

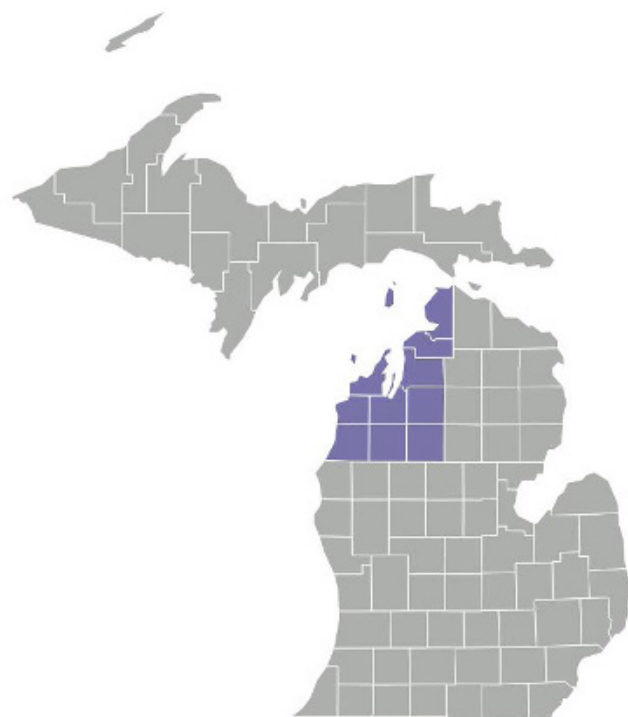
Michigan Poverty & Well Being Map: Northwest Region

The Northwest Region includes: Antrim, Benzie, Charlevoix, Emmet, Grand Traverse, Kalkaska, Leelanau, Manistee, Missaukee, and Wexford counties. Learn more about the map at poverty.umich.edu.

Northwest Michigan's Tourism Economy Brings Labor Market Volatility, High Housing Costs

The Northwest Region compares favorably to the state on most standard measures of economic hardship. The region's poverty rate of 10% is notably lower than the state's 13.4%, and its rate of Asset Limited, Income Constrained, Employed (ALICE) households (36.5%) is below the state's (39.7%). The Northwest Region's median household income of \$75,304 is slightly above the state median of \$72,336. Despite lower poverty and ALICE rates, the region's housing cost burden of 29.8% is close to the state average of 32.7%. This brief examines two interconnected factors that help explain this pattern: a tourism-dependent labor market that creates seasonal income volatility for a large share of workers, and a housing market constrained by high rates of seasonal and second-home ownership, which drive up costs for year-round residents.

The region's tourism-dominated labor market creates income instability not captured in annual data. In 2025, annual unemployment rates across the region's counties ranged from 4.1% in Grand Traverse County to 6.6% in Manistee County, but these figures conceal significant seasonal swings. Most counties in the region saw unemployment climb to 7.5% to 8.5% in the winter months before falling to 3.5% to 5% by late summer, a pattern driven by the contraction of hospitality and tourism employment each winter.¹ Wage data from the region's key sectors reinforce the mismatch between available jobs and the cost of living. Workers in accommodation and food services in



	State	Region
Population	10,077,761	314,443
Median Household Income	\$72,336	\$75,304
Children in Poverty	17.7%	13.1%
Population in Poverty	13.4%	10.0%
ALICE	26.3%	26.3%
ALICE + Poverty	39.7%	36.5%
Households Receiving Food Stamps / SNAP	13.5%	9.6%
Housing Cost Burdened	32.7%	29.8%
Adults Without Insurance	7.1%	8.0%
Single- Parent Households	30.6%	25.7%

the region – the sector most directly tied to tourism – earn at most an average of \$14.03 per hour in Grand Traverse County and as little as an average of \$9.85 per hour in Kalkaska County.² For comparison, the survival wage threshold – the minimum hourly wage needed to cover necessities like housing, food, transportation, and childcare without public assistance – is \$17.05 per hour for a family of four in Grand Traverse County.³ Healthcare is the only sector consistently above this threshold, averaging \$33.88 per hour in Grand Traverse County and \$36.42 per hour in Leelanau County; this highlights how dependent the region’s higher-wage employment is on a single sector concentrated in its urban core.⁴

The housing market compounds these labor market pressures. Across the Northwest Region, between 26% and 36% of all housing units are classified as seasonal, recreational, or occasional use, with Benzie County (36.4%), Leelanau County (33.9%), and Antrim County (33.8%) the most affected.⁵ This removal of large numbers of units from the year-round housing market reduces supply and drives up costs for residents who live and work in the region. Average monthly rent for a two-bedroom apartment in Traverse City is above \$1,700, and rental vacancy rates across the region sit near zero, with months-long waitlists for market-rate units and years-long waitlists for subsidized housing.⁶

In contrast to the lack of affordable housing in Grand Traverse County, Benzie, Wexford, Kalkaska, and Charlevoix counties have lower housing costs. However, this tradeoff does not necessarily improve financial stability. While inland counties offer lower housing costs, higher transportation costs offset housing cost savings. Missaukee County households spend on average 55% of their incomes on housing and transportation combined, the highest in the region, with transportation alone consuming 31% of incomes. Wexford County (53%) and Manistee County (52%) follow closely, reflecting longer commutes and a lack of services in outlying communities. Grand Traverse County, by contrast, has the lowest combined burden of transportation and housing costs at 45%, due to higher incomes and lower transportation costs.⁷

Addressing these challenges requires action on both the labor market and housing supply sides. Income volatility caused by seasonal employment could be addressed in the short term by extending unemployment insurance eligibility and, in the long term, by expanding training opportunities for workers in seasonal industries. Long-term, local policymakers could pave the way for creating affordable housing for the local workforce by changing zoning laws to allow more multi-unit housing.⁸ Local government, nonprofit organizations, and grassroots organizers could form community land trusts that buy up properties and give homeowners the chance to pay only for their homes, not the land they sit on.⁹ In the near term, developing and maintaining support for low-wage workers is key to ensuring economic security for all residents in the region.

References

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