



Billions in GM cuts, 3,300 new jobs for Michigan Tuesday

Posted by Mark Fellows | Michigan Business Review July 15, 2008 16:40PM

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In an eventful day for employment in Michigan, one major employer announced painful cuts while a handful of others promised to add thousands of new jobs.

Investments in Michigan planned by Dow Chemical Co. and 18 other companies Tuesday eases some the [pain of cuts](#) announced by [General Motors Corp.](#) and Pfizer Inc.

GM seeks to free up billions of dollars by cutting an unspecified number of jobs, plus salaried retiree benefits and truck production, officials said today, as it tries to stem the bleeding induced by high gas prices and low demand for key products.

That came after [Pfizer Inc. Monday announced 275 job cuts](#) at its Kalamazoo facilities, which employ 3,200, and just prior to Tuesday's rejection of the state by Volkswagen AG for [a new auto plant](#) in favor of a Tennessee site.

On the plus side, the Michigan Economic Growth Authority board Tuesday endorsed tax credits to induce 13 companies to expand in Michigan, adding more than 3,300 jobs in the next five years. The MEGA approvals also enabled five redevelopment projects to proceed in a bundle of projects totaling \$231 in investments.

The job additions include [400 from Perrigo Co.](#) in Allegan; [275 from ForeSee Results](#) in Ann Arbor; [160 from Graphic Packaging Holding Co.](#) in Kalamazoo; [135 from Harmon Becker Automotive Systems Inc.](#) in Farmington Hills; and [101 from Evergreen Solar](#) in Midland.

Added to those are [800 jobs expected to be located](#) somewhere in southeastern Michigan by the joint venture formed by Dow Chemical and Petrochemical Industries Co. of Kuwait.

But the state job market isn't so fluid as to allow displaced workers from one industry to quickly fill slots added by another.

"It becomes very difficult for those people to shift gears, to get into a job with a Dow Chemical" or other "knowledge economy" employers, said Scott Watkins, a senior consultant with Anderson Economic Group of East Lansing.

But, he added, "It's a necessary transition for Michigan to go through these pains with the downsizing of

the automotive industry and the shift in production to a global scale and away from the U.S."

"Thankfully," he said, "we have announcements from companies like Dow and others to offset, partially, some of the other (lost) jobs in the automotive industry."

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