

Michigan's labor market showed a modest improvement heading into December as first-time unemployment claims moved lower. For the week ending November 29, initial filings fell to just over 7,200, more than 500 fewer than the prior week. For employers, fewer new claims can mean fewer near-term layoffs heading into year end, supporting steadier production schedules and workforce planning.

That easing lines up with the national picture from the same week. U.S. initial jobless claims dropped to 191,000 (seasonally adjusted), the lowest level since September 2022, ANY GOOD NEWS
IS GREAT NEWS

With unemployment numbers delayed due to the government shutdown last month, Michigan's unemployment claim filings are the only barometer to seeing the labor picture at the moment.

and continuing claims edged down to about 1.939 million. Because this period includes Thanksgiving, economists cautioned seasonal-adjustment quirks may be amplifying the decline, but the broader signal still points to a labor market that is stable rather than sliding.

Even so, Michigan's broader 2025 history remains mixed. Job openings rose to 253,000 in July from 243,000 in June, with demand still firm in manufacturing and logistics roles that matter across West Michigan's industrial corridors and other regional markets.

At the same time, employment contracted in eight of Michigan's ten largest counties between through March of 2025, highlighting uneven momentum. Manufacturing and construction payrolls have also seesawed as orders, tariffs, materials costs, and automation investment shift, shrinking planning horizons for HR and operations teams and making it harder to balance lean staffing with overtime fatigue.

Bottom line: fewer jobless claims plus elevated openings suggest tightening in pockets, which can help retention but complicate hiring for hard-to-fill roles and keep wage pressure alive. Employers should also expect extra headline volatility because the official U.S. monthly jobs report has been delayed to December 16 after the government shutdown.

MICHIGAN 2026 ECONOMIC OUTLOOK:

JOB SECURITY IMPROVES, BUT WAGES STRUGGLE TO KEEP PACE

According to the "Mapped: U.S. Job Losses by State in 2025" report, Michigan is showing resilience in workforce retention. Year-to-date, the state has recorded 19,336 job losses, a figure that represents a 10% improvement compared to the same period in 2024. This stability

State	Job Losses YTD 2025	Change vs YTD 2024
Michigan	19,336	-10%

stands in stark contrast to states like Washington and New Jersey, where job losses have surged by 773% and 454% respectively. While layoffs in the tech and manufacturing sectors have hit states like California hard,

Michigan appears to be weathering the storm with greater stability.

HOW MUCH

TO EARN IN

PERCENT?

DO YOU HAVE

U.S. INFLATION BY PRODUCT TYPE

Percentage change of CPI-U (Sept. 2024 to Sept. 2025)



+2.0%

Jewelry & watches

+1.3%

Appliances

-0.2%





+4.7%

Postage &



+4.3%

hardware



















+1.3%





MICHIGAN TO BE

IN THE TOP ONE

Notably, Michigan ranks 36th in the nation for this threshold, making "elite" earning status significantly more attainable than in Connecticut or Massachusetts, where the bar is set near or about \$1 million dollars.







+1.8%

Public transportation

+0.8%

Medical equipment & supplies

-0.4%

Water & trash



+1.7%

New &

+0.7%

Dairy products

-1.3%





+1.6%

Pork

+0.6%

Medicinal

-1.8%

Telephone

services



























-2.0%















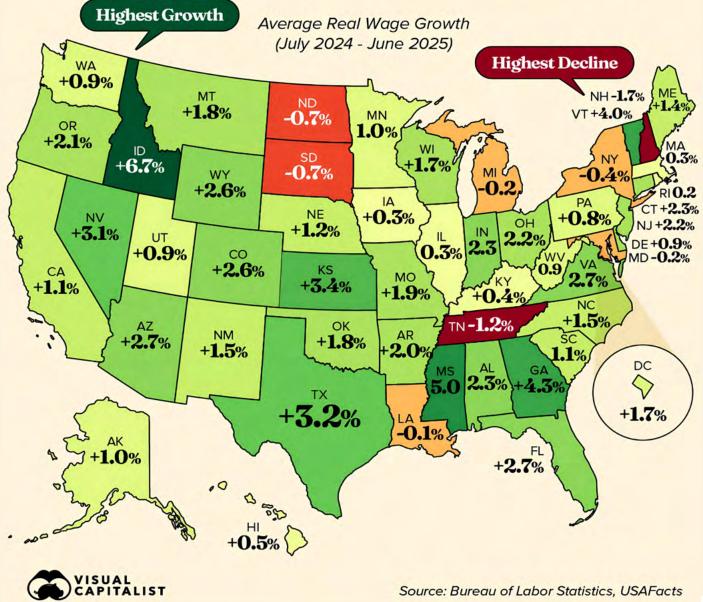
IT hardware apparel & services



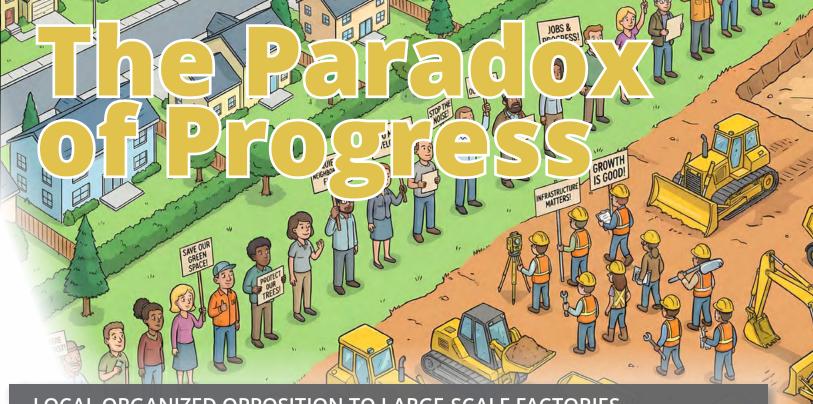


CPI-U is a measure of the average change over time in prices paid by urban consumers.





Visual Capitalist's analysis of wage growth reveals that Michigan is one of only eight states where real wages—pay adjusted for inflation—actually declined over the last year. While the national average for real wage growth sat at 2.5%, Michigan saw a decrease of -0.2%. Along with New York, Michigan is categorized as a state where "ongoing economic transitions are weighing on earnings," meaning the cost of living is rising faster than paychecks. Idaho and Mississippi saw the strongest average wage gains at 6.7% and 5.0%.



LOCAL ORGANIZED OPPOSITION TO LARGE-SCALE FACTORIES, NEW CONSTRUCTION, EXPANDED HOUSING, DATA CENTERS, AND MORE ARE HAMPERING MICHIGAN'S GROWTH AT EVERY TURN.

Why We Block the Growth We Say We Want

The American economy is in an unusual phase. Output and productivity continue to rise, yet hiring has slowed sharply. This jobless expansion reflects a shift in how value is created, particularly in manufacturing. Plants are integrating automation and AI to lift throughput without adding comparable headcount. In Greater Grand Rapids, manufacturing output rose by an estimated 2.3 billion dollars between 2019 and 2024, even as employment remains below pre-pandemic levels. The trend is national, and it is reshaping expectations for both labor and capital planning.

As companies invest billions in data infrastructure, Al capacity, and energy storage, communities are increasingly resisting the facilities needed to support this transition. Data centers, battery storage sites, and EV component plants have become flashpoints. Residents

fear industrialization of rural areas, water consumption, noise, and long-term environmental risk. For many, the tradeoff feels lopsided: hundreds of acres converted into large industrial buildings that yield relatively few permanent jobs.

The backlash has been particularly visible in Michigan. In Howell Township, a proposed one-billion-dollar data center met swift resistance, fueled partly by frustration

"It feels like there's been a real shift over the last six months or so in terms of the public just becoming aware of what data centers are, and becoming increasingly skeptical." said Ben Green, assistant professor of information at the University of Michigan.



over nondisclosure agreements and limited public communication. These cases highlight a growing discomfort with projects that deliver capital investment and tax revenue rather than the traditional promise of large workforces.

The economic consequences of this resistance are significant. Michigan's collapsed Gotion EV battery project illustrates the risk. Once pitched as a two-billion-dollar investment with more than 2,000 jobs, it unraveled amid political and community opposition. The region now loses a potential industrial anchor and the tax base that would have come with it. In Howell, township leaders estimated the data center could have multiplied property tax revenue several times over. Turning away projects like this may preserve scenic landscapes but limits the resources needed to fund schools, roads, and emergency services.

Much of the conflict stems from a lack of transparency. When projects emerge suddenly or under NDA restrictions, residents often assume the worst about environmental impacts or corporate intentions. Clear, early communication could prevent many of these collisions.

Moving forward will require a new approach. Developers must engage residents early, offering clarity on water use, noise mitigation, and safety systems. Communities, in turn, may need to rethink how they define economic benefit. In an automated era, tax revenue and infrastructure investment matter as much as headcount. Proactive zoning can also help by identifying where high-tech industrial use is appropriate before developers arrive. Michigan's employment recovery already lags the nation, and manufacturing leaders report persistent hiring challenges despite technology-driven productivity gains. Blocking modern infrastructure does not address those constraints. Instead, it risks pushing investment to regions that are more prepared to integrate high-tech projects into their growth strategies.

The transition to a more automated economy is accelerating, not waiting. Communities that engage constructively may secure long-term stability even without the workforce numbers once associated with industrial projects. Those that resist every proposal risk falling further behind, even as the need for tax revenue and economic resilience grows.

WILL THE FED BE PLAYING SANTA?

Markets Hope for a December Rate Cut Gift



The Federal Reserve heads into its December 9-10 meeting with fewer economic signals than at any point in recent years, yet with expectations running high. Its most recent move, a 25-basis-point cut in October, still frames the market narrative as investors, employers, and analysts try to assess how the world's most influential central bank will act without the usual guideposts. The government shutdown halted the collection of October inflation and employment data, leaving policymakers to navigate with less visibility than they prefer.

For executives across Michigan's manufacturing belt, the timing is challenging. Budget cycles are underway, capital requests are moving forward, and hiring plans require assumptions about labor demand and borrowing costs. With the Fed operating on incomplete information, many companies are recalibrating expectations rather than anchoring to a clear policy trajectory.

The uncertainty is amplified by an increasingly divided Federal Open Market Committee. The October meeting revealed dissent from both ends of the policy spectrum, a rare signal that the committee is struggling to agree on how weak the job market truly is and how persistent inflation may be. Only a few meetings in the past 30 years have shown dissent pushing in opposite directions.

Markets, however, are leaning toward a December cut. Federal funds futures place the probability above 80 percent, and heavyweight institutions including J.P. Morgan and Goldman Sachs have shifted their forecasts accordingly. Volatility has increased across asset classes as traders position around a policy decision that feels both predictable and precarious.

For employers in West and Southwest Michigan, the prudent move is to stay flexible. Until the Fed regains a firmer grasp on the data and builds internal consensus, business planning will require wider guardrails and a readiness to pivot as the economic picture sharpens.

ZERO PROOF, HIGH STAKES:

MICHIGAN BETS ON THE BUZZ-FREE BOOM

Michigan has seen its share of industrial reinventions, but the state's rapid embrace of nonalcoholic beverages may be one of its clearest examples of how companies can read shifting consumer behavior and adjust before the market forces them to. What began as a pandemic era curiosity has matured into a durable economic trend that is reshaping production floors, reshuffling capital investment, and quietly creating new categories of jobs across the state.

Proper Beverage Co. is the most visible example. The Hudsonville manufacturer is putting roughly \$90 million into a new Kentwood facility that will more than quadruple its canning capacity in its first phase. The company currently employs slightly over 50 people and plans to add about 75 jobs in the first year of the new facility's operation.

"As we continue to add manufacturing capabilities and add production lines, we'll be up around 400 to slightly over 400 jobs," Kevin Clement, CEO of Proper Beverage said.

The company expects to start production in the new Kentwood facility in September 2026. This is not a gamble on a fad. It is a response to a measurable decline in alcohol consumption nationwide, with Gallup reporting the lowest drinking rates since the 1930s. Companies that waited to see if habits would return to normal are now playing catch up. Proper is not.

The surge is not limited to one company.
Founders Brewing in Grand Rapids is investing about \$3 million to expand beyond traditional beer, shifting its long term earnings strategy toward nonalcoholic products by 2030. Bars

and breweries across the state are adding NA beers, hop water, kombucha, botanical mocktails, and even CBD beverages and kava. Detroit is preparing to open a dedicated zero proof bottle shop and bar, while West Michigan brewpubs from Holland to Traverse City are rolling out extensive alcohol free menus. Retailers reported significantly higher NA sales heading into Dry January, signaling that this sector is no longer seasonal.

All of this activity has a direct effect on labor. The nonalcoholic category requires more packaging versatility, more batch experimentation, and more agile production scheduling than traditional beer or spirits. Manufacturers are adding shifts, retraining workers, and recruiting candidates with mechanical aptitude, quality control experience, and sanitation compliance skills. The rise of recyclable kegs, glass bottling lines, and rapid changeover canning equipment expands the need for technicians

who can operate, troubleshoot, and maintain sophisticated systems.

This evolution also supports upstream and downstream employment. Suppliers of cans, labels, and ingredients face higher demand, while distributors must adapt to a broader beverage mix with different handling and storage requirements. Warehouses are recalibrating their slotting and inventory systems to accommodate larger volumes and more SKUs. The ripple effect touches production managers, logistics coordinators, maintenance crews, and entry level machine operators.

By 2031, Proper Beverage expects to produce 750 million cans a year. If other Michigan beverage makers continue scaling at their current pace, the state could emerge as a Midwestern hub for nonalcoholic drink production, similar to how it became an automotive and craft brewing center in past generations.

At its core, the rise of nonalcoholic beverages is not just a cultural shift. It is a labor story. It shows how manufacturers that move early, invest decisively, and build flexible operations create not only new products, but new opportunities for workers. As consumer habits continue to evolve, Michigan's adaptability is once again proving to be one of its most valuable assets.



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penny.

LIBERTY 2010

The American currency landscape shifted quietly but decisively this past November when the U.S. Mint in Philadelphia pressed its final circulating penny.

The moment carried little ceremony, yet it marked the end of a small but persistent contradiction in our economic life. Earlier this year, President Trump directed the Treasury to stop minting new onecent coins, a move that felt less like a bold policy stroke and more like a long-deferred admission that the arithmetic had stopped working. The penny had become a creature out of time, limping along in a system that no longer had much use for it.

For decades, the economics of the penny read like a case study in slow obsolescence. Its composition shifted from copper to copper-plated zinc as metal prices rose, but even those adjustments could not rescue its fiscal logic. Manufacturing one penny often cost between 1.5 and 2 cents, a negative return that steadily drained millions from the federal budget. In a country that tends to associate thrift with virtue, especially in matters of public finance, the penny increasingly stood as an awkward exception.

With minting now halted, the practical question moves from theory to the checkout counter. Retailers are being forced to adapt to a marketplace built on 100-cent precision without the one-cent token that once made that precision possible. McDonald's offered an early look at the new rules of engagement. As pennies grow scarce, cash totals are rounded to the nearest nickel. A \$10.22 bill becomes \$10.20. A \$10.23 bill becomes \$10.25. Card and digital payments remain unchanged, a reminder that the electronic economy often runs on a different set of norms than the physical one.

Some retailers, though, are interpreting the transition through a softer cultural lens. GoTo Foods, parent company of Jamba, Cinnabon, Auntie Anne's, and Carvel, encouraged franchisees to round in the customer's favor. It is a minor gesture, but gestures matter. Small signals of goodwill often take on outsized meaning during moments when systems are adjusting and people are relearning familiar routines. The loss of a penny may not seem like much, but the feeling of being treated fairly at the register carries its own quiet influence.

Looking ahead, the economy will separate into two subtly different

experiences. Digital transactions will continue with their near-frictionless exactness. Cash purchases will operate in a nickel-based world, where the smallest unit of exchange has grown slightly larger and slightly less fussy. The penny, meanwhile, will retreat to jars, drawers, and the nostalgia of people who grew up counting change on kitchen tables.

In its final act, the penny reminds us how systems shed what no longer fits. We tend to imagine economic change arriving in waves, but often it arrives the way the penny is leaving: gradually, gently, and with the sense that we outgrew something long before we officially let it go.

Before Lincoln:

Three Early American Cents

A quick look at the large, often overlooked ancestors of the modern one-cent coin.

Flowing Hair Cent, 1793

America's first official cent featured Liberty with unbound hair, symbolizing youthful freedom. Large, copper, and short-lived, it set the coinage foundation.



Draped Bust Cent, 1796–1807

A refined Liberty portrait reflected the young nation's growing confidence. These oversized copper cents circulated widely and shaped early American monetary identity.



Matron Head Cent, 1816-1839

Heavier and more uniform, this cent marked improved minting techniques. Its classical design anchored everyday commerce across an expanding United States.



RUST BELT: REVVED UP

Greater Grand Rapids and the broader West Michigan manufacturing corridor are exiting 2025 in a position of guarded strength according to a recently released manufacturing report for the market. Growth has cooled, sales conversations have become more competitive, and day-to-day uncertainty yields slow growth. Yet the fundamentals remain solid. Manufacturing still anchors the regional economy, contributing a quarter of total output and employing more than one in six workers. Firms are producing more with fewer people, a shift driven by automation, digital integration, and a maturing appetite for Industry 4.0 tools.

As labor pressures soften, companies are focusing on productivity, skills development, and systems that allow a stable workforce to do more. The transition marks a new phase for one of the Midwest's most resilient manufacturing hubs, where efficiency, technology, and targeted capital investment are becoming the core drivers of competitiveness.

Sector Overview

- Manufacturing represents 18.4% of all regional jobs (116,528 roles).
- Contributes 24% of Greater Grand Rapids GRP, totaling \$18.4 billion.
- Output has increased by \$2.4 billion since 2019, despite employment lagging prepandemic levels.

Labor Market Dynamics

- Recruitment challenges dropped 13 percentage points from 2023 to 2024.
- Roughly 40% of manufacturers still report hiring issues, down from 60% in 2023.
- Sales concerns are now the top barrier to growth, displacing talent attraction.
- 58% of firms report rising sales; 49% plan expansions.

Wages and Workforce

• Private sector wage growth (2022–2024): less than 1%.

Skilled trades outperform sharply:

- Journeyman electricians: +17%
- Quality inspectors, tool and die makers, painters: +13%

- Tool & Die Maker III roles now average \$35.10/hour.
- Salaried maintenance supervisors saw 10% wage growth, indicating continued demand for technical leadership.

Industry Composition

• Traditional large employers have shed jobs over the decade.

High-growth segments include:

- Printed circuit assembly: +40% since 2016
- Small electrical appliance manufacturing
- Battery production
- Snack and frozen specialty foods
- Growth areas reflect national trends in electronics, electrification, and specialized food manufacturing.

Technology and Productivity

- Regional output rising faster than employment signals strong productivity gains.
- Adoption of automation, robotics, and integrated digital systems is accelerating.
- Firms increasingly prioritize workforce training over broad hiring increases.

Source: The Right Place, Greater Grand Rapids Manufacturing Landscape Report 2025 (including 2024 retention call data, Lightcast labor market analytics, MMTC-West Industry 4.0 Assessment data, and Bureau of Labor Statistics references).

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Michigan heads into the holidays with a steadier labor backdrop. First-time unemployment filings quietly eased to just over 7,200 for the week ending Nov. 29, while job openings climbed to 253,000, a sign demand is still there even as the pace cools. Job security looks better, too: year-to-date job losses sit at 19,336, about 10% lower than this time last year. In West Michigan, manufacturing fundamentals remain solid as output rises through automation and Industry 4.0 investment.

And if the Fed plays Santa, October's quarter-point cut and rising odds of another cut could help ease borrowing costs for 2026 plans. Bright spots are showing up in new categories, too, as Michigan's nonalcoholic beverage boom drives fresh investment and hiring. The main lump of coal is pay: real wages have slipped slightly after inflation. Still, businesses that stay flexible and keep building talent pipelines have reasons to end the year hopeful.

