

The Economic Outlook for Washtenaw County, 2021–2023



Washtenaw Economic Club
2021 Event Series

March 25, 2021

Jacob Burton

Tina Dhariwal

Gabriel Ehrlich

Donald Grimes

Owen Kay

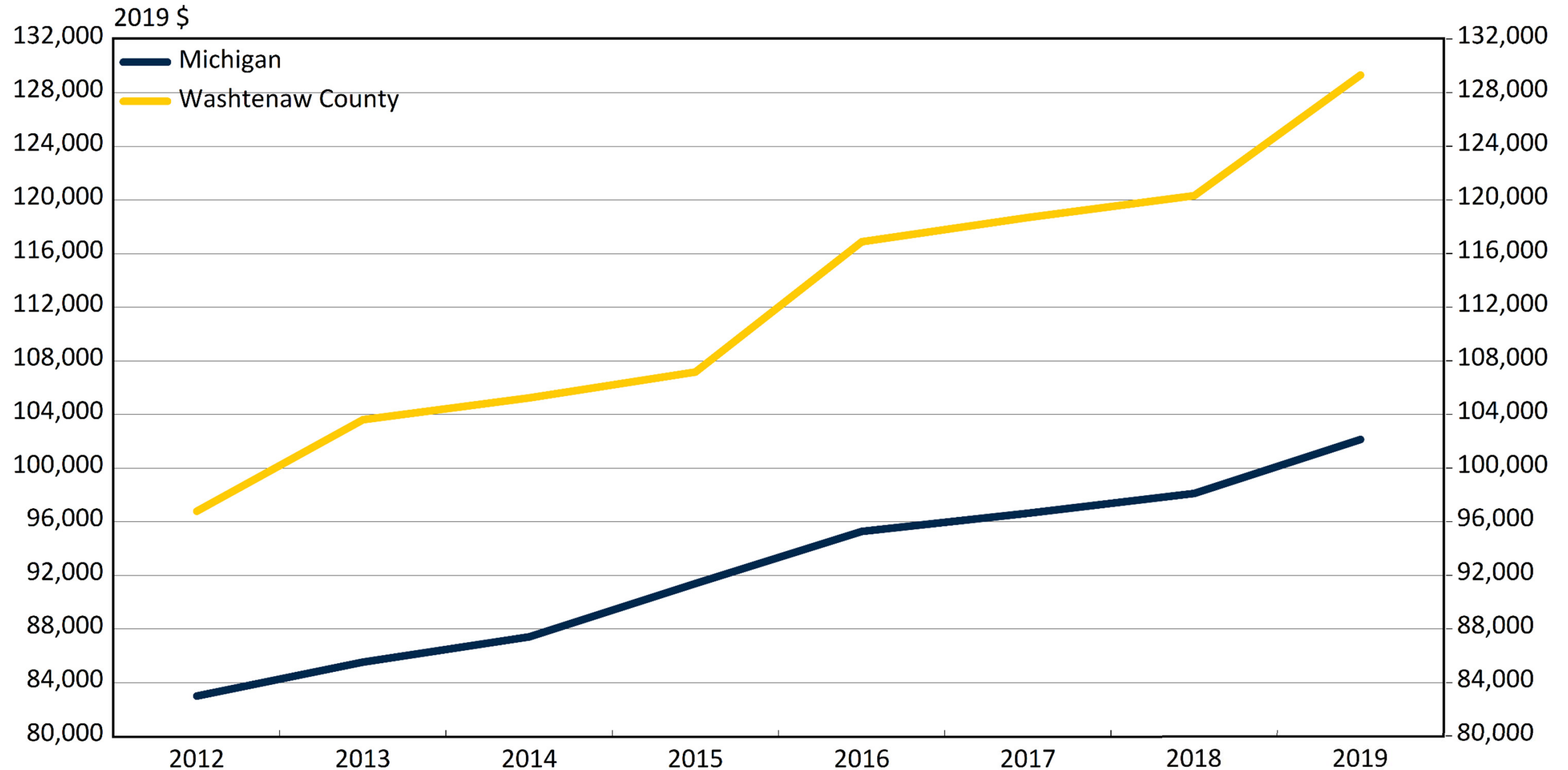
Michael McWilliams

Research Seminar in Quantitative Economics

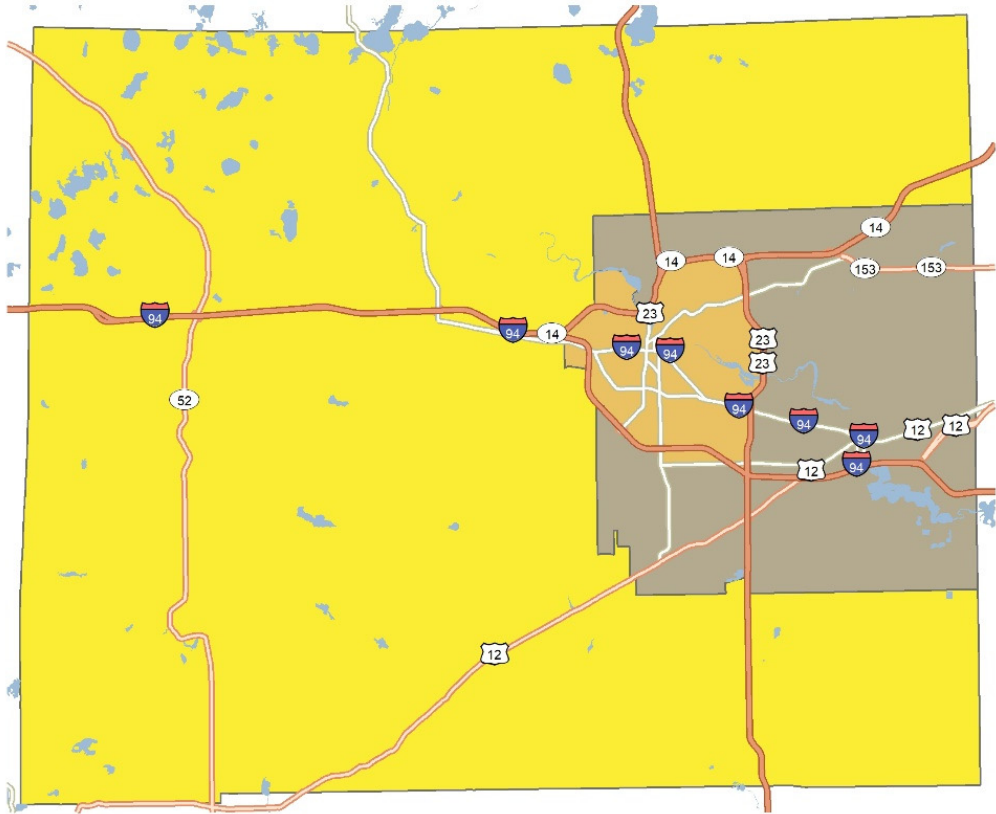


The Distribution of Prosperity in Washtenaw County before COVID-19

Average Adjusted Three-Person Equivalent Household Income, Michigan and Washtenaw County

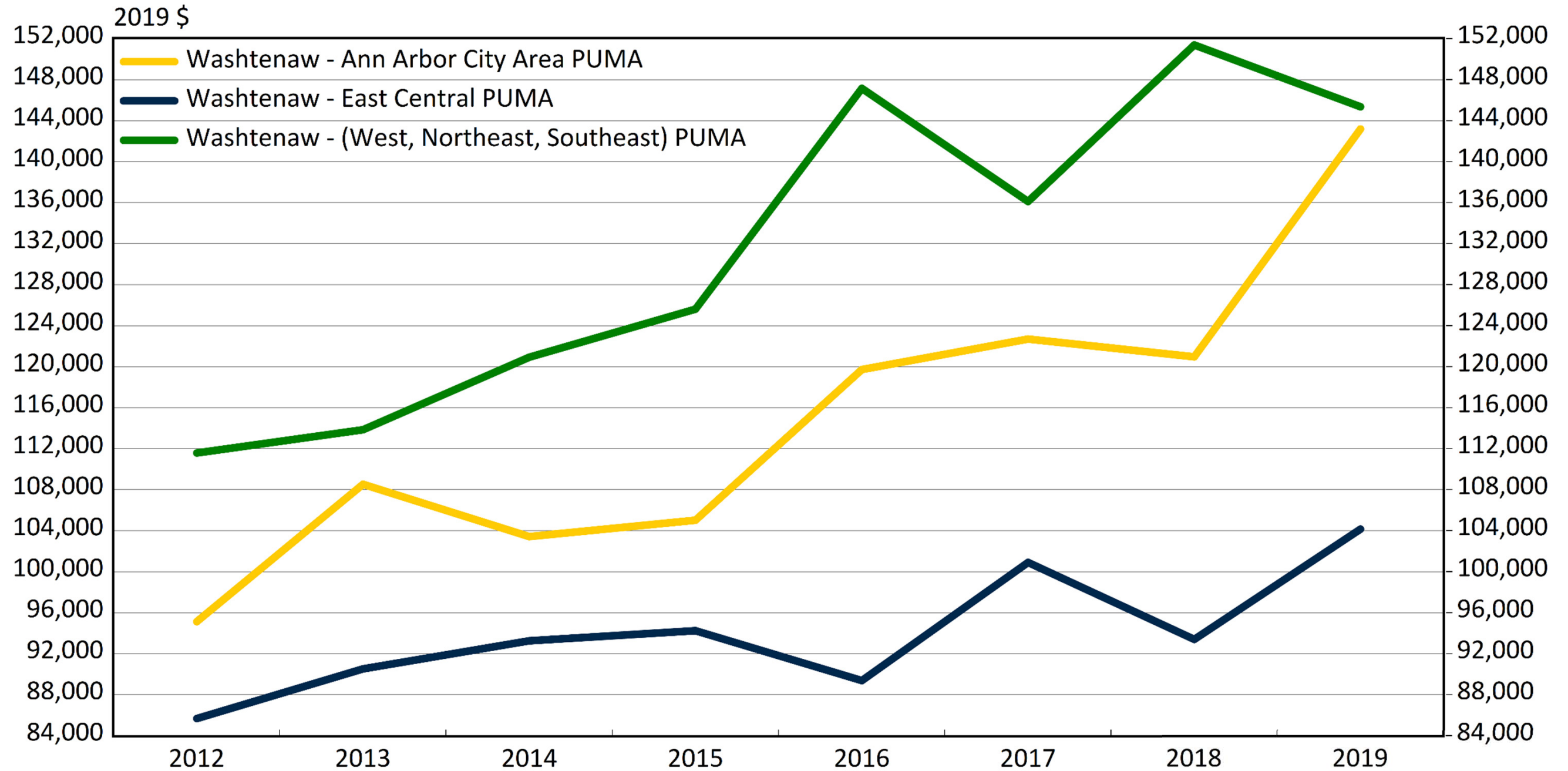


Washtenaw County PUMA Regions



- East Central, Ann Arbor City
- East Central, Outside Ann Arbor City
- West, Northeast, & Southeast

Average Three-Person Equivalent Household Income, Washtenaw County PUMAs



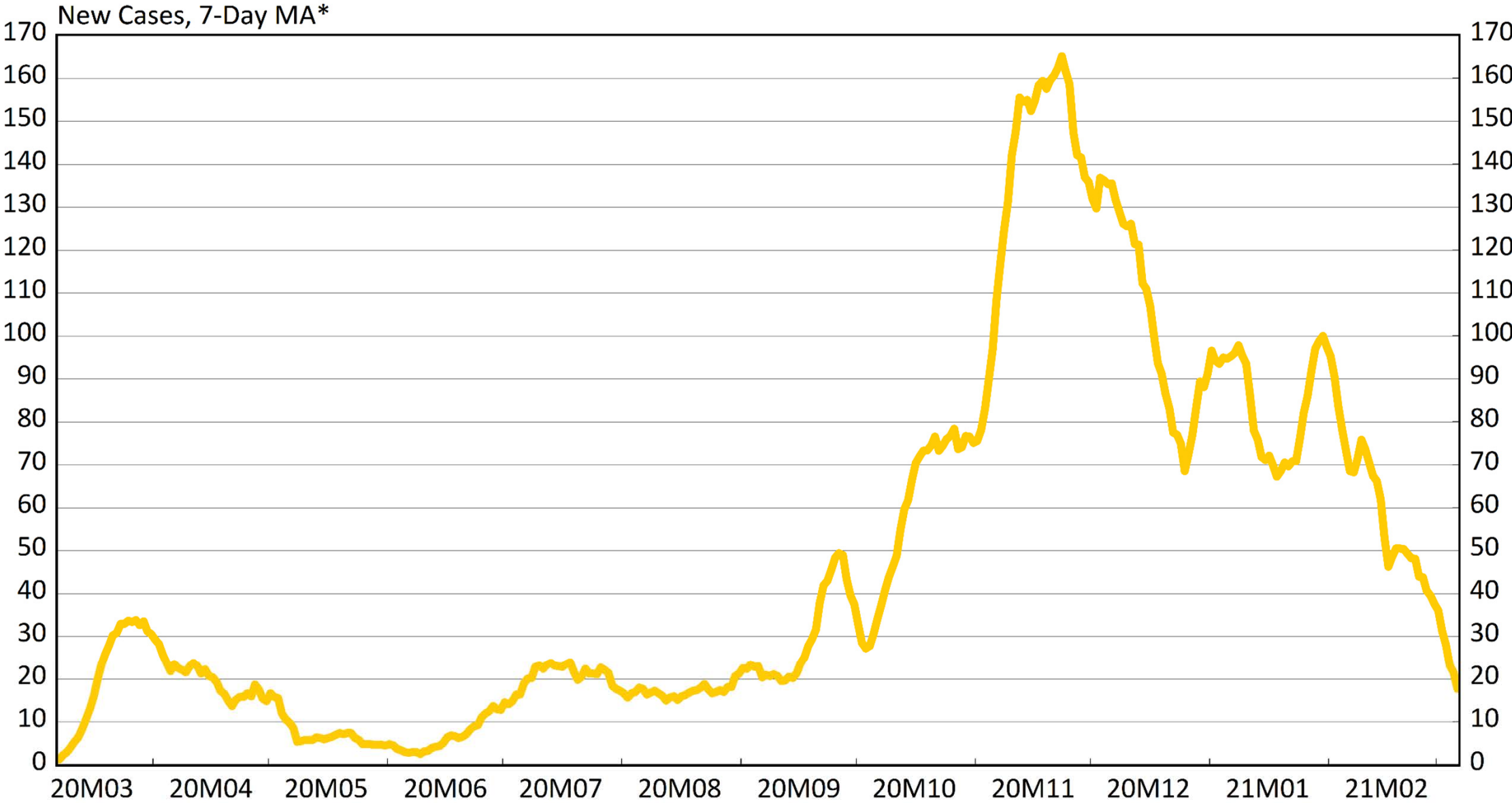
Population in Lower-, Middle-, and Upper Income Households by Race and Ethnicity, Washtenaw County, 2019

	Lower Income Population	Middle Income Population	Upper Income Population
All Race/Ethnicity	24%	45%	32%
Hispanic	35%	44%	21%
Non-Hispanic Asian	25%	37%	39%
Non-Hispanic Black	35%	47%	18%
Non-Hispanic White	20%	46%	35%

Note: some totals do not sum to 100 percent because of rounding.

Current State of Washtenaw's Economy

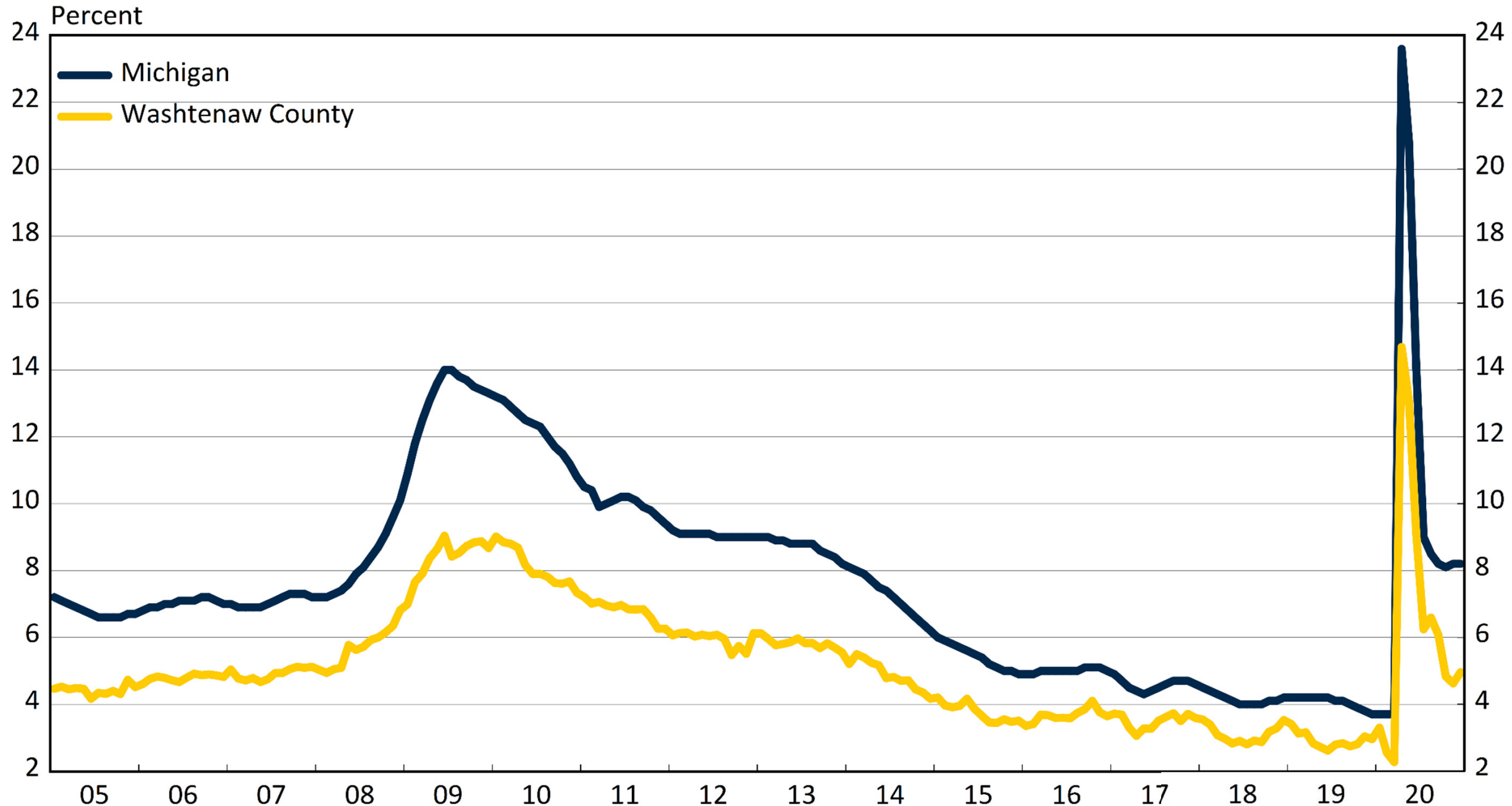
New Cases of COVID-19 in Washtenaw County



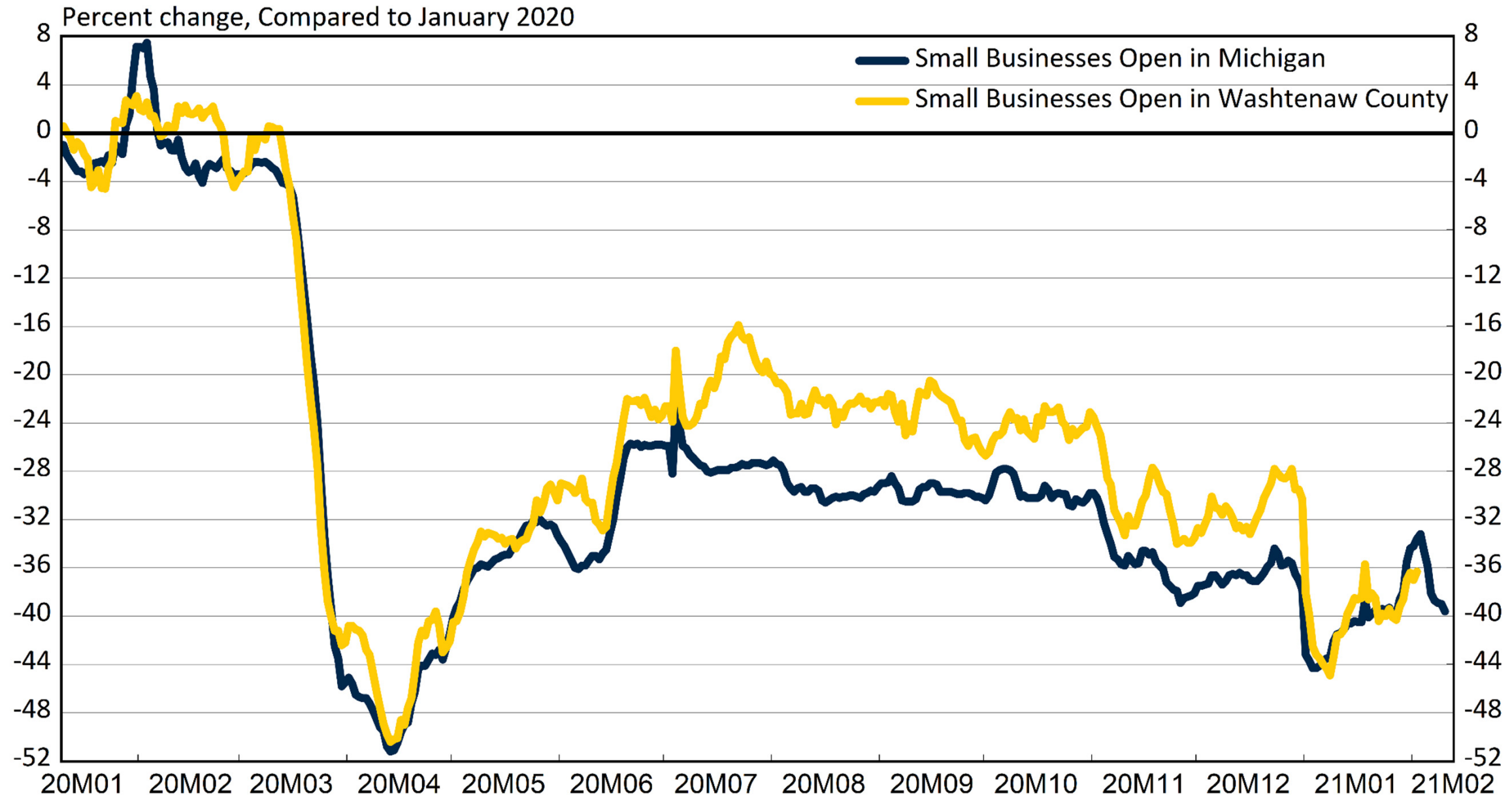
Source: MDHHS as of 03/08/2021

*Data is subject to revisions

Seasonally Adjusted Unemployment Rate, Michigan and Washtenaw County



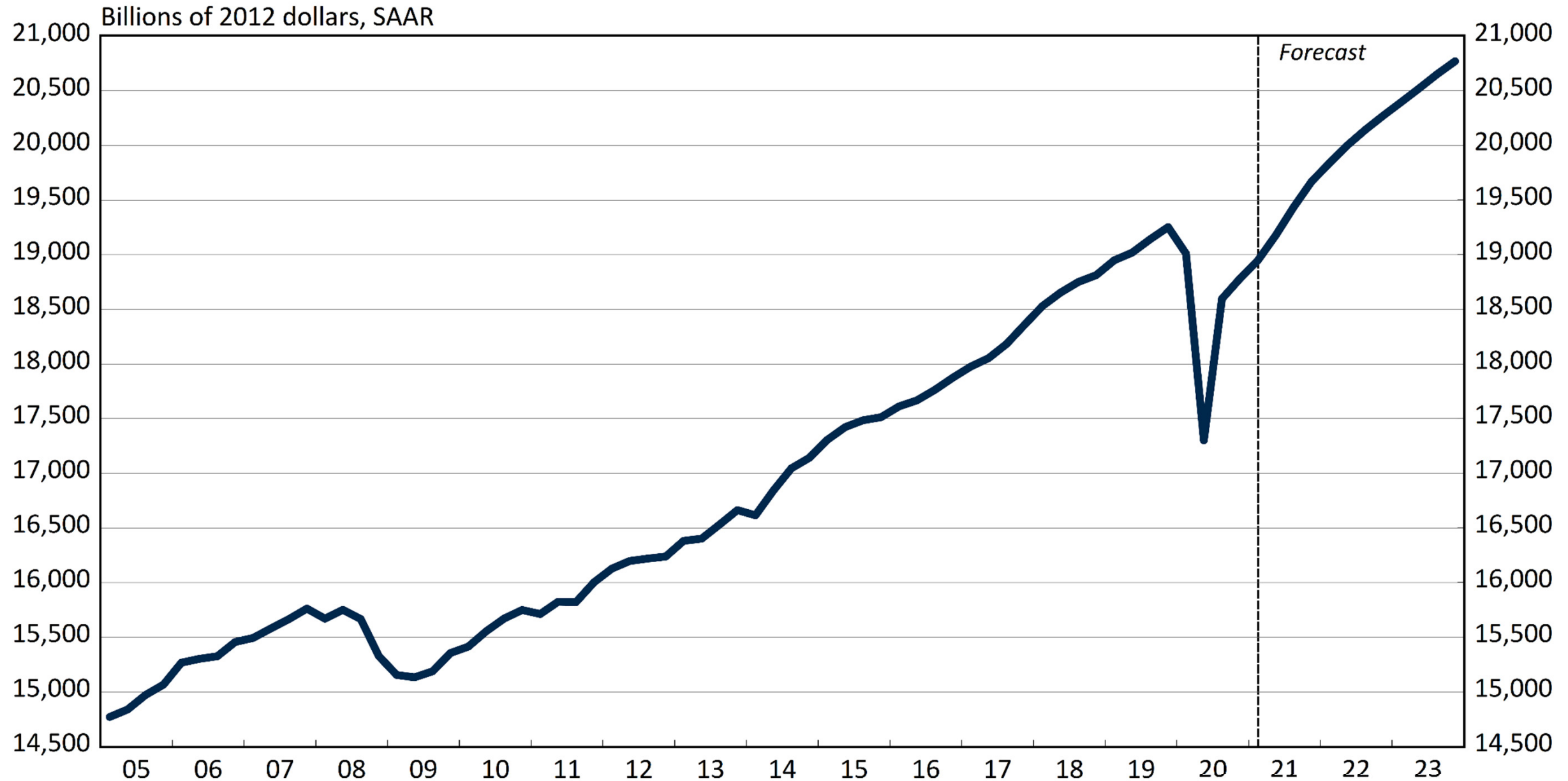
Small Business Closures, Michigan and Washtenaw County



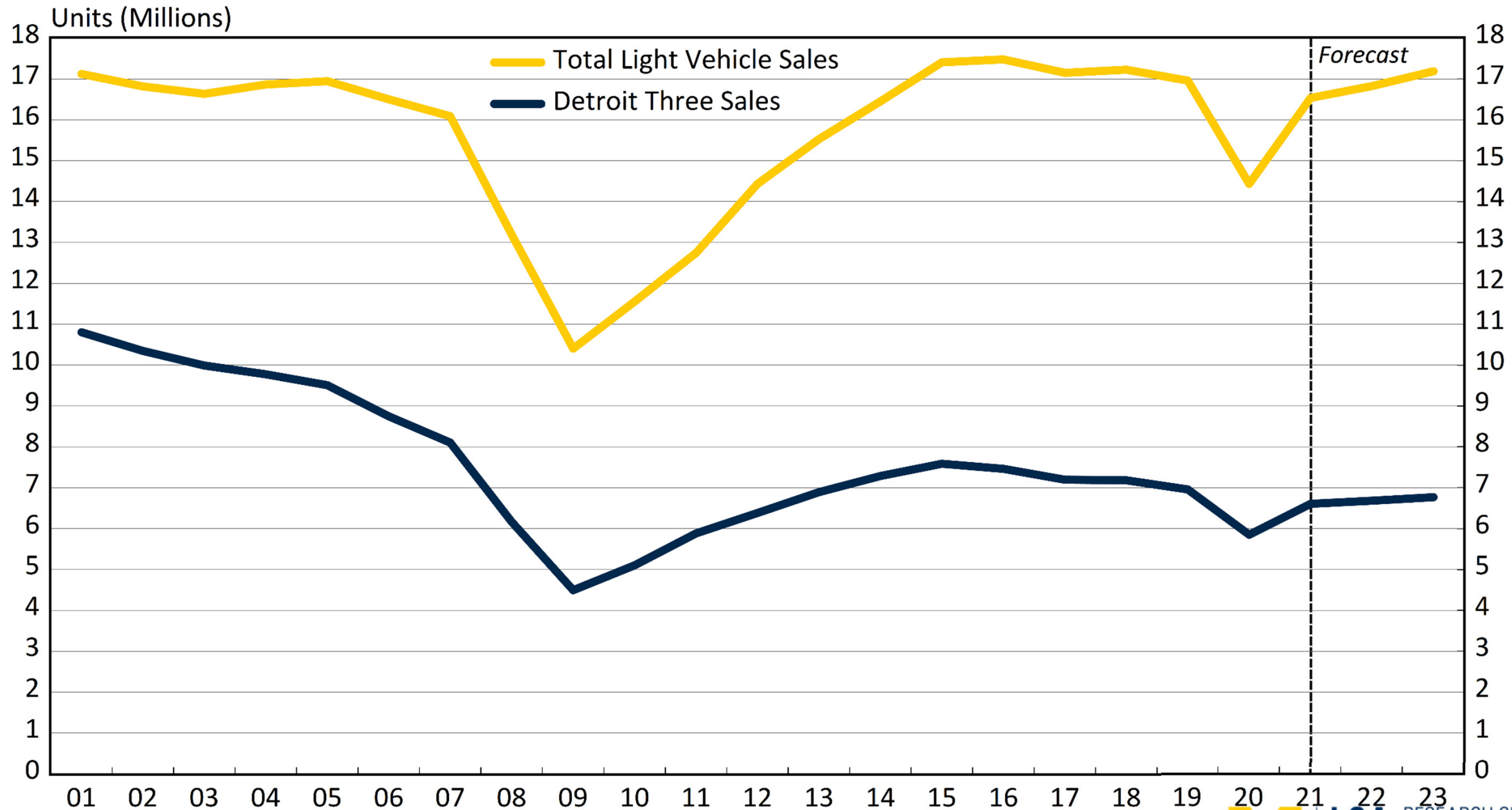
Source: Womply via Opportunity Insights
RSQE: March 2021

U.S. Economic Outlook

Real U.S. Gross Domestic Product

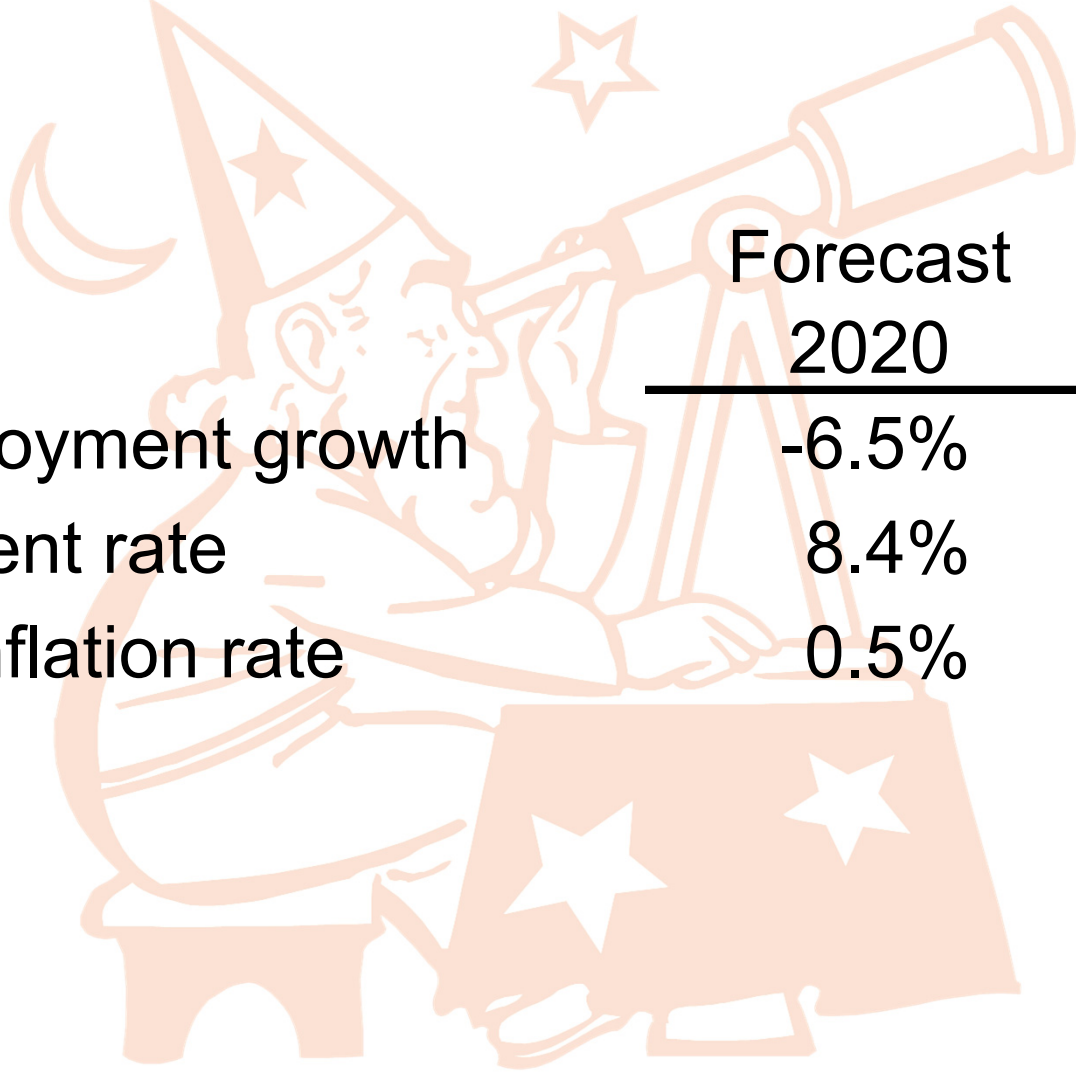


Total U.S. vs. Detroit Three Light Vehicle Sales



Forecast Review

Review of Last Year's Forecast



	Forecast 2020	Actual 2020
Payroll employment growth	-6.5%	-7.4%
Unemployment rate	8.4%	6.5%
Consumer inflation rate	0.5%	1.0%

Q&A for Session I

Alex West

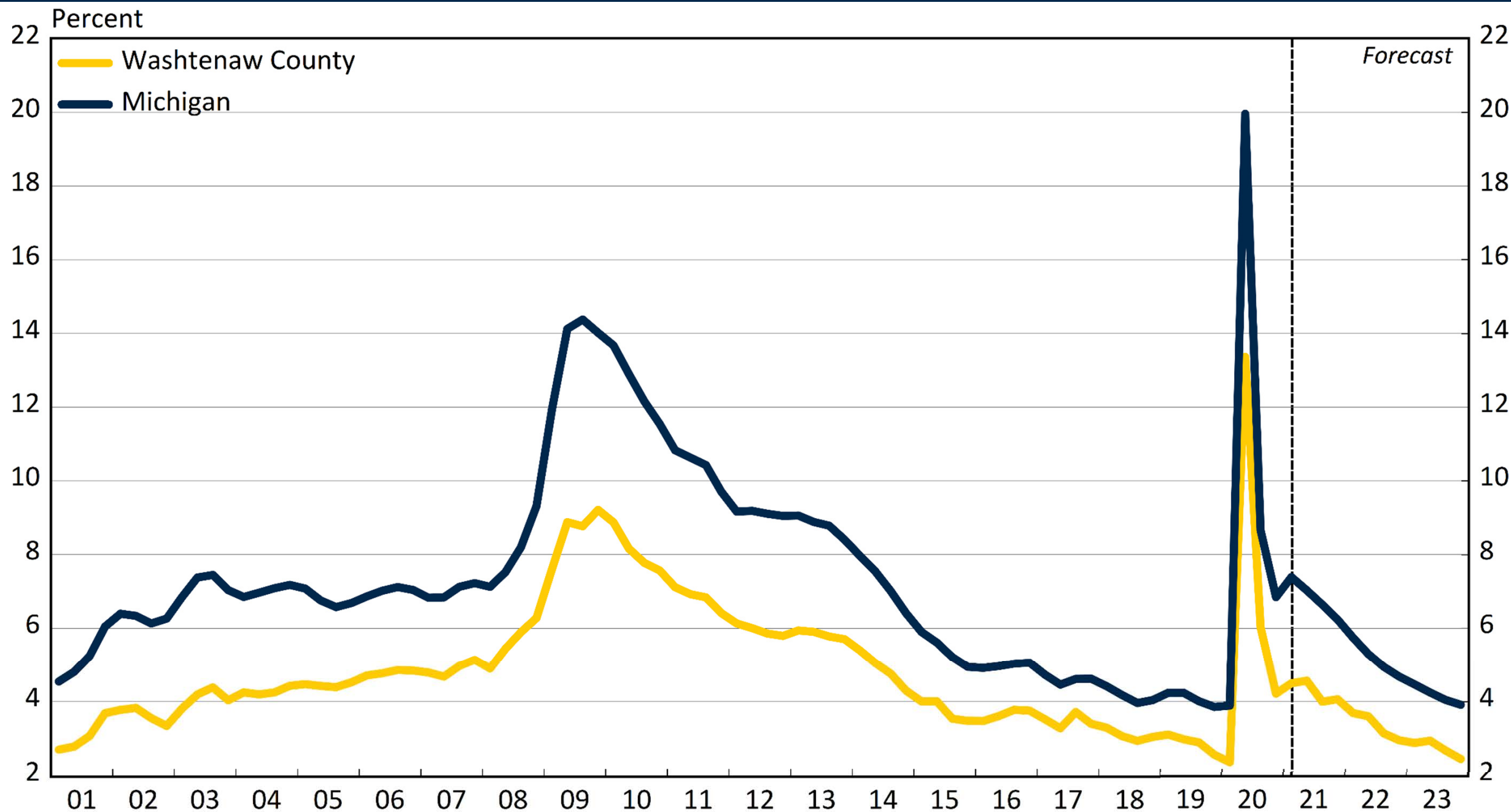
Ann Arbor SPARK
Director of Research

Submit questions to Alex in the chat panel

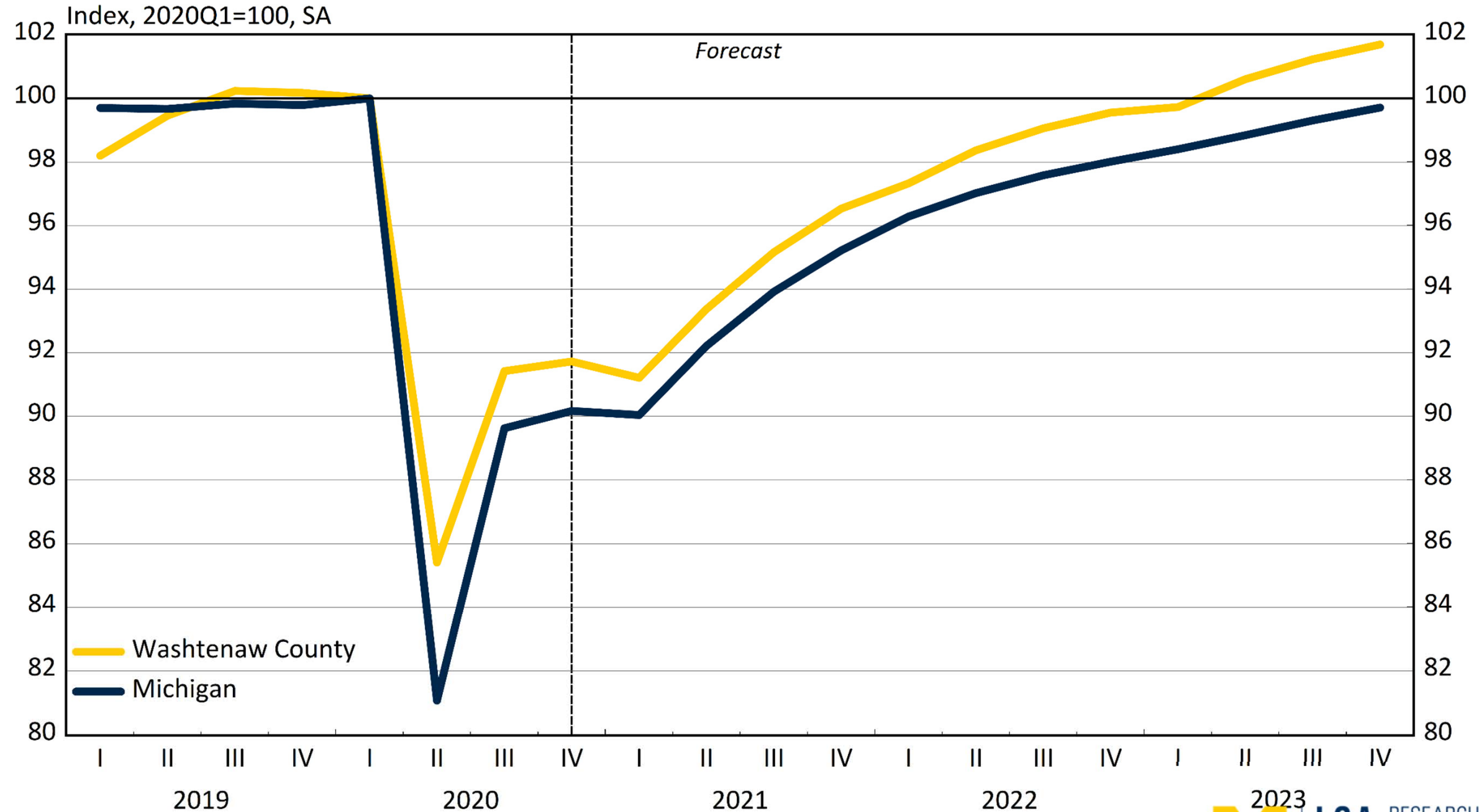


Washtenaw County Economic Outlook

Seasonally Adjusted Unemployment Rates for Michigan and Washtenaw County



Seasonally Adjusted Employment Indices for Michigan and Washtenaw County



Industry Detail

The Recovery of Payroll Jobs in Washtenaw County

	Estimate 2020	Forecast Employment Change					Average Annual Wage 2019
		'19-'20	'20-'21	'21-'22	'22-'23	'20-'23	
Total Jobs (Number of Jobs) (Annual percent change)	202,269	-16,207 (-7.4%)	4,266 (2.1%)	9,882 (4.8%)	4,907 (2.3%)	19,056	\$61,276
Private Sector	122,409	-13,694	4,434	7,100	3,320	14,853	\$58,795
Total Government	79,861	-2,512	-168	2,783	1,588	4,203	\$65,375
State Government	64,574	-1,960	-10	2,279	1,362	3,631	\$66,408

Industries that Gained Jobs in 2020

	Estimate 2020	Forecast Employment Change					Average Annual Wage 2019
		'19-'20	'20-'21	'21-'22	'22-'23	'20-'23	
Management of Companies & Enterprises	1,397	67	22	101	46	169	\$166,914
Utilities	428	5	5	3	2	9	\$155,132
Information	5,033	247	35	77	49	162	\$105,829
Transportation & Warehousing	3,683	159	297	211	200	709	\$67,704

Full-Recovery Industries with Higher-Paying Jobs

	Estimate 2020	Forecast Employment Change					Average Annual Wage 2019
		'19-'20	'20-'21	'21-'22	'22-'23	'20-'23	
Professional & Technical services	17,226	-415	595	694	510	1,799	\$99,532
Finance & Insurance	3,632	-62	24	31	24	79	\$92,911
Wholesale Trade	5,685	-191	220	158	121	499	\$79,257
Construction	4,382	-294	345	491	191	1,026	\$65,965

Full-Recovery Industries with Lower-Paying Jobs

	Estimate 2020	Forecast Employment Change					Average Annual Wage 2019
		'19-'20	'20-'21	'21-'22	'22-'23	'20-'23	
Private Health & Social services	23,593	-1,251	664	1,118	467	2,248	\$56,997
Real Estate & Rental	2,327	-185	65	133	75	272	\$52,246
Natural Resources & Mining	255	-29	12	14	6	32	\$32,078
Arts & Recreation	1,682	-833	312	595	296	1,203	\$23,021

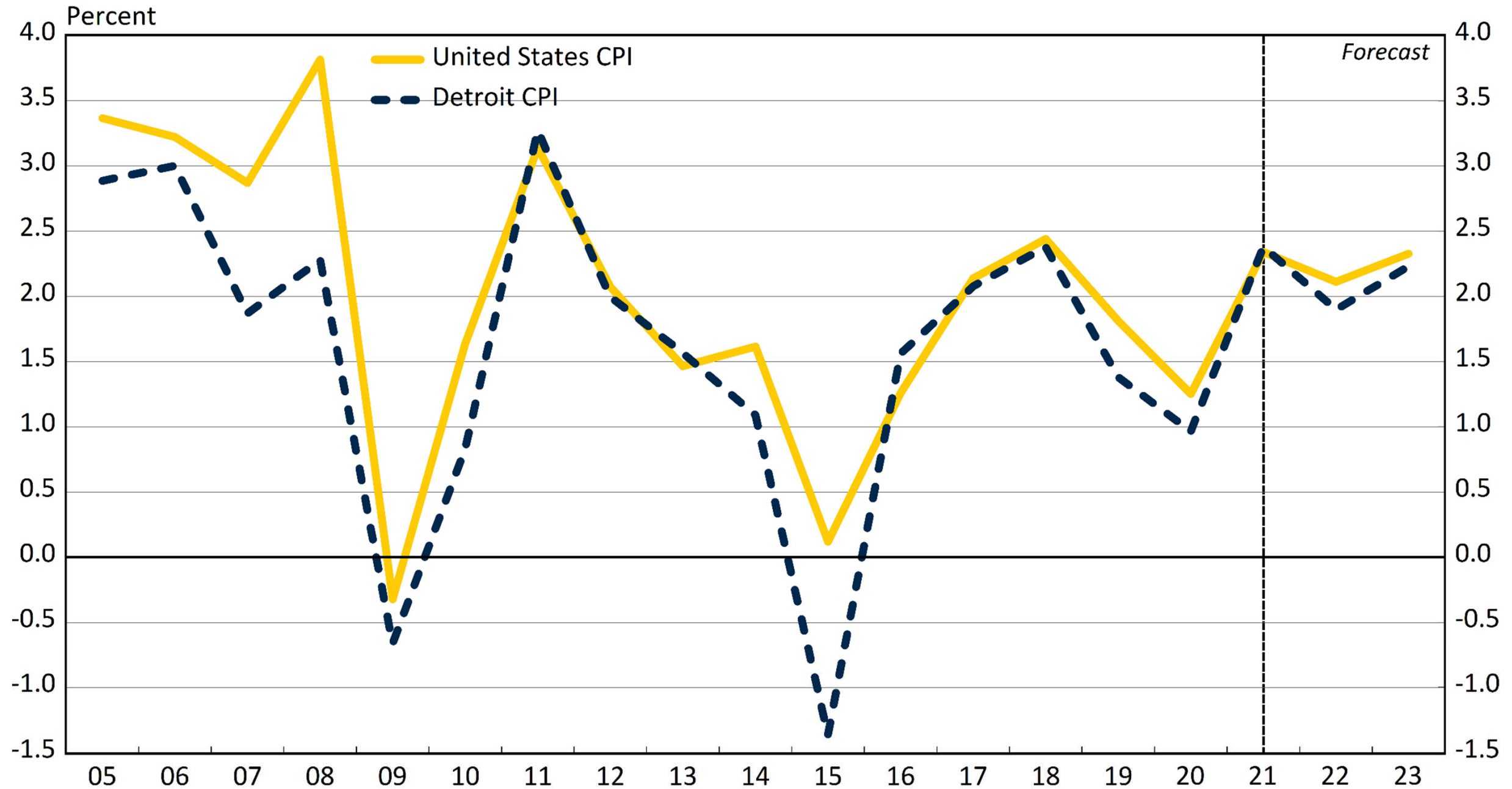
Incomplete-Recovery Industries

	Estimate 2020	Forecast Employment Change					Average Annual Wage 2019
		'19-'20	'20-'21	'21-'22	'22-'23	'20-'23	
Accommodation & Food Services	11,124	-4,461	476	2,099	735	3,309	\$21,008
Retail Trade	14,129	-1,657	335	225	80	639	\$32,476
Other Services	4,346	-783	242	156	69	467	\$33,846
Private Education	2,808	-458	148	223	48	419	\$36,761
Administrative Support & Waste Management	8,327	-946	245	347	112	703	\$38,039
Transportation Equipment Manufacturing	3,604	-1,080	193	206	142	541	\$66,126
Other Manufacturing	8,395	-1,530	201	219	148	568	\$67,216

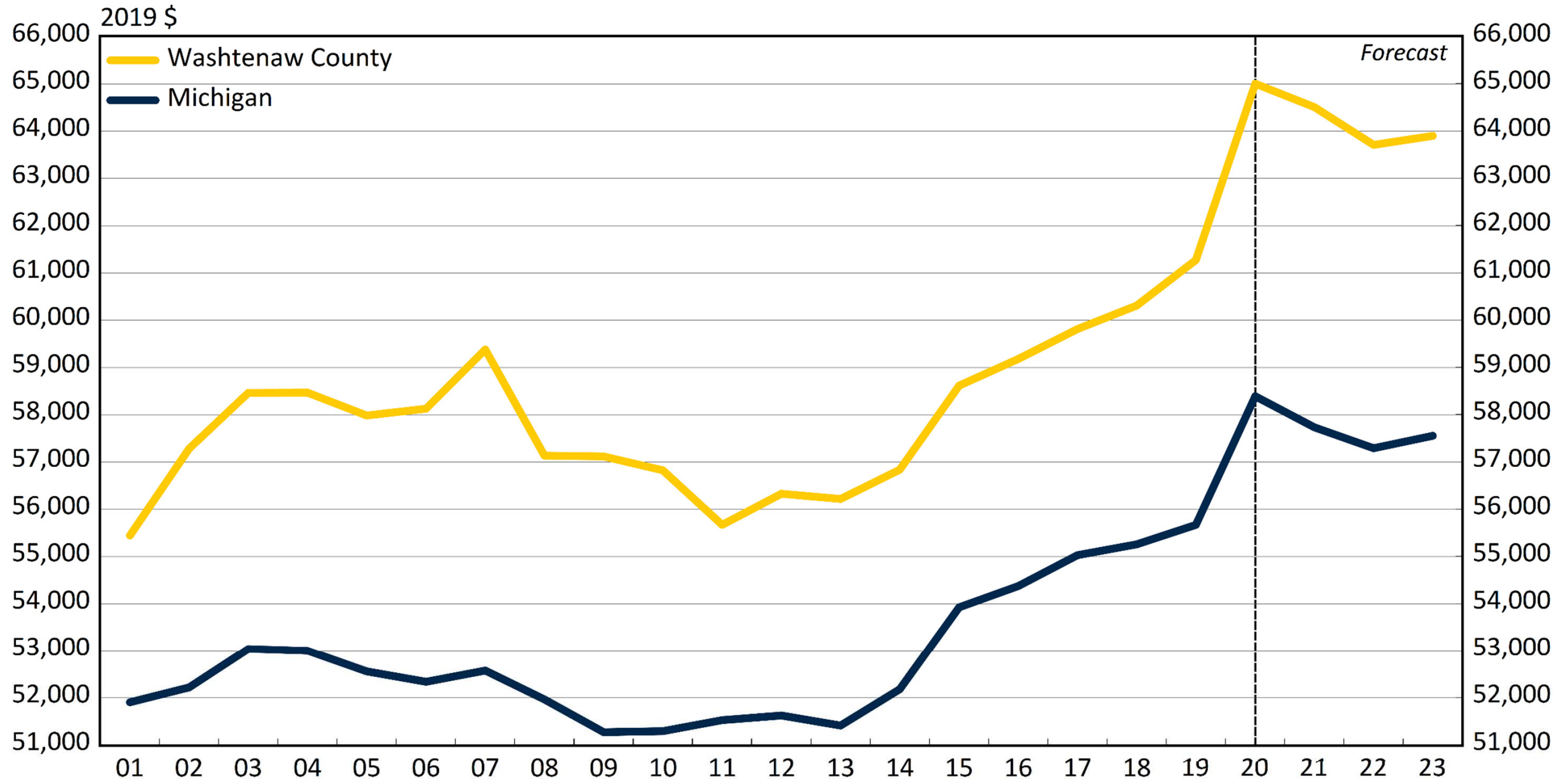
Private Sector Industries with the Greatest Job Gains in Washtenaw County, Recent History and Forecast

- A table is in the full report, which will be posted on RSQE's and WCC's websites this afternoon
- Generally, industries that gained the most jobs from 2015 to 2019 are forecast to gain the most jobs during 2021–23 as well
- We expect Washtenaw County's pattern of job creation over the next three years to look a lot like it did before the pandemic

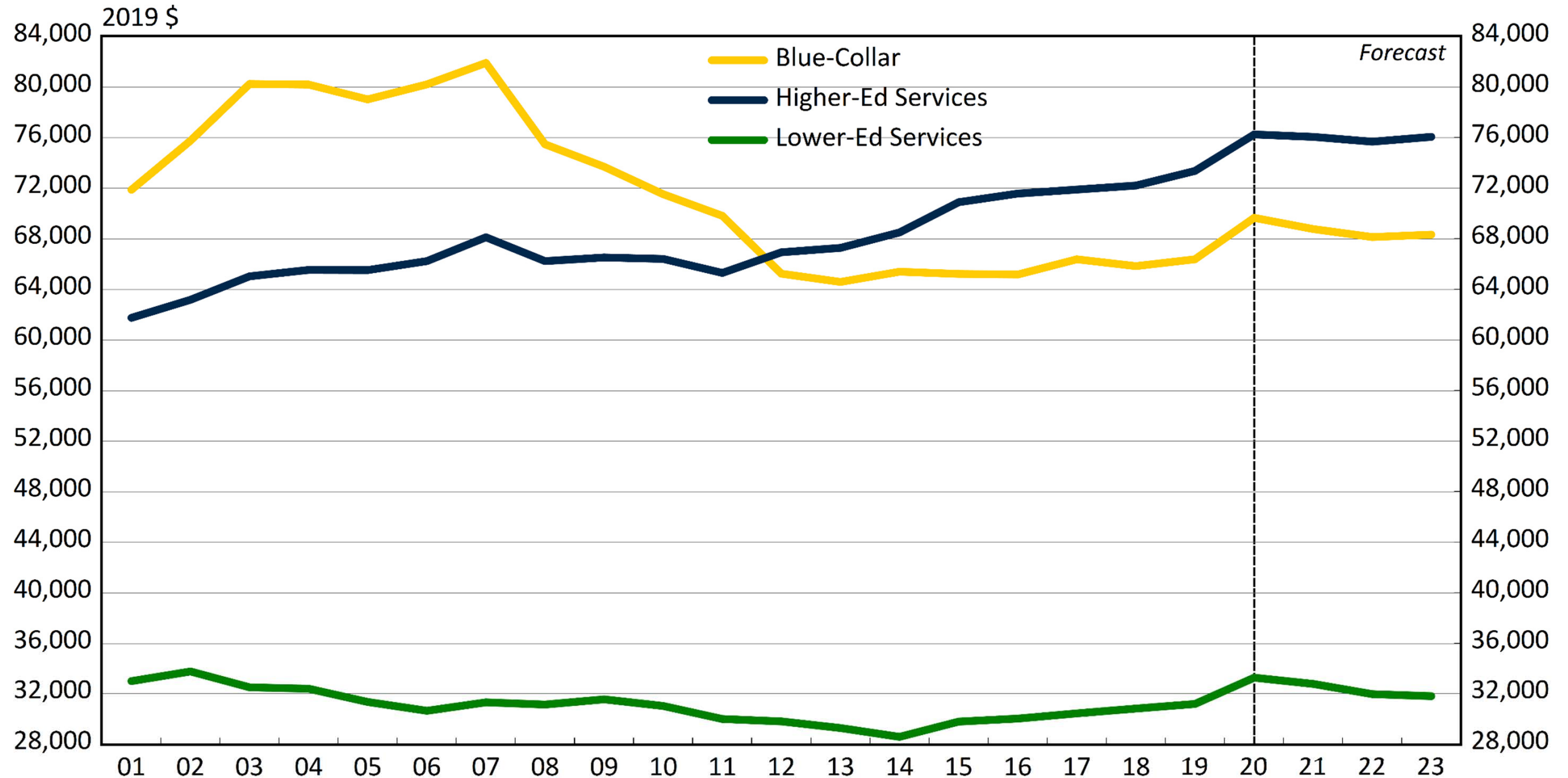
Annual Inflation Rate, National and Detroit CPI



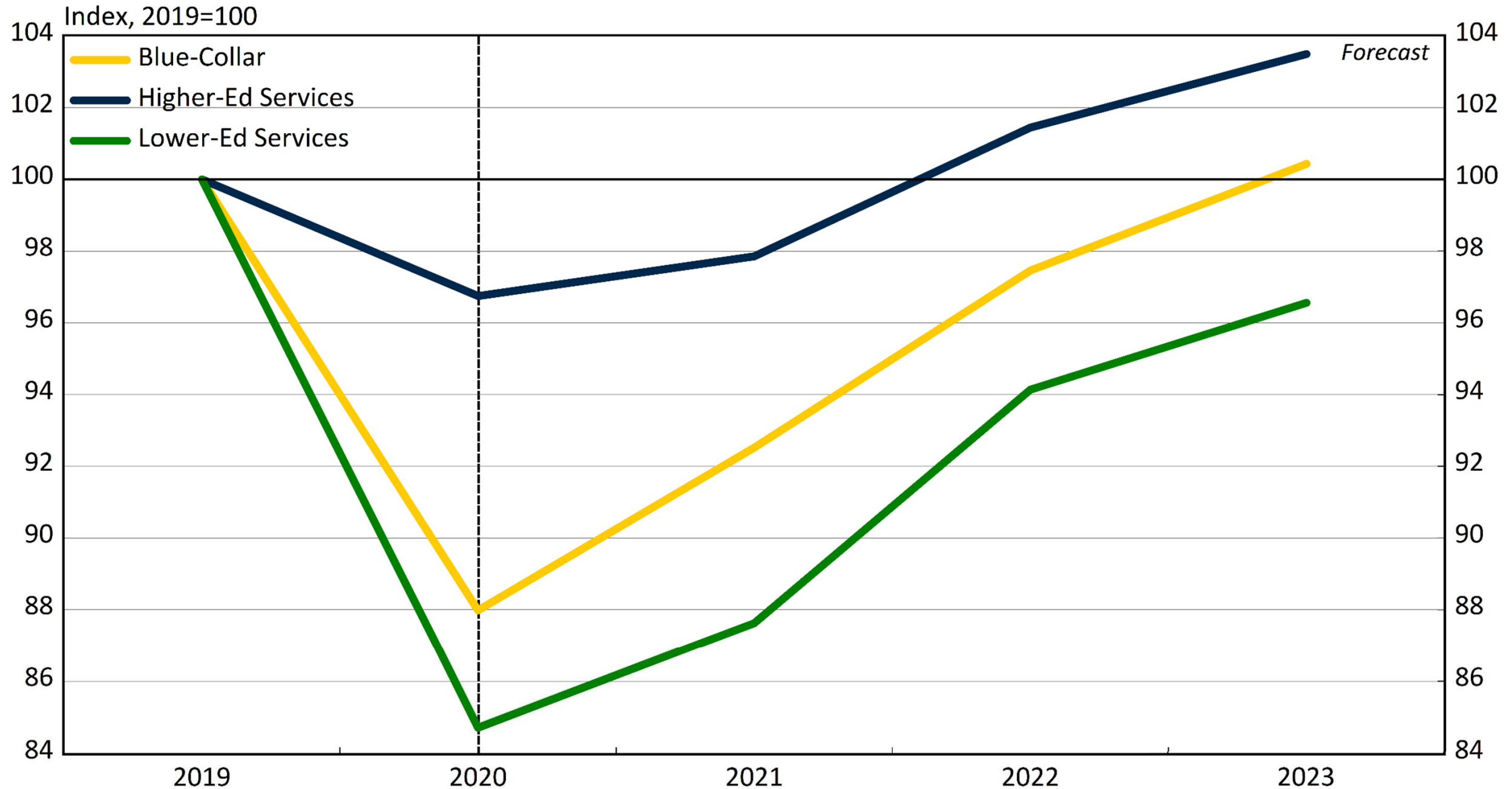
Average Real Wage in Michigan and Washtenaw County



Average Real Wage in Washtenaw County by Industry Groupings



Washtenaw County Employment by Industry Groupings



Q&A for Session II

Alex West

Ann Arbor SPARK
Director of Research

Submit questions to Alex in the chat panel



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