



STATE OF MICHIGAN

DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET

LANSING

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Michigan's January Unemployment Rate Drops

Rate falls to 7.8 percent, lowest since May 2008

Lansing – Michigan's seasonally adjusted unemployment rate in January fell by a half percentage point to 7.8 percent, according to data released today by the Michigan Department of Technology, Management & Budget (DTMB). Total employment rose by 32,000 over the month and the number of unemployed declined by 20,000. The state's labor force increased by 11,000 in January.

The Michigan jobless rate in January 2014 was one and one-tenth percentage points below the state's January 2013 rate of 8.9 percent. The national jobless rate decreased by one and three-tenths percentage points over this period. The state's unemployment rate in January was one and two-tenths percentage points above the national rate of 6.6 percent. The U.S. jobless rate edged down over the month by one-tenth of a percentage point.

"Newly revised data indicate that unemployment in Michigan declined steadily in late 2013, and that continued in January 2014," said Jason Palmer, director of the Bureau of Labor Market Information and Strategic Initiatives. "Additionally, in 2013 the Michigan jobless rate dropped for the fourth consecutive year and payroll jobs rose for the third straight year."

Monthly Labor Force Trends & Highlights

- With the annual revision process, Michigan's 2013 annual unemployment rate was revised slightly upward by one-tenth of a percentage point to 8.8 percent. The 2013 annual rate declined by three-tenths of a percentage point from the 2012 annual rate of 9.1 percent.
- 2013 marked the fourth consecutive year that the state's annual unemployment rate decreased. From 2009 to 2013, Michigan's jobless rate fell by four and seven-tenths percentage points.
- Newly revised 2013 data indicated that Michigan's unemployment rate remained within the narrow band of 8.8 to 9.0 percent for the first nine months of the year. The state's rate trended downward during the last three months of 2013, and January 2014 was a continuation of this downward trend. The January 2014 jobless rate was the lowest for the state since May 2008.

- Since January 2013, total employment in Michigan increased by 52,000 or 1.2 percent, which was similar to the national rate of increase of 1.3 percent over the same period.
- From January 2013 to January 2014, the number of unemployed in the state fell by 50,000 or 12.0 percent.

Note: The data in this release reflects recently revised historical estimates. Seasonally adjusted labor force estimates for 2009-2013 for Michigan and for the Detroit-Warren-Livonia MSA were revised. Previously published data should be replaced with this new series. In addition, seasonally adjusted payroll job data was also revised for 2009-2013. For newly revised data, go to www.michigan.gov/lmi or contact DTMB at 313-456-3090.

MICHIGAN
Labor Force Estimates

Seasonally Adjusted
(Data in Thousands)

	January 2013	December 2013	January 2014	Change	
				Month	Year
Civilian Labor Force	4,696	4,687	4,698	11	2
Employment	4,279	4,299	4,331	32	52
Unemployment	417	387	367	-20	-50
Rate (Percent)	8.9	8.3	7.8	xxx	xxx

Detroit Metropolitan Area's January Unemployment Rate Falls

The Detroit-Warren-Livonia Metropolitan Statistical Area's (MSA's) seasonally adjusted unemployment rate in January declined over the month by five-tenths of a percentage point to 8.3 percent. In January, total employment increased by 14,000 and the number of unemployed decreased by 9,000. The metro region's labor force moved upward by 4,000 over the month. With the annual revision process, the Detroit-Warren-Livonia MSA 2013 annual unemployment rate was revised slightly downward by one-tenth of a percentage point to 9.4 percent. The area's 2012 rate was revised downward by two-tenths of a percentage point to 10.3 percent. The newly revised data for the metro region indicates that jobless rates were relatively flat in 2012, but trended downward throughout 2013.

From January 2013 to January 2014, the Detroit metropolitan area's jobless rate fell by one and six-tenths percentage points, which outpaced the decline nationally and statewide. Over that period, total employment rose by 38,000 or 2.1 percent and the number of unemployed dropped by 31,000 or 15.4 percent.

(more)

Detroit-Warren-Livonia MSA

Labor Force Estimates

Seasonally Adjusted
(Data in Thousands)

	January 2013	December 2013	January 2014	Change	
				Month	Year
Civilian Labor Force	2,029	2,031	2,035	4	6
Employment	1,828	1,852	1,866	14	38
Unemployment	201	179	170	-9	-31
Rate (Percent)	9.9	8.8	8.3	xxx	xxx

Payroll Jobs Edge Downward in January

According to the monthly survey of employers, seasonally adjusted Michigan payroll jobs declined in January by 8,000 to 4,119,000. Moderate reductions in January payroll jobs were recorded in trade, transportation and utilities (-4,000), government (-3,000), and other services (-2,000). Somewhat offsetting these declines were minor over-the-month job gains in professional and business services (+3,000) and construction (+2,000). The state's remaining major sectors reported only marginal changes in January.

Industry Employment Trends and Highlights

- Michigan recorded a third consecutive year of payroll job gains in 2013 after a full decade of annual job loss dating back to 2001. Newly revised data for 2013 and 2012 indicated that job totals in 2013 rose by 71,000 or 1.8 percent above the 2012 level. Michigan's percentage job gain in 2013 slightly outpaced the national increase of 1.7 percent over this period.
- The state's overall payroll job advance in 2013 was slightly below the increases posted in both 2012 (81,000 or 2.1%), and 2011 (89,000 or 2.3%). From 2010 to 2013, Michigan added 241,000 payroll jobs, displaying a three-year percentage gain of 6.2 percent.
- Education and health services registered its 15th consecutive annual job gain in 2013, rising by 5,000 or 0.8 percent over the 2012 level. However since early 2013, job levels in this sector have been flat.
- Jobs in professional and business services recorded a moderate gain in January 2014, continuing an upward trend that was shown throughout most of 2013. The vast majority of job gains within this sector over the past year have been recorded in the professional, scientific and technical services sub-sector.
- The over-the-month job reduction in trade, transportation and utilities was the first monthly loss since September. Even with the January decline, this sector has posted solid job gains over the year.
- From January 2013 to January 2014, payroll jobs in Michigan increased by 37,000 or 0.9 percent. Since January 2013, essentially all of the job advances in Michigan occurred in three sectors: manufacturing (+17,000), professional and business services (+14,000), and trade, transportation and utilities (+9,000). Nearly all of the state's remaining major job sectors were

little changed over this period, with the exception of government, which lost 5,000 jobs.

- Seasonally adjusted average weekly hours and earnings of production workers in manufacturing declined in January and over the year.

MICHIGAN
Payroll Employment Estimates

Seasonally Adjusted

(Data in Thousands)

	<u>January*</u>	<u>December*</u>	<u>January**</u>	CHANGE***	
	<u>2013</u>	<u>2013</u>	<u>2014</u>	<u>MONTH</u>	<u>YEAR</u>
Total Nonfarm Payroll Jobs	4081	4126	4119	-8	37
Natural Resources & Mining	8	8	8	0	0
Construction	133	132	134	2	1
Manufacturing	547	565	564	-1	17
Transportation Equipment	161	172	172	0	11
Trade, Transportation & Utilities	738	751	746	-4	9
Retail Trade	452	460	454	-6	2
Information	54	56	56	0	2
Financial Activities	201	201	200	-1	-1
Professional & Business Services	594	606	609	3	14
Education & Health Services	636	635	636	1	0
Leisure & Hospitality Services	398	400	400	1	2
Other Services	171	172	169	-2	-2
Government	602	600	597	-3	-5

* Revised data for January 2013 and December 2013

** Preliminary data for January 2014

*** Change calculated using unrounded data

Hours & Earnings for Production Workers

Seasonally Adjusted

Manufacturing

	<u>January</u>	<u>December</u>	<u>January</u>	CHANGE	
	<u>2013</u>	<u>2013</u>	<u>2014</u>	<u>MONTH</u>	<u>YEAR</u>
Average Weekly Earnings	\$904.77	\$874.74	\$857.09	-\$17.65	-\$47.68
Average Weekly Hours	44.1	44.1	42.9	-1.2	-1.2

Transportation Equipment

Average Weekly Earnings	\$1,232.69	\$1,171.46	\$1,095.95	-\$75.51	-\$136.74
Average Weekly Hours	47.0	48.2	44.7	-3.5	-2.3

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