



STATE OF MICHIGAN

DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET

LANSING

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## FOR IMMEDIATE RELEASE

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### **Michigan's May Unemployment Rate Increases Slightly** *Payroll Jobs Up Sharply*

*Lansing* – Michigan's seasonally adjusted unemployment rate in May edged upward over the month by one-tenth of a percentage point to 5.5 percent, according to data released today by the Michigan Department of Technology, Management & Budget (DTMB). The state's labor force rose in May as the number of unemployed increased by 7,000 while total employment advanced by 4,000.

The Michigan jobless rate in May 2015 was one and eight-tenths percentage points below the state's May 2014 rate of 7.3 percent. The national jobless rate decreased by eight-tenths of a percentage point over this period. The state's May unemployment rate matched the national rate for the second consecutive month. The U.S. jobless rate also increased by one-tenth of a percentage point in May.

"Michigan's unemployment rate edged up in May mainly due to workforce expansion. More potential workers entered the labor force than is typical for May," said Jason Palmer, director of the Bureau of Labor Market Information and Strategic Initiatives. "Payroll jobs recorded a significant gain over the month."

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

- Michigan's minor jobless rate increase in May broke a string of 20 consecutive months of rate reductions dating back to September 2013.
- The state's workforce in May rose by 10,000 for the first monthly increase since January. Michigan's May labor force total of 4,750,000 essentially matched the 2014 annual average.
- Although relatively small, the total employment gain in May continued a run of monthly advances that has occurred since May 2012. Over that period of consecutive monthly increases, total employment in Michigan has risen by 252,000 or nearly 6.0 percent.
- Since May 2014, total employment in Michigan increased by 85,000 or 1.9 percent, similar to the 2.0 percent gain nationally over the same period.

- From May 2014 to May 2015, the number of unemployed in the state fell by 83,000 or 23.9 percent, which well outpaced the national decline of 11.1 percent since May 2014.

**MICHIGAN**  
**Labor Force Estimates**

Seasonally Adjusted  
(Data in Thousands)

	May 2014	April 2015	May 2015	Change	
				Month	Year
Civilian Labor Force	4,748	4,740	4,750	10	2
Employment	4,402	4,483	4,487	4	85
Unemployment	347	257	264	7	-83
Rate (Percent)	7.3	5.4	5.5	xxx	xxx

***Detroit Metropolitan Area's May Jobless Rate Edges Up***

The Detroit-Warren-Dearborn Metropolitan Statistical Area's (MSA's) seasonally adjusted unemployment rate in May moved slightly upward over the month by one-tenth of a percentage point to 6.3 percent. In May, the area's labor force rose as total employment advanced by 3,000 while the number of unemployed also increased by 3,000. May marked the first monthly workforce gain for the region since October 2014 and the first monthly gain in total employment since February. Prior to May 2015, the Detroit MSA jobless rate declined for 19 consecutive months back to October 2013.

From May 2014 to May 2015, the Detroit metro area's jobless rate fell by two and four-tenths percentage points. Over that period, total employment rose by 22,000 or 1.2 percent in the region while the number of unemployed dropped by 51,000 or 29.0 percent. Since May 2014, the metro area recorded a workforce reduction of 29,000 or -1.4 percent.

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

Seasonally Adjusted  
(Data in Thousands)

	May 2014	April 2015	May 2015	Change	
				Month	Year
Civilian Labor Force	2,021	1,987	1,992	5	-29
Employment	1,845	1,864	1,867	3	22
Unemployment	176	122	125	3	-51
Rate (Percent)	8.7	6.2	6.3	xxx	xxx

(more)

### ***May Payroll Jobs Jump***

According to the monthly survey of employers, seasonally adjusted Michigan payroll jobs rose in May by 26,000 to 4,278,000. Significant over-the-month job gains were displayed in leisure and hospitality services (+9,000), manufacturing (+7,000), and education and health services (+6,000). Lesser job increases were posted in trade, transportation and utilities (+3,000), and financial activities (+2,000). The state's remaining major industry sectors were little changed in May.

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

- May's overall advance in payroll jobs was the eighth consecutive monthly gain for the state dating back to October 2014. Over that period, job increases averaged around 11,000 per month.
- The May gain in manufacturing jobs was partially due to recalls from March and April short-term layoffs in the auto industry.
- The jump in leisure and hospitality services jobs in May reflected elevated levels in this sector seen throughout 2015 as compared to 2014. Leisure and hospitality services is showing a 3.7 percent gain in jobs over the year, which ranks as the third highest growth rate of Michigan's 11 major job sectors. Only construction (+10.7%) and manufacturing (+4.5%) rank higher since May 2014.
- The notable gain in education and health services in May continued a strong job growth pattern in this sector recorded since the third quarter 2014. This followed a relatively slow growth period for this sector in the first nine months of 2014.
- Jobs in retail trade rose in May by 3,000, reversing job reductions over the prior two months. This sector has registered a 5,000 or 1.1 percent job gain since May 2014.
- From May 2014 to May 2015, payroll jobs in Michigan increased by 107,000 or 2.6 percent, which outpaced the national over-the-year percentage gain in payroll jobs of 2.2 percent. Seven of Michigan's 11 major job sectors reported substantial job gains since May 2014. The remaining major sectors were little changed over the year.
- Seasonally adjusted average weekly hours and earnings of production workers in manufacturing increased moderately over the month as well as over the year.

(more)

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

*Seasonally Adjusted*

(Data in Thousands)

	<u>May</u>	<u>April*</u>	<u>May**</u>	CHANGE***	
	<u>2014</u>	<u>2015</u>	<u>2015</u>	<u>MONTH</u>	<u>YEAR</u>
Total Nonfarm Payroll Jobs	4,171	4,252	4,278	26	107
Natural Resources & Mining	8	9	8	0	0
Construction	141	155	156	1	15
Manufacturing	572	591	598	7	26
Transportation Equipment	171	186	188	2	18
Trade, Transportation & Utilities	757	763	766	3	9
Retail Trade	461	462	466	3	5
Information	57	57	57	0	-1
Financial Activities	205	207	209	2	5
Professional & Business Services	616	639	638	-1	22
Education & Health Services	644	652	658	6	14
Leisure & Hospitality Services	406	412	421	9	15
Other Services	171	173	172	-1	0
Government	595	595	596	1	2

\* Final data for April

\*\* Preliminary data for May

\*\*\* Change calculated using unrounded data

**Hours & Earnings for Production Workers**

*Seasonally Adjusted*

**Manufacturing**

	<u>May</u>	<u>April</u>	<u>May</u>	CHANGE	
	<u>2014</u>	<u>2015</u>	<u>2015</u>	<u>MONTH</u>	<u>YEAR</u>
Average Weekly Earnings	\$909.77	\$920.17	\$928.55	\$8.38	\$18.78
Average Weekly Hours	44.5	44.4	45.0	0.6	0.5

**Transportation Equipment**

Average Weekly Earnings	\$1,269.67	\$1,238.51	\$1,268.26	\$29.75	-\$1.41
Average Weekly Hours	50.2	49.9	50.4	0.5	0.2

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