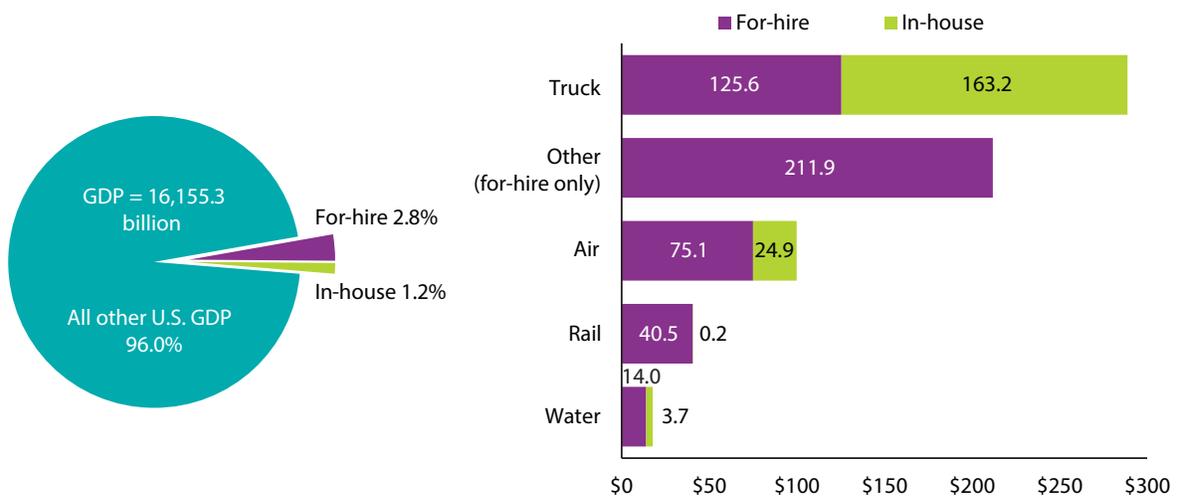


CHAPTER 1 INTRODUCTION

The Bureau of Transportation Statistics (BTS) estimates that transportation directly created \$659.1 billion of economic activity by moving goods in 2012. BTS measures this contribution to the gross domestic product in the Transportation Satellite Accounts (TSAs). The most current TSAs are for 2012¹.

Figure 1-1 Contribution of For-Hire and Business-Related In-House Transportation Activity to U.S. Gross Domestic Product (GDP), 2012 (current dollars)



NOTES: (a) In-house transportation is business-related transportation. Business-related transportation includes privately owned and operated vehicles of all body types, used primarily on public rights of way, and the supportive services to store, maintain, and operate those vehicles. (b) For-hire transportation consists of the services provided by transportation firms to industries and the public on a fee-basis. (c) Other for-hire transportation includes: pipeline, transit and ground passenger transportation, including State and local government passenger transit; sightseeing transportation and transportation support; courier and messenger services; and warehousing and storage). (d) The TSAs also show the contribution of transportation carried out by households through the use of their private motor vehicles (known as household production of transportation services (HPTS)). The contribution of HPTS is not shown in the figure. For more information, see: http://www.rita.dot.gov/bts/sites/rita.dot.gov.bts/files/publications/transportation_satellite_accounts/index.html

SOURCE: U.S. Department of Transportation, Bureau of Transportation Statistics, Transportation Satellite Accounts, available at www.bts.gov, as of Mar. 2016.

Measurement Method and Meaning

BTS produces the TSAs, which provide a comprehensive measure of transportation activity (e.g., trucking carried out by grocers to move goods from distribution centers to stores and depreciation from households driving personal motor vehicles) in the United States. BTS builds on the Bureau

¹ The TSAs are based on the Bureau of Economic Analysis' (BEA) Input-Output (I-O) Accounts. BEA produces detailed (benchmark) I-O data for every fifth year. BEA releases less detailed (annual) data for the years between the benchmarks. At the time of this publication, the 2007 benchmark data are the most recent detailed data available to the Bureau of Transportation Statistics (BTS) for creating the TSAs. BTS produced TSAs through 2012 (using BEA's annual data in combination with the 2007 benchmark data) and will revise the 2012 TSAs and produce TSAs for the years 2013 through 2017 when BEA releases detailed data for the year 2012.

of Economic Analysis's (BEA's) input-output (I-O) accounts. The I-O accounts show the value of all for-hire transportation in the United States and the industries using for-hire transportation. For-hire transportation consists of the services provided by transportation firms to industries and the public on a fee-basis, such as air carriers, railroads, transit agencies, common carrier trucking companies, and pipelines. Part of the TSAs reorganizes the I-O accounts to show the dollar value of transportation activity carried out by nontransportation industries for their own purposes (known as business-related in-house transportation). For-hire and business-related in-house transportation activity contributed \$659.1 billion to the economy in 2012 (figure 1-1).

The TSAs also show the value of transportation carried out by households through the use of their private motor vehicles (known as household production of transportation services (HPTS))². The I-O accounts do not show the dollar value of in-house transportation activity or HPTS.

The TSAs use the same structure as the U.S. I-O accounts and consist of four tables, quantifying transportation's role and impact.

- make table: measures the value of transportation services that each transportation industry *makes*,
- use table: measures the amount of transportation *used* by each industry and sector in the economy and the contribution of each industry and sector to the economy,
- direct requirements table: measures the amount of transportation *required* to produce one dollar of each product, and
- total requirements table: measures the inputs *required* to produce one dollar of transportation.

² For more information, see: http://www.rita.dot.gov/bts/sites/rita.dot.gov.bts/files/publications/transportation_satellite_accounts/index.html

This report uses information from the TSAs to highlight the role of for-hire and business-related in-house transportation in the production process for all of the nontransportation sectors listed in the U.S. I-O accounts:

- natural resources and mining,
- manufacturing,
- construction,
- utilities,
- wholesale and retail trade, and
- services.

For each sector, information is presented, using the latest available data³, on:

- the sector's contribution to gross domestic product (GDP) – nationally and by State in 2014,
- the sector's use of transportation by mode in 2012,
- the amount of transportation the sector requires to produce one dollar of output in 2012,
- the number of transportation (e.g., airline and commercial pilots, bus drivers, etc.) and material moving (e.g., cleaners of vehicles, dredge operators, etc.) workers employed by the sector in 2014,
- the median annual wage for selected transportation occupations in the sector in 2014,
- the number of trucks and number of truck miles accumulated by the sector in 2002, and
- shipment characteristics (for selected sectors) in 2012.

³ Latest data as of Feb. 1, 2016.