

POPULATION OVERVIEW:

Growing Michigan Together.



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Why now?

If we don't act, Michigan is projected to grow at about 1/3 the national growth rate over the next 30 years. And even the national growth rate is slowing.

A flat or declining population would:

- **Render Michigan uncompetitive, with an insufficient workforce**
- **Erode Michigan communities, and undermine the tax base for public investment in critical infrastructure and communities across our state- quality of life**
- **Reduce Michiganders political influence nationally**
- **Undermine the customer base for Michigan businesses and entrepreneurs**

Lots of states – and our country– are facing the impact of slowing population growth and low geographic mobility. Michigan is stepping up to solve it.

An aerial photograph of a suburban neighborhood during autumn. The houses are mostly two-story structures with various roof colors, surrounded by trees with vibrant yellow, orange, and red leaves. A white horizontal line is positioned above the text.

GROWING MICHIGAN TOGETHER

II: | CURRENT TRENDS

Current trends in Michigan's population

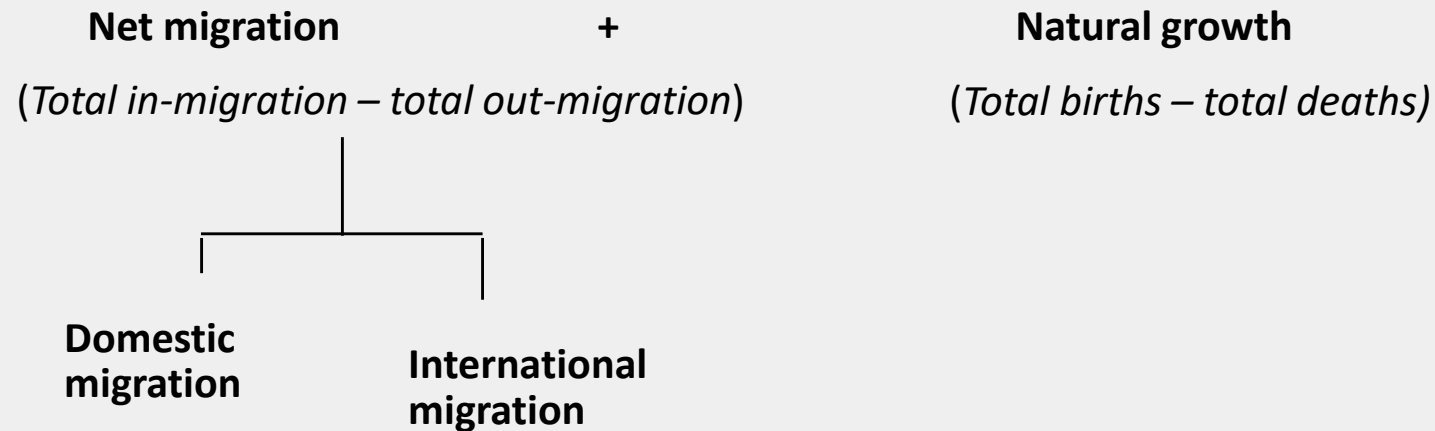
CURRENT TRENDS IN POPULATION GROWTH

Michigan isn't growing.

- 01 **Between 2010 - 2020, Michigan grew 2%. The US grew by 7.4%.** Relative to the average, Michigan trailed behind. Since period of fast growth before 1970, Michigan's population has largely stagnated. From 2000 to 2020 Michigan ranked 49th in the country in population growth, as a % change.
- 02 **Recently, from 2020 - 2022 Michigan's population fell by .4% to 10,034,113**
 - Michigan was one of 18 states that saw population decline.
 - In total, Michigan has **roughly 40,000 fewer residents** since the [decennial census](#) in 2020 when the population reached 10.077 million.
- 03 Michigan's projected natural growth, combined with negative domestic migration contribute to the current trend.



Drivers of population growth



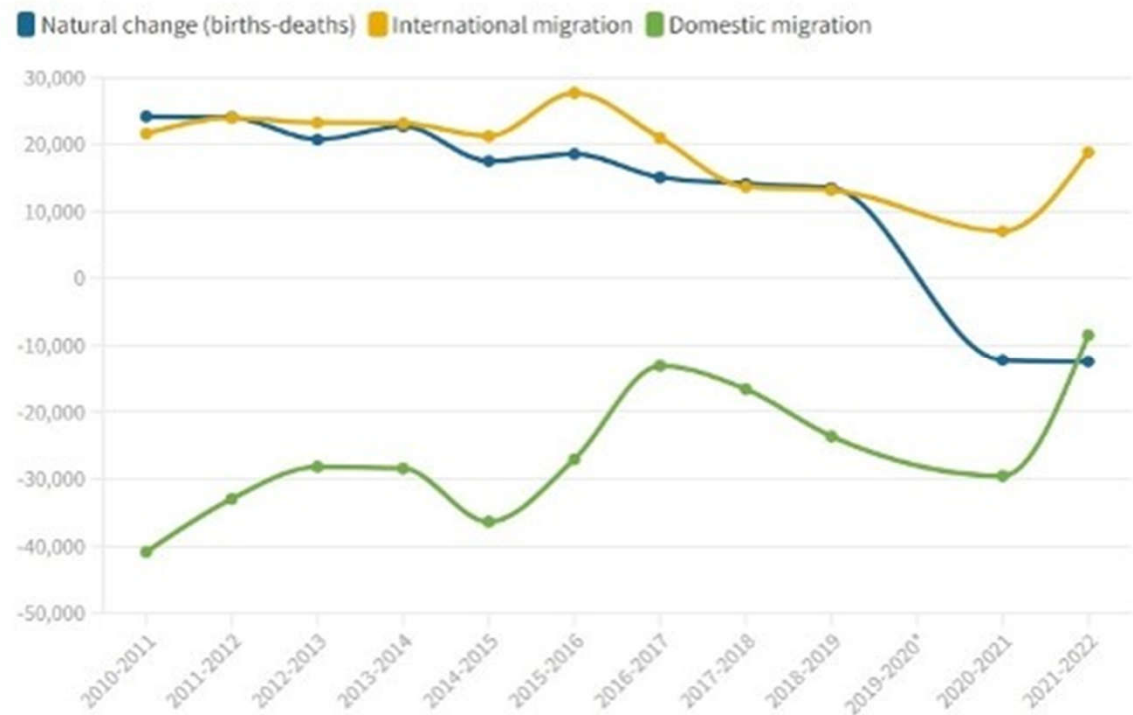
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TREND 1, NET MIGRATION

Negative domestic migration...

Domestic migration has been negative and is projected to be if nothing changes. International migration is lower than our share of the US population. And, while it partially offsets the negative impact of domestic out migration, it is not projected to outpace domestic migration and natural population declines.

Michigan gains from international migration

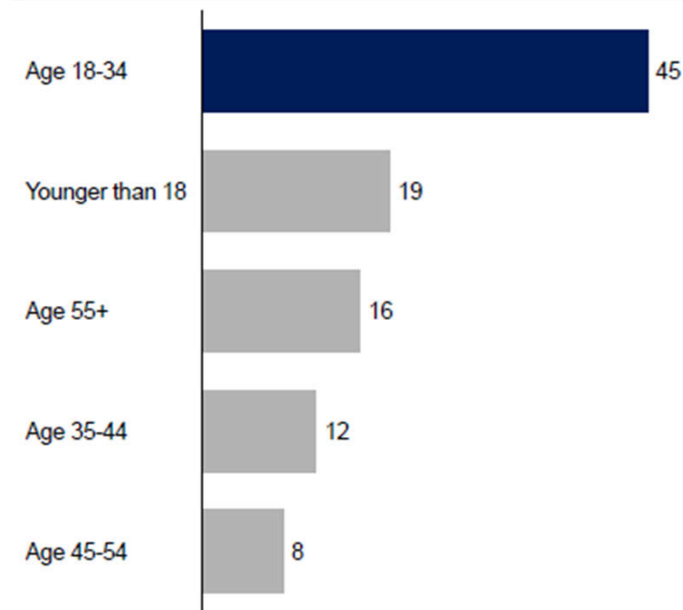


Source: U.S. Census Bureau, Population Division • *NOTE Data are not available for decennial census years.

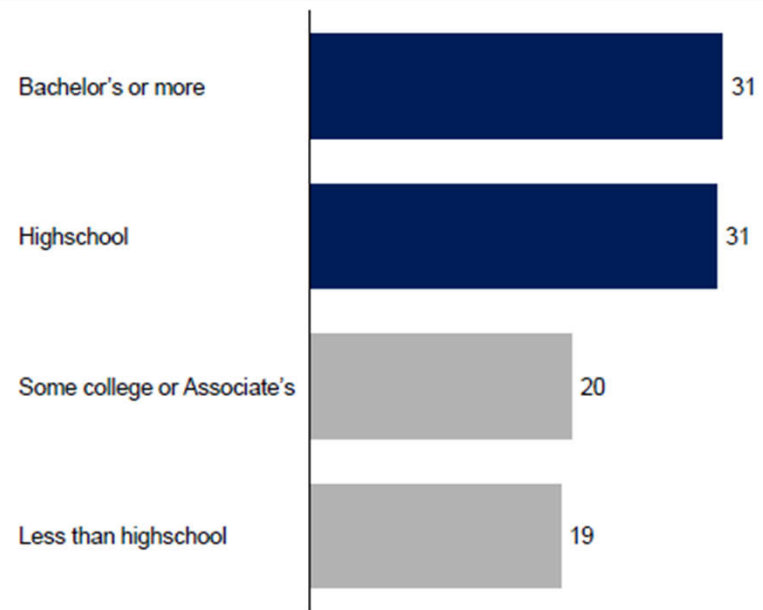
CURRENT TREND – MI GROWTH OPPORTUNITIES, BY COMMUNITY

The largest share of people leaving Michigan for job-related reasons are young (45% ages 18-34) and educated (31% bachelor's+)

Outmigration for job-related reasons by age cohort, 2015-2019, %



Outmigration for job-related reasons by educational attainment, 2015-2019, %



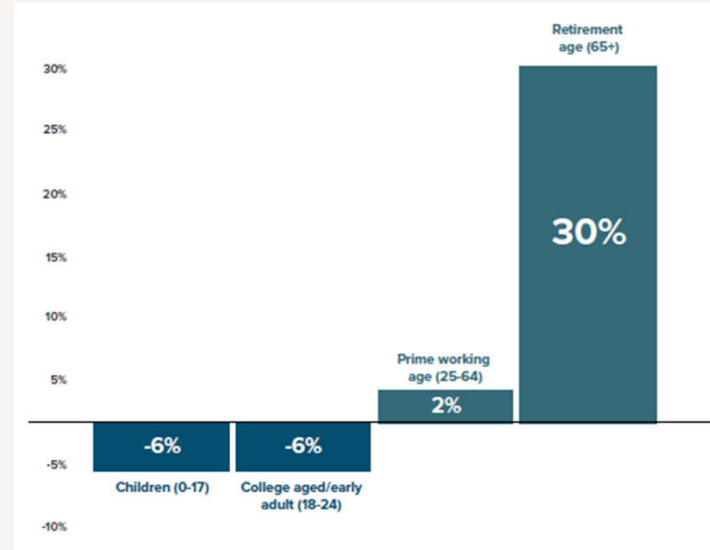
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TREND 2, AGING POPULATION

Higher Average age...

Michigan's population is aging faster than other states in the Midwest. And while the whole country is facing the challenge of an aging population, the impacts on Michigan's labor force, for example, are already being felt.

Chart 2: Projection of Population Change by Age Group, 2020 to 2050
Michigan's population is aging



Source: Altarum analysis of projections by the University of Michigan Research Seminar in Quantitative Economics in *The Economic and Demographic Outlook for Michigan Through 2050*.

GROWING MICHIGAN TOGETHER I. | STAKES & OPPORTUNITY COSTS



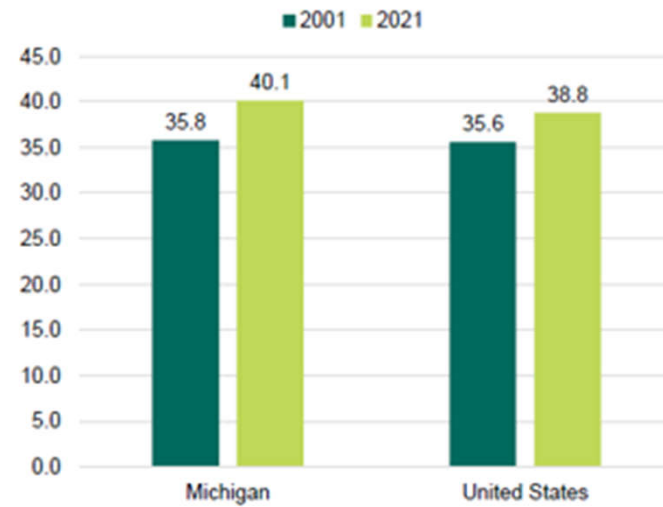
Michigan moved from the 29th to 14th oldest state in 2021



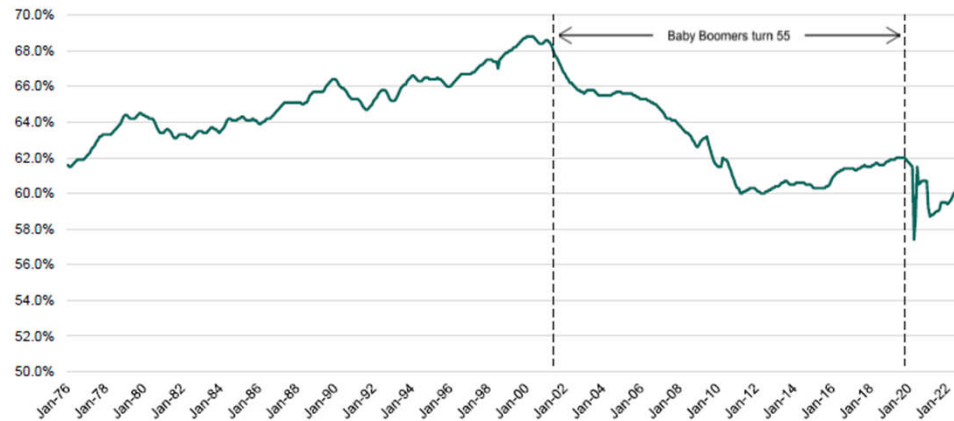
Michigan's median age increased more than any other Midwestern state over that period.



Michigan's LFPR declined sharply in that same period, driven by retirement with lower levels of working age population replacement.



Michigan's Total Labor Force Participation Rate (1976 through 2022)

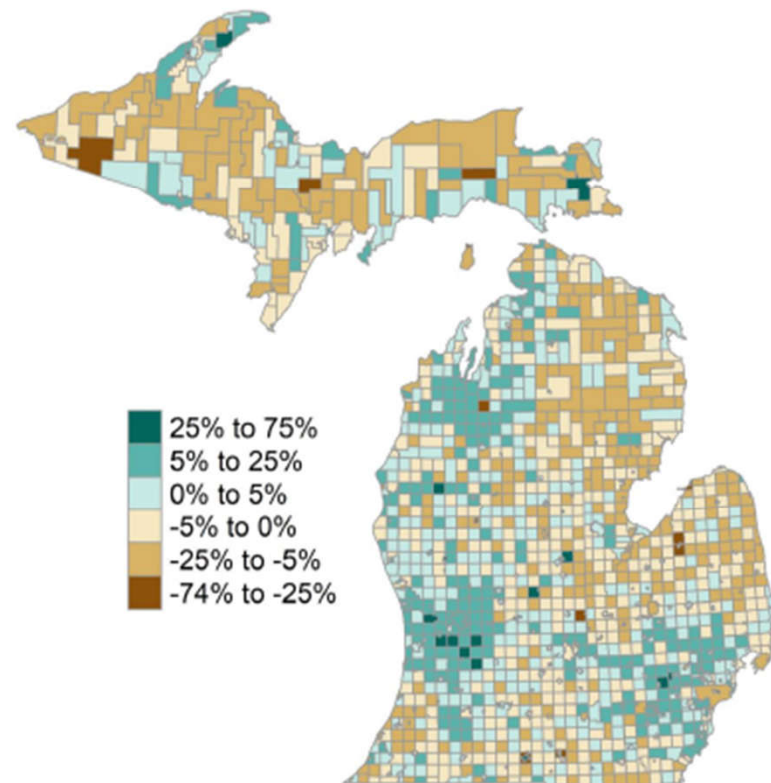


Source: Current Population Survey, U.S. Census Bureau

Population change across Michigan, 2010 to 2020

- Growth in this ten-year period was concentrated in Southeastern Michigan, Grand Rapids, and Traverse City.
- Decline was concentrated in the Thumb, Northeastern Lower and much of the Upper Peninsula.

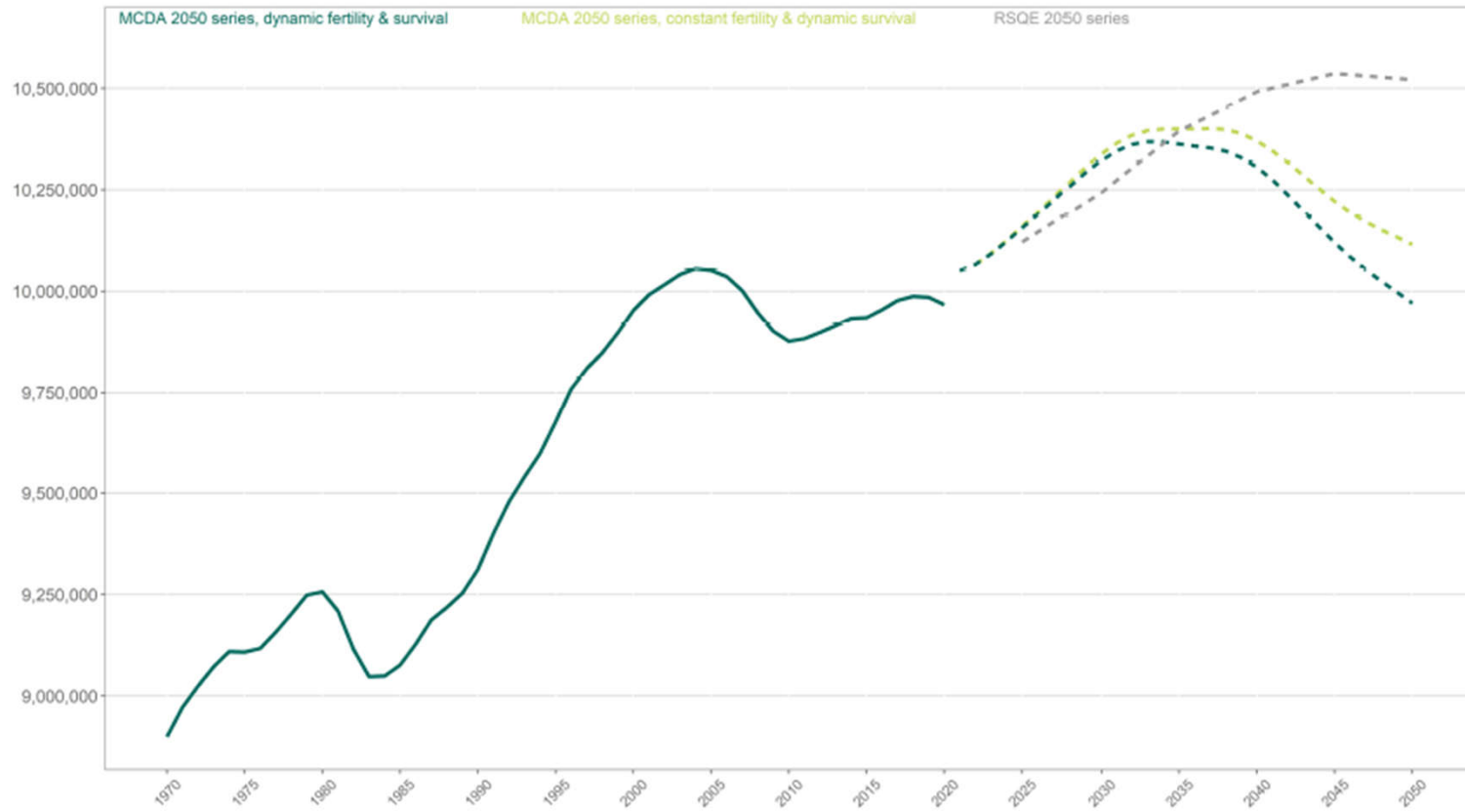
Percent Change in Population of Michigan's Cities and Townships, 2010–2020



Source: 2010 and 2020 PL File, U.S. Census Bureau

POPULATION PROJECTIONS BASED ON CURRENT TRENDS

If we do nothing...



A photograph of a festive outdoor event, likely a winter market or holiday celebration, held under a large tent. The tent is illuminated with warm, golden string lights. People are gathered around tables, some playing Jenga. The atmosphere is cozy and social. The background shows a decorated Christmas tree and other festive decorations.

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II. | CURRENT TREND

How does Michigan stack up?

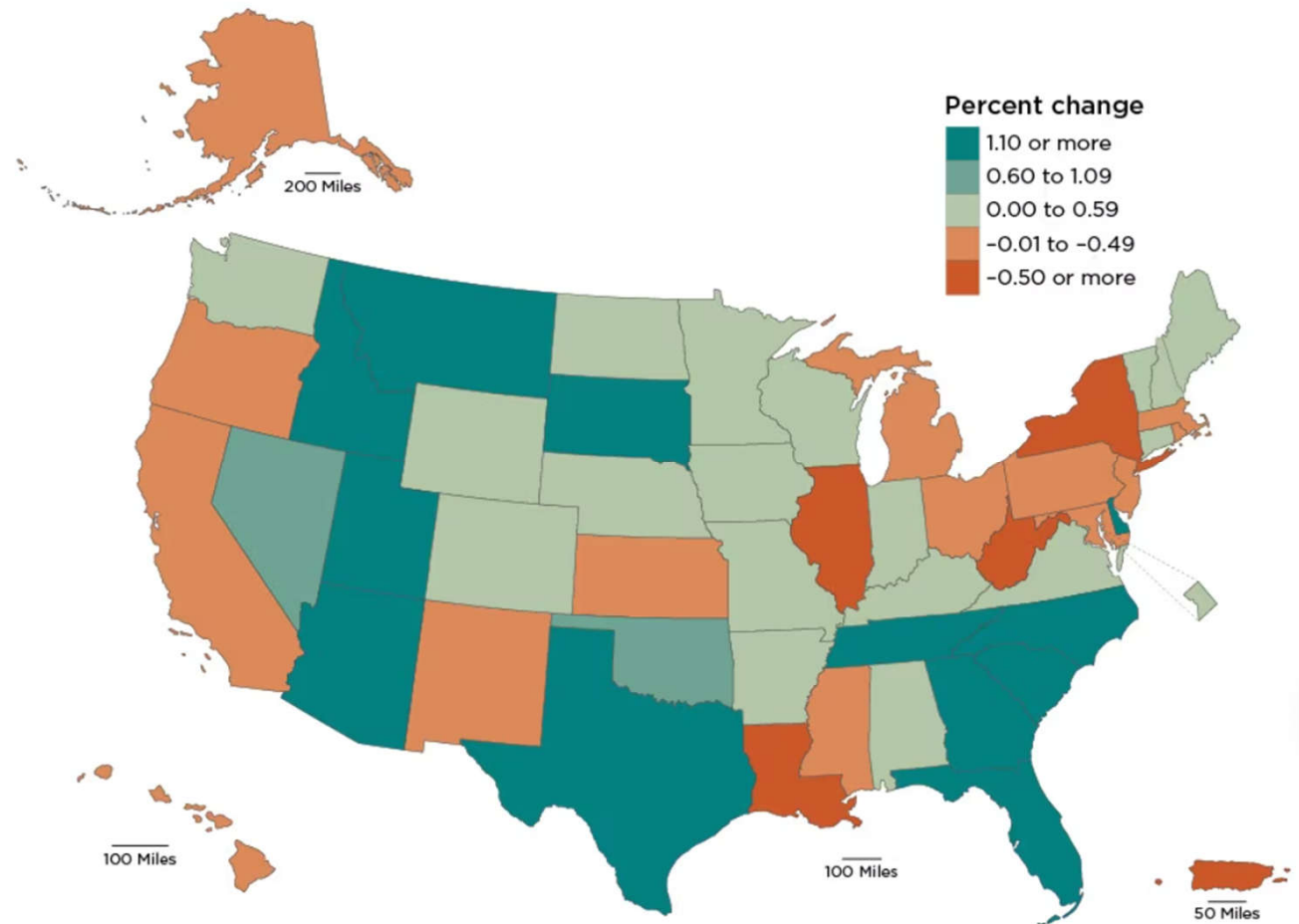
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US POPULATION TRENDS

State benchmarks

Population change, by % (2021 – 2022):

- Fastest growing states have been consistent over the last few years, including Western states (with lower populations) and sunbelt states like Florida, Arizona, Nevada, etc.
- Sunbelt growth states (e.g. Arizona, Texas Nevada) suffer from some of the serious challenges from climate change (i.e. heat and availability of water)



<https://www.census.gov/library/visualizations/2022/comm/percent-change-state-population.html>

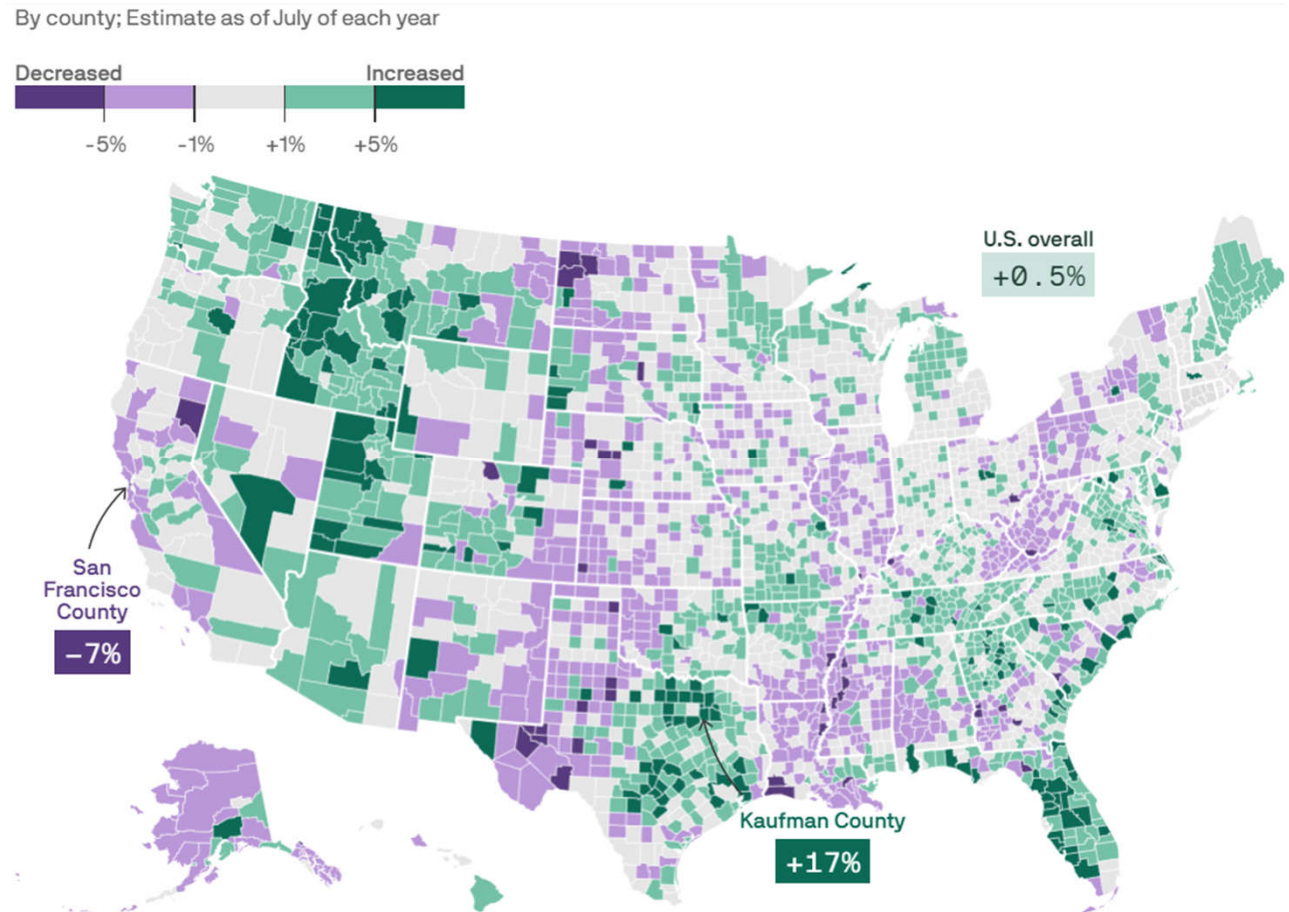
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US POPULATION TRENDS

Growth by county

In the last two years (2020 – 2022):

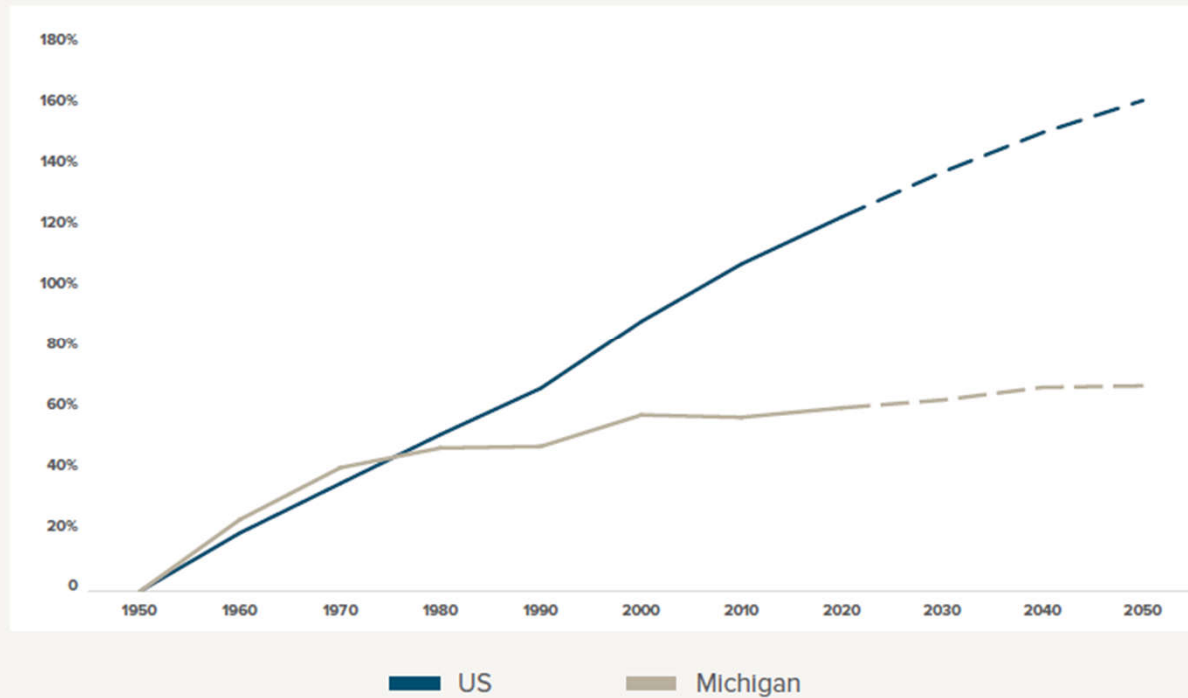
- No clear pattern in 'city growth' trends ; some cities grew (NYC) and others shrank (SF)
- Remote work is driving sizeable population shift (see SF) in the last two years



<https://www.axios.com/2023/04/07/population-change-pandemic>

MI POPULATION PROJECTIONS RELATIVE TO US

Chart 1: Cumulative Percent Change in U.S. and Michigan Populations, 1950 to 2050
Michigan's population growth continues to lag the national average

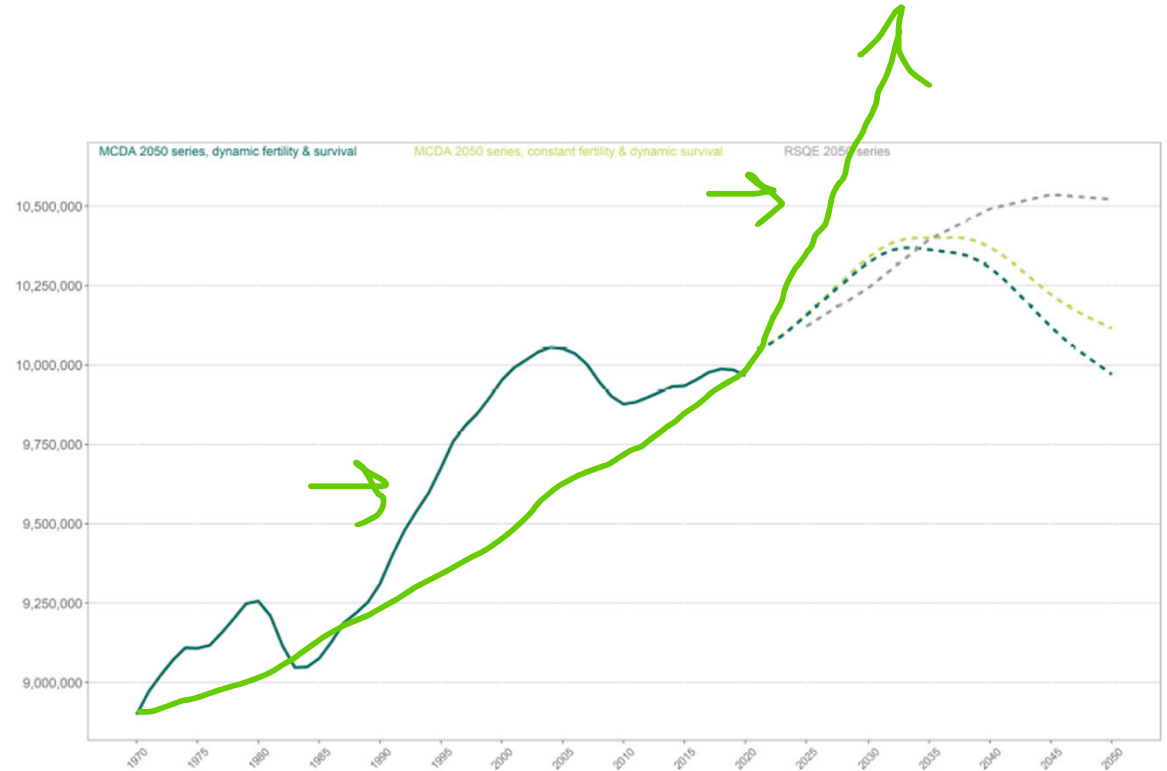


Source: U.S. Bureau of the Census and Jacob T. Burton, Gabriel M. Ehrlich, Donald R. Grimes, Kyle W. Henson, Daniil Manaenkov, and Michael R. McWilliams, University of Michigan, Research Seminar in Quantitative Economics, *The Economic and Demographic Outlook for Michigan Through 2050*, July 29, 2022.



Change the shape of the curve...

The Growing Michigan Together Council has the opportunity to recommend actions in the areas of infrastructure / place, jobs, talent, economy, Pk-12, and higher ed that will adjust the projected drivers underlying population growth, and fundamentally change the shape of Michigan's future.



We're up against...

- Infrastructure challenges : road conditions and water contamination, as well as the Midland dam collapse
- Workforce challenges in key areas, and sluggish wage growth
- Education challenges: not preparing young people sufficiently or in great enough numbers
- Lagging diversity
- Poor health relative to most states

ATTRACTION & RETENTION OPPORTUNITIES

growing Michigan.

II. | STRATEGIC POSITIONING

Sunbelt weather trends

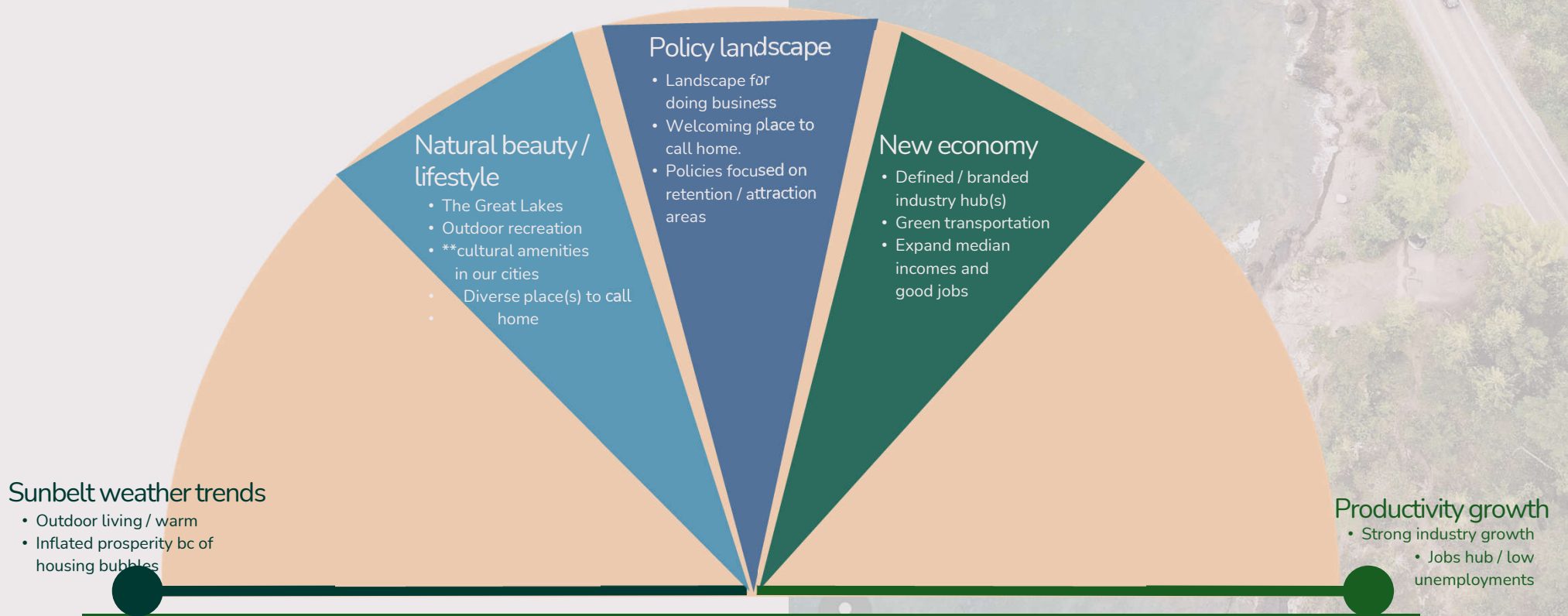
- Outdoor living / warm
- Inflated prosperity bc of housing bubbles

Productivity growth

- Strong industry growth
- Jobs hub / low unemployments

PURE | MICHIGAN
growing Michigan.

II. | STRATEGIC POSITIONING



ATTRACTION & RETENTION OPPORTUNITIES growing Michigan.

"Lifestyle" Growth

- Colorado achieved 1.25% with this primary appeal (in addition to a similar policy / economy mix)
- Targeted outdoor recreation and the combination of that + cultural amenities to different interested audiences

Natural beauty / lifestyle

- The Great Lakes
- Outdoor recreation
- **cultural amenities

Policy landscape

- Political landscape for doing business & calling Michigan home
- Policies focused on retention / attraction areas
- Future proofing our unique assets and our requirements for growth

"Tolerance, Technology, & Talent"

- Creative class requirements (remote workers are in this buckets)
- Opportunity to move the needle with a focus on addressing these three requirements / concerns

"Boomtown" Buzz

- Support the work of attracting and retaining talent in target industries
- Brand a 'natural incubator' or nexus of innovation in our strategic opportunity spaces, and market MI as a place to join the 'rush'
- Number 1 in climate resilience

New economy

- Defined / branded industry hub
- "Green" rush
- Growing median incomes

Cost of Living

- "Rise of the rest" was met with "rise of the rents"
- Cost of living is a key factor (take sunbelt 'prosperity-less population growth')

Sunbelt weather trends

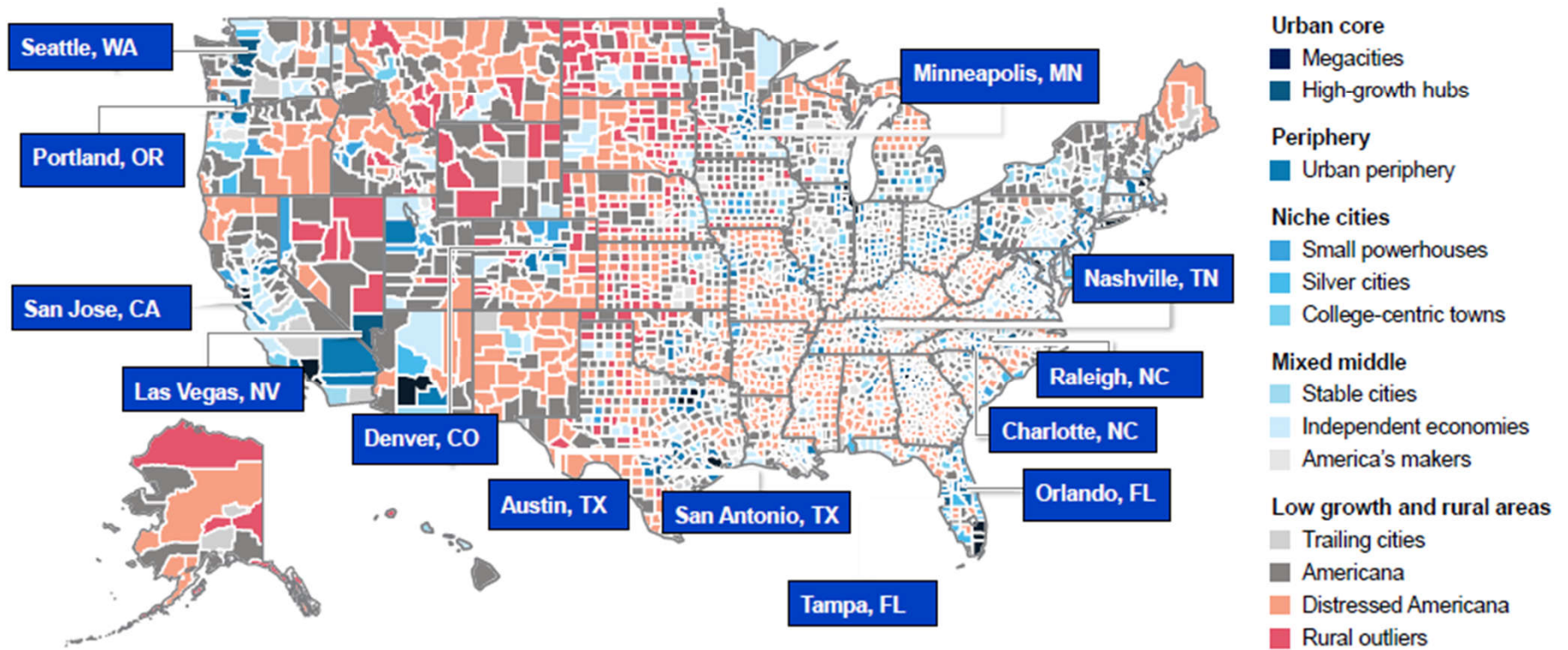
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CURRENT TREND – MI GROWTH OPPORTUNITIES, BY COMMUNITY

National context: The US is a mosaic of local economies that have diverging paths, with 13 distinct community archetypes



CURRENT TREND – MI GROWTH OPPORTUNITIES, BY COMMUNITY

Less favorable archetypes have templates for what it would look like to change the archetypical composition of the city

What it looks like to pursue an inter-archetype pathway							Current Change
From, Example	To, Example	House-hold income, \$ thousand	Empl. growth, 2012–17, CAGR	Net migration 2010–17, ¹ %	GDP in high-growth industries, ² %	Pop. with BA or higher, %	
College-centric town	High-growth hub	\$55.1K	1.7%	3.7%	38.1%	43.2%	
<i>Lansing, MI</i> →	<i>Nashville, TN</i>	+\$10.5K	+1.3 pps	+3.7 pps	+6.3 pps	-3.2 pps	
<i>Ann Arbor, MI</i> →	<i>Austin, TX</i>						
America's makers	Small powerhouses	\$52.7K	1.2%	0.2%	29.4%	15.9%	
<i>Grand Rapids, MI</i> →	<i>Provo, UT</i>	+\$10.8K	+2.4 pps	+8.5 pps	+5.9 pps	+3.3 pps	
<i>Kalamazoo, MI</i> →	<i>Reno, NV</i>						
Americana	America's makers	\$48.7K	0.5%	-1.1%	23.5%	25%	
<i>Traverse City, MI</i> →	<i>Greensboro, NC</i>	+\$4.0K	+0.7 pps	+1.3 pps	+5.9 pps	+8.5 pps	
<i>Marquette, MI</i> →	<i>Greenville, SC</i>						
Distressed Americana	Americana	\$38.9K	0.0%	-2.4%	23.0%	15.9%	
<i>Harrisville, MI</i> →	<i>Yuma, AZ</i>	+\$9.8K	+0.5 pps	+1.3 pps	+0.5 pps	+3.3 pps	
<i>Mio, MI</i> →	<i>Macon, GA</i>						





SETTING A POPULATION GOAL

Population growth

Not growing the population sufficiently comes with opportunity costs for our people and our economy.

But aggressive growth will require bold action to first reverse the negative net migration trend, and then become a top state for growth.

Becoming a Top 10 state for growth would mean:

- Earning a spot as a top state for net migration
- Meeting then outpacing the US growth rate
- Leveraging our unique positioning, climate resilience, and economic opportunities to the fullest
- Attracting and retaining our citizens with greatest places and opportunities, and
- Preparing current and future Michiganders for the next era of our economy

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Recommendations

should:



Create growth assets.

Ensure your work group area (e.g. Pk-12, infrastructure / place, etc.) is an asset to retention and attraction of high-mobility individuals and not a liability.



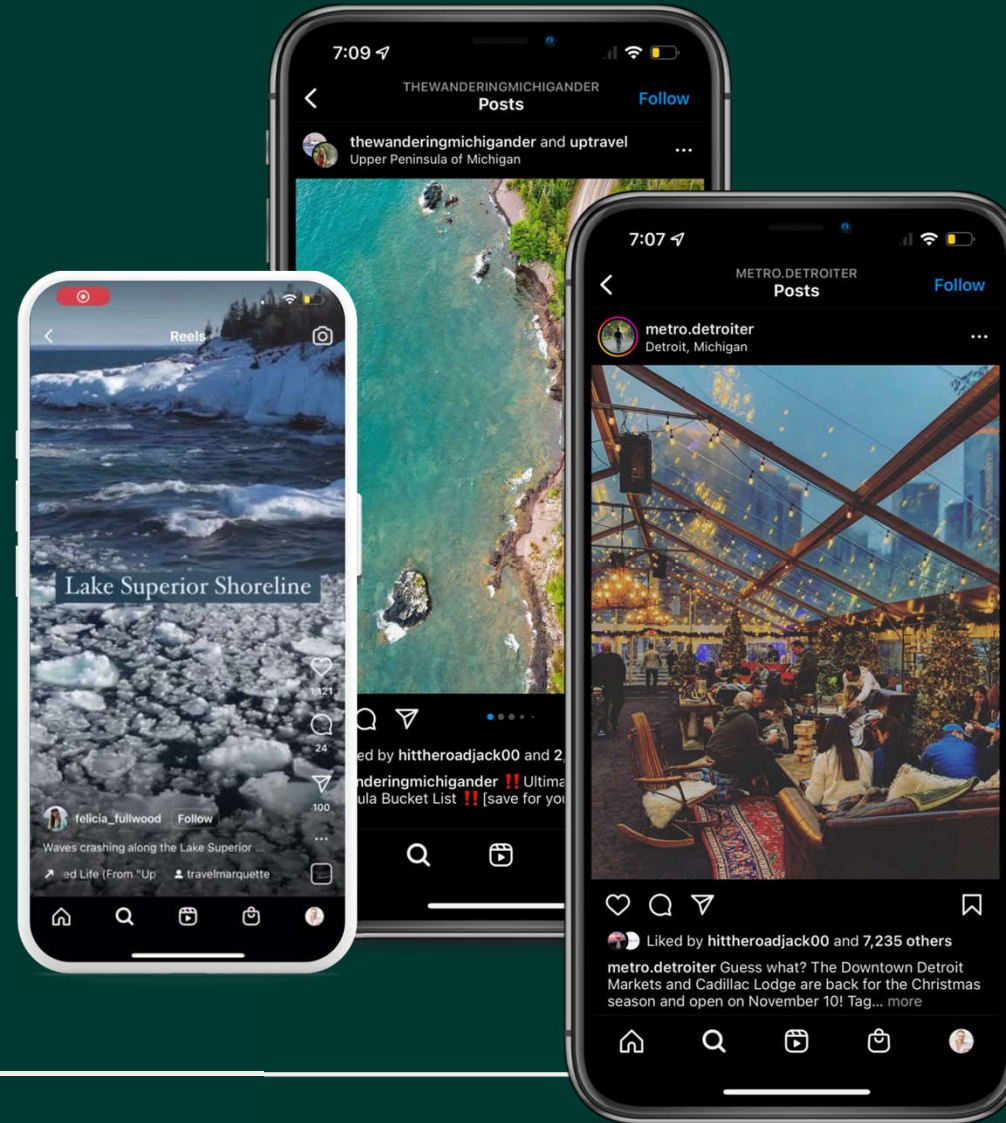
Center uniqueness.

What strategic actions will make Michigan the best place to call home? Where can we create a uniquely good value prop for those individuals we hope to retain / attract ?



Prepare us for our future.

Each work group area should be "future-proof." That means mitigating against the risks we see coming, and ensuring we can support our priorities now and into the future—for the population we have, and the one we're committed to growing.





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Thank you.

