

InfrastructureUSA

Guest on THE INFRA BLOG

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Conversation with Steve Anderson, Managing Director, InfrastructureUSA

The FAST Act Isn't Fully Funded

I think it actually took most people by surprise at the end of the year last year when it did pass, because for so long we had come up to the edge of trying to get something done and had a short-term solution. Our reaction was first of all the recognition by the government, by Congress especially, of the need to get this done. They did that part, and I applaud that. However, I think at the same time it's still concerning because it's not fully funded, and it really isn't a long-term plan. It's really a funding plan that needs the back end of it still funded. We are out there saying we need a longer-term vision of where we're going as a country if we're going to stay competitive. That's one of the themes we put together for what we call our "Infrastructure Vision 2050." Let's look out to the future—and 2050 is just a time to pick—and say “what should infrastructure look like in this country, and what is it going to take to get to that?” We're trying to get more aspirational out there to get people to look for solutions for this and not the usual ideas of “we can't fund this, we can't do this,” or just the patchwork approach we take now is every couple years we pass a bill or every year we pass a bill depending on what we're dealing with. That doesn't really set a vision for where we're going to go with this infrastructure system in the U.S.

Investing in Infrastructure Creates Jobs

You built a great infrastructure, which is what made this country great in the first place and made it very competitive. Well, you just can't live on that initial investment; you have to continually build on it, improve it, and keep it going. And I think what's happened is we haven't been able to sustain that. So you have a high percentage of bridges in the U.S. that are deficient; you find yourself now with a very inefficient transportation system. And it will come to the point when you talk on the job side: first, if you do build the infrastructure, there's a lot of jobs in doing that building. On the other side of that, with a good infrastructure you now lower the cost of moving goods which keeps the companies competitive out there, and manufacturers will be more competitive and sell more goods and off you go there on helping jobs on that front. So it does work both ways.

Stepping up Advocacy with the “I Make America” Campaign

As an organization, one area that we do work closely behind is advocacy for the industry, and a big part of that is to make sure that we do have a good infrastructure which is always one of the top topics out there, make sure we do have a sound infrastructure to stay competitive and keep the U.S. economy going. So it really is one of the central themes of our advocacy work. Years ago advocacy was reporting on what's going on out there. About ten years ago we took a stand and said “you can't just

report; you have to get in the game and you have to make a difference out there with that." Part of what we've done recently in the last four or five years is what we call the "I Make America" campaign, which really is trying to go out to people and explain the fact that they do make America. So the equipment manufacturers build the machines that make America. They build the machines that harvest crops and feed America and feed the world. Originally this was something that we just explained to our members, and we decided it's not good enough. You have to also ask your members, you have to explain to their employees so they get involved in this and understand that their jobs depend on policies that support their jobs. So export, trade, other issues along that line. This year, especially, we've gone out there now to the candidates that are running to say "what's your manufacturing platform? What are your solutions for infrastructure?" And not just say "a sound infrastructure is good," but "what are your plans?" I think all you can really do as an industry, as an association is get out there beyond just talking to your own members, get out there and talk to the public, to the legislators, to the candidates, and say "we have to address this." Sooner or later I think with that there's enough noise out there that people start to get it. Going to the Hill five years ago you just couldn't get people to listen about these topics. Now I think they recognize the need and then they say, well, where's the funding, and now I think they're trying to find funding solutions. I think our goal is to continue to be out there not just to our own membership but to the legislators, to the public and say we have to address these issues or else we're going to have roads that just aren't going to work, or else we're going to have such a high cost of transportation and such congestion that companies will take their business elsewhere and put up shop where they can get goods to market much more cheaply.

The Root of the Problem Is Deferred Maintenance

I think the biggest challenge we face is it's easy to defer something for another year, and then it's two years, then it's five years, then it's ten years. We're based in Milwaukee, Wisconsin and they have a beautiful horticultural wonder here called "The Domes," which you can go visit year round and see the plants of the desert or of here or anywhere, and what's happened is they haven't kept up with the repairs of that. So over time now some of the concrete has fallen off the ceilings there, and they had to close them down. Now they are arguing about how they're going to fix these things, but it had to have been maintenance year to year. So often that's the problem, when you get at the federal level and then the local level you're not maintaining these year to year. You get into the water systems and you look at the things that have happened in Flint and the other areas—these had to have proper maintenance through the years. But people say "you know what, we have a tight budget this year, we'll just defer maintenance." It's like the common theme, and after several more years now the bill is so big for that maintenance we don't know if we can get this done. And then it doesn't get done and the conditions deteriorate even more.

AEM and Infrastructure

AEM represents about 900 manufacturers of construction agricultural equipment, so everything from the huge companies like John Deere or AECO or Caterpillar to much smaller companies very focused on single products. Anything that builds the roads and bridges and infrastructure, to the machines that allow us to plant and then feed the

world. The machines that our construction industry makes help build the roads, the bridges, the ports. They're involved in the building of this. And the other side of it as manufacturers—they need a good infrastructure to stay competitive in the world. So to get their product to market for the farmers, for the farm equipment, and for getting raw materials to their factories so they can build equipment and then send that off to the marketplace. So it really crosses both ways. It's a much bigger issue and a central issue really to everything we do.

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