

# **Buy American: Creating or Costing U.S. Jobs**

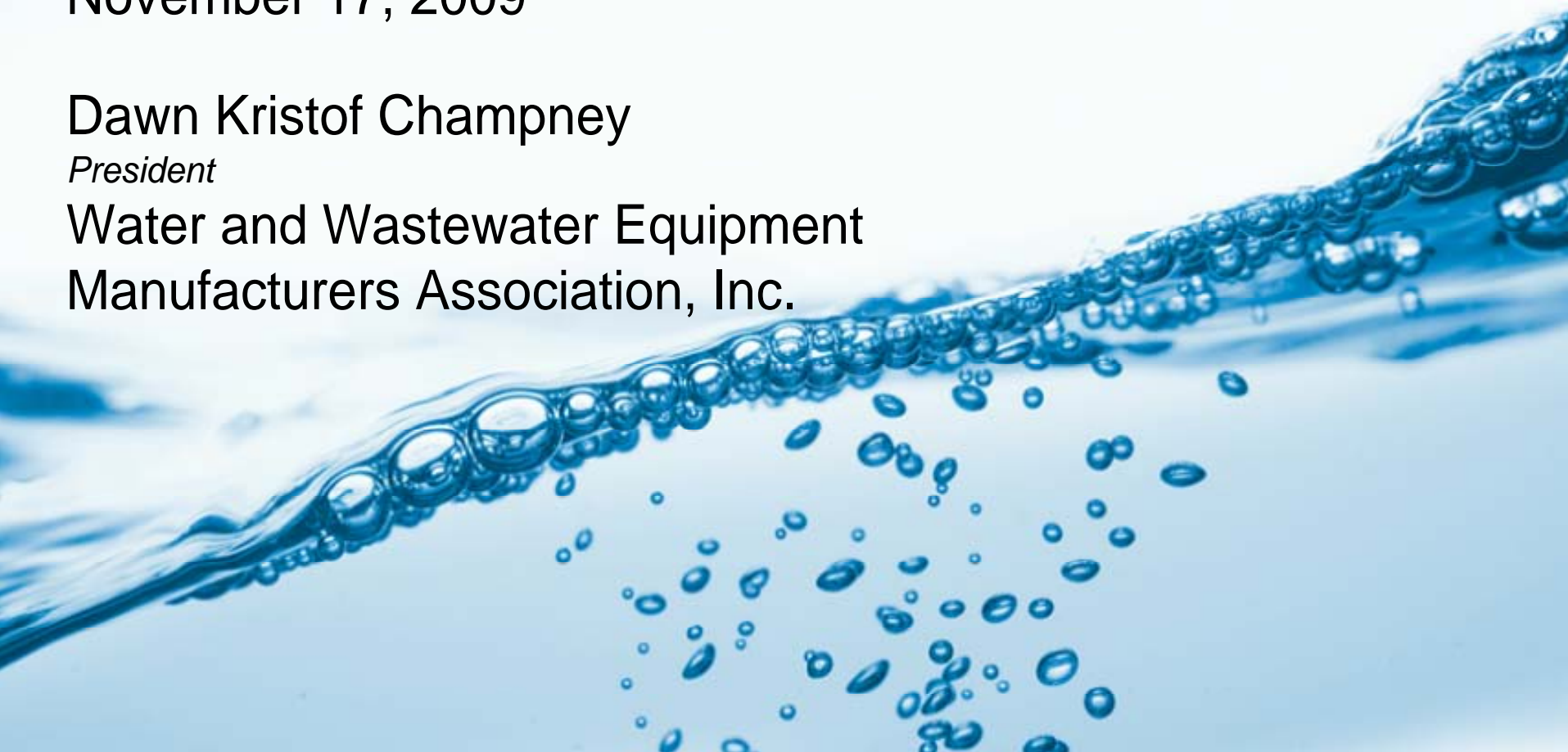
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# Buy American



## WWEMA

- Founded in 1908
- North American manufacturers serving water / wastewater industry
- Highly-engineering technologies sourced worldwide

# Buy American



## Water Infrastructure Financing

- \$6 billion – EPA State Revolving Funds
- \$1.38 billion – USDA Rural Utilities Service

# Buy American



## **Section 1605 – Buy American**

- 100% iron, steel & manufactured goods (vs. 51% threshold) applied first time at municipal level
- “unreasonable cost” – 25% entire project (vs. product)
- Vero Beach, FL loses \$10 million

# Buy American



## EPA Projects

- 1512 clean water / 1425 drinking water projects (est.)
- As of 9/30/09 - No bidding in seven states
- As of 11/9/09 - \$2.57 billion of \$6 billion “under contract” or “under construction”
- \$3.43 billion outstanding (57%)

# Buy American



## Jobs Creation

- \$1 billion delayed = 34,779 jobs lost / \$6.2 billion economic activity delayed
- \$3.43 billion delayed – 120,000 jobs lost / \$21 billion economic activity delayed

# Buy American



## Waivers

Of 3,000 drinking water / clean water projects (est.):

- 26 clean water waivers
- 11 drinking water waivers
  - 20 approved
  - 2 denied
  - 15 in progress



# Buy American



## Waivers

“If you can’t find an American supplier, find another project!”

Risk adversity

Confusion

International obligations don’t apply

A.Y. McDonald Manufacturing (Iowa) / Cambridge Brass (Ontario) -  
\$1.4 million in fittings business lost



# Buy American



## World Trade

- 95% world's consumers outside the U.S.
- Exports = 60% U.S. economic growth
- 42% American jobs trade dependent (7 million based on Canada)
- Canada trade 4x larger than China (or U.K., Japan, Germany & China combined)
- 45% products in Canada come from U.S.

# Buy American



## Canadian Proposal

- Guaranteed access to provincial / municipal market
- Long-term bilateral negotiation for permanent access
- 2008: \$39 billion in Canadian public works (\$4 billion water/waste)
- 2012: \$64.7 billion infrastructure spending
- \$52 billion federal stimulus
- \$300 billion over five years (\$30 - \$40 billion water/waste = 60% U.S. exports)
- 1% worldwide stimulus spending = 170,000 jobs

**Thank you!**

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