Initial Claims for Unemployment Benefits Reach Historic High in Michigan
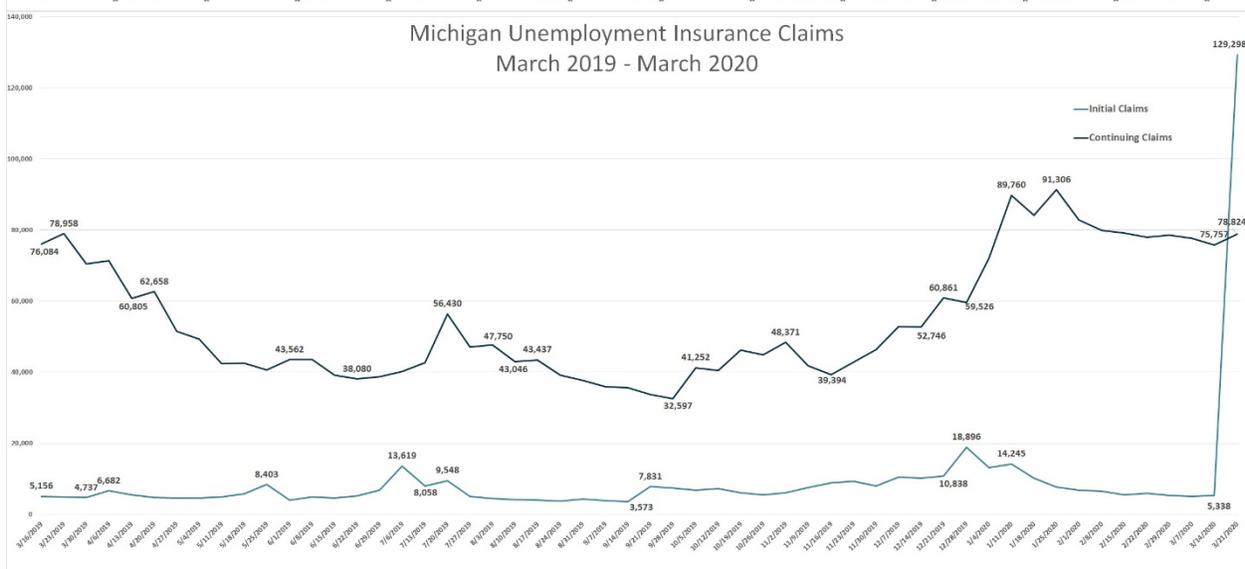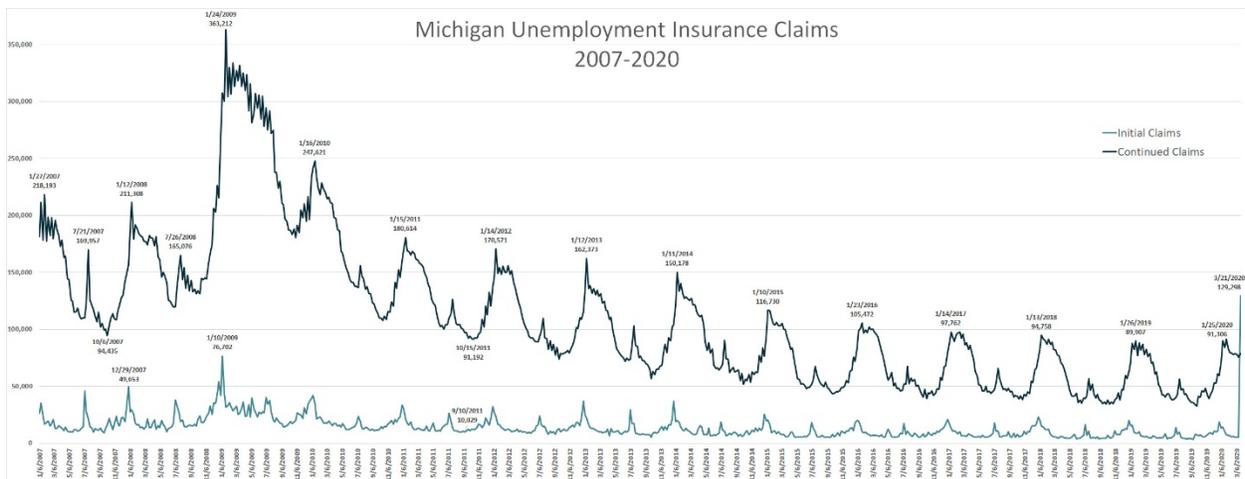
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The Workforce Intelligence Network for Southeast Michigan (WIN) is a partnership of community colleges and workforce development boards, known locally as Michigan Works! Agencies (MWAs), in greater southeast Michigan. WIN was established in 2011 to create a comprehensive and cohesive talent development system in the region to ensure workers are prepared for success. The unprecedented coronavirus disease (COVID-19) pandemic has impacted every aspect of our lives in southeast Michigan and beyond. Now more than ever, data driven decision making is critical to our region as we navigate the impact of the pandemic and ultimately develop strategies for recovery and revitalization. WIN is committed to providing data and analysis specific to the COVID-19 impact on the greater southeast Michigan region as it becomes available.

For the week ending March 21, 2020, the State of Michigan experienced an historic number of initial unemployment insurance claims, with 129,298 initial claims. Due to effects from the COVID-19 pandemic declared by the World Health Organization, new executive orders were put in place to close restaurants, bars, fitness centers, libraries, museums, casinos, and theaters, as well as the closure of all schools and a ban on gatherings larger than 50 people in Michigan. Much of the jump in initial unemployment insurance claims during the week ending March 21st is likely related to the social distancing measures outlined in the various executive orders. However, this number does not yet include the State of Michigan's Stay Home, Stay Safe order, which took effect on March 24, 2020. As a result, we should expect to see just as many, if not more, initial unemployment claims reported for the week ending March 28, 2020.

For contextual purposes, the number of initial claims recorded at the beginning of the Great Recession, during December 2007 (as defined by the National Bureau of Economic Research) was 49,653 in one week. The highest number of initial claims recorded during the Great Recession's duration was 76,702 in one single week, during January 2009. On average, claims recorded during the Great Recession (between December 2007 and June 2009, as defined by the National Bureau of Economic Research) were 24,780 per week. Thus, the number of initial claims filed during the week ending March 21, 2020 were 68.6% higher than the peak of unemployment claims during the Great Recession.

Michigan Unemployment Insurance Claims 2007-2020

Michigan Unemployment Insurance Claims March 2019 - March 2020

WIN's data and research team will be continuously monitoring the impact of the COVID-19 pandemic in southeast Michigan and across the state over the coming weeks and months. Analysis will be posted to www.WINintelligence.org/COVID-19 on a weekly basis. For more information or to connect with WIN on this topic, please contact research@WINintelligence.org.

About WIN

WIN serves three primary roles: (1) Gathering, analyzing, and distributing real-time labor supply and demand intelligence on workforce characteristics specific to the southeast Michigan Region; (2) Convening, facilitating, and engaging employers, and serving as the connection point for business, industry and other stakeholders as it relates to workforce development; and (3) Developing strategies and funding proposals for the delivery of regional workforce development programs through its partners.

WIN's served population and scope of services is primarily offered in the16-county area that includes Genesee, Hillsdale, Huron, Jackson, Lapeer, Lenawee, Livingston, Macomb, Monroe, Oakland, Saint Clair,

Sanilac, Shiawassee, Tuscola, Washtenaw, and Wayne, and the City of Detroit. WIN also provides comparative analysis for the State of Michigan where applicable.

To learn more about WIN, please visit www.WINintelligence.org/about-us