



Regional Economic Trends

for Michigan Works! Southwest Region



MAY 2021

MICHIGAN WORKS! SOUTHWEST REGION

The Trend: The Michigan Works! Southwest Region continues to recover, having gained more than 14,000 jobs from Q2 2020 to Q3 2020. Between January 2021 and February 2021, the unemployment rate decreased by 0.9 percentage points. However, this may not be a positive sign, as the employment-to-population ratio and labor force participation rate also decreased from January 2021 to February 2021. Rather, this may be a sign that individuals have become discouraged from finding work and are leaving the labor force. Job postings were lower in February 2021 than in January 2021, with slightly fewer postings in Health Care and Social Assistance and in Manufacturing.

REGION UPDATE



The labor force participation rate was 57.9% in February 2021. This is a 0.7 percentage point decrease from the previous month.



The employment-to-population ratio was 54.8% in February 2021. This is a 0.1 percentage point decrease from the previous month.



The unemployment rate was 5.4% in February 2021. This is a 0.9 percentage point decrease from the previous month.



The total labor force decreased by 2,976 people from January 2021 to February 2021. The number of employed people fell by 611, and the number of unemployed people fell by 2,365.



Total employment increased by 9.5% from Q2 2020 to Q3 2020.



There were 3,716 job postings in February 2021. This means job postings decreased by 3.8% from the previous month.

KEY ECONOMIC INDICATORS

February 2021

Labor Force Participation Rate



The labor force participation rate, which measures the economy's active workforce, was 57.9% in the Michigan Works! Southwest Region in February 2021. This was lower than in west Michigan by 3.6 percentage points, and lower than in the state of Michigan by 0.2 percentage points.

Employment-to-Population Ratio



The employment-to-population ratio, which measures the proportion of the population that is employed, was 54.8% in the Michigan Works! Southwest Region in February 2021. This was 3.5 percentage points below that of west Michigan and was 0.3 points lower than for the state of Michigan.

Unemployment Rate

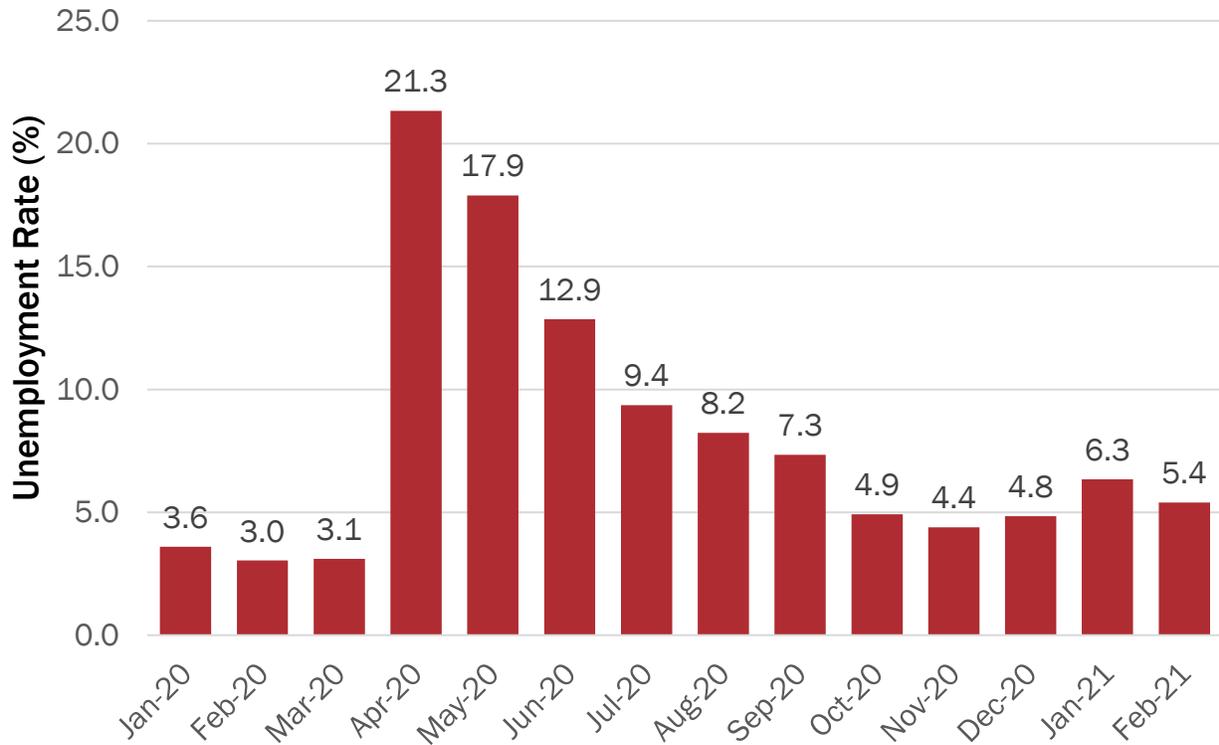


The unemployment rate, which measures the percentage of the workforce that is looking for work, was 5.4% in the Michigan Works! Southwest Region in February 2021. This was 0.1 percentage points higher than for west Michigan and 0.3 percentage points higher than for the state of Michigan.

SOURCE: BLS Local Area Unemployment Statistics (LAUS) & Upjohn Institute, 2021

MWSW is defined as the Michigan Works! Southwest Region.
“West Michigan” includes Allegan, Barry, Berrien, Branch, Calhoun, Cass, Ionia, Kalamazoo, Kent, Montcalm, Muskegon, Ottawa, St. Joseph, and Van Buren Counties.

Unemployment Rate MWSW Region (not seasonally adjusted)



SOURCE: BLS Local Area Unemployment Statistics & Upjohn Institute, 2021

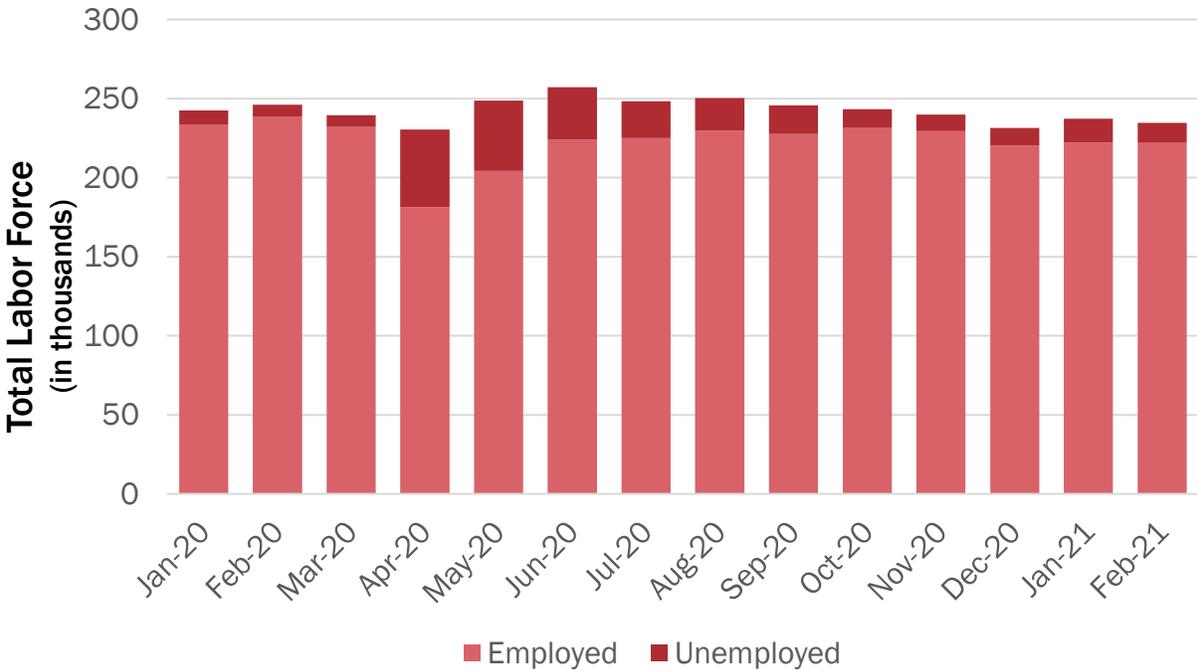
From January 2021, the unemployment rate in the Michigan Works! Southwest Region decreased by 0.9 percentage points to 5.4 percent in February 2021. The unemployment rate is 2.4 percentage points higher than it was at the same time last year.

In February, there were **3.5 job seekers** for every **1 job posting*** in the MWSW Region.

Burning Glass Technologies, BLS Local Area Unemployment Statistics (LAUS), & Upjohn Institute, 2021

*Burning Glass data capture only jobs that are posted online and in more traditional employment relationships. Singular job postings for multiple positions may not be fully counted.

Total Labor Force MWSW Region (not seasonally adjusted)



SOURCE: BLS Local Area Unemployment Statistics (LAUS) & Upjohn Institute, 2021

The total labor force in the Michigan Works Southwest Region in February 2021 stood at 234,591, a decrease of 2,976 people from January 2021. The labor force in the region has shrunk by 4.7% since February 2020, when it stood at 246,185. This indicates a decrease in the available labor for firms in the area.

Labor Force by the Numbers, Q2 2020 MWSW Region

- 25.7%** Percentage of workers 25 and older with a bachelor's degree or advanced degree
- 33.9%** Percentage of workers 25 and older with an associate degree or some college
- 29.4%** Percentage of workers aged 25 to 54 with a high school diploma or equivalent

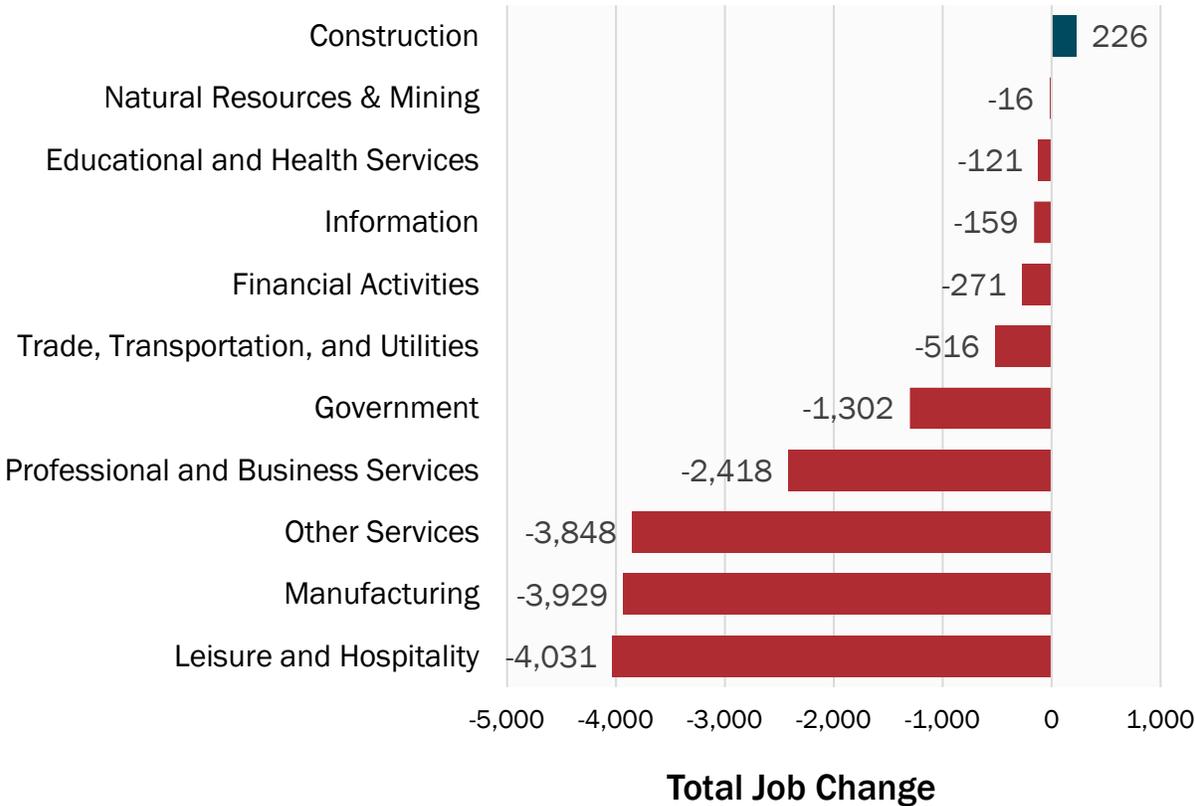
SOURCE: Quarterly Workforce Indicators, 2020

Employment by Industry MWSW Region (not seasonally adjusted)

Measure	Q3 2020	Q2 2020	% Change Q2 to Q3	Q3 2019	% Change Q3 to Q3
Employment (by place of work)					
Total Private Sector Employment	169,766	154,981	9.5%	185,079	-8.3%
Goods-Producing	49,593	45,728	8.5%	53,312	-7.0%
Natural Resources & Mining	2,582	2,747	-6.0%	2,598	-0.6%
Construction	8,766	7,136	22.8%	8,540	2.6%
Manufacturing	38,245	35,845	6.7%	42,174	-9.3%
Private Service-Providing	120,173	109,253	10.0%	131,767	-8.8%
Trade, Transportation, and Utilities	36,048	32,707	10.2%	36,564	-1.4%
Information	897	945	-5.0%	1,057	-15.1%
Financial Activities	9,554	9,416	1.5%	9,825	-2.8%
Professional and Business Services	16,234	14,842	9.4%	18,652	-13.0%
Educational and Health Services	34,339	32,812	4.7%	34,460	-0.4%
Leisure and Hospitality	17,277	13,211	30.8%	21,308	-18.9%
Other Services	5,484	5,037	8.9%	9,332	-41.2%
Unclassified	340	284	19.7%	569	-40.2%
Government*	23,729	25,014	-5.1%	25,031	-5.2%

SOURCE: Quarterly Census of Employment and Wages & Upjohn Institute, 2021

Employment Change Q3 2019 to Q3 2020 MWSW Region (not seasonally adjusted)



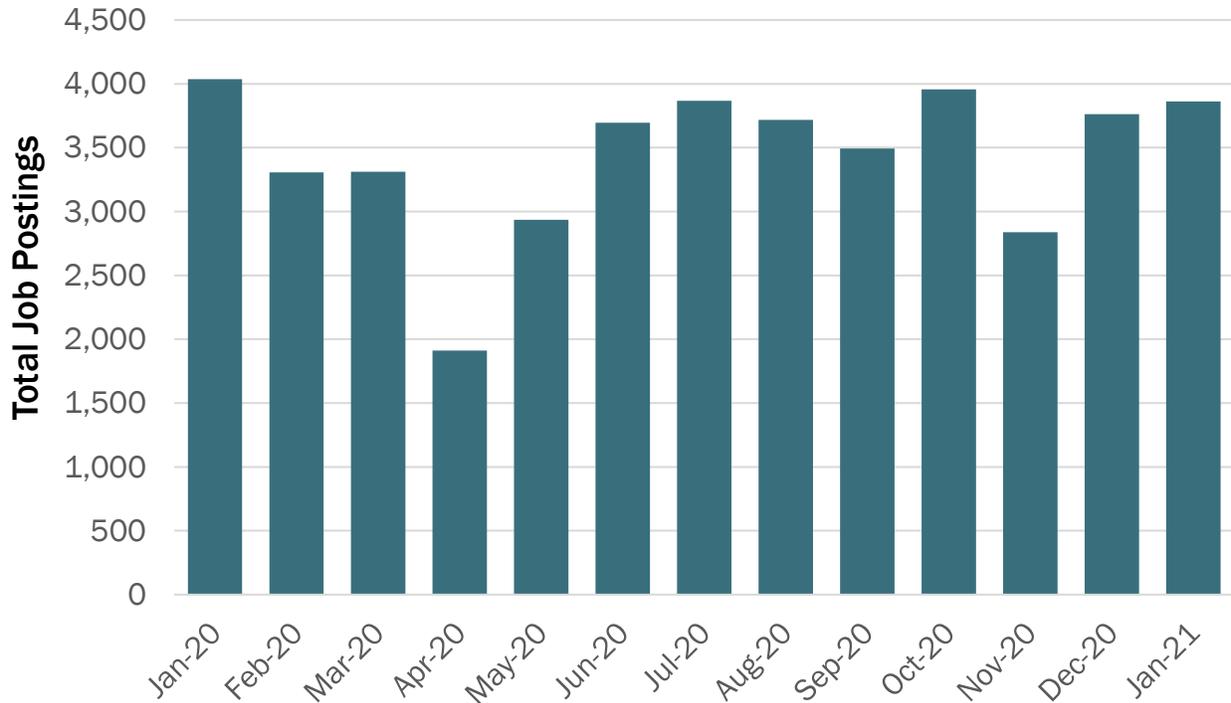
SOURCE: Quarterly Census of Employment and Wages & Upjohn Institute, 2020

The most recent data show that the greatest decrease in employment in the Michigan Works! Southwest Region from Q3 2019 to Q3 2020 was in Leisure and Hospitality, which declined by 4,031 jobs, or 30.8%. The greatest increase in employment from Q3 2019 to Q3 2020 was in Construction, which grew by 226 jobs, or 22.8%.

The average weekly wage for nonfarm jobs in Q3 2020 in the MWSW Region was \$931.

SOURCE: Quarterly Census of Employment and Wages, 2021

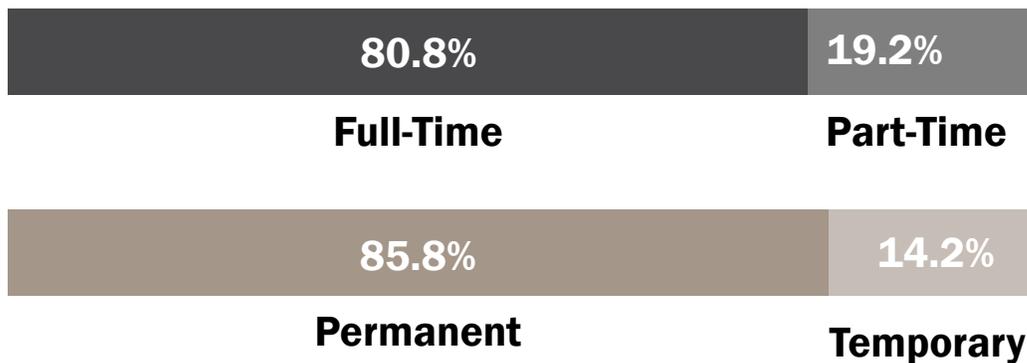
Total Job Postings, February 2021 MWSW Region



SOURCE: Burning Glass Technologies, 2021

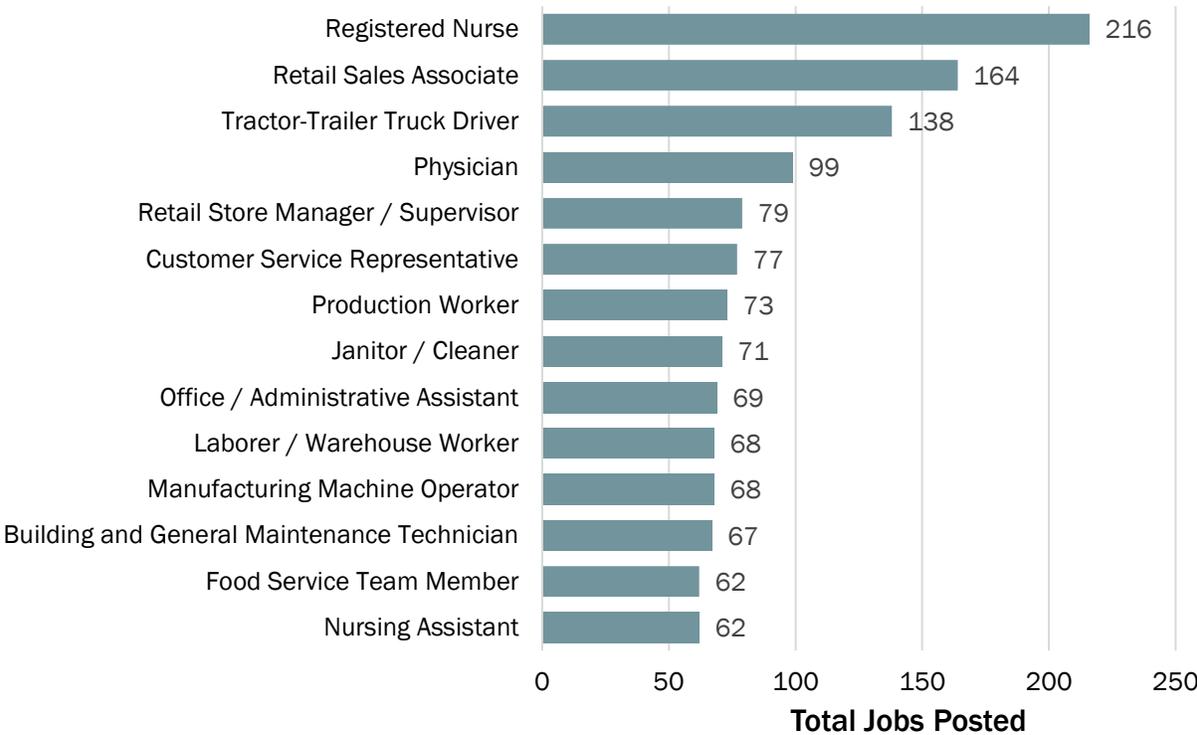
The number of job postings in the Michigan Works! Southwest Region, which demonstrates demand for labor, decreased by 3.8% between January 2021 and February 2021, from 3,863 postings to 3,716 postings. The majority of postings in the Michigan Works! Southwest Region, as reported through Burning Glass Technologies, were full-time and permanent positions.

Type of Job Postings, February 2021 MWSW Region



SOURCE: Burning Glass Technologies, 2021

Job Postings for Top Occupations, February 2021 MWSW Region



SOURCE: Burning Glass Technologies, 2021

The top job occupations with job postings were for registered nurses, retail sales associates, and tractor-trailer truck drivers. Of the total job postings, 41.9% required at a minimum a high school diploma or vocational training. This is a decrease of 3.0 percentage points from January 2021 in the proportion of job postings requiring a high school diploma or vocational training. The proportion of jobs requiring an associate degree increased by 0.8 percentage points, and the proportion of jobs requiring a bachelor’s degree or higher increased by 2.2 percentage points from January 2021.

41.9% of job postings required a high school diploma or vocational training in February 2021.

16.8% of job postings required an associate degree in February 2021.

41.3% of job postings required a bachelor’s degree or higher in February 2021.

SOURCE: Burning Glass Technologies, 2021

About the Upjohn Institute

The W.E. Upjohn Unemployment Trustee Corporation was incorporated on October 24, 1932, as a Michigan 501(c)(3) nonprofit corporation, and is doing business as the W.E. Upjohn Institute for Employment Research. The W.E. Upjohn Institute for Employment Research has been conducting economic research and consultation for 75 years, since its founding in 1945.

The Upjohn Institute is governed by a Board of Trustees, which employs a President who is responsible for the overall operation of the Institute. The President of the Upjohn Institute is Dr. Michael Horrigan.

The Upjohn Institute currently employs 104 individuals. Upjohn's research and consultation program is conducted by a resident staff of professional social scientists, 12 of whom are PhD-level economists (senior staff). Senior staff is supported by a staff of research analysts and additional support staff. Upjohn also administers the federal and state employment programs for its four-county area through the local Workforce Investment Board. Upjohn also publishes books on economic development, workforce development, and other employment-related topics.

The PhD-level economists have more than 175 years of collective experience, conducting research on a broad variety of economic and employment topics. Their experience includes, but is not limited to, employment program evaluation, labor market dynamics, labor-management relations, employment and training programs, economic and workforce development, income replacement policy, worker adjustment, the role of education in labor markets, employment and compensation, disability, international comparison of labor adjustment policies, site selection experience, and state, regional, and local economic analysis.

About the Regional Team

The Upjohn Institute also has a Regional Economic Planning Services team of specialists who provide economic insights and analysis regionally and statewide in Michigan, in other individual states, and nationally. The team has experience in:

- Economic impact analysis
- Fiscal/cost-benefit impact analysis
- Labor market analysis
- Facilitating and conducting effective one-on-one interviews, focus groups, workshops, and charrette sessions in a diverse array of environments
- Economic and workforce development and education strategies
- GIS mapping abilities
- Rural and urban land use and economic development planning services
- Regional data analysis

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For definitions and descriptions of methodology and variables used in the report, please access our data dictionary at: http://www.upjohn.org/Business_Outlook/Data_Dictionary/.