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Center for Automotive Research Study Finds Every GM Job Supports 7.1 Other Jobs in the U.S. Economy

GM's Operations Support USD 51.6B in Private Earnings & USD 13.7B in Government Revenue

ANN ARBOR, Mich. – February 24, 2020 – A new study from the Center for Automotive Research (CAR) finds that General Motors (GM)—the largest automaker in terms of U.S. market share and second-largest in terms of U.S. production volume—is a significant contributor to the U.S. economy and the economies of the nine states in which GM has manufacturing facilities. The total employment contribution of GM's 83,860 jobs is 681,000 jobs in the U.S. economy—including those who work for GM. The analysis produces an estimated employment multiplier of 8.1, meaning there are 7.1 jobs supported in the U.S. economy for every job at GM.

CAR estimated the economic contribution of GM's 83,860 direct U.S. employees in Indiana, Kansas, Kentucky, Michigan, Missouri, New York, Ohio, Tennessee, Texas, and the 41 other states as a whole for 2019. GM's direct employment generated an additional 207,420 jobs at companies that supply the automaker (intermediate impacts) and 291,280 additional jobs in the U.S. economy that are supported when GM direct and indirect employees spend their earnings (expenditure-induced impacts).

While GM's total employment contribution supports jobs in nearly every sector of the U.S. economy, almost 60 percent of the total employment impact of GM's 2019 U.S. operations was concentrated in just five U.S. economic sectors: manufacturing, professional and technical services, construction, retail trade, and wholesale trade.

GM's U.S. employment also supports USD 51.6B in private non-farm earnings and USD 13.7B in government receipts from personal income taxes and contributions for government social insurance and transfer payments.

"General Motors anchors the economies in the nine states where the company manufacturers vehicles, parts, and components," said Kristin Dziczek, CAR's Vice President of Research and lead author of the

study, "and GM jobs pay better than average wages—boosting the company's economic contribution even more."

			Total		
		Total	Total Earnings	Government	
	GM Direct	Employment	Contribution	Receipts (USD	Employment
Region/State	Employment	Contribution	(USD Billions)	Billions)	Multiplier
U.S. Total	83,567	681,044	51.6	13.7	8.1
Indiana	6,819	44,736	3.2	0.8	6.6
Kansas	2,430	10,678	0.8	0.2	4.4
Kentucky	1,074	12,400	0.8	0.2	11.5
Michigan	46,817	200,436	14.5	4.0	4.3
Missouri	4,155	22,365	1.6	0.4	5.4
New York	4,043	19,890	2.9	0.8	7.5
Ohio	3,768	46,766	3.3	0.8	12.4
Tennessee	3,953	27.069	1.9	0.5	6.8
Texas	6,637	64,909	4.7	1.1	9.8
Remaining 41	4,161	221,388	17.9	4.7	n/a
States					

Contribution of General Motors Manufacturing Operations to the United States Economy & the Economies of Nine States in 2019

CAR has deep expertise in economic contribution analysis and has produced a majority of the national level automotive economic contribution studies completed in the United States since 1992.ⁱ Learn more about the CAR at <u>www.cargroup.org</u>

The Center for Automotive Research is a nonprofit organization; its mission is to conduct independent research and analysis to educate, inform and advise stakeholders, policymakers, and the general public on critical issues facing the automotive industry, and the industry's impact on the U.S. economy and society.

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Note: The research staff of the Center for Automotive Research performed a number of these studies while located at the University of Michigan's Office for the Study of Automotive Transportation.