PRESS RELEASE

Rail Supply Industry Announces Important New Study Highlighting the Economic Power and Workforce Impacts of its Products and Services

Washington, DC – The Railway Supply Institute (RSI), partnering with the Railway Engineering-Maintenance Suppliers Association (REMSA), Railway Systems Suppliers, Inc. (RSSI) and Railway Tie Association (RTA), today announces the results of a major study quantifying the economic and workforce impact of the products and services produced by the railway supply industry. This report, Tracking the Power of Rail Supply: The Economic Impact of Rail Suppliers in the U.S., highlights the importance of the industry to the U.S. economy in terms of jobs, tax revenue, and gross domestic product (GDP) on both the state and national level.

Beyond their critical support for a railroad system comprising more than 1.6 million railcars, 38,000 locomotives, and 140,000 miles of track, the railway supply industry is also essential to the national economy—generating value, stimulating jobs, and paying taxes. The economic contribution of the railway supply industry in 2017 amounted to more than $74.2 billion in gross domestic product (GDP) and they paid $16.9 billion in taxes to local, state and federal governments.

Workers in the industry are highly productive and well paid with annual wages of $78,800, on average, placing them +42% above the U.S. average income*. Railway suppliers directly employ more than 125,000 people in manufacturing, repair, maintenance, and leasing, among others. In addition, for each worker directly employed by the railway supply industry, a further 4.2 jobs
are supported in the wider economy meaning that 650,000 jobs across America can be tied to a railway supplier, their supply chain or spending of those employed by these firms.

“For years, the economic value that railroads deliver to our nation has been well documented. This study is the first of its kind to reveal the power and contribution of the railway supply industry that is driven by investment in our nation’s railroads,” said Mike O’Malley, President of RSI. “The results tell a powerful story highlighting the benefit of public policies that support continued growth in both the freight and passenger rail sector.”

The report, completed by Oxford Economics, is available at www.rsiweb.org/eis.

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About RSI

RSI is a trade association for railway suppliers and represents over 200 companies. RSI members are suppliers to North American freight and passenger railroads and their industry segments include mechanical, communications & signaling, maintenance of way and passenger industries. RSI acts on behalf of its member suppliers to North American freight and passenger railroads and their 100,000 employees to assist them in the global marketplace and represents the industry during the regulatory and legislative process. The U.S. economy depends on the railroads to move freight, and the railroad companies depend on the railway supply industry to facilitate transport. RSI provides strong data-driven advocacy and informed regulatory and legislative support that serves critical strategic purposes within the industry.

About REMSA

REMSA was created in 1965 by the merger of the Association of Track and Structure Suppliers and the National Railway Appliances Association, two long-standing organizations in the railroad maintenance-of-way industry. The association represents companies and individuals who manufacture or sell maintenance-of-way equipment, products, and services, or are engineers, contractors and consultants working in construction and/or maintenance of railroad transportation facilities. REMSA members constitute a large part of the maintenance-of-way industry. The association sponsors the largest exhibit of maintenance-of-way equipment, products and services in the United States. REMSA members exhibit rail and track products, track maintenance equipment and services, safety devices and software that enables the railroad industry to work smarter.

About RSSI

RSSI is a trade association serving the communication and signal segment of the rail transportation industry. RSSI’s primary effort each year is to organize and manage a trade show for our members to exhibit their products and services. The association was incorporated in
1966 as the Railway Signal and Communication Suppliers Association Inc. Previous to that time, it existed as two separate entities, one for the signal area and one dealing in the communications area of the railroad industry. Although records are vague for the years previous to 1966, there are indications that one or both of these entities were in existence as far back as 1906. In 1972 the corporate name was changed to Railway Systems Suppliers, Inc.

About RTA

RTA was organized in 1919. Predecessor groups, dating back to the late 1800s, that included The National Association of Railroad Tie Producers, were formed to support the railroad tie industry and to preserve the forest through conservation. The purpose of the RTA is to promote the economical and environmentally sound use of wood crossties. The Association is involved in research into all aspects of the crosstie industry and ongoing activities dealing with sound forest management, conservation of timber resources, timber processing, wood preservation, industry economics and statistics, and safety of industry workers.

About Oxford Economics

Oxford Economics was founded in 1981 as a commercial venture with Oxford University’s business college to provide economic forecasting and modeling to UK companies and financial institutions expanding abroad. Since then, we have become one of the world’s foremost independent global advisory firms, providing reports, forecasts, and analytical tools on 200+ countries, 250 industrial sectors, and over 4,000 cities. Our best-of-class global economic and industry models and analytical tools give us an unparalleled ability to forecast external market trends and assess their economic, social, and business impact.

Headquartered in Oxford, England, with regional centers in London, New York, and Singapore, Oxford Economics has offices across the globe in Belfast, Chicago, Dubai, Miami, Milan, Paris, Philadelphia, Sydney, and Tokyo. We employ over 300 full-time people, including more than 200 professional economists, industry experts, and business editors—one of the largest teams of macroeconomists and thought leadership specialists. Our global team is highly skilled in a full range of research techniques and thought leadership capabilities, from econometric modeling, scenario framing, and economic impact analysis to market surveys, case studies, expert panels, and web analytics. Underpinning our in-house expertise is a contributor network of over 500 economists, analysts, and journalists around the world.

Oxford Economics is a key adviser to corporate, financial and government decision-makers, and thought leaders. Our worldwide client base now comprises over 1,000 international organizations, including leading multinational companies and financial institutions; key government bodies and trade associations; and top universities, consultancies, and think tanks.
According to the Bureau of Labor Statistics Quarterly Census of Employment and Wages, the average income in the U.S. was approximately $55,400 in 2017.