

## The 1980 Staggers Act And The Rebirth Of Railroads

(NAPSA)—You don't have to be a railroad buff to realize what a positive impact the Staggers Rail Act had on the U.S. rail industry. Many feel this occurred because Staggers partially deregulated the railroad industry which benefitted rail customers, consumers, and the American economy. Here are a few examples:

- Since Staggers, rail rates have decreased 57 percent in inflation-adjusted terms. This has saved shippers and their customers billions of dollars per year.

- After decades of steady decline, the rail market share bottomed out at 35 percent in 1978 and has trended slowly upward since then reaching 40 percent.

- Since Staggers, rail productivity gains have exceeded those of nearly every other U.S. industry. Rail labor productivity is up 287 percent since Staggers. Locomotive productivity is up 113 percent.

- Railroads are now safer than ever before. Since 1980, the railroad accident rate has fallen 66 percent and the employee injury rate is down 70 percent.

- From 1980 to 1999, Class 1 railroads have spent more than \$263 billion on infrastructure and equipment. They are committed to



**Since the partial deregulation that came when the Staggers Act was enacted, average rail rates have declined by 57 percent in real terms. This has saved American consumers tens of billions of dollars.**

spending tens of billions more in the years ahead to maintain track and equipment.

Fortunately, after 20 years, the Staggers Act is still working as intended. Prior to Staggers, the railroads were subject to suffocating government regulation that prevented them from earning enough capital to maintain their infrastructure. As a result, more than 20 percent of railroad mileage was operated in bankruptcy. Infrastructure suffered from deferred maintenance, and accidents were soaring.

But, the Staggers Act turned the railroads around by allowing them to make the necessary business decisions to create a safe and efficient system. Many feel that tampering with the Staggers Act would reregulate the railroads which would harm consumers, rail customers, and the American economy.

To find out how your legislator feels about this issue, write to the U.S. Senate, Washington, D.C. 20510 and the U.S. House of Representatives, Washington, D.C. 20515.