

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 27 percent between 1980 and 2002, while the economy, measured by Gross Domestic Product (GDP), nearly doubled in real terms. Other indicators of economic growth such as employment and household income have also risen, by 37 percent and 16 percent respectively. Foreign trade has grown faster than the overall economy, more than doubling between 1980 and 2002, reflecting unprecedented global interconnectivity.

	1980	1990	2000	2002	Percent change, 1980 to 2002
Resident population (thousands)	227,225	249,623	282,224	288,369	26.9
Households (thousands)	80,776	93,347	104,705	109,927	36.1
Median household income (\$2000)	35,057	38,256	41,990	40,612	15.8
Civilian labor force (thousands)	106,940	125,840	142,583	144,863	35.5
Employed (thousands)	99,303	118,793	136,891	136,485	37.4
Agriculture (percent)	3.4	2.7	2.5	2.4	-0.7
Mining	1.0	0.6	0.4	0.4	-47.3
Construction	6.3	6.5	7.0	7.1	55.6
Manufacturing	22.1	18.0	14.8	13.3	-17.3
Transportation, communication, and other public utilities	6.6	6.9	7.2	7.1	48.4
Wholesale and retail trade	20.3	20.7	20.6	20.6	39.2
Finance, insurance, and real estate	6.0	6.8	6.4	6.7	52.3
Services	29.0	33.1	36.7	37.9	79.9
Public administration	5.4	4.7	4.4	4.5	15.8
Business establishments (thousands)	NA	6,176	7,070	NA	NA
Governments	¹ 81,831	² 85,006	NA	87,576	7.0
Gross domestic product (\$2000 millions)	5,161,664	7,112,492	9,816,969	10,083,009	95.3
Foreign trade (\$2000 millions)	1,041,907	1,411,117	2,515,491	2,276,438	118.5
Goods (percent)	84.2	76.9	79.4	78.0	102.5
Services (percent)	15.8	23.1	20.6	22.0	203.3

Key: NA = not available. ¹1982 ²1992

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: 2003* (Washington, 2003), available at

<http://www.census.gov/statab/www/> as of June 10, 2004.

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/h0601.html as of August 23, 2004.

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 June 10, 2004.

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 10, 2004.

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

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 is expected to grow 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.

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

	1980	1990	2000	2001	Percent change, 1980 to 2002
Resident population (thousands)	226,546	248,791	281,423	285,318	26
Northeast	49,136	50,828	53,594	53,950	10
Midwest	58,868	59,670	64,390	64,820	10
South	75,372	85,454	100,235	101,955	35
West	43,173	52,837	63,198	64,593	50
GSP (\$2000 millions)	5,054,549	6,994,329	9,891,180	9,902,150	96
Northeast	1,107,283	1,604,121	2,138,194	2,144,044	94
Midwest	1,262,917	1,566,939	2,158,477	2,134,236	69
South	1,608,531	2,220,755	3,257,418	3,285,346	104
West	1,075,817	1,602,514	2,337,090	2,338,524	117
GSP per capita (\$2000)	22,311	28,113	35,147	34,706	56
Northeast	22,535	31,560	39,896	39,741	76
Midwest	21,453	26,260	33,522	32,926	53
South	21,341	25,988	32,498	31,789	51
West	24,919	30,329	36,980	36,204	45

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

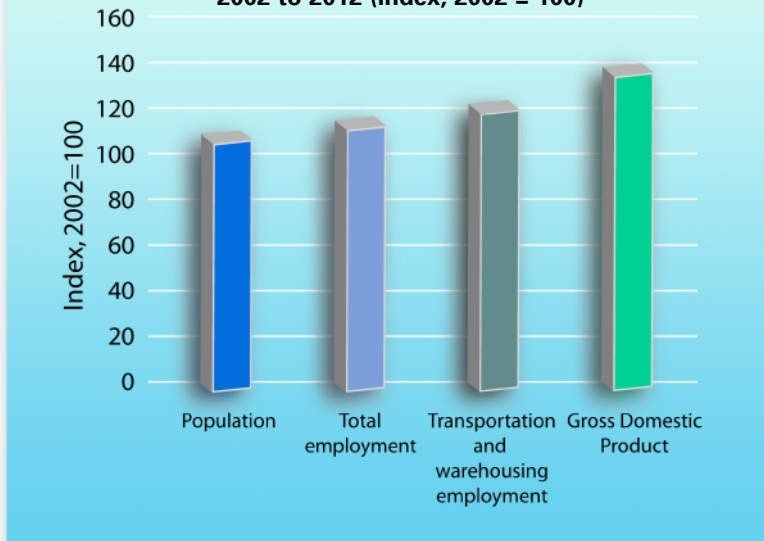


TABLE 1-2. POPULATION AND GROSS STATE PRODUCT (GSP) BY REGION

Sources: U.S. Department of Commerce, U.S. Census Bureau, *Statistical Abstract of the United States: 2003* (Washington: 2003); and Bureau of Economic Analysis, Regional Economic Accounts, available at <http://www.bea.doc.gov/bea/regional/gsp/> as of June 11, 2004.

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, 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; Gross Domestic Product: 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.