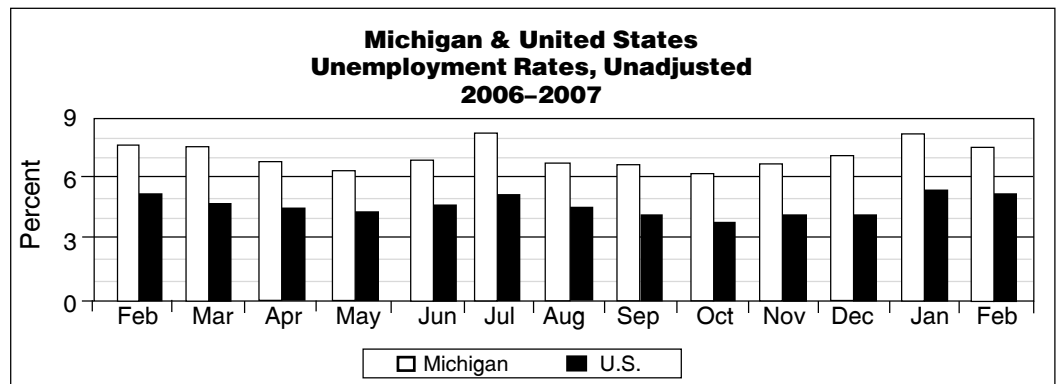


Michigan's February Jobless Rate Down to 7.2 Percent

Michigan's unemployment rate declined by five tenths of a percentage point during the month of February, bringing the state's unadjusted rate down to 7.2 percent. The drop in the jobless rate represents 28,000 fewer individuals out of work, as unemployment dropped to 360,000. The state's civilian labor force dipped by 6,000 during the month to 5,028,000, while employment moved up by 22,000 to 4,667,000. The decrease in the unemployment rate during the month of February was primarily the result of recalls of workers from short-term layoffs in auto related manufacturing. Employment in the remaining industries exhib-

ited typical movements for February, with construction and retail trade reporting small seasonal reductions, while the other major sectors staying flat for the month. The nation's jobless rate (unadjusted) also fell during February, moving down by 0.1 percentage points to 4.9 percent.

Compared to a year ago, February's labor force decreased by 12,000, employment edged downward by just 2,000, while unemployment contracted by 11,000. This has resulted in an over-the-year drop of 0.2 percentage points in the state's jobless rate.



Schools Recall Staff Following the End of Winter Break

Michigan's nonfarm employment increased during the month of February, as industry jobs moved up to 4,236,000. Employment opportunities expanded by 29,000 jobs, with gains recorded in the goods-producing and service-providing sectors of the economy. Goods-producing jobs moved up by 10,000 during the month, mostly due to gains in transportation equipment (up by 13,000), following recalls of workers who were temporarily laid off during January for production adjustments. The gains in the transportation equipment sector more than made up for seasonal losses in the construction industry (down by 4,000). Service-providing employment increased by 19,000 as state and local educational facilities recalled teachers, as well as non-faculty staff members, following the end of winter vacation. Private educational facilities also recalled staff during February (up by 5,000), with teachers returning to work mainly in colleges and universities.

In February, average weekly hours in Michigan's manufacturing industries increased to 41.8 hours from 40.7 hours in the previous month, while average hourly earnings moved down by 37 cents to \$21.69. As a result, average weekly earnings in manufacturing increased to \$906.64, a gain of \$8.80 from the previous month's total.

	Average Hourly Earnings		Average Weekly Hours	
	2007 Feb.	2007 Jan.	2007 Feb.	2007 Jan.
Manufacturing	\$21.69	\$22.06	41.8	40.7
Durables	23.36	23.90	43.4	41.9
Transport Equipment	28.54	28.99	43.0	41.8
Nondurables	15.32	15.35	36.8	37.0

Major U.S. Work Stoppages, 2006

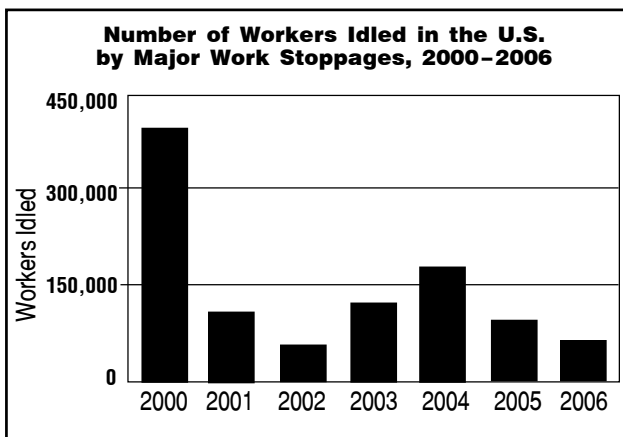
The term "major work stoppage" includes both worker-initiated strikes and employer-initiated lock-outs that involve 1,000 workers or more. The Bureau of Labor Statistics (BLS) does not distinguish between lockouts and strikes in its statistics. Days of idleness is calculated by taking the number of workers involved in the strike or lock-out and multiplying it by the number of days workers are off the job.

Major work stoppages in the U.S. idled 70,000 workers with 2.7 million workdays lost in 2006. The total number of lockouts and strikes beginning calendar year 2006 was 20. In comparison, during 2005 the number of stoppages reached 22, and the number of workers involved in stoppages was higher, reaching 99,600. However, the number of workdays lost was only 1.7 million. While the number of work stoppages and workers involved both declined from 2005 to 2006, the number of lost workdays rose substantially, due to the length of some work stoppages. The mean length of work stoppage beginning in 2006 was 26.5 days, up from 20 days in 2005 and 14.6 days in 2004. The median length of work stoppage beginning in 2006 was 10 days, up from six days in 2005, and five days in 2004. Most work stoppages are relatively short in duration, but the mean is influenced by several long work stoppages. The longest work stoppage in 2006 lasted 211 days and involved the AK Steel Corporation and the Armco Employees Independent Federation in Middletown Ohio, resulting in 468,000 idle days.

Michigan Work Stoppages, 2006

Of the 20 long-term major work stoppages recorded in 2006, only one was reported in **Michigan**. This stoppage involved the Detroit School District, and the Detroit Federation of Teachers, Local 231. The work stoppage started on August 28 and ended on September 13, 2006 (11 working days off the job). The total number of workers involved was 9,500, resulting in 104,500 idle days.

Source: U.S. Department of Labor, Bureau of Labor Statistics, February 2007.



Michigan

(Data In Thousands)

Feb 2007 Jan 2007 Feb 2006

Place of Residence

Labor Force	5,028	5,034	5,040
Employment	4,667	4,645	4,669
Unemployment	360	388	371
Rate (Percent)	7.2	7.7	7.4

Industry Jobs (Place of Work)

Total Nonfarm	4,236	4,207	4,280
Goods-Producing	785	775	823
Nat Resources & Mining	7	7	8
Construction	149	153	159
Manufacturing	628	615	657
Durable Goods	486	472	511
Fabricated Metals	83	83	84
Machinery Manufact.	72	73	75
Transportation Equip.	207	194	226
Nondurable Goods	143	143	145
Service-Providing	3,451	3,432	3,458
Trade, Transport & Util.	768	776	776
Wholesale Trade	168	168	168
Retail Trade	476	482	482
Motor Vehicle Dealers	56	56	58
Food & Beverage Stores	80	80	80
General Merchandise	107	108	109
Transp, Warehousing & Util	124	126	126
Information	67	67	67
Financial Activities	213	213	215
Finance & Insurance	161	161	162
Real Estate & Rental	52	52	53
Prof & Business Services	571	572	572
Prof, Scientific & Technical	247	246	248
Management Scientific Services	20	19	19
Administrative Support	263	264	261
Education & Health Services	590	584	581
Education Services	80	75	78
Health Care & Social Asst	510	509	502
Leisure & Hospitality	383	380	381
Arts, Entertainment & Rec	51	50	51
Accommodation & Food	332	330	331
Other Services	176	175	176
Government	684	665	690
Federal	53	53	54
State	177	171	175
Local	454	440	461

Civilian Labor Force and Wage & Salary Estimates

	Holland-Grand Haven			Jackson			Kalamazoo-Portage		
	Feb 2007	Jan 2007	Feb 2006	Feb 2007	Jan 2007	Feb 2006	Feb 2007	Jan 2007	Feb 2006
Place of Residence									
Labor Force	137,700	137,400	136,900	77,800	77,400	78,700	175,900	173,900	176,300
Employment	129,500	129,300	129,000	71,600	71,300	72,900	165,200	163,200	165,800
Unemployment Rate (Percent)	8,200 6.0	8,100 5.9	7,900 5.8	6,200 8.0	6,100 7.8	5,800 7.4	10,700 6.1	10,700 6.1	10,600 6.0
Place of Work									
Total Nonfarm Jobs	115,000	114,500	114,200	58,100	57,700	59,000	145,100	143,400	145,100
Nat Resources & Construction	5,500	5,600	5,500	1,800	1,800	2,000	5,500	5,600	5,800
Manufacturing	36,700	36,700	36,900	9,400	9,400	10,000	22,900	22,900	23,500
Trade, Transport & Utilities	17,900	18,000	17,500	12,300	12,400	12,500	23,700	23,700	24,000
Wholesale Trade	*	*	*	*	*	*	4,500	4,500	4,400
Retail Trade	10,100	10,200	10,100	7,600	7,700	7,700	15,400	15,400	15,800
Information	700	700	900	500	500	400	1,500	1,500	1,500
Financial Activities	3,200	3,200	3,100	1,900	1,900	1,900	7,800	7,800	7,700
Professional & Business Services	11,100	11,300	10,800	4,200	4,200	4,200	16,000	15,900	14,900
Educational & Health Services	10,600	10,200	10,700	9,700	9,600	9,700	21,800	21,600	21,200
Leisure & Hospitality	7,500	7,600	7,400	5,100	5,200	5,000	14,800	14,600	15,000
Other Services	4,800	4,800	4,700	2,900	2,800	2,900	6,500	6,400	6,700
Government	17,000	16,400	16,700	10,300	9,900	10,400	24,600	23,400	24,800
Place of Residence									
Labor Force	252,800	252,000	254,300	77,500	78,100	78,900	89,200	89,100	89,800
Employment	237,600	235,500	238,300	72,400	72,200	73,700	82,500	82,600	83,200
Unemployment Rate (Percent)	15,300 6.0	16,500 6.5	16,000 6.3	5,100 6.6	5,900 7.5	5,300 6.7	6,700 7.5	6,500 7.3	6,600 7.3
Place of Work									
Total Nonfarm Jobs	227,300	224,000	226,700	42,700	42,600	43,500	64,100	64,300	64,400
Nat Resources & Construction	7,300	7,500	7,500	2,400	2,500	2,600	2,000	2,100	2,000
Manufacturing	21,300	20,700	21,700	7,200	7,200	7,900	12,800	12,800	13,000
Trade, Transport & Utilities	35,800	36,100	35,600	9,200	9,300	9,500	13,700	13,800	13,700
Wholesale Trade	5,500	5,500	5,300	1,000	1,000	1,100	*	*	*
Retail Trade	24,000	24,300	23,900	5,200	5,300	5,400	11,200	11,200	11,100
Information	3,000	3,000	2,900	*	*	*	1,000	1,000	1,000
Financial Activities	15,300	15,300	15,100	1,700	1,700	1,600	1,900	1,900	1,900
Professional & Business Services	20,100	20,000	20,000	3,500	3,500	3,600	3,900	3,900	3,800
Educational & Health Services	28,700	28,300	28,300	4,800	4,800	4,800	11,100	11,100	10,300
Leisure & Hospitality	18,500	18,200	18,300	4,900	4,900	4,400	6,100	6,100	6,400
Other Services	10,900	10,800	11,000	2,000	2,000	1,900	2,400	2,400	2,400
Government	66,400	64,100	66,300	6,600	6,400	6,900	9,200	9,200	9,900

* Data Not Available

Civilian Labor Force and Wage & Salary Estimates

Niles-Benton Harbor

Saginaw-Sag. Township North

	Feb 2007	Jan 2007	Feb 2006	Feb 2007	Jan 2007	Feb 2006
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Place of Residence

Labor Force	77,700	77,600	78,700	97,900	97,800	98,700
Employment	71,800	71,600	72,700	90,100	90,200	90,400
Unemployment	6,000	6,000	6,000	7,700	7,600	8,300
Rate (Percent)	7.7	7.8	7.6	7.9	7.7	8.4

Place of Work

Total Nonfarm Jobs	61,900	61,800	62,400	89,700	89,500	89,500
Nat Resources & Construction	2,100	2,100	2,100	3,400	3,400	3,300
Manufacturing	14,400	14,500	14,800	12,700	12,600	13,000
Trade, Transport & Utilities	11,000	11,100	11,200	17,100	17,400	17,100
Wholesale Trade	*	*	*	2,400	2,400	2,500
Retail Trade	6,900	7,000	7,000	12,000	12,300	11,900
Information	900	900	900	1,800	1,800	2,000
Financial Activities	2,200	2,200	2,200	4,300	4,300	4,200
Professional & Business Services	4,700	4,700	4,900	10,000	9,900	9,700
Educational & Health Services	10,000	9,900	9,700	15,400	15,400	15,200
Leisure & Hospitality	5,600	5,600	5,300	8,500	8,500	8,400
Other Services	3,000	3,000	3,100	3,800	3,700	3,700
Government	8,000	7,800	8,200	12,700	12,500	12,900

Upper Peninsula

Northeast Lower Michigan

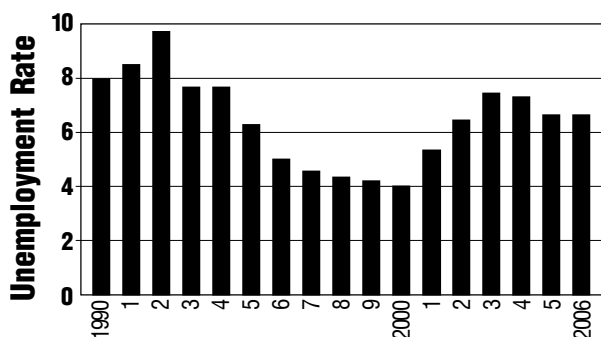
Northwest Lower Michigan

	Feb 2007	Jan 2007	Feb 2006	Feb 2007	Jan 2007	Feb 2006	Feb 2007	Jan 2007	Feb 2006
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Place of Residence

Labor Force	160,000	159,300	159,700	96,900	96,300	97,000	156,400	156,300	155,500
Employment	145,700	145,600	145,700	84,900	85,000	85,600	141,800	142,300	141,700
Unemployment	14,300	13,700	14,100	12,000	11,300	11,300	14,500	13,900	13,800
Rate (Percent)	9.0	8.6	8.8	12.3	11.7	11.7	9.3	8.9	8.9

**Bay City MSA Unemployment Rates
Annual Averages 1990–2006**



Regional Focus

Bay City MSA Unemployment Rates, 1990–2006

Between 1992 and 2000, the Bay City MSA's annual jobless rates recorded steady reductions, but rates have been above 6 percent since 2002. During the economic recession of 1990–91, the Bay City MSA's unemployment rates reached 8.0 and 8.7 percent, respectively. In the current downturn, the highest jobless rate experienced was in 2003, at 7.5 percent. This was the highest rate since 1994, when it stood at 7.7 percent. During 2005 and 2006, the jobless rate in the area was unchanged at 6.9 percent.

February Jobless Rates Show Small Changes in Most of Michigan's Major Labor Market Areas

February seasonally unadjusted unemployment rates revealed a mixed picture among Michigan's 17 major labor market areas, with most areas showing only small changes over the month. Nine areas recorded minor unemployment rate increases, of about one half of a percentage point or less. Five regions reported jobless rate decreases, and the remaining three areas (the Battle Creek, Grand Rapids, and Kalamazoo MSAs) showed no rate changes for the month. The largest over-the-month rate hikes occurred in the Northeast Lower Michigan Region, and the Flint Metropolitan Statistical Area (MSA). Among the regions reporting jobless rate reductions in February, the Detroit-Warren-Livonia and Monroe MSAs showed the most pronounced declines, 1.3 and 0.9 percent, respectively. From January to February, total employment levels grew modestly in 11 areas, with increases averaging 0.3 percent. The most noticeable gains at around 1.0 percent were recorded in the Kalamazoo, Ann Arbor, and Lansing MSAs.

From February 2006 to February 2007, unemployment rates moved up in 11 of the state's 17 major labor market areas. Increases ranged from 0.1 to 0.7 percent, with an average over the year rate hike of 0.2 of a percentage point. The largest rate increases over this period were posted in the Flint and Jackson MSAs along with the Northeast Lower Michigan Region. Five regions (the Bay City, Detroit, Lansing, Monroe, and Saginaw MSAs) displayed relatively small unemployment rate declines, while the rate in the Battle Creek MSA was unchanged for the year.

Among Michigan's major labor markets, the Ann Arbor area had the lowest unemployment rate at 4.7 percent, followed by the Holland-Grand Haven and Lansing-East Lansing MSAs with 6.0 percent. The highest jobless rates in February were recorded by the Northeast Lower Michigan Region, and the Flint MSA, with 12.3 and 9.4 percent, respectively.

Seasonal Advances in February Nonfarm Employment

Total nonfarm jobs increased in 12 out of Michigan's 14 MSAs during the month of February. The two areas recording small job declines were the Flint and Muskegon-Norton Shores MSAs. Job gains in most areas were seasonal, and were concentrated mainly in the service-providing industries. Among the MSAs, the Lansing-East Lansing region had the largest percentage job growth at 1.5 percent, followed by the Ann Arbor and Kalamazoo-Portage MSAs both with 1.2 percent. Employment increases in the Lansing, Ann Arbor and Kalamazoo MSAs were primarily the result of resumption of classes in their educational facilities, including their respective universities, following the end of winter break. The largest gains in government employment were recorded in the Kalamazoo MSA, up by 5.1 percent, followed by Ann Arbor and Lansing with 3.8 and 3.6 percent, respectively. In all but one area (the Muskegon-Norton Shores MSA), employment gains in education were more than enough to make up for seasonal reductions in retail trade (primarily in general merchandise stores, and transportation warehousing and utilities).

Manufacturing employment, the largest component in the goods producing sector, remained unchanged in seven MSAs, declined in four MSAs, and increased in remaining three. The largest advances in manufacturing employment were reported in the Detroit area, moving up by 12,200 jobs, or 4.8 percent. Most of these gains were recorded in the transportation equipment industry, following recalls of workers who were temporarily laid off

for production adjustments. The Detroit area was followed by the Lansing-East Lansing and Saginaw-Saginaw Township North MSAs, with manufacturing employment gains of 2.9 and 0.8 percent, respectively. Among the areas showing reductions in the manufacturing sector, the Flint MSA reported the largest decline, down by 900 jobs, or 5.1 percent. The construction industry exhibited seasonal cutbacks in nine areas during February, with the largest reductions reported by the Battle Creek and Muskegon MSAs, at 5.6 and 4.8 percent, respectively. In the other five MSAs (Bay City, Grand Rapids, Jackson, Niles-Benton Harbor, and Saginaw-Saginaw Township North), construction employment remained unchanged for the month.

During February, average weekly hours in manufacturing increased in three of the five major areas for which data is currently available, one area experienced a reduction, and one remained unchanged. The gains were due mainly to more overtime hours worked in the durable goods sector. Average hourly earnings fell in four areas during the month, with decreases also reported primarily in the durable goods sector. The total effect of these changes was that average weekly earnings contracted in four major areas. The largest cutbacks in weekly earnings were reported in the Flint MSA, down by \$99.33. The reductions in the other three areas, the Detroit, Kalamazoo, and Grand Rapids MSAs, were minor, at \$8.18, \$3.04 and \$2.11, respectively. The only area to show a gain in its weekly earnings during the month of February was the Lansing MSA, up by \$42.25.

Manufacturing Hours and Earnings* Michigan & Selected Metropolitan Areas February and January 2007

Area	Average Weekly Hours		Average Hourly Earnings		Average Weekly Earnings	
	Feb	Jan	Feb	Jan	Feb	Jan
Michigan	41.8	40.7	21.69	22.06	\$906.64	\$897.84
Detroit-Warren-Livonia	42.1	41.7	24.38	24.81	1,026.40	1,034.58
Flint	42.8	45.8	30.21	30.40	1,292.99	1,392.32
Grand Rapids-Wyoming	42.3	42.3	17.25	17.30	729.68	731.79
Kalamazoo-Portage	39.5	39.2	14.69	14.88	580.26	583.30
Lansing-East Lansing	41.9	41.1	24.55	24.00	1,028.65	986.40

* Hours and earnings data for the manufacturing sector is currently available only in the above MSAs.

Consumer Price Index (CPI) Detroit Metropolitan Area February, 2007

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics (BLS) publishes CPI's for two population groups: 1) a CPI for All Urban Consumers (CPI-U) which covers approximately 87 percent of the total population, and 2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 32 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial and technical workers, the unemployed, retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and other goods and services that people buy for day-to-day living. Prices are collected in 87 urban areas across the country, including the Detroit-Ann Arbor-Flint Consolidated Metropolitan Statistical Area (CMSA). The Detroit CPI is published every other month.

Consumer prices (CPI-U) in the Detroit CMSA, moved up from an average of 196.5 index points in December 2006 to an average of 198.1 points in February 2007. The 0.8 percent increase was primarily due to higher costs for motor fuel, apparel, and medical care. Price for housing fuels and utilities fell by 0.8 percent during the period, while prices for energy in general exhibited some moderation, moving up by 1.4 percent.

Consumer Price Index (CPI) All Urban Consumers (CPI-U) Detroit Metropolitan Area February 2007

	Index Number for February 2007	Percent Change from Dec. 2006 to Feb. 2007
Detroit Metro All Items	198.1	+0.8
Food And Beverages	188.0	+0.6
Food At Home	184.7	+0.5
Food Away From Home	192.2	+0.7
Housing	188.2	+0.4
Shelter	213.8	+0.3
Fuels & Utilities	203.0	-0.8
Apparel	113.5	+3.0
Transportation	196.8	+1.2
Motor Fuel	203.5	+3.7
Medical Care	341.6	+3.0
Education & Communicat.	126.6	+0.2
Energy	186.5	+1.4
Recreation	122.0	+0.6

Wage and Salary Jobs in Michigan, 2006 Annual Report

Michigan's labor market continued to struggle with job creation during 2006. Employment levels in most industries experienced a downward trend, reducing the state's total wage and salary employment by over 49,000, or 1.1 percent. The impact of the sluggish job market was felt statewide, contracting employment in all the state's 14 major labor market areas. However, in most areas the reductions were modest, ranging between 0.1 to 0.5 percentage points. Only five areas reported percentage job decreases higher than the state's. These included the Detroit-Warren-Livonia, Jackson, Bay City, Flint, and Niles-Benton Harbor MSAs. The highest job losses among these five areas occurred in the Detroit MSA, down by 41,600 jobs, accounting for 85 percent of all the job reductions throughout the state in 2006. This was the sixth consecutive year that the state's annual nonfarm job count showed no gains over the previous year.

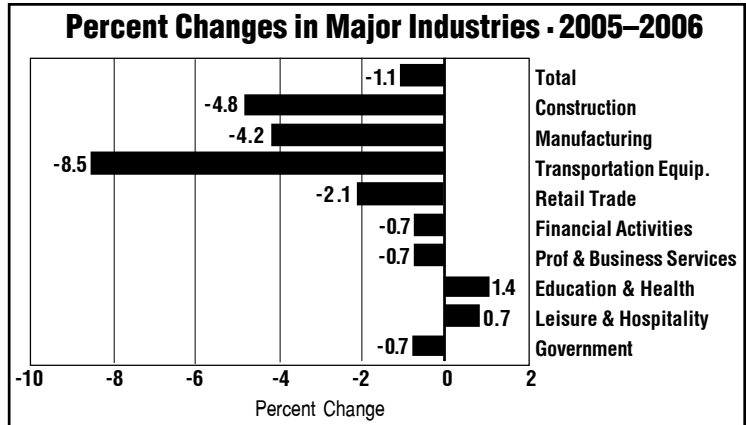
During 2006 employment reductions were concentrated mainly in the goods-producing sector, with manufacturing showing the strongest adverse impact over the year. Durable goods industries, the sector that supplies the majority of Michigan's manufacturing employment, lost 26,000 jobs during the year. Employment in transportation equipment stood at 218,000, a drop of 20,000 jobs, or 8.5 percent from 2005. The nondurable goods sector also lost some ground during the year, down by close to 3,000 jobs, or 1.7 percent. The construction industry, which exhibited steady and solid growth during the 1990's, declined by 9,000 jobs or 4.8 percent.

In comparison, service-providing industries showed a mixed picture during 2006, experiencing a relatively small job reduction, moving down by 11,600 jobs or 0.3 percent. Educational and health services, and leisure and hospitality

services again increased employment during 2006, up by 1.4 and 0.7 percent, respectively. However, these sectors did not have enough employment gains to counter the losses reported in other service industries. Retail trade, one of the larger industries in Michigan, moved down during 2006, dropping by 10,000 jobs, or 2.1 percent, followed by financial activities and professional and business services, both down by 0.7 percent. Within retail trade, general merchandise stores contracted by more than 2,000 jobs or 2.0 percent.

The number of jobs in the government sector stood at 670,000, a drop of 4,000 from 2005. Both state and local government experienced reductions, mainly from their educational facilities. For the second consecutive year the federal government contracted employment in Michigan, down by 1,000 jobs.

Source: Michigan Department of Labor & Economic Growth, Bureau of Labor Market Information & Strategic Initiatives, April 2007.



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