



STATE OF MICHIGAN

DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET

LANSING

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Michigan's July Jobless Rate Declines

State Rate Matches U.S.

Lansing – Michigan's seasonally adjusted unemployment rate in July edged down over the month by two-tenths of a percentage point to 5.3 percent, according to data released today by the Michigan Department of Technology, Management & Budget (DTMB). The number of unemployed decreased in July by 12,000 while total employment was unchanged. The net result was a 12,000 reduction in Michigan's workforce.

The Michigan jobless rate in July 2015 was one and seven-tenths percentage points below the state's July 2014 rate of 7.0 percent. The national jobless rate decreased by nine-tenths of a percentage point over this period. The state's July unemployment rate matched the national rate. The U.S. jobless rate was unchanged from June to July.

"Michigan's labor market has displayed consistent recent job gains, and has outpaced the national growth rate in payroll jobs so far in 2015," said Jason Palmer, director of the Bureau of Labor Market Information and Strategic Initiatives. "The reduction in the state's July jobless rate was primarily due to a minor decline in the number of individuals actively seeking work."

Monthly Labor Force Trends & Highlights

- Michigan's unemployment rate in 2015 has declined every month with the exception of June (June's rate was unchanged from the May rate).
- From December 2014 through July 2015, total employment in the state rose by 37,000 or 0.8 percent. The 2015 gain lags behind the advance that occurred in the same period in 2014. From December 2013 to July 2014, total employment in Michigan rose by 52,000 or 1.2 percent.
- For the first five months of 2015, Michigan's monthly workforce levels were relatively flat and similar to the 2014 totals. However, the June and July counts have fallen moderately. Over the year, the state's labor force recorded a reduction of 18,000 or 0.4 percent.
- From July 2014 to July 2015, the number of unemployed in the state fell by 81,000 or 24.5 percent, which well outpaced the 14.3 percent drop nationally.

- Since July 2014, total employment in Michigan increased by 63,000 or 1.4 percent, somewhat less than the 1.7 percent gain nationally over the same period.

MICHIGAN
Labor Force Estimates
Seasonally Adjusted
(Data in Thousands)

	July 2014	June 2015	July 2015	Change	
				Month	Year
Civilian Labor Force	4,746	4,740	4,728	-12	-18
Employment	4,416	4,479	4,479	0	63
Unemployment	330	261	249	-12	-81
Rate (Percent)	7.0	5.5	5.3	xxx	xxx

Detroit Metropolitan Area's July Jobless Rate Continues Downward Trend

The Detroit-Warren-Dearborn Metropolitan Statistical Area's (MSA's) seasonally adjusted unemployment rate in July declined by three-tenths of a percentage point to 5.8 percent. In 2015, the Detroit metro area's jobless rate reduction has outpaced the state's decline. From December 2014 to July 2015, the Detroit MSA rate fell by 1.9 percentage points, while Michigan's rate was down by 1.1 percentage points. The half percentage point difference between the MSA's rate and the state's rate in July was the closest between the two area's rates since January 2009. In July, the area's total employment level increased by 6,000 while the number of unemployed declined by 7,000. After a number of monthly workforce reductions early in 2015, the region's labor force has been little changed since May.

From July 2014 to July 2015, the Detroit metropolitan area's jobless rate fell by two and a half percentage points. Over that period, total employment rose by 27,000 or 1.5 percent in the region while the number of unemployed dropped by 53,000 or 31.5 percent. Since July 2014, the metro area recorded a workforce reduction of 26,000 or 1.3 percent.

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

	July 2014	June 2015	July 2015	Change	
				Month	Year
Civilian Labor Force	2,018	1,993	1,992	-1	-26
Employment	1,850	1,871	1,877	6	27
Unemployment	168	122	115	-7	-53
Rate (Percent)	8.3	6.1	5.8	xxx	xxx

(more)

July Payroll Jobs Advance

According to the monthly survey of employers, seasonally adjusted Michigan payroll jobs increased in July by 9,000 to 4,279,000. Payroll job growth in July was led by an 8,000 gain in professional and business services. Lesser job advances over the month were posted in education and health services (+2,000), and manufacturing (+2,000). In July, minor payroll job reductions were recorded in trade, transportation and utilities (-2,000), and construction (-2,000). The state's remaining major industry sectors were little changed over the month.

Industry Employment Trends and Highlights

- The statewide payroll job total for July was the highest level posted so far in 2015, which was 3,000 above the previous high registered in May.
- Payroll jobs in Michigan rose in six of the first seven months of 2015. Job gains have averaged about 9,000 per month in 2015.
- The job gain in professional and business services in July was the second consecutive significant monthly increase in this job category after remaining relatively flat from January through May.
- The over-the-month job gain in education and health services continued an upward trend in this sector recorded throughout the majority of months in 2015.
- Although jobs in construction fell slightly over the month, the July total remained essentially the same as the April and May totals. Construction jobs in Michigan rose substantially in 2015, and have recorded the largest percentage job gain among the state's other major industry sectors. From July 2014 to July 2015, construction jobs in Michigan advanced by 8.7 percent.
- The relatively minor July job reduction in trade, transportation and utilities placed the July job level very close to this sector's 2015 average count. Jobs in trade, transportation and utilities have been fairly flat in 2015, however job totals since July 2014 are up 7,000 or 0.9 percent.
- From July 2014 to July 2015, payroll jobs in Michigan increased by 96,000 or 2.3 percent, which slightly outpaced the national over-the-year percentage job gain of 2.1 percent.
- Since July 2014, 88 percent of Michigan's overall payroll job growth occurred in four of the state's 11 major industry sectors. Professional and business services, manufacturing, education and health services, and construction combined for an addition of 84,000 jobs in the state from July 2014 to July 2015.
- Seasonally adjusted average weekly hours and earnings of production workers in manufacturing decreased over the month. Over the year, earnings rose, but hours were slightly down.

MICHIGAN
Payroll Employment Estimates
Seasonally Adjusted
 (Data in Thousands)

	<u>July</u> 2014	<u>June*</u> 2015	<u>July**</u> 2015	CHANGE***	
				<u>MONTH</u>	<u>YEAR</u>
Total Nonfarm Payroll Jobs	4,184	4,271	4,279	9	96
Natural Resources & Mining	8	8	8	0	0
Construction	143	156	155	-2	12
Manufacturing	576	597	598	2	22
Transportation Equipment	181	191	191	0	10
Trade, Transportation & Utilities	756	765	763	-2	7
Retail Trade	459	464	463	0	4
Information	58	56	55	0	-2
Financial Activities	205	210	211	1	7
Professional & Business Services	621	643	651	8	30
Education & Health Services	642	661	662	2	20
Leisure & Hospitality Services	408	416	416	-1	8
Other Services	171	171	171	0	0
Government	597	588	588	0	-8

* Final data for June

** Preliminary data for July

*** Change calculated using unrounded data

Hours & Earnings for Production Workers

Seasonally Adjusted

Manufacturing

	<u>July</u> 2014	<u>June</u> 2015	<u>July</u> 2015	CHANGE	
				<u>MONTH</u>	<u>YEAR</u>
Average Weekly Earnings	\$915.54	\$945.03	\$924.66	-\$20.37	\$9.12
Average Weekly Hours	44.4	45.3	44.2	-1.1	-0.2

Transportation Equipment

Average Weekly Earnings	\$1,250.29	\$1,277.22	\$1,270.14	-\$7.08	\$19.85
Average Weekly Hours	49.3	50.8	50.2	-0.6	0.9

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