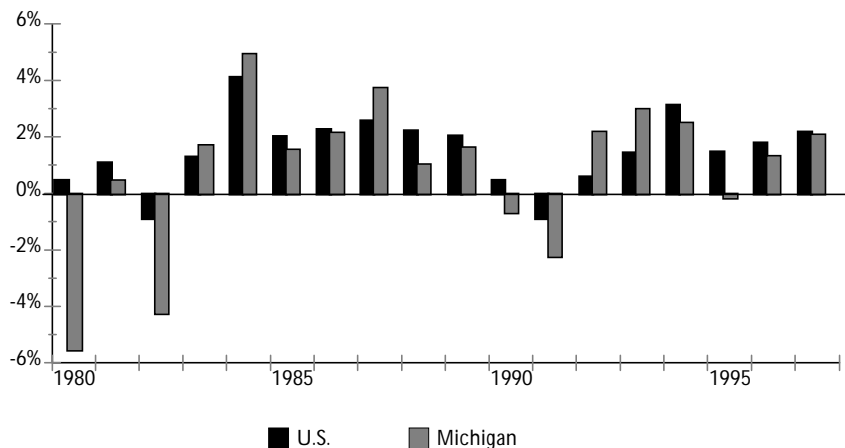


APPENDIX F

Key Economic Statistics Comparing Michigan to the United States

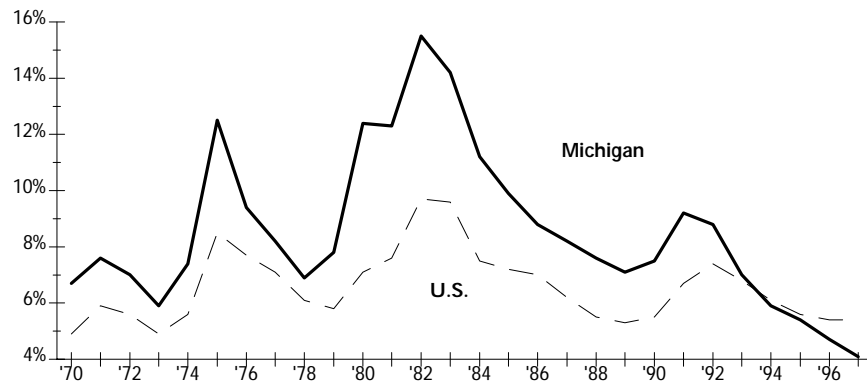
These six exhibits display key economic statistics—employment growth rate, unemployment rate, employment by industry, per capita income, consumer price index, and motor vehicle production—comparing Michigan to the United States; latest available comparative data are used. Sources: Michigan Statistical Abstract, 1996, published by the Michigan Employment Security Commission; U.S. Bureau of Labor Statistics; Michigan Employment Security Agency; U.S. Department of Commerce; and Automotive News Market Data Book, Crain Communications, Inc.

EXHIBIT 1. Employment Growth Rate, United States and Michigan, 1980–1997



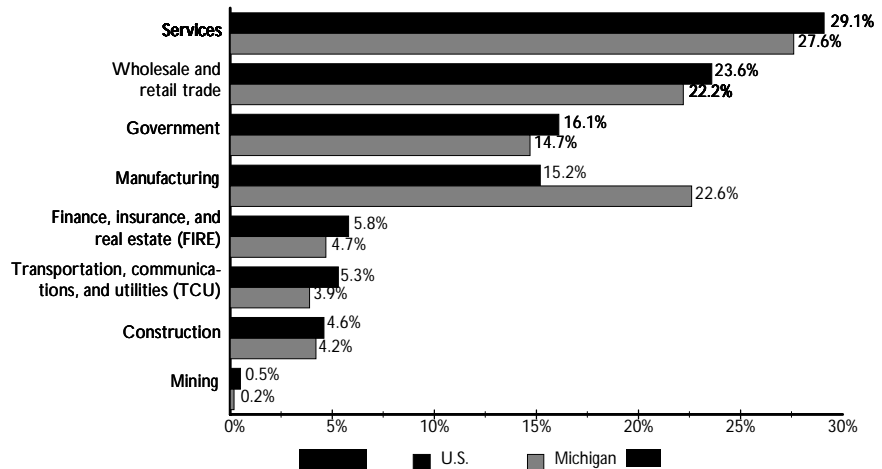
NOTE: Because of Michigan's reliance on the automobile industry, the state economy traditionally has been more volatile than the national economy. This exhibit shows that during the upswing of the 1980s, job growth in Michigan exceeded that of the nation as a whole, but so did the state's declines during the recession of the early 1990s. (The 1995 employment decline in Michigan likely is a statistical glitch caused by a change in the methodology used to collect 1994 data.)

EXHIBIT 2. Unemployment Rate, United States and Michigan, 1970–1997



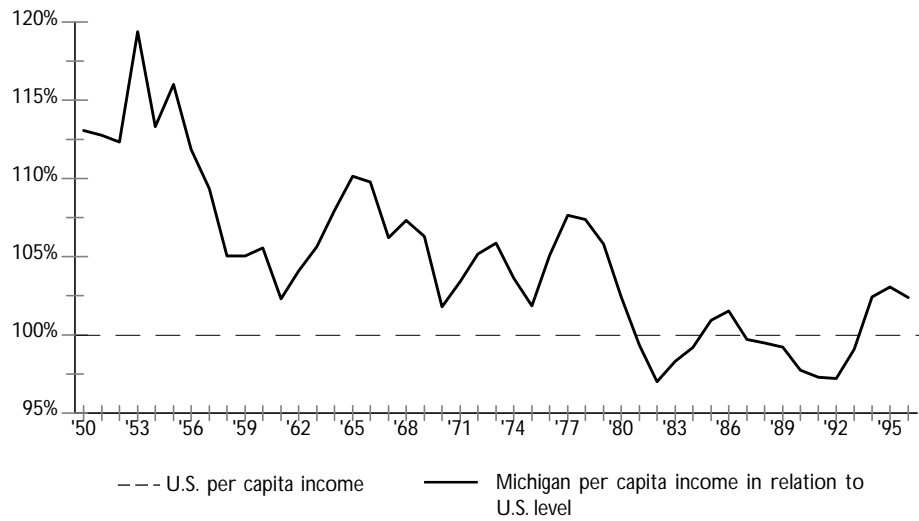
NOTE: For roughly 25 years (beginning in 1968) the unemployment rate in Michigan was consistently higher than the U.S. average rate, but in 1994 there was a dramatic reversal, and since then the state rate has been better (lower) than the nationwide rate.

EXHIBIT 3. Nonagricultural Employment Distribution, by Sector, United States and Michigan, 1997



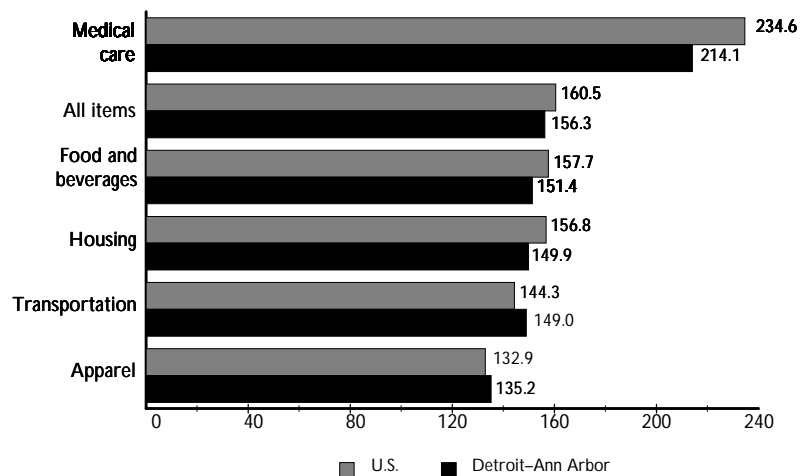
NOTE: The distribution of employment by industry in Michigan is similar to that of the United States, with one notable exception: Michigan has a larger share of workers in manufacturing than the rest of the country, which is due to employment in the automotive industry. In 1997 automobile jobs accounted for 6.3 percent of total Michigan employment.

EXHIBIT 4. Michigan per Capita Income as Percentage of U.S. per Capita Income, 1950–1996



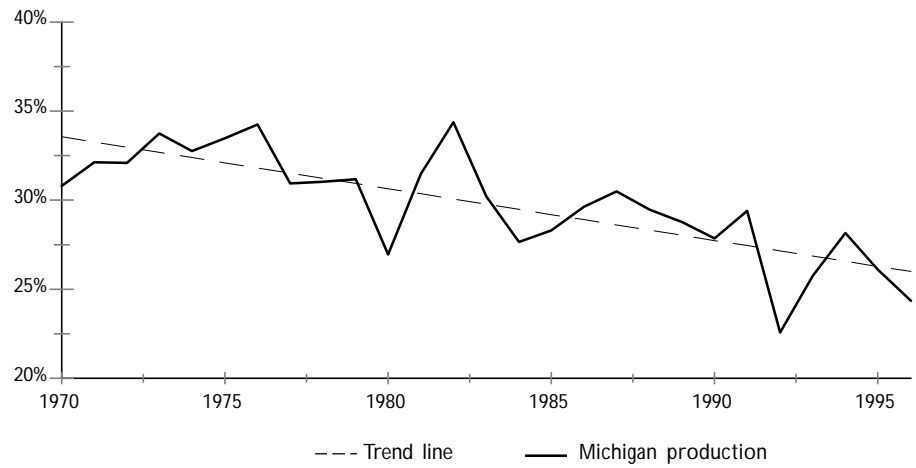
NOTE: Michigan's per capita income exceeded that of the United States during the 1950s, 1960s, and 1970s. However, in the 1980s, when the automobile industry began experiencing serious trouble and engaged in extensive layoffs, the state's per capita income fell below the national average. The initial dip occurred in 1981, and since then Michigan's per capita income has see-sawed around the national rate, exceeding it in only five of the last 15 years.

EXHIBIT 5. Consumer Price Index, Michigan and United States, 1997



NOTE: The Detroit-Ann Arbor consumer price index is used because it approximates the price level for the state as a whole. The price level in Michigan has not increased quite as fast in the United States (since the 1982–84 base period), as shown by Michigan's figure in "all items." Price increases for medical care, food and beverages, and housing were slower in Michigan in 1997 and faster for transportation and apparel.

EXHIBIT 6. Michigan Motor Vehicle Production as a Percentage of U.S. Production, 1970–1996



NOTE: Michigan's share of U.S. motor vehicle production has declined over the decades, as shown by the downward sloping trend line. The decline is due to increased foreign competition, which has caused plant closures in Michigan and some automobile production being moved to lower-cost states and nations.