

**Federal Reserve Bank of Chicago**  
**Third Summit on Regional Competitiveness**  
**October 23, 2015**

**Keynote Speaker**  
**Governor Scott Walker**

DEBORAH L. FORD: To introduce our keynote speaker this afternoon, this man from Wisconsin really needs no introduction. In fact, I'm guessing and I'm hoping that all of you know Mr. Paul Jones and will recognize him as the Alliance Chairman. Paul is a retired chairman and CEO of A.O. Smith Corporation and he sits on many impressive boards and is truly, truly a man with a heart of gold.

As a businessman and community steward, Paul understands the need for regional economic development and brings our issues to the attention of important decision makers, like our governor. Here to introduce our keynote speaker this afternoon, it is my honor to introduce Mr. Paul Jones.

PAUL W. JONES: Thanks, Debbie, and thanks to all of you for being here today. We really appreciate this turnout. I just want to make a couple of points about what's been said already. I've been delighted listening to the other talks. The fact that we have 600,000 people that

don't have jobs because we didn't keep up with the gross national product growth around the country, this region needs to pull together, needs to work together. I know I'm speaking to the choir 'cause everybody here gets it, and that's why you're here and we very much appreciate you being here.

Somebody else that also gets it is our keynote speaker. He has talked about regional development many times. He absolutely practices what he talks about. I could go through a very long introduction but I think you'd rather hear from him than me, so it's my honor to introduce the Governor of Wisconsin, Scott Walker.

GOVERNOR SCOTT WALKER: Well thanks, Paul, and thanks not just for your introduction but for your leadership here in regional cooperation; longtime leader in our state and the community where I have a home outside of the Milwaukee area, not only in business but philanthropic -- United Way and plenty of other ways, we appreciate your leadership.

Thanks to all of you for attending. Good to be back. I was here a couple of years ago; it's good to be back for this conference and to see many of the same faces as well as to see some new faces out there. I'm gonna talk real briefly about four different topics: I'm gonna talk for a

moment about trade; a little bit about water, of course; we're gonna talk about transportation, which I know you had a panel on before but just touch a little bit on that and then talk about workforce. And then if it's all right, I know it's unusual for a keynote speaker to do this, but I'm gonna open it up to some questions, if I get enough time there to see if you've got questions about what we're talking about or maybe some of the things we didn't touch on, I'd be happy to take that as well.

I was thinking about this though on the way down. I remember years ago, before I was governor, I was the Milwaukee County Executive, which those in Wisconsin know, maybe others throughout this region know, but for those who don't, the Milwaukee County Executive is kinda like being the mayor of the county. The City of Milwaukee is about 600,000 people; Milwaukee County is about a million; metro area is about 1.7 million, so I was the leader of Milwaukee County, the government that's involved with that.

As one of the duties of being the county executive at the time was often I'd get asked by the Convention and Visitors Bureau to come and welcome groups that were coming in from across the country. So one year we had a big transportation-related conference at the convention center

in downtown Milwaukee and I came to give the brief, er, the welcome. It was that night and it was the first kind of reception and it started out about 7:00 or 8:00 at night. It was during the fall as I remember and it was dark out, relatively early and I gave this big welcome and as I got off there was some people that came up to say hi. One of the guys that came up to me said, "I just want to tell you, great welcome, I'm glad to be here. I'm from New York City and I'm real excited, I just came in. It was dark on the way in from the airport but I came right here, I'm excited to be here. I'm a runner; I'm gonna run around the lake in the morning.

And I said, "We're gonna meet you next year." It dawned on me then, it's been a great reminder that even within our own country, let alone around the world, sometimes folks who haven't been here in the Midwest, even as much as we just think it's obvious, not our just great lakes -- there's a reason why they're Great Lakes -- but obvious about some of the things we take for granted that are wonderful about Illinois, about Wisconsin, about Indiana, about this area aren't as obvious to others elsewhere around the country and certainly around the world. So it's a great reminder about how we need to work

together to address some of these issues, not just to build on things we have here but to help sell that elsewhere.

You think about even more around the world -- I was thinking about China today and CNN and some others have identified this so I'll leave the numbers to them to have verified it but China today, CNN and a couple other media outlets say that there's at least 160 cities in the People's Republic of China that have more than a million people. 160.

So when you think about the size of -- now granted, Chicago's pretty big and the metropolitan area even bigger and the tristate area's pretty big but you compare that to other places around the world and you realize what seems like a pretty big deal to us, at least in size, isn't as big as we think. Just in that one country alone.

I remember in Shanghai I was looking at a building when we were there last and looked at the size of the building and it was about the size of the U.S. Bank Building in downtown Milwaukee, which is a pretty good deal. Years ago my wife used to work for the Lung Association full time; I remember doing the Lung Walk up to the top of that. It felt like a pretty big hike on the way up. And I wasn't even one of the firefighters with the

full gear on. But someone -- one of the last times I was in Shanghai told me that while that building overlooking the park was once the biggest building in Shanghai, I think there's something like 2,000 buildings since then that are bigger than that. And so again, it's one of those where you think about, we think about this area, we think about particularly Chicago and our proximity to that bein' a big deal but for us to have an impact around the world, we gotta bind together. We've got to find ways to not be talking about things in multiple directions but talking about them together.

So certainly, and I heard Professor Franklin's comment there a little bit at the tail end and appreciate that -- for once it's nice to see a poll that my name wasn't in, so I appreciate that -- Governor Dreyfus used to say that the only polls he liked were the ones that voted on the south side of Milwaukee; I'd apply Chicago to that as well, and in my case maybe multiple times over, who know in Chicago, but thinking about that and thinking about, you mentioned the 21 counties you surveyed, Ed, and it seems like a lot.

I read an editorial in the *Chicago Tribune* back in August that made a great point about how 21 counties in three states seems like an insurmountable amount of work

to put together, and yet earlier this year I was in the United Kingdom and near London there's 34 counties in that metropolitan area. I was later in the spring up in Canada with the Council, now the Conference of Great Lakes in St. Lawrence Governors and Premiers and you go to Toronto, there's 28 counties around that region. And so there's no reason if they can't get it together and promote things as those megacity areas, why we can't do the same thing when it comes to the megacity of Chicago.

And so whether it's in Milwaukee or Racine, Kenosha, whether it's here or Lake County, Cook County, whether it's around the corner in Gary and in the metropolitan Indiana, there's no reason why we can't bring this together. And there's a lot of great reasons for that.

Certainly when we think about trade, trade's a huge deal. I tell people all the time that no matter where they're at about this agreement or that agreement, I was thinking about the things I was gonna talk about -- TWTW -- no, that's not a new trade agreement. TTIP or TPP or anything else like that, but those trade agreements, no matter what you think about the particulars are pretty doggone important because some 90 percent of the world's purchasing power resides outside of the borders of the

United States.

So when it comes to trade, it's a pretty big deal for us. And when you think about going to other places around the world, just as I joked about that runner from New York or thinking about all the cities in China that have more than a million people, it's important for us to be aligned with a megacity. 'Cause when I go to, whether it's Great Britain or Germany or Spain or Israel or Japan or China, as we have in the last couple years, for them, they get it where Chicago is. They get where Chicago is. They get -- how close are you to Chicago or what are you doin' within that metropolitan area? So it's really important for us to be aligned together when it comes to talking about trade.

And it makes a lot of sense as well, 'cause you think a lot of the things we do -- I'm gonna touch in a moment more specifically on water, but you think about manufacturing. Not only Chicago got a big manufacturing base, on either side, Indiana and Wisconsin routinely, depending on the survey, rank one or two when it comes to percentage of the economy dependent on manufacturing.

Manufacturing's a big deal when it comes to trade. When you think about trade out there and our ability to perform well when it comes to international trade.



Certainly when you think about just outside of the metropolitan areas in each of our three respective states, agriculture's a huge deal. And not just in one or two areas. And everything -- and not just from corn and soybeans, although I think about, you know where I grew up in southeastern Wisconsin, little town called Walworth, Walworth County, Walworth some forty-some years ago, a guy by the name of Mr. Mogi (phonetic), the chairman of Kikkoman Foods sought out to find a town where there were a lot of workers that fit the work ethic of the people he knew in Japan; where there was plenty of soybeans to help with his soy sauce and where there was water.

There was an abundance of water and he put the very first -- not just Kikkoman plant -- the very first Japanese manufacturing site in all the United States was just up the way over the state line where a lot of folks come from Chicago during the summer and that's Walworth County. Not quite to Lake Geneva but near Walworth out there, because of all those synergies coming together and so it made sense 'cause he said, "I want to be close to a market here but I want all those things in abundance out there."

So whether it's manufacturing, whether it's agriculture, and again, heck, a lot of people are surprised

to know, for example, in this region, the three states, Wisconsin, I'm proud as governor of Wisconsin to point out that 95 percent of all the ginseng that's imported into China comes from Wisconsin. Who would have thought that, right? And so you think about all these different products -- it's not just about manufacturing. It's about agriculture, it's certainly about water, and water-related technologies. We think about it just near -- we've focused in on, with the building of the Water Council that now has elevated itself beyond just southeastern Wisconsin. Beyond just our state, within this region and now we get partners elsewhere that my friend, Governor Sandoval in Nevada, who's very interested in being connected 'cause they've got huge problems. You think of the water centers around the world where places like Israel, where it's a necessity just to stay alive to have drip-based irrigation and other things that actually help you grow things to think about Singapore or the Netherlands, but we have it right here in this region.

We have an abundance, just in our state alone there's about 300 companies related to that. They have commerce that exceeds about \$5.7 billion dollars with the trade just related to those businesses, big and small. Why I can

think about the impact here within this region, so it's trade, then ties into water. As I mentioned, we, in fact just two years ago we had just down the way over at the Shedd Aquarium, every spring now we started a few years ago, reinvigorating what was then the Council of the Great Lakes Governors. We're now added two of our provincial partners in full measure and so it's the Conference of Great Lakes and St. Lawrence Governors and Premiers, so we went from the Shedd two years ago to Quebec City this past spring. We keep rotating around the Great Lakes areas. But if you look just at this region obviously it's about 20 percent of all the fresh water in the world, all in one place right here in the Great Lakes and St. Lawrence basin, but if you look at the states and the two provinces that surround the Great Lakes and the St. Lawrence Seaway, if you just talk those states and those two provinces and added up their economies, if they were to be pulled out from the United States and Canada, they would be collectively, we would be the third largest economy in the world. In the world. Just around this area.

So you think about that water up there and you think about that connection up there, it ties in amazing obvious ways and you think about each of our states, either has at

the top, as we do, or near the top, trading partners, Canada, just through the ports alone is a tremendous impact in terms of trade going back and forth, and in obvious other ways as well.

You think of the impact in commercial fishing, but you think about all the other things, recreation and tourism and all that applies -- it's all interconnected with the water out there. As we travel the world -- when I was in China at one point in the past, through the National Governor's Association, Governor Branstad from Iowa and I hosted a session of a joint measure between us and five other provincial governors in China and we had four speakers. Two from China, two from the United States. One of the two from the United States was the chief economic officer at the embassy in Beijing. The other was Dean Amherst (sic), the head of the Water Council. And afterwards who was the person who got the most attention, the most contacts from those premiers, er, from those governors of those provinces I should say? It was Dean. Why? Cause they've got huge issues in China, not just with the population but with clean water. They've got water; they just don't have enough clean water.

When you think about places with large population

bases like China and like India, there's tremendous markets out there but one of the things they don't have in abundance is a lot of capacity to deal with water issues. We have it right here in this region. We have it in abundance. That's something not just physically can we export in terms of a manufactured product. We can export that intellectual property, that intelligence, that know-how, that innovation. That's something that's unique right here to this area.

And something that really, if you're from China or India or elsewhere around the world, you don't care whether you're on this side or that side of the state line, or the county line or the city limits. You just know there's that synergy here and it makes sense 'cause you see where the water is.

One of the great things is when you're up in a plane, even more so when you're in a satellite, you look at the Great Lakes, you don't see any lines for the states. You don't see any lines for the counties. You don't see any lines for the cities. All you see is abundant fresh water. That's something that sends a message to people all around the world. We need to embrace that. That's a strength of ours. When we think about those 160 cities in China that

have a population of a million or more, they don't have what we have when it comes to fresh water. That makes us unique. There's only a couple places in the world that have that kind of technology, that kind of ability, that kind of focus out there. This is something we should be embracing. And we have already; we just need to build off of it.

We need to say, you know what, we don't care whether the Water Council started here and whether it's involved there. We can all be a part of it. There's plenty, just like the water in the lake. Particularly in the last couple of years, that's one of the nice things, there were very few things about the polar vortex we had a few years ago but the fact that almost all the Great Lakes were frozen over and all that snow actually raised the level, which was kinda nice for the Great Lakes, but there's a lot of water out there. And we can share not just the water but the technology and the commerce and the opportunity that comes with that.

So we've got trade and we've got water and that ties together. Then we've got transportation. And part of it is, again, right back to the water. Certainly the ports -- lot of times people think of ports and for those that

aren't familiar with the industry, they think oh, that's turn of the last century. Not just the 20<sup>th</sup> century; that's the 19<sup>th</sup> century, that's somewhere in the past and yet that's just not the case. In fact, in a time when we talk about wanting to deal with being better stewards of our natural resources, you look at what it takes to carry commodities, to put commerce on a salty, on a vessel that can go either through the Great Lakes or out through the seaway. You can pair that -- what it takes to put it on any other form of transportation. It's a lot more efficient, not only in terms of dollars. There's a lot lower emissions out there. There's a lot of other benefits.

So it's not just something out there that's of the past. It's actually, ironically, something, it's kinda like back to the future, the other day, you know, although the Cubs didn't quite win. I wish 30 years ago I'd bet that the Cubs were just gonna be in the playoffs 30 years later. I would have made a ton of money after that sequel, but -- my mom, just to show you the power, the interest in regional cooperation, my mom's been a Cubs fan all the way back to Ernie Banks. She was excited through the St. Lawrence Seaway, er, series. She was devastated Wednesday

night, which actually is not unlike a lot of folks in Wisconsin 'cause after the Braves left, her generation, a lot of folks were searching for a team. So you'd be surprised how many Cub fans -- not so many Sox fans -- but how many Cub fans there are even in the great state of Wisconsin.

But you think about that and you think about transportation. Certainly water-based transportation may seem like something of the past but increasingly our ports in this area, in this region, are trailblazers. I used to be the chair of the St. Lawrence Seaway Development Corporation Board for the President years ago when I was a county executive. There was an equivalent in the Canadian side. You'd be surprised how much commerce goes in and out throughout the Great Lakes, through our ports and even through the Seaway. And you'd be even more pleasantly surprised at a number of the trailblazers, the leading ports, are right here in our region.

So that's something we can build off of. Certainly as was mentioned, and I saw your numbers about the transportation, actually makes a lot of sense. People get it, they understand it. What good does I-94 do if I suddenly get to the state line and there's a big pothole



and I fall in or something like that -- obviously not as egregious as that, but people want a quarter. They understand that for traveling themselves, but for commerce, for manufacturers, for agriculture, for others out there, it doesn't do us any good to be a part of a region if one part -- it's the same thing we say in our counties. We've had a debate in our state about should counties have the ability to just do transportation projects on their own or not and one of the concerns I always raise is well, that's great, except it doesn't work out very well if someone's going from one county to the next and there's a big problem with transportation in that area if they can't get the product to market, they're gonna go somewhere else, some other region, not just move from that county to the adjoining county. They're gonna go somewhere else completely.

We saw it up in Kenosha County. Prime example how important this is, good transportation. Amazon, just at their grand opening, Amazon has a fulfillment center literally within almost spitting distance of I-94. They came in -- that's the reason they picked that site was because of its proximity not only to the interstate, but to the larger Chicago market. Just over the state line just

happened to be where the land was available and the deal was put together. But it was a spot they could find with that kind of proximity to the interstate. It's been even better than they thought. Originally thought there'd be 11-, 1200 jobs. They've exceeded 2000 jobs at that site. It started out being a million square feet. They've added another half million on top of that. But for a company like Amazon with a fulfillment center, transportation's a really big deal.

And you think okay, obviously they've gotta move product to and from market, that makes sense. But it's just about anything. I think about beer. Lotta beer war discussions these days. Who's ownin' who and what, whatever. Lot of times for breweries -- I mean it's even as simple as not just getting product from one market to the other, big things like manufacturing, it's literally who can get a beer, you know, to the bar here or somewhere else, to Gary, Indiana, or to Milwaukee, who can get that cold beer there are the most effective time, most efficient time along the way. There's really just an incredible impact when it comes to transportation.

I know you had a panel on that earlier but it's one where there's many different ways -- there's rail,

certainly freight rail continues to be an important element of the transportation picture. Passenger rail -- particularly in this region; in other parts in the Midwest it may not be as relevant but particularly you look at the corridor -- we see it first hand in our state in terms of from Milwaukee to Racine County to Kenosha County all the way down to Chicago.

The Hiawatha is one of the very productive portions of Amtrak; it's very effective as are ports of northeastern United States. It's an area that continues to grow; over 700,000 passengers. We see it as a true asset. It's great for folks, not only those who want to commute every day but for a good chunk of the passengers that come in Wisconsin that route our folks who maybe have a couple times a month have reason to do business here in the Chicagoland area and it's a great way to get in and out and not have to bother with parking and things of that nature. It's a great and expanding opportunity out there. So those all piece together.

And even the airports -- well wait what about that? Well years ago, as I mentioned, I was the Milwaukee County Executive. When I was the County Executive one of the duties that falls under the responsibility of the county

versus the city, in our state, is overseeing the airport. General Mitchell International Airport. You know it was one of the copyrights we grabbed at that time, when Barry (inaudible 0:20:15.5) was our airport director was the tagline, "Chicago's Third Airport." That was ahead of the curve even before this alliance, but it was a great example, because of the concourses and the way we'd set up, it was easy to get in, it was easy to get out, it didn't hurt. Way back then, when I was first there, back then we had Midwest Airlines, so you still got the warm chocolate chip cookies but there's still plenty of great airlines where as well.

But at a time when people were looking at different options, O'Hare obviously being a hub and a centerpiece, Midway being a good site there as well, for a lot of folks, depending on what flight they were looking for, General Mitchell International Airport was a pretty good spot, particularly because it was easy to get in and out, low hassle. And so we literally pegged Chicago's third airport. So when people were doing a search, they could be drawn in off of that and realized hey, depending on what time your flight was, it was a pretty good deal.

So that was an example how regional cooperation was

ahead of the time and it wasn't just 'cause it made people feel good. It actually was an effective tool in making that airport work and drawing more people in. In fact, we actually inserted -- I remember when we did the airport parking expansion at the annex parking structure, we put in things that took a picture every time somebody came in with a license plate so we could track how many Illinois license plates there were. As the numbers went up the more we promoted in those areas. It was a very effective process out there, so it's a good example of regional cooperation.

The final, the fourth thing I want to talk about for a moment is workforce and then like I say, open it up for a few minutes of questions. I know Reggie Newson, our Secretary of Workforce Development was here earlier. I know this is an issue that goes beyond just the public sector. I hear about it all the time, unlike even a couple of years ago.

I remember a couple of years ago when I was here and I talked to the media afterwards and they said, 'But Governor, don't you like bringing this business here and this business over the state line?' and the whole bit and I gotta tell you, and particularly in this past year, and it varies by location, not only within the region but even

within our state there are pockets of our state just like there are pockets here and Indiana that need even more attention, in terms of unemployment rates and focus out there. But I gotta tell ya, in particular, we see it nationally, we see it even more here, the biggest challenge for us other than in specific pockets, and there's still obviously unique needs in certain parts of this region, the bigger issue than the creation of jobs is filling the jobs.

We just saw a week ago, as did Illinois and Indiana and other states, unemployment numbers came out. A week ago unemployment numbers were down to 4.3 percent. Now put that in perspective. For us that's a big deal because the last time we were that low was April of 2001. And to put that in even better terms, to visualize is, I've got a son who's a senior at Marquette University and I've got a junior at the University of Wisconsin. The last time the unemployment rate was that low, Matt and Alex were five and six years old.

It's just a whole different world when you think about that. And we see that nationally and for us we're pleased it's not just low unemployment. Our labor participation rate -- the rate at which people are in the workforce -- is still about five points higher than it is nationally. So

about two thirds of the people in our state are in the workforce and the unemployment rate's going down. That's great.

But the challenge is, for employers, particularly for anybody in HR knows what I'm talkin' about, the big challenge is, now how do we find enough people to fill those positions? I hear it all the time. I just did a manufacturing conference the other day; in our state October's Manufacturing Month, so I go to our manufacturing sites all over the state and I gotta tell you it's true in manufacturing, but it's true in IT, it's true in finance and accounting. It's true in healthcare, it's true in construction, it's true in transportation -- there's so many segments of the economy, not just in Wisconsin but throughout this region. What I hear is, it's not just workforce development anymore; it's economic development. Now stick with me for a minute, let me explain why I say that.

If you're a manufacturer that's got five highly skilled welding positions you have open and you can't fill those, it doesn't matter that you have enough work pent up that you could take on five or six more customers and hire ten more welders. If you can't fill the five you've got,

you're not gonna add ten more, 'cause you're not gonna risk the work you already have. I can't tell you how many people I hear that from. Welding, sheeting, fabricating but I hear IT technicians, website designers, diesel mechanics, truck drivers, certified nursing assistants out there. The challenge for us -- and it's a big challenge throughout this region. And it's not just a simple as you think. Brian knows this. Gateway, one of our great technical colleges, as well as UW, we've got a good -- actually you guys got one of the best examples of partnership with UW Parkside and Gateway down there in southeastern Wisconsin. But it's true all over the place.

We've put more focus on some of these key programs out there. We've put more -- in fact we talk about welding (inaudible 0:25:15.7) we've got great partnerships not just with the state but the private sector. The challenge is just gettin' more bodies in there. It's not even the question of having enough courses available, enough classes out there. It's getting enough people interested. And sure, some of it goes back to more work into our schools, our junior highs and high schools to try and get more people drawn into it, but increasingly more and more, it's gonna be working together as a region to say in all these



areas, if we want to attract more business and if we want to keep those businesses and grow those businesses, we've gotta work together. We've gotta work together be it through apprenticeships, through a two-year technical or community colleges, through our four-year colleges and universities. Yeah, and in some cases like healthcare and engineering, it might be even post-graduate studies out there. We need to target all those different areas as a region, 'cause I gotta tell ya, when people look down the list around this country and around the world at the things that you offer, low taxes, reasonable regulations, a responsible (inaudible 0:26:14.2) environment are all nice things to have. And believe me those are things I've worked on the last several years and they're important.

But workforce, energy and infrastructure, those are things you gotta have. Those are must haves. 'Cause you can have all those other things but if you can't have enough workers to do what you need to do, if you don't have the infrastructure to get your product to and from market, and if you don't have cost-effective reliable sources of power, the rest are just nice things but you're just not gonna move there. You're not gonna expand your business there.

So those are things we need to work on collectively together within the region. There's a lot of strengths and weaknesses that we can offset between the various communities and various parts of this region going forward.

So, as you can tell, I'm excited about what's happening. I think when you think about this and Kelly and I were talking about this before on the way in. We have a website, Reggie might have mentioned this earlier. I think the last time I was here, well actually last year even at this time it was about 80,000 job openings we had listed. It's called [jobcenterwisconsin.com](http://jobcenterwisconsin.com). 80,000 job openings.

We thought that was a lot then. This past month it got up to about 100,000 job openings on that. And what Kelly was kidding me about was a couple years ago when we first did this, there weren't even quite as many as 80,000, but some entrepreneurial reporter went out and found that of those 80-some thousand, some of them were from companies that were not only hiring people in Wisconsin, but were hiring over the state line. So the reporter said, 'Hey, wait a minute, you're pattin' yourself on the back for all these jobs that are available and some of them aren't even available in the state of Wisconsin.' And I said, "So what?" I said, "If somebody's getting a job in Lake County

or in Winnebago County or in Boone County and they live just in Walworth of Kenosha County, don't they have a job?" I said, "I'm just tryin' to help 'em find a job."

And I think that's one of those things where again I go back to what I said with that vision of thinking, if you look up from the air, you can see where Illinois and Indiana and Wisconsin are, but you can't quite tell exactly where the state lines are. And so if you're someone who works, particularly if you work and live near the border, wither direction -- if it's down by Gary or it's up by Kenosha or Racine or Milwaukee, for a lot of folks, and I know -- I grew up in Walworth County back in the '80s.

If you can imagine, there are actually a few of my classmates who were actually Bear fans, so hard to imagine, but back then with Walter Payton and Super Bowl shuffle and all that, it was kinda popular, even on the Wisconsin side of the state line to be a Bears fan back then. I would wager to say a few of my cousins now down in Rockford and Belvidere today might actually sneak in they actually like the Packers, too. It all depends on how things are going.

When you think about people who live in those areas, for our parents and our grandparent's generation, a lot of them lived and worked and played all in the same spot.

They got their news from the same community newspaper. Our generation's changed and I think about my kids at 20 and 21 -- they're not reading the local newspaper; they're lookin' on their phone every night and they get news from all around the world. Yeah, they pay attention what's happened back home, but they get news from all over. They don't get boundaries. They don't get that. They don't get the idea that you only get your news from the *Milwaukee Journal Sentinel* or the Racine paper or the Kenosha paper or the *Chicago Tribune* or the *Sun Times*. God forgive me, I don't know what the Gary newspaper is, but they don't get that you should only get your news from those sources because that's where you live or work.

They've livin' in a global economy. They're livin' in a global world out there. We need to catch up with where our children, our grandchildren are at so that we can be ahead of the curve and if we do that, it's not just to keep up with your kids. It's gonna help in all these things. It's gonna help on trade, it's gonna help on technology, it's gonna help on transportation, it's gonna help make for a better quality of life within this region for all of us, instead of one benefitting from the other while somebody else loses. It's gonna help all of us lift up everybody

within this great region that we live in. So, with that, I think I've got a couple minutes before they kick me off for questions out there. Thanks.

Q Governor, Sheila Owens with ComEd, the electric utility here in the Chicagoland area. Two questions, and first of all, I'm a fellow Marquette alum, like your mom, my first real hero was Ernie Banks, Mr. Cub, number 14 and I'm a former Bears fan.

Question -- an occasional Packers fan, but not really. So in Wisconsin, and in the region, how do you tap your utilities and academia to be supportive in regional competitive economic development space? What can we bring to that table and second question: Can you use today's platform to announce your 2020 presidential bid?

GOVERNOR WALKER: My wife just keeled over somewhere in Wisconsin on that latter part. Well on regional cooperation, even before being Governor, when I was County Executive from 2002 to 2010, when I was elected Governor, specifically, both in utilities as a whole and even in terms of leadership, one of our co-chairs or tri-chairs of the M7, the regional economic development of southeastern Wisconsin was led by Gail Klappa, of course who was one of our top utility leaders in the state, but it's not just

true there, it's true elsewhere in our other regional economic development efforts across the state of Wisconsin, which the state plays a role in through the Wisconsin Economic Development Corporation in providing assistance to each of those regions. Both parts you asked about -- utilities play a big role, not just in terms of governance and support for those regional entities, but even in terms of the strategy. Because we know that cost-effective and reliable -- the two go hand-in-hand -- cost-effective and reliable sources of power are key ingredients, particularly to manufacturing, but to just about any industry out there.

And so that we can show, we put a package together and we try to do it jointly -- a good example is when we were down, in our case just over the state line in Kenosha, you've got Todd Battle and the Kenosha Business Alliance, you've got the team in from M7, which is the seven-county regional economic development effort and then you've got our folks from the Wisconsin Economic Development Corporation. We try to do it jointly so that an employer, be they new or growing, doesn't have to go to three different layers, it's all done at one spot; it can be done in any of the three directions. But typically the package that's often put together doesn't just show tax credits and

incentives and all those other things. It shows what projected rates are gonna be like, access to power, things of those sort and it talks about -- and a good example, both of our partners here would know -- when it comes to hiring, Kenosha's a good example. Talk about the capacity, UW Parkside, and the capacity at Gateway Technical, as well as other private entities within that area, and that's a key part all around the state.

We know, particularly for the University of Wisconsin, although we include, in the Milwaukee area as well, it would be Marquette and Alverno and other private institutions, but it's really that partnership because increasingly employers want to know, am I gonna have the workforce? They're gonna need enough bodies to fill, not just at the entry level, but all the way through management, do I have enough people to tap into. And so higher ed, as well as some of our other programs called Fast Forward, in our state, are really key to plugging in the training, the workforce, the education needed to make sure we've got enough workers to fill those positions. And I carefully ignored the other question.

Q How important do you think increased productivity is for economic development?

GOVERNOR WALKER: I think it's a huge deal. I just came -- this may sound like a completely different subject, but I'll put a plug in for this -- I just came from Walworth County where we announced a new toolkit for employers to help people who are employees of theirs who are caregivers for people with dementia. And so what does that have to do with what you just asked?

Incredibly important, because what we found was in our state, and the data's probably similar and in Indiana, one out of every six people in our state is providing some level of care for a family member with either Alzheimer's or dementia and we found that unlike even other issues that are dealt with in the workplace, people who are in those positions, 191,000 alone last year, don't typically mention that to their employer because a lot of them, particularly in early stages of dementia don't even want to acknowledge it to themselves and their family, let alone to their employer.

But because of that, we -- I can say this out of personal experience 'cause one of my staff is personally living this experience and we made modifications for -- but you could see that left unchecked, it dramatically has an impact on productivity, has an impact on absenteeism, it



has an impact on stress and all other issues like that and so this is one of a number of examples of things we're working on with our employers about addressing unique needs of their employees, that are not only good things to do, but in this case, identifying employees who might be caregivers and getting them the tools and the resources, making slight modifications, even things as simple as some employers now working with us are setting up separate rooms for people to use to make arrangements for a loved one's doctor's appointments are things like that. All those things like that they found in the research that we've done with the Alzheimer's Association raises productivity.

Now that's a very narrow response, but it's just timely because they were just talking about it, so I think when you think about innovation, when you think about technology, you think about connecting higher ed and academic research and development, all those things to try and strengthen levels of productivity are incredibly important.

Q Governor Walker, thank you for sharing. I was struck by your county experience and the Great Lakes Compact. And with that learning, could you help lead a Midwest Compact that would at least involve these three

states, and if you could do that, what would be the priorities that you try to focus on first? 'Cause we've been urged by Purdue and strategic doing to make some choices, place bets, so with your insight, what would you suggest we might want to look at with particular focus?

GOVERNOR WALKER: Well I think, for what it's worth, two areas -- one, from a branding standpoint and two, from just practicum. I think transportation and workforce are the two areas where they have the least -- and it goes again to exactly to your polling -- there's the least amount of friction in terms of boundaries. You're totally right, just anecdotally I know your data proves this on tourism, a good example. Why? 'Cause in this region most of the tourism comes from the other part of that region. I mean our biggest market for tourism, our Chicago people; second biggest is the Twin Cities. It's why you see all these crazy ads with Beau Ryan talking about tourism down here or other folks out there 'cause this is our market.

Conversely a good chunk of the market for people who that come down, if you want to go to the big city and go on the Magnificent Mile and go shopping, but you don't want to pay to go to New York City, why wouldn't you go right here? You've got a great place with all the amenities of big time

city that you can drive to. That makes sense in terms of tourism dollars that people don't see that 'cause they see it as two opposing -- not opposing but two different directions.

When it comes to workforce and it comes to transportation -- I might even add power, energy -- those are things that people don't see as hoarding within a given community or boundary. Those are things that make sense, I think, within a region.

The other thing I'd say specifically in terms of branding is water. I go back to what I mentioned about the guy who went running, from New York, or even thinking about China and 160 different communities over a million -- you know we can be all sorts of wonderful things, but there are hundreds, if not thousands, of regions around the world who can say they're the clean energy capitol of the world or they're this or they're that, those are things that just about every- -- not that we shouldn't be in to that -- we're in there, but what makes us unique? What makes people go, yeah, that's the place. I get that.

To me I think it's a combination. You've already got the infrastructure -- the Water Council and all that being built in this region for years, not just in Milwaukee.

You've got down here the University of Chicago, you've got other components, Marquette, University of Wisconsin, you've got Parkside, you've got I mean all sorts of entities that are already doin' all this. But you've just got the obvious. I keep turning to this, but when you think, when you've got 20 percent of the world's fresh water supply, when you've got a region that's not just these three states but all the others around the Great Lakes and two provinces, that represents about a third of the world's economy, er, not a third; that represents the third largest economy if it was just on its own. It seems to me that's a pretty good centerpiece. And that wasn't a plant, but the way.

Q Welcome back to Chicago. As we take a look at the Great Lakes --

GOVERNOR WALKER: By the way, I was thinking about that earlier when I was thinking about beer, it's good to be back 'cause the last time I was in town, I had a cheeseburger at the Billy Goat and to tell you how awesome life it, so, the bartender says he's a big fan, wants to take a picture, so I come under -- I pull the stool, the holder there and I walk around and I look down and I'm gonna take a picture with him on the tap side of things and

what's on the far end of the tappers? A tap with a globe on the top of it, Schlitz. The beer that made Milwaukee famous. So I have a great picture -- I think the *Chicago Sun Times* had me having a double cheeseburger and a Schlitz.

Q I didn't realize that was the last time you were in Chicago because I think I did say to one of your staffers, bring Spotted Cow the last time.

GOVERNOR WALKER: We can't sell it though. We don't sell it out so we have to bring it as a gift, right?

Q As we look at the Great Lakes, the larger footprint of the Great Lakes region, what effect do you think the Canadian elections and the shift in government will have on the relationships now between the cross border -- between the eight governors and two premiers now?

GOVERNOR WALKER: That's a great question. I think in terms of within this region and the governors and the premiers, next to no impact. Just because our interaction, I mean I saw Harper the last time I was up there but just as a courtesy. We went to Ottawa. But really in terms of the premiers and the governors within the Great Lakes and St. Lawrence region, we work directly with each other. I don't know that it has an impact any more that there is no

impact of a difference between Bush -- President Bush and President Obama. And in fact, even on those issues, when I chaired the St. Lawrence Seaway Development Board, when you look at issues affecting commerce and even environmental protections, say invasive species and things like that, those are really binational agreements that aren't particularly partisan. I for one would actually like to see the United States Congress, particularly the Senate, be more open to some of the things we pushed over the last decade here where we would tackle invasive species issues together at the entry point near Montreal, but there's -- editorializing -- I think there are some lawmakers in either party on either coast who don't want our ports to be as profitable as they are in the east and the west coast, who kind of stood in that way.

There's a good binational agreement in terms of working with federal officials there on those sorts of issues and at the states, the commerce is really between the states and the provinces. So I don't think it really has an impact one way or the other, which is good for us because it doesn't mean there's gonna be a dynamic change.

The only change that might happen is actually really like the ambassador from Canada to the United States, he

was a former premier, a great guy, I don't know if he'll still be the ambassador or not. That might change, but other than that, but we've gone through changes; the previous ambassador to Canada for the United States was from here in Canada and he still hangs around our meetings even though, 'cause he's with BMO now, even though he's not officially working with the present administration.

Q Mr. Walker, population growth drives will push agridemand out, PPC care will push out, would you be willing to take in 10,000 Syrian refugees? Desirable refugees to drive your economy further?

GOVERNOR WALKER: In terms of, say that again.

Q Well we have increased economic law says when you have an increase in population your economy increases, it gets bigger. To take in refugees.

GOVERNOR WALKER: I think for us right now the biggest thing we're trying to focus in on is before bringin' folks in from elsewhere is tryin' to get groups of people that we have in Wisconsin who are able to work but for a variety of reasons haven't been mainstreamed into the workforce. I'll give you a couple of examples.

We started a couple years ago an initiative that my friend, Jack Markell, the governor of Delaware started with

the National Governor's Association, we expanded it called The Better Bottom Line. We focus on tryin' to help people with developmental, I mean intellectual disabilities as well as physical disabilities enter the workforce. We've seen in the last few years a marked improvement through things like Project Search, a program that starts in high school and others, getting more people with disabilities into the workforce.

We have a similar thing, different category, where people who are seeking public assistance, if they're able-bodied adults, we've said, we'll help you out but to get assistance the requirement is that you have to be enrolled in one of our employability programs and you have to be able to pass a filter to make sure you can pass a drug test 'cause what we heard from our employers is, I'll take people and train 'em, I don't need skilled trade workers; I just need people who have basic employability skills that can show up for work, on time, all the time, that don't take off of work without asking -- I mean this sounds like simple things out there. But that's -- if you can do that, if you can provide more of those individuals to us, we'll put 'em to work.

And so our thrust right now has been to try and find



more individuals who have historically been on the sidelines and if they're able, physically, get them in the game and that's our focal point right now. Thanks everybody. I appreciate it. Have a great weekend.

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