



STATE OF MICHIGAN

RICK SNYDER
GOVERNOR

DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET
LANSING

DAVID B. BEHEN
DIRECTOR

FOR IMMEDIATE RELEASE

Date: September 14, 2016

Contact: Kurt Weiss, 517-335-0050

Michigan's Unemployment Rate Unchanged in August

Lansing – Michigan's seasonally adjusted unemployment rate in August was unchanged over the month at 4.5 percent, according to data released today by the Michigan Department of Technology, Management & Budget (DTMB). Total employment recorded a relatively minor reduction of 7,000 in August as the state's labor force decreased by 5,000. The number of unemployed in Michigan edged upward slightly by 2,000 over the month.

The Michigan jobless rate in August 2016 was six-tenths of a percentage point below the state's August 2015 rate of 5.1 percent. The national jobless rate decreased slightly by two-tenths of a percentage point over this period. The state's unemployment rate in August was four-tenths of a percentage point below the national rate. The U.S. jobless rate was unchanged at 4.9 percent in August.

"Michigan's overall labor market situation in August was stable. Payroll jobs declined statewide in August, however this was only the second monthly job reduction recorded in 2016," said Jason Palmer, director of the Bureau of Labor Market Information and Strategic Initiatives. "The state's labor market in 2016 continues to display solid improvement over 2015."

Monthly Labor Force Trends & Highlights

- Michigan's average number of unemployed in 2016 stands at 227,000, which is the lowest level recorded in the state since early 2001. However, the current state labor force and employment levels are about 360,000 below 2001 levels.
- Total employment in Michigan declined somewhat over the summer months, however employment in the state has shown solid gains in 2016. From December 2015 to August 2016, employment rose by 60,000 or 1.3 percent. Since August 2015, total employment rose by 90,000 or 2.0 percent, which outpaced the national gain of 1.7 percent over the same period.
- Through eight months in 2016, Michigan's average unemployment rate was 4.7 percent, which was eight-tenths of a percentage point below the 2015 annual average rate of 5.4 percent.

- From August 2015 to August 2016, the state's workforce grew by 63,000 or 1.3 percent, which was slightly below the national workforce gain over the same period of 1.5 percent.

MICHIGAN
Labor Force Estimates

Seasonally Adjusted
(Data in Thousands)

	August 2015	July 2016	August 2016	Change	
				Month	Year
Civilian Labor Force	4,741	4,809	4,804	-5	63
Employment	4,498	4,595	4,588	-7	90
Unemployment	244	214	216	2	-28
Rate (Percent)	5.1	4.5	4.5	xxx	xxx

Detroit Metropolitan Area's August Unemployment Rate Flat

The Detroit-Warren-Dearborn Metropolitan Statistical Area's (MSA's) seasonally adjusted unemployment rate in August was unchanged at 4.9 percent. Total employment was flat in the area over the month, while the number of unemployed edged slightly upward by 1,000. August marked the first month in 2016 that the Detroit metro region's jobless rate did not decline. Similar to the state as a whole, the Detroit area's unemployment level in mid-year 2016 of around 100,000 was the lowest total posted in the region since early 2001. However, the area's labor force and total employment levels are currently around 230,000 below the early 2001 totals.

From August 2015 to August 2016, the Detroit metropolitan area's jobless rate fell by nine-tenths of a percentage point. Since August 2015, total employment rose by 77,000 or 4.1 percent in the region, while the number of unemployed declined by 15,000 or 12.9 percent. The Detroit area's workforce advanced by 62,000 or 3.1 percent over this period. The Detroit region's total employment and labor force gains since August 2015 outpaced both the state and the nation on a percentage basis.

Detroit-Warren-Dearborn MSA
Labor Force Estimates

Seasonally Adjusted
(Data in Thousands)

	August 2015	July 2016	August 2016	Change	
				Month	Year
Civilian Labor Force	1,992	2,053	2,054	1	62
Employment	1,876	1,953	1,953	0	77
Unemployment	116	100	101	1	-15
Rate (Percent)	5.8	4.9	4.9	xxx	xxx

Michigan Payroll Jobs Fall in August

According to the monthly survey of employers, seasonally adjusted Michigan payroll jobs declined in August by 16,000 to 4,325,000. Job reductions over the month were recorded in manufacturing (-8,000), leisure and hospitality services (-6,000), government (-4,000), and professional and business services (-4,000). Somewhat offsetting the August job cuts were job gains in construction (+3,000), education and health services (+2,000), and other services (+2,000). The remaining major sectors showed only minor changes in August.

Industry Employment Trends and Highlights

- Michigan's overall job decrease in August was the second monthly reduction recorded in 2016. May recorded the only other monthly job decline so far this year.
- The over-the-month seasonally adjusted job decline in manufacturing primarily reflected fewer than normal August model-changeover recalls in the auto sector.
- After four consecutive months of job decreases, construction jobs rebounded in August to essentially the 2016 average level.
- The over-the-month job cut in professional and business services was the first notable monthly decline in this sector since November 2015.
- After job gains in both June and July, leisure and hospitality services' August decline brought its job total to essentially the May level.
- From August 2015 to August 2016, payroll jobs in Michigan increased by 76,000 or 1.8 percent, which slightly outpaced the national gain over this period of 1.7 percent. Seventy-eight percent of the state's overall job growth over the year was concentrated in four of the state's 11 major industry sectors; professional and business services (+24,000), education and health services (+16,000), financial activities (+10,000), and manufacturing (+9,000).
- Seasonally adjusted average weekly hours and earnings of production workers in manufacturing declined over the month, as well as over the year.

(more)

MICHIGAN
Payroll Employment Estimates

Seasonally Adjusted

(Data in Thousands)

	<u>August</u>	<u>July*</u>	<u>August**</u>	CHANGE***	
	<u>2015</u>	<u>2016</u>	<u>2016</u>	<u>MONTH</u>	<u>YEAR</u>
Total Nonfarm Payroll Jobs	4,249	4,341	4,325	-16	76
Natural Resources & Mining	7	7	7	0	0
Construction	147	149	151	3	4
Manufacturing	588	605	597	-8	9
Transportation Equipment	177	178	178	0	2
Trade, Transportation & Utilities	772	773	772	-1	0
Retail Trade	468	472	470	-2	3
Information	56	59	60	0	3
Financial Activities	207	217	217	0	10
Professional & Business Services	640	667	664	-4	24
Education & Health Services	653	668	669	2	16
Leisure & Hospitality Services	414	425	419	-6	5
Other Services	168	170	171	2	4
Government	596	601	597	-4	2

* Final data for July

** Preliminary data for August

*** Change calculated using unrounded data

Hours & Earnings for Production Workers

Seasonally Adjusted

Manufacturing

	<u>August</u>	<u>July</u>	<u>August</u>	CHANGE	
	<u>2015</u>	<u>2016</u>	<u>2016</u>	<u>MONTH</u>	<u>YEAR</u>
Average Weekly Earnings	\$924.59	\$880.06	\$858.20	-\$21.86	-\$66.39
Average Weekly Hours	44.1	43.2	42.3	-0.9	-1.8

Transportation Equipment

Average Weekly Earnings	\$1,252.09	\$967.36	\$988.87	\$21.51	-\$263.22
Average Weekly Hours	49.5	44.2	44.6	0.4	-4.9

#