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Michigan's October Unemployment Rate Decreases

State's Labor Force Level Reaches 2012 Peak

Lansing – Michigan's seasonally adjusted unemployment rate in October declined over the month by two-tenths of a percentage point to 9.1 percent, according to data released today by the Michigan Department of Technology, Management & Budget (DTMB). Total employment in Michigan rose by 13,000 in October, while the number of unemployed decreased by 5,000. The state's labor force grew by 7,000 over the month.

The Michigan jobless rate in October 2012 was eight-tenths of a percentage point below the state's October 2011 rate of 9.9 percent. The national jobless rate decreased by one percentage point over this period. The state's unemployment rate in October was one and two-tenths percentage points above the national rate of 7.9 percent. The U.S. jobless rate edged upward over the month by one-tenth of a percentage point.

"Since 2011, several Michigan labor market indicators have displayed modest improvement," said Rick Waclawek, director of the Bureau of Labor Market Information and Strategic Initiatives. "Over the past year, the state jobless rate has declined, job levels rose, and the size of the workforce has edged up."

Monthly Labor Force Trends & Highlights

- October marked the second consecutive monthly jobless rate decline for Michigan. The state rate peaked in 2012 at 9.4 percent in August.
- Through ten months of 2012, Michigan's year-to-date unemployment rate has averaged 8.9 percent, well below the 2011 annual average rate of 10.3 percent. 2012 will mark the third year in a row of jobless rate reductions.
- Michigan's workforce advanced in October for the second consecutive month to reach the highest level in 2012. Over the year, the state's labor force rose by 32,000 or 0.7 percent.
- Since October 2011, the number of unemployed in the state fell by 32,000 or 7.0 percent.

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**MICHIGAN
Labor Force Estimates**

Seasonally Adjusted
(Data in Thousands)

	October 2011	September 2012	October 2012	Change	
				Month	Year
Civilian Labor Force	4,642	4,667	4,674	7	32
Employment	4,183	4,234	4,247	13	64
Unemployment	459	432	427	-5	-32
Rate (Percent)	9.9	9.3	9.1	xxx	xxx

Detroit Metropolitan Area's October Jobless Rate Increases Slightly

The Detroit-Warren-Livonia Metropolitan Statistical Area (MSA) seasonally adjusted unemployment rate in October edged upward by one-tenth of a percentage point to 10.8 percent. The area's unemployment rate has been trending upward since April after steadily declining since 2009. However, 2012 monthly jobless rates remain below 2011 levels. Since April, the metro area's labor force has steadily advanced. In October, the region's work force increased by 10,000 as total employment rose by 7,000 and unemployment inched upward by 3,000.

From October 2011 to October 2012, the Detroit metropolitan area's jobless rate declined by three-tenths of a percentage point. Over that period, total employment expanded by 6,000 while the number of unemployed edged downward by 4,000.

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

Seasonally Adjusted
(Data in Thousands)

	October 2011	September 2012	October 2012	Change	
				Month	Year
Civilian Labor Force	2,011	2,003	2,013	10	2
Employment	1,789	1,788	1,795	7	6
Unemployment	222	215	218	3	-4
Rate (Percent)	11.1	10.7	10.8	xxx	xxx

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October Payroll Jobs Slip

According to the monthly survey of employers, seasonally adjusted Michigan payroll jobs declined in October by 17,000 to 3,973,000. Job decreases were concentrated in four sectors; construction (-5,000), professional and business services (-5,000), government (-4,000), and trade, transportation and utilities (-4,000). Additionally, a minor gain in leisure and hospitality services (+2,000) was offset by a decline in financial activities (-2,000). The state's remaining major industry sectors were little changed over the month.

Industry Employment Trends and Highlights

- Payroll jobs declined in Michigan for the third consecutive month in October from the 2012 peak of 3,997,000 recorded in July.
- For the first ten months of 2012, payroll jobs in Michigan were 53,000 or 1.3 percent above the average recorded in January through October 2011.
- The over-the-month reduction in construction jobs brought the job count for this sector back to essentially the same levels reported from April through August.
- The minor reduction over the month in financial activities was the first monthly job loss in this sector since March.
- Since October 2011, payroll jobs in Michigan increased by 27,000 or 0.7 percent. Over this period, five of the state's 11 major industry sectors displayed significant gains, while three recorded discernible losses. The largest job advances were posted in professional and business services, and manufacturing, both up 15,000. The most pronounced declines over this period were registered in government and trade, transportation and utilities, both down 7,000.
- Seasonally adjusted average weekly hours and earnings of production workers in manufacturing increased slightly over the month. Earnings decreased slightly over the year while hours rose marginally.

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MICHIGAN
Payroll Employment Estimates
Seasonally Adjusted
 (Data in Thousands)

	<u>October</u>	<u>September*</u>	<u>October**</u>	CHANGE***	
	<u>2011</u>	<u>2012</u>	<u>2012</u>	<u>MONTH</u>	<u>YEAR</u>
Total Nonfarm Payroll Jobs	3945	3989	3973	-17	27
Natural Resources & Mining	8	8	7	0	0
Construction	124	123	118	-5	-5
Manufacturing	508	523	524	0	15
Transportation Equipment	140	148	146	-2	6
Trade, Transportation & Utilities	722	719	715	-4	-7
Retail Trade	446	440	438	-2	-9
Information	54	53	53	0	-1
Financial Activities	195	200	199	-2	4
Professional & Business Services	554	574	569	-5	15
Education & Health Services	626	633	633	0	7
Leisure & Hospitality Services	372	378	380	2	8
Other Services	169	168	168	0	-1
Government	615	611	607	-4	-7

* 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>2011</u>	<u>2012</u>	<u>2012</u>	<u>MONTH</u>	<u>YEAR</u>
Average Weekly Earnings	\$902.92	\$896.53	\$901.71	\$5.18	-\$1.21
Average Weekly Hours	43.3	43.4	43.7	0.3	0.4

Transportation Equipment

Average Weekly Earnings	\$1,242.98	\$1,246.68	\$1,250.38	\$3.70	\$7.40
Average Weekly Hours	44.4	46.5	46.7	0.2	2.3

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