

ECONOMIC IMPACT STUDY FOR PUBLIC PORTS

Executive Summary

Marine transportation is critical to the health of Missouri's economy. Missouri industries including agriculture, chemical manufacturing, aggregates, and metals rely on the state's extensive port and waterway network to receive raw materials and to move goods to market. Missouri's 1,050 inland waterway miles ranks 10th in the United States in terms of mileage. These waterways connect the state to the entire Mississippi River system and its tributaries, including the Ohio, Tennessee, and Illinois Rivers. They also provide connections to Gulf Coast ports such as New Orleans and Mobile, providing Missouri shippers with access to global markets.

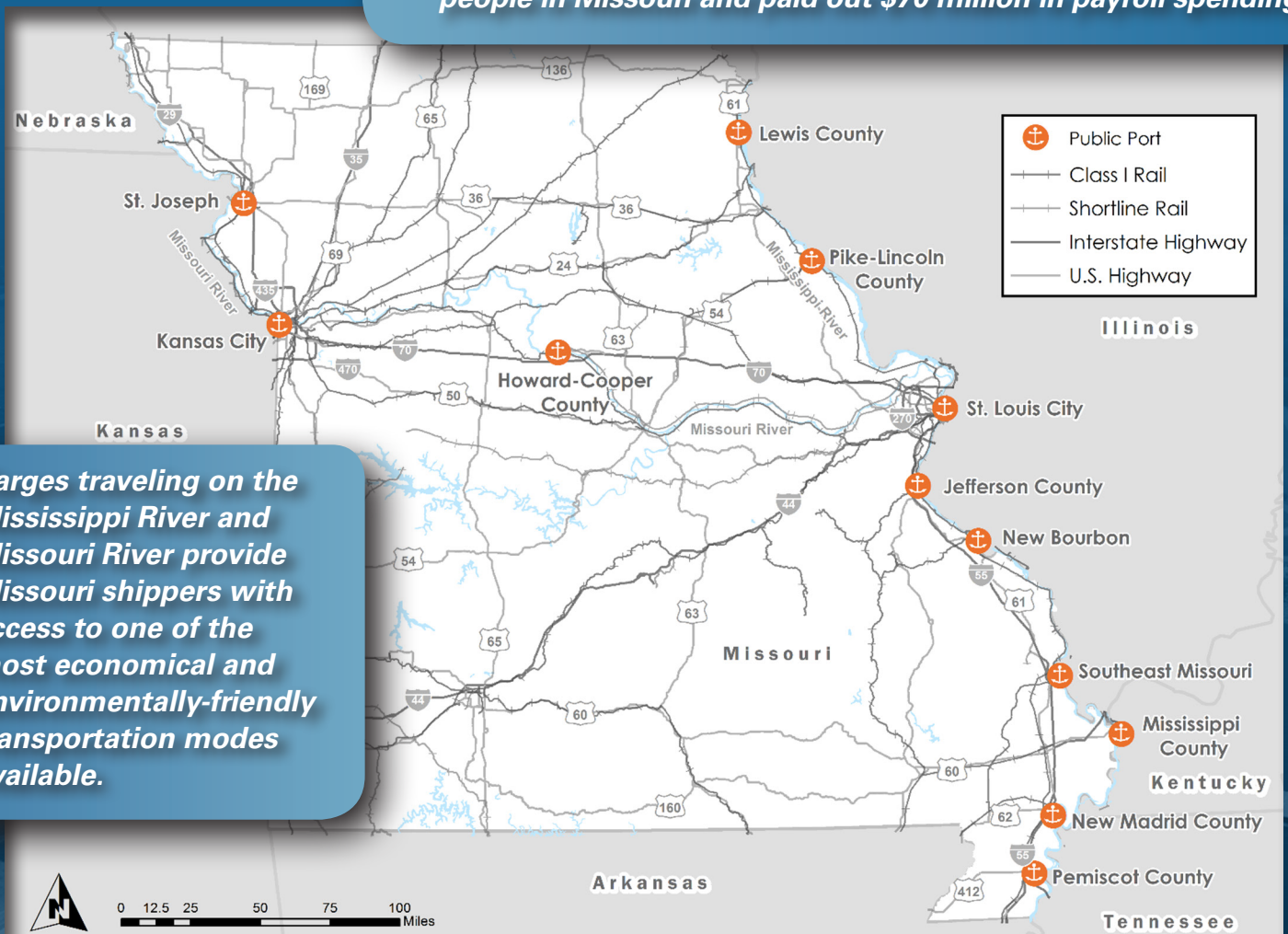


MISSOURI'S
1,050
INLAND WATERWAY MILES

RANKS
10th

IN THE UNITED STATES IN TERMS OF MILEAGE

Missouri's 12 public ports support significant employment and business spending in the state. In 2016, the ports employed 1,070 people in Missouri and paid out \$70 million in payroll spending.



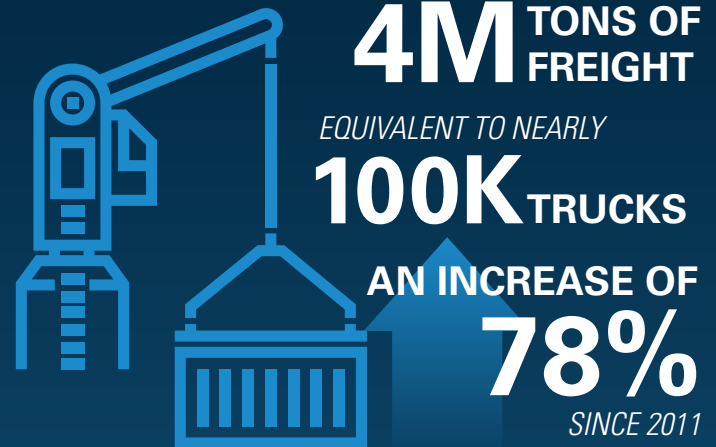
Barges traveling on the Mississippi River and Missouri River provide Missouri shippers with access to one of the most economical and environmentally-friendly transportation modes available.

Missouri Public Port Network

Key Findings

- Nearly 4 million tons of freight was shipped through Missouri public ports in 2016, an increase of 78 percent since 2011. These commodities were valued at over \$12 billion in 2016.
- Since 2014, the State of Missouri has contributed \$8.7 million towards capital investment in the public port network, leading to over \$18.6 million in private investment during this same period.
- Missouri's public ports support nearly 290,000 jobs annually in the State of Missouri, resulting in nearly \$15.7 billion in labor income and over \$100.6 billion in annual economic activity.
- About 34 percent of Missouri's economy and one out of every ten jobs is supported by the ports. This economic activity results in expansion of the state and local tax base, and Missouri ports give rise to more than \$2.4 billion in state and local tax revenue annually.
- Missouri's crop production, mining, and nonmetallic mineral product manufacturing industries are notably dependent on waterborne transportation in order to bring goods to market.
- Missouri's chemical manufacturing and primary metal manufacturing sectors are notably dependent on waterborne transportation in order to receive goods for processing.

IN 2016 MISSOURI PUBLIC PORTS MOVED



MISSOURI PUBLIC PORTS SUPPORT NEARLY



34% OF MISSOURI'S ECONOMY IS SUPPORTED BY PORTS



GIVING RISE TO MORE THAN **\$2.4B** IN STATE & LOCAL TAX REVENUE



Port-Dependent & Port Benefited Industries

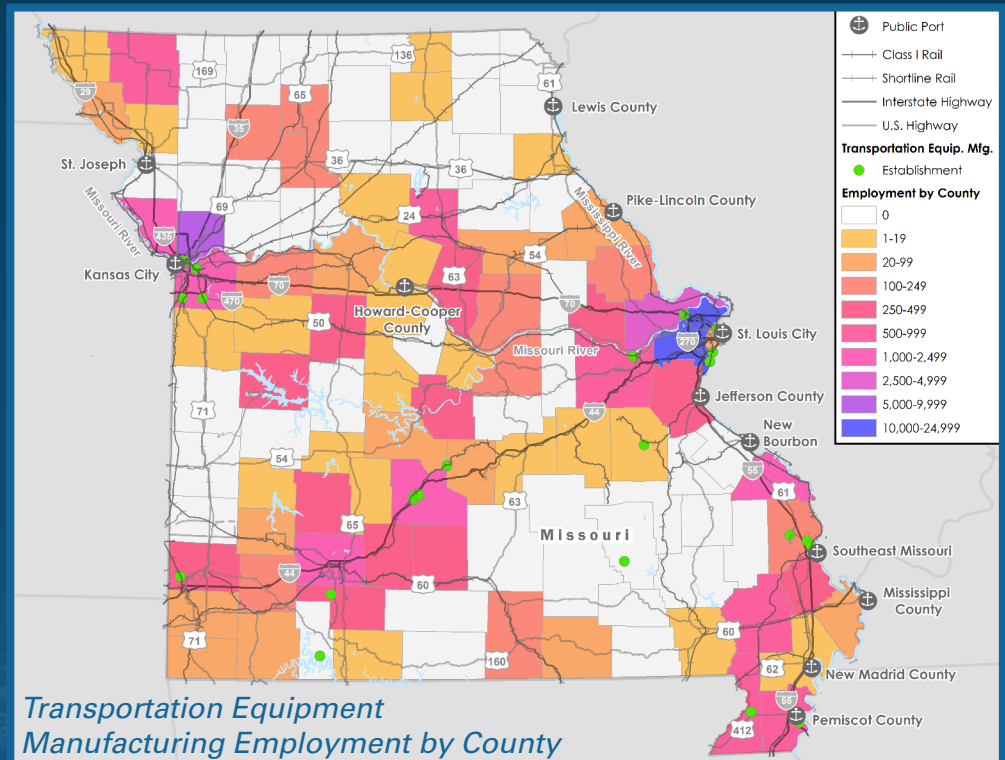
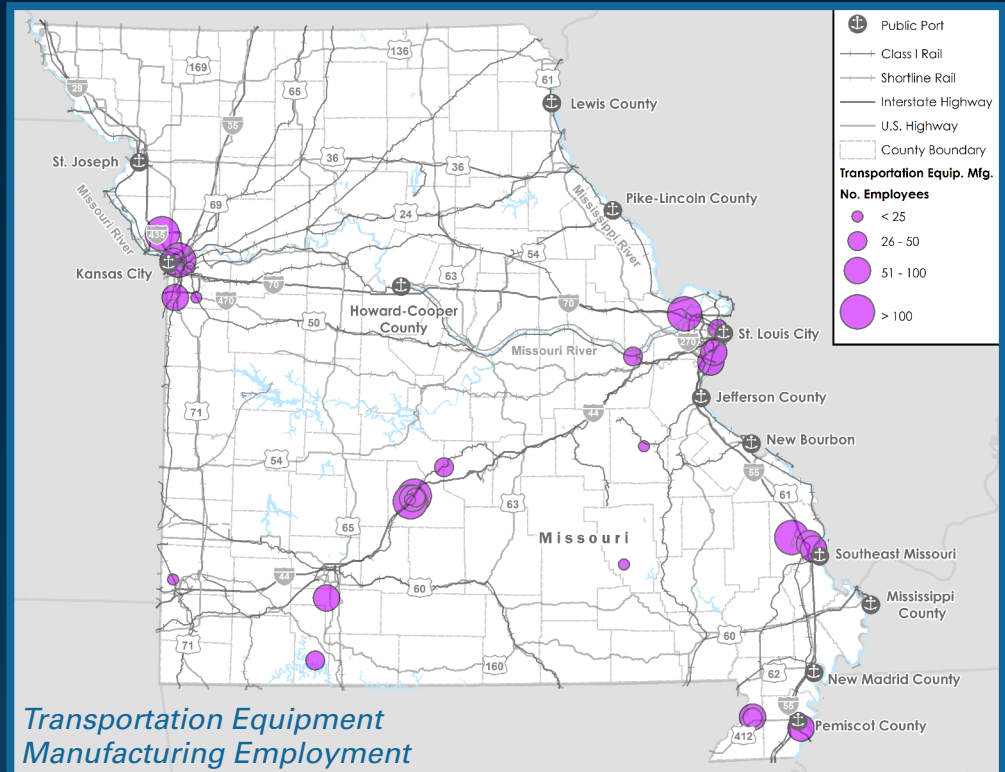
Port-dependent industries are those industries whose firms most likely could not be competitive in Missouri if not for the access and availability of marine transportation. These industries include:

- CHEMICAL MANUFACTURING
- FABRICATED METAL PRODUCT MANUFACTURING
- CROP PRODUCTION & MINING
- NON-METALLIC MINERAL PRODUCT MANUFACTURING
- TRANSPORTATION EQUIPMENT MANUFACTURING
- PRIMARY METAL MANUFACTURING

Port-benefited industries benefit either directly or indirectly from the access to marine transportation through reduced freight costs. In Missouri, these industries include:

- CONSTRUCTION OF BUILDINGS
- HEAVY AND CIVIL ENGINEERING CONSTRUCTION
- PLASTICS AND RUBBER PRODUCTS MANUFACTURING
- MACHINERY MANUFACTURING
- COMPUTER AND ELECTRONIC PRODUCT MANUFACTURING

The strongest port-dependent industry in Missouri is transportation equipment manufacturing. In 2016, Missouri employment in this industry was 46,200 with an annual payroll of \$2.9 billion and economic output of \$4.9 billion. These firms primarily specialize in ship and boat building and railroad rolling stock manufacturing.



Port-dependent industries support **110,000 jobs** for Missouri residents, giving rise to **\$4.7 billion** in annual income.

Port-benefitted industries support **97,500 jobs** and **\$5 billion** in annual income.



Call to Action

Missouri's port transportation network provides essential marine transportation and other services to some of the largest and most important industries in the State.

Businesses require cost-effective and efficient means of moving supplies, inputs, and finished goods to market, both domestically and internationally.

Even modest investments in the port systems can yield even higher benefits to Missouri's economy, and most of the ports currently have multiple opportunities to do so.

Infrastructure investments, including access roads, railroad track, storage facilities, loading/unloading equipment, and other services, helps support port activity, spurring future investments and economic growth.

Recent investment plans at Missouri public ports include:

- The Port of Kansas City has grown its footprint to 9.5 acres and over 2,000 feet of river frontage to help support a rapid increase in freight activity.
- The Port of St. Joseph constructed an on-site storage building with 5,000 tons of bulk capacity to support local business needs and increase development potential at the port.
- Southeast Missouri (SEMO) Port's top development priority is the Loop Tracks Terminal, a public facility to hold, load, and unload unit trains at the port. It is designed to allow multiple products and customers to be served at a time, and to better support barge-to-rail movements.

Maintaining and enhancing Missouri's public port system is critical for continued statewide economic vitality and competition with global markets.

Private investment in Missouri public ports boosts public dollars to maximize development potential and more directly support local business needs.



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