



GEORGIACHAMBER  
FOUNDATION

# Infrastructure of the Future

Q1 Quarterly Update 2023



## QUARTERLY ECONOMIC INDICATORS

### Labor Force Participation Rate<sup>1</sup>

61.7% (Q4 2022)  
62.1% (Q3 2022)

### Year over Year Change in Job Postings<sup>2</sup>

-11% (Q4 2022)  
10.7% (Q3 2022)

### Unemployment Rate<sup>3</sup>

3% (Q4 2022)  
2.8% (Q3 2022)

### Real Georgia GDP<sup>4</sup>

\$591,868.70 (Q3 2022)  
\$587,662.50 (Q2 2022)

### Manufacturing GDP<sup>5</sup>

\$74,306.00 (Q3 2022)  
\$73,410.00 (Q2 2022)

### New Private Housing Units Authorized by Permit<sup>6</sup>

5,406.33 (Q4 2022 Average)  
6,610.33 (Q3 Average)

### Business Applications<sup>7</sup>

68,942 (Q4 2022 total)  
69,239 (Q3 2022 total)

### TEU Throughput<sup>8</sup>

1,458,448 (Q4 2022 total)  
1,542,592 (Q3 2022 total)

The Georgia Chamber's Quarterly Economic Insights provide business and community leaders with key statistics and trends to advance economic prosperity in the Peach State. This quarterly update will focus on infrastructure of the future, ensuring strategic investments are made to best position Georgia for years to come.

***Georgia's economic growth is necessitating increased investment in our infrastructure system and our growth is only expected to increase.***

## ECONOMIC GROWTH PROJECTIONS



### Freight

By 2050, Georgia is expected to experience a 92% increase in freight flow by tons.

New long-term projections show that, between 2020 and 2050, U.S. freight activity will grow by fifty percent in tonnage to 28.7 billion tons and will double in value to \$36.2 trillion (in 2017 dollars).<sup>9</sup>



### Ports

By 2050, Georgia ports are projecting increases in Twenty-Foot Equivalent Units (TEUs) in yard and berth from 6 million to over 20 million for both.<sup>10</sup>



### Roads

By 2050, Vehicle Miles Traveled is projected to increase by 27%. Freight is expected to increase by 37.1% and passenger will increase by 26%.<sup>11</sup>

By 2050, vehicle miles traveled will increase to 269,244,000  
Passenger: 237,574,000  
Freight: 31,671,000



### Rail

By 2050, warehouse and distribution tonnage by rail will more than double.<sup>12</sup>



### Air

Based on City of Atlanta projections, total air cargo tonnage at ATL is expected to exceed 1.4 million tons by 2031. By 2040, annual air cargo tonnage is forecasted to increase to 62,170, nearly double its 2019 level.<sup>13</sup>

Atlanta is projected to remain the country's busiest airport, with a projected 95.3 million enplaned passengers in 2050.<sup>14</sup>



### Warehouse and Distribution

By 2050, warehouse distribution tonnage will increase by 276% and value will increase by 254%.<sup>15</sup>



### Healthcare

By 2030, Georgia will need 2,850 more beds in hospitals and nursing homes to maintain current capacity levels throughout our healthcare system.<sup>16</sup>



### Telecom

By 2028, around 420 million 5G subscriptions are expected, accounting for over 90 percent of mobile subscriptions in North America.<sup>17</sup>

## Driving Trends

*There are a few major trends driving Georgia's economic growth, and thus impacting the demand on our state's infrastructure. This is especially true as it relates to our freight and logistics infrastructure.*

**Population Growth:** By 2050, Georgia's population is projected to grow to 13,390,283 which is an increase of nearly 2.5 million individuals. This growth is increasing the demands on every part of our infrastructure system from roads, bridges, to supply chain networks and broadband.<sup>18</sup>

Georgia has the nation's fastest growing proportion of residents aged 65 and older which will impact demands on our healthcare infrastructure as well as traditional infrastructure in communities as individuals transition to different phases of life.

**Job Growth:** By 2050, there is expected 46% growth in overall state employment. This increase in jobs will create new strains on our infrastructure network from an individual and business need perspective.<sup>19</sup>

**Economic Growth:** 358 companies announced expansion or new locations in Georgia, with more than \$21 billion in private investment. \$17.8 billion (84%) will be logistics-enabled businesses.<sup>20</sup>

### Manufacturing and Automotive

215 companies investing \$15.4 billion and creating more than 28,000 jobs

By 2050, Manufacturing is expected to grow by 77%

### Logistics / Distribution

34 companies investing \$966 million and creating more than 6,200 jobs

### Agribusiness and Food Processing

48 companies investing \$1.4 billion and creating more than 2,600 jobs

By 2050, Agriculture is expected to growth by 43%

**E-Commerce:** In 2021, retail e-commerce sales amounted to approximately 4.9 trillion U.S. dollars worldwide. This figure is forecast to grow by 50 percent over the next four years, reaching about 7.4 trillion dollars by 2025. This represents a huge opportunity for Georgia to strengthen its position as a logistics and distribution hub with the increased demand for last-mile delivery.<sup>21</sup>

**Federal Investment:** Georgia will benefit from the passage of the \$1 trillion Infrastructure Investment and Jobs Act in November 2021. Nearly half of this, \$450 billion, is simply reauthorization of spending under current policy and there will be about \$550 billion in "new" spending above current policy. Rising costs of materials and labor will also impact how far these dollars will go as recent reports from Georgia Department of Transportation have projects costing 122% more this year than last year.<sup>22</sup>

## KEY TAKEAWAY

*Georgia has benefitted from thoughtful, long-term investments in our infrastructure system by state leaders. It is now time for additional investments to maintain current operations and strategically support key projects to drive Georgia's economy forward.*



## Freight

### Georgia Freight Flow Summary by Tonnage, 2050

Direction of Flow	Tons 2050	Tons Growth 2019-2050	Tons Growth CAGR 2019-2050
Inbound to GA	319 M	76%	1.9%
Outbound from GA	271 M	86%	2.1%
Within GA	310 M	117%	2.6%
Through	222 M	93%	2.2%
<b>Grand Total</b>	<b>1,122 M</b>	<b>92%</b>	<b>2.2%</b>

Source: Analysis of Transearch and STB Waybill Data

Georgia’s multimodal transportation system includes an extensive network of facilities important for moving freight.<sup>23</sup>



**128,300** miles of highways

**3,288** miles of Class 1 rail

**1,012** miles of Class 3 rail

**2** deepwater ports

**2** inland ports affiliated with the Georgia Ports Authority (GPA) (third in early planning)

**9** commercial service airports

Georgia has a robust freight network. However increased demands from our growing economy necessitate increased investments to alleviate existing bottlenecks and ensure efficient movement through the state.



## Freight Roads

125,705 centerline miles

14,895 bridges

Cargo is within two or fewer days by truck from 80% of U.S. consumers<sup>25</sup>

### Top 5 Commodities by Value Inbound (\$)

Commodity	2019	Commodity	2050
Motor Vehicles	\$15,354,704,246	Motor Vehicles	\$35,060,310,978
Petroleum Refining Products	\$11,330,201,712	Live Poultry	\$25,644,461,387
Motor Vehicle Parts or Accessories	\$9,125,061,550	Motor Vehicle Parts or Accessories	\$14,570,963,736
Live Poultry	\$8,299,638,159	Drugs	\$13,203,956,316
Dressed Poultry, Frozen	\$4,728,818,902	Plastic Mater or Synth Fibers	\$12,817,417,152

### Top 5 Commodities by Value Outbound (\$)

Commodity	2019	Commodity	2050
Motor Vehicles	\$23,212,403,339	Motor Vehicles	\$43,426,518,466
Petroleum Refining Products	\$12,176,771,611	Live Poultry	\$31,638,314,905
Motor Vehicle Parts or Accessories	\$9,470,676,019	Motor Vehicle Parts or Accessories	\$21,702,893,085
Live Poultry	\$9,414,337,931	Drugs	\$18,014,811,294
Dressed Poultry, Frozen	\$6,275,906,579	Plastic Mater or Synth Fibers	\$17,615,319,369



## Freight Rail<sup>24</sup>

4,600 miles

Georgia receives more freight by rail than it ships.

33 percent of the state's total rail tonnage is shipped from other states to Georgia, while 14 percent of the total rail tonnage is transported from Georgia to other states.

A smaller share of the state's rail tonnage (6 percent) is shipped within Georgia.

The Atlanta metropolitan area is Georgia's largest intermodal freight market, accounting for over three quarters of the state's terminating intermodal traffic and over two thirds of the state's originating intermodal traffic

Georgia is home to 28 freight railroads (2 class-1s and 26 short-line railroads)

Rail transport directly employs over 6,500 Georgians

Georgia railroads move 190 million tons of freight in Georgia annually.

It would have taken approximately 2.1 million additional trucks to handle the 38.4 million tons of freight that originated by rail in Georgia in 2021.



## Ports

4 ports<sup>26</sup>

The Port of Savannah’s Garden City Terminal the largest single container terminal in North America.

The Port of Savannah is the nation’s fastest growing container port

The Port of Brunswick is 2nd busiest port in the U.S. for total ro/ro volume, ro/ro imports, and ro/ro exports.

The Port handles nearly 35% of the nation’s containerized poultry exports and is #1 for refrigerated exports on the East & Gulf Coasts

### Top 5 Commodities (TEU-Container Volume)<sup>27</sup>

Inbound	TEUs	Outbound	TEUs
Furniture Nesoi	33,474	Kaolin	61,290
Parts and Access for Motor Vehicles	24,196	Wood	33,032
New Pneumatic Tires (Rubber)	11,306	Motor Cars/Vehicles	25,623
Lamps and Lighting	10,018	Paper and Paperboard	23,452
Floor Cover and Wall Cover (Plastics)	9,468	Meat	23,075

TEU capacity at the Port of Savannah increased 20% between 2020 and 2021 and is expected to experience another 60% increase in capacity by 2025.<sup>28</sup>

Activity at Georgia ports is expected to continue to rise over the long-term projections for TEUs handled to rise to over 20 million in yard and berth by 2050.<sup>29</sup>

### Twenty Foot Equivalent Units (TEUs) Projections in Yard and Berth

Year	Yard	Berth
2022	6M	6M
2023	7M	7.5M
2025	9.5M	9M
2030	10M	10M
2050	20M+	20M+



## 105 airports in Georgia

Six airports in Georgia currently support regularly scheduled air cargo service.

58 airports with air cargo activity and whether the air cargo activity is scheduled, ad hoc, or both.

Over 80% of U.S. consumers are within a 2-hour flight time.<sup>30</sup>

### Hartsfield Jackson International Airport Facts

World’s busiest passenger airport, with 2,500 arrivals and departures and 250,000 passengers per day<sup>31</sup>

ATL handles 95% of the state’s annual air freight volume

In 2021, 13th largest airport in the U.S. for cargo, and 43rd in the world

It is the only air cargo perishable complex in the Southeast approved by the USDA to offer on-site cold treatment and fumigation treatment of fruit fly host plants

Based on City of Atlanta projections, total air cargo tonnage at ATL is expected to exceed 1.4 million tons by 2031. An estimated 60 percent of all air cargo tonnage moved through ATL will be transported by all cargo carriers, and the remaining 40 percent will be carried in the belly-hold of domestic and international commercial passenger flights

ATL Air Cargo Forecasts

	TEUs	Outbound	TEUs
	2011	2031	AAGR
Total Annual Cargo Tonnage	663,100	1,414,000	3.9%
Dedicated Air Cargo Tonnage Only (Estimated)	397,900	848,400	3.9%
Air Cargo Operations	11,900	19,200	2.4%

### Overall Georgia Airport Facts

Domestically, goods with a total annual value of almost \$3 billion are transported by air to and from Georgia. Internationally, the value of goods transported to and from Georgia by air is almost \$27 billion. Top commodities transported to Georgia by air include electronics, motor vehicle parts, pharmaceuticals, machinery, and transport equipment.<sup>32</sup>



Over the next 20 years, airports in Georgia, currently served by an integrated express air cargo carrier, are expected to see air cargo tonnage double.<sup>34</sup>

Preferred Forecast of Annual Air Cargo Tonnage<sup>33</sup>

City	Airport Name	FAA ID	AAGR	2019	2025	2030	2040
Albany	Southwest Georgia Regional Airport	ABY	2.8%	24,950	24,950	33,810	44,560
Columbus	Columbus Airport	CSG	2.8%	430	510	580	770
Savannah	Savannah/Hilton Head International Airport	SAV	2.8%	8,390	9,900	11,370	14,980
Statesboro	Statesboro-Bulloch County Airport	TBR	2.8%	350	410	470	630
Swainsboro	East Georgia Regional Airport	SBO	2.8%	690	810	930	1,230
All Airports				34,810	41,080	47,170	62,170

Source: FAA Aerospace Forecast, Aviation Analysis, October 2021

## Looking to the future of aviation in Georgia

The civil Unmanned Aerial System (UAS), also referred to as Unmanned Aerial Vehicles (UAV) or “drones”, market had a global market value of \$5.5 billion in 2019, and the market for production and service applications, primarily driven by the infrastructure sector, is forecasted to grow around 11 percent a year over the next six-year period.

When both the military and civilian markets are considered, by 2026, the value of the Unmanned Aerial Systems market is expected to be \$58.6 billion.<sup>35</sup>





## Warehouse and Distribution

**4 of the top 5 global public refrigerated warehousing companies have locations in Georgia**

**90 percent of the world's top third-party logistics providers (3PLs) operate in Georgia**

**100+ cold chain facilities in Georgia**

**14+ million square feet of cold store space**

**Home to nearly 900 million square feet of warehouse distribution space<sup>36</sup>**

Between 2015 and 2020, employment in warehousing services nearly doubled, at 93 percent, compared to the nationwide employment growth rate of 80 percent. This proves our growth is outpacing the nation and Georgia is truly becoming a warehouse and distribution hub.

Over the past six years, the state's share of employment as a portion of the transportation and warehousing sector has grown from 20 percent to just under 30 percent, although efficiency advancements such as automation have the propensity to slow future growth.<sup>37</sup>

**Click here** to learn more about Warehouse Employment in all 50 States.