

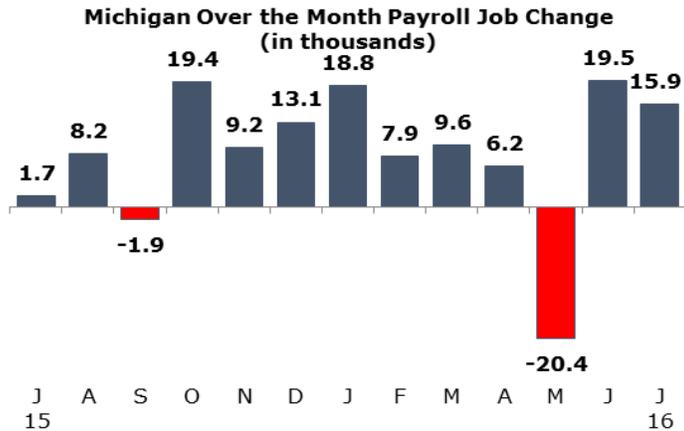
CURRENT EMPLOYMENT STATISTICS MONTHLY INDUSTRY EMPLOYMENT HIGHLIGHTS

July 2016 - MICHIGAN
Seasonally Adjusted Preliminary Estimates

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OVERVIEW

Total Nonfarm Jobs (+15,900)



Total Michigan nonfarm payrolls increased by 15,900 in July to 4,346,100. This Michigan payroll job total was at the highest level since April of 2006 (4,358,000). The broad sectors with over the month employment gains were *Government* (+7,100), *Manufacturing* (+6,100), *Professional and business services* (+5,000), *Education and health services* (+3,000), *Information* (+1,000), *Leisure and hospitality* (+700), and *Financial activities* (+500). The major industry groups in which payrolls remained the same or declined included *Mining and logging* (unchanged), *Construction* (-1,400), *Other services* (-2,400), and *Trade, transportation, and utilities* (-3,700).

Since July 2015, total nonfarm employment has grown by 105,500, or 2.5 percent. This was significantly above the 1.7 percent growth rate nationally during this period. In Michigan, over the year job gains occurred in every major industry sector but *Mining and logging*. The *Professional and business services* sector (+33,300) accounted for nearly one-third of this increase. Other broad sectors with significant over the year job advances were *Education and health services* and *Manufacturing* (+18,000 each), *Leisure and hospitality* (+10,300), and *Financial activities* (+10,000).

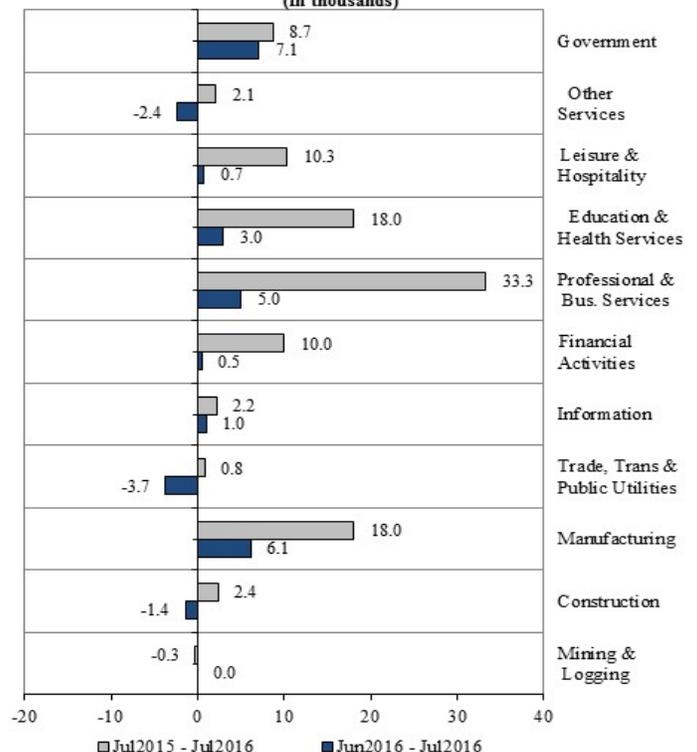
Nationally, total nonfarm job levels increased by 255,000 in July. The broad sectors with the largest gains were *Professional and business services* (+70,000), *Leisure and hospitality* (+45,000), *Government* (+38,000), and *Education and health services* (+36,000). *Mining and logging* (-7,000) continued to trend down.

In Michigan, total nonfarm payroll employment has increased in six out the seven months this year, growing by 1.3 percent and adding 57,500 jobs. This outpaced the 0.9 percent growth rate nationally in the first seven months of this year and the 0.5 percent expansion in Michigan payroll jobs for the January through July 2015 period.

The broad industry sectors in Michigan with higher job growth during the first seven months of 2016 compared to the same period in 2015 included *Information* (+4.8 percent vs. -0.5 percent), *Professional and business services* (+4.1 percent vs. +0.9 percent), *Financial activities* (+2.8 percent vs. +0.8 percent), *Manufacturing* (+1.8 percent vs. +0.7 percent), *Education and health services* (+1.6 percent vs. +1.0 percent), and *Government* (+0.5 percent vs. -0.6).

The broad sectors where 2016 employment has advanced below the January-July 2015 pace, or contracted so far this year, were *Leisure and hospitality* (+1.0 percent vs. +1.2 percent), *Trade, transportation, and utilities* (-0.2 percent vs. +0.6 percent), *Other services* (-0.2 percent vs. -0.4 percent), *Construction* (-2.1 percent vs. +0.5 percent), and *Mining and logging* (-4.1 percent vs. -9.8 percent).

**Job Change by Industry Over the Month & Over the Year
(in thousands)**



INDUSTRY EMPLOYMENT DEVELOPMENTS

GOVERNMENT sector jobs rose by 7,100 in July on gains at the *Local* (+4,600) and *State* (+2,500) levels. Between July 2015 and July 2016, total *Government* employment grew by 8,700 as gains at the *Local* (+8,400) and *Federal* (+1,000) levels outpaced a decline at the *State* (-700) level. Nationally, *Government* employment rose by 38,000 over the month and by 154,000 over the year.

MANUFACTURING jobs increased by 6,100 in July. This gain occurred in *Durable goods* (+7,300) while *Nondurable goods* payrolls declined by 1,200. The state's key *Transportation equipment manufacturing* sector registered a seasonally adjusted job advance (+3,300) over the month. The apparent seasonal increase in the *Durables* sector was partially the result of significantly lower numbers of workers on short-term layoffs due to the July model changeover in the auto industry. Since July 2015, employment gains in *Durable goods* (+13,100) and *Nondurable goods* (+4,900) have combined for 18,000 additional jobs in the broad sector. Nationally, employment moved higher by 9,000 in July but decreased by 31,000 over the year.

Seasonally adjusted average weekly hours increased by 0.2 of an hour in *Manufacturing* but decreased by 0.4 hours in *Transportation equipment manufacturing* to total 43.2 and 44.0 hours respectively in July. Average weekly earnings rose in *Manufacturing* (+\$7.42) but declined in *Transportation equipment manufacturing* (-\$35.36) over the month.

PROFESSIONAL AND BUSINESS SERVICES employers added 5,000 workers to payrolls in July. This gain was recorded in the *Professional, scientific, and technical services* (+4,400) and *Administrative and support and waste management and remediation services* (+600) subsectors. Employment in this broad sector has increased in six out of 7 months this year with job levels growing by 26,700 through July. This accounted for 46 percent of total nonfarm jobs added during this period. Since July 2015, 33,300 jobs were added in the broad sector with employers in the *Professional, scientific, and technical services* (+16,100) and *Administrative and support and waste management and remediation services* (+15,500) subsectors accounting for most of this increase. Nationally, employment advanced by 70,000 over the month and by 550,000 over the year.

TRADE, TRANSPORTATION AND UTILITIES jobs declined by 3,700 during July with payroll contractions in *Transportation, warehousing, and utilities* (-2,300), *Wholesale trade* (-900), and *Retail trade* (-500). These declines can be partially explained by stronger than typical contractions in *Truck transportation, Merchant wholesalers, durable goods, and Miscellaneous store retailers*. Since July 2015, *Retail* sector job gains (+4,400) have outpaced employment declines in *Transportation, warehousing, and utilities* (-2,800) and *Wholesale trade* (-800). Nationally, employment rose by 29,000 in July and grew by 380,000 since July 2015.

EDUCATION AND HEALTH SERVICES employment rose by 3,000 over the month with job gains in *Education services* (+3,400). The *Healthcare and social assistance* sector recorded little change in jobs in July. Since July 2015, job levels have grown by 18,000 in the broad sector with most of this gain recorded in *Health care and social assistance* (+14,300). Nationally, job levels were up by 36,000 over the month and by 639,000 over the year.

OTHER SERVICES payrolls declined by 2,400 in July after rising by 2,100 in June. Job levels have been essentially flat through the first seven months of the year, notching lower by 400. Over the year, payrolls were up by 2,100. Nationally, employment increased by 3,000 over the month and by 60,000 jobs over the year.

CONSTRUCTION sector jobs moved down by 1,400 in July. This marked the fourth consecutive month of contraction and brings payroll decreases to 3,200 during the January through July period this year. The over the month decline was partially due to atypical employment decreases in *Construction of buildings* and *Other specialty trade contractors*. Employment rose in Michigan by 2,400 or 1.6 percent over the year. Nationally, payrolls advanced by 14,000 in July and by 215,000 since July 2015.

INFORMATION job levels grew by 1,000 over the month. During the January through July period this year, employment rose by 2,700. This compared favorably to the same time-period in 2015 when job levels edged down by 300. Since July 2015, employment in this sector has grown by 2,200. Nationally, employment was unchanged in July but increased by 27,000 over the year.

LEISURE AND HOSPITALITY employment levels inched up by 700 in July as payroll additions in *Accommodation and foodservices* (+2,200) outpaced a contraction in *Arts, entertainment, and recreation* (-1,500). This modest job increase in the broad sector was partially due to lack of July job gains in the *Amusement, gambling, and recreation* sector following strong hiring in June. Over the year, employment levels have grown by 10,300 with all of this increase located in *Accommodation and foodservices* (+12,600). Nationally, jobs rose by 45,000 in July and by 421,000 over the year.

FINANCIAL ACTIVITIES employment increased by 500 in July with all of this gain reported in *Finance and insurance* (+800). The July increase marked the fifth consecutive month of employment additions in the broad sector. Between July 2015 and July 2016, employment (+10,000) has increased in every month except February 2016. This continued expansion has brought the broad sector job total to within 1,100 of its peak of 217,800 in August 2003. Most of this over the year gain was located in *Finance and insurance* (+7,300). Nationally, payrolls grew by 18,000 over the month and by 162,000 over the year.

MINING AND LOGGING employment was unchanged in July and declined by 300 since July 2015. Nationally, employment fell by 7,000 in July and by 130,000 since July 2015.

At a Glance: Michigan Seasonally Adjusted Data

July, 2016

(Employment in thousands)	July	June	July	OTM		OTY	
	2016(p)	2016	2015	Δ	%Δ	Δ	%Δ
Total Nonfarm	4346.1	4330.2	4240.6	15.9	0.4%	105.5	2.5%
Mining & Logging	7.1	7.1	7.4	0	0.0%	-0.3	-4.1%
Construction	149.1	150.5	146.7	-1.4	-0.9%	2.4	1.6%
Manufacturing	604.2	598.1	586.2	6.1	1.0%	18	3.1%
Trade, Trans, and Utilities	771.9	775.6	771.1	-3.7	-0.5%	0.8	0.1%
Information	59.4	58.4	57.2	1	1.7%	2.2	3.8%
Financial Activities	216.7	216.2	206.7	0.5	0.2%	10	4.8%
Prof & Bus. Services	672.2	667.2	638.9	5	0.7%	33.3	5.2%
Edu. & Health Services	669.5	666.5	651.5	3	0.5%	18	2.8%
Leisure & Hospitality	424.7	424.0	414.4	0.7	0.2%	10.3	2.5%
Other Services	169.8	172.2	167.7	-2.4	-1.4%	2.1	1.3%
Government	601.5	594.4	592.8	7.1	1.2%	8.7	1.5%

