

# *The Great Lakes: A Vital Environmental and Economic Asset*

Congressional Briefing on the Great Lakes Restoration Initiative  
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# An Economic Engine for Our Nation

- 95% of our nation's fresh surface water
- Drinking water for 48 million people
- 31% of the U.S. population and 62% of Canada's population
- 42% of U.S. manufacturing employment and 35% of manufacturing output
- \$5.8 trillion regional economy (U.S. and Canada); third largest after the U.S. and China
- 51 million jobs and 30% of U.S.-Canadian economic activity
- 1.5 million jobs directly connected to the Great Lakes, \$62 billion in wages
- Longest deep-draft navigation system in the world generating 225,000 jobs and \$33 billion in business revenue
- \$52 billion from fishing, hunting and boating – nearly 1/3 of registered boats in the U.S.

# “Blue Water” Economy



**We are water rich in an increasingly water scarce world!**

- **Agriculture (irrigation, livestock)**
- **Drinking water**
- **Tourism, Boating and Recreation**
- **Shipping**
- **Hydropower**
- **Industrial uses and cooling**





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## Healthy Waters, Strong Economy: The Benefits of Restoring the Great Lakes Ecosystem

By John C. Austin, Soren Anderson, Paul N. Courant, Robert E. Litan\*

*The Great Lakes are one of America's most important—and often overlooked—natural features. Together, they account for 90 percent of the United States and 20 percent of the world's surface fresh water. The Great Lakes also directly impact the lives of the roughly 35 million people who live in the cities, states, and Canadian provinces surrounding them, providing drinking water and recreation, commercial transportation, and both tangible and intangible quality of life benefits.*

*However, the Great Lakes and surrounding areas face numerous threats to their health and utility. This report summarizes the major findings of a more in-depth study—Developing America's North Coast: A Benefits Cost Analysis of a Great Lakes Infrastructure Program—of the benefits and costs of the federal-state Great Lakes Regional Collaboration (GLRC) Strategy by the same authors. It begins by outlining the major elements of the restoration strategy, and the costs of cleaning and preserving the Great Lakes ecosystem. It then describes the results of a rigorous analysis of the GLRC Strategy, highlighting the economic benefits of its implementation. The report concludes by discussing the policy implications of this analysis, arguing that, because the restoration plan outlined in the GLRC Strategy is likely to produce economic benefits well in excess of its costs, federal and state policy makers should act on its recommendations.*

### Introduction

The Midwestern states that surround the Great Lakes are in a time of economic transition—from an agricultural and industrial era that relied on the Great Lakes and its waterways for transportation and industrial production, to a global knowledge economy in which the lakes are both an increasingly valuable resource, and an important amenity. Outside the region, the United States and other nations around the world are increasingly looking for ways to move beyond economic growth patterns that diminish natural

*"The Great Lakes and its waterways offer a tremendous opportunity for reinvigorating the economy of the region, and boosting the competitiveness of the nation as a whole."*



## An Agenda for Jobs and Economic Transformation in the Great Lakes Region



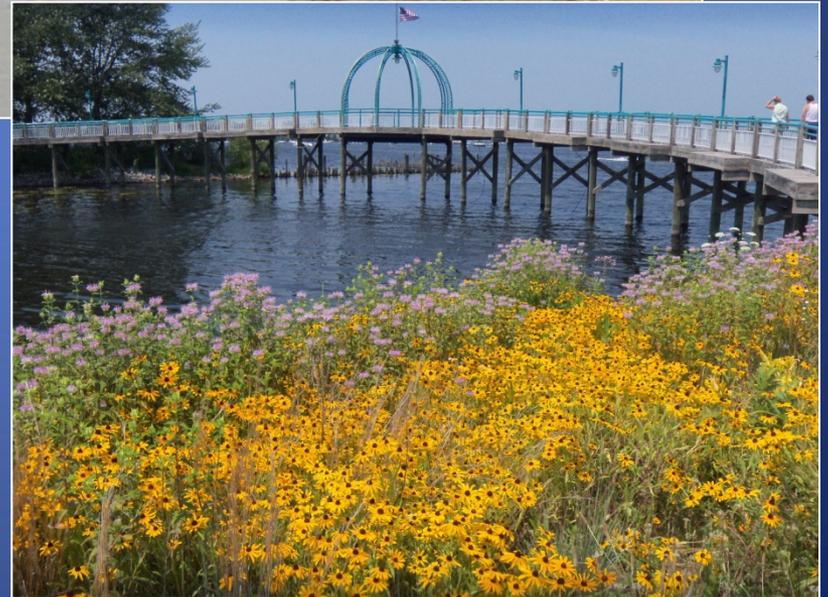
A Collaborative Initiative of Metropolitan Chambers of Commerce from:  
New York, Pennsylvania, Ohio, West Virginia, Kentucky, Michigan,  
Indiana, Illinois, Missouri, Iowa, Wisconsin and Minnesota

# Economic Benefits from Restoring the Great Lakes

- Over \$50 billion in long-term benefits
- Ocean and Great Lakes economy is growing three times faster than the U.S. economy
- Improving water quality, restoring degraded shorelines is facilitating waterfront development
- Increased property values
- Leverages private sector investment
- Positive return on investment



**Coastal restoration on Muskegon Lake in Muskegon, Michigan will generate \$66 million in economic benefits over 10 years, attract 65,000 new visitors annually and raise property values by \$12 million. It provides a 6-to-1 return on the investment.**



**Cleaning up contaminated sediments in the Ashtabula River in Ohio deepened the river and allowed for the return of normal commercial navigation and recreational boating. This will generate long-term economic benefits by ensuring the future viability of the Port of Ashtabula, which ranks among the top 10 busiest ports in the Great Lakes.**



in New York, improved water quality in the Buffalo River has set the stage for new economic opportunities, including an \$80 million waterfront development project.



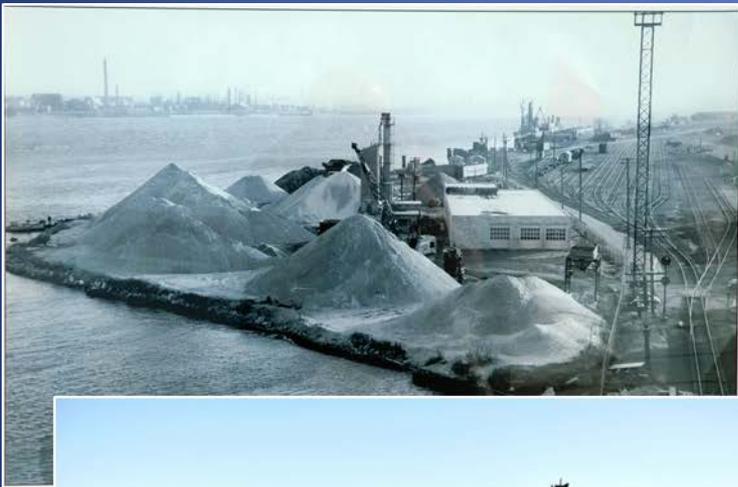
**Cleaning up the Kinnickinnic River south of downtown Milwaukee brought back boaters, revitalized existing businesses and stimulated new development.**



More than \$1.5 billion in public and private investment has transformed the Detroit Riverfront, creating a mile of improved shoreline with green landscapes, playgrounds, music venues, and other amenities. More than three million people visit the riverfront annually generating nearly \$48 million annually and supporting 1,300 ongoing jobs. The revitalized Riverfront is driving future investment expected to reach as much as \$950 million.



**In Port Huron, Michigan, a public-private partnership leveraged more than \$6 million to create the Blue Water River Walk along a mile of formerly industrial shoreline on the St. Clair River. When completed, it will restore habitat and provide a variety of amenities that will enhance the area's economic prosperity.**



**Contaminated sediments in the River Raisin in Monroe, Michigan, have been cleaned up and eight dams have been removed or bypassed to restore fish habitat and boat access from Lake Erie to Dundee. This is supporting additional revitalization efforts centered on the new River Raisin National Battlefield Park.**

