



STATE OF MICHIGAN

DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET

LANSING

RICK SNYDER
GOVERNOR

DAVID B. BEHEN
DIRECTOR

FOR IMMEDIATE RELEASE

Date: June 18, 2014

Contact: Kurt Weiss, 517-335-0050

Michigan's May Unemployment Rate Edges Upward

Lansing – Michigan's seasonally adjusted unemployment rate in May edged upward slightly over the month by one-tenth of a percentage point to 7.5 percent, according to data released today by the Michigan Department of Technology, Management & Budget (DTMB). Total employment, the number of unemployed, and the state's labor force were little changed from April to May.

The Michigan jobless rate in May 2014 was one and four-tenths percentage points below the state's May 2013 rate of 8.9 percent. The national jobless rate decreased by one and two-tenths percentage points over this period. The state's unemployment rate in May was one and two-tenths percentage points above the national rate of 6.3 percent. The U.S. jobless was unchanged from April to May.

"After a sluggish start in early 2014, Michigan payroll jobs rebounded in May to late 2013 levels, which were recent highs" said Jason Palmer, director of the Bureau of Labor Market Information and Strategic Initiatives. "Despite May's slight jobless rate uptick, Michigan's unemployment rate remains well below 2013 levels."

Monthly Labor Force Trends & Highlights

- Michigan's small jobless rate increase in May was the first monthly rate advance since July 2013.
- The state's average unemployment rate for the first five months in 2014 was 7.6 percent, well below Michigan's 2013 annual rate of 8.8 percent.
- Michigan's labor force grew by 25,000 or 0.5 percent since May 2013.
- The state's total employment level increased by 89,000 or 2.1 percent from May 2013 to May 2014, outpacing the national growth rate of 1.3 percent.
- From May 2013 to May 2014, the number of unemployed in Michigan fell by 15.3 percent, slightly less than the U.S. reduction of 16.2 percent over the same period.

(more)

MICHIGAN
Labor Force Estimates
 Seasonally Adjusted
 (Data in Thousands)

	May 2013	April 2014	May 2014	Change	
				Month	Year
Civilian Labor Force	4,718	4,740	4,743	3	25
Employment	4,300	4,388	4,389	1	89
Unemployment	418	352	354	2	-64
Rate (Percent)	8.9	7.4	7.5	xxx	xxx

Detroit Metropolitan Area's May Jobless Rate Increases Slightly

The Detroit-Warren-Livonia Metropolitan Statistical Areas (MSA's) seasonally adjusted unemployment rate in May rose slightly by one-tenth of a percentage point to 8.2 percent. In May, total employment declined by 11,000, but the number of unemployed was essentially unchanged. The net result was a 10,000 over-the-month reduction in the area's labor force. The metro area's total employment level has been very sluggish so far in 2014, with essentially no net growth through May. Through the first five months of 2014, the Detroit MSA's workforce level has declined moderately by 13,000 or 0.6 percent. The area's May jobless rate matched its 2014 year-to-date average rate of 8.2 percent.

From May 2013 to May 2014, the Detroit metropolitan area's jobless rate fell by one and two-tenths percentage points. Over that period, total employment moved upward by 10,000 or 0.5 percent, however the number of unemployed fell by 27,000 or 14.1 percent. Since May 2013, the region's workforce recorded a decline of 16,000 or 0.8 percent.

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

	May 2013	April 2014	May 2014	Change	
				Month	Year
Civilian Labor Force	2,034	2,028	2,018	-10	-16
Employment	1,842	1,863	1,852	-11	10
Unemployment	192	165	165	0	-27
Rate (Percent)	9.4	8.1	8.2	xxx	xxx

(more)

Broad Based Gains in May Payroll Jobs

According to the monthly survey of employers, seasonally adjusted Michigan payroll jobs rose in May by 17,000 to total 4,125,000. Payroll jobs advanced over the month in a number of the state's major industry sectors including manufacturing (+5,000), leisure and hospitality services (+5,000), trade, transportation and utilities (+4,000), government (+4,000), and other services (+3,000). The only notable job reduction in May was in financial activities (-3,000). The state's remaining major sectors recorded little change in May.

Industry Employment Trends and Highlights

- May's payroll job gain was the second monthly increase in 2014, and was by far the largest.
- The overall jump in May placed Michigan's job count at a level very similar to the totals recorded in the last quarter of 2013, which were the highest job totals posted for the state since September 2008.
- The manufacturing job gain in May reflected partial recalls from short-term April layoffs in the auto industry.
- The over-the-month job loss in Michigan's financial activities sector continued a downward trend in this sector seen since the fall of 2013. This category has recorded the largest over-the-year job decline of any major sector in the state.
- Jobs in trade, transportation and utilities rose in May for the third consecutive month, continuing an upward trend displayed throughout 2013 into 2014.
- From May 2013 to May 2014, payroll jobs in Michigan increased by 23,000 or 0.6 percent. Over that period, gains in trade, transportation and utilities (+11,000), manufacturing (+8,000), leisure and hospitality services (+6,000), and construction (+5,000) accounted for the bulk of over-the-year job growth.
- Seasonally adjusted average weekly hours and earnings of production workers in manufacturing increased over the month as well as over the year.

(more)

MICHIGAN
Payroll Employment Estimates

Seasonally Adjusted

(Data in Thousands)

	<u>May</u>	<u>April*</u>	<u>May**</u>	CHANGE***	
	<u>2013</u>	<u>2014</u>	<u>2014</u>	<u>MONTH</u>	<u>YEAR</u>
Total Nonfarm Payroll Jobs	4,102	4,108	4,125	17	23
Natural Resources & Mining	8	8	9	0	1
Construction	132	137	137	-1	5
Manufacturing	552	556	561	5	8
Transportation Equipment	165	165	168	3	3
Trade, Transportation & Utilities	742	749	753	4	11
Retail Trade	454	455	458	2	4
Information	55	56	56	0	1
Financial Activities	202	200	197	-3	-5
Professional & Business Services	601	602	602	-1	0
Education & Health Services	639	635	636	1	-3
Leisure & Hospitality Services	397	399	404	5	6
Other Services	171	168	171	3	0
Government	601	598	602	4	0

* Final data for April

** Preliminary data for May

*** Change calculated using unrounded data

Hours & Earnings for Production Workers

Seasonally Adjusted

Manufacturing

	<u>May</u>	<u>April</u>	<u>May</u>	CHANGE	
	<u>2013</u>	<u>2014</u>	<u>2014</u>	<u>MONTH</u>	<u>YEAR</u>
Average Weekly Earnings	\$871.98	\$890.18	\$928.42	\$38.24	\$56.44
Average Weekly Hours	43.3	43.8	44.6	0.8	1.3

Transportation Equipment

Average Weekly Earnings	\$1,136.13	\$1,200.86	\$1,296.91	\$96.05	\$160.78
Average Weekly Hours	44.3	49.4	50.1	0.7	5.8

###