



President Trump's Jobs Plan for Michigan: All Job Creation is Local



THE WHITE HOUSE

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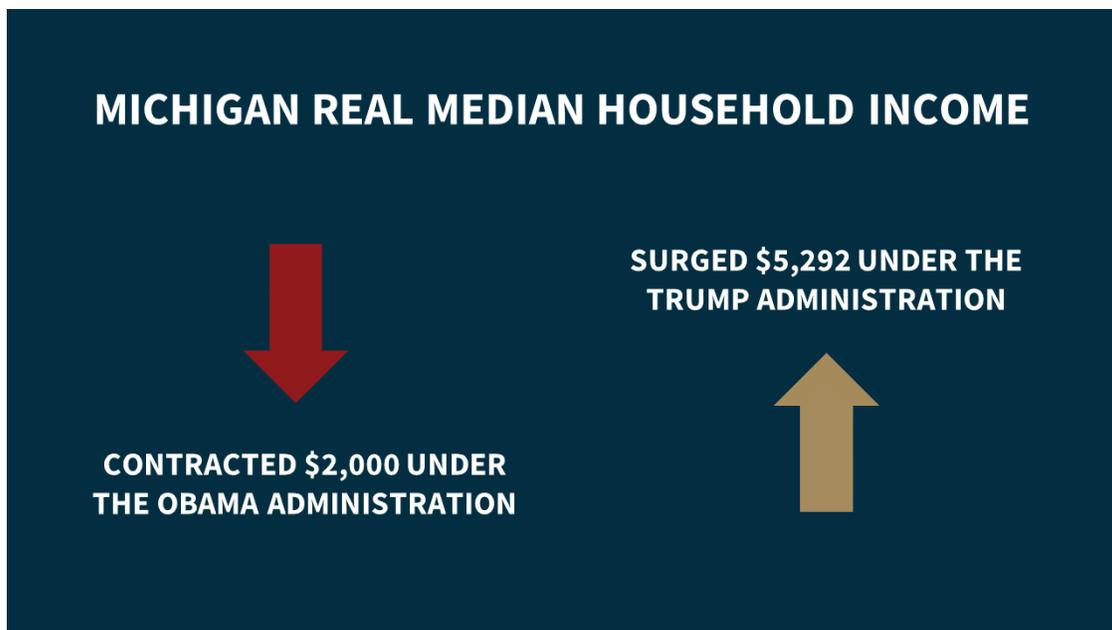
Introduction

The Obama-Biden administration raised taxes, increased regulations, suppressed the development of America's petroleum sector, slashed the defense budget, and failed to crack down on the unfair trade practices of countries from Canada and Mexico to Japan, South Korea, and Communist China. The Trump-Pence administration has pursued just the opposite policies while following an "all job creation is local" approach to stimulating economic growth. Let's see how this strategy has worked at the community level in Michigan.

Tax Cuts and Opportunity Zones Boost Michigan Income

Critics of President Trump's historic Tax Cuts and Jobs Act of 2017 have tried to fool the American people into thinking these were tax cuts for the rich. But nothing could be further from the truth.

Consider that real, inflation-adjusted median household income in Michigan increased by \$5,292 or 9% in just two years following the passage of the Trump tax cuts.¹ Compare that to a decline of more than \$2,000 during the entire eight years of the higher tax regime of the Obama administration.²



At \$64,119, Michiganders are now enjoying the highest real median household income level since Communist China entered the World Trade Organization in 2001 and began devastating Michigan's manufacturing base.³ And the Trump tax cuts are family-friendly. Nearly 650,000 Michigan households are benefitting from the doubling of the child tax credit;⁴ and nearly 3.5 million Michigan households are benefitting from doubling the standard tax deduction.⁵

A key provision in the Trump tax bill related to mortgage eligibility and financing likewise has helped raise the rate of homeownership in Michigan by 3.0 percent.⁶ Compare that to the eight years of the Obama-Biden administration where the homeownership rate *contracted* by 2.4 percent.⁷

On the opportunity zone front, Michigan is home to 288 such zones. These are heavily concentrated in inner-city and urban communities such as Flint, Lansing, and the greater Grand Rapids region.⁸

The greater Detroit area alone is home to nearly a fourth of the state's opportunity zones. These communities are ethnically diverse, with a third of the population African-American, and their residents are burdened with an average poverty rate of 31.5%, a 15% unemployment rate, and a near 30% severe rent burden average.⁹

To date, more than \$705 million have been invested in more than 50 new projects ranging from residential developments to new commercial parks and office buildings.¹⁰ Investments in these Trump opportunity zones are literally providing great new opportunities to create good, high-paying jobs in the communities of Michigan much in need.¹¹

Deregulation Supports Michigan Farmers

No group has benefited more from President Trump's efforts to eliminate unnecessary regulations than Michigan's farmers. In June 2020, the Trump administration's Navigable Waters Protection Rule ended years of unnecessary federal meddling in state regulations and granted farmers additional access to their waters – to the benefit of farmers in regions surrounding communities from Niles, Three Rivers, and Big Rapids to Manistee, Alpena, and Ontonagon.¹²

President Trump is also ensuring adequate water supplies for Michigan's cities. Flint, for example, has received a \$100 million grant for upgrades to the city's drinking water infrastructure and¹³ now has drinkable tap water, as harmful chemicals, lead, and bacteria in the water have been removed.¹⁴

Just last month the administration invested \$36 million in rural Michigan water and wastewater infrastructure improvements in every corner of the state – from Fennville, Constantine, Vermontville, Sheridan, Pinckney and Lexington, and up to Manistique and Munising.¹⁵

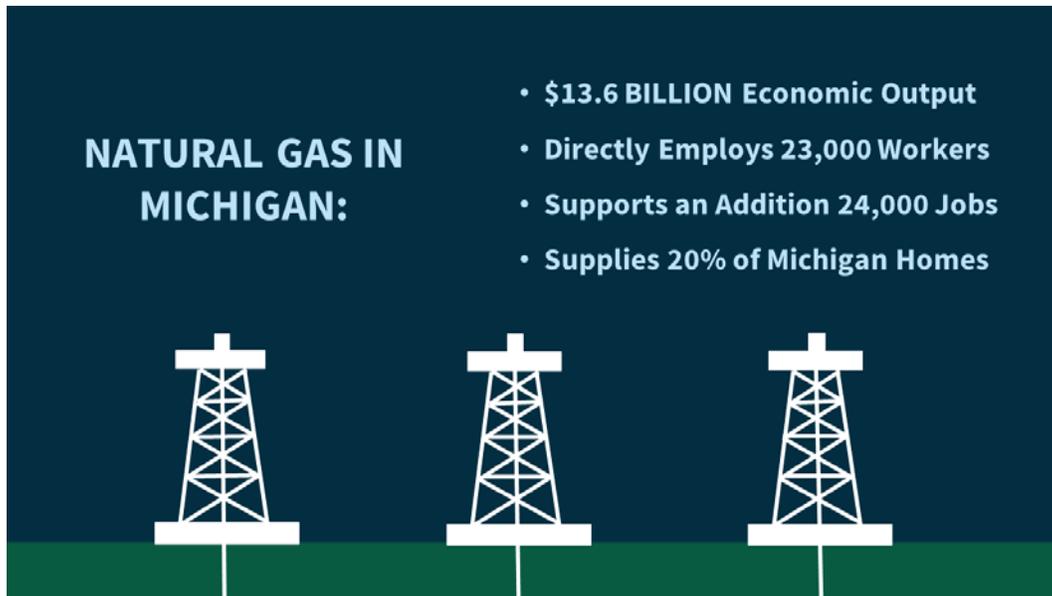
Michigan Fracking Helps Drive America's Strategic Energy Dominance

Michigan has also been an important beneficiary of the Trump administration's pro-innovation energy policies – and this sector plays a critical role in the Michigan economy, from Hillsdale County at the southern border to Kalkaska and Montmorency Counties in the northern part of the Lower Peninsula.

On April 10, 2019, President Trump signed an executive order¹⁶ making it easier to build oil and gas pipelines; and under the president's deregulation leadership, America, has emerged as the world's largest petroleum producer.¹⁷¹⁸

America's strategic energy dominance boosts American competitiveness while insulating the United States from the strategic blackmail of entities like the OPEC cartel. America's prolific energy production also provides cheaper prices at the gas pump and lower electricity rates. In pursuit of such strategic dominance, President Trump has strongly supported the development of our petroleum industry, including the use of a process known as hydraulic fracturing or fracking.

Under President Trump's watch, a cumbersome Obama-era rule that restricted fracking was rescinded on December 29, 2017, enabling this industry to push forward, providing both energy and jobs across Michigan. In just the Antrim Shale formation alone, which sweeps across the northern part of the Lower Peninsula, over 9,000 active fracking wells¹⁹ help drive one of Michigan's top 10 exports – to the tune of \$10.8 billion in 2019.



Michigan's natural gas industry alone drives \$13.6 billion in economic output, employs nearly 23,000 workers directly, and supports over 24,000 additional jobs. And over one in five Michigan homes get their natural gas from in-state producers.²⁰

Today, however, fracking is under siege. Such opposition poses a significant threat to the Michigan economy – from the communities of Alpena to Manistee and from Ludington to Holland.²¹ The loss of this industry to the opponents of fracking would be a significant blow to Michigan's communities and families dependent on this critical industry.

[Increased Defense Spending Supports Michigan's Arsenal of Democracy](#)

President Trump's dramatic increase in defense spending has likewise been a boon to Michigan. Spending is up in the state a full 129% in Fiscal Years 2018 and 2019 compared to the last two fiscal years of the Obama-Biden administration. And this is all to the good because Michigan is one of the most important states in America's defense industrial base.

Perhaps you know the story here of the heroic Greatest Generation on Michigan's factory floors during World War II. The Detroit Arsenal Tank Plant alone—the literal “Arsenal of Democracy”—churned out over 20,000 tanks in a little over three years.²² Fast forward 80 years, and the Wolverine State's arsenals of blue-collar workers are still helping to build the most incredible battle vehicles on Earth.

Consider, for example, the General Dynamics Land Systems plant in Macomb County. More than 2,300²³ craftsmen and engineers at the Sterling Heights plant build the world-class chassis that goes into the Army's Infantry Carrier Vehicle known as the Stryker and the Marine Corps' Light Armored Vehicle, or LAV-25.²⁴ And just last week, the Army awarded General Dynamics with an additional \$1.2 billion contract for more Strykers.²⁵



Michigan plants like these not only strengthen our defense industrial base – that's national security. These plants – and President Trump's defense spending increases – also provide good paying jobs. The average wage for the more than 25,000 defense personnel in Michigan is \$46,658.²⁶ This is almost 40% above the national average for production workers of \$33,850.²⁷

Trump Trade Policies Benefitting Michigan Autoworkers

Michigan has been one of America's biggest victims of two of the worst trade deals in American history – the 1994 North American Free Trade Agreement (NAFTA) and China's 2001 entry into the World Trade Organization. Michigan lost 228,000 manufacturing jobs after China joined the WTO – 27% of the total. And Michigan's auto sector saw its employment cut in half, from 80,000 to 40,000 jobs.²⁸

NAFTA's replacement – the United States Mexico Canada Agreement (USMCA) – might rightfully be viewed as the Full Employment Act for Detroit and the state of Michigan. It dramatically increases the North American content required for autos and auto parts, and much of this production will be Made in Michigan because tough labor and environmental provisions help level the playing field between the U.S. and Mexico.^{29,30}



The result is forecast to be 76,000 new jobs in the automotive sector³¹ alone over the next five years and between 176,000 and 589,000 new American jobs overall.^{32,33}

With a pro-auto sector president in the White House, Ford is investing an additional \$850 million in Flat Rock to increase electric vehicle production. And GM has announced expansions for making the Chevrolet Traverse, the Buick Enclave, and the Cadillac CT4 and CT5 in its Lansing plants. This investment is in addition to GM's \$1.45 billion in new capacity to build pickups, SUVs, electric, and autonomous vehicles.

About \$750 million of new GM investment will also go to a plant in Wayne where 2,700 jobs will be added. The remaining dollars will be invested in Dearborn; and the average wage will be over \$60,000.

President Trump also fixed a deeply flawed South Korean deal signed in 2011 during the Obama-Biden administration.³⁴ Importantly, the renegotiated deal allows the United States to continue imposing a 25 percent tariff on Korean light trucks and pickups until 2041.³⁵

If that tariff had been lifted, the result would have been devastating to one of the most profitable and robust segments of America's auto production³⁶ – and dealt a severe blow to the Michigan economy. Instead, GM is investing \$150 million in its Flint assembly plant to boost truck output by another 40,000 units annually.

As an example of how President Trump has earned the trust of America's blue collar workers with his pro-growth, pro-manufacturing policies, the White House was able to work with both management and union negotiators to quickly settle a strike between General Motors and the United Auto Workers that had dragged on for more than five weeks last Fall.³⁷

The Trump Tariffs Attract Investment – and Defend Whirlpool

To defend our U.S. manufacturers – and companies like Whirlpool headquartered in Benton Harbor – President Trump also levied tariffs on \$1.8 billion worth of foreign-made washing machines to combat the unfair trade practices of South Korean manufacturers LG and Samsung.³⁸ In response, Whirlpool, which employs about 4,000 in the southwestern Michigan region,³⁹ has invested millions of additional dollars in its domestic manufacturing facilities.



The prospect of the president's across-the-board tariffs on all imported automobiles has also provided a strong incentive to auto manufacturers to onshore their production or otherwise face losing access to the American market. For example, following pressure from President-Elect Trump in 2017, Ford scrapped a planned \$1.6 billion Mexican facility and instead invested \$700 million in Flat Rock, expanding the employment there by 700 new jobs.⁴⁰

Fiat Chrysler has also pledged \$4.5 billion in new investments in Michigan, creating almost 6,500 new jobs. \$1.6 billion will be invested in the development of a new Detroit plant and \$900 million will go towards upgrades at the Jefferson North Plant, with an increase of 1,100 jobs there. Other beneficiaries include the Mack Avenue Engine Complex in Detroit, the Jefferson North Assembly Plant in Detroit, its Warren truck plant, its Warren stamping plant and its Sterling Height Stamping plant.⁴¹

Trump Trade Policies Benefitting Michigan Farmers and Growers

Canada and Mexico are the two largest export destinations for Michigan's 80,000 farmers⁴², accounting for over \$1 billion of exports. Under USMCA, Canada has greatly expanded its market access for American dairy farmers and eliminated an unfair pricing system that disadvantages American dairy exports. So Michigan's more than 1,200 dairy farmers⁴³ in communities like Dowling, Livonia, and Glendora will be able to sell more to Canadian markets than they ever have before – these dairy farmers already account for 24% of all of Michigan's agricultural revenues.⁴⁴

Crops like apples, asparagus, cherries and cucumbers, grown in communities like Carleton and Palmyra, and potatoes grown in communities like Mecosta, Posen, and Kalkaska are vital to local economies across the state, from Northern Michigan in Antrim and Manistee counties to Oceana County in the West.⁴⁵ Under USMCA, farmers in these communities will gain easier and more consistent market access into Canada at fair, competitive pricing agreements.

When the President successfully negotiated a new trade agreement with Japan in 2019, Michigan farmers also had reason to celebrate. Now, 90% of U.S. agriculture products will be able to enter the Japanese market duty free, with Japan already a \$146 million trade destination for Michigan food and agricultural products.⁴⁶

President Trump also came to the staunch defense of Michigan's cherry growers in communities like Traverse City – the Cherry Capital of the World. Turkey was dumping tart cherries into the U.S. economy at rates four times cheaper than cost, with subsidies as high as 205 percent. The Trump Department of Commerce strongly countered with antidumping tariffs as high as 541%.⁴⁷

As the Michigan Farm Bureau recently said: “Farmers speak directly, they keep their word, they deliver, they are patriots. Like our country's farmers, President Trump has been clear about the agenda he would pursue, and he has kept his word...Promises Made, Promises Kept.”⁴⁸

Summary

You can see, then, from this tour of the Michigan economy just how productive President Trump's “all job creation is local” strategy has been. While the deadly virus from Communist China has hit America and the American economy hard, the Trump economic team, led by the greatest jobs president and trade negotiator in history, is bringing prosperity back to the great state of Michigan and to the American people.

So as we fight this Communist China Virus together, please always remember this: By January of 2020 – before the plague from Communist China attacked our shores – the success of President Trump's worker-focused strategy was undeniable. We had strong economic growth, historically low unemployment, and rising wages, particularly for Blue Collar America and our Black and Brown Communities.

Together, we WILL get back to that pinnacle of Trump success as we pursue the twin missions of building a strong economy and defeating the deadly Chinese Communist Party virus.

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