DESPITE GLOOMY JOBS PICTURE, MICHIGAN NONPROFIT EMPLOYMENT GROWS

The nonprofit sector has been one of the few engines of job growth in Michigan in the past decade, and it has sustained this record during the recent recession, according to a new report from Johns Hopkins. Between 2001 and 2007, nonprofit employment in Michigan grew by 17.4 percent, while for-profit employment declined by 9.5 percent. Nonprofit employment then continued this trend during the recession, growing by 2.6 percent between the second quarter of 2007 and the second quarter of 2009 while jobs in the business sector fell by 12.8 percent.

“Michigan nonprofit organizations are clearly making heroic efforts to cope with the expanding needs being produced by Michigan’s decade-long recession,” said Lester M. Salamon, study author and director of the Johns Hopkins Center for Civil Society Studies. “And they are helping the state’s economy in the process.”

A recent Johns Hopkins Nonprofit Listening Post Project survey found that 74 percent of Michigan nonprofits reported serving more clients between September 2008 and March 2009 than in the same period a year before.

“Our nonprofits are working to respond to the rapidly increasing demands and shrinking resources,” said Kyle Caldwell, president and CEO of the Michigan Nonprofit Association. “These pressures are producing enormous strains on organizations, but at the same time providing great leadership opportunities as the nonprofit sector employment grows.”

Other findings from the Johns Hopkins report include:

- The Michigan nonprofit sector employs nearly one out of every 10 workers in the state, well above the national average of 7.2 percent.
- The 374,537 nonprofit employees in Michigan earned nearly $14.5 billion in wages in 2009, which translates into an estimated $90 million of income tax revenue for state and local government.
- Michigan’s nonprofit sector is the fourth largest employer among Michigan industries, behind manufacturing, retail trade and local government.
Nonprofit growth was seen in every region of the state. Between 2001 and 2007, regions with nonprofit job growth above the state average of 17 percent included Kalamazoo-Portage (33 percent), Grand Rapids-Wyoming (28 percent), and Lansing-East Lansing (26 percent), while for-profit employment declined in all three regions. Even economically hard-hit Detroit and Flint registered nonprofit job growth of 14 and 13 percent respectively, while for-profit employment dropped 12 and 15 percent.

More than two-thirds (68 percent) of all nonprofit jobs in the state are in the health services field, but significant shares of nonprofit workers are also employed in social services (10 percent) and education (9 percent).

Overall weekly wages of nonprofit employees are lower than those of for-profit and government workers. But, in industries in which nonprofits and for-profits are both significantly involved, nonprofit average weekly wages generally outpace for-profit wages.


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