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## **REPORT FINDS HIGH-SPEED RAIL WOULD BRING 48,000 NEW JOBS, REDUCE EMISSIONS BY 12 BILLION POUNDS**

**SAN FRANCISCO, October 2, 2008:** The Bay Area Council Economic Institute today released a report, *California High-Speed Rail: Economic Benefits and Impacts in the San Francisco Bay Area*, assessing the expected impacts of bringing high-speed rail service to the Bay Area. Eighty-eight million Californians are expected to ride the proposed high-speed train annually by 2030. A \$9.95 billion bond measure will be on the upcoming November ballot.

The report finds significant benefits to the region in four areas: employment; mobility; urban development; and the environment. In an uncertain economic climate where California jobs are vulnerable, the high-speed train project has the significant potential both as an investment in the state's long-term future, and as a potential economic stimulus that will create new jobs and generate near-term economic activity.

Overall, the project can be expected to increase employment in the region by 1 percent, or 48,000 long-term jobs. It will also stimulate between \$6.9 and \$8.9 billion in construction spending in the region, which will directly or indirectly generate between 100,000 and 128,000 jobs during the period of construction.

High-speed train service can be expected to help Bay Area businesses expand their markets within the state, and their ability to reach an extended labor pool through more efficient access to the growing Central Valley. Reducing time lost by workers in traffic will also increase productivity. Bay Area commuters lose approximately 150,000 hours each day to congestion, at an average annual cost of \$2.6 billion.

Sean Randolph, President & CEO of the Bay Area Council Economic Institute and author of the report, noted, "High-speed rail is becoming a significant feature of advanced, globally competitive economies, with systems in place or under development in France, the UK, Spain, Italy, Belgium, the Netherlands, Taiwan, Japan and China. As the world's eighth largest economy and a global technology leader, to stay competitive we need the 21<sup>st</sup> century infrastructure to match, and high-speed rail is a critical piece."

In other respects, the report finds that Bay Area residents will benefit from substantially improved mobility: a high-speed train would cut travel time between San Francisco and San Jose to 30 minutes, ease the commute between the Central Valley and employment centers in Silicon Valley, and reduce long term pressure on the Bay Area's capacity-constrained airports. A train ride to Los Angeles will take 2 hours and thirty-eight minutes, making rail travel competitive with flying.

While improved mobility will benefit Bay Area residents broadly, the proposed system can be expected to produce other quality of life benefits including the accelerated development of pedestrian-friendly transit-oriented business and residential districts near high-speed train stations. Regarding CO2 emissions, a high-speed rail trip by rail between San Francisco and Los Angeles

will save 320 pounds of CO2 over the same trip by car; overall, the system can be expected to reduce CO2 emissions in California by 12 billion pounds annually by 2020.

“In 2006, California government committed to reduce CO2 emissions levels to 1990 levels by 2020,” said Jim Wunderman, President and CEO of the Bay Area Council. “High Speed Rail will not only help our businesses compete and let commuting residents be more productive, it will also put us on the road to meeting these ambitious targets. While this is a big investment, it’s a good one both economically and environmentally.”

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### **About the Bay Area Council**

The Bay Area Council Economic Institute is a public-private partnership of business, labor, government and higher education that works to support the economic vitality and competitiveness of California and the Bay Area, through fact-based economic analysis and targeted policy initiatives. The full high-speed rail report can also be accessed at <http://www.bayeconfor.org/media/files/pdf/CaliforniaHigh-SpeedRailOct2008Web.pdf>.