

# Northwest Michigan MWA Economic Analysis

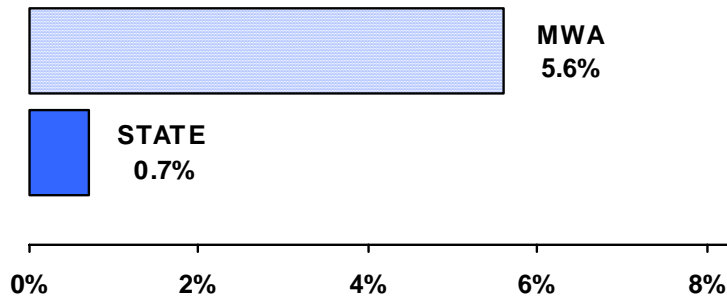
## Overview

The economic trend information that follows presents a snapshot of recent economic activity and labor market trends for the most watched labor statistics, including labor force, employment, unemployment and industry job growth. The Michigan Department of Energy, Labor & Economic Growth (DELEG), Bureau of Labor Market Information and Strategic Initiatives has developed, collected and disseminated this statistical information to support career and business decision-making at the local level. Providing localized data of this nature is one of the key components in promoting job development and business growth throughout the state of Michigan.

## Population

- In 2008, population in the Northwest Michigan MWA was estimated at a little over 297,000, representing about three percent of total statewide population.
- Population in the ten-county Northwest Michigan MWA grew by roughly 15,700 residents at a rate of 5.6 percent since 2000. According to the Census Bureau, this growth was attributed mostly to domestic migration, which accounted for roughly two-thirds of the overall growth. *(Figure 1)*
- Nearly all counties gained population during this time, but Grand Traverse County added the largest number of residents (8,400) at the highest percent change (+10.8 percent). Emmet County added almost 2,100 residents, while Benzie and Wexford Counties chipped in 1,400 and 1,200, respectively.
- Over the same period, population in Michigan edged up by just 0.7 percent to 10,003,422 in 2008. Michigan's slight population growth came from a natural increase and was partly offset by net out-migration.

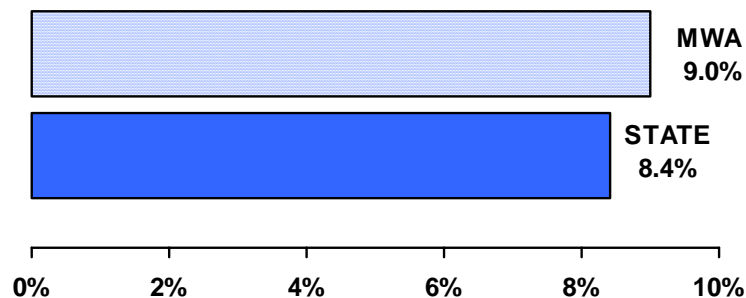
**Figure 1: Population Change, 2000 - 2008**



## Workforce Trends

- The Northwest Michigan MWA labor force was measured at 156,100 in 2008, remaining largely unchanged (+0.4 percent) since 2004. Over the same period, the labor force in Michigan declined by 2.1 percent.
- Since 2004, employment dipped in Northwest Michigan to 142,050, registering a decrease of 1.3 percent. Over the same period, employment in the state fell by 3.6 percent.
- Though the region experienced an employment gain in Grand Traverse County (+1.4 percent), losses of employed residents in each of the remaining counties were more than enough to offset this growth. Missaukee and Wexford counties were exceptionally affected by the economy, losing nearly 1,000 employed individuals resulting in cuts of 6.9 and 4.3 percent, respectively.
- Over the last year, the number of unemployed individuals in the Northwest Michigan MWA jumped by 17.1 percent to 14,050. As a result, the MWA's unemployment rate rose to 9.0 percent in 2008. (*Figure 2*)
- Recent job losses in the region were spread across nearly every industry sector, pushing up local jobless rates, as the state and national economies have entered recession. The regional jobless rate during the first half of 2009 hit 13.9 percent, well above the 2008 average.

**Figure 2: Annual Average Jobless Rates, 2008**

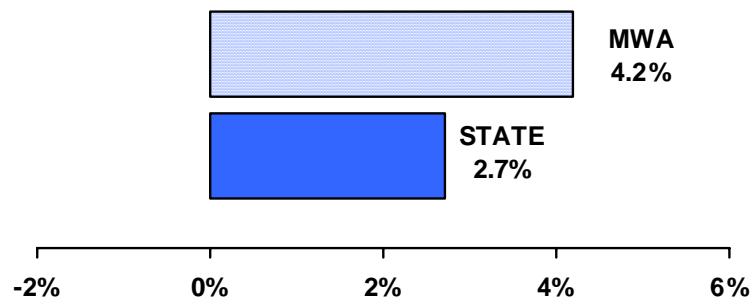


## Availability & Education

- Data from the Michigan Talent Bank, the state's official labor exchange, reveals that 21,862 individuals were available and seeking work in the Northwest Michigan MWA in the Fourth Quarter 2008.

- Department of Education data shows that 3,426 persons graduated from area high schools and 773 from area community colleges during the most recent academic year; this measure is a potential indicator of potential new entrants to the labor force.
- According to the Department of Education, the number of community college graduates in the region rose by 4.2 percent in the most recent academic year. Statewide, community college graduates increased by 2.7 percent. (*Figure 3*)

**Figure 3: Change in Community College Graduates, 2006 - 2007**

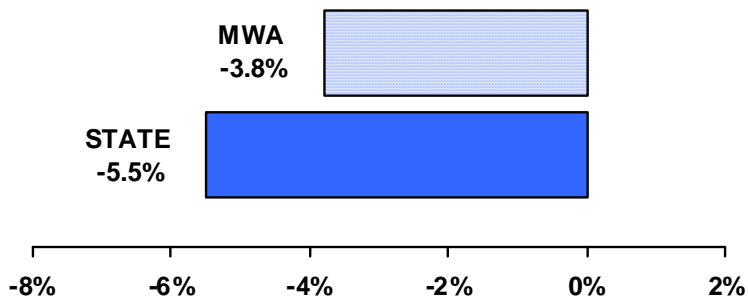


### Industries

- There were 98,117 private payroll jobs in the Northwest Michigan MWA in 2008, but jobs have decreased by nearly 3,900 or 3.8 percent since 2005. This was a slightly lower rate of decline than the 5.5 percent reduction recorded in Michigan over this period. (*Figure 4*)
- Only other services (+6.5 percent) posted a notable increase in jobs during this period, likely as a result of comparatively larger population growth in the region versus the statewide average. Typically, this means a higher demand for the general services found within this industry category. Educational and health services (+0.2 percent) posted a small gain, but in a relative sense fared better than average, considering that all other private industry sectors posted declines during this time.
- Those industries recording job losses during this period were numerous and were not limited to only a few sectors. Sectors with job cuts included natural resources and construction (-15.6 percent), manufacturing (-8.5 percent), financial activities (-7.1 percent), information (-5.8 percent), trade, transportation and utilities (-5.3 percent), leisure and hospitality (-2.9 percent), and, to a lesser extent, professional and business services (-1.7 percent). Manufacturing and construction were among the most notable in terms of numerical declines, accounting for almost 4 out of every 5 private jobs lost during this period.

- Industries providing the largest share of overall private jobs in the Northwest Michigan included food service and drinking places (10.0 percent), hospitals (6.5 percent), ambulatory health care services (5.8 percent), accommodation (5.0 percent) and specialty trade contractors (4.4 percent).

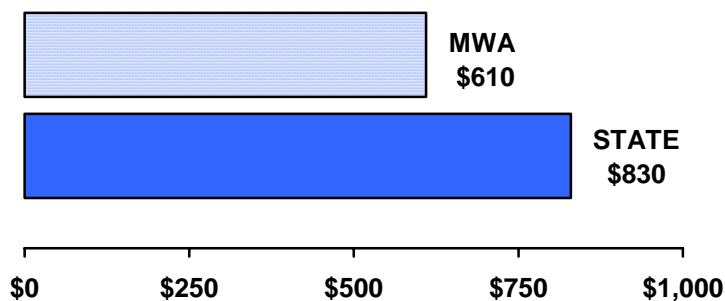
**Figure 4: Industry Job Change, 2005 - 2008**



### Wages

- Between 2006 and 2007, the private-sector average weekly wage in the Northwest Michigan MWA rose by 2.9 percent to \$610, matching the statewide rate of change.
- The average weekly wage in the Northwest Michigan's private sector was 26.5 percent below the statewide average weekly wage in 2007. (*Figure 5*)

**Figure 5: Average Weekly Wage, 2007**



# Northwest Michigan MWA Occupational Employment

## Overview

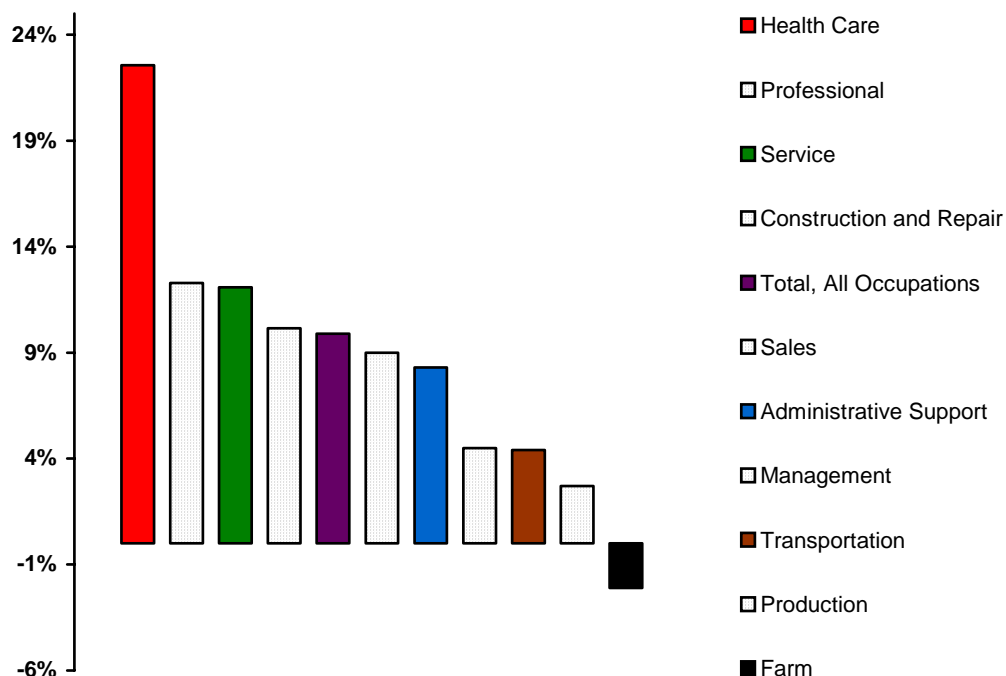
Future trends in job growth by occupation are of interest to students and job seekers, employment and training professionals, employers, and educators. The Michigan Department of Energy, Labor & Economic Growth (DELEG), Bureau of Labor Market Information and Strategic Initiatives, publishes occupational employment forecasts for Michigan and 18 state regions.

These forecasts provide information on jobs with the highest expected growth rates, occupations that produce the highest numbers of regional jobs and the number of annual openings expected by occupation. They are vital in career exploration, education and training program development, and strategic regional economic development.

### Employment Forecasts: Major Occupational Groups, 2006 - 2016

- Between 2006 and 2016, jobs in the Northwest Michigan MWA are expected to increase by 14,410 or 9.9 percent. Above-average growth rates should be recorded in five occupational categories including *health care* (+22.6 percent), *professional* (+12.3 percent), *service* (+12.1 percent) and *construction and repair* (+10.1 percent).
- *Sales* occupations will record average job gains (+9.0 percent) while the remaining occupational groups will see only moderate growth or will post job cuts over the period. These groups include *administrative support* (+8.3 percent), *management* (+4.5 percent), *transportation* (+4.4 percent), *production* (+2.7 percent) and *farming, forestry and fishing* (-2.1 percent).

**Figure 1: Growth Rates in Major Occupational Groups, 2006 - 2016**



### Employment Trends in Major Occupational Groups

- Between 2006 and 2016, *Health Care* occupations are projected to expand by over 2,600 jobs and post a growth rate of 22.1 percent. The increase in health related employment opportunities reflects the long-term expansion of the regional healthcare industry, brought about by heightened demand for health services from an aging population.
- *Professional* occupations are also expected to add a good number of jobs. Nearly 2,500 new positions are expected in this broad category, recording a 12.3 percent growth rate between 2006 and 2016. The bulk of these jobs are expected to come from education and training related occupations and business and financial occupations.
- Employment in *Service* occupations should grow by roughly 3,300 or 12.1 percent over the period. Three occupational groups should see a significant number of new jobs and post impressive growth rates including *Food Preparation and Serving* occupations; *Building and Grounds Cleaning and Maintenance* occupations; and *Personal Care and Personal Service* occupations.

### Employment Trends in Sample Detailed Occupations

- Seven out of the top ten fastest growing occupations in the region are health related. These occupations should see rapid growth by 2016 and include *medical assistants, home health aides, dental hygienists, pharmacy technicians, dental assistants, registered nurses* and *emergency medical technicians and paramedics*.
- Rounding out the list of the fastest-growing occupations is a small but somewhat diverse group of occupations. These are *network systems and data communication analysts, customer service representatives* and *receptionists and information clerks*.
- The list of occupations with the largest expected numeric change in jobs is somewhat more diverse. *Retail salespersons* are expected to grow by more than 750 jobs between 2006 and 2016, as the regional economy continues to shift towards service-oriented business, while *registered nurses* are expected to add 730 positions and *customer service representatives* should add 455 jobs during this period. No production occupations exist in the list of top ten occupations expecting to add the largest number of jobs.
- Health-related occupations hold the top three spots in the list of high-demand, high-wage occupations as well, though beyond this is a well-rounded and diverse group of occupations. These include *network systems and data communications analysts* (36.9 percent growth, \$25.05 per hour), *accountants and auditors* (33 annual openings, \$33.46 per hour), *cost estimators* (19.8 percent growth, \$27.49 per hour), and *lawyers* (16.3 percent growth, \$28.55 per hour).
- Engineering-related occupations will also provide job opportunities that pay well above average. Two major examples are *industrial engineers* (24.4 percent growth, \$28.70 per hour) and *civil engineers* (19.2 percent growth, \$30.03 per hour).

Information regarding detailed occupational employment is available in the appendix of this report or on our Labor Market Information website at [www.michigan.gov/lmi](http://www.michigan.gov/lmi)

