



MISSOURI CHAMBER
OF COMMERCE AND INDUSTRY



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An Agenda to Lead

Did you know?

Missouri employment grew a total of 2.5% between 2004 and 2014, **the 42nd slowest rate** among the 50 states.

Source: The Bureau of Labor Statistics

Did you know?

Missouri's real GDP per capita grew 0.8%, less than 1%, between 2003 and 2013, **the 43rd slowest growth rate** among the 50 states.

Source: Bureau of Economic Analysis

Did you know?

The prosperity of the U.S. economy will depend more on the success of **states** in improving competitiveness than what happens in Washington.

Source: Dr. Michael E. Porter, Harvard Business School

The Problem

Politics before Policy

The next election trumps next generation.

“Sorry, your issue just doesn’t poll well.”

WHO'S IN CHARGE?

YOU ARE!

The Solution

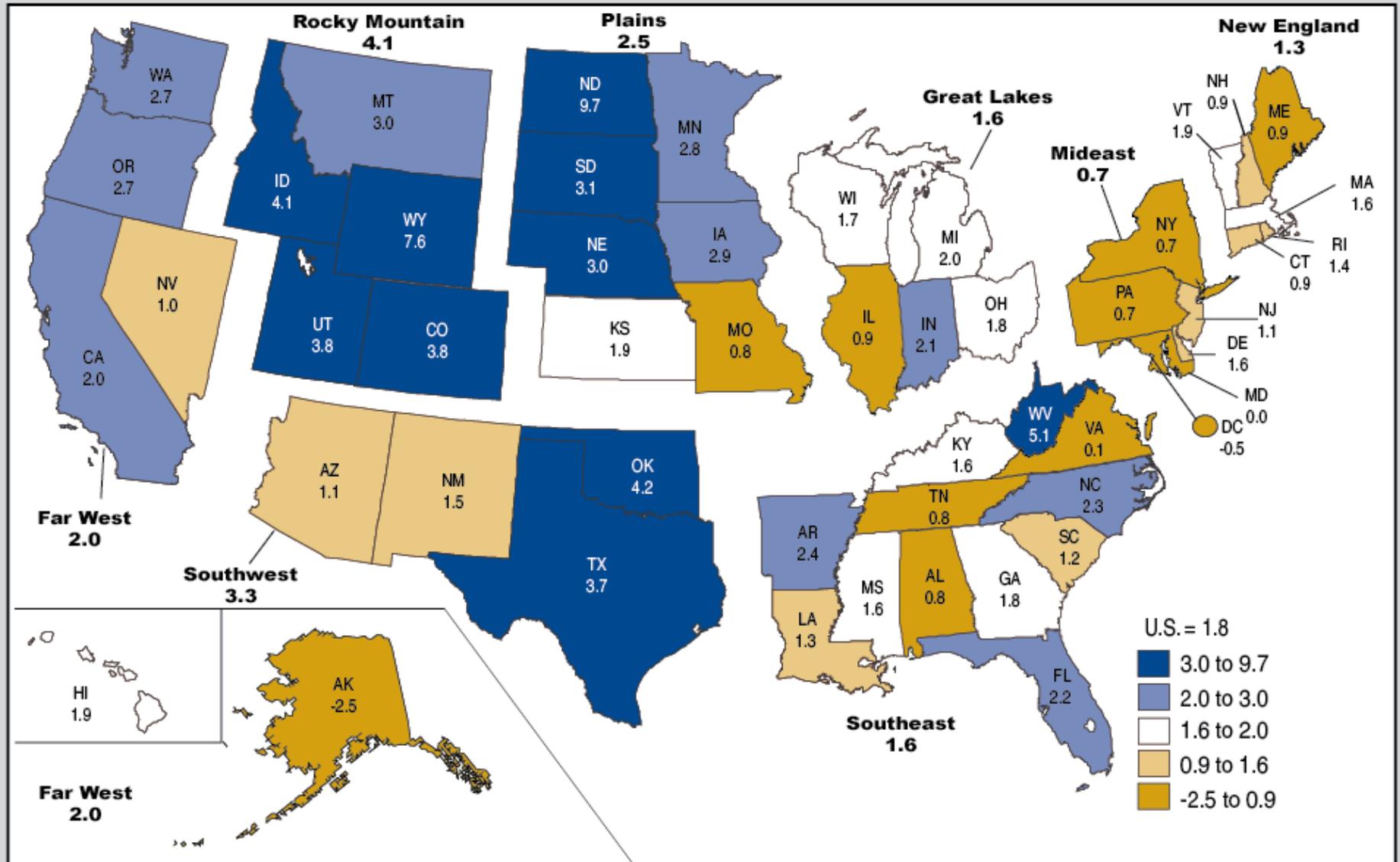
Missouri 2030

*A 15-year plan to place
POLICY ahead of POLITICS*

Work so far

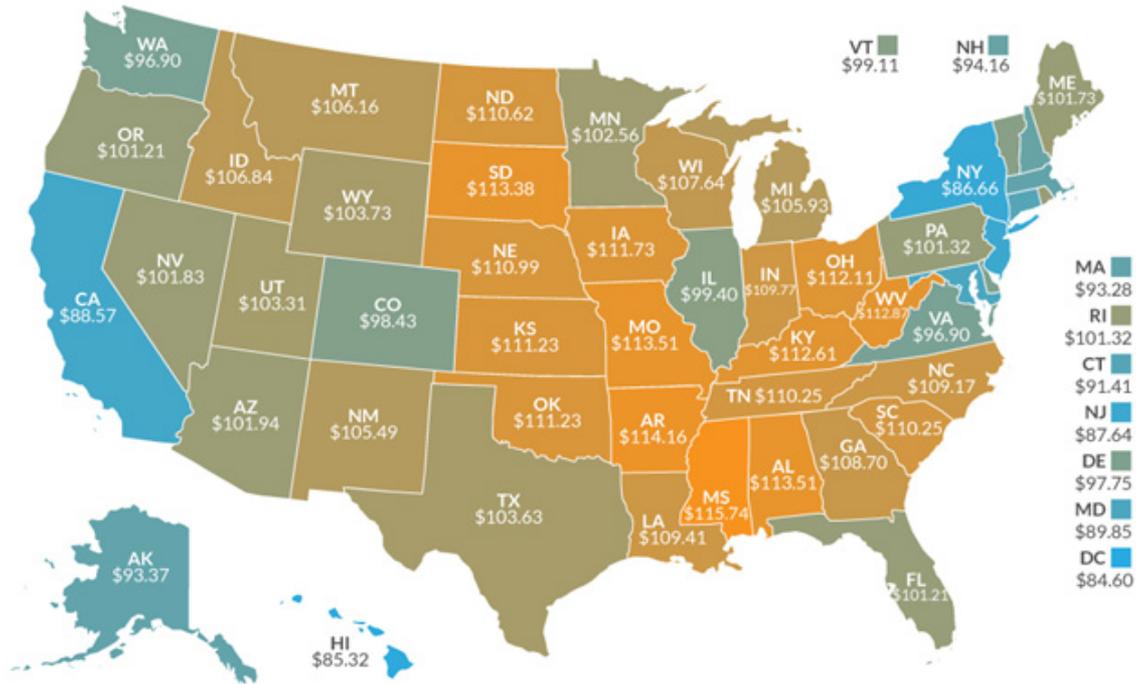
- Hired leading economic strategist Ted Abernathy who conducted an economic overview and trends analysis for Missouri
- Contracted with Gallup who surveyed 1000 Missouri CEOs, interviewed site selectors and conducted in-depth analysis of workforce strengths and weaknesses
- Met with more than 500 employers across the state to gauge their needs
- Hired Tammy Long as Director of the Missouri Chamber Federation, who has added 65 chambers of commerce into the Federation, representing 40,000 employers

Percent Change in Real GDP by State, 2013



U.S. Bureau of Economic Analysis

Relative value of a dollar



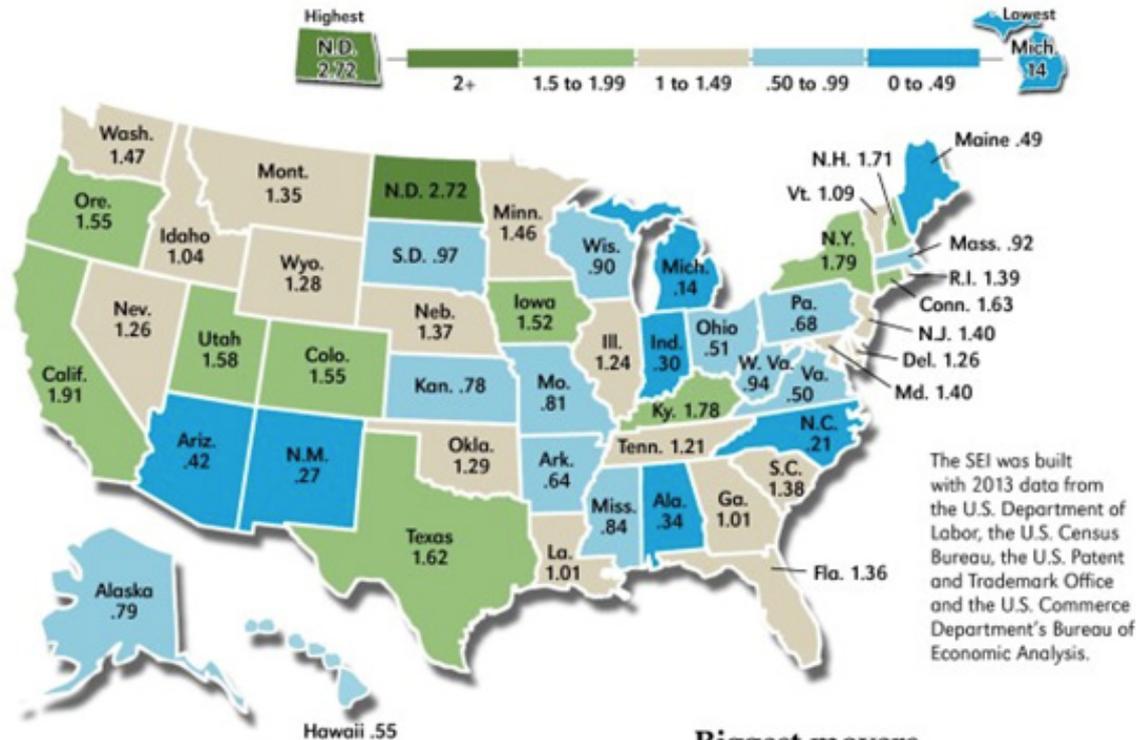
Notes: Numbers represent value of goods that \$100 dollars can buy in each state compared to the national average. The Bureau of Economic Analysis has developed a methodology using Personal Consumption Expenditure and American Community Survey data to estimate average price levels in each state for household consumption, including rental housing costs. Data as of April 24, 2014. Published Aug 18, 2014.

Source: Bureau of Economic Analysis, *Regional Price Parities*



taxfoundation.org/maps

State of entrepreneurship



Top 5		Bottom 5	
North Dakota	2.72	Alabama	.34
California	1.91	Indiana	.30
New York	1.79	New Mexico	.27
Kentucky	1.78	North Carolina	.21
New Hampshire	1.71	Michigan	.14

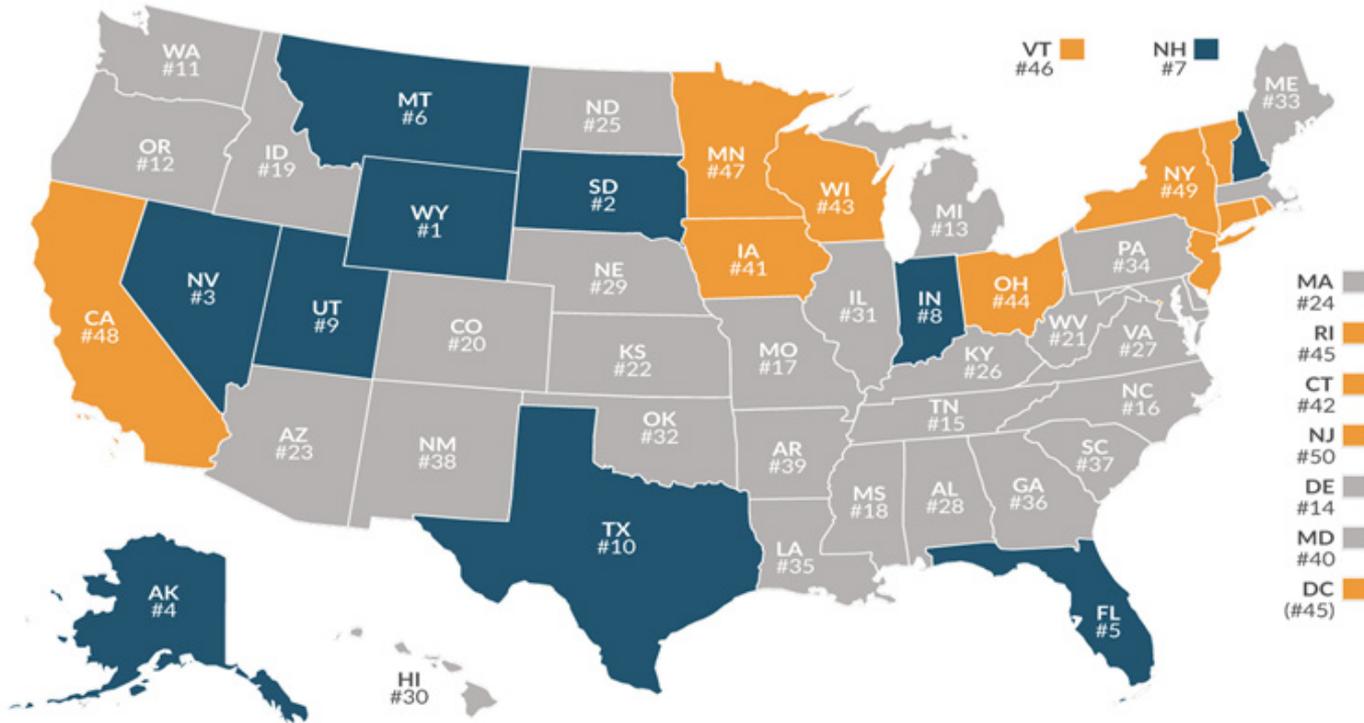
Biggest movers



Source: University of Nebraska-Lincoln Bureau of Business Research

Graphic by Troy Feddersen | UNL University Communications

Comparative tax levels



Note: Published October 28, 2014.
 Source: State Business Tax Climate Index.

■ 10 Best Business Tax Climates
 ■ 10 Worst Business Tax Climates

Forbes “Best States for Business 2014”

1. Utah
2. North Dakota
3. North Carolina
4. Virginia
5. Colorado
6. Texas
7. Nebraska
8. Washington
9. Minnesota
10. Oklahoma
- 31. Missouri**



CNBC “Top States for Business 2014”

1. Georgia
2. Texas
3. Utah
4. Nebraska
5. North Carolina
6. Minnesota
7. Washington
8. Colorado
9. Virginia
10. North Dakota
23. Missouri

Chief Executive

“Best States for Business 2014”

1. Texas
2. Florida
3. Tennessee
4. North Carolina
5. South Carolina
6. Indiana
7. Arizona
8. Nevada
9. Louisiana
10. Georgia
22. Missouri



Trends Impacting the Future Economy



The Rising Talent Bar



The Economist

APRIL 26TH - MAY 2ND 2014

Economist.com

Warren Buffett: time for a break-up?

Germany abandons reform

China's middle-class exodus

How to teach your child to code

Robot sex, batteries not included

A billion shades of grey

*"Thanks to us oldies,
the world economy is threatened
with secular stagnation, China's
prospects are deteriorating
and inequality is rising"*

*"That's nice,
dear"*

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Gallup

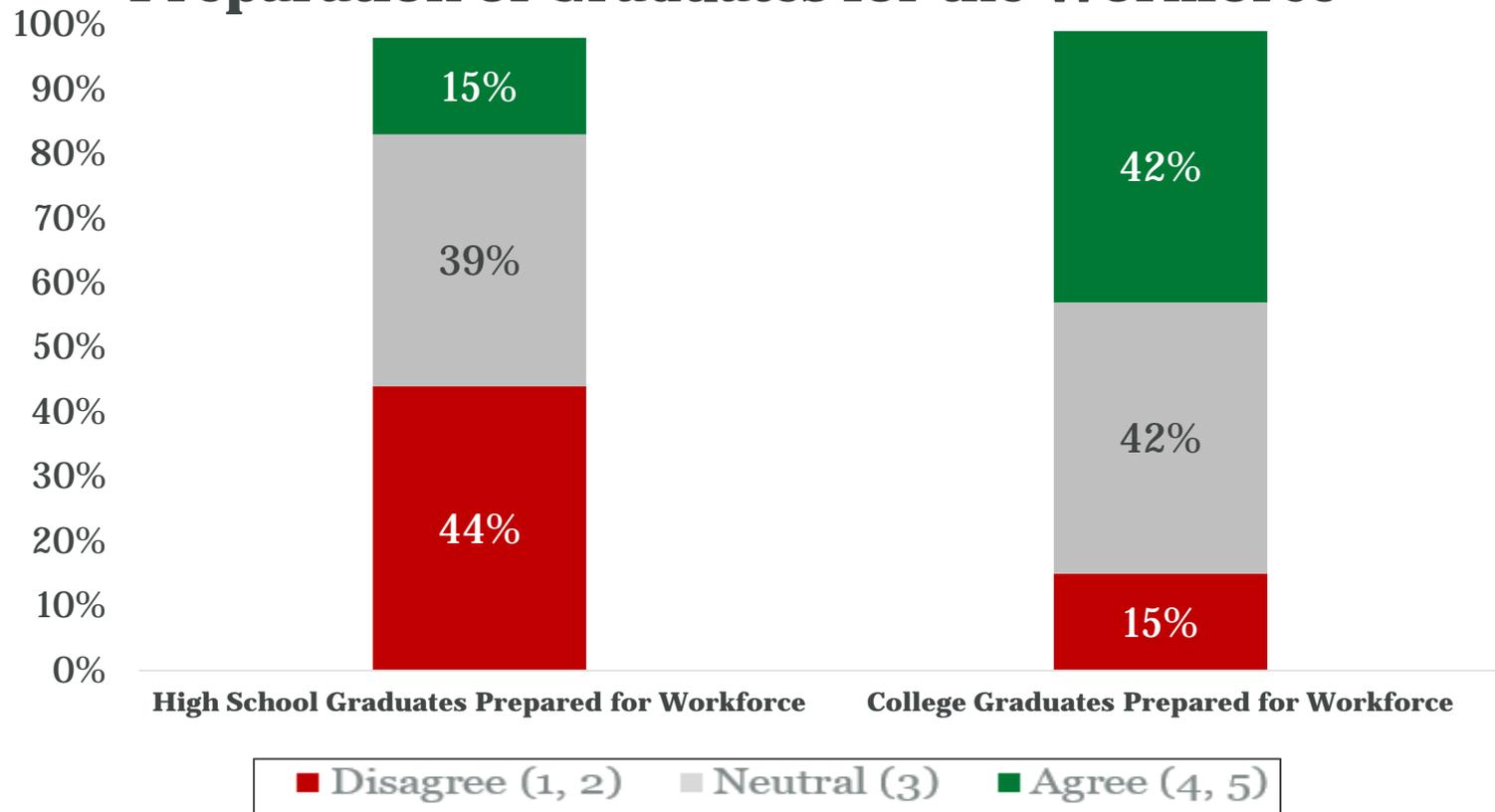
1050 Interviews of Missouri CEOs

MISSOURI'S EDUCATION SYSTEM: KEY FINDINGS

Overall: Only 15% of Missouri business owners agree that high schools are preparing students for the workforce.

Summary Data Finding

Preparation of Graduates for the Workforce

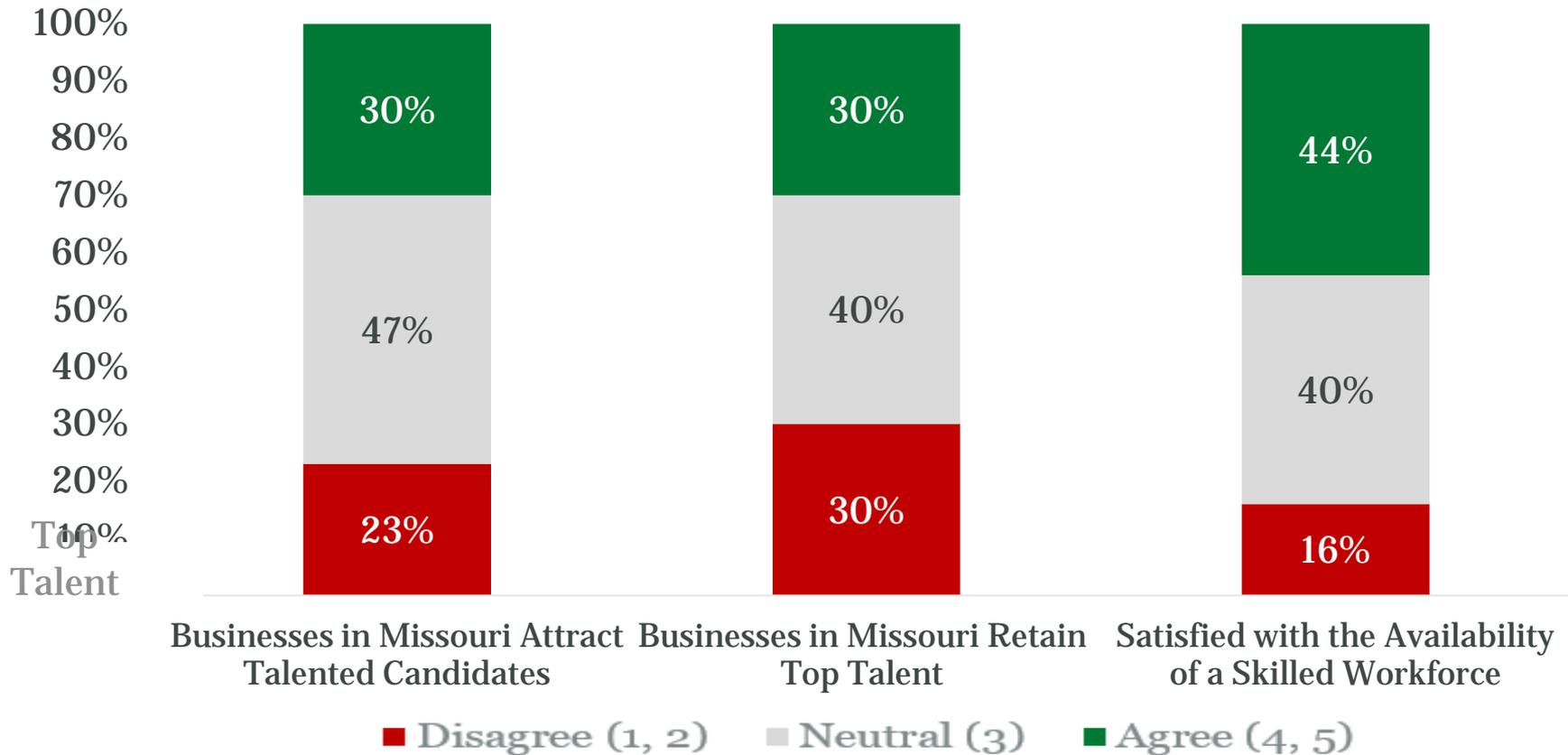


MISSOURI'S TALENT ENVIRONMENT: KEY FINDINGS

Overall: Fewer than 1 in 3 businesses believes Missouri attracts top talent, leading to dissatisfaction with the availability of a skilled workforce and intense competition to retain the best.

Summary Data Finding

Missouri's Workforce



MISSOURI'S INFRASTRUCTURE: KEY FINDINGS

Overall: Respondents were **61% satisfied with their access to technology** as compared to only 37% satisfaction with basic infrastructure, including roads.

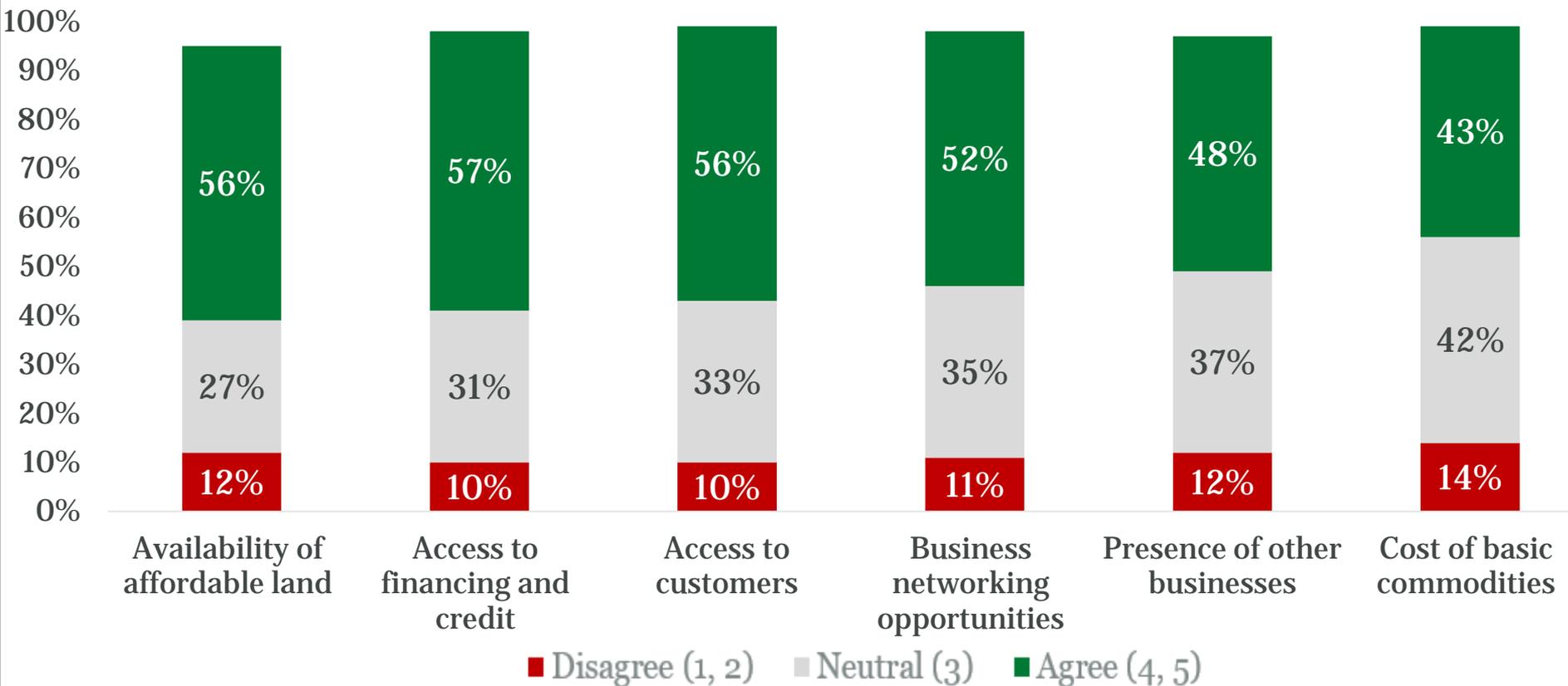
Summary Data Finding

KEY INPUTS FOR MISSOURI BUSINESSES: KEY FINDINGS

Overall: Missouri businesses rate their access to key inputs to their business' success relatively high as compared to other questions in the survey, with over half reporting satisfaction with availability of credit, affordability of land, access to customers, and business networking opportunities.

Summary Data Finding

Key Inputs for Missouri Businesses



MISSOURI'S TAX POLICY: KEY FINDINGS

Overall: 10% of businesses in Missouri report that the tax environment is their biggest obstacle to growth, compared to 7% in a national study (*Gallup-Wells Fargo Small Business Study, December 30, 2013*).

Summary Data Finding

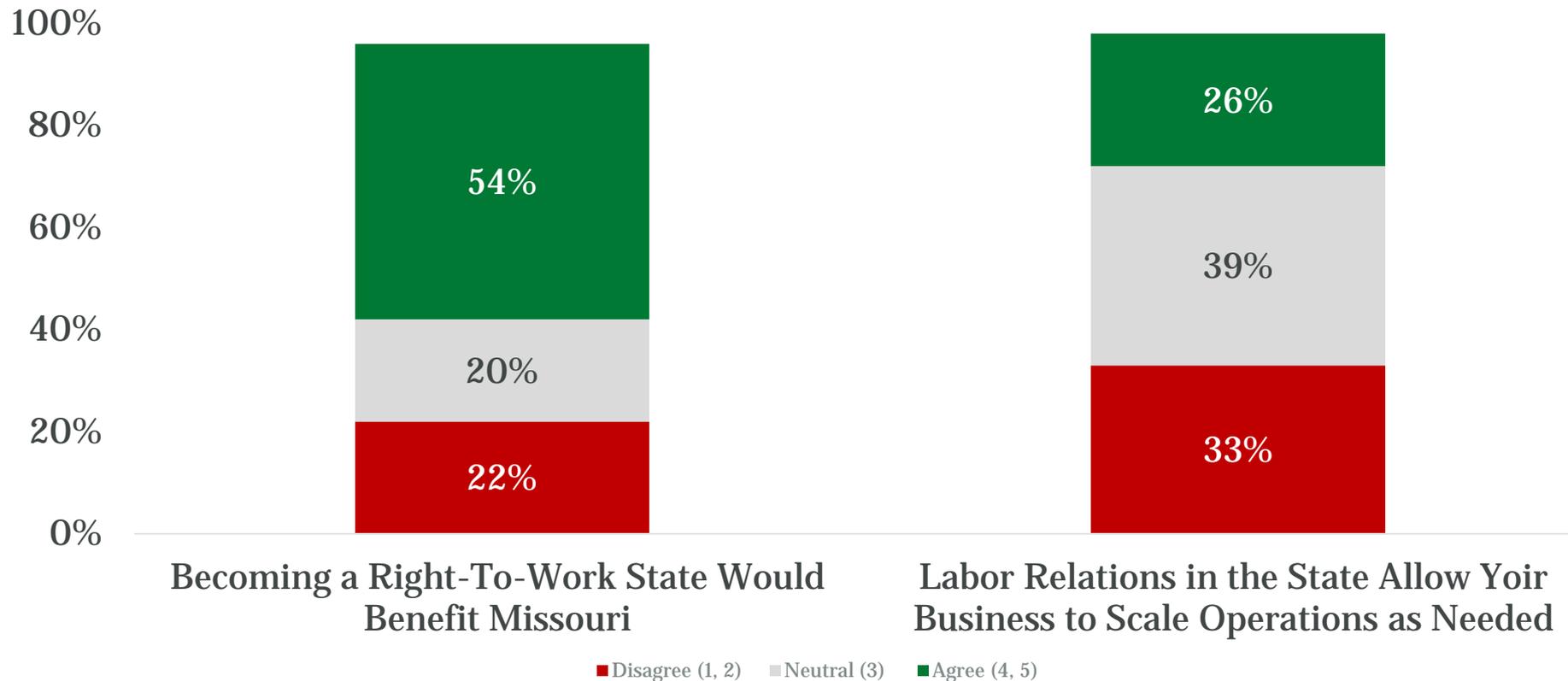


LABOR RELATIONS IN MISSOURI: KEY FINDINGS

Overall: Only one in four (26%) businesses feels labor relations in the state allow them to **scale operations as needed**, with **over half (54%)** feeling that **becoming a Right to Work state will benefit the state**.

Summary Data Finding

Missouri Labor Relations Environment



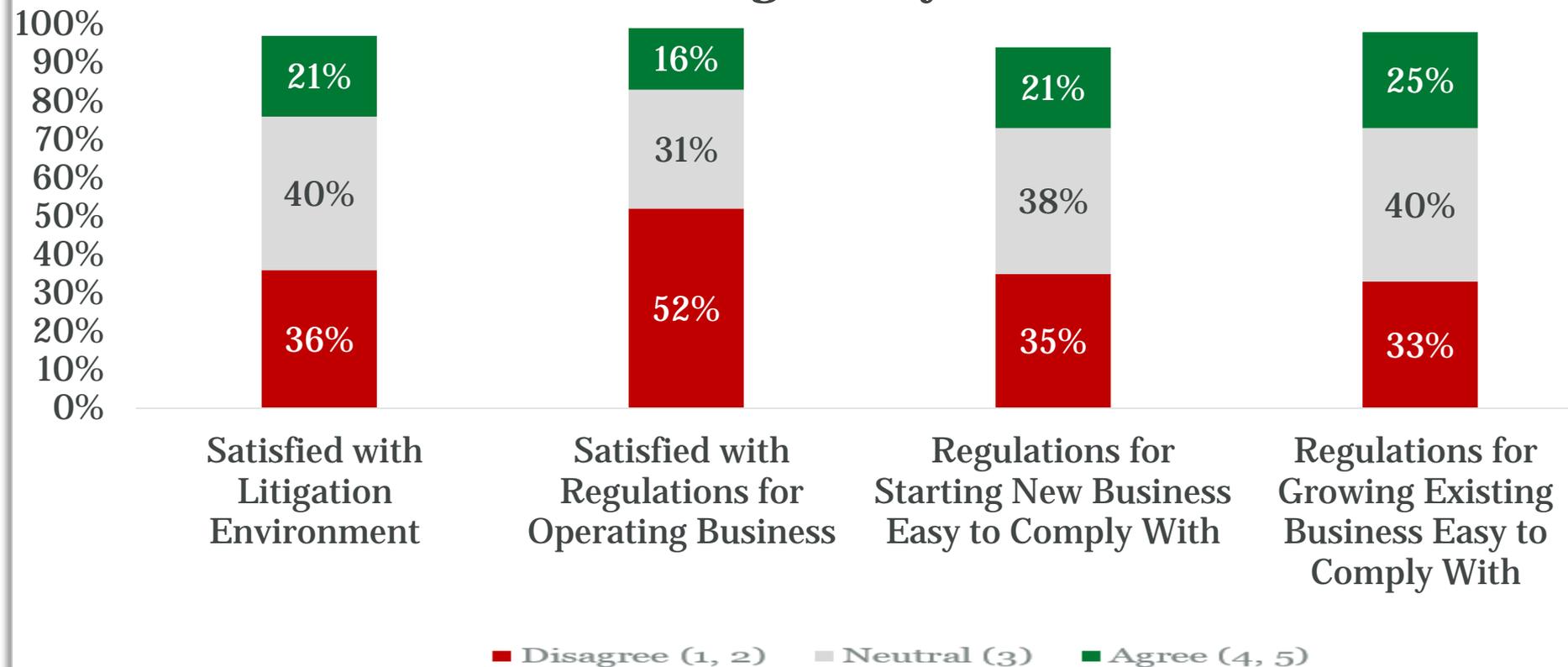
Right to Work: “Missouri’s prospect flow on manufacturing is only 60% of what it would be if it was a Right to Work state.”
- Site Selector

REGULATORY ENVIRONMENT: KEY FINDINGS

Summary Data Finding

Overall: When asked their biggest obstacle for growth, businesses answer “government regulations” at twice the rate of any other factor Gallup polled on in this survey (21% answering regulations, versus 10% each for the next two factors, availability of skilled workforce & tax environment).

Missouri Regulatory Environment

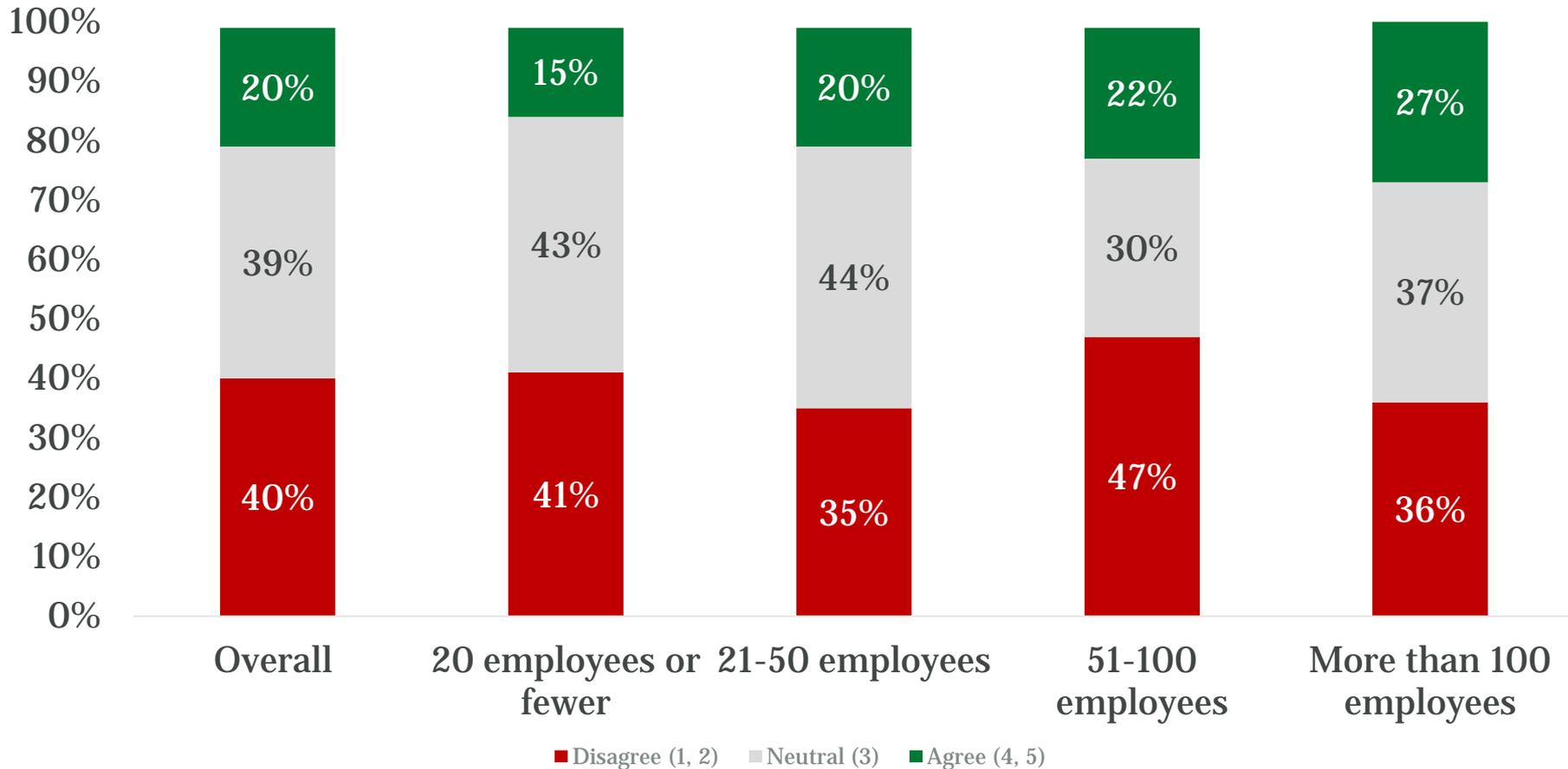


MISSOURI'S POLITICAL LEADERSHIP: KEY FINDINGS

Overall: Polled businesses are twice as likely to disagree that politicians in Missouri are committed to improving the business climate (40% disagree vs. 20% agree).

Summary Data Finding

Political Leadership Committed to Growth





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An Agenda to Lead

- **Long-term Focus**
 - *Policy will trump politics to shape the future.*
- **One Agenda**
 - *The business community, local chambers and other stakeholders will no longer be splintered.*
- **Data-driven Plan**
 - *A long-term data center will drive policy decisions.*
- **Metrics, Transparency & Accountability**
 - *We will measure what matters, make it accessible and hold leaders accountable.*
- **Aligned & Coordinated Resources**
 - *We will make the most of limited money and time.*



Approaching challenges from four angles:

- **Missouri Chamber Foundation** provides research and data to provide direction and plan.
- **Missouri Chamber** advocates for legislative agenda and supports other market-based initiatives.
- **Missouri Chamber PAC** influences political support.
- **Missouri Chamber Federation** provides grassroots support.



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Drivers

- **PREPARING** Missouri's workforce
- **COMPETING** for jobs
- **CONNECTING** through infrastructure
- **UNITING** the business community



PREPARING Missouri's workforce

- **Workforce Alliance**
- **Training Alliance**
- **Certified Work Ready Communities**
- **Conduct skills gap study and promote jobs**
- **Dedicated workforce development professional**



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COMPETING for jobs (existing)

- **Strong advocacy in tax policy, legal environment, unemployment insurance and workers' compensation systems**
- **Labor reforms**
- **Missouri Chamber Legal Foundation**
- **Online anti-employer contribution tracking system**



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COMPETING for jobs (new)

- **Industry and higher education research and development collaboration**
- **Programs and resources to foster entrepreneurs**
- **Annual tax policy review to maximize start-up and high-growth companies**
- **Flexible capital formation policy**



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CONNECTING through infrastructure

- **Infrastructure Alliance**
- **Export Alliance**
- **Sustainable funding research and polling**
- **Competitive advantage in broadband coverage and speed**



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UNITING the business community

- **One business agenda**
- **Missouri Chamber Federation**
- **Annual statewide employer issue polls**
- **Economic studies to target strengths, weaknesses and opportunities**
- **Online website database and metrics dashboard**



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Expected outcomes

- **Future Missouri performance for GSP growth, employment growth and income growth will be above the national average.**
- **Missouri will be a top 15 state for new business formations. Invest in economic studies to target strengths, weakness and opportunities.**
- **Missouri postsecondary educated 22-44 year olds' ranking will improve to a top 10 state per capita.**



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Expected outcomes

- **Missouri will be ranked among the top third of states for business climate and best places to do business.**
- **Missouri's image among site selection professionals will be among top tier states.**
- **Missouri will improve in rankings measuring quality of life.**



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Join the effort

Learn more about Missouri 2030 on our website!

- Sign up to receive progress updates.
- Find additional information and learn more about each key driver.
- Download the full plan.
- Browse various media relating to the plan.
- Join and promote the effort.

www.mo2030.com



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