



STATE OF MICHIGAN

DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET

LANSING

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## FOR IMMEDIATE RELEASE

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### **Michigan's July Unemployment Rate Moves Upward**

*Payroll Jobs Advance for Third Consecutive Month*

*Lansing* – Michigan's seasonally adjusted unemployment rate in July increased over the month by two-tenths of a percentage point to 7.7 percent, according to data released today by the Michigan Department of Technology, Management & Budget (DTMB). Total employment declined by 7,000 in July as the number of unemployed rose by 7,000, leaving the state's labor force unchanged over the month.

The Michigan jobless rate in July 2014 was one and three-tenths percentage points below the state's July 2013 rate of 9.0 percent. The national jobless rate decreased by one and one-tenth percentage points over this period. The state's unemployment rate in July was one and a half percentage points above the national rate of 6.2 percent. The U.S. jobless rate edged upward by one-tenth of a percentage point from June to July.

"The state's jobless rate has remained around the mid-seven percent range throughout most of 2014," said Jason Palmer, director of the Bureau of Labor Market Information and Strategic Initiatives. "However, Michigan payroll jobs have recorded strong gains over the last three months, and now show a solid 1.4 percent growth rate over the year."

#### ***Monthly Labor Force Trends & Highlights***

- July marked the second minor monthly jobless rate hike in Michigan in 2014 (May's rate increased slightly). The state's rates in 2014 remain well below rates posted in 2013.
- July's unemployment rate was very similar to Michigan's 2014 seven-month average rate of 7.6 percent. The state's 2013 annual average rate was 8.8 percent.
- After several months of strong growth early in 2014, Michigan's workforce level has essentially flattened out since April. However, the state's labor force increased by 26,000 or 0.6 percent since July 2013.
- Since July 2013, total employment rose in Michigan by 87,000 or 2.0 percent while the number of unemployed fell by 60,000 or 14.2 percent. Michigan's total employment gain over the year outpaced the national advance of 1.4 percent; while the state's unemployment reduction was slightly less than the U.S. decline of 15.2 percent.

**MICHIGAN  
Labor Force Estimates**

Seasonally Adjusted  
(Data in Thousands)

	July 2013	June 2014	July 2014	Change	
				Month	Year
Civilian Labor Force	4,718	4,744	4,744	0	26
Employment	4,293	4,387	4,380	-7	87
Unemployment	424	357	364	7	-60
Rate (Percent)	9.0	7.5	7.7	xxx	xxx

***Detroit Metropolitan Area's July Jobless Rate Increases***

The Detroit-Warren-Livonia Metropolitan Statistical Area's (MSA's) seasonally adjusted unemployment rate in July rose by three-tenths of a percentage point to 8.7 percent. Over the month, total employment decreased by 3,000 and the number of unemployed advanced by 5,000. The July jobless rate was the highest for the area since the December 2013 rate of 8.8 percent, and was the third consecutive monthly rate advance. Since April, the metro area's unemployment rate rose by six-tenths of a percentage point as the number of unemployed increased by 10,000.

From July 2013 to July 2014, the Detroit metropolitan area's jobless rate declined by eight-tenths of a percentage point. Over that period, the region's labor force recorded a 21,000 or 1.0 percent reduction. Since July 2013, the number of unemployed fell by 18,000 or 9.3 percent, however the area's total employment level also decreased, showing a minor loss of 2,000 or 0.1 percent.

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

Seasonally Adjusted  
(Data in Thousands)

	July 2013	June 2014	July 2014	Change	
				Month	Year
Civilian Labor Force	2,036	2,014	2,015	1	-21
Employment	1,843	1,844	1,841	-3	-2
Unemployment	193	170	175	5	-18
Rate (Percent)	9.5	8.4	8.7	xxx	xxx

(more)

### ***Widespread Gains in July Payroll Jobs***

According to the monthly survey of employers, seasonally adjusted Michigan payroll jobs rose in July by 18,000 to total 4,162,000. July payroll job advances were broad based throughout most of the state's major industry sectors. The largest over-the-month gains were posted in leisure and hospitality services (+4,000), manufacturing (+4,000), education and health services (+3,000), and trade, transportation and utilities (+3,000). The state's remaining major sectors recorded mostly minor changes in July.

### ***Industry Employment Trends and Highlights***

- After a very sluggish start to 2014, payroll jobs in the state have rebounded in mid-year to the highest levels since summer 2008.
- July marked the third consecutive month of payroll job gains in Michigan. Job advances over this period averaged 18,000 per month.
- Four major sectors have been the main drivers for the payroll job resurgence in Michigan since April. Manufacturing, trade, transportation and utilities, education and health services, and leisure and hospitality services have all shown consecutive monthly job gains since April.
- Payroll jobs rose slightly by 2,000 over the month in professional and business services. This sector has recorded job increases for two months in a row, and has more than made up for a very sluggish performance from February through May.
- Government jobs declined slightly over the month by 2,000; however after many years of consistent job loss (since 2003), the sector has stabilized in 2014. Since July 2013, government jobs increased marginally by 1,000.
- From July 2013 to July 2014, payroll jobs in Michigan increased by 59,000 or 1.4 percent. Since July 2013, job growth in the state was predominantly recorded in four major sectors: manufacturing (+17,000), trade, transportation and utilities (+16,000), leisure and hospitality services (+14,000), and professional and business services (+10,000).
- Seasonally adjusted average weekly hours and earnings of production workers in manufacturing were little changed over the month, but showed increases over the year.

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**MICHIGAN**  
**Payroll Employment Estimates**

*Seasonally Adjusted*

(Data in Thousands)

	<u>July</u> 2013	<u>June*</u> 2014	<u>July**</u> 2014	CHANGE***	
				<u>MONTH</u>	<u>YEAR</u>
Total Nonfarm Payroll Jobs	4,102	4,144	4,162	18	59
Natural Resources & Mining	8	8	9	0	1
Construction	132	135	137	1	4
Manufacturing	554	567	572	4	17
Transportation Equipment	166	176	174	-1	9
Trade, Transportation & Utilities	745	757	761	3	16
Retail Trade	457	459	460	1	3
Information	56	57	58	1	2
Financial Activities	203	197	199	1	-5
Professional & Business Services	599	607	609	2	10
Education & Health Services	638	638	641	3	3
Leisure & Hospitality Services	397	406	411	4	14
Other Services	172	169	168	-1	-4
Government	599	601	600	-2	1

\* Final data for June

\*\* Preliminary data for July

\*\*\* Change calculated using unrounded data

**Hours & Earnings for Production Workers**

*Seasonally Adjusted*

**Manufacturing**

	<u>July</u> 2013	<u>June</u> 2014	<u>July</u> 2014	CHANGE	
				<u>MONTH</u>	<u>YEAR</u>
Average Weekly Earnings	\$870.43	\$915.70	\$912.63	-\$3.07	\$42.20
Average Weekly Hours	43.3	44.3	44.4	0.1	1.1

**Transportation Equipment**

Average Weekly Earnings	\$1,125.73	\$1,249.08	\$1,194.51	-\$54.57	\$68.78
Average Weekly Hours	45.3	49.2	49.0	-0.2	3.7

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