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Economic Snapshot is a weekly feature provided by the



Expanded access to broadband can result in additional jobs

The Federal Communications Commission reports that in 2003, there were 22 million high speed broadband lines in the United States. By 2008, the number had soared to over 130 million lines. This explosive growth is indicative of the significant demand for high speed access and the fact that businesses and individuals have discovered the value of broadband.

Increasingly, businesses rely on the internet and broadband access has become a necessary component for economic development to occur. A recent study by the Brookings Institution helps demonstrate and quantify the economic benefit of broadband. The researchers concluded that increasing broadband penetration is positively correlated with private nonfarm employment. They project

Broadband in Wisconsin

Week 4:
Broadband and job creation

that employment will increase by 0.2 to 0.3 percent per year for every one percentage point increase in broadband penetration.

While that may seem insignificant, it translates into 293,200 new jobs annually in United States for every one percent increase in broadband lines. Based on the Brookings study, a one percent increase would lead to a projected annual increase of 7,669 jobs in Wisconsin.

The following chart includes the increase in employment for the six states region based on a one percent increase in broadband penetration. The Brookings Institution report, The Effects of Broadband Deployment on Output and Employment, is available free online at: http://www.brookings.edu/papers/2007/06labor_crandall.aspx

Projected increase in employment for a one-percent increase in broadband penetration

	Employment ('07)	Increase in Employment
Illinois	6,616,322	16,541
Indiana	3,208,336	8,021
Iowa	1,667,781	4,169
Michigan	4,711,671	11,779
Minnesota	3,465,374	8,663
Wisconsin	3,067,420	7,669

Source: The Effects of Broadband Deployment on Output and Employment: A Cross-sectional Analysis of U.S. Data, July 2007, The Brookings Institution.