

2ND QUARTER 2019

# CEO REPORT

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MICHIGAN  
**WORKS!**  
Great Lakes Bay Region



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# regional UPDATE

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ALICE UPDATE, LABOR FORCE SNAPSHOT, INDUSTRY SNAPSHOT

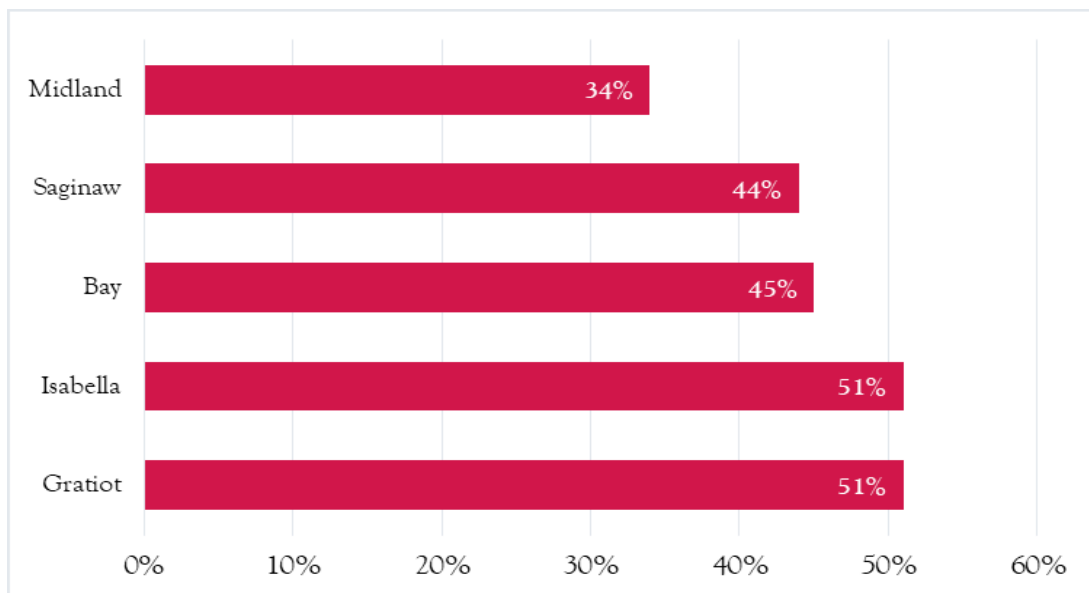


# ALICE Report

## ALICE: Asset Limited, Income Constrained, Employed

In the East Central Michigan Prosperity Region (Prosperity Region 5), 1 out of every 2.2 households (45%) is earning less than what is needed (the ALICE Threshold) to afford the basics, such as housing, child care, food, transportation, health care and technology. The number of households within Prosperity Region 5 not earning enough to afford the basics has increased since the 2017 report (1 out of every 2.4 households or 41% as reported in 2017). Statewide the number of households amounts to 43% with income below the ALICE Threshold.

Figure 1: % of households falling below ALICE Threshold by County



Source: ALICE in Michigan: A Financial Hardship Study 2019 Michigan Report ([www.MichiganALICE.org](http://www.MichiganALICE.org))

While each household has its own set of unique circumstances, the following emerging trends are identified in the 2019 Michigan ALICE Report Executive Summary, pages 1-2:

- 1. The Changing American Household** - Baby boomers are aging, millennials are making different lifestyle and work choices than previous generations, and patterns of domestic and foreign migration are shifting. These trends are changing both household composition and demands for goods and services.
- 2. Market Instability** - A globally connected economy means that economic disruptions and natural disasters in one part of the world will increasingly have an impact on U.S. ALICE workers, contributing to employment instability, a shifting supply and demand, and a disruption in traditional modes of operation.
- 3. Health Inequality** - As health care costs rise, there will be increasing disparities in health according to income and other social determinants of health, such as access to health care, educational opportunities, and safe neighborhoods. Expensive medical advances that are out of reach of lower-income households will only further this divide.

4. **Technology** - It is changing the workplace, adding some jobs, replacing many others, while also changing where people work, the hours they work, and the skills that are required, creating both opportunities and challenges for ALICE workers.

Despite overall improvement in employment and gains in median income, the economic recovery in Michigan has been uneven. Many ALICE households continue to face challenges from low wages, reduced work hours, depleted savings, and increasing costs. From many households that earned slightly above the ALICE Threshold in the past, increases in the cost of living and flat wages have pushed them below the Threshold and into financial hardship. The total number of Michigan households that cannot afford basic needs increased 6 percent from 2010 to 2017. (ALICE in Michigan, Executive Summary, March, 2019)

**Table 1:\* One person per household, no children or other dependents, \*\*Two adults, one infant and one pre-K, \*\*\*Michigan ALICE Threshold**

<b>TABLE 1: PROSPERITY REGION 5 ALICE INCOME THRESHOLDS</b>						
	2019		2017		2015	
	Annual	Hourly Income	Annual	Hourly Income	Annual	Hourly Income
<b>Single Adult *</b>						
Survival	\$20,301 (\$21,036***)	\$10.16 (\$10.56***)	\$17,525	\$ 8.76	\$16,680	\$8.34
Stability	\$32,742	\$16.36	\$29,000	\$14.50	\$23,901	\$11.49
<b>Family of 4**</b>						
Survival	\$59,464 (\$61,272***)	\$28.82 (\$30.64***)	\$51,464	\$25.73	\$49,112	\$24.56
Stability	\$107,517	\$53.76	\$100,196	\$50.10	\$90,683	\$45.34

Source: East Michigan Council of Governments (EMCOG) March 2019 ALICE Update ([www.MichiganALICE.org](http://www.MichiganALICE.org))

Numerous stakeholders within the Prosperity Region 5 are working on many initiatives such as access to quality certified pre-school education, employee resource networks and transit availability to make it easier and less costly for ALICE to work and to move ALICE from survival mode to sustainable mode.

**The Business Resource Network program being actively developed by Great Lakes Bay Michigan Works directly aligns with these initiatives.**



Figure 2a: State-wide Comparison of % of Households Below ALICE Threshold

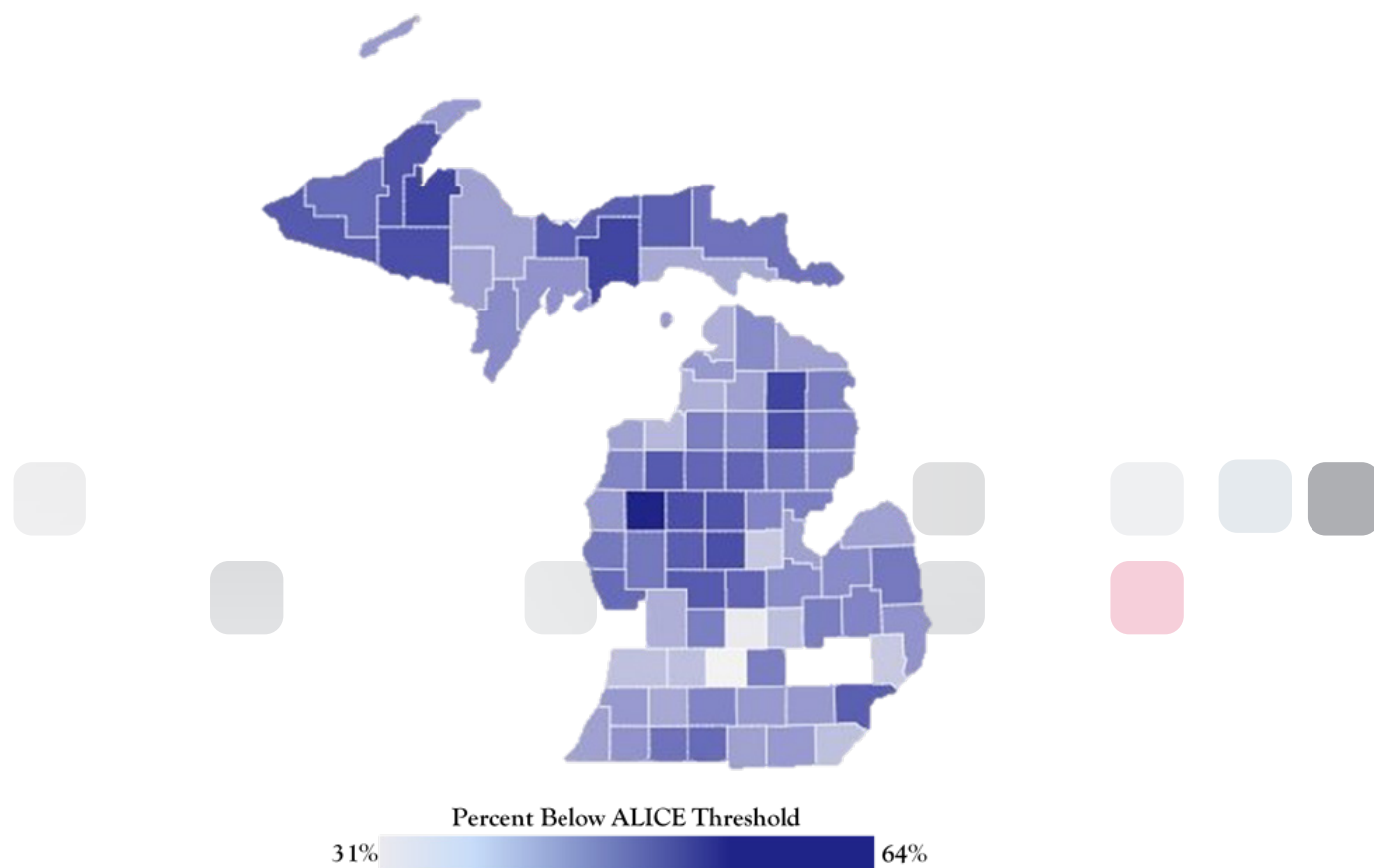
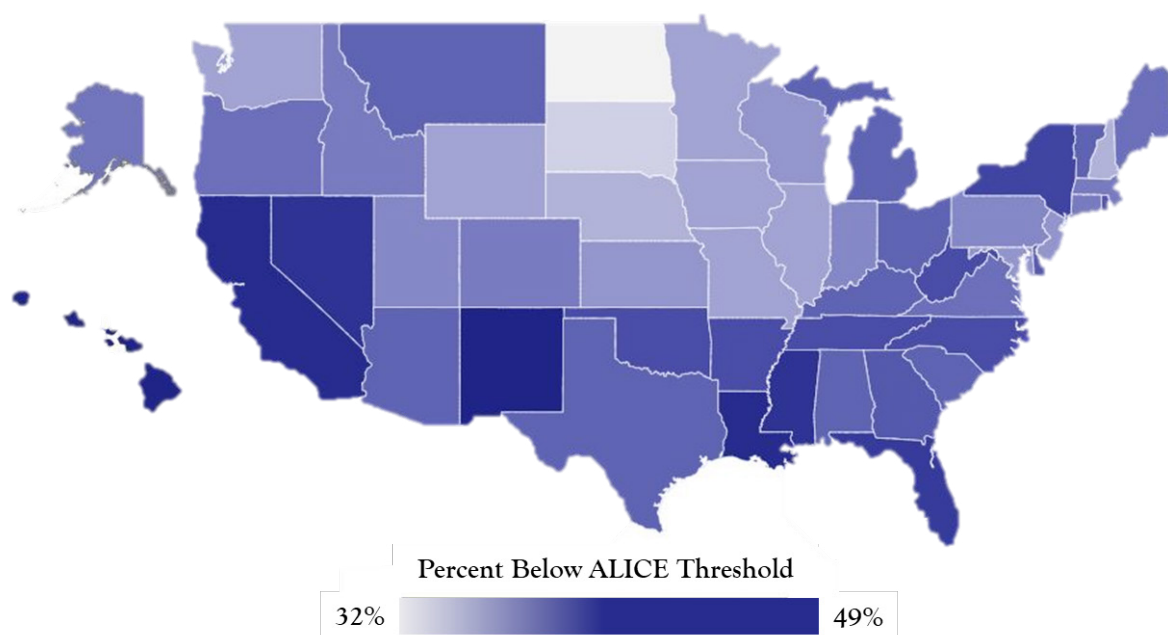


Figure 2b: National Comparison of % of Households Below ALICE Threshold



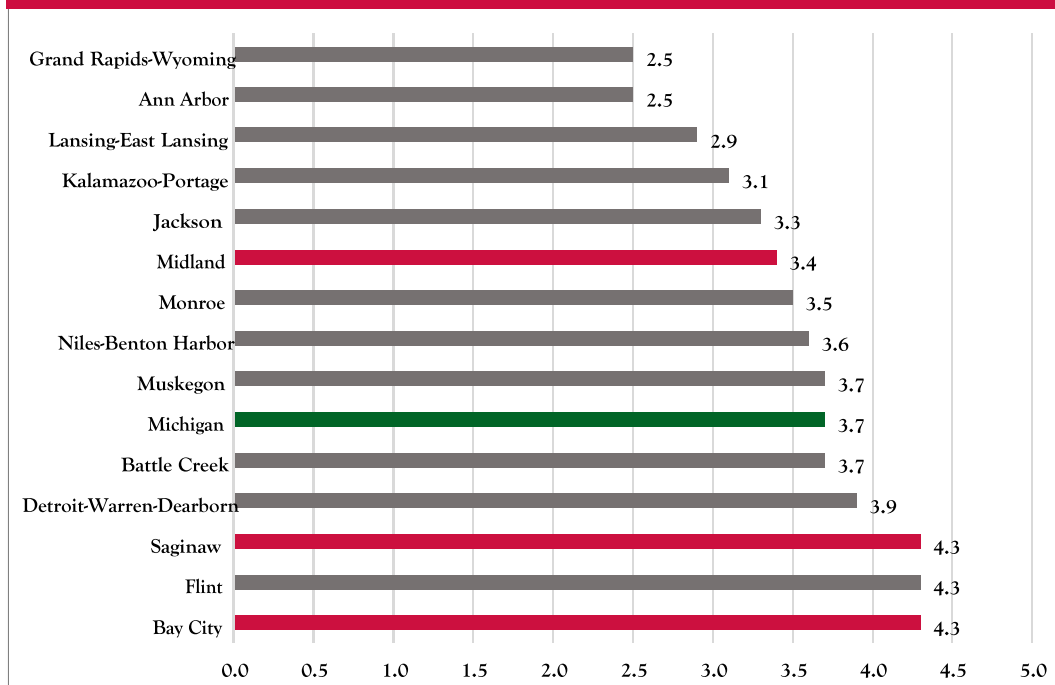
# REGIONAL LABOR MARKET UPDATE

FOR APRIL 2019

All three Mid-Michigan metro areas had jobless rates drop nearly 1.0 full percentage point in April. This followed small increases in rates during March. Rates were slightly down in every market since April 2018.

The Midland MSA continues to have the lowest jobless rate among mid-Michigan metro areas at 3.4 percent. This was down 0.9 percentage points over the month. The monthly rate drop comes with an uptick in the number of employed (+500) and a decrease in the number of unemployed (-400). Bay City and Saginaw each recorded jobless rates of 4.3 percent, which were the highest rates for any metro area across the state. Even so, these area rates were not far off the April state jobless rate of 3.7 percent (FIGURE 3)e

**FIGURE 3: REGIONAL AND STATE UNEMPLOYMENT RATES, APRIL 2019**  
( NOT SEASONALLY ADJUSTED )



Source: [www.milmi.org](http://www.milmi.org)

All five counties had notable monthly drops in the number of unemployed individuals as well as modest increases in the number of employed. Labor force totals edged up slightly in three of the counties with a very minor decline in Saginaw and Isabella Counties (TABLE 2).



TABLE 2: REGIONAL LABOR FORCE ESTIMATES (not seasonally adjusted)			
	April 2019	March 2019	April 2018
<b>Bay County</b>			
Labor Force	50,300	50,200	50,300
Employment	48,100	47,500	47,900
Unemployment	2,200	2,700	2,400
Jobless Rate	4.3%	5.3%	4.8%
<b>Gratiot County</b>			
Labor Force	18,000	18,050	18,000
Employment	17,275	17,150	17,125
Unemployment	725	900	875
Jobless Rate	4.0%	5.0%	4.8%
<b>Isabella County</b>			
Labor Force	35,150	35,175	34,800
Employment	33,950	33,600	33,525
Unemployment	600	775	650
Jobless Rate	3.5%	4.4%	3.6%
<b>Midland County</b>			
Labor Force	40,600	40,400	40,900
Employment	39,200	38,700	39,300
Unemployment	1,400	1,800	1,600
Jobless Rate	3.4%	4.3%	3.9%
<b>Saginaw County</b>			
Labor Force	87,000	87,400	86,400
Employment	83,300	82,800	82,500
Unemployment	3,700	4,600	3,900
Jobless Rate	4.3%	5.3%	4.5%

Source: [www.milmi.org](http://www.milmi.org)

Over the year, jobless rates were down modestly across the region. Statewide the jobless rate remained flat since April 2018. Unemployment rates remain historically low and are dropping seasonally as spring hiring emerges.

*It is important to note that, although jobless rates have been increasing, overall employment numbers have been fairly steady. Jobless decreases may be attributed to a combination of modest job growth and individuals leaving the labor force. These two factors could result in artificially decreasing jobless rates. Workforce participation (the total number of people engaging in the workforce) rates remain relatively low, with Michigan mirroring the national average at 61.8%. (Source [www.bls.gov](http://www.bls.gov))*



# INDUSTRY SNAPSHOT

Great Lakes Bay Region 4th Quarter 2019

The top 5 industry sectors across the region remain consistent, with Great Lakes Michigan Works focusing efforts on high-demand, high-wage industries -- those industries that provide a living wage for their employees.

Future estimates do forecast a downturn in the workforce of key industries across the region, with employee transfers meeting and employee exits (as baby boomers retire) exceeding job growth in individual Industry sectors. This is driving the need for current solutions that will focus on retention (TABLE 3).

**TABLE 3: INDUSTRY SNAPSHOT FOR GREAT LAKES BAY REGION**

Current		3-Year History				3-Year Forecast			
	Four Quarters Ending with 2018q4		Total Change	Avg Ann % Chg in Employees		Separations (Approximate)		Growth	
Industry	Empl	Avg Ann Wages	Empl	Region	Total New Demand	Exits	Transfers	Empl	Avg Ann Rate
Health Care and Social Assistance	35,991	\$45,996	92	0%	11,116	5,036	5,214	867	1%
Manufacturing	28,249	\$71,678	280	0%	7,276	3,197	5,451	-1372	-2%
Retail Trade	25,318	\$27,117	-694	-1%	9,660	4,444	5,613	-397	-1%
Accommodation and Food Services	19,978	\$18,019	-745	-1%	9,440	4,271	5,376	-206	0%
Educational Services	15,830	\$44,801	-319	-1%	4,119	2,100	2,259	-239	-1%
Waste Management and Remediation Services	13,937	\$39,673	-460	-1%	4,768	2,043	2,767	-41	0%
Other Services (except Public Administration)	10,616	\$21,605	502	2%	3,449	1,640	1,952	-143	0%
Construction	10,369	\$48,587	335	1%	3,159	1,102	1,965	93	0%
Public Administration	7,998	\$48,303	37	0%	2,031	928	1,257	-155	-1%
Professional, Scientific, and Technical Services	6,376	\$61,060	-762	-4%	1,672	616	1,027	30	0%
Finance and Insurance	5,671	\$61,952	130	1%	1,452	608	979	-135	-1%
Transportation and Warehousing	5,662	\$49,213	319	2%	1,647	760	1,019	-132	-1%
Wholesale Trade	4,889	\$55,678	-165	-1%	1,393	575	948	-130	-1%
Management of Companies and Enterprises	4,473	\$242,721	531	4%	1,214	452	763	-1	0%
Agriculture, Forestry, Fishing and Hunting	3,160	\$32,017	-236	-2%	963	439	577	-54	-1%
Arts, Entertainment, and Recreation	2,787	\$20,253	-94	-1%	1,178	526	645	6	0%
Information	2,630	\$46,994	-557	-6%	690	276	482	-68	-1%
Real Estate and Rental and Leasing	2,194	\$39,643	-62	-1%	627	304	360	-37	-1%
Utilities	1,202	\$89,679	188	6%	271	116	203	-48	-1%
Mining, Quarrying, Oil and Gas Extraction	471	\$60,833	17	1%	156	47	97	11	1%
Unclassified	195	\$33,300	11	2%	64	28	38	-2	0%
Total - All Industries	207,996	\$48,484	-1650	-0.3%	65,742	29,050	38,730	-2,038	-0.3%



# Legislative Update

On June 6<sup>th</sup>, 2019 Governor Whitmer signed Executive Order 2019-13. This order effectively reorganized the Department of Economic Development under the new Department of Labor and Economic Opportunity (LEO). Gov. Whitmer appointed Jeff Donofrio, who served as Detroit's executive director of workforce development, to lead the new state department.



Figure 1: Source [www.mlive.com](http://www.mlive.com)

The Department of Labor and Economic Opportunity will now house the Michigan State Housing Development Authority; the Michigan Strategic Fund, now with a restructured board; the Michigan Talent Investment Agency; State Historic Preservation Office; State Historic Preservation Review Board; State Land Bank Authority, a re-formed version of the now-abolished State Lake Bank Fast Track Authority; Unemployment Insurance Agency; Michigan Council for Rehabilitation Services; Michigan Rehabilitation

Services; Michigan Community Service Commission; Asian Pacific American Affairs Commission; Board of Health Safety and Compliance and Appeals; Bureau of Services for Blind Persons; Commission for Blind Persons; Commission on Middle Eastern American Affairs; Employment Relations Commission; Hispanic/Latino Commission of Michigan; The Michigan Office of New Americans, renamed the Office of Global Michigan; Michigan Occupational Safety and Health Administration; Wage and Hour Division currently housed in the Department of Licensing and Regulatory Affairs; Worker's Compensation Agency; Worker's Compensation Board of Magistrates; and the MiSTEM Advisory Council, which is abolished and replaced by the Michigan Science, Technology, Engineering and Mathematics Education Advisory Council.

Although WDA, our closest partner at the State level, will look different under the new Department, the services delivered every day to our customers and partners will continue as part of the Department of Labor and Economic Opportunity. Business cards and logos will be updated, but they will continue to administer current programs, initiatives and projects. The Governor has made it very clear that closing the skills gap and increasing educational attainment in Michigan are two of her key priorities and she recognizes the value that workforce provides in achieving and exceeding these priorities.

This Executive Order will take effect 60 days from signing. At this time, there are considerable unanswered questions at the State Level, but the Michigan Works Association and the Great Lakes Bay Michigan Works team is closely monitoring the progress of this transition and assisting as much as possible.

# current PROJECTS



MARSHALL PLAN FOR TALENT, YOUTH TALENT TOURS,  
MiCAREERQUEST MIDDLE MICHIGAN







Michigan Department of Talent and Economic Development recently announced the second (and final) round of awards for the Marshall Plan for Talent program. In all, \$14 million were awarded to 13 talent consortia statewide serving more than 220,000 students from across Michigan.

Great Lakes Bay Michigan Works! partnered with three talent consortia (Coleman Regional Career Competency and Talent Pipeline Consortium, IT Competency and Career Education Venture Talent Consortium, and The Great Lakes Advanced Manufacturing Consortium) which were awarded nearly \$4 million in Marshall Plan grants serving over 52,000 students.

Talent Consortium	Region of Michigan	Grant(s) Awarded	Award Amount	Students Served	Total Partners
Align Lenawee	Lenawee County area	297a(2&3)	\$788,976	8,970	19
BCPathways4Success	Calhoun County area	297a(2&3) 297b	\$842,858	3,943	19
CBH Consortium Construction Technology Program	Oakland County area	297a(2&3) 297b	\$713,018	13,146	36
Coleman Regional Career Competency and Talent Pipeline Consortium	Midland County area	297a(2&3) 297b	\$469,886	1,718	20
Geospatial Technologies Talent Consortium	Wayne, Monroe, and Northern Michigan	297a(2&3)	\$988,707	12,466	30
IT Competency and Career Education Venture Talent Consortium	Bay-Arenac, Midland, Gratiot-Isabella	297d	\$465,385	38,462	45
Michigan Boating Industries	Eastern Upper Peninsula	297a(2&3) 297b	\$475,040	234	20
Northeast Michigan Talent Alliance (NEMTA)	Cheboygan, Crawford, Iosco, Oscoda, Ogemaw, Roscommon	297a(2&3) 297b	\$1,218,255	18,316	45
OU Pontiac W.E (Workforce Education) Initiative	Oakland County	297a(4)	\$150,000	4,151	29
T3-Teach.Talent.Thrive	Clinton, Eaton, Ingham, Shiawassee Counties	297b	\$793,024	69,138	106
The Great Lakes Advanced Manufacturing Consortium	Genesee, Huron, Lapeer, Lenawee, and Sanilac Counties	297b	\$3,000,000	12,340	29
UP Cybersecurity Talent Consortium	Alger, Delta, Marquette, Menominee, Schoolcraft Counties	297a(2&3) 297b	\$2,466,151	18,070	53
Upper Peninsula Manufacturing Talent Consortium	Alger, Delta, Dickinson, Iron, Marquette, Menominee, Schoolcraft Counties	297b	\$1,287,000	19,157	49

# Isabella County

## High Concentration Youth Talent Tours

Our Mt Pleasant Service Center Youth staff recently hosted 8 weeks of tours of local employers and educational institutions exposing current youth participants to a behind-the-scenes look into in-demand businesses and industries. These talent tours provided real-time information on post-secondary educational opportunities and requirements, an opportunity to see real-life application of coursework and information regarding employers and apprenticeships. Youth were introduced to available career paths in our region, life skills such as eating at fine dining restaurants, leadership skills and team building.

### Tours included:

**Veterinary Office of Dr. Pol** (from the TV Show the Incredible Dr. Pol - exposure to animal/veterinary jobs and also exposure to movie production

**Hopewell Ranch** - a horse farm specializing in animal therapy

**The Wildlife Gallery** - a 58,000-sq-ft facility that is the largest tanning facility in the United States. Exposure to all aspects of taxidermy positions, sales, warehouse, shipping & receiving and office positions



**McLaren Hospital** - exposure to all healthcare positions, office, laundry, maintenance

**Mobile Medical Response** - exposure for EMT and paramedic careers

**Delta College** - vocation labs for introduction to careers such as auto technology, chemical process technician, alternate energy, CNC and welding

**Aircraft Precision** - revealing manufacturing jobs that create and build commercial aircraft parts.

**Central Michigan University** - all day tour of the campus

**Pohl Cat Golf Course** - for landscaping, management, restaurant positions, maintenance positions

**Holiday Inn** - for all hospitality careers within this brand new hotel

**Soaring Eagle Resort** - hands-on experience from a sound technician who works for concerts

**Mid Michigan Community College** (electrical apprentices) & **Michigan Small Business Development Center**





## A New Way to Create a Talent Pipeline

Looking ahead and interested in creating a talent pipeline for your business? Weary of the same-old career fairs? Jazzed about something collaborative and innovative?

Then join companies like Vantage Plastics, Covenant HealthCare, Consumers Energy, Fullerton Tool, Michigan Agriculture Commodities, Renue Physical Therapy, Kapex Manufacturing, Rollrite, Hemlock Semiconductor, MMR, Nexteer, Spence Brothers, LIUNA Local 1098, and Great Lakes Bay Manufacturing Association and become an exhibitor or sponsor.

The event takes place on October 30, 2019, at SVSU's Ryder Center and promises to be the most unique, hands-on career exploration ever. Modeled after similar events in West and SE Michigan, it will feature heavy equipment, simulators, tools, and hands-on exhibits – presented by working professionals to 10,000 area middle and high schoolers already registered from an 11-county area.

In addition, several education providers will be on-hand to connect students to the necessary training required for some of today's highest demand jobs including Greater Michigan Construction Academy, SVSU, Delta College, Dorsey Schools, and Alpena Community College.

Great Lakes Bay Michigan Works! and Michigan Works! 7B are hosting the event and are actively looking for more event sponsors and exhibitors interested in collaborating with other employers in the following industries:

- Advanced Manufacturing
- Agri-Business
- Construction
- Health Care
- Information Technology

The goal of the event is to create an experience unlike any other career and college-readiness event.

Imagine CNC machines, CPR dummies, robots, drones, and cranes – all up close and personal with no “Do Not Touch” signs in sight. The event hopes to help students find their future in an exciting new way, while also laying the ground work to build a much-needed talent pipeline for employers.

This is not your typical career fair. In fact, it's not a career fair at all. It will be an unmatched opportunity for employers to work together within their industries to help youth better understand the strong career options available right here in Michigan.

Employers can contribute and participate in many ways, including sponsorship, leadership in the planning committee, championing the overall composition and flow of an industry's exhibits, and by exhibiting the day of the event.

If you are interested in participating, contact your Michigan Works! business services representative or reach out to Kristen Wenzel, COO, Great Lakes Bay Michigan Works! at (989) 280-8031, [kristenw@michiganworks.com](mailto:kristenw@michiganworks.com) or Natasha Allen, COO, Michigan Works! Region 7B at (989) 426-8571, [nallen@michworks4u.org](mailto:nallen@michworks4u.org).



Please forward this to your industry peers!

# regional SPOTLIGHT



SUCCESS STORIES FOR EMPLOYERS & JOB SEEKERS





# Success Stories

When “NO” Turns to “YES” With Help of Michigan Works!

Duro-Last, Inc. of Saginaw is a family-run business with more than 480 employees servicing a nationwide base. They have grown to be the world’s largest manufacturer of custom fabricated roofing systems. Investing in their employees, their equipment and their process has made them Number One.

The company has been awarded four successful training grants (first as STTF grants, now as Going Pro Talent Fund). These grants have allowed the company to train more than 100 of their employees. With the expansion of training in lean manufacturing, technical software and maintenance, the Duro-Last team has seen considerable success.

As the Going PRO Talent Fund continues to be more competitive, Duro-Last found that they were not awarded the initial 2019 grant. With the help of GLBMW, Michigan Manufacturing Technology Center and Delta College, Duro-Last was successfully awarded a Going PRO ILC grant with other employers needing the same trainings. Along with this Going PRO ILC, Duro-Last plans to hire 25 new employees in 2019.

Duro-Last’s senior HR specialist, Keith Bowler says, “Great Lakes Bay Michigan Works staff had been instrumental in Duro-Last receiving the STTF and Going PRO grants. They’ve worked hard for us and have been very helpful. We are pleased with our partnership with Great Lakes Bay Michigan Works!”

## From Medication Aide to Registered Nurse

When Jessica Dodd first came to Great Lakes Bay Michigan Works! in May 2016, she was underemployed working part time as a medication aide at a local assisted living facility. Overworked and underpaid, Jessica was barely able to cover her living expenses and had come to Great Lakes Bay Michigan Works! seeking tuition assistance to complete her Bachelor of Science Degree in Nursing (BSN) at Saginaw Valley State University.

Jessica was scheduled to begin her BSN clinicals that September. The most significant barrier to her long-term career goal of becoming a registered nurse was the lack of funds for the completion of clinical rotations. The Talent Experts worked with Jessica to complete all pre-training requirements and quickly obtained approval for training assistance, providing a total of



\$5,967.25 to help cover the costs of tuition, books, and supplies.

Jessica successfully completed the BSN program at SVSU on December 15, 2018. She began working as an RN at MidMichigan Medical Center in Midland less than a month later. Jessica was hired full-time at the hourly rate of \$29.62 (includes \$2.50 overnight differential) and received a generous benefits package.

“It’s unbelievable how fortunate I am when I think about my unique experiences throughout college,” Jessica says. “I cannot thank Great Lakes Bay Michigan Works! enough, especially Beth, for helping me advance myself into a career I truly have

passion for. Being the first in my entire family to attend college, I have provided for myself since the age of 18 and struggled to pay bills each month, knowing there was not an option to fail when it came to school. After reaching out to Michigan Works!, I came across a woman who impacted me and who I will remember dearly for the rest of my days. Beth has encouraged me every step of the way in nursing school, which was the most stressful chapter of my life thus far. I always had Beth supporting me and ensuring me she could help me obtain necessities from books to scrubs and class fees. The Michigan Works! team I had on my side is one of a kind and I cannot thank everyone enough for all their time and energy...I DID IT!!!”

## Job Seeker Keeps on Truckin’

Christopher Anderson was unemployed when he came to a WIOA orientation in July 2018 to learn about services offered by Great Lakes Bay Michigan Works! After three months of job searching, he was unable to find local employment in his previous occupation as a manufacturing manager.

Unwilling to uproot his family to find work, he made the decision to seek training here in a new career field. Chris had past experience driving box trucks and, after careful consideration, he decided that obtaining a CDL-A endorsement would greatly increase his employment options.

Chris researched training programs listed on MiTalent Connect and chose 160 Driving Academy in Saginaw. Considered a “dislocated worker,” Chris qualified for help from Great Lakes Bay Michigan Works! for the cost of tuition for his 4-week program, DOT physical, drug screen, TIP card and road test.

He completed the training in October, earned his CDL-A endorsement and immediately began applying for truck driver jobs. It wasn’t long before he was offered

a position by Avalon & Tahoe delivering pontoon boats to customers across the country.

“I was extremely impressed with the services I received and the help guiding me through the process,” Chris says. “The end result was great, as I was able to obtain my training and move forward with my goals.”





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upcoming

# EVENTS

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IMPACTING OUR REGION THROUGH ACTION!



# Events

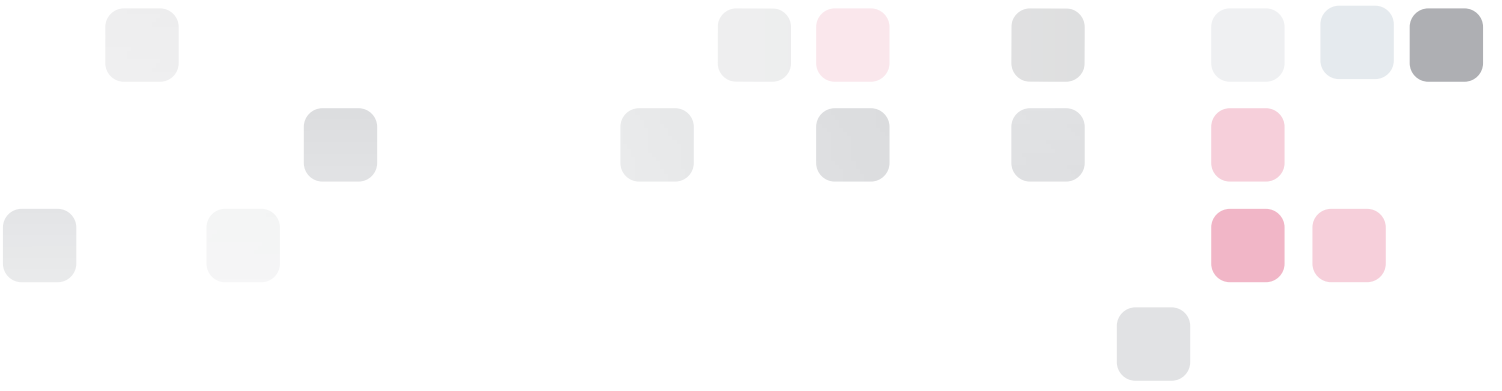
- **Feb 21** - Multi-Company Job Fair, Construction, Saginaw Service Center
- **Feb 26** -“Home for Opportunity Tour,” Delta College
- **Feb 28** - Multi-Company Job Fair, Construction, Mt. Pleasant Service Center
- **Mar 1** - Veterans Job Fair, Saginaw, Midland Service Centers
- **Mar 5** - MMMCQ Information Session, Saginaw and Midland Service Centers
- **Mar 6** - MMMCQ Information Session, BAISD Educational Service Center
- **Mar 7** - MMMCQ Information Session, Mt. Pleasant and Alma Service Centers

# performance REPORTS



DATA FOR IMPACTFUL DECISION MAKING









A report by  
Great Lakes Bay Michigan Works  
CEO Christopher Rishko

**MICHIGAN**  
**WORKS!**  
Great Lakes Bay Region