Annual Planning Information and Workforce Analysis Reports: East Central Michigan

State of Michigan

Department of Technology, Management and Budget

Bureau of Labor Market Information and Strategic Initiatives
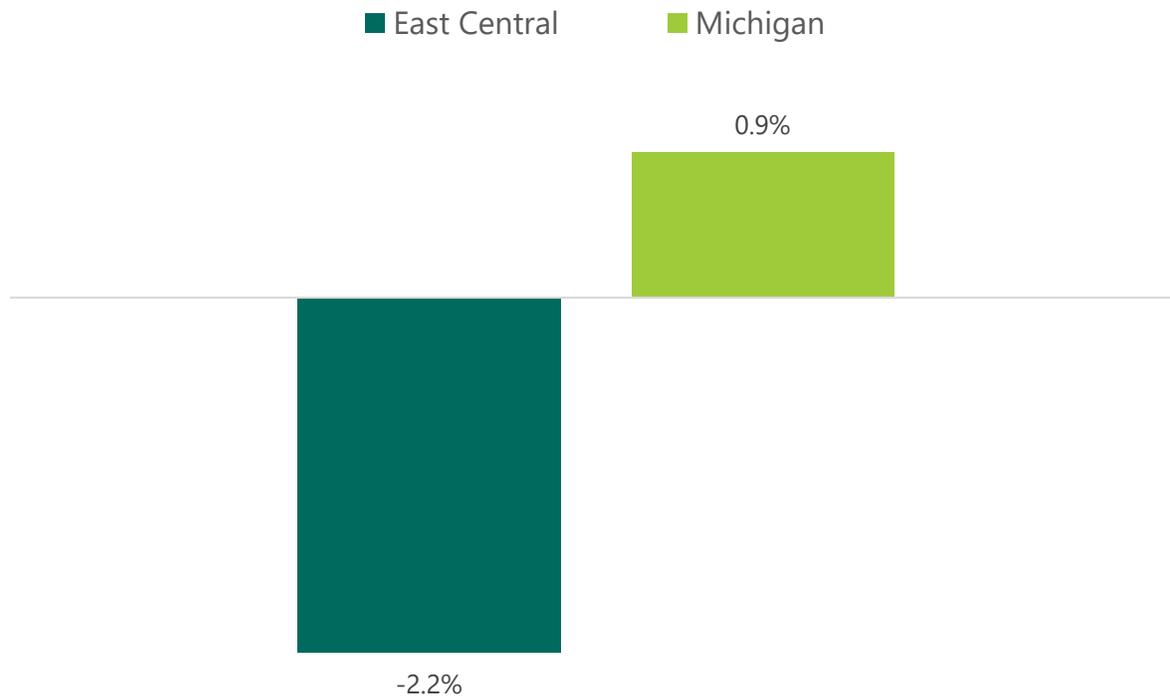
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Population Trends and Characteristics

Tables 1-3

Regional population registers decline from 2011 level.
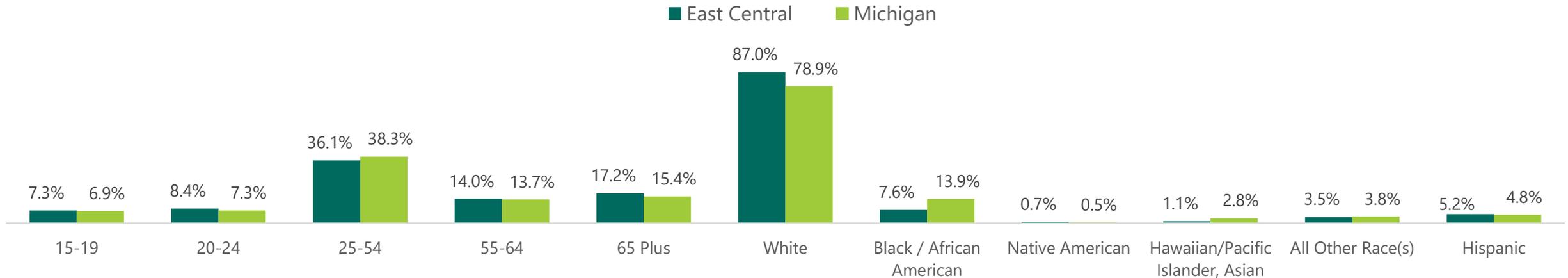
Population Change (2011-2017)

■ East Central   ■ Michigan

0.9%

-2.2%

- According to the latest estimates from the U.S. Census Bureau, the population in East Central Michigan was about 562,600 in 2017, down from 565,000 in 2015. **(Table 1)**

- While the East Central Michigan region lost more than two percent of its population from 2011 to 2017, the state as a whole grew one percent over the same period. The regional reduction amounts to 12,500 fewer residents in 2017 than in 2011. Nationwide, the population rose by 4.5 percent over this period. **(Table 1)**

- Population gains were registered only in Isabella county (500 people, 0.7 percent). The other 7 counties in the region had population declines. Arenac County had the largest percent decline (580 people, 3.9 percent) while Saginaw County had the largest numeric decline (6,900 people, 3.6 percent). **(Table 1)**

Regional population demographics similar to state.

- East Central Michigan largely reflects the age demographics of the state as a whole. Age groups are nearly perfectly aligned with the 15-19, 20-24, and 65 plus being only slightly larger than the state. Of the 568,400 people in this five-year estimate, 89,300 are between 15 and 24. **(Table 2)**

- Race and ethnicity in East Central Michigan vary slightly with the state as a whole. The region is 87 percent White (494,600 people). This relative lack of diversity largely comes from the percent of African Americans in the area being half of the statewide percentage. **(Table 2)**

Population by Age, Race / Ethnicity

■ East Central ■ Michigan

Category	East Central	Michigan
15-19	7.3%	6.9%
20-24	8.4%	7.3%
25-54	36.1%	38.3%
55-64	14.0%	13.7%
65 Plus	17.2%	15.4%
White	87.0%	78.9%
Black / African American	7.6%	13.9%
Native American	0.7%	0.5%
Hawaiian/Pacific Islander, Asian	1.1%	2.8%
All Other Race(s)	3.5%	3.8%
Hispanic	5.2%	4.8%

Source: U.S. Bureau of the Census, 2012-2016 American Community Survey Five-Year Estimates

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Region's educational attainment below state average at highest levels.

- A region's educational attainment is based on the number of residents 25 and older with various education levels. In East Central Michigan, there are fewer residents with a bachelor's degree or higher than seen statewide, 21 percent (or 80,700 residents) in the region versus 27 percent statewide. **(Table 3)**

- Consequently, residents of the region with a high school diploma or less are higher than the statewide level; 46 percent (or 173,800 residents) in the region compared to 40 percent statewide. **(Table 3)**

Educational Attainment
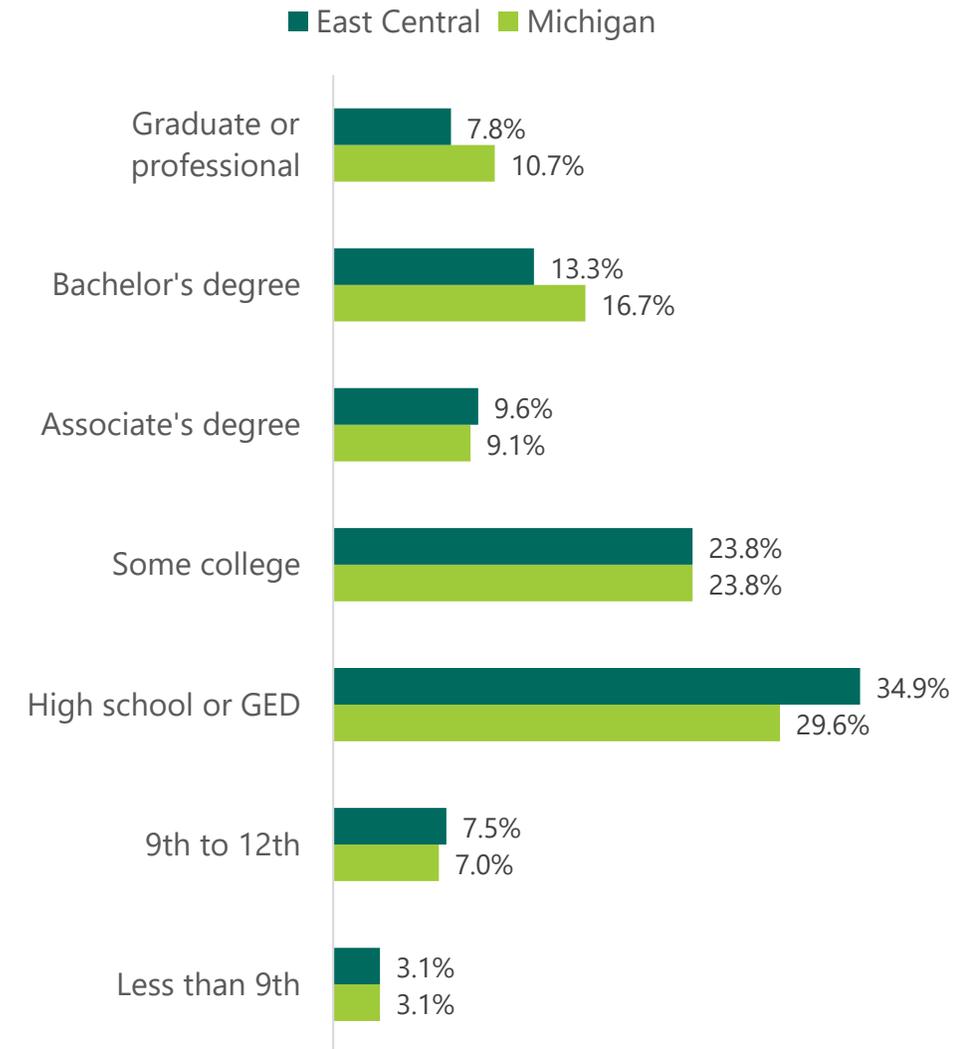
■ East Central ■ Michigan

Category	East Central	Michigan
Graduate or professional	7.8%	10.7%
Bachelor's degree	13.3%	16.7%
Associate's degree	9.6%	9.1%
Some college	23.8%	23.8%
High school or GED	34.9%	29.6%
9th to 12th	7.5%	7.0%
Less than 9th	3.1%	3.1%

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Labor Force and Employment Trends and Characteristics
Tables 4-7 and 12

Unemployment rate lower since 2011 while labor force remains below 2011 levels.

Unemployment Rates

- 2011
- 2013
- 2015
- 2017

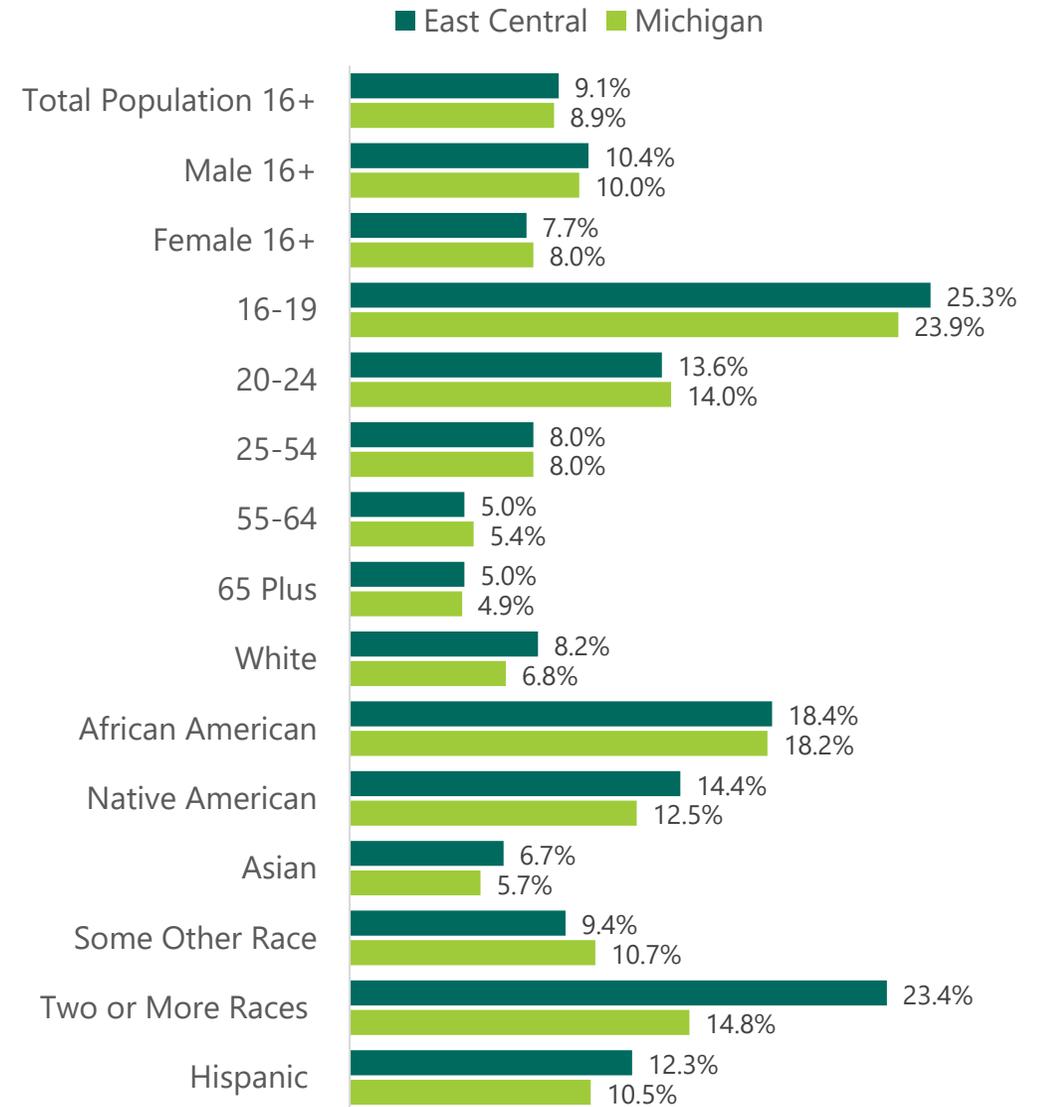| Region	2011	2013	2015	2017
East Central	9.9	8.9	5.7	5.5
Michigan	10.4	8.8	5.4	4.6
United States	8.9	7.4	5.3	4.4
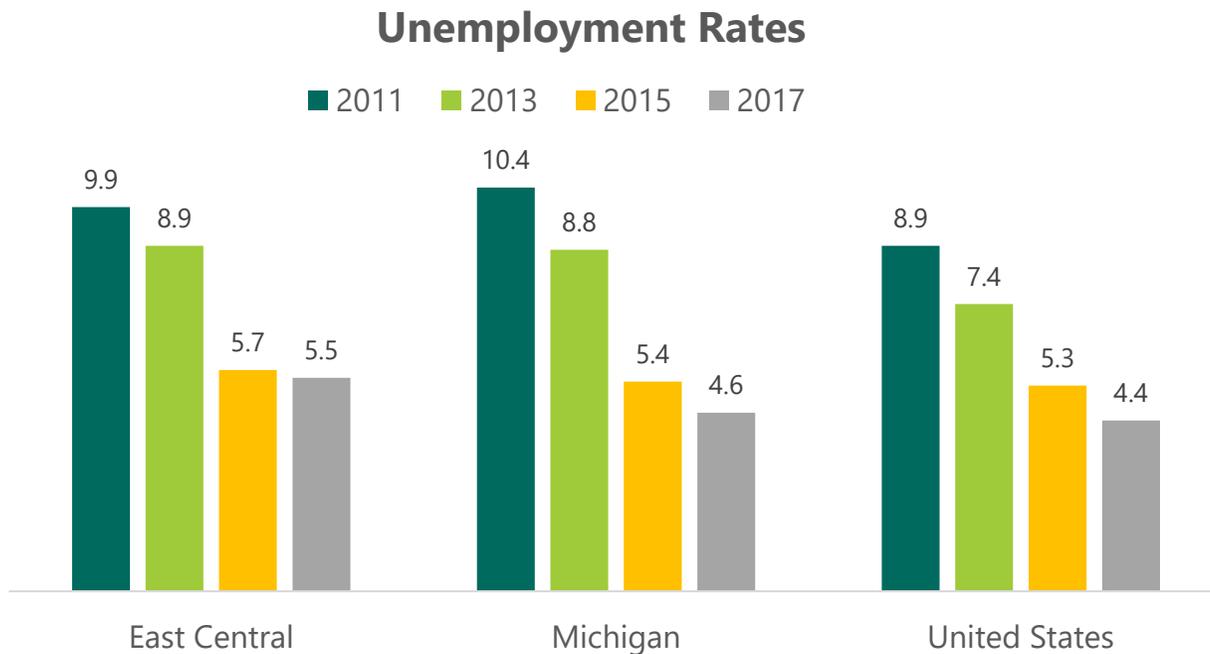
Source: DTMB, Bureau of Labor Market Information and Strategic Initiatives, Local Area Unemployment Statistics (LAUS)

- The unemployment rate in East Central Michigan followed state and national trends, dropping significantly between 2011 and 2017. **(Table 6)**
- Over that period, the jobless rate fell by 4.5 percentage points and the count of unemployed individuals dropped by 12,300 or 46 percent in East Central Michigan. **(Tables 6 and 12)**
- While the number of employed has posted recent gains, the size of the labor force today is still below 2011. **(Tables 4-6)**
- In East Central Michigan, the labor force measured 260,800 in 2017, slightly down from 2015 and down 6,200 or 2.3 percent, from the 2011 level. **(Table 4)**
- Notably the jobless rate changed very little since 2015 in contrast with what occurred in the state and nation. **(Table 6)**

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Regional jobless rates elevated for youth and young adults as well as several minority groups.

- According to estimates from the U. S. Census Bureau, there were more males than females participating in the labor market in East Central Michigan. However, males experienced a higher unemployment rate at 10 percent, compared to less than 8 percent for females. **(Table 7)**

- Some minority groups in the area have small labor force counts, so a small change can have a large impact on unemployment estimates. **(Table 7)**

- In general, East Central Michigan unemployment rates are nearly equal or slightly higher for all demographic categories, with the exception of people within the Two or More Races category. **(Table 7)**

- Unemployment rates for all demographics have been dropping by varying amounts over the past few years. **(Table 7)**

Unemployment Rates by Sex, Age, and Race / Ethnicity

■ East Central   ■ Michigan

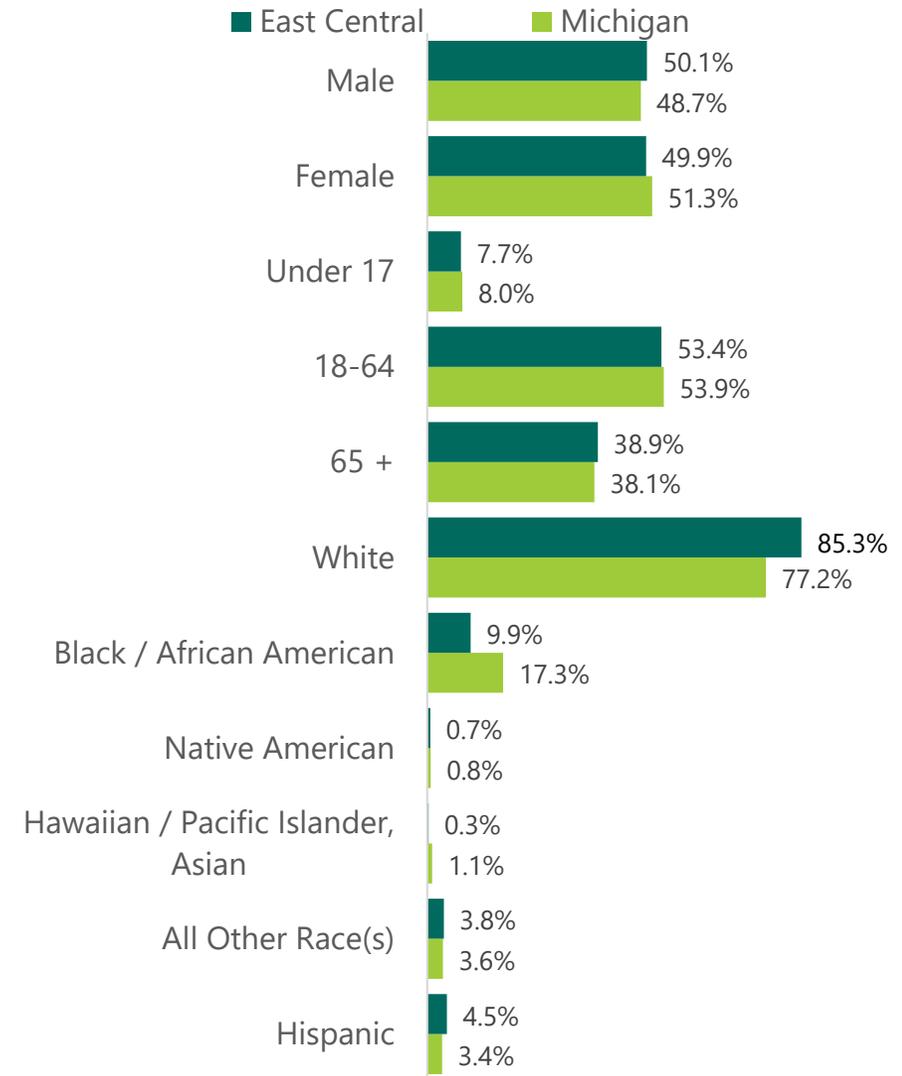| Category	East Central	Michigan
Total Population 16+	9.1%	8.9%
Male 16+	10.4%	10.0%
Female 16+	7.7%	8.0%
16-19	25.3%	23.9%
20-24	13.6%	14.0%
25-54	8.0%	8.0%
55-64	5.0%	5.4%
65 Plus	5.0%	4.9%
White	8.2%	6.8%
African American	18.4%	18.2%
Native American	14.4%	12.5%
Asian	6.7%	5.7%
Some Other Race	9.4%	10.7%
Two or More Races	23.4%	14.8%
Hispanic	12.3%	10.5%

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Individuals with Barriers to Employment
Tables 28-36

Individuals with a disability see higher jobless rates and lower labor force participation than population.

- According to the U.S. Census Bureau, 88,800 people in East Central Michigan report a disability. About 39 percent of them were 65 years of age and older. The demographic characteristics of individuals with disabilities in East Central Michigan were skewed more heavily towards white individuals than the statewide average. **(Table 28)**

- Two labor market metrics highlight the challenges faced by people with disabilities in the statewide labor market: labor force participation rates and unemployment rates. At just 25 percent, participation among individuals with disabilities is lower than that for those with no disability (69 percent) in Michigan. When active in the labor market, individuals with disabilities face higher joblessness, with unemployment rates measuring 12.6 percent, more than double the 5.7 percent reported for those with no disability. **(Unified State Plan)**
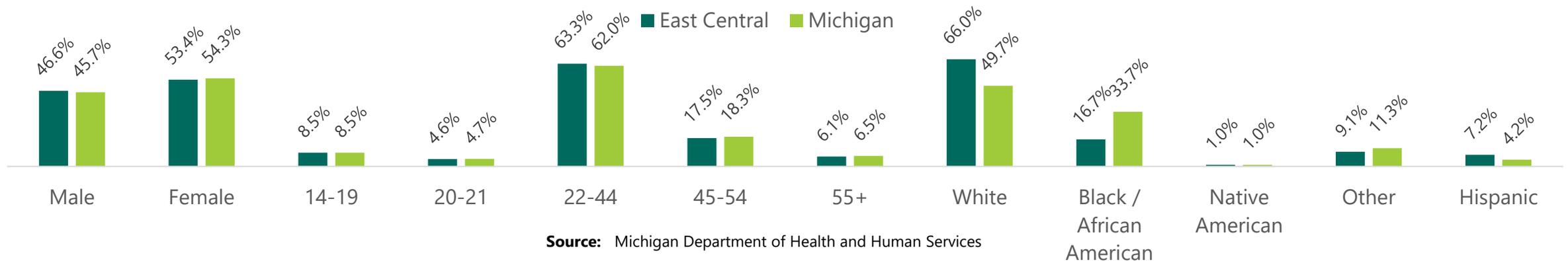
Individuals with a Disability

■ East Central   ■ Michigan

	East Central	Michigan
Male	50.1%	48.7%
Female	49.9%	51.3%
Under 17	7.7%	8.0%
18-64	53.4%	53.9%
65 +	38.9%	38.1%
White	85.3%	77.2%
Black / African American	9.9%	17.3%
Native American	0.7%	0.8%
Hawaiian / Pacific Islander, Asian	0.3%	1.1%
All Other Race(s)	3.8%	3.6%
Hispanic	4.5%	3.4%

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Assistance program recipients concentrated in the working age and white demographics.

- According to the Michigan Department of Health and Human Services, there were about 26,310 assistance recipients in East Central Michigan counties in June 2017. **(Table 30)**
- The majority of the recipients were in the prime working age of 22 to 44 (about 63 percent). **(Table 30)**
- 66 percent of program recipients were White and 17 percent African American, differing significantly from the statewide average. **(Table 30)**

Assistance Program Recipients by Sex, Age, and Race / Ethnicity

■ East Central ■ Michigan

	East Central	Michigan
Male	46.6%	45.7%
Female	53.4%	54.3%
14-19	8.5%	8.5%
20-21	4.6%	4.7%
22-44	63.3%	62.0%
45-54	17.5%	18.3%
55+	6.1%	6.5%
White	66.0%	49.7%
Black / African American	16.7%	33.7%
Native American	1.0%	1.0%
Other	9.1%	11.3%
Hispanic	7.2%	4.2%

Source: Michigan Department of Health and Human Services

Long-term joblessness remains an issue in Michigan and in East Central Michigan.

Percentage Long-Term Unemployed of Total Unemployed

■ 2015　■ 2017

East Central: 30.1% (2015), 18.7% (2017)
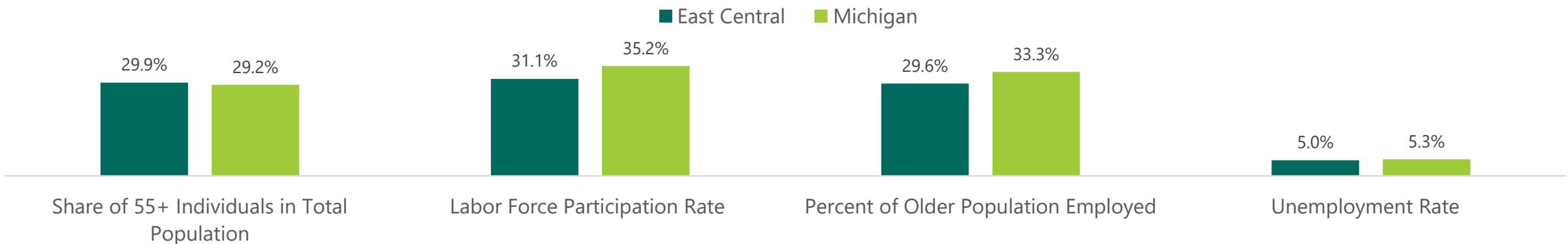Michigan: 28.8% (2015), 19.9% (2017)
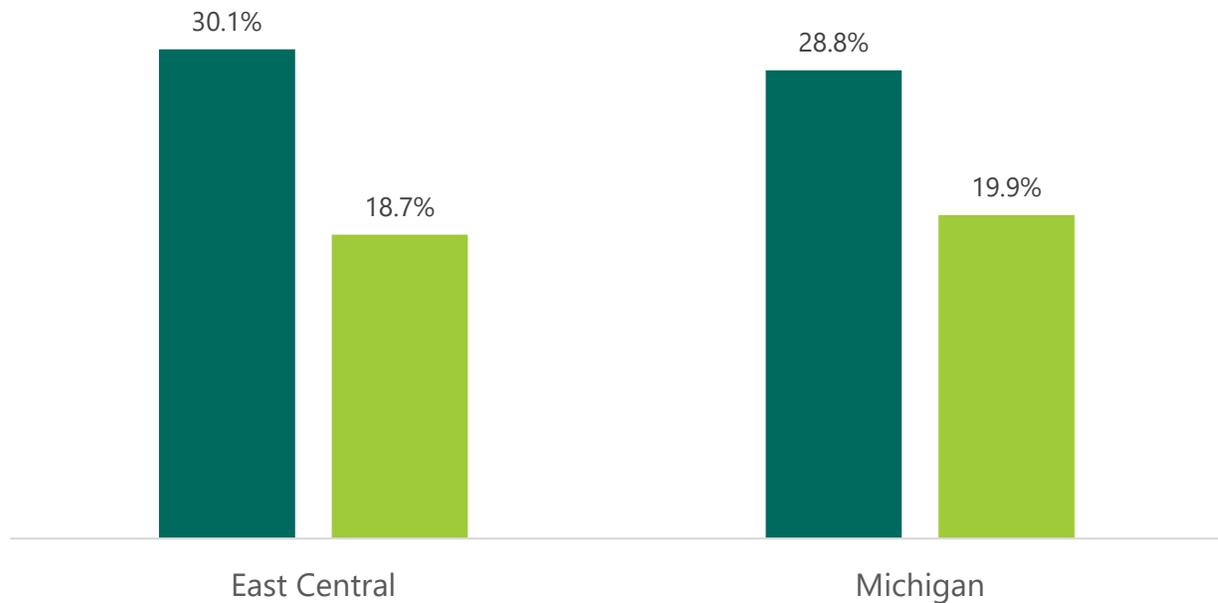
Source: DTMB, Bureau of Labor Market Information and Strategic Initiatives

- Long-term unemployment has made a very large recovery since recession peaks above 44% at the end of the recession.

- The number of long-term unemployed individuals in East Central Michigan has followed the statewide trend. In 2010, 14,100 individuals or 44 percent of all unemployed were long-term unemployed. Long-term unemployment has recovered since, falling to about 2,700 or 19 percent in 2017. **(Table 34)**

- In 2000, 3.5 percent of unemployed Michiganders were out of work for 27 weeks or more. It then escalated to nearly 25 percent by 2003 and swelled to around 50 percent following the Great Recession. The share was about 20 percent in 2017.

- East Central has the 5th lowest percent of long-term joblessness out of the 10 regions. **(Table 34)**

Older workers staying in the labor market in Michigan and in East Central Michigan.

- The number of older workers, defined as those 55 years of age and older, staying active in the labor market has been on the rise. This could be partially due to the recent recession that depleted some retirement investments. **(Table 35)**

- In East Central Michigan, the labor force participation rate of this group during 2012-16 was estimated at 30 percent which is narrowly above the state rate. The unemployment rate is 5.0 which is slightly above the state rate. The rate is notably higher for women (6.1 percent) compared to men (4.0 percent). **(Table 7 and 35)**
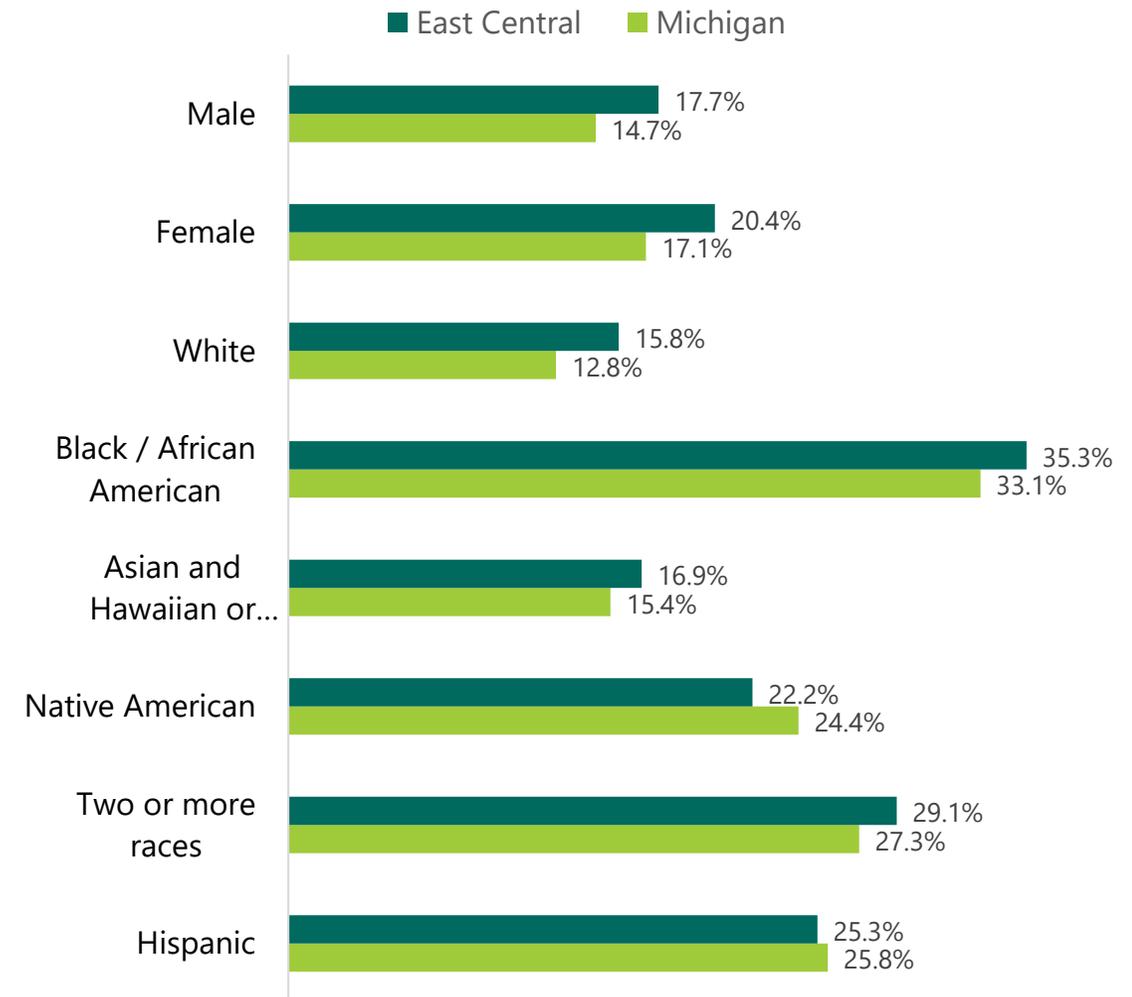
Labor Force Status of Older Workers

■ East Central ■ Michigan

	East Central	Michigan
Share of 55+ Individuals in Total Population	29.9%	29.2%
Labor Force Participation Rate	31.1%	35.2%
Percent of Older Population Employed	29.6%	33.3%
Unemployment Rate	5.0%	5.3%

Source: U.S. Bureau of the Census, 2012-2016 American Community Survey Five-Year Estimates

Poverty rate at 19 percent in East Central Michigan, above statewide rate.

- In 2016, the U. S. Census Bureau estimated that 118,300 individuals (or 19 percent of the population) lived below the poverty line in East Central Michigan. That is above the state poverty rate of 16 percent. **(Table 36)**

- While African Americans, individuals or two or more races, and those of Hispanic or Latino ethnicity have poverty rates comparable to the state average for those groups, the poverty level for these groups are still significantly higher than the overall regional poverty rate. **(Table 36)**

- The share of women living in poverty is slightly higher than that of men in both the region and the state. **(Table 36)**

Poverty by Sex and Race / Ethnicity

■ East Central ■ Michigan

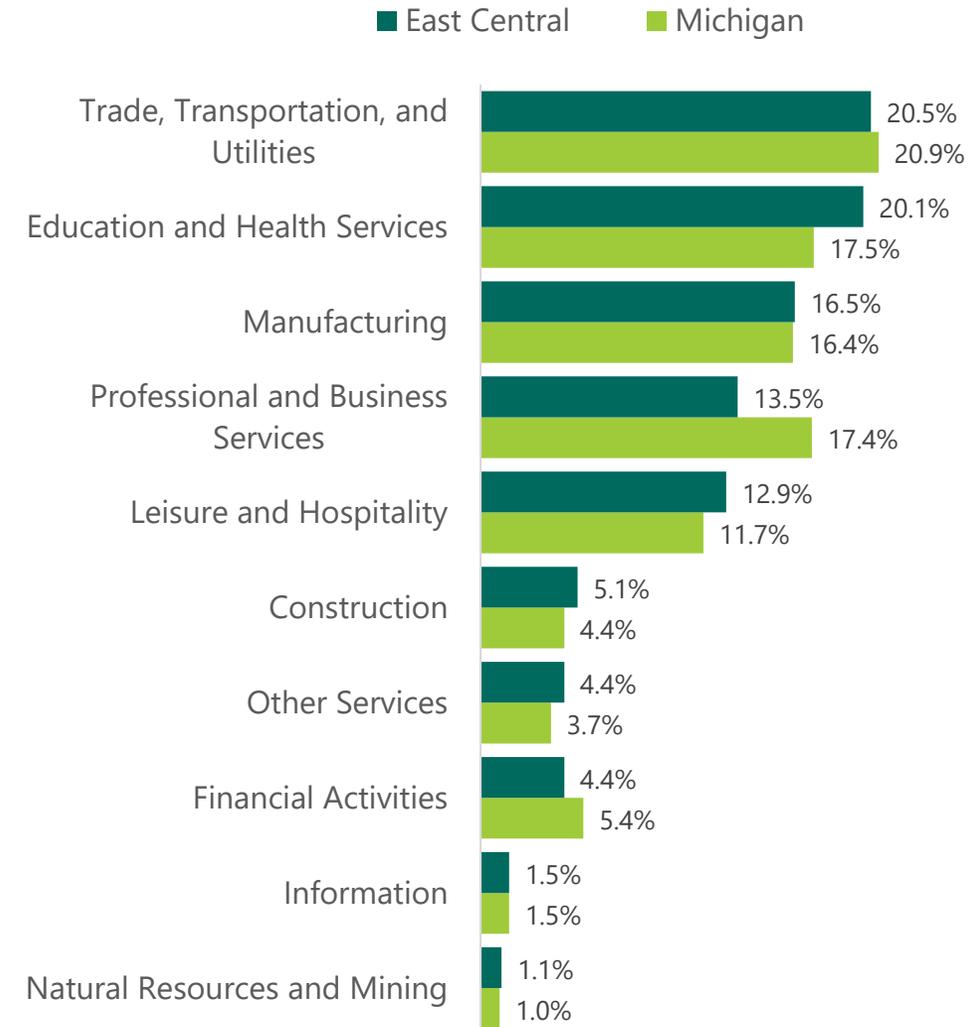| Category	East Central	Michigan
Male	17.7%	14.7%
Female	20.4%	17.1%
White	15.8%	12.8%
Black / African American	35.3%	33.1%
Asian and Hawaiian or...	16.9%	15.4%
Native American	22.2%	24.4%
Two or more races	29.1%	27.3%
Hispanic	25.3%	25.8%

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Existing and Emerging In-Demand Industry Sectors and Occupations
Tables 8-11 and 17-26

Nearly 70 percent of regional employment concentrated in top four industries.

- In 2017, *Trade, transportation, and utilities* was the region's largest industry, employing over 20 percent of the region's workers. **(Table 8)**
- This is a change from 2016 when *Education and health services* was the largest industry in terms of jobs. These two industries are almost identical in size, employing around 36,000 individuals each. **(Table 8)**
- *Professional and business services* stands out as a relatively smaller industry in the region when compared to the state. Meanwhile *Education and health services* is nearly 3 percent larger than it is statewide. **(Table 8)**

Distribution of Industry Jobs, 2nd Quarter 2017

■ East Central ■ Michigan

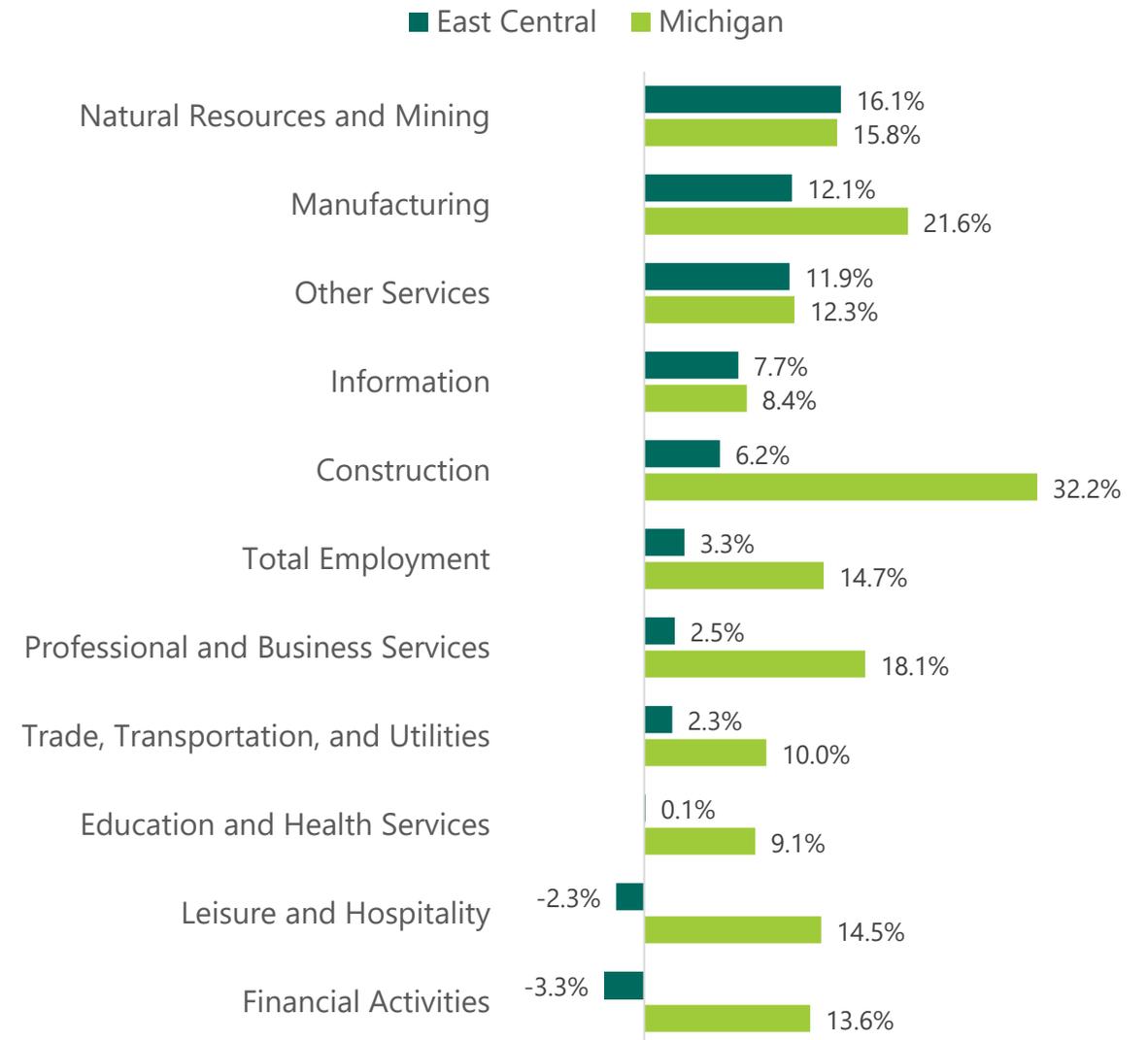| Industry	East Central	Michigan
Trade, Transportation, and Utilities	20.5%	20.9%
Education and Health Services	20.1%	17.5%
Manufacturing	16.5%	16.4%
Professional and Business Services	13.5%	17.4%
Leisure and Hospitality	12.9%	11.7%
Construction	5.1%	4.4%
Other Services	4.4%	3.7%
Financial Activities	4.4%	5.4%
Information	1.5%	1.5%
Natural Resources and Mining	1.1%	1.0%

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Private sector jobs grew by 5,630 or 3.3 percent between 2011 and 2017.

- East Central Michigan saw private sector jobs expand by 5,630 or 3.3 percent since 2011, largely fueled by a 3,200 job expansion in *Manufacturing*. Statewide, private payrolls grew by 480,500 or 14.7 percent during the same period. **(Table 8)**

- The only industries to see private sector job losses over 2011 levels were *Financial activities* and *Leisure and hospitality*. The sectors were down near 270 and 540 jobs respectively. **(Table 8)**

Private Sector Job Trends

■ East Central ■ Michigan

Sector	East Central	Michigan
Natural Resources and Mining	16.1%	15.8%
Manufacturing	12.1%	21.6%
Other Services	11.9%	12.3%
Information	7.7%	8.4%
Construction	6.2%	32.2%
Total Employment	3.3%	14.7%
Professional and Business Services	2.5%	18.1%
Trade, Transportation, and Utilities	2.3%	10.0%
Education and Health Services	0.1%	9.1%
Leisure and Hospitality	-2.3%	14.5%
Financial Activities	-3.3%	13.6%

Source: DTMB, Bureau of Labor Market Information and Strategic Initiatives, Quarterly Census of Employment and Wages (QCEW)

IT'S BIGGER THAN DATA.

Registered nurses leads online job postings in 2nd quarter 2017.

Online Advertised Job Postings – East Central Michigan	
Job Title	Number
Registered Nurses	387
Retail Salespersons	230
First-Line Supervisors of Retail Sales Workers	209
Heavy and Tractor-Trailer Truck Drivers	206
Maintenance and Repair Workers, General	114
Medical Assistants	85
Customer Service Representatives	76
First-Line Supervisors of Food Preparation and Ser	71
Nursing Assistants	69
Combined Food Preparation and Serving Workers, Inc	61

Source: The Conference Board, Help Wanted Online Database

- In the 2nd Quarter of 2017, there were 5,800 online advertised job postings in East Central Michigan, according to the Conference Board's Help Wanted Online Database. **(Table 17)**

- The majority of top job advertisements posted online required an education beyond high school and or substantial on the job training. **(Table 17)**

- The prevalence of the *Healthcare* industry is apparent with three of the top ten jobs coming from healthcare fields. Two occupations are *First-line supervisors* which typically do not require education beyond high school, but can have higher requirements for work experience in a related occupations. **(Table 18)**

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Service and professional occupations projected to be region's largest groups in 2024.

Projected 2024 Distribution of Jobs by Broad Occupational Groups

Service: East Central 18.4%, Michigan 16.3%
Professional: East Central 17.0%, Michigan 20.3%
Administrative Support: East Central 13.4%, Michigan 13.9%
Healthcare: East Central 11.4%, Michigan 9.8%
Sales: East Central 10.9%, Michigan 9.8%
Production: East Central 8.1%, Michigan 9.8%
Construction and Repair: East Central 7.9%, Michigan 7.0%
Management: East Central 6.1%, Michigan 6.1%
Transportation: East Central 5.5%, Michigan 6.1%
Farm: East Central 1.2%, Michigan 0.8%
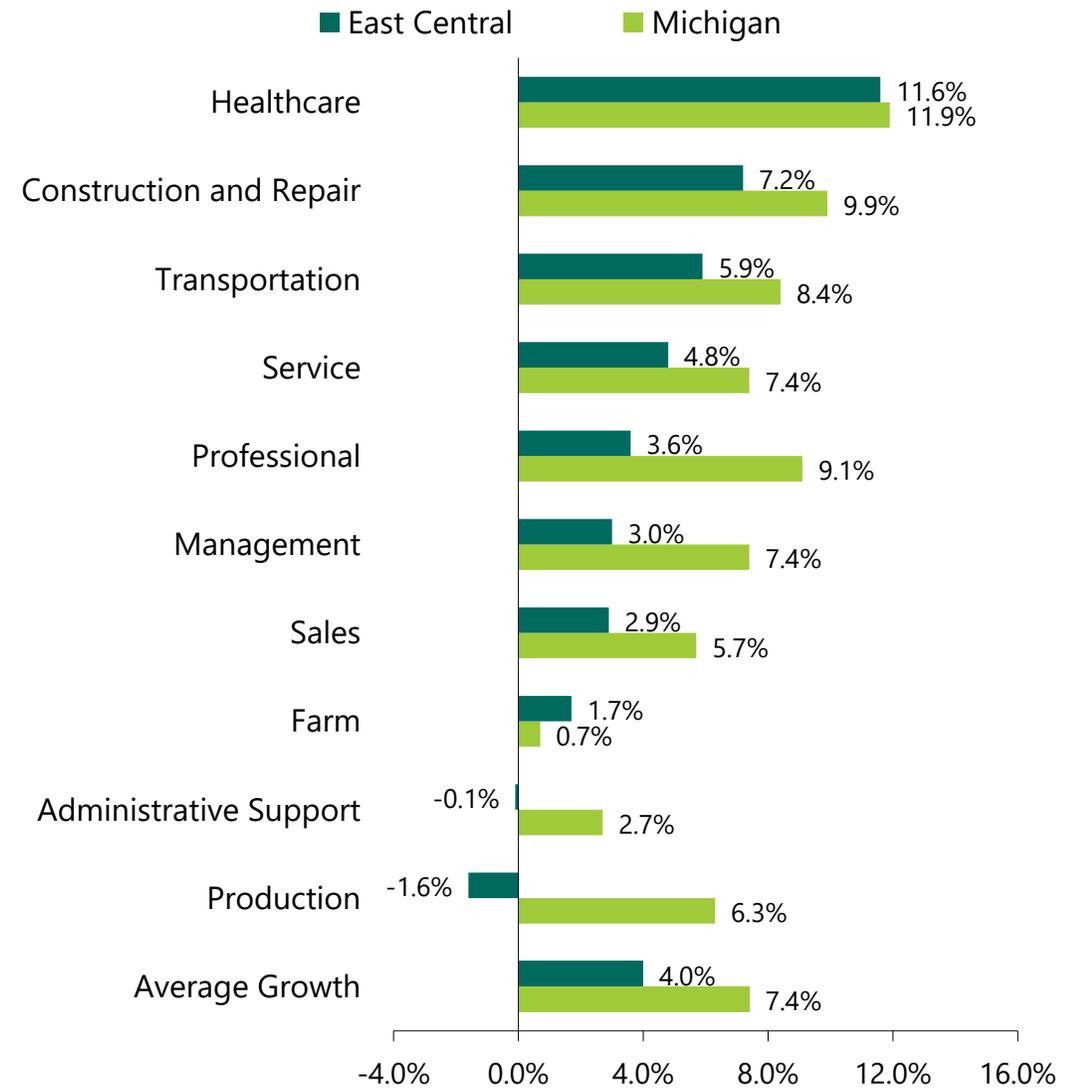
Legend: ■ East Central ■ Michigan

Source: Bureau of Labor Market Information and Strategic Initiatives

- In general, the share of total employment for occupation groups in 2014 and 2024 are expected to change little, with currently-large groups expected to remain on top by share of total employment. **(Table 19)**

- *Service* – Nearly one in five jobs in East Central Michigan will be a service job in 2024, unchanged from the 2014 share of jobs in *Services* occupations. These jobs include positions in *Food preparation and serving*, *Building and grounds cleaning and maintenance*, *Personal care and service*, and *Protective service*. **(Table 19)**

- *Professional* – The second-largest occupational group both now and in 2024, this category includes a diverse group of occupations representing everything from *Accountants* to *Computer programmers* and *Postsecondary teachers*. **(Table 19)**

- *Administrative Support* – Contributes about 13.9 percent of the region's employment. This occupational group includes some of the largest single occupations such as *Bookkeepers*, *Secretaries* and *Office clerks*. This group is projected to make up 13.4 percent of 2024 employment. **(Table 19)**

- *Healthcare* – This group of occupations is projected to have the largest increase in share of regional employment for 2024, increasing from 10.7 percent of regional employment in 2012 to 11.6 percent in 2024. **(Table 19)**

Healthcare and Construction occupations to experience most growth through 2024 in East Central Michigan.

- Employment in almost all occupational groups in East Central Michigan is projected to grow below the statewide average through 2024 with the exception of *Farm*. **(Table 19)**

- Four groups of occupations are expected to account for 7,900 of the 9,500 new jobs in East Central Michigan *(Professional, Health care, Service,* and *Construction)*. **(Table 19)**

- *Healthcare* occupations will contribute about 3,000 new jobs to the regional economy (or 31.1 percent of all new jobs). This group includes the fast-growing *Registered nurses* occupation along with *Physical therapists*, *Dental hygienists*, and *Pharmacists*. **(Table 19)**

- *Service* is the second-largest group in terms of newly-added jobs, projected to create 2,100 positions through 2024. This group includes many occupations in the *Restaurant, hotel, and recreation* industries which are dominant in the region. **(Table 19)**

- The *Construction and repair* group of occupations will contribute 1,300 new positions to the region, or about 14 percent of the region's newly-created jobs. This group encompasses not only *Construction laborers* but also *Electricians*, *Powerline repairers*, *Plumbers*, *Roofers*, and many other careers in specialty trade contractors. **(Table 19)**

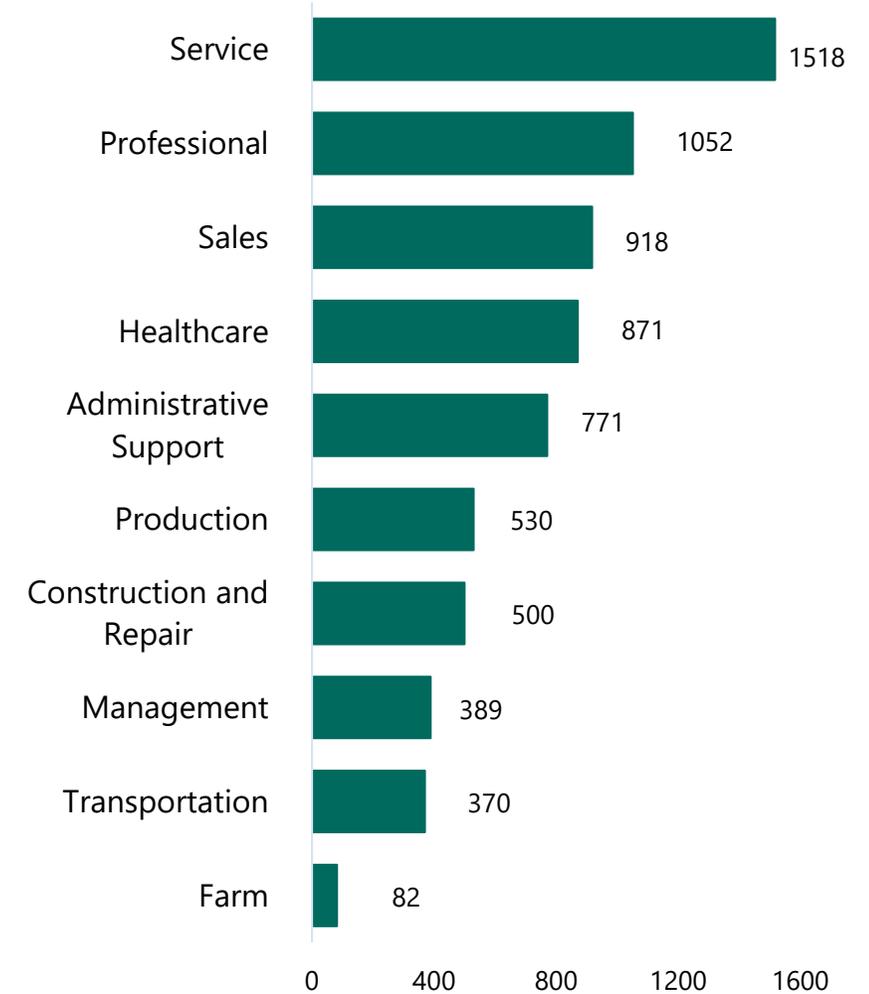## Projected Percent Growth by Broad Occupational Groups (2014-2024)

■ East Central   ■ Michigan

Occupational Group	East Central	Michigan
Healthcare	11.6%	11.9%
Construction and Repair	7.2%	9.9%
Transportation	5.9%	8.4%
Service	4.8%	7.4%
Professional	3.6%	9.1%
Management	3.0%	7.4%
Sales	2.9%	5.7%
Farm	1.7%	0.7%
Administrative Support	-0.1%	2.7%
Production	-1.6%	6.3%
Average Growth	4.0%	7.4%

Source: Bureau of Labor Market Information and Strategic Initiatives

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Region's largest occupations are projected to have the highest number of openings per year through 2024.

- Because of the need to replace workers who are retiring or otherwise leaving the occupation in the area, the largest groups are projected to see the most annual openings through 2024. **(Table 20)**

- Fast-growing occupational groups such as *Healthcare* will have significant numbers of annual openings due to growth each year. In fact, nearly 35 percent of all annual openings in *Healthcare* occupations are expected to be due to newly-created openings. **(Table 20)**

- In the East Central region, about 18 percent of annual openings are expected to come from employment expansion, while the remaining 82 percent will be from the need to replace workers. **(Table 20)**
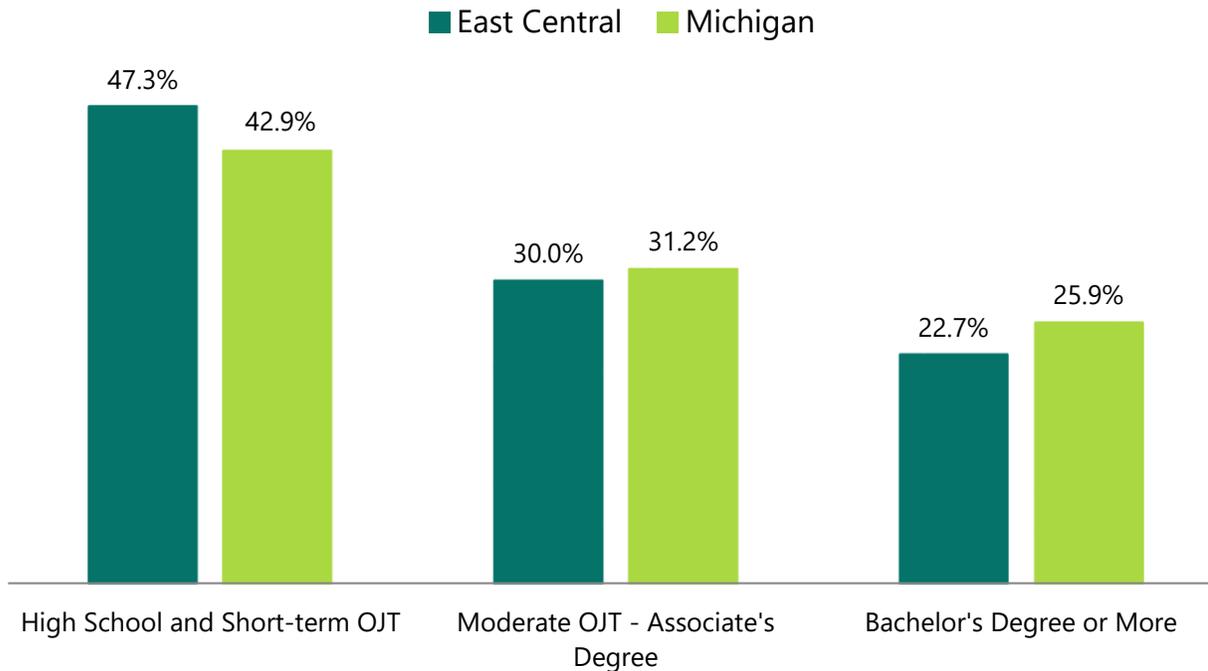
Projected Annual Openings by Broad Occupational Groups (2014 – 2024)

Occupational Group	Openings
Service	1518
Professional	1052
Sales	918
Healthcare	871
Administrative Support	771
Production	530
Construction and Repair	500
Management	389
Transportation	370
Farm	82

IT'S BIGGER THAN DATA.

One in five East Central jobs will require at least a bachelor's degree in 2024.

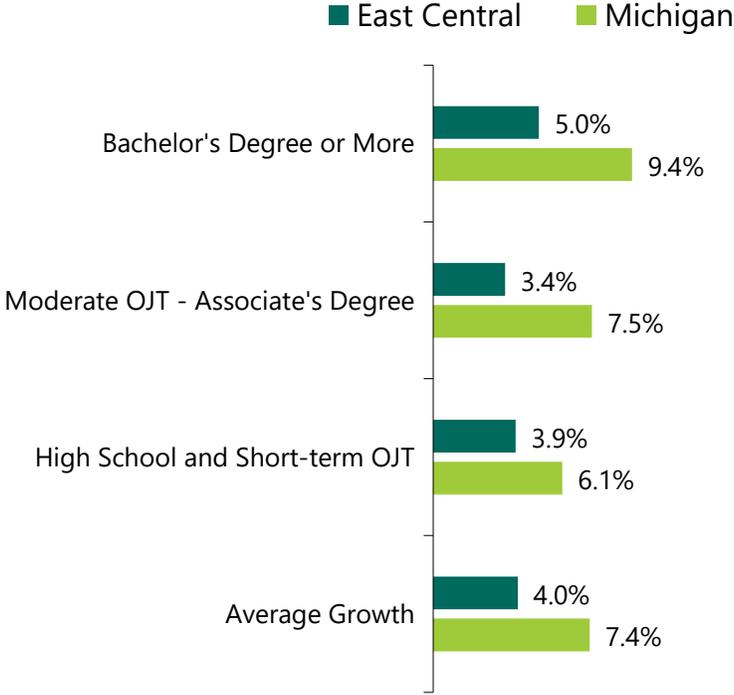## Projected 2024 Occupational Employment by Education (Share of Total)

Legend: ■ East Central   ■ Michigan

Category	East Central	Michigan
High School and Short-term OJT	47.3%	42.9%
Moderate OJT - Associate's Degree	30.0%	31.2%
Bachelor's Degree or More	22.7%	25.9%

Source: Bureau of Labor Market Information and Strategic Initiatives

- By 2024, just under half of all East Central Michigan jobs will still need only a high school diploma or less, requiring at most short-term on-the-job training. These occupations have a large employment base and include many jobs from groups such as *Service*, *Production*, *Transportation and material moving*, and *Sales*.

- A third of the area's jobs will require an associate's degree, a post-secondary training, some college with no degree, or a high school diploma or less accompanied with an extended period (six months or more) of apprenticeship and/or on-the-job training. Many health and skilled trades careers fall within this group and are associated with long-run employment growth and high earnings.

- One fifth of all jobs in the region will require at least a bachelor's degree by 2024, including some of the highest-paying in-demand positions such as *Physical therapists*, *Medical and health services managers*, and *Architecture* and *engineering managers*.

- For each group, the projected share of total employment in 2024 is similar to 2014 employment. The largest change that is expected to take place is a two-tenths of a percentage point shift up in total employment for occupations requiring a bachelor's degree or more.

At all levels of education and training, East Central Michigan growth is projected to be below statewide levels.

Projected 2024 Occupational Growth by Education

■ East Central   ■ Michigan

| Education Level	East Central	Michigan
Bachelor's Degree or More	5.0%	9.4%
Moderate OJT - Associate's Degree	3.4%	7.5%
High School and Short-term OJT	3.9%	6.1%
Average Growth	4.0%	7.4%

Source: Bureau of Labor Market Information and Strategic Initiatives

- Jobs requiring a bachelor's degree or more will grow by 5.0 percent, and this is the only group projected to grow faster than the overall regional growth rate of 4.0 percent. This group is also the fastest growing in the state. Within this group are occupations such as *Registered nurses, Accountants,* and *Physical therapists*.

- Occupations requiring only short-term on-the-job training or less are expected to grow by 3.9 percent. This is almost even with the overall regional growth rate.

- The region as a whole is expecting 4.0 percent growth which is noticeably lower than the 7.4 percent growth expected statewide. This is reflected in every education and training tier having a lower growth rate at the regional level than at the state level.

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Large occupations and those requiring more education top occupations with favorable mixes of growth, openings, and wages.

- High-demand, high-wage occupations are jobs that demonstrate a favorable mix of long-term job growth, annual openings from both growth and replacement, and median wages. **(Table 23)**

- In general, occupations with a large employment base create many job openings (size of the bubble on the chart) due to the need to replace workers. However, the occupation with the highest number of annual openings, *Registered nurses* (J), also boasts an above-regional-average growth rate and considerable hourly wages.

- When the list of high-demand, high-wage occupations is broken down by required training, it becomes clear that the pay level is directly correlated with the level of formal education and/or the length of the job training or apprenticeship. **(Tables 23-26)**

Annual Openings, Growth Rate, and Hourly Wage for High-Demand, High-Wage Occupations
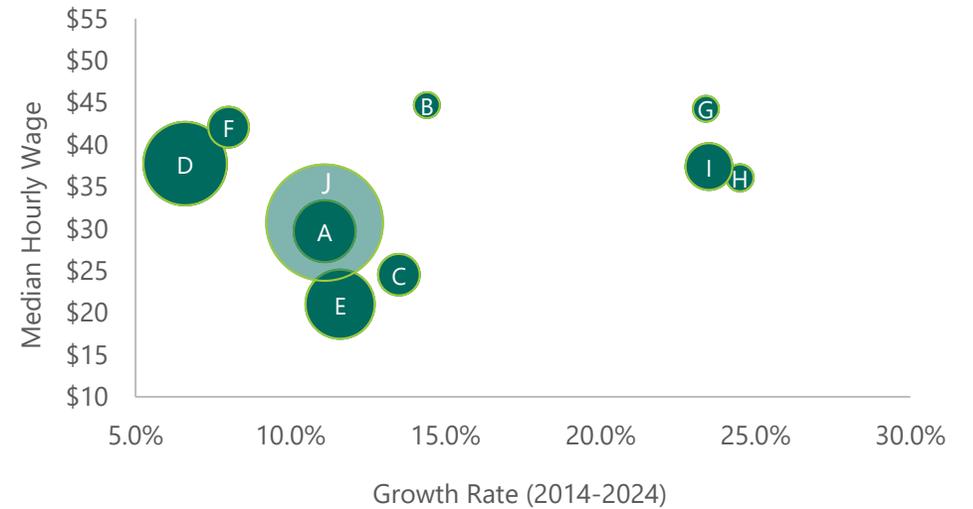
	Occupation		Occupation
A	Accountants and Auditors	F	Medical and Health Services Managers
B	Computer and Information Systems Managers	G	Nurse Practitioners
C	Electricians	H	Personal Financial Advisors
D	General and Operations Managers	I	Physical Therapists
E	Machinists	J	Registered Nurses

Source: Bureau of Labor Market Information and Strategic Initiatives

Annual Planning Information and Workforce Analysis Reports: East Central Michigan

State of Michigan

Department of Technology, Management and Budget

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