

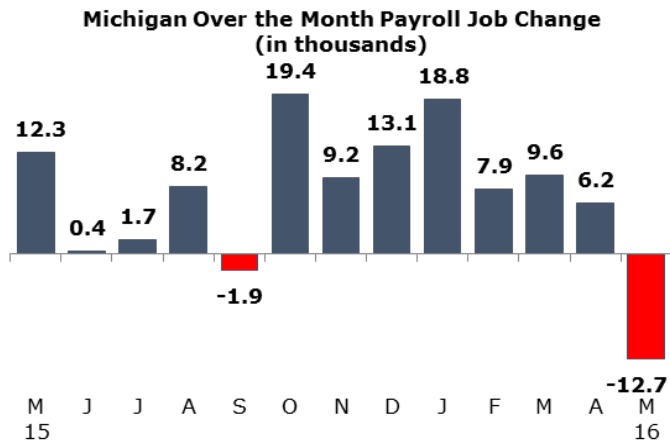
CURRENT EMPLOYMENT STATISTICS MONTHLY INDUSTRY EMPLOYMENT HIGHLIGHTS

May 2016 - MICHIGAN
Seasonally Adjusted Preliminary Estimates

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OVERVIEW

Total Nonfarm Jobs (-12,700)



Total Michigan nonfarm jobs decreased by 12,700 in May to 4,318,400. This decline followed seven consecutive months of job gains. In May, employment declines were concentrated in *Leisure and hospitality* (-6,600), *Manufacturing* (-6,500), and *Construction* (-1,800). These reductions were countered somewhat by job additions in *Education and health services* (+2,500), *Professional and business services* (+1,900), *Financial activities* (+600), and *Information* (+500).

Since May 2015, total nonfarm employment has grown by 79,900, or 1.9 percent. This was slightly above the 1.7 percent job gain nationally during this period. In Michigan, job additions occurred in every major industry sector but *Mining and logging* where payrolls declined by 900 jobs. The largest over-the-year employment increases were recorded in *Professional and business services* (+23,400), *Education and health services* (+15,000), and *Manufacturing* (+11,500). Notable payrolls advances also occurred in *Financial activities* (+8,200), *Leisure and hospitality* (+6,400), *Government* (+6,000), *Trade, transportation, and utilities* (+4,000), *Construction* (+3,000), *Other services* (+2,400), and *Information* (+900).

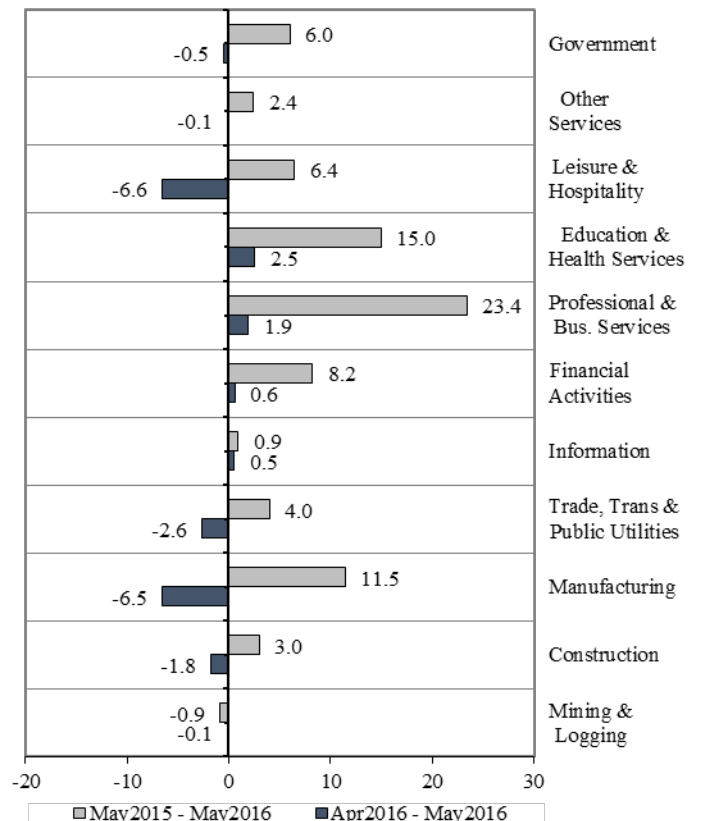
Nationally, total nonfarm job levels remained essentially flat in May, moving higher by just 38,000. The significant employment growth that occurred in *Education and health services* (+67,000) was offset by a strike-related employment decline in *Information* (-34,000).

In Michigan, total nonfarm payroll employment has expanded by 0.7 percent during the first five months of this year, or by 29,800 jobs. This slightly outpaced the 0.5 percent growth nationally during this period.

The industry sectors in Michigan with job change that outperformed the nation over this period included *Information* (+1.8% MI vs. -0.4% U.S.), *Professional and business services* (+2.6% MI vs. +0.6% U.S.), *Financial activities* (+1.8% MI vs. +0.8% U.S.), *Manufacturing* (+0.4% MI vs. -0.3% U.S.), and *Mining and logging* (-5.4% MI vs. -8.7% U.S.).

The broad sectors in Michigan with average or below average job change so far in 2016 were *Government* (+0.2% MI vs. +0.2% U.S.), *Construction* (-0.8% MI vs. +0.7% U.S.), *Leisure and hospitality* (-0.3% MI vs. +0.7% U.S.), *Education and health services* (+0.8% MI vs. +1.2% U.S.), *Trade, transportation, and utilities* (+0.2% MI vs. +0.6% U.S.), and *Other services* (+0.0% MI vs. +0.4% U.S.).

Job Change by Industry Over the Month & Over the



INDUSTRY EMPLOYMENT DEVELOPMENTS

LEISURE AND HOSPITALITY employment declined 6,600 in May. This contraction occurred in both the *Arts, entertainment, and recreation* (-4,500) and *Accommodation and foodservices* (-2,100) subsectors. This marked the third consecutive month of job reductions in the broad sector. A portion of the weakness in this sector was attributed to smaller than typical job increases in *Food services and drinking places*. Between May 2015 and May 2016, payrolls in the broad sector have increased by 6,400 with all of this increase recorded in *Accommodation and foodservices* (+8,800). Nationally, jobs rose by 11,000 in May and by 394,000 since May 2015.

MANUFACTURING employment declined by 6,500 in May as temporary layoffs in *Transportation equipment manufacturing* (-6,800) caused a job cut in the *Durable goods* (-6,600) sector. Job levels in *Nondurable goods* remained essentially unchanged in May. Since May 2015, 11,500 jobs have been added to *Manufacturing* payrolls. These gains occurred in both the *Nondurable goods* (+6,100) and *Durable goods* (+5,400) sectors. The state's key *Transportation equipment manufacturing* (+1,600) industry accounted for 13.9 percent of the broad sector employment growth. Nationally, employment declined by 10,000 in May and by 39,000 over the year.

Seasonally adjusted average weekly hours decreased by 0.3 of an hour in *Manufacturing* and by 2.8 hours in *Transportation equipment manufacturing* to total 42.4 and 41.7 hours respectively in May. Average weekly earnings also declined in *Manufacturing* (-\$39.82) and in *Transportation equipment manufacturing* (-\$83.90) over the month.

TRADE, TRANSPORTATION AND UTILITIES payrolls decreased by 2,600 during May as job reductions in *Transportation, warehousing, and utilities* (-1,600) and *Wholesale trade* (-1,300) outpaced a small increase in *Retail trade* (+300). Since May 2015, employment in the broad sector has grown by 4,000 with the majority of this gain reported in *Retail trade* (+4,000). Nationally, employment was unchanged in May but grew by 425,000 since May 2015.

EDUCATION AND HEALTH SERVICES job levels increased by 2,500 over the month. This gain occurred in both the *Healthcare and social assistance* (+1,700) and *Education services* (+800) subsectors. A considerable portion of the job advance in *Healthcare and social assistance* can be attributed to stronger than typical recent hiring in *Ambulatory health care services*. Since May 2015, job levels in the broad sector were up 15,000 with all of this gain recorded in *Health care and social assistance*. Nationally, job levels rose by 67,000 over the month and by 678,000 over the year.

PROFESSIONAL AND BUSINESS SERVICES jobs moved somewhat higher (+1,900) over the month on broad-based gains in *Professional, scientific, and technical services* (+900), *Management of companies and enterprises* (+600), and *Administrative and support and waste management and remediation services* (+400). Employment growth in the broad sector (+23,400) has been more robust over the year accounting for 29 percent of total nonfarm job gains during this period. All subsectors have contributed to this increase with the largest number of jobs added in *Professional, scientific, and technical services* (+12,400) and *Administrative and support and waste management and remediation services* (+9,200). Nationally, employment increased by 10,000 over the month and by 525,000 over the year.

CONSTRUCTION payrolls decreased by 1,800 over the month, marking the second consecutive month of job declines. Part of the May reduction was due to lower than typical hiring in the *Construction of buildings* subsector. Over the year, however, job levels were up by 3,000. Nationally, payrolls declined by 15,000 in May but grew by 219,000 over the year.

FINANCIAL ACTIVITIES employment edged up by 600 over the month. This gain was entirely located in the *Finance and insurance* (+900) subsector. Between May 2015 and May 2016, job levels rose by 8,200 with the majority of job additions in *Finance and insurance* (+6,000). Nationally, payrolls grew by 8,000 over the month and by 157,000 over the year.

GOVERNMENT sector jobs were little changed in May as a contraction at the *State* level (-2,700) outpaced payroll additions at the *Local* (+1,200) and *Federal* (+1,000) levels. The decline in state government employment was partially due to the end of winter terms at post-secondary education institutions. Since May 2015, employment gains at the *State* (+3,900), *Local* (+1,100), and *Federal* (+1,000) levels have combined for a 6,000 increase in the broad sector. Nationally, *Government* employment rose by 13,000 over the month and by 101,000 over the year.

INFORMATION job levels moved higher by 500 in May and by 900 over the year. Nationally, employment dropped by 34,000 over the month due to a major strike but increased by 4,000 over the year.

OTHER SERVICES payrolls were essentially unchanged in May, notching lower by 100. Jobs levels rose by 2,400 over the year. Nationally, employment decreased by 1,000 over the month but 63,000 jobs were added since May 2015.

MINING AND LOGGING employment inched down by 100 over the month and by 900 over the year. Nationally, employment declined by 11,000 in May and by 129,000 since May 2015.

At a Glance: Michigan Seasonally Adjusted Data

May, 2016

(Employment in thousands)	May	April	May	OTM		OTY	
	2016(p)	2016	2015	Δ	%Δ	Δ	%Δ
Total Nonfarm	4318.4	4331.1	4238.5	-12.7	-0.3%	79.9	1.9%
Mining & Logging	7.0	7.1	7.9	-0.1	-1.4%	-0.9	-11.4%
Construction	151.1	152.9	148.1	-1.8	-1.2%	3	2.0%
Manufacturing	596.0	602.5	584.5	-6.5	-1.1%	11.5	2.0%
Trade, Trans, and Utilities	775.5	778.1	771.5	-2.6	-0.3%	4	0.5%
Information	57.7	57.2	56.8	0.5	0.9%	0.9	1.6%
Financial Activities	214.7	214.1	206.5	0.6	0.3%	8.2	4.0%
Prof & Bus. Services	662.2	660.3	638.8	1.9	0.3%	23.4	3.7%
Edu. & Health Services	664.6	662.1	649.6	2.5	0.4%	15	2.3%
Leisure & Hospitality	419.4	426.0	413.0	-6.6	-1.5%	6.4	1.5%
Other Services	170.2	170.3	167.8	-0.1	-0.1%	2.4	1.4%
Government	600.0	600.5	594.0	-0.5	-0.1%	6	1.0%

