MICHIGAN'S
LABOR MARKET NEWS

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JULY 2020

Economic and Demographic Trends in Michigan's Metro and Non-Metro Areas

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Map of the Month: Percentage of Households with an Internet Subscription Across Metro and Non-Metro Area Counties

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Michigan payroll jobs up in May, but increase represents only 17 percent of pandemic-related job cuts in April

MAY 2020 JOBLESS RATE

MICHIGAN

21.2%

NATIONAL

13.3%

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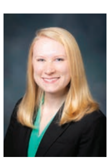

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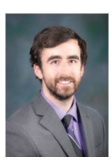

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Michigan's official jobless rate edged lower in May, but remained significantly elevated at 21.2 percent. Industry employment grew by 178,000, with job gains resulting from initial recalls from pandemic-related layoffs. Over the year, the state's jobless rate was up 17 percentage points and payroll jobs are lower by 850,000 due to the impact of COVID-19.

This month, our feature takes a look at several workforce and demographic indicators in Michigan's metro areas and non-metro areas. This month's *Map of the Month* shows how internet subscriptions vary across our metro and non-metro area counties, which is a topic that is increasingly important as teleworking becomes more of a necessity due to social distancing and other COVID-19 related restrictions. Closing out this month's issue, our *Data Spotlight* highlights recently released information on job openings and labor turnover for Detroit, Michigan's largest metro region.

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.

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MAY JOBLESS RATE REMAINS HIGH IN MICHIGAN DUE TO COVID-19 IMPACT

Michigan's seasonally adjusted jobless rate remained above 20 percent in May, although the rate declined slightly from 24.0 percent in April to 21.2 percent in May. Michigan's employment total rose by 256,000 in May while the number of unemployed fell by 97,000. The result was a notable workforce gain of 159,000 over the month.

The national jobless rate fell by 1.4 percentage points to 13.3 percent in May. Michigan's jobless rate was 7.9 percentage points above the U.S rate. Over the year, the national jobless rate increased by 9.7 percentage points, while Michigan's rate advanced substantially more, by 17.0 percentage points.

The state has experienced exceptionally high levels of unemployment for two consecutive months, due to the impact of COVID-19-related job cuts. May was the second straight month with a statewide jobless rate above 20.0 percent. Furthermore, Michigan had the third highest unemployment rate in the nation, behind Nevada (25.3 percent) and Hawaii (22.6 percent).

The state's total employment level rose by 7.3 percent over the month, a gain over double that of the nation (+2.9 percent). This reflected the initial recalls of some workers who were laid off in March or April due to the pandemic. Total unemployment in the state contracted by 8.7 percent since April, similar to the national unemployment decline of 9.1 percent over the month.

Over the year, Michigan employment receded by 20.7 percent while national employment fell by 12.5 percent. Michigan's number of unemployed soared by nearly 800,000 since May 2019 and the jobless rate jumped by 17.0 percentage points.

Detroit Region Jobless Rate Hits Record Peak During May 2020

An examination of the Detroit Metropolitan Statistical Area (MSA) jobless rates from May 2009 to May 2020 demonstrates the differences between the peak unemployment rates during the Great Recession and the initial months of the COVID-19 pandemic.

The highest Detroit metro jobless rate during the Great Recession occurred in June of 2009 with a rate of 16.4 percent. This was 1.8 percentage points above the Michigan peak rate of 14.6 percent during that same period. Between December 2007 and June 2009, the Detroit MSA jobless rate rose by nine percentage points.

From June 2009 to March 2011, the Detroit region monthly jobless rates fell continuously, culminating in a rate of 11.7 percent in March 2011. This was a significant rate cut of 4.7 percentage points from the recession peak. The unemployment rate dropped further to 10.3 percent in December 2011, and then stabilized in 2012 when the rate was around 10.1 percent for the entire year.

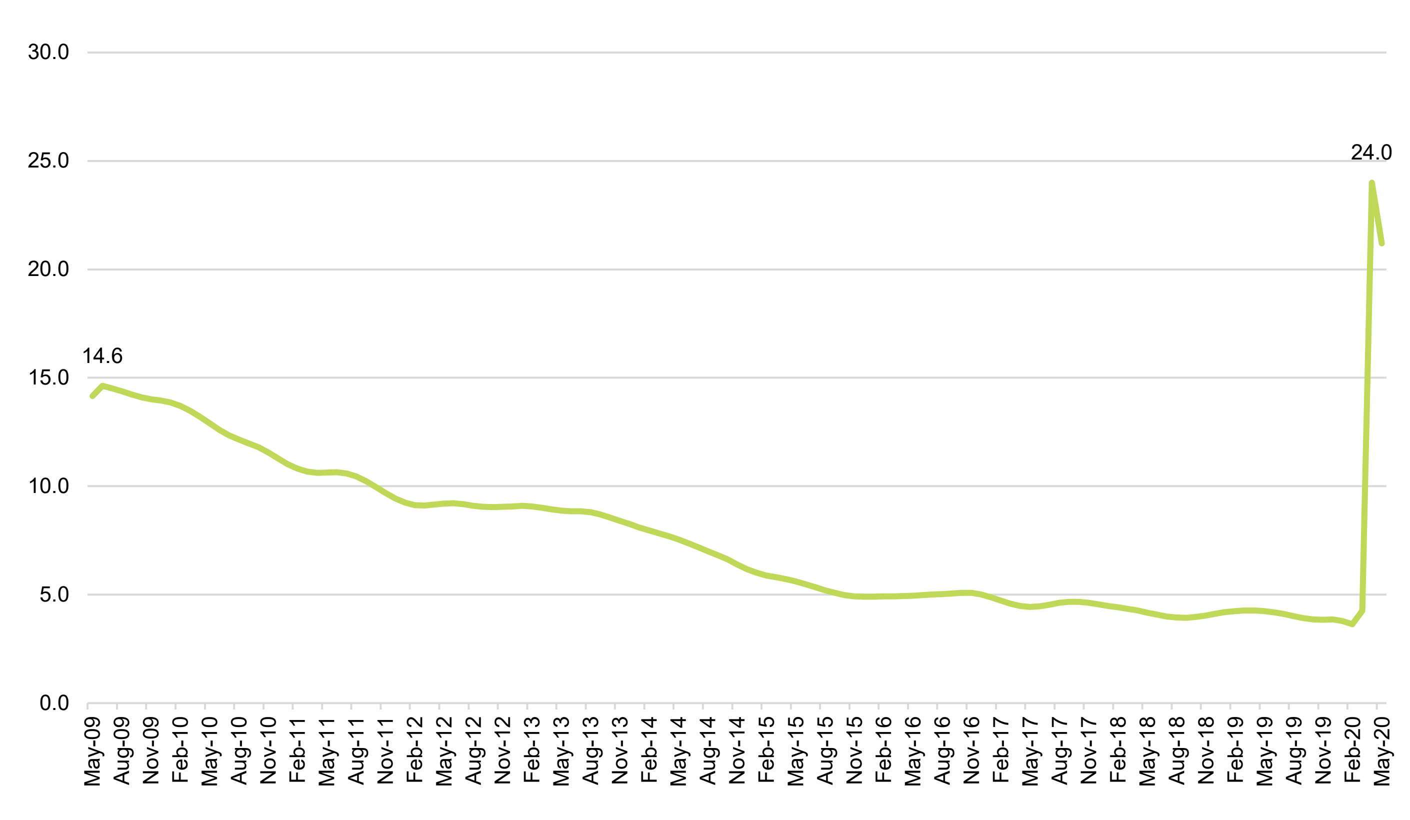
From March 2013 to February 2020, the Detroit region unemployment rate fell by six full percentage points to 3.9 percent, the lowest rate since December 2000. However, the initial effects of the COVID-19 pandemic on the labor market occurred in March 2020, as the jobless rate advanced by 0.7 percentage points to 4.6 percent. Between March and April, the true impact of the coronavirus hit the job market, and the Detroit metro area jobless rate soared by 16.9 percentage points up to 21.5 percent. Detroit's jobless rate inched up another 1.7 percentage points in May 2020 to an all-time high rate of 23.2 percent. This was 6.8 percentage points above the peak rate during the Great Recession.

SHIBANI PUTATUNDA
Economic Specialist

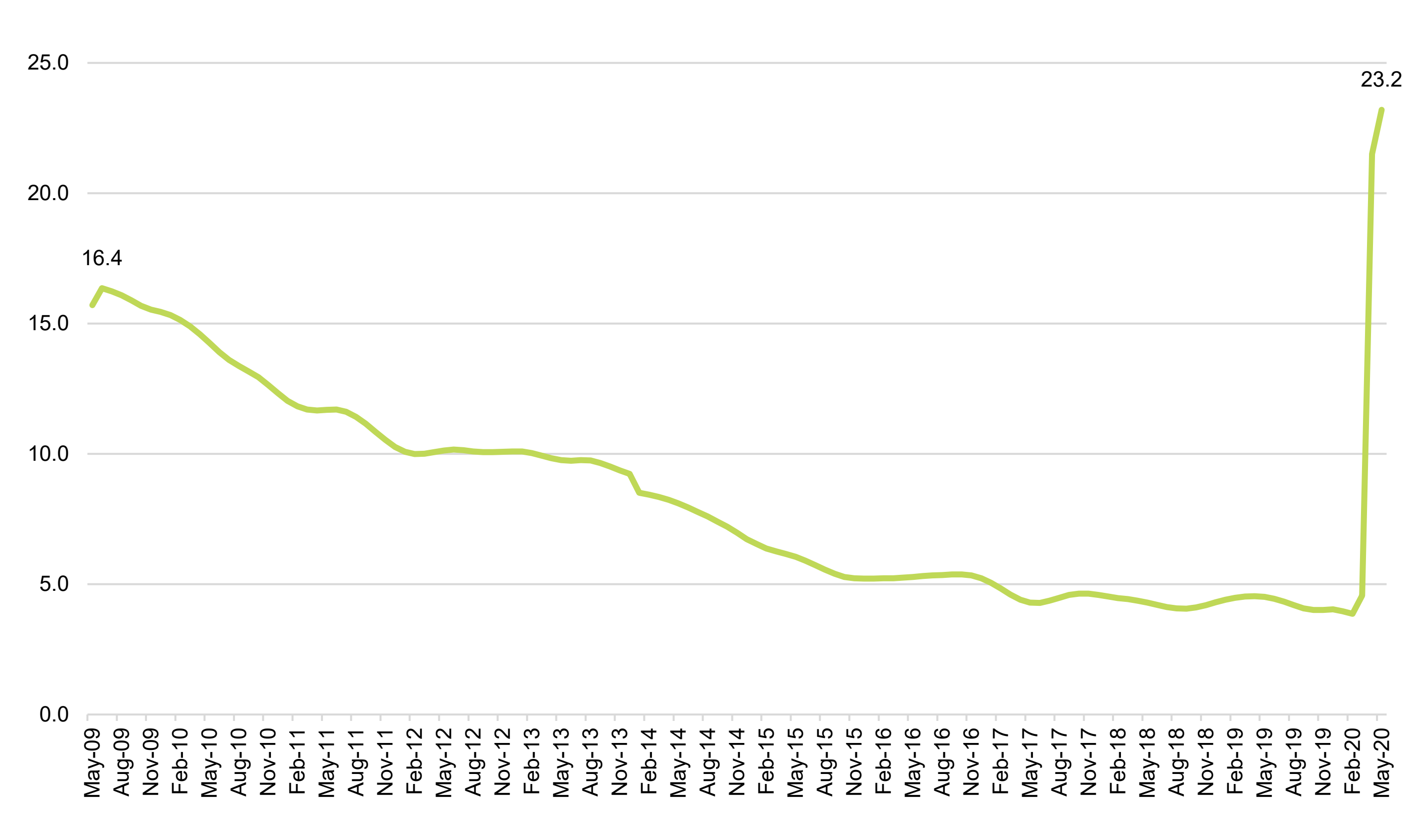
MICHIGAN LABOR FORCE ESTIMATES (SEASONALLY ADJUSTED)

	MAY 2020	APRIL 2020	MAY 2019	CHANGE OVER THE MONTH	CHANGE OVER THE YEAR
Labor Force	4,751,000	4,592,000	4,930,000	+159,000	-179,000
Employed	3,745,000	3,489,000	4,721,000	+256,000	-976,000
Unemployed	1,006,000	1,103,000	209,000	-97,000	+797,000
Jobless Rate	21.2	24.0	4.2	-2.8	+17.0

MICHIGAN JOBLESS RATE, MAY 2009–MAY 2020 (PERCENT)



DETROIT MSA JOBLESS RATE, MAY 2009–MAY 2020 (PERCENT)



MICHIGAN JOB TRENDS BY INDUSTRY SECTOR

Monthly Overview

Michigan payroll jobs rose by 178,200 during May, reflecting the initial recall of workers returning from pandemic-related layoffs. This monthly job gain represented only 17 percent of the jobs lost in April. Payroll jobs in May were still nearly 900,000 below the pre-pandemic February level. Eight of the eleven major industry sectors had job gains in May. The exceptions were *Government*, *Mining and logging*, and *Information*. The broad sectors with the largest rebound in jobs included *Construction* (+50,500), *Trade, transportation, and utilities* (+50,000), and *Manufacturing* (+33,700). The state's key *Transportation equipment manufacturing* industry added 12,500 jobs in May as certain auto suppliers recalled workers.

Over the Year Analysis

Over the past year, the number of Michigan nonfarm jobs plummeted by 850,000, or by -19.2 percent. The job drop in Michigan exceeded the 11.7 percent reduction nationally during this period, and was the second highest percent job cut among all U.S. states. Over the year, Michigan job reductions were concentrated in industries in which working remotely was mostly not an option, including *Leisure and hospitality* (-238,400), *Manufacturing* (-150,600), *Trade, transportation, utilities* (-102,600), and *Education and health services* (-102,600). *Transportation equipment manufacturing* job levels were 82,400 below year-ago totals.

Great Recession vs. COVID-19 Job Change Comparison

The Great Recession and COVID-19 pandemic both resulted in significant job losses in Michigan. In terms of total nonfarm job reductions, the COVID-19 pandemic has so far been responsible for 2.6 times more job cuts than the Great Recession. All major sectors except *Education and health services* shed jobs during the Great Recession. No sector has been spared during the COVID-19 pandemic.

The major sectors of *Leisure and hospitality* (-25,200 vs -255,600), *Trade, transportation, utilities* (-67,400 vs -163,00), and *Other services* (-7,400 vs -57,700) experienced high initial job reductions during the COVID-19 pandemic because many firms were partially or totally closed. Many jobs in these sectors could not be performed remotely. The cessation of non-essential medical procedures in the health care sector was primarily the reason that payrolls in *Education and health services* significantly declined during the COVID-19 pandemic.

The composition of industry job loss across industries was also quite different between these two events. The *Manufacturing* sector accounted for 40.3 percent of total job loss during the Great Recession, but only 17.1 percent of total jobs lost so far during the COVID-19 pandemic. Conversely, the broad sectors of *Leisure and hospitality* and *Other services* accounted for 6.1 percent and 1.8 percent of lost jobs during the recession, but contributed 24.1 percent and 5.4 percent of total jobs cut so far during the pandemic.

Significant Industry Employment Developments

CONSTRUCTION

Jobs in the *Construction* sector recorded a significant rebound in May, increasing by 50,500. This was the largest May job advance out of all major Michigan industry groups. Payrolls in this industry fell sharply in April (-80,300) due to the impact of the COVID-19 pandemic. While the May increase in jobs was substantial, employment in this industry still remained 18.4 percent below the February level. During May, all three subsectors of *Construction of buildings*, *Heavy and civil engineering construction*, and *Specialty trade contractors* added jobs. Over the year, job levels were down by 23,400 or by 13.6 percent. Nationally, employment increased by 464,000 over the month but declined by 5.8 percent over the year.

TRADE, TRANSPORTATION, UTILITIES

Broad sector payrolls began to rebound during May with a reported 50,000 job advance. Job levels declined sharply (-162,900) in April. The May job gain was the second largest among Michigan sectors and was mostly concentrated in *Retail trade* (+44,900), with notable additions occurring in Motor vehicle and parts dealers, *Building materials and garden equipment and supplies dealers*, and *General merchandise stores*. Smaller over the month job recalls occurred in *Wholesale trade* (+3,500) and *Transportation*, *warehousing, and utilities* (+1,600). Despite these gains, broad sector jobs remained 14.0 percent below February pre-pandemic levels. Payrolls were down by 102,600 or by 12.9 percent over the year. Most of this deficit was located in *Retail trade* (-71,400) but employment in the sub sectors of *Wholesale trade* (-16,100) and *Transportation, warehousing, and utilities* (-15,100) were also below year-ago levels. Nationally, payrolls rose by 368,000 in May but declined by 10.1 percent over the year.

HEALTH CARE AND SOCIAL ASSISTANCE

A more modest employment rebound occurred in the *Health care* sector during May with job levels rising by 6,300 or just 1.2 percent, after dropping sharply by 89,700 in April. As was true for all industries in Michigan, however, payrolls remained below (-14.5 percent) February 2020 counts. This sector has been a consistent source of job creation over the years. During the period of the Great Recession, job levels continued to grow, increasing by 1.4 percent. Much of the May job advance took place in the subsectors of *Ambulatory health care services* and *Home health care services*. The May gains were muted somewhat due to additional payroll reductions in *Hospitals* and *Nursing and residential care facilities*. Job levels fell by 87,000 or by 14.3 percent over the year. Nationally, employment moved higher 391,000 over the month but was down by 7.1 percent over the year.

Metropolitan Statistical Areas (MSAs)

On a not seasonally adjusted basis, total nonfarm job levels rose in all 14 Michigan Metropolitan Statistical Areas (MSAs) during May. These job recalls ranged from 2.0 percent in Ann Arbor to 10.2 percent in Jackson. Unadjusted job levels moved up by 6.3 percent in Michigan over the month as the labor market began to record initial job gains after the overwhelming April layoffs caused by the COVID-19 pandemic.

Job increases in May that were common throughout Michigan metropolitan areas were in sectors such as *Leisure and hospitality*, *Retail trade, and Construction*. The metro areas of Grand Rapids and Flint experienced larger than average job losses in April and were among the areas with above average job rebounds in May. Job levels in Battle Creek and Grand Rapids were up significantly over the month in *Transportation equipment manufacturing*.

JEFFREY AULA
Economic Analyst

MICHIGAN PAYROLL JOBS (SEASONALLY ADJUSTED)

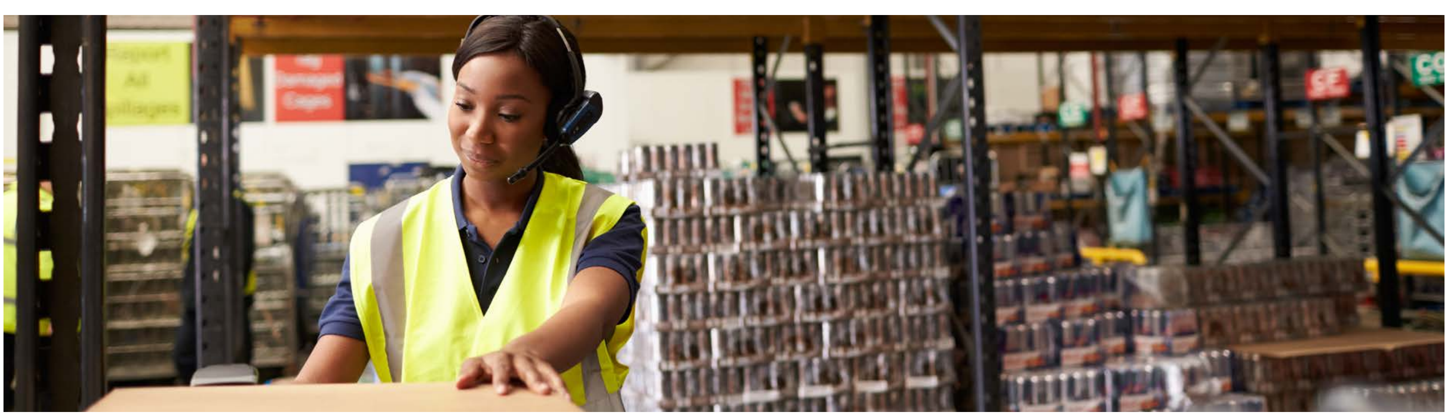
INDUSTRY	MAY 2020	APRIL 2020	MAY 2019	OVER THE MONTH		OVER THE YEAR	
				LEVEL	PERCENT	LEVEL	PERCENT
TOTAL NONFARM	**3,579,300**	**3,401,100**	**4,429,300**	**178,200**	**5.2%**	**-850,000**	**-19.2%**
Total Private	3,012,500	2,821,200	3,815,900	191,300	6.8%	-803,400	-21.1%
Private Service-Providing	2,381,800	2,273,200	3,009,300	108,600	4.8%	-627,500	-20.9%
GOODS-PRODUCING	**630,700**	**548,000**	**806,600**	**82,700**	**15.1%**	**-175,900**	**-21.8%**
Mining, Logging, and Construction	154,100	105,100	179,400	49,000	46.6%	-25,300	-14.1%
Mining and Logging	5,400	6,900	7,300	-1,500	-21.7%	-1,900	-26.0%
Construction	148,700	98,200	172,100	50,500	51.4%	-23,400	-13.6%
Manufacturing	476,600	442,900	627,200	33,700	7.6%	-150,600	-24.0%
Durable Goods	342,500	310,900	472,700	31,600	10.2%	-130,200	-27.5%
Transportation Equipment Manufacturing	108,000	95,500	190,400	12,500	13.1%	-82,400	-43.3%
Non-Durable Goods	134,100	132,000	154,500	2,100	1.6%	-20,400	-13.2%
SERVICE-PROVIDING	**2,948,600**	**2,853,100**	**3,622,700**	**95,500**	**3.3%**	**-674,100**	**-18.6%**
Trade, Transportation, and Utilities	691,800	641,800	794,400	50,000	7.8%	-102,600	-12.9%
Wholesale Trade	155,400	151,900	171,500	3,500	2.3%	-16,100	-9.4%
Retail Trade	393,600	348,700	465,000	44,900	12.9%	-71,400	-15.4%
Transportation, Warehousing, and Utilities	142,800	141,200	157,900	1,600	1.1%	-15,100	-9.6%
Information	50,600	51,600	55,200	-1,000	-1.9%	-4,600	-8.3%
Financial Activities	217,300	215,400	223,300	1,900	0.9%	-6,000	-2.7%
Finance and Insurance	169,700	167,300	167,400	2,400	1.4%	2,300	1.4%
Real Estate and Rental and Leasing	47,600	48,100	55,900	-500	-1.0%	-8,300	-14.8%
Professional and Business Services	530,200	510,000	653,300	20,200	4.0%	-123,100	-18.8%
Professional, Scientific, and Technical Services	267,200	253,100	298,200	14,100	5.6%	-31,000	-10.4%
Management of Companies and Enterprises	67,100	68,300	69,900	-1,200	-1.8%	-2,800	-4.0%
Administrative and Support and Waste Management and Remediation Services	195,900	188,600	285,200	7,300	3.9%	-89,300	-31.3%
Education and Health Services	578,500	567,400	681,100	11,100	2.0%	-102,600	-15.1%
Educational Services	58,700	53,900	74,300	4,800	8.9%	-15,600	-21.0%
Health Care and Social Assistance	519,800	513,500	606,800	6,300	1.2%	-87,000	-14.3%
Leisure and Hospitality	196,300	179,700	434,700	16,600	9.2%	-238,400	-54.8%
Arts, Entertainment, and Recreation	21,100	12,900	53,200	8,200	63.6%	-32,100	-60.3%
Accommodation and Food Services	175,200	166,800	381,500	8,400	5.0%	-206,300	-54.1%
Other Services	117,100	107,300	167,300	9,800	9.1%	-50,200	-30.0%
Government	566,800	579,900	613,400	-13,100	-2.3%	-46,600	-7.6%
Federal Government	51,900	52,200	52,300	-300	-0.6%	-400	-0.8%
State Government	177,000	179,100	195,300	-2,100	-1.2%	-18,300	-9.4%
Local Government	337,900	348,600	365,800	-10,700	-3.1%	-27,900	-7.6%

MICHIGAN OVER THE MONTH PAYROLL JOB CHANGE, MAY 2019–MAY 2020 (IN THOUSANDS)

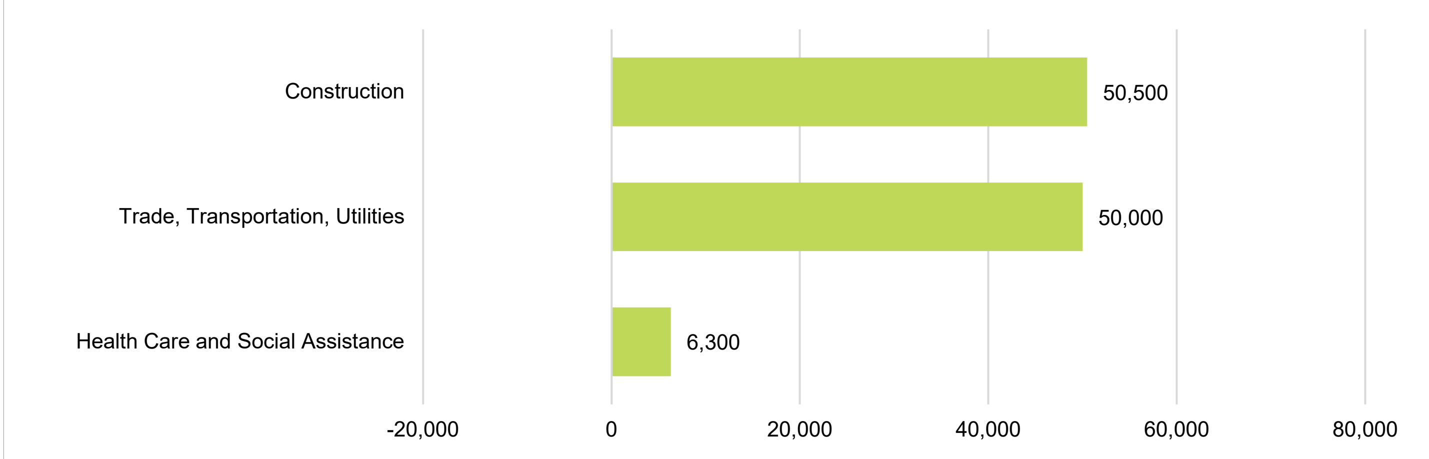
MICHIGAN PAYROLL JOBS (SEASONALLY ADJUSTED)

MAJOR INDUSTRY SECTOR	GREAT RECESSION* JOB CHANGE		COVID-19 PANDEMIC** JOB CHANGE	
	LEVEL	PERCENT	LEVEL	PERCENT
TOTAL NONFARM	**-411,600**	**-9.6%**	**-1,060,400**	**-23.8%**
Mining and Logging	-800	-10.3%	-500	-6.8%
Manufacturing	-36,300	-21.4%	-84,000	-46.1%
Trade, Transportation, and Utilities	-166,000	-26.8%	-180,800	-29.0%
Information	-67,400	-8.5%	-163,000	-20.3%
Financial Activities	-5,400	-8.5%	-3,800	-6.9%
Professional and Business Services	-15,100	-7.2%	-13,400	-5.9%
Educational and Health Services	-92,500	-15.6%	-148,100	-22.5%
Leisure and Hospitality	7,300	1.2%	-116,100	-17.0%
Other Services	-25,200	-6.2%	-255,600	-58.7%
Government	-7,400	-4.2%	-57,700	-35.0%

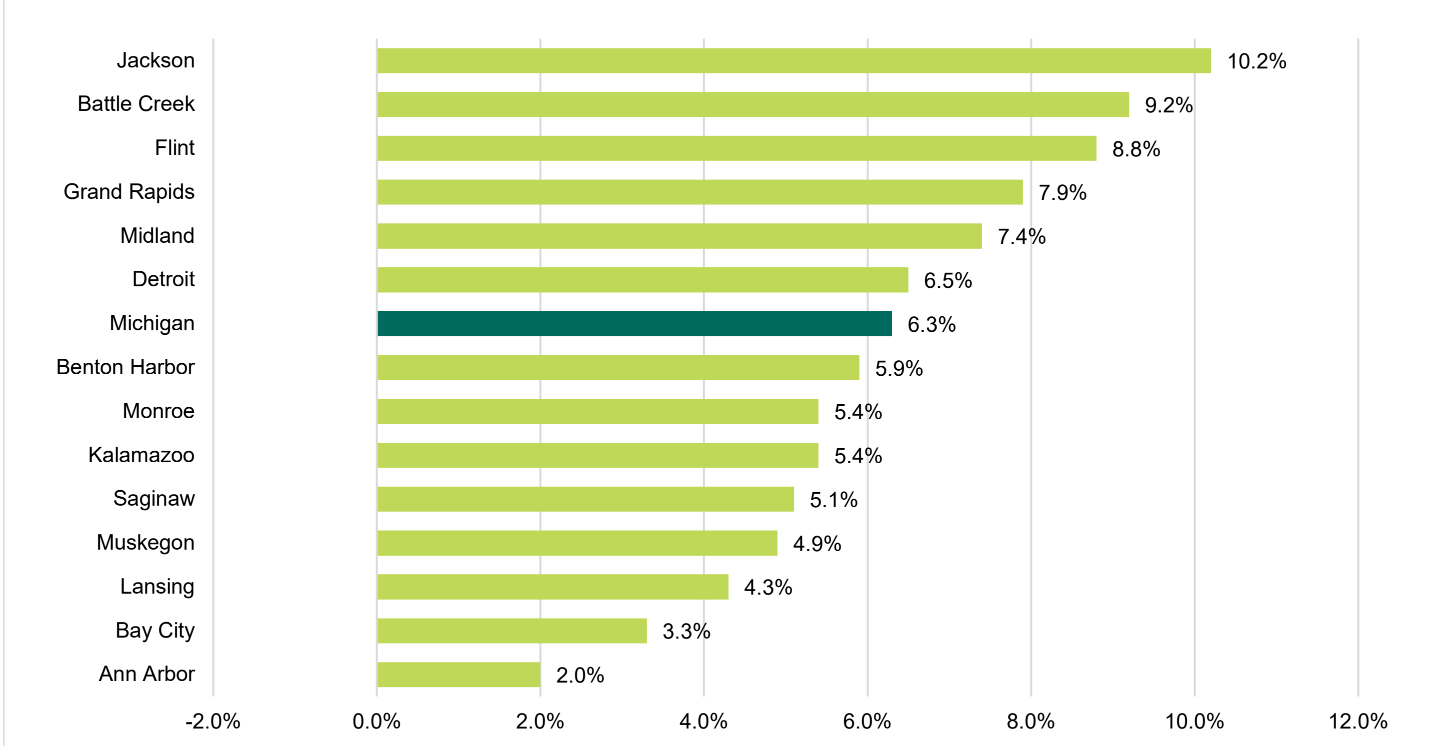
*December 2007 to June 2009 **February 2020 to April 2020



MICHIGAN OVER THE MONTH JOB CHANGE BY SELECT INDUSTRY, APRIL 2020–MAY 2020



METROPOLITAN AREA JOB CHANGE, APRIL 2020–MAY 2020 (NOT SEASONALLY ADJUSTED)



ANN ARBOR METROPOLITAN AREA

- The unemployment rate in the Ann Arbor MSA fell by 1.1 percentage points to 13.7 percent in May and was the lowest jobless rate among all Michigan metropolitan areas.
- Area labor force levels rose by 11,500 or 6.2 percent over the month, which was 1.8 percentage points above the statewide gain (+4.4 percent).

MONTHLY INDUSTRY DEVELOPMENTS

- The count of total nonfarm jobs in the Ann Arbor metro region edged up by 3,900 or 2.0 percent over the month. This was the smallest over-the-month percent job increase among Michigan metro areas.

INDUSTRY TRENDS

- Jobs in the *Government* sector fell by 6,800 or 7.9 percent in May, led by pandemic-related job cuts in state and local education.

BAY CITY METROPOLITAN AREA

- The Bay City metro area jobless rate decreased by 5.0 percentage points over the month, to 20.0 percent.
- Employment rebounded by 3,300 and the unemployment count fell by 2,300, as some workers returned from pandemic-related layoffs.

MONTHLY INDUSTRY DEVELOPMENTS

- Total payroll jobs in the region moved up by 900 or 3.3 percent in May. On a percentage basis, this was the second smallest increase in nonfarm jobs among Michigan metro regions.

INDUSTRY TRENDS

- Bay City had the lowest numeric and percent job gain within the *Trade, transportation, and utilities* sector, rising by only 300 or 4.7 percent since April.

FLINT METROPOLITAN AREA

- The Flint regional unemployment rate fell by 5.5 percentage points to 24.5 percent in May. This was the second highest jobless rate among all Michigan metro areas.
- Employment in the region rebounded in May by 17,600 or 13.7 percent, following the large pandemic-related drop in April. This was well above the state rate of employment gain for May (+8.4 percent).

MONTHLY INDUSTRY DEVELOPMENTS

- Nonfarm jobs in the Flint metro area moved up in May by 9,300 or 8.8 percent. This represented a recovery of 27 percent of the jobs lost in April due to the pandemic.
- *Retail trade* jobs in the Flint metro area had the lowest over the year percent decline of 3.6 percent, compared to the statewide job cut of 15.4 percent.

INDUSTRY TRENDS

- Total jobs in the *Professional and business services* sector rose by 1,800 or 15.7 percent, but remained 3,800 below the year-ago level.

BATTLE CREEK METROPOLITAN AREA

- The Battle Creek metro area jobless rate declined in May by 2.8 percentage points to a still-elevated 22.0 percent. Employment rose by 6,100, while unemployment was virtually unchanged, inching down by 400.
- Over the past year, the impact of pandemic-related job cuts is evident. Employment fell by 9,100 (-15.1 percent), while unemployment was up by 12,000. The jobless rate rose substantially by 18.1 percentage points.

MONTHLY INDUSTRY DEVELOPMENTS

- Battle Creek area payroll jobs rebounded a bit in May by 4,000 (+9.2 percent). Employment in all industry sectors improved or remained unchanged. The largest job additions were recorded in *Manufacturing* (+1,600), *Retail trade* (+800), and *Construction and mining* (+600).
- May jobs in the Battle Creek MSA were 10,600 or 18.2 percent below last year's level.

INDUSTRY TRENDS

- Despite the improvement in May, jobs in the Battle Creek MSA were still 9,700 below the pre-pandemic February level.

DETROIT-WARREN-DEARBORN METRO AREA

- Joblessness in the Detroit metro region edged down by half a percentage point to 23.7 percent in May.
- Total labor force in the area moved up 29,000 or 1.5 percent. This was the smallest over the month percent increase among all 14 Michigan metro areas.

MONTHLY INDUSTRY DEVELOPMENTS

- Total nonfarm jobs in the Detroit region advanced in May by 99,600 or 6.5 percent, which slightly outpaced the statewide rate of gain (6.3 percent).
- All major industries added jobs over the month, except *Information* (-1.6 percent) and *Government* (-2.8 percent).

INDUSTRY TRENDS

- Area jobs in the *Mining, logging, and construction* sector increased sharply by 27,400 in May, accounting for 45 percent of the job gain in this industry statewide.

GRAND RAPIDS-WYOMING METRO AREA

- The Grand Rapids MSA unemployment rate declined by 4.4 percentage points over the month to 17.1 percent in May.
- The number of unemployed in the area fell by 18,000 or 15.4 percent over the month, a larger percent decline than statewide (-8.5 percent).

MONTHLY INDUSTRY DEVELOPMENTS

- Total nonfarm jobs in the Grand Rapids region rose by 34,400 or 7.9 percent in May, led by gains in jobs in *Construction* and *Retail*, two industries with partial restarts after pandemic-related cuts in April.

INDUSTRY TRENDS

- *Other services* jobs moved up by 1,900 or 12.8 percent in May, which was the largest over-the-month percent increase among Michigan metro areas in this industry.

CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	ANN ARBOR			BATTLE CREEK			BAY CITY		
	MAY 2020	APR 2020	MAY 2019	MAY 2020	APR 2020	MAY 2019	MAY 2020	APR 2020	MAY 2019
PLACE OF RESIDENCE									
Labor Force	198,000	186,500	197,100	65,500	59,900	62,600	50,200	49,000	50,100
Employment	170,800	158,900	191,500	51,100	45,000	60,200	40,100	36,800	48,000
Unemployment	27,200	27,600	5,600	14,400	14,800	2,400	10,000	12,300	2,100
Rate (percent)	13.7%	14.8%	2.8%	22.0%	24.8%	3.9%	20.0%	25.0%	4.3%
PLACE OF WORK									
Total Nonfarm Jobs	199,300	195,400	227,100	47,500	43,500	58,100	28,200	27,300	35,300
Mining, Logging, and Construction	4,800	2,700	4,900	1,500	900	1,700	1,100	800	1,400
Manufacturing	12,700	12,000	14,900	9,200	7,600	11,400	2,600	2,500	4,600
Trade, Transportation, and Utilities	24,400	22,000	26,700	8,100	7,100	8,900	6,700	6,400	7,400
Wholesale Trade	5,900	5,800	6,700	*	*	*	*	*	*
Retail Trade	14,800	12,500	16,000	5,200	4,400	5,600	4,200	3,800	4,800
Information	5,300	5,500	5,400	*	*	*	300	300	300
Financial Activities	6,500	6,400	6,900	1,100	1,100	1,200	1,200	1,200	1,300
Professional and Business Services	25,900	23,400	30,600	4,400	4,300	6,300	1,800	1,800	2,400
Educational and Health Services	25,900	25,300	29,700	9,700	9,500	10,800	5,800	5,700	6,500
Leisure and Hospitality	10,000	7,900	18,800	2,400	2,000	4,700	2,700	2,200	4,600
Other Services	4,800	4,400	6,400	1,700	1,600	2,100	1,000	900	1,200
Government	79,000	85,800	82,800	9,100	9,100	10,700	5,000	5,500	5,600

	DETROIT-WARREN-DEARBORN			FLINT			GRAND RAPIDS-WYOMING		
	MAY 2020	APR 2020	MAY 2019	MAY 2020	APR 2020	MAY 2019	MAY 2020	APR 2020	MAY 2019
PLACE OF RESIDENCE									
Labor Force	1,931,000	1,902,000	2,140,000	193,900	184,200	181,400	581,700	544,900	583,500
Employment	1,473,000	1,441,000	2,057,000	146,500	128,900	171,200	482,500	427,700	567,300
Unemployment	458,000	461,000	82,000	47,400	55,300	10,200	99,200	117,200	16,200
Rate (percent)	23.7%	24.2%	3.8%	24.5%	30.0%	5.6%	17.1%	21.5%	2.8%
PLACE OF WORK									
Total Nonfarm Jobs	1,641,700	1,542,100	2,049,800	115,500	106,200	139,000	468,200	433,800	571,900
Mining, Logging, and Construction	61,500	34,100	77,700	6,100	4,000	5,900	26,800	16,200	26,100
Manufacturing	184,800	172,400	259,600	5,600	5,400	9,900	90,000	85,400	119,100
Trade, Transportation, and Utilities	322,100	301,100	378,000	27,500	24,400	29,100	87,700	78,600	98,900
Wholesale Trade	77,000	74,800	85,400	5,000	5,300	5,500	29,500	28,500	32,800
Retail Trade	173,100	155,200	210,400	18,500	15,800	19,200	42,700	34,800	49,400
Information	25,000	25,400	26,900	3,200	3,300	3,700	5,900	5,900	6,400
Financial Activities	115,400	112,100	120,400	5,700	5,700	6,000	25,900	25,900	27,000
Professional and Business Services	338,200	322,500	394,700	13,300	11,500	17,100	61,300	57,000	78,500
Educational and Health Services	262,200	257,200	319,500	23,000	22,600	26,800	82,800	80,800	94,000
Leisure and Hospitality	96,800	81,600	205,100	8,200	6,600	16,200	25,200	21,100	51,300
Other Services	55,900	50,800	75,900	4,900	4,400	5,400	16,700	14,800	23,000
Government	179,800	184,900	192,000	18,000	18,300	18,900	45,900	48,100	47,600

JACKSON METROPOLITAN AREA

- Joblessness in the Jackson MSA remained high in May at 20.0 percent, edging down by 4.6 percentage points over the month. Employment advanced by about 7,300 and the number of unemployed moved down by 2,300.
- May employment levels remained 10,600 below last year's level, while unemployment was 12,900 above the May 2019 count. The impact of the pandemic pushed the area jobless rate up sharply by 16.6 percentage points over the past year.

MONTHLY INDUSTRY DEVELOPMENTS

- Jackson nonfarm jobs in May improved by 4,500 (+10.2 percent). Most major industries added jobs in May, with the largest gains reported in Retail trade (+2,100), followed by *Manufacturing* (+800) and *Construction and mining* (+700).
- Jackson metro area jobs remained noticeably down over the past year by 11,000 or 18.5 percent.

INDUSTRY TRENDS

- Jobs in the Jackson MSA advanced in May but were still below the pre-pandemic February level by 9,100 (-15.8 percent).

LANSING-EAST LANSING METRO AREA

- The May Lansing MSA jobless rate fell by 2.8 percentage points to 16.4 percent and was below the statewide unemployment rate for the month.
- May nonfarm payroll jobs in the Lansing region rose by 8,100 or 4.3 percent over the month, which was only a small share of the pandemic-related job cuts in April.

MONTHLY INDUSTRY DEVELOPMENTS

- May nonfarm payroll jobs in the Lansing region rose by 8,100 or 4.3 percent over the month, which was only a small share of the pandemic-related job cuts in April.

INDUSTRY TRENDS

- Jobs in the *Leisure and hospitality* sector moved up by 2,700 or 32.1 percent in May, which was the largest over-the-month percent job advance for this industry among Michigan metro areas.

MONROE METROPOLITAN AREA

- The jobless rate in the Monroe MSA declined by only 4.9 percentage points to 21.2 percent in May, following a very significant pandemic-related jump in April.
- Total workforce rose slightly by 2,200 or 2.9 percent over the month, as employment increased by 5,400 and the number of unemployed declined by 3,200.

MONTHLY INDUSTRY DEVELOPMENTS

- Total payroll jobs in the Monroe area increased by 1,700 or 5.4 percent in May, as every major industry added jobs except *Professional and business services* (-11.9 percent).

INDUSTRY TRENDS

- Monroe area *Manufacturing* jobs advanced by 600 or 14.6 percent. On a percentage basis, this was the second largest job gain in this sector among Michigan metro areas.

KALAMAZOO-PORTAGE METRO AREA

- The May jobless rate in the Kalamazoo-Portage MSA remained high in May at 15.6 percent, but was well below the state rate. The number of area unemployed was down by 7.1 percent (-2,000) in May, and the jobless rate declined by 2.5 percentage points.
- Over the past year, the jobless rate soared locally by 12.2 percentage points, as employment fell by 21,100 (-13.0 percent).

MONTHLY INDUSTRY DEVELOPMENTS

- Jobs in the Kalamazoo-Portage MSA edged up in May by 5.4 percent (+6,500). The largest employment improvement was in *Leisure and hospitality* (+2,100), followed by *Construction and mining* (+1,500). Jobs in *State and local education* fell by 1,300 in May.
- May jobs in the Kalamazoo area plunged by 24,300 (-16.1 percent) below last year's level.

INDUSTRY TRENDS

- The impact of the pandemic on local jobs is still clear, as payrolls in May in the Kalamazoo area were still 23,800 below pre-pandemic February levels.

MIDLAND METROPOLITAN AREA

- In the Midland metro region, the unemployment rate edged down in May by 4.4 percentage points to an elevated rate of 15.8 percent.
- The total labor force in the area inched up slightly by 2,200 or 5.8 percent over the month, but was still down by 1.5 percent over the year.

MONTHLY INDUSTRY DEVELOPMENTS

- In the Midland MSA, total jobs edged up by 2,200 or 7.4 percent in May, slightly above the statewide advance (+6.3 percent).

INDUSTRY TRENDS

- On a numeric basis, jobs in the *Government* sector remained relatively stable over the month, moving down by only 100 (-3.4 percent).

MUSKEGON METROPOLITAN AREA

- The unemployment rate in the Muskegon MSA remained very high, moving down by 4.3 percentage points in May to 24.8 percent. This was the highest jobless rate among Michigan major labor markets.
- The number of area unemployed surged by 17,500 since May 2019 due to pandemic-related layoffs.

MONTHLY INDUSTRY DEVELOPMENTS

- Muskegon area total nonfarm jobs moved up by 2,400 or 4.9 percent over the month, which was a recovery of only 18 percent of the jobs cut in April.

INDUSTRY TRENDS

- Most of the over the month job growth occurred within the *Leisure and hospitality* (+900), *Manufacturing* (+600), and *Trade, transportation, and utilities* (+600) sectors.

CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	JACKSON			KALAMAZOO-PORTAGE			LANSING-EAST LANSING		
	MAY 2020	APR 2020	MAY 2019	MAY 2020	APR 2020	MAY 2019	MAY 2020	APR 2020	MAY 2019
PLACE OF RESIDENCE									
Labor Force	77,100	72,000	74,700	167,900	156,400	168,600	249,300	235,900	252,400
Employment	61,600	54,300	72,200	141,800	128,200	162,900	208,400	190,700	244,600
Unemployment	15,400	17,700	2,500	26,200	28,200	5,700	40,900	45,200	7,700
Rate (percent)	20.0%	24.6%	3.4%	15.6%	18.1%	3.4%	16.4%	19.2%	3.1%
PLACE OF WORK									
Total Nonfarm Jobs	48,500	44,000	59,500	126,600	120,100	150,900	198,600	190,500	242,200
Mining, Logging, and Construction	2,000	1,300	2,100	5,800	4,300	6,600	8,100	4,500	8,300
Manufacturing	8,000	7,200	10,000	19,000	18,100	23,300	14,700	13,600	19,600
Trade, Transportation, and Utilities	10,500	8,300	12,400	22,700	21,100	26,300	31,700	29,400	36,600
Wholesale Trade	*	*	*	5,600	5,500	6,500	5,700	5,600	6,500
Retail Trade	6,100	4,000	6,500	13,100	11,900	15,800	18,900	17,000	21,500
Information	200	200	300	700	700	700	2,800	2,800	2,800
Financial Activities	2,200	2,100	2,200	8,100	8,000	8,300	16,300	16,200	16,900
Professional and Business Services	4,900	4,700	6,100	15,300	14,500	18,300	18,600	18,000	25,300
Educational and Health Services	8,300	8,300	10,100	21,800	21,300	25,400	28,400	27,800	32,900
Leisure and Hospitality	2,600	2,100	5,400	12,300	10,200	16,600	11,100	8,400	20,300
Other Services	2,100	2,000	2,600	3,900	3,600	5,300	7,300	6,500	10,400
Government	7,700	7,800	8,300	17,000	18,300	20,100	59,600	63,300	69,100

	MIDLAND			MONROE			MUSKEGON		
	MAY 2020	APR 2020	MAY 2019	MAY 2020	APR 2020	MAY 2019	MAY 2020	APR 2020	MAY 2019
PLACE OF RESIDENCE									
Labor Force	40,200	38,000	40,800	78,200	76,000	76,300	82,600	79,300	77,100
Employment	33,900	30,300	39,400	61,600	56,200	73,200	62,100	56,200	74,000
Unemployment	6,400	7,700	1,400	16,600	19,800	3,100	20,500	23,100	3,000
Rate (percent)	15.8%	20.2%	3.4%	21.2%	26.1%	4.0%	24.8%	29.1%	4.0%
PLACE OF WORK									
Total Nonfarm Jobs	32,100	29,900	38,500	33,300	31,600	42,200	51,800	49,400	64,600
Mining, Logging, and Construction	*	*	*	2,100	1,300	1,900	2,200	1,800	2,400
Manufacturing	*	*	*	4,700	4,100	5,800	10,900	10,300	14,000
Trade, Transportation, and Utilities	*	*	*	9,100	8,600	10,700	11,500	10,900	13,600
Wholesale Trade	*	*	*	1,600	1,600	1,800	*	*	*
Retail Trade	*	*	*	3,800	3,300	4,800	8,900	8,700	10,900
Information	*	*	*	*	*	*	200	200	300
Financial Activities	*	*	*	900	900	900	1,700	1,700	1,800
Professional and Business Services	*	*	*	3,700	4,200	5,800	3,300	3,200	3,600
Educational and Health Services	*	*	*	4,400	4,400	5,000	9,700	9,500	11,600
Leisure and Hospitality	*	*	*	2,100	1,700	4,800	4,000	3,100	7,800
Other Services	*	*	*	1,200	1,100	1,500	1,700	1,600	2,100
Government	2,800	2,900	3,100	4,800	5,000	5,400	6,600	7,100	7,400

NILES-BENTON HARBOR METRO AREA

- May employment levels rebounded slightly in the Niles-Benton Harbor MSA, up by 5,800 (+10.5 percent). Unemployment remained virtually flat, and the jobless rate inched down by 1.8 percentage points to 18.6 percent.
- Over the year in May, the number of unemployed increased substantially (+11,100). The jobless rate jumped significantly by 14.8 percentage points.

MONTHLY INDUSTRY DEVELOPMENTS

- Following the massive pandemic-related job cuts in April, Niles-Benton Harbor jobs edged up in May by 2,900 (+5.9 percent). *Retail trade* and *Leisure and hospitality* recorded the largest employment gains of 900 and 800, respectively.
- May jobs in the Niles-Benton Harbor MSA were still 11,900 (-18.6 percent) below last year's level.

INDUSTRY TRENDS

- Like other areas of the state, jobs in the Niles-Benton Harbor MSA were below pre-pandemic February 2020 levels (-16.1 percent), despite the May job advance.

SAGINAW METROPOLITAN AREA

- The regional unemployment rate in the Saginaw area fell by 4.5 percentage points to 20.7 percent in May.
- The region's total labor force grew by 3,600 or 4.2 percent, as employment advanced by 6,700 and unemployment declined by 3,100.

MONTHLY INDUSTRY DEVELOPMENTS

- Total nonfarm jobs in the Saginaw MSA advanced by 3,500 or 5.1 percent.
- The *Trade, transportation, and utilities* industry had a monthly job gain of 5.3 percent, which was the second lowest percent job addition in this sector.

INDUSTRY TRENDS

- Jobs in the *Education and health services* sector edged down by 200 or 1.4 percent in May. No other metro area recorded over-the-month job cuts in this industry.

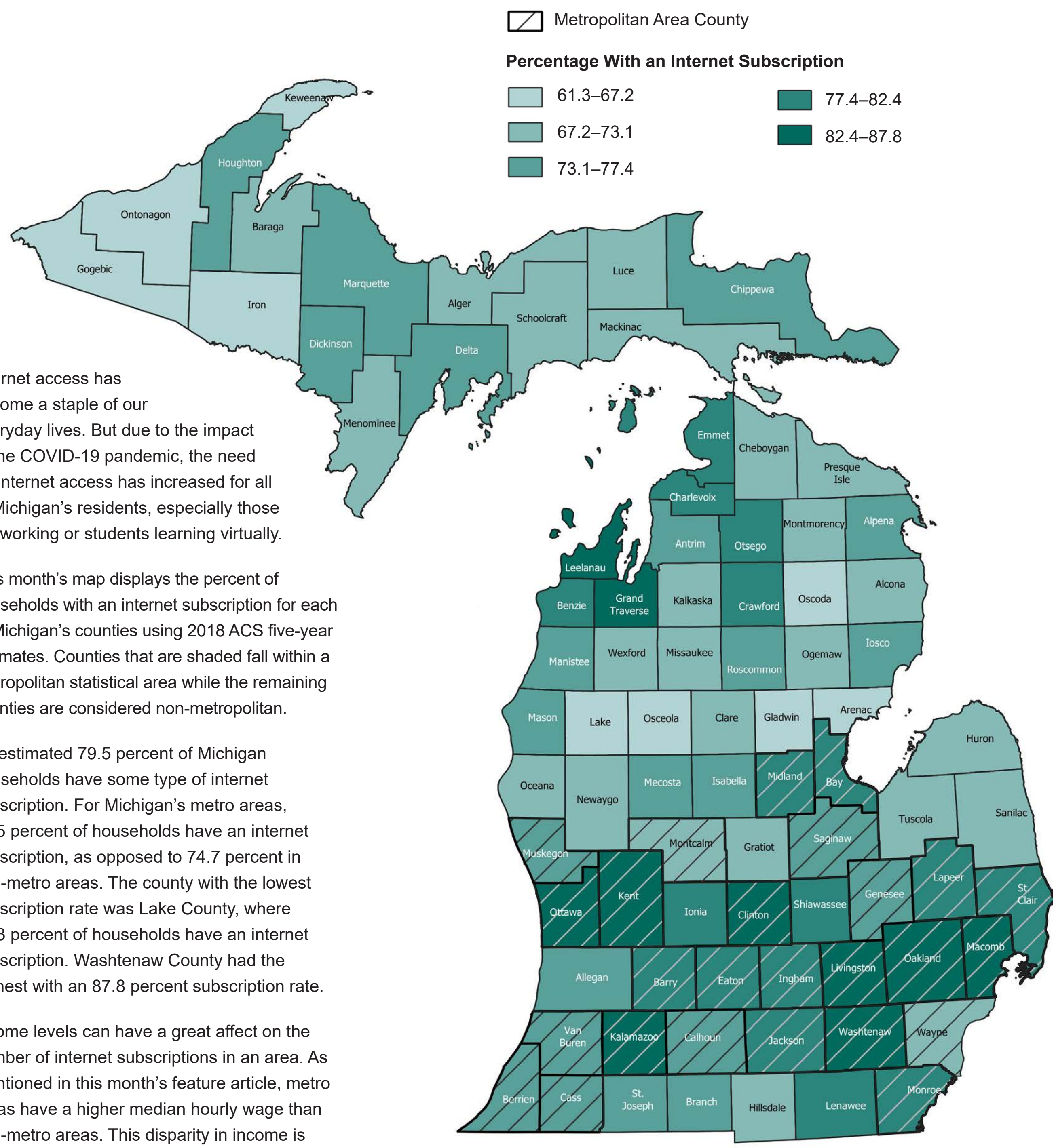
CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	NILES-BENTON HARBOR			SAGINAW		
	MAY 2020	APR 2020	MAY 2019	MAY 2020	APR 2020	MAY 2019
PLACE OF RESIDENCE						
Labor Force	74,900	69,200	74,400	88,900	85,300	86,600
Employment	60,900	55,100	71,600	70,500	63,800	82,700
Unemployment	13,900	14,100	2,800	18,400	21,500	4,000
Rate (percent)	18.6%	20.4%	3.8%	20.7%	25.2%	4.6%
PLACE OF WORK						
Total Nonfarm Jobs	52,000	49,100	63,900	72,200	68,700	88,000
Mining, Logging, and Construction	2,300	1,800	2,600	3,200	1,800	3,300
Manufacturing	11,400	11,100	13,100	8,800	8,400	12,400
Trade, Transportation, and Utilities	8,500	7,400	10,800	13,900	13,200	16,400
Wholesale Trade	*	*	*	1,900	1,900	2,100
Retail Trade	5,000	4,100	6,900	9,500	8,900	11,700
Information	500	500	500	1,100	1,100	1,300
Financial Activities	2,400	2,400	2,500	3,600	3,600	3,800
Professional and Business Services	4,800	4,600	5,800	9,600	9,100	11,400
Educational and Health Services	8,800	8,700	9,600	14,400	14,600	15,900
Leisure and Hospitality	4,000	3,200	8,000	5,000	4,100	9,200
Other Services	1,900	1,800	2,300	2,500	2,400	3,100
Government	7,400	7,600	8,700	10,100	10,400	11,200

	UPPER PENINSULA			NORTHEAST MICHIGAN			NORTHWEST MICHIGAN		
	MAY 2020	APR 2020	MAY 2019	MAY 2020	APR 2020	MAY 2019	MAY 2020	APR 2020	MAY 2019
PLACE OF RESIDENCE									
Labor Force	140,100	131,400	135,300	83,000	76,500	82,900	156,700	144,400	151,000
Employment	117,200	104,900	128,600	64,500	54,200	78,800	124,900	104,900	145,200
Unemployment	22,900	26,500	6,700	18,500	22,400	4,200	31,800	39,500	5,800
Rate (percent)	16.3%	20.2%	4.9%	22.3%	29.2%	5.0%	20.3%	27.4%	3.8%

MAP OF THE MONTH:

PERCENTAGE OF HOUSEHOLDS WITH AN INTERNET SUBSCRIPTION ACROSS METRO AND NON-METRO AREA COUNTIES



Internet access has become a staple of our everyday lives. But due to the impact of the COVID-19 pandemic, the need for internet access has increased for all of Michigan's residents, especially those teleworking or students learning virtually.

This month's map displays the percent of households with an internet subscription for each of Michigan's counties using 2018 ACS five-year estimates. Counties that are shaded fall within a metropolitan statistical area while the remaining counties are considered non-metropolitan.

An estimated 79.5 percent of Michigan households have some type of internet subscription. For Michigan's metro areas, 80.5 percent of households have an internet subscription, as opposed to 74.7 percent in non-metro areas. The county with the lowest subscription rate was Lake County, where 61.3 percent of households have an internet subscription. Washtenaw County had the highest with an 87.8 percent subscription rate.

Income levels can have a great affect on the number of internet subscriptions in an area. As mentioned in this month's feature article, metro areas have a higher median hourly wage than non-metro areas. This disparity in income is one potential factor behind the greater share of metro area households having an internet subscription compared to non-metro areas.

Recently, the State of Michigan has partnered with the Connected Nation Michigan to provide an interactive map of Michigan's free Wi-Fi hotspots. This map can be used to assist residents who currently do not have access to the internet at home.

To learn more, visit bit.ly/2YgNOiF

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ECONOMIC AND DEMOGRAPHIC TRENDS IN MICHIGAN'S METRO AND NON-METRO AREAS

How are Michigan's metropolitan and non-metropolitan areas different when looking at workforce and demographic indicators? This article will answer this question. Michigan's 83 counties were divided into one of two categories (metro or non-metro) and publicly available labor market and demographic information was analyzed to describe and explain differences and similarities between the two.

In terms of demographics, this article will include notes on population trends and outlook, age distribution, and educational attainment. Turning to the workforce, indicators such as labor force, employment, unemployment, wages, and industry job growth are analyzed.

Michigan's Metropolitan Statistical Areas (MSAs)

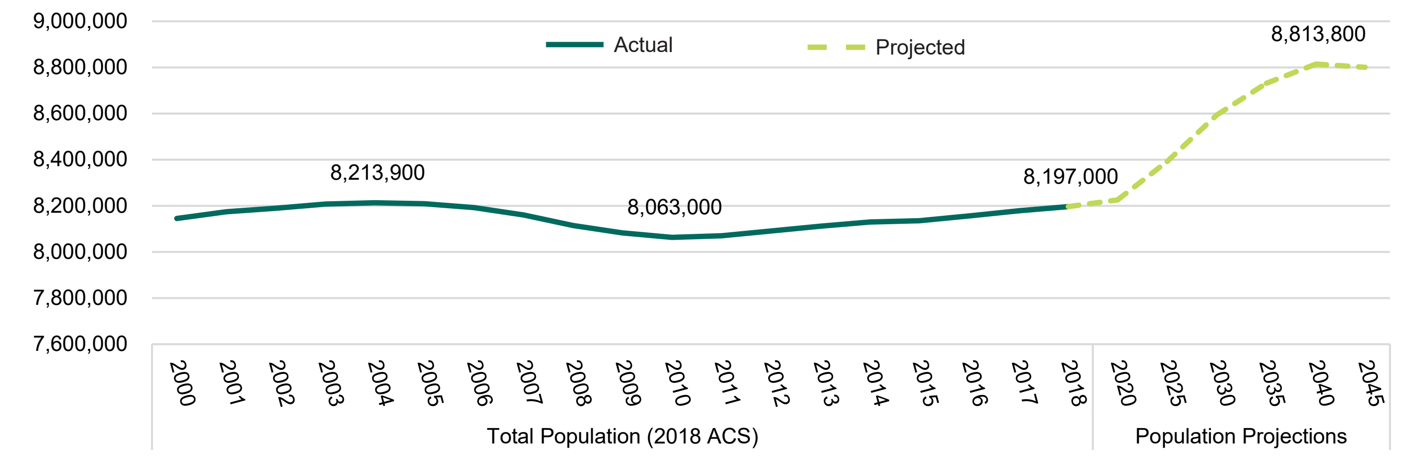
According to the U.S. Census Bureau, a Metropolitan Statistical Area (MSA), "consist of the county or counties (or equivalent entities) associated with at least one urbanized area of at least 50,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties." Counties that do not fall within an MSA can be considered non-metropolitan. In Michigan, 26 counties were in one of 15 MSAs and 57 were considered non-metro.[1]

Population Trends and Outlook

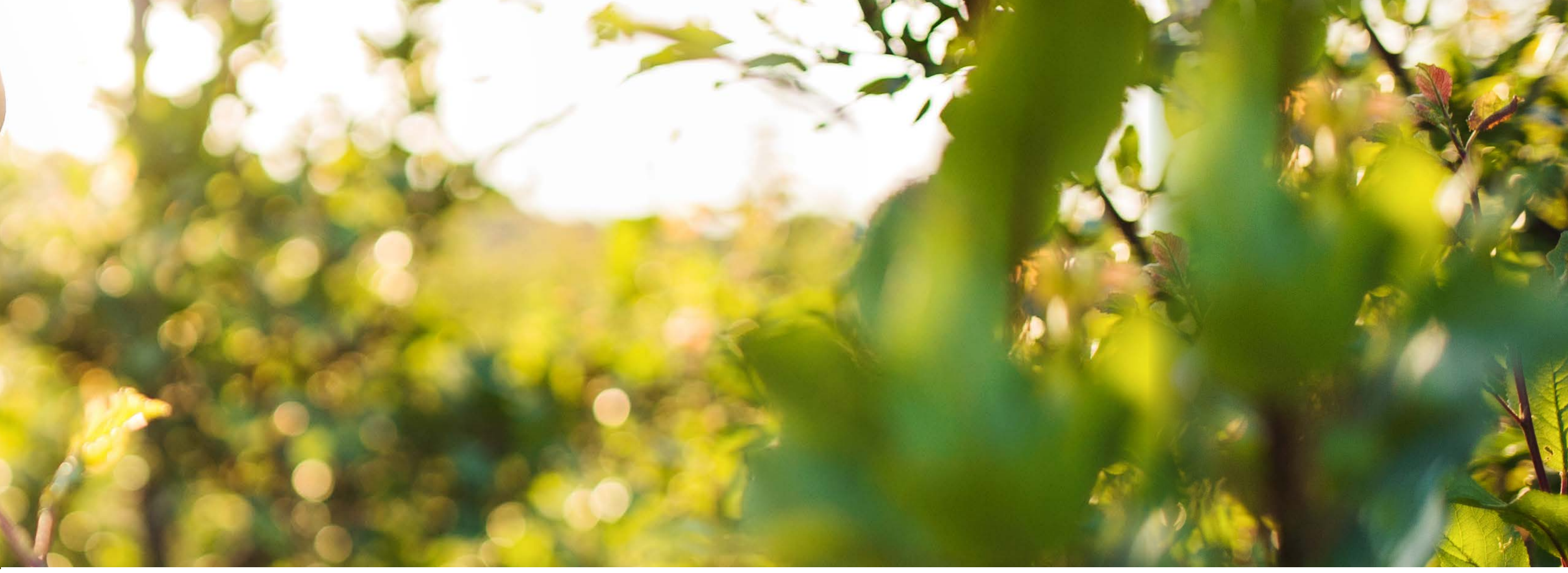
There were nearly 8,197,000 Michigan residents in metro areas and 1,798,900 in non-metro areas

[1]Indiana's South Bend-Mishawaka MSA joins Michigan's 14 MSAs to make up the 15 MSAs used in this analysis.

FIGURE 1: **PROJECTED MICHIGAN METRO AREA POPULATION**



Source: U.S. Census Bureau and the Bureau of Labor Market Information and Strategic Initiatives



in 2018 according to the American Community Survey (ACS). Since reaching a peak of 8,213,900 in 2004, Michigan's metro area population has not yet fully recovered from the losses experienced, likely due to emigration as a result of economic hardship faced earlier in the decade.

Although Michigan's metro area population has yet to return to pre-recessionary highs, it has exhibited growth since reaching a low in 2010 following the Great Recession (2007–2009). Using population projections produced by Michigan's Bureau of Labor Market Information and Strategic Initiatives (LMISI), Michigan's metro area population is expected to surpass its previous peak by 2020. In the coming years, the metro area population is projected to increase to around 8,813,800 by 2040 and will then begin to decline through 2045 because of an aging population. These population projections have a long-term focus and do not reflect the potential labor market impact of the COVID-19 pandemic. (Figure 1)

Michigan's non-metro areas saw a period of population growth leading up to 2006, as population peaked at 1,843,200. Unlike Michigan's metro areas, since reaching its peak, non-metro areas have seen a steady decline in population levels over the years. In 2016, the non-metro area population was at its lowest level since 2000, but has since seen marginal growth. Apart from an expected decline from 2018 to 2020, the population in non-metro areas is projected to increase through 2035, after which the population is expected to decrease through 2045. (Figure 2)

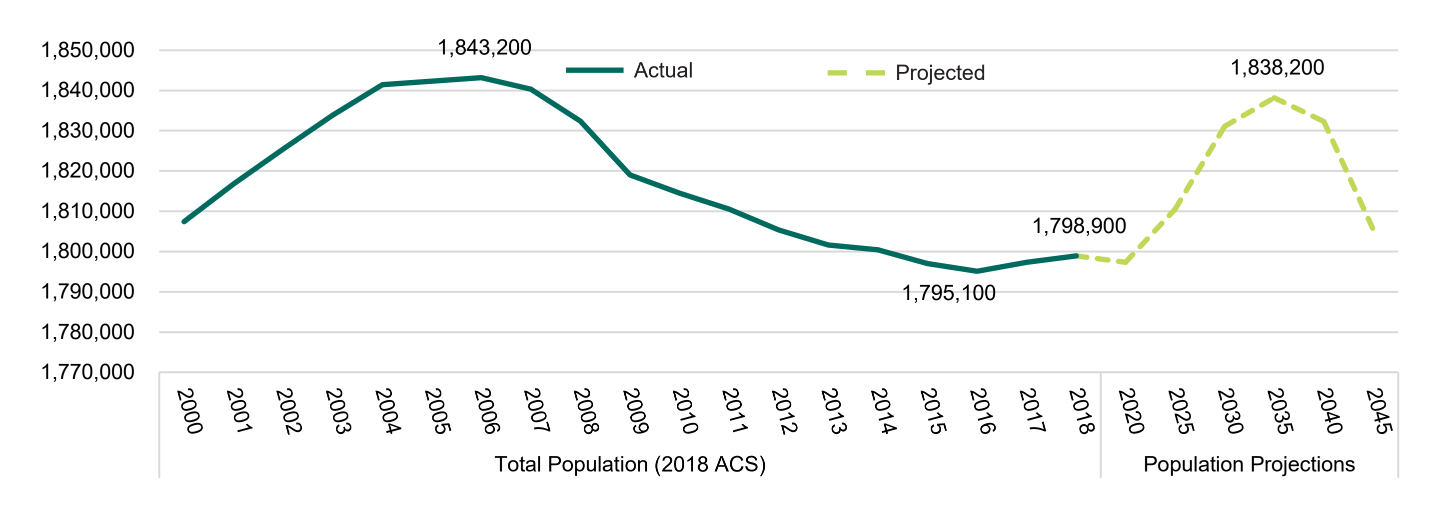
Unemployment

Until recently, unemployment rates have shown notable improvement in both metro and non-metro areas, down to 4.0 percent and 4.7 percent in 2019, respectively. Unemployment rates in both types of areas have followed a similar trend, but have been consistently lower in metro areas. Since the end of the Great Recession in 2009, unemployment rates have fallen 9.6 percentage points in metro areas and 9.2 percentage points in non-metro areas. Additionally, jobless rates in 2019 were far lower than pre-recessionary 2007 levels, when rates were 7.0 percent in metro areas and 8.1 percent in non-metro areas. (Figure 3)

IMPACT OF COVID-19 PANDEMIC ON UNEMPLOYMENT RATES

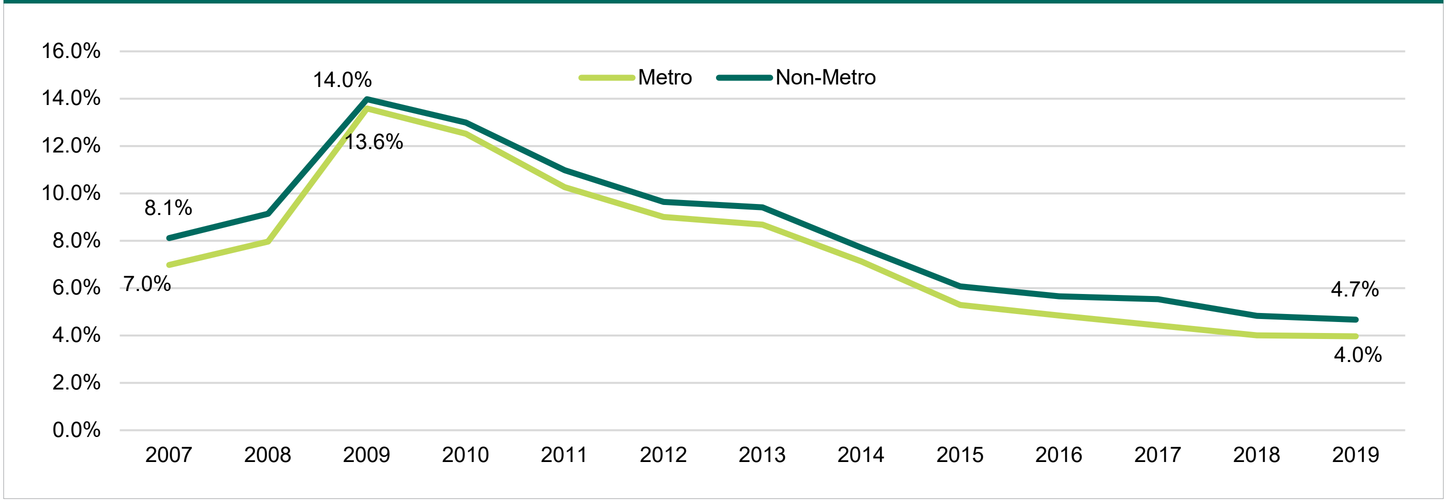
Unemployment rates in April of 2020 surged in metro and non-metro areas as a result of the COVID-19 pandemic. Seasonally unadjusted jobless rates showed that from March to April, unemployment rates increased from 3.9 percent

FIGURE 2: **PROJECTED MICHIGAN NON-METRO POPULATION**



Source: U.S. Census Bureau and the Bureau of Labor Market Information and Strategic Initiatives

FIGURE 3: **MICHIGAN METRO AND NON-METRO UNEMPLOYMENT RATES, 2007–2019**



Source: Local Area Unemployment Statistics, Bureau of Labor Market Information and Strategic Initiatives

to 23.2 percent before ticking downward to 21.0 percent in May. Non-metro areas saw a similar, but more pronounced change, increasing from 4.6 percent in March to 26.0 percent in April. Non-metro rates recovered more over the month than metro areas, with rates falling to 19.7 percent in May 2020.

To see how Michigan's unemployment rate compares to other states, view this month's *Relevant Rankings* section.

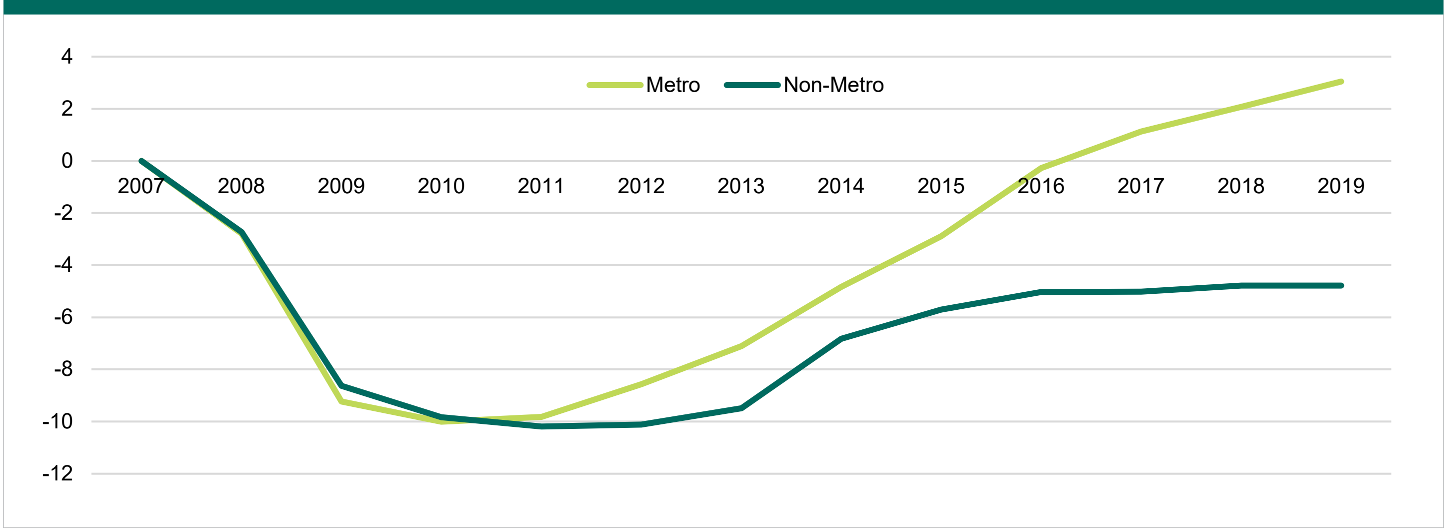
Employment

In 2019, the total number of employed in Michigan's metro areas reached 3,943,800 and 792,000 in non-metro areas. Since the end of the Great Recession, employment levels have experienced varying levels of change in metro and non-metro areas. Within the last decade, employment levels were at their lowest in 2010 in metro areas and have since seen an uptick. In recent years, metro areas have shown higher levels of employment growth than non-metro areas. Only by 2017 did metro areas surpass their pre-recessionary employment levels. Unlike in metro areas, non-metro areas have not yet recovered the losses experienced during the Great Recession and have not yet reached 2007 levels. Since 2011, non-metro areas have seen a steady climb in employment, but never enough to fully recoup the losses experienced during the recession. (Figure 4)

Labor Force Participation

Labor force participation rates are notably lower in non-metro areas than metro areas according to 2018 ACS five-year estimates. Residents age 16 and over in metro areas had a labor force participation rate of 62.6 percent, compared to a participation rate of 55.8 percent in non-metro areas. This shows that a greater percentage of the population age 16 and over in metro areas are either working or actively seeking work than in non-metro areas. This disparity in participation rates between the two areas is largely associated with aging populations. As shown later in the article, non-metro areas have an overall older population than metro areas. In metro areas, a greater portion of the population

FIGURE 4: **MICHIGAN METRO AND NON-METRO AREA EMPLOYMENT (INDEX, 2007)**



Source: Local Area Unemployment Statistics, Bureau of Labor Market Information and Strategic Initiatives

FIGURE 5: **INDUSTRY EMPLOYMENT BY METRO AND NON-METRO AREAS, SECOND QUARTER 2019**

	METRO			NON-METRO		
INDUSTRY	EMPLOYMENT	PERCENT	RANK	EMPLOYMENT	PERCENT	RANK
00 - Total, All Industries	3,678,700	100.0%	-	595,300	100.0%	-
11 - Agriculture, Forestry, Fishing and Hunting	16,700	0.5%	19	13,200	2.2%	14
21 - Mining	2,000	0.1%	21	3,400	0.6%	18
22 - Utilities	19,900	0.5%	18	2,700	0.4%	19
23 - Construction	142,200	3.9%	9	32,300	5.4%	7
31 - Manufacturing	524,900	14.3%	2	98,600	16.6%	1
42 - Wholesale Trade	144,300	3.9%	8	14,600	2.4%	12
44 - Retail Trade	380,500	10.3%	3	74,300	12.5%	3
48 - Transportation and Warehousing	135,800	3.7%	11	19,000	3.2%	10
51 - Information	48,400	1.3%	17	6,100	1.0%	16
52 - Finance and Insurance	130,600	3.5%	12	15,400	2.6%	11
53 - Real Estate and Rental and Leasing	49,300	1.3%	15	4,700	0.8%	17
54 - Professional and Technical Services	271,600	7.4%	6	14,500	2.4%	13
55 - Management of Companies and Enterprises	66,600	1.8%	14	1,900	0.3%	20
56 - Administrative and Waste Services	252,000	6.9%	7	23,500	4.0%	8
61 - Educational Services (private and public)	289,900	7.9%	5	50,700	8.5%	5
62 - Health Care and Social Assistance	570,000	15.5%	1	81,800	13.7%	2
71 - Arts, Entertainment, and Recreation	49,000	1.3%	16	10,800	1.8%	15
72 - Accommodation and Food Services	325,600	8.8%	4	67,500	11.3%	4
81 - Other Services (except Public Administration)	115,500	3.1%	13	21,900	3.7%	9
92 - Public Administration	137,600	3.7%	10	37,200	6.3%	6
99 - Unclassified	6,400	0.2%	20	1,000	0.2%	21

Source: Quarterly Census of Employment and Wages, Bureau of Labor Market Information and Strategic Initiatives

are within the prime working age (25 to 54 years) than non-metro areas, which would lead to a higher participation rate among the metro population.

Industry Sector Growth

Data taken from the Quarterly Census of Employment and Wages (QCEW) for the second quarter of 2019 showed that there were around 3,678,700 employed in metro area industries and 595,300 in non-metro areas. These industry employment values are representative of all workers covered by state Unemployment Insurance (UI) laws and all ownership levels (private, and federal, state, and local government).

Overall in Michigan (metro and non-metro areas, combined), the top five industry sectors by employment were:

- *Health care and social assistance*
- *Manufacturing*
- *Retail trade*
- *Accommodation and food services*
- *Educational services* (private and public)

Like the statewide level, the *Health care and social assistance* sector was the largest industry in metro areas, making up 15.5 percent of all industry employment. The *Manufacturing* sector trailed closely with nearly 524,900 employed or 14.3 percent of total industry employment, followed by *Retail trade* with 380,500 or 10.3 percent. (Figure 5)

In non-metro areas, employment was mostly concentrated in the *Manufacturing* sector, accounting for 16.6 percent of all jobs. Contributing over 81,800 or 13.7 percent of all jobs was the *Healthcare and social assistance* sector, making it the second largest industry in non-metro areas. *Retail trade* was slightly more prominent in non-metro areas than it was in metro areas with 74,300 employed, or 12.5 percent.

Metro and non-metro areas are heavily concentrated within many of the same industry sectors, but they do have some differences. In non-metro areas, the *Agriculture, forestry, fishing and hunting* industry contributes 2.2 percent of all employment, while accounting for only 0.5 percent of metro area employment.

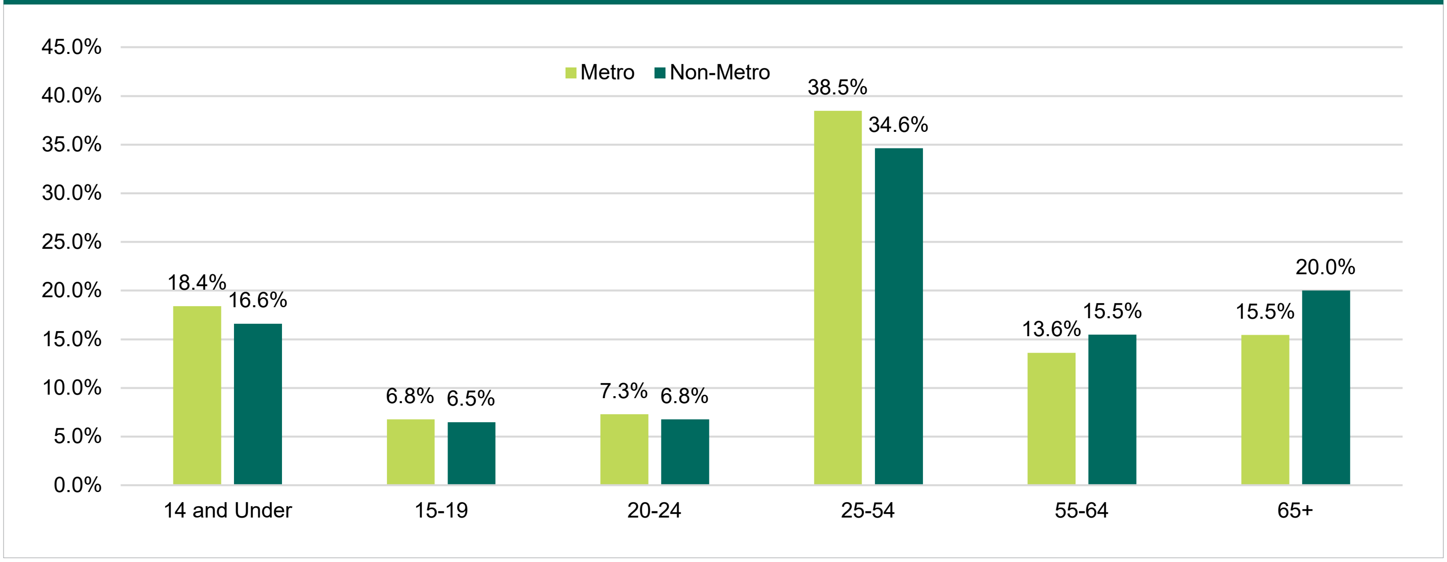
Similarly, *Professional and technical services* is much more prominent in metro areas, making up 7.4 percent of metro employment compared to 2.4 percent in non-metro areas.

Until recently, industry employment in metro and non-metro areas had recovered greatly since the end of the Great Recession. Michigan's metro areas have experienced a 17.3 percent increase in jobs since 2009. In fact, employment levels were 4.8 percent higher than before the start of the Great Recession in the second quarter of 2007. Although not at the level of change seen in metro areas, non-metro area industry employment rose 7.8 percent since 2009. Even after periods of industry job gains, employment levels were 0.7 percent lower than pre-recessionary levels.

Wages

According to Michigan's Occupational Employment Statistics program, metro areas had a higher median hourly wage than both the statewide median and the non-metro median. Michigan's metro areas combined had an hourly median wage of $19.03 in 2019, slightly

FIGURE 6: AGE DISTRIBUTION OF MICHIGAN RESIDENTS



Source: American Community Survey, 2018 Five-Year Estimates; U.S. Census Bureau

higher than the statewide median ($18.60), and the non-metro median wage ($16.68). Metro areas seem to offer higher wage opportunities. In metro areas, 80 percent of all jobs earned an occupational hourly wage ranging from $10.36 at the 10th percentile to $46.41 at the 90th percentile. Non-metro areas had a wage range of $10.03 to $35.41. While at the 10th percentile both areas have similar wages, the 90th percentile is much higher for metro areas. This implies that there may be more high wage opportunities in metro areas than non-metro.

Age Distribution

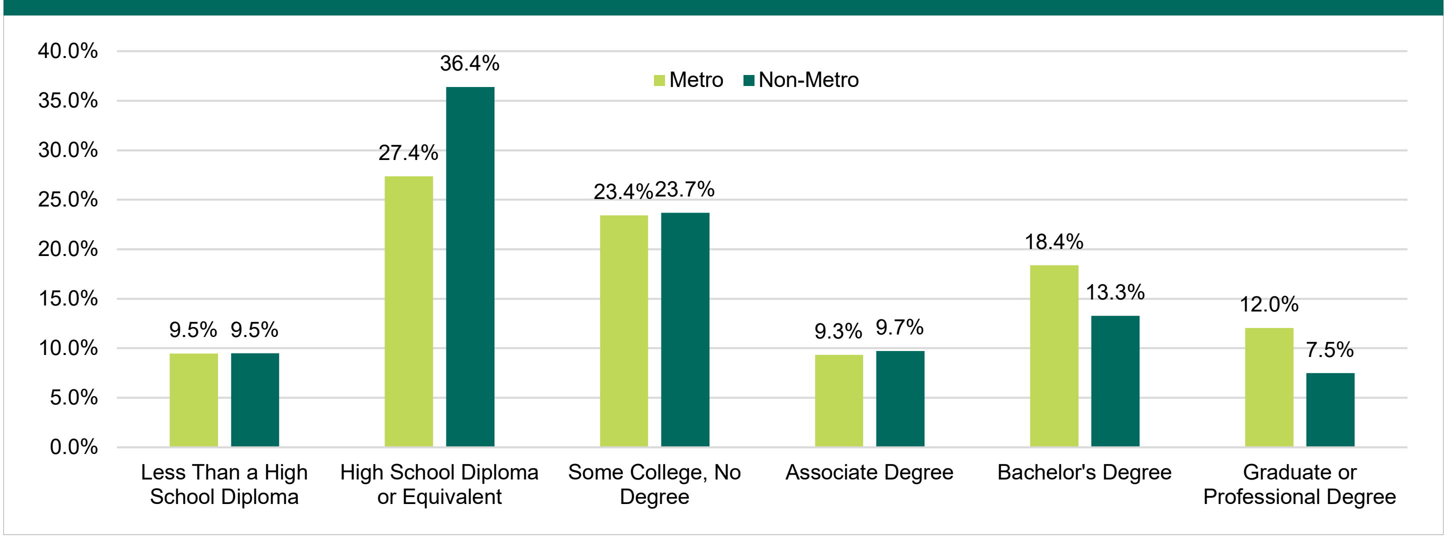
Michigan's non-metro areas are home to an older population than metro areas, according to 2018 ACS five-year estimates. The derived median age in Michigan's non-metro areas was 43.6, compared to 38.9 in metro areas. Nearly 36 percent of the non-metro area population was age 55 and older, as opposed to just over 29 percent in metro areas. The largest segment of each area's population falls within the 25 to 54 age range. In non-metro areas, 34.6 percent of the population falls within this age range. That is nearly 4 percentage points lower than metro areas, where 38.5 percent of residents are age 25 to 54. (Figure 6)

As mentioned previously, while the population in both metro and non-metro areas is projected to increase in the coming years, both are expected to experience a small decline near the end of the projected period. This decline is expected to occur largely due to an aging population. By 2030, the number of deaths in Michigan is projected to outpace the number of births (Leach, 2019). This will lead to a slowdown in population growth in both metro and non-metro areas and will eventually lead to a decline.

Educational Attainment

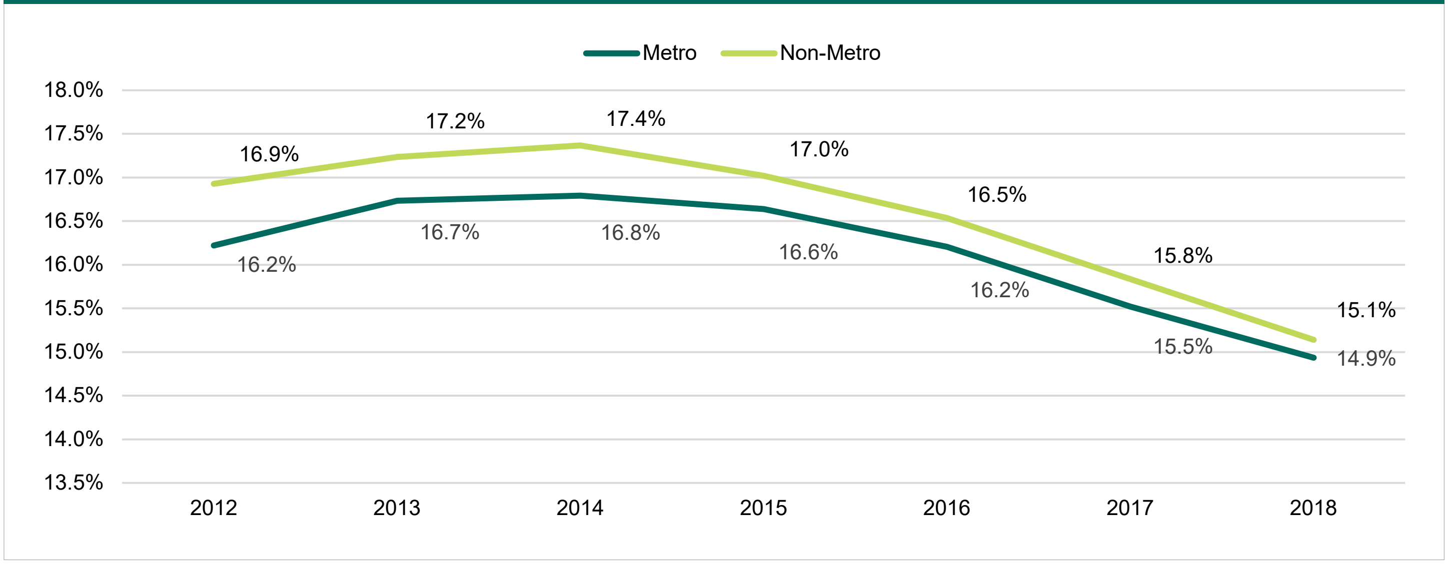
Metro areas reported a higher level of educational attainment than non-metro areas.

FIGURE 7: EDUCATIONAL ATTAINMENT DISTRIBUTION OF MICHIGAN RESIDENTS



Source: American Community Survey, 2018 Five-Year Estimate; U.S. Census Bureau

FIGURE 8: **POVERTY STATUS IN MICHIGAN**



Source: American Community Survey, 2018 Five-Year Estimate; U.S. Census Bureau

According to the 2018 ACS, the largest educational attainment group of residents age 25 and over in metro and non-metro areas were those who have obtained a high school diploma or equivalent, making up 27.4 percent of metro residents, and 36.4 of non-metro residents. Nearly 90 percent of individuals in both metro and non-metro areas have obtained at least a high school diploma or equivalent. Of Michigan's metro area residents, 30.4 percent have obtained a bachelor's degree or higher. That level of educational attainment surpasses Michigan's non-metro areas (20.8 percent) by a significant 9.6 percentage points. The disparity in educational attainment between the two areas could be due to easier access to higher education institutions in metro areas than non-metro areas. (Figure 7)

Poverty Status

The U.S. Census Bureau assigns poverty status for each person or family based on total incomes against thresholds that vary by size of family and age of members. Poverty thresholds are consistent across all geographies and are updated annually using the Consumer Price Index (CPI).

According to 2018 ACS five-year estimates, Michigan's metro and non-metro areas had poverty rates of 14.9 percent and 15.1 percent, respectively. Poverty rates have typically been slightly higher outside of metro areas. In recent years, both areas have followed a similar trend in poverty rates, with rates peaking in 2014 and declining in subsequent years. Since peaking in 2014, poverty rates have fallen 2.3 percentage points in non-metro areas, and by 1.9 percentage points in metro areas. (Figure 8)

Health Insurance Coverage

With similar levels of poverty in each area, it is not surprising that both metro and non-metro areas have similar levels of health insurance coverage. Data taken from 2018 ACS five-year estimates showed that 94.2 percent of Michigan's metro civilian noninstitutionalized population have some type of health insurance coverage. Similarly, 92.9 percent of non-metro residents have health insurance coverage.

Conclusion

Michigan's metro and non-metro areas display some differences and some similarities in workforce and demographic indicators.

Differences:

- Population trends and outlook – Metro areas are projected to see a longer period of projected population growth, while non-metro areas will sooner see an eventual decline in population.
- Unemployment – Unemployment levels have seen a steady rate of decline in both areas in recent years, but remained slightly lower in metro areas.
- Employment – Non-metro areas have not yet fully returned to pre-recessionary employment levels, while metro area employment crossed the benchmark in 2017.
- Labor force participation – Participation rates are lower in non-metro areas than metro areas.
- Wages – In 2019, metro areas ($19.03) had a higher median hourly wage than non-metro areas ($16.68).
- Age distribution – Non-metro areas have an overall older population than metro areas.
- Educational attainment – Residents in metro areas have a higher level of educational attainment than non-metro residents.

Similarities:

- Industry sector growth – Since the end of the Great Recession, industry employment has grown in metro and non-metro areas.
- Poverty status – Poverty has been on a downward trend in recent years with metro and non-metro areas showing near equal rates of decline.
- Health insurance coverage – The majority of residents in metro and non-metro areas have at least some type of health insurance coverage.

References:

Leach, Alan, Ashley Tarver and Eric Guthrie. 2019. "Michigan's Population Projections to 2045." *Michigan's Labor Market News*, Vol. 75, No.1, 2019, p. 16–21

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MICHIGAN ONLINE JOB ADS CONTINUED THEIR STEEP DECLINE IN MAY

In May, there were 118,842 online job advertisements in Michigan, which was down 9.5 percent from the April level of 131,362 ads. Over the year, online ads receded 21.2 percent or 31,942 in Michigan. Of the roughly 119,000 ads recorded in May, only 51,636 were posted during that month. The rest of the job ads were posted prior to May and remained unfilled. The nearly 52,000 job ads posted in May are a slight increase from April when only 46,627 new job ads were created.

May's Supply/Demand Rate Rises Slightly

The ratio of unemployed persons per job advertisement is known as the supply/demand rate. Michigan's May supply/demand rate of 8.29 remained historically high due to the vast number of unemployed people triggered by business shutdowns during the pandemic. This can be interpreted as approximately 829 available Michigan unemployed workers for every 100 job advertisements posted online. May's supply/demand rate was up slightly over April's rate of 8.19. This occurred because the total number of job ads (demand) had a larger decline than the number of unemployed persons (supply).

Job Ad Posting Length

Of all online ads in May, 43 percent had been posted for less than 30 days. This was greater than in April when only 26 percent of job ads were posted for this length of time. Only 19 percent of ads were posted for 30 to 59 days in May which was similar to April. This was down considerably from pre-pandemic rates when around 41 percent of ads were posted for this length of time. The remaining 37 percent of May job ads were posted for longer than 60 days.

Job Ads by Occupation

Information is available on advertised jobs by detailed occupation as well as by broad occupation groups from the Burning Glass Technologies data series, but the data by occupation is not seasonally adjusted. For the second month in a row, *Healthcare practitioners and technical* was the occupational group that recorded the most job ads with 14,464. There were only three other occupational groups that had over 10,000 job ads in May; *Sales and related* (13,110), *Management* (10,908), and *Office and administrative support* (10,128).

Most major occupational groups saw job ads fall in May as hiring continued to be influenced by the coronavirus. The *Architecture and engineering* group had the largest percentage decline of 24.0 percent. For the second month in a row, ads for the *Sales and related* group displayed the greatest numeric drop of 2,730. A few major occupational groups logged an over the month rise in total online job postings. Most notable were *Construction and extraction* ads increasing 21.1 percent (+326), *Building and grounds cleaning and maintenance* ads edging up 13.0 percent (+467), and *Transportation and material moving* ads growing by 10.5 percent (+815).

Of the nearly 750 detailed occupations with ads, over 58 percent of them saw a monthly decrease in postings. Not surprisingly, *Retail salespersons* and *Supervisors of retail salespersons* issued the largest drops in May online ads and combined for a decrease of over 2,100 job postings. The *Laborers and freight, stock, and material movers* occupation had the greatest May increase in job ads (+468). *Registered nurses* continued to be the detailed occupation with the most posted online job ads with 6,282 postings, a slight dip of 331 ads since April.

Regional Analysis

Most Metropolitan Statistical Areas (MSAs) in Michigan either registered decreased total job ad counts or remained stable. The Muskegon MSA was the exception with an increase of 161 ads or nearly 16 percent. Michigan's two largest MSAs, Detroit and Grand Rapids, had job ads decline by 10.1 percent and 4.3 percent, respectively. The job ads in the Saginaw and Lansing metro areas remarkably declined by nearly double the statewide rate.

The Bureau of Labor Market Information and Strategic Initiatives publishes job advertisement data through the Help Wanted OnLine® data series. In January 2020 this service partnered with Burning Glass Technologies and revised its job advertisement data collection methodology. Consequently, this month's data may demonstrate significant variation from prior publications, which may be related to methodology changes and not necessarily indicative of actual changes in job advertisement levels.

May job ad data showed a mix of ads posted before the current COVID-19 situation as well as during the statewide closures.

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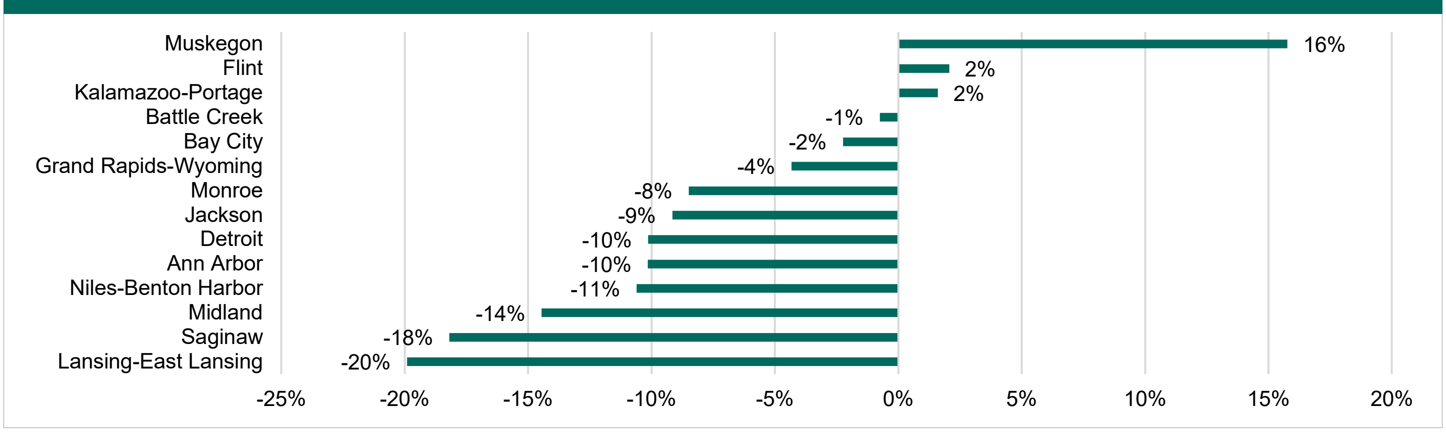
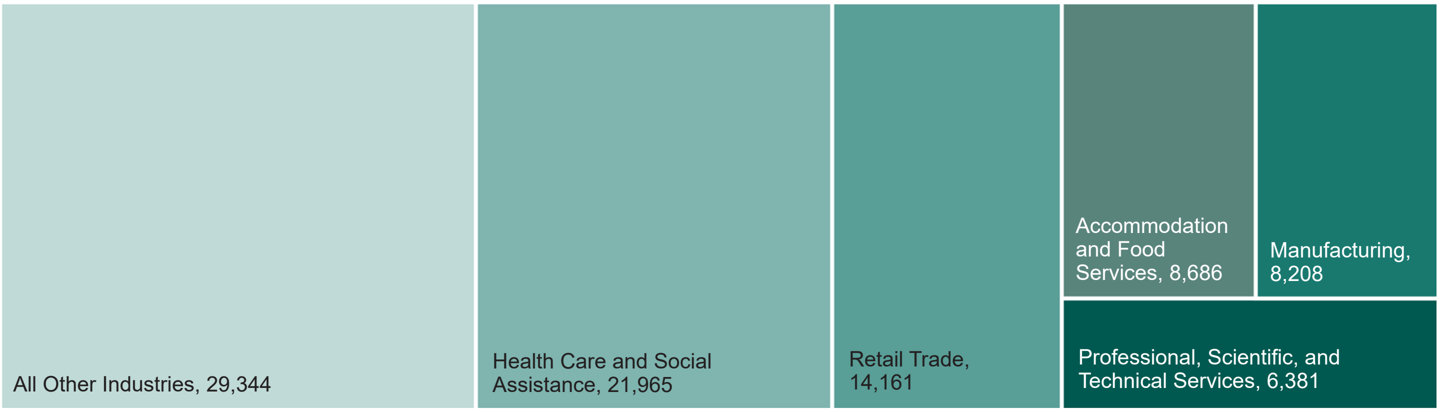
MONTHLY CHANGE IN JOB ADS BY MICHIGAN METRO AREA, APRIL 2020–MAY 2020



Source: Conference Board Help Wanted OnLine®, Burning Glass Technologies

MICHIGAN ONLINE JOB ADS BY INDUSTRY, MAY 2020



Note: Roughly 30,000 postings did not have specific industry ties in the May 2020 data
Source: Conference Board Help Wanted OnLine®, Burning Glass Technologies

LABOR DEMAND BY OCCUPATION (NOT SEASONALLY ADJUSTED)

OCCUPATION CATEGORIES	MAY 2020	APRIL 2020	MAY 2019	OVER THE MONTH LEVEL	OVER THE MONTH PERCENT
TOTAL	**114,483**	**125,969**	**144,270**	**-11,486**	**-9.1%**
Administrative Support	10,128	11,501	14,715	-1,373	-11.9%
Office and Administrative Support	10,128	11,501	14,715	-1,373	-11.9%
Construction and Repair	5,985	5,876	7,318	109	1.9%
Construction and Extraction	1,871	1,545	1,919	326	21.1%
Installation, Maintenance, and Repair	4,114	4,331	5,399	-217	-5.0%
Farming, Fishing, and Forestry	202	213	250	-11	-5.2%
Farming, Fishing, and Forestry	202	213	250	-11	-5.2%
Healthcare	18,237	19,812	21,612	-1,575	-7.9%
Healthcare Practitioners and Technical	14,464	16,088	17,183	-1,624	-10.1%
Healthcare Support	3,773	3,724	4,429	49	1.3%
Management	10,908	12,526	14,811	-1,618	-12.9%
Management	10,908	12,526	14,811	-1,618	-12.9%
Production	4,866	4,717	5,898	149	3.2%
Production	4,866	4,717	5,898	149	3.2%
Professional	27,773	33,685	37,191	-5,912	-17.6%
Architecture and Engineering	3,814	5,018	6,074	-1,204	-24.0%
Arts, Design, Entertainment, Sports, and Media	2,728	3,098	3,505	-370	-11.9%
Business and Financial Operations	5,275	6,410	7,613	-1,135	-17.7%
Community and Social Services	1,665	1,753	1,850	-88	-5.0%
Computer and Mathematical	9,909	12,386	12,212	-2,477	-20.0%
Education, Training, and Library	2,799	3,165	3,922	-366	-11.6%
Legal	534	612	683	-78	-12.7%
Life, Physical, and Social Science	1,049	1,243	1,332	-194	-15.6%
Sales	13,110	15,840	18,168	-2,730	-17.2%
Sales and Related	13,110	15,840	18,168	-2,730	-17.2%
Service	14,699	14,039	16,173	660	4.7%
Building and Grounds Cleaning and Maintenance	4,063	3,596	3,607	467	13.0%
Food Preparation and Serving Related	6,210	5,891	7,728	319	5.4%
Personal Care and Service	2,750	3,001	3,149	-251	-8.4%
Protective Service	1,676	1,551	1,689	125	8.1%
Transportation	8,575	7,760	8,134	815	10.5%
Transportation and Material Moving	8,575	7,760	8,134	815	10.5%

Note: Some job ads do not fit in a major group designation, so topline numbers may appear different between the analysis and the table.

RELEVANT RANKINGS

STATE RANKINGS BY UNEMPLOYMENT RATE, MAY 2020				
RANK	STATE	CIVILIAN LABOR FORCE	UNEMPLOYED	UNEMPLOYMENT RATE
1	Nebraska	1,053,208	54,879	5.2%
2	Utah	1,610,853	137,254	8.5%
3	Wyoming	294,598	25,917	8.8%
4	Arizona	3,546,512	316,436	8.9%
5	Idaho	883,658	79,015	8.9%
23	Kentucky	2,030,556	222,668	11.0%
24	Tennessee	3,301,431	374,635	11.3%
25	Wisconsin	3,096,754	371,834	12.0%
26	Indiana	3,337,410	408,919	12.3%
27	South Carolina	2,421,793	303,218	12.5%
46	California	18,496,968	3,018,224	16.3%
47	Massachusetts	3,530,068	576,132	16.3%
48	Michigan	4,751,268	1,006,420	21.2%
49	Hawaii	633,873	143,172	22.6%
50	Nevada	1,384,734	350,822	25.3%

Source: Local Area Unemployment Statistics, Bureau of Labor Market Information and Strategic Initiatives

MICHIGAN METROPOLITAN STATISTICAL AREA RANKINGS BY UNEMPLOYMENT RATE, MAY 2020

RANK	MSA	CIVILIAN LABOR FORCE	UNEMPLOYED	UNEMPLOYMENT RATE
1	Ann Arbor	198,005	27,218	13.7%
2	Kalamazoo-Portage	167,939	26,165	15.6%
3	Midland	40,235	6,366	15.8%
4	Lansing-East Lansing	249,299	40,870	16.4%
5	Grand Rapids-Wyoming	581,697	99,234	17.1%
6	Niles-Benton Harbor	74,875	13,927	18.6%
7	Bay City	50,159	10,030	20.0%
8	Jackson	77,077	15,436	20.0%
9	Saginaw	88,934	18,414	20.7%
10	Monroe	78,187	16,557	21.2%
11	Battle Creek	65,505	14,406	22.0%
12	Detroit-Warren-Dearborn	1,930,669	457,525	23.7%
13	Flint	193,901	47,437	24.5%
14	Muskegon	82,618	20,512	24.8%

Source: Local Area Unemployment Statistics, Bureau of Labor Market Information and Strategic Initiatives

DATA SPOTLIGHT

NEW METRO RESEARCH ESTIMATES FROM THE JOB OPENINGS AND LABOR TURNOVER SURVEY

To provide critical information on the demand-side of the labor market, every month the U.S. Bureau of Labor Statistics (BLS) conducts the Job Openings and Labor Turnover Survey (JOLTS). This survey generates national and multistate-level data on job openings, hires, quits, layoffs/discharges, and other separations across the United States (see Figure 1 below). As highlighted in Vol. 75, No. 12 of Michigan's Labor Market News, in 2019 the BLS first began to release experimental JOLTS estimates at the state level. In June 2020, they have further released research estimates for the 18 largest metropolitan statistical areas (MSAs) with 1.5 million or more employees, including for the Detroit-Warren-Dearborn (Detroit) MSA. With these new estimates, a more localized analysis of Michigan's job market is possible.

Job Openings

DETROIT-WARREN-DEARBORN (DETROIT) MSA

According to the experimental JOLTS MSA estimates, with 93,000 total openings, the average Detroit MSA job openings rate (JOR) for the 4th quarter of 2019 was 4.4 openings per job. Compared to Michigan as a whole, the Detroit MSA's job openings rate was lower at the end of 2019, continuing a trend that first emerged in 2016. While both Detroit and Michigan tracked closely together for most of the series dating back to 2001, in 2016 a clear divergence appears, with Detroit lagging the state thereafter.

In contrast to its relationship with the state rate, Detroit MSA's JOR was actually slightly higher than the national rate at the end of 2019, which averaged just 4.2 during the fourth quarter (see Figure 2). However, it should be noted that this is a stark reversal of their relative positions earlier in the series, during which time the Detroit MSA and Michigan both tracked well below the U.S. JOR.

UNEMPLOYED PER JOB OPENING

There were far more unemployed individuals per job opening in both the Detroit MSA and Michigan compared to the nation for all of the 2000s and well into the 2010s (see Figure 3). This suggests either that their labor markets were deficient in demand, or that there was a fundamental mismatch between skills supplied and demanded. It's likely the restructuring of the automotive industry during that period played a major role in the elevated number of unemployed relative to vacancies.

LARGEST METRO AREAS

In comparisons to the 18 largest MSAs nationwide, the Detroit MSA's openings rate at the end of 2019 tended to rank highly. Of the three major metropolitan areas in the Midwest, the Detroit MSA JOR was highest (4.4), slightly surpassing that of Chicago-Naperville-Elgin (4.2) and Minneapolis-St. Paul-Bloomington (3.8). Compared to the largest 18 MSAs nationwide, just one—Washington-Arlington-Alexandria—exceeded the Detroit MSA openings rate, at 4.7. Atlanta-Sandy-Springs tied with the Detroit MSA for second place, with the remaining 15 MSAs ranged from a low of 3.3 up to 4.2. Most MSAs nationwide—inclusive of the Detroit MSA—had openings rates less than each of their respective state openings rate. However, 14 MSAs also had JORs that fell below the national rate.

Hires, Quits, Layoffs/Discharges

As with the job openings rate, the JOLTS has also produced MSA-level estimates for new hires, quits, and layoffs and discharges. In contrast to the JOR, these measures tend to be more volatile, and while they do track the business cycle, the relationship is often weaker. Nonetheless, they complement the job openings rate by providing details on the underlying dynamics of the labor market.

HIRES

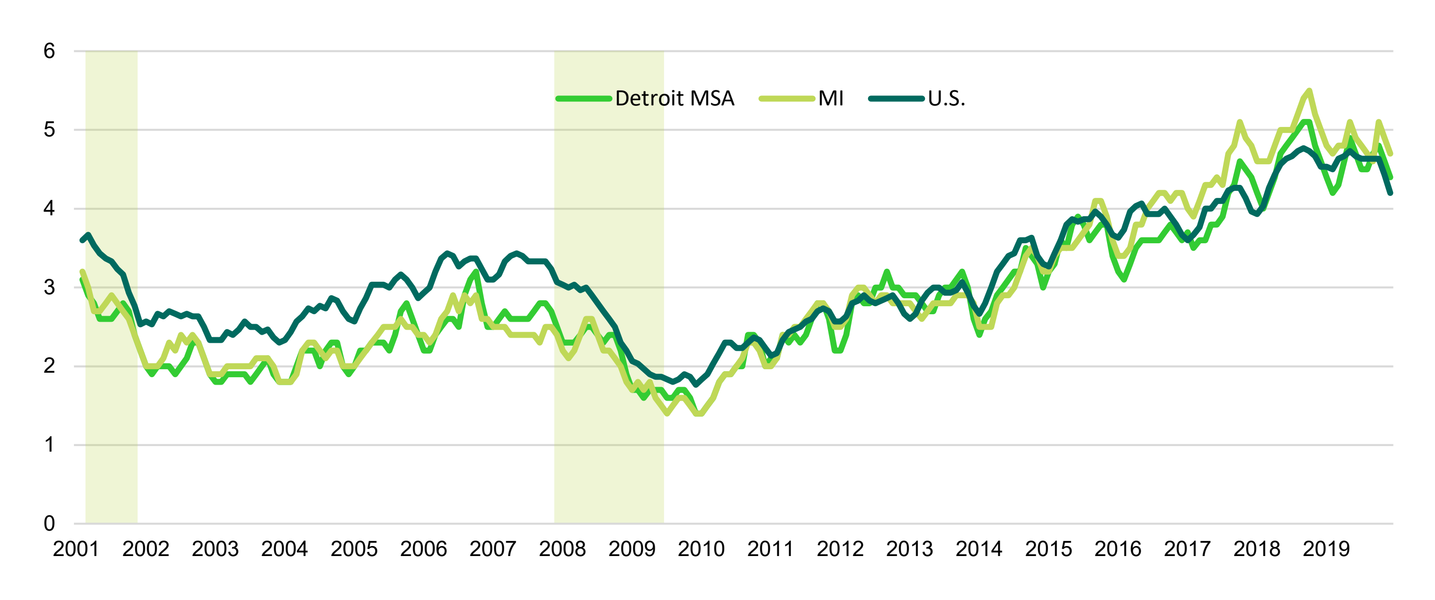
The Detroit MSA's hires rate in the last quarter of 2019 was 3.1, marking nearly 3 years with an average rate above 3.0. The hires rate has ranged from a record low of 2.2 in the beginning of 2014 to 4.1 at various points during the 2017-2019 period. As with the openings rate, Detroit's hires rate was below

FIGURE 1: **JOLTS TERMS**

MEASURE	HOW IT'S CALCULATED	WHAT IT MEASURES
Job Openings Rate (JOR)	(Job openings / (job openings + employment)) * 100	The number of job openings per vacancy and employed person
Hires Rate	(Hires / employment) * 100	The number of new payroll additions per employed person
Quits Rate	(Quits / employment) * 100	Voluntary separations from employers (excluding retirements and location transfer) per employed person
Layoffs / Discharges Rate	(Layoffs & discharges / employment) * 100	Involuntary separations initiated by employers per employed person
Other Separations Rate	(Other separations / employment) * 100	Retirements, location transfers, separations due to disability, and deaths per employed person
Total Separations Rate	((Quits + layoffs & discharges + oth-er separations) / employment) * 100	All separations (quits, layoffs/discharges, and other separations) per employed person

Source: Job Openings and Labor Turnover Survey (JOLTS), U.S. Bureau of Labor Statistics

FIGURE 2: **JOB OPENINGS RATE**



Source: Job Openings and Labor Turnover Survey (JOLTS), 2000–2019, U.S. Bureau of Labor Statistics

the state rate of 3.3 and the national rate of 3.5. It was also consistent with the rates of the other two MSAs in the Midwest region.

QUITS

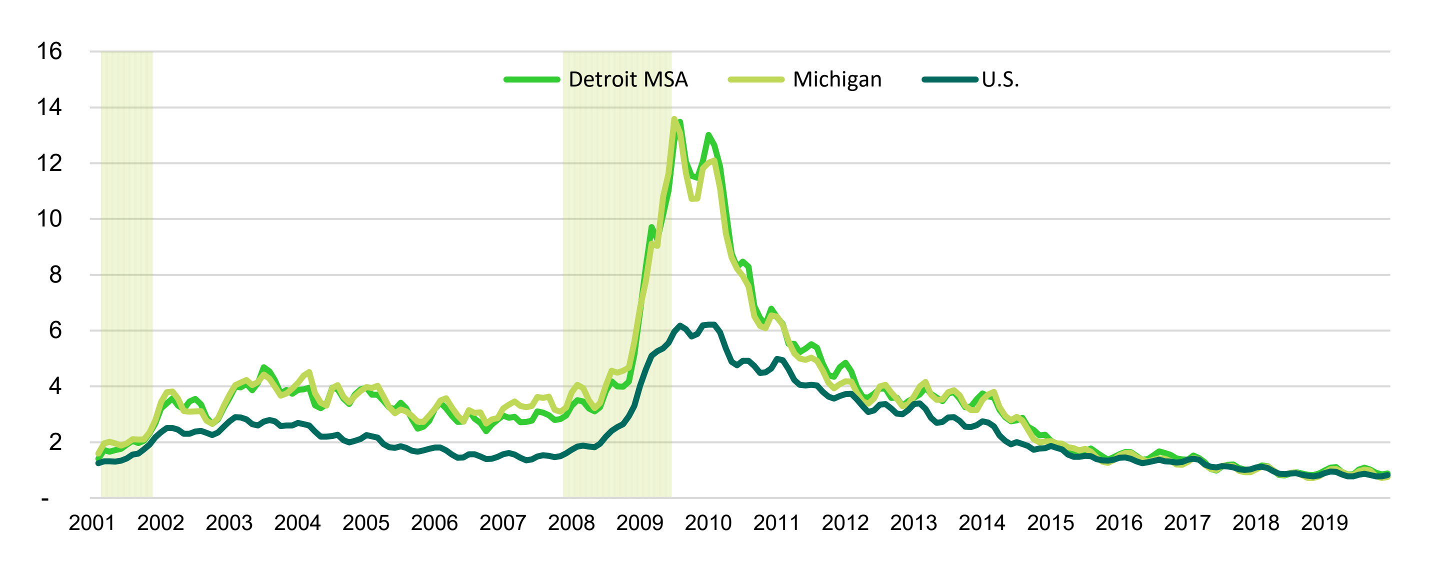
The Detroit MSA was estimated to have 1.7 quits per employed person in the 4th quarter of 2019, nearly identical to the rates of the other two large midwestern MSAs. This comes on the heels of posting a series high quits rate of 2.5 in both 2018 and 2019. With employees increasingly willing to quit their jobs, this is indicative of a relatively strong labor market. This rate was also below Michigan's quits rate of 2.3, and the U.S. rate of 2.0, further suggesting that despite improvements, there remains a comparative weakness in the metro area's job market relative to the state and nation.

LAYOFFS/DISCHARGES

Finally, the Detroit MSA's average layoffs and discharges rate at the end of 2019 was 1.3, following series lows of 0.8 in 2018 and 2019, and a series high of 2.4 in the middle of the Great Recession. This was nearly identical to the Michigan and U.S. rate of 1.3, and slightly higher than the other two largest MSAs in the Midwest region.

TYLER LEIGHTON
Economic Analyst

FIGURE 3: **UNEMPLOYED PER JOB OPENING**



Source: Job Openings and Labor Turnover Survey (JOLTS), 2000–2019; Current Population Survey (CPS), 2000–2019; Local Area Unemployment Statistics (LAUS), 2000–2019; Bureau of Labor Statistics

DTMB
Technology, Management & Budget

STATE OF MICHIGAN

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