



For Release: Wednesday, November 04, 2020

20-1946-CHI

MIDWEST INFORMATION OFFICE: Chicago, Ill.

Technical information: (312) 353-1880 BLSInfoChicago@bls.gov www.bls.gov/regions/midwest

Media contact: (312) 353-1138

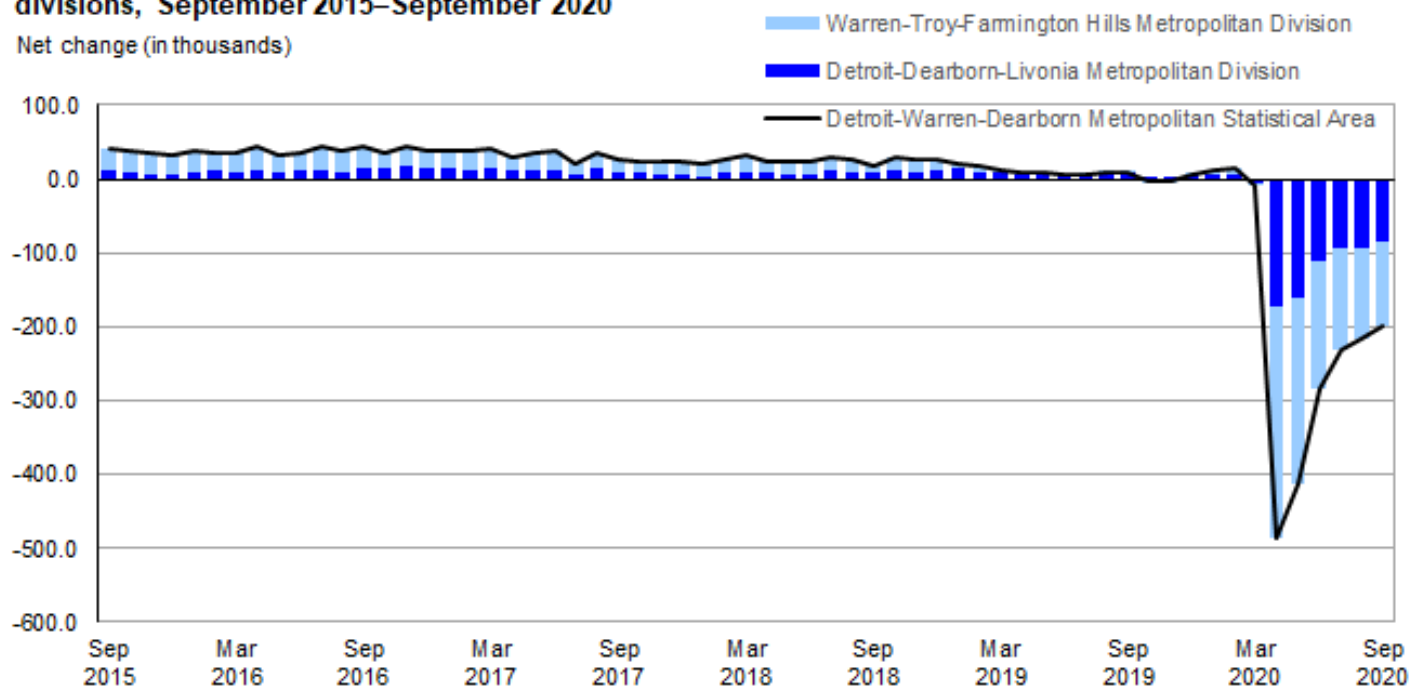
## Detroit Area Employment — September 2020

### Local area employment down 9.8 percent over the year

Total nonfarm employment for the Detroit-Warren-Dearborn Metropolitan Statistical Area stood at 1,841,200 in September 2020, down 200,400, or 9.8 percent, over the year, the U.S. Bureau of Labor Statistics reported today. (See [chart 1](#) and [table 1](#).) During the same period, the national job count decreased by 6.4 percent. Regional Commissioner Jason Palmer noted that this was the seventh consecutive month of over-the-year employment declines in the Detroit metropolitan area. (The [Technical Note](#) at the end of this release contains metropolitan area definitions. All data in this release are not seasonally adjusted; accordingly, over-the-year analysis is used throughout.)

**Chart 1. Total nonfarm employment, over-the-year net change in the Detroit metropolitan area and its divisions, September 2015–September 2020**

Net change (in thousands)



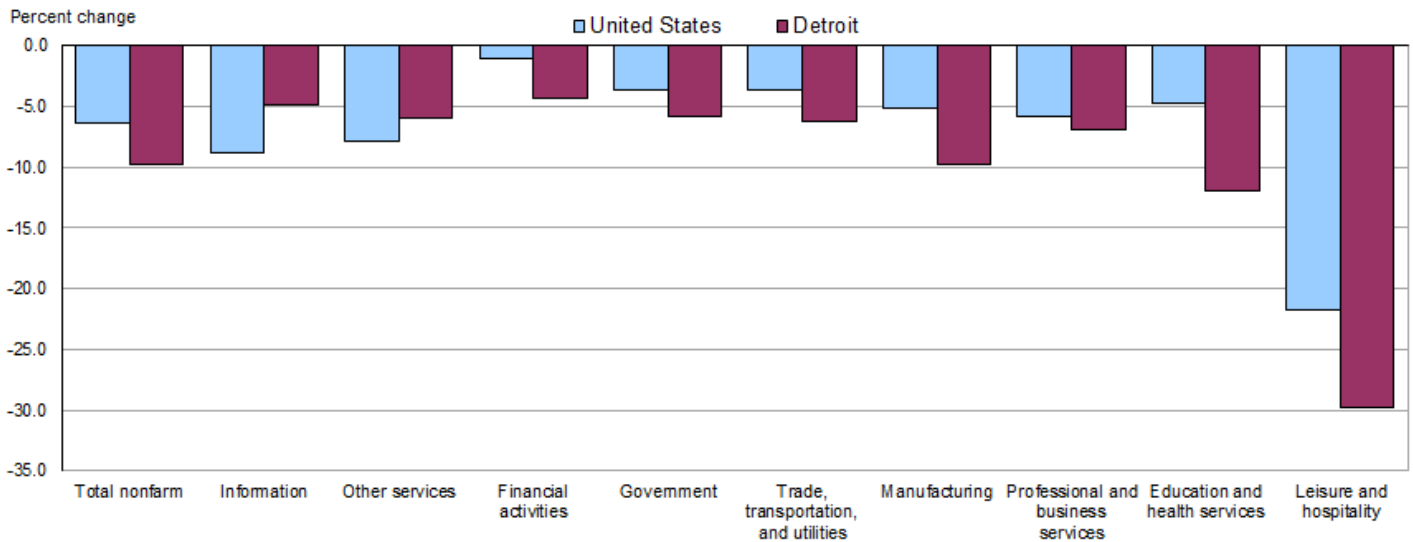
The Detroit metropolitan area is made up of two metropolitan divisions—separately identifiable employment centers within the larger metropolitan area. The Warren-Troy-Farmington Hills division, which accounted for 63 percent of the metropolitan area's employment, lost 115,000 jobs from September a year ago, a decline of 9.1 percent. The Detroit-Dearborn-Livonia Metropolitan Division, with the remaining 37 percent of the area's employment, lost 85,400 jobs, down 11.0 percent, from September 2019 to September 2020.

## Industry employment

In the Detroit metropolitan area, leisure and hospitality lost the largest number of jobs from September 2019 to September 2020, down 60,100. Local employment in this industry supersector declined 29.8 percent over the year; nationally, employment fell 21.7 percent in this sector. (See [chart 2.](#))

Education and health services lost 37,900 jobs over the year in the Detroit area, a 12.0-percent decline. Nationwide, education and health services employment declined 4.7 percent.

**Chart 2. Total nonfarm and selected industry supersector employment, over-the-year percent change, United States and the Detroit metropolitan area, September 2020**



Source: U.S. Bureau of Labor Statistics.

Three other local supersectors each lost more than 20,000 jobs from September a year ago: professional and business services (-27,000); manufacturing (-25,300); and trade, transportation, and utilities (-23,400). Employment in Detroit's professional and business services sector fell 6.9 percent compared to a 5.8-percent national decrease. Manufacturing employment was down 9.8 percent from a year ago; nationally, employment in this sector declined 5.1 percent. Employment in the local trade, transportation, and utilities sector was down 6.2 percent from a year ago; nationally, employment in this sector decreased 3.6 percent.

**Metropolitan area employment data for October are scheduled to be released on Friday, November 20, 2020.**

## Coronavirus (COVID-19) Pandemic Impact on September 2020 Establishment Survey Data

BLS has continued to review all estimation and methodological procedures for the establishment survey, which included the review of data, estimation processes, the application of the birth-death model, and seasonal adjustment. Business births and deaths cannot be adequately captured by the establishment survey as they occur. Therefore, the Current Employment Statistics (CES) program uses a model to account for the relatively stable net employment change generated by business births and deaths. Due to the impact of COVID-19, the relationship between business births and deaths is no longer stable. Typically, reports with zero employment are not included in estimation. For the August final and September preliminary estimates, CES included a portion of these reports in the estimates and made modifications to the birth-death model. In addition for both months, the establishment survey included a portion of the reports that returned to reporting positive employment from reporting zero employment. For more information, see [www.bls.gov/web/empstat/cesbd.htm](http://www.bls.gov/web/empstat/cesbd.htm).

In the establishment survey, workers who are paid by their employer for all or any part of the pay period including the 12th of the month are counted as employed, even if they were not actually at their jobs. Workers who are temporarily or permanently absent from their jobs and are not being paid are not counted as employed, even if they are continuing to receive benefits. The length of the reference period does vary across the respondents in the establishment survey; one-third of businesses have a weekly pay period, slightly over 40 percent a bi-weekly, about 20 percent semi-monthly, and a small amount monthly.

### Technical Note

This release presents nonfarm payroll employment estimates from the Current Employment Statistics (CES) program. The CES survey is a Federal-State cooperative endeavor between State employment security agencies and the Bureau of Labor Statistics.

**Definitions.** Employment data refer to persons on establishment payrolls who receive pay for any part of the pay period that includes the 12th of the month. Persons are counted at their place of work rather than at their place of residence; those appearing on more than one payroll are counted on each payroll. Industries are classified on the basis of their principal activity in accordance with the 2017 version of the North American Industry Classification System.

**Method of estimation.** CES State and Area employment data are produced using several estimation procedures. Where possible these data are produced using a "weighted link relative" estimation technique in which a ratio of current-month weighted employment to that of the previous-month weighted employment is computed from a sample of establishments reporting for both months. The estimates of employment for the current month are then obtained by multiplying these ratios by the previous month's employment estimates. The weighted link relative technique is utilized for data series where the sample size meets certain statistical criteria.

For some employment series, the sample of establishments is very small or highly variable. In these cases, a model-based approach is used in estimation. These models use the direct sample estimates (described above), combined with forecasts of historical (benchmarked) data to decrease volatility in estimation. Two different models (Fay-Herriot Model and Small Domain Model) are used depending on the industry level being estimated. For more detailed information about each model, refer to the BLS Handbook of Methods.

**Annual revisions.** Employment estimates are adjusted annually to a complete count of jobs, called benchmarks, derived principally from tax reports that are submitted by employers who are covered under state unemployment insurance (UI) laws. The benchmark information is used to adjust the monthly estimates between the new benchmark and the preceding one and also to establish the level of employment for the new benchmark month. Thus, the benchmarking process establishes the level of employment, and the sample is used to measure the month-to-month changes in the level for the subsequent months.

**Reliability of the estimates.** The estimates presented in this release are based on sample surveys, administrative data, and modeling and, thus, are subject to sampling and other types of errors. Sampling error is a measure of sampling variability—that is, variation that occurs by chance because a sample rather than the entire population is surveyed. Survey data also are subject to nonsampling errors, such as those which can be introduced into the data collection and processing operations. Estimates not directly derived from sample surveys are subject to additional errors resulting from the specific estimation processes used. The sums of individual items may not always equal the totals shown in the same tables because of rounding.

**Employment estimates.** Measures of sampling error for the total nonfarm employment series are available for metropolitan areas and metropolitan divisions at [www.bls.gov/sae/additional-resources/reliability-of-state-and-area-estimates.htm](http://www.bls.gov/sae/additional-resources/reliability-of-state-and-area-estimates.htm). Measures of sampling error for more detailed series at the area and division level are available upon request. Measures of sampling error for states down to the supersector level and for the private service-providing, goods-producing, total private and total nonfarm levels are available on the BLS website at [www.bls.gov/sae/additional-resources/reliability-of-state-and-area-estimates.htm](http://www.bls.gov/sae/additional-resources/reliability-of-state-and-area-estimates.htm). Information on recent benchmark revisions is available online at [www.bls.gov/sae/publications/benchmark-article/annual-benchmark-article.pdf](http://www.bls.gov/sae/publications/benchmark-article/annual-benchmark-article.pdf).

**Area definitions.** The substate area data published in this release reflect the delineations issued by the U.S. Office of Management and Budget on April 10, 2018. A detailed list of the geographic definitions is available at [www.bls.gov/lau/lausmsa.htm](http://www.bls.gov/lau/lausmsa.htm).

**The Detroit-Warren-Dearborn, MI Metropolitan Statistical Area** includes Lapeer, Livingston, Macomb, Oakland, St. Clair, and Wayne Counties in Michigan.

The **Detroit-Dearborn-Livonia, MI Metropolitan Division** includes Wayne County in Michigan.

The **Warren-Troy-Farmington Hills, MI Metropolitan Division** includes Lapeer, Livingston, Macomb, Oakland, and St. Clair Counties in Michigan.

### **Additional information**

More complete information on the technical procedures used to develop these estimates and additional data appear in *Employment and Earnings*, which is available online at [www.bls.gov/opub/ee/home.htm](http://www.bls.gov/opub/ee/home.htm). Detailed industry employment data for metropolitan areas from the CES program are available from the State and Area Employment databases at [www.bls.gov/sae/data/home.htm](http://www.bls.gov/sae/data/home.htm).

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

**Table 1. Employees on nonfarm payrolls by industry supersector, the United States and the Detroit metropolitan area and its components, not seasonally adjusted (numbers in thousands)**

Area and Industry	Sep 2019	Jul 2020	Aug 2020	Sep 2020(p)	Sep 2019 to Sep 2020(p)	
					Net change	Percent change
<b>United States</b>						
Total nonfarm.....	151,556	139,076	140,718	141,855	-9,701	-6.4
Mining and logging .....	738	630	620	619	-119	-16.1
Construction .....	7,700	7,427	7,461	7,415	-285	-3.7
Manufacturing.....	12,880	12,175	12,212	12,224	-656	-5.1
Trade, transportation, and utilities .....	27,575	26,095	26,403	26,591	-984	-3.6
Information .....	2,860	2,583	2,601	2,607	-253	-8.8
Financial activities .....	8,775	8,681	8,703	8,682	-93	-1.1
Professional and business services .....	21,479	20,010	20,220	20,239	-1,240	-5.8
Education and health services .....	24,257	22,646	22,835	23,125	-1,132	-4.7
Leisure and hospitality.....	16,759	13,152	13,231	13,124	-3,635	-21.7
Other services .....	5,894	5,409	5,445	5,433	-461	-7.8
Government.....	22,639	20,268	20,987	21,796	-843	-3.7
<b>Detroit-Warren-Dearborn, MI Metropolitan Statistical Area</b>						
Total nonfarm.....	2,041.6	1,799.9	1,827.1	1,841.2	-200.4	-9.8
Mining, logging, and construction.....	80.7	74.9	76.3	76.1	-4.6	-5.7
Manufacturing.....	257.6	228.5	231.1	232.3	-25.3	-9.8
Trade, transportation, and utilities .....	379.1	352.3	355.9	355.7	-23.4	-6.2
Information .....	26.4	24.7	24.8	25.1	-1.3	-4.9
Financial activities .....	121.8	117.9	118.2	116.6	-5.2	-4.3
Professional and business services .....	391.7	355.5	360.0	364.7	-27.0	-6.9
Education and health services .....	316.9	274.3	278.6	279.0	-37.9	-12.0
Leisure and hospitality.....	201.4	137.8	142.3	141.3	-60.1	-29.8
Other services .....	74.9	70.1	70.2	70.4	-4.5	-6.0
Government.....	191.1	163.9	169.7	180.0	-11.1	-5.8
<b>Detroit-Dearborn-Livonia, MI Metropolitan Division</b>						
Total nonfarm.....	775.0	670.8	679.6	689.6	-85.4	-11.0
Mining, logging, and construction.....	23.9	21.2	21.7	21.7	-2.2	-9.2
Manufacturing.....	95.8	87.9	89.6	89.4	-6.4	-6.7
Trade, transportation, and utilities .....	153.1	142.4	144.0	144.7	-8.4	-5.5
Information .....	6.6	6.2	6.1	6.2	-0.4	-6.1
Financial activities .....	40.5	38.1	37.9	37.7	-2.8	-6.9
Professional and business services .....	126.9	111.0	111.4	112.3	-14.6	-11.5
Education and health services .....	131.0	110.9	112.2	113.2	-17.8	-13.6
Leisure and hospitality.....	79.3	49.4	51.0	52.9	-26.4	-33.3
Other services .....	28.1	26.4	26.3	26.4	-1.7	-6.0
Government.....	89.8	77.3	79.4	85.1	-4.7	-5.2
<b>Warren-Troy-Farmington Hills, MI Metropolitan Division</b>						
Total nonfarm.....	1,266.6	1,129.1	1,147.5	1,151.6	-115.0	-9.1
Mining, logging, and construction.....	56.8	53.7	54.6	54.4	-2.4	-4.2
Manufacturing.....	161.8	140.6	141.5	142.9	-18.9	-11.7
Trade, transportation, and utilities .....	226.0	209.9	211.9	211.0	-15.0	-6.6
Information .....	19.8	18.5	18.7	18.9	-0.9	-4.5
Financial activities .....	81.3	79.8	80.3	78.9	-2.4	-3.0
Professional and business services .....	264.8	244.5	248.6	252.4	-12.4	-4.7
Education and health services .....	185.9	163.4	166.4	165.8	-20.1	-10.8
Leisure and hospitality.....	122.1	88.4	91.3	88.4	-33.7	-27.6
Other services .....	46.8	43.7	43.9	44.0	-2.8	-6.0
Government.....	101.3	86.6	90.3	94.9	-6.4	-6.3

Footnotes

(p) Preliminary