

# MICHIGAN'S LABOR MARKET NEWS



VOL. 77, NO. 7  
SEPTEMBER 2021

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## **The Impact of COVID-19 on Michigan's Labor Market**

Feature Article pg. 16

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## **Infographic of the Month: People in the U.S. Who Did Not Look for Work Due to COVID-19**

pg. 15

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## **Data Spotlight: Current Population Survey: Supplemental Questions Measuring the Effects of the COVID-19 Pandemic**

pg. 26

Michigan payroll jobs moved up significantly in July by 0.8 percent, outpacing the national rate of monthly growth.

JULY 2021 JOBLESS RATE

MICHIGAN  
**4.8%**  
NATIONAL  
**5.4%**

## TABLE OF CONTENTS

4	Michigan Employment and Unemployment Trends
6	Michigan Job Trends by Industry Sector
10	Regional Labor Market Analysis
15	Infographic of the Month: People in the U.S. Who Did Not Look for Work Due to COVID-19
16	Feature Article: The Impact of COVID-19 on Michigan's Labor Market
22	Online Job Advertisements
24	Relevant Rankings
26	Data Spotlight: Current Population Survey: Supplemental questions measuring the effects of the COVID-19 pandemic



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

Michigan's unemployment rate declined to 4.8 percent in July. This was the state's lowest rate since March of 2020. The state's labor force declined marginally by 0.1 percent and remained 2.5 percent below year-ago levels. The number of payroll jobs rose by 31,000 in July, which was the largest monthly job advance since February 2021.

September's issue of *Michigan's Labor Market News* provides a look at how COVID-19 has impacted Michigan's workforce. The *Feature Article* reviews some of the key labor market trends since the start of the pandemic, and how the effects have been felt disproportionately across demographic groups.

Our *Data Spotlight* and *Infographic of the Month* both review responses to the Current Population Survey supplemental questions that ask how the pandemic has affected an individual's ability to work. Finally, our *Relevant Rankings* include over-the-year changes in job advertisements for Michigan's Prosperity Regions, as well as a state-to-state ranking of how labor force participation has changed since February 2020.

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.



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# MICHIGAN JOBLESS RATE RECEDES IN JULY

Michigan's seasonally adjusted jobless rate fell by two-tenths of a percentage point between June and July to 4.8 percent. Statewide employment edged up by 4,000 while unemployment moved down by 8,000. Michigan's labor force was reduced by 4,000 over the month. This was the lowest Michigan jobless rate since March 2020.

The national jobless rate dropped significantly in July by 0.5 percentage points to 5.4 percent. Michigan's July unemployment rate was 0.6 percentage points below the U.S. rate. The national rate decreased by 4.8 percentage points over the year while the statewide rate fell by 4.2 percentage points since July 2020.

Michigan's total employment level was little changed over the month. July was the fifth consecutive month with an employment increase. Statewide unemployment fell by 3.4 percent in July. Michigan's workforce edged down by 0.1 percent over the month.

Since July 2020, Michigan employment rose by 2.0 percent, an increase still three times less than seen on a national level. U.S. employment advanced by 6.2 percent over the year. Unemployment in the state fell by a sharp 47.9 percent since July 2020, which reflected

recalls of workers from pandemic-related layoffs. This drop was similar to the pace of the unemployment reduction nationwide. Michigan's workforce decreased by 2.5 percent over the year. The national labor force edged up by 0.8 percent since July 2020.

Michigan's labor force indicators in July continued to lag behind pre-pandemic levels, despite notable improvements over the year. Employment in Michigan remained 5.4 percent below the February 2020 pre-pandemic level. The number of unemployed rose significantly by 23.2 percent over this period. Additionally, the July 2021 jobless rate of 4.8 percent was 1.1 percentage points higher than the February 2020 Michigan rate of 3.7 percent.

## Michigan's Number of Workers on Temporary Layoff Down Substantially Over Year

Michigan's Current Population Survey (CPS) provides detailed information about the employment status of survey participants, including those who are on temporary layoff. Persons on temporary layoff in the CPS are defined as those who are currently unemployed and have been given a date to return to work or who expect to return to work during the next six months.

An examination of Michigan CPS data from July 2019 to July 2021 reveals that persons on temporary layoff soared during 2020 as a result of the initial impact of COVID-19 pandemic-related job cuts. Between February 2020 and April 2020, workers on temporary layoff jumped dramatically by 940,000.

After the peak of layoffs in April 2020, Michigan's number of workers on temporary layoff began to decline, falling to 214,000 in August 2020, then to 112,000 in April 2021. During the last three months (May through July 2021) persons on temporary layoff in Michigan have averaged 71,000. This was the lowest three-month average seen in the state since the first quarter of 2020, prior to the pandemic.

Over the last three months, the number of Michigan unemployed on temporary layoff was lower than the number of persons who have lost jobs and do not expect to be recalled and the number of unemployed persons entering the job market after a period of absence.

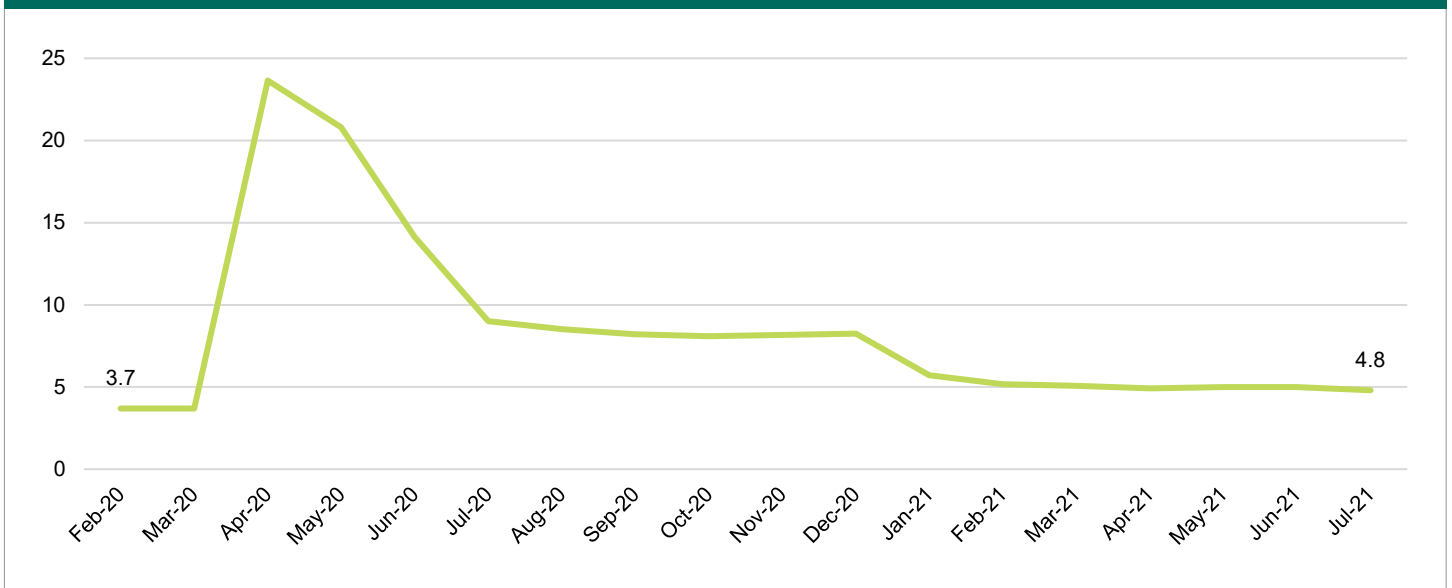
**SHIBANI PUTATUNDA**  
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## MICHIGAN LABOR FORCE ESTIMATES, JULY 2021 (SEASONALLY ADJUSTED)

	JULY 2021	JUNE 2021	JULY 2020	OVER THE MONTH		OVER THE YEAR	
				NUMERIC	PERCENT	NUMERIC	PERCENT
Civilian Labor Force	4,715,000	4,719,000	4,835,000	-4,000	-0.1%	-120,000	-2.5%
Employed	4,488,000	4,484,000	4,400,000	4,000	0.1%	88,000	2.0%
Unemployed	227,000	235,000	436,000	-8,000	-3.4%	-209,000	-47.9%
Unemployment Rate	4.8	5.0	9.0	-0.2	XXX	-4.2	XXX

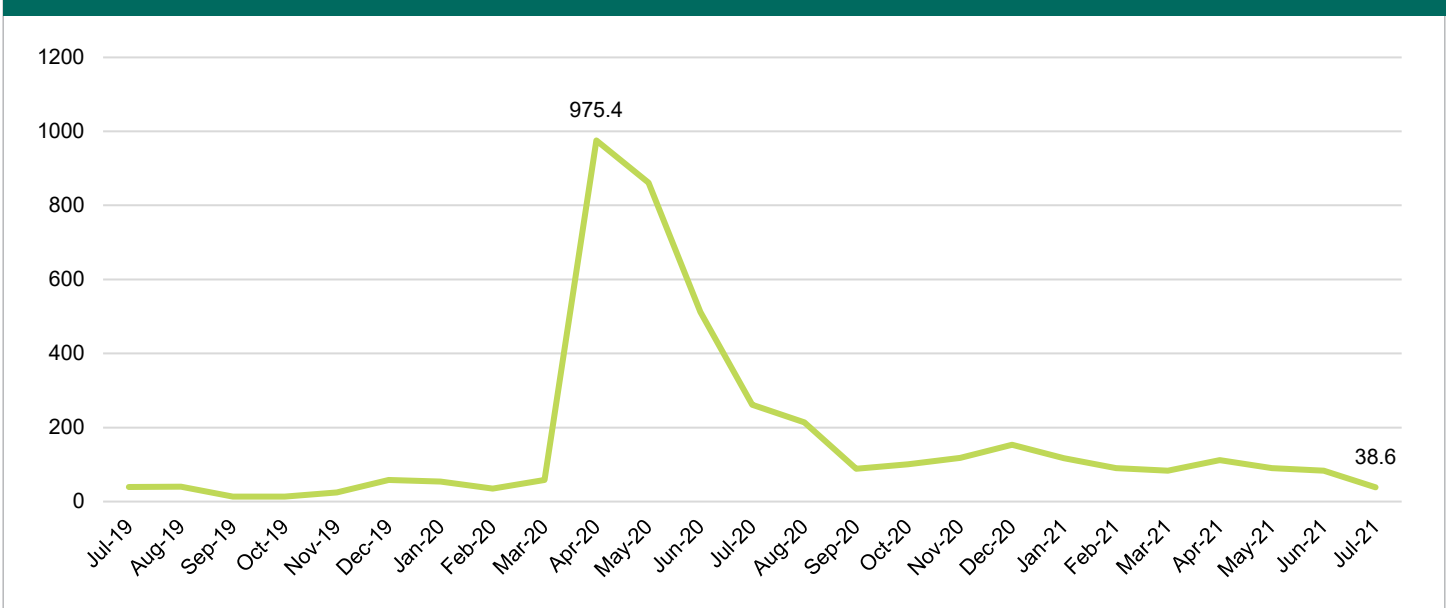
Source: Local Area Unemployment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget

## MICHIGAN UNEMPLOYMENT RATE, FEB 2020–JUL 2021 (PERCENT)



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

## NUMBER OF MICHIGAN WORKERS ON TEMPORARY LAYOFF, JUL 2019–JUL 2021 (IN THOUSANDS)



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 seasonally adjusted payroll jobs rose significantly in July, up by 31,300 or 0.8 percent, to 4,165,900. This marked the third consecutive month of job gains in Michigan. Additionally, Michigan nonfarm payroll employment advanced in six of the first seven months of 2021, and in July was 6.4 percent (-287,000) below February 2020 pre-pandemic job levels.

Nationally, seasonally adjusted nonfarm jobs rose very strongly by 943,000 or 0.6 percent over the month, however this lagged slightly behind the pace of job additions in Michigan. Since February 2020, nationwide nonfarm payroll job levels were down by 3.7 percent.

Most statewide major industry sectors recorded job advancements during July. The *Leisure and hospitality* (+12,100), *Professional and business services* (+9,000), and *Trade, transportation, and utilities* (+5,100) sectors all recorded notable job gains over the month. Modest job declines were captured within several industries including *Manufacturing* (-800) and *Financial activities* (-500).

## Over-the-Year Analysis

Nonfarm payroll jobs moved up since July 2020, increasing by 181,500 or 4.6 percent, slightly lower than the over the year nationwide rate of gain (+5.2 percent). This job advance mainly

reflected continued recalls of employees from COVID-19 pandemic-related layoffs. Employment in every major industry sector across the state recorded job additions. On a numeric basis, the *Leisure and hospitality* (+46,400), *Professional and business services* (+40,100), and *Trade, transportation, and utilities* (+34,600) sectors recorded the largest job advancements since July 2020. On a percentage basis, significant job gains were also registered in broad industries such as *Construction* (+6.9 percent), *Mining and logging* (+6.2 percent), and *Other services* (+5.2 percent).

As of July 2021, eight different major industries or subsectors added jobs or at least reached February 2020 pre-pandemic job levels. Among private sector industries, the largest recorded percent growth during this timeframe was within *Transportation, warehousing, and utilities* (+3.8 percent) and *Finance and insurance* (+0.9 percent).

## Major Industry Sector Job Change in Michigan and the United States between July 2019 and July 2021

Although every major industry sector in Michigan and the United States recorded job gains over the year, these additions mainly reflected

continued recalls from layoffs induced by the COVID-19 pandemic. This analysis shows that most industries in Michigan and nationwide still have fewer jobs now than existed two years ago in July 2019.

As displayed in the table, only two major industry sectors in Michigan (*Construction* and *Financial activities*) and one in the United States (*Financial activities*) recorded job growth on a seasonally adjusted basis between July 2019 and July 2021. Besides these two Michigan industries, most other major sectors had lost more jobs on a percentage basis in Michigan than was the case nationally.

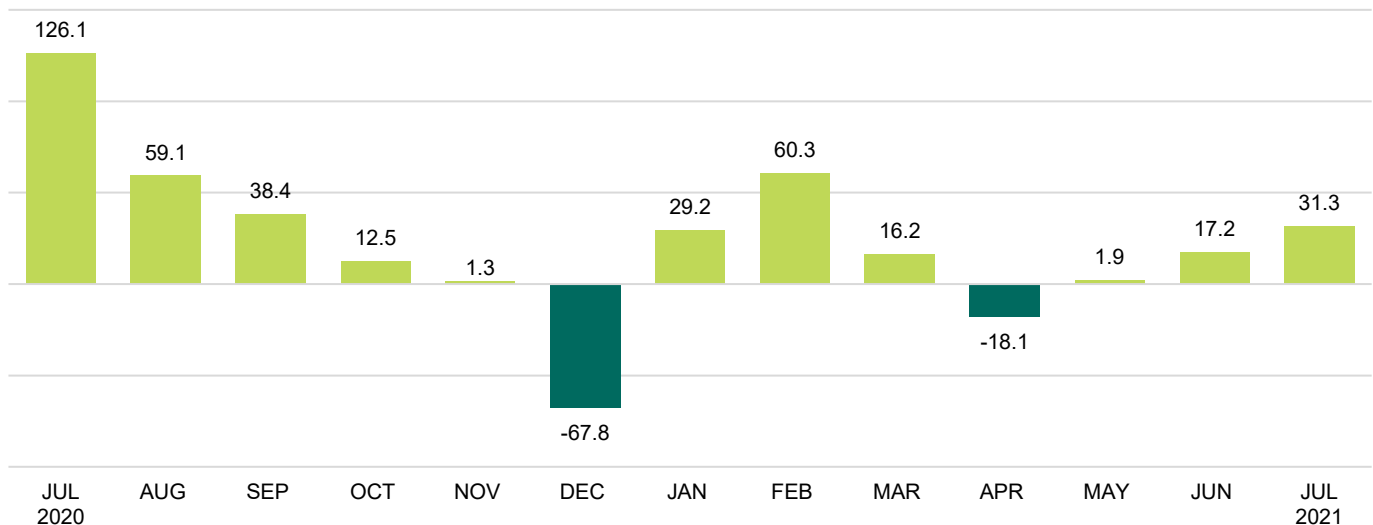
Statewide payroll jobs in *Leisure and hospitality* (-18.7 percent), *Other services* (-12.0 percent), and *Information* (-11.2 percent) were still down significantly in comparison with July 2019 job levels. The only nationwide major industry that posted a higher percent job decline than in Michigan was *Mining and logging* (-12.4 percent).

## Significant Industry Employment Developments

### LEISURE AND HOSPITALITY

Total employment within the *Leisure and hospitality* major industry sector moved up by 12,100 or 3.5 percent over the month, to 354,100 in July. Job gains were

## MICHIGAN OVER-THE-MONTH PAYROLL JOB CHANGE (IN THOUSANDS)



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

## MAJOR INDUSTRY SECTOR JOB CHANGE, MICHIGAN VS U.S.

MAJOR INDUSTRY	MICHIGAN (IN THOUSANDS)				UNITED STATES (IN THOUSANDS)			
	JUL 19	JUL 21	LEVEL	PERCENT	JUL 19	JUL 21	LEVEL	PERCENT
<b>TOTAL NONFARM CHANGE</b>	<b>4,441.7</b>	<b>4,165.9</b>	<b>-275.8</b>	<b>-6.2%</b>	<b>150,913.0</b>	<b>146,821.0</b>	<b>-4,092.0</b>	<b>-2.7%</b>
Mining and Logging	7.3	6.9	-0.4	-5.5%	727.0	637.0	-90.0	-12.4%
Construction	174.2	177.6	3.4	2.0%	7,503.0	7,421.0	-82.0	-1.1%
Manufacturing	624.8	570.1	-54.7	-8.8%	12,820.0	12,366.0	-454.0	-3.5%
Trade, Transportation, and Utilities	794.7	779.0	-15.7	-2.0%	27,712.0	27,371.0	-341.0	-1.2%
Wholesale Trade	171.8	163.8	-8.0	-4.7%	5,890.0	5,709.7	-180.3	-3.1%
Retail Trade	463.5	446.9	-16.6	-3.6%	15,595.4	15,339.5	-255.9	-1.6%
Information	55.6	49.4	-6.2	-11.2%	2,868.0	2,742.0	-126.0	-4.4%
Financial Activities	225.2	225.4	0.2	0.1%	8,762.0	8,827.0	65.0	0.7%
Professional and Business Services	653.5	628.9	-24.6	-3.8%	21,291.0	20,913.0	-378.0	-1.8%
Education and Health Services	688.8	643.6	-45.2	-6.6%	24,184.0	23,612.0	-572.0	-2.4%
Leisure and Hospitality	435.4	354.1	-81.3	-18.7%	16,535.0	15,178.0	-1,357.0	-8.2%
Other Services	166.6	146.6	-20.0	-12.0%	5,904.0	5,701.0	-203.0	-3.4%
Government	615.6	584.3	-31.3	-5.1%	22,607.0	22,053.0	-554.0	-2.5%

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

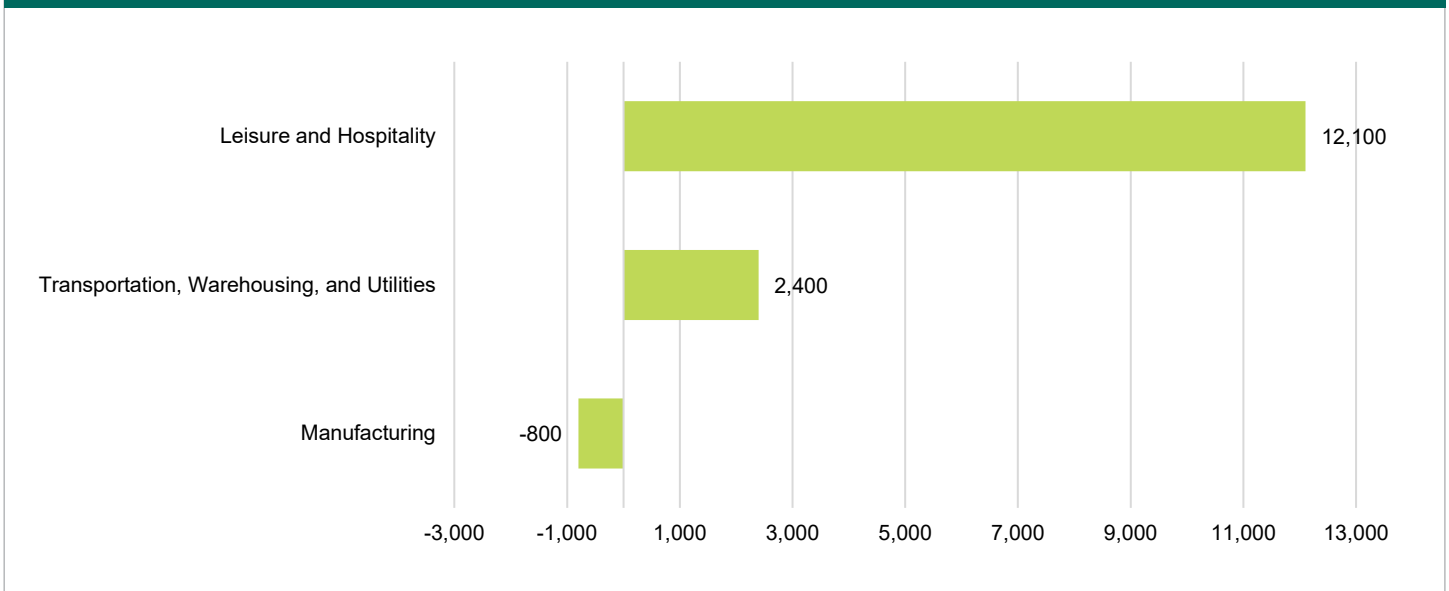
recorded in both of the industry's subsectors, with *Accommodation and food services* (+9,200) rising considerably more than *Arts, entertainment, and recreation* (+2,900) since June. Over the year, jobs in *Leisure and hospitality* advanced by 46,400 or 15.1 percent but still remained far lower than February 2020 pre-pandemic job levels (-18.7 percent). Nationally, jobs in this major industry increased

by 380,000 or 2.6 percent over the month, relatively less than the statewide rate of gain. However, the share of jobs recovered on the nationwide level outpaced that of Michigan, as total employment within this sector was only 10.3 percent lower than its February 2020 pre-pandemic level.

### TRANSPORTATION, WAREHOUSING, AND UTILITIES

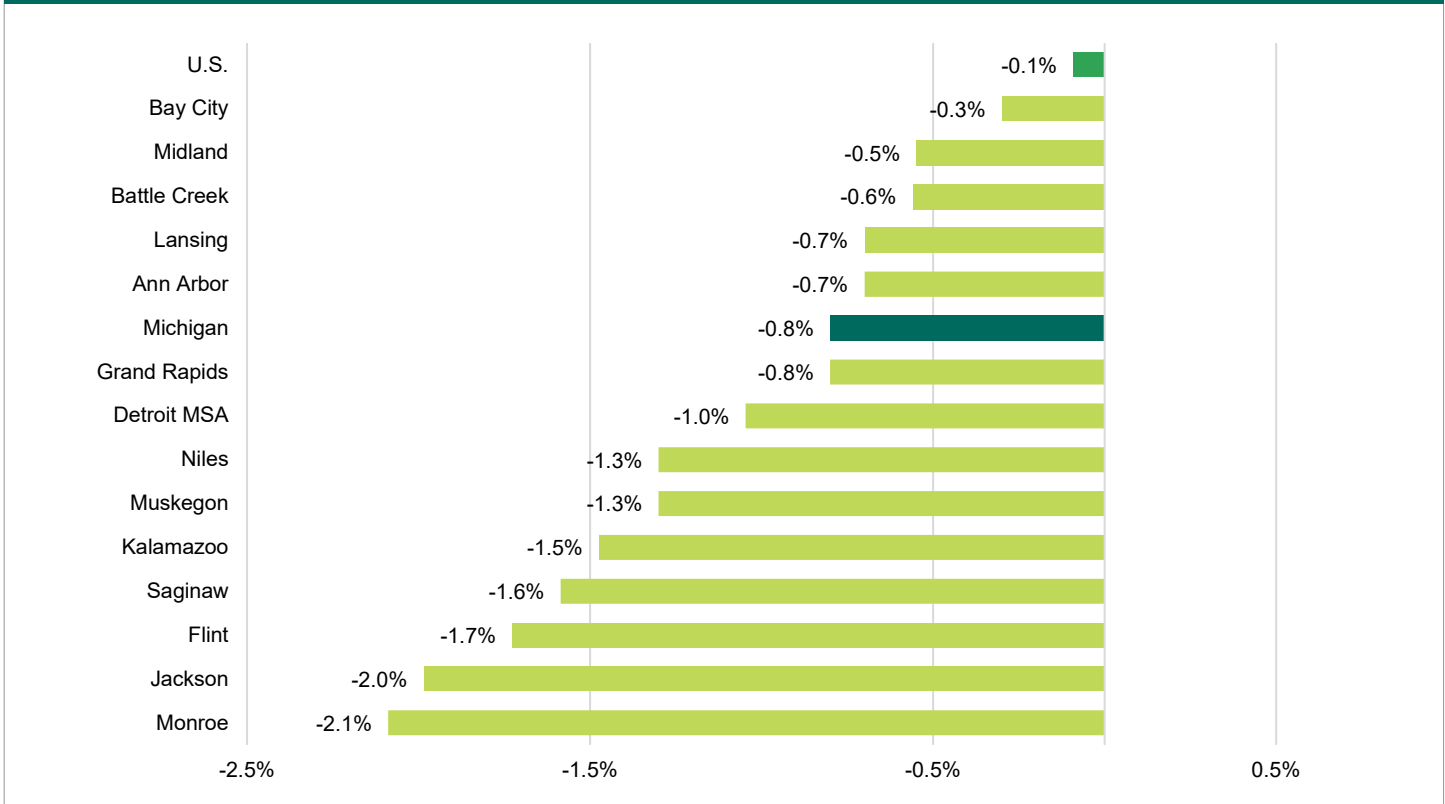
Seasonally adjusted payroll jobs in the *Transportation, warehousing, and utilities* subsector increased by 2,400 or 1.4 percent in July to 168,300. These job additions followed the movement of the larger *Trade, transportation, and utilities* industry, which rose by 5,100 or 0.7 percent over the month. On a not seasonally

## MICHIGAN OVER-THE-MONTH JOB CHANGE BY SELECT INDUSTRY, JUNE 2021–JULY 2021



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

## MICHIGAN METRO AREA JOB CHANGE, JUNE 2021–JULY 2021 (NOT SEASONALLY ADJUSTED)



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

adjusted basis, jobs advanced in Michigan in July in several subsectors, including *General freight trucking* (+800), *Warehousing and storage* (+700), and *Air transportation* (+200). Over the year, total jobs within *Transportation, warehousing, and utilities* increased strongly by 6.1 percent. On the nationwide level, jobs within this subsector also rose over the month (+50,000 or 0.9 percent) and over the year (+397,000 or 7.4 percent), but remained 41,000 lower than the February 2020 pre-pandemic job level.

### MANUFACTURING

Total statewide *Manufacturing* jobs remained relatively flat over the month (-800 or 0.1 percent), but there were trend differences among the subsectors. Jobs in *Nondurable goods* (+1,100) moved up in July, which offset a decline recorded within the *Durable goods* (-1,900) sector. The large job reduction over the month was in *Transportation equipment manufacturing* (-6,300), which recorded layoffs related to the nationwide shortage of semiconductors. There was evidence of hiring over the month in such industries as *Machinery manufacturing* and *Food manufacturing*. Over the year, seasonally adjusted employment in the *Manufacturing* sector advanced by 4,300 or 0.8 percent to 570,100

but remained 7.9 percent below February 2020 pre-pandemic levels. Across the United States, *Manufacturing* jobs rose marginally in July by 27,000 to 12,366,000, approximately 2.7 percent higher than its year-ago level.

### Metropolitan Statistical Areas (MSAs)

Total nonfarm payroll jobs in all of Michigan's 14 Metropolitan Statistical Areas (MSAs) recorded declines in July, on a not seasonally adjusted basis. In many cases, this primarily reflected seasonal job cuts at local school districts, as private nonfarm jobs were little changed.

Only five of the 14 metro areas recorded a job reduction less than the statewide rate of decline (-0.8 percent) during July. Over the month percent job decreases ranged from -0.3 percent in Bay City to -2.1 percent in Monroe.

Not seasonally adjusted jobs in the *Leisure and hospitality* sector advanced in every Michigan region this month, and were up by 12,700 or 3.4 percent in July. On a percentage basis, Kalamazoo (+3.7 percent) and Flint (+3.5 percent) added the most jobs in this industry since June 2021.

Conversely, *Government* jobs in every metro area in Michigan fell seasonally in July, as layoffs occurred at local school districts with the beginning of the summer academic break.

Total nonfarm payroll jobs in all of Michigan's 14 metro areas advanced over the year. These job additions mainly reflected continued recalls of workers from the initial layoffs related to the COVID-19 pandemic. Despite these job gains, total nonfarm employment continued to remain lower than July 2019 pre-pandemic job levels in every Michigan metro area. The Muskegon (-9.9 percent) and Monroe (-8.1 percent) metro areas recorded the largest percent declines in nonfarm jobs during this timeframe.

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## MICHIGAN PAYROLL JOBS (SEASONALLY ADJUSTED)

INDUSTRY	JULY 2021	JUNE 2021	JULY 2020	OVER THE MONTH		OVER THE YEAR	
				LEVEL	PERCENT	LEVEL	PERCENT
<b>TOTAL NONFARM</b>	<b>4,165,900</b>	<b>4,134,600</b>	<b>3,984,400</b>	<b>31,300</b>	<b>0.8%</b>	<b>181,500</b>	<b>4.6%</b>
Total Private	3,581,600	3,554,100	3,414,000	27,500	0.8%	167,600	4.9%
Private Service-Providing	2,827,000	2,799,800	2,675,600	27,200	1.0%	151,400	5.7%
<b>GOODS-PRODUCING</b>	<b>754,600</b>	<b>754,300</b>	<b>738,400</b>	<b>300</b>	<b>0.0%</b>	<b>16,200</b>	<b>2.2%</b>
Mining, Logging, and Construction	184,500	183,400	172,600	1,100	0.6%	11,900	6.9%
Mining and Logging	6,900	6,900	6,500	0	0.0%	400	6.2%
Construction	177,600	176,500	166,100	1,100	0.6%	11,500	6.9%
Manufacturing	570,100	570,900	565,800	-800	-0.1%	4,300	0.8%
Durable Goods	426,400	428,300	426,100	-1,900	-0.4%	300	0.1%
Transportation Equipment Manufacturing	167,100	173,400	177,000	-6,300	-3.6%	-9,900	-5.6%
Non-Durable Goods	143,700	142,600	139,700	1,100	0.8%	4,000	2.9%
<b>SERVICE-PROVIDING</b>	<b>3,411,300</b>	<b>3,380,300</b>	<b>3,246,000</b>	<b>31,000</b>	<b>0.9%</b>	<b>165,300</b>	<b>5.1%</b>
Trade, Transportation, and Utilities	779,000	773,900	744,400	5,100	0.7%	34,600	4.6%
Wholesale Trade	163,800	163,500	159,300	300	0.2%	4,500	2.8%
Retail Trade	446,900	444,500	426,500	2,400	0.5%	20,400	4.8%
Transportation, Warehousing, and Utilities	168,300	165,900	158,600	2,400	1.4%	9,700	6.1%
Information	49,400	49,400	48,600	0	0.0%	800	1.6%
Financial Activities	225,400	225,900	220,400	-500	-0.2%	5,000	2.3%
Finance and Insurance	174,700	174,700	170,900	0	0.0%	3,800	2.2%
Real Estate and Rental and Leasing	50,700	51,200	49,500	-500	-1.0%	1,200	2.4%
Professional and Business Services	628,900	619,900	588,800	9,000	1.5%	40,100	6.8%
Professional, Scientific, and Technical Services	300,200	297,700	285,900	2,500	0.8%	14,300	5.0%
Management of Companies and Enterprises	72,000	71,300	68,200	700	1.0%	3,800	5.6%
Administrative and Support and Waste Management and Remediation Services	256,700	250,900	234,700	5,800	2.3%	22,000	9.4%
Education and Health Services	643,600	642,800	626,400	800	0.1%	17,200	2.7%
Educational Services	70,000	68,500	63,800	1,500	2.2%	6,200	9.7%
Health Care and Social Assistance	573,600	574,300	562,600	-700	-0.1%	11,000	2.0%
Leisure and Hospitality	354,100	342,000	307,700	12,100	3.5%	46,400	15.1%
Arts, Entertainment, and Recreation	40,600	37,700	26,900	2,900	7.7%	13,700	50.9%
Accommodation and Food Services	313,500	304,300	280,800	9,200	3.0%	32,700	11.6%
Other Services	146,600	145,900	139,300	700	0.5%	7,300	5.2%
Government	584,300	580,500	570,400	3,800	0.7%	13,900	2.4%
Federal Government	54,000	53,700	54,100	300	0.6%	-100	-0.2%
State Government	178,900	180,100	176,800	-1,200	-0.7%	2,100	1.2%
Local Government	351,400	346,700	339,500	4,700	1.4%	11,900	3.5%

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 Ann Arbor unemployment rate was 4.7 percent for the second consecutive month in July.
- Total workforce in the region remained stable, moving up by only 400 or 0.2 percent since June, to 189,200.

### MONTHLY INDUSTRY DEVELOPMENTS

- Total nonfarm payroll jobs in the Ann Arbor metro area fell by 1,500 or 0.7 percent in July to 208,900, down 6.7 percent since July 2019. This reflects job loss due to the pandemic.

### INDUSTRY TRENDS

- Regional *Education and health services* jobs declined over the month by 300 or 1.1 percent, slightly less than normal for this industry during July.

## BAY CITY METROPOLITAN AREA

- The unemployment rate in the Bay City labor market declined by 0.3 percentage points in July to 5.8 percent.
- The total number of unemployed persons fell both over the month (-3.4 percent) and over the year (-30.0 percent).

### MONTHLY INDUSTRY DEVELOPMENTS

- In July, regional payroll jobs in Bay City edged down by 100 or 0.3 percent to 33,300, the smallest percent decline among Michigan's 14 metro areas.

### INDUSTRY TRENDS

- *Manufacturing* jobs in the Bay City region moved up over the month to 4,700, 2.2 percent higher than the July 2019 job level.

## FLINT METROPOLITAN AREA

- Although joblessness in the Flint region edged down slightly in July to 7.4 percent, it was still 2.4 percentage points higher than the statewide average.
- Despite falling over the month (-0.6 percent), the total number of employed residents was up by 3,900 or 2.4 percent over the year, as persons returned to work from pandemic-related layoffs.

### MONTHLY INDUSTRY DEVELOPMENTS

- Flint area payroll jobs moved down by 1.7 percent in July, lagging behind the national trend of essentially stable not seasonally adjusted job levels.
- Typical seasonal job cuts in July were recorded in the *Professional and business services* (-1,000) sector.

### INDUSTRY TRENDS

- *Local government* jobs in the Flint region fell seasonally by 1,500 to 13,200, reaching the lowest job level in the past 10 years in this sector.

## BATTLE CREEK METROPOLITAN AREA

- Joblessness in the Battle Creek metro area fell by 0.3 percentage points to 6.6 percent in July.
- Since July 2020, the metro area jobless rate has dropped significantly by 2.7 percentage points, but part of that rate reduction was due to a large 1,200 cut in the size of the regional labor force.

### MONTHLY INDUSTRY DEVELOPMENTS

- Nonfarm employment in the Battle Creek labor market declined in July by 300 or 0.6 percent, to 53,300.
- Most major industry sector job levels remained relatively unchanged in July, and jobs in the *Government* sector had a slightly smaller than average seasonal decrease (-400 or 3.9 percent).

### INDUSTRY TRENDS

- Although regional payroll jobs were up 1,700 or 3.3 percent over the year, total nonfarm employment was still 6.8 percent lower than July 2019 job levels.

## DETROIT-WARREN-DEARBORN METRO AREA

- The Detroit area unemployment rate decreased by 0.3 percentage points to 4.5 percent in July, the lowest jobless rate recorded among Michigan's 14 metropolitan areas this month.
- Workforce in the region rose by 40,000 or 2.0 percent in July, the largest numeric labor force increase among major Michigan labor market areas.

### MONTHLY INDUSTRY DEVELOPMENTS

- Total nonfarm payroll jobs in the Detroit metro area decreased by 20,200 or 1.0 percent in July, slightly more than the statewide rate of decline (-0.8 percent).
- The *Transportation, warehousing, and utilities* sector added jobs for the fifth consecutive month, moving up by 1,300 or 1.5 percent in July, to 90,100.

### INDUSTRY TRENDS

- Regional payroll jobs in the *Transportation equipment manufacturing* sector fell significantly in July (-11,700 or -11.2 percent), due to layoffs related to the international semiconductor shortage.

## GRAND RAPIDS-WYOMING METRO AREA

- Regional joblessness in the Grand Rapids area moved down slightly in July by 0.2 percentage points to 4.6 percent.
- Total workforce in the metro area stayed relatively flat (+0.1 percent), as the rise in the total number of employed persons was offset by the decline in the number of unemployed.

### MONTHLY INDUSTRY DEVELOPMENTS

- In July, payroll jobs in the Grand Rapids MSA decreased by 4,400 or 0.8 percent to 539,600.
- Most major industry sectors recorded job cuts during July, although there were exceptions such as *Leisure and hospitality*, *Financial activities*, and *Other services*.

### INDUSTRY TRENDS

- *Transportation, warehousing, and utilities* jobs in the region also edged up in July to 18,800, tying the highest job level recorded for this industry in the past 10 years.

## CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	ANN ARBOR			BATTLE CREEK			BAY CITY		
	JUL 2021	JUN 2021	JUL 2020	JUL 2021	JUN 2021	JUL 2020	JUL 2021	JUN 2021	JUL 2020
<b>PLACE OF RESIDENCE</b>									
Civilian Labor Force	189,200	188,800	190,900	60,400	60,500	61,600	48,600	48,600	49,700
Employed	180,300	179,900	177,300	56,400	56,300	55,900	45,800	45,600	45,700
Unemployed	8,900	9,000	13,600	4,000	4,200	5,700	2,800	2,900	4,000
Unemployment Rate	4.7	4.7	7.1	6.6	6.9	9.3	5.8	6.1	8.1
<b>PLACE OF WORK</b>									
Total Nonfarm Jobs	208,900	210,400	200,900	53,300	53,600	51,600	33,300	33,400	32,700
Mining, Logging, and Construction	5,200	5,100	4,800	2,100	2,000	1,900	1,600	1,600	1,500
Manufacturing	13,400	13,400	12,800	10,200	10,200	10,200	4,700	4,600	4,500
Trade, Transportation, and Utilities	26,800	26,900	24,800	9,200	9,200	8,700	6,900	7,000	7,000
Wholesale Trade	6,500	6,500	6,300	*	*	*	*	*	*
Retail Trade	15,700	15,900	14,200	5,800	5,900	5,600	4,600	4,700	4,700
Information	6,300	6,200	6,000	*	*	*	300	300	300
Financial Activities	6,600	6,700	6,600	1,200	1,100	1,200	1,300	1,300	1,300
Professional and Business Services	29,300	29,400	29,100	4,900	5,000	4,800	2,600	2,600	2,500
Educational and Health Services	27,500	27,800	26,600	9,700	9,800	9,500	5,800	5,800	5,900
Leisure and Hospitality	14,700	14,300	12,700	4,200	4,100	3,800	4,100	4,000	3,800
Other Services	5,500	5,500	5,400	1,800	1,800	1,800	1,000	1,000	1,000
Government	73,600	75,100	72,100	9,800	10,200	9,500	5,000	5,200	4,900
<b>DETROIT-WARREN-DEARBORN</b>									
<b>FLINT</b>									
<b>GRAND RAPIDS-WYOMING</b>									
	JUL 2021	JUN 2021	JUL 2020	JUL 2021	JUN 2021	JUL 2020	JUL 2021	JUN 2021	JUL 2020
<b>PLACE OF RESIDENCE</b>									
Civilian Labor Force	2,078,000	2,038,000	2,121,000	177,600	178,800	179,100	573,300	572,800	573,700
Employed	1,984,000	1,940,000	1,875,000	164,400	165,400	160,500	547,200	545,500	531,500
Unemployed	93,000	98,000	245,000	13,200	13,400	18,600	26,100	27,300	42,100
Unemployment Rate	4.5	4.8	11.6	7.4	7.5	10.4	4.6	4.8	7.3
<b>PLACE OF WORK</b>									
Total Nonfarm Jobs	1,910,700	1,930,900	1,808,900	130,900	133,200	124,500	539,600	544,000	510,100
Mining, Logging, and Construction	82,900	82,100	78,300	6,200	6,100	5,700	27,600	27,700	26,000
Manufacturing	226,100	235,500	230,100	13,700	14,000	12,700	109,100	109,300	108,300
Trade, Transportation, and Utilities	368,400	369,000	348,600	26,300	26,400	25,900	98,900	99,100	95,200
Wholesale Trade	80,000	81,100	79,600	5,100	5,100	5,200	31,700	31,800	30,700
Retail Trade	198,300	199,100	188,600	17,300	17,300	16,900	48,400	48,700	46,400
Information	25,400	25,300	25,000	1,100	1,000	1,000	5,600	5,600	5,400
Financial Activities	126,300	126,300	121,400	6,000	6,000	5,900	27,000	26,700	26,300
Professional and Business Services	382,900	382,900	356,000	16,800	17,800	15,000	70,900	72,700	65,100
Educational and Health Services	291,500	293,500	282,800	25,100	25,100	24,500	91,600	92,200	87,300
Leisure and Hospitality	172,300	170,100	140,100	14,700	14,200	12,600	44,800	43,700	37,600
Other Services	66,800	66,900	62,600	4,900	4,900	4,700	20,800	20,500	19,500
Government	168,100	179,300	164,000	16,100	17,700	16,500	43,300	46,500	39,400

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

- Joblessness in the Jackson region moved down by 0.1 percentage point to 5.8 percent in July, 3.0 percentage points lower than year-ago levels.
- Despite the rate drop, employment actually declined in July, and the labor force level decreased by 0.8 percent over the month, the largest reduction recorded among major Michigan labor market areas.

### MONTHLY INDUSTRY DEVELOPMENTS

- Regional nonfarm payroll jobs in Jackson fell by 1,100 or 2.0 percent over the month, the second largest percent decline among all 14 metro areas in Michigan during July.
- The monthly job cut was concentrated in the *Service providing* sector (-1,000 or 2.3 percent).

### INDUSTRY TRENDS

- *Trade, transportation, and utilities* jobs in the Jackson metro area inched up by only 100 in July but rose by 300 or 2.4 percent since July 2019.

## LANSING-EAST LANSING METRO AREA

- In July, the jobless rate in the Lansing MSA inched down by 0.2 percentage points to 5.3 percent.
- Over the year, total workforce in the region moved up by 1,100 or 0.5 percent, the only Michigan metro area to record an increase.

### MONTHLY INDUSTRY DEVELOPMENTS

- Over the month, payroll jobs in the Lansing labor market declined by 1,500 or 0.7 percent, to 217,200. This reflected a seasonal job cut in local school districts, but private sector job levels were little changed in July.

### INDUSTRY TRENDS

- Regional jobs in the *Financial activities* sector edged up by 100 or 0.6 percent in July to 17,700, a new 10-year high for this industry.

## MONROE METROPOLITAN AREA

- The unemployment rate in the Monroe MSA rose considerably over the month by 0.7 percentage points to 6.9 percent, the only major Michigan labor market area to record a jobless rate increase during July.
- The number of area unemployed moved up by 500 in July to 5,000, which reflected layoffs in the auto industry in the surrounding region.

### MONTHLY INDUSTRY DEVELOPMENTS

- In July, total payroll jobs in the Monroe MSA decreased by 800 or 2.1 percent over the month, the largest percent decline among all Michigan metropolitan areas.

### INDUSTRY TRENDS

- Job reductions occurred in July in several major industry sectors including *Government* (-500) and *Professional and business services* (-300).

## KALAMAZOO-PORTAGE METRO AREA

- The Kalamazoo unemployment rate declined by 0.3 percentage points to 5.2 percent over the month, slightly above the statewide July jobless rate (5.0 percent).
- The total number of unemployed persons fell both over the month (-500) and over the year (-4,200) in Kalamazoo.

### MONTHLY INDUSTRY DEVELOPMENTS

- Kalamazoo nonfarm payroll job levels decreased by 2,100 or 1.5 percent in July to 140,400, a noticeably higher percent reduction than occurred in Michigan or nationally.
- Total jobs within the *Professional and business services* sector moved down slightly more than normal in July (-1,100).

### INDUSTRY TRENDS

- Typical seasonal declines were recorded in *Local government* (-1,500 or 12.6 percent) jobs during July, with the onset of the summer academic break in local schools.

## MIDLAND METROPOLITAN AREA

- The Midland MSA unemployment rate fell by 0.3 percentage points over the month to 4.6 percent in July.
- The area jobless rate is now similar to the pre-pandemic rate recorded in July 2019, but the number of employed in the region remains 800 below the level of two years ago.

### MONTHLY INDUSTRY DEVELOPMENTS

- Total payroll jobs in the Midland MSA moved down slightly by 200 or 0.5 percent since last month, to 36,300.
- Payroll jobs in the region also remain 800 below July 2019 pre-pandemic counts.

### INDUSTRY TRENDS

- The job drop in July reflected a typical seasonal decline in the *Government* sector, as local schools released non-teaching staff on short-term layoff during the summer academic break.

## MUSKEGON METROPOLITAN AREA

- Joblessness in the Muskegon MSA fell 0.2 percentage points to 7.7 percent but remained the highest unemployment rate among all Michigan metro areas.
- Workforce in the region declined by 2,600 or 3.3 percent over the year, well above the pace of labor force reduction statewide since July 2020 (-1.2 percent).

### MONTHLY INDUSTRY DEVELOPMENTS

- Total payroll jobs in the Muskegon metro area dropped by 800 or 1.3 percent to 59,000 in July.

### INDUSTRY TRENDS

- Regional jobs in the *Trade, transportation, and utilities* sector fell by 400 or 3.0 percent since last month and remained 4.4 percent below July 2019 pre-pandemic levels.



## CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	JACKSON			KALAMAZOO-PORTAGE			LANSING-EAST LANSING		
	JUL 2021	JUN 2021	JUL 2020	JUL 2021	JUN 2021	JUL 2020	JUL 2021	JUN 2021	JUL 2020
<b>PLACE OF RESIDENCE</b>									
Civilian Labor Force	71,600	72,200	72,900	164,600	164,700	166,400	237,500	237,000	236,400
Employed	67,400	68,000	66,500	156,000	155,600	153,700	224,900	224,000	219,000
Unemployed	4,100	4,300	6,500	8,600	9,100	12,800	12,600	13,100	17,500
Unemployment Rate	5.8	5.9	8.8	5.2	5.5	7.7	5.3	5.5	7.4
<b>PLACE OF WORK</b>									
Total Nonfarm Jobs	54,300	55,400	52,100	140,400	142,500	134,800	217,200	218,700	205,800
Mining, Logging, and Construction	2,300	2,300	2,100	7,200	7,000	6,700	9,700	9,700	8,700
Manufacturing	8,600	8,700	8,600	22,100	22,100	21,600	19,500	19,100	18,300
Trade, Transportation, and Utilities	12,700	12,600	11,900	26,200	26,400	25,100	34,400	34,600	31,900
Wholesale Trade	*	*	*	6,600	6,500	6,400	5,900	5,900	5,700
Retail Trade	6,500	6,500	6,400	14,900	15,300	14,500	20,200	20,300	19,400
Information	200	200	200	900	800	800	3,200	3,200	3,200
Financial Activities	2,200	2,200	2,100	7,900	7,800	7,800	17,700	17,600	17,300
Professional and Business Services	4,700	5,400	4,400	15,400	16,500	14,900	20,600	20,900	20,500
Educational and Health Services	9,900	10,100	9,400	24,600	24,800	23,900	30,000	30,500	29,600
Leisure and Hospitality	4,200	4,100	4,200	14,000	13,500	13,200	16,000	15,700	13,900
Other Services	2,200	2,200	2,100	4,800	4,700	4,600	9,200	9,200	8,600
Government	7,300	7,600	7,100	17,300	18,900	16,200	56,900	58,200	53,800
<b>MIDLAND</b>									
<b>MONROE</b>									
<b>MUSKEGON</b>									
	JUL 2021	JUN 2021	JUL 2020	JUL 2021	JUN 2021	JUL 2020	JUL 2021	JUN 2021	JUL 2020
<b>PLACE OF RESIDENCE</b>									
Civilian Labor Force	39,700	39,600	39,900	73,000	72,700	73,600	75,600	75,800	78,200
Employed	37,800	37,700	37,200	68,000	68,200	67,800	69,800	69,800	69,500
Unemployed	1,800	1,900	2,700	5,000	4,500	5,800	5,800	6,000	8,700
Unemployment Rate	4.6	4.9	6.8	6.9	6.2	7.9	7.7	7.9	11.1
<b>PLACE OF WORK</b>									
Total Nonfarm Jobs	36,300	36,500	34,700	37,500	38,300	37,100	59,000	59,800	57,800
Mining, Logging, and Construction	*	*	*	1,800	1,800	1,900	2,500	2,500	2,400
Manufacturing	*	*	*	5,400	5,400	5,300	12,000	11,900	11,600
Trade, Transportation, and Utilities	*	*	*	10,000	10,000	9,900	13,000	13,400	13,300
Wholesale Trade	*	*	*	1,600	1,600	1,500	*	*	*
Retail Trade	*	*	*	4,500	4,500	4,500	10,600	10,800	10,600
Information	*	*	*	*	*	*	200	200	200
Financial Activities	*	*	*	800	800	900	1,700	1,700	1,700
Professional and Business Services	*	*	*	4,900	5,200	4,500	2,900	3,100	2,900
Educational and Health Services	*	*	*	4,400	4,400	4,300	10,800	10,800	10,400
Leisure and Hospitality	*	*	*	4,300	4,200	4,000	7,700	7,400	7,100
Other Services	*	*	*	1,300	1,400	1,400	2,100	2,000	2,000
Government	2,600	3,000	2,500	4,300	4,800	4,600	6,100	6,800	6,200

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

- The unemployment rate in the Niles-Benton Harbor MSA edged down by 0.2 percentage points to 5.6 percent in July.
- The number of unemployed persons in the region declined by 200 (-4.8 percent) over the month and 2,400 (-37.5 percent) over the year.

### MONTHLY INDUSTRY DEVELOPMENTS

- Over the month, total nonfarm payroll jobs in the Niles-Benton Harbor metro area moved down by 800 or 1.3 percent to 59,600.
- Total jobs in the *Manufacturing* sector stayed relatively unchanged in July and consequently remained 5.4 percent (-700) lower than February 2020 pre-pandemic levels.

### INDUSTRY TRENDS

- Although total payroll jobs were up over the year (+1,900 or 3.3 percent), nonfarm employment still dropped 6.7 percent (-4,300) below July 2019 levels.

## SAGINAW METROPOLITAN AREA

- The July unemployment rate in the Saginaw labor market moved down by 0.2 percentage points to 6.8 percent, significantly higher than the statewide rate (5.0 percent).
- Total labor force in Saginaw displayed a similar trend as the state over the last year, down by 1.1 percent. Employment growth since July 2020 has been more modest locally than the statewide trend, up by only 1.6 percent.

### MONTHLY INDUSTRY DEVELOPMENTS

- Nonfarm jobs in the Saginaw metro area declined in July by 1,300 (-1.6 percent), to 80,700.
- Only two major industry sectors recorded slight job gains this month, including *Professional and business services* and *Leisure and hospitality*, both up by 100 jobs.

### INDUSTRY TRENDS

- Most of the regional job cuts in July in Saginaw were seasonal reductions in *Local government*, reflecting temporary layoffs at local school districts with the onset of the academic summer break.

## CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	NILES-BENTON HARBOR			SAGINAW					
	JUL 2021	JUN 2021	JUL 2020	JUL 2021	JUN 2021	JUL 2020			
<b>PLACE OF RESIDENCE</b>									
Civilian Labor Force	72,300	72,600	74,200	83,700	83,900	84,600			
Employed	68,300	68,500	67,800	78,000	78,000	76,800			
Unemployed	4,000	4,200	6,400	5,700	5,900	7,800			
Unemployment Rate	5.6	5.8	8.7	6.8	7.0	9.2			
<b>PLACE OF WORK</b>									
Total Nonfarm Jobs	59,600	60,400	57,700	80,700	82,000	77,800			
Mining, Logging, and Construction	2,500	2,400	2,100	3,300	3,300	3,200			
Manufacturing	12,200	12,300	11,900	10,900	11,000	10,900			
Trade, Transportation, and Utilities	10,100	10,100	10,400	16,300	16,600	15,300			
Wholesale Trade	*	*	*	1,800	1,900	1,900			
Retail Trade	6,700	6,500	6,800	11,800	12,000	10,700			
Information	400	400	400	1,000	1,000	1,000			
Financial Activities	2,600	2,600	2,500	3,700	3,700	3,700			
Professional and Business Services	4,900	5,400	4,900	10,400	10,300	9,700			
Educational and Health Services	9,400	9,500	9,200	15,200	15,300	15,200			
Leisure and Hospitality	7,500	7,400	6,700	7,700	7,600	6,900			
Other Services	2,200	2,100	2,000	2,600	2,700	2,600			
Government	7,800	8,200	7,600	9,600	10,500	9,300			
<b>UPPER PENINSULA</b>									
	JUL 2021	JUN 2021	JUL 2020	<b>NORTHEAST MICHIGAN</b>					
				JUL 2021	JUN 2021	JUL 2020	<b>NORTHWEST MICHIGAN</b>		
				JUL 2021	JUN 2021	JUL 2020	JUL 2021	JUN 2021	JUL 2020
<b>PLACE OF RESIDENCE</b>									
Civilian Labor Force	136,700	134,700	135,500	83,700	82,400	83,700	154,400	149,800	154,400
Employed	129,800	127,300	125,600	78,500	76,900	76,400	146,700	141,500	142,500
Unemployed	6,900	7,300	9,900	5,200	5,500	7,300	7,700	8,200	11,900
Unemployment Rate	5.1	5.4	7.3	6.2	6.7	8.7	5.0	5.5	7.7

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

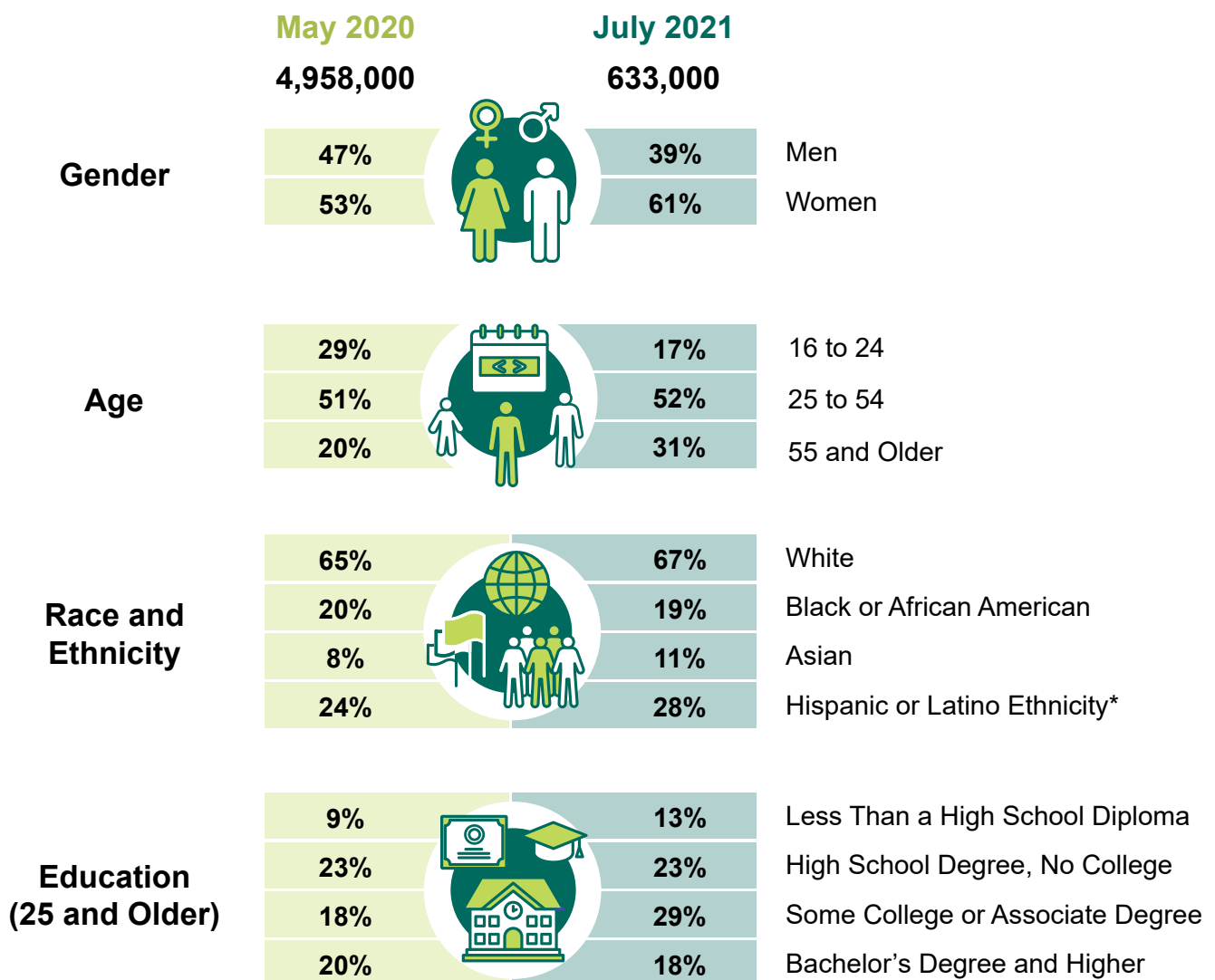
INFOGRAPHIC OF THE MONTH:

# PEOPLE IN THE U.S. WHO DID NOT LOOK FOR WORK DUE TO COVID-19

In 2020, the U.S. Census Bureau recognized the need to understand the effects of the COVID-19 pandemic on the labor force. To do so, the bureau added five supplemental questions to its monthly Current Population Survey. One of these questions asked if a person was prevented from looking for work in the previous four weeks due to the pandemic. The first month of responses in May 2020 showed nearly 5 million people wanted to work but were not in the labor force due to the pandemic. While this number has dropped substantially, as of July 2021 there are still over 600,000 people that indicated they wanted a job but are not looking for work due to the virus.

Learn more about the Current Population Survey and its supplemental questions measuring the effects of the COVID-19 pandemic in the *Data Spotlight* on page 26.

## Number of people in the U.S. not in the labor force who wanted a job but did not look for work in the last four weeks because of the pandemic



Source: Current Population Survey, U.S. Census Bureau

\*Ethnicity determines whether a person is of Hispanic or Latino origin or not. Hispanics and Latinos may report as any race.



# THE IMPACT OF COVID-19 ON MICHIGAN'S LABOR MARKET

Prior to the COVID-19 pandemic, Michigan's economy was in its longest recovery since the Great Recession. The pandemic resulted in the largest single-month unemployment spike in recorded history, quickly demonstrating the negative effects across Michigan's economy. At the peak of the pandemic (April 2020), over one million jobs in Michigan were lost within a single month. Not surprisingly, as the pandemic swept across the state, other socioeconomic inequities worsened.

The loss of employment opportunities was dramatically felt by women, people of color, individuals with less education, and those in lower-paying industries. Female-dominated industries were heavily interrupted by COVID-19, resulting in an unusually higher jobless rate among women versus men. Compared to pre-pandemic unemployment rates, jobless rates were over two times greater for people of color. For individuals with less

educational attainment, unemployment rates were higher and more volatile than those with bachelor's degrees and above.

Despite marked improvement since the peak of the pandemic, Michigan's labor force has not returned to pre-pandemic levels. This is especially felt by the groups most disproportionately affected by COVID-19. As Michigan continues its recovery, it is important to understand the toll the pandemic has taken on the labor market as a whole, the affected groups, and the state of the job market.

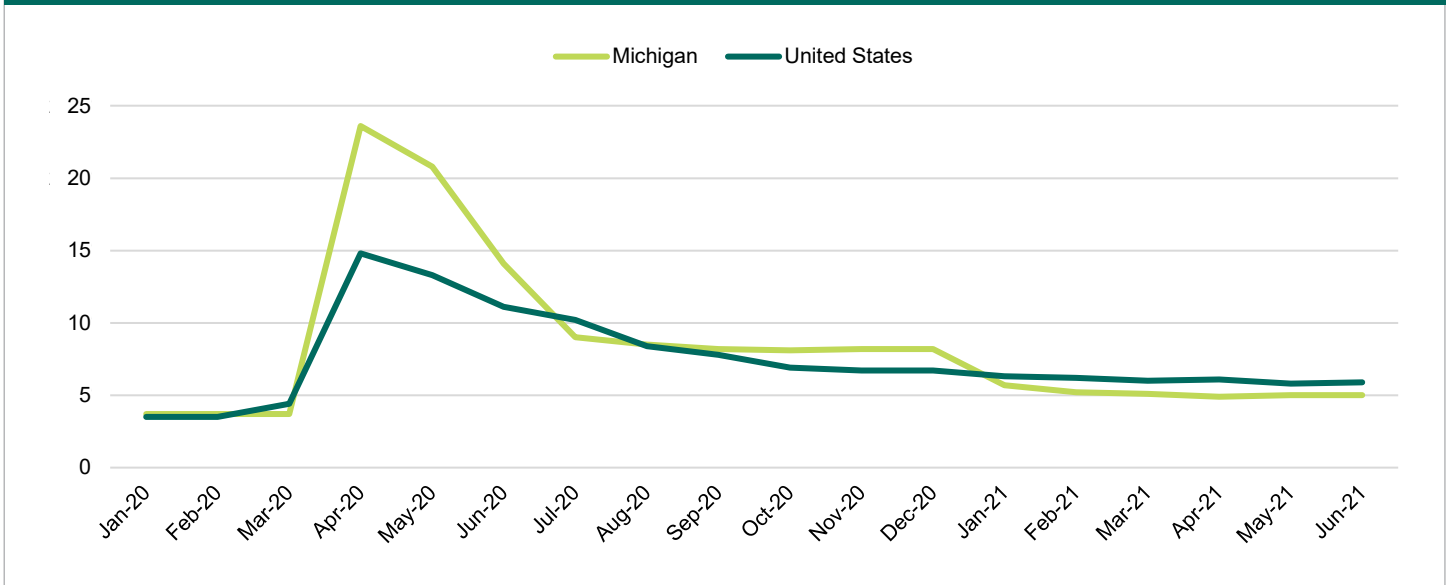
## Michigan Labor Market

Prior to the COVID-19 pandemic, Michigan's economy was on the rise by most measures, and experienced its longest economic recovery with payroll job gains and consistently lowering unemployment. Within a month of the pandemic, Michigan's economic landscape quickly took a turn for the worse. At the beginning of

the pandemic (February 2020), Michigan's unemployment rate of 3.7 percent was comparable to the U.S. rate of 3.5 percent. By April, Michigan's jobless rate surged to 23.6 percent, well past the national rate of 14.8 percent. This represented the largest single-month unemployment spike in recorded history. The unemployment rate in Michigan quickly dropped to 9.0 percent by July 2020, and has maintained a steady decline since. Although it has not returned to the pre-pandemic rate, it was just below the U.S. rate in July 2021. While drastic shifts in the unemployment rate provide a snapshot of economic hardship across the state amid the pandemic, the unemployment rate only indicates the percent of the labor force that is jobless but actively seeking work. The unemployment rate does not capture the number of individuals who have left the labor force entirely.



**FIGURE 1: MICHIGAN AND U.S. UNEMPLOYMENT RATES, JAN 2020–JUN 2021 (PERCENT)**



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

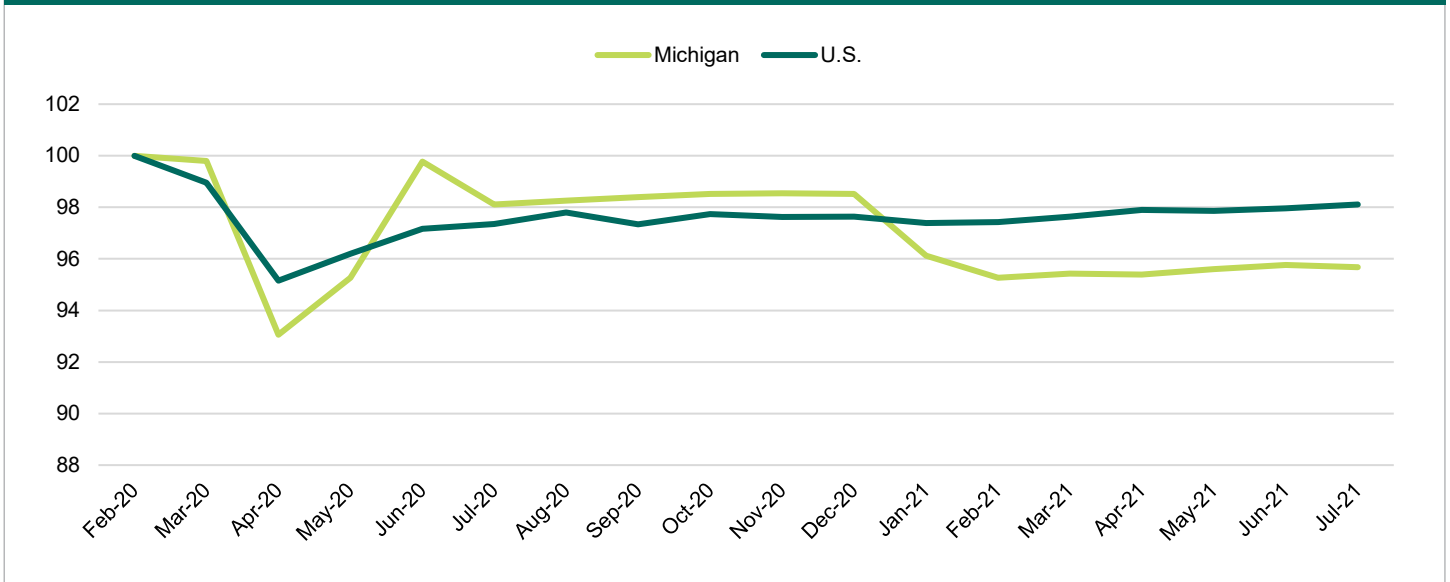
The Michigan labor force has not returned to pre-pandemic levels despite significant improvement since the beginning of the pandemic. The labor force is the sum of all Michigan residents who are employed and unemployed. To be considered part of the labor force, unemployed individuals must have no earnings due to a job, be actively searching for work, and to be available to accept a job if offered. By April 2020, Michigan ranked 48th nationally in percent of labor force lost since

February 2020. Only two states, North Carolina and Massachusetts, experienced larger declines.

From February 2020 to April 2020, Michigan lost 340,000 labor force participants. This means the state registered a 6.9 percent drop in individuals who did not currently have work and were not looking for new work. Since the peak of the pandemic, Michigan's labor force recovered slightly better than the nation. At the

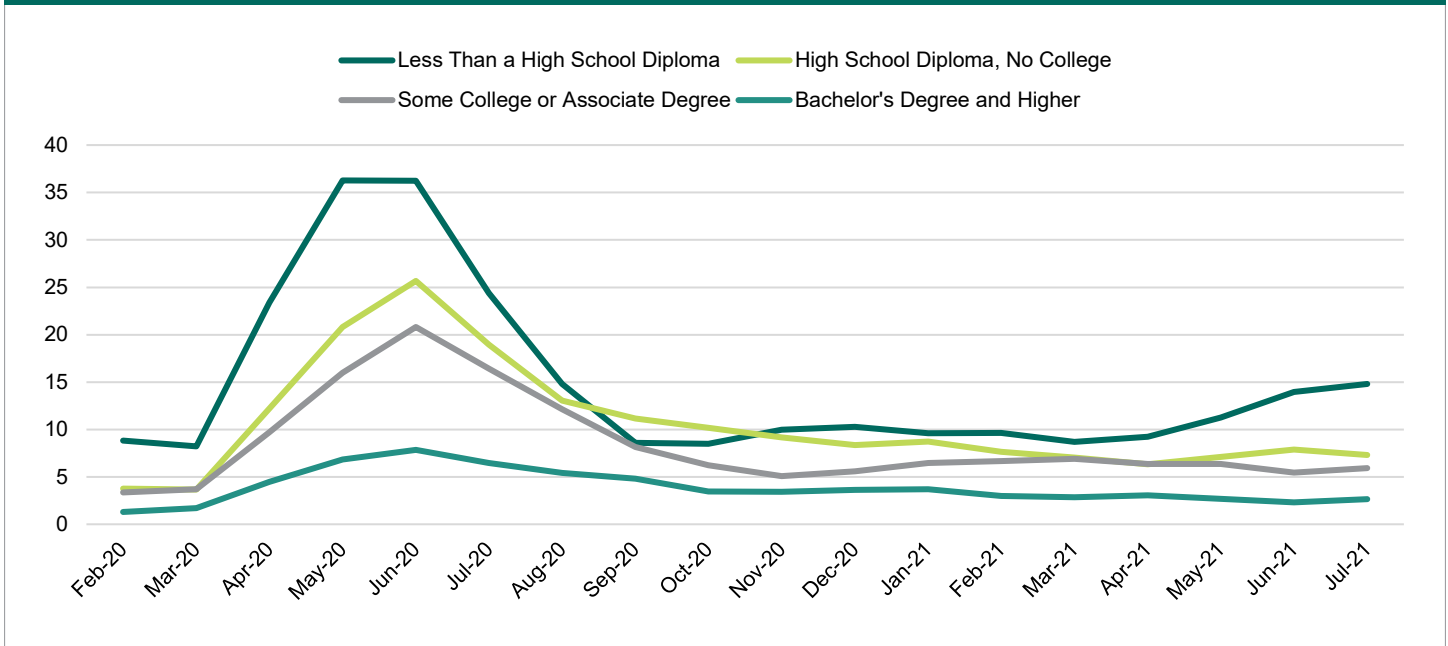
start of 2021, Michigan's labor force experienced another decline and since then its recovery has been below national levels. From February 2020 to July 2021, Michigan's labor force gradually rebounded but remained at a loss of approximately 213,000 participants. This equates to a remaining deficit of 4.3 percent of individuals that were participating in the labor force prior to the pandemic. Nationally, the total labor force is at approximately 98 percent of its February 2020 level, or a remaining loss of 1.9 percent.

**FIGURE 2: MICHIGAN AND U.S. LABOR FORCE INDEXES, FEB 2020–JUL 2021**



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

**FIGURE 3: MICHIGAN UNEMPLOYMENT RATES BY EDUCATION, FEB 2020–JUL 2021 (PERCENT)**



Source: Current Population Survey, Three-Month Moving Averages; U.S. Census Bureau

### Disproportionately Affected Groups

The pace and rate of unemployment trends across various demographic groups clearly illustrate that the impacts of COVID-19 on unemployment were not evenly felt. Stark differences were apparent when comparing unemployment rates by education, race and ethnicity, and gender. Those with less educational attainment, people of color, and women were all disproportionately impacted by job loss throughout the pandemic.

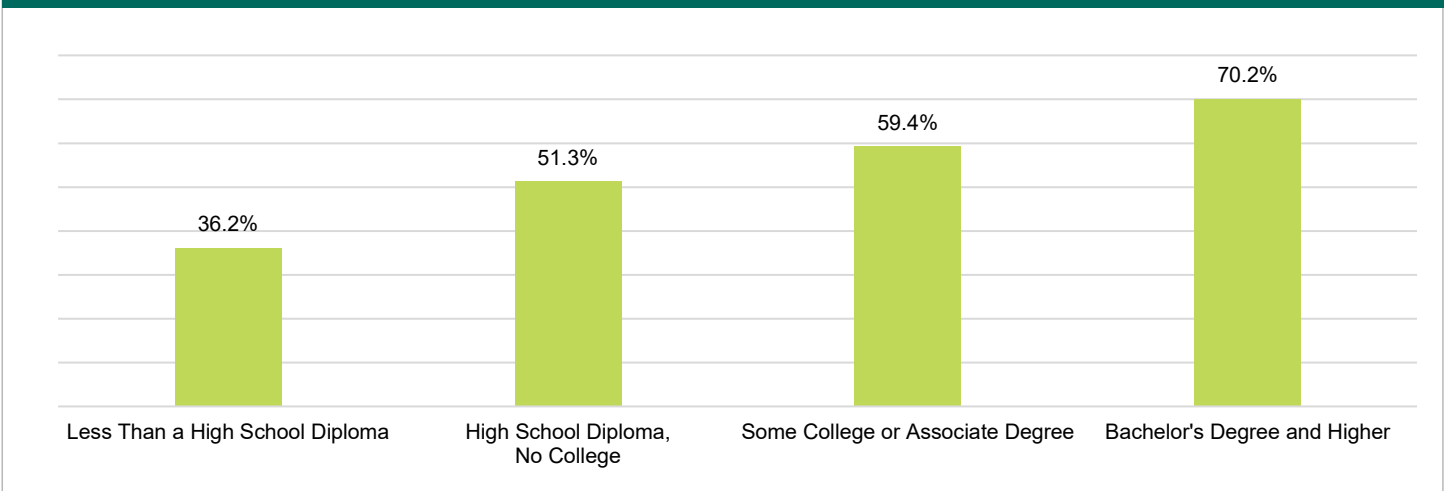
### EDUCATIONAL ATTAINMENT

In the year leading up to the pandemic, jobless rates in Michigan were dropping across all education categories. In the three-month period ending in February 2020, just before COVID-19 infections began to take place, the jobless rate for those with less than a high school degree was 8.8 percent, and among those with a high school degree the unemployment rate was 3.8 percent. Rates were even lower among groups with additional training and education. For example, the unemployment rate among

those with an associate degree was 3.4 percent and just 1.3 percent for those with a bachelor's degree and above.

As the pandemic progressed, unemployment rates went up across all education levels, but individuals with lower levels of educational attainment experienced the most disproportionate rate gains. During peak jobless rates, 28.4 percentage points separated those with less than a high school degree and those with a bachelor's degree and above. Prior to the pandemic, this was a difference of

**FIGURE 4: MICHIGAN LABOR FORCE PARTICIPATION RATES BY EDUCATION, AUG 2020–JUL 2021**



Source: Current Population Survey, 12-Month DEMECON, August 2020–July 2021, U.S. Census Bureau



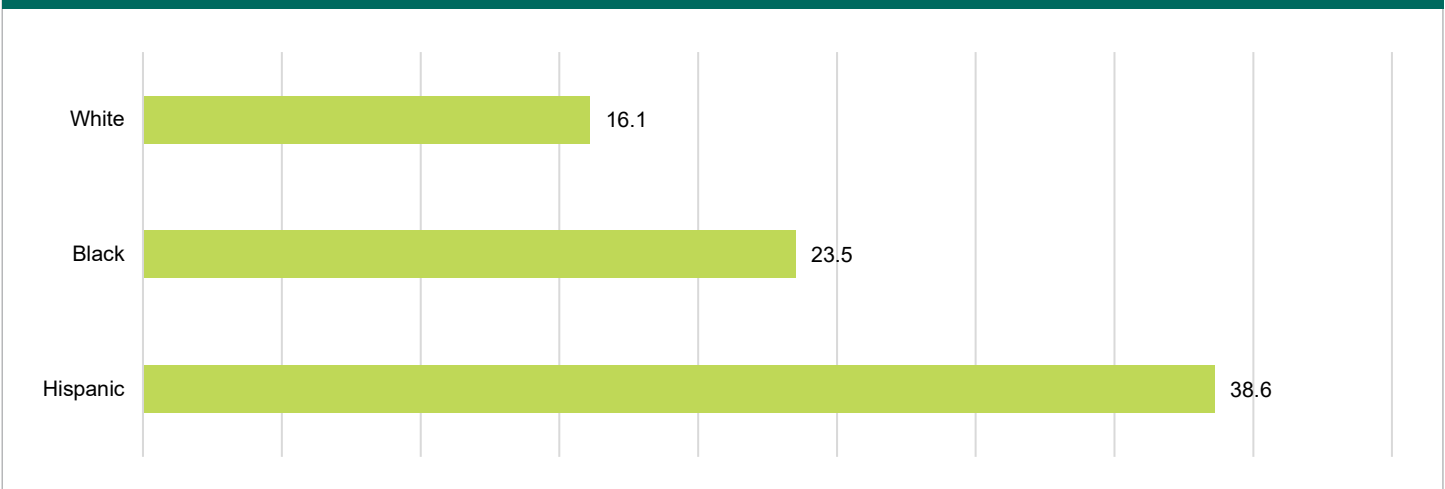
7.5 percentage points. Between February 2020 and July 2021, jobless rates among individuals with higher levels of educational attainment had been less volatile. By July 2021, the jobless rate remained high among those with a high school degree or less but nearly returned to pre-pandemic rates for those with a college degree. Thus, the difference of 12.2 percentage points between those with less than a high school degree and those with a bachelor's degree or higher remained elevated from pre-pandemic times.

Like the unemployment rate, labor force participation numbers improved with increased education. The pandemic impacted the labor force at every level of education, and participation rates have not returned to pre-pandemic levels. However, participation rates among those with a bachelor's degree and above have remained above 70 percent while all other education levels have not reached such rates.

#### RACE AND ETHNICITY

The effects felt by the COVID-19 pandemic follow other socioeconomic inequities, with people of color disproportionately impacted. Leading up to the pandemic, white individuals had an unemployment rate of 3.1 percent, lower than Black or African American individuals at 6.9 percent. During the first year of the pandemic, unemployment rates were pushed to 17.7 percent for Black or African American individuals compared to

**FIGURE 5: AVERAGE UNEMPLOYMENT DURATION IN MICHIGAN, AUG 2020–JUL 2021 (IN WEEKS)**



Source: Current Population Survey, 12-Month DEMCON, August 2020–July 2021, U.S. Census Bureau

8.7 percent for white individuals. Hispanic groups had an unemployment rate of 3.9 percent prior to COVID-19. Their rates were also disproportionately impacted during the first year as they reached a rate of 12.7 percent. Rates remained elevated by the year ending July 2021, as people of color observed jobless rates over two times greater than pre-pandemic rates.

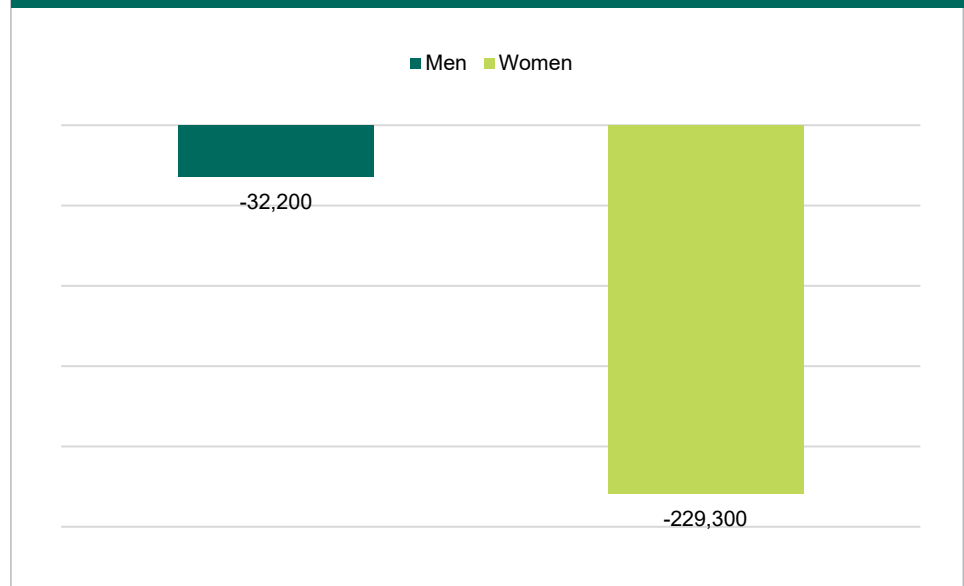
In addition to higher unemployment rates, people of color remain jobless for longer durations than white individuals, on average (see Figure 5). Black or African Americans remain unemployed for approximately 7.4 more weeks, nearly two months, than white individuals. This gap is even larger for Hispanics, averaging 22.5 more weeks than those who identified as only white. These unemployment gaps across racial and ethnic groups suggest inequities within labor opportunities.

As with the educational breakdown, each race and ethnicity has experienced overall loss in their labor force participation rates between 12 months ending February 2020 and 12 months ending July 2021. The participation rate declined for white individuals from 63.4 percent in the year ending February 2020 to 60.6 percent in the year ending July 2021, a reduction of 2.8 percentage points. Black or African American individuals had the lowest sustained loss between the two time periods, however, they started off with the lowest participation rate. Their labor force participation went from 59.5 percent to 58.8 percent, a 0.7 percentage point loss. The largest impact was seen for Hispanic individuals as their participation rate endured a 6-percentage point decline by year ending July 2021.

## WOMEN

The pandemic pushed jobless rates up dramatically in Michigan among both men and women. In the three months from December 2019 to February 2020, men averaged an unemployment rate of 4.1 percent and the rate for women averaged 2.4 percent. This reflected historical trends that show men have had higher rates of unemployment, partly due to working a higher share of jobs in cyclical industries like *Construction* and *Manufacturing*. However, the female jobless rate of 19.5 percent during the three months ending in June 2020 outpaced the male rate of 18.0 percent. This is in stark contrast to pre-pandemic times due to COVID-19 disturbing industries such as *Educational services*, *Healthcare*

**FIGURE 6: MICHIGAN AVERAGE LABOR FORCE CHANGE BY GENDER, FEB 2020–JUL 2021**



Sources: Local Area Unemployment Statistics, Bureau of Labor Market Information and Strategic Initiatives, Department of Technology, Management & Budget; Current Population Survey, Three-Month Moving Averages, U.S. Census Bureau

and social assistance, and Accommodation and food services, all of which are female-dominated. Over the course of the pandemic, unemployment rates for both men and women gradually declined but remain slightly elevated from pre-pandemic rates. However, the unemployment rate does not capture the number of women who have left the labor force entirely.

The COVID-19 pandemic disproportionately affected female labor force participation compared to males. Early in the pandemic, each group experienced a sharp labor force reduction. Overall, between February 2020 and July 2021, the male labor force declined by 1.3 percent (-32,200) and the female labor force plunged over seven times as much at 9.9 percent (-229,300). Labor force reductions were likely due to a variety of factors, including increased responsibilities at home (especially for individuals with children), difficulty finding work due to the pandemic, childcare and eldercare responsibilities, personal illness, and the fear of the impact of the pandemic in the workplace.

## Job Market

### PAYROLL JOBS

One of the immediate impacts of the pandemic was the unprecedented reduction of over one million jobs in Michigan in a single month (April 2020). This job cut reflected

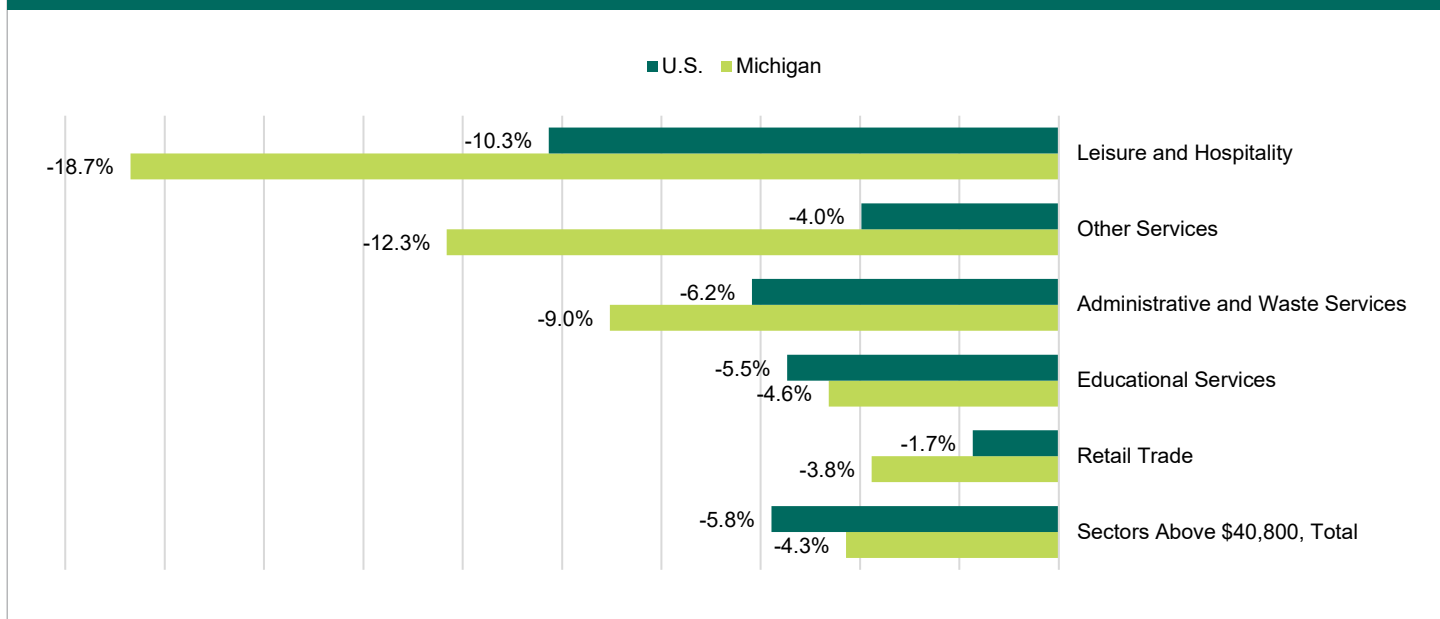
temporary pandemic-related layoffs across many industry sectors in Michigan, along with many permanent job losses. It is important to understand the relative impact of job reductions on different industry sectors in Michigan, as that helps to explain the overall economic impact of the pandemic.

Total payroll jobs in Michigan held a base of roughly 4.5 million in the months prior to the pandemic. By April 2020, payroll jobs in Michigan fell by nearly a quarter, representing a 23.7 percent reduction and over 1 million fewer jobs across the state. This marked the largest numeric and percentage monthly drop in payroll jobs in Michigan's recorded history. Though total nonfarm jobs have improved over the course of the past 18 months, Michigan's overall job count remained 6.4 percent lower in July 2021 compared to its February 2020 level. Nationally, total payroll jobs are down by 3.7 percent since February 2020.

While payroll jobs have suffered overall, the impact on one sector is of specific notice. *Leisure and hospitality* jobs were among the largest affected in the initial stages of the pandemic. Michigan holds a sizable number of jobs in this sector, registering at 435,500 in February 2020. Michigan lost 242,000 jobs in this sector between February and April 2020, over half its base, just as businesses in Michigan would typically increase hiring to prepare for the summer season. As of July



**FIGURE 7: PERCENT CHANGE IN JOBS, MICHIGAN AND THE U.S., FEB 2020–JUL 2021**



Source: Seasonally Adjusted Current Employment Statistics, U.S. Bureau of Labor Statistics

2021, this sector remained at a loss of 81,400 jobs, or 18.7 percent.

### LOWER-WAGE INDUSTRIES

The disproportionate loss of workers in lower-paying industries also demonstrates the economic impact of the pandemic in Michigan. Roughly 148,000 of the 252,000 jobs lost in Michigan between February 2020 and July 2021 were in sectors with average annual wages of \$40,800 or lower. Overall, these sectors have lost 10.4 percent of jobs over the past 18 months compared to a loss of 4.3 percent overall in sectors with annual wages above this level. Nationally, lower-paying sectors have fared better than in Michigan, with a decline of 5.9 percent during the same time period. Sectors paying above this wage level lost 5.8 percent of jobs nationally, slightly higher than the loss in Michigan.

### JOB ADVERTISEMENTS

In the months leading up to the pandemic, total online job advertisements in Michigan had hovered near 145,000 per month. By April 2020, total advertisements noticeably dropped before reaching an all-time low of 99,000 in May 2020. Over the course of 2020, job advertisements began to steadily increase as the economy improved. After Michigan recovered from a severe second and third wave of the COVID-19 pandemic, online job postings grew significantly. Total job advertisements

reached multiple records before hitting the highest point currently recorded of 237,000 in May 2021. Over the course of just one year, advertisements more than doubled since May 2020. This is important as the Michigan economy attempts to recover the labor force participants lost over the past 18 months.

Overall job advertisements decreased by over 25 percent for each education level between February and April 2020. However, by July 2021, each level of education had more postings available than the months leading up to the pandemic. The most significant improvements were within advertisements specifying a need for a high school diploma or associate degree with 78 percent and 77 percent more job postings than in February 2020, respectively. Less compelling, but still notable, was the improvement of 31 percent more advertisements for jobs requiring a bachelor's degree and above since February 2020. The high growth in advertisements for those with lower levels of education was not unexpected. As discussed earlier, these individuals experienced higher levels of unemployment early in the pandemic as opposed to those with higher levels of education.

### Conclusion

The impact of the COVID-19 pandemic on Michigan's economy is unparalleled and has not been evenly endured across demographic groups. Michigan's labor market has seen

marked improvement since last spring but has not yet returned to pre-pandemic employment levels. Labor force levels in Michigan recovered to just below pre-pandemic levels by June 2020, however, this was followed by significant decreases in the labor force at the beginning of 2021 before slowly recovering again.

Multiple groups have been disproportionately affected by the pandemic and the state's recovery. Some of the gaps in the recovery can be understood by the nature of work. However, many discrepancies remain unexplained by data. Regardless of reasoning, educational attainment and training remains critical in improving the well-being of Michigan residents. Beyond this, the pandemic shed light on pre-existing disparities within labor market opportunities for certain demographic groups. Due to the unexpected burden on Michigan's labor market, the solutions to recovery from COVID-19 will have to be equally extraordinary.

**TRISHA SCHLEGEL**  
Economic Analyst

# JOB ADS SLIGHTLY DECLINE OVER THE MONTH

There were 226,329 total job advertisements available in July. This was down 2.0 percent from the 230,977 job postings in June. Despite the slight drop off in total ads, this was still up 59.8 percent from July 2020 (141,664 ads). New advertisements, meaning online ads that were new posts in the specified month, were down over the month but up over the year as well. July 2021 had 73,096 new postings which was down 8.6 percent from June 2021, and up 9.4 percent from July 2020.

## Supply/Demand Rate Improves

The supply/demand rate for July was 1.06. This represents approximately 106 unemployed individuals for every 100 open job advertisements. Although total job ads decreased slightly over the month, the number of unemployed individuals dropped by 10,000 which in turn, allowed the supply/demand rate to edge down slightly since June. Reflecting on July 2020, Michigan had a rate of 3.28 as unemployment numbers remained high and job ads remained low. This has been a dramatic change in just one year.

## Minimum Education Requirements

Total postings varied for each level of education in July. A high school degree or equivalent was specified in most advertisements for the month

(68,931 ads). Examples of occupations that fell within this education category were *Retail salespersons*, *Customer service representatives*, and *Nursing assistants*. The next highest volume of ads specified a minimum need for a bachelor's degree (44,550 ads). Examples of occupations that fit this requirement were *Registered nurses*, *Software developers*, and *Computer occupations, all other*.

Total ads were significantly lower for those with an associate degree (10,888 ads) and master's degree and above (6,286 ads). Occupations listing a minimum of an associate degree can overlap with both high school degree occupations and bachelor's degree occupations. The most posted occupations with this level of education in July were *Registered nurses*; *Customer service representatives*; and *Preschool teachers, except special education*. With master's and above occupations, there can also be some overlap with occupations needing at least a bachelor's degree. The top occupations for July were *Computer occupations, all other*; *Software developers*; and *Medical and health services managers*.

## Impact of COVID-19 on Industry Advertisements

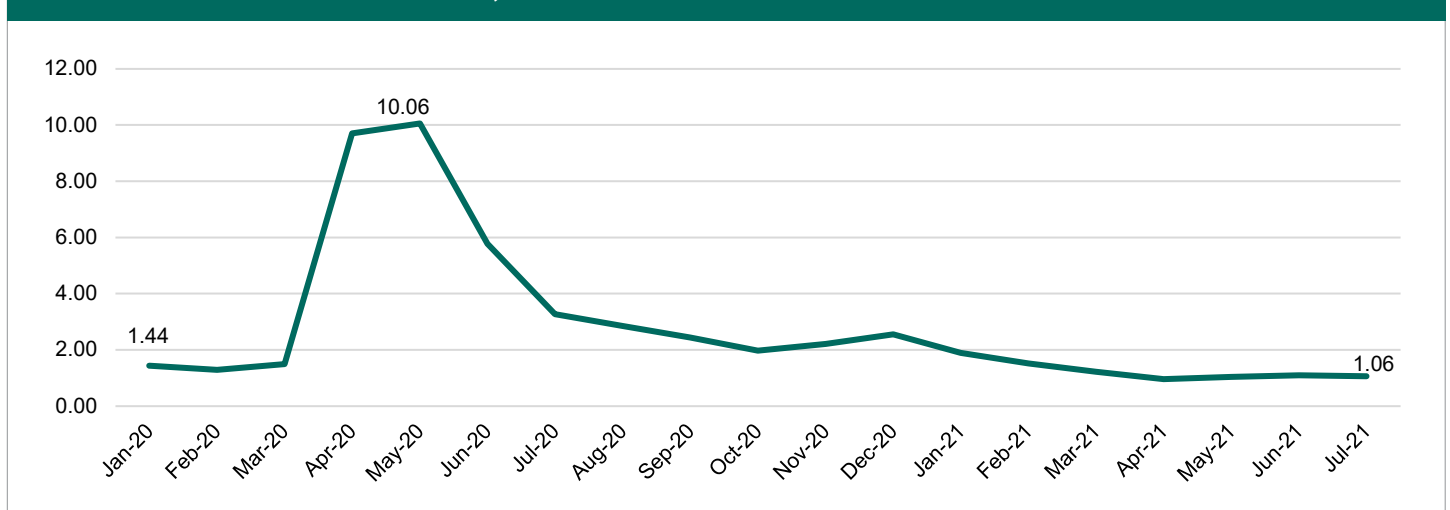
As explained in the feature article, the COVID-19 pandemic has had implications on the online job postings in Michigan. One of the ways to

determine this is through industry impact. Each industry experienced a loss in job advertisement volume between February 2020 and April 2020. The largest percent losses were in *Management of companies and enterprises* (-42 percent); *Real estate and rental and leasing* (-37 percent); and *Arts, entertainment, and recreation* (-36 percent). Since then, as advertisements have expanded significantly, each industry had seen remarkable growth by July 2021.

The largest percent increases since the beginning of the pandemic, February 2020, are within *Mining, quarrying, and oil and gas extraction* (+135 percent); *Public administration* (+112 percent); and *Transportation and warehousing* (+105 percent). Since the largest percentage increases are seen within smaller overall industries, it does not capture the numerical volume in larger industries. Numerically speaking, the greatest growth in job ads was in *Healthcare and social assistance* (+14,000 ads); *Accommodation and food services* (+7,000 ads); and *Manufacturing* (+7,000 ads). Each of these three industries were disproportionately affected in the beginning stages of the pandemic. The growth in open jobs for all industries is important as Michigan navigates its return to a normal workforce.

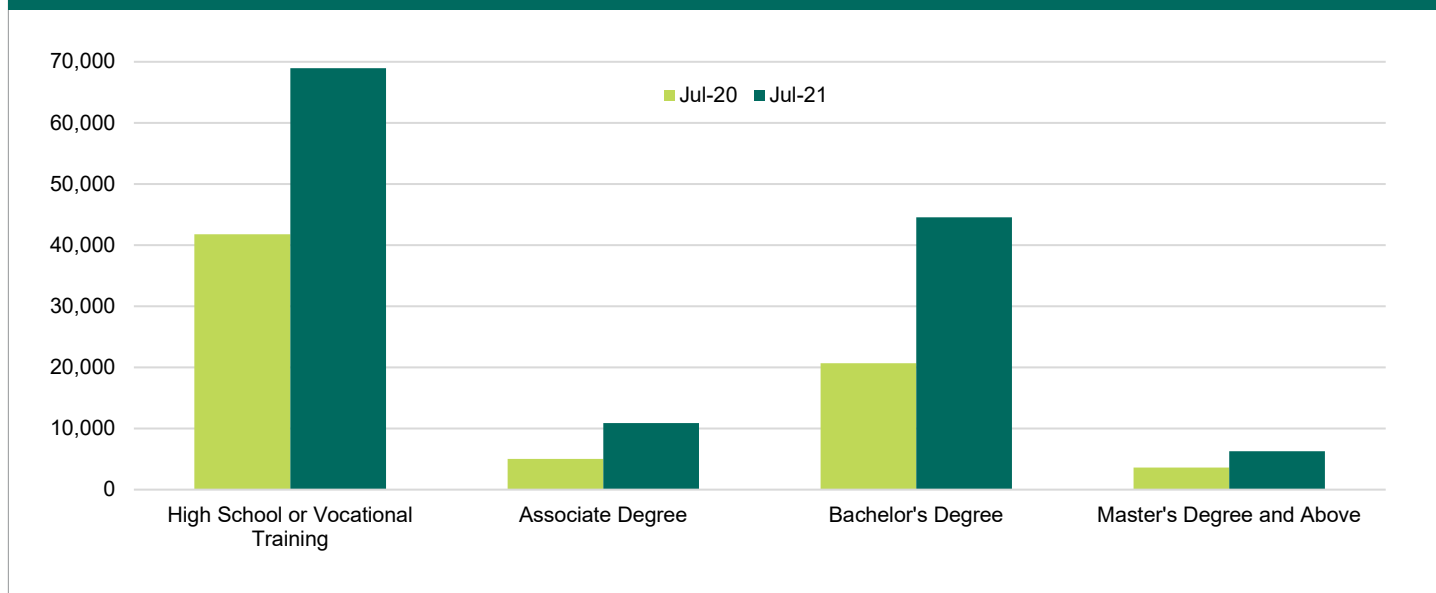
**TRISHA SCHLEGEL**  
Economic Analyst

MICHIGAN SUPPLY/DEMAND RATE, JAN 2020–JUL 2021



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

## JOB ADS IN MICHIGAN BY EDUCATIONAL ATTAINMENT



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

## CHANGE IN MICHIGAN JOB ADS BY INDUSTRY, FEB 2020–JUL 2021

INDUSTRY	NUMERIC	PERCENT
Health Care and Social Assistance	14,486	55.4%
Accommodation and Food Services	7,050	61.8%
Manufacturing	7,023	52.0%
Retail Trade	6,734	39.0%
Transportation and Warehousing	3,561	104.9%
Administrative and Support and Waste Management and Remediation Services	3,263	70.7%
Educational Services	3,076	48.4%
Professional, Scientific, and Technical Services	3,026	32.6%
Finance and Insurance	2,528	30.5%
Public Administration	2,278	112.2%
Real Estate and Rental and Leasing	2,080	92.6%
Information	2,024	90.4%
Other Services (except Public Administration)	1,358	54.3%
Construction	1,224	82.4%
Arts, Entertainment, and Recreation	701	51.5%
Utilities	599	89.4%
Wholesale Trade	487	57.0%
Mining, Quarrying, and Oil and Gas Extraction	213	134.8%
Management of Companies and Enterprises	183	44.3%
Agriculture, Forestry, Fishing and Hunting	87	28.4%

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

# RELEVANT RANKINGS

## CHANGE IN JOB ADVERTISEMENTS OVER THE YEAR BY MICHIGAN PROSPERITY REGION

RANK	REGION	JULY 2020 ADS	JULY 2021 ADS	PERCENT CHANGE
1	South Central	7,044	13,902	97.4%
2	Southwest	8,535	15,495	81.5%
3	West Michigan	20,880	36,145	73.1%
4	Southeast	14,722	24,070	63.5%
5	East Central	4,100	6,511	58.8%
6	Northwest	2,515	3,846	52.9%
7	Detroit Metro	72,458	109,406	51.0%
8	Upper Peninsula	2,548	3,677	44.3%
9	Northeast	1,435	1,975	37.6%
10	East Michigan	6,707	9,133	36.2%

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



**PERCENT CHANGE IN LABOR FORCE BY STATE, FEBRUARY 2020–JULY 2021** (SEASONALLY ADJUSTED)

RANK	STATE	CHANGE
1	Oregon	3.0%
2	Utah	1.9%
3	South Dakota	1.6%
4	South Carolina	1.6%
5	Idaho	1.4%
6	Arizona	1.3%
7	Colorado	1.3%
8	Kansas	1.1%
9	Wisconsin	0.9%
10	Oklahoma	0.9%
40	Louisiana	-3.8%
41	Hawaii	-3.9%
42	Iowa	-3.9%
43	Michigan	-4.3%
44	Rhode Island	-4.6%
45	Virginia	-4.7%
46	Kentucky	-4.7%
47	Maryland	-4.9%
48	Ohio	-5.0%
49	Connecticut	-5.7%
50	Vermont	-7.8%

Source: Local Area Unemployment Statistics, U.S. Bureau of Labor Statistics

# CURRENT POPULATION SURVEY: SUPPLEMENTAL QUESTIONS MEASURING THE EFFECTS OF THE COVID-19 PANDEMIC

The Current Population Survey (CPS) is a nationwide monthly survey of households conducted by the Census Bureau for the Bureau of Labor Statistics (BLS). While providing a comprehensive body of monthly data on the labor force, unemployment, hours of work, earnings, and other demographic and labor force characteristics, it also asks different sets of supplemental questions to provide data and answers around specific events or research.

The BLS added five new questions to the CPS in May 2020 to gauge the effects of the pandemic on the labor market. Two of these questions specifically focused on people's ability to work or search for work in the previous four weeks:

1. At any time in the LAST 4 WEEKS, were you unable to work because your EMPLOYER CLOSED OR LOST BUSINESS due to the coronavirus pandemic?
2. Did the coronavirus pandemic prevent you from looking for work in the LAST 4 WEEKS?

The answers to these survey questions throughout the past year help to measure how the COVID-19 pandemic has impacted the nation's workforce. Other questions asked about how the pandemic impacted telework, pay status, and

medical care. Data can be obtained from these survey questions for the nation and for states.

## National Response

In the beginning of the pandemic, there were nearly 50 million people in the U.S. labor force that indicated that they had been unable to work at some point in the previous four weeks due to their employer closing or losing business. This number declined quickly through the summer of 2020 and has continued to trend downward since then, to just over 5 million people in July 2021.

Response to this question has been similar for men and women throughout the pandemic, although in the early months, women were slightly more likely than men to be unable to work at some point in the previous four weeks. In each month since February 2021, more men than women have indicated that they were prevented from working due to the pandemic.

Survey responses indicated that 40.8 percent of people employed in the *Leisure and hospitality* industry were impacted in May of 2020, the most of any industry. In contrast, only 11.2 percent of employees in the *Financial activities* industry indicated a pandemic impact on their employer.

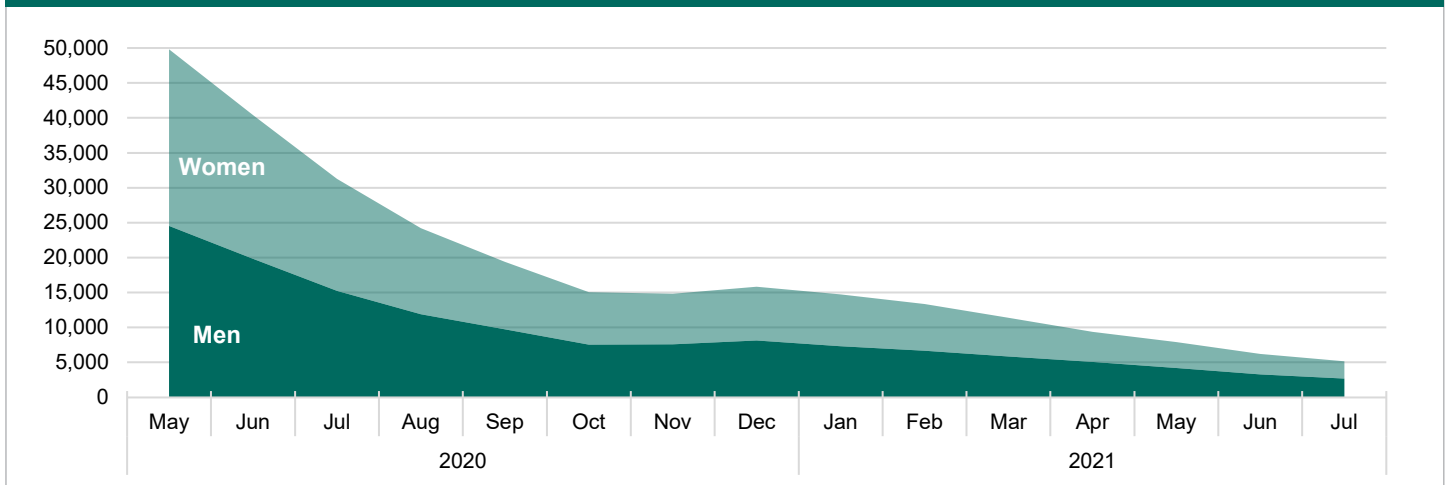
In the most recent month of July 2021, the *Arts, entertainment, recreation* (5.2 percent), *Administrative services* (3.6 percent), and *Other services* (3.5 percent) sectors led the way with the highest shares of workers impacted by closings due to the pandemic.

There were nearly 10 million people who had not looked for work in the previous four weeks due to the coronavirus in May 2020. Roughly half (4.96 million) of them wanted a job while the rest did not. As of July 2021, this total had dropped substantially to 1.58 million people not in the labor force due to the pandemic with 630,000 of those indicating that they wanted a job. Some of the characteristics of the 630,000 people in the U.S. wanting a job but not looking were men (39 percent), women (61 percent), white (67 percent), black (19 percent), and 25 to 54 years of age (52 percent).

## Michigan Responses to the CPS Supplemental Questions

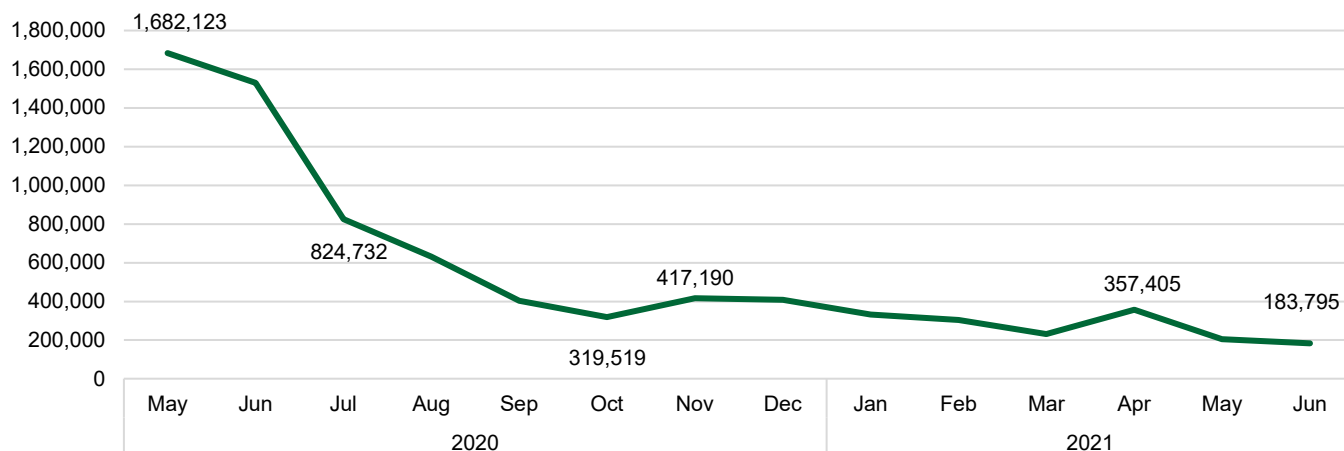
The survey responses in Michigan for these questions illustrated similar trends as the U.S., however because of smaller sample sizes on the CPS survey, less data is publishable for states than for the nation. In May 2020, there were

**U.S. RESIDENTS UNABLE TO WORK AT SOME POINT IN THE LAST 4 WEEKS BECAUSE THEIR EMPLOYER CLOSED OR LOST BUSINESS DUE TO THE PANDEMIC, BY GENDER, MAY 2020–JUL 2021 (IN THOUSANDS)**



Source: Current Population Survey, U.S. Census Bureau

## MICHIGAN RESIDENTS IN THE LABOR FORCE THAT WERE UNABLE TO WORK AT SOME POINT IN THE PREVIOUS FOUR WEEKS DUE TO THEIR EMPLOYER CLOSING OR LOSING BUSINESS, MAY 2020–JUL 2021



Source: Current Population Survey, U.S. Census Bureau

nearly 1.7 million Michigan workers in the labor force that indicated they were unable to work at some point in the previous four weeks due to their employer closing or losing business as a result of the pandemic. This fell sharply to just over 180,000 persons as of June 2021. While this total has dropped dramatically since early in the pandemic, it did not decline every month over that period. For example, in the last two months of 2020, when the state's per-capita COVID-19 case counts and positivity rates rose, there was also an increase in the number of workers in Michigan who responded that their employer shut down or lost business recently.

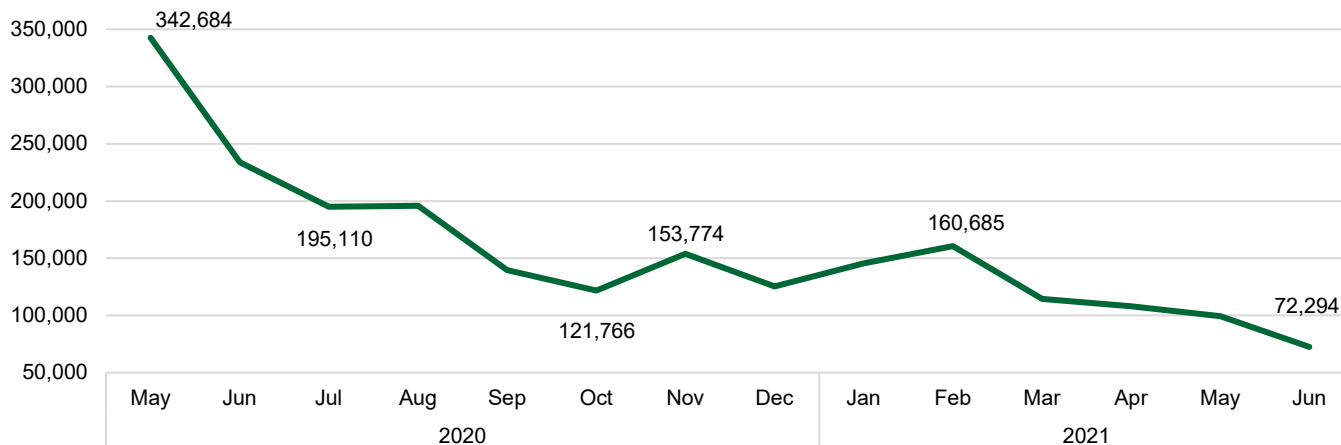
Michigan survey respondents not in the labor force that were prevented from looking for work in the previous four weeks due to the coronavirus decreased from 343,000 in May 2020 to 73,000 in June of 2021. This total has fallen most months, however from November 2020 through February 2021 three months had a rise in the number of people out of the labor market and not seeking a job due to the coronavirus, correlating with a significant rise in positive case results in Michigan.

### Going Forward

The coronavirus is still a major cause of people not joining the labor force or employers not providing as many hours as usual. Since it is not known how long this virus will continue to affect the economy, these supplemental questions will remain on the CPS until further notice. Visit the [BLS website](#) to learn more about the CPS supplemental questions.

**WAYNE ROURKE**  
Associate Director

## MICHIGAN RESIDENTS NOT IN THE LABOR FORCE AND PREVENTED FROM LOOKING FOR WORK IN THE PREVIOUS FOUR WEEKS DUE TO THE PANDEMIC, MAY 2020–JUN 2021



Source: Current Population Survey, U.S. Census Bureau



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