



MTA SHOULD NOT BUY CHINESE RAIL CARS CRRC Does Not Create Jobs

(Washington, DC) – MTA should not use emergency CARES Act funding to buy new passenger rail cars from the China Railway Rolling Stock Corporation (CRRC). Not only does CRRC not create jobs, this emergency funding to support transit agencies during the COVID-19 pandemic should stay in the U.S. and not be sent to any foreign state-owned business.

CRRC is notorious for manufacturing railcars and components in China and shipping them to the U.S. for final assembly. [A study by Oxford Economics underscores this point: for every assembly job CRRC may create, 3.5 to 5.4 manufacturing jobs will be lost.](#) “Those are jobs that New Yorkers can’t do without,” said Erik Olson, Vice President of the Rail Security Alliance (RSA). CARES Act funds should be used for job creation, not job destruction.”

CRRC is a Chinese state-owned enterprise that has stated it is attempting to conquer the global industry and has set its target on the U.S. rail market. In the last few years, CRRC has won \$2.6 billion in transit contracts by underbid competitors by 20-50%. CRRC is able to do this because they receive funding directly from the Communist Chinese government. Additionally, there are well documented attacks of espionage and national security threats by China against the U.S., and as [NBC News](#) and other media reported, in late 2019 CRRC was accused of using child labor in its supply chain.

This issue is especially relevant right now – New York passenger rail systems transport essential workers every day. We need to make sure they are getting there safely with infrastructure we can trust. We should not be allowing the Chinese government to build our critical infrastructure, and especially now, should not be sending funds gained from the CARES Act back to the Chinese government.

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ABOUT THE RAIL SECURITY ALLIANCE

The Rail Security Alliance exists to support and encourage the adoption and enactment of U.S. policies, procedures and laws that are designed to promote the security of the railroads and the railroad system of the United States of America.

For Immediate Release
June 15, 2020
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