

MICHIGAN'S LABOR MARKET NEWS



VOL. 76, NO. 11
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Employment Trends in Michigan's Manufacturing Sector

Feature Article pg. 16

Map of the Month: Net Change in Manufacturing Jobs by State, February–November 2020

pg. 15

Data Spotlight: Monthly Retail Sales

pg. 26

The Michigan jobless rate rose by 0.8 percentage points in November to 6.9 percent, slightly above the national rate.

NOVEMBER 2020 JOBLESS RATE

MICHIGAN

6.9%

NATIONAL

6.7%

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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.

Michigan's jobless rate advanced by eight-tenths of a percentage point to 6.9 percent in November. Payroll jobs fell by 10,700, the first monthly decline since April's historic pandemic related job cuts. The state's workforce climbed by 30,000 with total employment falling by 14,000 and the number of unemployed rising by 43,000. Over the year, Michigan's unemployment rate was 3.0 percentage points greater than in November 2019.

This issue of *Michigan's Labor Market News* reviews one of the state's most critical industries, the *Manufacturing* sector, last featured in our October 2018 issue. The *Feature Article* analyzes vehicle assembly, exports, and of course the employment trends of this industry in recent years as well as discussing 2020's impact. Our *Map of the Month* uses Current Employment Statistics data to display how each state's *Manufacturing* employment has changed between February and November of 2020. There is also an *Industry Focus* highlighting the *Manufacturing* subsector of *Transportation equipment manufacturing* that provides interesting details about one of Michigan's key industries. Finally, our *Data Spotlight* explores monthly retail sales data using a new experimental data set from the U.S. Bureau of Labor Statistics.

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



SCOTT POWELL
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MICHIGAN JOBLESS RATE ADVANCES IN NOVEMBER

The Michigan seasonally adjusted jobless rate rose by eight-tenths of a percentage point in November to 6.9 percent. The state's October rate was revised upwards by six-tenths of a percentage point, from 5.5 to 6.1 percent.

The U.S. unemployment rate edged down by two-tenths of a percentage point in November to 6.7 percent. Michigan's jobless rate in November was 0.2 percentage points above the national rate. Over the past year, the national jobless rate advanced sharply by 3.2 percentage points, while the state rate jumped by 3.0 percentage points, reflecting the impact of the pandemic on labor market conditions.

Total employment in Michigan inched down by 0.3 percent in November. National employment was essentially unchanged over the month. The statewide number of unemployed rose significantly by 14.4 percent in November, while the U.S. unemployment total declined by 2.9 percent over the month.

Over the year, Michigan employment receded by 3.6 percent, about two percentage points below the reduction nationally. The number of unemployed residents in Michigan jumped by

about 80 percent since November 2019, while the U.S. unemployment total rose by a similar percent. Michigan's total workforce edged down by 0.4 percent over the year, well under the reduction nationally (-2.4 percent).

Detroit Metro Region Unemployment Rate Surges Over Year

The Detroit metropolitan statistical area (MSA) jobless rate surged substantially between November 2019 and November of 2020, due to the considerable labor market impact of the COVID-19 pandemic.

Between November 2019 and February of 2020, the Detroit MSA jobless rate was stable at roughly 4.0 percent. During March 2020, the early effects of the COVID-19 pandemic on the labor market began to be seen, with the jobless rate rising from 3.9 to 4.6 percent, an increase of 0.7 percentage points.

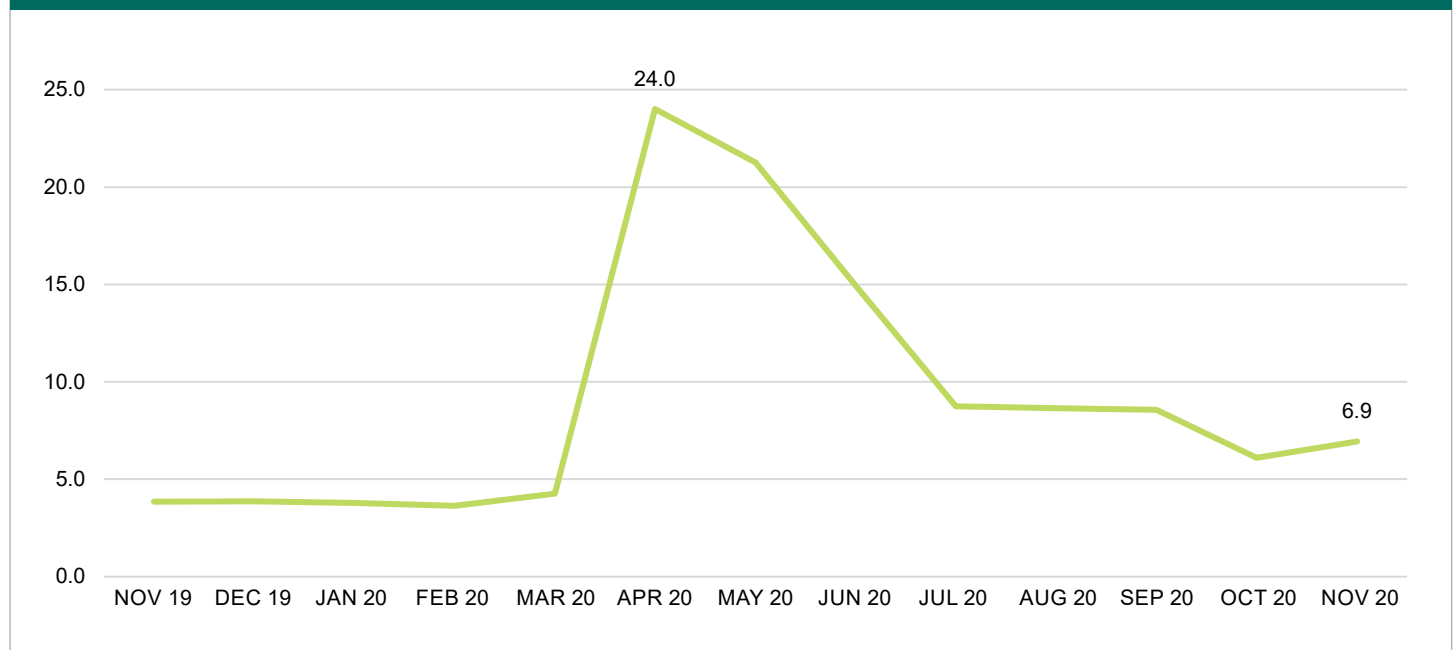
Mass layoff activity related to the pandemic surged in April 2020, as the Detroit metro region unemployment rate soared by 16.9 percentage points to 21.5 percent. The jobless

rate rose further during May to a record rate of 23.2 percent. The unemployment rate then began to move downward, particularly in June and July, as workers were recalled from pandemic-related layoffs. The jobless rate declined in June by 5.3 percentage points to 17.9 percent, and then recorded the largest drop in July to 9.3 percent. Since July, the regional jobless rate has generally been high but stable, and rose from 7.0 percent in October back to 9.3 percent in November.

So far through the first 11 months of 2020, the seasonally adjusted Detroit metro unemployment rate averaged 10.7 percent, somewhat above the Michigan average rate of 10.0 percent.

SHIBANI PUTATUNDA
Economic Specialist

MICHIGAN UNEMPLOYMENT RATE, NOVEMBER 2019–NOVEMBER 2020 (PERCENT)



Source: Local Area Unemployment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget

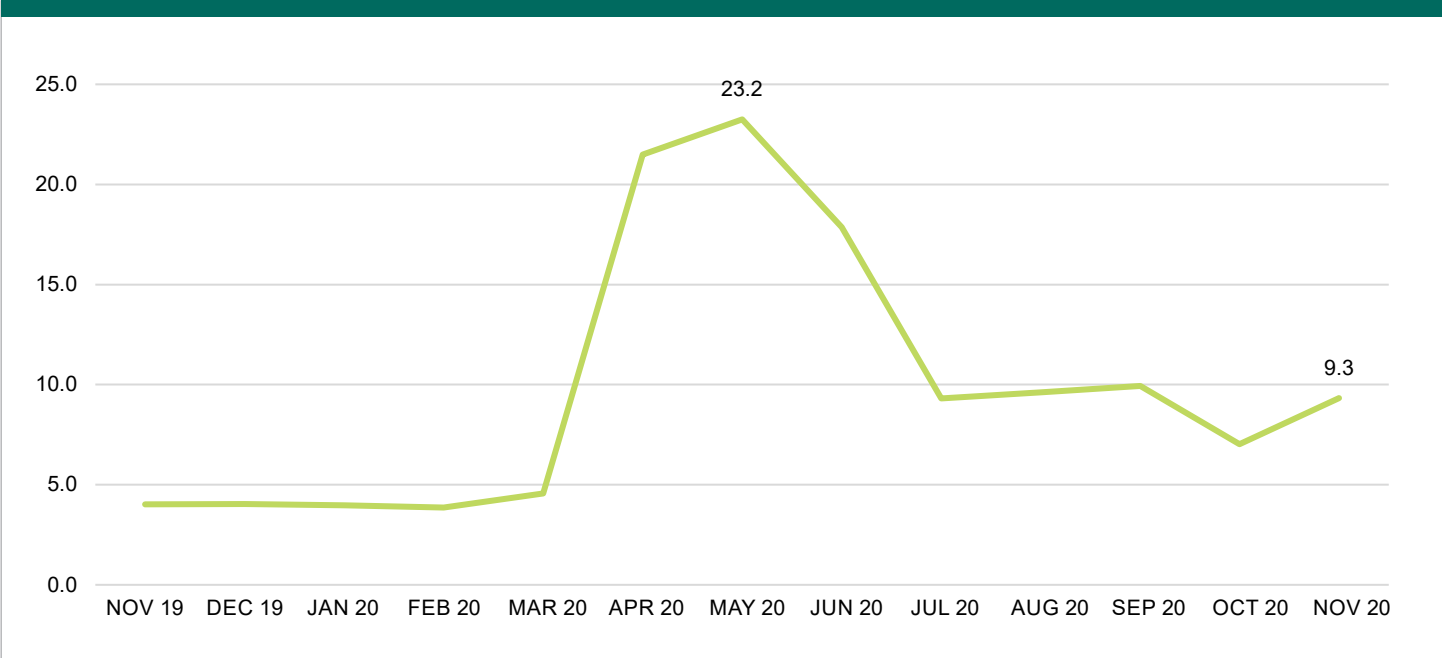


MICHIGAN LABOR FORCE ESTIMATES, NOVEMBER 2020 (SEASONALLY ADJUSTED)

	NOVEMBER 2020	OCTOBER 2020	NOVEMBER 2019	OVER THE MONTH		OVER THE YEAR	
				NUMERIC	PERCENT	NUMERIC	PERCENT
Civilian Labor Force	4,923,000	4,893,000	4,941,000	30,000	0.6%	-18,000	-0.4%
Employed	4,581,000	4,595,000	4,751,000	-14,000	-0.3%	-170,000	-3.6%
Unemployed	342,000	299,000	190,000	43,000	14.4%	152,000	80.0%
Unemployment Rate	6.9	6.1	3.9	0.8	XXX	3.0	XXX

Source: Local Area Unemployment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget

DETROIT MSA UNEMPLOYMENT RATE, NOVEMBER 2019–NOVEMBER 2020



Source: Local Area Unemployment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget



MICHIGAN JOB TRENDS BY INDUSTRY SECTOR

Monthly Overview

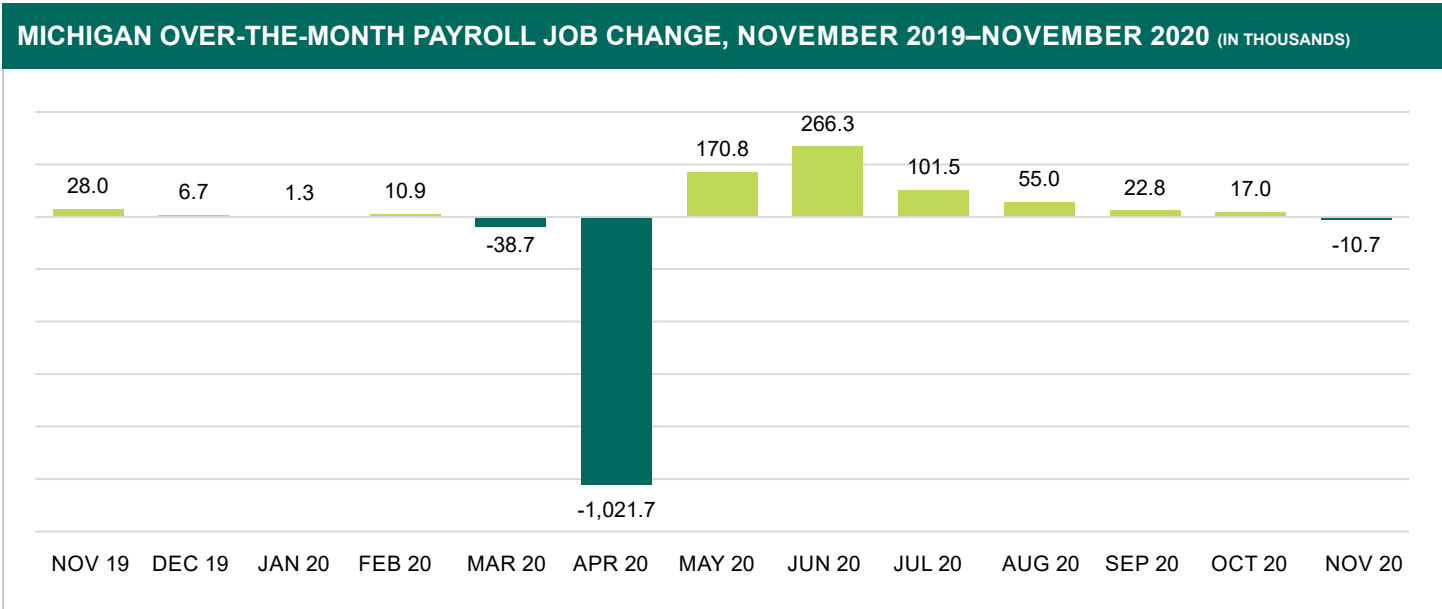
Michigan payroll jobs edged down by 10,700 since October, a 0.3 percent decrease. This small reduction was the first decline in the state’s nonfarm employment since jobs plunged in April due to the pandemic. This also differed from the nationwide November increase of 0.2 percent. Employment change over the month in the state’s 11 major industry sectors was mixed, with five showing increases, five recording decreases, and one remaining unchanged. Employment withdrawals were most notable in *Government* (-5,300), *Leisure and*

hospitality, (-5,000) and *Education and health services* (-2,000). The largest over-the-month changes in industry subsectors occurred in *Accommodation and food services* (-5,500), and *Federal government* (-3,500). Though not large enough to offset job losses, five industries registered monthly job gains, the largest occurring in *Other services* (+1,900) and *Construction* (+1,600) industries.

Over-the-Year Analysis

Total nonfarm employment in Michigan declined 418,800 or 9.4 percent below November 2019

levels, on a seasonally adjusted basis. The national job loss over this same period was 6.1 percent. The industries with the largest percentage job cuts over the year in Michigan were *Leisure and hospitality* (-33.0 percent), *Mining and logging* (-13.5 percent), and *Other services* (-10.1 percent). No major industry in Michigan recorded an over-the-year rise in jobs, although *Construction* employment was essentially flat. *Finance and insurance* was the only industry in Michigan to indicate no seasonally adjusted job change since November 2019.



Source: Current Employment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget

MICHIGAN INDUSTRIES COMPARED TO THE NATION

The coronavirus pandemic caused employment to fall in every major industry over the year in both Michigan and the United States. Since November 2019, total nonfarm payrolls jobs have fallen in Michigan by 9.4 percent compared to the U.S. which has only seen a drop of 6.1 percent.

In Michigan, three industries had an over-the-year employment decrease of 5 percent or less. The *Construction*, *Financial activities*, and *Trade, transportation, and utilities* industries all suffered much less employment withdrawal over the year, likely due to their flexibility in adjusting to work outdoors, performing duties remotely, or conducting business online. These three industries were also the least impacted nationally.

Jobs in four Michigan industries fell between 5.0 and 10.0 percent over the year. The *Government*, *Information*, *Professional and business services*, and *Educational and health services* industries all had a greater capacity to shift employees to a remote work environment and did not need as much face-to-face interaction to conduct work. While most industries in Michigan had larger over-the-year drops than the U.S., the *Information* sector was one of three industries where the employment drop was less severe in the state than on the nationwide level, on a percentage basis.

With over-the-year employment drops of 10.0 percent or greater, the *Manufacturing*, *Other services*, *Mining and logging*, and *Leisure and hospitality* industries endured the

MAJOR INDUSTRY	NOV 2019–NOV 2020	
	MICHIGAN	U.S.
TOTAL NONFARM	-9.4%	-6.1%
Construction	-0.1%	-2.4%
Financial Activities	-2.6%	-0.8%
Trade, Transportation, and Utilities	-4.1%	-3.2%
Government	-7.2%	-5.4%
Information	-7.3%	-9.0%
Professional and Business Services	-8.0%	-4.6%
Education and Health Services	-8.1%	-4.5%
Manufacturing	-10.0%	-4.8%
Other Services	-10.1%	-7.0%
Mining and Logging	-13.5%	-13.8%
Leisure and Hospitality	-33.0%	-19.9%

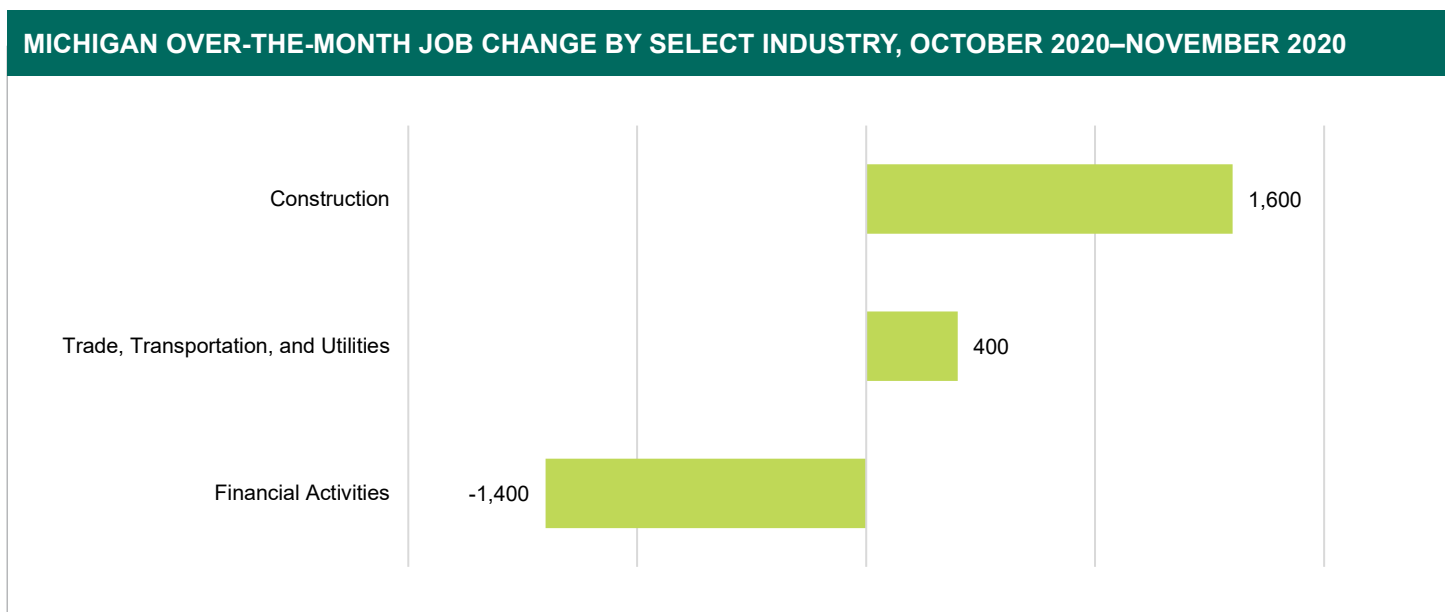
Source: Current Employment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget

greatest impact. These industries primarily perform work indoors or through face-to-face interactions with customers. The employment reduction in these industries featured a similar impact nationally, with the exception of the U.S. *Manufacturing* sector, which only slid by 4.8 percent compared to Michigan's 10.0 percent drop. The greater diversity in manufactured products nationally likely shielded the U.S. *Manufacturing* sector from deeper employment losses.

Significant Industry Employment Developments

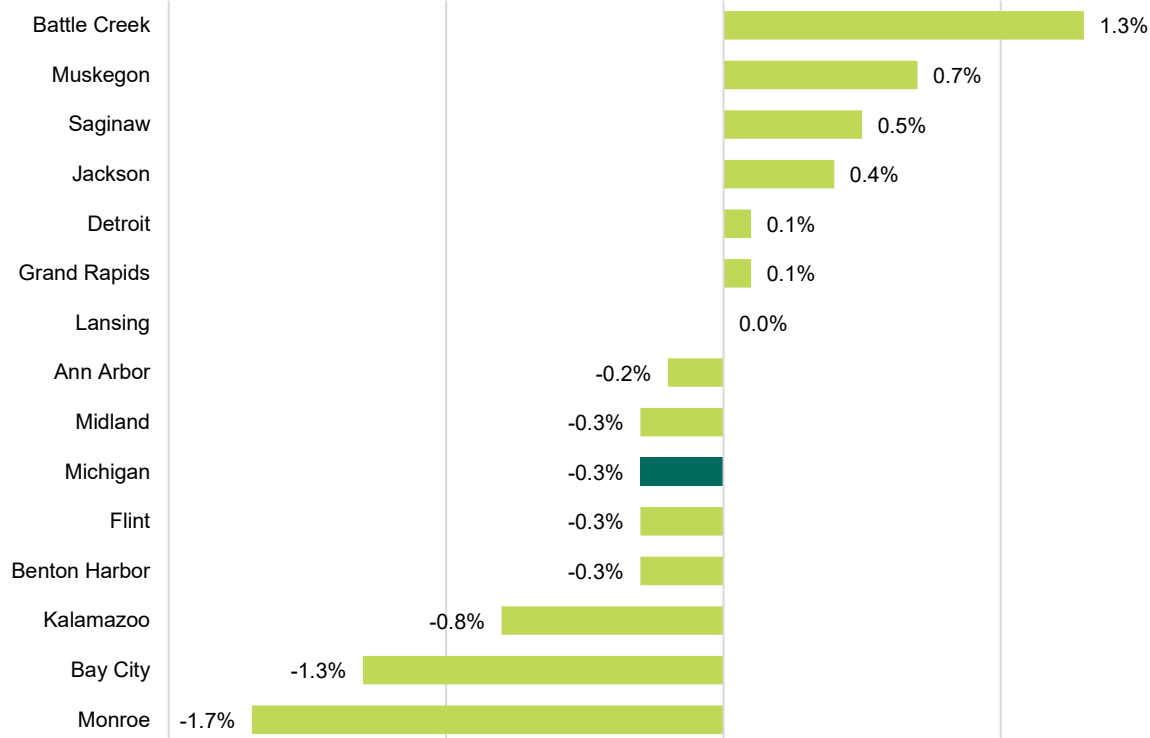
CONSTRUCTION

The *Construction* industry's seasonally adjusted employment posted the second highest percent and numeric employment growth in November, behind only the *Other services* industry. Payroll jobs in the industry also appeared to be essentially flat over the year, the only major industry in Michigan to hold this distinction. From



Source: Current Employment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget

METROPOLITAN AREA JOB CHANGE, OCTOBER 2020–NOVEMBER 2020 (NOT SEASONALLY ADJUSTED)



Source: Current Employment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget

February to April, during the first few months of the coronavirus pandemic, the *Construction* industry in Michigan lost 84,000 jobs. Since then, over 78,000 jobs have been recovered through November. Most of those gains occurred in May and June. *Construction* employment stabilized to between 170,000 and 177,000 jobs since July.

TRADE, TRANSPORTATION, AND UTILITIES

Although employment in the *Trade, transportation, and utilities* sector recorded minimal movement, the subsectors within this industry displayed notable trends in November. The *Wholesale trade* and *Retail trade* subsectors continued to be down significantly over the year, by 4.5 and 5.1 percent, respectively. The 11,200 job increase in *Wholesale trade* from May to November crossed the halfway mark to recovering the 20,100 jobs lost in April. In November, *Retail trade* recorded its first over-the-month employment decline since April, losing 3,300 jobs. The *Transportation, warehousing, and utilities* subsector had a significant over-the-month gain of 2,600 jobs. This subsector's job recovery remained strong and averaged over 2,500 additional jobs each month since August.

FINANCIAL ACTIVITIES

Both of the subsectors in *Financial activities* exhibited job losses in November. The *Finance and insurance* subsector's monthly reduction of 300 jobs was the smaller of the two. As the only industry to not have a seasonally adjusted over the year job decrease, the *Finance and insurance* sector's November employment level of 170,000 was still near its peak employment level in February 2020 of 170,900. The *Real estate and rental* industry declined by 2.1 percent, tied for the second largest monthly job reduction of Michigan's seasonally adjusted industries. This subsector's employment peaked at 59,000 in March 2020 before losing nearly 11,000 jobs in April. Through November, it has only recovered 2,800 of those jobs and remained 13.7 percent below its peak employment.

Metropolitan Statistical Areas (MSAs)

On a not seasonally adjusted basis, half of Michigan's 14 Metropolitan Statistical Areas (MSAs) experienced payroll job growth and half underwent an employment drop. The monthly employment change for all MSAs was relatively

small in November with either gains or losses registering less than 2.0 percent. The Battle Creek MSA had the highest increase with a 1.3 percent uptick, while Monroe suffered the greatest over-the-month job loss at 1.7 percent.

Similar to Michigan, all MSAs lost employment since November 2019. On a percentage basis, the most significant over-the-year reductions were in Monroe (-15.5 percent) and Bay City (-12.7 percent). Four other MSAs also recorded year-over-year declines greater than 10 percent. Ann Arbor's 5.8 percent over-the-year payroll job cut was the smallest among Michigan's metro areas.

No MSA produced a rise in monthly employment in the *Mining, logging, and construction* industry. Most areas only had slight monthly job declines with the greatest numeric drops occurring in Detroit (-1,900 jobs) and Grand Rapids (-600).

WAYNE ROURKE
Associate Director



MICHIGAN PAYROLL JOBS (SEASONALLY ADJUSTED)

INDUSTRY	NOVEMBER 2020	OCTOBER 2020	NOVEMBER 2019	OVER THE MONTH		OVER THE YEAR	
				LEVEL	PERCENT	LEVEL	PERCENT
TOTAL NONFARM	4,023,800	4,034,500	4,442,600	-10,700	-0.3%	-418,800	-9.4%
Total Private	3,454,200	3,459,600	3,828,800	-5,400	-0.2%	-374,600	-9.8%
Private Service-Providing	2,706,800	2,714,000	3,017,700	-7,200	-0.3%	-310,900	-10.3%
GOODS-PRODUCING	747,400	745,600	811,100	1,800	0.2%	-63,700	-7.9%
Mining, Logging, and Construction	182,800	181,000	183,900	1,800	1.0%	-1,100	-0.6%
Mining and Logging	6,400	6,200	7,400	200	3.2%	-1,000	-13.5%
Construction	176,400	174,800	176,500	1,600	0.9%	-100	-0.1%
Manufacturing	564,600	564,600	627,200	0	0.0%	-62,600	-10.0%
Durable Goods	416,600	417,800	473,000	-1,200	-0.3%	-56,400	-11.9%
Transportation Equipment Manufacturing	160,500	159,900	186,800	600	0.4%	-26,300	-14.1%
Non-Durable Goods	148,000	146,800	154,200	1,200	0.8%	-6,200	-4.0%
SERVICE-PROVIDING	3,276,400	3,288,900	3,631,500	-12,500	-0.4%	-355,100	-9.8%
Trade, Transportation, and Utilities	765,900	765,500	798,900	400	0.1%	-33,000	-4.1%
Wholesale Trade	163,100	162,000	170,800	1,100	0.7%	-7,700	-4.5%
Retail Trade	439,000	442,300	462,400	-3,300	-0.7%	-23,400	-5.1%
Transportation, Warehousing, and Utilities	163,800	161,200	165,700	2,600	1.6%	-1,900	-1.1%
Information	50,900	50,800	54,900	100	0.2%	-4,000	-7.3%
Financial Activities	220,900	222,300	226,900	-1,400	-0.6%	-6,000	-2.6%
Finance and Insurance	170,000	170,300	170,000	-300	-0.2%	0	0.0%
Real Estate and Rental and Leasing	50,900	52,000	56,900	-1,100	-2.1%	-6,000	-10.5%
Professional and Business Services	602,000	603,200	654,600	-1,200	-0.2%	-52,600	-8.0%
Professional, Scientific, and Technical Services	287,100	285,900	297,900	1,200	0.4%	-10,800	-3.6%
Management of Companies and Enterprises	68,800	69,500	70,500	-700	-1.0%	-1,700	-2.4%
Administrative and Support and Waste Management and Remediation Services	246,100	247,800	286,200	-1,700	-0.7%	-40,100	-14.0%
Education and Health Services	627,100	629,100	682,300	-2,000	-0.3%	-55,200	-8.1%
Educational Services	57,100	58,200	74,500	-1,100	-1.9%	-17,400	-23.4%
Health Care and Social Assistance	570,000	570,900	607,800	-900	-0.2%	-37,800	-6.2%
Leisure and Hospitality	290,700	295,700	434,100	-5,000	-1.7%	-143,400	-33.0%
Arts, Entertainment, and Recreation	29,400	28,900	53,400	500	1.7%	-24,000	-44.9%
Accommodation and Food Services	261,300	266,800	380,700	-5,500	-2.1%	-119,400	-31.4%
Other Services	149,300	147,400	166,000	1,900	1.3%	-16,700	-10.1%
Government	569,600	574,900	613,800	-5,300	-0.9%	-44,200	-7.2%
Federal Government	51,700	55,200	52,200	-3,500	-6.3%	-500	-1.0%
State Government	174,600	177,100	194,400	-2,500	-1.4%	-19,800	-10.2%
Local Government	343,300	342,600	367,200	700	0.2%	-23,900	-6.5%

Source: Current Employment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget

REGIONAL LABOR MARKET ANALYSIS

ANN ARBOR METROPOLITAN AREA

- The November Ann Arbor jobless rate declined by 0.6 percentage points to 3.4 percent. The Ann Arbor unemployment rate in November was the lowest among all Michigan major labor market areas.
- Although the monthly rate dropped, employment levels were little changed. The rate cut was primarily due to fewer persons active in the area labor force (-1,100).

MONTHLY INDUSTRY DEVELOPMENTS

- In the Ann Arbor MSA, total nonfarm payroll jobs decreased by 400 or 0.2 percent over the month and fell by 5.8 percent since November 2019.

INDUSTRY TRENDS

- Regional job reductions within the *Leisure and hospitality* (-600) and *Professional and business services* (-300) sectors accounted for the largest share of the area's November employment decline.

BATTLE CREEK METROPOLITAN AREA

- Joblessness in the Battle Creek region declined by 0.7 percentage points this month to 5.2 percent.
- The number of unemployed persons in the area moved down 400 in November but remained elevated (+1,200) over the year.

MONTHLY INDUSTRY DEVELOPMENTS

- Total payroll jobs in the Battle Creek MSA advanced by 700 or 1.3 percent since October.
- Employment in most industry sectors stayed relatively flat in November, with the exception of *Trade, transportation, and utilities* (+400) and *Government* (+300).

INDUSTRY TRENDS

- All sectors within the Battle Creek metro area lost jobs since November 2019 due primarily to pandemic-related job cuts. The largest percent decline occurred in the *Leisure and hospitality* industry (-28.9 percent).

BAY CITY METROPOLITAN AREA

- In November, the unemployment rate in the Bay City MSA decreased slightly by 0.3 percentage points to 4.9 percent but remained 1.3 percentage points above the year-ago rate.
- The number of employed (-0.9 percent) and unemployed (-8.0 percent) residents declined this month which contributed to a labor force reduction of 500.

MONTHLY INDUSTRY DEVELOPMENTS

- Regional nonfarm payroll jobs moved down by 400 or 1.3 percent in November, one percentage point more than the statewide rate of decline.

INDUSTRY TRENDS

- In November, a seasonal job cut in the *Leisure and hospitality* (-400) sector accounted for the bulk of job change in the region.

DETROIT-WARREN-DEARBORN METRO AREA

- The jobless rate in the Detroit region rose by 1.9 percentage points in November to 8.9 percent and was the only Michigan metro area to experience an increase in its unemployment rate over the month.
- The rate gain was due to a hike of 41,000 unemployed residents over the month. Since November 2019, a jump of 116,000 unemployed occurred due to the impact of the pandemic.

MONTHLY INDUSTRY DEVELOPMENTS

- In the Detroit MSA, total nonfarm payroll jobs were little changed over the month (+0.1 percent) and consequently remained well below (-9.3 percent) year-ago levels.
- The *Retail trade* (+4,700), *Transportation, warehousing, and utilities* (+3,400), and *Professional and technical services* (+1,500) subsectors all recorded noteworthy job growth over the month.

INDUSTRY TRENDS

- The *Financial activities* sector moved down by 600 jobs (-0.5 percent) in November, the largest numeric decline in this industry among all Michigan metro areas.

FLINT METROPOLITAN AREA

- The unemployment rate in the Flint region decreased by 0.8 percentage points in November to 5.6 percent.
- The rate drop primarily reflected a monthly cut in the size of the workforce (-1,700) as the number of unemployed declined and the number of employed was little changed.

MONTHLY INDUSTRY DEVELOPMENTS

- Total payroll employment in the Flint MSA moved down by 400 or 0.3 percent in November and fell a sharp 9.6 percent since November 2019.
- A seasonal gain in *Retail trade* jobs (+300) in November was offset by employment declines in *Professional and business services* and *Leisure and hospitality*, both down by 300.

INDUSTRY TRENDS

- Area *Transportation equipment manufacturing* jobs have remained near 10-year high levels for the third consecutive month.

GRAND RAPIDS-WYOMING METRO AREA

- The Grand Rapids regional jobless rate fell by 0.5 percentage points this month to 3.7 percent, notably lower than the statewide unemployment rate for November (6.3 percent).
- The total number of unemployed persons in the region decreased by 2,500 (-10.4 percent) over the month but was still up 8,200 since November 2019.

MONTHLY INDUSTRY DEVELOPMENTS

- In November, total jobs in the Grand Rapids region edged up very slightly by 700 (+0.1 percent), and dropped significantly by 7.0 percent over the year, reflecting pandemic-related layoffs.

INDUSTRY TRENDS

- Job gains in November were concentrated in the *Retail* sector (+700), due to seasonal hiring for the holiday shopping season, and in *Health care and social assistance* (+800).

CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	ANN ARBOR			BATTLE CREEK			BAY CITY		
	NOV 2020	OCT 2020	NOV 2019	NOV 2020	OCT 2020	NOV 2019	NOV 2020	OCT 2020	NOV 2019
PLACE OF RESIDENCE									
Civilian Labor Force	200,800	201,900	202,000	60,800	60,700	62,700	47,200	47,700	49,900
Employed	194,000	193,800	197,600	57,600	57,100	60,700	44,900	45,300	48,100
Unemployed	6,800	8,000	4,400	3,200	3,600	2,000	2,300	2,500	1,800
Unemployment Rate	3.4%	4.0%	2.2%	5.2%	5.9%	3.2%	4.9%	5.2%	3.6%
PLACE OF WORK									
Total Nonfarm Jobs	221,300	221,700	235,000	52,600	51,900	58,700	30,900	31,300	35,400
Mining, Logging, and Construction	4,600	4,700	5,100	1,600	1,600	1,800	1,300	1,400	1,400
Manufacturing	14,200	14,000	14,800	9,700	9,700	11,300	3,300	3,300	4,700
Trade, Transportation, and Utilities	26,200	26,000	27,000	9,300	8,900	9,500	7,300	7,200	7,600
Wholesale Trade	6,200	6,200	6,600	*	*	*	*	*	*
Retail Trade	15,700	15,600	16,100	6,000	5,800	6,100	4,600	4,500	4,900
Information	5,500	5,500	5,700	*	*	*	300	300	300
Financial Activities	6,500	6,600	6,800	1,100	1,100	1,200	1,200	1,200	1,300
Professional and Business Services	27,800	28,100	31,400	5,300	5,200	6,000	2,100	2,100	2,400
Educational and Health Services	28,300	28,200	30,200	10,000	10,000	10,900	6,000	6,000	6,600
Leisure and Hospitality	13,100	13,700	18,000	3,200	3,300	4,500	3,200	3,600	4,200
Other Services	5,900	5,900	6,300	1,800	1,800	2,100	1,100	1,100	1,200
Government	89,200	89,000	89,700	10,300	10,000	11,100	5,100	5,100	5,700
DETROIT-WARREN-DEARBORN									
FLINT									
GRAND RAPIDS-WYOMING									
	NOV 2020	OCT 2020	NOV 2019	NOV 2020	OCT 2020	NOV 2019	NOV 2020	OCT 2020	NOV 2019
PLACE OF RESIDENCE									
Civilian Labor Force	2,174,000	2,143,000	2,157,000	178,800	180,500	183,900	574,800	577,600	579,700
Employed	1,981	1,992	2,081	168,800	169,000	177,000	553,300	553,600	566,400
Unemployed	192	151	76	10,000	11,500	6,900	21,500	24,000	13,300
Unemployment Rate	8.9%	7.0%	3.5%	5.6%	6.4%	3.7%	3.7%	4.2%	2.3%
PLACE OF WORK									
Total Nonfarm Jobs	1,865,600	1,862,900	2,057,300	130,700	131,100	144,500	529,100	528,400	569,100
Mining, Logging, and Construction	74,700	76,600	77,000	5,700	5,700	6,000	27,500	28,100	26,800
Manufacturing	231,700	231,600	258,800	11,700	11,700	14,100	105,200	105,000	117,900
Trade, Transportation, and Utilities	369,500	360,600	392,200	29,800	29,500	30,200	92,800	91,800	98,200
Wholesale Trade	79,900	79,100	84,900	5,700	5,700	5,900	29,800	29,700	32,400
Retail Trade	202,400	197,700	215,600	19,700	19,500	19,700	45,600	44,900	48,700
Information	25,400	25,300	26,500	3,100	3,100	3,600	6,100	6,000	6,400
Financial Activities	116,300	116,900	120,500	5,700	5,700	6,100	26,700	26,700	26,900
Professional and Business Services	371,000	370,900	394,000	16,100	16,400	17,400	72,600	72,300	76,400
Educational and Health Services	283,100	282,500	323,000	24,200	24,200	27,100	90,200	89,300	95,200
Leisure and Hospitality	139,600	144,500	195,700	12,400	12,700	15,600	39,100	40,300	48,400
Other Services	71,400	70,400	74,800	5,100	5,100	5,300	21,400	21,300	22,700
Government	182,900	183,600	194,800	16,900	17,000	19,100	47,500	47,600	50,200

Source: Current Employment Statistics and Local Area Unemployment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget
 * Data is suppressed

JACKSON METROPOLITAN AREA

- In the Jackson metro area, the unemployment rate declined by 0.6 percentage points to 4.6 percent in November.
- Regional labor force in November remained relatively unchanged over the month (-0.3 percent), as there were only minor changes in the number of employed (+200) and unemployed (-400).

MONTHLY INDUSTRY DEVELOPMENTS

- Total nonfarm payroll jobs edged up by 200 or 0.4 percent in November in the Jackson MSA.
- Job levels in most area sectors remained unchanged over the month, as a job advance was concentrated in *Trade, transportation, and utilities* (+200).

INDUSTRY TRENDS

- Payroll employment in the region was down significantly by 8.0 percent (-4,700) since November 2019, although this job drop was somewhat less than the over-the-year statewide rate of decline (-9.3 percent).

KALAMAZOO-PORTAGE METRO AREA

- In November, the Kalamazoo MSA unemployment rate decreased by 0.4 percentage points to 4.1 percent but was still up 1.3 percentage points over its year-ago rate.
- The monthly rate drop was due to a labor force reduction of 2,300 or 1.4 percent, as the number of employed residents actually fell in November (-1,500).

MONTHLY INDUSTRY DEVELOPMENTS

- Kalamazoo metro area payroll jobs decreased by 1,200 or 0.8 percent over the month.
- *Leisure and hospitality* jobs declined by 1,600 or 9.9 percent in November, which was the third largest percent reduction for this industry among Michigan metro areas.

INDUSTRY TRENDS

- Over the year, the *Manufacturing* (-2,600) and *Government* (-2,400) industry sectors recorded the largest numeric job cuts in this metro area.

LANSING-EAST LANSING METRO AREA

- Joblessness in the Lansing metro area moved down by 0.6 percentage points to 3.9 percent in November.
- Despite this monthly rate drop, the number of employed was little changed over the month. The rate reduction instead reflected fewer persons active in the regional job market, as the unemployment count declined by 1,400 or 13.0 percent.

MONTHLY INDUSTRY DEVELOPMENTS

- Lansing area payroll job levels were virtually unchanged in November (+100), and fell sharply by 10.9 percent over the year, reflecting pandemic-related job cuts.

INDUSTRY TRENDS

- Typical seasonal job expansion occurred within the *Trade, transportation, and utilities* (+800) sector this month, which pushed total jobs in this industry to 34,400 in November.

MIDLAND METROPOLITAN AREA

- The jobless rate in the Midland region decreased by 0.4 percentage points to 3.8 percent, ranking as the third lowest unemployment rate among major labor markets in Michigan.
- Total workforce in the area remained down both over the month (-0.8 percent) and over the year (-2.2 percent).

MONTHLY INDUSTRY DEVELOPMENTS

- In November, total payroll jobs in the Midland metro area (34,900) remained nearly unchanged (-100).

INDUSTRY TRENDS

- Payroll jobs in the region still show the significant impact of pandemic-related reductions, with a sharp drop of 2,700 positions since November 2019.

MONROE METROPOLITAN AREA

- The jobless rate in the Monroe labor market fell by 1.1 percentage points in November to 4.2 percent. This was the largest over-the-month rate decline among all Michigan major labor market areas.
- This large monthly rate cut was due to a November drop in the civilian labor force, as the number of employed and unemployed residents both fell by 300 and 800, respectively.

MONTHLY INDUSTRY DEVELOPMENTS

- Regional payroll jobs in Monroe moved down by 600 or 1.7 percent since last month. This was the largest percent decline among all Michigan metro areas in November.

INDUSTRY TRENDS

- Only two major industry sectors added jobs this month; *Trade, transportation, and utilities* (+200) and *Manufacturing* (+100), as total nonfarm payroll jobs remained 15.5 percent lower than year-ago levels.

MUSKEGON METROPOLITAN AREA

- The Muskegon regional jobless rate fell by 0.7 percentage points in November to 6.4 percent, nearly matching the statewide unemployment rate for the month.
- Over the year, the labor force was down 1,800 (-2.3 percent), due mainly to a pandemic-related decline in the number of employed persons in the area (-3,800).

MONTHLY INDUSTRY DEVELOPMENTS

- Muskegon metro area job levels increased by 400 or 0.7 percent over the month, despite the monthly reduction in jobs statewide (-0.3 percent).

INDUSTRY TRENDS

- The *Service providing* sector recorded the entirety of area job growth in November, rising by 0.9 percent due mainly to an increase in employment in the *Trade, transportation, and utilities* industry (+500).

CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	JACKSON			KALAMAZOO-PORTAGE			LANSING-EAST LANSING		
	NOV 2020	OCT 2020	NOV 2019	NOV 2020	OCT 2020	NOV 2019	NOV 2020	OCT 2020	NOV 2019
PLACE OF RESIDENCE									
Civilian Labor Force	73,000	73,200	74,200	167,800	170,100	170,000	241,000	242,500	253,200
Employed	69,600	69,400	72,000	160,900	162,400	165,300	231,600	231,700	246,800
Unemployed	3,400	3,800	2,200	6,900	7,700	4,700	9,400	10,800	6,400
Unemployment Rate	4.6%	5.2%	3.0%	4.1%	4.5%	2.8%	3.9%	4.5%	2.5%
PLACE OF WORK									
Total Nonfarm Jobs	53,800	53,600	58,500	141,900	143,100	153,000	217,100	217,000	243,700
Mining, Logging, and Construction	2,200	2,300	2,000	6,800	6,900	6,500	7,400	7,600	8,300
Manufacturing	8,400	8,400	9,400	20,700	20,800	23,300	16,400	16,300	19,100
Trade, Transportation, and Utilities	10,800	10,600	12,300	24,400	24,100	26,500	34,400	33,600	37,300
Wholesale Trade	*	*	*	5,800	5,800	6,200	6,000	5,900	6,400
Retail Trade	6,200	6,200	6,500	14,300	14,100	16,100	20,600	20,100	22,400
Information	200	200	200	600	600	700	2,900	2,900	2,900
Financial Activities	2,200	2,200	2,200	8,100	8,100	8,100	16,600	16,700	17,100
Professional and Business Services	6,000	6,000	6,200	17,900	17,900	18,400	25,000	24,500	25,300
Educational and Health Services	9,300	9,200	10,300	23,200	23,400	25,500	30,400	30,200	33,000
Leisure and Hospitality	4,400	4,500	5,200	14,600	16,200	15,700	14,700	15,900	18,900
Other Services	2,400	2,400	2,600	4,900	4,900	5,200	9,100	9,100	10,100
Government	7,900	7,800	8,100	20,700	20,200	23,100	60,200	60,200	71,700
MIDLAND									
	NOV 2020	OCT 2020	NOV 2019	NOV 2020	OCT 2020	NOV 2019	NOV 2020	OCT 2020	NOV 2019
PLACE OF RESIDENCE									
Civilian Labor Force	39,200	39,500	40,100	71,500	72,600	75,800	75,400	75,700	77,200
Employed	37,700	37,800	38,900	68,500	68,800	73,600	70,600	70,300	74,400
Unemployed	1,500	1,600	1,200	3,000	3,800	2,200	4,800	5,400	2,800
Unemployment Rate	3.8%	4.2%	3.0%	4.2%	5.3%	2.8%	6.4%	7.1%	3.6%
PLACE OF WORK									
Total Nonfarm Jobs	34,900	35,000	37,600	35,400	36,000	41,900	57,800	57,400	64,900
Mining, Logging, and Construction	*	*	*	1,700	1,900	1,900	2,800	2,900	2,600
Manufacturing	*	*	*	4,800	4,700	5,700	11,600	11,500	13,800
Trade, Transportation, and Utilities	*	*	*	10,000	9,800	10,800	13,700	13,200	14,300
Wholesale Trade	*	*	*	1,700	1,700	1,700	*	*	*
Retail Trade	*	*	*	4,300	4,200	4,900	10,400	10,300	11,500
Information	*	*	*	*	*	*	200	200	300
Financial Activities	*	*	*	900	900	900	1,700	1,700	1,800
Professional and Business Services	*	*	*	4,400	4,600	5,800	3,700	3,700	3,700
Educational and Health Services	*	*	*	4,500	4,500	5,000	10,400	10,500	11,900
Leisure and Hospitality	*	*	*	2,500	3,000	4,400	5,000	5,200	7,300
Other Services	*	*	*	1,300	1,300	1,500	1,700	1,700	2,000
Government	3,100	3,200	3,000	5,000	5,000	5,500	7,000	6,800	7,200

Source: Current Employment Statistics and Local Area Unemployment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget
 * Data is suppressed

NILES-BENTON HARBOR METRO AREA

- Joblessness in the Niles-Benton Harbor MSA moved down by 0.5 percentage points to 4.7 percent this month.
- This rate reduction reflected fewer persons in the regional labor force (-1.0 percent), as both the number of employed (-300) and the number of unemployed (-400) fell in November.

MONTHLY INDUSTRY DEVELOPMENTS

- Regional payroll jobs in the Niles-Benton Harbor metro area edged down slightly by 200 or 0.3 percent in November.
- Jobs in the *Manufacturing* sector remained unchanged both over the month and over the year, with an employment level of 13,000.

INDUSTRY TRENDS

- Jobs in only two major industry sectors rose in November, including *Trade, transportation, and utilities* (+300) and *Government* (+100).

SAGINAW METROPOLITAN AREA

- The unemployment rate in the Saginaw MSA decreased by 0.5 percentage points this month to 5.4 percent, about a full percentage point below the statewide rate in November.
- Workforce in the metro area remained flat over the month and was down sharply by 2,800 or 3.2 percent over the year.

MONTHLY INDUSTRY DEVELOPMENTS

- In the Saginaw region, total payroll jobs rose by 400 or 0.5 percent in November but were still down by 9.9 percent over the year.
- *Retail trade* jobs advanced seasonally by 400 or 3.7 percent in November, reflecting hiring for the holiday shopping season. This was the largest monthly percent job gain in this industry among Michigan metro areas.

INDUSTRY TRENDS

- Payroll jobs plunged by 8,800 due to pandemic-related layoffs since November 2019, and jobs were down over the year in all sectors except *Wholesale trade* and *Federal government*.

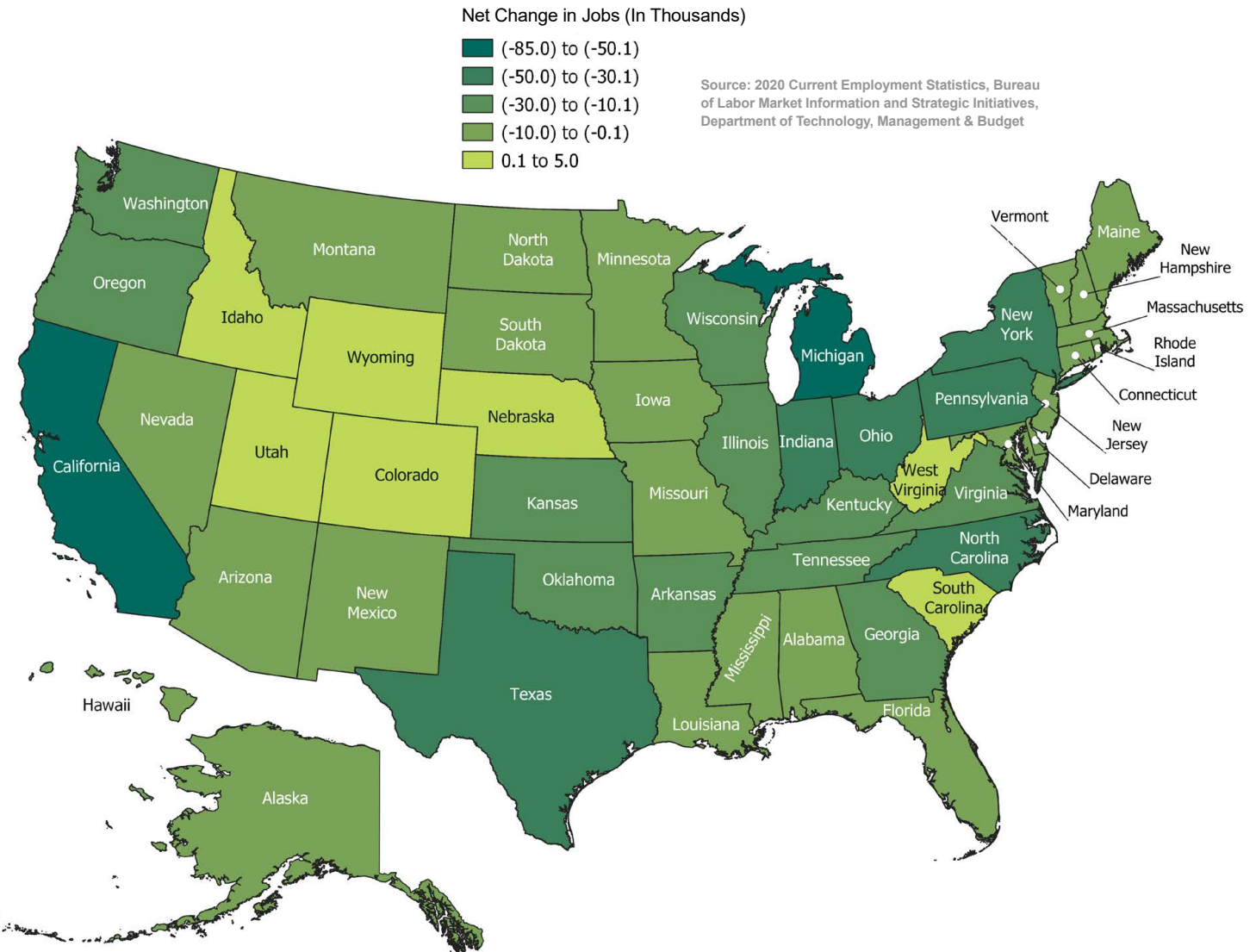
CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	NILES-BENTON HARBOR			SAGINAW					
	NOV 2020	OCT 2020	NOV 2019	NOV 2020	OCT 2020	NOV 2019			
PLACE OF RESIDENCE									
Civilian Labor Force	72,200	72,900	72,800	83,900	83,900	86,700			
Employed	68,800	69,100	70,600	79,400	79,000	83,400			
Unemployed	3,400	3,800	2,300	4,500	4,900	3,300			
Unemployment Rate	4.7%	5.2%	3.1%	5.4%	5.9%	3.8%			
PLACE OF WORK									
Total Nonfarm Jobs	58,200	58,400	62,600	79,700	79,300	88,500			
Mining, Logging, and Construction	2,800	2,900	2,600	2,900	3,000	3,200			
Manufacturing	13,000	13,000	13,000	10,600	10,600	11,900			
Trade, Transportation, and Utilities	10,100	9,800	10,700	15,800	15,300	17,500			
Wholesale Trade	*	*	*	1,900	1,900	1,900			
Retail Trade	6,100	6,000	6,900	11,200	10,800	12,700			
Information	400	400	500	1,000	1,000	1,200			
Financial Activities	2,400	2,400	2,500	3,600	3,600	3,700			
Professional and Business Services	5,400	5,400	5,500	10,400	10,300	11,600			
Educational and Health Services	9,200	9,300	9,600	14,700	14,700	16,000			
Leisure and Hospitality	5,100	5,500	7,100	7,100	7,300	8,800			
Other Services	2,000	2,000	2,300	3,100	3,100	3,200			
Government	7,800	7,700	8,800	10,500	10,400	11,400			
	UPPER PENINSULA			NORTHEAST MICHIGAN			NORTHWEST MICHIGAN		
	NOV 2020	OCT 2020	NOV 2019	NOV 2020	OCT 2020	NOV 2019	NOV 2020	OCT 2020	NOV 2019
PLACE OF RESIDENCE									
Civilian Labor Force	138,000	140,000	135,200	79,500	80,500	79,900	152,500	154,900	146,900
Employed	132,100	134,100	129,600	75,100	76,300	75,800	146,200	148,300	142,000
Unemployed	5,900	5,900	5,600	4,300	4,300	4,100	6,300	6,600	5,000
Unemployment Rate	4.2%	4.2%	4.1%	5.5%	5.3%	5.1%	4.1%	4.2%	3.4%

Source: Current Employment Statistics and Local Area Unemployment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget
 * Data is suppressed

MAP OF THE MONTH:

NET CHANGE IN MANUFACTURING JOBS BY STATE, FEBRUARY–NOVEMBER 2020



The pandemic has resulted in job loss across all industries, and *Manufacturing* was no exception. During the months of March and April, temporary layoffs caused a reduction of 1.4 million *Manufacturing* jobs nationally. Since then, workers have been recalled to jobs in this industry, but U.S. *Manufacturing* jobs in November remained over 500,000 below the pre-pandemic February level (BLS 2020).

Over the past 10 months, each state has followed a unique trajectory toward economic recovery, and this has resulted in a wide degree of variance in the net change in *Manufacturing* jobs across states during 2020. Using Current Employment Statistics data for the months

of February and November 2020, the map provides a snapshot of the degree of job change in this industry across states.

Most states have recorded significant cuts in *Manufacturing* employment due to the pandemic, but some states have added jobs over this period. Idaho, Wyoming, Nebraska, Colorado, Utah, West Virginia, and South Carolina reported a higher number of *Manufacturing* positions in November than the pre-pandemic February level.

California and Michigan were the hardest hit in terms of the amount of *Manufacturing* job reductions. Through November, California had 85,000 fewer jobs in this industry than in

February, and Michigan reported 56,000 fewer *Manufacturing* jobs in over the same time period. So far in 2020, April was the low point in *Manufacturing* jobs, and Michigan registered the largest percent job cut from April 2019 to April 2020 among states, a plunge of 29.8 percent.

Reference:

Bureau of Labor Statistics. 2020. "[Current Employment Statistics Highlights: November 2020](#)." U.S. Department of Labor.

ASHLEY TARVER
Demographic Analyst



EMPLOYMENT TRENDS IN MICHIGAN'S MANUFACTURING SECTOR

The *Manufacturing* sector has continued to be a staple of both Michigan and the U.S. economy, even throughout economic downturns. Contributing over 12.8 million jobs, the *Manufacturing* sector plays a significant role in the United States, making up nearly 8.5 percent of the nearly 151 million total nonfarm jobs in 2019. Due to the abundance of auto production firms in Michigan, the *Manufacturing* sector plays an even greater role than seen nationally. *Manufacturing* accounted for over 627,200 or 14.1 percent of all employment in Michigan. Over the last two decades, the *Manufacturing* sector has seen large changes in employment as a result of productivity changes, economic downturns and the recent pandemic. This article provides information on job trends in the Michigan *Manufacturing* sector and additional analysis on how the sector has been impacted by the COVID-19 pandemic.

How Recessions Have Affected Michigan's Manufacturing Sector

In March 2001, the nation experienced a short period of economic downturn, resulting in significant job losses in the *Manufacturing* sector. In the year prior to the start of the recession, Michigan's *Manufacturing* employment peaked at 886,400. By 2001, the sector's employment levels had fallen to 811,800. In subsequent years, the *Manufacturing* sector would continue to see a gradual decline in job levels.

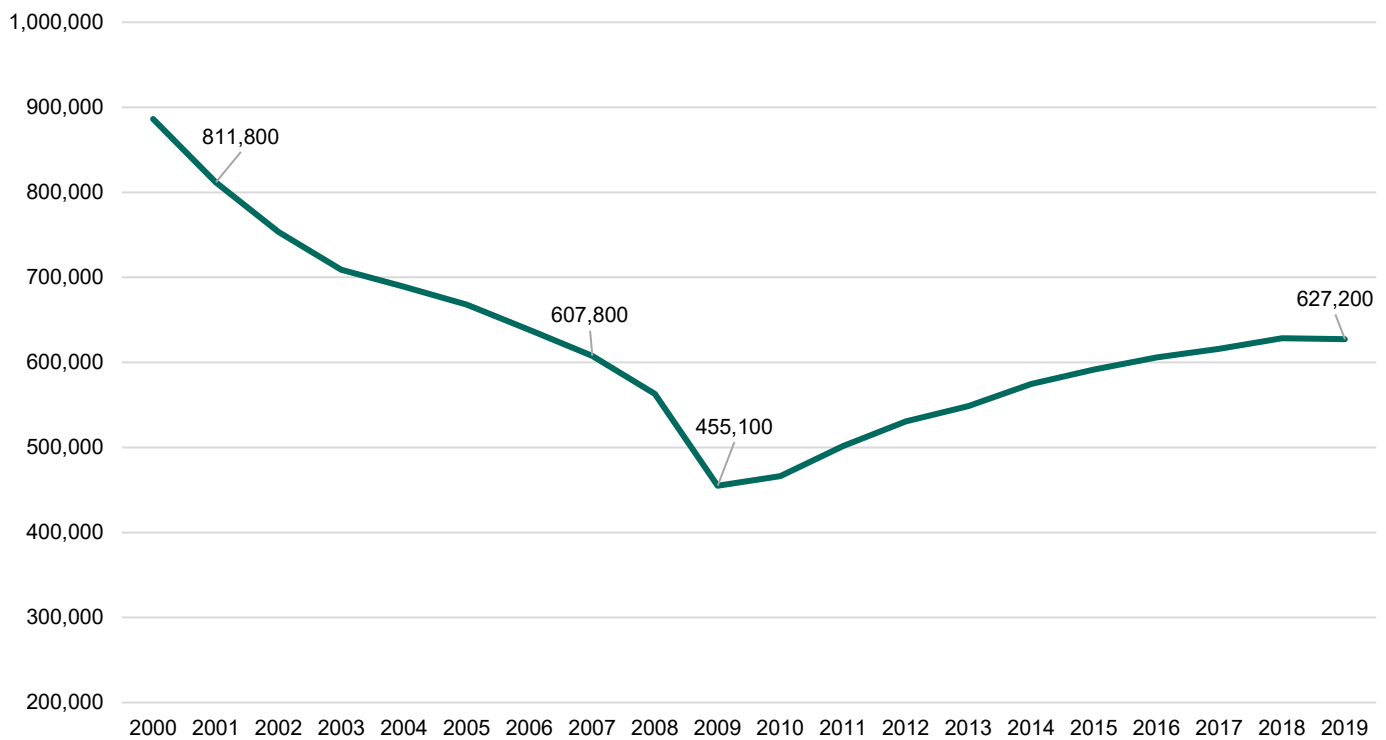
After having never fully recovered from the 2001 recession, the sector was hit again at the start of the Great Recession in 2007, where employment in the sector had since fallen to 607,800. From 2001 to 2007, a large majority of job losses were seen in the *Transportation equipment* sector (-114,500), which is

responsible for the production and assembly of motor vehicles and motor vehicle parts. Payroll job levels in both the *Machinery* sector and *Furniture and related products* sector also saw notable declines during this time, falling by 19,500 and 11,800, respectively.

Even after a period of constant decline from 2001 until 2007, the *Manufacturing* sector was not yet showing signs of recovery. During the Great Recession from December 2007 to June 2009, the industry lost 152,700 additional jobs, dropping to its lowest point of 455,100 jobs in 2009. The largest losses were again within the *Transportation equipment manufacturing* sector, where job levels fell by 74,000 during this period.

It was not until 2010 when the *Manufacturing* sector began to show signs of recovery after the end of the Great Recession. Due

FIGURE 1: MANUFACTURING JOBS IN MICHIGAN, 2000–2019



Source: Current Employment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget

to restructuring and a general shift within Michigan's *Manufacturing* sector, from 2009 until 2019, sector jobs rose by 37.8 percent (+172,100 jobs). By 2017, the sector had experienced enough growth to exceed job levels last recorded in 2007. Job levels stabilized from 2018 to 2019, with a small reported decline of 1,400 over the year.

The Impact of the Pandemic

In March of 2020, Michigan had taken action to slow the spread of COVID-19, which meant the temporary closing of businesses and nonessential services. The shutdown affected the state's automakers as well, when on March 18th, the Detroit automakers suspended most operations.

According to the Current Employment Statistics (CES) program, in February 2020, before the start of the pandemic, the *Manufacturing* sector supplied 621,600 jobs. As additional precautions were being taken to prevent the spread of the coronavirus, temporary layoffs in April resulted in a plunge of jobs in the industry of 29 percent to 441,200. That was the lowest employment level in Michigan's *Manufacturing* sector since

the end of the Great Recession in July 2009 when the sector employed 432,800. Over the next few months, some businesses began to reopen showing rising employment levels throughout the industry.

The *Transportation equipment manufacturing* subsector was the most impacted by the coronavirus with employment levels declining by 49.5 percent from February (189,200) to April (95,600). Other subsectors like *Fabricated metal product manufacturing* (-33.4 percent) and *Plastics and rubber products manufacturing* (-30.8 percent) also saw notable job reductions during this period. Some subsectors in *Manufacturing* were not as heavily affected by the pandemic, such as *Food manufacturing* and *Chemical manufacturing*, which registered a 5.8 percent and 7.7 percent job cut, respectively.

Since the low point in April, the sector has shown signs of returning to prior employment counts. Though still not to pre-pandemic levels by November, payroll jobs rose by 28.2 percent or 565,600. Most of *Manufacturing's* subsectors had jobs that were still below February levels, apart from *Food manufacturing*, which has since increased by

one percent. As of November, employment in the *Transportation equipment manufacturing* subsector was still 12.7 percent below pre-pandemic February levels, though jobs had substantially recovered from April employment lows. *Primary metal manufacturing* was one subsector with minimal job recovery so far, as jobs in November remained slightly lower than April's levels.

Total nonfarm jobs in Michigan declined by 23.1 percent from 4,407,600 in February to 3,391,200 in April. The *Manufacturing* sector was not the only industry to record major job cuts during this period. Other sectors including *Leisure and hospitality* (-58.1 percent), *Mining, logging and construction* (-42.8 percent), and *Other services* (-34.3 percent) were also initially impacted by pandemic-related layoffs in April (LMISI 2000–2020).

Vehicles Assembled and Sold

According to the U.S. Bureau of Economic Analysis (BEA), in February of 2020, there were 221,900 vehicles assembled nationally. As the pandemic began to cause employment levels to plummet in many key industries in late March, vehicle assembly began to drop

FIGURE 2: MICHIGAN MANUFACTURING SUBSECTOR JOB CHANGE (NOT SEASONALLY ADJUSTED)

INDUSTRY	FEBRUARY 2020	APRIL 2020	NOVEMBER 2020
MANUFACTURING	621,600	441,200	565,600
Transportation Equipment Manufacturing	189,200	95,600	165,100
Fabricated Metal Product Manufacturing	78,500	52,300	67,900
Machinery Manufacturing	71,000	56,800	67,300
Plastics and Rubber Products Manufacturing	42,800	29,600	36,200
Food Manufacturing	38,100	35,900	38,500
Chemical Manufacturing	31,300	28,900	29,800
Furniture and Related Product Manufacturing	23,600	17,700	20,900
Primary Metal Manufacturing	21,800	15,800	15,300
Computer and Electronic Product Manufacturing	21,000	19,100	18,700
Printing and Related Support Activities	13,400	10,300	11,600

Source: Current Employment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget

significantly. By April, vehicle assembly fell by 99.2 percent since February to just 1,800 as most auto manufacturers had nearly halted production. In comparison, in April of 2019, the number of vehicles assembled was 212,100.

As manufacturing facilities slowly began to resume production, vehicle assemblies started to increase. By July, the number of vehicles assembled nationally rose to 178,300, which was a gain of 2.6 percent over the prior year. In recent months, the number of vehicles assembled had remained close to 2019 levels through October, as the number of vehicles assembled was 209,300 compared to 212,700 in 2019.

Domestic auto sales of vehicles assembled in the U.S., Canada, and Mexico were far less affected by the pandemic compared to vehicle assemblies at the start of the pandemic. In April, vehicle sales had fallen to 125,900 in the U.S., down 53.2 percent from February's 269,100 sales. Since then, vehicle sales have steadily increased, although not to levels equivalent to a year prior. In November, the number of vehicles sold was 209,500. That was a decline of 19.9 percent from the 261,400 sold in November 2019.

Real Gross Domestic Product and Export Trends

The *Manufacturing* sector contributes the greatest share to Michigan's real Gross Domestic Product (GDP) than any other industry. In the second quarter of 2020, the *Manufacturing* sector was responsible for 18.1 percent of the state's real GDP. That

value is down from second quarter 2019 when *Manufacturing's* share of Michigan's real GDP was 19.1 percent. The sector is typically considered highly cyclical, making it often one of the first affected by an economic downturn, which due to the current pandemic, resulted in a lower contribution to the state's GDP in 2020. Nationally, the industry accounted for 11.3 percent of real GDP in the second quarter of 2020, down from 11.6 a year before.

In 2019, Michigan was ranked sixth among all other states in value of manufactured goods exports, with exports exceeding \$53.1 billion. Manufactured exports in the state decreased by nearly \$2.3 billion or 4.1 percent since 2018. Nationally, manufactured goods exports exceeded \$1.36 trillion, down 2.5 percent from the \$1.39 trillion in 2018 (BEA 2020).

Current Efforts

To help prevent the spread of COVID-19 and to keep employees safe, many of Michigan's manufacturers slowed or halted production of manufactured goods in the early stages of the pandemic. Manufacturers began to reassess their workplace health and safety standards by implementing new protocols and procedures to limit the spread of the virus once facilities opened again.

One approach to limit the spread of COVID-19 was to provide employees with personal protective equipment (PPE) such as face masks, face shields, gowns, and more. With an increased demand for PPE by the *Healthcare* industry and the public, the demand quickly outpaced the supply. As a result, many of Michigan's manufacturing

firms, both small and large, began to retool facilities to transition to the production of PPE. Michigan's manufacturers gained national attention for their efforts to quickly expand production efforts to meet demand.

Though still in the midst of an ongoing pandemic, the *Manufacturing* sector has taken steps to reopen many of their facilities. Michigan's *Manufacturing* sector jobs have not yet returned to pre-pandemic levels, but the industry appears to be showing improvement.

Future Trends

According to 2018–2028 long-term employment projections by Michigan's Bureau of Labor Market Information and Strategic Initiatives, Michigan's employment is expected to see little growth in the coming years. *Manufacturing* is projected to see an overall decline of 1.9 percent by 2028 in the state, equivalent to a loss of nearly 12,200 jobs (LMISI 2020). It is important to note however, that long-term employment projections were generated using 2018 data, and therefore do not take into account the current COVID-19 pandemic. It is not yet known what long-term effects the pandemic will have on the industry and its job levels.

A majority of industries in the sector are projected to decline with *Fabricated metal product manufacturing* expected to see a loss of 4,400 jobs, the greatest of any subsector. *Transportation equipment manufacturing* and *Printing and related support activities* are other subsectors with notable expected losses, with employment levels projected to contract by 3,300 and 3,000, respectively. The

FIGURE 3: DOMESTIC VEHICLES ASSEMBLED AND SOLD



Source: Supplemental Estimates, Motor Vehicles; U.S. Bureau of Economic Analysis, U.S. Department of Commerce

Miscellaneous manufacturing sector, which includes the manufacturing of jewelry, medical equipment and more, is one of the few industries in the sector projected to add jobs, with employment levels increasing by 5,100 or 19.3 percent during this time.

In a recent report from the University of Michigan’s Research Seminar in Quantitative Economics (RSQE), the state’s *Manufacturing* sector is projected to lose 64,400 jobs in 2020. These losses are a result of an expected decline in light vehicle sales and the shutdowns of manufacturing plants. With vehicle sales expected to be reasonable over the next two years, RSQE is forecasting that the sector will recover 31,500 jobs in 2021 and another 17,500 in 2022 (Burton et al. 2020).

Conclusion

Michigan’s *Manufacturing* sector has experienced a series of job reductions since 2000 with job losses largely occurring in the *Transportation equipment manufacturing*, *Machinery manufacturing*, and *Furniture and*

related products manufacturing subsectors. In recent years, the sector has shown notable improvement but has never fully recovered from the jobs lost from 2000 to 2009. The *Manufacturing* sector had been heavily affected in the early stages of the COVID-19 pandemic but has since recovered many of the lost jobs. Though the number of jobs in the industry are not at pre-pandemic levels, the industry has continued to show recent gains in terms of jobs, the number of vehicles assembled, and vehicle sales.

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INDUSTRY FOCUS

TRANSPORTATION EQUIPMENT MANUFACTURING

This month's issue of *Michigan's Labor Market News* mentions *Transportation equipment manufacturing*, a subsector of *Manufacturing* that is critical to the state. The *Transportation equipment manufacturing* sector employs more workers in Michigan than in any other state and makes up five percent of workers in Michigan.

According to the Bureau of Labor Statistics, this industry includes not only the manufacturing of cars and trucks but also subsector groups "for the manufacture of equipment for each mode of transport—road, rail, air and water." While known for its production of automobiles, Michigan has roughly 100 firms employing 8,000 people that produce equipment for air, water, and rail transportation.

In Michigan, the subsectors of *Transportation equipment manufacturing* that employ the most people include: *Motor vehicle parts manufacturing* (133,000 workers), *Motor vehicle manufacturing*, (39,000 workers), and *Motor vehicle body and trailer manufacturing* (9,000 workers).

TOP FIVE JOBS BY EMPLOYMENT, TRANSPORTATION EQUIPMENT MANUFACTURING

OCCUPATIONS	2019 EMPLOYMENT
Miscellaneous Assemblers and Fabricators	56,180
Cutting, Punching, and Press Machine Setters, Operators, and Tenders, Metal and Plastic	12,350
Engine and Other Machine Assemblers	8,300
Industrial Engineers	7,570
Mechanical Engineers	6,840

Source: 2019 Occupational Employment and Wage Estimates, Bureau of Labor Market Information and Strategic Initiatives, Michigan Department of Technology, Management & Budget

Industry Outlook

This industry has a slightly negative employment outlook. Its long-term projected annual growth rate of -0.2 percent through 2028 is lower than the Michigan average projected annual growth rate for all industries of 0.0 percent. This translates to the *Transportation equipment manufacturing* industry losing around 3,300 jobs annually

through 2028. The median hourly wage for this industry is \$23.59, ranking 27th among all states.

WAYNE ROURKE
Associate Director

MICHIGAN TRANSPORTATION EQUIPMENT MANUFACTURING BY THE NUMBERS



189,900
2019 TOTAL MICHIGAN EMPLOYMENT

5.0%
OF MICHIGAN JOBS

1ST
NATIONAL EMPLOYMENT RANK



95
FIRMS WITH 500+ EMPLOYEES



331
FIRMS WITH 50-499 EMPLOYEES



677
FIRMS WITH <50 EMPLOYEES



-0.2%
2018-2028 PROJECTED JOB GROWTH

4,660
PROJECTED ANNUAL OPENINGS



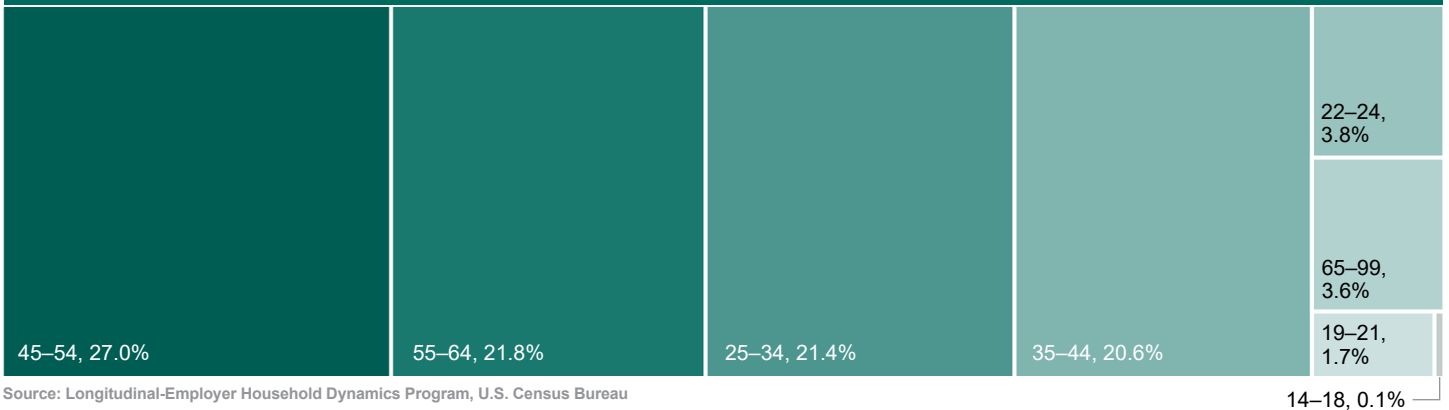
\$49,070
MEDIAN ANNUAL WAGE

\$23.59
MEDIAN HOURLY WAGE

Source: 2019 Occupational Employment and Wage Estimates and Bureau of Labor Statistics; 2018-2028 Employment Projections; Fourth Quarter Quarterly Census of Employment and Wages; Bureau of Labor Market Information and Strategic Initiatives; Michigan Department of Technology, Management & Budget

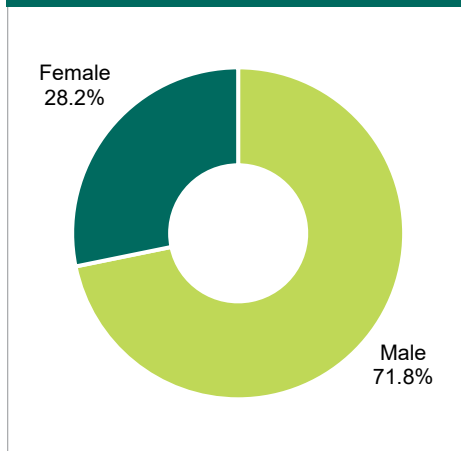


EMPLOYMENT BY AGE, MICHIGAN TRANSPORTATION EQUIPMENT MANUFACTURING



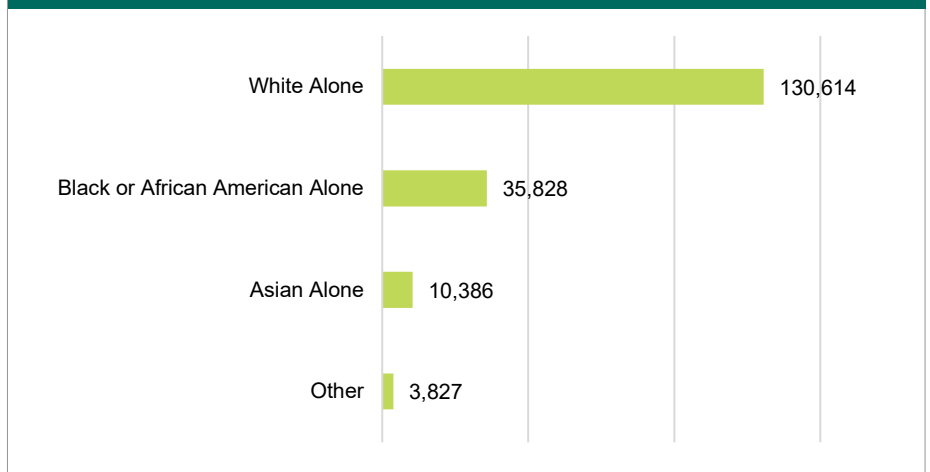
Source: Longitudinal-Employer Household Dynamics Program, U.S. Census Bureau

EMPLOYMENT BY SEX



Source: Longitudinal-Employer Household Dynamics Program, U.S. Census Bureau

EMPLOYMENT BY RACE AND ETHNICITY



Source: Longitudinal-Employer Household Dynamics Program, U.S. Census Bureau



MICHIGAN ONLINE JOB ADS DROP

In November 2020, there were 163,894 online job advertisements, an 8.6 percent drop since the previous month with 179,320 ads. A considerable downtick in new postings was shown over the month as November had 56,367 postings specific to the month and October had 70,981, showing a 20.6 percent decline. Over the year, job postings increased by 4.4 percent since November 2019 (156,998 ads).

Supply/Demand Rate Rises

Over the past few months the supply/demand rate had continuously decreased, however, in November 2020 the rate rose to 1.89. This rate represents approximately 189 unemployed individuals for every 100 online job postings and is nearly double last November's rate of 1.01. Though the rate had been on a downward trend, November brought additional measures to lower the rate of positive COVID-19 cases and in turn resulted in newly unemployed individuals.

Occupational Groups Recede Over the Month

Not seasonally adjusted occupational data is available through Burning Glass Technologies. The system offers job advertisement information based on broad occupation groups as well as detailed occupations. In November 2020, every occupational group's online job advertisements declined over the month, except for *Legal*. The

Protective service occupational group observed the largest reduction with a drop of 25.7 percent (-653 ads), with the majority of the loss credited to *Security guards* (-528 ads). The growth of 5.4 percent for the *Legal* group was attributed to *Lawyers* (+51 ads) and *Judicial law clerks* (+10 ads).

While more than half of the occupational groups had increases in job advertisements over the year, a large portion of groups still observed losses. The *Building and grounds cleaning and maintenance* occupational group had the largest uptick of 65.2 percent (+2,319 ads). A significant portion of the gains were associated with *Janitors and cleaners, except maids and housekeeping cleaners* with a 86.1 percent jump (+1,597 ads). Of the occupational groups that declined, the *Computers and mathematical* group suffered the largest reduction of 30.9 percent (-3,969 ads) with much of the downturn belonging to *Software developers, applications*, a 43.7 percent contraction (-1,765 ads).

Manufacturing-Related Job Ads

As stated in this month's feature article, the *Manufacturing* industry makes up roughly 14.1 percent of all employment in the Michigan. Of all ads with an associated industry, *Manufacturing* made up about 10.0 percent (12,981 ads). This was down slightly from November 2019 when the *Manufacturing* industry made up about 11.1

percent of all ads with an associated industry (13,849 ads).

In total, 58 *Production* occupations had job ads. These occupations were led by *Production workers, all other* with 1,566 ads last month. This was the 22nd most posted occupation. *Production workers, all other* is a general occupation made up of ads that do not neatly fall in other occupation titles.

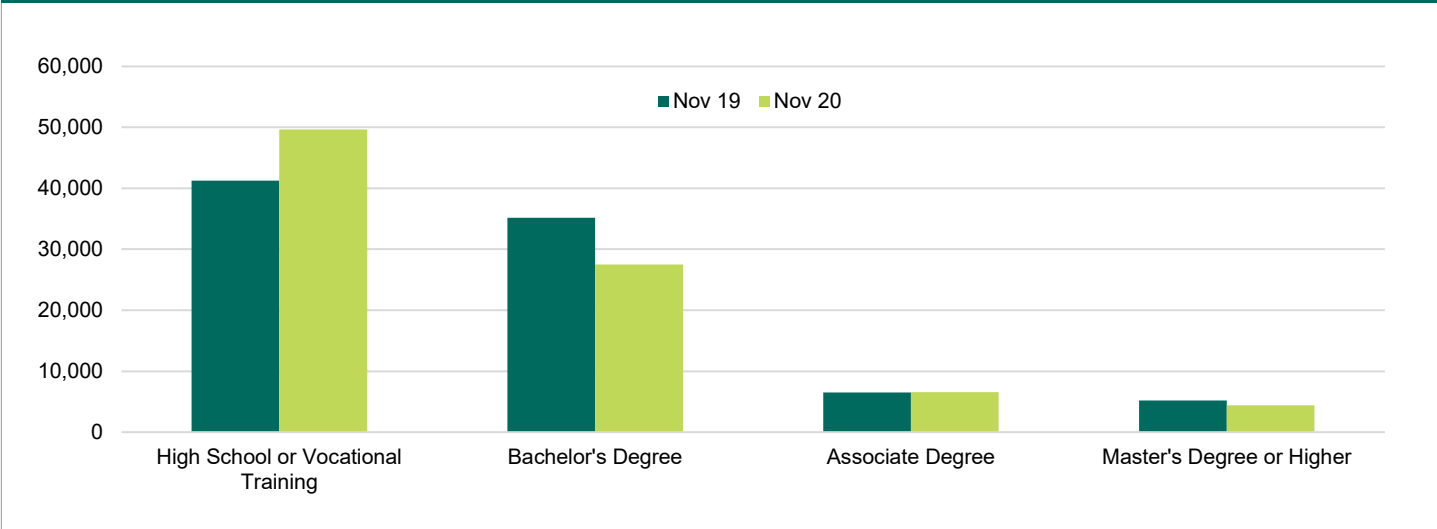
Michigan Regions Experience Reduced Job Ads Over the Month

Each of the 14 metropolitan statistical areas (MSAs) experienced a negative change in job advertisements over the month. Monroe observed the smallest loss at 2.0 percent while Bay City witnessed the largest downtick at 17.4 percent. Bay City's notable losses were in *Health care and social assistance* (-13.7 percent), *Retail trade* (-16.4 percent), *Accommodation and food services* (-39.1 percent), and *Public administration* (-64.3 percent).

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Economic Analyst

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Economic Analyst

CHANGE IN JOB AD EDUCATION REQUIREMENT, NOVEMBER 2019–NOVEMBER 2020



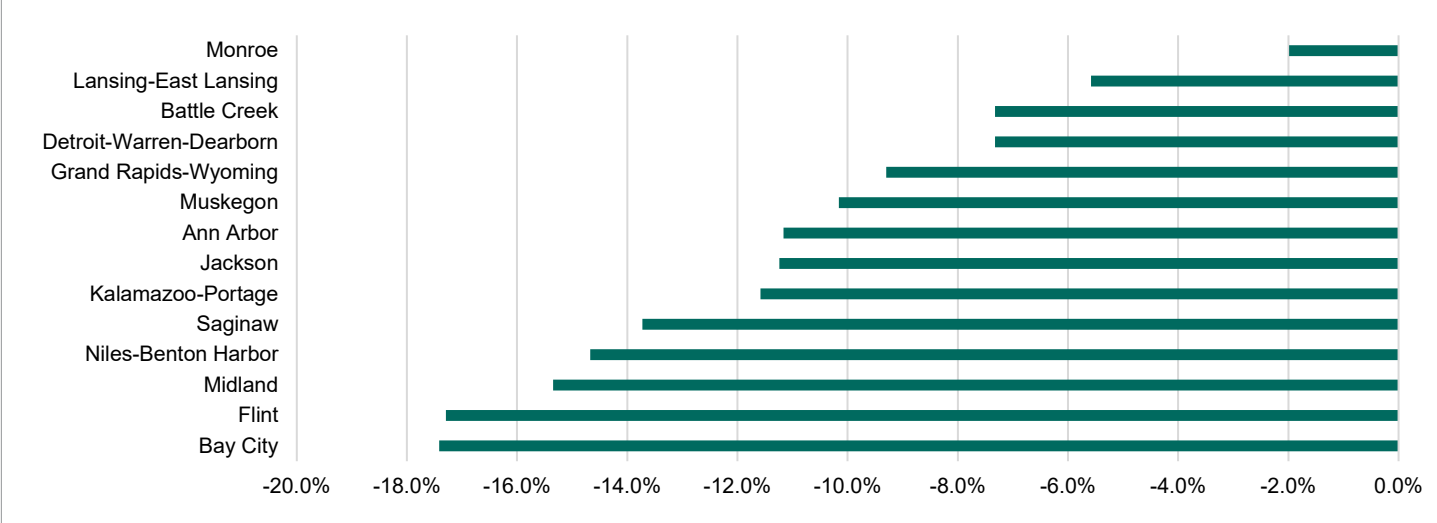
Source: Conference Board Help Wanted OnLine®, Burning Glass Technologies

MICHIGAN ONLINE JOB ADS BY INDUSTRY, NOVEMBER 2020



Note: Roughly 34,000 postings did not have specific industry ties in the November 2020 data
 Source: Conference Board Help Wanted OnLine®, Burning Glass Technologies

MONTHLY CHANGE IN JOB ADS BY MICHIGAN METRO AREA, OCTOBER 2020–NOVEMBER 2020



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

RELEVANT RANKINGS

MANUFACTURES EXPORTS BY STATE, 2018–2019				
RANK	STATE	2018 LEVEL	2019 LEVEL	PERCENT CHANGE (2018–2019)
1	Texas	\$247,829,195,346	\$243,245,058,349	-1.8%
2	California	\$154,317,798,749	\$149,864,778,154	-2.9%
3	New York	\$63,399,271,955	\$56,448,488,134	-11.0%
4	Illinois	\$61,354,621,773	\$55,982,120,560	-8.8%
5	Michigan	\$55,420,973,948	\$53,142,779,245	-4.1%
6	Florida	\$52,706,231,683	\$51,357,948,952	-2.6%
7	Ohio	\$50,595,109,860	\$49,241,008,572	-2.7%
8	Washington	\$63,364,104,536	\$46,618,807,274	-26.4%
9	South Carolina	\$33,896,423,702	\$40,812,875,275	20.4%
10	Indiana	\$38,128,388,332	\$38,522,386,348	1.0%
41	West Virginia	\$3,644,685,753	\$3,538,012,996	-2.9%
42	Vermont	\$2,829,898,411	\$2,941,880,740	4.0%
43	Idaho	\$3,504,052,944	\$2,858,483,138	-18.4%
44	Rhode Island	\$1,753,512,180	\$1,823,222,843	4.0%
45	Maine	\$1,703,201,331	\$1,706,983,420	0.2%
46	Wyoming	\$1,282,496,432	\$1,292,944,532	0.8%
47	South Dakota	\$1,316,878,036	\$1,249,184,240	-5.1%
48	Montana	\$1,217,710,195	\$1,211,173,252	-0.5%
49	Alaska	\$389,536,359	\$518,324,572	33.1%
50	Hawaii	\$483,487,777	\$321,931,720	-33.4%

Source: State-by-State Exports to a Selected Market; Office of Trade and Economic Analysis (OTE), Industry and Analysis; International Trade Administration, U.S. Department of Commerce

MANUFACTURING JOBS BY MICHIGAN MSA, NOVEMBER 2020

RANK	AREA	NOVEMBER 2020	PERCENT OF TOTAL NONFARM
1	Michigan	565,600	13.9%
2	Niles-Benton Harbor	13,000	22.3%
3	Muskegon	11,600	20.1%
4	Grand Rapids-Wyoming	105,200	19.9%
5	Battle Creek	9,700	18.4%
6	Jackson	8,400	15.6%
7	Kalamazoo-Portage	20,700	14.6%
8	Monroe	4,800	13.6%
9	Saginaw	10,600	13.3%
10	Detroit-Warren-Dearborn	231,700	12.4%
11	Bay City	3,300	10.7%
12	Flint	11,700	9.0%
13	Lansing-East Lansing	16,400	7.6%
14	Ann Arbor	14,200	6.4%
15	Midland	*	*

Source: Current Employment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget
 *Unavailable

MONTHLY RETAIL SALES

The U.S. Census bureau recently released a new data set featuring modeled state-level retail sales. Using U.S. Monthly Retail Trade Survey data, administrative data, and third-party data, year-over-year percent changes for total retail sales and 11 retail subsectors have been estimated for each state. While dollar figures are not available in this data set, the over-the-year percent change can provide insight into how individual retail subsectors are performing according to their sales. These monthly retail sales figures will be released with a three-month lag near the end of each month.

Michigan's Retail Sales

Year-over-year retail sales in Michigan experienced a substantial decrease during the early months of the COVID-19 pandemic. With the mandatory closure of many businesses in Michigan beginning in mid-March, over-the-year sales dipped by 6.3 percent that month. April endured the peak of the shutdown and with retail sales plummeting 25.4 percent from April 2019. May's over-the-year sales decline was somewhat better, registering a 11.3 percent fall from the previous year, while June through August posted year-over-year retail sales increases of 7.0 percent, 6.8 percent, and 1.4 percent respectively.

In Michigan and nationwide, year-over-year retail sales have typically recorded increases each month since the beginning of the data set in 2019 (see figure 1). The nation's monthly over-the-year percent increase has outpaced Michigan in a majority of months. During the height of the coronavirus pandemic, both the U.S. and Michigan experienced retail sales declines compared to the previous year, with Michigan experiencing a greater decrease. However, since over-the-year retail sales turned positive in the June-to-August comparisons, Michigan's rate increases have surpassed the national rates by one to 3 percent.

Similar retail sales data are provided for 11 retail subsectors. Prior to the pandemic, retail sales from January 2019 to February 2020 indicated positive annual growth for most subsectors with the exception of *Furniture and home furnishing stores*, *Clothing and clothing accessories stores*, and *Gasoline stations*. Since the pandemic began in mid-March, some of the retail subsectors have seen their over-the-year retail sales trends greatly increase or decrease. Sales have shot upward compared to last year in both *Building material and garden supply stores* and *Food and beverage stores* likely due to people fixing up their residence and increasing their grocery

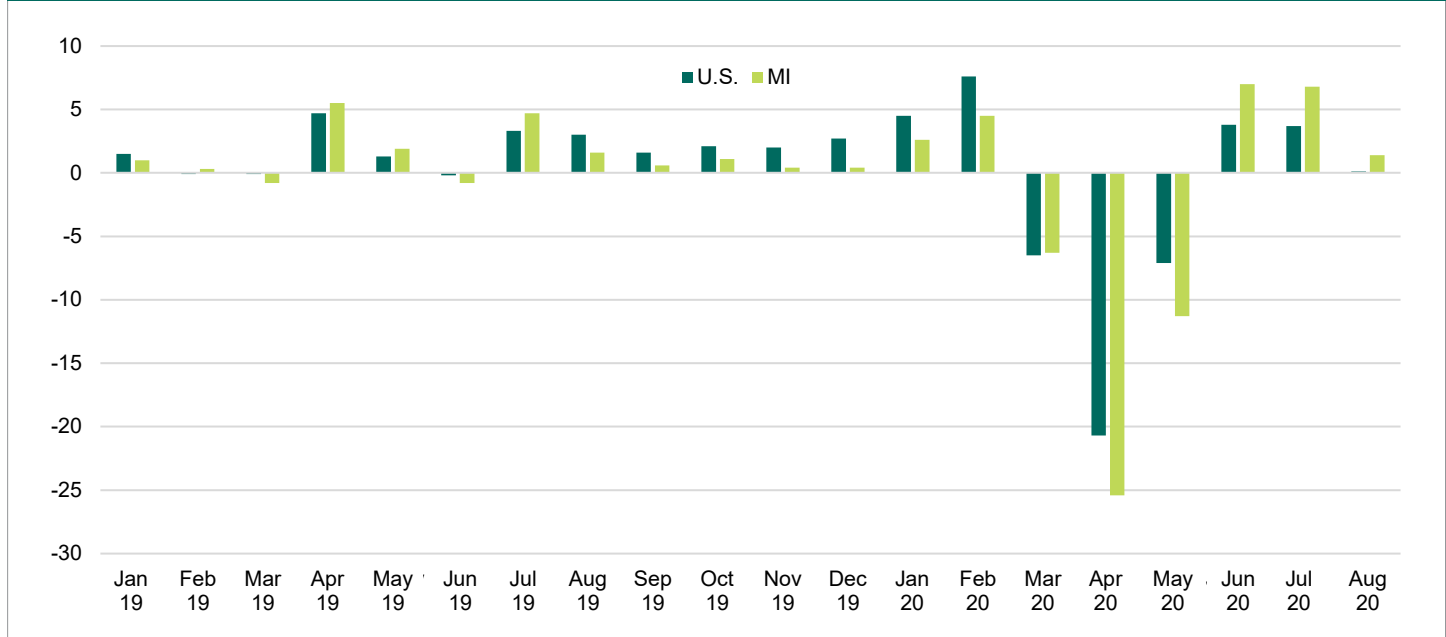
shopping. The subsectors with the hardest hit year-over-year sales were *Gasoline stations* and *Clothing and clothing accessories stores*. Subsectors like *Motor vehicle and parts dealers* and *Electronics and appliance stores* both had large yearly drops in retail sales initially during the pandemic and have since returned to annual sales growth as of August.

Retail Sales Compared to Retail Employment

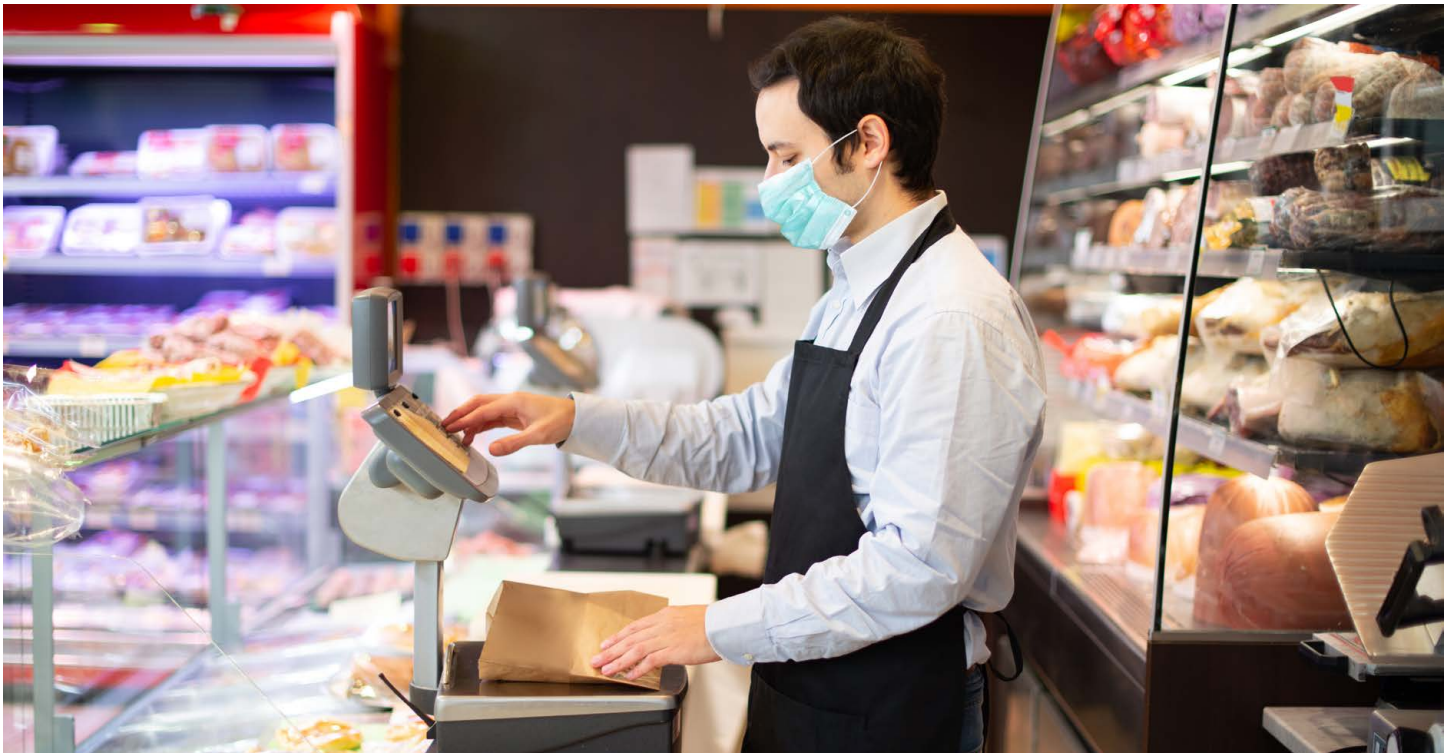
In 2019, employment in Michigan's *Retail trade* industry recorded year-over-year declines each month while retail sales data indicated increases most months. In February and March of 2020, employment in Michigan's retail sector showed marginal over-the-year increases for the first time since 2017. In those same months, retail sales over the year climbed to nearly 5 percent.

The coronavirus pandemic began to influence both the sales and employment of the retail sector in March 2020. The most significant impact was seen in April, where retail sales fell by 25 percent over the year, and *Retail trade* employment plunged by 115 percent since April 2019. Both retail sales and retail employment began to recover in the

FIGURE 1: OVER-THE-YEAR PERCENT CHANGE IN RETAIL SALES, MI AND U.S., 2019–2020



Source: Monthly State Retail Sales, U.S. Census Bureau



subsequent months. In June and July, retail sales growth over the year spiked to seven percent before settling at one percent over-the-year growth in August, the most recent month of data available. Employment in *Retail trade* has yet to recover and remains down nearly 24 percent over the year in November (figure 2).

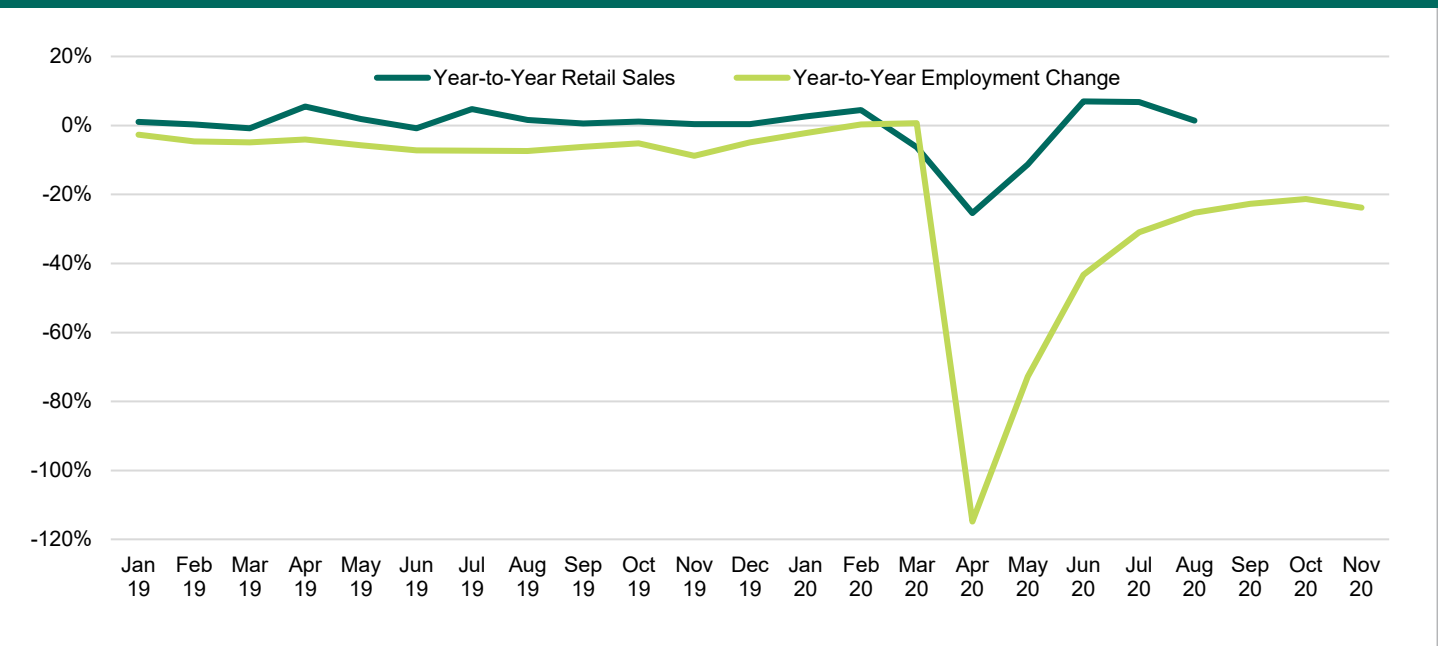
Outlook and Release Dates

The volatility in over-the-year retail sales may continue to fluctuate as the industry responds to the changing shopping habits people have exhibited during the pandemic. The means by which people purchased goods during 2020 is likely to have a longer-term structural effect on the retail trade industry overall. The U.S.

Census Bureau plans to continue improving the methodology of this retail sales data with the hopes of providing better data for more subsectors in the future. New [year-over-year retail sales data](#) for each state will be released monthly.

WAYNE ROURKE
Associate Director

FIGURE 2: MICHIGAN YEAR-OVER-YEAR PERCENT CHANGE IN RETAIL SALES AND RETAIL EMPLOYMENT



Source: Monthly State Retail Sales, U.S. Census Bureau



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