

Virginia Population, Jobs & Rail Freight

By Richard L. Beadles

Volume II, No. 3 February 12, 2010

Jobs are "Job ONE" for everybody these days from the current occupant of the White House to Virginia's Governor and Lieutenant Governor. It is a serious problem, and a vexing one, for which there are no easy answers. But for *big government*, which most Virginians claim to dislike, the Commonwealth would be an economic disaster.

We approach this issue from a transportation perspective; rail in particular. The nation and its railroads are witnessing an alarming exodus of manufacturing jobs. Just the other day, the WSJ quoted the CEO of Texas-based Huntsman Corp as stating that the chemical industry is leaving the U. S., and (he said) it won't be back! Within the last twelve months Virginia has taken some body blows with plant closing, ranging from the former Union Camp (now I.P.) paper mill in Franklin to the Reynolds aluminum foil plants in Richmond. More bad news is likely to come. Watch Hopewell, for example. And it is not just heavy industry, of the old-fashioned smoke-stack variety. Consider the recent shuttering of the Qimonda semi-conductor plant in eastern Henrico.

Information obtained from the VA Employment Commission web site in December, 2009, indicated that there were then estimated to be only about 7,000 manufacturing jobs in Richmond, out of a total employment count of about 150,000. Frankly, it is hard to identify even 7,000 manufacturing jobs today. On the other hand, there are said to be 41,000 government jobs in that total Richmond count. On a list of Richmond's top fifty employers, one finds only three or four significant manufacturing firms, one being Philip Morris, another Reynolds Foil, Inc., the latter now shut down.

The U. S. Census Bureau estimated the Virginia civilian labor force in 2005 to number about 3.6 million, of which approximately 848,000, or about 23%, were public employees. Add to that the military personnel working in Virginia for DOD, and we must be over 25% government. Like it or not, public employment is our growth sector.

What are the implications for rail freight transportation in the Richmond region? To keep the lights burning, a great deal of coal arrives by rail at Dominion's Chesterfield power plant. We are using lots of rail-delivered ethanol as an additive to our gasoline. Plastic pellets are used to coat our milk cartons, to make plastic bags, and for other products. DuPont receives petrochemical-based raw material at their Ampthill operation. Tank cars of corn syrup go into our Coca Cola. All this traffic is population/market driven. But NOTHING much goes out *by rail* from this once vibrant manufacturing center. It's not a pretty picture, and unfortunately it's more the norm than not.

Virginia transportation planners, and our two major freight railroads, are dealing with a rapidly changing world of commerce, a world in which the traditional rail freight model does not always fit well. Shall we give up? No! We need to more aggressively seek ways to utilize the capacity and potential of rail to transport other commodities. Yes, sometimes even passengers! Unless, of course, it snows!

(c) copyright 2010 Richard L. Beadles
