The Economic Value of Investment in Freight Transportation: Missouri Highways
Economic Impact Summary

Missouri Highway Freight Industry

The Missouri highway system is the longest state road system in the Mid-West spanning 32,800 miles and crossing over 10,224 bridges.¹ The highway freight industry that relies on this system currently employs 50,963 workers; 50,479 in general, specialized, and intercity freight trucking positions and 484 in road transportation support activities. Freight transportation arrangement and Packing & Crating businesses employ another 3,360 workers and are associated with a variety of modes. The freight trucking industry exceeds statewide average annual wages with positions earning $39,900 annually. Average wages for road transportation support activities are more than $29,000.²

The highway freight industry employment impacts Missouri’s economy; generating an estimated $248 million annually in new net Missouri general revenues, $3.5 billion in personal income, $5.9 billion in Gross State Product (GSP), and $10.5 billion in total economic output. The 50,963 direct workers generate an estimated 39,757 indirect and induced spin-off jobs annually in Missouri through purchases of industry intermediate inputs and employee consumer spending.³

More than 418.1 million tons of freight is attributed to Missouri truck cargo annually representing more than $377.3 billion in value. Missouri exports approximately 115.7 million tons of commodities by truck with an estimated value of more than $113.8 billion. Top Missouri truck exports by value include Mixed Freight, Machinery, Miscellaneous Manufacturing Products, and Pharmaceuticals. Top Missouri truck exports by ton include Cereal Grains, Food Products, Gravel, and Non-Metallic Mineral Products. Imports account for 95.4 million tons of cargo with an estimated value of $157.9 billion. Top Missouri truck imports by dollars valued include Machinery, Mixed Freight, Motorized Vehicles, and Electronics. Top Missouri truck imports by tons include Cereal Grains, Non-Metallic Mineral Products, Unclassified Materials, and Gravel.⁴

Missouri industries that export by truck produce substantial value. In total, the $113.8 billion in exports annually generate $4 billion in net Missouri general revenue, $58 billion in personal income, $95 billion in GSP, and $198 billion in total economic output. Exports from these businesses supply over 1.5 million direct, indirect, and induced jobs within the state paying an average wage of nearly $34,600.⁵

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<th>Annual Highway Freight Employment Impact</th>
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Economic Impact Summary

Missouri STIP Investments and the Trucking Industry

Missouri's Statewide Transportation Improvement Plan (STIP) invests over $4 billion dollars in more than 720 transportation infrastructure projects across the state between the fiscal years of 2009 and 2013. The resulting transportation cost savings to the trucking industry, due to improved roads, is passed on to Missouri businesses as a production cost savings of 0.28% per year from 2014 to 2028.

The benefits produced from reducing fuel, maintenance, and employment costs in the trucking industry represent a large portion of the total STIP impact: 73% of the state general revenue, 63% of the personal income, 71% of the gross state product, and 72% of the economic output. These savings help make Missouri businesses more competitive and have a strong impact on the economy. Considering only the benefits generated by the cost savings to the trucking industry, every dollar invested in the STIP projects returns 98 cents or $4 billion in new personal income to Missourians, $2.07 or $8.5 billion in new gross state product, and $3.52 or $14.4 billion in new total economic output. The transportation savings also creates 7,364 jobs at average wages of $29,280 and generates over $259 million in new general revenue for the state of Missouri.
Methodology

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Missouri Highway Freight Industry

1 Meet MoDOT Brochure, Missouri Department of Transportation, 2008


3 Employment impacts were estimated using the Regional Economic Models Incorporated (REMI) Policy Insight Module, Version 9.


5 Highway mode export industry impacts were estimated using the Regional Economic Models Incorporated (REMI) Policy Insight Module, Version 9.

Missouri STIP Investments and the Trucking Industry

1 Missouri State Transportation Improvement Plan, 2009-2013, Missouri Department of Transportation, 2008.

2 Cost savings derived from Federal Highway Association (FHWA) production cost factors scaled to current time period, industry mix, type of project, regional output and transportation costs.

3 Trucking industry production cost saving impacts were estimated using the Regional Economic Models Incorporated (REMI) Policy Insight Module, Version 9.