

Freight Rail & International Trade

Key Takeaway: Freight railroads support free and fair trade. International trade facilitated largely through free trade agreements, has benefited the U.S. economy. Railroads oppose policies that restrict access to global markets, including the application of tariffs that impose additional costs on rail shippers and industry business operations.

From the car you drive to the food you eat, American life is made possible by domestic and international trade. This trade depends on manufacturing and creating goods and services, transporting them to market and then selling them via various retail means — in person or electronically. By linking businesses to each other here and abroad, freight railroads play a crucial role in America's economic development and modern way of life.

Virtually no one in the world today is entirely self-sufficient: we all trade by obtaining goods and services in exchange for something of value we offer in return. American businesses and major rail shippers — including automobile makers, energy producers, agricultural growers, and even beer makers — need the certainty and benefits of tariff-free trade across North America to keep delivering for the American people. When U.S. consumers — including many freight rail customers — have access to global markets, they also gain access to a greater variety of goods at a more competitive price.

Railroads move countless commodities to every region of the country and beyond. Railroads carry Canadian lumber to U.S. cities for homebuilding, plastic pellets to Gulf ports for export to Asia and containers with consumer goods inland from ports. Trade also has a large impact on the agricultural and automotive sectors.

Food & Agriculture

Railroads connect [agricultural producers](#), dealers, and consumers in the U.S. and around the world. Without railroads, it would be impossible to keep the shelves in our grocery stores full. America's farmers are huge exporters; in a typical year, grain exports are equivalent to around 30% of U.S. grain production. In a typical year, railroads haul around 1.6 million carloads of grain and other farm products; more than 1.7 million carloads of food products; and several hundred thousand carloads of fertilizers and the raw materials that go into making them.

Automotives

With a single train carrying hundreds of cars, freight [rail transports nearly 75% of the new cars](#) and light trucks purchased in the U.S. In a typical year, railroads carry 1.8 million carloads of motor vehicles and parts.

Railroads offer an efficient and cost-effective means of distributing finished vehicles from manufacturing plants to distribution centers and dealerships, especially for long-distance transport. The logistical efficiency of rail transport helps streamline the auto industry's supply chain and reduce overall transportation costs.

Additionally, having multiple transportation options, including rail, enhances the resilience of the auto industry's supply chain in the face of disruptions. Using rail for certain segments of transportation contributes to the industry's efforts to reduce its environmental impact, as rail transport is the most fuel-efficient way to move goods over land.