Targeted Transportation Investments Would Create Jobs for Workers Hit Hardest By Recession, Says EPI Report

A well-designed package of investments in transportation infrastructure would create hundreds of thousands of jobs and disproportionately benefit those workers hit the hardest by the recession, according to a new Economic Policy Institute analysis of Transportation for America’s jobs proposal.

Transportation for America (T4A)—a coalition of housing, business, environmental, transportation, and other organizations—has proposed an approximately $35 billion jobs package that focuses investments on the repair of existing transportation infrastructure and new public transportation. At T4A’s request, the Economic Policy Institute analyzed the labor market impacts of its jobs proposal in a new analysis, The Labor Market Impact of Targeted Investments in Transportation Infrastructure.

The analysis found that the T4A jobs proposal would create approximately 480,000 jobs in direct and supplier industries. This does not include jobs created as a result of the higher consumer spending by newly-hired workers, which would make the job impact considerably higher. The jobs proposal would also disproportionately create jobs for low-wage workers, workers without a college degree, and African-American and Hispanic workers—all groups that have been hit hardest by the recession.

“With the economy in the worst recession since the Great Depression and unemployment projected to rise for at least another six months, it is clear that more needs to be done to create jobs,” said Ethan Pollack, a Policy Analyst at EPI and co-author of the report. “Transportation for America’s proposal shows one way that a well-tailored package of transportation investments could help put people back to work.”

The jobs proposal offered by T4A is consistent with EPI’s American Jobs Plan, which calls for $400 billion in infrastructure investments, a job creation tax credit, strengthening the social safety net, fiscal relief for state and local governments, and public service jobs to create 4.6 million jobs in one year.

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