



August 20, 2015

### ***OneRail Coalition Panel at Council of State Governments Highlights The Rail Supply Sector's Contribution to Good Paying Jobs***

The OneRail Coalition sponsored a panel session at the Council of State Governments Eastern Regional Conference on August 19, 2015 in Wilmington, DE. The panel was part of the OneRail's ongoing efforts to raise the understanding among decision-makers of the amount of good paying jobs the rail supply sector contributes to state economies. Panelists represented both railroads and suppliers who procure millions of dollars' worth of goods and services to support both passenger and freight rail operations and infrastructure. The panelists were Amtrak's Bernard Reynolds, Vice President & Chief Procurement & Logistics Officer, Norfolk Sothern's Rudy Husband, Resident Vice President, Alstom's John Cohen, Vice President of Government Affairs, and Polycorp's Bruce Burkhardt, Division Manager Transportation.

The railroad panelists made the point that their success depends, in part, on having a strong rail supply sector ready to provide the necessary equipment, R&D, supplies, and services to help improve railroad;s safety and productivity. The panelists explained how strong well capitalized freight and passenger railroads support many good paying jobs in the rail supply sector across the US.



The panel explored several of the challenges facing the rail manufacturing and supply sectors today, and its importance, economically, to states in the CSG Eastern Region as well as for the nation as a whole. One of the challenges for Amtrak is the difficulty in planning its capital investment due to unpredictable and inadequate federal funding support. While the Class 1 railroads plan to invest \$29 billion in their networks in 2015 to support current and projected services; maintaining a balanced regulatory approach is critical to have the resources to invest in their networks.

Several panelists stressed that a reliable, dedicated funding stream would reduce overall costs, flatten the boom and bust cycles for suppliers who are forced to reduce their workforces, and lessen the economic impact on the communities in which they are located. John Cohen, Alstom, made the point that the boom and bust cycles makes it hard to retain the skilled workforce necessary to deliver a quality product. Employment at Alstom's Hornell, NY plant went from 1,000 to 50 due to the unpredictable funding stream. Bernard Reynolds, Amtrak, and Bruce Burkhardt, Polycorp made the point that the current unreliable funding situation made planning for long lead investments virtually impossible. Rudy Husband, Norfolk Southern, pointed out that rail traffic can change almost overnight, depending on the overall economy and market segments, citing that crude by rail traffic is one-third of what it was one year ago, making it difficult to plan where to invest for capacity.

OneRail's sponsorship of panels such as this one are intended to broaden the understanding of the many aspects of rail transportation, some of the challenges faced in planning for infrastructure investment, and the contribution rail makes to state economies across the U.S. Good rail jobs depend on a reliable federal funding source for passenger rail and a balanced regulatory environment for freight rail. Rail delivers not only good paying U.S. jobs, but safer transportation for goods and people, lower roadway maintenance costs, and reduced emissions.

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The OneRail Coalition is a diverse group of rail stakeholders representing all facets of the rail industry. The Coalition works to expand the awareness of the value and benefits of a strong freight and passenger rail system. Our members include:

- public transportation and passenger rail organizations: American Public Transportation Association (APTA), Amtrak, States for Passenger Rail Coalition (SPRC);
- freight rail associations: American Short Line and Regional Railroad Association (ASLRA), Association of American Railroads (AAR);
- rail supplier and contractor associations: National Railroad Construction and Maintenance Association (NRCMA), Railway Supply Institute (RSI);
- rail labor: Brotherhood of Railroad Signalmen (BRS), the Rail Conference of the International Brotherhood of Teamsters (BLET/BMWE), Transportation Communications International Union/International Association of Machinists (TCU/IAM), United Transportation Union (UTU);
- rail advocacy and transportation reform organizations: National Association of Railroad Passengers (NARP), Surface Transportation Policy Project (STTP);
- environmental organizations: National Resources Defense Council (NRDC); and
- rail engineering and supply companies: AECOM, Alstom, Caterpillar, General Electric, HNTB, Parsons, Parsons Brinckerhoff and Siemens