



Michigan League FOR Human Services

September 2010

## Labor Day Report: Long-Term Unemployment is at Crisis Level

**T***his is the fourth annual Labor Day Report published by the Michigan League for Human Services. While past issues of the report have looked at unemployment from various angles, this issue focuses particularly on long-term unemployed workers, defined as those who have been without work for more than 26 weeks. The report addresses the federal and state safety net provisions that can assist such workers, particularly the Unemployment Insurance (UI) system. It continues the tradition of examining the wages of Michigan's most prevalent job sectors, and concludes, as it does each year, with a look at what Michigan has done recently on behalf of working families, and what more needs to be done. This paper has been produced with the support of the **Economic Policy Institute, the Joyce Foundation, and the Working Poor Families Project.** Unless otherwise noted, all data has been supplied by Economic Policy Institute as part of its State of Working America project.*

### The Known Problem: Michigan's Unemployment Rate

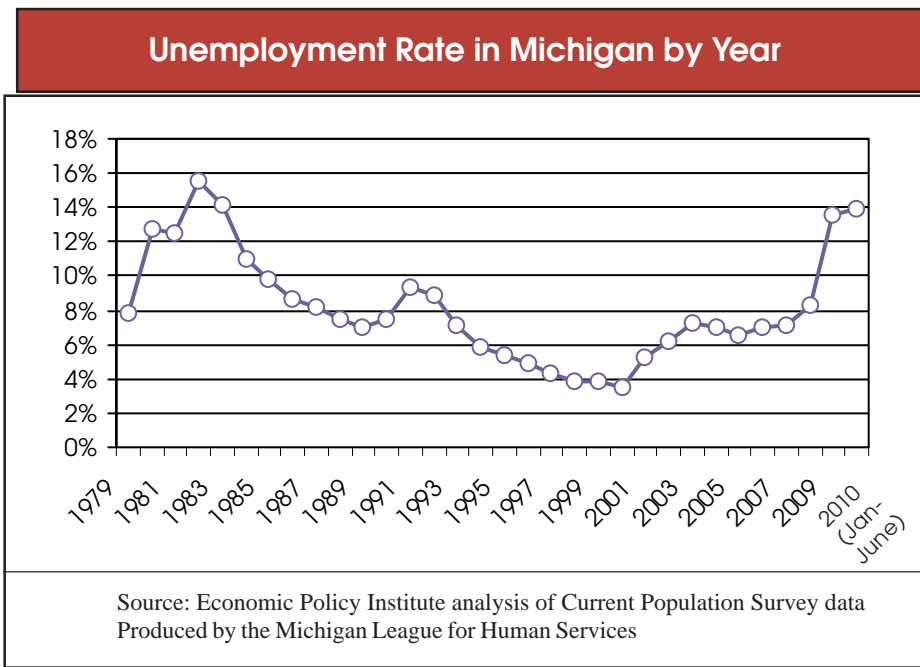
There has been much attention given to the fact that Michigan has had a very high unemployment rate for most of the past decade. The decline of the manufacturing industry, and the resulting loss of support for other businesses in the communities affected by that industry, have resulted in Michigan having the second-highest unemployment rate in the nation for the past three months (May-July 2010) and the highest rate in each of the 49 months previous to that.<sup>1</sup> The annual unemployment rate shot up from 8.3 percent in 2008 to 13.6 percent in 2009, and 13.9 percent during the first

half of 2010, bringing the annual unemployment rate to its highest level since 1983 (Fig. 1).

Last year's edition of the Labor Day Report had a special focus on race, showing that African American workers are more severely affected by downturns in the economy than their white counterparts. For this year's edition, data for Hispanic and Asian/Pacific Islander workers in 2009 is also available. As seen in Figure 2, the 2009 unemployment rate was 12 percent for white and Asian workers, but 16.6 percent for Hispanic workers and 21 percent for African American workers.

<sup>1</sup>Bureau of Labor Statistics, Local Area Unemployment Statistics.

Fig. 1



unemployed was 6.5 percent in 2000, when the economy was good, but 41 percent in 2009 (Fig. 3). Given that there were on average 665,020 unemployed workers each month in 2009, that amounts to approximately 272,658 workers each month who were long-term unemployed. Michigan has led the country in long-term unemployment for the past three years (Appendix A). As with the general unemployment rate, African Americans are the most severely affected: nearly half (49.1%) of all unemployed African American workers in 2009 were long-term unemployed, while 39 percent of white workers were (Fig. 4).<sup>2</sup>

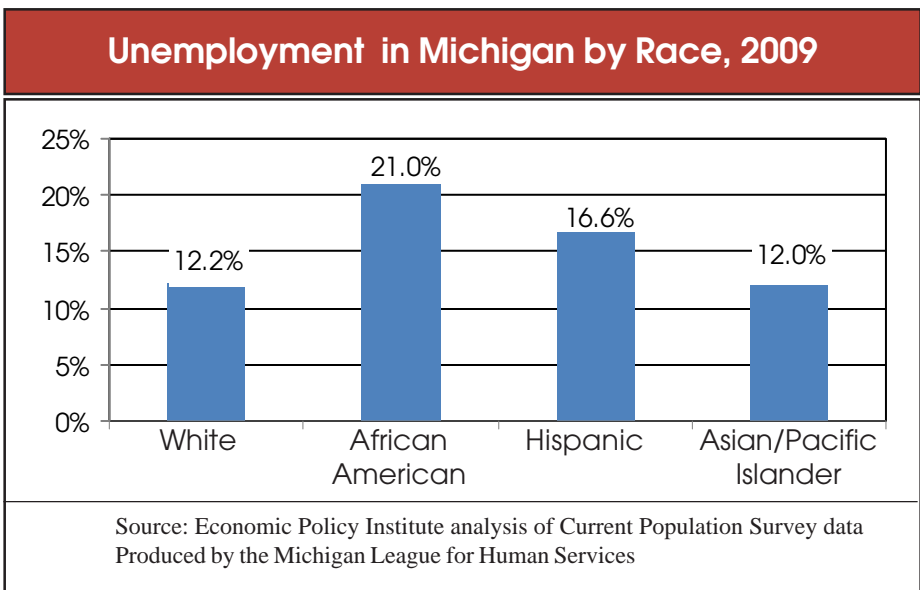
### The Worst of the Problem: Michigan's Long Term Unemployment Rate

Less discussed in the media, but of equal or greater consequence, is Michigan's high long-term unemployment rate. Long-term unemployment is defined as over 26 consecutive weeks, or over half a year. The share of Michigan's workers who were long-term

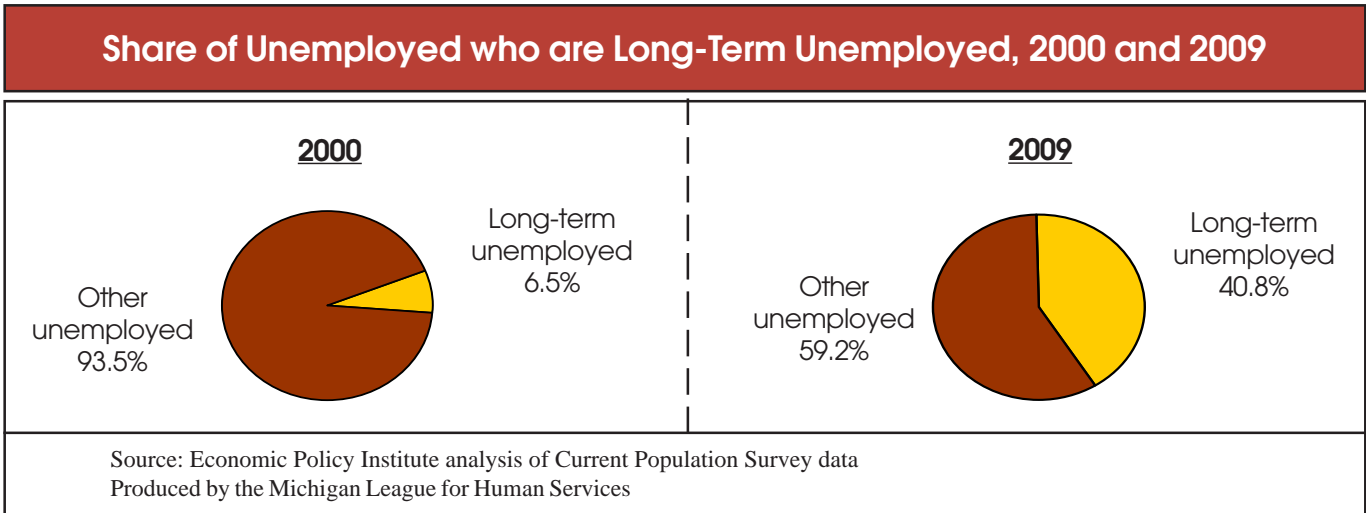
Being unemployed for half a year or more has devastating consequences for workers and their families. According to RealtyTrac, Michigan had 37,026 foreclosures during the 2009 third quarter alone. Many long-term unemployed workers do not qualify for Unemployment Insurance (UI) because their wages were not high enough, because they worked only part

time, or because they have exhausted their unemployment benefits. Such workers often need to rely on savings, earnings from a spouse, or help from friends and family, which may not be enough to pay the rent or mortgage or maintain the family car. When a long-term unemployed worker has no other source of income in the household (or the total household income puts the household at 43 percent below the poverty threshold) and the household's savings fall below \$3,000, the worker is eligible for cash assistance.

Fig. 2



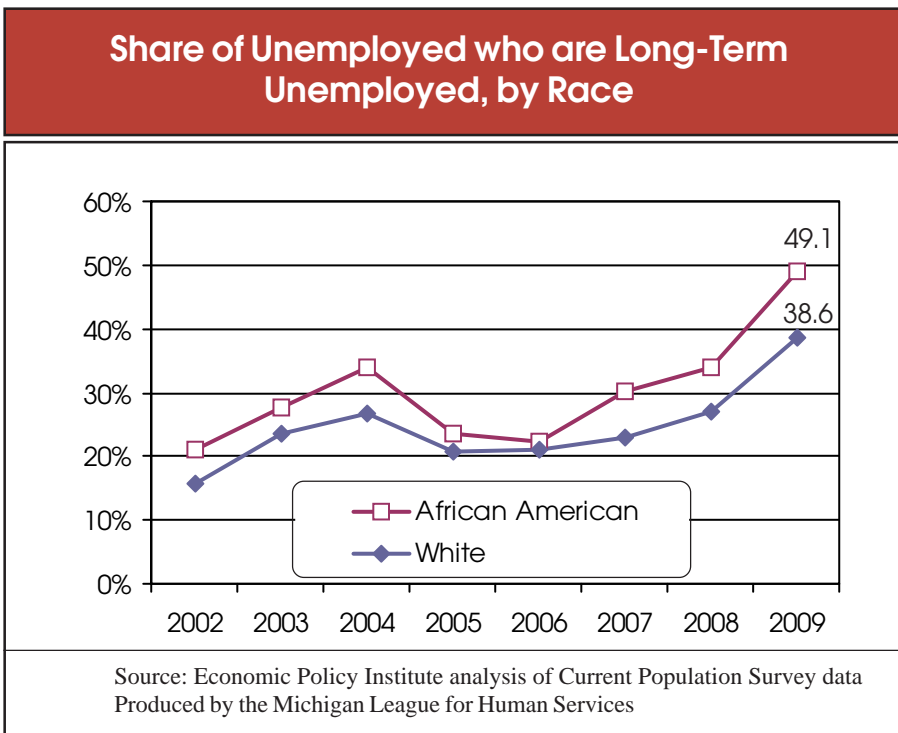
<sup>2</sup> Economic and Revenue Forecasts: FY2009 and FY2010. Consensus Revenue Estimating Conference, May 2009. Data obtained from Automotive News.



Long-term unemployed workers are apparently applying for various forms of public assistance outside of the UI system. Households receiving cash assistance through Michigan’s Family Independence Program (FIP) increased by 11 percent between the first quarter of 2009 and that of 2010. Households receiving Supplemental Nutrition Assistance Program (SNAP, formerly known as Food Stamps) benefits increased by 27 percent over the same period. In July 2010, more than 907,000 households and 1.84 million individuals in Michigan received benefits through

SNAP. While the eligibility for receiving SNAP makes it reasonably easy for the long-term unemployed to qualify, food assistance does not usually free up enough money in a family’s income to cover the rent or other necessities such as transportation. Cash assistance, being set at such a low eligibility level (total household income of \$814 or less per month for a family of three), is not available to most unemployed workers with children until they are already in a very precarious financial state, and not available at all to those without children.

Fig.4



When a state such as Michigan has significant long-term unemployment, it depresses the economy even further. When workers do not have money, they do not spend it and businesses suffer. Even families who are able to make ends meet through UI benefits or other assistance do not spend money in their communities the way they would if they were employed. Tax revenues on the state and local level are reduced while the need for public assistance increases. When there is less money in people’s pockets, charitable giving takes a large hit as well, and the nonprofits that serve unemployed and other struggling families find themselves having to respond to higher demand with fewer resources. All of this

taken together has created an undesirable economic environment for Michigan residents in general, and a hostile one for the most vulnerable.

### The Overlooked Problem: Michigan's Underemployment Rate

The unemployment rate, the most common measure of the strength of the job market, is defined as the share of jobless people in the labor force who have actively sought work in the past four weeks. While this measure is certainly important, it does not give us information about workers who have left the workforce altogether or who are negatively affected by the economy without becoming altogether unemployed. Looking at the underemployment rate helps to provide a more comprehensive picture.

Underemployment is defined to include unemployed workers, plus workers who are part-time for economic reasons (specifically, people who wish to work full time but work part time because they cannot find full-time work), plus marginally attached workers. Marginally attached workers are those who are unable to work because of some kind of barrier such as child care or transportation, as well as discouraged workers who have looked for work sometime in the past twelve months but stopped looking because they believe the type of work they seek is no longer available.

(Discouraged workers are not included in the labor force denominator used to estimate the unemployment rate, but are included in that used to determine the underemployment rate.)

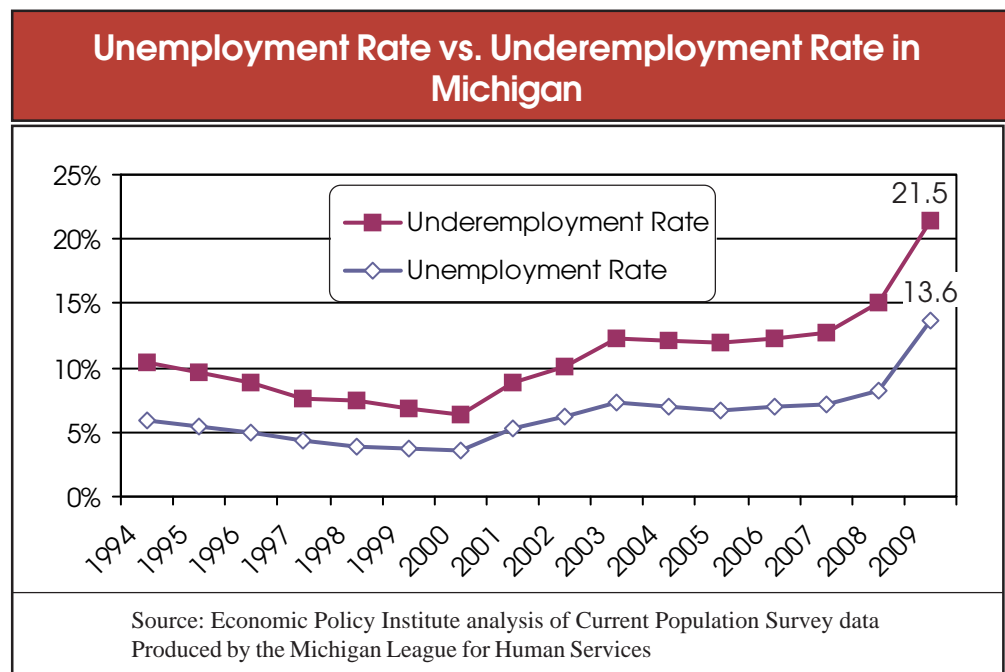
The Bureau of Labor Statistics began collecting data on part-time and marginally attached workers in 1994, which has enabled the Economic Policy Institute to measure the rate of underemployed workers at the state level from that year on. A look

at the underemployment figures shows that while the official 2009 unemployment rate was 13.6 percent, after factoring in workers who were marginally attached or part time for economic reasons, the underemployment rate was 21.5 percent (Fig. 5). As with other measures of employment hardship, the underemployment rate is consistently higher for minority groups (Fig. 6).

One subgroup of underemployed workers is those working part-time (34 hours or less) for economic reasons. In 2000, 9 percent of part time workers were actively seeking full-time work but could not find it due to unfavorable business conditions or seasonal declines in demand. In 2009, fully one quarter of all part-time workers in Michigan was part time for economic reasons. The remaining three-fourths of part-time workers were either doing so voluntarily or because non-economic reasons (i.e. illness, child care problems or lack of transportation) were preventing them from working full time (Fig. 7). Interestingly, while Michigan has had the highest underemployment rate in the country for five years, it ranked twelfth among the states in its percentage that worked part time for economic reasons in 2009.

The underemployment figures show that a much higher percentage of the population has been experiencing employment hardship than what the

Fig. 5



unemployment rate indicates. Even this measure understates the hardship, however, as it does not take into account those who are working in full-time low-

wage jobs because they cannot find employment with wages commensurate with the higher-paying jobs they lost.

Fig. 6

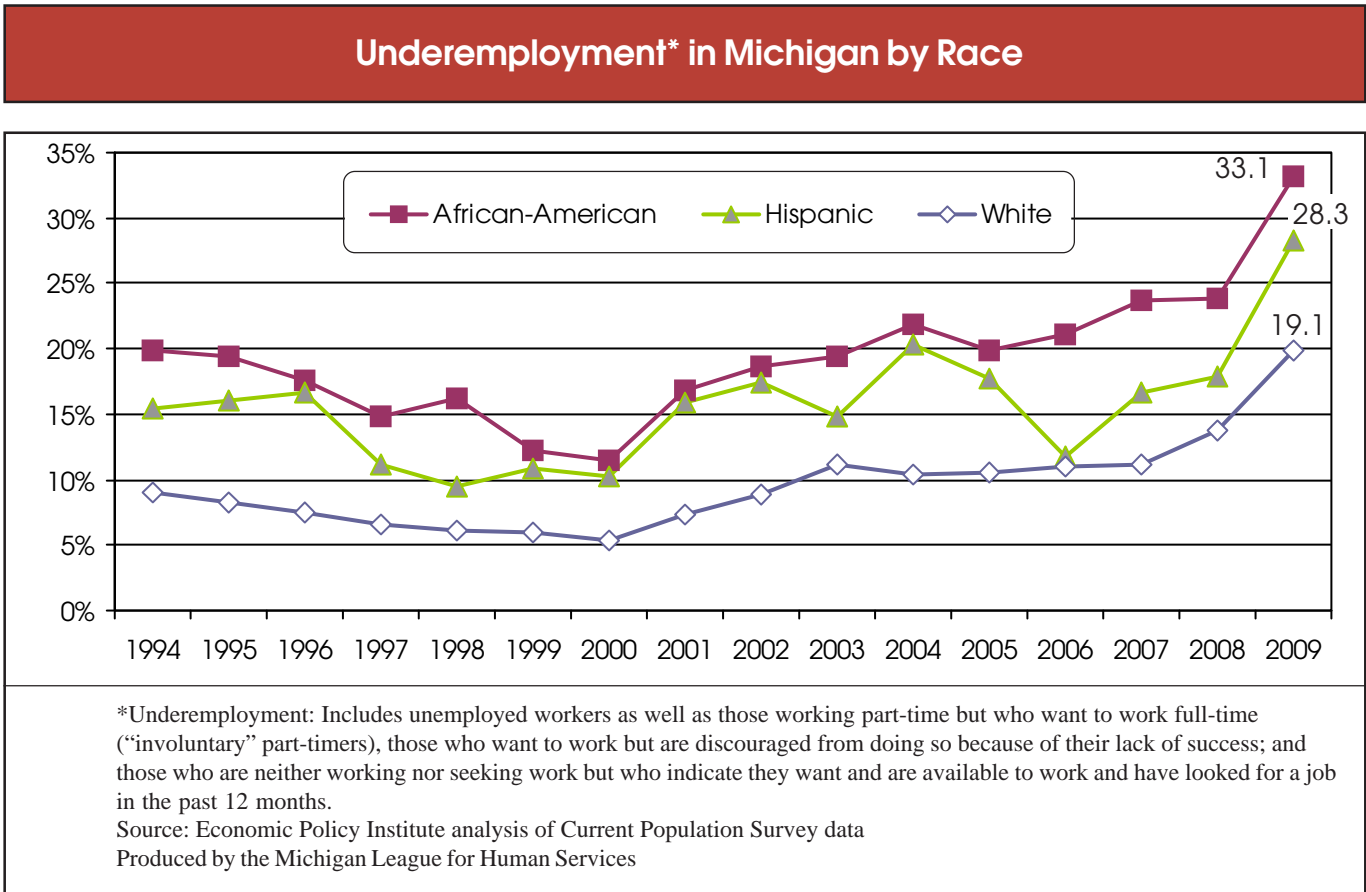
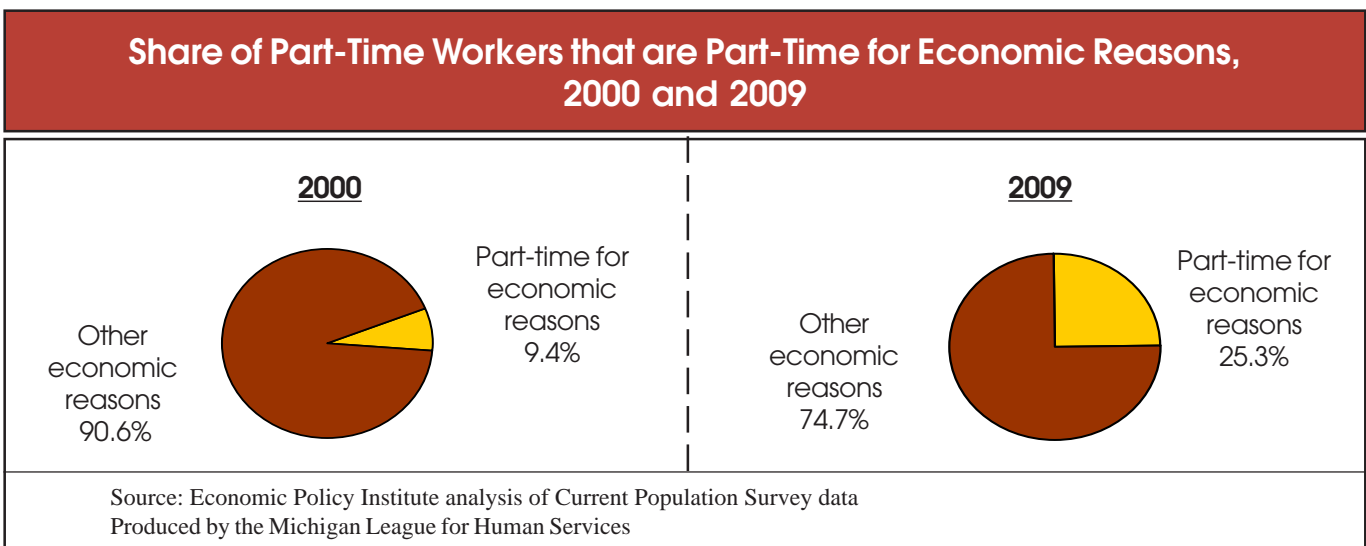


Fig. 7



## **The Looming Problem: Exhaustion of UI Benefits by Long-Term Unemployed Workers**

Michigan's long-term unemployed narrowly avoided catastrophe in July 2010, as the possibility of more than 130,000 long-term unemployed Michigan workers prematurely losing their benefits appeared imminent. At issue was the federally funded Emergency Unemployment Compensation (EUC) program, which provides up to 53 weeks of benefits to Michigan workers who have exhausted their regular and extended benefits. It needed to be reauthorized in order for those workers to continue receiving their benefits. There was enough opposition in Congress to reauthorization that there were concerns that it would lapse, causing many workers to lose their benefits each month as they exhausted their other UI benefit weeks. In the end, Congress did extend the EUC, enabling Michigan's long-term unemployed to continue to receive a maximum of 99 weeks of benefits. Most of Michigan's Congressional delegation understood the urgency of the situation and supported the extension of the EUC.

While this was good news, in coming months there will be a significant number of "99ers"—long-term unemployed workers who have received the maximum number of UI benefits weeks available and will no longer be eligible to receive UI. Appendix B shows the number of workers each month that are expected to exhaust their benefits. Michigan must be pro-active in making sure that these workers and their families have alternative means of support that can prevent them from falling into economic catastrophe.

## **What About Those Who Are Employed, But Not Making Ends Meet?**

Despite the high unemployment rate, there have been many workers who have found jobs after being laid off. Unfortunately, most of those jobs do not pay as high a wage as the jobs that were lost. In many cases, families lose all of their health benefits and have to begin purchasing health care services or health insurance out of pocket. And, many of the jobs that are available to workers do not pay enough to keep a family out of poverty.

For the past several years, four of the six occupations with the highest employment in Michigan paid a median wage that was not high enough to lift a family of four out of poverty, and two of the occupations could not do the same for a family of three (Appendix B). Only one of the six top occupations, "registered nurse," paid enough to bring a single parent with two children to the self-sufficiency level.<sup>3</sup> In 2009, a total of 783,750 Michigan jobs were in occupations with a median wage that was lower than the poverty wage (the amount needed to keep a household out of poverty) for a family of four. These jobs account for 20 percent of all jobs in Michigan.

Any state initiative for helping Michigan workers must take into account not only the unemployed, but the underemployed and those who are working full time at wages that do not enable them to meet their families' needs.

## **What Has Michigan Done Lately for Working Families?**

*No Worker Left Behind is completing its third year.*

This program provides up to two years of free tuition or other supports (up to \$5,000 for one year or \$10,000 for two years) in a high-demand or emerging industry at any Michigan university, community college, or other approved training program. To be eligible, individuals must be either unemployed, have received a notice of layoff or termination from their employer, or currently employed with a family income at or below \$40,000 a year. From the launch of the program in August 2007 through May 2010, the state enrolled 131,833 workers in training programs, exceeding the original three-year goal of 100,000.

*Michigan's Earned Income Tax Credit increased to 20 percent of the federal credit.*

In September 2006, Governor Jennifer Granholm signed a refundable state Earned Income Tax Credit (EITC) into law. The law stated that the tax credit was to go into effect at 10 percent of the federal EITC for tax year 2008, and would increase to 20 percent for Tax Year 2009 and all subsequent tax years. For tax year 2008, the Michigan Department of Treasury processed 702,000 payments to claimants totaling just under \$144 million; for Tax

<sup>3</sup> For more information, see the Michigan League for Human Services, *Economic Self-Sufficiency in Michigan: A Benchmark for Ensuring Family Well-Being*, May 2007.

Year 2009, there were 737,500 credit claims as of May 2010. As expected given the increase, the average credit went from \$208 for Tax Year 2008 to \$436 for Tax Year 2009. Adjusted for the increase in the Michigan credit, however, the average credit increased by 4.9 percent.

There continues to be threats to the Michigan EITC as solutions are sought to close the state's budget gap each year. While so far any attempts to decrease or delay the credit have been unsuccessful, advocates need to be ready to respond to future proposals that prevent the state EITC from continuing in its current form.

***Michigan is making progress in implementing recommendations for transforming Michigan's adult learning infrastructure.*** In September 2008, the Council on Labor and Economic Growth (CLEG) adopted a set of recommendations from its Adult Learning Work Group (on which the Michigan League for Human Services played a leadership role) in an effort to halve the number of Michigan workers lacking basic skills or credentials needed to obtain family-sustaining employment. The recommendations are:

- Transform Michigan's adult learning infrastructure to create a unified strategic approach to increasing basic skills and postsecondary credential attainment.
- Engage a range of partners in service delivery to meet the diverse needs of adult learners.
- Build clear connections between learning and the promise of good jobs.
- Use accelerated and connected pathways to help adult learners reach their goals.
- Increase access to adult learning.
- Make basic skills development a priority with every funding source that can legally support it.
- Hold regional partnerships accountable for success and measure outcomes at the partnership level.

- Engage a broad coalition in communicating the urgent need to improve basic skills.<sup>4</sup>

Since that time, Michigan has developed a system of regional partnerships composed of community colleges, intermediate and local school districts, Michigan Works Agencies, literacy councils, community and faith-based organizations, and businesses. Each county in Michigan will be part of a regional partnership whose members cooperate on making occupational and basic skill training more accessible to workers with low skills. Michigan is also working to make educational and workforce data more integrated and comprehensive in order to help future workforce planning be more effective.

### **What More Needs to Be Done?**

***Continue to implement the recommendations approved by the Council for Labor and Economic Growth.*** Michigan is off to a good start by establishing regional partnerships for adult learning and looking at ways to gather more comprehensive and helpful data. However, there will be a change in the administration and the Legislature at the beginning of 2011, and as much as possible needs to be done to have structures in place that help the state reach the objectives adopted by CLEG in 2008. Michigan needs to continue to seek creative strategies with which to do this.

***Increase state investment in adult education.*** For many years, Michigan has disinvested in adult education funding that is essential for building up its workforce and preparing low-skilled adults for occupational training. Michigan invested \$22 million in 2010, down from \$185 million in 1996 and \$80 million from 1997 through 2001. Accordingly, the number of adults enrolled in adult education programs has fallen 50 percent during the past decade.<sup>5</sup> In light of the fact that most of the career occupations of the future will require specialized occupational skills, such disinvestment in adult basic education is counterproductive to the state's economic goals.

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<sup>4</sup> Michigan Department of Energy, Labor and Economic Growth, *Transforming Michigan's Adult Learning Infrastructure: A Report to the Council for Labor and Economic Growth from the CLEG Low-Wage Worker Advancement Committee's Adult Learning Work Group*, December 2008. Available at [http://www.michigan.gov/documents/mdcd/CLEG\\_Report\\_FINAL\\_249176\\_7.pdf](http://www.michigan.gov/documents/mdcd/CLEG_Report_FINAL_249176_7.pdf)

***Fully fund No Worker Left Behind.*** No Worker Left Behind (NWLB) is helping thousands of unemployed individuals earning approximately 200 percent of the poverty level for a family of four receive education and training needed to re-enter the labor force, maintain their current employment or move into higher-income jobs. However, NWLB has not been fully funded since its start and has seen further funding reductions as the state attempts to resolve its budget deficit.

Michigan relies primarily on federal funding for NWLB, and has steadily reduced state funding for the program. It was funded at \$7.4 million in Fiscal Year 2009 (less than half of what was appropriated by the legislature for that year), and was cut further to \$4.5 million for Fiscal Year 2010. This would be sustainable if sufficient and consistent federal funding for NWLB were forthcoming, but many of the federal funds used to support the program are also at risk. Currently, there is not the money to add more workers to the program and intake has been frozen.<sup>6</sup> Michigan must make investments from its General Fund to ensure adequate funding in the event that federal funding is significantly reduced.

***Modernize the Unemployment Insurance system.*** Under the Unemployment Insurance Modernization Act, included as a part of the American Recovery and Reinvestment Act of 2009 (ARRA), Michigan has qualified for \$69.4 million to strengthen the UI program. The Michigan Legislature, however, has failed to pass reforms that would enable the state to receive additional money that is nearly twice that amount. To be eligible for an additional \$139 million in UI funding, Michigan must make two of the following four reforms to its UI system:

- Allow benefits for part-time workers;
- Allow benefits for individuals who leave work for compelling family reasons;
- Allow benefits for training; and
- Institute a weekly \$15 minimum dependent allowance.

Thirty-one states and the District of Columbia have adopted the necessary reforms and now receive the full amount of money to which they are entitled. Michigan, despite having the highest or second-highest unemployment rate in the nation each month for the past 52 months, has been dragging its feet on taking the necessary steps to receive the money and strengthen its system. Bills have been passed in the House to extend benefits to part-time workers and allow benefits for training, only to languish in the Senate. This would be a good time for our state to widen its eligibility rules and thus help certain groups of unemployed workers that otherwise would not receive UI benefits.

Additionally, while Congress reauthorized the EUC which allows unemployed workers to receive benefits for additional weeks, it did not reauthorize the Federal Additional Compensation that added \$25 per week to those benefits. This additional money helped workers and also functioned as a stimulus to local economies. Michigan's Congressional delegation can continue to push for this small amount of additional compensation for unemployed workers.

***Update the Family Independence Program grant.*** As mentioned previously, Michigan's cash assistance program is not available to many unemployed workers and their families, as well as many others who are living in poverty despite working in part-time or full-time jobs. The maximum monthly grant (\$492 for a family of three) is too low for a struggling family with no other income to live on, and the level of total household income (\$814 per month) at which a family can qualify for even a fraction of that amount is well below the poverty level. The \$3,000 asset limit also precludes many unemployed workers and their families from qualifying.

***Increase below-market child care subsidies.*** Eligibility and subsidy amounts for Michigan's child day care program need to be raised to reflect current economic realities for working parents. The maximum subsidy adjusted for the age of the child, type of provider and geographic area ranges from \$1.40 to \$3.13 an hour.

<sup>5</sup> Michigan League for Human Services, *Good Ideas Are Not Enough: Michigan's Adult Learning System Needs More State Funding*, May 2010.

<sup>6</sup> Michigan Department of Energy, Labor and Economic Growth, *No Worker Left Behind After Three Years: Successes and Challenges*, 2009. Available at [http://www.michigan.gov/documents/nwlb/NWLB\\_After\\_Three\\_Years\\_white\\_paper\\_FINAL\\_326168\\_7.pdf](http://www.michigan.gov/documents/nwlb/NWLB_After_Three_Years_white_paper_FINAL_326168_7.pdf)



Despite a tiny increase two years ago, the subsidy amount has steadily lost value since 1996. It is now so far below the market rate that most parents who depend on the subsidy cannot access licensed care.

***Reform the revenue structure to protect and strengthen social services programs.*** Michigan has been attempting to cut its way out of a structural deficit for many years, but legislative leaders have not passed proposals to modernize the state's tax structure, which would increase revenue. As long as legislators attempt to balance the budget each year with a "cuts only" approach, social services programs such as the Family Independence Program and the clothing allowance, as well as workforce development programs such as adult education and No Worker Left Behind, will remain vulnerable

## **Conclusion**

The Michigan League for Human Services has produced the Labor Day Report for four years, and each annual issue seems to bring worse news. In 2009, the state's unemployment rate was more than 13 percent, 41 percent of all unemployed workers were unemployed for more than six months, the underemployment rate was nearly 22 percent, and fully one-fourth of all part-time workers were involuntarily part time for economic reasons. Many long-term unemployed workers are expected to exhaust their benefits in the next few months. Twenty percent of all jobs in Michigan belong to occupations with a median wage that is too low to bring a family of four out of poverty.

During the past several years of recession, Michigan has taken steps to help stimulate the economy while helping workers, such as utilizing opportunities for Recovery Act funds, promoting the federal Earned Income Tax Credit and implementing a similar Michigan credit, promoting SNAP benefits, and implementing No Worker Left Behind to help educate the workforce (which attracts higher quality jobs to the state). However, we must act to strengthen the safety net, which is frayed. We must modernize our UI system and draw down the federal funds available. We must also continue to take steps to implement the adult learning strategies outlined in the recommendations to the

Council on Labor and Economic Growth. Finally, we must adopt a revenue-based solution to the state's budget problems that can help ensure state funding for current and future needs of our workers.

## Appendix A

### Michigan's Ranking Among All States<sup>1</sup> on Worker Well-Being Indicators (1=Highest/Worst)

Year	Unemployment Rate	Long-Term Unemployment Share	Under-employment Rate	Part-Time Economic Reasons Share
<b>1994</b>	22	26	22	32
<b>1995</b>	22	22	22	31
<b>1996</b>	31	36	31	31
<b>1997</b>	32	32	35	38
<b>1998</b>	33	29	30	24
<b>1999</b>	31	22	31	29
<b>2000</b>	35	20	31	30
<b>2001</b>	11	29	13	23
<b>2002</b>	10	26	12	28
<b>2003</b>	4	10	4	19
<b>2004</b>	4	2	4	7
<b>2005</b>	4	6	1	2
<b>2006</b>	1	7	1	2
<b>2007</b>	1	1	1	1
<b>2008</b>	1	1	1	4
<b>2009</b>	1	1	1	12

<sup>1</sup> Includes District of Columbia  
Shading/italics denotes lower than national rate.

# Appendix B

## Michigan Occupations with Highest Employment (May 2009)<sup>1</sup>

Rank	Occupation	Number Employed	Median Hourly	% of Poverty Wage <sup>2</sup>		% of Self-Sufficiency Wage for Single Parent with Two Children <sup>3</sup>
				Family of Three	Family of Four	
1	Retail Salespersons	135,460	\$9.95	119.7%	95.1%	51.4%
2	Cashiers	104,800	\$8.46	101.8%	80.9%	43.7%
3	Office Clerks, General	102,640	\$12.49	150.3%	119.4%	64.5%
4	Registered Nurses	84,620	\$30.39	365.7%	290.5%	157.1%
5	Waiters and Waitresses	73,800	\$7.97	95.9%	76.2%	41.2%
6	Food Prep and Serving, incl. Fast Food	71,400	\$8.28	99.6%	79.2%	42.8%
7	Janitors and Cleaners, Except Maids and Housekeeping Cleaners	65,920	\$11.34	136.5%	108.4%	58.6%
8	Laborers and Freight, Stock, and Material Movers, Hand	63,220	\$11.68	140.6%	111.7%	60.4%
9	Stock Clerks and Order Fillers	58,400	\$10.46	125.9%	100.0%	54.1%
10	Customer Service Representatives	57,360	\$15.37	185.0%	146.9%	79.4%
11	Secretaries, Except Legal, Medical, and Executive	51,940	\$15.14	182.2%	144.7%	78.2%
12	Nursing Aides, Orderlies, and Attendants	49,680	\$12.33	148.4%	117.9%	63.7%
13	Truck Drivers, Heavy and Tractor-Trailer	46,140	\$17.66	212.5%	168.8%	91.3%
14	Bookkeeping, Accounting, and Auditing Clerks	45,400	\$16.36	196.9%	156.4%	84.5%
15	Sales Representatives, Wholesale and Manufacturing, Except Technical and Scientific Products	45,120	\$24.64	296.5%	235.6%	127.3%
16	Team Assemblers	43,740	\$14.30	172.1%	136.7%	73.9%
17	Elementary School Teachers, Except Special Education	42,990	NA	NA	NA	NA
18	Business Operations Specialists, All Other	39,710	\$32.21	387.6%	307.9%	166.5%
19	Teacher Assistants	36,370	NA	NA	NA	NA
20	Home Health Aides	34,900	\$9.41	113.2%	90.0%	48.6%
21	Executive Secretaries and Administrative Assistants	34,690	\$19.91	239.6%	190.3%	102.9%
22	Maintenance and Repair Workers, General	34,520	\$16.74	201.4%	160.0%	86.5%
23	General and Operations Managers	34,440	\$43.51	523.6%	416.0%	224.9%
24	First-Line Supervisors/Managers of Retail Sales Workers	33,560	\$16.72	201.2%	159.8%	86.4%
25	Accountants and Auditors	31,300	\$27.85	335.1%	266.3%	143.9%
26	Cooks, Restaurant	30,440	\$9.91	119.3%	94.7%	51.2%
27	Mechanical Engineers	29,330	\$40.44	486.6%	386.6%	209.0%
28	Receptionists and Information Clerks	29,080	\$12.30	148.0%	117.6%	63.6%
29	First-Line Supervisors/Managers of Office and Administrative Support Workers	28,180	\$22.49	270.6%	215.0%	116.2%
30	Assemblers and Fabricators, All Other	27,450	\$21.26	255.8%	203.3%	109.9%
31	Truck Drivers, Light or Delivery Services	27,310	\$13.75	165.5%	131.5%	71.1%
32	Food Preparation Workers	26,830	\$9.37	112.8%	89.6%	48.4%

<sup>1</sup>Estimates do not include self-employed workers. Farm jobs are not included because employment data is not available for some farm sectors. It should be noted, however, that farm jobs constitute a significant portion of low-wage jobs in Michigan.

<sup>2</sup>Based on the 2009 U.S. Census Bureau poverty thresholds (\$17,285 for a one-parent/two-child family of three and \$21,756 for a two-parent/two-child family of four) and assuming year-round employment at 40 hours per week, the poverty wage is \$8.31 per hour and \$10.46 per hour respectively.

<sup>3</sup>Based on calculations from the Michigan League for Human Services' Economic Self-Sufficiency in Michigan: A Benchmark for Ensuring Family Well-Being (May 2007)

NA = not available

Source: U.S. Department of Labor, Occupational Employment and Wage Estimates

Produced by Michigan League for Human Services

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				Family of Three	Family of Four	
33	Production Workers, All Other	24,920	\$17.21	207.1%	164.5%	88.9%
34	Maids and Housekeeping Cleaners	24,670	\$9.85	118.5%	94.2%	50.9%
35	First-Line Supervisors/Managers of Production and Operating Workers	24,100	\$27.40	329.7%	262.0%	141.6%
36	Secondary School Teachers, Except Special and Vocational Education	23,380	NA	NA	NA	NA
37	Security Guards	23,030	\$11.04	132.9%	105.5%	57.1%
38	Landscaping and Groundskeeping Workers	22,700	\$10.97	132.0%	104.9%	56.7%
39	First-Line Supervisors/Managers of Food Preparation and Serving Workers	22,610	\$13.85	166.7%	132.4%	71.6%
40	Packers and Packagers, Hand	22,290	\$8.75	105.3%	83.7%	45.2%
41	Machinists	20,950	\$18.61	223.9%	177.9%	96.2%
42	Child Care Workers	20,410	\$9.72	117.0%	92.9%	50.2%
43	Medical Assistants	20,150	\$13.53	162.8%	129.3%	69.9%
44	Industrial Engineers	20,000	\$38.34	461.4%	366.5%	198.1%
45	Teachers and Instructors, All Other	19,910	NA	NA	NA	NA
46	Cooks, Fast Food	19,740	\$8.31	100.0%	79.4%	42.9%
47	Inspectors, Testers, Sorters, Samplers, and Weighers	19,610	\$16.25	195.5%	155.4%	84.0%
48	Automotive Service Technicians and Mechanics	19,240	\$17.68	212.8%	169.0%	91.4%
49	Construction Laborers	19,060	\$15.82	190.4%	151.2%	81.8%
50	Licensed Practical and Licensed Vocational Nurses	18,720	\$20.03	241.0%	191.5%	103.5%

<sup>1</sup>Estimates do not include self-employed workers. Farm jobs are not included because employment data is not available for some farm sectors. It should be noted, however, that farm jobs constitute a significant portion of low-wage jobs in Michigan.

<sup>2</sup>Based on the 2009 U.S. Census Bureau poverty thresholds (\$17,285 for a one-parent/two-child family of three and \$21,756 for a two-parent/two-child family of four) and assuming year-round employment at 40 hours per week, the poverty wage is \$8.31 per hour and \$10.46 per hour respectively.

<sup>3</sup>Based on calculations from the Michigan League for Human Services' Economic Self-Sufficiency in Michigan: A Benchmark for Ensuring Family Well-Being (May 2007)

NA = not available

Source: U.S. Department of Labor, Occupational Employment and Wage Estimates

Produced by Michigan League for Human Services

# Appendix C

## Lowest Wage Nonfarm Occupations in Michigan (May 2009)<sup>1</sup>

Rank	Occupation	Median Hourly	% of Poverty Wage <sup>2</sup>		% of Self Sufficiency Wage for Single Parent with Two Children <sup>3</sup>	Number Employed
			Family of Three	Family of Four		
1	Travel Guides	\$7.73	93.0%	73.9%	39.9%	
2	Waiters and Waitresses	\$7.97	95.9%	76.2%	41.2%	73,800
3	Food Prep and Serving, incl. Fast Food	\$8.28	99.6%	79.2%	42.8%	71,400
4	Cooks, Fast Food	\$8.31	100.0%	79.4%	42.9%	19,740
5	Dishwashers	\$8.32	100.1%	79.5%	43.0%	14,130
6	Shampooers	\$8.33	100.2%	79.6%	43.0%	420
7	Actors	\$8.38	100.8%	80.1%	43.3%	240
8	Dining Room and Cafeteria Attendants and Bartender Helpers	\$8.45	101.7%	80.8%	43.7%	13,940
9	Cashiers	\$8.46	101.8%	80.9%	43.7%	104,800
10	Bartenders	\$8.51	102.4%	81.4%	44.0%	15,060
11	Ushers, Lobby Attendants, and Ticket Takers	\$8.56	103.0%	81.8%	44.2%	3,040
12	Amusement and Recreation Attendants	\$8.58	103.2%	82.0%	44.3%	9,050
13	Manicurists and Pedicurists	\$8.63	103.9%	82.5%	44.6%	910
14	Hosts and Hostesses, Restaurant, Lounge & Coffee Shop	\$8.64	104.0%	82.6%	44.7%	10,360
15	Counter Attendants, Cafeteria, Food Concession & Coffee Shop	\$8.68	104.5%	83.0%	44.9%	12,850
16	Graders and Sorters, Agricultural Products	\$8.70	104.7%	83.2%	45.0%	1,090
17	Pressers, Textile, Garment, and Related Materials	\$8.71	NA	NA	NA	1,030
18	Packers and Packagers, Hand	\$8.75	105.3%	83.7%	45.2%	22,290
19	Service Station Attendants	\$8.85	NA	NA	NA	1,990
20	Locker Room, Coatroom, and Dressing Room Attendants	\$8.91	107.2%	85.2%	46.0%	690
21	Farmworkers and Laborers, Crop, Nursery, and Greenhouse	\$8.92	107.3%	85.3%	46.1%	1,800
22	Entertainment attendants and related workers, all other	\$8.98	108.1%	85.9%	46.4%	NA
23	Lifeguards, Ski Patrol, and Other Recreational Protective Service Workers	\$9.06	109.0%	86.6%	46.8%	3,340
24	Photographic Processing Machine Operators	\$9.17	110.3%	87.7%	47.4%	1,130
25	Transportation Attendants, Except Flight Attendants & Baggage Porters	\$9.19	110.6%	87.9%	47.5%	240
26	Driver/Sales Workers	\$9.20	110.7%	88.0%	47.5%	9,740
27	Cooks, All Other	\$9.24	111.2%	88.3%	47.8%	690
28	Nonfarm Animal Caretakers	\$9.28	111.7%	88.7%	48.0%	3,780
29	Cooks, Short Order	\$9.30	111.9%	88.9%	48.1%	6,260
30	Hotel, Motel, and Resort Desk Clerks	\$9.30	111.9%	88.9%	48.1%	4,240
31	Gaming Dealers	\$9.34	112.4%	89.3%	48.3%	3,010
32	Cleaners of Vehicles and Equipment	\$9.35	112.5%	89.4%	48.3%	9,580
33	Demonstrators and Product Promoters	\$9.36	112.6%	89.5%	48.4%	3,360
34	Food Preparation Workers	\$9.37	112.8%	89.6%	48.4%	26,830
35	Home Health Aides	\$9.41	113.2%	90.0%	48.6%	34,900
36	Counter and Rental Clerks	\$9.48	NA	NA	NA	11,420
37	Taxi Drivers and Chauffeurs	\$9.54	114.8%	91.2%	49.3%	3,880
38	Personal and Home Care Aides	\$9.57	115.2%	91.5%	49.5%	13,370
39	Motion Picture Projectionists	\$9.57	115.2%	91.5%	49.5%	210
40	Telemarketers	\$9.61	115.6%	91.9%	49.7%	6,440
41	Agricultural Equipment Operators	\$9.69	116.6%	92.6%	50.1%	NA
42	Fitness Trainers and Aerobics Instructors	\$9.71	116.8%	92.8%	50.2%	5,130
43	Child Care Workers	\$9.72	117.0%	92.9%	50.2%	20,410
44	Parking Lot Attendants	\$9.73	117.1%	93.0%	50.3%	2,590
45	Personal Care and Service Workers, All Other	\$9.83	NA	NA	NA	1,700

<sup>1</sup>Estimates do not include self-employed workers. Farm jobs are not included; however, farm jobs constitute a significant portion of low-wage jobs in Michigan.

<sup>2</sup>Based on the 2009 U.S. Census Bureau poverty thresholds (\$17,285 for a one-parent/two-child family and \$21,756 for a two-parent/two-child family) and assuming year-round employment at 40 hours per week, the poverty wage is \$8.31 per hour and \$10.46 per hour respectively.

<sup>3</sup>Based on calculations from the Michigan League for Human Services' Economic Self-Sufficiency in Michigan: A Benchmark for Ensuring Family Well-Being (May 2007)

NA = not available

Source: U.S. Department of Labor, Occupational Employment and Wage Estimates

Produced by Michigan League for Human Services

Appendix D

Unemployment and Public Assistance Recipients

	Unemployment		Unemployment Rate		Family Independence Program (FIP)		Food Assistance Program (FAP)		Child Development and Care (CDC)		Medicaid Eligible		Unduplicated Recipient Total	
	July 2009	July 2010	July 2009	July 2010	July 2009	July 2010	July 2009	July 2010	July 2009	July 2010	July 2009	July 2010	July 2009	July 2010
Alcona	838	755	19	18	65	69	1,526	1,748	26	40	1,739	1,859	2,194	2,413
Alger	538	568	12	13	51	66	1,019	1,227	26	25	1,502	1,554	1,747	1,919
Allegan	7,291	7,041	13	13	1,058	1,023	14,534	16,394	825	718	18,663	19,702	22,336	24,313
Alpena	2,134	2,032	14	14	520	576	5,495	6,116	336	309	6,340	6,400	7,773	8,181
Antrim	1,723	1,777	14	15	108	101	3,280	3,656	154	155	4,265	4,455	5,199	5,573
Arenac	1,298	1,240	16	16	204	201	3,334	3,527	179	133	3,657	3,672	4,450	4,670
Baraga	1,056	1,057	23	24	123	137	1,228	1,357	86	67	1,549	1,654	1,891	2,065
Barry	3,164	3,164	11	11	632	522	7,674	8,447	376	322	8,551	9,165	10,983	11,928
Bay	6,983	7,085	13	13	1,631	1,650	18,021	20,107	1,647	1,318	19,106	20,690	23,737	26,240
Benzie	1,080	1,277	12	14	103	102	2,314	2,566	113	79	2,966	3,035	3,694	3,899
Berrien	10,540	11,072	13	14	3,256	3,836	27,183	31,486	2,063	2,100	32,434	34,563	38,813	42,473
Branch	3,293	2,985	15	14	919	924	7,798	8,329	436	350	9,167	9,595	11,279	11,771
Calhoun	8,879	9,055	13	13	4,519	4,215	30,780	32,471	1,850	1,687	31,397	32,505	40,372	42,170
Cass	2,778	2,922	11	12	854	863	9,022	9,995	583	468	10,155	10,474	12,375	13,122
Charlevoix	1,878	2,034	13	14	75	95	2,954	3,772	186	131	3,799	4,418	4,607	5,530
Cheboygan	1,126	1,124	9	9	166	248	4,446	5,147	222	188	5,593	5,780	6,814	7,268
Chippewa	2,092	2,409	12	14	404	473	4,998	5,970	336	259	6,206	6,610	7,713	8,633
Clare	2,228	2,223	17	18	651	724	7,517	8,202	262	196	7,728	8,032	9,760	10,442
Clinton	3,913	3,656	11	10	240	284	5,757	6,904	360	324	6,815	7,222	8,749	9,963
Crawford	880	888	13	14	141	138	2,526	2,850	108	109	2,832	3,127	3,574	4,011
Delta	2,555	2,621	13	13	314	404	5,674	6,389	291	280	7,008	7,279	8,496	9,095
Dickinson	1,751	1,699	12	12	109	89	3,157	3,606	242	218	4,530	4,716	5,373	5,712
Eaton	6,444	5,878	11	10	577	637	11,639	13,503	854	842	13,197	14,447	16,893	19,087
Emmet	2,428	2,757	12	13	99	99	4,201	4,719	280	188	5,670	5,694	6,983	7,266
Genesee	32,432	30,581	16	15	18,068	21,097	97,414	109,940	9,515	8,374	98,723	104,862	124,682	135,890
Gladwin	1,774	1,800	17	17	398	422	4,668	5,334	210	165	5,229	5,717	6,488	7,203
Gogebic	1,008	1,121	13	15	491	554	2,756	3,098	75	101	3,173	3,357	3,990	4,350
Gr. Traverse	5,793	6,109	11	12	382	425	10,582	12,337	775	607	13,512	14,219	16,985	18,568
Gratiot	3,069	2,834	16	15	495	460	6,723	7,477	435	349	8,087	8,274	9,677	10,350
Hillsdale	4,057	3,352	19	17	787	874	7,686	8,410	358	282	8,797	9,435	11,011	11,893

Source: Bureau of Labor Statistics, Michigan Department of Human Services

Appendix D

Unemployment and Public Assistance Recipients

	Unemployment		Unemployment Rate		Family Independence Program (FIP)		Food Assistance Program (FAP)		Child Development and Care (CDC)		Medicaid Eligible		Unduplicated Recipient Total	
	July 2009	July 2010	July 2009	July 2010	July 2009	July 2010	July 2009	July 2010	July 2009	July 2010	July 2009	July 2010	July 2009	July 2010
Houghton	1,873	2,127	11	12	183	215	4,384	5,361	168	159	5,979	6,202	7,076	8,015
Huron	2,504	2,389	15	15	224	293	4,544	5,008	268	246	6,055	6,293	7,173	7,534
Ingham	19,288	18,247	13	12	4,462	4,647	46,297	55,562	3,093	2,615	46,420	49,535	61,448	70,280
Ionia	4,425	4,209	15	14	740	666	9,335	10,223	470	433	10,613	11,139	13,326	14,166
Iosco	1,825	1,829	17	18	371	406	5,498	6,037	211	168	5,793	5,945	7,358	7,766
Iron	691	707	12	12	186	164	1,705	1,933	61	47	2,482	2,536	2,832	3,001
Isabella	3,728	4,060	9	10	405	511	11,257	14,172	559	477	9,690	10,492	14,757	17,668
Jackson	11,458	10,878	15	14	2,813	3,510	26,197	30,201	1,475	1,375	28,772	30,907	36,228	40,063
Kalamazoo	14,904	15,989	11	12	5,174	6,106	39,487	47,107	3,009	2,769	40,843	43,801	52,766	60,429
Kalkaska	1,263	1,318	14	14	148	134	3,411	3,911	164	137	3,968	4,248	4,981	5,488
Kent	37,293	37,111	12	12	12,056	13,268	87,809	106,076	7,562	6,941	107,646	117,519	130,154	148,158
Keweenaw	145	137	14	13	1	4	231	281	2	1	311	326	388	431
Lake	695	711	17	16	264	275	2,916	3,177	97	89	3,014	3,090	3,779	3,979
Lapeer	7,878	6,525	18	15	745	928	10,546	12,787	541	515	12,660	14,309	15,669	18,160
Leelanau	940	1,129	8	10	41	61	1,373	1,766	110	92	1,671	2,106	2,102	2,740
Lenawee	8,335	7,551	17	16	1,033	1,184	14,017	16,613	1,038	813	16,163	17,461	20,080	22,483
Livingston	11,722	11,133	13	12	538	682	10,648	14,243	468	485	13,546	15,966	17,197	21,243
Luce	345	374	12	14	120	138	1,091	1,076	54	42	1,443	1,408	1,696	1,678
Mackinac	432	442	6	6	66	106	1,177	1,449	50	42	1,596	1,719	1,992	2,245
Macomb	74,088	63,637	17	15	8,927	11,400	95,821	123,553	5,556	5,234	111,751	129,892	140,443	168,378
Manistee	1,489	1,565	12	13	396	437	3,868	4,430	157	122	4,431	4,733	5,550	6,046
Marquette	3,640	3,926	10	11	428	462	7,994	9,642	422	383	9,291	9,930	11,889	13,579
Mason	1,950	1,885	12	12	309	403	5,237	5,696	468	404	6,040	6,339	7,430	7,855
Mecosta	2,668	2,825	14	15	466	437	8,709	9,577	319	274	8,411	8,491	11,346	12,105
Menominee	1,833	1,435	14	11	177	200	3,322	3,796	181	175	4,024	4,301	4,918	5,420
Midland	4,437	4,613	10	11	716	645	10,027	11,249	619	558	11,914	12,563	14,590	15,929
Missaukee	992	987	16	16	133	160	2,345	2,722	158	119	2,641	3,083	3,334	3,916
Monroe	12,252	10,572	16	14	1,840	2,152	17,399	20,155	986	943	19,722	21,724	24,633	27,635
Montcalm	4,748	4,549	18	17	560	440	11,718	13,075	426	326	12,837	13,598	16,230	17,652
Montmorency	781	783	19	20	110	111	1,920	2,099	76	67	2,235	2,271	2,711	2,835

Source: Bureau of Labor Statistics, Michigan Department of Human Services

Appendix D

Unemployment and Public Assistance Recipients

	Unemployment		Unemployment Rate		Family Independence Program (FIP)		Food Assistance Program (FAP)		Child Development and Care (CDC)		Medicaid Eligible		Unduplicated Recipient Total	
	July 2009	July 2010	July 2009	July 2010	July 2009	July 2010	July 2009	July 2010	July 2009	July 2010	July 2009	July 2010	July 2009	July 2010
Muskegon	14,328	13,097	16	15	8,559	9,241	41,976	45,790	3,298	2,999	42,434	44,623	53,891	57,546
Newaygo	3,191	2,988	14	13	693	789	9,726	10,763	380	386	10,937	11,661	13,686	14,782
Oakland	90,402	82,999	15	14	9,543	12,282	94,244	126,036	5,837	5,245	118,136	139,786	144,679	180,568
Oceana	2,242	2,216	15	15	787	863	6,186	6,510	398	369	7,625	7,747	9,040	9,243
Ogemaw	1,312	1,350	13	14	373	483	4,940	5,459	324	258	5,327	5,603	6,467	6,959
Ontonagon	420	600	12	19	67	94	903	1,049	30	33	1,202	1,221	1,463	1,561
Osceola	1,595	1,548	17	16	274	270	4,413	5,086	197	194	4,914	5,344	5,964	6,680
Oscoda	796	815	21	23	93	93	1,914	2,028	52	42	2,010	2,053	2,515	2,615
Otsego	1,750	1,850	14	15	248	336	4,458	4,961	394	348	5,314	5,536	6,415	6,869
Ottawa	17,584	16,421	13	13	1,312	1,341	23,546	28,293	1,551	1,409	30,008	32,351	37,381	42,596
Presque Isle	993	1,022	16	16	70	80	1,585	1,785	59	47	2,075	2,180	2,573	2,737
Roscommon	1,508	1,628	15	16	357	416	5,533	6,009	254	208	5,613	5,795	7,088	7,516
Saginaw	12,997	12,633	14	13	7,017	6,664	42,269	46,996	4,560	3,845	43,934	47,031	54,243	59,353
St. Clair	15,283	12,891	18	16	2,403	2,849	27,670	30,360	1,506	1,235	29,422	31,562	37,672	40,716
St. Joseph	4,718	4,181	16	15	1,042	1,009	11,250	12,500	522	547	14,163	14,926	17,006	18,111
Sanilac	3,886	3,398	18	17	497	553	8,363	8,824	383	303	9,180	9,602	11,454	11,998
Schoolcraft	521	566	13	14	132	88	1,355	1,356	41	48	1,707	1,657	2,108	2,070
Shiawassee	5,605	5,101	16	15	991	1,159	11,562	12,836	687	567	12,945	13,645	16,005	17,423
Tuscola	4,738	4,350	17	16	648	761	8,927	10,145	509	412	10,775	11,707	13,304	14,566
Van Buren	5,009	5,061	13	13	1,221	1,174	14,610	16,665	780	655	18,465	19,499	21,882	23,819
Washtenaw	18,025	18,313	10	10	2,975	3,034	32,063	39,224	2,478	2,200	34,348	38,161	45,258	52,776
Wayne	159,537	145,162	18	17	81,824	89,418	434,323	515,740	33,397	26,495	468,510	502,422	580,725	646,760
Wexford	2,856	2,379	19	17	451	519	7,423	7,897	453	345	8,180	8,231	10,180	10,606

Source: Bureau of Labor Statistics, Michigan Department of Human Services