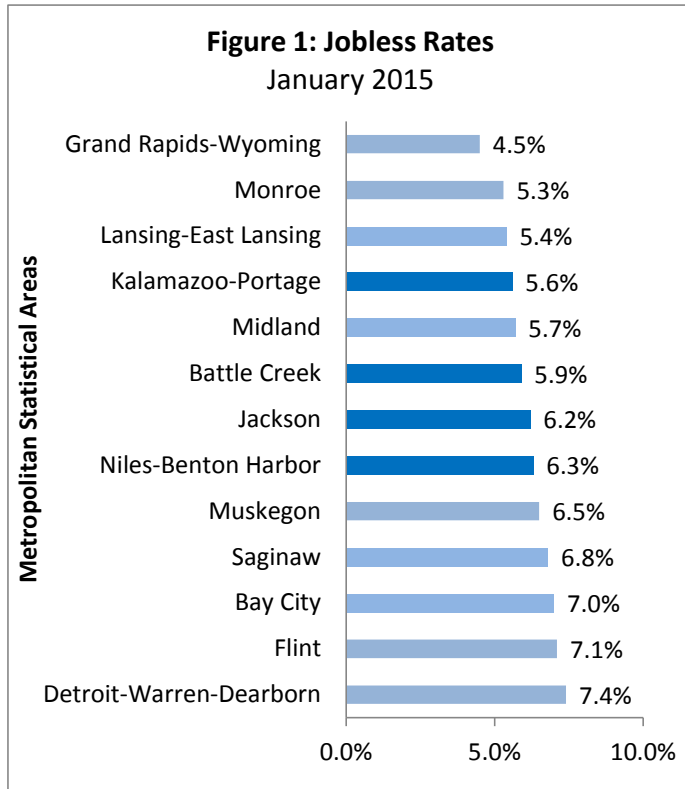




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**Bureau of Labor Market
 Information and Strategic
 Initiatives (LMISI)**

Seasonal January Job Cuts Resulted in Higher Southwest Region Unemployment Rates



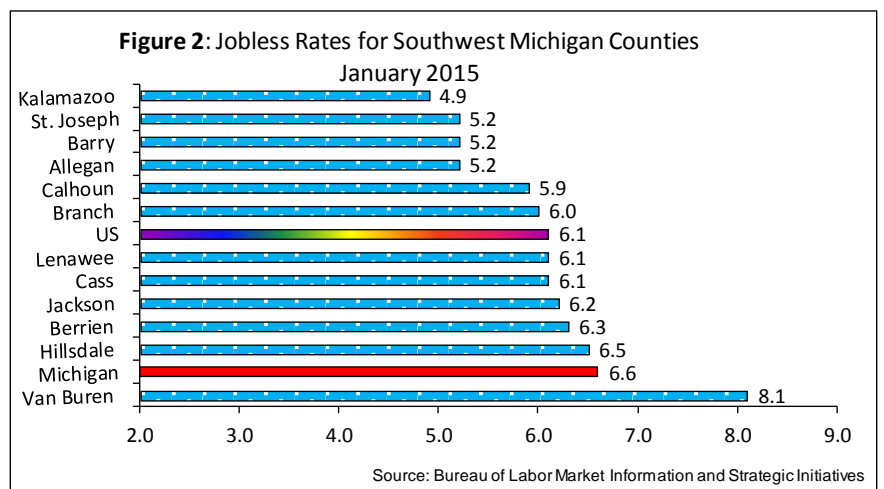
In January, seasonal job reductions continued to be recorded in construction and leisure and hospitality. Temporary holiday-related retail jobs were also lost in January. Furthermore, the layoff of support staff in education (private and public) extended into January. As a result, jobless rates rose throughout the region by an average of a full percentage point.

Regional Jobless Rates Rose in January but Were Noticeably Lower than Last Year's Levels

Unemployment rates were up in all four **metro** counties by an average of 1.1 percentage points, ranging from +0.7 in Kalamazoo to +1.6 in Van Buren County (see Table 1). Jobless rates in the remaining eight **non-metro** labor markets also increased over the month by an average of a whole percentage point, extending from +0.9 in Branch to +1.2 in Hillsdale and Lenawee counties (Table 2). Unemployment rates were

up seasonally in the two local Prosperity Regions 8 and 9 by +1.0 and +0.9 percentage points (Table 3).

Six of the twelve regional counties recorded lower jobless rates in January than the nation's unadjusted rate of 6.1 percent. The unemployment rates in five other local counties were higher than the national but lower than the state's unadjusted rate of 6.6 percent. Van Buren County's jobless rate was 1.5 percentage points higher than the statewide unadjusted rate (Figure 2).



Over the year, the jobless rates in **metro** counties dropped by 1.5 percentage points. The rate in **non-metro** labor markets fell by almost two percentage points (-1.9).

Labor Force Levels Were Mixed over the Month but Mostly Up over the Year

The civilian labor force (non-institutionalized individuals employed or looking for jobs) inched up in two of four Southwest Michigan **metro** counties (Jackson and Van Buren). Calhoun and Kalamazoo recorded workforce reductions in January, while the level of labor force remained unchanged in Berrien County (Table 1).

Workforce levels fell in January in 2 of 8 **non-metro labor markets** of Southwest Michigan (Cass and Lenawee), while increasing in the remaining six counties. Workforce additions in January ranged from +75 in St. Joseph to +800 in Allegan (Table 2).

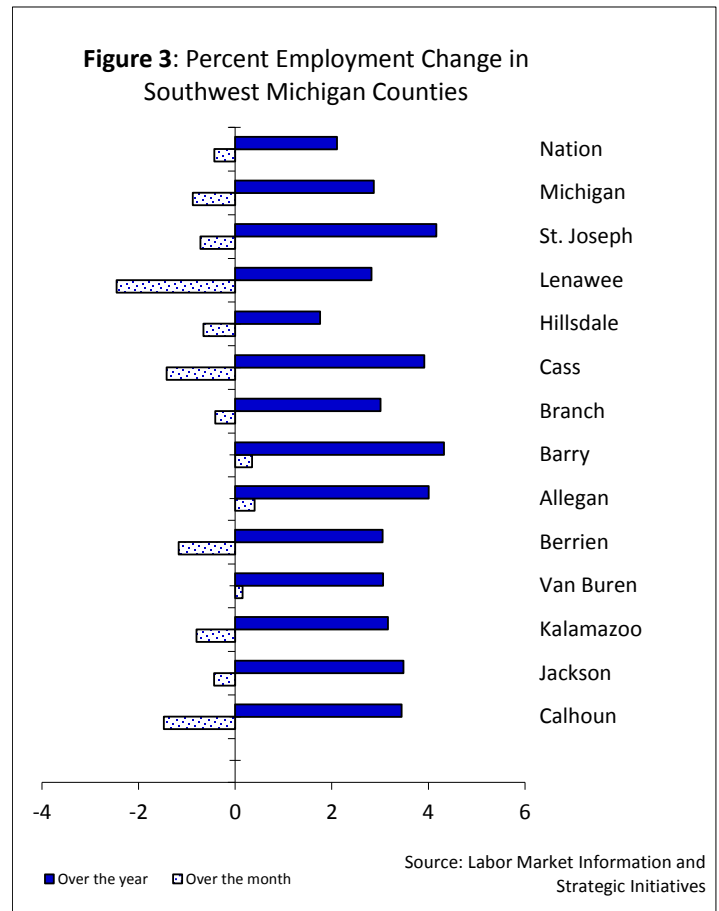
Over the year, all **metro** counties displayed labor force gains, extending from +300 in Van Buren to +2,300 in Kalamazoo. Calhoun and Jackson counties each added 1,300 individuals to their labor force. Also, all **non-metro Southwest Michigan counties** gained workforce over the year, with the exception of Hillsdale (-75).

Household Employment Inched Down Seasonally in January in All Local Labor Markets

Seasonal job reductions were recorded in January in construction, education (private and public), leisure and hospitality, and retail trade. As a result, household (or place of residence) employment fell slightly in nine of the twelve regional counties.

Household employment decreased in all four local **metropolitan areas**, ranging from -300 in Jackson to -900 each in Battle Creek and Kalamazoo-Portage. Employment in Van Buren County (which is part of the Kalamazoo MSA) edged up by 50 in January. Five of the seven **non-metro** counties of Southwest Michigan experienced slight job declines in January, although the drop in Lenawee County (-1,125) was more significant. Jobs in Allegan and Barry counties inched up over December levels.

Since January 2014, employment rose significantly in Southwest Michigan by an average of +3.2 percent in **metro counties** and +3.4 percent in **non-metro labor markets**. Numerical employment growth in **metro areas** extended from +2,000 each in Battle Creek and Niles-Benton Harbor to +4,700 in Kalamazoo-Portage. Jackson added 2,300



positions year to year. All **non-metro areas** also registered job additions over the year, ranging from +325 in Hillsdale to +2,175 in Allegan.

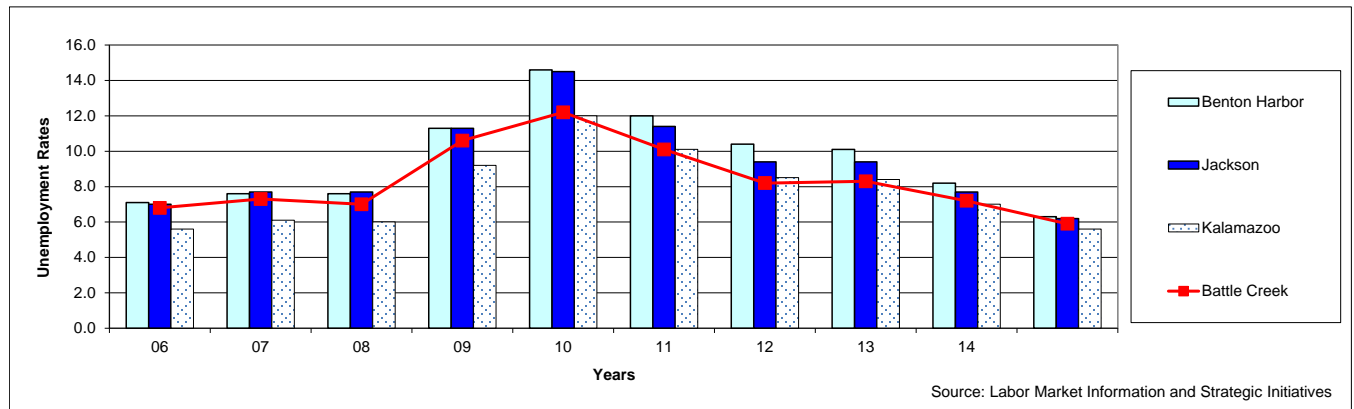
Figure 4: Local Metro Area January Unemployment Rates Since 2006

Current jobless rates for regional **metro areas** improved over the 2006 rates in 3 of 4 Southwest metropolitan areas in January: Battle Creek (-0.9 percentage points), Jackson (-0.8), and Niles-Benton Harbor (-0.8). Current unemployment rates in the Kalamazoo MSA

Year \ Areas	06	07	08	09	10	11	12	13	14	15
Benton Harbor	7.1	7.6	7.6	11.3	14.6	12.0	10.4	10.1	8.2	6.3
Battle Creek	6.8	7.3	7.0	10.6	12.2	10.1	8.2	8.3	7.2	5.9
Jackson	7.0	7.7	7.7	11.3	14.5	11.4	9.4	9.4	7.7	6.2
Kalamazoo	5.6	6.1	6.0	9.2	12.0	10.1	8.5	8.4	7.0	5.6

were similar to 2006 levels. Jobless rates for local metro areas escalated by an average of 6.3 percentage points during the recent Great Recession (2008-09). Unemployment rates fell significantly during 2014 and continued to stay low in January 2015. However, it is important to note that labor force and employment levels in the region remain below 2007 pre-recessionary levels.

Figure 5: Comparing the Trend of Local MSAs' January Unemployment Rates Since 2006

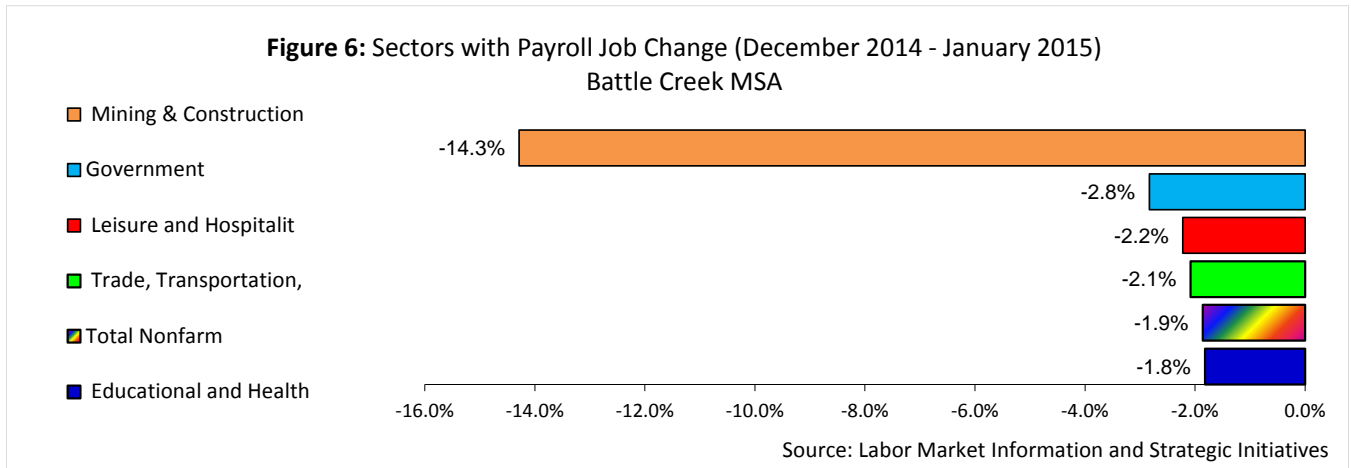


Nonfarm Payroll Jobs Fell Seasonally in January in All Regional Metro Areas

In January, all four regional metro areas recorded seasonal losses in nonfarm payroll employment, primarily due to job cuts in construction, education, leisure and hospitality, and retail trade.

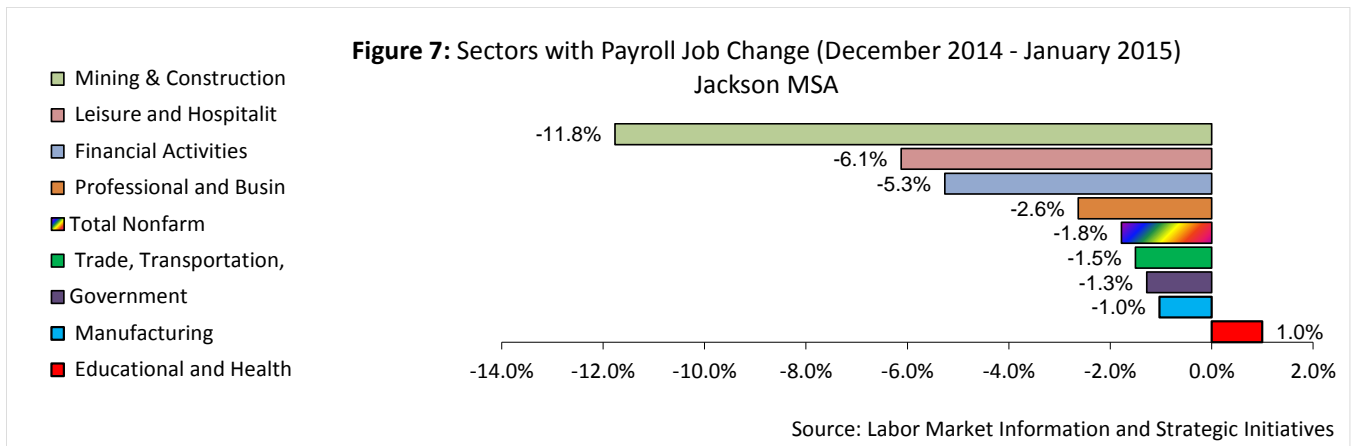
Battle Creek Metropolitan Statistical Area (MSA)

In January, total nonfarm payroll jobs in the **Battle Creek MSA** (Calhoun County) dropped by 1,100 to a total of 58,000. Seasonal job reductions were recorded in private and public education (-500), retail trade (-300), construction (-200), and leisure and hospitality (-100). Employment in all other sectors remained flat.



Over the year, all sectors recorded employment gains or remained flat, with the exception of construction where jobs inched down by 100. The sectors of education and healthcare and of professional and business services each added 500 positions year to year. Manufacturing continued to show employment gains (+400), with +500 in transportation equipment manufacturing. Total payroll jobs in Battle Creek were 1,700 (or +3.0 percent) above January 2014 levels.

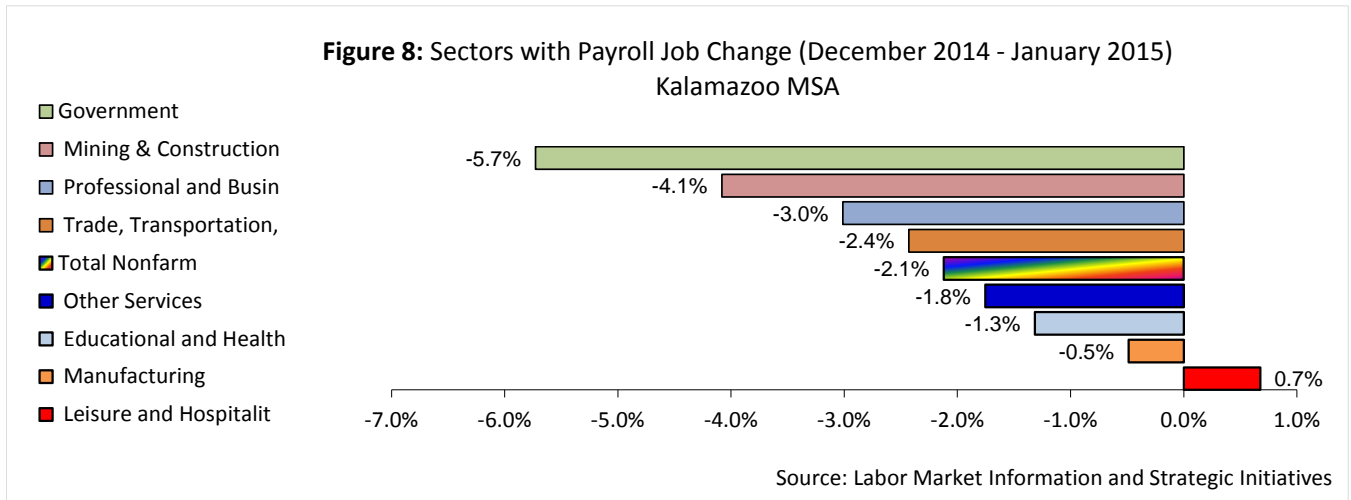
Jackson Metropolitan Statistical Area (Jackson County)



Total nonfarm payroll jobs in the **Jackson MSA** fell seasonally by 1,000 in January, mainly from seasonal layoffs in retail trade (-300), leisure and hospitality (-300), and construction (-200). A 100-job cut each was also recorded in manufacturing, financial activities, professional and business services, and local education.

Over the year, jobs in professional and business services declined by 200 and government employment inched down by 100. Employment in all other sectors increased or remained flat. Trade, transportation, and utilities added 1,000 year to year; and employment in manufacturing advanced by 300. Current total nonfarm payroll jobs in Jackson were 1,200 (or +2.2 percent) above January 2014 levels.

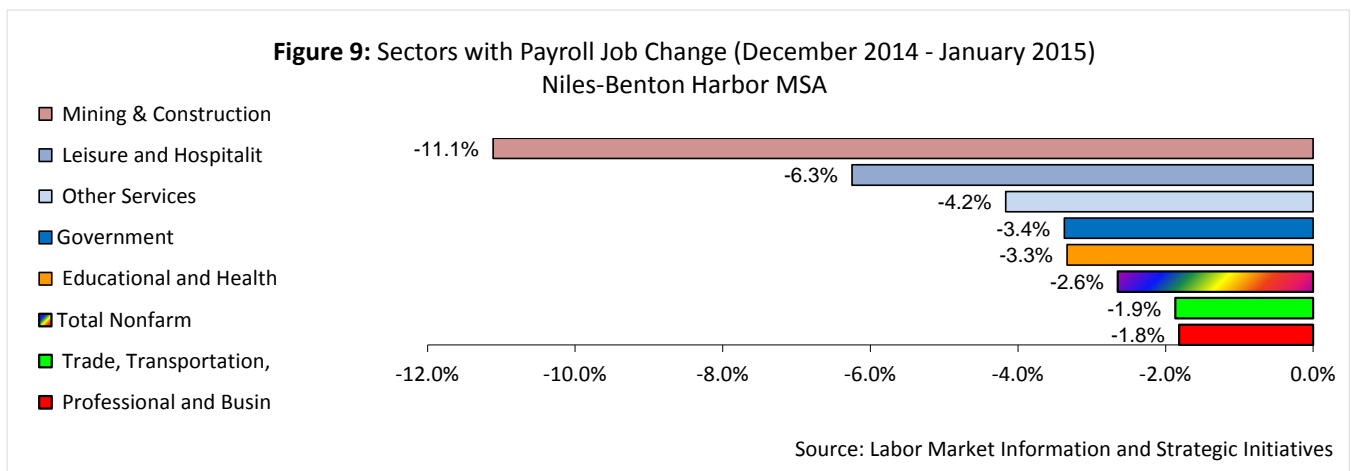
Kalamazoo-Portage MSA (Kalamazoo and Van Buren counties)



Total payroll jobs in the **Kalamazoo-Portage MSA** (Kalamazoo and Van Buren counties) plunged in January by -3,000, primarily from seasonal job reductions in local and state public education (-1,300), professional and business services (-500), retail trade (-400), and accommodation and food services (-300). Total nonfarm employment was estimated at 138,500 in January.

Since January 2014, employment in most sectors showed positive job growth or remained flat, with the exception of information and construction, where jobs inched down by 200 and 100, respectively. The year-to-year job reduction in state education of -300 is more likely due to a seasonal timing issue. Professional and business services added 900 new positions over the year, and employment in manufacturing progressed by 800. A 500-job gain was also recorded in leisure and hospitality. Total payroll jobs in Kalamazoo were up 2,000, or +1.5 percent over the past year.

Niles-Benton Harbor MSA (Berrien County)



The **Niles-Benton Harbor MSA** (Berrien County) lost 1,600 nonfarm payroll positions in January to a total of 58,900. Seasonal job cuts were recorded in private and public education (-600), leisure and hospitality (-400), retail trade (-300), and construction (-200).

Over the year, employment rose 800 in the region, with job gains in most sectors. Manufacturing added 600 new positions year to year, and a 200-job gain each was recorded in professional and business services and in trade, transportation, and utilities. Employment in construction inched up by 100 over the year.

Notes:

*Data in this release is **not seasonally adjusted**. As a result, employment and unemployment trends outlined in this release for January may differ from previously released Michigan **seasonally adjusted** data.*

Employment, unemployment, and jobless rate data for all 12 months of 2014 have been recently revised. Additionally, payroll job estimates have been revised for all metro areas for 2013 and 2014, and for prior years in some cases. Estimates for January 2015 are not comparable with previously released data. For newly revised estimates, please call 313-456-3090.

Additionally, during this year's revision process, the U.S. Bureau of Labor Statistics implemented a number of methodological changes in the production of state and county employment and unemployment estimates. As such, users may notice some counties with larger than normal revisions.

Also, the Current Employment Statistics program, which generates job data by industry for Michigan metro areas, will incorporate new metro area designations in 2015 as defined by the U.S. Office of Management & Budget. The metro areas impacted by these geographic changes include:

Grand Rapids MSA - New definition: Barry, Kent, Montcalm, and Ottawa counties

Midland MSA - This is a newly defined metro area; reflecting Midland County

Former Holland MSA (Ottawa County) – Monthly payroll job estimates will no longer be produced, as this county is now part of the Grand Rapids MSA

FOR MORE INFORMATION, please contact the Regional Contact, Dr. Leonidas Murembya, in Lansing at 517/241-6574, or visit our website at <http://www.michigan.gov/lmi>.

Table 1: Southwest Michigan Metropolitan Statistical Areas Labor Force Estimates

Area	Data	Jan. '15	Dec. '14	Jan. '14	Monthly Change		Annual Change	
					Numeric	Percent	Numeric	Percent
Niles-Benton Harbor MSA (Berrien County)	Labor Force	72,000	72,000	71,300	0	0.0%	700	1.0%
	Employed	67,500	68,300	65,500	-800	-1.2%	2,000	3.1%
	Unemployed	4,500	3,800	5,800	700	18.4%	-1,300	-22.4%
	Rate	6.3	5.2	8.2	1.1		-1.9	
Battle Creek MSA (Calhoun County)	Labor Force	63,800	64,000	62,500	-200	-0.3%	1,300	2.1%
	Employed	60,000	60,900	58,000	-900	-1.5%	2,000	3.4%
	Unemployed	3,700	3,100	4,500	600	19.4%	-800	-17.8%
	Rate	5.9	4.8	7.2	1.1		-1.3	
Jackson MSA (Jackson County)	Labor Force	72,800	72,300	71,500	500	0.7%	1,300	1.8%
	Employed	68,300	68,600	66,000	-300	-0.4%	2,300	3.5%
	Unemployed	4,500	3,700	5,500	800	21.6%	-1,000	-18.2%
	Rate	6.2	5.1	7.7	1.1		-1.5	
Kalamazoo-Portage MSA	Labor Force	162,700	162,100	160,100	600	0.4%	2,600	1.6%
	Employed	153,600	154,500	148,900	-900	-0.6%	4,700	3.2%
	Unemployed	9,100	7,600	11,200	1,500	19.7%	-2,100	-18.8%
	Rate	5.6	4.7	7.0	0.9		-1.4	
Kalamazoo County	Labor Force	126,975	127,000	124,675	-25	0.0%	2,300	1.8%
	Employed	120,750	121,725	117,050	-975	-0.8%	3,700	3.2%
	Unemployed	6,225	5,275	7,625	950	18.0%	-1,400	-18.4%
	Rate	4.9	4.2	6.1	0.7		-1.2	
Van Buren County	Labor Force	35,700	35,075	35,400	625	1.8%	300	0.8%
	Employed	32,825	32,775	31,850	50	0.2%	975	3.1%
	Unemployed	2,875	2,300	3,550	575	25.0%	-675	-19.0%
	Rate	8.1	6.5	10.0	1.6		-1.9	
Grand Rapids-Wyoming MSA	Labor Force	547,800	541,900	532,000	5,900	1.1%	15,800	3.0%
	Employed	523,300	521,800	501,800	1,500	0.3%	21,500	4.3%
	Unemployed	24,400	20,100	30,200	4,300	21.4%	-5,800	-19.2%
	Rate	4.5	3.7	5.7	0.8		-1.2	

Source: Bureau of Labor Market Information and Strategic Initiatives

Table 2: Southwest Michigan Non-Metro Counties Labor Force Estimates

Area	Data	Jan. '15	Dec. '14	Jan. '14	Monthly Change		Annual Change	
					Numeric	Percent	Numeric	Percent
Allegan	Labor Force	59,525	58,725	58,050	800	1.4%	1,475	2.5%
	Employed	56,450	56,225	54,275	225	0.4%	2,175	4.0%
	Unemployed	3,075	2,500	3,775	575	23.0%	-700	-18.5%
	Unemployment Rate	5.2	4.2	6.5	1.0		-1.3	0
Barry	Labor Force	30,550	30,100	29,600	450	1.5%	950	3.2%
	Employed	28,950	28,850	27,750	100	0.3%	1,200	4.3%
	Unemployed	1,600	1,250	1,850	350	28.0%	-250	-13.5%
	Unemployment Rate	5.2	4.2	6.2	1.0		-1.0	
Branch	Labor Force	19,125	19,025	19,000	100	0.5%	125	0.7%
	Employed	17,975	18,050	17,450	-75	-0.4%	525	3.0%
	Unemployed	1,150	975	1,525	175	17.9%	-375	-24.6%
	Unemployment Rate	6.0	5.1	8.1	0.9		-2.1	
Cass	Labor Force	24,025	24,100	23,575	-75	-0.3%	450	1.9%
	Employed	22,550	22,875	21,700	-325	-1.4%	850	3.9%
	Unemployed	1,475	1,225	1,875	250	20.4%	-400	-21.3%
	Unemployment Rate	6.1	5.1	8.0	1.0		-1.9	
Hillsdale	Labor Force	20,150	20,025	20,225	125	0.6%	-75	-0.4%
	Employed	18,825	18,950	18,500	-125	-0.7%	325	1.8%
	Unemployed	1,325	1,075	1,700	250	23.3%	-375	-22.1%
	Unemployment Rate	6.5	5.3	8.4	1.2		-1.9	
Lenawee	Labor Force	47,575	48,125	47,000	-550	-1.1%	575	1.2%
	Employed	44,650	45,775	43,425	-1,125	-2.5%	1,225	2.8%
	Unemployed	2,900	2,325	3,575	575	24.7%	-675	-18.9%
	Unemployment Rate	6.1	4.9	7.6	1.2		-1.5	
St. Joseph	Labor Force	29,000	28,925	28,400	75	0.3%	600	2.1%
	Employed	27,500	27,700	26,400	-200	-0.7%	1,100	4.2%
	Unemployed	1,525	1,225	2,000	300	24.5%	-475	-23.8%
	Unemployment Rate	5.2	4.2	7.1	1.0		-1.9	

Source: Bureau of Labor Market Information and Strategic Initiatives

Table 3: Prosperity Regions Labor Force Estimates

Area	Data	Jan. '15	Dec. '14	Jan. '14	Monthly Change		Annual Change	
					Numeric	Percent	Numeric	Percent
8 - Southwest Prosperity Region (Berrien, Branch, Calhoun, Cass, Kalamazoo, St. Joseph, Van Buren counties)	Labor Force	370,625	370,125	364,850	500	0.1%	5,775	1.6%
	Employed	349,100	352,325	337,950	-3,225	-0.9%	11,150	3.3%
	Unemployed	21,450	17,900	26,875	3,550	19.8%	-5,425	-20.2%
	Rate	5.8	4.8	7.4	1.0		-1.6	
9 – Southeast Prosperity Region (Hillsdale, Jackson, Lenawee, Livingston, Monroe, Washtenaw counties)	Labor Force	496,125	496,950	489,325	-825	-0.2%	6,800	1.4%
	Employed	470,300	475,550	456,725	-5,250	-1.1%	13,575	3.0%
	Unemployed	25,700	21,475	32,575	4,225	19.7%	-6,875	-21.1%
	Rate	5.2	4.3	6.7	0.9		-1.5	

Source: Bureau of Labor Market Information and Strategic Initiatives

Table 4: Southwest Michigan MSAs - Payroll Employment - January 2015

Table 4: Southwest Michigan MSAs - Payroll Employment - January 2015							
Battle Creek MSA							
	January 2015	December 2014	January 2014	Monthly Change	Monthly % Change	Annual Change	Annual % Change
Total Nonfarm	58,000	59,100	56,300	-1,100	-1.9%	1,700	3.0%
Mining, Logging, and Construction	1,200	1,400	1,300	-200	-14.3%	-100	-7.7%
Manufacturing	11,500	11,500	11,100	0	0.0%	400	3.6%
Trade, Transportation, Financial Activities	9,400	9,600	9,400	-200	-2.1%	0	0.0%
Professional and Business	1,200	1,200	1,200	0	0.0%	0	0.0%
Educational and Health	6,500	6,500	6,000	0	0.0%	500	8.3%
Leisure and Hospitality	10,800	11,000	10,300	-200	-1.8%	500	4.9%
Other Services	4,400	4,500	4,300	-100	-2.2%	100	2.3%
Government	2,100	2,100	2,100	0	0.0%	0	0.0%
	10,300	10,600	10,200	-300	-2.8%	100	1.0%
Jackson MSA							
	January 2015	December 2014	January 2014	Monthly Change	Monthly % Change	Annual Change	Annual % Change
Total Nonfarm	55,100	56,100	53,900	-1,000	-1.8%	1,200	2.2%
Mining, Logging, and Construction	1,500	1,700	1,500	-200	-11.8%	0	0.0%
Manufacturing	9,600	9,700	9,300	-100	-1.0%	300	3.2%
Trade, Transportation, Utilities	13,100	13,300	12,100	-200	-1.5%	1,000	8.3%
Information	400	400	300	0	0.0%	100	33.3%
Financial Activities	1,800	1,900	1,800	-100	-5.3%	0	0.0%
Professional and Business	3,700	3,800	3,900	-100	-2.6%	-200	-5.1%
Educational and Health	10,100	10,000	10,000	100	1.0%	100	1.0%
Leisure and Hospitality	4,600	4,900	4,600	-300	-6.1%	0	0.0%
Other Services	2,600	2,600	2,600	0	0.0%	0	0.0%
Government	7,700	7,800	7,800	-100	-1.3%	-100	-1.3%
Kalamazoo MSA							
	January 2015	December 2014	January 2014	Monthly Change	Monthly % Change	Annual Change	Annual % Change
Total Nonfarm	138,500	141,500	136,500	-3,000	-2.1%	2,000	1.5%
Mining, Logging, and Construction	4,700	4,900	4,800	-200	-4.1%	-100	-2.1%
Manufacturing	20,400	20,500	19,600	-100	-0.5%	800	4.1%
Trade, Transportation, Utilities	24,100	24,700	23,900	-600	-2.4%	200	0.8%
Information	900	900	1,100	0	0.0%	-200	-18.2%
Financial Activities	7,900	7,900	7,800	0	0.0%	100	1.3%
Professional and Business	16,100	16,600	15,200	-500	-3.0%	900	5.9%
Educational and Health	22,500	22,800	22,400	-300	-1.3%	100	0.4%
Leisure and Hospitality	14,900	14,800	14,400	100	0.7%	500	3.5%
Other Services	5,600	5,700	5,600	-100	-1.8%	0	0.0%
Government	21,400	22,700	21,700	-1,300	-5.7%	-300	-1.4%
Niles-Benton Harbor MSA							
	January 2015	December 2014	January 2014	Monthly Change	Monthly % Change	Annual Change	Annual % Change
Total Nonfarm	58,900	60,500	58,100	-1,600	-2.6%	800	1.4%
Mining, Logging, and Construction	1,600	1,800	1,500	-200	-11.1%	100	6.7%
Manufacturing	13,100	13,100	12,500	0	0.0%	600	4.8%
Trade, Transportation, Utilities	10,500	10,700	10,300	-200	-1.9%	200	1.9%
Information	500	500	500	0	0.0%	0	0.0%
Financial Activities	2,200	2,200	2,200	0	0.0%	0	0.0%
Professional and Business	5,400	5,500	5,200	-100	-1.8%	200	3.8%
Educational and Health	8,700	9,000	9,000	-300	-3.3%	-300	-3.3%
Leisure and Hospitality	6,000	6,400	6,000	-400	-6.3%	0	0.0%
Other Services	2,300	2,400	2,300	-100	-4.2%	0	0.0%
Government	8,600	8,900	8,600	-300	-3.4%	0	0.0%

Table 5: Southwest Michigan Works! Agencies Local Area Employment Data – 2015

	January	February	March	April	May	June	July	August	September	October	November	December	Ann Avg
Branch-Calhoun-													
Kalamazoo-St. Joseph													
Labor force	238,900												238,900
Employment	226,250												226,250
Unemployed	12,650												12,650
Rate	5.3												5.3
Branch													
Labor force	19,125												19,125
Employment	17,975												17,975
Unemployed	1,150												1,150
Rate	6.0												6.0
Calhoun													
Labor force	63,800												63,800
Employment	60,050												60,050
Unemployed	3,750												3,750
Rate	5.9												5.9
Kalamazoo													
Labor force	126,975												126,975
Employment	120,750												120,750
Unemployed	6,225												6,225
Rate	4.9												4.9
St. Joseph													
Labor force	29,000												29,000
Employment	27,500												27,500
Unemployed	1,525												1,525
Rate	5.2												5.2
Berrien-Cass-Van Buren													
Labor force	131,750												131,750
Employment	122,850												122,850
Unemployed	8,900												8,900
Rate	6.8												6.8
Berrien													
Labor force	72,000												72,000
Employment	67,500												67,500
Unemployed	4,500												4,500
Rate	6.3												6.3
Cass													
Labor force	24,025												24,025
Employment	22,550												22,550
Unemployed	1,475												1,475
Rate	6.1												6.1
Van Buren													
Labor force	35,700												35,700
Employment	32,825												32,825
Unemployed	2,875												2,875
Rate	8.1												8.1
South Central Michigan													
Labor force	140,525												140,525
Employment	131,825												131,825
Unemployed	8,700												8,700
Rate	6.2												6.2
Hillsdale													
Labor force	20,150												20,150
Employment	18,825												18,825
Unemployed	1,325												1,325
Rate	6.5												6.5
Jackson													
Labor force	72,800												72,800
Employment	68,300												68,300
Unemployed	4,500												4,500
Rate	6.2												6.2
Lenawee													
Labor force	47,575												47,575
Employment	44,650												44,650
Unemployed	2,900												2,900
Rate	6.1												6.1