



STATE OF MICHIGAN

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GOVERNOR

DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET
LANSING

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Michigan jobless rate drops in October despite modest gain in payroll jobs

LANSING, Mich. -- Michigan's seasonally adjusted unemployment rate was 5.5 percent during October, according to data released today by the Michigan Department of Technology, Management & Budget. This was the lowest jobless rate in the state since March.

The national jobless rate fell by one full percentage point between September and October to 6.9 percent. Michigan's October rate was 1.4 percentage points below the U.S. rate, but for most of 2020, the Michigan rate has exceeded the national average. Over the year, the U.S. unemployment rate advanced by 3.3 percentage points. Michigan's over-the-year rate increase was 1.6 percentage points.

"Michigan's labor market continued to show some improvement during October," said Wayne Rourke, associate director of the Bureau of Labor Market Information and Strategic Initiatives. "However, despite a jobless rate decline over the month, nonfarm jobs were still over 400,000 below pre-pandemic levels."

Monthly labor force trends and highlights

- Michigan labor force trends for October 2020 were difficult to evaluate, as the increase in employment from the household survey was well above the payroll job gain from the business survey.
- A better measure of recent Michigan trends may be the three-month average number of employed and unemployed in the state between August and October.
 - Michigan's three-month average employment level was 4,503,000. This was 267,000 below the pre-pandemic February 2020 employment level.
 - Michigan's three-month average unemployment level was 369,000. This was 189,000 above the February level.
- Over the year, Michigan's workforce declined by 1.7 percent. The national labor force level fell by 2.1 percent since October 2019.

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Michigan
Labor Force Estimates
 Seasonally Adjusted
 (Data in Thousands)

	Oct. 2020	Sept. 2020	Oct. 2019	Over the Month		Over the Year	
				Numeric	Percent	Numeric	Percent
Civilian Labor Force	4,860	4,841	4,942	19	0.4%	-82	-1.7%
Employment	4,594	4,426	4,751	168	3.8%	-157	-3.3%
Unemployment	266	415	191	-149	-35.9%	75	39.3%
Rate (Percent)	5.5	8.6	3.9	xxx	xxx	xxx	xxx

Detroit metro region jobless rate falls in October

The Detroit-Warren-Dearborn Metropolitan Statistical Area's (MSA) seasonally adjusted jobless rate dropped to 6.2 percent during October. Total employment rose by 156,000, or 8.6 percent. The estimated number of unemployed fell in October, but over the past three months, unemployment in the Detroit MSA averaged 93,000 above the pre-pandemic February 2020 unemployment level.

The Detroit MSA jobless rate advanced by 2.2 percentage points over the year. However, over the past three months, the jobless rate averaged 8.6 percent, or 4.6 percentage points above the October 2019 rate.

Detroit-Warren-Dearborn MSA
Labor Force Estimates
 Seasonally Adjusted
 (Data in Thousands)

	Oct. 2020	Sept. 2020	Oct. 2019	Over the Month		Over the Year	
				Numeric	Percent	Numeric	Percent
Civilian Labor Force	2,108	2,021	2,165	87	4.3%	-57	-2.6%
Employment	1,976	1,820	2,079	156	8.6%	-103	-5.0%
Unemployment	132	201	87	-69	-34.4%	45	51.4%
Rate (Percent)	6.2	9.9	4.0	xxx	xxx	xxx	xxx

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Nonfarm employment edges up slightly in October

According to the monthly survey of employers, seasonally adjusted payroll jobs inched up by 16,000 over the month, or 0.4 percent. This was the smallest monthly job gain in Michigan since pandemic-related recalls began in May 2020.

Sectors with the largest job additions in October included professional and business services (+6,000); trade, transportation, and utilities (+6,000); and leisure and hospitality (+6,000). The state's manufacturing industry recorded the largest job decline, edging down slightly by 2,000 in October.

Industry employment trends and highlights

- October marked the sixth consecutive month of recalls of workers since the pandemic-related job plunge in April. Over the past six months, total nonfarm jobs rose by 632,000, or 19.0 percent.
- The state's leisure and hospitality industry also advanced in employment for the sixth consecutive month. However, the industry has registered the largest over-the-year decline in jobs, down 140,000 or 32 percent.
- Michigan's manufacturing sector recorded a sharp drop of 43,000 jobs since October 2019.
- Retail trade in the state exhibited a job advance in October for the sixth consecutive month. Since April, jobs in the sector have moved up by 94,000 as workers returned from pandemic-related layoffs.
- Over the year, statewide payroll employment fell by 381,000, or 8.6 percent.

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Michigan
Payroll Employment Estimates
 Seasonally Adjusted
 (Data in Thousands)

	Oct.** 2020	Sept.* 2020	Oct. 2019	Over the Month***		Over the Year ***	
				Numeric	Percent	Numeric	Percent
Total Nonfarm Payroll Jobs	4033	4018	4415	16	0.4%	-381	-8.6%
Natural Resources and Mining	6	6	7	0	-3.1%	-1	-16.2%
Construction	175	175	177	-1	-0.3%	-2	-1.1%
Manufacturing	565	566	608	-2	-0.3%	-43	-7.1%
Transportation Equipment	160	167	168	-7	-4.1%	-7	-4.4%
Trade, Transportation, and Utilities	766	761	797	6	0.8%	-31	-3.9%
Retail Trade	443	440	463	3	0.8%	-20	-4.4%
Information	51	51	55	0	-0.4%	-4	-7.8%
Financial Activities	222	222	226	1	0.4%	-4	-1.8%
Professional and Business Services	602	596	649	6	1.0%	-47	-7.2%
Education and Health Services	629	628	681	1	0.2%	-53	-7.7%
Leisure and Hospitality Services	296	291	436	6	1.9%	-140	-32.1%
Other Services	147	148	164	-1	-0.6%	-17	-10.4%
Government	574	575	614	0	0.0%	-39	-6.4%

* Revised data for September 2020

** Preliminary data for October 2020

*** Change calculated using unrounded data

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Michigan
Hours and Earnings for Production Workers
 Seasonally Adjusted

Manufacturing							
	Oct. 2020	Sept. 2020	Oct. 2019	Over the Month		Over the Year	
				Numeric	Percent	Numeric	Percent
Average Weekly Earnings	\$907.37	\$905.76	\$949.32	1.61	0.2%	-41.95	-4.4%
Average Weekly Hours	40.1	39.8	42.4	0.3	0.8%	-2.3	-5.4%
Transportation Equipment Manufacturing							
	Oct. 2020	Sept. 2020	Oct. 2019	Over the Month		Over the Year	
				Numeric	Percent	Numeric	Percent
Average Weekly Earnings	\$1,181.30	\$1,204.43	\$1,223.50	-23.13	-1.9%	-42.20	-3.4%
Average Weekly Hours	43.0	41.8	45.8	1.2	2.9%	-2.8	-6.1%

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