



AMERICAN COUNCIL OF ENGINEERING COMPANIES

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Alan D. Crockett, 202-682-4301; Cell: 1-443-995-6364; acrockett@acec.org

“Shovel Ready” Has Meant “Job-Loss Steady”

ACEC Urges Investment in Major Infrastructure Upgrades To Create Jobs

WASHINGTON, D.C.—The nation's largest engineering industry business association warns that infrastructure funding in the new jobs bill under consideration by Congress must target major new works and upgrades—not just short-term “shovel ready” mini-job assignments of the first stimulus package—if significant job creation is to be realized.

In a recent letter to Congressional leaders, David A. Raymond, president of the American Council of Engineering Companies (ACEC) urged Congress to specify major infrastructure investment in the new jobs bill because “the previous focus on pot-hole filling and pavement resurfacing cannot sustain robust job creation or energize the economy.”

Recent testimony by the Government Accountability Office (GAO) confirms that half of last February's American Recovery and Reinvestment Act funding for transportation has been used for pavement improvements, and notes “great confusion” among recipients about calculating the number of jobs created or saved.

“Our own feedback from engineering firms working on projects throughout the nation shows that most of the job-creation or job-saving seems to have occurred in the public sector, while the private sector continues to take the brunt of job losses,” said Raymond. “The relatively few private jobs that were created have probably already vanished by now as these jobs are extremely short-term and not sustainable for long periods.”

He said the shovel-ready focus also missed opportunities to engage the full spectrum of manufacturers and other service providers that would have created many more jobs and provided America with much-needed modernized infrastructure. In addition to the new jobs bill “our nation could really benefit from passage of the now-delayed multi-year transportation authorization bill that would facilitate long-term job creation, overcome uncertainty in the states over transportation funding, and address prolonged underinvestment plaguing state and local transportation programs,” Raymond said.

“If we are just filling potholes, then we will miss a unique opportunity to expand and improve our infrastructure so that we can sustain a recovery and successfully compete in the global economy,” he warned. “Congress and the President need to recognize this opportunity as a solid economic recovery agenda that will put Americans back to work.” He added that “the fixation on shovel ready has meant job-loss steady.”

The American Council of Engineering Companies (ACEC) is the business association of America's engineering industry, representing nearly 5,700 independent engineering companies throughout the United States engaged in the development of America's transportation, water and energy infrastructure, along with environmental, industrial and other public and private facilities. Founded in 1909 and headquartered in Washington, D.C., ACEC is a national federation of 51 state and regional organizations.