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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. May, 2009 \*\*

Areas	CIVILIAN LABOR FORCE					EMPLOYMENT					UNEMPLOYMENT RATES		
	May 2009	Apr. 2009	May 2008	Monthly Change	Annual Change	May 2009	Apr. 2009	May 2008	Monthly Change	Annual Change	May 09	Apr. 09	May 08
Jackson MSA	74,900	73,600	77,100	1,300	-2,200	64,300	64,200	70,800	100	-6,500	14.1	12.7	8.1
Hillsdale Co.	21,475	21,100	21,325	375	150	17,500	17,625	19,200	-125	-1,700	18.5	16.4	9.9
Lenawee Co.	48,350	48,025	48,950	325	-600	40,275	40,850	44,150	-575	-3,875	16.7	14.9	9.8
Michigan	4,848,000	4,780,000	4,967,000	68,000	-119,000	4,176,000	4,176,000	4,570,000	0	-394,000	13.9	12.6	8.0
U.S.A.*	154,336	154,834	154,003	-498	333	140,363	140,586	145,927	-223	-5,564	9.1	8.6	5.2

\* 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.

### May Jobless Rates Up in All Regional Counties

May marks the beginning of the summer break for colleges and universities. As a consequence, many college students start to look for summer jobs in May, leading to a rise in the labor force. Unfortunately this year, the weak job market could not absorb the new jobseekers. In fact, in half of the local counties, employment fell in May. The combined impact of regional labor force gains and employment declines lead to increased local unemployment rates. The twelve counties of Southwest Michigan recorded an average unemployment rate increase of 1.3 percentage points during May. The jobless rate increase was highest in St. Joseph (+2.3 percentage points) and Hillsdale (+2.1) counties.

### Labor Force Mostly Up Over the Month but Mostly Down Over the Year

Labor force was up over the month in almost all twelve regional counties, ranging from -175 in Cass to +1,300 in Jackson County. Labor force levels fell in Van Buren County (-150).

Over the year, labor force declined in ten of the twelve regional counties, ranging from -100 in Branch to -5,675 in Kalamazoo County. Labor force levels rose over the year in Hillsdale (+150) and remained unchanged in St. Joseph County.

### Employment Changes Mixed Over the Month but Substantially Down Over the Year

Diverging from the usual seasonal trend in May, employment by place of residence fell in half of the twelve regional counties: Kalamazoo (-1,000), Lenawee (-575), Van Buren (-300), St. Joseph (-200), Hillsdale (-125), and Cass (-100) counties. Employment inched up in Allegan (+200), Jackson (+100), Berrien (+100), Branch (+75), and Barry (+25) counties. Job cuts continued to occur in the manufacturing sector (particularly in auto-related industries), although at a much lower rate than in previous months.

Over the year, employment plunged in all regional counties, ranging from -1,650 in Branch to -10,800 in Kalamazoo County. The average rate of employment decline over the year in May was estimated at nine percentage points.

### Jobless Rates Up Over the Month and Substantially Up Over the Year

Unemployment rates were unusually up over the month in all regional counties at an average of 1.3 percentage points. Seven regional counties recorded lower rates than the statewide rate of 13.9 percent in May (Kalamazoo, Barry, Cass, Van Buren, Calhoun, Berrien, and Allegan). The remaining five regional counties (Jackson, Branch, St. Joseph, Lenawee, and Hillsdale) registered higher jobless rates than the state.

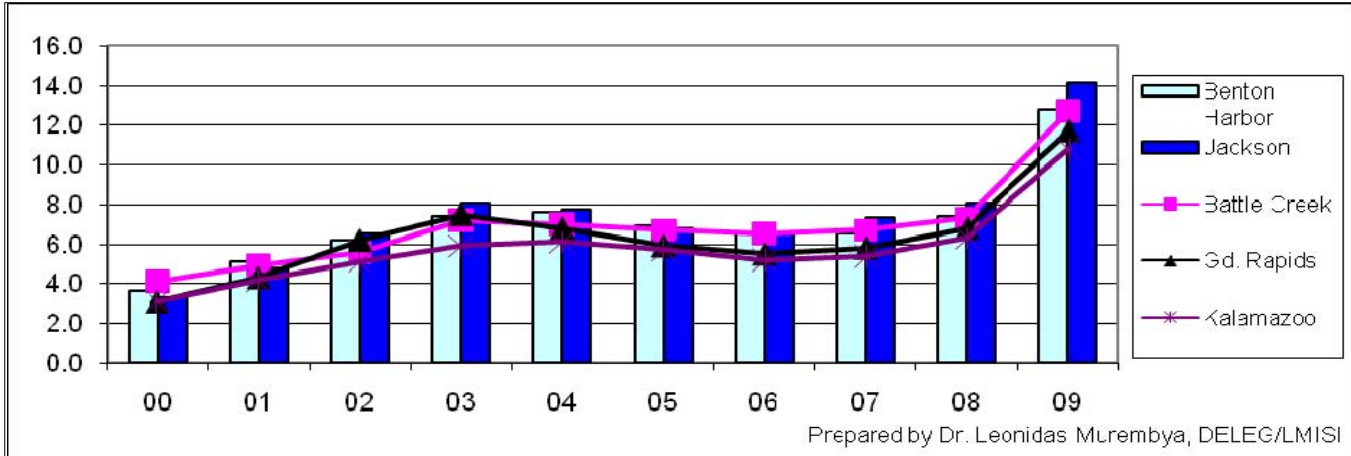
As in the previous months of the current year, May unemployment rates jumped to new highs over the past two decades in all regional counties. Jobless rates spiraled over the year at an average of 6.0 percentage points. Hillsdale County recorded the highest jobless rate increase over the year (+8.6 percentage points), followed by St. Joseph (+7.4) and Lenawee (+6.9) counties.

### Local MSAs May Unemployment Rates Since 2000

Year \ Areas	00	01	02	03	04	05	06	07	08	09
Jackson	3.3	4.8	6.5	8.1	7.7	6.8	6.6	7.3	8.1	14.1

From May 2000 to May 2009, jobless rates rose significantly in the Jackson (+10.8 percentage points), Niles-Benton Harbor (+9.2), Battle Creek (+8.6), Grand Rapids (+8.6), and Kalamazoo (+7.7) metro areas. May unemployment rates rose from 2000 to 2003, fell in 2004-05; and registered little change in 2006-07. Metro area jobless rates rose in 2008, and then jumped sharply in 2009. Current regional jobless rates are the highest recorded since the early 1980s.

**Comparing the Trend of Local MSAs' May Unemployment Rates Since 2000**



Payroll jobs in the Jackson MSA (Jackson County) were estimated at 55,100 in May (up 600 from April). Seasonal job gains were recorded in government (+300), leisure and hospitality (+200), and construction (+100). However, Jackson lost 100 jobs in manufacturing.

Compared to May 2008, payroll job levels in most industries either declined or remained unchanged. Manufacturing employment plummeted by 1,200 over the year. Employment in retail trade was down by 700. Jobs in leisure and hospitality fell by 600, while professional and business services, and construction lost 400 and 300 jobs respectively, over the year. Overall payroll employment in Jackson was 3,600 below last year's May level.

