MICHIGAN'S
LABOR MARKET NEWS

Employment Trends Among Michigan Persons of Retirement Age

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Map of the Month: Percentage of Labor Force Ages 65–74

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Michigan jobless rate down in 2019 for tenth consecutive year

DECEMBER 2019 JOBLESS RATE

MICHIGAN

3.9%

NATIONAL

3.5%

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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.

Michigan's jobless rate edged lower to 3.9 percent in December, marking a drop of one-tenth of a percentage point over the month and year. Labor force levels were unchanged over the month but higher annually thanks to a 58,000 increase in the number of employed. The 2019 preliminary annual jobless rate declined for the 10th consecutive year, falling by 9.7 percentage points since the height of the Great Recession. Total payroll jobs increased by 4,500 in December, with gains observed in Michigan's *Trade, transportation, and utilities*; *Manufacturing; Government*; and *Financial activities* sectors. Payroll job growth was up 0.4 percent annually, marking the ninth consecutive year of gains for the state.

Our *Feature Article* this month looks at retirement-age residents participating in the Michigan labor market. Michigan had about 207,000 workers ages 65–74 in 2017 and the labor force participation rate for these workers has risen significantly since 1990. This group's 4.2 percent share of the total state labor force has also more than doubled since 1980. Our *Map of the Month* provides an overview of labor force participation rates for this age group across the nation, while our *Occupational Focus* gives a snapshot of *Sales managers*, an important occupation for Michigan's older workers. Finally, our *Data Spotlight* presents a summary of recently released experimental statewide data from the U.S. Bureau of Labor Statistics on the Job Openings and Labor Turnover Survey (JOLTS).

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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DECEMBER AND ANNUAL JOBLESS RATES DECLINE IN MICHIGAN

Michigan's seasonally adjusted unemployment rate in December fell by a tenth of a percentage point over the month to 3.9 percent. Total employment increased over the month by 6,000 while the number of unemployed residents decreased by the same amount, resulting in no change in the Michigan labor force total since November.

Since December 2018, Michigan's jobless rate inched down by a tenth of a percentage point, a decline below that of the nation. The U.S. jobless rate fell by four-tenths of a percentage point during the same period. Michigan's December jobless rate was four-tenths of a percentage point above the national rate of 3.5 percent.

December marked the third consecutive month that employment in the state expanded. Employment rose by 58,000 over the year, or 1.2 percent, similar to the U.S. over-the-year trend. Michigan's December employment total was the highest registered since October 2001.

Michigan's unemployment total edged down by 5,000 over the year, or 2.6 percent. During the same period, the national unemployment level fell by over three times that of the state (-8.5 percent).

Michigan's Annual Average Unemployment Rate Falls for 10th Consecutive Year

The chart on the following page displays Michigan's annual average jobless rates from 2009 to 2019.

2019 marked the 10th straight year of annual unemployment rate reductions in Michigan. Michigan's preliminary 2019 annual average unemployment rate of 4.0 percent was slightly below the 2018 annual rate of 4.1 percent.

The state's annual rate fell by 9.7 percentage points since the height of the Great Recession in 2009, when the rate hit 13.7 percent. However,

the state's rate decline in 2019 was the smallest annual reduction observed over this period. The 2019 annual jobless rate of 4.0 percent was the lowest seen in Michigan since the 3.6 percent jobless rate in the year 2000.

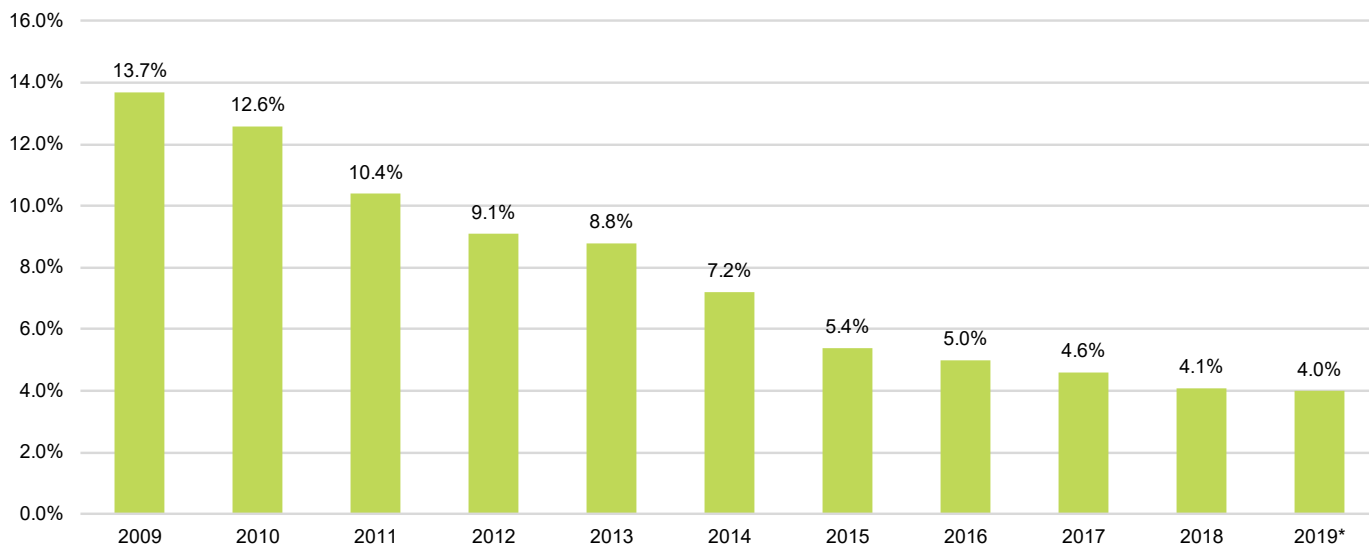Total annual employment in Michigan was 4,754,000 in 2019. Annual average employment rose by 55,000, or 1.2 percent, over the year. The number of unemployed in 2019 was little changed, down by just 3,000, or 1.5 percent. Michigan's annual workforce advanced by 51,000 over the year. The 2019 Michigan labor force level of 4,953,000 was the highest recorded since 2007.

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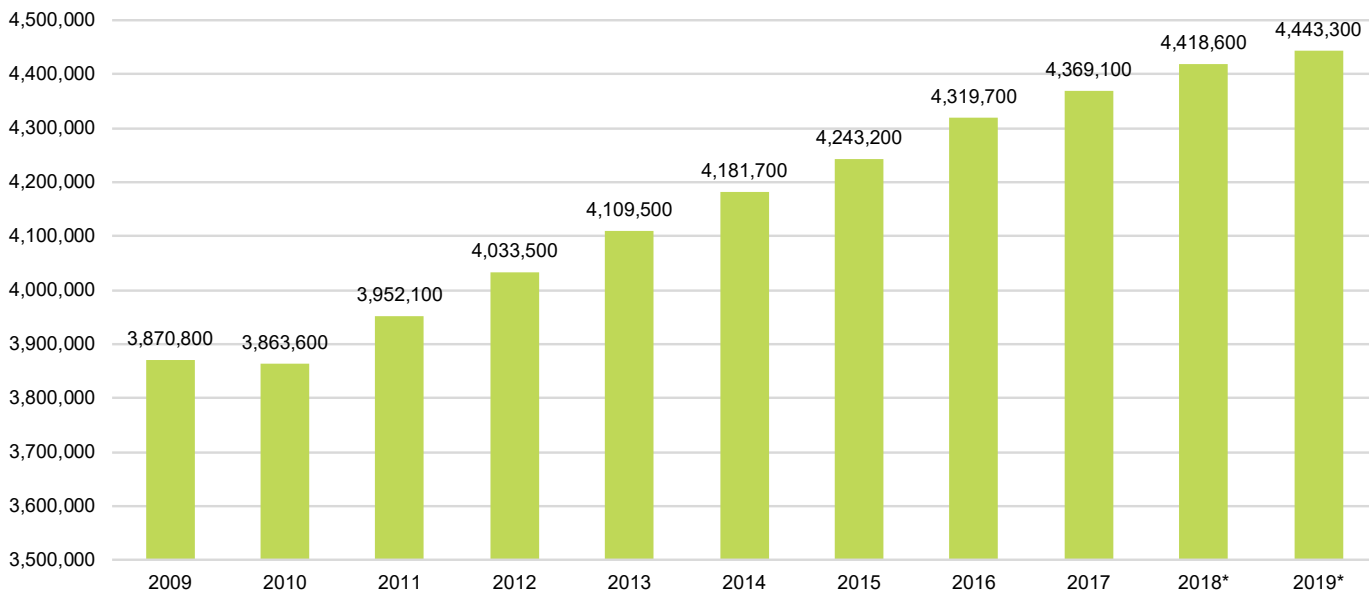
MICHIGAN LABOR FORCE ESTIMATES (SEASONALLY ADJUSTED)

	DECEMBER 2019	NOVEMBER 2019	DECEMBER 2018	CHANGE OVER THE MONTH	CHANGE OVER THE YEAR
Labor Force	4,956,000	4,956,000	4,903,000	0	+53,000
Employed	4,765,000	4,759,000	4,707,000	+6,000	+58,000
Unemployed	191,000	197,000	196,000	-6,000	-5,000
Jobless Rate	3.9	4.0	4.0	-0.1	-0.1

MICHIGAN ANNUAL AVERAGE JOBLESS RATES, 2009–2019

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019*
13.7%	12.6%	10.4%	9.1%	8.8%	7.2%	5.4%	5.0%	4.6%	4.1%	4.0%

*Preliminary Annual Average

MICHIGAN ANNUAL PAYROLL JOBS, 2009–2019

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018*	2019*
3,870,800	3,863,600	3,952,100	4,033,500	4,109,500	4,181,700	4,243,200	4,319,700	4,369,100	4,418,600	4,443,300

*Preliminary Annual Averages

MICHIGAN JOB TRENDS BY INDUSTRY SECTOR

Monthly Overview

Total nonfarm jobs in Michigan rose by 4,500 in December to 4,451,700. The major sectors with the largest job gains included *Trade, transportation, and utilities* (+4,000), *Manufacturing* (+2,100), *Government* (+1,100), and *Financial activities* (+1,000). Smaller payroll additions were reported in *Education and health services*, *Construction*, and *Leisure and hospitality*. Jobs were little changed in the state's *Transportation equipment manufacturing* sector. December payroll job reductions occurred in the broad sectors of *Professional and business services* (-2,800) and *Other services* (-1,400).

Over the Year Analysis

Over the past year, Michigan nonfarm jobs grew by 19,500 or 0.4 percent. This was below the 1.4 percent job advance nationally. Michigan major sectors with over the year job gains included *Leisure and hospitality*, *Government*, *Financial activities*, and *Trade, transportation, and utilities*. Additional employment increases were also recorded in *Other services, Information,* and *Mining and logging*. The broad industries with employment declines were *Manufacturing* (-5,300), *Education and health services* (-4,400), *Construction* (-1,700), and *Professional and business services* (-1,600).

Michigan Private Sector Average Weekly Earnings

Average Weekly Earnings (AWE) data is collected for select broad industry groups each month. The data is for private sector workers and is obtained for all employees and production employees.

During December 2019, the *Private sector* AWE for all employees was $933. This was somewhat below the *Total private sector* earnings of $988 nationally during the month. In Michigan, five of the major industry groups reported above-average earnings. These included *Information* ($1,280), *Financial activities* ($1,223), *Construction* ($1,198), *Manufacturing* ($1,151), and *Professional and business services* ($1,141).

The major sectors of *Education and health services* ($912), *Trade, transportation, utilities* ($779), *Other services* ($757), and *Leisure and hospitality* ($370) reported weekly earnings below the state average.

Significant Industry Employment Developments

TRADE, TRANSPORTATION, AND UTILITIES

Broad sector payrolls in this industry grew by 4,000 in December. This gain occurred in all three of the component segments which include *Wholesale trade* (+1,600), *Retail trade* (+1,400), and *Transportation, warehousing, and utilities* (+1,000). Most of the increase in *Wholesale* jobs was concentrated in the wholesaling of *Durable goods*. The bulk of holiday-related seasonal hiring in *Retail trade* generally occurs in November, but the share of hiring in December was a bit higher than normal in 2019. This was particularly noticeable in industries such as *Clothing and clothing accessories stores* and *General merchandise stores*. Online holiday shopping was partially responsible for the significant December jobs increase in *Transportation and warehousing*. Since December 2018, broad sector payrolls advanced by 3,300 jobs or by 0.4 percent. Nationally, job levels rose by 40,000 over the month and by 0.4 percent over the year.

FINANCIAL ACTIVITIES

Employers in the *Financial activities* sector added 1,000 jobs in December. Both subsectors, *Finance and insurance* (+700) and *Real estate and rental and leasing* (+300), contributed to this gain. During the fourth quarter, broad sector payrolls advanced by 2,200 workers. This marked the eighth consecutive quarter of employment growth. Between December 2018 and December 2019, employment gains in *Finance and insurance* (+3,800) and *Real estate and rental and leasing* (+2,400) combined for an increase of 6,200 workers in the broad sector. Nationally, payrolls moved up by 6,000 over the month and by 1.4 percent over the year.

PROFESSIONAL AND BUSINESS SERVICES

Job levels in the major industry sector of *Professional and business services* declined by 2,800 in December. Most of this job loss occurred in *Administrative and support and*

waste management and remediation services (-1,400) and *Professional, scientific, and technical services* (-1,300). The detailed industries that contributed to these declines were *Services to buildings*, *Architectural, engineering, and related services*, and *Management, scientific, and technical consulting services*.

Since December 2018, *Professional and business services* payrolls moved down by 1,600 as significant job cuts took place in *Administrative and support and waste management and remediation services* and *Management of companies and enterprises*. Nationally, employment rose by 10,000 over the month and by 1.9 percent over the year.

## Metropolitan Statistical Areas (MSAs)

On a not seasonally adjusted basis, nonfarm jobs declined in December in 10 of Michigan's 14 Metropolitan Statistical Areas (MSAs).

These reductions ranged from 0.1 percent in Kalamazoo to 1.4 percent in Monroe and Bay City. Other metro areas with job decreases above the statewide average included Battle Creek (-0.5 percent), Benton Harbor (-0.6 percent), Midland (-0.8 percent), and Lansing (-1.1 percent).

One metro area, Detroit, saw a modest payroll gain of 0.1 percent over the month. In the Flint, Saginaw, and Muskegon MSAs, total nonfarm job levels remained unchanged.
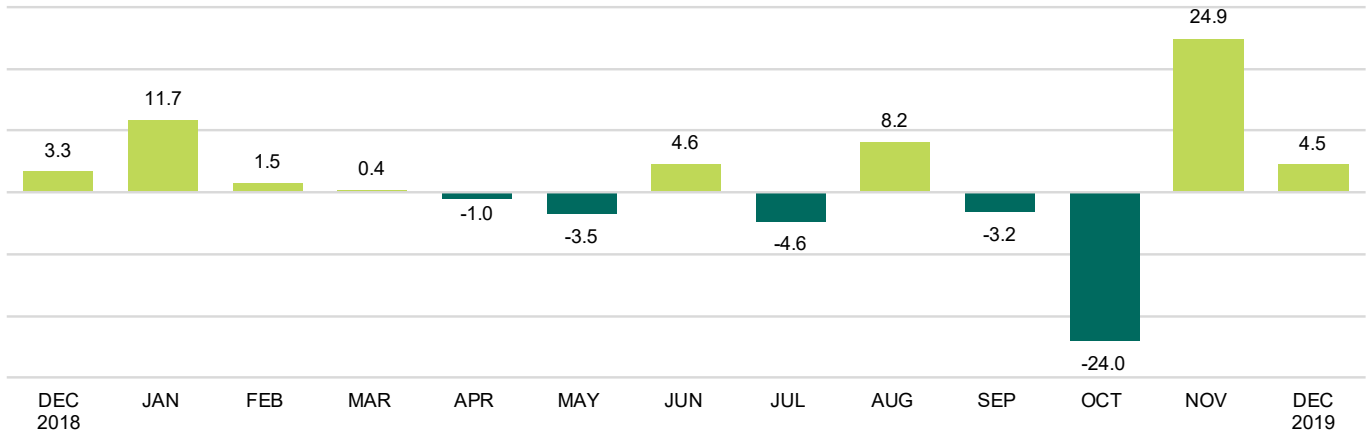
Contributing factors to job declines in December were the typical seasonal influences of winter weather and the post-secondary school calendar. These generally have a contractionary effect on payrolls in the broad industry sectors of *Construction*, *Leisure and hospitality*, *Education services*, and *Government*.
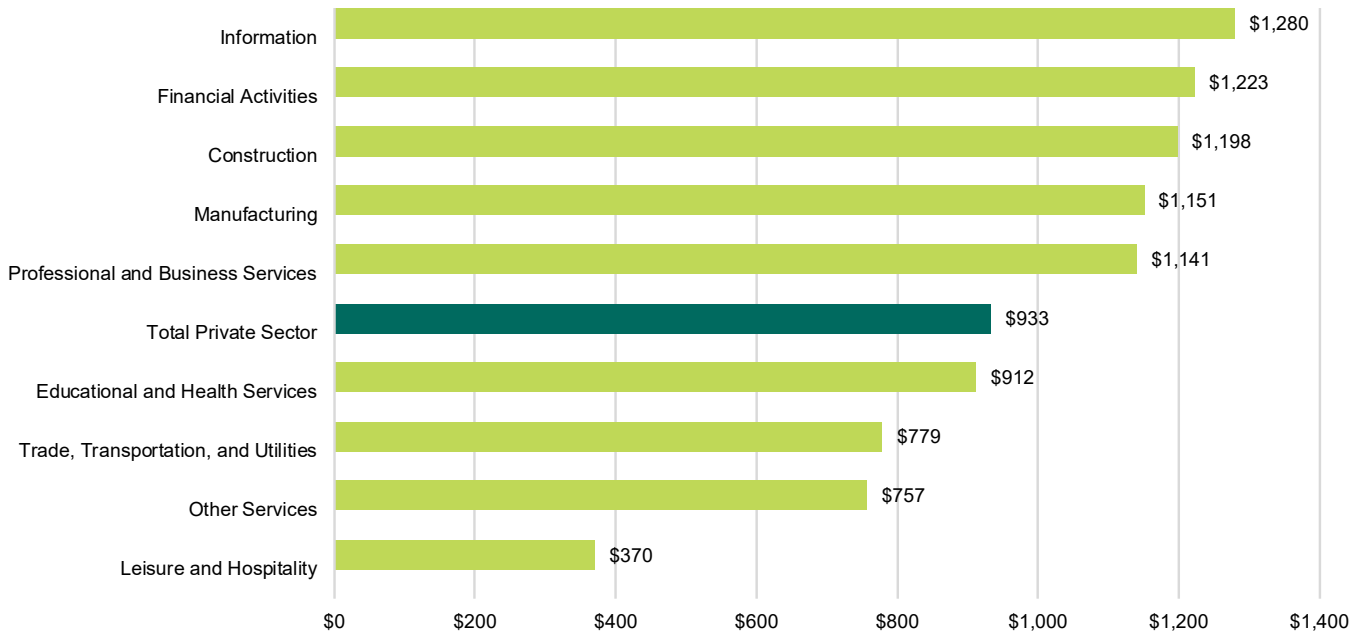
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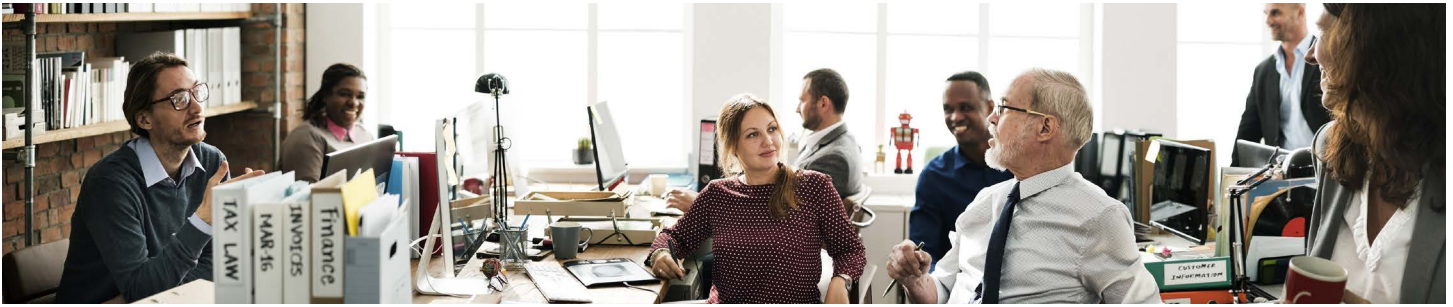
MICHIGAN PAYROLL JOBS (SEASONALLY ADJUSTED)

INDUSTRY	DECEMBER 2019	NOVEMBER 2019	DECEMBER 2018	OVER THE MONTH		OVER THE YEAR	
				LEVEL	PERCENT	LEVEL	PERCENT
TOTAL NONFARM	**4,451,700**	**4,447,200**	**4,432,200**	**4,500**	**0.1%**	**19,500**	**0.4%**
Total Private	3,837,300	3,833,900	3,826,700	3,400	0.1%	10,600	0.3%
Private Service-Providing	3,028,300	3,027,200	3,010,800	1,100	0.0%	17,500	0.6%
GOODS-PRODUCING	**809,000**	**806,700**	**815,900**	**2,300**	**0.3%**	**-6,900**	**-0.8%**
Mining, Logging, and Construction	180,100	179,900	181,700	200	0.1%	-1,600	-0.9%
Mining and Logging	7,200	7,200	7,100	0	0.0%	100	1.4%
Construction	172,900	172,700	174,600	200	0.1%	-1,700	-1.0%
Manufacturing	628,900	626,800	634,200	2,100	0.3%	-5,300	-0.8%
Durable Goods	476,200	475,800	482,100	400	0.1%	-5,900	-1.2%
Transportation Equipment Manufacturing	189,700	189,300	195,700	400	0.2%	-6,000	-3.1%
Non-Durable Goods	152,700	151,000	152,100	1,700	1.1%	600	0.4%
SERVICE-PROVIDING	**3,642,700**	**3,640,500**	**3,616,300**	**2,200**	**0.1%**	**26,400**	**0.7%**
Trade, Transportation, and Utilities	797,700	793,700	794,400	4,000	0.5%	3,300	0.4%
Wholesale Trade	174,800	173,200	171,800	1,600	0.9%	3,000	1.7%
Retail Trade	466,900	465,500	468,400	1,400	0.3%	-1,500	-0.3%
Transportation, Warehousing, and Utilities	156,000	155,000	154,200	1,000	0.6%	1,800	1.2%
Information	57,300	57,600	55,700	-300	-0.5%	1,600	2.9%
Financial Activities	226,400	225,400	220,200	1,000	0.4%	6,200	2.8%
Finance and Insurance	167,400	166,700	163,600	700	0.4%	3,800	2.3%
Real Estate and Rental and Leasing	59,000	58,700	56,600	300	0.5%	2,400	4.2%
Professional and Business Services	660,400	663,200	662,000	-2,800	-0.4%	-1,600	-0.2%
Professional, Scientific, and Technical Services	306,600	307,900	302,600	-1,300	-0.4%	4,000	1.3%
Management of Companies and Enterprises	67,800	67,900	69,200	-100	-0.1%	-1,400	-2.0%
Administrative and Support and Waste Management and Remediation Services	286,000	287,400	290,200	-1,400	-0.5%	-4,200	-1.4%
Education and Health Services	672,900	672,400	677,300	500	0.1%	-4,400	-0.6%
Educational Services	72,100	72,200	73,000	-100	-0.1%	-900	-1.2%
Health Care and Social Assistance	600,800	600,200	604,300	600	0.1%	-3,500	-0.6%
Leisure and Hospitality	445,300	445,200	434,600	100	0.0%	10,700	2.5%
Arts, Entertainment, and Recreation	53,000	53,400	51,500	-400	-0.7%	1,500	2.9%
Accommodation and Food Services	392,300	391,800	383,100	500	0.1%	9,200	2.4%
Other Services	168,300	169,700	166,600	-1,400	-0.8%	1,700	1.0%
Government	614,400	613,300	605,500	1,100	0.2%	8,900	1.5%
Federal Government	52,600	52,900	52,300	-300	-0.6%	300	0.6%
State Government	196,100	195,800	190,900	300	0.2%	5,200	2.7%
Local Government	365,700	364,600	362,300	1,100	0.3%	3,400	0.9%

MICHIGAN OVER THE MONTH PAYROLL JOB CHANGE (IN THOUSANDS)

Month	Change
DEC 2018	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	-24.0
NOV	24.9
DEC 2019	4.5

MICHIGAN PRIVATE SECTOR AVERAGE WEEKLY EARNINGS (ALL EMPLOYEES, DECEMBER 2019)

Sector	Weekly Earnings
Information	$1,280
Financial Activities	$1,223
Construction	$1,198
Manufacturing	$1,151
Professional and Business Services	$1,141
Total Private Sector	$933
Educational and Health Services	$912
Trade, Transportation, and Utilities	$779
Other Services	$757
Leisure and Hospitality	$370

MICHIGAN OVER THE MONTH JOB CHANGE BY SELECT INDUSTRY, NOVEMBER 2019–DECEMBER 2019

Industry	Job Change
Trade, Transportation, and Utilities	4,000
Financial Activities	1,000
Professional and Business Services	-2,800
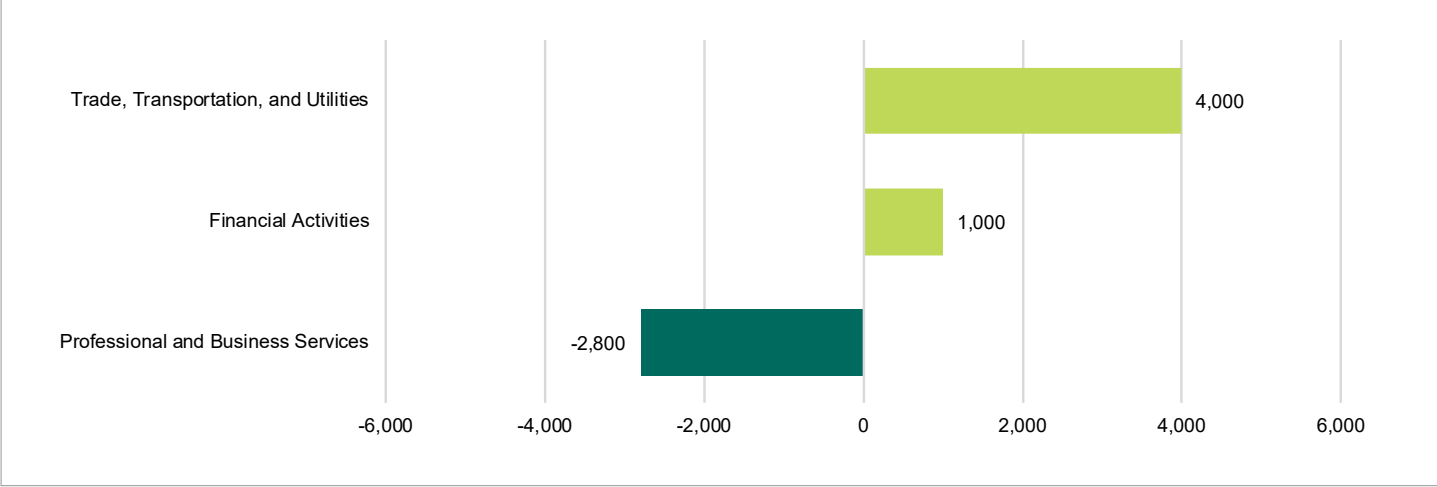
METROPOLITAN AREA JOB CHANGE, NOVEMBER 2019–DECEMBER 2019 (NOT SEASONALLY ADJUSTED)

Area	Change
Detroit	0.1%
Flint	0.0%
Saginaw	0.0%
Muskegon	0.0%
Kalamazoo	-0.1%
Jackson	-0.2%
Grand Rapids	-0.3%
Michigan	-0.4%
Ann Arbor	-0.4%
Battle Creek	-0.5%
Benton Harbor	-0.6%
Midland	-0.8%
Lansing	-1.1%
Monroe	-1.4%
Bay City	-1.4%
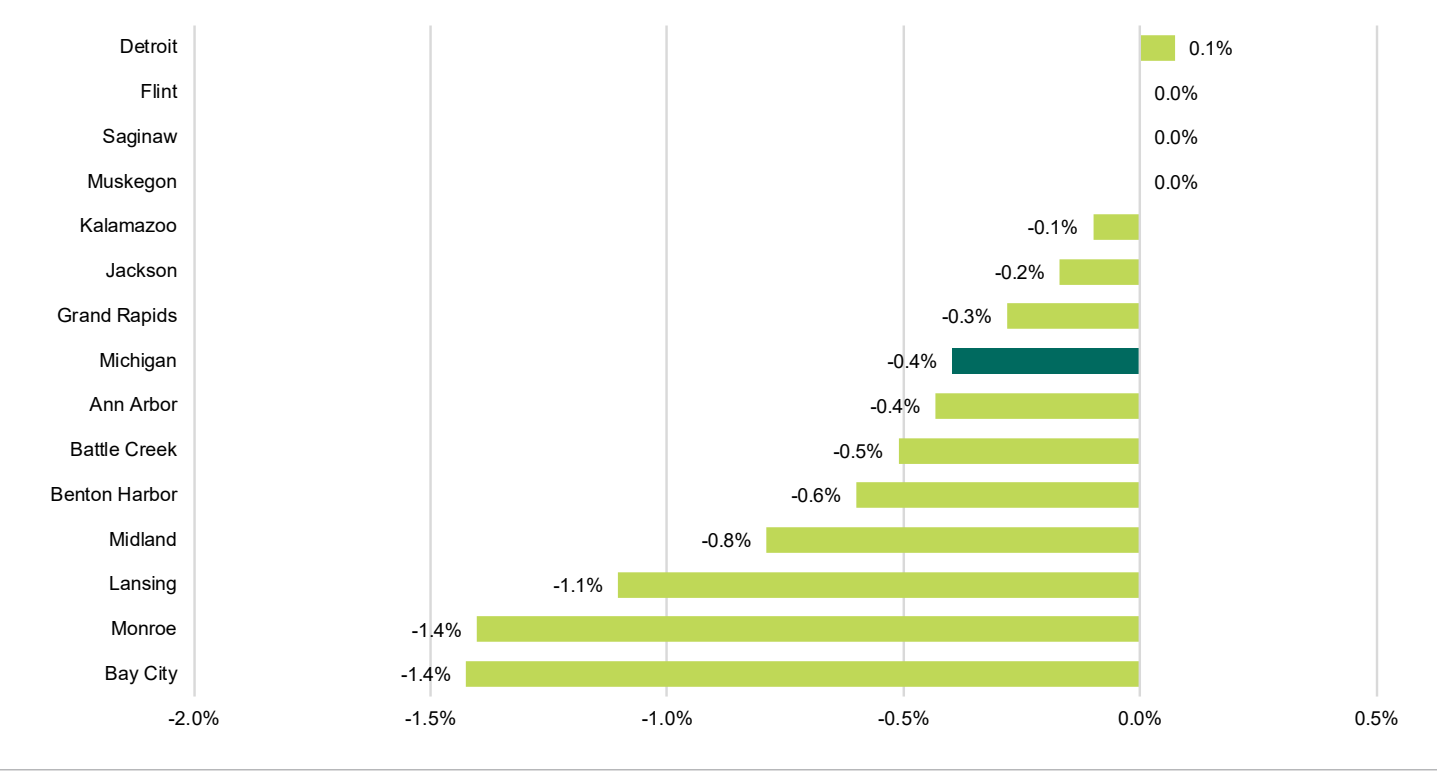
REGIONAL LABOR MARKET ANALYSIS

ANN ARBOR METROPOLITAN AREA

- The jobless rate in Ann Arbor remained unchanged in December at 2.2 percent.

- Ann Arbor was the only major Michigan labor market that did not exhibit an unemployment rate increase over the month.

MONTHLY INDUSTRY DEVELOPMENTS
- Payroll employment in the Ann Arbor region fell by 1,000 over the month, or 0.4 percent, primarily due to a seasonal 600-job decline in the area's *Government* sector.

INDUSTRY TRENDS
- *General merchandise* store jobs in the Ann Arbor metro area have been virtually flat on an annual average basis since 2012.

BAY CITY METROPOLITAN AREA

- The unemployment rate in the Bay City region rose by six-tenths of a percentage point over the month to 4.3 percent.

- Bay City was the only Michigan metro region to exhibit a decline in employment over the year (-1.0 percent).

MONTHLY INDUSTRY DEVELOPMENTS
- The total nonfarm job count in Bay City moved down by 500 in December, or 1.4 percent, due to minor job cuts in multiple regional industries.

INDUSTRY TRENDS
- On a percentage basis, Bay City had the largest over-the-year reduction in payroll employment out of all Michigan metro areas, with jobs falling by 2.8 percent since December 2018.

FLINT METROPOLITAN AREA

- Joblessness in the Flint region advanced by two-tenths of a percentage point in December to 4.0 percent.

- The number of unemployed fell by 12.9 percent over the year, a decline identical to that of the state.

MONTHLY INDUSTRY DEVELOPMENTS
- Flint nonfarm job levels remained unchanged over the month.

- Minor declines in several industries were offset by a seasonal 500-job increase in *Trade, transportation, and utilities*.

INDUSTRY TRENDS
- *Transportation, warehousing, and utilities* in Flint reached an all-time high level of 5,000 jobs in December.

BATTLE CREEK METROPOLITAN AREA

- The Battle Creek metro area jobless rate inched up by 0.3 percentage points in December to 3.5 percent. Employment declined by 400, while the number of unemployed increased slightly.

- Since December 2018, the region's unemployment rate dropped notably by 0.7 percentage points, similar to the statewide trend.

MONTHLY INDUSTRY DEVELOPMENTS
- Battle Creek MSA job levels moved down slightly by 300 in December to 58,400, mainly from a seasonal job cut of the same amount in *Construction and mining*.

- Over the past year, jobs in the region dropped by 1.0 percent (-600), led by a reduction in private *Educational and health services*.

INDUSTRY TRENDS
- Annual 2019 job counts in the Battle Creek region were similar to prior-year levels, but still about 1,000 below the 2016 peak.

DETROIT-WARREN-DEARBORN METRO AREA

- The Detroit MSA jobless rate rose by 0.3 percentage points in December to 3.7 percent.

- Detroit was the only region to exhibit a slight increase in total employment over the month (+0.2 percent).

MONTHLY INDUSTRY DEVELOPMENTS
- The Detroit MSA payroll job total edged up by 1,500 over the month, or 0.1 percent.

- Job declines in the region's *Mining, logging and construction* and *Professional and business services* industries were offset by a seasonal increase in *Trade, transportation, and utilities*.

INDUSTRY TRENDS
- The Detroit MSA's *Nondurable goods manufacturing* sector in 2019 matched the 2018 high of 46,100 jobs.

GRAND RAPIDS-WYOMING METRO AREA

- The Grand Rapids regional unemployment rate edged up by a tenth of a percentage point in December to 2.4 percent.

- The region's total workforce decreased by 0.5 percent over the month.

MONTHLY INDUSTRY DEVELOPMENTS
- Grand Rapids job counts fell by 1,600 over the month, or 0.3 percent, essentially all due to a decline in *Professional and business services*.

INDUSTRY TRENDS
- *Manufacturing* jobs in the region dropped below year-ago levels in the fourth quarter of 2019.

CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	ANN ARBOR			BATTLE CREEK			BAY CITY		
	DEC 2019	NOV 2019	DEC 2018	DEC 2019	NOV 2019	DEC 2018	DEC 2019	NOV 2019	DEC 2018
PLACE OF RESIDENCE									
Labor Force	197,700	199,200	195,800	62,600	62,900	63,000	49,600	49,800	50,200
Employment	193,400	194,800	190,400	60,500	60,900	60,400	47,400	48,000	47,900
Unemployment	4,300	4,400	5,400	2,200	2,000	2,600	2,100	1,800	2,300
Rate (percent)	2.2%	2.2%	2.8%	3.5%	3.2%	4.2%	4.3%	3.7%	4.6%
PLACE OF WORK									
Total Nonfarm Jobs	230,100	231,100	227,700	58,400	58,700	59,000	34,600	35,100	35,600
Mining, Logging, and Construction	4,500	4,700	4,400	1,400	1,700	1,500	1,200	1,300	1,200
Manufacturing	15,100	15,200	15,300	12,100	12,000	12,100	4,400	4,600	4,500
Trade, Transportation, and Utilities	26,600	26,200	26,700	9,500	9,600	9,600	7,200	7,300	7,700
Wholesale Trade	6,300	6,200	6,200	N/A	N/A	N/A	N/A	N/A	N/A
Retail Trade	16,200	16,000	16,500	6,100	6,100	6,100	4,800	4,900	5,100
Information	5,400	5,500	5,300	N/A	N/A	N/A	400	400	400
Financial Activities	7,000	7,000	6,900	1,200	1,200	1,200	1,300	1,300	1,300
Professional and Business Services	31,000	31,200	30,400	6,100	6,200	6,100	2,600	2,600	2,700
Educational and Health Services	28,100	28,200	27,900	10,800	10,900	11,100	6,200	6,300	6,500
Leisure and Hospitality	18,200	18,300	17,700	4,200	4,200	4,200	4,300	4,300	4,300
Other Services	6,400	6,400	6,400	1,800	1,800	1,900	1,200	1,200	1,300
Government	87,800	88,400	86,700	10,900	10,900	11,100	5,800	5,800	5,700

	DETROIT-WARREN-DEARBORN			FLINT			GRAND RAPIDS-WYOMING		
	DEC 2019	NOV 2019	DEC 2018	DEC 2019	NOV 2019	DEC 2018	DEC 2019	NOV 2019	DEC 2018
PLACE OF RESIDENCE									
Labor Force	2,161,000	2,148,000	2,140,000	184,200	184,400	181,900	576,800	579,900	578,400
Employment	2,081,000	2,076,000	2,048,000	176,800	177,400	173,400	562,700	566,400	561,700
Unemployment	80,000	73,000	91,000	7,400	7,000	8,500	14,100	13,500	16,800
Rate (percent)	3.7%	3.4%	4.3%	4.0%	3.8%	4.7%	2.4%	2.3%	2.9%
PLACE OF WORK									
Total Nonfarm Jobs	2,048,400	2,046,900	2,047,600	145,000	145,000	142,500	566,600	568,200	570,700
Mining, Logging, and Construction	73,800	78,000	74,700	5,900	6,200	5,700	24,700	25,600	25,200
Manufacturing	258,900	257,400	262,700	12,700	12,700	12,400	118,100	117,600	119,200
Trade, Transportation, and Utilities	390,900	386,100	388,800	30,900	30,400	30,300	98,700	98,400	98,300
Wholesale Trade	89,100	87,700	87,500	5,600	5,600	5,400	31,800	31,600	31,700
Retail Trade	219,100	216,700	219,400	20,300	20,100	20,500	50,400	50,700	50,300
Information	26,800	27,100	27,200	3,700	3,700	3,800	6,500	6,500	6,400
Financial Activities	117,000	116,100	116,100	6,000	6,000	6,000	26,700	26,600	26,600
Professional and Business Services	395,800	397,800	398,200	17,800	17,900	17,100	72,600	74,200	77,200
Educational and Health Services	319,700	318,300	320,600	26,000	26,200	26,700	94,200	94,400	94,400
Leisure and Hospitality	199,800	198,600	194,000	15,700	15,600	15,300	51,300	51,200	51,000
Other Services	74,700	75,000	75,300	5,500	5,400	5,400	22,400	22,400	22,300
Government	191,000	192,500	190,000	20,800	20,900	19,800	51,400	51,300	50,100

JACKSON METROPOLITAN AREA

- The jobless rate in the Jackson MSA was little changed in December, inching up to 3.2 percent. The rate gain reflected a monthly increase of 200 unemployed in the region.

- Over the past year, employment was stable, while the number of unemployed and the jobless rate dropped.

MONTHLY INDUSTRY DEVELOPMENTS

- Jackson December job counts were relatively flat (-100), edging down by 0.2 percent. *Manufacturing* added 200 jobs and *Retail* jobs inched up seasonally. However, several other area industries had small job reductions.

- Since December 2018, jobs in the Jackson MSA dropped by 500. Job gains were led by *Trade, transportation, warehousing, and utilities*. Employment cuts over the year occurred in *Government*, private *Educational and health services*, and *Professional and business services*.

INDUSTRY TRENDS

- Jobs in the *Manufacturing* sector have been rising locally over the past five years, but moved below year-ago levels in the fourth quarter 2019.

LANSING-EAST LANSING METRO AREA

- The Lansing region jobless rate rose by 0.2 percentage points between November and December 2019 to 2.7 percent.

- Lansing's labor force advanced by 1.5 percent over the year, about double that of the state (+0.7 percent).

MONTHLY INDUSTRY DEVELOPMENTS

- Lansing's payroll job count receded by 2,700 over the month, or 1.1 percent, largely due to a seasonal decline in *Government* (-2,300).

INDUSTRY TRENDS

- For the third consecutive month, *Professional, scientific, and technical services* in Lansing registered its 14-year high level of 9,400 jobs.

MONROE METROPOLITAN AREA

- Joblessness in the Monroe region advanced by two-tenths of a percentage point in December to 3.1 percent.

- Monroe's unemployment total rose by 4.5 percent over the month.

MONTHLY INDUSTRY DEVELOPMENTS

- Monroe payroll jobs fell by 600 over the month, or 1.4 percent, largely due to a decline in *Mining, logging and construction* (-300).

INDUSTRY TRENDS

- Monroe tied with Bay City for the largest over-the-month percentage cut in nonfarm employment among Michigan metro areas in December.

KALAMAZOO-PORTAGE METRO AREA

- December employment in the Kalamazoo-Portage MSA dropped by 1,000, and the jobless rate inched up two tenths of a percentage point to 3.0 percent.

- Since December 2018, the area jobless rate fell significantly by 0.7 percentage points as the number of employed advanced by 2,600.

MONTHLY INDUSTRY DEVELOPMENTS

- December payroll job levels in the Kalamazoo-Portage region inched down 200 or just 0.1 percent. Seasonal job additions in *Retail trade* (+400) were countered by employment reductions in *Government* (-400) and *Construction and mining* (-200).

- Over the year, jobs in the area rose by 1,300. *Construction and mining*, *Leisure and hospitality* and *Trade, transportation, warehousing, and utilities* added jobs.

INDUSTRY TRENDS

- The Kalamazoo-Portage metro area averaged 150,400 jobs in 2019, finally surpassing the previous high recorded in 2000.

MIDLAND METROPOLITAN AREA

- The Midland region unemployment rate increased by 0.3 percentage points in December to 3.3 percent.

- Midland's annual 2019 jobless rate of 3.7 percent was below the 2018 average of 4.0 percent.

MONTHLY INDUSTRY DEVELOPMENTS

- Midland payroll jobs moved down by 300, or 0.8 percent, between November and December.

INDUSTRY TRENDS

- Midland's annual average payroll employment level in 2019 was 37,800, slightly below the region's 2018 job count (38,000).

MUSKEGON METROPOLITAN AREA

- The Muskegon jobless rate edged up by a tenth of a percentage point in December to 3.7 percent.

- Muskegon's annual jobless rate in 2019 was 4.2 percent, slightly above the Michigan rate of 4.0 percent.

MONTHLY INDUSTRY DEVELOPMENTS

- Muskegon job levels remained unchanged over the month.

INDUSTRY TRENDS

- Jobs in the area's *Construction* sector moved up slightly in 2019 and have slowly increased each year since 2015.

CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	JACKSON			KALAMAZOO-PORTAGE			LANSING-EAST LANSING		
	DEC 2019	NOV 2019	DEC 2018	DEC 2019	NOV 2019	DEC 2018	DEC 2019	NOV 2019	DEC 2018
PLACE OF RESIDENCE									
Labor Force	74,300	74,500	74,500	169,900	170,500	168,300	251,400	254,500	247,800
Employment	71,900	72,300	71,700	164,700	165,700	162,100	244,600	248,100	239,800
Unemployment	2,400	2,200	2,800	5,200	4,800	6,200	6,800	6,500	8,000
Rate (percent)	3.2%	3.0%	3.8%	3.0%	2.8%	3.7%	2.7%	2.5%	3.2%
PLACE OF WORK									
Total Nonfarm Jobs	58,900	59,000	59,400	152,700	152,900	151,400	242,100	244,800	238,900
Mining, Logging, and Construction	1,900	2,000	1,900	6,500	6,700	6,200	8,000	8,500	7,900
Manufacturing	10,000	9,800	10,000	22,700	22,700	22,600	19,800	19,800	20,300
Trade, Transportation, and Utilities	13,000	12,900	12,600	28,000	27,500	27,600	38,200	37,400	37,600
Wholesale Trade	N/A	N/A	N/A	6,700	6,700	6,600	6,700	6,600	6,600
Retail Trade	6,900	6,800	6,600	17,000	16,600	16,900	22,200	21,800	22,000
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	17,200	17,200	16,800
Professional and Business Services	5,900	6,000	6,100	17,600	17,500	17,600	24,200	24,600	23,700
Educational and Health Services	10,300	10,300	10,500	24,600	24,700	24,500	32,700	32,800	32,600
Leisure and Hospitality	5,200	5,300	5,200	16,100	16,200	15,800	19,200	19,300	18,800
Other Services	2,500	2,500	2,500	5,200	5,200	5,300	10,400	10,500	10,400
Government	7,700	7,800	8,200	22,800	23,200	22,700	69,700	72,000	68,100

	MIDLAND			MONROE			MUSKEGON		
	DEC 2019	NOV 2019	DEC 2018	DEC 2019	NOV 2019	DEC 2018	DEC 2019	NOV 2019	DEC 2018
PLACE OF RESIDENCE									
Labor Force	40,100	40,400	40,300	75,600	76,300	75,800	79,000	79,200	77,700
Employment	38,800	39,100	38,800	73,300	74,100	72,700	76,100	76,400	74,300
Unemployment	1,300	1,200	1,500	2,300	2,200	3,100	3,000	2,800	3,400
Rate (percent)	3.3%	3.0%	3.8%	3.1%	2.9%	4.0%	3.7%	3.6%	4.4%
PLACE OF WORK									
Total Nonfarm Jobs	37,700	38,000	38,000	42,200	42,800	42,200	67,200	67,200	65,600
Mining, Logging, and Construction	N/A	N/A	N/A	2,300	2,600	2,200	2,600	2,700	2,400
Manufacturing	N/A	N/A	N/A	5,900	5,900	5,700	14,100	14,000	14,100
Trade, Transportation, and Utilities	N/A	N/A	N/A	10,600	10,700	10,800	15,200	15,100	14,400
Wholesale Trade	N/A	N/A	N/A	1,800	1,800	1,800	N/A	N/A	N/A
Retail Trade	N/A	N/A	N/A	4,800	4,900	4,900	12,000	12,000	11,400
Information	N/A	N/A	N/A	N/A	N/A	N/A	300	300	300
Financial Activities	N/A	N/A	N/A	900	900	900	1,800	1,700	1,800
Professional and Business Services	N/A	N/A	N/A	5,600	5,700	5,700	3,700	3,800	3,500
Educational and Health Services	N/A	N/A	N/A	5,000	5,000	5,100	12,400	12,400	12,200
Leisure and Hospitality	N/A	N/A	N/A	4,600	4,600	4,500	7,500	7,500	7,200
Other Services	N/A	N/A	N/A	1,400	1,400	1,400	2,100	2,200	2,200
Government	3,000	3,000	3,000	5,500	5,500	5,500	7,500	7,500	7,500

NILES-BENTON HARBOR METRO AREA

- Joblessness rose by more than the statewide average in Niles-Benton Harbor in December, up by half a percentage point to 3.6 percent. Employment declined by 700 and the number of unemployed moved up 300.

- Employment advanced by 2.3 percent since December 2018 and the number of unemployed residents dropped by nearly 19 percent.

MONTHLY INDUSTRY DEVELOPMENTS

- Job levels in the Niles-Benton Harbor MSA declined by 400 to a total of 63,100. Seasonal job reductions of 200 each were seen in *Government* and *Leisure and hospitality*.

- Over the year, job levels in the Niles-Benton Harbor MSA continued to improve (+1.6 percent). Employment in most major industry sectors advanced since December 2018. *Manufacturing* added 300 positions.

INDUSTRY TRENDS

- Payroll job gains occurred in the Niles-Benton Harbor area in 2019 and have expanded in five of the last six years.

SAGINAW METROPOLITAN AREA

- The Saginaw region unemployment rate rose by two-tenths of a percentage point over the month to 4.1 percent.

- Saginaw was the only major labor market in Michigan to record no labor force change in December.

MONTHLY INDUSTRY DEVELOPMENTS

- Saginaw's total nonfarm job count remained unchanged between November and December 2019.

- A 400-job increase in *Manufacturing* was offset by minor declines in multiple other industries.

INDUSTRY TRENDS

- For the second consecutive month, *Transportation, warehousing, and utilities* matched its record high level of 2,900 jobs.

CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	NILES-BENTON HARBOR			SAGINAW		
	DEC 2019	NOV 2019	DEC 2018	DEC 2019	NOV 2019	DEC 2018
PLACE OF RESIDENCE						
Labor Force	73,400	73,800	72,300	87,400	87,400	86,900
Employment	70,800	71,500	69,200	83,800	84,000	82,900
Unemployment	2,600	2,300	3,200	3,600	3,400	4,000
Rate (percent)	3.6%	3.1%	4.4%	4.1%	3.9%	4.6%
PLACE OF WORK						
Total Nonfarm Jobs	63,100	63,500	62,100	89,000	89,000	89,100
Mining, Logging, and Construction	2,100	2,200	2,000	3,000	3,200	3,100
Manufacturing	13,600	13,600	13,300	12,500	12,100	12,500
Trade, Transportation, and Utilities	11,100	10,900	11,000	17,800	17,700	17,600
Wholesale Trade	N/A	N/A	N/A	1,900	1,900	2,000
Retail Trade	7,100	7,000	7,000	13,000	12,900	12,700
Information	500	500	500	1,300	1,300	1,400
Financial Activities	2,500	2,500	2,400	3,600	3,600	3,600
Professional and Business Services	5,700	5,800	5,600	11,300	11,400	11,300
Educational and Health Services	9,500	9,500	9,400	15,800	15,800	16,000
Leisure and Hospitality	7,000	7,200	6,900	9,300	9,300	9,000
Other Services	2,300	2,300	2,300	3,200	3,200	3,400
Government	8,800	9,000	8,700	11,200	11,400	11,200

	UPPER PENINSULA			NORTHEAST MICHIGAN			NORTHWEST MICHIGAN		
	DEC 2019	NOV 2019	DEC 2018	DEC 2019	NOV 2019	DEC 2018	DEC 2019	NOV 2019	DEC 2018
PLACE OF RESIDENCE									
Labor Force	136,400	136,000	135,500	80,600	80,800	80,300	148,100	147,800	146,400
Employment	128,700	130,300	127,400	75,200	76,600	74,200	141,700	142,800	138,900
Unemployment	7,700	5,700	8,000	5,500	4,200	6,100	6,400	5,000	7,500
Rate (percent)	5.6%	4.2%	5.9%	6.8%	5.2%	7.6%	4.3%	3.4%	5.1%

PERCENTAGE OF LABOR FORCE AGES 65–74

Percent
- 3.5 to 4.3
- 4.3 to 4.7
- 4.7 to 5.1
- 5.1 to 5.5
- 5.5 to 6.5
- 6.5 to 7.6
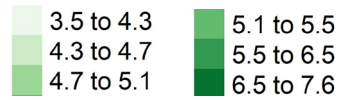
Source: 2018 One-Year American Community Survey, Public Use Microdata Sample
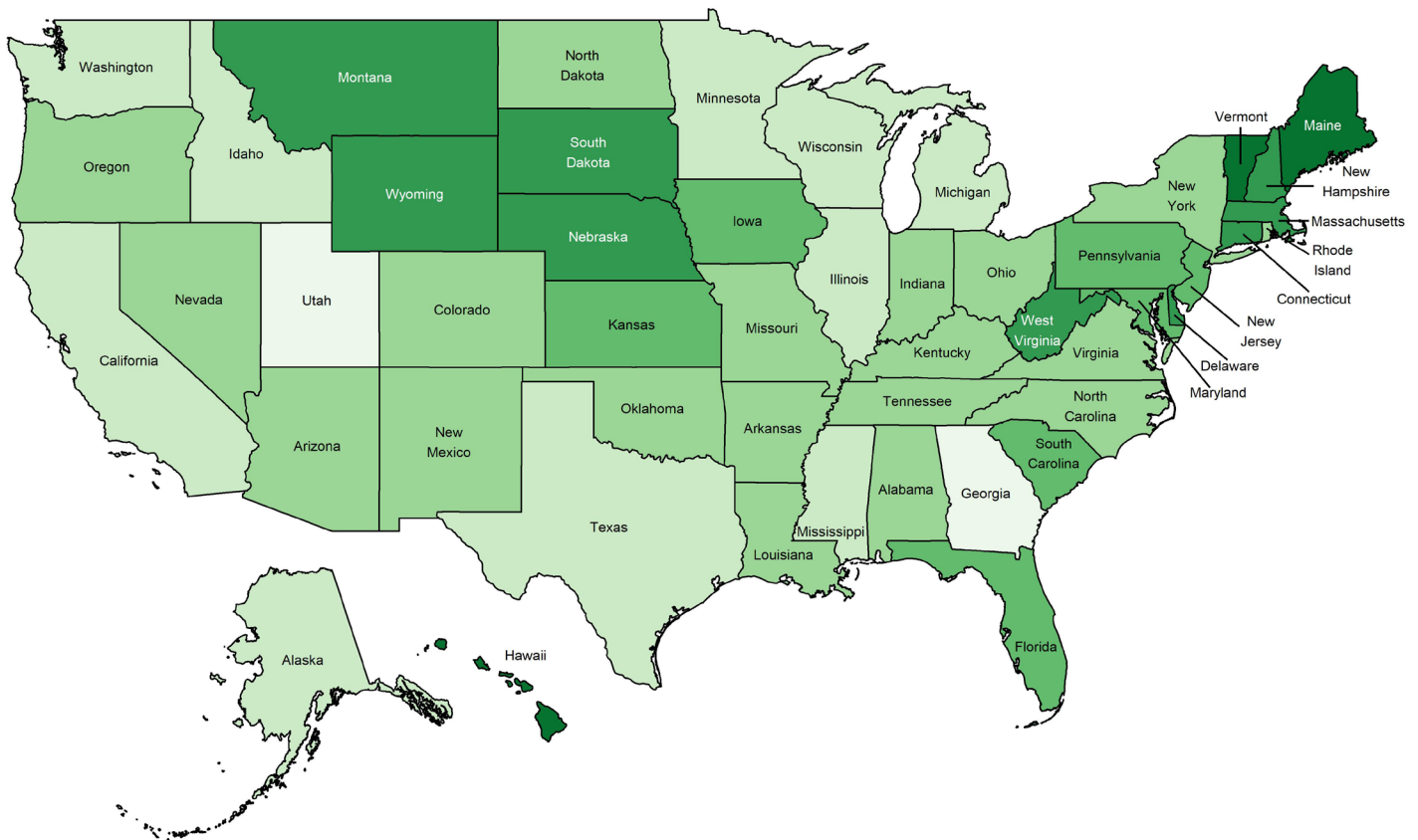
As discussed in this month's feature article, the percentage of the nation's civilian labor force that is ages 65–74 has increased since the year 2000. In addition to nationwide averages, data from the 2018 American Community Survey (ACS) One-Year Public Use Microdata Sample (PUMS) can be used to explore the recent relationship of this statistic among states.

As can be seen in the map, there was quite a bit of variation in the contribution of the 65–74 population to the total labor force across states. At 3.5 percent, Utah's 65–74 population had the smallest contribution to its labor force. This is largely because Utah, with a median age of 31, was the youngest state. In comparison, the U.S. had a median age of 38.2 years in 2018.

At the other end of the spectrum, at 7.6 percent, Vermont had the greatest percentage of its labor force in the 65–74 age class. There were at least two contributing factors to this state's relatively old labor force in 2018. First, with a median age of 42.8 it was the third oldest state. Additionally, Vermont residents ages 65–74 had the highest labor force participation rate in the nation at 36.2 percent, compared to the national average of 26.4 percent.

Michigan has a relatively small portion of its labor force in the 65–74 age range, ranking 47th in the nation. This is because although Michigan had a median age of 39.8 in 2018– older than the national average–the labor force participation rate of Michiganders 65–74 was tied for 45th in the nation.

ALAN LEACH
Demographic Analyst

EMPLOYMENT TRENDS AMONG MICHIGAN PERSONS OF RETIREMENT AGE

When examining statewide labor force trends, the portion of the labor force who are 65 and older is sometimes overlooked, because it is typically assumed that many of these individuals have retired. However, this assumption is becoming increasingly inaccurate. In fact, workers ages 65 through 74 are a small but growing segment of Michigan's labor force (Figure 1).

It is also important to understand that people 65 and older are not monolithic in their workforce experience. For example, nationwide, labor force participation rates of persons 65–74 are more than triple those of the age group 75 and older.[1] As a result, in 2017, people 65–74 constituted about 83 percent of Michigan's 65 and older labor force. Additionally, people who are currently ages 65–74 have higher educational attainment rates than was true in prior generations. For these reasons, this article will focus on employment and income trends of Michigan residents who are 65–74.

Consider the following:

- In 2017, Michigan had about 207,000 workers ages 65–74, and this cohort had a labor force participation rate of 21.3 percent, up from 13.7 percent in 1990.

- These residents made up 4.2 percent of the state's total labor force in 2017, up from 1.8 percent in 1980.

The reasons that the number of Michigan workers ages 65–74 have increased sharply over the past 20 years are twofold. First, the proportion of Michigan's population that was 65–74 began accelerating around 2011 when the first of the baby boomer generation began entering this age class (Figure 2). Second, since 1990, labor force participation rates of Michigan residents 65–74 have increased (Figure 3).

Michigan's aging labor force runs parallel with national trends of the U.S. population ages 65–74. From 2000 to 2017, the percentage of the nation's and Michigan's labor force that was in the 65–74 cohort advanced by approximately two percentage points (Figure 1). From 1990 to 2017, the national labor force participation rate of those ages 65–74 rose by approximately 8.4 percentage points, whereas statewide participation by this age group moved up by about 7.6 percentage points (Figure 3).

Furthermore, the number of workers in this age group will likely continue to advance for at least the next decade as the remainder of the baby boomers turn 65. Additionally, whereas labor force participation rates of all age groups younger than 55 are projected to flatten or decline, labor force participation rates for Americans 65–74 are projected by the U.S. Bureau of Labor Statistics to increase by another 5.4 percentage points from 2018 to 2028.[1]

Occupational Trends of Persons 65–74

An examination of occupational trends among those 65–74 from 1970 through 2017 reveals shifts in the types of occupations filled by men and women in the labor force.

Since 1970, the top occupation for women ages 65–74 has been *Office and administrative support* (Figure 4). However, from 1970 through 2017, three occupations recorded a significant reduction in the share of jobs filled by women ages 65–74: *Buildings and grounds cleaning and maintenance*, *Food preparation and serving*, and *Production*. At the same time, *Healthcare practitioners*, and *Management* have seen relatively large proportional increases in employed women since 1970.

FIGURE 1: PERCENTAGE OF LABOR FORCE AGES 65–74
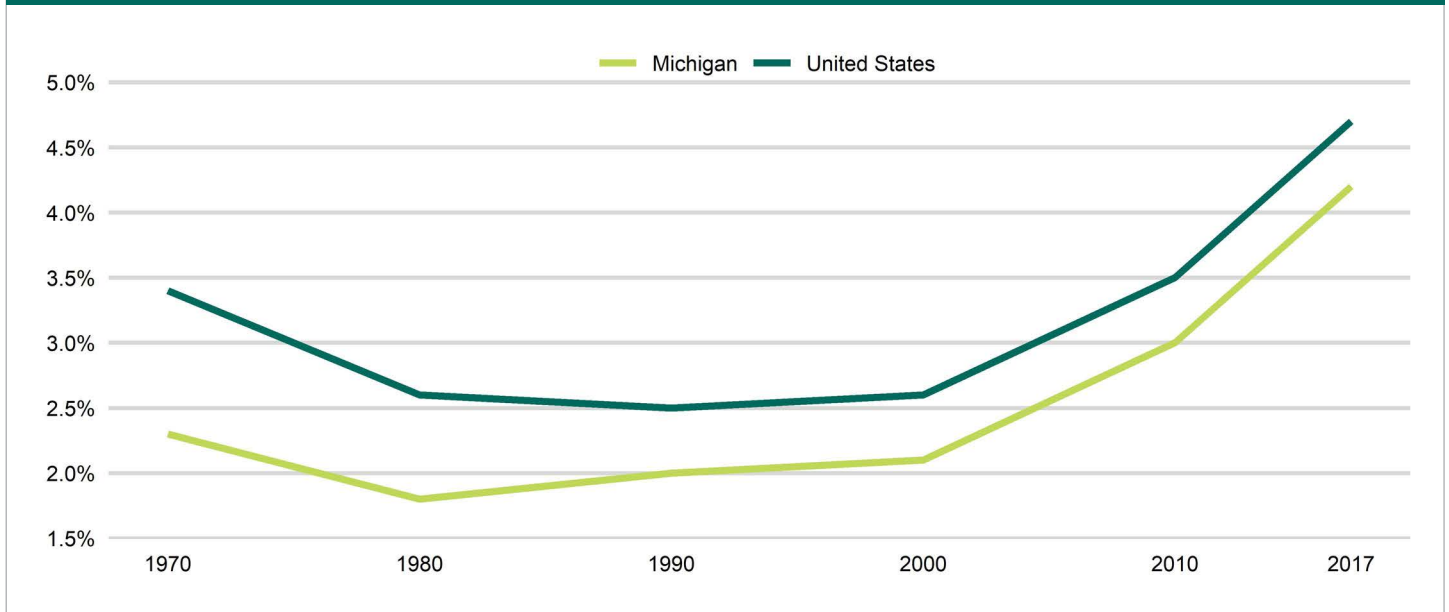
Source: U.S. Census Bureau, 1970–2000 Decennial Censuses; 2010 and 2017 One-Year American Community Survey, Public Use Microdata Sample

For older men, *Production* fell from being the top occupation in 1980 to the fourth most common for this age class in 2017 (Figure 5). Although the percentage of older men employed in *Management* occupations declined from 1970 to 2017, it was the top occupation for men ages 65–74 in 2017. This was due to more significant share reductions in *Production* and, since 1990,

Sales and related occupations. Occupations with large gains in the male share of jobs included *Education, training, and library;* and *Transportation and material moving*.

The usual number of hours worked per week also changed for employed residents in this age class. After declining during the 1980s and

1990s, the percentage of the labor force ages 65–74 typically working full-time (i.e., at least 35 hours per week) began to rise after the year 2000. Between 2000 and 2017, the percentage of men 65–74 in the labor force working full-time increased from 47.6 to 57.7 percent. Likewise, the percentage of women working full-time advanced from 32.7 to 44.5 percent.[2]

[2] U.S. Census Bureau, 2000 Decennial Census; 2017 One-Year American Community Survey, Public Use Microdata Sample

FIGURE 2: PERCENTAGE OF MICHIGAN'S ADULT (16+) POPULATION AGES 65–74

Legend: —— Historic - - - Projected

First Baby Boomer Turns 65 →

← Last Baby Boomer Turns 65

Y-axis: 7%, 9%, 11%, 13%, 15%
X-axis: 2000, 2005, 2010, 2015, 2020, 2025, 2030, 2035, 2040, 2045
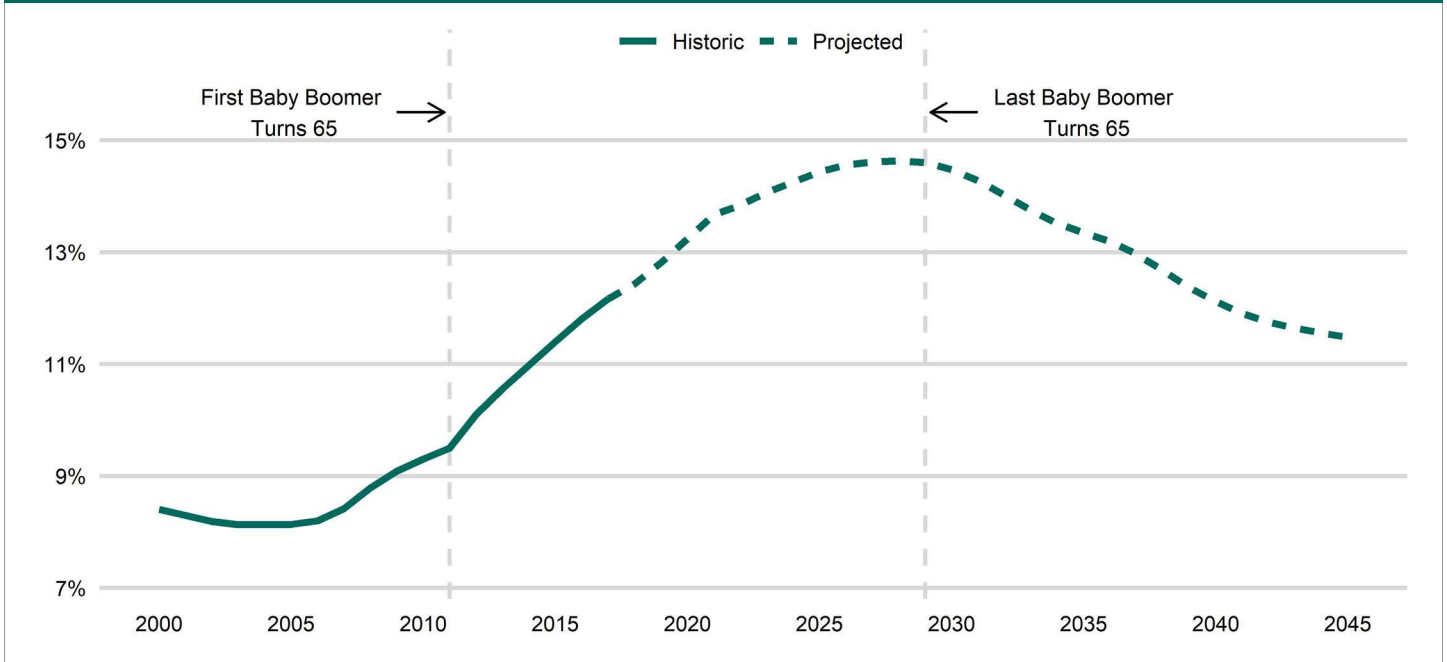
Source: U.S. Census Bureau, Population Estimates Program; Bureau of Labor Market Information and Strategic Initiatives, Population Projections Program

Despite these gains in full-time employment, Michigan workers ages 65–74, on average, were less likely to work full-time than their national counterparts. In 2017, nationwide, 64.4 and 51.4 percent of men and women ages 65–74 in the labor force worked full-time, respectively.

Wages and Total Income of Population Ages 65–74

Income trends have varied among older Michiganders in and out of the labor force since 1980. Real incomes of men and women ages 65–74 in the labor force continuously increased from 1980 to 2017 (Figure 6). Women who were not in the labor force experienced more modest gains in total income. In contrast, men ages 65–74 who were not in the labor force had slight reductions in inflation adjusted income after 2000 (Figure 6).

A partial explanation for the stagnant income trends of men who were not in the labor force was the reduction in non-social security

FIGURE 3: LABOR FORCE PARTICIPATION RATES OF PEOPLE AGES 65–74
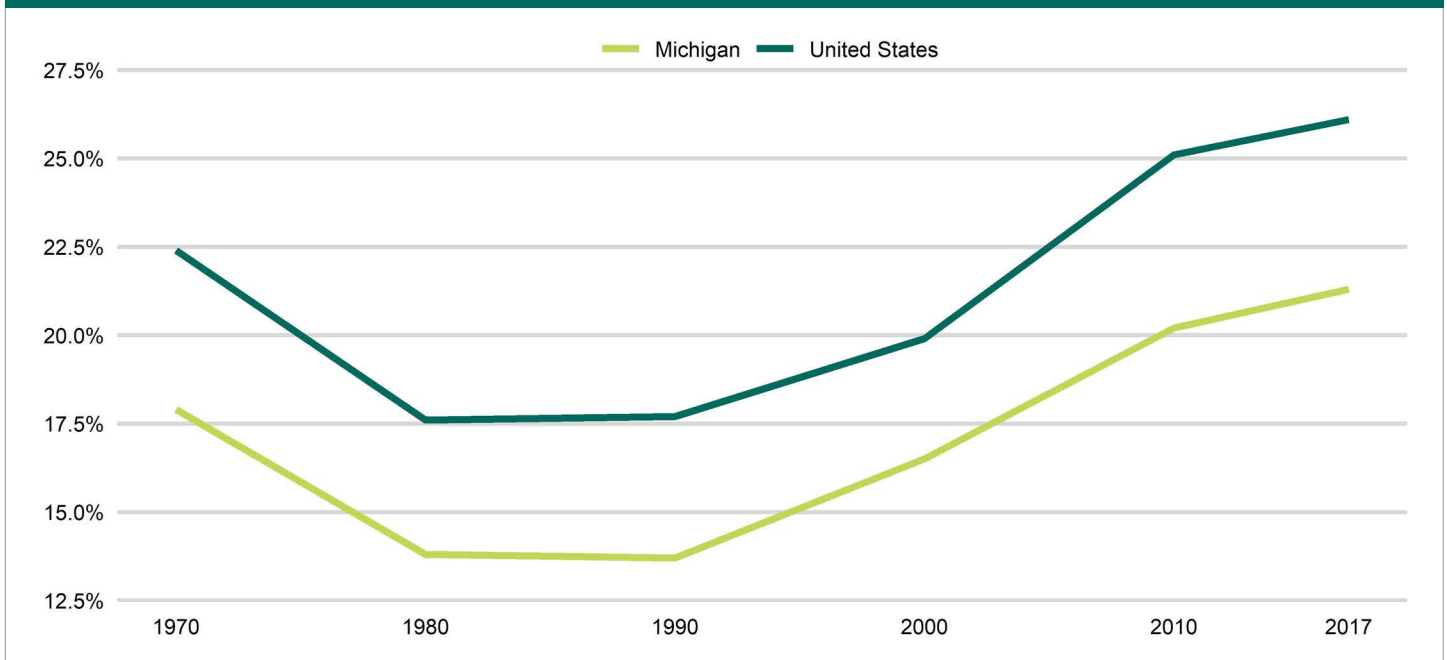
Legend: —— Michigan —— United States

Y-axis: 12.5%, 15.0%, 17.5%, 20.0%, 22.5%, 25.0%, 27.5%
X-axis: 1970, 1980, 1990, 2000, 2010, 2017

Source: U.S. Census Bureau, 1970–2000 Decennial Censuses; 2010 and 2017 One-Year American Community Survey, Public Use Microdata Sample

FIGURE 4: TOP OCCUPATIONS OF WOMEN AGES 65–74 IN MICHIGAN
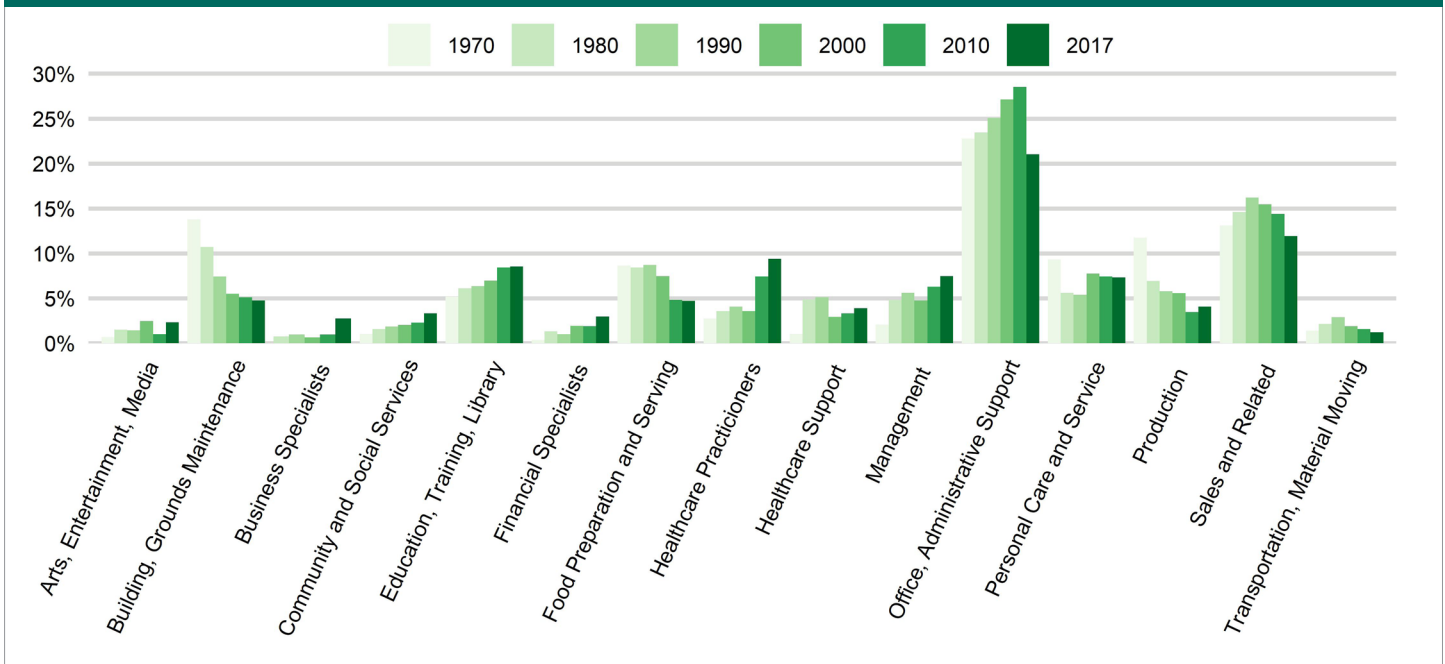
Source: U.S. Census Bureau, 1970–2000 Decennial Censuses; 2010 and 2017 One-Year American Community Survey, Public Use Microdata Sample

retirement income, such as pensions, business income, dividends, and interest. From 2000 to 2017 annual income for men from these sources fell from a median of about $15,200 to $11,020. For women, income from these sources also moved down from about $1,330 to $610. Some of these income declines, for both men and women, are likely related to fewer retirees—

[3] Wiatrowski, 2012

particularly from the private sector—being enrolled in pension plans.[3]

Meanwhile, for men ages 65–74 who were not in the workforce, the median annual social security payout increased from approximately $16,380 to $18,200 from 2000 to 2017. This did not offset a median loss of $4,000 from other

income sources. For women not in the labor force, median social security income rose from $9,450 to $11,930 from 2000 to 2017. This increase was enough to overcome the median reduction of income from other sources. As a result, women 65–74 who were not in the labor force have seen continuous—if modest—gains in real income since the year 2000. Despite

FIGURE 5: TOP OCCUPATIONS OF MEN AGES 65–74 IN MICHIGAN
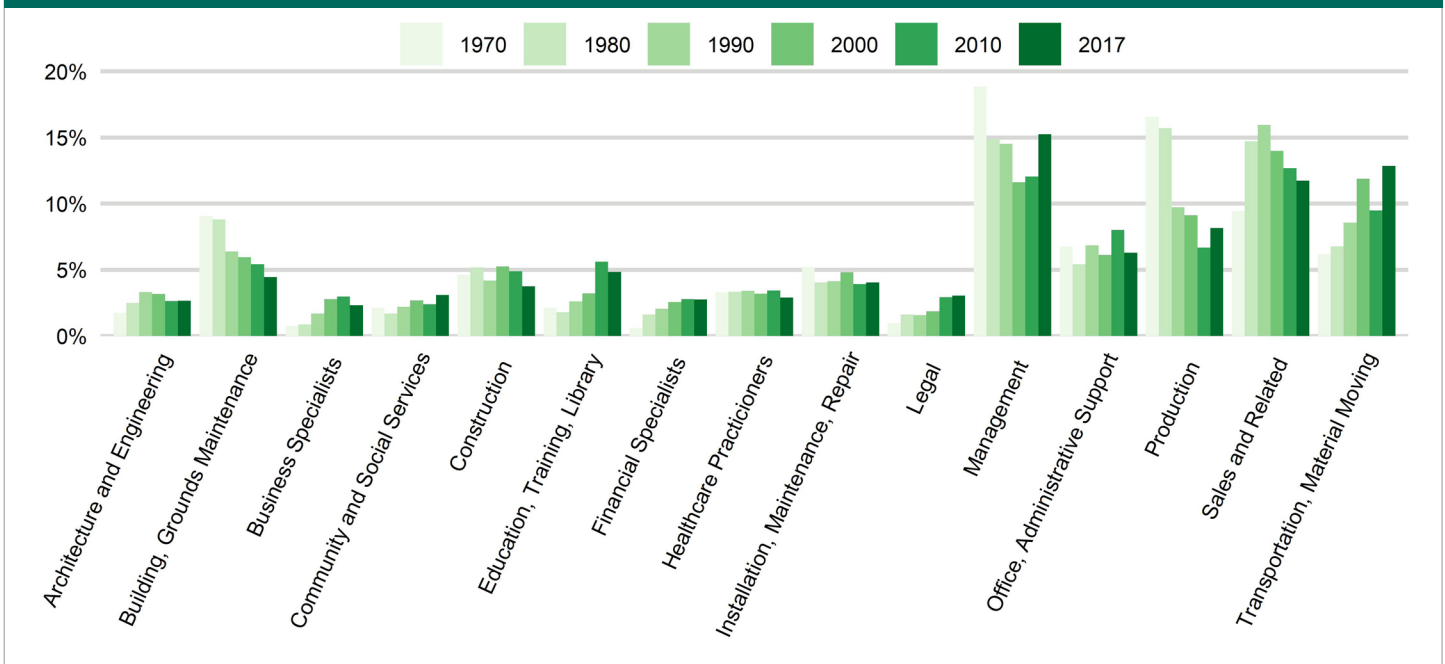
Source: U.S. Census Bureau, 1970–2000 Decennial Censuses; 2010 and 2017 One-Year American Community Survey, Public Use Microdata Sample

FIGURE 6: TOTAL INCOME (2017 DOLLARS) OF MICHIGANDERS AGES 65–74
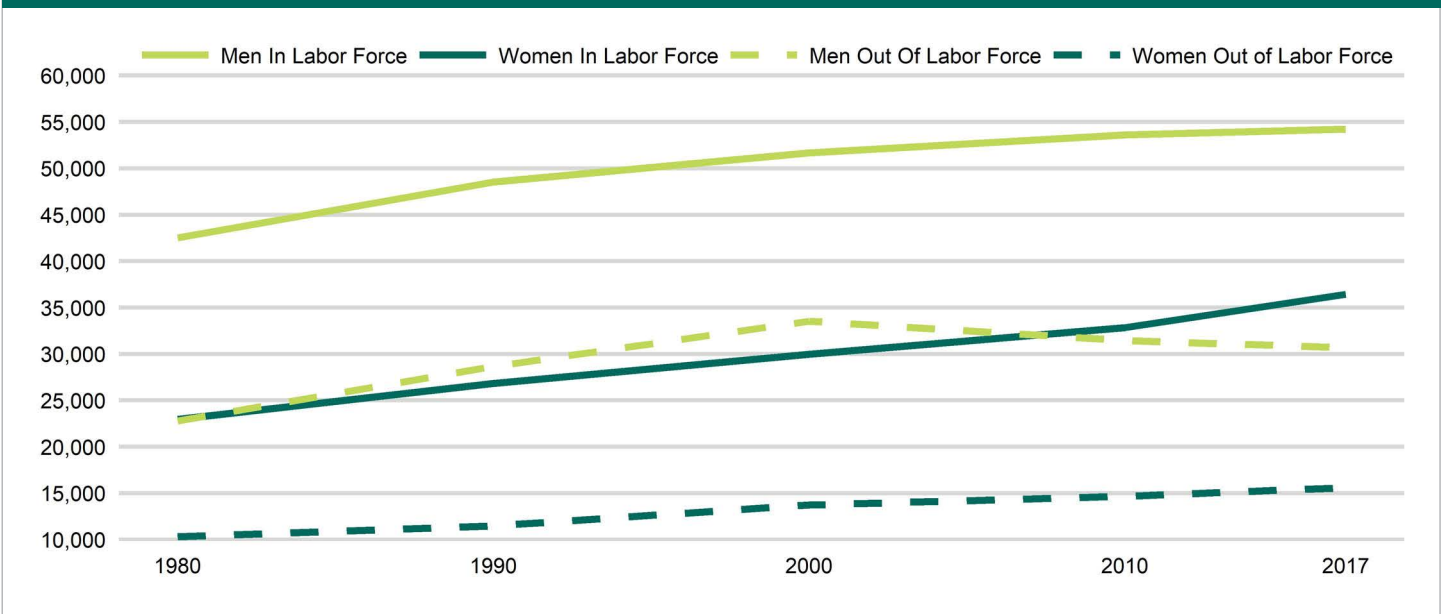
Source: U.S. Census Bureau, 1980–2000 Decennial Censuses; 2010 and 2017 One-Year American Community Survey, Public Use Microdata Sample

these trends, total income of non-working men was about double that of their female peers.

Another way to understand trends in income is through poverty, which is defined as the dollar value of a family's minimally adequate food budget multiplied by three.[4] After decades of declines, poverty rates of Michiganders ages 65–74 not in the labor force have shown some

[4] https://www.bls.gov/pir/spmhome.htm

indications of increase—particularly among men—since 2000 (Figure 7).

Potential Factors Influencing Labor Force Participation Trends of the Older Workforce

There are many reasons why people work, among them: financial necessity, opportunity,

staying active, personal fulfillment, and a sense of belonging. Part of the reduction in labor force participation rates of workers ages 65–74 in the 1970s may have been related to increased financial security in retirement (see declines in poverty rates [Figure 7]). This may have been related to more people than before being qualified for benefits such as social security, pensions, and Medicare. Thus, as

FIGURE 7: MICHIGANDERS AGES 65–74 IN POVERTY
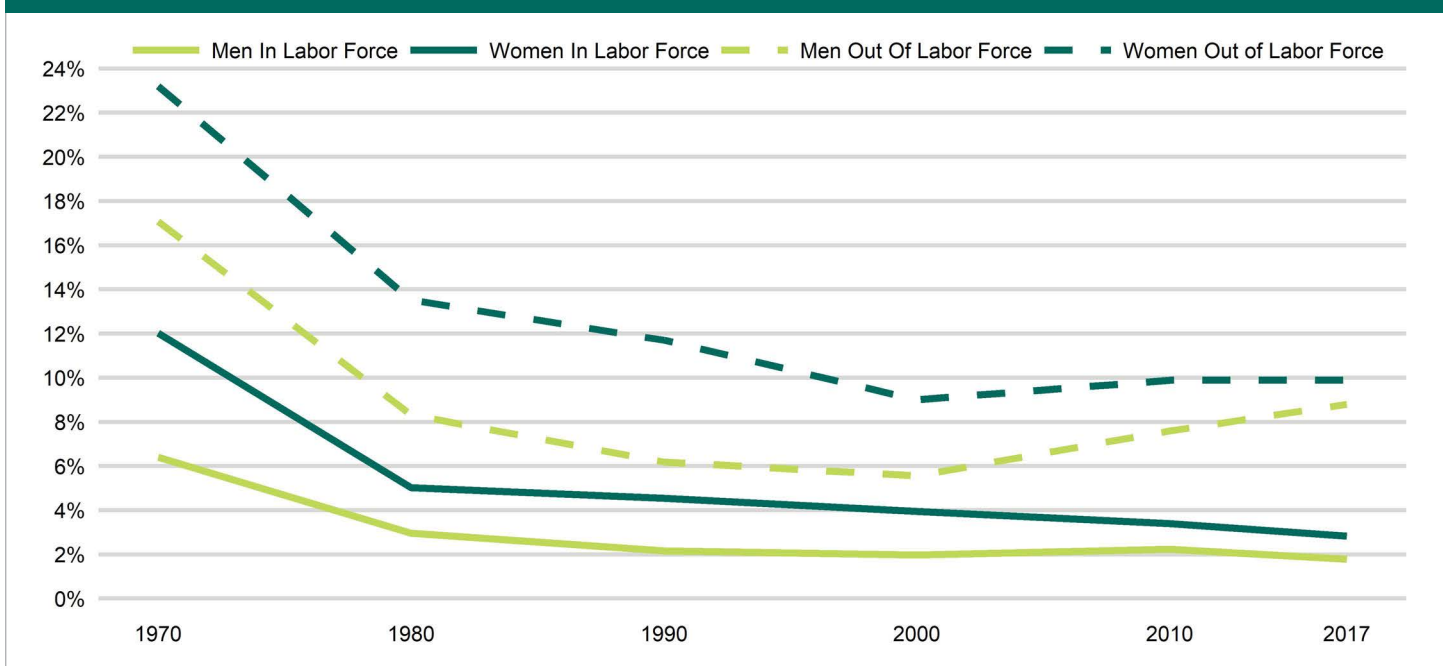
Source: U.S. Census Bureau, 1970–2000 Decennial Censuses; 2010 and 2017 One-Year American Community Survey, Public Use Microdata Sample

FIGURE 8: MICHIGANDERS IN THE LABOR FORCE WITH FOUR OR MORE YEARS OF COLLEGE
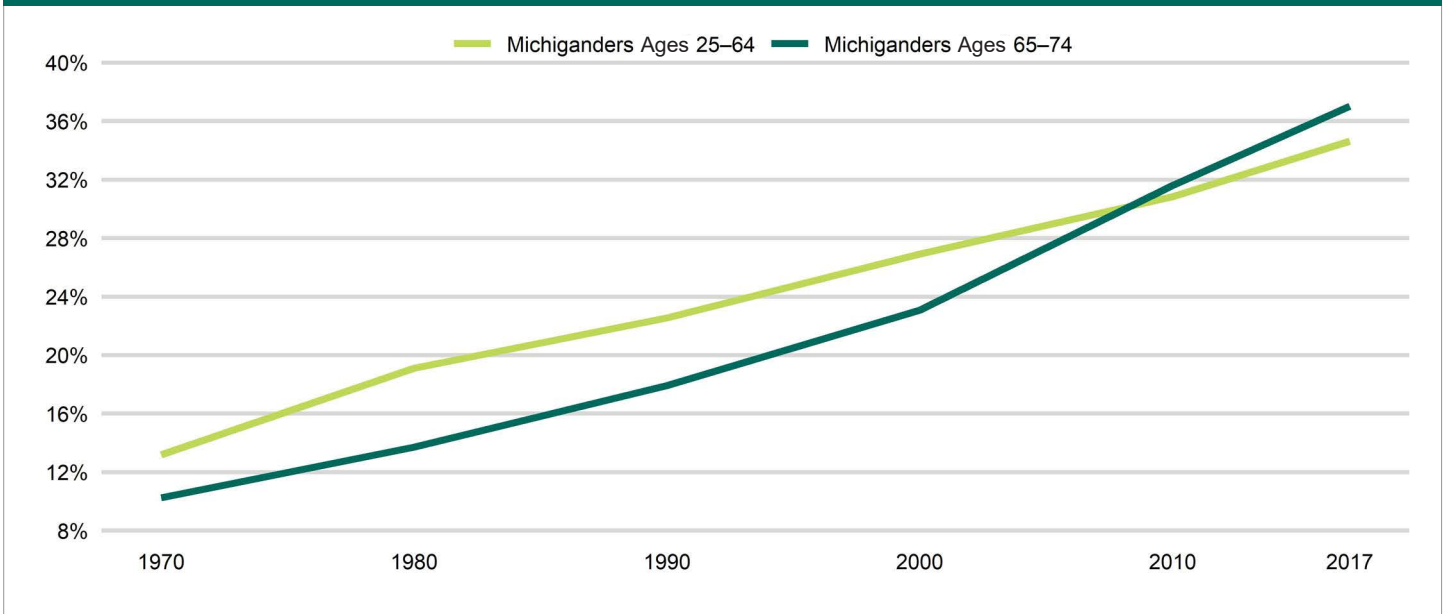
Source: U.S. Census Bureau, 1970–2000 Decennial Censuses; 2010 and 2017 One-Year American Community Survey, Public Use Microdata Sample

people felt more financially comfortable, they may have been more likely to retire. However, in the last two decades income for men ages 65–74 not in the labor force has plateaued. Additionally, although income for women ages 65–74 not in the labor force has continued to advance modestly, their income was relatively low compared to men. These factors may be providing increasing financial incentives for older workers to remain in the workforce.

On a positive note, due to advances in healthcare technology, more people older than 65 may be physically able, interested in, and have opportunities to work longer than at any other time in the past. This may be particularly true for people with higher education. Workers of all ages with higher education may be more motivated to participate in the labor force because they tend to have lower unemployment rates and higher wages. Workers with higher education may also simply be able to work longer because they may have less physically demanding jobs.

The percentage of Michigan's labor force who are 65–74 with at least four years of college has increased since 1970, particularly since 2000 (Figure 8). In fact, the older segment of the workforce is trending toward a higher share of people with a college degree than younger Michigan workers (Figure 8). These trends mirror the nation, with the exception that Michigan workers tend to have somewhat lower rates of educational attainment. For example, in 2017, 37 percent of Michigan's residents 65–74 years of age who were in the labor force had at least four years of college education, compared to 40 percent nationally.

Conclusion

From 1980 through 2017, Michigan residents ages 65–74 more than doubled as a proportion of the state's labor force from 1.8 to 4.2 percent. This share was slightly behind the nation with the 65–74 workforce rising from 2.6 to 4.7 percent of the overall labor force from 1980 to 2017 (See the *Map of the Month* on page 15 for estimates by state). The trend of an aging workforce will likely continue and may even accelerate through 2030 as baby boomers continue to turn 65. It is also possible that the percentage of older workers with higher education will continue to increase and continue a trend toward white collar jobs such as *Management*, *Business and financial specialists*, and *Healthcare practitioners*.

Currently, in Michigan's tight labor market, older workers who are thinking about or have already retired may represent an important reservoir of experienced, skilled workers. Employers struggling to recruit talent could consider strategies that might entice older workers to remain in or reenter the workforce.

The number of Michiganders who are 25–64 is projected to decline through much of this decade. Therefore, workers 65–74 will likely be an increasingly important part of Michigan's labor force through 2030. Thereafter, as the remaining employed baby boomers advance into their 70s, they will likely rapidly drop from the labor force as they retire. Thus, in order to bridge any gap in the labor force that may result, options such as hiring of international workers, hiring of domestic out-of-state workers, or finding ways to attain higher labor force participation among Michigan residents should be considered.

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OCCUPATIONAL FOCUS
SALES MANAGERS

This issue's *Feature Article* focuses on workers ages 65–74. Since two of the most common occupational groups for these workers are *Management* and *Sales and related occupations*, this month's *Occupational Focus* highlights *Sales managers*.

According to the BLS, *Sales managers* "plan, direct, or coordinate the actual distribution or movement of a product or service to the customer. Coordinate sales distribution by establishing sales territories, quotas, and goals and establish training programs for sales representatives. Analyze sales statistics gathered by staff to determine sales potential and inventory requirements and monitor the preferences of customers."

Examples of job titles encompassed by this position include: District Sales Manager, National Sales Manager, Regional Sales Manager, Sales and Marketing Vice President, Sales Director, Sales Vice President, and Store Manager.

Sales managers are mostly found in four industry sectors: *Wholesale trade, Retail trade, Manufacturing*, and *Professional, scientific, and technical services*. These four industries have similar levels of employment of *Sales managers* and contain about 72 percent of all jobs for this occupation. Within these four industries there are two types of careers for this occupation. In *Retail trade*, *Sales managers* will typically be district or regional managers of brick and mortar stores. They will be directing store managers and planning sales operations at physical locations to attract customers. In the other three industries listed, *Sales managers* will typically be leading a team of sales and possibly marketing personnel to sell products or services to outside customers. They will need to plan where to focus sales efforts with their staff and how to approach potential customers rather than attracting them to a physical location.

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

• Direct and coordinate activities involving sales of manufactured products, services, commodities, real estate or other subjects of sale.

• Resolve customer complaints regarding sales and service.

• Review operational records and reports to project sales and determine profitability.

• Oversee regional and local sales managers and their staff.

• Plan and direct staffing, training, and performance evaluations to develop and control sales and service programs.

SALES MANAGERS
BY THE NUMBERS

8,640
TOTAL EMPLOYMENT 2018

12TH
NATIONAL EMPLOYMENT RANK

20.02
JOBS PER 10,000 TOTAL

0.76
LOCATION QUOTIENT

$131,210
MEDIAN ANNUAL WAGE

$63.08
MEDIAN HOURLY WAGE

+6.9%
2016-2026 PROJECTED JOB GROWTH

1,000
PROJECTED ANNUAL OPENINGS

BACHELOR'S DEGREE
REQUIRED EDUCATION

This occupation generally requires a high level of educational attainment, with about 70 percent of *Sales managers* having a bachelor's degree or higher, and about 19 percent of those having an advanced degree. The associated Classification for Instructional Program (CIP) codes associated with this occupation include *Consumer merchandising/retailing management; Pharmaceutical marketing and management; Business/commerce, general; Business administration and management, general;* and *Marketing/marketing management, general*

Related occupations include *Advertising and promotions managers*; *Marketing managers*; *Social and community service managers*; *Funeral service managers*; and *Storage and distribution managers.*

The long-term job outlook for this occupation is positive with a growth rate that is about the same as the statewide average. This occupation has a median wage that is over three times the statewide level, and ranks 15th in Michigan for median wage. With many older workers in this occupation, high levels of experience are likely a major reason for the elevated wages.

ROB WALKOWICZ
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SALES MANAGERS PER 10,000 EMPLOYED				
AREA	SALES MANAGERS	SALES MANAGERS PER 10,000 EMPLOYED	PROJECTED JOB GROWTH RATE 2016–2026	MEDIAN ANNUAL WAGE
Midland	100	29	1.3%	$130,560
Detroit-Warren-Dearborn	4,950	25	10.5%	$136,760
Grand Rapids-Wyoming	1,190	21	11.0%	$124,480
Michigan	8,640	20	6.9%	$131,210
Kalamazoo-Portage	240	17	4.0%	N/A
Ann Arbor	350	16	14.1%	$120,590
Jackson	90	16	14.1%	$138,160
Flint	210	16	1.0%	$123,030
Monroe	50	14	14.1%	$152,130
Saginaw	120	14	1.3%	$131,430
Muskegon	80	13	11.0%	$126,500
Lansing-East Lansing	260	12	8.6%	$116,250
Balance of Lower Michigan	320	12	11.0%	$110,690
Northwest Lower Michigan	140	12	7.3%	$110,580
Niles-Benton Harbor	70	11	4.0%	$109,520
Battle Creek	60	11	4.0%	$108,350
Upper Peninsula	80	7	5.0%	$114,180

RELEVANT RANKINGS

STATE RANKINGS BY LABOR FORCE PARTICIPATION RATE FOR PEOPLE AGES 65–74			
RANK	STATE	CIVILIAN LABOR FORCE, AGES 65–74	LABOR FORCE PARTICIPATION RATE AGES 65–74 (%)
1	Vermont	26,647	36.2
2	Nebraska	58,439	34.2
3	Hawaii	50,651	34.0
4	Massachusetts	216,267	33.1
5	South Dakota	27,760	33.1
23	Minnesota	138,763	27.4
24	Pennsylvania	354,191	27.4
25	Rhode Island	27,564	27.0
26	Utah	56,099	27.0
27	Illinois	302,805	26.9
45	Michigan	221,244	22.4
46	Oregon	99,576	22.4
47	Mississippi	61,278	21.8
48	Alabama	105,709	21.6
49	New Mexico	45,549	20.6
50	West Virginia	43,702	20.5

Source: 2018 One-Year American Community Survey, Public Use Microdata Sample

TOP 10 OCCUPATIONAL GROUPS FOR MICHIGAN RESIDENTS AGES 65–74

RANK	OCCUPATIONAL GROUP	TOTAL 65- TO 74- YEAR-OLDS IN OCCUPATIONAL GROUP	PERCENT WOMEN	PERCENT MEN
1	Office, Administrative Support	27,052	74.0	26.0
2	Sales and Related	24,490	46.4	53.6
3	Management	24,147	29.4	70.6
4	Transportation, Material Moving	15,507	7.4	92.6
5	Education, Training, Library	13,537	60.1	39.9
6	Production	12,976	29.9	70.1
7	Healthcare Practitioners	12,187	73.5	26.5
8	Building, Grounds Maintenance	9,480	47.6	52.4
9	Personal Care and Service	8,779	79.5	20.5
10	Community and Social Services	6,620	47.9	52.1

EXPERIMENTAL STATE-LEVEL JOB OPENINGS AND LABOR TURNOVER DATA

FIGURE 1: MICHIGAN ESTIMATED JOB OPENINGS RATE VS. UNEMPLOYMENT RATE, 2001–2019
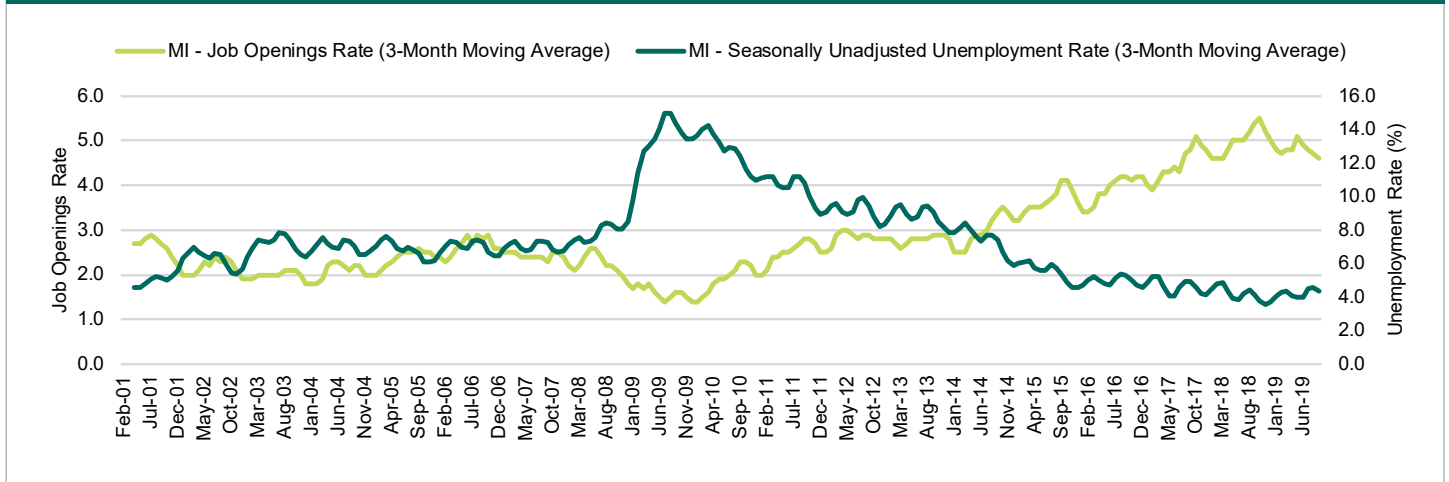
Source: Bureau of Labor Statistics, Job Openings and Labor Turnover Survey (JOLTS); Bureau of Labor Statistics, Local Area Unemployment Statistics (LAUS)

Each month, the U.S. Bureau of Labor Statistics (BLS) conducts the Job Openings and Labor Turnover Survey (JOLTS). This national survey of 16,000 business establishments provides data on job openings, hires, quits, layoffs/discharges, and other separations across the United States, providing much-needed information on the demand-side of the labor market. Historically, JOLTS has only published estimates for the U.S. as a whole and by multi-state region. Recently, however, experimental estimates have become available at the statewide level for all states. A review of this data reveals some interesting trends and characteristics of Michigan's labor market.

Job Openings Rate

MICHIGAN

According to JOLTS experimental state estimates, Michigan's average job openings rate (JOR) for the third quarter of 2019 was 4.6, indicating nearly five job openings per vacancy and employed person. This is nearly identical to the Midwest and 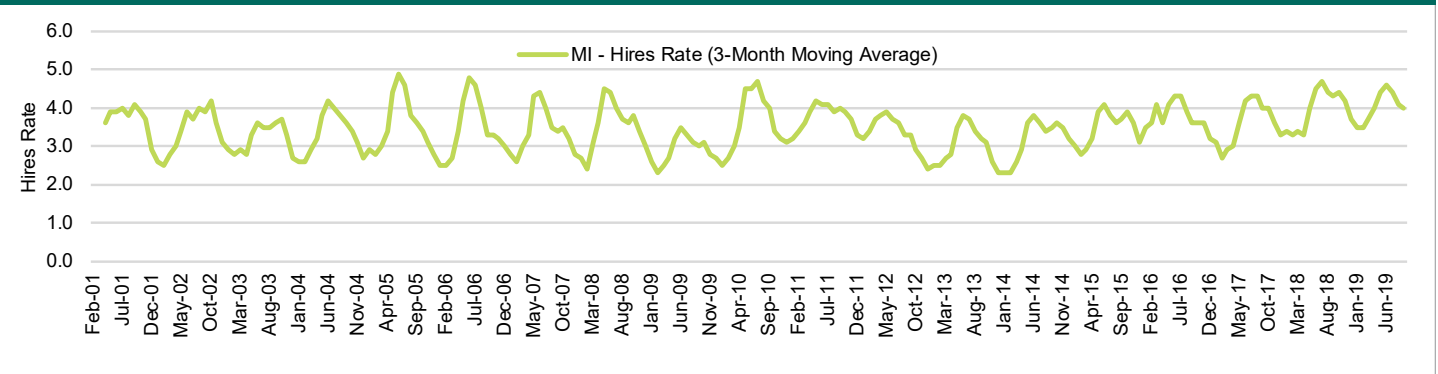U.S., which had average openings rates of 4.7 and 4.6 for the same time period, respectively. As demonstrated in Figure 1, Michigan's JOR has generally moved with the business cycle since 2001. After bottoming out during the Great Recession, the Michigan JOR has trended upward, reaching record highs for the period of data availability. As one might expect, the state's JOR also tends to move opposite the state unemployment rate, as increases in the number of openings allows workers to find employment, thereby reducing unemployment levels. The opposite is true when there is a decrease in openings.

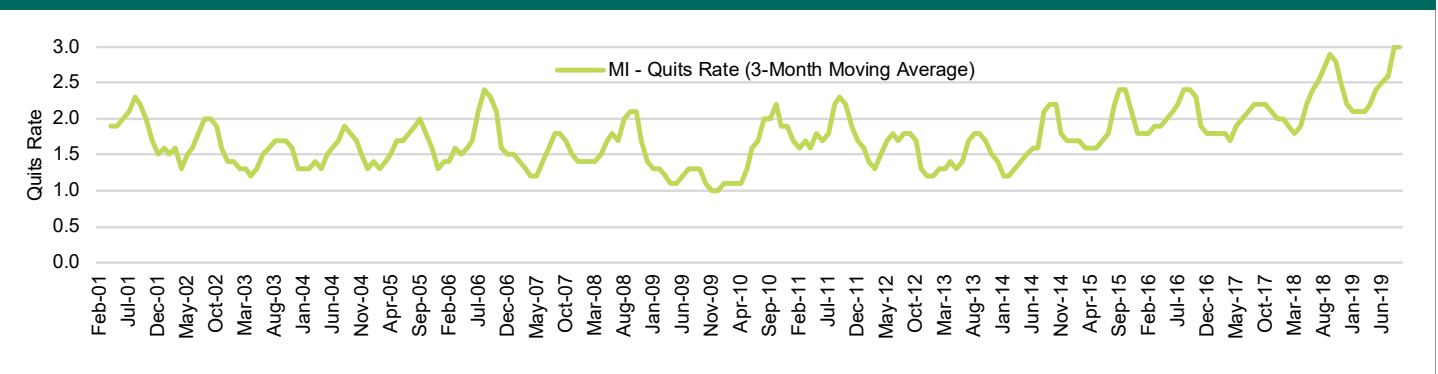**FIGURE 2: MICHIGAN ESTIMATED JOB OPENINGS RATE VS. MIDWEST AND U.S., 2001–2019**

Source: Bureau of Labor Statistics, Job Openings and Labor Turnover Survey (JOLTS)
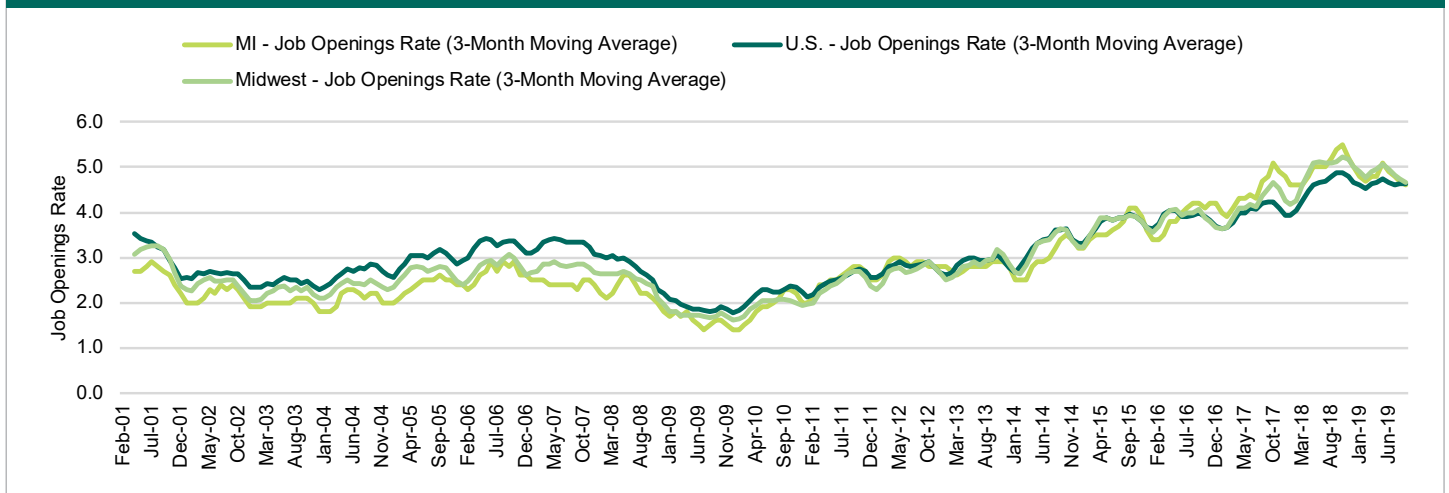
Source: Bureau of Labor Statistics, Job Openings and Labor Turnover Survey (JOLTS)

FIGURE 4: **MICHIGAN QUITS RATE ESTIMATE, 2001–2019**

Source: Bureau of Labor Statistics, Job Openings and Labor Turnover Survey (JOLTS)

MICHIGAN VS. MIDWEST/U.S.

Michigan's JOR generally follows the national and regional JOR trends. Following the early 2000s recession, Michigan's JOR tended to be below the Midwest and national rates, despite similarities in the actual movements month-to-month (Figure 2). The restructuring of the state's auto industry and continued loss of manufacturing employment throughout the 2000s is one reason for this difference. Interestingly, following the end of the Great Recession, Michigan's JOR began to closely track the Midwest and national rates as both the state and regional economy rebounded, and has even surpassed the U.S. and region for much of the past five years.

Hires, Quits, Layoffs/Discharges

In addition to job openings, JOLTS has also begun producing state-level estimates for new hires, quits, layoffs/discharges, and other separations. When combined with the JOR, these figures provide a more detailed picture of the underlying dynamics within the state's labor market.

HIRES

The hires rate indicates the share of new jobs relative to total employment and serves as

another barometer of labor market health. Since 2001, Michigan's hires rates have ranged from a low of 2.3 to a high of 4.9 percent. Like the JOR, Michigan's hires rate has tended to roughly track the overall business cycle, with one exception being a decline in the hires rate from 2010 through 2013. A fading of the temporary "bounce-back effect" in hiring following the end of the Great Recession could explain this decline. Since 2013, Michigan's hiring rates have trended upwards, reaching a near-term high of 4.7 percent in the three months ending in July 2018.

QUITS

The JOLTS quits rate measures the proportion of the employed population who are voluntarily leaving their jobs. If more people are voluntarily leaving employment, it is likely because they feel they have plenty of job prospects available, signifying improved health in the labor market.

Like the other JOLTS figures, the state-level quits rate for Michigan has generally followed the swings of the business cycle. As illustrated in Figure 4, after declining to a low in late 2009, Michigan's quits rate has since rebounded, reaching a series record high of 3.0 percent in the third quarter of 2019.

LAYOFFS/DISCHARGES

Finally, JOLTS has also produced state-level estimates for layoffs and discharges, or "involuntary separations" initiated by employers. While the relationship between layoffs/discharges rates and the business cycle appears weaker than the other measures, multiple spikes in the mid to late-2000s coincide with Michigan's manufacturing restructuring and statewide recession. An estimated peak Michigan layoffs/discharges rate of 2.9 percent occurred in the three months ending in January 2009, at the height of the Great Recession. Following this peak, the rate has declined, reaching a series record low of 0.8 percent in the three months ending in August 2019.

As with the other JOLTS data mentioned previously, this low level of layoffs/discharges signals a strong Michigan labor market.

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