

The Economic Benefits of Investing in Water Infrastructure

Fact Sheet

The Value of Water Campaign commissioned a new report, “The Economic Benefits of Investing in Water Infrastructure” to assess how investments in the nation’s water infrastructure can affect economic growth and employment. This fact sheet outlines the key findings of the study, and the full report can be found at www.thevalueofwater.org/resources.

The US is funding just one-third of its water infrastructure needs.

- Most water and wastewater systems, which put food on our table, keep our lights on, and keep our businesses thriving, have been in operation for **75–100 years** or longer, well exceeding their expected lifespan.
- The US needs to invest a total of **\$123 billion per year** in water infrastructure over the next 10 years to bring systems to a state of good repair.
- Our national water infrastructure investment gap is **\$82 billion per year**.
- Current local, state, and federal capital spending on water infrastructure only funds **one-third of our national needs**.
- While federal contributions to transportation infrastructure have stayed constant at approximately half of total capital spending, federal investment in water infrastructure has **declined from 63% to 9%** since 1977.

Closing the water infrastructure investment gap creates jobs and strengthens the economy.

By closing the annual investment gap in water infrastructure, we can generate:

- **Over \$220 billion in economic activity** (direct, indirect, and induced), exceeding the gross domestic product generated by 26 states.
- **1.5 million American jobs** (direct, indirect, and induced), more than the employed workforce of 16 states.

Water service disruptions are more than an inconvenience to American employees and businesses; they are costly.

- At a national level, a one-day disruption in water services would result in a **\$43.5 billion daily sales loss** to businesses and **\$22.5 billion loss in GDP**.
- 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.

Keeping water infrastructure in a state of good repair is essential to business productivity.

- If the water infrastructure gap is not addressed, industries are projected to experience higher costs in the form of higher water rates, costs of self-supply, or costs of relocating to better-served areas.
- Closing the water investment gap saves businesses **\$94 billion in annual sales**, and saves 505,000 jobs over the next 10 years.

Now is the time to invest.

Reliable water infrastructure is fundamental to our nation’s economic health and competitiveness. Meeting the investment need will require collaboration across public and private sectors, including strong partners at the local, state, and federal level.

To learn more about the Value of Water Campaign and our efforts to educate the nation about the importance of water and the need to invest in water infrastructure, visit www.thevalueofwater.org.