

Perspectives on Jobs and Incomes in Michigan

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- **Michigan employment is now up by about 150,000 from its low point at the end of 2009.**
- **Employment in Michigan is up by almost 4% since it bottomed out. That's a faster growth rate than the nation as a whole.**

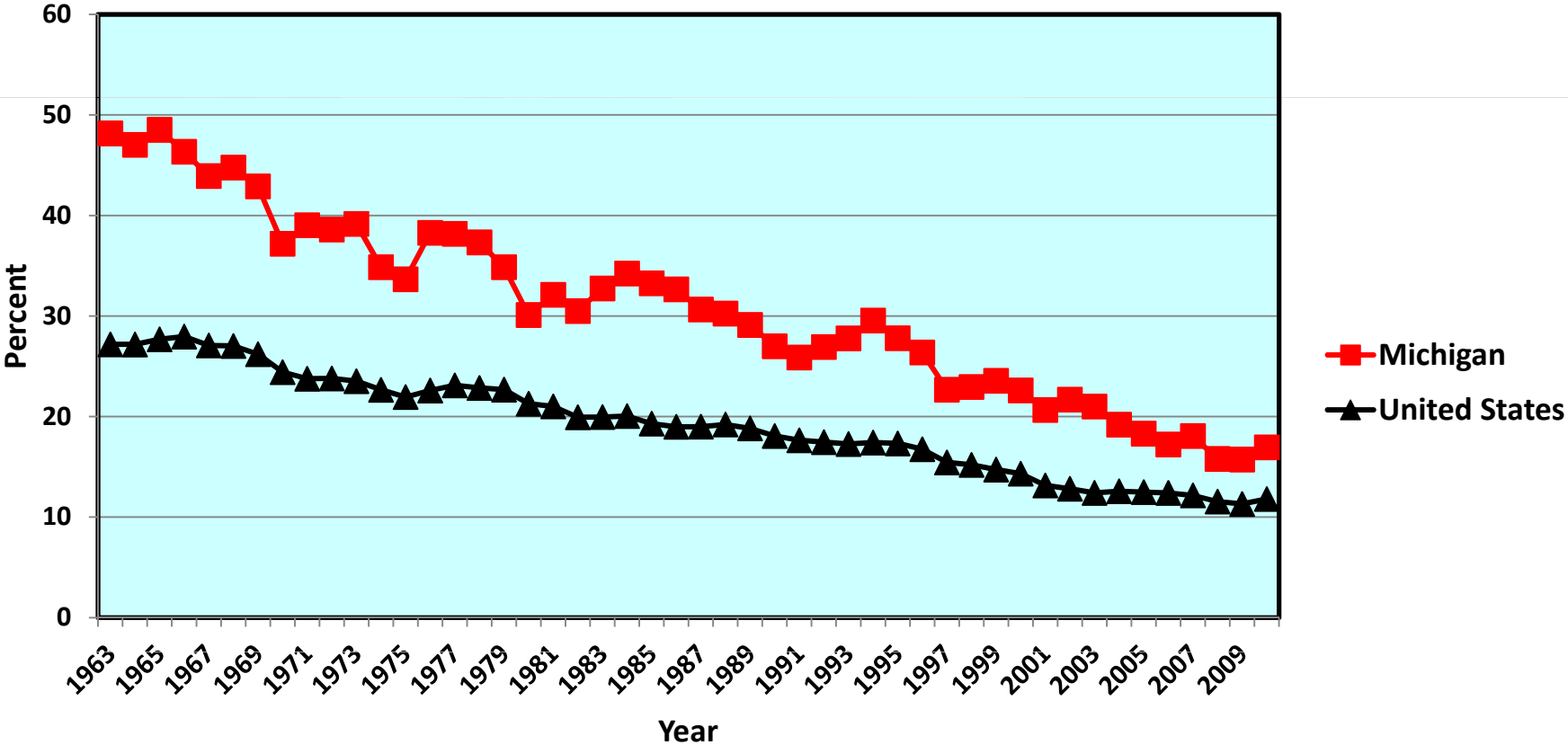
Employment in Michigan is now at about the same level as in the summer of 1990, but gross state product is more than 26% larger than it was then.

“Growing the economy” is not the only challenge. An equally important challenge is to spread the benefits of economic growth more widely.

Fundamental structural changes in the U.S. economy have created big problems for the Michigan economy for a very long time— not just in the last decade.

Manufacturing's Share of the Economy Has Shrunk Dramatically

Manufacturing as Percent of Gross Domestic Product, For Michigan and the United States, 1963-2010



It's good to encourage high-tech, innovative manufacturing, but we should also encourage anything else that involves innovation and is at the top of the value chain.

How about: January is Innovation Month in Michigan.

Michigan's economy is dominated by its metropolitan areas, and this is likely to continue.

1. Oakland County	\$50,334
2. Midland County	\$41,853
3. Leelanau County	\$39,815
5. Washtenaw County	\$37,859
8. Macomb County	\$36,004
11. Kalamazoo County	\$34,502
<i>Michigan Average</i>	<i>\$34,315</i>
14. Ingham County	\$34,083
15. Kent County	\$33,635
24. Wayne County	\$31,888
38. Saginaw County	\$30,137
42. Genesee County	\$29,526
43. Jackson County	\$29,488
57. Shiawassee County	\$27,322
70. Tuscola County	\$26,094
83. Oscoda County	\$22,934

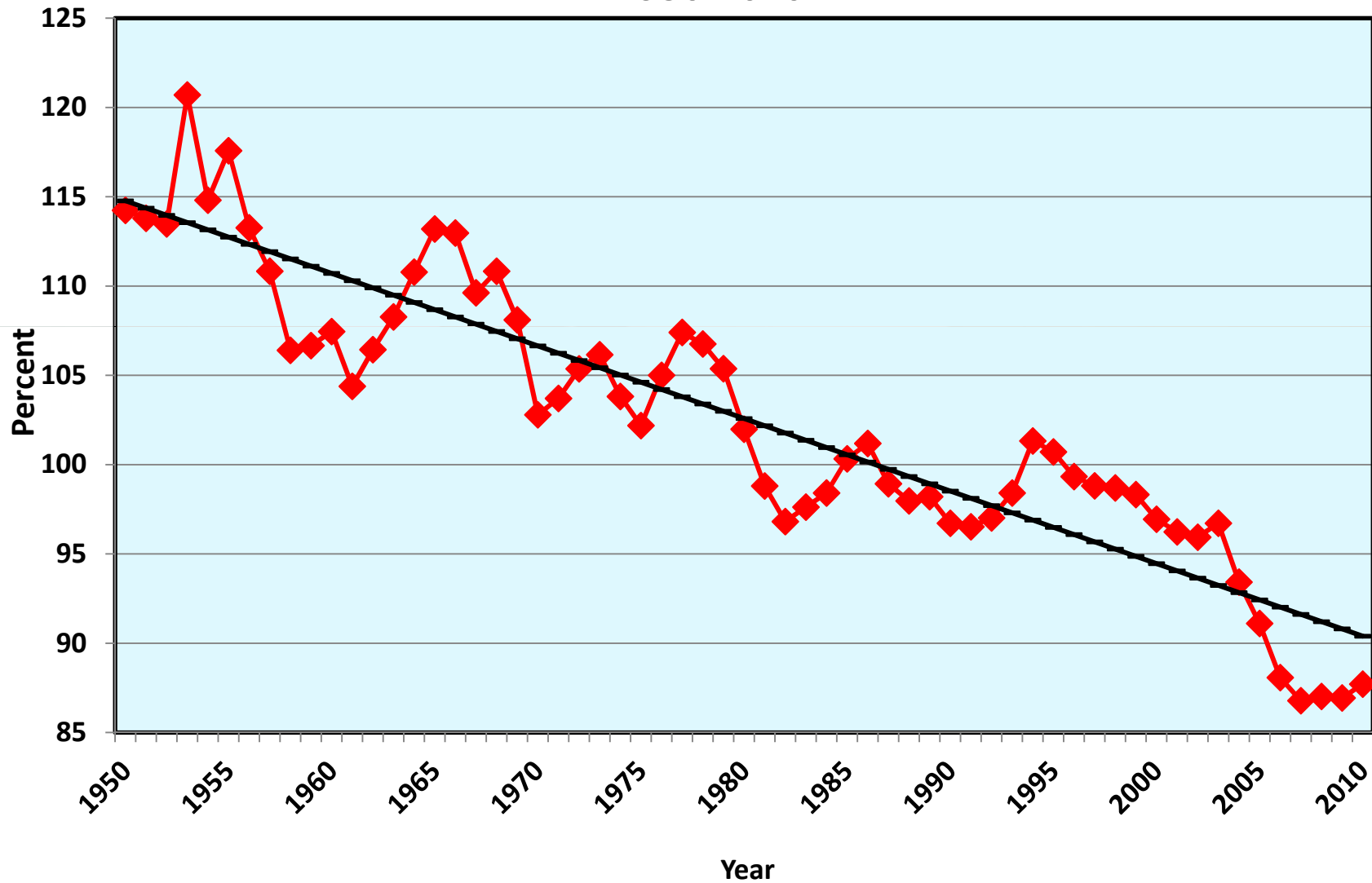
Nationally, the earnings gaps between groups with different levels of educational attainment are large, and larger than they used to be.

Average Earnings in 2010, for Those Aged 45-54 Who Worked Full-Time Year-Round (For the Entire U.S.)

	<u>Men</u>	<u>Women</u>
▪ Professional Degree	\$185,034	\$102,278
▪ Master's Degree	\$112,622	\$ 74,218
▪ Bachelor's Degree	\$ 90,314	\$ 63,004
▪ Associate's Degree	\$ 60,980	\$ 47,723
▪ Some College (No Degree)	\$ 59,852	\$ 41,117
▪ High-School Graduate	\$ 50,216	\$ 34,410
▪ Some H.S. (No Diploma)	\$ 37,754	\$ 23,775
▪ Less Than 9th Grade	\$ 31,114	\$ 19,996

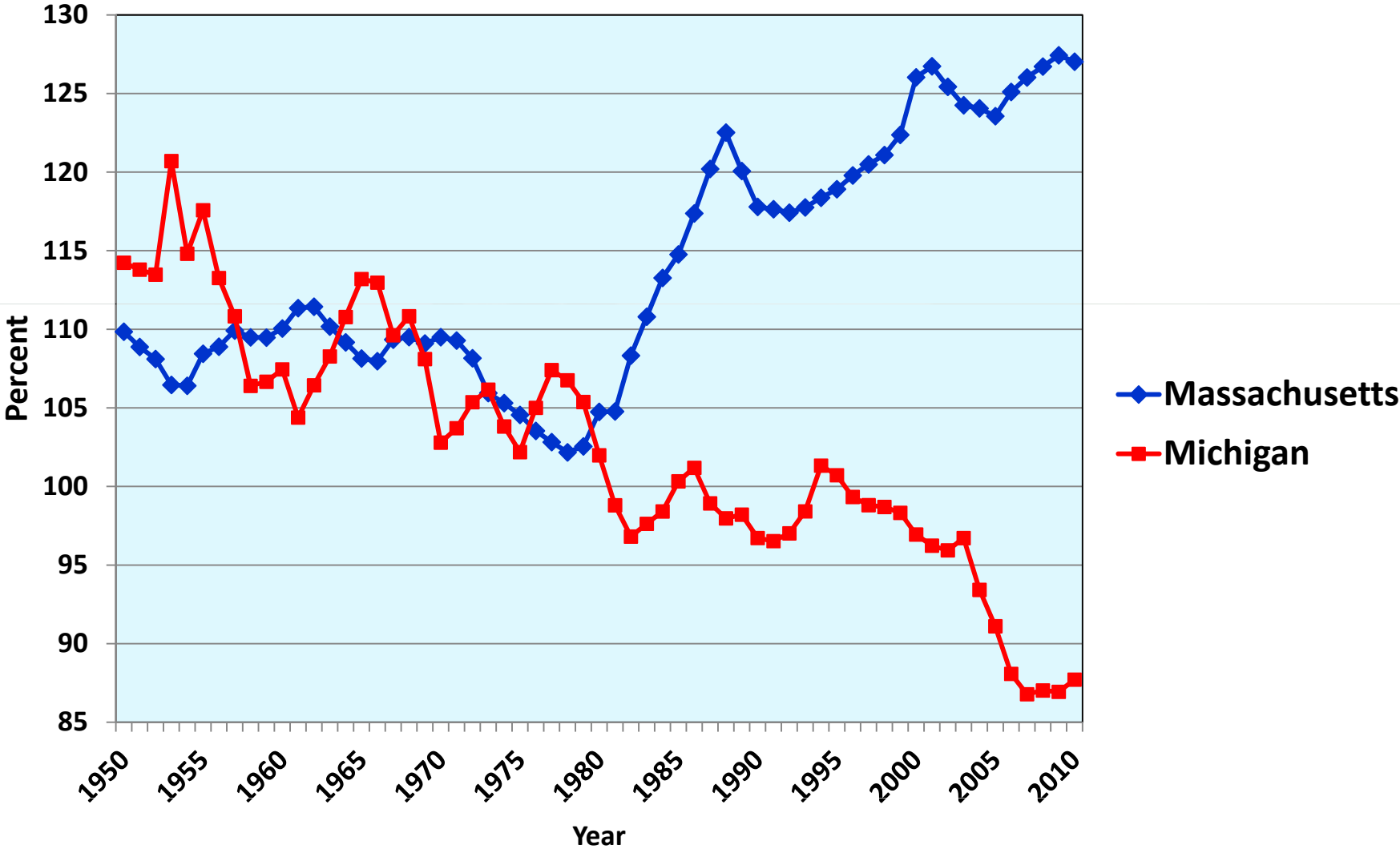
Although Michigan is not a poor place overall, our economy has not grown as fast as the national average.

Per-Capita Income: Michigan as Percent of the United States, 1950-2010



Many of the most successful states have high levels of educational attainment.

Per-Capita Personal Income in Massachusetts and Michigan, As Percent of the United States, 1950-2010



Per-Capita Income in Selected States, 2010: Top Five, Bottom Five, and Some Between

1. Connecticut	\$56,001	24. Florida	\$39,272
2. Massachusetts	\$51,552	27. Wisconsin	\$38,432
3. New Jersey	\$50,781	34. Ohio	\$36,395
4. Maryland	\$49,025	36. Michigan	\$35,597
5. New York	\$48,821	41. Indiana	\$34,943
11. Illinois	\$43,159	46. Arkansas	\$33,150
12. California	\$43,104	47. West Virginia	\$32,641
13. Minnesota	\$42,843	48. Utah	\$32,595
16. Pennsylvania	\$41,152	49. Idaho	\$32,257
23. Texas	\$39,493	50. Mississippi	\$31,186

United States Average: \$40,584

At a time when education is so crucial to our future, Michigan has pursued a policy of systematic disinvestment in education.

In order to be equivalent to the real budget reductions of the last nine years, we would have to cease state support for:

**Central Michigan University,
Eastern Michigan University,
Ferris State University,
Grand Valley State University,
Lake Superior State University,
Michigan Technological University,
Northern Michigan University,
Oakland University,
Saginaw Valley State University,
University of Michigan - Dearborn,
University of Michigan - Flint, and
Western Michigan University.**

- **Michigan is Underinvested in Education, Training, and Skill, From Pre-School to Ph.D.**
- **In addition to the big premium for a Bachelor's degree, the social returns are very large for**
 - (1) early-childhood education, and**
 - (2) high-school completion.**

As long as we stick with a nineteenth-century school year of only 180 classroom days, we simply cannot claim that we are serious about preparing for the workforce needs of the future.

Let's Not Forget International Trade and Investment: Oh, Canada!



Speaking of international connections, it would be great if we could staple a green card to the diploma of every foreign student who earns a Ph.D. in science or engineering from U-M or MSU.

Michigan, My Michigan

**A song to thee, fair State of mine,
Michigan, my Michigan.**

**But greater song than this is thine,
Michigan, my Michigan.**

**The whisper of the forest tree,
The thunder of the inland sea,
Unite in one grand symphony
Of Michigan, my Michigan.**