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CONTACT: Jenifer McCormick
202-628-9262
jeniferm@ttd.org

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Efforts to Privatize Amtrak Must Be Rejected

WASHINGTON, DC – *Edward Wytkind, President of the Transportation Trades Department, AFL-CIO (TTD), testified today before the House Committee on Transportation and Infrastructure on Opening the Northeast Corridor to Private Competition for the Development of High Speed Rail. Below are excerpts from his oral testimony:*

“Wishful thinking won’t build and sustain a 21st century transportation system. A vision, backed by policies and real dollars, will. There’s no high-speed system in the world that operates without robust government support. So let’s stop all the tired privatization rhetoric and have a conversation about how to get this done in the real world.

“Amtrak is doing better today than ever and has well-positioned itself to be the leader in delivering high speed rail service on the Northeast Corridor (NEC) and throughout its system. Now is the time to boost funding for Amtrak and support its long-term vision for growth, which includes targeted private investment. It is not the time to allow private companies to provide rail services that are profitable only by exploiting past taxpayer investments, by relying on continued government support and cherry-picking the most lucrative routes.

“And that is the inherent problem with the topic of today’s hearing. Are there private companies that could offer NEC service that Amtrak provides today? Many claim there are. But as history has taught us those entities will want to offer the services that are the most profitable and let the rest of the system wither... Besides skimming a profit for their shareholders and CEOs, I simply don’t see what we are getting in return for bidding out one of the world’s most prized and complicated transportation corridors... When you strip Amtrak of its most lucrative route, you doom the national system. And for some, that is their plan.

“Many criticize Amtrak and liken it to an old-school Soviet passenger rail system. Those critics aren’t paying attention. Today’s Russia is planning for the future by developing 250-m.p.h service between St. Petersburg and Moscow. They are investing 3 times what the U.S. invests in rail as a percentage of its economy. More to the point, the Amtrak they disparage simply does not exist today and, unlike some of its predecessors, current management has a vision for the future.

“Some have criticized all passenger rail funding. Clearly they are unaware that trillions are spent in America and around the world building, expanding and maintaining transportation infrastructure. The purpose of the world’s transportation system isn’t about the profit of the system itself, it is about the goods and people it moves, and the jobs, productivity and wealth it creates across the economy.

“The private sector has a vital role to play for sure. But an experimental free-for-all that puts jobs or the economy at risk is a bad idea. We stand ready to be participants in a true public-private partnership on the NEC, one that recognizes our members’ contributions to operating, maintaining and building the rail system and one that maintains Amtrak’s role as the centerpiece of that system.”

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The Transportation Trades Department, AFL-CIO, represents 32 member unions in the aviation, rail, transit, trucking, highway, longshore, maritime and related industries. For more information, visit www.ttd.org.

Transportation Trades Department, AFL-CIO

888 16th Street NW / Suite 650 / Washington DC 20006 / Tel:202.628.9262 / Fax:202.628.0391 / www.ttd.org
Edward Wytkind, President / Larry I. Willis, Secretary-Treasurer

