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## **FOR IMMEDIATE RELEASE**

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### **Michigan's July Unemployment Rate Rises**

*Lansing* – Michigan's seasonally adjusted unemployment rate in July increased over the month by four-tenths of a percentage point to 9.0 percent, according to data released today by the Michigan Department of Technology, Management & Budget (DTMB). The number of unemployed in Michigan moved up by 19,000 in July, while the size of the state's labor force was little changed.

The Michigan jobless rate in July 2012 was one and six-tenths percentage points below the state's July 2011 rate of 10.6 percent. The national jobless rate decreased by eight-tenths of a percentage point over this period. The state's unemployment rate in July was seven-tenths of a percentage point above the national rate of 8.3 percent. The U.S. jobless rate edged up over the month by one-tenth of a percentage point.

"Since the beginning of 2012, employment in Michigan has recorded modest gains," said Rick Waclawek, director of the Bureau of Labor Market Information and Strategic Initiatives. "The state jobless rate, after dipping in the spring, has now returned to the January 2012 level. However, the Michigan unemployment rate remains well below the summer 2011 levels."

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

- July marked the third consecutive monthly unemployment rate increase in Michigan. Since April, the state's rate has risen by seven-tenths of a percentage point.
- Michigan's labor force level has been little changed since May after showing gains in the first five months of the year.
- Total employment in the state has declined over the last three months, but remains 24,000 above the January level.
- From July 2011 to July 2012, total employment in Michigan rose by 76,000 or 1.8 percent, which is similar to the 2.0 percent increase nationally over the same period.
- Since July 2011, the number of unemployed in the state fell by 72,000 or nearly 15 percent. Nationally, unemployment declined by eight percent since July 2011.

(more)

**MICHIGAN  
Labor Force Estimates**

Seasonally Adjusted  
(Data in Thousands)

	July 2011	June 2012	July 2012	Change	
				Month	Year
Civilian Labor Force	4,658	4,663	4,662	-1	4
Employment	4,164	4,261	4,240	-21	76
Unemployment	493	402	421	19	-72
Rate (Percent)	10.6	8.6	9.0	xxx	xxx

***Detroit Metropolitan Area's July Jobless Rate Up***

The Detroit-Warren-Livonia Metropolitan Statistical Areas (MSAs) seasonally adjusted unemployment rate in July rose over the month by half of a percentage point to 10.2 percent. This was the third consecutive monthly rate increase for the area and its highest rate since December. The metro region has recorded a full percentage point jobless rate advance since this year's low in April 2012. In July, total employment for the MSA declined by 10,000 and the number of unemployed increased by 11,000.

From July 2011 to July 2012, the Detroit metropolitan area's jobless rate fell by one and six-tenths percentage points. The number of unemployed in the region declined by 36,000 or 15 percent over the year, however total employment increased by only 5,000. The net result was a 31,000 or 1.5 percent reduction in the area's workforce over this period.

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

Seasonally Adjusted  
(Data in Thousands)

	July 2011	June 2012	July 2012	Change	
				Month	Year
Civilian Labor Force	2,019	1,986	1,988	2	-31
Employment	1,780	1,795	1,785	-10	5
Unemployment	239	192	203	11	-36
Rate (Percent)	11.8	9.7	10.2	xxx	xxx

(more)

### ***Health Care and Wholesale Trade Jobs Rise in July***

According to the monthly survey of employers, seasonally adjusted Michigan payroll jobs increased in July by 22,000 to 4,004,000. However, some of this increase is likely overstated, as the seasonal adjustment of payroll job data in the month of July has been complicated by recent changes in July layoff patterns in sectors such as the auto industry, local schools, and the temporary help sector.

Manufacturing (+9,000) and government (+8,000) registered seasonal job gains in July which were partially overstated by the seasonal adjustment process. However, the state did record job advances in education and health services (+4,000), and in trade, transportation and utilities (+3,000). The only major sector to record an over-the-month job decline was professional and business services (-5,000). The state's remaining major industry sectors were either flat or reported only minor job gains over the month.

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

- July seasonally adjusted manufacturing and transportation equipment jobs recorded an over-the-month increase which primarily reflected fewer planned seasonal layoffs in the auto industry. This was due to a reduction over the past several years in the number of workers impacted by the July vacation shutdown/retooling process. A number of plants remained operational in July, resulting in fewer supplier layoffs than normal.
- Seasonally adjusted government jobs rose in July, also reflecting fewer July seasonal cutbacks in this sector. This was largely a timing issue, as local schools released a higher share of support staff in June 2012 for the summer break, and a smaller than typical share in July.
- After two months of minor declines, education and health services resumed its long-term upward trend in July. Since January this sector has recorded a job increase of 9,000 or 1.4 percent, which is nearly 40 percent of Michigan's total payroll job growth over this period.
- Since July 2011, payroll jobs in Michigan increased by 60,000 or 1.5 percent. Significant job growth over this period was displayed in professional and business services (+24,000), manufacturing (+20,000), education and health services (+11,000), leisure and hospitality services (+7,000) and financial activities (+7,000). The only significant decline over this period was recorded in construction (-6,000).
- Seasonally adjusted average weekly hours and earnings of production workers in manufacturing rose over the month. Over the year, earnings were down slightly while hours were little changed.

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

*Seasonally Adjusted*

(Data in Thousands)

	<u>July</u>	<u>June*</u>	<u>July**</u>	CHANGE***	
	<u>2011</u>	<u>2012</u>	<u>2012</u>	<u>MONTH</u>	<u>YEAR</u>
Total Nonfarm Payroll Jobs	3945	3983	4004	22	60
Natural Resources & Mining	8	7	7	0	0
Construction	125	118	119	1	-6
Manufacturing	512	523	532	9	20
Transportation Equipment	144	146	157	11	13
Trade, Transportation & Utilities	722	720	722	3	0
Retail Trade	447	442	442	0	-5
Information	53	53	55	2	1
Financial Activities	193	199	200	1	7
Professional & Business Services	546	575	570	-5	24
Education & Health Services	621	629	632	4	11
Leisure & Hospitality Services	375	381	382	1	7
Other Services	168	168	168	0	0
Government	621	610	617	8	-3

\* Final data for June

\*\* Preliminary data for July

\*\*\* Change calculated using unrounded data

**Hours & Earnings for Production Workers**

*Seasonally Adjusted*

**Manufacturing**

	<u>July</u>	<u>June</u>	<u>July</u>	CHANGE	
	<u>2011</u>	<u>2012</u>	<u>2012</u>	<u>MONTH</u>	<u>YEAR</u>
Average Weekly Earnings	\$923.48	\$885.46	\$918.35	\$32.89	-\$5.13
Average Weekly Hours	43.8	43.0	44.0	1.0	0.2

**Transportation Equipment**

Average Weekly Earnings	\$1,271.68	\$1,258.10	\$1,289.50	\$31.40	\$17.82
Average Weekly Hours	44.6	44.9	47.8	2.9	3.2

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