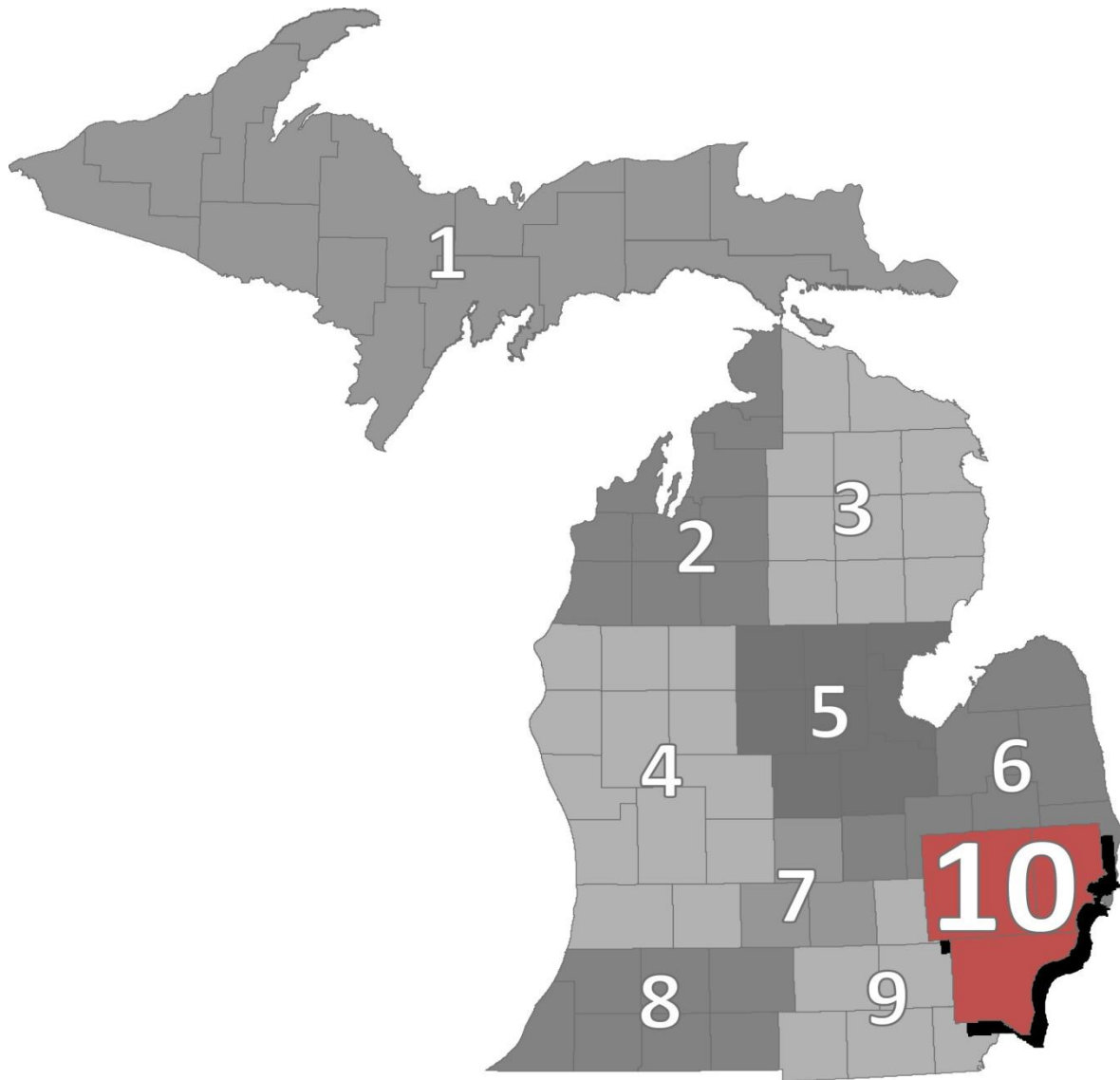


# Regional Prosperity Initiative: Labor Market Information Supplement



Prepared For:

## **Detroit Metro Prosperity Region (Region 10)**

(Macomb, Oakland, and Wayne)

Prepared By:

State of Michigan

**Department of Technology, Management, and Budget**

Bureau of Labor Market Information and Strategic Initiatives

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**POPULATION AND DEMOGRAPHICS**

- As of 2012, the Detroit Metro Prosperity Region (Region 10) had an estimated population of 3,860,405, representing 39.1 percent of the statewide population.
- Between 2000 and 2012, the Region’s population has declined by -183,241 or -4.5 percent. Over the same period, Michigan’s population has remained relatively flat, inching lower by 55,500 residents or 0.6 percent.
- The entire population loss in Region 10 was concentrated in Wayne County, with a decline in residents of 268,815 or 13 percent. These reductions were partially offset by gains in Macomb and Oakland.
- The age distribution of the Region 10 population closely mirrors the State. In 2012, 27 percent of residents were at or nearing retirement age (55 or older) while 1 in 4 were in the younger worker cohorts, including those 15 to 24 and 25 to 34.
- With nearly 60 percent of residents with some college or holding an Associate’s degree or higher, Region 10 boasts a higher share of college graduates than the statewide average. At the same time, however, the Region also has a higher share of residents with less than a high school diploma (13 percent Regionally compared to 11 percent statewide).

**Population and Demographics**

**Detroit Metro Prosperity Region**

**3,860,405**

Total Population, 2012 Estimate

**39.1%**

Share of State

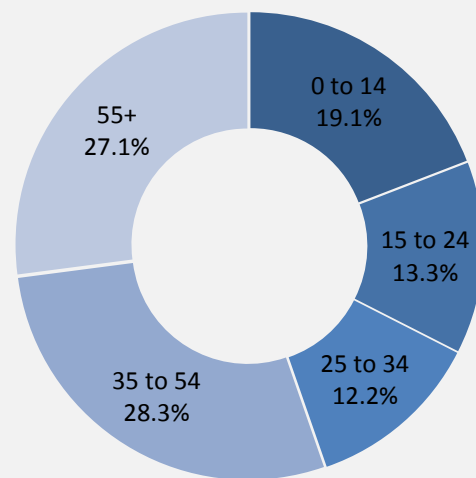
**-183,241**

Total Change in Residents, 2000-2012

**-4.5%**

Percent Change in Residents, 2000-2012

**Population by Age**



**Population by Gender**

**52%**

Female

**48%**

Male

**Educational Attainment of 25+ Population**

Less than High School Diploma

**13%** Share • **329,205** Residents

High School Graduate, GED or Alternative

**28%** Share • **735,427** Residents

Some College or Associate’s Degree

**31%** Share • **808,995** Residents

Bachelor’s Degree or Higher

**28%** Share • **723,409** Residents

Source: U.S. Census Bureau / DTMB, Center for Shared Solutions

**LABOR FORCE AND UNEMPLOYMENT**

- The Detroit Metro Prosperity Region in 2013 had over 1.8 million persons active in the job market, either working or seeking a job. Since 2009, the Region’s labor force has fallen by 80,990 or 4.3 percent. Over the same period, labor force levels statewide have declined by 166,430 or 3.4 percent. Outmigration, retirements, and job market discouragement have been factors behind lower labor force levels.
- The Detroit Metro labor force continued to fall even after the official end of the “Great Recession” in June 2009, but began experiencing an upward trend after a January 2012 trough. In fact, from August 2012 to August 2013, labor force rebounded by 31,600 or 1.7 percent.
- The Region’s labor force is comprised of 1,625,750 employed and 180,100 unemployed. The unemployment rate measures 10.0 percent, down slightly from 2012, due primarily to recent job gains in *Manufacturing and Professional and technical services*.
- Jobless rates have declined steadily in the Region since a peak of 15 percent in 2009, but remain above pre-recessionary levels. With an unemployment rate of 10.0 percent, the Region 10 rate remains above the Michigan average of 9.1 percent.

**Labor Force and Unemployment**

**Detroit Metro Prosperity Region**

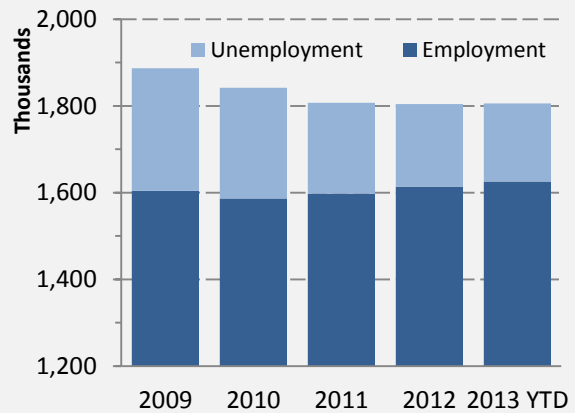
**1,805,850**

Labor Force Participants, 2013 YTD

**-4.3%**

Change in Labor Force, 2009-2013

**Labor Force, Employment, Unemployment**



**Detroit Metro Prosperity Region**

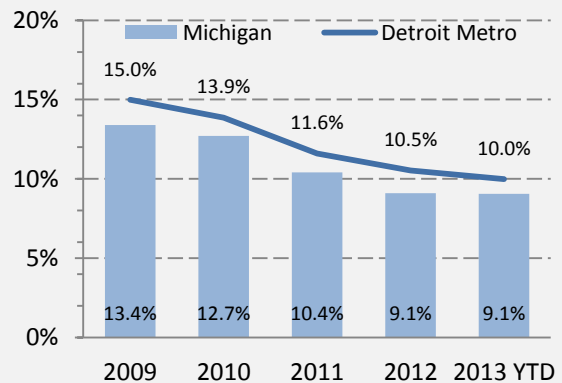
**10.0%**

Unemployment Rate, 2013 YTD

**-5.0**

Change in Unemployment Rate, 2009-2013

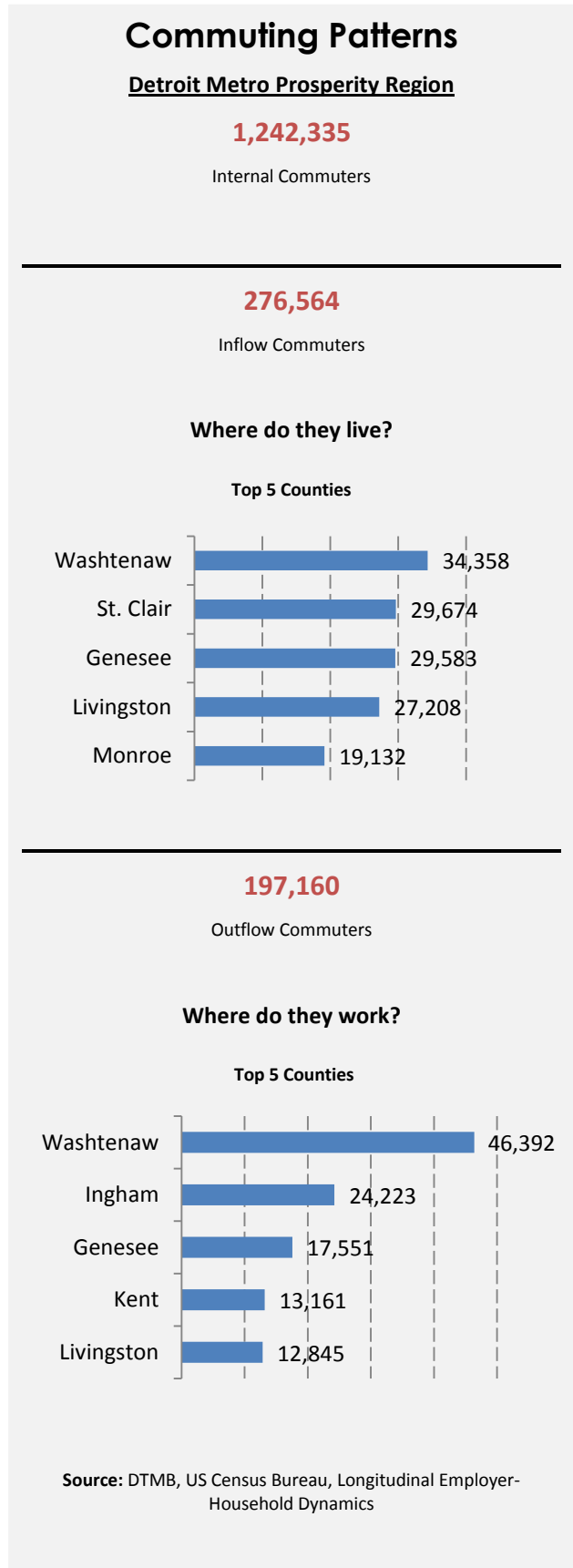
**Unemployment Rate**



Source: DTMB, Local Area Unemployment Statistics (LAUS)

**COMMUTING PATTERNS**

- The Detroit Metro Prosperity Region has 1,242,335 internal commuters, the total number of those who are employed and living within Region 10. This is the highest total of any of the ten Prosperity Regions.
- Inflow commuters, those who live outside of the Region but travel to Region 10 to work, number more than 276,000. This accounts for just 18 percent of all those employed within the Region. Region 10 has less inflow commuters proportional to total workforce than most of the other Michigan Regions.
- The top three sources of commuters into the Region are Washtenaw, St. Clair, and Genesee counties. Out of the more than 276,000 inflow commuters, about 34 percent commute from these three counties.
- Outflow commuters, those who live in Region 10 but travel elsewhere for employment, generally commute to Washtenaw, Ingham, and Genesee counties. Out of 197,000 outflow commuters, over 88,000 commute to these three counties, accounting for almost 45 percent of all outflow traffic.
- The total number of net commuters (inflow – outflow) is 79,404, meaning that many more people are commuting to the Region to work than are leaving the Region for employment. This is the highest level of net commuting of any of the ten Prosperity Regions.



**INDUSTRY EMPLOYMENT**

- In 2012, the Detroit Metro Prosperity Region posted 1,636,200 payroll jobs, representing 41.6 percent of statewide payrolls.
- Over half of all Region 10 jobs are concentrated in five industries: *Health care and social assistance, Manufacturing, Retail trade, Professional, scientific, and technical services, and Accommodation and food services.*
- *Health care and social assistance* is a major source of jobs in Region 10, due to an aging population and rapidly advancing technology. This sector added jobs throughout the past decade, but Regional health systems are currently dealing with reduced inpatient volumes and reimbursement cuts.
- As expected, *Manufacturing* is a major source of jobs in Region 10. Anchored by the State’s auto and related industries, the Region boasts *Manufacturers* at all levels of the supply chain. Also, major job levels exist at the many auto-related headquarters and technology centers that are typically classified in the *Professional, scientific, and technical services* industry.
- *Retail trade* and *Accommodation and food services* provide many jobs in Region 10. Both industries have posted recent job gains reflecting increased consumer spending.

**Industry Employment**

**Detroit Metro Prosperity Region**

**1,636,200**

Total, All Industry Payroll Jobs

**\$1,025**

Total, All Industry Average Weekly Wage

**Top 10 Industries by Employment**

**Health Care and Social Assistance**

251,600 Jobs • 15.4% Share

**Manufacturing**

197,650 Jobs • 12.1% Share

**Retail Trade**

179,300 Jobs • 11.0% Share

**Professional, Scientific, and Technical Services**

157,500 Jobs • 9.6% Share

**Accommodation and Food Services**

141,800 Jobs • 8.7% Share

**Administrative and Support Services**

123,700 Jobs • 7.6% Share

**Educational Services (Public & Private)**

106,475 Jobs • 6.5% Share

**Wholesale Trade**

72,600 Jobs • 4.4% Share

**Public Administration**

64,750 Jobs • 4.0% Share

**Finance and Insurance**

61,225 Jobs • 3.7% Share

Source: DTMB, Quarterly Census of Employment and Wages (Customized Report)

**INDUSTRY JOB TRENDS**

- Between 2009 and 2012, payroll jobs in the Detroit Metro Prosperity Region have increased by 91,675 or 5.9 percent, higher than the 4.0 percent growth in jobs statewide.
- *Manufacturing* tops the list of the Region’s recent high-growth industries. Since 2009, the *Manufacturing* industry has added over 32,400 jobs, growing by nearly 20 percent. *Transportation equipment manufacturing* was responsible for an impressive 15,600 of those job gains. However, *Manufacturing* jobs in the Region remain far below pre-recessionary levels.
- Solid growth was also seen in *Administrative and support and waste management* and *Professional, scientific, and technical services*. Both industries added over 20,000 jobs and posted double-digit growth rates since 2009.
- The *Health care and social assistance* industry has been consistently adding jobs in Region 10. Since 2009, the industry is up by 8,850 jobs or 3.6 percent. Major job additions have been recorded in *Hospitals* and *Nursing and residential care facilities* while more tempered gains occurred in *Ambulatory health care services* and *Social assistance*.
- Since 2009, not all industries have added jobs. For example, significant losses were seen in *Educational services*, *Arts, entertainment and recreation*, and *Public administration*.

**Industry Job Trends**

**Detroit Metro Prosperity Region**

**+91,675**

Change in Payroll Jobs, 2<sup>nd</sup> Qtr. 2009 – 2<sup>nd</sup> Qtr. 2012

**+5.9%**

Percent Change in Payroll Jobs, 2<sup>nd</sup> Qtr. 2009 – 2<sup>nd</sup> Qtr. 2012

**High Growth Industries**

**Manufacturing**

**+32,425** Jobs • **+19.8%** Percent

**Administrative and Support and Waste Management**

**+24,825** Jobs • **+24.4%** Percent

**Professional, Scientific, and Technical Services**

**+22,325** Jobs • **+16.7%** Percent

**Health Care and Social Assistance**

**+8,850** Jobs • **+3.6%** Percent

**Accommodation and Food Services**

**+6,472** Jobs • **+4.7%** Percent

**Declining Industries**

**Educational Services (Public & Private)**

**-12,825** Jobs • **-10.4%** Percent

**Public Administration**

**-7,475** Jobs • **-10.3%** Percent

**Arts, Entertainment, and Recreation**

**-2,275** Jobs • **-11.1%** Percent

**Finance and Insurance**

**-2,075** Jobs • **-3.3%** Percent

**Information**

**-1,775** Jobs • **-6.4%** Percent

Source: DTMB, Quarterly Census of Employment and Wages (Customized Report)

**EMPLOYMENT CONCENTRATION INDUSTRIES**

- A location quotient (LQ) is a ratio that compares the concentration of employment in a defined area to that of a larger area. A LQ greater than 1 suggests a higher concentration of industry employment locally than statewide while a LQ of less than one suggests a smaller concentration of industry employment. A LQ equal to 1 indicates the same concentration of industry employment Regionally and statewide.
- The Detroit Metro Prosperity Region has a higher location quotient, and therefore high employment concentration, in industries such as *Transportation equipment manufacturing, Management of companies and enterprises, and Data processing and hosting.*
- Many of the Region’s employment concentration industries also report an average weekly wage higher than the total, all industry average of \$1,025. *Management of companies and enterprises and Transportation equipment manufacturing* are examples of especially high-paying competitive sectors.
- Because of significant employment elsewhere in the State, industries like *Utilities, Furniture and related product manufacturing, and Food manufacturing* report lower location quotients in Region 10.

**Location Quotient (LQ)**

**Higher LQ Industries**

**Air Transportation**

1.98 Location Quotient \$1,362 Average Weekly Wage

**Management of Companies and Enterprises**

1.66 Location Quotient \$2,383 Average Weekly Wage

**Data Processing, Hosting, and Related Activities**

1.64 Location Quotient \$1,299 Average Weekly Wage

**Performing Arts, Spectator Sports, and Related Industries**

1.35 Location Quotient \$2,530 Average Weekly Wage

**Transportation Equipment Manufacturing**

1.32 Location Quotient \$1,652 Average Weekly Wage

**Lower LQ Industries**

**Furniture and Related Product Manufacturing**

0.23 Location Quotient \$1,011 Average Weekly Wage

**Food Manufacturing**

0.40 Location Quotient \$655 Average Weekly Wage

**Chemical Manufacturing**

0.47 Location Quotient \$1,724 Average Weekly Wage

**Heavy and Civil Engineering Construction**

0.58 Location Quotient \$1,340 Average Weekly Wage

**Utilities**

0.59 Location Quotient \$2,110 Average Weekly Wage

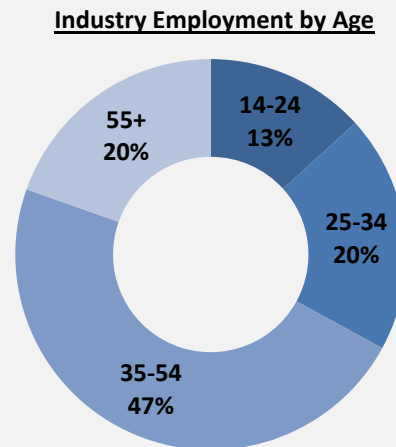
Source: DTMB, Quarterly Census of Employment and Wages (Customized Report)



**DEMOGRAPHICS / INDUSTRY EMPLOYMENT**

- In the Detroit Metro Prosperity Region, 20 percent of jobs are held by workers 55 years of age or older, equal to the 20 percent of jobs statewide. Similarly, 20 percent of workers in the Detroit Metro Prosperity Region are 25-34, equal to the State’s 20 percent.
- Compared to the age distribution seen in Michigan as a whole, the Region’s industries with an older workforce are *Utilities* and *Educational services*. Nearly one in three employees in the *Utilities* industry and about one in four employees in *Educational services* are over the age of 55.
- Importantly, *Health care and social assistance* registers the highest number of older employees (ages 55 and up). This presents the Region with the possibility of a shortfall of healthcare workers if there are not enough qualified entrants into the industry when older workers begin to retire.
- Also notable among Region 10 industries is *Public administration*. Older workers make up 25 percent of the Region’s workforce in this sector. Younger workers comprise just 14 percent of this sector’s employment in the Region. This may signal potential future workforce shortages in *Public administration* due to retirements.

**Industry Employment by Age**



**Lower Share of Older Workers**

- Accommodation and Food Services  
9% over 55
- Construction  
16% over 55
- Retail Trade  
17% over 55
- Information  
18% over 55

**Higher Share of Older Workers**

- Utilities  
29% over 55
- Education  
27% over 55
- Public Administration  
25% over 55
- Health Care and Social Assistance  
22% over 55

Source: DTMB, Local Employment Dynamics

## OCCUPATIONAL EMPLOYMENT AND WAGES

- Occupational employment in the Detroit Metro Prosperity Region measured 1,656,150 in 2012. Employment was in a wide range of job titles ranging from those in the large *Office and administrative support, Sales and related, and Production* categories to those in the critical categories of *Architecture and engineering, and Computer and mathematical*.
- Reflecting the diverse mix of job titles in Region 10, the occupational wage range is quite large, spanning from \$8.80 /hour at the 10th percentile to \$43.25 /hour at the 90th percentile. The median hourly wage in the Region was \$17.92 in 2012.
- The occupational categories with the most employment in Region 10 include *Office and administrative support, Sales and related, and Production*. In addition, categories like *Management, Architecture and engineering, Computer and mathematical, Business and financial operations, and Healthcare practitioners and technical*, all report solid employment and wages in Region 10.
- As expected, the highest paying occupations in Region 10 are also the ones that require the most education and training. The highest paying job titles are concentrated in *Healthcare practitioner and technical* occupations and *Management* occupations.

## Employment and Wages

### Detroit Metro Prosperity Region

**1,656,150**

Occupational Employment

**\$17.92**

Median Occupational Wage

### High Employment / High Wage Categories

#### Management

83,730 Employed • \$23.77 - \$89.93 Wage Range

#### Architecture and Engineering

71,580 Employed • \$20.22 - \$56.35 Wage Range

#### Computer and Mathematical

55,910 Employed • \$19.14 - \$53.65 Wage Range

#### Business and Financial Operations

88,690 Employed • \$16.66 - \$52.54 Wage Range

#### Healthcare Practitioners and Technical

110,530 Employed • \$14.97 - \$62.49 Wage Range

### High Employment / High Wage Occupations

#### Registered Nurses

38,750 Employed • \$32.76 Median Wage

#### Mechanical Engineers

23,380 Employed • \$43.24 Median Wage

#### Industrial Engineers

12,800 Employed • \$40.11 Median Wage

#### Systems Analysts

8,940 Employed • \$36.68 Median Wage

#### Industrial Production Managers

5,200 Employed • \$51.73 Median Wage

Source: DTMB, Occupational Employment Statistics  
(Unpublished Data)

## OCCUPATIONAL OUTLOOK

- According to long-term occupational projections, employment in the Detroit Metro area is expected to grow by 112,500 or 5.5 percent through 2018.
- Annual openings in the Region are estimated at 61,350, with 14,900 coming from expanding occupations and 46,450 due to the need to replace existing workers.
- A diverse set of detailed occupations are among those expected to see the largest growth rates in Region 10, including *Network systems and data communication analysts*, *Home health aides*, *Market research analysts*, and *Pharmacy technicians*.
- Despite modest growth, some occupations will still provide many job opportunities due to the need to replace existing workers. These are typically large occupations, such as *Cashiers*, *Retail salespersons*, *Laborers and material movers*, and *Waiters and waitresses*.
- Especially attractive for future jobseekers are occupations with a high forecasted growth rate and a relatively high wage. Typically, these occupations require significant investment in education or training. Among them are *Physical therapists*, *Industrial engineers*, *Dental hygienists*, and *Management analysts*. These occupations all pay a wage higher than the Region’s overall median occupational wage of \$17.92.

## Occupational Outlook

### Detroit Metro Prosperity Region\*

**+112,500**

Projected Employment Growth, 2008-2018

**+5.5%**

Projected Change in Employment, 2008-2018

### High-Growth / High-Demand Occupations

#### Home Health Aides

44.0% Growth • 841 Annual Openings

#### Medical Assistants

25.9% Growth • 387 Annual Openings

#### Computer Software Engineers

28.4% Growth • 432 Annual Openings

#### Registered Nurses

19.1% Growth • 1,488 Annual Openings

#### Personal Financial Advisors

30.5% Growth • 145 Annual Openings

### High-Growth / High-Wage Occupations

#### Physical Therapists

24.7% Growth • \$39.51 Median Wage

#### Heating & Air Conditioning Mechanics

18.7% Growth • \$23.37 Median Wage

#### Industrial Engineers

15.5% Growth • \$40.11 Median Wage

#### Dental Hygienists

26.3% Growth • \$30.91 Median Wage

#### Management Analysts

15.0% Growth • \$36.13 Median Wage

Source: DTMB, Occupational Projections

\*Note: Includes the Detroit Metro Economic Forecast Region (EFR)

**REAL-TIME DEMAND OCCUPATIONS**

- There were 65,740 online advertised job vacancies in the Southeast Michigan Prosperity Region during the 3<sup>rd</sup> Quarter of 2013.
- Over half of all Regional vacancies were concentrated in five broad occupational categories: *Computer & mathematical; Sales & related; Architecture & engineering; Office & administrative support; and Management.*
- The top 5 in-demand detailed job titles were responsible for 1 in 7 total postings in the Region. Led by *Engineering, Healthcare, and IT* job titles, the top 5 in-demand occupations in the Region match closely with the top 5 high demand occupations statewide.
- In Region 10, 11.8 percent of online advertised job vacancies were active for more than 120 days, signaling that employers may be having difficulty filling some of these vacancies. Statewide, an equivalent 11.9 percent of advertised vacancies go unfilled for 120 days or longer.
- One third of all online advertised job vacancies for Region 10 were for positions in the City of Detroit. Troy, Auburn Hills, Southfield, and Warren were the other four cities in the top five for the Region. Over 50 percent of the job ads in the Region were in these top five cities.

**Online Advertised Vacancies**

**Detroit Metro Prosperity Region**

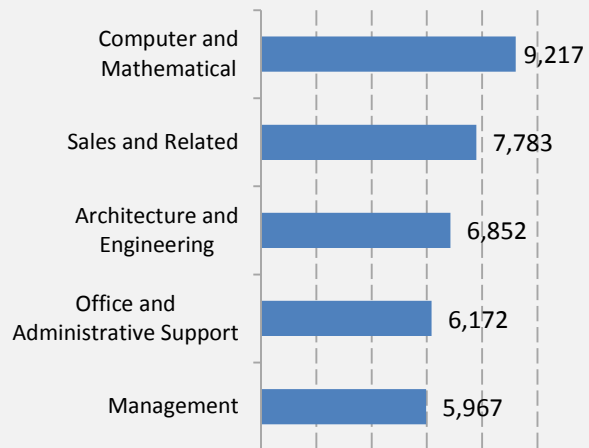
**65,740**

Total Online Advertised Vacancies, 3<sup>rd</sup> Quarter 2013

**-5.2%**

Change in Online Advertised Vacancies, 3<sup>rd</sup> Quarter 2012- 3<sup>rd</sup> Quarter 2013

**Top Advertised Categories**



**Top Advertised Job Titles**

**Industrial Engineers**

2,570 Postings • +13.0% Change

**Registered Nurses**

2,220 Postings • +0.9% Change

**Mechanical Engineers**

2,050 Postings • +5.6% Change

**Retail Salespersons**

1,820 Postings • +22.9% Change

**Computer Systems Analysts**

1,360 Postings • +2.4% Change

**Software Applications Developers**

1,260 Postings • +4.1% Change

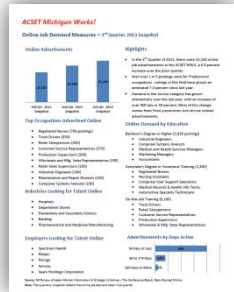
**Truck Drivers**

1,190 Postings • +12.2% Change

Source: The Conference Board, Help Wanted Online

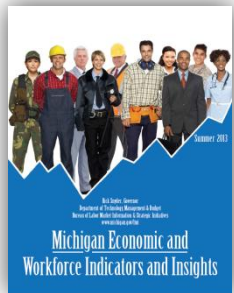
## **ADDITIONAL RESOURCES**

The Bureau of Labor Market Information and Strategic Initiatives is committed to producing timely, accurate, and reliable labor market information and insights as well as other economic intelligence. Below are a few of our key regional products. These and other resources are available on our website at: [www.michigan.gov/lmi](http://www.michigan.gov/lmi).



### **Regional Online Job Demand Profiles**

Using The Conference Board Help Wanted OnLine (HWOL) Data Series, these profiles are intended to supplement existing labor market information by providing local planners with information on real-time job demand. Produced quarterly, these reports are available for each of the state's 25 Michigan Works! Agencies (MWAs).



### **Michigan Economic and Workforce Indicators and Insights**

This biannual report tracks Michigan labor market and economic trends on a series of indicators related to the workforce, knowledge-based jobs, innovation, education, and the economy. Written for an executive audience, this report provides a concise analysis of recent trends in these indicators as well as national and regional comparisons.

## **Coming Soon: Online Advertised Job Demand for Michigan's Prosperity Regions**

### **Regional Prosperity Initiative: Online Job Demand Analysis**

In support of the Regional Prosperity Initiative, these profiles provide a quick reference for those interested in identifying the characteristics of current job vacancies in the regional labor market. Using The Conference Board's Help Wanted Online (HWOL) Data Series, these profiles will be produced monthly for Michigan's 10 Prosperity Regions and released alongside the Michigan Online Job Demand Analysis.

