

The Economic Impacts of I-73 Construction: A Focus on Job Creation

Executive Summary

January 2009

Dr. Donald L. Schunk, Research Economist
BB&T Center for Economic and Community Development, Coastal Carolina University

Interstate 73 in South Carolina has the potential to ultimately play a critical role in economic development for the Myrtle Beach area, the Pee Dee Region, and for the entire state. Upon completion, I73 will play a key role in attracting additional tourists to the Grand Strand and attracting additional industry throughout the I73 corridor. Once in place, I73 will benefit the region and state by supporting additional jobs and household income. The completed I73 will not solve all of the region's economic challenges by itself; rather, I73 will be one important piece of the economic development puzzle.

However, in the near term, the actual construction of I73 will certainly provide a much needed boost to the regional and state economies. Specifically, I73 construction will generate a substantial number of jobs at a time when the region and state are experiencing sharp job losses and rapidly rising unemployment.

Specifically, the construction of Interstate 73 in South Carolina can be expected to generate the following economic benefits for the Myrtle Beach area, the Pee Dee Region, and for South Carolina:

- The direct support of a total of 23,400 positions in the construction sector. These positions are spread across the entire length of the construction phase. If we assume a five-year construction schedule, then *at any single point in time, I73 construction will be supporting 4,680 new construction sector jobs.*
- The direct construction spending will generate *\$170.7 million in new household income annually for workers in the construction sector.*
- Beyond the 4,680 new construction jobs, *an additional 3,040 jobs will be generated throughout the regional economy due to economic ripple effects.*
- Taken together, *a total of 7,720 jobs will be created and will last throughout the I73 construction phase.*
- For context, during November 2008, the South Carolina I73 corridor counties of Dillon, Marion, Marlboro and Horry had a combined unemployment rate of 10.6 percent, with 17,915 residents currently unemployed and many additional residents either underemployed or out of the labor force. *The construction of I73 would boost employment for the region, lower the area's unemployment rate, reduce the strain on the state's unemployment insurance fund, and generate additional tax revenues for state and local governments.*