MICHIGAN'S LABOR MARKET NEWS

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Performance of and Factors Affecting Retail Trade in Michigan

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2017 marked the eighth consecutive year of annual unemployment rate reductions in Michigan.

JANUARY 2018 JOBLESS RATE

MICHIGAN

4.7%

NATIONAL

4.1%

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BRUCE WEAVER
CO-EDITOR
Economic Manager
WeaverB1@michigan.gov

LEONIDAS MUREMBYA
REGIONAL CONTRIBUTOR
Economic Specialist
MurembyaL@michigan.gov

JIM RHEIN
CONTRIBUTOR
Economic Specialist
RheinJ@michigan.gov

JIM ASTALOS
DESIGNER
Economic Analyst
AstalosJ@michigan.gov

SHIBANI PUTATUNDA
REGIONAL CONTRIBUTOR
Economic Analyst
PutatundaS@michigan.gov

JEFFREY AULA
CONTRIBUTOR
Economic Analyst
AulaJ@michigan.gov

MARCUS REASON
CONTRIBUTOR
Economic Analyst
ReasonM@michigan.gov

KEVIN DOYLE
CONTRIBUTOR
Economic Specialist
DoyleK4@michigan.gov

MARK REFFITT
PROJECT MANAGER
Economic Specialist
ReffittM@michigan.gov

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 unemployment rate held steady over the month at 4.7 percent this past January, as total labor force and employment dipped from December 2017 levels. Payroll jobs edged one-tenth of a percentage point higher over the month, with gains in *Professional and business services, Educational and health services*, and *Construction* being mostly offset by job declines in *Manufacturing* and *Leisure and hospitality*. The state's January jobless rate was 0.3 percentage points lower than one year ago, while total employment and payroll jobs pushed higher during that time. Annually, several sectors added jobs including *Construction, Leisure and hospitality*, and *Manufacturing*.

This month's feature story highlights Michigan's *Retail trade* sector and focuses on its makeup, recent employment trends, and job outlook. We learn that while this industry has had its challenges in recent years, it remains notable in that it still accounts for nearly one in ten of the state's total jobs. This month's *Map of the Month* continues on this topic, illustrating the importance of this industry in the state's non-metro area counties, especially those located in Northern Michigan, and our *Occupational Focus* provides information on a key occupation in *Retail trade.*

If you will recall, last month I mentioned our annual benchmark and revision process, which is the project our team undergoes each year to ensure that we are delivering the best and most accurate data possible. As promised, this month's *Ask the Economist* tackles some of the detailed information on this topic and how the newly updated data compares to the previous estimates released in past editions of this publication.

We hope you enjoy this month'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 JANUARY UNEMPLOYMENT RATE STEADY

Michigan's January 2018 seasonally adjusted unemployment rate was unchanged over the month at 4.7 percent. Newly revised data show the state's rate was stable at 4.7 percent since September 2017. Total employment slipped downward slightly by 3,000 in January, while the number of unemployed in the state inched up by 1,000. The net impact was a relatively minor reduction in the state's January workforce.

Michigan's January 2018 jobless rate was three-tenths of a percentage point below the state's January 2017 rate of 5.0 percent. Over the same period, the national unemployment rate decreased by seven-tenths of a percentage point. The state's unemployment rate in January was six-tenths of a percentage point above the national rate. The U.S. jobless rate was unchanged at 4.1 percent in January.

With the annual revision process, Michigan's 2017 annual unemployment rate was revised slightly upward by one-tenth of a percentage point from 4.5 to 4.6 percent. The state's 2016 rate was also revised upward from 4.9 to 5.0 percent, while Michigan's 2014 rate was revised slightly downward to 7.2 percent.

Michigan's 4.6 percent 2017 annual jobless rate was two-tenths of a percentage point above the national rate of 4.4 percent. Since 2015, the Michigan and U.S. annual jobless rates have been very similar. The state's 2016 and 2015 annual rates were one-tenth of a percentage point above the national rates. The last time Michigan's annual rate was below the national rate was in 2000.

The chart below displays the monthly unemployment rate trends from January 2017 to January 2018. After dipping through the first half of 2017, the state's jobless rates stabilized at 4.7 percent. In fact, apart from March through August 2017, Michigan's unemployment rates has remained within a relatively narrow band of 4.7 to 5.2 percent since August 2015. The number of unemployed in Michigan in January 2018 was only 14,000 below the August 2015 level. However, Michigan's workforce has expanded over this period, rising by 150,000 or 3.2 percent, which was a much faster pace of labor force growth. From annual 2013 to August 2015, Michigan's workforce moved up only slightly by 23,000 or 0.5 percent. From August 2015 to January 2018, total employment in the state rose by 165,000 or 3.7 percent.

2017 marked the eighth consecutive year of annual unemployment rate reductions in Michigan. The state's rate fell by 9.1 percentage points since the recent annual high of 13.7 percent recorded in 2009. Michigan's 2017 annual rate was the fifth lowest recorded for the state since the official series began in 1976.

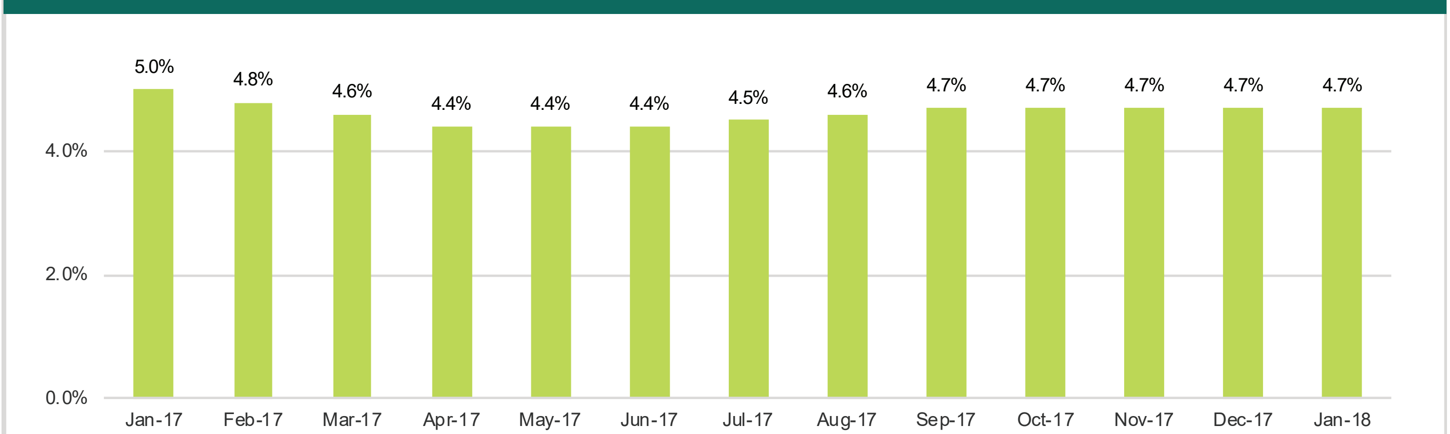
From January 2017 to January 2018, total employment increased in Michigan by 37,000 or 0.8 percent while the number of unemployed in the state declined by 11,000 or 4.5 percent. Over the same period, total employment nationwide advanced by 1.5 percent while the number of unemployed fell by 12.5 percent.

JIM RHEIN
Economic Specialist

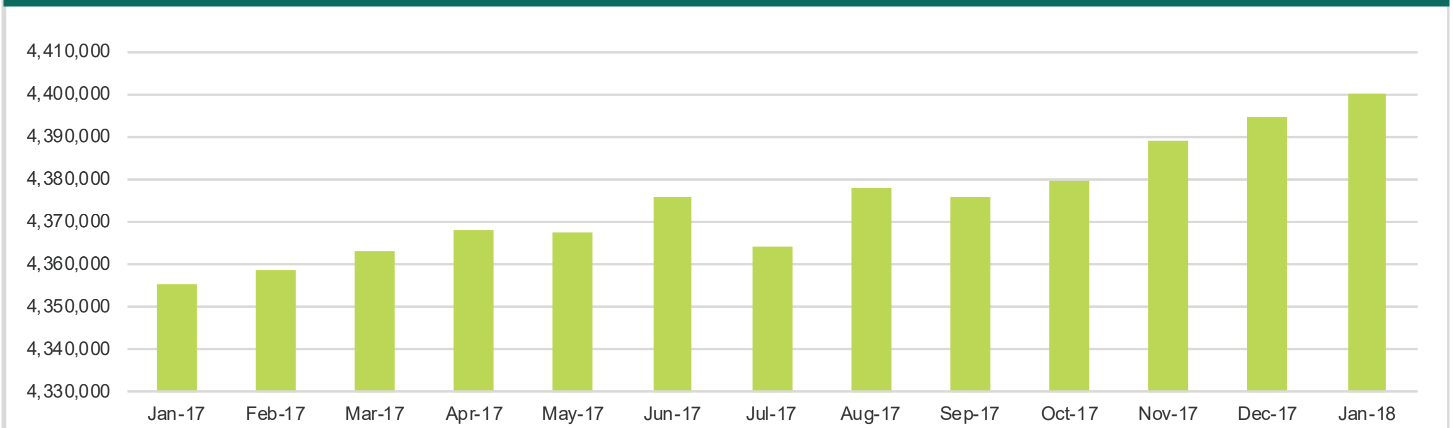
MICHIGAN LABOR FORCE ESTIMATES (SEASONALLY ADJUSTED)

	JAN 2018	DEC 2017	JAN 2017	CHANGE OVER THE MONTH	CHANGE OVER THE YEAR
Labor Force	4,897,000	4,900,000	4,872,000	-3,000	25,000
Employed	4,666,000	4,669,000	4,629,000	-3,000	37,000
Unemployed	232,000	231,000	243,000	1,000	-11,000
Jobless Rate	4.7	4.7	5.0	0.0	-0.3

MICHIGAN'S MONTHLY SEASONALLY ADJUSTED JOBLESS RATES (JANUARY 2017 TO JANUARY 2018)



MICHIGAN'S MONTHLY SEASONALLY ADJUSTED PAYROLL JOBS (JANUARY 2017 TO JANUARY 2018)



MICHIGAN JOB TRENDS BY INDUSTRY SECTOR

Monthly Overview

Total nonfarm jobs in Michigan rose by 5,500 in January to total 4,400,300. The broad sectors with the largest job gains were *Professional and business services* (+2,700), *Other services* (+2,300), *Education and health services* (+1,900), and *Construction* (+1,400). Smaller increases were recorded in T*rade, transportation, and utilities* (+900) and *Financial activities* (+700). These gains were offset by payroll declines in *Manufacturing* (-2,000) and *Leisure and hospitality* (-1,500).

Over the Year Analysis

Since January 2017, total payroll jobs advanced by 45,200, or 1.0 percent. This was below the 1.5 percent job gain nationally over the year. In Michigan, the major sectors of *Construction* (+10,300), *Government* (+9,300), *Professional and business services* and *Leisure and hospitality* (+6,100 each), and *Other services* (+5,000) reported the largest job additions since January 2017. Smaller payroll advances also occurred in *Education and health services* (+4,400), *Financial activities* (+2,400), *Manufacturing* and *Trade, transportation, and utilities* (+1,400 each), and *Mining and logging* (+100). The broad sector of Information had a job loss of 1,300 over the year.

Michigan 2017 Annual Average Performance

Total nonfarm employment in Michigan grew by 52,200 during 2017 or by 1.2 percent. This was lower than the 1.6 percent job advance nationally for this period.

In Michigan, 2017 marked the seventh consecutive year of payroll job expansion. Jobs in 2017 were above pre-recessionary (2006) levels from a decade earlier. The 2017 performance was, however, the lowest rate of annual job growth since payrolls started to expand in 2011.

The industry sectors with larger than average percent job gains during 2017 included *Construction* (+5.0 percent), *Financial activities* (+2.5 percent), and *Manufacturing* and *Leisure and hospitality* (+1.7 percent each). Employment in the state's key *Transportation equipment manufacturing* sector grew by 1.9 percent during 2017.

The *Information* (-1.5 percent) and *Mining and logging* (-0.6 percent) sectors recorded declines in payroll jobs during 2017.

Significant Industry Employment Developments

DURABLE GOODS MANUFACTURING

The number of jobs in the *Durable goods manufacturing* sector declined 2,200 in January. This decrease was partially due to temporary layoffs in the automotive and related industries of *Primary* and *Fabricated metals* and *Transportation equipment manufacturing*. On an annual average basis, payrolls expanded by 7,900 in 2017 with the largest job additions in *Transportation equipment manufacturing* and *Machinery manufacturing*. Since January 2017 however, employment levels were down by 1,100 or 0.2 percent. Nationally, employment increased by 22,000 over the month and by 1.9 percent over the year.

HEALTH CARE AND SOCIAL ASSISTANCE

Payrolls in the *Health care and social assistance* sector rose by 1,900 in January. This seasonally adjusted job addition primarily reflected fewer seasonal job cuts in *Ambulatory health care services* and *Hospitals*. On an annual average basis, employers in this sector added 6,400 jobs during 2017 with the majority of those occurring in the *Ambulatory health care services* and *Hospitals* subsectors. Between January 2017 and January 2018, this sector has added 5,300 jobs and grew by 0.9 percent. Nationally, job levels increased by 31,800 over the month and by 2.0 percent over the year.

MANAGEMENT OF COMPANIES AND ENTERPRISES

Employment levels increased by 1,100 in the *Management of companies and enterprises* sector during January. This was the largest monthly gain in jobs since August 2013 when payrolls rose by 1,300. On an annual average basis, jobs in this sector advanced by 2,500 or by 4.0 percent in 2017. This marked the seventh consecutive year of employment growth. Since January 2017, employment in this sector has grown by 2,300 or 3.5 percent. Nationally, payrolls were up by 2,100 in January and by 1.5 percent over the year.

METROPOLITAN STATISTICAL AREAS (MSAs)

On a *not-seasonally-adjusted* basis, January nonfarm jobs fell in every Michigan metro area. Statewide, payrolls contracted by 2.0 percent over the month.

Eight metro areas reported job declines above the statewide average, ranging from a loss of 2.3 percent in *Kalamazoo* to 3.1 percent in *Ann Arbor*. Five metro areas had job decreases at or below the statewide average, ranging from a decline of 1.7 percent in *Lansing* to 1.9 percent in *Detroit*, *Grand Rapids*, and *Battle Creek*.

A primary cause for the reductions in total nonfarm employment in the metro areas was seasonal job declines in *Retail trade* and the education components of state and local government. Lower winter staffing needs in the *Construction* and *Leisure and hospitality* sectors also played a part in these overall seasonal job contractions.

JEFFREY AULA
Economic Analyst

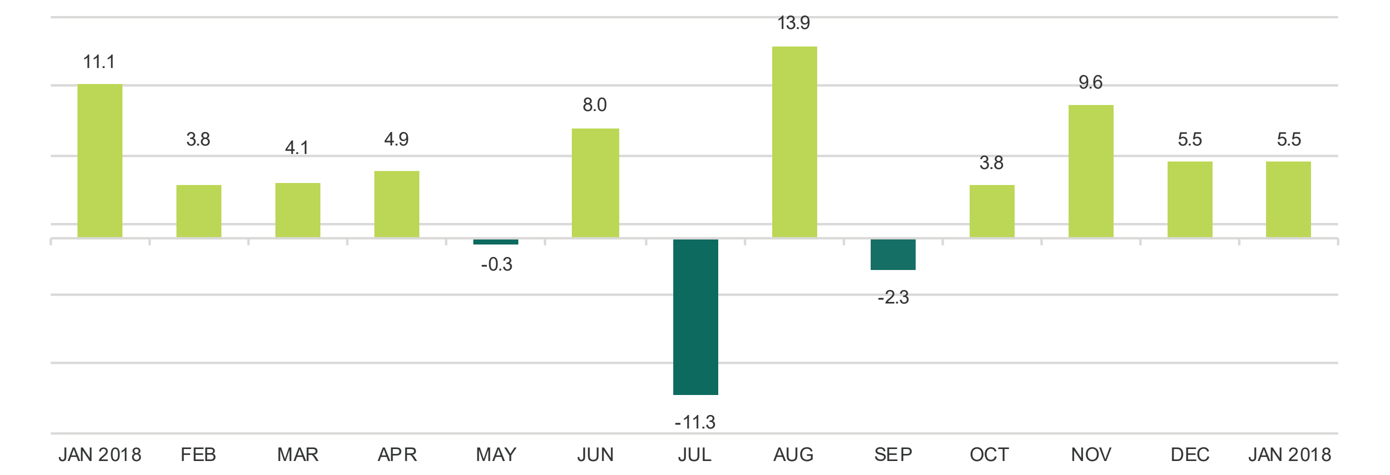
MICHIGAN PAYROLL JOBS (SEASONALLY ADJUSTED)

INDUSTRY	JAN 2018	DEC 2017	JAN 2017	OVER THE MONTH		OVER THE YEAR	
				LEVEL	PERCENT	LEVEL	PERCENT
TOTAL NONFARM	**4,400,300**	**4,394,800**	**4,355,100**	**5,500**	**0.1%**	**45,200**	**1.0%**
Total Private	3,790,600	3,784,800	3,754,700	5,800	0.2%	35,900	1.0%
Private Service-Providing	2,998,700	2,992,200	2,974,600	6,500	0.2%	24,100	0.8%
GOODS-PRODUCING	**791,900**	**792,600**	**780,100**	**-700**	**-0.1%**	**11,800**	**1.5%**
Mining, Logging, and Construction	176,100	174,800	165,700	1,300	0.7%	10,400	6.3%
Mining and Logging	7,100	7,200	7,000	-100	-1.4%	100	1.4%
Construction	169,000	167,600	158,700	1,400	0.8%	10,300	6.5%
Manufacturing	615,800	617,800	614,400	-2,000	-0.3%	1,400	0.2%
Durable Goods	463,100	465,300	464,200	-2,200	-0.5%	-1,100	-0.2%
Transportation Equipment Manufacturing	186,400	186,400	189,400	0	0.0%	-3,000	-1.6%
Nondurable Goods	152,700	152,500	150,200	200	0.1%	2,500	1.7%
SERVICE-PROVIDING	**3,608,400**	**3,602,200**	**3,575,000**	**6,200**	**0.2%**	**33,400**	**0.9%**
Trade, Transportation, and Utilities	789,100	788,200	787,700	900	0.1%	1,400	0.2%
Wholesale Trade	173,700	173,300	171,800	400	0.2%	1,900	1.1%
Retail Trade	471,900	472,000	475,100	-100	0.0%	-3,200	-0.7%
Transportation, Warehousing, and Utilities	143,500	142,900	140,800	600	0.4%	2,700	1.9%
Information	55,500	56,000	56,800	-500	-0.9%	-1,300	-2.3%
Financial Activities	219,500	218,800	217,100	700	0.3%	2,400	1.1%
Finance and Insurance	164,900	164,700	163,300	200	0.1%	1,600	1.0%
Real Estate and Rental and Leasing	54,600	54,100	53,800	500	0.9%	800	1.5%
Professional and Business Services	652,500	649,800	646,400	2,700	0.4%	6,100	0.9%
Professional, Scientific, and Technical Services	294,500	294,000	289,000	500	0.2%	5,500	1.9%
Management of Companies and Enterprises	67,600	66,500	65,300	1,100	1.7%	2,300	3.5%
Administrative and Support and Waste Management and Remediation Services	290,400	289,300	292,100	1,100	0.4%	-1,700	-0.6%
Education and Health Services	673,600	671,700	669,200	1,900	0.3%	4,400	0.7%
Educational Services	73,000	73,000	73,900	0	0.0%	-900	-1.2%
Health Care and Social Assistance	600,600	598,700	595,300	1,900	0.3%	5,300	0.9%
Leisure and Hospitality	436,400	437,900	430,300	-1,500	-0.3%	6,100	1.4%
Arts, Entertainment, and Recreation	51,900	51,400	52,900	500	1.0%	-1,000	-1.9%
Accommodation and Food Services	384,500	386,500	377,400	-2,000	-0.5%	7,100	1.9%
Other Services	172,100	169,800	167,100	2,300	1.4%	5,000	3.0%
Government	609,700	610,000	600,400	-300	0.0%	9,300	1.5%
Federal Government	52,400	52,500	52,400	-100	-0.2%	0	0.0%
State Government	195,000	195,400	188,400	-400	-0.2%	6,600	3.5%
Local Government	362,300	362,100	359,600	200	0.1%	2,700	0.8%

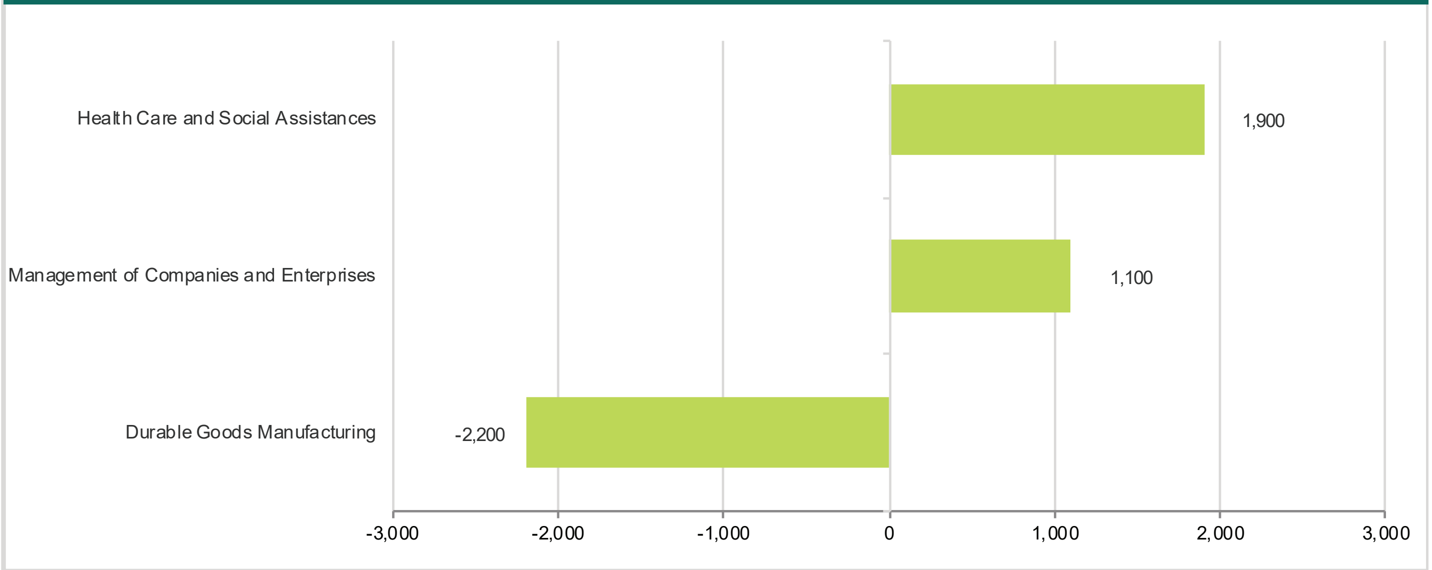
ANNUAL AVERAGE PERCENT JOB CHANGE (2016-2017)

INDUSTRY	PERCENT JOB CHANGE
Construction	5.0%
Financial Activities	2.5%
Leisure and Hospitality	1.7%
Manufacturing	1.7%
Total Nonfarm	1.2%
Educational and Health Services	1.0%
Professional and Business Services	0.9%
Government	0.8%
Trade, Transportation, and Utilities	0.7%
Other Services	0.2%
Mining and Logging	-0.6%
Information	-1.5%

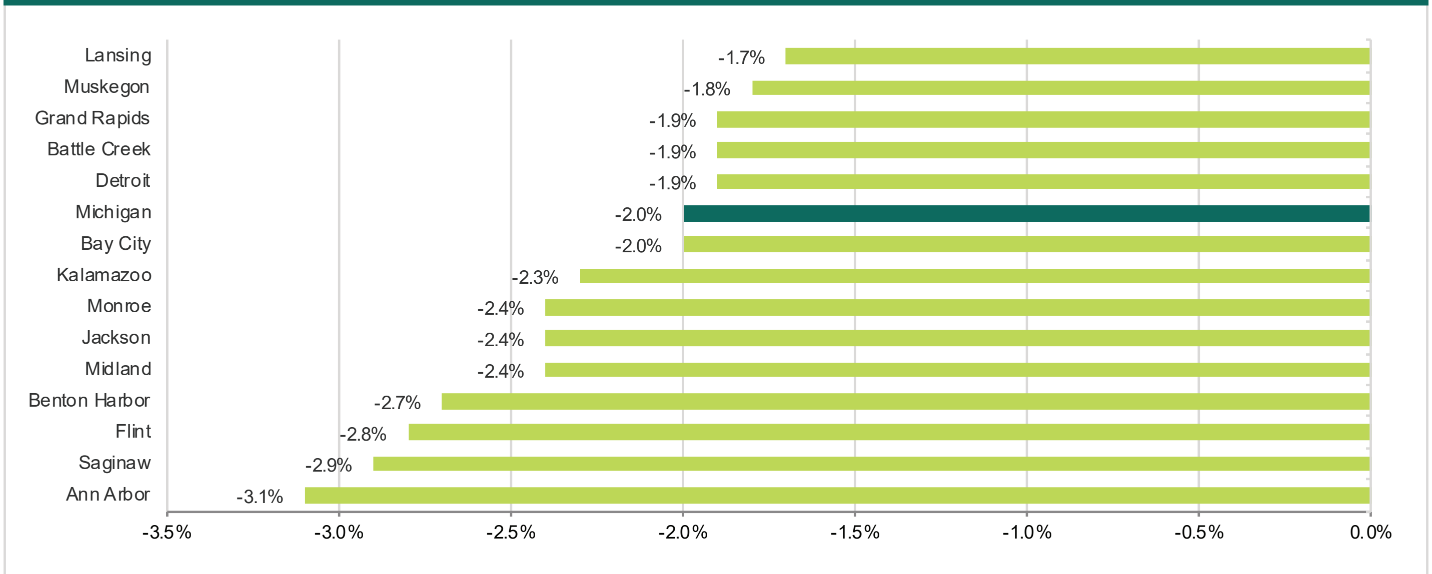
MICHIGAN OVER THE MONTH PAYROLL JOB CHANGE (IN THOUSANDS)



MICHIGAN OVER THE MONTH JOB CHANGE BY SELECT INDUSTRY (DECEMBER 2017 TO JANUARY 2018)



METRO AREA JOB CHANGE DECEMBER 2017 TO JANUARY 2018 (NOT SEASONALLY ADJUSTED)



REGIONAL LABOR MARKET ANALYSIS

ANN ARBOR METROPOLITAN AREA

- In January, the unemployment rate in Ann Arbor increased by five-tenths of a percentage point, up to 3.6 percent.
- Ann Arbor exhibited the lowest unemployment rate out of all metro regions in January 2018.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll employment in the Ann Arbor region declined by 7,000 jobs, or 3.1 percent, primarily due to seasonal job losses in *Government* (-3,900) and *Trade, transportation, and utilities* (-1,300).

INDUSTRY TRENDS

- For the third consecutive month, the region's *Manufacturing* sector exhibited its nine-year high of 15,000 jobs.
- On a percentage basis, Ann Arbor demonstrated the third largest increase in employment over the year with a rate of 1.1 percent (behind Grand Rapids and Muskegon, with 1.4 and 1.3 percent, respectively).

BAY CITY METROPOLITAN AREA

- Joblessness in the Bay City region rose 1.3 percentage points over the month to 6.8 percent.
- Bay City was tied with Saginaw in demonstrating the largest metro area jobless rate increase in January.

MONTHLY INDUSTRY DEVELOPMENTS

- Total nonfarm employment in Bay City declined by 700 jobs over the month (-2.0 percent).
- Small job cuts were seen in most major industries, with the exception of *Information, Professional and business services*, and *Government*, which all remained unchanged.

INDUSTRY TRENDS

- Bay City's *Other services* sector reached an all-time low level of 1,300 jobs in January.

FLINT METROPOLITAN AREA

- The jobless rate in Flint increased by nine-tenths of a percentage point over the month, up to 6.6 percent.
- The civilian labor force, total employment, and total unemployment levels all remained unchanged over the year.

MONTHLY INDUSTRY DEVELOPMENTS

- Total nonfarm employment in the Flint region decreased by 4,000 over the month, or 2.8 percent, primarily due to declines in *Trade, transportation, and utilities* (-900), *Manufacturing* (-600), and *Government* (-600).

INDUSTRY TRENDS

- Flint demonstrated the third largest January decrease in employment on a percentage basis, behind Ann Arbor and Saginaw.
- Jobs in *Health care and social assistance* in the Flint metro area advanced in 2017 for the seventh consecutive year.

BATTLE CREEK METROPOLITAN AREA

- In January, the unemployment rate in the Battle Creek MSA inched up by five tenths of a percent, with a seasonal decline in employment (-800) and a slight increase in unemployment (+300).
- Since January 2017, employment fell by 900, while unemployment was stable. The jobless rate edged down by one tenth of a percentage point.

MONTHLY INDUSTRY DEVELOPMENTS

- In January, jobs in Battle Creek dropped by 1,100 (-1.9 percent) to 57,500, due to seasonal job cuts in *Education, Construction*, and *Leisure and hospitality*.
- Since January 2017, employment in most major industry groups declined or remained unchanged.

INDUSTRY TRENDS

- Since the 2009 recession, jobs expanded by 6.1 percent, which is almost half the statewide employment growth rate of 11.4 percent.

DETROIT-WARREN-DEARBORN METRO AREA

- The Detroit metro unemployment rate rose 0.8 percentage points over the month to 4.9 percent in January.
- The region demonstrated the largest over-the-year cut in the number of unemployed, decreasing by 15.1 percent.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll employment in the Detroit metro area fell by 38,500 over the month, or 1.9 percent, primarily due to large job losses in *Trade, transportation, and utilities* (-12,500), *Mining, logging, and construction* (-5,900), and *Leisure and hospitality* (-5,300).

INDUSTRY TRENDS

- Detroit's *Telecommunications* subsector reached a series low of 8,100 jobs in January 2018.

GRAND RAPIDS-WYOMING METROPOLITAN AREA

- The January 2018 jobless rate in the Grand Rapids region edged up half a percentage point over the month to 4.0 percent.
- Total employment in the region rose by 1.0 percent over the year.

MONTHLY INDUSTRY DEVELOPMENTS

- Jobs in the Grand Rapids region declined by 10,500 over the month (-1.9 percent).
- Employment losses occurred in all major industry sectors, especially *Professional and business services* (-2,500) and *Trade, transportation, and utilities* (-2,400).

INDUSTRY TRENDS

- On a percentage basis, Grand Rapids exhibited the largest advance in total nonfarm employment over the year, moving up 1.4 percent.

CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	ANN ARBOR			BATTLE CREEK			BAY CITY		
	JAN 2018	DEC 2017	JAN 2017	JAN 2018	DEC 2017	JAN 2017	JAN 2018	DEC 2017	JAN 2017
PLACE OF RESIDENCE									
Labor Force	191,600	194,300	190,600	62,700	63,200	63,700	50,900	50,700	51,200
Employment	184,600	188,300	183,500	59,300	60,100	60,200	47,500	47,900	47,800
Unemployment	7,000	6,000	7,100	3,400	3,100	3,500	3,400	2,800	3,500
Rate (percent)	3.6	3.1	3.7	5.4	4.9	5.5	6.8	5.5	6.8
PLACE OF WORK									
Total Nonfarm Jobs	218,200	225,200	215,800	57,500	58,600	58,200	35,100	35,800	35,400
Mining, Logging, and Construction	4,000	4,200	3,800	1,300	1,500	1,400	900	1,100	900
Manufacturing	15,000	15,000	14,600	12,500	12,400	12,400	4,400	4,500	4,200
Trade, Transportation, and Utilities	25,300	26,600	25,700	9,100	9,400	9,200	7,600	7,700	7,500
Wholesale Trade	6,100	6,200	5,500	*	*	*	*	*	*
Retail Trade	15,600	16,700	16,500	5,600	5,900	5,600	5,200	5,300	5,100
Information	5,100	5,200	4,900	*	*	*	500	500	600
Financial Activities	7,100	7,100	6,900	1,200	1,200	1,200	1,300	1,300	1,300
Professional and Business Services	29,200	29,800	29,100	6,200	6,300	6,100	2,600	2,600	2,800
Educational and Health Services	27,500	27,900	27,200	10,700	11,000	11,000	6,600	6,700	6,600
Leisure and Hospitality	16,900	17,400	17,100	4,100	4,300	4,300	4,300	4,400	4,500
Other Services	6,300	6,300	6,400	1,900	1,900	2,000	1,300	1,400	1,400
Government	81,800	85,700	80,100	10,400	10,600	10,600	5,600	5,600	5,600

	DETROIT-WARREN-DEARBORN			FLINT			GRAND RAPIDS-WYOMING		
	JAN 2018	DEC 2017	JAN 2017	JAN 2018	DEC 2017	JAN 2017	JAN 2018	DEC 2017	JAN 2017
PLACE OF RESIDENCE									
Labor Force	2,083,000	2,111,800	2,091,900	180,900	182,400	180,900	570,400	573,100	565,000
Employment	1,981,900	2,025,500	1,972,500	168,900	172,000	168,900	547,600	553,000	542,200
Unemployment	101,100	86,200	119,400	12,000	10,400	12,000	22,700	20,100	22,800
Rate (percent)	4.9	4.1	5.7	6.6	5.7	6.6	4.0	3.5	4.0
PLACE OF WORK									
Total Nonfarm Jobs	1,984,500	2,023,000	1,967,400	137,800	141,800	137,200	551,000	561,500	543,300
Mining, Logging, and Construction	65,200	71,100	64,000	5,000	5,200	4,700	22,700	23,800	21,400
Manufacturing	249,700	254,700	252,100	11,800	12,400	12,300	115,500	116,100	113,700
Trade, Transportation, and Utilities	367,800	380,300	365,800	29,200	30,100	29,600	95,100	97,500	95,000
Wholesale Trade	87,500	87,800	85,300	5,600	5,800	5,800	31,200	31,500	30,700
Retail Trade	209,400	219,300	211,200	19,700	20,200	20,000	48,700	50,500	49,200
Information	26,700	27,000	27,200	3,900	4,000	4,000	5,400	5,500	5,600
Financial Activities	116,500	116,700	114,200	6,000	6,000	6,000	25,800	25,900	26,100
Professional and Business Services	390,900	391,200	385,800	15,100	15,400	14,500	78,400	80,900	77,800
Educational and Health Services	311,900	315,000	309,700	28,100	28,900	27,400	90,700	92,300	88,400
Leisure and Hospitality	196,000	201,300	189,900	14,700	15,100	14,600	47,300	48,200	46,000
Other Services	75,000	76,200	74,600	5,300	5,400	5,200	22,300	22,400	22,000
Government	184,800	189,500	184,100	18,700	19,300	18,900	47,800	48,900	47,300

* Data Not Available

JACKSON METROPOLITAN AREA

- In January, the Jackson MSA jobless rate rose by a full percentage point. Employment fell by 1,000, while unemployment was up 700.
- Over the past year, employment and unemployment levels in the Jackson area were stable.

MONTHLY INDUSTRY DEVELOPMENTS

- January jobs in the Jackson MSA fell by 2.4 percent (-1,400) to a total of 57,500. Seasonal job reductions were recorded in private *Educational and health services, Construction,* and *Retail trade.*
- Since January 2017, payroll jobs the Jackson MSA inched up 300, mostly in *Manufacturing* and *Trade, transportation, and utilities.*

INDUSTRY TRENDS

- From 2009 to 2017, payroll jobs increased locally by almost 4,000. During 2017, jobs showed little change in the Jackson metro area.

KALAMAZOO-PORTAGE METROPOLITAN AREA

- The January jobless rate in the Kalamazoo-Portage MSA edged up five tenths of a percentage point to 5.0 percent. Employment dropped by 1.4 percent (-2,300), while the number of jobseekers rose by 900.
- Since January 2017, employment slightly increased (+300), while unemployment inched down (-200).

MONTHLY INDUSTRY DEVELOPMENTS

- In January, jobs in the Kalamazoo dropped seasonally by 2.3 percent (-3,500) to a total of 146,400. Typical January job reductions were recorded in *State and local education* and *Retail trade.*
- Since January 2017, total nonfarm payroll jobs inched up by 1,000. *Construction* and *Health care* created jobs but employment in *Manufacturing* and *Retail trade* fell.

INDUSTRY TRENDS

- Since the 2009 recession, payroll jobs in the Kalamazoo area expanded at a rate exactly half the statewide rate.

LANSING-EAST LANSING METROPOLITAN AREA

- The Lansing metro area jobless rate hit 5.0 percent in January, up 1.1 percentage points over the month.
- The jobless rate edged up by 0.4 percentage points over the last year, with a nearly 10 percent increase in the number of unemployed.

MONTHLY INDUSTRY DEVELOPMENTS

- Total payroll jobs in the Lansing metro area declined by 4,000 jobs over the month, or 1.7 percent.
- The region recorded a job cut of 900 positions in the *Manufacturing* sector, largely due to a short-term layoff in the auto industry. Jobs in *Professional and business services* edged up by 300 over the month.

INDUSTRY TRENDS

- Lansing's *Professional and business services* sector reached an eighteen-year high level of 23,800 jobs in January, a level which had not been seen since June 2000.

MIDLAND METROPOLITAN AREA

- The Midland metro area unemployment rate increased by 1.1 percentage points over the month, to 5.7 percent.
- Total unemployment in the region remained unchanged over the year.

MONTHLY INDUSTRY DEVELOPMENTS

- Nonfarm jobs in Midland declined by 900 between December 2017 and January 2018.

INDUSTRY TRENDS

- Midland's *Goods producing* sector reached an all-time low level of 7,900 jobs in January 2018.
- On a percentage basis, Midland demonstrated the largest over-the-year drop in nonfarm employment out of all Michigan metro areas, decreasing by 1.4 percent since January 2017.

MONROE METROPOLITAN AREA

- Monroe's jobless rate rose by 1.2 percentage points in January 2018 to 5.3 percent.
- The civilian labor force remained nearly unchanged over the year, increasing by a mere 0.1 percent since January 2017.

MONTHLY INDUSTRY DEVELOPMENTS

- Nonfarm employment fell seasonally and typically by 1,000 in January, or by 2.4 percent, due to job reductions in all major industry sectors with the exception of *Manufacturing* and *Professional and business services*, which both remained unchanged.

INDUSTRY TRENDS

- Total nonfarm jobs in Monroe edged down by 300 positions in 2017 to 42,100, but remained above 2014 levels.

MUSKEGON METROPOLITAN AREA

- Muskegon's jobless rate rose seasonally by six-tenths of a percentage point over the month, up to 5.9 percent in January.
- Total unemployment in the region declined by 300 or 6.3 percent since January 2017, a reduction that is one percent lower than that of the state.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll employment in Muskegon decreased by 1,200 over the month (-1.8 percent), primarily due to seasonal job cuts in T*rade, transportation, and utilities* (-600) and *Leisure and hospitality* (-200).

INDUSTRY TRENDS

- Muskegon had the second largest over-the-year Michigan metro area increase in jobs on a percentage basis (behind Grand Rapids), edging up by 1.3 percent.

CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	JACKSON			KALAMAZOO-PORTAGE			LANSING-EAST LANSING		
	JAN 2018	DEC 2017	JAN 2017	JAN 2018	DEC 2017	JAN 2017	JAN 2018	DEC 2017	JAN 2017
PLACE OF RESIDENCE									
Labor Force	73,900	74,200	73,900	166,900	168,400	166,900	249,900	249,000	248,400
Employment	69,900	70,900	69,800	158,600	160,900	158,300	237,300	239,300	237,000
Unemployment	4,000	3,300	4,200	8,400	7,500	8,600	12,600	9,700	11,500
Rate (percent)	5.4	4.4	5.6	5.0	4.5	5.2	5.0	3.9	4.6
PLACE OF WORK									
Total Nonfarm Jobs	57,500	58,900	57,200	146,400	149,900	145,400	234,500	238,500	233,400
Mining, Logging, and Construction	1,700	1,900	1,700	6,600	6,700	5,500	6,800	7,200	6,600
Manufacturing	10,100	10,100	9,900	21,100	21,800	21,600	19,400	20,300	21,100
Trade, Transportation, and Utilities	12,500	12,800	12,300	26,600	27,400	26,600	38,200	39,100	37,700
Wholesale Trade	*	*	*	7,300	7,400	7,000	5,900	5,900	5,800
Retail Trade	6,500	6,700	6,600	15,700	16,300	16,000	22,200	22,900	22,200
Information	300	300	300	800	900	900	2,600	2,600	3,000
Financial Activities	2,000	2,000	2,000	8,300	8,300	8,200	16,400	16,600	16,100
Professional and Business Services	5,000	5,100	5,000	17,300	17,500	17,200	23,800	23,500	22,800
Educational and Health Services	10,500	11,000	10,500	24,000	24,200	23,300	32,200	32,600	31,900
Leisure and Hospitality	5,200	5,300	5,100	15,100	15,400	15,200	18,500	18,800	18,700
Other Services	2,500	2,600	2,500	5,200	5,300	5,400	9,900	10,100	10,000
Government	7,700	7,800	7,900	21,400	22,400	21,500	66,700	67,700	65,500

	MIDLAND			MONROE			MUSKEGON		
	JAN 2018	DEC 2017	JAN 2017	JAN 2018	DEC 2017	JAN 2017	JAN 2018	DEC 2017	JAN 2017
PLACE OF RESIDENCE									
Labor Force	39,800	39,900	40,400	75,600	75,900	75,500	77,300	77,700	77,100
Employment	37,600	38,100	38,000	71,600	72,700	71,800	72,800	73,600	72,300
Unemployment	2,300	1,900	2,300	4,000	3,100	3,700	4,500	4,100	4,800
Rate (percent)	5.7	4.6	5.8	5.3	4.1	4.9	5.9	5.3	6.2
PLACE OF WORK									
Total Nonfarm Jobs	36,200	37,100	36,700	41,500	42,500	41,300	63,800	65,000	63,000
Mining, Logging, and Construction	*	*	*	1,600	1,800	1,900	2,000	2,100	1,900
Manufacturing	*	*	*	5,500	5,500	5,400	13,900	13,800	13,800
Trade, Transportation, and Utilities	*	*	*	11,000	11,300	10,900	13,200	13,800	13,400
Wholesale Trade	*	*	*	1,900	1,900	1,700	*	*	*
Retail Trade	*	*	*	5,300	5,500	5,300	10,600	11,100	10,900
Information	*	*	*	*	*	*	800	800	700
Financial Activities	*	*	*	900	1,000	1,000	1,700	1,700	1,700
Professional and Business Services	*	*	*	5,400	5,400	5,300	3,800	3,700	3,700
Educational and Health Services	*	*	*	5,000	5,200	5,100	11,900	12,300	11,800
Leisure and Hospitality	*	*	*	4,400	4,600	4,200	6,900	7,100	6,600
Other Services	*	*	*	1,400	1,500	1,500	2,200	2,200	2,100
Government	3,000	3,000	3,000	5,500	5,600	5,300	7,400	7,500	7,300

* Data Not Available

NILES-BENTON HARBOR METROPOLITAN AREA

- The Niles-Benton Harbor MSA jobless rate (5.8 percent) rose by seven tenths of a percentage point in January. Employment fell over the month (-1,100), along with a modest increase in unemployment (+500).

MONTHLY INDUSTRY DEVELOPMENTS

- January payroll jobs in the Niles-Benton Harbor MSA dropped by 2.7 percent (-1,700) to a total of 60,200. *Manufacturing* cut 400 positions, while other major sectors recorded seasonal job reductions.
- Since January 2017, nonfarm payroll employment in the Niles-Benton Harbor MSA remained flat, with job gains in *Retail trade* and *Manufacturing*, offset by job cuts in *Professional and business services*.

INDUSTRY TRENDS

- Payroll jobs rose slowly in the Niles-Benton Harbor MSA from 2013 to 2017, but jobs have only advanced by 3,000 since 2009.

SAGINAW METROPOLITAN AREA

- Unemployment in Saginaw rose 1.3 percentage points over the month, to 6.6 percent in January.
- The region demonstrated the third largest over-the-year employment reduction (behind Battle Creek and Midland), declining by 0.9 percent since January 2017.

MONTHLY INDUSTRY DEVELOPMENTS

- Total payroll jobs in Saginaw decreased by 2,600 over the month, a decline of 2.9 percent.
- Job reductions were seen in all major industry sectors in the region, most notably a seasonal cut in *Trade, transportation, and utilities* (-800).

INDUSTRY TRENDS

- On a percentage basis, Saginaw demonstrated the largest over-the-month decline in total nonfarm employment out of all Michigan metro areas.

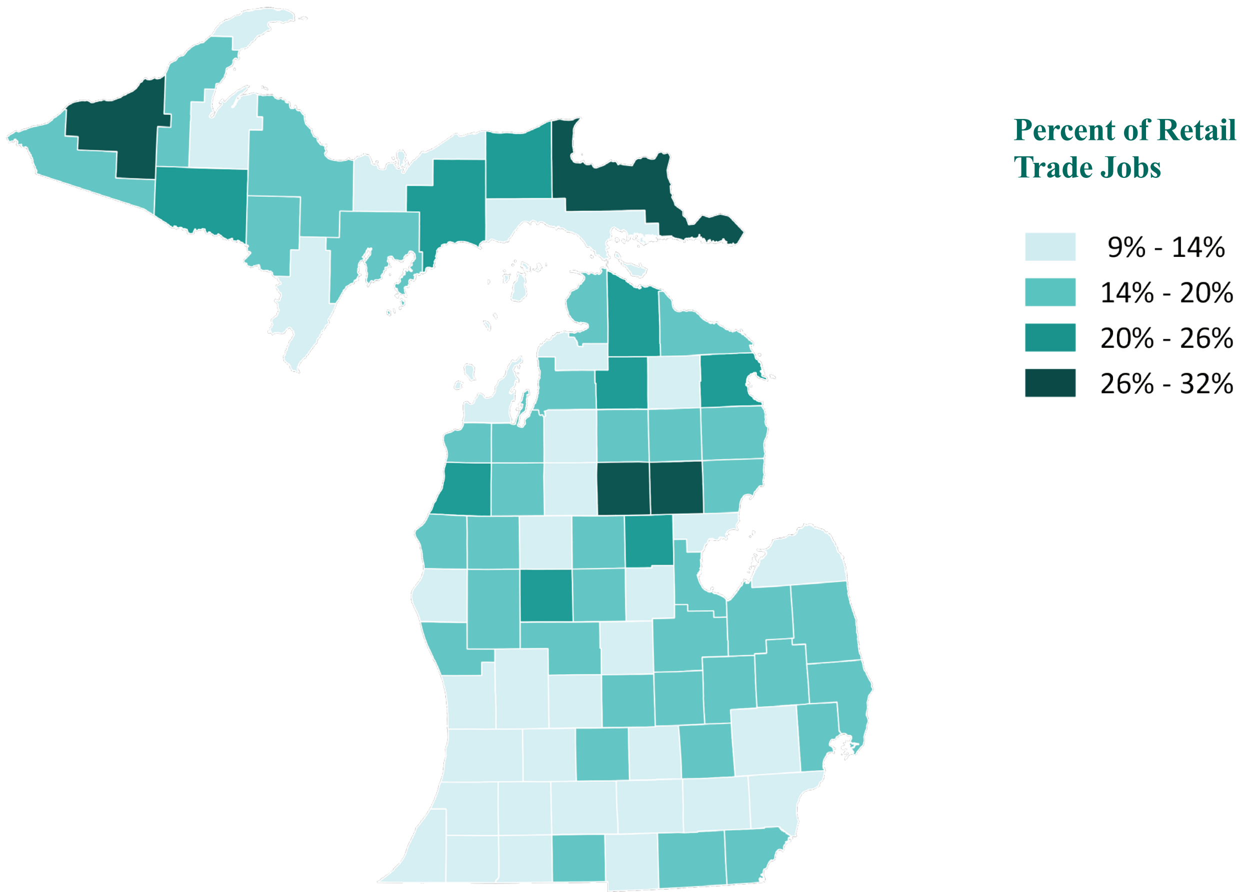
CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	NILES-BENTON HARBOR			SAGINAW		
	JAN 2018	DEC 2017	JAN 2017	JAN 2018	DEC 2017	JAN 2017
PLACE OF RESIDENCE						
Labor Force	72,100	72,800	72,400	87,000	87,300	87,600
Employment	68,000	69,100	68,000	81,300	82,600	82,000
Unemployment	4,200	3,700	4,400	5,700	4,600	5,600
Rate (percent)	5.8	5.1	6.1	6.6	5.3	6.4
PLACE OF WORK						
Total Nonfarm Jobs	60,200	61,900	60,200	86,400	89,000	86,900
Mining, Logging, and Construction	1,700	1,800	1,700	2,600	2,900	2,500
Manufacturing	13,200	13,600	13,000	12,000	12,400	12,500
Trade, Transportation, and Utilities	10,600	10,900	10,500	16,700	17,500	16,500
Wholesale Trade	*	*	*	2,100	2,200	2,100
Retail Trade	6,700	7,000	6,400	12,000	12,600	11,900
Information	500	500	500	1,200	1,300	1,400
Financial Activities	2,500	2,500	2,400	3,700	3,700	3,700
Professional and Business Services	4,800	4,900	5,500	11,200	11,400	11,000
Educational and Health Services	9,400	9,500	9,200	16,100	16,300	16,100
Leisure and Hospitality	6,400	6,900	6,400	8,400	8,800	8,800
Other Services	2,300	2,400	2,300	3,300	3,400	3,200
Government	8,800	8,900	8,700	11,200	11,300	11,200

	UPPER PENINSULA			NORTHEAST MICHIGAN			NORTHWEST MICHIGAN		
	JAN 2018	DEC 2017	JAN 2017	JAN 2018	DEC 2017	JAN 2017	JAN 2018	DEC 2017	JAN 2017
PLACE OF RESIDENCE									
Labor Force	136,700	137,300	137,300	82,100	82,000	81,700	147,500	148,100	146,200
Employment	126,100	127,700	125,800	73,400	74,400	72,900	137,000	139,200	135,200
Unemployment	10,600	9,600	11,500	8,700	7,500	8,900	10,400	8,900	11,000
Rate (percent)	7.7	7.0	8.3	10.6	9.2	10.8	7.1	6.0	7.5

MAP OF THE MONTH:

RETAIL TRADE SHARE OF TOTAL PAYROLL JOBS BY COUNTY



This map displays the 2016 percentage of retail trade jobs to total nonfarm jobs by county.

Source: LMISI, Quarterly Census of Employment and Wages, (QCEW)

Retail Trade Jobs in Michigan

As explained in this month's feature article, *Retail trade* is an important source of jobs in Michigan, despite some notable changes that have taken place in the sector in recent years. The sector posted an employment level just shy of half a million in 2017, accounting for roughly one in ten jobs overall statewide. Because these jobs are largely driven by population, most are concentrated in metro area counties, with the top 10 largest *Retail trade* counties contributing two-thirds of the state's total jobs in this industry.

Regional Trends

Even though most of the state's *Retail* jobs are located in its larger metro regions, the industry sector is an important component for many of Michigan's less-populated counties in the Northern Lower Peninsula and the Upper Peninsula. As seen in the county map above, the darker-shaded counties are clustered in the northern regions of the state where tourism-related factors drive many local economies and fewer large employers in *Manufacturing, Educational and health services*, and *Professional and business services* dominate the local economic landscapes.

Michigan County Rankings

While Oakland and Wayne Counties ranked first and second in total number of *Retail* jobs with a combined 146,000 in 2016, 14 of the top 15 counties in terms of highest share of *Retail*-to-total local jobs were non-metro area counties located in Northern Michigan. The sector is particularly important in the Upper Peninsula, where jobs in other industries are less prevalent.

MARK REFFITT
Economic Specialist

THE PERFORMANCE OF AND FACTORS AFFECTING RETAIL TRADE IN MICHIGAN

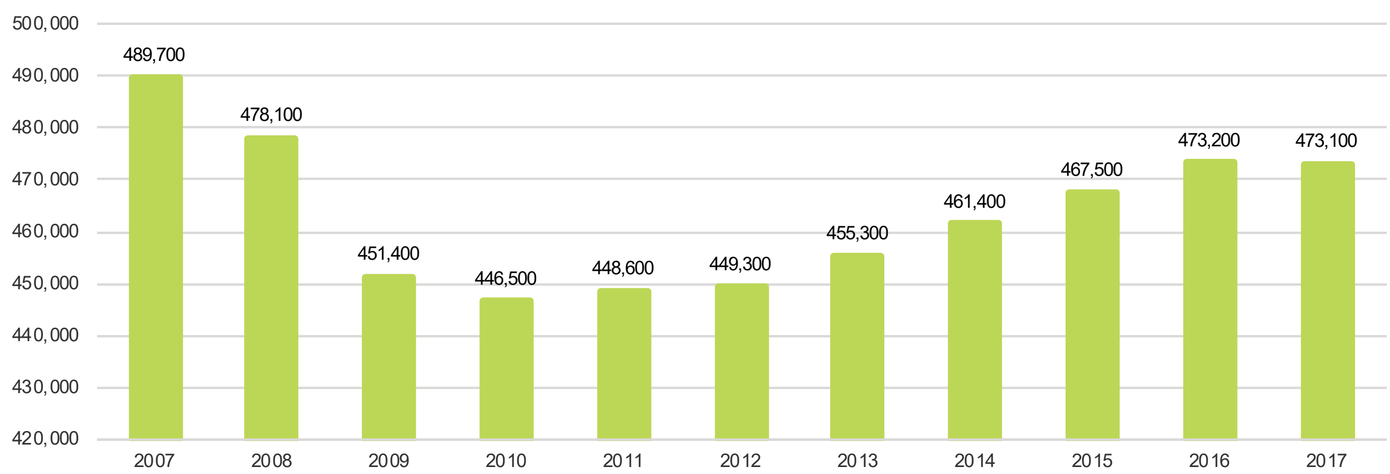
Introduction

Over the past decade, there have been significant structural changes in the retail sector in the United States. As online shopping has expanded, job growth has slowed among brick-and-mortar retail firms, particularly in big-box stores, leaving many to wonder the future fate of employment in this industry. This article seeks to examine recent job trends in the *Retail trade* sector in Michigan.

How is the Retail Trade sector defined? What is not included in Retail Trade?

To help explain job trends in the industry, it is important to understand the types of firms which are and are not included in employment data on the *Retail trade* sector. The *Retail trade* industry is comprised of two types of retailers: store and nonstore. Store retailers have a fixed location where they sell merchandise to buyers. Nonstore retailers reach customers through other advertising and marketing methods, such as infomercials, electronic catalogs, and door-to-door solicitation. Online portions of merchandising businesses would also fall under

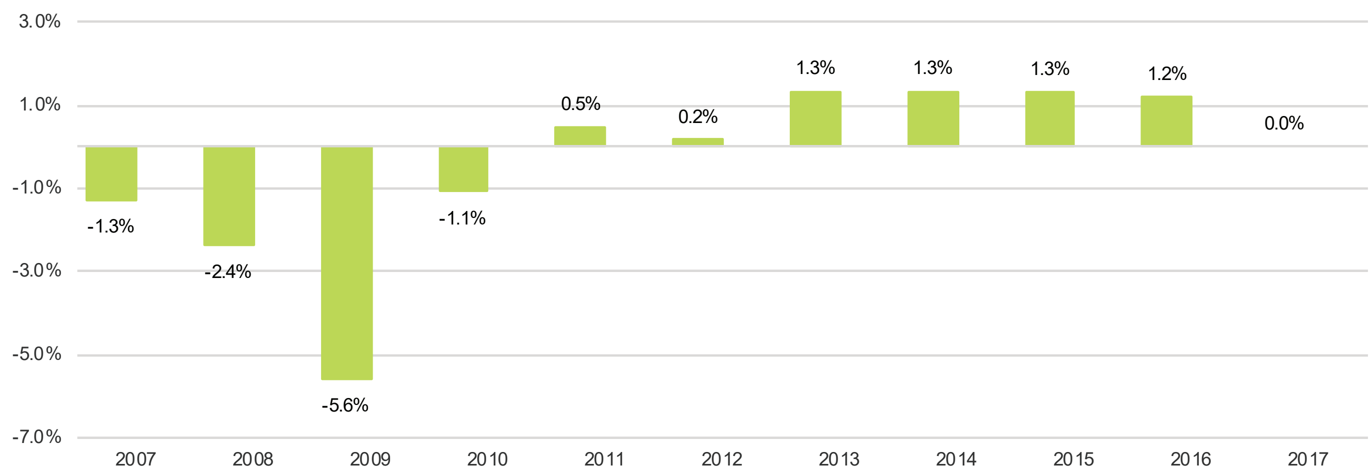
MICHIGAN RETAIL TRADE JOBS, ANNUAL AVERAGES 2007 - 2017



nonstore retailers. Businesses that sell products to the general public are classified under *Retail,* while businesses engaged in selling to other businesses are typically classified under *Wholesale trade.*

There are jobs important to this industry that are not counted as *Retail* jobs. One key example is jobs from businesses which are primarily engaged in operating warehousing and storage facilities for general merchandise, refrigerated goods, and other warehouse products. These establishments provide accommodations to store goods and do not sell the goods they handle. Such firms are classified under *Warehousing and storage*. Online retail businesses typically have a small sales aspect of their operation, and a large *Warehousing and storage* component, as such businesses are primarily concerned with the efficient storage and transportation of purchased goods.

MICHIGAN RETAIL TRADE JOB GROWTH RATES 2007 - 2017



MICHIGAN VS. UNITED STATES RETAIL TRADE JOB GROWTH RATES 2007 - 2017

Overview of Michigan's Retail Trade Sector

How does Michigan's Retail employment compare with other states?

On a numerical basis, jobs in Michigan's *Retail trade* sector over the past ten years were consistently ranked among the top ten among U.S. states. The industry ranked eighth among all states from 2007 to 2011, but dropped to ninth in 2012 and tenth during the period 2013-2016.

Another comparison is the ratio of *Retail* jobs to total nonfarm employment. In 2016, Michigan *Retail* jobs accounted for 10.9 percent of total Michigan nonfarm employment, ranking 34th among U.S. states in this metric.

On this metric, Michigan's national rank has dropped over the past several years. In 2007 Michigan was ranked 23rd. The state's ranking improved over the next several years (for example, it was ranked 17th in the country in 2009), then declined through 2016.

What has been the pace of Michigan Retail job gains over the past decade?

Michigan's' *Retail* sector has shown very mixed employment patterns over the last decade. Annual average data reveals that from 2007 to 2010, *Retail* jobs fell significantly due to the national recession, with a sharp job drop of 5.6 percent in 2009. Since 2010, the industry has slowly added jobs, but employment remains below 2008 levels. *Retail* jobs rose by 1.3 percent annually between 2013 and 2015, but were essentially unchanged in 2017. Job levels were hurt in 2017 by a number of permanent store closures in the department store industry.

A comparison of Michigan and U.S. *Retail* job growth rates reveals that Michigan job performance has lagged behind the nation over the past ten years. U.S. *Retail trade* job additions have consistently been higher than Michigan's, even during the height of the recession, although the difference between the growth rates has narrowed in recent years.

Overall, from 2007 to 2017 U.S. *Retail* jobs rose by approximately 2.3 percent, while Michigan *Retail* employment actually declined by 3.4 percent.

MICHIGAN RETAIL TRADE SUB-SECTOR INDUSTRY PERFORMANCE

NAICS TITLE	2013	2014	2015	2016	2017
Motor Vehicle and Parts Dealers	2.9%	4.8%	4.6%	1.6%	1.3%
Building Material and Garden Supply Stores	3.2%	1.4%	1.4%	2.1%	0.9%
Food and Beverage Stores	1.6%	1.5%	2.2%	1.4%	1.8%
Health and Personal Care Stores	2.3%	0.9%	0.9%	3.4%	3.9%
Gasoline Stations	3.8%	4.0%	2.7%	0.8%	2.3%
Clothing and Clothing Accessories Stores	-1.7%	-2.4%	-0.3%	-0.3%	-3.6%
Sporting Goods, Hobby, Book, & Music Stores	2.5%	-1.0%	-1.5%	-1.5%	-3.6%
General Merchandise Stores	-0.7%	-0.1%	-0.6%	1.1%	-2.0%
Miscellaneous Store Retailers	6.9%	4.0%	0.4%	1.5%	0.8%

MICHIGAN TOP RETAIL TRADE INDUSTRY OCCUPATIONS 2016

SOC CODE	SOC TITLE	EMPLOYMENT	MEAN HOURLY WAGE	MEAN ANNUAL WAGE
41-2031	Retail Salespersons	137,390	$12.46	$25,920
41-2011	Cashiers	79,350	$10.54	$21,930
43-5081	Stock Clerks and Order Fillers	43,440	$11.52	$23,960
41-1011	First-Line Supervisors of Retail Sales Workers	31,460	$20.91	$43,500
43-4051	Customer Service Representatives	11,180	$13.25	$27,560
49-3023	Automotive Service Technicians and Mechanics	9,180	$20.41	$42,450
53-7062	Laborers and Freight, Stock, and Material Movers, Hand	8,740	$12.60	$26,210
43-9061	Office Clerks, General	8,410	$14.24	$29,620
29-2052	Pharmacy Technicians	8,330	$13.56	$28,190
35-2021	Food Preparation Workers	7,430	$12.53	$26,070

Retail Trade Sub-Sector Performance in Michigan

How have the sub-sectors of the Retail Trade industry performed in Michigan over the past decade?

The *Retail trade* sector is composed of nine major sub-sectors. Sub-sector performance can provide important indications of future retail trends.

Out of the nine *Retail* subsectors, six have demonstrated positive job expansion between 2013 and 2017: *Motor vehicle and parts dealers, Building material and garden supply stores, Food and beverage stores, Health and personal care stores, Gasoline stations,* and *Miscellaneous store retailers*. However, out of these six subsectors, only one exhibited job gains from 2015 to 2017, which was *Health and personal care stores.* Other subsectors demonstrated patterns of diminishing job growth. For example, jobs in *Building material and garden supply stores* advanced by 2.1 percent in 2016, but only 0.9 percent in 2017.

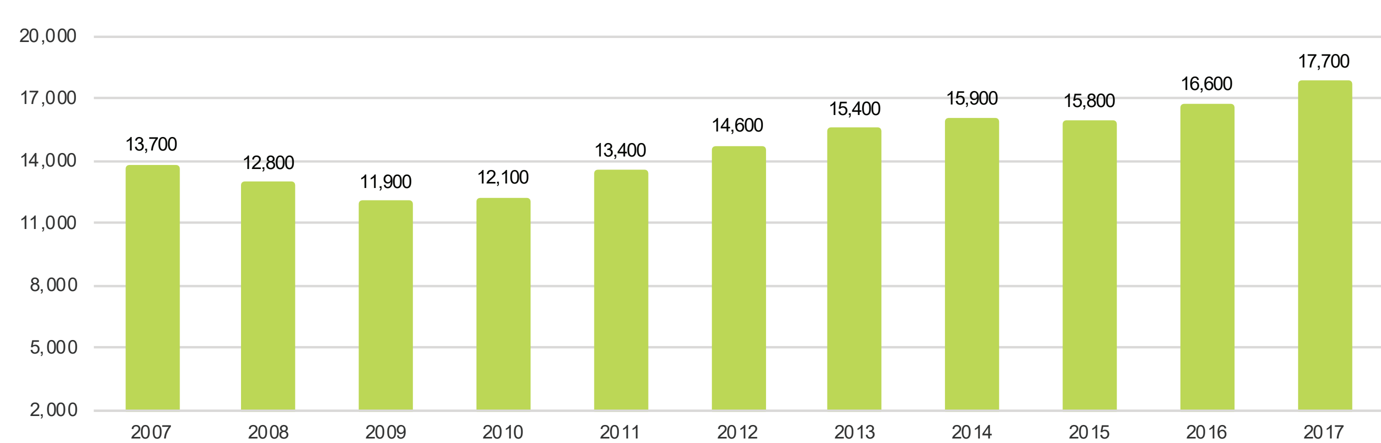
Three out of the nine subsectors sustained job losses over the past five years: *Clothing and clothing accessories stores, Sporting goods, hobby, book, and music stores*, and *General merchandise stores*. Job reductions in all three of these subsectors accelerated during 2017.

What are the top Retail Trade sector occupations in Michigan?

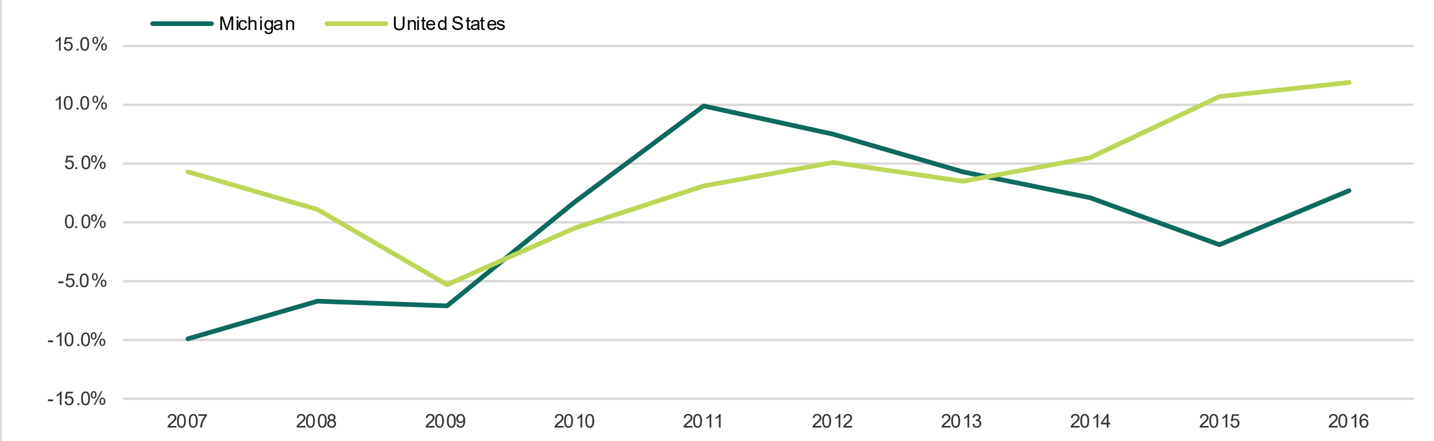
An analysis of Occupational Employment Statistics data for Michigan in 2016 (the most recent data available) reveals that the largest occupation within the *Retail trade* industry is *Retail salespersons,* with 137,390 jobs, followed by *Cashiers, Store clerks and order fillers, First-line supervisors of retail sales,* and *Customer service representative*.

As demonstrated in the chart above, the average hourly wage for the top *Retail* occupation in Michigan in 2016 was $12.46, which was the third lowest wage out of all of the top ten Retail occupations in the state[1.]

MICHIGAN'S WAREHOUSING AND STORAGE EMPLOYMENT 2007 - 2017



MICHIGAN VS. UNITED STATES WAREHOUSING & STORAGE GROWTH RATES 2007- 2016



What is the turnover rate for Retail industry jobs in Michigan?

Data from the Census Bureau's Local Employment Dynamics program reveals the turnover rates for all industries in Michigan as compared with just the *Retail* sector. The turnover rate captures the quarterly rate of separations for a given industry. Recent data shows a *Retail* labor turnover rate of 10.6 percent in the third quarter 2016, which is slightly above the 9.8 percent average of all Michigan industries. Intuitively, this makes sense, as *Retail* is both a seasonal industry and one that employs workers for short durations at relatively lower wages.

What is the projected future growth of the Retail industry in Michigan?

Short-term projections from the 2nd quarter of 2017 to the 2nd quarter of 2019 indicate that *Retail trade* jobs will increase by 0.5 percent. Long-term projections from 2014 to 2024 indicate that jobs in the Michigan *Retail* sector will expand by 4.3 percent during this ten-year period, well below the 7.4 percent expected gain in total jobs.

Potential Factors Affecting Retail Trade Employment

What factors affect Retail employment in Michigan?

Online Retail versus Big-Box Stores

The decline of big-box store employment in Michigan is actually a national trend that has been evident over the past several years. Some big-box stores have permanently closed in recent years, while more shopping activity occurs online. Consumers' changing shopping habits have contributed to this decline.[2] Furthermore, the empty building spaces these large retailers leave behind are increasingly difficult to fill with new businesses, due to the large size of the building space.

Warehousing and Storage jobs

How has Warehousing and storage performed over the past several years?

Some jobs among online shopping retailers and the e-commerce industry are not counted in the *Retail* sector, but are instead classified under *Warehousing and storage*. Online businesses typically have a small retail component, but a large warehousing segment. Michigan's *Warehousing and storage* sector has grown substantially since the height of the recession in 2009, adding jobs every year except 2015. Jobs certainly rose in 2017, but the increase was accentuated by a non-economic industry code change.

Michigan and U.S. job trends differed somewhat in this industry in recent years. Michigan recorded sharper rates of job decline prior to and during the recession. As a result, Michigan posted higher rates of job expansion from 2011-2013 as the industry recovered. From 2014-2016, job growth rates nationally again exceeded rates of gain in Michigan.

What is the future outlook for jobs in the Warehousing and storage sector in Michigan?

The most recent short-term projections for Michigan (from the 2nd 2017 to the 2nd quarter 2019) suggest that *Warehousing and storage* jobs may move up by 2.7 percent during this period. This is five times larger than the *Retail trade* sector's projected employment growth rate of 0.5 percent during this period.

Long-term projections (from 2014 to 2024) show that *Warehousing and storage* jobs in Michigan will expand by 6.0 percent over this ten-year period, while the *Retail trade* sector will only advance by 4.3 percent. Thus, *Warehousing and storage* employment is projected to grow faster than *Retail trade* in both the short-term and the long-term.

Conclusion

Retail trade employment in Michigan has fluctuated over the past several years. Recent trends in the sector, coupled with the decline of big-box store employment and the projected growth of *Warehousing and storage* jobs in the state over the next decade, suggest that the industry may continue to exhibit mixed to diminished growth in the future as online shopping continues to expand.

SOURCES

[1] The employment and wage data in the table are for occupations within only the *Retail* industry in Michigan, not the numbers for all jobs in these occupations across all industries within the state.

[2] Source: https://www.freep.com/story/money/business/2017/11/27/empty-big-box-stores-michigan/830459001/

SHIBANI PUTATUNDA
Economic Analyst

OCCUPATIONAL FOCUS:

FIRST-LINE SUPERVISORS OF RETAIL TRADE WORKERS

Even with the apparent shift of operation in the In 2016, Michigan *Retail* jobs accounted for 10.9 percent of total Michigan nonfarm employment, ranking 34th among U.S. states in this metric.

Retail trade sector, due to the expansion of online shopping, the demand for *First-line supervisors of retail sales workers* will continue. *First-line supervisors of retail sales workers* directly supervise and coordinate activities of retail sales workers in an establishment or department. Duties may include management functions, such as purchasing, budgeting, accounting, and personnel work, in addition to supervisory duties.

JOB TITLES

- Assistant Manager
- Assistant Store Manager
- Department Manager
- Office Manager
- Shift Manager
- Store Manager

EDUCATION

This occupation usually requires a high school diploma or equivalent. Some previous work-related skill, knowledge, or experience is usually needed.

SKILLS

Active Listening: Giving full attention to what other people are saying, taking time to understand the points being made, asking questions as appropriate, and not interrupting at inappropriate times.

Critical Thinking: Using logic and reasoning to identify the strengths and weaknesses of alternative solutions, conclusions or approaches to problems.

Judgment and Decision Making: Considering the relative costs and benefits of potential actions to choose the most appropriate one.

Management of Personnel Resources: Motivating, developing, and directing people as they work, identifying the best people for the job.

Monitoring: Monitoring and assessing performance of yourself, other individuals, or organizations to make improvements or take corrective action.

TASKS

Provide customer service by greeting and assisting customers and responding to customer inquiries and complaints.

Direct and supervise employees engaged in sales, inventory-taking, reconciling cash receipts, or in performing services for customers.

Hire, train, and evaluate personnel in sales or marketing establishments, promoting or firing workers when appropriate.

Plan and prepare work schedules and keep records of employees' work schedules and time cards.

Short-Term Projections - 2017-2019

- Statewide jobs for *First-line supervisors of retail sales workers* are projected to increase by 520 or 1.2 percent by the second quarter 2019. The two-year growth rate for this occupation is one-third the rate estimated for all Michigan occupations of 3.0 percent.
- In the short-term, total annual average openings for *First-line supervisors of retail sales workers* will total 4,790.

Long-Term Projections - 2014-2024

- The total number of jobs for *First-line supervisors of retail sales workers* is projected to grow at a slightly slower rate than total statewide jobs. The job title will expand by five percent while adding 2,210 jobs over the decade. Total statewide occupations will increase by 7.4 percent over the same time period.
- Between 2014 and 2024, nearly 50 percent of the additional jobs in the *Sales and related occupations* category will be the result of job growth

MICHIGAN QUICK FACTS:
FIRST-LINE SUPERVISORS OF RETAIL SERVICE WORKERS

Number of Jobs - 2016	34,670
Projected Job Change - 2017-2019	+520 (+1.2%)
Projected Number of Jobs - 2019	43,750
Projected Job Change - 2014-2024	+2,210 (+5.0%)
Projected Number of Jobs - 2024	46,120
Median Wage - 2016	$38,680 per year $18.60 per hour
Wage Range - 2016	$24,280 - $65,390 per year $11.67 - $31.44 per hour
Education Required	High School Diploma or Equivalent
Real-Time Job Ads - January 2018	3,857

LARGE DROP IN MICHIGAN FEBRUARY SEASONALLY ADJUSTED JOB ADS

For the third straight year, Michigan recorded a reduction in seasonally adjusted job advertisements from January to February. The 11.0 percent drop to 142,247 ads is the largest decline in February since before 2009. From 2009 to 2015, job ads rose an average 2.3 percent between the two months, but from 2016 to 2018, an average 9.1 percent loss has been recorded.

Nationally, job ads were also down for the third straight year. February 2018 advertisements contracted 3.8 percent from the previous month. Michigan's 11.0 percent job ad reduction was noticeably larger than other regional states. Wisconsin posted the second largest loss of 7.7 percent followed by Indiana (-5.1 percent) and Illinois (-3.2 percent), with Ohio showing a marginal gain of 0.3 percent.

Ad Rates Decline

Michigan's ad rate, or the number of job advertisements per 100 people in the labor force, was down for the second straight month to 2.91. The declining rate resulted from job ads falling along with very little movement in the labor force over the month. The national ad rate also exhibited a reduction for the second straight month to 2.93.

The number of unemployed persons per job advertisement, also referred to as the supply/demand rate, saw a considerable jump to 1.63 in February from 1.45 in January. The higher rate resulted from a combination of increased unemployment and the large drop in job ads. All of Michigan's regional neighbor states also posted a higher supply/demand rate in February except Ohio. Michigan's 0.18 rate hike was significantly larger than the 0.07 average advance of its regional states.

Non-Seasonally Adjusted Ads

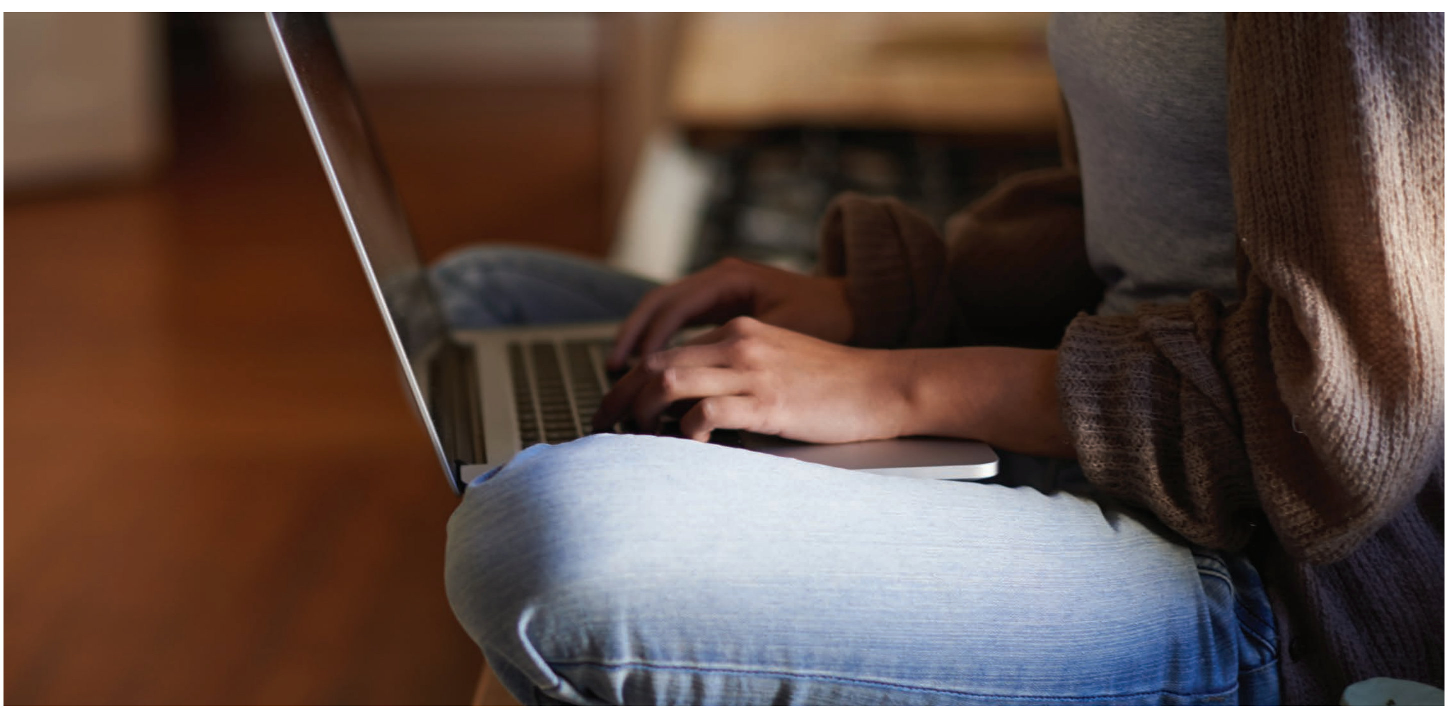
Information is available on advertised job ads by broad occupational group from the Help Wanted Online Data Series, but the data is not seasonally adjusted.

Michigan Metropolitan Statistical Areas (MSAs) posted mixed job ad trends in February. Not seasonally adjusted job ads increased in 6 of 8 metro areas, with Ann Arbor and Detroit-Warren-Dearborn recording the largest increases at 5.0 and 4.1 percent, respectively. The Midland and Muskegon MSAs recorded sizeable job ad contractions of 10.4 and 7.4 percent, respectively.

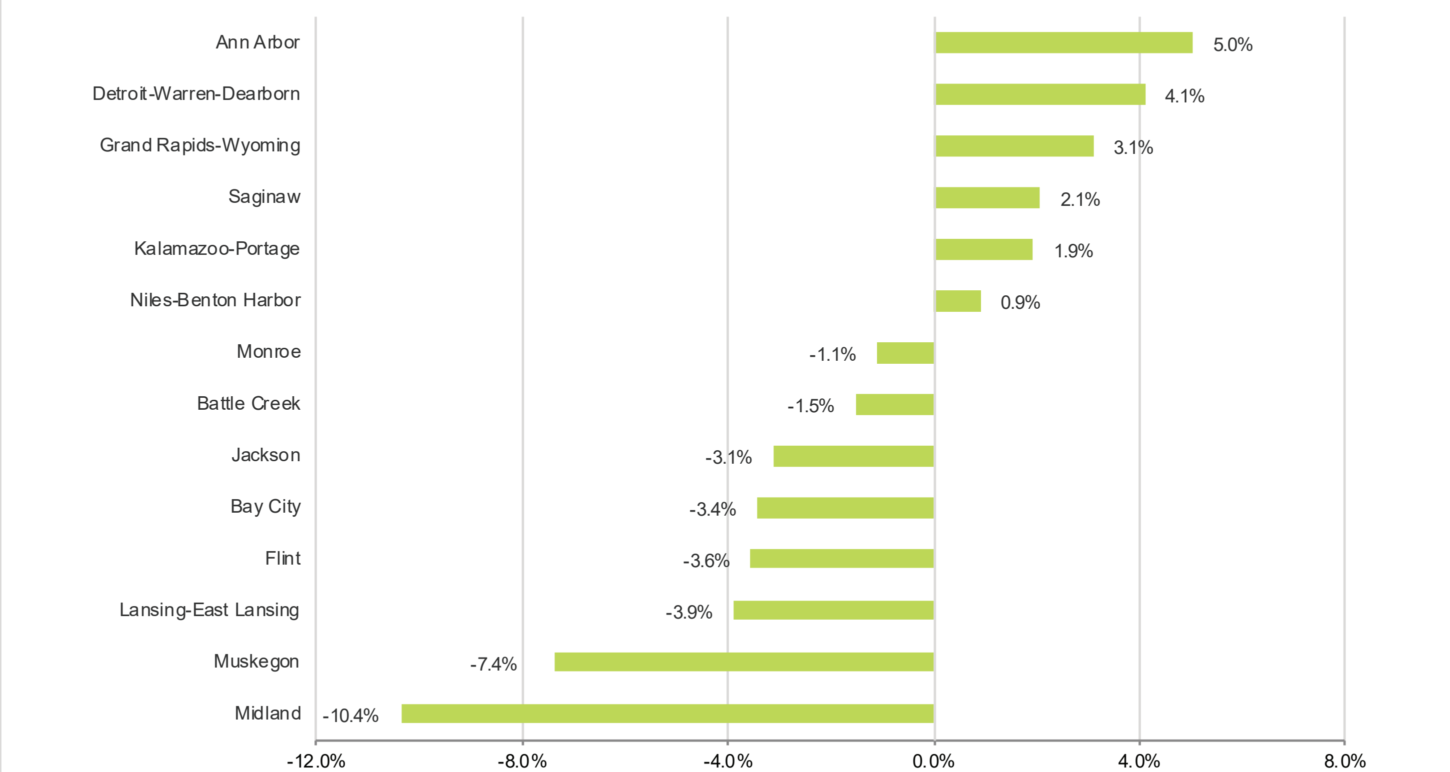
Gains also occurred in February (not seasonally adjusted) for the two categories of total available ads and total new ads. Total available ads rose by 2.1 percent (+2,800) in February. All major occupational categories posted an increase in job ads except *Sales* and *Healthcare* which fell by 7.7 and 7.0 percent, respectively. Ads for *Professional* jobs had the largest February numeric increase of 2,400 largely because of gains for *Computer* and *Mathematical* job titles (+1,350 ads). Total new ads posted large additions in February with a monthly gain across all major occupational categories.

A large portion of Michigan job ads in February were less than 30 days old, accounting for over 2 in 5 ads or 58,578. Approximately 1 in 5 ads were between 30 and 59 days old with the remaining ads 60 days or older. The largest percentage of ads continues to be those that are full-time, making up over three-quarters of all ads. Part-time job ads constituted 17.4 percent followed by those for contract jobs (3.7 percent) and internships (1.3 percent).

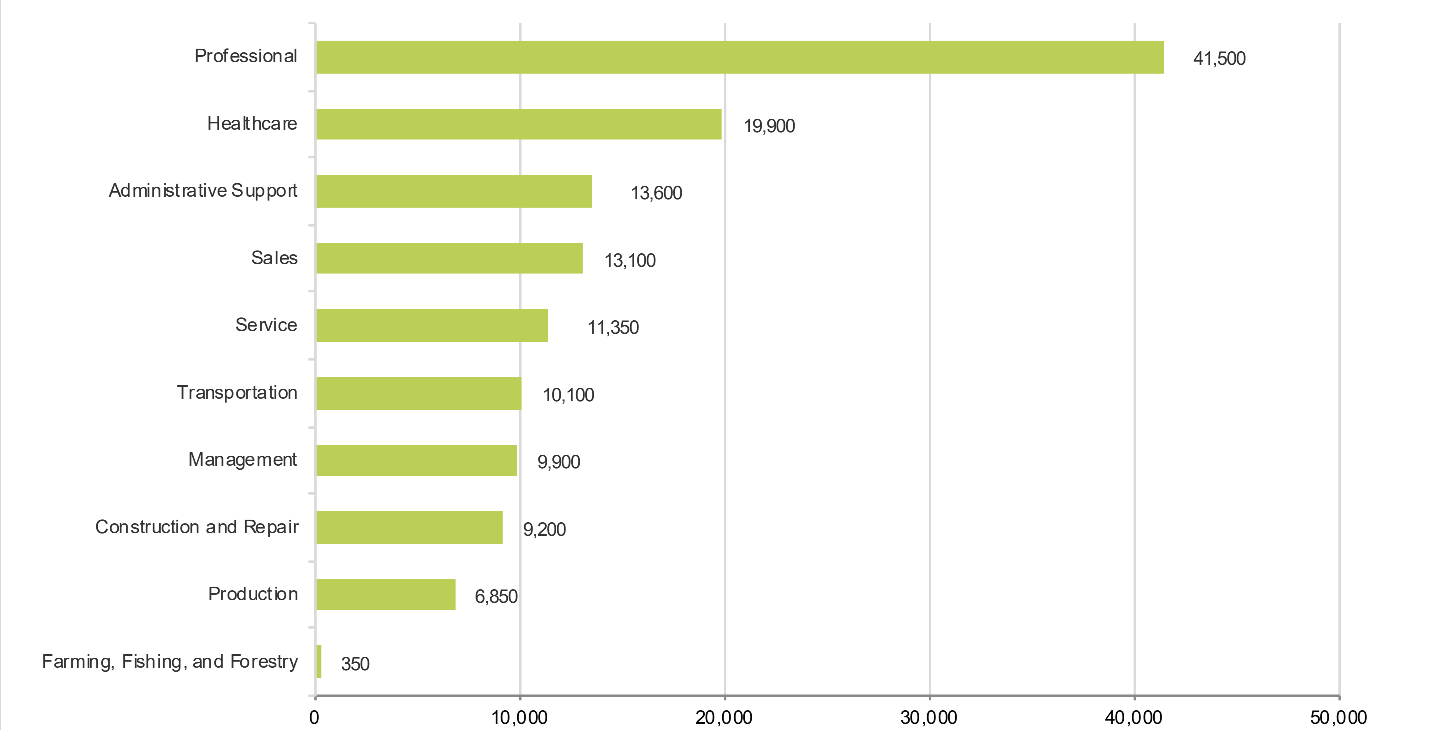
MARCUS REASON
Economic Analyst



PERCENT CHANGE IN JOB ADS BY METRO AREA (JANUARY 2018 TO FEBRUARY 2018)



TOTAL JOB ADS - FEBRUARY 2018 (NOT SEASONALLY ADJUSTED)



Source: The Conference Board, Help Wanted Online® (HWOL)

TOP TAKEAWAYS BY METRO AREA

Grand Rapids-Wyoming Metropolitan Area

- Even with the slight uptick in 2017, the Grand Rapids-Wyoming metropolitan area unemployment rate still registered nearly one percentage point below the statewide and national figures. The 3.6 percent rate is a considerable drop from the double-digits (11.6 percent) recorded in 2009 during the national recession.

- The total number of unemployed workers in the Grand Rapids metro area averaged 20,500 in 2016, which is one-third the number of unemployed in 2009.

- Payroll jobs in the Grand Rapids-Wyoming metropolitan area have continued to expand over the last eight years as approximately 104,300 jobs were added, a 23.2 percent increase since 2009. The area job growth doubled the statewide job expansion of 12.9 percent.

- Several industry sectors in the Grand Rapids-Wyoming have recovered significantly since the last recession, including: *Manufacturing* (40.0 percent), *Mining, logging and construction* (35.4 percent), *Professional and business services* (33.4 percent), and *Leisure and hospitality* (25.3 percent).

- *Manufacturing* jobs in the Grand Rapids-Wyoming metro area rebounded over the last eight years as 32,900 jobs have been added and total jobs reached 115,200.

- *Government*, which comprises nearly nine percent of all jobs in the Grand Rapids-Wyoming metro area, was the only industry sector to record a loss between 2009 and 2017. Employment fell by 1,400 or 2.9 percent.

Bay City Metropolitan Area

- The Bay City metropolitan area annual average jobless rate has declined steadily since the Great Recession, decreasing from 11.9 percent to 5.6 percent in 2017. The slight rise in the average jobless rate between 2016 and 2017, was the first time in four years that the rate increased.

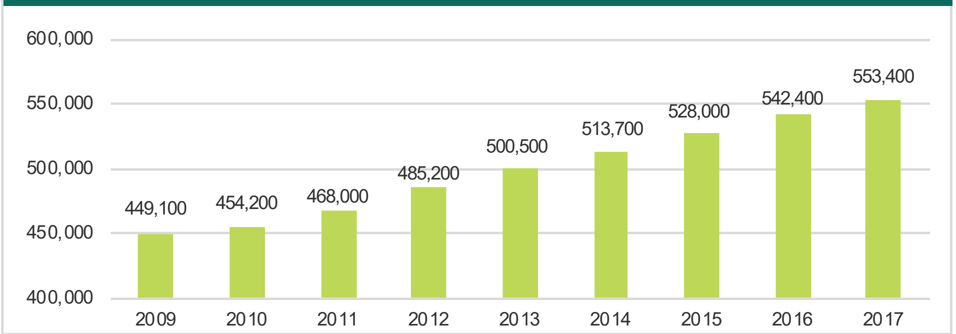
- Total employment in the Bay City metro area averaged 48,100 during 2017, similar to the employment level recorded in 2009.

- Between 2011 and 2014, Bay City was able to recover nonfarm payroll jobs and surpass the employment levels of the last recession. Since that time, jobs in the metropolitan area have been declining and now are 2.5 percent below 2009 levels. Bay City is the only metropolitan area showing employment decreases over the last eight years.

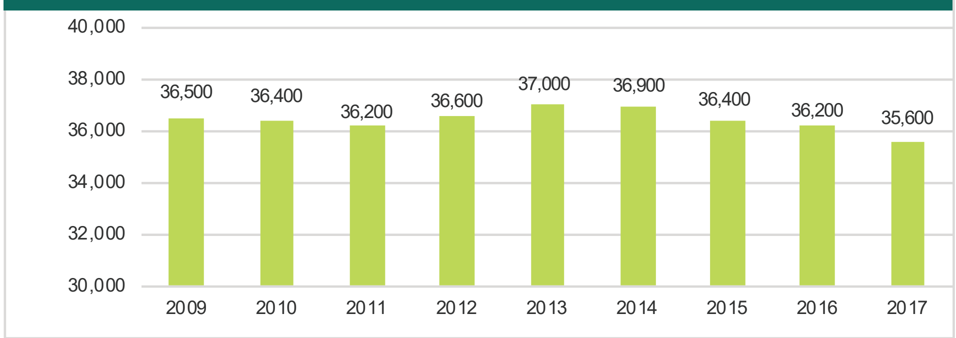
- Six of the ten major industrial sectors in the Bay City metropolitan area recorded job losses over the last eight years. *Education and health services*, *Manufacturing*, and *Mining, logging and construction* were the only three sectors to record job growth since the last recession.

JIM ASTALOS
Economic Analyst

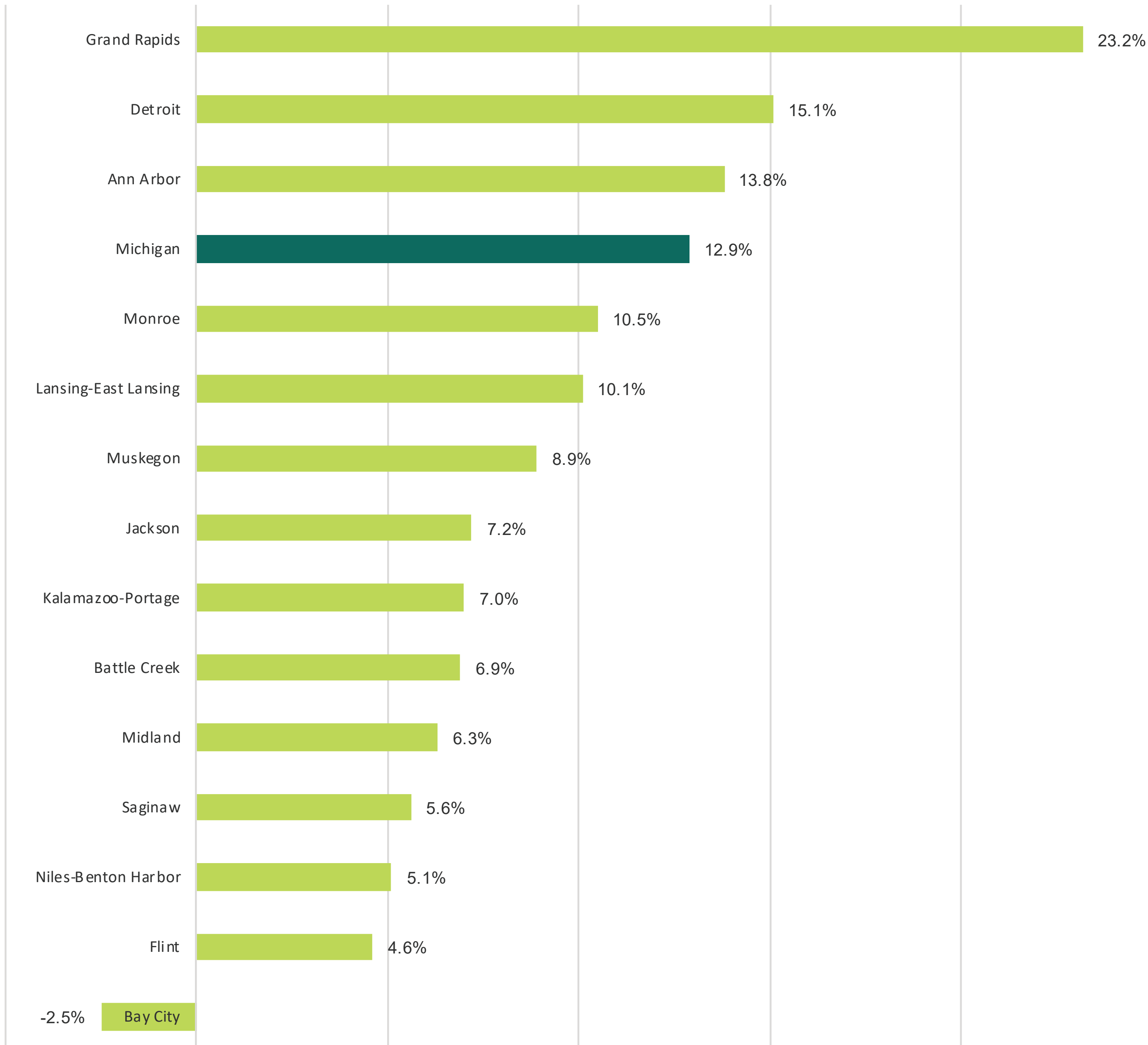
GRAND RAPIDS PAYROLL JOBS



BAY CITY PAYROLL JOBS



PAYROLL JOB GROWTH RATES (2009 TO 2017)



ASK THE ECONOMIST

Q: Why is data on unemployment and jobs revised each year?

A: This is done to enhance data accuracy…

Local Area Unemployment Statistics

Each year, Local Area Unemployment Statistics (LAUS) data is revised for all local labor market regions in the nation, in cooperation with the U.S. Department of Labor, Bureau of Labor Statistics. LAUS data includes the workforce, total employment, the number of unemployed, and the unemployment rate for a given region. In Michigan, this revision process includes the state, metro regions, counties, and select cities and townships. For statewide data, seasonally adjusted labor force estimates were revised back to 1976. Non-seasonally adjusted data were revised back to 2013 for the state and all sub-state regions.

Labor market data from the Current Employment Statistics (CES) and LAUS are produced with only a one-month lag. March 2018 data will be produced and released in April. This is an exceptionally quick turn-around for any economic data set. The payroll job and labor force data are important economic indicators for policy makers, business leaders, and economists.

However, with this quick turnaround there is a trade-off. Current year estimation lacks complete information that is only available at the end of the year.

The data revision for LAUS includes a variety of updates, including incorporating the latest population updates from the U.S. Census Bureau, revisions to payroll job counts, and other revised inputs including updated unemployment insurance claims data and revised seasonal adjustment factors.

The overall impact of the latest revision was a marginal increase of the Michigan 2017 annual jobless rate from the preliminary estimate of 4.5 to the revised estimate of 4.6 percent. 2017 monthly revisions ranged from a reduction of 0.5 of a percentage point in February and March to an increase of 0.7 of a percentage point in July and August. Prior to 2017, monthly revisions were limited to 0.3 of a percentage point or less.

Current-year estimation tends to contain some volatility; however, the overall trends displayed by the original data were accurate.

Current Employment Statistics

Nationally, each month, the Current Employment Statistics (CES) program surveys about 149,000 businesses and government agencies, representing approximately 651,000 individual worksites. The program generates monthly estimates of jobs by detailed industry and the hours and earnings of employees on nonfarm payrolls for all 50 states, and about 450 metropolitan areas and divisions.

As with data from other sample surveys, CES payroll employment estimates are subject to both sampling and non-sampling error. Sampling error is an unavoidable byproduct of forming an inference about a population based on a sample. The larger the sample is, relative to the population size and variance, the smaller the sampling error. Non-sampling error, by contrast, generally refers to errors in reporting and processing.

In order to control for both sampling and non-sampling error, CES payroll employment estimates are benchmarked annually to the Quarterly Census of Employment and Wages (QCEW). The QCEW data are derived primarily from employment data provided in unemployment insurance (ui) tax reports that nearly all employers are required to file with state workforce agencies. The UI tax reports are collected, reviewed, and edited. As part of the benchmark process for benchmark year 2017, CES employment estimates were replaced by QCEW data for the period April 2016 to September 2017.

UI tax reports are not collected on a timely enough basis to allow for replacement of CES payroll estimates for the fourth quarter, October 2017 to December 2017. For this period, estimates based on sample information are revised using the new September 2017 series level derived from QCEW employment counts and incorporate updated business birth/death factors.

2017 Benchmark Impact in Michigan

The benchmark process inevitably results in changes in the previously published data. Careful review of the monthly employment estimates takes place each month throughout the year to keep these changes to a minimum. A summary of the 2017 data revision in Michigan follows.

The revisions to Michigan nonfarm job levels were minimal during the 2017 benchmark with an average reduction of 0.3 percent for the April 2016 to September 2017 period.

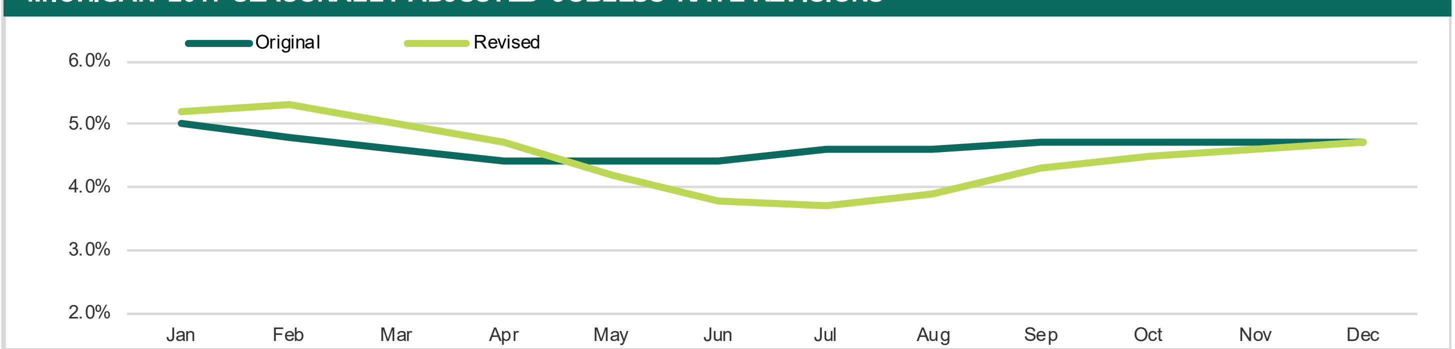
An example of this impact is shown when an over the year comparison of job change is made. The original CES estimate of over the year Michigan job growth between March 2016 and March 2017 was 76,700 or 1.8 percent. After the annual data revision, the data show a similar Michigan job expansion of 67,000 or 1.6 percent.

The broad industry sectors with the largest average revisions with the 2017 benchmark are: *Manufacturing* (1.2 percent), *Information* (-1.5 percent), *Mining and logging* (-1.6 pecent), *Professional and business services* (-1.9 percent), and *Other services* (-2.3 percent).

JEFFREY AULA
Economic Analyst

JIM RHEIN
Economic Specialist

MICHIGAN 2017 SEASONALLY ADJUSTED JOBLESS RATE REVISIONS



Technology, Management & Budget

STATE OF MICHIGAN

Department of Technology, Management & Budget

Bureau of Labor Market Information and Strategic Initiatives

Detroit Office

Cadillac Place
3032 West Grand Boulevard
Suite 9-150
Detroit, Michigan 48202
(313) 456-3100

Lansing Office

Victor Office Building, Floor 5
201 North Washington Square
Lansing, Michigan 48933
(517) 335-2472