

Information

from THE ASSOCIATION OF WESTERN RAILWAYS
Public Relations Office

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THIS IS RAILROAD COMPETITION

... Your taxes help pay for it!

A PHOTO TELLS more than a thousand words -- and quickly. Sometimes with a punch!

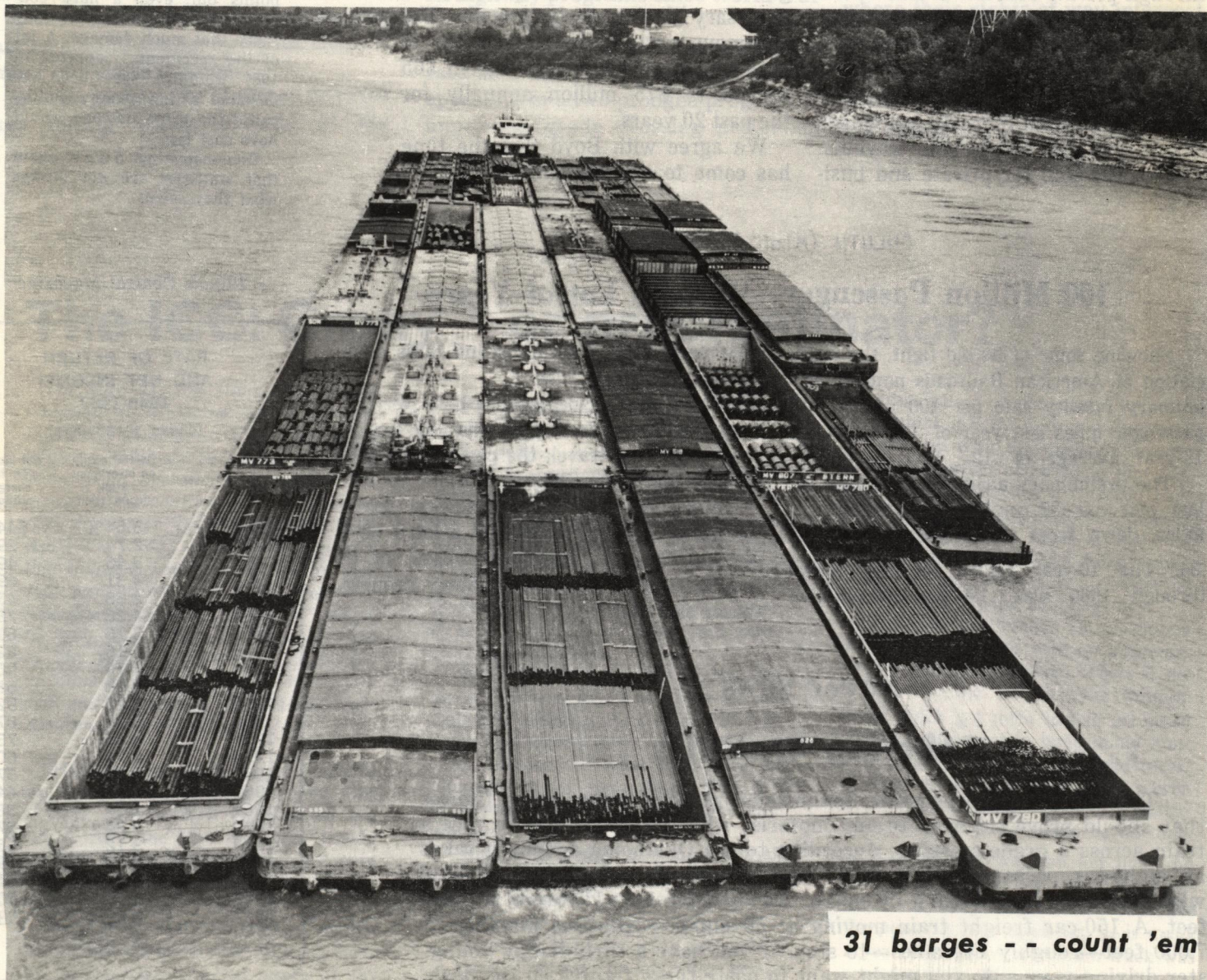
This photo does that. It illustrates an article in Steelways magazine, published by the American Iron and Steel Institute.

The article is headlined "BARGING AHEAD." A subtitle says: "Business is booming on the inland waterways."

Faster, more powerful towboats are pushing larger squads of unique barges able to haul ever greater varieties of cargo."

That should be of interest to taxpayers, because taxpayers' money (in the form of federal funds) helps to build waterway facilities, and keep them in good condition for the barge lines.

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31 barges - - count 'em

Airlines should pay for facilities

An aviation modernization plan designed to ease some of the strain on the federal dollar and provide some relief for the taxpayer has been proposed by Secretary of Transportation Alan S. Boyd.

The plan, which has been sent to Congress, would require users of airport facilities to bear a larger share of the cost. It would end federal grants to airports serving the major airlines, leaving it to the communities and the airlines themselves to finance the vast expansion that air travel growth is now demanding. But, it would make available \$1 billion in federal loans to those communities which fail to find expansion funds through private sources. It also would make grants to smaller airports that are served wholly by local service airlines.

Boyd's plan provides for an increase in taxes on domestic passenger tickets and on air freight waybills. Tax on gasoline for private and busi-

ness fliers would be increased gradually to 10 cents a gallon by 1972.

Although Boyd did not announce complete details of the plan, he said that "I am making it very clear that user charges are mandatory if we are going to be able to improve the aviation system."

Certainly any positive action to give some relief to the taxpayers would be most welcome. This is more important since the administration has proposed new taxes and faces a sizeable spending cut.

Air transportation should be advanced to the point where it can finance itself and even show a profit. Federal subsidies to the airlines and grants to cities for airports were necessary during early growth. The enormous cost of federal grants to airports alone has averaged from \$65 million to \$75 million annually for the past 20 years.

We agree with Boyd that the time has come to end the program.

DULUTH (Minn.) HERALD

100 Million Passenger Miles—a Lot of Years

Showing some of its old fight, the Association of American Railroads notes a preliminary fatality rate per 100 million rail passenger miles last year of .09, below the 10-year average of .12.

The preliminary airline fatality rate for last year was .30 per 100 million passenger miles, down from the 10-year average of .34. The 10-year figure for bus travel through 1966 was .18 per 100 million

passenger miles. For autos and taxis combined, the rate is 2.34.

Even one accidental death is terribly real. Yet the odds suggest that by any of these means of travel, the person who gets aboard and stays there has more to fear from natural than from accidental death. Of course he can change that a lot if he is driving the car. Fortunately, most of us are kept from operating trains, airliners, buses and taxis.

MO PAC NEWS

Sobering Statistics

The Oklahoma Corporation Commission recently issued some figures that should prove sobering to any motorist who thinks it's fun to race a train across a grade-crossing. According to the Oklahoma agency it takes an eight-car passenger train 3,500 feet to stop if brakes are activated when the train is traveling 60 m.p.h. At 80 m.p.h., the distance is 6,000 feet. A 150-car freight train moving at 50 m.p.h. requires a distance of 7,000 feet—roughly 1 1/3 miles—to stop. If you have a thrill-happy youngster driving your auto you might want to paste those figures on the dash.

RAIL ACCIDENTS

[Des Moines Register]

The federal government has been under pressure to investigate a sharp increase in railroad accidents during the last several years. The claim has been made—by rail unions and others—that the railroads have been skimping on maintenance to save money, and that this has shown up in more derailments.

Nonsense, replies the Association of American Railroads in a statement reporting a decline in passenger fatalities to only 13 last year. Rail safety, says the A. A. R., has been improving steadily for a decade. The apparent increase in accidents is due to inflation.

Inflation? It seems that a "train accident," in the eyes of the Interstate Commerce commission, is anything that causes \$750 damage. What with today's high prices, the A. A. R. points out, even a hard coupling of two freight cars may cause that much damage. A lot of the "accidents" reported in 1967 wouldn't have been reportable a few years ago because the same damage would have cost less.

Demonstrating once again that statistics are not always what they seem.

Illinois Central Magazine

RATE OF RETURN AND NET INCOME: 1945-1967

(Class I railways)

	Rate of return on investment after depreciation	Net income after fixed charges (millions)
1945	3.64%	\$447
1946	2.74	291
1947	3.46	490
1948	4.31	698
1949	2.88	438
1950	4.28	783
1951	3.76	693
1952	4.16	825
1953	4.19	903
1954	3.28	681
1955	4.22	927
1956	3.95	876
1957	3.36	737
1958	2.76	602
1959	2.72	578
1960	2.13	445
1961	1.97	382
1962	2.74	571
1963	3.12	652
1964	3.16	698
1965	3.69	815
1966	3.90	904
1967*	2.59	586

*12 months ended September 30

The Grade Crossings Peril

There are more than 200,000 railroad-highway grade crossings in the United States. In 1965, they were the scene of 14,000 accidents. In 1966, there were 1,500 crossing deaths.

Yet, surprisingly, less than 4,000 of the accidents in 1965 involved trains.

According to Federal Railroad Administrator A. Scheffer Lang, about 75 per cent of grade crossing accidents do not involve a train-car collision. They include such accidents as cars slamming into other stopped vehicles, careless motorists skidding into lowered gates or colliding with permanent crossing structures.

Other findings of a grade crossing action committee set up by the Department of Transportation:

● A large number of motor vehicles are hitting trains already at the

crossing, indicating a need for more effective warning systems and signs in advance of crossings.

● Crossing signs are crowded by highway regulatory and information signs, especially in urban areas.

● Present highway warning signs—where they exist at all—are usually based on automobile speeds of the 1930s.

It is estimated that it would take more than \$100 billion today to separate rail and motor traffic at every crossing—or almost twice as much as the federal government has spent on all highway programs since World War I.

Since this is clearly impractical, the railroads and the government are co-operating in a two-pronged program of improving grade crossing protection

systems and educating the driving public.

In 1967, DOT asked each state highway department to select one grade crossing for each 4,000 miles of federal-aid highway system—a total of about 200 crossings—for testing protection systems.

In an effort known as G.A.P.P.—Grade Crossing Accident Prevention Program—the railroads and railroad unions have formed joint organization on every major railroad.

Trains are here to stay; so are automobiles, and so are most of the places where their rights of way intersect. It is hoped that out of these efforts, the frequency of violence at these intersections will eventually be reduced to the barest possible minimum.

RAILWAY AGE

The ICC: Crony—or procrastinator?

On May 13, The New York Times mounted a blistering attack on the Interstate Commerce Commission for allowing railroads to shrink their passenger-train operations. Expressing approval of the controversial proposals of ICC Examiner John S. Messer (RA, April 29, p. 48), The Times suggested that railroads had an obligation to provide passenger-train service, even at a loss, due to their "quasi public" status. In reply, the following letter was sent to The Times by Meredith C. Laffey, of Short Hills, N. J., retired vice president and treasurer of the Equitable Life Assurance Society of the U.S.

"Having long admired your editorials, I got quite a shock from your lead of May 13th entitled 'Hotfoot for the ICC.' Even the title is rather rowdy for The Times. But the text is not only venomous but shows little grasp of the subject.

"I assume that the author neither knows nor cares that the railroads have by far the lowest rate of return of any

major industry in the country and that rail stockholders are people—long suffering people. Managements are confronted by continuous severe troubles: Struggles with the ICC, trucks that do not pay taxes or fees commensurate with their use and wear of the highways, and unions which wield great power and which fight for fantastic feather-bedding rules. Rates are raised, if at all, long after wages and other costs have escalated.

"Were it not tragic, the notion that the ICC is a pushover for the railroads would be amusing. As a matter of fact, when the railroads obviously need better rates, mergers, or what have you, the Commission is just about the best little procrastinator to be found anywhere. . . .

"But, to get back to your editorial: 'It is astonishing to learn that the Commission has never formulated minimum standards for passenger service. . . .'

"It would be a lot more astonishing if the Commission or any other person

or organization could come up with one. I think it is the duty of your writer to come up with the magic to set the formula. It never occurred to him that the task might be just a trifle difficult to formulate. Suffice it to say that he is using double talk. Does he feel that if a particular train costs a dollar a mile to operate and it takes in a quarter its continuation should be obligatory?

"There is a reference to 'enormous land grants', perhaps with an inference that all railroads got them. There is no reference to the fact that the western roads which got them had to get some special inducement to build many hundred of miles out into the wilderness.

"Your writer even drags in the power of eminent domain. Does he realize that without it there would be no long

distance electric transmission lines, no natural gas pipe lines, no super highways, no turnpikes? For the railroads the power is now academic. It is many a year since much new train track was constructed." ■

RAILROAD COMPETITION

...Your taxes help pay for it!

(Continued from page 1)

Federal spending (taxpayers' money) this year will total \$419 million for waterways (not including multiple-purpose projects, TVA or the St. Lawrence Seaway).

The railroads, of course, pay for and maintain their own rights-of-way, and pay taxes on these installations to state and local governments.

In part, here's what Steelways magazine says about the barge line operations on the nation's inland waterways:

"BUSINESS IS BOOMING. The 17,000 barges, plying the 25,000 miles of navigable water, transport nearly 10 per cent of all the freight moving between U.S. cities. That is double their share 15 years ago.

"Today the availability of low-cost water transportation is a major factor in determining where many new industrial plants will be located.

"The American Waterways Operators, Inc., estimates that from 1952 through 1967 more than 6,000 industrial projects were established on the banks of U.S. waterways serving the arteries of commerce. Over three-quarters of all steel plant expansion in the last decade has taken place along the waterfront.

"The barge lines have been pouring mounting sums of money into ingenious new equipment. The result is that faster, more powerful towboats are pushing increasingly larger islands of unique barges able to haul an ever-greater variety of products.

"Twenty years ago, a 15-barge tow was considered big. Now, in the jargon of rivermen, it's a 'Sunday tow'.

"THE UNITED STATES, one of the two most powerful towboats on the Mississippi, often pushes fleets of more than 40 barges in what are known as integrated tows... Such tows, no matter how big, often cover as much as 15 miles an hour... One of the immense new triple-screw towboats can shove along a squad of barges holding as much cargo as a thousand railroad freight cars.

"Barges with stainless steel tanks have been used to transport products as diverse as wine and raw chemical compounds," the magazine article reports.

NOW COMES A REASONABLE QUESTION which every taxpayer is entitled to ask:

"WHO PAYS FOR THE WATERWAY FACILITIES ON WHICH THE BARGES OPERATE?"

An answer to that was given by John P. Doyle, MacDonald Chair of Transportation, School of Engineering, Texas A. & M. University, in a letter published in Traffic World magazine. Doyle, major general, U.S. Air Force, retired, wrote:

"Under time-honored, though otherwise indefensible, practice the taxpayer assumes all construction and operational costs of artificial navigation facilities. The direct commercial beneficiaries, unlike other users of public facilities, pay nothing. This should, but does not, compel comparison of the value of such projects with the value of alternative investment of public funds.

"There is a bottom to the public purse. All of the projects of the Great Society; the war in Viet Nam; and the ever-mounting interest charges on the public debt are but a few of the competitors for our tax dollars. Perhaps it is time to reconsider the fallacious claim that artificial waterways, made possible by large expenditures of public funds, 'should be forever free'. One is tempted to ask, 'Free to whom?'

"For a number of years our Presidents have recommended user charges on tax-built facilities for commercial water navigation. Vested interests have been able, so far, to block Congressional action. Perhaps it is time the taxpayers, in their own interest, support President Johnson's recommendations for waterway user charges."

Professor Doyle is author of the well-known national transportation report submitted in 1961 to the Senate Commerce Committee.

Yes, barges are "BARGING AHEAD". On whose money?

MAYORS OPPOSE INCREASE IN TRUCK SIZES, WEIGHTS

THE UNITED STATES CONFERENCE of Mayors adopted a strongly-worded resolution in opposition to further increases in the permissible size and weight of highway truck-train combinations at its annual meeting in Chicago this month.

The statement called for the rejection by Congress of S. 2658 (H.R. 14474) which already has passed the Senate and is now in hearing before the House Public Works Committee.

The mayors said the pending bill would "permit and encourage action by individual states to allow the operation of truck-trains with heavier axle loads, heavier gross loads, six inches additional width and without limit as to length, height or number of trailers included in truck-trains."

The resolution urged Congress to refrain from adopting the legislation and "to proceed, instead, with the enactment of legislation to exact increased and appropriate charge for the commercial use of highways and streets in close relation to the character and extent of such use..."

The resolution pointed out that "it will be difficult if not impossible to confine truck-trains of increased size and weight to limited interstate system mileage, and there is no practical way by which wider trailers and trucks can be made narrower so as to safely fit into the existing pattern of streets and roads."

Railroads now use radio, radar, closed-circuit TV, microwave and electronic eyes to increase both speed and safety in yard and line-haul operations.