

## Colorado Prices in the 21<sup>st</sup> Century

### February 2023

The chart below, inspired by the American Enterprise Institute’s “Chart of the Century,” displays 20 years of changes in wages, inflation, and the prices of consumer goods and services in Colorado since the beginning of the 21st century. As real wages have risen locally, most durable and nondurable goods have remained more affordable; conversely, the rising costs of housing, health care, and higher education have increasingly crowded out more and more of every dollar of spending.

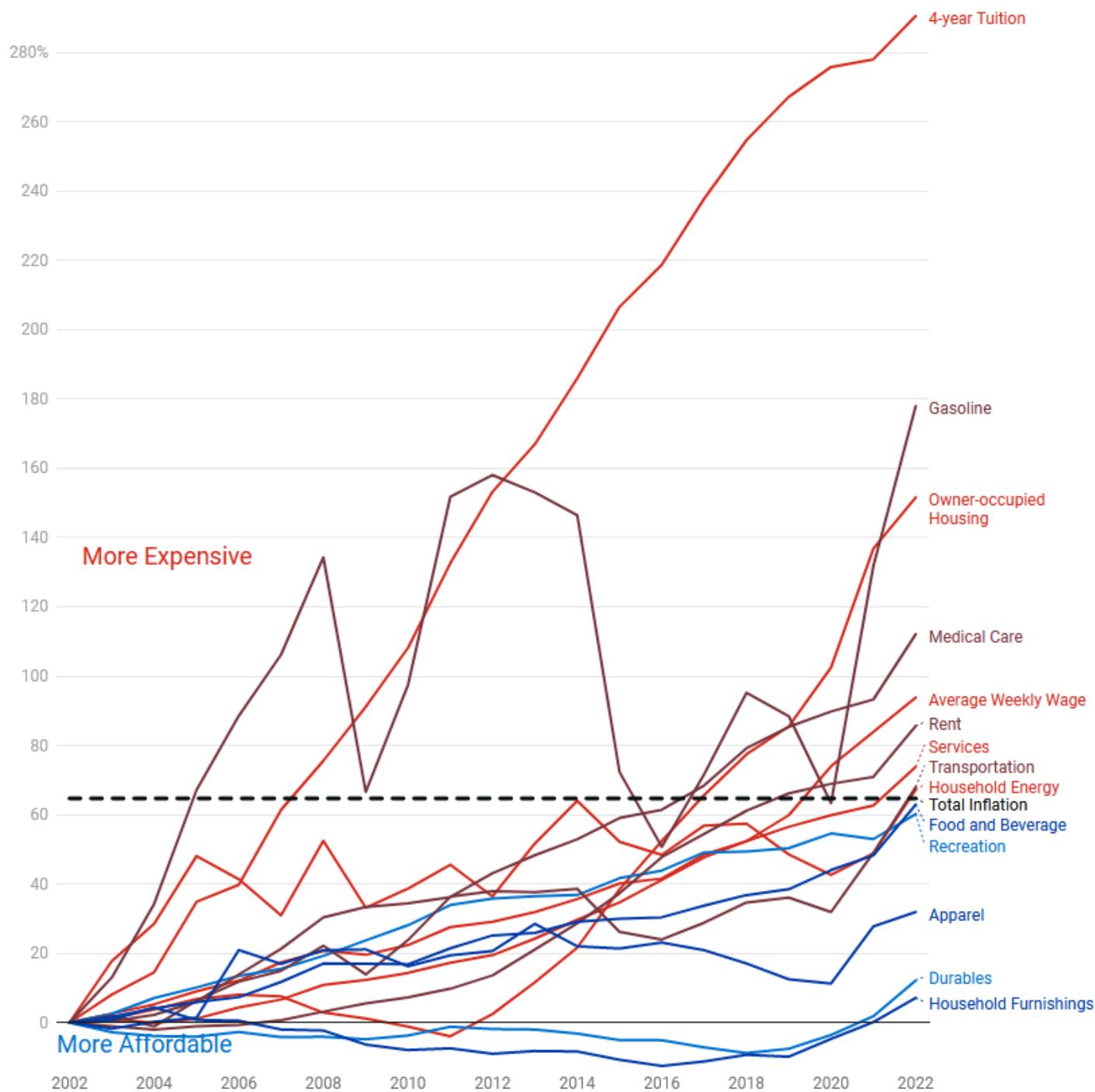
The Bureau of Labor Statistics (BLS) produces a historical price index for select metropolitan statistical areas (MSAs). They currently do not produce a statewide price index. Therefore, this chart includes three items which are representative of a statewide average and not just the MSA. Similarly, the price changes reported at the Denver MSA level may not be fully representative of actual price changes in regions across Colorado that are outside of the MSA. While this chart offers no explanation of the reasons behind the variations in price growth between items, we hope it serves as a common starting point and inspires discussion and more informed questions.

#### **Key Insights and Changes from 2022 Release**

- For the first time in our captured time frame (’02 – ’22), the real price of all items included in the chart increased.
- Gasoline prices experienced the most rapid growth in the past year, increasing 46%.
- The price of 4-year tuition at a public university has increased 290% since 2002. Over this time its price has increased 112 percentage points more than the next closest item, gasoline.
- Household furnishings, which has the lowest total price increase of any item since 2002, saw its largest price increase over our captured time frame this past year, increasing 6.98%.
- After increasing just 9.81% between 2018 and 2021, the average rent increased 14.66% in just the last year.
- Aside from gas prices, only the price of tuition for 4-year higher education institutions, housing and healthcare outpaced the growth in the average weekly wage.

## Colorado Prices in the 21st Century (through 2022)

This chart, inspired by AEI's "Chart of the Century," tracks the change in the prices of different goods and services in Colorado and the Denver Metropolitan Statistical Area from 2002 through 2022. Items the prices of which have grown faster than inflation, depicted in red lines, are now more expensive in real dollars than they were in 2002. Those in blue lines are less expensive now than they were in 2002.



See the table below for a full list of sources. View AEI's "Chart of the Century" here: <https://www.aei.org/carpe-diem/chart-of-the-day-or-century-5/>

## Table of Sources

### "Colorado Prices in the 21st Century" Chart Sources

Data	Source	Region
In-state Tuition and Fees (Public 4-year)	Western Interstate Commission for Higher Education (WICHE), Tuition and Fees in Higher Education in the West. Rates are unweighted state averages.	Colorado
Gasoline	Colorado Regular All Formulations Retail Gasoline Prices (EIA)	Colorado
Owner-occupied Housing	Zillow Home Value Index All Homes (SFR, Condo/Co-op)	Colorado
Medical Care	Consumer Price Index for All Urban Consumers: Medical care in Denver-Aurora-Lakewood	Denver MSA
Household Energy	Consumer Price Index for All Urban Consumers: Household energy in Denver-Aurora-Lakewood	Denver MSA
Rent	Consumer Price Index for All Urban Consumers: Rent of primary residence in Denver-Aurora-Lakewood	Denver MSA
Services	Consumer Price Index for All Urban Consumers: Services in Denver-Aurora-Lakewood	Denver MSA
Recreation	Consumer Price Index for All Urban Consumers: Recreation in Denver-Aurora-Lakewood	Denver MSA
Overall Inflation	Consumer Price Index for All Urban Consumers: All items in Denver-Aurora-Lakewood	Denver MSA
Food and Beverage	Consumer Price Index for All Urban Consumers: Food and beverages in Denver-Aurora-Lakewood	Denver MSA
Transportation	Consumer Price Index for All Urban Consumers: Transportation in Denver-Aurora-Lakewood	Denver MSA
Apparel	Consumer Price Index for All Urban Consumers: Apparel in Denver-Aurora-Lakewood	Denver MSA
Durables	Consumer Price Index for All Urban Consumers: Durables in Denver-Aurora-Lakewood	Denver MSA
Household Furnishings	Consumer Price Index for All Urban Consumers: Household furnishings and operations in Denver-Aurora-Lakewood	Denver MSA
Average Weekly Wage	Average Weekly Wages for Employees in Total Covered Establishments in Denver-Aurora-Broomfield	Denver MSA