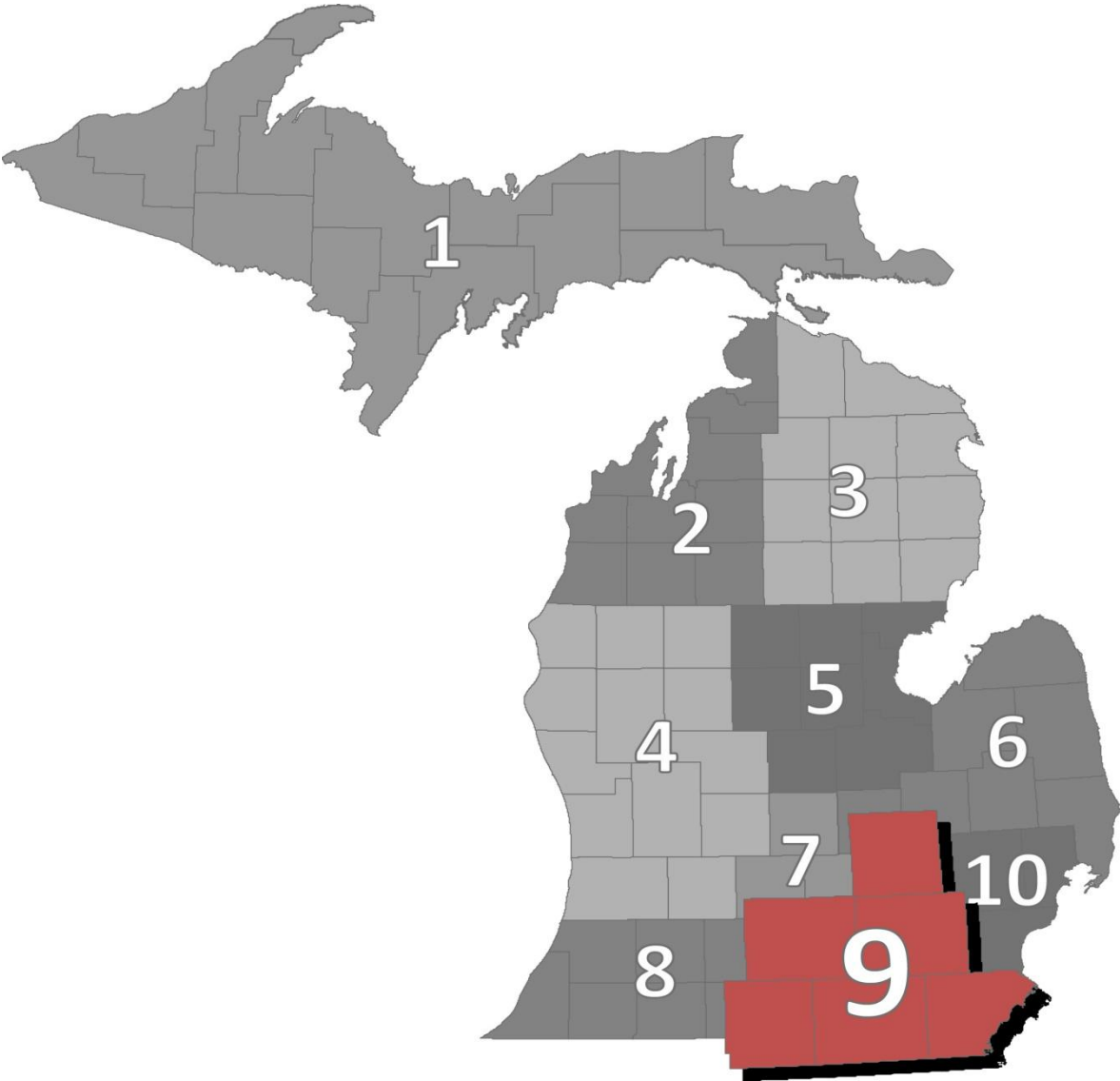


# Regional Prosperity Initiative: Labor Market Information Supplement



Prepared For:

**Southeast Prosperity Region (Region 9)**  
(Hillsdale, Jackson, Lenawee, Livingston, Monroe, and Washtenaw)

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 Southeast Prosperity Region (Region 9) had an estimated population of 990,357, representing 10.0 percent of the statewide population.
- Since 2000, the Region’s population has grown by 60,721 or 6.5 percent while Michigan’s population remained flat, receding by 55,500 residents or 0.6 percent.
- Within the Region, Livingston County recorded a net domestic migration, due to those moving from the more populated areas of Detroit, while Washtenaw County attracted international migrants due partially to the presence of major colleges and universities.
- The age distribution of the Region 9 population closely mirrors the State. In 2012, nearly 26.7 percent of residents were at or nearing retirement age (55 or older). With over 1 in 4 residents aged 55 or older, there are serious workforce and economic implications stemming from potential talent shortages (resulting from looming retirements) to increased demand for health services, demographics are sure to influence the Regional economy.
- The educational attainment of residents in Region 9 is relatively high, with 31 percent holding a Bachelor’s degree or higher. At the same time, just 9 percent of residents report having less than a high school diploma.

**Population and Demographics**

**Southeast Prosperity Region**

**990,357**

Total Population, 2012 Estimate

**10.0%**

Share of State

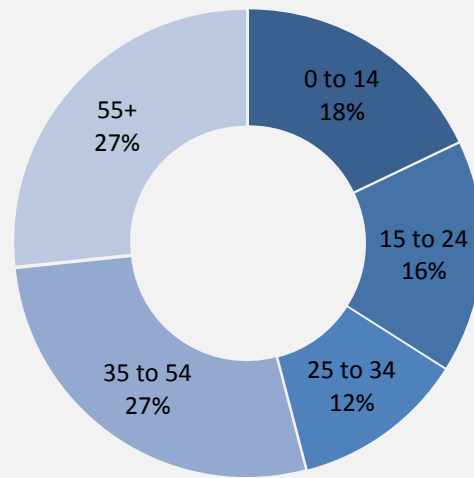
**60,721**

Total Change in Residents, 2000-2012

**6.5%**

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

**9%** Share • **56,403** Residents

High School Graduate, GED or Alternative

**28%** Share • **182,176** Residents

Some College or Associate’s Degree

**32%** Share • **203,469** Residents

Bachelor’s Degree or Higher

**31%** Share • **200,550** Residents

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

**LABOR FORCE AND UNEMPLOYMENT**

- There are 477,510 labor market participants in the Southeast Michigan Prosperity Region. Since 2009, the Region’s labor force has fallen by 13,440 or 2.7 percent. Over the same period, labor force levels statewide have declined by 166,340 or 3.4 percent. Decline has been due to increased retirements and enrollments as well as more discouragement among jobseekers.
- Southeast Michigan experienced a post-recession low in the number of labor force participants in January 2013. Since then, the labor force has reversed its downward trend and has begun to post gains.
- Today, the Region’s labor force is comprised of 441,600 employed and 35,900 unemployed. At 7.5 percent, the unemployment rate in Region 9 is mostly unchanged from 2012, but remains lower than the statewide jobless rate, which measures 9.1 percent.
- The unemployment rate in Southeast Michigan was 7.3 percent in 2008 but quickly escalated to double digits during the latest national recession, following the collapse of the housing market and the financial difficulties in the automotive industry. The current jobless rate in the Region is comparable to the pre-recession 2008 rate.

**Labor Force and Unemployment**

**Southeast Prosperity Region**

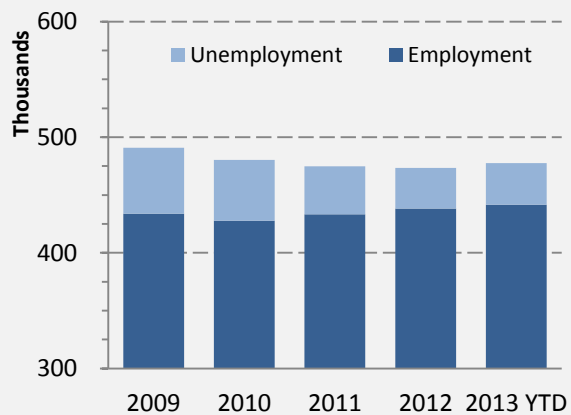
**477,510**

Labor Force Participants, 2013 YTD

**-2.7%**

Change in Labor Force, 2009-2013

**Labor Force, Employment, Unemployment**



**Southeast Prosperity Region**

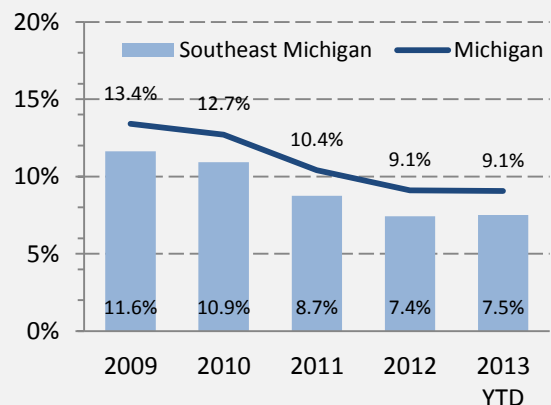
**7.5%**

Unemployment Rate, 2013 YTD

**-4.1**

Change in Unemployment Rate, 2009-2013

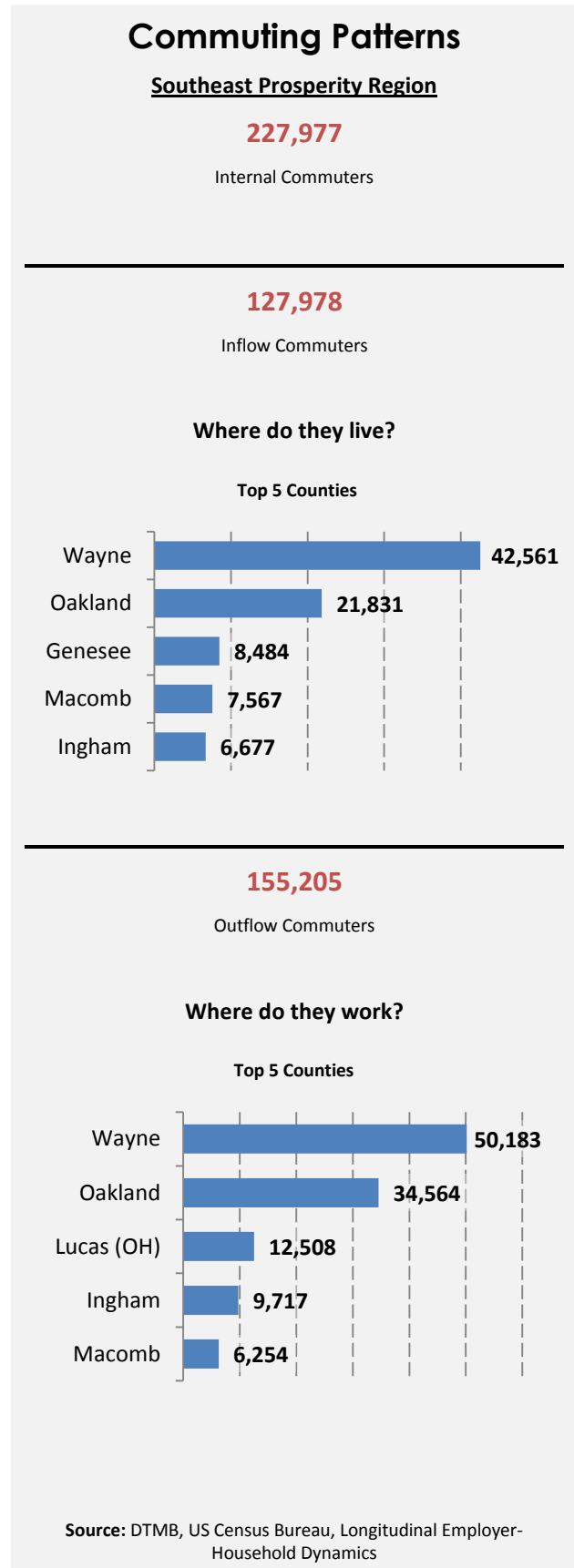
**Unemployment Rate**



Source: DTMB, Local Area Unemployment Statistics (LAUS)

**COMMUTING PATTERNS**

- The Southeast Michigan Prosperity Region has 227,977 internal commuters, those who are both employed in and living in Region 9.
- Inflow commuters, those who live outside of the Region but travel to Region 9 for work, are almost 128,000. This accounts for about 36 percent of all those employed within the Region.
- Over 56 percent of the nearly 128,000 inflow commuters to Region 9 come from three counties of the Detroit area: Wayne, Oakland, and Macomb. Another major contributor to Region 9 inflow commuters is Genesee County, ranking third after Wayne and Oakland.
- Outflow commuters, those who live in Region 9 but travel elsewhere for employment, generally drive to Wayne, Oakland, and Lucas (OH) counties. Out of the 155,205 outflow commuters, 50,183 commute to Wayne County alone.
- The total number of net commuters (inflow – outflow) is -27,000, meaning that many more people are commuting out of the Region to work than are coming in to the Region for employment. Wayne and Oakland counties account for over -20,000 of this net deficit.



**INDUSTRY EMPLOYMENT**

- In 2012, Region 9 reported an impressive 372,550 payroll jobs, representing 9.5 percent of total statewide payroll jobs.
- Two in three payroll jobs in Region 9 are concentrated in five industries: *Educational services, Health care and social assistance, Manufacturing, Retail trade, and Accommodation and food services.*
- Reflecting the sizable and growing demand for health services and the many public and private schools in Regions 9, the two industries responsible for the most employment were *Educational services* and *Health care and social assistance.*
- Another critical industry in Region 9 is *Manufacturing.* Underscoring the importance of the auto industry, over half of all *Manufacturing* employment is concentrated in three related sectors – *Transportation equipment, Fabricated metal product, and Machinery manufacturing.*
- *Retail trade* and *Accommodation and food services* round out the largest industries in Region 9. Payrolls in these industries are concentrated in *Food services and drinking places* and *General merchandise stores.* Due to improved economic conditions and increased consumer spending, both industries have posted job gains since 2009.

**Industry Employment**

**Southeast Prosperity Region**

**372,550**

Total, All Industry Payroll Jobs

**\$887**

Total, All Industry Average Weekly Wage

**Top 10 Industries by Employment**

**Educational Services**

65,850 Jobs • 17.7% Share

**Health Care and Social Assistance**

65,250 Jobs • 17.5% Share

**Manufacturing**

43,350 Jobs • 11.6% Share

**Retail Trade**

40,250 Jobs • 10.8% Share

**Accommodation and Food Services**

28,850 Jobs • 7.7% Share

**Professional, Scientific, and Technical Services**

20,825 Jobs • 5.6% Share

**Administrative and Support and Waste Management**

20,250 Jobs • 5.4% Share

**Public Administration**

14,400 Jobs • 3.9% Share

**Other Services (except Public Administration)**

11,675 Jobs • 3.1% Share

**Construction**

10,600 Jobs • 2.8% Share

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

## **INDUSTRY JOB TRENDS**

- Between 2009 and 2012, payroll jobs in the Southeast Prosperity Region have grown by 23,950 or 6.8 percent, slightly faster than the 4.0 percent growth in payrolls statewide.
- The *Manufacturing* industry was responsible for the largest number of new jobs between 2009 and 2012, adding 5,900 to their payrolls. Over half of total gains were in the *Transportation equipment manufacturing* sector, which added 3,500 jobs and grew by 35 percent. Modest job declines were seen in *Food manufacturing* and *Nonmetallic mineral product manufacturing*.
- The majority of job gains in *Administrative and support and waste management* were seen in *Administrative support services*. Included in this industry is the large and growing *Employment services* sector.
- *Health care and social assistance* is among the industries with the most job growth in Region 9. Partly due to demographic and technological factors, this industry has posted consistent job gains, even during the “Great Recession.”
- The industry with the most job declines in Region 9 was *Public administrative*. Primarily due to declines in State and local government, the industry has seen payroll jobs down 800 or 5.1 percent.

## **Industry Job Trends**

### **Southeast Prosperity Region**

**+23,950**

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

**+6.8%**

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

### **High Growth Industries**

#### **Manufacturing**

**+5,900** Jobs • **+15.8%** Percent

#### **Administrative and Support and Waste Management**

**+4,725** Jobs • **+29.0%** Percent

#### **Health Care and Social Assistance**

**+4,650** Jobs • **+7.7%** Percent

#### **Professional, Scientific, and Technical Services**

**+2,400** Jobs • **+13.1%** Percent

#### **Educational Services**

**+1,900** Jobs • **+2.9%** Percent

### **Declining Industries**

#### **Public Administration**

**-800** Jobs • **-5.1%** Percent

#### **Construction**

**-275** Jobs • **-2.5%** Percent

#### **Agriculture, Forestry, Fishing, and Hunting**

**-75** Jobs • **-4.1%** Percent

#### **Information**

**-75** Jobs • **-1.1%** 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 weaker concentration of industry employment. A LQ equal to 1 suggests the same concentration of industry employment regionally and statewide.
- The Southeast Prosperity Region has a higher location quotient, and therefore an employment concentration, in industries including *Utilities*, *Educational services*, *Hospitals*, *Real estate*, and *Heavy and civil engineering construction*.
- A handful of high employment concentration industries also report an average weekly wage above the Region 9 all-industry average (\$887). Most notable is *Utilities*, with an impressive average weekly wage of \$2,181.
- Lower location quotients were observed in *Food manufacturing*, *Accommodation*, and *Management of companies and enterprises*. While these industries all have an employment presence in Region 9, their proportional share of employment is relatively lower compared to other Prosperity Regions.

## **Location Quotient (LQ)**

### **Higher LQ Industries**

#### **Utilities**

2.30 Location Quotient \$2,181 Average Weekly Wage

#### **Educational Services**

2.02 Location Quotient \$955 Average Weekly Wage

#### **Hospitals**

1.54 Location Quotient \$1,049 Average Weekly Wage

#### **Real Estate**

1.17 Location Quotient \$662 Average Weekly Wage

#### **Heavy and Civil Engineering Construction**

1.17 Location Quotient \$1,194 Average Weekly Wage

### **Lower LQ Industries**

#### **Management of Companies and Enterprises**

0.35 Location Quotient \$2,160 Average Weekly Wage

#### **Telecommunications**

0.48 Location Quotient \$1,004 Average Weekly Wage

#### **Accommodation**

0.49 Location Quotient \$332 Average Weekly Wage

#### **Wholesale Electronic Markets and Agents and Brokers**

0.55 Location Quotient \$1,437 Average Weekly Wage

#### **Food Manufacturing**

0.60 Location Quotient \$1,007 Average Weekly Wage

Source: DTMB, Quarterly Census of Employment and Wages

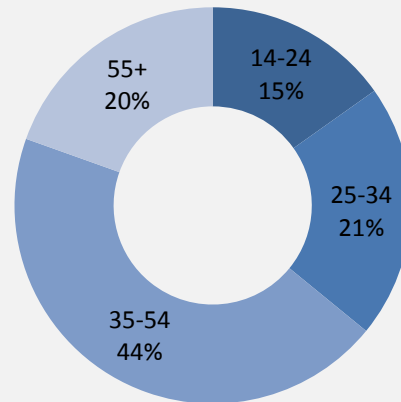


**DEMOGRAPHICS / INDUSTRY EMPLOYMENT**

- In the Southeast Prosperity Region, 19.5 percent of jobs are held by workers 55 years of age or older, on par with the 20 percent of jobs statewide. The percentage of younger employees, those ages 25-34, is also similar to percentage of younger workers in the State as a whole.
- Among the Region’s older industries are *Utilities*, *Educational services*, and *Public administration*. Just over one in four employees in the *Utilities* industry and just under one in four employees in both *Educational services* and *Public administration* are over the age of 55.
- The high percentage of older employees in *Educational services* is partially explained by the Region’s many public and private colleges and universities, a hallmark of which is substantial employment within the faculty tenure system, a system often associated with older workers.
- *Information* in Southeast Michigan has a higher percentage of employees ages 25-34 than the statewide average – 28 percent regionally compared to 22 percent statewide.
- As expected, *Accommodation and food services* was the industry with the lowest share of older works. Jobs in the industry are often held by young and part-time workers.

**Industry Employment by Age**

**Industry Employment by Age**



**Lower Share of Older Workers**

Accommodation and Food Services  
7% over 55

Administrative and Support and Waste Management and Remediation Services  
16% over 55

Construction  
17% over 55

Information  
17% over 55

**Higher Share of Older Workers**

Utilities  
27% over 55

Educational Services  
24% over 55

Public Administration  
24% over 55

Transportation and Warehousing  
22% over 55

Source: DTMB, Local Employment Dynamics

## OCCUPATIONAL EMPLOYMENT AND WAGES

- Occupational employment in the Southeast Prosperity Region was 365,420 in 2012. Employment is in a wide range of job titles ranging from those seen in the large *Office and administrative support, Education, training, and library,* and *Sales and related* categories to those in the critical categories of *Production, Architecture and engineering,* and *Computer and mathematical.*
- Reflecting the diverse mix of job titles in Region 9, the occupational wage range is quite large, spanning from \$8.68 /hour at the 10th percentile to \$40.10 /hour at the 90th percentile. The median wage in the Region was \$17.19 /hour in 2012.
- The occupational categories with the most employment in Region 9 include *Office and administrative support; Education, training, and library; Sales and related;* and *Production.* In addition, categories like *Management; Architecture and engineering; Computer and mathematical;* and *Healthcare practitioners and technical* all report solid employment and wages in Region 9.
- As expected, the highest paying occupations in Region 9 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

### Southeast Prosperity Region

**365,420**

Occupational Employment

**\$17.19**

Median Occupational Wage

### High Employment / High Wage Categories

#### Management

16,300 Employed • \$21.53 - \$82.17 Wage Range

#### Architecture and Engineering

9,190 Employed • \$18.51 - \$51.69 Wage Range

#### Computer and Mathematical

9,050 Employed • \$14.53 - \$50.58 Wage Range

#### Healthcare Practitioners and Technical

26,580 Employed • \$14.81 - \$56.54 Wage Range

#### Business and Financial Operations

13,460 Employed • \$16.20 - \$46.31 Wage Range

### High Employment / High Wage Occupations

#### General and Operations Managers

4,190 Employed • \$42.82 Median Wage

#### Industrial Engineers

2,220 Employed • \$37.04 Median Wage

#### Computer Software Engineers

2,280 Employed • \$37.71 Median Wage

#### Registered Nurses

11,030 Employed • \$29.51 Median Wage

#### Mechanical Engineers

1,480 Employed • \$35.63 Median Wage

Source: DTMB, Occupational Employment Statistics  
(Unpublished Data)

## OCCUPATIONAL OUTLOOK

- Long-term occupational projections, call for employment around the Southeast Prosperity Region to expand by 26,000 or 7.3 percent through 2018.
- Annual openings in the Region are estimated at 11,150, with 3,150 coming from growing occupations and 8,000 coming from the need to replace existing workers.
- Detailed occupations expected to see the largest growth rates in Region 9 include *IT* occupations like *Network systems and data communication analysts* and *Computer software engineers* and *Health care* occupations like *Home health aides* and *Physician assistants*.
- Several occupations will provide many opportunities due to the need to replace existing workers. Examples include *Cashiers*, *Retail salespersons*, *Waiters and waitresses*, and *Customer service representatives*.
- Many of the Region’s high-growth occupations also boast a relatively high wage. Normally, these occupations require a significant investment in education or training. Among them are *Family and general practitioners*, *Accountants and auditors*, and *Environmental scientists and specialists*, all which pay a median wage higher than the Region’s overall median occupational wage of \$17.19.

## Occupational Outlook

### Southeast Prosperity Region\*

**+26,000**

Projected Employment Growth, 2008-2018

**+7.3%**

Projected Change in Employment, 2008-2018

### High-Growth / High-Demand Occupations

#### Home Health Aides

47.7% Growth • 87 Annual Openings

#### Registered Nurses

22.0% Growth • 235 Annual Openings

#### Nursing Aides, Orderlies, and Attendants

22.0% Growth • 131 Annual Openings

#### Computer Specialists

17.6% Growth • 284 Annual Openings

#### Customer Service Representatives

17.7% Growth • 263 Annual Openings

### High-Growth / High-Wage Occupations

#### Family and General Practitioners

27.3% Growth • \$67.48 Median Wage

#### Dental Hygienists

32.2% Growth • \$31.52 Median Wage

#### Instructional Coordinators

21.8% Growth • \$28.07 Median Wage

#### Accountants and Auditors

14.7% Growth • \$28.65 Median Wage

#### Environmental Scientists and Specialists

27.1% Growth • \$33.17 Median Wage

**Source:** DTMB, Occupational Projections

**\*Note:** Includes the Jackson and Ann Arbor Forecast Regions (EFR)

**REAL-TIME DEMAND OCCUPATIONS**

- There were 14,570 online advertised job vacancies in the Southeast Michigan Prosperity Region in the 3<sup>rd</sup> Quarter of 2013.
- Just under one half of all Regional vacancies were concentrated in five broad occupational categories: *Sales and related; Office and administrative support; Computer and mathematical; Healthcare practitioners and technical; and Management.*
- The top 5 in-demand detailed job titles were responsible for 1 in 7 total postings in the Region. Leading the list of in-demand occupations was *Registered nurses*, with 550 postings. Other vacancies were in *Service* occupations, which are typically large occupations and have higher than average turnover.
- Around 11 percent of the job ads for Region 9 were greater than 120 days old, signaling that employers may be having difficulty filling these vacancies. Statewide, 11.9 percent of postings are active for 120 days or longer.
- Half of all online advertised job vacancies in the Southeast Prosperity Region were for positions in Ann Arbor. Ads for positions in the top five cities—Ann Arbor together with Jackson, Ypsilanti, Monroe, and Howell—made up 80 percent of the real-time demand in the Region.

**Online Advertised Vacancies**

**Southeast Prosperity Region**

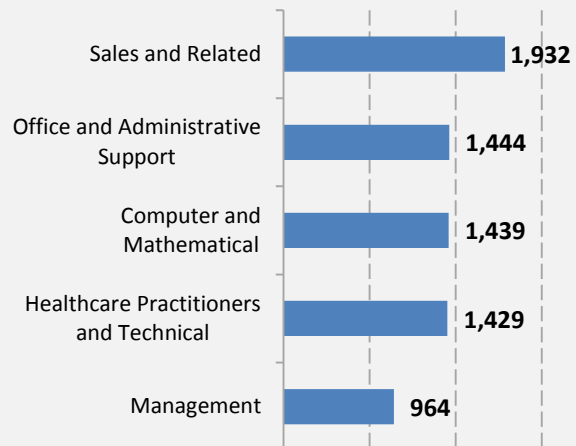
**14,570**

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

**-1.4%**

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

**Top Advertised Categories**



**Top Advertised Job Titles**

**Registered Nurses**

550 Postings • **-3.7%** Change over month

**Retail Salespersons**

540 Postings • **+38.4%** Change

**Truck Drivers**

500 Postings • **+12.6%** Change

**Retail Sales Supervisors**

330 Postings • **+9.2%** Change

**Customer Service Representatives**

300 Postings • **+3.1%** Change

**Industrial Engineers**

290 Postings • **+12.1%** Change

**Food Service Supervisors**

260 Postings • **+22.9%** Change

Source: The Conference Board, Help Wanted Online

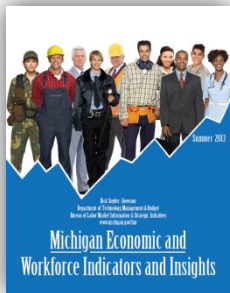
**ADDITIONAL RESOURCES**

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.

