



Supply Chain, Inflation, and Workforce Challenges

June 22, 2022

Public transportation is an \$80 billion industry that directly employs almost 450,000 workers and supports millions of private-sector jobs.

However, supply chain constraints, inflationary pressures, and workforce shortages are challenges to the industry's significant efforts to deliver on the promise of the historic Infrastructure Investment and Jobs Act.

Commodity	5-Year Average Cost	2020 Average Cost	Current Cost	% Increase vs 5-Year Average
Carbon Steel (per LB) Source: ProPurchaser	\$ 0.42	\$ 0.29	\$ 0.73	+74%
Stainless Steel (per LB) Source: ProPurchaser	\$ 1.33	\$ 1.21	\$ 2.40	+80%
Copper (per LB) Source: Comex	\$ 3.08	\$ 2.75	\$ 4.74	+54%
Aluminum (per LB) Source: LME Official Price	\$ 0.91	\$ 0.77	\$ 1.59	+75%
Resins Source: St. Louis Fed	\$ 243.39	\$ 215.02	\$ 302.37	+24%
ABS Extrusion Material Source: ProPurchaser	\$ 1.11	\$ 0.87	\$ 1.81	+62%
ABS Injection Material Source: ProPurchaser	\$ 1.08	\$ 0.84	\$ 1.78	+65%
Flat Glass (index) Source: ProPurchaser	\$ 113.91	\$ 114.31	\$ 132.77	+17%
Freight – Trucking Source: St. Louis Fed	\$ 143.18	\$ 136.98	\$ 193.90	+35%

Supply Chain: The public transportation industry faces risks in executing projects because of significant supply chain disruptions and global shortages of essential components, like microchips.

These disruptions may result in project and procurement delays. They may also directly impact the continued operations of manufacturers and suppliers.

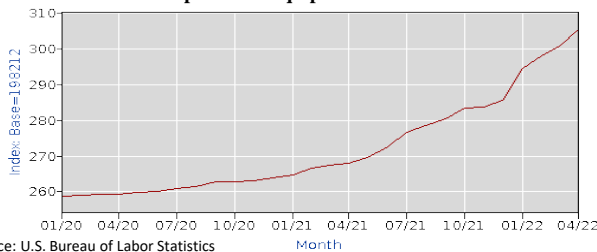
Cost Increases: The cost of basic commodities, which impacts the entire supply chain, has increased up to 80 percent, compared to the five-year average.

The Producer Price Index (PPI) for Transportation Equipment (Truck and Bus Bodies) has increased by 14.6 percent over the last 12 months, as of March 2022. The inflation rate typically experienced over the course of a year is occurring in one month.

Workforce: According to an APTA survey, more than nine in ten public transit agencies are having difficulty hiring new employees.

For some public transit agencies, the difficulty attracting and retaining workers is impacting service, delivery, planning, and ridership recovery.

PPI for Transportation Equipment—Truck and Bus Bodies



Source: U.S. Bureau of Labor Statistics



There are approximately 2,600 transit component manufacturers in the U.S.



88 percent of Congressional Districts host at least one public transportation manufacturer.



Public transportation supports and creates approximately 50,000 jobs for every \$1 billion of investment.



For every \$1 invested in public transportation, \$5 is generated in economic returns.

Public transportation enables our communities to provide access to opportunities and create family-wage jobs, advance equity, tackle climate change, and meet evolving mobility demands.