

New Research Reveals that Black Workers Have Borne the Brunt of Metro Detroit's Inequitable Labor Market and Uneven Economic Growth

This report underscores that high-quality jobs and equitable talent development are imperative for equitable growth and shared prosperity in the Detroit region.

Detroit, Michigan (September 29, 2022) — In the years following the Great Recession, Metro Detroit showed promise of a strong economic rebound. But new research shows that the region's recovery was racially uneven, and persistent racial inequities in housing, income, and other key measures of well-being have constrained the region's economic growth.

[*Advancing Workforce Equity in Metro Detroit: A Blueprint for Action*](#) — released today by the Detroit Area Workforce Funders Collaborative with the National Equity Atlas (a partnership between PolicyLink and the USC Equity Research Institute), Lightcast, and JPMorgan Chase — illustrates how long-standing racial gaps in income and employment have impacted the region's workforce and economy.

The report reveals that:

- **The structure of Metro Detroit's economy and evolving labor market demand reinforce racial gaps in employment and wages.** The region has a shortfall of good jobs that do not require a college degree. In fact, only 29 percent of the region's workers hold good jobs.
- **Despite the growing diversity of the region's workforce, it remains deeply segregated by occupation.** Workers of color tend to be crowded in lower paying and lower opportunity occupational groups, while white workers are overrepresented in many higher paying professions.
- **Higher educational attainment is essential, but it's been insufficient in improving racial wage gaps.** The median hourly wage for white workers in the Detroit region with only a high school diploma is 12 percent higher (\$19/hour) than that for Black workers with an associate's degree (\$17/hour). Among those with a bachelor's degree or higher, the median hourly wage for white workers is about 30 percent higher than their Black counterparts.
- **Racial economic exclusion costs the region an estimated \$28 billion in lost economic activity per year.** With racial equity in income, average annual incomes would increase by 79 percent for Black adults and 47 percent for Latinx adults, to about \$53,000.

"Our group of workforce funders already understood that the Detroit region's current labor market is racially inequitable. This report affirms that, and it lays bare the human and economic costs," said Heidi Alcock, the director of grant development and communications at McGregor Fund and a co-chair of the Detroit Area Workforce Funders Collaborative. "Now is the time to align the efforts of government, business, nonprofits, and philanthropy, and elevate the voices and expertise of workers of color, for solutions that work."

Through the Detroit Area Workforce Funder Collaborative, local workforce funders have aligned their philanthropic resources and influence to ensure that those who have been the most impacted by workforce inequities in Detroit have high-quality, family-supporting jobs. Over the past year, the group partnered with a local advisory group of policymakers, employers, educators, training providers, community-based organizations, and advocates to develop a strategic roadmap for the region.

The report outlines several of these strategies, including:

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

Funded by JPMorgan Chase, this analysis will help further inform the firm's philanthropic decisions as part of the [New Skills at Work initiative](#) to prepare people for the future of work and the firm's new [\\$30 billion commitment](#) to advance racial equity and drive an inclusive economic recovery. Since 2014, the firm has spent \$200 million to support the region's economic recovery, including committing \$29 million to help more Detroiters access job training and advance workforce initiatives. The firm also has supported programs — such as Detroit at Work and Grow Detroit's Young Talent — aimed at helping prepare residents with the skills they need to keep pace with the evolving labor market.

“JPMorgan Chase is laser-focused on building an inclusive economy that benefits all workers, regardless of background,” said Jason Tinsley, Michigan Market Manager for J.P. Morgan Private Bank. “A good job can have a multiplying effect in our communities, but we know pathways to these opportunities are out of reach for too many Detroiters. These data-driven insights are critical to help advance the sustainable change needed to ensure that Detroit is a place where everyone can prosper.”

This report underscores that racial equity must be at the forefront of the policies, programs, and investments being spearheaded across Metro Detroit, especially now as the region continues to chart the course for its next economic recovery.

The full report, including the data and tailored strategies, can be accessed [here](#).

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[*Advancing Workforce Equity in Metro Detroit: A Blueprint for Action*](#) was developed through a partnership of the [Detroit Area Workforce Funders Collaborative](#), [PolicyLink](#), [USC Equity Research Institute](#), and [Lightcast](#), with support from [JPMorgan Chase](#). It is one of nine regional analyses in the [Advancing Workforce Equity](#) project, which aims to help regions across the nation advance equity in their local workforces and economies.