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New data shows economic benefits of infrastructure stimulus investments

Personal earnings will increase by \$1.1 billion and the national gross domestic product will increase by \$3.4 billion for every billion dollars invested in new infrastructure projects according to new national and state-by-state data released by the Associated General Contractors of America (AGC).

The comprehensive new data, which is based on new economic research conducted for the association as well as federal data and economic impact estimations, demonstrates the "unmistakable" benefit of including infrastructure investments as part of the stimulus package, the association's chief executive officer Stephen Sandherr said.

"Investing in infrastructure will create jobs, will increase earnings and will stimulate economic growth," said Sandherr. "As important, these investments will give our economy a global competitive edge for decades to come."

Montana would greatly benefit from infrastructure investments in the stimulus package. According to AGC statistics, construction jobs in the state decreased by 7.2 percent since the employment peak in May, 2007. With the infrastructure in stimulus funding, Montana would gain \$2.1 billion in its Gross National Product, would see a \$683 million increase in personal earnings, and 24,500 jobs would be created or sustained.

"Certainly for a state like Montana with its crumbling infrastructure, this plan not only makes economic sense but common sense," said Cary Hegreberg, executive director, Montana Contractors' Association. "It's critical to keep our roads and bridges in top condition due to the long travel distances in our state. It's important to have improved schools, as well as updated rural water systems and municipal water/sewage treatment facilities."

Nationwide, the new data shows that for every billion invested in projects designed to improve highways, water systems, educational and health facilities, and energy systems, more than 28,500 jobs will be created or saved nationwide. 9,700 of those jobs would be for construction related work. Another 4,600 would be for associated work, such as suppliers, while another 14,300 of those jobs would be added outside to the broader economy.

“Our members, who are commercial contractors, see this plan as an excellent way to put Montanans back to work, keep jobs in the construction industry, and put money back into our economy,” Hegreberg concluded.

MCA is urging its members, as well as all Montanans, who want to see people put back to work and money back into the economy to visit www.agc.org/letsbuild and show their support for infrastructure investments. To view the national and state-by-state data, go to <http://www.agc.org/stimulus>.

MCA is a Helena-based trade association representing commercial and industrial construction firms across Montana, and is a chapter of the Associated General Contractors of America.

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