

**GROWING
MICHIGAN
TOGETHER**

Growing Michigan Together Council Report

December 14, 2023





Executive Summary

Throughout most of the 20th century, groundbreaking innovation in the automotive industry and industrial manufacturing helped build the middle class, create vibrant cities, and provide opportunities for homeownership, a great education, and economic prosperity. Michigan was a place where people from all over the country—and world—wanted to live. But over the last 40 years, we have fallen behind in an ever-changing, globally competitive economy.

Michigan's greatest strength is its people—and we are losing them. Today Michigan is 49th out of 50 in terms of population growth. We're failing to prepare our people for the jobs of the future and failing to ensure Michigan is the place current and future Michiganders want to call home.

We're losing too many of our talented young people and failing to attract others. And when they leave, our communities suffer from lost tax base and wages needed to support our public amenities, schools, roads, transit, and housing and to attract business to our state. The cycle of healthy growth is broken.

No one person or party is to blame—we are all responsible for the apathy that allowed our outcomes to slip so far and the lack of cohesion and shared commitment necessary to build a better Michigan. In the face of our challenges, we have been quick to retreat to

our corners (both geographical and political), ignore the deep problems, and fail to advance solutions that will return Michigan to a place of prominence and growth.

It was in response to this crisis that Gov. Gretchen Whitmer announced the creation of the Growing Michigan Together Council (GMTC) earlier this year. The council was charged with setting aside our differences, appointing workgroups of experts and practitioners, engaging the public, and developing recommendations that support Michigan's population growth through investment in our people, places, and education system. With each meeting, our alignment on a shared vision for Michigan grew stronger and our belief in our work deepened. We specifically chose to dive into the center of Michigan's challenges in population growth to put forward a new framework for a prosperous state. The government cannot bring this vision into reality on its own, so our vision must engage public, private, and philanthropic institutions that all have a role to play in building a better Michigan. We must commit to this vision and work collaboratively and inclusively to transcend the partisan differences that have contributed to our lack of cohesion, sapped our ability to respond dynamically to problems, and limited our potential.

Today, we are united in this shared vision and deeply committed to seeing this work come to fruition.

The council set a goal that by 2050, Michigan will be a top-ten state for population growth.

Our state will be a welcoming, cohesive, affordable, equitable, and attractive place for growing families who have been here for generations, as well as those from around the country and world. Michigan will be home to a world-class, lifelong education system that inspires and supports every child on their journey to reach their potential and achieve their dreams anywhere, but more young people will want to stay in Michigan as they enter the workforce. As a leader in growing industries, Michigan will prepare, attract, support, and retain the best workers, entrepreneurs, and companies that thrive in a globally competitive economy and power prosperity for all. Our sustainably built transportation networks, as well as water and other infrastructure, will serve as the foundation for thriving communities and a vibrant economy.

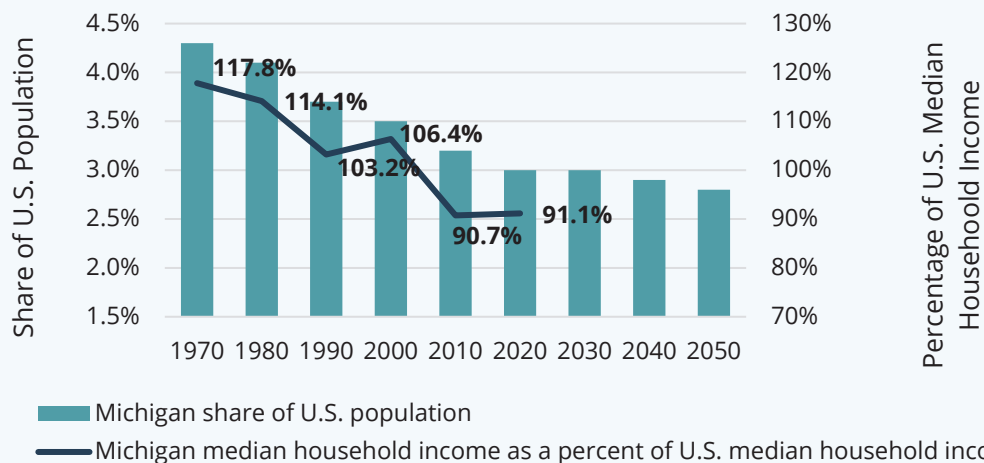
Michigan’s rich natural beauty and resources will be protected and enhanced and continue to be a central part of why people want to live, work, and play here.

While Michigan has many assets—world-class higher-education universities, rich natural resources, a dominant engineering workforce, and relatively low cost of living—we face many challenges that we must reverse to thrive in a 21st-century economy.

Michigan now ranks 49th out of 50 states in growth since 2020 and our population is aging. By 2050, the U.S. population will likely have grown by more than 20 million people, but Michigan’s population is projected to fall (Guidehouse 2023).

As our population has declined, so has our shared and individual prosperity. While Michigan’s median income was once 114 percent of the national average, today we rank 34th in median income among U.S. states.

Michigan’s Declining Share of the U.S. Population and Median Household Income

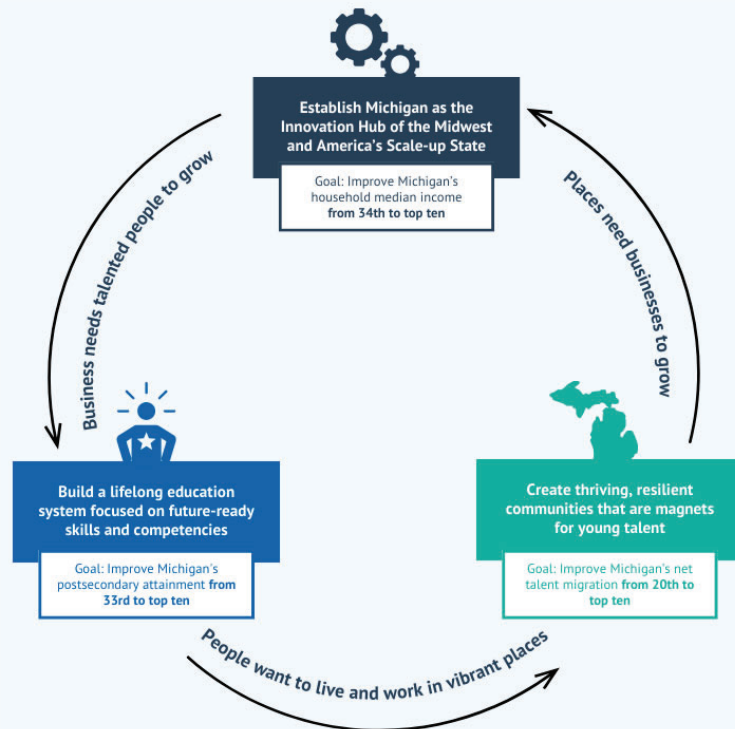


Our education system is leaving the next generation of Michiganders behind. Currently, fewer than 33 percent of Michigan students are proficient in reading or math in the fourth and eighth grade, and grade-four reading proficiency for Black students in Michigan is at only 10 percent, lower than in any growing peer state (National Center for Education Statistics n.d.c; National Center for Education Statistics n.d.e). Only 30 percent of Michigan adults over 25 have a bachelor’s degree or higher, and these degrees will only grow in importance as global and local economies continue to shift toward the knowledge economy of the future (Boston Consulting Group July 2023).

Alongside challenges with our education system, Michigan’s infrastructure isn’t keeping up with our needs. Despite recent

improvements and significant one-time investments, our infrastructure is crumbling and facing growing threats from a changing climate. Michigan’s highway system ranks among the worst in the nation and communities struggle with aging water infrastructure and flooding (ASCE 2023). And while Michigan enjoys a relatively low cost of living compared to other states, we lack the vibrant amenities and housing to attract and retain young talent to our cities.

To address these challenges stymying Michigan’s growth, **the council has focused on transformational strategies** to redefine how we grow businesses that provide high-wage jobs, educate our kids so they can succeed and innovate in our changing economy, and create thriving, inclusive places that are magnets for talent.



These strategies are interwoven and mutually reinforcing to create a Michigan poised for shared prosperity and growth. They include:

01. Establish Michigan as the Innovation Hub of the Midwest and America's Scale-up State

- Develop an economic growth plan that establishes Michigan as the Innovation Hub of the Midwest and America's Scale-up State
- Target efforts to attract and retain young talent

02. Build a lifelong learning system focused on future-ready skills and competencies

- Commit to the Michigan Education Guarantee that all students will develop future-ready skills and competencies to thrive in work and life and guarantee up to an additional year of schooling to ensure that all students achieve this standard
- Reimagine the job of teaching and the structure of the school day, enabling educators to innovate so students can learn for life
- Make postsecondary education attainment more accessible and affordable by providing all students with access to up to two years of free postsecondary education and creating a seamless lifelong learning system
- Align governance and accountability across an equitably and efficiently funded lifelong learning system while clarifying roles, eliminating inefficiencies, and bolstering capacity

03. Create thriving, resilient communities that are magnets for young talent

- Develop robust and reliable regional public transit systems across the state
- Develop and revitalize housing stock to meet Michigan's housing demands
- Future proof our infrastructure to ensure Michigan has reliable and resilient infrastructure that serves as an asset to the economy

The council's recommendations stand on their own, but a problem as significant as changing the momentum of 50 years of declining outcomes for Michiganders cannot be fixed by simply recommending a reformed education system, a future-focused economic growth plan, or better places to live. Long-term change must address the structural and fiscal challenges that make it difficult to address these problems in Michigan. An analysis of the underlying policies, systems, processes, laws, and institutions that have been longtime barriers to the successful transformation of our state is needed to make the underlying structural changes necessary. Once the structural changes have been identified, we recognize that there must also be a full understanding of the financial impact of each recommendation and, as such, we have proposed a process to estimate costs, evaluate the return on investment, and identify appropriate funding mechanisms for each recommendation. Finally, the extensive public engagement work undertaken by the council, lifting the voices of over 10,000 Michiganders, must continue to ensure that all people who call this state home can participate in the implementation of these reforms and equitably benefit from the impact of our recommended strategies.

As Michiganders, we can rise to meet our challenges. We are excited by the idea that if the 27 council members—all at very different life stages with diverse life experiences, belief systems, and political ideologies—could align on strategies to set Michigan up for a better future, it is possible for policymakers to do the same. We believe that implementation of our report means the worst of Michigan's days are behind us and that we will step into a more prosperous future for all Michiganders. We trust that our work will result in people choosing Michigan to build their lives and raise their families. We call on the governor and legislature and the people of Michigan to take action. The stakes have never been higher.