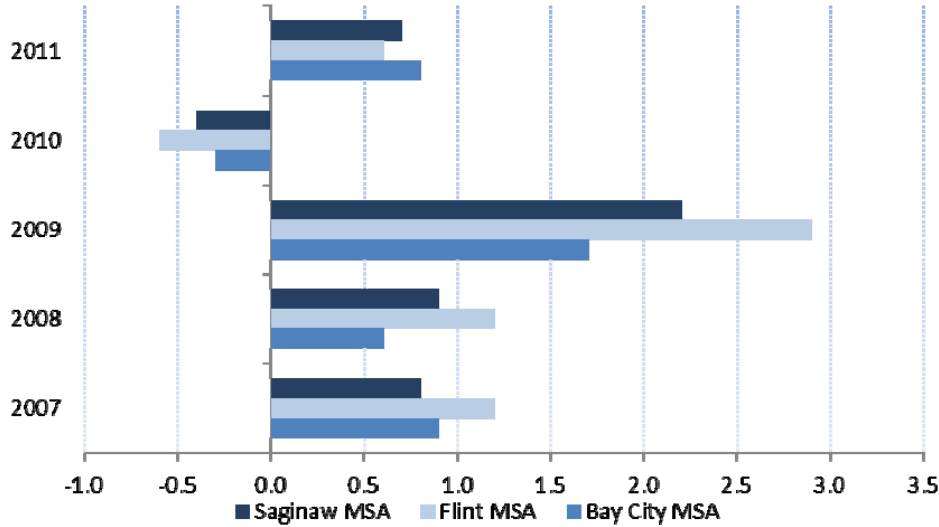




LOWER EMPLOYMENT LEVELS LEAD TO HIGHER JANUARY JOBLESS RATES

The region experienced fairly typical seasonal hikes in jobless rates in January as the number of unemployed persons rose. Increases in unemployment levels were mostly a reflection of employment cuts due to winter weather and the end of the holiday season. For the most part, over-the-month jobless rate movements were similar to 2007 trends, prior to the national recession. **(Figure 1)**

Figure 1: Over-the-Month Changes in the Jobless Rates between December and January, 2007 – 2011



The Flint MSA exhibited the smallest increase in the region with the jobless rate moving up by 0.6 percentage points. The jobless rate increase was smaller than typically expected at this time due to the lack of temporary holiday layoffs in the auto industry. However, the Flint MSA continues to record the highest jobless rate among Michigan's metro areas at 12.5 percent. The Bay City MSA registered the largest regional increase in the jobless rate, expanding by 0.8 percentage points over the month to 11.2 percent. The Saginaw MSA followed the statewide trend, increasing by 0.7 percentage points to 11.0 percent. Michigan's seasonally unadjusted jobless rate rose to 11.3 percent in January.

Total labor force in the region was virtually flat over the month with movements ranging from -100 to +100. Employment levels contracted for all

the local metro areas with the Saginaw MSA experiencing the largest percentage drop of 1.0 percent. January employment declines in the Flint MSA (-0.7 percent) and the Bay City MSA (-0.6 percent) were slightly smaller.

Compared to a year ago, jobless rates in the regional metro areas have fallen by an average of nearly three percentage points. Employment growth was minimal with the Bay City MSA exhibiting the largest percentage gain of 1.7 percent. The statewide advance in total employment was slightly higher at 2.1 percent. Over-the-year labor force reductions were significant in the Flint MSA, with a drop of 2.4 percent. Declines in the labor force over the year for the Bay City MSA (-0.8 percent) and the Saginaw MSA (-1.0 percent) were notably smaller.

In January, all of the regional labor market areas recorded seasonal jobless rate increases. Jobless rate advances ranged from +0.6 percentage points in the Midland LMA to +2.4 percentage points in the Iosco LMA, with a median gain of 1.2 percentage points. The Iosco LMA was the only labor market area to post a jobless rate increase greater than 2.0 percentage points. In addition, it recorded the highest jobless rate in the region at 17.3 percent. The Arenac LMA closely followed with a jobless rate of 17.1 percent. The Midland LMA recorded the lowest jobless rate in the region at 8.6 percent. This is the first time since July 2010 that jobless rates have increased in the Midland LMA. **(Tables 2 and 3)**

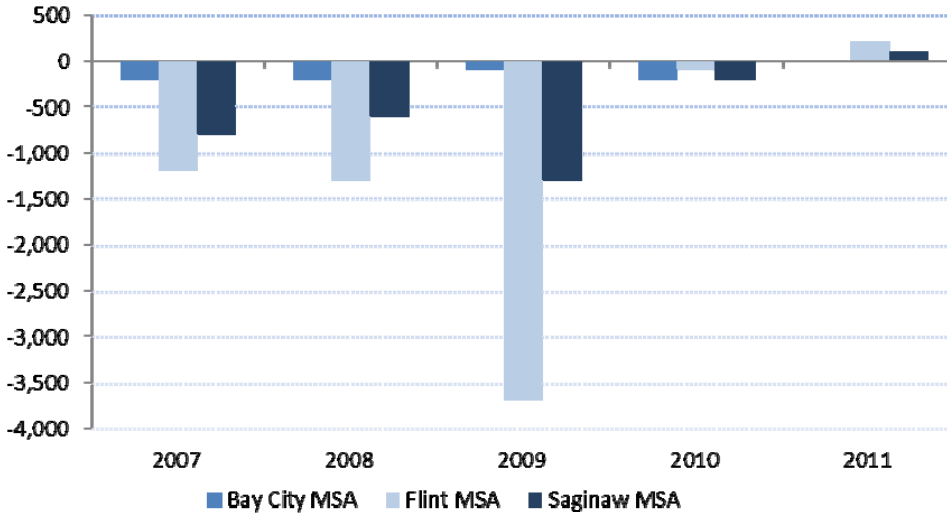
Changes in labor force levels were minor with the majority of the regional labor markets showing minimal declines. The largest over-the-month labor force reduction occurred in the Iosco LMA, decreasing by 1.3 percent. In contrast, total labor force in four labor market areas – Tuscola, Lapeer, Arenac, and Clare – increased by a median of 0.5 percent. Compared to a year ago, labor force levels fell for all regional labor markets, with the exception of the Ogemaw LMA. Declines in the labor force were wide ranging from -0.5 percent in the Midland LMA to -5.0 percent in the Iosco LMA.

Employment levels fell for all of the regional labor markets over the month by a median of 1.5 percent. The Iosco LMA exhibited the largest drop in total employment, declining by 3.9 percent over the month. Since January 2010, ten of the twelve regional labor markets showed minor increases in employment. The Huron LMA recorded the largest over-the-year increase with employment expanding by 3.2 percent.

SEASONAL LOSSES CONTRIBUTED TO OVERALL REGIONAL JOB DECLINES

Following seasonal trends, January payroll jobs declined throughout the region as multiple industry sectors exhibited notable declines over the month. The end of the holidays led to seasonal cutbacks in *Retail Trade*, while weather-related cuts were prominent in *Construction* and *Leisure and Hospitality*. In addition, school-related cuts contributed to job losses in *Educational and Health Services* and *Government*. (Table 4) However, overall payroll job declines were lower than expected, as the *Manufacturing* sector did not post the typical temporary holiday layoffs. (Figure 2)

Figure 2: Changes in the Manufacturing Sector between December and January, 2007 - 2011



Nonfarm employment in the **Bay City MSA** declined by 1.9 percent or 700 in January. Minor job losses were spread throughout multiple industries. The largest over-the-month job decline was recorded in *Trade, Transportation, and Utilities* (-200). Five primary sectors moved down by 100 jobs, including: *Construction*, *Professional and Business Services*, *Educational and Health Services*, *Leisure and Hospitality*, and *Government*.

Since January 2010, jobs edged up by 0.8 percent or 300. The largest over-the-year employment gains were exhibited by goods-producing industries, as *Manufacturing* and *Construction* each advanced by 200 jobs. The *Government* (-300) sector was the only sector to cut jobs over the year.

In January, nonfarm jobs in the **Flint MSA** declined by 1.9 percent or 2,600. *Trade, Transportation, and Utilities* posted the most pronounced cuts, contracting by 3.9 percent or 1,100. Job reductions were also evident in *Leisure and Hospitality* (-500), *Government* (-500), *Educational and Health Services* (-300), and *Construction* (-300). Only two industry sectors reported minor advances over the month, *Manufacturing* (+200) and *Information* (+100).

Since January 2010, overall payroll jobs have remained essentially flat, inching down by 0.1 percent or 100. Job declines were most prominent in *Government* (-800) and *Leisure and Hospitality* (-500). Mostly offsetting these declines were notable gains in *Professional and Business Services* (+600) and *Educational and Health Services* (+600).

January payroll jobs contracted by 2.4 percent (-2,000) in the **Saginaw MSA**. *Professional and Business Services* and *Trade, Transportation, and Utilities* reported the largest job losses over the month, each decreasing by 600. Moderate cuts also occurred in *Construction* (-300), *Leisure and Hospitality* (-300), *Government* (-300), and *Educational and Health Services* (-200). Minimal gains in *Manufacturing* (+100), *Information* (+100), and *Financial Activities* (+100) were not enough to offset these job reductions.

Over the year, payroll jobs edged up by 0.6 percent or 500. Substantial gains were exhibited by *Manufacturing* (+900) and *Trade, Transportation, and Utilities* (+500). Notable job losses in *Professional and Business Services* (-600), *Leisure and Hospitality* (-300), and *Government* (-300) somewhat offset the gains reported by several sectors.

Note: The U.S. Department of Labor, Bureau of Labor Statistics (BLS) has responsibility for developing the methodology followed by all 50 states in the production and revision of state employment and unemployment estimates. Part of this methodology is a required annual data revision process which takes place in February of each year.

Previously published data should be replaced with this new series. For newly revised data, go to www.michigan.gov/lmi or contact (989)-776-1508.

Table 1: Metropolitan Statistical Areas

	January 2011*	December 2010	January 2010	Change/ Month	%Change / Month	Change/ Year	%Change / Year
FLINT MSA							
Labor Force	188,000	187,900	192,600	100	0.1%	-4,600	-2.4%
Employed	164,400	165,500	163,000	-1,100	-0.7%	1,400	0.9%
Unemployed	23,600	22,400	29,700	1,200	5.4%	-6,100	-20.5%
Unemployment Rate	12.5	11.9	15.4	0.6		-2.9	
SAGINAW MSA							
Labor Force	91,000	91,100	91,900	-100	-0.1%	-900	-1.0%
Employed	80,900	81,700	79,700	-800	-1.0%	1,200	1.5%
Unemployed	10,000	9,400	12,300	600	6.4%	-2,300	-18.7%
Unemployment Rate	11.0	10.3	13.3	0.7		-2.3	
BAY CITY MSA							
Labor Force	52,900	52,800	53,300	100	0.2%	-400	-0.8%
Employed	47,000	47,300	46,200	-300	-0.6%	800	1.7%
Unemployed	5,900	5,500	7,100	400	7.3%	-1,200	-16.9%
Unemployment Rate	11.2	10.4	13.4	0.8		-2.2	
MICHIGAN							
Labor Force	4,694,100	4,722,600	4,767,100	-28,500	-0.6%	-73,000	-1.5%
Employed	4,165,100	4,221,500	4,081,400	-56,400	-1.3%	83,700	2.1%
Unemployed	529,100	501,000	685,700	28,100	5.6%	-156,600	-22.8%
Unemployment Rate	11.3	10.6	14.4	0.7		-3.1	
By Place of Residence							
Not Seasonally Adjusted							
Rates Calculated with Unrounded Data							
* Preliminary							

Table 2: Labor Market Areas

	January 2011*	December 2010	January 2010	Change/ Month	%Change / Month	Change/ Year	%Change / Year
HURON LMA							
Labor Force	15,825	15,850	15,950	-25	-0.2%	-125	-0.8%
Employed	13,850	14,025	13,425	-175	-1.2%	425	3.2%
Unemployed	1,975	1,825	2,525	150	8.2%	-550	-21.8%
Unemployment Rate	12.5	11.6	15.8	0.9		-3.3	
LAPEER LMA							
Labor Force	41,975	41,825	43,350	150	0.4%	-1,375	-3.2%
Employed	35,500	36,025	34,700	-525	-1.5%	800	2.3%
Unemployed	6,475	5,800	8,675	675	11.6%	-2,200	-25.4%
Unemployment Rate	15.4	13.9	20.0	1.5		-4.6	
MIDLAND LMA							
Labor Force	41,275	41,350	41,500	-75	-0.2%	-225	-0.5%
Employed	37,700	38,025	37,100	-325	-0.9%	600	1.6%
Unemployed	3,575	3,325	4,400	250	7.5%	-825	-18.8%
Unemployment Rate	8.6	8.0	10.6	0.6		-2.0	
SANILAC LMA							
Labor Force	19,950	20,025	20,375	-75	-0.4%	-425	-2.1%
Employed	17,075	17,325	16,650	-250	-1.4%	425	2.6%
Unemployed	2,875	2,675	3,700	200	7.5%	-825	-22.3%
Unemployment Rate	14.4	13.4	18.2	1.0		-3.8	
SHIAWASSEE LMA							
Labor Force	33,300	33,675	33,900	-375	-1.1%	-600	-1.8%
Employed	29,200	29,800	28,600	-600	-2.0%	600	2.1%
Unemployed	4,125	3,900	5,300	225	5.8%	-1,175	-22.2%
Unemployment Rate	12.4	11.6	15.7	0.8		-3.3	
TUSCOLA LMA							
Labor Force	26,525	26,450	27,325	75	0.3%	-800	-2.9%
Employed	22,925	23,150	22,775	-225	-1.0%	150	0.7%
Unemployed	3,575	3,300	4,550	275	8.3%	-975	-21.4%
Unemployment Rate	13.5	12.5	16.7	1.0		-3.2	
By Place of Residence							
Not Seasonally Adjusted							
Rates Calculated with Unrounded Data							
* Preliminary							

Table 3: Labor Market Areas Continued

	January 2011*	December 2010	January 2010	Change/ Month	%Change / Month	Change/ Year	%Change / Year
ARENAC LMA							
Labor Force	7,200	7,150	7,300	50	0.7%	-100	-1.4%
Employed	5,975	6,050	5,800	-75	-1.2%	175	3.0%
Unemployed	1,225	1,100	1,500	125	11.4%	-275	-18.3%
Unemployment Rate	17.1	15.5	20.4	1.6		-3.3	
CLARE LMA							
Labor Force	12,375	12,275	12,700	100	0.8%	-325	-2.6%
Employed	10,450	10,575	10,450	-125	-1.2%	0	0.0%
Unemployed	1,900	1,700	2,250	200	11.8%	-350	-15.6%
Unemployment Rate	15.4	13.9	17.7	1.5		-2.3	
GLADWIN LMA							
Labor Force	9,875	9,900	10,050	-25	-0.3%	-175	-1.7%
Employed	8,300	8,475	8,200	-175	-2.1%	100	1.2%
Unemployed	1,575	1,450	1,875	125	8.6%	-300	-16.0%
Unemployment Rate	16.0	14.5	18.6	1.5		-2.6	
IOSCO LMA							
Labor Force	9,575	9,700	10,075	-125	-1.3%	-500	-5.0%
Employed	7,925	8,250	7,975	-325	-3.9%	-50	-0.6%
Unemployed	1,650	1,450	2,100	200	13.8%	-450	-21.4%
Unemployment Rate	17.3	14.9	20.8	2.4		-3.5	
OGEMAW LMA							
Labor Force	9,375	9,475	9,375	-100	-1.1%	0	0.0%
Employed	8,075	8,275	7,900	-200	-2.4%	175	2.2%
Unemployed	1,300	1,200	1,475	100	8.3%	-175	-11.9%
Unemployment Rate	13.8	12.7	15.8	1.1		-2.0	
ROSCOMMON LMA							
Labor Force	9,525	9,625	9,625	-100	-1.0%	-100	-1.0%
Employed	8,050	8,275	7,900	-225	-2.7%	150	1.9%
Unemployed	1,450	1,350	1,725	100	7.4%	-275	-15.9%
Unemployment Rate	15.3	14.1	18.0	1.2		-2.7	
By Place of Residence							
Not Seasonally Adjusted							
Rates Calculated with Unrounded Data							
* Preliminary							

Table 4: Nonfarm Payroll Jobs

	January 2011*	December 2010	January 2010	Change/ Month	%Change / Month	Change/ Year	%Change / Year
BAY CITY MSA							
Total Nonfarm	35,700	36,400	35,400	-700	-1.9%	300	0.8%
Goods Producing	5,000	5,100	4,600	-100	-2.0%	400	8.7%
Mining, Logging and Construction	1,000	1,100	800	-100	-9.1%	200	25.0%
Manufacturing	4,000	4,000	3,800	0	0.0%	200	5.3%
Service Providing	30,700	31,300	30,800	-600	-1.9%	-100	-0.3%
Trade, Transportation, and Utilities	7,400	7,600	7,400	-200	-2.6%	0	0.0%
Financial Activities	1,600	1,600	1,500	0	0.0%	100	6.7%
Professional and Business Services	3,000	3,100	3,000	-100	-3.2%	0	0.0%
Educational and Health Services	6,200	6,300	6,100	-100	-1.6%	100	1.6%
Leisure and Hospitality	4,500	4,600	4,500	-100	-2.2%	0	0.0%
Other Services	1,900	1,900	1,900	0	0.0%	0	0.0%
Government	5,600	5,700	5,900	-100	-1.8%	-300	-5.1%
FLINT MSA							
Total Nonfarm	130,900	133,500	131,000	-2,600	-1.9%	-100	-0.1%
Goods Producing	12,800	12,900	12,600	-100	-0.8%	200	1.6%
Mining, Logging and Construction	3,200	3,500	3,100	-300	-8.6%	100	3.2%
Manufacturing	9,600	9,400	9,500	200	2.1%	100	1.1%
Service Providing	118,100	120,600	118,400	-2,500	-2.1%	-300	-0.3%
Trade, Transportation, and Utilities	27,300	28,400	27,200	-1,100	-3.9%	100	0.4%
Information	3,300	3,200	3,000	100	3.1%	300	10.0%
Financial Activities	6,300	6,300	6,500	0	0.0%	-200	-3.1%
Professional and Business Services	12,600	12,700	12,000	-100	-0.8%	600	5.0%
Educational and Health Services	26,800	27,100	26,200	-300	-1.1%	600	2.3%
Leisure and Hospitality	13,100	13,600	13,600	-500	-3.7%	-500	-3.7%
Other Services	5,900	6,000	6,300	-100	-1.7%	-400	-6.3%
Government	22,800	23,300	23,600	-500	-2.1%	-800	-3.4%
SAGINAW MSA							
Total Nonfarm	81,900	83,900	81,400	-2,000	-2.4%	500	0.6%
Goods Producing	12,600	12,800	11,500	-200	-1.6%	1,100	9.6%
Mining, Logging and Construction	2,500	2,800	2,300	-300	-10.7%	200	8.7%
Manufacturing	10,100	10,000	9,200	100	1.0%	900	9.8%
Service Providing	69,300	71,100	69,900	-1,800	-2.5%	-600	-0.9%
Trade, Transportation, and Utilities	16,000	16,600	15,500	-600	-3.6%	500	3.2%
Information	1,400	1,300	1,300	100	7.7%	100	7.7%
Financial Activities	3,800	3,700	3,900	100	2.7%	-100	-2.6%
Professional and Business Services	8,600	9,200	9,200	-600	-6.5%	-600	-6.5%
Educational and Health Services	15,700	15,900	15,600	-200	-1.3%	100	0.6%
Leisure and Hospitality	7,800	8,100	8,100	-300	-3.7%	-300	-3.7%
Other Services	3,900	3,900	3,900	0	0.0%	0	0.0%
Government	12,100	12,400	12,400	-300	-2.4%	-300	-2.4%
By Place of Employment							
Not Seasonally Adjusted							
*Preliminary							

Appendix 1: Counties of Northeastern Michigan

	January 2011*	December 2010	January 2010	Change/ Month	%Change / Month	Change/ Year	%Change / Year
ALCONA LMA							
Labor Force	3,725	3,825	3,950	-100	-2.6%	-225	-5.7%
Employed	3,050	3,175	3,075	-125	-3.9%	-25	-0.8%
Unemployed	700	650	875	50	7.7%	-175	-20.0%
Unemployment Rate	18.5	17.1	22.4	1.4		-3.9	
ALPENA LMA							
Labor Force	13,850	13,900	14,350	-50	-0.4%	-500	-3.5%
Employed	12,100	12,275	12,200	-175	-1.4%	-100	-0.8%
Unemployed	1,750	1,625	2,150	125	7.7%	-400	-18.6%
Unemployment Rate	12.6	11.7	15.0	0.9		-2.4	
CHEBOYGAN LMA							
Labor Force	10,250	10,525	10,725	-275	-2.6%	-475	-4.4%
Employed	8,375	8,925	8,475	-550	-6.2%	-100	-1.2%
Unemployed	1,875	1,600	2,275	275	17.2%	-400	-17.6%
Unemployment Rate	18.2	15.1	21.2	3.1		-3.0	
CRAWFORD LMA							
Labor Force	5,800	5,850	5,925	-50	-0.9%	-125	-2.1%
Employed	5,025	5,100	5,025	-75	-1.5%	0	0.0%
Unemployed	800	750	900	50	6.7%	-100	-11.1%
Unemployment Rate	13.6	12.8	15.1	0.8		-1.5	
MONTMORENCY LMA							
Labor Force	3,750	3,775	3,850	-25	-0.7%	-100	-2.6%
Employed	2,975	3,000	2,925	-25	-0.8%	50	1.7%
Unemployed	800	775	925	25	3.2%	-125	-13.5%
Unemployment Rate	21.0	20.3	23.8	0.7		-2.8	
OSCODA LMA							
Labor Force	3,575	3,625	3,625	-50	-1.4%	-50	-1.4%
Employed	2,850	2,925	2,775	-75	-2.6%	75	2.7%
Unemployed	725	700	850	25	3.6%	-125	-14.7%
Unemployment Rate	20.3	19.3	23.7	1.0		-3.4	
OTSEGO LMA							
Labor Force	11,050	11,125	11,275	-75	-0.7%	-225	-2.0%
Employed	9,450	9,550	9,400	-100	-1.0%	50	0.5%
Unemployed	1,600	1,575	1,850	25	1.6%	-250	-13.5%
Unemployment Rate	14.5	14.1	16.5	0.4		-2.0	
PRESQUE ISLE LMA							
Labor Force	5,650	5,675	5,800	-25	-0.4%	-150	-2.6%
Employed	4,475	4,650	4,450	-175	-3.8%	25	0.6%
Unemployed	1,150	1,025	1,375	125	12.2%	-225	-16.4%
Unemployment Rate	20.6	18.1	23.6	2.5		-3.0	
By Place of Residence Not Seasonally Adjusted Rates Calculated with Unrounded Data * Preliminary							

Appendix 2: Michigan Works! Areas

	January 2011*	December 2010	January 2010	Change/ Month	%Change / Month	Change/ Year	%Change / Year
CAREER ALLIANCE, INC.							
Labor Force	221,275	221,625	226,550	-350	-0.2%	-5,275	-2.3%
Employed	193,575	195,350	191,550	-1,775	-0.9%	2,025	1.1%
Unemployed	27,700	26,275	35,000	1,425	5.4%	-7,300	-20.9%
Unemployment Rate	12.5	11.9	15.4	0.7		-2.9	
GREAT LAKES BAY							
Labor Force	185,175	185,250	186,725	-75	0.0%	-1,550	-0.8%
Employed	165,600	167,075	162,925	-1,475	-0.9%	2,675	1.6%
Unemployed	19,575	18,175	23,800	1,400	7.7%	-4,225	-17.8%
Unemployment Rate	10.6	9.8	12.7	0.8		-2.2	
THUMB WORKS							
Labor Force	104,250	104,125	107,000	125	0.1%	-2,750	-2.6%
Employed	89,350	90,525	87,550	-1,175	-1.3%	1,800	2.1%
Unemployed	14,900	13,625	19,450	1,275	9.4%	-4,550	-23.4%
Unemployment Rate	14.3	13.1	18.2	1.2		-3.9	
NORTHEAST MICHIGAN							
Labor Force	57,650	58,325	59,525	-675	-1.2%	-1,875	-3.1%
Employed	48,300	49,625	48,300	-1,325	-2.7%	0	0.0%
Unemployed	9,375	8,675	11,225	700	8.1%	-1,850	-16.5%
Unemployment Rate	16.3	14.9	18.9	1.4		-2.6	
REGION 7B							
Labor Force	57,925	58,150	59,125	-225	-0.4%	-1,200	-2.0%
Employed	48,775	49,875	48,200	-1,100	-2.2%	575	1.2%
Unemployed	9,125	8,275	10,925	850	10.3%	-1,800	-16.5%
Unemployment Rate	15.8	14.2	18.5	1.6		-2.7	
By Place of Residence							
Not Seasonally Adjusted							
Rates Calculated with Unrounded Data							
* Preliminary							

For additional information or other labor market analysis, please contact Rhea Acuna, Regional Economic Analyst with the Michigan Department of Energy, Labor & Economic Growth, Bureau of Labor Market Information & Strategic Initiatives at (989) 776-1508 or acunar@michigan.gov.

Please visit our website at www.michigan.gov/lmi