



MICHIGAN'S LABOR MARKET NEWS

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OCTOBER 2017

Returning Citizens: Challenges and Opportunities in the Michigan Labor Market

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Online Job Ads and Returning Citizens

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Occupational Focus: Electricians

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Michigan's jobless rate edged up in August for the first time since February.

AUGUST 2017 JOBLESS RATES

MICHIGAN
3.9%
NATIONAL
4.4%

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IT'S BIGGER THAN DATA.

The Bureau of Labor Market Information and Strategic Initiatives is the official source for high quality demographic and labor market information for the state of Michigan and its regions.

We administer the state's federal-state cooperative programs with the Bureau of Labor Statistics (BLS) and the Census Bureau and produce high-quality information and analysis through grants from the U.S. Department of Labor and from partner agencies in the state of Michigan.

We provide our national, state, and local partners and customers with *accurate, objective, reliable, timely, accessible, and transparent* information and insights.

Ending five consecutive months of declines, the state's jobless rate inched up in August to 3.9 percent, reflecting a modest workforce reduction. Even with recent workforce declines, Michigan's 2017 average labor force remained at an eight-year high and is on pace to post another positive year. The state's jobless rate came in below the national rate (4.4 percent) for the fourth consecutive month.

Meanwhile, August payrolls were essentially unchanged over the month at 4,392,600. Strong job gains in *Manufacturing and Trade, transportation, and utilities* were offset by declines in *Education and health services, Leisure and hospitality, and Professional and business services*. Payroll jobs were up over the year by 60,300 or 1.4 percent.

This issue looks at the challenges and opportunities facing ex-offenders, or returning citizens, in the labor market. Our feature story this month highlights programs aimed at helping returning citizens transition into stable employment in in-demand occupations. We also examine online advertised job postings for job titles related to training programs targeting prisoners and returning citizens. Finally, in this month's *Ask the Economist*, we offer advice for a returning citizen asking "What are some in-demand jobs for people with a criminal history?"

We would like to thank our partners in the Michigan Talent Investment Agency and the Michigan Department of Corrections for their helpful comments while we produced the content for this issue.

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



JASON PALMER

DIRECTOR

Bureau of Labor Market Information
and Strategic Initiatives

MICHIGAN'S AUGUST UNEMPLOYMENT RATE INCREASES

Michigan's seasonally adjusted unemployment rate rose slightly to 3.9 percent in August, up over the month by two-tenths of a percentage point. This broke a string of five consecutive months of jobless rate reductions in the state from March to July. During August, total employment in Michigan declined by 17,000 while the number of unemployed advanced by 10,000. The net result was the fourth consecutive month of workforce reductions in the state.

Even with the relatively modest workforce declines over the last several months, Michigan's year-to-date, eight-month average labor force of 4,882,000 remains an eight-year high, and appears to be on pace to an annual increase in 2017 for the fifth consecutive year.

August marked the third consecutive month in Michigan that the number of unemployed in the

state was below 200,000. The last time that occurred was the June through August 2000 period. However, Michigan's workforce has fallen sharply over this period, and is 314,000 or 6.1 percent below the June through August 2000 average.

Michigan's seasonally adjusted jobless rate of 3.9 percent was tied for 18th lowest in the country in August. North Dakota displayed the lowest rate in the nation of 2.3 percent in August, while Alaska posted the highest rate of 7.2 percent.

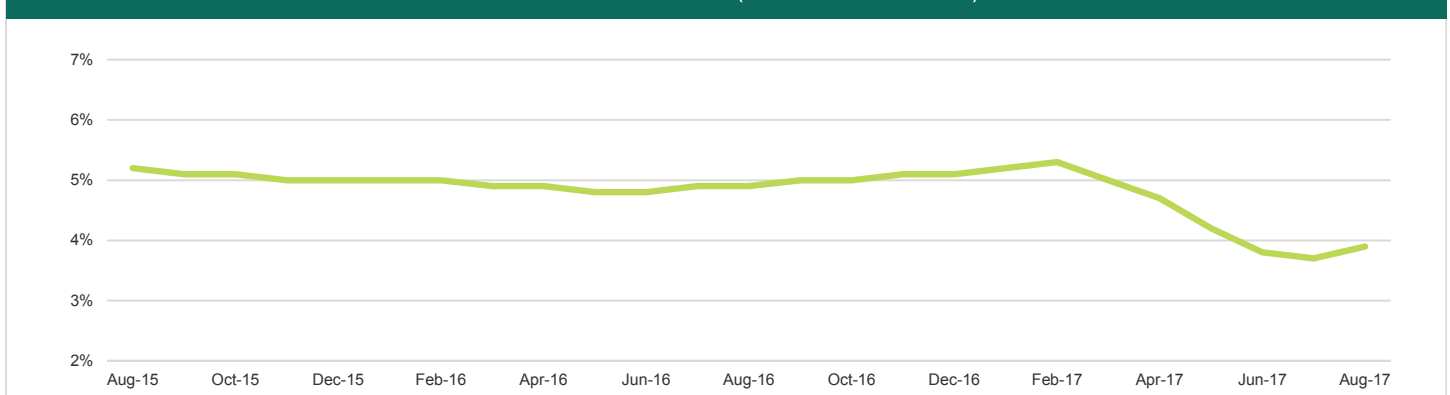
From August 2016 to August 2017, Michigan's unemployment rate fell by 1.0 full percentage point, which was tied for the fourth largest rate reduction nationwide over that period. Only Alabama, Tennessee, and Wyoming recorded larger over-the-year rate declines.

In August, the Michigan unemployment rate remained below the U.S. rate (4.4 percent) for the fourth consecutive month. In 2015 and 2016, the Michigan and U.S. jobless rates were very similar.

MICHIGAN LABOR FORCE ESTIMATES (SEASONALLY ADJUSTED)

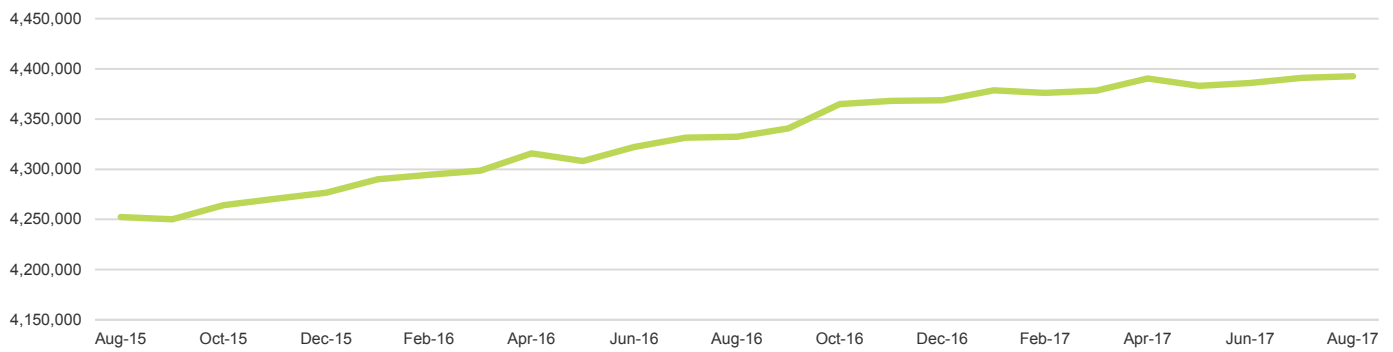
	AUG 2016	JUL 2017	AUG 2017	CHANGE OVER THE MONTH	CHANGE OVER THE YEAR
Labor Force	4,833,000	4,840,000	4,833,000	-7,000	0
Employed	4,596,000	4,660,000	4,643,000	-17,000	+47,000
Unemployed	238,000	180,000	190,000	+10,000	-48,000
Jobless Rate	4.9	3.7	3.9	+0.2	-1.0

MICHIGAN SEASONALLY ADJUSTED JOBLESS RATES (AUGUST 2015 - AUGUST 2017)





MICHIGAN SEASONALLY ADJUSTED PAYROLL JOBS (AUGUST 2015 - AUGUST 2017)



MICHIGAN JOB TRENDS BY INDUSTRY SECTOR

Monthly Overview

Michigan nonfarm jobs remained essentially unchanged in August, notching higher by 1,500 to 4,392,600. Job levels advanced in six of the 11 broad industry groups. The largest job additions were in *Manufacturing* (+4,100), *Trade, transportation, and utilities* (+1,300), *Other services* (+700), and *Construction* (+700). The largest payroll declines were reported in *Education and health services* (-2,800), *Leisure and hospitality* (-1,400), and *Professional and business services* (-1,100). Following temporary model-changeover related layoffs in July in the auto sector, jobs in *Transportation equipment manufacturing* rebounded in August (+4,900) as workers were recalled.

Over the Year Analysis

Over the past year, total nonfarm jobs in Michigan moved up by 60,300 or 1.4 percent. This was equal to the job growth rate nationally during this period. Every broad Michigan sector added jobs since August 2016 except *Trade, transportation, and utilities* (-700). The broad sectors of *Government* (+13,700), *Professional and business services* (+11,800), and *Manufacturing* (+9,700) accounted for 58 percent of this growth in total nonfarm jobs. Over the year, payroll job increases included *Construction* (+6,300), *Leisure and hospitality* and *Other services* (+5,800 each), *Financial activities* (+5,300), and *Education and health services* (+1,900). *Transportation equipment manufacturing* employment edged up by 1,000 over the year.

2016 Job Share by Industry Sector - Michigan vs. U.S.

In 2016, Michigan had a higher than national average share of jobs in two major industry sectors. These were *Manufacturing* (13.9 percent of total jobs) and *Professional and business services* (15.0 percent).

A large part of the reason for Michigan's higher than average job share in *Manufacturing* is the significant presence of the automotive industry. Employment in *Transportation equipment manufacturing* accounted for 4.2 percent of total nonfarm jobs in Michigan but only 1.1 percent

of total payroll employment nationally in 2016. There is also a sizable automotive-related component in the *Architectural, engineering, and related services* subsector of *Professional and business services*.

The broad sectors of *Educational and health services* (15.4 percent) and *Other services* (3.9 percent) had job shares similar to the national averages in 2016, with the remaining industry groups reporting job shares noticeably below the national percentage.

Significant Industry Employment Developments

MANUFACTURING

Manufacturing job advances led the way in August with a monthly gain of 4,100. All of this increase was recorded in the *Durable goods* (+4,600) subsector. The major contributor to this gain was recalls of workers from temporary layoff in *Transportation equipment manufacturing* (+4,900). The payroll decline in the *Nondurable goods* (-500) sector was primarily due to job cuts in *Chemical manufacturing*. Since August 2016, job levels in the broad sector have increased by 9,700 with all of the gain located in *Durable goods* (+11,200). Nationally, job levels rose by 36,000 over the month and by 138,000 over the year.

ACCOMMODATION AND FOOD SERVICES

Payrolls in this sector decreased by 2,000 in August. This was due to an atypical August job decline in *Limited-service eating places* and *Full-service restaurants*. The *Accommodation* industry reported a small unadjusted job gain over the month. Overall, jobs in the broader sector through the first eight months of 2017 have averaged about 9,000 above the 2016 average, and jobs over the year seem to be up in most component industries. Nationally, employment rose by 7,500 over the month and by 291,500 since August 2016.

OTHER SERVICES

Employers in this broad sector added 700 workers in August. This gain was partially due to stronger than typical hiring in *Repair and maintenance services* and an atypical payroll

increase in *Religious, grant-making, civic, professional, and similar organizations*. This year, employment growth in the broad sector has averaged 400 jobs per month for the eight month period ending in August. Since August 2016, jobs have expanded by 5,800 or 3.4 percent. This advance was concentrated in the *Personal and laundry services* and *Repair and maintenance services* subsectors. Nationally, jobs increased by 16,000 in August and by 1.5 percent over the year.

METROPOLITAN STATISTICAL AREAS (MSAs)

On a not seasonally adjusted basis, eight of Michigan's metropolitan areas registered August increases in nonfarm jobs. These gains ranged from 0.1 percent in the *Grand Rapids* metro area to 0.7 percent in the *Battle Creek* MSA. Payroll job reductions ranged from -0.2 percent in *Lansing* and *Saginaw* to -1.6 percent in *Midland*. The statewide average job change was a modest 0.2 percent gain.

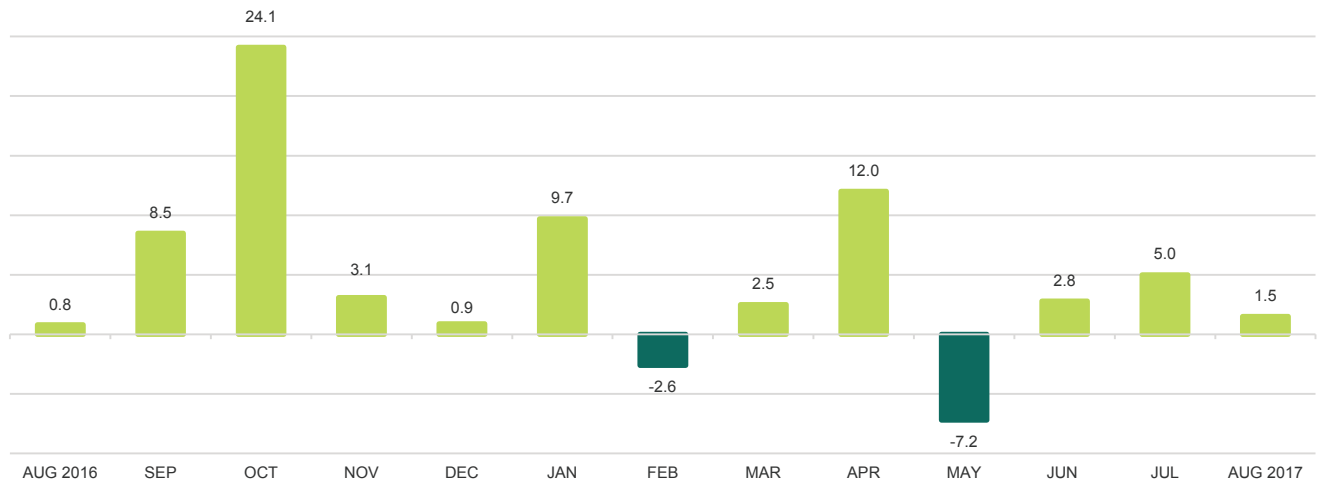
Common to the areas with above average August job growth were employment gains in both the *Goods producing* and *Service providing* sectors. The exception was the *Detroit* MSA which recorded a modest job cut in the *Service providing* sector.

MICHIGAN PAYROLL JOBS (SEASONALLY ADJUSTED)

INDUSTRY	AUG 2017	JUL 2017	AUG 2016	OVER THE MONTH		OVER THE YEAR	
				LEVEL	PERCENT	LEVEL	PERCENT
TOTAL NONFARM	4,392,600	4,391,100	4,332,300	1,500	0.0%	60,300	1.4%
Total Private	3,777,000	3,775,600	3,730,400	1,400	0.0%	46,600	1.2%
Private Service-Providing	2,999,900	3,003,200	2,969,600	-3,300	-0.1%	30,300	1.0%
GOODS-PRODUCING	777,100	772,400	760,800	4,700	0.6%	16,300	2.1%
Mining, Logging, and Construction	168,600	168,000	162,000	600	0.4%	6,600	4.1%
Mining and Logging	7,400	7,500	7,100	-100	-1.3%	300	4.2%
Construction	161,200	160,500	154,900	700	0.4%	6,300	4.1%
Manufacturing	608,500	604,400	598,800	4,100	0.7%	9,700	1.6%
Durable Goods	461,300	456,700	450,100	4,600	1.0%	11,200	2.5%
Transportation Equipment Manufacturing	181,600	176,700	180,600	4,900	2.8%	1,000	0.6%
Nondurable Goods	147,200	147,700	148,700	-500	-0.3%	-1,500	-1.0%
SERVICE-PROVIDING	3,615,500	3,618,700	3,571,500	-3,200	-0.1%	44,000	1.2%
Trade, Transportation, and Utilities	784,800	783,500	785,500	1,300	0.2%	-700	-0.1%
Wholesale Trade	174,000	174,300	172,300	-300	-0.2%	1,700	1.0%
Retail Trade	470,600	470,300	475,000	300	0.1%	-4,400	-0.9%
Transportation, Warehousing, and Utilities	140,200	138,900	138,200	1,300	0.9%	2,000	1.4%
Information	57,900	57,800	57,500	100	0.2%	400	0.7%
Financial Activities	218,500	218,600	213,200	-100	0.0%	5,300	2.5%
Finance and Insurance	162,500	162,200	160,500	300	0.2%	2,000	1.2%
Real Estate and Rental and Leasing	56,000	56,400	52,700	-400	-0.7%	3,300	6.3%
Professional and Business Services	662,900	664,000	651,100	-1,100	-0.2%	11,800	1.8%
Professional, Scientific, and Technical Services	302,700	303,600	297,000	-900	-0.3%	5,700	1.9%
Management of Companies and Enterprises	62,900	62,800	61,900	100	0.2%	1,000	1.6%
Administrative and Support and Waste Management and Remediation Services	297,300	297,600	292,200	-300	-0.1%	5,100	1.7%
Education and Health Services	668,700	671,500	666,800	-2,800	-0.4%	1,900	0.3%
Educational Services	71,700	73,400	74,000	-1,700	-2.3%	-2,300	-3.1%
Health Care and Social Assistance	597,000	598,100	592,800	-1,100	-0.2%	4,200	0.7%
Leisure and Hospitality	431,900	433,300	426,100	-1,400	-0.3%	5,800	1.4%
Arts, Entertainment, and Recreation	50,900	50,300	51,800	600	1.2%	-900	-1.7%
Accommodation and Food Services	381,000	383,000	374,300	-2,000	-0.5%	6,700	1.8%
Other Services	175,200	174,500	169,400	700	0.4%	5,800	3.4%
Government	615,600	615,500	601,900	100	0.0%	13,700	2.3%
Federal Government	52,400	52,700	52,200	-300	-0.6%	200	0.4%
State Government	196,000	195,400	187,300	600	0.3%	8,700	4.6%
Local Government	367,200	367,400	362,400	-200	-0.1%	4,800	1.3%

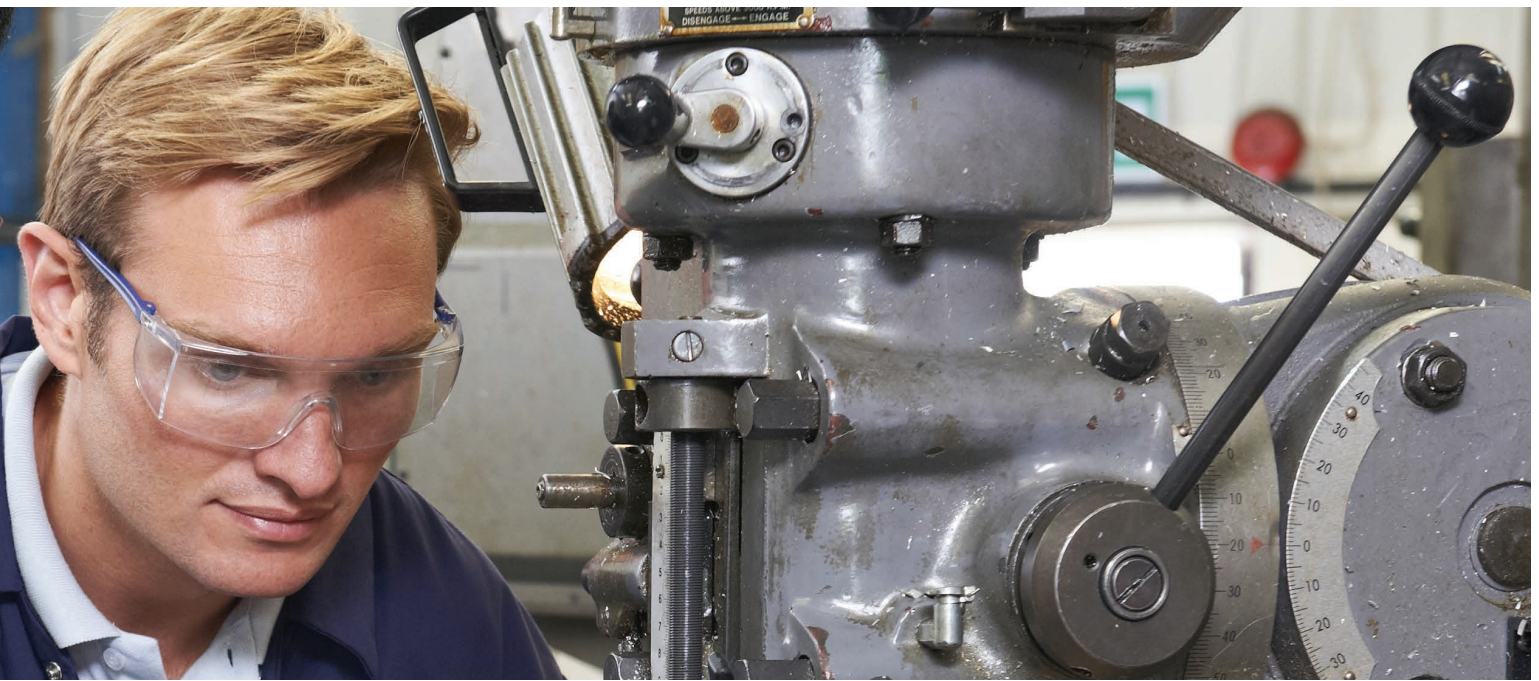


MICHIGAN OVER THE MONTH PAYROLL JOB CHANGE (IN THOUSANDS)

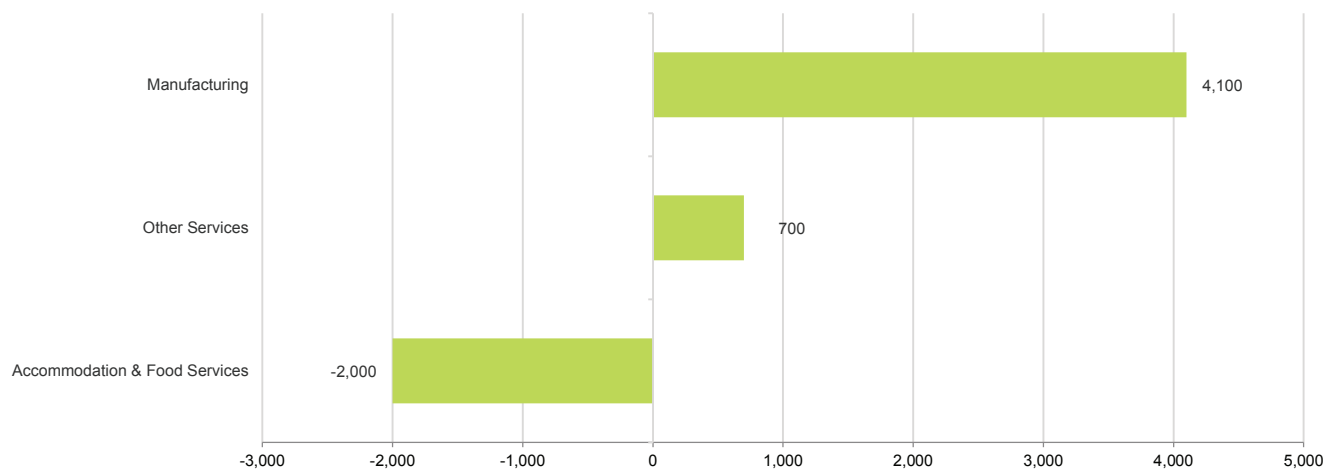


JOB SHARE BY MAJOR INDUSTRY SECTOR (2016)

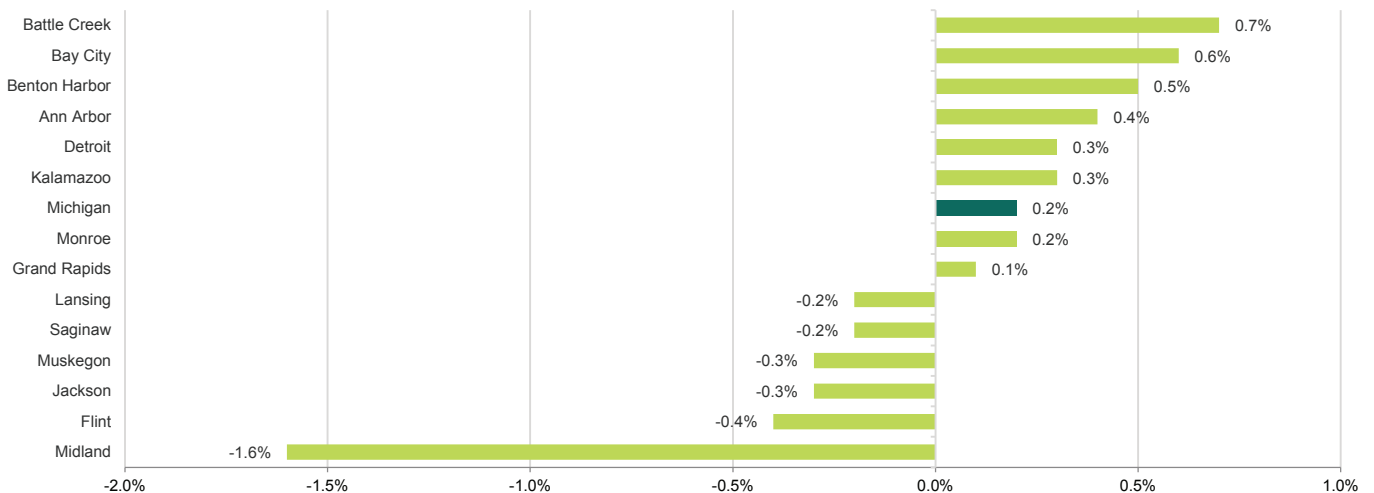
INDUSTRY	MICHIGAN	UNITED STATES
TOTAL NONFARM	100.0%	100.0%
Mining and Logging	0.2%	0.5%
Construction	3.6%	4.7%
Manufacturing	13.9%	8.6%
Trade, Transportation, and Utilities	18.1%	18.9%
Information	1.3%	1.9%
Financial Activities	4.9%	5.7%
Professional and Business Services	15.0%	14.0%
Educational and Health Services	15.4%	15.7%
Leisure and Hospitality	9.8%	10.8%
Other Services	3.9%	3.9%
Government	13.9%	15.4%



MICHIGAN'S OVER THE MONTH JOB CHANGE BY SELECT INDUSTRY (JULY 2017 TO AUGUST 2017)



METROPOLITAN AREA JOB CHANGE JULY 2017 - AUGUST 2017 (NOT SEASONALLY ADJUSTED)



REGIONAL LABOR MARKET ANALYSIS

ANN ARBOR METROPOLITAN AREA

- Unemployment in the Ann Arbor MSA decreased in August by six-tenths of a percentage point to 3.9 percent.
- Employment growth over the past year stood out in Ann Arbor (+1.4 percent), exceeding gains statewide and in most other metro areas.

MONTHLY INDUSTRY DEVELOPMENTS

- Total nonfarm jobs in Ann Arbor increased by 900, or 0.4 percent, between July and August of 2017, primarily due to job additions in *Professional and business services* (+300), and *Government* (+400).

INDUSTRY TRENDS

- The region's *Manufacturing* sector has slowly added jobs since the recessionary low point in 2010. However, the *Manufacturing* job count of 14,600 in the Ann Arbor region in 2016 was still well below the pre-recessionary 2007 level of 19,000.

BATTLE CREEK METROPOLITAN AREA

- In August, the unemployment rate in the Battle Creek MSA decreased by five tenths of a percentage point, as employment edged up by 200 and the number of unemployed went down.
- The Battle Creek jobless rate was three tenths of a percentage point above the August 2016 level.

MONTHLY INDUSTRY DEVELOPMENTS

- In August, jobs in the Battle Creek MSA rose by 400. Jobs in all major sectors were up between 100 and 200 or remained flat.
- Jobs are currently at the highest August level in Battle Creek since 2004.

INDUSTRY TRENDS

- Jobs in the *Professional and business service* sector have shown less growth locally than statewide. Employment in this industry in Battle Creek ranged from 5,900 to 6,100 in most years since 2010.

BAY CITY METROPOLITAN AREA

- The Bay City jobless rate in August was 5.6 percent, down slightly by four-tenths of a percentage point, despite no change in the number of employed residents.
- Over the past year, the number of unemployed increased by 200 or 7.4 percent.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll jobs in the Bay City region edged up by 200, or 0.6 percent, in August due to small job additions in both the *Manufacturing* (+100) and *Government* (+100) sectors.

INDUSTRY TRENDS

- *Government* jobs in the Bay City metro area have been essentially unchanged since 2011 at about 5,600 positions.

DETROIT-WARREN-DEARBORN METRO AREA

- Joblessness in the Detroit metro area was unchanged over the month, remaining at 4.4 percent for August 2017, a level slightly lower than that of Michigan's at 4.6 percent.
- Detroit recorded the third lowest unemployment rate out of all Michigan metro regions.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll employment in the Detroit region increased by 6,700, or 0.3 percent over the month, primarily due to a large job addition in *Manufacturing* (+9,700), as workers were recalled from July auto layoffs.

INDUSTRY TRENDS

- *Computer systems design and related services* has been adding technical jobs to the region in recent years, reaching an all-time high of 38,300 positions in August 2017.

FLINT METROPOLITAN AREA

- Flint's jobless rate registered the largest August decline among Michigan metro areas, down 0.7 percentage points to 5.8 percent.
- Conversely, the region was tied with Muskegon for the highest metro unemployment rate in August, with a rate 1.2 percentage points above Michigan.

MONTHLY INDUSTRY DEVELOPMENTS

- Flint payroll jobs contracted by 500, or 0.4 percent over the month due to job cuts in *Trade, transportation, and utilities* (-400), *Professional and business services* (-200), and *Leisure and hospitality* (-200).

INDUSTRY TRENDS

- For the third consecutive month, *Mining, logging, and construction* in the Flint region remained at a high of 5,600 jobs. This job level was last reached in September 2007.

GRAND RAPIDS-WYOMING METROPOLITAN AREA

- The Grand Rapids MSA jobless rate declined by four-tenths of a percentage point over the month to 3.8 percent in August.
- The area jobless rate was similar to a year ago, but remained the lowest rate among all Michigan metro areas in August.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll jobs in the Grand Rapids region were little changed in August, up by just 700, or 0.1 percent.
- Monthly job gains occurred across several industries, but were partially offset by job cuts in *Leisure and hospitality* (-800) and *Manufacturing* (-300).

INDUSTRY TRENDS

- For the second time this year, the *Management of companies and enterprises* sector in Grand Rapids exhibited a ten-year high of 6,600 jobs.

CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	ANN ARBOR			BATTLE CREEK			BAY CITY		
	AUG 2017	JUL 2017	AUG 2016	AUG 2017	JUL 2017	AUG 2016	AUG 2017	JUL 2017	AUG 2016
PLACE OF RESIDENCE									
Labor Force	192,200	192,800	189,700	64,900	65,000	65,000	51,400	51,600	52,100
Employment	184,700	184,300	182,200	61,600	61,400	61,900	48,500	48,500	49,400
Unemployment	7,500	8,600	7,500	3,300	3,600	3,100	2,900	3,100	2,700
Rate (percent)	3.9	4.5	3.9	5.1	5.6	4.8	5.6	6.0	5.2
PLACE OF WORK									
Total Nonfarm Jobs	217,900	217,000	211,200	59,900	59,500	59,100	35,800	35,600	36,300
Mining, Logging, and Construction	4,600	4,400	4,400	1,700	1,700	1,700	1,100	1,100	1,100
Manufacturing	15,200	15,100	14,800	12,700	12,600	12,300	4,300	4,200	4,200
Trade, Transportation, and Utilities	25,900	25,900	26,000	9,300	9,200	9,300	7,400	7,400	7,800
Wholesale Trade	5,600	5,600	5,600	*	*	*	*	*	*
Retail Trade	16,600	16,700	16,800	5,800	5,700	5,700	5,300	5,300	5,300
Information	5,100	5,100	5,100	*	*	*	600	600	600
Financial Activities	7,300	7,200	7,100	1,300	1,300	1,300	1,200	1,200	1,300
Professional and Business Services	32,300	32,000	30,000	6,300	6,200	5,900	3,200	3,200	3,200
Educational and Health Services	26,700	26,800	26,200	11,000	10,900	10,900	6,500	6,500	6,700
Leisure and Hospitality	18,100	18,200	17,500	5,100	5,100	5,000	4,900	4,900	4,800
Other Services	6,400	6,400	6,600	2,000	2,000	2,100	1,400	1,400	1,500
Government	76,300	75,900	73,500	10,400	10,200	10,300	5,200	5,100	5,100
DETROIT-WARREN-DEARBORN									
FLINT									
GRAND RAPIDS-WYOMING									
	AUG 2017	JUL 2017	AUG 2016	AUG 2017	JUL 2017	AUG 2016	AUG 2017	JUL 2017	AUG 2016
PLACE OF RESIDENCE									
Labor Force	2,108,000	2,103,000	2,095,000	182,600	184,500	183,000	572,900	575,900	568,400
Employment	2,015,000	2,010,000	1,968,000	172,000	172,500	173,000	551,100	551,600	547,900
Unemployment	93,000	93,000	127,000	10,600	12,000	10,000	21,800	24,200	20,500
Rate (percent)	4.4	4.4	6.1	5.8	6.5	5.4	3.8	4.2	3.6
PLACE OF WORK									
Total Nonfarm Jobs	2,019,700	2,013,000	1,974,800	139,700	140,200	139,200	554,800	554,100	541,200
Mining, Logging, and Construction	80,600	79,200	73,100	5,600	5,600	5,200	25,900	26,000	23,600
Manufacturing	249,400	239,700	241,700	12,600	12,300	12,500	116,300	116,600	112,400
Trade, Transportation, and Utilities	367,700	367,700	365,700	30,000	30,400	30,100	97,000	96,600	96,800
Wholesale Trade	87,400	87,300	86,900	5,800	5,900	5,700	31,400	31,400	31,400
Retail Trade	210,700	211,300	211,800	20,400	20,700	20,500	49,700	49,500	50,200
Information	28,300	28,400	28,600	3,900	3,900	4,000	5,200	5,200	5,300
Financial Activities	115,800	117,300	114,200	6,000	6,000	6,200	27,000	27,100	25,800
Professional and Business Services	408,800	410,000	393,500	15,100	15,300	14,600	78,200	77,200	76,500
Educational and Health Services	309,700	311,000	308,400	27,800	27,800	28,200	89,200	88,700	86,800
Leisure and Hospitality	208,600	208,600	201,500	16,200	16,400	15,700	51,200	52,000	50,300
Other Services	76,900	76,700	77,500	5,600	5,700	5,600	22,600	22,700	22,600
Government	173,900	174,400	170,600	16,900	16,800	17,100	42,200	42,000	41,100
* Data Not Available									

JACKSON METROPOLITAN AREA

- August Jackson employment and unemployment levels both inched down, leading to a small drop in the jobless rate to 4.9 percent.
- Since August 2016, labor force indicators in the Jackson metro area were essentially unchanged.

MONTHLY INDUSTRY DEVELOPMENTS

- In August, the Jackson MSA recorded a minor job cut of 200. Employment in most sectors inched down or was flat. Jobs in *Professional and business services* edged up 100.
- Since August 2016, the Jackson MSA added 1,000 jobs (+1.7 percent), almost equally distributed between *Private service providers* (+600) and *Goods producing* industries (+500).

INDUSTRY TRENDS

- Private *Educational and health services* has gradually added jobs since 2008, up by 800 positions or 8.2 percent.

KALAMAZOO-PORTAGE METROPOLITAN AREA

- The number of unemployed declined in August by 600 in the Kalamazoo-Portage MSA, resulted in a jobless rate reduction of 0.4 percentage points to 4.6 percent.
- Kalamazoo registered the fourth lowest jobless rate among Michigan metro areas in August.

MONTHLY INDUSTRY DEVELOPMENTS

- Jobs in the Kalamazoo-Portage MSA were little changed in August, edging up 400. Employment in *Local government* rose slightly by 200. Also, *Construction* and *Manufacturing* each edged up by 100 positions.
- Over the year, payroll employment grew by 2.2 percent, which outpaced job expansion statewide.

INDUSTRY TRENDS

- *Healthcare services* is the second largest employer in Kalamazoo, after *Manufacturing*. Jobs in this sector have steadily advanced in recent years, and in August were at a record high of 20,600.

LANSING-EAST LANSING METROPOLITAN AREA

- The Lansing metro region jobless rate declined by half of a percentage point during the month of August, down to 4.7 percent.
- Total employment inched down one-tenth of a percent over the year.

MONTHLY INDUSTRY DEVELOPMENTS

- Total nonfarm jobs in Lansing edged down by 400, or 0.2 percent, during August, primarily due to a large seasonal 600-job reduction in *Government*.

INDUSTRY TRENDS

- For the fourth consecutive month, *Nondurable goods manufacturing* in Lansing remained at a high of 5,600 jobs, a level last seen in October 2000.

MIDLAND METROPOLITAN AREA

- Despite a drop in employment, Midland's jobless rate (4.7 percent) edged down in August by 0.3 percentage points.
- Over the year, total employment in the metro region fell by 2.0 percent.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll jobs in Midland dropped by 600 in August, or 1.6 percent, led by a cut of jobs in the *Goods producing* sector.

INDUSTRY TRENDS

- Midland had the largest August percent reduction in jobs out of all Michigan regions.

MONROE METROPOLITAN AREA

- Unemployment in the Monroe region fell by 0.6 percentage points in August to 5.3 percent.
- Total employment was 72,900 in August, which was little changed both over the month and over the year.

MONTHLY INDUSTRY DEVELOPMENTS

- Total nonfarm jobs in Monroe edged up by 100, or 0.2 percent, in August, with small increases in *Trade, transportation, and utilities* (+100), and *Professional and business services* (+100).

INDUSTRY TRENDS

- Monroe's *Government* sector lost 700 jobs from 2008 to 2012. Jobs in the public sector have been relatively flat since 2013 at about 5,200 positions.

MUSKEGON METROPOLITAN AREA

- The unemployment rate in the Muskegon metro area moved down by 0.4 percentage points over the month to 5.8 percent.
- The number of unemployed fell by 8.2 percent in August, a higher percent reduction than occurred statewide.

MONTHLY INDUSTRY DEVELOPMENTS

- Nonfarm employment in Muskegon contracted by 200, or 0.3 percent in August, due to small job cuts in *Leisure and hospitality* and *Government*.

INDUSTRY TRENDS

- Muskegon ranked third lowest in job additions among Michigan metro areas over the past year. Jobs rose only 0.3 percent since August 2016, above only Bay City and Midland, which both exhibited job cuts over this period.

CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	JACKSON			KALAMAZOO-PORTAGE			LANSING-EAST LANSING		
	AUG 2017	JUL 2017	AUG 2016	AUG 2017	JUL 2017	AUG 2016	AUG 2017	JUL 2017	AUG 2016
PLACE OF RESIDENCE									
Labor Force	74,300	74,900	74,200	168,400	168,700	167,900	242,000	244,500	241,200
Employment	70,700	70,900	70,500	160,600	160,300	160,600	230,800	231,800	231,100
Unemployment	3,700	4,000	3,600	7,800	8,400	7,300	11,300	12,700	10,100
Rate (percent)	4.9	5.3	4.9	4.6	5	4.3	4.7	5.2	4.2
PLACE OF WORK									
Total Nonfarm Jobs	58,300	58,500	57,300	147,900	147,500	144,700	227,800	228,200	224,200
Mining, Logging, and Construction	2,100	2,100	2,000	6,800	6,700	6,400	8,200	8,100	7,700
Manufacturing	10,300	10,400	9,900	22,100	22,000	21,700	20,200	20,100	20,900
Trade, Transportation, and Utilities	12,700	12,700	12,900	26,800	26,800	26,500	37,500	37,500	36,100
Wholesale Trade	*	*	*	7,100	7,000	7,000	6,000	6,000	6,000
Retail Trade	6,500	6,600	6,800	16,200	16,300	16,000	22,300	22,400	21,700
Information	300	300	300	900	900	900	2,900	2,900	2,900
Financial Activities	1,800	1,800	1,800	8,600	8,600	8,400	16,400	16,300	16,200
Professional and Business Services	4,800	4,700	4,200	18,600	18,600	17,300	21,500	21,600	21,300
Educational and Health Services	10,300	10,300	10,400	23,200	23,200	22,900	31,800	31,800	31,300
Leisure and Hospitality	6,000	6,100	5,700	17,000	17,000	16,600	20,800	20,800	19,600
Other Services	2,500	2,500	2,500	5,500	5,500	5,500	10,600	10,600	10,600
Government	7,500	7,600	7,600	18,400	18,200	18,500	57,900	58,500	57,600
PLACE OF RESIDENCE									
Labor Force	40,500	41,200	41,200	77,000	77,400	76,500	77,700	78,400	78,200
Employment	38,500	39,100	39,300	72,900	72,800	72,800	73,200	73,600	74,000
Unemployment	1,900	2,000	1,900	4,100	4,600	3,700	4,500	4,900	4,200
Rate (percent)	4.7	5	4.6	5.3	5.9	4.8	5.8	6.2	5.4
PLACE OF WORK									
Total Nonfarm Jobs	37,400	38,000	37,600	42,200	42,100	41,600	64,200	64,400	64,000
Mining, Logging, and Construction	*	*	*	2,000	2,000	2,100	2,200	2,200	2,100
Manufacturing	*	*	*	5,900	5,900	5,700	14,100	14,100	13,700
Trade, Transportation, and Utilities	*	*	*	11,000	10,900	10,900	13,400	13,400	13,600
Wholesale Trade	*	*	*	1,800	1,800	1,800	*	*	*
Retail Trade	*	*	*	5,200	5,200	5,200	10,600	10,600	11,100
Information	*	*	*	*	*	*	800	800	800
Financial Activities	*	*	*	900	900	1,000	1,700	1,700	1,700
Professional and Business Services	*	*	*	5,400	5,300	5,000	3,500	3,500	3,400
Educational and Health Services	*	*	*	5,300	5,200	5,500	10,800	10,800	11,100
Leisure and Hospitality	*	*	*	5,200	5,200	4,900	8,600	8,700	8,600
Other Services	*	*	*	1,500	1,500	1,600	2,500	2,500	2,400
Government	2,800	2,800	2,500	4,300	4,400	4,300	6,600	6,700	6,600

* Data Not Available

NILES-BENTON HARBOR METROPOLITAN AREA

- In August, unemployment in the Benton Harbor area inched down 300, while employment edged up 100, pushing the jobless rate down to 5.0 percent.
- Since August 2016, labor force conditions were little changed. The jobless rate moved up by only 0.1 percentage points.

MONTHLY INDUSTRY DEVELOPMENTS

- Niles-Benton Harbor MSA jobs inched up 300 in August. Most of this gain was in *Trade, transportation, and utilities* (+300). However, *Leisure and hospitality* cut 200 positions.
- Since August 2016, jobs in the area grew by 1.7 percent or +1,100, mostly in *Leisure and hospitality* (+500) and *Manufacturing* (+300).

INDUSTRY TRENDS

- Jobs in *Professional and business services* in Niles-Benton Harbor have been reasonably flat in recent years. Employment rose by 300 from 2013-2016, but 2016 job levels had not advanced above 2010 levels.

SAGINAW METROPOLITAN AREA

- The Saginaw region unemployment rate moved down by four-tenths of a percentage point in August to 5.5 percent, almost a full percentage point higher than the Michigan rate of 4.6 percent.
- Total employment over the year was down by -0.8 percent, and the jobless rate rose by 0.4 percentage points since August 2016.

MONTHLY INDUSTRY DEVELOPMENTS

- Saginaw regional jobs contracted by -200 in August, primarily due to a 300-job cut in *Government* over the month.

INDUSTRY TRENDS

- The *Goods producing* sector in Saginaw has been increasing in employment over the year, culminating in a ten-year high of 16,300 jobs in August 2017.

CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	NILES-BENTON HARBOR			SAGINAW					
	AUG 2017	JUL 2017	AUG 2016	AUG 2017	JUL 2017	AUG 2016			
PLACE OF RESIDENCE									
Labor Force	74,900	75,100	75,100	88,500	89,200	88,800			
Employment	71,200	71,100	71,400	83,600	83,900	84,300			
Unemployment	3,700	4,000	3,700	4,900	5,300	4,500			
Rate (percent)	5.0	5.4	4.9	5.5	5.9	5.1			
PLACE OF WORK									
Total Nonfarm Jobs	64,100	63,800	63,000	89,000	89,200	88,300			
Mining, Logging, and Construction	2,100	2,100	2,000	3,300	3,200	3,100			
Manufacturing	13,800	13,700	13,500	13,000	13,000	12,900			
Trade, Transportation, and Utilities	11,400	11,100	10,900	17,700	17,600	17,300			
Wholesale Trade	*	*	*	2,300	2,300	2,300			
Retail Trade	6,600	6,600	6,700	12,900	12,800	12,500			
Information	500	500	500	1,500	1,500	1,500			
Financial Activities	2,300	2,300	2,300	3,600	3,600	3,800			
Professional and Business Services	5,600	5,600	5,600	11,200	11,200	11,200			
Educational and Health Services	8,700	8,700	9,100	16,400	16,500	16,300			
Leisure and Hospitality	8,900	9,100	8,400	9,400	9,400	9,400			
Other Services	2,400	2,400	2,500	3,300	3,300	3,200			
Government	8,400	8,300	8,200	9,600	9,900	9,600			
UPPER PENINSULA									
	AUG 2017	JUL 2017	AUG 2016	NORTHEAST MICHIGAN					
				AUG 2017	JUL 2017	AUG 2016	NORTHWEST MICHIGAN		
							AUG 2017	JUL 2017	AUG 2016
PLACE OF RESIDENCE									
Labor Force	138,800	139,100	140,800	84,700	85,700	85,300	156,300	159,400	156,900
Employment	130,900	130,600	132,700	79,300	79,900	80,100	149,000	151,300	149,800
Unemployment	7,900	8,600	8,100	5,400	5,800	5,200	7,400	8,100	7,100
Rate (percent)	5.7	6.2	5.7	6.3	6.8	6.1	4.7	5.1	4.5

OCCUPATIONAL FOCUS:

ELECTRICIANS

As we focus on job opportunities for returning citizens, one occupation with an especially bright outlook is *Electricians*. Not only are *Electricians* highlighted in both the *Michigan's Hot 50 for 2024* and the *Michigan's Going Pro Hot 25* publications, but this occupation may also be one that some returning citizens may consider working toward. While additional training and licensing will probably be required, job training programs targeting electrical work may give some returning citizens a great head start.

JOB TITLES

- Chief Electrician
- Control Electrician
- Inside Wireman
- Journeyman Electrician
- Mechanical Trades Specialist, Electrician
- Qualified Craft Worker, Electrician

HOW TO BECOME AN ELECTRICIAN

- Becoming an *Electrician* requires on-the-job training in the form of an apprenticeship. To become an *Electrician* you must acquire 2,000 hours per year for four years of on-the-job experience working under a licensed professional, and 576 hours of classroom training. After gaining the required experience you must pass a test administered by the State of Michigan.

TASKS

- Plan layout and installation of electrical wiring, equipment, or fixtures,

based on job specifications and local codes.

- Connect wires to circuit breakers, transformers, or other components.
- Test electrical systems or continuity of circuits in electrical wiring, equipment, or fixtures, using testing devices, such as ohmmeters, voltmeters, or oscilloscopes, to ensure compatibility and safety of systems.
- Use a variety of tools or equipment, such as power construction equipment, measuring devices, power tools, and testing equipment, such as oscilloscopes, ammeters, or test lamps.

Michigan Occupational Highlights

- *Electricians* have the third highest number of jobs among skilled trade occupations, and the fourth highest number of annual job openings, and rank ninth for median wage.
- *Electricians* had the most completed registered apprenticeships in Michigan from 2010 to 2015, with 1,336.
- *Electricians* have a median wage of \$27.92, and their wages range from an entry level of \$14.62 per hour to a more experienced wage of \$38.52 per hour.
- Jobs for *Electricians* are expected to grow at a healthy pace in Michigan, expanding by 14.1 percent from 2014 to 2024.
- There are expected to be an average of 562 job openings each year in this occupation, and almost half (270) will be due to job expansion while the others will occur in order to replace existing workers..

MICHIGAN QUICK FACTS: ELECTRICIANS

Number of Jobs (2016)	20,370
Projected Job Change (2016 - 2018)	+1,030 (+5.0%)
Annual Openings (2016 - 2018)	829
Projected Job Change (2014 - 2024)	+2,700 (+14.1%)
Annual Openings (2014 - 2024)	562
Median Wage (2016)	\$58,080 per year, \$27.92 per hour
Wage Range (2016)	\$14.62 - \$38.52 per hour
Education Required	High School Diploma / Apprenticeship
Primary Industries	Specialty Trade Contractors, Transportation Equipment Manufacturing
Real-Time Job Ads (August 2017)	451



RETURNING CITIZENS: CHALLENGES AND OPPORTUNITIES IN THE MICHIGAN LABOR MARKET

"In the middle of difficulty lies opportunity" - Albert Einstein

As the state's labor market continues to display positive trends, talk of existing or coming "labor shortages" have become common in many circles. These conversations have shifted attention to the supply side of the labor market. Many wonder: with jobless rates hovering around 4 percent, what groups remain out of work? One answer is individuals with barriers to employment. The Workforce Innovation and Opportunity Act (WIOA), the law that underpins much of the federal-state workforce development system, identifies numerous populations with barriers to employment, including ex-offenders (128 STAT. 1434). So, how do ex-offenders, or "returning citizens," fair in the labor market? Unfortunately, it is difficult to say exactly. That is because surveys from our partners at the Bureau of Labor Statistics and the Census Bureau do not collect variables on criminal history, making it difficult to know how this population is doing in the labor market and beyond. However, widely-published research overwhelmingly shows that returning citizens are struggling in the labor market. Schmitt and Warner (2010: 8) highlight several studies that use a variety of methods, including surveys of individuals, surveys of employers, descriptive data, administrative data,

and longitudinal data to note that research, "consistently shows a substantial negative effect of a felony conviction or time in prison or jail on the employment prospects of ex-offenders." We believe that today's tight labor market gives us the perfect opportunity to highlight returning citizens as one potential source of talent for employers.

Size and Characteristics of Prisoners and Returning Citizens in Michigan

What is the size and characteristics of prisoners and returning citizens in Michigan? According to the most recent data from the Bureau of Justice Statistics (BJS):

- There were 42,628 prisoners in Michigan in 2015. This number has been trending downward since a recent peak of 51,577 reached in 2006.
- Mirroring national trends, prisoners in Michigan are mostly male (93 percent) and disproportionately people of color (67 percent). Nationally, prisoners have lower levels of education as 41 percent of prisoners do not have a high school diploma, compared to only 18 percent of the general population.

- There were 13,728 prisoners released from Michigan's prisons and jails in 2015, just below the five-year average release mark of 14,467 per year. Net releases, or the number of releases less the number of admissions, stood at 731 in 2015. These numbers are especially important because they are a measure of potential workers.

Another important characteristic of returning citizens is the likelihood of recidivism. Michigan's recidivism rate, which measures the percentage of offenders who return to prison within three years, is currently 29.8. The recidivism rate has hovered around 30 percent in recent years, but is down sharply from 45 percent in 1998 (Michigan Department of Corrections, 2017).

Research consistently shows there are certain activities that reduce recidivism; among them, education, job training, and employment. For example:

- Winterfield, et al. (2009) compared two groups of returning citizens from three states and found that those who received postsecondary education or vocational training saw a 3 to 14 percentage point reduction in recidivism after one year of release.



- Raphael (2014: 2) notes that, “the transition to stable employment is often characterized as a key determinant of desistance from criminal activity and the process of disentangling oneself from the criminal justice system.”

So, who is facilitating the connection between returning citizens and job training and employment in Michigan? There are many, but in this article, we feature the Michigan Talent Investment Agency (TIA), Michigan Works! Agencies, and the Michigan Department of Corrections. Of course, there are many other services and programs that provide job training

and employment assistance to returning citizens, including government, businesses, non-profits, and community- and faith-based organizations.

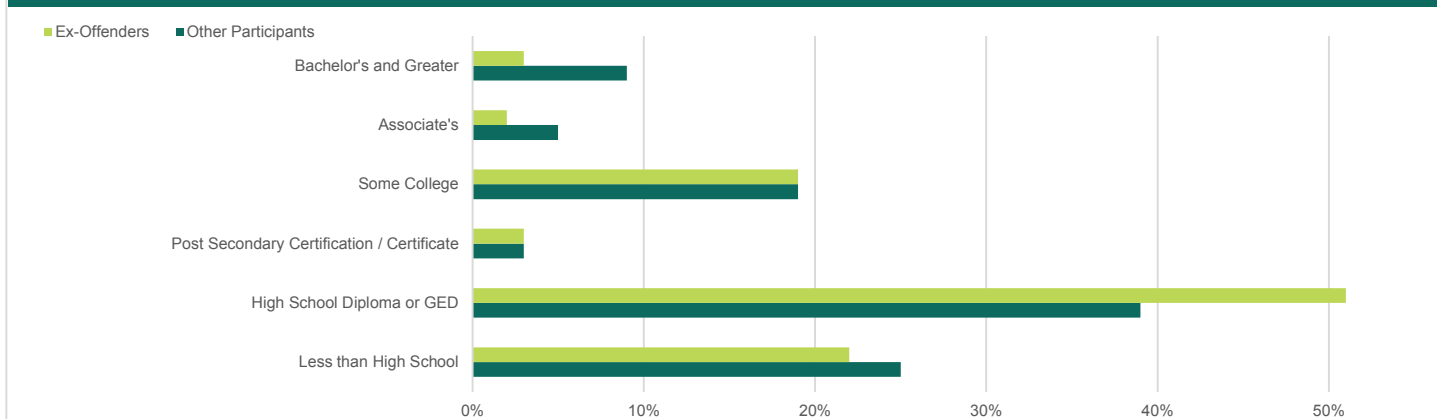
Michigan Talent Investment Agency (TIA) and Michigan Works! Agencies

In Michigan, TIA and Michigan Works! Agencies are responsible for administering substantial parts of federal-state job training programs under WIOA. Through these programs, eligible individuals, including individuals with barriers to employment, like returning citizens, may receive services ranging from job search assistance to

job training to prepare them for an in-demand occupation.

So, do these programs help returning citizens? To answer this question, we turn to the participants, themselves. When a customer visits a Michigan Works! office they are asked to complete a registration form. As they complete the form, they may self-identify as an “ex-offender.” Analyzing the subsequent experiences in the labor market of ex-offenders and other participants, allows for some general observations:

EDUCATION LEVEL OF MICHIGAN WORKS! PROGRAM PARTICIPANTS





- First, starting with records from 49,656 customers with exit dates between July 2011 and June 2015, we learn that 4,193 or 8.4 percent self-identified as ex-offenders.
- Consistent with our discussion above, those who self-identify as ex-offenders are mostly male (81 percent), mostly people of color (61 percent), and have relatively low levels of education.
- Ex-offenders are less likely than other participants to hold an associate's degree or higher. However, they are no different from other participants in terms of post-secondary certification and are actually more likely to possess a high school diploma or GED equivalent. One possible explanation for this is that ex-offenders are provided opportunities to earn a GED certificate or receive vocational or other training while in prison through programs offered by the Michigan Department of Corrections.

By combining these records with administrative records on employment and earnings, we can make some general statements about the labor market outcomes of ex-offenders and other program participants before, during, and after their contact with a Michigan Works! Agency. Starting with employment, we note:

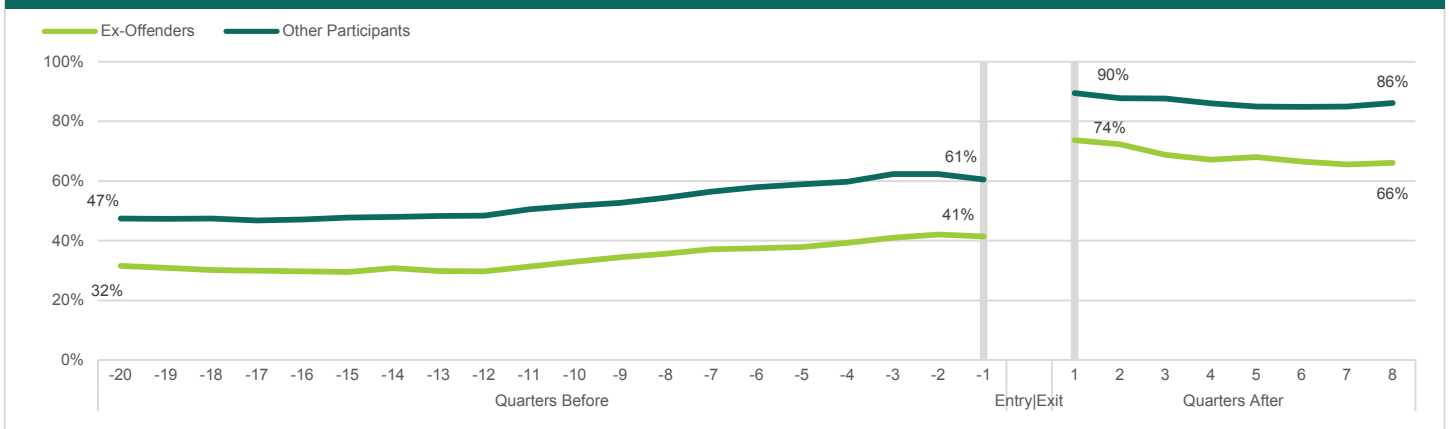
- Both ex-offenders and other participants had a relatively low employment rate during the 20 quarters prior to entering a Michigan Works! program. Employment rates were higher for both groups after exiting a Michigan Works! program, attributable to a number of factors, including program participation.
- The employment rate for ex-offenders rose by 30 percentage points from the quarter before they entered to the quarter after they exited, reaching a peak of 74 percent. Similarly, the employment rate rose for other participants by a nearly-equal 29 percentage points but to a higher 90 percent.

- Both ex-offenders and other participants saw a small drop in their employment rates with 86 percent of other participants being employed 8 quarters after exit, compared to ex-offenders at 66 percent.
- Importantly, at all points before, during, and after contact with Michigan Works!, ex-offenders consistently had lower employment rates compared to other participants with the difference ranging from 15 percentage points before contact to 20 percentage points after contact.

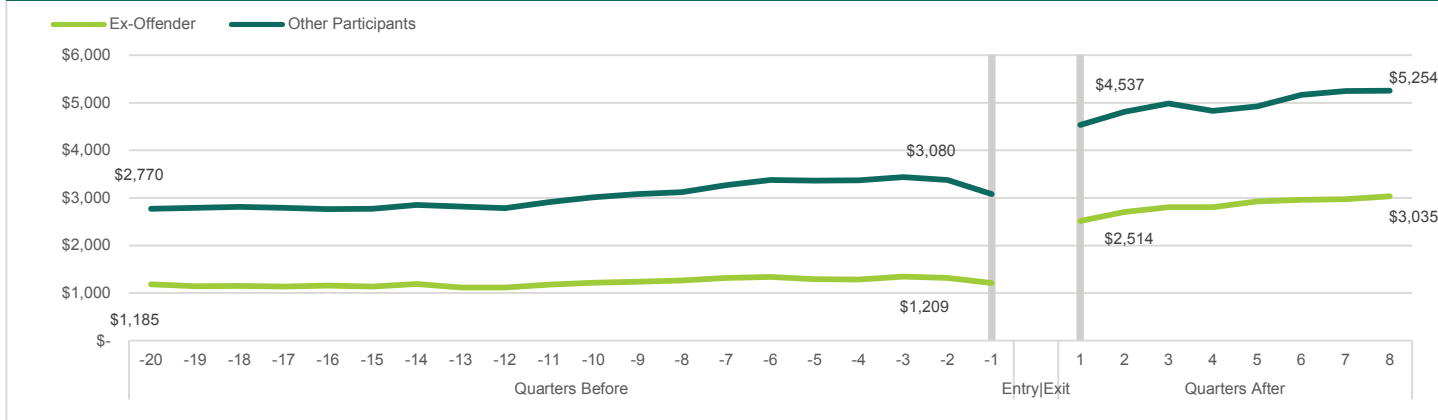
Looking at earnings, defined as “average quarterly wages,” we observe:

- Up until an individual entered Michigan Works!, they experienced relatively steady income. Higher average wages were recorded for both ex-offenders and other participants after exiting a Michigan Works! program.

EMPLOYMENT RATES BEFORE AND AFTER PARTICIPATION IN MICHIGAN WORKS! PROGRAM



QUARTERLY WAGES BEFORE AND AFTER PARTICIPATION IN A MICHIGAN WORKS! PROGRAM



- Ex-offenders saw a 108 percent increase in wages from the quarter before they entered Michigan Works! to the first quarter after they exited. Other participants had less of an increase, with average wages rising by 47 percent between the two periods.
- Compared to ex-offenders, other participants consistently had higher average quarterly wages, before and after contact with Michigan Works! programs. Eight quarters after exit, other participants had an average quarterly wage of \$5,254, well above the average quarterly wage of ex-offenders (\$3,035).

Program Highlight: The Offender Success Truck Driving Program (TDP)

The Offender Success Truck Driving Program (TDP) is one example of a collaborative program involving Michigan Works!, the Michigan Department of Corrections, Pinnacle Truck Driver Training in Cadillac, and partnering truck driving companies. This program provides job training and development specifically for the transportation industry for those currently on parole to promote entry into a career as a truck driver.

According to the program, candidates are extensively screened by Parole staff and Offender Success Community Coordinators with the requirement that all potential candidates have successfully been on parole for approximately 6 months. Once a candidate passes all program eligibility guidelines, they are referred to either West Central Michigan Works! or West Michigan Works! where staff explore additional resources to assist candidates. They are then enrolled in four weeks of classroom training, simulated driver, and face-to-face instruction at Pinnacle's Truck Driver Training,

Inc. in Cadillac, Michigan. After completion, participants receive a Temporary Instructional Permit (T.I.P.) that will allow participants to test for, and receive a State certification for a Commercial Driver's License (CDL). Upon receiving a CDL, participants undergo an additional 4-6 weeks of training with a partnering truck driving company.

The program boasts a 100 percent success rate. According to program officials, 15 candidates have enrolled in the program and all are currently employed in the trucking industry. Importantly, eight candidates have passed one year of employment with others not far behind.

No doubt, the TDP targets an in-demand occupation with solid earnings, as reflected by data from our bureau's long-term employment projections program and occupational wage surveys:

- *Heavy and tractor-trailer truck drivers* are expected to generate 1,550 annual openings each year through 2024, ranking the occupation among the top 10 for long-term average openings.
- Of these openings, an estimated 650 will come from growth in the occupation and 900 will come from the need to replace existing workers due to retirements, career changes, and other reasons.
- With a median wage of \$19.07 per hour, *Heavy and tractor-trailer truck drivers* have a wage higher than the overall statewide median wage of \$17.32.
- According to the Conference Board's Help Wanted Online there are currently more than 4,300 online advertised job postings for truck drivers, making it one of the most hotly advertised job titles.

Michigan Department of Corrections

The Michigan Department of Corrections offers education and job training programs in nearly all its facilities. Programs range from those providing basic skills to some that provide specific skills. Examples of basic skills training include GED certification, Adult Basic Education (ABE), English as Second Language (ESL), and Special Education programs. Examples of specific skills training include Career and Technical Education (CTE) programs. Some of the most common prisoner job training programs include: horticulture, building trades, food technology, business technology, and automotive repair and maintenance.

So, how do these programs line-up with employer demand in the labor market? Pretty well, actually. According to our bureau's long-term employment projections:

- Horticulture programs relate to jobs in both *Farming, fishing, and forestry* and *Building and grounds cleaning and maintenance*. First, *Farming, fishing, and forestry* occupations are expected to see little or no job growth through 2024, but will generate 1,025 annual openings, mostly from the need to replace existing workers. *Building and grounds cleaning and maintenance* occupations on the other hand will see moderate job expansion (+6.7 percent) through 2024 and provide 3,770 openings each year.
- Job training programs in the building trades should prepare workers for many in-demand job titles. *Installation, maintenance, and repair* occupations are expected to grow by 9.8 percent by 2024 and provide nearly 5,600 job openings each year.

- Programs in food technology train workers for jobs in *Food preparation and serving related* occupations. While job titles in this group should see average employment gains (expanding by 7.4 percent through 2024), they will contribute a substantial number of annual openings with about 16,575 expected each year.
- Business Technology loosely ties to *Business and financial operations* occupations, which are expected to expand by 10.3 percent through 2024 and generate 6,240 annual openings. While many job titles in this group require a bachelor's degree, receiving training and gaining experience could benefit applicants when applying for entry-level positions.
- Training in automotive repair and maintenance also ties to *Installation, maintenance, and repair* occupations, but with a focus on two in-demand job titles: *Automotive service technicians and mechanics* and *Automotive body and related repairers*. *Automotive service technicians and mechanics* should expand by 6.0 percent through 2024 and generate 725 vacancies each year, while *Automotive body and related repairers* should grow by 10 percent by 2024 and provide 185 openings each year.

Program Highlight: Vocational Village

The Vocational Village is a first-of-its-kind skilled trades training program that prepares prisoners for careers in high-demand fields. The first Vocational Village site opened at Richard A.

Handlon Correctional Facility in Ionia in 2016 and offers training in welding, CNC machining, automotive technology, plumbing, carpentry and electrical work. A second Vocational Village site opened at Parnall Correctional Facility in Jackson in 2017 and provides training in CNC machining, robotics, commercial truck driving, carpentry, concrete/masonry and automotive technology.

Prisoners have full days of hands-on and classroom instruction intended to mimic a typical workday outside prison walls, and receive state and nationally-recognized certifications in their trade. Prisoners also participate in employment readiness courses that can help lead them to a successful career. All prisoners in the Vocational Villages live together in the same housing unit that is focused on education and success.

According to the Department of Corrections, 81 percent of prisoners who have paroled from the program were employed as of August 2, 2017. This impressive outcome is no doubt helped by Vocational Village offering training in high demand occupations. For example, two of the programs train workers for careers that appear on *Michigan's Hot 50 High-Demand, High-Wage Careers* brochure. Also, all programs lead to jobs that rank highly according to our bureau's employment projections:

- The top jobs for each of the programs combine to produce nearly 3,100 average annual job openings, which is 2.2 percent of total annual openings each year. When looking at job titles that require a similar level of training, they account for a larger 7.6 percent of all openings.

- Programs are also tied to individual, in-demand occupations. For example, *Computer-controlled machine tool operators* have one of the highest long-term projected job growth rates of nearly 30 percent through 2024 and are expected to see 650 annual openings. Moreover, *Plumbers, pipefitters, and steamfitters* should grow by 11.4 percent and generate 279 openings each year while *Carpenters* will add jobs at a rate of 7.2 percent and need 393 workers each year.
- These programs also prepare workers for higher-paying jobs. Most programs tie to jobs that report median earnings above the statewide median wage of \$17.32 per hour. The only job that pays below the statewide median is *Computer-controlled machine tool operators*, coming in just under the mark at \$16.96.

Other Initiatives

Beyond these critical job training programs targeting in-demand occupations, there are many other important initiatives that help returning citizens transition to stable employment. We highlight below a handful of these programs or initiatives.



Work Opportunity Tax Credit

The Work Opportunity Tax Credit (WOTC) is a federal tax credit initiative available to employers to hire people from nine specific target groups that have difficulty securing employment, including returning citizens. By hiring a returning citizen who works between 120 and 400 hours, employers may qualify for a 25 to 40 percent tax credit on the worker's first \$6,000 in gross earnings during their initial year of employment.

Between January 1, 2016 and June 30, 2017, TIA and its partners certified tax credits for nearly 1,000 positions filled by returning citizens. Most of those positions (94 percent) were concentrated in five occupational groups: *Production* (302 positions), *Office & administrative support* (277), *Food preparation and serving* (164), *Sales and related* (121), and *Construction and extraction* (34).

Fidelity Bonding

The Fidelity Bond Program covers jobseekers who are considered high-risk due to some factor in their personal background and who have been rejected by a commercial bonding company. The bond protects the employer from acts of theft, larceny, forgery, or embezzlement committed by a bonded employee. This program may be available to employers hiring returning citizens.

This is an important program as research shows that only about 40 percent of employers would "definitely" or "probably" hire applicants with criminal records, especially for jobs that involved dealing with customers or handling money (Schmitt and Warner, 2010; Holzer, 2007). This makes a criminal conviction one of the most stigmatizing characteristics for prospective employees seeking employment (Holzer, 2007). By insulating the employer from some of the risk, Fidelity Bonding may improve employment outcomes for returning citizens.

Ban the Box / Move the Box

As discussed in detail on page 22, about 73 percent of job ads taken from a representative sample of 12,158 job ads with certain key words like "felon" or "background check" required applicants to pass a background check. Some of these firms may use criminal history to screen applicants. Proposals to combat the use of criminal background as a screen include the so-called "ban the box" and "move the box" campaigns. "Ban the box" is an international campaign that seeks to remove questions about criminal history from job applications. According

to the National Employment Law Project (NELP), 29 states and over 150 jurisdictions have adopted "ban the box" so that "employers consider a job candidate's qualifications first, without the stigma of a criminal record" (Avery and Hernandez, 2017). Similarly, move the box refers to efforts to postpone criminal background inquiries until a candidate is evaluated on the merits of their application.

Felon Friendly Employers

On the other end of the spectrum, some employers are open to hiring returning citizens, with some actively recruiting them. While there is no way to officially "register" as a felon friendly employer on Pure Michigan Talent Connect, employers can select "returning citizens" as a job characteristic to connect with applicants who have self-identified as ex-offenders. There are currently 92 jobs posted by 52 unique employers with the returning citizen characteristic selected.

Conclusion

In a tight labor market, employers say they are having a tough time finding the talent they need to fill their vacancies. One group of potential talent may be ex-offenders, or returning citizens. While incarcerated, many prisoners receive basic skills training and/or specific skills training, mostly aligning to in-demand occupations. Some of these programs are very innovative and report impressive outcomes. Moreover, returning citizens, identified in the Workforce Innovation and Opportunity Act as a group of individuals that face barriers to employment, may qualify to receive the skills they need for in-demand jobs through federal-state job training programs. These programs are shown to improve the labor market outcomes of participants. Beyond education and job training programs, the Work Opportunity Tax Credit, Fidelity Bonding, Ban the Box, and Felon Friendly Employers are some examples of initiatives intended to help returning citizens transition to stable employment.

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ONLINE JOB ADS AND RETURNING CITIZENS

Our feature article highlighted some job training programs and the job titles targeted through these programs. After giving an overview of overall job ads, this section looks at online advertisements for those job titles. We also tackle something that has always stood out to us when researching online job ads: the considerable number of ads that seem to automatically disqualify those with a criminal background

Online Demand Analysis

According to The Conference Board's Help Wanted Online (HWOL) Data Series, seasonally adjusted online job ads in Michigan reached 132,870 in August 2017, down 3,935 or 2.9 percent from July. This was the third consecutive month of lower ad volume, following a large drop of 5.2 percent in July and a more moderate decrease of 2.3 percent in June.

Seasonally adjusted job ads nationwide fell by a similar 2.7 percent. Of Michigan's neighboring states, only Indiana experienced a gain, with online job ads up 0.9 percent. Wisconsin and Illinois recorded monthly cuts of 3.1 and 3.4 percent, respectively, slightly higher than the reduction in Michigan. Ohio had a larger monthly ad drop of 5.4 percent.

Ads by Occupation (Not Seasonally Adjusted)

Information is available on advertised job vacancies by broad and detailed occupation, but the data is [not seasonally adjusted](#).

Using this information, current job demand (as measured by online job postings) can be analyzed for the job titles targeted by Vocational Village or the Offender Success Truck Driving Program. This analysis shows that most of these job titles are currently in-demand, led by *Heavy and tractor-trailer truck drivers*, *Carpenters*, and *Computer-controlled machine tool operators*.

Another way to look at job ads is by analyzing several detailed job titles that, when combined, represent larger occupational groups, like *Skilled Trades*, *Production*, or *installation, maintenance, and Construction* occupations. These are each relevant to returning citizens

as they are also well represented in job training programs offered in Michigan prisons and through Michigan Works! Agencies:

- In August, there were 5,800 online job ads for *Skilled Trades* positions, up modestly over the month, likely reflecting seasonal hiring. Advertising for these positions is up sharply over the year, possibly signaling higher demand. Demand in this group was led by *General maintenance and repair workers* and *Machinists*.
- Production occupations were responsible for 6,800 ads. In this category, the highest number of postings were for *First-line supervisors of production and operating workers* and *Production workers – helpers*.
- Job titles in *Installation, maintenance and construction* contributed 10,250 ads in August. Leading this category was (again) *General maintenance and repair workers*, *First-line supervisors of mechanics, installers, and repairers*, and *Construction laborers*.

Use of Criminal Histories in Online Job Postings

Interestingly, 12,158 or about 9 percent of total postings had in the text of the advertisement some identified key terms, like “felon” and “background check,” including many that appear to use criminal histories as a screening device.

This is problematic for at least two reasons:

- According to the Equal Employment Opportunity Commission (EEOC) Enforcement Guidance 915.002, “An employer’s use of an individual’s criminal history in making employment decisions may, in some instances, violate the prohibition against employment discrimination under Title VII of the Civil Rights Act of 1964, as amended.” This is because an employer’s policy that excludes applicants with convictions “may disproportionately impact some individuals protected under Title VII and may violate the law if not job related and consistent with business necessity” (EEOC, 2012).

- Screening all applicants with a criminal history, even if their offense is not job related and not consistent with business necessity only compounds the barriers to employment faced by returning citizens.

To investigate these job ads further, we identified 9 key terms, including terms like “felon” and “background check,” giving us the 12,158 referenced above. To see how the terms were being used in the body of the job ad, we analyzed a representative sample of 373 randomly selected job ads taken from the 12,158 total. In doing so, it was determined that 73 percent of the sample ads required candidates to successfully pass a background check, 22 percent suggested they would consider a candidate with a criminal history, depending on the type of offense and/or when the offense was committed, and 5 percent did not explicitly state that a background check was required in their position description.

What impact does the use of criminal histories as a screen in online job ads have on returning citizens? Perhaps significant. With the sizable number of job ads that suggest an applicant must pass a background check, many returning citizens may be discouraged from applying for a particular vacancy, and may become discouraged in the overall job search process.

References

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TOTAL AVAILABLE ADS - VOCATIONAL VILLAGE AND OFFENDER SUCCESS PROGRAMS

OCCUPATION	AUG 2017	JUL 2017	AUG 2016	OVER THE MONTH	
				LEVEL	PERCENT
VOCATIONAL VILLAGE					
Welders, Cutters, Solderers, and Brazers	337	340	320	-3	-0.9%
Computer-Controlled Machine Tool Operator	449	437	352	12	2.7%
Computer-Controlled Machine Tool Programmer	95	99	88	-4	-4.0%
Automotive Body and Related Repairers	222	220	218	2	0.9%
Automotive Service Technicians and Mechanics	74	61	92	13	21.3%
Carpenters	583	494	615	89	18.0%
Cement Masons and Concrete Finishers	85	66	88	19	28.8%
Plumbers	143	136	219	7	5.1%
OFFENDER SUCCESS TRUCK DRIVING PROGRAM OCCUPATIONS					
Industrial Truck and Tractor Operators	208	207	259	1	0.5%
Heavy and Tractor-Trailer Truck Drivers	4,318	4,447	5,625	-129	-2.9%

Source: The Conference Board, Help Wanted Online® (HWOL)



RELEVANT RANKINGS

IMPRISONMENT RATES PER 100,000 RESIDENTS BY STATE - 2015		
	IMPRISONMENT RATES 2015	TOTAL PRISONERS 2015
1 Louisiana	776	36,377
2 Oklahoma	715	28,547
3 Alabama	611	30,810
4 Mississippi	609	18,911
5 Arizona	596	42,719
17 Michigan	429	42,628
23 Pennsylvania	387	49,858
24 West Virginia	386	7,118
25 Wisconsin	377	22,975
26 Oregon	376	15,245
27 Colorado	364	20,168
46 Vermont	206	1,750
47 Rhode Island	204	3,248
48 Minnesota	196	10,798
49 Massachusetts	179	9,922
50 Maine	132	2,279

Source: Bureau of Justice Statistics

TOTAL PRISONER RELEASES BY STATE - 2015

	TOTAL RELEASES	NET RELEASES	AVERAGE RELEASES (2010 - 2015)
1 Texas	76,189	1,338	75,955
2 California	41,257	6,467	65,835
3 Florida	32,690	2,259	33,214
4 Illinois	29,650	2,475	30,566
5 Washington	21,939	115	19,225
17 Michigan	13,713	731	14,467
23 Arkansas	9,702	351	7,545
24 Oklahoma	8,898	-836	7,912
25 Minnesota	7,669	388	7,744
26 South Carolina	6,595	439	7,358
27 Mississippi	6,104	-357	8,061
46 North Dakota	1,484	-85	1,132
47 Hawaii	1,293	-222	1,492
48 Wyoming	900	-42	852
49 Rhode Island	781	158	929
50 Maine	682	-163	1,003

Source: Bureau of Justice Statistics



ASK THE ECONOMIST

Q: I am a returning citizen.

What are some in-demand jobs for people who have a criminal history?

Where can I go to learn more?

A: There are in-demand jobs in Michigan regardless of your criminal history...

Reentering the labor market can be stressful enough without limiting yourself to a handful of industries or occupations. It is certainly true that some employers discriminate against individuals with a criminal history. Others identify as “felony friendly” employers. But, most employers are simply looking for dependable workers to fill their vacancies, especially in today’s tight labor market.

So, depending on your level of education, past job training, and work history, there are several in-demand opportunities to consider. To start, try looking at the publications *Michigan’s Hot 50 for 2024* or *Michigan’s Going Pro Hot 25*. The *Hot 50 for 2024* highlights occupations that show a favorable mix of long-term job growth, projected annual job openings, and median wages while the *Going Pro Hot 25* displays professional trades occupations that show a favorable mix of long-term job growth, projected annual job openings, and median wages. Both publications are available on our website at www.michigan.gov/lmi.

The table below shows jobs at the various levels of education, training, and experience typically required for entry into the job market. These example “career pathways” can be used by returning citizens to think about their first job and how it may lead to their next opportunity. The first tier shows jobs that are available regardless of education or training level. These are the jobs that have the best outlook and highest wages that may be available immediately upon release.

The next level shows the top skilled trades jobs available. These jobs typically require an apprenticeship or long-term on-the-job training. These jobs are also often targeted in many job training programs, including those discussed throughout this issue. These skilled trade jobs pay a higher wage than the jobs that require less training, justifying additional investments in training. Expanding the outlook table to include professional trades, we would still see *Electricians* and *Plumbers* in the top five, but would also add a few new job titles like *Registered nurse*, *Electrical power-line installers and repairers*, and *Computer programmers*.

After being trained and gaining experience in skilled trades or professional trades jobs, returning citizens can move into supervisory and management positions, or can become entrepreneurs and create their own business with the skills and knowledge they have gained from their training. It is important to gain the knowledge and skills by training and working in these positions before venturing out to start your own business. Many new businesses fail early, and any advantage can help the business survive. In 2016, only 80 percent of new businesses started a year before were still operating, and only 51 percent of those started five years before were still open. It is a tough market out there for entrepreneurs, so getting as much experience and knowledge of a trade and management is vital to success.

If you would like to learn more about in-demand industries and occupations, please visit our website at www.michigan.gov/lmi or visit your nearest Michigan Works! service center at www.michiganworks.org.

SAMPLE CAREER PATHWAYS					
JOB TITLE	EMPLOYMENT	% GROWTH 2014 - 2024	ANNUAL OPENINGS	WAGE RANGE / HOUR	TYPICAL EDUCATION / TRAINING
Lower Education / Training					
Construction Laborers	22,510	11.8%	865	\$ 11 - 27	None
Light Truck or Delivery Services Drivers	27,620	6.7%	698	\$ 9 - 30	High school diploma or equivalent
Refuse and Recyclable Material Collectors	3,790	6.5%	98	\$ 11 - 25	None
Laborers and Freight, Stock, and Material Movers, Hand	71,450	8.2%	2,515	\$ 9 - 20	None
Tire Repairers and Changers	3,180	6.0%	133	\$ 10 - 20	High school diploma or equivalent
Skilled Trades Jobs					
Electricians	20,370	14.1%	562	\$ 15 - 39	Apprenticeship
Plumbers, Pipefitters, and Steamfitters	11,870	11.4%	279	\$ 15 - 39	Apprenticeship
Millwrights	2,910	20.1%	118	\$ 17 - 39	Apprenticeship
Industrial Machinery Mechanics	18,780	27.1%	752	\$ 15 - 36	Long-term on-the-job training
Sheet Metal Workers	3,480	11.7%	128	\$ 14 - 36	Apprenticeship
Higher Education / Training					
Industrial Production Managers	10,410	8.0%	410	\$ 31 - 83	Bachelor's degree
First-Line Supervisors of Mechanics, Installers, and Repairers	14,230	8.6%	385	\$ 18 - 48	Less than 5 years experience
First-Line Supervisors of Production and Operating Workers	27,320	7.2%	605	\$ 17 - 47	Less than 5 years experience
Construction Managers	3,900	4.7%	152	\$ 26 - 72	Bachelor's degree
First-Line Supervisors of Construction Trades and Extraction Work	11,290	8.7%	197	\$ 20 - 47	5 years or more experience



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