



MICHIGAN DEPARTMENT OF
**LABOR & ECONOMIC
OPPORTUNITY**

Michigan House of Representatives
Economic Development and Small Business Committee
January 31, 2023



Creating Pathways to High-Demand Career Opportunities



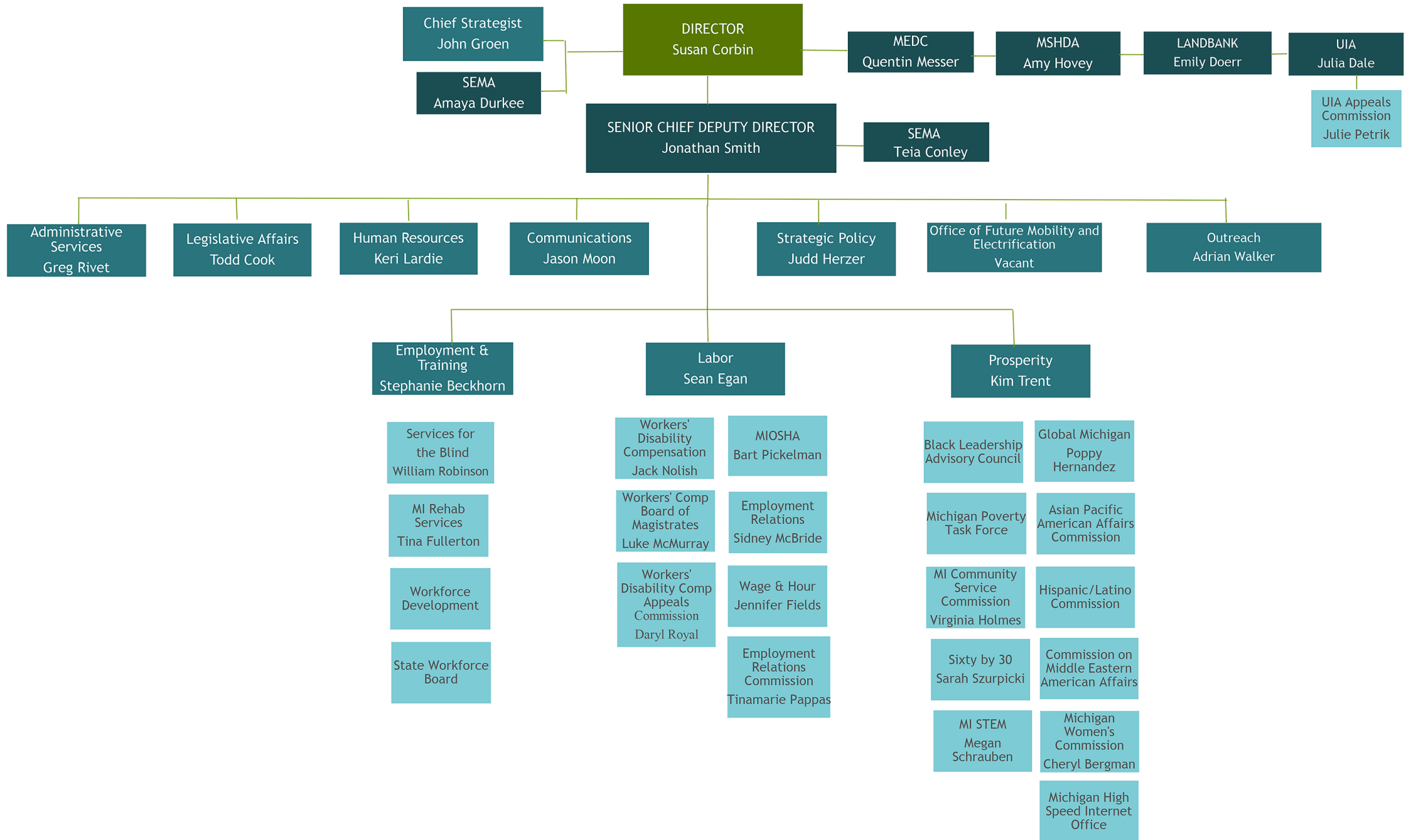
Mission

Expand economic opportunity and prosperity for all.

Vision

Make Michigan a place where all people, business and communities have the educational and economic means to reach their full potential.

LEO Organizational Chart



Building a Stronger Michigan

LEO Strategic Plan
FY22 – FY26

STRATEGIC FOCUS AREAS

A Close equity gaps

Prioritize closure of socioeconomic / demographic opportunity gaps in all decision making.

B Create better jobs and support small businesses

Become the benchmark of economic development by supporting the creation of good and promising jobs that make Michigan's economy more resilient, while implementing the state's first small business strategy that includes focusing on microbusinesses. Address talent shortages in current and future growth sectors in every region of the state.

C Educate Michiganders and grow the middle class by removing barriers to employment

Support education, training, onramps, certifications to make sustaining wages more attainable. Address barriers including housing, transportation, healthcare, childcare, language, and placement. Address talent shortages in current and future growth sectors in every region of the state.

D Protect and enhance health, safety, and economic security for workers

Ensure safe working conditions, fair wages, and labor protections

E Build strong communities and have great places to live

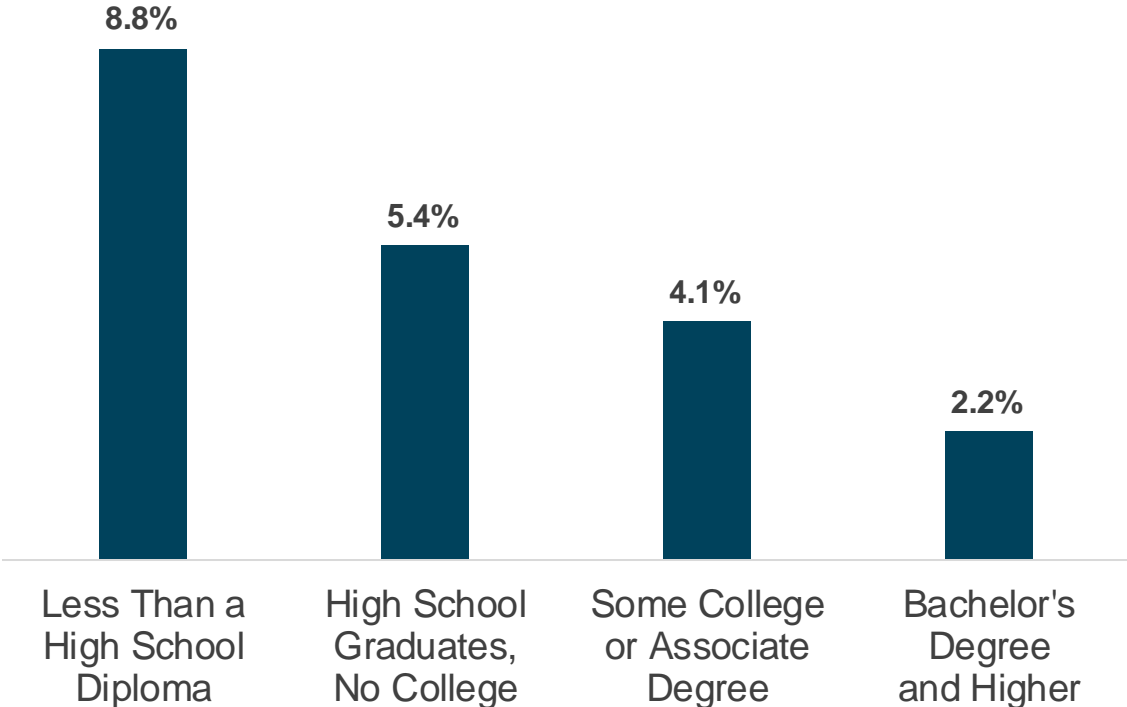
Create a strong foundation for communities to grow by making historic investments in broadband, housing, and other critical infrastructure. Invest in developing vibrant places with rich amenities.



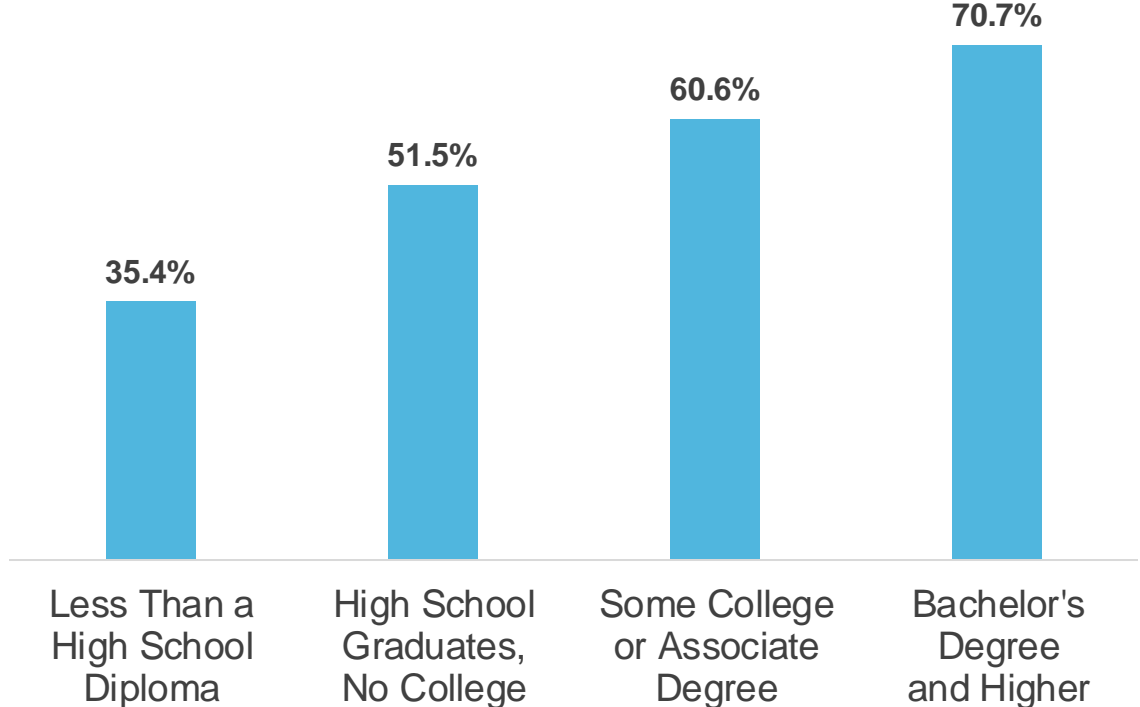
Education Offers Hope For Better Outcomes

Jobless rates tend to be much higher for individuals without a high school diploma or those without additional education beyond a GED. Labor force participation rates are also lower for these groups.

Jobless Rate



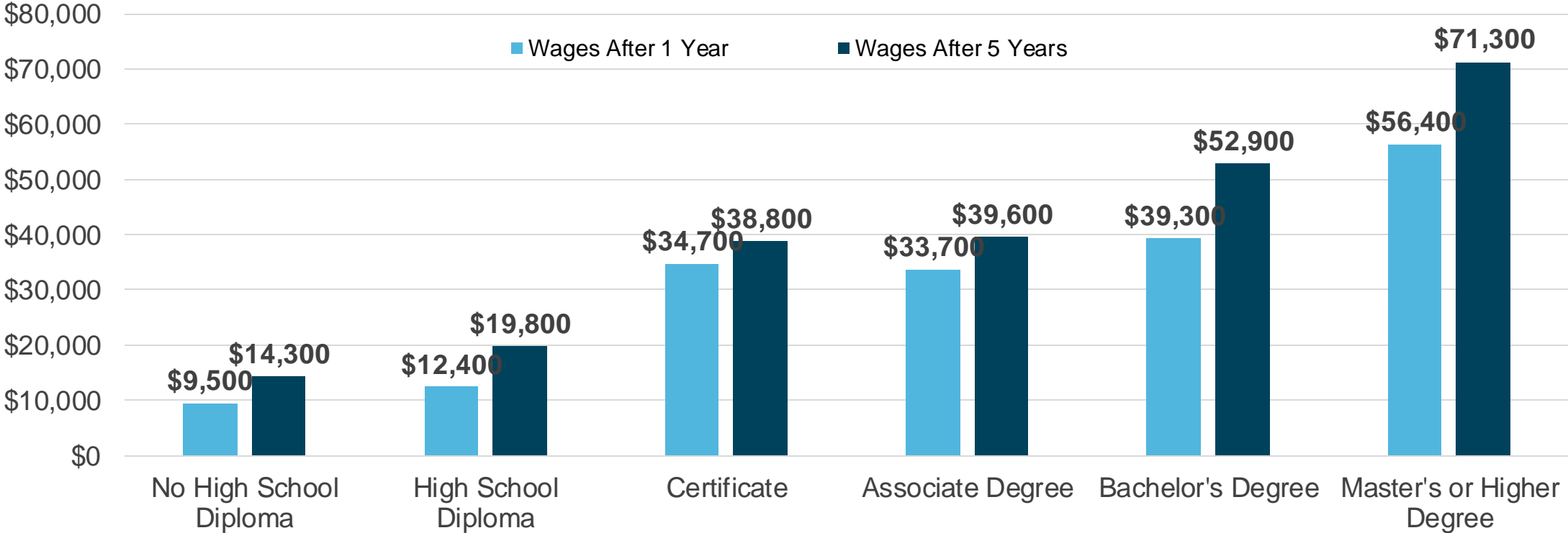
Labor Force Participation Rate



Source: Current Population Survey, 12-Month DEMECON July 2021-June 2022; U.S. Census Bureau

Median annual wages increase with higher educational attainment. Outcomes for recent graduates show significant increases in wages with postsecondary education.

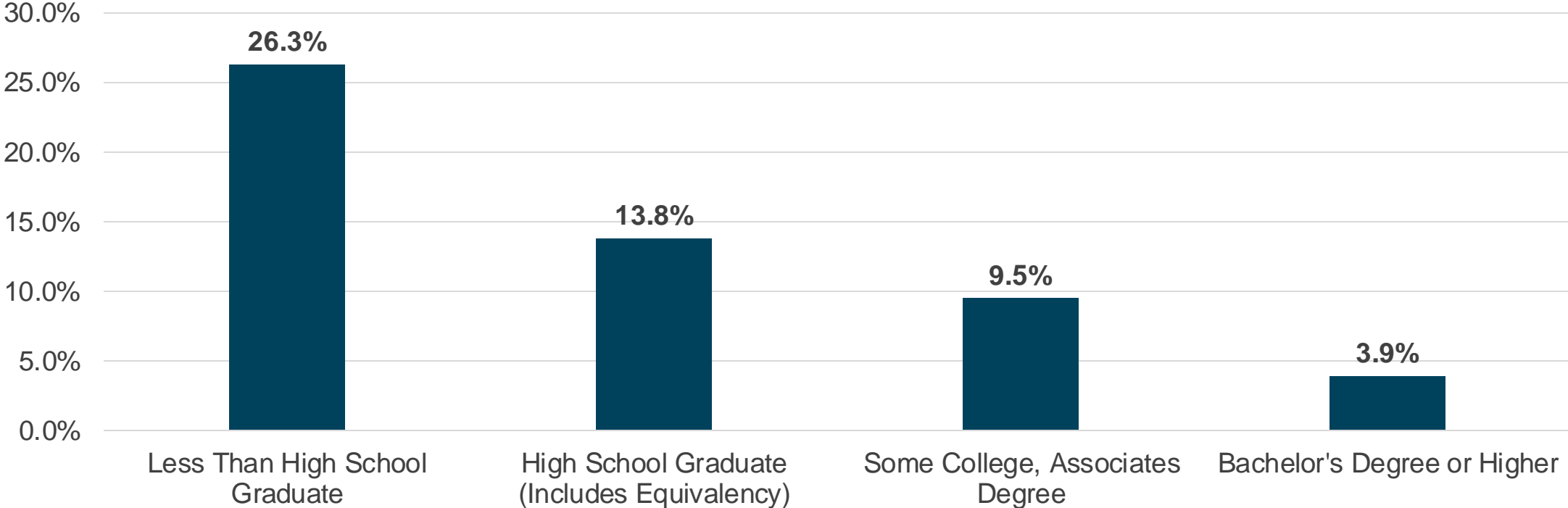
Median Annual Wages by Educational Attainment



Source: MiSchoolData

Postsecondary education is correlated with lower poverty rates in Michigan. Completing high school or equivalent had a poverty rate nearly 13 percentage points less than not completing.

Population Below Poverty Level in Michigan



Source: American Community Survey, 2019 1-Year Estimates, U.S. Census Bureau

Rebuilding Michigan's Economy from all Angles

**Expanding Access to
Post-Secondary
Education**

Michigan Reconnect

Creating Better Jobs

**Going PRO Talent
Fund**

**Developing Michigan's
Workforce**

**Apprenticeships
EV Academy**

**Removing Barriers to
Employment**

Tri-Share Child Care



Sixty by 30

- A strong state – and a strong economy – requires a concentration of talented people who are prepared to compete in a modern workforce and solve future challenges.
- **Together we can build a better Michigan for all.**

Sixtyby30.org

Michigan Reconnect



More than **112,000**
applicants accepted.

- Tuition-free education for adults 25 and older.
- **24,000+** Reconnectors enrolled
- **2,000+** received a degree or skills certificate
- Expand eligibility to **400,000+**

Michigan.gov/Reconnect

Going PRO Talent Fund

- Launched in 2014 to assist employers with training, developing and retaining employees.
- Training to more than 170,000 Michigan workers at more **than** 6,000 businesses.
- Fiscal Year 2023 **\$55M** investment through bipartisan budget.
- Participating workers see nearly a 10% increase to hourly wages because of training.

Michigan.gov/TalentFund



Expanding State Apprenticeships



- **More than \$35.8M** in State Apprenticeship Expansion Grants since 2019.
- **\$6.2M in State Apprenticeship Expansion grants**, creating more than **18,700 opportunities** across **Michigan**.
- Federal grants and **\$10M in FY23 budget**, we expect to create more than **6,000 new apprentices** over the next few years.
- Supplemental included additional **\$25M in** state apprenticeship grants.

Michigan.gov/Apprenticeships

Removing Barriers to Employment

- **FY23 includes \$10M and supplemental \$15M investment to address barrier removal.**
- Partnering for action.



EV Jobs Academy

- **\$5M** awarded to develop and expand highly qualified and skilled workforce in automotive mobility and electrification industry.
- Collaborative approach to develop education and training solutions – more than **100 partners** involved.

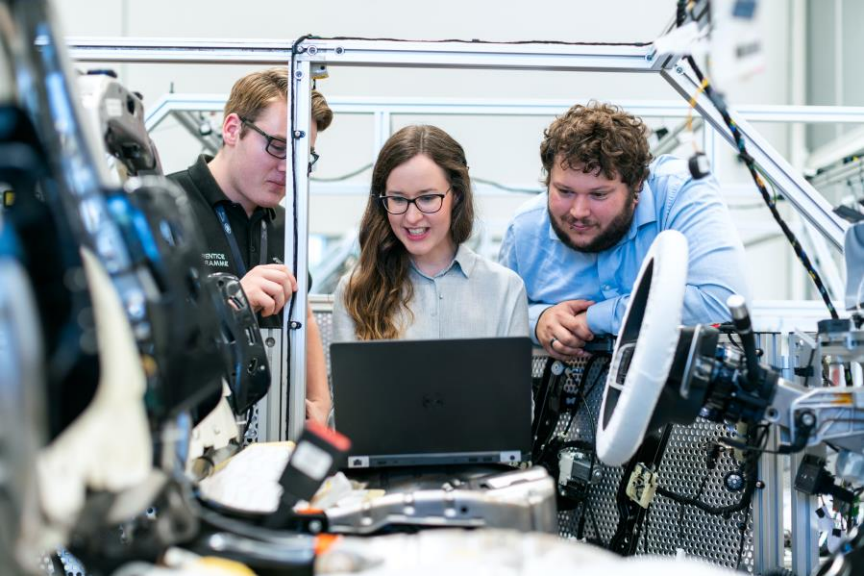
Michigan.gov/EVJobsAcademy





Tri-Share Child Care Program

- Providing long-term support to businesses and families.
- Splits child care costs between employees, employer and the state.
- **\$1M** initial investment and **\$2.5M** in our **2023 budget**
- Available in **13 Key Regions**
- Support from **W.K. Kellogg Foundation** and **The Ballmer Group**



Continuing to Drive the Work

We are continuing to find more innovative ways to support businesses and employees through:

- Enhancement grants
- Michigan Mainstreet Initiative
- Sixty by 30 fund

Thank you.
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