Freight Rail’s Powerful Economic Impact

Whether selling and building automobiles and houses, powering businesses or enabling manufacturers to reach new customers, American industries rely on freight rail to get raw goods and products to market in the U.S. and beyond. The net impact is profound, with railroads triggering a powerful economic effect across myriad U.S. industries.

Railroads make consistently high investments, and the results are impressive:

- High-paying industry jobs.
- Additional industry-supported jobs.
- Industry and consumer connection to the global market.
- Local community growth from sizeable funds infused into the market and government budgets.

These benefits come at a savings of billions of dollars each year for taxpayers because America’s freight railroads operate overwhelmingly on infrastructure that they own, build, maintain and pay for themselves.

- **Private Investments**: On average, railroads [spend $25 billion a year](https://www.aar.org) on infrastructure and equipment across their privately owned networks. That’s more than 40 cents out of every revenue dollar.

- **International Trade**: Railroads haul approximately 35% of all [U.S. exports](https://www.export.gov), allowing American industry to be more competitive in the worldwide economy.

- **Jobs**: With an average compensation of nearly $120,000 a year, the freight rail industry produces some of the [nation’s best-paid jobs](https://www.aar.org). It also actively recruits military veterans.

- **Infrastructure**: With a single train hauling several hundred truckloads worth of freight, U.S. freight railroads’ [infrastructure](https://www.aar.org) eases the burden on the nation’s overcrowded highways — and the taxpayers who support them.

- **Smart Policies**: Smart [public policy](https://www.aar.org) allows railroads to invest in the rail network and meet the needs of a changing marketplace.