

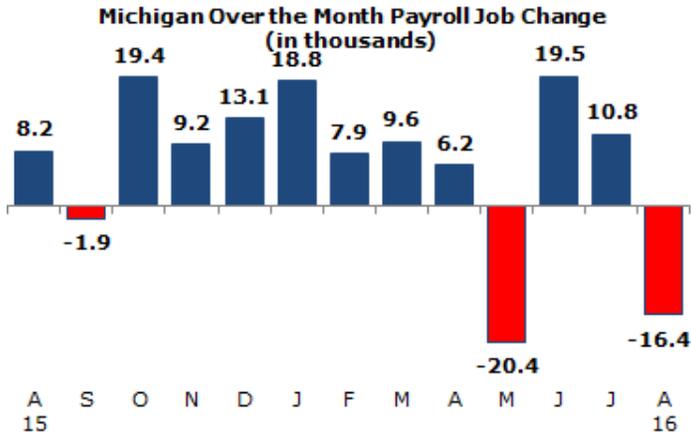
# CURRENT EMPLOYMENT STATISTICS MONTHLY INDUSTRY EMPLOYMENT HIGHLIGHTS

**August 2016 - MICHIGAN**  
Seasonally Adjusted Preliminary Estimates

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## OVERVIEW

### Total Nonfarm Jobs (-16,400)



Total Michigan nonfarm payrolls decreased by 16,400 in August to 4,324,600. This was only the second month during 2016 with a recorded decline. The broad sectors with over the month employment reductions were *Manufacturing* (-7,900), *Leisure and hospitality* (-6,200), *Government* (-4,000), *Professional and business services* (-3,600), and *Trade, transportation, and utilities* (-1,000). Job levels rose in *Construction* (+2,600), *Education and health services* and *Other services* (+1,600 each), *Information* (+400), and *Financial activities* (+100). *Mining and logging* employment was unchanged in August.

Since August 2015, total nonfarm employment advanced by 75,800, or 1.8 percent. This was similar to the 1.7 percent job growth rate nationally during this period. In Michigan, over the year job gains were reported in every major industry sector except *Trade, transportation, and utilities* and *Mining and logging*. The largest job additions occurred in *Professional and business services* (+23,500), *Education and health services* (+16,200), *Financial activities* (+10,000), and *Manufacturing* (+9,100).

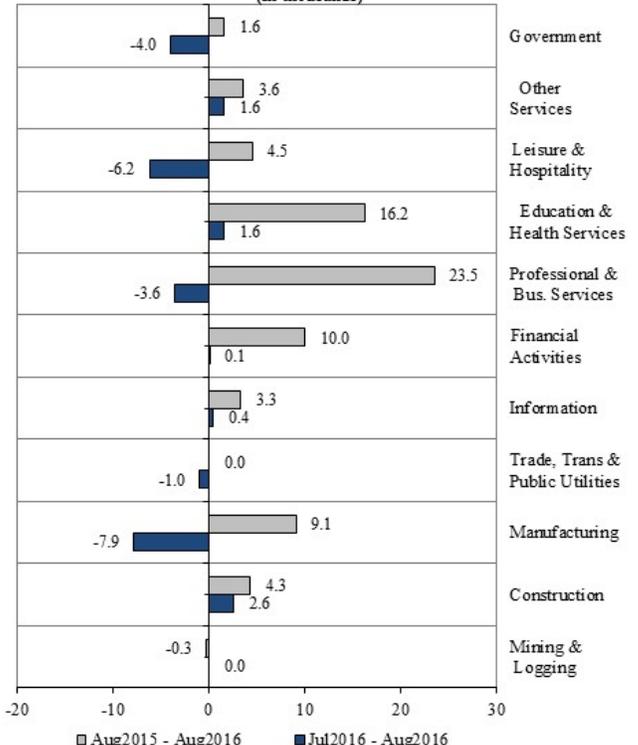
Nationally, nonfarm payroll jobs rose by 151,000 in August. This compared to an average monthly gain of 204,000 over the prior 12 months. The broad sectors with the largest job advances were *Education and health services* (+39,000), *Trade, transportation, and utilities* (+34,000), *Leisure and hospitality* (+29,000), and *Government* (+25,000). *Mining and logging* (-4,000) continued to trend down.

In Michigan, total nonfarm payroll employment growth averaged 4,500 jobs per month for the eight-month period ending in August 2016. This was up from the 3,900 jobs per month gain recorded in 2015.

Currently, the industry sectors with the highest average monthly job growth include *Professional and business services* (+2,250 jobs/month), *Education and health services* (+1,275 jobs/month), *Financial activities* (+775 jobs/month), and *Manufacturing* (+438 jobs/month). The state's *Transportation equipment manufacturing* sector has averaged 534 additional jobs per month through August.

The sectors of *Professional and business services* and *Manufacturing* have been key components in the state's recovery. Between July 2009 and August 2016, these industries have accounted for 65 percent of the 495,100 jobs created statewide, adding 165,000 and 158,600 positions, respectively. The state's key *Transportation equipment manufacturing* sector has added 61,000 jobs, which was nearly 40 percent of the increase in manufacturing employment during this period.

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



## **INDUSTRY EMPLOYMENT DEVELOPMENTS**

**MANUFACTURING** employment decreased by 7,900 in August with this decline occurring in both the *Durable goods* (-6,300) and *Nondurable goods* (-1,600) sectors. The seasonally adjusted job drop in the *Durables* sector reflected smaller than normal model-changeover job recalls in the *Transportation equipment manufacturing* sector and in auto-related supplier industries. The employment decline in the *Nondurables* sector was similarly due to fewer than typical August recalls in the auto-related *Plastics products manufacturing* industry. Since August 2015, employment gains in *Durable goods* (+6,100) and *Nondurable goods* (+3,000) have combined for 9,100 jobs in the broad sector. Nationally, employment declined by 14,000 over the month and, unlike Michigan, fell by 37,000 over the year.

Seasonally adjusted average weekly hours decreased by 0.9 hours in *Manufacturing* but increased by 0.4 hours in *Transportation equipment manufacturing* to total 42.3 and 44.6 hours respectively in August. Average weekly earnings declined in *Manufacturing* (-\$21.86) but rose in *Transportation equipment manufacturing* (+\$21.51) over the month.

**LEISURE AND HOSPITALITY** job levels fell by 6,200 in August with virtually all of this decrease in *Accommodation and foodservices* (-6,100). This job reduction was primarily due to atypically large employment drops in *Full-service restaurants* and *Limited-service eating-places*. Over the year, job gains in *Accommodation and foodservices* (+6,800) outpaced a 2,300 decline in *Arts, entertainment, and recreation* to produce an overall employment increase of 4,500 in the broad sector. Nationally, jobs rose by 29,000 in August and by 418,000 over the year.

**GOVERNMENT** sector jobs dropped by 4,000 in August as payrolls at the *Local* (-3,200), *State* (-700), and *Federal* (-100) levels contracted. Between August 2015 and August 2016, total *Government* employment grew by 1,600 as gains at the *Local* (+2,300) and *Federal* (+800) levels outpaced a decline at the *State* (-1,500) level. Nationally, *Government* employment rose by 25,000 over the month and by 164,000 over the year.

**PROFESSIONAL AND BUSINESS SERVICES** employers trimmed 3,600 workers from their payrolls in August. These reductions occurred in *Administrative and support and waste management and remediation services* (-2,200), *Professional, scientific, and technical services* (-800), and *Management of companies and enterprises* (-600). The reduction in jobs in the broad sector was partially due to a larger than typical employment drop in *Services to buildings and dwellings* as well as atypical job reductions in *Accounting, tax preparation, bookkeeping, and payroll services* and *Architectural, engineering, and related services*. Over the year, payrolls in the broad sector have grown by 23,500, as this sector added the largest number of jobs since August 2015. The majority of this yearly gain took place in *Professional, scientific, and technical*

*services* (+14,000) and in *Administrative and support and waste management and remediation services* (+8,300). Nationally, employment increased by 22,000 over the month and by 542,000 over the year.

**CONSTRUCTION** job levels rose by 2,600 in August, following four months of employment declines. This August increase was primarily due to stronger than typical hiring in *Specialty trade contractors* and *Construction of buildings*. Job levels were also up by 4,300 over the year. Nationally, payrolls contracted by 6,000 in August but grew by 199,000 since August 2015.

**EDUCATION AND HEALTH SERVICES** employment advanced by 1,600 in August with gains in both *Education services* (+1,000) and *Healthcare and social assistance* (+600). Over the year, 16,200 jobs were added in the broad sector with most of this increase in *Health care and social assistance* (+12,900). Nationally, job levels were up by 39,000 over the month and by 618,000 over the year.

**OTHER SERVICES** employment increased by 1,600 in August and 3,600 over the year. Nationally, employment rose by 7,000 over the month and by 76,000 jobs over the year.

**TRADE, TRANSPORTATION AND UTILITIES** employment edged down by 1,000 in August as a job reduction in *Retail trade* (-1,900) outpaced a gain in *Transportation, warehousing, and utilities* (+1,000). The retail decline was primarily centered in *Food and beverage stores* and *Miscellaneous store retailers*. A larger than typical increase in *General freight trucking* contributed to the job hike in the *Transportation, warehousing, and utilities* sector. Over the year, job levels were unchanged as employment gains in *Retail trade* (+2,600) were matched by declines in *Transportation, warehousing, and utilities* (-1,400) and *Wholesale trade* (-1,200). Nationally, employment rose by 34,000 in August and by 395,000 since August 2015.

**INFORMATION** payrolls grew by 400 over the month and by 3,300 over the year. Nationally, employment increased by 4,000 in August and by 29,000 over the year.

**FINANCIAL ACTIVITIES** job levels remained essentially unchanged in August as a payroll increase of 600 jobs in *Finance and insurance* was nearly matched by a decline in *Real estate and rental and leasing* (-500). Job levels in the broad sector have advanced for 6 consecutive months this year and in 17 of the past 18 months. Between August 2015 and August 2016, payrolls have grown by 10,000 jobs in the broad sector. The majority of the increase was recorded in *Finance and insurance* (+7,100). Nationally, payrolls grew by 15,000 over the month and by 167,000 over the year.

**MINING AND LOGGING** employment was unchanged in August and declined by 300 since August 2015. Nationally, employment fell by 4,000 in August and by 124,000 since August 2015.

# At a Glance: Michigan Seasonally Adjusted Data

August, 2016

(Employment in thousands)	August	July	August	OTM		OTY	
	2016(p)	2016	2015	Δ	%Δ	Δ	%Δ
Total Nonfarm	4324.6	4341.0	4248.8	-16.4	-0.4%	75.8	1.8%
Mining & Logging	7.1	7.1	7.4	0	0.0%	-0.3	-4.1%
Construction	151.1	148.5	146.8	2.6	1.8%	4.3	2.9%
Manufacturing	597.1	605.0	588.0	-7.9	-1.3%	9.1	1.5%
Trade, Trans, and Utilities	772.3	773.3	772.3	-1	-0.1%	0	0.0%
Information	59.7	59.3	56.4	0.4	0.7%	3.3	5.9%
Financial Activities	217.1	217.0	207.1	0.1	0.0%	10	4.8%
Prof & Bus. Services	663.5	667.1	640.0	-3.6	-0.5%	23.5	3.7%
Edu. & Health Services	669.2	667.6	653.0	1.6	0.2%	16.2	2.5%
Leisure & Hospitality	418.9	425.1	414.4	-6.2	-1.5%	4.5	1.1%
Other Services	171.2	169.6	167.6	1.6	0.9%	3.6	2.1%
Government	597.4	601.4	595.8	-4	-0.7%	1.6	0.3%

