Freight Rail’s Big Impact

KEY TAKEAWAY

Freight railroads make modern-day America possible. They power economic activity, connect the supply chain, drive the economy, support high-paying jobs, help combat climate change and provide the literal foundation for passenger rail services like Amtrak.

We all learned it in school: molecules are the basic building blocks of life. Without them, our world as we know it would not exist. In much the same way, freight railroads provide the foundation for the world’s top economy to thrive. For manufacturers and consumers, small and large businesses, energy companies and farmers, freight rail is the basic building block that allows a great sweep of economic activity to take place across the country. Railroads’ billions of dollars in annual investments trigger a powerful economic effect across myriad U.S. industries.

Freight rail’s investments also produce high-paying industry jobs, additional industry-supported jobs, industry and consumer connection to the global market, and 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.

And it isn’t just cost savings that benefit Americans. Nearly everything you own or interact with once rode the rails, from the lumber in your house to the food on your table, the car in your driveway, and the tablet in your hands. You may also be one of the millions of people who rely on passenger trains to get to work so they can afford to buy those goods. Explore the sections below to learn more.

- **Powered by Private Investments:** From 1980 to 2022, America’s freight railroads spent about $780 billion — averaging well over $23 billion a year over the past five years — on capital expenditures and maintenance expenses.

- **Solving for Climate Change:** As the most fuel-efficient way to move freight over land, freight railroads actively invest in infrastructure, equipment, and technology and deploy sustainable business practices to reduce their carbon footprint and build a more resilient network for a future shaped by climate change.

- **Connecting the Supply Chain:** Railroads play a vital role in sustaining America’s economy by implementing strategic measures to maintain a consistent flow of freight within the complex global supply chain. By expanding network capacity, growing the workforce and fostering strong partnerships throughout the supply chain, railroads enable the efficient movement of goods across the country and worldwide.
• **Growing State Economies:** In a typical year, U.S. freight railroads move around 1.6 billion tons across nearly 140,000 miles throughout 49 states and the District of Columbia.

• **Providing High-paying Jobs:** Freight rail employees are highly skilled professionals who are among the best-compensated workers in the nation. In 2022, Class I freight rail employee compensation, including benefits, averaged about $143,000 per year.

• **Partnering with the Military:** Railroads have been a vital partner in U.S. military operations for nearly 200 years. They have transported troops and supplies, hauled the raw materials for weapons and planes, and continue to hire veterans actively. They work with the military to help talented servicemen and women transition from military service to private-sector railroad employment.

• **Moving Chicago:** The Chicago Region Environmental and Transportation Efficiency (CREATE) Program is the gold standard in public-private partnerships. Through strategic infrastructure investments and private sector/government collaboration, the CREATE program enhances transportation efficiency to move more people and goods while reducing congestion, improving air quality, and promoting economic growth in Chicago, the nation’s busiest rail hub.

• **Supporting Amtrak:** Three types of rail systems (intercity passenger, commuter and freight) operate on the national rail network. Together, these trains help deliver economic growth, support job creation, provide crucial environmental benefits and increase our nation’s productivity and competitiveness. Freight railroads provide 70% of the train-miles operated by Amtrak, providing the literal foundation for this important passenger rail service.