

Port worth billions to Duneland economy

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Ports of Indiana's Burns Harbor marine and industrial operators added \$402 million to state and local tax coffers, contributed \$5 billion to the Duneland economy and provided more than 30,000 local jobs in 2019, according to a recently released company economic impact report.

"Maritime plays a large part in our state's economy," said Ports of Indiana CEO Vanta E. Coda II in a recent press release announcing the completion of the economic impact report.

The 25-page report details the economic impact the port operations have at the company's three sites – Burns Harbor, Jeffersonville and Mount Vernon. Burns

Harbor is the busiest, more than doubling and even tripling the number of jobs, the value of economic activity and taxes paid of the other ports.

In 2019, the Ports of Indiana harbors – Burns Harbor on Lake Michigan, and Jeffersonville and Mount Vernon on the Ohio River – handled nearly 16.4 million tons of waterborne cargo including key commodities such as coal, iron ore, steel products, grain, soybean products, ethanol, DDG, fertilizer, dry bulks and minerals.

"Ships come to Burns Harbor from all around the world," said Ryan McCoy, port director. "Huge beer tanks come from Germany. The furthest deliveries come from Eastern Europe, mainly steel, including the Port of Antwerp. Wind

blades and hubs come from Denmark. A few years back, one of Cargill's wheat shipments went to South Africa. We are truly an international port."

According to the report, 6,454 jobs in Burns Harbor are directly related to the Ports of Indiana operations. These are jobs that involve the maritime operations at the port, including cargo handling and vessel services, trucking companies, union positions and vessel agents, pilots and tugboat operators.

McCoy said that these jobs are filled by Duneland residents or those from nearby communities. Ninety percent of these jobs are held by Indiana residents, with an average salary of \$54,700.

"We have residents in Valparaiso, Ogden Dunes,



Port of Indiana, Burns Harbor

Hobart, Michigan City, LaPorte and everywhere in between," he said.

Other jobs are created by the individuals in industries that purchase the shipments that come in through the port. These are called induced jobs and total about 7,000 employees. Some of the businesses to which these jobs are cred-

ited include grocery stores, restaurants, retail stores, residential construction, and wholesalers of goods.

Indirect jobs, those created by the purchase of the goods and services by local firms with ties to the Ports of Indiana activity, are calculated to employ almost 10,000 workers.

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A final category deals with related user jobs, defined as jobs with shippers and consignees of the port's incoming and outgoing cargo, such as the steel, iron ore, coal, agriculture products, limestone and dry and liquid bulk commodities. These jobs number about 7,500.

"Each year, Burns Harbor's annual traffic averages 75 international ships, 450 barges, 325,000 trucks and 10,000 railcars," McCoy said. "We are built to move big cargo with two major waterways, Class 1 railroads and eight highways."

Other highlights in the report include:

- Direct wages total over \$400 million. Spending this income locally generates wages for workers in local businesses of \$866 million. Workers who fall into the indirect jobs created by maritime and industry receive wages of \$345 million. Total wages earned by the people employed as a direct, indirect or induced relationship to the Burns Harbor port is more than \$2 billion.

- Duneland and Northwest Indiana businesses involved with cargo and vessel movements received \$350 million of revenue from port activity, while the port companies and dependent shippers generated nearly \$3.1 billion of revenue from processing and manufacturing activities at the port facilities. In addition, \$1.7 billion of output from Burns Harbor was supported throughout the state by related users using port facilities for shipment and receipt of

cargo.

- State and local taxes paid by employees who either worked at or in the industries supported by the Burns Harbor operation or in businesses that support those industries totaled \$369 million. Related user employees paid state and local taxes totaling \$32 million from Burns Harbor alone. These are workers in shipping, importing and exporting companies.

"The economic impact is huge for the community," Coda said. "In addition, the Ports of Indiana believes in a stewardship approach. We take pride in our local community... The people that work at our port are civic-minded and care about our community."

The Burns Harbor port was established in the 1960s when Bethlehem Steel Corp. constructed a steel mill at today's Cleveland Cliffs, Coda said. It is located within the jurisdiction of Portage.

"The steel mill afforded us the opportunity to leverage a port right next door, which is our current location in Burns Harbor," he said. "We broke ground in 1966 and officially opened in 1970. The establishment of this port laid the foundation for future development of the world's largest steel producing region and inspired the creation of two more ports throughout the state."

In future development, Ports of Indiana is planning to invest \$50 million in infrastructure improvement projects by 2025 including \$28 million at Burns Harbor, according to a company press release.