

UPDATE ON THE MICHIGAN AND

WEST MICHIGAN WORKS! REGIONAL

LABOR MARKETS

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About Us

- The Bureau of Labor Market Information and Strategic Initiatives is your one-stop shop for information and analysis on Michigan's population, labor market, and more.
- Our Federal-State Programs division runs the state's cooperative agreements with the U.S. Bureau of Labor Statistics and the U.S. Census Bureau, making us the official source for this information.
- Our Research and Analytics division conducts workforce research and program evaluation, giving you the insight you need to make smarter decisions.

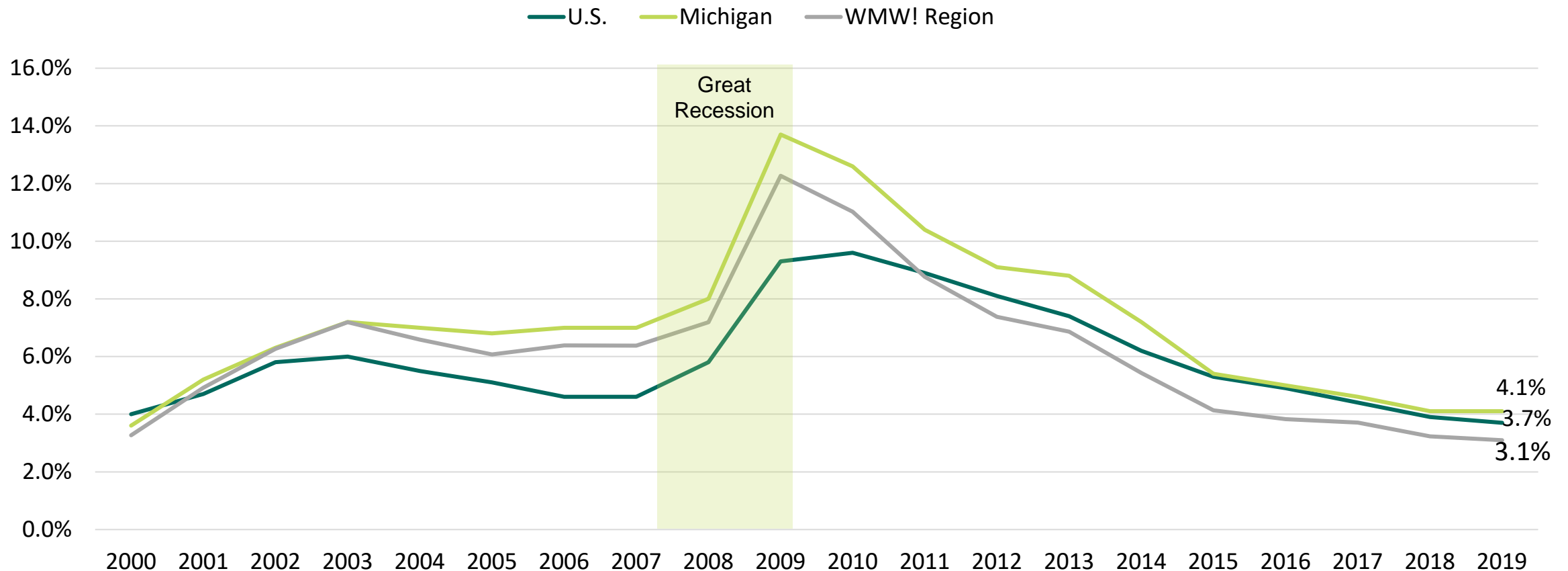
Key Takeaways

- Michigan's labor market has seen marked improvement since last spring but has not yet returned to pre-pandemic employment levels.
 - West Michigan Works! region has followed suit.
- Multiple groups have been disproportionately affected by the pandemic.
- Educational attainment plays a critical role in improving the prosperity of Michigan residents.
- There is a wide array of high-wage, high-demand occupations in the Michigan labor market.

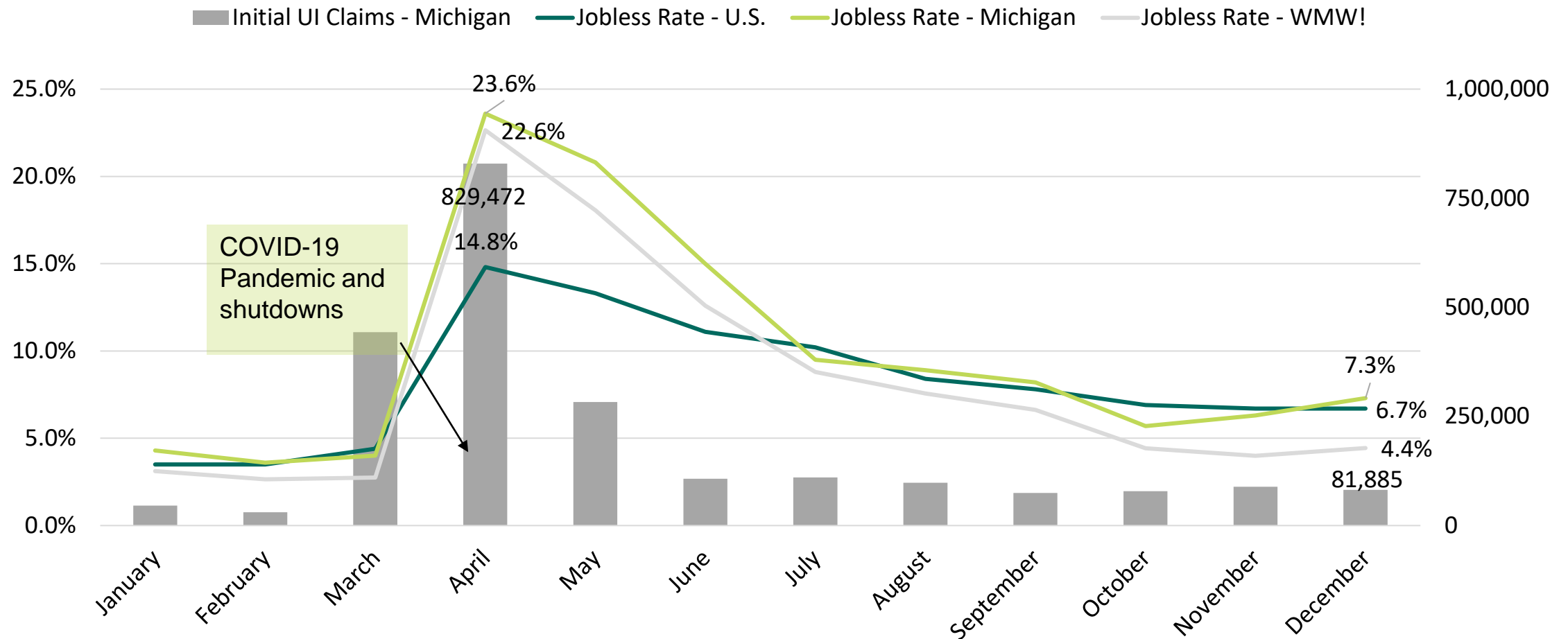
COVID-19 AND THE

LABOR MARKET

Jobless rates spiked significantly during the Great Recession and slowly recovered. The rate in the WMW! region dipped below the US rate in the early 2010's and remained until 2019.

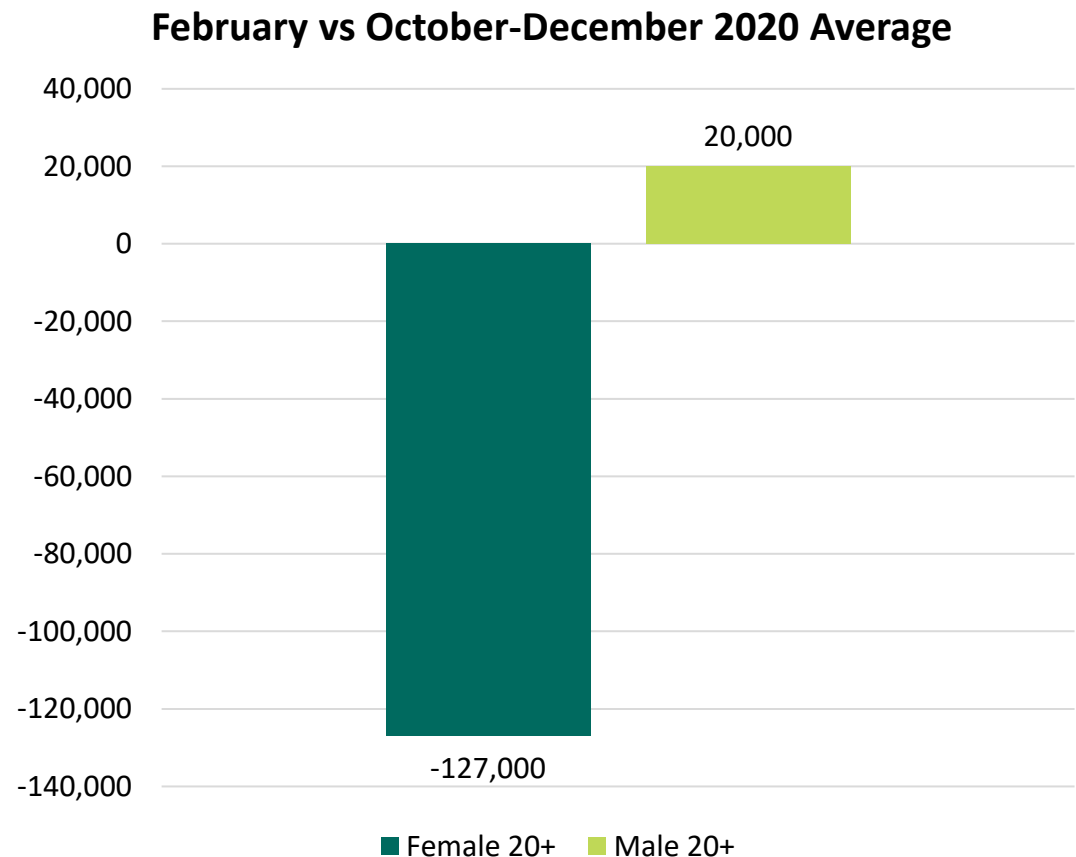


Following initial pandemic-related shocks, the jobless rate has slowly reversed direction and UI claims dropped. However, each measure remains elevated compared to the pre-COVID labor market.

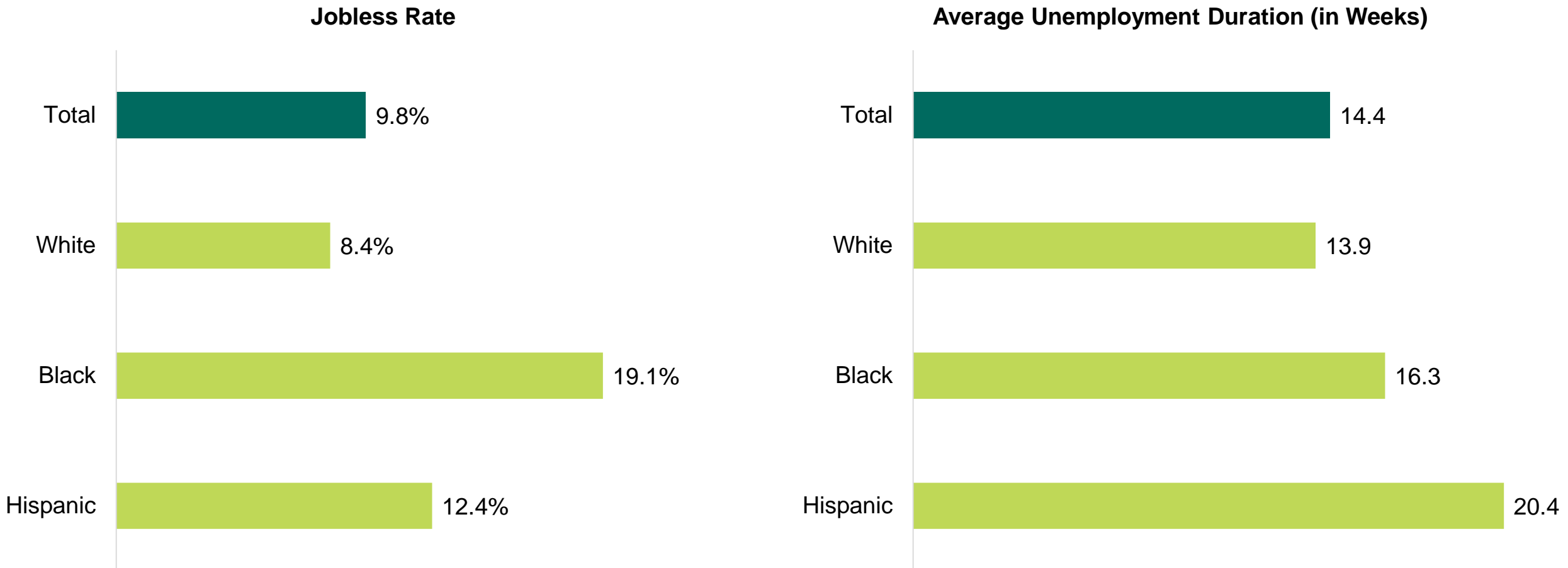


Female participation in the Michigan labor force is down significantly from the pre-pandemic period.

- From February to October–December 2020, the number of women who have exited the labor force reached nearly 130,000. This was 5.5 percent lower than pre-pandemic levels.
- For men, this number edged up by 20,000 from pre-pandemic levels, or an increase of 0.8 percent.

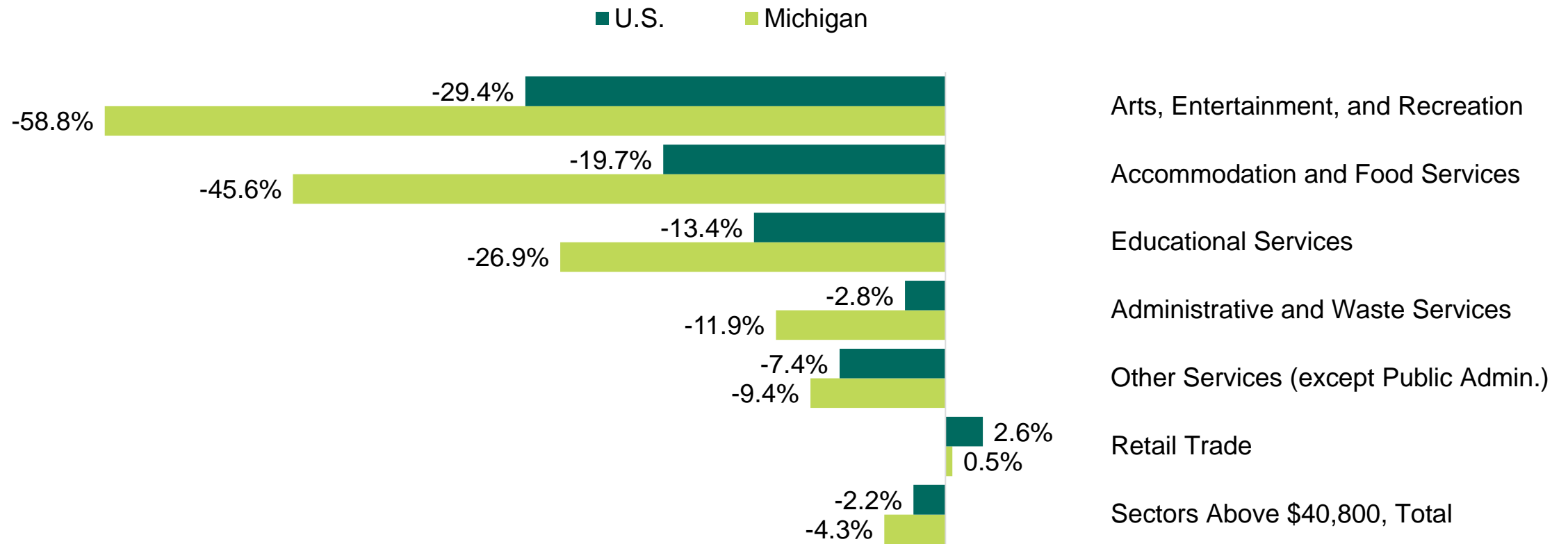


Jobless rates and average length of unemployment duration varies by race and ethnicity, with some groups being disproportionately impacted by the current economic situation.



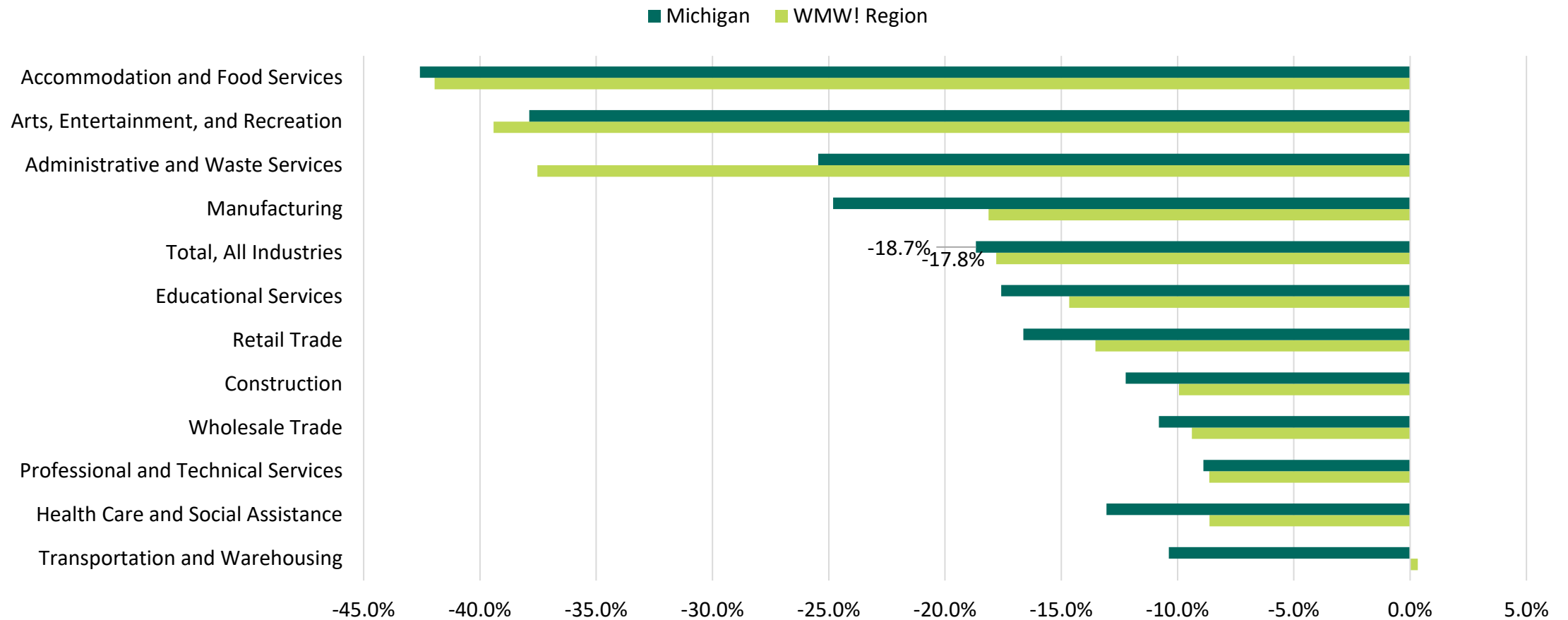
Job losses during the initial pandemic shutdown period were concentrated in Michigan's lower-paying industries. The magnitude of these losses were much beyond national averages for these sectors.

Statewide Percent Change in Jobs, February 2020 to December 2020



When looking at quarterly employment for 2020, changes in West Michigan Works! regional employment were less than that of the state. For all industries, this change (17.8 percent) was about 1 percentage point less than Michigan.

Change in Employment: 1st Quarter vs 2nd Quarter 2020

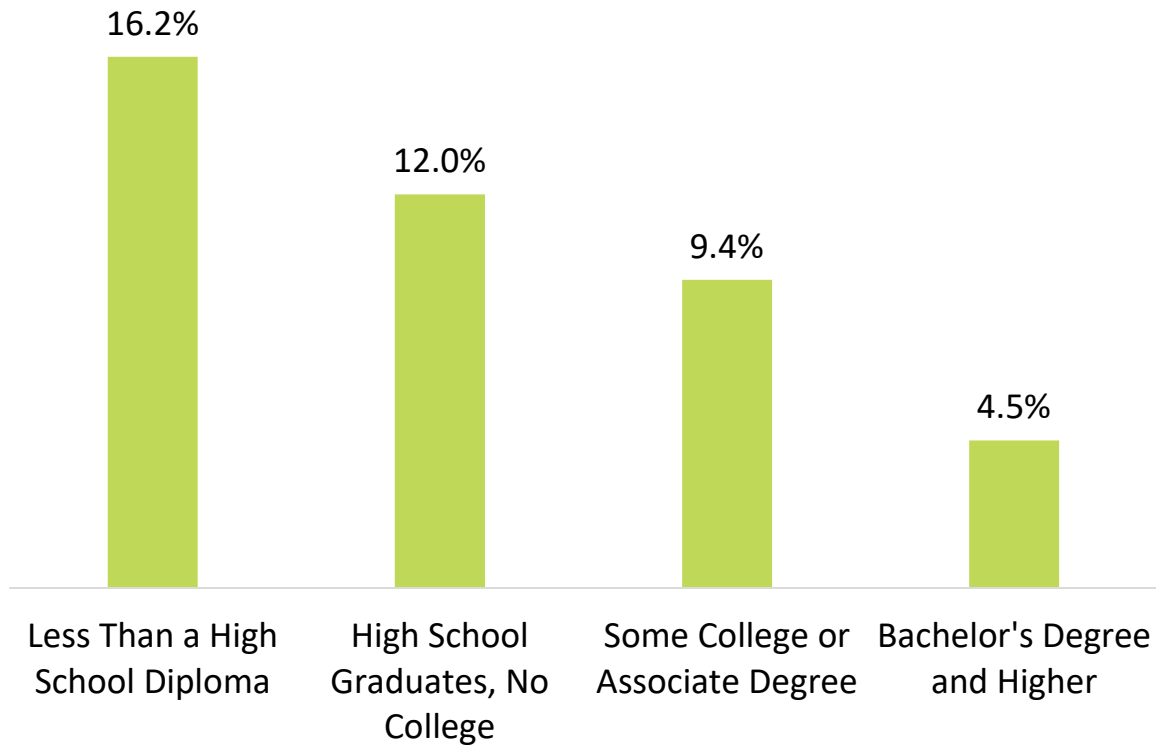


EDUCATION

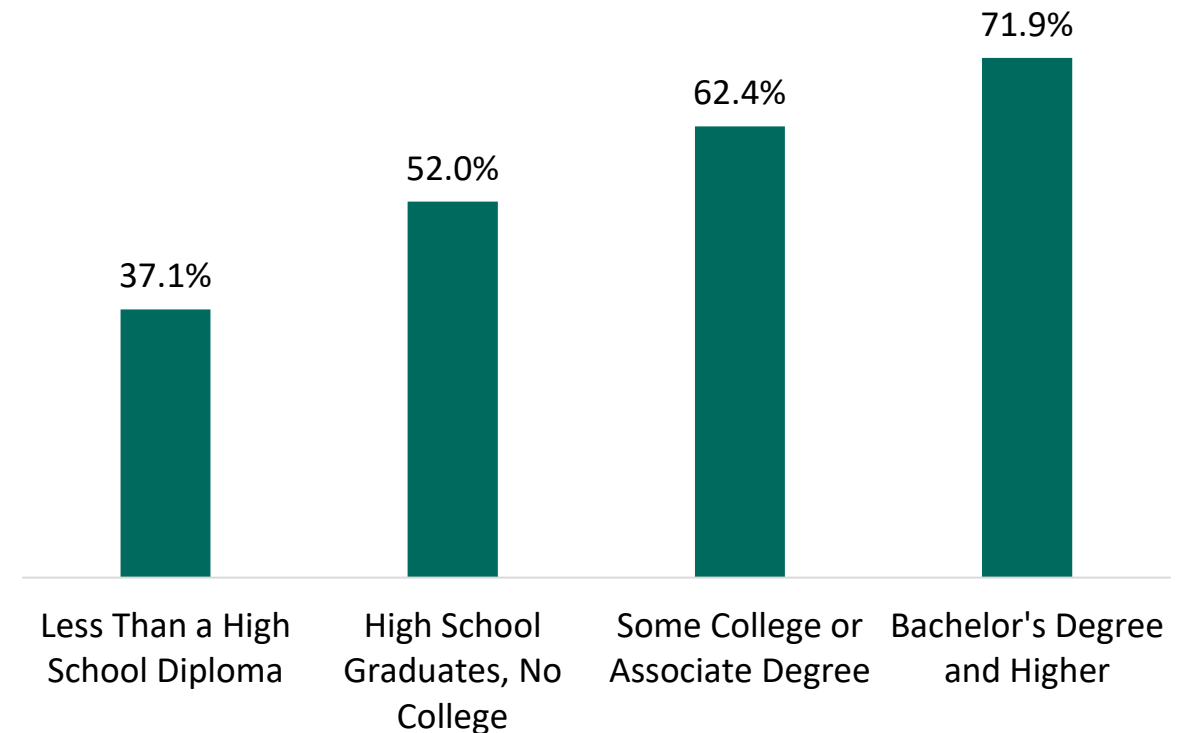
OUTCOMES

Jobless rates also tend to be much higher for individuals without a high school diploma or those without additional education beyond a GED. Labor force participation rates are also lower for these groups.

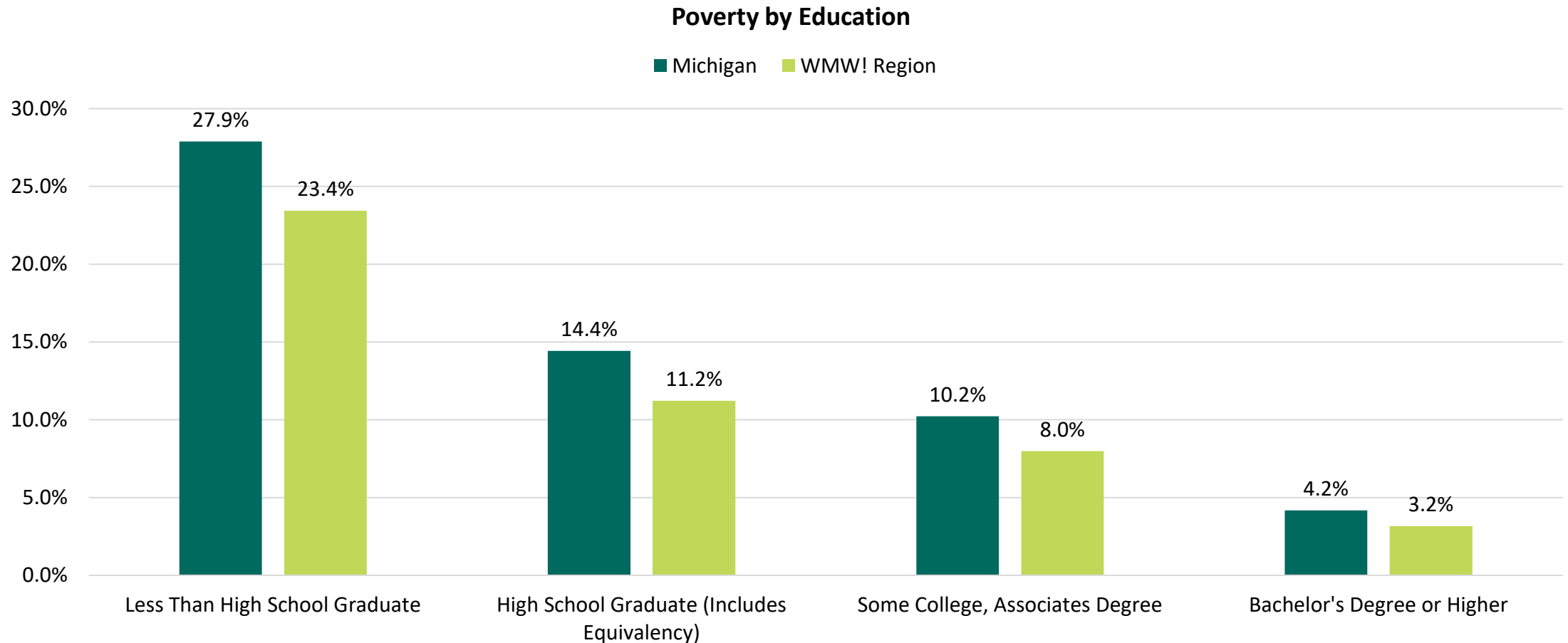
Jobless Rate



Labor Force Participation Rate



Postsecondary education is correlated with lower poverty rates in Michigan. Comparatively, for each group in the WMW! Region, these rates were even lower.



JOB DEMAND

AND OPPORTUNITIES

Total Michigan Employment

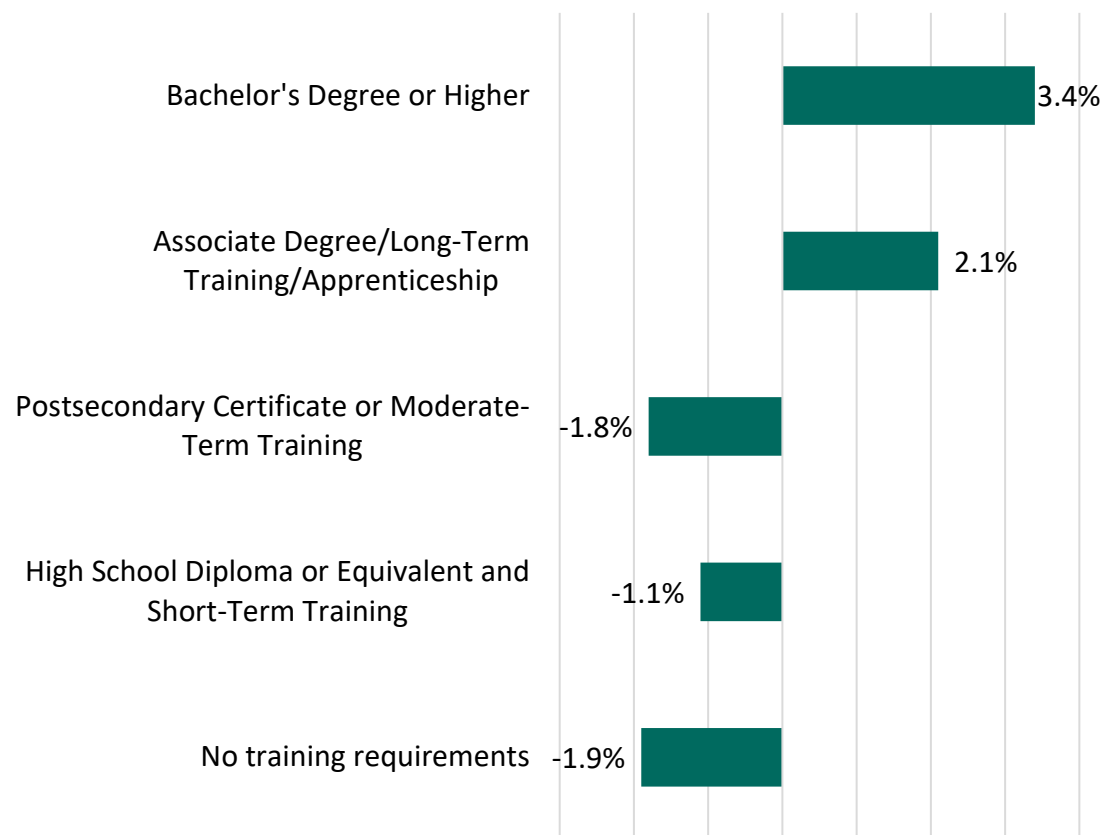
- Michigan's employment is expected to expand by less than 0.1 percent over the 2018–2028 period.
- Despite the low projected growth, we expect over 500,000 job openings on average annually through the projection period.
 - About one in three openings will come from labor force exits.
 - Approximately two in three will come from occupational transfers.

Why Only 0.1 Percent Gain?

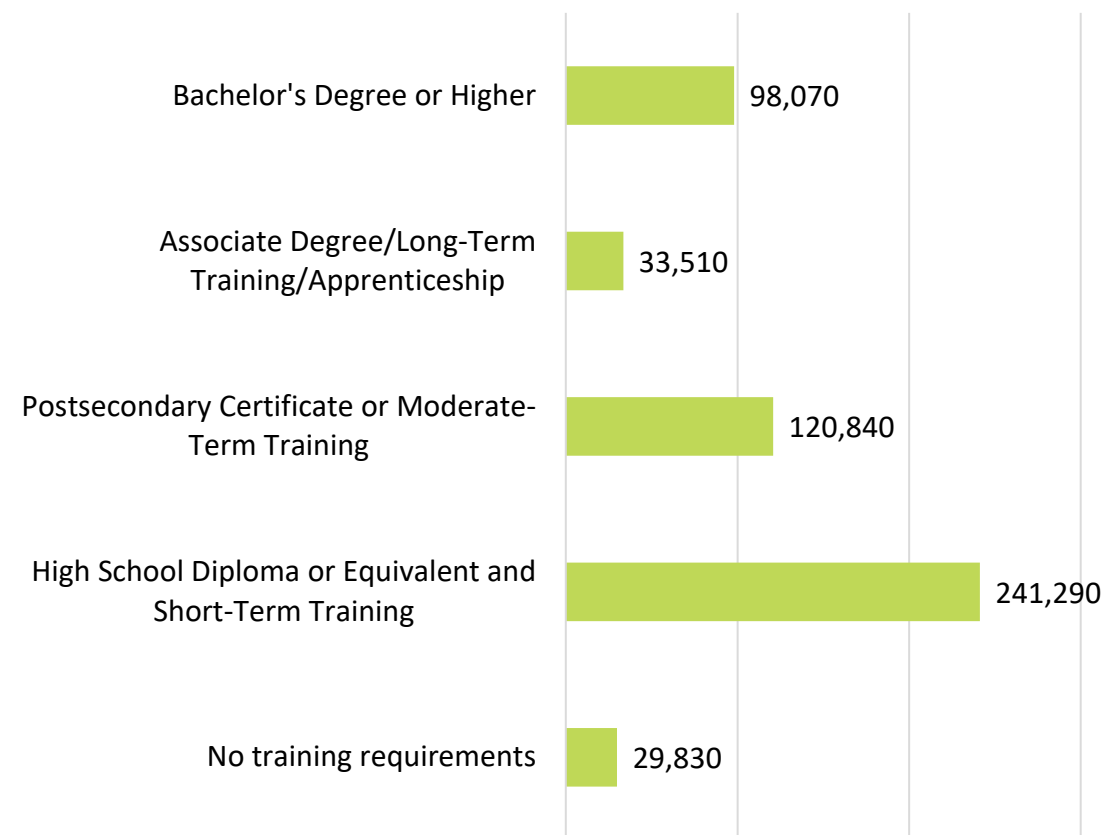
- This is due to two facts:
 - Michigan labor force is projected to be relatively flat through 2028.
 - The 2018 unemployment rate in Michigan was 4.1 percent, even lower than the 4.6 percent full employment rate assumed for 2028.
- Together, these mean that without significant, unprojected domestic or international migration to Michigan, we won't have enough workers or slack in the labor market for significant employment growth.

Projections by Educational Requirements

Projected Growth by Education and Training Group



Annual Openings by Education and Training Group



Thank you!

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