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MICHIGAN DEPT. OF ENERGY, LABOR & ECON. GROWTH/LABOR MARKET ANALYSIS - SOUTH CENTRAL MICHIGAN
CIVILIAN LABOR FORCE ESTIMATES
By Place of Residence/Seasonally Unadjusted. January, 2009 **

Areas	CIVILIAN LABOR FORCE					EMPLOYMENT					UNEMPLOYMENT RATES		
	Jan. 2009	Dec. 2008	Jan. 2008	Monthly Change	Annual Change	Jan. 2009	Dec. 2008	Jan. 2008	Monthly Change	Annual Change	Jan 09	Dec 08	Jan 08
Jackson MSA	74,500	75,700	76,800	-1,200	-2,300	65,500	67,300	70,700	-1,800	-5,200	12.1	11.0	7.9
Hillsdale Co.	21,300	21,050	21,200	250	100	17,600	18,250	19,075	-650	-1,475	17.3	13.2	10.0
Lenawee Co.	48,375	48,075	49,225	300	-850	41,050	42,100	44,600	-1,050	-3,550	15.1	12.4	9.4
Michigan	4,818,000	4,863,000	4,942,000	-45,000	-124,000	4,215,000	4,353,000	4,553,000	-138,000	-338,000	12.5	10.5	7.9
U.S.A.*	153,445	154,349	152,828	-904	617	140,436	143,350	144,607	-2,914	-4,171	8.5	7.1	5.4

* 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.

Sharp Jump in January Jobless Rates in Regional Counties

In January, besides the regular seasonal post-holiday layoffs in retail trade, and seasonal job cuts in education, leisure and hospitality, and construction, regional counties also were hard hit by manufacturing layoffs related to very low levels of auto sales. Local auto suppliers laid off workers as vehicle production levels fell. Regional unemployment rates rose at an average of 1.8 percentage points from December to January. Jobless rates were up substantially over the year in January at an average of 4.8 percentage points.

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 Lenawee (+300), Hillsdale (+250), Branch (+50), and St. Joseph (unchanged) counties. Labor force declines ranged from -50 in Van Buren to -2,300 in Kalamazoo County.

Over the year, labor force fell in almost all regional counties, ranging from -325 in St. Joseph to -4,400 in Kalamazoo County. Labor force levels edged up over the year in Branch and Hillsdale counties.

Employment by Place of Residence Substantially Down Over the Month and Over the Year

From December to January, employment by place of residence fell significantly in all regional counties by an average of 2.8 percentage points. Employment declines in January ranged from -425 in Branch to -2,625 in Kalamazoo County. Over the year, employment dropped in all regional counties, ranging from -1,150 in Branch to -8,125 in Kalamazoo County. The average rate of employment decline was estimated at 7.0 percentage points. Job reductions by auto suppliers due to contract uncertainty with auto makers (domestic and foreign) added stress to an already fragile regional labor market.

Jobless Rates Escalate Over the Month and Over the Year

All regional counties recorded unemployment rate increases over the month, averaging 1.8 percentage points. Seven regional counties recorded lower rates than the statewide rate of 12.5 percent in January (Kalamazoo, Barry, Cass, Calhoun, Berrien, Allegan, and Jackson). The other remaining counties registered higher jobless rates than the state. Over the year, unemployment rates were up substantially in all regional counties by an average of 4.8 percentage points. Hillsdale County recorded the highest jobless rate increase over the year (+7.3 percentage points).

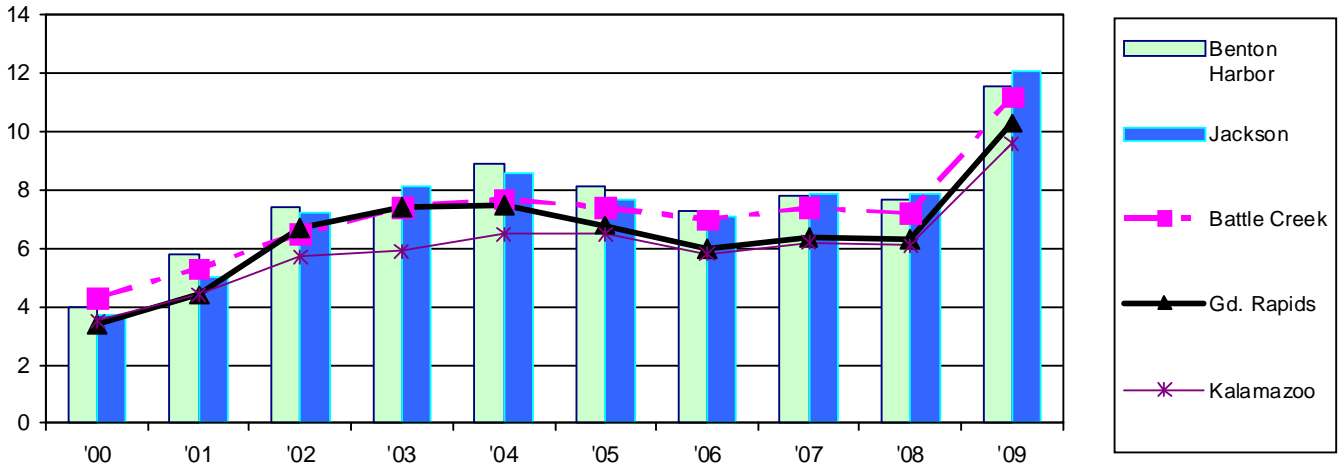
Local MSAs January Unemployment Rates Since 2000

From January 2000 to January 2008, jobless rates rose significantly in the Jackson (+8.4 percentage points), Niles-Benton Harbor (+7.6), Battle Creek (+6.9), Grand Rapids (+6.9), and Kalamazoo (+6.1) metro areas.

Area \ Year	00	01	02	03	04	05	06	07	08	09
Jackson	3.7	5.0	7.2	8.1	8.6	7.7	7.1	7.9	7.9	12.1

January unemployment rates rose from 2000-2004, fell in 2005 and 2006; then began to rise again in 2007 in all regional metropolitan areas. Metro area jobless rates sharply jumped sharply in January 2009 to reach levels last seen in the early to mid-1980s for the month.

Comparing the Trend of Local MSAs January Unemployment Rates Since 2000



Nonfarm Payroll Jobs Down Over the Month and Over the Year for Local Metropolitan Areas

Payroll jobs in the Jackson MSA (Jackson County) were estimated at 54,300 in January (a fall of 2,200 or 3.9 percent from December). Jackson lost jobs in every sector, with the exception of information and other services (repair and maintenance, personal and laundry services, etc.), whose employment was unchanged over the month.

Compared to January 2008, payroll job levels in most industries either declined or remained unchanged. Manufacturing employment plummeted by 1,000 over the year. Employment in the retail trade sector was down by 500, while professional and business services, and leisure and hospitality sectors each lost 300 jobs over the year. Overall payroll employment in Jackson was 2,800 below last year's January level.

