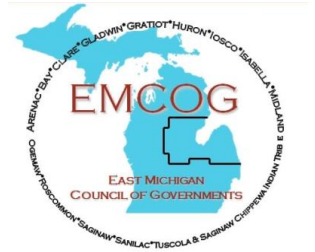


## East Central MI Prosperity Region 5 Economic Performance

---



### Dashboard: September, 2018

The 8-County East Central Michigan Prosperity Region 5 maintains a dashboard that measures progress/changes in several measurable metrics to monitor movement/dynamics relating to the goals, objectives and actions within the regional strategy. The metrics were determined by the PR-5 Strategic Management Team (the Collaborative) during the development of the strategy in 2014. The following is a summary of the dashboard based on the most recent update that was completed for the third quarter of 2018.

- **EMPLOYMENT:** Job growth in the Region accelerated from 2014 to 2016, consistent with national trends, but dropped off a bit in 2017. In 2018 employment is making a recovery to the 2016-2017 levels.
- **LABOR FORCE:** The Region's labor force has gotten smaller since a peak in mid-2010 and has moved up and down since then with growth of over 2,500 people from 2015 to 2016, followed by a decline of nearly 1,000 people in 2017. This decline continued into 2018 with an indication of a growth trend to the 2017 level during the 3<sup>rd</sup> quarter.
- **UNEMPLOYMENT RATE:** Consistent with job trends and a small labor force growth there was a slightly lower unemployment rate in the Region from 5% in 2017 to 4.9% in 2018. The Region's unemployment rate remains higher than for Michigan and the Nation.
- **UNEMPLOYMENT TRENDS:** the trend in the unemployment rate has been consistent with the State and National trends since 2010 as the rate of unemployment has been going down. However, as noted above the Region's unemployment rate remains higher than both the State and Nation.
- **HOUSING CONSTRUCTION:** Residential building permit activity in the Region increased significantly (48%) in 2012-13 and continued to grow until 2016 when permits dropped to the pre-2012 level, including a 38% decline in attached units (multi-family) from 2015 to 2016. In 2017 permits were slightly lower than in 2016 with a continued decline of another 15% in multi-family units from 2016 to 2017. Single family construction increased slightly in 2017 but remains below the 2012 level.
- **MORTGAGE EQUITY:** The number of negative equity rates (i.e., underwater mortgages) has been coming down nationwide and in the Region, yet the percentage of underwater mortgages continues to remain higher for each of the 8 counties than for the Nation.
- **AIR TRAVEL:** MBS Airport experienced a steady increase in passengers since 2013, the first full year of operation out of its new passenger terminal. However from April to August of 2017 the number of passengers dropped off significantly compared to the same time period in 2016. For the same period in 2018 passenger traffic is trending much higher than in 2017 with more passengers in the first half of 2018 compared to 2017.
- **BUSINESS CREATION:** The number of business establishments in the Region has gone up and down since 2013 but the numbers are steadily increasing over the past three years, surpassing the 2010 level even with a slight dip in 2018.
- **WAGES:** The Region's wages have been significantly lower than the State and National level since 2010. The rate of increase in Regional wages is greater than for the State and Nation since 2010, making up a lot of ground. In 2017, the region's wage growth rate was double of the state and Nation.

In summary, the housing market, private business growth and wages continue to look good in 2018. Traffic at MBS airport is also showing a great improvement in 2018. Conversely two areas of concern are the continued reduction in the labor force and the unemployment rates in the region. For further information contact Jane Fitzpatrick of East Michigan Council of Governments at 989-797-0800 or [jfitzpatrick@emcog.org](mailto:jfitzpatrick@emcog.org)