Key Trends

- Our Population is Aging
- Changing Economy
  - ✓ Shift from Manufacturing to Information/Services
  - ✓ Workplace More Technologically Advanced
  - ✓ Economy Becoming More International

Michigan Department of
Labor & Economic Growth

DLEG Department Priorities

Urban Revitalization

- Cool Cities
- Live Where You Work
- Land Bank Fast Track Authority
- Brownfield Redevelopment Program

Entrepreneurship

- MiInternship Website (www.michigan.gov/miintern)
- Entrepreneurship Curriculum Grants
- Emerging Business Fund
- University Summit

Michigan Department of
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DLEG Department Priorities

Retain & Grow

- Tech Tri-Corridor
- MiTAPs
- Manufacturing Summit
- Broadband/High-Speed Internet

Workforce Development

- Michigan Regional Skills Alliances (MiRSAs)
- Council for Labor & Economic Growth
- Healthcare Workforce Shortage Report
- Cherry Commission Report

Michigan Department of
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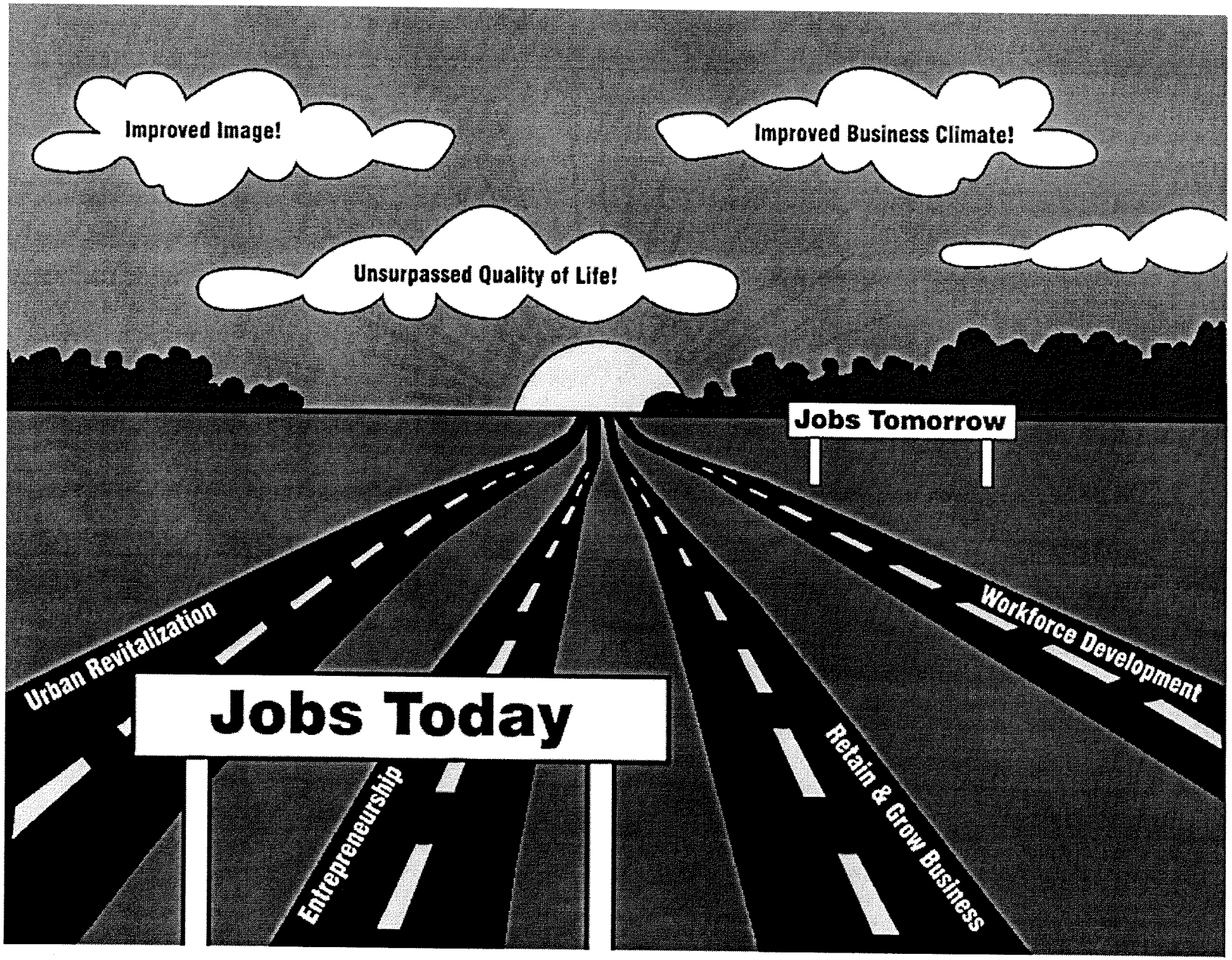
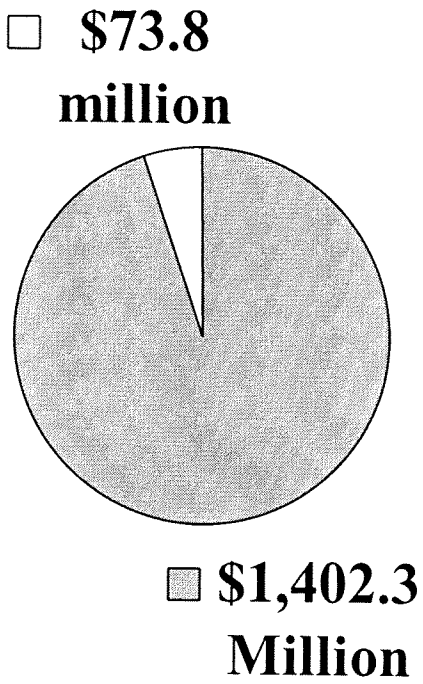

Improved Image!
Improved Business Climate!
Unsurpassed Quality of Life!
Jobs Tomorrow
Urban Revitalization
Jobs Today
Entrepreneurship
Retain & Grow Business
Workforce Development

Michigan Department of Labor & Economic Growth



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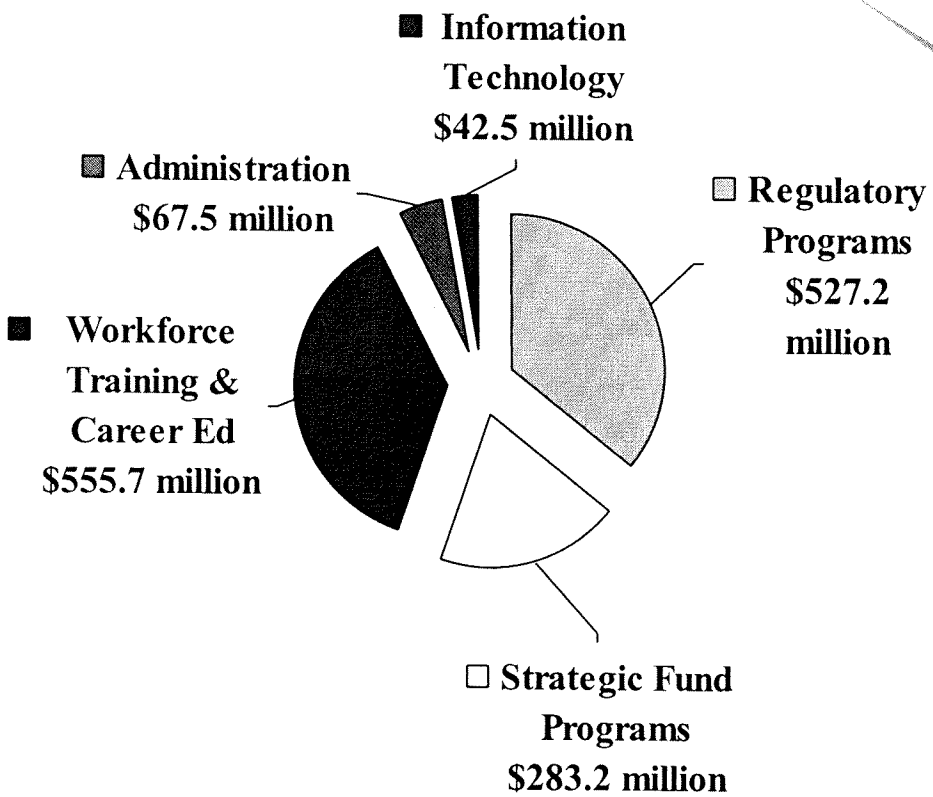

- Regulatory Programs
- Strategic Fund Programs
- Workforce Training & Career Education Programs
- Administration
- Information Technology

Michigan Department of Labor & Economic Growth

DLEG Cost Reductions

- Reduce contractual services by $14.3 million or 31% since FY02
- Reduce instate travel by $3,078,000 or 32% since FY02
- Reduce outstate travel by $590,000 or 49% since FY02
- Reduce other discretionary expenditures by $17,411,300 or 24% since FY02
- Net reduction of 28 administrative positions (12 unclassified) with savings of $2 million (General Fund) in FY 05 alone. Total savings of $4.2 million in General Funds over three fiscal years.

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Meeting the Challenge:

DLEG Programs have successfully tightened their belt by:

Keeping a lid on non-essential spending.

- *Met or exceeded all of Gov. Granholm's cost-cutting targets*
- *Out of state travel has been limited and often eliminated*
- *Continuing to reduce our portion of the state fleet*

Michigan Department of
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Meeting the Challenge:

- *Many printed documents are now produced electronically and those printed are done primarily in black and white*
- *Support and administrative services are being streamlined and consolidated so that program areas can focus on their missions*
- *Now accepting license renewals via Michigan.gov*

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Global Growth

- 1 billion licensed drivers
- 8 million employees
- 60 million units annually
- $1.5 trillion annual economic impact

Not paid for with state funds

21st Century Auto

- The most sophisticated, technologically advanced consumer product you will ever own

- An industry that is both a generator and consumer of technologies across all industry sectors

Not paid for with state funds

Global Automotive Centers

Not paid for with state funds

STATE OF MICHIGAN GOVERNOR

North American Assembly Facilities

Not paid for with state funds

Source: Ward's Automotive Yearbook

STATE OF MICHIGAN GOVERNOR

North American Headquarters of the 150 Largest Auto Suppliers

Not paid for with state funds

Source: Automotive News

STATE OF MICHIGAN GOVERNOR

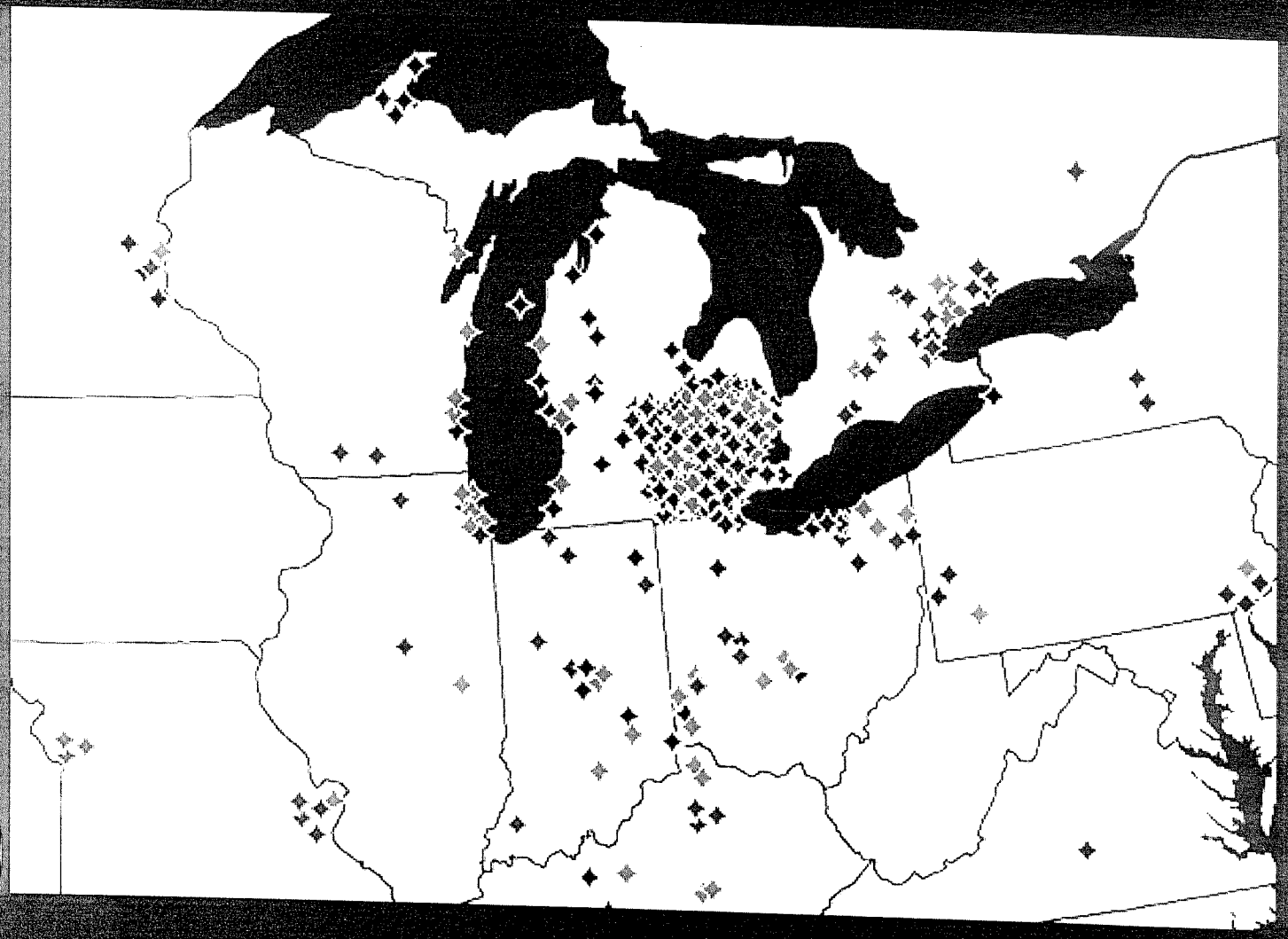
North American Automotive R&D Centers

Not paid for with state funds

Source: Center for Automotive Research, Automotive Engineering International

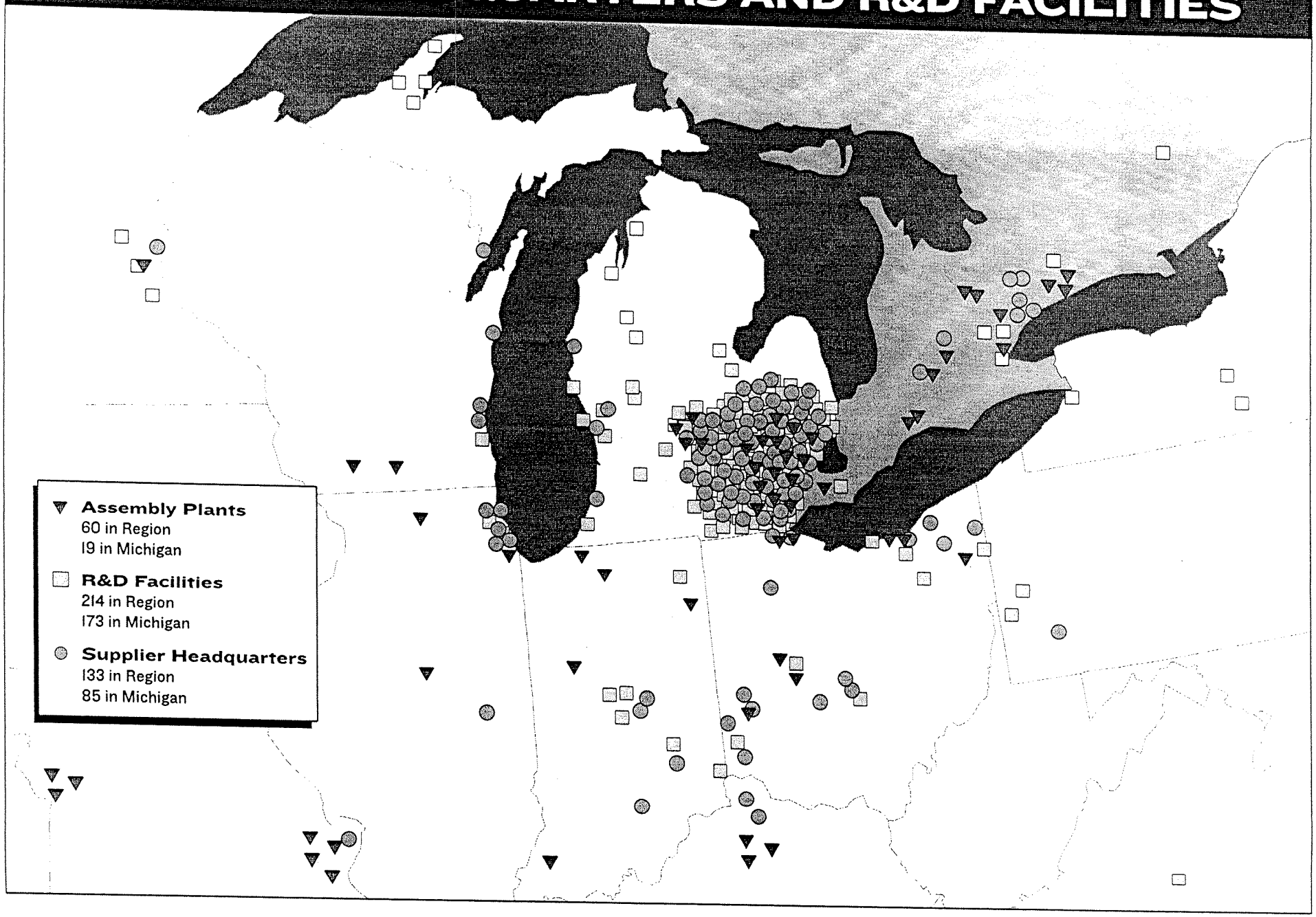
STATE OF MICHIGAN GOVERNOR

Great Lakes Region Assembly, Supplier Headquarters and R&D



Not paid for with state funds

GREAT LAKES REGION ASSEMBLY PLANTS, SUPPLIER HEADQUARTERS AND R&D FACILITIES



AUTO-RELATED R&D/TECHNICAL CENTERS ESTABLISHED IN MICHIGAN SINCE JANUARY 2003

2004

Aisin Seiki Automotive Proving Ground/Test Center, Handy Township

American Mitsuba Corp., Brighton

ArvinMeritor, Detroit

General Motors Powertrain Division, Pontiac

Hyundai America Technical Center, Superior Township

Material Sciences Corp., Plymouth Township

Mitsubishi Heavy Industries Climate Control Tech Center, Sterling Heights

Saturn Electronics & Engineering Inc., Coopersville

Visteon, Van Buren Township

2003

Smiths Aerospace Avionics Development Lab, Cascade Township

Veridian, Ypsilanti Township

NEW CORPORATE HEADQUARTERS IN MICHIGAN SINCE JANUARY 2003

2004

Affinia Group, Pittsfield Township from Toledo, Ohio

American Mitsuba Corp., New North American corporate HQ in Brighton

Hino Motors, Birmingham from New York

Hyundai America Technical Center, New corporate HQ in Superior Township

Jatco USA, New corporate HQ in Wixom

Keebler Snacks Division, Battle Creek from Elmhurst, Illinois

Saab Cars USA, Detroit from Norcross, Georgia

Visteon, New corporate HQ in Van Buren Township

ZF Group, Northville from Florence, Kentucky

2003

BorgWarner, Auburn Hills from Chicago, Illinois