

ECONOMIC DEVELOPMENT

INDICATOR: UNEMPLOYMENT

MEASURE

The rate of unemployed persons in Montcalm County to the total labor force expressed as a percentage. Persons are considered unemployed if they have no job and are actively seeking work.

WHY IS THIS INDICATOR IMPORTANT?

The unemployment rate is low during good economic times and high during a recession. In an economic downturn, the rate tends to underestimate the number of unemployed because some people become discouraged and stop looking for work, thereby disqualifying them from being counted as unemployed by the definition. At the individual level, unemployment reduces household income, can limit access to health insurance, and contributes to psychological stress. At the community level, a rise in joblessness reflects a lack of job opportunities and places demands on community human services. Unemployment rates in Michigan are normally low among persons with education beyond high school and among managerial, professional, and technical workers. Rates are higher among minority groups, high school dropouts and unskilled laborers.

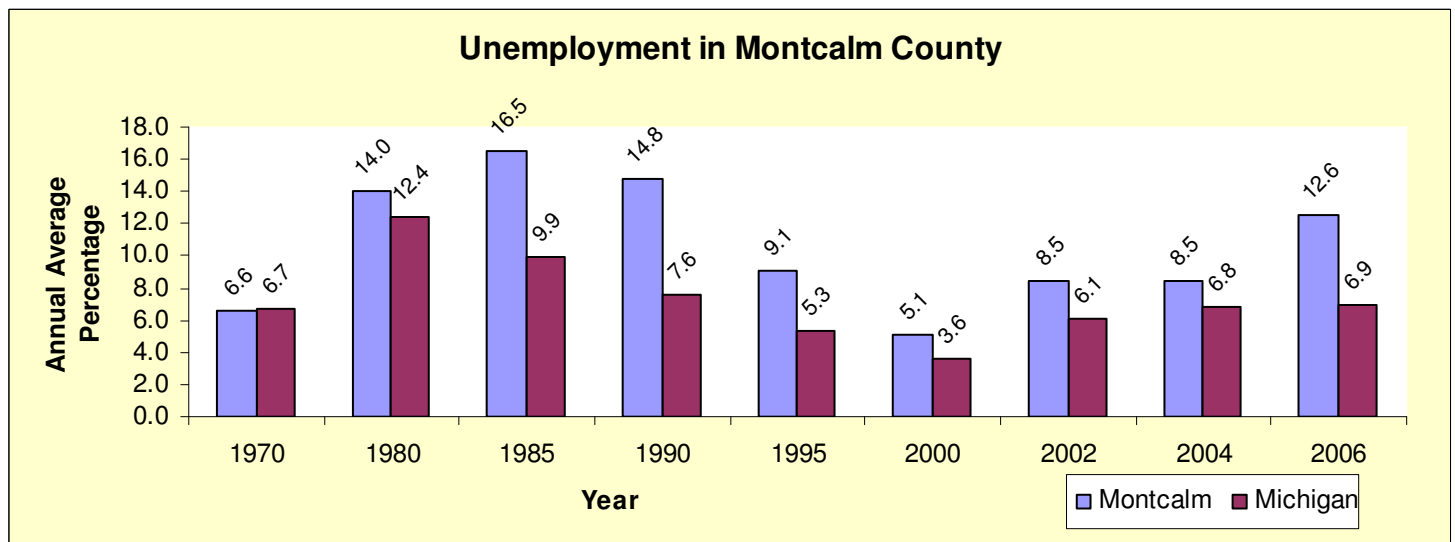
HOW WELL IS THE MONTCALM COMMUNITY DOING?

After several years of decline, Montcalm County's unemployment rate since 2000 has increased yearly and for the year 2004 stood at 8.5%, and by 2006, the annual rate was 12.6%. The rate for the county continues to be consistently higher than the rate for the state of Michigan, and is an area of major concern with the closing of Electrolux and other manufacturing operations beginning in 2005.

GOALS FOR MONTCALM COUNTY

Goal One) To maintain an annual unemployment rate below 6%.

Goal Two) To maintain an annual unemployment rate below the state of Michigan average by 2010.



NOTE: The ratio of unemployed persons in the total labor force expressed as a percentage. SOURCE: Local area unemployment statistics, Michigan bureau of Labor Statistics. Last updated April, 2007.