

Michigan Moves Up To 39th From 47th In Second Annual Michigan Chamber Foundation Study On Economic Competitiveness

LANSING, Mich., Dec. 2, 2013 /[PRNewswire](#)/ -- Michigan's overall economic competitiveness is improving, according to the results of a second annual public policy study conducted by Northwood University on behalf of the Michigan Chamber Foundation.

"Michigan is on an aggressive comeback path," said Dr. Timothy G. Nash, of Northwood University, who led the study. "Clearly, when you look at Michigan's competitive position compared to other states, there is still room for improvement, but this is great news for Michigan."

The *2013 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:

	2013	2012
Northwood University Competitiveness Index	39th	47th
General Macroeconomic Environment	31st	48th
State Debt and Taxation	14th	10th
Workforce Composition and Cost	43rd	45th
Labor and Capital Formation	44th	45th
Regulatory Environment	26th	24th

"Michigan's relatively strong performance in terms of debt and taxation, plus our regulatory environment, are two positive findings of this study," said Bob Thomas, Executive Director of the Michigan Chamber Foundation. "Going forward, Michigan's policymakers should consider building on these strengths."

"The results are promising, but there is still work to do to improve state and local economic competitiveness," noted Rich Studley, President & CEO of the Michigan Chamber of Commerce. "Michigan and our cities are 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."

The study noted challenges with Michigan's energy costs, auto insurance rates, population migration and entrepreneurial activity.

The Michigan Chamber Foundation's *2013 Michigan Economic Competitiveness Study* also contains two new features looking at the competitiveness of the Great Lakes Region; and a snapshot of key Great Lakes Region Cities. The Great Lakes Region, including Wisconsin, Illinois, Indiana, Ohio and Michigan, outpaced national gross state product growth rates over the last two years, with Michigan leading the region. Out of seven of the largest regional cities, both Detroit and Grand Rapids saw the highest GDP growth rates over the same period.

The study considered Michigan a non-right-to-work state for the period measured, 2000-2011, and again notes that more study is needed to quantify the relationship between right-to-work legislation and economic competitiveness.

"Still new to Michigan, the right-to-work law only took effect in March and is still subject to pending legal challenges," noted Studley.

"Can Michigan return to the position of greatness it once occupied in the U.S. business structure?" asked Nash. "The answer is unequivocally yes, but only if we continue to confront the economic reality facing this great state."

"Michigan must set its sights high and benchmark to the best economic and political practices of this country's top performing states," added Nash.

"We are optimistic that Michigan will continue its path to become the comeback story of the decade as it relates to economic competitiveness," Thomas concluded.

An executive brief of *2013 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.

SOURCE Michigan Chamber of Commerce

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