

# Economic Issues in 2022



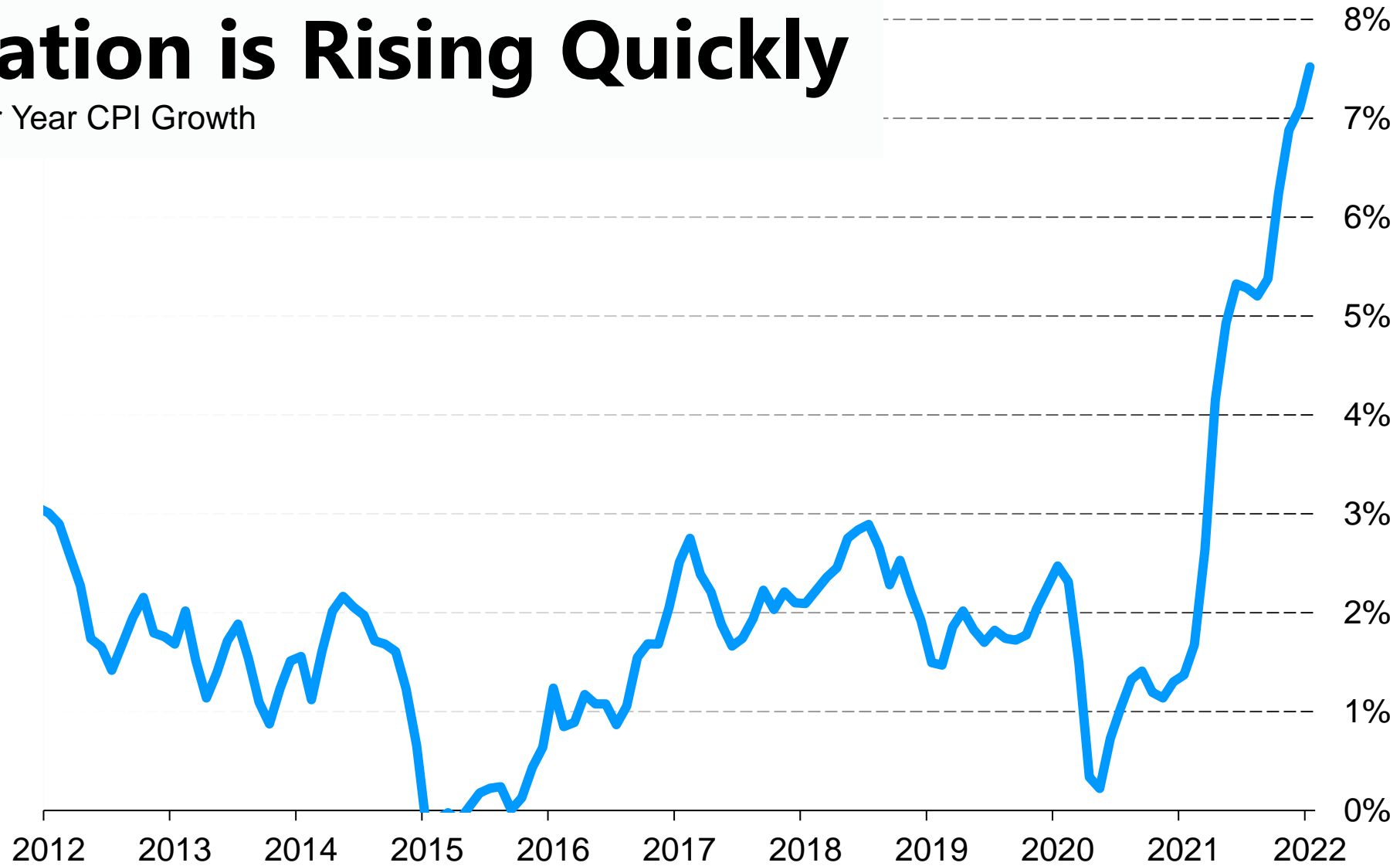
# Topics for Today

Returning to a world of physical limitations

- Inflation
- Labor Supply
- Demographics

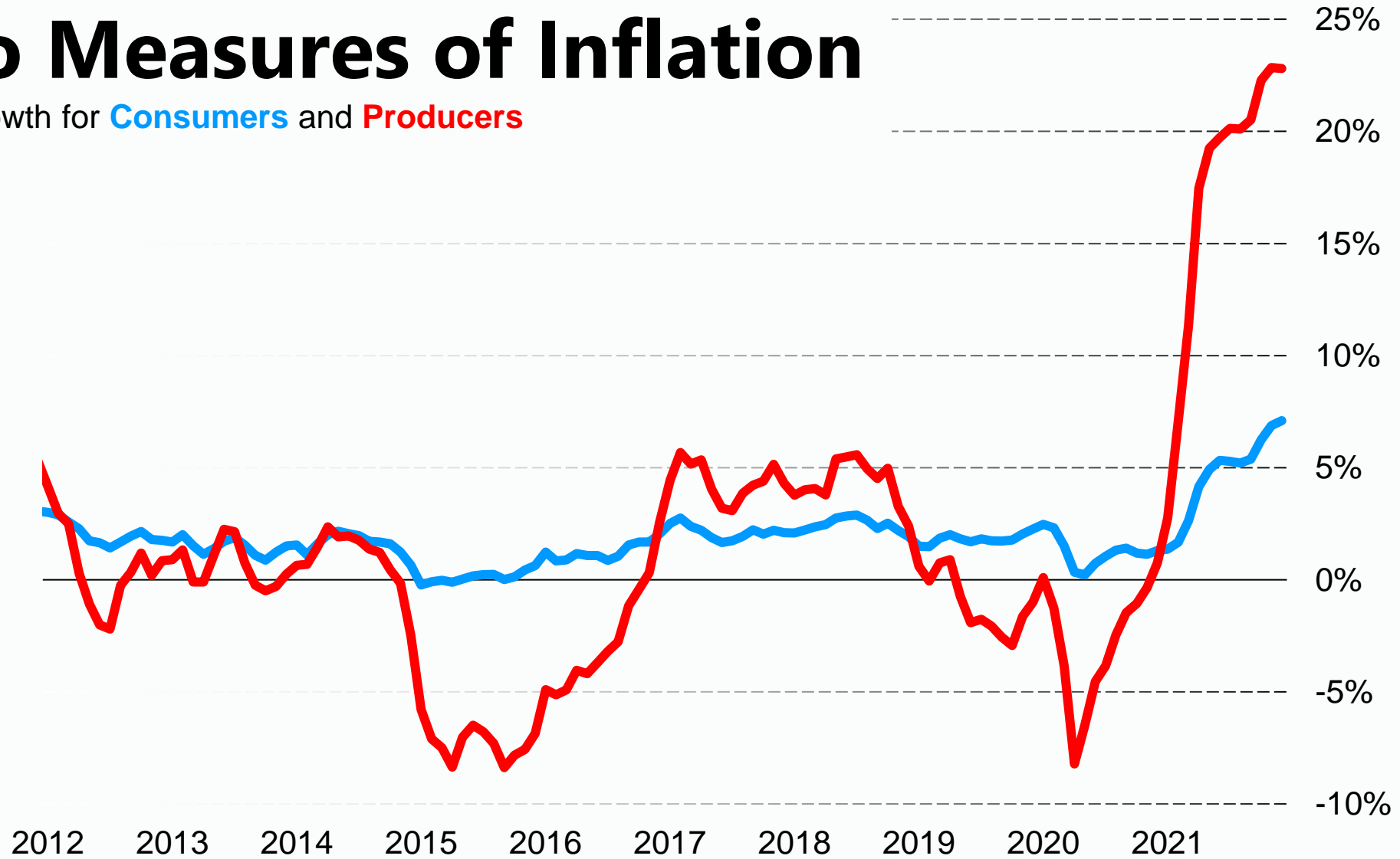
# Inflation is Rising Quickly

Year over Year CPI Growth



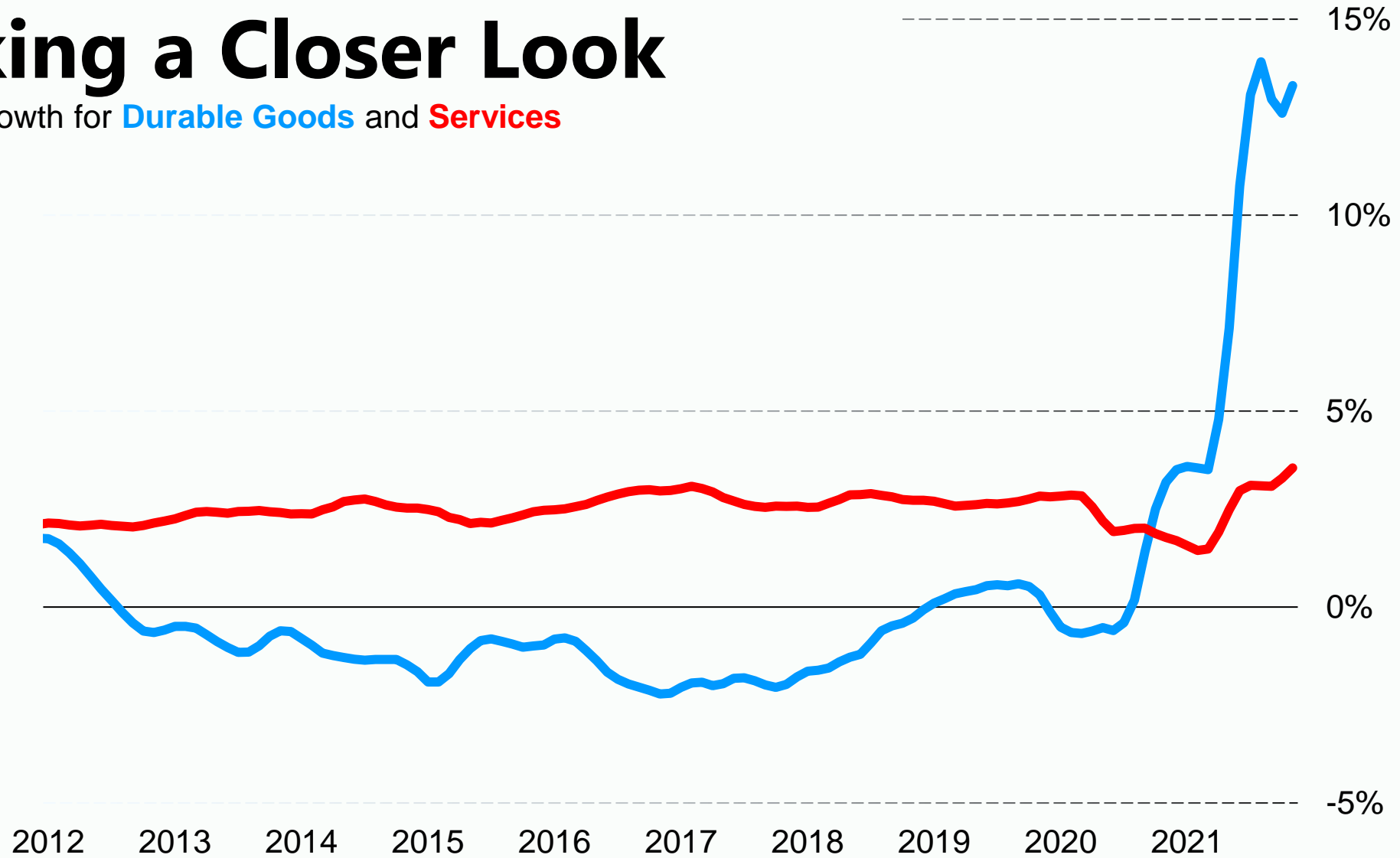
# Two Measures of Inflation

Price Growth for **Consumers** and **Producers**



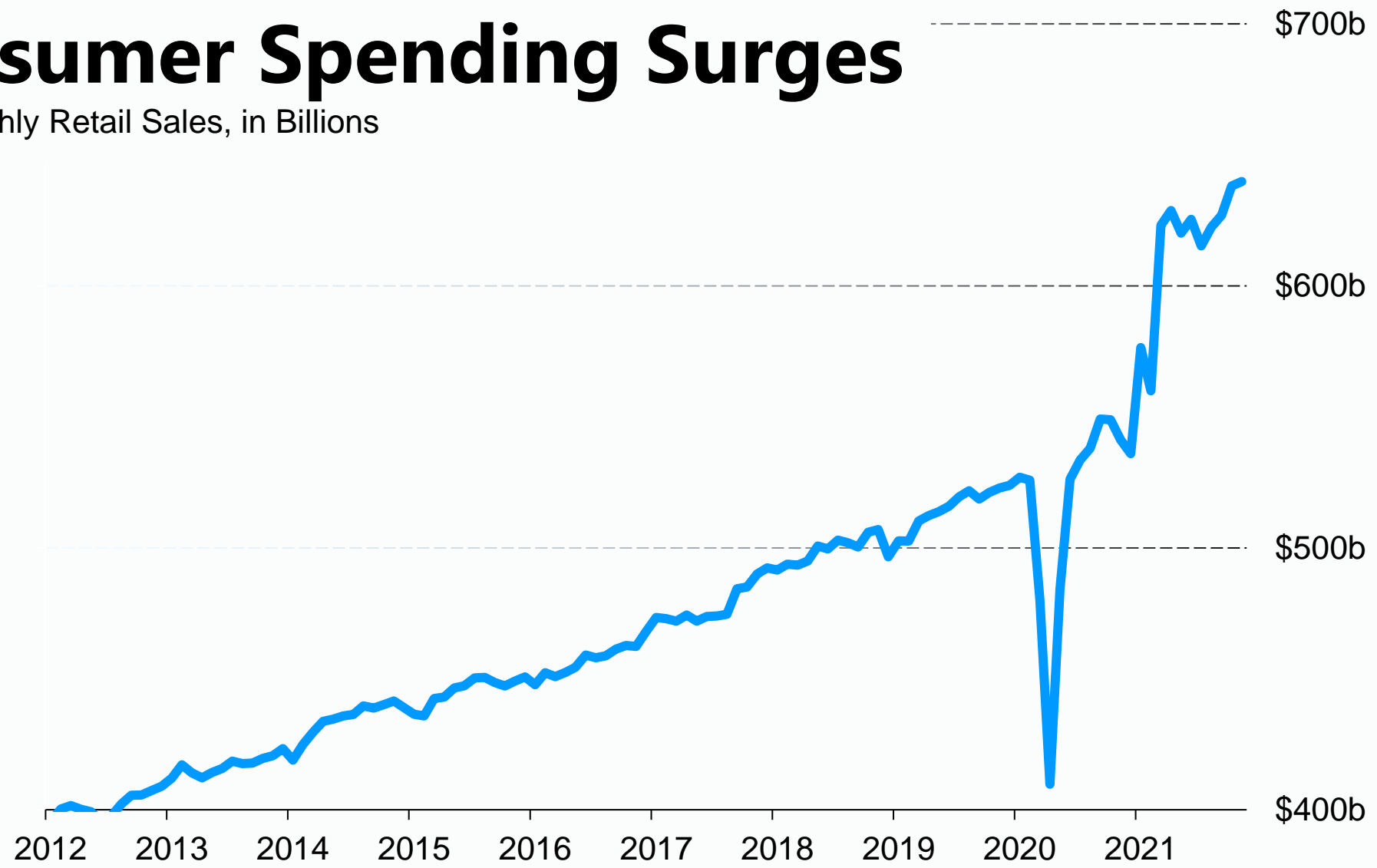
# Taking a Closer Look

Price Growth for **Durable Goods** and **Services**



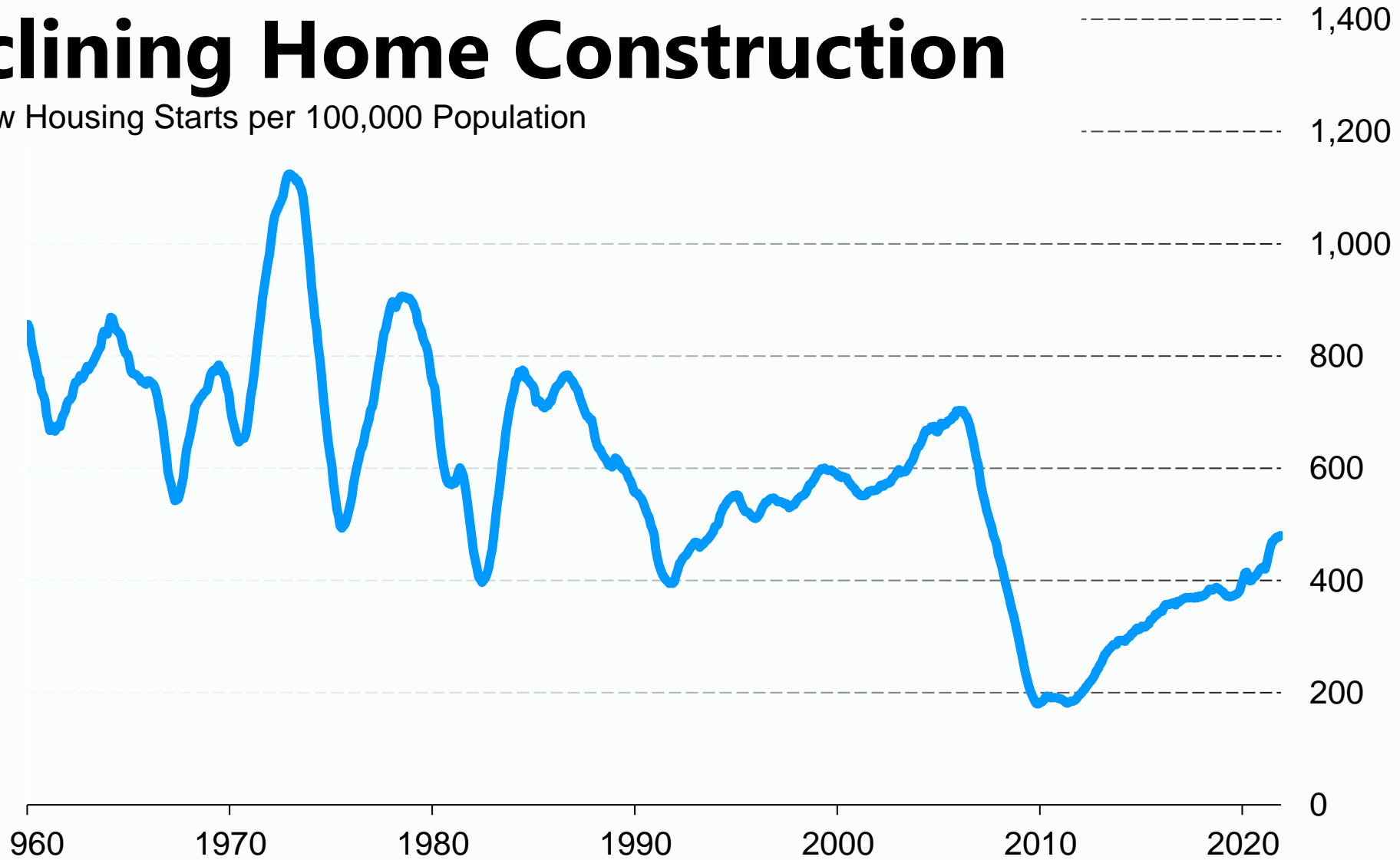
# Consumer Spending Surges

Total Monthly Retail Sales, in Billions



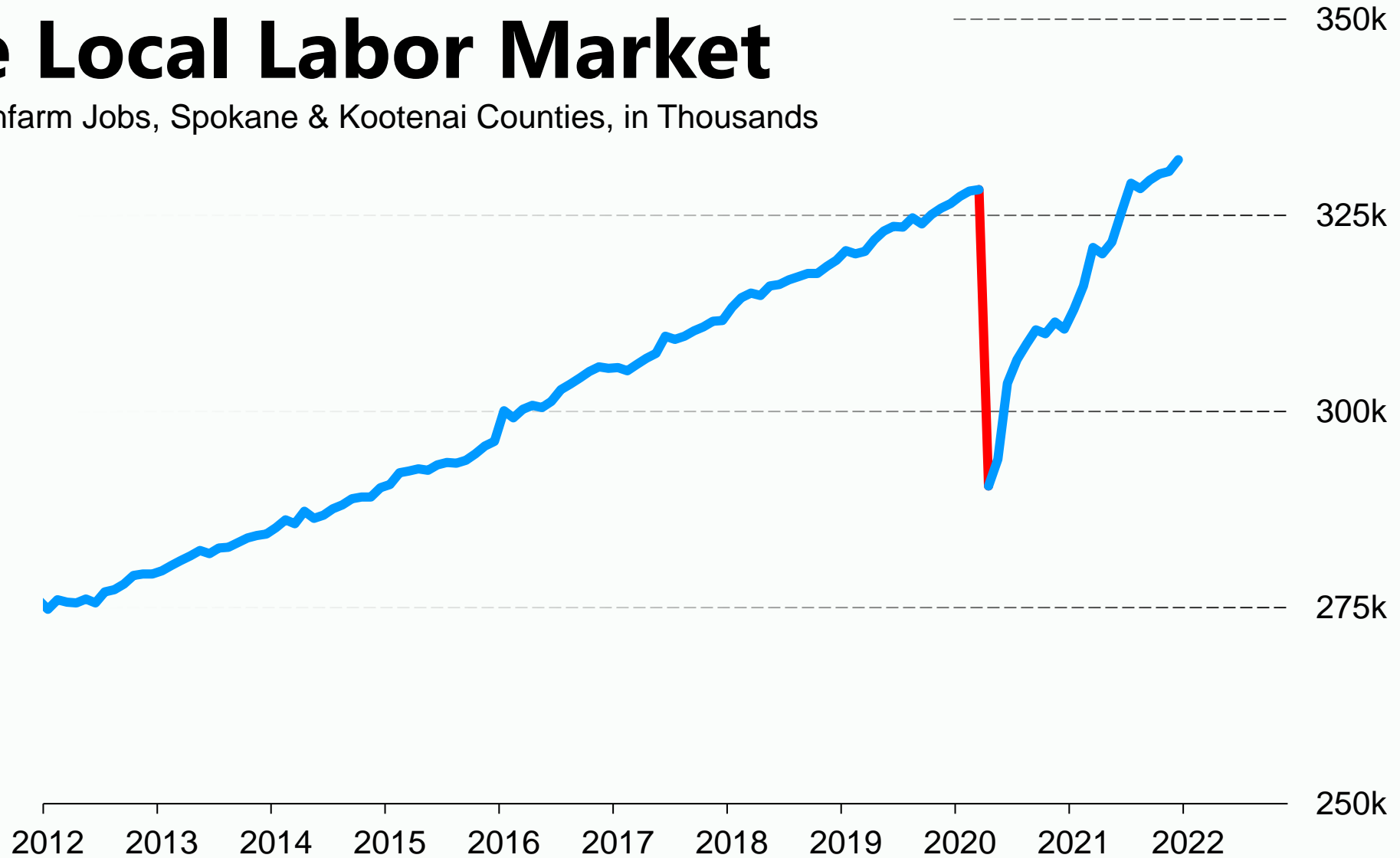
# Declining Home Construction

Total New Housing Starts per 100,000 Population



# The Local Labor Market

Total Nonfarm Jobs, Spokane & Kootenai Counties, in Thousands



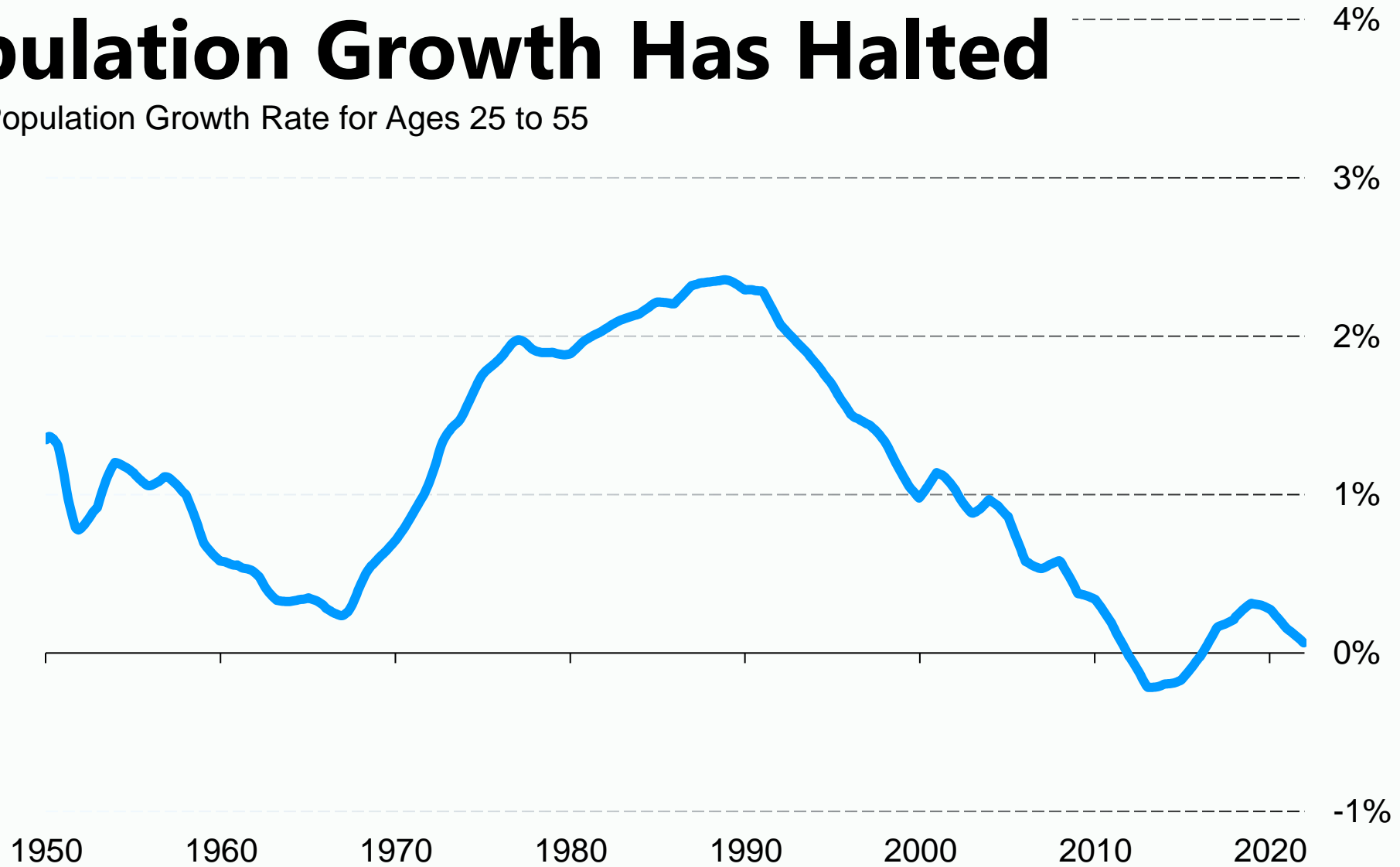


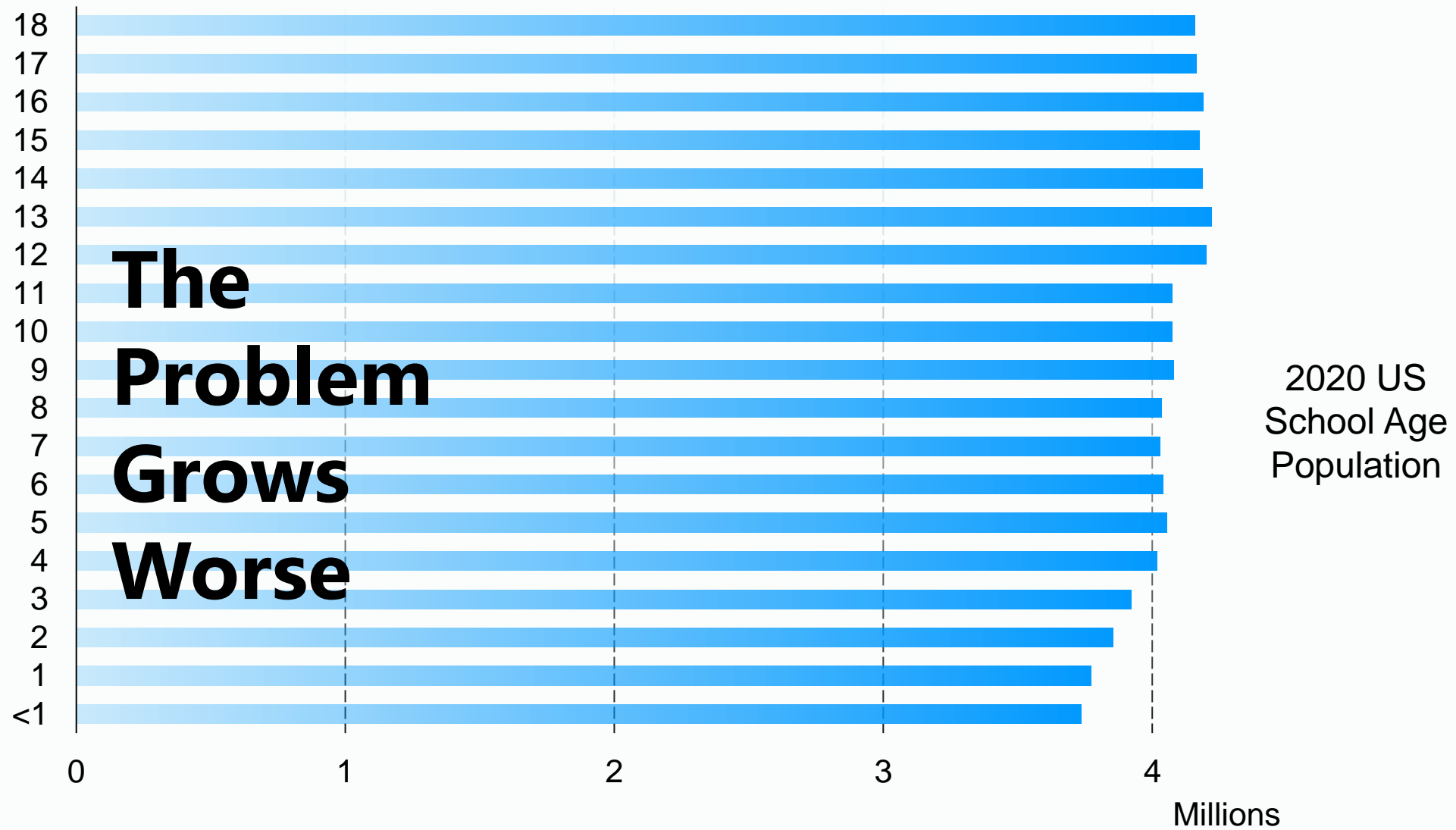
# **What is wrong with our labor supply? Where are all the workers?**

- Skill Level Mismatch
- Very Low Population Growth
- Lots of Retirements
- Disabilities of Despair
- Choosy Job Seekers
- Pseudo-Gig Work

# Population Growth Has Halted

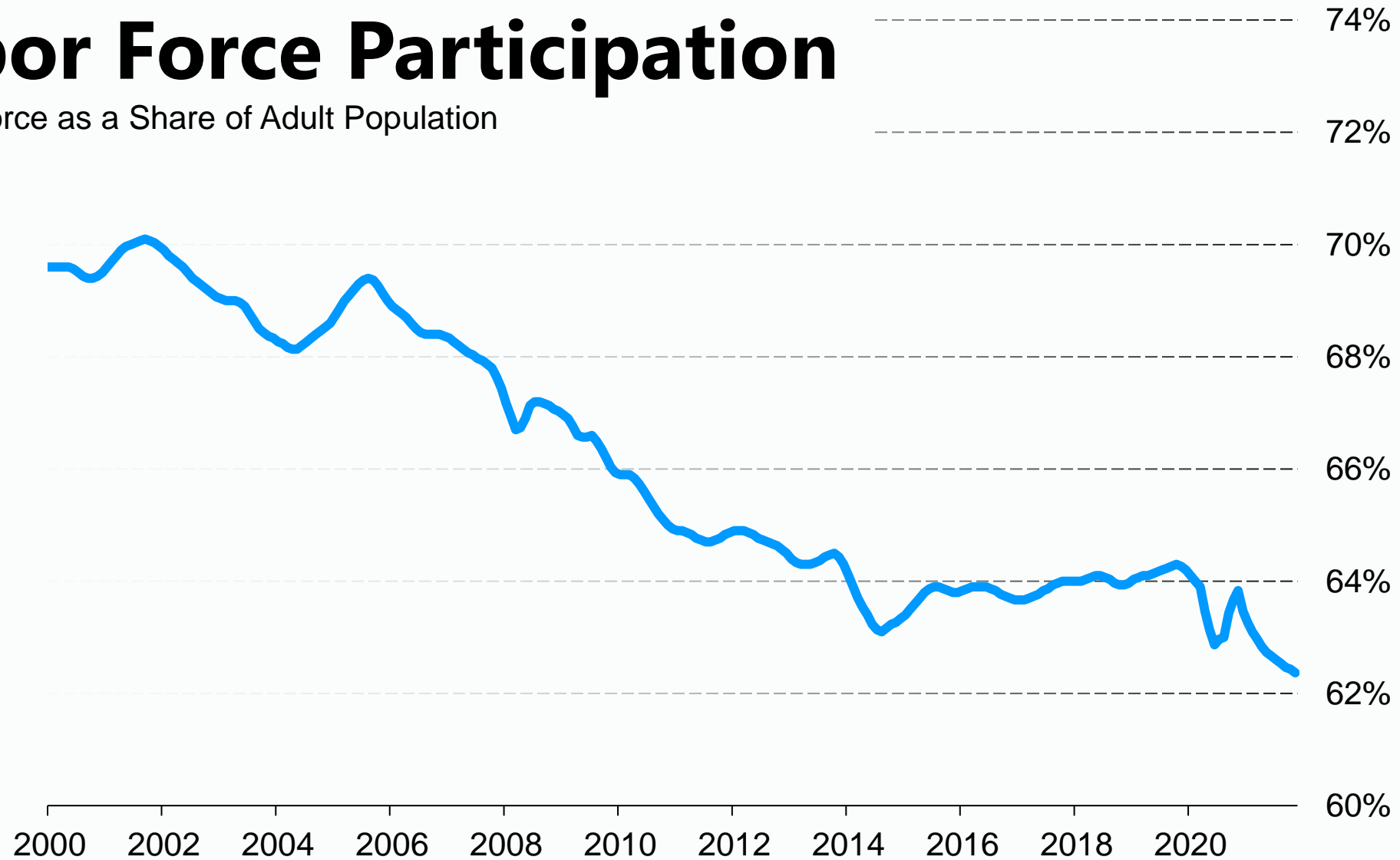
Annual Population Growth Rate for Ages 25 to 55





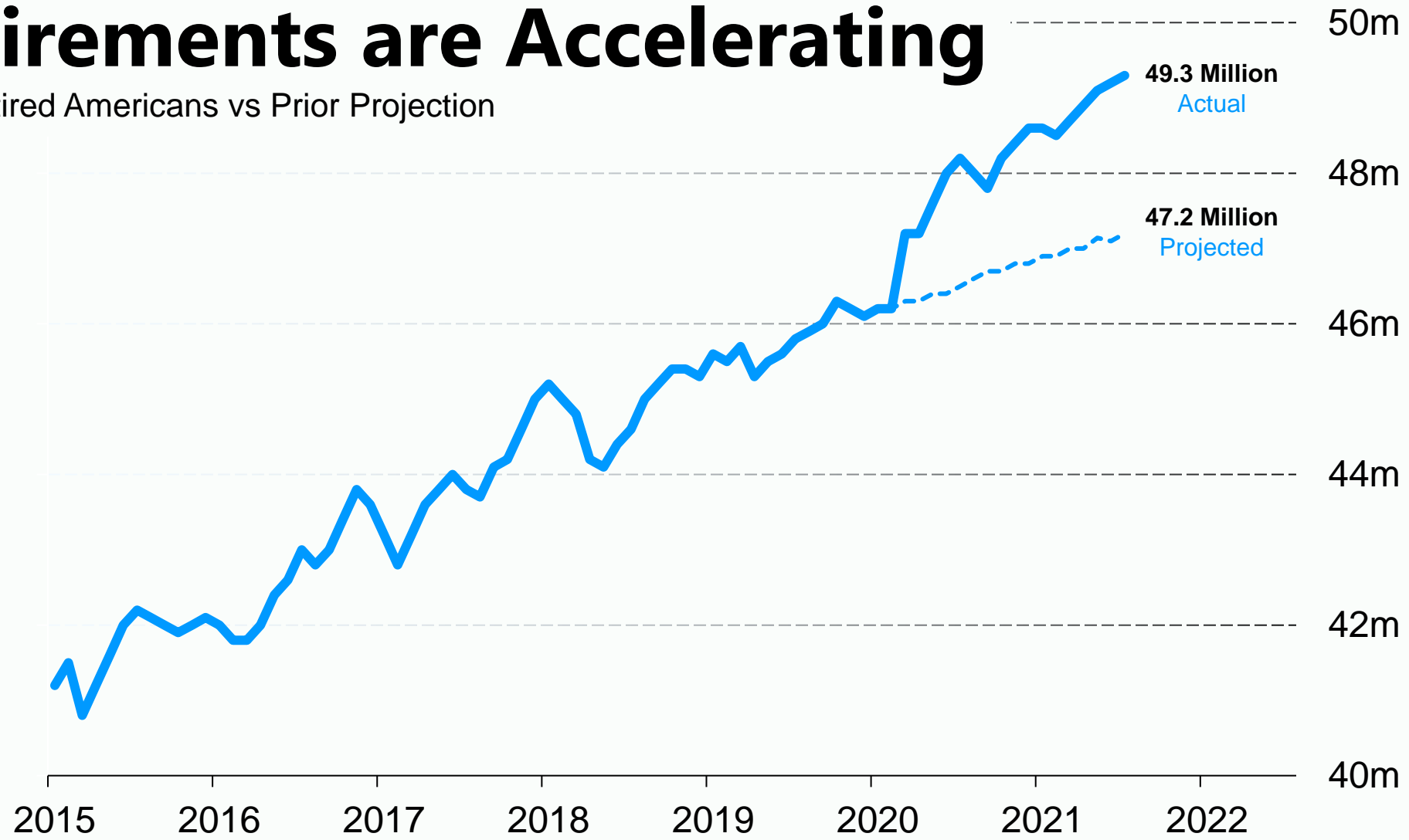
# Labor Force Participation

Labor Force as a Share of Adult Population



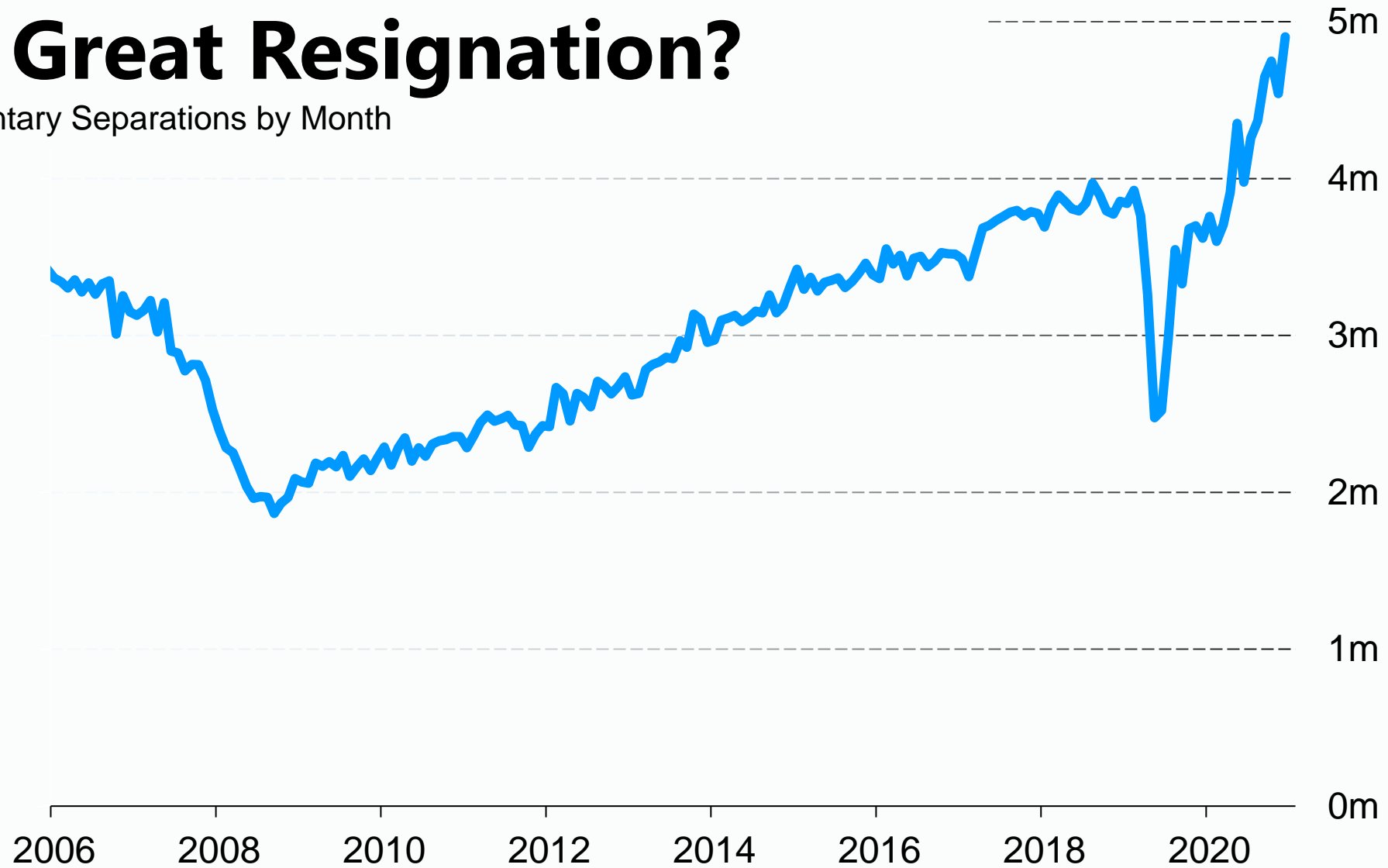
# Retirements are Accelerating

Total Retired Americans vs Prior Projection



# The Great Resignation?

Total Voluntary Separations by Month



# Conclusion

## Key Takeaways

- Upward price pressure is likely to persist – physical limitations endure
- Labor Shortages are likely to be a chronic reality
- Limited policy traction – it is hard to outrun demographics

For more information on Idaho's workforce,  
please visit [LMI.IDAHO.GOV](https://lmi.idaho.gov)

# Questions?

Sam Wolkenhauer

Samuel.Wolkenhauer@labor.idaho.gov

(208) 457-8789 ext. 4451