



Michigan Economic Update

October 21, 2016

Summary

Nonfarm payroll employment in Michigan increased by 5,400 jobs, and the unemployment rate rose to 4.6 percent in September according to data released by the Bureau of Labor Statistics (BLS).

Michigan Unemployment Rate

During September, the unemployment rate in Michigan increased by 0.1 percentage point to 4.6 percent. The number of people counted as unemployed rose by 3,345 in September to 219,815, while the labor force grew by 14,624 to 4,819,281. 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 rose by 0.1 percentage point to 5.0 percent in September. September'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 5,400 jobs, or 0.12 percent, on a seasonally adjusted basis during September. In the prior month, nonfarm payrolls declined by 14,600. Over the past 12 months, nonfarm payrolls in Michigan increased by 84,900, or 2.00 percent. Michigan nonfarm payroll employment has increased in 10 of the past 12 months.

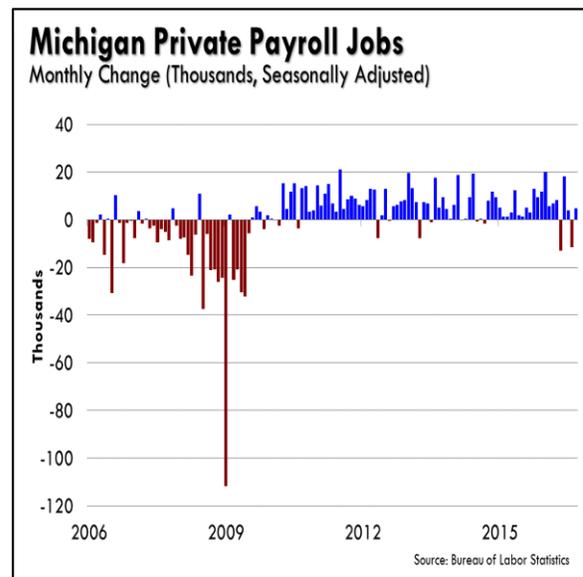
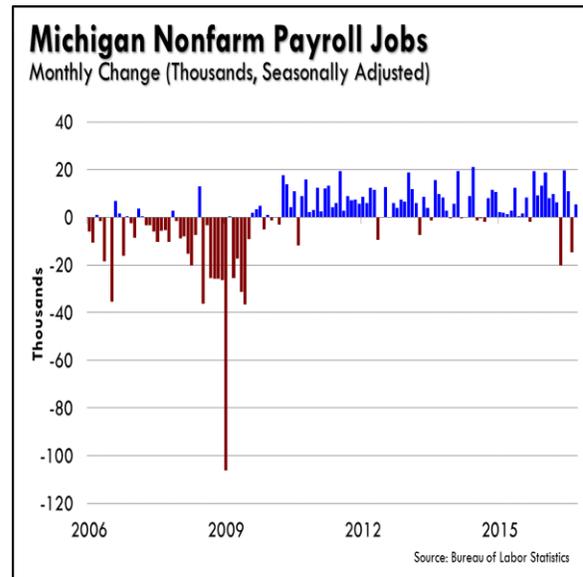
Nationally, nonfarm payrolls increased by 156,000 jobs in September, or 0.11 percent. Over the 12-month period ending September 2016, nonfarm payrolls grew by 2,447,000 jobs, or 1.72 percent. Michigan ranks 19th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During September, Michigan private-sector payrolls increased by 4,900, or 0.13 percent. Private-sector payrolls declined by 11,600 jobs in the prior month. Over the past 12 months, private-sector payrolls in Michigan increased by 77,000, or 2.11 percent. Michigan private-sector payroll employment has increased in 10 of the past 12 months.

Nationally, private-sector payroll jobs increased by 167,000 jobs in September, or 0.14 percent. Over the past 12 months, the nation's economy has added 2,302,000 jobs in the private-sector, an increase of 1.91 percent. Michigan ranks 20th among the 50 states and the District of Columbia for percentage gain in private-sector payroll employment over the past 12 months.

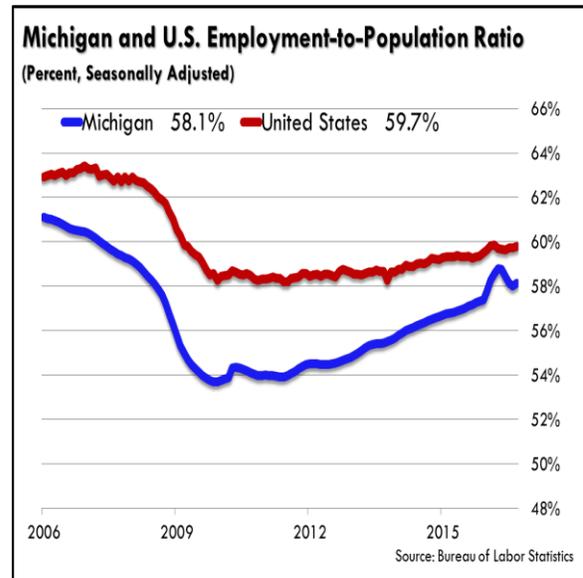
During September, total government payroll employment in Michigan increased by 500, or 0.08 percent. Federal government payroll employment increased by 300, or 0.57 percent. State government payroll employment increased by 400, or 0.22 percent, while local government payroll employment declined by 200, or 0.05 percent.

Over the past year, total government payroll employment increased by 7,900, or 1.34 percent. State government payroll employment declined by 400, or 0.22 percent. Local government payroll employment increased by 7,200, or 2.02 percent.



The best performing sectors on a seasonally adjusted basis during September were Leisure & Hospitality (+5,600) and Educational & Health Services (+1,700). The poorest performing sectors during the month were Financial Activities (-1,600) and Construction (-1,200).

The best performing sectors during the last twelve months were Professional & Business Services (+25,300) and Educational & Health Services (+19,000). The poorest performing sectors during the last twelve months were Trade, Transportation & Utilities (-900) and Mining & Logging (-200).



Other Michigan Labor Force Statistics

The labor force participation rate in Michigan rose to 60.9 percent in September from 60.8 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 65.2 percent in October 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 rose by 0.1 percentage point to 62.9 percent in September, 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 58.1 percent in September from 58.0 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 0.9 percentage point 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 66.8 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 January 1983 when the employment-to-population ratio was 53.2 percent.

The national employment-to-population ratio rose by 0.1 percentage point to 59.8 percent in September. That rate was 0.5 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 October is scheduled for release on November 18, 2016. The national employment situation report for October will be released on Friday, November 4, 2016.