

# MICHIGAN'S LABOR MARKET NEWS

VOL. 76, ISSUE NO. 4  
JUNE 2020

---

## A Look at Union Membership in Michigan

Feature Article pg. 16

---

## Map of the Month: Union Membership and “Right to Work” Status by State

pg. 15

---

## Ask the Economist: What is the WARN Program, and What Does it Mean in the Age of COVID-19?

pg. 26





# Unemployment soars in April, the first month to fully reflect the impact of the COVID-19 pandemic on the labor market

APRIL 2020 JOBLESS RATE

MICHIGAN

22.7%

NATIONAL

14.7%

## TABLE OF CONTENTS

4	Michigan Employment and Unemployment Trends
6	Michigan Job Trends by Industry Sector
10	Regional Labor Market Analysis
15	Map of the Month: Union Membership and “Right to Work” Status by State
16	Feature Article: A Look at Union Membership in Michigan
22	Online Job Advertisements
24	Relevant Rankings
26	Ask the Economist: What is the WARN Program, and What Does it Mean in the Age of COVID-19?

Cover Photo by Claire Abendroth, Photographer,  
Michigan Department of Labor and Economic Opportunity



**BRUCE WEAVER**  
*CONTRIBUTOR*  
Economic Manager  
WeaverB1@michigan.gov



**JIM BIRNEY**  
*CONTRIBUTOR*  
Economic Analyst  
BirneyJ@michigan.gov



**WAYNE ROURKE**  
*CONTRIBUTOR*  
Associate Director  
RourkeW@michigan.gov



**MARK REFFITT**  
*PROJECT MANAGER*  
Economic Specialist  
ReffittM@michigan.gov



**KRYSTAL JONES**  
*CONTRIBUTOR*  
Economic Analyst  
JonesK54@michigan.gov



**ASHLEY TARVER**  
*CONTRIBUTOR*  
Demographic Analyst  
TarverA2@michigan.gov



**HAILEY BARRUS**  
*DESIGNER*  
Communications Representative  
BarrusH1@michigan.gov



**EVAN LINSKEY**  
*CONTRIBUTOR*  
Economic Analyst  
LinskeyE@michigan.gov



**JEFFREY AULA**  
*CONTRIBUTOR*  
Economic Analyst  
AulaJ@michigan.gov



**LEONIDAS MUREMBYA**  
*REGIONAL CONTRIBUTOR*  
Economic Specialist  
MurembyaL@michigan.gov

### IT'S BIGGER THAN DATA.

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 Evaluation division conducts workforce research and program evaluation, giving you the insight you need to make smarter decisions.

In April, Michigan's unemployment rate surged to 22.7 percent and payroll jobs tumbled by more than one million. Meanwhile, jobless rates topped 20 percent in most regions and jobs plunged throughout the state, particularly in the *Leisure and hospitality* and *Manufacturing* sectors. The historic unemployment rates and job declines reflected the first full month of the COVID-19 pandemic's impact on the state's labor market.

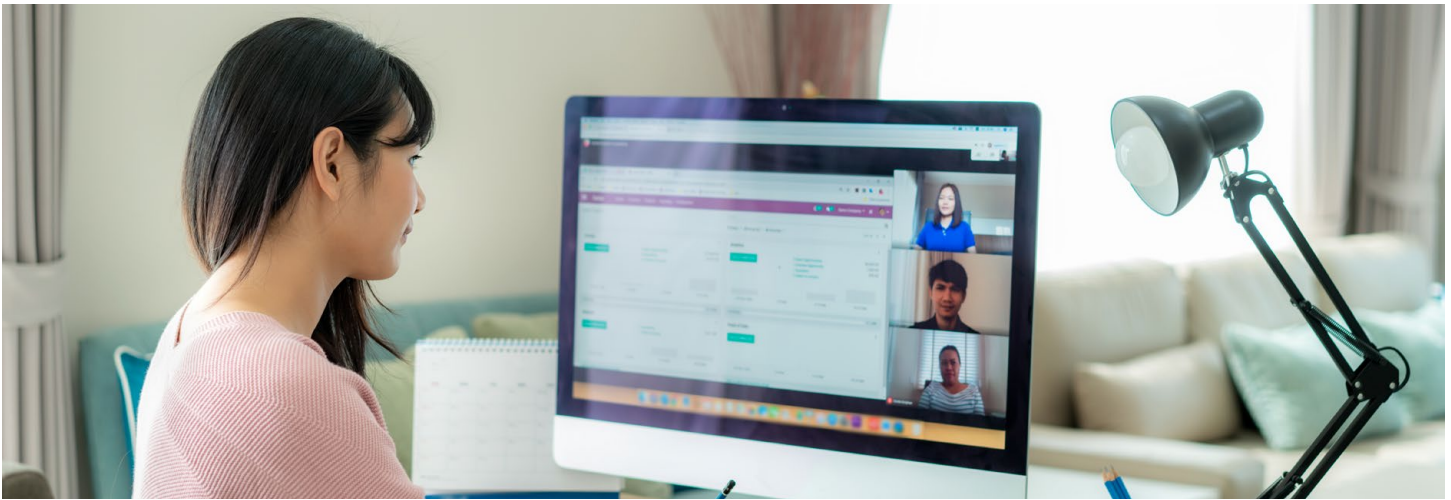
This month's issue focuses on union employment in Michigan. In our *Feature Article*, we look to answer several key questions on the trends in union membership in our state, how we compare to the nation and other states, what types of industries and occupations union members are found in, and more. Our *Map of the Month* provides a snapshot of union employment nationally, comparing states that have passed "right to work" laws against those who have not. Our *Relevant Rankings* provides data to further complement our author's analysis in the *Feature Article*. Finally, we leave you with an *Ask the Economist* that highlights information on the Worker Adjustment and Retraining Notification (WARN) Act and the WARN database, which is another critical piece of labor market information that is garnering attention recently due to the economic impact of the COVID-19 pandemic.

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



**JASON PALMER**  
*DIRECTOR*

Bureau of Labor Market Information and Strategic Initiatives  
PalmerJ2@michigan.gov



# MICHIGAN APRIL UNEMPLOYMENT RATE SURGES TO HISTORIC LEVELS

The seasonally adjusted unemployment rate for Michigan in April soared to 22.7 percent, the second highest jobless rate among U.S. states. This means the monthly rate jumped by 18.4 percentage points in a single month.

This April data is the first to fully reflect the initial impact of job cuts due to the COVID-19 pandemic.

Total employment plunged over the month by 1,130,000 and the number of unemployed residents rose by 839,000, which resulted in a total monthly labor force loss of 291,000. The Michigan labor force fell in just one month to 1991 levels.

The U.S. jobless rate moved up by 10.3 percentage points to 14.7 percent in April and was 8.0 percentage points lower than the Michigan unemployment rate.

Michigan employment contracted by 24.1 percent in April and by 24.5 percent since April 2019. Nationally, the employment level receded by 14.4 percent over the month and 14.9 percent over the year. The April unemployment level in Michigan surged substantially by

over 400 percent, well above the U.S. total unemployment level gain of about 223 percent.

Over the year, the statewide jobless rate soared by 18.4 percentage points as well, with a labor force loss of 320,000 since April 2019 and an employment drop of over 1.1 million.

The April 2020 unemployment rate change in Michigan was likely the largest monthly rate hike ever, and was clearly the highest increase recorded in the comparable Local Area Unemployment Statistic (LAUS) series back to 1976.

## 2009 Great Recession and COVID-19 Pandemic Comparison

An evaluation of Michigan labor force trends during the 2009 Great Recession can provide insight on the extraordinary impact of the COVID-19 pandemic on April labor force trends.

At its peak, the unemployment rate during the Great Recession reached 14.6 percent in June 2009. However, it took approximately 18 months for the state jobless rate to advance by about

seven percentage points. By comparison, it took just one month for the Michigan unemployment rate to jump by 18.4 percentage points to 22.7 percent during the COVID-19 pandemic. This month's unemployment rate set a new record for the state since at least 1976 (as far back as comparable estimates go).

When the Michigan jobless rate reached its recent high in June 2009, the statewide employment count was down 314,000 over the year, or 6.9 percent. In April 2020, Michigan employment levels plunged by 1,157,000, or 24.5 percent over the past year.

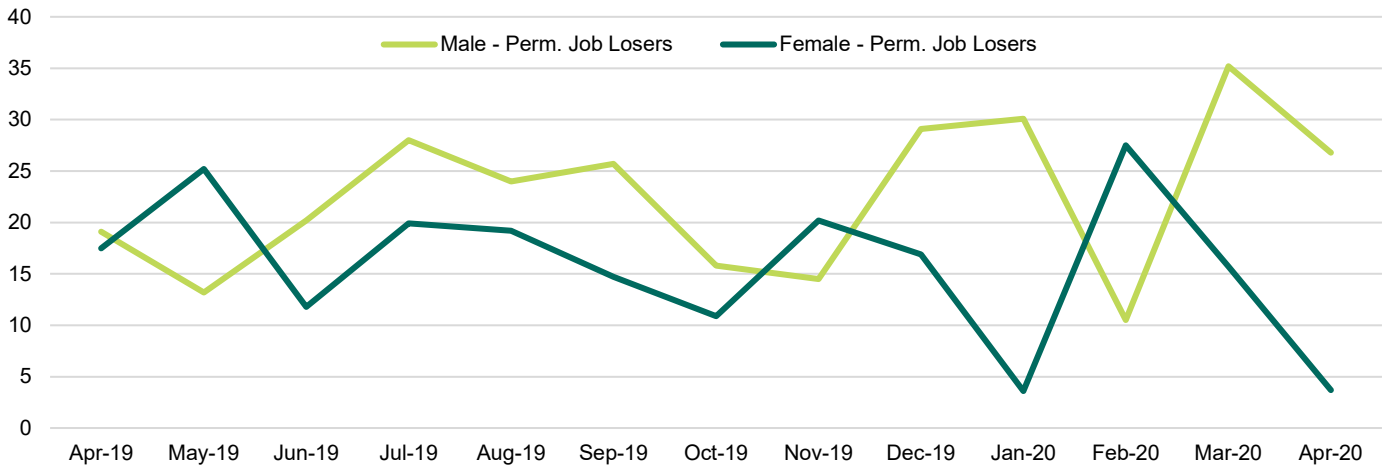
The total number of unemployed in Michigan reached 1,048,000 in April 2020, surpassing the previous peak of 725,000 in June 2009.

The employment-population ratio, which represents the proportion of the civilian noninstitutional population that is employed, was 54.5 percent in June 2009. In April 2020, the employment-population ratio fell sharply to 44.5 percent, the lowest rate since at least 1976.

**JIM BIRNEY**  
Economic Analyst

MICHIGAN LABOR FORCE ESTIMATES (SEASONALLY ADJUSTED)					
	APRIL 2020	MARCH 2020	APRIL 2019	CHANGE OVER THE MONTH	CHANGE OVER THE YEAR
Labor Force	4,612,000	4,903,000	4,932,000	-291,000	-320,000
Employed	3,564,000	4,694,000	4,721,000	-1,130,000	-1,157,000
Unemployed	1,048,000	209,000	211,000	839,000	837,000
Jobless Rate	22.7	4.3	4.3	18.4	18.4

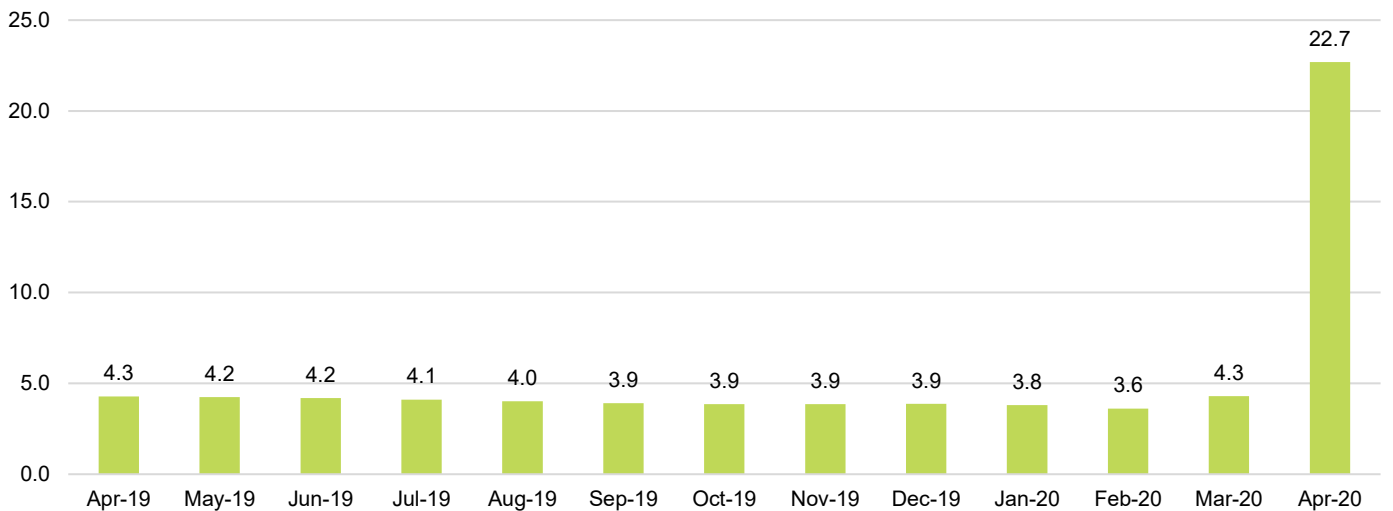
### MICHIGAN PERMANENT JOB LOSERS, APRIL 2019–APRIL 2020 (IN THOUSANDS)



### MICHIGAN LABOR FORCE, JUNE 2009 VS. APRIL 2020



### MICHIGAN JOBLESS RATE (PERCENT), APRIL 2019–APRIL 2020





# MICHIGAN JOB TRENDS BY INDUSTRY SECTOR

## Monthly Overview

Total nonfarm payroll jobs plunged by a record 1,009,000 in Michigan during April as the full effect of the COVID-19 pandemic cut through the labor market. Payroll jobs fell by 22.8 percent, the largest percentage job cut of any state in the nation. Total industry employment in April was 3,413,800, the lowest level since prior to 1990. Payroll contractions took place in every major industry sector with by far the largest decline in *Leisure and hospitality* (-236,700). The broad industry sector with the second largest drop in jobs was *Manufacturing* (-174,000) followed by *Trade, transportation and utilities* (-159,300), *Professional and business services* (-143,400), and *Education and health services* (-109,300). The sectors of *Financial activities* (-14,300), *Information* (-3,000), and *Mining and logging* (-400) experienced the smallest monthly job cuts. The number of jobs in the state's *Transportation equipment manufacturing* industry declined by 87,900 during April.

## Over the Year Analysis

Since April 2019, payroll job levels in Michigan plunged by 1,017,100, or by 23.0 percent. This was the highest percent job drop of any U.S. state, and was significantly above the 12.9 percent decline nationally. In Michigan, the broad sectors to record the largest over the year job cuts were primarily those that were not deemed essential or where working remotely was not widely possible. Industries with major over-the-year job reductions included *Leisure and hospitality* (-255,300), *Manufacturing* (-185,300), *Trade, transportation, utilities* (-148,800), *Professional and business services* (-143,400), and *Education and health services* (-113,700). Industry sectors such as *Financial activities* (-8,000) and *Information* (-3,800) had certain components deemed essential and/or were better suited for remote work, and saw more modest over-the-year job declines.

## Michigan vs. National Job Change by Major Sector

The COVID-19 pandemic had a profound negative impact on April job levels in Michigan and nationally. Total nonfarm payrolls contracted by 22.8 percent in the state, compared to a 13.5 percent decline nationally.

In Michigan, the major sectors of *Construction* (-44.0 percent MI vs. -12.8 percent U.S.), *Manufacturing* (-28.1 percent MI vs. -10.4 percent U.S.), and *Professional and business*

*services* (-21.9 percent MI vs. -10.1 percent U.S.) registered the highest April differences in percent job loss compared to the U.S.

Other major sectors in Michigan, *Mining and logging*, *Information*, and *Financial activities* recorded more similar payroll declines to the U.S. Part of the reason for the smaller rate of job loss in the Michigan *Mining and logging* sector was likely the higher degree of petroleum-related activities nationally. Petroleum prices experienced significant reductions during April and likely contributed to job losses nationally in this sector.

## Significant Industry Employment Developments

### FINANCIAL ACTIVITIES

Job levels in this major industry group declined by 14,300 or by 6.2 percent in April. This was one of the smaller job reductions among major industries in Michigan, as banks and credit unions were deemed essential and remained operational, and many jobs in this sector could be done remotely. Jobs in *Finance and insurance* edged down relatively modestly by 3,800. Payroll contractions were larger in the *Real estate, rental, and leasing* subsector (-10,500). These April job cuts in the broad sector pushed job levels down by 8,000 or 3.6 percent since April 2019, and to the lowest level in the state since July 2016. Nationally, employment decreased by 262,000 over the month and by 1.6 percent over the year.

### MANUFACTURING

Employment levels plummeted by 174,000 in this sector in April. The April job level was similar to that recorded in May-August 2009, during the depths of the Great Recession. This was the second largest April numeric decline out of Michigan's eleven major industry groups and was caused by widespread factory closures and the inability of most workers in this sector to perform job activities off-site. The *Durable goods* sector was particularly hard hit, with a monthly job cut of 155,700. Over half of these job cuts came from the state auto sector, as *Transportation equipment manufacturing* jobs plunged by 87,900. Auto plants and auto suppliers either ceased operations in April or had significant cuts in staffing levels. Jobs also moved down sharply in *Primary metals*, *Fabricated metals*, *Machinery manufacturing*, as well as *Furniture and related product manufacturing*. Jobs declined in April in *Nondurable goods* (-18,300) at a lower rate of 12.0 percent. Between April 2019 and April 2020, jobs fell by 185,300 in the *Manufacturing*

sector or by 29.4 percent. About half of these job cuts were in the state auto industry. Nationally, *Manufacturing* payrolls fell by 1,330,000 in April and by 10.5 percent over the year.

### LEISURE AND HOSPITALITY

Michigan payroll jobs in this major sector plunged by 236,700 in April, or an unprecedented 56.8 percent. This was by far the largest reduction in jobs out of the eleven major industry groups. This followed an 18,700 over the month job decline in March. In April, job losses were reported in *Accommodation and food services* (-200,100), as many restaurants closed or operated with carryout service only, and many hotel establishments closed. Particularly hard hit were payrolls in *Full-service restaurants* which rely on dining room business. Venue closings in *Arts, entertainment, recreation services* caused the highest percentage job reduction of all major industries (-71 percent). Over the year, the number of jobs in *Leisure and hospitality* was down by 255,300 or 58.7 percent with most of this loss in *Accommodation and food services* (-216,800). Nationally, employment in this industry declined by 7,653,000 over the month and by 47.2 percent over the year.

## Metropolitan Statistical Areas (MSAs)

On a not seasonally adjusted basis, April payroll job levels fell sharply in all 14 Michigan Metropolitan Statistical Areas (MSA) due to the impact of COVID-19. These losses ranged from 14.9 percent in Ann Arbor to 24.1 percent in Flint. Statewide, payrolls declined by 22.3 percent over the month.

Common to all metropolitan areas were significant job declines in sectors such as *Leisure and hospitality*, *Manufacturing*, *Construction*, and *Retail trade*. The metro areas of Detroit and Grand Rapids (-23.9 percent each) and Flint registered the state's highest April percent job losses, and all had job cuts in the *Manufacturing* sector of over 30 percent.

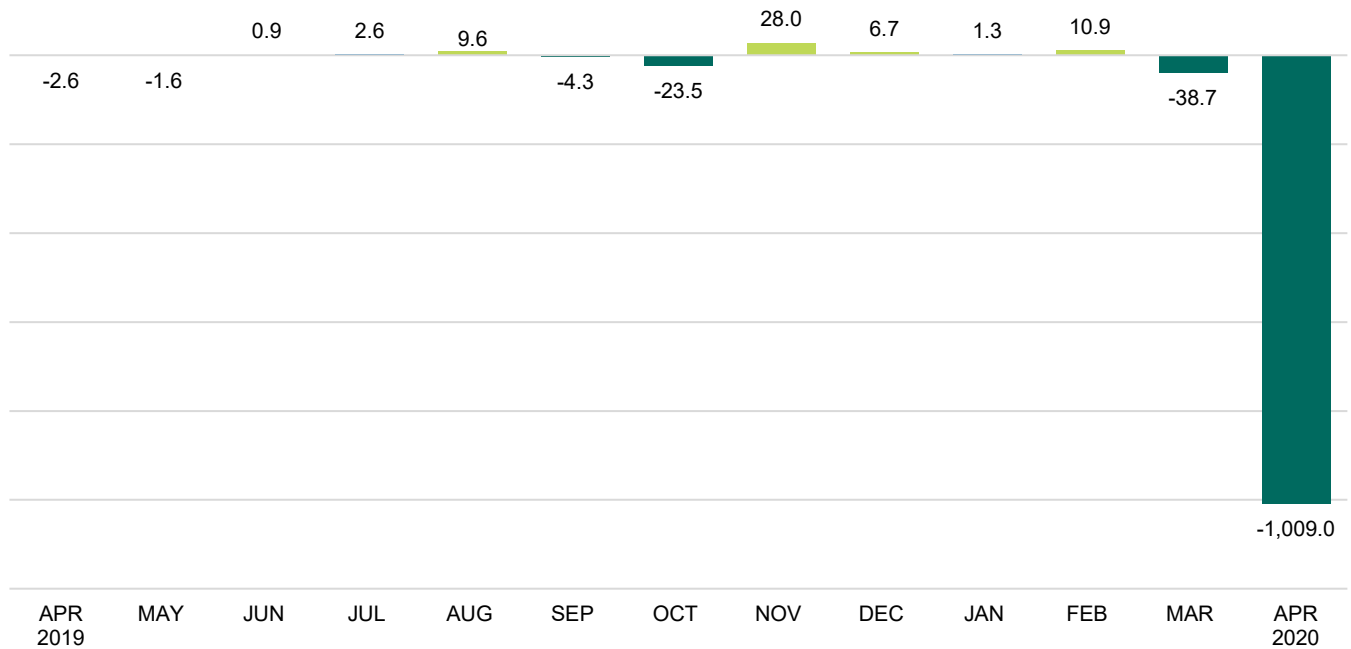
The Ann Arbor MSA managed to record the smallest job reduction percentage over the month among metro areas. Ann Arbor recorded lower percent employment declines in April than statewide in *Manufacturing*, *Retail trade*, and *Government*.

**JEFFREY AULA**  
Economic Analyst



MICHIGAN PAYROLL JOBS (SEASONALLY ADJUSTED)							
INDUSTRY	APRIL 2020	MARCH 2020	APRIL 2019	OVER THE MONTH		OVER THE YEAR	
				LEVEL	PERCENT	LEVEL	PERCENT
<b>TOTAL NONFARM</b>	<b>3,413,800</b>	<b>4,422,800</b>	<b>4,430,900</b>	<b>-1,009,000</b>	<b>-22.8%</b>	<b>-1,017,100</b>	<b>-23.0%</b>
Total Private	2,830,900	3,805,700	3,819,300	-974,800	-25.6%	-988,400	-25.9%
Private Service-Providing	2,279,300	3,001,200	3,010,900	-721,900	-24.1%	-731,600	-24.3%
<b>GOODS-PRODUCING</b>	<b>551,600</b>	<b>804,500</b>	<b>808,400</b>	<b>-252,900</b>	<b>-31.4%</b>	<b>-256,800</b>	<b>-31.8%</b>
Mining, Logging, and Construction	107,000	185,900	178,500	-78,900	-42.4%	-71,500	-40.1%
Mining and Logging	7,000	7,400	7,300	-400	-5.4%	-300	-4.1%
Construction	100,000	178,500	171,200	-78,500	-44.0%	-71,200	-41.6%
Manufacturing	444,600	618,600	629,900	-174,000	-28.1%	-185,300	-29.4%
Durable Goods	310,400	466,100	475,800	-155,700	-33.4%	-165,400	-34.8%
Transportation Equipment Manufacturing	97,400	185,300	192,000	-87,900	-47.4%	-94,600	-49.3%
Non-Durable Goods	134,200	152,500	154,100	-18,300	-12.0%	-19,900	-12.9%
<b>SERVICE-PROVIDING</b>	<b>2,862,200</b>	<b>3,618,300</b>	<b>3,622,500</b>	<b>-756,100</b>	<b>-20.9%</b>	<b>-760,300</b>	<b>-21.0%</b>
Trade, Transportation, and Utilities	645,400	804,700	794,200	-159,300	-19.8%	-148,800	-18.7%
Wholesale Trade	151,100	172,000	171,600	-20,900	-12.2%	-20,500	-11.9%
Retail Trade	352,600	466,400	465,500	-113,800	-24.4%	-112,900	-24.3%
Transportation, Warehousing, and Utilities	141,700	166,300	157,100	-24,600	-14.8%	-15,400	-9.8%
Information	51,400	54,400	55,200	-3,000	-5.5%	-3,800	-6.9%
Financial Activities	215,200	229,500	223,200	-14,300	-6.2%	-8,000	-3.6%
Finance and Insurance	166,700	170,500	167,300	-3,800	-2.2%	-600	-0.4%
Real Estate and Rental and Leasing	48,500	59,000	55,900	-10,500	-17.8%	-7,400	-13.2%
Professional and Business Services	512,000	655,400	655,400	-143,400	-21.9%	-143,400	-21.9%
Professional, Scientific, and Technical Services	253,200	298,800	298,100	-45,600	-15.3%	-44,900	-15.1%
Management of Companies and Enterprises	69,600	71,100	69,900	-1,500	-2.1%	-300	-0.4%
Administrative and Support and Waste Management and Remediation Services	189,200	285,500	287,400	-96,300	-33.7%	-98,200	-34.2%
Education and Health Services	567,000	676,300	680,700	-109,300	-16.2%	-113,700	-16.7%
Educational Services	56,700	73,100	74,100	-16,400	-22.4%	-17,400	-23.5%
Health Care and Social Assistance	510,300	603,200	606,600	-92,900	-15.4%	-96,300	-15.9%
Leisure and Hospitality	179,900	416,600	435,200	-236,700	-56.8%	-255,300	-58.7%
Arts, Entertainment, and Recreation	14,800	51,400	53,300	-36,600	-71.2%	-38,500	-72.2%
Accommodation and Food Services	165,100	365,200	381,900	-200,100	-54.8%	-216,800	-56.8%
Other Services	108,400	164,300	167,000	-55,900	-34.0%	-58,600	-35.1%
Government	582,900	617,100	611,600	-34,200	-5.5%	-28,700	-4.7%
Federal Government	52,300	52,200	52,300	100	0.2%	0	0.0%
State Government	182,900	194,000	194,300	-11,100	-5.7%	-11,400	-5.9%
Local Government	347,700	370,900	365,000	-23,200	-6.3%	-17,300	-4.7%

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



## PERCENTAGE CHANGE IN JOBS BY MAJOR INDUSTRY SECTOR, APRIL 2020

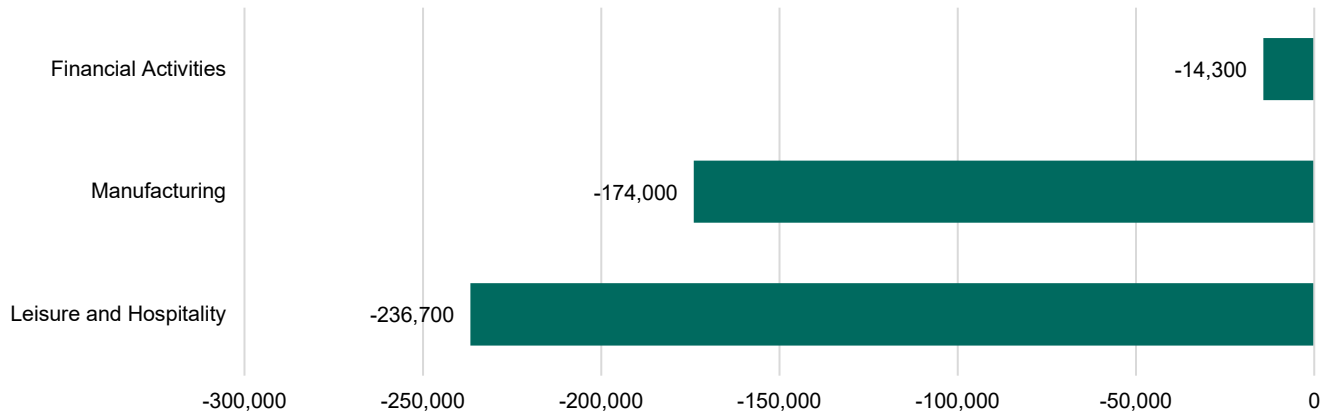
MAJOR INDUSTRY SECTOR	MICHIGAN	U.S.
<b>TOTAL NONFARM</b>	<b>-22.8%</b>	<b>-13.5%</b>
Mining and Logging	-5.4%	-7.1%
Construction	-44.0%	-12.8%
Manufacturing	-28.1%	-10.4%
Trade, Transportation, and Utilities	-19.8%	-11.0%
Information	-5.5%	-8.8%
Financial Activities	-6.2%	-3.0%
Professional and Business Services	-21.9%	-10.1%
Educational and Health Services	-16.2%	-10.4%
Leisure and Hospitality	-56.8%	-46.8%
Other Services	-34.0%	-21.5%
Government	-5.5%	-4.3%



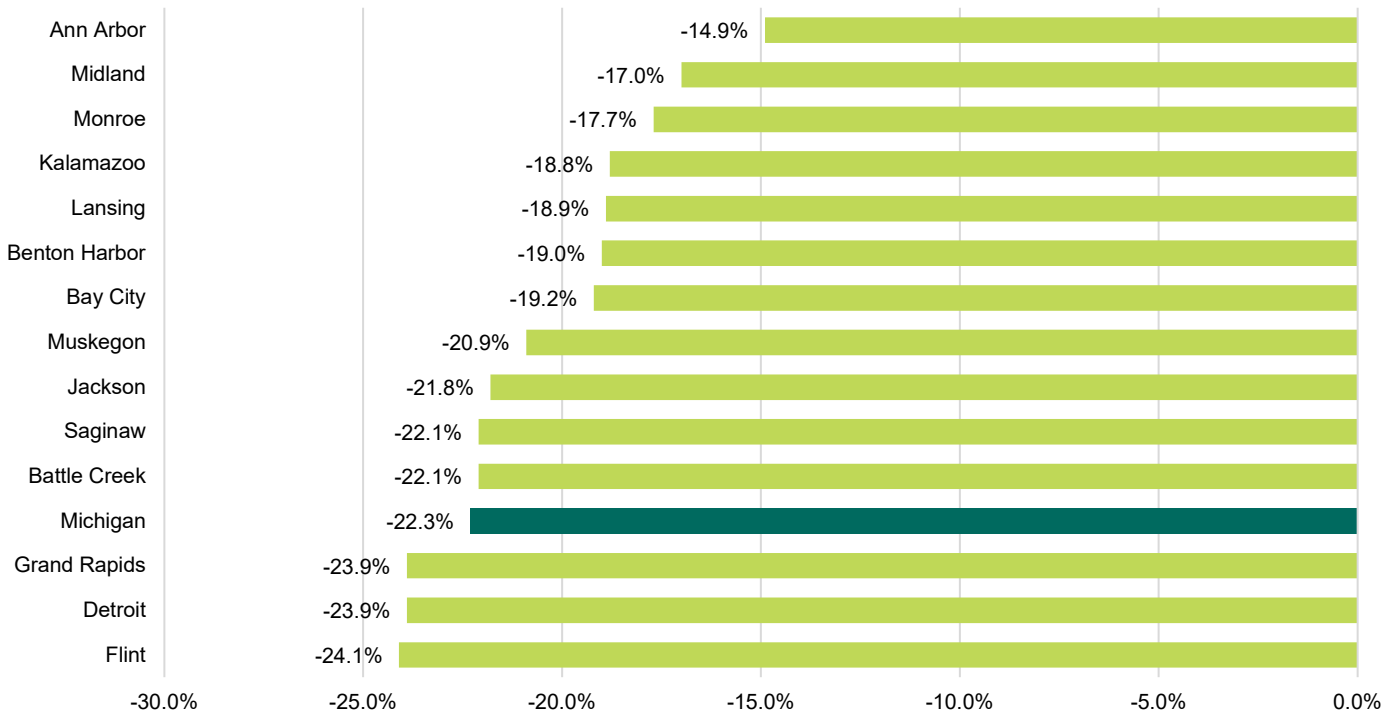




### MICHIGAN OVER THE MONTH JOB CHANGE BY SELECT INDUSTRY, MARCH 2020–APRIL 2020



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



# REGIONAL LABOR MARKET ANALYSIS

## ANN ARBOR METROPOLITAN AREA

- The jobless rate in Ann Arbor rose by 12.6 percentage points to 14.9 percent this month. Despite this substantial rate increase, it was actually the smallest monthly rate gain among all 14 Michigan metro areas.
- Total area employment declined by 35,200 or 18.2 percent over the month, which was 7.6 percentage points less than the state average.

### MONTHLY INDUSTRY DEVELOPMENTS

- Total payroll jobs in the region fell sharply by 34,200 or 14.9 percent in April. On a percentage basis, this was the lowest over the month nonfarm job decline among all Michigan metro areas in April.

### INDUSTRY TRENDS

- Jobs in the *Professional and business services* industry decreased by 6,500 or 21.3 percent over the month, which tracked with the industry's decline at the statewide level.

## BAY CITY METROPOLITAN AREA

- The unemployment rate in the Bay City region jumped substantially in April by 20.8 percentage points to 25.3 percent.
- The number of area unemployed soared with layoffs related to the coronavirus pandemic, up in April by 10,100.

### MONTHLY INDUSTRY DEVELOPMENTS

- The count of total nonfarm jobs in the Bay City metro region dropped by 6,400 or 19.2 percent over the month.

### INDUSTRY TRENDS

- Total jobs contracted sharply in both the *Manufacturing* and *Leisure and hospitality* sectors by 1,800 since last month, or 41.9 and 45 percent, respectively.

## FLINT METROPOLITAN AREA

- The impact of the pandemic was substantial on the Flint labor market, as the unemployment rate jumped in one month by 26 percentage points to 30.1 percent in April. This was the highest jobless rate among all 14 Michigan metro areas.
- The number of area unemployed climbed significantly by 48,000 or over 600 percent in April.

### MONTHLY INDUSTRY DEVELOPMENTS

- Flint nonfarm jobs fell sharply by 34,000 or 24.1 percent, as all major industries fell over the month.
- Total jobs in the *Manufacturing* sector plummeted by 7,600 or 55.5 percent in April, which was the largest percent decline among all metro areas, and way above the statewide rate of job reduction in this sector (-28.1 percent).

### INDUSTRY TRENDS

- Jobs in the *Retail trade* sector fell by 3,300 or 17.4 percent since March. This was the second lowest percentage decline among all Michigan metro areas for this industry.

## BATTLE CREEK METROPOLITAN AREA

- April labor statistics captured much of the initial impact of layoffs related to COVID-19. In the Battle Creek MSA, employment dropped by 13,800 (-23.3 percent), while unemployment soared by 12,700; the jobless rate shot up to 24.6 percent.
- Since April 2019, employment fell sharply by 14,400 (-24.0 percent), while unemployment was up by 12,500. The jobless rate rose substantially by 20.8 percentage points.

### MONTHLY INDUSTRY DEVELOPMENTS

- April payroll jobs in the Battle Creek MSA dropped significantly by 12,600 (-22.1 percent), reflecting the pandemic's impact. All industry sectors recorded job cuts, with the largest drop in *Leisure and hospitality* (-52.3 percent or -2,300).
- Over the year, jobs also plunged in the Battle Creek MSA, down by 23.2 percent.

### INDUSTRY TRENDS

- The April percentage drop in jobs in the Battle Creek area was very similar to the statewide reduction.

## DETROIT-WARREN-DEARBORN METRO AREA

- The Detroit MSA jobless rate soared by 19.8 percentage points in April to 24.4 percent, reflecting the impact of COVID-19.
- The region's total labor force fell 235,000 or 10.9 percent, over the month. On a percentage basis, this was the largest over the month workforce drop among all 14 Michigan metro areas.

### MONTHLY INDUSTRY DEVELOPMENTS

- Detroit metro area nonfarm jobs plunged by 481,500 or 23.9 percent in April, slightly higher than the statewide rate of decline (-22.3 percent).
- Every major job sector recorded job cuts over the month, led by *Leisure and hospitality*, which lost more than half its jobs, down by 106,700 or 56.8 percent.

### INDUSTRY TRENDS

- Additionally, the *Manufacturing; Trade, transportation, and utilities, and Professional and business services* sectors each lost more than 74,000 jobs over the month.

## GRAND RAPIDS-WYOMING METRO AREA

- Joblessness in the Grand Rapids MSA rose significantly by 19.2 percentage points over the month to 21.8 percent in April.
- Total workforce in the area declined 7.1 percent over the year, relatively higher than the statewide decline over the same time period (-6.3 percent).

### MONTHLY INDUSTRY DEVELOPMENTS

- Nonfarm jobs in the Grand Rapids area fell by 134,700 or 23.9 percent in April, down across all industries.

### INDUSTRY TRENDS

- *Professional and business services* jobs plunged by 26,100 or 35.1 percent since last month, which was the largest job cut on a percentage basis among Michigan metro areas and 13.8 percentage points higher than the industry's decline at the statewide level (-21.3 percent).



## CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	ANN ARBOR			BATTLE CREEK			BAY CITY		
	APR 2020	MAR 2020	APR 2019	APR 2020	MAR 2020	APR 2019	APR 2020	MAR 2020	APR 2019
<b>PLACE OF RESIDENCE</b>									
Labor Force	186,100	198,300	198,100	60,400	61,500	62,300	48,700	48,500	49,700
Employment	158,500	193,700	193,100	45,500	59,300	59,900	36,400	46,300	47,600
Unemployment	27,700	4,600	5,100	14,900	2,200	2,400	12,300	2,200	2,200
Rate (percent)	14.9%	2.3%	2.6%	24.6%	3.6%	3.8%	25.3%	4.5%	4.3%
<b>PLACE OF WORK</b>									
Total Nonfarm Jobs	195,900	230,100	229,000	44,400	57,000	57,800	27,000	33,400	35,000
Mining, Logging, and Construction	2,700	4,600	4,600	1,100	1,400	1,500	900	1,100	1,300
Manufacturing	11,900	14,600	14,700	8,700	11,200	11,500	2,500	4,300	4,600
Trade, Transportation, and Utilities	22,700	26,700	26,700	6,600	8,900	8,900	6,200	7,300	7,300
Wholesale Trade	5,800	6,600	6,700	*	*	*	*	*	*
Retail Trade	13,300	15,900	16,100	4,200	5,900	5,600	3,800	4,700	4,800
Information	5,500	5,700	5,400	*	*	*	300	300	300
Financial Activities	6,400	6,800	6,800	1,100	1,200	1,200	1,200	1,200	1,300
Professional and Business Services	24,000	30,500	30,300	4,300	5,800	6,300	1,700	2,200	2,400
Educational and Health Services	25,600	30,100	29,500	9,400	10,700	10,800	5,600	6,200	6,400
Leisure and Hospitality	7,500	17,200	18,400	2,100	4,400	4,600	2,200	4,000	4,500
Other Services	4,500	6,200	6,300	1,600	2,100	2,000	900	1,200	1,200
Government	85,100	87,700	86,300	9,200	11,000	10,700	5,500	5,600	5,700
<b>DETROIT-WARREN-DEARBORN</b>									
<b>FLINT</b>									
<b>GRAND RAPIDS-WYOMING</b>									
	APR 2020	MAR 2020	APR 2019	APR 2020	MAR 2020	APR 2019	APR 2020	MAR 2020	APR 2019
<b>PLACE OF RESIDENCE</b>									
Labor Force	1,930	2,165	2,125	184,000	180,800	181,800	538,500	576,000	579,400
Employment	1,458	2,065	2,046	128,600	173,300	173,900	421,000	561,200	564,300
Unemployment	472	100	79	55,500	7,500	8,000	117,500	14,700	15,100
Rate (percent)	24.4%	4.6%	3.7%	30.1%	4.1%	4.4%	21.8%	2.6%	2.6%
<b>PLACE OF WORK</b>									
Total Nonfarm Jobs	1,530,000	2,011,500	2,027,100	107,000	141,000	141,600	428,700	563,400	566,900
Mining, Logging, and Construction	34,900	71,600	71,400	4,000	5,500	5,400	16,500	25,500	25,000
Manufacturing	172,100	253,900	258,900	6,100	13,700	13,500	86,300	116,900	119,100
Trade, Transportation, and Utilities	298,600	378,600	373,600	23,700	29,200	29,100	79,000	96,500	97,100
Wholesale Trade	75,100	84,900	84,900	4,700	5,700	5,500	28,700	32,400	32,200
Retail Trade	152,700	205,600	207,800	15,700	19,000	19,100	34,200	46,800	48,400
Information	25,400	26,100	26,700	3,300	3,500	3,600	6,000	6,400	6,300
Financial Activities	111,100	120,900	119,400	5,700	6,000	5,900	25,900	27,100	26,800
Professional and Business Services	313,500	388,500	392,500	11,500	17,300	17,100	48,200	74,300	77,400
Educational and Health Services	260,600	316,800	318,700	23,200	26,600	26,900	80,800	94,600	94,000
Leisure and Hospitality	81,000	187,700	198,900	6,700	15,100	15,600	22,600	48,600	49,200
Other Services	46,900	73,800	75,100	4,600	5,300	5,300	15,100	22,700	22,800
Government	185,900	193,600	191,900	18,200	18,800	19,200	48,300	50,800	49,200

## JACKSON METROPOLITAN AREA

- April COVID-19-related layoffs in the Jackson MSA resulted in a substantial employment drop of 22.2 percent. Unemployment climbed by 15,300, and the jobless rate soared by 21.0 percentage points to 24.4 percent.
- Since April 2019, a large employment cut of 16,900 was recorded. Unemployment rose substantially (+15,300), and the jobless rate jumped by 21.0 percentage points.

### MONTHLY INDUSTRY DEVELOPMENTS

- April nonfarm payroll jobs in the Jackson metro area fell abruptly by 12,500 (-21.8 percent). All industries recorded employment reductions, with *Leisure and hospitality* showing the largest rate of decline (-64.0 percent).
- Since April 2019, jobs in the Jackson MSA also fell noticeably by 23.4 percent (-13,700).

### INDUSTRY TRENDS

- The *Retail* sector had one of the highest rates of job loss over the past year (-42.2 percent).

## KALAMAZOO-PORTAGE METRO AREA

- In the Kalamazoo-Portage MSA, layoffs associated with COVID-19 in April led to employment dropping by 32,400. Unemployment shot up by 23,100, and the jobless rate rose substantially by 14.9 percentage points to 18.0 percent.
- Since April 2019, employment fell by 34,200. The number of unemployed climbed sharply by 23,000 and the jobless rate moved way up by 14.9 percentage points.

### MONTHLY INDUSTRY DEVELOPMENTS

- April job cuts related to COVID-19 were a very large 28,000 (-18.8 percent) in the Kalamazoo-Portage MSA. The largest rate of employment decline was in *Leisure and hospitality* at 51.3 percent (-7,700).
- Over the year in April, jobs fell substantially in the area by 29,600 (-19.6 percent).

### INDUSTRY TRENDS

- Despite the sharp payroll job cut in April, the job decrease in the Kalamazoo area was below the 22.3 percent reduction statewide.

## LANSING-EAST LANSING METRO AREA

- The Lansing area unemployment rate increased sharply by 16.2 percentage points over the month to 19.1 percent, however, it was still several points lower than the statewide jobless rate (23.8 percent) in April.
- Total employment within the region dove by 52,300 or 21.4 percent since April 2019.

### MONTHLY INDUSTRY DEVELOPMENTS

- Lansing region payroll jobs fell significantly by 45,000 or 18.9 percent over the month.

### INDUSTRY TRENDS

- Lansing area *Trade, transportation, and utilities* jobs decreased by 8,900 or 24.1 percent since last month. On a percentage basis, this was the fourth largest job cut in this sector among the 14 Michigan metro areas.

## MIDLAND METROPOLITAN AREA

- The jobless rate in the Midland MSA advanced by a major 16.3 percentage points to 20.0 percent in April, reflecting the initial impact of the coronavirus pandemic.
- Area employment declined substantially by 7,400 or 19.4 percent in April and by 8,300 or 21.3 percent over the year.

### MONTHLY INDUSTRY DEVELOPMENTS

- Total nonfarm payroll jobs in Midland moved down by 6,300 or 17 percent since March.

### INDUSTRY TRENDS

- Job loss was concentrated in the *Goods producing* sector in April. Jobs fell by 3,600 or 41.9 percent, more than 10 percentage points greater than the statewide rate of job reduction in this sector (-31 percent).

## MONROE METROPOLITAN AREA

- Joblessness in the Monroe region soared by 22.6 percentage points over the month to 25.8 percent, which was 2 percentage points higher than the state rate for April.
- The total unemployment count moved up dramatically by 17,400 or 725 percent since March. On a percentage basis, this was the largest increase among all 14 Michigan metro areas in April.

### MONTHLY INDUSTRY DEVELOPMENTS

- Monroe area total nonfarm payroll jobs moved down by 7,100 or 17.7 percent since last month.

### INDUSTRY TRENDS

- On a numeric basis, the Monroe region lost the most jobs within its *Trade, transportation, and utilities* sector (-2,300).

## MUSKEGON METROPOLITAN AREA

- The Muskegon regional unemployment rate advanced by 25.4 percentage points to 29.3 percent in April, 5.5 percentage points higher than the state rate.
- The number of area unemployed in April jumped by 20,100.

### MONTHLY INDUSTRY DEVELOPMENTS

- Muskegon payroll jobs declined significantly by 13,100 or 20.9 percent since March, but relatively less than the Michigan over the month job decline (-22.3 percent).

### INDUSTRY TRENDS

- Jobs in the *Manufacturing* sector fell 4,000 in April (-29.0 percent), which tracked with the statewide rate on a percentage basis (-28.1 percent).



## CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	JACKSON			KALAMAZOO-PORTAGE			LANSING-EAST LANSING		
	APR 2020	MAR 2020	APR 2019	APR 2020	MAR 2020	APR 2019	APR 2020	MAR 2020	APR 2019
<b>PLACE OF RESIDENCE</b>									
Labor Force	72,700	73,100	74,300	157,200	166,400	168,400	237,500	249,000	251,900
Employment	54,900	70,600	71,800	128,900	161,300	163,100	192,200	241,800	244,500
Unemployment	17,800	2,500	2,500	28,300	5,200	5,300	45,300	7,100	7,400
Rate (percent)	24.4%	3.4%	3.4%	18.0%	3.1%	3.1%	19.1%	2.9%	2.9%
<b>PLACE OF WORK</b>									
Total Nonfarm Jobs	44,900	57,400	58,600	121,200	149,200	150,800	193,300	238,300	241,300
Mining, Logging, and Construction	1,300	1,900	2,000	4,300	6,200	6,300	5,200	7,500	7,800
Manufacturing	7,800	9,500	9,900	20,200	22,800	23,000	12,600	18,800	19,800
Trade, Transportation, and Utilities	8,800	11,900	12,200	22,000	25,900	26,000	28,100	37,000	36,500
Wholesale Trade	*	*	*	5,500	6,300	6,400	5,500	6,400	6,500
Retail Trade	3,700	6,300	6,400	12,800	15,600	15,700	15,400	22,300	21,400
Information	200	200	300	700	700	700	2,800	2,900	2,800
Financial Activities	2,200	2,200	2,100	8,000	8,100	8,200	16,200	17,100	16,800
Professional and Business Services	4,700	6,100	6,000	14,500	18,000	18,000	17,700	24,300	24,900
Educational and Health Services	8,300	9,900	10,100	21,200	25,200	25,200	28,200	32,900	32,900
Leisure and Hospitality	1,800	5,000	5,300	7,300	15,000	16,000	8,400	17,900	19,900
Other Services	2,000	2,500	2,500	3,600	5,200	5,200	6,600	10,000	10,200
Government	7,800	8,200	8,200	19,400	22,100	22,200	67,500	69,900	69,700
<b>MIDLAND</b>									
	APR 2020	MAR 2020	APR 2019	APR 2020	MAR 2020	APR 2019	APR 2020	MAR 2020	APR 2019
<b>PLACE OF RESIDENCE</b>									
Labor Force	38,400	39,600	40,400	77,000	73,700	75,600	79,100	75,600	76,100
Employment	30,700	38,100	39,000	57,200	71,300	72,800	55,900	72,600	73,200
Unemployment	7,700	1,500	1,400	19,800	2,400	2,700	23,100	3,000	2,900
Rate (percent)	20.0%	3.7%	3.5%	25.8%	3.2%	3.6%	29.3%	3.9%	3.8%
<b>PLACE OF WORK</b>									
Total Nonfarm Jobs	30,700	37,000	38,000	33,000	40,100	41,400	49,600	62,700	63,400
Mining, Logging, and Construction	*	*	*	1,500	1,800	1,800	1,800	2,400	2,300
Manufacturing	*	*	*	4,900	5,600	5,600	9,800	13,800	13,900
Trade, Transportation, and Utilities	*	*	*	8,300	10,600	10,600	10,900	13,700	13,400
Wholesale Trade	*	*	*	1,600	1,800	1,800	*	*	*
Retail Trade	*	*	*	2,900	4,600	4,700	8,700	11,000	10,800
Information	*	*	*	*	*	*	200	300	300
Financial Activities	*	*	*	900	900	900	1,700	1,800	1,700
Professional and Business Services	*	*	*	4,200	5,500	5,700	3,200	3,500	3,700
Educational and Health Services	*	*	*	4,400	4,800	5,000	9,500	11,400	11,600
Leisure and Hospitality	*	*	*	2,400	4,000	4,500	3,800	6,600	7,100
Other Services	*	*	*	1,100	1,400	1,500	1,600	2,000	2,100
Government	2,900	3,000	3,000	5,000	5,200	5,400	7,100	7,200	7,300
<b>MUSKEGON</b>									

## NILES-BENTON HARBOR METRO AREA

- The Niles-Benton Harbor MSA recorded a substantial employment drop of 13,800 in April, due to the impact of COVID-19. Unemployment escalated by 11,500 and the jobless rate jumped by 16.4 percentage points to 20.0 percent.
- Since April 2019, employment fell while unemployment increased substantially (-14,200 and +11,500, respectively). The jobless rate rose sharply by 16.4 percentage points.

### MONTHLY INDUSTRY DEVELOPMENTS

- Jobs in the Niles-Benton Harbor MSA abruptly dropped by 11,900 (-19.0 percent) in April, due to the pandemic. *Leisure and hospitality* registered the largest rate of job decline of 49.3 percent (-3,300).
- Jobs also fell considerably by 12,200 (-19.4 percent) over the year in April. Almost all sectors recorded job cuts.

### INDUSTRY TRENDS

- *Manufacturing* jobs in the Niles-Benton Harbor MSA moved down by a large 13.7 percent in April, but this drop was well under the loss of 28.1 percent statewide.

## SAGINAW METROPOLITAN AREA

- The Saginaw jobless rate jumped by 21.3 percentage points this month to 25.6 percent, reflecting COVID-19 impacts. The Saginaw region jobless rate was 1.8 percentage points higher than the state rate.
- The region's unemployment count grew sharply by 17,800 both over the month and over the year (+481 percent).

### MONTHLY INDUSTRY DEVELOPMENTS

- Metro area jobs fell by 19,100 or 22.1 percent since March.
- All major industries had job declines over the month as well as over the year.

### INDUSTRY TRENDS

- Total jobs in the *Leisure and hospitality* sector decreased by 6,600 or 80.5 percent in April, which was the largest percent job decline in this industry among Michigan metro areas.

## CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	NILES-BENTON HARBOR			SAGINAW					
	APR 2020	MAR 2020	APR 2019	APR 2020	MAR 2020	APR 2019			
<b>PLACE OF RESIDENCE</b>									
Labor Force	70,400	72,700	73,100	84,100	85,200	86,100			
Employment	56,300	70,100	70,500	62,500	81,500	82,400			
Unemployment	14,100	2,600	2,600	21,500	3,700	3,700			
Rate (percent)	20.0%	3.6%	3.6%	25.6%	4.3%	4.3%			
<b>PLACE OF WORK</b>									
Total Nonfarm Jobs	50,600	62,500	62,800	67,200	86,300	87,200			
Mining, Logging, and Construction	2,200	2,700	2,700	2,100	2,700	3,000			
Manufacturing	11,300	13,100	13,000	8,400	12,000	12,300			
Trade, Transportation, and Utilities	7,900	10,800	10,600	13,700	16,900	16,400			
Wholesale Trade	*	*	*	1,900	1,900	2,100			
Retail Trade	4,400	6,800	6,700	9,200	12,300	11,700			
Information	500	500	500	1,100	1,200	1,300			
Financial Activities	2,500	2,500	2,500	3,600	3,700	3,700			
Professional and Business Services	4,600	5,600	5,700	9,200	11,300	11,300			
Educational and Health Services	8,600	9,700	9,500	14,700	15,900	15,900			
Leisure and Hospitality	3,400	6,700	7,400	1,600	8,200	9,000			
Other Services	1,800	2,300	2,300	2,400	3,100	3,000			
Government	7,800	8,600	8,600	10,400	11,300	11,300			
	UPPER PENINSULA		NORTHEAST MICHIGAN			NORTHWEST MICHIGAN			
	APR 2020	MAR 2020	APR 2019	APR 2020	MAR 2020	APR 2019	APR 2020	MAR 2020	APR 2019
<b>PLACE OF RESIDENCE</b>									
Labor Force	131,000	133,600	134,900	76,300	78,900	79,700	144,000	144,400	144,500
Employment	104,400	126,500	127,100	53,900	73,200	74,200	104,400	137,600	137,600
Unemployment	26,600	7,200	7,800	22,400	5,700	5,500	39,600	6,800	6,900
Rate (percent)	20.3%	5.4%	5.8%	29.4%	7.2%	6.9%	27.5%	4.7%	4.8%



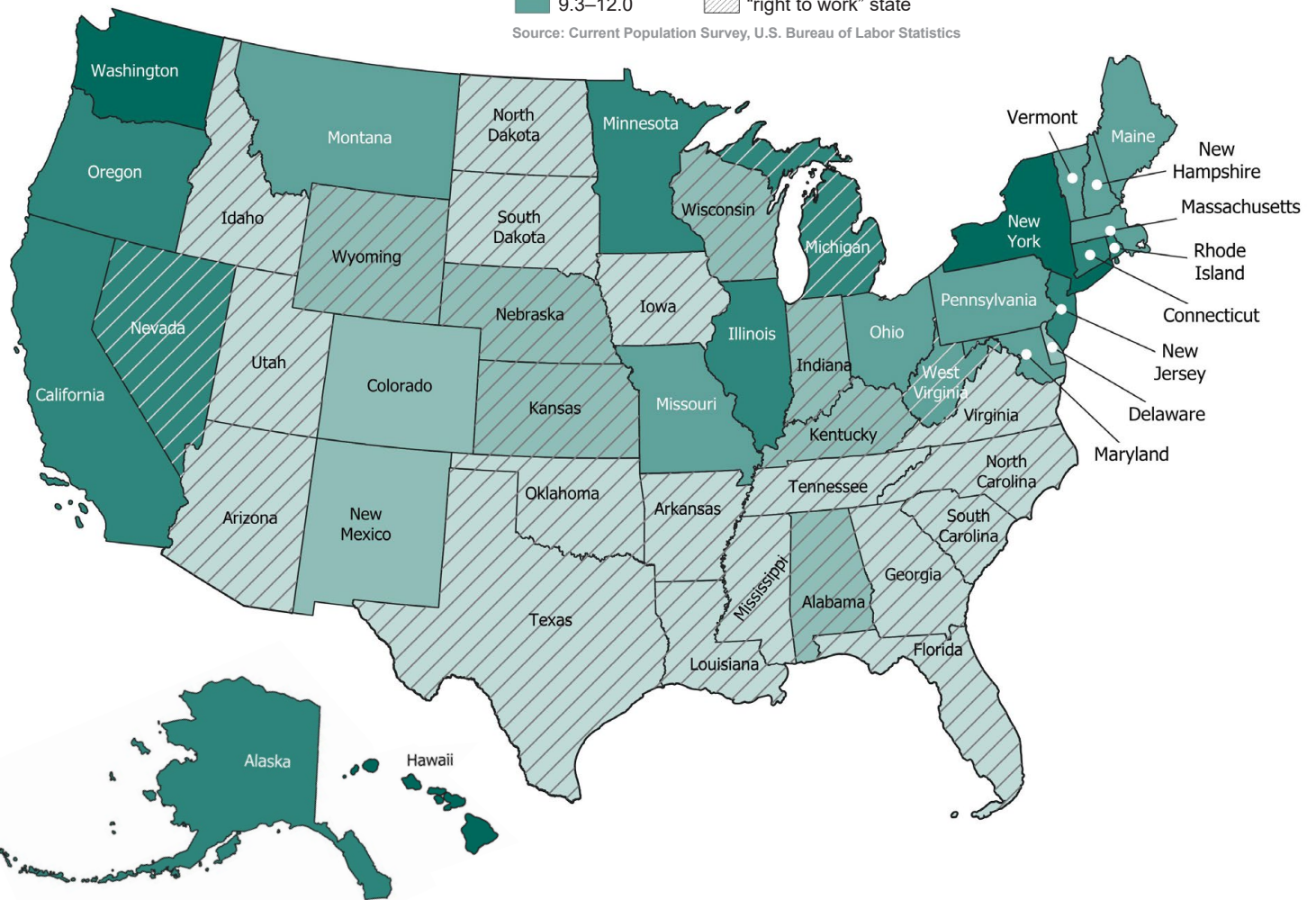
MAP OF THE MONTH:

# UNION MEMBERSHIP AND “RIGHT TO WORK” STATUS BY STATE

Union Members (Percent of Total Employed)



Source: Current Population Survey, U.S. Bureau of Labor Statistics



So called “right to work” laws have existed in the U.S. since the passage of the Labor Management Relations Act of 1947 (the Taft-Hartley Act). As noted in this month’s feature, the Taft-Hartley Act allowed states to pass laws that prohibit “union shops,” or workplaces where union membership is a condition of employment. In 2012, Michigan became the 24th state to pass such legislation. The law was enacted in 2013 and remains on the books today.

This month’s map has two layers. First, each state’s union membership as a share of total employment is displayed in one of five

gradations. Second, the map adds shading over the 27 “right to work” states, including Michigan.

In 2019, Michigan ranked 13th highest among all states with 13.6 percent of employed residents in a union. Among the top 10 states with the highest shares of union membership in 2019, only Nevada (14.6 percent) was a “right to work” state. In contrast, all states in the bottom 10 were “right to work” states. Among the 21 states with above average (10.3 percent) union membership, only Michigan and Nevada were “right to work” states. Of those below the national average, New Mexico (7.1

percent) was the only state that was not a “right to work” state.

The average union membership rate in the 27 states that had “right to work” laws was 6.0 percent, far below the national average of 10.3 percent. In states without “right to work” laws, the average was 14.5 percent.

**KRYSTAL JONES**  
Economic Analyst

**ASHLEY TARVER**  
Demographic Analyst



# A LOOK AT UNION MEMBERSHIP IN MICHIGAN

Labor unions are a major player in the labor market. While several economic and legal factors have led to a decades-long decline in union membership, knowing the size and scope of union employment is important for a complete understanding of the labor market.

This article will answer some common questions:

1. What are some long-term trends in union membership?
2. Why the long-term decline in union membership?
3. How does union membership in Michigan compare to the nation and other states?
4. How does union membership vary across Michigan?
5. What are some demographics of union members?
6. What industries and occupations have the most union members?
7. Do union members earn more than their non-union counterparts?

Official information on union employment is available from the Bureau of Labor Statistics (BLS) through the Current Population Survey (CPS), a monthly survey of households across the county and here in Michigan. Among many other important demographic characteristics and workforce indicators, the CPS collects information on union employment going back to 1983 for the nation and back to 1989 for

states. Unless otherwise noted, this article uses this information as the main data source.

The CPS presents employment numbers for union members and for those represented by unions. It is important to know the difference between the two concepts. Union membership refers to all employees who belong to a labor union; this would include those who are dues-paying members. Union representation on the other hand counts non-union employees whose jobs are covered by a union or employee association contract. This analysis focuses on union membership.

## What are some long-term trends in union membership?

Official estimates of union membership for the nation start in 1983 and show that 20.1 percent of total employment belonged to a union. Information for states followed in 1989 and it was found that 26.0 percent of employed Michigan residents were in a union. Since then, union membership as a percentage of total employment has trended downward nationally and in all 50 states.

- In 2019, 10.3 percent of national employment was in a union, down 9.8 percentage points since 1983 and down 0.2 percentage points over the past year.
- Michigan has not been immune to this trend. Indeed, 2019 was the state's lowest mark of union membership to date at 13.6 percent, about half the rate reported in 1989.

Interestingly, while the share of total employed residents who were in a union was down in all 50 states since 1989, the number of union members was up in 15 states, led by California (+260,600), Washington (+187,200), and Florida (+181,400). Over this period, Michigan was on the other end of the spectrum and lost more union members than any other state, down 421,700.

Historically, Michigan has reported a higher-than-average union membership rate and continues to do so today despite a steady numeric decline. Since 2009, Michigan's union membership declined 5.2 percentage points, compared to a decline of 2.3 percentage points nationally. So, while still higher than national unionization rates, union membership fell more rapidly in Michigan than it did nationally.

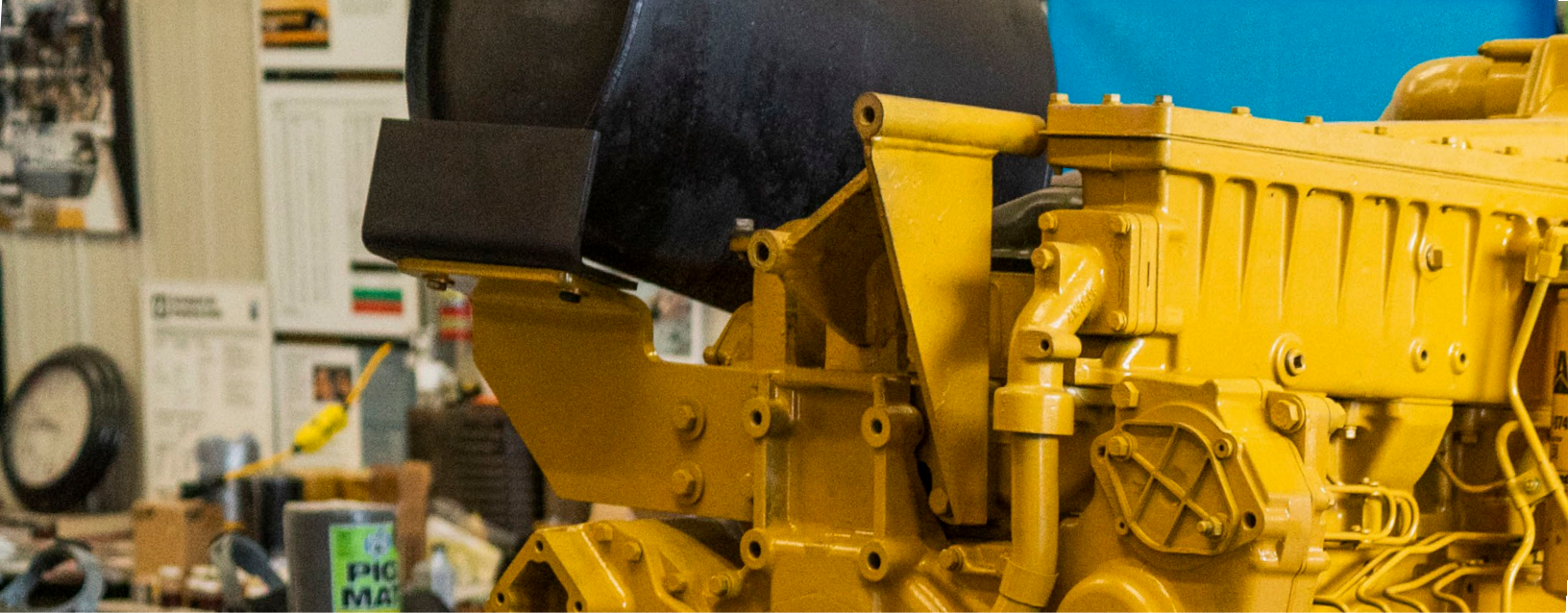
## Why the long-term decline in union membership?

There are at least two widely cited reasons for the long-term decline in union membership: (1) structural changes in industry employment; and (2) so-called "right to work" laws.

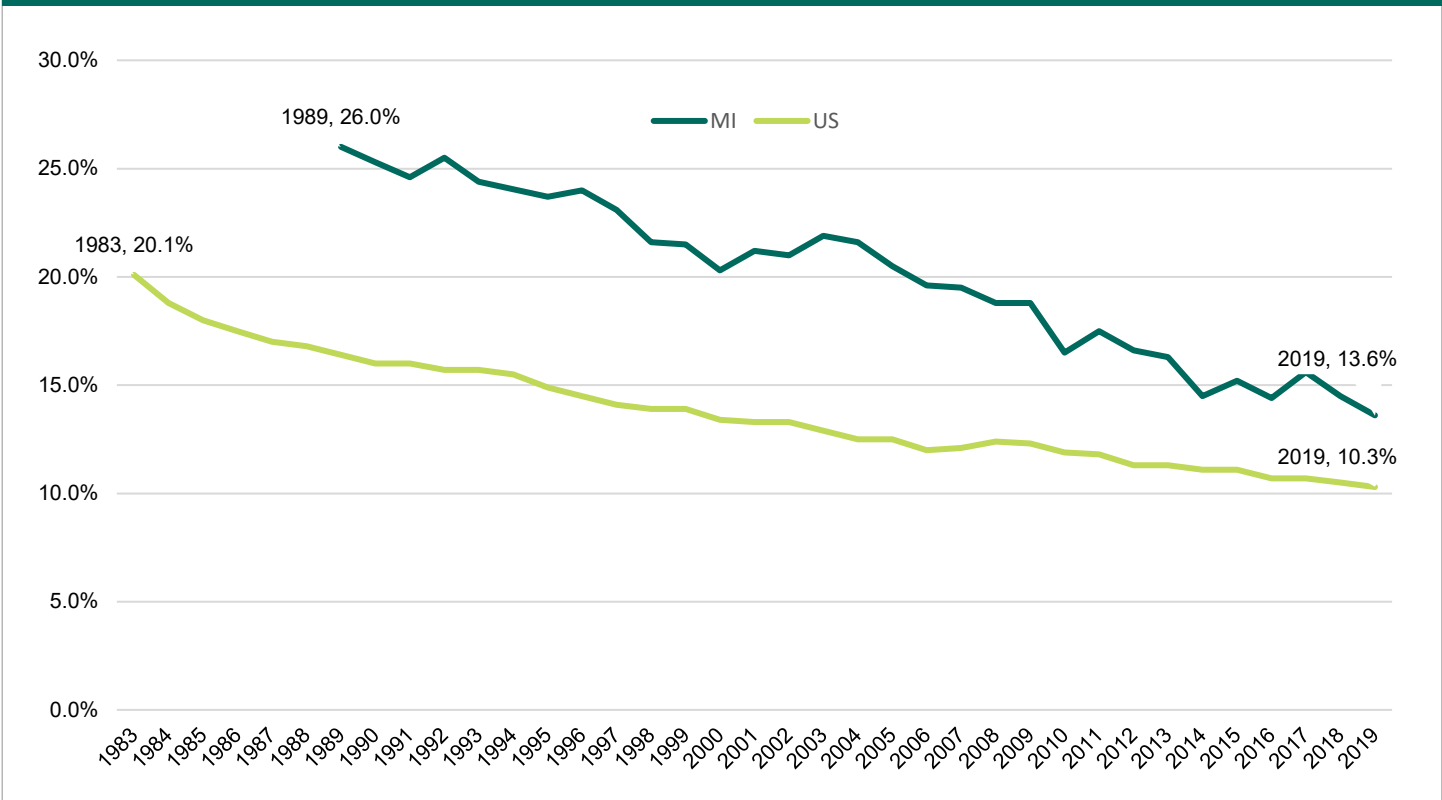
### STRUCTURAL CHANGES IN INDUSTRY EMPLOYMENT

One cause for the decline in union membership is a smaller share of jobs in certain good-producing sectors, including *Manufacturing*. *Manufacturing* made up a large portion of union employment and contains one of the most prominent and





**FIGURE 1: UNION MEMBERSHIP AS A SHARE OF TOTAL EMPLOYMENT IN MICHIGAN AND THE U.S., 1983–2019**



Source: Current Population Survey, U.S. Bureau of Labor Statistics

heavily unionized industries in Michigan’s history: the automobile industry. Michigan historically has had a higher concentration of auto jobs than the nation, contributing to its higher-than-average share of union membership. However, as the industry experienced job losses and shifts in needed skills and knowledge, the number and share of union jobs in the industry fell.

This change was not limited to the auto industry. The *Manufacturing* industry as a whole began to decline due in part to increased automation, technology, and globalization. As a result, Michigan, along with many other states, saw employment shift toward service-providing industries, which often have relatively lower rates of union membership. Therefore, the decline

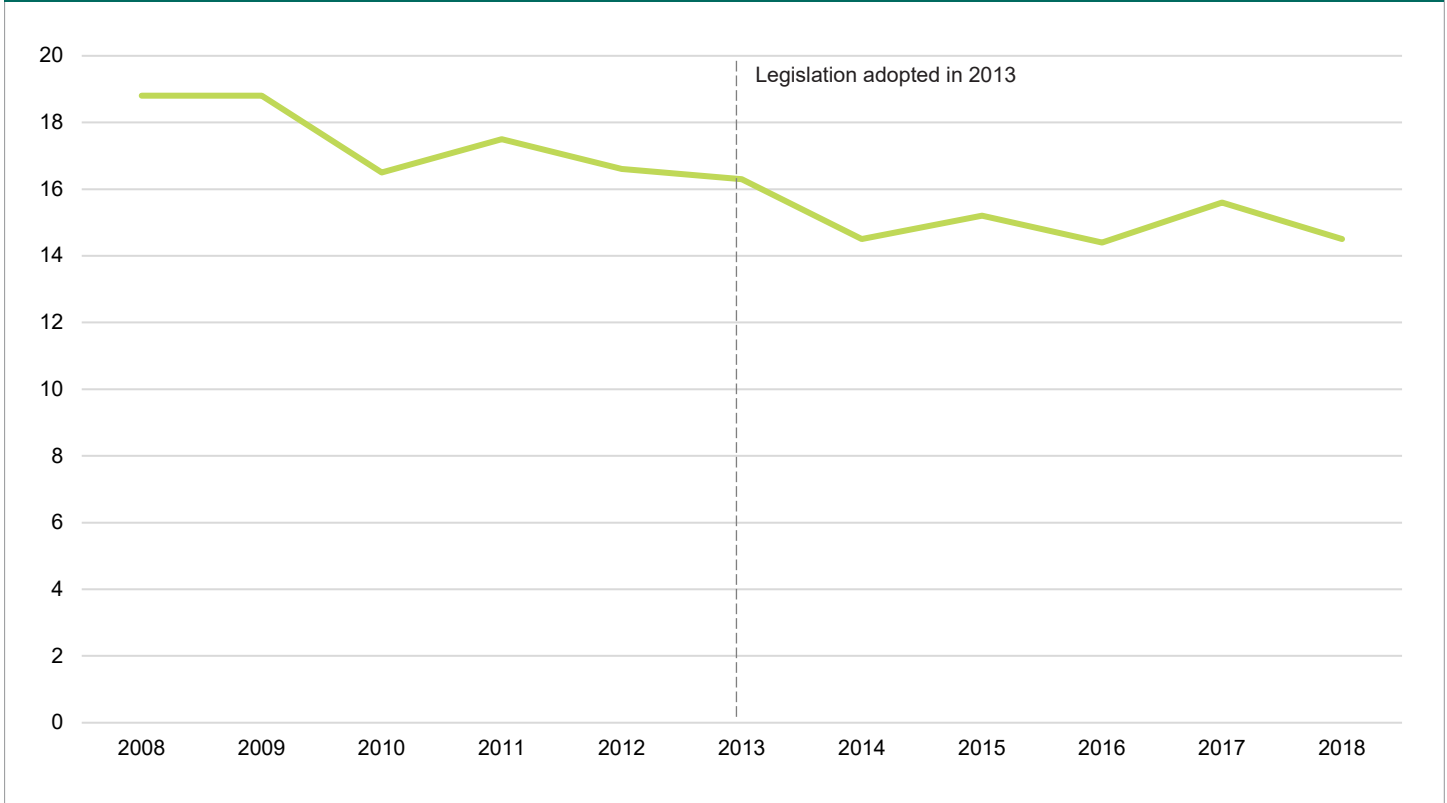
in *Manufacturing* jobs has been a major contributor to the drop in union membership numbers, particularly in Michigan.

### Taft-Hartley Act

Among other things, the Labor Management Relations Act of 1947 (Taft-Hartley Act) amended the National Labor Relations Act of 1935 and allowed states to pass laws to prohibit



**FIGURE 2: UNION MEMBERSHIP AS A SHARE OF TOTAL EMPLOYMENT IN MICHIGAN 2008 TO 2012 AND 2013 TO 2018**



Source: Current Population Survey, U.S. Bureau of Labor Statistics

“union shops,” or workplaces where membership in the union is a condition of employment. Today, Michigan and 26 other states have taken advantage and passed such laws, sometimes referred to as “right to work” laws.

These laws are often cited as being associated with declining union membership. Figure 2 plots union membership during two five-year periods, one period prior to Michigan’s law (2008–2012) and one period after (2013–2018).

There was an average decrease of 2.2 percent in Michigan union membership in the five preceding years. However, in the five following years, there was an average decline of 1.8 percent. So it appears that there was not a significant difference in unionization trends before and after these laws were passed in Michigan. Without more analysis, it is difficult to show a measurable impact of the state’s law on union membership in Michigan. One thing that is clear from the data is that, prior to and since the law, there has been a downward trend in union membership in Michigan.

### How does union membership in Michigan compare to the nation and other states?

In 2019, Michigan ranked 8th by number of union members at 589,000 and 13th by share of total employment in a union at 13.6 percent. Large states such as California (2.5 million), New York (1.7 million), Illinois (771,000), Pennsylvania (676,000), and New Jersey (642,000) held the top five spots in terms of union members while Hawaii (23.5 percent), New York (21.0 percent), Washington (18.8 percent), Rhode Island (17.4 percent), and Alaska (17.1 percent) were the top five by share of employment in a union.

#### A LOOK AT “RUST BELT” STATES

Another comparison for Michigan is among fellow Rust Belt states, a colloquial phrase originating from the period of deindustrialization in the United States. While there is slight variation as to which states fall under this label, it is largely made up of those within the Great Lakes region. Some conventionally agreed upon states in this region include Michigan, Ohio, Pennsylvania, Wisconsin, Illinois, Indiana, and parts of New

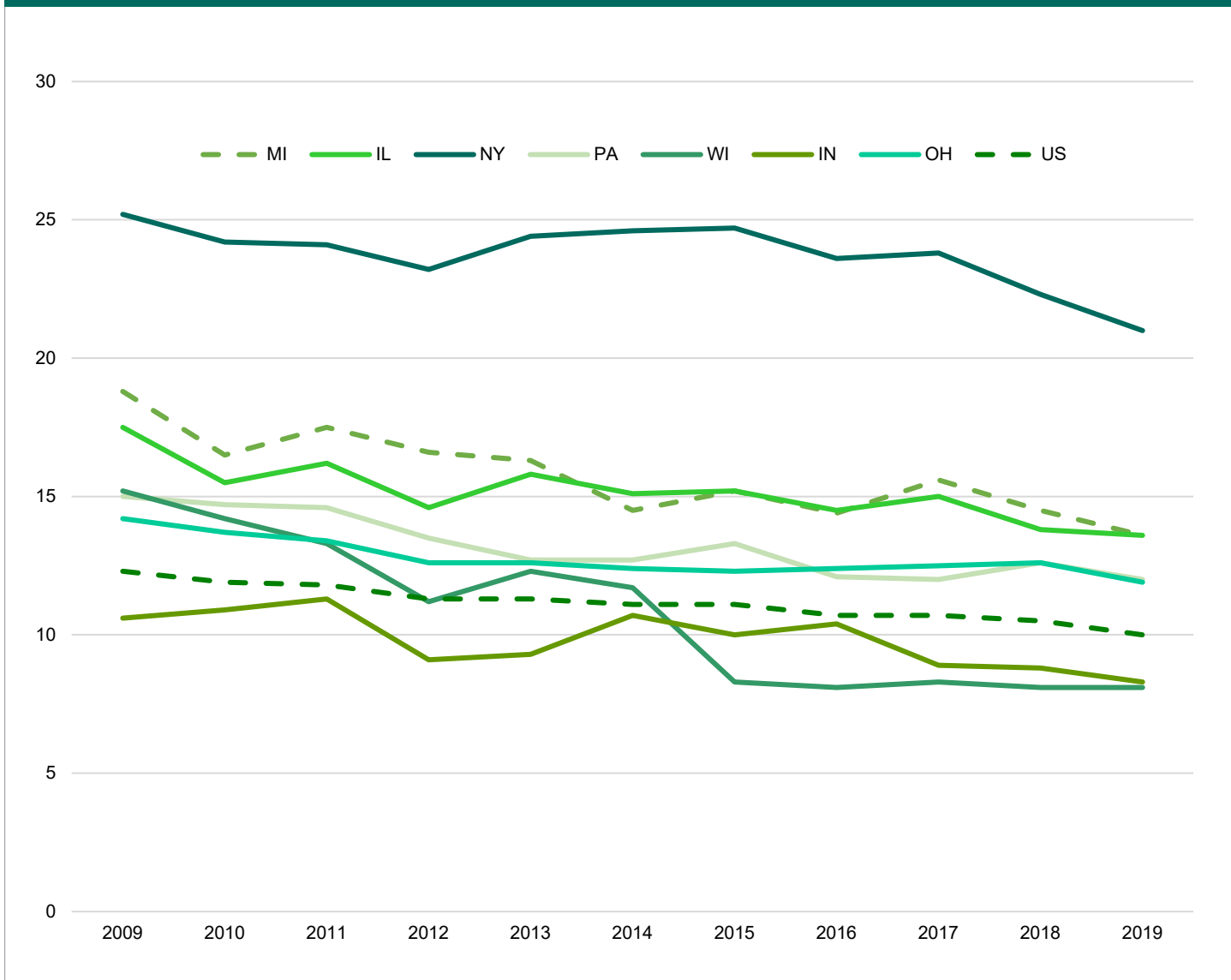
York. A common feature among these states are economies that once featured prominent manufacturing sectors but have since experienced substantial decline. This sector, as mentioned earlier, contains traditionally higher rates of unionization, which may have contributed to the historically higher levels of union membership for most of this region.

In 2019, Michigan at 13.6 percent had a higher rate of union membership than all but New York (21.0 percent) and Illinois (13.6 percent). Of these states, all but Wisconsin (8.1 percent) and Indiana (8.3 percent) had rates higher than average. The chart below demonstrates the trend of each state from 2009 to 2019. As to be expected of this region, while membership rates are trending downward, most states remained higher than the national average during this span.

### How does union membership vary across Michigan?

Substate estimates of union membership come from Hirsch and Macpherson (2002), who update annually their CPS-based estimates of union membership for substate areas. According to these estimates, in Michigan, most areas

**FIGURE 3: SHARE OF UNION MEMBERSHIP IN “RUST BELT” STATES, 2009–2019**



Source: Current Population Survey, U.S. Bureau of Labor Statistics

with higher rates of union membership were primarily in the lower half of the state. According to the data, the Monroe metropolitan statistical area (MSA) had the highest rate of union membership in 2019 (30.1 percent). This was followed by the Jackson MSA (19.1 percent), the Lansing-East Lansing MSA (16.4 percent), the Flint MSA (15.3 percent), and the Battle Creek MSA (14.8 percent). Michigan's largest metro area, the Detroit-Warren-Dearborn MSA, ranked 7th at 13.7 percent of total employment in a union.

### What are some demographics of union members?

At the national level, the CPS allows for limited observations of union membership by some high-level demographic characteristics.

Because of a smaller sample size, comparable information for Michigan is not available, but the general trends are likely the same.

#### AGE

Workers 55 to 64 reported the highest union membership at 12.5 percent of employment, followed by workers 45 to 54 (11.7 percent) and those 35 to 44 (11.1 percent). Youth 16 to 24 and young adults 25 to 34 had the lowest union membership at 3.5 and 8.4 percent, respectively.

#### SEX

In 2019, men were only slightly more likely than women to be members of unions with 9.7 percent of employed women in unions compared to 10.8 percent for men.

#### RACE AND ETHNICITY

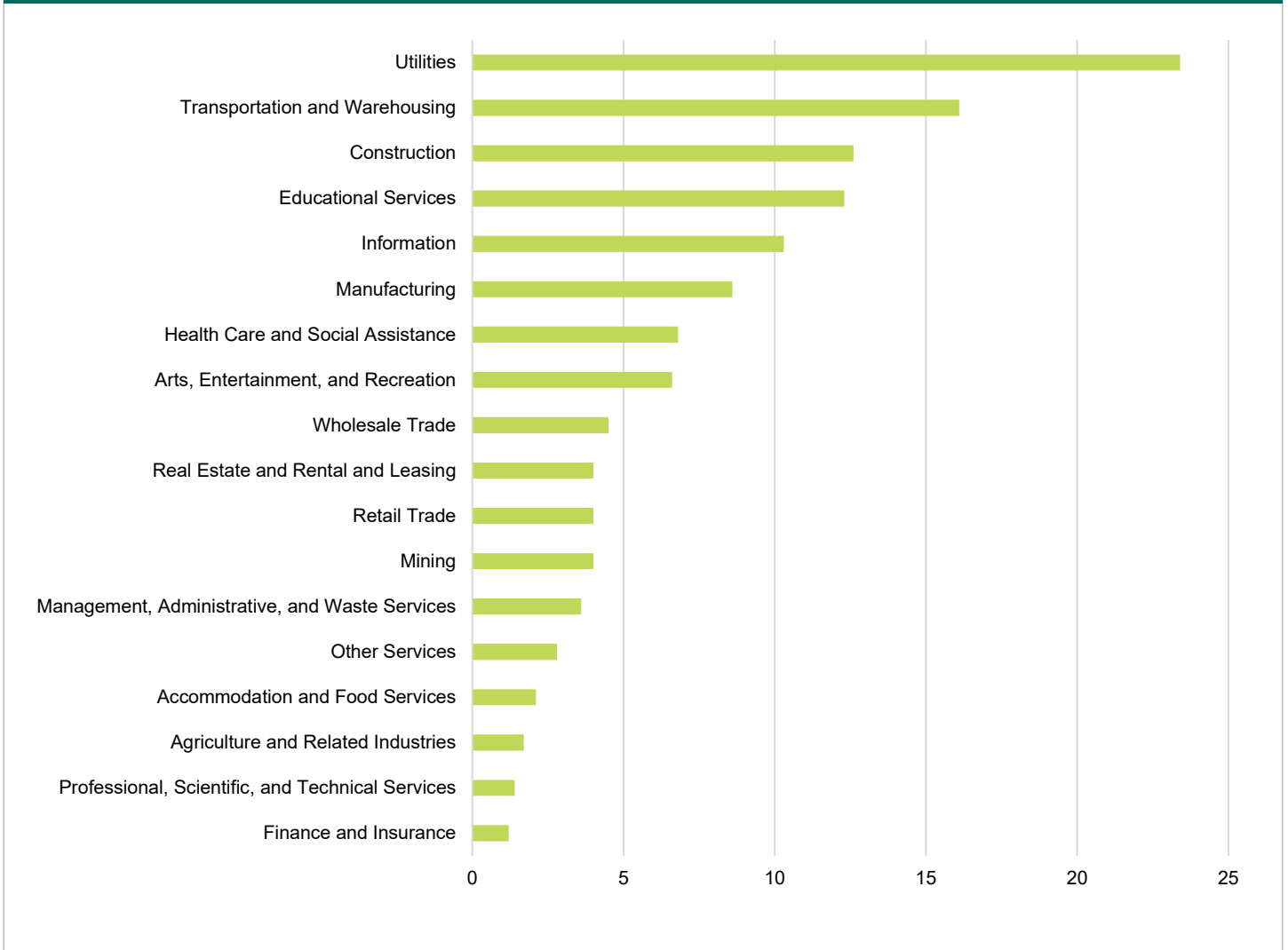
Black or African American workers reported the highest membership with 11.2 percent of employment in a union, compared to 10.3 percent for Whites and 8.8 percent for Asians. Hispanic or Latino workers saw 8.9 percent of employment in a union.

### What industries and occupations have the most union members?

#### INDUSTRIES

Nationally, 6.2 percent of private sector employment belongs to a union compared to 33.6 percent of public sector employment. In the public sector, local government reported the highest rates of union membership at 39.4 percent, driven by the large number of jobs in

**FIGURE 4: UNION MEMBERSHIP AS A SHARE OF INDUSTRY EMPLOYMENT IN THE U.S. IN 2019**



Source: Current Population Survey, U.S. Bureau of Labor Statistics

local government education. Not surprisingly, both state and federal government reported double-digit rates at 29.4 percent and 25.6 percent, respectively. These numbers reflect public sector unions in the state civil service, the federal general service, and in state government education.

In the private sector, union membership as a percentage of total employment was highest in Utilities at 23.4 percent. Transportation and warehousing (16.1 percent) was the second highest, with a large number of unionized truck drivers, as well as material handlers and warehouse workers.

Construction came in third with union members comprising 12.6 percent of total employment, not surprising considering the many laborers and skills trades positions in the industry represented by labor unions. Rounding out

the top six were *Educational services* (12.3 percent), *Information* (10.3 percent), and *Manufacturing* (8.6 percent).

On the other end of the spectrum, *Finance and insurance* reported the lowest union membership, with just 1.2 percent of employment going to union members. Not far behind were industries with many part-time, seasonal, or temporary workers such as *Accommodation and food services* (2.1 percent) and *Retail trade* (4.0 percent).

**OCCUPATIONS**

Turning to occupations nationally, *Natural resources, construction, and maintenance* occupations reported the highest union membership at 14.9 percent of total employment followed by *Production, transportation, and material moving* occupations at 12.9 percent.

The lowest rates were seen in *Service occupations* (9.3 percent) and *Sales and office occupations* (6.1 percent).

**Do union members earn more than their non-union counterparts?**

In 2019, the median weekly earnings of full-time wage and salary workers in a union were higher than their non-union counterparts. In the private sector, earnings were \$1,025 for union members and \$881 for those not in a union, a difference of \$144 per week.

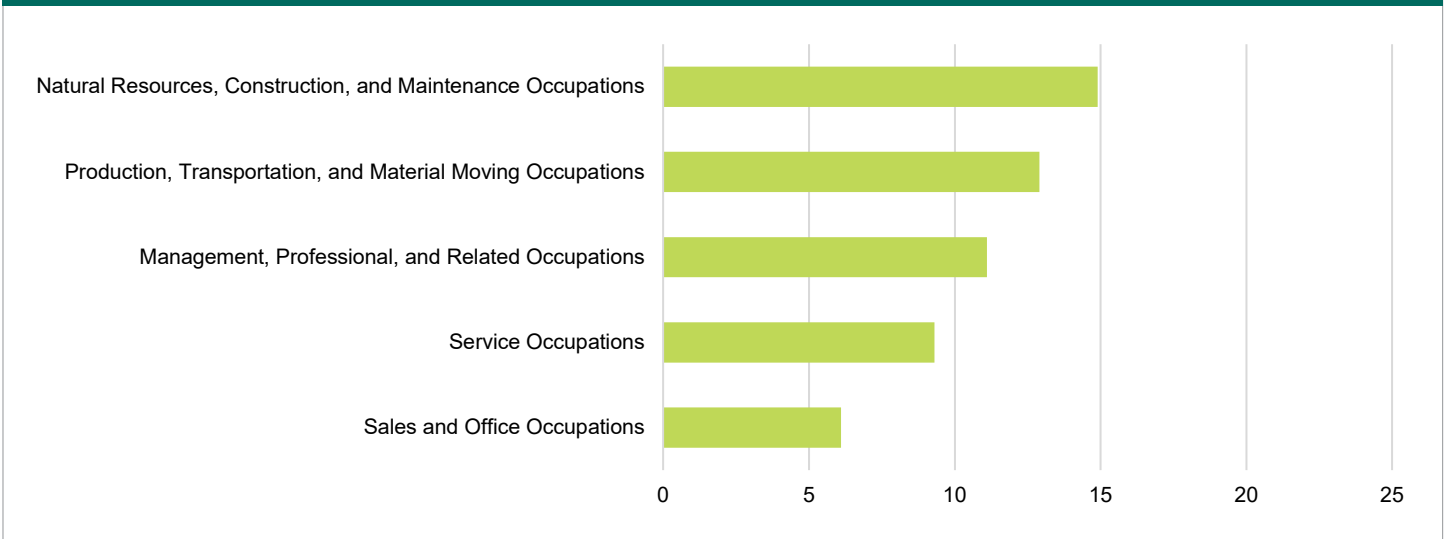
In the public sector, earnings were \$1,147 for union members and \$973 for non-union workers and a difference of \$174 per week.

In the private sector, the difference in earnings was largest in *Construction*, where union members earn \$389 per week more than





**FIGURE 5: UNION MEMBERSHIP AS A SHARE OF OCCUPATIONAL EMPLOYMENT IN THE U.S. IN 2019**



Source: Current Population Survey, U.S. Bureau of Labor Statistics

their non-union counterparts and lowest in *Professional and business services*, where non-union workers out-earn union members by \$252 per week.

### Conclusion

Since official estimates became available in the 1980s, there has been a consistent downward trend of union membership rates nationwide. In 2019, both Michigan and the nation experienced

a historic low point in union membership at 13.6 percent and 10.3 percent. There have been many attempts to pinpoint the key contributing causes, from examining economic factors to studying legislative measures. Both the decline of the manufacturing sector and the implementation of “right to work” laws in Michigan have been cited as major contributors. While their roles are important to consider there are many factors that have contributed to this

decline. Downward trend or no, understanding the size and scope of union membership is important for a complete understanding of the labor market.

**KRYSTAL JONES**  
Economic Analyst

**JASON PALMER**  
Director

# APRIL ONLINE JOB ADS DECLINE SHARPLY IN MICHIGAN

During April, there were 131,352 online job advertisements in Michigan, which fell significantly over the month by 20.5 percent from the March level of over 165,000 ads. Since April 2019, online ads dropped in Michigan by 20.8 percent or 34,483. These totals reflect ads that could have been posted this month or in prior months and that were still available in April. It is notable that of the roughly 131,000 ads available in April, only about 46,600 were posted during April which was lower than the 54,886 new postings that went up in April 2019. The rest of the April job ads were posted prior to April and had not been filled.

## Michigan Supply/Demand Rate

The ratio of unemployed persons per job advertisement is known as the supply/demand rate. With the unprecedented pandemic-related April jump in the number of unemployed in Michigan, Michigan's supply/demand rate soared in April to 8.29. This can be interpreted as approximately 829 available Michigan unemployed workers for every 100 job advertisements posted online. This April rate was way above the supply/demand rate of 1.26 in March, and reflected the unprecedented monthly jump in the number of unemployed as well as a reduction in job ads. In April 2019, the supply/demand rate was only 1.08.

## Job Ad Posting Length

Of all ads that were online this month, 26 percent had been posted for less than 30 days. This matched the March share, but was lower than prior months. Only 16 percent of ads were posted

for 30 to 59 days which fell considerably from March when 41 percent of ads were posted in this time frame. Over half of Michigan job ads in April (58 percent) were posted for longer than 60 days.

## Job Ads by Occupation

Information is available on advertised jobs by detailed occupation as well as broad occupation groups from the Burning Glass Technologies data series, but the data by occupation is not seasonally adjusted. This month, *Healthcare practitioners and technical positions* were the largest occupational group among posted job ads (16,086). Last month *Healthcare practitioners and technical* was second to *Sales and related jobs*, which ranked second in size this month. In April there were 15,840 Sales and related ads followed by 12,525 Management ads.

Most major occupational groups saw a significant plunge in online ads in April, reflecting the impact of COVID-19. Ad levels in many occupational categories dropped more than 20 percent in April. *Arts, design, entertainment, sports, and media* had the largest percentage decline of more than 30 percent. *Sales and related* ads saw the largest numeric regression, down by 4,165. The only occupational group to experience an ad gain was *Transportation and material moving* which increased by 295 ads (+4.0 percent).

Among more detailed occupational titles, over the month a majority of the most frequently posted occupations registered ad cuts of between 15 and 30 percent. There were some exceptions of detailed occupations with a gain

in postings in April. *Registered nurses* were the most recorded occupation with 6,613 ads, which was a 2 percent advance over the month. Several occupations related to *Transportation and material moving* also had more ad postings. Notably, *Drive/sales workers* grew to 1,728 ads this month, a hike of 69 percent in April.

## Regional Analysis

All Metropolitan Statistical Areas (MSAs) in Michigan had significant job ad declines in April. In fact, six Michigan metro areas registered monthly online ad reductions of over 20 percent. The Lansing–East Lansing MSA recorded the largest April ad drop (-25 percent). Only the Bay City and Monroe metro areas had percentage add cuts of less than 10 percent in April.

*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.*

*The April job ad data includes a mix of ads posted before and after the onset of significant layoffs in Michigan related to COVID-19.*

**EVAN LINSKEY**  
Economic Analyst

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



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

## MICHIGAN ONLINE JOB ADS BY INDUSTRY, APRIL 2020



Note: Roughly 31,900 postings did not have specific industry ties in the April 2020 data

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

## LABOR DEMAND BY OCCUPATION (NOT SEASONALLY ADJUSTED)

OCCUPATION CATEGORIES	APRIL 2020	MARCH 2020	APRIL 2019	OVER THE MONTH	
				LEVEL	PERCENT
<b>TOTAL</b>	<b>125,959</b>	<b>157,734</b>	<b>157,910</b>	<b>-31,775</b>	<b>-20.1%</b>
Administrative Support	11,500	15,657	16,140	-4,157	-26.6%
Office and Administrative Support	11,500	15,657	16,140	-4,157	-26.6%
Construction and Repair	5,876	7,768	8,369	-1,892	-24.4%
Construction and Extraction	1,545	2,003	2,209	-458	-22.9%
Installation, Maintenance, and Repair	4,331	5,765	6,160	-1,434	-24.9%
Farming, Fishing, and Forestry	213	234	337	-21	-9.0%
Farming, Fishing, and Forestry	213	234	337	-21	-9.0%
Healthcare	19,809	22,652	23,210	-2,843	-12.6%
Healthcare Practitioners and Technical	16,086	17,900	18,339	-1,814	-10.1%
Healthcare Support	3,723	4,752	4,871	-1,029	-21.7%
Management	12,525	16,431	16,580	-3,906	-23.8%
Management	12,525	16,431	16,580	-3,906	-23.8%
Production	4,717	5,819	6,920	-1,102	-18.9%
Production	4,717	5,819	6,920	-1,102	-18.9%
Professional	33,681	43,713	40,624	-10,032	-22.9%
Architecture and Engineering	5,015	6,761	7,060	-1,746	-25.8%
Arts, Design, Entertainment, Sports, and Media	3,098	4,443	3,746	-1,345	-30.3%
Business and Financial Operations	6,410	8,689	8,720	-2,279	-26.2%
Community and Social Services	1,753	2,195	1,919	-442	-20.1%
Computer and Mathematical	12,386	15,385	13,096	-2,999	-19.5%
Education, Training, and Library	3,165	4,019	3,831	-854	-21.2%
Legal	612	730	756	-118	-16.2%
Life, Physical, and Social Science	1,242	1,491	1,496	-249	-16.7%
Sales	15,840	20,005	18,303	-4,165	-20.8%
Sales and Related	15,840	20,005	18,303	-4,165	-20.8%
Service	14,038	17,990	18,442	-3,952	-22.0%
Building and Grounds Cleaning and Maintenance	3,595	4,126	4,014	-531	-12.9%
Food Preparation and Serving Related	5,891	8,306	8,954	-2,415	-29.1%
Personal Care and Service	3,001	3,841	3,483	-840	-21.9%
Protective Service	1,551	1,717	1,991	-166	-9.7%
Transportation	7,760	7,465	8,985	295	4.0%
Transportation and Material Moving	7,760	7,465	8,985	295	4.0%

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

UNION MEMBERSHIP AS SHARE OF TOTAL EMPLOYED BY STATE				
RANK	STATE	TOTAL EMPLOYED (IN THOUSANDS)	TOTAL UNION MEMBERSHIP (IN THOUSANDS)	PERCENT OF EMPLOYED
1	Hawaii	574	135	23.5%
2	New York	8,253	1,732	21.0%
3	Washington	3,393	638	18.8%
4	Rhode Island	475	83	17.5%
5	Alaska	282	48	17.0%
13	Michigan	4,323	589	13.6%
22	West Virginia	704	72	10.2%
24	Colorado	2,631	237	9.0%
25	Delaware	432	38	8.8%
26	Kansas	1,280	112	8.8%
27	Alabama	2,041	173	8.5%
46	Georgia	4,422	180	4.1%
47	Texas	12,334	497	4.0%
48	Virginia	3,881	156	4.0%
49	North Carolina	4,396	102	2.3%
50	South Carolina	2,140	47	2.2%

Source: Current Population Survey, U.S. Bureau of Labor Statistics

## UNION MEMBERSHIP NATIONALLY BY INDUSTRY

RANK	INDUSTRY	TOTAL EMPLOYED (IN THOUSANDS)	TOTAL UNION MEMBERSHIP (IN THOUSANDS)	PERCENT OF EMPLOYED
1	Public Sector	21,023	7,066	33.6%
2	Utilities	1,086	254	23.4%
3	Transportation and Warehousing	5,659	912	16.1%
4	Construction	8,352	1,055	12.6%
5	Education Services	4,922	608	12.4%
6	Information	2,353	242	10.3%
7	Manufacturing	15,070	1,291	8.6%
8	Health Care and Social Assistance	18,768	1,278	6.8%
9	Arts, Entertainment, and Recreation	2,498	164	6.6%
10	Wholesale Trade	3,186	143	4.5%
11	Mining, Quarrying, Oil, and Gas Extraction	710	28	3.9%
12	Retail Trade	14,927	598	4.0%
13	Real Estate and Rental and Leasing	2,382	95	4.0%
14	Management, Administrative, and Waste Services	5,440	197	3.6%
15	Other Services, Except Public Administration	6,150	172	2.8%
16	Accommodation and Food Services	10,599	220	2.1%
17	Agriculture and Related Industries	1,352	23	1.7%
18	Professional and Technical Services	10,280	143	1.4%
19	Finance and Insurance	6,982	87	1.2%

Source: Current Population Survey, U.S. Bureau of Labor Statistics



# ASK THE ECONOMIST

---

What is the **WARN** program, and  
what does it mean in the age of  
**COVID-19**?



# Here's what you need to know...

## The Worker Adjustment and Retraining Notification (WARN) Act

The U.S. Congress passed the WARN Act in August 1988 to provide workers with time to seek other employment or retraining opportunities before losing their jobs. It entitles employees to receive a written notice 60 calendar days prior to the date of a mass layoff or plant closing if the company meets certain conditions. Each WARN announcement contains an explanation of whether the layoff or closing is permanent or temporary, meaning it will last six months or less. It should include the date of layoff or closing, an explanation of bumping rights (if they exist), and the name and contact information for a person in the company who can provide additional information. It is important to note that these layoffs may or may not actually occur in each instance.

### Are all workers protected?

Workers protected by the WARN Act may be salary or hourly and can include management staff. Employees are entitled to a WARN notice if they meet the following qualifications:

- They are terminated (but not if they voluntarily quit), retire, or are discharged for cause
- They are laid off for more than six months
- They have their regular hours of work reduced by more than half during each month of a six-month period

These workers are protected by the WARN act if their company meets certain criteria:

- It employs 100 or more full-time workers
- It employs 100 or more workers who work at least a combined 4,000 hours a week
- It is a private business or non-profit or quasi-public entity

Workers are covered under the WARN Act if their job loss occurs as part of the following situations:

- A plant closing where an employer shuts down a facility and lays off at least 50 full-time workers
- A mass layoff where an employer lays off between 50 and 499 full-time workers AND that number is 33 percent of the full-time workers at a single site
- Any situation where an employer lays off 500 or more full-time workers at a single site

### What are the exceptions?

There are some exceptions for when an employee is not covered by the WARN Act. Workers are not covered if they are on strike or have been locked out in a labor dispute, if they were hired for temporary projects, as consultants or contract employees, if they were self-employed workers, or if they were federal, state, or local government staff.

A company is not obligated to send a WARN announcement if they are a faltering company that is seeking capital or business which, if obtained, would forestall any layoffs and advance notice of layoffs would hurt its ability to acquire the capital or business it needs to continue operating. Another instance includes when a company could not reasonably foresee business circumstances that are out of a firm's control such as a cancellation of a major order. Finally, a business is not required to provide a WARN letter due to a natural disaster such as a hurricane, fire, act of nature, etc.

### What do WARN announcements show for a typical year?

Since 2000, Michigan has reported about 12,000 potential layoffs each year from WARN

announcements. These notices are particularly important when they effect the greatest number of workers. Since 2000, there have been 82 WARN letters indicating that 500 or more workers may be laid off. Only 29 of those were for notices of 1,000 or more employees.

The potential number of layoffs in 2020 is already greater than any year during the Great Recession, where Michigan had WARN layoff notices for 21,000-24,000 jobs each year. Most WARN letters received since March were related to the COVID-19 pandemic. Since this could be considered an "unforeseen circumstance," firms get an exception from the requirement to provide the 60-days' notice. However, companies still must provide as much notice as possible and include a brief statement of the reason for giving less than 60-days' notice. This is important so planning can begin for employees and government officials.

### Who administers the WARN Act in Michigan?

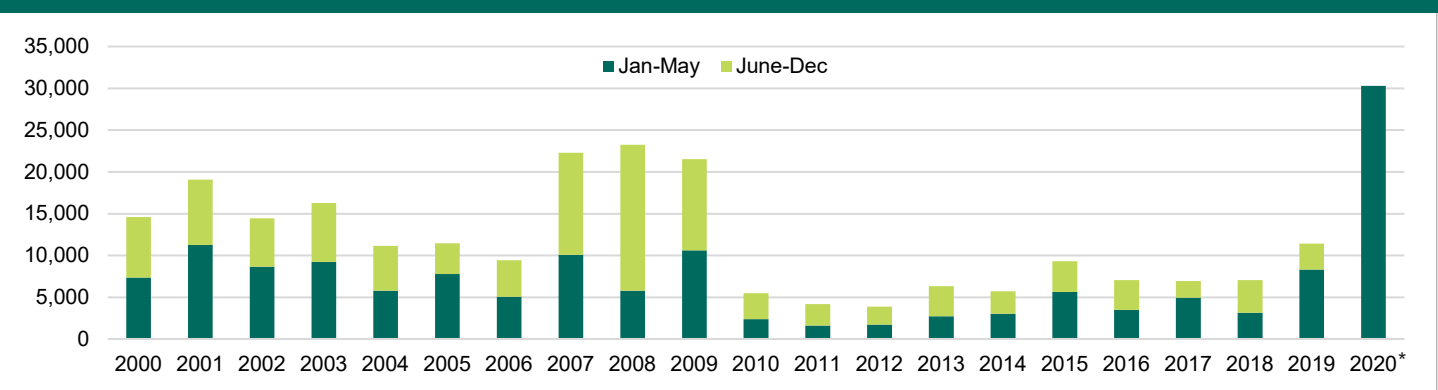
The Department of Labor and Economic Opportunity (LEO) administers the WARN Act in Michigan. These notices are available to the public and are updated to their website on a flow basis.

*Learn more about the WARN ACT in Michigan at [bit.ly/LEO-WARN](http://bit.ly/LEO-WARN).*

*An analysis of Michigan's WARN announcements related to COVID-19 published by the W. E. Upjohn Institute can be found at [bit.ly/Upjohn-WARN](http://bit.ly/Upjohn-WARN).*

**WAYNE ROURKE**  
Associate Director

## MICHIGAN POTENTIAL LAYOFFS (WARN), 2000–2019 AND SO FAR IN 2020



Source: Michigan Department of Labor and Economic Opportunity and the Bureau of Labor Market Information and Strategic Initiatives

\*As of May 26, 2020



**STATE OF MICHIGAN**

Department of Technology, Management & Budget

Bureau of Labor Market Information and Strategic Initiatives

**Detroit Office**

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

**Lansing Office**

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

In accordance with Michigan Law and the Americans with Disabilities Act requirements, an alternate format of this printed material may be obtained by contacting: Bruce Weaver, Economic Manager, Department of Technology, Management & Budget, Bureau of Labor Market Information and Strategic Initiatives, 3032 West Grand Boulevard, Suite 9-150, Detroit Michigan 48202, (313) 456-3091 or [WeaverB1@michigan.gov](mailto:WeaverB1@michigan.gov).

