

Analysis: SC economic impact of state ports at \$53 billion

Also linked to one in 11 jobs across state

BRUCE SMITH
ASSOCIATED PRESS

CHARLESTON

South Carolina's ports are a major engine for the state's economy, generating about \$53 billion annually with one in 11 jobs statewide directly or indirectly linked to the ports, according to a new report.

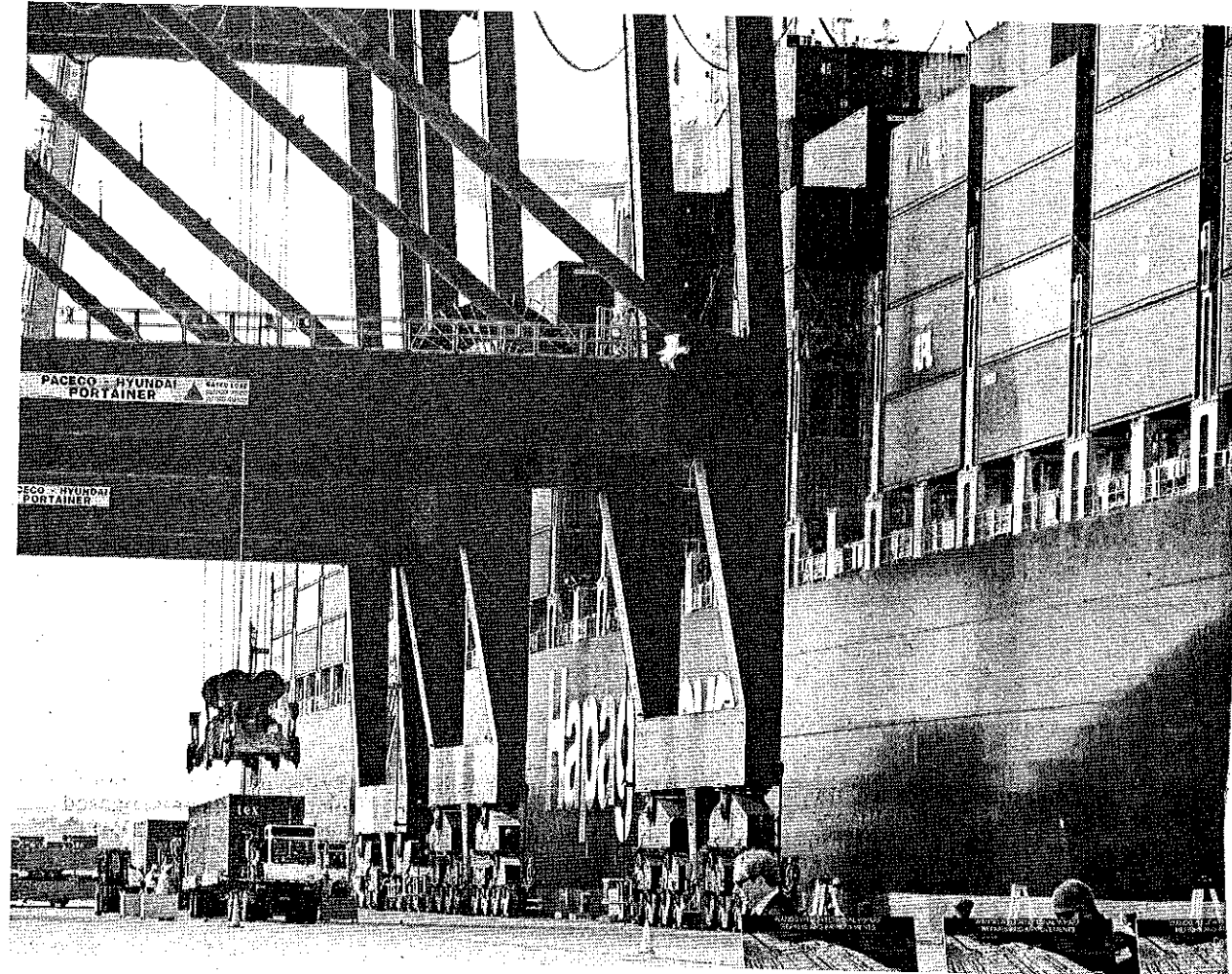
The analysis also found that those jobs mean \$10 billion in wages and that port operations produce about \$910 million yearly in state tax revenue.

The report, released in conjunction with the annual State of the Port message by Jim Newsome, the South Carolina Ports Authority's chairman and chief executive officer, was compiled by Joseph Von Nessen, an economist at the University of South Carolina's Darla Moore School of Business.

Later Monday, the Army Corps of Engineers announced its approval, in what is called a chief's report, of a plan to deepen the Charleston Harbor shipping channel to 52 feet.

That clears the way to begin engineering of the project which Newsome says is critical for South Carolina to handle a new generation of larger container ships. The project is expected to cost around \$500 million.

Both Republican U.S. Sen. Lindsey Graham and Democratic U.S. Rep. Jim



A container ship is unloaded at the Wando-Welch Terminal. Port operations produce \$910 million yearly in state tax revenue. BRUCE SMITH/AP

Clyburn vowed to get federal money to help pay for the work.

The economic impact report is based on the activities of port users and business at the ports in Charleston, Georgetown and the new inland port in Greer during 2014. It found that 10 percent of South Carolina's gross state product is dependent on the ports.

Von Nessen said that, in addition to the yearly impact, the ports are helping attract industrial clusters

- businesses centered on industries such as automobiles or aviation.

"As these industry clusters expand, they will build a strong, stable foundation for the state's economy that will generate higher and more consistent rates of economic growth across the state over time," he said.

The report found the ports are responsible for 23,000 jobs in the Charleston area. Port officials will travel across the state during the coming

months to discuss the impact of the ports to other areas such as the Upstate, the Pee Dee and the Midlands.

In remarks prepared for his State of the Ports address, Newsome focused on the next five years for the agency.

He said the authority will work to maintain growth above the industry average and that by 2020 the deepening of the Charleston Harbor shipping channel should be complete.

In the last five fiscal years, he said, port revenue has increased from \$112 million to \$196 million, earnings have jumped from \$8.4 million to \$30 million and the number of shipping containers moving across the docks has increased from about 740,000 to almost 1.1 million.

"The next five years bring great opportunity for our port," Newsome said, adding that the authority's best years are still ahead.