



Michigan Economic Update

November 18, 2016

Summary

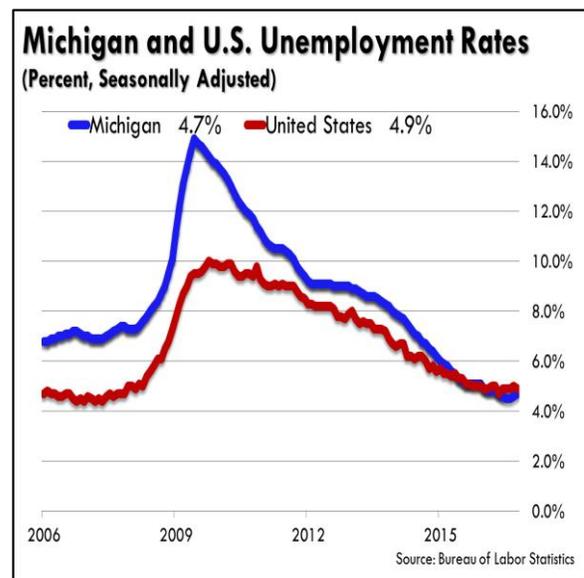
Nonfarm payroll employment in Michigan increased by 18,900 jobs, and the unemployment rate rose to 4.7 percent in October according to data released by the Bureau of Labor Statistics (BLS).

Michigan Unemployment Rate

During October, the unemployment rate in Michigan increased by 0.1 percentage point to 4.7 percent. The number of people counted as unemployed rose by 8,026 in October to 227,802, while the labor force grew by 22,223 to 4,843,110. Among the 50 states and the District of Columbia, 21 posted lower unemployment rates for the month than Michigan. A year earlier, the unemployment rate in Michigan stood at 5.1 percent.

The 10-year peak for the unemployment rate in Michigan was 14.9 percent in June 2009. The series high for the unemployment rate in Michigan occurred in December 1982 when the unemployment rate reached 16.5 percent. The 10-year low for the unemployment rate in Michigan was 4.5 percent in August 2016. The series low for the unemployment rate in Michigan occurred in March 2000 when the unemployment rate was 3.2 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate declined by 0.1 percentage point to 4.9 percent in October. October's unemployment rate was 0.1 percentage point lower than a year earlier. The 10-year high for the national unemployment rate was 10.0 percent in October 2009. The 10-year low was 4.4 percent in May 2007.



Michigan Payroll Employment

Michigan nonfarm payrolls increased by 18,900 jobs, or 0.44 percent, on a seasonally adjusted basis during October. In the prior month, nonfarm payrolls increased by 15,300. Over the past 12 months, nonfarm payrolls in Michigan increased by 94,300, or 2.21 percent. Michigan nonfarm payroll employment has increased in 10 of the past 12 months.

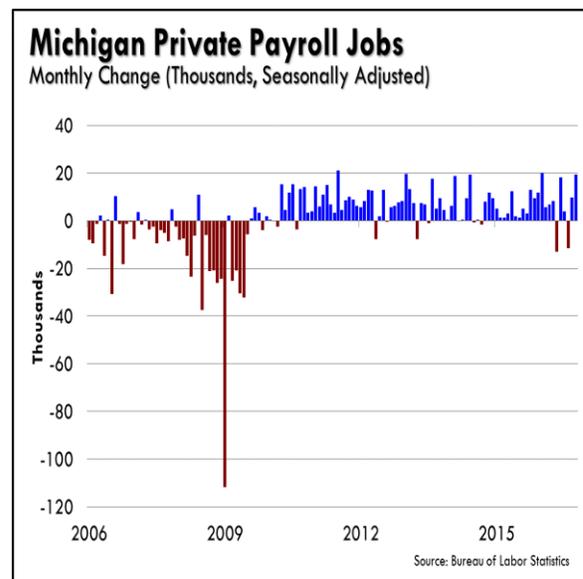
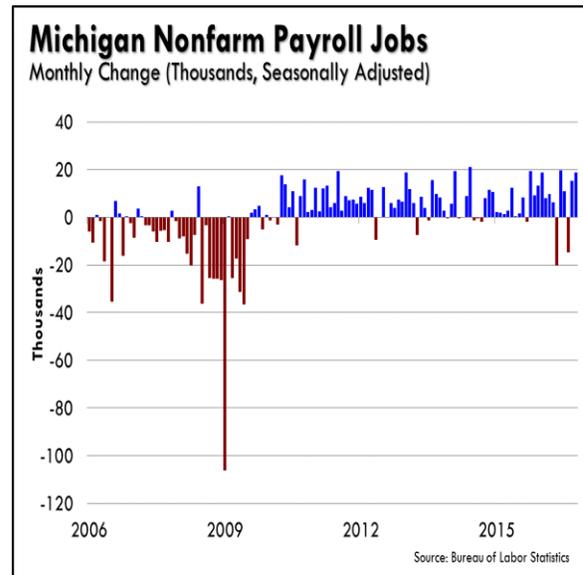
Nationally, nonfarm payrolls increased by 161,000 jobs in October, or 0.11 percent. Over the 12-month period ending October 2016, nonfarm payrolls grew by 2,357,000 jobs, or 1.65 percent. Michigan ranks 11th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During October, Michigan private-sector payrolls increased by 19,400, or 0.52 percent. Private-sector payrolls increased by 9,800 jobs in the prior month. Over the past 12 months, private-sector payrolls in Michigan increased by 88,300, or 2.41 percent. Michigan private-sector payroll employment has increased in 10 of the past 12 months.

Nationally, private-sector payroll jobs increased by 142,000 jobs in October, or 0.12 percent. Over the past 12 months, the nation's economy has added 2,149,000 jobs in the private-sector, an increase of 1.78 percent. Michigan ranks 14th among the 50 states and the District of Columbia for percentage gain in private-sector payroll employment over the past 12 months.

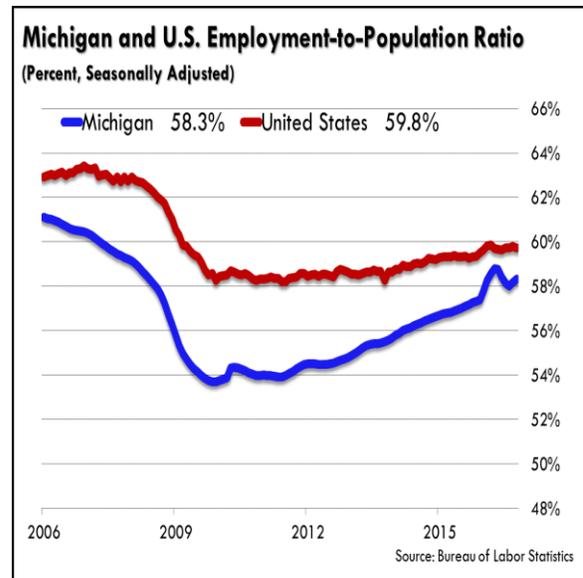
During October, total government payroll employment in Michigan declined by 500, or 0.08 percent. Federal government payroll employment was unchanged. State government payroll employment increased by 2,800, or 1.51 percent, while local government payroll employment declined by 3,300, or 0.90 percent.

Over the past year, total government payroll employment increased by 6,000, or 1.00 percent. State government payroll employment increased by 500, or 0.27 percent. Local government payroll employment increased by 4,200, or 1.17 percent.



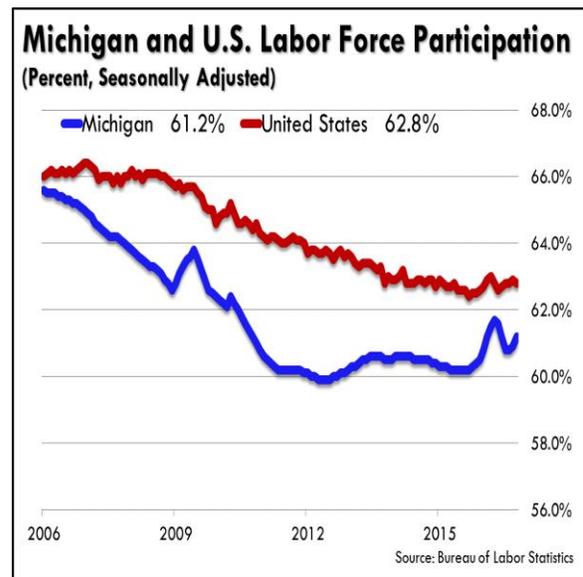
The best performing sectors on a seasonally adjusted basis during October were Leisure & Hospitality (+8,200) and Construction (+6,000). The poorest performing sectors during the month were Trade, Transportation & Utilities (-1,900) and Total Government (-500).

The best performing sectors during the last twelve months were Professional & Business Services (+23,200) and Leisure & Hospitality (+16,700). The poorest performing sectors during the last twelve months were Mining & Logging (-400) and Trade, Transportation & Utilities (+1,500).



Other Michigan Labor Force Statistics

The labor force participation rate in Michigan rose to 61.2 percent in October from 60.9 percent the prior month. Among the 50 states and the District of Columbia, 37 have a higher labor force participation rate than Michigan. The labor force participation rate in Michigan is unchanged from a year earlier. The labor force participation rate is the percentage of the civilian noninstitutionalized population age 16 and older who are employed or actively looking for work.



The 10-year high for the labor force participation rate in Michigan was 65.1 percent in November 2006. The series high for the labor force participation rate in Michigan occurred in March 2000 when the labor force participation rate hit 69.0 percent. The 10-year low for the labor force participation rate was 59.9 percent in July 2012. This also represents the series low for the labor force participation rate in Michigan.

The national labor force participation rate declined by 0.1 percentage point to 62.8 percent in October 2016, but remains near its 38-year low of 62.4 percent.

The employment-to-population ratio, or the percentage of the Michigan civilian noninstitutionalized population 16 years and older counted as employed, rose to 58.3 percent in October from 58.2 percent the prior month. Among the 50 states and the District of Columbia, 36 have higher employment-to-population ratios than Michigan. The

employment-to-population ratio in Michigan is 1.1 percentage points higher than a year earlier.

The 10-year high for the employment-to-population ratio in Michigan was 60.5 percent in November 2006. The series high for the employment-to-population ratio in Michigan occurred in March 2000 when the employment-to-population ratio hit 66.7 percent. The 10-year low for the employment-to-population ratio was 53.7 percent in December 2009. The series low for the employment-to-population ratio occurred in March 1983 when the employment-to-population ratio was 53.3 percent.

The national employment-to-population ratio declined by 0.1 percentage point to 59.7 percent in October. That rate was 0.4 percentage point higher than a year earlier. The all-time high for the employment-to-population ratio was 64.7 in April 2000. The 10-year high for the employment-to-population ratio was 63.4 percent in December 2006. The recent low occurred in October 2013 when the employment-to-population ratio dipped to 58.2 percent. The last time the employment-to-population ratio posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for November is scheduled for release on December 16, 2016. The national employment situation report for November will be released on Friday, December 2, 2016.