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Michigan's September Unemployment Rate Edges Downward

Lansing – Michigan's seasonally adjusted unemployment rate in September edged down over the month by one-tenth of a percentage point to 9.3 percent, according to data released today by the Michigan Department of Technology, Management & Budget (DTMB). Total employment in Michigan increased by 11,000 in September, as the state's labor force rose by 7,000. The number of unemployed declined slightly by 5,000 over the month.

The Michigan jobless rate in September 2012 was nearly one percentage point below the state's September 2011 rate of 10.2 percent. The national jobless rate decreased by one and two-tenths percentage points over this period. The state's unemployment rate in September was one and a half percentage points above the national rate of 7.8 percent. The U.S. jobless rate fell over the month by three-tenths of a percentage point.

"Michigan unemployment rates thus far in 2012 have been well below 2011 levels, and payroll jobs have increased during each of the first three quarters of 2012," said Rick Waclawek, director of the Bureau of Labor Market Information and Strategic Initiatives. "Although there have been month to month variations, January to September 2012 payroll jobs in Michigan have averaged 54,000 above the comparable period of 2011."

Monthly Labor Force Trends & Highlights

- September marked the first monthly jobless rate decline for the state since April.
- Through the first nine months of 2012, Michigan's 2012 average unemployment rate was 8.8 percent, which remains well below the 2011 annual average rate of 10.3 percent.
- Michigan's third quarter 2012 unemployment rate of 9.2 percent rose by seven-tenths of a percentage point from the state's second quarter 2012 rate of 8.5 percent.
- After three consecutive months of minor reductions during the summer months, Michigan's workforce level edged up in September. With six months of growth so far in 2012, the state's workforce has increased since September 2011 by 18,000.
- From September 2011 to September 2012, total employment in Michigan rose by 58,000 or 1.4 percent.
- Since September 2011, the number of unemployed in the state fell by 41,000 or nine percent, which is below the 13 percent reduction nationally over the same period.

**MICHIGAN
Labor Force Estimates**

Seasonally Adjusted
(Data in Thousands)

	September 2011	August 2012	September 2012	Change	
				Month	Year
Civilian Labor Force	4,648	4,659	4,666	7	18
Employment	4,175	4,222	4,233	11	58
Unemployment	473	437	432	-5	-41
Rate (Percent)	10.2	9.4	9.3	xxx	xxx

Detroit Metropolitan Area's September Jobless Rate Flat

The Detroit-Warren-Livonia Metropolitan Statistical Areas (MSAs) seasonally adjusted unemployment rate in September was unchanged over the month at 10.7 percent. Prior to September, the area's rate had advanced for four consecutive months. The region's nine-month 2012 average jobless rate stands at 9.9 percent, which compares favorably to the metro area's 2011 annual rate of 11.5 percent. In September, the region's total employment and labor force levels rose by 8,000 and 10,000 respectively, while the number of unemployed was little changed, edging upward by 2,000. September marked the first monthly gain in employment since March.

From September 2011 to September 2012, the Detroit metropolitan area's jobless rate declined by seven-tenths of a percentage point. Over that period, the number of unemployed in the area decreased by 14,000, however total employment recorded a gain of only 2,000. The net result was an area workforce reduction of 12,000.

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

Seasonally Adjusted
(Data in Thousands)

	September 2011	August 2012	September 2012	Change	
				Month	Year
Civilian Labor Force	2,014	1,992	2,002	10	-12
Employment	1,785	1,779	1,787	8	2
Unemployment	229	213	215	2	-14
Rate (Percent)	11.4	10.7	10.7	xxx	xxx

(more)

September Payroll Jobs Decline

According to the monthly survey of employers, seasonally adjusted Michigan payroll jobs decreased in September by 13,000 to 3,983,000. Job declines were posted in leisure and hospitality services (-7,000), government (-5,000), and trade, transportation and utilities (-4,000). Lesser job reductions were recorded in information (-2,000), while a moderate job gain was displayed in construction (+3,000). The state's remaining major industry sectors were little changed over the month.

Industry Employment Trends and Highlights

- Although overall jobs fell over the month from July and August levels, the September job total was close to the state's 2012 nine-month average of 3,986,000.
- Leisure and hospitality services recorded a fairly large over-the-month drop in jobs. However, seasonally adjusted job levels in this sector can be volatile, due to the timing of employment reductions in September and October following the peak of the tourism and recreation season. This sector continues to show over-the-year job growth.
- The decline in government jobs over the month brought this sector's job count to levels recorded in the spring. Government jobs are down 7,000 over the year, with the majority of losses at the local level.
- The reduction over the month in trade, transportation and utilities was due primarily to a decrease in retail trade jobs. Retail trade, after stabilizing in the spring and summer, recorded a larger than normal job reduction in September. Retail trade employment has trended downward since the peak in the year 2000.
- Construction jobs have shown minor gains since the late spring and are up around 4,000 over that period. However, jobs in this sector have declined by 3,000 over the year.
- Since September 2011, payroll jobs in Michigan increased by 39,000 or 1.0 percent. The main drivers of the over-the-year job gains have been professional and business services (+22,000) and manufacturing (+17,000).
- Seasonally adjusted average weekly earnings of production workers in manufacturing declined slightly over the month as average weekly hours were little changed. Hours and earnings decreased slightly over the year.

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MICHIGAN
Payroll Employment Estimates

Seasonally Adjusted

(Data in Thousands)

	<u>September</u>	<u>August*</u>	<u>September**</u>	<u>CHANGE***</u>	
	<u>2011</u>	<u>2012</u>	<u>2012</u>	<u>MONTH</u>	<u>YEAR</u>
Total Nonfarm Payroll Jobs	3944	3996	3983	-13	39
Natural Resources & Mining	8	7	8	0	0
Construction	125	120	122	3	-3
Manufacturing	506	524	523	-1	17
Transportation Equipment	142	152	148	-4	6
Trade, Transportation & Utilities	722	722	718	-4	-4
Retail Trade	447	443	439	-4	-8
Information	54	55	53	-2	-1
Financial Activities	195	200	200	0	6
Professional & Business Services	551	571	573	2	22
Education & Health Services	626	631	630	-1	4
Leisure & Hospitality Services	373	384	377	-7	4
Other Services	167	167	168	1	1
Government	617	615	610	-5	-7

* Final data for August

** Preliminary data for September

*** Change calculated using unrounded data

Hours & Earnings for Production Workers

Seasonally Adjusted

Manufacturing

	<u>September</u>	<u>August</u>	<u>September</u>	<u>CHANGE</u>	
	<u>2011</u>	<u>2012</u>	<u>2012</u>	<u>MONTH</u>	<u>YEAR</u>
Average Weekly Earnings	\$912.02	\$901.69	\$897.41	-\$4.28	-\$14.61
Average Weekly Hours	43.9	43.4	43.4	0.0	-0.5

Transportation Equipment

Average Weekly Earnings	\$1,257.49	\$1,256.00	\$1,246.68	-\$9.32	-\$10.81
Average Weekly Hours	44.8	46.5	46.5	0.0	1.7

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