

The Public Benefits of Freight Railroads

The U.S. is connected by the world's most efficient, cost-effective, and reliable freight rail system. Traversing more than 135,000 track-miles, America's freight railroads safely deliver economic growth, support job creation, and offer unparalleled environmental advantages while reducing highway gridlock.

Delivering stronger economies.

Here's the headline: U.S. freight railroads move roughly 40% of long-distance freight in the U.S., supporting hundreds of thousands of jobs in the process and delivering billions in local economic impact. Their high infrastructure spending enables railroads to support jobs in communities all across the country in virtually every sector of the economy.

Investing in tomorrow's network today.

U.S. freight railroads are privately owned companies that operate overwhelmingly on infrastructure they own, build, maintain, and pay for themselves. From 1980 to 2024, railroads spent more than \$830 billion of their own funds on capital expenditures and upkeep of locomotives, railcars, tracks, bridges, tunnels and other infrastructure and equipment.

Rail's commitment to infrastructure investment is critical to communities across the country. One-third of U.S. exports move by rail. Everything from the food on our tables and cars we drive to the chemicals that treat our water and the fuel that powers our homes moves by rail. It's critical for both businesses and consumers that these goods travel on efficient, world-class rails.

Not only is the U.S. Department of Transportation predicting total freight demand to grow 27% by 2040, but e-commerce and just-in-time delivery have fundamentally changed the supply chain. Railroads continue to innovate and invest in their operations to serve customers and compete with other modes.

Conserving fuel, mitigating emissions.

What weighs 4,000 tons, carries the load of several hundred trucks, and is still the most sustainable way to move freight over land? A freight train. Given rail's scale of movement, it makes sense that trains are 3-4 times more fuel efficient than highway transportation, reducing greenhouse gas emissions by an average of 75% over trucks. Plus, more freight moved by rail means less congestion on our roads.

Railroads are not relying on their scale alone when it comes to sustainability, however. Investments into fuel-efficient locomotives, new idling reduction technologies, advanced routing software and other innovations are making freight rail greener every day. Case in point: while freight railroads today move nearly twice as much as they did in 1980, fuel consumption is down.

A culture of safety and innovation.

Railroading hinges on safety. As such, U.S. railroads have achieved significant safety improvements across every recorded category in recent years, with the last decade being the safest ever. Between 2000 and 2023, the train accident rate decreased by 24% and the employee injury rate dropped by 49%.

These achievements correlate directly with railroads' private spending. From massive network investments and strict operating procedures to first responder training and innovative safety technologies, America's railroads strive every day to make a safe mode of transportation even safer. Emerging technologies, like automated track inspection systems, drones, and positive train control, further aim to enhance operations and move railroads toward their goal of zero accidents.

Freight Rail 101

Stronger economies, more jobs, cleaner skies.

- 01. Network**

More than 620 Class I and short line railroads operate across 135,000 track-miles in the U.S. The six Class I railroads are the largest carriers, traversing 49 states and the District of Columbia.
- 02. Spending**

Freight railroads have spent more than \$830 billion on locomotives, freight cars, tracks, bridges, tunnels and other equipment and technology since 1980. This equates to 39 cents of every dollar earned.
- 03. Workforce**

The approx. 140,000 freight rail employees are among America's most highly compensated. In 2023, the average Class I employee earned total compensation of \$149,000—more than 92% of U.S. employees.
- 04. Sustainability**

One train can move a ton of freight 500 miles on a single gallon of fuel, on average. Rail moves about 40% of U.S. long-distance freight but accounts for just 1.8% of transportation-related emissions, according to the U.S. Environmental Protection Agency.
- 05. Economic Impact**

Class I railroad investments support hundreds of thousands of jobs and billions of dollars in U.S. economic output. Railroads average more than 18% or six times higher capital spending than the average U.S. manufacturer.
- 06. Cost Efficiency**

The average rail shipper can move much more freight today for about the same price they paid over 40 years ago. Average U.S. freight rail rates, measured by inflation-adjusted revenue per ton-mile, are 40% lower today than in 1980.
- 07. Partner to Passenger**

Outside of the Northeast Corridor, Class I-owned tracks host most intercity passenger rail operations and some commuter rail operations. About 70% of Amtrak's miles-traveled occur on tracks owned by freight railroads.
- 08. Supply Chain Workhorse**

Together with trucks and barges, freight rail ships 59 tons of goods per American every year. Redesigned railcars have helped increase average tonnage. In 2023, the average freight train carried 3,948 tons, up from 2,923 tons in 2000.