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Michigan job growth solid, jobless rate edges down in October ***U.S. Bureau of Labor Statistics revises jobless rate for September 2021***

LANSING, Mich. – Data released for October 2021 shows that Michigan’s seasonally adjusted unemployment rate inched down over the month by two-tenths of a percentage point to 6.1 percent, according to data released today by the Michigan Department of Technology, Management & Budget. Total employment in the state edged up by 6,000, while unemployment moved down by 7,000. Michigan’s workforce was unchanged over the month.

The U.S. Bureau of Labor Statistics (BLS) [identified a distortion in their statistical estimates](#) and has revised Michigan’s September unemployment rate upward by 1.7 percentage points to 6.3 percent. Additional revisions to the unemployment rate for January - August 2021 will need to be made and will occur during the normal review process at the end of the year. The revisions are also expected to increase the unemployment rates for each month. (For a full explanation, please see the note at the end of this release.)

“Despite the upward revision in September’s unemployment rate, the new data shows that Michigan’s jobless rate has fallen substantially over the past year from 8.1 percent to 6.1 percent,” said Scott Powell, director of the Bureau of Labor Market Information and Strategic Initiatives. “The unemployment rate revisions by the BLS are a necessary part of the statistical estimation process to ensure accuracy.”

The national unemployment rate also declined by two-tenths of a percentage point in October to 4.6 percent. Over the past year, the U.S. jobless rate decreased by 2.3 percentage points, while Michigan’s jobless rate moved down by 2.0 percentage points.

Additionally, Michigan’s October payroll job advance was the second highest monthly total in 2021, as payroll jobs rose by 38,000.

Monthly and annual labor force trends and highlights

- Michigan’s total employment level was little changed in October, edging up by 0.1 percent, which was similar to the national employment gain of 0.2 percent.

- Unemployment in the state decreased by 2.3 percent over the month and by a significant 26.0 percent over the year
- Michigan’s workforce level receded by 96,000, or 2.0 percent, since October 2020.

Michigan’s October 2021 jobless rate remains above pre-pandemic levels

- The Michigan employment level in October 2021 was 276,000, or 5.8 percent, below the February 2020 pre-pandemic level.
- The number of unemployed in the state in October rose by 107,000, or 57.8 percent, since February 2020.
- Michigan’s October 2021 jobless rate of 6.1 percent was 2.4 percentage points above the February 2020 unemployment rate of 3.7 percent.

Michigan
Labor Force Estimates
 Seasonally Adjusted
 (Data in Thousands)

	Oct. 2021	Sep. 2021	Oct. 2020	Over the Month		Over the Year	
				Numeric	Percent	Numeric	Percent
Civilian Labor Force	4,759	4,759	4,855	0	0.0%	-96	-2.0%
Employed	4,467	4,461	4,462	6	0.1%	5	0.1%
Unemployed	291	298	393	-7	-2.3%	-102	-26.0%
Unemployment Rate	6.1	6.3	8.1	-0.2	XXX	-2.0	XXX

Detroit metro area jobless rate recedes in October

The Detroit-Warren-Dearborn Metropolitan Statistical Area’s (MSA) seasonally adjusted jobless rate declined over the month by two-tenths of a percentage point to 5.8 percent. The Detroit MSA employment total edged up by 5,000, while unemployment was reduced by 4,000.

The metro area unemployment rate for September 2021 was also revised up significantly by BLS to 6.0 percent.

Over the past year, the Detroit metro unemployment rate fell sharply by 4.3 percentage points, despite the upward revision in the September rate. Total employment rose by 37,000 since October 2021, and unemployment dropped by 95,000.

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

	Oct. 2021	Sep. 2021	Oct. 2020	Over the Month		Over the Year	
				Numeric	Percent	Numeric	Percent
Civilian Labor Force	2,065	2,063	2,123	2	0.1%	-58	-2.7%
Employed	1,945	1,940	1,908	5	0.3%	37	1.9%
Unemployed	120	124	215	-4	-3.2%	-95	-44.2%
Unemployment Rate	5.8	6.0	10.1	-0.2	XXX	-4.3	XXX

Payroll employment moves up strongly in October

According to the monthly survey of employers, Michigan in October recorded the second highest monthly job advance during 2021, as payroll jobs rose by 38,000 or 0.9 percent. This was the largest monthly job gain since February.

All major industry job sectors added payroll jobs over the month. On a numerical basis, the largest Michigan job gains occurred in the state’s manufacturing and professional and business services sectors.

Industry employment trends and highlights

- October was the sixth month in a row, with an increase in statewide total nonfarm employment.
- On a percentage basis, Michigan’s leisure and hospitality sector exhibited the largest October gain in jobs, up by 1.8 percent.
- The state’s trade, transportation, and utilities sector added positions for the fifth consecutive month during October.
- Payroll jobs rose by 130,000, or 3.2 percent, over the year, as persons returned to work following pandemic-related layoffs. However, Michigan’s job count remains well below pre-pandemic levels (-229,000).
- The state’s professional and business services sector had the largest over-the-year numeric increase in payroll jobs (+36,000).

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**Michigan
Payroll Employment Estimates**

Seasonally Adjusted

(Data in Thousands)

	Oct.** 2021	Sep.* 2021	Oct. 2020	Over the Month***		Over the Year ***	
				Numeric	Percent	Numeric	Percent
Total Nonfarm Payroll Jobs	4,224	4,186	4,094	38	0.9%	130	3.2%
Natural Resources and Mining	7	7	7	0	0.0%	0	6.1%
Construction	179	178	173	1	0.7%	6	3.2%
Manufacturing	584	574	570	10	1.7%	14	2.4%
Transportation Equipment	180	178	176	2	1.3%	4	2.3%
Trade, Transportation, and Utilities	787	782	763	6	0.7%	24	3.2%
Retail Trade	449	446	438	3	0.7%	11	2.4%
Information	51	50	49	1	1.6%	2	3.3%
Financial Activities	228	226	226	2	0.8%	2	1.0%
Professional and Business Services	642	633	606	10	1.5%	36	5.9%
Education and Health Services	641	640	642	1	0.1%	-1	-0.2%
Leisure and Hospitality Services	370	363	342	7	1.8%	28	8.1%
Other Services	150	149	144	1	0.7%	6	3.8%
Government	586	585	572	1	0.1%	14	2.4%

* Revised data for September 2021

** Preliminary data for October 2021

*** Change calculated using unrounded data

(more)

Michigan
Hours and Earnings for Production Workers
 Seasonally Adjusted

Manufacturing							
	Oct. 2021	Sep. 2021	Oct. 2020	Over the Month		Over the Year	
				Numeric	Percent	Numeric	Percent
Average Weekly Earnings	\$981.62	\$936.92	\$910.42	44.70	4.8%	71.20	7.8%
Average Weekly Hours	41.3	39.8	40.3	1.5	3.8%	1.0	2.4%
Transportation Equipment Manufacturing							
	Oct. 2021	Sep. 2021	Oct. 2020	Over the Month		Over the Year	
				Numeric	Percent	Numeric	Percent
Average Weekly Earnings	\$1,289.85	\$1,233.70	\$1,176.80	56.15	4.6%	113.05	9.6%
Average Weekly Hours	43.7	41.5	43.0	2.2	5.3%	0.7	1.6%

Note: Data revision causing temporary series break in September 2021

The U.S. Bureau of Labor Statistics (BLS) is responsible for examining the inputs to the statistical model that produces the Michigan monthly employment and unemployment estimates. Due to the impact of the pandemic on employment, BLS implemented a revised method of examining models for outliers on a monthly basis, as opposed to their usual practice of designating outliers annually. This involved implementing level shifts monthly in response to outliers in the Current Population Survey data, where appropriate. These level shifts are designed to preserve movements in the published estimates that the models otherwise would have discounted.

BLS implemented a level shift due to an outlier identified in the Current Population Survey input to the Detroit-Warren-Dearborn metro area unemployment model in January 2021. This adjustment produced some distortions in the benchmarking factors used for Michigan, the Detroit metro area, and the Balance of Michigan. To reduce these distortions, BLS has modified this outlier intervention with the publication of September revised and October preliminary estimates. This modification resulted in estimates that better reflect the model inputs for the most recent two months and produced a revised September seasonally adjusted Michigan unemployment rate of 6.3 percent. Data corrections for January - August 2021 will be addressed during the usual annual revision process at the end of 2021. The revised estimates will be published in March 2022.

The revised estimates for September 2021 and the newly published October 2021 data can be fully compared with data for all months of 2020 and prior years. However, the data for September and October 2021 should not be compared with previously released estimates for January - August 2021 until all months of 2021 are revised in March 2022.