

Chapter II

ECONOMIC IMPACTS of the PORT OF DULUTH-SUPERIOR

This report isolates the economic impacts created by all cargo and vessel activity at the Port of Duluth-Superior in 2017.

1. JOB IMPACTS

7,881 jobs in Minnesota and Wisconsin were supported by cargo moving via the marine terminals located at the Port of Duluth-Superior.

- Of the 7,881 jobs, **2,814 jobs** were directly generated by the marine cargo and vessel activity at the marine terminals.
- As a result of the local and regional purchases by those 2,814 individuals holding the direct jobs, an additional **2,185 induced jobs** were supported in the regional economy.
- **2,882 indirect jobs** were supported by \$299.2 million of regional purchases by businesses supplying services at the marine terminals at the Port of Duluth-Superior.

2. REVENUE IMPACTS

In 2017, the direct business revenue received by the firms directly dependent upon the cargo handled at the marine terminals located at the Port of Duluth-Superior was \$1.4 billion. These firms provide maritime services and inland transportation services for the cargo handled at the marine terminals and the vessels calling at the terminals.

3. PERSONAL INCOME AND LOCAL CONSUMPTION IMPACTS

The 2,814 individuals directly employed as a result of the cargo handled at the marine terminals at the Port of Duluth-Superior received \$132.1 million in wages and salaries. These individuals, in turn, used these earnings to purchase goods and services, to pay taxes, and for savings.

EXHIBIT II-1 Economic Impacts of the Port of Duluth-Superior	
Jobs	
Direct Jobs	2,814
Induced	2,185
Indirect	2,882
Total	7,881
Personal Income (1,000)	
Direct	\$132,062
Re-Spending/Local Purchases	\$240,209
Indirect	\$131,854
Total	\$504,125
Business Revenue (1,000)	
	\$1,357,295
Local Purchases (1,000)	
	\$299,211
Taxes (1,000)	
Federal	\$184,589
State	\$55,045

Note: Totals may not add due to rounding

The purchase of goods and services from regional sources creates a re-spending effect known as the personal earnings multiplier effect. Using the local personal earnings multipliers, an additional \$240.2 million in income and consumption were created by the Port of Duluth-Superior. In developing the personal-income multiplier impacts, Martin Associates relied on government agencies to provide the income multipliers.

In addition, the 2,882 indirectly employed workers received indirect wages and salaries totaling \$131.8 million. Combining the direct, induced and indirect income impacts, the cargo handled at the Port of Duluth-Superior generated \$504.1 million in wages and salaries, and local consumption expenditures in the regional economy.

4. FEDERAL, STATE AND LOCAL TAX IMPACTS

A total of \$239.6 million in state and federal taxes were generated by cargo and vessel activity at the Port of Duluth-Superior, with \$55.0 million generated at the state level and \$184.6 million million generated at the federal level.