



STATE OF MICHIGAN

RICK SNYDER
GOVERNOR

DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET
LANSING

DAVID B. BEHEN
DIRECTOR

FOR IMMEDIATE RELEASE

Date: July 19, 2017

Contact: Kurt Weiss, 517-335-0050

Michigan's June Jobless Rate Declines

Lansing – Michigan's seasonally adjusted unemployment rate in June fell over the month by four-tenths of a percentage point to 3.8 percent, according to data released today by the Michigan Department of Technology, Management & Budget (DTMB). The state's workforce recorded a reduction of 29,000 over the month as the number of unemployed dropped by 20,000 and total employment declined by 9,000.

The Michigan jobless rate in June 2017 was a full percentage point below the state's June 2016 rate of 4.8 percent. The national jobless rate declined by a half percentage point over this period. The state's unemployment rate in June was six-tenths of a percentage point below the national rate. The U.S. jobless rate edged up by one-tenth of a percentage point to 4.4 percent in June.

"The state's jobless rate decreased in June, reflecting labor force reductions for a second consecutive month," said Jason Palmer, director of the Bureau of Labor Market Information and Strategic Initiatives. "This occurred after several months of steady workforce growth in 2016 and early 2017."

Monthly Labor Force Trends & Highlights

- Michigan's June jobless rate was the lowest recorded in the state since August 2000. However, the state's total employment level in June 2017 was 281,000 or 5.7 percent below the August 2000 total.
- Michigan's workforce level in June decreased for the second consecutive month after reaching an eight-year peak in April.
- The total employment decline in June was the second monthly reduction in 2017.
- From the first quarter to the second quarter 2017, Michigan's quarterly unemployment rate decreased by nine-tenths of a percentage point from 5.2 to 4.3 percent. Over that period, total employment rose by 34,000 while the number of unemployed decreased by 44,000. The net impact was a 10,000 workforce reduction.
- Since June 2016, total employment rose in Michigan by 95,000 or 2.1 percent while the number of unemployed fell by 46,000 or 19.7 percent, both of which

compared favorably to the U.S. as a whole. National total employment increased by 1.4 percent over the year, while the number of unemployed in the country declined by 10.5 percent. From June 2016 to June 2017 workforce growth was similar, as Michigan registered a 1.0 percent gain compared to a national growth rate of 0.8 percent.

**MICHIGAN
Labor Force Estimates**

Seasonally Adjusted
(Data in Thousands)

	June 2016	May 2017	June 2017	Change	
				Month	Year
Civilian Labor Force	4,816	4,894	4,865	-29	49
Employment	4,583	4,687	4,678	-9	95
Unemployment	233	207	187	-20	-46
Rate (Percent)	4.8	4.2	3.8	xxx	xxx

Detroit Metropolitan Area's June Jobless Rate Falls Again

The Detroit-Warren-Dearborn Metropolitan Statistical Area's (MSA's) seasonally adjusted unemployment rate in June fell by eight-tenths of a percentage point to 3.8 percent. This was the lowest rate in the region since November 2000, and matched the statewide rate for the first time since September 2008. Total employment rose over the month by 6,000, while the number of unemployed decreased by 16,000. The region's workforce declined by 11,000 over the month. June marked the second consecutive month of workforce reduction in the Detroit metro area, however total employment has risen every month so far in 2017. The area's June total employment level was the highest in the region since April 2007.

From June 2016 to June 2017, the Detroit metropolitan area's jobless rate declined by one and four-tenths percentage points. Over that period, total employment in the Detroit metro area advanced by 53,000 or 2.7 percent while the area's workforce grew by 26,000 or 1.3 percent. Total employment and labor force percentage gains in the Detroit MSA outpaced both the Michigan and national growth rates since June 2016.

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

Seasonally Adjusted
(Data in Thousands)

	June 2016	May 2017	June 2017	Change	
				Month	Year
Civilian Labor Force	2,063	2,100	2,089	-11	26
Employment	1,956	2,003	2,009	6	53
Unemployment	107	96	80	-16	-27
Rate (Percent)	5.2	4.6	3.8	xxx	xxx

Payroll Jobs Flat in June

According to the monthly survey of employers, seasonally adjusted Michigan payroll jobs were unchanged in June at 4,383,000. Job gains in *Professional and business services* (+4,000), *Trade, transportation and utilities* (+4,000), and *Financial activities* (+2,000) were offset by job reductions in *Construction* (-3,000), *Manufacturing* (-3,000), and *Government* (-3,000). Michigan's remaining major sectors registered only minor job changes over the month.

Industry Employment Trends and Highlights

- The May and June 2017 job count of 4,383,000 in the state was 8,000 below Michigan's 2017 peak level of 4,391,000 posted in April.
- The over-the-month job gain in *Trade, transportation and utilities* reversed a minor two-month downward trend in this sector, and pushed its job level to the second highest recorded in 2017.
- The May job advance in *Professional and business services* continued a monthly upward trend recorded since January. Over this period, *Professional and business services* added 9,000 jobs for a 1.3 percent increase.
- The over the month reduction in *Construction* jobs pushed jobs to the lowest level in 2017. However, June job levels remained similar to the 2017 average. Overall, *Construction* continues to display a 4.3 percent job gain over the year, which is the largest percentage increase among Michigan major sectors.
- From June 2016 to June 2017, payroll jobs in Michigan increased by 61,000 or 1.4 percent, which was similar to the national gain over this period of 1.6 percent. Since June 2016, *Professional and business services* accounted for nearly a third of the job gains, increasing by 20,000. The next largest job additions were posted in *Leisure and hospitality services* (+9,000), *Construction* (+7,000), and *Financial activities* (+7,000). *Trade, transportation and utilities* was the only major sector to register an over-the-year job reduction (-1,000), as the sub-sector *Retail trade* cut 5,000 positions.
- 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>June</u>	<u>May*</u>	<u>June**</u>	CHANGE***	
	<u>2016</u>	<u>2017</u>	<u>2017</u>	<u>MONTH</u>	<u>YEAR</u>
Total Nonfarm Payroll Jobs	4,322	4,383	4,383	0	61
Natural Resources & Mining	7	8	8	0	0
Construction	154	163	161	-3	7
Manufacturing	600	609	606	-3	6
Transportation Equipment	180	182	180	-2	0
Trade, Transportation & Utilities	783	778	782	4	-1
Retail Trade	474	468	469	1	-5
Information	58	58	58	0	0
Financial Activities	212	217	219	2	7
Professional & Business Services	648	664	668	4	20
Education & Health Services	665	670	670	0	5
Leisure & Hospitality Services	424	435	433	-2	9
Other Services	169	175	175	1	6
Government	602	607	604	-3	2

* Final data for May 2017

** Preliminary data for June 2017

*** Change calculated using unrounded data

Hours & Earnings for Production Workers

Seasonally Adjusted

Manufacturing

	<u>June</u>	<u>May</u>	<u>June</u>	CHANGE	
	<u>2016</u>	<u>2017</u>	<u>2017</u>	<u>MONTH</u>	<u>YEAR</u>
Average Weekly Earnings	\$889.16	\$907.06	\$881.43	-\$25.63	-\$7.73
Average Weekly Hours	43.2	43.5	42.9	-0.6	-0.3

Transportation Equipment

Average Weekly Earnings	\$1,083.62	\$1,089.61	\$1,091.79	\$2.18	\$8.17
Average Weekly Hours	45.4	46.9	46.4	-0.5	1.0

#