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FOR IMMEDIATE RELEASE

Date: August 15, 2018

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Michigan's July Jobless Rate Continues Downward Trend

Lansing – Michigan's seasonally adjusted unemployment rate in July decreased by one-tenth of a percentage point to 4.3 percent (June's rate was revised downward by one-tenth of a percentage point from 4.5 to 4.4 percent), according to data released today by the Michigan Department of Technology, Management & Budget (DTMB). Total employment advanced by 6,000 over the month while the number of unemployed declined by 7,000. Michigan's workforce edged down slightly by 1,000 in July.

The Michigan jobless rate in July 2018 was two-tenths of a percentage point below the state's July 2017 rate of 4.5 percent. The national jobless rate declined by four-tenths of a percentage point over this period. The state's unemployment rate in July was four-tenths of a percentage point above the national rate. The U.S. jobless rate edged down by one-tenth of a percentage point to 3.9 percent in July.

"Michigan's labor market has been steadily improving throughout 2018," said Jason Palmer, director of the Bureau of Labor Market Information and Strategic Initiatives. "The state's July jobless rate was the lowest since 2000, however total employment remains around 250,000 below that period."

Monthly Labor Force Trends & Highlights

- The state's July unemployment rate was the lowest for Michigan since the 4.2 percent rate recorded in December 2000.
- Michigan's jobless rate fell by a half percentage point since the 2018 high rate of 4.8 percent posted in February.
- Michigan's total employment increase in July was the fifth consecutive monthly gain. Since February, total employment rose by 33,000 or 0.7 percent.
- Michigan's labor force has grown by 10,000 so far in 2018 and by 29,000 or 0.6 percent since July 2017.
- Since July 2017, total employment in Michigan increased by 35,000 or 0.8 percent while the number of unemployed declined by 6,000 or 2.8 percent. Total employment rose nationally over the same period by 1.6 percent and the number of unemployed in the U.S. decreased by 9.7 percent.

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**MICHIGAN
Labor Force Estimates**

Seasonally Adjusted
(Data in Thousands)

	July 2017	June 2018	July 2018	Change	
				Month	Year
Civilian Labor Force	4,881	4,911	4,910	-1	29
Employment	4,663	4,692	4,698	6	35
Unemployment	218	219	212	-7	-6
Rate (Percent)	4.5	4.4	4.3	xxx	xxx

Detroit Metropolitan Area's Labor Market Situation Little Changed in July

The Detroit-Warren-Dearborn Metropolitan Statistical Area's (MSA's) seasonally adjusted unemployment rate in July inched down slightly over the month by one-tenth of a percentage point to 4.3 percent. This was the lowest rate in the region since September 2017. However, the levels of employed and unemployed in the region were little changed over the month. Total employment in the area was flat over the month while the number of unemployed edged down by 1,000. The region's labor market conditions have recorded only incremental movement in 2018, with total employment increasing slightly by 4,000 since January and the number of unemployed declining by 2,000. The Detroit MSA's jobless rates have remained within the narrow band of 4.3 to 4.5 percent in 2018.

From July 2017 to July 2018, the Detroit metropolitan area's jobless rate edged up by two-tenths of a percentage point from 4.1 percent. Since July 2017, total employment advanced slightly by 3,000 or 0.2 percent, however the number of unemployed rose by 6,000 or 7.0 percent. The Detroit MSA's labor force grew by 9,000 or 0.4 percent over the year.

**Detroit-Warren-Dearborn MSA
Labor Force Estimates**

Seasonally Adjusted
(Data in Thousands)

	July 2017	June 2018	July 2018	Change	
				Month	Year
Civilian Labor Force	2,109	2,118	2,118	0	9
Employment	2,023	2,026	2,026	0	3
Unemployment	86	93	92	-1	6
Rate (Percent)	4.1	4.4	4.3	xxx	xxx

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Payroll Jobs Little Changed in July

According to the monthly survey of employers, seasonally adjusted Michigan payroll jobs edged up slightly in July by 1,000 to 4,431,000. Marginal job gains in some industries were essentially offset by minor reductions in other sectors. July job advances were posted in *Leisure and hospitality services* (+2,000) and *Manufacturing* (+2,000). Over-the-month job declines were recorded in *Education and health services* (-3,000), *Trade, transportation and utilities* (-3,000) and *Financial activities* (-2,000). The majority of the state's remaining major industry sectors registered small job gains of around 1,000 in July.

Industry Employment Trends and Highlights

- Although minor, July's overall job gain was the third consecutive monthly increase and the sixth monthly advance this year. April recorded the only monthly job reduction so far in 2018.
- Michigan payroll jobs have increased in 2018 by 36,000 or 0.8 percent through July, which outpaced the 20,000 or 0.5 percent job growth posted over the same period in 2017.
- The small over-the-month gain in *Construction* jobs was this sector's sixth monthly increase of 2018. So far in 2018, jobs in *Construction* have advanced by nearly 10,000 or 5.8 percent. Since July 2017, this sector has recorded the largest percentage job growth among Michigan's major industry sectors.
- The July job decline in *Education and health services* was the first monthly reduction since March. Even with the July decline, this sector has trended upward by 3,000 over the year.
- The July decrease in *Financial activities* was this sector's first monthly job drop of 2018.
- From July 2017 to July 2018, payroll jobs in Michigan increased by 66,000 or 1.5 percent, which was similar to the national gain over this period of 1.6 percent. Since July 2017, four of Michigan's major industry sectors displayed job gains of 10,000 or above including *Manufacturing* (+16,000), *Construction* (+14,000), *Professional and Business services* (+11,000) and *Leisure and hospitality services* (+10,000). These four sectors accounted for nearly 80 percent of the state's over-the-year payroll job increase.
- Seasonally adjusted average weekly earnings of production workers in manufacturing declined slightly over the month, while average weekly hours were unchanged. Earnings rose moderately over the year and weekly hours increased slightly.

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MICHIGAN
Payroll Employment Estimates
Seasonally Adjusted
 (Data in Thousands)

	<u>July</u> <u>2017</u>	<u>June*</u> <u>2018</u>	<u>July**</u> <u>2018</u>	CHANGE***	
				<u>MONTH</u>	<u>YEAR</u>
Total Nonfarm Payroll Jobs	4,364	4,430	4,431	1	66
Natural Resources & Mining	7	7	7	0	0
Construction	164	176	177	1	14
Manufacturing	607	621	624	2	16
Transportation Equipment	185	188	189	1	4
Trade, Transportation & Utilities	788	793	790	-3	2
Retail Trade	474	473	470	-3	-4
Information	56	55	55	1	-1
Financial Activities	218	221	219	-2	1
Professional & Business Services	648	659	659	1	11
Education & Health Services	673	679	676	-3	3
Leisure & Hospitality Services	433	441	442	2	10
Other Services	168	174	175	1	8
Government	603	604	605	1	2

* Final data for June 2018

** Preliminary data for July 2018

*** Change calculated using unrounded data

Hours & Earnings for Production Workers
Seasonally Adjusted

Manufacturing

	<u>July</u> <u>2017</u>	<u>June</u> <u>2018</u>	<u>July</u> <u>2018</u>	CHANGE	
				<u>MONTH</u>	<u>YEAR</u>
Average Weekly Earnings	\$886.25	\$924.86	\$916.76	-\$8.10	\$30.51
Average Weekly Hours	43.0	43.2	43.2	0.0	0.2

Transportation Equipment

Average Weekly Earnings	\$1,092.97	\$1,187.72	\$1,124.24	-\$63.48	\$31.27
Average Weekly Hours	46.5	47.8	46.1	-1.7	-0.4

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