



STATE OF MICHIGAN

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Michigan's December Unemployment Rate Declines *Annual Rate Falls for Fourth Year in a Row*

Lansing – Michigan's seasonally adjusted unemployment rate in December declined over the month by four-tenths of a percentage point to 8.4 percent, according to data released today by the Michigan Department of Technology, Management & Budget (DTMB). The number of unemployed fell by 19,000 while total employment moved upward by 7,000. The net impact was a 13,000 reduction in the state's labor force over the month.

The Michigan jobless rate in December 2013 was a half percentage point below the state's December 2012 rate of 8.9 percent. The national jobless rate decreased by one and two-tenths percentage points over this period. The state's unemployment rate in December was one and seven-tenths percentage points above the national rate of 6.7 percent. The U.S. jobless rate declined over the month by three-tenths of a percentage point.

"Michigan displayed an improving labor market in 2013," said Michael Williams, acting director of the Bureau of Labor Market Information and Strategic Initiatives. "Payroll jobs advanced for the third consecutive year while the state's unemployment rate continued to trend downward. Another positive indicator in 2013 was that Michigan posted its first annual labor force growth since 2006."

Monthly Labor Force Trends & Highlights

- Michigan's December jobless rate matched the lowest for the year displayed in both April and May, which were the lowest monthly rates in the state since July 2008.
- From the third quarter to the fourth quarter 2013, Michigan's quarterly unemployment rate edged downward by two-tenths of a percentage point from 8.9 to 8.7 percent. The state's lowest quarterly rate in 2013 was the 8.5 percent rate posted in the second quarter.
- Michigan's workforce declined in December for the third consecutive month since the state's 2013 peak level of 4,736,000 posted in September. However, from December 2012 to December 2013, the state's labor force rose by 54,000 or 1.2 percent.
- Since December 2012, total employment in Michigan increased by 73,000 or 1.7 percent, which compared favorably to the national rate of increase over the same period of 1.0 percent.

- From December 2012 to December 2013, the number of unemployed in the state fell by 20,000 or 4.8 percent.

MICHIGAN
Labor Force Estimates

Seasonally Adjusted
(Data in Thousands)

	December 2012	November 2013	December 2013	Change	
				Month	Year
Civilian Labor Force	4,640	4,707	4,694	-13	54
Employment	4,227	4,293	4,300	7	73
Unemployment	414	413	394	-19	-20
Rate (Percent)	8.9	8.8	8.4	xxx	xxx

Michigan's 2013 Preliminary Annual Average Labor Force Data

Michigan's preliminary annual average unemployment rate in 2013 was 8.7 percent. Total employment averaged 4,290,000 in 2013, while unemployment averaged 408,000. The state's annual average labor force level was 4,698,000.

Annual Labor Force Trends & Highlights

- Michigan's preliminary annual average unemployment rate in 2013 declined by four-tenths of a percentage point from the 2012 annual rate of 9.1 percent. The U.S. annual jobless rate dropped by seven-tenths of a percentage point from 2012 to 2013 (8.1 to 7.4 percent).
- 2014 marked the fourth consecutive year of annual unemployment rate declines in Michigan. The state's rate fell by four and seven-tenths percentage points since the recent annual high of 13.4 percent recorded in 2009. Michigan's 2013 annual rate of 8.7 percent remains above the pre-recessionary levels of about 7.0 percent.
- From annual 2012 to annual 2013, the number of unemployed in Michigan declined by 18,000 or 4.2 percent.
- Since 2012, annual total employment rose in the state by 58,000 or 1.4 percent.
- The state's annual average labor force level from 2012 to 2013 advanced by 41,000 or 0.9 percent. 2013 marks the first annual labor force gain in Michigan since 2006.

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Detroit Metropolitan Area’s December Jobless Rate Declines

The Detroit-Warren-Livonia Metropolitan Statistical Area’s (MSA) seasonally adjusted unemployment rate in December declined over the month by four-tenths of a percentage point to 8.9 percent. The area’s rates were on a downward track throughout 2013, declining in eight of the twelve months. The December rate was the lowest for the metropolitan area since August 2008. In December, total employment increased by 7,000 and the number of unemployed decreased by 8,000. The metro region’s labor force was little changed over the month.

From December 2012 to December 2013, the Detroit metropolitan area’s jobless rate fell by one and eight-tenths percentage points, which well outpaced the decline nationally and statewide. Over that period, total employment rose by 57,000 or 3.2 percent and the number of unemployed dropped by 35,000 or 16.3 percent. The area’s workforce advanced by 22,000 or 1.1 percent since December 2012.

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

Seasonally Adjusted
(Data in Thousands)

	December 2012	November 2013	December 2013	Change	
				Month	Year
Civilian Labor Force	2,009	2,032	2,031	-1	22
Employment	1,794	1,844	1,851	7	57
Unemployment	215	188	180	-8	-35
Rate (Percent)	10.7	9.3	8.9	xxx	xxx

Detroit Metropolitan Area’s 2013 Preliminary Annual Average Labor Force Data

The Detroit-Warren-Livonia Metropolitan Statistical Area’s preliminary annual average unemployment rate in 2013 of 9.5 percent fell by a full percentage point from the 2012 annual rate of 10.5 percent. The area’s 2013 annual rate dropped by five and a half percentage points from the recent high of 15.0 percent recorded in 2009.

From 2012 to 2013, the number of unemployed in the region decreased by 18,000 or 8.5 percent, while total employment advanced by 34,000 or 1.9 percent. The net result for the Detroit MSA was a workforce gain of 16,000 or 0.8 percent from 2012 to 2013. 2013 marks the first annual labor force increase for the region since 1999.

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December Payroll Jobs Little Changed

According to the monthly survey of employers, seasonally adjusted Michigan payroll jobs edged down in December by 3,000 to 4,093,000. Over-the-month payroll job changes were minor throughout all industry sectors. A small job gain in trade, transportation and utilities (+3,000) was more than offset by marginal job reductions in construction (-2,000) and education and health services (-2,000). The state's remaining major sectors reported slight decreases or were unchanged.

Industry Employment Trends and Highlights

- Michigan is poised to record a third consecutive year of payroll job gains after a full decade of annual job loss dating back to 2001. Preliminary data indicate that job totals in 2013 rose by 54,000 or 1.4 percent above the 2012 level. Since 2010, payroll jobs in Michigan increased by 215,000 or 5.6 percent.
- Average job totals statewide in the second half of 2013 were higher than the average job levels of the first half of 2013 by 31,000 or 0.8 percent.
- Jobs in professional and business services tracked upwards throughout 2013. The majority of 2013 job gains in this sector have been in the professional, scientific, and technical services sub-category.
- Education and health services jobs have been relatively steady throughout 2013, and will show a gain over 2012 totals. Preliminary 2013 data report that this sector will show its 15th annual job advance dating back to 1999. No other major sector in Michigan has posted consecutive annual job gains over this period, a time frame that included two national recessions.
- From December 2012 to December 2013, payroll jobs in Michigan increased by 64,000 or 1.6 percent. Over this period, 83 percent of the job advances occurred in three Michigan sectors: professional and business services (+21,000), manufacturing (+17,000), and trade, transportation and utilities (+15,000). Other notable gains over the year were registered in leisure and hospitality services (+8,000) and education and health services (+7,000). The state's remaining job sectors were little changed over this period.
- Seasonally adjusted average weekly hours and earnings of production workers in manufacturing increased over the month. Hours edged up over the year, however earnings declined.

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MICHIGAN
Payroll Employment Estimates
Seasonally Adjusted
 (Data in Thousands)

	<u>December</u>	<u>November*</u>	<u>December**</u>	CHANGE***	
	<u>2012</u>	<u>2013</u>	<u>2013</u>	<u>MONTH</u>	<u>YEAR</u>
Total Nonfarm Payroll Jobs	4029	4095	4093	-3	64
Natural Resources & Mining	8	8	8	0	0
Construction	125	129	127	-2	2
Manufacturing	547	563	563	0	17
Transportation Equipment	160	169	168	-1	8
Trade, Transportation & Utilities	731	743	746	3	15
Retail Trade	449	455	458	3	9
Information	52	52	52	-1	0
Financial Activities	196	196	195	-1	-1
Professional & Business Services	576	597	597	0	21
Education & Health Services	632	641	639	-2	7
Leisure & Hospitality Services	387	395	395	-1	8
Other Services	169	168	168	0	-2
Government	607	604	604	0	-3

* 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>2012</u>	<u>2013</u>	<u>2013</u>	<u>MONTH</u>	<u>YEAR</u>
Average Weekly Earnings	\$908.01	\$881.56	\$884.48	\$2.92	-\$23.53
Average Weekly Hours	44.0	43.8	44.4	0.6	0.4

Transportation Equipment

Average Weekly Earnings	\$1,256.03	\$1,186.34	\$1,198.32	\$11.98	-\$57.71
Average Weekly Hours	47.0	47.4	48.8	1.4	1.8

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