



PRESS RELEASE

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New Report Documents Job Growth and Economic Impact of \$600M Annual Increase in Investment in Highways and Bridges

A sustained \$600 million annual increase in highway and bridge construction work in Minnesota will:

- Boost the state's total economic output by \$1.45 billion, to \$564.21 billion. That is a return of over \$2.40 for every \$1 in spending.
- Create and sustain an additional 12,238 jobs throughout the state's economy, with a total annual payroll of \$455 million.

These conclusions are contained in a new report from the American Road and Transportation Builders Association (ARTBA) using information from the US Department of Commerce that details how greater investments in highway and bridge infrastructure will lead to significantly increased economic development and job growth in Minnesota. The report makes the case for the direct impact that the quality of the state's transportation system has on the state's economy and the business community.

"As the legislature and the governor consider investments that will provide jobs and improve the state's economy, we urge them to keep in mind the positive impact improvements to our state's highways and bridges will have," said Patrick Baker, Director of Government and Institutional Affairs for Greater Mankato Growth. "Especially in Greater Minnesota, highways are the lifelines that keep our businesses and industries growing," he noted.

After the construction sector, the biggest economic impacts from an increase of \$600 million per year in the state's transportation infrastructure would be seen in the manufacturing (\$204.8 million increase in output) and real estate (\$90.8 million) sectors. The greatest number of jobs would be

supported or created in the retail trade (1,220 jobs) health care (774 jobs) and manufacturing (746 jobs) sectors, after construction.

“The results of this study strongly suggest that an increased investments in highways and bridges should be a fundamental component of any plan to grow the state’s economy and boost its future competitiveness in regional, national and international markets,” said Dr. Alison Premo Black, the author of the study.

“Our members understand clearly how important it is to have safe roads and bridges that are built to modern standards,” said Doug Peterson, President of the Minnesota Farmers Union. “Our growth and success depends on shipping commodities throughout the state and beyond. If we don’t have roads and bridges that are strong enough to handle heavy equipment and the many loads we need to move, farmers can’t expand their operations and expand their contribution to the state’s economy,” he said.

With the increased investment reviewed in the report, agricultural output would increase by \$8.9 million and the total industry payroll would increase by \$1.1 million reaching almost \$97 million. In addition, there would be fewer bridge postings and weight restrictions which are very costly for farmers.

“The Minnesota Chamber of Commerce supports passage of a 10 year, comprehensive transportation funding package that provides increased investment in the state’s multi-modal transportation infrastructure,” said Bentley Graves, Director of Health Care and Transportation Policy for the Minnesota Chamber. “This report highlights the link between the investment of additional resources in our highways and bridges and the benefits that will accrue to businesses all across the state,” he said.

“MnDOT just announced that the estimated shortfall in state highway funding has increased, reflecting the impact of construction inflation,” said Margaret Donahoe, Executive Director of the Minnesota Transportation Alliance. “Without action by the legislature, MnDOT will not have enough money to maintain the system we have, let alone expand and improve the system to meet all of the safety and congestion problems around the state. Without passage of a transportation funding package, the state will experience further job losses instead of job gains, while transportation costs will increase for businesses making them less competitive,” she said.

“With a significant budget surplus that may increase when we see the release of the November budget forecast, we urge the legislature and Governor Dayton to keep working to reach agreement on a transportation funding plan during the 2016 Session – a top priority that was not passed before the end of the 2015 Session,” said Tim Worke, Director, Highway and Transportation Division, Associated General Contractors of Minnesota.

Progress In Motion is a statewide coalition of over 200 organizations involved in building and maintaining Minnesota’s transportation system that advocates for investments to improve the safety and effectiveness of Minnesota’s multimodal transportation system.

Washington, D.C.-based ARTBA is the consensus voice of the U.S. transportation design and construction industry before Congress, the White House, federal agencies, news media and the general public.”