Children in the Northeast Michigan region are facing the highest rates of poverty in the state of Michigan. Nearly 24% of children are in poverty in Northeast Michigan, compared with 17.6% in the state overall. It is important to note that this measure of child poverty only captures the number of children who are living below the federal poverty line. Another 38.8% of families with children are considered Asset Limited, Income Constrained, and Employed (ALICE), which means they are above the poverty line but are struggling to make ends meet.

Behind these alarming rates of child poverty are numerous economic challenges that all residents of Northeast Michigan face. When we look beyond families with children, the region has the lowest median income ($47,903) and the highest percentage of ALICE households (31.2%) in the state. When combined with the poverty rate, nearly 46% of households are either poor or struggling. Northeast Michigan also has some of the highest unemployment rates. The unemployment rate for the region is about 3 percentage points higher than the state (6.8% vs. 3.9% in 2022) and some counties, like Roscommon, Cheboygan, and Montmorency, have rates that are over 4 percentage points higher. Additionally, while the monthly state unemployment rate generally falls between 3.5% and 4.5% during the year, rates in the region fluctuate widely depending on the month. Rates in the region are lowest in the summer and highest in the winter with some counties experiencing unemployment rates higher than 9% during December and January. This points to the seasonal nature of the jobs available for residents in Northeast Michigan. With such
inconsistent employment, families may lack stable income, which makes it difficult to consistently afford necessities, especially families with children.

In addition to the stress that cyclical unemployment puts on families trying to make ends meet, the percentage of adults not in the workforce (51.3%) is about 33% higher than in the state overall (38.5%). Often, people leave the workforce when there are scant employment opportunities. A community needs assessment conducted by the Northeast Michigan Community Service Agency (NEMCSA) emphasized that the region lacks jobs offering a living wage and good benefits. Economic and workforce development can improve these conditions and help create year-round jobs with higher pay.

Another strategy to improve economic well-being for families is to ensure that all adults are able to work. Currently, the percentage of women who are not in the workforce (54.1%) is even higher than that for all adults (51.3%). One reason for this might be the extreme lack of child care in the Northeast region. Like much of the state, the region has been identified as a child care desert, and the NEMCSA community needs assessment names accessing affordable child care as a top problem. The fact that about half of families in the region with subsidized child care vouchers do not utilize them makes it clear that families are struggling to find child care. Without child care, parents have a difficult time holding down full-time employment, and usually the burden to care for children falls disproportionately on women. A lack of child care may be pushing one parent out of the workforce and contributing to the high number of ALICE households in the region. Improving the supply and affordability of child care could help families maintain steady employment and improve their ability to make ends meet.

To combat the high rates of unemployment and poverty, the region needs stable employment options, workforce development, and increased child care. Northeast Michigan can benefit from expanding the jobs available through growing local economies beyond seasonal employment. Investments in child care, job training, and economic growth will combat the high rates of child poverty and ALICE households by increasing the economic opportunities available to families. One way to increase access to job training and support economic growth would be to improve access to broadband internet. Like other rural regions in Michigan, fewer households in Northeast Michigan households have broadband internet subscriptions compared to the rest of the state. An expansion of broadband could support new industries, give people access to training, and allow them greater flexibility in accessing work.
References


