



*A bold voice for transportation workers*

## **TRANSPORTATION INVESTMENTS CREATE JOBS**

As our country faces the worst economic crisis in generations, it is clear that robust transportation investments by the federal government must be a central component of putting people back to work and restoring a badly weakened economy. The official unemployment rate has struggled to stay below 10 percent with six million Americans out of work for over six months. Ten million jobs must be created just to return to employment levels in place when the recession began in December 2007. Transportation labor calls on elected leaders to act decisively and put people back to work. Job creation, including investments in transportation, began with the Recovery Act, which created and saved millions of jobs. But the work is not done. Workers need swift action on a robust jobs bill and additional investments in transportation programs with a proven history of job creation. More delay and partisan quarreling will not put a single American to work – significant investments in our transportation system and infrastructure will.

Today, for the first time in decades, many national leaders understand the nexus between job creation and investing in transportation – a case that transportation unions have long championed. As President Obama said in the State of the Union, “we can put Americans to work today building the infrastructure of tomorrow.” Infrastructure and transportation programs are both proven job creation vehicles as well as the means to create assets that accrue to our long-term national economic benefit. The White House and Congress proved this in the Recovery Act, which invested \$64 billion in transportation and other related infrastructure investments. As the economy remains in a state of severe distress, leaders in Washington must again move to help workers with or without the cooperation of obstructionist Members of Congress.

Driven by an obvious desire to score partisan political points, naysayers continue to sow doubt about the effectiveness of the Recovery Act. Transportation labor was appalled by recent public statements by some that the recovery legislation didn’t create one new job. We hope those who are pursuing a scorched-earth strategy will walk away from this unhelpful rhetoric and instead work with transportation labor to pass a strong jobs bill that that will put the more than 1 out of 10 unemployed Americans to work.

The fact is that the Recovery Act helped to stave off economic disaster with transportation spending clearly as an effective job creator in that law. In fact, transportation investments directly created or sustained more than 280,000 on-project jobs and billions in payroll expenditures to the economy to date. And the total employment growth increased to 890,000 jobs with the inclusion of indirect and induced jobs. We invite those elected officials who have deliberately distorted the facts to tour the more than 10,000 transportation projects across America where workers are on the job every day thanks to the Recovery Act.

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There are plenty of good examples of how transportation investments make a real difference in the lives of working Americans. Before the Recovery Act, Tom Cunningham, of Beech Grove, Indiana and a married father of five, could only work a few days a week at CSX Railroad because of the economy. The Recovery Act put Tom back to work full-time rebuilding Superliner trains for Amtrak. At the Central Ohio Transit Authority in Columbus, 70 people are earning paychecks because of a Stimulus project refurbishing the Fields Avenue bus repair depot, which had been closed for four years. Stimulus funds kept transit workers on the job in Atlanta, Bridgeport, Harrisburg, Houston, Kansas City, New Orleans, St. Louis, Tulsa and many more cities. The Recovery Act is working, but more must be done to bend the unemployment curve.

In December, the House of Representatives passed the Jobs for Main Street Act. It would provide \$37 billion for transportation investments, with \$8.4 billion for transit and \$27.5 billion for highway and bridge projects. It includes \$800 million for Amtrak, \$500 million for airport upgrades, and \$100 million for the Maritime Administration's guaranteed loan program for shipyard modernization. It also extends flexibilities in the use of transit funds so transit agencies can halt service and job cuts, because there is no point in buying new buses while laying off the people who drive them.

In late February, the Senate passed a more modest jobs bill that included an extension of the Highway Trust Fund. House and Senate leaders are now working to craft and pass a jobs bill to be sent to the President. As this process continues, we urge passage of strong job creation legislation that mirrors the House bill and includes strong Buy America requirements to maximize job creation in manufacturing as well as transportation and construction. Half-measures and insufficient funding will not be enough. Congress must act both swiftly and boldly to put Americans back to work.

While much attention has focused on the Recovery Act and the Jobs for Main Street Act, Congress can also improve the jobless rate by supporting an array of transportation investments. Two major transportation reauthorization bills have been written and debated but have yet to be enacted into law. The House Transportation and Infrastructure Committee has drafted a landmark \$500 billion surface transportation reauthorization, which would create six million jobs by rebuilding our crumbling surface transportation system. Congress and the White House should stop debating extensions of the current programs and instead find a funding solution that supports at least a \$500 billion multi-year bill.

The reauthorization of the Federal Aviation Administration, which will create jobs through airport construction, investments in "NextGen" air traffic control modernization and a more efficient aviation system, has faced even longer delays – operating since September 2007 on a series of eight short-term extensions. The House of Representatives passed this bill twice and the Senate Commerce Committee approved its version last year. Unlike the surface transportation bill, there are no funding disputes delaying this legislation. Instead, the Senate can and should act immediately to consider and pass this bill and send the final reauthorization legislation to the President's desk.

Other forms of transportation investments will also improve the job outlook and our nation's long-term economic health. We need to improve our national intermodal transportation system with projects that will spur local economies and create jobs. For example, the Bayonne Bridge will need to be upgraded to allow a new generation of taller container ships to access port terminals in New York and New Jersey west of the bridge. Intermodal connectors should be a high priority, including rail and bridge construction, which link ports to the nation's interior. The Maritime Security Program should be fully funded at \$174 million to ensure the U.S.-crewed and U.S.-owned merchant fleet can meet national defense needs. The Corps of Engineers civil works budget should be fully funded to complete critical port maintenance and deep dredging projects. These projects are essential to keep American ports competitive, particularly with the need for channels to accommodate a new generation of vessels that require deeper drafts. Transportation labor supports the President's initiative to invest in high speed rail, but there is great potential for economic growth and employment through other rail investments as well. Ensuring full funding for Amtrak in the next fiscal year will provide almost \$2.2 billion for passenger rail investment, support good paying jobs, ease congestion, and help to curb carbon emissions. Congress should also back tax credits for freight rail, which will expand service, improve the rail network, create jobs, and grow our economy.

America's economic troubles cannot be solved without large-scale federal investments in jobs and infrastructure. The economic debate has been transformed by President Obama's strong support for job creation through transportation investments. Only a long-term commitment of federal funds will provide the stability needed to encourage private sector investment and job growth. But now, American workers need their leaders to act. There is a palpable anger among working Americans who have lost their patience with politicians who lack the foresight to act decisively in the face of severe joblessness. We urge our elected leaders to pass another jobs bill without further delay.

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