

Current Labor Market Overview

Manpower, Inc. of Southeastern Michigan

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Introduction

Our relationships with both job seekers and local employers, along with the support we receive from our global parent company, [ManpowerGroup](#), provides us with an awareness of employment trends and makes us highly attuned to shifts in the local job market. As your staffing solutions partner, it is our privilege to share these insights with you.

In the pages that follow, we have compiled a wealth of information, data, and workforce statistics. We do this to provide the knowledge and perspective for your consideration as you address your staffing strategy within the context of the competitive marketplace – now so more than ever.

We welcome you to also visit our labor market webpage, manpowermi.com/labor-market, for additional information and resources.

State Minimum Wage

If you missed previous editions of this overview, Michigan’s minimum wage increased on January 1, 2020, from \$9.45 to \$9.65 per hour. This was the second of 12 annual increases scheduled to take place. The third increase scheduled to go into effect on January 1, 2021, was cancelled due to the state’s annual unemployment rate. However, on January 1, 2022, an increase did go into effect, taking the new minimum wage to \$9.87 per hour. On January 1, 2023, the minimum wage increased to \$10.10 per hour and once again on January 1, 2024, to \$10.33 per hour.

Employers should further understand that while the Court of Appeals ruling halted a pending minimum wage increase (to \$13.03 per hour) at the end of January 2023, it is believed to be just a temporary delay and will be handed down sometime in the near future.

State of Michigan Minimum Hourly Wage Rate 10-Year History									
2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
\$8.15	\$8.50	\$8.90	\$9.25	\$9.45	\$9.65	\$9.65	\$9.87	\$10.10	\$10.33

As you will see on the table on the next page, starting wages for the low end of entry-level jobs are approximately 50% higher than the state minimum wage. These planned annual increases won’t affect anyone looking for quality talent, and this will probably be the last mention of the minimum wage you’ll see from us barring any major shifts in the market. Gone are the days of “minimum wage” – today is all about a “living wage.”

Local and Living Wage Ordinances

While minimum wage laws were enacted to establish a base level of pay that require employers to pay their employees, living wages are defined as the minimum income necessary for workers to meet their basic needs (adequate shelter, food, and other necessities) and support themselves.

The [City of Ann Arbor](#) and [Washtenaw County](#) both have hourly living wage ordinances currently in effect at \$17.73 per hour, which we anticipate increasing again on April 30, 2024. Washtenaw County also established a \$15.00 per hour minimum wage for all regular, full-time county government employees back in April 2021. (Source: [MLive](#).) In February 2021, the City of Ann Arbor raised their lowest starting temporary seasonal wage to match the then 2022 \$15.66 per hour living wage. (Source: [MLive](#).) Detroit followed suit in 2022 as they also increased wages for their city workers effective that July to \$15.00 per hour. (Source: [Detroit Free Press](#).) Notably, The University of Michigan approved a \$15.00 per hour minimum wage in June 2021, for permanent workers at all campuses as part of their 2021-22 fiscal year budget. (Source: [The University Record](#).)

According to the [Living Wage Calculator](#) maintained by Massachusetts Institute of Technology (MIT), the current living wage calculation for Washtenaw County is \$22.76 per hour (for 1 adult with 0 children). That rate fluctuates based on the number of dependents and working adults in the household.

Entry-Level Wages

The following table outlines hourly pay rate ranges for entry-level job titles on [Salary.com](#) for the Ann Arbor market (updated February 26, 2024).

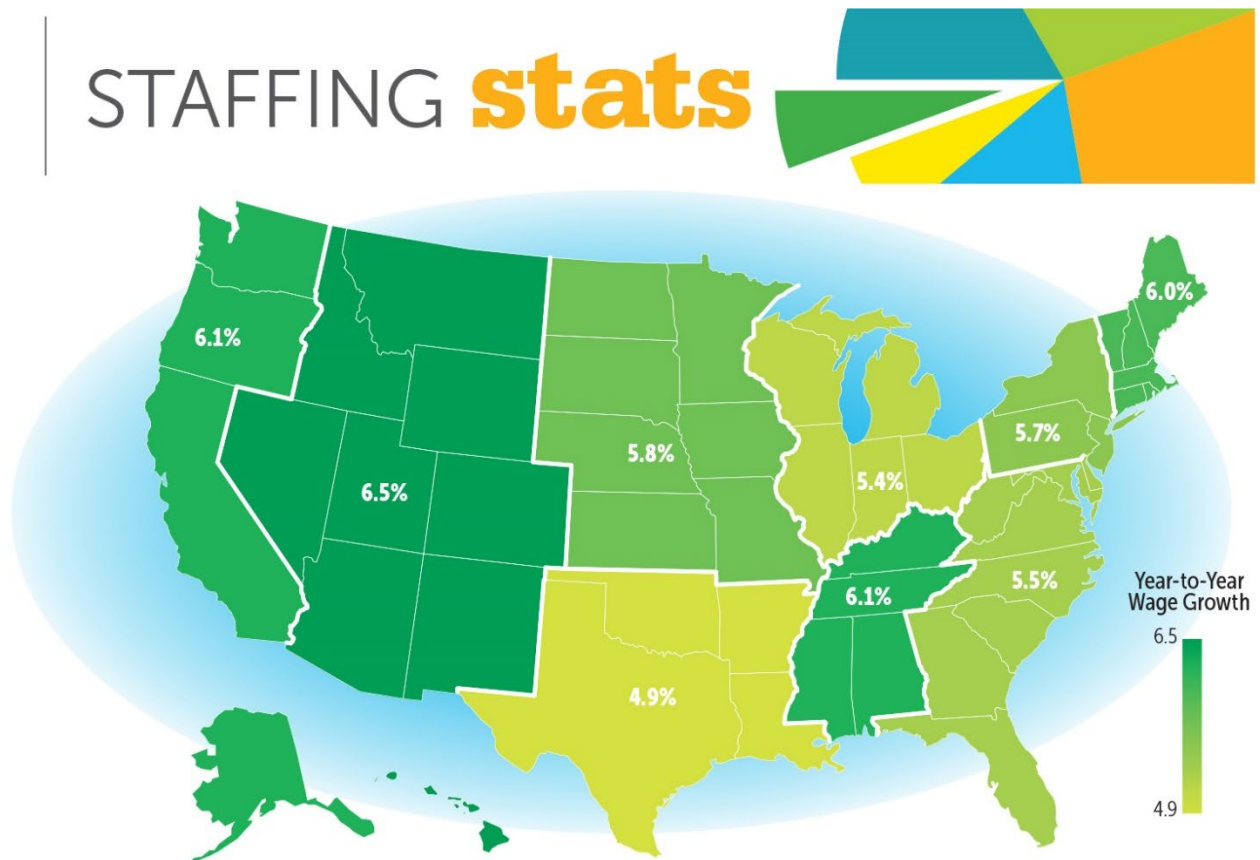
Job Title	Lower End (25%)	Median (50%)	Higher End (75%)
General Labor	\$15.00 / hour	\$18.00 / hour	\$20.00 / hour
Light Assembler I	\$15.00 / hour	\$17.00 / hour	\$19.00 / hour
Packaging Machine Operator I	\$16.00 / hour	\$18.00 / hour	\$21.00 / hour
Warehouse Worker I	\$16.00 / hour	\$18.00 / hour	\$20.00 / hour
Receptionist I	\$17.00 / hour	\$19.00 / hour	\$22.00 / hour
Customer Service Rep I	\$17.00 / hour	\$19.00 / hour	\$21.00 / hour
Administrative Assistant I	\$20.00 / hour	\$23.00 / hour	\$26.00 / hour
Accounting Clerk I	\$20.00 / hour	\$22.00 / hour	\$25.00 / hour
Direct Care Worker	\$17.00 / hour	\$18.00 / hour	\$20.00 / hour
Medical Assistant (Non-Certified)	\$18.00 / hour	\$20.00 / hour	\$22.00 / hour

Payscale Index

According to the [Payscale Index](#), national wage growth has increased 34.7% since 2006 and 4.7% year-over-year. But when you factor in inflation, “real wages” have actually fallen, 10.9% in that 17-year span and 0.6% year-over-year. This means the income for a typical worker today has less purchasing power than it did in 2006. This reality, combined with pandemic-related challenges and incentives, has impacted wages, benefits, and other work options rapidly and significantly. The process for successful employee recruitment and retention has undergone major transformation.

Wage Inflation

Since early 2021, wages have been rapidly rising across the U.S., but not all regions are experiencing growth equally. In November 2023, the average year-to-year nominal wage growth was 5.6% nationally, compared to that of Michigan’s region of 5.4%. (Source: [ASA Staffing Today](#).)



Wage Inflation by Region

Source: Atlanta Fed

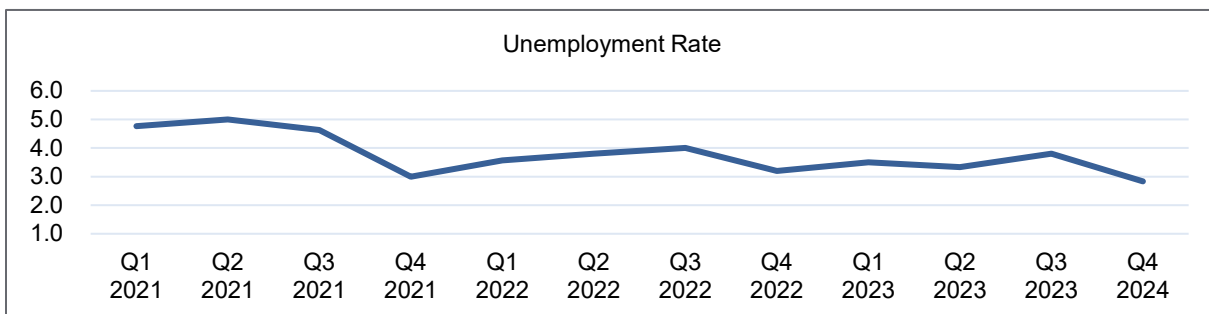
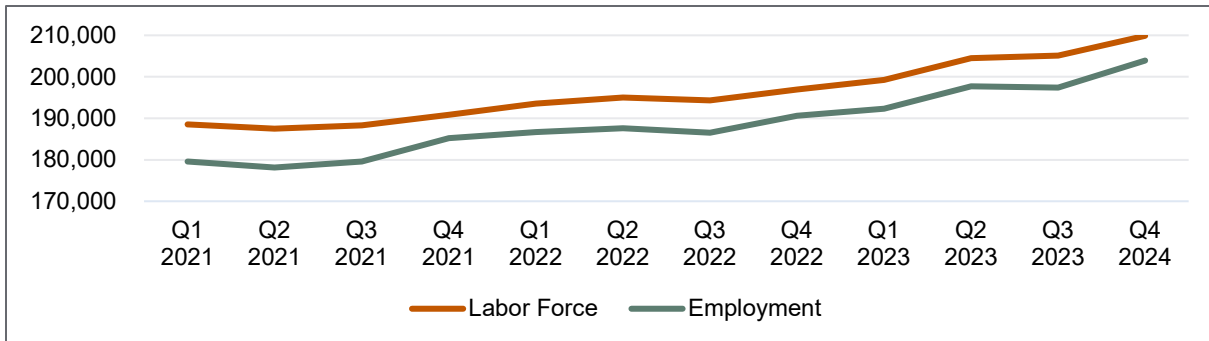
Workforce Statistics

The tables and charts below identify quarterly averages for the labor force, employment, unemployment, and unemployment rate in the Ann Arbor metropolitan market for the last three years, 2021 - 2023. (Source: [U.S. BLS.](#))

2021	Q1	Q2	Q3	Q4
Labor Force	188,561	187,499	188,315	190,872
Employment	179,598	178,133	179,597	185,180
Unemployment	8,963	9,367	8,718	5,692
Unemployment Rate	4.8	5.0	4.6	3.0

2022	Q1	Q2	Q3	Q4
Labor Force	193,534	194,994	194,291	196,905
Employment	186,642	187,586	186,534	190,627
Unemployment	6,891	7,408	7,757	6,279
Unemployment Rate	3.6	3.8	4.0	3.2

2023	Q1	Q2	Q3	Q4
Labor Force	199,277	204,476	205,150	209,882
Employment	192,271	197,736	197,434	203,918
Unemployment	7,006	6,740	7,716	5,964
Unemployment Rate	3.5	3.3	3.8	2.8



ManpowerGroup Employment Outlook Survey (MEOS)

In place since 1962, The ManpowerGroup Employment Outlook Survey (MEOS) is released quarterly to measure employers' intentions to increase or decrease the number of employees in their workforce during the next quarter. It is the most comprehensive and trusted surveys of employment activity in the world and is the only forward-looking survey of its kind, used globally as a key economic indicator.

The latest quarterly survey results, released March 12, 2024, indicate a steady stance with little change since last quarter. Of the 6,000+ employers across the U.S. asked about their second quarter employment plans for April-June 2024, the survey found:

- 48% anticipate an increase in hiring;
- 33% report no change to their workforce levels;
- 14% plan to reduce staffing levels; and
- 5% are unsure about their hiring plans.

This yields an adjusted U.S. Net Employment Outlook (NEO) of +34%, which decreased by -1% compared to last quarter, but increased by 4% year over year.

Regionally, the West continues to show the strongest hiring outlook at +40%, a slight decrease compared to last quarter but an 11% increase vs this time last year. The Northeast region reported a +38% NEO for Q2 2024, up 1% from Q1 and up 3% year-over-year. Both the South and Midwest regions yielded a +30% outlook for the upcoming quarter. For the South, this was a 4% drop compared to the last quarter and a 2% increase compared to last year. The Midwest reported no change looking at Q1 2024 but declined 2% from one year ago.

Organizations in the IT industry reported the brightest outlook for the sixth consecutive quarter with an NEO of +51%, down 4% from Q1 2024. The Financials and Real Estate also reported a strong outlook at +50%, which is up 7% from the last quarter.

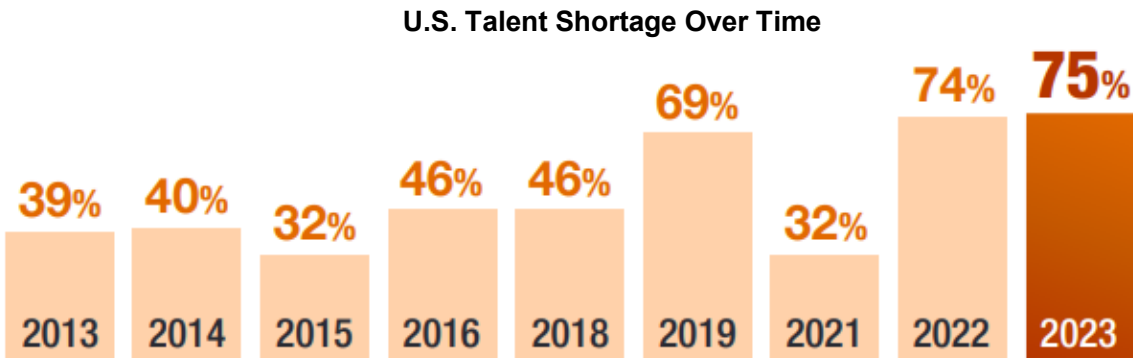
Looking at workforce trends, employers in the U.S. expect most of the progress on gender equality to happen in the next two years. Yet, even then, only 40% expect gender equality to be fully achieved in their organization. This is compared to 27% of organizations where gender equality is already achieved.

The survey also reported ways employers are retaining and securing diverse talent. With 39% of companies saying that promoting flexible working policies have been most effective in retaining talent and expanding their candidate pool to be more diverse. Other initiatives include internal leadership development programs, internal mentoring and coaching, and creating an inclusive organizational culture.

To read more from the ManpowerGroup Employment Outlook Survey for the U.S., go to: manpowergroupusa.com/meos. The next ManpowerGroup Employment Outlook Survey is expected to be released in June 2024 to report hiring expectations for Q3 2024.

ManpowerGroup Talent Shortage Survey

The ManpowerGroup Talent Shortage survey provides real-time data and insights to companies and job seekers to respond to today's trends. According to the annual survey, 3 of every 4 companies (75%) in the U.S. are reporting difficulty finding the talent they need—this is the highest percentage looking at data over the last 10 years.



Skills required for the most in-demand roles continue to evolve rapidly and with every aspect of life becoming more tech enabled, human strengths are standing out in the digital age. These were reported as the most in-demand soft skills and technical skills employers look for:

Soft Skills

- Critical Thinking & Analysis (29%)
- Reliability & Self-Discipline (29%)
- Creativity & Originality (28%)
- Leadership & Social Influence (27%)
- Reasoning & Problem-Solving (27%)

Technical Skills

- IT & Data (30%)
- Operations & Logistics (22%)
- Engineering (21%)
- Sales & Marketing (21%)
- HR (19%)

As skills needs are changing and talent is at a premium, employers are investing in their people and technology more than ever—and finding creative ways to address the skills gap and overcome talent shortages. This includes:

- upskilling and reskilling their current workforce
- filling new, permanent roles as well as bringing in more contract or temporary roles
- investing in more technology and prioritizing automation for tasks/processes
- offering more flexibility about when (hours) and where (location)
- increasing wages and offering joining bonuses
- looking at new talent pools (mature workers, etc.)
- reducing qualification requirements

Explore more Talent Shortage survey data at manpowergroup.us/talent-shortage-solutions.

About Manpower, Inc. of Southeastern Michigan

Manpower, Inc. of Southeastern Michigan was founded in 1962 in Ann Arbor, Michigan. Operating as an independent franchise of our global parent company and world staffing leader, [ManpowerGroup](#), offers us the best of both worlds. We are a locally-owned, community-rooted company, able to respond quickly and flexibly to the challenges and opportunities presented in the marketplace. Yet we do so with the support and resources of an international organization, operating at the forefront of the developments in the world of work.

We are a leader in workforce solutions—providing a vast array of services to local area employers for over 60 years. We are continuously refining our service models based on these years of experience, local area knowledge, and industry expertise. In today's fast-changing world of work, we help organizations transform the way they source, assess, develop, and manage their workforces, while connecting thousands of individuals to meaningful, sustainable employment.

Our innovative workforce solutions and services include:

- Contingent (temporary and temporary-to-hire) staffing
- Permanent (direct hire) staffing
- Managed services provider (MSP)
- Contingent workforce management
- Validated skills assessments and testing
- Workforce development and training
- Onsite management services
- Recruitment outsourcing solutions
- Project-based solutions

As a staffing-solutions partner to hundreds of companies in the area, our goal is to provide valuable information to assist you as you consider your workforce and staffing needs within this competitive marketplace.

To be included in further updates as it relates to the current labor market trends, please reach out to our business development team at sales@manpowermi.com or 734-665-3757.

To learn more about us, visit manpowermi.com.