

Policy Development and Research

MARCH 2017

PUBLIC TRANSPORTATION: MAJOR ECONOMIC CONTRIBUTOR AS PART OF INFRASTRUCTURE PROPOSAL

New analysis shows investment of \$200 billion in public transportation over ten years creates and supports 10 million jobs and \$800 billion in economic activity.



www.apta.com/analysis

President Donald Trump and Congress have proposed the idea of a trillion dollar investment in American infrastructure. As the nation considers a proposal, the American Public Transportation Association ran an analysis to determine what kind of impact investment in public transit would have on communities around the nation. With the new APTA web tool, information about potential transit funding from inclusion in the infrastructure proposal is available by congressional district.

In order to illustrate the impacts of such a level of investment, APTA assumed an additional \$200 billion over a ten year period for public transportation including bus and passenger rail. This \$200 billion target number is based on three separate analysis on investment that were done for the FAST ACT legislation. In 2014, APTA also calculated the impact to the economy that such an investment would have in a groundbreaking report, "Economic Impact of Public Transportation". The report went beyond the typical counting of hard hats and orange vests working on construction projects, to include the long-term productivity enhancements resulting from transit investments, which includes the improved sales and access to employees that the economy will produce. The result is the creation of 50,000 jobs per \$1 billion invested and a multiplier effect of 4 times investment, equaling \$800 billion in economic activity. The research proves that public transportation investment is an effective strategy to support the private-sector.

Particularly for small and mid-sized communities, this investment will garner the greatest impact. For instance, simply adding additional buses, facilities and new technologies are a game changer for small and mid-size communities. Specifically, nearly 90 percent of public transit trips directly benefit the economy by getting people to work and connecting them to local businesses, according to a recent APTA demographics study.

As Congress moves forward with implementation of a new infrastructure initiative, APTA recommends that any new funding initiative should include public transportation, including bus and passenger rail, and prioritize establishing a long-term sustainable funding source for the nation's transportation infrastructure.

To see how an additional \$200 billion in public transit investment over 10 years might be apportioned to congressional districts using APTA's suggested formula, see apta.com/analysis

According to recent APTA research, the percentage of transit trips for shopping has nearly tripled in the last ten years, to 21%. Just another example of how public transportation's role in the economy has increased.

Sources: Who Rides Public Transportation, 2017; America's Future is Riding on Public Transportation: APTA Recommendations 2014; Economic Impact of Public Transportation, 2014. apta.com/resources

For More Information

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The American Public Transportation Association (APTA)

The American Public Transportation Association (APTA) is a nonprofit international association of 1,500 public and private sector organizations, engaged in the areas of bus, paratransit, light rail, commuter rail, subways, waterborne services, and intercity and high-speed passenger rail. This includes: transit systems; planning, design, construction, and finance firms; product and service providers; academic institutions; transit associations and state departments of transportation. APTA is the only association in North America that represents all modes of public transportation. APTA members serve the public interest by providing safe, efficient and economical transit services and products.

APTA Vision Statement

APTA is the leading force in advancing public transportation.