

STATE OF MICHIGAN DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET Lansing

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FOR IMMEDIATE RELEASE

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Michigan's January Jobless Rate Edges Up

Lansing – Michigan's seasonally adjusted unemployment rate in January edged up over the month by one-tenth of a percentage point to 5.2 percent (the December 2016 rate was revised upward by one-tenth of a percentage point), according to data released today by the Michigan Department of Technology, Management & Budget (DTMB). The state's workforce rose by 24,000 in January as both total employment (+18,000) and the number of unemployed (+6,000) increased.

The Michigan jobless rate in January 2017 was two-tenths of a percentage point above the state's January 2016 rate of 5.0 percent. The national jobless rate decreased slightly by one-tenth of a percentage point over this period. The state's unemployment rate in January was four-tenths of a percentage point above the national rate. The U.S. jobless rate rose slightly by one-tenth of a percentage point to 4.8 percent from December to January.

"Michigan's slight January jobless rate increase was primarily due to the continued entry of individuals into the state's workforce seeking employment," said Jason Palmer, director of the Bureau of Labor Market Information and Strategic Initiatives. "The state's unemployment rate has been very steady since mid-2015, and the state workforce has grown by nearly 2.0 percent over the past year."

Monthly Labor Force Trends & Highlights

- With the annual revision process, Michigan's 2016 annual unemployment rate was revised slightly upward by one-tenth of a percentage point to 4.9 percent.
- Michigan's 4.9 percent 2016 annual rate matched the national 2016 annual rate. Annual jobless rates between the U.S. (5.3 percent) and Michigan (5.4 percent) were very similar in 2015 as well.
- Although the state's monthly jobless rates have been stable since mid-year 2015, remaining within the narrow band of 4.8 to 5.2 percent, Michigan's workforce and total employment levels have recorded consistent monthly gains.
- From January 2016 to January 2017, total employment rose in Michigan by 77,000 or 1.7 percent while the state's workforce grew by 89,000 or 1.9 percent, both of which outpaced the national total employment and labor force growth rates of 1.0 and 0.9 percent respectively. Since January 2016, the number of

unemployed in Michigan increased slightly, while the number of unemployed showed a marginal decline nationwide.

Note: The data in this release reflects recently revised historical estimates. Seasonally adjusted labor force estimates for 2012-2016 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 2012-2016. For newly revised data go to www.milmi.org or contact DTMB at 313-456-3090.

MICHIGAN							
Labor Force Estimates							
Seasonally Adjusted							
(Data in Thousands)							
	January	December	January				
	2016	2016	2017	Change			
				Month	Year		
Civilian Labor Force	4,797	4,862	4,886	24	89		
Employment	4,557	4,616	4,634	18	77		
Unemployment	240	246	252	6	12		
Rate (Percent)	5.0	5.1	5.2	XXX	XXX		

Detroit Metropolitan Area's January Unemployment Rate Moves Upward

The Detroit-Warren-Dearborn Metropolitan Statistical Area's (MSA's) seasonally adjusted unemployment rate in January increased slightly by one-tenth of a percentage point to 5.8 percent (December's rate was revised upward by one-tenth of a percentage point to 5.7 percent). January marked the sixth consecutive monthly jobless rate hike in the region since the July 2016 rate of 5.2 percent. The Detroit area's workforce advanced by 4,000 over the month as the number of unemployed increased by 3,000 and total employment edged up slightly by 1,000. With the annual revision process, the Detroit MSA's 2016 annual unemployment rate was unchanged at 5.4 percent, while the area's 2015 rate was revised downward from 6.2 to 5.9 percent. The region's 2014 (8.3 to 8.1 percent) and 2013 (9.8 to 9.7 percent) annual rates were also revised downward. From January 2016 to January 2017, the Detroit metropolitan area's jobless rate increased by three-tenths of a percentage point. Since January 2016, total employment in the Detroit metro area advanced by 31,000 or 1.6 percent while the number of unemployed rose by 9,000 or 8.0 percent. The net impact was a 39,000 or 1.9 percent gain in the area's workforce. The percentage advance in the region's labor force and total employed were similar to the statewide growth rates over the same period.

Detroit-Warren-Dearborn MSA Labor Force Estimates

Seasonally Adjusted

(Data in Thousands)						
	January	December	January			
	2016	2016	2017	Change		
				Month	Year	
Civilian Labor Force	2,049	2,084	2,088	4	39	
Employment	1,937	1,967	1,968	1	31	
Unemployment	112	118	121	3	9	
Rate (Percent)	5.5	5.7	5.8	XXX	XXX	

January Payroll Jobs Increase Across Most Industries

According to the monthly survey of employers, seasonally adjusted Michigan payroll jobs rose in January by 15,000 to 4,384,000. Solid over-the-month job gains were displayed in construction (+4,000) and leisure and hospitality services (+4,000), while jobs in manufacturing (+2,000) recorded moderate growth. The majority of Michigan's remaining major sectors registered minor job increases over the month.

Industry Employment Trends and Highlights

- In 2016, Michigan recorded a sixth consecutive year of payroll job gains, with newly revised data showing an 82,000 or 1.9 percent increase in overall jobs from 2015 to 2016. From 2010 to 2016, total statewide payroll jobs rose by 462,000 or 12.0 percent. However, the 4,325,000 payroll jobs recorded in the state in 2016 remained 351,000 below Michigan's all time high job count of 4,676,000 posted in 2000.
- Michigan's newly revised job data for 2016 reported a steady monthly growth pattern, with May recording the only monthly statewide job reduction.
- The January increase in construction jobs continued a mostly upward trend in this sector that began in July. A minor job reduction in December was the only break in the hiring streak.
- Since January 2016, leisure and hospitality services in Michigan recorded the second highest percentage job growth rate (+4.1%) behind construction's job gain of 6.0 percent.
- From January 2016 to January 2017, payroll jobs in Michigan increased by 94,000 or 2.2 percent, which outpaced the national gain over this period of 1.6 percent. Jobs increased or were steady in all of Michigan's major sectors since January 2016, with 85 percent of the overall gains displayed in six of the state's 11 major sectors. Professional and business services (+22,000), leisure and hospitality services (+17,000), government (+16,000), construction (+9,000), education and health services (+8,000), and financial activities (+8,000) recorded the most notable numerical job growth over the year.
- Seasonally adjusted average weekly hours and earnings of production workers in manufacturing increased over the month, but declined over the year.

MICHIGAN Payroll Employment Estimates

Seasonally Adjusted (Data in Thousands)

	January* December*		January**	CHANGE***	
	<u>2016</u>	<u>2016</u>	<u>2017</u>	<u>MONTH</u>	<u>YEAR</u>
Total Nonfarm Payroll Jobs	4,290	4,369	4,384	15	94
Natural Resources & Mining	8	7	7	0	0
Construction	152	158	161	4	9
Manufacturing	598	602	604	2	5
Transportation Equipment	178	180	184	4	6
Trade, Transportation & Utilities	778	782	782	-1	4
Retail Trade	471	472	473	1	2
Information	57	58	58	1	2
Financial Activities	210	217	218	1	8
Professional & Business Services	642	662	664	1	22
Education & Health Services	660	668	668	1	8
Leisure & Hospitality Services	421	434	439	4	17
Other Services	168	172	173	1	5
Government	595	610	611	1	16

* Final data for January and December 2016

** Preliminary data for January 2017

*** Change calculated using unrounded data

Hours & Earnings for Production Workers

Seasonally Adjusted

Manufacturing

	<u>January</u>	<u>December</u>	<u>January</u>	CHANGE			
	<u>2016</u>	2016	<u>2017</u>	<u>MONTH YEAR</u>			
Average Weekly Earnings	\$898.23	\$870.17	\$876.31	\$6.14 -\$21.92			
Average Weekly Hours	43.5	42.5	43.0	0.5 -0.5			
Transportation Equipment							
Average Weekly Earnings	\$1,180.09	\$1,019.87	\$995.09	-\$24.78 -\$185.00			
Average Weekly Hours	46.6	44.3	43.2	-1.1 -3.4			