MICHIGAN'S
LABOR MARKET NEWS

Nonprofit Employment in Michigan

Occupational Focus: Public Relations Specialists

Michigan October Payroll Job Levels Impacted by Auto Industry Strike

Michigan Manufacturing jobs down temporarily in October due to auto industry strike.

OCTOBER 2019 JOBLESS RATE

MICHIGAN

4.1%

NATIONAL

3.6%

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IT'S BIGGER THAN DATA.

The Bureau of Labor Market Information and Strategic Initiatives is your one-stop shop for information and analysis on Michigan's population, labor market, and more.

- Our Federal-State Programs division runs the state's cooperative agreements with the U.S. Bureau of Labor Statistics and the U.S. Census Bureau, making us the official source for this information.

- Our Research and Evaluation division conducts workforce research and program evaluation, giving you the insight you need to make smarter decisions.

With a large, nearly six-week-long strike in the auto sector lasting into October, Michigan's jobless rate was little changed over the month. Payroll jobs fell by 21,800 due primarily to auto-related job cuts. However, residency-based employment totals did not register the same drop over the month, since individuals on strike are counted as employed in the residency-based data.

As the holiday season approaches, many of us start to think about what we can do to help others. This month, we turn our attention to non-profit employment, including those who make a living out of helping. Our *Feature Article* presents a picture of what these jobs look like from an industry perspective in Michigan, and how they compare to other states and the nation. Our *Occupational Focus* puts the spotlight on *Public relations specialists*, a job found in many nonprofit businesses, while our *Map of the Month* and *Relevant Rankings* provide additional information on how Michigan compares nationally in nonprofit-related wage and employment measures. Finally, our *Ask the Economist* this month discusses the sources and methods behind these data.

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

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MICHIGAN'S OCTOBER UNEMPLOYMENT RATE LITTLE CHANGED

Michigan's seasonally adjusted jobless rate was nearly unchanged in October, edging down by a tenth of a percentage point to 4.1 percent. Michigan's total workforce inched down for the second consecutive month (-3,000 in October).

Michigan payroll jobs fell sharply in October due to the large strike in the auto industry. However, in the calculation of the unemployment rate, persons on strike are counted as employed.

The national unemployment rate rose by a tenth of a percentage point in October to 3.6 percent. Michigan's jobless rate was half a percentage point above the national rate. Since October 2018, Michigan's unemployment rate inched up by a tenth of a percentage point, while the U.S. jobless rate edged down by two-tenths of a percentage point during the same period.

Michigan's total employment level in October was little changed, edging up by 2,000 over the month. Since October 2018, Michigan's employment level rose by 1.0 percent while total unemployment advanced by 4.1 percent. In contrast, national employment moved up by 1.2 percent and the number of unemployed receded by 4.2 percent over the past year.

Over the year, the state labor force rose by 58,000, or 1.2 percent, similar to the U.S. workforce gain of 1.0 percent.

Michigan's Labor Force Expands Over Past Three Years

Michigan's labor force is defined as the number of people in the state 16 years of age or older who are either working or actively looking for work. The chart on the following page shows the seasonally adjusted statewide labor force from October 2016 to October 2019. During this three-year period, Michigan's total workforce rose by 1.7 percent.

Between October 2016 and October 2017, the statewide labor force generally demonstrated continuous slow growth, advancing by 28,000.

Other than a few minor declines, Michigan's workforce continued to expand until April of 2018, reaching a level of 4,907,000. This was the highest labor force level seen in the state since August of 2009.

After April 2018, Michigan workforce levels were generally flat, resulting in an unchanged labor force level over the year between October 2017 and October 2018. After October of 2018, the statewide workforce began to expand, culminating in a peak level of 4,963,000 people either employed or looking for work during August 2019. This was the highest labor force in Michigan since January 2008. Between August and October 2019, the statewide workforce decreased slightly by 5,000 or 0.1 percent.

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MICHIGAN LABOR FORCE ESTIMATES (SEASONALLY ADJUSTED)

	OCTOBER 2019	SEPTEMBER 2019	OCTOBER 2018	CHANGE OVER THE MONTH	CHANGE OVER THE YEAR
Labor Force	4,958,000	4,961,000	4,900,000	-3,000	+58,000
Employed	4,755,000	4,753,000	4,706,000	+2,000	+49,000
Unemployed	202,000	208,000	194,000	-6,000	+8,000
Jobless Rate	4.1	4.2	4.0	-0.1	+0.1

MICHIGAN JOBLESS RATES, OCTOBER 2016–OCTOBER 2019
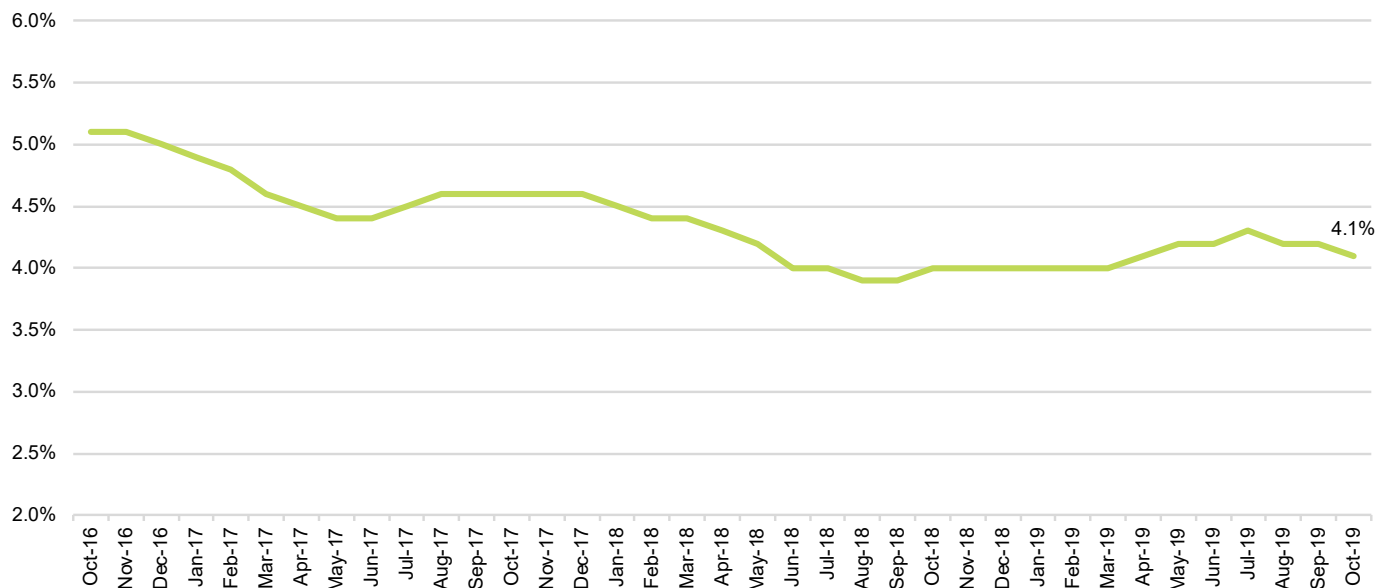
MICHIGAN'S TOTAL WORKFORCE, OCTOBER 2016–OCTOBER 2019
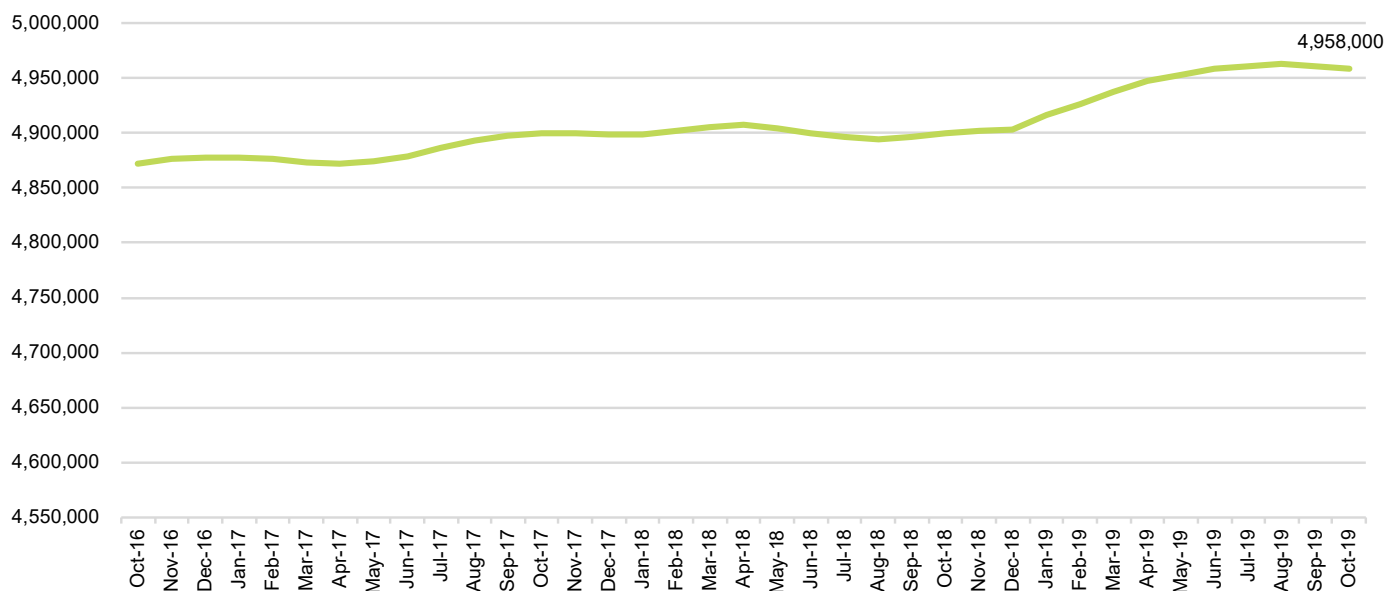
MICHIGAN JOB TRENDS BY INDUSTRY SECTOR

Monthly Overview

Total nonfarm payroll jobs in Michigan fell sharply by 21,800 in October to total 4,424,500. This decrease was primarily located in the *Manufacturing* (-22,000) sector and was due to a labor dispute in the automotive industry that began in mid-September and lasted until October 25. As a result, jobs in the state's *Transportation equipment manufacturing* industry dropped sharply by 26,400. Other major industry sectors with significant payroll declines were *Professional and business services* (-4,100), *Education and health services* (-2,200), and *Other services* (-1,800). Industries with October job gains included *Leisure and hospitality* (+4,400), *Trade, transportation and utilities* (+2,600), *Construction* (+1,300), and *Financial activities* (+400). *Mining and logging* payrolls remained unchanged in October.

Over the Year Analysis

Since October 2018, Michigan nonfarm job levels moved lower by 2,200. A more accurate comparison is for the first ten months of 2019 compared to the comparable period in 2018 when jobs rose by about 26,000. *Manufacturing* jobs in October were well below year-ago levels, but are expected to rebound in November with the end of the auto strike. Since October 2018, jobs in the major sectors of *Education and health services* (-8,500) and *Professional and business services* (-2,100) also decreased. The broad sectors with over the year job gains were *Leisure and hospitality* (+12,500), *Government* (+8,100), *Financial activities* (+5,900), *Construction* (+4,000), *Trade, transportation and utilities* (+1,600), *Other services* (+1,600), and *Information* (+1,500). Jobs in *Mining and logging* were flat over the year.

Michigan Year-to-Date

Year-to-date analysis is complicated by the labor dispute in the automotive industry that impacted the October estimates. This event caused large, temporary, and noneconomic reductions in the number of jobs during October and should not be considered in evaluating the performance of Michigan's labor market so far this year. A clearer picture of recent job trends can be established by comparing the nine-month period ending in September with the job level in December 2018.

In Michigan, total nonfarm payroll employment has grown by 0.3 percent. This was below the 1.0 percent increase nationally during the first nine months of this year. Michigan outperformed the national average in terms of job growth in the broad sectors of *Information*, *Mining and logging*, *Other services*, *Financial activities, Leisure and hospitality*, and *Government.*

The major industry groups in which Michigan lagged the nation in job change over this period included *Education and health services, Construction*, *Manufacturing*, *Professional and business services*, and *Trade, transportation, and utilities.*

Significant Industry Employment Developments

DURABLE GOODS MANUFACTURING

Job levels in *Durable goods manufacturing* (-23,100) declined sharply in October as the impact of the labor dispute in the automotive industry was recorded in the monthly estimates. The largest payroll decrease was reported in *Transportation equipment manufacturing* (-26,400). Significant job reductions associated with this labor dispute also took place in the auto-related industries of *Primary metals manufacturing* and *Machinery manufacturing*. These job cuts were temporary in nature and employment levels are anticipated to rebound in November.

This event also produced a very large over the year decline in the number of jobs in *Durable goods manufacturing* (-25,800), *Transportation equipment manufacturing* (-25,400), and other affected industries. These reductions were temporary and not indicative of overall 2019 trends. Nationally, job levels moved down by 41,000 over the month but were up by 0.2 percent over the year.

ARTS, ENTERTAINMENT, AND RECREATION

Employment in this sector increased by 2,800 over the month. Job levels in this industry display significant seasonality. In a typical year, employers begin to let go of their summer tourism-related help in September and continue this into October and November. This year, the September decline was atypically

large which caused the October reduction to be smaller than normal. Over the two-month period the seasonal job cut was very typical for this time of year. Much of this dynamic occurred in the *Amusement, gambling, and recreation* subsector. Over the year, job levels have increased by 2,600 or by 5.0 percent. Nationally, payrolls moved up by 7,200 over the month and rose by 2.3 percent over the year.

CONSTRUCTION

Payrolls advanced by 1,300 jobs in this broad sector during October. A sizable portion of this increase occurred in *Construction of buildings*. The addition of jobs in the broad sector was also facilitated by an atypical payroll gain in *Specialty trade contractors*. Between October 2018 and October 2019, job levels have grown by 4,000 or by 2.4 percent. The subsectors of *Construction of buildings*, *Heavy and civil engineering construction,* and *Specialty trade contractors* all contributed to this over the year gain. Nationally, employment rose by 10,000 over the month and by 2.0 percent since October 2018.

Metropolitan Statistical Areas (MSAs)

On a not seasonally adjusted basis, seven of Michigan's 14 Metropolitan Statistical Areas (MSAs) reported total nonfarm job additions in October. These metro areas were Ann Arbor (+1.2 percent), Kalamazoo and Muskegon (+1.1 percent each), Monroe and Battle Creek (+0.7 percent each), Grand Rapids (+0.4 percent), and Detroit (+0.1 percent). Common to these areas were job gains in the *Private service providing* and *Government sectors*.

Many of the metro areas with job declines were among those impacted by the labor dispute in the automotive industry. These were Flint (-3.7 percent), Bay City (-1.4 percent), Jackson (-0.7 percent). Saginaw (-0.6 percent), and Lansing (-0.5 percent). The 0.5 percent decrease in Midland was centered in the *Private service providing sector.*
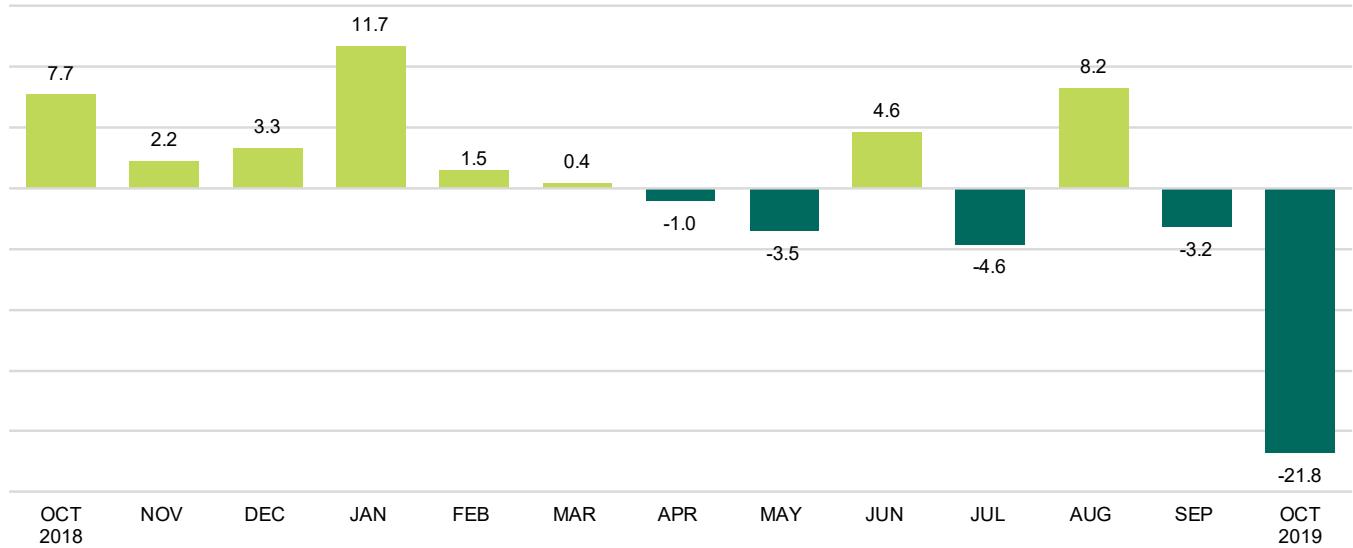
JEFFREY AULA
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MICHIGAN PAYROLL JOBS (SEASONALLY ADJUSTED)

INDUSTRY	OCTOBER 2019	SEPTEMBER 2019	OCTOBER 2018	OVER THE MONTH		OVER THE YEAR	
				LEVEL	PERCENT	LEVEL	PERCENT
TOTAL NONFARM	**4,424,500**	**4,446,300**	**4,426,700**	**-21,800**	**-0.5%**	**-2,200**	**0.0%**
Total Private	3,811,100	3,832,700	3,821,400	-21,600	-0.6%	-10,300	-0.3%
Private Service-Providing	3,023,200	3,024,100	3,010,700	-900	0.0%	12,500	0.4%
GOODS-PRODUCING	**787,900**	**808,600**	**810,700**	**-20,700**	**-2.6%**	**-22,800**	**-2.8%**
Mining, Logging, and Construction	181,300	180,000	177,300	1,300	0.7%	4,000	2.3%
Mining and Logging	7,200	7,200	7,200	0	0.0%	0	0.0%
Construction	174,100	172,800	170,100	1,300	0.8%	4,000	2.4%
Manufacturing	606,600	628,600	633,400	-22,000	-3.5%	-26,800	-4.2%
Durable Goods	455,300	478,400	481,100	-23,100	-4.8%	-25,800	-5.4%
Transportation Equipment Manufacturing	169,700	196,100	195,100	-26,400	-13.5%	-25,400	-13.0%
Non-Durable Goods	151,300	150,200	152,300	1,100	0.7%	-1,000	-0.7%
SERVICE-PROVIDING	**3,636,600**	**3,637,700**	**3,616,000**	**-1,100**	**0.0%**	**20,600**	**0.6%**
Trade, Transportation, and Utilities	796,400	793,800	794,800	2,600	0.3%	1,600	0.2%
Wholesale Trade	174,400	173,700	172,200	700	0.4%	2,200	1.3%
Retail Trade	466,600	465,700	469,700	900	0.2%	-3,100	-0.7%
Transportation, Warehousing, and Utilities	155,400	154,400	152,900	1,000	0.6%	2,500	1.6%
Information	57,200	57,400	55,700	-200	-0.3%	1,500	2.7%
Financial Activities	224,800	224,400	218,900	400	0.2%	5,900	2.7%
Finance and Insurance	166,200	166,200	163,300	0	0.0%	2,900	1.8%
Real Estate and Rental and Leasing	58,600	58,200	55,600	400	0.7%	3,000	5.4%
Professional and Business Services	659,700	663,800	661,800	-4,100	-0.6%	-2,100	-0.3%
Professional, Scientific, and Technical Services	306,700	306,700	301,800	0	0.0%	4,900	1.6%
Management of Companies and Enterprises	67,900	67,800	69,400	100	0.1%	-1,500	-2.2%
Administrative and Support and Waste Management and Remediation Services	285,100	289,300	290,600	-4,200	-1.5%	-5,500	-1.9%
Education and Health Services	668,200	670,400	676,700	-2,200	-0.3%	-8,500	-1.3%
Educational Services	71,100	72,000	74,000	-900	-1.3%	-2,900	-3.9%
Health Care and Social Assistance	597,100	598,400	602,700	-1,300	-0.2%	-5,600	-0.9%
Leisure and Hospitality	448,500	444,100	436,000	4,400	1.0%	12,500	2.9%
Arts, Entertainment, and Recreation	54,900	52,100	52,300	2,800	5.4%	2,600	5.0%
Accommodation and Food Services	393,600	392,000	383,700	1,600	0.4%	9,900	2.6%
Other Services	168,400	170,200	166,800	-1,800	-1.1%	1,600	1.0%
Government	613,400	613,600	605,300	-200	0.0%	8,100	1.3%
Federal Government	52,800	53,600	52,400	-800	-1.5%	400	0.8%
State Government	196,100	195,300	190,400	800	0.4%	5,700	3.0%
Local Government	364,500	364,700	362,500	-200	-0.1%	2,000	0.6%

MICHIGAN OVER THE MONTH PAYROLL JOB CHANGE (IN THOUSANDS)

Bar chart showing monthly payroll job change values:

Month	Change
OCT 2018	7.7
NOV	2.2
DEC	3.3
JAN	11.7
FEB	1.5
MAR	0.4
APR	-1.0
MAY	-3.5
JUN	4.6
JUL	-4.6
AUG	8.2
SEP	-3.2
OCT 2019	-21.8

JOB CHANGE BY MAJOR INDUSTRY SECTOR, JANUARY 2019 THROUGH SEPTEMBER 2019

INDUSTRY	MICHIGAN		U.S.	
	LEVEL	PERCENT	LEVEL	PERCENT
TOTAL NONFARM	**14,100**	**0.3%**	**1,542,000**	**1.0%**
Mining and Logging	100	1.4%	-5,000	-0.7%
Construction	-1,800	-1.0%	117,000	1.6%
Manufacturing	-5,600	-0.9%	38,000	0.3%
Trade, Transportation, and Utilities	-600	-0.1%	40,000	0.1%
Information	1,700	3.1%	-1,000	0.0%
Financial Activities	4,200	1.9%	88,000	1.0%
Professional and Business Services	1,800	0.3%	309,000	1.5%
Educational and Health Services	-6,900	-1.0%	500,000	2.1%
Leisure and Hospitality	9,500	2.2%	229,000	1.4%
Other Services	3,600	2.2%	70,000	1.2%
Government	8,100	1.3%	157,000	0.7%

MICHIGAN OVER THE MONTH JOB CHANGE BY SELECT INDUSTRY, SEPTEMBER 2019–OCTOBER 2019

Industry	Job Change
Arts, Entertainment and Recreation	2,800
Construction	1,300
Durable Good Manufacturing	-23,100
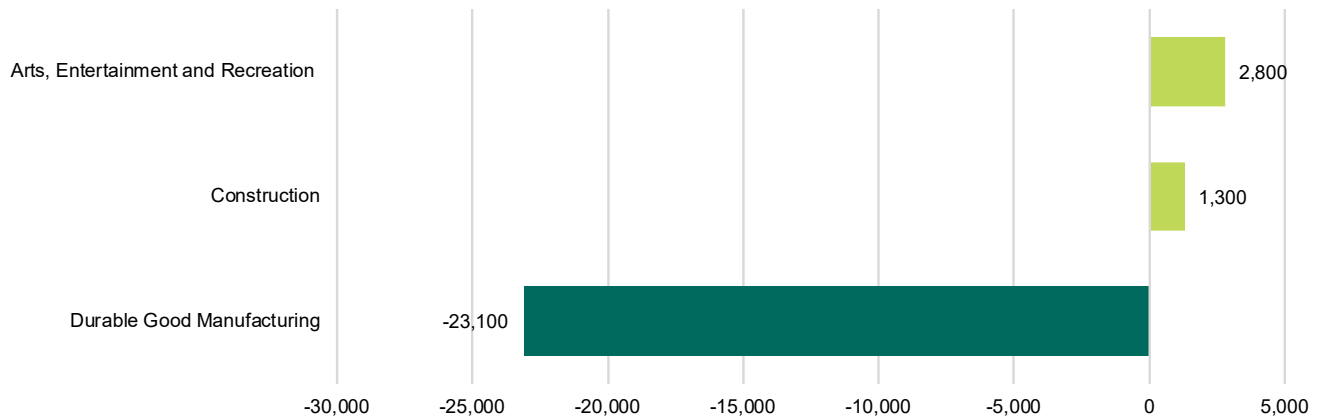
METROPOLITAN AREA JOB CHANGE, SEPTEMBER 2019–OCTOBER 2019 (NOT SEASONALLY ADJUSTED)

Metropolitan Area	Job Change
Ann Arbor	1.2%
Kalamazoo	1.1%
Muskegon	1.1%
Monroe	0.7%
Battle Creek	0.7%
Grand Rapids	0.4%
Detroit	0.1%
Michigan	0.0%
Benton Harbor	0.0%
Lansing	-0.5%
Midland	-0.5%
Saginaw	-0.6%
Jackson	-0.7%
Bay City	-1.4%
Flint	-3.7%
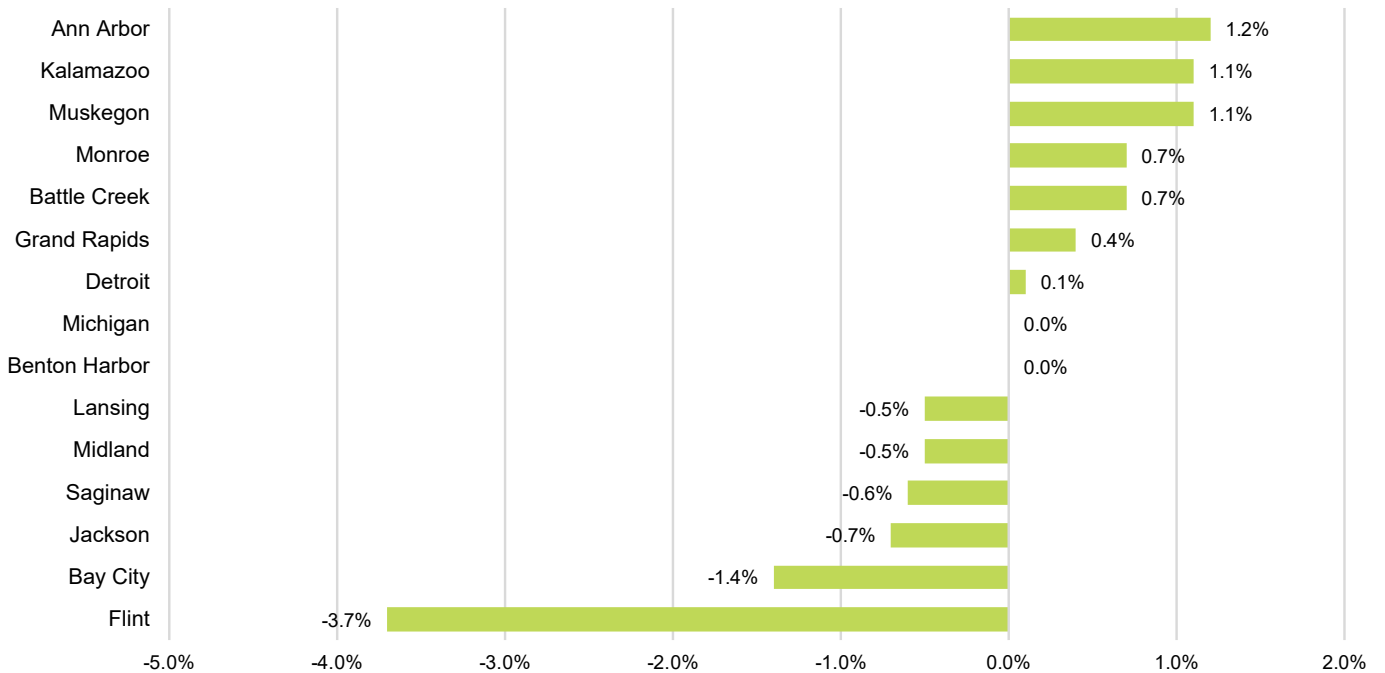
REGIONAL LABOR MARKET ANALYSIS

ANN ARBOR METROPOLITAN AREA

- The Ann Arbor region jobless rate fell by half a percentage point in October to 2.5 percent.
- The region recorded the largest over-the-month jobless rate decline out of all Michigan regions.
- Ann Arbor and Grand Rapids were tied with the lowest October jobless rate out of all Michigan regions.

MONTHLY INDUSTRY DEVELOPMENTS
- Payroll employment in the Ann Arbor MSA advanced by 2,800 over the month, or 1.2 percent, mainly due to a seasonal education-related increase in the region's *Government* sector.

INDUSTRY TRENDS
- *Government* jobs in the Ann Arbor metro area through the first ten months of 2019 were slightly above year-ago levels.

BAY CITY METROPOLITAN AREA

- Joblessness in the Bay City region edged up by 0.1 percentage points over the month to 4.1 percent.
- The region's workforce fell by 1.0 percent over the year.

MONTHLY INDUSTRY DEVELOPMENTS
- Total nonfarm jobs in Bay City dropped by 500 over the month, or 1.4 percent, largely due to a decline of 400 jobs in the region's *Manufacturing* industry.

INDUSTRY TRENDS
- *Private service providing* jobs in Bay City reached a recent low level of 23,100 in October.
- Bay City had the largest over-the-year drop in payroll employment on a percentage basis out of all metro areas, down by 3.6 percent since October 2018.

FLINT METROPOLITAN AREA

- The jobless rate in the Flint MSA advanced by six-tenths of a percentage point over the month to 4.8 percent in October.
- Flint's total number of unemployed rose by over 14 percent during the month.

MONTHLY INDUSTRY DEVELOPMENTS
- Flint's nonfarm job count fell by 5,300 over the month, essentially all due to a decline of 6,700 in the region's *Manufacturing* sector during October.

INDUSTRY TRENDS
- Jobs in the region's *Transportation equipment manufacturing* sector plunged in October, reflecting workers on strike and associated layoffs.
- However, the average number of jobs in this industry in the first nine months of the year was comparable to 2018 levels.

BATTLE CREEK METROPOLITAN AREA

- The Battle Creek metro area jobless rate was down 0.4 percentage points in October to 3.5 percent. Employment was up 400, while unemployment inched down by 200.
- Over the last year, labor market conditions were relatively unchanged, although employment declined by 500.

MONTHLY INDUSTRY DEVELOPMENTS
- Battle Creek MSA October jobs rose by 0.7 percent (+400), mainly from a 200-job gain each in *Government* and *Retail trade*.
- Since October 2018, Battle Creek jobs were down by 500, mostly from a 300-employment reduction each in *Government* and in private *Educational and health services.*

INDUSTRY TRENDS
- Jobs in *Manufacturing* expanded for six straight years (2011 to 2016) in the Battle Creek area, before falling by 200 in 2017.

DETROIT-WARREN-DEARBORN METRO AREA

- The jobless rate in the Detroit MSA fell by 0.3 percentage points over the month to 3.8 percent in October.
- Total employment edged up by 0.2 percent over the month, an increase identical to that of the state.

MONTHLY INDUSTRY DEVELOPMENTS
- Payroll employment in the Detroit metro region edged up slightly by 1,500 over the month, or just 0.1 percent.
- Advances in *Trade, transportation, and utilities*, *Government*, and *Education and health services* were offset by a large strike-related *Manufacturing* job cut.

INDUSTRY TRENDS
- The Detroit MSA's *Manufacturing* sector in October had 13,200 fewer jobs than in October 2018, but this primarily reflected the impact of the strike in the auto industry. Over the first ten months of 2019, jobs in this sector were relatively unchanged (-2,200).

GRAND RAPIDS-WYOMING METRO AREA

- The Grand Rapids MSA jobless rate decreased slightly in October to just 2.5 percent, which was tied for the lowest rate among major Michigan regions.
- The regional workforce was little changed in October.

MONTHLY INDUSTRY DEVELOPMENTS
- Total nonfarm jobs in the Grand Rapids MSA increased by 2,000 over the month, or 0.4 percent, with gains seen in multiple regional industries.

INDUSTRY TRENDS
- The region had the second largest over-the-month numerical advance in jobs out of all Michigan metro areas (behind Ann Arbor).
- Through the first ten months of 2019, jobs in the Grand Rapids area were up about 5,000 from prior year levels.

CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	ANN ARBOR			BATTLE CREEK			BAY CITY		
	OCT 2019	SEP 2019	OCT 2018	OCT 2019	SEP 2019	OCT 2018	OCT 2019	SEP 2019	OCT 2018
PLACE OF RESIDENCE									
Labor Force	195,800	194,700	195,400	61,900	61,800	62,500	49,300	49,300	49,800
Employment	190,800	188,900	189,900	59,800	59,400	60,300	47,300	47,400	48,000
Unemployment	5,000	5,800	5,500	2,200	2,400	2,200	2,000	2,000	1,800
Rate (percent)	2.5%	3.0%	2.8%	3.5%	3.9%	3.5%	4.1%	4.0%	3.6%
PLACE OF WORK									
Total Nonfarm Jobs	230,000	227,200	227,200	58,300	57,900	58,800	34,500	35,000	35,800
Mining, Logging, and Construction	4,800	4,800	4,500	1,800	1,800	1,800	1,400	1,400	1,400
Manufacturing	15,000	15,300	15,100	11,900	11,900	11,900	4,200	4,600	4,700
Trade, Transportation, and Utilities	26,100	26,100	26,300	9,300	9,200	9,200	7,100	7,100	7,500
Wholesale Trade	6,300	6,300	6,200	*	*	*	*	*	*
Retail Trade	15,800	15,800	16,100	5,900	5,700	5,900	4,700	4,800	5,000
Information	5,400	5,400	5,300	*	*	*	400	400	400
Financial Activities	7,000	6,900	6,800	1,200	1,200	1,200	1,300	1,300	1,300
Professional and Business Services	30,500	30,300	30,600	6,100	6,100	6,200	2,600	2,600	2,700
Educational and Health Services	27,900	27,600	27,800	10,800	10,700	11,100	6,200	6,200	6,400
Leisure and Hospitality	18,900	19,000	18,400	4,400	4,500	4,400	4,300	4,400	4,400
Other Services	6,400	6,500	6,400	1,800	1,800	1,800	1,200	1,200	1,300
Government	88,000	85,300	86,000	10,600	10,400	10,900	5,800	5,800	5,700

	DETROIT-WARREN-DEARBORN			FLINT			GRAND RAPIDS-WYOMING		
	OCT 2019	SEP 2019	OCT 2018	OCT 2019	SEP 2019	OCT 2018	OCT 2019	SEP 2019	OCT 2018
PLACE OF RESIDENCE									
Labor Force	2,174,000	2,178,000	2,150,000	184,300	181,400	180,500	574,500	574,600	575,200
Employment	2,093,000	2,088,000	2,056,000	175,500	173,700	173,400	560,300	558,500	560,600
Unemployment	82,000	90,000	93,000	8,800	7,700	7,100	14,200	16,100	14,600
Rate (percent)	3.8%	4.1%	4.3%	4.8%	4.2%	3.9%	2.5%	2.8%	2.5%
PLACE OF WORK									
Total Nonfarm Jobs	2,039,600	2,038,100	2,050,900	139,000	144,300	142,800	569,700	567,700	568,000
Mining, Logging, and Construction	82,100	81,600	78,100	6,300	6,400	6,200	25,700	25,500	25,800
Manufacturing	249,800	255,900	263,000	6,900	13,600	12,600	118,200	118,200	118,000
Trade, Transportation, and Utilities	380,900	376,500	378,400	29,700	29,600	29,600	98,200	97,900	97,400
Wholesale Trade	88,400	87,700	86,500	5,500	5,500	5,400	32,000	31,900	31,800
Retail Trade	211,700	208,500	212,500	19,600	19,500	20,100	50,000	49,900	49,400
Information	26,900	26,900	27,000	3,800	3,800	3,800	6,400	6,400	6,300
Financial Activities	116,700	117,700	115,000	6,000	6,000	6,000	26,700	26,600	26,400
Professional and Business Services	397,400	396,900	404,300	18,000	17,300	17,400	74,200	73,500	77,900
Educational and Health Services	314,500	312,200	320,100	26,100	25,800	26,800	93,300	93,200	93,800
Leisure and Hospitality	205,000	206,300	199,200	15,900	15,700	15,500	53,000	53,100	50,600
Other Services	75,000	75,300	75,400	5,400	5,400	5,400	22,400	22,500	22,300
Government	191,300	188,800	190,400	20,900	20,700	19,500	51,600	50,800	49,500

* Data Not Available

JACKSON METROPOLITAN AREA

- The Jackson metro area jobless rate in October was virtually flat at 3.3 percent Employment and unemployment in the region inched down 100 each.

- Since October 2018, employment was down 700, while the number of unemployed was unchanged. The jobless rate edged up one tenth of a percentage point.

MONTHLY INDUSTRY DEVELOPMENTS

- October Jackson MSA jobs fell by 0.7 percent (-400). *Manufacturing* employment dropped by 400, and *Leisure and hospitality* cut jobs seasonally. However, employment advanced in private *Educational and health services* (+300) and in *Professional and business services* (+200).

- Since October 2018, jobs in the Jackson MSA were down 700 (-1.2 percent), mainly from a 300-employment drop each in *Manufacturing* and *Educational and health services*

INDUSTRY TRENDS

- *Manufacturing* cut 400 positions in October mostly because of layoffs associated with the auto strike.

LANSING-EAST LANSING METRO AREA

- The Lansing MSA unemployment rate advanced by half a percentage point over the month to 3.6 percent in October.

- This rate increase was tied to layoffs in the auto sector related to a strike in this industry.

MONTHLY INDUSTRY DEVELOPMENTS

- The payroll job count in the Lansing MSA fell by 1,100 over the month, or -0.5 percent.

- A seasonal gain in the region's *Government* sector was offset by a large job cut in *Manufacturing* (-4,200).

INDUSTRY TRENDS

- *Durable goods* jobs in the Lansing metro region dropped sharply to 10,000 in October reflecting auto workers on strike and related layoffs.

MONROE METROPOLITAN AREA

- The unemployment rate in Monroe fell by four-tenths of a percentage point to 2.9 percent in October.

- Monroe exhibited the largest reduction in the jobless rate over the year out of all Michigan metro regions, receding by 1.0 percentage point over the year.

MONTHLY INDUSTRY DEVELOPMENTS

- Monroe's total level of nonfarm jobs edged up by 300 over the month, or 0.7 percent, mainly due to a seasonal 200-job increase in *Government*.

INDUSTRY TRENDS

- *Educational and health services* in Monroe had a job cut in 2017, and based on year-to-date estimates, may record a small employment reduction in 2019.

KALAMAZOO-PORTAGE METRO AREA

- The Kalamazoo-Portage unemployment rate edged down by 0.3 percentage points in October to 3.1 percent, below the state rate. Area employment rose by 1,300, and the number of unemployed moved down 500.

- Since October 2018, employment, unemployment and the jobless rate were little changed.

MONTHLY INDUSTRY DEVELOPMENTS

- October payroll job levels in the Kalamazoo-Portage MSA rose by 1,700 or 1.1 percent, mostly from seasonal employment gains in *State and local education*, *Professional and business services*, and *Retail trade*.

- Since October 2018, jobs in the area were up by 1,000. *Leisure and hospitality* and *Construction* added jobs, but employment in *Professional and business services* fell.

INDUSTRY TRENDS

- Employment in *Manufacturing* has steadily improved each year since 2010. Jobs remained stable in October.

MIDLAND METROPOLITAN AREA

- The Midland region jobless rate fell by 0.3 percentage points in October to 3.1 percent.

- The number of unemployed in the region edged down by 100 both over the month and over the year.

MONTHLY INDUSTRY DEVELOPMENTS

- Midland's total nonfarm jobs decreased by 200, or 0.5 percent, between September and October of 2019.

INDUSTRY TRENDS

- Over the first ten months of 2019, nonfarm jobs in Midland were little changed from levels during the comparable period of 2018.

MUSKEGON METROPOLITAN AREA

- Joblessness in the Muskegon region decreased in October by 0.3 percentage points to 3.6 percent.

- The region registered a small increase in employment over the month and a small drop in the number of unemployed.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll jobs in Muskegon advanced by 700 over the month, or 1.1 percent, with minor increases seen in multiple industry sectors.

INDUSTRY TRENDS

- Jobs in the area *Manufacturing* sector have been stable in 2019, after trending upward for much of the decade.

CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	JACKSON			KALAMAZOO-PORTAGE			LANSING-EAST LANSING		
	OCT 2019	SEP 2019	OCT 2018	OCT 2019	SEP 2019	OCT 2018	OCT 2019	SEP 2019	OCT 2018
PLACE OF RESIDENCE									
Labor Force	73,200	73,400	73,900	169,000	168,200	168,700	252,800	248,900	249,400
Employment	70,800	70,900	71,500	163,800	162,500	163,700	243,700	241,100	242,300
Unemployment	2,400	2,500	2,400	5,200	5,700	5,100	9,100	7,800	7,100
Rate (percent)	3.3%	3.4%	3.2%	3.1%	3.4%	3.0%	3.6%	3.1%	2.9%
PLACE OF WORK									
Total Nonfarm Jobs	58,500	58,900	59,200	153,100	151,400	152,100	239,900	241,000	241,500
Mining, Logging, and Construction	2,000	2,100	2,100	6,900	6,900	6,500	8,800	8,800	8,500
Manufacturing	9,700	10,100	10,000	22,700	22,800	22,800	15,800	20,000	20,000
Trade, Transportation, and Utilities	12,600	12,800	12,300	27,400	27,000	27,200	36,900	36,600	37,200
Wholesale Trade	*	*	*	6,700	6,700	6,600	6,600	6,600	6,600
Retail Trade	6,600	6,700	6,500	16,500	16,200	16,600	21,200	21,000	21,700
Information	300	300	300	800	800	800	2,700	2,700	2,700
Financial Activities	2,100	2,100	2,100	8,400	8,400	8,300	17,100	17,100	16,700
Professional and Business Services	5,900	5,700	6,100	17,400	16,800	17,800	24,600	24,100	24,300
Educational and Health Services	10,200	9,900	10,500	24,600	24,400	24,500	32,500	32,300	32,500
Leisure and Hospitality	5,300	5,500	5,300	16,900	17,000	16,500	19,800	20,000	19,300
Other Services	2,500	2,500	2,500	5,200	5,200	5,200	10,500	10,500	10,500
Government	7,900	7,900	8,000	22,800	22,100	22,500	71,200	68,900	69,800

	MIDLAND			MONROE			MUSKEGON		
	OCT 2019	SEP 2019	OCT 2018	OCT 2019	SEP 2019	OCT 2018	OCT 2019	SEP 2019	OCT 2018
PLACE OF RESIDENCE									
Labor Force	39,700	40,000	40,100	75,100	74,900	76,200	77,900	77,800	77,200
Employment	38,500	38,600	38,800	72,900	72,400	73,200	75,100	74,800	74,300
Unemployment	1,200	1,300	1,300	2,200	2,500	3,000	2,800	3,100	2,900
Rate (percent)	3.1%	3.4%	3.1%	2.9%	3.3%	3.9%	3.6%	3.9%	3.8%
PLACE OF WORK									
Total Nonfarm Jobs	37,800	38,000	38,100	42,700	42,400	42,800	67,000	66,300	65,500
Mining, Logging, and Construction	*	*	*	2,700	2,600	2,700	2,800	2,700	2,500
Manufacturing	*	*	*	5,800	5,900	5,700	13,900	13,900	13,800
Trade, Transportation, and Utilities	*	*	*	10,500	10,500	10,700	14,700	14,300	14,100
Wholesale Trade	*	*	*	1,800	1,800	1,800	*	*	*
Retail Trade	*	*	*	4,700	4,700	4,800	11,700	11,400	11,300
Information	*	*	*	*	*	*	300	300	300
Financial Activities	*	*	*	900	900	900	1,700	1,700	1,800
Professional and Business Services	*	*	*	5,700	5,700	5,800	3,800	3,600	3,600
Educational and Health Services	*	*	*	5,000	4,900	5,100	12,100	12,000	12,200
Leisure and Hospitality	*	*	*	4,800	4,900	4,700	7,900	8,100	7,500
Other Services	*	*	*	1,400	1,400	1,400	2,200	2,200	2,200
Government	3,000	3,000	3,000	5,500	5,300	5,400	7,600	7,500	7,500

* Data Not Available

NILES-BENTON HARBOR METRO AREA

- Unemployment fell by 300 in October in the Niles-Benton Harbor MSA, and the unemployment rate declined by 0.4 percentage points to 3.1 percent.

- Over the past year, employment continued to show noticeable growth in the Niles-Benton Harbor MSA (+900 or +1.3 percent).

MONTHLY INDUSTRY DEVELOPMENTS
- Niles-Benton Harbor MSA job counts in October were unchanged. A seasonal job drop of 600 in *Leisure and hospitality* was offset by employment gains mainly in *Education* and in *Professional and business services*.

- Over the year, jobs in the Niles-Benton Harbor MSA advanced by 1.9 percent (+1,200). Employment in most major industry sectors improved or remained unchanged.

INDUSTRY TRENDS
- *Manufacturing* jobs through the first ten months of 2019 were slightly above year-ago levels.

SAGINAW METROPOLITAN AREA

- Saginaw area joblessness increased by six-tenths of a percentage point in October to 4.7 percent, reflecting layoffs related to the strike in the auto sector.

- Saginaw's total number of unemployed jumped by 17.1 percent over the month.

MONTHLY INDUSTRY DEVELOPMENTS
- Nonfarm jobs in Saginaw fell by 500 between September and October, or 0.6 percent, due to a strike-related 700-job decline in the region's *Manufacturing* industry.

INDUSTRY TRENDS
- Saginaw's *Wholesale trade* industry reached an all-time low level of 1,900 jobs during October of 2019.

CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	NILES-BENTON HARBOR			SAGINAW		
	OCT 2019	SEP 2019	OCT 2018	OCT 2019	SEP 2019	OCT 2018
PLACE OF RESIDENCE						
Labor Force	73,600	75,000	72,400	85,800	87,400	85,400
Employment	71,000	71,800	69,900	82,300	83,300	82,100
Unemployment	2,600	3,200	2,500	3,500	4,100	3,300
Rate (percent)	3.5%	4.2%	3.5%	4.1%	4.7%	3.9%
PLACE OF WORK						
Total Nonfarm Jobs	63,900	63,600	62,800	88,100	87,900	88,100
Mining, Logging, and Construction	2,300	2,300	2,300	3,300	3,400	3,300
Manufacturing	13,600	13,700	13,200	12,200	12,700	12,500
Trade, Transportation, and Utilities	10,800	10,700	10,800	16,700	16,600	16,700
Wholesale Trade	*	*	*	2,000	2,000	2,100
Retail Trade	7,000	6,900	6,800	12,000	11,900	11,900
Information	500	500	500	1,300	1,300	1,300
Financial Activities	2,500	2,500	2,500	3,600	3,700	3,600
Professional and Business Services	5,700	5,400	5,600	11,400	11,400	11,200
Educational and Health Services	9,500	9,200	9,200	15,700	15,800	15,800
Leisure and Hospitality	8,000	8,600	7,900	9,500	9,800	9,200
Other Services	2,300	2,400	2,300	3,100	3,100	3,200
Government	8,700	8,300	8,500	11,300	10,100	11,300

	UPPER PENINSULA			NORTHEAST MICHIGAN			NORTHWEST MICHIGAN		
	OCT 2019	SEP 2019	OCT 2018	OCT 2019	SEP 2019	OCT 2018	OCT 2019	SEP 2019	OCT 2018
PLACE OF RESIDENCE									
Labor Force	138,100	139,200	137,400	83,000	85,300	82,300	151,500	159,600	149,100
Employment	132,600	132,400	132,400	79,300	80,900	78,800	146,300	153,700	144,300
Unemployment	5,500	6,800	5,000	3,700	4,400	3,500	5,200	5,900	4,800
Rate (percent)	4.0%	4.9%	3.6%	4.4%	5.2%	4.3%	3.4%	3.7%	3.2%

MAP OF THE MONTH:

NONPROFIT EMPLOYMENT LOCATION QUOTIENT BY STATE
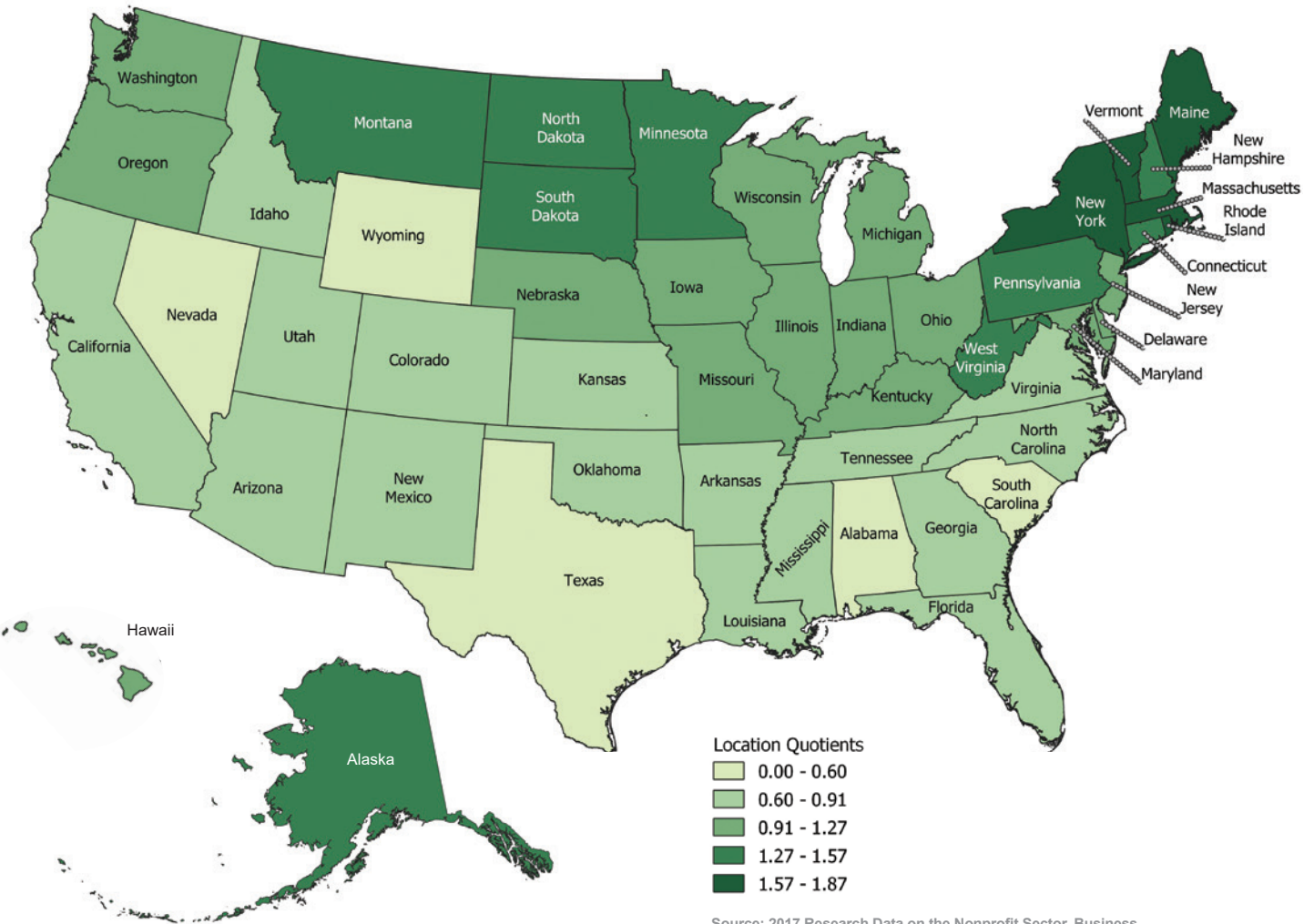
Location Quotients

	0.00 - 0.60
	0.60 - 0.91
	0.91 - 1.27
	1.27 - 1.57
	1.57 - 1.87

Source: 2017 Research Data on the Nonprofit Sector, Business Employment Dynamics (BED), U.S. Bureau of Labor Statistics

Using 2017 data from the Business Employment Dynamics (BED) program's data series on 501(c)(3) nonprofit employment and wages, this map provides a breakdown of nonprofit location quotients by state. The location quotient is the concentration of a sector or industry in relation to a larger geography, in this case the United States. A location quotient above 1.0 indicates a higher-than-average concentration of jobs in a particular industry. For example, if a state has a location quotient of 2.0 in a certain industry, this indicates a job concentration in that industry twice as high as the nation. States with a location quotient well below 1.0 means these jobs are less prevalent statewide than nationally.

Michigan has a nonprofit employment location quotient of 1.05, ranking 24th among all states. This indicates that the concentration of employment within this sector is on par with the nation. States with especially high concentrations include Vermont (1.90), Maine (1.80), New York (1.74) and Massachusetts (1.73). As mentioned in this month's feature article, this is due in part to this region's large presence in private education, with *Educational services* dominating a large portion of the nonprofit sector.

Some states with the lowest concentration of nonprofit employment relative to the nation include Nevada (.30), Alabama (.50), Texas (.50), South Carolina (.54), and Wyoming (.60). A possible explanation could be due to these states having lower levels of employment in the *Healthcare and social assistance* and *Educational services* sectors, whose employment is largely nonprofit.

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NONPROFIT EMPLOYMENT IN MICHIGAN

There has been much interest in recent years regarding nonprofit sector data. What initially began as a research series for the Business Employment Dynamics (BED) program within the Bureau of Labor Statistics (BLS) eventually grew to become a full data series in response to this rising interest. Through matching data from Quarterly Census of Employment and Wages (QCEW)[1] files and the IRS Exempt Organization Business Master File (EOBMF)[2], BED researchers produced a data series on employment and wages for nonprofit establishments under the 501(c)(3) classification. This data series has been made available for the years 2007–2012 for 2-digit NAICS industry sectors, and for the years 2013-2017 on a 2-digit and select 3 and 4-digit level. Data is available for the U.S. and for states, and in cases where available for public release, on the county level as well. This data can be used to examine the nonprofit sector in Michigan and its standing relative to the nation and other states.

Michigan in Context

In 2017, Michigan averaged 402,228 jobs in the 501(c)(3) sector, which accounted for approximately 10.8 percent of private sector employment, similar to the nation's 10.2 percent share. Michigan saw a higher share of nonprofit employment during the recession, peaking in 2010 at 12.2 percent.

This may be explained in part by the composition of nonprofit sector employment. Nonprofit jobs are concentrated in Michigan in the *Healthcare and social assistance* sector, an interesting factor that will be discussed later. The *Healthcare and social assistance* sector is considered relatively recession resistant, which may explain why during this time it maintained job levels while other sectors' employment decreased. Similar to *Healthcare and social assistance*, the *Educational services* sector is also less sensitive to the negative effects of recession and accounts for a notable portion of nonprofit employment. While there was no major recessionary advance in this sector's employment, the job stability in the sector contrasted with total private sector job cuts. This likely contributed to the overall increased nonprofit share of private sector jobs during the recession. Since then, the Michigan share of nonprofit jobs has steadily converged toward the national average.

NONPROFIT JOBS – SHARES

Michigan's 10.8 percent nonprofit share of total jobs ranked 24th among all states in 2017. Those with the largest employment shares in the nonprofit sector were predominately East Coast states with a large presence in private education, such as Massachusetts (17.7 percent), Connecticut (14.6 percent), and others in that region.

NONPROFIT JOBS – LEVELS

As expected, the large states of New York (11.2 percent) and California (9.2 percent) were home to the top number of nonprofit jobs nationwide, combining to supply 20 percent of all U.S. nonprofit employment.

Michigan, however, was not far behind, ranking 9th (3.2 percent). Other notable states who led Michigan in this category included Midwest states such as Illinois (4th, 4.7 percent) and Ohio (5th, 4.6 percent). Rounding out the top ten were Pennsylvania (3rd, 6.5 percent), Massachusetts (6th, 4.4 percent), Florida (7th, 4.3 percent), Texas (8th, 4.2 percent), and Minnesota (10th, 3.0 percent).

National Employment Data Comparison

Although Michigan's nonprofit employment levels varied when compared to other states, its composition was similar to the composition of the nation's 501(c)(3) sector. In many cases, the same sectors led the way in jobs in Michigan and the U.S. These included *Healthcare and social assistance*, *Educational services*, and *Other services (except public administration)*, with other sectors rounding out the top five depending on the metric being observed.

[1] The Quarterly Census of Employment and Wages is a comprehensive count of establishments, employment, and wages by industry
[2] The IRS Exempt Organization Business Master File is a cumulative database of tax-exempt organizations

FIGURE 1: SHARE OF EMPLOYMENT IN 501(C)(3)
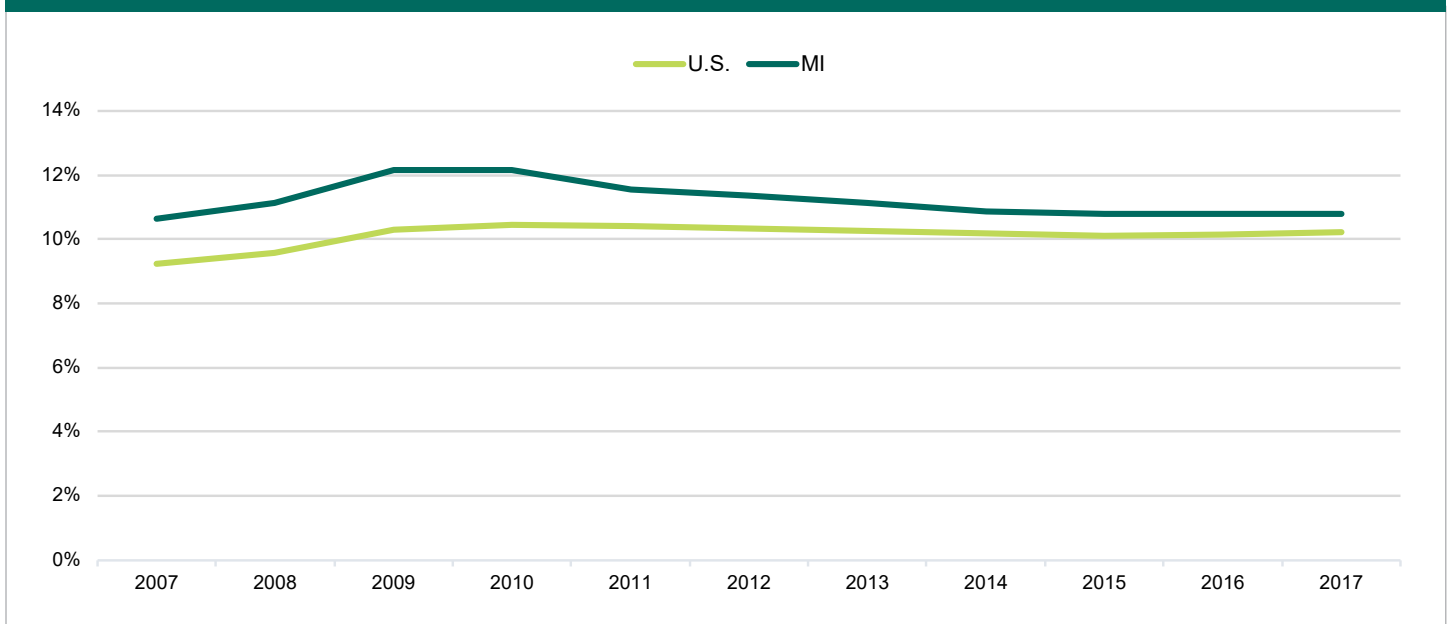
Legend: U.S. — MI

Source: 2017 Research Data on the Nonprofit Sector, Business Employment Dynamics (BED), U.S. Bureau of Labor Statistics

Statewide and nationally, the sectors with the highest internal share of jobs in the nonprofit sector were nearly identical: *Educational services*, *Healthcare and social assistance, Other services (except public administration)*, and *Arts, entertainment, and recreation*. For Michigan, *Information* had the 5th highest employment share in the nonprofit sector, while *Management of companies and enterprises* was 5th nationally.

Another comparison is to identify the sectors that provide the highest number of nonprofit jobs (annual average employment) to the Michigan economy. These industry job rankings were very similar to those rankings listed above. The only difference came statewide, where *Professional, scientific, and technical services* ranked 5th in total nonprofit employment.

WAGE DATA COMPARISONS

The wage ratio is the ratio of nonprofit wages relative to the total private annual wage. This data can be calculated on an aggregate level as well as by sector. Michigan's total nonprofit sector had a .94 ratio compared to .97 nationally in 2017. This translated to a total nonprofit sector annual wage per employee (AW/E) of $49,076 statewide compared to $52,329 for the total private annual wage. Nationally, these numbers were $53,667 and $55,338, respectively. Relative to other states, Michigan ranked near the bottom at 41st in wage ratio. States such as South Dakota, Idaho, and Vermont topped this list with ratios of 1.20, 1.19, and 1.12. Conversely, New York, Wyoming, and Kansas had the lowest wage ratios, offering .77, .78, and .82 on the dollar compared to other private sector wages.

FIGURE 2: STATEWIDE 501(C)(3) ANNUAL AVERAGE EMPLOYMENT 2007–2017, HEALTHCARE AND SOCIAL ASSISTANCE
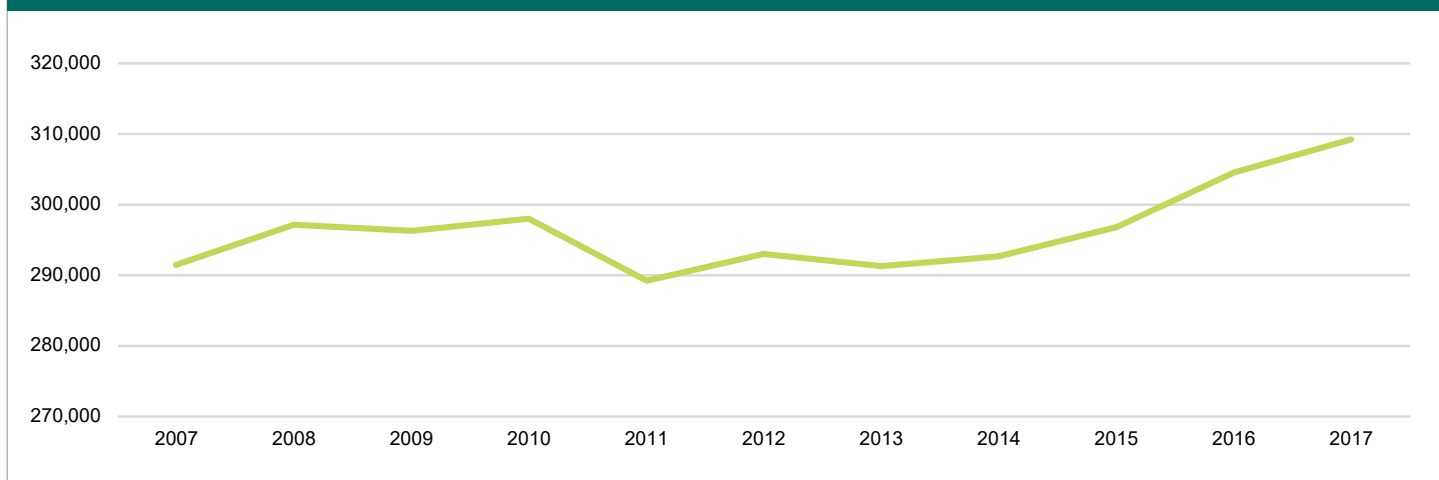
Source: 2017 Research Data on the Nonprofit Sector, Business Employment Dynamics (BED), U.S. Bureau of Labor Statistics

FIGURE 3: TOP TEN INDUSTRIES BY 501(C)(3) EMPLOYMENT, 2017

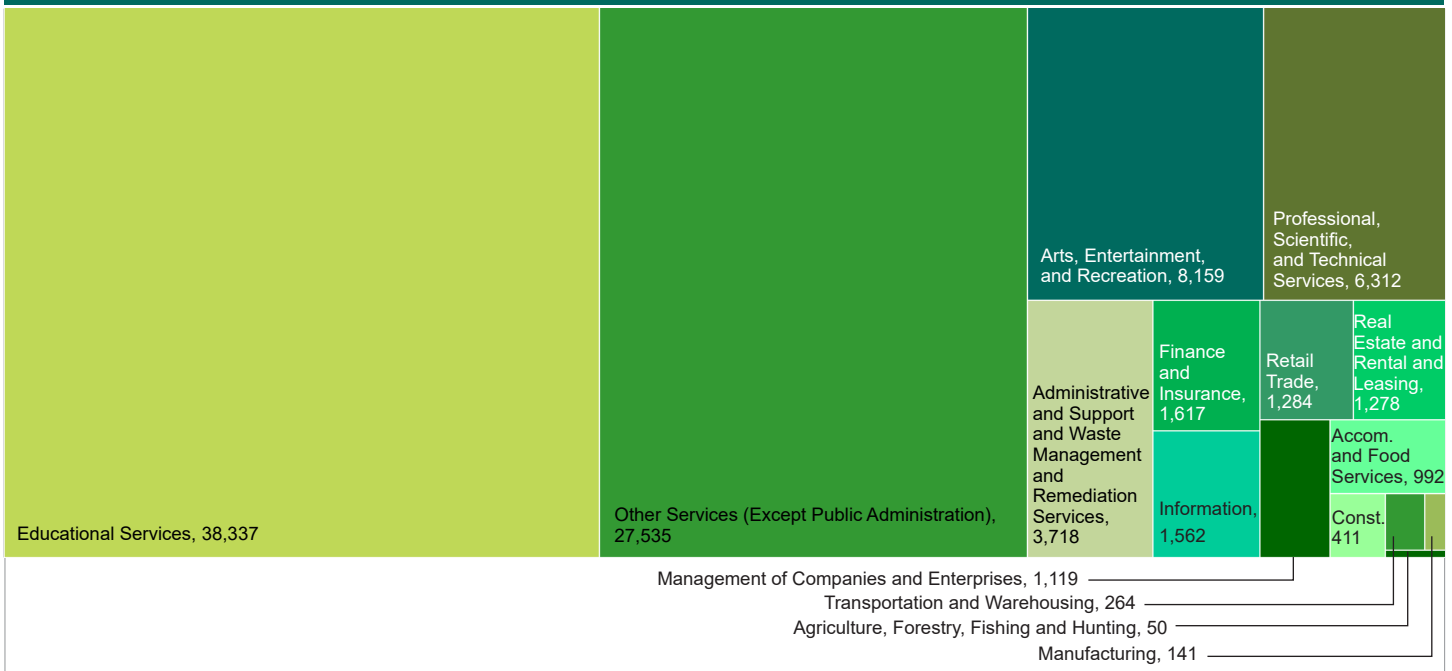| INDUSTRY	ANNUAL AVERAGE EMPLOYMENT (TOTAL PRIVATE)	ANNUAL AVERAGE EMPLOYMENT (501(C)(3))	SHARE	TOTAL ANNUAL WAGE (IN THOUSANDS)	NONPROFIT ANNUAL WAGE (IN THOUSANDS)	SHARE
Health Care and Social Assistance	590,740	309,332	52.4%	29,295,558	16,095,112	54.9%
Educational Services	65,280	38,337	58.7%	2,459,485	1,478,910	60.1%
Other Services (except Public Administration)	137,568	27,535	20.0%	4,423,750	868,339	19.6%
Arts, Entertainment, and Recreation	52,982	8,159	15.4%	1,796,626	212,937	11.9%
Professional, Scientific, and Technical Services	292,424	6,312	2.2%	25,283,910	472,226	1.9%
Administrative and Support and Waste Management and Remediation Services	286,797	3,718	1.3%	10,296,487	230,210	2.2%
Finance and Insurance	148,179	1,617	1.1%	11,561,519	99,862	0.9%
Information	56,524	1,562	2.8%	4,006,621	74,194	1.9%
Retail Trade	472,615	1,284	0.3%	14,231,109	25,693	0.2%
Real Estate and Rental and Leasing	54,180	1,278	2.4%	2,456,774	47,037	1.9%

Source: 2017 Research Data on the Nonprofit Sector, Business Employment Dynamics (BED), U.S. Bureau of Labor Statistics

The calculation of the wage ratio for a specific industry sector is a bit different, representing the ratio of average wages in the nonprofit portion of an industry to overall wages for the entire industry sector. Apart from a few exceptions, most sectors statewide had wage ratios of .75 or higher. Some notable exceptions included *Transportation and warehousing*, where nonprofit compensation was .44 on the dollar ($23,958) and *Administrative and support and waste management and remediation services* on the opposite end at 1.72 ($61,918). Nationally, *Information* was on the low end of the spectrum at .49 ($52,650) and *Educational services* on the high end at 1.10 ($55,389).

When comparing AW/E statewide and nationally, the most variance was observed between statewide and national rankings: *Management of companies and enterprises*, *Professional, scientific, and technical services*, *Administrative and support and waste management and remediation services*, *Finance and insurance*, and *Healthcare and social assistance* led all sectors in AW/E statewide. Nationally, *Finance and insurance*, *Professional, scientific,* and technical services, *Management of companies and enterprises*, *Wholesale trade*, and *Educational services* led all other sectors.

Examining total annual wages (TAW) by sector, both statewide and national rankings were similar: *Healthcare and social assistance*, *Educational services*, *Other services (except public administration)*, and *Professional, scientific, and technical services* were comparable, both in sector and order. Likewise, while the order differed, the top three in average weekly wage (AWW) both statewide and nationally were *Finance and insurance, Professional, scientific, and technical services,* and *Management of companies and enterprises*. Rounding out the top five were *Information* and *Manufacturing* statewide and *Educational services* and *Wholesale trade* nationally.

FIGURE 4: **NONPROFIT AVERAGE EMPLOYMENT BY SECTOR, MICHIGAN** (EXCLUDING HEALTHCARE AND SOCIAL ASSISTANCE)

Educational Services, 38,337

Other Services (Except Public Administration), 27,535

Arts, Entertainment, and Recreation, 8,159

Professional, Scientific, and Technical Services, 6,312

Administrative and Support and Waste Management and Remediation Services, 3,718

Finance and Insurance, 1,617

Retail Trade, 1,284

Real Estate and Rental and Leasing, 1,278

Accom. and Food Services, 992

Information, 1,562

Const. 411

Management of Companies and Enterprises, 1,119
Transportation and Warehousing, 264
Agriculture, Forestry, Fishing and Hunting, 50
Manufacturing, 141

Source: 2017 Research Data on the Nonprofit Sector, Business Employment Dynamics (BED), U.S. Bureau of Labor Statistics

Sector Concentrations

A common pattern illustrated by this data series was the dominance of *Healthcare and social assistance* in the 501(c)(3) sector. Statewide, *Healthcare and social assistance*, while only accounting for approximately 15 percent of Michigan's total private employment, 14 percent of wages, and 9 percent of establishments, dominated the nonprofit sector with a share of 76 percent of employment, 81 percent of wages, and 36 percent of establishments. Additionally, more than half of Michigan jobs in *Healthcare and social assistance* fell into the 501(c)(3) classification.

Similar comparisons can be made among the other major nonprofit sectors, such as *Educational services*. For example, Michigan private *Educational services* not only accounts for a significant portion of the 501(c)(3) sector as a whole, but a majority of all of its employment (58.7 percent) was among nonprofit firms.

The Michigan nonprofit segment within *Educational services* is largely concentrated in private colleges and universities. Outside of private education, the dominance of *Healthcare and social assistance* and *Other services (except public administration)* within the nonprofit sector can be attributed to large hospitals, religious institutions, and grantmaking organizations.

Industry Outlook

Ten-year Industry projections for 2016–2026 produced by the Bureau of Labor Market and Strategic Initiatives (LMSI) show a mixed outlook for the major sectors which comprise the private nonprofit sector. It is important to note that these projections reflect all industry employment, not just private 501(c)(3) employment. However, given that both *Educational services* and *Healthcare and social assistance* have large nonprofit components, it is likely that the projected trends for these overall industries also reflect future nonprofit trends.

In the 2016–2026 projections, jobs in the Michigan *Education and health services* industry sector are expected to advance significantly (+14 percent). The *Other services* industry sector is projected to record slower than average employment growth of 5.3 percent, compared to expansion of 7.0 percent in total jobs.

Conclusion

Overall, the composition of Michigan's 501(c)(3) nonprofit sector in 2017 was similar to national averages, both in the breakdown of employment and in the wages paid on average to those within this classification.

Michigan's nonprofit sector, like other states, primarily consisted of jobs in *Healthcare and social assistance*, followed closely by the *Educational services* and *Other services (Except public administration)* sectors.

Prior to the creation of this data series, not much information on the nonprofit sector existed that facilitated substantial analysis into this portion of the economy. This data series, created through the efforts of BED and QCEW staff, has allowed for a deeper understanding of a sector which accounts for over a tenth of Michigan's total private sector employment and wages. Given the impact that the nonprofit sector has on specific sectors such as *Healthcare and social assistance* and *Educational services*, access to meaningful data can aid in better understanding the dynamics of those particular industries and how they affect Michigan's economy as a whole.

For Further Information

A breakdown of the BED methodology has been included in this issue's *Ask The Economist* on page 26. For additional information from the BED program on the creation of this data series, the data can be accessed at the link below: https://www.bls.gov/bdm/nonprofits/nonprofits.htm

KRYSTAL JONES
Economic Analyst

PUBLIC RELATIONS SPECIALISTS

This issue's feature article focused on private nonprofit entities. The industries in Michigan with the most nonprofit jobs include *Healthcare*, *Educational services*, and *Other services*. These industries employ a wide array of occupations, but there is some overlap. One such occupation is *Public relations specialists*. This occupation is primarily found in the three sectors listed as common for nonprofits along with *Professional, scientific, and technical services*, with almost two-thirds of all employment in these four industry sectors.

According to the BLS, *Public relations specialists* "promote or create an intended public image for individuals, groups, or organizations. They may write or select material for release to various communications media. They may specialize in using social media."

Examples of job titles encompassed by this position include: Account Executive,

Communications Specialist, Lobbyist, Media Relations Specialist, Press Secretary, Public Affairs Specialist, Public Information Specialist, Public Relations Coordinator, and Publicity Writer.

Public relations specialists have two slightly different career paths. Those working in the *Professional, scientific, and technical services* industry typically work for marketing or public relations consulting firms. These employees will be working with many different businesses to plan communications strategies or write press releases on a contract basis. *Public relations specialists* working in other sectors often work for just the entity that employs them as a designer of communication and public relations strategies, and as a representative of the community, the general public, employees, and shareholders.

Some of the detailed work activities of people working in this occupation include:

- Respond to requests for information from the media

- Write press releases or other media communications to promote clients

- Plan communications to maintain favorable public or stockholder perceptions of the organization

- Coach client representatives in effective communication with the public or with employees

- Update and maintain content posted on the Web

Most of these jobs require a high level of education, with about 84 percent of people employed in this position having a bachelor's degree or higher, and about 26 percent having a master's or professional degree. The

MICHIGAN PUBLIC RELATIONS SPECIALISTS
BY THE NUMBERS

6,280
TOTAL EMPLOYMENT 2018

10TH
NATIONAL EMPLOYMENT RANK

14.55
JOBS PER 10,000 TOTAL

0.88
LOCATION QUOTIENT

$56,690
MEDIAN ANNUAL WAGE

$27.26
MEDIAN HOURLY WAGE

+9.2%
2016-2026 PROJECTED JOB GROWTH

790
PROJECTED ANNUAL OPENINGS

BACHELOR'S DEGREE
REQUIRED EDUCATION

Classification for Instructional Program (CIP) codes associated with this occupation include:

- Communication, General
- Public Relations/Image Management
- Political Communication
- Health Communication
- International and Intercultural Communication

Related occupations include:

- Copy Writers
- Radio and Television Announcers
- Producers
- Reporters and Correspondents
- Editors

The outlook for this occupation is positive with a long-term projected employment growth rate higher than the statewide average, and a median wage that is 50 percent higher than the statewide median.

—

ROB WALKOWICZ
Economic Specialist

PUBLIC RELATIONS SPECIALISTS PER 10,000 EMPLOYED

AREA	PUBLIC RELATIONS SPECIALISTS JOBS	JOBS PER 10,000 EMPLOYED	PROJECTED GROWTH RATE† 2016-2026	MEDIAN ANNUAL WAGE
Lansing-East Lansing	1,140	53	8.3	$61,570
Midland	110	32	No Change	*
Ann Arbor	400	18	11.1	$64,980
Michigan	6,280	15	7.0	$56,690
Detroit-Warren-Dearborn	2,690	14	8.7	$57,560
Northwest Lower Peninsula	160	13	7.9	$55,230
Kalamazoo-Portage	180	13	5.9	$48,810
Grand Rapids-Wyoming	680	12	10.9	$51,030
Upper Peninsula	120	11	No Change	$44,620
Saginaw	90	10	No Change	$29,190
Flint	140	10	No Change	$53,630
Jackson	60	10	11.1	$66,080
Niles-Benton Harbor	60	10	5.9	$54,520
Monroe	40	10	11.1	$33,000
Muskegon	60	10	10.9	$41,250
Battle Creek	50	9	5.9	$59,110
Balance of Lower Peninsula	220	8	10.9	$47,720

† Growth rates calculated for broad Prosperity Regions
* Suppressed for confidentiality concerns

OCTOBER MICHIGAN ONLINE JOB AD LEVELS EDGE UPWARD

Online job advertisements in Michigan edged up slightly in October to 144,154. Job ad levels moved up modestly by 0.6 percent over the month. Over the year, online ads were down 3.4 percent (-5,020 total ads).

Michigan Supply/Demand Rate

The ratio of unemployed persons per job advertisement is known as the supply/demand rate. The October supply/demand rate in Michigan sat at 1.40, which means that for every 140 available job seekers there were 100 posted job advertisements. This was a small reduction over the month from a rate of 1.45 in September. In October of 2018 the Michigan supply/demand rate was 1.30.

Metro Area Job Ad Trends

Over the month, 7 of the 13 Michigan metro areas reporting job ad data had higher levels of ads posted. The Detroit metro area had the most growth in October, adding 1,494 total ads (+2.3 percent). This brings the total number of job ads in the Detroit MSA to 66,589. Roughly 46 percent of all job ads in the state were in the Detroit MSA. The Lansing MSA had a decline of 386 job ads in October, down 3.8 percent to 9,770 total ads.

Non-Seasonally Adjusted Job Postings

Information is available on advertised jobs by detailed occupation as well as broad occupational groups from the Help Wanted Online Data Series, but the data is not seasonally adjusted.

Job Ads by Occupational Group

Major groups are the broadest classification of related occupations. In October online job ad levels for most major groups went down slightly. Total non-seasonally adjusted job ads declined by over 1,900 or 1.3 percent. *Healthcare support* ads were up the most of any major group (+341 or +5.9 percent). *Food preparation and serving related* ads had the largest monthly reduction (-813 ads or -7.3 percent).

Over the year, non-seasonally adjusted ads fell 3.4 percent in Michigan. Of the 22 major groups, nine had ad declines of more than 10 percent. *Transportation and material moving* ads dropped by 1,825 over the year to 7,404 ads. *Building and grounds cleaning and maintenance*, *Construction and extraction*, and *Production* occupations all registered ad reductions over the year. Not all major occupational groups had job ad cuts over
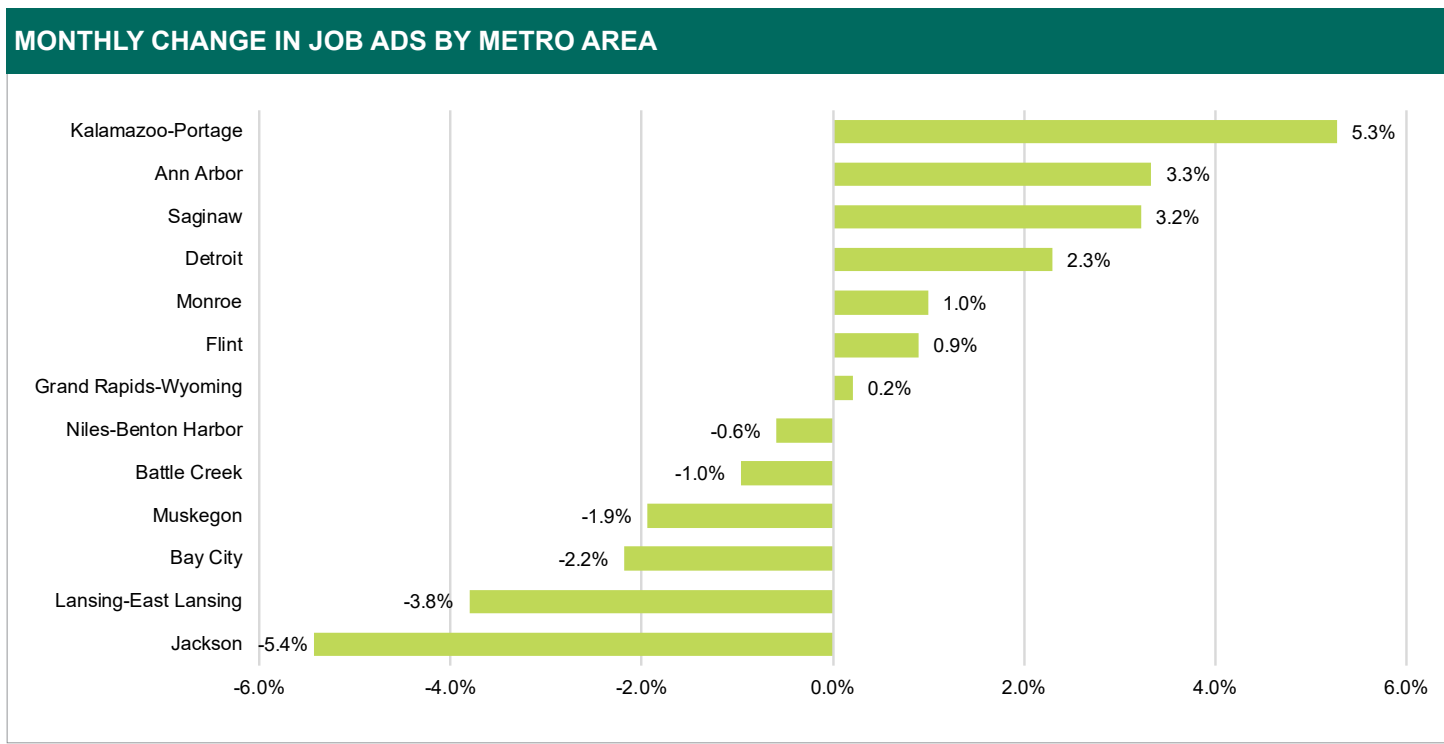
the year, as some showed sizable growth such as *Sales and related* advancing by 1,862 total ads or 9.4 percent.

Registered nurses was the most advertised detailed occupation with nearly 7,000 total job ads in October. *Retail salespersons* was the second most advertised occupation this month (5,680) while *First-line supervisors of retail sales workers* was third this month (4,803).

Nonprofit-related Occupations

Public relations specialists had 294 total ad postings in October including 111 new ads. Of the 294 total ads, Wayne County had the most followed by Oakland and Washtenaw counties. *Social and community managers* are often employed in the nonprofit sector and had 196 total online job postings in October. Of those 196 total job ads, 81 were posted within the last month.

EVAN LINSKEY
Economic Analyst

MONTHLY CHANGE IN JOB ADS BY METRO AREA

Metro Area	Change
Kalamazoo-Portage	5.3%
Ann Arbor	3.3%
Saginaw	3.2%
Detroit	2.3%
Monroe	1.0%
Flint	0.9%
Grand Rapids-Wyoming	0.2%
Niles-Benton Harbor	-0.6%
Battle Creek	-1.0%
Muskegon	-1.9%
Bay City	-2.2%
Lansing-East Lansing	-3.8%
Jackson	-5.4%

TYPICAL EDUCATIONAL REQUIREMENT FOR ALL JOB POSTINGS, MICHIGAN*

High School Diploma or Equivalent, 34.3%

Bachelor's Degree and Above, 28.9%

No Formal Educational Credential, 15.9%

Postsecondary Nondegree Award, 8.0%

N/A*, 1.9%

Associate Degree, 3.1%

Master's Degree, 2.1%

Some College, No Degree, 1.6%

Doctoral or Professional Degree, 4.3%

*1.9 percent of occupations do not have typical education requirements associated with the occupations

LABOR DEMAND BY OCCUPATION (NOT SEASONALLY ADJUSTED)

OCCUPATION CATEGORIES	OCT 2019	SEP 2019	OCT 2018	OVER THE MONTH	
				LEVEL	PERCENT
TOTAL	**147,479**	**149,398**	**152,746**	**-1,919**	**-1.3%**
Administrative Support	15,610	15,621	15,220	-11	-0.1%
Office and Administrative Support	15,610	15,621	15,220	-11	-0.1%
Construction and Repair	8,119	8,440	8,842	-321	-3.8%
Construction and Extraction	2,070	2,251	2,723	-181	-8.0%
Installation, Maintenance, and Repair	6,049	6,189	6,119	-140	-2.3%
Farming, Fishing, and Forestry	282	357	430	-75	-21.0%
Farming, Fishing, and Forestry	282	357	430	-75	-21.0%
Healthcare	24,613	23,964	24,588	649	2.7%
Healthcare Practitioners and Technical	18,518	18,210	18,755	308	1.7%
Healthcare Support	6,095	5,754	5,833	341	5.9%
Management	9,365	9,807	10,557	-442	-4.5%
Management	9,365	9,807	10,557	-442	-4.5%
Production	4,222	4,443	5,324	-221	-5.0%
Production	4,222	4,443	5,324	-221	-5.0%
Professional	38,074	38,194	39,909	-120	-0.3%
Architecture and Engineering	6,821	6,800	7,963	21	0.3%
Arts, Design, Entertainment, Sports, and Media	2,557	2,596	2,515	-39	-1.5%
Business and Financial Operations	7,027	6,994	7,547	33	0.5%
Community and Social Services	3,062	3,111	3,221	-49	-1.6%
Computer and Mathematical	10,807	10,516	11,161	291	2.8%
Education, Training, and Library	5,977	6,309	5,596	-332	-5.3%
Legal	340	339	387	1	0.3%
Life, Physical, and Social Science	1,483	1,529	1,519	-46	-3.0%
Sales	21,655	21,453	19,793	202	0.9%
Sales and Related	21,655	21,453	19,793	202	0.9%
Service	18,135	19,470	18,854	-1,335	-6.9%
Building and Grounds Cleaning and Maintenance	3,073	3,434	3,909	-361	-10.5%
Food Preparation and Serving Related	10,327	11,140	9,978	-813	-7.3%
Personal Care and Service	2,314	2,398	2,692	-84	-3.5%
Protective Service	2,421	2,498	2,275	-77	-3.1%
Transportation	7,404	7,649	9,229	-245	-3.2%
Transportation and Material Moving	7,404	7,649	9,229	-245	-3.2%

RELEVANT RANKINGS

RANK	STATE	ANNUAL AVERAGE STATEWIDE PRIVATE EMPLOYMENT	ANNUAL AVERAGE 501(C)(3) EMPLOYMENT	PERCENT SHARE 501(C)(3) EMPLOYMENT
SHARE OF EMPLOYMENT IN 501(C)(3) BY STATE				
1	Vermont	256,446	48,977	19.1%
2	Maine	513,363	92,740	18.1%
3	New York	7,899,798	1,404,492	17.8%
4	Massachusetts	3,115,338	551,117	17.7%
5	Rhode Island	417,997	69,184	16.6%
23	Missouri	2,366,305	267,121	11.3%
24	Michigan	3,734,432	402,228	10.8%
25	Nebraska	811,496	86,458	10.7%
26	Indiana	2,627,391	267,615	10.2%
27	Washington	2,735,142	269,361	9.9%
46	Wyoming	203,816	12,389	6.1%
47	South Carolina	1,688,066	92,850	5.5%
48	Texas	10,151,376	519,465	5.2%
49	Alabama	1,574,772	80,326	5.1%
50	Nevada	1,170,769	32,300	2.8%

Source: 2017 Research Data on the Nonprofit Sector, Business Employment Dynamics (BED), U.S. Bureau of Labor Statistics

RATIO OF WAGES IN 501(C)(3) JOBS BY STATE

RANK	STATE	TOTAL PRIVATE ANNUAL WAGE PER EMPLOYEE	501(C)(3) ANNUAL WAGE PER EMPLOYEE	WAGE RATIO
1	South Dakota	$42,354	50,802	1.20
2	Idaho	$41,320	49,306	1.19
3	Vermont	$45,207	50,488	1.12
4	Maine	$43,462	48,545	1.12
5	Montana	$40,891	45,243	1.11
24	North Carolina	$48,986	49,433	1.01
25	Rhode Island	$50,927	51,249	1.01
26	Pennsylvania	$53,673	53,801	1.00
27	Louisiana	$46,811	46,729	1.00
28	Texas	$56,583	56,323	1.00
41	Michigan	$52,329	49,076	0.94
46	Connecticut	$67,269	57,999	0.86
47	New Jersey	$63,705	54,369	0.85
48	Kansas	$45,848	37,695	0.82
49	Wyoming	$45,295	35,350	0.78
50	New York	$71,864	55,572	0.77

Source: 2017 Research Data on the Nonprofit Sector, Business Employment Dynamics (BED), U.S. Bureau of Labor Statistics

ASK THE ECONOMIST

This month's feature article highlights data on 501(c)(3) organizations in Michigan. What exactly is a 501(c)(3) and where do these data come from?

Here's what you need to know…

The 501(c)(3) classification is the most common among the 27 types of nonprofits. According to the Internal Revenue Service (IRS), they are typically referred to as charitable organizations, and must be organized and operated for what they define as tax exempt purposes under the IRS section 501(c)(3). While these establishments are considered tax exempt, they are still required to file annually with the IRS. Annual filings help to ensure compliance with IRS 501(c)(3) standards as well as enables the documentation of qualifying organizations within the Exempt Organization Business Master File (EOBMF) which will be discussed later.

The IRS sets restrictions on both the activities and the qualifying functions of 501(c)(3) establishments. Some of these restrictions on activities include:

• Limitations on political lobbying

• Prohibiting the operation of any entity for private interests

• Prohibiting individuals from benefiting unfairly from earnings

Some qualifying functions which organizations must be organized and operated exclusively for as stated by the IRS include:

• Charitable

• Religious

• Scientific

• Literary

• Educational

• Testing for public safety

• Other (up to the discretion of the IRS)

A deeper dive into the nuances of 501(c)(3) classifications can be found on the IRS website at the following link:

https://www.irs.gov/charities-non-profits/charitable-organizations/exemption-requirements-501c3-organizations

Where Do Employment and Wage Data on This Sector Come From?

This data series was created by the Business Employment Dynamics (BED) program within the Bureau of Labor Statistics (BLS), by combining Quarterly Census of Employment and Wage (QCEW) files and files from the IRS' Exempt Organization Business Master file (EOBMF). The former is a census of all employment and wages for establishments covered under Unemployment Insurance tax laws, while the latter is a database of organizations recognized as tax exempt by the IRS. In the QCEW database, this status is denoted as a reimbursable employer. Since tax exempt establishments do not pay taxes quarterly to the Unemployment Insurance Agency (UIA), establishments instead reimburse the UIA for any unemployment claims paid out to former employees, hence the label of reimbursables. This is important because nonprofit establishments are typically tax exempt, though they can opt to pay if they choose. So, while all nonprofit establishments may not be included in the EOBMF, every establishment within this database is a nonprofit.

There are many different nonprofit classifications, however this data series focuses specifically on those classified as 501(c)(3). The EOBMF database is able to restrict the selection to include only those with this classification. From there, each establishment is matched with its corresponding record within the QCEW database using the Employer Identification Number (EIN).

How Were the Michigan-Specific Data Produced?

The matching process for Michigan was relatively straightforward. While there are many different nonprofit classifications, establishments in Michigan are only allowed tax exempt status if they are a 501(c)(3) entity. As mentioned earlier, not all nonprofit organizations are included in the EOBMF, so records not matched in the QCEW file for Michigan that reflect reimbursable employers are included in the data series as well, given that they are known to be 501(c)(3) establishments.

This process is not as straightforward for other states that do not restrict their tax-exempt status to this classification. For records that are not matched to a corresponding file within the EOBMF database, staff from each state's QCEW program examined the names and functions of each business to determine if they fit under the 501(c)(3) classification. Once they were determined to be 501(c)(3) organizations, they were included in this data series.

Along with the initial matching process was the screening process. This was done to correct for possible false matches, duplicates, and other such errors to ensure that the finalized data series was as accurate as possible. Once the matching and revision process was complete, all of the aggregated information and files were used to create this data series. In the early years from 2007 to 2012, it existed only as a research series, with data only on the 2-digit NAICS level. In some cases, despite the broad scope of 2-digit NAICS sectors, the data was not available due to confidentiality issues that arose from the small nature of the private nonprofit sector. From 2013 to the most recently released data in 2017, the data series includes finer geographic detail where available, as well as 3-digit and 4-digit NAICS detail where available.

Conclusion

Although the data stops at 2017 with no current plans to update according to the BLS, there is still a lot of interesting and insightful information to be gleaned from this data regarding the private nonprofit sector. Prior to the creation of this data series, there was not much data available on this portion of the economy. This data series, in conjunction with the QCEW data, helps to paint a more nuanced view of both Michigan's and the nation's economy, and allows for deeper analysis and understanding of the economy's dynamics.

For More Information

For more details on the BED's methodology behind this data series, to access the data, or to ask any questions about the data or the BED program, please follow the link below:

https://www.bls.gov/bdm/nonprofits/nonprofits.htm

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