



STATE OF MICHIGAN

DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET

LANSING

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FOR IMMEDIATE RELEASE

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Michigan's October Unemployment Rate Edges Down

Lansing – Michigan's seasonally adjusted unemployment rate in October edged downward by one-tenth of a percentage point to 7.1 percent, according to data released today by the Michigan Department of Technology, Management & Budget (DTMB). Total employment rose by 13,000 over the month while the number of unemployed fell by 8,000. The net impact was a 5,000 increase in the state's labor force in October.

The Michigan jobless rate in October 2014 was one and a half percentage points below the state's October 2013 rate of 8.6 percent. The national jobless rate decreased by a similar one and four-tenths percentage points over this period. The state's unemployment rate in October was one and three-tenths percentage points above the national rate of 5.8 percent. The U.S. jobless rate edged down by one-tenth of a percentage point in October.

"October displayed a good combination of job growth in several industry sectors and a small drop in the state unemployment rate," said Jason Palmer, director of the Bureau of Labor Market Information and Strategic Initiatives. "Payroll jobs in Michigan have increased in five of the last six months."

Monthly Labor Force Trends & Highlights

- Michigan's unemployment rate declined for the third consecutive month, and was the lowest for the state so far in 2014.
- October's 7.1 percent jobless rate was the lowest in Michigan since the January through March 2008 period, and closely matched pre-recession rates from 2003 to 2007. However, Michigan employment remains far below pre-recession levels.
- Recent advances in Michigan's workforce levels have pushed the state's over-the-year labor force increase to 39,000 or 0.8 percent. Earlier in 2014, the state's over-the-year gains were averaging around 0.4 percent.
- From October 2013 to October 2014, the number of unemployed in Michigan fell by 71,000 or 17.5 percent, which was slightly less than the national reduction of 19.3 percent over the same period.

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MICHIGAN
Labor Force Estimates
 Seasonally Adjusted
 (Data in Thousands)

	October 2013	September 2014	October 2014	Change	
				Month	Year
Civilian Labor Force	4,699	4,733	4,738	5	39
Employment	4,293	4,390	4,403	13	110
Unemployment	406	343	335	-8	-71
Rate (Percent)	8.6	7.2	7.1	xxx	xxx

Detroit Metropolitan Area's October Jobless Rate Unchanged

The Detroit-Warren-Livonia Metropolitan Statistical Area's (MSA's) seasonally adjusted unemployment rate in October was 8.3 percent, unchanged from September. In October, the area's total employment level advanced by 7,000 while the number of unemployed edged down slightly by 1,000. The metro region's workforce increased by 7,000 over the month. The metro area's jobless rates in 2014 have ranged from 8.1 to 8.4 percent for nine of the first ten months of the year, and the October rate matches the area's 2014 average rate. The over-the-month gain in the region's labor force was the largest monthly advance in 2014. The area's monthly workforce levels in 2014 have generally trended downward.

From October 2013 to October 2014, the Detroit metropolitan area's jobless rate declined moderately by eight-tenths of a percentage point. Over that period, the region's labor force recorded a reduction of 21,000 or 1.0 percent. Since October 2013, the number of unemployed decreased by 20,000 or 10.8 percent.

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

	October 2013	September 2014	October 2014	Change	
				Month	Year
Civilian Labor Force	2,034	2,006	2,013	7	-21
Employment	1,848	1,839	1,846	7	-2
Unemployment	186	167	166	-1	-20
Rate (Percent)	9.1	8.3	8.3	xxx	xxx

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Gains in Professional and Business Services Boost October Payroll Jobs

According to the monthly survey of employers, seasonally adjusted Michigan payroll jobs advanced in October by 7,000 to total 4,150,000. October job gains were led by an increase in professional and business services (+6,000). Lesser job increases were recorded in trade, transportation and utilities (+3,000), and education and health services (+2,000). Minor over-the-month job reductions were posted in leisure and hospitality services (-2,000), and construction (-2,000). The state's remaining major sectors registered only small changes over the month.

Industry Employment Trends and Highlights

- Payroll jobs in Michigan rose for the second consecutive month in October to post the second highest statewide job total of the year. July's payroll job count of 4,153,000 was the 2014 peak so far.
- The October gain in professional and business services pushed the job total in this sector to its highest level in 2014.
- Jobs in retail trade rose in October by 4,000 to reach the largest total in 2014. This sector's job growth throughout most of 2014 had been modest.
- Although construction jobs recorded a decline over the month, construction continues to show fairly strong growth over the year. Since October 2013, construction jobs in Michigan registered a 4,000 or 3.3 percent gain, which is the second highest percentage increase of any major sector in the state over that period.
- After recording job reductions for most of the first half of 2014, the financial activities sector in Michigan has been stable since May. However, this sector continues to report a job decline since October 2013.
- From October 2013 to October 2014, payroll jobs in Michigan increased by 26,000 or 0.6 percent. Since October 2013, the majority of statewide job growth occurred in trade, transportation and utilities (+11,000), manufacturing (+8,000), and professional and business services (+7,000).
- Seasonally adjusted average weekly hours and earnings of production workers in manufacturing declined over the month, but were little changed over the year.

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MICHIGAN
Payroll Employment Estimates
Seasonally Adjusted
 (Data in Thousands)

	<u>October</u> <u>2013</u>	<u>September*</u> <u>2014</u>	<u>October**</u> <u>2014</u>	CHANGE***	
				<u>MONTH</u>	<u>YEAR</u>
Total Nonfarm Payroll Jobs	4,124	4,143	4,150	7	26
Natural Resources & Mining	8	9	9	0	1
Construction	132	138	136	-2	4
Manufacturing	561	568	570	1	8
Transportation Equipment	171	172	173	2	2
Trade, Transportation & Utilities	748	757	760	3	11
Retail Trade	459	457	461	4	2
Information	56	57	56	-1	0
Financial Activities	202	198	198	0	-4
Professional & Business Services	607	609	615	6	7
Education & Health Services	637	637	639	2	2
Leisure & Hospitality Services	402	403	401	-2	-1
Other Services	172	170	170	0	-2
Government	599	596	596	0	-3

* Final data for September

** Preliminary data for October

*** Change calculated using unrounded data

Hours & Earnings for Production Workers
Seasonally Adjusted

Manufacturing

	<u>October</u> <u>2013</u>	<u>September</u> <u>2014</u>	<u>October</u> <u>2014</u>	CHANGE	
				<u>MONTH</u>	<u>YEAR</u>
Average Weekly Earnings	\$874.01	\$892.57	\$874.70	-\$17.87	\$0.69
Average Weekly Hours	43.6	43.7	43.1	-0.6	-0.5

Transportation Equipment

Average Weekly Earnings	\$1,143.85	\$1,197.49	\$1,163.96	-\$33.53	\$20.11
Average Weekly Hours	45.8	47.6	47.4	-0.2	1.6

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