

# WEST MICHIGAN VIEWPOINT

## The Early Recession's Impact on West Michigan Cities and Commuting Trends

From 2002 to 2008, employers in west Michigan's metropolitan areas cut 26,000 workers from their payrolls, a decline of 3.2 percent. During the same six-year period, 37,000 workers who resided in the region's six metro areas lost their jobs, a decline of 4.7 percent. This is according to a newly compiled employment database recently released by the U.S. Census in cooperation with the U.S. Department of Labor. It includes employment statistics for all employees covered by unemployment insurance, but excludes self-employed and part-time workers who are not eligible for unemployment insurance.

Since the database provides statistics on both the work and residential locations of the region's workers, it provides a glimpse of the spatial impact of the recession as of 2008. As shown in the table below, the region's core cities experienced strikingly different employment shifts during this period. For example, in Kent County, employers in Grand Rapids kept their employment level nearly stable as employment fell only 1.2 percent during the period. Employers in Wyoming, on the other hand, suffered an 18.3 percent drop in employment, while in Kentwood employers increased their payrolls by 17.1 percent. Overall, employment by place of work held stable for all of Kent County, which experienced a drop of less than 1.0 percent.

Like Wyoming and Kentwood, employers in the cities of Muskegon and Norton Shores experienced dramatically different employment trends. Employers in the City of Kalamazoo cut nearly 15 percent of their workforce, while Portage employers kept their payrolls stable. In Ottawa County, Zeeland employers increased their payrolls by 22 percent, while employers in the county's two other cities reduced their workforces. Employers in all of the major cities in Calhoun and Berrien counties reduced their workforce between the years 2002 and 2008.

Of course, cities are places where workers live as well as work. Turning to the number of workers residing within city borders, we see that all of the major cities suffered a decline in the number of employed residents. In the region's largest city, Grand Rapids, the number of employed residents fell by 11.4 percent despite its employers only trimming their payrolls by 1.2 percent. In Kentwood, Norton Shores, and Portage, despite employers adding workers, the number of employed residents fell; in the case of Portage it fell by a sharp 15 percent.

There is no mystery here as most workers do not work in the same city that they live in. Again in Grand Rapids, only 40 percent of its residents work in the city. In the city of Kalamazoo, only 38.8 percent of its employed residents worked in the city in 2008.

While the employment patterns vary greatly among the region's major cities, it is clear that the shedding of labor is occurring throughout the region, and that increasing numbers of workers are crossing county lines to work. In the region's largest county, Kent, employers employed only 75.8 percent of county's residents in 2008.

Clearly, the economic success of cities depends on attracting and retaining jobs within their borders and upon the ability of its residents to find employment. In short, these statistics only confirm the importance of the region's cities in creating and maintaining an attractive residential environment for individuals.

Locality	2008			% change, 2002-2008			2008			% change, 2002-2008		
	Workers <i>N</i>	Residents		Workers	Total residents working	Locality	Workers <i>N</i>	Residents		Workers	Total residents working	
		Total working	% working in hometown					Total working	% working in hometown			
<b>Berrien County</b>	56,233	58,766	62.5	-3.0	-7.9	<b>Kent County</b>	321,951	249,177	75.8	-0.5	-4.1	
Niles	6,342	4,804	21.2	-5.0	-2.3	Grand Rapids	123,122	73,734	39.7	-1.2	-11.4	
Benton Harbor	3,040	2,700	8.0	-27.2	-23.1	Wyoming	36,881	31,552	15.3	-18.3	-4.3	
St. Joseph	7,448	3,348	23.6	-11.5	-15.3	Kentwood	41,372	21,350	18.5	17.1	-5.8	
<b>Calhoun County</b>	47,150	46,126	57.2	-19.6	-18.2	<b>Muskegon County</b>	55,550	66,891	53.6	-8.6	-3.7	
Battle Creek	27,629	17,540	44.3	-28.4	-22.8	Muskegon	19,840	12,472	23.3	-16.6	-13.2	
Albion	2,033	2,566	23.3	-32.1	-26.9	Norton Shores	10,351	9,801	15.4	13.2	-2.8	
Marshall	5,254	2,731	26.0	-18.4	-24.0	<b>Ottawa County</b>	101,665	112,445	47.3	-2.4	2.9	
<b>Kalamazoo County</b>	109,332	94,821	66.3	-6.3	-8.3	Holland	29,459	14,572	32.8	-9.4	-5.4	
Kalamazoo	49,876	25,043	38.8	-14.7	-13.2	Grand Haven	9,776	4,822	26.2	-6.7	-9.8	
Portage	27,597	18,830	27.3	0.7	-15.0	Zeeland	9,982	2,872	18.7	21.6	-6.4	

NOTE: The first column heading, "Workers," signifies the number of people (*N*, for both residents and nonresidents) that work in a particular locality, whether it be a county or a city within that county. The second through the fourth columns deal with residents of a locality, whether that locality be a county or a city within that county. "Total working" means the number of working residents of a particular locality that work anywhere; "Working in hometown" stands for the number of residents of a locality that work in that same locality; and "% working in hometown" is the percentage of working residents of a locality that work in that same locality. The fifth and sixth columns, "Workers" and "Total residents working," repeat the categories of the first and second columns for the period 2002-2008 instead of just 2008.

<sup>a</sup> In this column and the next, "hometown" may refer to either a county or a city, depending on the row heading.