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DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET

LANSING

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Michigan's September Unemployment Rate Edges Upward

Lansing – Michigan's seasonally adjusted unemployment rate in September edged up over the month by one-tenth of a percentage point to 4.6 percent, according to data released today by the Michigan Department of Technology, Management & Budget (DTMB). Total employment rose by 11,000 over the month while the number of unemployed increased slightly by 4,000. The state's labor force advanced by 14,000 in September.

The Michigan jobless rate in September 2016 was a half percentage point below the state's September 2015 rate of 5.1 percent. The national jobless rate decreased slightly by one-tenth of a percentage point over this period. The state's unemployment rate in September was four-tenths of a percentage point below the national rate. The U.S. jobless rate edged upward by one-tenth of a percentage point to 5.0 percent from August to September.

"The modest rise in the state's jobless rate in September reflected an increase in the number of individuals entering the state's labor market seeking employment," said Jason Palmer, director of the Bureau of Labor Market Information and Strategic Initiatives. "The majority of those entering the job market in September found employment, while some continued their job search."

Monthly Labor Force Trends & Highlights

- Although very minor, Michigan's jobless rate advance in September was the first monthly rate increase for the state in 2016.
- The total employment gain over the month was somewhat of a rebound from several monthly employment declines in the state that occurred mid-year. Even with the sluggish employment patterns over the summer months, Michigan continues to show solid gains over the year. From September 2015 to September 2016, total employment in Michigan increased by 93,000 or 2.1 percent, which slightly outpaced the national advance of 2.0 percent over the same period.
- From the second to the third quarter 2016, Michigan's quarterly unemployment rate declined by two-tenths of a percentage point to 4.5 percent. This was the lowest quarterly jobless rate for the state since the fourth quarter 2000.

- Since September 2015, the number of unemployed in the state declined by 22,000 or 9.1 percent, which compares favorably to the very slight 0.2 percent increase nationwide over the same period.

MICHIGAN
Labor Force Estimates

Seasonally Adjusted
(Data in Thousands)

| | September 2015 | August 2016 | September 2016 | Change | |
|----------------------|----------------|-------------|----------------|--------|------|
| | | | | Month | Year |
| Civilian Labor Force | 4,748 | 4,805 | 4,819 | 14 | 71 |
| Employment | 4,506 | 4,588 | 4,599 | 11 | 93 |
| Unemployment | 242 | 216 | 220 | 4 | -22 |
| Rate (Percent) | 5.1 | 4.5 | 4.6 | xxx | xxx |

Detroit Metropolitan Area's September Unemployment Rate Increases

The Detroit-Warren-Dearborn Metropolitan Statistical Area's (MSA's) seasonally adjusted unemployment rate in September increased by two-tenths of a percentage point to 5.1 percent. Total employment rose by 7,000 over the month while the number of unemployed also increased, advancing by 5,000. The net result was a 12,000 gain in the area's workforce. Like the state as a whole, the Detroit area's September jobless rate increase was the first of 2016. September marked the first solid employment growth in the metro area after four months of essentially no movement. The September gain in the region's workforce continued a mostly upward trend in 2016, with growth in seven of the first nine months.

From September 2015 to September 2016, the Detroit metropolitan area's jobless rate fell by seven-tenths of a percentage point. Since September 2015, total employment rose by 83,000 or 4.4 percent in the region, while the number of unemployed declined by 10,000 or 8.6 percent. The Detroit area's workforce grew by 73,000 or 3.7 percent over this period. The Detroit region's total employment and labor force gains since September 2015 outpaced both the state and the nation on a percentage basis.

Detroit-Warren-Dearborn MSA
Labor Force Estimates

Seasonally Adjusted
(Data in Thousands)

| | September 2015 | August 2016 | September 2016 | Change | |
|----------------------|----------------|-------------|----------------|--------|------|
| | | | | Month | Year |
| Civilian Labor Force | 1,993 | 2,054 | 2,066 | 12 | 73 |
| Employment | 1,877 | 1,953 | 1,960 | 7 | 83 |
| Unemployment | 116 | 101 | 106 | 5 | -10 |
| Rate (Percent) | 5.8 | 4.9 | 5.1 | xxx | xxx |

Most Industry Sectors Display Little September Change in Jobs

According to the monthly survey of employers, seasonally adjusted Michigan payroll jobs rose modestly in September by 5,000 to 4,332,000. Most major job sectors in the state were little changed over the month with the exception of leisure and hospitality services, which bounced back to June levels. The only other notable job increase in September was posted in education and health services (+2,000), while financial activities (-2,000) recorded minor job cuts.

Industry Employment Trends and Highlights

- Michigan's minor over-the-month overall job gain brought the September total to the second highest level in 2016 behind the year-to-date high of 4,341,000 posted in July.
- The September job increase in leisure and hospitality services pushed this sector's job level to essentially the 2016 average of 425,000.
- Education and health services has added jobs in eight of the first nine months of 2016. Since February, jobs in education and health services rose statewide by 12,000 or 1.8 percent.
- The September job reduction in financial activities was the first monthly decline in this sector since February. Since September 2015, jobs in financial activities were up by 8,000 or 3.8 percent in Michigan.
- From September 2015 to September 2016, payroll jobs in Michigan increased by 85,000 or 2.0 percent, which outpaced the national gain over this period of 1.7 percent. Since September 2015, 52 percent of the overall job gains in the state were displayed in two sectors; professional and business services and education and health services.
- Over the year, most major sectors in the state reported solid job growth. The only exceptions were mining and logging, and trade, transportation and utilities.
- Seasonally adjusted average weekly hours and earnings of production workers in manufacturing increased over the month, but were down over the year.

(more)

MICHIGAN
Payroll Employment Estimates

Seasonally Adjusted

(Data in Thousands)

| | <u>September</u> | <u>August*</u> | <u>September**</u> | CHANGE*** | |
|-----------------------------------|------------------|----------------|--------------------|--------------|-------------|
| | <u>2015</u> | <u>2016</u> | <u>2016</u> | <u>MONTH</u> | <u>YEAR</u> |
| Total Nonfarm Payroll Jobs | 4,247 | 4,326 | 4,332 | 5 | 85 |
| Natural Resources & Mining | 7 | 7 | 7 | 0 | 0 |
| Construction | 147 | 151 | 150 | -1 | 3 |
| Manufacturing | 590 | 598 | 598 | 0 | 8 |
| Transportation Equipment | 179 | 178 | 178 | 0 | -1 |
| Trade, Transportation & Utilities | 773 | 773 | 773 | -1 | -1 |
| Retail Trade | 468 | 471 | 470 | -1 | 2 |
| Information | 57 | 59 | 58 | -1 | 2 |
| Financial Activities | 208 | 217 | 216 | -2 | 8 |
| Professional & Business Services | 639 | 664 | 664 | 0 | 25 |
| Education & Health Services | 651 | 668 | 670 | 2 | 19 |
| Leisure & Hospitality Services | 416 | 419 | 424 | 6 | 9 |
| Other Services | 168 | 171 | 173 | 1 | 5 |
| Government | 591 | 598 | 599 | 1 | 8 |

* Final data for August

** Preliminary data for September

*** Change calculated using unrounded data

Hours & Earnings for Production Workers

Seasonally Adjusted

Manufacturing

| | <u>September</u> | <u>August</u> | <u>September</u> | CHANGE | |
|-------------------------|------------------|---------------|------------------|--------------|-------------|
| | <u>2015</u> | <u>2016</u> | <u>2016</u> | <u>MONTH</u> | <u>YEAR</u> |
| Average Weekly Earnings | \$914.31 | \$854.91 | \$862.57 | \$7.66 | -\$51.74 |
| Average Weekly Hours | 43.2 | 42.2 | 42.9 | 0.7 | -0.3 |

Transportation Equipment

| | | | | | |
|-------------------------|------------|----------|----------|---------|-----------|
| Average Weekly Earnings | \$1,239.31 | \$974.64 | \$990.31 | \$15.67 | -\$249.00 |
| Average Weekly Hours | 48.8 | 44.2 | 45.0 | 0.8 | -3.8 |

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