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Michigan's October Unemployment Rate Falls

Lansing – Michigan's seasonally adjusted unemployment rate in October fell by five-tenths of a percentage point to 10.6 percent, according to data released today by the Michigan Department of Technology, Management & Budget (DTMB). The number of unemployed in the state decreased by 24,000 over the month, while total employment increased moderately by 8,000. Michigan's work force recorded a net decline of 17,000 in October.

The Michigan jobless rate in October 2011 was a full percentage point below the October 2010 rate of 11.6 percent. The national jobless rate decreased by seven-tenths of a percentage point over this period.

"Unemployment in Michigan fell in October, with a slight net job gain," said Rick Waclawek, director of the Bureau of Labor Market Information and Strategic Initiatives. "The jobless rate decline over the month was due primarily to a reduction in the number of unemployed individuals actively seeking employment."

Monthly Labor Force Trends & Highlights

- Michigan's jobless rate declined for the second consecutive month in October, countering an upward trend that occurred from May through August. In that period, the state's rate rose by a full percentage point. Since August, Michigan's rate edged down by six-tenths of a percentage point.
- Through the first ten months of the year, Michigan's 2011 average jobless rate stood at 10.6 percent.
- Michigan's labor force decreased again in October, marking the seventh consecutive monthly drop dating back to April. Since March, the state's workforce has fallen by 70,000 or 1.5 percent.
- After declining for five months in mid-2011, total employment has edged up slightly in Michigan over the last two months.
- From October 2010 to October 2011, the number of unemployed fell by ten percent in Michigan. Nationally, unemployment decreased by seven percent over the same period.

(more)

**MICHIGAN
Labor Force Estimates**

Seasonally Adjusted
(Data in Thousands)

| | October 2010 | September 2011 | October 2011 | Change | |
|----------------------|-----------------|-------------------|-----------------|--------|------|
| | | | | Month | Year |
| Civilian Labor Force | 4,762 | 4,692 | 4,675 | -17 | -87 |
| Employment | 4,208 | 4,171 | 4,179 | 8 | -29 |
| Unemployment | 554 | 520 | 496 | -24 | -58 |
| Rate (Percent) | 11.6 | 11.1 | 10.6 | xxx | xxx |

Detroit Metropolitan Area's October Jobless Rate Drops

The Detroit-Warren-Livonia Metropolitan Statistical Area's (MSA's) seasonally adjusted unemployment rate fell in October by six-tenths of a percentage point to 12.1 percent. This marked the lowest jobless rate for the area since June. Over the month, total employment advanced by 11,000 while the number of unemployed fell by 12,000. The metro area's work force was essentially flat in October. After a number of monthly declines in early to mid-2011, the region's workforce has stabilized.

From October 2010 to October 2011, the Detroit metropolitan area's jobless rate edged down by half of a percentage point. In that period, the area's labor force fell by 30,000 or 1.5 percent and total employment declined by 16,000 or 0.9 percent. The metro area's unemployment level decreased since October 2010 by 14,000 or 5.4 percent.

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

Seasonally Adjusted
(Data in Thousands)

| | October 2010 | September 2011 | October 2011 | Change | |
|----------------------|-----------------|-------------------|-----------------|--------|------|
| | | | | Month | Year |
| Civilian Labor Force | 2,054 | 2,025 | 2,024 | -1 | -30 |
| Employment | 1,795 | 1,768 | 1,779 | 11 | -16 |
| Unemployment | 259 | 257 | 245 | -12 | -14 |
| Rate (Percent) | 12.6 | 12.7 | 12.1 | xxx | xxx |

(more)

October Payroll Jobs Flat

According to the monthly survey of employers, seasonally adjusted Michigan payroll jobs were little changed in October, edging upward by 2,000 to 3,926,000. Manufacturing (+4,000), professional and business services (+3,000), and leisure and hospitality services (+3,000) recorded the only notable gains in October. Government (-4,000), and construction (-4,000) posted the largest job reductions over the month. The state's remaining major industry sectors recorded only minor changes of 2,000 or less in October.

Industry Employment Trends and Highlights

- Payroll jobs in Michigan so far in 2011 have been very stable. Since January 2011, the state's overall job count increased moderately by 12,000 or 0.3 percent.
- October marked the third consecutive monthly decline in government jobs, and the continuation of a trend that has generally occurred throughout 2011. Since January, government jobs were down by 11,000 or 1.7 percent. The largest portion of this reduction occurred at the local level.
- After recording monthly gains from May through August, construction jobs have fallen for two months in a row. However, this sector has shown an advance of 5,000 jobs over the year.
- Professional and business service jobs slumped somewhat in the summer, but have displayed minor monthly gains since August.
- Manufacturing jobs increased moderately from September to October, but for the most part have been flat throughout 2011. Since January, manufacturing jobs have edged upward by only 2,000.
- Since October 2010, payroll jobs in Michigan rose by 49,000 or 1.3 percent. Over this period, most of the state's major sectors recorded respectable gains or were steady. Government has been the exception, with this sector posting the only significant job losses over the year.
- Seasonally adjusted average weekly hours and earnings of production workers in manufacturing decreased over the month, as well as over the year.

(more)

MICHIGAN
Payroll Employment Estimates
Seasonally Adjusted
 (Data in Thousands)

| | <u>October</u> | <u>September*</u> | <u>October**</u> | CHANGE*** | |
|-----------------------------------|----------------|-------------------|------------------|--------------|-------------|
| | <u>2010</u> | <u>2011</u> | <u>2011</u> | <u>MONTH</u> | <u>YEAR</u> |
| Total Nonfarm Payroll Jobs | 3877 | 3924 | 3926 | 2 | 49 |
| Natural Resources & Mining | 7 | 8 | 8 | 0 | 1 |
| Construction | 122 | 130 | 126 | -4 | 5 |
| Manufacturing | 479 | 496 | 500 | 4 | 21 |
| Transportation Equipment | 136 | 132 | 139 | 7 | 3 |
| Trade, Transportation & Utilities | 712 | 714 | 712 | -2 | 0 |
| Retail Trade | 447 | 445 | 442 | -3 | -5 |
| Information | 55 | 54 | 55 | 1 | -1 |
| Financial Activities | 187 | 189 | 189 | 0 | 2 |
| Professional & Business Services | 525 | 542 | 544 | 3 | 19 |
| Education & Health Services | 624 | 640 | 639 | -1 | 15 |
| Leisure & Hospitality Services | 371 | 365 | 369 | 3 | -3 |
| Other Services | 167 | 168 | 170 | 2 | 3 |
| Government | 627 | 619 | 614 | -4 | -13 |

* 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>September</u> | <u>October</u> | CHANGE | |
|-------------------------|----------------|------------------|----------------|--------------|-------------|
| | <u>2010</u> | <u>2011</u> | <u>2011</u> | <u>MONTH</u> | <u>YEAR</u> |
| Average Weekly Earnings | \$958.84 | \$904.63 | \$896.05 | -\$8.58 | -\$62.79 |
| Average Weekly Hours | 44.2 | 44.1 | 43.1 | -1.0 | -1.1 |

Transportation Equipment

| | | | | | |
|-------------------------|------------|------------|------------|----------|----------|
| Average Weekly Earnings | \$1,282.31 | \$1,267.18 | \$1,224.20 | -\$42.98 | -\$58.11 |
| Average Weekly Hours | 45.0 | 44.7 | 43.4 | -1.3 | -1.6 |

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