ADVANCING WORKFORCE EQUITY
IN METRO DETROIT
A BLUEPRINT FOR ACTION

PolicyLink

USCDornsife
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Lightcast

In partnership with

DETROIT AREA WORKFORCE FUNDERS COLLABORATIVE

Advancing Workforce Equity

A multi-year collaboration between the National Equity Atlas and Lightcast, in partnership with the National Fund for Workforce Solutions and various local organizations, with support from JPMorgan Chase.

REPORT

August 2022: Advancing Workforce Equity in Nashville: A Blueprint for Action

REPORT

May 2022: Advancing Workforce Equity in Columbus: A Blueprint for Action

REPORT

January 2021: Advancing Workforce Equity in Seattle: A Blueprint for Action

REPORT

January 2021: Advancing Workforce Equity in the Bay Area: A Blueprint for Action

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January 2021: Advancing Workforce Equity in Boston: A Blueprint for Action

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September 2022: Advancing Workforce Equity in Metro Detroit: A Blueprint for Action

REPORT

January 2021: Advancing Workforce Equity in Chicago: A Blueprint for Action

REPORT

January 2021: Advancing Workforce Equity in Dallas and Collin Counties: A Blueprint for Action

REPORT

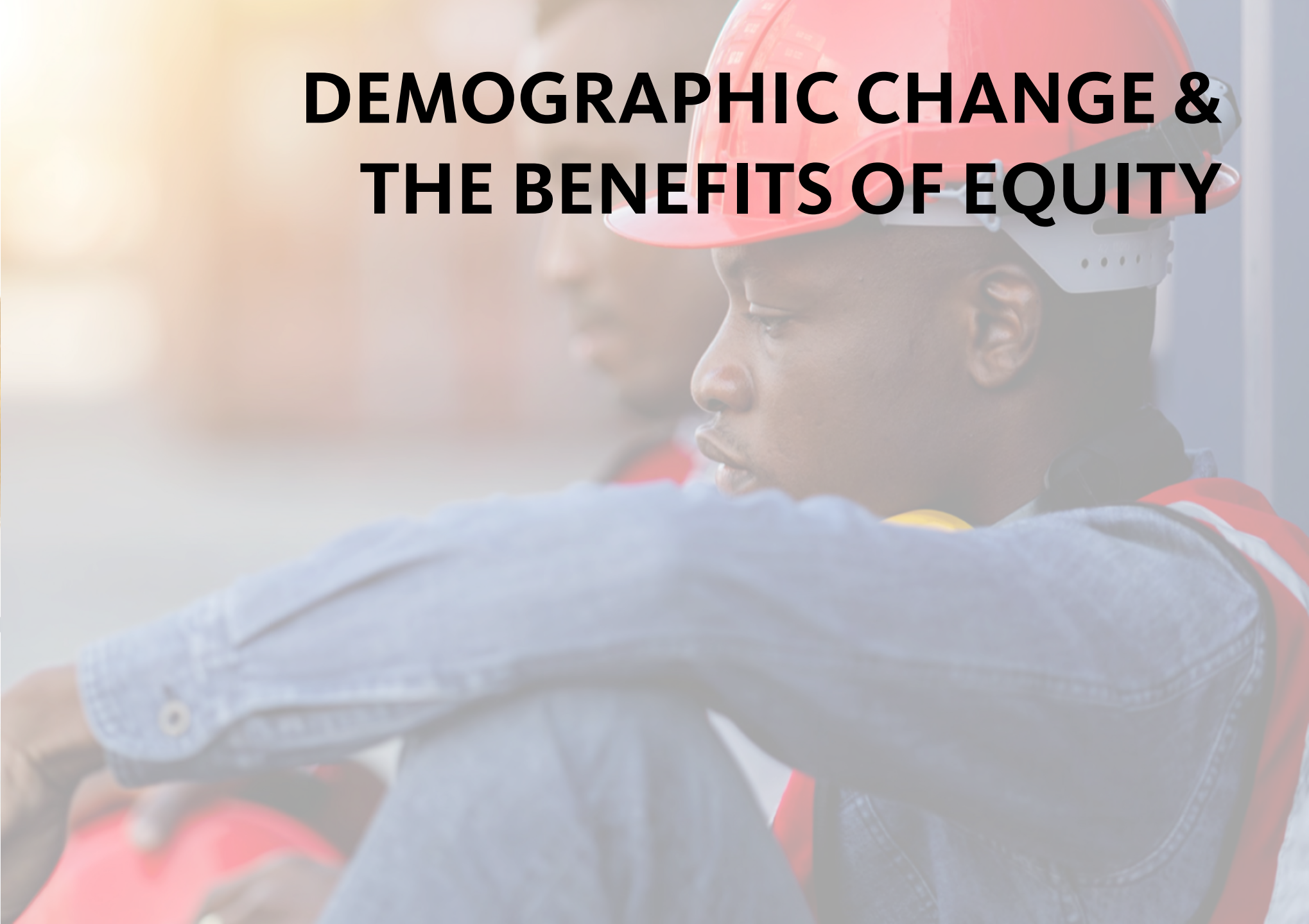October 2022: Advancing Workforce Equity in Miami: A Blueprint for Action
(Forthcoming)

DRIVERS OF INEQUITY

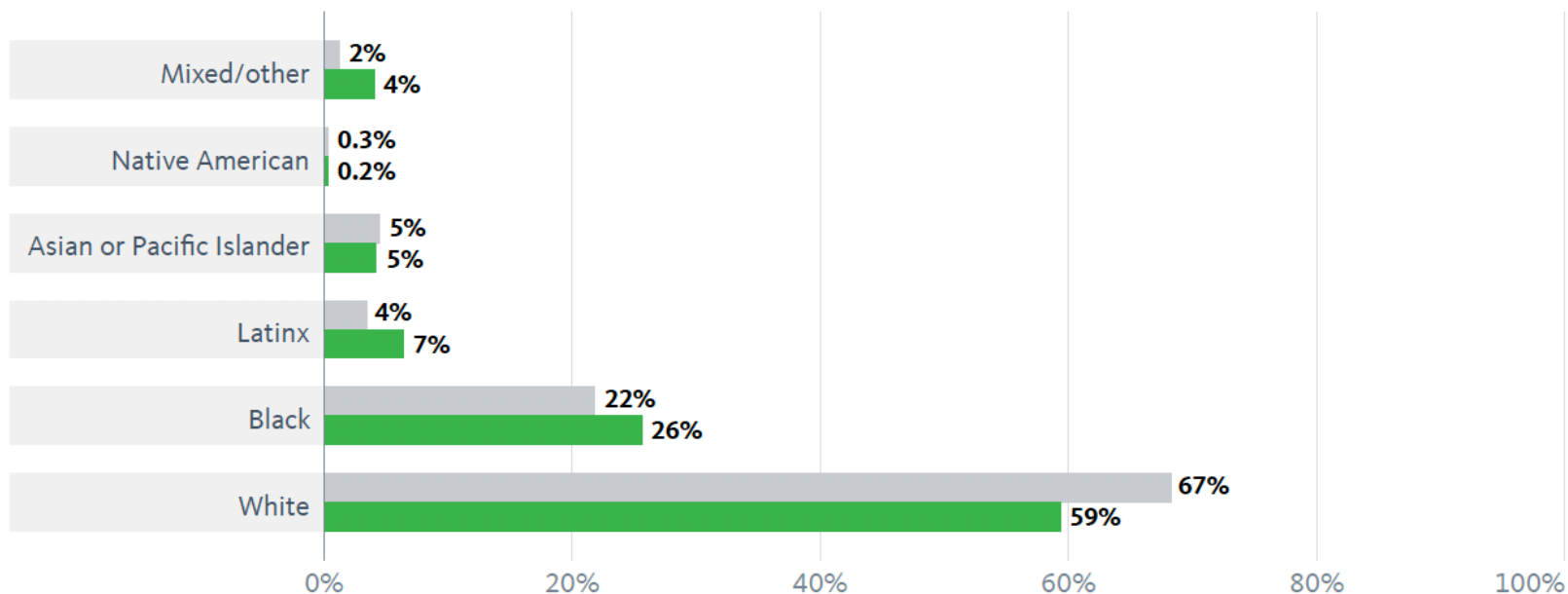# DEMOGRAPHIC CHANGE & THE BENEFITS OF EQUITY

Metro Detroit's workforce is growing more diverse.

Current and Emerging Workforce Demographics by Race/Ethnicity, Detroit Metropolitan Region, 2018

- ⬤ Current workforce
- ⬤ Emerging workforce

Race/Ethnicity	Current workforce	Emerging workforce
Mixed/other	2%	4%
Native American	0.3%	0.2%
Asian or Pacific Islander	5%	5%
Latinx	4%	7%
Black	22%	26%
White	67%	59%

Source: Authors' analysis of the 2018 5-year American Community Survey microdata from IPUMS USA. **Note:** Universe of emerging workforce includes all people under the age of 25 years, while the current workforce includes the employed population ages 25–64 years.
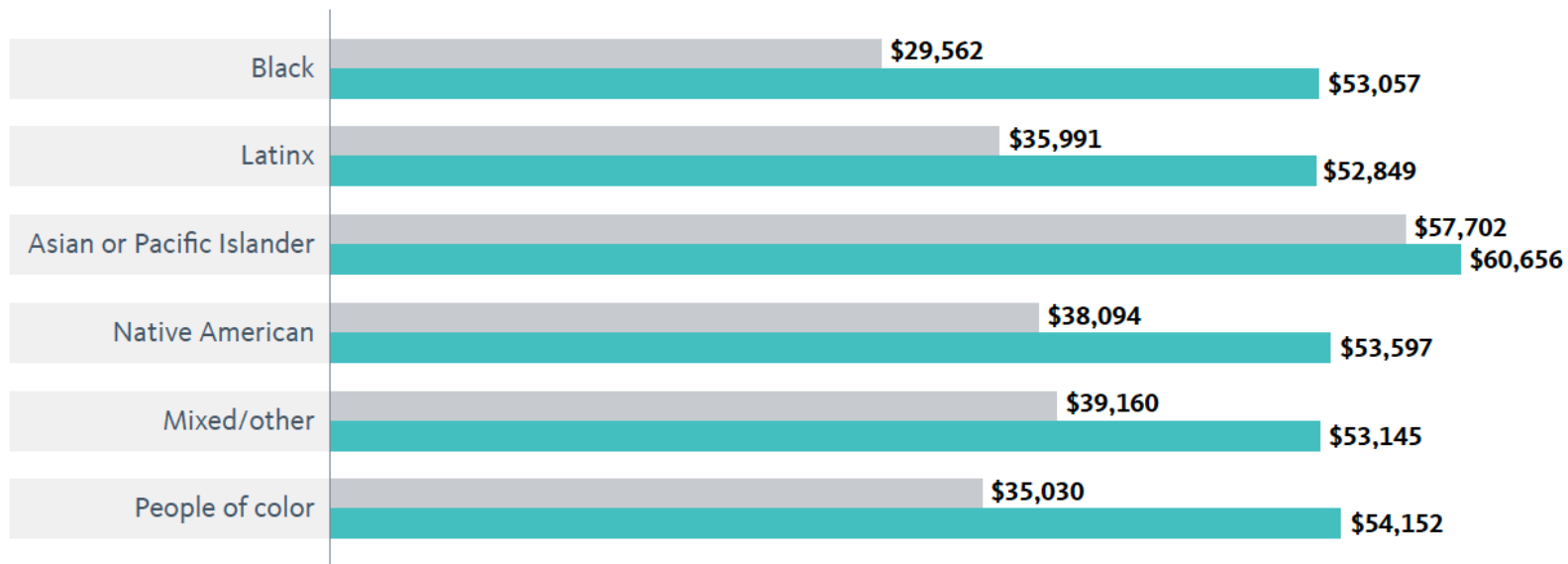
With racial equity in employment and wages, average incomes for people of color would increase by 55 percent.

Income Gains with Racial Equity in the Workforce, Detroit Metropolitan Region, 2018

- ● Average income
- ● Average income with racial equity

| Group	Average income	Average income with racial equity
Black	$29,562	$53,057
Latinx	$35,991	$52,849
Asian or Pacific Islander	$57,702	$60,656
Native American	$38,094	$53,597
Mixed/other	$39,160	$53,145
People of color	$35,030	$54,152

Source: Authors' analysis of the 2018 5-year American Community Survey microdata from IPUMS USA. **Note:** Universe includes the population ages 25–64 years. Data reflect a 2014–2018 average. Values are in 2018 dollars. See the Methodology section for details on the analysis.

The region's GDP could have been over 10 percent larger if racial gaps in income were eliminated.

Actual GDP and Estimated GDP with Racial Equity in the Workforce ($ billions), Detroit Metropolitan Region, 2018

⬤ GDP in 2018
⬤ GDP if racial gaps in income were eliminated
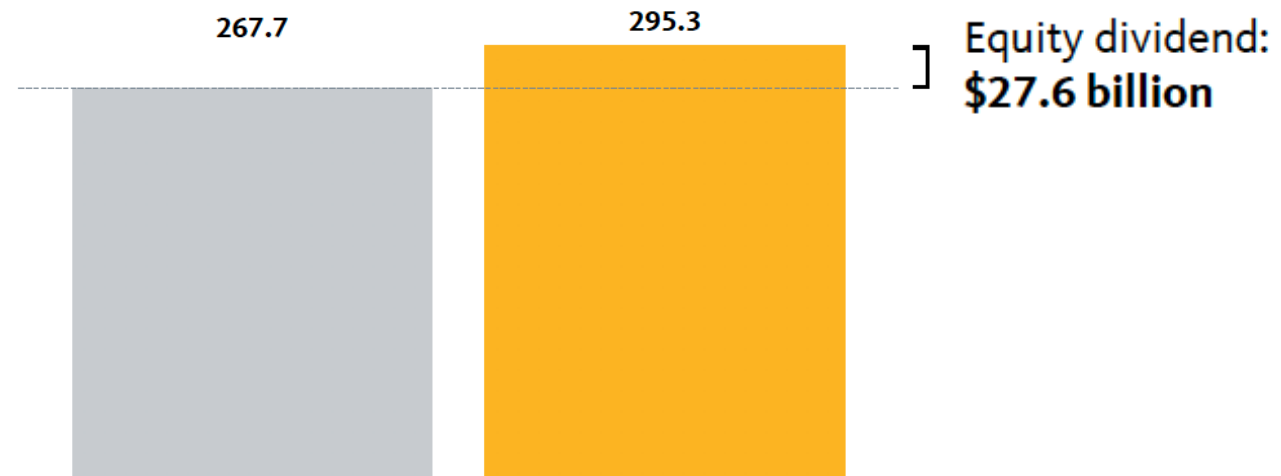
267.7

295.3

Equity dividend: $27.6 billion

Source: Authors' analysis of the 2018 5-year American Community Survey microdata from IPUMS USA. **Note:** Universe includes the population ages 25–64 years. Data reflect a 2014–2018 average. Values are in 2018 dollars. See the Methodology section for details on the analysis.
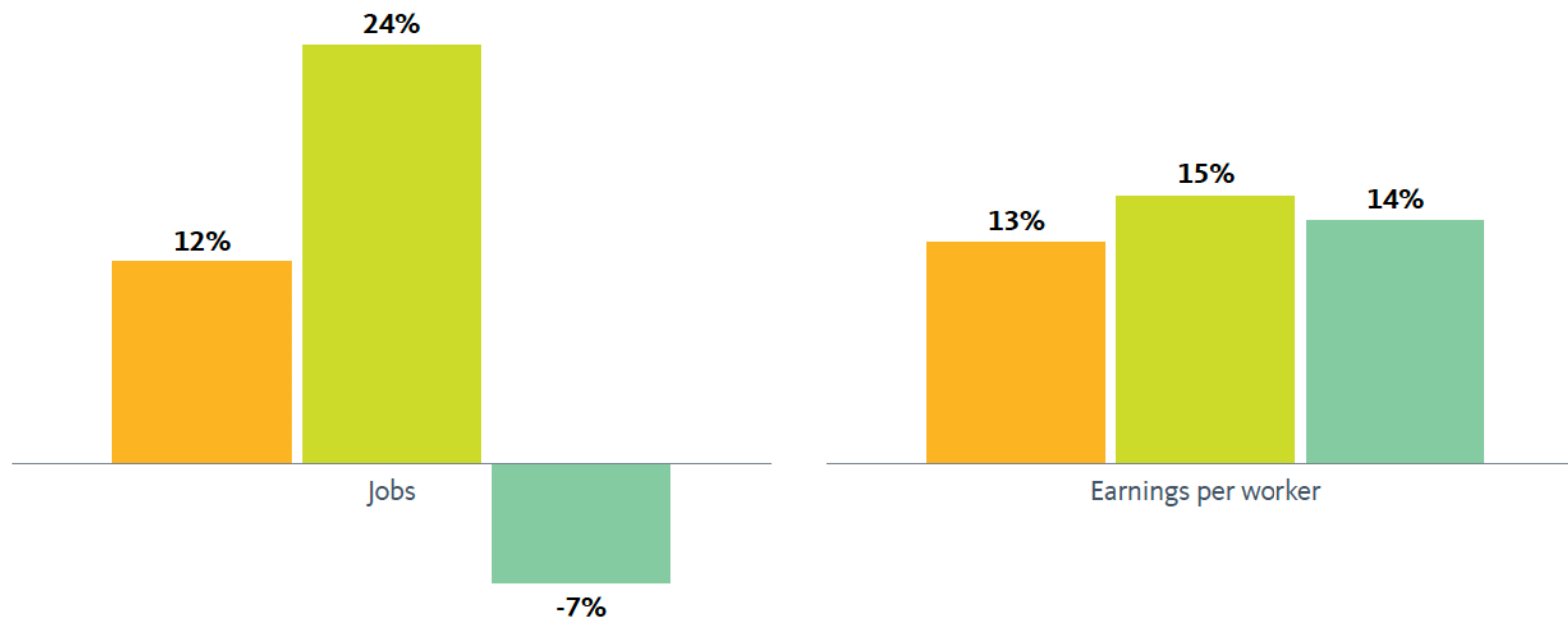
LONG-TERM LABOR MARKET TRENDS

High-wage jobs have declined over the past 30 years, with earnings growth slow across the board.

Growth in Jobs and Earnings by Wage Level, Detroit Metropolitan Region, 1990–2018
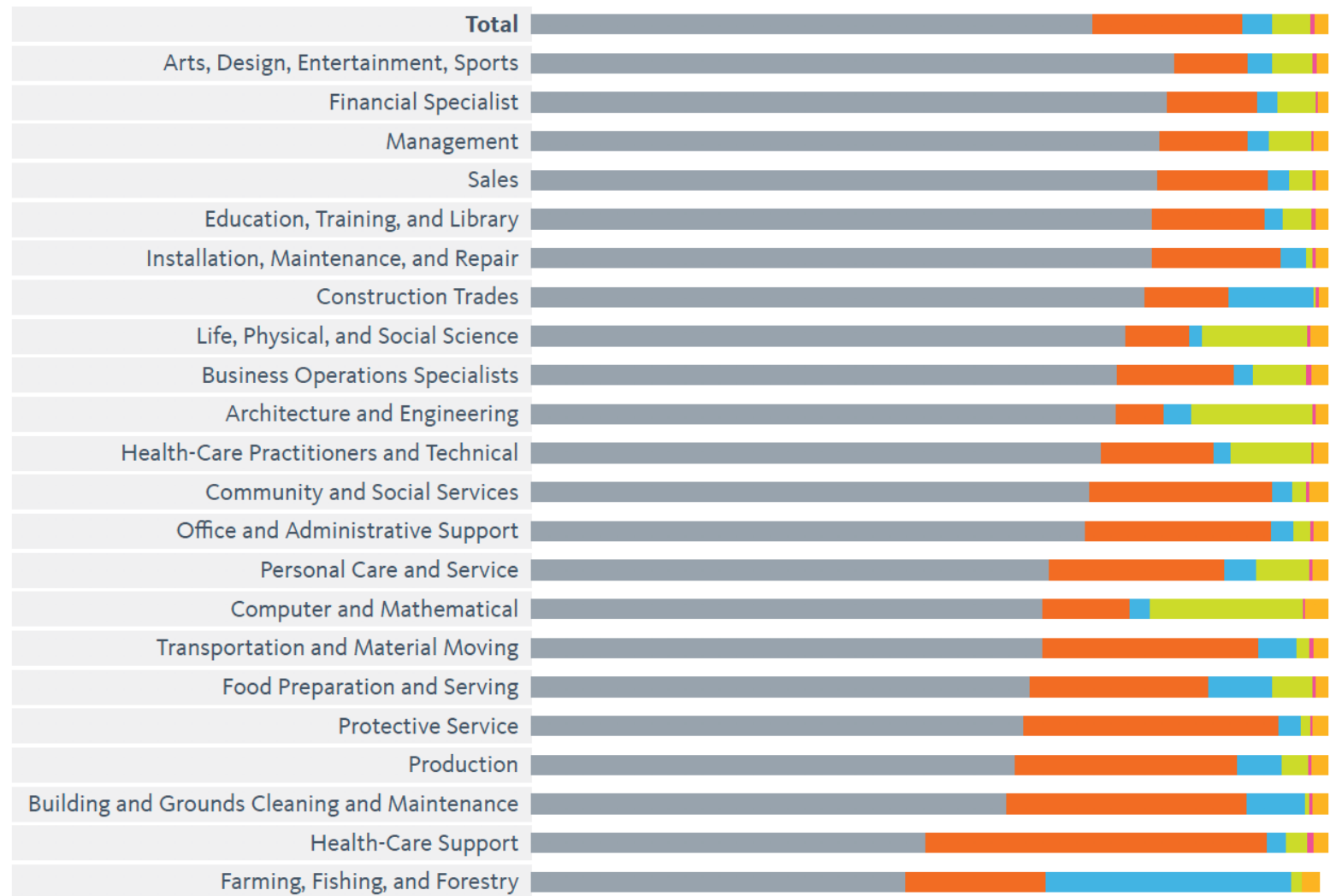
- 🟠 Low-wage
- 🟢 Middle-wage
- 🟢 High-wage

Jobs
- Low-wage: 12%
- Middle-wage: 24%
- High-wage: -7%

Earnings per worker
- Low-wage: 13%
- Middle-wage: 15%
- High-wage: 14%

Occupational segregation is a challenge for achieving workforce equity.

Occupational Groups by Race/Ethnicity, Detroit Metropolitan Region, 2018

Legend:
- ⬤ White
- ⬤ Black
- ⬤ Latinx
- ⬤ Asian or Pacific Islander
- ⬤ Native American
- ⬤ Mixed/other

Occupational Groups (top to bottom):
- Total
- Arts, Design, Entertainment, Sports
- Financial Specialist
- Management
- Sales
- Education, Training, and Library
- Installation, Maintenance, and Repair
- Construction Trades
- Life, Physical, and Social Science
- Business Operations Specialists
- Architecture and Engineering
- Health-Care Practitioners and Technical
- Community and Social Services
- Office and Administrative Support
- Personal Care and Service
- Computer and Mathematical
- Transportation and Material Moving
- Food Preparation and Serving
- Protective Service
- Production
- Building and Grounds Cleaning and Maintenance
- Health-Care Support
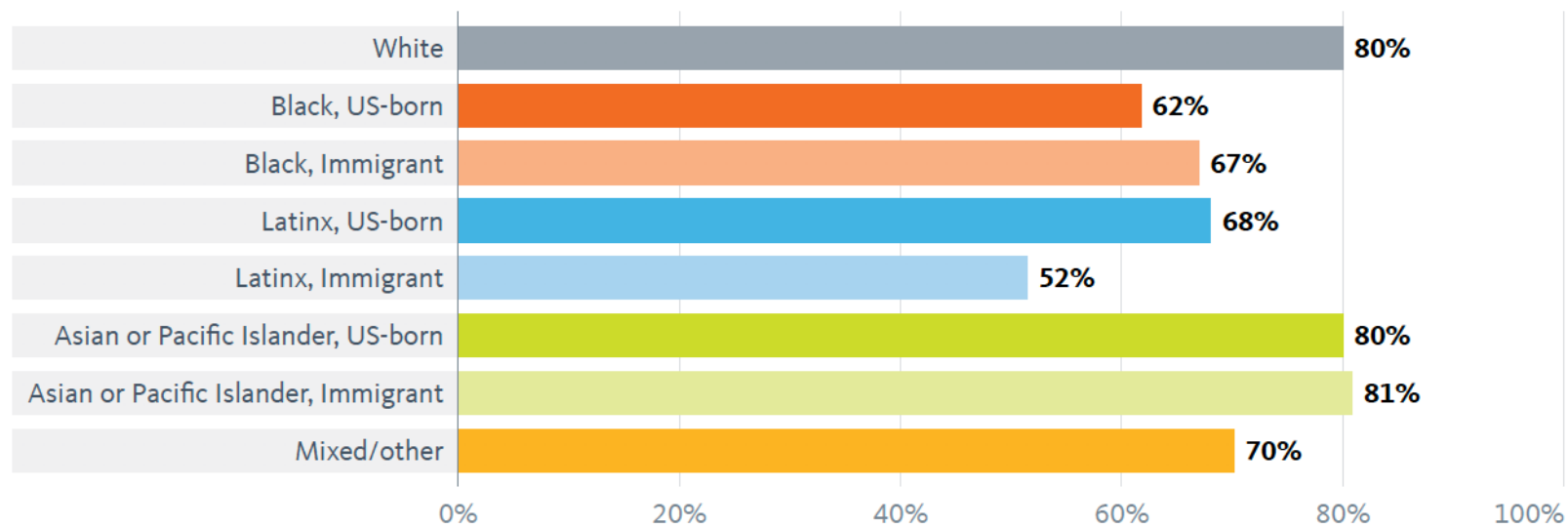- Farming, Fishing, and Forestry

Source: Authors' analysis of the 2018 5-year American Community Survey microdata from IPUMS USA. **Note:** Universe includes the employed population ages 25–64 years. Data reflect a 2014–2018 average.

Eight out of 10 white and Asian or Pacific Islander workers earn at least $15 an hour, compared to just five in 10 Latinx immigrants.

Share of Workers Earning at Least $15/Hour by Race/Ethnicity and Nativity, Detroit Metropolitan Region, 2018

Race/Ethnicity and Nativity	Share
White	80%
Black, US-born	62%
Black, Immigrant	67%
Latinx, US-born	68%
Latinx, Immigrant	52%
Asian or Pacific Islander, US-born	80%
Asian or Pacific Islander, Immigrant	81%
Mixed/other	70%

Most Native American, Black, and Latinx workers are paid far below the regional median wage.

Median Hourly Wage by Race/Ethnicity, Detroit Metropolitan Region, 2019

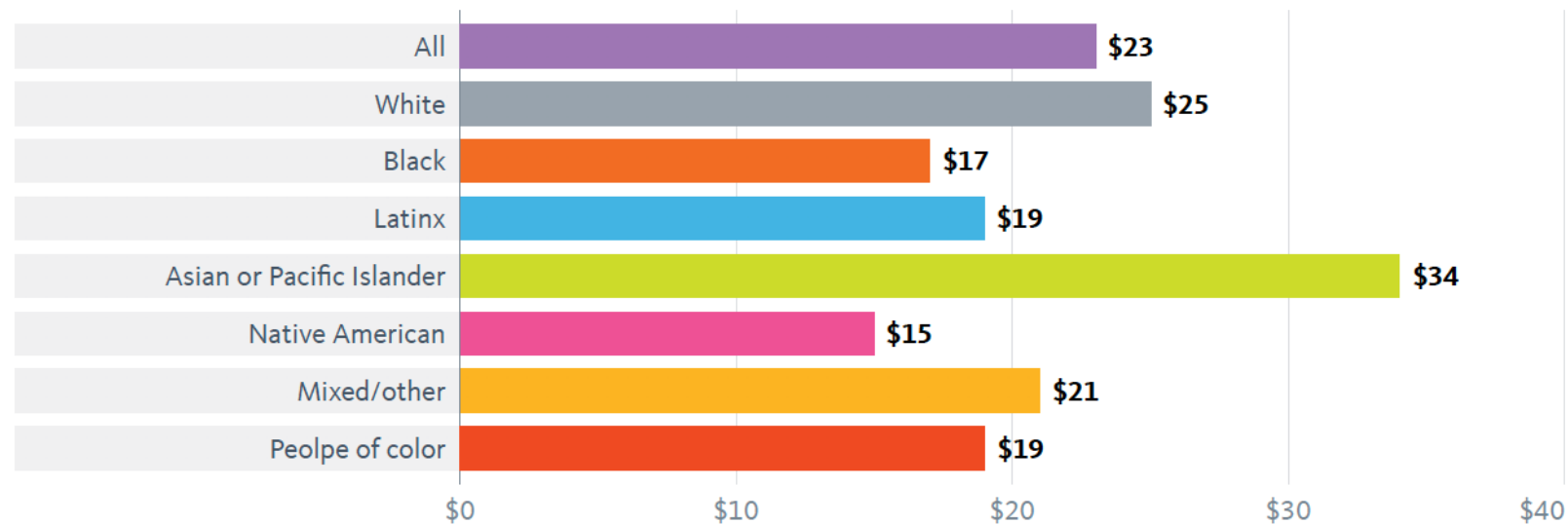| Race/Ethnicity	Median Hourly Wage
All	$23
White	$25
Black	$17
Latinx	$19
Asian or Pacific Islander	$34
Native American	$15
Mixed/other	$21
Peolpe of color	$19

Source: Authors' analysis of the 2019 5-year American Community Survey microdata from IPUMS USA. **Note:** Universe includes civilian noninstitutionalized full-time wage and salary workers ages 25–64 years. Data reflect a 2014–2019 average. The $15/hour wage threshold is based on 2019 dollars.

Fewer than one in five Latinx immigrants, Native Americans, and US-born Black working-age adults in the Detroit region have a bachelor's degree.

Educational Attainment by Race/Ethnicity, Detroit Metropolitan Region, 2018

- High school diploma or less
- Some college or associate's degree
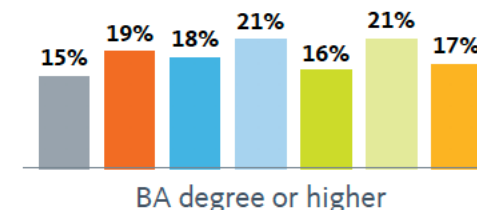- Bachelor's degree or higher
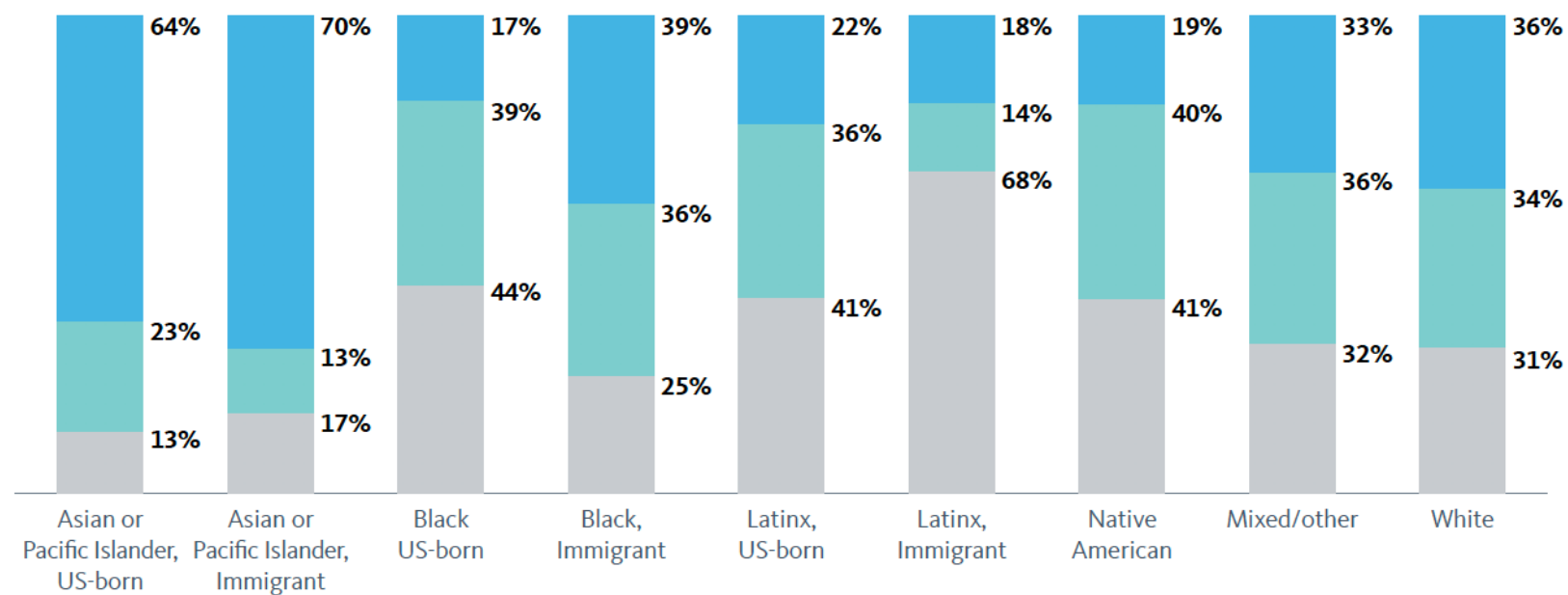
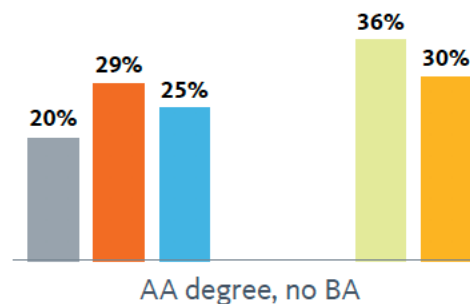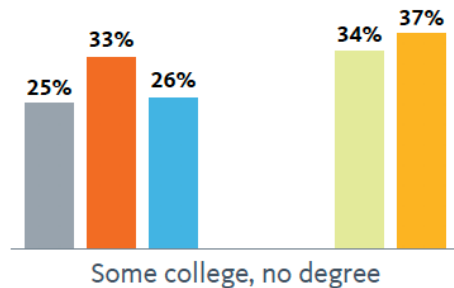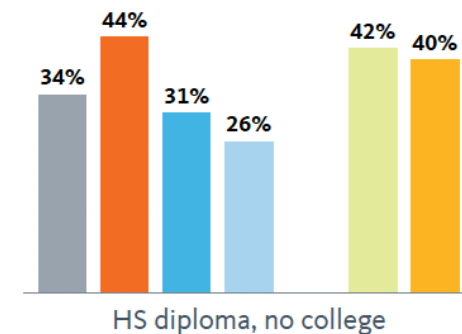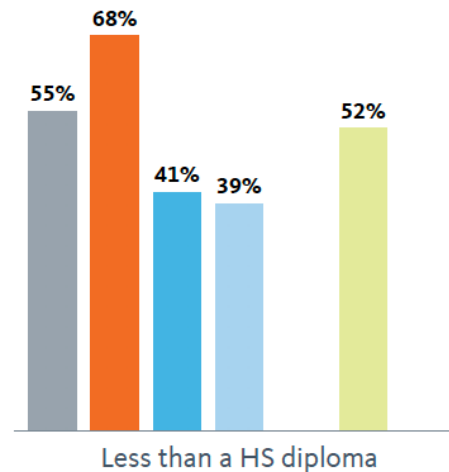|	Asian or Pacific Islander, US-born	Asian or Pacific Islander, Immigrant	Black US-born	Black, Immigrant	Latinx, US-born	Latinx, Immigrant	Native American	Mixed/other	White
Bachelor's degree or higher	64%	70%	17%	39%	22%	18%	19%	33%	36%
Some college or associate's degree	23%	13%	39%	36%	36%	14%	40%	36%	34%
High school diploma or less	13%	17%	44%	25%	41%	68%	41%	32%	31%

Source: Authors' analysis of the 2018 5-year American Community Survey microdata from IPUMS USA. **Note:** Universe includes the population ages 25–64 years. Data reflect a 2014–2018 average.

Higher educational attainment narrows racial gaps in employment.

Joblessness by Educational Attainment, Race/Ethnicity, and Nativity, Detroit Metropolitan Region, 2018

- ⬤ White
- ⬤ Black, US-born
- ⬤ Black, Immigrant
- ⬤ Latinx, US-born
- ⬤ Latinx, Immigrant
- ⬤ Asian or Pacific Islander, US-born
- ⬤ Asian or Pacific Islander, Immigrant
- ⬤ Mixed/other

Less than a HS diploma
White 55%, Black US-born 68%, Latinx US-born 41%, Latinx Immigrant 39%, Asian or Pacific Islander Immigrant 52%

HS diploma, no college
White 34%, Black US-born 44%, Latinx US-born 31%, Latinx Immigrant 26%, Asian or Pacific Islander Immigrant 42%, Mixed/other 40%

Some college, no degree
White 25%, Black US-born 33%, Latinx US-born 26%, Asian or Pacific Islander Immigrant 34%, Mixed/other 37%

AA degree, no BA
White 20%, Black US-born 29%, Latinx US-born 25%, Asian or Pacific Islander Immigrant 36%, Mixed/other 30%

BA degree or higher
White 15%, Black US-born 19%, Latinx US-born 18%, Latinx Immigrant 21%, Asian or Pacific Islander US-born 16%, Asian or Pacific Islander Immigrant 21%, Mixed/other 17%
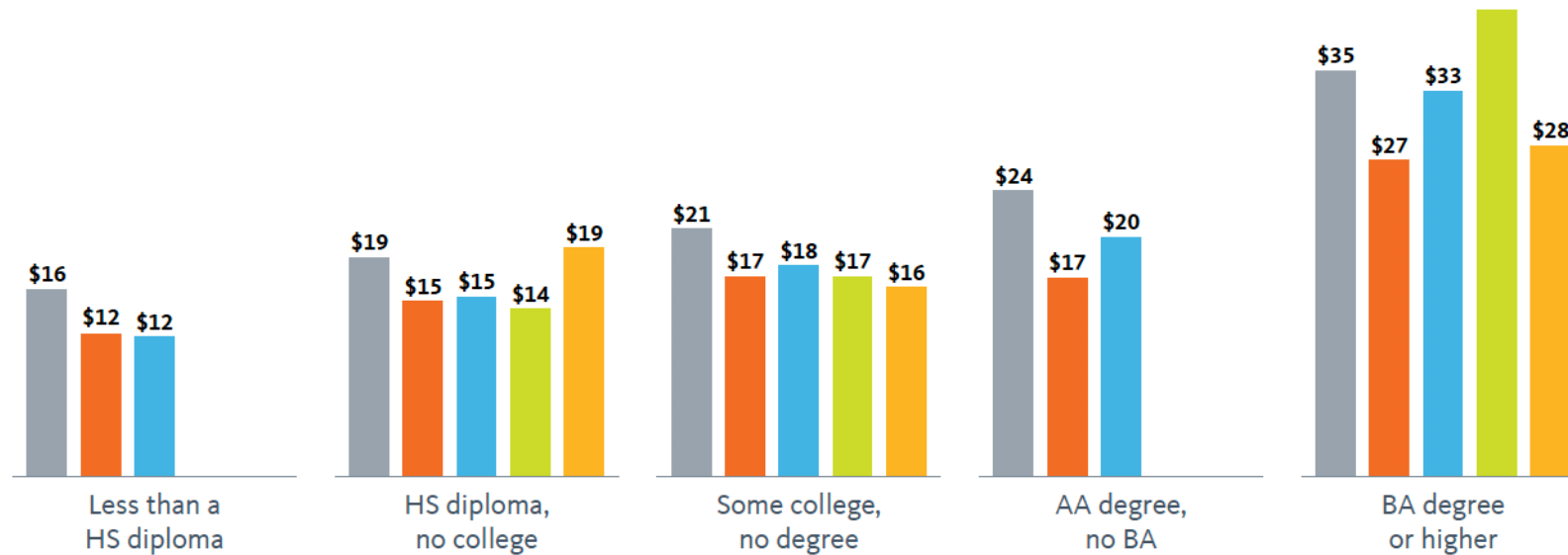
Source: Authors' analysis of the 2018 5-year American Community Survey microdata from IPUMS USA. **Note:** Universe includes the civilian noninstitutionalized population ages 25–64 years. Joblessness is defined as those unemployed or not in the labor force as a share of the total population. Data reflect a 2014–2018 average.

Higher education does little to improve racial wage gaps.

Median Wages by Educational Attainment and Race/Ethnicity, Detroit Metropolitan Region, 2018

- ⬤ White
- ⬤ Black
- ⬤ Latinx
- ⬤ Asian or Pacific Islander
- ⬤ Mixed/other

Less than a HS diploma: White $16, Black $12, Latinx $12

HS diploma, no college: White $19, Black $15, Latinx $15, Asian or Pacific Islander $14, Mixed/other $19

Some college, no degree: White $21, Black $17, Latinx $18, Asian or Pacific Islander $17, Mixed/other $16

AA degree, no BA: White $24, Black $17, Latinx $20

BA degree or higher: White $35, Black $27, Latinx $33, Asian or Pacific Islander $(value), Mixed/other $28
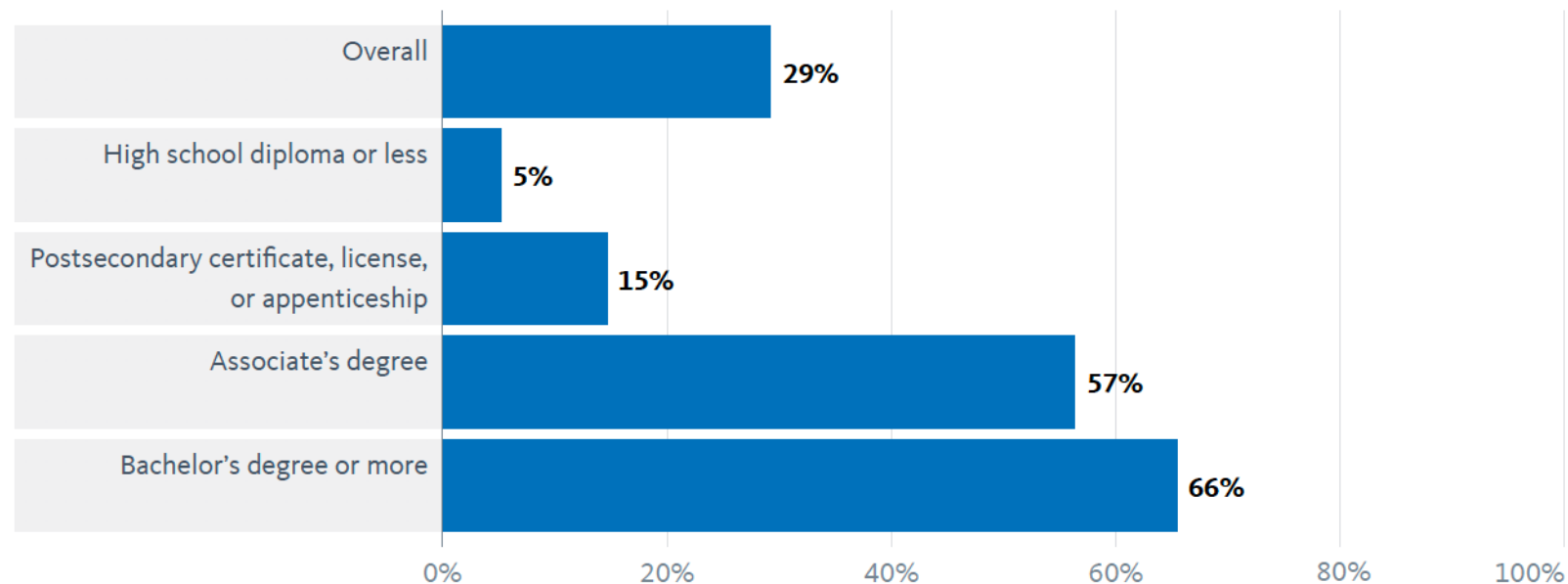
Source: Authors' analysis of the 2018 5-year American Community Survey microdata from IPUMS USA. **Note:** Universe includes civilian noninstitutionalized full-time wage and salary workers ages 25–64 years. Data reflect a 2014–2018 average. Values are in 2018 dollars.

THE GOOD JOBS GAP

Fewer than three in 10 Metro Detroit workers are in good jobs.

Share of Workers in Good Jobs, Overall and by Educational Requirements, Detroit Metropolitan Area, 2018

Category	Share
Overall	29%
High school diploma or less	5%
Postsecondary certificate, license, or appenticeship	15%
Associate's degree	57%
Bachelor's degree or more	66%

Defining good jobs in Metro Detroit:

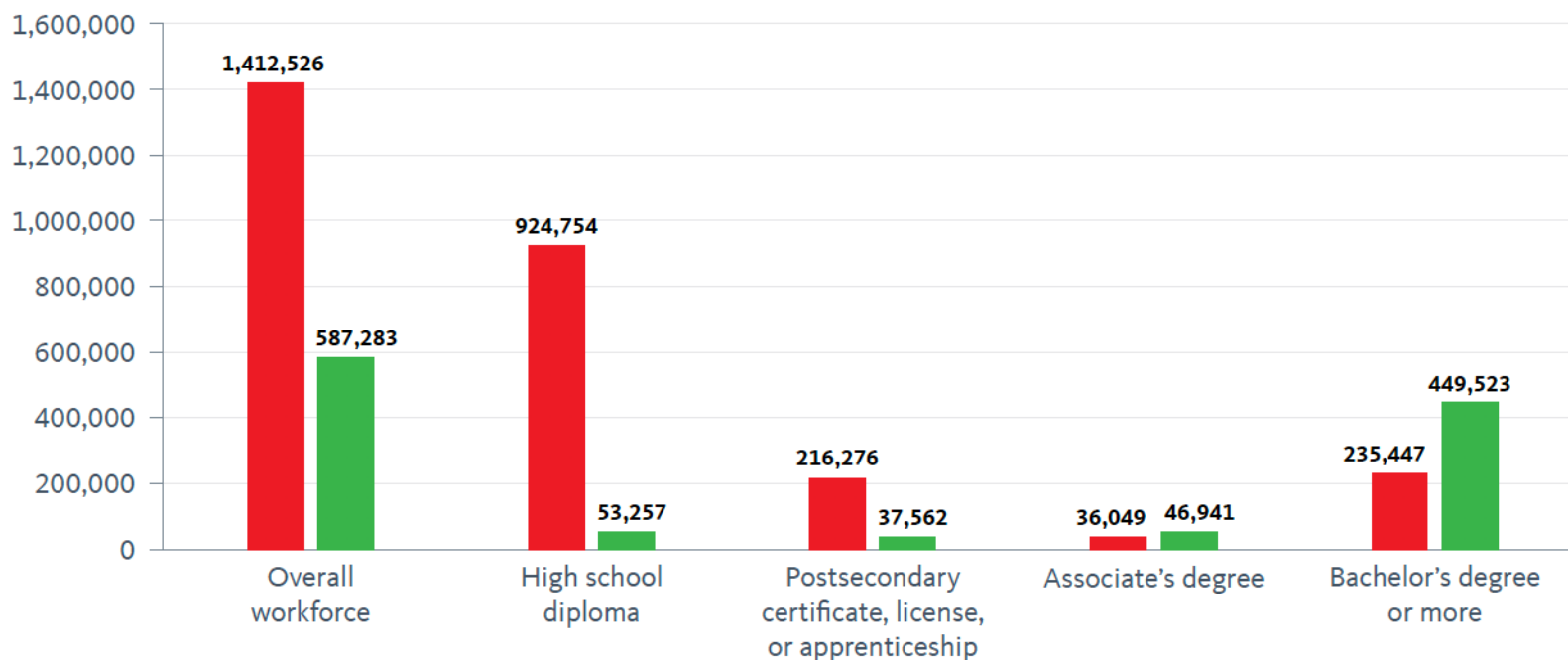**Characteristics and Examples of Good Jobs by Typical Education Requirements, Detroit Metropolitan Region, 2019**

Characteristics of good jobs

- **Living-wage compensation:** Average wage for the occupation is sufficient to sustain a family of two working adults and two children—$33,779 per worker (or a total income of about $67,500 for a family of four) in Detroit.[47] This figure is on par with the annual ALICE family budget for similar households ($64,100).[48]

- **Stable or growing base of employment:** The number of jobs is projected to grow or to remain relatively stable for the next decade—employment in the occupation is not declining by more than 10 percent over 10 years, or more than 2 percent over 10 years for small occupations.

- **Automation resilient:** The occupation has a probability of computerization lower than 50 percent, given the full array of tasks that comprise the role.

Nearly 1 million Metro Detroit jobs require no more than a high school diploma, but only 5 percent of them are good jobs.

Distribution of Employment by Educational Requirements and Job Quality, Detroit Metropolitan Region, 2018
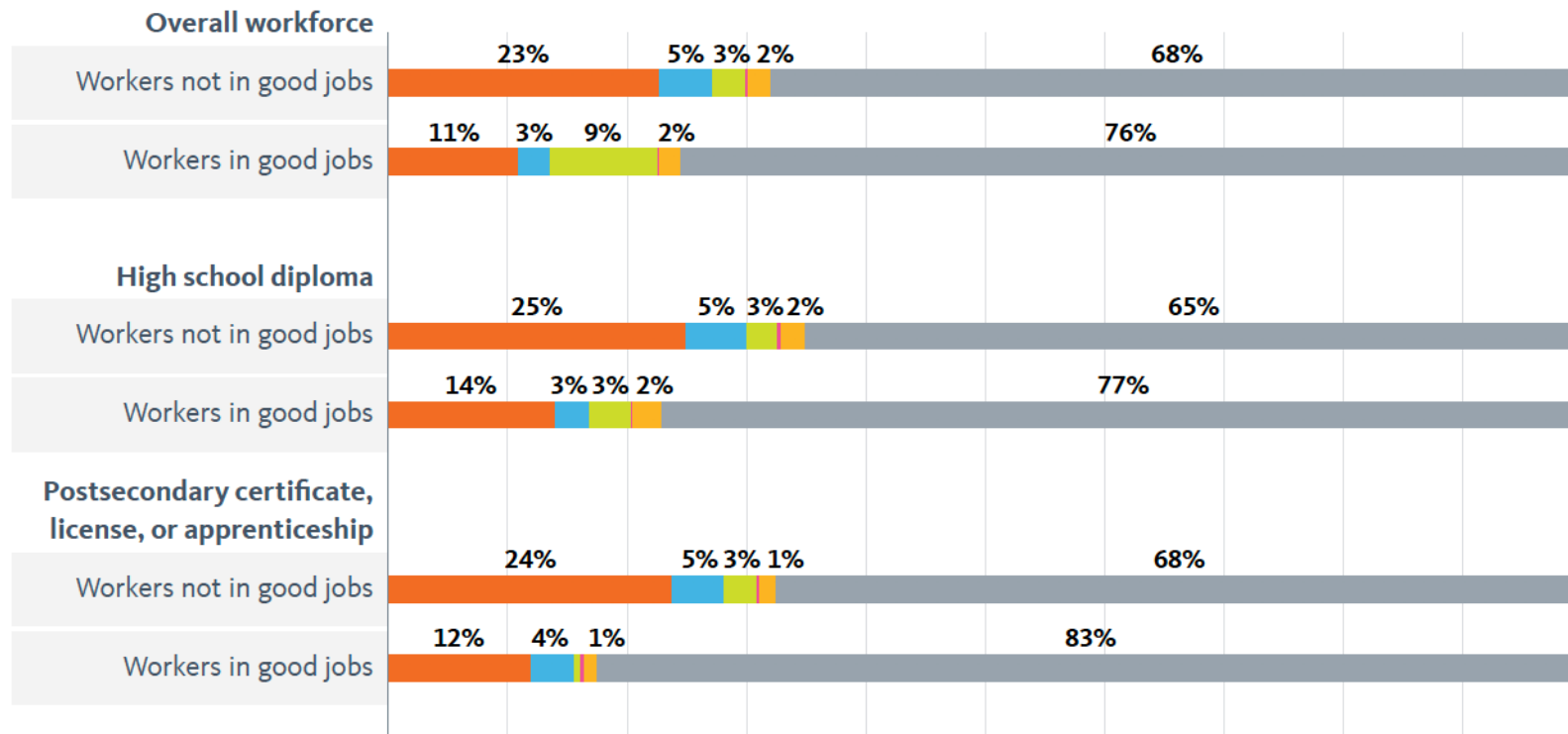
- 🔴 Workers not in good jobs
- 🟢 Workers in good jobs

Category	Workers not in good jobs	Workers in good jobs
Overall workforce	1,412,526	587,283
High school diploma	924,754	53,257
Postsecondary certificate, license, or apprenticeship	216,276	37,562
Associate's degree	36,049	46,941
Bachelor's degree or more	235,447	449,523

White workers are overrepresented in good jobs overall, and particularly those that do not require postsecondary education.

Distribution of Workers by Race/Ethnicity, Job Quality, and Educational Requirements, Detroit Metropolitan Region, 2018

- 🔴 Black
- 🔵 Latinx
- 🟢 Asian or Pacific Islander
- 🔴 Native American
- 🟠 Mixed/other
- ⚪ White

Overall workforce

Workers not in good jobs
23%   5% 3% 2%   68%

Workers in good jobs
11%   3%   9%   2%   76%

High school diploma

Workers not in good jobs
25%   5% 3% 2%   65%

Workers in good jobs
14%   3% 3% 2%   77%

Postsecondary certificate, license, or apprenticeship

Workers not in good jobs
24%   5% 3% 1%   68%
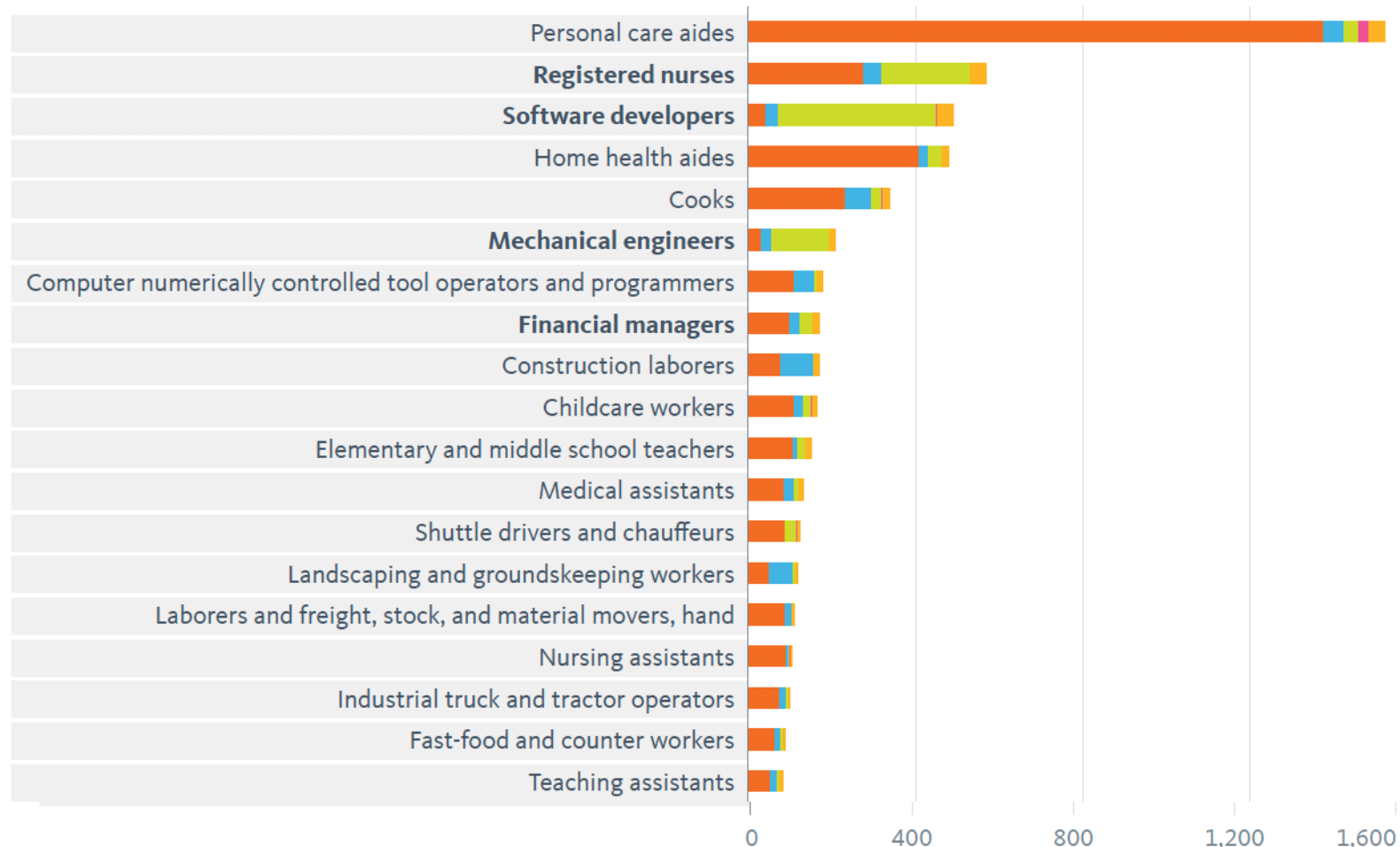
Workers in good jobs
12%   4% 1%   83%

Projected job growth for Latinx and Black workers is heavily concentrated in low-quality jobs.

Occupations Projected to Add the Most Workers of Color, by Race/Ethnicity, Detroit Metropolitan Region, 2020–2030

- Black
- Latinx
- Asian or Pacific Islander
- Native American
- Mixed/other

Occupation	
Personal care aides	
Registered nurses	
Software developers	
Home health aides	
Cooks	
Mechanical engineers	
Computer numerically controlled tool operators and programmers	
Financial managers	
Construction laborers	
Childcare workers	
Elementary and middle school teachers	
Medical assistants	
Shuttle drivers and chauffeurs	
Landscaping and groundskeeping workers	
Laborers and freight, stock, and material movers, hand	
Nursing assistants	
Industrial truck and tractor operators	
Fast-food and counter workers	
Teaching assistants	

(x-axis: 0, 400, 800, 1,200, 1,600)

Sources: Lightcast modeling for occupational growth and 2018 5-year ACS microdata from IPUMS for demographic characteristics of occupations. **Note:** Occupations marked in bold are classified as good jobs.
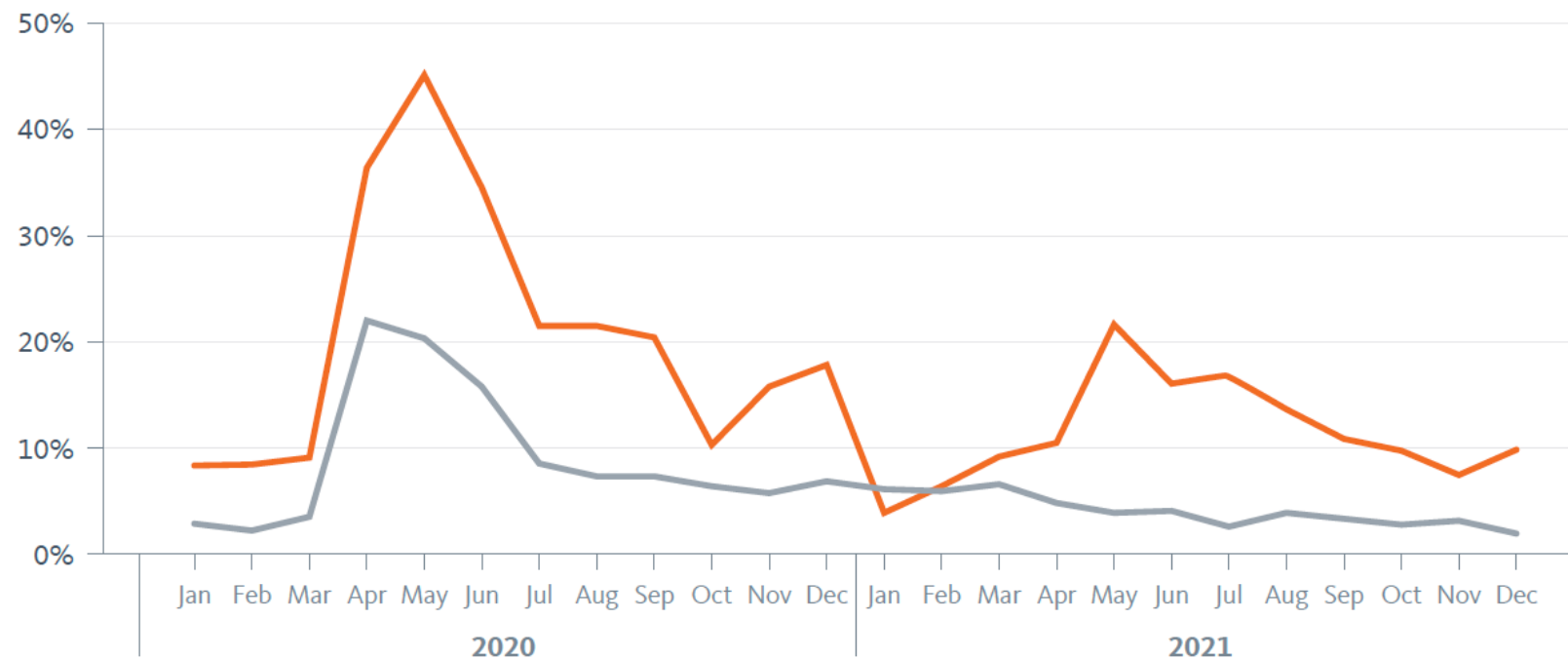
AN UNEVEN RECOVERY

Black workers experienced significantly higher unemployment rates through the pandemic.

Unemployment Rates by Race/Ethnicity, Detroit Metropolitan Region, 2020–2021
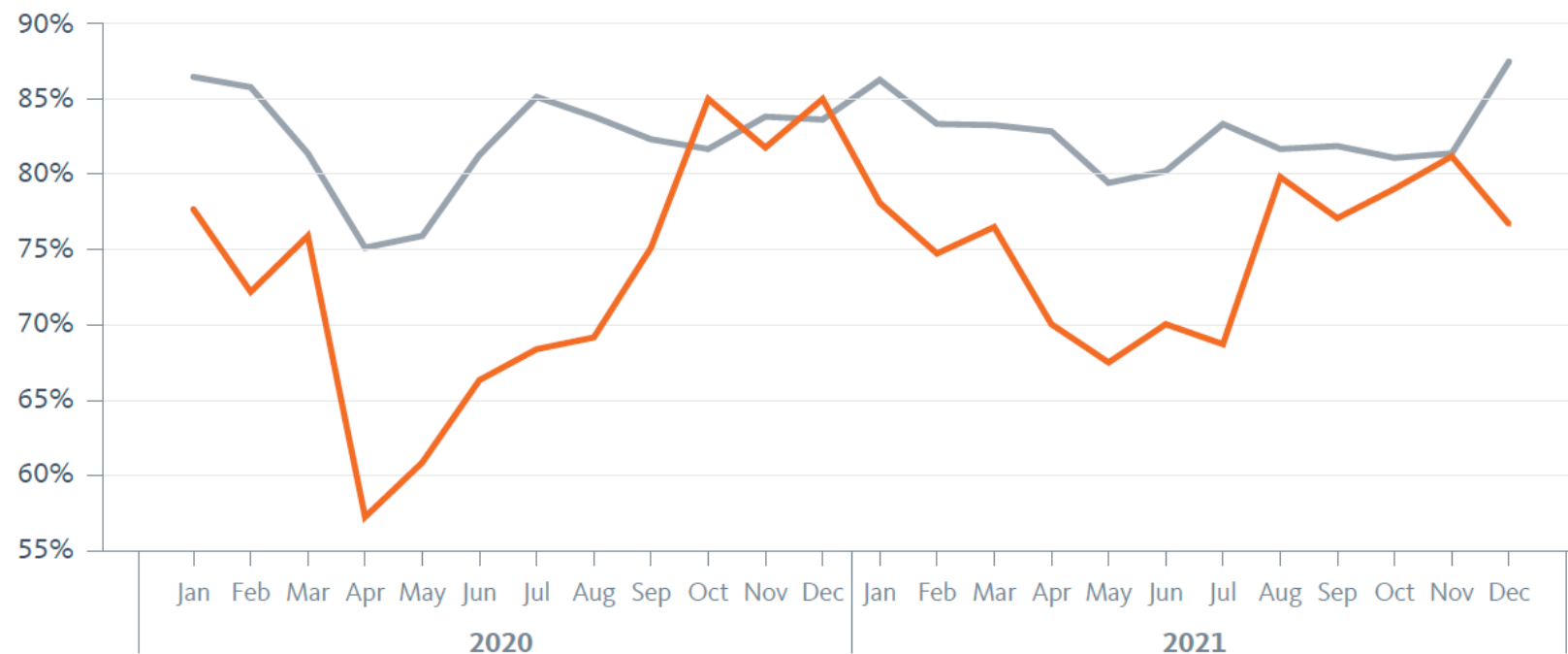
● Black
● White

Source: Authors' analysis of 2020 and 2021 unemployment estimates from the Current Population Survey (CPS) microdata from IPUMS USA.

Black labor force participation has been more volatile during the pandemic.

Prime-Age Labor Force Participation Rate by Race/Ethnicity, Detroit Metropolitan Region, 2020–2021
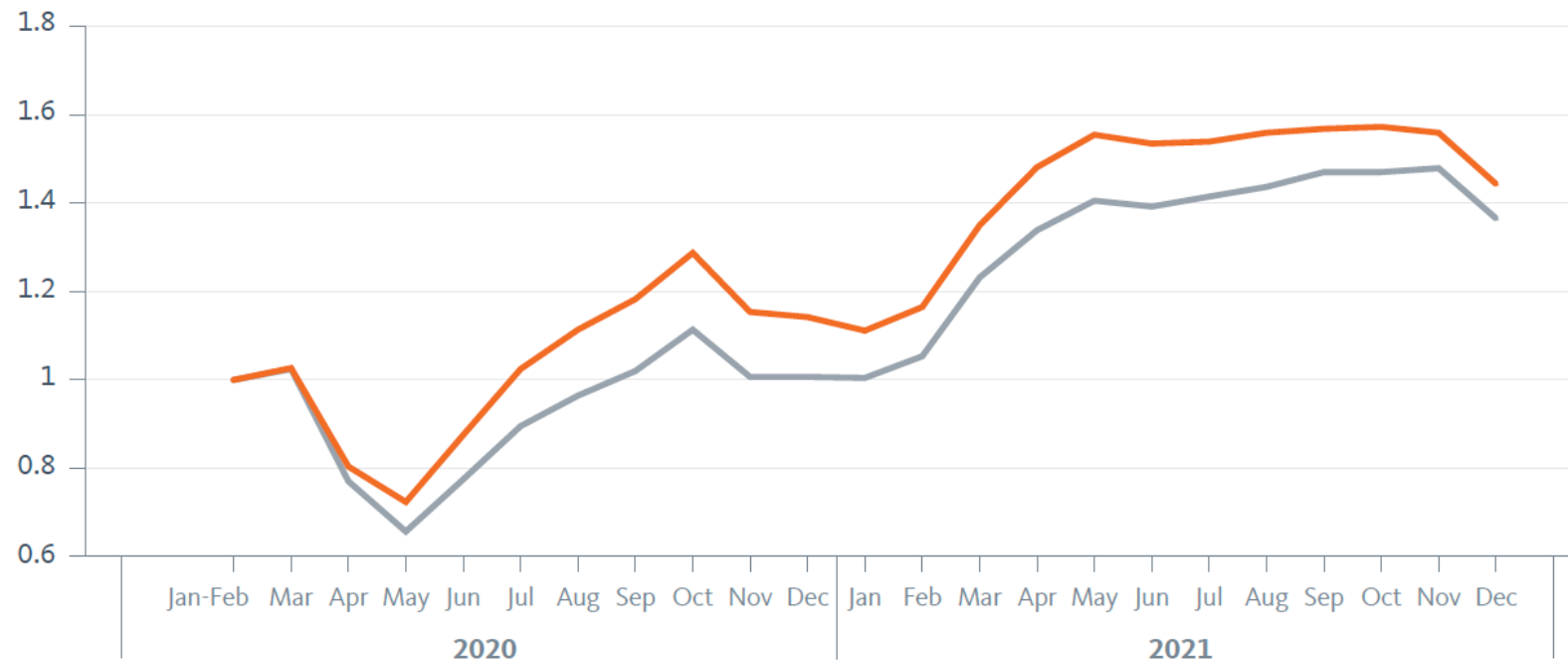
● Black
● White

Online job postings for positions held by Black and Latinx workers prior to the crisis are recovering more quickly than for those held by white workers.

Labor Market Demand Index (Online Job Postings) Relative to January–February Baseline by Precrisis Occupational Race/Ethnicity, Detroit Metropolitan Region, 2020–2021
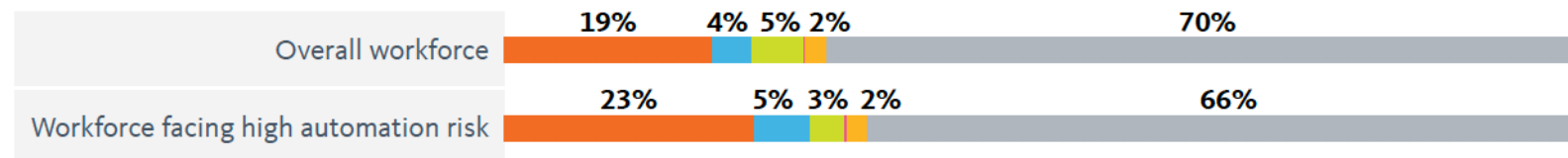
● Black
● White

AUTOMATION RISK AND RESILIENCE

Black workers are particularly overrepresented in automation-vulnerable jobs.

Automation Risk by Race/Ethnicity, Detroit Metropolitan Region, 2018

- 🟠 Black
- 🔵 Latinx
- 🟢 Asian or Pacific Islander
- 🟣 Native American
- 🟡 Mixed/other
- ⚪ White

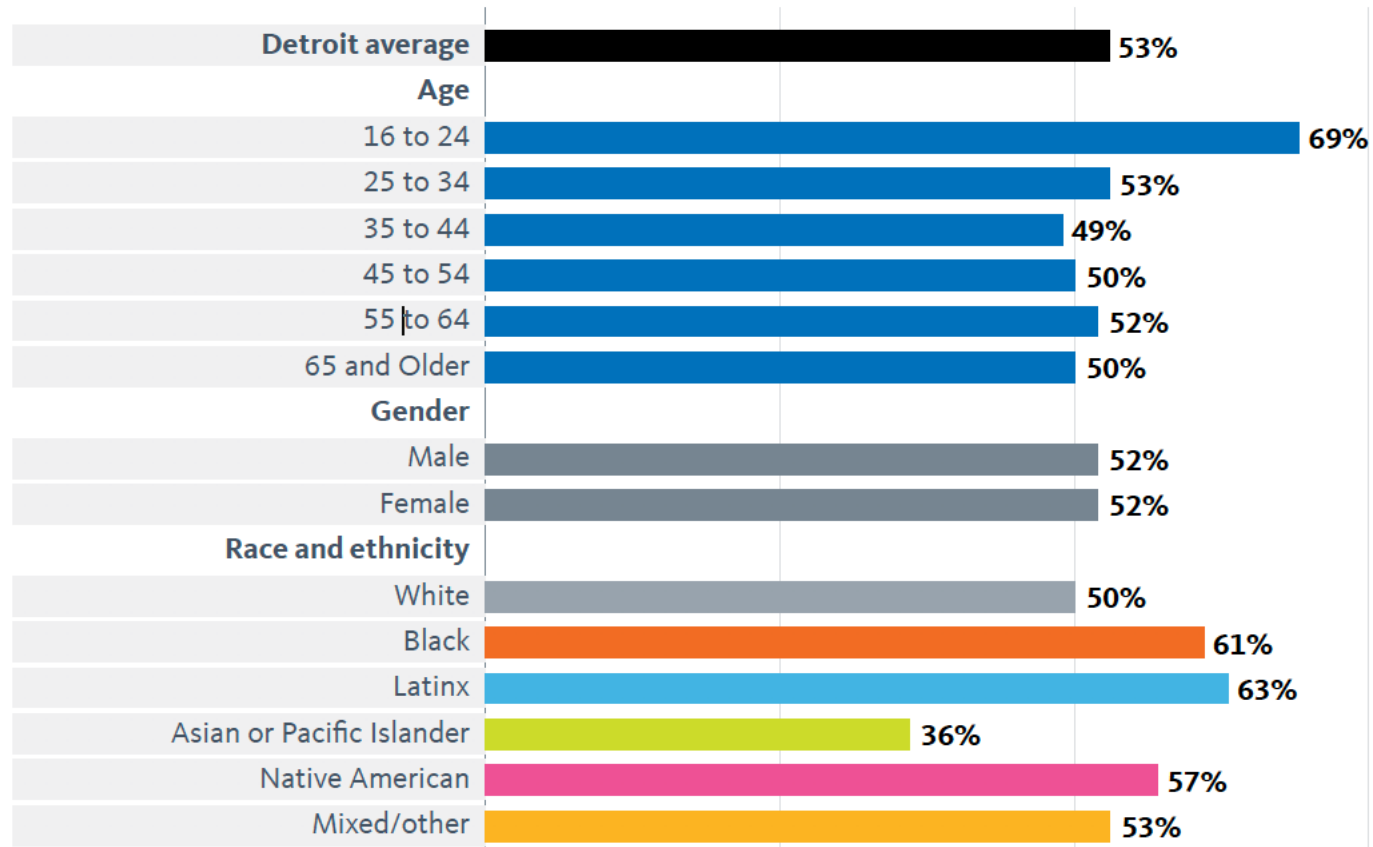|					
Overall workforce	19%	4%	5%	2%	70%
Workforce facing high automation risk	23%	5%	3%	2%	66%

Source: Authors' analysis of the 2018 5-year American Community Survey microdata from IPUMS USA and automation scores from "The Future of Employment: How Susceptible Are Jobs to Computerisation" (Frey and Osborne, 2013). **Note:** Universe includes the employed civilian noninstitutionalized population age 16 years or older.

Workers of color, those with less than a high school diploma, and non-English speakers are most vulnerable to automation-driven job disruption.

Automation Vulnerability by Worker Characteristics, Detroit Metropolitan Area, 2018

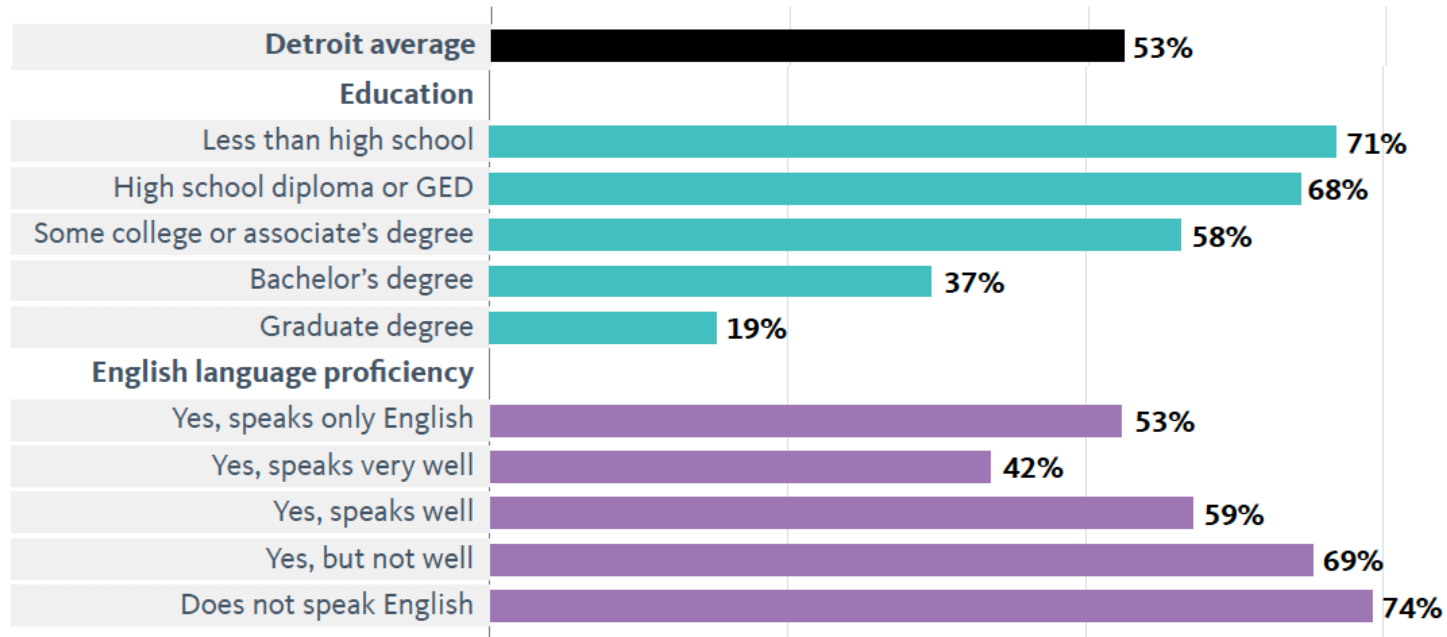| Category	Value
Detroit average	53%
Age	
16 to 24	69%
25 to 34	53%
35 to 44	49%
45 to 54	50%
55 to 64	52%
65 and Older	50%
Gender	
Male	52%
Female	52%
Race and ethnicity	
White	50%
Black	61%
Latinx	63%
Asian or Pacific Islander	36%
Native American	57%
Mixed/other	53%

Source: Authors' analysis of occupation-level automation scores from "The Future of Employment: How Susceptible Are Jobs to Computerisation" (Frey and Osborne, 2013), and worker characteristics from 2018 5-year American Community Survey (ACS) microdata from IPUMS USA.

Workers of color, those with less than a high school diploma, and non-English speakers are most vulnerable to automation-driven job disruption.

Automation Vulnerability by Worker Characteristics, Detroit Metropolitan Area, 2018

Characteristic	Value
Detroit average	53%
Education	
Less than high school	71%
High school diploma or GED	68%
Some college or associate's degree	58%
Bachelor's degree	37%
Graduate degree	19%
English language proficiency	
Yes, speaks only English	53%
Yes, speaks very well	42%
Yes, speaks well	59%
Yes, but not well	69%
Does not speak English	74%

Source: Authors' analysis of occupation-level automation scores from "The Future of Employment: How Susceptible Are Jobs to Computerisation" (Frey and Osborne, 2013), and worker characteristics from 2018 5-year American Community Survey (ACS) microdata from IPUMS USA.

A FRAMEWORK FOR ACTION TO ADVANCE WORKFORCE EQUITY

Advancing Workforce Equity in Metro Detroit

1. Establish a unified collaborative to align workforce initiatives and help workers and job seekers navigate support and training services.
2. Strengthen education, training, and employment opportunities and wraparound support for young people and adult learners.
3. Promote policy solutions and support worker power and advocacy to raise the floor on low-wage work.
4. Build robust data collection and measurement tools to track worker outcomes, identify opportunities for employers, and inform system improvements.
5. Support employers to transform workplace cultures and adopt equitable practices in hiring, retaining, and promoting career development for workers of color.