



GOOD news

The U.S. unemployment rate fell slightly in December to 6.4 percent from a revised November rate of 6.5 percent. Manufacturing employment and hours worked did not change from November. The labor market added 183,000 jobs in December, pushing the 1993 net gain in employment to 2.3 million jobs. While the 1993 labor market improved over 1992, many of the new jobs were temporary or part-time positions.

◆ December motor vehicle sales increased 7.3 percent over December 1992 levels. Annual sales volume for 1993 increased one million up to 13.9 million vehicles, an overall rise of 8 percent. Light truck sales swelled 15.5 percent for the year, while car sales increased only 3.7 percent. General Motors was the only Big Three automaker not to gain market share in 1993.

◆ New housing starts rose 3.9 percent in November to an annualized rate of 1.32 million units. Activity was strongest for single-family units; the annualized rate for this segment reached 1.27 million units, the third highest monthly rate in 15 years. Separately, sales of existing single-family homes rose to a record annualized monthly level of 4.21 million units in November.

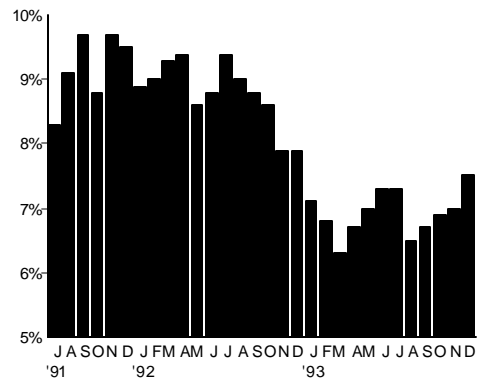
◆ The index of leading economic indicators rose 0.5 percent in November, matching the October increase. Strong improvements in plant and equipment orders and materials prices, along with significant declines in unemployment claims, led the positive indicators. Three of the 11 indicators, including stock prices and consumer expectations, fell.

◆ The U.S. Consumer Price Index rose 0.2 percent in December and 2.7 percent for the year. The annual rate, the lowest since 1986, confirms that during the current economic recovery, inflation has been held in check. Many analysts are predicting that inflation will remain below 3 percent through 1994.

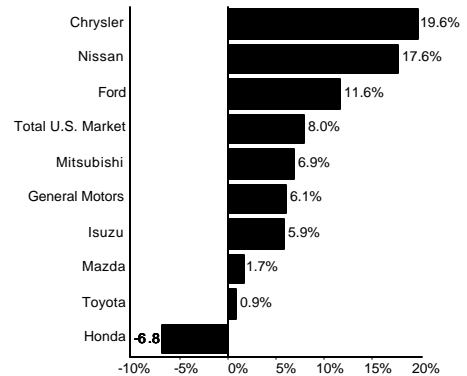
BAD news

Michigan's unemployment rate increased 0.5 percent in December to 7.5 percent. For the year, unemployment averaged 7 percent—the lowest average in 15 years—after averaging 8.8 percent for 1992. Employment grew by 19,000 in December and 128,000 for the year. In the last quarter of 1993 the state unemployment rate surged ahead of the national rate, causing some to speculate that the Michigan recovery is not keeping up with the national recovery.

Michigan Monthly Unemployment Rates (seasonally adjusted)



Percentage Change in Car and Light Truck Sales, 1992 to 1993



IN THIS ISSUE

High-seniority Workers: Free Trade's Big Losers? p. 2

School Finance Reform Becomes Law; Health Care

Reform—Next Big Debate? p. 3

Michigan Revenue Report p. 4

SPECIAL INSERT: REGIONAL ECONOMIC FORECAST

M O N T H L Y

F O C U S

**HIGH-SENIORITY WORKERS:
 FREE TRADE'S BIG LOSERS?**

During last year's congressional debate over the passage of the North American Free Trade Agreement (NAFTA), proponents and opponents argued about whether the treaty would have a positive or negative effect on net employment in the U.S. economy, although both groups did agree that NAFTA would shift jobs out of some industries and into others. A recent study published by the Federal Reserve Bank of Chicago, taking a different focus, attempts to quantify the long-term earnings losses of workers displaced by corporate or government induced employment shifts. The study concludes that high-seniority workers who are displaced by industries afflicted by mass layoffs, suffer significant, often permanent earnings losses.

The Pennsylvania Experience
 The researchers used state quarterly earnings data to track two groups of Pennsylvania workers. The dis-

placed workers group consisted of employees who were laid off in 1981 after working at least six years at a single firm (i.e., high seniority). The continually employed group consisted of individuals who worked continuously for a single firm from 1974 to 1986 (i.e., high seniority). The researchers estimate that annually, between 1980 and 1986, 350,000 high-seniority workers were displaced nationwide.

Earnings Losses

Even after finding new jobs, the displaced workers suffered significant losses compared to their 1979 average earnings. Losses were higher for workers losing jobs in depressed labor markets or highly unionized industries. Those who found new jobs in their pre-layoff industry fared better than those who switched industries or sectors.

The exhibit summarizes the annual losses—in dollars and as a percentage of 1979 earnings. Losses for manufacturing sector workers employed in the same industry averaged 17 percent after five years. Losses for those who left the manufacturing sector averaged

38 percent of previous earnings, while those who left the nonmanufacturing sector earned 31 percent less. The average continually employed worker's earnings increased 10 percent between 1981 and 1986. Therefore, earning losses are even more severe than the exhibit shows.

Conclusion

It is widely known that workers suffer temporary earnings losses immediately after being laid off, and government unemployment insurance programs have been designed to partially offset these losses. The Chicago Fed study, however, shows that displaced, high-seniority workers suffer significant long-term earnings losses. The Michigan economy employs a large number of workers—those in highly unionized manufacturing industries—whose counterparts in Pennsylvania suffered the highest losses. Future actions, governmental or corporate, that lead firms to downsize or reorganize jobs outside the state will have a profound effect on Michigan workers' earnings.

Public Sector Consultants, Inc.
 Craig Ruff, President
 William R. Rustem, Sr. Vice President

PUBLIC SECTOR REPORTS
 Editor in Chief, Craig Ruff
 Editors, Robert J. Kleine, Laurie Cummings, Alec Rodney
 Production Editor, Harriett Posner
 Art Director, Jeff Fillion
 Publication Specialist, Lisa Fernburg

ESTIMATED AVERAGE ANNUAL EARNINGS LOSSES OF DISPLACED WORKERS BY SECTOR (in 1987 dollars)

	Manufacturing Sector	% of 1979 Earnings	Nonmanufacturing Sector	% of 1979 Earnings
Mean Earnings in 1979				
Continually employed workers	\$26,197	-	\$26,509	-
Displaced workers	24,346	-	24,834	-
Earnings Losses—5 Years after Displacement				
Same sector, same industry	\$4,020	16.5%	\$5,098	20.5%
Same sector, switched industry	4,702	19.3	6,510	26.2
Switched sector and industry	9,280	38.1	7,791	31.4

SOURCE: Jacobson, LaLonde, and Sullivan, "Long-term Earnings Losses of High-seniority Displaced Workers," in *Economic Perspectives*, Federal Reserve Bank of Chicago, November/December 1993.

NEWS FROM
THE STATE
CAPITOL

SCHOOL FINANCE REFORM BECOMES LAW

It's a done deal. The entire school finance and education reform package has been signed into law. Revamping school finance has proven to be a complex process, and many laws—from a new school aid bill to new laws protecting the obligations of economic development financing authorities—had to be rewritten.

Most of the laws take effect on May 1 of this year. One exception is the real estate transfer tax, which goes into effect in January 1995. A few laws took effect immediately, such as one spelling out the details of the school improvement plan required under the new system. Of course, one of two financing schemes will be chosen in the March 15 face-off between the sales tax and the income tax.

Although school finance has been written into the books, lawmakers are expected to revisit some education reform measures soon. As yet unresolved are cross-district schools of choice and cost containment measures, including school employee retirement and health insurance costs. Also unresolved is a pending court challenge by the business community, which challenges the constitutionality of the statutory plan's separate property tax rates for homestead and nonhomestead property.

HEALTH CARE REFORM—NEXT BIG DEBATE?

As the dust settles from school finance reform, another major issue is gearing up to take the spotlight. State health care reform legislation has been in the works for months, and action is expected to begin soon. House Democrats have already developed two plans and will try to move on the legislation in February. House Republicans are expected to release their own plan within the next two months. Legislation for medical care savings accounts (or "Medical IRAs," tax deductible savings accounts for medical care to which individuals can contribute) are already working their way through the legislature.

Health care reform efforts are developing in response to the growing cost of health care, which amounted to 36 percent of

the state's 1993–94 general fund/general purpose (GF/GP) expenditures. Reform efforts also are a response to the pending Clinton health care plan, since legislators prefer that control remain in state hands.

Democrats and Republicans agree on a few elements of Michigan's health care reform but are at odds on some important issues. For example, whereas Democrats are seeking a completely new health care system, Republicans want to work within the present system. Another important area of disagreement is what degree of coverage should be offered: Democrats favor universal coverage, and Republicans prefer that coverage for the uninsured be phased in over time. Both parties agree that costs should be minimized, access expanded, and emphasis placed on prevention.

PUBLICATIONS OF INTEREST

Bureau of the Census, U.S. Department of Commerce, *Government Finances: 1990-91* (Government Printing Office: Washington, D.C.: 1993). GF/91-5.

This 125-page annual publication presents data on state and local revenues, expenditures, debt, and assets for all 50 states. Revenues are broken down by sources, including property, sales, and other taxes. Expenditures are broken down by type, function, and level of government. *Government Finances* also provides revenues and expenditures on a per capita basis and per \$1,000 of personal income. These data can be used for a variety of financial analyses, such as comparing property, income, or sales tax burdens across states or determining differences in how states spend their money. Similar data can be found in six companion publications, including *State Government Finances*, *Public Education Finances*, and *County Government Finances*.

The Tobacco Institute, *The Tax Burden on Tobacco, Historical Compilation* (The Tobacco Institute: Washington, D.C.: January, 1993). 202/457-4800

This 234-page book provides historical and current data on federal and state tobacco taxes. Data include tax rates on cigarettes and other tobacco products and the amount of taxes collected from tobacco. Historical data also are provided for each state and nationwide on per capita cigarette consumption, changes in tax rates over time, and taxes as a percentage of sales price. These data could be used to compare cigarette consumption and taxation across states or in one state over time. The data also could be used to compute potential revenues from cigarette taxes or to compare federal taxes with state taxes.

Outlook: Northwest

Total employment advanced from 128,200 to 133,800 between 1991 and 1992, and to 140,500 last year. This year's figure is projected to be 145,800. Real and projected unemployment rates are 10.9 percent in 1991 and 1992, 8.7 percent in 1993, and 8.5 percent in 1994.

pected to add about 1,300 jobs between 1992 and 1994, representing growth of 5.2 percent.

Service industries are the primary source of job growth here as in most other regions. Service employment is projected to rise by 2,500, or 8.9 percent, between 1992 and 1994.

Construction industries are expected to add 400 jobs (5.2 percent growth); transportation, communication, and public utilities, 100 jobs (2.4 percent growth); wholesalers, no jobs; finance, insurance, and real estate, 100 jobs (2.6 percent growth); and government, 500 jobs (2.5 percent growth) between 1992 and 1994.

EXHIBIT 7

Forecast: Upper Peninsula

	1993	1994
Employment (% change)	4.0%	3.5%
Unemployment rate	8.2	7.9

UPPER PENINSULA

The opening of a state prison in Baraga made it the employment growth leader of the Upper Peninsula. Schoolcraft came in last, with zero growth.

The job level in durable goods manufacturing slipped by 100 last year and is expected to remain flat in 1994. A one percent loss is projected for the two years. Among nondurable goods manufacturers, employment is flat throughout the two-year period.

Retailers are adding about 500 jobs a year, representing 4.6 percent growth for the 1992-94 period.

Growth impetus recently has come largely from casino gambling on Indian reservations. This activity falls into the services category, which last year added 1,400 jobs and this year is projected to post another 1,100 job gain for a 11.1 percent gain between 1992 and 1994.

Government is expected to add 300 jobs. K.I. Sawyer Air Force Base, near Marquette, is scheduled for closure in 1995 and should further decrease government employment.

Outlook: Upper Peninsula

In 1991, 129,300 "Yoopers" were employed. The 1992 and 1993 levels were 133,000 and 138,300, respectively. The 1994 projection is 143,100. The corresponding unemployment rates are 10.5 percent, 10.8 percent, 8.2 percent, and 7.9 percent.

EXHIBIT 8

Forecast: East Central

	1993	1994
Employment (% change)	2.3%	2.1%
Unemployment rate	8.2	7.8

EAST CENTRAL

Sanilac is the growth leader in this ten-county region due largely to growth in nondurable goods manufacturing. Isabella is losing jobs as a result of cutbacks in state government.

The lead story for this region continues to be cutbacks in the automotive industry, which led to a reduction of 1,700 durable goods manufacturing jobs in 1993 and is expected to pare another 600 this year, a net 2.9-percent loss for 1992-94. Among nondurable goods manufacturers a 400 job loss last year is expected to be recovered in 1994, leaving this sector flat in terms of job change.

Retailing is a modest growth sector: 300 jobs were added last year and addition of another 1,000 is expected this year, resulting in 1.5-percent growth for the 1992-94 period.

Services growth is vibrant, adding 4,100 new jobs last year, and 4,800 new jobs are expected in 1994, for a net gain of 9.3 percent.

Outlook: East Central

This region had about 460,200 employed people in 1991 and 467,700 in 1992. Last year the total was 478,400; the 1994 projection is 488,400. The corresponding rates of unemployment are 10.7 percent, 10.1 percent, 8.2 percent, and 7.8 percent.

COMMENT

The decline in employment in durable goods manufacturing has been arrested, at least temporarily. We can expect further attrition beyond 1994, most of it due to productivity gains rather than plant closings. Opening the Mexican market for our products the North American Free Trade Agreement will salvage a few of these jobs.

The big debate in the nation's capital this year will be around how to cut health care expense. Even without the pressure from Congress and the White House, pressures from employers in the private sector are forcing providers to change. The outcome seems certain to diminish the rate of employment growth in hospitals, doctors' offices, insurance companies, and related industry. The issue for Michigan cities is how to adjust to a slow- or no-growth health care sector.

The nation's economy appears to be stronger than was six months ago. Gross domestic product (GDP) for 1993 is likely to show a 2.8-percent increase over 1992 when the final figures are available. For 1994 a growth rate of between 3 and 3.5 percent in GDP is expected. The increase depends considerably on the extent to which low interest rates, employment growth, and consumer optimism dwarf the effects of the federal tax increase.

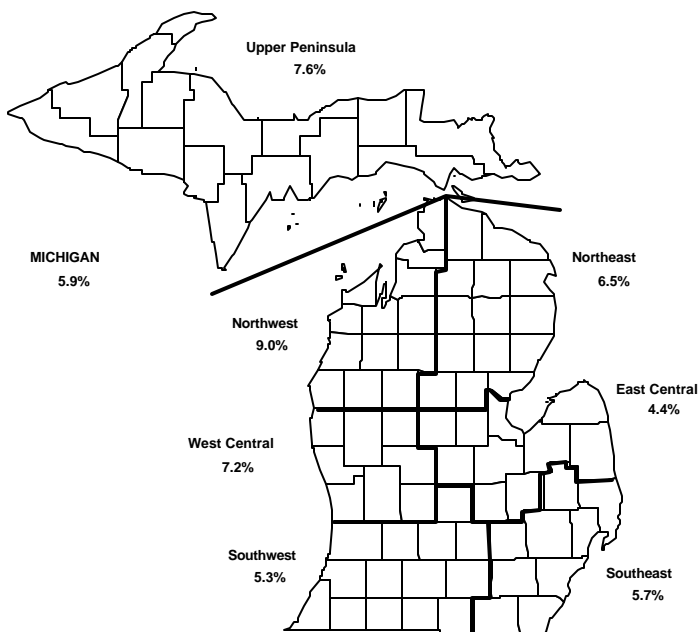
Wage and salary data for the first 11 months suggest that the number of nonfarm jobs increased by 1.3 percent in 1993, a decided improvement over the 0.7 percent increase in 1992. Services, retailing, and construction will be the stellar performers. Government employment is expected to decline, while the financial, wholesale, and durable goods manufacturing sectors will likely hold their own. The transportation and nondurable goods manufacturing sectors will continue to post modest employment gains. Growth is also expected in nondurable goods manufacturing, which includes rapidly growing plastics fabrication for the automotive industry.

Michigan retailers are finally sharing in the good times. Census data for the first nine months of 1993 show a 7.6-percent improvement in Michigan retail sales over the same period in 1992. Nationally, the nine-month gain was 6 percent.

Exhibit 1 shows the 1992-94 overall employment forecast for each of the seven regions included in this analysis. The region-by-region review and forecast follows.

REGIONAL
ECONOMIC
FORECAST

EXHIBIT 1
Percentage Change in Wage & Salary Employment in Michigan Regions, 1992-94



Special Insert
January 1994

SOUTHEAST

This nine-county region accounts for more than half the state's economic activity. Detroit has borne the brunt of the automotive industry restructuring that has taken place during the past decade and a half. While that restructuring continues, the worst may be over.

Durable goods manufacturing gained a modest 3,000 jobs in 1993, rising to 377,000. For 1994, a modest retreat to 376,000 is expected. This is because, even as production of vehicles, components, and raw materials increases to meet rising vehicle demand, productivity gains mean that the labor component is not increasing as fast as production. For 1992-94 a 0.5 percent gain is projected for employment in durable goods manufacturing.

Nondurable goods manufacturers added about 3,000 jobs last year. In 1994 the level is expected to rise another 2,000. The leading component of this group is automotive plastics. Chemicals and the printing industry also are posting gains. Among manufacturers of nondurable goods overall, a 5-percent job gain is projected for the two-year period.

Retailers added 5,500 jobs last year and are expected to add another 3,000 in 1994, for a 2.4-percent job gain for the two years. Leading the pack are building materials dealers. Modest employment gains are expected for restaurants.

Services experienced job growth of 16,000 last year, and an increase of 18,000 jobs is forecast for 1994. For the two-year period, 6-percent growth is anticipated. The fast track is occupied by business services and health services.

Homebuilding, highway construction and repair, and the expansion at Detroit Metro Airport make for an growing construction sector in the region. About 2,500 jobs were added last year, and a similar number will be added this year, for a 10-percent gain between 1992 and 1994.

Wholesale sector employment declined by about 1,000 last year and is expected to lose about 2,000 in 1994, for a 2.7-percent decline overall.

Government employment inched ahead by about 500 last year. A decline of nearly 3,000 jobs is expected in 1994. A decline of slightly less than one percent overall is projected.

SOUTHWEST

In this 14-county region employment growth is fastest in St. Joseph, driven by auto-related activity, and slowest in Van Buren, which seems gripped by sluggishness in all economic sectors.

Job losses in durable goods manufacturing exceeded 3,000 last year. About 1,500 of those jobs will be recovered this year due to improved prospects at GM's Lansing facilities. As a result, a net job loss of 1.8 percent is projected for the 1992-94 period.

Nondurable goods manufacturers are posting modest job gains: 1,000 in 1993 and another 1,000 expected for 1994, for a net 3.5-percent gain. Plastics fabrication is a rapid-growth activity, no doubt because of the link to the automotive industries.

Retailers in this region added 2,400 jobs in 1993 and are expected to add another 2,200 this year for an overall gain of 4.1 percent. General merchandise seems to be the growth leader, suggesting expansion of large retail stores like Wal-Mart and Meijer.

Services added nearly 6,000 jobs last year, but about 1,800 of those were due to the sale of Ingham Medical Hospital to Lansing General Hospital, which shifted workers from the public to the private sector. Business services also are growing, and a gain of 6,000 is forecast for 1994.

Construction activity added 600 jobs last year and is anticipated to produce another 1,100 in 1994. The estimated growth rate for the coming two years is 7.8 percent.

EXHIBIT 2

Forecast: Southeast

	1993	1994
Employment (% change)	3.2%	2.5%
Unemployment rate	6.8	6.2

Outlook: Southeast

The first year of recovery from the 1991 recession was modest, with total civilian employment rising from 2,113,000 in 1991 to 2,145,700 in 1992. Based on data for the first ten months the estimate for 1993 is 2,214,200. The projected level for 1994 is 2,269,600. Real and projected unemployment rates are 9.1 percent for 1991, 8.7 percent for 1992, 6.8 percent for 1993, and 6.2 percent for 1994.

EXHIBIT 3

Forecast: Southwest

	1993	1994
Employment (% change)	2.4%	2.8%
Unemployment rate	5.9	5.4

Outlook: Southwest

Total employment increased from 702,800 in 1991 to 719,300 in 1992, a gain of 2.3 percent. Last year, it reached 736,800; this year's projection is 757,400. The corresponding unemployment rates are 8.1 percent, 7.3 percent, 5.9 percent, and 5.4 percent.

Government employment declined by 2,200 or 1.1 percent last year. Without the transfer of jobs to the private sector, growth would have been 0.2 percent. This year a 700-job gain is expected.

WEST CENTRAL

In this eight-county region Mecosta is the fastest growing while Ionia and Muskegon are slowest. In Mecosta durable goods manufacturing is the star performer, while Ionia's sluggishness was due in part to the loss of an automotive supplier.

Employment in durable goods manufacturing slipped by 300 jobs last year and is expected to edge up by 500 in 1994, for an overall gain of 0.2 percent. Machinery manufacturers are experiencing good times, and the automotive supplier industries also are posting gains.

Nondurable goods manufacturers other than food processors are showing considerable improvement. This is particularly true in plastics fabrication and chemicals. Last year the nondurable goods category added 400 jobs, and this year the tally is expected to rise by 800. An overall gain of 2.9 percent is forecast for the 1992-94 period.

Retailers added 1,700 jobs last year and are forecast to add a similar number in 1994. Home furnishings is the leading growth category in retail trade, with the general merchandise and restaurant groups also doing well. Overall, 3.8-percent growth is expected for the 1992-94 period.

As elsewhere in the state, the services sector is the growth engine of this regional economy, adding 4,600 jobs last year and anticipated to add 5,200 in 1994. Business services are the star performers. Overall growth of 9 percent is forecast for the two-year period.

The construction industries added 700 jobs last year and are forecast to add another 1,300 in 1994. Based on these numbers the projected two-year growth rate for this sector is 10.4 percent.

NORTHEAST

Job gains in durable goods manufacturing make Ogemaw the fastest growing county in this 14-county region. At the other extreme is Presque Isle, which lost a small hospital.

Durable goods manufacturing, flat between 1992 and 1993, is expected to add 200 jobs this year, representing a 2.4 percent job gain. Nondurable goods manufacturers added 200 jobs last year; the projection for 1994 is addition of another 200. Since there is almost no durable goods manufacturing in this region, those 400 jobs represent a gain of 16.7 percent.

Retailing is the mainstay in this region. Gains of 800 jobs, evenly divided between last year and this, are projected, translating into 4.2-percent growth. The forecast for services is a 7.4-percent increase, notwithstanding the hospital closure in Presque Isle.

NORTHWEST

Osceola County is the fastest growing area in this region, based on automotive-related employment, while Kalkaska is experiencing a decline due to a cutback in construction.

The region as a whole has experienced gains in durable goods as well as nondurable goods manufacturing. In the next two years durable goods manufacturing is expected to add 1,000 jobs (representing 6.8 percent growth), as is the much smaller nondurable goods manufacturing base (13 percent growth).

Population growth and improved travel and tourism prospects for this vacation area has given a boost to the region's retailers. All told, retailers are ex-

EXHIBIT 4 Forecast: West Central

	1993	1994
Employment (% change)	3.6%	3.5%
Unemployment rate	6.4	5.8

Outlook: West Central

Total civilian employment was 494,000 in 1991, 505,000 in 1992, and 523,000 in 1993, and is projected to be 541,300 in 1994. The corresponding real and projected unemployment rates are 8.6 percent, 8.3 percent, 6.4 percent, and 5.8 percent.

EXHIBIT 5 Forecast: Northeast

	1993	1994
Employment (% change)	3.1%	3.4%
Unemployment rate	10.7	11.1

Outlook: Northeast

The Northeast has the smallest economy of all the state's regions. Total employment was 98,200 in 1991, 100,800 in 1992, and 103,900 last year. The 1994 projection is 107,400. The corresponding real and projected unemployment rates are 12.1, 12.6, 10.7, and 11.1 percent.

EXHIBIT 6 Forecast: Northwest

	1993	1994
Employment (% change)	5.0%	3.8%
Unemployment rate	8.7	8.5

MICHIGAN REVENUE REPORT

State revenue growth continued very strong in December. Collections in December consist of some November and some December activity and indicate that the economic activity during the Christmas season was very strong.

Personal income tax withholding collections increased 12 percent. The economy is strong, but not strong enough to support this large an increase. The jump likely was due to a change in the collec-

tion pattern; a much smaller increase is expected in January.

Sales and use tax collections increased a staggering 21.5 percent, apparently due to the acceleration of collections that began last summer, distorting year-ago comparisons. Rather than comparing December 1993 to December 1992, the comparison should be made between December 1993 and an average of December 1992 and January 1993 collections, which yields a more realistic increase of 8 percent. Motor vehicle sales increased 27.9 percent, probably a valid number since these collections were not affected by the acceleration.

Single business tax collections

increased only 4.1 percent but are up 9.1 percent for the last three months compared with the year-ago period. Lottery sales declined 3.1 percent from a strong year-ago month, but are up 2.9 percent for the last three months.

We estimate this month, as we did last, that FY 1993-94 GF/GP and current school aid revenues would increase about 6 percent (adjusted for repeal of the Inheritance Tax). Given the continuing improvement in the economy this estimate may be conservative. Just as things always seem to be worse than expected when the economy is weak, they seem to be better than expected when the economy is strong.

MONTHLY TAX COLLECTIONS (dollars in thousands)

TYPE OF REVENUE	Preliminary December 1993	% Change from Last Year	Past 3 Months' Collections	% Change from Last Year	FY 1992/93 Year-to-Date	% Change from Last Year
Personal Income Tax						
Withholding	\$435,237	12.0%	\$1,262,107	8.1%	\$871,821	11.1%
Quarterly & Annual Payments	23,432	-22.8	45,955	-9.7	32,856	-6.5
Gross Personal Income Tax	458,669	9.5	1,308,062	7.3	904,677	10.4
Less: Refunds	-11,771	35.0	-35,851	-14.6	-23,888	1.2
Net Personal Income Tax	446,898	9.0	1,272,211	8.1	880,789	10.6
Sales & Use Taxes	322,697	21.5	925,225	10.6	632,206	11.5
Motor Vehicles	44,841	27.9	138,221	9.5	85,848	4.9
Single Business Tax	76,871	4.1	470,024	9.6	348,371	18.5
Cigarette Tax	20,292	0.0	62,115	0.9	41,586	1.0
Public Utility Taxes	1,332	-97.9	18,055	-75.2	18,038	-75.2
Oil & Gas Severance	2,180	-34.0	7,644	-21.2	4,151	-38.5
Lottery ^a	44,001	-3.1	130,109	2.9	130,109	2.9
Penalties & Interest	391	-44.9	15,390	-5.9	7,891	-6.6
SUW—Annuals & Undistributed ^b	13,547	31.2	16,070	-5.4	12,908	-14.7
Other Taxes ^c	16,466	-14.7	97,027	-20.0	31,389	-54.5
TOTAL TAXES (GF & SAF) ^d	\$944,675	3.4%	\$3,013,870	5.1%	\$2,107,438	5.6%
Motor Fuel Tax ^e	\$59,029	5.3%	\$185,258	2.7%	\$121,014	-0.6%

SOURCE: Data supplied by Michigan Department of Treasury.

^aThe state share of lottery sales is 38 percent (FY 1993). The previous years's figures are adjusted to the current year's profit margin; the percentage change reflects the change in ticket sales.

^bThese revenues are distributed to the sales, use, and withholding (SUW) accounts when final numbers for the month are reconciled.

^cIncludes intangibles, inheritance, foreign insurance premium, corporate organization, and industrial and commercial facilities taxes.

^dExcluded are beer and wine, liquor, and horse racing taxes.

^eThe motor fuel tax is restricted to the Transportation Fund.