

# Seaports and the US Economy

*THE Essentials for a Maritime Nation*



Great Lakes Dredge & Dock Company



## The Community-Port Relationship

### *Glorious U.S. Maritime History*

- Villages, towns and cities built up around seaports because the water provided an efficient method of moving goods.
- Over time these ports, the cities and surrounding communities became important economic drivers by facilitating trade and generating economic vitality.
- Today more than ever, seaports continue to be a critical link for access to the global marketplace.
- Seaports are at the center of trade and transportation, however, they are not alone in this important role.



## Seaport Industry Legacy

*Navigable/Secure/Sustainable*

- For centuries seaports have been an economic lifeline
- Seaports help build and grow international trade; strengthening local and national economies
- Provide high paying jobs and increase standard of living
- Seaports connect us to the rest of the world
- Keeping seaports modern, navigable, safe and in the national interest should be a CORE PRIORITY for all Americans



## **The Role that Seaports Play to the Economy Cannot be Overstated**

*How did those shoes get on store shelves?*

- Nearly everything we buy or consume – everything from the clothes we wear, to the foods we eat, to the coffee we start our day with – comes to us on a ship, through one of our nation's seaports.
- In turn, nearly everything sold in the global marketplace makes its way there via our seaports. This includes valuable domestic commodities like machinery, steel and building materials.



## Connecting the Country and the World

*Seaports serve as the gateway to domestic and international trade, connecting large and small U.S. businesses to the global marketplace.*

- U.S. seaports are responsible for moving nearly all of the country's overseas cargo volume...99.4% by weight and 64.1 percent by value.
- Each of our 50 states relies on at least 15 seaports to handle its imports and exports, which total more than \$3.8 billion worth of goods moving in and out of U.S. seaports each day.
- In 2008, U.S. seaports imported and exported nearly 7.6 billion tons of cargo, including food, clothing, medicine, fuel, building materials, electronics and toys.
- International trade via seaports accounts for more than 32 percent of the U.S. GDP; that value is expected to increase to the equivalent of 37 percent by 2015 and 60 percent by 2030.



## Delivering Economic Prosperity

*Seaports are essential to the economic growth and vitality of our nation.*

- Seaports of the Western Hemisphere generated nearly \$8.6 trillion of total economic activity in 2008.
- Western Hemisphere seaports continue to generate billions of dollars in tax revenue annually, including more than \$212 billion in the U.S. federal, state and local taxes in 2007.
- In the past five years, U.S. seaports have self-funded important infrastructure projects worth more than \$9 billion.
- Spending by the cruise industry and its passengers generated \$35.1 billion in the U.S. in 2009.



## Creating Jobs

*Seaports directly and indirectly create new, high-paying jobs that provide family-sustaining wages for U.S. workers.*

- Seaports support the employment of more than 13 million people in the U.S.
- In 2009, the cruise industry provided 313,998 jobs paying a total of more than \$14 billion in wages and salaries.
- Seaport-related jobs account for \$650 billion in personal income.
- For every \$1 billion in exports shipped through seaports, 15,000 U.S. jobs are created.





## Seaports Have Many Partners

### *Track Record of Success*

- Today, as we confront a host of challenges there is a clear and critical role for our ports.
- Ports are dynamic, vibrant centers of trade and commerce, but what's most important to understand is that seaports are partnerships.
- A successful seaport is supported by clear and navigable waterways dredged deep and wide enough for ships to pass through, and kept clean for the plants, fish and wildlife around it to thrive.
- A successful seaport is supported by proper levels of government funding for roads, highways, and waterways around the seaport.
- A successful seaport is one whose regional, city and local officials, communities and stakeholders partner in the process of keeping these systems working efficiently.



## **While Economic Support has been a Challenge,**

*There is a Bright Side...*

- Ports are pushing ahead with capital expansion programs.
- This has created jobs and new business opportunities.
- There are new trade programs and agreements and more demand in China and other countries.
- Panama Canal Expansion.
- Cruising is still strong.
- Sustainable port programs support smart growth and save money.



## Seaports and Federal Partnerships

*Taking the Initiative Even When Ignored*

- NEI – National Export Initiative requires investment in domestic seaport infrastructure
- RAMP – Harbor Maintenance Trust Fund [www.ramphmtf.org](http://www.ramphmtf.org)  
HR 104 (111 co-sponsors) and S 412 (25 Co-sponsors)
- Port Deepening – Continued investment to handle larger ships and increased trade
- Surface Transportation Bill– needed to deliver goods from seaport to store shelves
- Security – number one national security risk



## Seaports and Local Partnerships

*Relevance and Advocacy not just a Beltway thing*

- Regional – Seaports have regional impacts, West Coast and South Atlantic Governors Alliances serve as model for consideration of sustainable development
- State – Plays role in cost share and environmental oversight. Governors need to play larger advocacy role.
- Local – Greatest advocates for job creation and environmental stewardship



## Seaports Deliver Prosperity Sustainably

*Constituency demands long term solutions*

- As public agencies, one of the missions of ports is to be stewards of the coastal environment.
- Ports promote sustainability as a standard business practice.
- Conserving resources and operating efficiently and safely is about more than being good stewards of the environment. It's good for business as well.
- AAPA has a web-based environmental “tool kit” and library of case studies of the many ways ports proactively enhance the environment.



## Some Final Thoughts

*A maritime nation needs to invest in and rely on its seaports to provide the prosperity they have always delivered*

- The role that seaports play to the economy cannot be overstated, especially in these difficult economic times.
- Nearly everything we buy or consume everything from the clothes we wear, to the foods we eat, to the coffee we start our day with comes to us on a ship, through one of our seaports.
- As broad and as big as this impact is, ports serve as local economic engines as well. And in cities and towns around the world, their impact is felt even more acutely.
- Together we can....we have to... communicate the importance of seaports and prepare ourselves for the challenges to come.
- ***(AND IT ALL STARTS WITH DREDGING)!!!!!!!!!!!!!!!!!!!!!!!!!!!!***

