

ASCE: Investment in Ports, Airports Critical to Economy

BY: [Ryan Holeywell](#) | September 14, 2012

If the country fails to invest billions of dollars in ports, inland waterways and airports, it could lose out on more than 1 million jobs, according to a new [report](#) by the American Society of Civil Engineers (ASCE).

The group -- which advocates for transportation infrastructure investment as a way to boost the economy -- says the investments are critical to ensuring that American goods remain competitively priced.

If the country doesn't improve ports and airports, American goods could become more inefficient and expensive to ship, according to ASCE. That, in turn, would make American goods more expensive to buy and less attractive to customers, hurting the U.S. economy.

The report calls for a \$30.2 billion investment in marine ports and inland waterways through 2020 -- more than twice what's projected to be spent in that time. ASCE also says the country is projected to spend about \$19 billion short of what's needed for capital costs on airports through 2020. The projected growth of commercial aircraft operations in 15 major markets means passenger traffic at those facilities could increase by more than a third through 2020, while freight shipments could increase by 54 percent. The group has also called for additional investments in NextGen, the Federal Aviation Administration's system for improving the air traffic control system.

ASCE's members conduct work on transportation infrastructure projects and would likely benefit from increased public spending on the projects discussed in the report.

"Congestion and delays lead to goods waiting on docks and in warehouses for shipment, which in turn leads to higher transportation costs and higher-priced products on store shelves," ASCE President Andrew Herrmann said in a statement. "If we don't close the investment gaps, everyone is going to feel the negative impacts because we are on course to lose more than one million jobs and more than \$1 trillion in personal income by 2020."

The pressure to increase investment comes at a time when many observers are paying close attention to the expansion of the Panama Canal, which will allow vastly larger ships to cross. As *Governing* has [previously reported](#), American ports -- especially those on the East and Gulf coasts -- have been rushing to expand their capacity in order to take advantage of the Panama project and have called on the federal government to provide more money for those projects.

If they don't expand quickly enough, some industry and port officials say American ports could lose business to ports in the Caribbean who could accommodate the larger vessels, known as post-Panamax ships.

The Obama administration [recently announced plans](#) to accelerate several port projects across the country, with a particular emphasis on dredging harbors so that the newer, larger ships won't scrape the sea floor. Meanwhile, inland waters are in need of improved locks and dams, according to ASCE.

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