WSI RECRUITMENT AND STAFFING

HIRE WIRE

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ECONOMIC STABILITY WAVERS

Rising uncertainty as job growth slows and policy shifts create challenges.

MICHIGAN RANKS 45TH IN EMPLOYMENT

Michigan's unemployment rate hit 5.2% in December 2024, ranking 45th nationally, according to the Bureau of Labor Statistics. The state has struggled with job losses, particularly in manufacturing, which shed 11,000 jobs last year.

Despite challenges, Michigan's economy has resilient sectors. Construction jobs have grown for three consecutive months, and education and health services added 18,000 jobs last year.

A pall of uncertainty hangs over Michigan's factory floors as the latest employment report delivers unwelcome news. Business leaders who expected a stable, pro-business climate under the new administration are instead grappling with uncertainty.

The Labor Department's March 7 report shows the U.S. added only 151,000 jobs in February – well below forecasts of 170,000– while unemployment edged up to 4.1%. This sobering data has quickly dampened the cautious optimism manufacturers felt just weeks ago.

In Michigan, the labor market reflects these concerns. According to the Bureau of Labor Statistics, the state's **unemployment rate remained at 5.2%** in December 2024, showing a steady rise from 4.8% in July. Employment numbers have remained relatively stable, with the labor force hovering around 5.08 million, but job growth has stagnated.

Earlier this year, many executives anticipated that new pro-business policies would drive strong economic growth. However, the latest data presents a more complex picture. Companies that ramped up production in anticipation of a boom are now slowing hiring efforts, adjusting to an uncertain economic landscape .

Insiders say unpredictable policy swings are partly to blame. Sudden tariff announcements and flip-flopping trade policies have left exporters and suppliers guessing. Auto parts suppliers in Michigan have **postponed hiring new workers**, fearing a sudden steel tariff will drive up costs. Meanwhile, mass federal layoffs from the new Department of Government Efficiency (DOGE) are rippling through communities, hurting local spending and business confidence. Together these factors create a precarious environment: companies hesitate to invest or hire when the rules keep changing.

The overall tone is cautious, reflecting the economic uncertainty ahead. February's hiring slump isn't a crisis – unemployment at 4% is still historically low – but it marks a shift from the optimistic expectations many had at the start of the year. These numbers do not reflect the chaos caused by DOGE over the last two weeks of February. Executives are now reassessing their outlook, recognizing that the current landscape presents more unpredictability than anticipated.

Inflation Surges IN JANUARY

U.S. inflation rose to 3% in the first month of 2025, driven by increases in shelter, energy, and food prices.

CONSUMER PRICE INDEX - JANUARY 2025	January Percentage change	Year over year percentage change
All Items	**+0.5**	**+3**
Food	+0.4	+2.5
Food at Home	+0.5	+1.9
Food Away from Home	+0.2	+3.4
Energy	+1.1	+1
Gasoline	+1.8	-0.2
Electricity	+0	+1.9
Shelter	+0.4	+4.4
Medical Care	+0.2	+2.7
Transportation	+1.8	+8
All Items Less Food & Energy	**+0.4**	**+3.3**

SOURCE: BLS.GOV

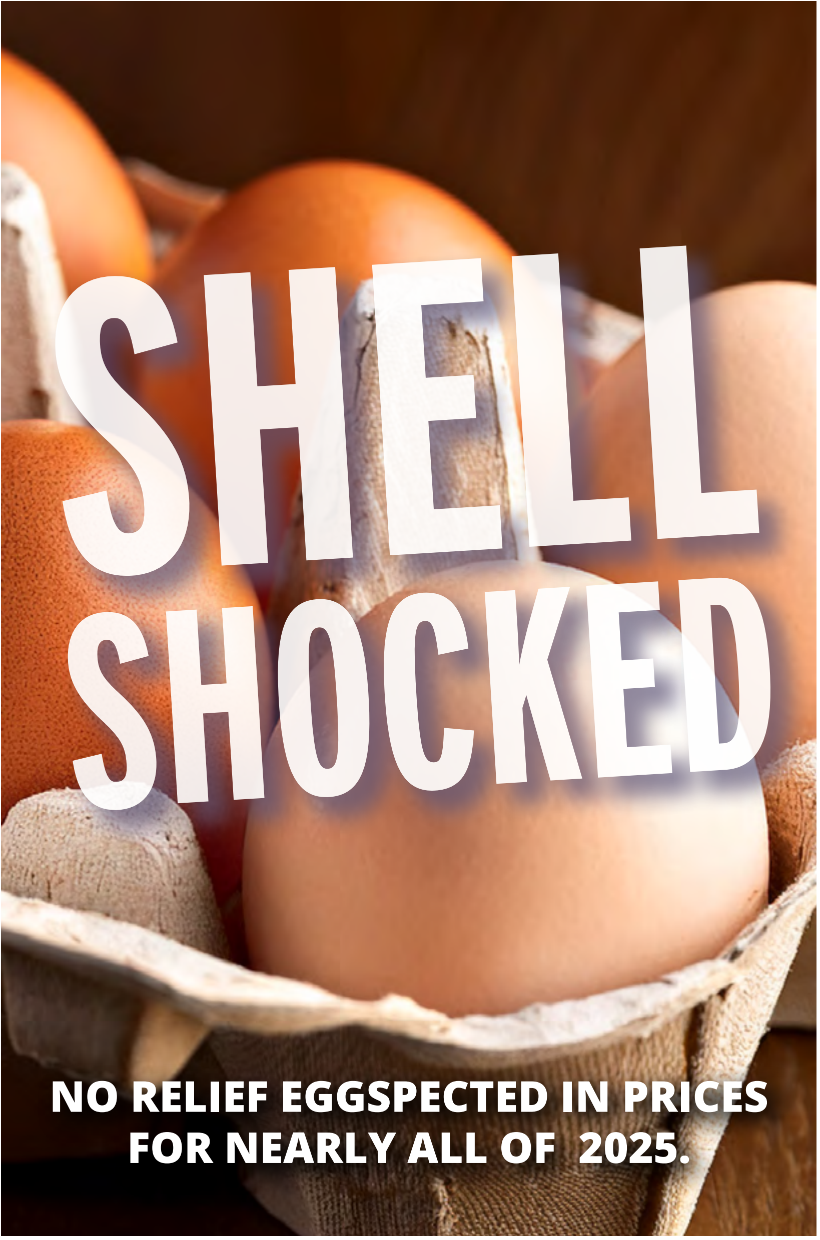
In January 2025, the Consumer Price Index (CPI) rose 0.5% on a seasonally adjusted basis, following a 0.4% increase in December 2024. Over the past 12 months, the all-items index increased 3.0% before seasonal adjustment, reflecting ongoing inflationary pressures across key consumer categories.

The shelter index, a primary driver of overall inflation, increased 0.4%, accounting for nearly 30% of the total monthly increase. Rising housing costs continue to weigh heavily on household budgets. The energy index rose 1.1%, with gasoline prices climbing 1.8%, further impacting transportation costs. The food index increased 0.4%, as grocery prices (food at home) rose 0.5%, while dining out (food away from home) saw a more modest 0.2% increase.

Excluding food and energy, the core CPI rose 0.4% in January. Price increases were noted in motor vehicle insurance, recreation, used cars and trucks, medical care, communication, and airline fares. However, some relief was seen in apparel, personal care, and household furnishings and operations, which were among the few major categories that declined in price.

On a year-over-year basis, consumer prices showed continued momentum. The all-items index increased 3.0% over the last 12 months, slightly above December's 2.9% annual increase. The core CPI, which excludes volatile food and energy prices, rose 3.3% over the same period. The energy index increased 1.0% over the last year, while the food index climbed 2.5%, reflecting persistent cost pressures in essential spending categories.

These figures highlight the continued upward trend in consumer prices, with shelter, energy, and food remaining key contributors. While some categories experienced price moderation, overall inflation remains a pressing concern for households navigating rising living costs.



With Easter six weeks away,eggs-aggerated prices have shoppers scrambling.

The shortage is historic.

The United States is scrambling to cope with an unprecedented egg shortage, sending prices soaring and leaving consumers shell-shocked. With Easter just six weeks away, concerns are growing over how families will celebrate the holiday staple—egg dyeing—amid record-high prices and dwindling supply. But is the crisis really just about the bird flu, or are some major egg producers cooking up profits at the expense of American shoppers?

The Problem: A Supply Chain Cracks

As of early 2025, the price of a dozen large eggs has reached nearly $5—more than double what consumers paid three years ago. The primary culprit is an outbreak of avian influenza (H5N1), which has wiped out over 166 million birds since early 2022, including a significant percentage of egg-laying hens. This mass culling has strained supply, forcing prices to skyrocket.

But the flu isn't the only factor. A **new report** from Food & Water Watch suggests that corporate consolidation in the egg industry may be artificially inflating prices beyond what is necessary to cover losses. One major producer, Cal-Maine Foods, saw a sevenfold increase in profits in 2023, despite not being significantly impacted by the flu. Meanwhile, industry-wide production recovered in 2023, yet prices never dropped—suggesting that egg producers may be slow-walking supply recovery to maintain higher prices.

Where Are Eggs Most Expensive?

Consumers in Hawaii, California, Florida, and parts of the Midwest are feeling the biggest pinch, with prices surpassing $6 per dozen in some areas. Even regions that were not hit by avian flu outbreaks, like the Southeast, have seen egg prices surge alongside national trends.

The Easter Dilemma: What's a Bunny to Do?

Easter is typically the busiest egg season of the year, with millions of households purchasing cartons upon cartons for dyeing, decorating, and festive feasting. But with supply tight and prices sky-high, families may have to rethink their traditions this year. Here are some egg-cellent alternatives:

Wooden or Ceramic Eggs – Reusable, dyeable, and perfect for Easter displays.

Plastic Fillable Eggs – A classic substitute that can be reused year after year.

Eco-Friendly Paper Mâché Eggs – A biodegradable option that can still be painted and decorated.

Natural Egg Substitutes – Some families are **turning to boiled potatoes** or a quirky, but colorful, alternative.

Solutions & When Prices Might Crack

The U.S. Department of Agriculture (USDA) has pledged a $1 billion investment to combat avian flu and stabilize egg prices, including efforts to roll out a vaccine for poultry. Industry experts predict that relief could start by mid-to-late 2025, with prices expected to drop back to $2.50 per dozen by the end of the year—provided no further outbreaks occur.

Until then, consumers will have to get creative in the kitchen—and at the Easter table—to avoid getting burned by eggflation. Whether this crisis will bring about long-term industry reform or just another round of sticker shock next holiday season remains to be seen.

As if the avian flu and corporate greed weren't enough, new tariffs on imports from Mexico and Canada are adding fuel to the fire. With key food supply chains already stretched thin, the added costs could push egg prices even higher, forcing retailers to pass the burden onto consumers. While some companies are absorbing the hit, others warn that price hikes are inevitable. For Easter shoppers already struggling with sticker shock, the scramble just got even harder.

TRADE WAR

President Trump's newly imposed tariffs on imports from Mexico and Canada, which took effect on March 4, quickly raised concerns among economists, manufacturers, and consumers.

A temporary suspension announced on March 6 and 7 has eased immediate fears, but uncertainty remains over whether the 25% levies will return, driving up costs and disrupting supply chains.

The tariffs President Trump imposed on March 4th, 2025, have quickly become a key talking point for manufacturers, consumers, and policymakers.

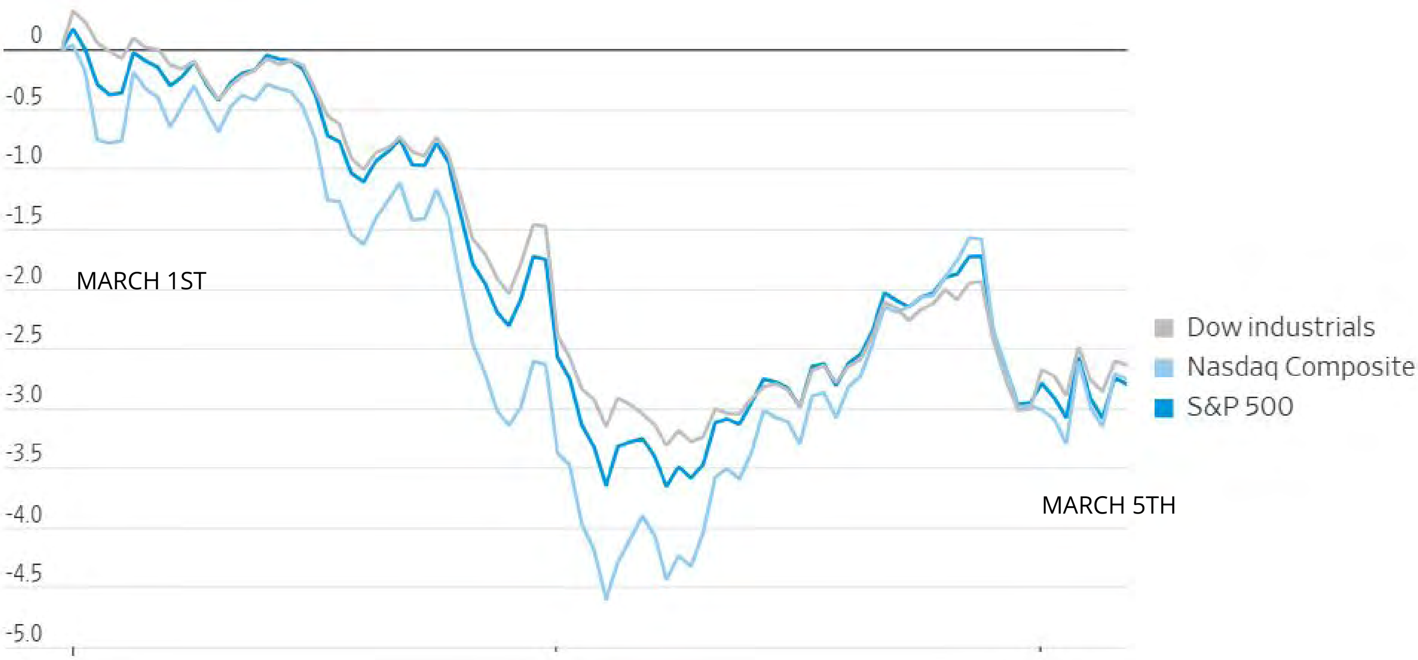
Supporters contend that these measures protect American jobs and strengthen domestic industries. Critics note that tariffs often raise costs for companies and consumers, and risk damaging relationships with key trading partners. Whichever side of the debate one is on, it's clear these new policies will affect everyday people—especially those working in manufacturing who rely on raw materials and parts from abroad.

Under the current arrangement, a 25% tariff now applies to imports from Canada and Mexico, while an additional 10% tariff has been levied on goods from China. However, on March 6th and 7th, President Trump announced a temporary pause on these tariffs for Mexico and Canada, delaying implementation until at least April 2nd. These new rates add to leftover tariffs from President Trump's first term, compounding existing trade tensions. Tariffs are a tax on imported products—collected at U.S. ports of entry—that importers ultimately pay.

While some may argue that foreign producers feel the pinch, the reality is that American importers often absorb these costs and pass them to consumers through higher prices. That can mean everything from pricier food and gasoline to increased costs for automotive parts, electronics, and construction materials.

For instance, avocados from Mexico—a staple for many U.S. restaurants—become 25% more expensive upon arrival. Businesses can only shoulder so much of that additional cost before they're forced to raise menu prices.

Similarly, companies that rely on Canadian lumber or steel may find their operations more expensive, hampering their ability to compete. In some cases, organizations that can't easily switch suppliers, or that rely on time-sensitive products like fresh produce, have no choice but to pay these tariffs. This dynamic has left many manufacturers worried that product costs will climb, consumer demand will soften, and production schedules will be disrupted.



AUTOMAKERS
GET A REPRIEVE

On Thursday, March 6th, President Trump announced a temporary, one-month pause on the 25 percent tariff for cars arriving from Canada and Mexico under the U.S.-Mexico-Canada Agreement, as other levies remain.

This decision followed intense backlash from automakers and roiled stock markets, especially after the initial tariff threatened to impose billions in additional costs. Karoline Leavitt, the White House press secretary, said the president granted this reprieve at the request of General Motors, Ford Motor, and Stellantis.

Each firm warned that abruptly altering supply chains across North America would devastate profits, with many parts for vehicles assembled in the United States coming from Canadian and Mexican factories.

Meanwhile, in a move that has caused further tensions, Ontario Premier Doug Ford announced that he would not follow Trump's pause and would impose a 25% tariff on electricity exports to Michigan starting Monday. This decision has prompted concerns from U.S. officials and Michigan residents, who warn of higher power bills and potential disruptions.

Critics argue that recurring changes in tariff policy inject uncertainty into both industry operations and consumer prices, ultimately raising costs and potentially harming American workers. However, supporters contend that these measures will spur automakers to return manufacturing to American soil, thereby strengthening domestic employment.

Effective Date	Target Countries	Tariff Rate	Goods Targeted	Bloomberg Economics Forecast	Retaliation?
2/4/25	China	10%	All	Hike nearly as large as Trade War I, impact manageable	Restrained
3/4/25	China	Another 10%	All	Hike close to twice Trade War I, risks more than 50% drop in China exports to US	Undetermined
3/4/25	Canada, Mexico	25%, but 10% for Canadian energy	Most	Risks 1% hit to US GDP, severe shock to Mexico and Canada	Pledged
3/12/25	Major exporters	25%	Steel, aluminum	Marginal impact on US. Canada exposed	Pledged
4/2/25	European Union	25%	All	Risks 70% cut in EU exports to the US - hitting 1.5% of EU GDP	Threatened
4/2/25	Major exporters	25%	Cars, chips, pharma	Awaiting details	Undetermined
4/2/25	All	Unspecified reciprocals vs VAT, other barriers	Undetermined	Matching VAT and non-tariff measures would be a major shock	Undetermined
11/22/25	Major exporters	Unspecified	Copper	Marginal impact on US. Chile, Canada most exposed	Undetermined
12/31/25	EU, UK, Canada	Unspecified vs digital taxes	Undetermined	Awaiting details	Undetermined
3/6/25	Mexico, Canada	Suspended until 4/2	Most	Temporary relief for automakers, awaiting long-term decision	Undetermined
3/7/25	Michigan (from Canada)	25% on electricity	Electricity exports	Higher energy costs for Michigan consumers	Undetermined

AS OF MARCH 7TH, 2025. SOURCE: BLOOMBERG. FUTURE DATES SUBJECT TO CHANGE.
FOR TARIFFS TARGETING DIGITAL TAXES, DATE HAS NOT BEEN SET

The president's monthlong exemption is intended to give companies time to explore shifting production, though some experts question whether four weeks is sufficient for such complex logistics. In the meantime, automotive executives continue lobbying to extend or eliminate tariffs, seeking long-term stability for North America's interconnected car market. Smaller suppliers could also suffer. Supporters of the White House's approach argue that this policy stands to protect American industries by making foreign imports less attractive, which could, in turn, encourage companies to produce more domestically. They also believe it can serve as a negotiating tool, compelling other nations to alter trade policies seen as unfair. Indeed, some manufacturers say they welcome incentives to expand domestic operations.

However, many economists warn that tariffs may undermine trade partnerships and diminish consumer demand, especially if Americans suddenly face price hikes on everything from groceries to appliances. If businesses can't easily switch suppliers or pass along costs, they might reduce staffing or delay expansions—a possibility that resonates with workers in the manufacturing sector.

Raising Cane's is expanding across Michigan, bringing its famous chicken tenders to Grand Rapids and Kalamazoo. The popular chain, which opened its first Michigan locale in East Lansing in 2022, has announced a new location in Portage at Milham and Westnedge Avenues.

With an Ann Arbor restaurant opening on June 3, nearly twenty more locations are expected statewide over the next decade. Raising Cane's ranks only behind Chick-fil-A in average sales per store for chains with over 700 locations. Co-CEO AJ Kumaran believes Raising Cane's is on track to triple its current figure in the next seven years. When it happens, Kumaran believes the brand will generate $8 million per store on average, on par with what Chick-fil-A presently reports at its drive-thrus.

PROJECTS!

A LOOK AT GROWTH IN THE REGION

Grand Rapids is moving forward with its Grand River restoration project after securing a key state permit. The Michigan Department of Environment, Great Lakes, and Energy approved the revised plan, allowing the city to seek bids this winter. The project includes removing four dams and placing 20,000 tons of natural rock and boulders from Bridge Street to Fulton Street.

After more than a decade of planning and a previous permit rejection, the revised plan eliminates recreational wave features but maintains habitat restoration and public access goals. Estimated costs now range from $15 million to $17 million, down from earlier projections. So far, $16 million has been secured through private, state, and local funding.

A final federal funding decision is expected in the spring, with construction set to begin next summer.

LAST MINUTE ESTA AND MINIMUM WAGE LEGISLATIVE CHANGES FROM THE MICHIGAN LEGISLATURE

Late night, February 20th, just hours before the Michigan Supreme Court's mandated changes were set to take effect, lawmakers in Lansing passed significant modifications to the state's paid sick leave and minimum wage policies. With bipartisan negotiations pushing up against the midnight deadline, House Bill 4002 (sick leave) and Senate Bill 8 (minimum wage) were signed on February 22nd by Governor Gretchen Whitmer.

These bills immediately overrode the court-ordered changes, easing concerns from businesses statewide. Without legislative action, the minimum wage would have increased to $12.48 on Friday, February 21st, and gradually risen to $14.97 by 2028, phasing out the tipped wage by 2030. Additionally, small employers would have been required to offer 40 hours of paid sick leave and 32 hours of unpaid leave, while larger employers would have had to provide 72 hours of paid leave.

Policy	Original Law (Pre-2/20/25)	New Law (Post-2/20/25)
Tipped Minimum Wage	Gradual phase-out over 5 years, reaching full parity by 2030. Starting 2/21/25, tipped workers earn 48% of the standard minimum wage, with annual 10% increases.	Tipped minimum wage remains at 38% in 2025, increasing 2% annually starting in 2026, reaching 50% by 2031.
Minimum Wage	Increased from $10.33 to $10.56 on 1/1/25, and set to rise to $12.48 on 2/21/25, with further increases annually.	$12.48 on 2/21/25, increasing to $13.73 in 2026, and $15 in 2027, with inflation-based adjustments starting in 2028
Sick Leave Accrual	1 hour for every 30 hours worked.	No change.
Annual Sick Leave	Employers with 10+ employees: 72 hours paid. Small businesses (<10 employees): 40 hours paid + 32 hours unpaid.	Large employers: 72 hours paid. Small employers: 40 hours paid (unpaid leave removed).
Implementation of Sick Time	Immediate effect on 2/21/25.	Small businesses have until 10/1/25 to comply. New businesses have a three-year grace period.
Unemployment Benfits	Extended from 20 weeks to 26 weeks, with higher payout caps.	Not included in the new legislation.

Key Changes to Paid Sick Leave (House Bill 4002)

Accrual and Usage: Employees accrued one hour of paid sick leave for every 30 hours worked. Employers had the option to frontload the full annual allotment at the beginning of the year. Large businesses (10+ employees) were required to provide up to 72 hours annually, while small businesses (fewer than 10 employees) had to provide 40 hours.

Implementation Timeline: Small businesses were given until October 1, 2025, to comply. New businesses received a three-year grace period before they had to adopt the policy.

Exemptions: Excluded workers included unpaid interns, trainees, workers covered under the Youth Employment Standards Act, and employees who set their own schedules without minimum hour requirements.

Usage Restrictions: Workers were allowed to use sick leave for personal or family health issues, legal matters related to domestic violence, and public health emergencies that shut down their workplace or child's school.

Policy Options: Employers could choose between an accrual method or frontloading at the beginning of the year. Employers who offered PTO that met or exceeded the sick leave requirements were considered in compliance.

Key Changes to Minimum Wage (Senate Bill 8)

Gradual Increases: The state's minimum wage will rise incrementally:

$12.48/hour – February 21, 2025

$13.73/hour – January 1, 2026

$15/hour – January 1, 2027

Inflation adjustments begin in 2028, tied to the Midwest Consumer Price Index.

As we move deeper into 2025, the economic landscape remains unpredictable, and uncertainty looms over businesses across industries. The latest employment data, rising costs, and shifting policies create a challenging environment—one that markets and employers alike struggle to navigate. Michigan, in particular, faces stagnating job growth, higher energy prices, policy swings, and industry-specific disruptions, making workforce planning more difficult than ever.

But uncertainty doesn't have to mean inaction. Now more than ever, businesses must embrace flexible labor strategies to stay agile in a rapidly changing market. Whether it's adjusting hiring plans, exploring contingent workforce solutions, or preparing for shifting regulations, adaptability is key. The companies that thrive in 2025 won't be those who wait for clarity—they'll be the ones who plan for every scenario.

At WSI, we understand the challenges ahead, and we're here to help you build a workforce that's ready for anything. Let's talk about how you can lay out 2025 with confidence—because the right strategy today is the key to success tomorrow.

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