

AGC-PR

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FRIDAY, MARCH 31ST, 2017



Brief Summary of Construction Activity and Public Investment in Infrastructure in Puerto Rico and its Impact on the Overall Economy

- ❑ Cement sales in Puerto Rico have dropped to an all-time record low of 494 Metric Tons in 2016 compared to 682)Metric Tons in 2013.
- ❑ Between January 2016 and January 2017 public investment in construction projects 9%. The sharpest drop was registered in the area of power with a decline of almost 9%.
- ❑ Between 2010 and 2015 public investment in construction dropped by almost 56%.
- ❑ Public investment in construction now represents 1.9% of the GNP a sharp difference from 6.3% in 2000.
- ❑ The value of construction permits have decreased by 36%between 2007 and 2016.
- ❑ And, 54,000 jobs were lost from 2003 to 2016.

The Associated General Contractors of America, Puerto Rico Chapter exhorts the Puerto Rico Government to:

Maximize the impact of federal funds assigned to the Island.

Focus on accelerating projects that do not depend on P3s or Commonwealth Government and that can generate immediate economic activity, as defined in the list of vital priority projects develop by AGC Puerto Rico

Ensure the speedy approval of the State Transportation Improvement Program Plan for 2017 to 2021, which represents \$138 million dollars a year for capital works in the Highway and Transportation Authority; and the availability of the \$360 million dollars in unused funds from previous year and \$700 million dollars in toll credits to pay for the local portion of the projects.

The Associated General Contractors of America, Puerto Rico Chapter exhorts the Puerto Rico Government to:

Promote design-built projects and the use of local architects and engineers.

Enable the immediate release of the \$180 million dollars in EPA State Revolving Fund deposited in the Government Development Bank to allow the Puerto Rico Sewer and Aqueduct Authority to continue capital improvement works required to comply with Federal environmental standards and the Federal consent decree agreement.

Give way to the Integrated Resources Plan at PREPA , which includes a \$3.2 billion investment in 10 years to comply with EPA air emission requirements, energy efficiency and improvements.

The Impact of Investing in Construction is Fast and Broad

- ❑ For every \$1million invested in construction 22 direct and indirect new jobs are created.
- ❑ The multiplier effect on the economy of every dollar invested in construction is \$6.80.
- ❑ Investment in construction represents a 20% ROI for the Government of Puerto Rico.



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