

APTA Rail Conference 2022 Participation Report

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1. Introduction

The American Public Transportation Association (APTA) held its four day "Rail Conference 2022" in San Diego, California from June 5th to 8th, 2022. The conference was held in person for the first time in three years, and was attended by more than 1,500 people, a record high, mainly from North American railway operators, government officials, and suppliers. In addition, while APTA is a North American transportation business entity, it also plays a role in drawing financial support (subsidies) from the federal government, and is an organization with a high presence in the North American railroad industry.

All modes of transportation, including urban railways, commuter railways, and interurban railways were covered at the conference, and sessions were held on a wide range of topics, including safety, labor force security, demand recovery, urban development, and climate measures. With program also including a railway Products & Services Showcase, it can be said that the conference provided comprehensive understanding of the latest trends in the North American rail industry. This report will introduce some of the major programs.

2. A Speech by the Head of APTA

The first day of the conference started with a speech by APTA President/CEO Paul P. Skoutelas. To begin, he stressed the importance of the budget allocated under the Infrastructure Investment and Jobs Act^{Note1)} legislated in

November 2021, expressing that it is "a lifeline for the future of the railway industry." Meanwhile, because recent shortages of on-site staff, such as drivers and engineers, have forced many business operators to scale back their services, he stated that "In order to effectively utilize the budget from the Infrastructure Investment and Jobs Act, it will be essential to resolve the difficult challenge of the 'labor shortage' moving forward." In addition, he indicated a focus point for the future, saying, "Of course, we will continue to work on strengthening recruitment activities, but we also must put in effort to improve employee retention rates."

Furthermore, his speech touched on recent demand trends, asserting that they are recovering by saying "Telework has taken root to some extent, but people are gradually returning to the workplace." In addition, prefacing his next statement by acknowledging that it was the opinion of one individual, he said "In order to solve some problems, people need to come together, think, talk, and interact. Getting together in person is sometimes key to innovating intuitively, and the railroad industry will benefit as people start to realize this magic."

3. Leah Weiss's Keynote Speech

The keynote address was given by Dr. Leah Weiss, who specializes in research on work-life balance and leadership development. While she teaches at Stanford University's business school, she is also active as a consultant and author, and in recent years has given lectures to more than

75 companies, including NASA, Google, and Goldman Sachs. Her speech focused on the importance of leadership development that emphasizes compassion and empathy, as well as countermeasures against employee burnout, which is currently a problem in many companies.

With Mr. Skotelas's opening speech mentioning the "labor shortage" and the selected speaker and theme chosen for the keynote speech, it can be inferred that the railway industry attaches importance to people-focused issues, such as human resource development and mental health.

In regard to compassionate leadership development, Dr. Weiss expressed that "A good leader must respect the background of others' lives. It is also important to understand that staff members who are appropriately evaluated by their peers tend to perform better." Furthermore, stressing their necessity, she stated that "Investment in education for leadership development leads to improved employee engagement, greater customer satisfaction, and increased sales and profits, which in turn enhances the competitiveness of the organization."

Additionally, she explained that the main cause of employee burnout was due to a "lack of organizational transparency and many unvarying tasks causing employees to lose a sense of purpose and significance in their work." According to her, "Just like a professional athlete, on top of reviewing one's own performance, it is necessary to understand the purpose and importance of one's work in order to prevent burnout."

4. Rail Ridership Improvements

With persisting stagnation of ridership numbers since the Coronavirus outbreak, North American railway operators have continued interest in this topic. Mr. Chris Tomlinson of Deloitte Consulting, who acted as the moderator, explained the changes in people's movement patterns after the COVID-19 pandemic, and then each business representative introduced the efforts they are implementing to increase ridership numbers.

Along with reviewing timetables to align with telework customs taking root, expanding services to areas where

low-income people live, and creating barrier-free facilities, various measures have been taken, but it seems that for the short-term many companies are focusing on how to improve trips between existing stations and home/destinations (making first and last mile travel more convenient) and expanding the scope of rail users. Patrick J. McMahon of the Maryland Department of Transportation, which operates Maryland's commuter rail, light rail, and bus services, said, "In particular, we are creating an environment that makes it easy for people using bicycles and electric scooters to access train stations." Specifically, he explained that "In the future, along with installing racks for bicycles and electric scooters at all stations, we are considering making existing bicycle lockers more convenient by utilizing Bluetooth technology" (see Figure 1). Likewise, in terms of railway cars, he stated that "By increasing the number of 'Bike Cars' (see Figure 2) where full-size bicycles can be placed, we would like to make it possible for cyclists to use the railway without stress." In addition, he revealed that they were working in collaboration with local governments to make bicycle and electric scooter only road lanes, and "would like to contribute to environmental measures and to promote health."



Source) MARYLAND DEPARTMENT OF TRANSPORTATION

[Figure-1] Bicycle lockers installed near the station



Source) MARYLAND DEPARTMENT OF TRANSPORTATION
[Figure-2] "Bike car" where you can put a full-sized bicycle

5. Session: Federal Transit Administration

Government officials, such as those from the FTA, were invited to this conference, and sessions with them and business operators were held. This session also focused on the "labor shortage," and APTA Chair Jeffrey Nelson, who gave the opening speech, said, "More than 90% of businesses have problems recruiting new employees, and 65% of operators are struggling to retain employees," emphasizing that "the industry is shifting importance from money to people." Deputy Commissioner of the FTA, Veronica Vanterpool, agreed with Nelson, saying, "The industry needs to focus on recruitment and training, and there is still room for improvement." George Fields of the Greater Cleveland Regional Transit Authority in Ohio said, "It will be important for public transportation operators to partner with high schools and universities to appeal to students," and further explained that "because transportation (on-site) work requires technical skills, it is necessary to acquire new graduates as much as possible and have them build long careers while improving their skills." Furthermore, in this session, it was remarked that the complexity of the current driver appointment process is a problem, and that "the public and private sectors should work together to review (and simplify) standards."

6 . Sustainable Local Revenue Sources and Partnerships

Most railroad operators in North America are operated by public corporations, and their revenue mainly comes from state and municipal subsidies. Even though the Infrastructure Investment and Jobs Act was enacted, as revenue from state and local governments still play an important role in the continuity of business operations, this session discussed how to keep securing that income.

A description of Austin, TX was given, where in November 2020 people voted in favor of investing in public transportation, and so property taxes were raised, and part of the revenue was used to fund the operation of a newly built light rail. Greg Canally of the Austin Transit Partnership stated that "Having the public understand the role of public transport and reaching a consensus on the allocation of tax dollars for operating costs was the only solution for continued operations," and further remarked that "Partial appropriations from property taxes will now account for about 20% of light rail's operating revenue."

7. Conclusion

The greatest long-standing issue facing the North American railroad industry had been the aging of infrastructure facilities due to lack of funding. However, with the enactment of the Infrastructure Investment and Jobs Act securing a certain budget for the next 5 years,

attention has gradually been shifting from the issue of "money" to "people." The largest concern at the moment is how to secure a labor force in order to effectively utilize the budget, and throughout the conference, I had the impression that many sessions focused on efforts to recruit new employees and strengthen training.

On the other hand, the number of train riders in North America has been declining since the COVID-19 pandemic, particularly on commuter rail, and while there has been gradual progress, ridership numbers have not recovered (as much as other countries, including Japan). It can be said that working to recover ridership by devising measures that match people's behavioral changes, such as with the establishment of telework, will continue to be a major issue.

In addition, APTA President and CEO Skoutelas

mentioned in his speech that "an unstable supply chain will also be an issue in the future." Public transportation has been promoting the introduction of environmentally friendly transportation vehicles, such as those with zero emissions, but if the supply chain problem persists, there is a high possibility that such promotions will lessen. I will continue to pay close attention to future developments in the US railroad industry, which is in the midst of change.



Source) Photographed by the author

[Figure-3] Appearance of the conference

Note

Note 1) A total of \$1.2 trillion over five years, of which about \$550 billion will be new investment ((\$39 billion for public transportation, including railroads), has been authorized by the federal government to spend on infrastructure improvement and maintenance in the United States. It was described as a "historic achievement" in the history of US transportation infrastructure policy.