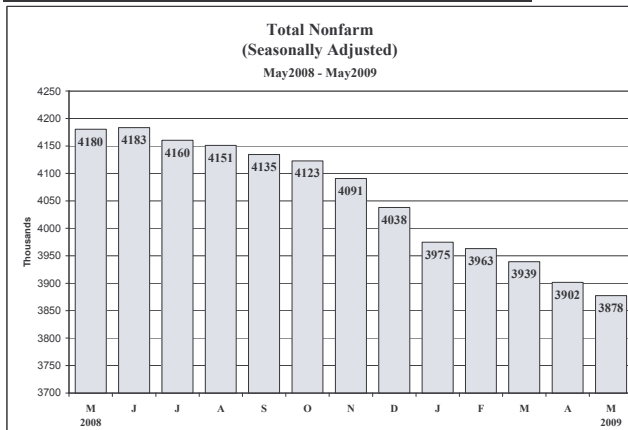


**CURRENT EMPLOYMENT STATISTICS**  
**MONTHLY INDUSTRY EMPLOYMENT HIGHLIGHTS**  
**MAY 2009 - MICHIGAN**  
 Seasonally Adjusted Preliminary Estimates

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**OVERVIEW**

**MICHIGAN TOTAL NONFARM JOBS -23,900**



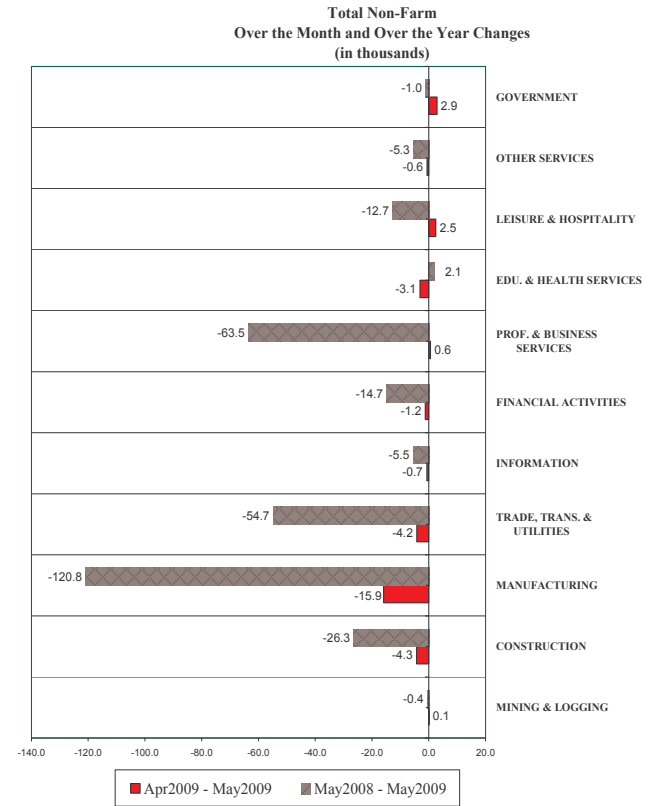
Michigan lost 23,900 nonfarm payroll jobs in May, compared to an average monthly decline of 34,200 for the prior four months. Significant job reductions continued in the Construction and Manufacturing sectors while losses in the services sector moderated.

The Michigan labor market continued to be heavily impacted by the turmoil in the automotive sector as major automobile producers idled plants in preparation for impending bankruptcy. This action negatively impacted the suppliers and other related sectors, resulting in further weakness in manufacturing jobs.

Over the year, Michigan payroll jobs shrank by 302,800 jobs (-7.2 percent) with Manufacturing, Construction and Professional & Business Services contracting the most. Education and Health Services which is the only sector that has been on a growth trend also reduced its hiring considerably.

Nationally, job losses continued to be widespread, but the rate of decline moderated in Construction and the services sector. Significant job losses occurred in Mining & Logging, Construction, Manufacturing, Wholesale Trade, Information, Financial Activities and Professional and Business Services. Education and Health Services was the only sector to show significant growth. Since May 2008, the nation lost 4.8 percent of private sector jobs with the goods producing sector declining by 12.0 percent and private service

producing by 3.1 percent.



**STATISTICALLY SIGNIFICANT CHANGES:**

**CONSTRUCTION** hired 4,300 fewer workers in May, as seasonal hiring remained stunted. Over the year the sector contracted by 26,300 (-16.9 percent) jobs. The weakness in this sector is attributed to excess inventories in the residential sector, tight credit conditions for new projects and declines in infrastructure and healthcare activity which were previous areas of strength in the nonresidential sector. Nationally, construction fell by 59,000, with losses in the nonresidential component accounting for the majority of the decline. Though the May job loss is still large, the decline has moderated when compared to the average of 117,000 jobs lost per month over the prior six months. Since May 2008, construction has lost 13.6 percent of its payroll jobs.

**MANUFACTURING** lost 15,900 jobs in Michigan, with the durable goods sector contributing to 13,700 of the

decline. *Transportation equipment manufacturing* shed 6,400 jobs. Since May 2008, manufacturing contracted by 21.0 percent with 120,800 fewer workers.

Michigan's average weekly earnings in *manufacturing* decreased by \$71.60 and average weekly hours edged down by 2.9 (two and nine tenths of an hour). In *transportation equipment manufacturing*, average weekly earnings and average weekly hours fell by \$130.97 and 5.4 (five and four-tenths of an hour).

Nationally, employment in manufacturing fell by 156,000 in May, in line with recent job losses. The largest employment declines were in transportation equipment, machinery and fabricated metal products. Job losses were more widespread in May than in April, with the 1-month diffusion index of manufacturing falling to 12.0 from 19.9 in April. A value below 50 indicates that more manufacturing industries are shedding jobs than adding them over the month. Since May of last year 1.6 millions jobs (-11.6 percent) have disappeared from this sector.

#### **OTHER CHANGES:**

**TRADE TRANSPORTATION AND UTILITIES** lost 4,200 positions in Michigan over the month with the weakness concentrated in *retail trade* (-2,200). Over the year, jobs fell by 54,700 (-7.1 percent) with all the components contributing to its reduction.

Nationally, employment in this sector fell by 54,000. Wholesale trade employment fell by 22,000 and retail trade shed 18,000 jobs compared with an average monthly loss of 63,000 for the previous six months. Employment in this sector is at the lowest level since January 1999.

**INFORMATION** lost 700 workers in May and 5,500 (-8.9 percent) over the year. Nationally, jobs decreased by 24,000 in May. Over the year the sector contracted by 5 percent. Information has shed a lot of jobs in the publishing except the internet component. According to reports expenditures for combined print and online advertising declined by 28.3 percent over the year in the first quarter and advertising expenses for magazines were down 26 percent.

**FINANCIAL ACTIVITIES** continued to contract losing 1,200 jobs in May and 14,700 (-7.1 percent) over the year. The losses came primarily from the *finance and insurance* component (-1,900) in May and (-9,800) over the year. Nationally, 30,000 jobs came off the May payrolls. Over the year, 91,000 jobs were eliminated (-1.1 percent).

**PROFESSIONAL AND BUSINESS SERVICES** had a slight uptick in May, edging up by 600 jobs after 14 consecutive months of decline. The gains came from *administrative and waste service* which benefits from seasonal gains. Since May 2008, this sector posted a

decline of 63,500 (-11.2 percent) which is the largest over the year decline in the services sector. *Professional and technical services* lost 9.3 percent of its employment and administrative and support services lost 12.8 percent.

Nationally, Professional and Business services declined by 51,000 jobs which though large, is modest when compared to the average monthly loss of 136,000 jobs over the previous six months. The declines were spread among the component industries. Over the year 6.4 percent of employment was lost.

**EDUCATION AND HEALTH SERVICES** lost 3,100 jobs over the month, with *health care and social assistance* shedding 1,000 jobs. Over the year the sector added 2,100 jobs (+0.3 percent) with *health care services* growing 5,100 jobs.

Nationally, this sector added 44,000 jobs in May with growth continuing to be concentrated in health care and social assistance (+36,000). The bulk of the growth occurred in ambulatory health and social assistance. Since May 2008, this sector added 417,000 jobs (+2.2 percent).

**LEISURE AND HOSPITALITY** grew by 2,500 positions after losing 6,700 jobs since the beginning of this year. The majority of the gains came from *arts, entertainment and recreation* (+2,400). Since May 2008, 12,700 jobs were lost (-3.2 percent) with the majority of the losses in *accommodation and food services* (-2.8 percent). Nationally, leisure and hospitality changed little in May inching up by 3,000. The gain came mainly from food services and drinking places which offset the losses in amusement, gambling and recreation.

**OTHER SERVICES** lost 600 jobs in May and 5,300 (-3.0 percent) over the year. Nationally, other services gained 9,000 jobs in May, but shrank by 2.2 percent over the year.

**GOVERNMENT** gained 2,900 jobs in May and lost 1,000 over the year. The job gains in *state government* were offset by losses in *local government*.

Nationally, Government experienced a small decline (-7,000) jobs. This was primarily due to the loss of postal service workers and consolidation of Census intermittent workers. Over the year government grew by (+0.6) percent.

#### **UNCHANGED OVER THE MONTH:**

**MINING AND LOGGING** was unchanged in May (+100) and fell (-5.1 percent) over the year. Nationally, employment fell by 10,000 jobs in May and (-4.1) percent over the year.