MICHIGAN'S
LABOR MARKET NEWS

Michigan's jobless rate fell in 2018 for the ninth consecutive year.

DECEMBER 2018 JOBLESS RATE

MICHIGAN

4.0%

NATIONAL

3.9%

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IT'S BIGGER THAN DATA.

The Bureau of Labor Market Information and Strategic Initiatives is the official source for high quality demographic and labor market information for the state of Michigan and its regions. We administer the state's federal-state cooperative programs with the Bureau of Labor Statistics (BLS) and the Census Bureau and produce high-quality information and analysis through grants from the U.S. Department of Labor and from partner agencies in the state of Michigan. We provide our national, state, and local partners and customers with *accurate, objective, reliable, timely, accessible,* and *transparent* information and insights.

Michigan's jobless rate edged slightly higher in December to 4.0 percent as the labor force grew by 5,000. The state's jobless rate was notably lower compared to December 2017, dropping by 0.7 percentage points. Michigan's average annual jobless rate fell for the ninth consecutive year in 2018.

Payroll jobs in Michigan increased by 7,500 in December to 4,449,800. Monthly job gains were seen in *Construction, Education and health services, Trade, transportation and utilities, Manufacturing*, and *Professional and business services*. Some of these gains were offset by losses in *Government* and *Leisure and hospitality*. Payrolls continued to post growth over the year, up by 55,000 compared to December 2017.

This month, we highlight the important topic of occupational licenses and certifications. Our *Feature Article* discusses general information on the subject, while also providing some insight on licensed occupations using data from the Michigan Department of Licensing and Regulatory Agency (LARA), the Council for Community and Economic Research (C2ER), and our own labor market information. Our *Map of the Month* takes a look at one licensed occupation, *Dental hygienists*. Finally, our *Ask the Economist* provides readers with some key differences between licenses and certifications and places to go for more information on this topic.

We hope you enjoy this edition of Michigan's Labor Market News. Please let us know if there is something you would like to know more about.

JASON PALMER
DIRECTOR

Bureau of Labor Market Information
and Strategic Initiatives

MICHIGAN'S DECEMBER JOBLESS RATE INCHES UP WHILE THE ANNUAL RATE DECLINES

The December seasonally adjusted Michigan unemployment rate edged up by a tenth of a percentage point over the month to 4.0 percent. The number of employed was essentially unchanged over the month (+1,000), while total unemployment rose by 4,000, resulting in a labor force gain of 5,000 since November.

Since December 2017, Michigan's jobless rate has receded by seven-tenths of a percentage point, a decline considerably larger than that of the nation. The U.S rate of 3.9 percent was down two-tenths of a percentage point during the same period. Michigan's preliminary 2018 annual average unemployment rate of 4.2 percent was four-tenths of a percentage point below the 2017 annual rate of 4.6 percent.

December marked the second month in a row that total unemployment in the state expanded. However, the number of Michigan unemployed fell by 35,000 since December 2017, a decrease of approximately 15 percent. December also was the second consecutive month that Michigan's labor force grew. Since October 2018, the state's workforce edged up by 6,000.

Michigan's Annual Average Unemployment Rate Decreases for Ninth Consecutive Year

The chart below displays the annual jobless rate trends in Michigan over the past ten years. 2018 marked the ninth straight year of annual unemployment rate reductions in Michigan. The state's rate fell by 9.5 percentage points since the height of the recession in 2009, which recorded an annual rate of 13.7 percent. Additionally, Michigan's 2018 annual jobless rate of 4.2 percent was the lowest in Michigan since 2000's rate of 3.6 percent.

Between 2017 and 2018, the annual total of unemployed in Michigan fell by 20,000, or 9.7 percent, a decline comparable to the national decrease of 9.6 percent over this same period.
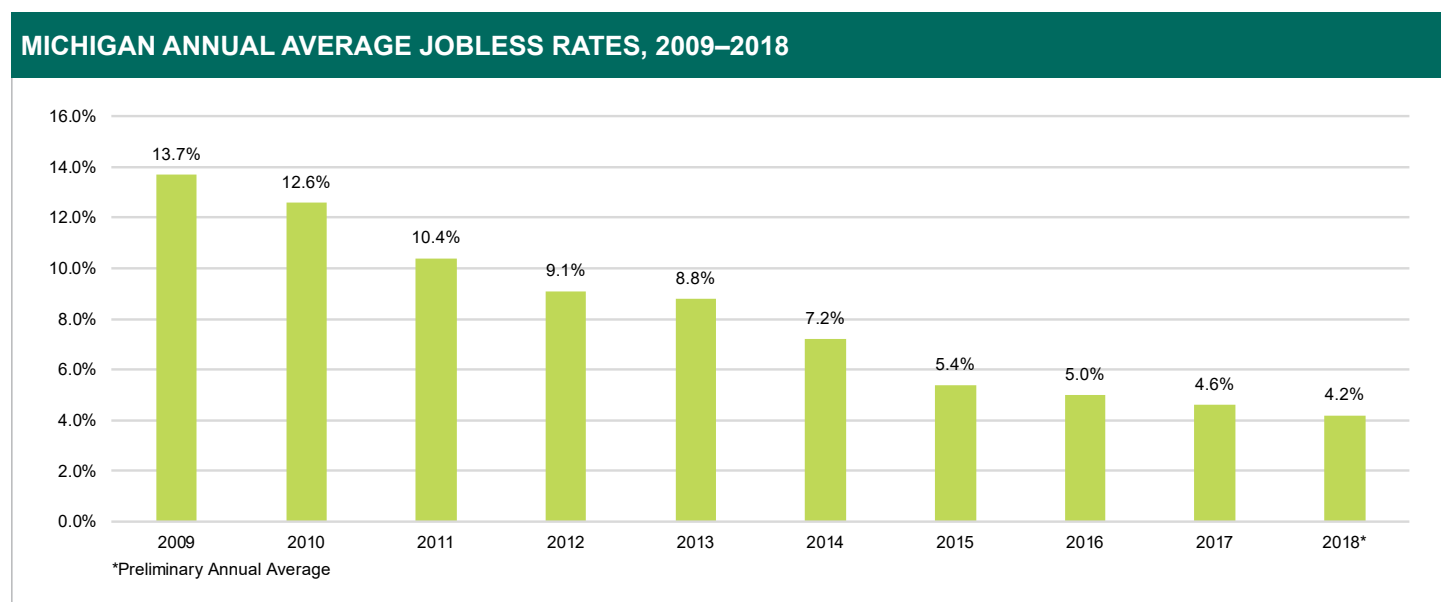
Since the height of the recession in 2009, total unemployment has declined by 463,000, or nearly 70 percent.

Total annual employment in 2018 rose by 34,000, up 0.7 percent. This gain was less than half of the national increase of 1.6 percent. Total annual average employment has risen for eight consecutive years. Its 2018 count of 4,691,000 was 497,000 higher than the 2010 employment total, an increase of approximately 12 percent. Michigan's 2018 annual average employment level was last surpassed in 2007.

Michigan's workforce expanded by 14,000 over the year, or 0.3 percent. Over the past five years, the statewide labor force has grown by 174,000, a gain of 3.7 percent.

SHIBANI PUTATUNDA
Economic Analyst

MICHIGAN LABOR FORCE ESTIMATES (SEASONALLY ADJUSTED)

	DECEMBER 2018	NOVEMBER 2018	DECEMBER 2017	CHANGE OVER THE MONTH	CHANGE OVER THE YEAR
Labor Force	4,898,000	4,893,000	4,900,000	+5,000	-2,000
Employed	4,702,000	4,701,000	4,669,000	+1,000	+33,000
Unemployed	196,000	192,000	231,000	+4,000	-35,000
Jobless Rate	4.0	3.9	4.7	+0.1	-0.7

MICHIGAN ANNUAL AVERAGE JOBLESS RATES, 2009–2018

*Preliminary Annual Average

Year	Rate
2009	13.7%
2010	12.6%
2011	10.4%
2012	9.1%
2013	8.8%
2014	7.2%
2015	5.4%
2016	5.0%
2017	4.6%
2018*	4.2%

MICHIGAN ANNUAL PAYROLL JOBS, 2009–2018
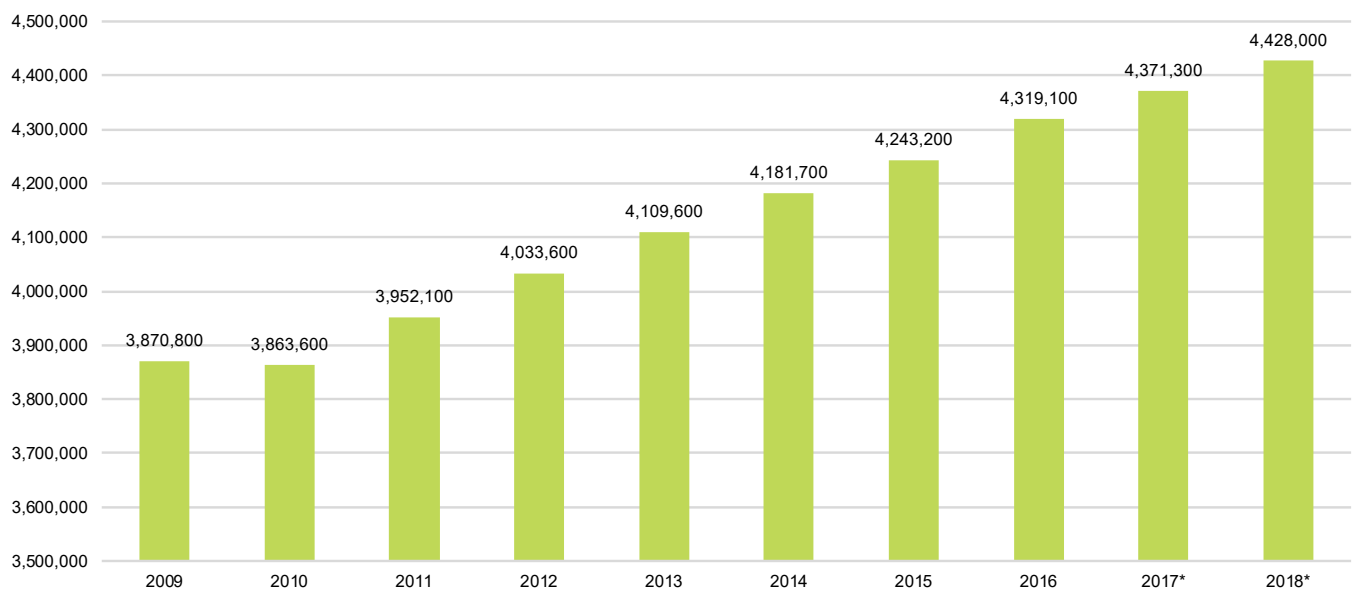
*Preliminary Annual Averages

MICHIGAN JOB TRENDS BY INDUSTRY SECTOR

Monthly Overview

Total nonfarm jobs in Michigan rose by 7,500 in December to total 4,449,800. The major sectors with the largest job gains included *Construction* (+2,500), *Education and health services* (+2,200), *Trade, transportation, and utilities* (+1,400), and *Manufacturing* and *Professional and business services* (+1,100 each). Modest payroll declines in December occurred in *Government* (-600) and *Leisure and hospitality* (-500). Job levels in the state's *Transportation equipment manufacturing* sector remained unchanged over the month.

Over the Year Analysis

Since December 2017, Michigan jobs grew by 55,000, or by 1.3 percent. This was below the 1.8 percent rate of gain nationally. In Michigan, over two-thirds (67.1 percent) of these job additions occurred in *Construction* (+11,600), *Professional and business services* (+9,800), *Education and health services* (+8,000), and *Manufacturing* (+7,500). Notable over the year payroll increases also took place in the broad sectors of *Leisure and hospitality* (+5,500), *Financial activities* (+4,500), and *Trade, transportation, and utilities* (+4,400). Jobs in the broad sectors of *Information* and *Mining and logging* edged down over this period.

Michigan Fourth Quarter 2018 Percent Job Change

Total nonfarm employment grew by 10,000 during the fourth quarter, or by 0.2 percent. This marked the 35th consecutive quarter of job growth in the state. Nationally, payrolls increased by 0.4 percent during the October through December period.

In Michigan, the industry sectors with larger than average job additions during the quarter included *Financial activities* (+1.1 percent), *Government* (+0.9 percent), and *Manufacturing* (+0.3 percent).

The broad sectors recording quarterly job gains slightly below the statewide average were *Construction*, *Education and health services*, and *Trade, transportation, and utilities* (+0.1 percent each).

Payroll levels were unchanged in *Professional and business services* and declined in *Other services* (-1.2 percent) and *Mining and logging*

(-3.2 percent). Employment in the state's key *Transportation equipment manufacturing* sector rose by 0.4 percent during the quarter.

Significant Industry Employment Developments

TRADE, TRANSPORTATION, AND UTILITIES

Payrolls in this broad sector grew by 1,400 in December. The largest job advance was in the *Transportation, warehousing, and utilities* (+1,200) subsector. This primarily reflected hiring among express delivery and shipping establishments during the holiday shopping season. Payrolls also advanced by 900 jobs in *Wholesale trade*. Job levels inched down by 700 in *Retail trade* due in part to weaker December hiring in *Clothing and clothing accessories stores* and payroll reductions in *General merchandise stores*. From October through December, *Retail* jobs rose by 12,100, somewhat below last year's pace of hiring. Since December 2017, payrolls in the broad sector have grown by 4,400 (+0.6 percent). Nationally this sector added 34,000 jobs over the month and was up by 1.3 percent over the year.

PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES

Job levels in this sector rose by 1,200 in December. This increase was primarily due to stronger than typical hiring in *Accounting, tax preparation, bookkeeping, and payroll services* and an atypical December job gain in *Computer systems design and related services*. Job levels remained essentially unchanged during the fourth quarter, notching up by 100. This sector, however, has seen consistent job growth with payrolls advancing in 35 of the past 37 quarters. Between December 2017 and December 2018, employers in this subsector have added 4,100 workers to their payrolls. Nationally, employment rose by 17,600 over the month and by 3.1 percent over the year.

GOVERNMENT

Public sector payrolls edged down slightly by 600 in December. This decrease was evenly spread through *Federal* (-200), *State* (-200), and *Local* (-200) jurisdictions. The *Federal government* job decline in December does not, however, reflect any impact from the partial federal government shutdown, which began

after the survey week in December. In fact, according to the U.S. Bureau of Labor Statistics, 2019 *Federal government* job estimates are expected to be unaffected, as impacted workers will be included in job counts. A prison closure in Michigan at the beginning of December contributed to the decrease in *State government* employment. Over the year, payrolls in all government jurisdictions grew by 2,200 (+0.4 percent). Nationally, jobs increased by 11,000 in December and by 0.3 percent over the year.

Metropolitan Statistical Areas (MSAs)

On a not *seasonally adjusted basis*, 11 of Michigan's 14 Metropolitan Statistical Areas (MSAs) registered December job reductions.

These job cuts ranged from 0.1 percent in *Grand Rapids* and *Flint* to 1.1 percent in *Benton Harbor*. Other metro areas with job decreases lower than the statewide average of 0.5 percent included *Saginaw* and *Bay City* (-0.8 percent each), *Monroe* (-0.9 percent), and *Lansing* (-1.0 percent).

Two metro areas, *Battle Creek* and *Muskegon*, saw modest payroll gains of 0.2 percent over the month. In the *Midland* MSA, total nonfarm job levels remained unchanged.

Contributing factors to job declines in December were the seasonal influences of weather and the post-secondary school calendar. These factors typically push jobs down in December in *Construction*, *Leisure and hospitality*, *Education services*, and *Government*.

JEFFREY AULA
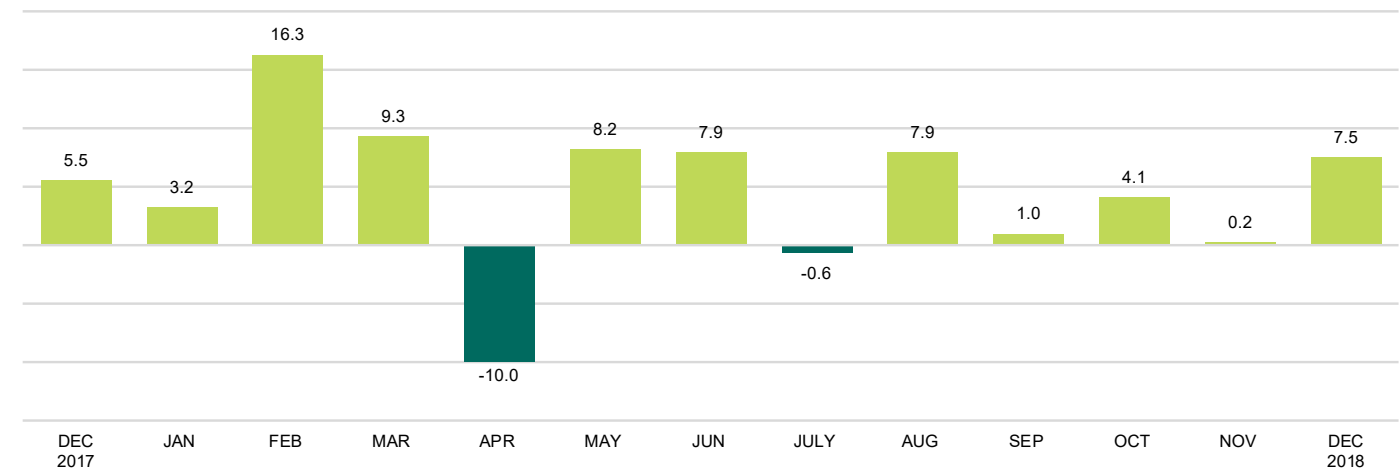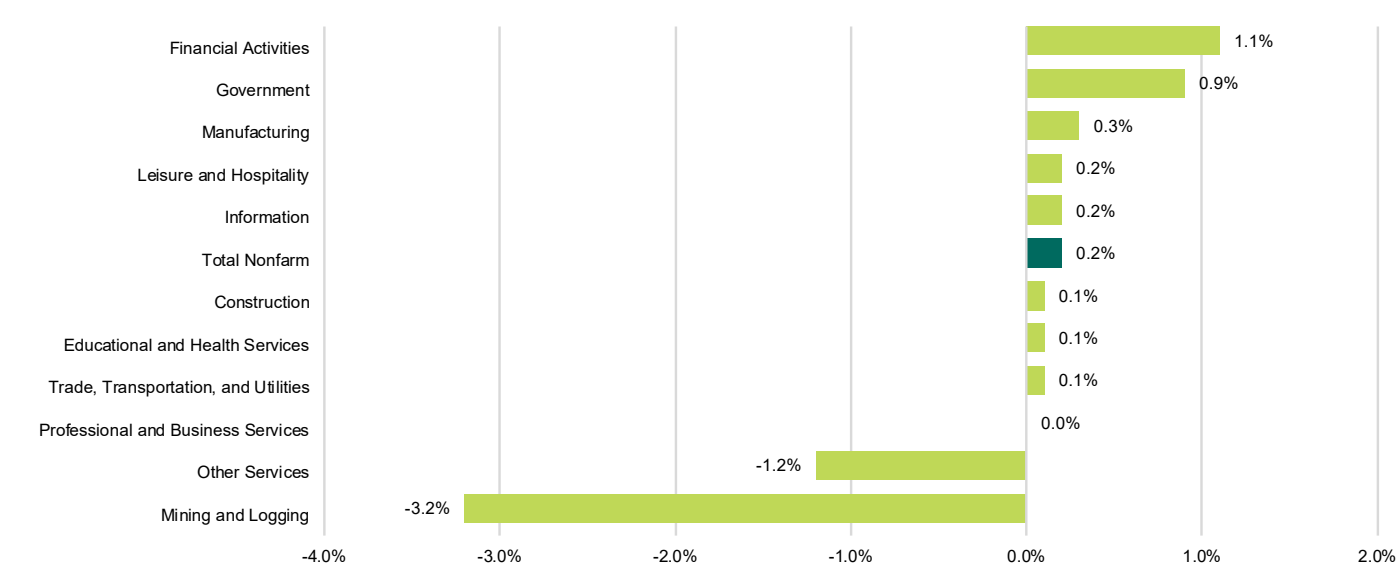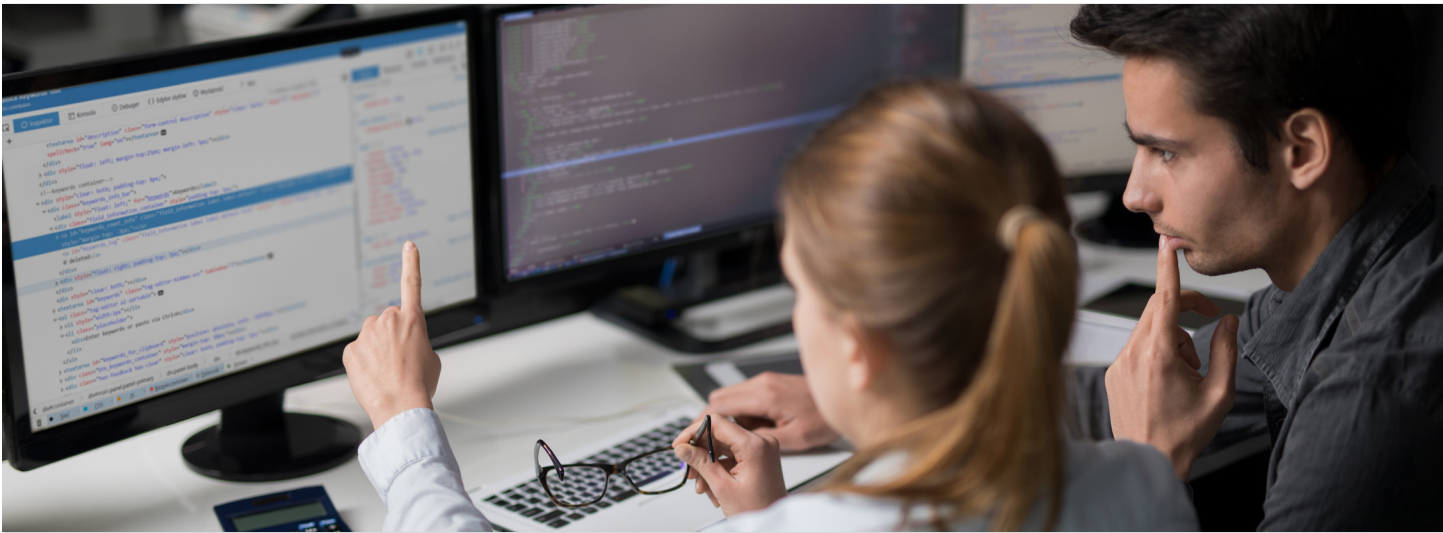Economic Analyst

MICHIGAN PAYROLL JOBS (SEASONALLY ADJUSTED)

INDUSTRY	DECEMBER 2018	NOVEMBER 2018	DECEMBER 2017	OVER THE MONTH		OVER THE YEAR	
				LEVEL	PERCENT	LEVEL	PERCENT
TOTAL NONFARM	**4,449,800**	**4,442,300**	**4,394,800**	**7,500**	**0.2%**	**55,000**	**1.3%**
Total Private	3,837,600	3,829,500	3,784,800	8,100	0.2%	52,800	1.4%
Private Service-Providing	3,026,000	3,021,600	2,992,200	4,400	0.1%	33,800	1.1%
GOODS-PRODUCING	**811,600**	**807,900**	**792,600**	**3,700**	**0.5%**	**19,000**	**2.4%**
Mining, Logging, and Construction	186,300	183,700	174,800	2,600	1.4%	11,500	6.6%
Mining and Logging	7,100	7,000	7,200	100	1.4%	-100	-1.4%
Construction	179,200	176,700	167,600	2,500	1.4%	11,600	6.9%
Manufacturing	625,300	624,200	617,800	1,100	0.2%	7,500	1.2%
Durable Goods	473,200	471,900	465,300	1,300	0.3%	7,900	1.7%
Transportation Equipment Manufacturing	191,500	191,500	186,400	0	0.0%	5,100	2.7%
Non-Durable Goods	152,100	152,300	152,500	-200	-0.1%	-400	-0.3%
SERVICE-PROVIDING	**3,638,200**	**3,634,400**	**3,602,200**	**3,800**	**0.1%**	**36,000**	**1.0%**
Trade, Transportation, and Utilities	792,600	791,200	788,200	1,400	0.2%	4,400	0.6%
Wholesale Trade	174,200	173,300	173,300	900	0.5%	900	0.5%
Retail Trade	468,900	469,600	472,000	-700	-0.1%	-3,100	-0.7%
Transportation, Warehousing, and Utilities	149,500	148,300	142,900	1,200	0.8%	6,600	4.6%
Information	55,500	55,600	56,000	-100	-0.2%	-500	-0.9%
Financial Activities	223,300	223,100	218,800	200	0.1%	4,500	2.1%
Finance and Insurance	166,800	166,900	164,700	-100	-0.1%	2,100	1.3%
Real Estate and Rental and Leasing	56,500	56,200	54,100	300	0.5%	2,400	4.4%
Professional and Business Services	659,600	658,500	649,800	1,100	0.2%	9,800	1.5%
Professional, Scientific, and Technical Services	298,100	296,900	294,000	1,200	0.4%	4,100	1.4%
Management of Companies and Enterprises	69,900	69,500	66,500	400	0.6%	3,400	5.1%
Administrative and Support and Waste Management and Remediation Services	291,600	292,100	289,300	-500	-0.2%	2,300	0.8%
Education and Health Services	679,700	677,500	671,700	2,200	0.3%	8,000	1.2%
Educational Services	72,500	72,600	73,000	-100	-0.1%	-500	-0.7%
Health Care and Social Assistance	607,200	604,900	598,700	2,300	0.4%	8,500	1.4%
Leisure and Hospitality	443,400	443,900	437,900	-500	-0.1%	5,500	1.3%
Arts, Entertainment, and Recreation	53,000	52,500	51,400	500	1.0%	1,600	3.1%
Accommodation and Food Services	390,400	391,400	386,500	-1,000	-0.3%	3,900	1.0%
Other Services	171,900	171,800	169,800	100	0.1%	2,100	1.2%
Government	612,200	612,800	610,000	-600	-0.1%	2,200	0.4%
Federal Government	52,300	52,500	52,500	-200	-0.4%	-200	-0.4%
State Government	197,500	197,700	195,400	-200	-0.1%	2,100	1.1%
Local Government	362,400	362,600	362,100	-200	-0.1%	300	0.1%

MICHIGAN OVER THE MONTH PAYROLL JOB CHANGE (IN THOUSANDS)

Month	Value
DEC 2017	5.5
JAN	3.2
FEB	16.3
MAR	9.3
APR	-10.0
MAY	8.2
JUN	7.9
JULY	-0.6
AUG	7.9
SEP	1.0
OCT	4.1
NOV	0.2
DEC 2018	7.5

PERCENTAGE JOB CHANGE, THIRD QUARTER 2018 TO FOURTH QUARTER 2018

Category	Percentage
Financial Activities	1.1%
Government	0.9%
Manufacturing	0.3%
Leisure and Hospitality	0.2%
Information	0.2%
Total Nonfarm	0.2%
Construction	0.1%
Educational and Health Services	0.1%
Trade, Transportation, and Utilities	0.1%
Professional and Business Services	0.0%
Other Services	-1.2%
Mining and Logging	-3.2%

MICHIGAN OVER THE MONTH JOB CHANGE BY SELECT INDUSTRY, NOVEMBER 2018

Industry	Change
Trade, Transportation, & Utilities	1,400
Professional, Scientific & Technical Services	1,200
Government	-600
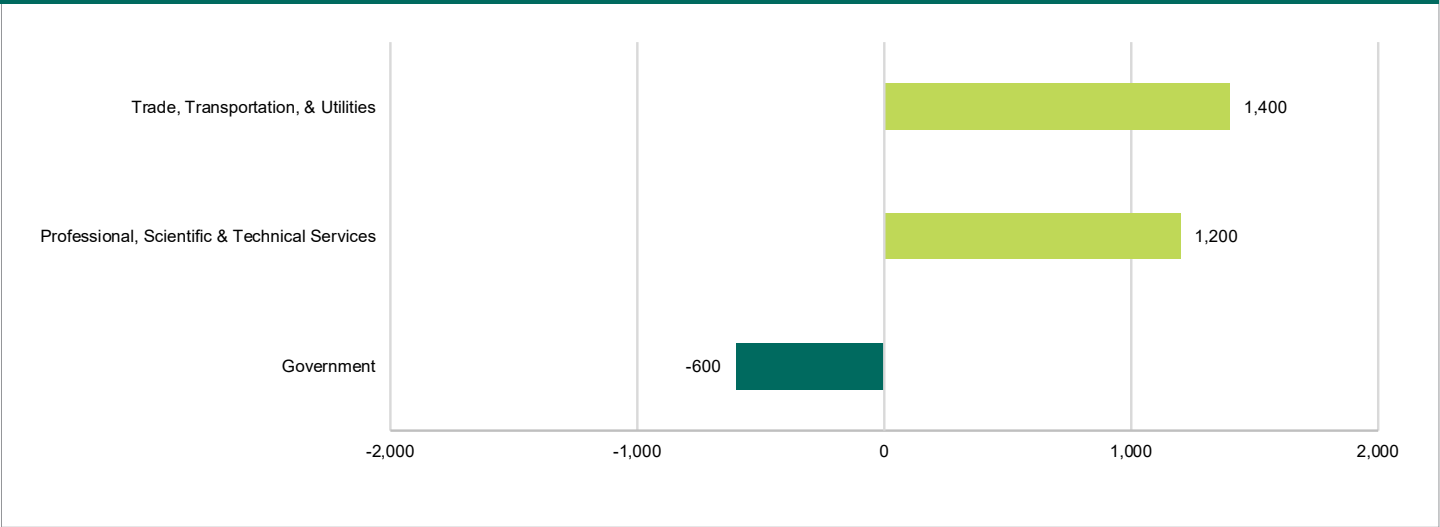
METROPOLITAN AREA JOB CHANGE, NOVEMBER 2018–DECEMBER 2018 (NOT SEASONALLY ADJUSTED)

Area	Change
Battle Creek	0.2%
Muskegon	0.2%
Midland	0.0%
Grand Rapids	-0.1%
Flint	-0.1%
Jackson	-0.2%
Ann Arbor	-0.3%
Detroit	-0.3%
Kalamazoo	-0.4%
Michigan	-0.5%
Saginaw	-0.8%
Bay City	-0.8%
Monroe	-0.9%
Lansing	-1.0%
Benton Harbor	-1.1%
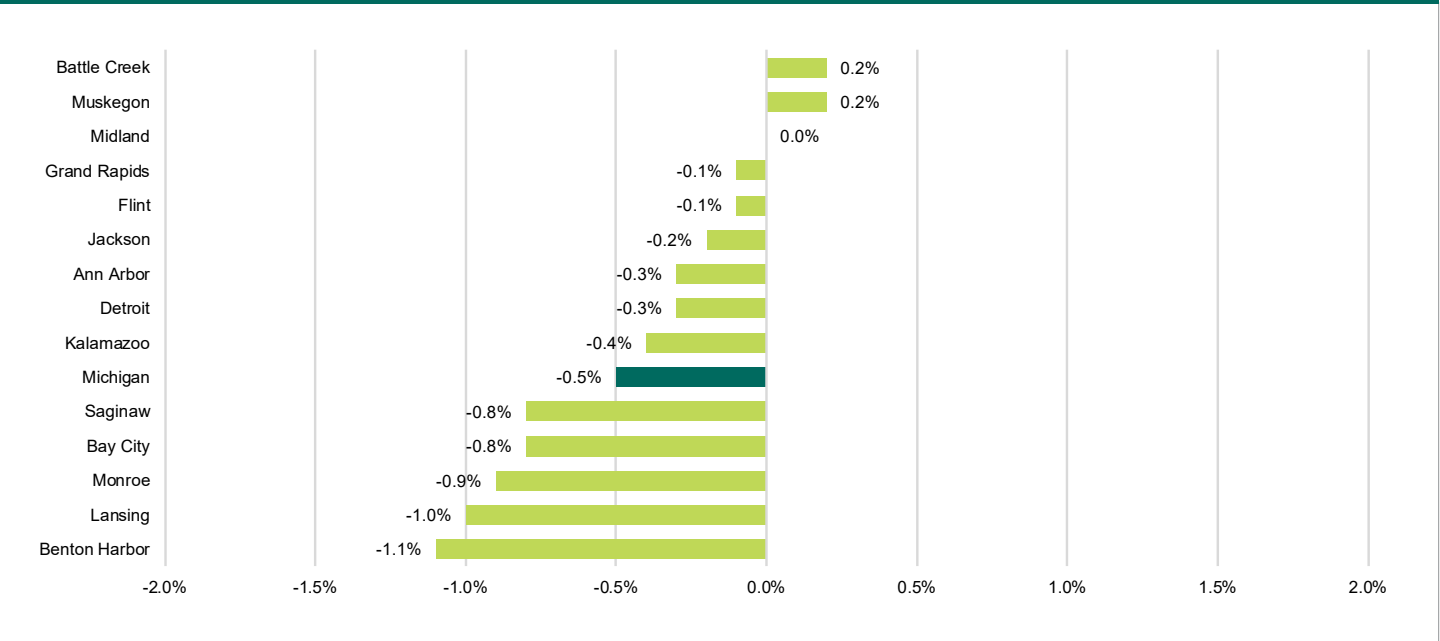
REGIONAL LABOR MARKET ANALYSIS

ANN ARBOR METROPOLITAN AREA

- The unemployment rate in Ann Arbor edged up by a tenth of a percentage point over the month to 2.7 percent in December.

- Both the civilian labor force and total employment declined by 1.3 percent in December.

MONTHLY INDUSTRY DEVELOPMENTS

- Ann Arbor payroll jobs moved down by 800, or 0.3 percent, since November, largely due to a 600-job seasonal reduction in *Professional and business services*.

INDUSTRY TRENDS

- *Healthcare and social assistance* jobs in Ann Arbor have been increasing over the past year. The industry's December total of 24,400 jobs was a record high.

BAY CITY METROPOLITAN AREA

- Bay City's jobless rate rose by eight-tenths of a percentage point in December to 4.5 percent.

- The number of area unemployed declined by nearly 18.0 percent since December 2017.

MONTHLY INDUSTRY DEVELOPMENTS

- Total nonfarm jobs in Bay City decreased by 300 over the month, or 0.8 percent, due to employment reductions in *Manufacturing* (-200) and *Mining, logging and construction* (-100).

INDUSTRY TRENDS

- Bay City jobs in the *Other services* sector averaged 1,300 in 2018, down slightly over the year.

FLINT METROPOLITAN AREA

- Joblessness in Flint rose by half a percentage point in December to 4.6 percent.

- The civilian labor force declined by 0.6 percent over the month and by 0.9 percent over the year.

MONTHLY INDUSTRY DEVELOPMENTS

- Flint job levels inched down by 100 in December, a decline of just 0.1 percent.

- Most industries in the region remained unchanged, with the exceptions of *Mining, logging, and construction* (-200) and *Professional and business services* (-200).

INDUSTRY TRENDS

- From September through December, the regional *Retail* sector added 500 seasonal jobs, which was below the pace of hiring in most recent years.

BATTLE CREEK METROPOLITAN AREA

- In December, employment in the Battle Creek MSA was down 600, while unemployment moved up seasonally by 400, as the jobless rate rose by 0.6 percentage points to 4.1 percent.

- Since December 2017, unemployment was down 500, and the jobless rate declined by eight-tenths of a percentage point.

MONTHLY INDUSTRY DEVELOPMENTS

- December nonfarm payroll jobs in the Battle Creek MSA were stable. Seasonal job gains in *Manufacturing* and *Retail trade* were nearly offset by employment cuts in *Government* and *Construction and mining*.

- Since 2017, job levels in *Manufacturing* continued to improve, but were flat in most other sectors.

INDUSTRY TRENDS

- *Manufacturing* jobs in the Battle Creek MSA rose by 4.8 percent (+600) during 2018, with an annual average of 12,700. Jobs in this sector were up 2.5 percent statewide.

DETROIT-WARREN-DEARBORN METRO AREA

- The Detroit metro region's unemployment rate increased by 0.4 percentage points over the month to 4.2 percent.

- Detroit was the only region to exhibit a slight gain in employment over the month, edging up by 0.2 percent in December.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll employment in Detroit fell by 5,500 in December, or 0.3 percent, largely due to a 4,200 job decline in the region's *Professional and business services* sector.

INDUSTRY TRENDS

- Detroit's *Trade, transportation, and utilities* industry reached an eleven-year peak level of 383,400 jobs in December.

GRAND RAPIDS-WYOMING METRO AREA

- The Grand Rapids regional jobless rate edged up by three-tenths of a percentage point over the month to 2.8 percent.

- Total unemployment declined by 18.4 percent since December 2017, exactly double that of the state during the same period.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll employment in Grand Rapids decreased by 500 over the month, or 0.1 percent.

- The largest over-the-month industry job reduction occurred in *Professional and business services* (-600).

INDUSTRY TRENDS

- The region's *Furniture and related product manufacturing* sector reached a thirteen-year high level of 13,500 jobs in December.

CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	ANN ARBOR			BATTLE CREEK			BAY CITY		
	DEC 2018	NOV 2018	DEC 2017	DEC 2018	NOV 2018	DEC 2017	DEC 2018	NOV 2018	DEC 2017
PLACE OF RESIDENCE									
Labor Force	195,100	197,600	194,300	63,200	63,400	63,200	50,300	50,600	50,700
Employment	189,800	192,300	188,300	60,600	61,200	60,100	48,000	48,700	47,900
Unemployment	5,300	5,200	6,000	2,600	2,200	3,100	2,300	1,900	2,800
Rate (percent)	2.7%	2.6%	3.1%	4.1%	3.5%	4.9%	4.5%	3.7%	5.5%
PLACE OF WORK									
Total Nonfarm Jobs	229,200	230,000	225,200	59,600	59,500	58,600	36,000	36,300	35,800
Mining, Logging, and Construction	4,800	4,900	4,200	1,500	1,700	1,500	1,100	1,200	1,100
Manufacturing	15,500	15,300	15,000	13,100	12,800	12,400	4,700	4,900	4,500
Trade, Transportation, and Utilities	26,600	26,300	26,600	9,700	9,600	9,400	7,800	7,800	7,700
Wholesale Trade	6,200	6,100	6,200	*	*	*	*	*	*
Retail Trade	16,500	16,400	16,700	6,000	5,800	5,900	5,300	5,300	5,300
Information	5,100	5,200	5,200	*	*	*	500	500	500
Financial Activities	7,300	7,300	7,100	1,200	1,200	1,200	1,300	1,300	1,300
Professional and Business Services	30,000	30,600	29,800	6,400	6,400	6,300	2,800	2,800	2,600
Educational and Health Services	28,300	28,300	27,900	10,900	10,900	11,000	6,600	6,600	6,700
Leisure and Hospitality	17,400	17,600	17,400	4,200	4,200	4,300	4,200	4,200	4,400
Other Services	6,300	6,300	6,300	1,900	1,900	1,900	1,300	1,300	1,400
Government	87,900	88,200	85,700	10,600	10,800	10,600	5,700	5,700	5,600

	DETROIT-WARREN-DEARBORN			FLINT			GRAND RAPIDS-WYOMING		
	DEC 2018	NOV 2018	DEC 2017	DEC 2018	NOV 2018	DEC 2017	DEC 2018	NOV 2018	DEC 2017
PLACE OF RESIDENCE									
Labor Force	2,125,000	2,114,000	2,112,000	180,800	181,800	182,400	577,900	581,200	573,100
Employment	2,037,000	2,033,000	2,026,000	172,400	174,500	172,000	561,500	566,700	553,000
Unemployment	89,000	81,000	86,000	8,400	7,400	10,400	16,400	14,600	20,100
Rate (percent)	4.2%	3.8%	4.1%	4.6%	4.1%	5.7%	2.8%	2.5%	3.5%
PLACE OF WORK									
Total Nonfarm Jobs	2,036,200	2,041,700	2,023,000	143,400	143,500	141,800	574,100	574,600	561,500
Mining, Logging, and Construction	78,000	80,000	71,100	5,800	6,000	5,200	26,800	27,100	23,800
Manufacturing	256,300	256,900	254,700	11,900	11,800	12,400	118,700	118,200	116,100
Trade, Transportation, and Utilities	383,400	380,600	380,300	30,700	30,600	30,100	97,400	97,300	97,500
Wholesale Trade	88,400	88,200	87,800	6,000	6,100	5,800	31,800	31,800	31,500
Retail Trade	218,100	217,100	219,300	20,400	20,400	20,200	49,700	49,700	50,500
Information	26,500	26,700	27,000	3,900	3,900	4,000	5,400	5,400	5,500
Financial Activities	116,200	115,500	116,700	6,000	6,000	6,000	26,100	26,100	25,900
Professional and Business Services	389,200	393,400	391,200	16,000	16,200	15,400	79,900	80,500	80,900
Educational and Health Services	319,400	318,500	315,000	28,900	28,800	28,900	94,600	95,100	92,300
Leisure and Hospitality	201,100	201,800	201,300	15,200	15,200	15,100	51,500	51,300	48,200
Other Services	75,900	76,000	76,200	5,400	5,400	5,400	22,700	22,600	22,400
Government	190,200	192,300	189,500	19,600	19,600	19,300	51,000	51,000	48,900

* Data Not Available

JACKSON METROPOLITAN AREA

- Employment in the Jackson MSA fell by 800 in December and the jobless rate rose by five-tenths of a percentage point to 3.8 percent.

- Over the past year, employment and unemployment levels moved down. As a result, the labor force declined by 900 and the jobless rate decreased by six tenths of a percentage point.

MONTHLY INDUSTRY DEVELOPMENTS
- Jobs in the Jackson MSA were stable over the month. Employment in most major sectors was flat, with the exception of *Government* (-200).

- Since December 2017, employment in the Jackson MSA fell by 500, mostly from a job reduction in *Retail trade*.

INDUSTRY TRENDS
- *Manufacturing* employment in the Jackson MSA was stable in 2018, inching up by 200 (+2.0 percent) since December 2017. This was just under the pace of gain statewide.

LANSING-EAST LANSING METRO AREA

- The jobless rate in the Lansing metro area was little changed in December, up just a tenth of a percentage point to 3.2 percent.

- The region's jobless rate remained well below the statewide average of 4.0 percent.

MONTHLY INDUSTRY DEVELOPMENTS
- Lansing's nonfarm job count dropped seasonally by 2,400 since November, a decline of 1.0 percent, mainly due to a large seasonal job cut in *Government* (-2,200).

INDUSTRY TRENDS
- For the second consecutive month, *Financial activities* in the Lansing region reached an all-time high level of 16,900 jobs.

MONROE METROPOLITAN AREA

- Monroe region joblessness rose by a tenth of a percentage point in December to 4.0 percent, matching the statewide rate.

- The civilian labor force moved down by 1.3 percent in December, tied for the second largest monthly decline out of all Michigan metro regions (behind Lansing).

MONTHLY INDUSTRY DEVELOPMENTS
- Monroe nonfarm employment fell by 400 over the month, or 0.9 percent

- Job cuts occurred in *Mining, logging and construction* (-200), *Professional and business services* (-100) and *Leisure and hospitality* (-100).

INDUSTRY TRENDS
- For most of the last two years, *Wholesale trade* jobs in Monroe remained at a peak of 1,900.

KALAMAZOO-PORTAGE METRO AREA

- December employment levels in the Kalamazoo-Portage MSA fell seasonally by 1,000, pushing the jobless rate up by six-tenths of a percentage point to 3.7 percent.

- Unemployment fell sharply by 1,400 over the past year, while employment inched up 200. As a result, the jobless rate dropped by eight tenths of a percentage point.

MONTHLY INDUSTRY DEVELOPMENTS
- Payroll jobs in the Kalamazoo-Portage MSA inched down by 600 in December, mainly from a seasonal loss of 300 jobs in *Government* and 200 positions in *Leisure and hospitality*.

- Since December 2017, job levels moved up 1,100. *Construction and mining* added jobs over this period.

INDUSTRY TRENDS
- Nonfarm jobs in 2018 averaged 149,400 and have increased for seven consecutive years.

MIDLAND METROPOLITAN AREA

- Joblessness in Midland rose by 0.6 percentage points between November and December, up to 3.8 percent.

- Total employment declined seasonally by 1.0 percent over the month.

MONTHLY INDUSTRY DEVELOPMENTS
- Midland regional jobs remained unchanged over the month, staying at 37,500 positions.

- Over the year, jobs edged up by 400, or 1.1 percent.

INDUSTRY TRENDS
- Job gains since December 2017 in the Midland region were split evenly between the *Goods producing* and *Service providing* sectors.

MUSKEGON METROPOLITAN AREA

- Joblessness in the Muskegon region edged up by 0.5 percentage points over the month to 4.3 percent.

- The region was one of three Michigan areas to record a small employment decline over the year (the others were Jackson and the Upper Peninsula).

MONTHLY INDUSTRY DEVELOPMENTS
- Payroll jobs in Muskegon edged up by 100 over the month, or 0.2 percent, due to minor increases in the *Manufacturing* and *Trade, transportation, and utilities* industries.

INDUSTRY TRENDS
- The region was one of only two Michigan metro areas to exhibit a slight gain in nonfarm employment in December (the other was Battle Creek).

CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	JACKSON			KALAMAZOO-PORTAGE			LANSING-EAST LANSING		
	DEC 2018	NOV 2018	DEC 2017	DEC 2018	NOV 2018	DEC 2017	DEC 2018	NOV 2018	DEC 2017
PLACE OF RESIDENCE									
Labor Force	73,300	73,800	74,200	167,200	168,200	168,400	249,700	254,200	249,000
Employment	70,500	71,300	70,900	161,100	163,000	160,900	241,800	246,200	239,300
Unemployment	2,800	2,500	3,300	6,100	5,200	7,500	7,900	8,000	9,700
Rate (percent)	3.8%	3.3%	4.4%	3.7%	3.1%	4.5%	3.2%	3.1%	3.9%
PLACE OF WORK									
Total Nonfarm Jobs	58,400	58,500	58,900	151,000	151,600	149,900	242,900	245,300	238,500
Mining, Logging, and Construction	2,000	2,100	1,900	7,500	7,600	6,700	7,800	8,200	7,200
Manufacturing	10,300	10,200	10,100	21,600	21,600	21,800	21,400	21,200	20,300
Trade, Transportation, and Utilities	12,200	12,100	12,800	28,200	28,100	27,400	39,500	39,700	39,100
Wholesale Trade	*	*	*	7,500	7,500	7,400	6,000	6,000	5,900
Retail Trade	6,200	6,200	6,700	16,800	16,800	16,300	23,000	23,300	22,900
Information	300	300	300	800	800	900	2,600	2,600	2,600
Financial Activities	2,000	2,000	2,000	8,500	8,500	8,300	16,900	16,900	16,600
Professional and Business Services	5,000	5,000	5,100	16,700	16,700	17,500	24,100	23,700	23,500
Educational and Health Services	10,900	10,900	11,000	24,600	24,700	24,200	32,900	32,900	32,600
Leisure and Hospitality	5,400	5,400	5,300	15,400	15,600	15,400	18,700	18,900	18,800
Other Services	2,500	2,500	2,600	5,200	5,200	5,300	10,100	10,100	10,100
Government	7,800	8,000	7,800	22,500	22,800	22,400	68,900	71,100	67,700

	MIDLAND			MONROE			MUSKEGON		
	DEC 2018	NOV 2018	DEC 2017	DEC 2018	NOV 2018	DEC 2017	DEC 2018	NOV 2018	DEC 2017
PLACE OF RESIDENCE									
Labor Force	39,700	39,900	39,900	76,100	77,100	75,900	76,800	77,000	77,700
Employment	38,200	38,600	38,100	73,000	74,100	72,700	73,500	74,100	73,600
Unemployment	1,500	1,300	1,900	3,000	3,000	3,100	3,300	2,900	4,100
Rate (percent)	3.8%	3.2%	4.6%	4.0%	3.9%	4.1%	4.3%	3.8%	5.3%
PLACE OF WORK									
Total Nonfarm Jobs	37,500	37,500	37,100	43,000	43,400	42,500	64,900	64,800	65,000
Mining, Logging, and Construction	*	*	*	1,900	2,100	1,800	2,200	2,300	2,100
Manufacturing	*	*	*	5,500	5,500	5,500	14,300	14,200	13,800
Trade, Transportation, and Utilities	*	*	*	11,400	11,400	11,300	13,600	13,500	13,800
Wholesale Trade	*	*	*	1,900	1,900	1,900	*	*	*
Retail Trade	*	*	*	5,400	5,500	5,500	10,600	10,600	11,100
Information	*	*	*	*	*	*	800	800	800
Financial Activities	*	*	*	1,000	1,000	1,000	1,700	1,700	1,700
Professional and Business Services	*	*	*	5,600	5,700	5,400	3,700	3,700	3,700
Educational and Health Services	*	*	*	5,200	5,200	5,200	11,900	11,900	12,300
Leisure and Hospitality	*	*	*	4,600	4,700	4,600	7,300	7,300	7,100
Other Services	*	*	*	1,500	1,500	1,500	2,100	2,100	2,200
Government	3,100	3,100	3,000	5,700	5,700	5,600	7,300	7,300	7,500

* Data Not Available

NILES-BENTON HARBOR METRO AREA

- December employment in the Niles-Benton Harbor MSA dropped by 1,200, while unemployment rose 500. The jobless rate advanced to 4.3 percent.

- Since December 2017, employment was stable, while the number of unemployed fell by 600. The area jobless rate retreated by eight-tenths of a percentage point.

MONTHLY INDUSTRY DEVELOPMENTS
- Jobs in the Niles-Benton Harbor MSA were down 700 in December. *Goods-producing* industries cut 200 positions, while private *Service-providing* sectors lost 500 jobs.

- Over the past year, *Manufacturing* added jobs, while employment in *Professional and business services* and in *Government* declined.

INDUSTRY TRENDS
- Between January and December 2018, *Manufacturing* employment in the Niles-Benton Harbor MSA expanded by 5.0 percent (+500); double the statewide growth rate.

SAGINAW METROPOLITAN AREA

- Saginaw's unemployment rate rose by six-tenths of a percentage point over the month to 4.5 percent in December.

- The region registered a significant 15 percent cut in the number of unemployed since December 2017, pushing the jobless rate down by 0.8 percentage points over the past year.

MONTHLY INDUSTRY DEVELOPMENTS
- Payroll employment in Saginaw receded by 700 over the month, or 0.8 percent, due to declines in most major industry sectors.

INDUSTRY TRENDS
- For the second consecutive month, *Transportation, warehousing, and utilities* in Saginaw had a peak level of 2,800 jobs in December.
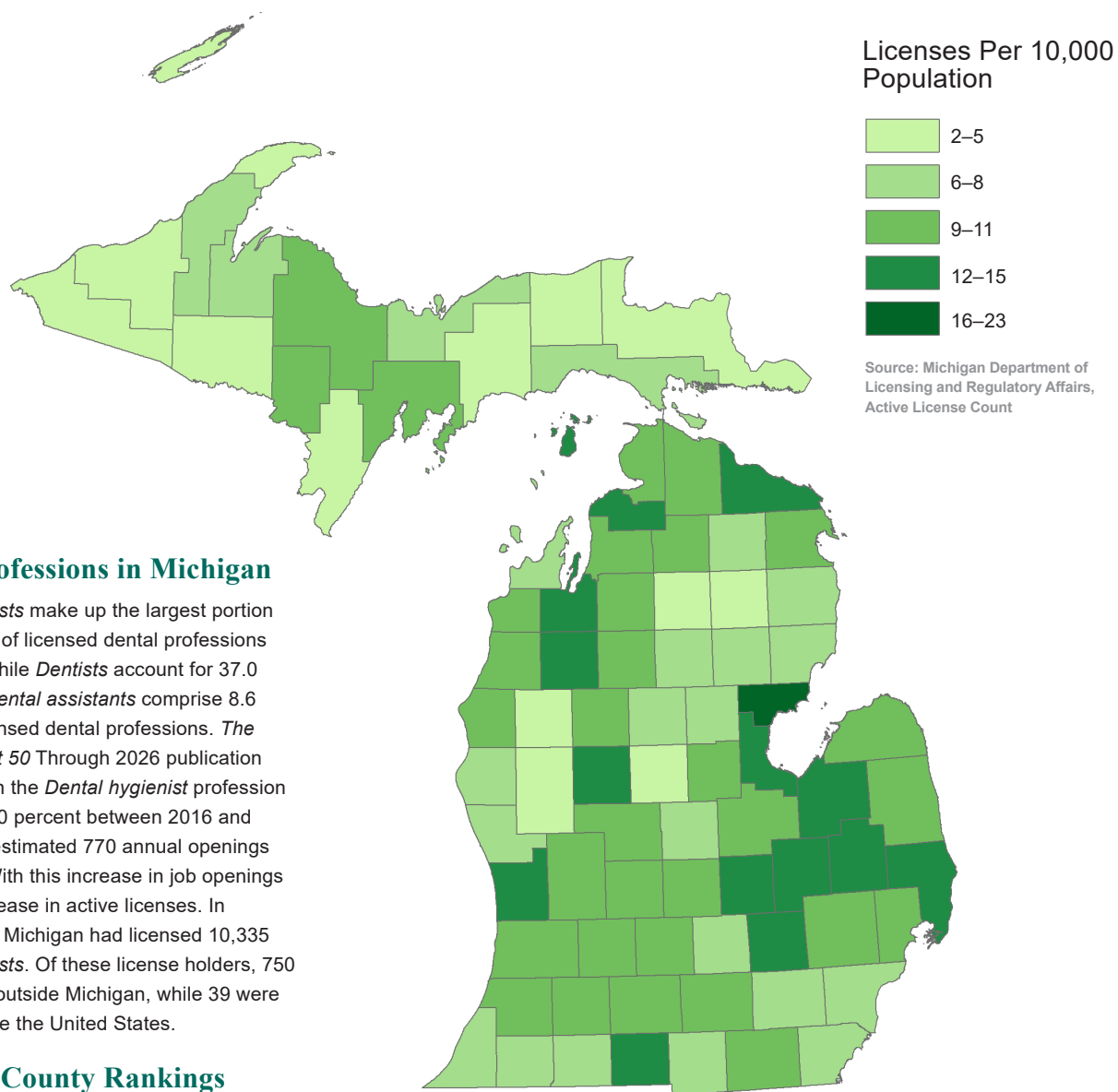
CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	NILES-BENTON HARBOR			SAGINAW		
	DEC 2018	NOV 2018	DEC 2017	DEC 2018	NOV 2018	DEC 2017
PLACE OF RESIDENCE						
Labor Force	72,400	73,000	72,800	87,600	88,300	87,300
Employment	69,200	70,400	69,100	83,700	84,800	82,600
Unemployment	3,100	2,600	3,700	3,900	3,400	4,600
Rate (percent)	4.3%	3.6%	5.1%	4.5%	3.9%	5.3%
PLACE OF WORK						
Total Nonfarm Jobs	62,400	63,100	61,900	90,400	91,100	89,000
Mining, Logging, and Construction	1,800	1,900	1,800	3,000	3,200	2,900
Manufacturing	13,900	14,000	13,600	12,600	12,700	12,400
Trade, Transportation, and Utilities	11,400	11,500	10,900	17,600	17,700	17,500
Wholesale Trade	*	*	*	2,000	2,000	2,200
Retail Trade	6,900	7,000	7,000	12,800	12,900	12,600
Information	500	500	500	1,200	1,200	1,300
Financial Activities	2,500	2,500	2,500	3,600	3,600	3,700
Professional and Business Services	4,600	4,800	4,900	12,100	12,300	11,400
Educational and Health Services	9,600	9,700	9,500	16,200	16,200	16,300
Leisure and Hospitality	7,100	7,200	6,900	8,900	8,900	8,800
Other Services	2,300	2,300	2,400	3,400	3,300	3,400
Government	8,700	8,700	8,900	11,800	12,000	11,300

	UPPER PENINSULA			NORTHEAST MICHIGAN			NORTHWEST MICHIGAN		
	DEC 2018	NOV 2018	DEC 2017	DEC 2018	NOV 2018	DEC 2017	DEC 2018	NOV 2018	DEC 2017
PLACE OF RESIDENCE									
Labor Force	135,500	136,100	137,300	80,500	80,500	82,000	147,500	147,100	148,100
Employment	127,600	130,100	127,700	74,400	76,100	74,400	140,100	141,600	139,200
Unemployment	7,900	5,900	9,600	6,100	4,500	7,500	7,400	5,500	8,900
Rate (percent)	5.8%	4.4%	7.0%	7.5%	5.6%	9.2%	5.0%	3.8%	6.0%

DENTAL HYGIENIST LICENSES BY MICHIGAN COUNTY

Licenses Per 10,000 Population

- 2–5
- 6–8
- 9–11
- 12–15
- 16–23

Source: Michigan Department of Licensing and Regulatory Affairs, Active License Count

Dental Professions in Michigan

Dental hygienists make up the largest portion (48.7 percent) of licensed dental professions in Michigan, while *Dentists* account for 37.0 percent and *Dental assistants* comprise 8.6 percent of licensed dental professions. *The Michigan's Hot 50* Through 2026 publication projects jobs in the *Dental hygienist* profession to grow by 20.0 percent between 2016 and 2026 with an estimated 770 annual openings in Michigan. With this increase in job openings comes an increase in active licenses. In January 2019, Michigan had licensed 10,335 *Dental hygienists*. Of these license holders, 750 were working outside Michigan, while 39 were working outside the United States.

Michigan County Rankings

All 83 counties in Michigan have licensed *Dental hygienists*. The median number of *Dental hygienists* per county in Michigan is shown as 34 active licenses; however, the dispersal of these licenses varies considerably. The three counties with the highest *Dental hygienist* license counts are Oakland (1,406 licenses), Wayne (1,121 licenses), and Macomb (965 licenses). Four counties in Michigan have less than four active *Dental hygienist* licenses: Keweenaw, Luce, Ontonagon, and Schoolcraft.

This map displays the number of *Dental hygienist* licenses per 10,000 population by county. Counties with the highest number of *Dental hygienists* per 10,000 population were Arenac, Shiawassee, and St. Clair, while the lowest ranking counties were Lake, Ontonagon, and Schoolcraft.

If you would like to see more counts of occupational or health professional licensing, please visit the Department of Licensing and Regulatory Affair's website at www.Michigan.gov/BPL and search for their occupational and health professional active license counts.

CATHERINE CLOSNER
Economic Analyst

OCCUPATIONAL LICENSING IN MICHIGAN

Over the past several decades, state-level occupational licensing has emerged as a key feature of the U.S. job market and labor force. According to Morris Kleiner and Evgeny Vortnikov's 2016 publication "Analyzing Occupational Licensing Among the States" in the early 1950s, less than five percent of the U.S. workforce had an active occupational license. By 2018, the Bureau of Labor Statistics (BLS) Current Population Survey (CPS) reported that this figure had risen to 21.4 percent. Based on Council for Community and Economic Research (C2ER) and Labor Market Institute (LMI) estimates of CPS data, Michigan itself has mirrored this national trend of increased prevalence in licensing, with an average of 21.8 percent of the workforce having this credential from 2015 through 2017, compared to 21.6 percent nationally over the same time period. This article highlights several key facts and trends regarding occupational licensing in Michigan, including a look at their definition and purpose, the process of receiving a license, and a focus on recent reform initiatives to improve licensing in Michigan.

Definition and Purpose

As defined by the BLS, occupational licenses are credentials awarded by designated government licensing agencies based on predetermined criteria. These criteria may include some combination of degree attainment, certifications, completion of assessments, apprenticeships, or work experience. Though often confused with certifications, certificates, apprenticeships, and business licenses, occupational licenses exhibit some key differences. Licenses are distinguishable by the fact that they convey a legal authority to work in a licensed occupation. Unlike other credentials, obtaining a license is legally required prior to beginning employment in the licensed occupation. (See this issue's *Ask The Economist* article for further details on the distinction between these terms.)

There are many potential purposes of occupational licenses. One is to certify that individuals employed in certain jobs have the skills, knowledge, and experience necessary to perform their duties. A related purpose is to ensure the health and safety of the employed license holder, other workers, consumers, and the public. For occupations where the risk of workplace injury, illness, or death is relatively high, licensing authorities can design prerequisites to try to minimize those risks. Lastly, licenses may establish a general framework of standards for the licensed occupation and serve as a signal to consumers about the skill levels and qualifications of available providers (The State of Occupational Licensing - Research, State Policies and Trends 2017)
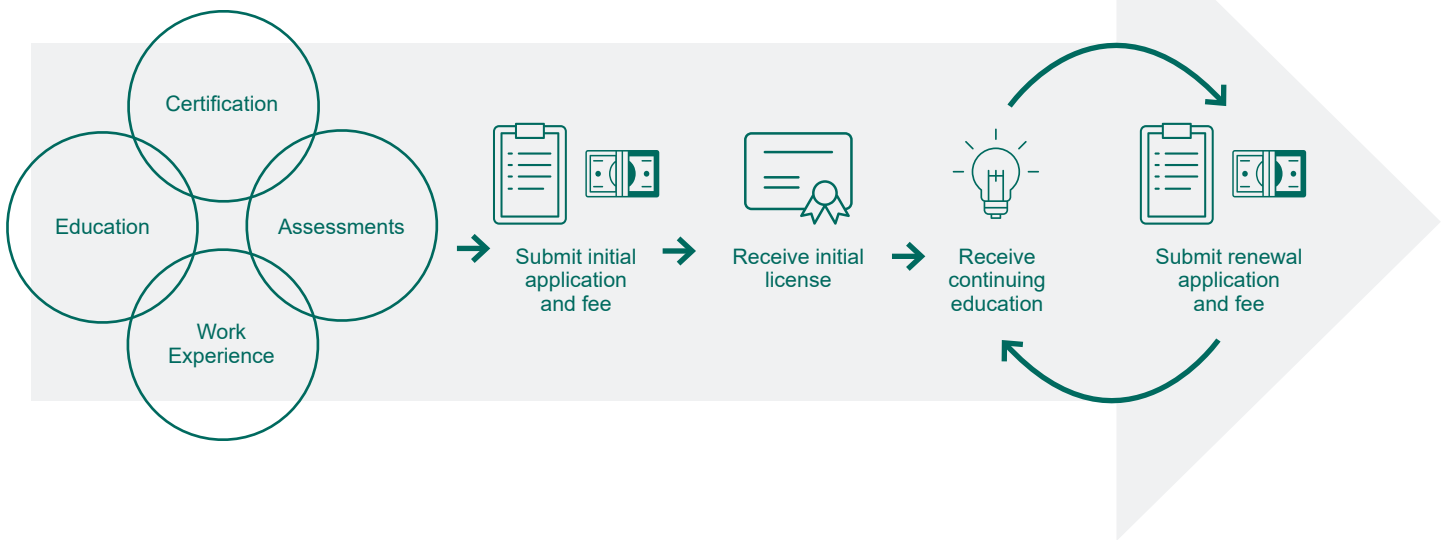
Licensing Process

The process for acquiring an occupational license varies by state, licensing agency, government, and occupation, but there are commonalities across the spectrum. In Michigan, an individual interested in pursuing a licensed occupation (such as an *Electrician, Barber, Accountant*, etc.) must first meet the qualifications and prerequisites established by the relevant state licensing agency and/or licensing board. Licensing agencies are authorities in state government that are responsible for reviewing license applications, issuing licenses, processing renewals, maintaining archives, and keeping qualifications up to date. The agency that issues the most licenses in Michigan is the Department of Licensing and Regulatory Affairs' (LARA) Bureau of Professional Licensing (BPL), which handles licenses in healthcare and general occupational professions. Other authorities regulate licenses that usually fall under their area of emphasis. For example, the Michigan Department of Education issues teaching licenses, while the Michigan Department of Agriculture and Rural Development issues Livestock Dealer licenses. Overall, there are more than 20 agencies responsible for licensing in Michigan.

Once the correct licensing authority has been identified, an individual can determine the requirements for licensure, either by looking on the agency's website or by contacting them.

FIGURE 1: **MICHIGAN LICENSING PROCESS**

Certification · Education · Assessments · Work Experience → Submit initial application and fee → Receive initial license → Receive continuing education → Submit renewal application and fee

Licensing requirements may contain a mixture of qualifications, such as degree attainment or work experience, that are unique to each license. For example, on their website, LARA has established that individuals seeking a Barber's license must

- be 17 years old or older;
- be of good moral character;
- complete at least 10th grade or equivalent level of education;
- complete 1,800 hours at a licensed Barber College; and
- pass a theory/practical exam.

After meeting all licensing requirements, the individual must submit an application, supporting documents, and licensing fee to the appropriate agency. These applications can be found on the licensing agency's website and may either be mailed physically or submitted directly online along with the fee payment, depending on the license and the agency. For some licenses, qualifying criteria such as completing a background check or an exam may occur after the application and fee has already been submitted. For instance, to receive a Master Electrician license as a Michigan resident, an individual must

first submit the application and license fee to the licensing agency (LARA's Bureau of Construction Codes), then complete the exam through a third-party testing firm.

Even when an initial license is received, however, the process is ongoing. All licenses must be renewed, and a renewal fee be paid on a periodic basis in order to keep the license active. Additionally, for some licenses, an individual must undergo continuing education as part of the process of license renewal. As an illustration of this, a *Registered nurse* must complete at least 25 hours of board-
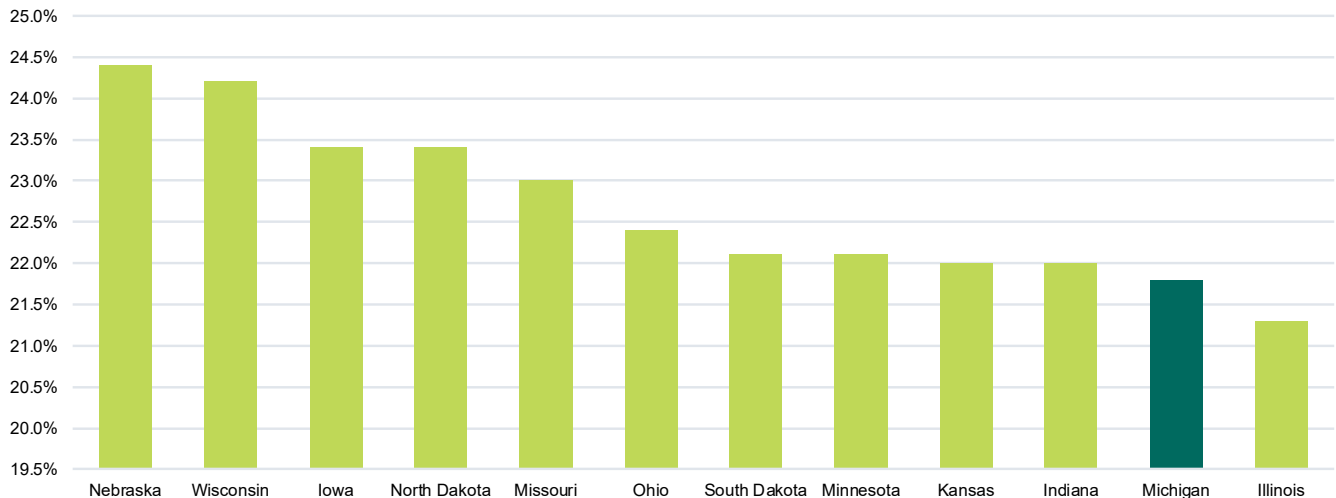
Source: "State Certifications and Licenses, 2015-2017", C2ER and LMI, 2018

FIGURE 3: **AVERAGE EDUCATION/EXPERIENCE REQUIRED (DAYS), SELECT OCCUPATIONS, MIDWEST REGION**
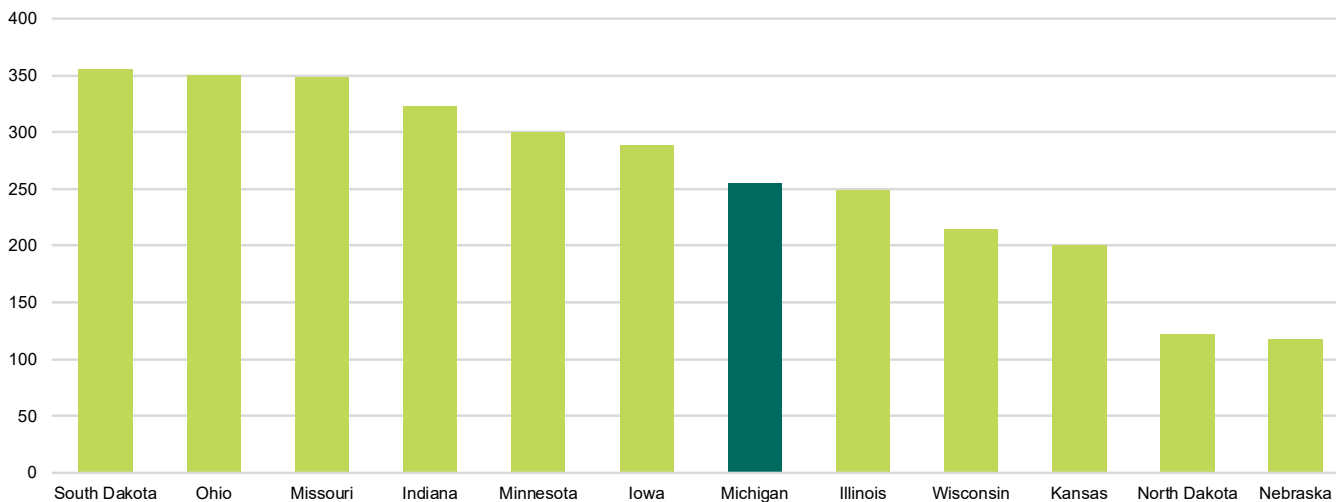
Source: "License to Work: A National Study of Burdens from Occupational Licensing" by Carpenter, et al. 2017

approved continuing education hours within the two years before applying for renewal. Of the licensees tracked by the National Occupational Licensing Database, the required time of license renewal in Michigan usually ranges between one and three years from initial receipt, though the specific details depend on the license.

Michigan Licensing: Data and Trends

According to an analysis of CPS data published by C2ER and LMI in 2018, an average of 21.8 percent of Michigan's workforce was licensed from 2015 through 2017, ranking 11th out of 12 states in the Census Bureau-defined Midwest Region (see Figure 2) and tied for 33rd highest in the nation. While nationally this was well below that of the highest ranked state, Maine (28.7 percent), it was still several percentage points higher than the rate of the lowest, Georgia (17.8 percent). It was also slightly higher than the overall U.S. rate of 21.6 percent from 2015 through 2017.

Perhaps equally revealing is the average education or experience required for licensure. Another study on occupational licenses was conducted by the Institute for Justice and published in November 2017 in "License to Work: A National Study of Burdens from Occupational Licensing." For 102 selected low-and medium-wage occupations across the U.S., this study showed an average of 255 days of education or experience was required to receive a license in Michigan, ranking it 7th highest out of 12 in the Midwest region (see Figure 3). Based on these metrics, relative to the region and the nation, Michigan is relatively in the middle when it comes to licensing requirements.

Though data on all occupational licenses in Michigan is not available, Michigan's largest
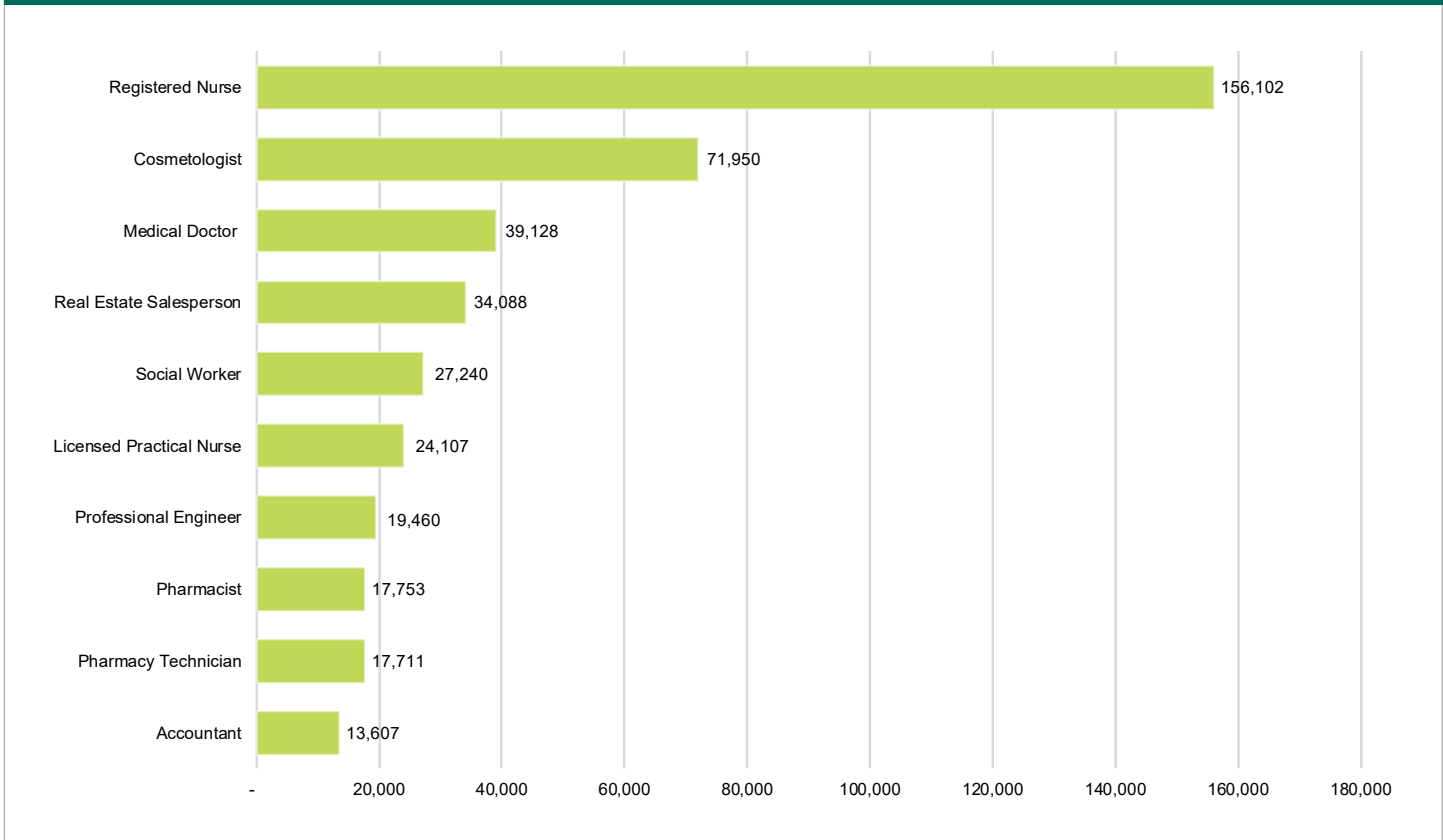
Registered Nurse — 156,102
Cosmetologist — 71,950
Medical Doctor — 39,128
Real Estate Salesperson — 34,088
Social Worker — 27,240
Licensed Practical Nurse — 24,107
Professional Engineer — 19,460
Pharmacist — 17,753
Pharmacy Technician — 17,711
Accountant — 13,607

Source: Michigan Department of Licensing and Regulatory Affairs Bureau of Professional Licensing

licensing agency, LARA's BPL, does publish active license counts on a monthly basis. Using these figures, a partial snapshot of occupational trends in Michigan licensing can be obtained. Overall, BPL counts for January 2019 indicate there are more than 500,000 occupational licenses spread across several different professions. The ten professions with the most licenses seen in Figure 4 make up over half of the occupational licenses tracked by the BPL. The professions with the highest number of awarded licenses are *Registered nurse* (156,102), *Cosmetologist* (71,950), and *Medical doctor* (39,128), while those with the lowest counts include *Natural hair culturist* (54), *Personnel agent* (40), and *Oral pathologist* (7).

In terms of labor market outcomes, there are some indications that suggest that Michigan's licensed occupations will experience faster long-term employment growth and exhibit higher median wages relative to the state as a whole. Looking at 35 selected licensed occupations across Michigan's major occupational groups, from 2016 to 2026 the total employment level for these occupations is expected to increase by 9.8 percent. In comparison, during that same time period

Michigan's total employment level for all occupations is forecast to increase by 7 percent. Similarly, the selected occupations are projected to make up nearly nine percent of the 547,120 total annual openings estimated statewide for 2016 to 2026, suggesting a significant amount of future labor market demand for licensed occupations. Finally, of the 35 selected licensed occupations where data was available, 23 had a 2017 median wage that exceeded the $17.62 per hour median wage of all Michigan occupations (see Figure 5).

Michigan Reforms and Initiatives

In an effort to improve Michigan's licensing system, recent reforms have been implemented at the state level. Though these modifications have largely focused on reducing barriers to entry in general, many are geared towards certain populations most affected by licensing requirements. This includes those with a criminal background, members of the military and their spouses, out-of-state citizens, and immigrants.

To assist residents with a criminal background to attain licensure, in September 2018 it was announced that LARA will no longer

ask applicants about their criminal history or convictions in occupational license applications, unless such questions are mandated by state or federal law. The idea is that banning the use of these questions will remove the perception of immediate disqualification, making it easier for qualified returning citizens to become licensed and successfully secure employment This reform tries to complement Michigan's relevance standards, which require that, for a license to be denied, a relationship must exist between a license applicants' criminal record and the type of license they are applying for (The State of Occupational Licensing - Research, State Policies and Trends 2017).

Licensing barriers for out-of-state residents that move across state lines have also received attention from policymakers. Like other out-of-state citizens, if military personnel relocate to Michigan and they or their family members are licensed out-of-state, they must still apply for licensure in Michigan. Different legislation has been implemented to try to decrease the personal and economic costs of these requirements and expedite the overall process. For example, Public Acts 423 and 424 of 2016 allows military spouses who

FIGURE 5: SELECTED LICENSED OCCUPATIONS IN MICHIGAN

LICENSED OCCUPATION	2016-2026 EMPLOYMENT CHANGE	2017 MEDIAN HOURLY WAGE	LICENSED OCCUPATION	2016-2026 EMPLOYMENT CHANGE	2017 MEDIAN HOURLY WAGE
Claims Adjusters, Examiners, and Investigators	-3.0%	$31.29	Dental Assistants	19.9%	$17.49
Accountants and Auditors	9.4%	$31.78	Security Guards	5.6%	$11.48
Appraisers and Assessors of Real Estate	13.5%	$25.39	Pesticide Handlers, Sprayers, and Applicators, Vegetation	7.9%	$16.49
Architects, Except Landscape and Naval	9.2%	$33.87	Gaming Dealers	-2.9%	$9.45
Surveyors	18.8%	$27.40	Hairdressers, Hairstylists, and Cosmetologists	12.3%	$12.03
Clinical, Counseling, and School Psychologists	13.5%	$34.50	Manicurists and Pedicurists	12.6%	$11.56
Psychologists, All Other	2.2%	$46.75	Securities, Commodities, and Financial Services Sales Agents	6.1%	$25.28
Substance Abuse and Behavioral Disorder Counselors	22.9%	N/A	Real Estate Brokers	3.4%	$26.69
Child, Family, and School Social Workers	13.6%	$23.35	Real Estate Sales Agents	4.3%	$19.07
Healthcare Social Workers	18.6%	$26.48	Electricians	6.8%	$27.85
Lawyers	7.3%	$46.16	Plumbers, Pipefitters, and Steamfitters	12.6%	$31.29
Elementary School Teachers, Except Special Education	5.6%	N/A	Security and Fire Alarm Systems Installers	13.6%	$22.37
Middle School Teachers, Except Special and Career/Technical Education	5.8%	N/A	Automotive Service Technicians and Mechanics	5.7%	$18.56
Secondary School Teachers, Except Special and Career/Technical Education	5.8%	N/A	Stationary Engineers and Boiler Operators	7.6%	$33.43
Dentists, General	19.4%	$83.54	Water and Wastewater Treatment Plant and System Operators	-3.8%	$22.33
Registered Nurses	13.5%	$32.87	Heavy and Tractor-Trailer Truck Drivers	9.7%	$19.24
Pharmacy Technicians	11.2%	$14.75	Taxi Drivers and Chauffeurs	9.1%	$10.81
Massage Therapists	28.6%	$18.26	**All Michigan Occupations**	**7.0%**	**$17.62**

are licensed in another state to be able to practice law without having to take Michigan's state bar exam. In 2014, Michigan began granting temporary licenses to active military personnel's spouses so they may continue to practice while waiting for initial state licensure, and some veterans became eligible for registration, application fee, renewal fee, and continuing education waivers. Other reforms are more generally targeted to out-of-state citizens. For instance, according to the Federation of State Medical Boards, in late 2018, two bills were signed into law that made Michigan the 25th state to join the Interstate Medical Licensure Compact, which expedites the licensing process for physicians who want to practice across state lines.

Finally, to help immigrants better integrate into Michigan's economy, initiatives have been launched to try to make it easier for them to acquire professional licenses. As discussed in the Michigan's Foreign-Born Population and Workforce report from August 2017, the Michigan International Talent Solutions (MITS) program administered by the Michigan Office for New Americans (MONA) helps new skilled immigrants who are unemployed or underemployed to return to their professional fields. This includes actively working with LARA to help immigrants become licensed. Additionally, working with Upwardly Global, LARA has published Michigan Professional Licensing Guides online for 38 professions that are specifically written for foreign-born skilled immigrants. These guides explain how each profession is organized in Michigan, how to become eligible for licensing, what tests are needed, and how to maintain licensure.

Conclusion

As with the rest of the country, occupational licensing has become a part of Michigan's labor market, affecting employers and workers alike. While the process to acquire a license varies depending on the licensing authority or state, all licenses have some form of qualifications to meet, and all result in a government-granted authority to practice in an occupation. Compared to other states in the nation and region, Michigan is considered near average in the time requirements and workforce prevalence of licensing, though licensed professions will continue to make up a significant percentage of the workforce in the coming years. New laws and regulations have been added and removed in a continuous effort to maximize the value they provide, especially for specific populations in the workforce.[1]

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[1]Occupational licenses, as a term used in this article, includes licenses for Skilled Trades, Occupational Code and Public Health Code

DECEMBER JOB ADVERTISEMENTS UP PARTIALLY DUE TO HOLIDAY SALES HIRING

Seasonally adjusted Michigan job advertisements rose in December, partially due to sales openings as businesses filled positions for the holiday shopping season. Postings for jobs in Michigan moved up by about 8,600 over the month to 150,191. December job ads advanced in Michigan in five of the past six years by an average of 5,200.

Each of Michigan's four neighboring regional states – including Illinois, Indiana, Ohio, and Wisconsin – also saw more job postings in December. Ohio gained the most job ads for the month at 12,578, with Indiana registering the smallest addition of 3,570 postings. The 5.4 percent average growth rate in December job ads for Michigan and its regional states was above the national increase of 5.0 percent.

Supply-Demand Rate Down

The supply-demand rate (the ratio of the number of unemployed individuals per job posting) contracted to 1.31 in December. The rate indicated approximately three job advertisements were posted for every four persons unemployed. The reduced supply-demand rate resulted from the large monthly increase in job postings.

The ad rate (number of job ads per 100 individuals in the labor force) posted a large bump to 3.24 over the month. This advance was also driven by the large gain in job postings offsetting the increase in labor force. December marked only the second month in 2018 registering a higher ad rate with the other increase occurring in July. Nationally, the ad rate moved up to 3.23.
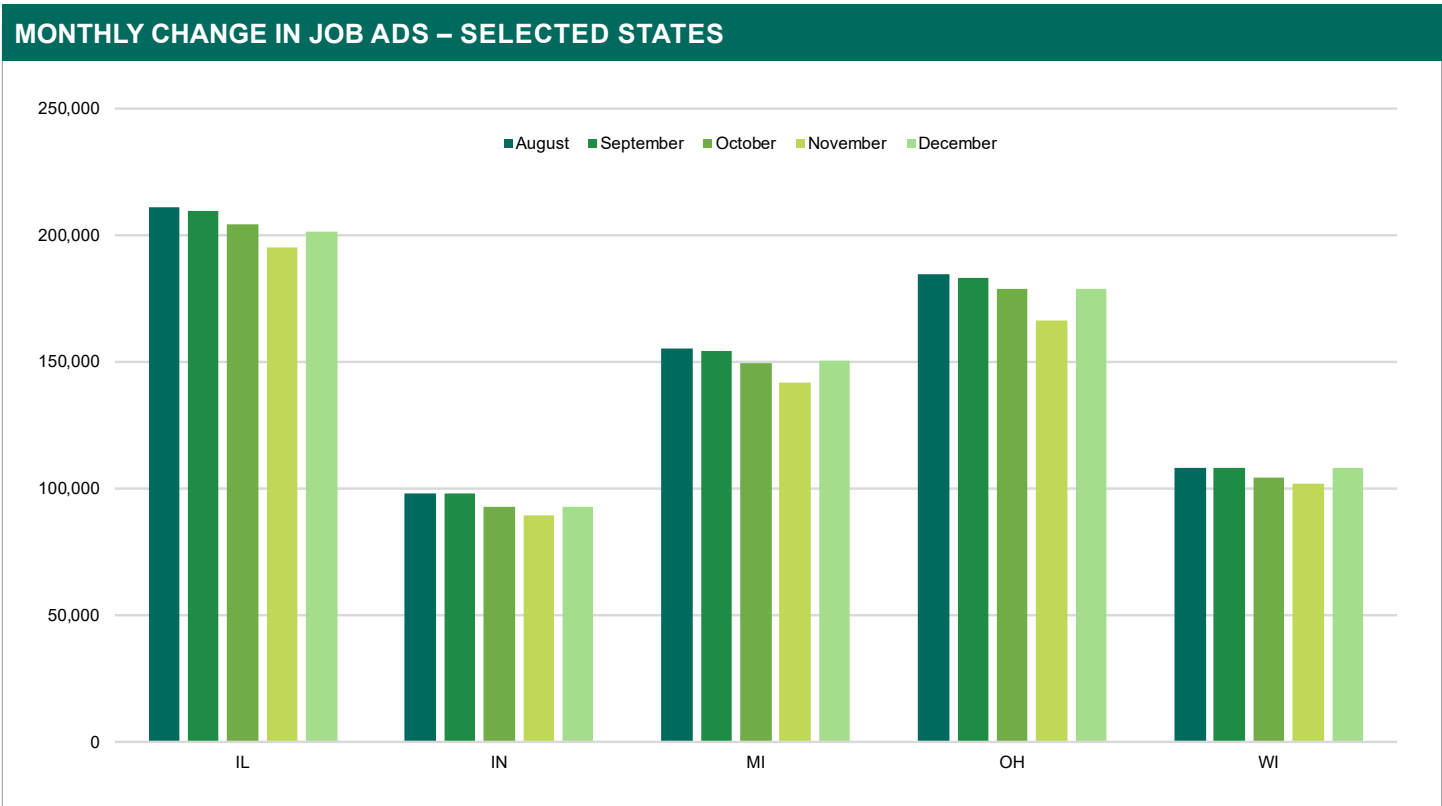
Non-seasonally Adjusted Job Ads

Information is available on advertised jobs by broad occupational group from the Help Wanted Online Data Series, but the data is *not seasonally adjusted*.

The total number of unadjusted ads by occupation fell 5,759 (-3.9 percent) in December to 140,651. Among major occupational categories, postings for *Professional* jobs saw the largest numeric reduction of 1,356 (-3.5 percent) while *Construction and repair* job postings had a large percentage drop of 8.6 percent (-704 ads). All other occupational categories also recorded fewer advertisements for the month.
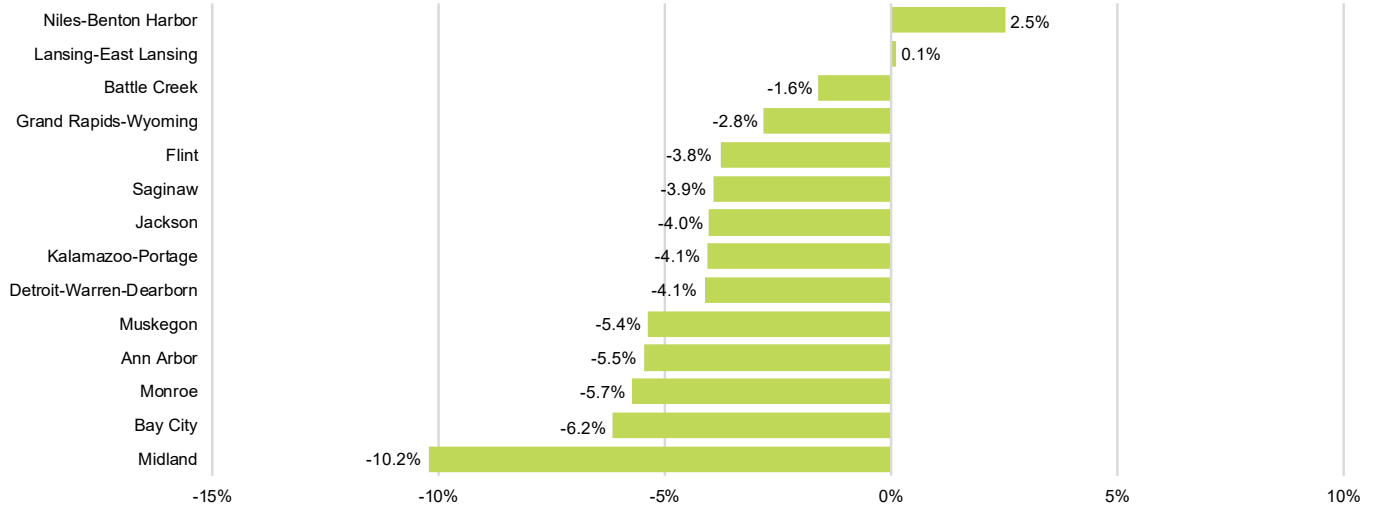
All but two of Michigan's Metropolitan Statistical Areas (MSAs) saw non-seasonally adjusted job advertisements fall in December. The Niles-Benton Harbor MSA posted a 2.5 percent hike in job ads to 1,939 and Lansing-East Lansing ads were largely unchanged. All other Michigan metro areas combined recorded 4,600 fewer ads in December with an average reduction of 4.8 percent.

Among the top 50 occupations with the most number of job ads, *Registered nurses* had the most postings with 6,380 followed by *Retail salespersons* (5,256), *First-line supervisors of retail sales workers* (4,707), and *Customer service representatives* (2,982). The typical education needed for the top 50 occupations included 13 requiring a bachelor's degree, 8 requiring between a high school diploma and less than a bachelor's degree, and 29 requiring a high school diploma or less. Twenty-seven of the occupations had no training requirement while 17 needed short-term on-the-job training.

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MONTHLY CHANGE IN JOB ADS – SELECTED STATES

MONTHLY CHANGE IN JOB ADS BY METRO AREA (NOT SEASONALLY ADJUSTED)

Metro Area	Percent Change
Niles-Benton Harbor	2.5%
Lansing-East Lansing	0.1%
Battle Creek	-1.6%
Grand Rapids-Wyoming	-2.8%
Flint	-3.8%
Saginaw	-3.9%
Jackson	-4.0%
Kalamazoo-Portage	-4.1%
Detroit-Warren-Dearborn	-4.1%
Muskegon	-5.4%
Ann Arbor	-5.5%
Monroe	-5.7%
Bay City	-6.2%
Midland	-10.2%

LABOR DEMAND BY OCCUPATION (NOT SEASONALLY ADJUSTED)

OCCUPATION CATEGORIES	DECEMBER 2017	NOVEMBER 2018	DECEMBER 2018	OVER THE MONTH	
				LEVEL	PERCENT
TOTAL	**168,272**	**146,410**	**140,651**	**-5,759**	**-3.9%**
Administrative Support	16,027	14,381	13,897	-484	-3.4%
Construction and Repair	9,418	8,227	7,523	-704	-8.6%
Healthcare	29,896	23,673	23,165	-508	-2.1%
Management	10,905	10,127	9,919	-208	-2.1%
Production	5,663	4,990	4,628	-362	-7.3%
Professional	47,240	38,835	37,479	-1,356	-3.5%
Sales	20,184	18,920	18,202	-718	-3.8%
Service	18,639	17,745	17,039	-706	-4.0%
Transportation	10,038	9,160	8,522	-638	-7.0%
Farming, fishing, and forestry	262	352	277	-75	-21.3%

EDUCATION REQUIREMENTS OF TOP 50 ADS

High school diploma or equivalent, 20

Bachelor's degree, 13

Less than high school, 9

Postsecondary non-degree award, 3

Some college, no degree, 3

Associate degree, 2

RELEVANT RANKINGS

TOP 15 MICHIGAN HEALTH PROFESSIONAL LICENSES BY LICENSE COUNT (AS OF JAN. 4, 2019)	
LICENSE	COUNT
Registered Nurse	156,102
Medical Doctor	39,128
Social Worker	27,240
Licensed Practical Nurse	24,107
Pharmacist	17,753
Pharmacy Technician	17,711
Counselor	10,493
Dental Hygienist	10,338
Physical Therapist	10,262
Osteopathic Medicine & Surgery	9,971
Massage Therapist	9,464
Occupational Therapist	8,159
Dentist	7,864
Psychologist	7,127
Physician Assistant	5,696

Source: Michigan Department of Licensing and Regulatory Affairs Bureau of Professional Licensing

TOP 15 MICHIGAN OCCUPATIONAL LICENSES BY LICENSE COUNT (AS OF JAN. 15, 2019)

LICENSE	COUNT
Cosmetologist	71,950
Real Estate Salesperson	34,088
Professional Engineer	19,460
Licensed Accountant	13,607
Manicurist	12,147
Real Estate Associate Broker	9,589
Esthetician	5,648
Architect	5,377
Registered Accountant	5,343
Barber	4,243
Real Estate Individual Broker	3,680
Cosmetology Instructor	1,571
Certified General Appraiser	1,057
Certified Residential Appraiser	1,056
Professional Surveyor	805

Source: Michigan Department of Licensing and Regulatory Affairs Bureau of Professional Licensing

ASK THE ECONOMIST

What is the difference between a license and a certification?

Here's what you need to know…

Many times, descriptive analyses of the labor market use the terms "license" and "certification" interchangeably. However, the Bureau of Labor Statistics provides a distinction between the two terms. The key difference between a license and certification is that a license must be issued by a government agency and conveys legal authority to work, while a certification may be issued by a non-governmental agency. Agencies offer a wide array of licenses and certifications, including:

- Personal licenses, such as a driver's license
- Occupational licenses, such as a *Landscape architect* or *Doctor*
- Educational licenses, such as an associate degree
- Business licenses, such as a brewery or barber shop

Occupational licenses and certifications both frequently require meeting criteria such as gaining hours of experience, passing an examination, or paying a fee. In the case of a license, agencies may also require an educational degree.

There is no limit to how many licenses or certifications an individual can possess. Sometimes occupations can require more than one license, such as a *Pharmacist* possessing a *Pharmacist* license and a Controlled Substance license. On the other hand, an occupation may require a license and a certification, such as a nurse possessing a *Registered nurse* license and a Basic Life Support certification. However, job titles are not necessarily enough to determine if a position requires a license or certification. For instance, in Michigan, a *Salesperson* does not need a license, but a *Maintenance and alteration contractor salesperson* would require a license. It is also important to remember that licenses are issued by state governments and there may be considerable differences between states in which occupations require licenses or certifications.

How do apprenticeships and registries compare?

Registries typically do not require specific training or fees; instead government agencies use registries to track employment. This allows concerned consumers to verify employment services, such as verifying a professional solicitor to ensure that donations benefit an official charitable organization. Apprenticeships give an opportunity for individuals interested in trades to work for a sponsor, which can be an employer or a union, and they receive technical training and income. Apprenticeships are different for every occupation and may take anywhere from months to years to finish. After an apprenticeship is complete, individuals may advance to a journeyperson or master license in their trade.

Are there examples of Michigan licensed occupations with above average wage rates and high projected future job growth?

Many occupations that require licenses or certifications can be positive employment opportunities. From the *Michigan's Hot 50 Through 2026* publication, which displays some of Michigan's high-demand, high-wage careers, over half the occupations require licenses. The top five occupations requiring a license in the *Michigan's Hot 50* publication by expected future percent job growth are: *Physician assistants* (+37.8 percent), *Nurse practitioners* (+34.3 percent), *Physical therapist assistants* (+30.7 percent), *Physical therapists* (+27.4 percent), and O*ccupational therapists* (+22.9 percent).

What information exists to help me decide if I want to pursue a license?

There are many resources available for those working toward obtaining a license.

- The Michigan Education and Career Pathfinder website (https://pathfinder.mitalent.org) helps students, job seekers, counselors, or parents find information about career choices, job projections and wages, and educational programs.

- The Going Pro in Michigan website (https://www.going-pro.com) helps to address the large professional trades shortage in Michigan by helping to improve the visibility of these jobs and providing clear career pathways for individuals interested in professional trades.

To obtain information regarding a specific license, the best method is to contact the licensing agency within the State of Michigan. There are many different departments and agencies that issue licenses, but the largest share of licenses is issued by the Department of Licensing and Regulatory Affairs (LARA). Resources found on LARA's website (https://michigan.gov/lara) include licensing guides and counts. In addition, LARA provides license verification, so individuals can ensure that the professionals assisting them have a current license.

If you are looking for a consolidated list of licenses in Michigan, please visit our website at http://milmi.org and click on Data Tools/Data Search/Licenses and Training to search for licenses and licensing authorities.

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