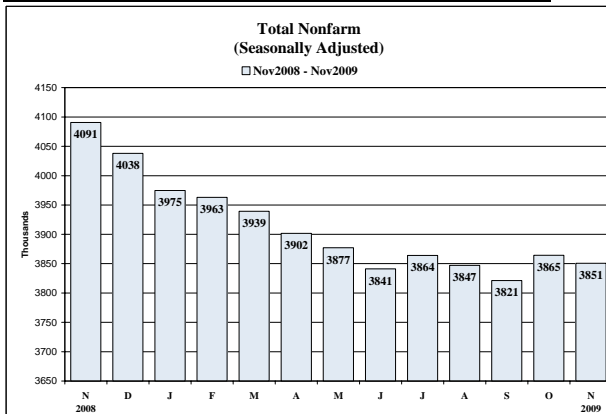


CURRENT EMPLOYMENT STATISTICS
MONTHLY INDUSTRY EMPLOYMENT HIGHLIGHTS
November 2009 - MICHIGAN
 Seasonally Adjusted Preliminary Estimates

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OVERVIEW

MICHIGAN TOTAL NONFARM JOBS (-14,000)



Michigan total nonfarm payrolls continued to stabilize in November, recording a minor reduction of 14,000 jobs. Trade, Transportation & Utilities and Government reported significant job declines while Professional & Business services recorded a significant job gain.

The stabilization in Michigan's jobs report is partly due to the deceleration in the pace of layoffs as the restructured auto industry resumed production. The large job losses averaging -33,000 in the first 6 months of 2009 slowed to an average monthly loss of 6,700 jobs in the 3rd quarter. In the last two months, the auto sector has added an average of 14,600 jobs.

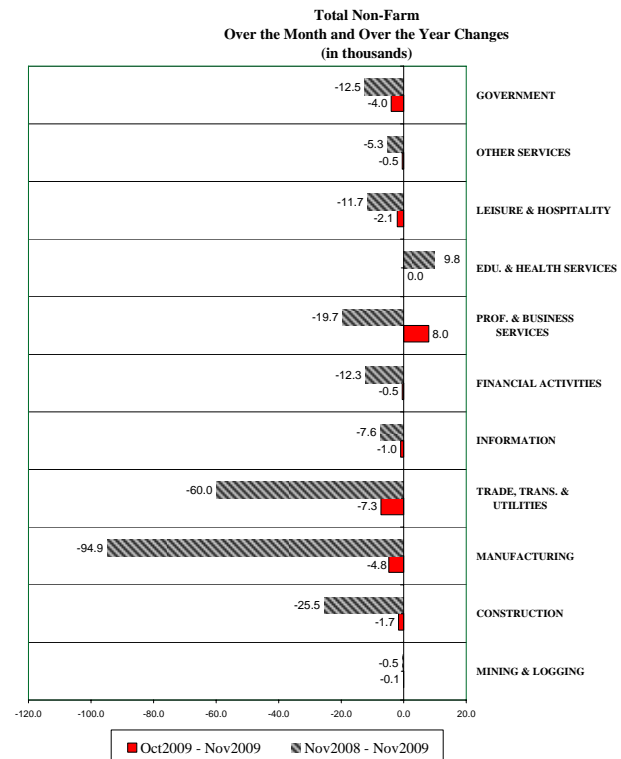
Michigan's monthly job numbers have witnessed considerable volatility this year due to the structural changes taking place in the economy. These changes are not fully reflected by the seasonal adjustment process which recognizes and smooths out recurring seasonal behavior.

Two important structural changes are the restructuring of the auto industry, causing a disruption in the seasonal pattern of layoff activity, and the restructuring of the Government education sector. Due to budgetary constraints a large number of instructional and non-instructional jobs from local Government education have shifted to the

temporary help component of the professional and business services sector. As a result, this sector is acquiring the seasonal hiring and layoff pattern associated with schools, which is not currently captured by the seasonal adjustment process.

Since November of last year, Michigan lost 240,200 jobs (-5.9 percent) with Manufacturing, Trade, Transportation and Utilities and Construction shedding the largest number. *Education and Health Services* was the only major sector in Michigan to continue to grow over the year.

Nationally, November payroll employment recorded only a small decline (-11,000), as job cuts occurred in Construction, Manufacturing and Information. Significant job gains were registered in Professional & Business Services and Education & Health Services. Over the year, U.S. nonfarm private sector jobs contracted by 3.5 percent. Some improvement was shown in two leading labor market indicators: temporary help jobs and a longer average work week.



STATISTICALLY SIGNIFICANT CHANGES

TRADE TRANSPORTATION AND UTILITIES

declined by 7,300 jobs in November and 60,000 (-8.0 percent) over the year. The reductions were concentrated in *retail trade*, with cuts of -5,500 in November, and -32,100 over the year. Nationally, *retail trade* shrank by 15,000 jobs in November and by -498,300 jobs (-3.3 percent) over the year. The weakest October holiday hiring in the decade was offset by improved hiring in November, though the combined additions were below the levels hired in prior years. A weak labor market has caused a decline in credit card borrowing and a drop in consumer spending.

GOVERNMENT sector jobs fell by 4,000 in November. Over the year, 12,500 jobs (-1.9 percent) were lost primarily in *local government* (-13,100) due to the privatization of education related jobs. Nationally, Government added 7,000 workers in November but lost 42,000 jobs (-0.2 percent) over the year.

PROFESSIONAL AND BUSINESS SERVICES gained 8,000 jobs in November primarily in the *Administrative and waste services* component (+5,700). Over the year, 19,700 jobs (-3.7 percent) were lost with *Professional and technical services* shedding 12,600 jobs. Nationally, professional and business services boosted payrolls by 86,000 with the temporary help industry accounting for most of this job growth. This was the largest 1-month increase recorded in professional & business services since November 2006. Over the year the sector contracted by 722,000 jobs (-4.1 percent).

OTHER CHANGES:

CONSTRUCTION job losses slowed from an average of 2,000 over the prior 10 months to 1,700 in November. Over the year the sector contracted by 25,500 (-17.4 percent). Nationally, payrolls fell by 27,000 in November and 979,000 (-14.1 percent) over the year.

MANUFACTURING shed 4,800 jobs, with the majority of the loss (-3,100) in the *durable goods* sector. Over the year, Manufacturing contracted by 94,900 (-17.1 percent) as *transportation equipment manufacturing* shrank by 43,800 workers (-26.8 percent). Since December 2007, jobs in this industry contracted by 37 percent.

Michigan's average weekly earnings decreased by \$30.10 in *manufacturing* while average weekly hours fell by -0.9 (nine-tenth of an hour). In *transportation equipment manufacturing*, average

weekly earnings dropped by \$60.43 and average weekly hours by -1.6 (one-and six tenths of an hour).

Nationally, manufacturing employment fell by 41,000 in November and by 11 percent over the year. There was widespread moderation in job loss with the Bureau of Labor Statistics 1-month diffusion index up from 18.7 in October to 30.7 in November. This index measures the dispersion of employment change, with a value below 50 indicating that more component industries are losing jobs than adding. *Motor vehicles and parts* changed little in November, although jobs contracted by 31 percent since December 2007. These declines match corresponding drops in production and sales. Over the year, 18.7 percent of jobs disappeared from the industry.

INFORMATION fell by 1,000 jobs in November and 7,600 (-12.5 percent) over the year. Nationally, 17,000 jobs were cut in November and 155,000 (-5.2 percent) over the year.

FINANCIAL ACTIVITIES payrolls edged down by 500 in November and 12,300 (-6.1 percent) over the year. Jobs were lost primarily in *finance and insurance*. Nationally, payrolls fell by 10,000 and the sector contracted by 360,000 jobs (-4.5 percent) over the year.

LEISURE AND HOSPITALITY cut 2,100 jobs in November and 11,700 (-3.0 percent) over the year. The job losses were concentrated in *accommodation and food services*. Nationally, this sector edged down by 11,000 jobs in November with declines divided among component industries. Over the year 215,000 jobs (-1.6 percent) were lost.

OTHER SERVICES edged down by 500 jobs over the month and 5,300 (-3.0 percent) over the year. Nationally, employment was little changed. Over the year, 132,000 jobs (-2.4 percent) were lost.

UNCHANGED OVER THE MONTH:

MINING AND LOGGING was unchanged over the month (-100) and fell by 500 (-6.3 percent) over the year. Nationally, employment fell by 1,000 in November and 12.0 percent over the year.

EDUCATION AND HEALTH SERVICES was unchanged in November, with gains in *educational services* offsetting job losses in *health care and social assistance*. Over the year the sector expanded by 9,800 (+1.6 percent) with *health care and social assistance* advancing by 3,400 (+0.6 percent). Nationally, 40,000 workers were added to payrolls with *health care and social assistance* expanding by 28,000. Over the year the sector grew by 384,000 (+2.0 percent).

At a Glance: Michigan Seasonally Adjusted Data

November, 2009

(Employment in thousands)	November	October	November	OTM		OTY	
	2009(p)	2009	2008	Δ	%Δ	Δ	%Δ
Total Nonfarm	3850.5	3864.5	4090.7	-14	-0.4%	-240.2	-5.9%
Mining & Logging	7.5	7.6	8	-0.1	-1.3%	-0.5	-6.3%
Construction	121.3	123	146.8	-1.7	-1.4%	-25.5	-17.4%
Manufacturing	460.9	465.7	555.8	-4.8	-1.0%	-94.9	-17.1%
Trade, Trans, and Utilities	694	701.3	754	-7.3	-1.0%	-60	-8.0%
Information	53.4	54.4	61	-1	-1.8%	-7.6	-12.5%
Financial Activities	188.6	189.1	200.9	-0.5	-0.3%	-12.3	-6.1%
Prof & Bus. Services	520	512	539.7	8	1.6%	-19.7	-3.7%
Edu. & Health Services	621.4	621.4	611.6	0	0.0%	9.8	1.6%
Leisure & Hospitality	382.4	384.5	394.1	-2.1	-0.5%	-11.7	-3.0%
Other Services	169.4	169.9	174.7	-0.5	-0.3%	-5.3	-3.0%
Government	631.6	635.6	644.1	-4	-0.6%	-12.5	-1.9%

