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## **National Report Quantifies How Investments In Transportation Projects Impact U.S. Economy**

*(Editor's Note: Provided is a recent press release from the American Road & Transportation Builders Association (ARTBA).)*

(WASHINGTON, D.C.) — The importance of President Obama's Labor Day call for congressional action soon on a front-loaded, six-year reauthorization of the federal highway and transit improvement programs is underscored by new research that shows the programs' importance to the U.S. economy.

The report says money invested this year in transportation construction industry employment and purchases will generate over \$380 billion in U.S. economic activity—nearly three percent of the nation's Gross Domestic Product (GDP). That's larger than the annual GDP of 160 nations ranked by the International Monetary Fund, including oil-rich Saudi Arabia (\$370 billion) and Kuwait (\$111 billion).

The report, "The U.S. Transportation Construction Industry Profile," released by the Transportation Development Foundation of the American Road & Transportation Builders Association (ARTBA), shows the annual value of domestic transportation construction will surpass \$120 billion this year. This ranks it larger than industry sectors like auto repair and maintenance (\$116.8 billion), farming (\$97.5 billion) and coal mining (\$29.8 billion), to name a few.

Alison Premo Black, ARTBA senior economist and the report's author, found transportation construction supports 3.4 million American jobs—1.7 million directly involved in construction and related activities and 1.7 million jobs sustained by transportation construction industry employee, firm and agency spending throughout the U.S. economy.

She cautioned that thousands of these jobs could be in jeopardy if Congress fails to take action soon on a multi-year surface transportation program investment bill.

The last multi-year transportation law expired a year ago October 1. Federal highway and transit aid to the states has been sustained over the past year by four short-term extensions and economic stimulus funding.

Utilizing U.S. Census Bureau “County Business Patterns” data and the U.S. Commerce

Department’s Regional Input-Output Modeling System (RIMS II), Premo Black found the

transportation construction industry’s largest economic impact is in the state of California, where it generates or sustains more than 354,000 jobs. California’s followed by New York (286,449), Texas (276,276), Florida (196,087), Pennsylvania (148,669), Illinois (129,014), Georgia (106,658), Ohio (104,310), Washington (100,384) and New Jersey (97,036).

Black says transportation construction activity generates \$159.3 billion annually in direct and induced U.S. wages. These workers, she says, will contribute an estimated \$13.1 billion in federal and state payroll taxes this year. But that is not the end of the story.

“What is often overlooked is that the work the transportation construction industry performs results in the nation’s longest-lived capital assets,” Black points out. “And transportation infrastructure makes all kinds of other economic activity possible.”

“Tourism, manufacturing, transportation and warehousing, agriculture, forestry, general construction, mining, retailing and wholesaling are all wholly dependent on the work done by the U.S. transportation construction industry,” Black says. “These, what I call dependent industries, employ nearly 80 million American, who collectively earn more than \$2.8 trillion each year and pay over \$233 billion in state and federal payroll taxes.”

Black is an economics doctoral candidate at The George Washington University in the Nation’s Capital. She holds an M.A. in International Economics and Latin American Studies from the Johns Hopkins School of Advanced International Studies.

The ARTBA-TDF, established in 1985, is a 501(c)3 tax-exempt entity to promote research, education and public awareness. It supports an array of initiatives, including educational scholarships, awards, roadway work zone safety and training programs, special economic reports and a national exhibition on transportation at the Smithsonian’s National Museum of American History.

(ARTBA’s 100-page report includes a myriad of national and state-specific data. It can be found online in the “economics and research” section of [www.artba.org](http://www.artba.org) and at the following direct link: <http://www.artba.org/economics--research/studies--analyses/>.)

## **DOT Officials Provide Updates On Transportation Construction Activities**

*(Editor’s Note: The following article is taken from last week’s e-newsletter of the Contractors Association of W.Va.)*

Highway construction funding was one of the topics discussed during last week’s October legislative interim meetings in Charleston. W.Va. Department of Transportation Secretary Paul Mattox and Robert Pennington, director of programming and administration for the WV Division of Highways, spoke before Finance Subcommittee B about the 2011 highway construction

program. Pennington detailed the DOH's 2010 estimated program verses actual program. He stated that the Federal Paving Interstate program was planned at \$30 million, and it will be \$32.5 million, Appalachian Corridor projects were estimated at \$12.5 million, and \$11.5 million was spent. Other Federal Aid Routes were planned at \$15 million, and \$42.5 million was expended. The Spring State Contract Paving program was planned at \$15 million while \$28.5 million was spent. The Summer 2010 paving program was planned at \$40 million, and \$39.5 million was expended.

Pennington told legislators the WVDOH is planning a \$550 million construction program in 2011. This includes: Federal Aid Paving program including \$27 million for interstates, \$12 million for APD and \$31 million in other federal aid. The State Contract Paving program will be \$15 million for a Spring Paving program and \$40 million for Summer program. Committee members are continuing to review options for additional highway funding.

## Help Continue WVBT's Record Of Success By Providing A Financial Contribution For 2010

Now more than ever WVBT needs financial support from coalition partners and companies. **Since the start of the WVBT campaign in mid-2006, WVBT has been involved in activities/efforts that have resulted in a total of early \$200+ million being either maintained or added to West Virginia's Road Fund. Most recently, the Legislature enacted a modification to the state's wholesale gas tax that will stabilize and maintain millions of dollars for roads, bridges and highways.** If your organization or company would like to help sustain the coalition's ongoing campaign or would like to get more information about West Virginians for Better Transportation, please send an email to [info@keepwvmoving.org](mailto:info@keepwvmoving.org). Someone would be happy to contact you.

## Need A Speaker?

If you would like to have a speaker from West Virginians for Better Transportation come talk to your group or organization about transportation issues, please complete this request form: [http://www.keepwvmoving.org/getactive/request\\_a\\_wvbt\\_speaker.aspx](http://www.keepwvmoving.org/getactive/request_a_wvbt_speaker.aspx)

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For more information about West Virginians for Better Transportation, please go to [www.keepwvmoving.org](http://www.keepwvmoving.org).

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