MICHIGAN'S LABOR MARKET NEWS

VOL. 73, ISSUE NO. 11
JANUARY 2018

An Economic Indicator: Michigan Unemployment Insurance Claims

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Map of the Month: County Average Weekly Wages

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November marked the third month in a row that Michigan's workforce expanded.

NOVEMBER 2017 JOBLESS RATE

MICHIGAN

4.6%

NATIONAL

4.1%

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IT'S BIGGER THAN DATA.

The Bureau of Labor Market Information and Strategic Initiatives is the official source for high quality demographic and labor market information for the state of Michigan and its regions.

We administer the state's federal-state cooperative programs with the Bureau of Labor Statistics (BLS) and the Census Bureau and produce high-quality information and analysis through grants from the U.S. Department of Labor and from partner agencies in the state of Michigan.

We provide our national, state, and local partners and customers with *accurate, objective, reliable, timely, accessible,* and *transparent* information and insights.

For a third consecutive month, Michigan's labor force expanded in November, growing by 17,000 residents. The increase reflected a gain of 11,000 employed and 6,000 unemployed, which pushed the state's jobless rate higher by 0.1 percentage points to 4.6 percent. Over the year, Michigan's unemployment rate remains lower by 0.5 percentage points. Payroll jobs also rose again in November, increasing by 8,200 to 4,414,300. Additions were seen in *Professional and business services*, *Leisure and hospitality*, and *Education and health services*. Declines were concentrated in *Government* and *Financial activities*.

This month, our feature story on page 16 looks at continued claims for Unemployment Insurance (UI) benefits. While UI claimants account for about one third of all unemployed residents, the measure tracks with other economic indicators including jobless rates, payroll jobs, and economic downturns. We show that UI claims are historically low in Michigan, especially compared to a dramatic spike during the Great Recession. We also touch on the important issues of seasonality, demographics, and industry dynamics. Continuing with this theme, this month's *Relevant Rankings* on pages 24 and 25 shows UI claims by state and for the state's metro areas, while our *Occupational Focus* highlights *Roofers*, which serves as an example of an occupation that contributes to Michigan's UI claims during the winter months.

Finally, if you have ever wondered how monthly unemployment rates are calculated, I strongly suggest you read this month's *Ask the Economist*, starting on page 26, where we tackle this question.

We hope you enjoy this issue of *Michigan's Labor Market News*. Let us know if there is something you would like to know more about.

JASON PALMER
DIRECTOR
Bureau of Labor Market Information
and Strategic Initiatives

MICHIGAN'S NOVEMBER JOBLESS RATE INCREASES SLIGHTLY

Michigan's seasonally adjusted unemployment rate edged up in November by one-tenth of a percentage point to 4.6 percent. Total employment rose over the month by 11,000 and the number of unemployed also increased, advancing by 6,000. The combination of both an employment and unemployment gain pushed the state's November workforce up by 17,000.

Michigan's November 2017 jobless rate was half a percentage point below the state's November 2016 rate of 5.1 percent. Over the same period, the national unemployment rate also declined by five-tenths of a percentage point. The slight over-the-month unemployment rate increase was the state's fourth consecutive monthly uptick, and was the highest rate recorded in the state since April when the jobless rate reached 4.7 percent. However, Michigan's November rate was only slightly above the 2017 year-to-date average jobless rate of 4.5 percent.

November marked the third month in a row that Michigan's workforce expanded. This comes after four months of workforce declines from May through August. Since August, the state's labor force grew by 42,000 or 0.9 percent. Over the year, Michigan's workforce advanced by a moderate 17,000 or 0.3 percent.

From November 2016 to November 2017, total employment rose in Michigan by 38,000 or 0.8 percent, while the number of unemployed dropped by 21,000 or 8.6 percent. Over the same period, national employment and unemployment moved in a similar manner, but with slightly larger percentages. Since November 2016, total employment in the U.S. increased by 1.2 percent while the number of unemployed nationally fell by 10.8 percent.

The chart below records the unemployment rate trend in Michigan between January 2013 and November 2017. During this nearly five-year span, Michigan's unemployment rate dropped by almost half (down 4.4 percentage points from 9.0 percent to 4.6 percent). Fairly significant unemployment rate decreases occurred between 2013 and 2015, however, jobless rate changes have moderated since about mid-year 2015.

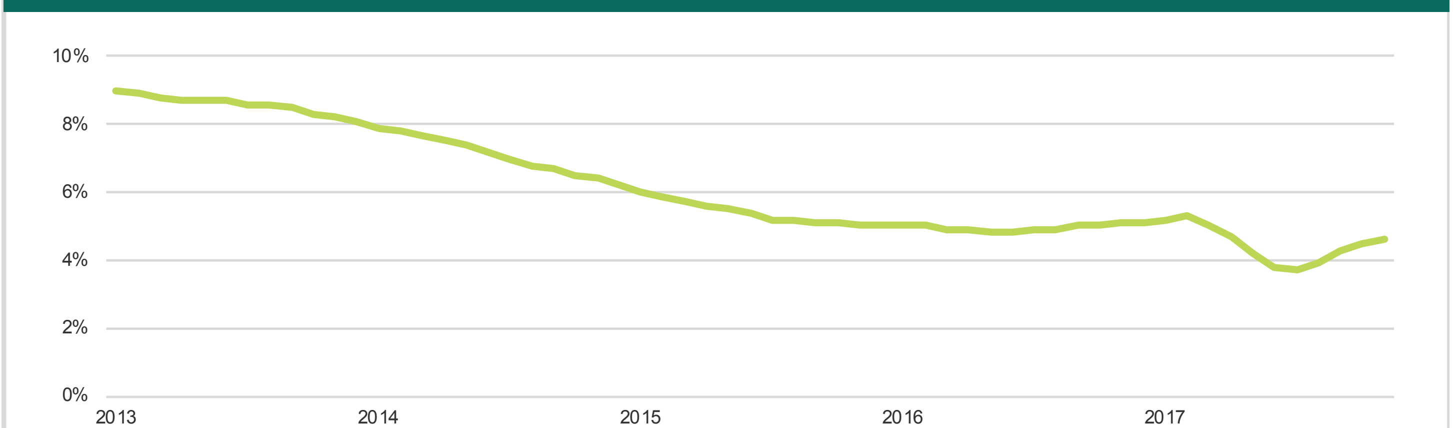
The state's 2017 year-to-date average jobless rate through November was 4.5 percent. Assuming the state's 2017 annual average rate comes in close to this 4.5 percent, Michigan will record its eighth consecutive year of unemployment rate reductions. This would be the second longest period of consecutive annual jobless rate declines since 1976.

JIM RHEIN
Economic Specialist

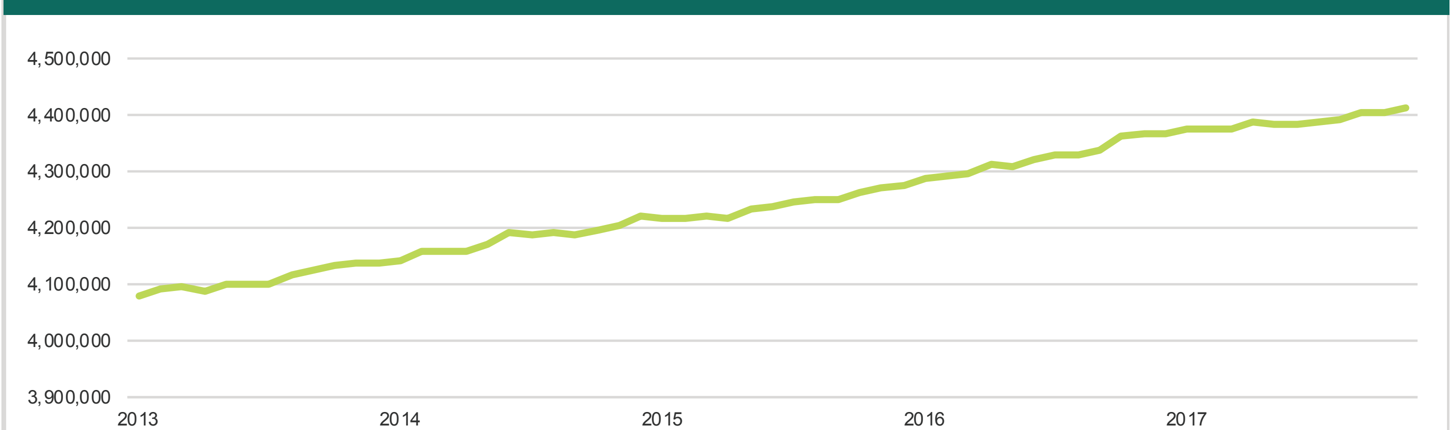
MICHIGAN LABOR FORCE ESTIMATES (SEASONALLY ADJUSTED)

	NOV 2017	OCT 2017	NOV 2016	CHANGE OVER THE MONTH	CHANGE OVER THE YEAR
Labor Force	4,875,000	4,858,000	4,858,000	+17,000	+17,000
Employed	4,651,000	4,640,000	4,613,000	+11,000	+38,000
Unemployed	224,000	218,000	245,000	+6,000	-21,000
Jobless Rate	4.6	4.5	5.1	+0.1	-0.5

MICHIGAN'S MONTHLY SEASONALLY ADJUSTED JOBLESS RATES (JANUARY 2013 TO NOVEMBER 2017)



MICHIGAN'S MONTHLY SEASONALLY ADJUSTED PAYROLL JOBS (JANUARY 2013 TO NOVEMBER 2017)



MICHIGAN JOB TRENDS BY INDUSTRY SECTOR

Monthly Overview

Total nonfarm payrolls in Michigan grew by 8,200 jobs in November to total 4,414,300. This gain was widespread and occurred in nine of the 11 broad industry sectors. The largest additions were reported in *Professional and business services* (+4,700), *Leisure and hospitality* (+3,500), and *Education and health services* (+1,300). Smaller gains were registered in *Construction* (+800), *Manufacturing* (+700), *Trade, transportation, and utilities* and *Other services* (+200 each), and *Information* and *Mining and logging* (+100 each). The job increases were offset by payroll declines in *Government* (-2,500) and *Financial activities* (-900). Payrolls in the state's key *Transportation equipment manufacturing* sector decreased by 500 over the month.

Over the Year Analysis

Since November 2016, total nonfarm employment advanced by 46,300, or 1.1 percent. This was slightly below the 1.4 percent rate of expansion nationally. In Michigan, payroll job gains were recorded in all major industry sectors with the largest over-the-year increases in *Professional and business services* (+14,500), *Leisure and hospitality* (+7,300), and *Education and health services* (+6,400). Smaller, yet significant, additions also occurred in *Other services* (+3,900), *Construction* (+3,700), *Government* (+3,200), *Manufacturing* (+2,700), *Financial activities* (+2,400), and *Information* (+1,000).

Michigan 11-Month Average Job Growth by Industry

Growth in total nonfarm employment has averaged 4,100 per month during the 11-month period ending in November of this year. This compares to the addition of 8,300 jobs per-month during the same period in 2016.

The largest average monthly job gains were reported in *Professional and business services* (+1,400 per month), *Leisure and hospitality* (+600 per month), and *Construction* and *Education and health services* (+500 per month each).

Smaller average monthly gains occurred in *Other services* (+300 per month), *Manufacturing* and *Government* (+200 per month each), and *Trade, transportation and utilities*, *Information*, and *Financial activities* (+100 each per month).

Significant Industry Employment Developments

ACCOMMODATION AND FOOD SERVICES

Payrolls in this sector expanded by 5,800 in November. This was partially due to a smaller seasonal job decline in the *Accommodation* subsector. Atypically large job gains in *Limited-service eating places* also contributed to the over-the-month increase in the broad sector. Overall, job additions in the broader sector through the 11-month period of 2017 have averaged nearly 1,100 per month. This was equal to the average number of jobs added for this period in 2016. Since November 2016, 12,200 jobs have been added in the broad sector. Nationally, employment rose by 21,200 over the month and by 263,800 since November 2016.

PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES

Job levels in this sector advanced by 2,900 to a series high of 309,600 in November. Part of this increase was due to atypically strong hiring in *Architectural, engineering, and related services*. An atypical November increase in jobs in *Management, scientific, and technical services* also contributed to the seasonally-adjusted job advance in this sector. Payrolls have grown by an average of 1,000 jobs per month for the 11-month period ending in November. Since November 2016, 9,400 jobs (+3.1 percent growth) have been added in this sector, which accounted for about 20 percent of all new nonfarm jobs. Nationally, employment increased by 23,500 over the month and by 2.7 percent over the year.

RETAIL TRADE

Retail trade jobs contracted by 2,000 in November after rising by 1,700 in October. Part of the November decline was due to weaker seasonal hiring in the *General merchandise stores* and *Clothing and clothing accessories stores* subsectors. A stronger seasonal reduction in *Building materials and garden equipment and supplies* also played a role in the monthly decline. Payrolls have trended lower by an average of 300 jobs per month during the 11-month period ending in November. A portion of the 2017 downward trend in jobs can be attributed to retail store closings. Since November 2016, *Retail trade* employment levels decreased by 4,100 or 0.9 percent. Nationally, job levels rose by 18,700 over the month but notched lower by 0.1 percent over the year.

METROPOLITAN STATISTICAL AREAS (MSAs)

On a *not-seasonally-adjusted* basis, seven of Michigan's 14 Metropolitan Statistical Areas (MSAs) recorded increases in total nonfarm jobs during November.

Metro areas that recorded job growth equal to or above the statewide average of 0.2 percent included; *Grand Rapids* (+0.6 percent), *Lansing* and *Saginaw* (+0.5 percent each), *Detroit* (+0.4 percent), *Jackson* (+0.3 percent), and *Battle Creek* and *Muskegon* (+0.2 percent each).

November nonfarm job levels remained unchanged in the *Ann Arbor* and *Midland* MSAs.

The *Flint* metro area (-0.5 percent) recorded the largest decline in payroll jobs during November. This was partially due to payroll reductions in *Durable goods manufacturing* and in *Professional and business services*.

JEFFREY AULA
Economic Analyst

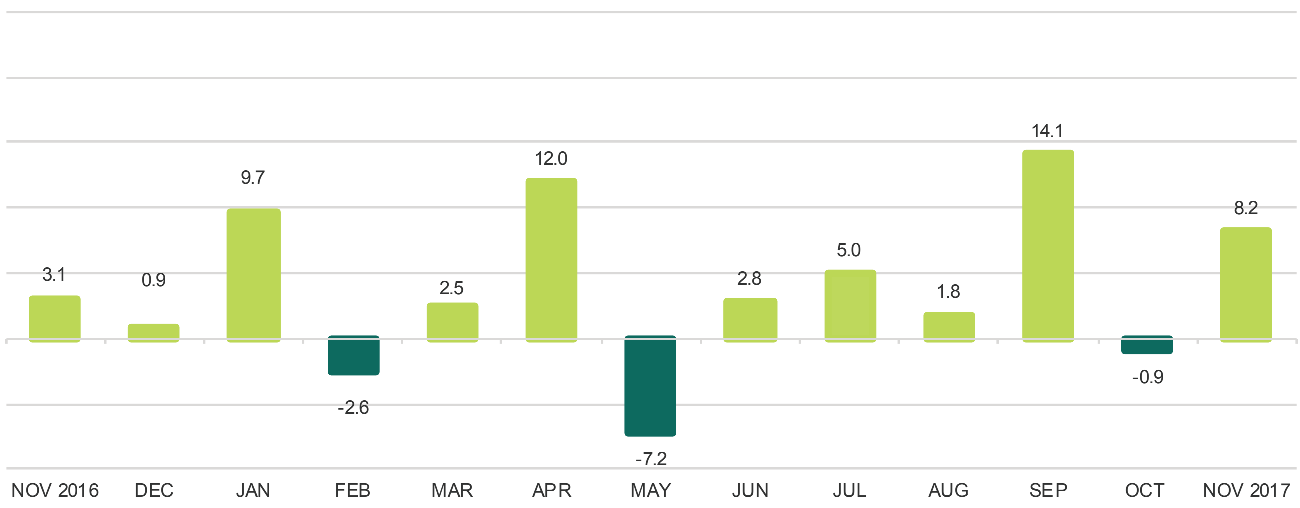
MICHIGAN PAYROLL JOBS (SEASONALLY ADJUSTED)

INDUSTRY	NOV 2017	OCT 2017	NOV 2016	OVER THE MONTH LEVEL	OVER THE MONTH PERCENT	OVER THE YEAR LEVEL	OVER THE YEAR PERCENT
TOTAL NONFARM	**4,414,300**	**4,406,100**	**4,368,000**	**8,200**	**0.2%**	**46,300**	**1.1%**
Total Private	3,801,900	3,791,200	3,758,800	10,700	0.3%	43,100	1.1%
Private Service-Providing	3,027,200	3,018,100	2,991,000	9,100	0.3%	36,200	1.2%
GOODS-PRODUCING	**774,700**	**773,100**	**767,800**	**1,600**	**0.2%**	**6,900**	**0.9%**
Mining, Logging, and Construction	170,800	169,900	166,600	900	0.5%	4,200	2.5%
Mining and Logging	7,400	7,300	6,900	100	1.4%	500	7.2%
Construction	163,400	162,600	159,700	800	0.5%	3,700	2.3%
Manufacturing	603,900	603,200	601,200	700	0.1%	2,700	0.4%
Durable Goods	456,100	457,000	452,600	-900	-0.2%	3,500	0.8%
Transportation Equipment Manufacturing	177,500	178,000	182,600	-500	-0.3%	-5,100	-2.8%
Nondurable Goods	147,800	146,200	148,600	1,600	1.1%	-800	-0.5%
SERVICE-PROVIDING	**3,639,600**	**3,633,000**	**3,600,200**	**6,600**	**0.2%**	**39,400**	**1.1%**
Trade, Transportation, and Utilities	784,000	783,800	783,300	200	0.0%	700	0.1%
Wholesale Trade	173,300	172,100	171,500	1,200	0.7%	1,800	1.0%
Retail Trade	468,400	470,400	472,500	-2,000	-0.4%	-4,100	-0.9%
Transportation, Warehousing, and Utilities	142,300	141,300	139,300	1,000	0.7%	3,000	2.2%
Information	58,400	58,300	57,400	100	0.2%	1,000	1.7%
Financial Activities	218,100	219,000	215,700	-900	-0.4%	2,400	1.1%
Finance and Insurance	163,100	163,100	161,400	0	0.0%	1,700	1.1%
Real Estate and Rental and Leasing	55,000	55,900	54,300	-900	-1.6%	700	1.3%
Professional and Business Services	677,200	672,500	662,700	4,700	0.7%	14,500	2.2%
Professional, Scientific, and Technical Services	309,600	306,700	300,200	2,900	0.9%	9,400	3.1%
Management of Companies and Enterprises	62,100	62,300	61,900	-200	-0.3%	200	0.3%
Administrative and Support and Waste Management and Remediation Services	305,500	303,500	300,600	2,000	0.7%	4,900	1.6%
Education and Health Services	672,900	671,600	666,500	1,300	0.2%	6,400	1.0%
Educational Services	72,500	72,500	73,700	0	0.0%	-1,200	-1.6%
Health Care and Social Assistance	600,400	599,100	592,800	1,300	0.2%	7,600	1.3%
Leisure and Hospitality	441,300	437,800	434,000	3,500	0.8%	7,300	1.7%
Arts, Entertainment, and Recreation	48,900	51,200	53,800	-2,300	-4.5%	-4,900	-9.1%
Accommodation and Food Services	392,400	386,600	380,200	5,800	1.5%	12,200	3.2%
Other Services	175,300	175,100	171,400	200	0.1%	3,900	2.3%
Government	612,400	614,900	609,200	-2,500	-0.4%	3,200	0.5%
Federal Government	52,200	52,500	51,900	-300	-0.6%	300	0.6%
State Government	195,200	195,300	195,100	-100	-0.1%	100	0.1%
Local Government	365,000	367,100	362,200	-2,100	-0.6%	2,800	0.8%

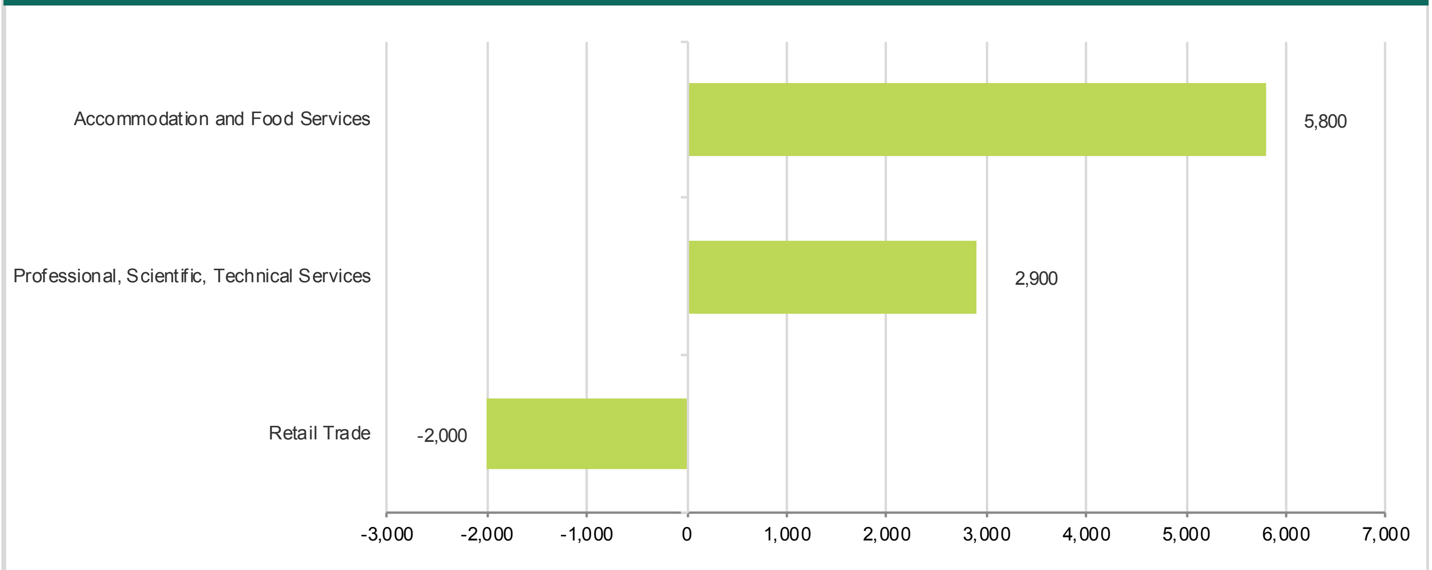
JOB CHANGE BY MAJOR INDUSTRY SECTOR (DEC 2016 TO NOV 2017)

INDUSTRY	AVERAGE JOB CHANGE / MONTH
TOTAL NONFARM	**4,100**
Professional and Business Services	1,400
Leisure and Hospitality	600
Construction	500
Educational and Health Services	500
Other Services	300
Manufacturing	200
Government	200
Trade, Transportation, and Utilities	100
Information	100
Financial Activities	100
Mining and Logging	0

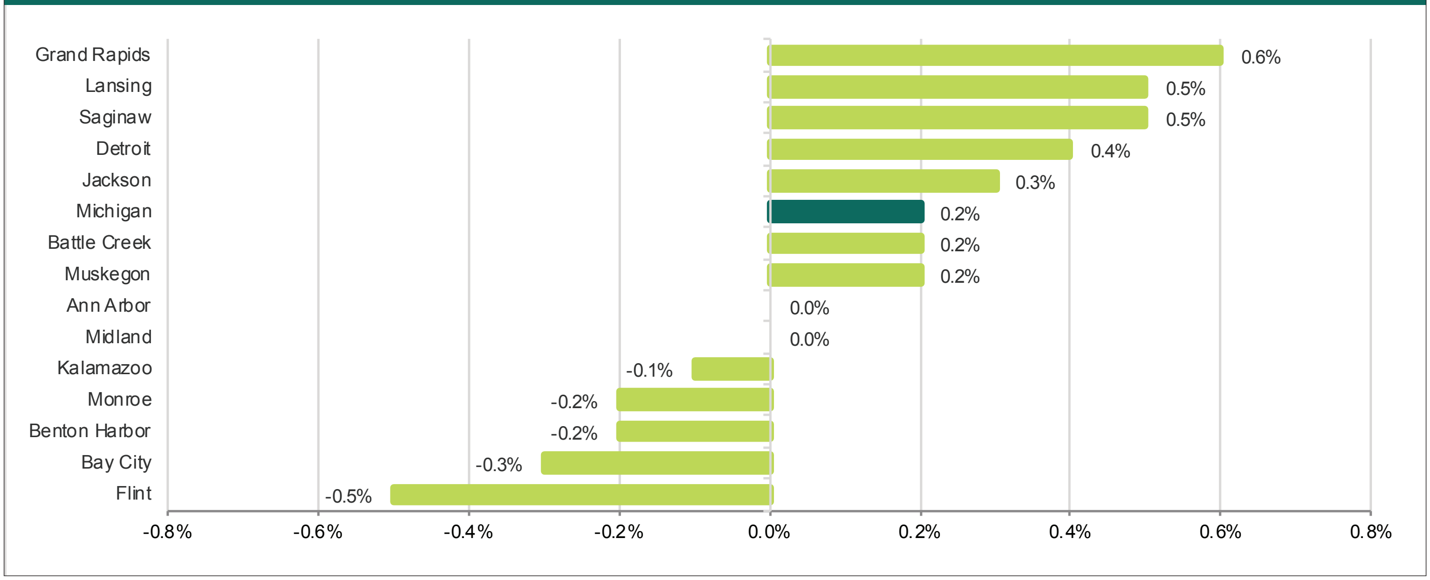
MICHIGAN OVER THE MONTH PAYROLL JOB CHANGE (IN THOUSANDS)



MICHIGAN'S OVER THE MONTH JOB CHANGE BY SELECT INDUSTRY (OCTOBER TO NOVEMBER 2017)



METROPOLITAN AREA JOB CHANGE OCTOBER TO NOVEMBER 2017 (NOT SEASONALLY ADJUSTED)



REGIONAL LABOR MARKET ANALYSIS

ANN ARBOR METROPOLITAN AREA

- Joblessness in Ann Arbor edged down by three-tenths of a percentage point to 3.1 percent in November.
- The region had the lowest November unemployment rate out of all Michigan metro areas.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll jobs in the Ann Arbor region were little changed over the month at a level of 222,800 jobs in November 2017.
- Minor gains in *Manufacturing* and T*rade, transportation, and utilities* were offset by job declines in *Government* and *Leisure and hospitality*.

INDUSTRY TRENDS

- For the second consecutive month, the region's *Professional and business services* reached an all-time industry high of 32,400 jobs.

BATTLE CREEK METROPOLITAN AREA

- In November, the jobless rate in the Battle Creek MSA inched down by two tenths of a percentage point. Employment rose by 500, while unemployment declined by 200.
- Labor force fell slightly over the year, mainly because of fewer employed residents.

MONTHLY INDUSTRY DEVELOPMENTS

- In November, jobs in the Battle Creek metro area were virtually flat, edging up 100 to 60,300. Minor seasonal job cuts were recorded in *Leisure and hospitality* and *Construction*.
- Since November 2016, *Manufacturing* employment improved by 3.2 percent or 400.

INDUSTRY TRENDS

- Job levels in the *Nondurable goods manufacturing* sector have continued to decline in the Battle Creek MSA, averaging 2,300 jobs so far in 2017.

BAY CITY METROPOLITAN AREA

- The Bay City metro area unemployment rate declined by 0.2 percentage points over the month to 4.5 percent, a rate half a percentage point higher than that of the state.
- Over the year, total employment fell by 1,000 or 2.0 percent.

MONTHLY INDUSTRY DEVELOPMENTS

- Total nonfarm employment in Bay City contracted by 100 over the month, a decline of 0.3 percent, due to small job cuts in *Mining, logging, and construction* and *Leisure and hospitality*.

INDUSTRY TRENDS

- Jobs in the area *Educational and health service* sector peaked at 6,900 in 2015, but so far in 2017 have averaged 6,600 jobs.

DETROIT-WARREN-DEARBORN METRO AREA

- Unemployment in the Detroit region dropped by six-tenths of a percentage point over the month, down to 3.7 percent.
- The Detroit metro area was the only Michigan region to exhibit a decline in its unemployment rate over the year, down from 4.7 percent in November 2016.

MONTHLY INDUSTRY DEVELOPMENTS

- Nonfarm employment increased by 7,900 over the month, or 0.4 percent, primarily due to gains in *Trade, transportation, and utilities* (+6,800), *Manufacturing* (+1,800) and *Professional and business services* (+1,700).

INDUSTRY TRENDS

- Detroit's *Transportation and warehousing* industry reached a seventeen-year high of 65,000 jobs in November 2017, due to a seasonal advance in shipping jobs during the holiday season.

FLINT METROPOLITAN AREA

- The Flint regional jobless rate contracted by 0.2 percentage points over the month, to 5.1 percent.
- The civilian labor force in the region declined by 1.1 percent over the year.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll employment in the Flint region fell by 700 in November, or 0.5 percent, primarily due to reductions in *Manufacturing* (-400) *Mining, logging and construction* (-200) and *Professional and business services* (-200).

INDUSTRY TRENDS

- Flint demonstrated the largest November decline in payroll jobs out of all Michigan metro areas, and the second largest percentage drop in nonfarm jobs over the year.

GRAND RAPIDS-WYOMING METROPOLITAN AREA

- The Grand Rapids regional jobless rate declined by two-tenths of a percentage point over the month, to 3.2 percent.
- Grand Rapids tied for the largest percentage over-the-month gain in employment out of all Michigan regions, with an increase of 1.2 percent.

MONTHLY INDUSTRY DEVELOPMENTS

- Total nonfarm jobs in the region rose by 3,500 over the month, or 0.6 percent.
- Sectors with the largest over-the-month advances included *Professional and business services* (+1,800), and *Trade, transportation, and utilities* (+1,200).

INDUSTRY TRENDS

- The region's *Educational and health services* sector has been increasing in employment over the past several months, culminating in an all-time industry high of 92,700 jobs in November.

CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	ANN ARBOR			BATTLE CREEK			BAY CITY		
	NOV 2017	OCT 2017	NOV 2016	NOV 2017	OCT 2017	NOV 2016	NOV 2017	OCT 2017	NOV 2016
PLACE OF RESIDENCE									
Labor Force	196,300	195,200	195,700	64,400	64,100	64,800	51,300	50,900	52,100
Employment	190,200	188,500	190,000	61,600	61,100	62,300	48,900	48,400	49,900
Unemployment	6,100	6,700	5,700	2,800	3,000	2,500	2,300	2,400	2,200
Rate (percent)	3.1	3.4	2.9	4.4	4.6	3.8	4.5	4.7	4.2
PLACE OF WORK									
Total Nonfarm Jobs	227,800	227,700	222,700	60,300	60,200	60,000	36,300	36,400	36,700
Mining, Logging, and Construction	4,300	4,400	4,200	1,500	1,600	1,600	1,000	1,100	1,100
Manufacturing	15,200	15,000	14,600	12,900	12,800	12,500	4,600	4,600	4,500
Trade, Transportation, and Utilities	26,300	25,900	26,000	9,300	9,200	9,500	7,500	7,300	7,800
Wholesale Trade	5,600	5,600	5,600	*	*	*	*	*	*
Retail Trade	17,000	16,700	16,800	5,800	5,800	5,900	5,300	5,200	5,300
Information	5,000	5,000	5,100	*	*	*	600	600	600
Financial Activities	7,100	7,100	6,900	1,300	1,300	1,300	1,200	1,200	1,200
Professional and Business Services	32,400	32,400	31,200	6,300	6,300	6,300	3,100	3,100	3,100
Educational and Health Services	27,600	27,300	27,400	11,300	11,200	11,200	6,500	6,500	6,600
Leisure and Hospitality	17,400	17,700	17,000	4,600	4,700	4,600	4,700	4,800	4,600
Other Services	6,500	6,500	6,300	2,100	2,100	2,000	1,400	1,400	1,400
Government	86,000	86,400	84,000	10,900	10,800	10,800	5,700	5,800	5,800

	DETROIT-WARREN-DEARBORN			FLINT			GRAND RAPIDS-WYOMING		
	NOV 2017	OCT 2017	NOV 2016	NOV 2017	OCT 2017	NOV 2016	NOV 2017	OCT 2017	NOV 2016
PLACE OF RESIDENCE									
Labor Force	2,095,100	2,097,500	2,067,200	181,800	180,900	183,900	577,600	571,300	573,000
Employment	2,017,500	2,008,400	1,969,200	172,600	171,400	175,800	558,900	552,100	556,200
Unemployment	77,700	89,100	97,900	9,200	9,500	8,100	18,700	19,200	16,800
Rate (percent)	3.7	4.3	4.7	5.1	5.3	4.4	3.2	3.4	2.9
PLACE OF WORK									
Total Nonfarm Jobs	2,037,500	2,029,600	2,003,500	141,700	142,400	142,500	568,100	564,600	554,400
Mining, Logging, and Construction	77,100	78,800	72,100	5,100	5,300	5,000	25,100	25,100	23,700
Manufacturing	248,700	246,900	246,400	12,000	12,400	12,200	115,100	115,000	112,300
Trade, Transportation, and Utilities	374,600	367,800	370,900	30,600	30,500	30,800	98,200	97,000	97,000
Wholesale Trade	87,700	86,500	86,600	5,800	5,800	5,700	31,300	31,000	31,000
Retail Trade	215,400	210,400	215,600	21,000	20,900	21,200	50,900	50,100	50,600
Information	28,000	27,800	28,100	3,900	3,900	4,000	5,100	5,100	5,200
Financial Activities	115,900	116,100	114,200	5,900	6,000	6,000	26,300	26,600	25,900
Professional and Business Services	411,400	409,700	398,000	15,600	15,800	15,500	82,600	80,800	80,600
Educational and Health Services	317,600	316,800	312,500	28,500	28,400	29,000	92,700	92,000	91,100
Leisure and Hospitality	195,600	197,800	193,000	15,800	15,900	15,200	50,900	50,700	48,200
Other Services	76,800	77,000	76,200	5,500	5,600	5,400	22,900	22,800	22,100
Government	191,800	190,900	192,100	18,800	18,600	19,400	49,200	49,500	48,300

* Data Not Available

JACKSON METROPOLITAN AREA

- In November, labor force in the Jackson MSA rose by 500. Employment was up 700, and the area jobless rate edged down to 4.1 percent.
- Since November 2016, labor force inched down 200. Employment declined by 300, while the number of jobseekers edged up 200.

MONTHLY INDUSTRY DEVELOPMENTS

- In November, payroll jobs edged up by just 200, with small job additions in *Trade, Professional and business services,* and *Educational and health services*.
- Since November 2016, the Jackson MSA continued to record job advances in *Manufacturing* and *Leisure and hospitality*.

INDUSTRY TRENDS

- Since the 2009 recession, payroll jobs in Jackson grew at a rate below the statewide pace (+9.6 percent vs. +14.7 percent).

KALAMAZOO-PORTAGE METROPOLITAN AREA

- November's jobless rate in the Kalamazoo-Portage MSA was little changed, edging down to 3.9 percent. Employment rose by 800 over the month.
- Since November 2016, employment was flat, while the number of jobseekers moved up 600.

MONTHLY INDUSTRY DEVELOPMENTS

- In November, a seasonal job cut of 300 in *Leisure and hospitality* was exactly offset by seasonal hiring in *Retail trade*. Jobs in the area remained virtually flat over the month.
- Since November 2016, job levels in all major industry sectors continued to improve or remain unchanged.

INDUSTRY TRENDS

- Since the 2009 recession, employment in private *Service providing* industries grew by 10.8 percent, about five percentage points below the statewide expansion rate.

LANSING-EAST LANSING METROPOLITAN AREA

- Joblessness in the Lansing region moved down by 0.3 percentage points over the month to 3.7 percent, a rate slightly lower than the Michigan rate of 4.0 percent.
- The number of unemployed in the region increased by 15.0 percent over the year to 9,200.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll jobs in the Lansing area grew by 1,300 over the month, or 0.5 percent, primarily due to increases in *Government* (+500), *Trade, transportation, and utilities* (+500) and *Manufacturing* (+400).

INDUSTRY TRENDS

- For the second consecutive month, Lansing's *Health care and social assistance* sector reached an industry high of 28,100 jobs.

MIDLAND METROPOLITAN AREA

- Midland's jobless rate was stable in November, inching down by just one-tenth of a percentage point to 4.1 percent.
- The number of unemployed in the region remained unchanged over the year.

MONTHLY INDUSTRY DEVELOPMENTS

- Total nonfarm employment was flat in Midland over the month, with a level of 37,700 jobs in November.

INDUSTRY TRENDS

- Midland's *Private service providing* sector has shown minimal job change over the last three years, hovering near 26,200 jobs.

MONROE METROPOLITAN AREA

- Joblessness in the Monroe metro area contracted sharply by 1.2 percentage points over the month, down to 3.9 percent.
- The civilian labor force was little changed over the year, edging down by 0.1 percent since November 2016.

MONTHLY INDUSTRY DEVELOPMENTS

- Nonfarm jobs in Monroe inched down slightly over the month 100 jobs, or 0.2 percent, due to small job cuts in *Mining, logging and construction* and *Leisure and hospitality*.

INDUSTRY TRENDS

- For the fourth consecutive month, *Transportation, warehousing, and utilities* in the Monroe region reached its all-time high level of 4,000 jobs.

MUSKEGON METROPOLITAN AREA

- Unemployment in Muskegon declined by three-tenths of a percentage point over the month to 4.9 percent, a rate nearly a full percentage point higher than that of the state.
- Total employment in the region increased by 1.1 percent over the month to 73,100.

MONTHLY INDUSTRY DEVELOPMENTS

- Payroll jobs in the Muskegon region edged up by 100 in November, or 0.2 percent, primarily due to a 200-job gain in *Manufacturing*.

INDUSTRY TRENDS

- Muskegon reached a sixteen-year high level of 14,200 jobs in *Manufacturing* in November.

CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	JACKSON			KALAMAZOO-PORTAGE			LANSING-EAST LANSING		
	NOV 2017	OCT 2017	NOV 2016	NOV 2017	OCT 2017	NOV 2016	NOV 2017	OCT 2017	NOV 2016
PLACE OF RESIDENCE									
Labor Force	74,500	74,000	74,700	170,000	169,500	169,500	249,300	247,100	251,600
Employment	71,500	70,800	71,800	163,400	162,600	163,400	240,100	237,400	243,600
Unemployment	3,100	3,200	2,900	6,700	6,900	6,100	9,200	9,800	8,000
Rate (percent)	4.1	4.3	3.9	3.9	4.1	3.6	3.7	4.0	3.2
PLACE OF WORK									
Total Nonfarm Jobs	59,100	58,900	58,300	152,700	152,800	149,400	239,500	238,200	238,500
Mining, Logging, and Construction	2,000	2,000	1,900	6,800	6,900	6,300	7,600	7,900	7,300
Manufacturing	10,300	10,400	9,900	21,900	21,900	21,400	20,700	20,300	20,900
Trade, Transportation, and Utilities	12,800	12,600	12,900	26,900	26,600	26,800	38,100	37,600	37,900
Wholesale Trade	*	*	*	7,000	7,000	6,900	6,000	5,900	6,000
Retail Trade	6,600	6,600	6,900	16,400	16,100	16,400	22,500	22,100	22,500
Information	300	300	300	900	900	900	2,900	2,800	2,900
Financial Activities	1,800	1,800	1,800	8,500	8,500	8,400	16,200	16,200	16,000
Professional and Business Services	5,000	4,900	4,900	19,400	19,500	18,200	21,700	21,600	22,500
Educational and Health Services	11,000	10,900	10,900	23,800	23,700	23,600	32,900	32,700	32,600
Leisure and Hospitality	5,600	5,700	5,300	16,000	16,300	15,600	20,400	20,600	19,800
Other Services	2,500	2,500	2,500	5,700	5,700	5,400	10,700	10,700	10,400
Government	7,800	7,800	7,900	22,800	22,800	22,800	68,300	67,800	68,200

	MIDLAND			MONROE			MUSKEGON		
	NOV 2017	OCT 2017	NOV 2016	NOV 2017	OCT 2017	NOV 2016	NOV 2017	OCT 2017	NOV 2016
PLACE OF RESIDENCE									
Labor Force	40,400	40,100	41,100	77,000	77,400	77,100	76,900	76,300	76,600
Employment	38,800	38,400	39,500	74,000	73,500	74,400	73,100	72,300	73,200
Unemployment	1,600	1,700	1,600	3,000	3,900	2,700	3,800	3,900	3,400
Rate (percent)	4.1	4.2	3.9	3.9	5.1	3.5	4.9	5.2	4.4
PLACE OF WORK									
Total Nonfarm Jobs	37,700	37,700	37,800	43,600	43,700	42,900	64,200	64,100	63,000
Mining, Logging, and Construction	*	*	*	2,200	2,300	2,100	2,100	2,200	2,000
Manufacturing	*	*	*	5,900	5,800	5,600	14,200	14,000	13,400
Trade, Transportation, and Utilities	*	*	*	11,300	11,200	11,000	13,600	13,500	13,700
Wholesale Trade	*	*	*	1,900	1,900	1,800	*	*	*
Retail Trade	*	*	*	5,400	5,300	5,300	10,700	10,600	11,000
Information	*	*	*	*	*	*	800	800	800
Financial Activities	*	*	*	900	900	1,000	1,700	1,700	1,700
Professional and Business Services	*	*	*	5,500	5,500	5,400	3,800	3,700	3,700
Educational and Health Services	*	*	*	5,500	5,500	5,400	11,000	11,000	11,000
Leisure and Hospitality	*	*	*	4,800	4,900	4,800	7,300	7,500	7,100
Other Services	*	*	*	1,600	1,600	1,500	2,200	2,200	2,200
Government	3,200	3,200	3,100	5,400	5,400	5,400	7,500	7,500	7,400

* Data Not Available

NILES-BENTON HARBOR METROPOLITAN AREA

- Labor market conditions were stable in the Niles-Benton Harbor MSA in November. The jobless rate edged up by 0.1 percentage points to 4.5 percent.
- Employment was slightly below November 2016 levels, and the area jobless rate rose by four tenths of a percentage point.

MONTHLY INDUSTRY DEVELOPMENTS

- November payroll jobs in the Niles-Benton Harbor MSA were virtually flat. Job additions recorded in *Manufacturing* and *Government* were offset by employment cuts in *Leisure and hospitality* and in *Professional and business services*.
- Since November 2016, the area gained jobs in *Manufacturing* (+700), *Government* (+400), and *Leisure and hospitality* (+300).

INDUSTRY TRENDS

- Payroll jobs in the *Mining, logging, and construction* sector in the region averaged 2,000 so far in 2017, the highest level since 2008.

SAGINAW METROPOLITAN AREA

- Saginaw's jobless rate was little changed over the month, declining by 0.1 percentage points in November to 4.7 percent.
- Total unemployment in the region increased by 13.5 percent over the year, and the jobless rate rose by 0.5 percentage points.

MONTHLY INDUSTRY DEVELOPMENTS

- Total nonfarm jobs in Saginaw advanced by 500, or 0.5 percent, in November, due to a large seasonal increase of 700 positions in *Trade, transportation, and utilities*.

INDUSTRY TRENDS

- The region's *Professional and business service* sector has displayed only stable employment trends since 2014, and has averaged 11,300 jobs so far in 2017.

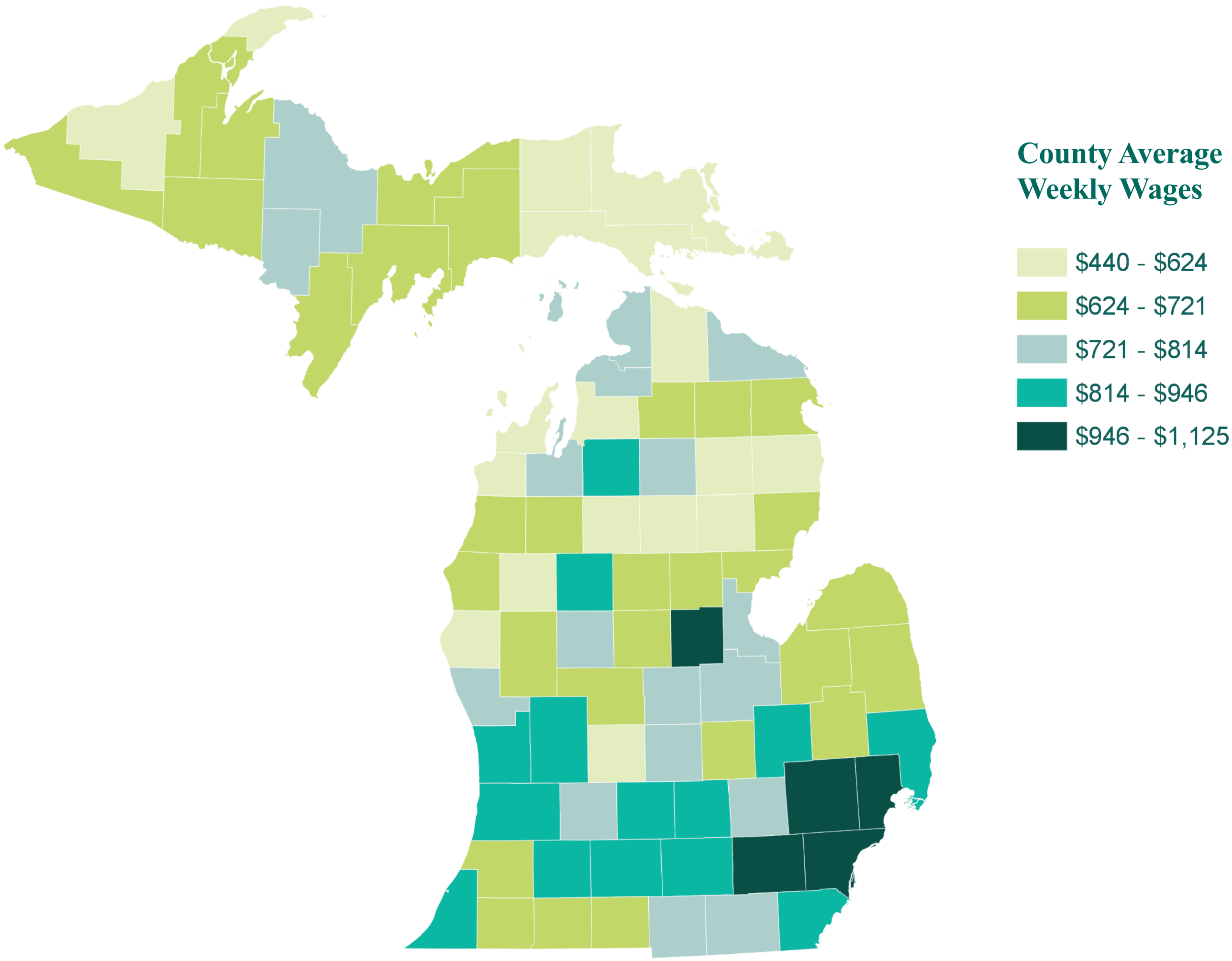
CIVILIAN LABOR FORCE AND NONFARM PAYROLL JOBS

	NILES-BENTON HARBOR			SAGINAW		
	NOV 2017	OCT 2017	NOV 2016	NOV 2017	OCT 2017	NOV 2016
PLACE OF RESIDENCE						
Labor Force	73,400	73,000	73,600	89,300	88,400	89,100
Employment	70,200	69,800	70,600	85,100	84,100	85,400
Unemployment	3,300	3,200	3,000	4,200	4,300	3,700
Rate (percent)	4.5	4.4	4.1	4.7	4.8	4.2
PLACE OF WORK						
Total Nonfarm Jobs	63,200	63,300	62,000	91,900	91,400	90,200
Mining, Logging, and Construction	2,000	2,100	1,900	3,200	3,300	3,100
Manufacturing	14,000	13,700	13,300	13,000	12,900	12,800
Trade, Transportation, and Utilities	10,400	10,500	10,700	18,600	17,900	17,800
Wholesale Trade	*	*	*	2,200	2,200	2,200
Retail Trade	6,700	6,600	6,700	13,700	13,200	13,000
Information	500	500	500	1,500	1,500	1,400
Financial Activities	2,400	2,300	2,300	3,600	3,600	3,600
Professional and Business Services	5,500	5,700	5,700	11,400	11,600	11,400
Educational and Health Services	9,400	9,400	9,300	16,700	16,600	16,300
Leisure and Hospitality	7,300	7,700	7,000	9,000	9,100	9,100
Other Services	2,400	2,400	2,400	3,200	3,300	3,300
Government	9,300	9,000	8,900	11,700	11,600	11,400

	UPPER PENINSULA			NORTHEAST MICHIGAN			NORTHWEST MICHIGAN		
	NOV 2017	OCT 2017	NOV 2016	NOV 2017	OCT 2017	NOV 2016	NOV 2017	OCT 2017	NOV 2016
PLACE OF RESIDENCE									
Labor Force	136,400	138,000	138,000	81,300	82,000	81,500	146,600	148,000	146,400
Employment	128,900	131,200	130,600	75,800	77,300	76,300	139,600	141,500	139,900
Unemployment	7,500	6,800	7,400	5,500	4,700	5,200	7,000	6,500	6,500
Rate (percent)	5.5	4.9	5.4	6.8	5.7	6.3	4.8	4.4	4.4

MAP OF THE MONTH:

COUNTY AVERAGE WEEKLY WAGES IN MICHIGAN



This map displays third quarter 2016 average weekly wages by Michigan county.

Source: LMISI, Quarterly Census of Employment and Wages, (QCEW)

Each year, the Bureau of Labor Market Information and Strategic Initiatives calculates the state's average private sector weekly wage (a four-quarter average ending in June) for our partners in the Talent Investment Agency-Unemployment Insurance Agency to help them derive the Alternate Earnings Qualifier and the maximum benefit amount for regular Unemployment Insurance (UI) benefits.

However, since 1994 there has been a cap on the maximum weekly UI benefit. Currently, the cap is at $362 per week, which is well below the state's average weekly wage. The average weekly wage is also used by our partners in the Department of Licensing and Regulatory Affairs (LARA) and the Department of Civil Rights for some of their programs.

Michigan Counties Display a Wide Range of Average Wages

Average weekly wages among Michigan counties, displayed in the map for the third quarter 2016, have a large degree of variation, ranging from $440 per week to $1,125 per week. Counties with low to medium wage rates can be found scattered throughout the state. The noticeable concentration is among the higher wage counties, which are mostly located in Southeast Michigan and the rest of Southern Michigan.

Michigan County Wage Rankings

Oakland, Wayne, Washtenaw, and Midland counties led the state in the third quarter 2016 with average private sector weekly wages above $1,000. The three counties of the Eastern Upper Peninsula ranked in the bottom five counties of Michigan in average weekly wage.

JASON PALMER
Director

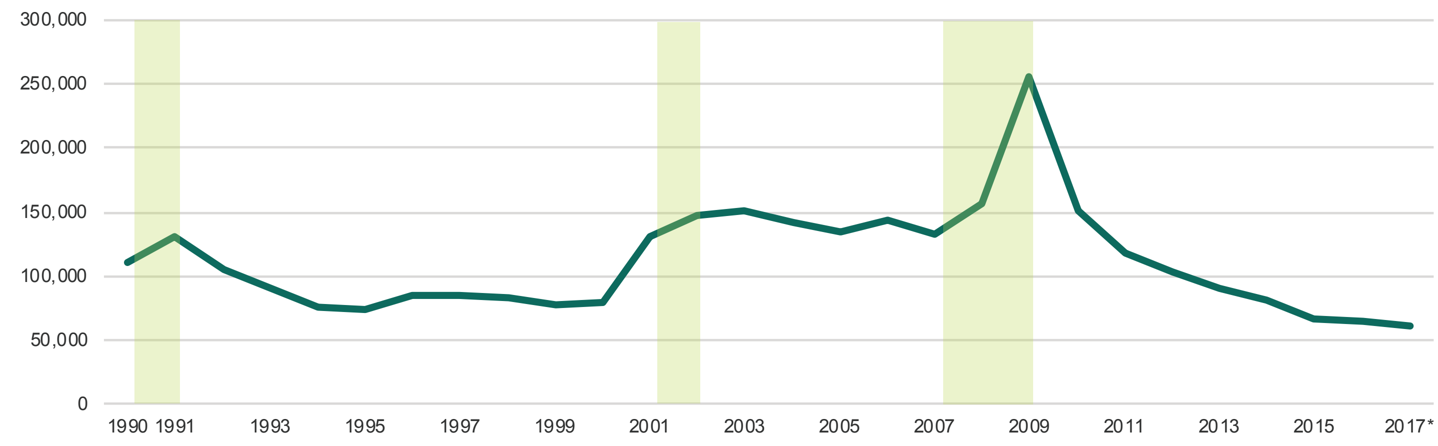
AN ECONOMIC INDICATOR: MICHIGAN UNEMPLOYMENT INSURANCE CLAIMS

Unemployment insurance (UI) claims are an important economic indicator and a reliable measure of the health of the Michigan and national labor markets. When UI claims are elevated, jobless rates are generally high and payroll growth is often sluggish or declining. Heightened claims levels can also indicate a negative economic event that may impact a certain region, population segment, or industry sector.

This article uses a special dataset of UI claims, defined as "continued claims without earnings," which reflects the number of Michigan residents certified as unemployed for the week that includes the 12th day of a given month. This dataset does not necessarily match other UI claims counts published by the Employment and Training Administration (ETA).

Generally, UI claims account for about one-third of the total unemployed and track with other economic indicators including jobless rates, payroll jobs, and economic downturns. Figure 1 shows the annual average number of UI claims in Michigan from 1990 through 2017.

FIGURE 1: CONTINUED CLAIMS WITHOUT EARNINGS IN MICHIGAN (1990 - 2017)



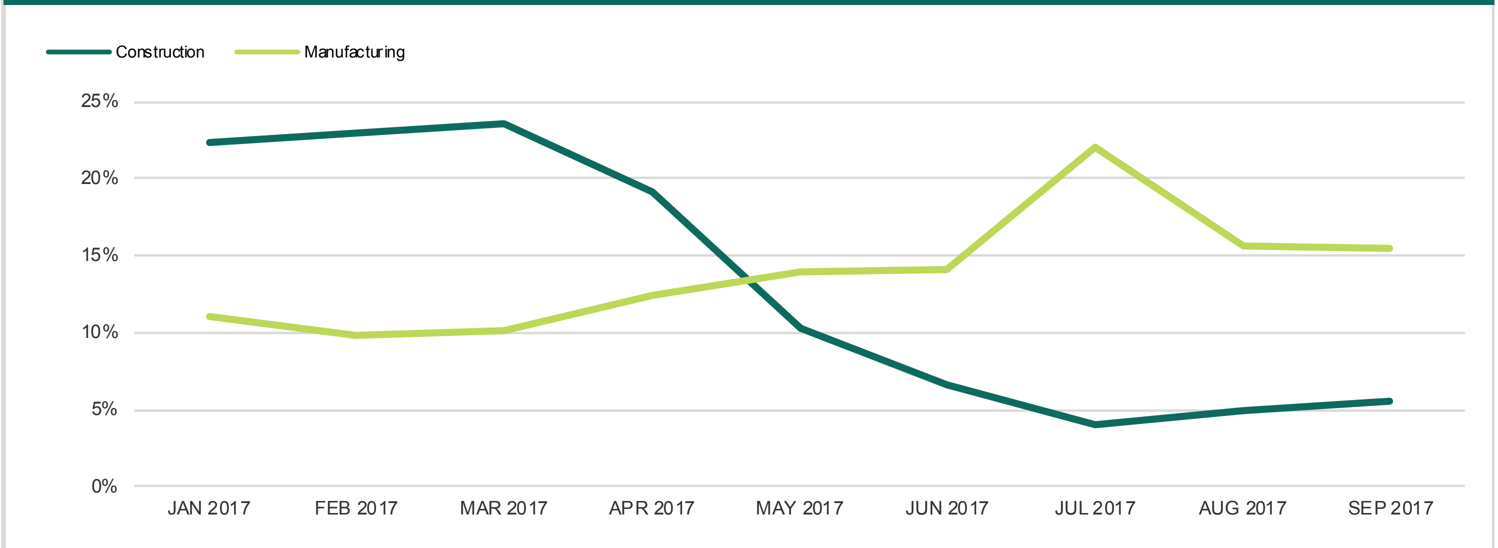
*2017 data is a moving 12-month average from October 2016 to September 2017

Source: Bureau of Labor Market Information and Strategic Initiatives / Talent Investment Agency

The current level of UI claims has been very low by historical standards. Generally, any year that the state's UI claims levels are below 100,000 corresponds with labor market strength, and as Figure 1 shows, claims levels have been below this benchmark since 2014. Figure 1 is shaded to reflect national recessionary periods, including the 1990-1991, 2001, and 2007-2009 recessions.

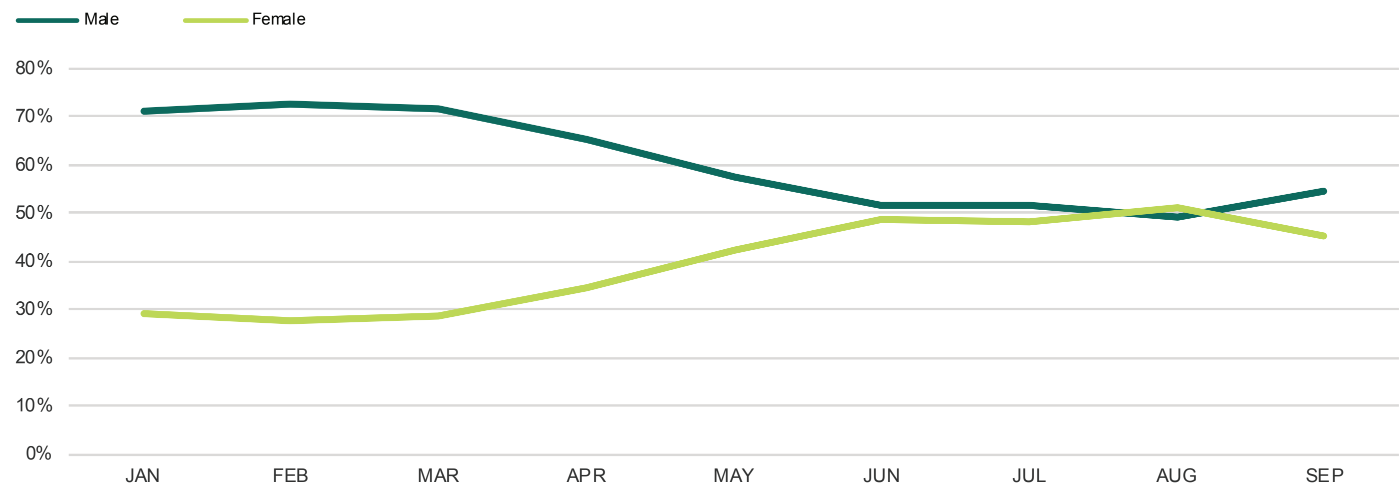
The expansionary period from 1992 through the year 2000 was accompanied by statewide claims levels of around 100,000 or below. The 2001 recession pushed UI claims levels well above the 100,000 mark. The post-recessionary period of national expansion from 2003 to 2007 did not occur in Michigan, largely due to the impact on jobs of the restructuring of the state's auto industry. While the nation recovered, the number of individuals in Michigan claiming unemployment insurance benefits remained elevated at about 140,000. Over most of the 2003-2007 period, Michigan's jobless rates were the highest in the nation. During the 2007-2009 Great Recession, UI claims without earnings in Michigan ballooned to over 250,000 as the state's unemployment rate nearly hit 15 percent.

FIGURE 2: CONSTRUCTION & MANUFACTURING CLAIMS AS A PERCENT OF TOTAL CLAIMS



Source: Bureau of Labor Market Information and Strategic Initiatives / Talent Investment Agency

FIGURE 3: SHARE OF TOTAL CLAIMS BY SEX BY MONTH IN MICHIGAN (2017)



Source: Bureau of Labor Market Information and Strategic Initiatives / Talent Investment Agency

Since 2009, UI claims in Michigan have dropped dramatically. Claims fell below the 100,000 level in 2013 and have continued to decline to the current average monthly level of just over 60,000.

Seasonality

UI claim trends are clearly seasonal, with the highest levels posted in the winter months. Figure 2 reports 2017 seasonal claims trends in two industry sectors; *Construction* and *Manufacturing*.

Figure 2 records *Construction* and *Manufacturing* claims as a percentage of total UI claims in Michigan for the first nine months of 2017. *Construction* firms are typically responsible for a high share of all statewide claims in the winter months, as workers are laid off due to winter weather conditions. The share of total UI claims from this sector typically drops to relatively low levels in the remaining months of the year, as many *Construction* workers return to work if jobs are available.

Manufacturing claims levels are typically higher than in most other sectors, even in the best of times, as a certain share of firms in this sector are constantly adjusting staffing levels due to changing production schedules and inventory control adjustments. However, in Michigan, *Manufacturing* claims typically rise in July due to the retooling/vacation shutdown period in the state's large auto industry, which generally induces auto suppliers to lay off workers when plants are idle. Other industry sectors including *Mining, Trade, transportation and utilities*, and the *Temporary help* sector show seasonality as well.

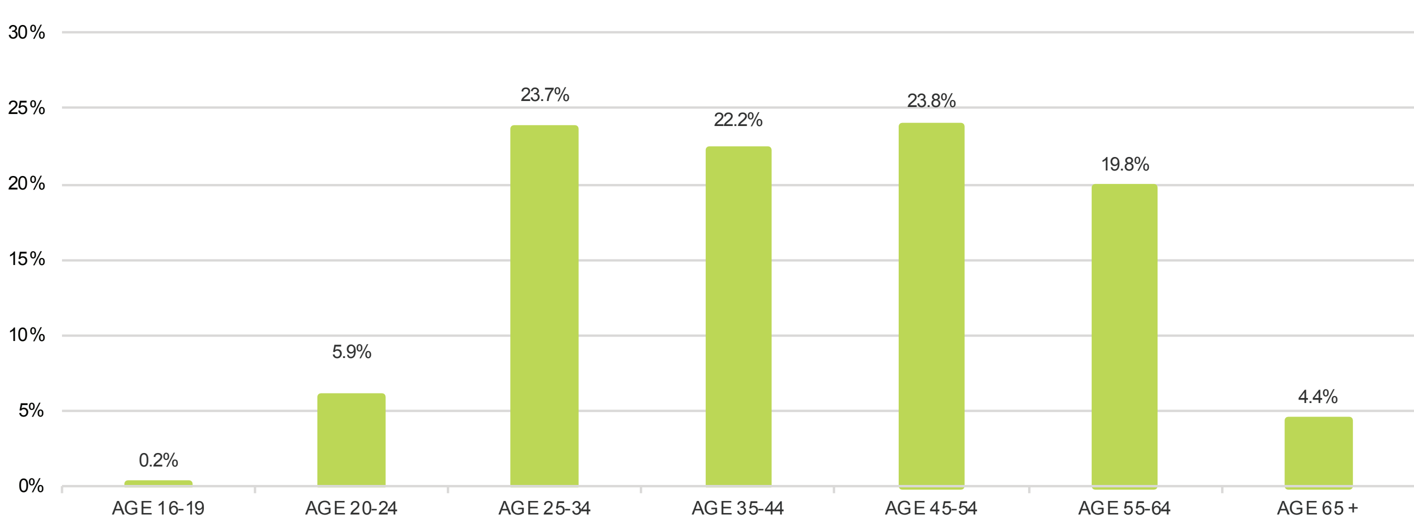
Demographics

This special dataset of continued claims without earnings also provides demographic insights into the state's UI claimants, with information about educational attainment, sex, and age.

EDUCATIONAL ATTAINMENT

Data is broken out into three broad categories: the completion of 12 years of school or less, the completion of two years of college, and the completion of at least four years of college.

FIGURE 4: SHARE OF TOTAL UI CLAIMS BY AGE GROUP IN MICHIGAN (2017)



Source: Bureau of Labor Market Information and Strategic Initiatives / Talent Investment Agency

The educational profile for UI claimants in Michigan in 2017 was as follows:

- 63 percent of claimants completed 12 years of schooling or less
- 28 percent of claimants completed two years of college
- Nine percent of claimants completed at least four years of college

This data shows that UI claimants have a different educational attainment profile than the overall labor force, with UI claimants attaining less college education. According to the Current Population Survey (CPS), the Michigan workforce has the following educational attainment profile.

- 31 percent of the state workforce has completed 12 years of schooling or less
- 30 percent of the Michigan workforce completed two years of college
- 39 percent of the workforce completed at least four years of college

SEX

UI claim levels by sex displayed a large seasonal difference (Figure 3) early in 2017, and again recorded similar percentages from June to September. Claims in seasonal industries like *Construction* push the male share of Michigan totals upward in the winter months.

AGE

Figure 4 displays various age groups as a percentage of total claims. Unemployment benefits by age show a similar distribution to the state's primary working ages. The age groups spanning 25-64 have similar numbers of UI claimants, each accounting for between 22 to 24 percent of all Michigan claimants. There is a slight drop off in the 55-64 cohort to about 20 percent. The number of UI claimants in the college and early working years (20-24) and the retirement years (65+) is relatively small, while claims among youth (16-19) are rare.

Ratio of UI Claimants to Jobs

During the first nine months of 2017, UI claims in Michigan as a percentage of total payroll jobs was 1.4 percent. Four major industry sectors posted the highest average shares of UI claims to jobs: *Construction, Mining, Professional and business services,* and *Manufacturing*.

- *Construction,* with its high level of seasonal job cuts during winter months, posted the highest percentage of unemployment claimants to jobs (6.0%).
- *Mining* (4.9%) recorded the second highest percentage, however this sector is small and accounts for a very small number of UI claimants.
- *Professional and business services* (2.0%) posted high UI claims counts largely due to several sub sectors that have relatively high turnover and frequent short-term layoff activity including *Temporary help services* and *Services to buildings and dwellings*.
- *Manufacturing* (1.4%) rounds out the Michigan sectors with above average ratios of UI claims to jobs. As discussed above, claims in *Manufacturing* are often elevated due to frequent, short-term staffing adjustments.

Michigan Unemployment Claims by Industry Sector

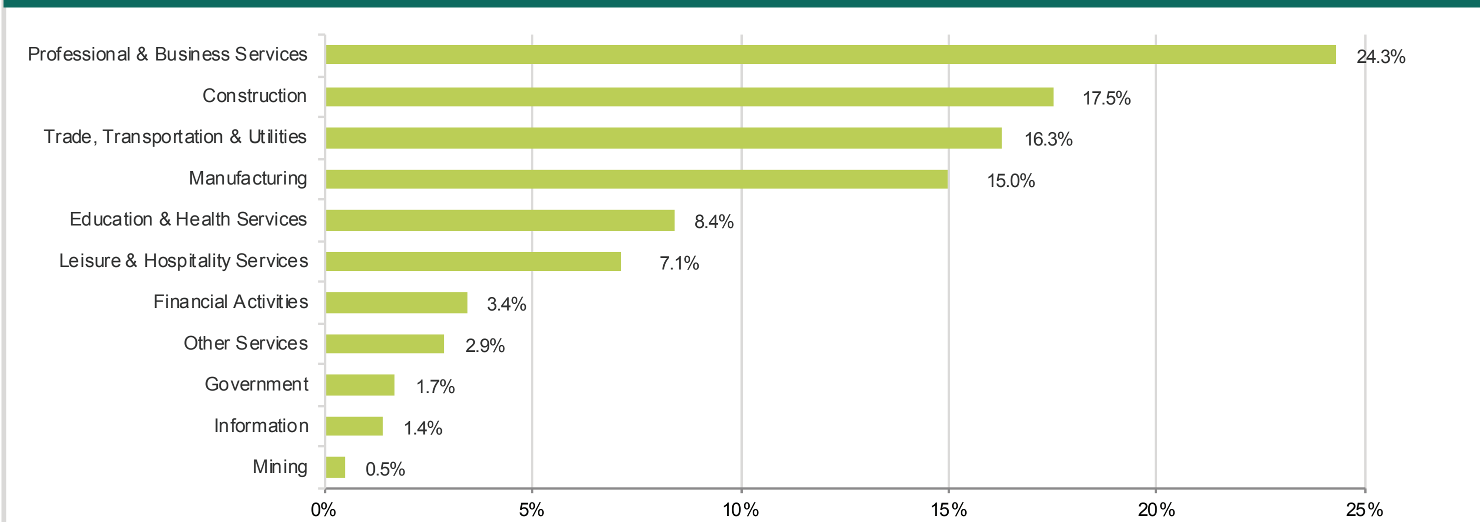
Another way to show UI claims by industry is by calculating each industry's share of total Michigan claims. Figure 5 displays each broad industry's share of total Michigan UI claims for the average of the first nine months of 2017.

Some of the highest percentages of unemployment benefits are due to the sheer size of these sectors. *Trade, transportation and utilities* is Michigan's largest major sector, while *Professional and business services* is currently the state's third largest industry. In other cases, industries with high seasonal unemployment such as *Construction*, or sectors with frequent short-term layoff patterns such as *Manufacturing* account for significant shares of UI claims in Michigan

Michigan 2017 unemployment claims counts outlined in this article are an economic snapshot during a relatively strong labor market year. UI claims data is a useful indicator for anyone interested in trends in the Michigan labor market. The demographics, educational attainment, and occupational history of UI claimants is useful in understanding the characteristics of the available labor pool and in assisting the unemployed in finding new jobs.

JIM RHEIN
Economic Specialist

FIGURE 5: SHARE OF TOTAL CLAIMS BY INDUSTRY SECTOR IN MICHIGAN (2017 YTD AVE)



Source: Bureau of Labor Market Information and Strategic Initiatives / Talent Investment Agency

OCCUPATIONAL FOCUS:

ROOFERS

As noted in our unemployment insurance claims feature article, *Construction* firms are usually a high source of statewide unemployment insurance claims, as employment levels in the industry are dependent on seasonal weather patterns. *Roofers* account for two percent of all jobs in *Construction*, and are often furloughed during the winter, usually returning to their jobs in the spring, resulting in a significantly lower share of jobless claims. *Roofers* are responsible for covering roofs of structures with shingles, slate, aluminum, wood, or related materials. They also may spray roofs, sidings, and walls with material to bind, seal, insulate, or soundproof sections of structures.

JOB TITLES

- Commercial Roofer
- Industrial Roofer
- Roof Mechanic
- Roof Service Technician
- Roofing Foreman
- Sheet Metal Roofer

EDUCATION

- This occupation usually requires a high school diploma or equivalent. Employees in this occupation need anywhere from a few months to one year of working with an experienced employee.

SKILLS

- *Active Listening:* Giving full attention to what other people are saying, taking time to understand the points being made, asking questions as appropriate, and not interrupting at inappropriate times.
- *Critical Thinking:* Using logic and reasoning to identify the strengths and weaknesses of alternative solutions, conclusions or approaches to problems.
- *Coordination:* Adjusting actions in relation to others' actions.
- *Operation and Control*: Controlling operations of equipment or systems.

TASKS

Inspect problem roofs to determine the best repair procedures.

- Estimate materials and labor required to complete roofing jobs.
- Cover roofs or exterior walls of structures with slate, asphalt, aluminum, wood, gravel, gypsum, or related materials, using brushes, knives, punches, hammers, or other tools.
- Install attic ventilation systems, such as turbine vents, gable or ridge vents, or conventional or solar-powered exhaust fans.
- Spray roofs, sidings, or walls to bind, seal, insulate, or soundproof sections of structures, using spray guns, air compressors, or heaters.

Short-Term Projections - 2016-2018

- In the short term, Michigan jobs for *Roofers* are estimated to increase by 180 or 5.5 percent by the second quarter 2018. The two-year growth rate is over twice the rate projected for all Michigan occupations of 2.2 percent.
- Between the second quarters of 2016 and 2018, annual job openings for *Roofers* will total 140. Nearly two-thirds (64 percent) of all annual openings are the result of employment expansion, while the remaining 36 percent will be needed to replace existing workers.

Long-Term Projections - 2014-2024

- Between 2014 and 2024, the total number of jobs for *Roofers* is expected to grow at a faster rate than total statewide jobs. They will increase by 11.9 percent and add 360 jobs by the year 2024, while total state jobs will grow by 7.4 percent over the same time period.
- The estimated average number of annual job openings for *Roofers* will be approximately 80. The replacement of existing workers (+46) and job expansion (+36) will each account for approximately one-half of all annual openings.

MICHIGAN QUICK FACTS: ROOFERS

Number of Jobs - 2016	2,660
Projected Job Change - 2016-2018	+180 (+5.5%)
Annual Openings	140
Projected Job Change - 2014-2024	+360 (+11.9%)
Annual Openings	82
Median Wage - 2016	$38,200 per year $18.37 per hour
Wage Range - 2016	$24,310 - $62,810 per year $11.69 - $30.20 per hour
Education Required	High School Diploma or Equivalent
Primary Industries	Construction
Real-Time Job Ads - November 2017	146

OVER 155,000 MICHIGAN ONLINE JOB ADS IN NOVEMBER

According to the Conference Board's Help Wanted Online Data Series, the total number of job advertisements in Michigan for November stood at 155,032. This number stands third among Michigan's neighboring states. Illinois had the highest number of ads (179,658) followed by Ohio, Michigan, Wisconsin, and Indiana (77,635).

Michigan Supply/Demand Rate Slips Downward

Michigan's supply-demand rate, or the number of unemployed persons per job advertisement, was at 1.41 for November. Compared to Michigan's neighboring states, Michigan's supply-demand rate ranks third. Ohio holds the highest rate at 1.79 followed by Illinois, Indiana, Michigan, and Wisconsin at 1.07.

The ad rate for Michigan, which measures the number of job ads per 100 labor force participants, was at 3.19 for November. A rate greater than 1.0 indicates at least one job advertisement is available per 100 people in the labor force. Michigan's rate is slightly higher than the national rate of 2.93.

Full-time / Part-time

Michigan job ads were largely dominated by full-time positions which accounted for over three-fourths of all advertisements. Close to 17 percent of the ads were for part-time work, 3.5 percent were contract, and 1.2 percent were for internships.

As expected, the Detroit-Warren-Dearborn Metropolitan Statistical Area (MSA) holds the greatest number of jobs ads (78,056) accounting for over half of all job ads in Michigan and nearly five times the number in the next largest MSA of Grand Rapids-Wyoming. The MSAs of Lansing-East Lansing, Ann Arbor, and Kalamazoo-Portage hold the next highest number of job ads (10,037, 8,841, and 5,767 respectively). The nine remaining MSAs have job ads of 4,300 or fewer and combine to make up roughly 14 percent of all Michigan job ads.

Ads by Occupation (Not Seasonally Adjusted)

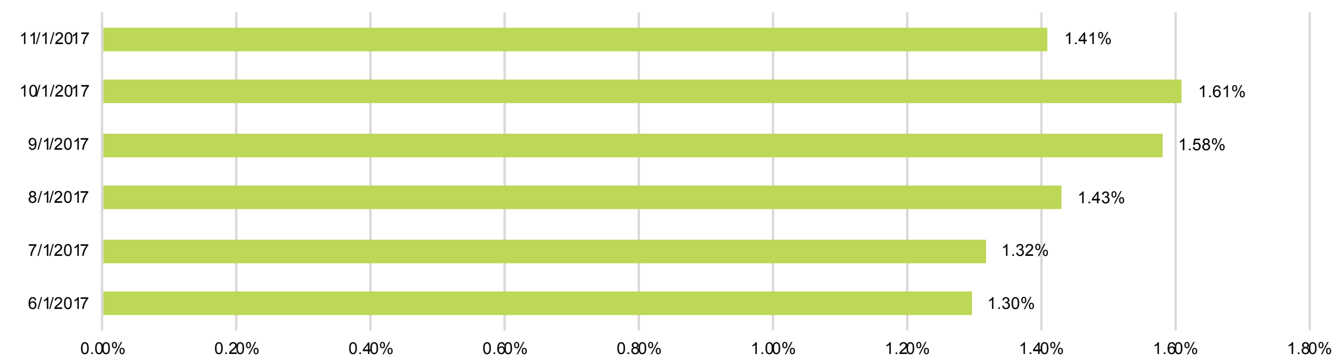
Among select major occupations in the state, *Professional* jobs continued to have the greatest number of job advertisements with 47,400. Jobs in *Healthcare* contributed 25,350 ads with a large portion coming from ads for *Registered nurses* (7,746). Jobs in *Sales* accounted for 18,450 ads. Among more detailed occupations, *Heavy and tractor-trailer truck drivers* accounted for 5,110 ads with *Retail salespersons* at 4,753 and *Industrial engineers* at 3,443.

Some of the top industries with advertisements came from *Elementary and secondary schools* (4,050) followed by *General medical and surgical hospitals* (4,040) and *Colleges, universities, and professional schools* (2,518).

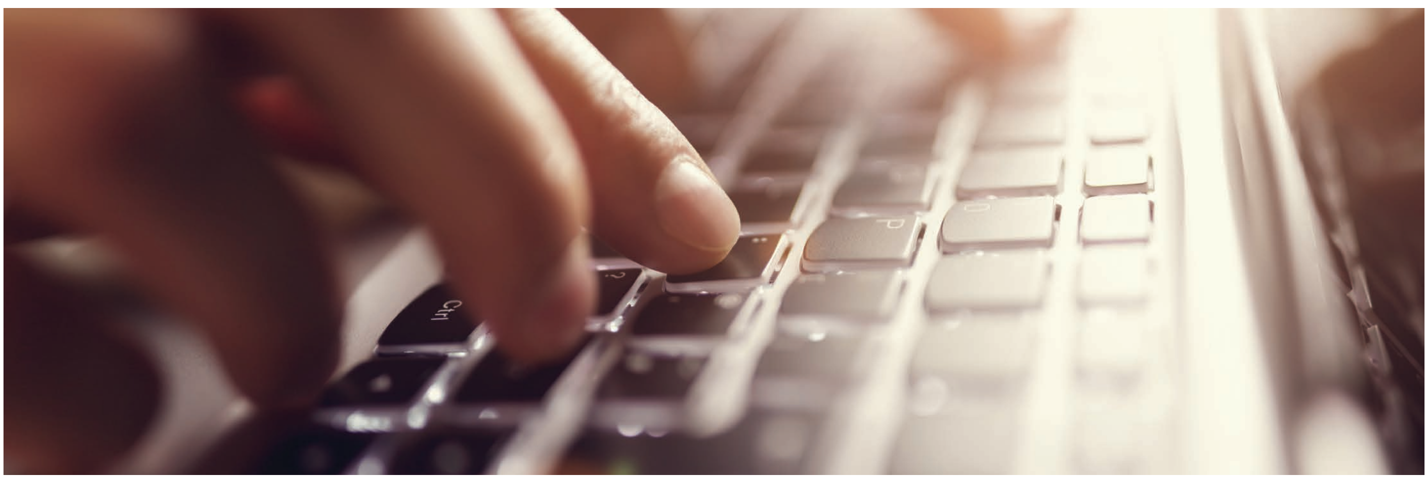
When looking at educational requirements in job advertisements, the majority of ads seek candidates with some type of college degree or training. Close to 36 percent of ads desire a bachelor's degree with six percent seeking candidates with a master's degree or more. Just over a third of job ads require only a high school diploma with no degree or training required. Job with no formal education credential accounted for 12 percent of all ads.

MARCUS REASON
Economic Analyst

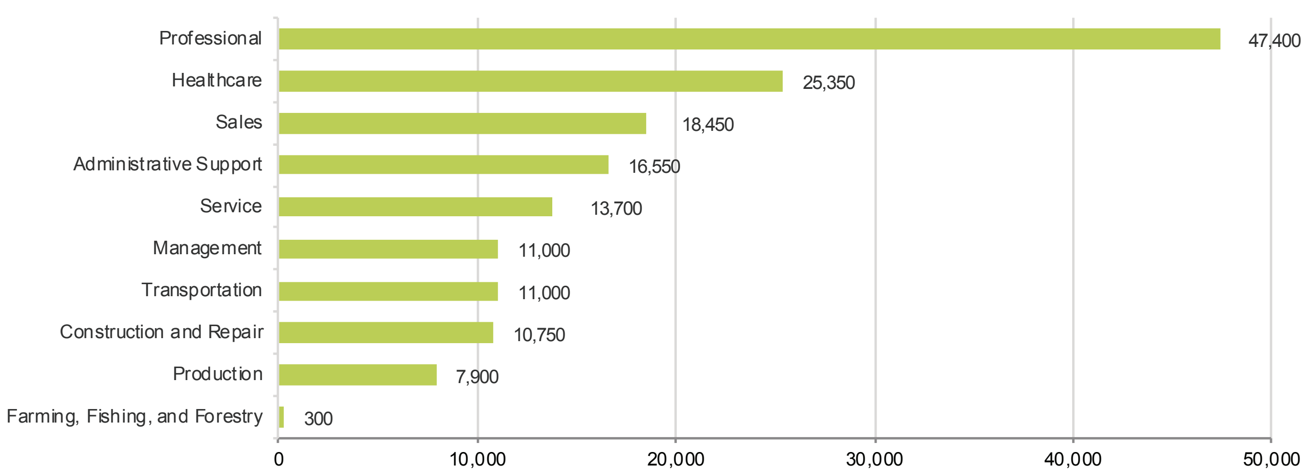
MICHIGAN SUPPLY / DEMAND RATE



Source: The Conference Board, Help Wanted Online® (HWOL)



TOTAL AVAILABLE ADS - NOVEMBER 2017 (NOT SEASONALLY ADJUSTED)



Source: The Conference Board, Help Wanted Online® (HWOL)

RELEVANT RANKINGS

UNEMPLOYMENT INSURANCE CONTINUED CLAIMANTS BY STATE - NOVEMBER 2017

	CLAIMANTS	PERCENT OF U.S. TOTAL
1 California	253,566	15.7%
2 Texas	134,057	8.3%
3 New York	132,207	8.2%
4 Pennsylvania	101,816	6.3%
5 Illinois	89,182	5.5%
9 Michigan	46,573	2.9%
23 North Carolina	19,203	1.2%
24 Louisiana	18,547	1.2%
25 South Carolina	18,129	1.1%
26 Tennessee	17,601	1.1%
27 Alabama	15,944	1.0%
46 New Hampshire	3,293	0.2%
47 North Dakota	3,134	0.2%
48 Vermont	3,072	0.2%
49 Wyoming	2,543	0.2%
50 South Dakota	1,429	0.1%

Source: Employment and Training Administration (ETA)

UNEMPLOYMENT INSURANCE CONTINUED CLAIMANTS BY METRO AREA - NOVEMBER 2017

	CLAIMANTS	PERCENT OF STATE TOTAL
Detroit-Warren-Dearborn MSA	19,773	47.2%
Grand Rapids-Wyoming MSA	3,456	8.2%
Flint MSA	1,910	4.6%
Lansing-East Lansing MSA	1,493	3.6%
Kalamazoo-Portage MSA	1,270	3.0%
Muskegon MSA	873	2.1%
Saginaw MSA	841	2.0%
Ann Arbor MSA	753	1.8%
Niles-Benton Harbor MSA	597	1.4%
Jackson MSA	594	1.4%
Battle Creek MSA	581	1.4%
Monroe MSA	515	1.2%
Bay City MSA	442	1.1%
Midland MSA	292	0.7%

Source: DTMB, Bureau of Labor Market Information and Strategic Initiatives

ASK THE ECONOMIST

Q: How are monthly unemployment rates calculated?

A: Consistent methods are used throughout the nation so data is fully comparable......

How is unemployment measured at the national level?

Total employment, unemployment, the unemployment rate, and the civilian labor force are derived directly from a monthly national survey called the Current Population Survey (CPS). The CPS is conducted by the Census Bureau for the U.S. Department of Labor, Bureau of Labor Statistics (BLS). The survey collects labor force information on approximately 60,000 households nationwide per month. Nearly 1,700 households are sampled throughout Michigan on a monthly basis.

Each household member 16 years and older is asked a series of questions to determine their employment status. Based on their responses to these questions, persons in the survey are classified as employed, unemployed, or out of the labor force. The CPS survey is large enough nationally to produce direct monthly estimates of employment, unemployment, and the unemployment rate for the U.S.

How is unemployment calculated at the state level?

The Michigan CPS survey is designed to be representative of the Michigan labor force, as it is stratified by geography and worker demographics. However, the number of surveyed households is not large enough in Michigan (and in all other states) to be used solely to produce statistically reliable monthly estimates.

Therefore, BLS has developed statistical models for all states that primarily utilize the monthly CPS survey results, but are also supplemented with additional employment and unemployment variables. These models significantly reduce the impact of sampling error on the monthly data. Labor force data are produced for all states using the same methodology, ensuring that data for Michigan is fully comparable with data available for other states.

Along with the CPS data, the additional variables used in the modeling process include payroll job estimates for the state from the Current Employment Statistics (CES) survey of businesses and unemployment insurance claims information.

Michigan's Department of Technology, Management & Budget (DTMB) compiles these inputs and runs the regression models monthly to produce the Michigan labor force statistics. Employment and unemployment estimates are added together to calculate total labor force. The unemployment rate is derived by dividing the number of unemployed by total labor force.

The above methods are used to derive monthly estimates for Michigan and the Detroit metropolitan area.

Who is counted as unemployed in the official statistics?

To be counted as unemployed, a person must meet all three of the criteria below:

- Must have had no earnings due to employment during the reference period or survey period (the week of the month that includes the 12th), AND
- Must have made specific efforts to find employment some time during the four weeks prior to the survey period, AND
- Must have been available to accept a job if it had been offered.

Is it true that only persons receiving unemployment benefits are counted as unemployed?

No, this is not true. None of the CPS survey questions deal with the receipt of unemployment benefits. If a person meets the above three criteria, they are counted as unemployed regardless of whether they receive unemployment benefits. Many of the unemployed are persons seeking their first job or reentering the workforce after a period of absence. They are counted as unemployed even though they have no prior employer and are not eligible for unemployment benefits.

What about "discouraged workers," persons who want a job but have stopped looking because they feel no employer will hire them? Are they counted as unemployed?

No, "discouraged workers" are not counted as unemployed, because they are no longer actively seeking a job. Instead they are counted as "out of the labor force".

A larger group of workers, called the "marginally attached," are individuals who have searched for work in the past year, but did not seek employment in the four weeks prior to the reference period. They are also not counted in the official labor force estimates.

BLS estimates that the Michigan 2016 CPS jobless rate of 4.9 percent would be 5.3 percent if "discouraged workers" were counted as unemployed. The state jobless rate would be 6.0 percent if all "marginally attached" workers were counted as unemployed.

If all of the unemployed, all "marginally attached" workers, and those working part-time but wanting full-time work were considered unemployed or "underutilized", the Michigan "labor underutilization" rate would be 10.3 percent.

Who is counted as employed in the official statistics?

All persons (during the reference period) are counted as employed if:

- They did any work as paid employees, worked in their own business or on a farm, or worked 15 hours or more as an unpaid worker in a family business.
- Also included as employed are those temporarily absent from work due to illness, vacation, bad weather, personal reasons, or labor disputes.

How is unemployment calculated for local labor markets and counties?

Labor force estimates produced at the local level (metropolitan areas, counties) are derived by what is called the Handbook or building block method. This method is used consistently in all states in the country, so that unemployment rates for Michigan counties are fully comparable with those developed in other states.

With this methodology, estimates are made of the various components of the employed and unemployed for each labor market in the state. The component estimates are summed for each labor market area to calculate an initial estimate of employment and unemployment. These preliminary estimates of employment and unemployment for all 83 counties in Michigan are then adjusted so that they sum to the independent estimates of employment and unemployment for Michigan.

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