

How CAFE Standards Drive Job Growth: Recent Studies, Progress

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Introduction: Shared interests

- Industry, Labor, Environmentalists, Consumers, Public have powerful shared interest in latest fuel economy standards
- Very significant benefits: biggest single step ever on oil use, carbon pollution. Large net consumer savings
- NWF specifically shares UAW interest in next generation of clean vehicles/ clean vehicle jobs



Not your grandfather's CAFE: Policy context different, better

- Strong effectively structured standards, long term certainty
 - 54.5 mpg by 2025
 - Improvements across all vehicles
- Competitive investment in domestic advanced manufacturing, innovation
 - ARRA, ATVM



Driving Growth: Added content means added jobs

- 40mpg by 2020 = 190,000 jobs. Up to 150,000 in US
- Incremental net content = added jobs
- Investment in domestic *manufacture* of advanced components = more added jobs



A UAW Local 909 worker assembles transmissions at the General Motors Powertrain plant in Warren, Michigan.

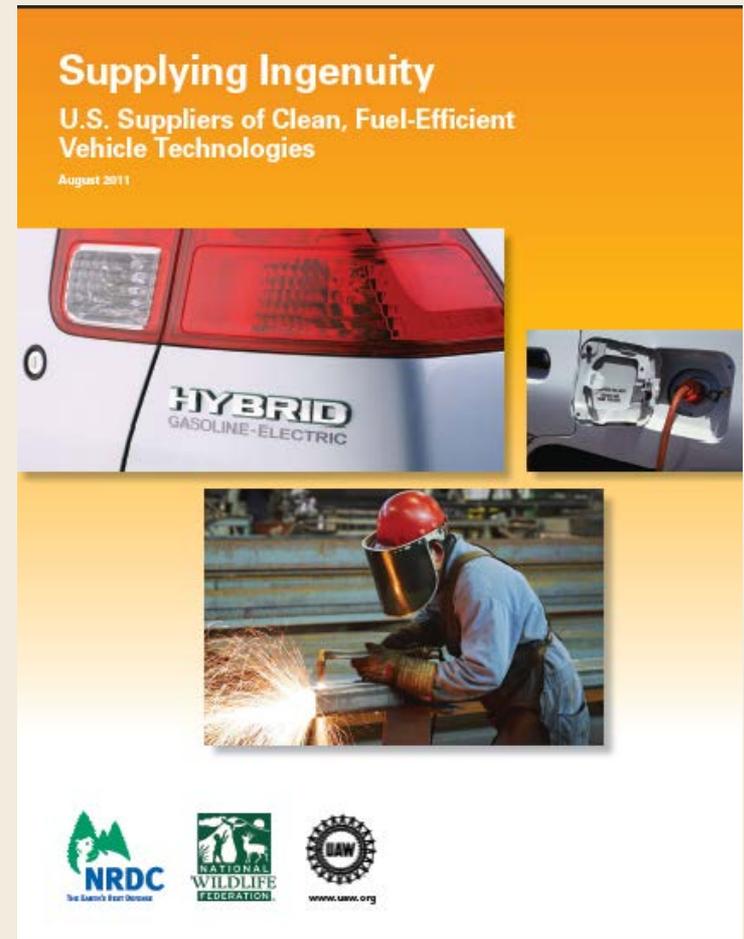
REBECCA COOK

<http://www.nrdc.org/energy/drivinggrowth.asp>



Supplying Ingenuity

- Snapshot today
- Topline: 150,000 workers in 500 facilities in 43 states making components that contribute to greater fuel efficiency
- Direct jobs.



<http://www.nrdc.org/transportation/autosuppliers/>



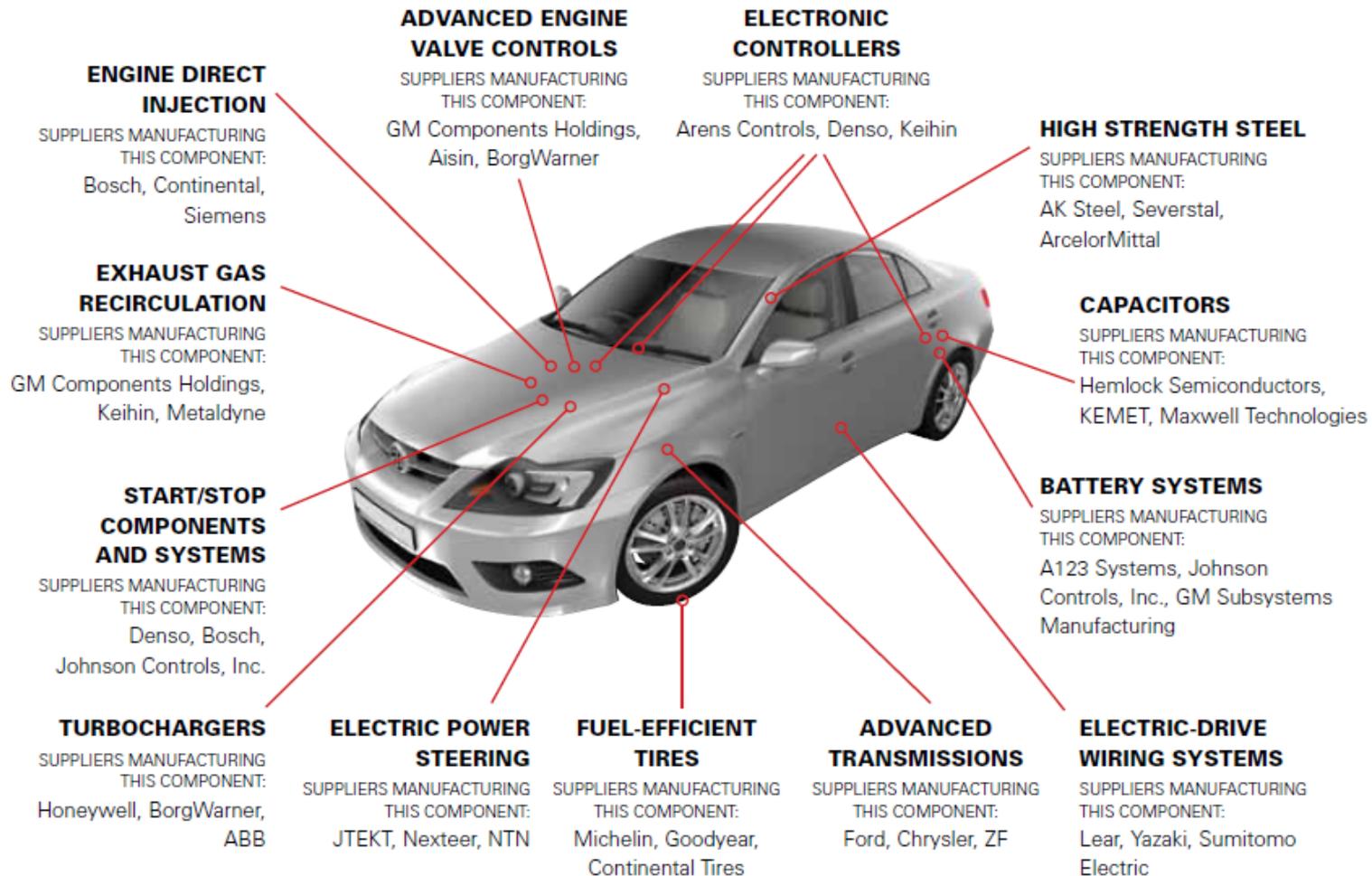
Jobs span technology, company type, geography

- Advanced internal combustion: advanced engines, transmissions - 38%
57,000 jobs
- Hybrid and Alternative Fuels: components and assembly - 16%
24,000 jobs
- Plug-in Electric: batteries, materials, electric motors, charging - 18%
27,000 jobs
- Common components: materials, start stop, sensors, controls, EPS - 29%
43,000 jobs

Interactive maps at:
<http://www.nrdc.org/transportation/autosuppliers/>



Standards will continue to require full range of technologies



Additional benefits

- Sector critical to manufacturing, R&D
- Retain innovation edge
- Competitiveness in face of high/volatile oil prices
- Player in global platforms



Economy-wide impact even larger

- 484,000 jobs economy-wide – from 2017-2025 standards alone
- Also ↑ gross economic output, personal income, tax revenues



MORE JOBS PER GALLON:

How Strong Fuel Economy/GHG Standards Will Fuel American Jobs



A Ceres Report
August 2011

Authored by
Management Information Services, Inc.
Washington, D.C.

<http://www.ceres.org/resources/reports/more-jobs-per-gallon/view>



Progress to date?

- Job and sales growth outpacing economy:
100,000 auto sector jobs added in 2011
- Companies profitable
- Renaissance in vehicles
- Improved consumer choices, purchasing (talk to me about the F150...)
- Economic recovery sells cars – a virtuous cycle

....standards, auto jobs critical to sustaining long term recovery, consumer and environmental benefits



Questions?



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