

City of Detroit-University Economic Analysis Partnership



MICHIGAN STATE
UNIVERSITY

Extension
Center for Local Government
Finance and Policy



WAYNE STATE
UNIVERSITY

Department of Economics

About the Data

- Most economic time series data are available at the national, state, county, or MSA levels
- Primary Data Sources in this forecast:
 - American Community Survey (ACS): annual survey conducted by the Census Bureau, ~1% of U.S. population, available at city level
 - Provides “household” job counts for Detroit *residents*, not jobs located in the City
 - Local Area Unemployment Statistics (LAUS): monthly statistics published by the Bureau of Labor Statistics, available at city level

About the Forecast

- Annual forecast of Detroit economy, 2019–2024
 - Still have incomplete data for 2019
- Based on a panel forecasting model that relates Detroit and 17 other cities to their state economies
- Informed by Economic Indicators report containing higher-frequency data
- Under construction: working with Michigan Bureau of Labor Market Information and Strategic Initiatives to construct Detroit-specific establishment job counts and wages (jobs in the City)

The Economic Outlook for Detroit



MICHIGAN STATE
UNIVERSITY

Extension
Center for Local Government
Finance and Policy



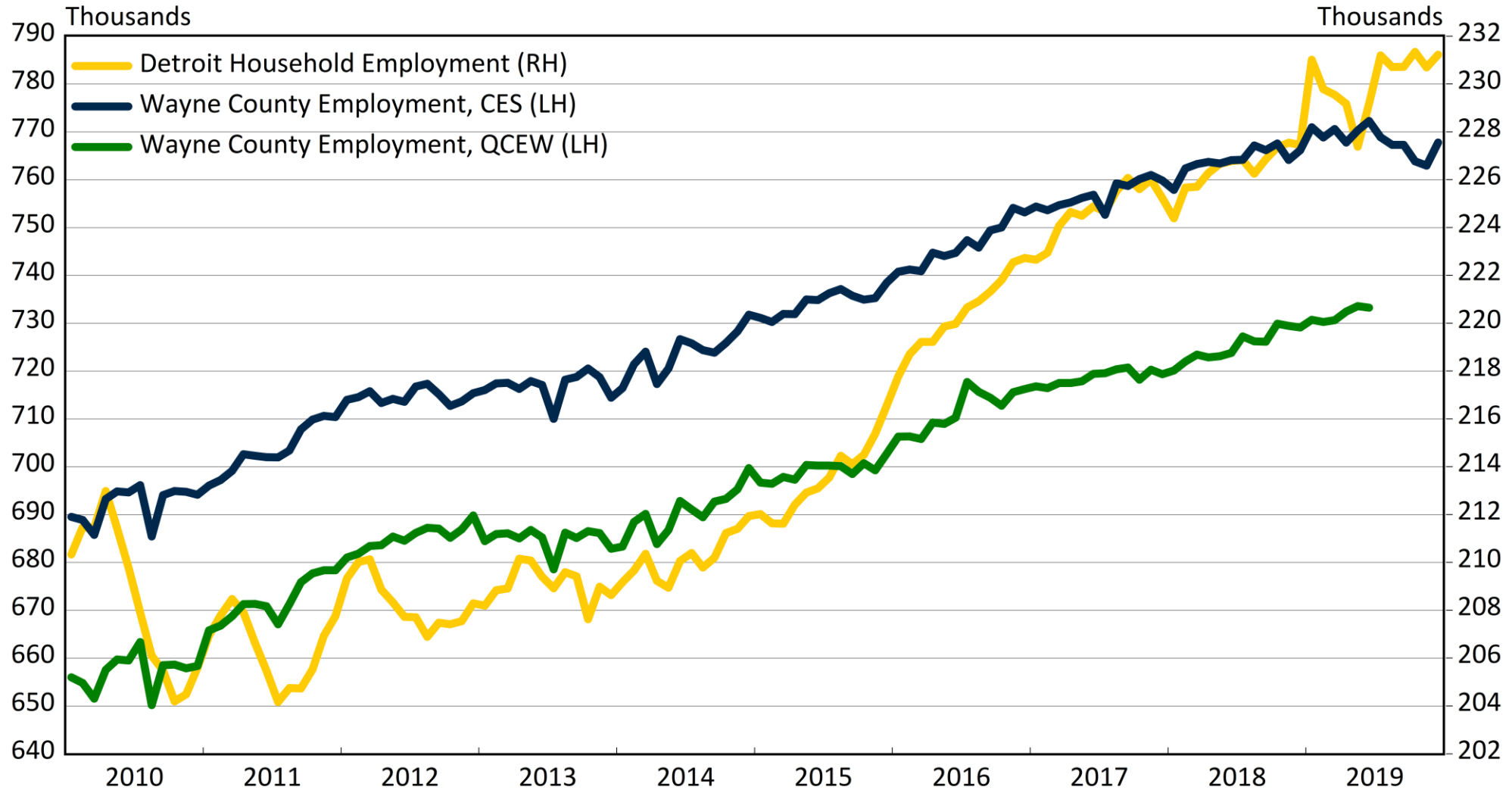
WAYNE STATE
UNIVERSITY

Department of Economics

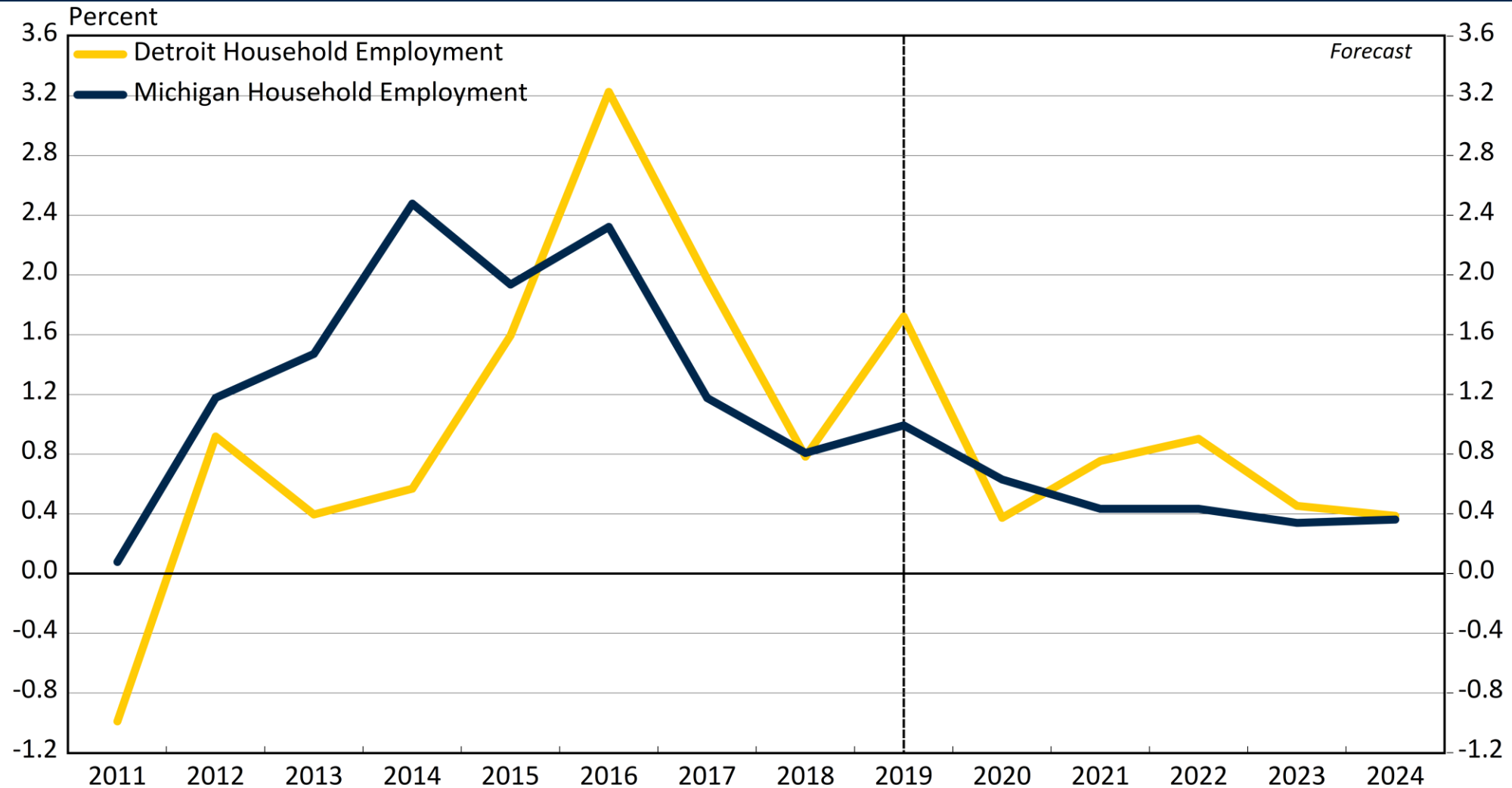


RESEARCH SEMINAR IN
QUANTITATIVE ECONOMICS
UNIVERSITY OF MICHIGAN

Monthly Employment Count, City of Detroit and Wayne County, 2010–2019



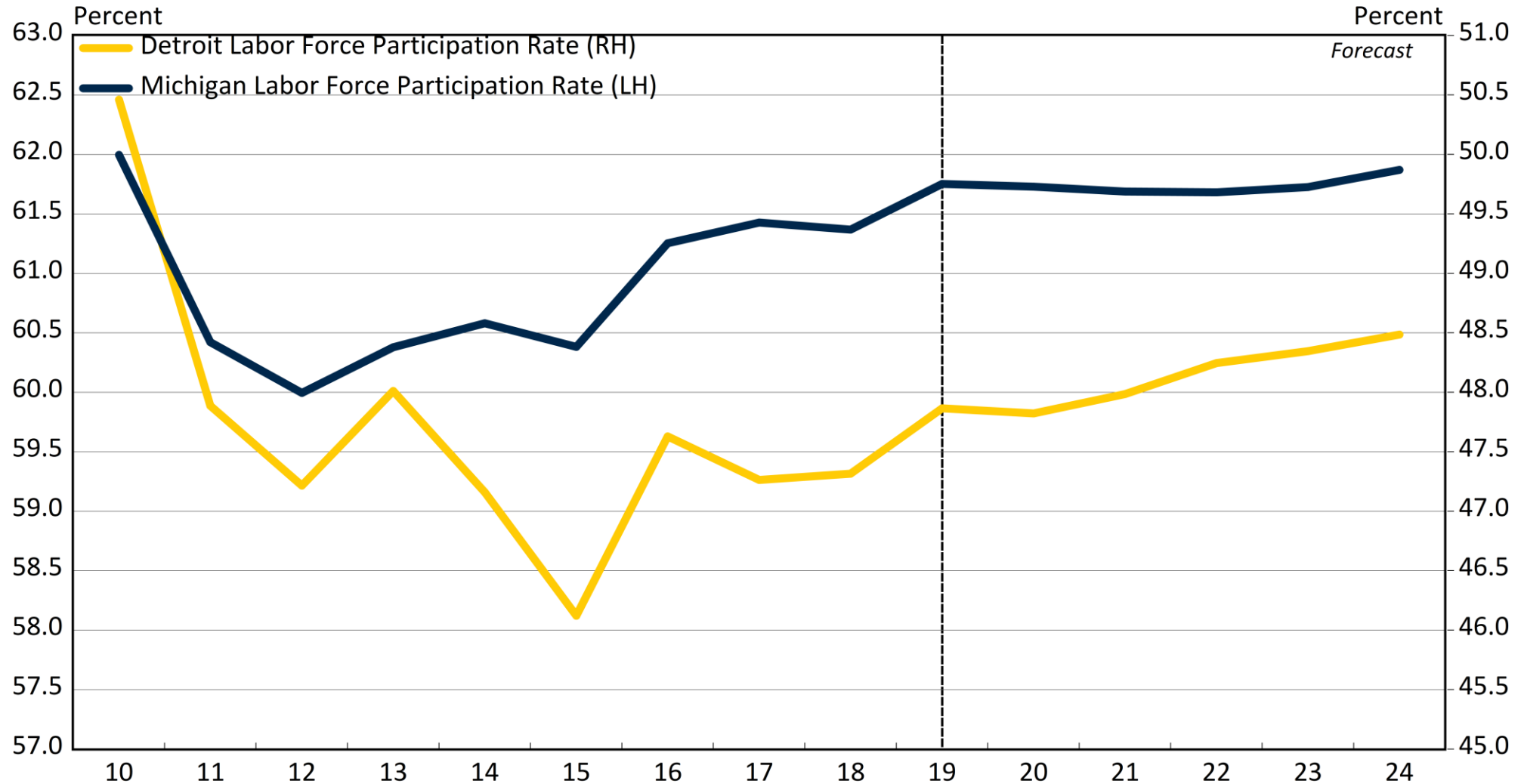
Annual Household Employment Growth, Detroit City and Michigan, 2011–2024



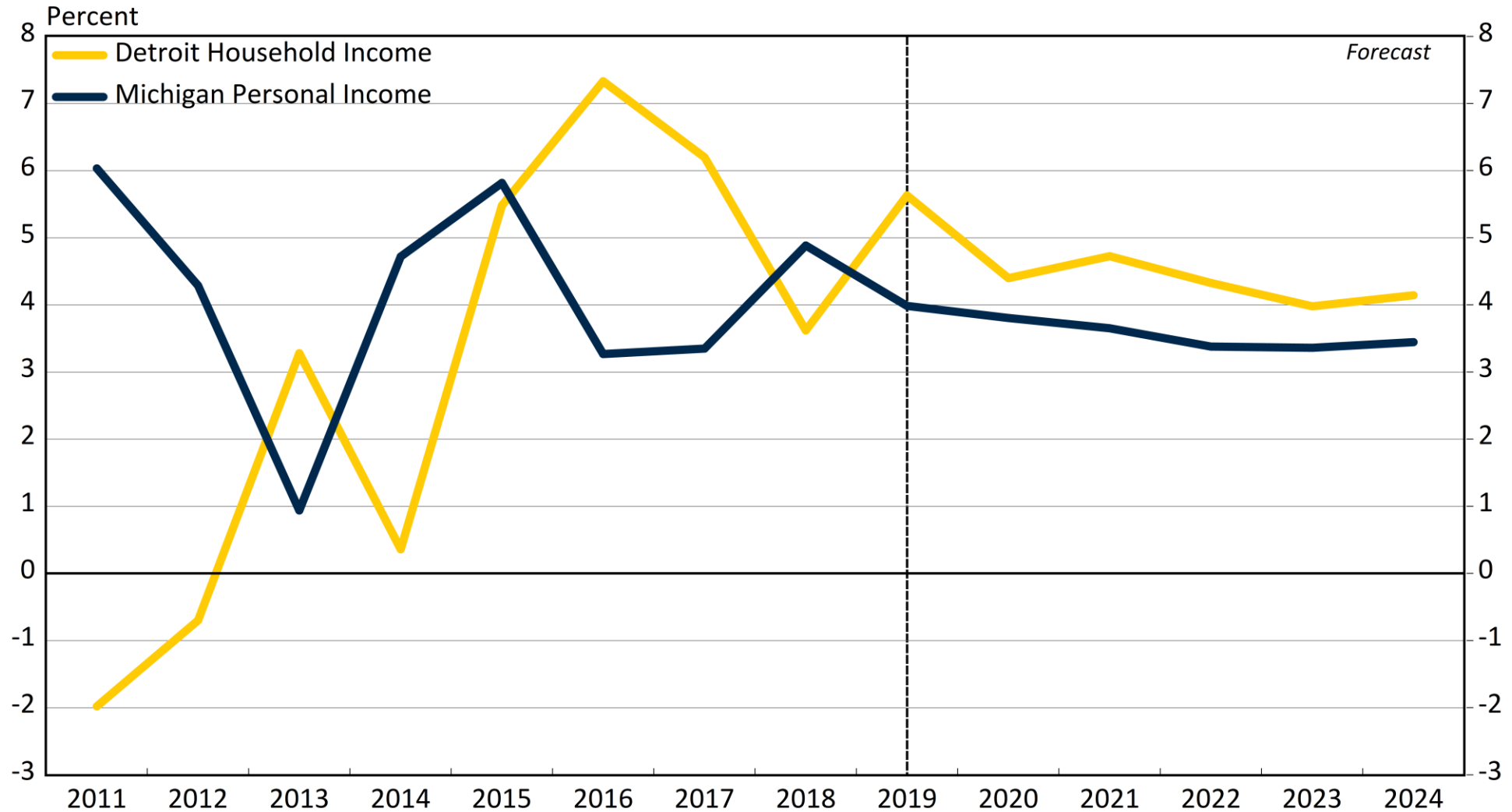
Annual Average Unemployment Rates, Detroit City and Michigan, 2010–2024



Average Annual Labor Force Participation Rates, City of Detroit and Michigan, 2010–2024



Annual Income Growth, Detroit City and Michigan, 2011–2024



Supplementary Information



MICHIGAN STATE
UNIVERSITY

Extension
Center for Local Government
Finance and Policy



WAYNE STATE
UNIVERSITY

Department of Economics



RESEARCH SEMINAR IN
QUANTITATIVE ECONOMICS
UNIVERSITY OF MICHIGAN

City of Detroit Residents, Calendar Year Employment and Income Forecast

	Actual			Forecast					
	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Employment, BLS (Persons)	220,368	224,714	226,473	230,371	231,233	232,979	235,080	236,145	237,057
Percent Change	(3.2)	(2.0)	(0.8)	(1.7)	(0.4)	(0.8)	(0.9)	(0.5)	(0.4)
Total Employment, ACS (Persons)	239,033	234,102	249,478	243,871	245,909	248,150	250,801	252,363	253,778
Percent Change	(8.3)	(-2.1)	(6.6)	(-2.2)	(0.8)	(0.9)	(1.1)	(0.6)	(0.6)
Labor Force Participation Rate (%)	47.6	47.3	47.3	47.9	47.8	48.0	48.2	48.3	48.5
Unemployment Rate (%)	10.8	9.6	9.0	8.6	8.4	8.1	8.0	7.9	7.9
Total Resident Income (Millions of \$)	10,555	11,209	11,615	12,269	12,809	13,414	13,995	14,552	15,155
Percent Change	(7.3)	(6.2)	(3.6)	(5.6)	(4.4)	(4.7)	(4.3)	(4.0)	(4.1)
Total Resident Income (Millions of 2018\$)	11,030	11,475	11,615	12,133	12,440	12,811	13,132	13,404	13,701
Percent Change	(5.7)	(4.0)	(1.2)	(4.5)	(2.5)	(3.0)	(2.5)	(2.1)	(2.2)

City of Detroit Residents, Calendar Year Employment Forecast

	Actual			Forecast					
	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Employment, ACS (Persons)	239,033	234,102	249,478	243,871	245,909	248,150	250,801	252,363	253,778
Agricultural and Mining	937	625	1,069	940	960	981	1,002	1,023	1,045
Construction	8,424	8,491	9,448	9,859	10,604	11,053	11,173	11,259	11,335
Manufacturing	35,962	37,262	42,449	39,300	39,019	39,165	39,779	39,601	39,423
Transportation and Utilities	13,735	14,296	18,378	18,152	18,321	18,734	19,175	19,520	19,848
Retail Trade	23,178	22,849	22,327	22,449	22,484	22,546	22,605	22,616	22,598
Wholesale Trade	5,068	3,775	4,800	4,341	4,324	4,306	4,285	4,249	4,214
Information	4,389	3,693	2,944	3,438	3,425	3,410	3,395	3,379	3,361
Financial Activities	12,016	13,336	10,559	12,200	12,483	12,698	12,894	13,076	13,252
Professional and Business Services	25,312	24,666	27,941	26,695	26,751	27,277	27,810	28,342	28,876
Education and Health Services	58,197	53,471	57,987	54,976	55,230	55,767	56,289	56,756	57,154
Leisure and Hospitality	29,877	31,637	29,963	31,112	31,386	31,622	31,825	31,990	32,136
Other Services	13,533	11,440	11,149	11,275	11,340	11,362	11,373	11,373	11,364
Public Administration	8,405	8,561	10,464	9,133	9,581	9,230	9,196	9,177	9,171



lsa.umich.edu/econ/rsqe