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## FOR IMMEDIATE RELEASE

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### **Michigan's December Unemployment Rate Up Slightly**

*Annual Rate Falls for Seventh Consecutive Year*

*Lansing* – Michigan's seasonally adjusted unemployment rate in December edged up over the month by one-tenth of a percentage point to 5.0 percent, according to data released today by the Michigan Department of Technology, Management & Budget (DTMB). The state's workforce rose by 14,000 over the month as both total employment (+9,000) and the number of unemployed (+5,000) increased.

The Michigan jobless rate in December 2016 was one-tenth of a percentage point below the state's December 2015 rate of 5.1 percent. The national jobless rate decreased by three-tenths of a percentage point over this period. The state's December unemployment rate was three-tenths of a percentage point above the national rate. The U.S. jobless rate rose slightly by one-tenth of a percentage point to 4.7 percent in December.

"Michigan's modest jobless rate hike in December reflected continued entry into the state's workforce. The second half of the year was marked by robust labor force expansion, with 2016 displaying the strongest workforce growth rate for the state since 1999," said Jason Palmer, director of the Bureau of Labor Market Information and Strategic Initiatives. "In 2016, payroll jobs rose in the state for the sixth consecutive year while Michigan's unemployment rate continued a downward trend, falling for the seventh year in a row."

#### ***Monthly Labor Force Trends & Highlights***

- Michigan's December jobless rate of 5.0 percent was the highest recorded for the state in 2016. However, monthly jobless rates in 2016 were in a narrow range from 4.5 to 5.0 percent.
- The minor jobless rate hike in December marked the fourth consecutive monthly advance. Since the August rate of 4.5 percent, Michigan's unemployment rate increased by a half percentage point.
- During the four months of unemployment rate increases in the state, the number of unemployed advanced by 29,000. However, this was primarily due to the large influx of workers entering the state's labor force. From August to December 2016, Michigan's labor force jumped by 82,000 or 1.7 percent. Total employment rose by 54,000 or 1.2 percent over this period.

- From the third quarter to the fourth quarter 2016, the state's unemployment rate increased by four-tenths of a percentage point to 4.9 percent. All four quarters in 2016 showed rates below 5.0 percent, a first since 2000.

**MICHIGAN  
Labor Force Estimates**

Seasonally Adjusted  
(Data in Thousands)

	December 2015	November 2016	December 2016	Change	
				Month	Year
Civilian Labor Force	4,771	4,873	4,887	14	116
Employment	4,527	4,633	4,642	9	115
Unemployment	243	240	245	5	2
Rate (Percent)	5.1	4.9	5.0	xxx	xxx

***Michigan's 2016 Preliminary Annual Average Labor Force Data***

Michigan's preliminary annual average unemployment rate in 2016 was 4.8 percent, which was slightly below the 4.9 percent national annual rate. Total employment in Michigan averaged 4,612,000 in 2016, while the number of unemployed in the state averaged 231,000. The state's annual average labor force level was 4,843,000.

***Annual Average Trends and Highlights***

- Michigan's preliminary 2016 annual average unemployment rate of 4.8 percent declined by 0.6 of a percentage point from the 2015 annual rate of 5.4 percent.
- 2016 marked the seventh consecutive year of annual unemployment rate reductions in Michigan. The state's rate fell by 8.9 percentage points since the recent annual high of 13.7 percent recorded in 2009.
- Michigan's 2016 annual rate was the fifth lowest recorded for the state since the official series began in 1976, and the lowest annual rate since the 3.6 percent posted in 2000.
- From annual 2015 to annual 2016, the number of unemployed in Michigan dropped by 27,000 or 10.4 percent. The U.S. as a whole registered a 6.6 percent reduction over this period. Since the end of the Great Recession in 2009, the number of unemployed in Michigan fell by 439,000 or 66 percent.
- The state's workforce expanded by 92,000 or 1.9 percent in 2016 after remaining essentially flat from 2014 to 2015. 2016 was only the third year of annual labor force growth in Michigan since 2006.

(more)

***Detroit Metropolitan Area’s December Jobless Rate Unchanged, Annual Rate Down***

The Detroit-Warren-Dearborn Metropolitan Statistical Area’s (MSA’s) seasonally adjusted unemployment rate of 5.6 percent in December was unchanged over the month. The Detroit area’s workforce advanced by 6,000 as total employment increased by 4,000. The number of unemployed in the area was little changed in December. The metro region’s December jobless rate was seven-tenths of a percentage point above the 2016 monthly low rate of 4.9 percent posted in both July and August, but was three-tenths of a percentage point below the 2016 monthly high rate of 5.9 percent recorded in January.

From December 2015 to December 2016, the Detroit metropolitan area’s jobless rate declined by half of a percentage point. Over that period, both total employment and the area’s workforce registered solid gains. Since December 2015, the number of unemployed in the region declined slightly by 3.3 percent, which was similar to both Michigan and the nation, with all three showing only minor changes over that period.

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

Seasonally Adjusted  
(Data in Thousands)

	December 2015	November 2016	December 2016	Change	
				Month	Year
Civilian Labor Force	2,005	2,080	2,086	6	81
Employment	1,883	1,965	1,969	4	86
Unemployment	121	116	117	1	-4
Rate (Percent)	6.1	5.6	5.6	xxx	xxx

***Detroit MSA 2016 Preliminary Annual Average Labor Force Trends and Highlights***

The Detroit-Warren-Dearborn Metropolitan Statistical Area’s (MSA’s) preliminary annual average unemployment rate in 2016 of 5.4 percent decreased by eight-tenths of a percentage point from the 2015 annual rate of 6.2 percent. This marked the seventh consecutive annual rate reduction for the region, falling by 9.7 percentage points since the recent high of 15.1 percent recorded in 2009. From 2015 to 2016, total employment rose by 75,000 or 4.0 percent and the number of unemployed declined by 13,000 or 10.5 percent (very similar to the statewide unemployment drop of 10.4 percent over that period). The net result was a 62,000 or 3.1 percent increase in the metro area workforce over the year. The 2016 total employment gain for the region was the sixth consecutive annual increase, and was the largest yearly advance over that period dating back to 2011.

(more)

### ***December Payroll Jobs Little Changed, Annual Jobs Up Again***

According to the monthly survey of employers, seasonally adjusted Michigan payroll jobs were little changed in December, edging down slightly by 2,000 to 4,364,000. Relatively minor job reductions in construction (-3,000), trade, transportation and utilities (-2,000), and government (-2,000) were somewhat offset by job gains in other services (+3,000) and leisure and hospitality services (+2,000). Michigan's remaining major sectors recorded only marginal changes over the month.

### ***Industry Employment Trends and Highlights***

- In 2016, Michigan recorded a sixth consecutive year of payroll job gains. Preliminary annual 2016 data indicate that job totals rose over the year by 90,000 or 2.1 percent. Since 2010, overall payroll jobs in Michigan rose by 470,000 or 12.2 percent. The 2016 job advance was the second highest annual percentage gain since 2010.
- Michigan job totals for the last three months of 2016 were the highest monthly levels of the year.
- The minor over-the-month job gain in leisure and hospitality services pushed its December total to the highest monthly level in 2016. This sector mostly trended upward from May through December.
- Trade, transportation and utilities' marginal December job decline continued a mostly downward trend recorded in this sector since April. From April to December, jobs in trade, transportation and utilities were down by 10,000 or 1.2 percent statewide. Since December 2015, jobs in this sector declined slightly by 3,000 or 0.4 percent.
- Throughout 2016, jobs in several Michigan industry sectors have displayed fairly consistent monthly upward trends, including financial activities, professional and business services, and education and health services.
- From December 2015 to December 2016, payroll jobs in Michigan increased by 75,000 or 1.7 percent, which slightly outpaced the national gain over this period (+1.5 percent). Sectors with above average percentage job gains over this period were professional and business services (+4.3%), financial activities (+3.8%), leisure and hospitality services (+3.8%), information (+3.0%), construction (+2.6%), and other services (+2.2%).
- Seasonally adjusted average weekly hours and earnings of production workers in manufacturing increased over the month, but declined over the year.

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**MICHIGAN**  
**Payroll Employment Estimates**

*Seasonally Adjusted*

(Data in Thousands)

	<u>December</u>	<u>November*</u>	<u>December**</u>	CHANGE***	
	<u>2015</u>	<u>2016</u>	<u>2016</u>	<u>MONTH</u>	<u>YEAR</u>
Total Nonfarm Payroll Jobs	4,289	4,366	4,364	-2	75
Natural Resources & Mining	7	7	7	0	-1
Construction	152	159	156	-3	4
Manufacturing	594	597	596	-1	3
Transportation Equipment	174	179	178	-1	4
Trade, Transportation & Utilities	774	772	771	-2	-3
Retail Trade	466	469	466	-3	0
Information	57	58	58	0	2
Financial Activities	211	218	219	1	8
Professional & Business Services	646	674	673	-1	28
Education & Health Services	659	668	669	1	10
Leisure & Hospitality Services	421	435	437	2	16
Other Services	170	171	174	3	4
Government	599	606	603	-2	5

\* Final data for November

\*\* Preliminary data for December

\*\*\* Change calculated using unrounded data

**Hours & Earnings for Production Workers**

*Seasonally Adjusted*

**Manufacturing**

	<u>December</u>	<u>November</u>	<u>December</u>	CHANGE	
	<u>2015</u>	<u>2016</u>	<u>2016</u>	<u>MONTH</u>	<u>YEAR</u>
Average Weekly Earnings	\$891.39	\$851.11	\$853.93	\$2.82	-\$37.46
Average Weekly Hours	43.9	42.0	42.4	0.4	-1.5

**Transportation Equipment**

Average Weekly Earnings	\$1,205.15	\$911.06	\$963.35	\$52.29	-\$241.80
Average Weekly Hours	47.0	42.2	43.4	1.2	-3.6

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