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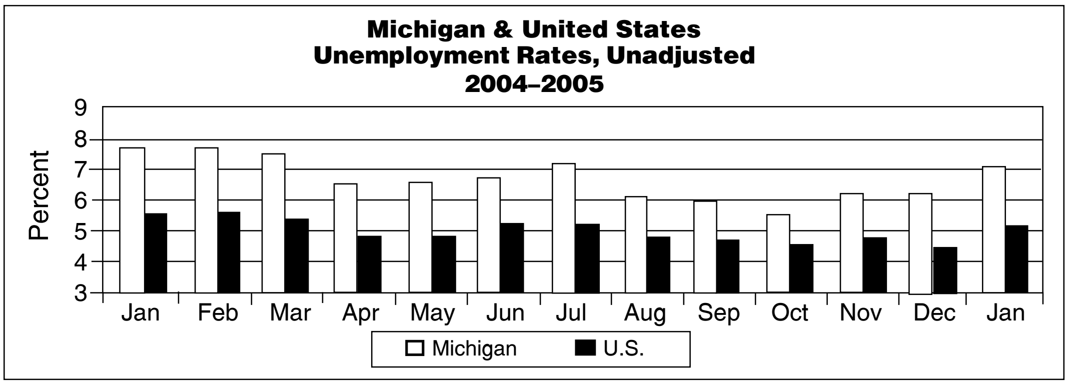
Seasonal Increases in Michigan's January Jobless Rate

Michigan's unemployment rate (not seasonally adjusted) moved up by 0.8 percentage points during the month of January, bringing the state's jobless rate to 7.1 percent, up from 6.3 percent in December. The rate increase represents 36,000 additional individuals out of work, as unemployment increased to 357,000. The state's civilian labor force contracted by 47,000 during the month to 5,056,000, while employment fell by 83,000 to 4,699,000. The rise in the jobless rate during January was seasonal and was caused mainly by employers releasing staff hired for temporary help during the holiday season, and by weather-related reductions in the construction industry. Additionally, some cutbacks were recorded in manufacturing following temporary production adjustments in the automotive industry. The nation's unemployment rate (unadjusted) also increased during January, moving up by 0.5 of a percentage point to 5.1 percent.

Compared to a year ago, January's labor force increased by 26,000, employment jumped by 62,000 and unemployment fell by 36,000. This has resulted in an over-the-year decline of 0.7 percentage points in the state's jobless rate.



January Brings Seasonal Reductions in Nonfarm Employment

Michigan's nonfarm employment fell during the month of January as industry jobs declined to 4,276,000. Employment opportunities decreased by 153,000 jobs, with losses recorded in both the goods-producing and service-providing sectors of the economy. Goods-producing jobs contracted by 42,000 during the month, mostly due to seasonal losses in the construction industry, down by 23,000 (most notably in the specialty trade contractors). The manufacturing sector also lost jobs during the month, mainly in durable goods, following cutbacks in transportation equipment (down by 10,000). Service-providing industries moved down by 113,000 positions in January due to seasonal losses in retail trade (general merchandise stores), professional and business services (administrative and support services), educational and health services, and leisure and hospitality (accommodation and food services). Government employment also declined in January due to temporary seasonal reductions in state and local educational facilities.

In January, average weekly hours in Michigan's manufacturing industries fell to 41.3 hours from 42.9 hours in the previous month, while average hourly earnings contracted by 27 cents to $21.61. As a result, average weekly earnings in manufacturing decreased to $892.49, a loss of $46.16 from the previous month's total.

Michigan Hours and Earnings
January 2006 & December 2005

	Average Hourly Earnings		Average Weekly Hours	
	2006 Jan.	Dec.	2006 Jan.	Dec.
Manufacturing	$21.61	$21.88	41.3	42.9
Durables	23.18	23.56	42.2	43.7
Transport Equipment	29.16	30.00	42.7	45.2
Nondurables	15.46	15.30	38.3	39.9

Industries with the Largest Projected Job Gains In the U.S., 2004–2014

The U.S. Department of Labor, Bureau of Labor Statistics has published forecasts of industrial job changes in the nation for the years 2004-2014. All ten industries with the largest projected wage and salary employment growth are in the service-providing sector. The industry with the largest projected employment growth from 2004 to 2014 is employment services. This industry is expected to have about 1.6 million new jobs. Following are some highlights of the report:

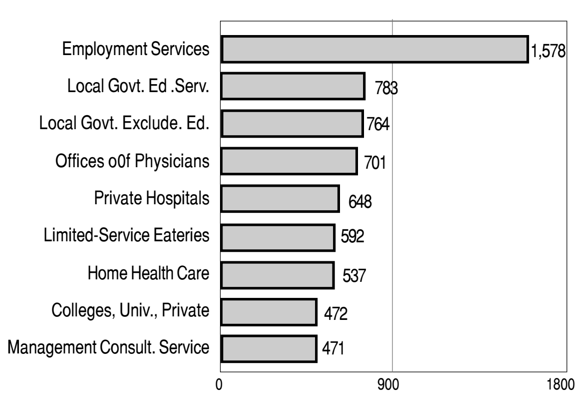
- Employment growth will continue to be concentrated in the service-providing sector of the economy. Educational services, health care and social assistance, and professional and business services are the sectors with the strongest expected gains; these sectors are projected to advance more than twice as fast as the overall economy.

- Construction employment is projected to expand, but at a slower pace than during the previous decade (1994-2004). Manufacturing employment, however, is expected to decline by five percent, much less than the 16 percent drop experienced in the previous decade. Nonetheless, employment in the goods-producing industries is projected to drop from 15 percent to 13 percent of total employment.

- Eight of the ten industries with the largest wage and salary employment decreases are in the manufacturing sector.

Source: U.S. Department of Labor, Bureau of Labor Statistics, December 2005.

Employment Growth by Selected Detailed Industries For the, U.S. 2004–2014



Projected Employment Growth By Thousands

Michigan

(Data in Thousands)

	2006	2005	2005
Place of Residence			
Labor Force	5,056	5,103	5,030
Employment	4,699	4,782	4,637
Unemployment	357	321	393
Rate (Percent)	7.1	6.3	7.8
Industry Jobs (Place of Work)			
Total Nonfarm	4,276	4,429	4,284
Goods-Producing	840	882	851
Nat Resources & Mining	8	8	8
Construction	168	191	168
Manufacturing	665	683	676
Durable Goods	517	533	528
Fabricated Metals	85	85	84
Machinery Manufact.	74	76	75
Transportation Equip.	235	245	238
Nondurable Goods	147	150	148
Service-Providing	3,435	3,548	3,433
Trade, Transport & Util.	785	825	791
Wholesale Trade	168	171	168
Retail Trade	490	524	499
Motor Vehicle Dealers	59	60	60
Food & Beverage Stores	83	87	84
General Merchandise	109	120	113
Transp, Warehousing & Util	127	130	124
Information	66	67	68
Financial Activities	216	219	216
Finance & Insurance	162	164	162
Real Estate & Rental	54	55	55
Prof & Business Services	573	595	573
Prof, Scientific & Technical	248	249	248
Management Scientific Services	20	20	19
Administrative Support	253	272	249
Education & Health Services	566	574	560
Education Services	74	78	73
Health Care & Social Asst	492	497	487
Leisure & Hospitality	379	395	373
Arts, Entertainment & Rec	52	56	50
Accommodation & Food	328	339	323
Other Services	176	179	174
Government	674	694	678
Federal	54	55	55
State	169	175	167
Local	451	464	456

Civilian Labor Force and Wage & Salary Estimates

	Ann Arbor			Battle Creek			Bay City		
	Jan 2006	**Dec** 2005	**Jan** 2005	**Jan** 2006	**Dec** 2005	**Jan** 2005	**Jan** 2006	**Dec** 2005	**Jan** 2005
Place of Residence									
Labor Force	193,100	194,700	189,100	72,800	73,200	72,100	56,500	56,700	55,600
Employment	185,000	187,400	180,200	68,100	68,900	66,800	52,500	53,200	50,900
Unemployment	8,100	7,400	8,800	4,700	4,300	5,300	4,000	3,600	4,800
Rate (Percent)	4.2	3.8	4.7	6.5	5.9	7.4	7.1	6.3	8.6
Place of Work									
Total Nonfarm Jobs	200,800	208,000	198,800	60,900	63,100	60,900	38,400	39,800	37,900
Nat Resources & Construction	6,200	6,700	5,800	1,900	2,200	1,600	1,300	1,600	1,400
Manufacturing	21,600	21,900	21,900	13,700	14,000	14,100	4,200	4,300	4,100
Trade, Transport & Utilities	27,100	28,700	26,900	9,800	10,400	9,900	8,800	9,200	8,600
Wholesale Trade	5,200	5,400	5,200	1,400	1,400	1,400	1,300	1,300	1,200
Retail Trade	18,300	19,400	18,300	6,700	7,300	6,900	6,200	6,600	6,200
Information	3,700	3,700	3,600	*	*	*	500	500	500
Financial Activities	5,500	5,600	5,800	1,600	1,600	1,600	1,500	1,500	1,400
Professional & Business Services	27,000	27,600	26,400	5,300	5,400	5,500	3,400	3,500	3,300
Educational & Health Services	23,300	23,600	22,800	10,300	10,400	9,500	5,900	5,900	5,700
Leisure & Hospitality	13,900	14,200	13,700	5,300	5,500	5,100	4,300	4,500	4,400
Other Services	6,200	6,300	6,000	2,300	2,300	2,300	2,300	2,300	2,200
Government	66,300	69,700	65,900	10,500	10,800	10,600	6,200	6,500	6,300

	Detroit-Warren-Livonia (Data in Thousands)			Flint			Grand Rapids-Wyoming		
	Jan 2006	**Dec** 2005	**Jan** 2005	**Jan** 2006	**Dec** 2005	**Jan** 2005	**Jan** 2006	**Dec** 2005	**Jan** 2005
Place of Residence									
Labor Force	2,145	2,190	2,172	216,200	215,800	214,300	406,000	415,900	403,800
Employment	1,982	2,044	1,999	199,400	200,900	195,500	392,700	393,900	376,000
Unemployment	164	146	174	16,900	14,900	18,800	23,200	22,000	27,800
Rate (Percent)	7.6	6.7	8.0	7.8	6.9	8.8	5.6	5.3	6.9
Place of Work									
Total Nonfarm Jobs	1,997	2,062	2,008	152,900	157,400	153,000	391,100	401,600	382,200
Nat Resources & Construction	76	84	77	5,800	6,700	5,700	16,900	18,500	17,100
Manufacturing	275	287	284	21,300	21,600	21,600	74,100	74,500	74,100
Trade, Transport & Utilities	376	391	377	30,900	32,600	31,100	76,100	78,500	74,100
Wholesale Trade	92	93	93	6,400	6,500	6,400	21,800	22,200	21,700
Retail Trade	220	232	220	21,100	22,600	21,300	43,700	45,600	42,400
Information	35	35	36	2,400	2,400	2,300	5,600	5,600	5,500
Financial Activities	117	118	117	6,500	6,400	6,400	22,000	22,200	21,500
Professional & Business Services	363	377	363	14,700	14,700	14,900	52,300	55,600	50,500
Educational & Health Services	264	265	260	24,400	24,700	24,300	55,500	56,200	53,600
Leisure & Hospitality	173	178	172	15,200	15,700	15,000	32,300	33,000	30,600
Other Services	89	91	88	6,800	6,900	6,700	17,700	17,800	17,200
Government	230	237	235	24,900	25,700	25,000	38,600	39,700	38,000

* Data Not Available

Civilian Labor Force and Wage & Salary Estimates

	Holland-Grand Haven			Jackson			Kalamazoo-Portage		
	Jan 2006	Dec 2005	Jan 2005	Jan 2006	Dec 2005	Jan 2005	Jan 2006	Dec 2005	Jan 2005
Place of Residence									
Labor Force	138,300	138,000	134,100	79,400	80,200	78,900	175,200	174,500	172,200
Employment	131,300	131,500	126,100	74,100	75,400	72,900	165,600	165,500	160,900
Unemployment	7,000	6,500	8,000	5,300	4,900	6,100	9,600	9,000	11,300
Rate (Percent)	5.1	4.7	6.0	6.6	6.1	7.7	5.5	5.2	6.6
Place of Work									
Total Nonfarm Jobs	114,700	117,900	113,100	59,500	61,900	59,600	143,400	146,700	141,800
Nat Resources & Construction	6,100	6,500	5,800	2,100	2,400	2,200	5,900	6,300	5,800
Manufacturing	37,300	37,700	38,100	10,000	10,300	10,100	23,500	23,800	23,900
Trade, Transport & Utilities	17,800	18,500	17,300	12,300	13,000	12,600	24,500	25,700	24,300
Wholesale Trade	4,800	4,800	4,500	1,600	1,700	1,600	4,300	4,400	4,100
Retail Trade	10,300	11,000	10,200	7,700	8,200	8,000	16,200	17,200	16,300
Information	900	900	1,000	500	500	500	1,600	1,600	1,500
Financial Activities	3,200	3,200	3,200	2,300	2,400	2,300	7,500	7,600	7,400
Professional & Business Services	10,900	11,500	10,600	4,600	4,800	4,600	14,900	15,200	13,600
Educational & Health Services	10,200	10,400	9,800	9,600	9,900	9,400	20,100	20,300	19,700
Leisure & Hospitality	7,600	7,900	7,200	5,300	5,500	5,100	14,500	14,900	14,300
Other Services	4,400	4,400	4,400	3,000	2,900	2,800	6,500	6,600	6,500
Government	16,300	16,900	15,700	9,800	10,200	10,000	24,400	24,700	24,800

	Lansing-East Lansing			Monroe			Muskegon-Norton Shores		
	Jan 2006	Dec 2005	Jan 2005	Jan 2006	Dec 2005	Jan 2005	Jan 2006	Dec 2005	Jan 2005
Place of Residence									
Labor Force	254,700	254,000	247,600	78,100	78,400	77,400	92,500	91,800	89,700
Employment	239,800	240,200	232,000	73,100	74,300	72,100	86,600	86,100	82,700
Unemployment	14,900	13,800	15,600	5,100	4,100	5,400	5,900	5,700	7,000
Rate (Percent)	5.8	5.4	6.3	6.5	5.2	6.9	6.4	6.2	7.8
Place of Work									
Total Nonfarm Jobs	225,700	231,200	222,800	42,300	44,200	42,700	66,700	67,700	64,900
Nat Resources & Construction	7,700	8,500	7,700	2,100	2,200	2,000	2,400	2,500	2,200
Manufacturing	21,700	21,500	19,900	7,900	8,500	8,400	13,700	13,800	13,600
Trade, Transport & Utilities	36,700	38,200	36,600	9,400	9,700	9,600	14,000	14,500	13,700
Wholesale Trade	5,800	5,800	5,500	1,100	1,100	1,100	1,400	1,500	1,400
Retail Trade	24,800	26,100	24,900	5,400	5,700	5,600	11,300	11,700	11,000
Information	3,100	3,200	3,200	*	*	*	1,000	1,000	1,000
Financial Activities	15,300	15,700	15,300	1,600	1,600	1,600	2,000	2,000	1,900
Professional & Business Services	19,600	20,100	20,200	3,500	3,700	3,600	4,000	4,100	4,000
Educational & Health Services	26,900	27,200	26,500	4,700	4,800	4,500	10,500	10,300	10,200
Leisure & Hospitality	18,300	19,300	18,200	4,300	4,500	4,400	6,800	7,100	6,200
Other Services	10,900	11,000	11,000	2,000	2,000	1,900	2,700	2,700	2,500
Government	65,500	66,500	64,200	6,500	6,700	6,500	9,600	9,700	9,600

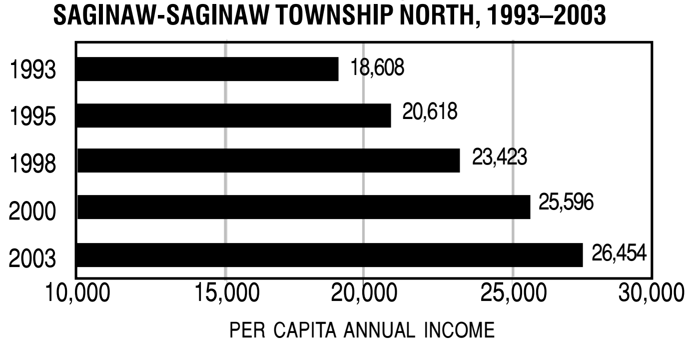
* Data Not Available

Civilian Labor Force and Wage & Salary Estimates

	Jan 2006	Dec 2005	Jan 2005	Jan 2006	Dec 2005	Jan 2005
Place of Residence						
Labor Force	80,000	79,800	78,400	100,400	100,700	100,000
Employment	74,600	74,800	71,900	92,800	93,900	90,900
Unemployment	5,400	5,000	6,400	7,600	6,800	9,200
Rate (Percent)	6.7	6.3	8.2	7.5	6.8	9.2
Place of Work						
Total Nonfarm Jobs	63,800	65,500	62,900	90,900	94,200	91,000
Nat Resources & Construction	2,200	2,300	2,000	3,400	3,900	3,500
Manufacturing	14,800	15,000	15,200	13,100	13,300	13,300
Trade, Transport & Utilities	11,800	12,200	11,700	16,900	18,200	17,300
Wholesale Trade	2,200	2,300	2,100	2,600	2,600	2,600
Retail Trade	7,300	7,600	7,300	11,800	13,000	12,100
Information	900	900	900	2,100	2,100	2,100
Financial Activities	2,200	2,300	2,200	5,200	5,200	5,100
Professional & Business Serv	4,800	5,100	4,800	9,000	9,100	9,100
Educational & Health Serv	10,000	10,000	9,700	15,400	15,500	15,000
Leisure & Hospitality	6,100	6,500	5,400	8,800	9,300	8,800
Other Services	3,000	2,900	2,800	4,000	4,200	3,800
Government	8,000	8,300	8,200	13,000	13,400	13,000

	Upper Peninsula			Northeast Lower Michigan			Northwest Lower Michigan		
	Jan 2006	Dec 2005	Jan 2005	Jan 2006	Dec 2005	Jan 2005	Jan 2006	Dec 2005	Jan 2005
Place of Residence									
Labor Force	159,500	160,100	157,600	97,400	98,300	96,400	156,200	158,400	153,700
Employment	147,200	149,100	143,400	87,500	89,600	85,400	144,000	147,500	139,900
Unemployment	12,200	11,000	14,200	9,900	8,700	11,000	12,100	10,900	13,700
Rate (Percent)	7.7	6.9	9.0	10.2	8.9	11.5	7.8	6.9	8.9

PER CAPITA PERSONAL INCOME (SELECTED YEARS)
SAGINAW-SAGINAW TOWNSHIP NORTH, 1993–2003



Regional Focus
Per Capita Personal Income, 1993-2003
Saginaw-Saginaw Township North MSA

During 2003 the per capita personal income in the Saginaw-Saginaw Township North Metropolitan Statistical Area (MSA) stood at $26,454, an increase of $7,846 or 42.2 percent from the per capita income recorded in the area during 1993. In comparison, average per capita income of Michigan's 14 MSAs in 2003 stood at $32,775, an increase of $10,731 or 48.7 over 1993. The state's per capita income reached $31,178 during this period, an increase of $10,049 or 47.6 percent from the average recorded in 1993.

Jobless Rates Increase Seasonally in All of Michigan's Major Regional Labor Market Areas

January seasonally unadjusted unemployment rates moved up in all of Michigan's 17 regional major labor market areas. Labor market activities were quite typical throughout the state during the month, with the usual seasonal patterns of unemployment rate hikes and job cutbacks. However, since January 2005, most regions recorded employment gains and jobless rates reductions. From December to January, regional jobless rate increases ranged from 0.2 of a percentage point to 1.3 percentage points, with an average gain of 0.6 percent. The largest increases over the month occurred in the Monroe Metropolitan Statistical Area (MSA) and the Northeast Lower Michigan Region. The smallest over-the-month rate hikes took place in the Muskegon-Norton Shores, Kalamazoo-Portage, and Grand Rapids-Wyoming MSAs. During the month total employment declined seasonally in 15 regions. Decreases were wide ranging, but averaged 1.3 percent. The most prominent downward shifts in the levels of employment were recorded in the Detroit-Warren-Livonia MSA, the Northeast Lower Michigan, and the Northwest Lower Michigan regions.

From January 2005 to January 2006, jobless rates decreased in all 17 areas, ranging from 0.4 to 1.7 percentage points, with an average drop of one full percentage point. Significant over-the-year jobless rate declines were recorded in the Saginaw-Saginaw Township North, Niles-Benton Harbor, Bay City, and Muskegon-Norton Shores MSAs.

Among Michigan's major labor markets, the Ann Arbor area had the lowest unemployment rate at 4.2 percent, followed by the Holland-Grand Haven MSA with 5.1 percent, and the Kalamazoo-Portage MSA with 5.5 percent. The highest jobless rate in the month of January was recorded by the Northeast Lower Michigan Region, at 10.2 percent, followed by the Flint MSA and the Northwest Lower Michigan Region with 7.8 percent.

January Nonfarm Employment Falls Seasonally in All of Michigan's Metropolitan Areas

Total nonfarm employment fell in all of Michigan's 14 MSAs during the month of January, with the Monroe and Jackson areas showing the largest drop at 4.3 and 3.9 percent, respectively. The smallest job reductions were reported by the Muskegon-Norton Shores and Kalamazoo-Portage MSAs, down by 1.5 and 2.2 percent, respectively. Employment losses were seasonal and in most areas were recorded in both the service-providing and goods-producing industries.

Employment losses in the service-providing industries occurred as the holidays ended and many employers reduced staff for the winter season. The reductions were recorded throughout the state, ranging from 1.6 percent in the Muskegon-Norton Shores MSA to 3.9 percent in the Monroe MSA, and were most evident in retail trade (general merchandise stores, food and beverage stores, building materials and clothing stores); professional and business services (employment placement agencies, and temporary help services); and leisure and hospitality (arts, entertainment, and recreation, amusement and gambling, as well as accommodation, food and drinking services). Temporary employment reductions were also recorded in state and local government throughout the state, as primary and secondary schools, colleges and universities released staff for winter break.

In the goods-producing sector, employment moved down in all the major areas due to seasonal layoffs in the construction industry, mainly in construction of buildings, specialty trade contractors, and heavy and civil engineering construction. Only five areas experienced reductions higher than the state's average (11.6 percent) in this sector. These included the Bay City, Battle Creek, Flint, Saginaw and Jackson MSAs. Additionally, manufacturing industries also experienced losses for the month, as transportation equipment and related industries temporarily reduced employment for production adjustments. The Detroit area experienced one of the largest reductions in manufacturing for the month of January at 4.4 percent, compared to the state average drop of 2.7 percent.

During January, average weekly hours in manufacturing declined in four of the five major areas for which data is currently available (Kalamazoo-Portage MSA remained unchanged). The losses were due to reductions in the overtime hours worked in the durable goods sector. Average hourly earnings moved down in all five major areas during the month. The total effect of these changes was that average weekly earnings declined in all five of the major areas. The largest losses in weekly earnings were reported in the Detroit-Warren-Livonia MSA, down by $99.78, followed by the Flint and the Grand Rapids-Wyoming MSAs, with decreases of $73.96 and $57.35, respectively.

Manufacturing Hours and Earnings
Michigan & Selected Metropolitan Areas*
January 2006 and December 2005

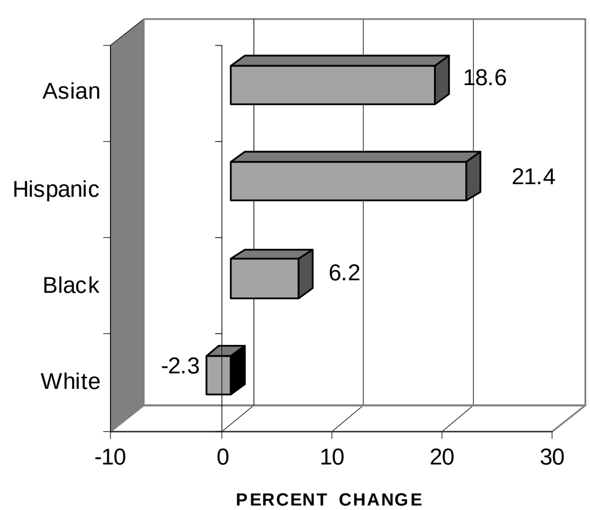
	Average Weekly Hours		Average Hourly Earnings		Average Weekly Earnings	
Area	**Jan.**	**Dec.**	**Jan.**	**Dec.**	**Jan.**	**Dec.**
Michigan	**41.3**	**42.9**	**21.61**	**21.88**	**$892.49**	**$938.65**
Detroit-Warren-Livonia	41.7	43.9	24.60	25.64	1,025.82	1,125.60
Flint	43.0	44.7	30.62	31.11	1,316.66	1,390.62
Grand Rapids-Wyoming	39.9	42.6	17.93	18.14	715.41	772.76
Kalamazoo-Portage	38.8	38.8	14.80	14.86	574.24	576.57
Lansing-East Lansing	39.6	40.6	23.74	24.15	940.10	980.49

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

Civilian Labor Force Projections in the U.S., 2004–2014

Labor force projections released by the U.S. Department of Labor, Bureau of Labor Statistics suggest that during the 2004-2014 period, the U.S. labor force will become more diverse. With immigration being the main drive of population growth, and with the high labor force participation rates of Hispanics and Asians, the share of minorities in the workforce will expand more than ever.

CIVILIAN LABOR FORCE BY RACE AND HISPANIC ORIGIN IN THE U.S., PROJECTED PERCENTAGE GROWTH BETWEEN 2004 AND 2014



The Hispanic labor force is projected to grow by 2.9 percent annually over the 2004-2014 period and reach 25.8 million. Hispanics will constitute almost 16.0 of the labor force in 2014. The Asian labor force is expected to grow at a comparable 2.8 percent, reaching more than 8.0 million in 2014, slightly above 5 percent of the total labor force. The Black labor force is projected to have an annual growth rate of 1.6 percent during this period and reach 19.4 million in 2014, and will constitute 12.0 percent of the total labor force.

The civilian labor force as a whole is projected to increase by 14.7 million over the 2004-2014 decade, reaching 162.1 million by 2014. This 10 percent increase is less than the 12.5 percent growth recorded during the previous decade, 1994-2004, when the labor force expanded by 16.3 million.

Over the 2004-2014 projection period, the number of women in the labor force is expected to grow by 10.9 percent, faster than the 9.1 percent growth projected for men. As a result, women's share of the labor force is expected to increase from 46.4 percent in 2004 to 46.8 percent in 2014. In contrast, men's share is projected to decline from 53.6 percent to 53.2 percent over the decade.

Source: U.S. Department of Labor, Bureau of Labor Statistics, January 2006.

Wage and Salary Jobs in Michigan, Annual Report – 2007

Michigan's labor market continued to struggle with job creation during 2005. Employment levels in some industries experienced a downward trend, reducing the state's total wage and salary employment by 11,000 or 0.3 percentage points. The impact of the sluggish job market was felt statewide, contracting employment in most of the state's industrialized major labor market areas. Modest job reductions were recorded in the Lansing-East Lansing MSA (down by 3,000 or 1.3 percent), the Detroit-Warren-Livonia MSA (down by 4,000 or 0.2 percent), the Flint MSA (down by 1,000 or 0.6 percent) and the Battle Creek and Saginaw-Saginaw Township North MSAs, both with reductions of 1,000 jobs, or 1.6 and 1.1 percent, respectively. This was the fifth consecutive year since the 1999 recession that the state's annual nonfarm employment showed no gains over the previous year.

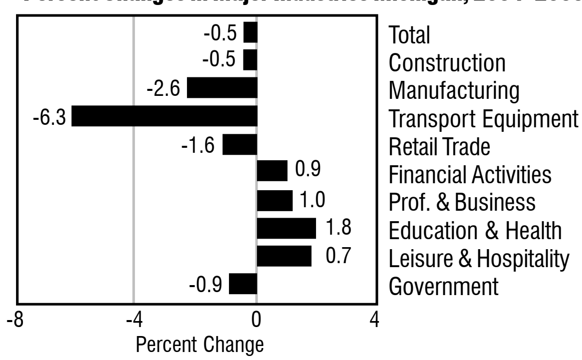
During 2005, Michigan employers provided close to 4.4 million jobs. Employment reductions were concentrated mainly in the goods producing sector, with manufacturing showing the strongest adverse impact over the year. Durable goods industries, the sector that supplies the majority of Michigan's manufacturing employment, lost 19,000 jobs during 2005. Employment in transportation equipment stood at 239,000, a drop of 16,000 jobs or 6.3 percent from 2004. The nondurable goods sector gained close to 1,000 jobs during 2005, remaining basically flat for the year. The construction industry, which exhibited steady and solid growth during the 1990s, remained virtually unchanged at 191,000 jobs.

In comparison, service-providing industries, although showing a mixed picture during the year, continued to improve and registered small employment gains in 2005. Educational and health services, and social assistance services, increased employment by 1.9 percent and 1.8 percent, respectively. Similarly, professional and business services moved up by 6,000 jobs or 1.0 percent; leisure and hospitality services added 3,000 jobs or 0.7 percent; and financial activities increased by 2,000 jobs or 0.9 percentage points. These sectors had employment gains more than enough to make up for the losses experienced in other services industries. Retail trade, one of the larger industries in Michigan, moved down during 2005, dropping by 8,000 jobs, or 1.6 percent. Within retail trade, general merchandise stores contracted by 2,000 jobs or 1.7 percent.

The number of jobs in the government sector stood at 674,000, a drop of 6,000 from 2004. Both state and local government experienced reductions, mainly from their educational facilities. For the first time in several years, federal government contracted employment in Michigan, decreasing by 1,000 jobs.

Source: Michigan Department of Labor & Economic Growth, Bureau of Labor Market Information & Strategic Initiatives, February 2006.

Percent Changes in Major Industries Michigan, 2004–2005



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