

I. THE NATION SERVED BY FREIGHT



Freight transportation has grown dramatically with the growth and spread of population and economic activity within the United States and with the increasing interdependence of economies across the globe. The U.S. population grew by 28 percent between 1980 and 2003, while the economy, measured by Gross Domestic Product (GDP), doubled in real terms. Other indicators of economic growth such as employment and household income have also risen, by 39 and 16 percent respectively. Foreign trade has grown faster than the overall economy, quadrupling in real value between 1980 and 2003, reflecting unprecedented global interconnectivity.

Table 1-1. Economic and Social Characteristics of the United States

	1980	1990	2000	2003	Percent change, 1980 to 2003
Resident population (thousands)	227,225	249,623	282,178	290,810	28.0
Households (thousands)	80,776	93,347	104,705	111,278	37.8
Median household income (\$2000)	35,057	38,257	41,990	40,553	15.7
Civilian labor force (thousands)	106,940	125,840	142,583	146,510	37.0
Employed ¹ (thousands)	99,303	118,793	136,891	137,736	38.7
Agriculture, forestry, fishing, and hunting (percent)	NA	1.9	1.8	1.7	NA
Mining	NA	0.5	0.3	0.4	NA
Construction	NA	6.9	7.3	7.4	NA
Manufacturing	NA	16.8	14.4	12.3	NA
Wholesale and retail trade	NA	14.7	14.6	15.0	NA
Transportation and utilities	NA	5.1	5.4	5.0	NA
Information	NA	2.9	3.0	2.7	NA
Financial activities	NA	7.1	6.8	7.1	NA
Professional and business services	NA	9.4	10.0	10.1	NA
Education and health services	NA	17.5	19.1	20.5	NA
Leisure and hospitality	NA	8.0	8.2	8.4	NA
Other services	NA	4.3	4.7	4.9	NA
Public administration	NA	4.7	4.5	4.5	NA
Business establishments (thousands)	NA	6,176	7,070	NA	NA
Governments	³ 81,831	⁴ 85,006	NA	NA	NA
Gross domestic product (\$2000 millions)	5,161,700	7,112,500	9,817,000	10,381,300	101.1
Foreign trade ² (\$2000 millions)	631,335	1,168,168	2,572,000	2,582,221	309.0
Goods (percent)	74.0	71.6	78.8	78.6	378.1
Services (percent)	26.0	28.4	21.2	21.4	261.0

Key: NA = not available.

¹Based on the 2002 Census Industry Classification system. Data for 1990 do not appear in the source document; they are estimated using the Bureau of Labor Statistics crosswalk from the 1990 Census Industry Classification system to the 2002 Census Industry Classification system.

²These data are revised from those published last year due to a change in the inflation-adjustment methodology.

³1982. ⁴1992.

TABLE 1-1. ECONOMIC AND SOCIAL CHARACTERISTICS OF THE UNITED STATES

Sources: Unless otherwise stated all data from: U.S. Department of Commerce, U.S. Census Bureau, *Statistical Abstract of the United States: 2004-2005* (Washington, 2005), available at

<http://www.census.gov/statab/www/> as of July 26, 2005.

Median household income: U.S. Department of Commerce, U.S. Census Bureau, Historical Income Tables, table H-6, available at www.census.gov/hhes/income/histinc/h06ar.html as of June 27, 2005.

Business establishments: U.S. Census Bureau, County Business Patterns, available at <http://www.census.gov/epcd/cbp/view/cbpview.html> as of July 26, 2005.

Gross domestic product: U.S. Department of Commerce, Bureau of Economic Analysis, National Income and Product Accounts, Gross Domestic Product, available at www.bea.doc.gov as of July 26, 2005.

Foreign trade: U.S. Department of Commerce, Bureau of Economic Analysis, National Income and Product Accounts, U.S. International Transactions, available at www.bea.doc.gov as of June 27, 2005.

Economic activity and the demand for freight transportation are no longer concentrated almost exclusively in the Northeast manufacturing belt of the United States, with raw

Table 1-2. Population and Gross State Product (GSP) by Region

	1980	1990	2000	2003	2004	Percent change, 1980 to 2004
Resident Population (thousands)	226,549	248,789	281,423	290,810	293,655	30
Northeast	49,136	50,828	(R) 53,595	54,398	54,571	11
Midwest	58,868	59,670	(R) 64,395	65,406	65,730	12
South	75,372	85,454	(R) 100,234	104,538	105,945	41
West	43,173	52,837	(R) 63,199	66,466	67,409	56
GSP (\$ 2000 millions)	5,054,549	6,994,329	(R) 9,749,103	10,289,258	10,720,847	112
Northeast	1,107,283	1,604,121	(R) 2,073,076	2,176,628	2,271,720	105
Midwest	1,262,917	1,566,939	(R) 2,176,746	2,243,163	2,313,685	83
South	1,608,531	2,220,755	(R) 3,210,017	3,437,836	3,582,160	123
West	1,075,817	1,602,514	(R) 2,289,264	2,431,631	2,553,282	137
GSP per capita (\$ 2000)	22,311	28,113	(R) 34,642	35,381	36,508	64
Northeast	22,535	31,560	(R) 38,680	40,013	41,629	85
Midwest	21,453	26,260	(R) 33,803	34,296	35,200	64
South	21,341	25,988	(R) 32,025	32,886	33,812	58
West	24,919	30,329	(R) 36,223	36,585	37,877	52

Key: R = revised.

materials flowing from the South and West. Population, employment, and income figures show a spread of economic activity throughout the United States.

Demand for

freight transportation grows with increases in population and economic activity. Over the next ten years the U.S. economy is projected to increase by 38 percent and the U.S. population by 9 percent. Transportation and warehousing employment is expected to increase by 22 percent over this period, faster than employment as a whole at 15 percent.

Figure 1-1. Economic and Population Projections: 2002 to 2012 (Index, 2002 = 100)

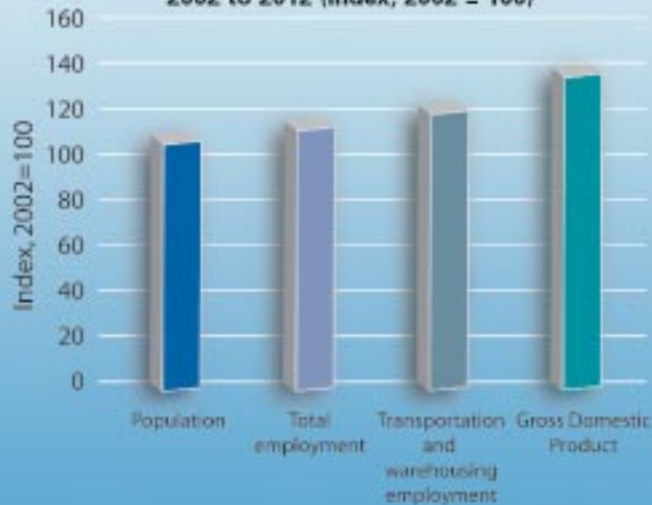


TABLE 1-2. POPULATION AND GROSS STATE PRODUCT (GSP) BY REGION

Sources: Population: 1980-2003 — U.S. Department of Commerce, Census Bureau, *Statistical Abstract of the United States*; 2004-2005 (Washington: 2006); 2004 — *Ibid.*, Population Division, *Annual Population Estimates*, table 1, available at <http://www.census.gov/popest/states/NST-ann-est.html> as of June 29, 2006; Gross State Product: U.S. Department of Commerce, Bureau of Economic Analysis, *Regional Economic Accounts*, available at <http://www.bea.doc.gov/bea/regional/gsp/> as of June 23, 2006.

FIGURE 1-1. ECONOMIC AND POPULATION PROJECTIONS, 2002 TO 2012 (INDEX, 2002 = 100)

Sources: Population: U.S. Department of Commerce, U.S. Census Bureau, *Statistical Abstract of the United States*; 2003 (Washington, DC: 2003), available at <http://www.census.gov/statab/www> as of June 10, 2004; Employment: U.S. Department of Labor, Bureau of Labor Statistics, *BLS Releases 2002-12 Employment Projection*, press release, February 11, 2004, table 1, available at www.bls.gov as of June 23, 2004; GDP: Congressional Budget Office, *The Budget and Economic Outlook: Fiscal Years 2003-2012* (Washington, DC: 2002), available at <http://www.cbo.gov> as of June 24, 2004.