



# Michigan Economic Update

November 20, 2015

## Summary

Nonfarm payroll employment in Michigan increased by 13,600 jobs and the unemployment rate was unchanged at 5.0 percent in October according to data released by the Bureau of Labor Statistics (BLS).

## Michigan Unemployment Rate

During October, the unemployment rate in Michigan was unchanged at 5.0 percent. The number of people counted as unemployed rose by 3,287 in October to 238,098, while the labor force grew by 12,779 to 4,743,223. Among the 50 states and the District of Columbia, 24 posted lower unemployment rates for the month than Michigan. A year earlier, the unemployment rate in Michigan stood at 6.6 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 5.0 percent in October 2015. The series low for the unemployment rate in Michigan occurred in March 2000 when the unemployment rate reached 3.2 percent. BLS began publishing the state unemployment rate series in 1976.

The national unemployment rate declined by 0.1 percentage point to 5.0 percent in October. October's unemployment rate was 0.7 percentage point lower than a year earlier. The ten year high for the national unemployment rate was 10.0 percent in October 2009. The ten year low was 4.4 percent in May 2007.



## Michigan Payroll Employment

Michigan nonfarm payrolls increased by 13,600 jobs, or 0.32 percent, on a seasonally adjusted basis during October. In the prior month, nonfarm payrolls declined by 18,000. Over the past 12 months nonfarm payrolls in Michigan increased by 79,600, or 1.90 percent. Michigan nonfarm payroll employment has increased in 10 of the past 12 months.

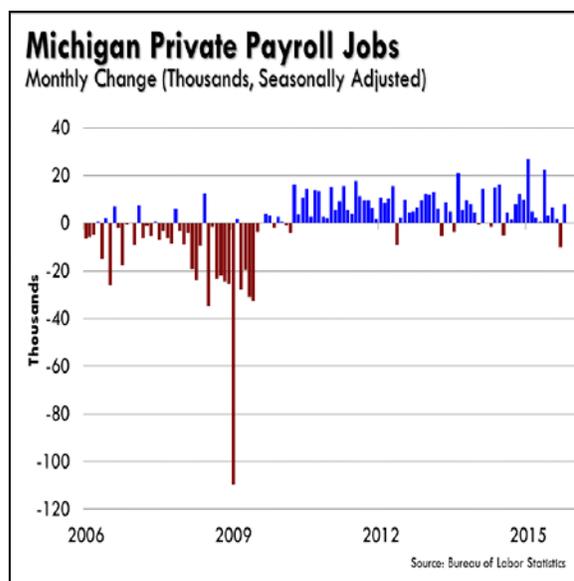
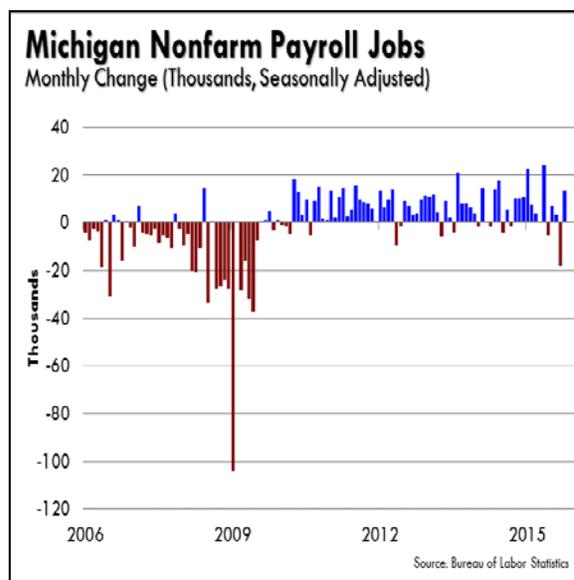
Nationally nonfarm payrolls increased by 271,000 jobs in October, or 0.19 percent. Over the 12 month period ending in October 2015 nonfarm payrolls grew by 2,814,000 jobs, or 2.01 percent. Michigan ranks 17th among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During October, Michigan private sector payrolls increased by 8,000, or 0.22 percent. Private sector payrolls declined by 10,300 jobs in the prior month. Over the past 12 months, private sector payrolls in Michigan increased by 88,400, or 2.46 percent. Michigan private sector payroll employment has increased in 11 of the past 12 months.

Nationally private-sector payroll jobs increased by 268,000 jobs in 2015, or 0.22 percent. Over the past 12 months, the nation's economy has added 2,709,000 jobs in the private sector, an increase of 2.30 percent.

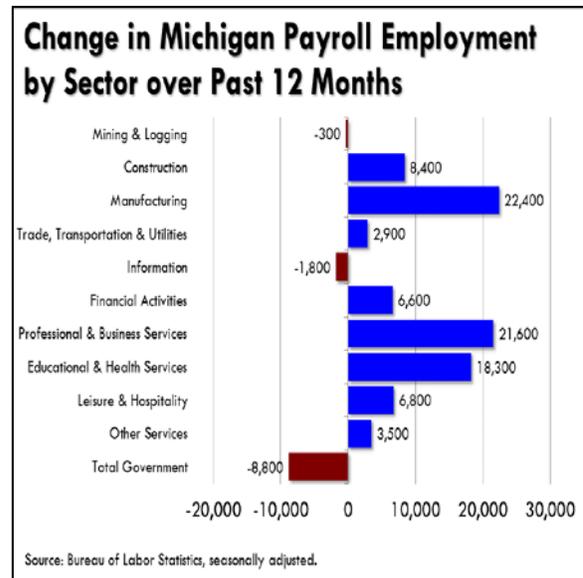
Michigan ranks 13th among the 50 states and the District of Columbia for percentage gain in private sector payroll employment over the past 12 months.

During October, total government payroll employment in Michigan increased by 5,600, or 0.96 percent. Federal government payroll employment declined by 200, or 0.39 percent. State government payroll employment increased by 3,600, or 2.04 percent, while local government payroll employment increased by 2,200, or 0.62 percent.



Over the past year, total government payroll employment declined by 8,800, or 1.47 percent. State government payroll employment declined by 3,000, or 1.64 percent. Local government payroll employment declined by 6,200, or 1.71 percent.

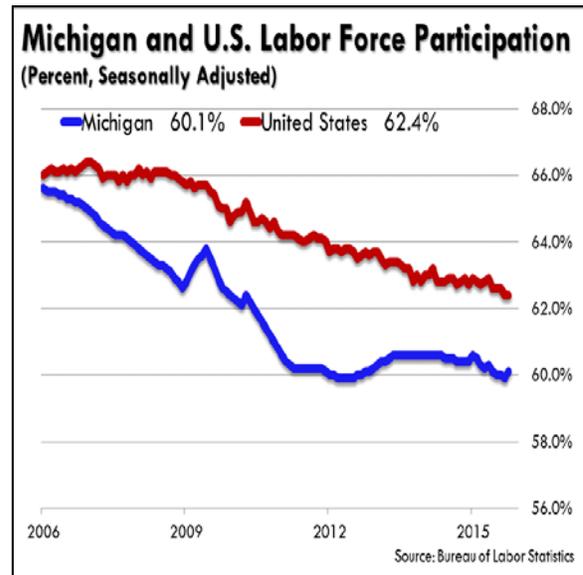
The best performing sectors on a seasonally adjusted basis during October were Total Government (+5,600) and Educational & Health Services (+5,300). The poorest performing sectors during the month were Manufacturing (-1,800) and Trade, Transportation & Utilities (-700).



The best performing sectors during the last twelve months were Manufacturing (+22,400) and Professional & Business Services (+21,600). The poorest performing sectors for the year were Total Government (-8,800) and Information (-1,800).

### Other Michigan Labor Force Statistics

The labor force participation rate in Michigan rose to 60.1 percent in October from 59.9 percent the prior month. Among the 50 states and the District of Columbia, 39 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 65.6 percent in January 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 September 2015. This also represents the series low for the labor force participation rate in Michigan.

The national labor force participation rate was unchanged at 62.4 percent in October. That rate was 0.4 percentage point lower than a year earlier. At 62.4 percent, the labor force participation rate is at its lowest level since September 1977.

The employment-to-population ratio, or the percentage of the Michigan civilian noninstitutionalized population 16 years and older counted as employed, rose to 57.1 percent in October from 57.0 percent the prior month. Among the 50 states and the District of Columbia, 39 have higher employment-to-population ratios than Michigan. The employment-to-population ratio in Michigan is 0.7 percentage point higher than a year earlier.

The 10 year high for the employment-to-population ratio in Michigan was 61.2 percent in December 2005. 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 hit 53.2 percent.

The national employment-to-population ratio rose by 0.1 percentage point to 59.3 percent in October. That rate was 0.1 percentage point higher than a year earlier, but still 0.1 percentage point lower than it was when the recession ended in June 2009. The all-time high for the employment-to-population ratio was 64.7 percent 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 posted a reading lower than 58.2 percent was July 1983.

State employment and unemployment data for November is scheduled for release on Friday, December 18. The national employment situation report for November will be released on Friday, December 4.

