State of Grand Traverse Region and its Manufacturing Industry

2026 Northern Michigan Manufacturing Summit

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April 13, 2026

W.E. UPJOHN INSTITUTE FOR EMPLOYMENT RESEARCH

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- Research
- Workforce Service Center
- *Upjohn Regional*: Regional Economic and Community Development
    - Regional analysis
    - Economic and workforce development strategies
    - Economic impact studies
    - Regional planning
    - Community outreach

State of the National and Regional Economy

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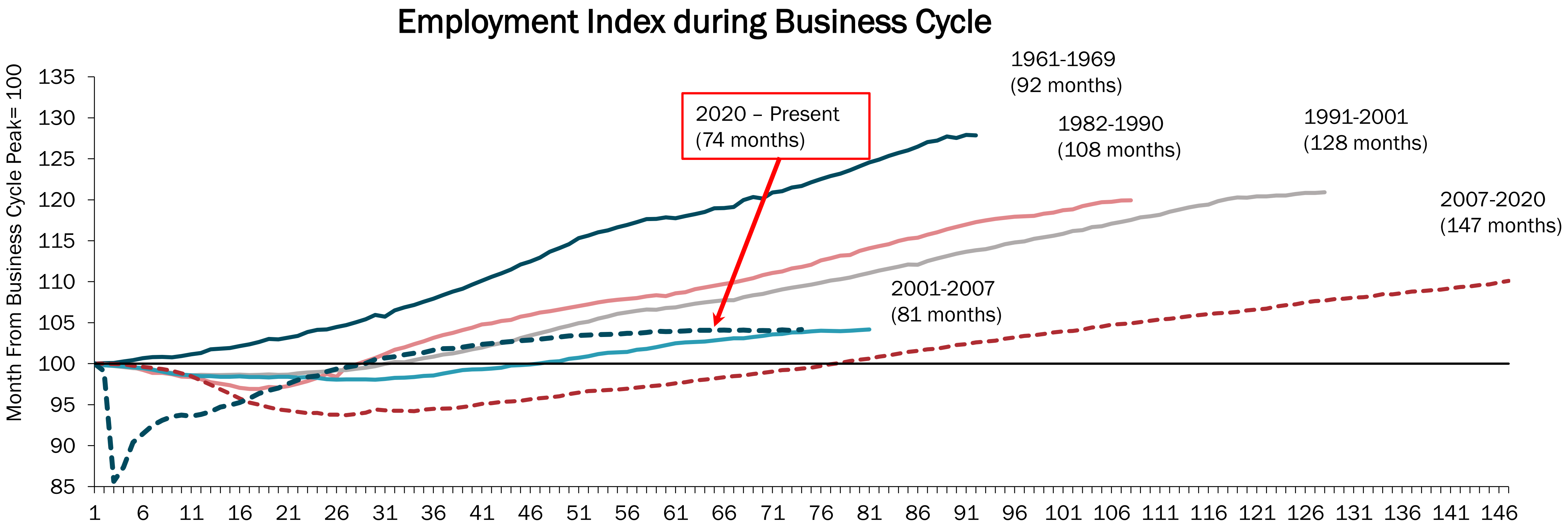
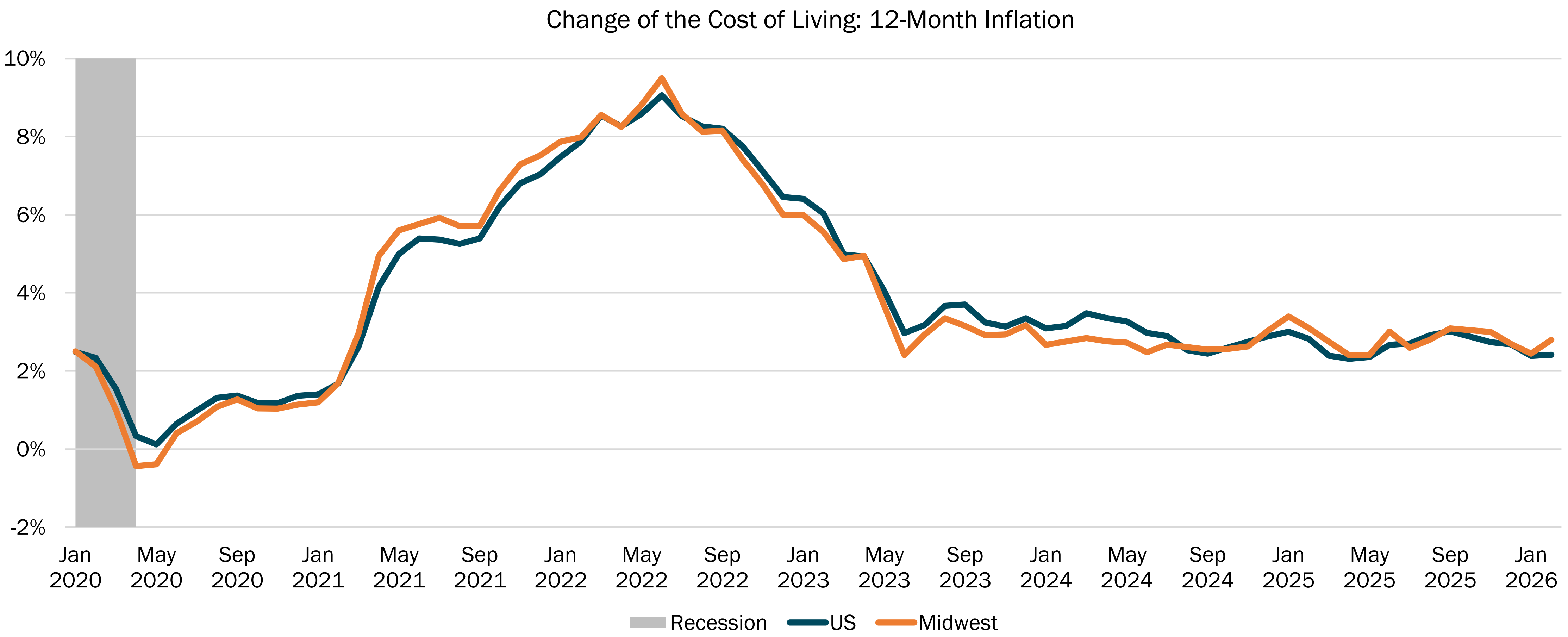
72+ months of a resilient and adaptable economy with continued growth and a strong job market, alongside workforce and inflation challenges



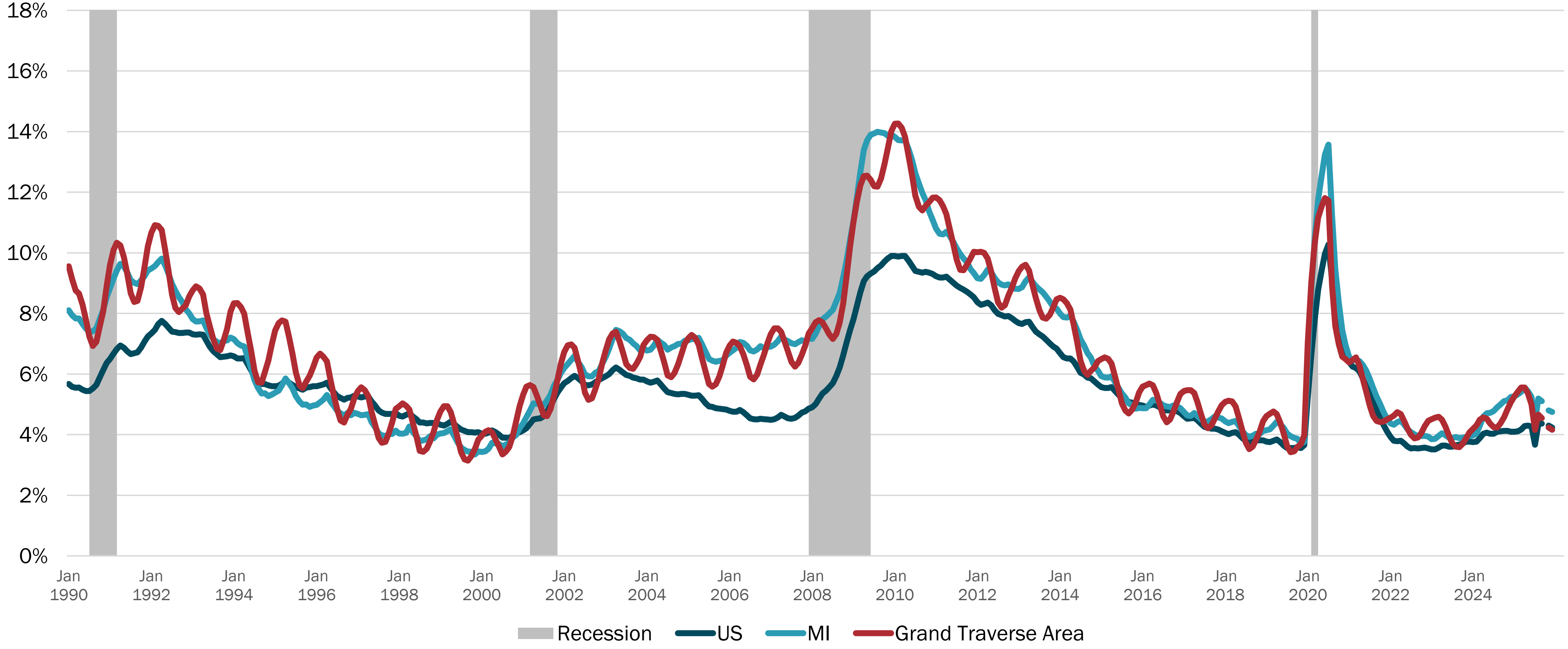
Source: BLS CES (April 2026)

Change of the Cost of Living: 12-Month Inflation

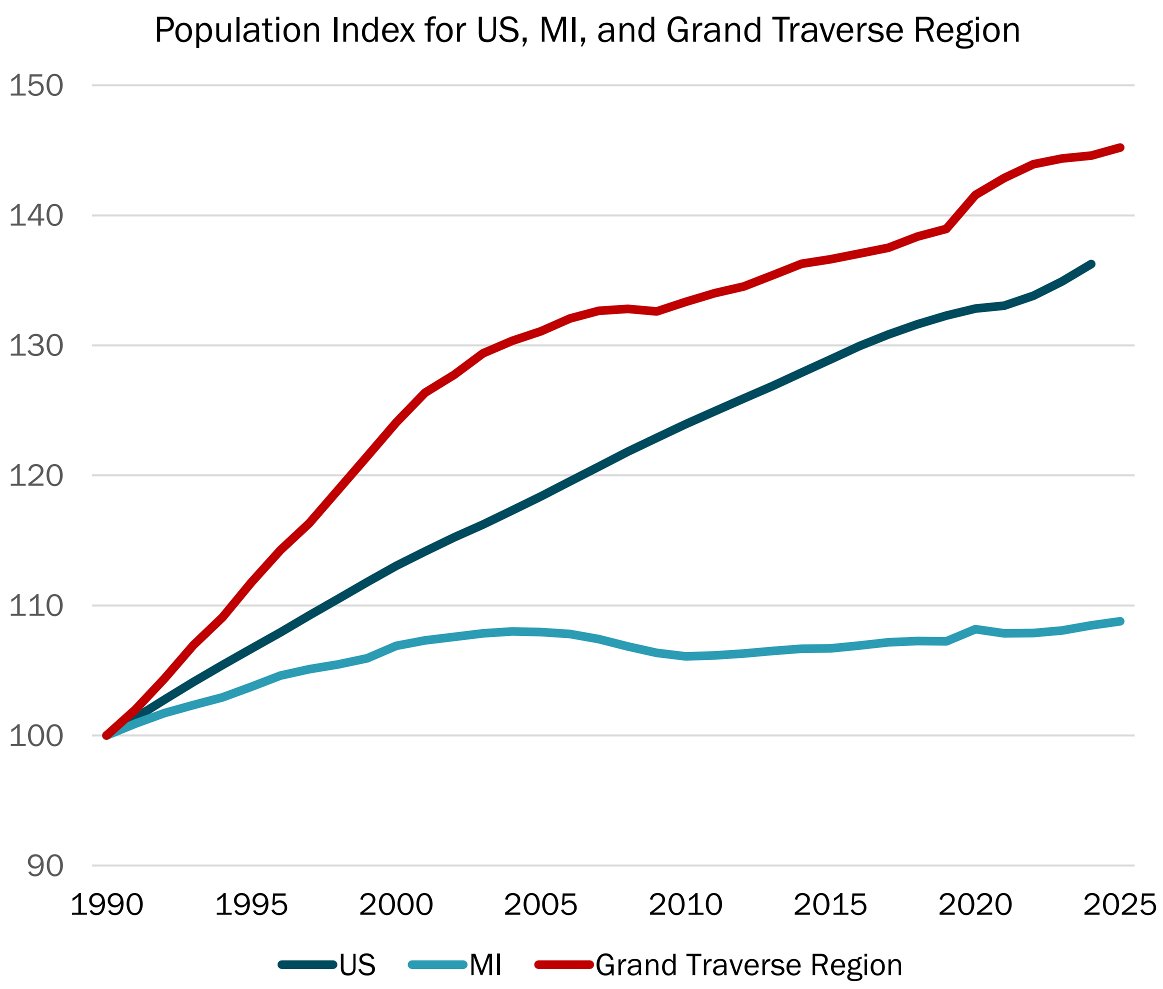


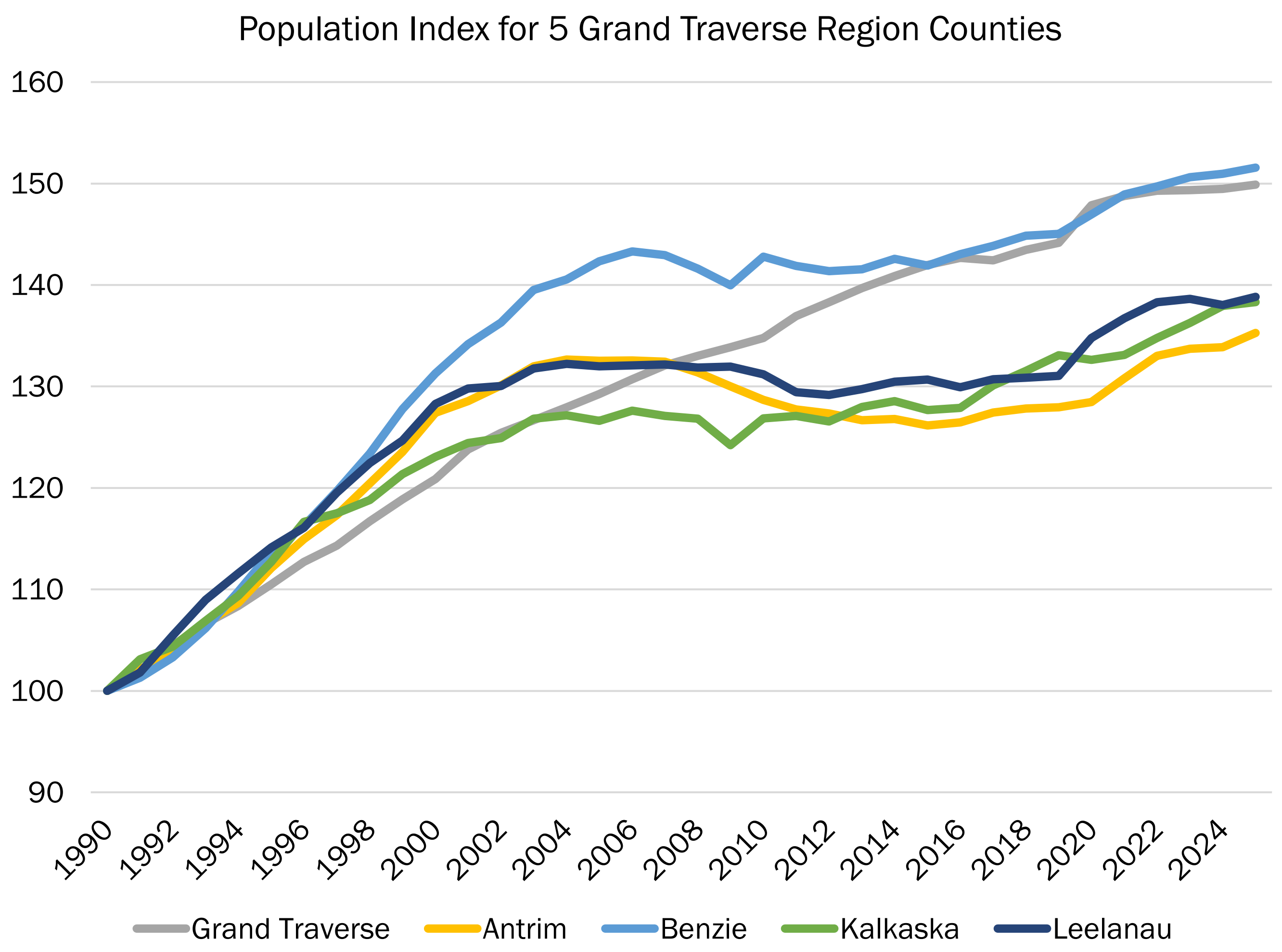
Source: BLS Consumer Price Index (April 2026)

US unemployment has reached a historically low level



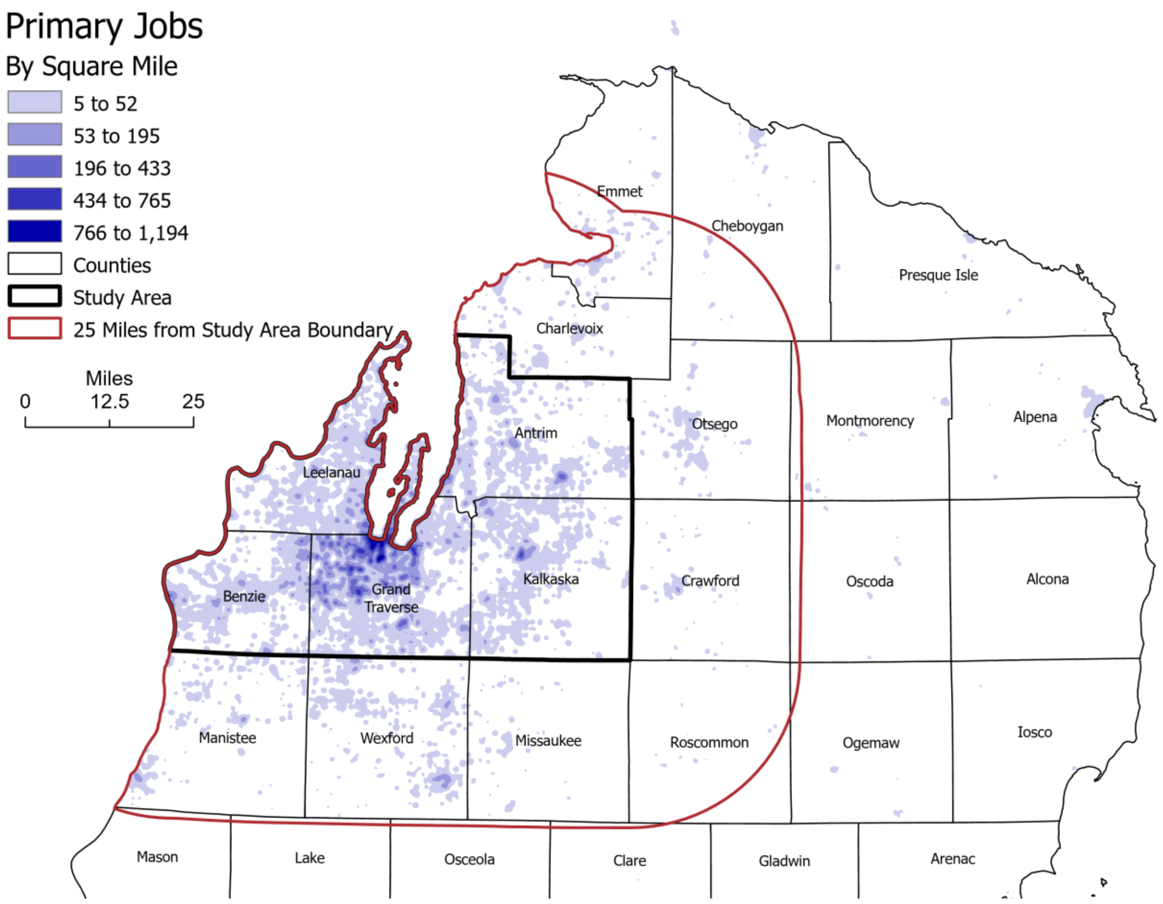
GT Region is Growing Faster than the US, MI; All Counties are Growing





Primary Job Holders Work and Live Within the 5-County Region

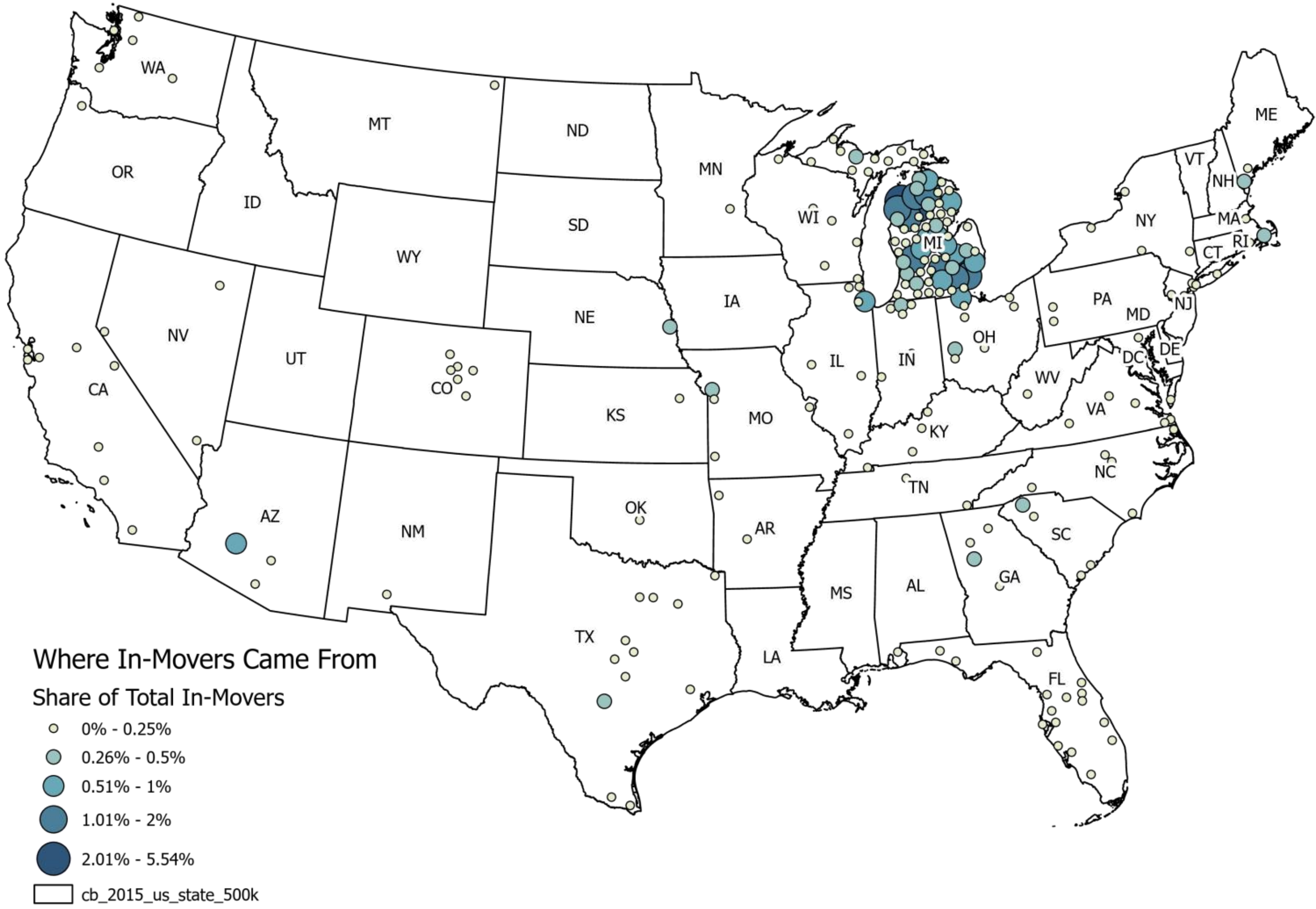
- Commuting for the region is insular
    - ¾ of the primary jobs in the region are worked by individuals who live within the region. A total of 62,678 primary jobs are in the region
- Primary jobs within the region are centralized
    - Of the primary jobs in the region
        - 71% exist in Grand Traverse County
        - 39% exist specifically in Traverse City
- ¾ of the primary jobs commute less than 25 miles
- Grand Traverse has more primary job holders living and working inside the county than living and working outside of the county
    - The remaining counties in the region have the opposite live/work relationship



In Migration to the Region Comes From Within Michigan

- 40% of all in-movers to the region are from Michigan
  - 5.5% are from Grand Traverse County
- Ohio, Texas, Arizona, and Florida account for over 4% of all in-movers to the region

Geography	Total In-Movers	Share of all In-Movers
Michigan	8,497	40.2%
Grand Traverse	1,173	5.5%
Ohio	249	1.2%
Texas	244	1.2%
Arizona	221	1.0%
Florida	206	1.0%
Illinois	172	0.8%
Georgia	141	0.7%
California	138	0.7%
Washington	137	0.7%
Indiana	125	0.6%
Colorado	113	0.5%



Structure of the Economy, 2025

Sector	Employment Share			Share of GDP			Productivity		
	GT Region	MI	US	GT Region	MI	US	GT Region	MI	US
Agriculture	3.5%	1.7%	2.2%	0.9%	0.2%	1.6%	$36.5 K	$21.7 K	$136.1 K
Manufacturing	8.2%	12.9%	7.7%	9.5%	18.5%	10.2%	$168.3 K	$232.8 K	$253.2 K
Services	88.3%	85.4%	90.1%	90.1%	82.9%	90.9%	$147.5 K	$157.6 K	$194.2 K

Source: Moody's Economy.com; Upjohn Regional Calculations (April 2026)

Average Annual Wages 2024

	All Industries	Manufacturing	Living Wage (Each Adult in a 2-Kid 2-Working-Adult Household)
US	$75,608	$85,436	n/a
MI	$68,276	$82,420	$53,581
Grand Traverse Region	**$56,313**	**$61,495**	**$54,785**

Source: BLS QCEW; MIT Living Wage Calculator; Upjohn Calculations, Feb 2026

Employment and Workforce

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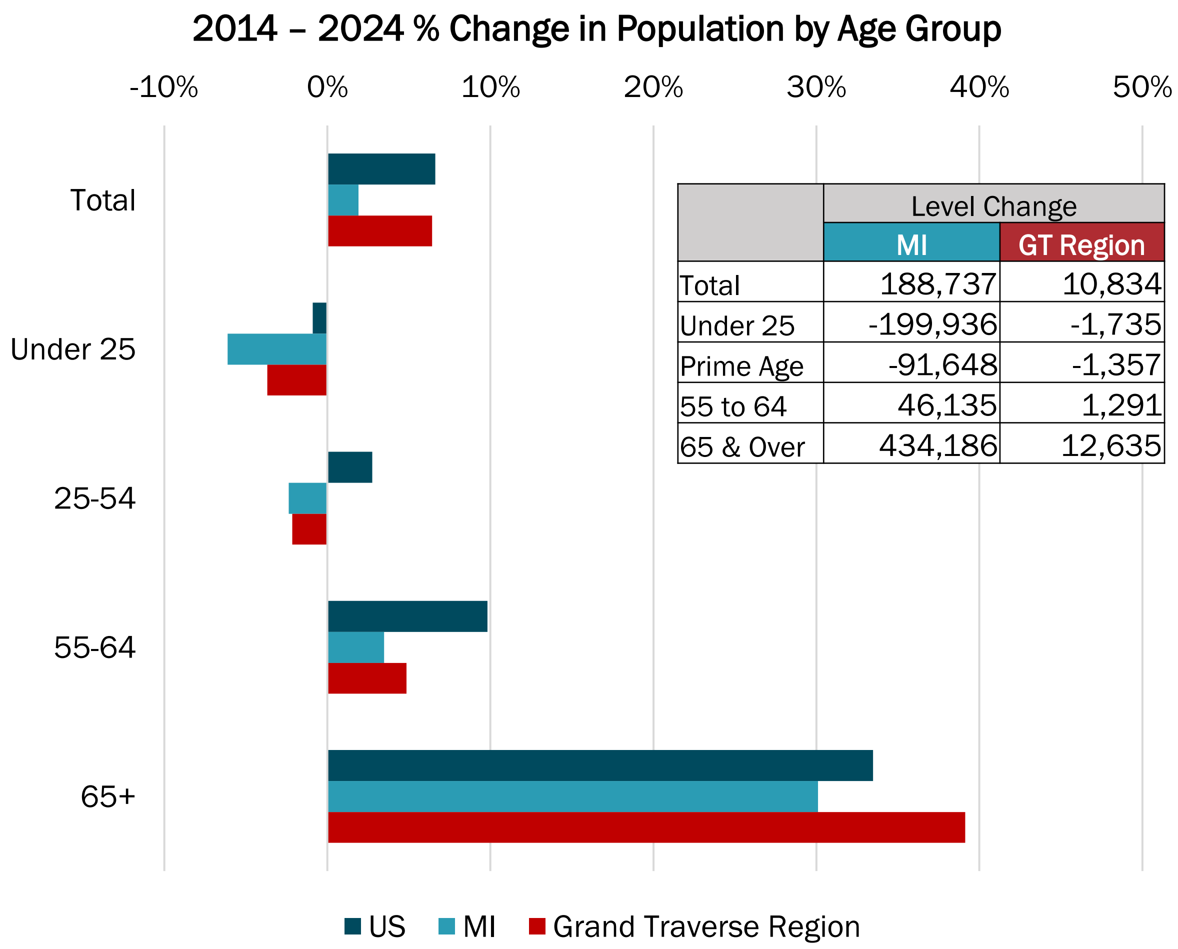
The 65+ demographic is quickly becoming a more prominent cohort

- The Grand Traverse Region is losing its pipeline as the number of Under 25 year olds and under 55 year olds are decreasing, just like Michigan
- Grand Traverse Region is increasing its population due to growth in the 55+ year old population
- The Prime Age Population of the Grand Traverse Region is not so different than the State of MI while there are notable differences in structure among the Under 25 and over 65 populations

	2024 POPULATION STRUCTURE BY AGE			
	MI		Grand Traverse Region	
Under 25	3.1 M	30.5%	45.3 K	25.3%
Prime Age	3.8 M	37.4%	61.4 K	34.2%
55 to 64	1.4 M	13.6%	27.9 K	15.5%
65 +	1.9 M	18.6%	44.9 K	25.0%
Total	**10.1 M**	**100.0%**	**179.6 K**	**100.0%**



	Level Change	
	MI	GT Region
Total	188,737	10,834
Under 25	-199,936	-1,735
Prime Age	-91,648	-1,357
55 to 64	46,135	1,291
65 & Over	434,186	12,635

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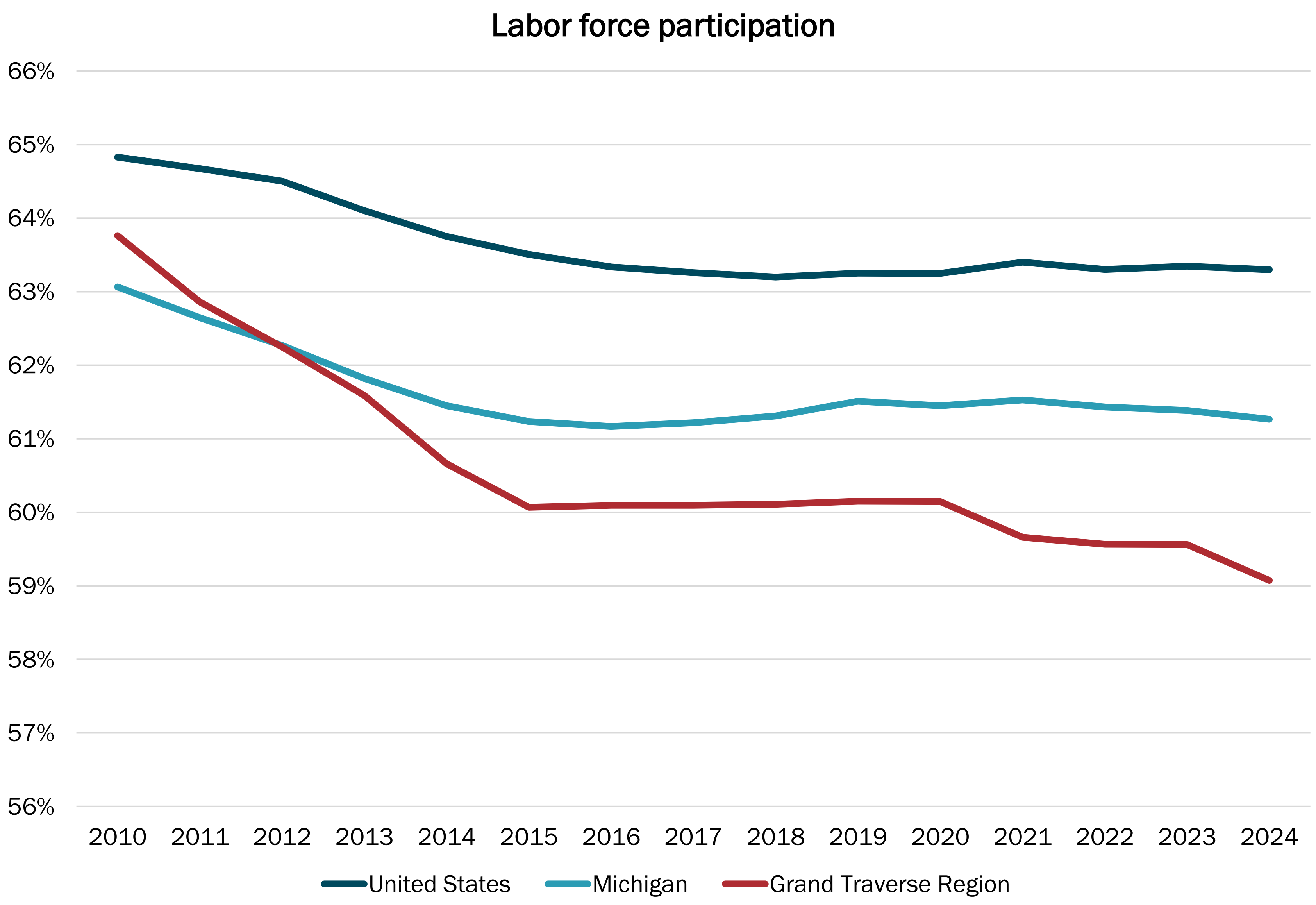
Source: US Census ACS

Labor force participation dynamic

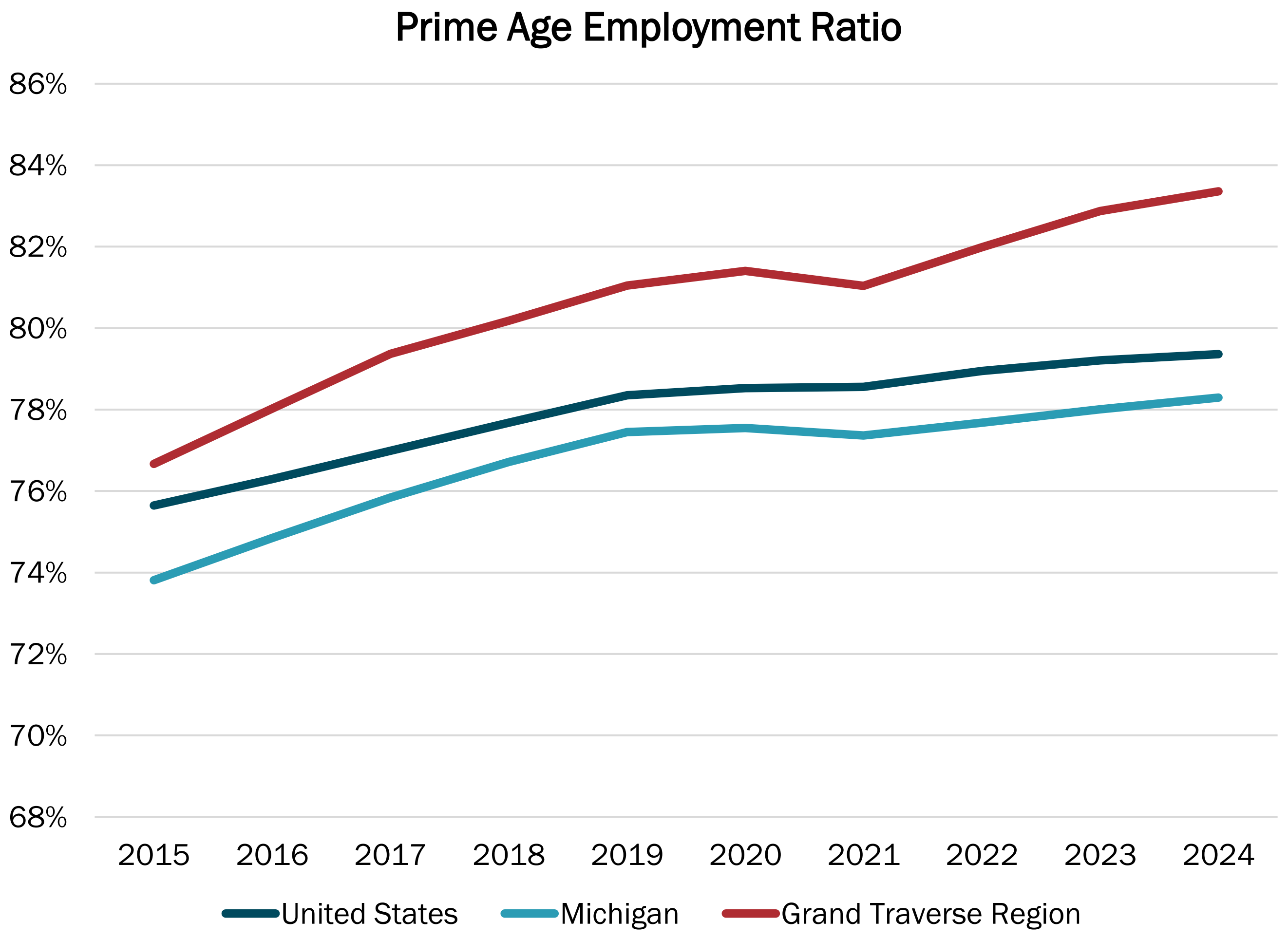
- US and MI Laborforce Participation leveled off by 2017
- Grand Traverse Region continued to decline after 2020
- Given Grand Traverse area is a common destination for retirees, the labor force participation rate reflects this



Source: US Census ACS

Prime Age Employment Ratio – how many people of the prime age are employed

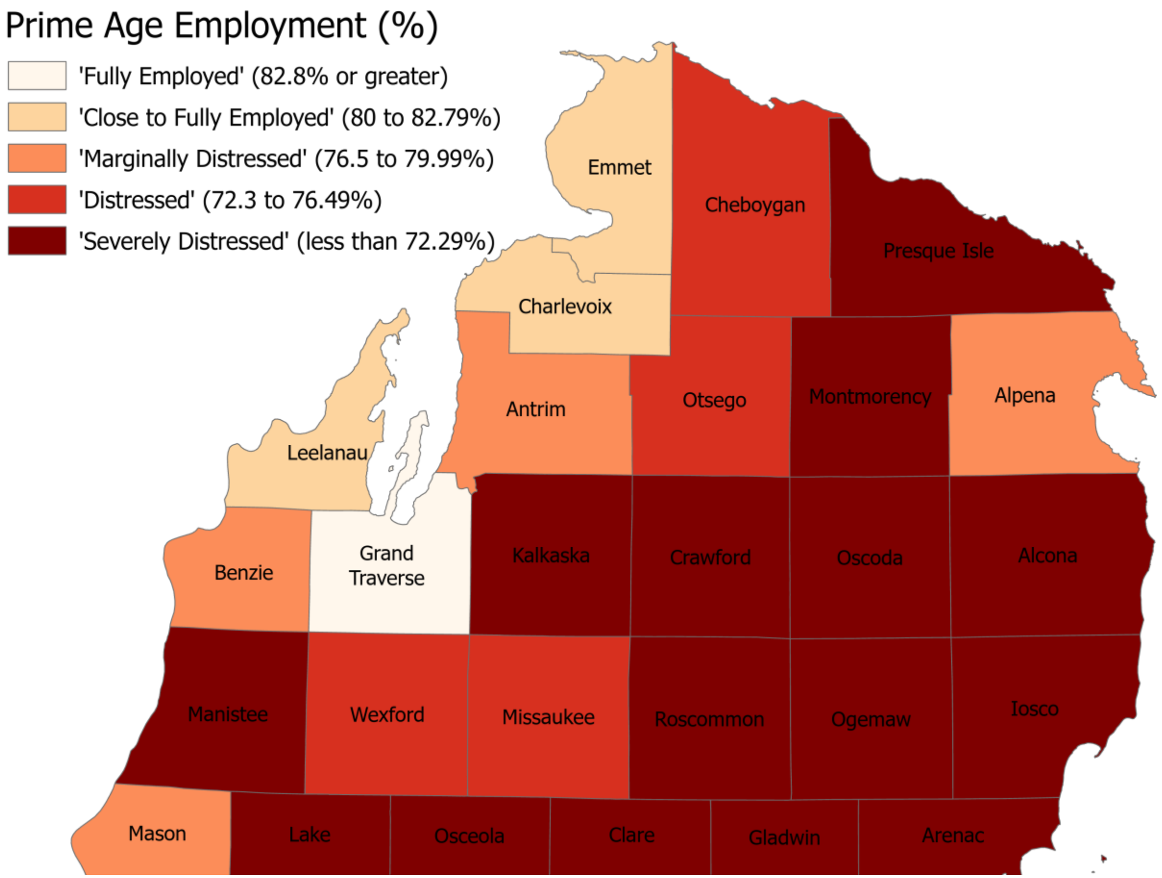
- Since 2015, the number of Prime Aged Employed people has steadily increased. This is also true for MI and US
- Grand Traverse consistently has had a higher Prime-Age Employment Ratio than MI and US
- Grand Traverse and MI are losing Prime-Age populations, inflating the ratio while US reports increases in this age group.



Source: US Census ACS

Grand Traverse County Is Fully Employed While Rest of Region Has Some Economic Distress But Fares Much Better Than Rest of Northern MI

- **Distressed areas** are typically defined as communities with lower labor market outcomes for prime-age adults—those aged 25 to 54. This group is central to the analysis
- **Economic Productivity**: This age group represents the core of the workforce and contributes the most to economic productivity and tax revenue
- **Labor Market Health Indicator**: Low employment rates or income levels in this group suggest structural economic issues, such as mismatches in skills, lack of opportunity, or long-term disinvestment
- **Community Vitality**: Their economic engagement is essential for supporting schools, housing markets, and local businesses
- **Long-Term Impacts**: A lack of labor force participation in this age range can have lasting negative effects on families, local economic growth, and future generations



Source: Tim Bartik Economic Distress, 2015-2019
https://www.upjohn.org/economic-distress-map

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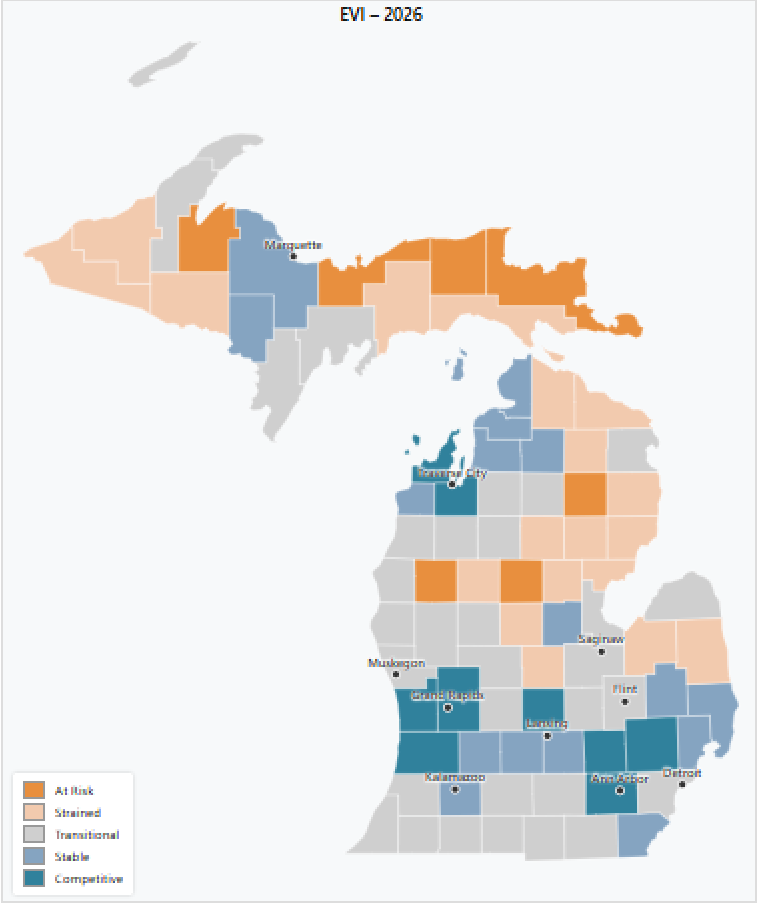
Michigan Economic Vitality Index

Economic Vitality Index – Michigan Counties

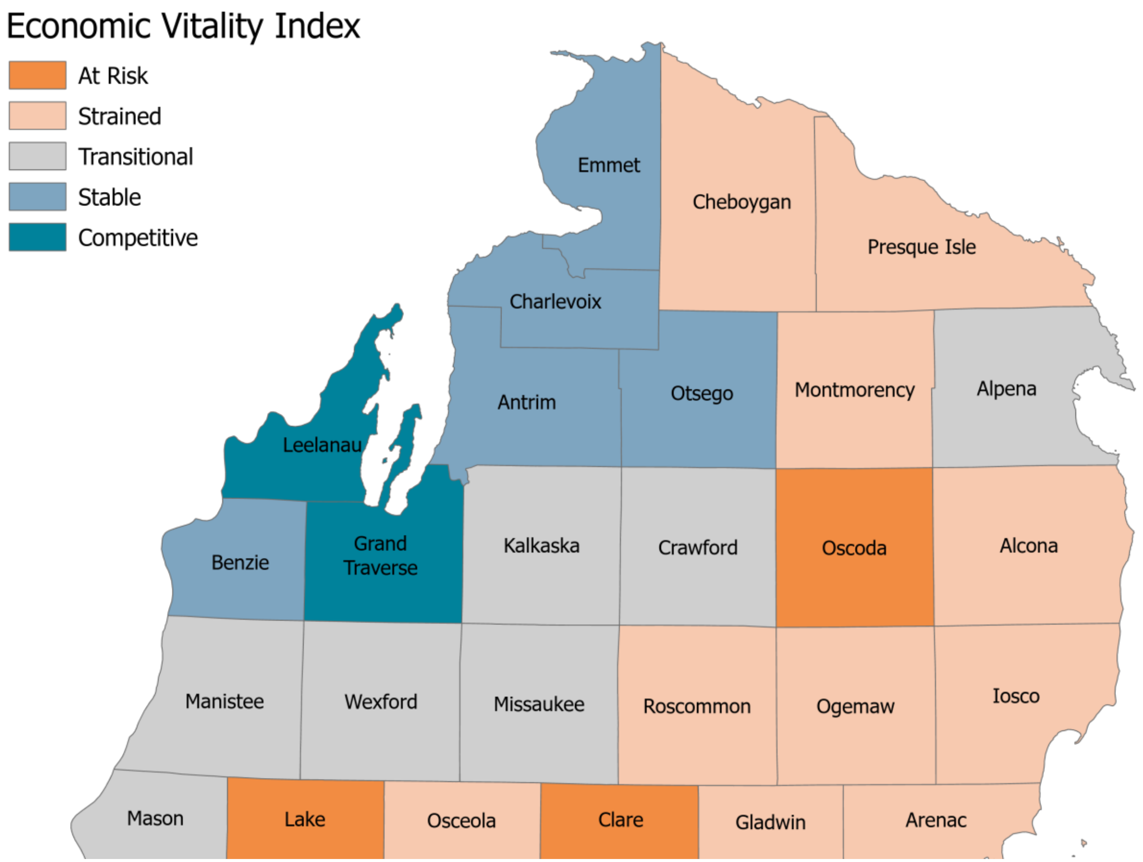
Indicator: EVI

Year: 2026 | 2025 | 2024 | Δ 25→26 | Δ 24→25



Grand Traverse and Leelanau Counties perform very well, and performance dissipates into the surrounding counties

- Prime-age employment to population ratio
- Median household income
- % of the employed working in a priority Michigan sector
- Three-year average annual population growth rate
- Property tax revenue
- % of adults 25 and older with an associate degree or higher
- Unemployment rate

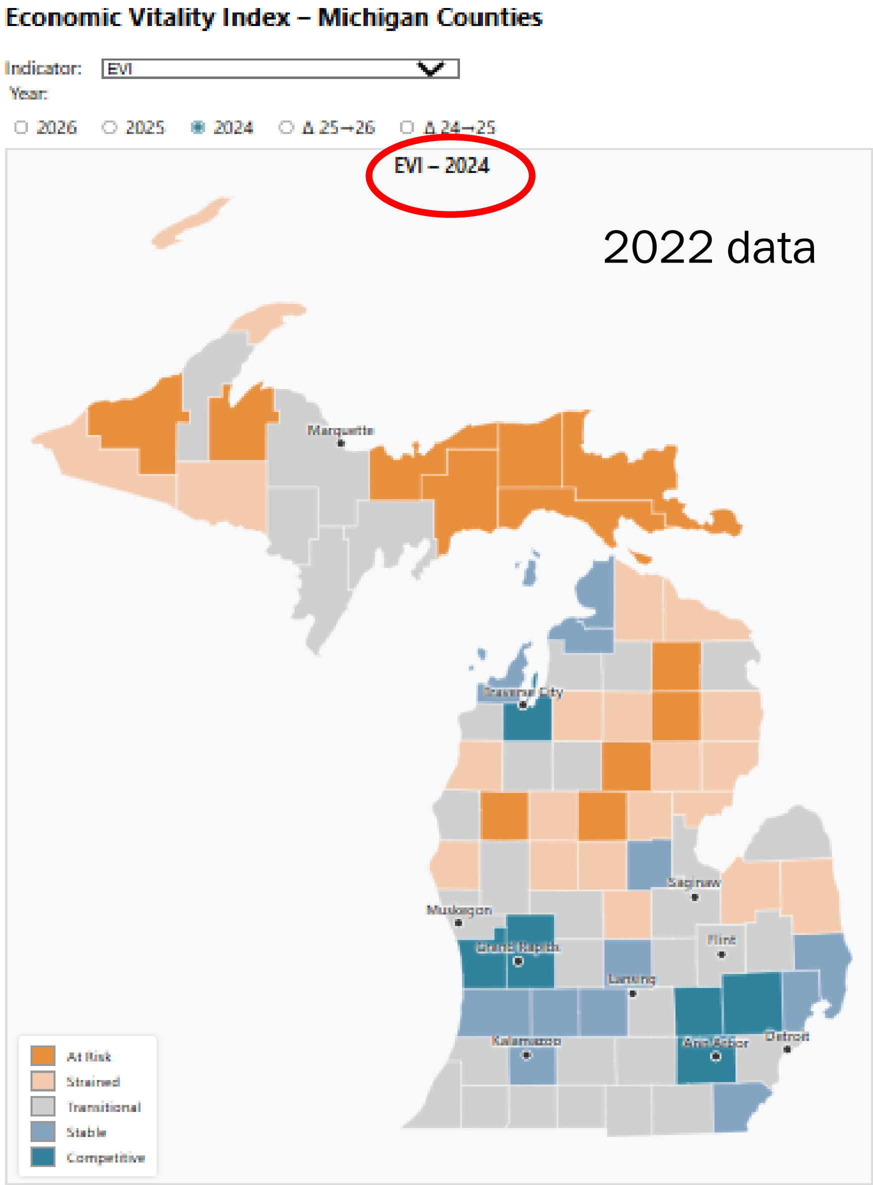


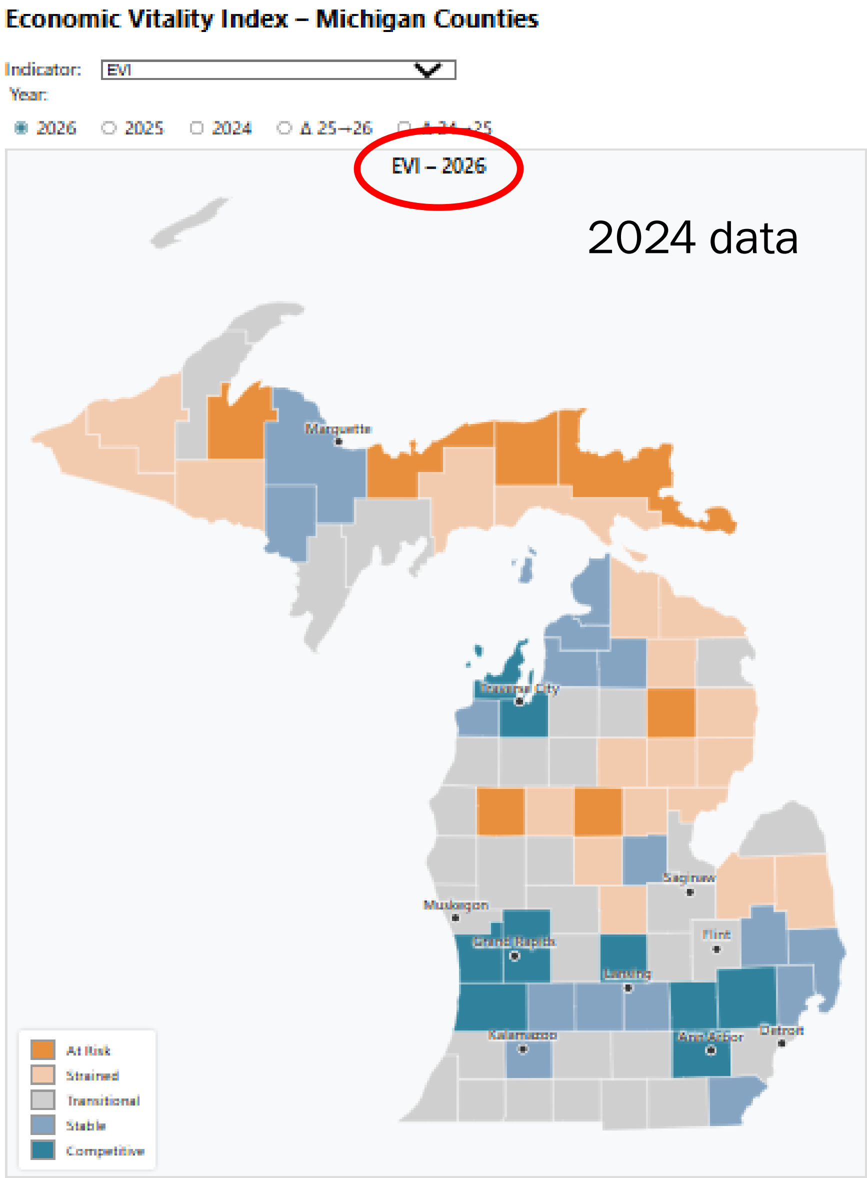
Source: Michigan Vitality Index

https://www.upjohn.org/michigan-economic-vitality-index

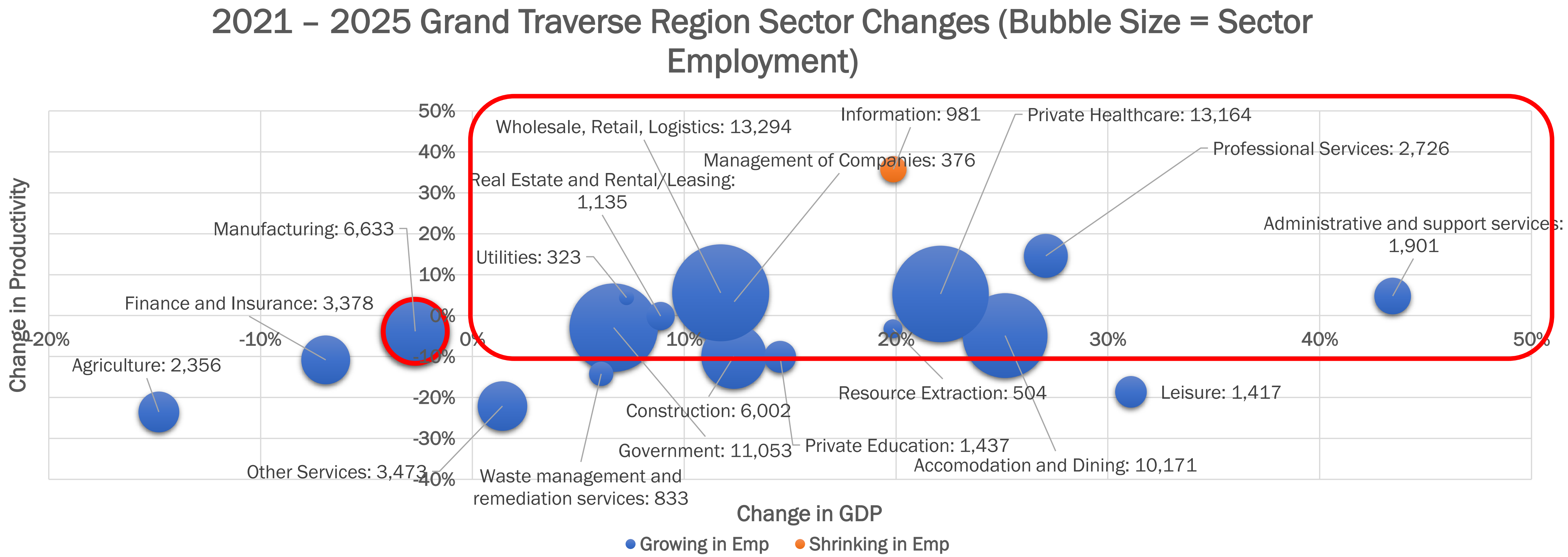
After the pandemic, counties improved their performance

- Prime-age employment to population ratio (16.1%)
- Median household income (18.1%)
- % of the employed working in a priority Michigan sector (10.9%)
- Three-year average annual population growth rate (13.6%)
- Property tax revenue (7.4%)
- % of adults 25 and older with an associate degree or higher (16.8%)
- Unemployment rate (17.2%)

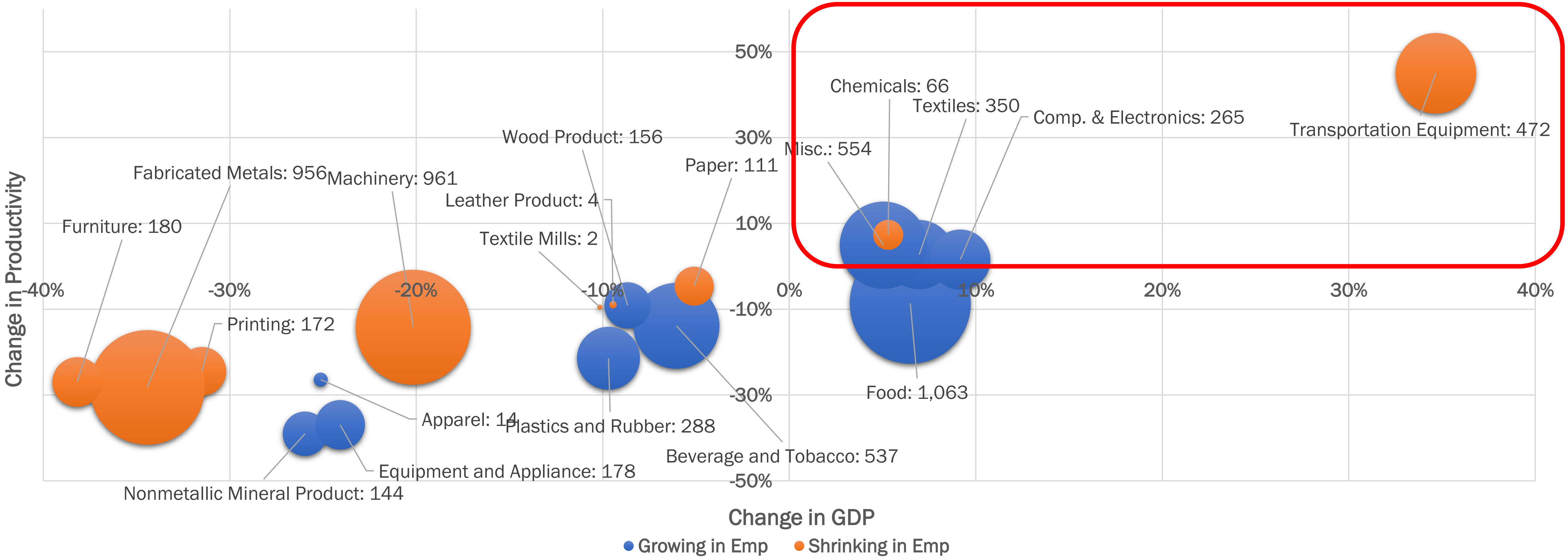




Most Grand Traverse Region Sectors are growing in Employment, GDP but Stagnating in Productivity



Many Grand Traverse Region Manufacturers are Lagging in GDP Growth and Productivity



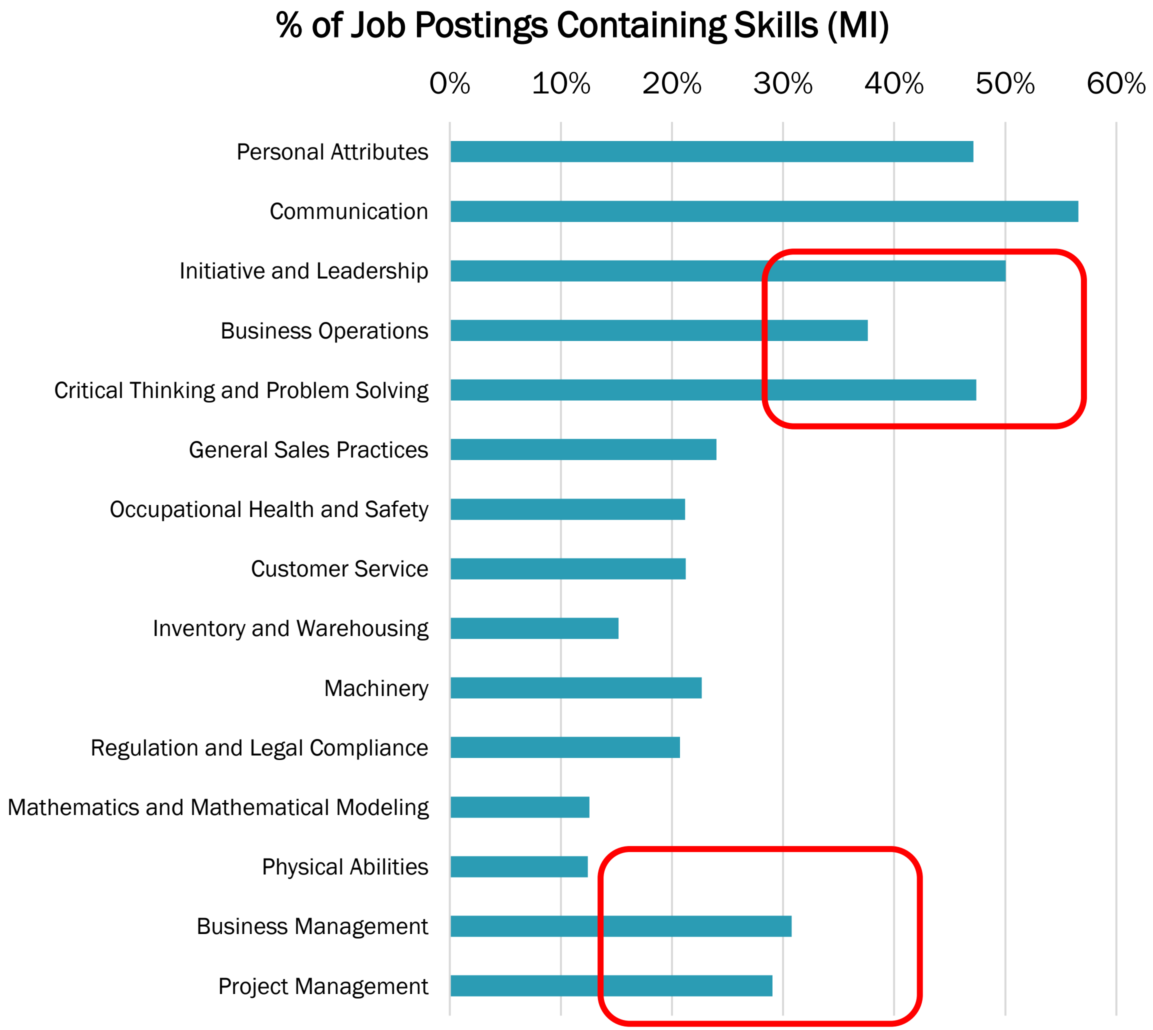
Manufacturing

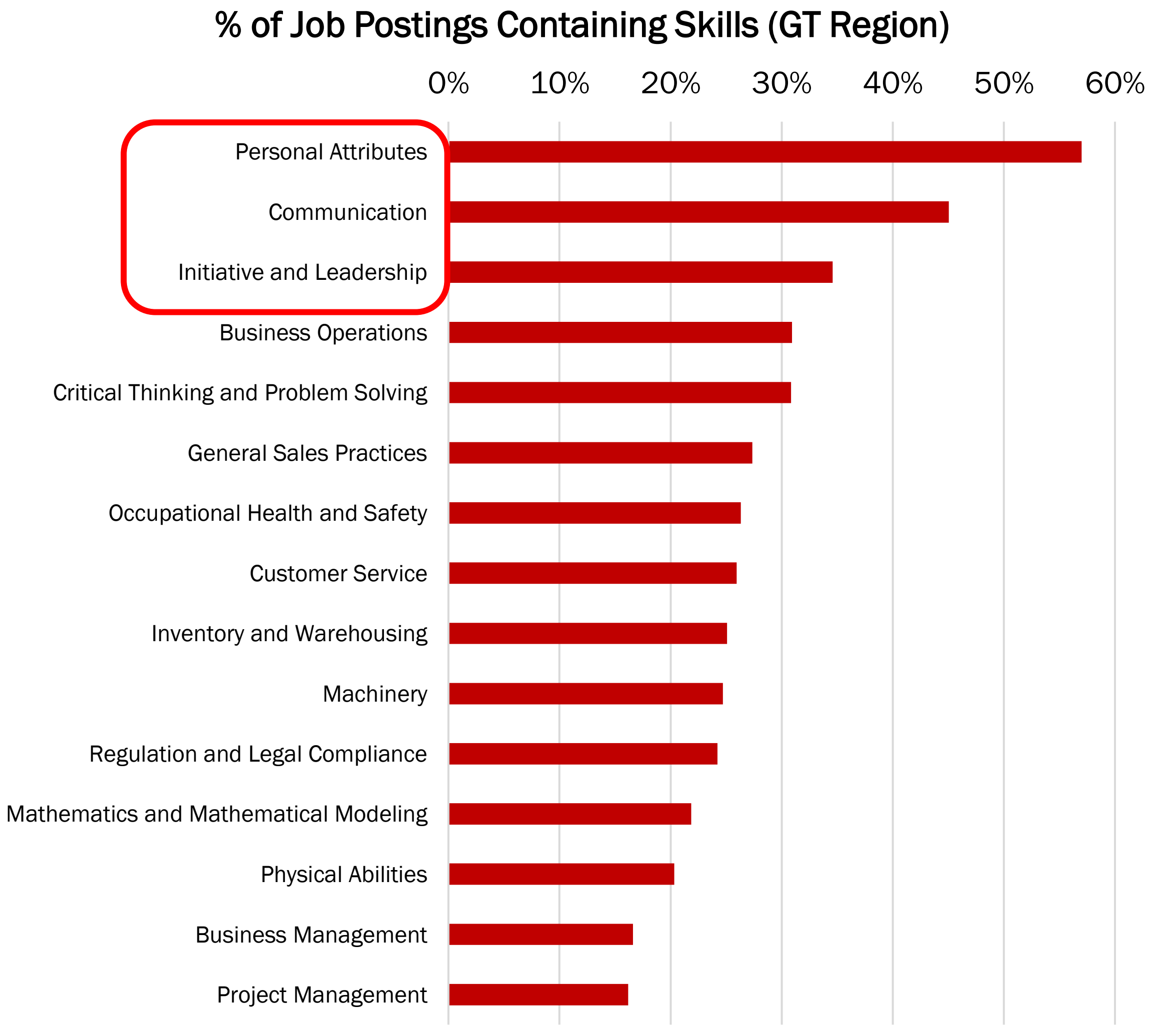
GT Region Manufacturers need *Production workers*, *Maintenance workers*, and *Sales reps*, but they can earn higher wages elsewhere

Top 5 occupations – 43% of all postings

Top In-Demand Manufacturing Occupations from Job Postings (April 2025 – Mar 2025)	Michigan		Grand Traverse Region	
	Median Advertised Salary	% of Average Monthly Postings	Median Advertised Salary	% of Average Monthly Postings
Other Production Occupations	$43,392	8.9%	$41,600	17.0%
Other Installation, Maintenance, and Repair Occupations	$57,216	4.9%	$42,496	7.3%
Material Moving Workers	$39,552	3.8%	$40,192	7.0%
Sales Representatives, Wholesale and Manufacturing	$102,784	3.6%	$71,936	6.1%
Motor Vehicle Operators	$56,192	1.6%	$44,032	5.3%
Retail Sales Workers	$36,480	2.3%	$37,504	3.6%
Art and Design Workers	$40,064	2.4%	$39,040	3.6%
Engineers	$110,848	9.1%	$68,640	3.1%
Assemblers and Fabricators	$39,296	1.5%	$37,504	2.7%
Information and Record Clerks	$43,648	1.4%	$47,616	2.7%
Metal Workers and Plastic Workers	$50,048	2.7%	$39,424	2.6%
Unclassified Occupation	$100,224	2.9%	$47,616	2.5%
Material Recording, Scheduling, Dispatching, and Distributing Workers	$41,600	1.5%	$38,400	2.5%
Operations Specialties Managers	$125,184	4.6%	$85,248	2.2%
Financial Specialists	$109,824	2.5%	$209,664	2.2%
Total Across All Occupations	$60,032	20,443	$43,136	230

Desired Skills for in-Demand GT Region Manufacturing Occupations (April 2025 – March 2026)

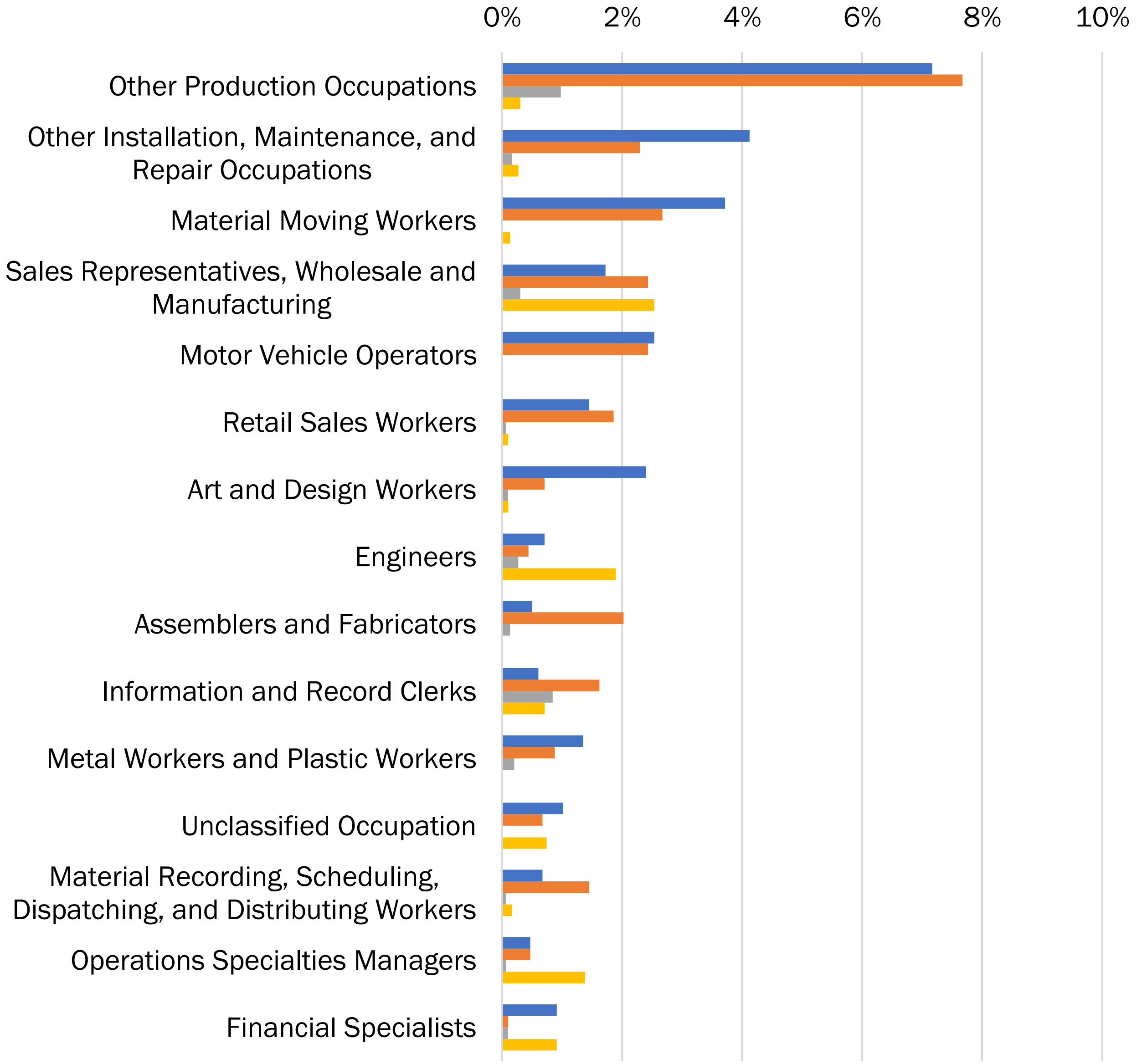




Source: Lightcast (April 2026)

% of Average Monthly Regional Manufacturing Job Postings by Educational Requirements (April 2025 – March 2026)

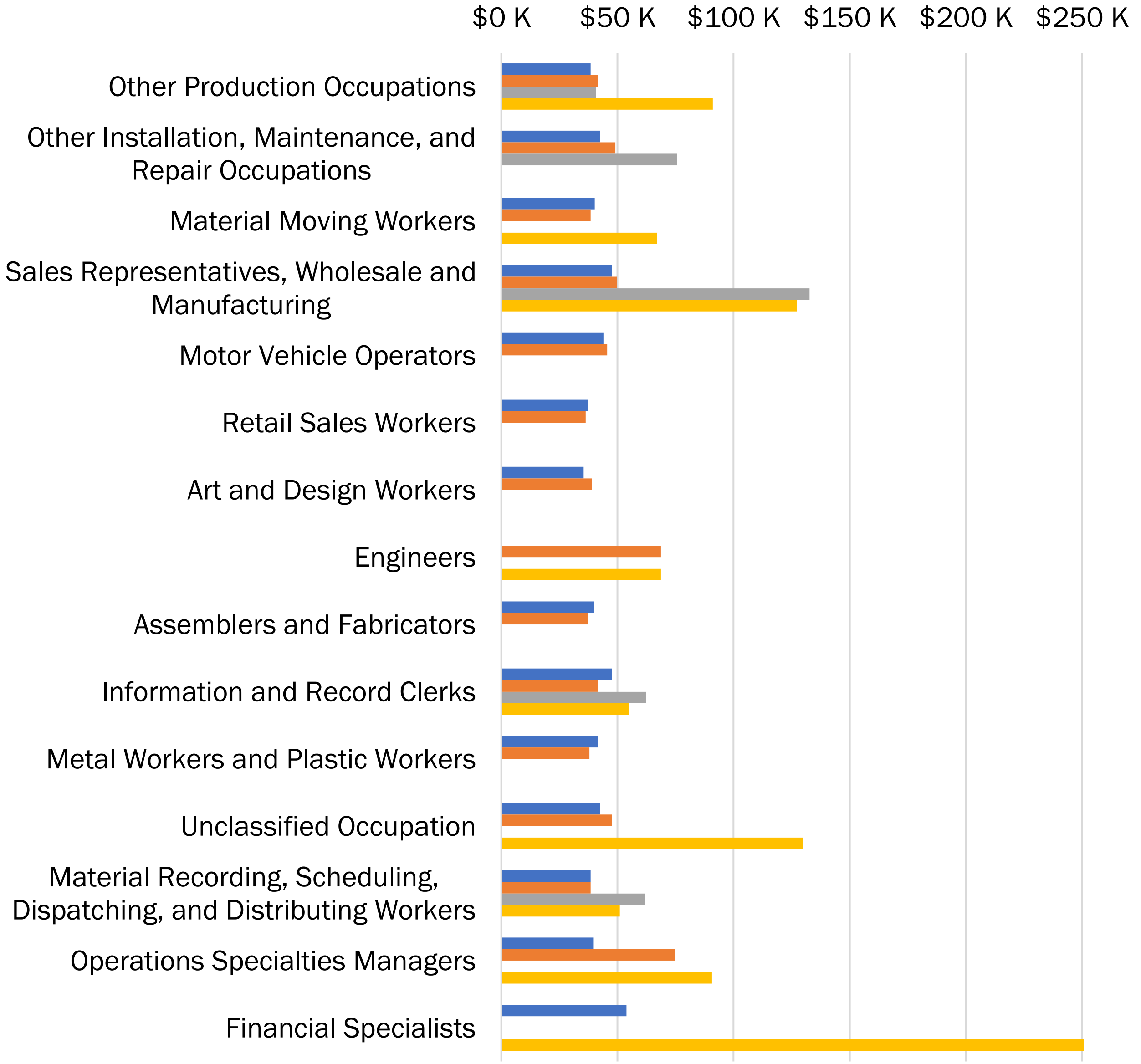
All Mnf Ads	No Education	High School	Associate	Bachelor +
Advertised Salary	$42,624	$43,136	$61,696	$90,880
Share of Postings	41%	36%	5%	18%



Advertised Earnings in Regional Manufacturing Job Postings by Educational Requirements (April 2025 – March 2026)

All Mnf Ads	No Education	High School	Associate	Bachelor +
Advertised Salary	$42,624	$43,136	$61,696	$90,880
Share of Postings	41%	36%	5%	18%

These salaries are below $50K



Work Based Learning: A Strategic Workforce Development Tool

- Paid, high-quality WBL delivers strong returns for both learners and employers
- Many employers want to offer WBL but face capacity, design, compliance, and supervision barriers but employer intermediaries can fill system gaps between education providers and businesses
  - Intermediaries reduce friction by handling recruitment, compliance, funding, and scaling (Strada 2026)
- Co-designing programs with education partners improves skill relevance and readiness of graduates, supporting a strong regional workforce pipeline
- WBL supports long-term workforce strategy, equity goals, and regional talent development

Source: Strada Education Foundation. (2026, January 29). Scaling work-based learning: A framework for effective employer intermediaries. Strada Education Foundation. https://www.strada.org/news-insights/framework-for-effective-employer-intermediaries

Benefits of Work Based Learning

- For post-high school students (Strada 2023)
  - Paid work-based learning (WBL) is associated with higher earnings, stronger first jobs, and better alignment with degree requirements
  - Students report greater career confidence, satisfaction, and belief that their education was worth the cost
  - WBL builds technical skills, professional identity, and social capital that traditional coursework alone does not provide
- For employers (OECD/ILO 2017)
  - Lower hiring and screening costs by observing talent in real workplace conditions
  - Higher retention and lower turnover when learners convert to full-time hires
  - Better skill matching reduces job mismatch and onboarding friction
  - Talent pipeline development strengthens future workforce security

Sources: OECD/ILO (2017), *Engaging Employers in Apprenticeship Opportunities: Making It Happen Locally*, Local Economic and Employment Development (LEED), OECD Publishing, Paris, https://doi.org/10.1787/9789264266681-en.
Strada Education Foundation. (2023, October 16). The power of work-based learning. Strada Education Foundation. https://www.strada.org/reports/the-power-of-work-based-learning

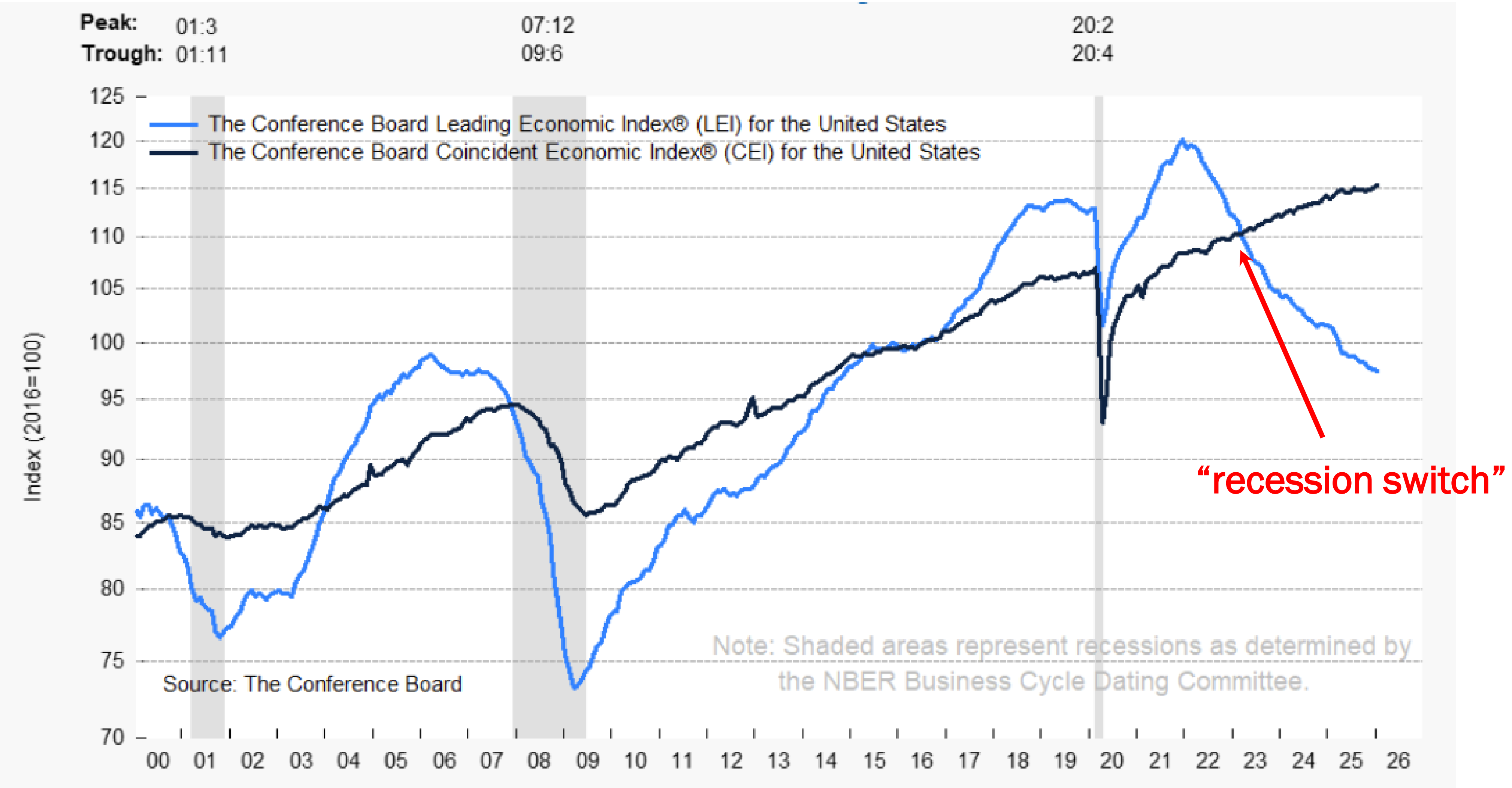
Work-Based Learning Intermediary Framework

- The Strada (2026) framework defines five core intermediary functions:
  - Building **trusted relationships** with employers to understand workforce needs and position work-based learning as an effective talent strategy
  - Partnering with employers to **co-create and align work-based learning models** with education and training providers that meet business demand and increase learner opportunity
  - Linking employers with the **right education, training, and workforce partners** to strengthen and scale talent pipelines
  - Assisting employers with launching, managing, and sustaining work-based learning programs that **deliver long-term value**
  - Streamlining administrative processes and helping employers **navigate funding, compliance, and program logistics** related to work-based learning

Source: Strada Education Foundation. (2026, January 29). Scaling work-based learning: A framework for effective employer intermediaries. Strada Education Foundation. https://www.strada.org/news-insights/framework-for-effective-employer-intermediaries

Recession Risks

Although the LEI continues to decline, the coincident index is still increasing, indicating that we are not in a recession



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Source: Conference Board (April 2026)

Leading Economic Index:

- Average Weekly Hours for Manufacturing Workers
- Average Weekly Initial Claims for UI
- Inflation Adjusted Value of New Orders for Manufacturers producing consumer goods and materials
- Institution for Supply Management New Order Index
- Inflation Adjusted Value of New Orders for Manufacturers producing non-defense capital goods
- Building Permits for New Private Housing Units
- S&P 500 Index
- Leading Credit Index
- Interest Rate Spread between 10-Year Treasury Bond and Federal Funds
- Avg Consumer Expectations for Business and Economic Conditions

Coincident Economic Index:

- Employees on Non-Ag Payrolls
- Inflation Adjusted Personal Income less Transfer Payments
- Index of Industrial Production
- Inflation Adjusted Manufacturing and Trade Sales

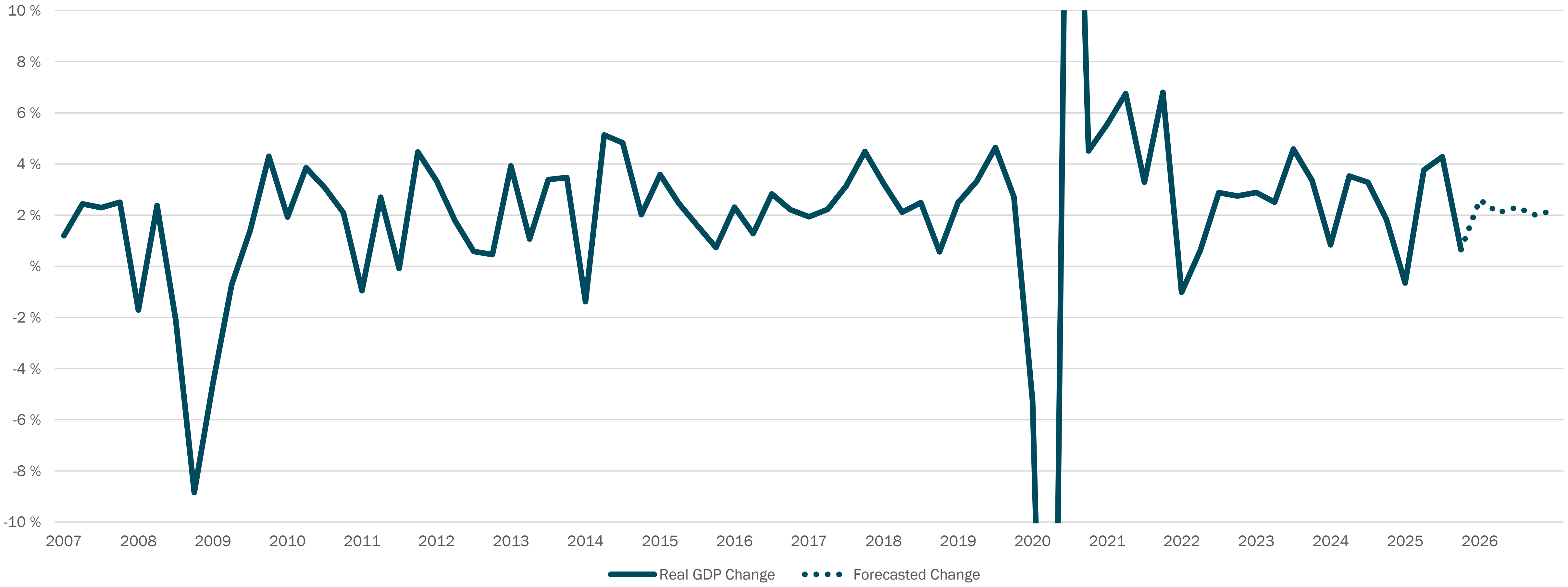
Source: Conference Board (April 2026)

University of Michigan/RSQE national annualized forecast

	2024	2025	2026 (Forecast)	2027 (Forecast)
GDP Change	2.8%	2.2%	2.6%	2.1%
Employment Change (Ths)	130	20	70	90
Light Vehicle Sales (Mil)	15.8	15.7	15.7	15.9
UnEmp Rate	3.8%	4.3%	4.4%	4.4%
Housing Starts (Ths)	1,368	1,312	1,334	1,356
CPI-U/Inflation	3.0	2.7	3.0	2.7

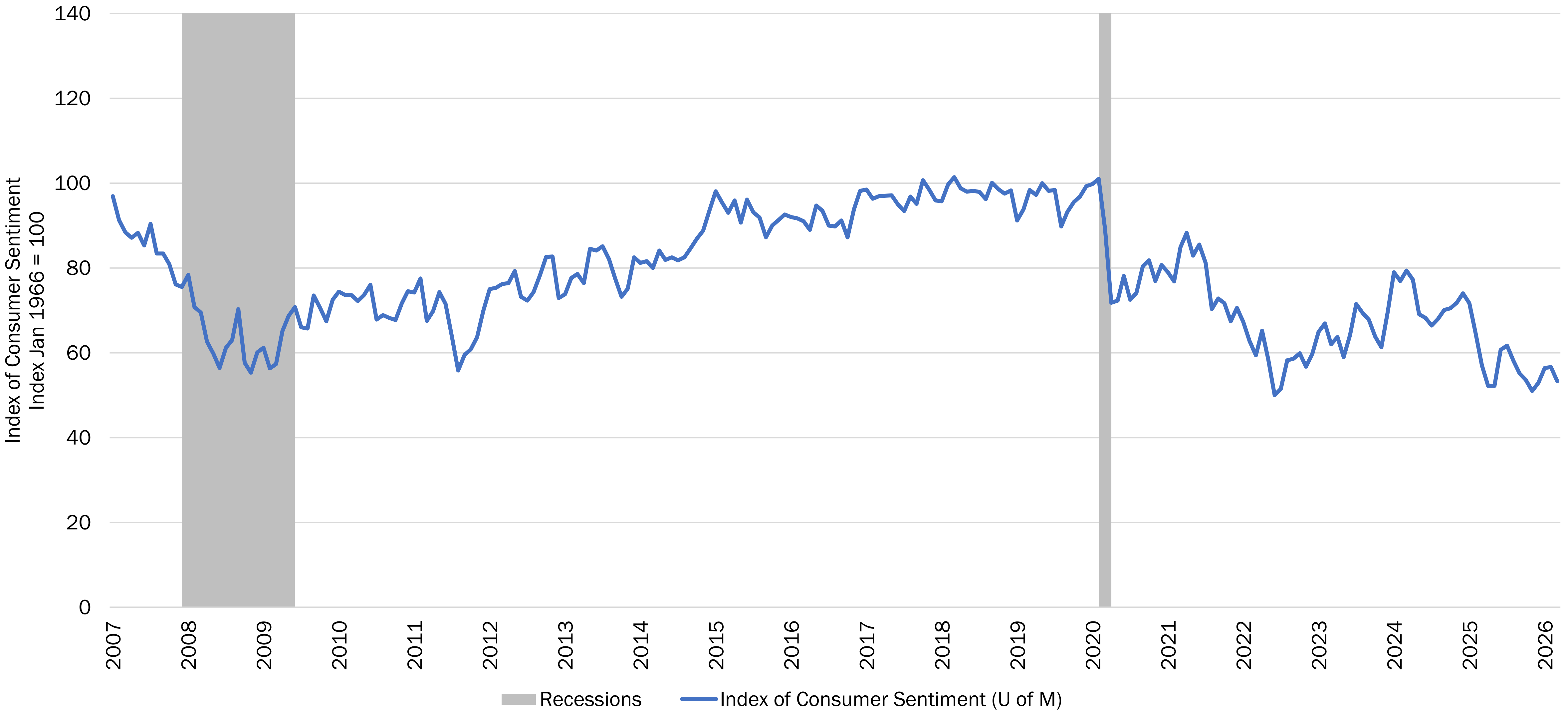
Source: UoM RSQE Mar 2026; Upjohn Regional

Real GDP Growth Expected to be 2%

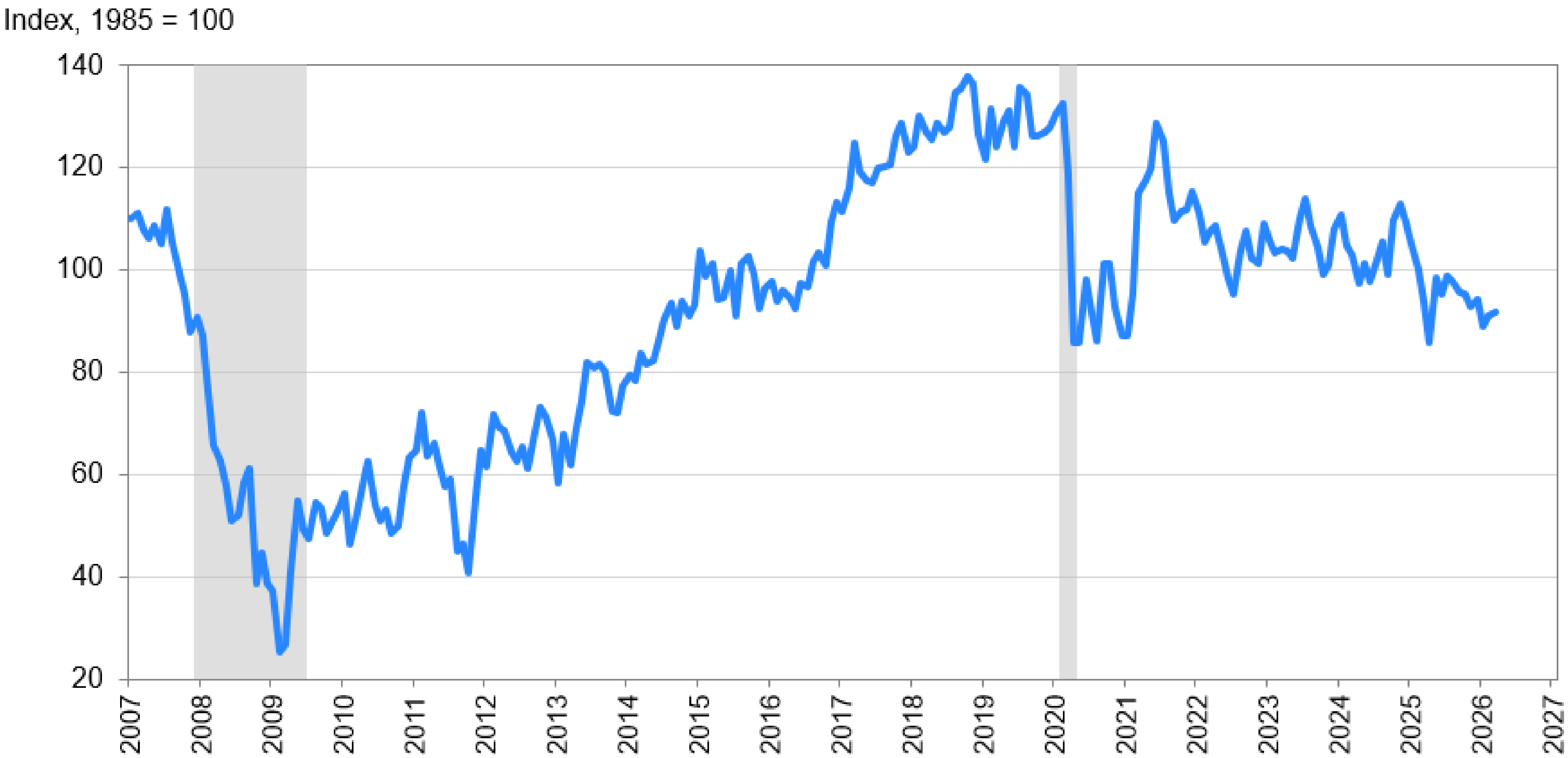


Source: Philadelphia Federal Reserve Real-Time Data Research and Survey of Professional Forecasters (April 2026)

Index of Consumer Sentiment Index (U of M)

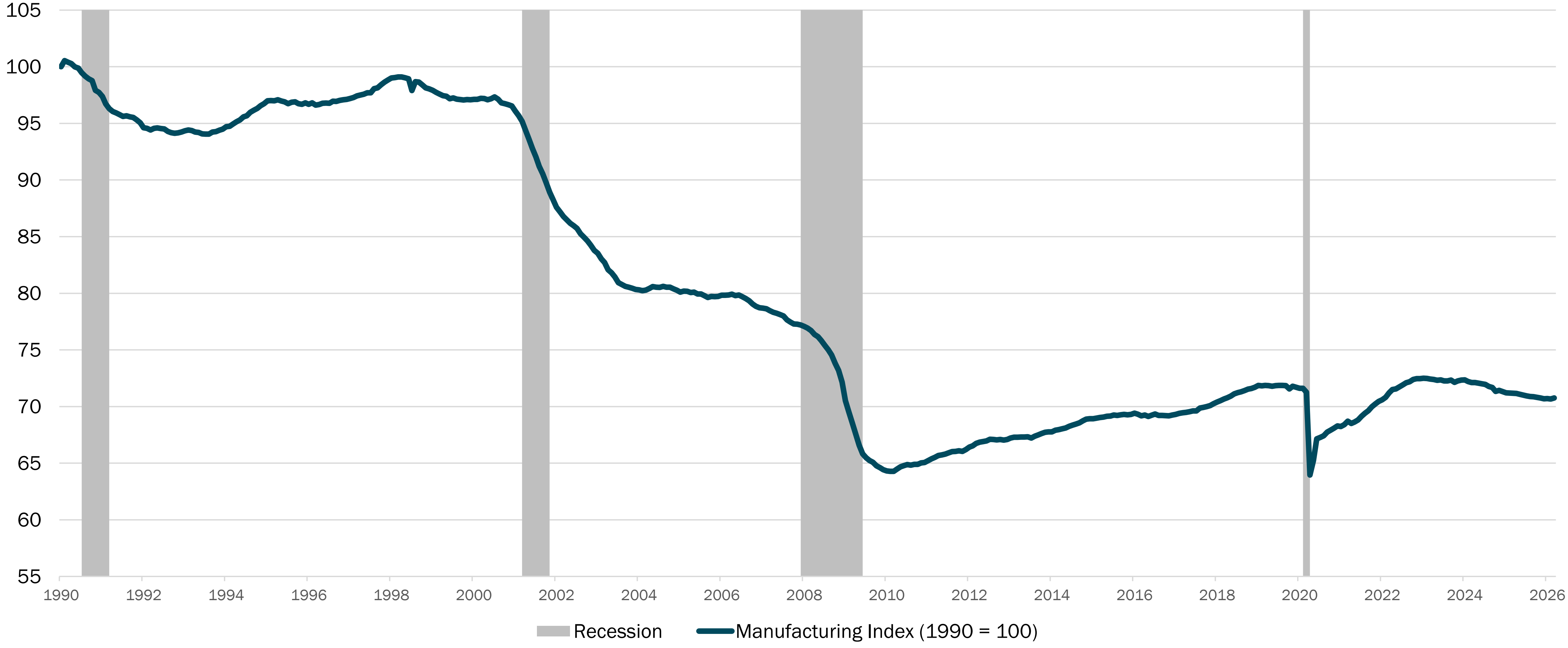


Consumer Confidence Index®



*Shaded areas represent periods of recession.
Sources: The Conference Board; NBER

Manufacturing Index US



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BLS, All Employees, Manufacturing [MANEMP], retrieved from FRED (April 2026)

About Upjohn Regional

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The Upjohn Regional team's research focus is on applied economic research and technical assistance. We address issues in regional businesses, economic development, workforce/occupational development, evaluation, and economic impact modeling and analysis. The team assists corporate, nonprofit, economic and workforce development entities, along with all levels of government, in problem resolution and strategic decision making.

In addition to west Michigan, the team provides analysis and support to entities across Michigan and the nation.

Regional

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Applied Research by *Upjohn Regional*

Regional Economic Development Analysis and Strategy

- [Upper Peninsula Regional Economic Development Strategy]
- [Economic Outlook of Battle Creek: Challenges and Opportunities]
- [Workforce Dynamics in Michigan's Upper Peninsula: Trends, Shocks, and Projections through 2030]

Workforce Analysis and Development for Innovation and Entrepreneurship

- [Occupational Projections for Skilled Trades in Kalamazoo County, 2023-2032]
- *Responsive Training: Driving Innovation Economies / Iryna V. Lendel*
  kb24pfphch10_2.pdf (895 kB)

Evaluations

- [An Evaluation of Structural Gaps and Systemic Barriers in the Entrepreneurship Ecosystem]

Economic Impact

- [The National-Level Economic Impact of the Manufacturing Extension Partnership (MEP): Estimates for Fiscal Year 2023]

Data and GIS Services by *Regional*

- Data Services
  - Upjohn Regional Datahub https://www.upjohn.org/regionaldatahub
  - Economic Vitality Index https://research.upjohn.org/reports/305/
- GIS Mapping Services/Web Mapping
  - WARN Notices
  - Economic Distress Map https://www.upjohn.org/economic-distress-map

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Questions and Data Requests

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