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MICHIGAN DEPT. OF LABOR & ECON. GROWTH/LABOR MARKET ANALYSIS - SOUTH CENTRAL MICHIGAN  
CIVILIAN LABOR FORCE ESTIMATES  
By Place of Residence/Seasonally Unadjusted. July, 2008 \*\*

Areas	CIVILIAN LABOR FORCE					EMPLOYMENT					UNEMPLOYMENT RATES		
	July 2008	June 2008	July 2007	Monthly Change	Annual Change	July 2008	June 2008	July 2007	Monthly Change	Annual Change	July 08	June 08	July 07
Jackson MSA	76,800	77,000	78,100	-200	-1,300	69,300	70,300	71,600	-1,000	-2,300	9.7	8.6	8.3
Hillsdale Co.	22,175	22,150	22,175	25	0	19,350	19,975	19,875	-625	-525	12.7	9.8	10.4
Lenawee Co.	50,325	50,800	50,950	-475	-625	44,675	45,975	46,325	-1,300	-1,650	11.2	9.5	9.0
Michigan	5,044,000	5,057,000	5,095,000	-13,000	-51,000	4,583,000	4,618,000	4,689,000	-35,000	-106,000	9.1	8.7	8.0
U.S.A.*	156,300	155,582	154,871	718	1,429	146,867	146,649	147,315	218	-448	6.0	5.7	4.9

\* Expressed in thousands; \*\* All labor force and employment numbers are rounded to the nearest 25 for counties, 100 for MSAs, and 1,000 for the State and the U.S.

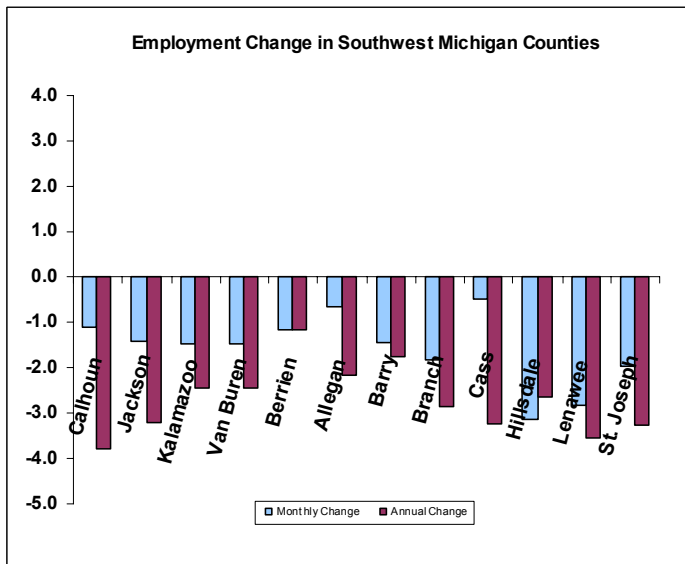
**Summer Layoffs in Local Public Education and in Auto-Related Manufacturing Lead to an Increase in July Jobless Rates for All Regional Counties**

Two factors are behind the rise of jobless rates in July: layoffs of temporary workers continued in the public education sector and auto-related manufacturers temporarily shut down their operations in July to retool the factories for next year's model. The unemployment rates of regional counties rose at an average of 1.3 percentage points in July.

**Labor Force Mostly Down Over the Month and Over the Year**

Labor force was down over the month in almost all regional counties, with the exception of St. Joseph (+575) and Hillsdale (+25) counties. Labor force remained unchanged over the month in Calhoun and Cass counties. Labor force declines ranged from -75 in Berrien and Branch counties to -700 in Kalamazoo County.

Over the year, labor force was down in almost all regional counties, ranging from -150 in Barry to -1,900 in Calhoun County. Labor force increased over the year in Berrien (+600) and St. Joseph (+400) counties. Labor force was flat over the year in Hillsdale County.



**Employment Down Over the Month and Over the Year**

Over the month, employment by place of residence declined in all regional counties, mostly due to continued summer layoffs of temporary workers in local public education and temporary layoffs in the automotive industry to retool factories for model changeover. Job losses in July ranged from -125 in Cass to -1,875 in Kalamazoo County. The median employment rate of decline in regional counties was -1.5 percentage points.

Over the year, employment was down in all regional counties. Employment reductions ranged from -525 in Barry and Cass counties to -3,150 in Kalamazoo County.

**Jobless Rates Up Sharply Over the Month and Over the Year**

Over the month, unemployment rates were up in all twelve regional counties. Jobless rate increases were as high as 1.7, 2.9 and 3.4 percentage points in Lenawee,

Hillsdale, and St. Joseph counties, with a median rise of a full percentage point for all regional counties.

Seven regional counties recorded lower rates than the statewide rate of 9.1 percent in July (Barry, Cass, Kalamazoo, Allegan, Van Buren, Calhoun, and Berrien). The remaining five counties registered higher jobless rates than the state.

Over the year, unemployment rates also rose in all regional counties by as high as 4.1 percentage points in St. Joseph County, with an average rate of 1.8 percentage points in Southwest Michigan region.

**Local MSA July Unemployment Rates Since 2000**

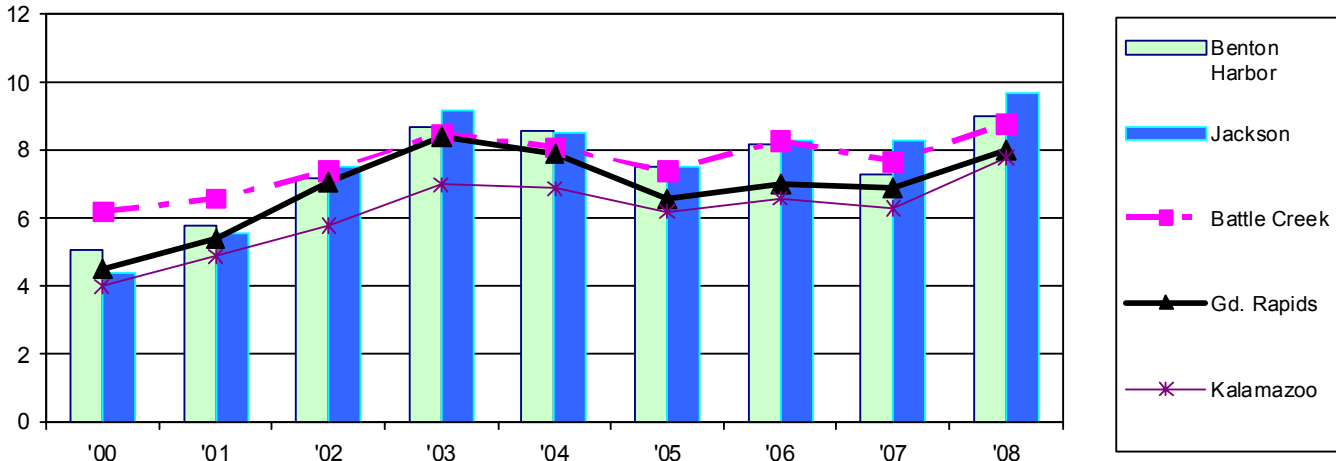
Year \ Areas	00	01	02	03	04	05	06	07	08
Jackson	4.4	5.6	7.5	9.2	8.5	7.5	8.3	8.3	9.7

From July 2000 to July 2008, jobless rates rose in the Jackson (+5.3 percentage points), Niles-Benton Harbor (+3.9), Kalamazoo (+3.8), Grand Rapids (+3.5), and Battle Creek (+2.6) metro areas.

After reaching a peak in 2003, July unemployment

rates trended downward in 2004 and 2005 for most regional metropolitan areas, before rising up again in 2006. Jobless rates in July 2008 were comparable to the 2003 levels in the same month.

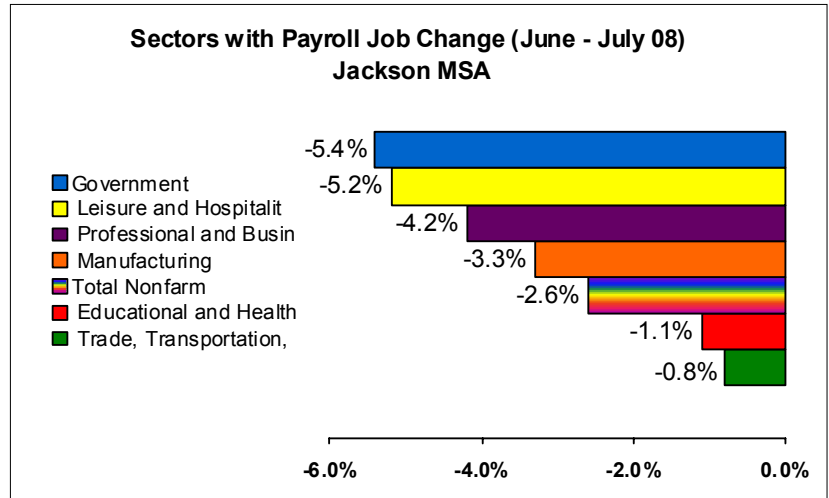
**Comparing the Trend of Local MSA July Unemployment Rates Since 2000**



Payroll jobs in the Jackson MSA (Jackson County) were down by 1,500 to 56,300 in July 2008, mostly due to seasonal layoffs in the education (-500), manufacturing (-300), and business services (-200) sectors. Leisure and hospitality also lost 300 jobs over the month.

Compared to July 2007, payroll job levels in most industries declined or remained unchanged. Employment in the educational and health services sector inched up by 100 over the year. Manufacturing jobs dropped by 200.

Overall payroll jobs in Jackson were 900 below July 2007 levels.





**SOUTH CENTRAL MICHIGAN  
WORKS!**

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**South Central Michigan MSA Payroll Employment - July 2008**

	July 2008	June 2008	July 2007	Monthly Change	Monthly % Change	Annual Change	Annual % Change
<b>Jackson MSA</b>							
<b>Total Nonfarm</b>	<b>57,900</b>	<b>58,200</b>	<b>58,900</b>	<b>-300</b>	<b>-0.5%</b>	<b>-1,000</b>	<b>-1.7%</b>
Nat. Res. & Construction	1,900	1,800	2,100	100	5.6%	-200	-9.5%
Manufacturing	9,200	9,100	9,400	100	1.1%	-200	-2.1%
Trade, Transportation, Utilities	12,300	12,200	12,500	100	0.8%	-200	-1.6%
Information	500	500	500	0	0.0%	0	0.0%
Financial Activities	1,900	1,900	1,900	0	0.0%	0	0.0%
Professional and Business	4,800	4,600	4,700	200	4.3%	100	2.1%
Educational and Health	9,400	9,700	9,400	-300	-3.1%	0	0.0%
Leisure and Hospitality	5,800	5,700	6,100	100	1.8%	-300	-4.9%
Other Services	2,800	2,800	2,800	0	0.0%	0	0.0%
Government	9,300	9,900	9,500	-600	-6.1%	-200	-2.1%

**South Central Michigan Works! Agency Local Area Employment Data - 2008**

	January	February	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Ann Avg
<b>South Central Michigan</b>													
Labor force	148,375	148,650	149,025	147,800	149,525	149,925	149,250						148,925
Employment	135,525	135,675	136,225	137,075	136,125	136,275	133,350						135,750
Unemployed	12,850	12,975	12,800	10,725	13,400	13,650	15,900						13,200
Rate	8.7	8.7	8.6	7.3	9.0	9.1	10.7						8.9
<b>Hillsdale</b>													
Labor force	22,000	21,850	21,950	21,775	22,175	22,150	22,175						22,000
Employment	19,875	19,800	19,950	20,050	20,025	19,975	19,350						19,875
Unemployed	2,125	2,050	2,000	1,700	2,150	2,175	2,800						2,150
Rate	9.6	9.4	9.1	7.9	9.7	9.8	12.7						9.7
<b>Jackson</b>													
Labor force	76,100	76,500	76,600	75,800	76,900	77,000	76,800						76,500
Employment	70,000	70,200	70,600	70,900	70,500	70,300	69,300						70,300
Unemployed	6,100	6,300	6,100	5,000	6,400	6,700	7,400						6,300
Rate	8.0	8.3	7.9	6.5	8.3	8.6	9.7						8.2
<b>Lenawee</b>													
Labor force	50,250	50,325	50,450	50,200	50,475	50,800	50,325						50,400
Employment	45,600	45,725	45,700	46,150	45,575	45,975	44,675						45,625
Unemployed	4,650	4,600	4,750	4,050	4,900	4,825	5,650						4,775
Rate	9.2	9.2	9.4	8.1	9.7	9.5	11.2						9.5