

The Economic Impact of California High-Speed Rail

Planning, designing and building the nation's first high-speed rail system is already stimulating job growth across the state - with construction jobs now and operations and maintenance jobs to come.

INVESTMENTS PAY IMMEDIATE ECONOMIC DIVIDENDS

From July 2006 through June 2023, the California High-Speed Rail Authority (Authority) invested about \$11.2 billion in planning and constructing the nation's first high-speed rail system. This investment created jobs and generated economic activity in multiple ways.

High-speed rail contractors hire workers throughout the state and pay other businesses for goods and services.

Workers spend their earnings throughout the economy. These direct and indirect impacts induce statewide economic activity by pumping money back into local and regional economies.

Overall, this investment supported 92,000 job-years of employment and generated \$18.0 billion in total economic activity.

The investment also created \$7.0 billion in labor income, which is all forms of employment income associated with the activity, including employee compensation (wages and benefits) and business owner income.

CREATING JOBS

Focusing on jobs in disadvantaged communities bolsters local economic development. Construction employment and training opportunities benefit people residing in extremely economically disadvantaged areas. To date, at least 1,000 private sector firms have been contracted to work on building the system. Future jobs will include maintenance yard workers, station managers and others to operate and maintain the system.

FISCAL YEAR 2022/2023 TOTAL (JULY 2022 – JUNE 2023)



Over 11,900 job-years created



**\$940 M
In labor income**



**\$2.5 B
In economic output**

PROGRAM TOTAL (JULY 2006 – JUNE 2023)



Over 92,000 job-years created

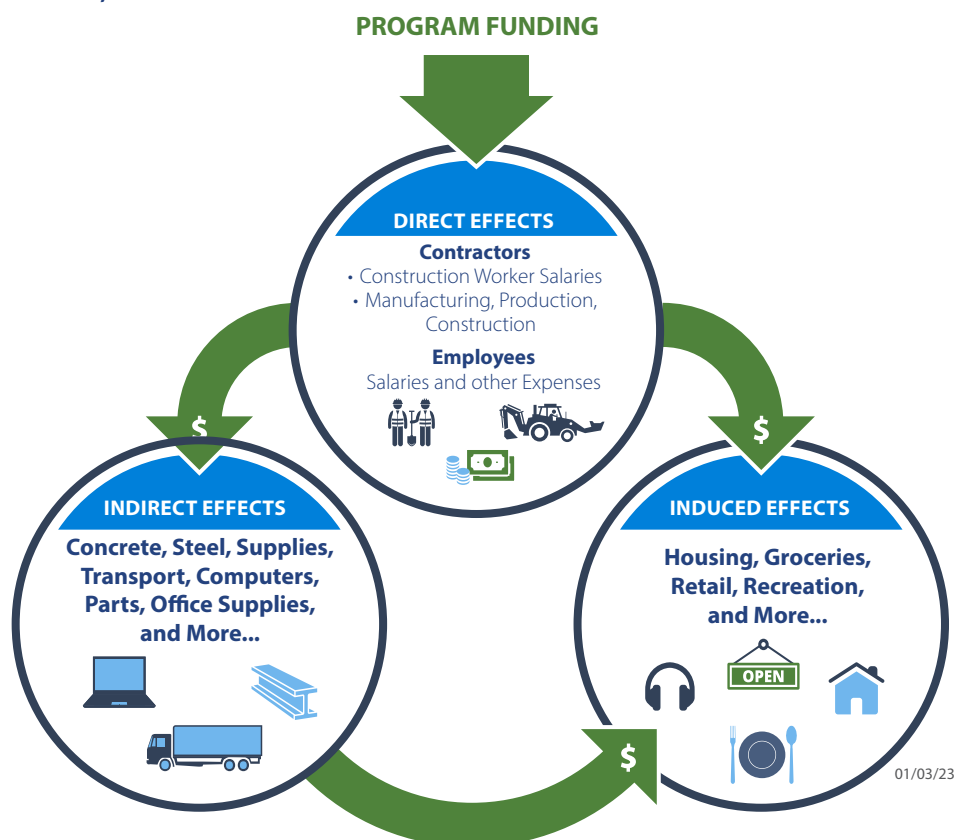


**\$7.0 B
In labor income**



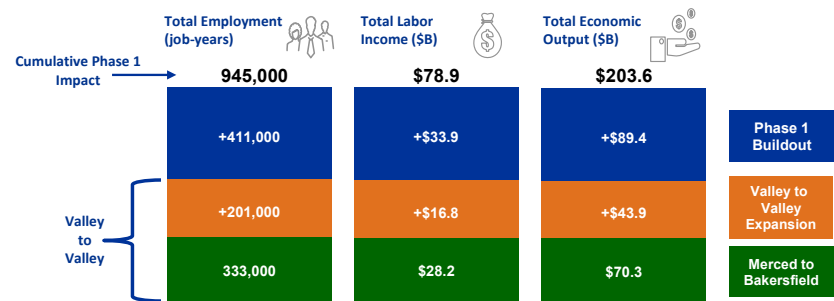
**\$18.0 B
In economic output**

DIRECT, INDIRECT & INDUCED EFFECTS



IMPACTS OF TOTAL PROJECTED PHASE 1 PROGRAM EXPENDITURES

The Authority's expenditures through completion of the Phase 1 system from San Francisco to Los Angeles/Anaheim are expected to support 945,000 job-years, nearly \$79.0 billion in labor income, and \$203.6 billion in total economic output.



DISADVANTAGED COMMUNITIES AND BUSINESSES

The Authority ensures that the funding it receives from the state's Cap-and-Trade program is invested in disadvantaged communities in California. During FY2022-23, 66% of project expenditure occurred in disadvantaged communities in California. This supports the state's goal of Cap-and-Trade funds being used to improve public health, quality of life and economic opportunity in communities that experience social, environmental and economic hardships.

The Authority is fully committed to small businesses playing a major role in building high-speed rail. To date, the Authority has paid more than \$1.47 billion to certified Small Businesses, Disadvantaged Business Enterprises and Disabled Veteran Business Enterprises in California for work on the high-speed rail program.

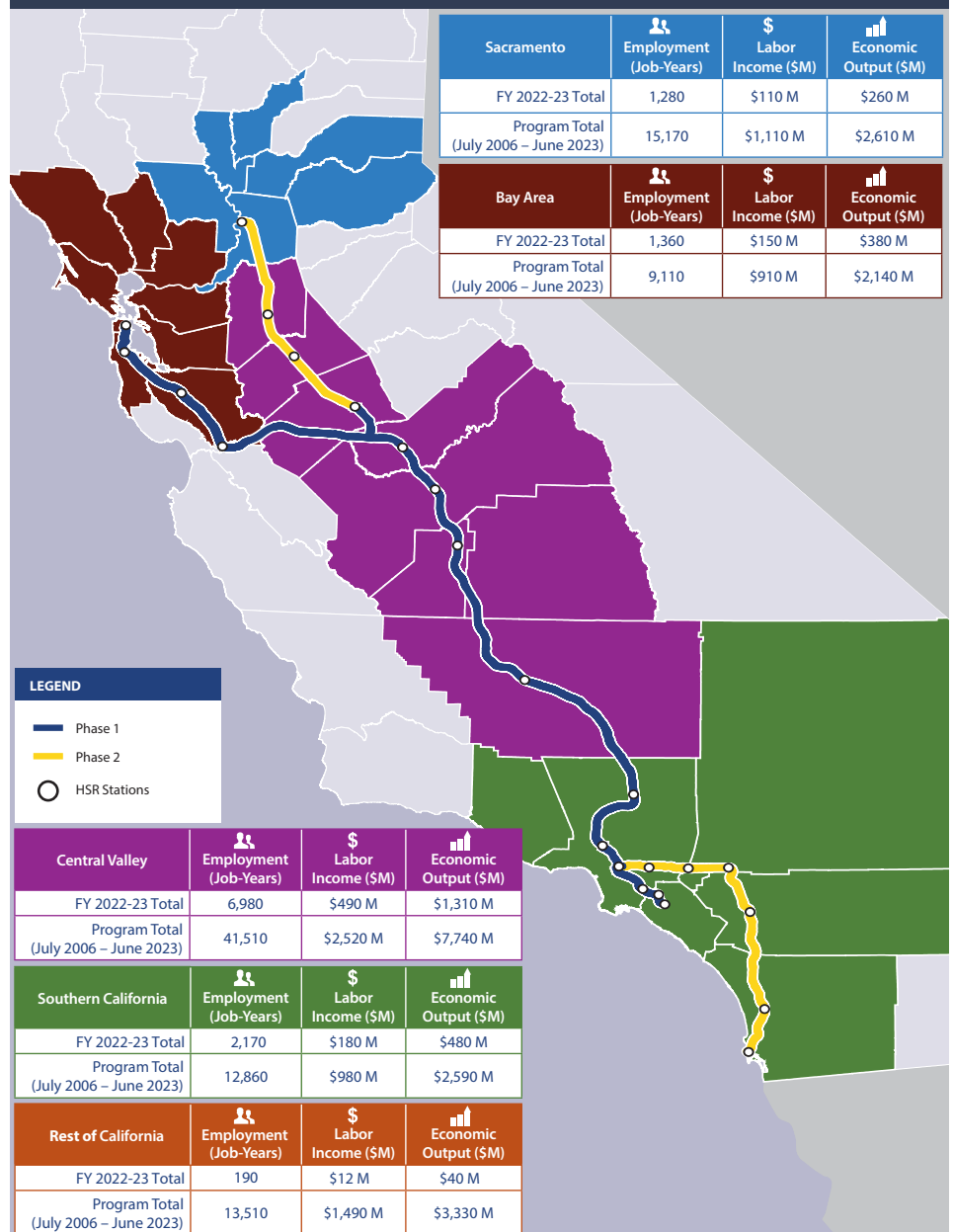
IMPACTS ACROSS THE STATE

These economic impacts have been felt across the state, with the most sizable effects taking place in the Central Valley, where substantial construction activities are ongoing. Construction activities have supported nearly 6,980 job-years in the Central Valley region in FY 2022-2023.

The economic impacts of Authority expenditures have been felt beyond the State of California, as well. Approximately 1% of the Authority's expenditures in FY 2022-2023 went to contractors outside the state, with approximately 94% of that out-of-state spending retained within the United States.

CALIFORNIA HIGH-SPEED RAIL ECONOMIC IMPACTS BY REGION

Including Direct, Indirect, and Induced Impacts from FY 22/23 and Program Totals (July 2006 – June 2023)*



*Totals may not sum due to rounding



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