MICHIGAN'S LABOR MARKET NEWS

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Michigan 2017 Labor Market Trends – A Mid-Year Look

Feature Story | pg. 16

Relevant Rankings: Share of Employed by State Represented by Unions

pg. 22

Ask the Economist: Information on Union Representation and the Characteristics of Michigan Workers

pg. 24

Michigan's jobless rate falls again in June, although employment and job levels were little changed over the month.

JUNE 2017 JOBLESS RATES

MICHIGAN

3.8%

NATIONAL

4.4%

TABLE OF CONTENTS

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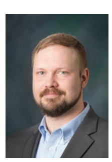

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IT'S BIGGER THAN DATA

The Bureau of Labor Market Information and Strategic Initiatives is the official source for high quality demographic and labor market information for the state of Michigan and its regions.

We administer the state's federal-state cooperative programs with the Bureau of Labor Statistics (BLS) and the Census Bureau and produce high-quality information and analysis through grants from the U.S. Department of Labor and from partner agencies in the state of Michigan.

We provide our national, state, and local partners and customers with *accurate, objective, reliable, timely, accessible,* and *transparent* information and insights.

After a fourth consecutive over-the-month decline, the state's jobless rate settled at 3.8 percent in June. The lower rate again reflected a reduction in the state's workforce, coming largely from unemployed jobseekers exiting the labor market. Importantly, labor force levels in the state are just off from an eight-year peak, reached just two months ago. Over the same period, payroll jobs were essentially unchanged. Job gains were seen in *Trade, transportation, and utilities*, *Professional and business services*, and *Financial activities* while job declines were recorded in *Manufacturing*, *Government*, *Construction*, and *Leisure and hospitality*.

These monthly changes are important. At the same time, we often suggest looking at longer-term trends in the labor market. And, that's exactly what we do in this issue of *Michigan's Labor Market News*. Through an examination of labor market indicators, our author shows that the first six months of 2017 have been largely positive for the Michigan labor market.

In this issue, we also celebrate Labor Day (September 4th) with a look at labor union representation in our *Relevant Ranking* section and with a question about sources of information about union representation in our *Ask the Economist* spotlight.

On behalf of the Bureau of Labor Market Information and Strategic Initiatives, I would like to wish everyone a Happy Labor Day!

JASON PALMER

DIRECTOR
Bureau of Labor Market Information
and Strategic Initiatives

MICHIGAN JOBLESS RATE FALLS AGAIN IN JUNE

Michigan's seasonally adjusted unemployment rate in June declined over the month by four-tenths of a percentage point to 3.8 percent. June marked the fourth consecutive month of jobless rate reductions in Michigan. In June, Michigan's workforce declined by 29,000 as the number of unemployed dropped by 20,000. Total employment decreased as well, down by 9,000 over the month.

June Unemployment Rate Cut Related to Monthly Workforce Decline

For the second month in a row, a reduction in the number of individuals in the workforce actively seeking employment was the main reason for the unemployment rate cut. However, this occurred after April's labor force level hit an eight-year peak of 4,916,000. Even with a two-month decline in Michigan's workforce, the June 2017 labor force total increased by 1.0 percent over the June 2016 level, which was similar to the national growth rate of 0.8 percent over the same period. Michigan's total employment gain of 95,000 since June 2016 continues to be in line with the state's annual average employment growth in 2014, 2015 and 2016. The average yearly total employment gain over those three years was 96,000.

Michigan's unemployment rate dropped by 1.3 percentage points from the December 2016 rate of 5.1 percent. Several Midwest states have recorded rate reductions of a similar magnitude in 2017, including Indiana, Wisconsin, and Illinois, with all three state's rates falling by a full percentage point from December to June.

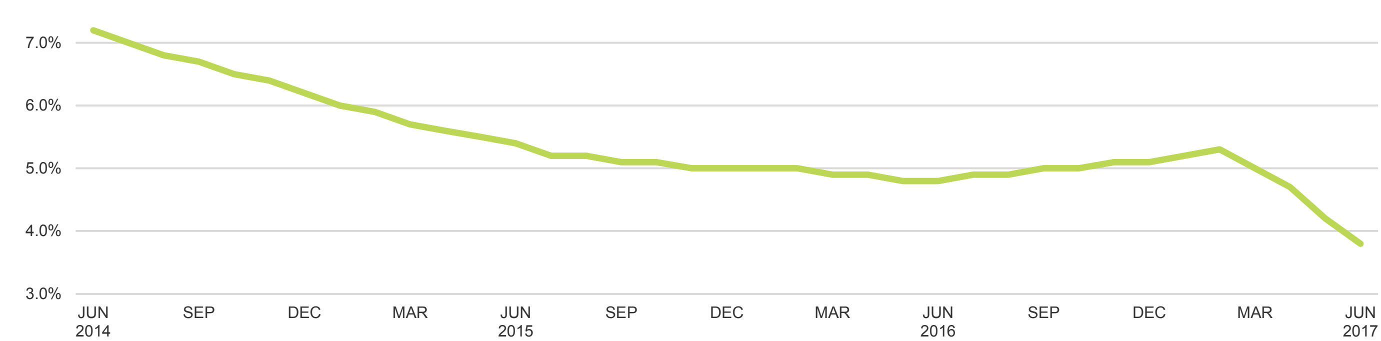
Duration of Unemployment Down in Michigan

As the number of unemployed in the state registered a 17-year low in June (187,000), the number of weeks individuals in the state remained unemployed has also fallen. Demographic data from the Current Population Survey records the average number of weeks persons remain unemployed. In Michigan, the average duration of unemployment in June 2017 was 23 weeks, down from 25 weeks in January. The average duration in 2016 was 26 weeks, while in 2015 it was 28 weeks. These are all significantly lower than the recent high of 45 weeks of unemployment duration posted in 2011.

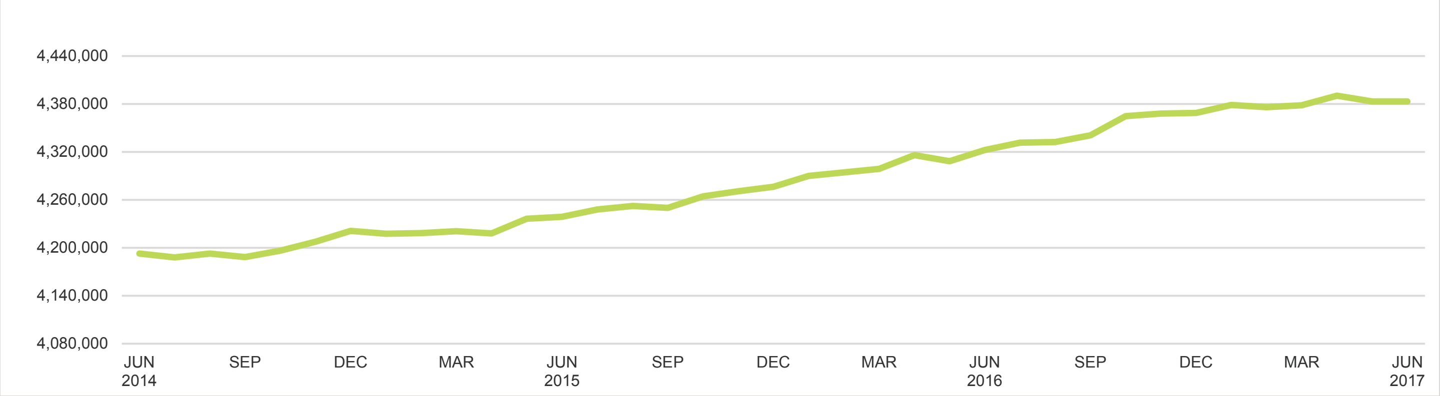
MICHIGAN LABOR FORCE ESTIMATES (SEASONALLY ADJUSTED)

	JUN 2016	MAY 2017	JUN 2017	CHANGE OVER THE MONTH	CHANGE OVER THE YEAR
Labor Force	4,816,000	4,894,000	4,865,000	-29,000	+49,000
Employed	4,583,000	4,687,000	4,678,000	-9,000	+95,000
Unemployed	233,000	207,000	187,000	-20,000	-46,000
Jobless Rate	4.8	4.2	3.8	-0.4	-1.0

MICHIGAN'S SEASONALLY ADJUSTED JOBLESS RATES (JUNE 2014 TO JUNE 2017)



MICHIGAN'S SEASONALLY ADJUSTED PAYROLL JOBS (JUNE 2014 TO JUNE 2017)



MICHIGAN JOB TRENDS BY INDUSTRY SECTOR

Monthly Overview

Michigan payroll jobs were essentially unchanged in June 2017, edging lower by 300 to 4,383,000. This followed an employment decline of 7,200 in May. The largest job gains in June were recorded in the broad sectors of *Trade, transportation, and utilities* (+4,200), *Professional and business services* (+3,900), and *Financial activities* (+1,500). Significant job reductions in June occurred in *Manufacturing* (-2,900), *Government* and *Construction* (-2,800 each), and *Leisure and hospitality* (-1,800). The monthly drop in *Manufacturing* jobs was partly due to layoffs in the auto industry. Most other major industry groups showed minimal job change in June.

Over the Year Analysis

Between June 2016 and June 2017, Michigan nonfarm payrolls increased by 60,800, or 1.4 percent. This was somewhat below the pace of Michigan job growth during 2016, but similar to the national job expansion of 1.6 percent since June 2016.

In Michigan, most broad sectors added jobs over the last year. The largest job gains occurred in *Professional and business services* (+19,700) and *Leisure and hospitality* (+9,400). Substantial payroll increases also were registered in *Construction* (+6,600), *Financial activities* (+6,500), *Other services* (+6,200), *Manufacturing* (+5,800), *Education and health services* (+4,900), and *Government* (+2,300). *Transportation equipment manufacturing* jobs were essentially flat over the year.

Michigan Second Quarter 2017 Performance

In Michigan, total nonfarm payroll employment was little changed during the second quarter, notching higher by 0.2 percent. This was nearly equal to the 0.3 percent growth rate nationally during this period. Since reaching a recessionary low of 3,831,800 in the third quarter 2009, payrolls have increased in 30 of the subsequent 31 quarters, resulting in an employment gain of 553,800.

In the second quarter of 2017, job growth was led by *Mining and logging* (+4.6 percent) and *Other services* (+1.7 percent).

Second quarter job reductions of -0.5 percent occurred in *Leisure and hospitality*, *Construction*, and *Information*. Payrolls in the *Transportation equipment manufacturing* sector declined by 0.6 percent during the quarter.

Significant Industry Employment Developments

HEALTH CARE AND SOCIAL ASSISTANCE

Payroll jobs in the *Health care and social assistance* sector shrank by 3,500 in June. This was the first over the month decrease since November 2016. A portion of this relatively large contraction was partially seasonal in nature, as the *Social assistance* subsector had a larger than typical monthly seasonal job reduction. Second quarter jobs were essentially unchanged following strong job growth in the first quarter of 2017. Since June 2016, this sector has added 5,300 jobs. Nationally, job levels increased by 59,100 over the month and by 443,200 over the year.

CONSTRUCTION

Employment in this broad sector declined by 2,800 over the month. Some of this decrease was due to a lower than typical June job increase in the *Building finishing contractors* industry and an atypical employment drop in *Heavy and civil engineering construction*. Job levels also edged down by 800 during the second quarter, which was partly attributed to the warmer winter weather which allowed projects to start earlier and inflated first quarter job gains. Since June 2016, payrolls in the broad sector have grown by 4.3 percent, as *Construction* led the state in percent job growth. Nationally, employment rose by 16,000 over the month and by 3.1 percent since June 2016.

MANAGEMENT OF COMPANIES AND ENTERPRISES

Job levels increased by 700 in the *Management of companies and enterprises* sector during June. This sector reached a recessionary low of 48,600 jobs during December 2009. Since that time payrolls have advanced by 14,700 or 30.2 percent. This was well above the 12.5 percent growth in total nonfarm jobs during this period. Despite this strong post-recessionary gain, jobs in this sector remain 15.9 percent below the November 2001 peak level. Since June 2016, employment in this sector rose by 2,400 or 3.9 percent. Nationally, 6,200 jobs were added in June and 45,300 since June 2016.

WHOLESALE TRADE

Employers in the *Wholesale trade* sector added 2,300 jobs in June. Employment totals have advanced in five out of six months this year, adding 4,000 jobs. The majority of the June gain occurred in the *Merchant wholesalers, durable goods* subsector. Employment levels overall have grown in 27 of the past 29 quarters with 1,700 jobs added during the second quarter. Payrolls advanced by 1.3 percent or 2,200 jobs since June 2016. Nationally, employment rose by 10,000 over the month and by 1.1 percent over the year.

METROPOLITAN STATISTICAL AREAS (MSAs)

In June, on a *not seasonally adjusted* basis, eleven Michigan regions reported increases in total nonfarm payrolls. These gains ranged from +0.3 percent in the *Battle Creek* metro area to +2.4 percent in the *Saginaw* MSA.

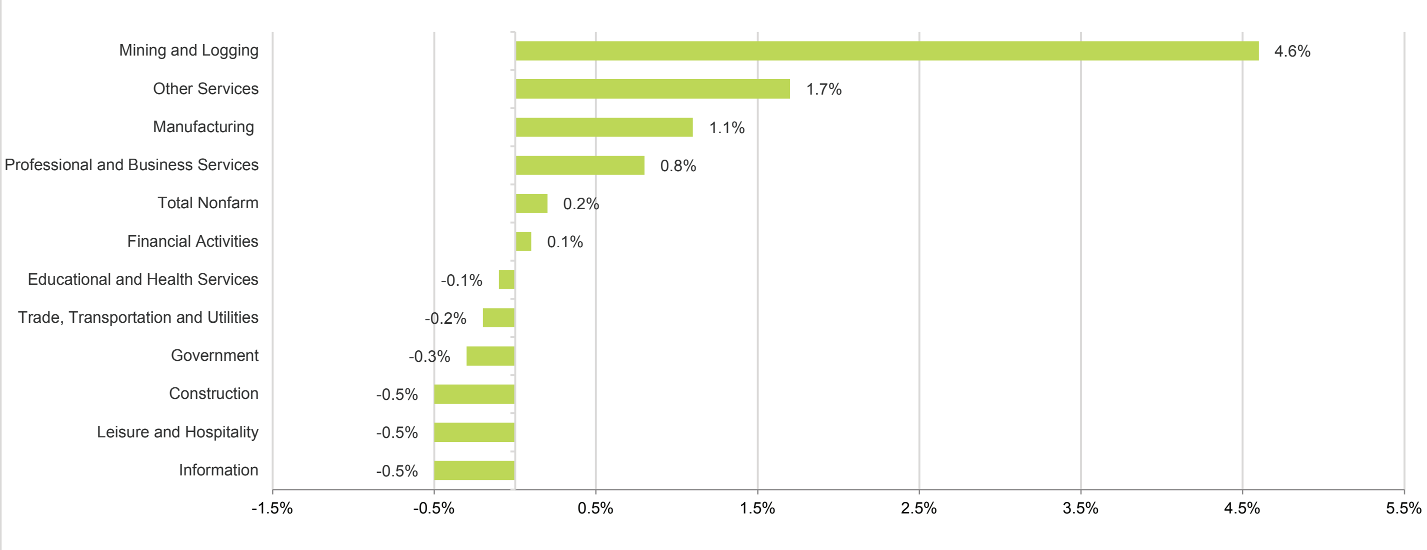
Seven metropolitan areas recorded job gains above the statewide average of 0.7 percent. Common to these areas was seasonal hiring in the *Leisure and hospitality* and *Retail* industries. The *Detroit* and *Kalamazoo* MSAs also saw notable job additions in the *Professional and business services* sector.

The *Lansing* (-2.3 percent) and *Ann Arbor* (-1.3 percent) MSAs reported payroll job declines in June. These decreases were centered in *State government* and were partially the result of continued seasonal employment reductions at educational institutions due to summer break.

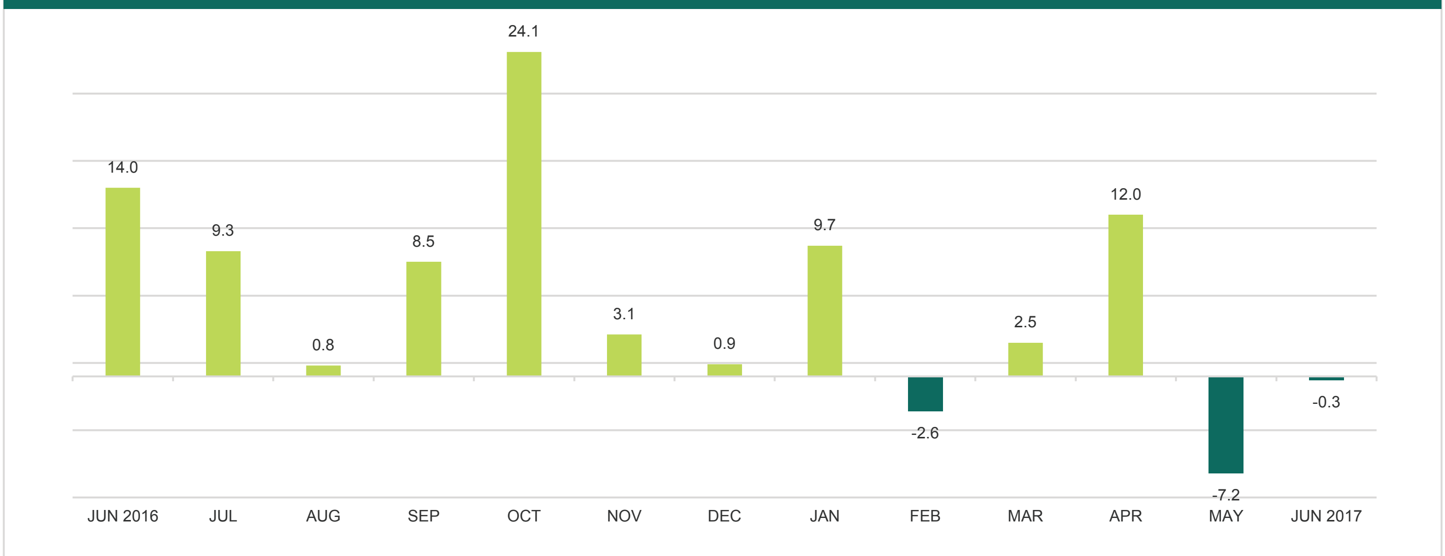
MICHIGAN PAYROLL JOBS (SEASONALLY ADJUSTED)

INDUSTRY	JUN 2017	MAY 2017	JUN 2016	OVER THE MONTH LEVEL	OVER THE MONTH PERCENT	OVER THE YEAR LEVEL	OVER THE YEAR PERCENT
TOTAL NONFARM	**4,383,000**	**4,383,300**	**4,322,200**	**-300**	**0.0%**	**60,800**	**1.4%**
Total Private	3,778,600	3,776,100	3,720,100	2,500	0.1%	58,500	1.6%
Private Service-Providing	3,004,700	2,996,600	2,958,900	8,100	0.3%	45,800	1.5%
GOODS-PRODUCING	**773,900**	**779,500**	**761,200**	**-5,600**	**-0.7%**	**12,700**	**1.7%**
Mining, Logging and Construction	168,100	170,800	161,200	-2,700	-1.6%	6,900	4.3%
Mining and Logging	7,600	7,500	7,300	100	1.3%	300	4.1%
Construction	160,500	163,300	153,900	-2,800	-1.7%	6,600	4.3%
Manufacturing	605,800	608,700	600,000	-2,900	-0.5%	5,800	1.0%
Durable Goods	457,100	459,100	451,600	-2,000	-0.4%	5,500	1.2%
Transportation Equipment Manufacturing	180,400	182,100	180,100	-1,700	-0.9%	300	0.1%
Nondurable Goods	148,700	149,600	148,400	-900	-0.6%	300	0.2%
SERVICE-PROVIDING	**3,609,100**	**3,603,800**	**3,561,000**	**5,300**	**0.1%**	**48,100**	**1.4%**
Trade, Transportation, and Utilities	781,700	777,500	782,900	4,200	0.5%	-1,200	-0.2%
Wholesale Trade	174,500	172,200	172,300	2,300	1.3%	2,200	1.3%
Retail Trade	468,800	468,200	473,600	600	0.1%	-4,800	-1.0%
Transportation, Warehousing, and Utilities	138,400	137,100	137,000	1,300	0.9%	1,400	1.0%
Information	57,900	58,300	57,600	-400	-0.7%	300	0.5%
Financial Activities	218,900	217,400	212,400	1,500	0.7%	6,500	3.1%
Finance and Insurance	162,500	162,900	159,900	-400	-0.2%	2,600	1.6%
Real Estate and Rental and Leasing	56,400	54,500	52,500	1,900	3.5%	3,900	7.4%
Professional and Business Services	667,900	664,000	648,200	3,900	0.6%	19,700	3.0%
Professional, Scientific, and Technical Services	302,600	302,000	295,800	600	0.2%	6,800	2.3%
Management of Companies and Enterprises	63,300	62,600	60,900	700	1.1%	2,400	3.9%
Administration and Support and Waste Management and Remediation Services	302,000	299,400	291,500	2,600	0.9%	10,500	3.6%
Education and Health Services	670,000	669,800	665,100	200	0.0%	4,900	0.7%
Educational Services	74,000	70,300	74,400	3,700	5.3%	-400	-0.5%
Health Care and Social Assistance	596,000	599,500	590,700	-3,500	-0.6%	5,300	0.9%
Leisure and Hospitality	432,900	434,700	423,500	-1,800	-0.4%	9,400	2.2%
Arts, Entertainment, and Recreation	51,000	50,400	51,300	600	1.2%	-300	-0.6%
Accommodation and Food Services	381,900	384,300	372,200	-2,400	-0.6%	9,700	2.6%
Other Services	175,400	174,900	169,200	500	0.3%	6,200	3.7%
Government	604,400	607,200	602,100	-2,800	-0.5%	2,300	0.4%
Federal Government	52,600	52,700	52,100	-100	-0.2%	500	1.0%
State Government	185,500	191,200	186,600	-5,700	-3.0%	-1,100	-0.6%
Local Government	366,300	363,300	363,400	3,000	0.8%	2,900	0.8%

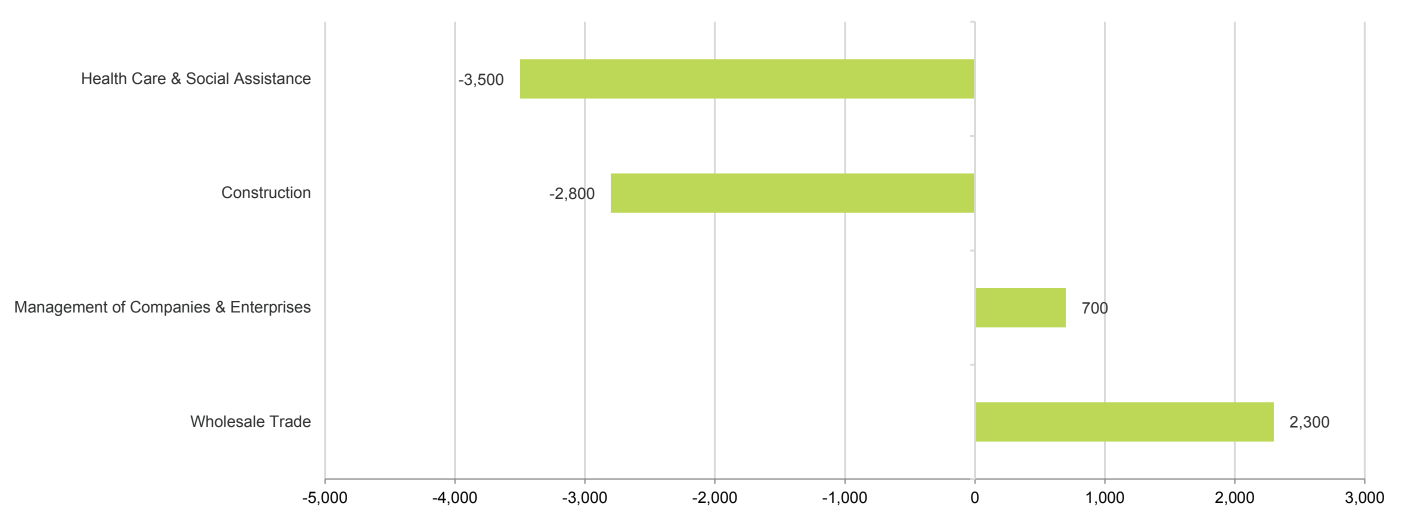
PERCENTAGE JOB CHANGE FIRST QUARTER 2017 - SECOND QUARTER 2017



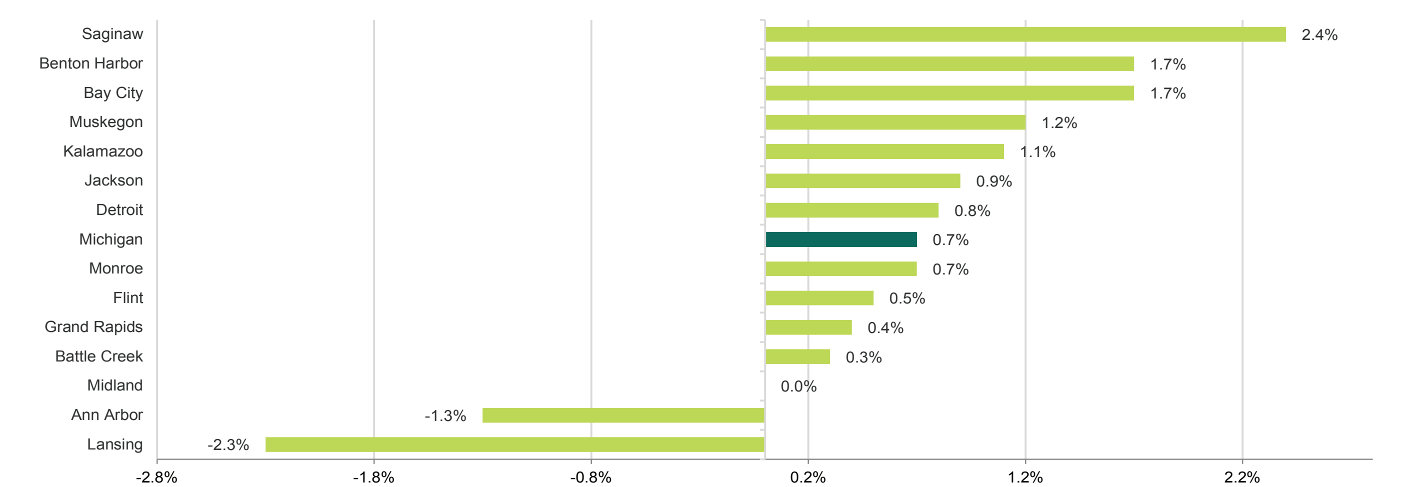
MICHIGAN OVER THE MONTH PAYROLL JOB CHANGE (IN THOUSANDS)



MICHIGAN OVER THE MONTH JOB CHANGE BY SELECT INDUSTRY (MAY 2017 TO JUNE 2017)



METROPOLITAN AREA JOB CHANGE MAY 2017 - JUNE 2017 (NOT SEASONALLY ADJUSTED)



REGIONAL LABOR MARKET ANALYSIS

ANN ARBOR METROPOLITAN AREA

- The Ann Arbor metro area jobless rate increased seasonally by half a percentage point during June 2017 to 3.4 percent, primarily due to education-related temporary layoffs.
- The region had the second lowest June unemployment rate out of all Michigan metro areas.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll employment in the Ann Arbor metro area fell by -2,900 (-1.3 percent) over the month, primarily due to large seasonal job cuts in the *Government* sector for the second consecutive month.

INDUSTRY TRENDS

- *Professional and business services* in Ann Arbor has been steadily increasing in jobs over the past several years, resulting in a June total of 32,100 jobs, an all-time record high.

BATTLE CREEK METROPOLITAN AREA

- The June jobless rate in the Battle Creek MSA was up half a percentage point to 4.4 percent, which was only slightly above the statewide rate of 4.0 percent.
- Over the past year, employment rose 500, and unemployment inched down by 200; as the area jobless rate declined slightly by 0.4 percentage points.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll jobs were little changed in June, edging up 200. *Leisure and hospitality* and *Manufacturing* each added 200 positions.
- Over the year, payroll jobs in the Battle Creek MSA advanced by 900, mostly in *Manufacturing* and *Professional and business services.*

INDUSTRY TRENDS

- Battle Creek added 5,500 payroll jobs since June 2009; a growth rate of 10.0 percent, which was below the 14.4 percent statewide job expansion over the same period.

BAY CITY METROPOLITAN AREA

- The Bay City metro area jobless rate edged up by 0.3 percentage points to 4.1 percent in June. A seasonal monthly gain in the labor force pushed up the number of employed and unemployed.
- Over the year, the Bay City jobless rate fell by 0.6 percentage points, similar to other Mid-Michigan metro areas.

MONTHLY INDUSTRY DEVELOPMENTS

- The Bay City MSA *Leisure and hospitality* industry contributed to the monthly advance in total nonfarm jobs, adding half of the MSA's net 600 employment increase in June.

INDUSTRY TRENDS

- Nearly 40 percent of payroll jobs in the Bay City metro area are provided by just two industry sectors. These industries are *Trade, transportation, utilities* (7,600 jobs) and *Educational and health services* (6,600 jobs). These sectors generate only 33 percent of jobs statewide.

DETROIT-WARREN-DEARBORN METRO AREA

- The unemployment rate in the Detroit metro area edged up one-tenth of a percentage point to 3.7 percent in June.
- Employment expansion in the Detroit MSA since June 2016 (+2.7%) has exceeded the statewide rate of growth.

MONTHLY INDUSTRY DEVELOPMENTS

- Jobs in the region advanced in June by 16,900, and by an average of +21,400 per month during the second quarter.
- Industries exhibiting the largest June job gains included *Professional and business services* (+5,000), and *Leisure and hospitality* (+4,400).

INDUSTRY TRENDS

- The Detroit metro area *Durable goods* sector has been adding jobs since the depths of the last recession. Jobs in this sector have now surpassed 2008 levels.

FLINT METROPOLITAN AREA

- The jobless rate in the Flint MSA was 5.0 percent in June, up 0.5 percentage points over the month, and well above the statewide rate of 3.7 percent.
- The number of unemployed in the Flint metro area fell 1,100 since June 2016, pushing the jobless rate down by 0.6 percentage points over the year.

MONTHLY INDUSTRY DEVELOPMENTS

- The *Leisure and hospitality* industry generally adds jobs locally in June, but the 500 employment gain in June 2017 was above average. This increase was offset by a 400-job contraction in *Government.*

INDUSTRY TRENDS

- The *Leisure and hospitality* sector also hit a 10-year peak in employment in June, at 16,400 jobs.

GRAND RAPIDS-WYOMING METROPOLITAN AREA

- For the first time all year, Grand Rapids surpassed Ann Arbor with the lowest jobless rate out of all Michigan metro areas.
- The region's rate was up four-tenths of a percentage point in June to 3.2 percent, as persons entered the regional job market.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll jobs in the Grand Rapids metro area edged up by 2,100, or 0.4 percent. Moderate job gains in most major industries were partially offset by declines in *Professional and business services* and *Education and health services.*

INDUSTRY TRENDS

- The Grand Rapids *Transportation, warehousing, and utilities* industry has been adding employment since 2011, culminating in an all-time high of 15,700 jobs in June.

CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	ANN ARBOR			BATTLE CREEK			BAY CITY		
	JUN 2017	MAY 2017	JUN 2016	JUN 2017	MAY 2017	JUN 2016	JUN 2017	MAY 2017	JUN 2016
PLACE OF RESIDENCE									
Labor Force	190,800	191,700	190,000	65,500	65,000	65,300	52,100	51,400	52,700
Employment	184,400	186,200	182,500	62,600	62,400	62,100	49,500	49,000	49,800
Unemployment	6,400	5,500	7,500	2,900	2,600	3,100	2,600	2,400	2,900
Rate (percent)	3.4	2.9	3.9	4.4	3.9	4.8	4.9	4.6	5.5
PLACE OF WORK									
Total Nonfarm Jobs	214,900	217,800	212,000	60,600	60,400	59,700	36,500	35,900	36,800
Mining, Logging & Construction	4,400	4,300	4,300	1,600	1,600	1,600	1,100	1,000	1,100
Manufacturing	15,100	14,900	14,700	12,800	12,600	12,500	4,300	4,300	4,100
Trade, Transportation & Utilities	25,700	25,300	26,000	9,300	9,200	9,300	7,600	7,500	7,800
Wholesale Trade	5,700	5,600	5,700	*	*	*	*	*	*
Retail Trade	16,400	16,200	16,800	5,700	5,700	5,700	5,300	5,200	5,200
Information	5,100	5,100	5,100	*	*	*	600	600	600
Financial Activities	7,200	7,100	6,800	1,300	1,300	1,300	1,200	1,200	1,300
Professional & Business Services	32,100	30,900	29,600	6,300	6,300	6,000	3,200	3,100	3,300
Educational & Health Services	27,300	27,400	27,000	11,100	11,200	10,900	6,600	6,600	6,700
Leisure & Hospitality	18,300	18,100	17,900	5,100	4,900	5,000	5,000	4,700	4,900
Other Services	6,500	6,400	6,700	2,000	2,100	2,100	1,400	1,400	1,500
Government	73,200	78,300	73,900	10,900	11,000	10,800	5,500	5,500	5,500

	DETROIT-WARREN-DEARBORN			FLINT			GRAND RAPIDS-WYOMING		
	JUN 2017	MAY 2017	JUN 2016	JUN 2017	MAY 2017	JUN 2016	JUN 2017	MAY 2017	JUN 2016
PLACE OF RESIDENCE									
Labor Force	2,086,000	2,089,000	2,075,000	185,300	183,200	185,000	579,000	575,600	574,000
Employment	2,009,000	2,013,000	1,956,000	175,900	174,900	174,700	560,300	559,500	552,400
Unemployment	77,000	75,000	118,000	9,300	8,300	10,400	18,600	16,100	21,600
Rate (percent)	3.7	3.6	5.7	5.0	4.5	5.6	3.2	2.8	3.8
PLACE OF WORK									
Total Nonfarm Jobs	2,043,100	2,026,200	1,999,200	142,600	141,900	141,400	561,900	559,800	549,100
Mining, Logging & Construction	80,000	77,600	71,700	5,600	5,300	4,900	25,300	24,200	23,500
Manufacturing	248,700	246,900	247,600	12,200	12,100	12,500	116,300	115,300	112,300
Trade, Transportation & Utilities	368,800	366,300	366,000	30,300	30,000	30,100	97,200	96,400	97,000
Wholesale Trade	88,000	86,700	87,100	5,900	5,800	5,700	31,500	31,200	31,300
Retail Trade	210,900	210,500	211,500	20,500	20,400	20,500	50,000	49,800	50,400
Information	28,300	28,100	28,800	3,900	3,900	4,100	5,200	5,200	5,300
Financial Activities	115,800	114,700	113,700	6,000	6,000	6,200	26,400	26,500	25,700
Professional & Business Services	410,500	405,500	397,600	15,700	15,700	15,100	79,400	80,800	79,100
Educational & Health Services	312,900	314,300	309,500	28,200	28,300	28,300	90,100	91,100	87,300
Leisure & Hospitality	210,300	205,900	201,600	16,400	15,900	16,100	52,500	50,900	50,200
Other Services	77,000	76,500	77,300	5,600	5,600	5,500	22,900	22,600	22,900
Government	190,800	190,400	185,400	18,700	19,100	18,600	46,600	46,800	45,800

* Data Not Available

JACKSON METROPOLITAN AREA

- Workforce expansion in June caused the Jackson metro area jobless rate to increase by half a percentage point to 4.3 percent.
- Employment was flat since June 2016 and unemployment fell below year-ago levels, which resulted in a 0.7 percentage point reduction in the regional jobless rate.

MONTHLY INDUSTRY DEVELOPMENTS

- In June, the Jackson MSA added 500 nonfarm jobs, mainly from a seasonal employment increase of 400 in *Leisure and hospitality.*
- Over the past year, job gains were concentrated in *Leisure and hospitality* and *Manufacturing*, while job cuts were led by *Retail trade* and *Government.*

INDUSTRY TRENDS

- Since the end of the recession in June 2009, nonfarm payroll jobs in the Jackson area have expanded by 8.2 percent versus 14.4 percent statewide.

KALAMAZOO-PORTAGE METROPOLITAN AREA

- June employment rose by 1,300 in the Kalamazoo area, and unemployment was up 800, producing a 0.4 percentage point advance in the jobless rate to 4.0 percent.
- Since June 2016, Kalamazoo recorded a substantial employment addition (+2,900), while the number of jobseekers fell by over 11 percent.

MONTHLY INDUSTRY DEVELOPMENTS

- The Kalamazoo area added 1,700 jobs in June, mostly in *Leisure and hospitality*, *Professional and business services*, and *Manufacturing*.
- Payroll jobs advanced strongly over the past year, with gains in most major industry sectors.

INDUSTRY TRENDS

- Payroll jobs in the Kalamazoo metro area hit 150,100 in June 2017, the highest recorded level in about 15 years.

LANSING-EAST LANSING METROPOLITAN AREA

- The Lansing region registered the largest June 2017 jobless rate increase of any Michigan metro area, up a full percentage point to 4.3 percent.
- Lansing's civilian labor force increased 1.3 percent over the year.

MONTHLY INDUSTRY DEVELOPMENTS

- Lansing had the largest percentage drop in June payroll jobs (-2.3 percent) among Michigan metro areas.
- The June loss in payroll jobs reflected a seasonal education-related job cut in the *Government* sector, and layoffs in the auto industry.

INDUSTRY TRENDS

- Jobs in the region's *Financial activities* sector have been trending upwards, reaching an all-time industry high of 16,300 in June 2017.

MIDLAND METROPOLITAN AREA

- The Midland MSA jobless rate rose seasonally by 0.3 percentage points to 4.1 percent in June, although the number of employed residents advanced by 200.
- Midland County's jobless rate remains low, and ranked tied for 19th place in June among 83 Michigan counties.

MONTHLY INDUSTRY DEVELOPMENTS

- Midland payroll jobs were flat in June. A small reduction in *Service-providing* jobs was offset by an uptick in *Goods-producing* employment.

INDUSTRY TRENDS

- *Goods-producing* jobs in the MSA were at a four year low for June while *Service-providing* employment was similar to 2014 and 2015 levels.

MONROE METROPOLITAN AREA

- Joblessness in the Monroe metro area increased by half of a percentage point over the month to 4.4 percent in June.
- Total employment and unemployment levels remained unchanged over the year.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll employment in Monroe rose by 300, or 0.7 percent, between May 2017 and June 2017.
- Increases in employment in most major regional industries were partially offset by a 200-job decline in *Mining, logging, and construction*.

INDUSTRY TRENDS

- *Wholesale trade* jobs in the region reached an all-time high of 1,900 in June after staying at a consistent level of 1,800 since March of 2016.

MUSKEGON METROPOLITAN AREA

- Muskegon's jobless rate rose seasonally by four-tenths of a percentage point in June to 4.8 percent.
- The region's total number of unemployed declined by -14.0 percent over the past year, although employment levels were little changed.

MONTHLY INDUSTRY DEVELOPMENTS

- Total nonfarm jobs in Muskegon advanced seasonally by 800, or 1.2 percent in June, primarily due to job gains in *Manufacturing* (+300) and *Leisure and hospitality* (+500).

INDUSTRY TRENDS

- Muskegon is one of only three Michigan metro regions that registered a job reduction since June 2016. Employment edged down in the region by -500, or -0.8 percent.

CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	JACKSON			KALAMAZOO-PORTAGE			LANSING-EAST LANSING		
	JUN 2017	MAY 2017	JUN 2016	JUN 2017	MAY 2017	JUN 2016	JUN 2017	MAY 2017	JUN 2016
PLACE OF RESIDENCE									
Labor Force	75,000	74,400	75,600	169,800	167,800	167,900	246,600	249,600	243,400
Employment	71,700	71,600	71,800	163,100	161,800	160,200	235,900	241,300	232,700
Unemployment	3,200	2,800	3,800	6,800	6,000	7,700	10,700	8,300	10,700
Rate (percent)	4.3	3.8	5.0	4.0	3.6	4.6	4.3	3.3	4.4
PLACE OF WORK									
Total Nonfarm Jobs	59,000	58,500	58,800	150,100	148,400	145,500	231,700	237,200	226,900
Mining, Logging & Construction	2,000	1,900	1,900	6,700	6,500	6,100	8,100	7,700	7,600
Manufacturing	10,400	10,400	10,000	21,900	21,600	21,800	21,000	21,000	21,000
Trade, Transportation & Utilities	12,700	12,600	13,000	27,100	27,000	26,500	37,800	37,000	36,600
Wholesale Trade	*	*	*	7,100	7,100	7,100	6,100	6,000	6,300
Retail Trade	6,500	6,500	6,800	16,500	16,500	16,000	22,200	21,700	21,700
Information	300	300	300	900	900	900	2,900	2,900	3,000
Financial Activities	1,800	1,800	1,800	8,600	8,500	8,500	16,300	16,100	15,600
Professional & Business Services	4,800	4,900	4,600	18,900	18,400	16,800	22,000	22,200	22,400
Educational & Health Services	10,600	10,400	10,800	23,400	23,400	23,100	32,200	32,500	31,600
Leisure & Hospitality	6,200	5,800	5,800	17,100	16,600	16,300	21,100	20,900	19,600
Other Services	2,500	2,500	2,600	5,600	5,500	5,600	10,700	10,600	10,600
Government	7,700	7,900	8,000	19,900	20,000	19,900	59,600	66,300	58,900

	MIDLAND			MONROE			MUSKEGON		
	JUN 2017	MAY 2017	JUN 2016	JUN 2017	MAY 2017	JUN 2016	JUN 2017	MAY 2017	JUN 2016
PLACE OF RESIDENCE									
Labor Force	41,500	41,200	41,700	77,400	76,900	77,500	78,300	77,300	79,300
Employment	39,800	39,600	39,700	74,100	73,900	74,100	74,600	73,900	74,900
Unemployment	1,700	1,600	2,000	3,400	3,000	3,400	3,700	3,400	4,300
Rate (percent)	4.1	3.8	4.7	4.4	3.9	4.4	4.8	4.4	5.5
PLACE OF WORK									
Total Nonfarm Jobs	38,300	38,300	38,100	43,100	42,800	43,200	64,900	64,100	65,400
Mining, Logging & Construction	*	*	*	2,000	2,200	2,100	2,200	2,100	2,200
Manufacturing	*	*	*	5,900	5,700	5,700	14,000	13,700	13,700
Trade, Transportation & Utilities	*	*	*	11,100	10,800	11,100	13,400	13,500	13,600
Wholesale Trade	*	*	*	1,900	1,800	1,800	*	*	*
Retail Trade	*	*	*	5,200	5,100	5,300	10,600	10,600	11,000
Information	*	*	*	*	*	*	800	800	800
Financial Activities	*	*	*	900	900	1,000	1,700	1,700	1,800
Professional & Business Services	*	*	*	5,400	5,300	5,400	3,800	3,800	3,600
Educational & Health Services	*	*	*	5,300	5,300	5,500	10,800	10,800	11,600
Leisure & Hospitality	*	*	*	5,200	5,000	5,000	8,600	8,100	8,500
Other Services	*	*	*	1,500	1,500	1,600	2,400	2,200	2,300
Government	3,100	3,200	3,000	5,300	5,300	5,300	7,200	7,400	7,300

* Data Not Available

NILES-BENTON HARBOR METROPOLITAN AREA

- The Niles-Benton Harbor metro area labor force grew strongly in June by a seasonal +1.8 percent. The area jobless rate rose to 4.4 percent, although employment advanced.
- Since June 2016, the area jobless rate fell by 0.7 percentage points, primarily due to labor force contraction and fewer unemployed residents seeking jobs.

MONTHLY INDUSTRY DEVELOPMENTS

- Businesses in the Benton Harbor area added 1,100 jobs in June, primarily in *Leisure and hospitality* (+900).
- Since June 2016, nonfarm payroll jobs in the Niles-Benton Harbor MSA advanced by 400.

INDUSTRY TRENDS

- The Niles-Benton Harbor MSA has not recorded a job recovery back to pre-recessionary levels. Jobs in June 2017 remained 2,000 below June 2008 levels.

SAGINAW METROPOLITAN AREA

- Labor market conditions were relatively stable in June in the Saginaw metro area. The regional jobless rate inched up by 0.3 percentage points to 4.7 percent. Employment rose a strong 1.7 percent over the month, and the number of seasonal job seekers also went up.
- Rising employment was the primary factor in a 0.6 percentage point drop in the jobless rate in the Saginaw MSA over the year.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll job gains in the Saginaw metro area were widespread during June 2017, with job advances in *Retail trade* (+500 or 4.1 percent), *Leisure and hospitality* (+400), and *Manufacturing* (+300).

INDUSTRY TRENDS

- Saginaw regional payroll employment averaged 88,600 in 2016, which was the highest annual job level since 2007. Jobs rose slowly but steadily each year since the recessionary low in 2009.

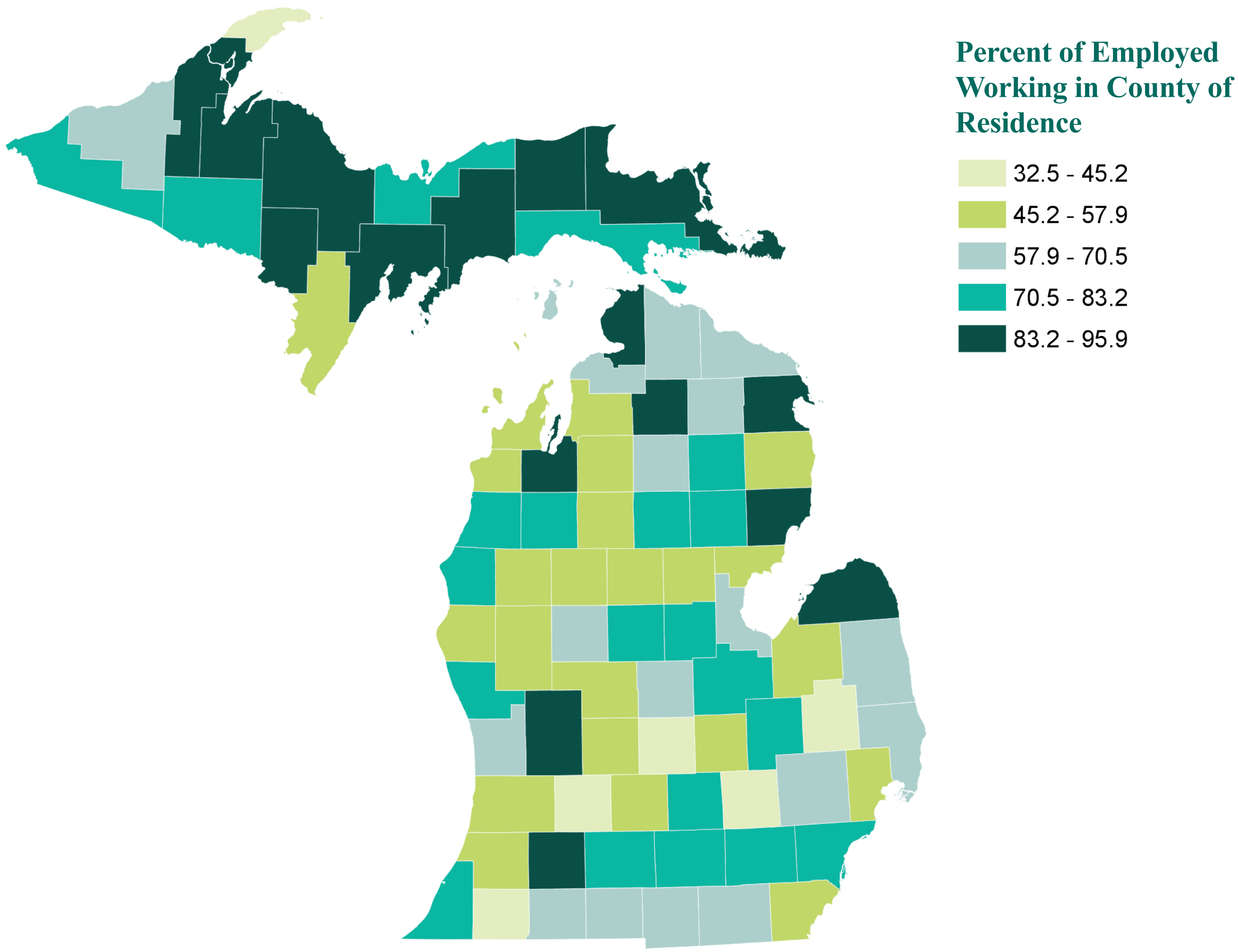
CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	NILES-BENTON HARBOR			SAGINAW		
	JUN 2017	MAY 2017	JUN 2016	JUN 2017	MAY 2017	JUN 2016
PLACE OF RESIDENCE						
Labor Force	75,200	73,900	75,800	89,700	88,000	89,500
Employment	71,900	71,000	72,000	85,500	84,100	84,700
Unemployment	3,300	2,900	3,800	4,300	3,900	4,800
Rate (percent)	4.4	3.9	5.1	4.7	4.4	5.3
PLACE OF WORK						
Total Nonfarm Jobs	64,100	63,000	63,700	90,800	88,700	89,200
Mining, Logging & Construction	2,100	2,000	2,000	3,200	3,100	3,000
Manufacturing	13,600	13,500	13,400	13,100	12,800	12,800
Trade, Transportation & Utilities	11,000	10,800	11,000	17,500	16,900	17,400
Wholesale Trade	*	*	*	2,300	2,300	2,400
Retail Trade	6,600	6,600	6,700	12,700	12,200	12,500
Information	500	500	500	1,500	1,500	1,500
Financial Activities	2,400	2,300	2,300	3,600	3,600	3,800
Professional & Business Services	5,600	5,700	5,800	11,500	11,300	11,200
Educational & Health Services	8,700	9,000	9,100	16,600	16,400	16,200
Leisure & Hospitality	8,900	8,000	8,300	9,600	9,200	9,500
Other Services	2,400	2,400	2,500	3,400	3,200	3,300
Government	8,900	8,800	8,800	10,800	10,700	10,500

	UPPER PENINSULA			NORTHEAST MICHIGAN			NORTHWEST MICHIGAN		
	JUN 2017	MAY 2017	JUN 2016	JUN 2017	MAY 2017	JUN 2016	JUN 2017	MAY 2017	JUN 2016
PLACE OF RESIDENCE									
Labor Force	139,800	136,600	141,600	85,300	83,600	86,000	156,900	150,700	157,400
Employment	132,300	129,500	132,900	80,500	79,100	80,500	150,200	144,300	149,700
Unemployment	7,500	7,100	8,800	4,800	4,500	5,500	6,700	6,400	7,700
Rate (percent)	5.4	5.2	6.2	5.6	5.4	6.4	4.3	4.2	4.9

MAP OF THE MONTH:

PERCENT OF EMPLOYED PERSONS WORKING IN THE COUNTY WHERE THEY LIVE



This map displays the share of Michigan employed working in their county of residence.

Source: U.S. Census Bureau, American Community Survey, 2011-2015 5-year estimates

Michigan Counties Display a Wide Range of Out-county Commuting

The share of employed persons working in their county of residence ranges from under 40 percent in a few counties to over 90 percent. Geography and the labor market both play a role. High shares of residents working in their county of residence can occur in large rural counties with relatively long commuting distances. Certain metro counties with a large job base can also retain a large share of residents in the local workforce.

Upper Peninsula – Generally High Share of Employed Work in County of Residence

Most of the counties in the Upper Peninsula retain a high share of their residents in the county labor force. Many of these counties are large in size, resulting in potentially long commutes across county boundaries. The exceptions are Keweenaw and Menominee counties, with labor markets closely tied to Houghton County, Michigan and Marinette County, Wisconsin, respectively.

Counties with Relatively Low Share of Employed Residents Working Locally

Michigan counties with relatively low shares of employed persons working in their county of residence tend to be counties on the out-boundaries of metropolitan areas or other job centers. Persons in these counties commute to neighboring counties for employment. Examples include Livingston and Lapeer counties in Southeast Michigan, Clinton, Eaton, and Shiawassee counties in Mid-Michigan, and Barry and Allegan counties in West Michigan.

MICHIGAN 2017 LABOR MARKET TRENDS – A MID-YEAR LOOK

Introduction

The first six months of 2017 have been largely positive for the Michigan labor market, with very low unemployment rates and continued gains in industry jobs. This article will look at six-month and quarterly job trends for Michigan.

Michigan Employment and Unemployment

An examination of labor force, total employment, unemployment, and unemployment rate trends provide important indications of Michigan's labor market performance so far during 2017.

By the end of the first six months of 2017, Michigan's jobless rate declined significantly, with a rate of 3.8 percent in June, a 1.4 percentage point drop from the January rate. This was the lowest unemployment rate in the state since August of 2000. However, employment counts in Michigan are currently well below the peak levels recorded in the year 2000, as employment in June 2017 was about 281,000 below August 2000 levels.

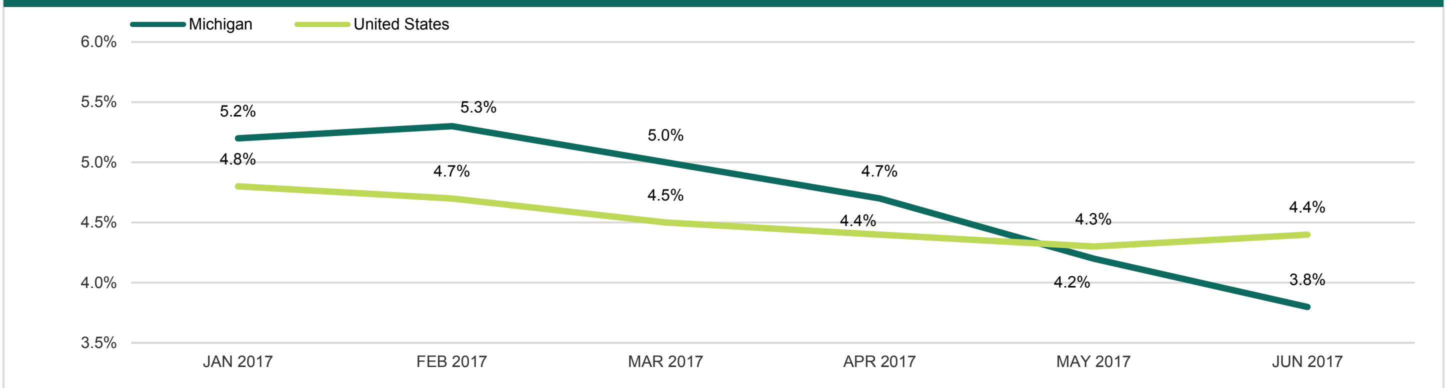
Data from the Bureau of Labor Statistics reveals that Michigan's national ranking among states has also improved. Michigan tied for the 20th lowest jobless rate among states in June 2017, and the Michigan rate was below the national rate of 4.4 percent. Furthermore, Michigan ranked 11th nationally in June in the over-the-year jobless rate reduction, declining by a full percentage point since June 2016.

SIX-MONTH CHANGE

During the first six months of 2017, Michigan's unemployment rate fell sharply while the national rate remained relatively flat. The Michigan rate drop was caused by healthy employment gains during the first quarter, and significant reductions in the number of unemployed during the second quarter of 2017.

Between December 2016 and June of 2017, the civilian labor force in Michigan was nearly unchanged, mirroring the trend nationwide.

MONTHLY UNEMPLOYMENT RATES, MICHIGAN VS UNITED STATES



The total number of employed in the state grew by 62,000, or 1.3 percent, surpassing the growth rate nationwide of 0.7 percent. Finally, the total number of unemployed in the state declined by nearly -60,000 during the first six months of 2017, a reduction of -24 percent. This was over three times larger than the national decrease of -7.3 percent over the same period.

Michigan Industry Job Trends

Another way to illustrate the health of the 2017 Michigan labor market to date is to review job growth by specific industry. Total nonfarm job expansion has been reasonably modest so far in 2017, rising by 14,100 from December 2016 to June 2017. From a quarterly perspective, payroll jobs reached 4,385,600 during the second quarter 2017, the highest level in the state since 2006. Furthermore, payroll jobs have increased in 30 of the 31 quarters following the statewide recessionary low of 3,831,800 during the third quarter of 2009.

However, preliminary data for 2017 indicates that job growth may have slowed a bit during the first two quarters of 2017. The last two quarters of 2016 registered gains of 19,500 and 32,400 jobs, respectively, compared with job additions of 10,400 and 7,900 during the first two quarters of 2017.

Industries Leading Job Growth

SIX-MONTH CHANGE

Several industries have contributed to the uptick in jobs during the first six months of 2017. The top four industries with the largest job additions over the six-month period since December 2016 included *Professional and business services* (+5,800), *Manufacturing* (+4,000), *Other services* (+3,200), and *Construction* (+3,000).

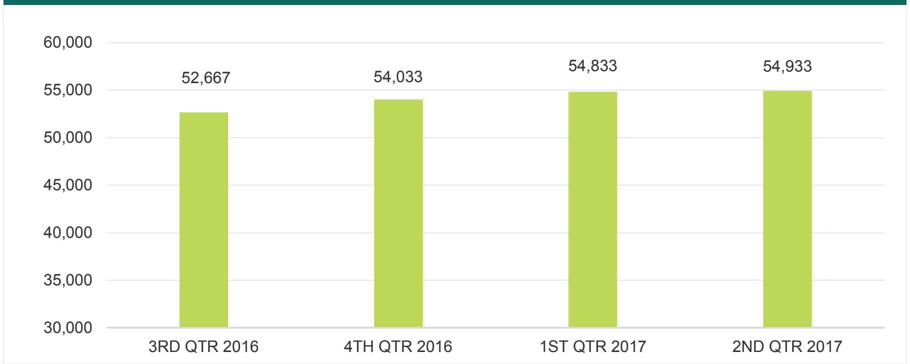
In comparison, the top four industries in job growth during the last six months of 2016 were *Professional and business services* (+13,900), *Leisure and hospitality* (+10,900), *Government* (+5,000), and *Financial activities* (+4,200).

QUARTERLY ANALYSIS

For the majority of industries exhibiting growth, job advancements occurred during the first quarter of 2017 and slowed during the second. *Construction* is a prime example, increasing by 3.1 percent during the first quarter, then edging back by -0.5 percent in the second quarter. This sector has added 3,000 jobs so far in 2017, and has the highest rate of job expansion since June 2016 among all major Michigan sectors.

Real estate, rental and leasing, a subsector of the *Financial activities* industry, was the top performing sub-industry during the first

REAL ESTATE, RENTAL AND LEASING QUARTERLY JOB PERFORMANCE



six months of 2017 and demonstrated strong growth over the year. This industry added jobs at a rate of 1.5 percent during the first quarter of 2017 and 0.2 percent in the second, and had a second quarter job total of 54,900, a level which had not been seen in over ten years. The sector's robust performance is likely due to low interest rates on mortgage properties statewide as well as a rise in property values in key metro areas around Michigan, such as Ann Arbor, Detroit, and Grand Rapids.

Industries Lagging in Job Growth

SIX-MONTH CHANGE

As stated earlier, despite having the largest quarterly level of employment since 2006, preliminary data shows that Michigan has added only 14,100 jobs during the first six months of 2017, as compared to 46,700 jobs during the last six months of 2016. Several industries that demonstrated significant reductions in employment so far in 2017 included *Government* (-5,500) *Leisure and hospitality* (-1,500), and *Trade, transportation, and warehousing* (-700).

QUARTERLY ANALYSIS

Key Michigan industries exhibiting job cuts on a quarterly basis included *Government*, and *Trade, transportation, and utilities* – specifically, the subsector *Retail trade*. *Retail* jobs have declined since the third quarter of 2016 and edged down by -3,000 during the second quarter of 2017, a -0.7 percent reduction. The rise of online sales combined with a decline of brick-and-mortar shopping has led to diminished retail sales over the past six months, with retail store closings and job cuts.

Top Industries by 5-Year Average Growth Rate

An analysis of the past five years (2011-2016) reveals detailed Michigan industries with high job expansion. *Professional and business service* subsectors have shown the greatest increase in industry jobs, accounting for six out of the top ten sectors by five-year growth rate since 2011. *Business support services* leads the list with a strong job growth rate of 66 percent. The *Motor vehicle parts manufacturing* industry also demonstrated a large five-year rate of job expansion, which reflects the strong recovery in the auto sector and high levels of national car sales over this period.

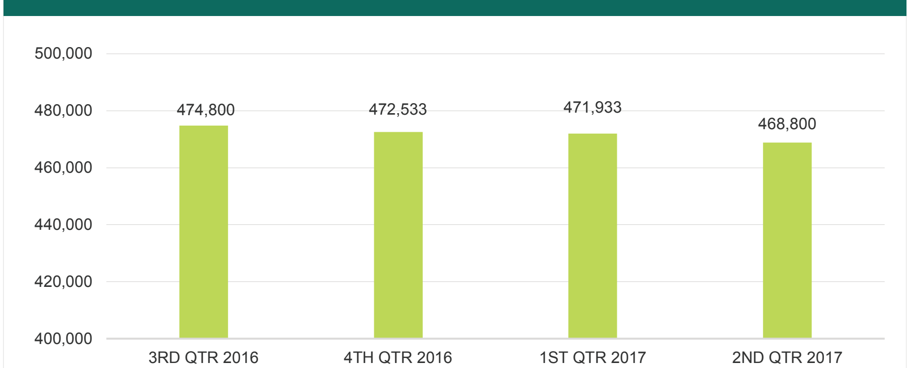
TOP TEN INDUSTRIES BY 5-YEAR AVERAGE GROWTH RATE, 2011 - 2016

INDUSTRY	GROWTH
Business Support Services	66.2%
Other Professional & Technical Services	47.0%
Motor Vehicle Parts	33.9%
Other Specialty Trade Contractors	32.0%
Management & Technical Consulting Services	31.8%
Plastic Products	30.4%
General Freight Trucking	29.7%
Architectural & Engineering Services	29.4%
Individual & Family Services	28.6%
Scientific Research & Development Services	26.6%

SHIBANI PUTATUNDA

ECONOMIC ANALYST

RETAIL TRADE QUARTERLY JOB PERFORMANCE



JUNE JOB ADS DOWN IN MICHIGAN AND U.S.

According to the Conference Board's Help Wanted Online data series, seasonally adjusted online job postings in Michigan fell to a level of 144,269 in June, for a monthly decline of 2.3 percent. This was the largest monthly drop in job ads seen so far this year, however the large ad gain in May means that the June job posting level remains in line with 2017 averages.

Job ads also fell nationwide, down 1.0 percent over the month, a smaller drop than the Michigan statewide change. Neighboring states also fared better than Michigan in terms of change in total job ads over the month. The Illinois, Indiana, and Ohio counts of job ads changed little over the month, edging down by less than one percent each, while total job ads in Wisconsin rose by nearly one percent in June.

Michigan Supply/Demand Rate Continues to Fall

The Michigan supply/demand rate, or the number of unemployed persons per job advertisement, fell for the fourth straight month in June to 1.30, due to a larger drop in the number of unemployed than the number of job advertisements. Additionally, the Michigan rate was below the national supply/demand rate of 1.46 in June.

The Michigan ad rate, or the number of job ads per 100 labor force participants, edged down slightly by 0.05 points in June to 2.97, exactly equal to the national ad rate. For over three years the Michigan ad rate was above the nationwide rate, but these rates have converged since mid-2016, and are now similar.

Michigan Job Ads by Duration

Four in ten Michigan job ads were less than one month in duration, on par with the nationwide average of 42 percent. Another 25 percent of job ads posted in the state were between 30 and 60 days old, meaning 7 in 10 job ads in the state have been posted for less than two months. The remainder of job ads may be going unfilled, but the possibility also exists that an advertised job opening has been filled and the advertisement was never taken down, or that employers or recruiters are collecting applications for future job openings.

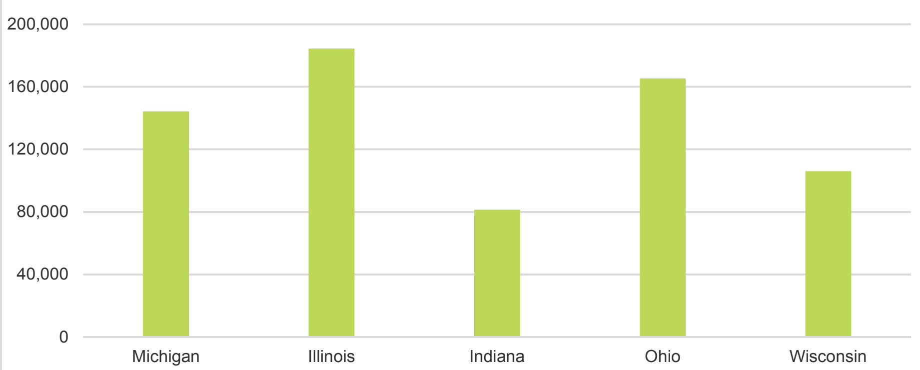
Ads by Occupation (Not Seasonally Adjusted)

Information is available on advertised job vacancies by broad occupational group, but the data is not seasonally adjusted.

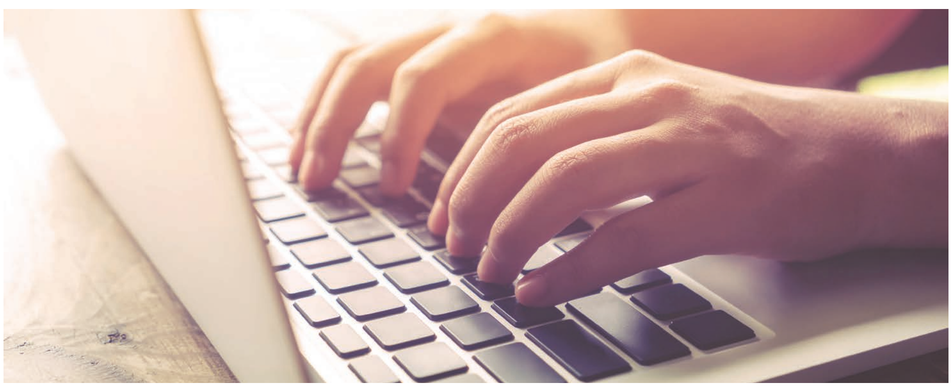
Seven of the ten major occupational groups recorded drops in their counts of job ads in June, with the largest reduction recorded in *Healthcare* occupations. Ads for *Healthcare* jobs were down by 2,250, or 9.0 percent, over the month. The sole occupational group to register an increase in the number of job ads in June was *Transportation*, up by 450 ads (+5.0 percent).

Of the roughly 150,000 Michigan ads that were posted in June, about 61,000 were newly posted. The *Professional and business services* occupational group recorded the largest number of new job ads at 17,150. This was more than double the total new ads of the next-largest group, *Healthcare*, with 7,350 new postings in June.

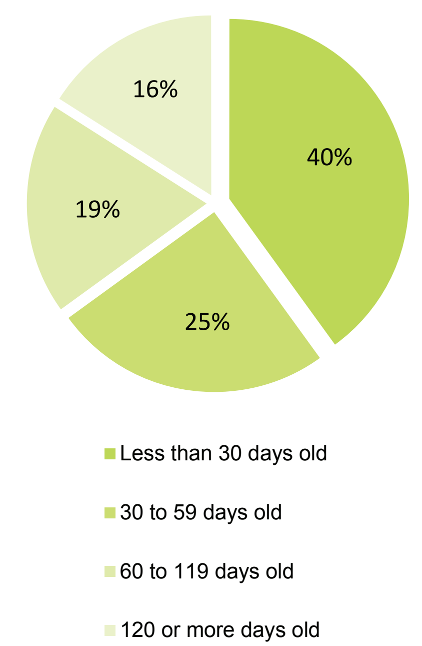
JUNE 2017 TOTAL JOB ADS BY STATE - MIDWEST STATES



Source: The Conference Board, Help Wanted Online® (HWOL)



TOTAL JOB ADS BY DURATION OF AD



Source: The Conference Board, Help Wanted Online® (HWOL)

TOTAL AVAILABLE ADS (NOT SEASONALLY ADJUSTED)

OCCUPATION CATEGORIES	JUN 2017	MAY 2017	JUN 2016	OVER THE MONTH LEVEL	OVER THE MONTH PERCENT
TOTAL	**149,550**	**152,950**	**163,000**	**-3,400**	**-2.2%**
Professional	44,850	45,000	48,000	-150	-0.3%
Healthcare	22,800	25,050	24,100	-2,250	-9.0%
Sales	15,100	15,250	16,250	-150	-1.0%
Service	14,250	14,850	17,000	-600	-4.0%
Administrative Support	13,800	14,000	15,600	-200	-1.4%
Construction and Repair	11,200	11,600	11,400	-400	-3.4%
Management	10,550	10,650	11,450	-100	-0.9%
Transportation	9,400	8,950	11,500	450	5.0%
Production	7,200	7,200	7,400	0	0.0%
Farming, Fishing, And Forestry	400	400	300	0	0.0%

Source: The Conference Board, Help Wanted Online® (HWOL)

INDUSTRY FOCUS:

CONSTRUCTION

The Construction industry includes business establishments primarily engaged in the construction of houses, buildings or engineering projects. Activities may include new work, additions, alterations, or maintenance and repairs. Construction jobs are grouped into three subsectors including Construction of buildings; Heavy and civil engineering construction; and Specialty trade contractors.

- During the 1990s, the state of Michigan, as well as the nation, enjoyed one of the longest periods of *Construction* job expansion, as Michigan *Construction* jobs reached 209,700 in 2000. However, over the next ten years, economic recessions and the housing collapse severely impacted the industry as *Construction* employment plunged by 88,100 or 42.0 percent.
- Since 2010, the recovery in *Construction* has been steady, expanding jobs by an average of 4.2 percent per year, resulting in an overall gain of 34,000 jobs over the last six years.
- *Specialty trade contractors* account for about two-thirds of all jobs in the industry. *Construction of buildings* and *Heavy and civil engineering construction* provide 23 and 11 percent, respectively.
- Nearly 1.1 million *Construction* workers nationally were represented by unions in 2016, equalling 14.6 percent of the industry. This was higher than all other goods-producing industries in the U.S.
- The median annual wage for *Construction* workers in Michigan was estimated at $44,500, which was similar to the national wage of $44,630.
- The short-term industry employment projections for the state of Michigan indicate that the *Construction* industry will expand by 8,700 jobs or 5.5 percent between the second quarters of 2016 and 2018.
- Between 2014 and 2024, long-term industry employment projections indicate that Michigan's *Construction* industry will add 16,320 jobs for a growth rate of 11.5 percent, slightly lower than the national rate of 12.9 percent. However, job expansion in the sector will outpace the 7.4 percent expected growth among all Michigan industries.

Between 2014 and 2024, Michigan's Construction industry is projected to add 16,320 jobs for a growth rate of 11.5 percent.

PROJECTED MICHIGAN JOB GROWTH 2014-2024

CONSTRUCTION

+11.5%

TOTAL, ALL INDUSTRIES

+7.4%

MICHIGAN QUICK FACTS: CONSTRUCTION

Total, Michigan Payroll Jobs - 2016	4,325,600
Construction Jobs - 2016	155,600
Construction of Buildings Jobs - 2016	36,500
Heavy and Civil Engineering Jobs - 2016	16,500
Specialty Trade Contractors Jobs - 2016	102,600
Construction Projected Job Change - 2016 - 2018	+8,700 (+5.5%)
Construction Projected Job Change - 2014 - 2024	+16,320 (+11.5%)
Construction – All Occupations Median Wage - 2016	$44,500 per year $21.39 per hour
Construction – All Occupations Wage Range - 2016	$25,470 - $79,060 per year $12.25 - $38.01 per hour

RELEVANT RANKINGS

UNION AFFILIATION OF EMPLOYED WORKERS BY STATE - 2016	TOTAL EMPLOYED	REPRESENTED BY UNIONS EMPLOYED	REPRESENTED BY UNIONS PERCENT OF EMPLOYED
1 New York	8,227,000	2,075,000	25.2%
2 Hawaii	597,000	125,000	20.9%
3 Alaska	297,000	59,000	19.9%
4 Washington	3,090,000	577,000	18.7%
5 Connecticut	1,568,000	288,000	18.4%
10 Michigan	4,196,000	651,000	15.5%
23 Maryland	2,815,000	347,000	12.3%
24 Indiana	2,927,000	335,000	11.4%
25 New Hampshire	669,000	74,000	11.0%
26 Colorado	2,438,000	263,000	10.8%
27 Missouri	2,711,000	290,000	10.7%
46 Arkansas	1,186,000	59,000	5.0%
47 Georgia	4,249,000	210,000	4.9%
48 Louisiana	1,799,000	88,000	4.9%
49 North Carolina	4,225,000	174,000	4.1%
50 South Carolina	1,981,000	52,000	2.6%

UNION AFFILIATION OF EMPLOYED WORKERS BY METRO AREA - 2016

	TOTAL EMPLOYED	REPRESENTED BY UNIONS EMPLOYED	REPRESENTED BY UNIONS PERCENT OF EMPLOYED
TOP FIVE NATIONAL MSAs			
Buffalo-Cheektowaga-Niagara Falls, NY	500,587	120,895	24.2%
New York-Newark-Jersey City, NY-NJ-PA	8,782,307	1,984,597	22.6%
Riverside-San Bernardino-Ontario, CA	1,618,319	359,071	22.2%
Urban Honolulu, HI	436,730	96,856	22.2%
Sacramento--Roseville--Arden-Arcade, CA	966,320	209,577	21.7%
MICHIGAN MSAs			
Lansing-East Lansing, MI	226,312	44,644	19.7%
Detroit-Warren-Dearborn, MI	1,839,956	270,087	14.7%
Grand Rapids-Wyoming, MI	494,745	53,992	10.9%
BOTTOM FIVE NATIONAL MSAs			
Orlando-Kissimmee-Sanford, FL	1,087,687	55,216	5.1%
San Antonio-New Braunfels, TX	1,028,174	48,073	4.7%
Salt Lake City, UT	526,528	22,767	4.3%
Raleigh, NC	667,893	24,755	3.7%
Austin-Round Rock, TX	1,006,518	22,779	2.3%

Note: Above analysis limited to larger metro areas with employment above 400,000, with the exception of Lansing-East Lansing, MI

Source: Union Membership and Coverage Database, Barry T. Hirsch and David A. Macpherson 2002, 2017, http://www.unionstats.com

ASK THE ECONOMIST

Q: Labor Day honors the labor movement and all workers and their contribution to the national economy.

Is there information on union representation in Michigan?

Is there a source of information on the demographic characteristics of Michigan workers?

A: Yes, lots of helpful information exists...

Is Information Available on Union Representation in Michigan?

Data on union representation are collected by the U.S. Census Bureau's *Current Population Survey* (CPS) in conjunction with the Bureau of Labor Statistics (BLS), and published on an annual basis by the BLS. Data is published for all states, and the most recent information is for the year 2016 (see the *Relevant Rankings* section in this issue). This data shows the number of employed workers who are members of a labor union or employee association similar to a union, and the number of workers whose jobs are covered by a union or employee association contract.

According to the CPS, individuals in Michigan represented by unions in 2016 numbered 651,000 or 15.5 percent of employment in the state. Nationwide in 2016, 16,271,000 individuals were represented by unions, or 12.0 percent of U.S. employment.

The table below depicts union representation in Michigan and the U.S. for select years back to 2000 (the first year for which comparable published data are available).

From 2000 to 2016, individuals represented by unions in Michigan dropped by 313,000 or 32.4 percent, while nationwide 1,882,000 fewer people were represented for a 10.4 percent reduction. The most rapid decline in unionization in Michigan occurred during the 2006 to 2010 time period, which coincided with the Great Recession (2007-2009). In the U.S. as a whole, the most pronounced representation decrease occurred over the 2000 to 2006 period.

The CPS nationwide data provides demographic information pertinent to union representation. What follows are select highlights and characteristics from the 2016 report.

- The rate of union representation nationwide for public-sector workers (37.9%) was over five times the rate of private-sector workers (7.3%). However in total, more private-sector workers (8,437,000) were represented as compared to public-sector (7,834,000).
- The largest rate of union representation among private-sector industries nationwide in 2016 was in the *Trade, transportation and utilities* (20.5%) and *Construction* (14.6%) sectors.
- Nationwide by sex in 2016, men were represented by unions at a 12.3 percent rate, just slightly above the 11.6 percent rate for women.

Is Information Available on the Demographic Characteristics of Michigan Workers?

The U.S. Census Bureau publishes a large variety of data on the labor force status of the population from the *American Community Survey* (ACS). These data are published annually for Michigan and can be useful for studying the characteristics of the workforce down to a very small geographic level.

Data published though the ACS are available in two time-periods: the 1-year estimates and the 5-year estimates. The 1-year estimates are estimates that are based on the aggregation of 12 months' worth of survey responses, and the 5-year estimates are based on 60 months of response. All geographic units down to the block group level, which is a collection of census blocks usually comprised of 600 to 3,000 people, have data available from the 5-year estimates. Any geography with a population of 65,000 or greater will have data in the 1-year estimates.

The data provided by the ACS on Michigan's workforce is widespread for residents 16 years and over, and provides items such as labor force participation, employment to population ratio, employment and unemployment, unemployment rates, and employment by industry and occupation. In addition to employment status, these data are cross-tabulated with a variety of variables including age, race, educational attainment, and poverty status.

The data provided though the ACS are not the same as those used to produce the official employment statistics, which come from the CPS. These two datasets use similar definitions for labor force status, but differ in timeliness and geographic detail. The CPS data are published monthly, and are much more timely than the ACS data, but the CPS does not have data for very small geographic areas that are available from the ACS.

Another important Census Bureau product that sheds light on the characteristics and migration patterns of Michigan workers is the *Local Employment Dynamics* program.

Please see the links below for more information on these Census Bureau programs.

American Community Survey

https://www.census.gov/programs-surveys/acs/

Current Population Survey

https://www.census.gov/programs-surveys/cps.html

Local Employment Dynamics

https://lehd.ces.census.gov/

UNION AFFILIATION OF EMPLOYED WORKERS IN MICHIGAN AND UNITED STATES

	REPRESENTED BY UNIONS - MICHIGAN		REPRESENTED BY UNIONS - UNITED STATES	
	EMPLOYED	PERCENT OF TOTAL EMPLOYED	EMPLOYED	PERCENT OF TOTAL EMPLOYED
2000	964,000	21.4%	18,153,000	14.9%
2006	879,000	20.4%	16,860,000	13.1%
2010	659,000	17.3%	16,290,000	13.1%
2016	651,000	15.5%	16,271,000	12.0%

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