

U-M Head Economist: Good Economic News

by Irena Granaas

Validating the trend toward positive gains in the number of jobs created over the past three years, Michigan's economy will continue to grow at a moderate pace over the next two years, say economists from the University of Michigan-Ann Arbor.

In their annual forecast of Michigan's economy, George Fulton, director of U-M's Research Seminar in Quantitative Economics, and his colleagues, Joan Crary and Donald Grimes, state in their November report that Michigan will add approximately 111,000 jobs in 2013 and 2014.

The state's economy has gained about 185,000 jobs since the end of 2009.

Crary, an assistant research scientist at RSQE, and Grimes, a senior research specialist at the Institute for Research on Labor, Employment and the Economy, collaborated with Fulton on the forecast, released in November.

Although the growth will continue to be slow over the next couple of years, Fulton said overall, it's good news for Michigan.

The U-M economists report that Michigan is slated to add about 50,000 jobs next year and more than 61,000 jobs during 2014.

"For many reasons, it's not hard to feel upbeat about the Michigan economy," he was quoted as saying in a U-M news release by Bernie DeGroat.

"Our signature auto sector has been strong, housing is showing signs of turning around, the highest wage sectors have recorded the most rapid growth, and the unemployment rate has dropped five percentage points since the end of 2009. Most important, the fundamentals seem to be in place for the economy to keep expanding."

But, Fulton added, the forecast is somewhat disappointing as well. He noted this recovery "is not nearly as robust" as other past episodes of recovery from a recession, and that unemployment is still historically high.

The state has suffered staggering job losses beginning in mid-

2000 and when the job shrinkage finally ended in December 2009, about 870,000 jobs were gone, said Grimes in a recent interview.

"We've regained about 200,000 jobs, or a little less," Grimes said. "If we do get them all back - if we ever do - it will be well beyond 2020, maybe 2025."

That said, the state's manufacturing industry is leading the charge toward recovery, particularly Michigan's traditional automotive industry.

According to Fulton, close to half of the manufacturing jobs added over the next two years will be directly attributable to the auto industry, and a significant portion of the remaining jobs will be from auto-related industries.

Other bright spots in Michigan's economic portfolio are the professional and business services sector, the other top job creator over the past three years, expected to add another 27,000 jobs during the next two years; and the trade, transportation and utilities (which includes retail) sectors - about 23,000 jobs; construction, about 19,000 jobs; and private education and health services, 15,000 jobs.

Grimes said the near-future forecast for Michigan is actually better than it appears.

"Part of the reason the recovery is going to be so weak is be-

cause there's going to be fewer people to fill those jobs," he explained. "You see that in the declining labor force over the last decade, and it's really accelerated over the last three or four years. That's going to be an ongoing problem just because of the aging of the Baby Boomer generation."

As the labor force shrinks due to more people retiring, the unemployment rate is going to get lower fairly quickly, said Grimes.

He affirmed that Michigan's current unemployment rate is about 9.1 percent, down from about 14 percent during the worst stage of the state's recession in 2009.

Asked whether the state is better off under Governor Rick Snyder than under the previous administration, Grimes said yes, even though most of the policy changes Snyder implemented have not yet gone into effect.

"The proof is in the pudding, and the fact is Michigan is doing much better (on) job creation under Governor Snyder than it did prior to his taking office," Grimes said.

"And only some of the rebound is due to the recovery of the national economy. We're running well ahead of other states in terms of job creation, so I think he has had a positive effect as governor."

Get Away to Sunset Bay Bella Vista Inn & Hersel's on the Bay on beautiful Lake Huron in Caseville



WEEKEND GETAWAY
PACKAGE
\$229

3 DAYS & 2 NIGHTS

• Jacuzzi Suites • Fireplace

Early Check-in Friday. Late Check-out Sunday.

MOTEL ROOMS **\$69** per night

Call 989-856-2650
or visit bella-caseville.com

LUNGHAMERS CASH FOR CLUNKERS IS BACK!!

Any vehicle 1999 or newer as long as it runs, "MINIMUM" trade \$2,000

2013 CRUZE



\$0 DOWN

Preferred Price **\$18,752**
MSRP \$19,020

\$222* mo

\$0 SECURITY DEPOSIT

36 mo lease with \$558 Due at Signing

2013 SILVERADO EXT CAB ALL STAR



\$0 DOWN

\$0 SECURITY DEPOSIT

\$239* mo

36 mo lease

*GMS pricing, must have Non-GM lease in household. Must be well qualified lessees. All payments are plus tax, title, document and plate fee. First payment due at signing. All leases are 36 months/10K miles per year.

CALL **BRUCE LITVIN**
- 24/7 & 365 -
40 YEARS OF QUALITY SERVICE

CELL # **1-586-405-5175**

blitvin@lunghamer.com

1-888-665-5438
Joe Lunghamer
GMC

CHEVY #44296 Drive Beautiful BUICK #42333 WE ARE PROFESSIONAL GRADE! #21552
475 SUMMIT DRIVE • 248-292-2502 • 5825 HIGHLAND RD. (M59) • WATERFORD

www.wallyedgar.com • www.wallyedgar.com • www.wallyedgar.com • www.wallyedgar.com

Be treated with the respect you deserve.
TOP DOLLAR FOR YOUR TRADE
and the Best Deal PERIOD!!

Wally Edgar
Chevrolet Employee #10 Chevy Runs Deep

1-248-724-1073

JAY CHAISER x117
Fax: 248-391-0189
Cell: 248-821-8026
Email: jchaiser@wallyedgar.com

Sales Hours:
Mon. - Thur. 8:00 am - 8:00 pm
Fri. 8:00 am - 6:00 pm
Sat. 9:30 am - 3:00 pm • Sun. Closed
CHEVY DEALER CODE 44085

SIGN & DRIVE EVENT Nothing Due At Signing

2013 SILVERADO 4WD EXTENDED CAB LT

\$205*
36 MONTH • 10K LEASE
NOTHING DUE AT DELIVERY

2013 TRAVERSE FWD LS

\$218*
24 MONTH • 10K LEASE
NOTHING DUE AT DELIVERY

2013 MALIBU LS

\$205*
24 MONTH • 10K LEASE
NOTHING DUE AT DELIVERY

All lease payments plus tax. Lessee must be eligible for GM Employee discount and be eligible for non GM lease conquest bonus. All rebates assigned to dealer. No security deposit needed. Lessee responsible for excess wear and tear as well as exceeded contracted mileage. If eligible for USAA military bonus save more.

Located right off I-75 on M-24,
2 minutes N. of the Palace of Auburn Hills
1-866-906-0279
Wally Edgar Chevrolet

Make us your Michigan P.E.P. Car Connection

www.wallyedgar.com • www.wallyedgar.com • www.wallyedgar.com • www.wallyedgar.com

We guarantee the lowest price or it's free!

HAPPY HOLIDAYS
from
buff whelan chevrolet
586-274-0396

OVER 1,000
New Chevrolets in Stock!
WE GUARANTEE THE
LOWEST PRICES OR IT'S FREE!

2013 MALIBU LS

Stk.#20840
Power Locks • Power Windows • Power Mirrors
Cruise • Tilt • Keyless Entry • Aluminum Wheels & More...
NO SECURITY DEPOSIT REQUIRED
24 Month Lease/10,000 Miles

\$183* + Tax with \$0 Down

2013 Silverado 1LT
Ext Cab 4x4

Stk.#20128
All Star Edition
NO SECURITY DEPOSIT REQUIRED
24 Month Lease/10,000 Miles

\$199* + Tax with \$0 Down

2012 EQUINOX LS
FWD

Stk.#21415
Power Locks/Windows/Mirrors • Steering Wheel Controls
Bluetooth • Cruise • Onstar • XM Radio & More...
NO SECURITY DEPOSIT REQUIRED
36 Month Lease/10,000 Miles

\$202* + Tax with \$0 Down

See dealer for details. All payments are based on GM Employee pricing except where otherwise noted. All payments assume you have a NON-GM lease in the household, otherwise payments will be slightly higher. First payment, security deposit (unless otherwise noted) tax, title, and plate due at signing. Offer expires 12/31/2012.

Free shuttle service to home, office or shopping.
buff whelan chevrolet
WHERE THE DEALS MAKE THE DIFFERENCE, EVERY DAY SINCE 1970!
Van Dyke • South of 18 Mile • Sterling Heights

Jeff Caul
586-274-0396
PEP QUOTES BY PHONE OR EMAIL:
JEFF CAUL AT JCAUL@BUFFWHELAN.COM

CONVENIENT HOURS:
Mon. & Thurs. 8:30 am - 9 pm
Tues., Wed., Fri. 8:30 am - 6:30 pm

18 MILE RD.
VAN DYKE
SCHOENHERR
METRO PKWY.

We guarantee the lowest price or it's free!

We guarantee the lowest price or it's free!