

Economic Development Committee

Who We Are



Who We Are

Business Leaders for Michigan, the state's business roundtable, is dedicated to making **Michigan a Top 10 state for jobs, education, widely shared prosperity and a healthy economy.**

Our members:

Drive **40% of the state's economy**

Generate over **\$1 trillion in annual revenue**

Employ more than **540,000 people in Michigan**

Educate **more than half** of all Michigan public university students.



Michigan has a ways to go to get to Top 10

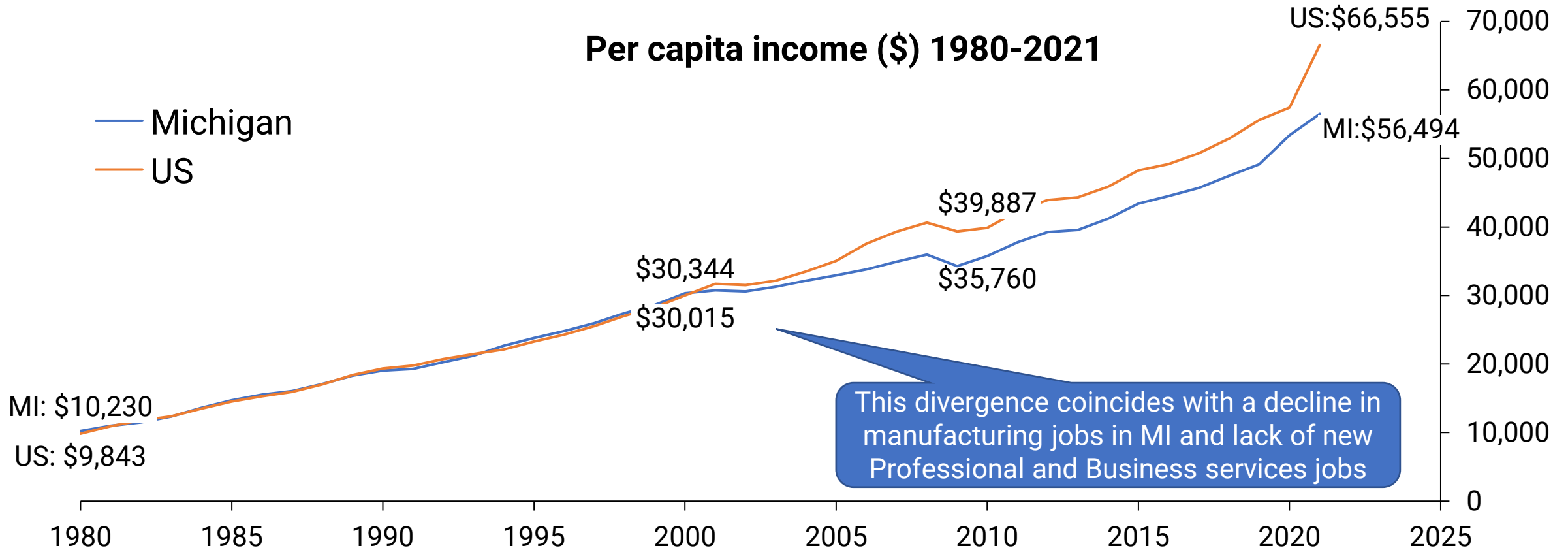
Metric	Current rank	Change from 2021
Labor force participation rate	39	+2 ↑
GDP per capita	35	+1 ↑
Median household income	34	+1 ↑
Poverty rate percent	33	+1 ↑
CEO business climate perception	18	-3 ↓
Net business creation	21	-1 ↓
Net talent migration (high school or higher)	20	-1 ↓
Percent of population with a higher ed degree or certification	37	-2 ↓

**We are ranked
31st**

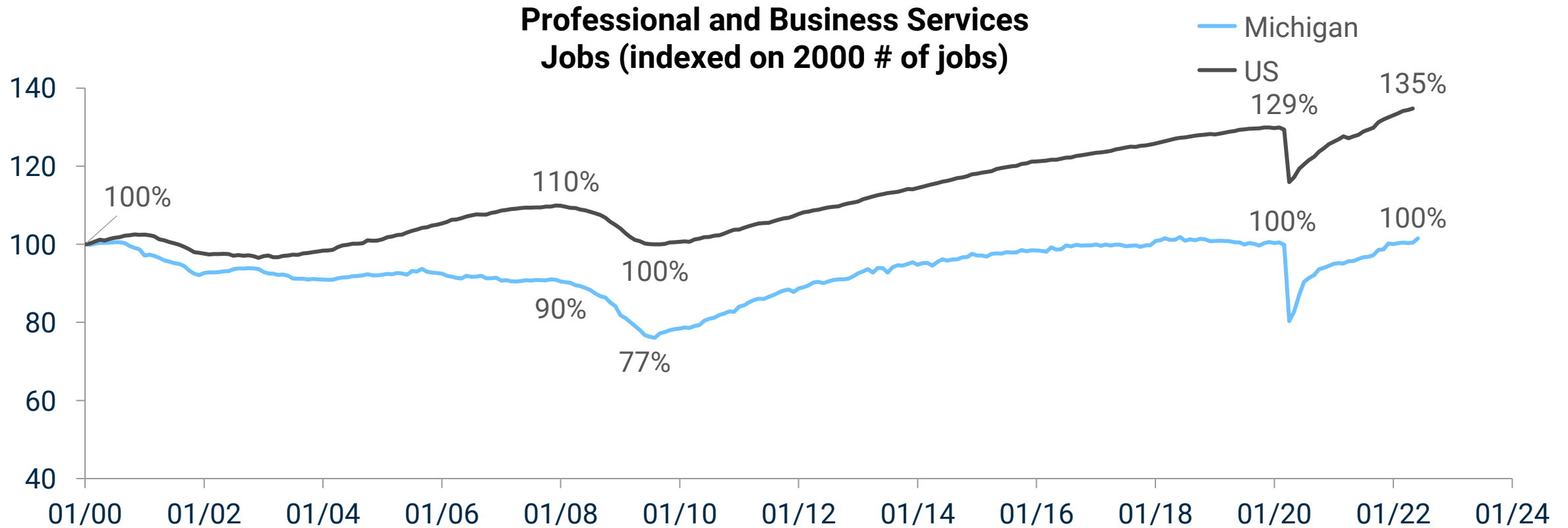
slipping two spots
from **29th last year**



Michigan's income has not kept pace with US

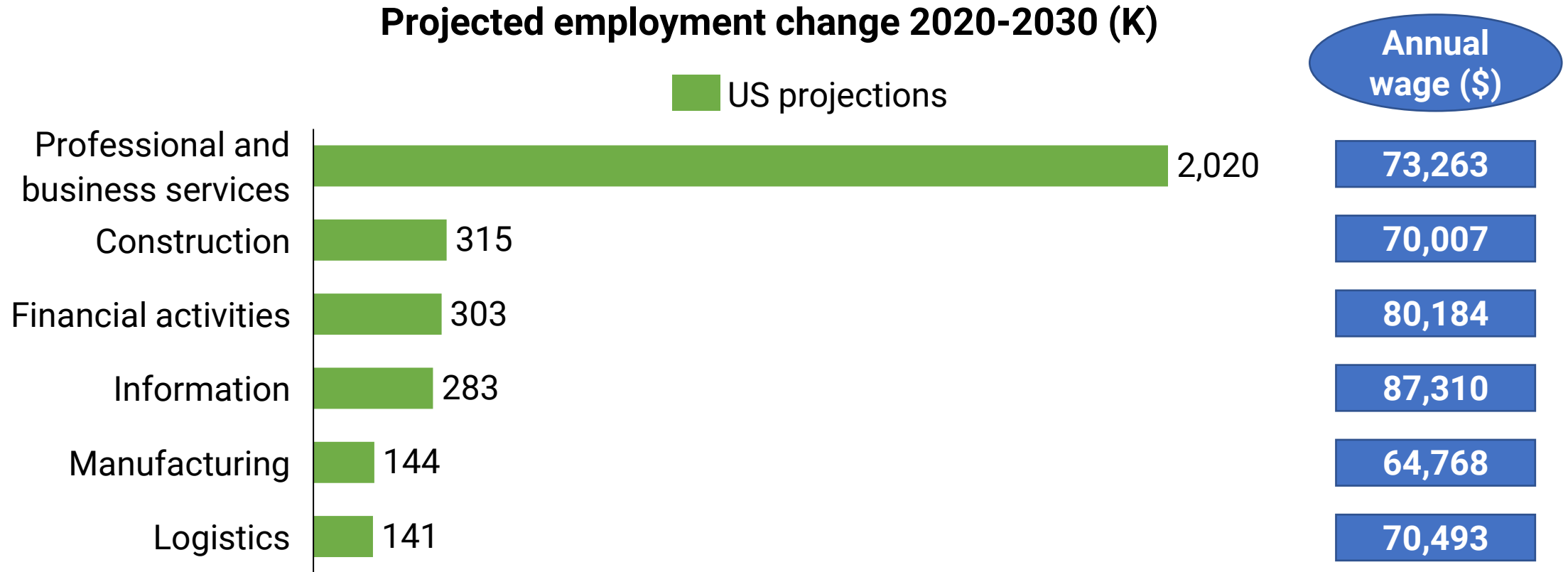


Professional and Business Services has seen one of the largest growth rates in the US, but not in Michigan



US is projected to see an additional 2 million jobs in this area in the next 10 years

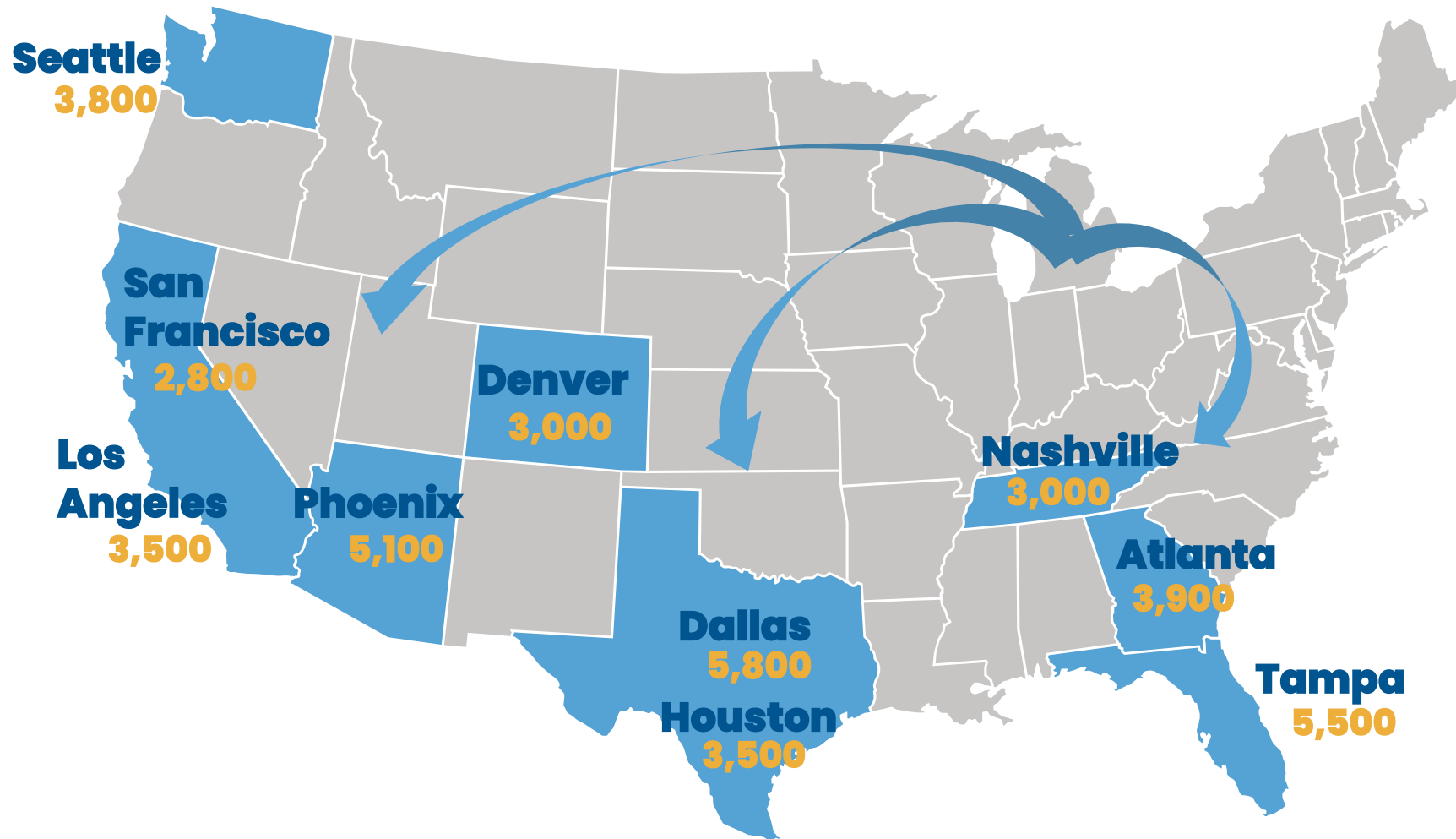
Knowledge Economy Jobs will make up most of future growth



Michigan's largest portion of Professional and Business Services, is Research, Engineering and Design, a sector ripe for growth

Michigan is losing talent to knowledge economy hubs

Top 10 net worker migration destinations (2010-2021)

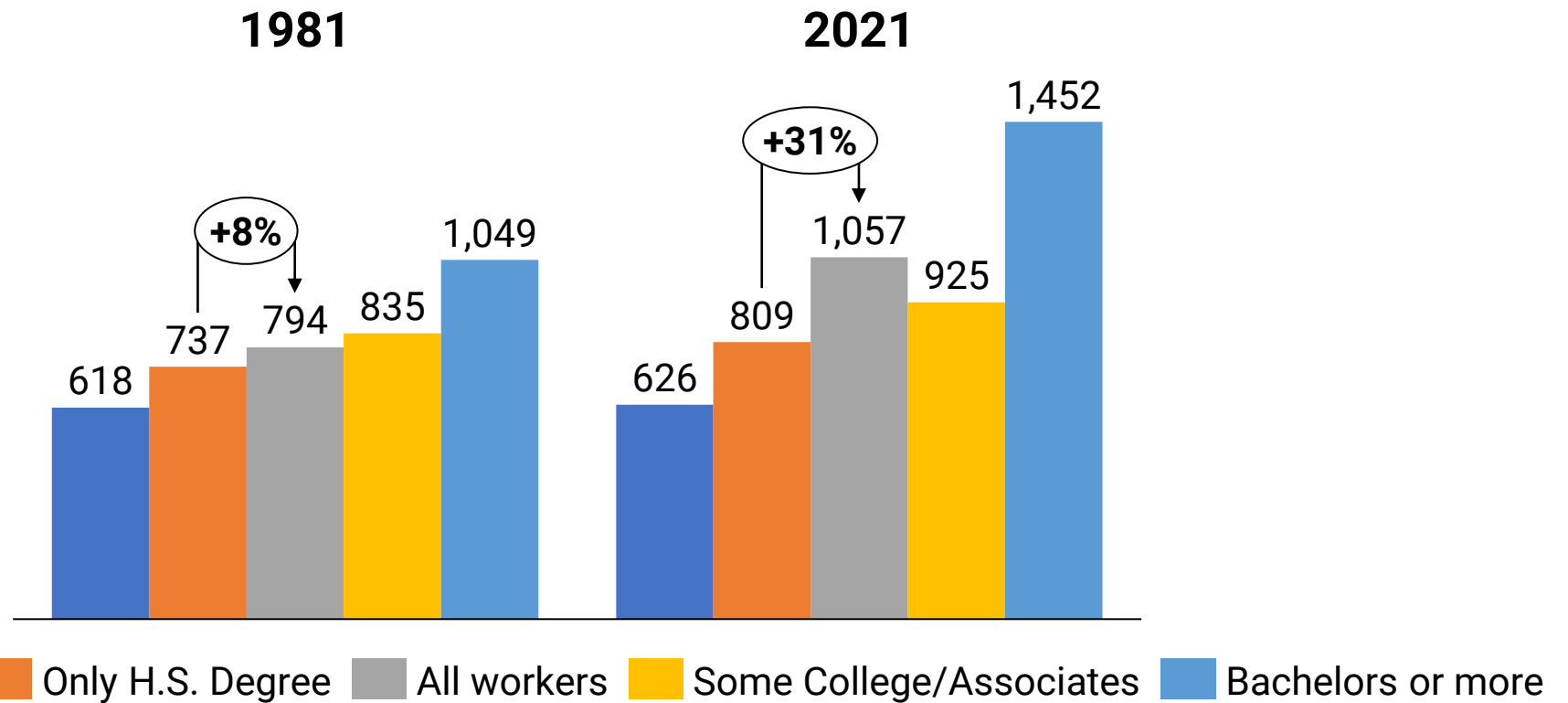


9 of top destinations are Top 10 for knowledge economy jobs



These jobs require higher education, creating an income gap for those without post-high school education

US weekly income 1981-2021 (adjusted for inflation)



K-12 education improvement supports economic development

Voters rank Michigan's K-12 system

February 2022
26.5 out of 50

September 2022
26.2 out of 50



Actual Rankings:

Kids Count ranking **40th** ↔

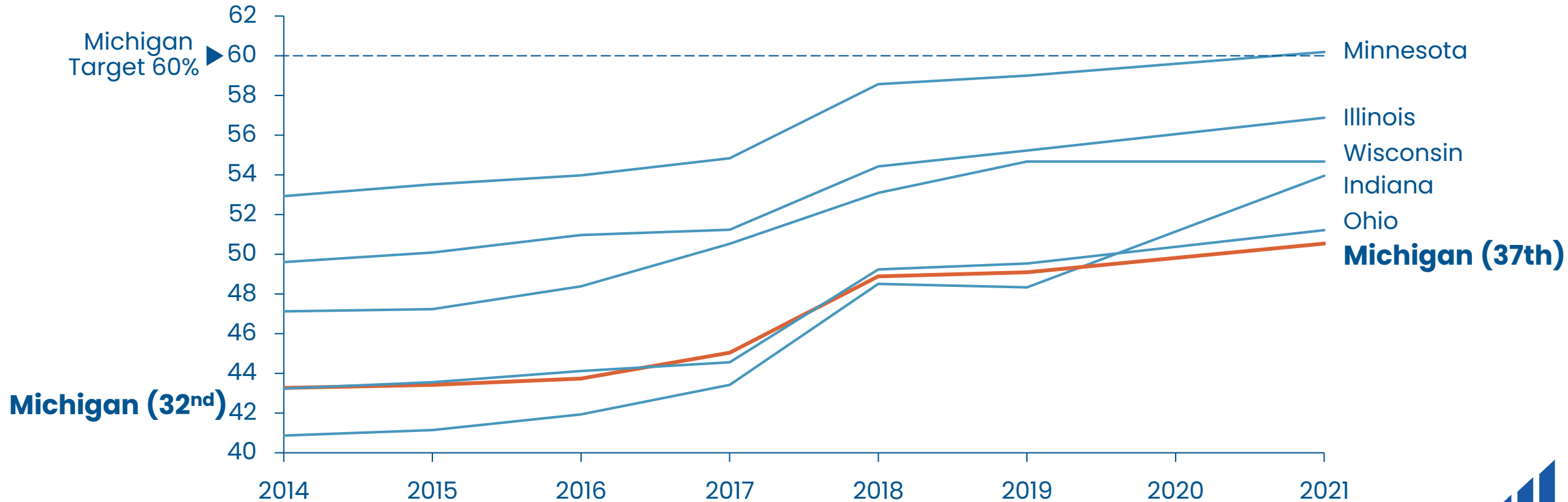
Fourth grade reading **40th** ↓ -1

High school graduation **42nd** ↓ -1

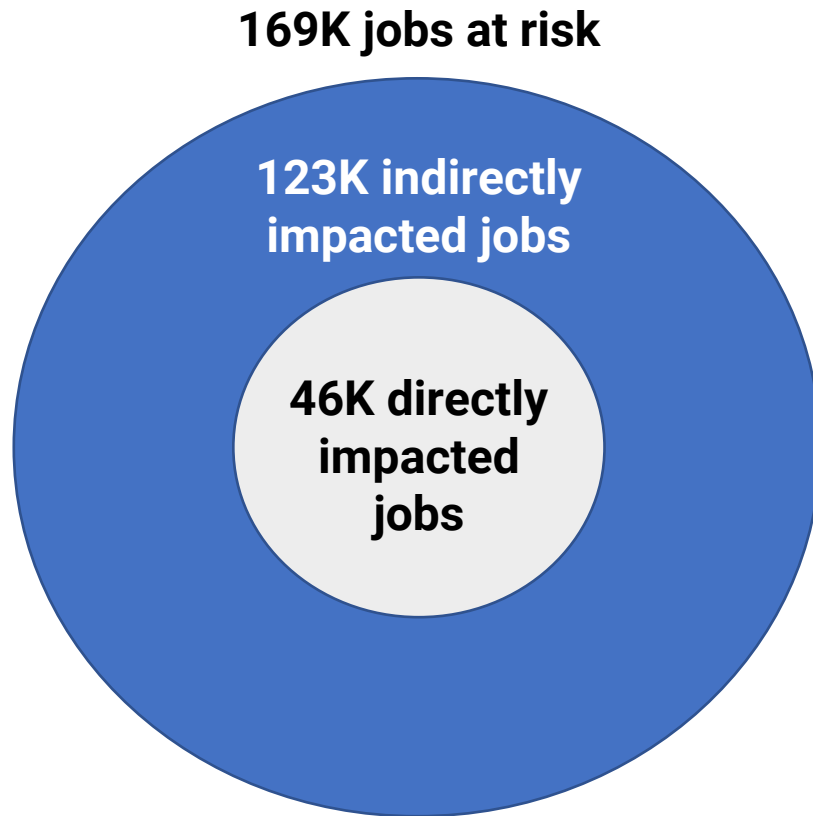


Michigan's educational attainment rankings are last in Midwest

Educational attainment rate (% of adults with degree or certificate)



~170K jobs at stake with the electric vehicle transition



In 2021 Michigan was underperforming for battery plants, but has landed 33% of new battery plants

Sept. 2021: NAM battery plants

Feb. 2023: NAM battery plants



10 $\xrightarrow{+15}$ 25



2 $\xrightarrow{+5}$ 7

Michigan has ~25% internal combustion engine job share and 28% of announced battery plants

Recently announced plants

Jan. 2022



4,000 new jobs; \$7B investment

Mar. 2022



1,200 new jobs; \$1.7B investment

Sept. 2022



2,350 new jobs; \$2.4B investment

Oct. 2022



2,112 new jobs; \$1.6B investment

Feb. 2023



2,500 new jobs; \$3.5B investment

Holistic Economic Development Framework

**Defend and expand the core +
Diversify our state**



Place

- Industrial
- Community development
- Housing



Talent

- 4-yr degrees
- CC improvement
- K-12 reform
- Attraction/retention
- Employer led collaboratives



Entrepreneurs/ Innovation

- Spark and Anchor institutions
- VC, seed & angel funding
- Ecosystem for growth



Customer Service

- Make it easy for businesses and entrepreneurs to grow (Local gov't, MEDC, EGLE, etc.)



Competitive Incentives

- An effective toolbox (SOAR, Payroll tax credit, R&D tax credit)

The Why– Building a future that inspires

- **Opportunities for our kids** so they don't have to OR WANT TO move away
- **A welcoming state** that acts as a magnet for talent and entrepreneurship from across the world
- **World class education and pathways to prosperity** for all residents
- **High quality and affordable childcare, healthcare, housing** and a feeling of security
- **Vibrant, safe communities** with high quality of life, supported downtowns and small business growth