



Metropolitan Water Reclamation District of Greater Chicago

# Press Release

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## New Analysis Finds Closing the Investment Gap in Water Infrastructure Would Create 1.3 Million Jobs, \$220 Billion in Economic Activity

*Water Infrastructure Failure a Great Risk to Businesses: One Day Water Service Disruption Would Cost \$43.5 Billion Lost in Sales, \$22.5 Billion Lost in GDP*

Washington, DC - March 22, 2017 - The Value of Water Campaign, of which the Metropolitan Water Reclamation District of Greater Chicago is a supporter, today released an economic impact analysis it commissioned to understand how investments in the nation's water infrastructure affects economic growth and employment. The report release coincides with World Water Day and Water Week, global and national efforts to draw attention to the need to invest in water infrastructure. The report, "The Economic Benefits of Investing in Water Infrastructure," will be shared for the first time today at a briefing on Capitol Hill. Read the full report <http://thevalueofwater.org/resources>.

The analysis, conducted by Hatch, falls against a national backdrop of aging infrastructure. Many of the nation's water and wastewater systems have operated for a century or more. As pipes, pumps, and plants reach the end of their expected lifespans, water infrastructure capital needs are growing rapidly. But, as the report noted, the federal government's contribution to water infrastructure capital spending has fallen from 63 percent of total capital spending in 1977 to nine percent of total capital spending in 2014.

But the American Society of Civil Engineers (ASCE) recently estimated that over the next decade, the US needs to invest an additional \$82 billion per year in water infrastructure at all levels of government, and all over the country. The Value of Water Campaign analysis released today showed capital needs distributed throughout the nation with 23 percent of needs reported in the Midwest, 20 percent in the Northeast, 23 percent in the West, and 34 percent in the South.

Key takeaways of the report:

- Closing the water infrastructure investment gap would result in \$220 billion in economic activity and result in 1.3 million jobs.

- A one-day disruption in water service would cost \$43.5 billion in sales and \$22.5 billion in GDP.
- An eight-day disruption would shrink the annual GDP by one percentage.
- The federal government's contribution to water infrastructure has fallen to nine percent, down from more than 60 percent 40 years ago.

Radhika Fox, Executive Director of the Value of Water Campaign, said: "The report findings make it clear that investments in water infrastructure generate high quality jobs, increases the competitiveness of American businesses, and leads to a significant injection of economic activity throughout the nation. If we closed the gap between what the systems needs and what is currently spent, it would result in over \$220 billion in total annual economic activity. That would result in 1.3 million jobs over the next decade. That is the message we want public officials on Capitol Hill and across the country to hear: investing in water equals jobs. Investing in water infrastructure builds a prosperous America."

The analysis found there was an upside to investment, as well as a severe economic cost to inaction. At a national level, a one-day disruption in water service represents an aggregate daily loss of \$43.5 billion in sales and \$22.5 billion in GDP. For context, an eight-day national disruption in water service would amount to a one percent loss in annual GDP - putting roughly 1.9 million jobs at risk. For every day of water service disruption, the average US business loses \$230 in sales per employee. In industries most reliant on water, sales drop by up to 75 percent, or up to \$5,800 per employee.

The Value of Water Campaign educates and inspires the nation about how water is essential, invaluable, and in need of investment. Spearheaded by top leaders in the water industry, the Value of Water Campaign is building public and political will for investment in America's water infrastructure.

**Recovering Resources, Transforming Water**

Established in 1889, the MWRD ([www.mwrdd.org](http://www.mwrdd.org)) is an award-winning, special purpose government agency responsible for wastewater treatment and stormwater management in Cook County, Illinois.