



STATE OF MICHIGAN

DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET

LANSING

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Michigan's December Unemployment Rate Drops

Annual Rate Falls for Fifth Year in a Row

Lansing – Michigan's seasonally adjusted unemployment rate in December fell over the month by four-tenths of a percentage point to 6.3 percent, according to data released today by the Michigan Department of Technology, Management & Budget (DTMB). Total employment rose in December by 21,000 as the number of unemployed dropped by 21,000. The state's labor force was little changed over the month.

The Michigan jobless rate in December 2014 was two full percentage points below the state's December 2013 rate of 8.3 percent. The national jobless rate decreased by one and one-tenths percentage points over this period. The state's unemployment rate in December was seven-tenths of a percentage point above the national rate of 5.6 percent. The U.S. jobless rate declined over the month by two-tenths of a percentage point.

"Michigan continued to display an improving labor market in 2014," said Jason Palmer, director of the Bureau of Labor Market Information and Strategic Initiatives. "Payroll jobs advanced for the fourth consecutive year while the state's unemployment rate continued to trend downward. The state's labor market was particularly strong in the second half of 2014."

Monthly Labor Force Trends & Highlights

- Michigan's December jobless rate was the lowest monthly rate for the state since the November 2002 rate of 6.2 percent. However, employment and labor force levels remain sharply down in Michigan over that period.
- The number of unemployed in Michigan fell below 300,000 in December. The last time the number of unemployed in the state was below 300,000 was in October 2001.
- December's increase in total employment was the third largest monthly gain in 2014. Total employment in Michigan rose in ten of twelve months during 2014.
- From December 2013 to December 2014, the number of unemployed in the state fell by 89,000 or 23.0 percent. This drop outpaced the nationwide reduction of 16.3 percent over the same period.

MICHIGAN
Labor Force Estimates
 Seasonally Adjusted
 (Data in Thousands)

	December 2013	November 2014	December 2014	Change	
				Month	Year
Civilian Labor Force	4,687	4,736	4,734	-2	47
Employment	4,299	4,416	4,437	21	138
Unemployment	387	319	298	-21	-89
Rate (Percent)	8.3	6.7	6.3	xxx	xxx

Michigan's 2014 Preliminary Annual Average Labor Force Data

Michigan's preliminary annual average unemployment rate in 2014 was 7.2 percent. Total employment averaged 4,392,000 in 2014, while the number of unemployed in Michigan averaged 342,000. The state's annual average labor force level was 4,734,000.

Annual Labor Force Trends & Highlights

- Michigan's preliminary annual average unemployment rate of 7.2 percent in 2014 fell by one and six-tenths percentage points from the 2013 annual rate of 8.8 percent. The U.S. annual jobless rate declined by one and two-tenths percentage points from 2013 to 2014 (7.4 to 6.2 percent).
- 2014 marked the fifth consecutive year of annual unemployment rate declines in Michigan. The state's rate is down by six and three-tenths percentage points since the recent annual high of 13.5 percent recorded in 2009.
- From annual 2013 to annual 2014, the number of unemployed in Michigan declined by 71,000 or 17.2 percent.
- Since 2013, annual total employment rose in the state by 98,000 or 2.3 percent.
- The state's annual average labor force level from 2013 to 2014 advanced by 27,000 or 0.6 percent. The workforce gain in 2014 was somewhat less than the 37,000 or 0.8 percent increase in 2013. Prior to 2013, Michigan's annual labor force level had not recorded a gain since 2006.

(more)

Detroit Metropolitan Area's December Jobless Rate Falls

The Detroit-Warren-Livonia Metropolitan Statistical Areas (MSA's) seasonally adjusted unemployment rate in December declined over the month by four-tenths of a percentage point to 7.5 percent. The area's monthly jobless rates were relatively flat throughout most of 2014, averaging around 8.3 percent through October. However since October, the Detroit MSA unemployment rate fell by eight-tenths of a percentage point. The December 2014 rate was the lowest for the metropolitan area since March 2008.

In December, total employment increased by 4,000, while the number of unemployed decreased by 9,000. The metro region's labor force recorded a reduction of 5,000 over the month. Although the area's total employment levels have risen every month since August, monthly workforce levels have trended downward for most of 2014.

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

	December 2013	November 2014	December 2014	Change	
				Month	Year
Civilian Labor Force	2,031	2,007	2,002	-5	-29
Employment	1,852	1,848	1,852	4	0
Unemployment	179	159	150	-9	-29
Rate (Percent)	8.8	7.9	7.5	xxx	xxx

Detroit Metropolitan Area's 2014 Preliminary Annual Average Labor Force Data

The Detroit-Warren-Livonia Metropolitan Statistical Area's (MSA's) preliminary annual average unemployment rate in 2014 of 8.2 percent fell by one and two-tenths percentage points from the 2013 annual rate of 9.4 percent. The area's 2014 annual rate dropped by six and eight-tenths percentage points from the recent high of 15.0 percent recorded in 2009, and was the lowest annual rate since 2007.

From 2013 to 2014, the number of unemployed in the region decreased by 26,000 or 13.6 percent, while total employment increased moderately by 10,000 or 0.5 percent. The net result for the Detroit MSA was a workforce reduction of 17,000 or 0.8 percent from 2013 to 2014. After posting the first annual labor force gains in the region in both 2012 and 2013 since 1999, 2014 continued the longer-term trend of workforce reductions.

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December Payroll Jobs Up Slightly

According to the monthly survey of employers, seasonally adjusted Michigan payroll jobs rose moderately in December by 5,000 to 4,170,000. Over-the-month payroll job changes were mostly minor throughout all industry sectors. In December, relatively modest job gains were posted in professional and business services (+3,000), construction (+2,000), and financial activities (+2,000). These increases were somewhat offset by a job reduction in trade, transportation and utilities (-4,000). The state's remaining major sectors reported either slight advances or essentially no change.

Industry Employment Trends and Highlights

- Michigan is poised in 2014 to record a fourth consecutive year of payroll job gains. Preliminary data indicate that job totals in 2014 rose by 34,000 or 0.8 percent above the 2013 level. Since 2010, payroll jobs in Michigan increased by 275,000 or 7.1 percent.
- Payroll job growth in Michigan was sluggish and essentially flat during the first five months of 2014. However from May through December, job growth accelerated with an average monthly gain of 7,000.
- December 2014 marked the fourth consecutive month of overall job gain in the state.
- Over the course of the last four months, professional and business services, manufacturing, and education and health services displayed the largest job growth among Michigan's major job sectors. Since August, these three major sectors combined for a 36,000 job increase.
- Jobs in retail trade declined slightly by 2,000 in December. However, retail trade job totals in Michigan over the holiday hiring season in 2014 (October through December) were at the same level posted over the same period in 2013. The fourth quarter statewide job total in retail trade for both years was 459,000.
- From December 2013 to December 2014, payroll jobs in Michigan increased by 44,000 or 1.1 percent. Over this period, the largest gains were recorded in professional and business services (+18,000), manufacturing (+10,000), education and health services (+8,000), and construction (+7,000). The largest job reduction since December 2013 was registered in government (-5,000).
- Seasonally adjusted average weekly hours and earnings of production workers in manufacturing increased over the month as well as over the year.

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MICHIGAN
Payroll Employment Estimates
Seasonally Adjusted
 (Data in Thousands)

	<u>December</u>	<u>November*</u>	<u>December**</u>	CHANGE***	
	<u>2013</u>	<u>2014</u>	<u>2014</u>	<u>MONTH</u>	<u>YEAR</u>
Total Nonfarm Payroll Jobs	4,126	4,166	4,170	5	44
Natural Resources & Mining	8	9	9	0	1
Construction	132	138	140	2	7
Manufacturing	565	575	575	0	10
Transportation Equipment	172	178	179	1	7
Trade, Transportation & Utilities	751	759	756	-4	5
Retail Trade	460	458	457	-2	-3
Information	56	56	56	0	0
Financial Activities	201	198	200	2	-2
Professional & Business Services	606	622	625	3	18
Education & Health Services	635	642	643	1	8
Leisure & Hospitality Services	400	401	402	0	2
Other Services	172	171	171	0	-1
Government	600	594	595	1	-5

* 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>2013</u>	<u>2014</u>	<u>2014</u>	<u>MONTH</u>	<u>YEAR</u>
Average Weekly Earnings	\$874.74	\$888.95	\$905.07	\$16.12	\$30.33
Average Weekly Hours	44.1	43.5	44.2	0.7	0.1

Transportation Equipment

Average Weekly Earnings	\$1,171.46	\$1,213.67	\$1,247.39	\$33.72	\$75.93
Average Weekly Hours	48.2	47.7	48.1	0.4	-0.1

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