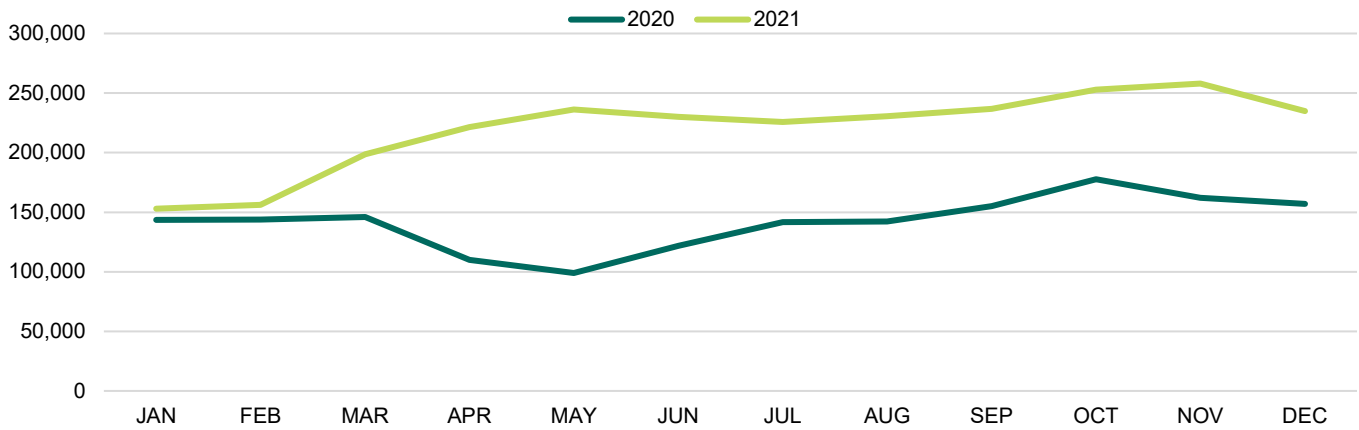
MICHIGAN MONTHLY SUPPLY/DEMAND RATE, 2020 AND 2021



Source: The Conference Board Help Wanted OnLine®, Burning Glass Technologies

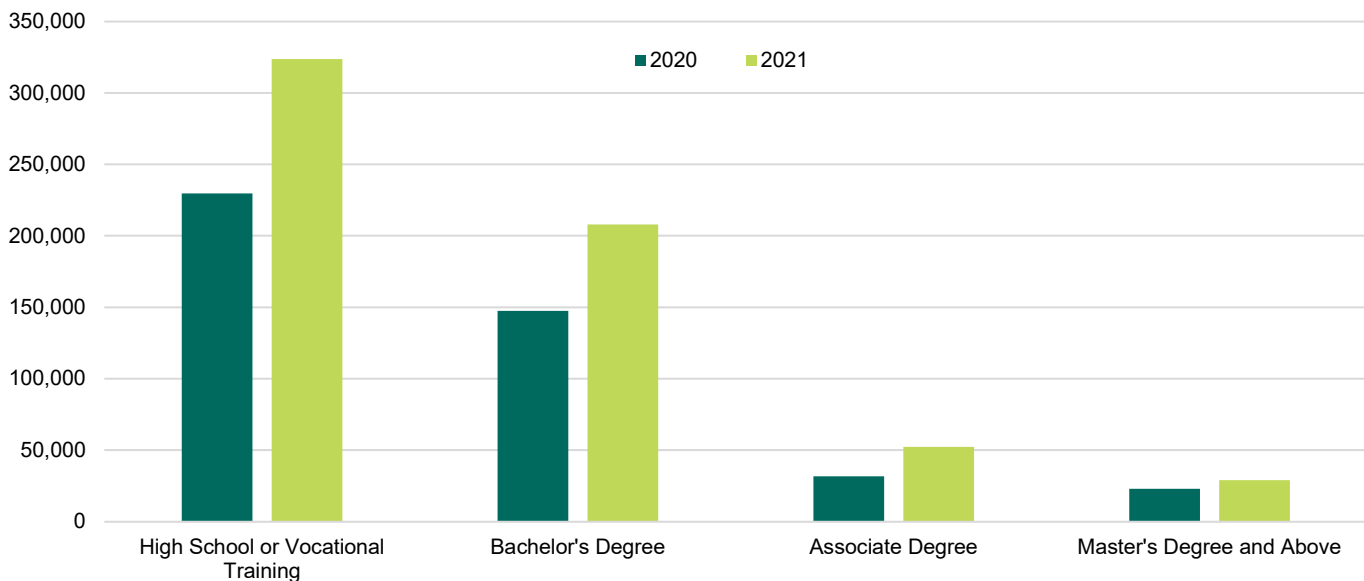


TOTAL MONTHLY ONLINE JOB ADS IN MICHIGAN, 2020 AND 2021



Source: The Conference Board Help Wanted OnLine®, Burning Glass Technologies

JOB ADS IN MICHIGAN BY EDUCATIONAL ATTAINMENT, 2020 AND 2021



Source: The Conference Board Help Wanted OnLine®, Burning Glass Technologies; Job Openings and Labor Turnover Survey, U.S. Bureau of Labor Statistics

RELEVANT RANKINGS

PERCENT CHANGE IN ENERGY INDEX BY MSA, 2021 ANNUAL AVERAGE (NOT SEASONALLY ADJUSTED)

RANK	AREA	CHANGE
1	Houston-The Woodlands-Sugar Land, TX	26.6%
2	San Diego-Carlsbad, CA	25.9%
3	Minneapolis-St.Paul-Bloomington, MN-WI	25.2%
4	Chicago-Naperville-Elgin, IL-IN-WI	24.9%
5	Denver-Aurora-Lakewood, CO	24.4%
6	Riverside-San Bernardino-Ontario, CA	24.4%
7	Dallas-Fort Worth-Arlington, TX	24.0%
8	Los Angeles-Long Beach-Anaheim, CA	22.9%
9	Atlanta-Sandy Springs-Roswell, GA	22.1%
10	Detroit-Warren-Dearborn, MI	22.1%
11	Miami-Fort Lauderdale-West Palm Beach, FL	22.0%
12	St. Louis, MO-IL	21.3%
13	Tampa-St. Petersburg-Clearwater, FL	20.4%
14	Boston-Cambridge-Newton, MA-NH	19.7%
15	San Francisco-Oakland-Hayward, CA	19.6%
16	Washington-Arlington-Alexandria, DC-VA-MD-WV	18.5%
17	Seattle-Tacoma-Bellevue WA	18.2%
18	Baltimore-Columbia-Towson, MD	17.6%
19	Urban Hawaii	17.6%
20	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	17.1%
21	Phoenix-Mesa-Scottsdale, AZ	16.6%
22	New York-Newark-Jersey City, NY-NJ-PA	16.3%
23	Urban Alaska	14.4%

Source: Consumer Price Index, U.S. Bureau of Labor Statistics

PERCENT CHANGE IN FOOD INDEX BY MSA, 2021 ANNUAL AVERAGE (NOT SEASONALLY ADJUSTED)

RANK	AREA	CHANGE
1	Detroit-Warren-Dearborn, MI	5.6%
2	Seattle-Tacoma-Bellevue WA	5.5%
3	Chicago-Naperville-Elgin, IL-IN-WI	5.4%
4	San Diego-Carlsbad, CA	5.2%
5	Urban Alaska	5.2%
6	San Francisco-Oakland-Hayward, CA	4.7%
7	Los Angeles-Long Beach-Anaheim, CA	4.5%
8	Dallas-Fort Worth-Arlington, TX	4.3%
9	Tampa-St. Petersburg-Clearwater, FL	4.2%
10	Riverside-San Bernardino-Ontario, CA	4.2%
11	New York-Newark-Jersey City, NY-NJ-PA	3.9%
12	Washington-Arlington-Alexandria, DC-VA-MD-WV	3.9
13	Minneapolis-St.Paul-Bloomington, MN-WI	3.8
14	St. Louis, MO-IL	3.7
15	Houston-The Woodlands-Sugar Land, TX	3.7
16	Urban Hawaii	3.6
17	Phoenix-Mesa-Scottsdale, AZ	3.4
18	Boston-Cambridge-Newton, MA-NH	3.2
19	Denver-Aurora-Lakewood, CO	2.9
20	Miami-Fort Lauderdale-West Palm Beach, FL	2.8
21	Baltimore-Columbia-Towson, MD	2.8
22	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	2.1
23	Atlanta-Sandy Springs-Roswell, GA	1.7

Source: Consumer Price Index, U.S. Bureau of Labor Statistics



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