

Michigan Employment Report

Joint Economic Committee

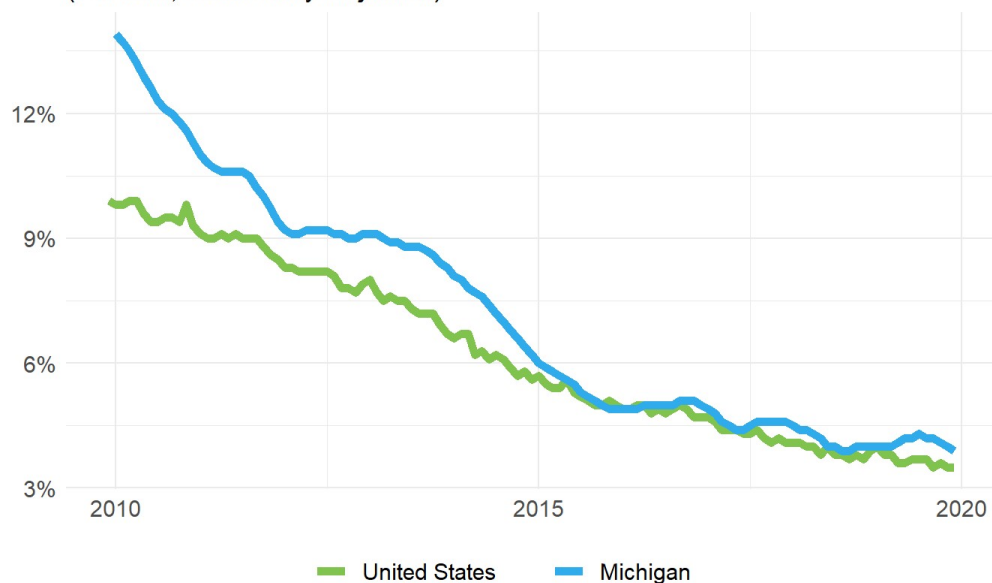
Senator Mike Lee, Chairman

January 24, 2020

Summary

- **Michigan added 4,500 net payroll jobs and the unemployment rate fell by 0.1 percentage point to 3.9 percent in December**, according to Bureau of Labor Statistics (BLS) data released at 10:00am on January 24, 2020.
- **Over the past twelve months, Michigan added 19,500 payroll jobs** and the unemployment rate fell by 0.1 percentage point from 4 percent.
- **In December, Michigan's private sector added 3,400 net private payroll jobs** and over the past twelve months it added 10,600 private payroll jobs in the establishment survey.
- In the household survey, the number of **unemployed fell by 5,497 on net in December**, and over the past year employment rose by 58,223.
- Michigan's **labor force participation rate remained steady at 61.7 percent** in December. Since last year, the labor force participation rate rose by 0.4 percentage point.
- The national unemployment rate **remained unchanged in December**. State employment and unemployment data for January is scheduled for release March 16, 2020. The national employment situation report for January will be released February 07, 2020.

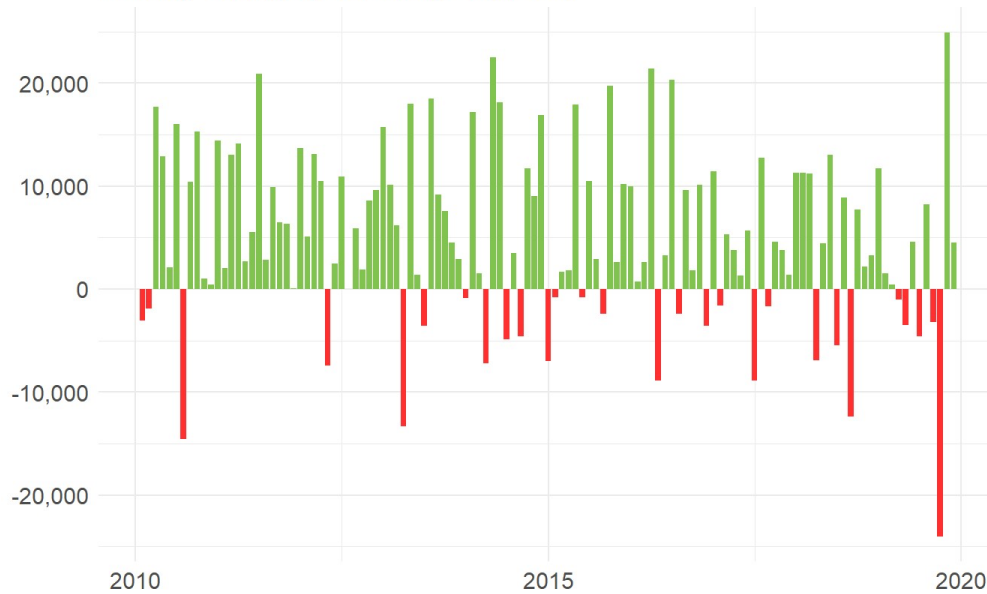
Michigan and U.S. Unemployment Rates
(Percent, Seasonally Adjusted)



Source: Bureau of Labor Statistics

Michigan Payroll Employment

Michigan Nonfarm Payroll Jobs Monthly Change (Seasonally Adjusted)



Source: Bureau of Labor Statistics

Michigan added 4,500 net payroll jobs, or 0.1 percent, on a seasonally adjusted basis during December. In the prior month, Michigan added 24,900 jobs. Over the past twelve months, Michigan added 19,500 payroll jobs, or 0.4 percent. Michigan nonfarm payroll employment had increased in 7 of the past 12 months.

Nationally, nonfarm payrolls rose by 145,000 in December, or rose by 0.1 percent. Over the 12-month period ending with December, nonfarm payrolls rose by 2,108,000 jobs, or 1.4 percent. Michigan ranks 41st among the 50 states and the District of Columbia for percentage gain in nonfarm payroll employment over the past 12 months.

During December, Michigan's private-sector added 3,400 jobs, or approximately 0.1 percent. The private-sector in Michigan added 24,300 jobs in the prior month. Over the past twelve months, private-sector payrolls in Michigan added 10,600, or 0.3 percent. Michigan private-sector payroll employment has increased in 6 of the past 12 months.

Nationally, private-sector payroll jobs rose by 139,000 jobs in December, or 0.1 percent. Over the past 12 months, the national payroll rose by 1,947,000 jobs in the private sector, or rose by 1.5 percent. Michigan is tied for 42nd among the 50 states and the District of Columbia for a percentage gain in private-sector payroll employment over the past 12 months.

Change in Michigan Payroll Employment by Sector over Past 12 Months



Source: Bureau of Labor Statistics, seasonally adjusted

The best performing sectors on a seasonally adjusted basis during December were Trade, Transportation, and Utilities (4,000) and Manufacturing (2,100). The poorest performing sectors during the month were Other Services (-1,400) and Professional and Business Services (-2,800).

The best performing sectors during the last twelve months were Leisure and Hospitality (10,700) and Government (8,900). The poorest performing sectors during the last twelve months were Education and Health Services (-4,400) and Manufacturing (-5,300).

Michigan Labor Force Statistics

Labor Force Participation

The labor force participation rate in Michigan remained unchanged at 61.7 percent in December. At a labor force participation rate of 61.7 percent, Michigan ranks 38th in the nation. The labor force participation rate in Michigan rose by 0.4 percentage point 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 62.8 percent in April 2010. The series high for the labor force participation rate in Michigan occurred in March 2000 when the labor force participation rate hit 69 percent. The 10-year low for the labor force participation rate was 59.9 percent, last occurring in August 2012. This also represents the series low for the labor force participation rate in Michigan.

The national labor force participation rate remained steady at 63.2 percent in December. That rate rose by 0.2 percentage point from a year earlier. The all-time high for the national labor force participation rate was 67.3 percent in April 2000. The 10-year high for the national labor force participation rate was 65.2 percent in April 2010. The recent 10-year low occurred in September

2015 at a level of 62.4 percent. The series low for the national labor force participation rate was 58.1 percent in December 1954.

Employment-to-Population Ratio

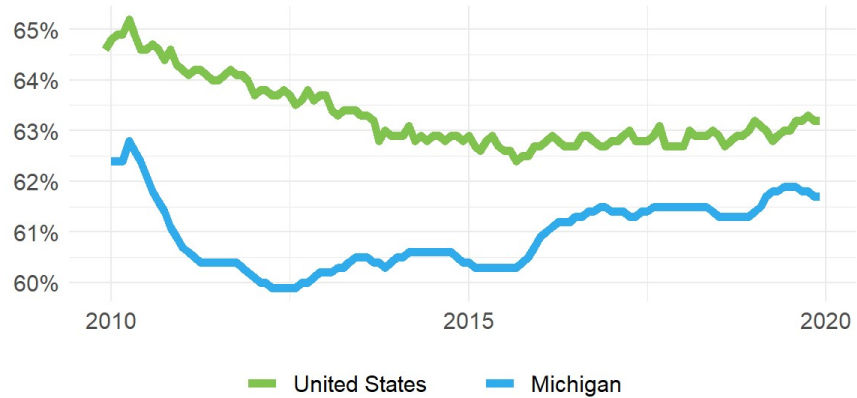
The employment-to-population ratio, or the percentage of the Michigan civilian noninstitutionalized population 16 years and older counted as employed, in December remained unchanged. At 59.3 percent, Michigan is tied for 38th among state employment-to-population ratios in the nation. The employment-to-population ratio in Michigan rose by 0.5 percentage point from a year earlier.

The 10-year high for the employment-to-population ratio in Michigan was 59.3 percent last occurring in December 2019. The series high for the employment-to-population ratio in Michigan last 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 in Michigan last occurred in December 1982 when the employment-to-population ratio hit 53.2 percent.

The national employment-to-population ratio remained steady at 61 percent in December. That rate rose by 0.4 percentage point from a year earlier.

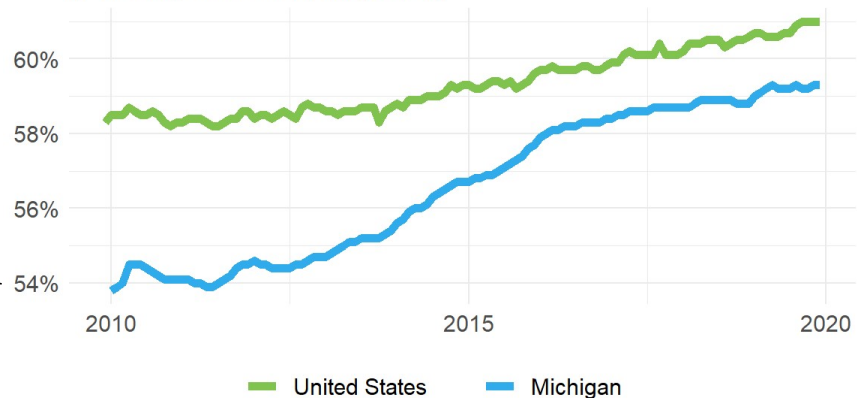
The all-time high for the national employment-to-population ratio was 64.7 percent in April 2000. The 10-year high for the national employment-to-population ratio was 61 percent in December 2019. The recent 10-year low occurred in July 2011 at a level of 58.2 percent. The series low for the employment-to-population ratio was 54.9 percent in October 1949.

Michigan and U.S. Labor Force Participation Rates (Percent, Seasonally Adjusted)



Source: Bureau of Labor Statistics

Michigan and U.S. Employment-to-Population Ratios (Percent, Seasonally Adjusted)



Source: Bureau of Labor Statistics