

#### GRETCHEN WHITMER GOVERNOR

# STATE OF MICHIGAN DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET LANSING

TRICIA L. FOSTER DIRECTOR

#### Michigan's January 2019 Unemployment Rate Unchanged

Michigan's seasonally adjusted jobless rate of 4.0 percent in January 2019 was unchanged over the month, according to data released today by the Michigan Department of Technology, Management & Budget (DTMB). Total employment rose by 11,000 while the number of unemployed inched up by 2,000. The net impact was a labor force advance in Michigan over the month.

The national jobless rate was also 4.0 percent in January, up 0.1 percentage points.

Michigan's jobless rate in January 2019 was half a percentage point below the January 2018 rate of 4.5 percent. The national jobless rate inched down by one-tenth of a percentage point over this period.

"Michigan's jobless rate has remained near 4.0 percent since the summer of 2018" said Jason Palmer, director of the Bureau of Labor Market Information and Strategic Initiatives, "However, total employment in the state and the number of payroll jobs has advanced over this period."

#### Monthly Labor Force Trends & Highlights

- With the annual revision process, Michigan's 2018 annual unemployment rate was revised slightly downward by one-tenth of a percentage point from 4.2 to 4.1 percent. Prior year annual average rates remained unchanged.
- Michigan's 2018 annual rate of 4.1 percent was two-tenths of a percentage point above the national average rate of 3.9 percent. The state's 2017 annual rate of 4.6 percent was also two-tenths higher than the U.S rate of 4.4 percent.
- January 2019 marked the fifth month in a row that Michigan's labor force expanded. Since August of 2018, the state's workforce grew by 21,000, or 0.4 percent.
- Since January 2018, Michigan employment advanced by 39,000, or 0.8 percent, while the number of unemployed declined by 23,000, or 10.4 percent. Over the same period, national employment rose by 1.4 percent while national unemployment receded by 1.6 percent.

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#### MICHIGAN Labor Force Estimates

Seasonally Adjusted (Data in Thousands)

	January	December	January		
	2018	2018	2019	Change	
				Month	Year
Civilian Labor Force	4,899	4,903	4,915	12	16
Employment	4,679	4,707	4,718	11	39
Unemployment	221	196	198	2	-23
Rate (Percent)	4.5	4.0	4.0	XXX	XXX

#### Detroit Metropolitan Area's January Jobless Rate Flat

The Detroit-Warren-Dearborn Metropolitan Statistical Area's (MSA's) seasonally adjusted unemployment rate in January remained unchanged over the month at 4.0 percent. Total employment advanced by 6,000 while unemployment remained unchanged, resulting in a net monthly labor force expansion.

With the annual revision process, the 2018 annual average Detroit MSA jobless rate was revised upward by a tenth of a percentage point to 4.3 percent. The region's 2017 annual average rate was revised up by two-tenths of a percentage point. 2018 marked the ninth consecutive year of annual rate reductions in the region, falling by 10.8 percentage points since its most recent peak of 15.1 percent in 2009.

Between January 2018 and January 2019, the Detroit metropolitan area's jobless rate remained unchanged. Total employment advanced by 23,000 while unemployment inched up by 2,000 over the year.

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

Seasonally Adjusted (Data in Thousands)

	January	December	January		
	2018	2018	2019	Change	
				Month	Year
Civilian Labor Force	2,113	2,132	2,139	7	26
Employment	2,029	2,046	2,052	6	23
Unemployment	84	86	86	0	2
Rate (Percent)	4.0	4.0	4.0	XXX	XXX

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#### January Payroll Jobs Up, Annual Jobs Increase for Eighth Consecutive Year

According to the monthly survey of employers, seasonally adjusted Michigan payroll jobs rose in January by 10,000 to 4,442,000. Most major industries demonstrated job gains or were unchanged over the month. Notable job advances occurred in *Leisure* and hospitality (+4,000), and *Retail trade* (+4,000). Manufacturing was the only major sector with a decline in jobs over the month (-3,000), reflecting temporary layoffs in the auto industry.

#### Industry Employment Trends and Highlights

- In 2018, Michigan recorded an eighth consecutive year of payroll job gains. With the annual revision process, Michigan job totals in 2018 rose by 49,500, or 1.1 percent.
- Since 2010, nonfarm jobs in Michigan advanced by 555,000, or 14.4 percent.
- Despite the eight-year long period of annual job gains, Michigan's 2018 job total of 4,419,000 remained well below the state's all-time high level of 4,676,000 recorded in 2000.
- Michigan's seasonally adjusted over-the-year January 2019 employment gain of 47,000 was above the state's nonfarm job increase from January 2017 to January 2018.
- Noteworthy annual job advances from January 2018 to January 2019 occurred in Construction (+12,000) and Trade, transportation and utilities (+10,000).
- Michigan Construction annual average payroll jobs rose by 39 percent over the past eight years to 169,000 in 2018.
- On a percentage basis, Michigan's payroll job advance of 1.0 percent between January 2018 and January 2019 lagged behind the U.S job gain of 1.9 percent during the same period.

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## MICHIGAN Payroll Employment Estimates

Seasonally Adjusted (Data in Thousands)

	January* December*		January**	CHANGE***	
	<u>2018</u>	<u>2018</u>	<u>2019</u>	<b>MONTH</b>	<u>YEAR</u>
Total Nonfarm Payroll Jobs	4,395	4,432	4,442	10	47
Natural Resources & Mining	7	7	7	0	0
Construction	165	175	177	2	12
Manufacturing	622	634	632	-3	9
Transportation Equipment	190	196	188	-8	-2
Trade, Transportation & Utilities	789	794	799	4	10
Retail Trade	472	468	472	4	0
Information	56	56	56	0	0
Financial Activities	218	220	221	1	3
Professional & Business Services	656	662	662	0	6
Education & Health Services	679	677	677	0	-2
Leisure & Hospitality Services	435	435	439	4	4
Other Services	166	167	168	1	2
Government	604	606	606	0	2

<sup>\*</sup>Revised data for January and December 2018

#### **Hours & Earnings for Production Workers**

Seasonally Adjusted

#### **Manufacturing**

	<u>January</u>	December	<u>January</u>	CHANGE				
	<u>2018</u>	2018	2019	<u>MONTH</u> <u>YEAI</u>				
Average Weekly Earnings	\$903.10	\$929.30	\$949.20	\$19.90	\$46.10			
Average Weekly Hours	43.4	43.2	43.2	0.0	-0.2			
Transportation Equipment								
Average Weekly Earnings	\$1,136.20	\$1,210.20	\$1,216.00	\$5.80	\$79.80			
Average Weekly Hours	47.6	48.1	48.5	0.4	0.9			

<sup>\*\*</sup> Preliminary data for January 2019

<sup>\*\*\*</sup> Change calculated using unrounded data

#### Note:

#### **Data Revisions:**

The data in this release reflects recently revised historical estimates. All states in the nation participate in this revision process facilitated by the U.S. Department of Labor, Bureau of Labor Statistics (BLS).

Seasonally adjusted labor force estimates for 1976-2018 for Michigan and 1990-2018 for the Detroit-Warren-Dearborn MSA were revised.

In addition, all unadjusted payroll job data was revised for 2017-2018. Certain industries had more extensive data revisions, some back to 1990. Seasonally adjusted payroll job data was revised back to 2014 for all industries. Some sectors had more extensive data revisions, some back to 1990. For newly revised data go to <a href="https://www.milmi.org/datasearch">www.milmi.org/datasearch</a> or contact DTMB at 313-456-3090.

Previously published data for these years should be replaced with these new series.

#### Partial Federal Government Shutdown:

Some federal government agencies were shut down or operating at reduced staffing levels during a lapse in appropriations from December 22, 2018, through January 25, 2019. The Bureau of Labor Statistics (BLS) was funded during the shutdown period and was operating as usual. Data collection for the household and establishment surveys occurred as scheduled.

In the household survey, individuals are classified as employed, unemployed, or not in the labor force based on their answers to a series of questions about their activities during the survey reference week. For January, federal workers who indicated they were furloughed during the entire survey reference week and expected to be recalled to their jobs were classified as unemployed. Those federal workers who worked without pay were counted as employed in the household survey.

In the establishment survey, businesses and government agencies report the number of people on payrolls during the pay period that includes the 12th of the month. Individuals who work or receive pay for any part of the pay period are defined as employed. In January, both federal employees on furlough and those working without pay during the partial federal government shutdown were considered employed in the establishment survey because they worked or will receive pay for the pay period that included the 12th of the month. Additional information is at the link: <a href="https://www.bls.gov/bls/how-will-workers-impacted-by-the-lapse-of-appropriation-be-counted-in-fridays-employment-situation.htm">https://www.bls.gov/bls/how-will-workers-impacted-by-the-lapse-of-appropriation-be-counted-in-fridays-employment-situation.htm</a>