

Minnesota Industry Conditions: Railroad Transportation

- The railroad industry is a major employer in Minnesota with about 6,000 jobs. There are an additional 780 jobs with firms involved in railroad support activities in 2005. Despite the recession, the industry has grown modestly in recent years.
- The rail transportation industry, like many other industries, has an aging workforce. Nationally, the median age for railroad workers in 2004 was 47 years old. This is almost 7 years older than the median age of the U.S. labor force. With almost a quarter of all railroad workers aged 55 years or older in 2004, this industry will be forced to deal with replacing retiring workers in the coming decade. These new workers will need even higher levels of technological skills and knowledge as the railroad industry changes to meet the demands of a 21st century economy. In 2004, the Railroad Retirement Board expects that more than 80,000 new workers will enter the industry in the next six years across the United States.
- With a current excess of available workers, wage conditions still favor employers. The table below lists some occupations and wages that might be of interest to employers involved in railroad transportation. The 10th to 25th wage percentiles represent workers with lesser degrees of training or experience while the 75th and 90th wage percentiles represent those workers with more significant levels of training or experience. As noted above, with improving labor market conditions, employers may have some trouble finding workers with specific skill sets. Wages may have to rise with increasing skill, education and experience requirements.

Minnesota Hourly Wages for Selected Occupations of Interest

Occupation	Wage Percentiles: Minnesota – 2 nd Quarter 2006				
	10th	25th	50th	75th	90th
Rail-Track Laying and Maintenance Equipment Operators	\$12.20	\$16.24	\$19.69	\$22.04	\$25.88
First-Line Supervisors/Managers of Mechanics, Installers, and Repairers	\$16.44	\$20.70	\$25.85	\$31.52	\$36.09
Rail Car Repairers	\$18.43	\$19.96	\$22.90	\$26.70	\$30.04
Signal and Track Switch Repairers	\$19.34	\$22.38	\$24.72	\$26.97	\$28.54
Machinists	\$14.02	\$16.84	\$20.37	\$24.01	\$27.42
Welders, Cutters, Solderers, and Brazers	\$11.83	\$14.08	\$16.70	\$20.17	\$22.95
Locomotive Engineers	\$22.02	\$24.23	\$29.92	\$40.20	\$44.79
Railroad Brake, Signal, and Switch Operators	\$18.76	\$21.52	\$28.56	\$33.70	\$38.88
Transportation Inspectors	\$19.73	\$24.09	\$30.61	\$43.36	\$51.59
Railroad Conductors and Yardmasters	\$18.46	\$20.04	\$25.47	\$37.90	\$44.81
Laborers and Freight, Stock, and Material Movers, Hand	\$7.78	\$9.52	\$12.16	\$16.08	\$20.53

Source: DEED, Occupational Employment Statistics: www.deed.state.mn.us/lmi/tools/oes

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