

Higher MPG = More Jobs and a Stronger Economy for Michigan

Investors, economists and companies across the country support higher gas mileage standards



The Obama Administration and automakers reached an unprecedented agreement in July 2011 by proposing an average fuel economy standard of 54.5 miles per gallon by 2025 for passenger vehicles. Ceres—a national coalition of investors, business leaders, and public interest groups—has sifted the data and found that 54.5 mpg will be good for business, good for the economy and good for American families, both in Michigan and across the nation.

A closer look at the economic benefits of President Obama's 54.5 mpg agreement finds:

Higher gas mileage standards are good for Michigan's economy

An economic analysis for Ceres conducted by Management Information Services, Inc., found that stronger mileage standards would boost the economy in Michigan — and across the nation.

The 54.5 mpg standard would create more than 22,600 new jobs in Michigan, making it #2 among all states in terms of percentage job growth

The 54.5 mpg standard would boost Michigan's GDP by about \$5.9 billion; Michigan is ranked first in terms of GDP growth resulting from stronger MPG standards

Across the United States, the 54.5 mpg standard would create about 484,000 new jobs:

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It's time to put our economy into high gear - strong standards will unleash American innovation, boost sales and protect American auto jobs.

Mindy Lubber Ceres President



43,000 of these new jobs would be in the auto industry

49 states would see net gains in employment

Higher gas mileage standards are good business for the US auto industry and investors

A recent Ceres/Citi Investment Research report, using analysis by the University of Michigan Transportation Research Institute, showed higher fuel economy standards would benefit the auto industry, especially the Detroit 3. In addition, key U.S. suppliers of advanced technologies would benefit.

Increasing industry average fuel economy to 42 miles per gallon by 2020 could raise industry variable profit by \$9.1 billion, or 8 percent. Most of the added profit, \$5.1 billion, could go to the Detroit 3.



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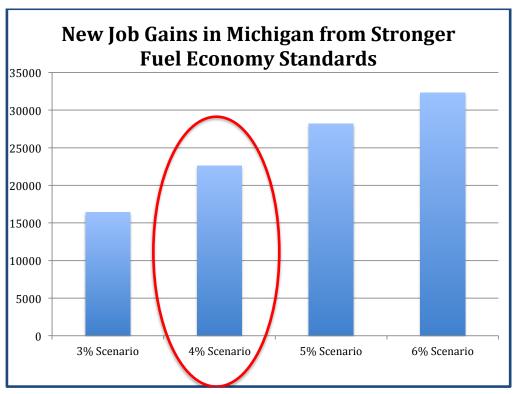


Michigan voters overwhelmingly support stronger mileage standards

Even in the historic heart of America's auto industry—Michigan— voters believe increased efficiency will spur innovation and create jobs. They don't believe the rhetoric that higher mileage standards would cost jobs or hurt US automakers. An April poll by The Mellman Group for Ceres found:

76% of likely Michigan voters believe a national 60 mpg standard would encourage American car makers to innovate, boosting sales and protecting American auto jobs

Every group of likely voters overwhelmingly supports 60 mpg, including 65% of Michigan Republicans and 67% of Michigan conservatives.



President Obama's announcement of 54.5 mpg by 2025 means cars would be required to average a 5 percent improvement in fuel economy each year from 2017 through 2025, while trucks would only need to rise 3.5 percent a year through 2021. This most closely aligns with the 4 percent per year improvement for CAFE mileage and GHG emission reduction in the Ceres report 'More Jobs Per Gallon." www.ceres.org/more-jobs-per-gallon

Ceres leads a national coalition of investors, environmental organizations and other public interest groups working with companies to address sustainability challenges. www.ceres.org