



STATE OF MICHIGAN

DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET

LANSING

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FOR IMMEDIATE RELEASE

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Michigan's January Unemployment Rate Declines

Lansing – Michigan's seasonally adjusted unemployment rate in January decreased over the month by two-tenths of a percentage point to 4.9 percent, according to data released today by the Michigan Department of Technology, Management & Budget (DTMB). The state's workforce advanced by 27,000 in January as total employment rose by 33,000, while the number of unemployed decreased by 6,000.

The Michigan jobless rate in January 2016 was one and one-tenth percentage points below the state's January 2015 rate of 6.0 percent. The national jobless rate decreased by eight-tenths of a percentage point over this period. The state's unemployment rate in January matched the national rate. The U.S. jobless rate declined by one-tenth of a percentage point from December to January.

"Michigan's January jobless rate was below 5.0 percent for the first time since 2001," said Jason Palmer, director of the Bureau of Labor Market Information and Strategic Initiatives. "The state's workforce level began advancing at a solid pace in the latter half of 2015 into January 2016, displaying the largest growth rate in Michigan since 2013."

Monthly Labor Force Trends & Highlights

- With the annual revision process, Michigan's 2015 annual unemployment rate remained unchanged from the preliminary annual rate of 5.4 percent. The state's 2014 annual rate was also unchanged at 7.3 percent, while the 2013 annual unemployment rate was revised slightly downward by one-tenth of a percentage point to 8.8 percent.
- Michigan's 4.9 percent unemployment rate in January was the lowest rate for the state since June 2001 (4.9%). However, Michigan's labor force and employment levels have declined by over 300,000 since June 2001.
- After recording somewhat sluggish workforce growth patterns for the first half of 2015, Michigan's labor force registered steady growth in the second half of that year. Since January 2015, the state's labor force advanced by 53,000 or 1.1 percent, which outpaced the national 0.8 percent growth rate over the same period.

- From January 2015 to January 2016, the number of unemployed in Michigan fell by 49,000 or 17.1 percent, which compared favorably to the 12.7 percent reduction nationwide.

Note: The data in this release reflects recently revised historical estimates. Seasonally adjusted labor force estimates for 2011-2015 for Michigan and the Detroit-Warren-Dearborn MSA were revised. Previously published data should be replaced with this new series. In addition, seasonally adjusted payroll job data was revised for 1990-2015. For newly revised data contact DTMB at 313-456-3090.

**MICHIGAN
Labor Force Estimates**

Seasonally Adjusted
(Data in Thousands)

	January 2015	December 2015	January 2016	Change	
				Month	Year
Civilian Labor Force	4,745	4,771	4,798	27	53
Employment	4,458	4,527	4,560	33	102
Unemployment	286	243	237	-6	-49
Rate (Percent)	6.0	5.1	4.9	xxx	xxx

Detroit Metropolitan Area's January Jobless Rate Declines

The Detroit-Warren-Dearborn Metropolitan Statistical Area's (MSA's) seasonally adjusted unemployment rate in January decreased by two-tenths of a percentage point to 5.9 percent (December's rate was revised slightly downward by one-tenth of a percentage point from 6.2 to 6.1 percent). January marked the first monthly jobless rate reduction in the area since August 2015, although the region's rates were fairly steady over the ensuing months. Total employment rose by 14,000 over the month, while the number of unemployed was little changed. With the annual revision process, the Detroit MSA's 2015 annual jobless rate was unchanged at 6.2 percent, while the area's 2014 annual rate was revised downward by two-tenths of a percentage point to 8.3 percent. The 2013 annual rate was revised slightly downward by one-tenth of a percentage point to 9.8 percent.

From January 2015 to January 2016, the Detroit metropolitan area's jobless rate fell by a full percentage point. Since January 2015 total employment rose by 33,000 or 1.8 percent in the region, while the number of unemployed declined by 18,000 or 13.0 percent. The Detroit area's workforce grew by 14,000 or 0.7 percent over this period.

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

Seasonally Adjusted
(Data in Thousands)

	January 2015	December 2015	January 2016	Change	
				Month	Year
Civilian Labor Force	2,002	2,005	2,016	11	14
Employment	1,864	1,883	1,897	14	33
Unemployment	138	121	120	-1	-18
Rate (Percent)	6.9	6.1	5.9	xxx	xxx

Widespread Gains in January Payroll Jobs

According to the monthly survey of employers, seasonally adjusted Michigan payroll jobs rose in January by 19,000 to 4,307,000. Job gains were broad based in January, with notable increases in manufacturing (+5,000), leisure and hospitality services (+5,000), and financial activities (+3,000). Somewhat lesser job gains in January of about 2,000 each were recorded in education and health services, professional and business services, and trade, transportation and utilities. The state's remaining major industry sectors recorded only minor job changes over the month.

Industry Employment Trends and Highlights

- Michigan displayed a fifth consecutive annual payroll job gain in 2015, with newly revised data showing a 62,000 or 1.5 percent increase in overall jobs from 2014 to 2015. Since 2010, total payroll jobs in the state rose by 380,000 or 9.8 percent. However, the 4,244,000 payroll jobs recorded in the state in 2015 remained 432,000 below Michigan's all time high job total of 4,676,000 posted in 2000.
- January's increase in manufacturing jobs continued a trend seen throughout 2015, with jobs growing in this sector for nine of the last 12 months.
- Along with manufacturing, three other major job sectors, education and health services, financial activities, and leisure and hospitality services, registered very steady and consistent monthly upward growth trends over the last year.
- Since January 2015, natural resources and mining, and information were the only two major job sectors in the state to record job reductions, with the declines in these sectors of around 1,000.
- From January 2015 to January 2016, payroll jobs in Michigan increased by 87,000 or 2.1 percent, which outpaced the national gain over this period of 1.9 percent. The largest job additions in the state since January 2016 were shown in manufacturing (+17,000), education and health services (+14,000), leisure and hospitality services (+14,000), professional and business services (+13,000), and financial activities (+10,000).
- Seasonally adjusted average weekly hours and earnings of production workers in manufacturing declined over the month as well as over the year.

MICHIGAN
Payroll Employment Estimates

Seasonally Adjusted

(Data in Thousands)

	<u>January</u>	<u>December</u>	<u>January*</u>	<u>CHANGE**</u>	
	<u>2015</u>	<u>2015</u>	<u>2016</u>	<u>MONTH</u>	<u>YEAR</u>
Total Nonfarm Payroll Jobs	4,220	4,289	4,307	19	87
Natural Resources & Mining	8	7	7	0	-1
Construction	147	152	152	0	5
Manufacturing	582	594	599	5	17
Transportation Equipment	172	174	176	2	4
Trade, Transportation & Utilities	768	774	776	2	8
Retail Trade	466	466	466	1	1
Information	57	57	56	-1	-1
Financial Activities	205	211	214	3	10
Professional & Business Services	634	646	647	2	13
Education & Health Services	647	659	661	2	14
Leisure & Hospitality Services	412	421	425	5	14
Other Services	168	170	171	0	3
Government	593	599	599	1	6

* Preliminary data for January

** Change calculated using unrounded data

Hours & Earnings for Production Workers

Seasonally Adjusted

Manufacturing

	<u>January</u>	<u>December</u>	<u>January</u>	<u>CHANGE</u>	
	<u>2015</u>	<u>2015</u>	<u>2016</u>	<u>MONTH</u>	<u>YEAR</u>
Average Weekly Earnings	\$924.71	\$891.39	\$879.17	-\$12.22	-\$45.54
Average Weekly Hours	44.8	43.9	43.1	-0.8	-1.7

Transportation Equipment

Average Weekly Earnings	\$1,264.00	\$1,205.20	\$1,052.85	-\$152.35	-\$211.15
Average Weekly Hours	49.0	47.0	45.7	-1.3	-3.3

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