MICHIGAN'S LABOR MARKET NEWS

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MAY 2023

Michigan’s labor market has shown positive trends in the first three months of 2023

MARCH 2023 JOBLESS RATE

MICHIGAN

4.1%

NATIONAL

3.5%

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Due to irregularities and the likely revision of March 2023 data from our third-party vendor, the Online Job Advertisements section has been omitted this month.

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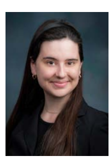

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Michigan's Labor Market News is a product of the Michigan Center for Data and Analytics (MCDA), which enhances and promotes evidence-based decision making across state government through advanced research and analytics.

The Labor Market Information division of the MCDA is the official source for Michigan’s employment, occupation, and industry data through a partnership with U.S. Department of Labor.

MICHIGAN UNEMPLOYMENT RATE FALLS IN MARCH

Michigan's seasonally adjusted unemployment rate fell by two-tenths of a percentage point between February and March to 4.1 percent.

The U.S. unemployment rate decreased by one-tenth of a percentage point between February and March to 3.5 percent. Michigan's jobless rate was 0.6 percentage points larger than the U.S. rate. Over the year, the national unemployment rate receded by one-tenth of a percentage point, while Michigan's rate remained unchanged since March 2022.

Michigan's labor force rose by 0.2 percent over the month, while the U.S. labor force edged up 0.3 percent. Both statewide and national employment levels increased by 0.4 percent over the month. Total unemployment in Michigan fell by 3.4 percent over the month, while national unemployment declined by 1.6 percent.

Over the year, Michigan's workforce advanced by 0.3 percent, 1.2 percentage points below the national labor force increase of 1.5 percent. Statewide employment edged up by 0.3 percent, while U.S. employment rose by 1.6 percent. Total unemployment in Michigan increased by 2.0 percent over the year, contrary to the reduction of 2.2 percent seen nationally.

For more information on state and regional unemployment rates for Michigan, view full press releases at Michigan.gov/LMI.

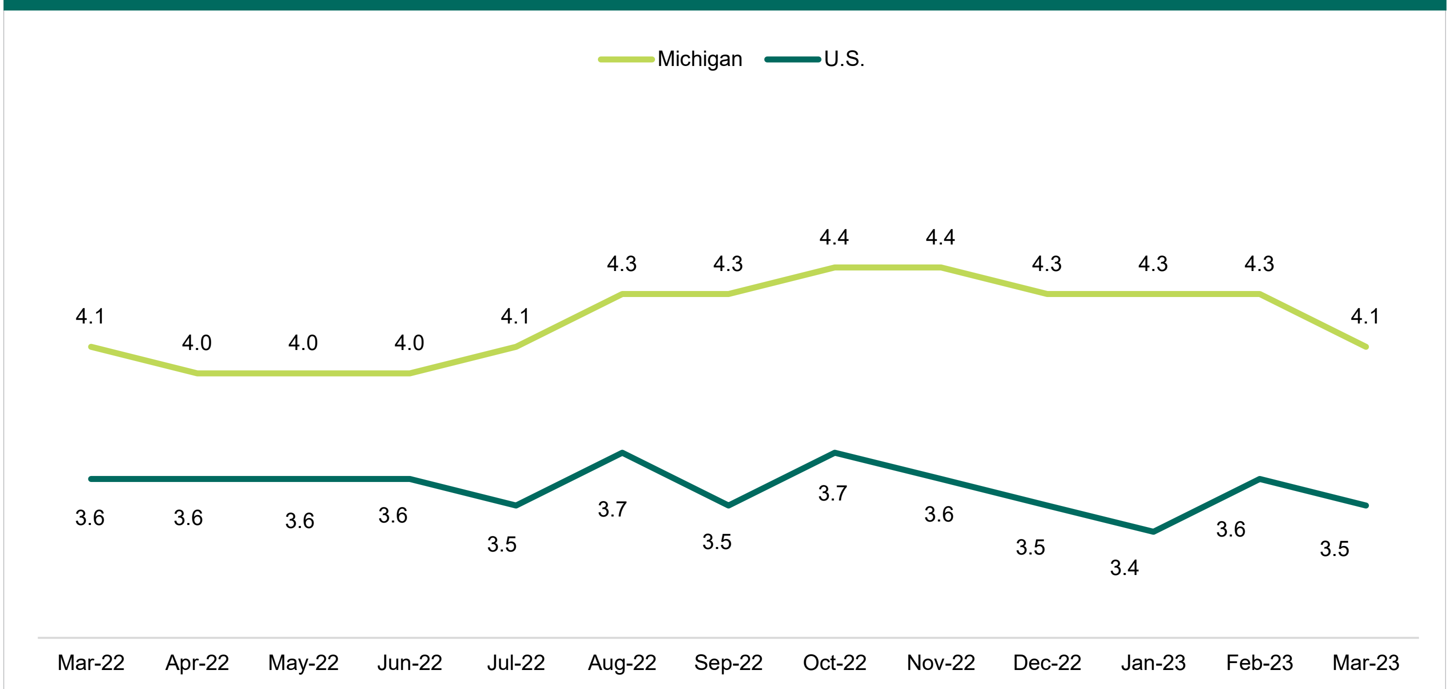
REIMA NASSER
Economic Analyst

MICHIGAN LABOR FORCE ESTIMATES, MARCH 2023 (SEASONALLY ADJUSTED)

	MAR 2023	FEB 2023	MAR 2022	OVER THE MONTH		OVER THE YEAR	
				NUMERIC	PERCENT	NUMERIC	PERCENT
Civilian Labor Force	4,852,000	4,842,000	4,836,000	10,000	0.2%	16,000	0.3%
Employed	4,652,000	4,635,000	4,640,000	17,000	0.4%	12,000	0.3%
Unemployed	200,000	207,000	196,000	-7,000	-3.4%	4,000	2.0%
Unemployment Rate	4.1	4.3	4.1	-0.2	XXX	0.0	XXX

Source: Local Area Unemployment Statistics, Michigan Center for Data and Analytics, Michigan Department of Technology, Management & Budget

MICHIGAN UNEMPLOYMENT RATE, MARCH 2022–MARCH 2023 (PERCENT)



Source: Local Area Unemployment Statistics, Michigan Center for Data and Analytics, Michigan Department of Technology, Management & Budget

PAYROLL JOBS RISE FOR FIFTH CONSECUTIVE MONTH

Seasonally adjusted nonfarm payroll jobs on the statewide level stayed mostly unchanged this month, rising by only 1,900 during March. However, with this slight employment increase, seasonally adjusted jobs in Michigan have now risen for five consecutive months or 20 months over the past two years. Payroll employment across Michigan was only 0.7 percent (-33,200) lower than its February 2020 pre-pandemic job level.

Nationally, seasonally adjusted payroll jobs also rose minimally over the month, moving up by only 0.2 percent (+236,000), during March. On the nationwide level, employment additions have been recorded for 27 consecutive months.

During March, numerous major industry sectors and subsectors recorded job increases over the month, which included *Private education and health services* (+1,900), *Professional and business services* (+1,300), and *Leisure and hospitality* (+600). Furthermore, more moderate job additions were noted within sectors such as *Trade, transportation, and utilities* and *Government* (+400). Conversely, several major industry sectors recorded notable job declines over the month, including *Manufacturing* (-1,300), *Financial activities* (-900), and *Information* (-500).

On a percentage basis, the largest over-the-month job increases were recorded in several sectors, including *Private education and health services* (+0.3 percent) and *Construction* (+0.2 percent). The largest percent decline in March was recorded within the *Financial activities* (-0.9 percent) sector.

Most Industries Have Added Jobs Since Last Year

Since March 2022, seasonally adjusted jobs in Michigan have increased by 1.7 percent (+75,100) over the year, significantly lower than the nation's yearly rate of change (+2.7 percent). As of March 2023, over the year job gains were noted in every major industry sector in Michigan except for *Financial activities* (-2.5 percent) and *Other services* (-0.7 percent). Numerically, notable job additions were recorded within the *Government* (+21,800), *Private educational and health services* (+18,900), and *Leisure and hospitality* (+18,100) industries.

A Majority of Michigan Regions Recorded Growth in Education and Health Services and Leisure and Hospitality

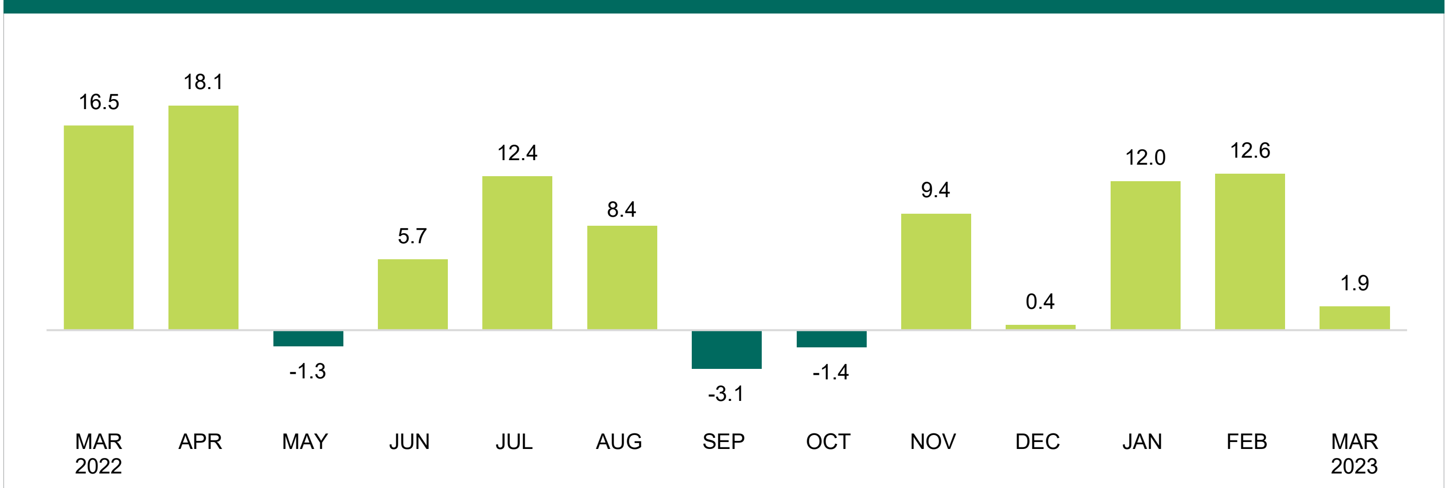
Across Michigan's 14 Metropolitan Statistical Areas (MSAs), 13 out of 14 regions remained unchanged or recorded job growth over the month in March, on a not seasonally adjusted basis. The Jackson (-0.2 percent) metro area was the only region to record a negative rate of change. Seven metro areas in Michigan recorded a percent change similar to or greater than the national rate of change (+0.3 percent) during March. Three regions, Muskegon, Detroit, and Battle Creek, all noted the same job change percent as Michigan (+0.2 percent).

Most metro areas in Michigan recorded job gains within several industries during March, including the *Educational and health services* and *Leisure and hospitality* sectors, whereas a majority of Michigan regions noted job declines or saw no change within their respective *Manufacturing* and *Trade, transportation, and utilities* industry sectors.

The *Government* and *Other services* sectors remained virtually unchanged in a majority of Michigan metro areas, in line with typical seasonal job trends for these series' during March.

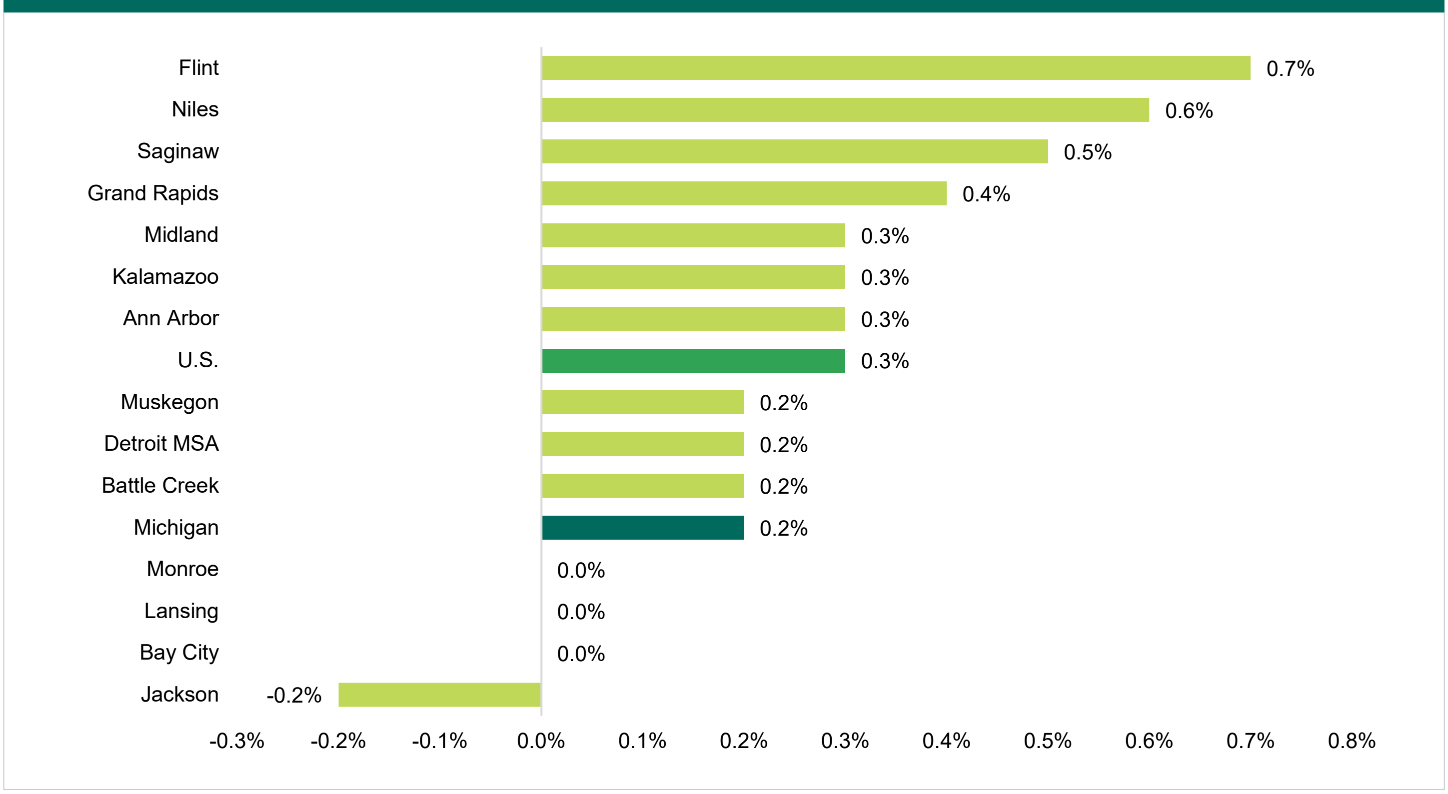
JIM BIRNEY
Economic Analyst

MICHIGAN OVER-THE-MONTH PAYROLL JOB CHANGE, MARCH 2022–MARCH 2023 (IN THOUSANDS)



Source: Current Employment Statistics, Michigan Center for Data and Analytics, Michigan Department of Technology, Management & Budget

MICHIGAN METRO AREA JOB CHANGE, FEBRUARY–MARCH 2023 (NOT SEASONALLY ADJUSTED)



Source: Current Employment Statistics, Michigan Center for Data and Analytics, Michigan Department of Technology, Management & Budget

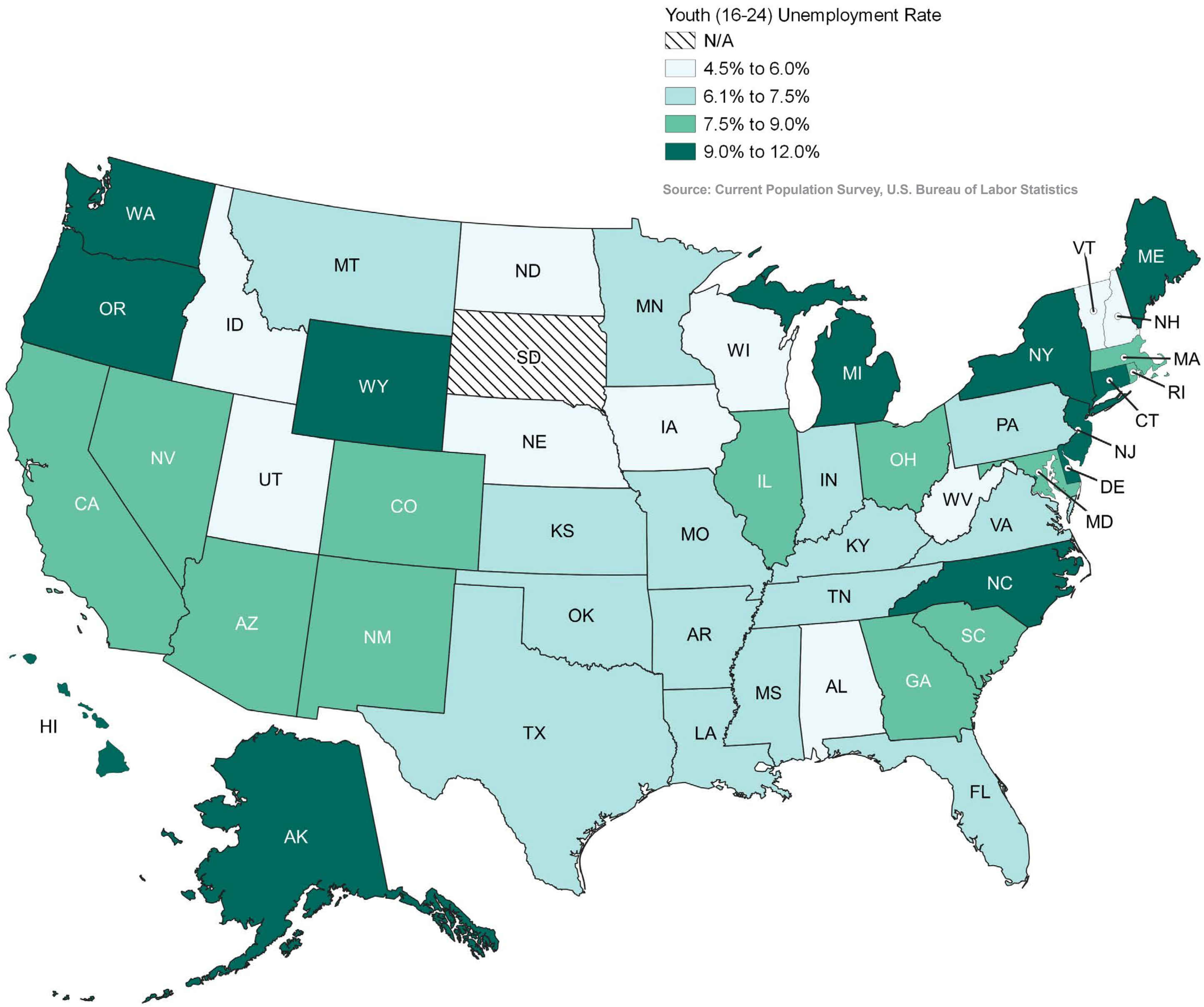
MICHIGAN PAYROLL JOBS (SEASONALLY ADJUSTED)

INDUSTRY	MAR 2023	FEB 2023	MAR 2022	OVER THE MONTH		OVER THE YEAR	
				LEVEL	PERCENT	LEVEL	PERCENT
TOTAL NONFARM	**4,416,300**	**4,414,400**	**4,341,200**	**1,900**	**0.0%**	**75,100**	**1.7%**
Total Private	3,813,300	3,811,800	3,760,000	1,500	0.0%	53,300	1.4%
Private Service-Providing	3,008,500	3,006,000	2,967,200	2,500	0.1%	41,300	1.4%
GOODS-PRODUCING	**804,800**	**805,800**	**792,800**	**-1,000**	**-0.1%**	**12,000**	**1.5%**
Mining, Logging, and Construction	197,100	196,800	189,300	300	0.2%	7,800	4.1%
Mining and Logging	7,300	7,300	7,000	0	0.0%	300	4.3%
Construction	189,800	189,500	182,300	300	0.2%	7,500	4.1%
Manufacturing	607,700	609,000	603,500	-1,300	-0.2%	4,200	0.7%
Durable Goods	456,500	458,300	452,000	-1,800	-0.4%	4,500	1.0%
Transportation Equipment Manufacturing	185,300	187,200	186,200	-1,900	-1.0%	-900	-0.5%
Non-Durable Goods	151,200	150,700	151,500	500	0.3%	-300	-0.2%
SERVICE-PROVIDING	**3,611,500**	**3,608,600**	**3,548,400**	**2,900**	**0.1%**	**63,100**	**1.8%**
Trade, Transportation, and Utilities	810,800	810,400	805,400	400	0.0%	5,400	0.7%
Wholesale Trade	179,800	178,400	170,800	1,400	0.8%	9,000	5.3%
Retail Trade	454,100	454,500	455,400	-400	-0.1%	-1,300	-0.3%
Transportation, Warehousing, and Utilities	176,900	177,500	179,200	-600	-0.3%	-2,300	-1.3%
Information	57,100	57,600	55,500	-500	-0.9%	1,600	2.9%
Financial Activities	227,900	228,800	233,700	-900	-0.4%	-5,800	-2.5%
Finance and Insurance	171,000	171,200	177,200	-200	-0.1%	-6,200	-3.5%
Real Estate and Rental and Leasing	56,900	57,600	56,500	-700	-1.2%	400	0.7%
Professional and Business Services	660,700	659,400	656,400	1,300	0.2%	4,300	0.7%
Professional, Scientific, and Technical Services	317,900	317,100	312,500	800	0.3%	5,400	1.7%
Management of Companies and Enterprises	70,900	71,100	70,800	-200	-0.3%	100	0.1%
Administrative and Support and Waste Management and Remediation Services	271,900	271,200	273,100	700	0.3%	-1,200	-0.4%
Education and Health Services	675,400	673,500	656,500	1,900	0.3%	18,900	2.9%
Educational Services	76,700	76,400	72,200	300	0.4%	4,500	6.2%
Health Care and Social Assistance	598,700	597,100	584,300	1,600	0.3%	14,400	2.5%
Leisure and Hospitality	415,500	414,900	397,400	600	0.1%	18,100	4.6%
Arts, Entertainment, and Recreation	53,600	52,000	48,700	1,600	3.1%	4,900	10.1%
Accommodation and Food Services	361,900	362,900	348,700	-1,000	-0.3%	13,200	3.8%
Other Services	161,100	161,400	162,300	-300	-0.2%	-1,200	-0.7%
Government	603,000	602,600	581,200	400	0.1%	21,800	3.8%
Federal Government	55,500	55,100	54,100	400	0.7%	1,400	2.6%
State Government	181,100	182,000	173,500	-900	-0.5%	7,600	4.4%
Local Government	366,400	365,500	353,600	900	0.2%	12,800	3.6%

Source: Current Employment Statistics, Michigan Center for Data and Analytics, Michigan Department of Technology, Management & Budget

MAP OF THE MONTH:

2022 YOUTH (AGES 16–24) UNEMPLOYMENT RATE BY STATE



Using data from the U.S. Bureau of Labor Statistics Current Population Survey, this map displays youth (ages 16 to 24) average annual unemployment rates by state in 2022.

In 2022, youth unemployment rates varied largely by state, ranging from 4.5 percent in Utah, to 12.0 percent in Hawaii. Michigan's youth unemployment rate of 10.1 percent was eighth highest among all other states surveyed and 2.0 percentage points higher than the national average of 8.1 percent. Youth jobless rates in 2022 tended to be lower among most of the 12 Midwestern states, with Michigan being the outlier.

Unemployment rates among Michigan's youth have been steadily decreasing in recent years as the effects of the COVID-19 pandemic on the labor market have declined. Michigan's youth jobless rates have declined 9.3 percentage points since the highs of 2020 where rates reached 19.4 percent. By 2021, rates had fallen to 11.8 percent in Michigan as businesses and campuses began to reopen, creating more opportunities for Michigan's youth to find employment.

DYLAN SCHAFER
Federal/State Program Manager

TRISHA SCHLEGEL
Economic Analyst

MICHIGAN TEEN LABOR MARKET TRENDS

Youth labor market trends are an important component of the labor market conversation because their workforce patterns have implications on the broader labor market. Youth labor market trends directly impact businesses and industries that rely on the teen workforce and can also help shed light on future socioeconomic and labor force shifts. Employment during teenage years can facilitate younger employees with a great deal of experience, connections, and both soft and technical skills that can prove to be formative for their futures.

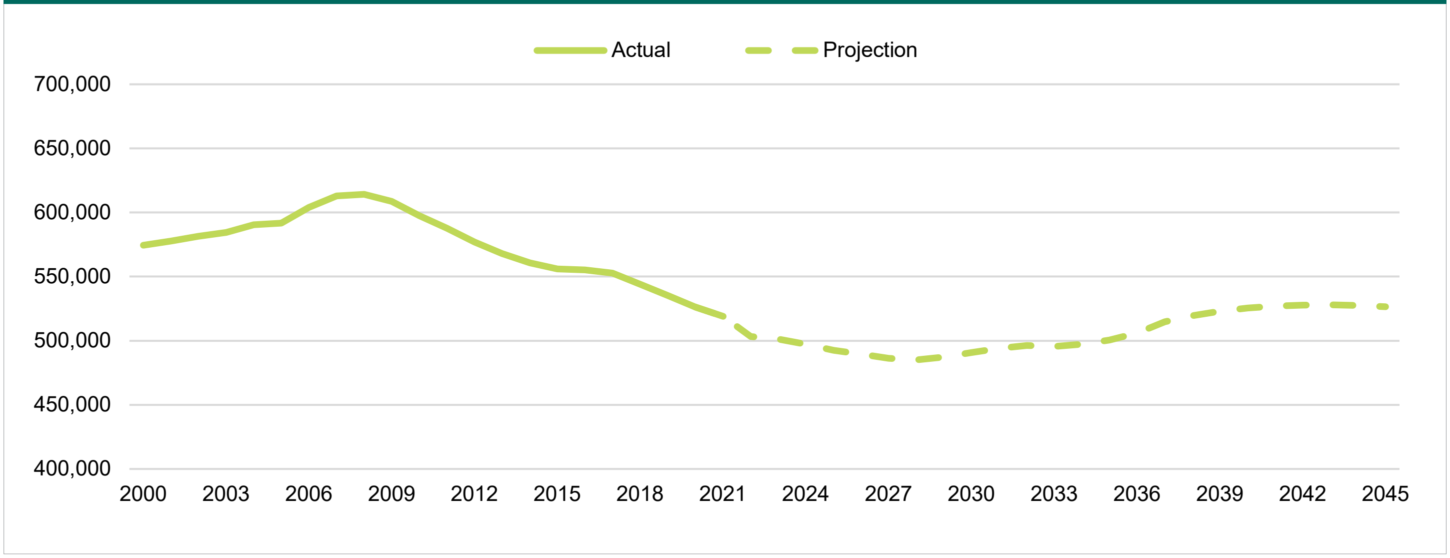
Similar to the June 2022 issue of *Michigan's Labor Market News*, this month's issue explores workforce trends among the teen cohort, ages 16 to 19. In addition to annual trends, this edition will also highlight teen labor force trends specifically in the summer months. As expected, there are notable differences between the teen labor market and the broader labor market in that the opportunities are generally limited for teenage Michiganders, since their time is often divided between work and school. The information in this article relies on several socioeconomic indicators within this age group, including population trends, unemployment and labor force participation rates, educational attainment, and finally, occupational trends.

Population Trends and Projections

Understanding teens and the broader youth population, which account for a portion of the overall statewide labor supply, allows for a more comprehensive understanding of the possible short-term and long-term effects on the state's economy. In 2021, the 16- to 19-year-old cohort represented 5.2 percent of the state's total population, or approximately 519,000 individuals. Although the current level is average in terms of proportion of state total population, it is important to analyze trends over time. Over the last decade, Michigan has experienced a consistent decline in teen population. Between 2011 and 2021, the teen population decreased by approximately 68,700, or 11.7 percent from the 2011 level. Conversely, the state's total population has grown slightly within this time frame, increasing by approximately 1.7 percent over the 10 years.

The Michigan Center for Data and Analytics produces long-term population projections, which consider both recent and long-term trends and forecasts their effects on Michigan population groups into the future. Based on this data, the teen population is projected to decline by 6.6 percent through 2028 and then make a rebound of approximately 8.5 percent by 2045. A reflection of the state's aging population, total population change is expected to outpace the teen cohort growth in future years. Compared to Michigan's total projected population increase (+5.5 percent), the projected 2045 statewide teen population is not significantly higher than the 2021 estimate, with an approximate 1.4 percent increase. Between 2021 and 2045, it is projected that 1.3 percent of the state's total population change (a predicted increase of 555,400) will be attributed to Michigan's projected teen population growth. The majority of Michigan population growth through 2045 is expected to occur in older cohorts.

FIGURE 1: **MICHIGAN TEEN POPULATION (AGES 16 TO 19)**



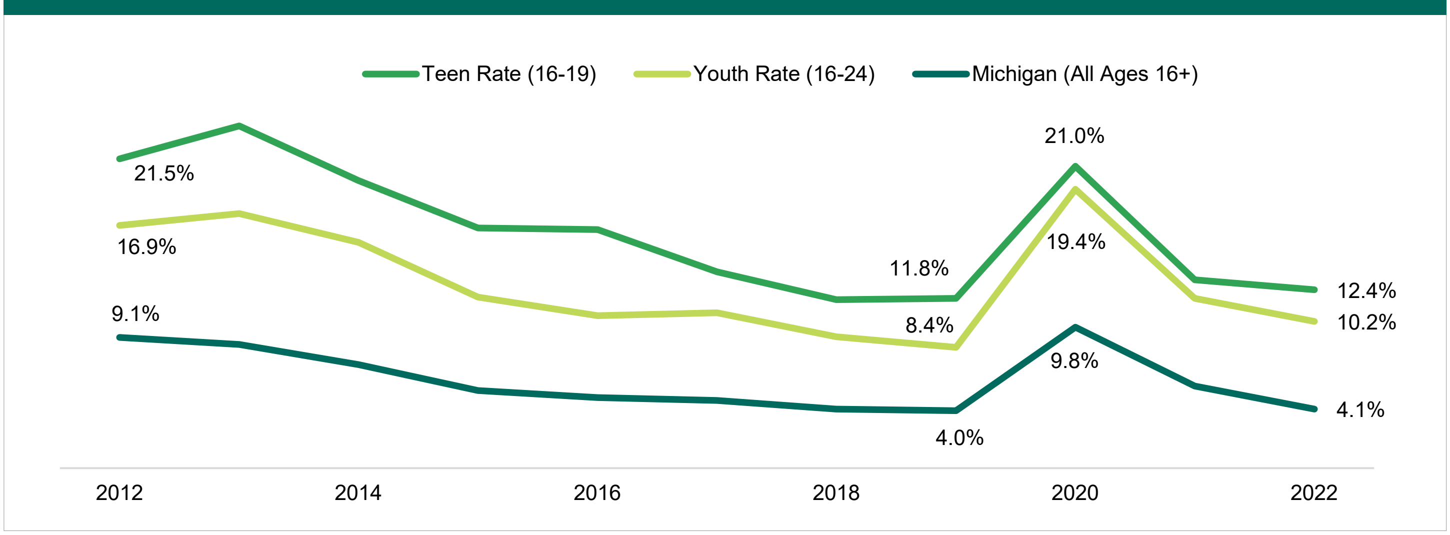
Source: Population Estimates, U.S. Census Bureau and Michigan Center for Data and Analytics, Michigan Department of Technology, Management and Budget

The Teen Unemployment Rate

According to annual data from the Current Population Survey, joblessness declined across every age group in 2022. For the broader youth cohort (ages 16 to 24), the unemployment rate decreased by 1.6 percentage points between 2021 and 2022. At its current rate for this age group, 10.2 percent, joblessness has reverted to typical, pre-pandemic levels. For teens (ages 16 to 19), the same trend can be observed. The teen unemployment rate is characteristically higher than that of the broader youth cohort, with a reported rate of 12.4 percent for 2022. This is 0.7 percentage points less than the 2021 level and 8.6 percentage points less than the 2020 pandemic level.

Over the course of the decade (between 2012 and 2022), the teen unemployment rate has diminished by 9.1 percentage points. In fact, Michigan's teen participation rate is higher than nearly two-thirds of the states that reported teen labor force data in 2022. However, Michigan's teen unemployment rate is still marginally higher than the 2022 national average (10.8 percent). The Michigan unemployment rate for many cohorts was at a recent low in the period between 2018 and 2019, including the teen population. Except for 2020, the 2018 to 2022 period had the lowest-recorded unemployment rates for Michigan teens since 2000, when joblessness was at 10.3 percent. For all ages (16+) and the broader youth cohort (ages 16 to 24), joblessness was at its lowest point in 2019. For teens, the lowest point was in 2018, just one-tenth of a percentage point lower than the 2019 rate. Notably, a several-percentage-point gap was sustained between the teen and youth cohorts until about 2020. Pandemic-induced labor market pressure resulted in the gap between the teen and youth unemployment rates reducing to 1.3 percent in 2021. In 2022, however, the gap widened again to a 2.2-point separation between the two cohorts.

FIGURE 2: **MICHIGAN'S UNEMPLOYMENT RATES BY AGE GROUP**

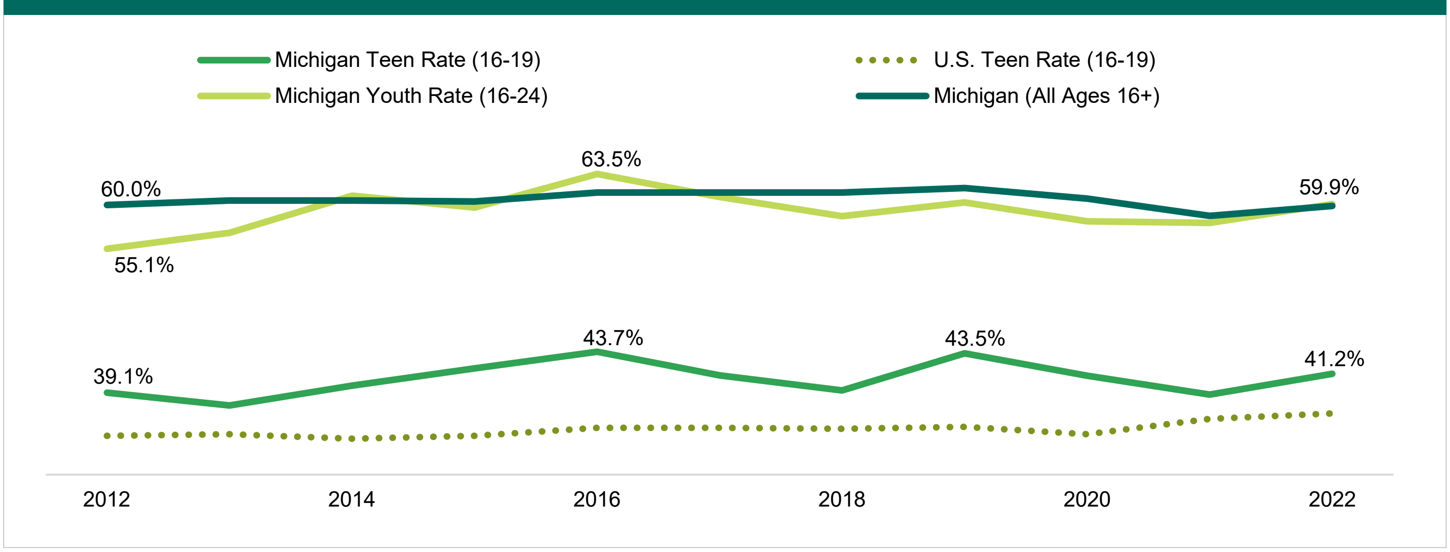


Source: Current Population Survey, U.S. Bureau of Labor Statistics

The Teen Labor Force Participation Rate

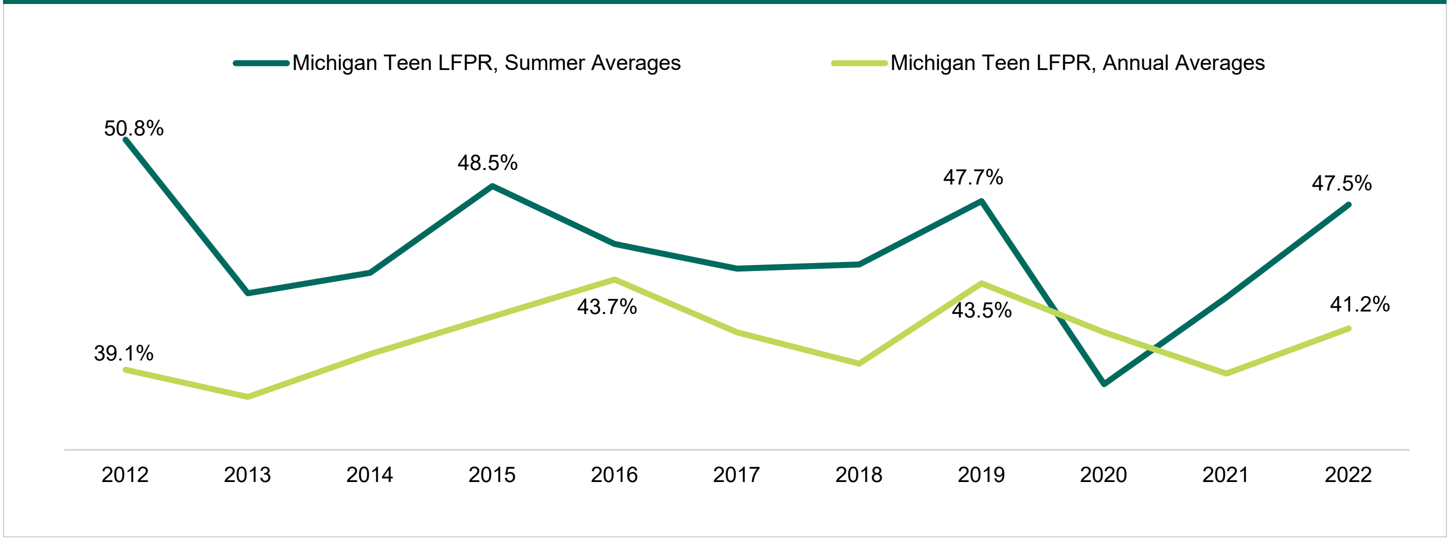
The labor force participation rate reflects the proportion of the civilian noninstitutionalized population, 16 and older, that is either employed or actively seeking employment. This rate is one metric that helps convey how connected residents are to the labor market. After a consecutive decline in 2020 and 2021, the 2022 teen participation rate was 2.3 percentage-points higher than the previous year. As depicted in Figure 3.1, a 41.2 percent labor force participation rate was recorded in 2022, a 2.3 percentage point gain from the 2021 rate. For comparison, Figure 3.1 also displays the participation rates of the youth cohort (ages 16 to 24) and Michigan residents 16 and older. It should be noted that Michigan's teen participation rate was always higher than the national teen participation rate over the course of this 10-year time span. There is also a consistent gap between Michigan teen participation rates and the other two Michigan groups. Among the teen and youth cohorts, there is an average difference of 18.9 percentage points, whereas teen and all residents ages 16+ maintain an average difference of 20.0 percentage points. The vast separation can largely be attributed to schooling—teens may not have time to work around their school schedules and work in industries that are highly seasonal in nature, forgoing labor market participation during the school year. Overall, the labor force participation rate pattern for teens and youth experiences more volatility than older cohorts.

FIGURE 3.1: **MICHIGAN LABOR FORCE PARTICIPATION RATES BY AGE GROUP**



Source: Current Population Survey, U.S. Bureau of Labor Statistics

FIGURE 3.2: TEEN LABOR FORCE PARTICIPATION RATES BY SUMMER RATES AND ANNUAL AVERAGES



Source: Current Population Survey, U.S. Bureau of Labor Statistics

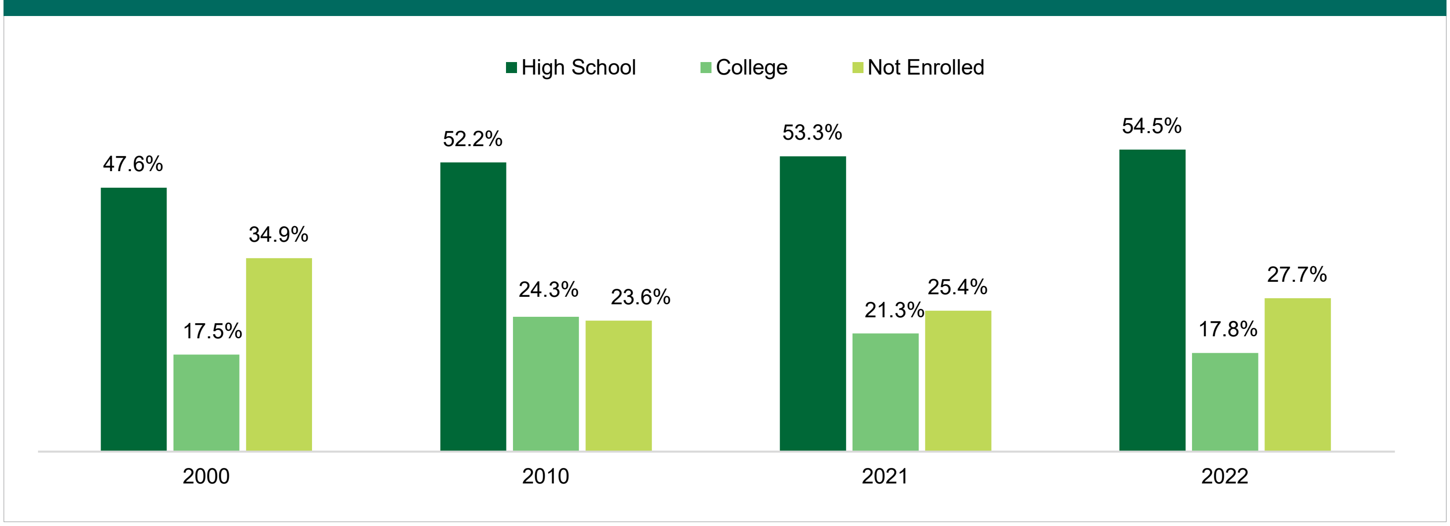
Comparative Look: Summer vs. Annual Labor Force Participation Rates

As discussed, the labor force participation rate pattern for teens and youth is more volatile than older cohorts. This is also the case when isolating summer participation rates. Despite this variability, there is considerable separation between the summer averages and the annual averages over time. The most substantial difference depicted was in 2012, with 11.7 percentage points of separation. Over the course of the decade, the separation has diminished, but still maintains an average gap of 3.8 percentage points between 2013 and 2022. The 2023 forecast for the summer participation rate is predicted to go virtually unchanged. Moreover, this trend illustrates that the number of teens working or actively looking for work tends to spike during Michigan's summer months (June–August).

Teen Enrollment Rates

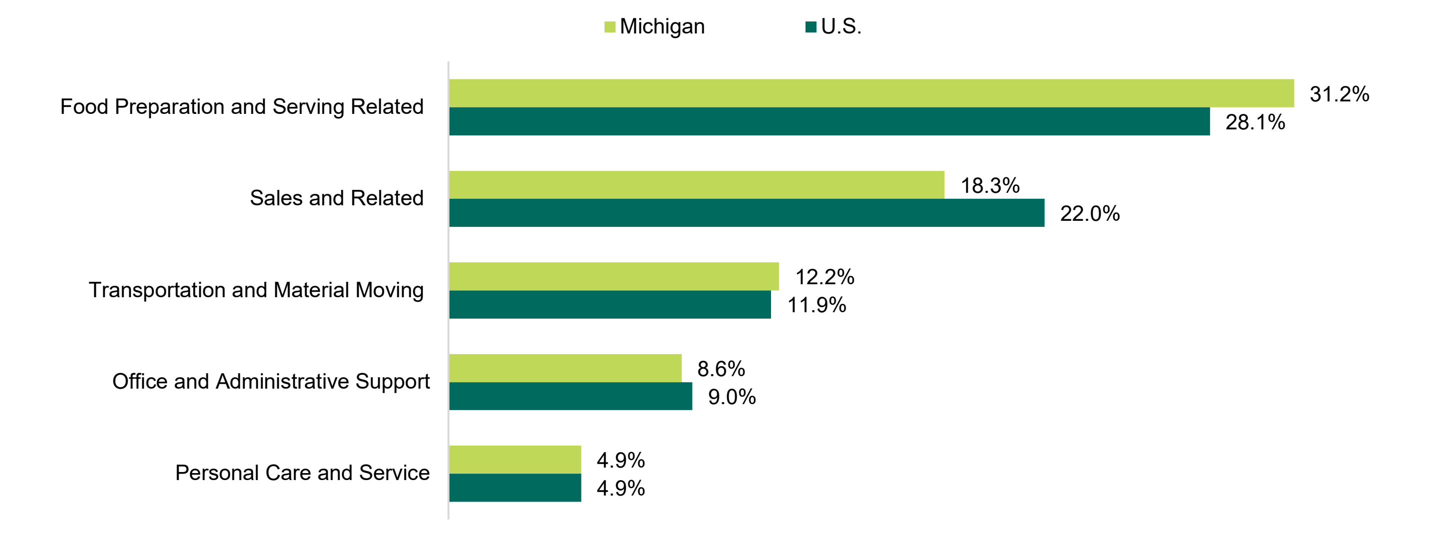
In the Current Population Survey, the questionnaires work to determine both the size and relevant attributes of the Michigan labor force. If a resident has answered no to being actively employed or actively searching for employment within the last week, for instance, the following question(s) will likely attempt to understand the primary reason for not doing so. For the teen cohort, the primary cause often has to do with schooling. Across the annual markers displayed in Figure 4, high school enrollment has steadily increased since 2000. The proportion of Michigan teens enrolled in college in 2022, however, has dropped by 3.5 percentage points since 2021. Across the 50 states, Michigan ranked 20th for its current 2022 college enrollment standing. Although, just last year, Michigan had ranked ninth for largest change (+3.8 percentage points) in college enrollment between 2000 and 2021. And although non-enrollment has seen somewhat of an increase between 2021 and 2022, this rate is considered average across the states.

FIGURE 4: SCHOOL ENROLLMENT RATES IN MICHIGAN, AGES 16 TO 19



Source: Current Population Survey, U.S. Bureau of Labor Statistics

FIGURE 5: **TOP FIVE OCCUPATIONAL GROUPS EMPLOYING LARGEST SHARE OF MICHIGAN AND U.S. TEENS IN 2021**



Source: American Community Survey One-Year Estimates Program, U.S. Census Bureau

Teen Employment by Occupation

Typically, there is a small number of occupational groups that employ a large share of Michigan teens. These occupations tend to be highly seasonal and require minimal experience. In 2021, approximately 168,750 teens (or 75.2 percent of all teens) were employed in the following five occupational groups (in order from largest to smallest share): (1) *Food preparation and serving related* occupations, (2) *Sales and related* occupations, (3) *Transportation and material moving* occupations, (4) *Office and administrative support* occupations, and (5) *Personal care and service* occupations.

Food preparation and serving-related jobs largely fall within the restaurant industry. This occupational group held nearly one-third of total teen employment, approximately 70,000 jobs. *Sales and related* occupations, such as *Cashiers* and *Retail salespersons*, accounted for another 18.3 percent of total teen employment. *Transportation and material moving*, such as *Hand packers and packagers* and *Parking attendants*, represented 12.2 percent of total teen employment. *Office and administrative support services*—for instance, *General office clerks*, *Administrative assistants,* and *Customer service representatives*—employed approximately 19,400 teens (8.6 percent). The fifth and final top category, *Personal care and service* occupations, accounted for 4.9 percent of total teen employment. Examples of positions in this group include *Childcare workers*, *Baggage porters and bellhops*, and *Amusement and recreation attendants*.

Conclusion

As it pertains to the unemployment and labor force participation rates, Michigan's teen labor force (and the older cohorts, for that matter) is continuing to recover from the constraints brought on by the COVID-19 pandemic. Between 2021 and 2022, the teen unemployment rate observed another incremental decline, returning to more typical rates predating the pandemic. As discussed, excluding 2020, the 2018–2022 period had the lowest-recorded unemployment rates for Michigan teens since 2000, when joblessness was at 10.3 percent.

As for the labor force participation rate, Michigan teens have also made a comeback here. After a sustained decline in 2020 and 2021, the 2022 participation rate was 2.3 percentage-points higher than the previous year. Nonetheless, Michigan's teen participation rate continuously outpaced the national average.

Although these are positive economic indicators, the teen labor market has not gone completely unscathed. Initial positions held as a young person often provide invaluable experiences and skills for later in life. Not only does it have an impact on the individual level, but it also carries weight on a collective level as the youth will one day occupy the labor force that Michigan employers will rely on. At this point in time, it is projected that a majority of Michigan's future population growth is expected to occur in older cohorts. If that is the case, it could pose problems down the line for industries and employers that disproportionately rely on hiring youth. Furthermore, economic indicators for Michigan teens are continuing to improve, providing a sense of confidence that the current labor market conditions are conducive for Michigan teens interested in taking part in it.

View the Summer 2023 Job Market Forecast for Michigan Teens.

MADDISON REILLY
Data Analyst

JOB TURNOVER AT LOWEST LEVELS IN THREE YEARS

The Michigan February job openings rate was 5.5 percent, a decrease of 0.7 percentage points since January according to the latest Michigan data released from the Job Openings and Labor Turnover Survey (JOLTS). The hires rate (3.7 percent) and separations rate (4.1 percent) were down over the month as well. Similarly, the quits rate (2.0 percent) and layoffs and discharges rate (0.9 percent) also experienced a decline. The unemployed persons to job openings ratio was the only survey indicator to increase over the month (0.80).

Job Openings Dip in February

Job openings declined in February, dropping to 258,000 from 291,000 in January (-33,000). This was reflected in the job openings rate falling from 6.2 percent in the prior month to 5.5 percent. Openings were below the national rate of 6.0 percent during the same period. Michigan recorded the eighth-lowest rate of job openings, a slight change from 12th in the prior month.

The unemployed persons to job openings ratio increased to 0.80 in February, a small jump from 0.72 in January. This indicated that Michigan had eight unemployed persons per 10 job openings in February, which was notably higher than the national ratio at the time (0.60).

The Number of Hires Declines in Recent Months

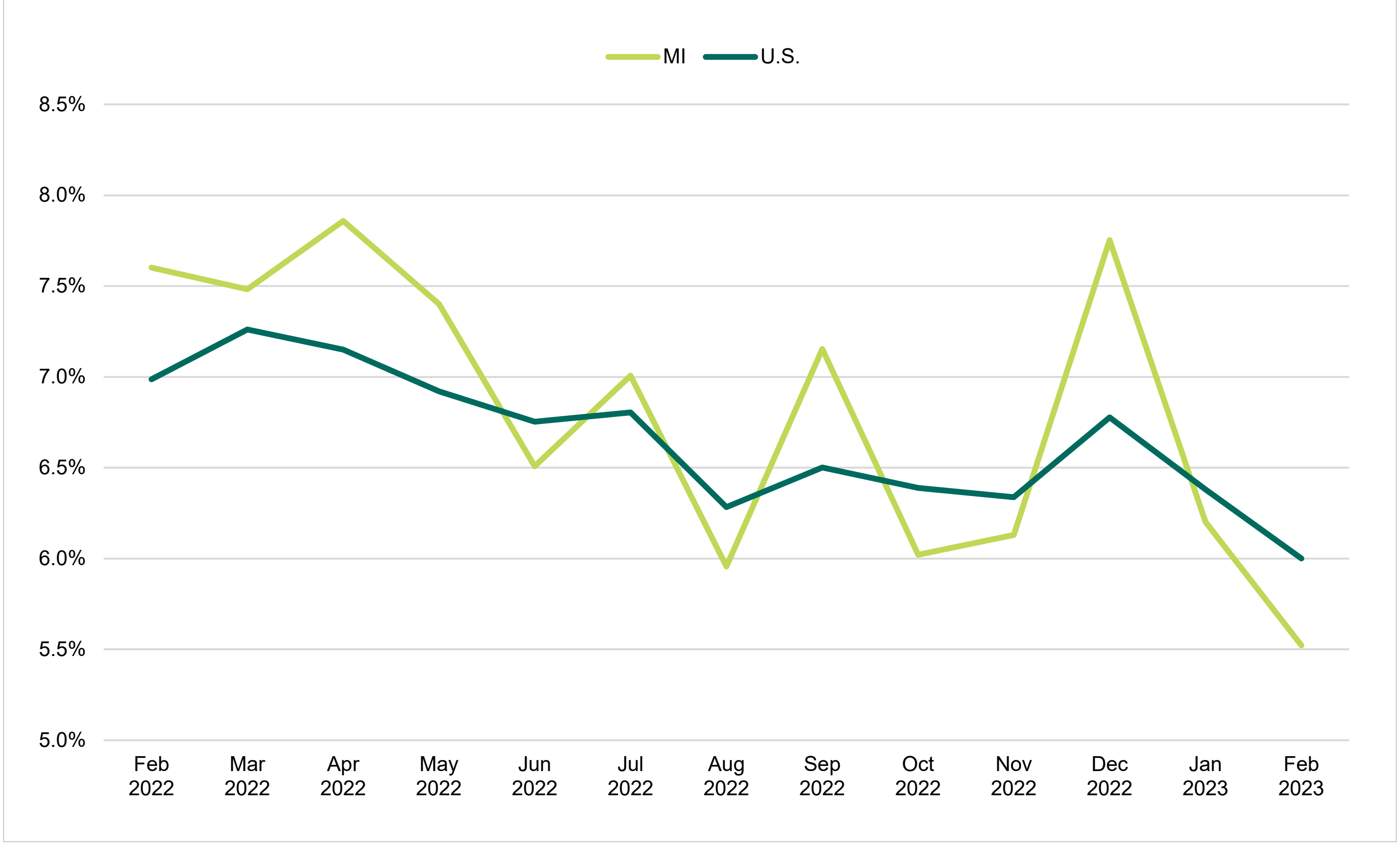
Similar to job openings, the hires rate decreased 0.2 percentage points from January to February, moving to 3.7 percent. This translated to approximately 9,000 less individuals hired statewide in February. Michigan had the 12th-lowest rate of hires, a marginal change from 13th in the month prior.

Separations Rate Indicates Less Workers are Leaving Their Current Jobs

Michigan's separations rate decreased to 3.1 percent in February, down 0.5 percentage points from the previous month (3.6 percent). Numerically, this was reflected in 19,000 less employees separated from their jobs in February (138,000) than in January (157,000). Michigan's separation rate was lower than the national rate (3.7 percent). February's separations rate of 3.1 percent also matched a five year low, indicating fewer people are leaving their current jobs.

The quits rate declined marginally, from 2.2 percent to 2.0 percent. Michigan recorded the sixth-lowest rate of quits, which was relatively unchanged from the previous month's ranking (7th). Quits were also below the national rate at

JOB OPENINGS RATE, MICHIGAN AND THE U.S. FEBRUARY 2022–FEBRUARY 2023



Source: Job Openings and Labor Turnover Survey, U.S. Bureau of Labor Statistics the time (2.6 percent). Layoffs and discharges were also down over the month as well, with the rate dropping to 0.9 percent.

Labor Turnover Reached Three-Year Low

The labor turnover rate is a combination of the separations and hires rates. This rate experienced a decline in February, dropping from 7.5 percent to 6.8 percent. Most notably, this was the lowest recorded rate of labor turnover since January 2020 (6.5 percent). This was primarily driven by a 0.5 percentage point dip in separations in February, where previously this rate was stagnant. Michigan had the 7th lowest turnover rate amongst all states. This was below the national rate during the same period (3.7 percent).

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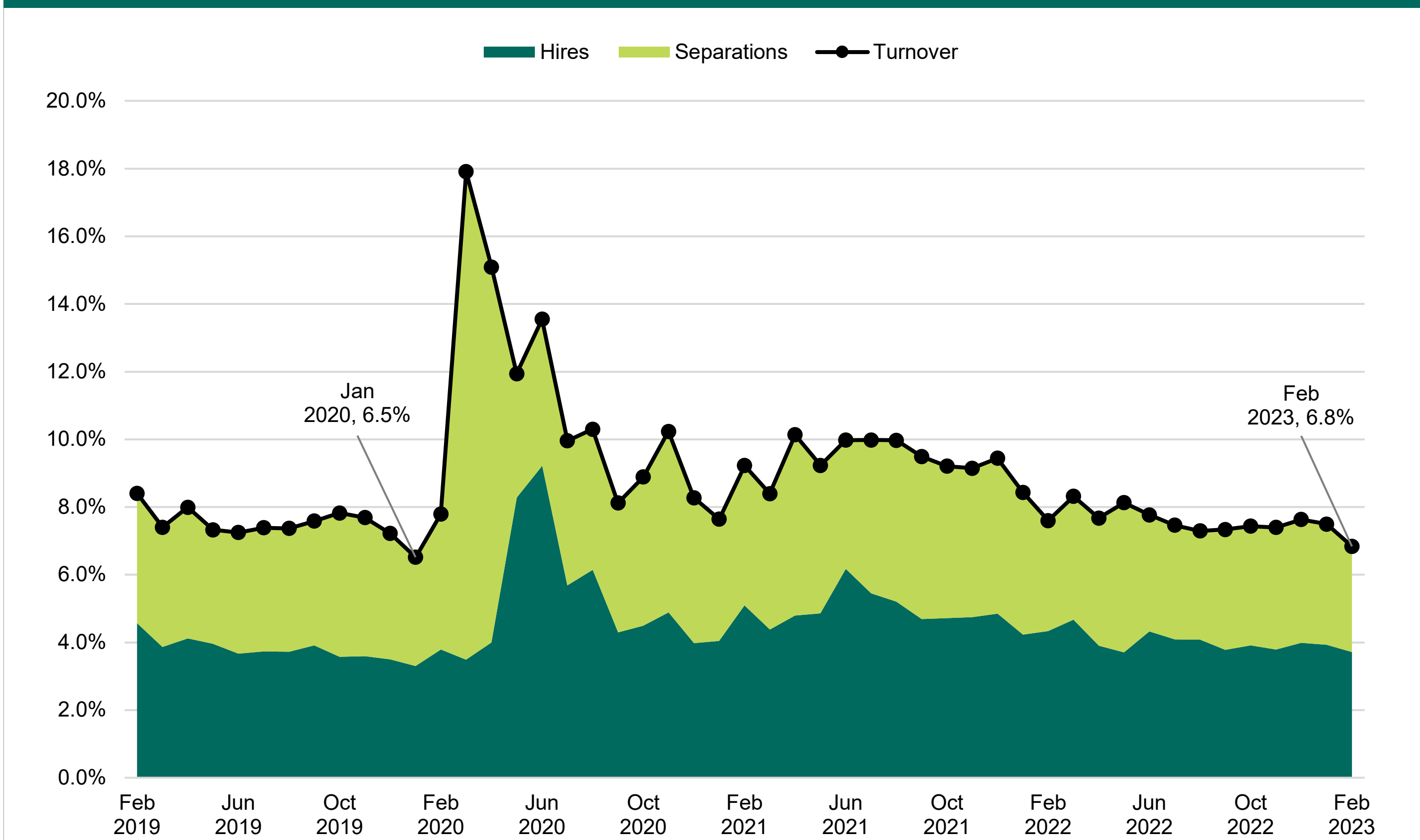
LABOR TURNOVER, HIRES, AND SEPARATIONS, FEBRUARY 2019–FEBRUARY 2023



Source: Job Openings and Labor Turnover Survey, U.S. Bureau of Labor Statistics

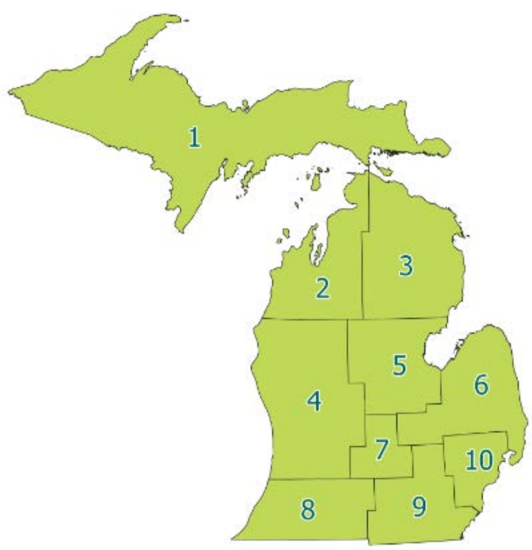
RELEVANT RANKINGS

PROPORTION OF 16- TO 19-YEAR-OLDS BY MICHIGAN PROSPERITY REGION				
RANK	PROSPERITY REGION	PROPORTION OF TOTAL POPULATION	POPULATION OF 16- TO 19-YEAR-OLDS	TOTAL POPULATION
1	South Central (Region 7)	6.6%	30,570	459,956
2	Southeast (Region 9)	6.0%	61,290	1,020,998
3	East Central (Region 5)	5.5%	30,426	553,483
4	West (Region 4)	5.4%	89,000	1,634,591
5	Southwest (Region 8)	5.3%	41,111	781,199
6	Upper Peninsula (Region 1)	5.2%	15,583	300,344
7	East (Region 6)	4.9%	41,198	846,734
8	Detroit Metro (Region 10)	4.8%	188,136	3,922,349
9	Northwest (Region 2)	4.4%	13,830	313,619
10	Northeast (Region 3)	3.8%	7,810	204,231

Source: Population Estimates Program, U.S. Census Bureau

Note: Additional data received by request - Annual Estimates of the Resident Population by Single Year of Age, Sex, Race, and Hispanic Origin for Counties in Michigan: April 1, 2020 to July 1, 2021 (V2021_CO_RES_CHAR11_MI)

Michigan Prosperity Regions



2022 LABOR FORCE PARTICIPATION RATE OF 16- TO 19-YEAR-OLDS, BY STATE

RANK	STATE	16- TO 19-YEAR-OLDS			
		TOTAL POPULATION	POPULATION OF EMPLOYED AND UNEMPLOYED	LABOR FORCE PARTICIPATION RATE	UNEMPLOYMENT RATE
1	Wisconsin	288,000	163,000	56.5	7.0
2	Utah	218,000	117,000	53.7	7.0
3	Idaho	107,000	56,000	52.2	7.1
4	Ohio	626,000	305,000	48.7	10.5
5	Wyoming	32,000	15,000	45.7	13.9
6	Oklahoma	223,000	95,000	42.5	11.9
7	Michigan	510,000	210,000	41.2	12.4
8	Kentucky	262,000	107,000	41.0	8.0
9	Arkansas	167,000	66,000	39.4	9.6
10	Oregon	224,000	87,000	38.7	14.9
11	Illinois	625,000	239,000	38.2	11.8
12	Pennsylvania	612,000	233,000	38.1	8.2
13	Washington	385,000	145,000	37.7	15.1
14	Massachusetts	381,000	142,000	37.2	10.2
15	North Carolina	559,000	199,000	35.5	9.3
16	Arizona	376,000	133,000	35.4	16.6
17	Louisiana	234,000	82,000	35.3	10.1
18	Nevada	176,000	60,000	34.2	11.9
19	New Jersey	505,000	172,000	33.9	8.6
20	Texas	1,745,000	562,000	32.2	11.6
21	Florida	939,000	295,000	31.5	12.2
22	California	2,003,000	587,000	29.3	11.5
23	New York	936,000	270,000	28.9	13.4

Source: 2022 Preliminary Annual Averages, Current Population Survey, U.S. Bureau of Labor Statistics

DATA SPOTLIGHT:

MICHIGAN PRIVATE SECTOR FIRMS BY EMPLOYMENT SIZE

Michigan private sector firms can be grouped together based on their number of workers: small (<50 workers), medium (50–499), and large (500+). This analysis uses March 2022 data from the Quarterly Census of Employment and Wages program to display a snapshot of Michigan's firm size data at that point in time. According to the data, 96.1 percent of Michigan's private sector businesses had less than 50 workers, while medium and large firms made up less than four percent of businesses in the state (Figure 1).

FIGURE 1: MICHIGAN'S TOTAL FIRMS BY SIZE CLASS MARCH, 2022

FIRM SIZE	EMPLOYMENT	NUMBER OF FIRMS	SHARE OF FIRMS
Small firms	<50	247,733	96.1%
Medium firms	50–499	9,605	3.7%
Large firms	500+	497	0.2%

Source: Quarterly Census Employment and Wages, Michigan Center for Data and Analytics, Department of Technology, Management & Budget

Michigan Employment in Small, Medium and Large Firms

In March 2022, Michigan's total private employment reached 3.7 million workers across all firm sizes. Roughly 78.0 percent or nearly 2.9 million private sector workers were employed by small or medium-sized firms. While large firms only accounted for 0.2 percent of the businesses in the state, they employed almost 806,200 workers or 22.0 percent of total private sector employment.

SMALL FIRMS

The *Professional, scientific, and technical services* sectors had the highest number of small firms at 34,881, followed by *Healthcare and social assistance* with 28,233, and *Other services except public administration* at 24,813. The small firms in these industries accounted for almost 87,900 or 35.6 percent of total private sector small firms.

The *Retail trade* sector had the most private sector employment of small firms, with nearly 208,100 workers, followed by *Accommodation and food services* with approximately 204,900. *Healthcare and social assistance* was the third sector with the largest employment of small firms with 159,200. The combined employment of small firms in these three industries accounted for 572,200 or 40.4 percent of total small firm employment. This also amounted to 15.6 percent of statewide private sector employment.

MEDIUM FIRMS

Medium firms were classified as 50 to 499 workers. This firm size displayed the second-highest number of Michigan businesses, with 3.7 percent or 9,605. The *Manufacturing* and *Healthcare and social assistance* sectors had the most medium-sized firms, with 1,960 and 1,365 firms, respectively. *Accommodation and food services* registered the third-largest number of medium-sized firm with 906 firms. Together, these three sectors combined for approximately 4,200 or 44.0 percent of total private sector medium firms.

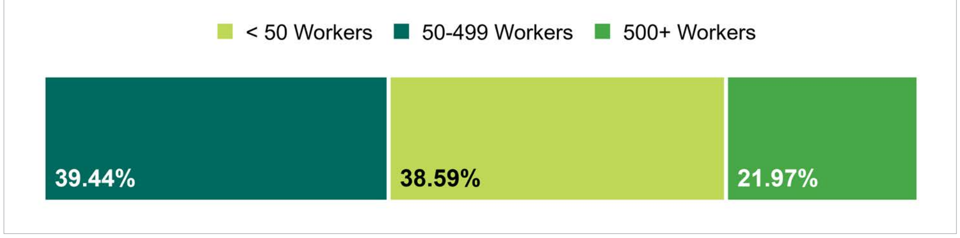
The *Manufacturing* sector employment reported the most workers in medium-sized firms with over 288,000, followed by *Retail trade* at nearly 223,600. *Healthcare and social assistance* employment was the third highest at approximately 187,600. The combined private sector employment of medium-sized firms in these top industries accounted for almost 699,200 or 48.3 percent of total medium-sized firm employment and compiled 19.0 percent of Michigan's private sector workers.

LARGE FIRMS

The *Manufacturing* sector also recorded the most prominent number of large firms with 126. This was followed by *Healthcare and social assistance* with 111 firms and *Administrative and support and waste management and remediation services* with 61. The combined number of large firms in these three industries accounted for 60.1 percent of total private sector large firms.

The *Healthcare and social assistance* sector registered the highest employment in large firms with almost 224,500 workers. *Manufacturing* large firms had the next most employment at 193,500, followed by *Administrative and support and waste management and remediation services* with about 81,100 employees. The large firms in these three industries accounted for almost 499,000 workers or 61.9 percent of total large firm employment and provided 13.6 percent of Michigan's total private sector employment.

FIGURE 2: PERCENTAGE OF TOTAL PRIVATE EMPLOYMENT BY FIRM SIZE, MARCH 2022



Source: Quarterly Census Employment and Wages, Michigan Center for Data and Analytics, Department of Technology, Management & Budget

Wages by Firm Size

Michigan firms paid 58.1 billion in total wages during the first quarter of 2022, according to the Quarterly Census of Employment and Wages program. Medium firms accounted for 40.2 percent or 23.3 billion of total private sector wages. Small firms paid 18.5 billion or 31.8 percent, followed by large firms which represented the lowest aggregate earnings at 16.2 billion or 28.0 percent.

Conclusion

Small firms accounted for an overwhelming share of all firm sizes in Michigan, while medium firms employed the most workers and earned the most total wages out of all size classes. The Bureau of Labor Statistics (BLS) generates size class data in March of each year, which further breaks down these small, medium, and large firm size intervals into more detail. For more information on firm sizes by state and industry, visit the Establishment Size Data page and Employment and Wages Data Viewer on the BLS website.

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