

MICHIGAN'S LABOR MARKET NEWS

VOL. 74, ISSUE NO. 6
AUGUST 2018

The Michigan Outlook for Job Growth to 2026

Feature Article pg. 16

Industry Focus: Management, Scientific, and Technical Consulting Services

pg. 20

Ask the Economist: New Projections Methodology

pg. 26

The Michigan jobless rate decreased by 0.1 percentage points in June.

JUNE 2018 JOBLESS RATE

MICHIGAN
4.5%
NATIONAL
4.0%

TABLE OF CONTENTS

4	Michigan Employment and Unemployment Trends
6	Michigan Job Trends by Industry Sector
10	Regional Labor Market Analysis
15	Map of the Month: Projected Occupational Job Growth Rates by State
16	Feature Article: The Michigan Outlook for Job Growth to 2026
20	Industry Focus: Management, Scientific, and Technical Consulting Services
22	Michigan Online Job Advertisements
24	Relevant Rankings
26	Ask the Economist: New Projections Methodology



BRUCE WEAVER
EDITOR
Economic Manager
WeaverB1@michigan.gov



JEFFREY AULA
CONTRIBUTOR
Economic Analyst
AulaJ@michigan.gov



JIM RHEIN
CONTRIBUTOR
Economic Specialist
RheinJ@michigan.gov



DALIA SALLOUM
DESIGNER
Economic Analyst
SalloumD@michigan.gov



KEVIN DOYLE
CONTRIBUTOR
Regional Specialist
DoyleK4@michigan.gov



MARCUS REASON
CONTRIBUTOR
Economic Analyst
ReasonM@michigan.gov



DYLAN SCHAFER
DESIGNER
Economic Analyst
SchaferD9@michigan.gov



LEONIDAS MUREMBYA
REGIONAL CONTRIBUTOR
Economic Specialist
MurembyaL@michigan.gov



MARK REFFITT
PROJECT MANAGER
Economic Specialist
ReffittM@michigan.gov



SHIBANI PUTATUNDA
REGIONAL CONTRIBUTOR
Economic Analyst
PutatundaS@michigan.gov

IT'S BIGGER THAN DATA.

The Bureau of Labor Market Information and Strategic Initiatives is the official source for high quality demographic and labor market information for the state of Michigan and its regions. We administer the state's federal-state cooperative programs with the Bureau of Labor Statistics (BLS) and the Census Bureau and produce high-quality information and analysis through grants from the U.S. Department of Labor and from partner agencies in the state of Michigan. We provide our national, state, and local partners and customers with *accurate, objective, reliable, timely, accessible, and transparent* information and insights.

Michigan's jobless rate registered 4.5 percent in June—the lowest level since July 2017—after declining slightly over the month. The state's total labor force and number of employed edged higher monthly while the total number of unemployed fell by 4,000. Annually, Michigan continued to experience modest growth in total employment and workforce levels, though the jobless rate remained above the national average of 4.0 percent. Total payroll jobs increased by 5,400 over the month in Michigan, as *Manufacturing, Construction, Professional and business services*, as well as a number of other service-providing industries, added jobs to offset mostly seasonal declines in *Government* jobs. Over the past year, employers in nearly all Michigan supersectors contributed to the statewide overall gain of almost 52,000 jobs.

Last month, the Bureau of Labor Market Information and Strategic Initiatives held its first annual *Occupational Outlook* conference, which highlighted newly-released employment projections by industry and occupation for Michigan. This month's feature article takes a look at Michigan job growth using these data, which we produce using the same methodology used at the federal Bureau of Labor Statistics. This analysis provides a broad overview of which industries and occupations are likely to contribute to Michigan's job growth through 2026. Our *Map of the Month* illustrates overall job growth projections across the nation, while our *Ask the Economist* this month answers some very important and timely questions readers may have regarding changes to the BLS methodology for estimating future annual job openings.

We truly hope you enjoy this edition of Michigan's Labor Market News. Let us know if there is something you would like to know more about.



JASON PALMER

DIRECTOR

Bureau of Labor Market Information
and Strategic Initiatives

MICHIGAN JOBLESS RATE EDGES DOWN IN JUNE 2018

Michigan's seasonally adjusted unemployment rate in June declined slightly over the month by one-tenth of a percentage point to 4.5 percent. Total employment increased by 8,000 over the month and the number of unemployed moved down by 4,000. Michigan's June labor force moved upward slightly by 3,000.

Over the past year, Michigan's jobless rate inched up slightly by one-tenth of a percentage point. Since June 2017, the national unemployment rate declined by three-tenths of a percentage point. The state's unemployment rate in June was five-tenths of a percentage point above the national rate, as the U.S. rate increased over the month to 4.0 percent.

Michigan's June jobless rate was the lowest since the 4.5 percent rate registered in July 2017. June's workforce and total employment levels were the highest recorded so far for the state in 2018, while the number of unemployed was the lowest level of the year.

Since June 2017, total employment in Michigan advanced by 32,000 or 0.7 percent while the number of unemployed edged up by 6,000 or 2.8 percent. U.S. employment rose by 1.5 percent and the number of unemployed declined by 5.7 percent over this period. From June 2017 to June 2018, Michigan's labor force was up by 38,000 or 0.8 percent, which lagged behind the national gain of 1.2 percent.

First Half of 2018

Half-way through 2018, Michigan's labor market situation has displayed moderate improvement. From December 2017 to June 2018, total employment increased by 23,000 or 0.5 percent and the number of unemployed in the state declined by 12,000 or 5.4 percent. The state workforce edged up by 10,000 or 0.2 percent. Over that period, Michigan's unemployment rate moved down by 0.2 of a percentage point.

The table on page 5 also records the change from the same period in 2017. The first half

of 2018 lagged the first half of 2017 in total employment gains, unemployed declines and the unemployment rate reduction. However, the first half of 2018 displayed stronger workforce growth in the state as compared to 2017. The first half of 2017 in Michigan was a relatively strong half-year. The second half of 2017 was sluggish and recorded only modest employment gains. The state's jobless rate from June 2017 to December 2017 rose incrementally from 4.4 to 4.7 percent.

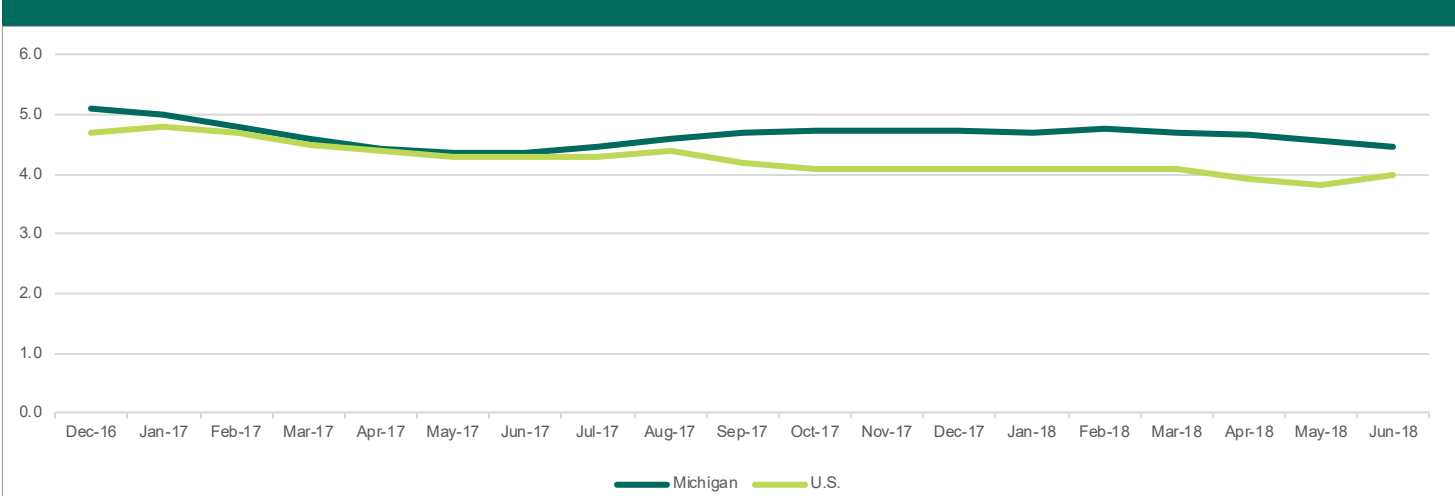
The smaller magnitude of change so far in 2018 relative to the first half of 2017 may partially indicate a tightening of the labor market, as the state inches closer to historically low unemployment rates. Since 1976, only the period 1997 through 2000 had lower jobless rates than current levels, ranging from 4.3 percent in 1997 to 3.6 percent in 2000.

JIM RHEIN
Economic Specialist

MICHIGAN LABOR FORCE ESTIMATES (SEASONALLY ADJUSTED)

	JUNE 2018	MAY 2018	JUNE 2017	CHANGE OVER THE MONTH	CHANGE OVER THE YEAR
Labor Force	4,911,000	4,908,000	4,873,000	+3,000	+38,000
Employed	4,692,000	4,684,000	4,660,000	+8,000	+32,000
Unemployed	219,000	223,000	213,000	-4,000	+6,000
Jobless Rate	4.5	4.6	4.4	-0.1	+0.1

MICHIGAN AND U.S. SEASONALLY ADJUSTED JOBLESS RATES

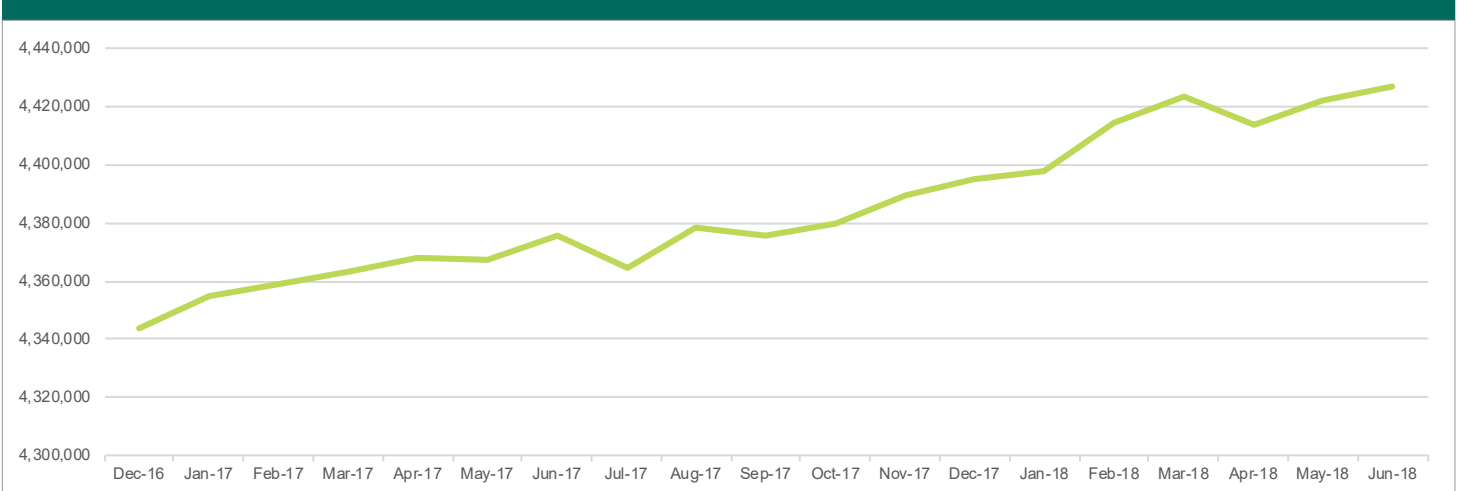




MICHIGAN LABOR FORCE AND EMPLOYMENT - EARLY 2018 VS. EARLY 2017 (SEASONALLY ADJUSTED)

LABOR FORCE	EMPLOYED	UNEMPLOYED	JOBLESS RATE
Change From December 2017 to June 2018 (SEASONALLY ADJUSTED)			
+10,000	+23,000	-12,000	-0.2
+0.2%	+0.5%	-5.4%	----
Change from December 2016 to June 2017 (SEASONALLY ADJUSTED)			
+1,000	+37,000	-36,000	-0.7
+0.0%	+0.8%	-14.5%	----

MICHIGAN SEASONALLY ADJUSTED PAYROLL JOBS



MICHIGAN JOB TRENDS BY INDUSTRY SECTOR

Monthly Overview

The number of nonfarm jobs in Michigan advanced by 5,400 in June to 4,427,200. Jobs rose over the month in eight of the 11 major industry sectors. The broad sectors with the largest job additions were *Professional and business services* (+3,000), *Construction* (+1,800), and *Other services* (+1,500). These gains were somewhat offset by a payroll job reduction in *Government* (-3,700). The *Transportation equipment manufacturing* sector recorded little change in jobs in June.

Over the Year Analysis

Between June 2017 and June 2018, total nonfarm payrolls moved up by 51,600, or 1.2 percent, somewhat less than the 1.6 percent gain nationally during this period. All major Michigan industry sectors except *Information* (-1,600) contributed to the rise in jobs since June 2017. The largest number of job additions were recorded in the major sectors of *Construction* (+13,200), *Leisure and hospitality* (+8,600), *Professional and business services* (+7,100), *Other services* (+6,200), *Education and health services* (+5,700), and *Manufacturing* (+5,100). Jobs also rose over the past year in *Trade, transportation, and utilities* (+4,500) and *Financial activities* (+2,200).

Michigan Second Quarter 2018 Performance

Total nonfarm payroll employment was essentially unchanged during the second quarter, notching higher by 0.2 percent. This was below the 0.4 percent growth nationally during the quarter.

In Michigan, payrolls reached a recessionary low of 3,830,400 jobs in the third quarter of 2009. Since that time job levels have advanced in 34 of the subsequent 35 quarters, which has resulted in an employment increase of 590,400.

The broad industry sectors with above average percent job gains during the second quarter of 2018 included *Construction* (+1.9 percent), *Other services* (+0.9 percent), *Financial activities* (+0.5 percent), *Manufacturing* (+0.4 percent), and *Education and health services*

(+0.3 percent). Payrolls in the *Transportation equipment manufacturing* sector rose by 0.9 percent during the quarter.

The broad sectors where employment grew near the state average or declined in the second quarter included *Trade, transportation, and utilities* (+0.2 percent), *Professional and business services* (0.0 percent), *Leisure and hospitality* (-0.2 percent), *Government* (-0.2 percent), *Information* (-1.1 percent), and *Mining and logging* (-1.4 percent).

Significant Industry Employment Developments

ADMINISTRATIVE AND SUPPORT AND WASTE MANAGEMENT REMEDIATION SERVICES

Employers in this sector added 2,900 workers in June. This seasonally adjusted gain partially reflected smaller than usual June payroll reductions in *Employment services*. A larger than typical job advance in *Services to building and dwellings* also contributed to this June job gain. During the second quarter, payrolls in this subsector declined by 1,200 jobs, which contributed to the lack of job growth in the broad sector of *Professional and business services*. Between June 2017 and June 2018, job levels in this subsector moved up by 1,600 or by 0.6 percent. A significant portion of this over the year increase occurred in the *Employment services* subsector. Nationally, jobs rose by 19,400 in June and by 2.8 percent over the year.

DURABLE GOODS MANUFACTURING

The number of jobs in the *Durable goods manufacturing* sector advanced 1,300 in June. This increase was partially due to somewhat stronger than typical hiring in *Fabricated metal product manufacturing*. During the second quarter, job levels rose by 2,400 or 0.5 percent and have also grown in 32 of the past 35 quarters. Since June 2017, *Durable goods* payrolls have expanded by 3,000 or 0.6 percent, or half the growth rate of total Michigan nonfarm jobs. Just over half those jobs were added in the *Transportation equipment manufacturing* (+1,700) subsector. Nationally, employment increased by 32,000 over the month and by 2.8 percent over the year.

FINANCIAL ACTIVITIES

Payrolls in this broad sector increased by 700 jobs in June. Job levels have also risen in five of the first six months of the year. The exception was in February when payrolls remained unchanged. The June gain was concentrated in the *Finance and insurance* (+600) subsector as stronger than typical hiring was recorded in *Credit intermediation and related activities*. *Financial activities* average job levels in the second quarter were 1,100 above the prior quarter. Over the year, employment levels have increased by 2,200 or by 1.0 percent with most of this gain reported in *Finance and insurance* (+1,700). Nationally, job levels rose by 8,000 over the month and by 1.5 percent over the year.

METROPOLITAN STATISTICAL AREAS (MSAs)

In June, on a *not seasonally adjusted* basis, twelve Michigan regions reported increases in total nonfarm jobs. These gains ranged from 1.7 percent in the *Benton Harbor* metro area to 0.2 percent in the *Grand Rapids* MSA.

Seven metropolitan areas recorded monthly job additions at or above the statewide average of 0.8 percent. Common to these areas was seasonal hiring in *Leisure and hospitality*, and to a lesser extent the *Retail* sector. The *Detroit* MSA also saw notable job additions in the *Professional and business services* sector.

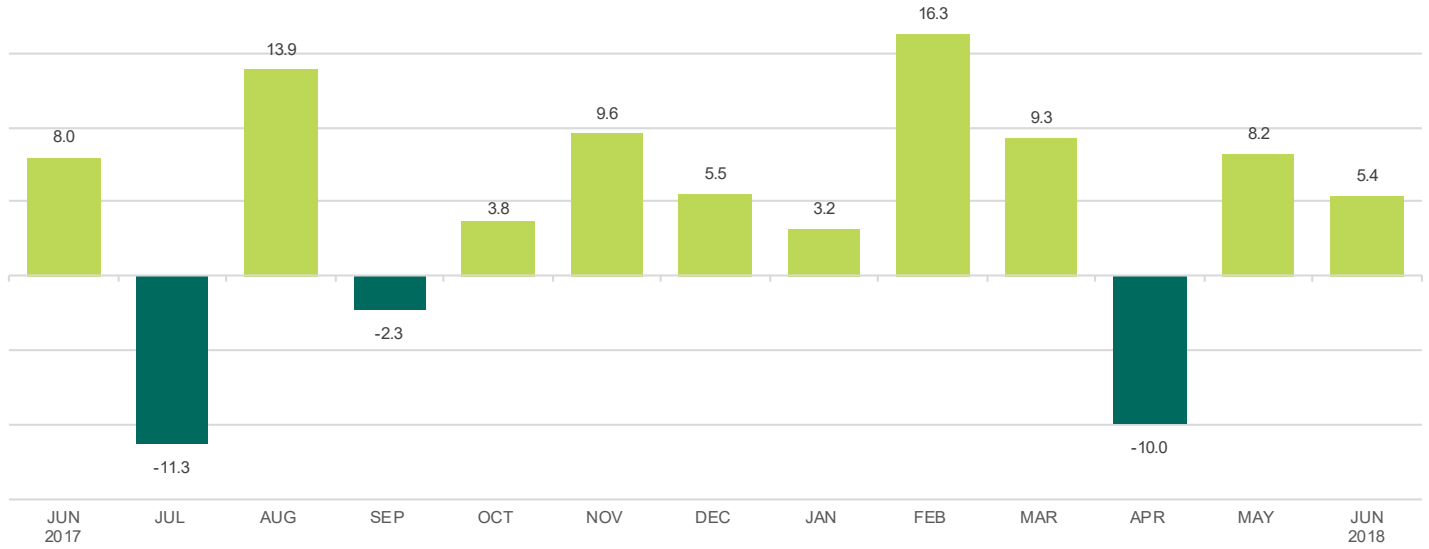
The *Lansing* (-3.2 percent) and *Jackson* (-0.5 percent) MSAs reported payroll job declines in June. The *Lansing* decrease was centered in *State government* and was partially the result of continued seasonal employment reductions in the area's post-secondary education sector.

JEFFREY AULA
Economic Analyst

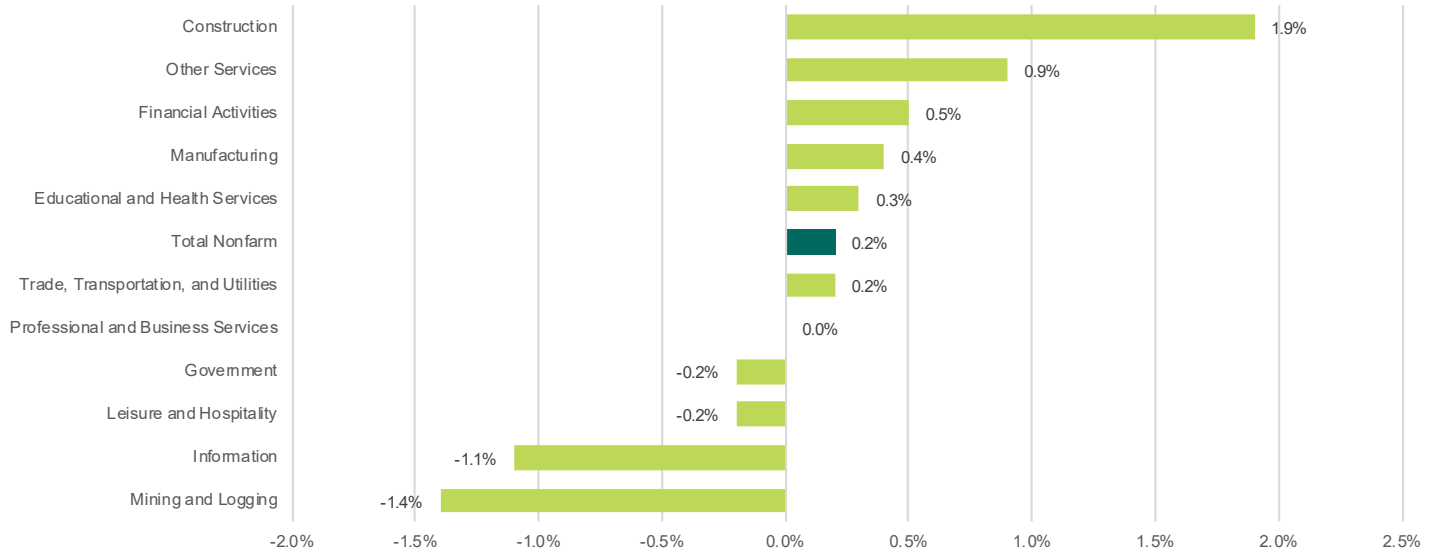
MICHIGAN PAYROLL JOBS (SEASONALLY ADJUSTED)

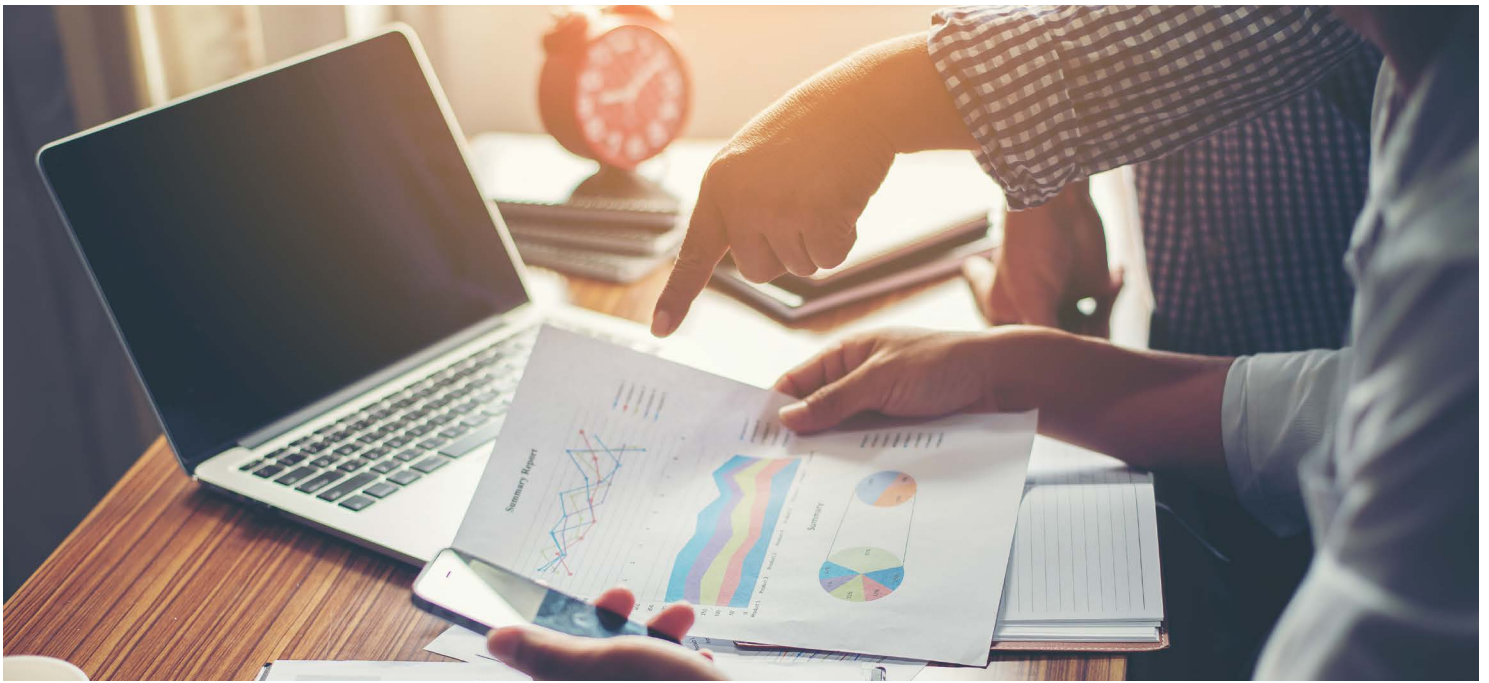
INDUSTRY	JUNE 2018	MAY 2018	JUNE 2017	OVER THE MONTH		OVER THE YEAR	
				LEVEL	PERCENT	LEVEL	PERCENT
TOTAL NONFARM	4,427,200	4,421,800	4,375,600	5,400	0.1%	51,600	1.2%
Total Private	3,823,500	3,814,400	3,772,400	9,100	0.2%	51,100	1.4%
Private Service-Providing	3,019,700	3,013,500	2,987,000	6,200	0.2%	32,700	1.1%
GOODS-PRODUCING	803,800	800,900	785,400	2,900	0.4%	18,400	2.3%
Mining, Logging, and Construction	183,200	181,400	169,900	1,800	1.0%	13,300	7.8%
Mining and Logging	7,300	7,300	7,200	0	0.0%	100	1.4%
Construction	175,900	174,100	162,700	1,800	1.0%	13,200	8.1%
Manufacturing	620,600	619,500	615,500	1,100	0.2%	5,100	0.8%
Durable Goods	468,100	466,800	465,100	1,300	0.3%	3,000	0.6%
Transportation Equipment Manufacturing	188,300	188,200	186,600	100	0.1%	1,700	0.9%
Non-Durable Goods	152,500	152,700	150,400	-200	-0.1%	2,100	1.4%
SERVICE-PROVIDING	3,623,400	3,620,900	3,590,200	2,500	0.1%	33,200	0.9%
Trade, Transportation, and Utilities	793,500	793,300	789,000	200	0.0%	4,500	0.6%
Wholesale Trade	176,000	175,600	173,400	400	0.2%	2,600	1.5%
Retail Trade	472,600	472,500	473,600	100	0.0%	-1,000	-0.2%
Transportation, Warehousing, and Utilities	144,900	145,200	142,000	-300	-0.2%	2,900	2.0%
Information	54,800	54,700	56,400	100	0.2%	-1,600	-2.8%
Financial Activities	220,800	220,100	218,600	700	0.3%	2,200	1.0%
Finance and Insurance	165,900	165,300	164,200	600	0.4%	1,700	1.0%
Real Estate and Rental and Leasing	54,900	54,800	54,400	100	0.2%	500	0.9%
Professional and Business Services	657,500	654,500	650,400	3,000	0.5%	7,100	1.1%
Professional, Scientific, and Technical Services	296,500	296,600	293,400	-100	0.0%	3,100	1.1%
Management of Companies and Enterprises	68,900	68,700	66,500	200	0.3%	2,400	3.6%
Administrative and Support and Waste Management and Remediation Services	292,100	289,200	290,500	2,900	1.0%	1,600	0.6%
Education and Health Services	677,900	676,900	672,200	1,000	0.1%	5,700	0.8%
Educational Services	73,800	73,000	73,700	800	1.1%	100	0.1%
Health Care and Social Assistance	604,100	603,900	598,500	200	0.0%	5,600	0.9%
Leisure and Hospitality	440,800	441,100	432,200	-300	-0.1%	8,600	2.0%
Arts, Entertainment, and Recreation	52,500	52,500	53,000	0	0.0%	-500	-0.9%
Accommodation and Food Services	388,300	388,600	379,200	-300	-0.1%	9,100	2.4%
Other Services	174,400	172,900	168,200	1,500	0.9%	6,200	3.7%
Government	603,700	607,400	603,200	-3,700	-0.6%	500	0.1%
Federal Government	51,900	52,000	52,700	-100	-0.2%	-800	-1.5%
State Government	188,700	192,500	189,900	-3,800	-2.0%	-1,200	-0.6%
Local Government	363,100	362,900	360,600	200	0.1%	2,500	0.7%

MICHIGAN OVER THE MONTH PAYROLL JOB CHANGE (IN THOUSANDS)



MICHIGAN JOB CHANGE BY INDUSTRY SECTOR

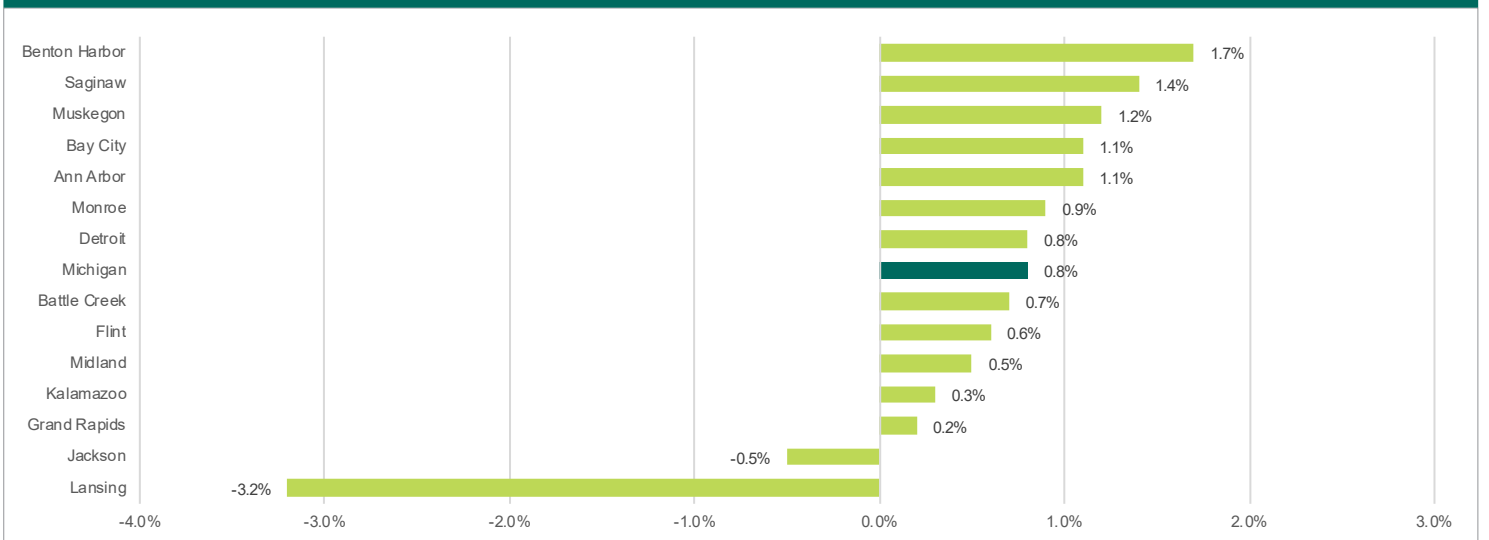




MICHIGAN OVER THE MONTH JOB CHANGE BY SELECT INDUSTRY (MAY 2018-JUNE 2018)



METROPOLITAN AREA JOB CHANGE MAY TO JUNE 2018 (NOT SEASONALLY ADJUSTED)



REGIONAL LABOR MARKET ANALYSIS

ANN ARBOR METROPOLITAN AREA

- Ann Arbor's unemployment rate advanced by four-tenths of a percentage point in June 2018 to 3.5 percent.
- The region had the largest over the year percent gain in both labor force and total employment out of all Michigan metro areas, advancing by 2.3 and 2.6 percent, respectively.

MONTHLY INDUSTRY DEVELOPMENTS

- Total nonfarm jobs in Ann Arbor rose by 2,400, or 1.1 percent in June, with job increases in most major industry sectors.

INDUSTRY TRENDS

- The region's *Goods producing* sector reached a ten-year high of 19,900 jobs in June.
- On a percentage basis, Ann Arbor recorded the largest total nonfarm employment addition over the year out of all Michigan metro areas.

BATTLE CREEK METROPOLITAN AREA

- The jobless rate in the Battle Creek metro area rose seasonally by four tenths of a percentage point in June to 4.5 percent. Both the number of employed and unemployed moved up over the month.
- Over the past year, an employment addition of 400 was offset by a decline in unemployment.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll jobs in June in the Battle Creek MSA increased by 400 to a total of 59,300. Seasonal job gains in *Construction*, and *Leisure and hospitality* were partially offset by employment cuts in private *Educational and health services*.
- Since June 2017, payroll jobs in the region edged up by only 0.5 percent, well below the 1.4 percent growth rate statewide.

INDUSTRY TRENDS

- Since 2009, *Manufacturing* jobs in the Battle Creek MSA advanced at about half the statewide rate (+21 vs. +44 percent).

BAY CITY METROPOLITAN AREA

- Joblessness in the Bay City region increased by 0.4 percentage points over the month, to 5.1 percent.
- Total employment advanced by 1.0 percent in June.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll employment in Bay City was up by 400 over the month, or 1.1 percent.
- Small monthly job increases occurred in most industries with the exception of a 100-job drop in *Retail trade*.

INDUSTRY TRENDS

- For the third consecutive month, *Other services* in Bay City exhibited its all-time low level of 1,300 jobs.

DETROIT-WARREN-DEARBORN METRO AREA

- The Detroit metro area unemployment rate rose by seven-tenths of a percentage point in June, up to 4.4 percent.
- The region was the only Michigan metro area to exhibit an increase in total unemployment over the year, advancing by 8.1 percent since June 2017.

MONTHLY INDUSTRY DEVELOPMENTS

- Nonfarm jobs in the Detroit metro region moved up by 17,100 over the month, or 0.8 percent, with large increases seen in *Leisure and hospitality* (+7,600), *Manufacturing* (+2,800), and *Professional and business services* (+2,700).

INDUSTRY TRENDS

- *Financial activities* jobs in the Detroit metropolitan area rose significantly for the second straight month, reaching an all-time high of 118,000 jobs in June.

FLINT METROPOLITAN AREA

- Unemployment in Flint edged up by four-tenths of a percentage point in June, to 5.1 percent.
- Civilian labor force in the region increased by 1.0 percent over the month, as the number of employed and unemployed both rose.

MONTHLY INDUSTRY DEVELOPMENTS

- Total nonfarm employment in Flint advanced by 800 since May, or 0.6 percent, with the largest gains observed in *Mining, logging, and construction* and *Professional and business services*.

INDUSTRY TRENDS

- *Mining, logging, and construction* in Flint reached a twelve-year high of 6,200 jobs in June.

GRAND RAPIDS-WYOMING METROPOLITAN AREA

- The jobless rate in Grand Rapids advanced by 0.4 percentage points over the month, to 3.3 percent.
- Grand Rapids demonstrated the lowest unemployment rate out of all Michigan metro regions in June.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll jobs in Grand Rapids moved up by 900 over the month.
- Increases in *Mining, logging, and construction* and *Manufacturing* were partially offset by declines in *Professional and business services* and *Government*.

INDUSTRY TRENDS

- Grand Rapids' *Wholesale trade* sector has been advancing in employment since January, with an all-time high of 32,200 jobs in June.

CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	ANN ARBOR			BATTLE CREEK			BAY CITY		
	JUNE 2018	MAY 2018	JUNE 2017	JUNE 2018	MAY 2018	JUNE 2017	JUNE 2018	MAY 2018	JUNE 2017
PLACE OF RESIDENCE									
Labor Force	197,400	194,900	193,000	64,400	64,000	64,400	51,600	50,900	51,400
Employment	190,400	189,000	185,500	61,600	61,400	61,200	49,000	48,500	48,600
Unemployment	7,000	6,000	7,500	2,900	2,600	3,300	2,600	2,400	2,900
Rate (percent)	3.5	3.1	3.9	4.5	4.1	5.1	5.1	4.7	5.6
PLACE OF WORK									
Total Nonfarm Jobs	222,900	220,500	216,700	59,300	58,900	59,000	35,800	35,400	35,700
Mining, Logging, and Construction	4,800	4,700	4,400	1,800	1,700	1,800	1,200	1,200	1,200
Manufacturing	15,100	14,900	14,700	12,700	12,600	12,200	4,400	4,400	4,000
Trade, Transportation, and Utilities	26,100	25,800	26,300	9,200	9,200	9,100	7,700	7,600	7,700
Wholesale Trade	6,200	6,100	6,000	*	*	*	*	*	*
Retail Trade	16,200	16,000	16,600	5,700	5,700	5,500	5,100	5,200	5,100
Information	5,100	5,100	5,100	*	*	*	500	500	500
Financial Activities	7,300	7,200	7,100	1,200	1,200	1,200	1,300	1,300	1,300
Professional and Business Services	30,300	30,500	30,100	6,300	6,300	6,200	2,800	2,700	2,800
Educational and Health Services	28,000	28,300	27,900	10,700	10,800	11,000	6,600	6,500	6,700
Leisure and Hospitality	19,000	18,500	18,500	4,700	4,600	4,700	4,600	4,500	4,600
Other Services	6,400	6,300	6,600	1,900	1,900	1,900	1,300	1,300	1,400
Government	80,800	79,200	76,000	10,600	10,600	10,700	5,400	5,400	5,500
DETROIT-WARREN-DEARBORN									
FLINT									
GRAND RAPIDS-WYOMING									
	JUNE 2018	MAY 2018	JUNE 2017	JUNE 2018	MAY 2018	JUNE 2017	JUNE 2018	MAY 2018	JUNE 2017
PLACE OF RESIDENCE									
Labor Force	2,128,000	2,117,000	2,110,000	186,600	184,800	186,500	588,300	586,600	579,600
Employment	2,035,000	2,040,000	2,024,000	177,100	176,100	176,000	568,800	569,500	558,500
Unemployment	93,000	78,000	86,000	9,500	8,700	10,500	19,500	17,100	21,100
Rate (percent)	4.4	3.7	4.1	5.1	4.7	5.6	3.3	2.9	3.6
PLACE OF WORK									
Total Nonfarm Jobs	2,051,400	2,034,300	2,034,600	143,500	142,700	143,000	570,000	569,100	559,800
Mining, Logging, and Construction	80,200	78,000	76,700	6,200	5,900	5,700	27,400	25,600	24,900
Manufacturing	257,200	254,400	257,000	12,300	12,200	12,900	118,200	117,200	116,400
Trade, Transportation, and Utilities	373,900	372,500	370,400	30,100	29,900	30,200	97,500	97,500	97,500
Wholesale Trade	89,900	88,700	87,300	6,000	5,900	6,000	32,200	32,000	31,900
Retail Trade	211,400	211,800	213,300	20,100	20,000	20,200	49,600	50,000	50,000
Information	26,700	26,700	27,700	3,900	3,900	4,100	5,400	5,400	5,800
Financial Activities	118,000	117,300	117,200	6,100	6,100	6,200	26,600	26,000	26,600
Professional and Business Services	396,100	393,400	398,700	16,300	16,000	15,300	82,300	83,100	79,500
Educational and Health Services	313,900	315,400	313,700	28,700	28,500	28,500	92,700	93,700	89,300
Leisure and Hospitality	219,700	212,100	207,800	15,900	15,700	15,800	50,000	50,400	50,700
Other Services	77,000	76,300	77,200	5,400	5,400	5,500	22,900	22,700	22,700
Government	188,700	188,200	188,200	18,600	19,100	18,800	47,000	47,500	46,400
* Data Not Available									

JACKSON METROPOLITAN AREA

- The June unemployment rate in the Jackson MSA rose by five tenths of a percentage point, due to an employment decline of 600, while unemployment increased by 400.
- Since June 2017, labor force moved up by 500, as employment advanced by 1.0 percent (+700), and the jobless rate edged down.

MONTHLY INDUSTRY DEVELOPMENTS

- June nonfarm payroll jobs in the Jackson MSA were down by 300, mainly due to a seasonal employment decline in *Government*.
- Since June 2017, *Retail trade* cut 300 positions, while *Manufacturing* added 400.

INDUSTRY TRENDS

- Since 2009, the Jackson area added 2,700 jobs in *Manufacturing*, representing a growth rate of 35.5 percent (compared to 44.1 percent statewide).

KALAMAZOO-PORTAGE METROPOLITAN AREA

- The June jobless rate in the Kalamazoo-Portage MSA increased by five tenths of a percentage point, as the number of unemployed rose by 900. Employment was flat.
- Over the past year, labor force expanded by 0.8 percent (+1,400), due to an employment gain of 2,100.

MONTHLY INDUSTRY DEVELOPMENTS

- Jobs in the Kalamazoo-Portage MSA were stable in June, up 500 mostly due to a seasonal job addition of 600 in *Leisure and hospitality*.
- Since June 2017, jobs rose by 1.4 percent (+2,100), mostly in *Construction*, *Health care*, *Leisure and hospitality*, and *Wholesale trade*.

INDUSTRY TRENDS

- Since 2009, employment in *Manufacturing* in the Kalamazoo-Portage MSA advanced by 15 percent (+2,900); well below the 44 percent rate of gain statewide in this industry.

LANSING-EAST LANSING METROPOLITAN AREA

- Lansing's jobless rate increased by six-tenths of a percentage point in June, to 3.9 percent.
- The Lansing area jobless rate was elevated during the summer of 2017, but has fallen a full percentage point since June 2017.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll jobs in Lansing declined by 7,800 (-3.2 percent) over the month, primarily due to a seasonal drop of 6,900 education-related jobs in the *Government* sector.

INDUSTRY TRENDS

- The region was one of only two Michigan metropolitan areas to exhibit a decline in employment over the month (the other being Jackson).
- For the second consecutive month, Lansing's *Non-durable goods* sector registered an eighteen-year high level of 5,600 jobs in June.

MIDLAND METROPOLITAN AREA

- The Midland metro area jobless rate edged up by 0.3 percentage points over the month, to 4.2 percent.
- Total employment increased by half a percent both over the month and over the year.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll employment in Midland inched up by 200, or half a percent, over the month.

INDUSTRY TRENDS

- On a numerical basis, Midland was tied with Bay City in exhibiting the smallest over-the-year employment gain out of all Michigan metro regions, advancing by 100 jobs since June 2017. Two metro areas lost jobs over the year.

MONROE METROPOLITAN AREA

- The jobless rate in Monroe advanced by 0.4 percentage points between May and June, to 4.4 percent.
- The number of area unemployed declined by 10.5 percent over the year.

MONTHLY INDUSTRY DEVELOPMENTS

- Monroe nonfarm jobs increased by 400, or 0.9 percent, in June, with minor gains seen in most major industry sectors.

INDUSTRY TRENDS

- The *Private service providing* sector in Monroe reached an all-time high level in June of 30,200 jobs.

MUSKEGON METROPOLITAN AREA

- The Muskegon area unemployment rate increased by six-tenths of a percentage point over the month, to 5.1 percent.
- Total unemployment declined by 2.4 percent over the year, a reduction nearly matching that of the state at -2.3 percent.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll employment in Muskegon rose by 800 over the month, or 1.2 percent, mainly due to a large seasonal increase of 700 jobs in *Leisure and hospitality*.

INDUSTRY TRENDS

- For the second consecutive month, Muskegon's *Mining, logging, and construction* sector demonstrated its thirteen-year high of 2,300 jobs, a level last seen prior to this year in May 2017.

CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	JACKSON			KALAMAZOO-PORTAGE			LANSING-EAST LANSING		
	JUNE 2018	MAY 2018	JUNE 2017	JUNE 2018	MAY 2018	JUNE 2017	JUNE 2018	MAY 2018	JUNE 2017
PLACE OF RESIDENCE									
Labor Force	75,300	75,400	74,800	169,800	169,000	168,400	247,600	254,400	247,100
Employment	71,900	72,500	71,200	162,900	162,900	160,800	237,900	245,900	235,100
Unemployment	3,300	2,900	3,600	7,000	6,100	7,600	9,700	8,500	12,100
Rate (percent)	4.4	3.9	4.8	4.1	3.6	4.5	3.9	3.3	4.9
PLACE OF WORK									
Total Nonfarm Jobs	58,800	59,100	58,500	149,900	149,400	147,800	233,200	241,000	230,900
Mining, Logging, and Construction	2,100	2,000	2,100	7,400	7,300	6,500	8,400	8,100	8,000
Manufacturing	10,300	10,400	9,900	22,100	21,800	22,100	20,800	20,900	20,500
Trade, Transportation, and Utilities	12,400	12,300	12,700	27,800	27,200	27,200	38,500	38,700	37,500
Wholesale Trade	*	*	*	7,600	7,500	7,300	6,100	6,000	6,100
Retail Trade	6,400	6,400	6,700	16,500	16,000	16,300	22,200	22,500	22,100
Information	300	300	300	800	800	900	2,600	2,600	2,900
Financial Activities	2,100	2,000	2,000	8,600	8,500	8,500	16,800	16,700	16,600
Professional and Business Services	5,000	5,100	4,900	17,100	17,600	17,200	23,900	24,000	23,300
Educational and Health Services	10,600	10,800	10,600	24,300	24,300	23,800	32,200	32,500	31,800
Leisure and Hospitality	5,700	5,600	5,600	17,000	16,400	16,600	18,300	19,000	19,700
Other Services	2,500	2,500	2,500	5,300	5,300	5,400	10,300	10,200	10,400
Government	7,800	8,100	7,900	19,500	20,200	19,600	61,400	68,300	60,200
MIDLAND									
	JUNE 2018	MAY 2018	JUNE 2017	JUNE 2018	MAY 2018	JUNE 2017	JUNE 2018	MAY 2018	JUNE 2017
PLACE OF RESIDENCE									
Labor Force	41,200	40,900	41,200	78,000	77,400	77,200	79,800	78,600	80,300
Employment	39,500	39,300	39,300	74,600	74,300	73,400	75,700	75,100	76,100
Unemployment	1,700	1,600	1,900	3,400	3,100	3,800	4,100	3,600	4,200
Rate (percent)	4.2	3.9	4.6	4.4	4.0	4.9	5.1	4.5	5.2
PLACE OF WORK									
Total Nonfarm Jobs	38,000	37,800	37,900	43,300	42,900	42,600	65,800	65,000	66,900
Mining, Logging, and Construction	*	*	*	1,900	2,000	2,000	2,300	2,300	2,200
Manufacturing	*	*	*	5,600	5,500	5,800	13,900	13,800	13,800
Trade, Transportation, and Utilities	*	*	*	11,300	11,100	11,100	13,400	13,300	13,800
Wholesale Trade	*	*	*	1,900	1,900	1,900	*	*	*
Retail Trade	*	*	*	5,400	5,300	5,300	10,900	10,700	11,100
Information	*	*	*	*	*	*	800	800	800
Financial Activities	*	*	*	1,000	1,000	1,000	1,800	1,700	1,800
Professional and Business Services	*	*	*	5,600	5,500	5,300	3,600	3,800	3,900
Educational and Health Services	*	*	*	5,100	5,100	5,100	12,000	12,100	12,200
Leisure and Hospitality	*	*	*	5,100	4,900	4,900	8,700	8,000	8,700
Other Services	*	*	*	1,500	1,500	1,500	2,300	2,200	2,400
Government	3,100	3,100	3,000	5,600	5,600	5,300	7,000	7,000	7,300
* Data Not Available									

NILES-BENTON HARBOR METROPOLITAN AREA

- The Niles-Benton Harbor June jobless rate of 4.7 percent was up by five tenths of a percentage point. Employment and the number of unemployed rose by 400 each.
- Since June 2017, labor force dropped by 1,000. Employment was down 800 and unemployment by 200.

MONTHLY INDUSTRY DEVELOPMENTS

- Jobs in the Niles-Benton Harbor MSA rose by 1.7 percent (+1,100) in June, mostly from a seasonal job gain of 900 in *Leisure and hospitality*.
- Since June 2017, jobs in the Niles-Benton Harbor MSA declined by 700.

INDUSTRY TRENDS

- Jobs in *Manufacturing* in the Niles-Benton Harbor MSA grew by 20 percent (+1,300) since 2009; which was about half the rate of growth of this industry statewide (+44 percent).

SAGINAW METROPOLITAN AREA

- The jobless rate in Saginaw increased to 5.0 percent in June, up monthly by 0.4 percentage points, and down slightly over the year.
- The civilian labor force in the region advanced seasonally by 1.5 percent over the month.

MONTHLY INDUSTRY DEVELOPMENTS

- Total nonfarm jobs in Saginaw were up by 1,200 over the month, or 1.4 percent, with the largest industry increases seen in *Trade, transportation, and utilities* (+400), *Professional and business services* (+200), and *Leisure and hospitality* (+200).

INDUSTRY TRENDS

- On a percentage basis, Saginaw registered the second largest over-the-month job gain (behind Niles-Benton Harbor).

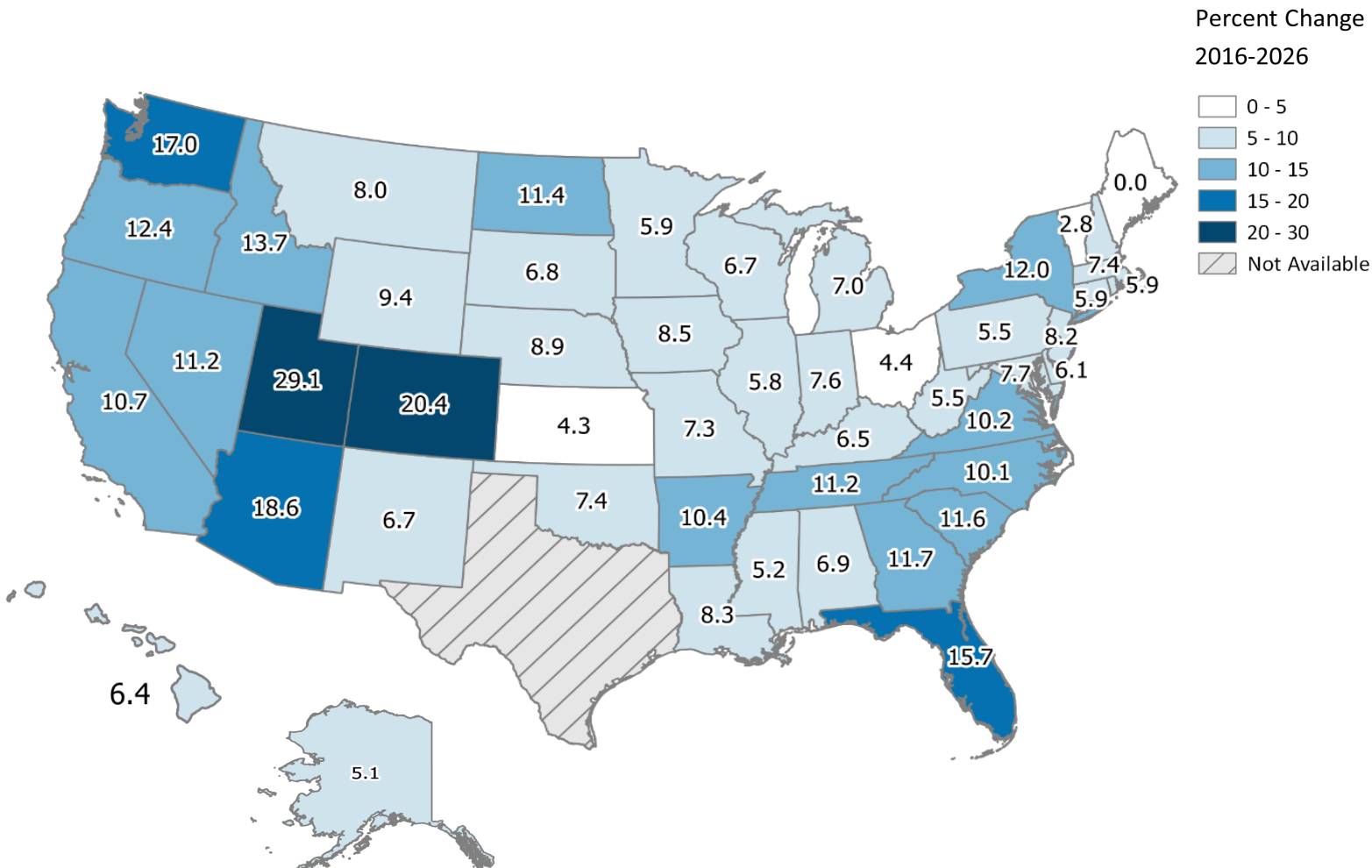
CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	NILES-BENTON HARBOR			SAGINAW		
	JUNE 2018	MAY 2018	JUNE 2017	JUNE 2018	MAY 2018	JUNE 2017
PLACE OF RESIDENCE						
Labor Force	75,200	74,400	76,200	88,900	87,600	88,500
Employment	71,700	71,300	72,500	84,500	83,600	83,700
Unemployment	3,500	3,100	3,700	4,400	4,000	4,800
Rate (percent)	4.7	4.2	4.8	5.0	4.6	5.4
PLACE OF WORK						
Total Nonfarm Jobs	64,100	63,000	64,800	89,100	87,900	88,500
Mining, Logging, and Construction	2,000	2,000	2,000	3,200	3,100	3,100
Manufacturing	13,800	13,700	13,600	12,500	12,400	12,600
Trade, Transportation, and Utilities	11,000	10,900	11,300	16,600	16,200	17,100
Wholesale Trade	*	*	*	2,200	2,200	2,300
Retail Trade	7,000	6,900	7,000	11,800	11,400	12,200
Information	500	500	500	1,200	1,200	1,300
Financial Activities	2,600	2,500	2,400	3,700	3,700	3,800
Professional and Business Services	4,900	4,900	5,700	11,900	11,700	11,300
Educational and Health Services	9,200	9,500	9,400	16,100	16,000	16,100
Leisure and Hospitality	8,800	7,900	8,600	9,200	9,000	9,200
Other Services	2,400	2,300	2,500	3,300	3,300	3,300
Government	8,900	8,800	8,800	11,400	11,300	10,700

	UPPER PENINSULA			NORTHEAST MICHIGAN			NORTHWEST MICHIGAN		
	JUNE 2018	MAY 2018	JUNE 2017	JUNE 2018	MAY 2018	JUNE 2017	JUNE 2018	MAY 2018	JUNE 2017
PLACE OF RESIDENCE									
Labor Force	140,500	137,900	140,300	85,500	84,200	85,300	158,700	152,400	157,300
Employment	132,700	130,300	132,000	80,500	79,300	79,900	151,700	145,500	149,700
Unemployment	7,700	7,600	8,400	5,100	5,000	5,400	7,000	6,900	7,500
Rate (percent)	5.5	5.5	6.0	5.9	5.9	6.3	4.4	4.5	4.8

MAP OF THE MONTH:

PROJECTED OCCUPATIONAL JOB GROWTH RATES BY STATE



Source: Projections Management Partnership (www.projectionscentral.com)

Projected Job Growth Rates by State

Twenty-one out of the 50 states (and Washington D.C.) expect total employment growth lower than Michigan's rate of 7.0 percent from 2016 through 2026. Conversely, 28 states expect higher growth rates over the projection period. At the time of publication, data for Texas and Arizona were not available.

The median rate of job increase expected among all available states plus D.C. is 7.5 percent, about equal to the expected national gain of 7.4 percent published for the U.S. by the Bureau of Labor Statistics.

REGIONAL TRENDS

When viewing this data by region, the projected Michigan growth rate is slightly above the median rate for the Midwest, 6.9 percent. The region with the highest projected median job expansion is the West, at 11.0 percent, while the lowest is the Northeast region at 5.9 percent. The South is expected to add jobs at a median rate of 8.0 percent through 2026.

DETAIL BY STATE

The states expecting the highest level of job expansion to the year 2026 were Utah at 29.1 percent, Colorado at 20.4 percent, and

Washington state at 17.0 percent. The areas expecting the lowest rates of employment change were Maine with no change, and Vermont at +2.8 percent.

Among Michigan's neighboring states, Indiana has the highest projected growth through 2026, at 7.6 percent. Ohio had the lowest projected rate of job gain at 4.4 percent.

KEVIN DOYLE
Projections Specialist



THE MICHIGAN OUTLOOK FOR JOB GROWTH TO 2026

Each July the Bureau of Labor Market Information and Strategic Initiatives releases long-term employment projections for the Michigan labor market. These projections alternate each year between statewide projections (in even-numbered years) and regional projections (in odd-numbered years). This July, the Bureau released long-term statewide projections for Michigan for the period of 2016-2026.

Industry Outlook

Overall, Michigan's total employment is expected to grow 7.0 percent from 2016 through 2026, just below the nationwide all-industry growth rate of 7.4 percent. This translates to an additional 320,900 jobs in the state over this 10-year period. The *Health care and social assistance* sector will lead the way, with more than twice the expected job gains of any other Michigan major industry sector over this period. The *Professional and business services* industry will provide the second highest number of new jobs through 2026. On the other hand, the largest numeric reduction in jobs over the 10-year period is expected to occur in the *Manufacturing* sector, despite its expectation to outperform *Manufacturing* nationally.

The leader by far among Michigan industries with projected future job gains is the *Healthcare and social assistance* sector. Led by the *Ambulatory health care services* industry, this sector will contribute one out of every three new jobs in the Michigan economy over the projection period. *Ambulatory health care services* are projected to grow by 62,330 jobs, or 30.7 percent over the period. This industry includes a wide array

of outpatient medical care, such as *Offices of physicians, Offices of dentists, and Outpatient care centers*, and notably also includes *Home health care services*. The services in this industry are tied to an aging population, one of the main drivers behind increasing employment in the industry nationwide. Importantly, this aging-related effect on demand for health care services is expected to be stronger in Michigan than the nation as a whole over the next decade.

Professional, scientific, and technical services is another standout sector in terms of expected performance through 2026. This sector is expected to add 46,710 jobs, or 15.8 percent, to its employment base over the projections period. Expected growth in this sector is similarly high in the nationwide projections, expanding at a rate of 13.3 percent over the ten years. About half of the new jobs in this sector in Michigan are expected to come from the *Architectural, engineering, and related services* and *Computer systems design and related services* industries. Both industries require highly-trained talent to fill expected jobs, bringing to the forefront an important assumption made in all projections produced at the state and national level—an assumption that talent will be present to fill the newly-created positions within these industries. Michigan is already hard at work attracting new workers to add to its base of talent, but it is important to note that if the pool of available labor is not present, the growth projected in this data set may not materialize.

Another sector to pay close attention to over the next decade is *Manufacturing*. While employment in the sector is expected to remain relatively flat over

the next decade, it remains a critical industry to the Michigan economy and one of the largest sectors in the state in terms of employment. The national *Manufacturing* sector is expected to contract through 2026, losing six percent of total jobs versus the one percent expected decline in Michigan *Manufacturing*.

There are several industries of note within the *Manufacturing* sector. *Transportation equipment manufacturing*, the historical symbol for Michigan's prosperity, is expected to remain the largest industry within the *Manufacturing* sector. Jobs in this industry are projected to be relatively flat over the decade-long period, declining by less than three percent. Two other large industries within the sector, *Food manufacturing and Plastics and rubber manufacturing* are projected to expand jobs by 11.3 percent and 5.4 percent, respectively, over the period. Job growth in these large industries is the principle reason the Michigan *Manufacturing* sector may outperform the national average.

The fastest-growing industry in the *Manufacturing* sector is expected to be *Beverage manufacturing*. Historic data points to *Breweries* being the strongest source of growth in this industry during the 2000-2016 period. This robust trend is an instance of industry growth that is exceptional for its visibility to consumers and reflects a shift in taste and consumption habits. Michigan *Breweries* have seen a twelve-fold increase in employment from 2001-2016, a period chosen to enable comparison with available data for *Wineries*, another area of strong growth within *Beverage manufacturing*. *Wineries* recorded a four-fold increase over the 2001-2016 period, comprising 13 percent of the industry total



employment in 2016, compared to *Breweries'* 33 percent and *Distilleries'* 3 percent. The remaining industry employment is within *Soft drink and ice manufacturing*. The strong trends noted in *Breweries*, and to a lesser degree, *Wineries*, are expected to continue driving job expansion in the industry.

Occupational Outlook

Occupational employment projections often garner the most attention due to their value to workforce developers, career planners, and students, but they are closely tied to and are built from industry employment projections. The Michigan occupational projections to the year 2026 display high expected job growth for occupational groups like *Healthcare practitioners* due to their important role in the quickly-expanding *Health care and social assistance* sector. Occupational projections can provide additional information about expected employment opportunities beyond that supplied by industry projections. In addition to the 320,910 new positions in all occupations available due to economic growth in the projection period, the projections show an additional 515,030 job openings each year due to Michigan workers who are moving on to different occupations or who are leaving the workforce entirely.

The occupational groups with the highest expected job gains in the period ending in 2026 are *Healthcare practitioners and technical* and *Healthcare support* occupations, much like the *Health care and social assistance* sector is expected to be the fastest growing industry. These two occupational groups may see 7,190

combined openings each year just due to economic expansion, but this is only a fraction of the new employees needed each year to perform these jobs. An average of 32,830 job openings is expected to occur each year from 2016-2026 due to workers who are moving from these occupational groups to others or from workers who are leaving the workforce.

These healthcare-focused groups contain occupations that require a wide variety of education credentials, so even those without a bachelor's degree may find an opportunity to enter these job areas. Among the 70 percent of these openings that require less than a bachelor's degree, the occupations with the greatest number of openings will be *Nursing assistants*, *Home health aides*, and *Medical assistants*. While these occupations receive lower levels of pay than highly-skilled healthcare occupations such as *Registered nurses*, they represent occupations that will have significant demand in an industry which has historically experienced minimal effects from economic cycles.

Higher than even healthcare-related occupations, the groups with the highest number of annual job openings are expected to be *Office and administrative support*, *Food preparation and serving related*, and *Sales and related* occupations. The specific occupations from these three groups with the highest number of annual openings will be *Combined food preparation and serving workers*, *Retail salespersons*, and *Office clerks, general*. What is immediately noticeable about this set of occupations is that these are occupations available to persons with little

experience or education.

Future job expansion in Michigan is also expected to vary among occupational groups with different educational requirements. The occupational group with the lowest educational requirement (a high school diploma or less) is expected to have the lowest percentage future job gain over the period at 4.9 percent. However, due to the many jobs in this category, it will record the highest sheer number of new jobs as well as the greatest number of annual openings. Occupations requiring some form of post-secondary training but less than a bachelor's degree will have significantly higher percentage job expansion, at 9.8 percent. This group will record an average of 49,500 openings per year from workers transferring occupations or leaving the labor force, and about 4,900 openings annually from growth alone.

Occupations requiring at least a bachelor's degree are expected to have the highest percentage job growth over the period at 10.9 percent, adding about 123,300 jobs over the 10-year period. Additionally, jobs requiring at least a bachelor's degree will have 88,100 openings annually stemming from the need to replace workers leaving the occupations. These high numbers of openings reflect a new methodology concerning annual openings that has been used in the 2016-2026 projections.

Conclusions

From 2016 through 2026, total employment in Michigan is expected to grow by 320,910 jobs,

or 7.0 percent. These gains will be driven by the *Health care and social assistance, Professional, scientific, and technical, and Accommodation and food services* sectors. Though jobs in *Manufacturing* are expected to be flat over the period, it remains one of the largest sectors in the state. High growth occupations will come from the *Healthcare practitioners and technical, Food preparation and serving related, and Healthcare support* job categories. The need to replace departing workers will drive high demand for *Office and administrative support, Food preparation and service related, and Sales and related occupations*.

As with all economic projections, there are a number of conditions which could greatly impact the accuracy of our employment outlook. The most dramatic example would be an external shock to the labor market.

But beyond this, there are a number of more subtle ways in which externalities can affect the

projected expectations. If an insufficient supply of properly-trained skilled labor exists in Michigan, real growth will fall short of projected growth. Or, if a company with numerous locations throughout the state decides to accelerate an automation effort, such as substituting large-format ordering screens for cashiers in restaurants, there will be fewer jobs to fill than previously expected. In the opposite direction, the magnitude of the skilled labor needed in fast-growing IT occupations, such as *Information security analysts*, may simply have not been foreseen when creating previous projections, making projected growth for the occupation fall far short of observed growth in recent years. Factors such as these should always be kept in mind when evaluating and acting on any economic projection, including the 2016-2026 Michigan industry and occupational projections.

Additionally, readers should be on the lookout for the *Michigan's Hot 50 Jobs* publication. This publication, which follows each new set of statewide

employment projections, is a useful tool for workforce developers, educators, and state and local decision-makers. The *Hot 50 Jobs* publication uses statewide occupational employment projections in conjunction with Occupational Employment Statistics (OES) wage data to rank and list occupations that show favorable long-term job growth, expected annual openings, and above-average wages statewide. This publication can serve as a guide for students and jobseekers who are seeking training or postsecondary education paths towards promising careers.

KEVIN DOYLE
Projections Specialist

TOP AND BOTTOM FIVE INDUSTRY SECTORS BY PERCENT JOB GROWTH

INDUSTRY TYPE	2016	2026	NUMERIC	PERCENT	NATIONAL % CHANGE
Total, All Industries	4,600,950	4,921,860	320,910	7.0%	7.4%
Health Care and Social Assistance	621,910	735,400	113,490	18.2%	19.9%
Professional, Scientific, and Technical Services	295,440	342,150	46,710	15.8%	13.3%
Transportation and Warehousing	116,820	130,910	14,090	12.1%	7.3%
Construction	154,660	171,090	16,430	10.6%	12.9%
Administrative & Support & Waste Management & Remediation Services	289,950	315,530	25,580	8.8%	9.3%
Information	57,160	57,240	80	0.1%	1.9%
Wholesale Trade	171,830	170,770	-1,060	-0.6%	2.5%
Manufacturing	599,840	593,640	-6,200	-1.0%	-6.0%
State Government, Excluding Education and Hospitals	46,170	45,550	-620	-1.3%	-0.2%
Mining	5,460	5,020	-440	-8.1%	14.5%

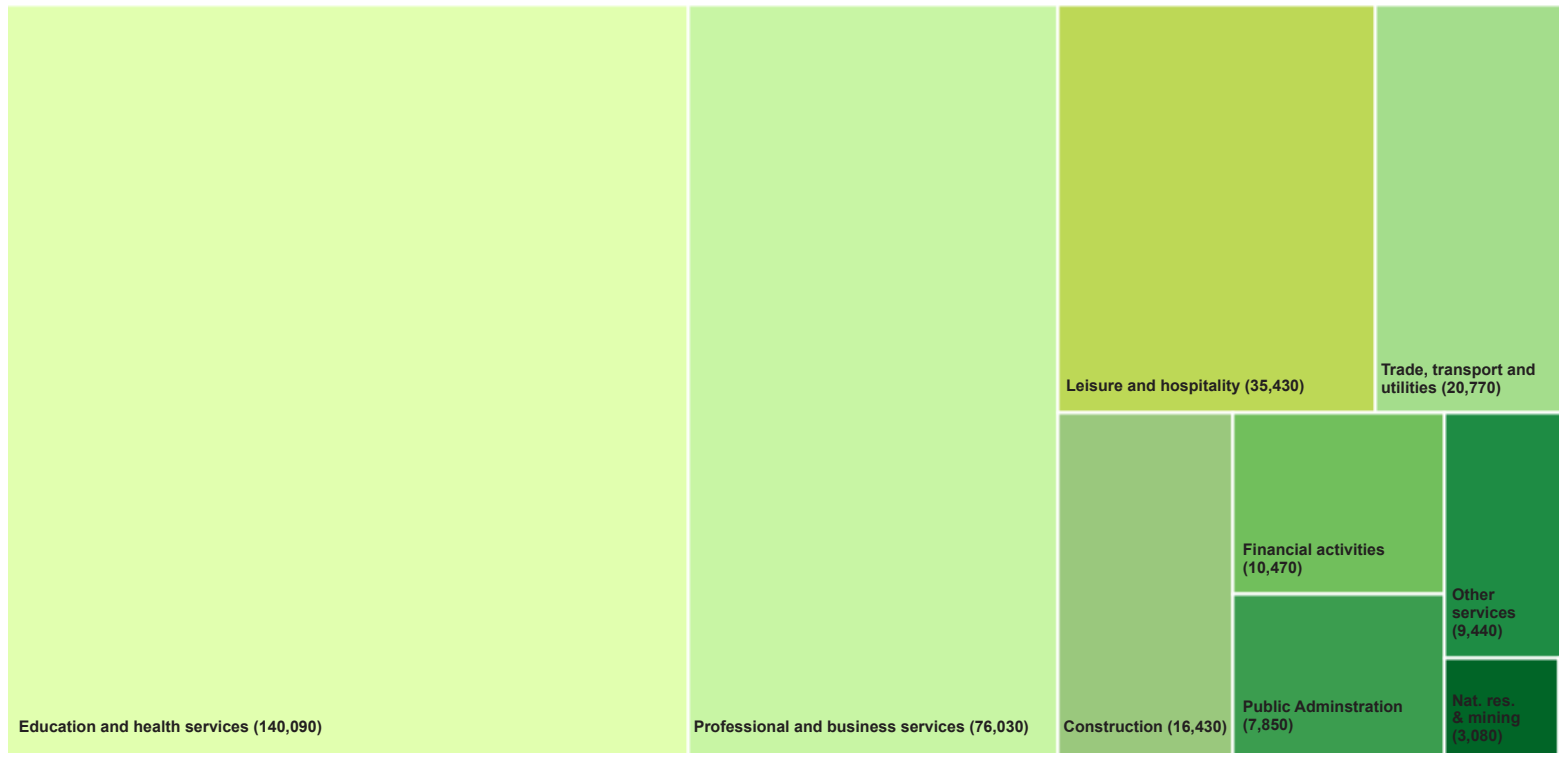
TOP OCCUPATIONAL CATEGORIES BY PERCENT JOB GROWTH

OCCUPATIONAL GROUP	NUMERIC GROWTH	% GROWTH	TOTAL ANNUAL OPENINGS	SHARE OF EMPLOYMENT WITH A BACHELOR'S OR HIGHER
Healthcare Support	31,360	22.7%	20,260	12%
Personal Care and Service	27,270	17.5%	27,440	22%
Community and Social Service	9,630	14.7%	8,340	71%
Computer and Mathematical	16,160	14.2%	9,530	68%
Healthcare Practitioners and Technical	40,540	14.2%	19,770	58%

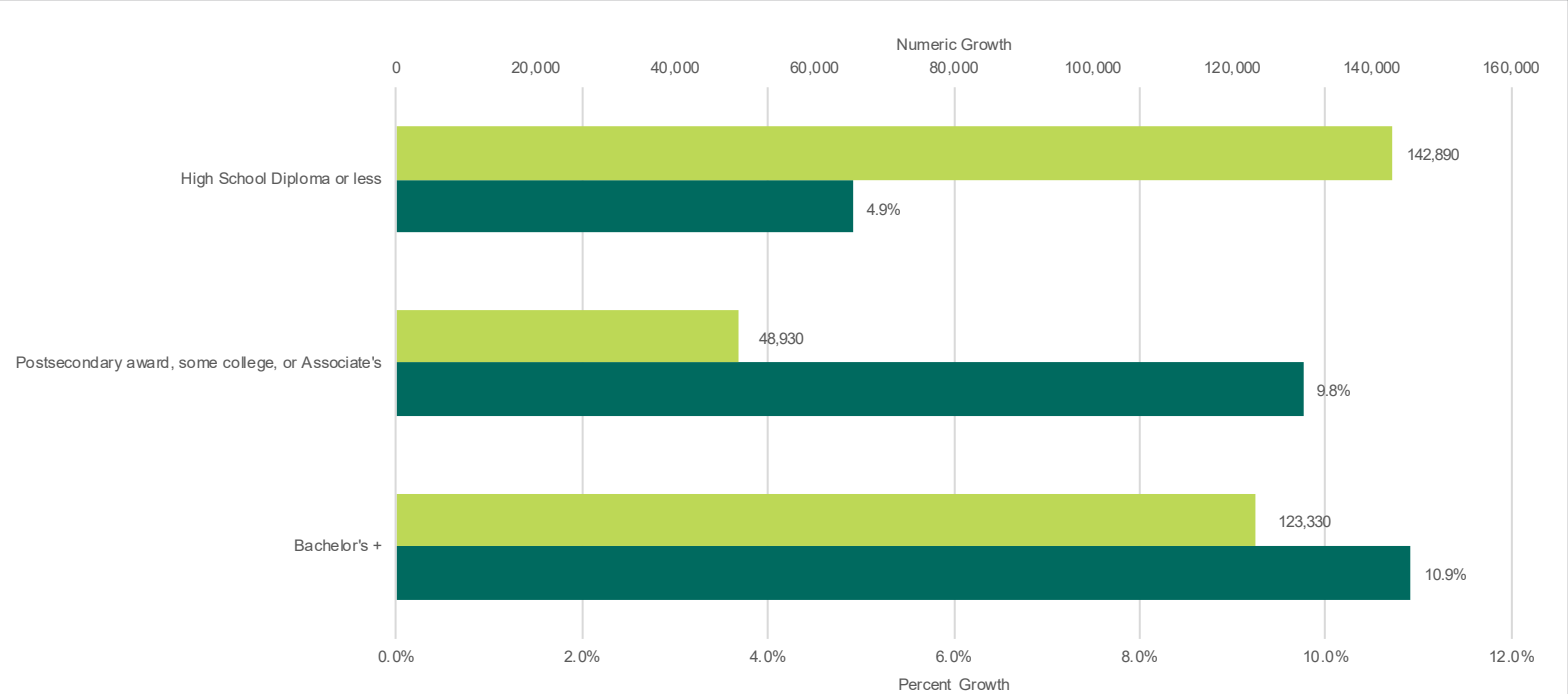
TOP OCCUPATIONAL CATEGORIES BY NUMBER OF JOB OPENINGS

OCCUPATIONAL GROUP	NUMERIC GROWTH	% GROWTH	TOTAL ANNUAL OPENINGS	SHARE OF EMPLOYMENT WITH A BACHELOR'S OR HIGHER
Office and Administrative Support	5,120	0.8%	74,200	22%
Food Preparation and Serving Related	35,080	9.2%	71,690	11%
Sales and Related	8,070	1.8%	62,000	30%
Production	-10,250	-2.3%	48,340	8%
Transportation and Material Moving	21,090	7.3%	37,910	8%

NEW MICHIGAN JOBS BY SUPERSECTOR (2016-2026)



NUMERIC AND PERCENT PROJECTED MICHIGAN JOB GROWTH BY EDUCATION REQUIREMENTS - 2016 - 2026



INDUSTRY FOCUS:

MANAGEMENT, SCIENTIFIC, AND TECHNICAL CONSULTING SERVICES

The *Management, scientific, and technical consulting service* industry (NAICS 5416) is a clear future high growth sector, according to Michigan employment projections to the year 2026. This industry contains firms that are primarily engaged in providing general business consulting services, marketing consulting, logistics consulting services, and environmental and other scientific and technical consulting. Below are some recent trends for this industry in Michigan.

Industry Highlights

- In 2017, Michigan had 30,500 jobs in this industry. For nine out of the past ten years, this industry has consistently added jobs, growing by nearly fifty percent, or about 10,000, since 2008.
- The rate of job expansion has slowed a bit since 2014. From 2014-2017, jobs in *Management, scientific, and technical consulting services* rose by 1,200 or 4.1 percent.
- Short-term industry employment projections (2nd quarter 2017 to 2nd quarter 2019) indicate that the sector is projected to grow 1.6 percent.
- In the long term (2016-2026), the industry is projected to add jobs in Michigan at a fast pace of 22.8 percent.
- During the third quarter of 2017, the average weekly wage for this sector was \$1,386. This was below the average weekly wage of the parent sector, *Professional and technical services* (\$1,555), but was 45 percent higher than the average weekly wage for all Michigan industries (\$954).
- In 2017, the largest occupation in the industry was *Management analyst*, with 3,300 reported jobs in the state, and an average hourly wage of \$44.18.
- In 2017, Management, scientific, and technical consulting services employment made up approximately 11 percent of the total employment of its parent industry, Professional and technical services (NAICS 54000)

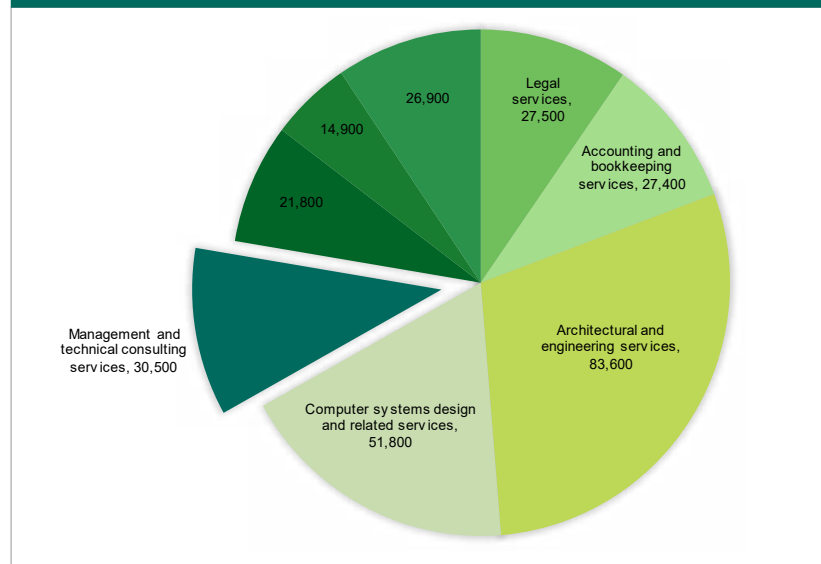
SHIBANI PUTATUNDA

Economic Analyst

MICHIGAN MANAGEMENT, SCIENTIFIC, AND TECHNICAL SERVICES JOBS (2008-2017)



SUBSECTOR BREAKOUT OF MICHIGAN JOBS IN PROFESSIONAL AND TECHNICAL SERVICES, 2017



MICHIGAN'S TOP MANAGEMENT, SCIENTIFIC, AND TECHNICAL CONSULTING SERVICES OCCUPATIONS, 2017

OCCUPATION CODE	OCCUPATION TITLE	TOTAL EMPLOYED	MEAN HOURLY WAGE	ANNUAL AVERAGE WAGE
13-1111	Management Analysts	3,300	\$44.18	\$91,890
43-4051	Customer Service Representatives	1,530	\$22.06	\$45,890
11-1021	General and Operations Managers	1,520	\$70.60	\$146,850
13-1081	Logisticians	1,390	\$35.16	\$73,130
43-9061	Office Clerks, General	1,390	\$18.29	\$38,040



MICHIGAN ONLINE JOB ADVERTISEMENTS DOWN IN JUNE

According to the Conference Board's Help Wanted Online, Michigan job advertisements from May to June dropped 5.4 percent (-7,180 ads). June marks the third consecutive month of job ad decline. Since January, job ads have gone down 10.7 percent to 127,010.

Michigan's regional states of Illinois, Indiana, Ohio, and Wisconsin also posted job ad reductions over the month, averaging a drop of 4.3 percent. Ohio had the greatest job ad cut of 5.6 percent (-8,771 ads) with Indiana's contracting the least at 1.8 percent (-1,801 ads). The average reduction for the region was greater than that of the nation (-3.7 percent).

Ad Rate Declines

The ad rate, or the number of job ads per 100 labor force participants, went down to 2.59 over the month. The 0.15 rate reduction is the largest recent drop from May to June recorded in Michigan. The lower ad rate is the result of job ads going down while more people entered the labor force. Four of the past five years have posted job ad declines in June.

The number of unemployed individuals per job advertisement, also referred to as the supply/

demand rate, rose slightly to 1.76 over the month. The rate increase reflected the number of state unemployed contracting more than job ads.

Non-Seasonally Adjusted Ads

Information is available on advertised jobs by broad occupational group from the Help Wanted Online Data Series, but the data is *not seasonally adjusted*.

Non-seasonally adjusted job advertisements were down in every Metropolitan Statistical Area (MSA) for June. The Niles-Benton Harbor region had the greatest percentage reduction in ads at 15.7 percent (-364 ads), and the Detroit-Warren-Dearborn area registered the largest numeric ad decline at -4,505 (-6.7 percent). The metro areas with the two lowest numeric and percentage reductions in ads were Midland and Kalamazoo-Portage.

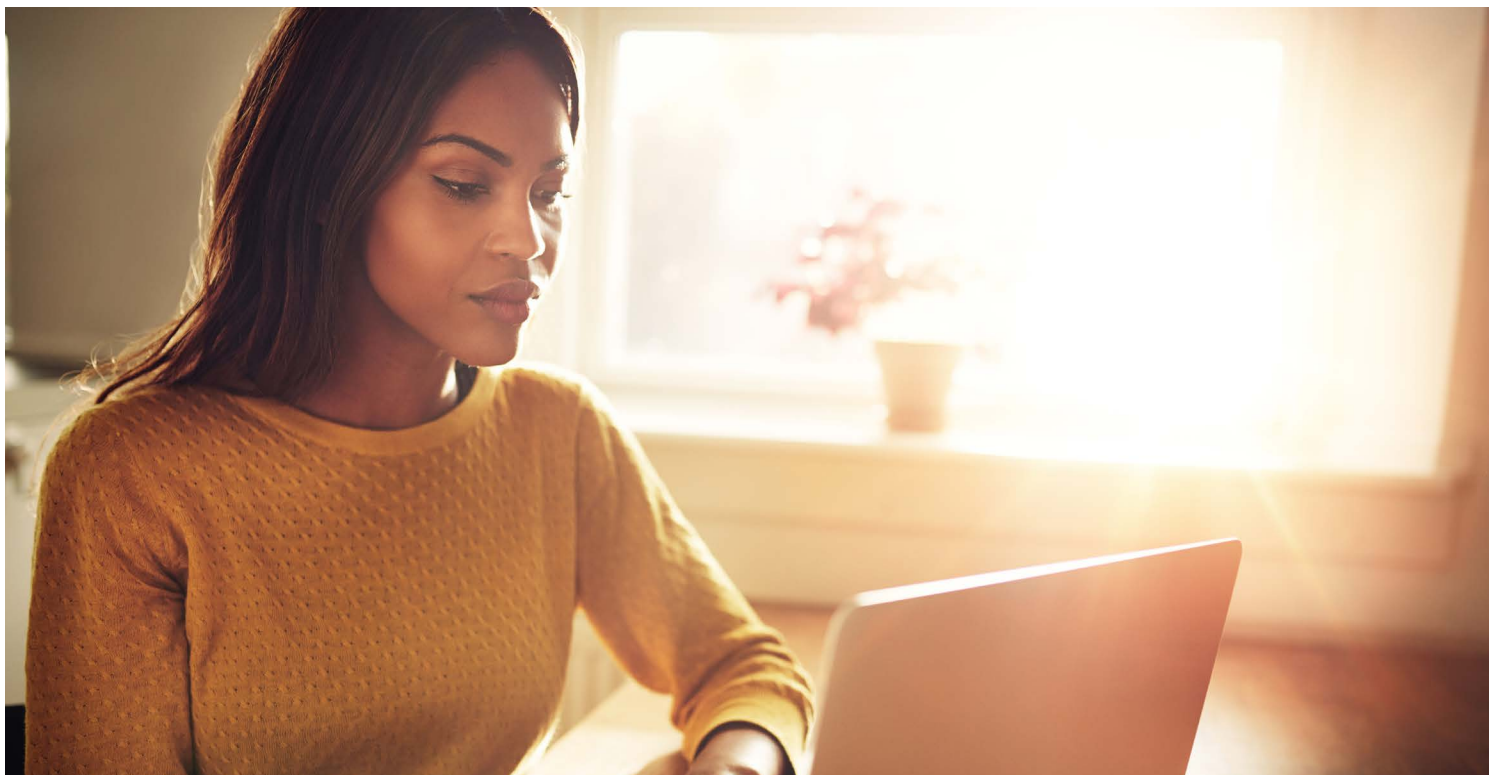
Total available ads among major occupational categories fell 8,450 over the month, led by *Professional, Healthcare, Transportation, and Administrative support occupations* (-2,500, -1,300, -1,300, and -1,150 ads respectively). Jobs in *Construction and repair* recorded the

smallest percentage drop in ads at -1.5 percent.

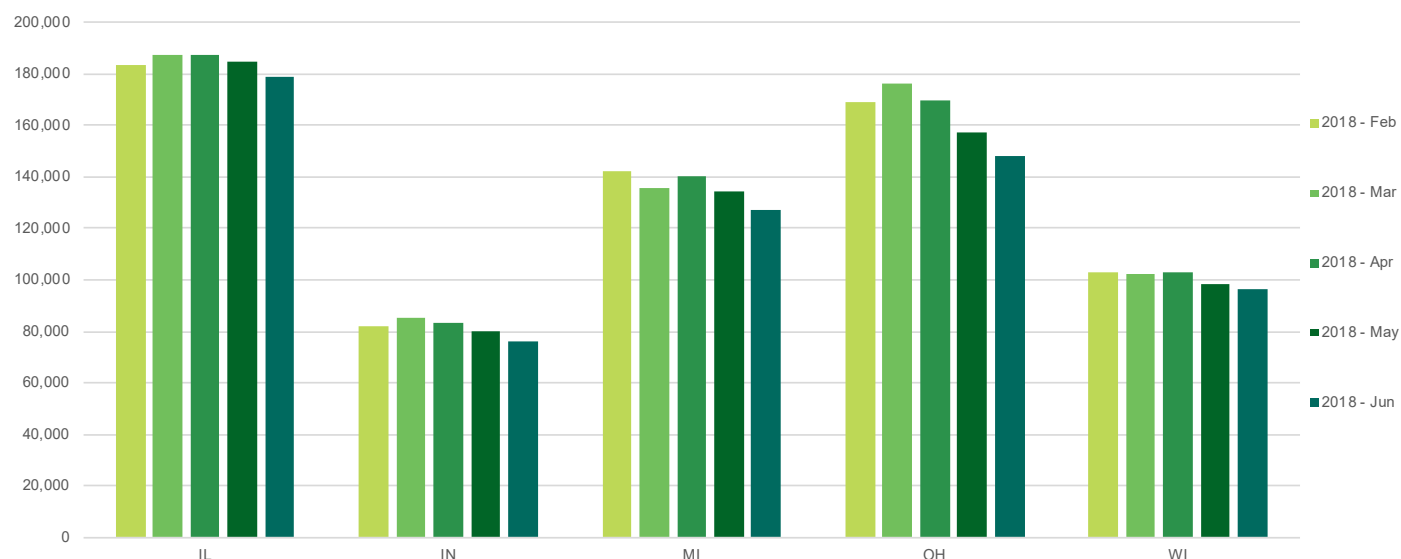
Total new ads were also down by 1,550 or 2.8 percent. New ads for *Transportation* occupations posted the largest numeric (-1,000) and percentage (-18.3) reduction. *Construction and repair, Sales, and Professional* jobs all recorded positive gains in new ads in June.

The duration of job ads online has remained mostly consistent in recent months. Ads for June less than 30 days old constituted a 39.3 percent share of the total, followed by those 30 to 59 days old at 24.4 percent, 60 to 119 days at 20.0 percent, and 120 days or more at 16.2 percent.

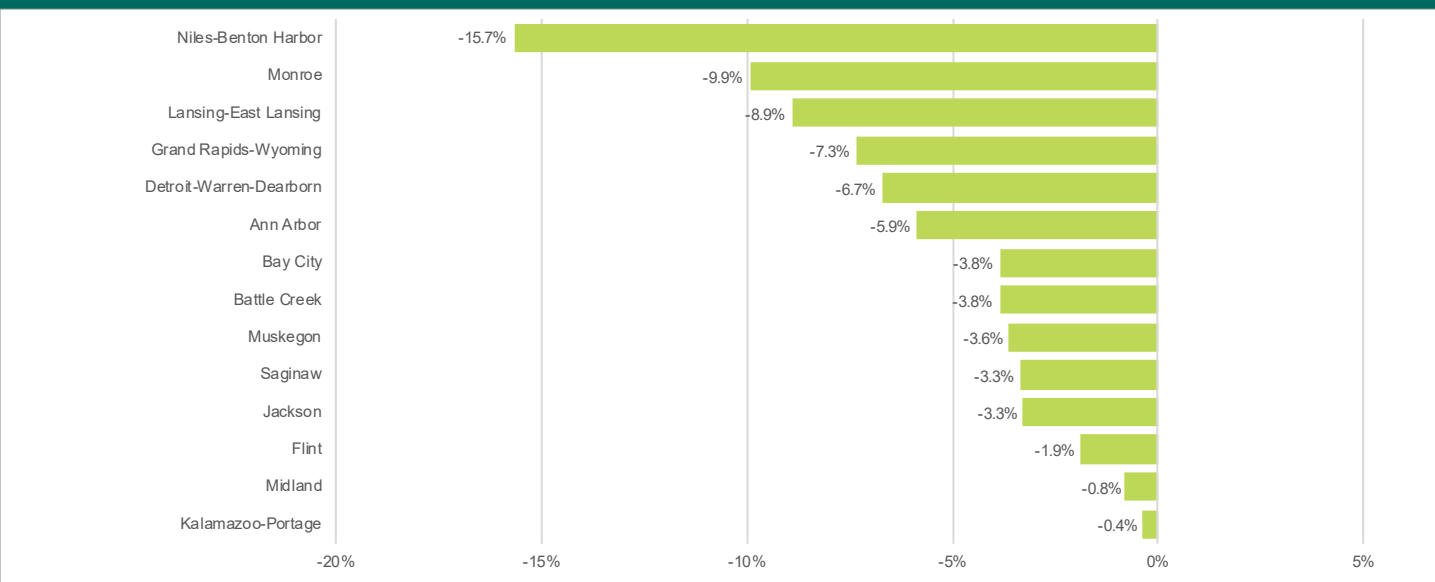
MARCUS REASON
Economic Analyst



TOTAL JOB ADS BY SELECT STATE (FEBRUARY 2018 - JUNE 2018)



CHANGE IN JOB ADS IN JUNE (NOT SEASONALLY ADJUSTED)



TOTAL AVAILABLE ADS (NOT SEASONALLY ADJUSTED)

OCCUPATION CATEGORIES	JUNE 2018	MAY 2018	JUNE 2017	OVER THE MONTH	
				LEVEL	PERCENT
TOTAL	131,600	140,050	149,550	-8,450	-6.0%
Professional	40,000	42,500	44,850	-2,500	-5.9%
Healthcare	18,050	19,350	22,800	-1,300	-6.7%
Sales	13,250	13,850	15,100	-600	-4.3%
Administrative Support	12,400	13,550	13,800	-1,150	-8.5%
Management	9,450	10,000	10,550	-550	-5.5%
Service	12,200	12,650	14,250	-450	-3.6%
Construction and Repair	9,750	9,900	11,200	-150	-1.5%
Production	6,750	7,150	7,200	-400	-5.6%
Transportation	9,300	10,600	9,400	-1,300	-12.3%
Farming, Fishing, and Forestry	450	500	400	-50	-10.0%

RELEVANT RANKINGS

MICHIGAN INDUSTRIES RANKED BY PROJECTED PERCENT JOB GROWTH (2016-2026)				
INDUSTRY TITLE	EMPLOYMENT		EMPLOYMENT CHANGE	
	2016	2026	10-YEAR NUMERIC	10-YEAR PERCENT
Health Care and Social Assistance	621,910	735,400	113,490	18.2%
Professional, Scientific, and Technical Services	295,440	342,150	46,710	15.8%
Transportation and Warehousing	116,820	130,910	14,090	12.1%
Construction	154,660	171,090	16,430	10.6%
Administrative & Support & Waste Management & Remediation Services	289,950	315,530	25,580	8.8%
Accommodation and Food Services	372,900	404,120	31,220	8.4%
Arts, Entertainment, and Recreation	51,440	55,650	4,210	8.2%
Total, All Industries	4,600,950	4,921,860	320,910	7.0%
Educational Services	379,770	406,370	26,600	7.0%
Management of Companies and Enterprises	61,050	64,790	3,740	6.1%
Real Estate and Rental and Leasing	52,570	55,520	2,950	5.6%
Other Services (except Government)	179,840	189,290	9,450	5.3%
Finance and Insurance	145,330	152,850	7,520	5.2%
Natural Resources and Mining	62,320	65,390	3,070	4.9%
Retail Trade	471,840	479,330	7,490	1.6%
Government	278,420	280,100	1,680	0.6%
Information	57,160	57,240	80	0.1%
Wholesale Trade	171,830	170,760	-1,070	-0.6%
Manufacturing	599,840	593,640	-6,200	-1.0%

Note: Employment is rounded to the nearest ten. Employment change values and percents are based on rounded data.
 Source: DTMB, Bureau of Labor Market Information & Strategic Initiatives

MICHIGAN OCCUPATIONS RANKED BY PROJECTED PERCENT JOB GROWTH (2016-2026)

INDUSTRY TITLE	EMPLOYMENT		CHANGE		TOTAL ANNUAL OPENINGS
	2016	2026	NUMERIC	PERCENT	
Healthcare Support Occupations	138,240	169,600	31,360	22.7%	20,260
Personal Care and Service Occupations	155,730	183,000	27,270	17.5%	27,440
Community and Social Service Occupations	65,380	75,010	9,630	14.7%	8,340
Computer and Mathematical Occupations	113,350	129,500	16,150	14.2%	9,530
Healthcare Practitioners and Technical Occupations	285,580	326,120	40,540	14.2%	19,770
Architecture and Engineering Occupations	135,700	154,460	18,760	13.8%	11,770
Building and Grounds Cleaning and Maintenance Occupations	149,300	164,480	15,180	10.2%	20,940
Food Preparation and Serving Related Occupations	382,790	417,870	35,080	9.2%	71,690
Life, Physical, and Social Science Occupations	40,250	43,920	3,670	9.1%	4,210
Education, Training, and Library Occupations	244,280	265,680	21,400	8.8%	24,030
Construction and Extraction Occupations	156,610	170,410	13,800	8.8%	17,780
Business and Financial Operations Occupations	224,670	243,810	19,140	8.5%	22,530
Management Occupations	267,670	289,210	21,540	8.0%	23,420
Legal Occupations	30,860	33,320	2,460	8.0%	2,110
Total, All Occupations	4,600,950	4,921,860	320,910	7.0%	547,120
Transportation and Material Moving Occupations	287,450	308,540	21,090	7.3%	37,910
Installation, Maintenance, and Repair Occupations	178,560	190,860	12,300	6.9%	18,400
Arts, Design, Entertainment, Sports, and Media Occupations	72,260	76,090	3,830	5.3%	7,650
Farming, Fishing, and Forestry Occupations	36,890	38,500	1,610	4.4%	5,740
Protective Service Occupations	82,720	85,880	3,160	3.8%	9,060
Sales and Related Occupations	449,790	457,860	8,070	1.8%	62,000
Office and Administrative Support Occupations	655,950	661,070	5,120	0.8%	74,200
Production Occupations	446,940	436,690	-10,250	-2.3%	48,340

Note: Employment is rounded to the nearest ten. Employment change values and percents are based on rounded data.

Source: DTMB, Bureau of Labor Market Information & Strategic Initiatives



ASK THE ECONOMIST

Q: I hear that a new method for projecting job openings has been implemented by the Bureau of Labor Statistics. What do I need to know about this change?

A. Here is what you need to know...

One of the most useful statistics from employment projections, especially for workforce professionals who are assisting jobseekers, is information on available job openings by occupational group and for specific occupations. This data is especially interesting in the newly-published long-term occupational projections because of a change in methodology. Starting late last year with its long-term employment projections for the nation, the U.S. Bureau of Labor Statistics employed a new methodology to estimate the number of expected job openings during a projections period. This methodology was first utilized in Michigan earlier this year with the 2017-2019 short-term employment projections, and was also used in the recently released 10-year projections to the year 2026.

Why change the methodology?

The old and new methodologies aimed to capture the same metric, which is the number of job openings in an occupation due to job growth versus those created by occupational separation. The prior methodology was designed to capture job changes for a different labor market than today's: a labor market in which someone got a job and remained there for the majority of their career, and retired. The new methodology better captures all types of separations from an occupation, including changing careers, being promoted into management, or completing a retraining program. Like the prior method, the new data is not intended to measure simple "job churn", which are openings created from a person moving from firm to firm but remaining in the same occupation.

The new projections methodology addresses an important mismatch between what is stated in openings data and what labor market information offices know to exist from other sources. In the past, LMI customers have raised concerns that what they observed on the ground, such as in Michigan Works! offices, did not match what the data was reporting. In some cases, the number of job openings seen in the data was lower than what was thought to be available throughout the state. The modernized methods now being used to calculate job openings address these concerns, which were communicated by LMI offices in many states to the Bureau of Labor Statistics.

How are the new openings calculated, in technical terms?

The improved methodology utilizes longitudinal and retrospective data from the Current Population

Survey (CPS) to calculate likelihood of separation from an occupation based on worker characteristics. These methods allow us to better reflect modern paths through the workforce and capture previously-unmeasured job opportunities. Because it includes newly-recognized openings, this sophisticated methodology tracks more favorably with other data sources, such as the Job Openings and Labor Turnover Survey (JOLTS) from the U.S. Bureau of Labor Statistics.

The CPS input data is used by the BLS to calculate openings rates for each occupation based on demographic factors such as age, sex, race, and ethnicity. The model additionally takes into account education level, full-time/part-time worker status, class of worker, and industry in which the worker is employed. Once a rate is calculated at the U.S. level by the BLS, it is applied to all state projections in the same manner, meaning the same occupation within the same industry in both Ohio and Michigan will use the same separation rates. This is largely due to the fact that such granular breakdowns of occupation, industry, and demographics are not available at smaller levels of geography than the US. The factor causing differences between number of openings between the two states is simply the base levels of employment in the given industry and occupation and the projected growth or decline of the occupation.

In the previous methodology, only openings due to growth and openings due to replacements were reported. The new methodology differs in that it reports openings due to employment level change (growth or decline), labor force exits, and occupational transfers.

What is perhaps most important to note is that the differences in the level of job openings between the old and new methodologies comes from a methodological difference and not a conceptual difference. The new methodology accounts for different reasons for job changes, such as changing careers or being promoted into management. For some occupations, particularly occupations that require less education, there will be a greater impact on the levels of projected openings. This is because

the new methodology better accounts for workers frequently leaving an occupation, which means more replacement workers will be needed. The new methodology simply better captures and reflects today's dynamic workforce.

What practical effects will the new methodology have?

Workforce professionals and researchers who are familiar with our projections data series may quickly recognize one characteristic of the new methodology: a higher number of estimated job openings. This higher number stems from the new methodology more fully capturing the number of job openings in the workforce.

Besides the increased scale of job openings, the new methodology introduces another change: new categories of openings. In the previous methodology, only openings due to growth and openings due to replacements were reported. The new methodology differs in that it reports openings due to employment level change (growth or decline), labor force exits, and occupational transfers.

Perhaps unsurprisingly, the occupational groups that are expected to generate the largest number of annual openings through 2026 are *Office and administrative support*, *Service*, and *Sales and related* occupations. These are occupational groups in which workers frequently filter in and out of jobs. The *Food preparation and related services* group, for example, is often a young worker's first introduction to employment. These young workers are among the most likely groups to produce job openings both through exiting the labor force (e.g. for school) or transferring occupational groups (e.g. moving to another, similarly low-skilled occupational group or to another, higher-skilled occupation after career/technical training or higher education). These are examples of occupations that will be impacted by the new methodology used to calculate the number of annual job openings.

KEVIN DOYLE

Projections Specialist



STATE OF MICHIGAN

Department of Technology, Management & Budget

Bureau of Labor Market Information and Strategic Initiatives

Detroit Office

Cadillac Place
3032 West Grand Boulevard
Suite 9-150
Detroit, Michigan 48202
(313) 456-3100

Lansing Office

Victor Office Building, Floor 5
201 North Washington Square
Lansing, Michigan 48933
(517) 335-2472

In accordance with Michigan Law and the Americans with Disabilities Act requirements, an alternate format of this printed material may be obtained by contacting: Bruce Weaver, Economic Manager, Department of Technology, Management & Budget, Bureau of Labor Market Information and Strategic Initiatives, 3032 West Grand Boulevard, Suite 9-150, Detroit Michigan 48202, (313) 456-3091 or weaverb1@michigan.gov.

