

# Pueblo Economic & Workforce Development Dashboard

## Highlights—February 2023

Hello! Here you have the data points that stand out to me as most relevant for the February economic dashboard. Remember that the narrative below is also embedded in the attached PDF of the full report, which includes the corresponding tables and graphs. Your report is also hyperlinked at the bottom of each page so you can easily navigate to the section you want.

**Consumer Sentiment {Page 3}** increased to 67.0 in February, up from 64.9 in January. Despite all the economic uncertainty, consumer confidence is up for the third consecutive month and is now 17 points above the low point in June 2022 when gas prices skyrocketed. Wealthier consumers with larger stock holdings had the large increases in sentiment and those (bougie) consumers pulled up the overall sentiment index. As the graph shows, despite the more recent improvements, consumer confidence is still about 20 points below its historic average, and this is due mostly to inflation and uncertainty about the economy. Consumers are also asked about their inflation expectations, which are remarkably prescient if we look historically. In the short term, consumers expect inflation to run at about 4.0%, and in the long term at about 3.0%, which would still be higher than the Fed's target of 2.0%. There is chatter amongst economists that perhaps the "new normal" for inflation will end up closer to 3.0% given the numerous, seemingly embedded root causes of inflation.

Speaking of inflation, **U.S. Job Openings {Page 3}** increased significantly in December to 11.0 million from 10.4 in November (this data lags). This was one of the many recent labor-related metrics that surprised to the upside. You might think this has to do with the holiday season, but this data is seasonally adjusted. Quits, layoffs and discharges changed little. There has been quite a bit in the media about layoffs at larger institutions primarily in the tech and finance industries, but tech, in particular, comprises less than 5% of the total workforce. And in this field as well as others, the December report shows that job openings increased for smaller businesses (<250 employees) but decreased for larger employers (>5,000 employees). Indeed, there are anecdotal reports of employers with tech worker needs who say the headline layoffs have been a boon to them since they have been able to snatch up some of those workers.

Total U.S. nonfarm payroll employment rose by 517,000 in January, and the **U.S. Unemployment Rate {Page 3}** changed little at 3.4%, which is the lowest it's been since 1969, which is as absurd as the hairdo (see photo). This phenomenal job growth was across many industries, although the industries that increased the most were leisure and hospitality, professional and business services, and health care. Leisure and hospitality and health care are both in-person, service-related industries that lost many workers during the pandemic and that have struggled to lure workers back. I talk (probably too much) about the longer-term, structural reasons for our labor shortages, but you can learn more about the magnitude and reasons behind the U.S. workers shortage in a recent [Bloomberg](#) article. I don't think that employment numbers will be this high in coming months because overall I do think the economy and hiring will cool a bit primarily due to the inflationary pressures on employers and the higher cost of financing (e.g., higher interest rates) for both employers and consumers. Also, the January blockbuster hiring did have some one-offs such as the return of government workers from a strike. Please note that the unemployment graph on page 3 shows the not-seasonally adjusted unemployment rates simply because local rates are only published on a not-seasonally adjusted basis. And the most recent data (e.g., January 2023) has not yet been provided by the Colorado Department of Labor and Employment for the state and our region because they are working on revisions.



In terms of the local labor market, your dashboard now includes the **Top 15 Employers {Page 4}** in Pueblo with the corresponding number of postings and median advertised salary. The employers reflect mostly the health care industry, education and social assistance, government, manufacturing (Evraz), and (infrastructure) construction. These do represent the highest need industries across the U.S. and the ongoing labor shortages. Speaking of labor shortages, if you are an NPR/CPR person, you can hear an interview I did with them regarding the tight labor market, which will air this Wednesday, March 1<sup>st</sup> on Colorado Matters at 9 a.m. and 7 p.m. as well as Sunday at 10 a.m.

The **Consumer Price Index {Page 3}** also edged up in January, much to the chagrin of the Federal Reserve. I'll admit I've been on the fence regarding the pace at which inflation will abate. This recent inflation report makes me lean towards the inflation-is-going-to-come-down slowly camp, which is in line with historic inflationary trends. In a recent [segment](#), I address the declining population in China and how that will impact inflation in the medium and longer term. It's all connected, isn't it?

Specifically, CPI rose 0.5% in January on a seasonally adjusted basis, after increasing 0.1% in December, which is in the opposite direction the Fed was hoping for. Over the last 12 months, CPI has increased 6.4% before seasonal adjustment. The index for shelter accounted for about half of the monthly increase, although the indexes for food, gasoline, and natural gas also contributed. The food index increased 0.5% over the month with the food at home index rising 0.4%. The energy index increased 2.0% over the month as all major energy component indexes rose over the month. As an aside, my husband and I were visiting our son at college in southern California over the weekend and I sent a message to the other four kids after buying him groceries. I told them we spent all their inheritance stocking up their brother's fridge and buying gasoline for the rental, so sorry.

[Page 3 - Macroeconomic "Big Picture"](#)

[Page 4 - Local Labor Market](#)

[Page 5 - Local Info by Zip Code](#)



[Page 6 - Demographics](#)

[Page 7 - Real Estate](#)

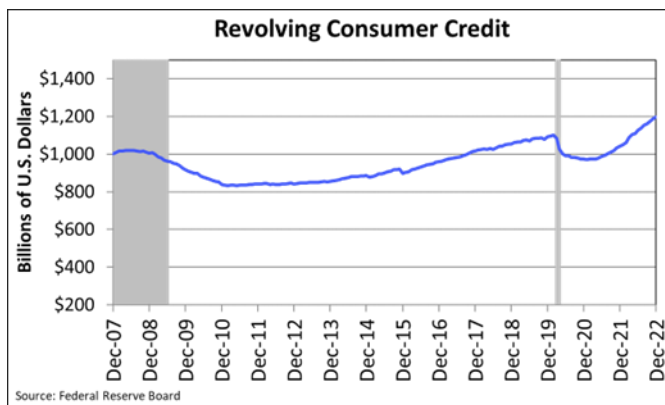
[Page 8 - Taxation, Vehicle Sales & Tourism](#)

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# Pueblo Economic & Workforce Development Dashboard

So, what does a still-hot labor market and stinging inflation equate to? More interest rate hikes and probably through the remainder of the year. If indeed current trends hold the Federal Reserve will need to be more aggressive to tamp down on the current 6.4% inflation rate. And even when jobs numbers moderate and if inflation rates slowly start coming down, the sheer magnitude of labor shortages and price increases over the past 2.5 years means that the Fed will have to keep an aggressive stance in terms of higher interest rates. Most economists are calling for two more 25 basis points (0.25%) increases in **Interest Rates {Page 3}** to cool the consumer's appetite for buying (which fuels inflation). There is even some chatter about a possible 50 basis point increase for the March Fed meeting. Another interesting data point feeding this narrative was the just-released U.S. new home sales, which leapt 7.2% in January – also unexpectedly. Existing U.S. home sales were, by contrast, weak, and I believe that it's because residential construction companies are offering incentives such as mortgage buydowns where the builder pays the difference between the higher and lower interest rate for a fixed amount of time. By contrast, existing homeowners are traditionally reticent to accept lower prices for their homes.

Aside from higher interest rates, another fallout from higher prices is eroding income levels. Despite the increases in wages over the past three years, "real," or inflation-adjusted wages have fallen. Real hourly earnings are down 1.8% comparing January 2022 to January 2023. It's interesting to me that real average hourly earnings have declined and yet consumers are still spending. The savings rate is also below pre-pandemic levels (down from 9.1% to 4.7%) but did hit a low of 2.7% last June when gas prices spiked. Consumers are borrowing more particularly on credit cards (see graph). Delinquency rates are also edging up although not at alarming rates thus far.



Eroding earnings and more credit card use is also reflected in the regional **Living Wages {Page 4}**. The updates from MIT incorporate that the Colorado minimum wage went up in January to \$13.65 per hour (\$28,392 annualized) from \$12.32 per hour (\$25,626 annualized) in 2022, an increase of 10.8%.

But if we look at the various household size categories, the annualized increases ranged from roughly 10% to 14%. As an example, the living wage in 2021-22 in Pueblo for a household with two working adults and two children was \$47,362 for each working adult. This year, the living wage for that same household is now \$52,000 for each working adult. That's quite a bit more than the annualized minimum wage (\$28,392) and Colorado has a much higher minimum than federal standards (\$15,080 annualized). The table is in your dashboard, but for quick reference, I'm showing it on this page.

2022-23 Minimum Wage & Living Wage Pueblo County		
	Wage/Hr	Annualized
Minimum wage salary for full-time worker	\$13.65	\$28,392
Living wage: HHs with 1 adult, 2 children	\$45.38	\$94,390
Living wage: HHs with 2 adults (1 working), 2 children	\$39.18	\$81,494
Living wage: HHs with 2 adults* (2 working), 2 children	\$25.00	\$52,000

\*Living wage is for each working adult. For specifics, go to [livingwage.mit.edu](http://livingwage.mit.edu).

Despite higher interest rates, **Pueblo Median Home Prices {Page 7}** for new and existing homes were up in January to \$290,997 compared to December (\$281,500). Median prices are slightly higher now than they were a year ago (up 0.3%), which does indicate the moderation in home prices overall, although it's important to remember that regional median prices are up 49.2% compared to three years ago. Days on market increased to 90 in January of this year (versus 78 in December). Prices are not consistently falling like many people thought they would with the increase in interest rates for three primary reasons. One, many residential construction companies are providing incentives like the mortgage buydowns I mentioned above among other tactics. Two, it will take many years for the nationwide shortfall of homes (estimated to be ~6.5m homes) to be built and until there is equilibrium between supply and demand, excess demand will keep prices elevated. Three, regions that have even modest levels of economic growth will have concomitant population growth and that too will create more demand than supply. The low levels of **New Residential Permits {Page 7}** are not going to help this at least in the short term.

If we look at local **Sales Tax {Page 8}**, January receipts (\$8.1m) were up from December levels (\$6.5m). Receipts typically reflect sales from the previous month so the bump up in January likely reflects some increased holiday spending. If we compare January 2023 to January 2022, sales tax receipts are lower (-3.3%). Similarly, **Pueblo City Lodger's Tax {Page 8}** receipts are down 10.9% year-over-year. Lastly, the **Economic Development Tax {Page 8}** revenues were up 4.0% in 2022 (\$12.2m) compared to 2021 (\$11.7m).

That's it for now. I hope you have an amazing week and great month of March!

Tatiana ([tbailey@ddestrategies.org](mailto:tbailey@ddestrategies.org)) & Rebecca ([rwilder@ddestrategies.org](mailto:rwilder@ddestrategies.org))

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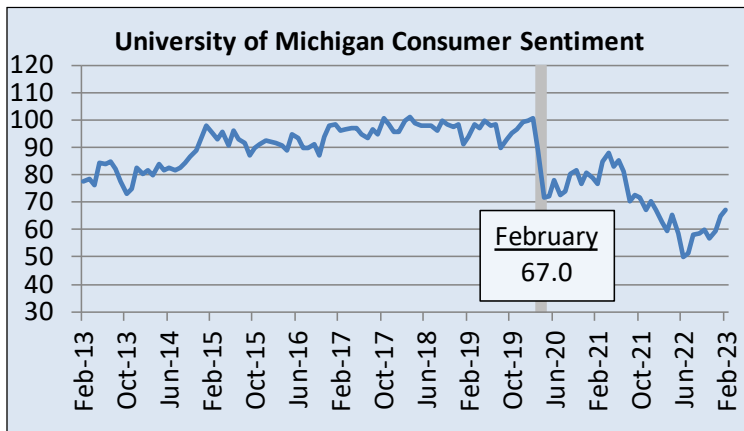
## MACROECONOMIC "BIG PICTURE" (PAGE 3)



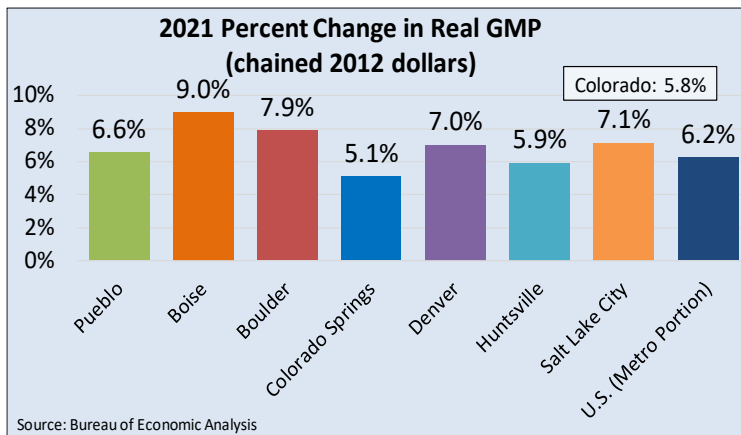
\*Estimate of real GDP percent change from same quarter a year ago, SA

\*\*If quarterly changes were annualized over the year.

Source: U.S. Bureau of Economic Analysis



Source: University of Michigan

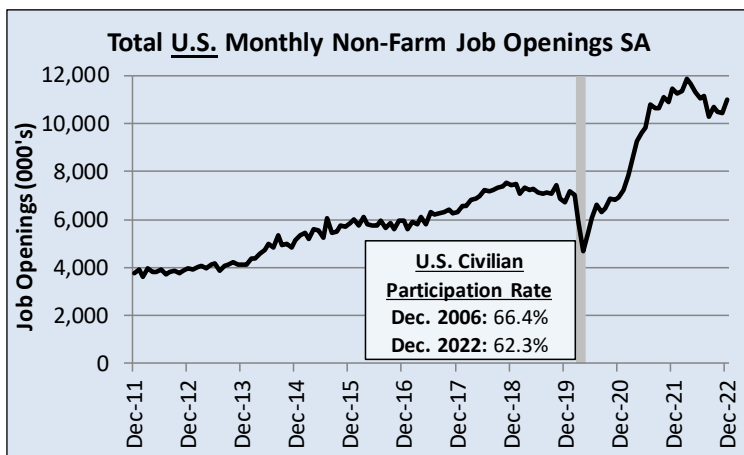


Source: Bureau of Economic Analysis

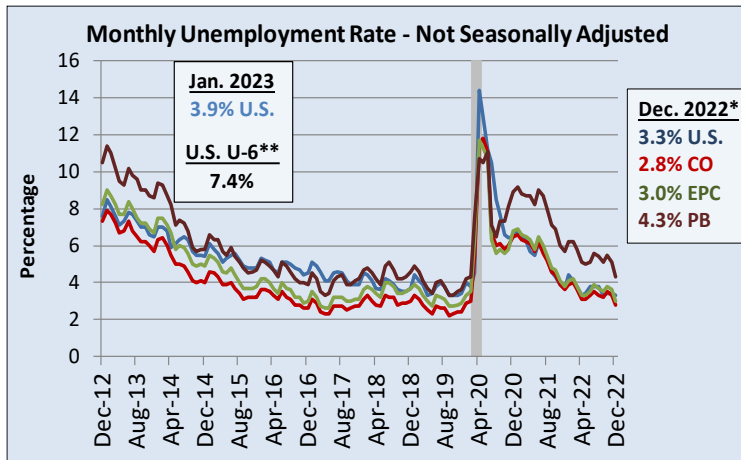
Note: Data includes military. Real GMP is adjusted for regional price parity (RPP).

This regional data lags ~23 months.

Source: U.S. Bureau of Economic Analysis



Source: U.S. Bureau of Labor Statistics; Job openings data lags.



Note: Data not seasonally adjusted (NSA) to enable comparisons with counties. Regional data lags, so previous month U.S. rates are shown for comparison with state and county latest data available.

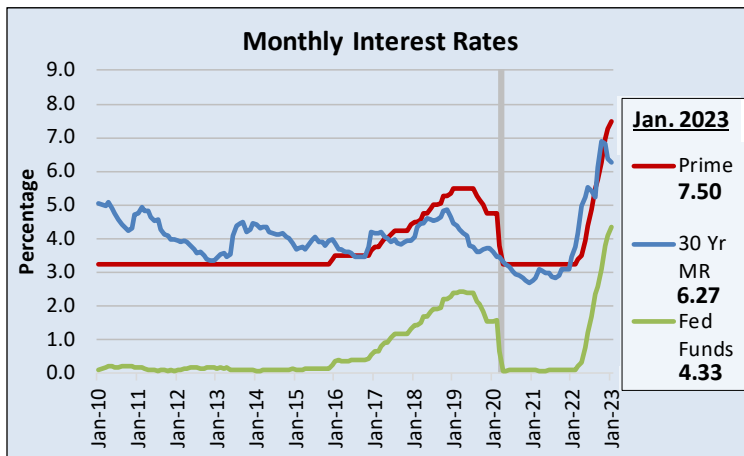
\*U-6 includes unemployed, those marginally attached to the labor force, plus those employed part time who would prefer full-time work.

Sources: U.S. Bureau of Labor Statistics; CO Dept. of Labor & Employment

U.S. Consumer Price Index - January 2023		
	All items	Less food & energy
<b>Change from December 2022 to January 2023 (SA)</b>	0.5%	0.4%
<b>Last 12-months (NSA)</b>	6.4%	5.6%

The 2022 Q3 cost of living in Pueblo MSA was 96.3% of the U.S. average according to C2ER. Colorado Springs's index was 105.1% of U.S.

Source: U.S. Bureau of Labor Statistics; all urban consumers (CPI-U)



Source: Board of Governors of the Federal Reserve System

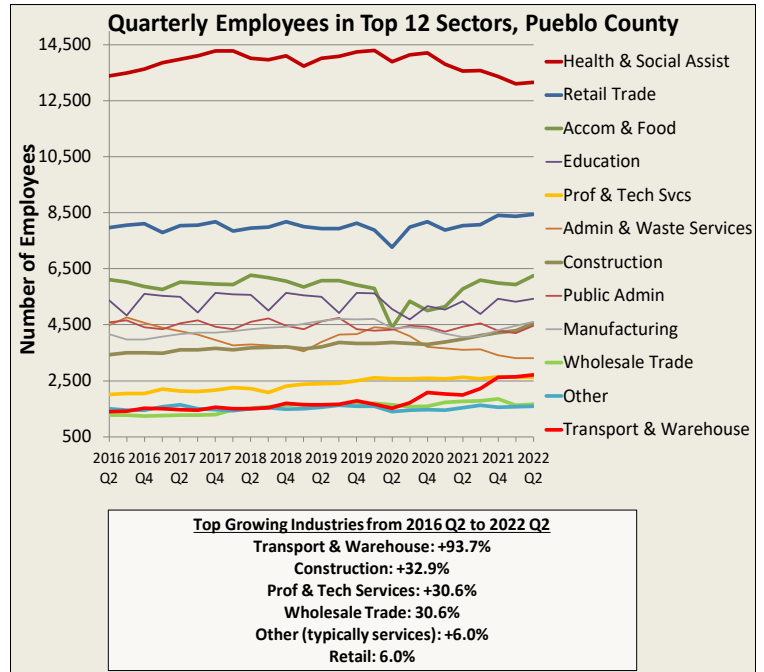
# Pueblo Economic & Workforce Development Dashboard

## LOCAL LABOR MARKET (PAGE 4)

January 2023			
Top Job Titles (Pueblo MSA)	# of Job Postings (Pueblo)	Median Advertised Salary (Pueblo)	Risk of Automation (U.S.)
Registered Nurses	390	\$94,464	Low Risk
1st-Line Supervisors, Retail Sales	94	\$39,552	Low Risk
Retail Salespersons	90	\$30,848	Medium Risk
Maintenance & Repair Workers	82	\$44,416	High Risk
Food Service Managers	74	\$47,360	High Risk
Customer Service Reps	71	\$31,104	Medium Risk
Fast Food & Counter Workers	70	\$29,696	High Risk
Nursing Assistants	53	\$42,624	Medium Risk
Medical & Health Services Managers	51	\$81,664	Low Risk
Sales Reps, Wholesale & Mfg	49	\$45,952	Medium Risk

**Pueblo MSA, December 2022\***  
**TOTAL Job Openings: 3,913**  
**TOTAL Unemployed: 3,353**  
**Workers Available per Job Opening: 0.86**

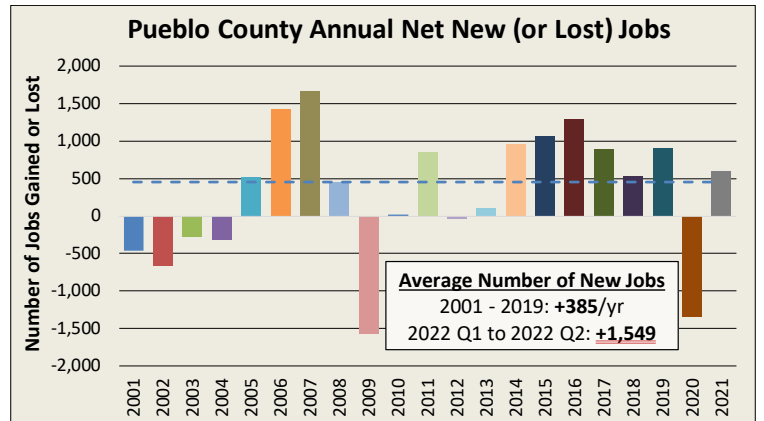
\*Some months may lag for this ratio due to timing of data releases for number of unemployed from the CDLE.  
 Sources: The Conference Board®-Lightcast® Help Wanted OnLine® via Pikes Peak Workforce Center; CO Dept. of Labor & Employment



QCEW data lags up to three quarters and includes public and private employment.  
 Source: CO Dept. of Labor & Employment, Quarterly Census of Employment and Wages (QCEW)

Top Employers - Pueblo MSA in January 2023		
Name of Employer	# of Job Postings	Median Advertised Salary
Parkview Medical Center	217	\$79,616
Pueblo City Schools District 60	69	\$64,000
Parkview Health System	64	\$50,560
Pueblo County School District 70	62	\$57,984
Centura Health	51	\$82,688
Evrax Rocky Mountain Steel	50	\$60,416
Colorado State University	49	\$53,248
Colorado State Government	48	\$56,960
TotalMed	45	\$218,624
City of Pueblo	40	\$61,568
Pueblo County Courthouse	37	\$61,440
Mastec North America	33	\$62,208
Life Care	30	\$57,216
Health Solutions Us	30	\$56,576
Crossroads Turning Points	26	\$41,600

Source: The Conference Board®-Lightcast® Help Wanted OnLine® via Pikes Peak Workforce Center



The dashed line represents the number of new jobs needed (455) based on population growth and age composition from 2020—2025. This QCEW data lags up to three quarters and includes public and private employment.  
 Source: CO Dept. of Labor & Employment, Quarterly Census of Employment and Wages (QCEW)

**Pueblo MSA and Pueblo County are one and the same.**

2022 Q2 Average Annual Wages for All Industries			
<i>Pueblo wages are 24.9% lower than the U.S.</i>			
<i>28.6% lower than Colorado</i>			
<i>15.3% lower than El Paso County</i>			
U.S.	Colorado	El Paso County	Pueblo County
\$67,288	\$70,772	\$59,696	<b>\$50,544</b>
<b>2022 Q2 Total Employment</b>			<b>63,540</b>
<b>2022 Q2 Total # Establishments</b>			<b>3,880</b>

2021 Federal Poverty Level (FPL)		
	Pueblo County	U.S.
% people at FPL or below	<b>16.3%</b>	12.8%
<i>Note: FPL in 2021 was \$12,880 for an individual and \$26,500 for a family of four.</i>		

Note: QCEW data lags by up to three quarters and includes public and private employment.  
 Sources: U.S. Bureau of Labor Statistics and Colorado Department of Labor and Employment, QCEW; Local military installations; U.S. Census Bureau, American Community Survey 1-year estimates; U.S. Department of Health & Human Services; MIT Living Wage Calculator

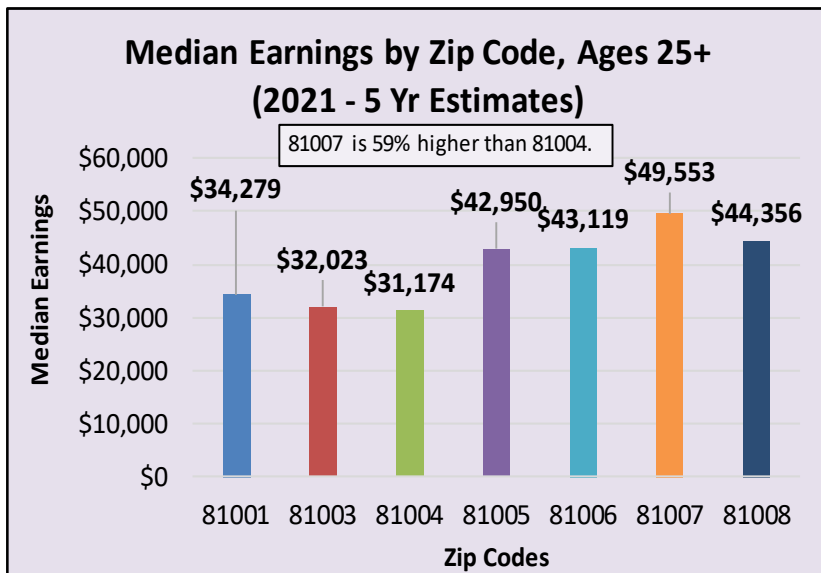
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<i>*Living wage is for each working adult. For specifics, go to livingwage.mit.edu.</i>		

## LOCAL INFORMATION BY ZIP CODE (PAGE 5)

Pueblo Percentage with HS Diploma by Zip Code, 2021 - 5 Year Estimates							
Zip Code	White Alone	Black Alone	Amer Ind/ Native Alaskan	Asian Alone	Other Race Alone	Two or More Races	Hispanic/ Latino Origin
81001	90.5%	97.7%	71.1%	91.1%	72.3%	89.7%	81.0%
81003	82.8%	58.2%	87.9%	79.5%	86.0%	85.3%	79.8%
81004	90.7%	87.6%	80.5%	92.2%	78.4%	85.2%	84.2%
81005	95.1%	95.1%	76.2%	100.0%	78.9%	96.8%	88.9%
81006	93.7%	100.0%	67.9%	100.0%	88.5%	93.6%	89.6%
81007	93.1%	98.4%	86.4%	96.1%	81.1%	97.1%	89.7%
81008	92.1%	100.0%	55.4%	72.0%	96.0%	84.6%	85.5%

Pueblo Percentage with Bachelor's Degree by Zip Code, 2021 - 5 Year Estimates							
Zip Code	White Alone	Black Alone	Amer Ind/ Native Alaskan	Asian Alone	Other Race Alone	Two or More Races	Hispanic/ Latino Origin
81001	20.1%	37.8%	1.0%	47.4%	3.8%	23.6%	10.4%
81003	15.9%	21.9%	11.6%	47.0%	20.5%	23.0%	15.1%
81004	22.1%	12.0%	2.4%	34.8%	8.8%	14.2%	11.8%
81005	26.0%	47.6%	4.0%	42.8%	7.9%	38.6%	16.5%
81006	26.3%	36.1%	1.9%	100.0%	8.5%	15.1%	16.2%
81007	29.1%	19.8%	18.9%	57.8%	18.6%	43.8%	18.9%
81008	30.8%	54.4%	14.5%	59.3%	23.5%	26.6%	20.7%

Note: Native Hawaiian and Other Pacific Islander category excluded due to extremely high margins of error (sample size too small). Margin of error can be larger for smaller populations. Five-year estimates are more accurate due to small sample size in many zip codes.  
Source: U.S. Census Bureau, American Community Survey 5-year estimates



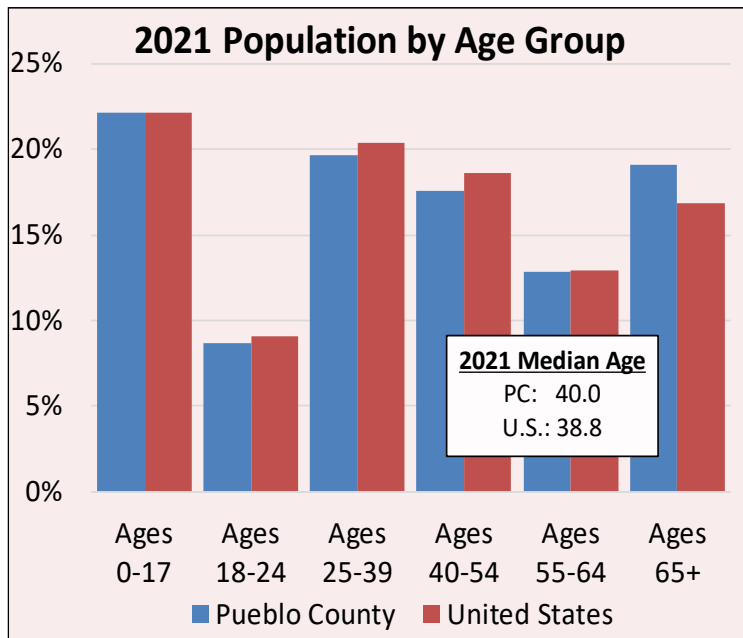
Five-year estimates are more accurate due to small sample size in many zip codes. Data for 5-year estimates lags, so 2021 should be released in December 2022.

Source: U.S. Census Bureau, American Community Survey 5-year estimates

Median Earnings 2021 (All Ages Full-Time)	
U.S.	Pueblo County
\$53,888	\$50,970

Source: U.S. Census Bureau, American Community Survey 1-year estimates

## DEMOGRAPHICS (PAGE 6)

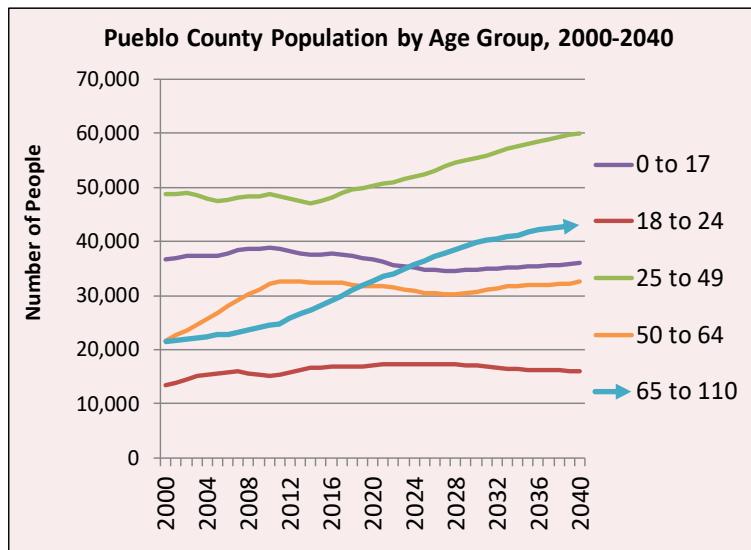


Sources: U.S. Census Bureau, Population Division, Population Estimates Program; American Community Survey 1-year estimates

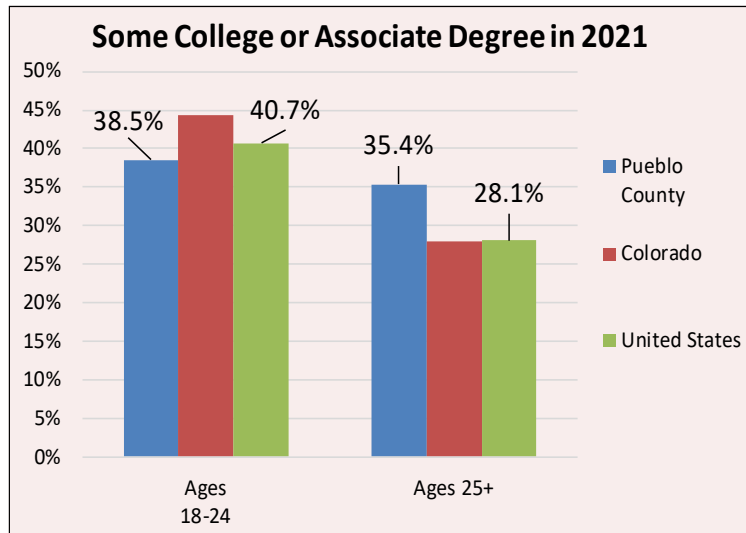
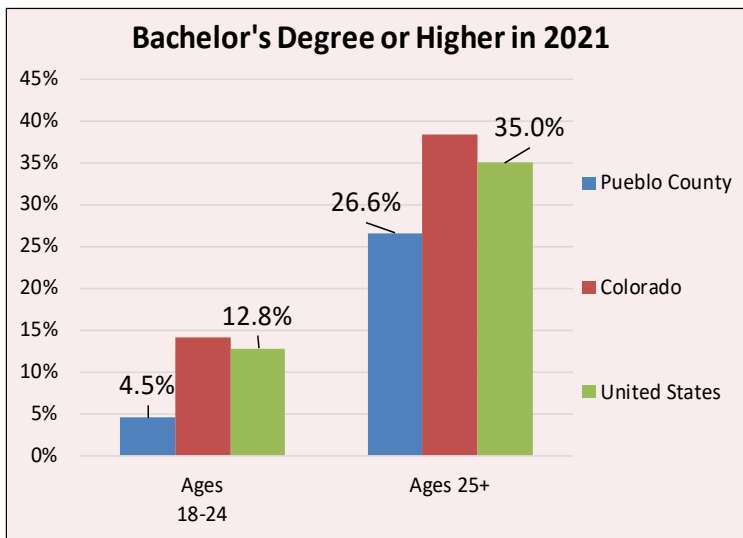
### Population Estimates

Region & (Growth Rate)	2021	2050
Pueblo County (14%)	169,504	192,621
Colorado (29%)	5,814,707	7,486,286

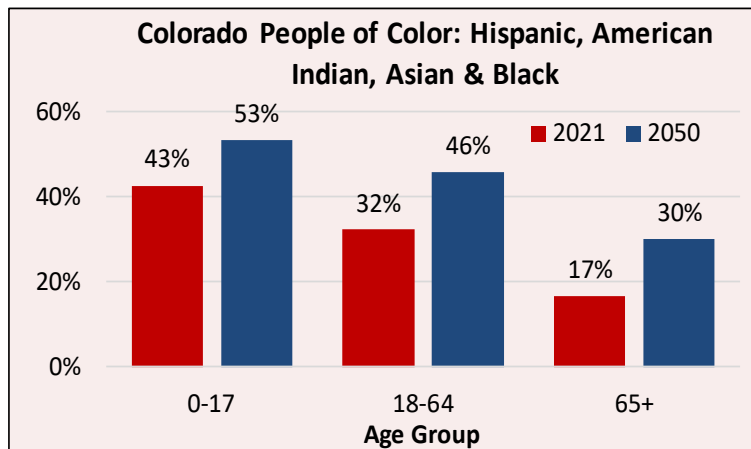
Source: Colorado State Demography Office



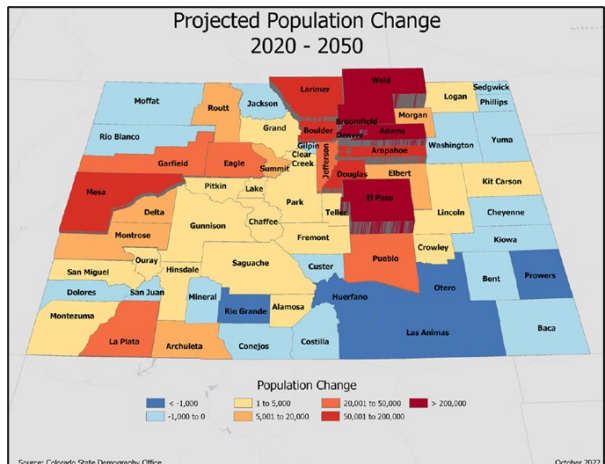
Source: Colorado State Demography Office



Source: U.S. Census Bureau, American Community Survey 1-year estimates

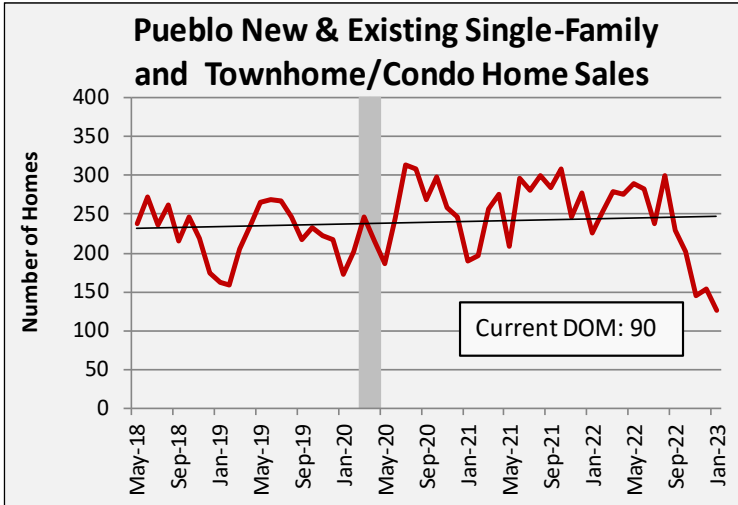


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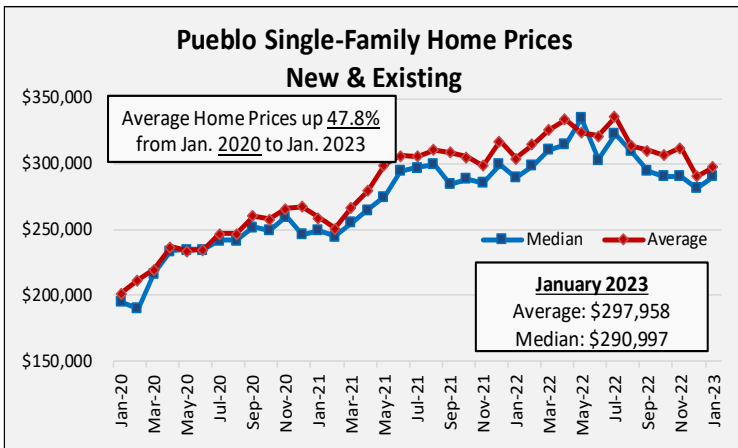


Source: Colorado State Demography Office

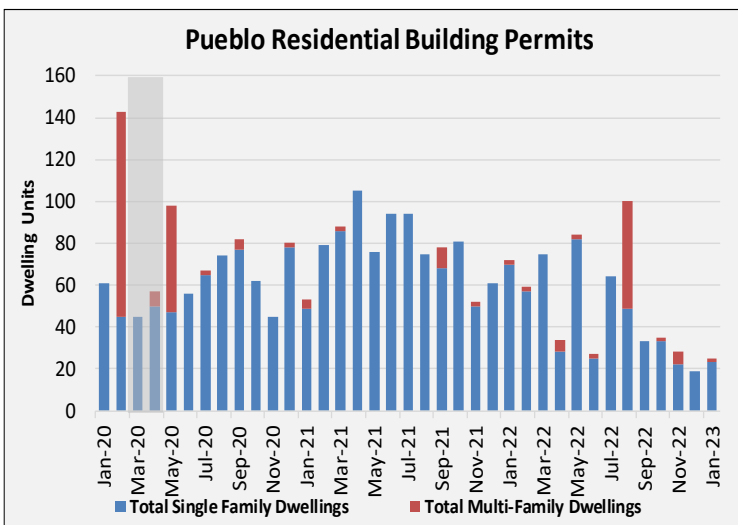
## REAL ESTATE (PAGE 7)



Source: Pueblo Association of REALTORS®, Inc. (PAR)



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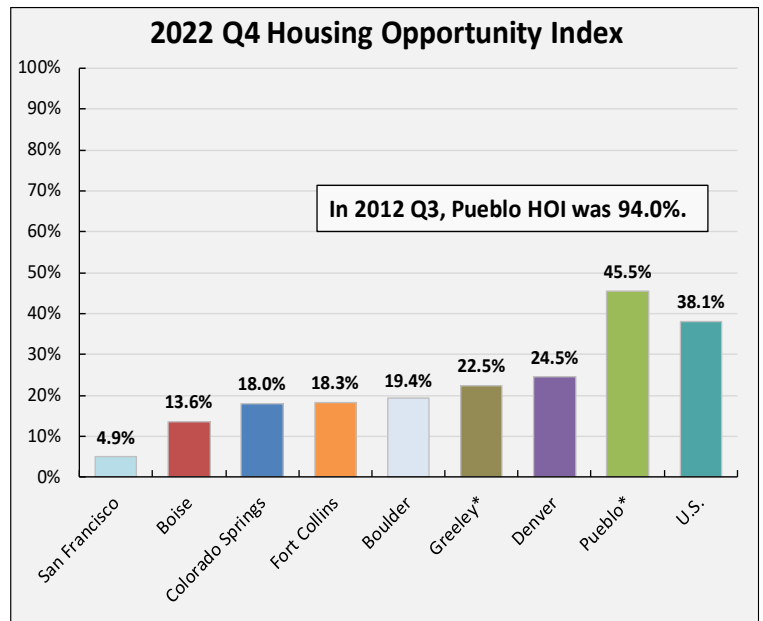


Sources: Pueblo Regional Building Department; City of Pueblo

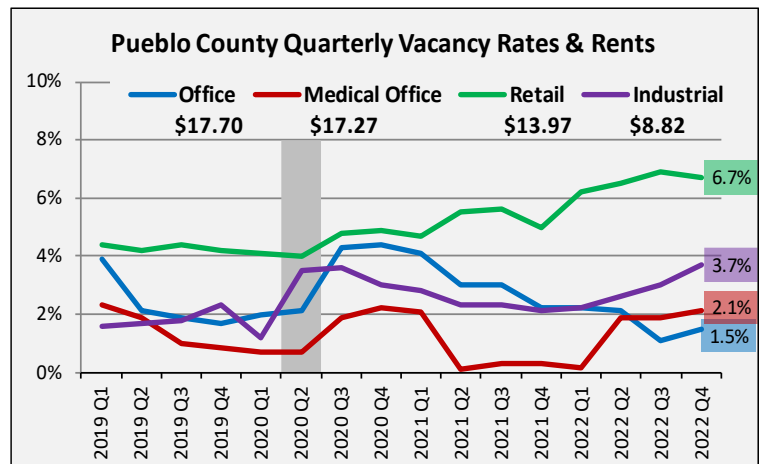
### Median Existing Single-Family\* Home Price 2022 Q4 (CS, Denver, U.S.) and Jan. (Pueblo)

Location	Colorado Springs	Denver	Jan. 2023 Pueblo (*New & Existing)	United States
Price	\$443,400	\$640,000	\$290,997	\$378,700
1-year % Change	0.2% increase	3.6% increase	0.3% increase	4.0% increase
MSA Rank	35	13	101	n/a

\*Includes existing homes only except for Pueblo, which includes new & existing since PAR only reports both (combined). Pueblo ranking is estimated based on similar MSA city ranking and price is for most recent month. 190 MSAs measured. Sources: National Association of REALTORS®; Pueblo Association of REALTORS®, Inc. (PAR)



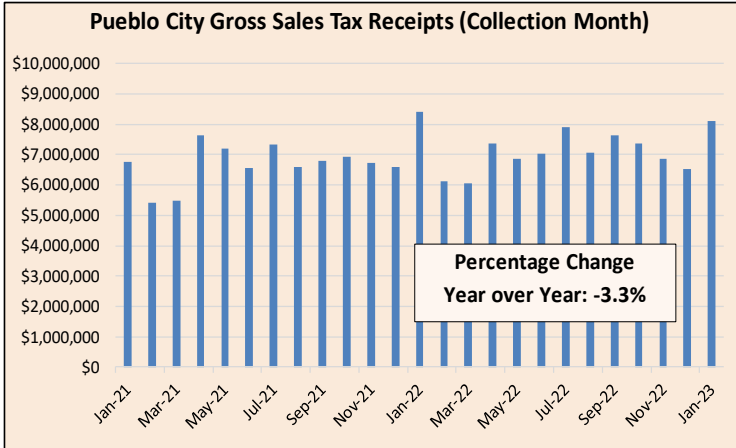
\*Most recent Greeley and Pueblo data is not available so their HOI is still 2022 Q3. Note: The Housing Opportunity Index (HOI) is defined as the share of homes sold in that area that are affordable to a family earning the local median income, based on standard mortgage underwriting criteria. It includes new and existing homes. Sources: National Association of Home Builders; Wells Fargo



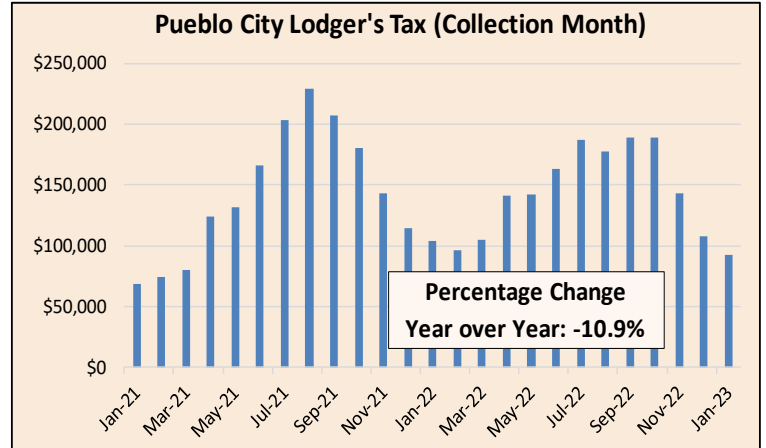
Sources: CoStar Group™; Olive Real Estate Group, Inc.

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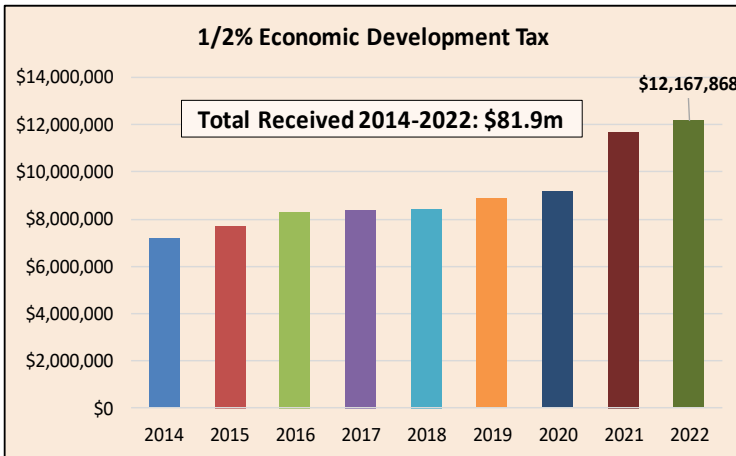
## TAXATION, VEHICLE SALES, AND TOURISM (PAGE 8)



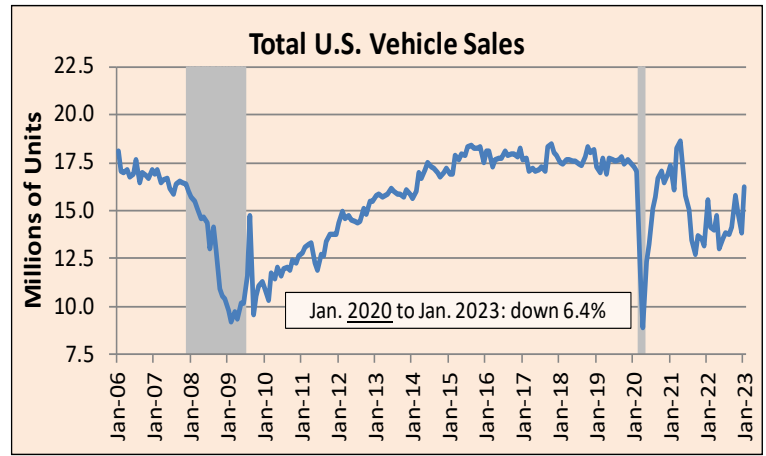
Source: City of Pueblo



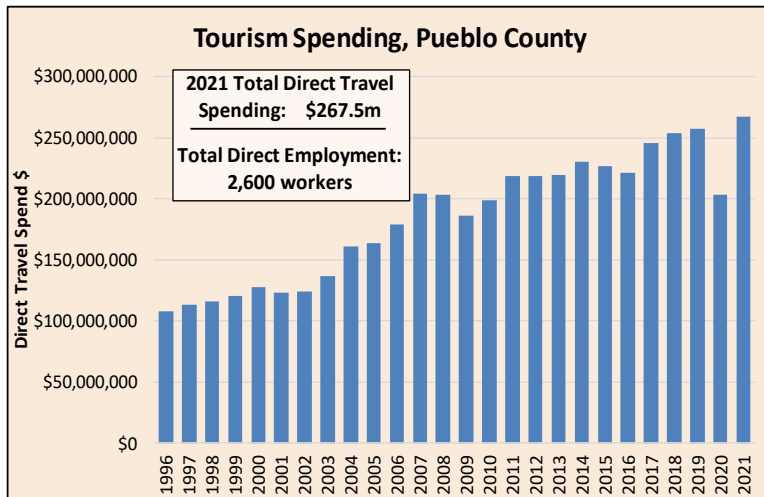
Source: City of Pueblo



Source: City of Pueblo



Source: U.S. Bureau of Economic Analysis



Note: Direct travel includes day and overnight visitors.  
Sources: Colorado Tourism Office; Greater Pueblo Chamber of Commerce

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