

TRANSPORTATION AS AN ECONOMIC FORCE

Not only is a solid transportation network crucial to economic development, but construction projects bring economic development to the region as well. According to the American Road and Transportation Builders Association a \$100,000,000 investment in transportation will result in 4750 jobs with less than 25% of them being in the construction field. The value of infrastructure investment pays an additional \$4.33 for every dollar invested. The total investment break down for the \$4.33 is broken up between Direct, Indirect and Induced employments.

Direct Employment is employment that can be attributed to the operation, management, maintenance, and construction and planning of transportation. In general terms this is dollar per dollar.

Indirect Employment is employment in goods and service supplier industries that results from the presence of transportation's direct employers. As such, indirect employment is generated in industries that supply or provide services to transportation related businesses. Generally speaking for every dollar spent in the direct employment of transportation \$2.49 is earned in indirect employment.

Induced Employment is employment generated through expenditures of individuals employed indirectly or directly by transportation businesses. For example, if a paving operator decides to expand or re-model their home, this would result in additional (induced) employment hours in the general economy. Specifically, the home renovation project would support hours of induced employment in the construction industry, the construction materials industry, etc. In general for every dollar spent in Direct Employment \$1.84 is earned in induced employment.

Transportation employs 2.2 million people a year and averages 11% of the United States of America's total gross domestic product. This 11% is made up of the personal consumption of transportation that includes, but is not limited to, the household purchases of motor vehicles, parts, gasoline, oil, and public transportation services.

Within Licking County, over the current STIP period of 2008-2012, \$57,083,503 of Federal and State Transportation funding will be spent. This will total 2711 jobs with less than 25% of them in the construction industry, \$57,083,503 in Direct employment due to transportation, \$142,137,922 in Indirect employment due to transportation and \$105,033,645 in Induced employment due to transportation dollars. The total sum of investment due to transportation dollars in Licking County over the current five year STIP period is \$304,255,070. This is an extremely important and significant part of Licking County's economic health and LCATS is exceptionally grateful to the Ohio Department Of Transportation and the Federal Highway Administration for this funding.