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LANSING

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Michigan unemployment rate edged down in September

LANSING, Mich. -- Michigan's seasonally adjusted jobless rate declined by two-tenths of a percentage point in September to 8.5 percent, according to data released today by the Michigan Department of Technology, Management & Budget. The number of employed and unemployed both moved down in September, as the state workforce decreased by 23,000 over the month.

The U.S. jobless rate fell by half a percentage point between August and September to 7.9 percent. Michigan's rate in September was six-tenths of a percentage point above the national rate. Over the year, the state rate advanced by 4.6 percentage points, while the U.S. rate rose by 4.4 percentage points.

"Michigan's labor market indicators were mixed in September," said Wayne Rourke, acting director of the Bureau of Labor Market Information and Strategic Initiatives. "The recovery of employment and payroll jobs has slowed in recent months and the September decline in the unemployment rate was primarily due to fewer people in the labor force."

Monthly labor force trends and highlights

- The total workforce in Michigan declined by 49,000, or 1.0 percent, since September 2019, which reflects the withdrawal of workers since the onset of the pandemic.
- Since the height of pandemic-related layoffs in April, total employment advanced by 985,000, or 28.2 percent. However, employment remains nearly 300,000 below February levels.
- The number of unemployed in the state increased by 224,000, or 116.1 percent, over the past year. This was similar to the large unemployment gain nationally (+118.7 percent).
- Michigan recorded a jobless rate of 8.6 percent in the third quarter 2020, which was 11.4 percentage points below the second quarter rate of 20.0 percent. This reflected people recalled to jobs after the substantial pandemic-related layoffs in April.

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Michigan
Labor Force Estimates
 Seasonally Adjusted
 (Data in Thousands)

	Sept. 2020	Aug. 2020	Sept. 2019	Over the Month		Over the Year	
				Numeric	Percent	Numeric	Percent
Civilian Labor Force	4,891	4,914	4,940	-23	-0.5%	-49	-1.0%
Employment	4,474	4,489	4,747	-15	-0.3%	-273	-5.8%
Unemployment	417	425	193	-8	-1.9%	224	116.1%
Rate (Percent)	8.5	8.7	3.9	xxx	xxx	xxx	xxx

Detroit metro region unemployment rate increases in September

The Detroit-Warren-Dearborn Metropolitan Statistical Area's (MSA) seasonally adjusted jobless rate advanced by two-tenths of a percentage point in September to 9.8 percent. Employment was little changed, while unemployment edged up by 5,000.

The Detroit MSA jobless rate rose by 5.7 percentage points over the past year. Employment fell significantly by 201,000, while the number of metro area unemployed surged by 116,000 since September 2019.

Detroit-Warren-Dearborn MSA
Labor Force Estimates
 Seasonally Adjusted
 (Data in Thousands)

	Sept. 2020	Aug. 2020	Sept. 2019	Over the Month		Over the Year	
				Numeric	Percent	Numeric	Percent
Civilian Labor Force	2,079	2,074	2,165	5	0.2%	-86	-4.0%
Employment	1,875	1,874	2,076	1	0.1%	-201	-9.7%
Unemployment	204	199	88	5	2.5%	116	131.8%
Rate (Percent)	9.8	9.6	4.1	xxx	xxx	xxx	xxx

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Nonfarm jobs up in September, but below pace of recent months

The monthly survey of employers recorded a relatively modest seasonally adjusted gain of 18,000 Michigan payroll jobs in September (+0.5 percent). This was only one-third of the jobs added in August and well below the monthly pandemic-related average job recall of 148,000 from May through August.

Minor employment advances were observed in multiple statewide industries. The largest nonfarm job gain among major industry sectors was in leisure and hospitality, with a September employment hike of 10,000, or 3.7 percent. Michigan's government sector recorded a seasonally adjusted monthly job cut of 12,000, or 2.1 percent, as job additions at colleges and local schools were below typical September trends.

Industry employment trends and highlights

- Payroll jobs in September advanced for the fifth consecutive month after the very large pandemic-related job cuts in April. Since April, nonfarm employment rose by 612,000, or approximately 18 percent.
- Over the year, total Michigan payroll employment fell sharply by 425,000, or 9.6 percent.
- Jobs in the state's education and health services sector rose due to recalls for five straight months but remain down by 57,000 (-8.3 percent) since September 2019.
- The Michigan third quarter payroll job average of 3,983,000 was 379,000, or 10.5 percent, above the second quarter average employment level. This reflected recalls of workers from pandemic-related layoffs.

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Michigan
Payroll Employment Estimates
 Seasonally Adjusted
 (Data in Thousands)

	Sept.** 2020	Aug.* 2020	Sept. 2019	Over the Month***		Over the Year ***	
				Numeric	Percent	Numeric	Percent
Total Nonfarm Payroll Jobs	4,013	3,995	4,438	18	0.5%	-425	-9.6%
Natural Resources and Mining	6	6	7	0	1.6%	-1	-12.3%
Construction	175	172	175	3	1.6%	0	0.1%
Manufacturing	567	562	628	5	0.9%	-61	-9.7%
Transportation Equipment	167	165	192	2	1.4%	-25	-12.9%
Trade, Transportation, and Utilities	759	756	796	3	0.4%	-37	-4.7%
Retail Trade	439	438	463	1	0.2%	-24	-5.2%
Information	51	50	55	1	1.0%	-5	-8.5%
Financial Activities	221	221	225	1	0.2%	-4	-1.8%
Professional and Business Services	598	593	652	6	0.9%	-54	-8.3%
Education and Health Services	626	625	683	1	0.1%	-57	-8.3%
Leisure and Hospitality Services	290	279	434	10	3.7%	-145	-33.3%
Other Services	148	146	166	2	1.1%	-18	-11.1%
Government	573	585	616	-12	-2.1%	-44	-7.1%

* Revised data for August 2020

** Preliminary data for September 2020

*** Change calculated using unrounded data

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Michigan
Hours and Earnings for Production Workers
 Seasonally Adjusted

Manufacturing							
	Sept. 2020	Aug. 2020	Sept. 2019	Over the Month		Over the Year	
				Numeric	Percent	Numeric	Percent
Average Weekly Earnings	\$910.37	\$904.30	\$956.53	6.07	0.7%	-46.16	-4.8%
Average Weekly Hours	39.6	40.3	42.7	-0.7	-1.7%	-3.1	-7.3%
Transportation Equipment Manufacturing							
	Sept. 2020	Aug. 2020	Sept. 2019	Over the Month		Over the Year	
				Numeric	Percent	Numeric	Percent
Average Weekly Earnings	\$1,196.48	\$1,217.79	\$1,268.79	-21.31	-1.7%	-72.31	-5.7%
Average Weekly Hours	41.4	43.5	47.1	-2.1	-4.8%	-5.7	-12.2%

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