



FOR IMMEDIATE RELEASE:
January 23, 2017

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MICHIGAN BREAKS INTO TOP 25 STATES IN LATEST STUDY ON ECONOMIC COMPETITIVENESS; CLOSSES IN ON TOP TEN BY 2020

LANSING, Mich. -- Michigan's overall economic competitiveness continues to improve, according to the results of the fifth annual public policy study conducted by Northwood University in collaboration with the Michigan Chamber Foundation.

"Michigan's economic return continues and is impressive," said Dr. Timothy G. Nash, of Northwood University, who led the study. "While there are still areas that require attention, Michigan is clearly proving that it can compete on a national and international scale with more business-friendly policies."

The *2016 Michigan Economic Competitiveness Study*, conducted by economists from Northwood University, Rutgers University and Central Michigan University for the Michigan Chamber Foundation, analyzed over 200 variables to create the *Northwood University Competitiveness Index*. The variables were factored into five categories that measure economic performance. Those categories, and Michigan's corresponding ranking, are as follows:

Exhibit 119: Michigan's Economic Performance Ranking
(1998-2016 Data)

	2016	2015	2014	2013	2012
NU State Competitiveness Index: Michigan	25	29	30	39	47
Factor 1 – General Macroeconomic Environment	10	11	20	31	48
Factor 2 – State Debt and Taxation	13	13	12	14	10
Factor 3 – Workforce Composition and Cost	38	39	38	43	45
Factor 4 – Labor and Capital Formation	35	36	38	44	45
Factor 5 – Regulatory Environment	19	25	23	26	24

In the most recent study, Michigan has climbed from #29 on Northwood University's 2015 proprietary State Competitiveness Index to #25 in 2016. When results of the inaugural study were released in 2012, Michigan ranked 47th based on data dated from 2000.



When analyzing data the most recent between 2011 and 2015, Michigan ranks 13th nationally in competitiveness, closing in on becoming a top ten state before 2018.

The study also reveals that Michigan is the top-performing Great Lakes state growing at an average rate of 2.28 percent over the last five years, better than the Great Lakes region rate of 1.89 and national rate of 2.00 percent.

"Michigan's cities are leading the way with economic strength," said Bob Thomas, Executive Director of the Michigan Chamber Foundation. "We are optimistic that Grand Rapids, Detroit and Lansing remain leaders in the state and keep growing."

"Michigan's strong performance in terms of debt and taxation and its improving regulatory environment are good signs," noted Rich Studley, President & CEO of the Michigan Chamber of Commerce. "Michigan is in a fierce competitive battle with other states and foreign countries for jobs and workforce development and our labor markets still need to catch up."

"Entrepreneurship is key to new job creation and business growth in the state," noted Keith Pretty, President of Northwood University. "This is one area that the state must continue to focus on to be at the top."

For a fifth year, the study considered Michigan a non-right-to-work state for the period measured, 2000-2016, and again notes that historical study is needed to quantify the affect of right-to-work legislation on economic competitiveness.

An executive brief of *2016 Michigan Economic Competitiveness Study* is available online at www.michamber.com/foundation/studies.

The Michigan Chamber Foundation was organized in 1986 as a 501(c)3 charitable foundation to: plan and conduct nonpartisan public education programs; establish and operate a leadership institute to help current and future leaders make a positive impact on Michigan's future; and conduct nonpartisan research and distribute policy studies on key business climate issues in Michigan.

Northwood University is committed to the most personal attention to prepare students for success in their careers and in their communities; it promotes critical thinking skills, personal effectiveness, and the importance of ethics, individual freedom and responsibility.