

Trains

R12

SCRAP BOOK

Lincen & Late Will Rogers Rud Stewart Assessor and
Transfer & Titles and Call Letter

Dorothy Houston (Mrs J B Houston)
Chas Pettigrew (Mrs H R Pettigrew)
Opal Wilkerson (Mrs M A Wilkerson)

Office Force

(Mrs) Nancy Eller
Norma Busbager
(Mrs) Marguerite Swift
Mrs Vera Stallcup
Mrs Josephine Glass
Faye Belle James
Sybil Senguefield
Out of State Inspections
Toy Wash & John Murphy
Licen plates
Elton Moreland
Head Jontar
L H Cannon
W. H. "Pop" Bryant
Archie Harrison

1967 367 -

Inmates Make 13 Million Tags

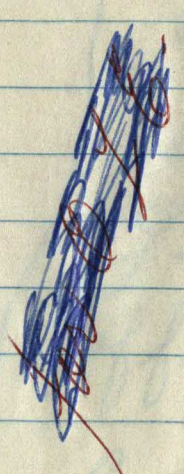
HUNTSVILLE (AP) — Inmate workers at the Huntsville state prison have produced 13,999,476 motor vehicle license plates for 1968, officials said Thursday. Of the total, 54,353 were personalized automobile tags

109,700 were for the Texas Railroad Commission, and 19,000 were for shrimp boats. B. F. Smith, manager of the prison's tag plant, said the work took 10 months and was done by 200 prisoners.

PAVED ROADS

There are three million miles of paved roads in the United States for the nation's 95 million cars.

For Mrs Jones
From Spark



* This Scrapbook received
From David Dunnett,
7-21-1981; found in County Tax office

Will Rogers - 1967 Licen plates for
Outo

Trucks and Trailers - Fleet Writers

Luvada Little (Mrs. Dan J. Little) Thanks for the
2809 Ryan Avenue Coffee - March 1966
Ft. Worth, Texas - 76110 March 1967
Phone WA 7-8092 March 1968

Naurette Clendering (Mrs. David Clendering) 1965
1966
1967
1968

Patricia Whiteside

Bonnie Wayne Miller (Mrs. R. B. Miller) 1967 - your coffee - "Good to the last drop."
1968 -

(Mrs) Ruth Q. Childs - Thanks for the good coffee! - Ditto - March, 1968!

(Mrs) Ann Meyer - Good coffee! Thanks!

Trucks - Passenger - Trailers

(Mrs) Jerry Butler - Trucks, Trailers, Passenger etc etc etc

(Mrs) Ruth Kempf - Trucks, Trailers, Passenger etc etc etc

(Mrs) Carol Burnett - Trucks, Trailers, Passenger etc etc etc

(Mrs) James Hynne " " " " " "
Mrs. Nell Reed - 1968 - sure good coffee + everyone so nice

Passenger Cars only

Mrs. Fivley Mabler, 1815 - 6th Ave

Mrs. Effie Hickman, 2833 Ryan Ave

Mrs Mabel Wright - 316 W. Richmond

Mrs. Vera Cantwright - 4328 Lidson PE 7-7119

Minnie Isom 2318 Stanley Ave

Winifred Estell 2108 Carlton Ave

Ann Ball - 3409 Hamilton Pass. Ave. Feb 5 1968
Katherine H. Ferrell 1700 Virginia Place PE 1-1656

Alma H. Grimm, 4132 Lovell PE 7-5014

Fleet 1968,

Patricia Whiteside

Mrs. Atlas Lance - Rt. 10 Box 426 - 1968



BACKYARD BEAUTY—D. B. Frampton Jr. of Columbus, Ohio, always wanted a caboose for his backyard and now he has one. He bought it from the Baltimore and Ohio Railroad, which delivered the car at no extra cost. But truck and crane operations needed to move the caboose from the spur track will cost more than he paid the B&O for the car. —Associated Press Wirephoto

Chicago Railway Boss Favors Lines' Merger

CHICAGO (AP) — The Chicago & North Western railway and the Milwaukee road long have been regarded as natural partners in a merger, Ben W. Heineman testified Tuesday.

Heineman, chairman and president of North Western, gave his views on consolidation of the lines at an Interstate Commerce Commission hearing on the proposed merger. He was on the witness stand for the second day. "Because of their complement aspects and the savings and service improvements and other benefits which would result from uni-

fication," he testified, "North Western and Milwaukee have long been regarded as natural partners. And it has been the view of many for years that they should consolidate their properties."

The witness said consolidation of the two lines would contribute substantially toward creating a sound transportation system in the important North Central region of the nation.

Merger of the North Western and the Milwaukee road (Chicago, Milwaukee, St. Paul & Pacific Railroad) would form a 21,000-mile system extending from the Great Lakes to the Pacific Northwest.

ment Vietnam. WEDNESDAY EVENING FEBRUARY 17, 1967

3 Railroad Report Rolling Stock Value

Three railroads which do business in Tarrant County have told County Tax-Assessor Reed Stewart they have rolling stock worth \$2,122,580. Reed Stewart they have rolling stock worth \$2,122,580. In annual renditions made to Stewart and approved by county commissioners today, this rolling stock was reported:

- Chicago, Rock Island & Pacific Railway Co., \$609,950;
- St. Louis-San Francisco Railway Co., \$141,350, and the Fort Worth & Denver Railway Co., \$1,371,280.

WEDNESDAY MORNING JAN. 11, 1967

Train Derails In Alabama

SYLACAUGA, Ala. (AP) — "The Seminole," Illinois Central Railroad passenger train en route to Jacksonville, Fla., derailed just south of here Tuesday.

Police said none of the 35 passengers was reported injured.

The train was made up of two engines and nine cars, including two passenger coaches. None of the cars overturned, although some were leaning.

The Central of Georgia dispatcher at Columbus, Ga., Ack Huey, said buses were taking the passengers to various points where trains would carry them to their destinations.

MONDAY MORNING FEBRUARY 6, 1967

Police Seek Kin of Man Killed Here

Police Sunday were seeking friends or relatives of William R. Chapman, 34, who was decapitated by a train Saturday in the 1100 block of West Vickery.

Texas & Pacific Railroad agent L. E. Carmichael said an engine en route to Arlington's General Motors plant may have been involved in the accident.

Chapman's body was sighted by a hostler on a T&P freight about 7:30 p.m.

A W-2 income statement found in the man's pocket identified him, but listed no address.

The body is at Robertson-Mueller-Harper.

SATURDAY MORNING JAN. 14, 1967 Fort Worth STAR-TELEGRAM

FORT WORTH TO EL PASO

Rail Examiner Recommends Halt of 2 T&P Passenger Runs

EL PASO (AP) — Passenger service between El Paso and Fort Worth, on the Texas & Pacific Railway, will be discontinued if the recommendation of a hearing officer issued this week is affirmed by the Texas Railroad Commission.

The T&P has asked to stop running passenger trains 26 and 27 and hearings were conducted at a number of cities along the route, including El Paso, Midland, Big Spring, Abilene and Fort Worth.

Opposition was voiced by representatives of all major cities along the route.

Walter G. Wendlandt, who conducted the hearings, approved the railroad's application.

Relatives of Train Victim Still Sought

Police today still had not located relatives of William R. Chapman, 34, who was decapitated by a train Saturday in the 1100 block of W. Vickery.

Texas & Pacific Railway agent L. E. Carmichael said an engine en route to Arlington's General Motors plant may have been involved in the accident.

A W-2 income statement found in the man's pocket identified him but listed no address.

The body is at Robertson-Mueller-Harper.

Wendlandt blamed the federal government for the destruction of railroad passenger service in the El Paso area. His report said the Texas & Pacific Railway Co. "aggressively promoted its passenger train business. This was probably a matter of pride and public relations, rather than actual profit."

He said passenger trains have lost money since World War II and "railroad management has grown more critical of passenger train operations and seems to have lost any enthusiasm for this part of its business."

The real problem, he said, has been the loss of revenue that went with passenger service, primarily the handling of mail, that the post office has diverted from trains to trucks.

"On the one hand the

Fines in Line for Railroad Offenders

NEW DELHI (AP) — A recommendation has been submitted by a government committee that anyone who sneaks aboard a railroad train without a ticket or pulls the emergency stop chain without justification be fined a minimum of 10 rupees (\$1.30).

The group's name is "The Committee on Ticketless Travel, Alarm Chain Pulling and Interference with the Running of Trains."

federal government is spending \$90 million for a study alone on how to save the passenger train business in the Eastern United States, while embarking on a questionable economic policy which can have no other result than to kill passenger train service in the southwest," Wendlandt said.

WEDNESDAY EVENING JAN. 25, 1967

New Rail System Studied

MEXICO CITY (Spl)—Mayor Gen. Alfonso Corona del Rosal said a technical commission is studying the possibilities of building a subway-surface rail system to relieve the mounting traffic congestion and transportation problems in fast-growing Mexico City.

He asserted a report on the feasibility of building a transportation system partly underground and partly on the surface would be made after the commission's work is finished. A California firm which built a monorail near the airport in

TRAIN DERAILED

SKYKOMISH, Wash. (AP) — An empty automobile rack car jumped the tracks on a sharp mountain curve early Tuesday, derailling 11 of 64 cars in an eastbound Great Northern freight and tearing up 500 feet of main line. No one was hurt.

Sun., Feb. 12, 1967 cents

Rock Island Net

Net income of the Rock Island lines for 1966 totaled \$1,898,000, or 65 cents per share, compared with a loss of \$1,451,000 in 1965, Jervis Langdon Jr., board chairman and president of the railroad, announced.

Operating revenues were at a record level in 1966, aggregating \$230,366,000 an increase of \$19,576,000 or 9.3 per cent over those for 1965. The 1966 operating revenues exceed those in the previous high year of 1959 by five per cent.

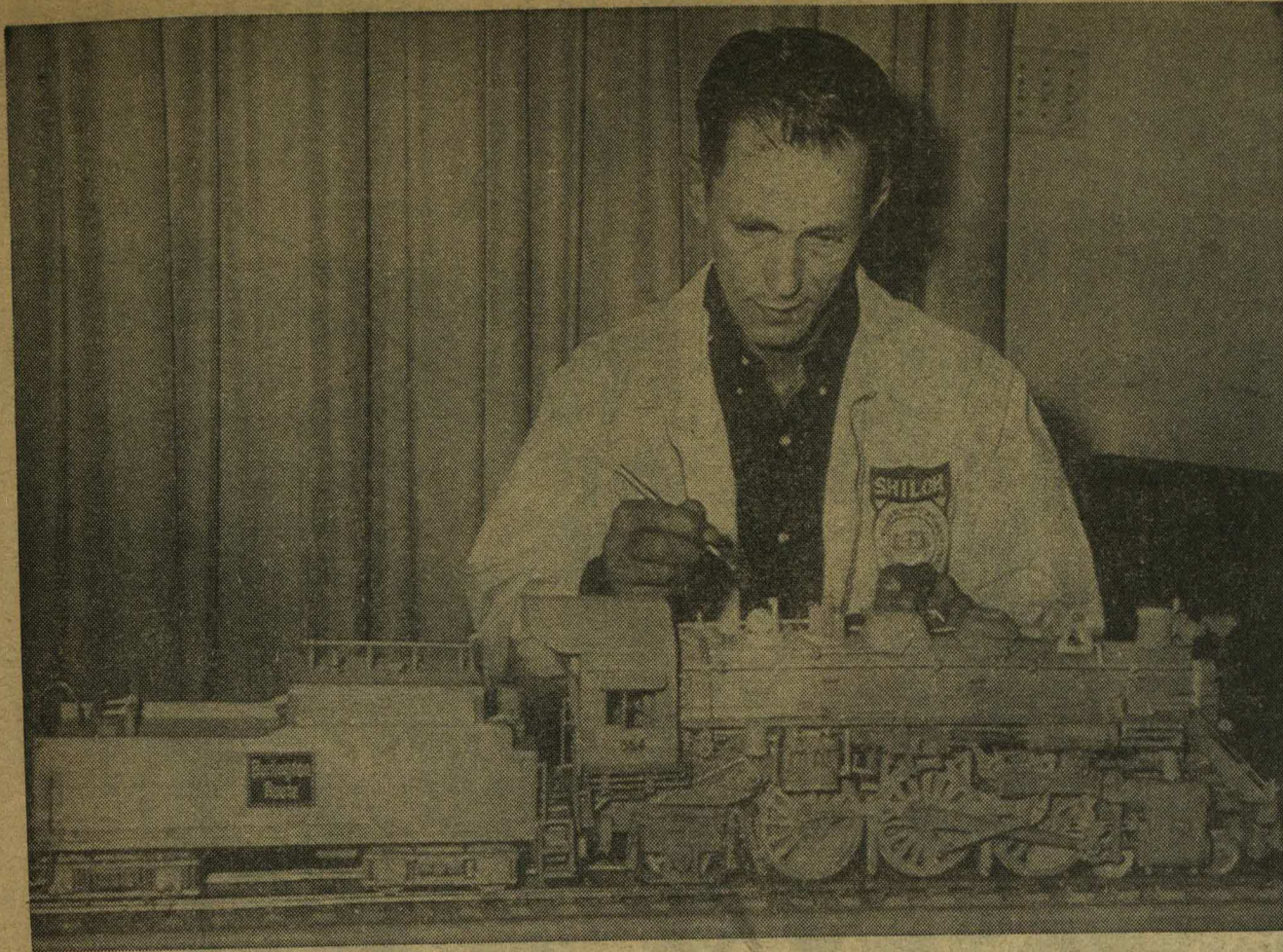
FRIDAY MORNING FEBRUARY 10, 1967

Official to Talk To Rails Union

E. A. Thompson, vice president of the Brotherhood of Locomotive Firemen and Enginemen, will speak at regional meetings of the brotherhood at 7 p.m. Friday and 9:30 a.m. Saturday at the Worth Hotel.

Thompson, of Cleveland, will discuss a reported increase in railroad accidents since 1964 which he attributes to the removal of 20,000 firemen from their jobs.

He will also discuss the growing shortage of locomotive engineers, possible federal anti-strike legislation and the possible merger of more than 20 railroad unions.



Veteran railroader E. Johnson puts finishing touches to his 40½ inch model Fort Worth and Denver passenger engine. Made of lightweight balsa wood, the model contains 800

parts which took 150 hours to assemble. The engine and tender are on display this week at the Northeast National Bank in North Richland Hills.

Replica Took 150 Hours to Assemble

Model Train Has 800 Parts

By DOROTHY EDGE

You've heard about the father who bought a train for his son so he could play with it himself.

But have you heard about the North Richland Hills parent who built a locomotive and tender for his own amusement?

Perhaps if Ed Johnson had not been on a six-month leave of absence after surgery, the model engine would not have been built.

The 17-year veteran of Burlington Lines, took this opportunity to build a replica of a Fort Worth and Denver passenger engine of an earlier day.

He had more than the usual incentive. His father, George E. Johnson of Childress, also a Burlington employe, has won many top prizes for his model engines in competition throughout the state.

And while the treasured

models were given to the daughters of the family, Ed was not so fortunate.

WITH ONLY a picture and a set of specifications of the original engine, Ed set out to build a scale model that would be light and easy to handle.

The original engine weighed 511,250 pounds; Ed's replica, made of balsa wood, weighs only 10.

The 800 parts were whittled to scale with a small penknife, and took more than 150 hours to assemble.

But all is not balsa wood, his wife Nell confided. Such everyday things as round toothpicks and swab stick handles, were used when the properly-sized dowel pins were not available.

Miniature tools in the cabinet equipped with throttles and

valves and gauges, a water tank and sand box on the tender . . . all are mute evidence of Mr. Johnson's desire for authentic detail in the model.

A TINY bell atop the engine rocks back and forth, silently. And a small green flag at front reflects Mr. Johnson's plans for future models. In railroaders' parlance, a green flag signals "more trains following," he said.

For a week or two, the model, mounted on a track and platform, will be on display at the Northeast National Bank in North Richland Hills.

Mr. Johnson said the model engine would then have a prominent place in his home at 7520 Bogart.

Dec 8 - 1967
\$130 Million for Garbage
The New York City Department of Sanitation's annual budget exceeds \$130,000,000.

Press, Tuesday, February 7, 1967

Gas Trucks to Stop at Rail Crossings?

Press Austin Bureau

AUSTIN.—A bill requiring gasoline and oil trucks to stop at railroad tracks has been introduced in the House by Rep. Glenn Johnson of Temple and in the Senate by Sen. Murray Watson of Mart.

Similar legislation, opposed by the oil and trucking industries, has been introduced before, but failed to pass.

The Watson-Johnson bill requires the same trucks—loaded or empty—to stop, look and listen at unprotected railroad crossings.

The Brotherhood of Locomotive Firemen and Enginemen is supporting the proposed legislation.

All Youngsters

Only three of the 23 youngsters had ever been on a train before. But for their elders it was just as much of a thrill. Six of their nine adult chaperones were having their first train ride too.

Air-Conditioned Trains

The first air-conditioning for trains was installed in 1931.

Pair Barely Avoid Being Hit by Train

Star-Telegram Mid-Cities Bureau
ARLINGTON — Mr. and Mrs. Claude F. Nelson of 1626 Proctor in Grand Prairie escaped injury today when their car collided with a westbound Texas & Pacific freight train at the Mesquite St. crossing about 9:41 a.m.

Investigating officer J. M. Shellhorse Jr. said the Nelson car stalled on the tracks, and the couple jumped from the vehicle just before the train struck.

Damage to the car was estimated at about \$700. Shellhorse said a check by railroad officials showed that signal lights at the crossing were in working condition.

wa MONDAY EVENING n in the
APRIL 10, 1967

Auto-Train Wreck Kills 5 Youths

HICKSVILLE, N.Y., (AP) — With lights flashing, a gong clanging, a locomotive whistle blowing, and a crossing gate lowered, a car containing five teen-age youths raced a Long Island railroad train to the crossing, police report.

The train hit the 1957 car, drove it 200 feet along the tracks and cut it in two. All five occupants were killed.

Police said witnesses reported that the driver had driven around the protective gate when the train hit the car about 11:30 p.m. Saturday.

Killed were Gregory Marrone, 19, of Westbury, N.Y.; and four residents of Hicksville—Jeffrey Bloom, 17; Carl Goodfield, 17; Thomas Coffee, 16, and Francis Dove, 18.

6-2 THURSDAY EVENING
APRIL 13, 1967

Dropping Of Trains Due Probe

WASHINGTON (AP) — The Interstate Commerce Commission has ordered an investigation into the proposed discontinuance of two Southern Pacific Railroad passenger trains between Tucumcari, N.M., and Los Angeles.

Affected are trains 39 and 40. The ICC has ordered that pending completion of its investigation, the trains be continued in operation for not longer than four months.

It was erroneously reported earlier the ICC had authorized discontinuance of the trains.

MoPAC-T&P PROJECT

Railroad Plans \$5 Million Improvements for Texas

ST. LOUIS (SpI) — Plans to spend more than \$5-million on

improvements to railroad property in Texas during 1967 were announced today by officers of the Missouri Pacific Railroad and Texas and Pacific Railway.

The \$5-million program will include new rail, bridgework, signals and communications, shop modernization and additions to track. Not included are 1966 projects still underway, purchases of fuel, supplies and materials in the Lone Star state and systemwide projects of benefit to Texas patrons.

The total MoPac-T&P 1967 capital expenditure program is expected to surpass \$50 - million, including \$30 - million for new freight cars and locomotives and \$20-million for physical improvements.

Company officers noted that more money will be spent in

Texas for physical improvements than in any of the 11 other states included in their 12,000 - mile system.

Approximately \$2.9 - million will be spent on laying of new rail along six segments of railroad.

In most cases, heavy - duty continuous welded rail will replace older and lighter rail in areas where increasing traffic density and heavier loads moving in faster trains require the best possible rail surface.

Largest among these projects are a 41-mile segment of railroad between Coughran and Three Rivers and a 23-mile segment between Marshall and Longview.

Construction and strengthening of bridges and trestles calls for expenditure of more than \$1-million in Texas this year. This will include sizable projects at Sulphur, Cotulla and Bloomington.

A 165-car siding will be built at Goodwin and yards will be improved at several sites, especially at Longview and Browder, to speed handling of trains and relieve congestion.

Among major projects completed in Texas last year were conversion of more than 24 miles of branch line railroad between Waco and Marlin to heavy-duty service, construction of a huge new merchandise freight terminal at Houston, expansion of the Dallas merchandise freight terminal and numerous track, bridge, signals and grade revision projects.

TUESDAY EVENING
JAN. 17, 1967

Judge's Order Halts Strike Against B&O

BALTIMORE, Md. (AP)—A federal judge ordered teletype and telephone operators of the Baltimore and Ohio Railroad back to work Monday after a brief strike almost shut down operations of the nation's sixth largest railroad.

The temporary restraining order signed by Chief Judge Roszel C. Thomsen of U.S. district court prohibits the transportation - communication employees union from striking for 10 days.

It also directs the B&O not to abolish certain jobs involving union members and not to fill any of six jobs over which the dispute arose.

Judge Thomsen set a hearing for Jan. 26 on the railroad's request for an injunction against the strike.

Derailment Blocks Rock Island Track

AMARILLO (AP) — Six cars of a 40-car Rock Island freight train were derailed approximately 54 miles west of Amarillo Thursday when a journal on one of the cars burned out.

There were no injuries but the wreckage blocked the track until late afternoon.

THURSDAY EVENING
FEBRUARY 23, 1967

Fort Worth STAR-TELEGRAM 17-A



—Associated Press Wirephoto

NINE DIE IN CRASH — Herbert Hill, 42, his wife, Annie, and seven of their children died on a Washing-

ton's Birthday outing in a collision between a freight train and their station wagon near Sacramento.

*From Bill Sparks
Dallas - Texas -
February 13 1967 -*



—Associated Press Wirephoto.

On the Brink

A freight car teetered on the brink after a trestle collapsed near Reubens, Idaho, and three cars plunged 100 feet into a canyon. The 39-car train was loaded with wheat. No one was injured.

RAIL PILEUP — A passenger train speeding through heavy fog crashed into the back of a waiting train loaded with commuters near Milan, Italy, today, killing five persons and injuring more than 40 others.

Many Discarded Cans

About 50 billion food and beverage cans are thrown away in this country each year.

Hi THURSDAY EVENING
MARCH 9, 1967

Rail Line To Airport Suggested

Interest in developing a rapid transit system to link the regional airport has been expressed by both Fort Worth Mayor Willard Barr and Dallas Mayor Erik Jonsson.

"We are all interested in such a program," Barr said. "Engineers, however, have told us that a rapid transportation system may be some time off because traffic to the regional airport will come from all points around it."

The mayor said the airport may become the hub for such a system and serve the North Central Texas area.

A proposed downtown Fort Worth air terminal could become a station for the transportation system, Barr explained.

Jonsson said, "I think if the railroads are interested, it would be easy to run a short diesel train, sort of like commuter trains in some areas, from (Dallas) to the airport."

A monorail train to serve the airport also has been suggested.

Look to Rails for Relief Of Woes Termed Ironic

ATLANTA (AP) — The vice chairman of the Interstate Commerce Commission Friday night termed ironic that the federal government, whose transportation policies nearly killed rail passenger service, now is looking to the railroads for relief from what he called the effects of these policies.

Paul J. Tierney, in remarks prepared for the 65th annual meeting of the Atlanta Freight Bureau, said the government's "intervention into various aspects of transportation has been predicated upon particular problems as they arose. Decisions to promote one

mode have been made without considering the effects on another."

Tierney said decisions that were "adopted for air transportation at a time when it was a fledgling industry have produced tremendous technological advancements and an almost self-sustaining industry. Our public roads program . . . has produced a vastly safer network of highways . . ."

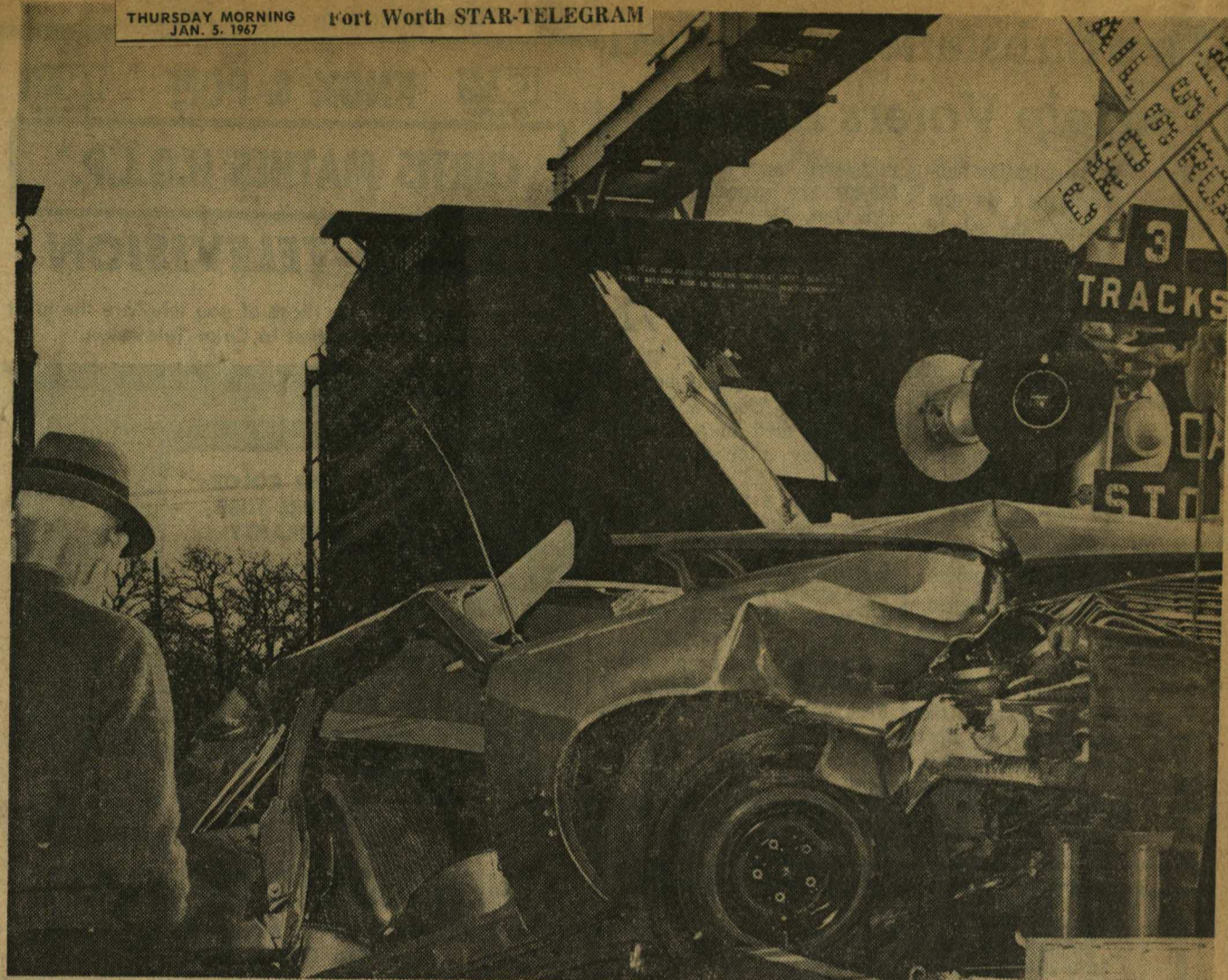
But he added that since 1958 the ICC "has watched the debilitating effect that the new efficient highways and the astonishing growth of air transportation has had on rail passenger transportation.

"We have all observed the environmental and social problems that have resulted—crowded and inadequate airports, noise, dangerously saturated airways, highway congestion, air pollution . . ."

"Ironically, we are now looking to the railroad—the most feasible and economical method of mass transportation under present technology—as a principal means of relief in these areas."

LEESBURG, Fla. (UPI) — About 700 persons fled their homes today when a railroad tank car began leaking deadly chlorine gas fumes.

Sound trucks drove through this central Florida city of 16,000 warning all residents to be prepared to evacuate in case of a wind shift, but only families near the railroad car were immediately evacuated.



CHEATED DEATH — Armin Karbach and Ruth Hosey escaped critical injuries Wednesday when their car was

demolished in a collision with a Texas & Pacific freight in Arlington.

TELEGRAPHER FOR 47 YEARS

Railroader 'Bugs Out' at 68



—Star-Telegram Photo SCOTTY BAKER

His "bug" has been silenced and no longer do big, smoke-belching coal burners roar along the tracks he once cleared with his key.

So, J. B. "Scotty" Baker, 68, retired this week after 47 years as a telegrapher with Southern Pacific Railroad.

And 47 years is a long time on a temporary job. Scotty went to work for the railroad when he was 21, after "being on the bum for three years" following his introduction to railroading with the Cotton Belt line in Texarkana.

"I only planned to stay for 30 days," he says. "Just long enough to get a paycheck."

That was in 1920. This week

some of the retired railroad "characters" gathered along with Scotty's co-workers to fete him for his years of pounding brass.

"Change is the biggest thing in railroading today," he says. "It used to be all Morse code and I was proud of my skill."

The use of radio and radiophones has made messages in dots and dashes a thing of the past.

"And they used to be all big coal burners," Scotty goes on.

The diesels put the last of the coal burning trains to pasture years ago.

"And all the good old rail-

road characters are gone now," he concludes. "Guess I'm the last one."

Scotty is one of the last of the breed of "characters" who sat over his telegrapher's key, sending messages to the big freight and passenger trains.

Today's telegrapher talks via radio to traincrews. He sits over a microphone, not a brass key or "bug."

But these aren't the only changes: part of the old telegraphers' job was to operate the manual switches—the big yellow signal arms atop towers—to indicate clear or blocked tracks.

He well remembers those days, but now Scotty and his fellow telegraphers work before complex directional boards and automatic signaling and switching devices handle most of the work.

Until 1965, the Order of Railroad Telegraphers represented Scotty and his brethren; but with the number of telegraphers shrinking, the union changed its name to Transportation - Communications Employees Union.

But Scotty Baker retired gracefully, even though new style railroading no longer needed his old skill and had long ago silenced his "bug."

As Train Hits Auto

By MARTHA HAND
Star-Telegram Mid-Cities Bureau
ARLINGTON—Two 23-year-old Arlington State College students narrowly escaped death Wednesday afternoon when their car was demolished by a Texas & Pacific freight train.

The accident occurred after the couple's car was stranded on the tracks at U.S. 80 and Westway—known as "death crossing."

In satisfactory condition at Mid-Cities Hospital in Grand Prairie were Ruth Hosey, daughter of Mr. and Mrs. D. R. Hosey of 711 Valley View Drive, and Armin Karbach, son of Dr. and Mrs. A. L. Karbach of 316 N. Center.

They only received cuts and bruises.

Karbach, the driver, told officers and a Star-Telegram reporter that cars were going through the barrier at the crossing and he started to follow them.

A red light caused the cars to stop and traffic backed up to Karbach, leaving his car sitting on the tracks.

"I saw the train coming but there wasn't anything I could do," Karbach said.

A witness to the accident, Alvis Lane of 4109 Howard, Fort Worth, said the Hosey girl was thrown clear by the impact. He moved her out of the roadway before police arrived.

The train, driven by engineer B. Crouch of Mineola, was delayed 30 minutes before continuing on to Fort Worth.

Santa Fe Cuts Day From Run

DALLAS (AP)—Santa Fe Railway officials said Tuesday they had cut 15 hours from Houston-Chicago freight schedules with the inauguration of a new daily train.

John Reed of Chicago, Santa Fe president, said the new train, the Texas Expediter, will provide a one-day faster service for most shippers of piggyback traffic, perishables and other freight goods.

He said the Expediter will depart Houston at 9 a.m. and Fort Worth at 7 p.m. Monday and arrive in Chicago at 12:45 a.m. Wednesday.

Freight Cars Jump Track in Oregon

KLAMATH FALLS, Ore. (AP)—Twenty-three cars and a diesel engine of a Southern Pacific Railroad freight train were derailed south of Klamath Falls Monday.

The railroad office in Portland said two box cars carrying matches caught fire afterward. No one was injured.

The 64-car train was on the Modoc Line out of Klamath Falls, heading for Ogden, Utah. The railroad office said no passenger trains would be affected by the mishap.

Rail Dollars Aid Economy

ST. LOUIS (SpI) — The Missouri Pacific Railroad and Texas & Pacific Railway spent nearly \$11.5 million on normal operating supplies, materials and equipment in Texas last year, an increase of 28 per cent over its 1965 supply bill.

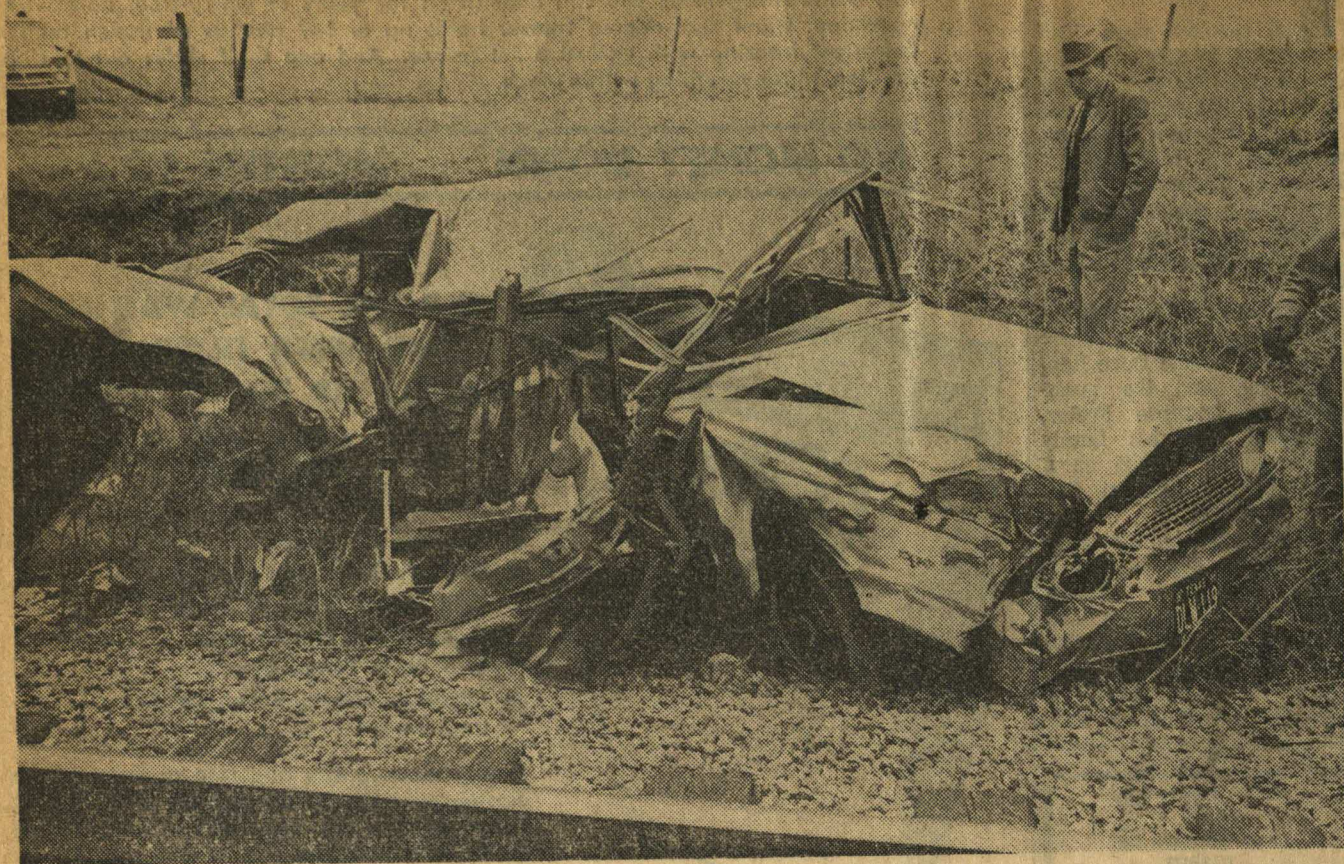
According to a report made to railroad officers here today, the MoPac-T&P spent \$11,462,000 in 1966 as compared to \$8,974,000 in 1965.

Purchases were made from hundreds of firms located in more than 80 communities and included such items as fuel oil,

lumber, food, printing, gasoline, glass, building materials, stationery, paper, electrical equipment, motor vehicle parts and crushed stone.

In addition, the MoPac-T&P spent a record \$75 million in 1966 for capital improvements on their 12,000-mile, 12-state system.

Already budgeted this year in Texas are capital expenditures of more than \$5 million for upgrading of track, bridges, signals and other railroad installations.



—Star-Telegram Photo by GEORGE SMITH

NO ONE DIED—Four members of a Burleson family apparently escaped serious injury today when the car in which they were riding skidded on wet pavement and struck the engine of a Santa Fe freight train at a crossing on FM 1187 about seven miles west of Crowley.

Mr. and Mrs. Jimmy Kendricks and their two children, Keith, 6, and Lisette, 15 months, were reported in satisfactory condition at St. Joseph Hospital with minor injuries.

MONDAY MORNING
JAN. 16, 1967

Man Killed In Mishap

JOSHUA (Sp1) — A 70-year-old Cleburne man was killed here about 7:35 p.m. Sunday when his car and a Santa Fe freight train collided.

Jess Henry Decker, apparently killed instantly, was heading east on Farm Road 917 when his car was in collision with the northbound train. The auto was knocked 100 yards down

the siding.

Decker was alone in the car. The train, en route to Kansas City from Galveston, had just switched engines and crews in Cleburne, 10 miles south of Joshua.

WEDNESDAY EVENING
MARCH 15, 1967

At Least 6 Injured After Train Derails

THURMOND, W.Va. (AP) — A passenger train derailed near here today after plowing into an obstacle on the track.

A spokesman for the Chesapeake & Ohio Railway said at least six persons were injured, including four crewmen. The train, bound for Cincinnati, Ohio, from New York City, carried 188 passengers.

None of the injuries were thought to be serious, the railway spokesman said. The four crewmen were hospitalized at nearby Oak Hill.

Thurmond is located southeast of Charleston in south-central West Virginia.

The crewmen were identified as E. S. Rodgers, engineer, Huntington, W.Va.; W. B. Seco, fireman, Hinton, W.Va.; dining car cook Oscar Duffy and railway postage clerk N. R. Morgan.

First reports were that the train hit a landslide or possibly a tree that had been blown across the track during a rain and wind storm.

Fort Worth Press, Wednesday, January 18, 1967

17

Railroad Commission Will Meet in FW

The Railroad Commission of Texas has voted unanimously to hold its March meeting — its most important monthly meeting of the year — in Fort Worth.

In a letter to Chamber of Commerce President Lewis Bond who had invited the commission to meet here, Chairman Jim G. Langdon wrote:

"It is particularly fitting that it be held in your city where so many of the heads and top executives of the oil and gas industry actually began their careers.

"Each of these top industry leaders and others will be invited to return on March 16 to Fort Worth — a city whose present and former citizens have played and continue to play such a vital role in the discovery, development and transportation of Texas' rich mineral wealth.

"Every member of the Railroad Commission of Texas and its staff are looking forward to this event and each of us thank you for your kind invitation."

WEDNESDAY MORNING
APRIL 26, 1967

Trains to Start 100 MPH Run

NEW YORK (AP) — Trains will start speeding between New York and Washington at nearly 100 miles an hour beginning Oct. 29.

At first the 40 new Pennsylvania Railroad coaches will be operating well below their top speed capability of 160 miles an hour. Fares will be higher to reflect the improved service.

Robert A. Nelson, director

of the federal office of high speed ground transportation, said Monday test rail service between New York and Boston could begin in July with two specially designed trains making two round trips each day.

High level passenger platforms, Nelson said, will be built at Washington, Baltimore, Md., and Wilmington, Del.

Sun., Feb. 12, 1967

Santa Fe To Sponsor New Tour

A leisurely vacation in Las Vegas will be the next Chico's adabouts tour sponsored by Santa Fe Railroad.

An unhurried trip is the goal, but the itinerary includes seeing the Nevada City's glittering casinos and live floor shows.

A special Santa Fe train leaves Fort Worth April 2 and returns here by an alternate route on April 8.

The package price of \$109 includes transportation, shows, night clubs, meals while en route, hotel room and a visit to Hoover Dam.

Reservations can be made with Santa Fe, P. O. Box 2138, Fort Worth.

Cisco Rail Hearing Set Tuesday

CISCO (Sp1)—A hearing on application of Texas and Pacific Railway and M-K-T Railway to abandon and dismantle the union station in Cisco will be held at 9 a.m. Tuesday at the courthouse in Eastland.

The hearing, originally scheduled in Austin by the Texas Railroad Commission, was transferred to the county seat on request of the City of Cisco through its attorney, W. B. Wright.

Resolutions opposing the closing have been passed by both the Chamber of Commerce and the city commission.

The railroad proposes to handle Cisco area freight shipments from their depot in Eastland, it was announced when the application was filed.

Sun., April 23, 1967

Rail Unit Disputes Report

WASHINGTON (AP) — A report to President Johnson that "only dollars and cents" are involved in a dispute between the railroad industry and six shopcraft unions was labelled "misleading" by the railroads' chief negotiator Saturday.

J. E. Wolfe, chief negotiator and chairman of the National Railway Labor Conference, took issue with the report made public earlier in the day by President Johnson, and which caused the president to conclude that the railway and shopcraft union negotiators "are not far apart in their talks."

Johnson's statement was based on a report made to him by a special three-man panel he appointed April 12 to attempt to promote a settlement.

He quoted the panel as telling him that while no agreement has been reached "the matter is one of dollars and cents alone and the real difference between the parties, in our judgment, is not great."

Johnson also said "no basic principles" stand in the way of a settlement.

To this, Wolfe retorted, "someone is misleading the President."

"He appointed an emergency board as the law provides to conduct a comprehensive investigation at which unions and railroad companies were given a fair and adequate opportunity to present their respective cases.

"When the emergency board's report and recommendation were submitted to the President, the carriers accepted the report in its entirety and the unions rejected every recommendation for a settlement. "Principle is most certainly involved" Wolfe said.

Members of the panel were not immediately reachable for comment.

Noting that agreement has been reached with other unions representing about 70 per cent of all railroad workers, Wolfe contended railroad employees have traditionally received equal treatment as to wage increases.

He said an agreement which would extend more favorable treatment to shopcraft employees "would unsettle the settlements" which have already been made with the other unions.

Fast Freight—to 25 Miles an Hour

SALT LAKE CITY (AP) — Not even freight trains escape Salt Lake City traffic speed limits.

Wallace Rosander, a Denver & Rio Grande Western Railroad engineer, is charged in Municipal Court with operating a locomotive 35 miles an hour in a 25 mile an hour zone.



M & O BEAUTY — Sam King, left, landscape specialist, and J. D. Richmond Jr., rock garden specialist, sit atop a "balanced" rock in the recently decorated "garden area" near one of the Leonards subway stations.

Leonards Uses Stones, Plants To Beautify Subway Stations

A unique between-the-tracks rock garden has turned Leonards subway area into a beauty spot on the banks of the Trinity River.

Some one hundred tons of stone and trees have been installed to make the world's only privately owned subway attraction in Fort Worth.

Having no water outlets, plants were chosen that need very little water or care. Two areas have been landscaped — that around Station No. 1 and the other at Station No. 2. Both segments comprise about 1,000 square feet of Texas where live oak and holly grow. The 50 tons of chert, a stone similar to this natural setting, and agate are found in the area.

Careful plantings appropriate to the setting enliven the view. Since most of these are mature plantings, they will live on rainwater and need very little maintenance.

The job of getting the boulders and clusters of trees to their new home was done by a large motor crane. An 85-foot boom lifted the boulders and lowered them into place between the narrow confines of the subway wires.

The largest rock of chert weighs seven tons, a rare size for landscaping. Fifty tons of silicious stone of the Caledony family were used. Growing on this stone is a variety of what people call moss, but in reality is lichen. Lichen is algae and fungi living together for a long time and surviving on air and rainwater. To landscape artists, lichen makes some of the rocks very beautiful with subtle colors of green, red, brown, yellow and blue.

The subway garden, one of chert has a gnarled old tree trunk in this area are yaupon holly clusters, which in winter bear bright red berries.

The plants in this area include Texas sage, the herbaceous Legume family, various cacti, multi-headed Thompson Stick (ocotilla), San Saba County, in the northern part of Llano uplift, was selected, placed and sandblasted by J. D. Richmond Jr., a landscape contractor.

The planting arrangements were selected and installed by Sam King's Landscape Specialist.

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The planting arrangements were selected and installed by Sam King's Landscape Specialist.

Wednesday, May 10, 1967

Rail Strike Policy

WASHINGTON (UPD) — The Johnson Administration sought today to convince a doubting Congress that its formula for dealing with the rail strike threat would stimulate a voluntary agreement.

Labor Secretary W. Willard Wirtz told the opening of Senate hearings on President Johnson's complicated rail legislation that officials were optimistic the plan would not have to be carried to the last step — just short of compulsory arbitration.

The ultimate government weapons in the situation are regarded as straight-out compulsory arbitration or government seizure of the railroads to keep them operating. Unions are violently opposed to the former and management to the latter.

AROUND TOWN

Railway Planning For Time Switch

A reminder of things to come Friday with the announcement by Santa Fe Railway that it will move all its clocks forward one hour at 2 a.m. April 30.

Since all states served by the railroad are complying with the Uniform Time Act of 1966, the change means that all printed schedules and operation of all Santa Fe trains will correspond with the official local time in each community.

Dec 4-1967

He Took No Salary

George Washington would accept no salary for the Presidency.

Friday Morning May 12, 1967

ICC Schedules Rail Hearings

WASHINGTON (AP) — The Interstate Commerce Commission scheduled Thursday six hearings into the Burlington Route's proposal to discontinue operation of its Texas Zephyr passenger train between Denver and Dallas-Fort Worth.

The dates and locations of the hearings are:
 June 12 at Dallas; June 14, Wichita Falls; June 15, Amarillo; June 16, Clayton, N.M.; June 19, Colorado Springs; June 20, Denver.

Monday Morning May 1, 1967

Train Kills Man, 75

Fort Worth STAR-TELEGRAM

Charles Ragsdale, 75, of 3608 Bryan was killed about 6 p.m. Sunday when hit by a train engine as he crossed the Missouri, Kansas and Texas tracks in the 400 block of West Biddison.

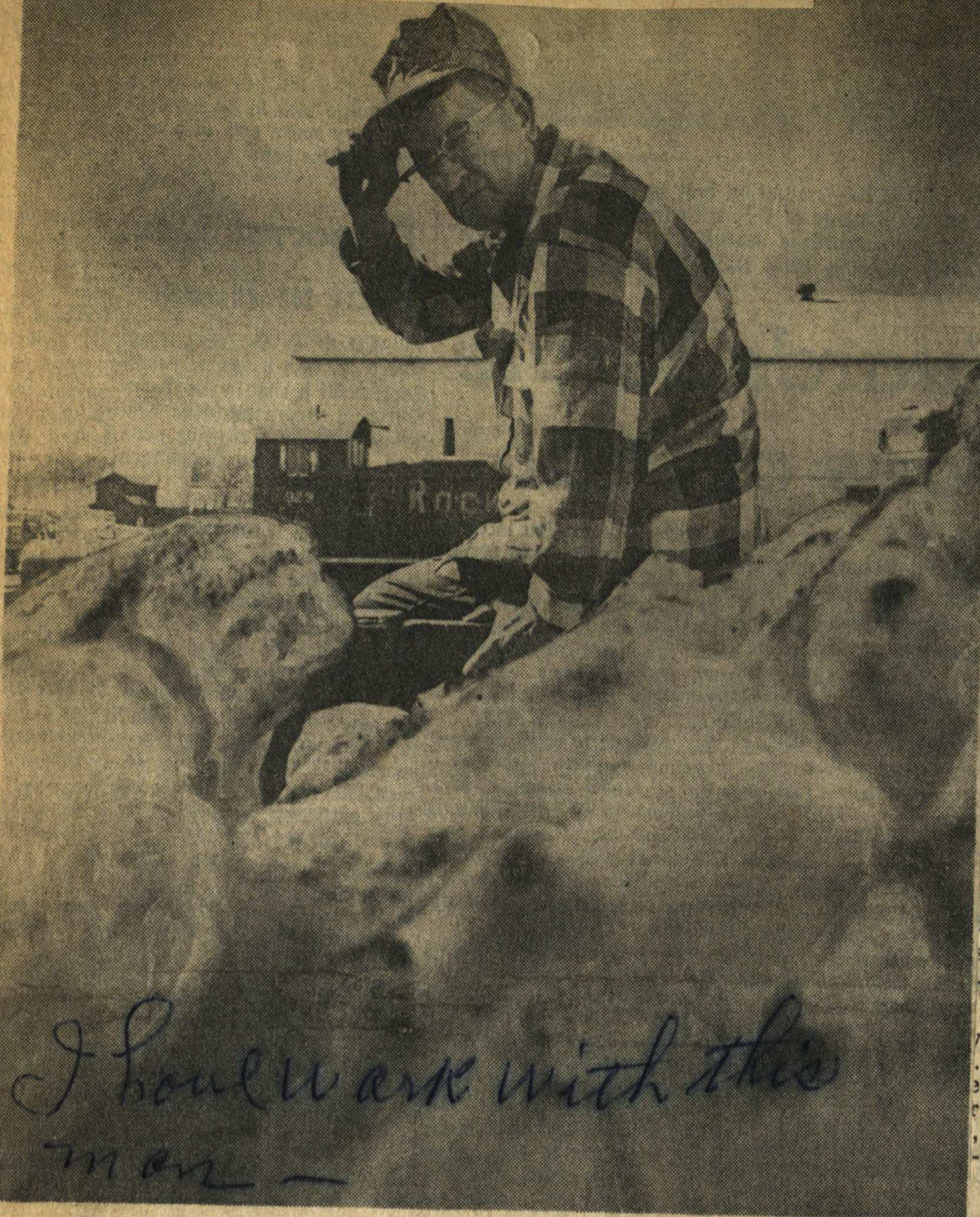
Ragsdale was dead on arrival at Peter Smith Hospital when he stepped in front of the northbound engine. Police Sgt. H. W. Greer said he saw the engine was traveling about 15 m.p.h. Ragsdale apparently failed to hear a warning whistle.

Survivors include his wife, Mrs. Ruth Greer, four daughters, Mrs. Lois Jenkins of Torrance, Calif., Mrs. Opal Judge of Burbank, Mrs. Gladys Norvelle of Port Arthur, Mrs. Jena Teague of Goldthwaite and Mrs. Gause-Ware will announce funeral arrangements.

Railway Workers Getting New Homes

AGUASCALIENTES, Mex., (Spl) — Hundreds of railway workers in this transport center in Central Mexico are getting new homes. The railroaders' union and private banks joined to initially supply 600 dwellings of two, three and four bedrooms.

The cost of each will run to \$4,000 with workers getting ownership after paying monthly installments for 15 years.



SNOW JOKE—Rock Island engineer Armond Choate eyes a gondola car filled

with snow, which arrived here from Chicago billed simply as "a load of snow."

—Star-Telegram Photo

RAILWAY EMPLOYEES FEEL LIKE SNOW JOB VICTIMS

Employees here of Rock Island Railway received a gift Saturday, but they're a bit puzzled about it.

The gift was a gondola car full of snow. It arrived at the Rock Island yards on East Peach, sandwiched routinely into a train of more stable merchandise.

There is, of course, a surplus of snow in Chicago. The Windy City has been hit by two paralyzing storms recently.

"I guess they were cleaning the tracks and just packed the snow into gondola cars and shipped them to warmer spots," a spokesman said.

The car was billed into Fort Worth simply as "a load of snow."

"We'll have to clean it out," the spokesman complained. "It'd be in that car for a week if we didn't."

Air Fort Worth STAR-TELEGRAM WEDNESDAY EVENING MAY 17, 1967

Union Station to Become Major Tourist Center?

WASHINGTON (AP) — Railroad and government representatives have reached tentative agreement on a plan to make the 66-year-old Union Station a major reception center for tourists.

The proposal calls for the Pennsylvania and the Baltimore & Ohio railroads, the terminal owners, to spend up to \$20 million in the next two years in converting the station into the National Visitors Center. The center then would be leased by the National Park Service for about \$2.6 million a year. The lease would include an option to buy.

Besides building a new terminal nearby in the track yard, the railroads would build a \$10 million, 4,000-car multilevel parking garage above the yard. The garage roof would serve as a heliport.

FEBRUARY 10, 1967

Memphis Gets Snow —By Train

MEMPHIS, Tenn. (AP) — No snow fell in Memphis but they shoveled it anyway. One million pounds of the frosty white arrived Thursday on King Cotton's doorstep on a freight train from Chicago.

"They sent it because they wanted to get rid of it," explained Illinois Central yardmaster A. W. Pirtle. Chicago had nearly 40 inches of snow since Jan. 26.

"They had some empty hoppers up there and more snow than they knew what to do with, so they loaded it in the hoppers and sent it south to melt," said H. Jefferson, assignment general yardmaster.

The shipment of snow, melting and sooty, arrived in 14 hopper cars which Jefferson estimated as carrying more than 80,000 pounds each.

Usually, hopper cars routed south from Chicago are empty or filled with cinders, which the railroad gives to towns along the line for use on slick streets.

Pirtle said the snow-filled cars would be routed further south to McComb, Miss., and New Orleans where warmer weather hopefully will have the snow melted before the cars are needed for more serious business.

Know what this is? Rock Island

Loss Studied In Derailment

BOWIE (Spl) — No damage estimate had been made Friday on the 46-car derailment of a Rock Island Lines freight which occurred about 6:30 p.m. Thursday, 12 miles southeast of here.

Officials in Fort Worth said three of the cars were loaded with soap, clay and scrap iron. The rest were empty.

Cause of the accident had not been determined and officials said the main line was cleared late Friday.

Youth Held In Liquor Robbery

Star-Telegram Mid-Cities Bureau

ARLINGTON — A 17-year-old Arlington youth was arrested here yesterday in connection with a \$1,500 whiskey burglary in Fort Worth two weeks ago.

Three other youths, all of Fort Worth, were to be questioned today by Fort Worth police in connection with the May 13 burglary of a boxcar near the White Rose Distributing Co.

The Arlington boy was arrested at the police station about 5:30 p.m. after he turned himself in.

Twenty-six cases and individual bottles of whiskey valued at \$1,490 were taken from the liquor-laden boxcar after the seal was broken and door pried open.

Fort Worth Press, Sunday, March 12, 1967

Press to Sponsor Train For Trip to Galveston

Here are dates to circle on your calendar: May 20-21.

That's when The Press will sponsor a fun trip to Galveston aboard a Santa Fe Hi-Level Streamliner. It's a chance for families to enjoy an afternoon on the beach . . . and a chance to take a ride on train equipment being brought to Fort Worth just for this tour.

The special train — with all seats reserved — will leave Fort Worth at 7 a.m. Saturday, May 20, and return at 6 a.m. the following morning.

The train will be met by special buses in Galveston, and passengers will be taken to

the new Sea-Arama for a special performance in the Aqua-Amphitheatre.

A sea food buffet will be served later in the evening at poolside at Hotel Galvez. Passengers on the tour may swim at the Galvez pool or walk across the street for Gulf of Mexico swimming.

Total adult fare — including lunch and dinner Saturday, rail fare and Sea-Arama admission — is only \$19.90. A child under 12 may go for \$14.50.

And if 25 or more in a group wish to go, one of the group may go free.

So watch The Press for reservation coupons and further details.

Car-Train Collision Kills G. Prairie Man

Star-Telegram Mid-Cities Bureau GRAND PRAIRIE — Billy T. Means, 34, of 1401 Oak was killed this morning when his small foreign car collided with a train between Irving and Dallas.

Means was on his way to work as a driver for Foremost Dairies when the accident occurred on a crossing on Dividend Street near the Carpenter Freeway.

Survivors include his wife; son, Kenneth, 11; daughter, Debbie, 13; a brother and five sisters. 5-24-67

and FRIDAY MORNING JUNE 2, 1967

Man on Track Hurt by Train

Jim Benson, 52, of 1940 Conner was injured critically about 1:30 p.m. Thursday when he was sideswiped by a Santa Fe passenger train as he apparently rested on the tracks in the 700 block of Nowlin.

Benson was being treated for head injuries at Peter Smith Hospital.

Policeman E. A. Bevers said Benson was "sitting on the tracks, maybe asleep" when the northbound train "sideswiped him and knocked him about six feet from the rails."

OFF THE BEATEN TRAIL

Texans Find Train Tunnel Longest in the World for One Day

By ED SYERS
Well, all aboard again we're heading for quite a tunnel.

Your mail's ticketed far more railroads than OBT's line can seat, so forgive omission of all who pinpointed our Texas shafts. However, give Fort Worth's Ray Mackey the throttle; he once rode in maybe the world's longest train tunnel, and not Colorado's six-mile or Swiss Alps' 12-mile. No sir . . . in our State.

Maybe you remember we

found the old, abandoned Fredericksburg and Northern shaft, up from San Antonio, eight miles northwest of scenic little Waring . . . listed under a mile long. Not on Mackey's train, as he recalls, "about 1913". No just a mile!

Its Hill Country line complete, San Antonio planned a whopper of an excursion. Bands oom-pahing and fun aboard, they loaded a real string of cars. Up the valleys and passes they want, for happy Fredericksburg recep-

tion. All that, and a scary tunnel, too.

INTO ITS black, they chugged . . . and chugged (that tunnel climbs) . . . and slowed (too much grade, too many loaded cars) . . . and stopped Black as the pit! Planned excitement for this excursion?

Seemed like, till grim conductor's confessed they'd uncoupled half . . . inside . . . but don't worry, the engine would be right back, once it put the first section safely away.

"However," recalls Mackey, "Fredericksburg's handling wasn't long enough to handle what came in, clear the engine to go back for that mid-tunnel train." Nothing to do but "lengthen" that siding, get the cars on, and the engine back. Feverishly, they did; it took time.

Back in mid-tunnel? "Some of us started to walk out, but it looked too long. We decided to remain on the train," and did, hours. A tramload of subdued celebrants, the little engine finally pulled to

that proud of it.

And, once out of it . . . just

daylight . . . and ultimately back to San Antonio. "That experience had some effect on the passengers," Railroaders Mackey understates. How long was the tunnel? "Several miles long, some were sure." And others? Well, that one day, you can bet — with old-railroader Mackey — that many a Texan knew his state had the darkest, longest train tunnel in the world.

And, once out of it . . . just that proud of it.

Car-Train Collision Injures Pair

A Fort Worth couple remained in poor condition today at St. Joseph's Hospital with possible head injuries received last night when their car and a train collided in the 3000 block of Decatur. Jeremiah K. Miller, 48, of 3408 N. Elm and his wife, Daphne, 60, also suffered multiple cuts and fractures.

L. J. Tobias, train engineer, said the westbound switch engine was traveling about eight to 12 miles per hour as it approached the Decatur St. crossing.

Tobias said he saw a slow moving car approaching the crossing and assumed it was going to stop.



RETIREMENT JUNCTION—J. C. Rich, section foreman, left, and Roy U. Clayton, clerk, take a last look at the

Texas & Pacific's West Vickery yard where they worked for many years. They retired Wednesday.

DUBLIN-GORMAN LINK

Shell Salts Away Bite of Railroad For Just Peanuts

By DOUG CLARKE

Melvin E. Shell of Gorman bought a railroad for peanuts, it was revealed here Tuesday.

Peanuts is what the line will haul, not the price.

The purchase came about when Missouri-Kansas-Texas Lines decided to abandon 220 miles of its line from near Waco to Stamford.

SHELL, CO-OWNER of Gorman Peanut Co., noted that the railroad figures in the welfare of peanut shippers, so he arranged purchase of the 26-mile segment between Gorman and Dublin.

The purchase will provide peanut growers in the Gorman area with rail transportation to Dublin, where processing plants and freight connections are available.

The purchase was arranged with John W. Barriger, president of M-K-T Lines. Price was not disclosed.

Shell bought the segment for shippers along the stretch. His company, he said, expects to ship 2,000 to 3,000 car loads yearly.

THE PURCHASE WAS revealed Tuesday during testimony before an Interstate Commerce Commission examiner, John F. Collins, in hearings at the Lanham Federal Center.

Raymond B. George, general manager of the M-K-T, said the railroad presented evidence at the hearings that indicated the line is losing money.

Opposition to the closing of the line was offered by railroad union representatives.

A ruling on both the purchase and abandonment of remainder of the line is expected during the summer, ICC officials said.

After 50 Years, 2 Leave 'Hump'

An ex-hammer swinger and a "yardbird" tumbled off "The Hump" into retirement Wednesday after more than 50 years each with the Texas & Pacific Railroad.

Jess Rich, who started laying lines in 1911, and Roy Clayton, who never left the yard, were given a going-away party by friends at the West Vickery yard, known at T&P as "The Hump."

"I started back in 1911 on a track crew with the Katy," Rich said. "That was down near Granger."

After that first flirtation with rails, Rich went on to work for the International & Great Northern before joining the T&P in 1927 as a member of an "extra gang."

"IN THOSE DAYS, the 'extra gang' went around clearing wrecks. That was all we did, just keep the track clear," the 70-year-old railroader said. "The worst wreck I ever saw was up near Denton 10 or 12 years ago when a whole passenger train turned over in a wash-out. But only the engineer was hurt."

Retiring as a section foreman, Rich said, "I've liked it all. All my work was outdoors and I loved that. The only time you were under a roof was when you went home at night to sleep—if you did."

Clayton started his rail career as a messenger boy with the T&P in 1915.

In 1916, he made "call boy," fetching crews to man the trains.

Actually, he explained, there was more muscle involved than calling.

the future of the railroad, but not Clayton.

"The destiny of this country lies in the hands of the railroads," he said. "They can handle the freight and get there quicker and safer than anything. Operation in any emergency depends on the railroad."

"WE WOULD GO down to the rotten part of Fort Worth and drag them out of saloons," he said. "It was bad in those days because we had boomers — guys who would sign on at one stop and quit at the next."

In 1918, Clayton was promoted to clerk and held that position until his retirement, completing 51 years and five months with the line without leaving the yard.

Some people worry about

ML FRIDAY MORNING
JUNE 2, 1967

FIRST EMIGRANT TRAIN

The first emigrant train for California left Independence, Mo., May 1, 1841.

Rail Strike May Meet U.S. Curb

WASHINGTON (AP) — Sens. Edward M. Kennedy, D-Mass., and Jacob K. Javits, R-N.Y., said today Congress may be forced to block a nationwide railroad strike threatened for May 3.

Both senators said such action would be a serious blow to the process of collective bargaining in the rail industry. Secretary of Labor W. Willard Wirtz agreed.

Negotiations between railroad management and six shopcraft unions reportedly are at a standstill.

Kennedy's View

Wirtz and the two senators talked of the prospect of congressional action as negotiations...

Turn to Rail on Page 2

Rail Strike May Meet U.S. Curb

From Page 1

tors and government mediators appeared before the Senate Labor and Public Welfare Committee to report on the situation. Kennedy said he hopes Congress is not going to become a party to every labor dispute in the railroad industry. But he said both labor and management now appear to be "asking Congress to limit their freedom by law."

"If these parties fail us they should be aware that the Congress will have to act in such a way that neither party will rely on us in the future to extricate them," Kennedy said.

Javits said he is determined that Congress should act if that is the only way to avert a strike. "When the Congress does act it is very likely to leave both labor and management very unhappy," Javits said.

Store's Carpet Job Closes Main Street

PORTLAND, Maine (AP) — They had to close Portland's principal business street Sunday so a carpet could be laid in a jewelry store. The carpet was 80 feet long and 15 feet wide. A dozen workers had to lay out the half-ton carpet in the street, cut it to size, then pull it into the store.

Railroad Tunnels in Texas? You Bet; Just Count Them

By ED SYERS
It's of little consequence, some tell me — these shoot-the-moon days—but you used to be a rail-road engi-ner at either a trestle or a tunnel man. I mean, just do - we - get-to-it, scary for trestles because we didn't see tunnels in Texas before.



ED SYERS

creely I figured we have enough tunnels for shucks. I was wrong on that. Now Killeen publisher J. C. Gresham's a tunnel man. He hunted down what we have, Frederickburg and North Comfort, north of San Antonio. He dug hard; the books indicated just one other tunnel. One other? More like three. Garden City's E. B. Thompson has ridden one up High Plains cliffs on the Fort Worth and Denver branch, Childrens to Lubbock, between Quitaque and South Plains. "The track climbs through the Caprock and tunnels on its way . . . maybe four-tenths' mile. The train crew always warned its coming, for the coach got pitch dark as you passed through."

WICHITA FALLS' Mrs. Mack L. Keck wonders "if he referred to the old San Carlos coal mining route in Big Bend? We made a trip down there over Christmas holidays and passed through that tunnel (Brack's Canyon, Rooney Ranch) on the way out from Candelaria to Ruidosa and across Eagle Mountain Range to Van Horn on U.S. 90." She thinks the tracks went down in the '90s, but inferior coal abandoned them. Muskogee, Okla., railroad buff Avery von Blon adds one more, near forgotten — on the original Galveston, Harrisburg and San Antonio (now SouPac) at the first high gorge, prior to the first high bridge. A little south, toward the highway yet stand. Well, that straightens the record for tunnel-man Gresham: we had more to dig than we figured. And moss-backs like me? I'm still a railroad engineer at heart. You take the moonshot. Trestle or tunnel, I'll take it slower, try to see where I'm going.

24 Hurt in Wreck Of London Train

LONDON (AP) — An express train with 280 people aboard plowed into buffers at London's St. Pancras station Sunday night, injuring 24 passengers, two seriously. The train demolished the buffer, drove over the end of the rails and crunched to a halt against the platform.

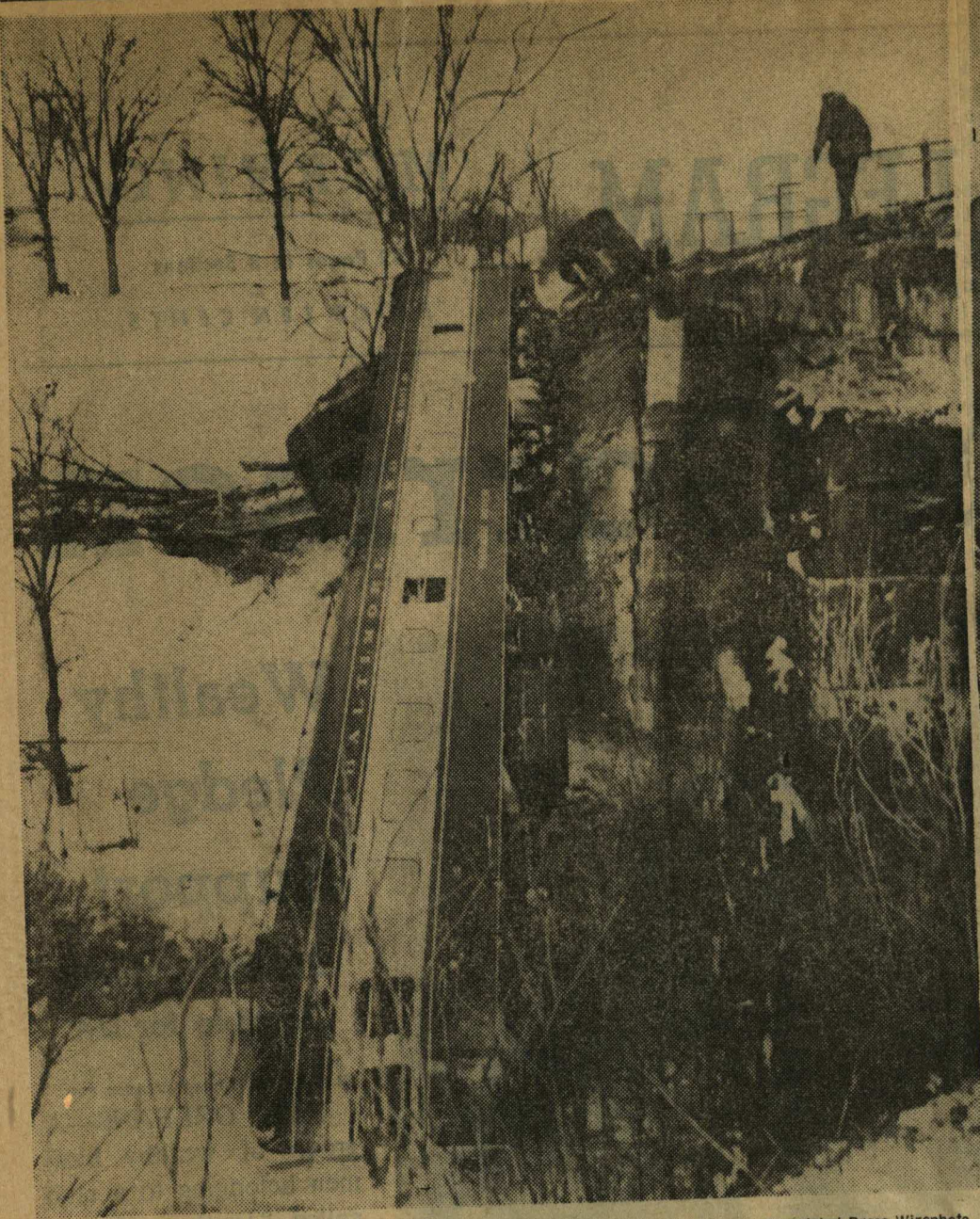
Union Pacific Re-elects Board

SALT LAKE CITY (AP) — Stockholders of Union Pacific Railroad re-elected the 21 members of the board of directors at their annual meeting in Salt Lake City. The directors include E. Roland Harriman, chairman, of Arden, N.Y.; E. H. Bailey, president, Omaha, Neb., and Frank E. Barnett, chairman of the executive committee, New York.

FW&D Mail Service Ends

SUNSET (Special) — Passenger train U. S. mail service in connection with the Sunset post office ended March 31, 1967, leaving the incoming and outgoing mail service entirely to the Star Route Mail Truck, Mrs. Ann Finn, Sunset postmaster stated. The discontinuance of mail delivery by train terminated a service which had been in operation here through a period of about eighty-five years. The exact date of the first delivery of mail by train to the Sunset post office is hardly locally known at present but it was likely some date in the fall of 1882. It is said that the first passenger train over the Fort Worth and Denver railroad stopped at Sunset about 10 a.m. Sept. 27, 1882, and it is assumed that mail delivery by train started soon after the first dispatching run. The mail was under three separate systems, horseback, train and truck, since the Sunset post office was established here 87 years and nine months ago. For more than a year from the opening of the office the mail was delivered by horseback over a star route between Gainesville and Jacksboro, after they by train through a long time and now made from horseback to train delivery and Mrs. Ann Finn is postmaster as the change is being made from train to truck delivery.

THE MACK KECK family, winter-camping (as more)



—Associated Press Wirephoto

4 DIE IN TRAIN — Four persons were killed Friday when a crack Washington to St. Louis passenger train hopped off the tracks into a creek bed near Penns-

boro in northern West Virginia. Thirty received injuries that required hospitalization, and 49 others were checked and released from area hospitals.



—Star-Telegram Photo by Jerry Cabluck

WINTER RETURNS—The return of cold weather forced H. T. Williams, a diesel conductor for Texas & Pacific Railroad, to

break out an outdoor heater in the West Vickery freight switching yards and defrost his hands.

MONDAY EVENING
MAY 29, 1967

Train Causes Bridge Failure In Philadelphia

PHILADELPHIA (AP) — A huge section of a West Philadelphia bridge that crossed Pennsylvania Railroad tracks collapsed Sunday when a freight train apparently tore loose steel supports under the roadway.

No one was hurt in the accident that left a hole 144 feet in diameter.

Trolley tracks and huge chunks of paving and cement crashed on the freight cars 50 feet below, blocking two of eight of the Pennsy's main line east-west tracks and halting traffic on four others. Only limited passenger and commuter train service moved on the two remaining tracks.

Trains to and from New York were detoured and more than an hour behind schedule.

New Train Riders No

OKLAHOMA CITY (AP) — It was an entirely new experience for most of the members of Mrs. Ruth Sutton's second grade class at Andrew Johnson School when they rode a train to nearby Purcell.

Fort Worth STAR-TELEGRAM TUESDAY EVENING
MARCH 21, 1967

Rail Unit OKs End To FW-El Paso Run

AUSTIN (AP) — The Texas Railroad Commission has granted the Texas & Pacific Railway's application to discontinue its passenger train service between Fort Worth and El Paso.

The order, signed Monday by all three commissioners and released today approves the railway's request to stop operation of its passenger trains Nos. 26 and 27.

(Train No. 26 arrives here from El Paso at 1 p.m. daily and No. 27 leaves Fort Worth for El Paso at 9:20 p.m.)

Attached to the order was the report of Walter G. Wendlandt, director of the commission's transportation division, who conducted hearings on the request.

Wendlandt conducted hearings in Fort Worth Sept. 12, Big Spring Sept. 14 and El Paso Sept. 16.

Texas and Pacific cited a steady decline in passenger use and loss of revenue caused by the diversion of all from trains to trucks.

At Big Spring, the presidents of the Big Spring, Baird and Odessa Chambers of Commerce testified against the application and resolutions against the application were presented by the Abilene, Colorado City and Midland Chambers of Commerce.

Resolutions from the El Paso City Council and county commissioners also were placed in the record, and numerous citizens testified against the application.

Wendlandt said that the T&P at one time "aggressively promoted its passenger train business. This was probably a matter of pride and public relations rather than actual profit."

But as losses from passenger service have mounted since World War II, he said, "Railroad management has grown more critical of passenger train operations and seems to have lost any enthusiasm for this part of its business. The passenger traffic on the subject railroad even live in Texas

52 degrees 2:10 PM
First Snow Flurries Predicted for Tonight
February 7, 1967

Extension of Rail Strike Ban Due

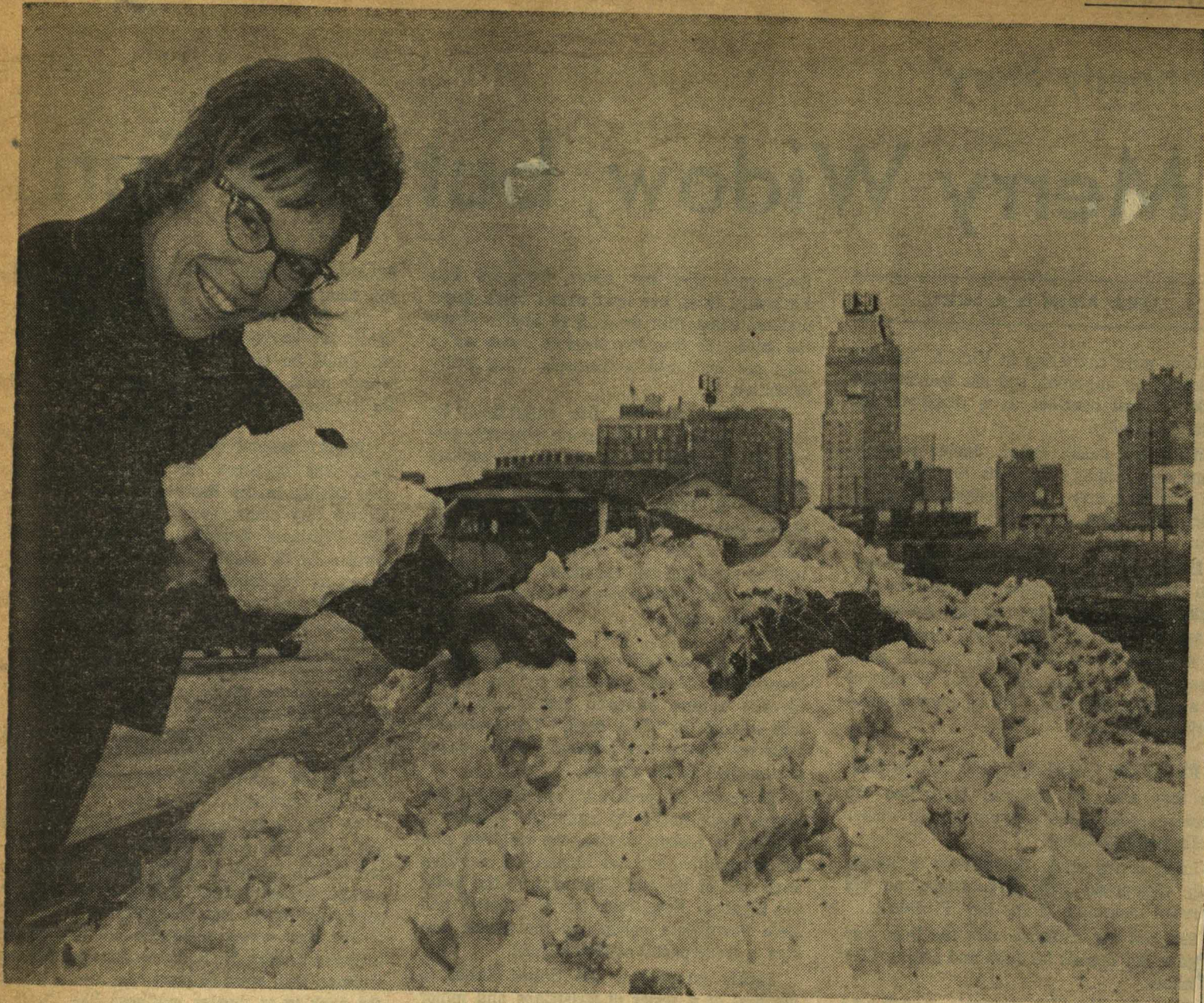
FRIDAY, APRIL 29, 1967

WASHINGTON (AP) — Congress appears certain to grant President Johnson's request for a 47-day extension of the nationwide strike period in the railroads dispute between the railroads and six shopcraft unions. But several senators made clear their support was based on the President's pledge that he would submit legislation within a few days to solve the dispute.

The Senate Labor Committee approved the extension resolution 15 to 0 Friday afternoon, within several hours after the decision to request it had been reached at a morning White House conference. The House Commerce Committee appeared ready to follow suit Monday morning. Then both branches are expected to pass the resolution Monday afternoon, sending it to Johnson for his signature well ahead of the threatened strike at 12:01 A.M. Wednesday. The White House originally had a 45-day extension had been agreed upon, running to June 17. But it was discovered this was a Saturday and the resolution as introduced in Congress specified June 19. Congress already has voted one 20-day extension of the no-strike period in the dispute which centers chiefly on wage issues.

Man Injured in Train Crossing Accident

John Daniel, 34, of 4316 Fairlane was injured shortly after midnight today when his car and a train collided at a crossing in the 400 block of North Riverside Drive. He was in poor condition at St. Joseph Hospital with back injuries.



Chicago Gives FW a Snow Job

Snow came to Fort Worth, not on the north winds but on wheels. Three Rock Island Railroad flatbed cars, parked at Seventh St. freight yards, arrived from

Chicago heaped with snow. Since Fort Worth has had no snow to call its own this winter, Mrs. John E. Spitz, Rock Island clerk, decides to make a snowball. A rail-

road official said railroad employes in Chicago shoveled the snow on the cars just to get rid of it. The Windy City is digging out from under a blizzard.

June 13-1967
**Dallasite Testifies
In Railroad Case**

DENVER, Colo. (AP)—Interstate Commerce Commission examiners called a Dallas man as the first witness in the Denver hearing on a proposed Union Pacific-Rock Island Railroad merger.

The merger is opposed by the Denver & Rio Grande Western Railroad, and G. B. Aydelott, Rio Grande president, was ready to go on as the road's first witness.

But most of the morning was taken up with examination by Union Pacific lawyers of John Scott, vice president in charge of traffic for the Kansas City & Southern Railroad.

July 8 1967
**Train Cancellations
Hearings Ordered**

WASHINGTON (AP)—The Interstate Commerce Commission ordered Thursday that public hearings be held on the proposed discontinuance of two Missouri Pacific Railroad passenger trains between Little Rock, Ark., and Alexandria, La.

The ICC at the same time ordered that the railroad continue operating the trains for no more than four months while the commission conducts an investigation.

Missouri Pacific had sought to discontinue trains No. 31 and 32 effective July 17.

SATURDAY MORNING
FEBRUARY 25, 1967

ICC Gives OK To Rock Island To End 2 Runs

WASHINGTON (AP)—The Interstate Commerce Commission gave the Chicago, Rock Island & Pacific Railroad permission Friday to discontinue two passenger trains between Kansas City, Mo., and Tucumcari, N.M.

Affected would be trains Nos. 39 westbound and 40 eastbound which constitute part of a through passenger operation between Kansas City and Los Angeles. The Southern Pacific operates the trains west of Tucumcari.

The other trains, Nos. 3 and 4, both known as the Golden State, would continue to provide passenger service between Kansas City and Los Angeles.

In asking the commission for permission to discontinue, the Rock Island noted the trains had lost \$304,452 through operation in 1965 and \$342,496 in 1966. It cited a 36.5 per cent drop in the number of passengers on the trains between 1961 and 1964.

Fort Worth Press, Wednesday, May 3, 1967

(If for 25 or more, include the free one in the total).

Name
Address
City
Telephone

Groups Get Special Deal on Train Trip

Getting up a party for the Fort Worth Press-Santa Fe tour?

Remember that in parties of 25 or more, one goes free. Everything's included in the package, meals, transportation and entertainment. Your special train leaves here at 7 a.m. on Saturday, May 20, and returns you home at 6 a.m. on Sunday, May 21.

Hurry, and get your group together. All seats are reserved.

Cal Has Long Trip Aboard Freight Car

WEST PLAINS, Mo. (AP)—A cat hopped a freight on the Pacific Coast and got more than halfway across the country before he was discovered.

Workers at West Plains found him this week in a Frisco Railroad car that had been locked since the train left California.

Mrs. J. E. Hard now is looking for a permanent home for the grey and white hobo that she bathed and fed.



WILLIAM N. EVANS

Rock Island R.R.

WEDNESDAY MORNING Fort Worth STAR-TELEGRAM
FEBRUARY 15, 1967

Chicago Sends *Rock Island R.R.* 70 Snow Loads

Rock Island Lines in Chicago has shipped 70 loads of snow to Fort Worth in its effort to get a surplus of the white stuff off its tracks.

Railroad men there—who have tracks to the south—explained the snow lift to warmer climes is the easiest way to dispose of unwanted snow. Not all railroads which serve Chicago could solve the problem so easily.

"Where would we send it?" asked a spokesman for the all-northern New York Central. "New York?"

June 6 1967
**One Killed
As Train
Hits Truck**

CORSICANA (SP1)—A truck-train collision about 2 miles south of here yesterday took the life of a Richland man, Homer D. Scott, 48, and left 18 cars of a Burlington and Rock Island freight derailed.

Train personnel escaped injury.

Railroad spokesmen said the four-unit diesel struck the rear of Scott's truck and then began leaving the tracks. The truck was loaded with rock.

Highway patrolman blocked off the area after a tank car filled with ammonium nitrate overturned and started leaking. It was later righted without incident.

Early today, the tracks were still blocked with wreckage and rail officials estimated some 200 feet of track might have to be replaced.

Look to Rails for Relief Of Woes Termed Ironic

ATLANTA (AP) — The vice chairman of the Interstate Commerce Commission Friday night termed ironic that the federal government, whose transportation policies nearly killed rail passenger service, now is looking to the railroads for relief from what he called the effects of these policies.

Paul J. Tierney, in remarks prepared for the 65th annual meeting of the Atlanta Freight Bureau, said the government's "intervention into various aspects of transportation has been predicated upon particular problems as they arose. Decisions to promote one mode have been made without considering the effects on another."

Tierney said decisions that were "adopted for air transportation at a time when it was a fledgling industry have produced tremendous technological advancements and an almost self-sustaining industry. Our public roads program . . . has produced a vastly safer network of highways . . ."

But he added that since 1958 the ICC "has watched the debilitating effect that the new efficient highways and the astonishing growth of air transportation has had on rail passenger transportation.

"We have all observed the environmental and social problems that have resulted—crowded and inadequate airports, noise, dangerously saturated airways, highway congestion, air pollution . . ."

"Ironically, we are now looking to the railroad—the most feasible and economical method of mass transportation under present technology—as a principal means of relief in these areas."

SATURDAY, APRIL 7, 1967

Judge Bars Strike Against Railroads

CHICAGO (AP) — Railroad conductors and brakemen were barred Friday from proceeding with a nationwide railroad strike scheduled to begin Saturday morning.

Judge Richard B. Austin of U.S. District Court issued a temporary restraining order against the Order of Railroad Conductors and Brakemen. A suit for the order was filed earlier in the day on behalf of 66 railroads.

The temporary order remains effective until April 10. Judge Austin set a hearing on a permanent injunction against the strike for April 7.

The union had called a walk-out for 12:01 a.m. Saturday. Union officials did not attend the hearing and offered no opposition to the railroads' action.

"The threat of a strike definitely constitutes an emergency

at this time," James R. Wolfe, a management attorney, said in requesting the order. Wolfe is general attorney for the National Railway Labor Conference.

"We would expect the conductors' organization to obey the court order," he said.

Charles I. Hopkins, a Wolfe associate, said he conferred with union representatives before the hearing and they reportedly said they would not contest the restraining order.

Wolfe told Judge Austin that the dispute between the railroads and the union "involves interpretation of an agreement which is subject to consideration by the National Railroad Adjustment Board." He did not elaborate on the dispute.

Judge Austin did not comment on the temporary restraining order.

After Fake Holdups Real Thing Happens

PORTLAND, Ore. (AP) — The Portland Zoo railroad is frequently held up, all in fun by mock bandits. A real thief reached into the cashier's cage at the railroad recently and took \$81 from a cash drawer while the cashier was driving the train.

Passenger Train Robbed in Canada

MONTREAL (AP) — A spectacular wild West-style train robbery netted five masked gunmen \$500 in coins Thursday night as they boarded a slow moving Canadian National Railway passenger train between suburban Dorval and Montreal's Central Station.

Three of the gunmen swung aboard the train, handcuffed three trainmen, fired warning shots and smashed into the baggage compartment while the two others followed alongside the train in a panel truck to pick up the loot.

CNR officials said: "We were lucky, they just got peanuts."

Dorval police and railroad investigators said the five

gunmen were waiting in a parked car as the Ottawa-Montreal train slowed to pass Dorval Station. Three of the men, one of them carrying a lead pipe and another a sawed-off shotgun, boarded, went to the baggage compartment and handcuffed the baggage handlers.

As the train picked up speed they slashed and rifled mail bags but did not find the valuables they expected.

They settled for a messenger's strong box which they unloaded into the panel truck as the train slowed at Turcot yards.

Passengers said they heard nothing of the shooting and commotion caused by the bandits during the raid.

Airman: Worth Press, Wednesday, March 1, 1967

Rolling Post Offices To Make Last Trip

The last pair of rolling post offices on the Fort Worth & Denver Railroad will make their final runs March 31.

Roy Kimble, assistant to regional sales manager, today confirmed an order by the U. S. Post Office to cease the runs on that date.

Starting April 1, all first-class mail from Fort Worth to Denver and other Southwest cities will go by air, reaching their destinations within 24 hours of mailing.

Railway post offices, long a mainstay in total revenues to the Fort Worth & Denver, have been facing extinction for some time. Last December one pair was discontinued, leaving the line with only two cars daily carrying mail between Fort Worth and Denver.

Loss of revenues from the mail cars could hit the railroad hard during the winter months when passenger fares are at their lowest ebb.

Acting Postmaster Jack Watson said the RPOs will no longer be used because existing rail schedules do not meet current postal service needs.

Burlington train No. 2, which departs Fort Worth at 2:30 p. m. arrives in Denver at 7 a. m. This, said Mr. Watson, is too late for delivery on the day of arrival.

He also noted that Fort Worth-bound mail leaves Denver at 8:10 p. m., arriving the following afternoon at 3:15

p. m., too late for delivery locally.

Under the new system, letters posted here by 5 p. m. for Denver delivery will be assured next-day delivery not only in Denver but to most points in Colorado.

Similar service improvements, said Mr. Watson, will be in effect by April to Phoenix, Albuquerque, Los Angeles and San Francisco.

Mr. Kimble said the loss to the railroad would be great.

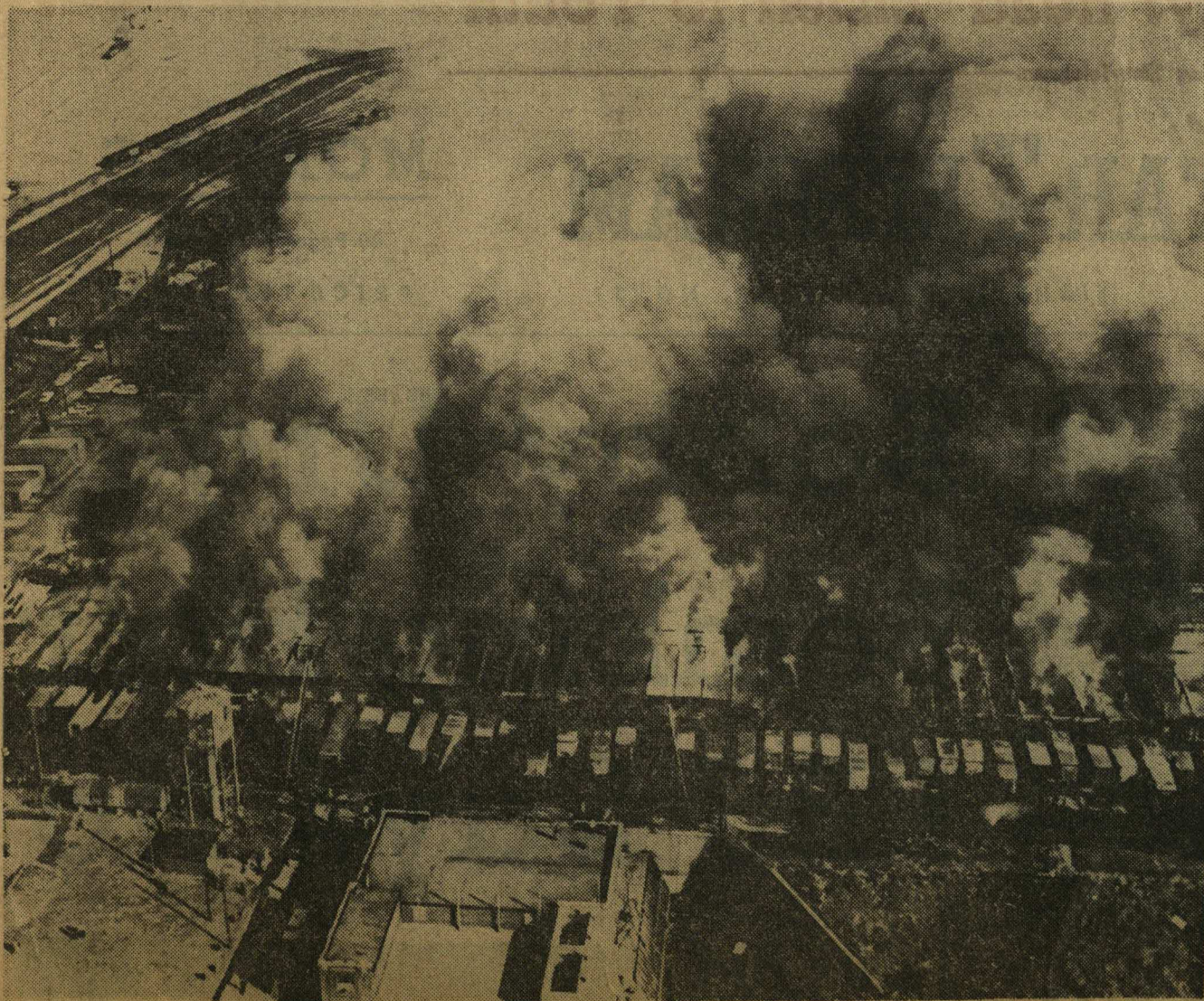
"Anytime you take mail off a passenger train, it's going to have an adverse effect on revenues," he observed.

Mail sorting, which has been handled by post office employees travelling in the RPOs, will now be done entirely in local post offices before the mail is loaded on to planes.

Model Rail Buff Dies in California

MILWAUKEE (AP) — William K. Walthers, 75, nationally known for his model railroad hobby activities, died Monday in Indio, Calif., while vacationing, of a heart attack.

He was a chief organizer in 1935 of the National Model Railroad Association and retired in 1958 as president of Walthers, Inc., of Milwaukee, one of the first major manufacturers of model rail equipment. Funeral services will be Thursday in suburban Whitefish Bay.



TWO-BLOCK FIRE — Smoke billowed above the long Norfolk and Western Railroad loading dock and

warehouse in East St. Louis, Ill., Thursday. The fire raged out of control for several hours. No one was hurt.

—Associated Press Wirephoto

Firemen Wait for Blaze to Arrive

CORRY, Pa. (AP) — Three fire trucks and 15 firemen waited at the depot here for 10 minutes for a fire to come to them for "service."

Officials at Jamestown, N.Y. saw smoke in a mail car on an Erie-Lackawanna freight as it pulled out of the station. When the train pulled into Corry the firemen found a blaze in a sealed battery unit and extinguished it quickly. None of the mail was damaged and the train continued on its run to Chicago.

Changes in Railway Labor Act Proposed

WASHINGTON — A presidential emergency board recommended Friday that basic changes be made in the Railway Labor Act to facilitate the settlement of labor disputes.

The three-man panel suggested to President Johnson that the Railway Labor Act, which regulates labor relations in the railroad and airline industries, might produce more strike-free accords if it were amended to add perhaps 80 days to the amount of time a strike may be delayed under the act.

The recommendation was made if it were amended to add perhaps 80 days to the amount of time a strike may be delayed under the act.

The recommendation was contained in a report that urged settlement terms in a labor dispute between six shop craft unions and the nation's railroads.

These talks, which face a midnight April 12 deadline, pose a serious strike threat.

THE BOARD recommended a two-year contract with a 5 per cent wage increase retroactive to last January 1 and a wage reopener next Dec. 31. It also suggested that money be set aside to reduce wage differentials, which it said was the central issue in the dispute.

David Ginsburg, the chairman of the board, said at a White House briefing that the President had not commented on the proposal for revisions in the Railway Labor Act. However, other administration sources said it was too early to say whether the proposal would be adopted.

These sources said that the proposal would have no direct bearing on the consideration of new legislation under study at the White House to handle emergency labor disputes.

But the board's suggestion, if adopted and successfully employed, could reduce pressure on the President to introduce such legislation by reducing conflict in the railroad and airline industries.

The proposal to review the Railway Labor Act reflected the fact that some of the most critical recent labor disputes — such as last summer's airlines strike — have come in industries regulated by the act. Most other labor disputes are covered by the Taft-Hartley Act.

THE BOARD said that the

railway act should be changed because "no real bargaining" actually took place in the three months of talks before the board was appointed last Jan. 28 and none was likely to take place until the board report has been submitted.

ed last Jan. 28 and none was likely to take place until the board report has been submitted.

10 Killed, 30 Hurt in India Rail Mishap

CALCUTTA, India (AP) — Twenty people were killed and 30 injured Tuesday night in a train accident near Dhalkhula on the northeast frontier railway about 300 miles northwest of Calcutta, said reports reaching here.

The tragedy occurred when independence day revelers traveling on a train roof were swept off by a big tree branch.

FRIDAY MORNING
APRIL 7, 1967

Trains Hit Head-on Near Waco; 4 Hurt

WACO, Tex. (AP) — A Missouri Pacific freight train and a Missouri-Kansas-Texas switch engine collided head-on in the Bellmeade yards Thursday night injuring four men.

Railroad officials at the scene said the Missouri Pacific train, five diesel engines and 90 freight cars, was on the M-K-T tracks when the accident occurred.

Engineer M. L. Blount, 57, of the MP train said the block signal indicated he had the right of way when the collision occurred. One of the injured, Bount was not believed in serious condition. He is a resident of Mart, Tex.

The most seriously injured was David M. Henry, 61, of Mart, also an MP crewman. He was taken to Hillcrest Hospital here.

The other injured, both from Mart and both MP crewmen, were Ralph Garland, 49, and Burt Davidson, 45. Davidson was treated at a Waco hospital and released. Garland was not believed seriously hurt. None of the switching crew was reported injured.

Railroad officials said it had not been determined whether a

switch was open or had been accidentally thrown. Investigations by both railroads were in progress.

The four engines pulling the freight train and the two diesel engines pulling the switching cars were heavily damaged.

Several piggy-back cars hauling automobiles were among those that overturned when the impact occurred. They were part of the freight train's cargo.

McLennan County Sheriff's officers stood by to prevent looting from the spilled freight and two fire department rigs were on hand in case fire occurred.

It's Short Railroad But Mileage Is Long

MONOLITH, Calif. (AP) — Johnny Cole, engineer on the narrow-gauge Monolith Railway, tossed his hard hat in the air after finishing his 102,960th run on the three-mile line.

"Add 'em all up, this trip makes it an equivalent of 13 times around the world at the equator on this Toonerville Trolley for me," Cole said.

Cole has been engineer on the Monolith Railway since 1944. The 16-inch wide, single-track railroad — one of the few left in the United States — is the lifeline for the Portland Cement plant that employs 400 persons in Monolith.

Dallas Murchisons Buy Control of RR

DALLAS (AP) — The Murchison family of Dallas has gone into the railroad business. 1967

The Murchison Brothers partnership has bought control of the Roscoe, Snyder and Pacific Railway Co. which operates in West Central Texas. Roger Mize, president of the Snyder National Bank, is associated in the transaction.

The line has been owned by the Wooten family of Abilene for three generations.

Fort Worth STAR-TELEGRAM
FRIDAY MORNING
APRIL 28, 1967

ICC Delays Halting Rail Service in Area

Star-Telegram Washington Bureau
WASHINGTON — The Interstate Commerce Commission announced Thursday it is delaying termination of passenger rail service between Dallas and Denver until an investigation can be held.

The move apparently was in response to a letter written by Sen. Ralph Yarborough, D-Texas, protesting cutting off the service.

In his letter, Yarborough asked the ICC to hold hearings on the notice by the Colorado & Southern and Fort Worth & Denver railway companies that they would discontinue train service between Dallas and Denver on May 10.

In its announcement, the ICC said it would delay ending the service until Sept. 10.

During that time, the ICC said it would conduct an investigation. Hearings will be held at a date to be announced.

The present trains provide the last remaining passenger service between Denver and Dallas.

"This rail service is an important factor in the economies of the areas served by the Fort Worth & Denver Railroad," Yarborough said Thursday. "The hearings will now give the people of Texas an opportunity to prove their case."

Smithville, the engineer, was killed instantly. His son, Darrell Lee, 18, was riding in the engine and underwent surgery this morning at Brackenridge Hospital in Austin. A brakeman who was also riding in the engine jumped from the train just before the crash and escaped injury. Railroad officials said they had not determined why the freight train and the gravel cars were on the same track.

Engineer Dies One Hurt, in Train Smashup

ELGIN, Texas (UPI) — An engineer was killed and his son critically injured Saturday when a freight train smashed into a string of 27 gravel cars in Elgin. Joe Bob Patterson, 45, of

WEDNESDAY MORNING
APRIL 25, 1967
Fort Worth STAR-TELEGRAM

Truckers, Railmen Again Pose Threat

WASHINGTON (AP) — Nationwide trucking and railroad labor disputes threatened Monday to erupt again. Teamsters Union members voted heavily against a proposed contract settlement in initial returns and rail negotiations remained in a state of collapse.

Congress appeared ready to step in again if necessary to block a rail walkout, and federal officials kept close watch on the trucking situation which led to a three-day national lockout two weeks ago.

Early voting results from about 10 per cent of the 450,000 Teamsters involved were running about 2 to 1 against the trucking contract.

An Associated Press count showed a vote of 28,606 to 15,034 against the three-year contract proposal that would give increases of about 70 cents an hour in wages and fringe benefits.

Teamsters now receive from \$3.32 to about \$5 an hour, plus fringe benefits.

The second major trucking shutdown was already underway in Chicago in a separate contract dispute strongly affecting the national voting.

Union members in Chicago, where strikes and lockouts idled some 45,000 drivers, are demanding 20 cents more than the proposed national agreement.

In Congress, meanwhile, Secretary of Labor W. Willard Wirtz reported to the Senate Labor Committee after saying "collective bargaining has fallen flat on its face" in the wage dispute between the railroads and six shop craft unions.

"We all know that we cannot countenance a railroad strike at this hour of crisis," said Sen. Wayne Morse, D-Ore.

Congress earlier blocked the threatened rail strike for 20 days, but the time expires at 12:01 a.m. May 3 and stronger legislation appears likely.

MONDAY EVENING
MAY 15, 1967

Fort Worth STAR-TELEGRAM 15

Hearings on Request to End Train Service Set

WASHINGTON (AP) — Hearings beginning June 12 in Dallas have been scheduled by the Interstate Commerce Commission (ICC) on the Fort Worth & Denver Railway's request to eliminate passenger service

between Dallas and Denver. Several cities along the route have protested the proposal. The railroad says its "Zephyrs" are operating uneconomically.

Subsequent hearings, the ICC said, will be held June 14 in Wichita Falls, June 15 in Amarillo, June 16 in Clayton, N. M., June 19 in Colorado Springs, Colo., and June 20 in Denver.

The FW&D asked permission to stop the service on May 10 but the ICC ordered a four-month delay for hearings before making a ruling.

Sept 15 1967
Car Hits Train, Woman Is Killed

VICTORIA, Tex. (AP) — June Silvers, 26, of Beeville was fatally injured Thursday in a car-train collision at a crossing on U.S. 59 east of Beeville.

She died in a Victoria hospital several hours after her car struck a freight train at crossing.

New Plan Cuts Rail Rates on Export Grains

A new type of export grain rate, providing reduced transport costs and improved car supply for shippers of wheat, corn and milo, will soon be made available by the Rock Island Railroad.

Albert F. Hatcher, vice president-traffic of the Rock Island, said Wednesday the proposed incentive rates will benefit not only the exporters of wheat and milo in Texas, Oklahoma, Kansas, Colorado and Nebraska, but will also permit the growers of corn in Iowa and Nebraska to develop an export market for their corn by a rail movement to the ports of Houston, Galveston or Chicago.

Under the Rock Island's new proposal, incentive rates averaging about 20 per cent to 25 per cent under present rates will apply when single box or covered hopper car movements of grain to particular transit points, such as Kansas City, Mo., Hutchinson, Kan., or Enid, Okla., are coupled with a 1,000-ton movement (10 jumbo covered hopper or about 18 standard box cars), from the transit point to the Gulf or Chicago ports, Hatcher said. The reduced rate will also apply to the movement of a single car of grain all the way from the origin point to the port, with no transit stop.

There will be an additional incentive rate available if the

shippers move five cars in a block from origin to the port, or if single box or covered hopper cars to the transit points are linked with outbound movements of at least 2,500 tons (25 jumbo covered hopper or about 45 standard box cars) to the port.

Twenty - four hours loading time and 48 hours unloading time will be permitted under the new plan.

The Rock Island hopes to put the new rates into effect about June 1.

The block movements and the faster loading and unloading times will achieve better car utilization. This will be particularly important during the harvest season when there is often a car shortage, he added.

Hatcher said the Rock Island's new export grain rates are being offered in lieu of a car reservation-incentive rate plan the railroad proposed last November. The previous plan had been abandoned in view of apparent conflicting interests in the grain trade which led to suspension of the proposal by the Interstate Commerce Commission.

He said the Rock Island's new proposal offers land-locked Iowa corn production an opportunity for the first time to reach new markets by means of a rail export movement.

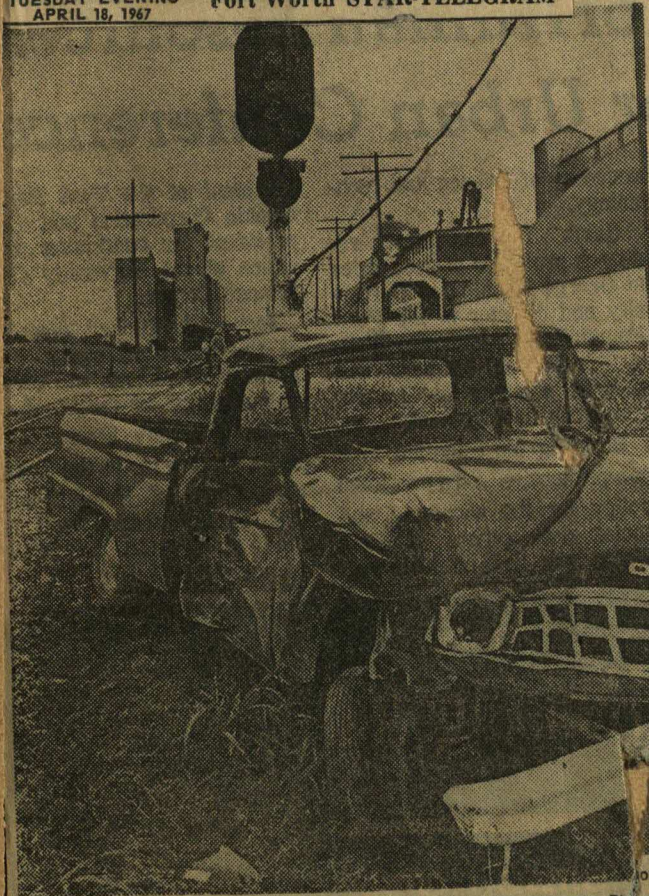


Dec 8 - 1967
Fort Worth STAR-TELEGRAM 11-A

Steam Locomotives Scarcer in Mexico

MONTERREY, Mexico (Sp1)—The day of the steam-propelled "Iron Horse" in Mexico has just about passed into history.

The government-run National Railways of Mexico said all of its near 15,000 miles of lines will be served by diesel engines starting in January. Monterrey and San Luis Potosi are big operational centers for the diesels.



BATTERED BY ENGINE—Robert Edison Turpin, 66, of 3609 Ryan Ave. suffered multiple cuts this morning when his pickup truck was struck by a switch engine in the 400 block of W. Biddison. He was in fair condition at Harris Hospital.

BOXCARS THROWN — A Frisco Lines freight train encountered bad luck today in the 1800 block of 8th

Ave. A defective rail caused this mishap. No one was hurt. Boxcars contained lumber.

—Star-Telegram Photo by NORMAN BRADFORD

Conductors, Brakemen Plan Saturday Strike

CEDAR RAPIDS, Iowa (AP)—The Order of Railroad Conductors and Brakemen (ORCB) said Wednesday it will strike at 12:01 a.m. Saturday against most of the nation's railroads unless the carriers continue a disputed health and welfare agreement.

The announced walkout of some 18,500 members would hit between 60 and 70 railroads — but about some 35 per cent of the nation's carriers which have their own health and hospital plans with the union.

It would be separate from a strike of some 15,000 railroad shop craft union members set for April 12.

Clyde F. Lane, ORCB president, said at the union's headquarters here that the railroad through the National

Railroad Labor Conference, have threatened to cancel hospital, medical and insurance benefits for employees and their families unless the union accepts railroad terms for a new wage-rules contract now being negotiated.

He asserted the railroads plan to cancel the health and welfare coverage Saturday in violation of the Railroad Labor Act.

"This is the first time within our knowledge that an employer has used the withdrawal of hospital, medical and in-

surance benefits for employees and their dependents as a club to force them to accept an inferior contract," said Lane.

He added the union only wants to continue present health and welfare benefits

while they negotiate a new contract on that as well as on wages and rules.

Fort Worth Press, Friday, May 12, 1967

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RR Service Hearings Planned

WASHINGTON — Federal hearings have been set for next month in Texas, New Mexico and Colorado, to decide if rail passenger service between Fort Worth-Dallas and Denver is doomed.

Interstate Commerce Commissioner Willard Goheen will conduct hearings on:

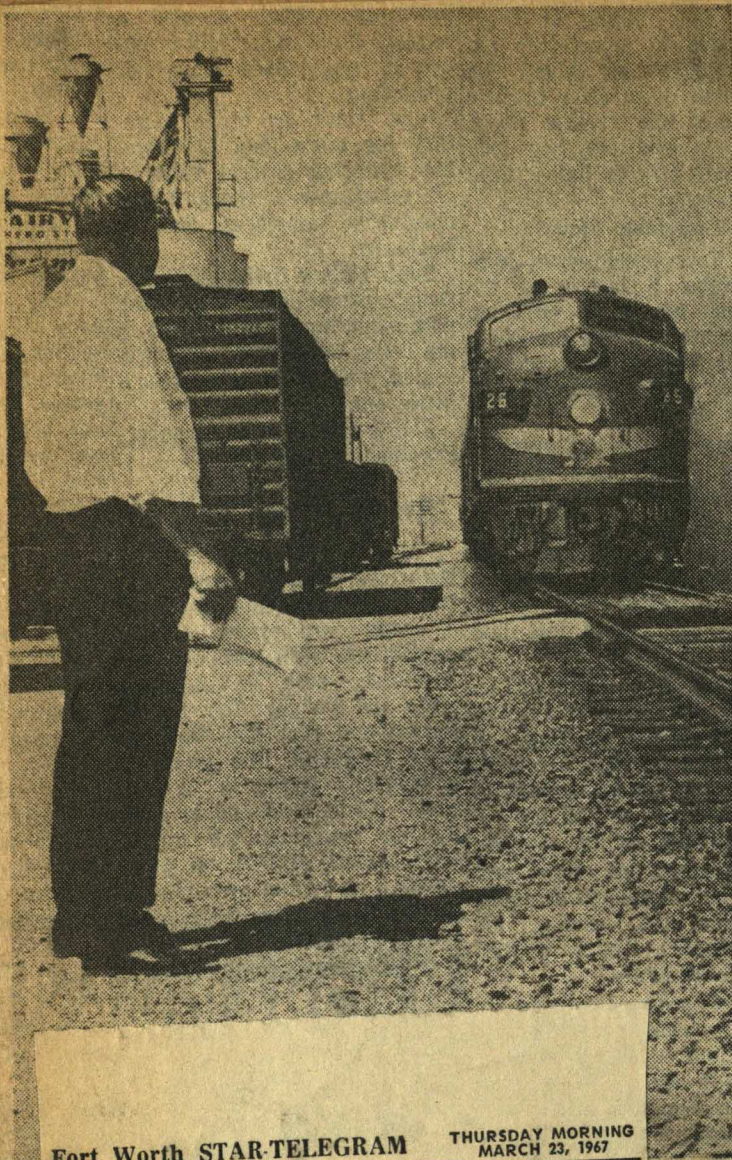
June 12 in Dallas, June 14 in Wichita Falls, June 15 in Amarillo, June 16 at Clayton, N. M., June 19 in Colorado Springs and

June 20 in Denver. The traveling set of ICC hearings will determine the fate of the last two passenger trains, run jointly by the Fort Worth & Denver Railway Co. and the Colorado & Southern Railway Co., between the North Texas metropolitan centers and Denver.

Earlier this month an ICC order forced the two railroad companies to abort plans to end the passenger-mail service on May 8. The federal injunction stalls the final decision until Sept. 8.

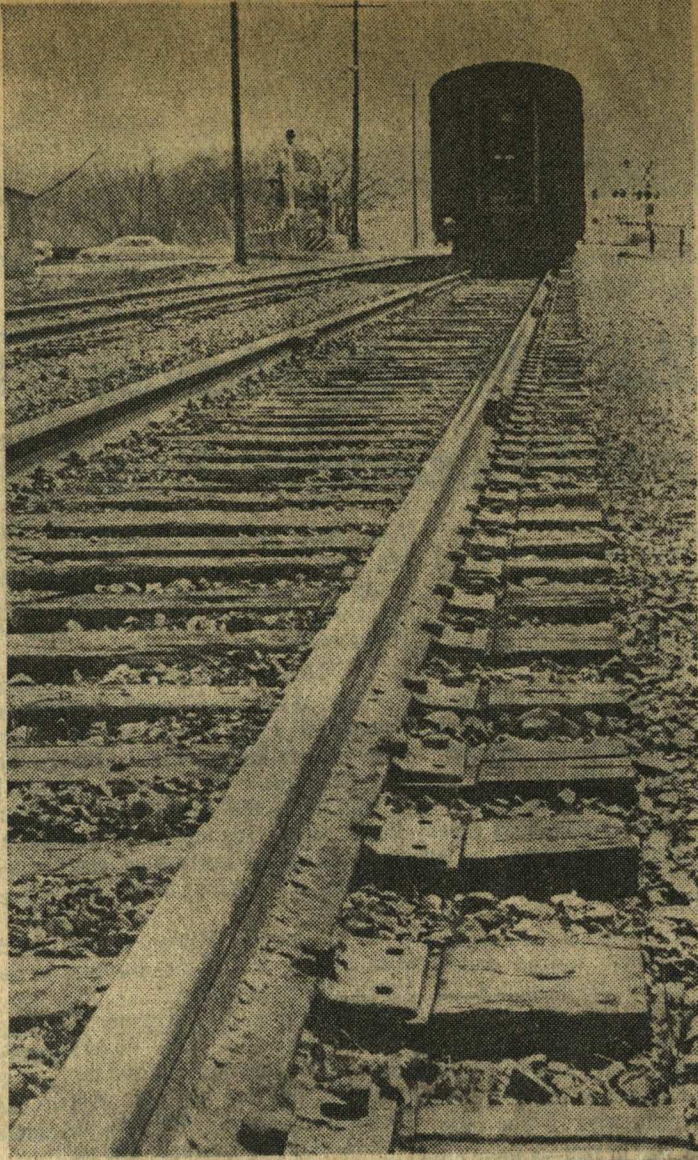
Several members of Congress protested that the economy of the areas affected by the contemplated rail service shutdown would be hurt.

Changes in Railway Labor Act Proposed



Fort Worth STAR-TELEGRAM THURSDAY MORNING
MARCH 23, 1967

OLD NO. 26—W. G. Lasater, agent operator at Texas & Pacific's depot in Weatherford, watches as No. 26 passenger train makes final appearance there.



—Star-Telegram Photos by Norman Bradford

ENDS ITS RUN—Train leaves a strangely quiet railroad track behind as it lumbers to Fort Worth to end passenger service to El Paso which began in 1882.

Engine Kills Switchman In Rail Yard

A switchman for the Missouri Pacific Railroad was killed about 6:15 p.m. Sunday when he fell beneath the wheels of a switch engine at the Texas & Pacific Railway yard on the West Side.

Ira Edward Gilbert, 57, of Weatherford was cleaning between railroad ties when the train hit him.

Policeman G. F. Rowland said witnesses told him that Gilbert attempted to board the train when he apparently realized he didn't have time to get off the tracks.

"He was entangled in the wheels and dragged about 35 feet," Rowland said.

Policeman T. W. Johnson said the engineer was unable to see the victim.

Cotton-Bratton Funeral Home in Weatherford will announce arrangements.

Last Denver Train Likely for Fadeout

Travelers from Texas to Denver soon may have to ride the Santa Fe to Newton, Kans., then change to the Union Pacific, to reach the mile-high city by rail.

Two railroads, Colorado & Southern and the Fort Worth & Denver, both in the Burlington System, have asked the Interstate Commerce Commission in Washington for permission to discontinue the last remaining passenger trains from Dallas - Fort Worth to Denver.

The trains are the No. 2 and No. 7, the Texas Zephyr. For-

merly, the train made connections in Dallas with the Sam Houston Zephyr between Dallas and Houston, but this train has been discontinued.

The railroad announced that cancellation of a \$300,000 mail contract put the trains too far in the red to be operated further. The mail contract ended Friday.

Next step is for the ICC to appoint an examiner to conduct hearings along the route.

Railways Ask to Halt Denver Run

An application seeking permission to cancel the Texas Zephyr, the only passenger train operating between Denver and Fort Worth, has been submitted to the Interstate Commerce Commission.

A spokesman for the Fort Worth and Denver and the Colorado and Southern Railways disclosed Sunday that the lines want to close down Zephyr runs No. 2 and No. 7.

Zephyrs No. 2, southbound, and No. 7, northbound, connect Fort Worth and Denver through Pueblo and Colorado Springs, Colo.

The spokesman said cancellation of \$300,000 in mail-carrying contracts March 31 put the trains too far in the red to be operated further.

Derailment Damage Placed at \$115,000

Damage to 13 railroad cars, five diesel engines and 1,200 feet of track in the derailment resulting from yesterday's truck-train collision on S. Main Road near the Fort Worth-Euless boundary has been estimated at \$115,000.

O. R. Thurston of El Reno, Okla., superintendent of the Southern Division of the Chicago, Rock Island & Pacific Railroad Co., said that clean-up work will add an estimated \$10,000.

Thurston predicted tracks will be cleared and most debris removed by 9 tonight.

Eighteen of the 42 units in the train were derailed about noon yesterday when the west bound freight collided with a gravel truck driven by Robert W. Wardrup of Dallas.

Engineer J. B. Fulton said the train was traveling about 50 m.p.h. when the accident

occurred. There were no injuries.

Thurston said 10 cars were demolished and the extent of internal damage to the five diesel engines will not be known until they are dismantled.

A minimum crew was at the scene today clearing wreckage. A side track enabled the railroad to bypass the accident without delaying other trains.

"The biggest job will be to get the 60-ton diesel units back on the track," Thurston said. "One unit will present problems in that it is leaning at about an 80-degree angle."

The railroad official said cranes will be used to lift the engines and, while the engines are suspended, track will be laid beneath them.

Rail Dispute Settlement Without Congress Seen

WASHINGTON (AP) — Chairman Harley O. Staggers, D-W. Va., of the House Commerce Committee said Wednesday he still thinks the rail shopcraft dispute can be settled without congressional action.

"These people are so close together that if they would ever sit down, I think they could settle the whole thing," Staggers told reporters after

a committee session at which presidents of two unions not involved in the dispute testified.

Both H. E. Gilbert, president of the Brotherhood of Locomotive Firemen and Enginemen, and Charles Luna, president of the Brotherhood of Railroad Trainmen, opposed the Johnson administration's proposal for a compulsory settlement if no agreement can be reached.

Santa Fe To Build Rail Spur

FORT STOCKTON (AP)—The Santa Fe Railway has announced plans to build a nine-mile line to serve the new \$5 million sulphur plant to be built by Duvall Corp. near Fort Stockton.

The new rail spur was announced in Chicago by John S. Reed, president of the Santa Fe Railway, who said the extension would also be available for handling the production of other sulphur plants that might locate in the area.

Reed said the spur would be completed in time to handle materials to be used in the construction of the Duvall plant.

Duvall Corp., which pioneered in the exploration for sulphur in this far West Texas area, now has a pilot plant in operation with a limited output. The \$5 million plant will have a production output of 500 tons a day.

ICC OKs Railroad For Permian Basin

ODESSA (Spl)—The Interstate Commerce Commission approved Friday the application of the Permian Basin Railroad to construct a 78-mile line linking Odessa with Seagraves.

The action will lead to the first major rail construction in the United States in 30 years.

The new line, hailed by many as the greatest event in the Permian Basin since the discovery of oil, will connect the Texas & Pacific at Odessa with the Santa Fe at Seagraves.

In the process, it will bring the first rail service to Andrews and Seminole. The cities are the largest in Texas without rail connections.

Friday's ICC ruling overturned a decision by the commission last February and, for backers of the new line, ended a 6½-year struggle to obtain a railroad.

Brooks Harman, secretary and legal counsel for the railroad, dubbed the "Black Gold Line" said, "the railroad will permit us to diversify the economy of the area and bring in new industry."

He said the line could foresee no particular problems in obtaining right of way and added that most of the 43 land owners involved are interested in the project.

Harman indicated the first construction of the new line would begin at the northern end near Seagraves. "We hope to begin operation by the fall harvest this year," he said.

The railroad's secretary said the flat terrain would allow for the construction of from one to two miles of track a day when work gets underway. Initial plans call for only one grade crossing—over U.S. 80 east of Odessa.

James Roberts of Andrews, president of the new railroad, said, "we've needed a rail outlet here and now we have one."

He said it would be of tremendous importance to the Seminole agricultural community.

Harman said the company's directors would meet next week to discuss the financial package. The 78-mile project is expected to cost \$9 million.

Officers said they expect revenues the first year will run about \$1.5 million. Operating income for the year was estimated at \$534,000 and expenses at \$981,000.

Harman said the line would carry an abundance of iron ore, coarse grains, sugar beets and petroleum products, but added, "We'll carry anything from peanuts to (drilling) mud."

The new railroad's chief opponent, the Texas & Pacific, estimated the line will produce a net loss the first year of \$159,000 with losses increasing to \$197,000 by the fifth year.

10-4-67 9 Die in 3-Train Collision

LIEGE, Belgium (AP)—Three trains were involved in a crash near here today and first reports said that several persons were killed, police reported. One of the trains was the Trans-European Express from Cologne, Germany, the police reported.

The Belgian radio said there were at least nine persons dead and 30 injured. "It's a catastrophe," said a state policeman.

Whistle of T&P No. 26 Becomes Echo in Time

By JON McCONAL

Only a handful gathered Wednesday when Texas & Pacific No. 26 left Weatherford for Fort Worth, its whistle belching its own funeral dirge.

"This used to be the most popular spot in town," said W. G. Lasater, who has been working at Weatherford's T&P depot since 1940.

"People came down here and spent hours watching these trains coming and leaving. Look today . . . Hardly anybody came to say goodbye."

Lasater gestured toward the empty depot.

"It's a shame," he said.

Runs Halted

The railroad quickly canceled the run from El Paso to Fort Worth after the Texas Railroad Commission in Austin Tuesday released an order allowing the railroad to discontinue passenger service between the two cities.

Lasater, 48, chatted with a Star-Telegram reporter who bought the last ticket to Fort Worth.

"There's not a lot of people who buy tickets here today," said Lasater, agent operator. He fished in his pocket for change.

Lasater pondered a moment. "I really don't know what killed passenger service on trains."

First Word

"I'll tell you one thing, though, I don't know what people are going to start telling their kids . . . kids are always reading about trains . . . That's the first word they learn, choo-choo."

The whistle of No. 26 interrupted Lasater. He looked at his big pocket watch.

"Right on time," he said.

"It always is."

It took three minutes for the two new passengers to climb aboard and begin the 31-mile stretch to Fort Worth. One of the first sights was Weatherford's old Santa Fe depot, which has been converted to a museum.

There were 30 passengers on the two cars. Among the group were two seasoned railroad

men, shouting barbs at each other from across the aisle.

"You know, I wouldn't have ridden this train if I'd known it was going to be the last one," said W. E. Kane, 76, of Port Jervis, N.Y. "You might say my family belonged to the railroads."

His grandfather worked for railroads. So did his dad.

"Naturally, that was my pro-

Turn to T&P's on Page 2

Dallas-Denver Trains To Lose Mail Cars

The two remaining passenger trains between Dallas and Denver will lose their postal cars March 31 as a result of a decision by the post office to fly mail between the two cities.

The discontinuance will produce a revenue loss of \$300,000 yearly, said W. F. Burke, general passenger traffic manager for Burlington Lines, which operates the trains over its Colorado & Southern and Fort Worth & Denver subsidiaries.

Burke said the trains, Nos. 2 and 7, are "primarily mail carriers."

Last Dec. 15, two Fort Worth & Denver trains were discontinued between Dallas and Denver because of lack of patronage and mail revenues.

Burke said these trains, Nos. 1 and 8, lost \$513,994 in 1965 and about \$267,000 in the first six months of 1966.

Burke, while not arguing with the post office decision, said "the loss of mail revenues can produce monstrous deficits for trains that previously carried mail."

He said the \$300,000 which the railroad stands to lose through the mail discontinuance is almost half of total passenger revenues and about one-third of the net income of the railroad in 1966.

"This is an impossible burden for a small railroad that has to fight to earn a profit," he added.

Time Bomb Found In Train in Germany

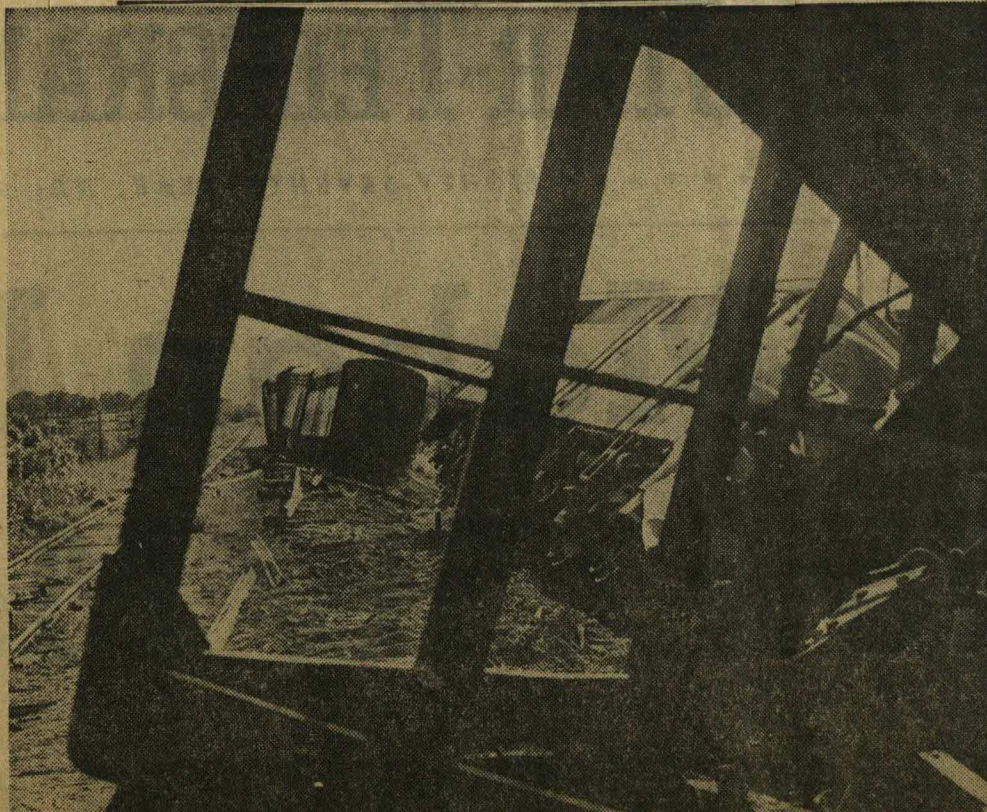
MUNICH, Germany (AP)—A time bomb was discovered aboard an Istanbul-Munich express just after it had crossed from Austria into West Germany with about 500 passengers, police reported Tuesday.

A conductor hurled the bomb, packed in a briefcase, out a window. It did not explode.

Dr. Hans Schneider, president of the Bavarian state police, said that in the toilet where the bomb was found investigators also found handbills printed in a Slavic language.

2-A Fort Worth STAR-TELEGRAM

TUESDAY MORNING
MAY 2, 1967



—Star-Telegram Photo by Jarrold Cabluck

DE-TRACTED — About 20 cars of freight train jumped the track about noon Monday after train-truck collision at South Main Road and the

Rock Island Line track. Driver of gravel truck, Robert W. Wardrup of Dallas, was not injured. Engineer J. B. Fulton said he was going 50 m.p.h.

Girl Blamed for Wrecking 4 Engines

WOODBRIDGE, N.J. (AP)— Police Director Joseph Galassi says a 10-year-old girl was responsible for last week's train mishap which wrecked four engines, demolished the corner of a factory and slightly injured one crewman.

Galassi said Tuesday the girl was being charged with juvenile delinquency and is in the custody of her parents pending action by Middlesex County juvenile authorities. He said the girl threw the switch and caused the train to go onto a spur line and crash through the corner of the building.

"It was very easy to pull the switch since the lock already had been broken," said Galassi.

Fort Worth STAR-TELEGRAM MONDAY EVENING
MAY 8, 1967

Congress Urged to Keep Rail Service Halt Legal

WASHINGTON (AP) — A spokesman for the Transportation Association of America urged Congress today not to do away with a law that allows railroads to discontinue unprofitable passenger trains.

Frank A. Smith, vice president of the Washington-based organization, said "The days of railroad financial problems are obviously still not over." He said the passenger deficit for all U.S. railroads totaled about \$400 million last year.

Smith said users of rail freight services "should not have to subsidize rail passenger services, nor should investors in railroads be asked to do so."

He appeared before a House commerce subcommittee hearing on several measures that would impose restrictions on railroad petitions to the Interstate Commerce Commission to discontinue money-losing passenger service.

THURSDAY, MARCH 23, 1967



Last Train From the West

Press Amusements Editor Jack Gordon takes a last look at old No. 26, the last Texas & Pacific Railroad passenger train from the west. It made its last run from El Paso to Fort Worth yesterday and Jack hopped aboard in Weatherford. Many

times in the past Jack has met the train in Weatherford to interview Hollywood celebrities on the way to Fort Worth. But yesterday, it was his last ride.—See his column on Page 33.—Press Photo by Jim Mosley.

WEDNESDAY EVENING
APRIL 5, 1967

Train Run To Amarillo May End

AMARILLO (AP)—If the Interstate Commerce Commission approves a request by the Fort Worth and Denver Railroad to quit the passenger business, the Amarillo area will be without passenger train service to Dallas and Fort Worth.

J. P. Nelson, division superintendent for the railroad here, blamed deficit operation for the proposed action.

The railroad stopped operating two trains between Dallas and Denver in December and discontinued service between Dallas and Houston in early 1966.

"If we could make some money, we could operate," Nelson said. "As it is now, we've posted notices that we are pulling off the two remaining passenger trains on the Colorado and Southern and the Fort Worth and Denver lines."

The railroad quit its postal car operations on the two runs operating between Dallas and Denver March 31.

WEDNESDAY EVENING
APRIL 12, 1967 Fort Worth STAR-TELEGRAM 13-A

Johnson Signs Move To Halt Rail Strike

By FRANK CORMIER

PUNTA DEL ESTE, Uruguay (AP)—President Johnson signed legislation today postponing a threatened nationwide rail strike for 20 days. He named a special panel to seek a settlement within that period.

After signing a joint congressional resolution in the living room of the temporary White House here, Johnson issued a stern statement which said:

"The urgency which prompted Congress to act should serve to notify both sides, as they return to the bargaining table, that the American people look to them for selfless and responsible action in the best tradition of industrial democracy.

"This resolution is a call upon their consciences. I am sure their concern for America will not allow that summons to go unheeded."

Johnson named a three-man committee "to help the parties

mediate their differences, and if the parties should fail to reach agreement, to recommend whatever additional action may be necessary."

In another statement Tuesday, Johnson held out the threat of further strike-blocking action by Congress if the dispute is not settled.

Chairman of the new panel is retired Judge Charles Fahy of the U.S. Circuit Court of Appeals for the District of Columbia. The others are George Taylor, professor of industry at the University of Pennsylvania, and John Dunlop, professor of economics at Harvard University.

Johnson termed them "three judicious Americans" and issued his appeal to the rail unions and the carriers:

"I urge the parties to cooperate fully with this special panel in making collective bargaining a success in the extra time Congress has provided."

Fort Worth STAR-TELEGRAM
TUESDAY EVENING
APRIL 25, 1967

500-M.P.H. Train Plan Studied

By DAVID S. JONES
Star-Telegram Mid-Cities Bureau

GRAND PRAIRIE — City officials here are examining a feasibility study from the Texas Monorail Co. of Dallas which proposes a 500-mile-per-hour railway between, Houston, San Antonio, Austin and Fort Worth.

The proposed high-speed train would not be a monorail but a jet propelled system in which cars ride on a cushion of air on two elevated rails.

Various cities along the proposed route have been asked to examine the study. The Fort Worth-Dallas portion of the system has been proposed to follow existing railroad right of way.

No dates are foreseen to

begin construction, much less operation, of the project.

THE REASON is simple—money.

Officials say the whole system would cost about \$1 billion. The Fort Worth to Dallas portion would cost close to \$25 million.

O. R. McElya, a Dallas engineer who made the study, said the proposed jet train "is not a dream and will come to pass."

He said Congressmen and businessmen have expressed interest in the project and no one has told him the project is impractical.

"Engineeringly, such a railroad is feasible," McElya said. Passengers, mail and less

than carload freight could be transported on the train, which would travel about 30 feet above the ground.

McElya said the "leva-train system" would consist of streamlined cars made of lightweight airplane fuselage material operating singly or in combinations.

Similar systems in other states would enable interstate and interstate service and make extension of the initial route possible, McElya noted.

The jet train was developed by Ford Motor Co. in the early 1960s.

The engine would be similar to those now used in jet planes and braking would be by thrust reversal as on some aircraft.

McElya said he did not believe the proposed jet train would have a direct line to the regional airport, although such would be possible.

He said it is more likely that a monorail system would link the airport to jet train terminals in Fort Worth and Dallas.

Postal authorities have been particularly enthusiastic about prospects of such a system to help move an estimated 300,510 tons of mail a year between cities along the proposed route, he said.

A 500-mile-per-hour train would make the Dallas to Houston trip in 40 minutes—about the same time it now takes by airplane, the engineer said.

GRAND PRAIRIE TAKES LOOK

Fort Worth STAR-TELEGRAM
MONDAY EVENING
APRIL 22, 1967

7 Killed in Collision Of New York Trains

NEW YORK (AP) — Two freight trains collided head on in an upper Manhattan railroad yard today and at least seven dead were reported in a piled up tangle of wreckage of engines and freight cars.

Fire swept the wreckage, and police said more bodies might be found.

Fire Department officials had reported at least a dozen others were injured.

The two three-unit railroad engines smashed into each other on the northbound express track of the 130th Street yard of the New York Central Railroad, near Riverside Drive. The collision occurred near West 148th Street.

The engine units were piled three deep at the point of impact, and a dozen freight cars were derailed.

There was no immediate explanation of why the trains, one bound for a terminal at 33rd Street, south of the

scene, the other northbound for the Selkirk Yard near Albany, were on the same track.

The tracks were so torn up by the collision and buried under wreckage that it was difficult immediately to determine the positions of the trains before the crash.

A box car loaded with bundled paper bags had telescoped, bursting into a mountain of litter.

A New York Central spokesman said each train was carrying a six-man crew and that their first reports were that two of the 12 men were dead, five unaccounted for, two hospitalized and three uninjured.

11-28-67 Fit Employees

MANILA (AP) — Manila's City Hall employees, their evening activities already curtailed, have been ordered to stay physically fit or be retired. Mayor Antonio Villegas gave the orders as part of his "new look" administration. He already has told city employees to stay away from nightclubs, bars and race-tracks.

Rail Group Brews New Strike Threat

WASHINGTON (AP) — Government sources said Tuesday a new nationwide railroad strike threat — with Congress already embroiled in one dispute — poses “a potential national emergency — again.”

The new strike threat involves some 20,000 conductors and brakemen whose union informed the railroad industry about 10 days ago that a walk-out is authorized for June 2, informed sources said.

This dispute could complicate congressional action on a White House request to order a third delay in a threatened strike by 137,000 members of six shopcraft unions, now set for June 19.

Government officials told the six unions their offer to move essential military shipments in event of a strike is not practical, feasible or economical.

Secretary of Transportation Alan S. Boyd made the statement to union representatives Michael Fox and G. E. Leighty after a 45-minute meeting at the Pentagon.

“The suggested operation would create a situation which could only be described as chaos,” Boyd said.

“It would not result in the movement of essential defense or public health commodities on any schedule.”

Boyd said “it is a virtual impossibility to identify and segregate those materials and components that are associated with defense production as opposed to commercial production, and to establish an administrative mechanism that would insure their immediate and continuous flow.”

Leighty replied for the unions.

“I suggested to them they

were simply telling us it can't be done. That isn't the slogan of the Marines,” Leighty said.

“I don't believe any unions anywhere have made a more generous offer than ours to prevent a strike from hurting our fighting men in Vietnam.”

A spokesman for the Independent Order of Railway Conductors and Brakemen in Cedar Rapids, Iowa, said the strike authorization notice is “one of the usual things you always do under the Railway Labor Act.”

While authorized, a formal notice that a strike will start on June 2 is not a certainty, the spokesman said.

But there are no negotiations under way and the next step in such cases is usually the appointment of a presidential emergency board to delay any strike 60 days.

Meanwhile, chief railroad negotiator J. E. Wolfe told the House Commerce Committee that there are no talks under way with the shopcraft unions.

“There comes a time when your efforts are exhausted and that is where I think we are right now,” Wolfe said when asked why.

A spokesman for Wolfe said he would have no comment on the new strike threat.

Both disputes involve about 90 per cent of the major railroads, and a strike in either case would almost completely shut down the industry.

BARBED WIRE SALES

American farmers buy about 142,000 tons of barbed wire fencing each year, according to officials of the Federal Land Bank System.

Fort Worth Press, Thursday, March 23, 1967

Piece of Past Buried--T & P On Last Run

By JACK GORDON

A rolling pallbearer riding a roadway of steel, I helped bury a piece of the past.

The deceased was a train — the Texas & Pacific Railway's last passenger link with the west it long ago courted and won.



Gordon

El Paso, in operation since 1882. An order by the Texas Railroad Commission Tuesday made the total kill possible.

AMONG THE 30 PASSENGERS who made the last run were Mr. and Mrs. Ike Hudson of Abilene. Motherly Mrs. Hudson completed a cycle.

“My grandfather, Maj. R. H. Parker, rode the first T&P passenger train into Abilene in 1881,” she noted. “And now I am riding the last one.”

The Hudsons were en route from Abilene to Lawrenceville, Ind., to visit a daughter.

Fields of drouth-browned pastures drifted by the coach windows as No. 26 picked up speed. Most of the passengers were getting their baggage together for detraining at Fort Worth. They no longer were looking out the windows.

An exception was U. S. Navy Chief Kenneth P. Walsh, a 28-year career Navy man. On leave from the USS Cowell, the chief was traveling by train from San Francisco to Muncie, Ind. He has a brother in Muncie.

He said: “The government should do something to keep trains like this running. I've ridden trains all over the world. Love 'em. Never fly when I can ride a train.”

“Passenger trains are something special. People wave at trains.

“Riding a train you can see the country. And you meet people. On an airplane half the people have knocked themselves out with pills.”

THE CHIEF DID NOT seem to mind that T&P's No. 26 was a woeful comedown from more elegant trains the railroad once operated to the west. But others noticed that of the six coaches behind a diesel locomotive, four were baggage cars carrying freight or express, and that two window panes in one passenger coach were badly cracked. Almost shattered, in fact.

Reason for the damaged window glass: Boys who once worshipped trains, and wanted to be locomotive engineers, now throw rocks at passing trains, a trainman remarked morosely.

And for more than a year, No. 26 and other trains between Fort Worth and El Paso have run without sleeping accommodations or diner.

Leaving El Paso at 12:35 a.m., T&P's No. 26 had made a 40-minute stop at Colorado City, Tex., for breakfast. Passengers had to go to a cafe a block away.

They had sat up all night.

One crewman said bitterly, “If railroads kept trains first class, and provided better connections between trains, all would have plenty of passengers. It's terrible when a woman traveling with children has to wait two or three hours in a station to connect with another train. We used to have through Pullmans to almost anywhere.”

ANOTHER TRAINMAN SAID: “It's disgusting.” And a Lamesa man, a passenger, was critical of Fort Worth. “I would say Fort Worth did very little towards saving railroad passenger service for West Texas,” he said.

No. 26's conductor, O. R. Bell of Rt. 3, Box 386, near Everman, was more resigned. He said:

“This is too fast an age for passenger trains. Look in the airports. You will see crowds like you once saw in railroad depots.”

Members of No. 26's crew will be shifted to freight runs.

But W. G. Lasater, agent operator at the Weatherford station, and G. D. Taylor, veteran signal maintainer, agreed that the depot never will be so exciting with only freight trains going through. They will stay on to take care of the freight.

Both recall when the sleek T&P Eagle and luxurious Sunshine Special stopped at Weatherford. Movie stars from Hollywood rode the trains then.

One night comedian Bob (Bazooka) Burns caught the Sunshine Special at Weatherford. He bought a ticket for Los Angeles and told jokes until the train came in, Mr. Lasater recalls. Lasater was a kid then, hanging around the station where his father, Carl, was agent.

AND ANOTHER TIME the T&P Eagle stopped at Weatherford with Elvis Presley aboard. Presley came out on the rear platform just as the Eagle was pulling out.

“Teen girls chased the train for two blocks,” the junior Mr. Lasater remembers.

Now the fun is over. It died yesterday with No. 26.

So did an era. And the West stands diminished.

FRIDAY EVENING Fort Worth STAR TELEGRAM
MAY 5, 1967

Regional Train System For Chicago Proposed

CHICAGO (AP) — A university professor outlined Thursday a proposal for a high-speed electrified rail service through Chicago which he said would go a long way toward solving its passenger and freight transportation congestion for “no more than \$110 million.”

The regional system envisioned by Stanley Berge, pro-

fessor of transportation at Northwestern University, would extend from Milwaukee, Wis., to La Porte and South Bend, Ind.

He said it would provide not only faster and more convenient service for commuters and through passengers and for light perishable freight, but piggyback rail service through the city for loaded trucks and even motorists in their cars.

Berge first advanced his idea nine years ago but said then the plan was ahead of its time. He said Chicago should act now because caissons being put down for high rise buildings might foreclose the most advantageous route for the heart of his dream — a 3-mile tunnel linking the Chicago and North Western Railway and the Illinois Central Railroad.

Details of the proposed Chicago regional transportation system were included in a paper Berge wrote for the Brotherhood of Railroad Trainmen's second annual conference on public transportation.

The heart of Berge's Chicago plan is a 30-foot-wide tunnel accommodating double tracks linking the North Western and the IC, and it envisions electrification of the North Western between Milwaukee and Chicago, he said.

1967 - Automobile Driver Crashes Off Train

OWATONNA, Minn. (AP) — Jerome Rein of Owatonna was driving across a wooden railroad overpass bridge recently when the flooring gave way. The car fell on top of a boxcar of a moving train before finally tumbling to the ground. Rein climbed out shaken, was treated at a local hospital for minor injuries and released.

Man Killed as Train Derails in Tennessee

GADSDEN, Tenn. (UPI)—Six railroad cars, four of them loaded with explosives, derailed near a city crossing yesterday, killing one trainman. The explosives did not go off but Lonnie Maness, 55, of Wilder, Tenn., was trapped in a carboose and killed when the car rolled down a 10-foot embankment.

August 18, 1967

Johnson Appoints Board To Forestall Rail Strike

Los Angeles Times-Washington Post
SAN ANTONIO — President Johnson appointed an emergency board Tuesday to forestall a nationwide strike Friday by 19,000 railway conductors and brakemen.

The President's action, taken under emergency provisions of the Railway Labor Act, automatically puts off the prospect of a work stoppage for 60 days.

He named as members of the three-man board professional arbitrators Lloyd H. Bailer of New York, and Rolf Valtin of Washington, as well as Msgr. George G. Higgins, director of the National Catholic Welfare Conference.

It was the second major intervention by the President

in a major prospective railroad work stoppage. Previously the President twice prevailed on Congress to delay a strike of six major shopcraft unions against most of the nation's rail carriers.

The presidential intervention was impelled by a June 2 strike deadline set by the order of railway conductors and brakemen. Affected by the dispute are 75 railroads with about 85 per cent of the nation's railway mileage.

At issue in the deadlocked negotiations between the union and the carriers were questions of wage inequities between conductors and engineers as well as general wage and fringe benefit matters.

Letter Drop: Mail by Rail Fades, Planes Taking Over

By CHARLES HILLINGER
The Los Angeles Times

Railway mail service is rapidly nearing the end of the line. The trend in transporting mail across the nation in the 60s has moved from rail to air.

As recently as 1950 more than 30,000 mail clerks were riding nearly 10,000 trains each day sorting mail in railway post office (RPO) cars from Maine to California. Today, fewer than 900 trains carry mail.

And they will be almost a thing of the past by the middle of next year.

THE NATION'S first RPO run began July 28, 1862, between Quincy, Ill., and St. Joseph, Mo., on the old Hannibal and St. Joseph Line.

Mail cars were targets for many of the most daring robberies of the Old West. Gangs continued to commandeer trains into the 1920s. Mail car robberies were so frequent for many years that marines rode "shot gun" beside mail clerks.

One of the last great train robberies was engineered in October, 1923, when a train was stopped in a tunnel at Hilt, Calif., near the Oregon border. The d'Autremont brothers dynamited a mail car killing a clerk and blowing up the contents. The Secret Service later captured the three brothers.

RPO CLERKS still carry Colt 38s and take target practice.

Railway postmen stand all the way on their eight-to-10 hour runs "breaking down" mail into city, area or state sacks. They hook and throw off pouches at smaller stations passed at high speeds in addition to regular stop service.

Mail is processed from two storage cars, one in front of the 60-foot long RPO car, and one directly behind. The Post Office pays 80 cents per mile to railroads for each RPO car carried.

AVERAGE base pay for ROP clerks is \$7,000, plus 10 per cent for night differential and travel allowances of \$9 per day. At the end of each run RPO clerks lay over a day before the return trip home.

"As RPO cars are discontinued, railway postal clerks are transferred into other Post Office departments," said Edward Orcholski, 30-year veteran in the RPO section and assistant superintendent of the Post Office's mobile units in Los Angeles. "RPO has always been a

plum in postal service. Nearly all RPO clerks have 20 years or more of service. Those phased out are transferred to jobs as mail sorters, window clerks, foot or truck routemen.

"WORKING ON the railroad is one of the more glamorous postal jobs. RPO clerks are on three days in out-of-town trips, then return home for three days off. It gives them a lot of free time with their families."

Railway mail cars are go-

ing out of style with railway passenger service. It isn't feasible to attach RPO cars to freight trains.

"More than that," said Orcholski, "the old manual method of sorting mail is being replaced by computers, mechanical and electronic equipment."

RPO is no longer in tune with the times in the United States. In Canada, France, England and most other places in the world, however, the bulk of mail continues to be transported by train.

Press, Tuesday, August 8, 1967

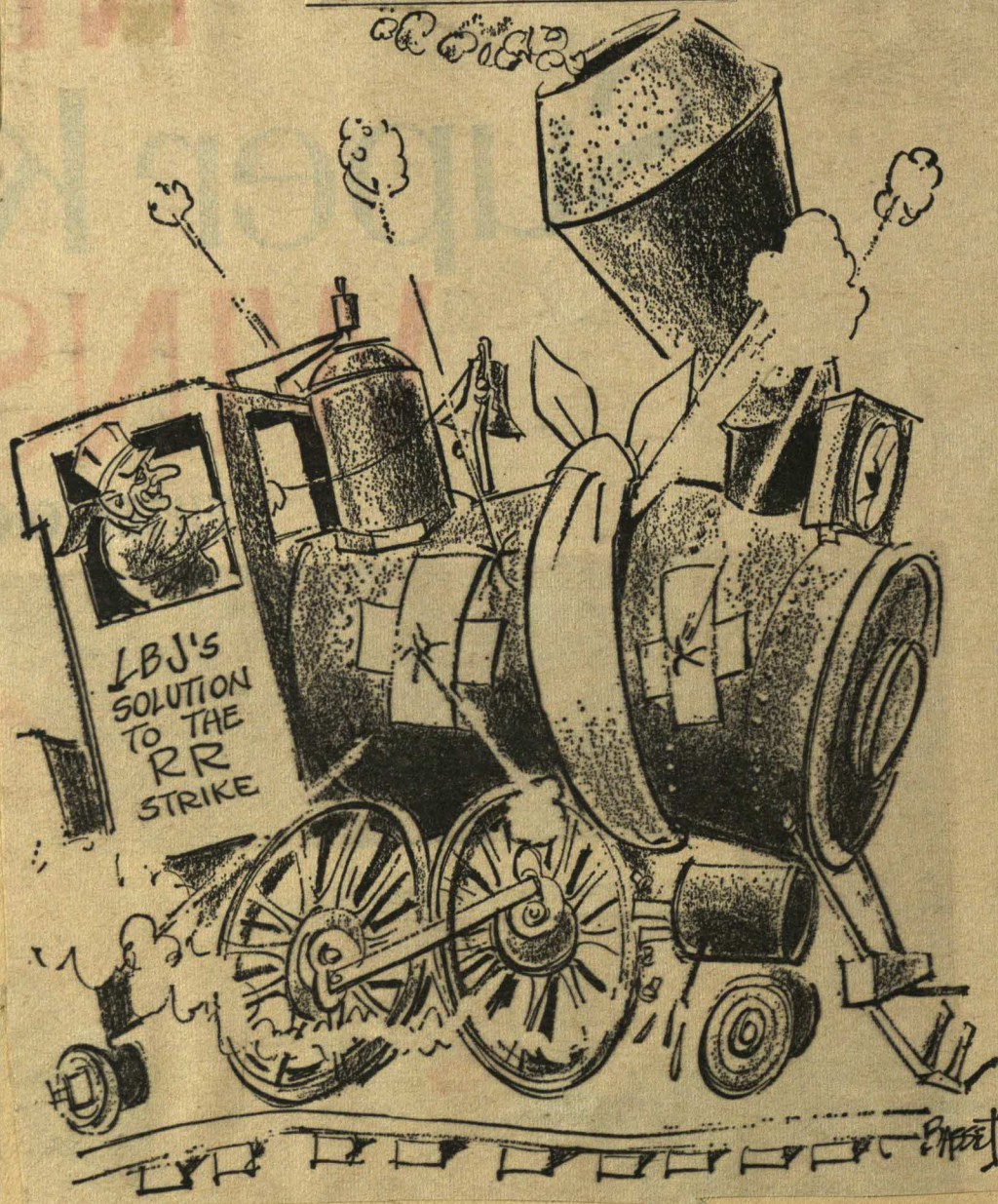
Rail-to-Air Mail Switch Discussed

About 25 railway postal employees met today with postal executives to discuss the switch from railway to air transportation of mail.

The men, many of whom have been with the railway postoffice for more than 30 years, were told they would be retrained to work in the Fort Worth office in their same capacities.

The railway postal service between Fort Worth and Houston and Fort Worth and Little Rock will be switched to air transport "in about 60 days," a Post Office official said.

Fort Worth Press, Tuesday, May 9, 1967



WEDNESDAY EVENING
MAY 17, 1967

Fort Worth STAR-TELEGRAM

US Court Rejects Appeal for RR Firemen

WASHINGTON (AP) — The U.S. Court of Appeals has rejected a labor union's bid to restore 17,000 abolished railroad firemen's jobs, but said the railroads must bargain over future jobs.

"The railroad companies violated their duty to bargain with the firemen" after the expiration of a two-year federal compulsory arbitration law, the appeals court said.

The law, the first compulsory arbitration statute by Congress in peacetime history, expired 16 months ago.

The court ruling came at a time when Congress is considering another special law to avert a threatened nationwide railroad strike by six shop craft unions.

In the firemen's case, the appeals court said Congress did not intend to permanently

replace collective bargaining with the compulsory arbitration law.

The case involving the AFL-CIO Brotherhood of Locomotive Firemen and Enginemen has dragged through federal mediating efforts, Congress and the courts for nearly 10 years.

The ruling Friday still does not end the litigation in the firemen's case. The appeals

court directed the union and the railroads "to submit within 10 days a proposed judgment, and to confer and endeavor to agree thereon."

The court said, however, that the railroads must bargain on a union request aimed at restoring thousands of firemen's jobs in the future.

But this duty to bargain "does not compel agreement," the court added.

WEDNESDAY EVENING
MAY 17, 1967

Presidents of Union Pacific and Rock Island Railroads Advocate Merger

KANSAS CITY (AP) — Merger of the Union Pacific and Rock Island Lines was advocated Tuesday by the presidents of the two railroads. Hearings opened before Interstate Commerce Commission examiners on the proposed merger, and the proposed sale of the Rock Island's southern properties to the Southern Pacific Railroad Co. The hearings, which may continue through Thursday, are being conducted by Paul Albus and Nathan Klitnick. Edd H. Bailey, president of UP, and Jervis Langdon Jr., president of Rock Island, said in a joint statement the merger and sale would be of inestimable value to shippers, consumers, on-line communities, employees and stockholders. The proposal, now before the ICC, has been approved by stockholders of both lines.

Rail Official Fights Merger Proposals

DALLAS (AP) — The general sales manager of the Missouri-Kansas-Texas Railway told an Interstate Commerce Commission (ICC) hearing Friday that any merger of the Rock Island Line with other large railroads in the area would make it impossible for the Katy to survive.

"If the Rock Island suddenly ceased to exist and a large major railroad system took its place, our competitive position, related to the former Rock Island, would be destroyed," said Roy K. McDonald.

He testified at an ICC hearing in Dallas on a proposal by the Chicago and North Western Railroad to merge with the Rock Island.

Katy officials ended three days of testimony Friday, and representatives of the Texas & Pacific then began offering data and its views on the proposed merger.

McDonald said a Rock Island merger with another big line in the region would mean a traffic loss of possibly 23,000 cars a year to the Katy.

He said a substantial portion of the Katy's traffic is in interchanging freight cars with other lines, mainly the Southern Pacific, the Union Pacific and the Santa Fe.

McDonald said that much of this traffic would be lost if one of these roads acquired control over the Rock Island, which has southern lines roughly parallel to the Katy.

The ICC has under advisement several merger proposals regarding the Rock Island and these other lines.

Some of these larger lines, such as the Santa Fe, want only to acquire part of the Rock Island system, whereas the Chicago and North Western wants to take the whole line over.

McDonald said the Katy interchanges more than 11,000 cars a year with the Union Pacific at Kansas City alone.

"Any of the proposed mergers or controls would make it impossible for (the Katy) to survive," he said.

He said the Katy "cannot afford to lose any traffic for the slightest drop can create additional critical financial and service problems for us."

He characterized the Katy as being a relatively small railroad, whereas the other roads contending for all or part of the Rock Island are already much bigger than the Katy.

For them to further their physical and economic size in relation to the Katy and in the Katy's main service area would not be consistent with the public interest, McDonald said.

The Katy's main lines are in Missouri, Kansas, Oklahoma and Texas. Principal cities served are St. Louis, Kansas City, Oklahoma City, Tulsa, Dallas, Fort Worth, Austin, San Antonio and Houston.

The Dallas hearing was expected to continue through next week. Subsequent hearings were scheduled for Denver on June 12 and San Francisco on June 26.

Rail Station May Keep Ancient Stoves

FANWOOD, N.J. (AP) — A movement is afoot here to have two pot-bellied stoves, retained in a newly renovated community house.

The Borough Council has been requested by several citizens to keep the stoves in the remodeled old Central Jersey Central Railroad station which will become the community's civic center.

A member of the Planning Board has urged the council to paint the stoves black and use them as "historical decorative objects."

Most Rails May Not Halt Monday

WASHINGTON (AP) — A defiant House rejected President Johnson's bid to guarantee settlement of a nationwide rail strike but a union pledge eased fears most U.S. trains will halt Monday.

Senate refusal to accept the surprise action — in which the House approved a 90-day no-strike extension but killed Johnson's proposal for a compulsory settlement if negotiations failed — could block

indefinitely passage of legislation.

But the Railway Labor Executive Association, spokesman for 137,000 shopcraft union workers, pledged not to call a strike if the legislation goes to a House-Senate conference. The union organization's statement was read on the floor Thursday by Chairman Harley O. Staggers, D-W. Va., of the House Commerce Committee.

*From Bill Sparks
called Tex. March 27-1967*



BEING RAILROADED LITERALLY

Residents near Glenfield and Pierce streets in Dallas learned what it was like to be "railroaded" Saturday as four boxcars came crashing off their tracks and

across Pierce Street. One of the boxcars ended in a resident's front yard in the 2700 block of Glenfield. No one was hurt.—Staff Photo.

Rolling Boxcars Go Bang

Four railroad boxcars crashed off their tracks in Oak Cliff Saturday and rolled into a previously quiet residential section.

"It sounded like a tornado," one resident, Clinton Bicknell of 2737 Glenfield, said.

"I jumped up and looked across the street and there were these boxcars. I rushed out to see if anybody was hurt. But it was lucky, nobody happened to be around."

The boxcars from the Santa Fe tracks went crashing through street curbs and a street sign and rolled across Pierce Street blocking traffic. One car ended up in a Glenfield resident's front yard and another on the curbing.

ONE BYSTANDER said the noise could be heard four blocks away.

The accident occurred at 10:40 a.m. Saturday after the four cars were dropped by the engine on a side track more than a block away.

W. B. Kirby, a railroad employe, said, "The field man thought I was on it to stop them and I thought he was on it. When we saw neither was on it, we just couldn't run fast enough to catch it."

A 40-mile-an-hour train pursuit ensued after the engineer realized what had happened.

"We were on another track

★ BOXCARS

Continued From Page 27

and had to back the engine up and then try and catch the cars. They just had too much of a head start by then," another railroad employe, Frank K. Patterson said. "The engine got up to about 40 m.p.h.

"THE BOXCARS were let go at about 7 to 10 m.p.h. but they pick up speed going down the track," he added.

"It sounded like a terrible storm," Patterson said. "We just thank heaven that nobody was here in the street and got hurt."

One neighbor woman, Mrs. Sally Mendoza, said she was ironing when she heard the noise.

"I ran to the front window to see what had happened and there were these boxcars in the front yard next door. Then I got scared."

Railroad officials said it would take at least a day to move the boxcars. The cars rolled several hundred feet beyond the tracks.

To Take Commercials

SAIGON (AP) — The South Vietnam government-run radio station will go commercial in April. It said advertising revenue will be used to improve programs and broadcast techniques.

Alligator Takes Wrong Track In We(s)t Texas

FLOYDADA (AP) — South Plains residents had positive proof Thursday of recent rains that made ponds and lakes of this normally dry West Texas area.

The proof is an official Santa Fe Railway report which states "a freight train Wednesday night ran over an alligator."

At 7:30 p.m. Wednesday, Santa Fe railway employe C. E. Dickson, conductor, and D. W. Wynn, brakeman, were in the caboose near the station in Floydada when they saw an alligator ambling down the tracks following the train.

Before the trainmen could get the train stopped, the engineer reversed and ran over the reptile.

The remains of the alligator, minus head, measured 19½ inches.

Dickson said he made out the official Santa Fe accident report.

Reason for the existence of the alligator in this region was not explained except that it could have been someone's pet.

Santa Fe division headquarters report this is the first alligator accident in the division's history, although it could recite animal collisions going back to buffaloes.

June 9, 1967

Lawyer for Carrier Says Air Mail Takes Twice as Long

Fort Worth Press, Friday, April 21, 1967

Mail Delivery Slow-ups Are Laid to Trains

By SETH KANTOR
Press Washington Bureau

WASHINGTON — Thirty years ago there were more than 10,000 mail-carrying trains in the nation. Today there are fewer than 900.

The railroads accuse the Post Office Dept. of strangling them, through stepped up shipments of mail by plane and truck. Meanwhile, the Post Office Dept. says that 70 per cent of the discontinued passenger service has taken place on trains that had mail contracts when they stopped running.

In the midst of the national dispute is an application at the Interstate Commerce Commission to kill off the last passenger service between Fort Worth and Denver—the Burlington Zephyr.

The Fort Worth and Denver Railway made its application after the Post Office Dept. discontinued all first-class mail service on the Texas-Colo-rado train run, March 1.

POSTAL EXPERTS here said today the trains were arriving too late both in Denver and in Fort Worth to get the mail delivered quickly enough.

Annual losses to the federal government were running at about \$300,000 a year on the Texas-Colo-rado rail service.

The Post Office Dept. has been getting increasingly hard-nosed about railroad mail delays. Since Jan. 1, for instance, the department has issued fines amounting to \$127,500 on trains it said were running late at least half the time.

A Fort Worth attorney, Ira Butler Jr., has written to the two Texas senators, urging them to get the Post Office Dept. to reverse its decision on mail deliveries into Colorado.

Mr. Butler says he knows from personal experience that letters sent by air mail from Fort Worth to his family's summer home near Colorado Springs take twice as long to be delivered as do letters mailed for five cents and carried on the Zephyr.

Sen. Ralph W. Yarborough, D., Tex., has replied that "the withdrawal of the mail service from passenger trains has been one of the principle causes of the discontinuance of so many of these trains by the railroads."

THE SENIOR Texas senator, a key member of the Senate Post Office and Civil Service Committee, said he is "calling this situation to the attention of the Post Office Dept."

But postal officials say the Fort Worth and Denver canceled passenger trains 1 and 8 last December, while still carrying first-class

mail. The federal government was supporting annual losses of \$700,000 to keep up full mail service on those two trains, said the officials.

They said first-class mail from North Texas points to Colorado points, with a five-cent stamp, are traveling by air now, on a "space available basis."

They also said all bulk mails continue to be shipped by rail, over the Fort Worth and Denver to Amarillo, then over the Colorado & Southern to Denver.

Postal authorities insist the big mail delivery slow-ups by rail were not occurring at places like Mr. Butler's summer home, but at places like Dallas, Fort Worth and Denver.

They insist there is no anti-railroad policy in the department. It's just a matter of getting mail delivered the fastest, they said.

Sun., May 28, 1967 Fort Worth STAR-TELEGRAM 3-D

Rail Rate Hike Asked for Varied Reasons

By R. E. BEDINGFIELD

1967 New York Times News Service
NEW YORK — All of the nation's railroad have now asked the interstate commerce commission for authority to increase freight rates by about 3 per cent, vowing the while that they are unhappy at having to do so.

The reasons the carriers were forced to seek the increase — the first in seven years — are general and visible. But the reasons they did so reluctantly were almost as varied as the railroads themselves.

THE IDEA of pleading for a rate increase arose last year with the Eastern roads. The Western roads finally yielded about two weeks ago to the argument that they must "do something for the hard-

pressed Eastern lines," and the two groups filed together.

The Southern roads filed on the following day, obviously to emphasize their discontent with the whole proceeding, which if approved would give the industry about \$300-million of additional revenues each year.

The dates of the two petitions were May 18 and May 19. The I.C.C. promptly set next Friday for filings of data to support the petitions and has agreed to hold oral argument on them in Washington on July 11 and 12.

THE PETITIONS tabulate the added costs the railroads expect to incur this year. Including the 5 per cent wage increase in the contracts already negotiated and a 3.4 per cent increase in the cost

of materials and supplies, they figure that for the industry as a whole costs will rise by about \$444-million a year.

The petitions agree that present rates "are not producing net railway operating income adequate to maintain petitioners in such financial condition as will enable them to provide the transportation service required."

The petition of the Southern lines stresses that net working capital of the railroads of \$478.3 million at the close of 1966 was at the lowest level of any year since the end of World War II.

In view of the necessity for fighting the matter out in the July hearings, railroad executives maintain a civil front of unity. Once assured that they will not be identified, however, they disagree sharply on

Union officials at Cumberland, Md., said the Baltimore and Ohio and the Western Maryland lines would also be struck Sunday morning at 6 o'clock.

The Reading Railroad headquarters in Philadelphia said it expected to be struck by the machinists' union at 6 a.m. Sunday and would shut down all freight and passenger operations for the duration of the strike.

Officials of the International Association of Machinists said at Minneapolis they had been advised the Chicago & North-western and the Burlington road will be struck at 6 a.m. Sunday.

Announcement of the various strike plans came a few hours after J. E. Wolfe, chief spokesman for the carriers, predicted a West Coast walk-out at one minute after midnight, Pacific Coast daylight time.

The railroads have been in a prolonged wage dispute with six shopcraft unions and Congress has been attempting to cope with the problem. No action was likely in the Congress before Monday.

suppliers make a trucker think a long time before trying to compete with the Western roads on a great many things he would fight for in the short-haul East.

One great reason for the unwillingness of roads in the South to upset the rate structure is the feeling that they have their prime competitors, the truckers, on the run. "It's too bad," one Southern rail executive said, "that we couldn't all have held off a bit

longer before asking for an increase in our rates."

The petition of the Southern roads for rate increases included exceptions they wished to make from the list of increases the lines in other territories had proposed.

Some of those, like the ratios on tobacco or cottonseed, were purely regional, but some of them evinced a determination to fight for freight that had been won back from the trucks and barges.

June 17th 1967
Court Restricts Pickets In Valley Farm Dispute

ALICE (AP)—A district judge curtailed farm labor picketing of Missouri Pacific trains Friday but said strikers could continue to picket trains as they enter and leave La Casita Farms.

La Casita, the largest farm in Starr County, has been the focal point of the year-long strike by the United Farm Workers organizing committee, AFL-CIO, in the lower Rio Grande Valley.

Missouri Pacific had asked

an injunction barring all picketing from its tracks. However, union and railroad lawyers hammered out a compromise.

Dist. Judge C. Woodrow Laughlin issued the limited injunction after the attorneys talked for over an hour behind closed doors.

The talks came during a recess shortly after the hearing in 79th District Court got under way.

MP Rail Vets On Annual Trip

A trainload of 80 veteran employes of the Missouri Pacific Railroad—each representing at least 40 years service to the company—will start back for St. Louis today, ending the annual trip of the 40 Year Missouri Pacific Veterans organization.

Most of the passengers are long-time employes of the company, although some are widows of deceased employes. Together, they have more than 3000 years of service to the company.

The name of the train? The "Honeymoon Special."

The name isn't as inappropriate as it seems, according to A. R. Miller, past president of the 41-year-old organization.

Mr. Miller, who had 50 years of service himself when he retired 17 years ago, says the annual trips have produced quite a few romances.

"I couldn't count on both hands the number of couples that have got married after one of these trips," he grinned.

But the 84-year-old retired superintendent isn't an eligible bachelor himself. He and his wife, who live in St. Louis, Mo., will celebrate their 60th anniversary next March.

MR. MILLER began railroad-ing in 1902. He went to work for the Wabash, Chester and Western Railroad in Illinois. It was a 64-mile line that ran between Chester and Mt. Vernon, Ill.

He left them and went to

work for the Iron Mountain Railroad, then to the Missouri Pacific in 1914. He came up through the ranks, from a fireman all the way up to superintendent. And he did it with a third grade education.

"I had a 'swimming school' education myself," he said. "But you need a college degree to go to work for a railroad today. You just can't make it anymore without proper education."

IT WASN'T always so. When he was in a position to hire new employes several years back, the requirement was for a high school education.

"I'd interview a young man before he filled out his application," he said. "If I thought he was a good man, I'd ask him how much schooling he had. If he said grade school, I'd point my finger at him and say, 'When you fill out that application, put down high school!'"

But times have changed, and Mr. Miller figures railroads have got to change with them. He doesn't believe the talk about railroads dropping out of the transportation picture in favor of airplanes and trucks.

"It's still a good career for a young man." And he has some thoughts on retirement.

His advice for people nearing retirement is: "Set a date on which to retire, then stick to it. Don't let anyone talk you into staying on a little longer or you'll never want to quit."

Railroad Pact Plan Advanced

WASHINGTON (UPI) — The Senate Labor Committee approved today President Johnson's proposal to avert a nationwide rail strike called for June 19.

Approval came after Defense Secy. Robert S. McNamara said a strike would be intolerable in the light of the Vietnam and Arab-Israeli wars.

The committee voted 14 to 1 for the measure, which would prevent a strike until Jan. 1, 1969, even if the railroads and the unions failed to reach agreement on a new contract during a final 90-day cooling off period.

While the Senate committee was preparing to vote, McNamara warned the House Commerce Committee that a shut-down of the railroads "cannot be permitted to occur."

The plan would avert a strike until 1969 through binding arbitration if management and the six shopcraft unions were unable to agree during the final congressionally-ordered negotiating period.

The Senate hopes to pass the legislation this week, but the House hearings are still in progress. Unless the measure passes both houses, a strike will occur June 19.

U.S. on Verge Of Rail Strike, Officials Say

MONDAY MORNING APRIL 24, 1967

Impasse Reached In Talks

WASHINGTON (AP) — Secretary of Labor W. Willard Wirtz and Secretary of Transportation Alan Boyd warned Sunday that the United States is on the verge of a nationwide railroad strike which could start May 3.

Their statement came after a special mediation board in the contract dispute between six shopcraft unions and railroad management announced "a complete impasse" in negotiations.

Board chairman Charles Fahy said both sides now have rejected the panel's recommendation for a settlement. Earlier, the railroads agreed to accept the proposal — a 6 per cent general wage increase — while the unions rejected it. The workers now average \$2.90 an hour.

'Fallen Flat'

Saturday on the eve of his departure for West Germany to attend the funeral of former Chancellor Konrad Adenauer, President Johnson issued "one final appeal" to the parties to settle the dispute.

They met Sunday, separately and together, but there was no progress.

"The ugly fact is that collective bargaining has fallen flat on its face," Wirtz and Boyd said. "We will keep trying to find the answer to this case but there should be no illusions about the critical seriousness of the prospects."

"The country is on the verge of a nationwide railroad strike."

View Denied

"It is a shame for democracy to be put on trial over so small a disagreement."

While Wirtz and Boyd did not specify what the "small disagreement" was, President Johnson Saturday said "the matter is one of dollars and cents and the real dif-

Rail Strike Reported Looming

Continued From Page 1

ferences between the parties ... are not great."

This was later denied by the railroads chief negotiator, J. E. Wolfe, who said the President had been misled and that there were "matters of principle" involved.

The unions, representing 137,000 workers, originally were set to strike April 13 but Johnson obtained from Congress special legislation putting off the walkout for 20 days or until May 3.

In his statement, the President said the unions seek a 6.5 per cent general wage increase; management has offered 5 per cent; and Fahy's panel recommended 6 per cent.

This was the recommendation the railroads first said they accepted, but now are reported to have rejected.

Sessions Held

Fahy said several sessions were held Sunday "following the desire of the President." These were separate meetings, joint meetings with the mediation panel, and a joint session without the mediators.

"The parties are on call," Fahy said, after announcing the impasse.

Fahy retired recently as a member of the U.S. Circuit Court of Appeals in the District of Columbia. Other members of the panel are George W. Taylor, professor of industry at the University of Pennsylvania, and John T. Dunlop, professor of economics at Harvard University.

The child's body was thrown so far into high weeds that it took 20 minutes to find it. Gavin had wandered away from his home to play near the Missouri Pacific tracks.

Fort Worth Press, Tuesday, June 6, 1967

Child, 4, Killed by Texas Freight Train

SAN ANTONIO. (UPI)—Kevin Thomas, 4, saw a freight

train approaching and tried to run. But the adult-size boots he wore apparently hobbled him and he sat down on the tracks and was killed.

RED RAIL LINE

LUSAKA, Zambia (AP) — President Kenneth Kaunda announced an advance party of Communist Chinese engineers will arrive early next year to begin surveying a proposed rail line to link landlocked, copper-producing Zambia with Tanzania, which has Indian Ocean ports. Kaunda had just returned from talks with Tanzanian President Julius Nyerere at Mwanza.

April 1967

(1)

sistant master mechanic, "is that it can get to a problem area faster over the road than a derrick can over the rails."

Five scooters—three repair vehicles, one inspection cart and one oiler—have been assigned to the carmen. A separate radio channel has also been assigned to expedite communications between the car foreman and the carmen and not interfere with normal train radios.

The "hot" track's pickup truck is used to carry supplies to the train yard for in-train repairs. Also radio-equipped, the truck has a 2,000-pound capacity hoist on the rear to help change drawbars or to perform similar lifting chores. Even the Cline emergency truck has a radio, this one equipped with three separate channels. One is the standard operating frequency used in yards and locomotives since the truck will often work in cooperation with locomotives. The second channel operates on the mechanical department frequency. A third separate channel is used between the driver and groundmen who direct the work while the truck is lifting heavy loads. This short range radio eliminates the need for shouting or use of confusing hand signals.

Still another new addition to the yard is a series of 13 stations which have been added to the talk back system between points in the yard and the yardmaster's office.

And how about the business in Fort Worth?

Says Assistant Superintendent Hare, "The trains are the same, but they're bigger. For example, a year ago it was common to have only 15-20 loads northbound. The rest were empties, usually grain cars returning from the ports.

"Now, we average about 55 loads per train northbound."

North of Fort Worth, there are two through trains a day in each direction, plus locals. Perhaps the pride of the railroad is the southbound, Chicago-originated "TSX" which usually arrives in Texas with between 75 and 100 cars.

The bulk of the "TSX" is dropped off at Dallas, with a heavy percentage of the set out in the form of piggyback cars. The balance is evenly divided between Fort Worth and Houston.

The heavily industrialized area between Fort Worth and Dallas is served by two daily "road switchers" which

work the 30-odd miles between the two cities, switching industries and delivering and picking up from the Great Southwest Railroad, which serves the sprawling Great Southwest Industrial complex.

That mileage between Fort Worth and Dallas is probably one of the busiest pieces of railroad on the Rock Island since between 30 and 40 trains a day use it, including those of the

Frisco and Fort Worth and Denver.

Business and rail activity are on the upswing in Texas, and the additions made to Fort Worth's yards will help the railroad do a better job.

"And that's the thing we all want to do," says Stuart A. Young, trainmaster. "We've got to move the freight fast in today's competitive market. The shipper demands good service and it's our job to provide it for him."

Fort Worth STAR-TELEGRAM WEDNESDAY MORNING MAY 24, 1967

Rail Traffic Delayed By Spilled Gasoline

By MARTHA HAND

Thousands of gallons of ethyl gasoline Tuesday turned water red in the Trinity River lowland near the Bell Helicopter plant and delayed traffic on the Rock Island Line for nearly nine hours.

The delay began shortly after a high-pressure gasoline line was ruptured at 8:55 a.m. by a Fort Worth water department crew.

"A metal tooth in excavating machinery tore a gash in the line about one inch by five inches," said Eules Fire Chief Jack Hauger.

The accident occurred just east of the Bell plant and a few yards from the Big 3 Welding Supply Co., which manufactures bottled oxygen.

Firemen from Eules, Fort Worth, Hurst, Carswell Air Force Base and Southwest Airport worked to prevent the gasoline from being ignited.

District Fire Chief R. M. Cox of Fort Worth ordered two Fort Worth and Denver passenger trains detoured.

"It is too risky," he said.

Also held up were four freights.

Cox described the situation as "highly dangerous most of the day." Firemen finally were able to wash most of the fuel upstream bordering Rock Island tracks.

Carswell fire fighters earlier had spread a tank load of foam over the lethal fuel.

Firemen worked beneath a Turn to Gasoline on Page 2

July 1967 U.S. Railroads, Union Reach Agreement

WASHINGTON (UPI) — Contract agreement was reached Saturday between the Order of Railroad Conductors and Brakemen and the nation's railroads ending one of the three strike threats against the railroads this year.

A special presidential emergency board which announced the agreement, did not release specific terms, but sources close to the negotiations said it called for a 6 per cent wage increase.

Msgr. George C. Higgins, chairman of the emergency board, said the union and the railroads had signed a memorandum of understanding providing the details for a contract agreement which will be executed at a later date.

MARCH-APRIL

Dec 13-1967 Dutch Housewives May Raise Roofs

AMSTERDAM — The Dutch Housewives League is campaigning for minimum ceiling heights in public housing.

Based on medical advice that too-low ceilings cause bad acoustics and consequent ear damage, especially in your children, the women want to raise ceilings to at least nine feet.

Fort Worth STAR-TELEGRAM TUESDAY MORNING MAY 30, 1967

Pickets Halt Train In Rio Grande City

RIO GRANDE CITY, Texas (AP) — Farm labor union pickets temporarily halted a Missouri Pacific freight train loaded with melons Monday.

Two women carrying picket signs halted the train when union train crew members refused to cross the farm labor union picket lines.

A management crew moved the switch engine and five refrigerator cars past the pickets under the eye of 10 Texas Rangers and deputies.

The picket line was established near the Rio Grande City freight depot. No arrests were made. Earlier, a farm labor union official said a "massive protest rally" against the Texas Rangers would be held in this Lower Rio Grande city Saturday.

Gilbert Padilla, vice president of the United Farm Workers Organizing Committee, AFL-CIO, said Mexican-American organizations from "all over Texas" are being invited to attend the rally.

Padilla said the rally would coincide with the arrival of union sympathizers from Dallas and Austin.

A motorcade, sponsored by the Dallas Young Democrats, is to leave Dallas Friday for Rio Grande City.

Padilla said he expected "thousands" to attend the rally.

Padilla said the rally is being held to protest what he called "provocation and brutality used by the Rangers down through the years because of our ethnic backgrounds."

"If the Texas Rangers are going to shove one of us around, we are going to give them an opportunity to shove all of us at one time," Padilla said.

Local officials asked the Rangers to help during the cantaloupe and honeydew melon season. Four to eight Rangers have been stationed here since early May. The union has made almost daily protests concerning the Rangers' role in the farm labor dispute.

The Rangers have made 43 arrests since the melon harvest began.

The California-based union has sought to organize field hands in Starr County since June and asks a minimum wage of \$1.25 an hour and union contracts for the men and women who perform stoop labor in the vegetable and melon fields. The union claims workers are paid less than the federal minimum wage of \$1 an hour.

COURT, MAYBE

Loner's War On Katy Due New Tactics

Dallas (AP) — Missouri-Kansas-Texas Railroad crews are still running trains back of Robert G. Posy Flowers' house, and Flowers isn't at all happy.

Mindful of a court order, he indicated Monday, however, that he may sue instead of forcing any more unscheduled stops by the Katy.

Flowers, 61, an unemployed welder, has argued with railroad officials for years that the track was laid 10 feet too far north, putting it on his property.

Aside from shouting at the trainmen who rode past, he had done nothing since he tried to build a fence across the rails in 1963 and it didn't work.

Then matters came to a head May 25. Flowers stood a heavy railroad tie on end, buried half of it between the rails and reinforced the exposed stump with iron bars.

"For about eight hours that stopped 'em," he recalled with a big smile.

After that the Katy kept rolling until June 7, when Flowers took a stand with a high-powered rifle. A switch engine passed and he shouted, "You're not going to bring that back this way."

Actually the gun was just sort of a visual aid, he later explained, adding, "I didn't offer to shoot nobody."

Railroad lawyers nevertheless petitioned the court for an injunction forbidding Flowers to interfere with the train crews.

Dist. Judge Dee Brown Walker granted it. He told disturbance could land him in jail.

Trainmen Agree on Demands

By ROBERT M. LEWIN
Chicago Daily News Service

CHICAGO — The AFL - CIO Brotherhood of Railroad Trainmen said yesterday that it will demand a 12½-per cent pay raise and other benefits from the nation's railroads in coming negotiations.

Charles Luna, president of the 140,000 - member union, estimated the "package" of pay raises and benefits would be worth 75 cents an hour.

The trainmen's union is the first to agree on its demands. Action was taken by 110 general chairmen (business agents) at a meeting in Las Vegas, Nev.

Under the 5 per cent pay raise the trainmen were granted effective last Aug. 12, they agreed not to file new demands before September this year. No new increases may go into effect before Jan. 1, 1968.

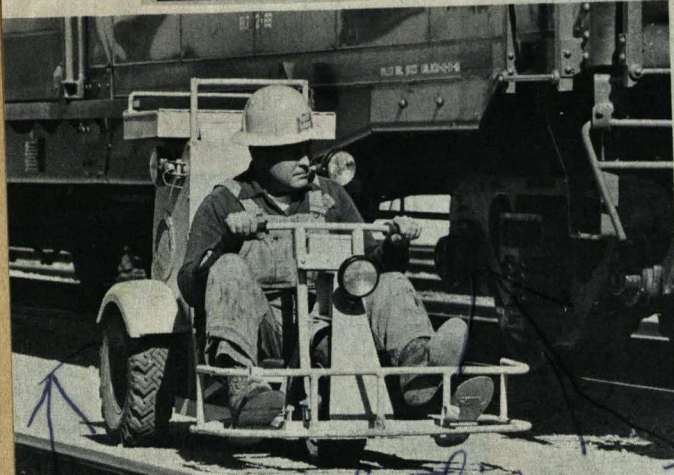
The trainmen said the union also would demand Good Friday and each employee's birthday as paid holidays, making the total nine a year. It also will ask four weeks of paid vacation after 15 years of service and five weeks after 20 years.

Other demands, they said, include:

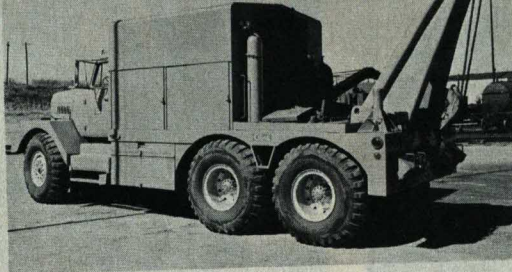
An adjustment of away - from - home expenses; a liberalization of payments based on the length of freight trains; an adjustment of inequities between road and yard conductors (foremen); payment for each holiday regardless of whether it is an assigned work day; an adjustment of overtime payments when the trainmen's basic day is used in calculations.

In a separate demand, the union will seek a liberalization of the health - welfare program, a union official estimated that trainmen average \$600 a month, not including overtime pay.

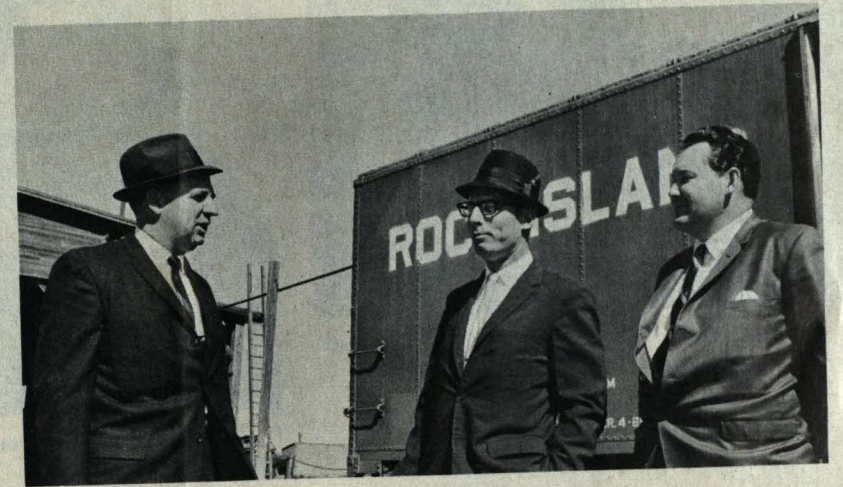
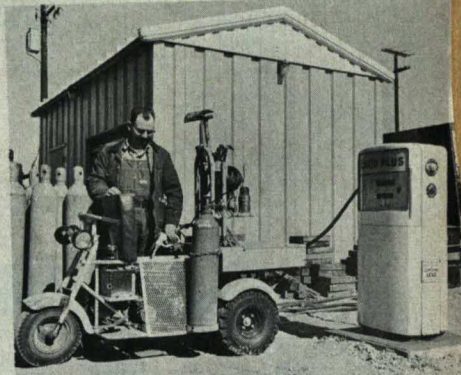
Mar/Apr/1967



*Swark with this man
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(Upper Left) Carman J. C. Taylor inspects train in Fort Worth from special "low boy" that gives him a good view of car trucks. (Upper Right) A. C. Beckham, carman, fits ladder on side of box car at new "hot" repair track. (Far Right) Lois Evans, carman, "fills her up" from pump located near "hot" repair track. Scooters speed carmen to cars needing repairs. (Above) New Cline relief truck replaces old relief derrick. (Right) Assigned to Fort Worth in recent months were J. Earl Hare, assistant superintendent; Gerald D. Thompson, assistant master mechanic; and Stuart A. Young, trainmaster.



Revamp Fort Worth Yard Operations

Several changes in operations — a team effort between the mechanical and operating departments — have resulted in more efficient train operations in Fort Worth's yards.

The first step was to mechanize the train yard. Driveways were built between certain yard tracks and carmen were outfitted with scooters for mobility in inspecting trains and making minor repairs right in the train, eliminating time consuming switching of bad order cars to the repair tracks.

One track, "pocket 16," was designated and equipped as a "hot" repair track. Cars that cannot be repaired right in the train yard are switched to this

adjacent "hot" track. Although switching still is involved, it is done faster because of the track location and cars are delayed at the repair track a minimum of time.

"With the old set up," notes J. Earl Hare, assistant superintendent, "it could take up to three days to move a car through the repair track. Now, we're repairing them right in the train, on a 24-hour basis, where before the repair tracks worked only one eight-hour shift, five days a week.

"It used to be that on a Monday morning we'd have up to 100 bad order cars waiting on the repair tracks, because there was nobody to work on them over the weekend. Contrast that

with last weekend. The men here cleared out 119 bad orders. That's doing a great job, and moving the freight for the shipper."

The old combination of repair tracks — four regular tracks plus two overflow tracks — is scheduled for retirement.

To provide better illumination for night work, mercury vapor floodlights have been installed in the south end of the yard.

The old relief derrick has been retired and sold. In its place, the railroad is using a Cline relief truck, a deceptive looking, squatty vehicle that has the capacity to lift a diesel locomotive from its trucks. "The obvious advantage," notes Gerald D. Thompson, as-

THE ROCKET

Fort Worth STAR-TELEGRAM

MONDAY EVENING
JAN. 2, 1967

Five Michigan Teen-agers Killed in Car-Train Crash

THREE RIVERS, Mich. (AP) — The bells of the new year tolled mournfully as tragedy hit this small southwest Michigan town.

Five of the town's teen-agers were killed in a train-car crash five miles east of Kalamazoo New Year's Eve. Dead are David Hanchon, David Hagerman, Dennis Lockwood and his cousin, Gary Warner, all 16, and Teryl Smith, 17.

"They were all fine boys," said Leslie Christopherson, a gasoline station owner in this town of 7,000.

The five were Boy Scouts. They were active in church work. They had jobs after class-

es at Three Rivers High School where all were juniors.

Dennis Lockwood was a school hall monitor.

David Hanchon was a junior assistant scoutmaster of Troop 113 at Immaculate Conception church. He was also a member of the Catholic Youth Organization and the National Honor Society.

The five were average or better students, said the high school principal, Edmund Blank. "This is going to be a

great loss to the junior class."

Some Three Rivers residents learned of the tragedy in church Sunday.

The Rev. Randolph Painter, minister of the Presbyterian church which Smith and Warner attended, departed from the normal service to tell his congregation of the fatal accident.

The crash occurred as the boys were on their way to Echo Valley for tobogganing at the ski resort.

One boy, David Hanchon,

lived long enough to tell how it happened.

He said the boys saw an east-bound train, but started to cross the tracks in plenty of time before the train got to the crossing.

The boys failed to see an 80 m.p.h. westbound train.

Witnesses said the second train hit with such force the car was fused to the front of the engine. Authorities believe both trains may have hit the car.

cate, Inc. 1064L

Labor Declares War On LBJ Rail Measure

By STANLEY LEVEY
Scripps-Howard Staff Writer

WASHINGTON.—Organized labor mobilized its lobbying forces today to defeat President Johnson's plan for resolving the railroad labor dispute.

Union legislative representatives began intensive efforts to convince Congress that the proposal, which went to the Senate and House yesterday, amounts to a compulsory arbitration law.

AFL-CIO strategists hope the compulsory arbitration tag will sway votes against the measure. The House Commerce Committee will open hearings on it Tuesday. The Senate Labor Committee will follow suit later.

LABOR'S DECLARATION of war against the proposed legislation represents the first serious legislative break between the AFL-CIO and President Johnson since he took office. The unions contend their right to strike would be stripped away. They favor federal seizure of the railroads.

The theme for labor's lobbying campaign was sounded by George Meany, AFL-CIO president, who said,

"In the final analysis the legislative proposal . . . terminates in compulsory arbitration. The AFL-CIO is steadfastly opposed to the denial of the right to strike through the

imposition of terms and conditions of employment otherwise unacceptable to the parties.

"**WE ARE CONVINCED** that the only thing now standing in the way of an early negotiated settlement of this dispute is the belief of the railroad lobby that compulsory arbitration legislation will be forthcoming to relieve them of the obligation to bargain in good faith."

The railroads, too, have reservations about the President's plan, but they will not oppose it. J. E. (Doc) Wolfe, chief negotiator for the carriers, said that while the proposal would "settle this particular case, it will not prevent a similar crisis in the railroad industry any time a union refuses to bargain in good faith."

The railroads want compulsory arbitration for all future industry disputes.

5-31-67 Merger of Rails Held Bad for Dallas

DALLAS (AP) — Officials of the Texas & Pacific Railway Co. testified Tuesday that the proposed merger of two giant railway firms would adversely affect the Dallas economy.

The Interstate Commerce Commission is holding one of a series of hearings here on the proposed merger of the Chicago & North Western Railway Co. and Chicago, Rock Island & Pacific Railroad Co.

T&P spokesmen said the merged railroad would be able to use existing Rock Island tracks as direct entry into the Kansas City, Memphis and St. Louis markets, in effect bypassing the Dallas area.

The diversion would cost T&P up to \$400 million in income yearly, T&P traffic consultant Herman Pistor told the commission.

The Dallas-based railroad asked that if the merger is approved, the T&P be granted permission to use the Southern Pacific Co. system to move rail traffic between Dallas and Los Angeles.

Earlier, John W. Barriger, president of the Dallas-based Missouri-Kansas-Texas Railroad Co., said he would want to be included in any large-scale merger of railroads operating in his area.

Hearings began last May in Chicago. Other cities due hearings are Denver and San Francisco.

The Dallas proceedings chiefly concern the North Western's application to control the Rock Island. Also involved are petitions by the

Union Pacific Railroad to control and merge with the Rock Island, and the Southern Pacific Co., the Atchison, Topeka & Santa Fe Railroad Co., and the North Western to

buy parts of the Rock Island.

The Union Pacific would use a piece of the Chicago-based Rock Island's 14-state network for direct entry into the Chicago market.



TNT STILL SMOLDERS — Police said danger of an explosion of derailed freight cars south of Spartanburg, S.C., had passed Tuesday. The cars, one containing TNT and another Army ammunition, were

still smouldering, but the TNT burned out in a boxcar without exploding. Residents in a two-mile area were evacuated Monday when the cars caught fire. There were no injuries in the accident.

WEDNESDAY MORNING
JUNE 7, 1967
Fort Worth STAR-TELEGRAM 7-C

Senate Will Debate Rail-Strike Measure

WASHINGTON (A.P.) — Senate debate was scheduled for Wednesday after the Labor Committee approved without major change Tuesday President Johnson's plan to head off a nationwide rail strike threatened for June 19.

With that date less than two weeks away, the White House said, Democratic congressional leaders have assured the President they will "push action as hard as they can."

Meanwhile, the House Commerce Committee was told by the Pentagon that a proposal by the six shopcraft unions to move defense-related items in the event of a strike is totally unworkable, in view of the myriad of items involved.

The statement by Secretary of Defense Robert S. McNamara to the House committee

strongly backed Johnson's proposal for compulsory settlement if no agreement can be reached between the unions and the railroads which handle about 95 per cent of the nation's rail traffic.

The Senate committee turned back all efforts to amend the resolution to make it more palatable to the unions, such as allowing limited federal seizure of the railroads.

The only changes made in the President's proposal were minor clarifying amendments written in by a Senate labor subcommittee Monday.

Johnson's plan would extend for 90 days the current no-strike period which ends June 19. This would be the

of their right to strike and imposition by the government of pay scales less favorable than they would gain through their own economic lever.

The railroads say they are willing to go along with the plan reluctantly as the only practical way to avoid a railroad tieup.

McNamara's statement to the House was presented by Paul R. Ignatius, assistant secretary.

Walkout Delayed 47 Days

WASHINGTON (AP) — As Congress waited for President Johnson to recommend ways to settle the railroad wage dispute, he signed into law Tuesday a bill delaying for another 47 days any strike by craft shop workers.

White House Press Secretary George Christian said the President would submit his legislative proposals soon. He added that Johnson conferred Monday night and Tuesday with several advisers on this.

Among those with whom Johnson talked, Christian said, were: Sen. Wayne Morse, D-Ore., who has been handling rail labor legislation in the Senate; Secretary of Defense Robert S. McNamara, Secretary of Transportation Alan Boyd and Secretary of Labor W. Willard Wirtz.

Johnson made no special ceremony of signing the bill passed by Congress Monday banning any strike for 47 more days of settlement efforts. Instead of the usual batch of pens for ceremonial signings, Johnson sat alone at his desk and used his own pen.

The signing took place at 1 p.m. In the absence of the law the six unions would have been free after midnight to strike 90 per cent of the nation's railroads.

The unions sent their 137,000 workers formal notice of the strike postponement, in compliance with the law.

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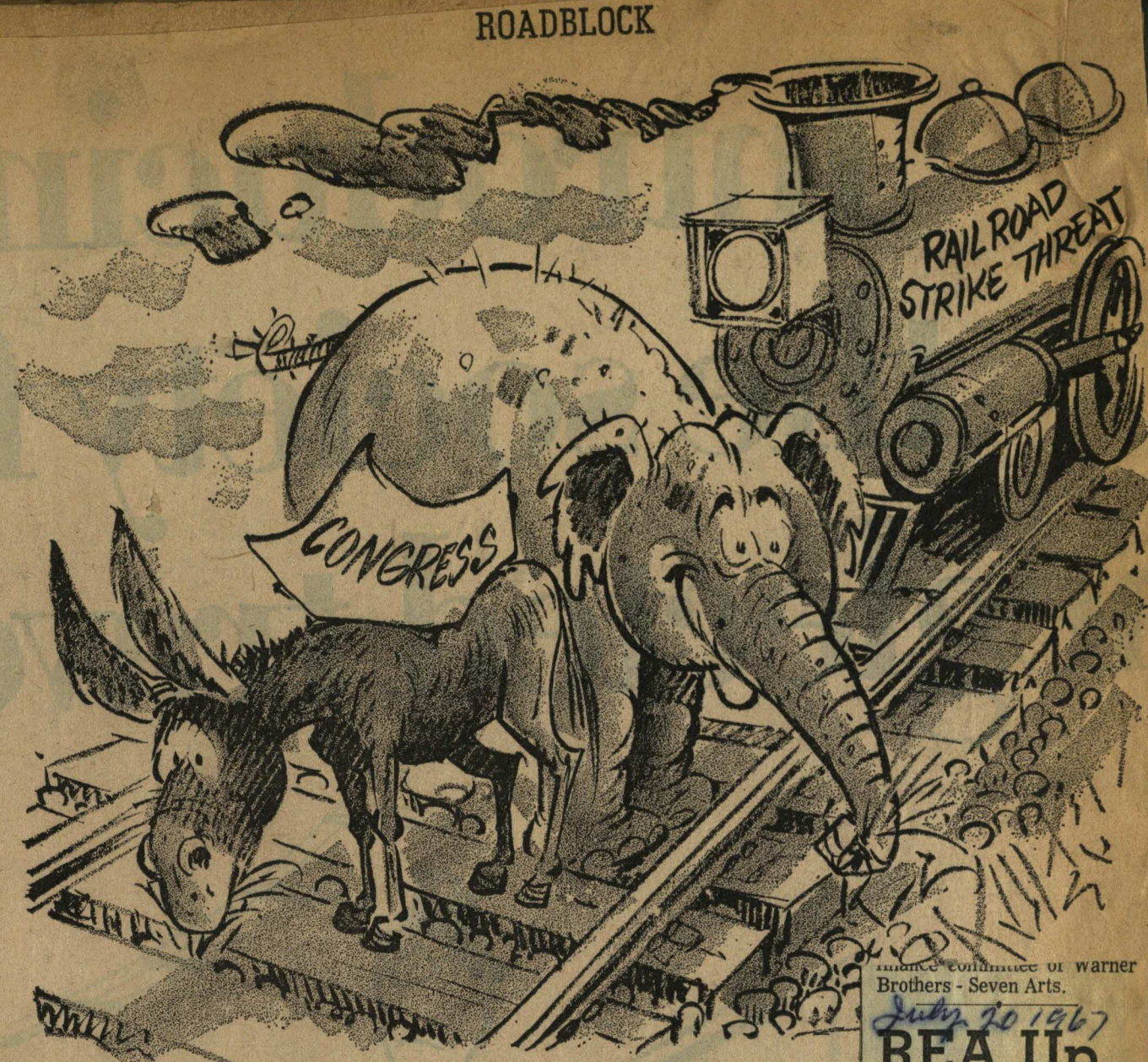


Illustration by Warner Brothers - Seven Arts.

July 20 1967
REA Up
For Sale
By Rails

NEW YORK (AP) — Sixty railroads have decided to sell the Railway Express Agency, which they have owned since 1929.

The unanimous decision by the full 19-member board of the agency was announced Tuesday night.

The railroads formed the agency to purchase the nation's express business from American Railway Express, which was organized during World War I at the direction of the government to run all privately owned express operations.

William J. Taylor, president of Railway Express, said he doesn't know what it would take to buy the company.

In 1964, Greyhound Corp. offered \$25 a share, or \$50 million, for 2 million shares of stock. The proposal did not receive the required approval of holders of 85 per cent of the stock.

Taylor said the board made its decision "with some reluctance."

But he said it believed the development of the company had reached the point where exclusive railroad ownership "stands in the way of greater intermodal development of this system."

Railway Express has gross revenues of more than \$450 million a year. Taylor estimated the agency's loss in the fiscal year ended last June 30 "in the vicinity of \$6 million."

3 Die as Car, Train Collide

CAMERON, Tex. (AP) — Mrs. Clayton Baker of Temple, her 5-year-old daughter and a young niece were killed Thursday when their car collided with a Santa Fe freight train here.

Mrs. Baker and her daughter Becky were dead at the scene of the crash, shortly before mid-afternoon. Valarie Ann Conner, 7, the niece from Houston, died a few hours after the accident.

Tanny Baker, 8, a second daughter of Mrs. Baker, and Janice Baird, 17, a visitor in the Baker home from Wichita Falls, were treated at a Cameron hospital for shock and released.

W. B. (Barney) Hamm, a brakeman from Temple riding in the train's caboose, was reported by the railroad to be slightly injured. He fell, a spokesman said, when the train came to a sudden stop.

LBJ Asks Rail Strike Ban Until 1969

WASHINGTON (AP) — President Johnson proposed Thursday a law forbidding a nationwide railroad strike until 1969 by seeking a voluntary wage agreement if possible but providing for compulsory settlement if necessary.

"It represents the slightest possible intrusion upon the process of collective bargaining," Johnson said in a message to Congress.

Secretary of Labor W. Willard Wirtz insisted at a White House briefing that the proposed legislation would not amount to compulsory arbitration to force a settlement.

Both railroad and union spokesmen criticized the Johnson plan, but the industry said it won't oppose the legislation.

Spokesmen for the six shop-craft unions in the dispute indicated they would put up stiff opposition in Congress.

Johnson's proposal would create a five-man White House board to exert intensive

efforts to win a voluntary agreement, and then imposing binding terms if this fails.

The board's proposals, if there was no agreement within 90 days, would go into effect for two years retroactive to last Jan. 1.

The unions and the railroads could keep bargaining for a different agreement, but any strike or lockout would be banned by the law.

"It is the President's deep and firm hope that the parties will be able to reach a settlement in this dispute during the first 30 days," said Joseph Califano, White House assistant.

Wirtz said he believes the Johnson proposal will produce a settlement within 60 days after it is enacted by Congress.

Wirtz and Califano called the plan "extended negotiation and mediation to a finality," and described it as unique to collective bargaining.

"Mediation to finality is still compulsory arbitration, which

is foreign to the American way of life," said P. L. Roy Siemiller, president of the AFL-CIO International Association of Machinists.

"The only settlement acceptable to railroad shopmen is one freely negotiated by the parties," added Joseph W. Ramsey, vice president of the machinists, one of the six shop unions.

The railroad's chief negotiator, J. E. Wolfe, said the plan would not prevent future rail labor crises. He said the industry will continue to press vigorously for a new law to deal with all such disputes.

"However, we will not oppose the President's proposal in this case," Wolfe said.

"We must take action now," Johnson said, "as we continue and renew our search for a just and general solution to emergency strike or lockout problems in our country."

Wirtz said the 90-day period would begin as soon as Congress acts on Johnson's pro-

posals superseding a 47-day strike delay imposed by Congress that began May 3. Congress earlier had enacted a 20-day delay at Johnson's request.

"There comes a time when the interest of management and the interest of labor must be supplied, when water must be kept potable, and when factories must not be allowed to close down for lack of materials."

Johnson said the new White House board, which will include one member with a management background and one with a labor background, will embrace and modify an earlier presidential panel's recommendations.

This earlier panel recommended a 6 per cent wage increase for an 18-month agreement plus three 5-cent an hour extra pay hikes for some 99,000 skilled men of the 137,000 workers involved.

The unions are demanding a two-year agreement with a 6.5

per cent general wage hike the first year, 5 per cent the second year and two annual 12.5-cent hourly pay hikes for skilled workers.

The railroads last offered a 6 per cent across-the-board wage increase for an 18-month settlement, plus one skill hike of five cents an hour.

Califano and Wirtz described the differences between the unions and the railroads as a narrow gap.

Johnson said the two sides have the power to close the gap voluntarily.

"Their taking the last few steps to settlement will show the world the industrial statesmanship which is the pride of America."

AFL-CIO President George Meany branded Johnson's proposal compulsory arbitration and said, "We shall therefore vigorously oppose this as well as any other legislative proposal which calls for compulsory arbitration of the issues in dispute."

supplies. All had ample labor

46 Freight Cars Derailed South of Bowie

Forty-six railroad freight cars and several hundred yards of track were a tangled mass of wreckage in a spectacular derailment about ten miles south of Bowie Thursday afternoon.

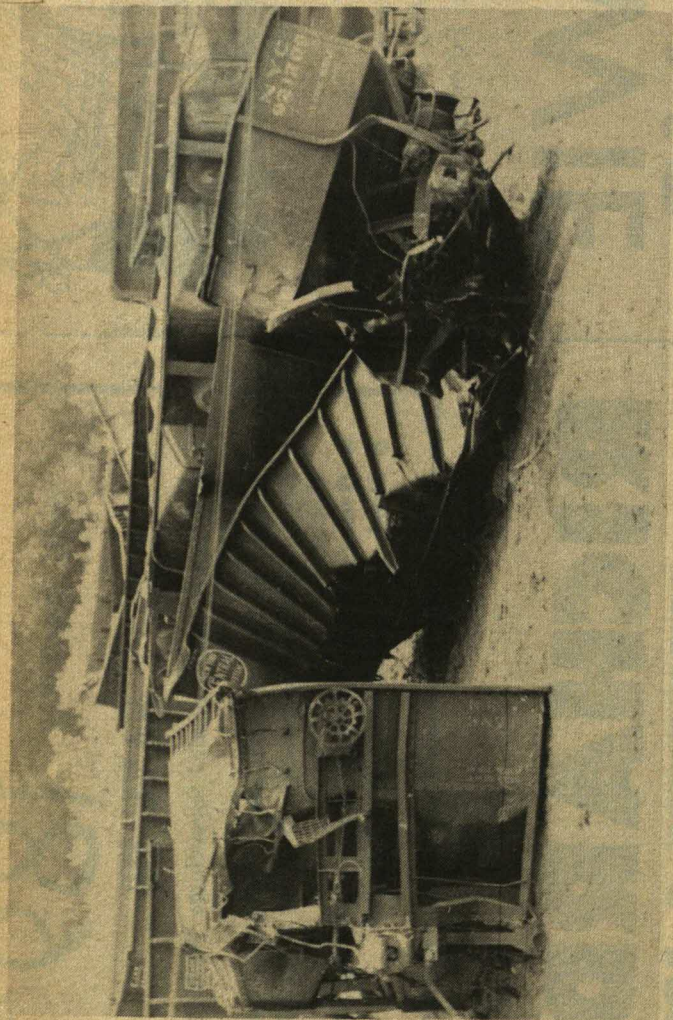
Rock Island officials believed the mishap occurred when a brake shoe fell to the track, derailing one car, and then the others, toppling them from the high embankment.

Only three of the cars were loaded -- one with scrap iron, another with drilling clay, and the third with a piggy-back trailer of soap. Most of the others were gondolas.

The sound-bound Waurika-to-Bridgeport local had left Bowie at about five p.m.

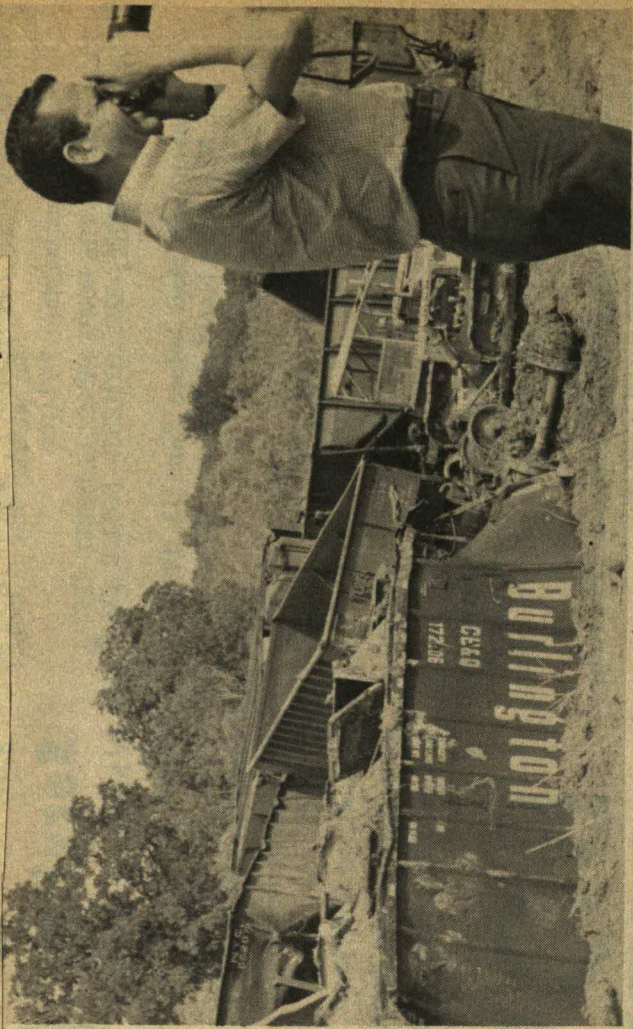
No injuries were reported. Emergency crews were called in from Texas and Oklahoma points to repair the damage.

Rock Island trains were rerouted over Fort Worth and Denver tracks until the service was restored at 6 p.m. Friday.



FORCE OF THE crash of the derailment is evidenced by these twisted gondola cars. Workers labored through the night, and the line was reopened by 6 p.m. Friday.

(Bowie News Photo)



STACKED UP like toys were 46 cars after a derailment on the Rock Island Railroad about 10 miles south of Bowie Thursday afternoon. Here the Bowie News camera catches Publisher Jim Winter as he records another view of the scene.

(Bowie News Photo)

THE BOWIE NEWS - THURSDAY, MAY 18, 1967

June 25 1967
POLICEMAN NOW HAS NOSE FOR TROUBLE—a Sore One

CHICAGO (AP) — A motorist bit off part of the nose of a policeman who stopped him for an alleged traffic law violation Saturday.

Officer John Nalepa said he and his partner, Richard Blaa, halted Wayne Titler, 33, a railroad brakeman, on a near North Side street because Titler's car lacked license plates.

Nalepa gave this account:

Titler was unable to produce a driver's license after he was stopped, and he was arrested. A fight developed. Titler bit Blaa on the nose.

Titler was charged with aggravated battery and was given four traffic tickets.

Blaa was taken to Henrotin Hospital in the hope surgeons could stitch on the severed left section of his nose.

July 2nd 1967
5 Die at Port Arthur As Car, Train Collide

PORT ARTHUR (AP) — Five persons were killed and a young woman seriously injured late Saturday when a car and a Kansas City Southern train collided.

Savannah Ave.

A DPS spokesman said the dead and injured were taken to St. Mary's Hospital in Port Arthur.

Attendants at St. Mary's Hospital here said the only survivor of six persons in the automobile was Betty Jean Parker, 24, of Port Arthur.

The Department of Public Safety said the 6:58 p.m. accident occurred just north of the Port Arthur city limits at the intersection of the Kansas City Southern railroad on

Nov-8-1967
Buying of Buses Planned in Mexico

MEXICO CITY (SpI) — Federal district authorities announced 3,000 buses will be purchased from local automotive companies for a total of \$40 million. These will be added to 6,000 now circulating in the capital's streets.

The National Bank of Public Works and Services is to provide the purchase money. Earlier reports that buses might be bought in Europe or U.S. have been denied.

Fort Worth STAR-TELEGRAM THURSDAY MORNING
JUNE 8, 1967

Senate Passes Plan To Stop Rail Strike

WASHINGTON (AP) — Senate passage Wednesday moved to the House the fight over President Johnson's plan to head off a June 19 nationwide railroad strike.

The House Commerce Committee completed hearings on the President's proposal and scheduled closed discussions Thursday to start wrapping up its version.

The goal is to get the resolution to Johnson before the June 19 deadline, and congressional leaders assured him at the White House Wednesday they could do this.

The Senate passed the legislation 70 to 15 after knocking down solidly the persistent efforts by Sens. Ralph Yarborough, D-Tex., and Edward M. Kennedy, D-Mass., to make the plan more acceptable to the six shop craft unions. They had lost out in

committee action on the bill earlier this week.

Under Johnson's plan, the strike, suspended by congressional action twice before, would be blocked for another 90 days to permit intense mediation efforts by a presidentially appointed five-member panel.

If no voluntary settlement resulted in that period, the board could impose its own settlement terms, which would continue in effect until Jan. 1, 1969 unless the parties reach agreement before that.

Kennedy's proposal for the government to seize the railroads during the 90-day period was beaten 64 to 22. During this period, the railroads would have lost their profits and the unions would have lost the right to retroactivity in any wage increases.

FW Author Tells of Panama Railroad

Fort Worth Press, Sunday, May 28, 1967

"RAILS ACROSS PANAMA," by Joseph L. Schott (Bobbs-Merrill, \$5.50).

Even after 100 years, legend says there's a man buried for every one of the 40,000 cross-ties in the railroad across the Isthmus of Panama.

But that's all it is, insists Fort Worth author Joseph L. Schott—pure legend. The death toll was high, however. Best estimates place at 12,000 corpses the cost in human life of building a railroad across Panama.

In terms of dollars, the railroad cost more than \$8 million. A group of American businessmen financed the railroad through swamps, across mountains, a distance of only 47 miles, 3,022 feet, from Manzanillo Island in the Caribbean Sea to Panama City on the Pacific.

The railroad was begun only a short time before gold was discovered in California. The Isthmus—less than 50 miles from sea to sea—became one of the principal routes to the gold fields. Passengers would ride the train as far as the rails permitted, and then would walk the rest of the way through the mosquito and alligator-infested swamps. Many of them never arrived on the Pacific side.

And there were the ones coming back from California, with boxes and crates of gold. These men made easy pickings for the Derenni, a bandit gang that accounted for many of the corpses.

That's when the railroad established its own police force, the Isthmus Guard. Importing the highly religious and equally deadly ex-Texas Ranger, Ran Runnels, the railroad gave him a carte blanche to keep the peace.

The first time Runnels acted, he and his guard, masked, struck by night. The next day, 37 men dangled from nooses strung up on the

sea wall at Panama City. The next time, more than 40.

But the real fight was that of George Totten, engineer on the railroad project, and of his mortal enemies—the terrain and climate of Panama. "Three days ago," he wrote about filling a swamp to create a base for tracks, "I made a test sounding here and found solid earth at 185 feet. Since then I've dumped nearly 4000 pounds of rock here. I just made another test and the sounding still shows 185 feet."

But Totten made it, battling wood-rotting rains, rail-rusting climate, alligators, fever, swamps, mountains, the deadly Chagres River, and worst of all, lack of money and support from the United States. The first train made the coast-to-coast journey in January, 1885.

The struggle of man against nature and man against man makes 224 pages of fascinating reading. Joe Schott has painstakingly researched the subject—one of his trademarks—and writes with a liveliness and wit that brings the story home to the reader.

Mr. Schott, an FBI agent stationed here, researches his books at the Library of Congress when he's on Washington trips. He's the author of "Above and Beyond," the story of the Congressional Medal of Honor, and "Ordeal at Samar," the story of one bloody incident in the nearly forgotten Philippine insurrection.—JIM NEAL.

THE CAGE, by Andrea Newman (Dial Press) \$4.95.

"It was like joining a gloomy secret society . . . I felt myself instantly in touch with

all women who had ever lived and experienced this terror."

With these words Valerie, chief character of "The Cage," begins her first person story at a crisis which is to change her whole life.

For Valerie feels that life has trapped her at the very moment her greatest ambition has been realized—acceptance at a London university and a chance at a brilliant career. Instead she is "caged" in a situation of her own making, because of a "stupid accident."—she is pregnant and is forced into marriage with a man who has only physical attraction for her and who shares none of her intellectual interests.

Determined not to let marriage and a child "ruin" her plans, Valerie systematically arranges to leave both her husband and her child as soon as it is born. The author sensitively and perceptively follows Valerie's thoughts and emotions until after the child's birth. Then—but what follows may or may not surprise the reader. Only don't expect a sloppily sentimental ending.

Miss Newman, in this third novel, has explored with skill and uncompromising insight the relationship between two people with entirely different attitudes toward life, love and each other.—MARGARET CASKEY.

THE FAMILY TREE, by Dorothy Yates (Farrar, Straus and Giroux, \$4.50).

"The Family Tree" is a first novel by a native Texan presently living in England, Dorothy Yates.

Miss Yates says it is a novel "not only of confused paternity but of confused masculinity . . . about a society where male and female distinctions are increasingly blurred." She might well have added that it is a novel in which all the characters are blurred and one-dimensional, where the setting is also blurred and nothing emerges clear and distinct.

The setting is New Orleans, a fact which the reader would not realize except for an occasional mention of Mardi Gras, drawn in front of the reader like a string in front of a kitten. The family is old and socially ambitious; the family tree is rotted at the core.

There are Andre, who at 40 decided sex was unhealthy; Mathilde, his wife, whose doctor gave her a bottle of pills and told her to take it to the drugstore whenever it was empty. And then there is Etienne, Andre's nephew, an aging bachelor afraid to leave his mother.

By Chapter three Etienne is discovered in the sexual act with a woman he has brought into his mother's house, by his three or four-year-old nephew. From then on, it is much ado about virtually nothing.

In brief, the family is one whom one would prefer not to know—either live or in the pages of a book.—M. C.

THE PLOT AGAINST THE PATIENT, by Fred J. Cook (Prentice Hall, \$5.95).

Here's another one of those exposes about the medical establishment. Mr. Cook, author of various expose books, doesn't take kindly to American Medical Assn. He contends doctors have to work 16 hours a day and diagnose by telephone, because they are paying for their old sins.

Speaking of the doctor shortage, Mr. Cook writes:

"The answers are in the long, repressive record of the most powerful labor union in the country, the American Medical Assn. Ever since the depression-ridden 1930's, the AMA has followed the deliberate policy of restricting the number of doctors permitted to practice, a program that the AMA Journal has described as 'professional birth control.' The dominant and callous purpose has been to slice up the available revenue in fewer chunks, thus guaranteeing the lucky practitioners who have already passed through the sacred portals ever larger Cadillacs and fancier country clubs."

Mr. Cook cooks on high heat when describing documented examples of bumbling which resulted in unnecessary death. He says such

hair-raising "mistake killings" are "far more frequent than has generally been supposed."

Before closing, the author has some general recommendations for the medical profession. Don't just drop dead yet, but get to work, he suggests.—JEAN WYSATTA.

BLACK MARKET MEDICINE, by Margaret Kreig (Prentice Hall, \$5.95).

Still another expose that reveals facts about counterfeit drug manufacturers. The author, with permission of Food and Drug Commission, accompanied undercover agents on investigations and at one point was threatened by the underworld with bodily harm. Unfortunately, shady drug manufacturers know the limits of the law and continue to operate in a gray area.—J. W.

THE MIDDLE-AGE CRISIS, by Barbara Fried (Harper & Row, \$4.95).

The Middle-Age Crisis has one thing going for it. Like it or not, everybody goes through that crisis. If he doesn't, he's dead!

If you're getting near the middle-age bracket, you'll want to know when the crisis hits and how long it lasts. Although the duration and onset are individual matters, the author says, women go through the stage between 36 and 40 and men between the age of 40 and 45.

When you reach a period of boredom, instability and have a fear of aging, look out! You may be there.

The author has an interesting book and displays some wit in explaining how people may get through the crisis. If you keep busy enough, you probably can make it without reading the book. Quite a few people have.—MARVIN GARRETT.

EUSTACE CHISHOLM AND THE WORKS, by James Purdy (Farrar, Straus and Giroux, \$5.95).

James Purdy's fifth novel, "Eustace Chisholm and the Works," really gives the unsuspecting reader "the works." Out of the tragedy of the American depression, he dredged up enough filth and depravity to last for all times. And with his eight-odd assortment of homosexuals, bi-sexuals and sadists, he has managed to fall short of any sort of a plot.

THE OCCUPIERS, by Julia Edwards (Fleet Publishing Corp., \$5.95).

Behavior of Americans in occupied Germany after World War II is the subject of Julia Edwards' fascinating novel, "The Occupiers."

Young Kate Deming seeks adventure as a newspaper correspondent and finds military rules replacing the Ten Commandments. She is disillusioned when she finds lonely Army men living with women who were not their wives, then gets involved with a married newsman. She falls in love with him, then insists on him returning to his wife back in the states.—ELTON MILLER.

THE WISHING TREE, by William Faulkner (Random House, \$3.95).

This posthumous publication probably should have been left buried where it was found in Faulkner's private papers.

It's Faulkner's only children's book, and after reading its scant 82 pages, one can easily see why.

It's a rather prissy book, the sort that a maiden aunt might give to a nephew who keeps his clothes clean on Sunday afternoons while the adults are sipping tea.

Faulkner's world was one of tragedy, decadence, and death. This book deals with a fanciful birthday trip to a never-never land far from Faulkner's Yoknapatawpha County, despite studied use of southern dialect by the author.

Four children, or child-types, join Maurice, an enchanted, but not enchanting, red-headed boy on a journey to find the wishing tree and discover that goodness is the key to success.

Though a children's book, the work would probably bore most perceptive children, and the St. Francis of Assisi allegory will if not offend at least repel most adult readers.—LAURIE TRIMBLE.

June 14-1967

Auto-Train Victims' Funerals Are Planned

Families of two auto-train victims were making funeral arrangements in Arlington and Gatesville today.

Dead were Mrs. Juanita Moore Lusk, 57, of Route 1, Grand Prairie, and Alva Houston Snoddy, 60, of 613 NE 11th in Grand Prairie.

They were killed instantly when Mrs. Lusk's car was hit by a Santa Fe passenger train at the railroad crossing on the Great Southwest Parkway, just west of the Tarrant-Dallas County line, in Tarrant County.

Mrs. Jo Ann Mumford, daughter of Mrs. Lusk, said her mother worked for Triangle Cleaners in Irving.

She said her mother and Mr. Snoddy, a retired painter and carpenter, apparently were returning after driving to a store in Arlington to buy a car battery.

Funeral arrangements for Mrs. Lusk will be made at Moore's in Arlington.

Autocides to This Date In Tarrant County

1967	1966
56	60

Mrs. Snoddy said her husband had been in ill health the past three years.

His body will be taken to Scott Funeral Home in Gatesville.

August 1967
114

Railmen End Strike

Members of the Switchmen's Union of North America pulled down their pickets early Sunday morning after a federal judge in Houston issued a restraining order.

The strike, which was aimed at the Southern Pacific line, lasted only six hours.

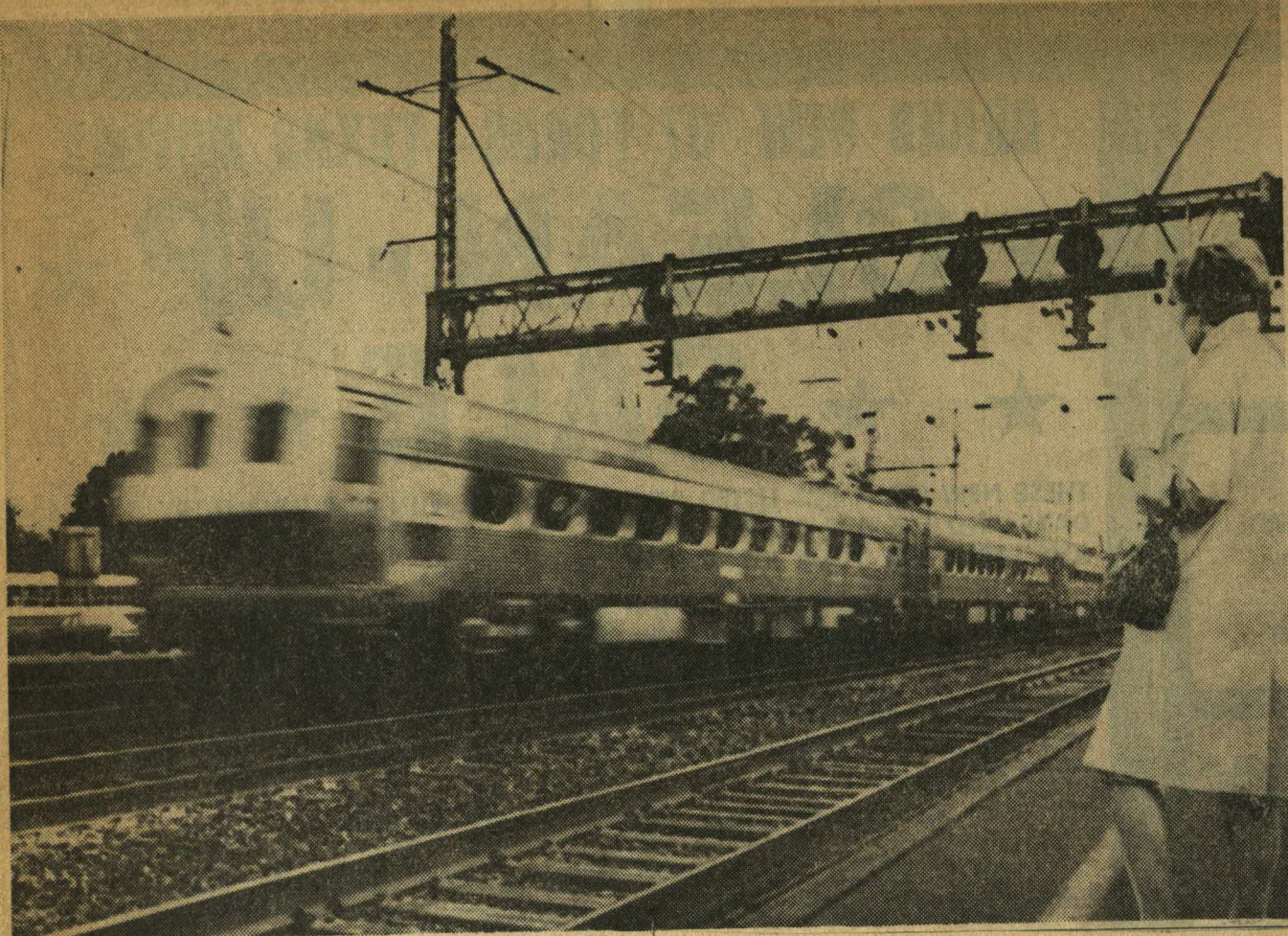
Switchmen in Fort Worth halted operations at 10 p.m. Saturday. The restraining order was issued at 4 a.m. Sunday.

The strike apparently was called because the union claimed union members and switching diesels were being taken off the job in Beaumont and Galveston.

Railway at Fair Okayed in Japan

OSAKA (AP) — The Transportation Council has approved applications from the private Kita-Osaka Kyuko Railway Co. to build two railways around the site of the 1970 world exposition to be held here.

The council is an advisory body to the Transport Ministry. The applications have been submitted to the ministry for final approval.



—Associated Press Wirephoto

FAST TRAIN — Woman waiting for regular train at Princeton Junction, N.J., watches high-speed test train flash through the station Wednesday at 156 miles per hour.

Pennsy Train Zips To 156 m.p.h. in Test

© 1967, New York Times News Service

PRINCETON JUNCTION, N.J.—At 156 miles an hour—faster than the cruising speed of most small aircraft—the federal government and Pennsylvania Railroad made the first public test Wednesday of a new high-speed passenger train.

The four-car train hurtled through Princeton Junction twice Wednesday, so fast photographers could hardly make pictures. It will provide high speed service between New York and Washington beginning Oct. 29. The railroad expects to cut travel time between the two cities about 45 minutes.

By 1970 the line hopes to increase the speed to 150 or 160 m.p.h. so the run can be made in 2½ hours. This would make railroad service competitive with shuttle air service in an effort to reverse the 50 per cent loss in rail passenger service since World War II.

The U.S. Department of Transportation has been conducting speed trials on a 21-mile stretch of track between Trenton and New Brunswick since last fall. Robert A. Nelson, director of the department's office of high speed ground transportation, called it "the most manicured railroad track in the world."

With the help of a \$9.6 million government subsidy, the Pennsy expects to spend an additional \$25 million to modernize the 226 miles of track between Washington and New York.

The test cars cost about \$250,000 each and the Pennsy plans to buy 50 of them.

The two test rides Wednesday began near New Brun-

wick. Carrying newsmen, the train made two runs, reaching 156 m.p.h. on the first and 145.8 miles on the second because of a slower start.

Since the track is welded in one continuous strip, there was no clickety-clack—just a rising sensation of speed as the train attained 100 m.p.h. in two minutes, 124 in three minutes and 127 a minute later. The train hit 156 m.p.h. two miles from Princeton.

The speed of the test train is not as fast as the 183.8 m.p.h. achieved by a New York Central train last July in Ohio. That was powered with a turbojet engine.

French engineers made an electrically-powered train go 206 m.p.h. in 1955, and the Japanese have been running a train between Tokyo and Osaka at 125 m.p.h. for several years.

THURSDAY MORNING MAY 25, 1967

Katy Asks to Have Role If Rail Merger Allowed

DALLAS (AP) — The president of Missouri - Kansas - Texas (Katy) Railroad Co. told an Interstate Commerce Commission hearing Wednesday that the line wants to be included in any large scale merger of railroads operating in its territory.

John W. Barriger, Kath president, said if the Katy were excluded from the proposed merger of Chicago & North Western Railway Co. and the Chicago, Rock Island & Pacific Railroad Co., it would be "condemned to extinction."

The ICC hearing in Dallas is a second phase of an investigation of the proposed merger that began in Chicago last May. ICC examiners Paul C. Albus and Nathan Klitenic are conducting the hearing.

Although the proceedings concern the North Western's application to control the Rock Island as the initial issue in the case, also involved are petitions by the: Union Pacific Railroad to control and merge with the Rock Island.

Southern Pacific Co. to purchase a portion of the Rock Island.

Atchison, Topeka & Santa Fe Railway Co. and the North Western to purchase portions of the Rock Island.

Other cities assigned for additional hearings are Denver on June 12 and San Francisco on June 26.

Barriger, who said he is an ardent believer in large-scale consolidation, said the "great misfortune of the American public has been that it has not permitted the rail industry to merge into a limited number of very large systems."

The Dallas hearing is

expected to continue through June 2.

THURSDAY MORNING JULY 6, 1967

Merger in October Likely for Railroads

©1967 New York Times News Service
NEW YORK — The Pennsylvania and New York Central railroads could merge as early as Oct. 1, under a federal court order handed down here on Monday.

In a unanimous decision, just made available, a special three-judge court, headed by Circuit Court Justice Henry Friendly, gave all parties opposing a prompt merger until July 17 to update and amend their complaints.

It warned that "in the absence of good cause" it would "dismiss with prejudice" the complaint of any plaintiff not meeting its July 17 timetable. The court will hold a "final hearing" on the objections on Sept. 18.

In the Monday order, the court stipulated that any party contesting the consolidation beyond Sept. 18 must file his application by Sept. 5.

In an interview last month Stuart Saunders, chairman of the Pennsylvania, said he hoped the two big roads could consolidate by early fall.

Under their agreement, the Pennsy and Central merger will be effected only on the first day of a month. This makes Oct. 1 the earliest for the two systems to begin operating as one.

The Interstate Commerce Commission approved the merger in April of last year. However, it was first blocked on Sept. 7, 1966, when the Erie-Lackawanna Railroad appealed to the courts to enjoin it. Eight other railroads, including the Norfolk & Western Railway, followed suit.

The Erie-Lackawanna sought the delay until the ICC could decide in what major

rail system it should be included. The commission last month finally ordered the Norfolk & Western Railway to acquire control of the Erie-Lackawanna and two other lines, the Delaware & Hudson and the Boston & Maine. At the same time the commission ordered the Pennsylvania and the Central to pay the three smaller roads financial indemnities until they became part of the N&W system.

Meanwhile, the justice department and the ICC have gone into court in Virginia to stay the proceedings. Both agencies are seeking to have all litigation consolidated and decided by the three-judge court here at the Sept. 18 hearing.

August 22-1967

Railroad Is Fined in Shipments

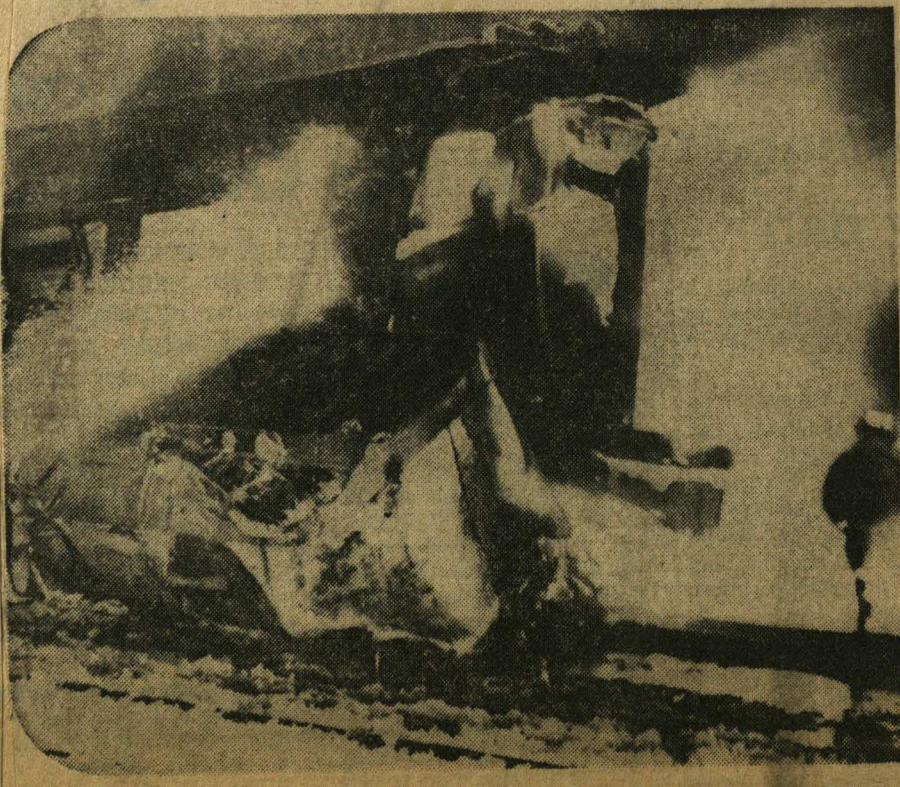
Federal Judge Leo Brewster today held the Fort Worth & Denver Railway Co. guilty of giving concessions to a shipper that federal attorneys said was in financial difficulties.

Shipments of livestock from Montana and Idaho to Rosenthal Packing Co. of Fort Worth in 1963 and 1964, when the railroad had been informed that Rosenthal was in financial difficulties, was in violation of the so-called Elkins Act.

These shipments constituted unfair competition to other carriers, Judge Brewster held.

Judge Brewster fined the railroad company \$1000 for each of four counts of the indictment and suspended sentence in four other counts.

December 28-1967



TRAIN-OIL TRUCK CRASH—Firemen battle flames after a train and oil truck collided at a crossing at Everett, Mass., just outside Boston.

FW&D Passenger Train Service Worse, ICC Told

AMARILLO (AP) — A West Texas official testified Thursday that passenger service by the Fort Worth & Denver Railway has gotten worse, despite railroad promises of better equipment.

Allan Hart, city attorney of Childress, was a witness at a hearing conducted by the

Interstate Commerce Commission on the FW&D's proposal to end passenger service between Dallas and Denver.

The ICC hearings moved on to Clayton, N.M. today.

The railroad contends the two trains daily are losing money because not enough passengers ride them.

Hart said poor service, in cars he said carried soldiers in World War I, are the reason for the low passenger revenues. Hart said the FW&D promised better service to his city last December when the line asked to discontinue two other trains.

He said the passenger service has become progressively worse since then.

"They told us they would put on all-stainless steel equipment, but passenger car No. 292, which frequently comes through Childress, carried soldiers in World War I," Hart said.

Hart said records at the Childress depot showed that a 164-day period between Jan. 1 and June 14, train No. 2 was on time only 43 times. The other train, he said, was on time 21 times.

J. D. Selman, an Amarillo florist, said his business would be hurt if the Denver-Dallas trains were stopped.

W. V. Sturgeon of Amarillo said he moved to Amarillo in 1950 and has since seen a steady decline both in quality of depot facilities and service.

Bob Mickey, principal of

Supreme Court Vote Retracts RR's Refusal to 'Piggyback'

WASHINGTON (AP) — The Supreme Court barred railroads recently from refusing to allow truckers to use "piggy-back"—trailer on flat car service at the railroads' regular rate.

The 6-3 decision upheld a ruling by the Interstate Commerce Commission to put motor carriers in a position to compete with the railroads for the business of shippers who want their goods moved piggyback.

The March 1964 ruling, which followed a two-year study, was set aside in August 1965 by a three-judge federal court in Chicago. The panel found the ICC had exceeded its authority.

The ICC, the Justice Department, the American Trucking Associations and the National Automobile Transporters Association of Detroit appealed to the Supreme Court.

Justice Abe Fortas, speaking for the majority, said:

"We cannot accept arguments based upon arguable inference from nonspecific statutory language limiting the commission's power to adopt rules which, essentially, reflect its judgment in light of current facts as to the proper interrelationship of several modes of transportation with respect to an important new development."

Accordingly, Fortas wrote, "We cannot sustain the district court's ruling that the commission lacked power to promulgate the rules in this issue."

Justices Hugo L. Black,

John M. Harlan and Potter Stewart favored upholding the lower court.

Piggyback service has grown explosively in the last 15 years. The railroads' revenue now exceeds \$300 million a year.

The federal government told the court the railroads dominate the service because they have the power to decide if they will take on truckers as piggyback partners.

At least 42 per cent of all piggyback shipments, the government said, move under plans in which the railroads perform the entire service.

door to door, using their own trucks. Motor carriers participated in only about 28 per cent.

While the trucker could only provide trucks to move goods to railheads, railroads operating their own trucks or leasing them could offer a shipper a complete piggyback service.

The ICC concluded the Interstate Commerce Act forbids the railroads to discriminate with respect to the availability or terms of piggyback service by refusing service to a trucker or by charging a higher rate.

body, a research vehicle which was turned over to the Air Force Tuesday late this year

Rail Union Seeks Ruling by Congress

WASHINGTON (AP) — Railroad Union leaders told members of Congress Tuesday they will withdraw their pledge against a nationwide railroad strike unless the Senate and House agree soon on proposed legislation.

"Our members need and deserve a substantial wage increase and they are getting very restless," said Joseph Ramsey of the six-union negotiating committee.

"The railroads have stalled this issue for 14 months and they are still stalling, hoping Congress will enact compulsory arbitration," Ramsey said in a letter to congressional leaders.

He said the unions are not now setting a strike date, but will withdraw their no-strike pledge if a Senate-House conference committee makes no progress by the end of this week on conflicting versions of special rail strike legislation.

The Senate approved President Johnson's proposed rail strike legislation which would provide for 90 days of extensive federal mediation in an effort to reach a voluntary agreement, and a binding settlement until January of 1969 if necessary.

The House refused to include any provision for a compulsory settlement in its version of the legislation.

about 100 residents of Buffalo Springs.

All 75 of Oct 20-1967

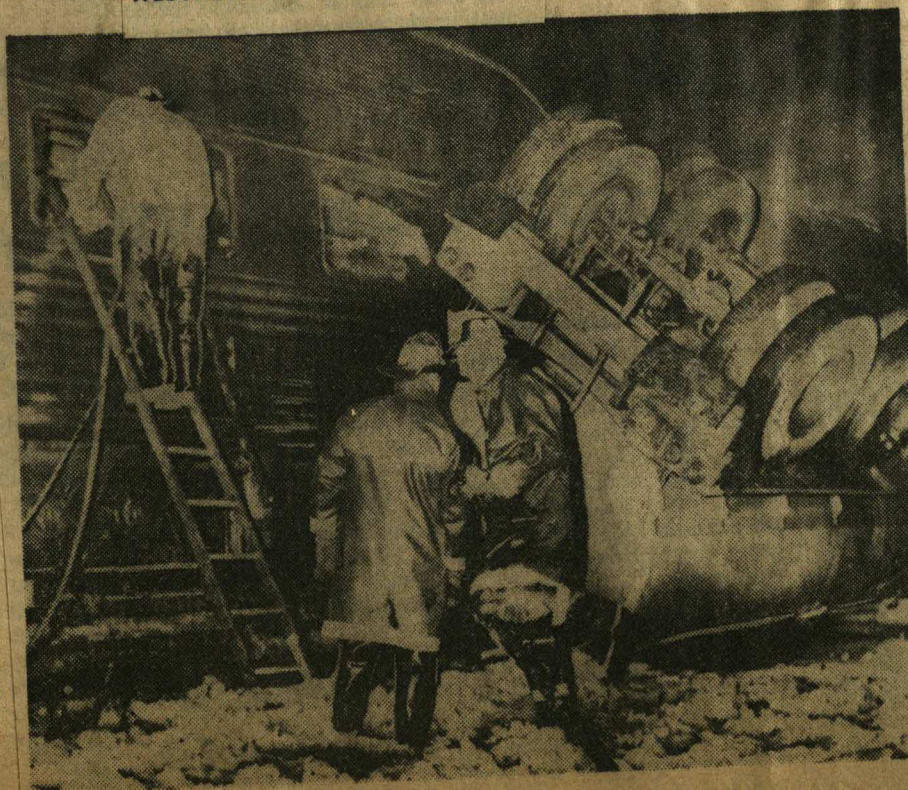
Frisco Hospital To Be Closed

ST. LOUIS (AP) — The Frisco hospital, which opened in St. Louis in 1899, will be closed shortly after Jan. 1.

H. F. Meeth, president of the Frisco Employees Hospital Association, announced Thursday the trustees voted to close the hospital.

Factors bringing the decision, Meeth announced, were the \$500 a month St. Louis property tax and demands by federal and state authorities that the association remodel the hospital so it could be certified for medicare payments.

WEDNESDAY, DECEMBER 28, 1966



SEARCH FOR VICTIMS—With doors jammed, firemen break through windows of fiery coach to reach some of the 28 passengers.



REMOVAL—After using their bare hands to aid some of the burned victims, firemen lift them through windows. (See story below.)

—Associated Press Wirephotos



Oct 5 1967

Air Mail 'Bargain' Due Some

Some U.S. mail customers may get a bargain when they send first-class letters. But it is not guaranteed. Trains are hauling less and more by truck and airplane. The railroads, citing declining passenger totals and loss of mail revenue, are discontinuing some of their trains. How will the 5-cent, first-class letters be transported to cities where rail service is not available or is not used? Vance Jones, regional director of transportation for the Post Office Department, said much of the mail is being air-lifted. What the Post Office calls "long haul" mail — cities about 300 miles or more away — is airlifted. Most "short haul" mail goes by truck. Much first-class mail to El Paso, for instance, is airlifted. But much of the mail to San Antonio, Houston and Amarillo goes by truck. First-class mail which is airlifted takes a back seat to the 8-cent airmail letters, though, Jones said.

—Star-Telegram Photo
J. E. Merritt, who retired from Texas & Pacific Railway after 66½ years, puffed another cigar and waved his ancient water crotch at a retirement party.

Dec 1967
**81-Year-Old Lady
Is Veteran Traveler**

CHICAGO (AP) — Mrs. Carrie Lowe, 81, got a special welcome from Depot Passenger Agent H. R. Arden as she arrived at Dearborn station after completing 50 trips on the Santa Fe Railway. Mrs. Lowe, who made her first trip on the Santa Fe in 1897, now makes two trips annually between her home in Granada Hills, Calif., and Parksville, Ind., where she supervises operations of a family farm.

Railroad Dispute Still A Standoff

WASHINGTON (AP) — No progress is reported in a presidential board's two-week-old efforts to resolve a shop-craft dispute that shut down the nation's railroads last month for two days. "Not a comma has shifted so far," an informed source said Wednesday of the stances held for months by the railroads and six unions representing 137,000 workers.

Under a law passed by Congress July 17 to end the two-day walkout, the presidential board was given 30 days to bring about a negotiated settlement.

If it falls in that period, the board, headed by Sen. Wayne Morse, D-Ore., must hold hearings over another 30-day period. If no agreement is reached during that period—both sides in the dispute must accept the board's recommendations.

Morse expressed confidence Wednesday a voluntary settlement would be reached. The unions still are demanding wage hikes of 6.5 per cent this year and 5 per cent next year, plus a 12.5-cent hourly hike each year for skilled workers. The railroads are sticking to their offer of 6 per cent over the life of an 18-month contract plus a 5-cent hike for skilled

Wright Defends Rail Vote

U. S. Rep. Jim Wright says he voted for a "compulsory arbitration" bill to end the nation-wide railroad strike because I had no choice. The congressman was chastised by labor leaders for voting for the bill which U. S. Sen. Ralph Yarborough claims is an extremely bad precedent for Congress to set.

Texas AFL-CIO President H. S. (Hank) Brown said, however, that even though Mr. Wright's vote on the railroad bill was anti-labor, his past record of voting is "good" for labor.

Said Mr. Wright: "It (the arbitration bill) was the only chance we had to keep the economy from being completely disrupted. He (the secretary of defense) talked to me personally. He convinced me that a nationwide rail strike would be very hurtful to the delivery of vital-needed materials to Vietnam. Confronted with that situation, I could do nothing else."

Sept 19 1967
**Post Office
Approves
Unit Here**

Final approval for the construction of a new Sylvania postal station was approved Monday by the Post Office Department, Rep. Jim Wright announced.

The new station, to be built at 400 Reita, will occupy 5,807 square feet and have 26,716 square feet of parking and maneuvering space. Riverside Realty and Investment Co. will construct the building at a cost of \$114,851, and then lease it to the Post Office Department. The Post Office Department will have a 20-year lease with six five-year renewal options at \$12,000 annually.

Rail Veteran Ends 66 Years on Job

J. E. Merritt, pushing 82, gave up on an extended argument with his wife and retired Wednesday from the Texas & Pacific Railway Co. After 66½ years with the company, Merritt called it quits, telling friends, "I guess I've worked enough."

"My wife's been after me for two or three years to quit working. I believe I could work until I'm at least 103," the chief clerk for T&P's car department said at a retirement party.

Merritt, of 3733 Pershing, told friends Wednesday he could keep on working as long as he could walk the 2½ miles to work and back, as long as he could lift his 35-year-old water crotch at lunch each day and as long as he could still inhale his three cigars per diem.

Looking at his wife, the spritely white-haired man asked, "What are we going to do in retirement?" "Well, I guess I have done just about everything I've ever wanted to do," he answered himself.

What he had wanted to do included jockeying race horses around his father's Marshall track at age 11, juggling and tight-rope walking around the vaudeville circuit, and working for the Texas & Pacific. Double-pneumonia ended his part-time career in vaudeville in 1929, he explained, but it didn't end his railroad career. "I could have retired at 65, too, but I didn't want to. It wasn't any drudgery for me to work. I liked it."

Bill Sparks
5451 Borita
Dallas, Texas 75206

The Chico Review Established 1893, merged May 25, 1967

THE CHICO Texan

CHICO, TEXAS — The Little City with a Big Future

Chico, Texas, Friday, June 23, 1967

Volume 71- Number 25

Single Copies 10¢

Harlan Bridwell, Owner-Publisher

Oct 9 - 1967 -
**Derailment
Cleanup in
Progress**

LITTLEFIELD, Tex. (AP)— Railroad crews worked through the night clearing derailed freight cars from the Santa Fe Railway tracks, 1½ miles west of Littlefield.

The railroad's dispatcher at Slaton reported a faulty journal, or wheel bearing, caused a car loaded with potash ore to jump the track late Sunday, and the pileup followed.

About one-fourth mile of track was ripped out. Railroad workers used heavy equipment to shove the derailed cars aside.

They said the line would be cleared in time to prevent any delays or detours of passenger trains.

Another derailment was reported Sunday across the New Mexico line near Artesia.



The tractor wound up on the other side of the railroad from this trailer when a Rock Island freight collided with it at a crossing near Bridgeport stone Rock Crushing plant south of Chico Tuesday afternoon. Damage to the truck and trailer were estimated to be about \$ 12,000.00. Driver Monroe Isom apparently was not injured.

GRAM

FRIDAY MORNING
JULY 7, 1967

79 Killed in East German Truck-Train Wreck

BERLIN (AP)— A fiery collision of a gasoline tanker truck and a passenger train at an East German farm village Thursday killed 79 persons, the official East German news agency ADN reported.

The truck exploded on impact, spreading flaming fuel over four of the train's double-decker cars.

ADN said a government commission investigating the crash at a level crossing reported recovery of bodies and rescue of injured ended late Thursday night.

"Regrettably," the agency said, "The total of those who so tragically died has risen to 79."

It was the worst railway disaster in East Germany.

Many victims were children trapped inside the burning cars, ADN said. Dozens were hospitalized.

The crash occurred as the

train was pulling into the station at Langenweddingen, a farm center eight miles from the industrial city of Magdeburg, ADN reported. It said a truck belonging to Veb Minol, the government fuel company, passed a partly open crossing barrier and moved into the train's path.

The truck's 4,000 gallons of gasoline, believed to be high-

test aviation fuel, burst into flames. The station was destroyed and the platform and a signal house were damaged.

Pictures shown on East German television indicated that two train cars were destroyed and two heavily damaged. A television announcer nearly broke down when he described the scene.

The East German radio opened its regular programs with solemn music.

In 1960, ADN reported that a two-train collision killed 59 persons and injured 60. Western accounts put the death toll at 64.

Forty-four persons died in another two-train collision in November, 1964, and more than 100 were injured. Forty-

three persons were killed and 40 injured in a 1956 crash.

ADN said preliminary investigation showed the traffic barrier at the crossing was not properly closed at the time of the accident. It said the barrier operator, who was

not identified, was ordered arrested "because of urgent suspicion" that he had neglected his duty.

Interior Minister Friedrich Dickel was heading the investigation of the disaster, ADN reported.

Hands Off Railroad Discussion

WASHINGTON (AP)—A special White House mediation board is letting railroad and shopcraft negotiators try to hammer out agreement—at least for the moment.

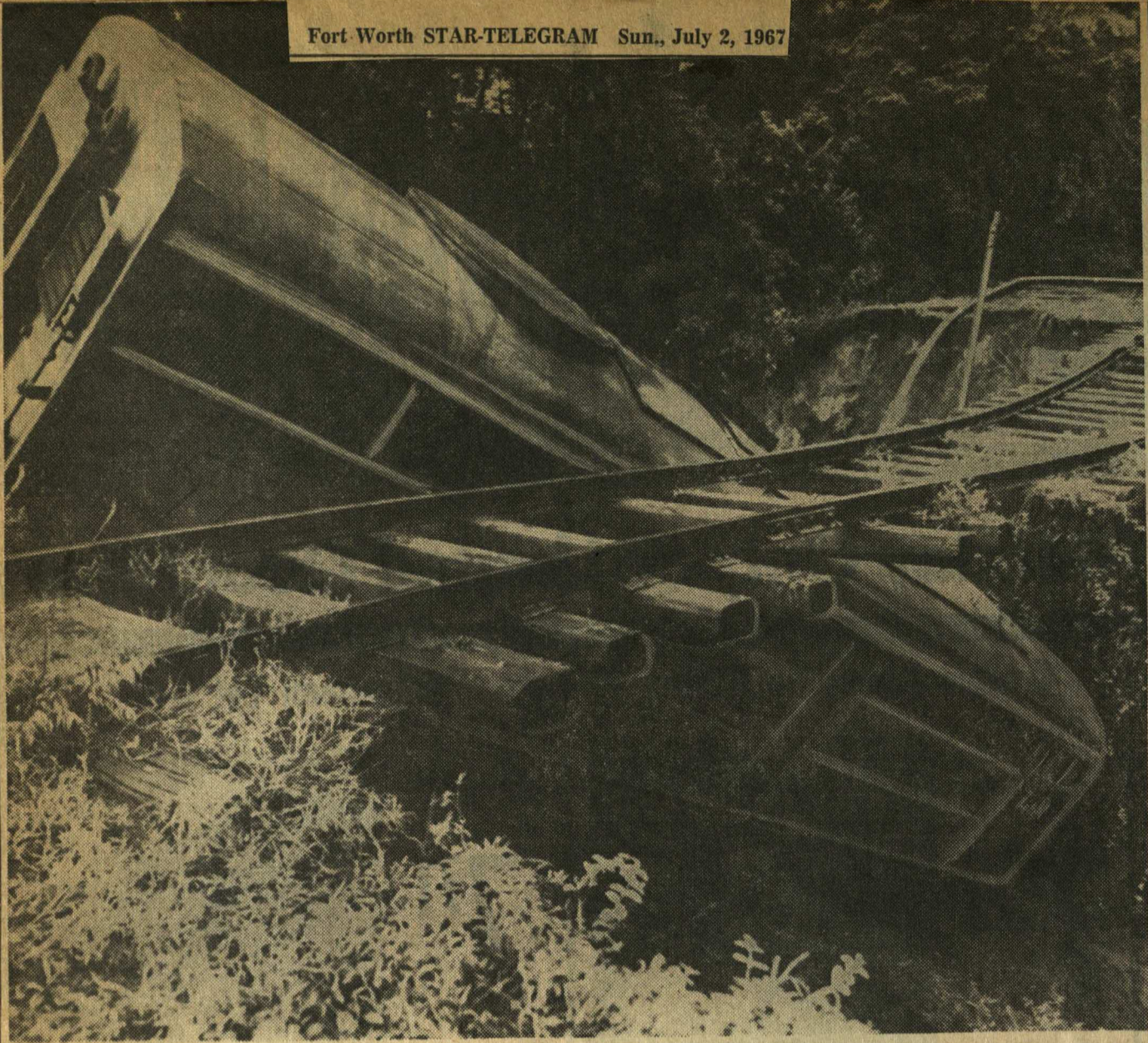
Sen. Wayne Morse, D-Ore., chairman of the special panel named by President Johnson last week after Congress rushed through a bill ending a two-day nationwide rail strike, said Tuesday the board will leave negotiations to the disputants until at least next Monday.

"We are hopeful that they ought to be able to do it alone," Morse said after the board met briefly with both sides in the labor conflict. It was its first meeting.

Under the new law, the board is to attempt to win a voluntary settlement. But if it can't, both sides would have to accept the board's final recommendations as binding until Jan. 1, 1969.

Some 137,000 members of six shopcraft unions, who average \$2.90 an hour, have demanded a six per cent wage hike this year and five per cent next year. They also demand that a two-year agreement include 12.5-cent boosts each year for skilled workers who now average \$3.05 hourly.

The railroads are offering an 18-month pact that calls for an over-all six per cent pay boost plus a single skills boost of five cents an hour.



—Associated Press Wirephoto

QUICK STOP — An L&N Engine nosed down in a deep wash out under the tracks in Tuscaloosa, Ala.,

Saturday morning. John Hyde, the engineer, was not injured in the accident.

Trains too Slow for This Veteran Railroader

By **BILL AGUREN**
Press Business Writer

Train travel is too slow for veteran Railroader John W. Barriger.

Mr. Barriger, who three years and three months ago took over the reins of the Missouri - Kansas - Texas Railroad Co., mentioned this while here yesterday for a Fort Worth Club luncheon with area shippers.

"On most extended trips I make I travel by air," said the railroad president. "Unfortunately, train service is not very satisfactory."

But he was referring to passenger service, not freight hauling.

Since he took over the Katy, Mr. Barriger has been building up its freight hauling capacity.

Right now, he said, the M-K-T has 3800 brand new freight cars either received or on order.

"SOMETIME in 1968 we will have achieved our goal of 5000

new freight cars—giving the road a total of something like 12,000."

When he took over as Katy president, this total was a few cars over 9000, with only about 7000 of the cars effective and completely serviceable.

Speaking of the Katy prospects, he said "we're making progress."

"If we had as much wheat (I call it wheat but I'm talking about all kinds of agricultural crops) this year as last, we would have made a little money," Mr. Barriger said.

BUT, HE SAID, agricultural crops — Katy's largest single revenue source — were very disappointing this year.

"We're hoping now to break even for the last half of the year," he said.

Mr. Barriger, who knows the railroad operation better, probably, than any other Texan, is at home in Dallas weekdays and travels to his St. Louis home on weekends.

He retired from the Pittsburgh and Lake Erie Railroad

in 1964 but didn't turn his back on railroad operation. For a time he was consultant to the Frisco before taking the presidency of M-K-T.

He believes the railroad's future lies in super railroad operations, which come about if and when the federal government relaxes merger and other regulations.

Train Victim In Poor State

Freeman Shader, 52, of 556 Joyce Drive in White Settlement remained in poor condition at St. Joseph Hospital Thursday night after having his right arm severed when hit by a train.

The accident occurred about 12:30 a.m. in the Santa Fe railroad yards near the East 9th Street crossing.

A railroad spokesman said Shader apparently was sleeping near the tracks when hit.

GREEK POLICE FIRED

ATHENS (AP) — The Greek military regime that took power April 21 has retired or fired 374 policemen, the official government gazette has announced. The policemen were removed under an emergency law that requires civil servants to be loyal to the army-led government.

23.5; public utilities, 36.1; and

July 7, 1967
Santa Fe Expands KC Yard

KANSAS CITY (AP) — A \$12 million expansion program at the Argentine Freight Yard to expedite movement of transcontinental freight was announced today by the Santa Fe Railway.

The Argentine Yards, in Kansas City, Kan., is the Santa Fe's main marshalling terminal for through freight. The railway's tracks fan out to the West and South, covering an area from California to Texas Coast. Eastbound traffic also is classified for routing from the yards.

John S. Reed, Santa Fe president, told a news conference at Union Station here the main feature of the expansion would be construction of a new eastbound freight car classification facility and auxiliary installations, including relocation of Santa Fe's main line.

Reed said the facility would supplement and approximately duplicate the existing yard, placed in service in 1949, which predominantly is used for westbound traffic.

The new installation will include a six-group, 48-track classification yard with a computer controlled retarder system to automatically control speed of cars moving down a slope into the yard.

Reed said space will be set aside for another group of eight classification tracks if needed in the future.

Expansion plans also call for a 10-track receiving yard, a nine-track departure yard and a 20-track transfer yard for assembling cars for delivery to connecting lines.

The yard now handles up to 8,000 freight cars a day.

"Kansas City is the most important city on the Santa Fe," Reed declared. "The Santa Fe does more business here than in any other freight yard."

"Expansion and modernization of this key terminal will result in improved service to the shipping public primarily through speedier and more efficient handling of cars through the terminal," Reed added.

He said construction would begin immediately, with completion scheduled during the summer of 1969.

Danger Seen In Forced RR Pay Hike

WASHINGTON (AP) — An attorney representing most of the nation's railroads told a special White House board today it would undermine collective bargaining if it gave shopcraft workers a bigger pay hike than other railroads employes have gotten through negotiations.

"You are being asked to discriminate against those who reached agreement through collective bargaining," attorney Francis Shea said of the demand of six shopcraft unions for a 6.5 per cent pay increase this year and 5 per cent next year.

She spoke as hearings opened before the presidential board set up under a special law that ended a two-day nationwide rail strike last month and forbids any further strike until 1969.

The board, headed by Sen. Wayne Morse, D-Ore., is empowered to impose a compulsory wage settlement if there is no voluntary agreement by Oct. 16.

"I regret to state that the mediation efforts of the board in the preceding 30 days have not brought about a resolution of the dispute," Morse said.

Shea said the railroads' wage offer of 6 per cent for an 18-month agreement is higher than the 5 per cent yearly wage pattern previously accepted by some 80 per cent of all railroad workers in negotiations with other unions.

The six shopcraft unions represent 137,000 workers who now average \$2.90 per hour.

84 Years No Bar To Church Activity

HUTCHINSON, Kan. (AP) — A volunteer for the fund-raising dining facility of the South Hutchinson Methodist Church ever since the program started, Mrs. Downs kept busy cleaning tables and taking care of the thousands of people who ate at the cafeteria during Fair week.

As she has been for the past 20 years, Mrs. Ella C. Downs was at her post in her church's concession cafeteria at the Kansas State Fair, working a 12-hour daily shift despite the fact that she is 84 years old.

CHIEF DELAYED

SF Freight Derail Bars Pampa Track

PAMPA — A 26-car Santa Fe freight train derailed at 7 a.m. today on the west edge of Pampa blocked traffic at a road intersection for two hours and delayed a passenger train.

The derailment was spread over a wide area and was expected to block rail traffic for several hours. The westbound train was pulling 59 cars loaded with 2,884 tons of freight.

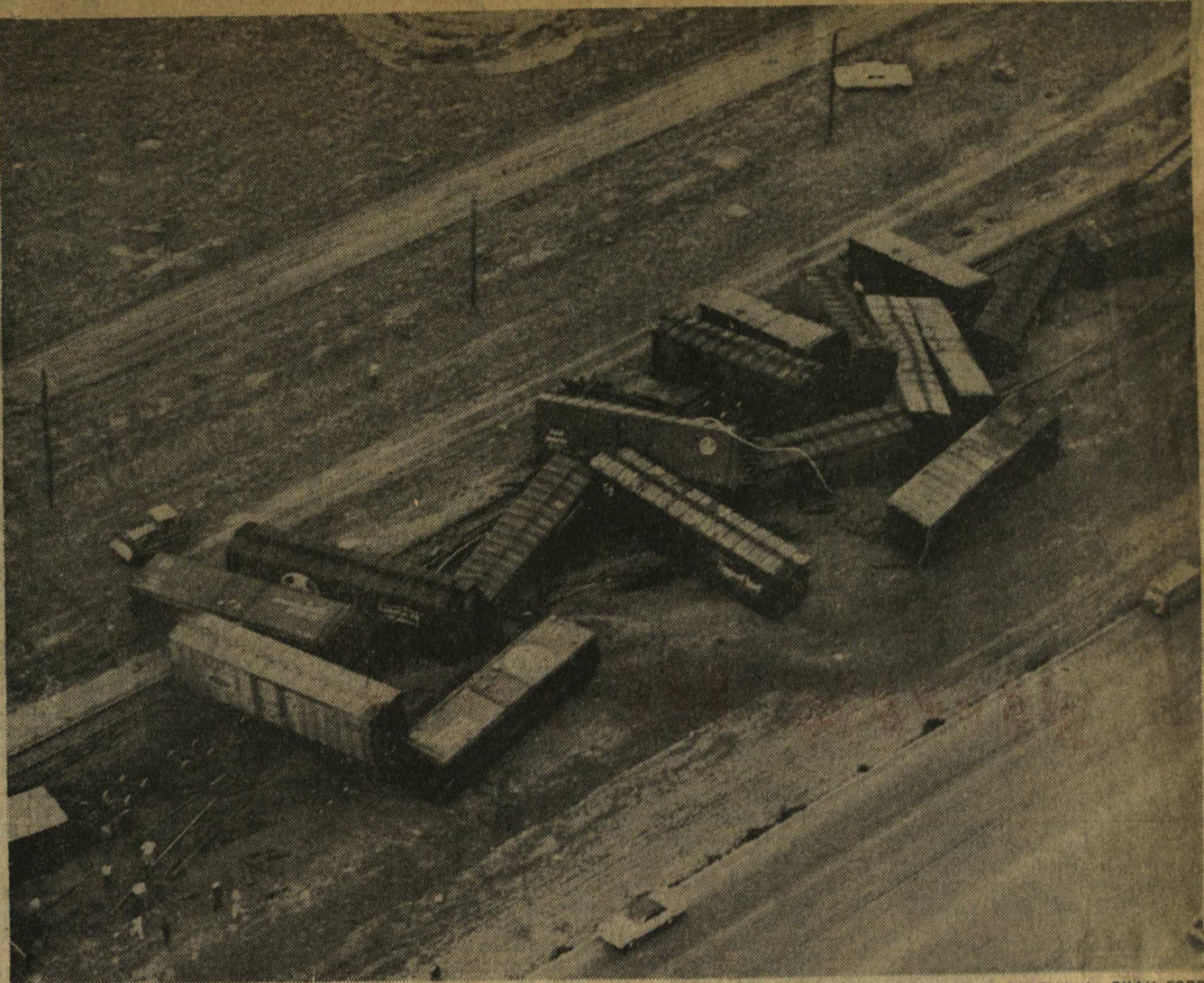
Included in the derailment were 10 empty cars, 11 cars of citrus fruit, one car of plywood, one load of canned goods, one car of petroleum oil, one "piggy back" car and one load of ingots.

A spectator said a few pieces of ice were the only items that fell from the cars during the pile-up.

No injuries were reported. The cause of the derailment had not been determined at noon.

The San Francisco Chief, a passenger train, due in Amarillo at 10:15 a.m. was re-routed, and scheduled to reach Amarillo at 1:30 p.m. today. A Santa Fe spokesman said the Chief's route was changed from Shattuck, Okla., to Etter and from Etter, 13 miles north of Dumas, into Amarillo.

Members of the crew included four Amarillo men, R. H. Wright of 4202 SE 30th, conductor; D. L. Robertson of 2206 Tyler, engineer, and J. A. Nix of 3503 Bryan and H.F. Wilson of 3510 Milam, both brakemen.



Road traffic blocked, trains delayed . . . Pampa derailment

—Staff Aerial Photo by BILLY FORBES

Fort Worth STAR-TELEGRAM THURSDAY MORNING
OCT. 5, 1967

Railway May Halt 4 Daily Runs Here

Santa Fe Railway will seek government permission to discontinue four trains which currently run daily through Fort Worth.

Declining numbers of passengers and loss of nearly \$35 million in mail revenue will force the company to ask permission to cease operating a total of 16 trains, it was announced Wednesday by John S. Reed, company president.

However, the railroad plans to keep in service the Texas Chief, which operates between Houston and Chicago, via Fort Worth.

The trains the railroad proposes to stop include the three (numbers 65-66, 75-76 and 77-78) operating between Houston, Fort Worth and Clovis, N.M., and one (number 11-12) running from Fort Worth to Chicago via Dallas and Kansas City.

"With the loss of mail revenue from our passenger trains, and faced with a sharply declining trend in passenger travel, there was only one course of action left open," Reed said.

On Sept. 6, the U.S. Post Office notified Santa Fe that by Oct. 6 all but two post

office cars would be removed from its passenger cars.

This news, coupled with a 17.3 per cent decline in passenger revenues in the first eight months of the year, will force the railroad to file proposals with the Interstate Commerce Commission for permission to restructure passenger operations, Reed indicated.

The postal officials also informed Santa Fe that it will pay for the transportation of all second, third and fourth class mail at a reduced rate. Reed said this mail will shortly be moving in Santa Fe's fast freight service.

He also said the Super Chief and El Capitan, operating between Chicago and Los Angeles, will be maintained.

"The future of these remaining fine trains will depend on continued patronage," Reed added.

Calling the loss of the \$35 million in mail revenue a "devastating blow," he pointed out that this revenue was the "backbone of our passenger trains . . . which were already marginal or operating at a loss."

At the same time, Reed mentioned Santa Fe plans for new types of freight service and pointed to the company's recent investment in equipment, communications systems and yard facilities.

August
1st 1967

Railroads Win Boost From ICC

Action Is Taken Despite LBJ Plea To Block Inflation

WASHINGTON (AP) — The Interstate Commerce Commission granted the nation's railroads today a \$300-million annual increase in freight rates, the first in seven years.

The action came despite Johnson administration requests to hold the line on rate hikes because of their possibly inflationary effects on the economy.

The ICC said the present level of rates "is clearly inadequate to provide the carriers with sufficient revenues, the needs of the commerce of the United States and its national defense."

THE RATE increase will be about 3 per cent. The ICC thus gave the railroads almost what they sought. The industry had asked for increased revenues for \$327.6 million a year.

The commission in its 52-page order said the increase would become effective not less than 10 days after the railroads file with the ICC a master tariff plan, detailing the rate hikes.

Theoretically, if the railroads filed their plan today, the increase could become effective in 10 days.

The railroads had said they were faced with increased costs this year totaling about \$441 million and that at the same time net income would fall below what it was last year if rates were continued at present levels.

The ICC said the railroads immediately and urgently needed additional revenues to cover at least \$246.4 million of increased wage costs and a substantial part of higher payroll taxes of about \$63.1 million.

IN AN OBVIOUS answer to the administration's expressed fears about the possible inflationary effect of the raise, the ICC said reductions in freight rates "since 1963 have had a deflationary effect."

The ICC said the major source of substantial rate reductions had been continued modernization of railroad plants and equipment.

....no injuries



A BAIL OUT... JUST IN TIME! Clyde Rhodes of Bowie narrowly escaped possible death when his 1957 Chevrolet stalled on the Burlington tracks here last week. Clyde decided at the last minute to abandon the stalled car. (Patterson Photo)

FRIDAY EVENING
SEPT. 8, 1967

14-A Fort Worth STAR-TELEGRAM

END OF THE LINE

Last F&D Run Monday

Another chapter in the history of railroading in Fort Worth closes Sunday and Monday.

The last passenger train for Denver leaves here at 2:30 p.m. Sunday.

And the final run from Denver will leave the Colorado capital at 8:10 p.m. Sunday, arriving here at 3:40 p.m. Monday. It will continue to Dallas, arriving there at 4:30 p.m.

WHEN THE train reaches Dallas at will mark the end of 85 years of continuous passenger service here by the Fort Worth & Denver Railway.

E. L. Simmons, the road's vice president, announced this morning that the Interstate Commerce Commission has granted permission for termination of Trains No. 2 and No. 7.

The decision came after months of hearings along the line.

RAILROAD officials said the trains should be discontinued because they were little used and losing large sums of money.

Businessmen and others in towns between Fort Worth and Denver protested, contending that their communities would be harmed.

The two trains represent the only remaining Fort Worth & Denver passenger operations.

THE FIRST Fort Worth & Denver train chugged out of Fort Worth at 7 a.m. May 1, 1882, arriving in Decatur some four hours later.

At the same time a south-bound train left Decatur for Fort Worth.

Round trip fare in those days between Fort Worth and Decatur, which are 40 miles apart, was \$2.

IN 1888 the young railroad connected its lines with those of the Colorado Southern and service was begun to Denver. That was the beginning. In the intervening years millions of persons have ridden the line between Fort Worth and Denver and intermediate points.

Now the end is at hand.

ICC Asked to Delay Halting of 2 Trains

WASHINGTON (AP) — The Interstate Commerce Commission has been asked by Rep. Garner E. Shriver, R-Kan., to delay the proposed discontinuance of two Santa Fe passenger trains, pending an investigation.

Shriver said Sunday the two trains — the Chief and the Grand Canyon — provided service between Los Angeles and Chicago and are to be discontinued Jan. 13.

If the ICC suspends the proposed discontinuance, he said, service could be extended for sufficient time pending a hearing and decision by the ICC.

Doc 18-1967

R R Strike Will Affect Aircraft Plants Here

July 17 1967

The railroad strike, which is halting most of the nation's trains, will affect aircraft defense production in Fort Worth if it continues.

Bell Helicopter, at work making helicopters for Vietnam, will "definitely be affected if it lasts," said a spokesman. The situation was the same at General Dynamics, where raw materials, such as sheet aluminum and aluminum bar stock for manufacture of the F-111, arrive at the plant daily by rail.

Immediately affected was the mail service.

Postmaster Jack Watson said regular parcel post has to be stamped airmail or the Post Office will not accept it. First class matter will be accepted within 150 mile radius of Fort Worth. The Post Office uses trucks to transport mail within that radius, explained Mr. Watson.

SANTA FE AND Burlington Lines' Fort Worth & Denver had ceased all operations today. Texas & Pacific and Rock Island were not struck in Fort Worth, according to reports at noon today.

A T&P official said he was "surprised" when he reached his office at the depot today and saw no pickets.

Four pickets marched back and forth in front of Santa Fe Depot at 14th and Jones. C. H. White, chairman of the strike committee for six shopcrafts, said the pickets would continue to be posted "until we get a wire from Albuquerque," which is headquarters for the shopcrafts.

He said 50 employees were on strike, including car men, machinists, sheet metal workers, boilermakers, firemen-oilers and electricians. He estimated the strike was affecting 200 more union employees in Fort Worth. The 200 are union members who will not cross picket lines although they themselves are not on strike.

The latest road to be halted was Rock Island, which went out here about 10:30 a.m. at that hour Frisco was still operating.

JOHN MILLER, passenger agent at Santa Fe, said he was hauling baggage today, because red caps would not cross picket lines. The last train to arrive at Santa Fe came in from California at 8:30 a.m. today.

Passengers ticketed to Dallas were offered a chartered bus. The train had started for Fort Worth Saturday before the strike began. Supervisory personnel brought it into

Fort Worth where it was the end of the line.

An official of Fort Worth & Denver said freight cars containing perishables were being kept "on ice." He said one carload of onions was stalled at Childress.

The Texas Zephyr to Denver will not operate. T&P is helping to move perishables stalled here on Fort Worth & Denver.

Freight trains on T&P are moving, said and official, but are not moving on schedule.

POSTMASTER WATSON said mail to Vietnam would be given special handling through airlift. He said packages going to Vietnam would also be accepted if they weighed less than five pounds.

He said the Post Office would attempt to handle all perishables. One commodity usually shipped parcel post is baby chicks.

"I went down and looked for some this morning," said Mr. Watson, "but we didn't have any."

Bus companies said they are starting to feel heavier passenger loads today, but there are no waiting lines.

The spokesman said, "Nothing has been said about allowing trains carrying defense supplies to move."

The spokesman said the six unions are seeking a two-year contract calling for a 6.5 per cent pay hike the first year and 5 per cent the second year. In addition, the unions want an extra 12.5 cent an hour increase each year for skilled workers.

explosions and fires, officials said.

Ground action in the war in South Vietnam remained light, spokesmen said.

August 13 1967 Two Killed as Trains Collide in New York

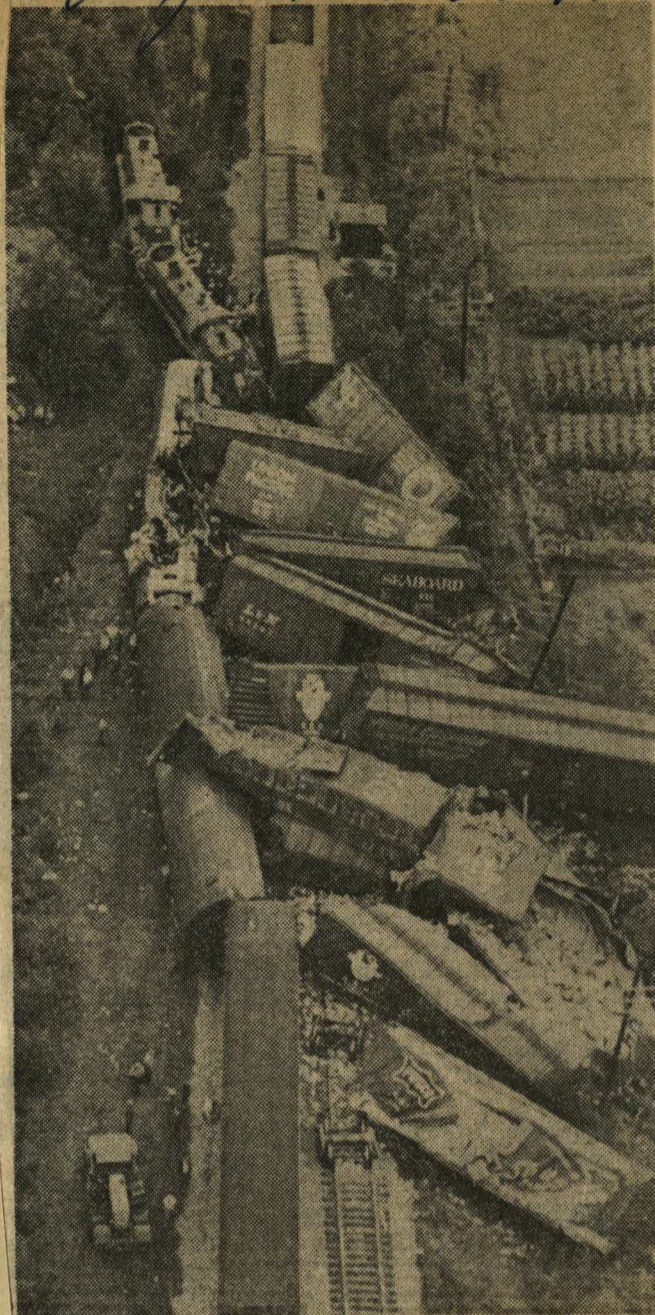
SARATOGA SPRINGS, N. Y. (UPI) — The Montreal limited carrying many tourists for a weekend at Expo '67 slammed against a freight train at a siding before dawn Saturday, killing two of its more than 300 sleeping passengers and injuring at least a dozen.

Three passenger and 14 freight cars were derailed and more than 400 feet of track was ripped up in the accident on the Delaware and Hudson Railroad Line about a mile south of the Saratoga Performing Arts Center in this resort community.

One passenger car overturned and several freight cars piled on top of it and the two others knocked off the tracks. Rescue crews worked with acetylene torches to rescue seven passengers trapped for a time inside.

State police said one of the dead was Kristian S. Ebsen of Bergen, Norway. The second victim was later identified as Sidney Kirsch of New York City.

More than a dozen persons, including a nun, were treated for injuries suffered in the accident. Six of them were admitted to hospitals, two for emergency surgery.



—Associated Press Wirephoto

TRAIN WRECKAGE—Two persons died early Saturday when a Montreal-bound passenger train slammed into a slower moving freight train about 5 miles south of Saratoga Springs, N. Y. Wreckage of the trains is seen strewn along a segment of tracks.

M-K-T and Firm Plan Business Ventures

Missouri - Kansas - Texas Railroad President John W. Barriger announced in Dallas today that the M-K-T has entered into an agreement for a program of other business ventures with Bangor - Punta Corp.

He said the industrial diversification agreement is subject to approval of the boards of both the railroad company and Bangor-Punta Corp.

"This program," Mr. Barriger said, "would entail the formation of a holding company as the parent of the rail-

road. Under a voluntary plan, stockholders of the Katy would exchange Katy shares for shares in the holding company.

Mr. Barriger said the holding company would then buy into and go into other businesses with the advice and assistance of Bangor-Punta.

If the agreement works out, Bangor-Punta will receive a substantial interest in the holding company, Mr. Barriger said.

The Bangor-Punta executive committee was to meet today and the Katy board meets Friday to consider the proposal.

Now 8-19-67 Court to Air Will Leaving Estate to Pets

A will establishing a trust fund for 72 cats and seven dogs will be probated next week in Judge William McGee's Probate Court.

The will of Mrs. Dora T. Rollins, who died here in October, stipulates that as much as \$300,000 be set aside to care for the late widow's pets.

She asked that the remainder of her estate be divided among friends, relatives, John Knox Presbyterian Church and the Shrine Crippled Children's Hospital in Shreveport — after her pets die.

She directed that someone be chosen to live in her home, rent-free, in exchange for caring for the pets.

A hearing on the will is set for 2 p.m. Monday.

Dec 7-1967 Cold Front in Panhandle; 3 Die in Fog

A swift moving Pacific cold front sent the mercury tumbling into the teens early today in the Texas Panhandle. Blinding fog hundreds of miles to the south and east was blamed for traffic accidents that killed at least three persons.

A freight train knifing through the fog in northeast San Antonio killed a woman and her young daughter.

They were Mrs. Florence Green, 39, and Valeria Green, 4.

At Nacogdoches, two cars collided in the thick fog, fatally injuring Royce Lalumandier, 20, a Stephen F. Austin College student. He was a junior.

Light drizzle peppered the Upper Texas coast. Fog was reported at Beaumont, Port Arthur, Lufkin, Galveston, Victoria, Del Rio, Houston, Nacogdoches, San Antonio and College Station. Rain and fog blanketed Corpus Christi.

The mercury dived to 13 degrees above zero at Perryton in the Panhandle early today. Beeville had the high reading in the nation Wednesday, reporting 80 degrees.

Friday Vote Day For Katy

NEW YORK (AP) — A proposal to reorganize the Missouri-Kansas-Texas (Katy) Railroad into a holding company will be put to a vote at a directors' meeting Friday.

Chairman Edward Merkle drafted the plan for an industrial diversification program.

"I've had the idea for about five years," he said Wednesday.

Merkle also is chairman of Madison Fund, Inc., which owns 13.3 per cent of the Katy stock.

He said the plan called for Bangor Punta Corp., a New York holding company, to provide the railroad with advice and aid in making acquisitions.

Bangor Punta's executive committee approved the agreement Tuesday, Katy directors met in St. Louis today to vote on it.

Merkle said Bangor Punta was brought in because the firm has the "ability to buy companies."

"They've got the talent, the experience and a fairly good-sized inventory of companies they are looking at that would be good for us."

He said Bangor Punta first would get a share of the holding company's stock. This would be purchased from the line's three largest shareholders, the Madison Fund, Axe-Houghton mutual funds, and the Chicago, Burlington & Quincy Railroad.

Bangor Punta also would get more options "based on how much earnings we get as a result of their efforts," Merkle said.

The Katy had an operating loss of \$7,834,989 in 1966. It is expected to have a tax loss carry-forward of \$24 million to \$25 million.



DESERTED DEPOT—Fort Worth's Santa Fe depot was virtually deserted Sunday except for a few

picketing strikers, including E. M. Smith of Everman, left, and E. E. Campbell, both machinists.

—Star-Telegram Photo

Trains Standing Idle Here, All Across State

Postal Service Limited

Abandoned Railroad To Be Dismantled

DALLAS (AP) — The Railroad Division of Commercial Metals Co. will dismantle 220 miles of the Texas Central Railroad between Waco and Stamford. The company said it will be the largest such job by the division.

The railroad was built about 1900 by Col. H. R. Green, son of the eccentric financial wizard, Hefly Green. No regular trains have run on the tracks in recent years. Portions of the line will remain for special service purposes. It was owned by the Katy Railroad.

of the nationwide
the Fort

8-A Fort Worth STAR-TELEGRAM THURSDAY MORNING
AUG. 24, 1967



AFTERMATH OF EXPLOSION — Firefighters, railroad men and members of the press inspected the damage after 11 cars derailed

and caught fire Tuesday night at the International Creosote Plant near, Texarkana, Tex.

—Associated Press Wirephoto

800 18-1967



—Associated Press Wirephoto

TRAGEDY IN DENMARK—This twisted wreckage resulted Thursday when an express train plunged

into another train which had stopped to investigate a fire in the cab near Odense, Denmark.

11 Killed in Collision Of 2 Danish Trains

ODENSE, Denmark (AP) — A speeding Danish passenger train smashed Thursday into the rear of another passenger train that had stopped on an overpass near here to cope with a small fire aboard. Visibility was restricted by a mid-morning downpour.

Three Americans from Ohio and eight Danes were reported killed.

The U.S. Embassy in Copenhagen announced that two Americans were injured slightly.

Police said the names of 33 injured persons would be announced later. This list was believed to include a German woman and one Canadian.

The crash on Denmark's central island of Funen was the nation's worst rail disaster in more than 50 years.

Rescue workers crawled carefully over the maze of twisted steel searching for survivors but their efforts were slowed by hundreds of gallons of spilled diesel oil which made use of blow-torches dangerous.

Because the crash took place on an overpass, the injured and dead had to be lifted down by a crane or slid down a muddy embankment.

The American dead were identified as Joseph Nemesh, 57, and his wife Mary Jane, 50, of Cleveland, Ohio, and Alexander Kilbourne Young, 21, of Dayton.

A man identified as an American doctor who refused to give his name was aboard one of the trains. He escaped unhurt and immediately started helping the injured.

A mother and her two small

children were freed from the wreckage after being trapped about five hours. The woman's husband was killed in the crash.

Danish state railway officials said both trains had been headed east toward Copenhagen over a modernized stretch of line that was the pride of the railway system.

They said the first train had stopped a few minutes before the midmorning crash because of a minor fire in its electrical system, and the second train, traveling about

70 m.p.h., apparently was not notified in time.

The impact crumpled railroad cars, piled them on top of one another and flung seven off the tracks. One car was driven halfway into the ground.

The U.S. Embassy announced that Gladys Schuman of New York City and Lynn Northwood, a student from Dayton, Ohio, were taken to a hospital for treatment of minor injuries.

The engineer of the second train, C. A. Larsen, told newsmen he had just rounded a bend and was terrified to see "something red" a few hundred yards in front of him.

"I pulled all the brakes and ran back to hide behind one of the engine blocks," he said. "That saved my life, because a few seconds later, my train hit the other one."

Numerous foreigners, including many Swedes and Germans, were believed to be among the passengers traveling toward Copenhagen.

Katy Announces Major Expansion

PARSONS, Kan. (AP) — A \$77 million program for acquisition of new freight cars and rebuilding of others will give the Missouri - Kansas - Texas Railroad a fleet of 12,100 cars by the end of 1968.

John Barriger, president of the railroad, gave the estimate Saturday, talking about a program that began in 1965.

Of the fleet 5,100 will be new. He said the Katy has scrapped 2,700 cars.

Barriger also said the railroad plans to spend \$5 million a year for the next three years in replacing diesel locomotives.

Railroad Accuses Brotherhood Of Threatening 'Illegal Strike'

NEW YORK (AP) — The Long Island Railroad, the nation's biggest commuter carrier, accused the Brotherhood of Locomotive Engineers Sunday night of threatening an "illegal strike" that would "probably play havoc" with commuter service Monday morning.

The announcement followed a day of uncertainty over the railroad's operations, as reports circulated that some sort of union "job action" might be expected.

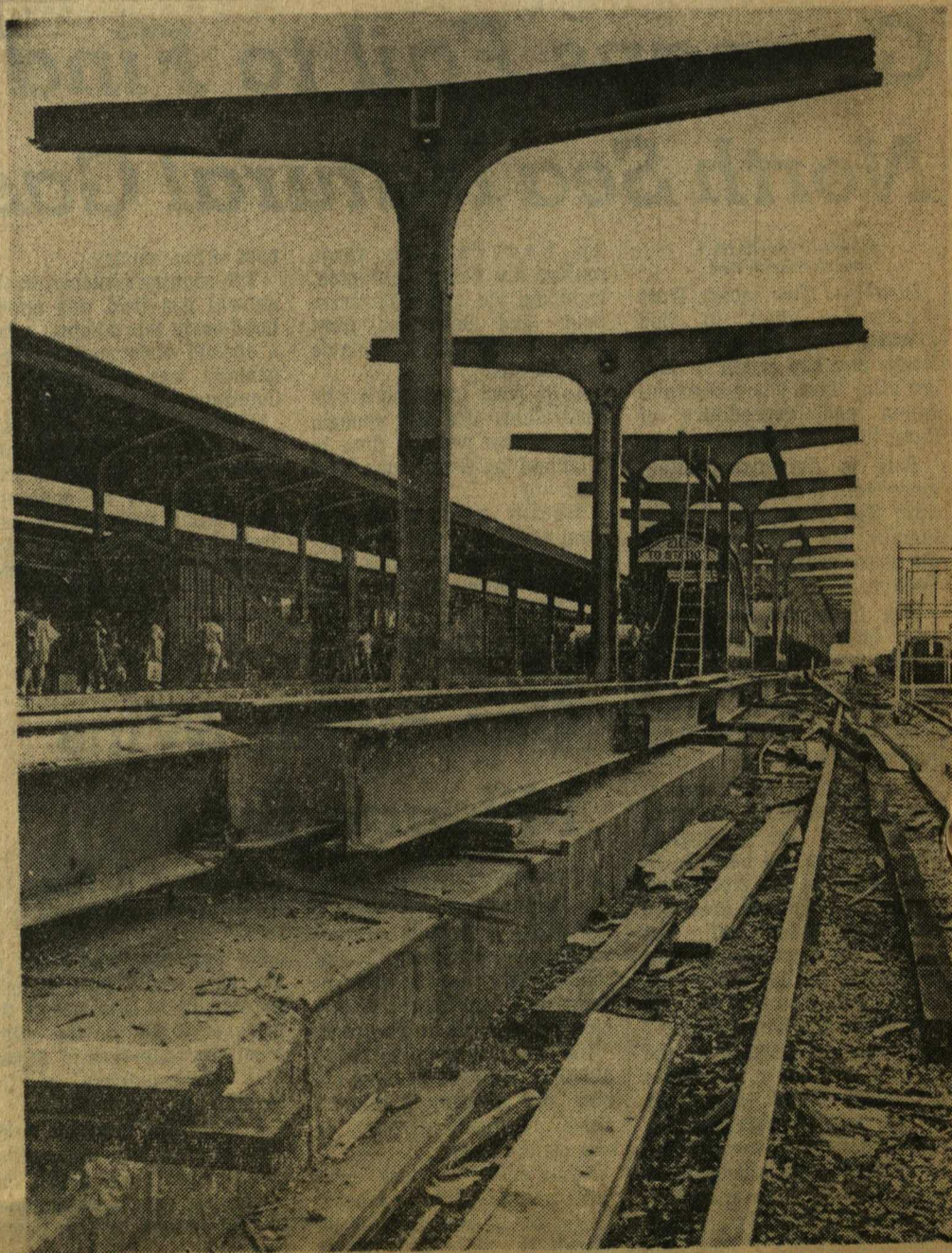
"In violation of their contract with railroad," the Long Island's statement said, "a large majority of the Long Island's engineers were refus-

ing Sunday night to sign up to their trains Monday."

The carrier accused trainmen Saturday of staging a slowdown since the middle of last week.

The chairman of the Brotherhood of Railroad Trainmen, Harold Pryor, has denied that there has been a slowdown.

A hearing was scheduled for U.S. district court in Brooklyn Monday on an order for the trainmen to show cause why they should not be enjoined from continuing the alleged slowdown.



CURTAINS FOR CANOPY — Steel canopy at T&P passenger station — 1,620 feet long, about the distance from Main to Jennings Sts. — is being torn down. The cover, which

—Star-Telegram by NORMAN BRADFORD has protected thousands of travelers from sun and rain, is being removed in a cleanup program, rail officials say, because the tracks it serves no longer are used.

11-19-67
**Gas Forces
 Tiny Town
 To Evacuate**

NEWTON, Ala. (AP) — The threat of deadly chlorine gas, which might be released from a burning derailed freight train, forced evacuation of a small southwest Alabama town Saturday night.

The Alabama Highway patrol ordered the 2,000 residents of Newton to leave after officials said a tank car carrying chlorine gas might explode near the town.

11-21-1967
**Pickup, Train
 Hit at Cresson**

CRESSON (Sp1) — Darrell Wayne Isham, 32, of Blanket escaped serious injury about 10 p.m. Monday when his pickup truck collided with a slow-moving Santa Fe freight train on U.S. 377 at the north edge of Cresson.

Isham was alone when the vehicle collided with the 39-car freight train.

He was reported in fair condition at Johnson County Memorial Hospital in Cleburne with fractured ribs and internal injuries.

Sept 8-1967
Official Proposes Big Cut in Rail Employes

MONTREAL (AP) — An executive suggested Thursday that U.S. railroads could save \$2 billion a year by automating and getting rid of a third of their employes. His statement touched off a lively debate at a transportation research conference.

William J. Dixon, vice president of the Chicago, Rock Island & Pacific system said the main blocks to railroad automation have been the attitudes of labor unions and government regulatory bodies "living in the past."

Lewis M. Schneider, assistant professor of business administration at Harvard University, said Dixon's approach was negative and that railroads should be thinking of promoting more traffic through improved service and better use of their existing labor force.

"How can you look a union in the face and say; we're trying to eliminate you or cut you in half?" he asked.

James F. Laley of Koppers Co., a major Pittsburgh industrial shipper, said it was wrong to look at automation purely in terms of lower wage costs.

"I think you can automate without shooting the people," he said, adding that new technology could improve rail service while the technical level of employes would be raised.

Dixon argued that a 70,000-man reduction in railroad employment since 1945 has been carried out without

throwing people into the street.

Research specialist Don P. MacKinnon of Montreal, newly-elected president of the International Transportation Research Forum, warned that the massive savings brought about the switch to diesel locomotives will not be

repeated by any new technology now in sight.

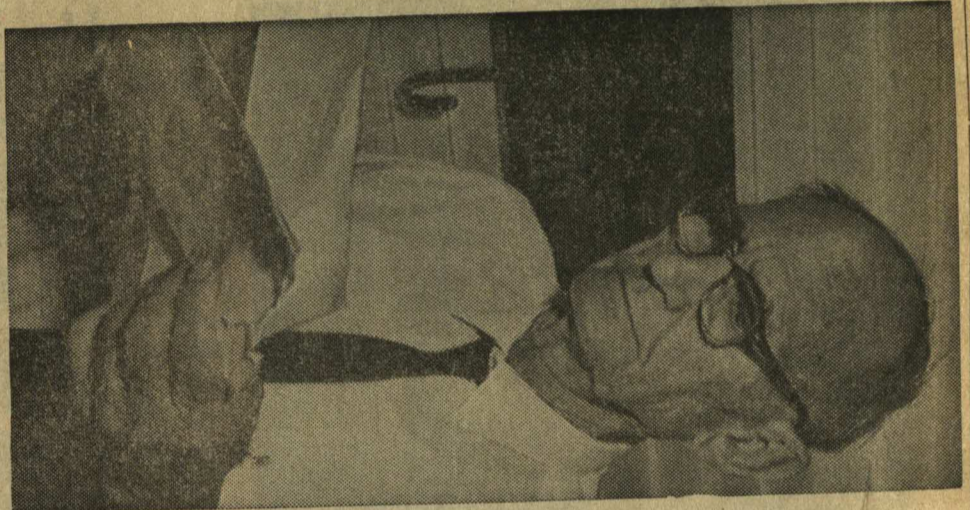
He said there is need of a new definition for automation, not related to cutting staff. Government and Labor also must be oriented to a new approach to automation, he said.

C. D. Howell of Westinghouse Air Brake Co., Pitts-

burgh, and R. J. Maher of American Telephone and Telegraph Co. described some of the new techniques in automatic trains.

They said computer systems could load, operate and unload trains of bulk cargo without crews.

B. F. Kennedy . . . end of an era.



14-B Fort Worth Press, Sunday, August 13, 1967

It's Going Like the Old Pony Express

Post Office on Rails Dying

By HOWARD SWINDLE

A third-floor conference room above the Post Office was the death scene. About 30 "old friends" were there. Nothing they could do but accept it.

The old friends were all clerks and superintendents of the RPO—the Railway Post Office. They were attending its death. The funeral would come "within 60 days" when the last mail car will leave the Fort Worth station.

Cause of death was attributed to a competitive airline industry. The 30 men, most of them in their 50s and 60s, puffed slowly on their pipes and cigars while the "transportation experts" read the death announcement.

THEY HAD KNOWN the days of the railway post office were numbered. They had heard rumors "all down the line" that soon airplanes would replace the wheeled post offices. And they knew they would go to the grave

with their mail cars. The clerks had sorted mail between stops, but there's not enough time to sort letters on a fast air flight. "I wouldn't fly in a damned airplane, anyway," said one veteran with 39 years experience.

"Yeah," replied another. "We're just like the Pony Express—they don't need us anymore because they've found a faster way to get the mail to the people."

AT THE MEETING, postal officials announced that the Fort Worth railway post offices to Little Rock and Houston would be discontinued in favor of air travel.

Eighty-year-old Ben F. Kennedy hates to see the mail cars thrown in the stockpiles. He's got fond memories of his days on the rails—and the memories go back to April 21, 1907, the year he became a rail clerk.

He started on wooden cars and worked under kerosene lanterns. He picked up mail hanging on poles as the train whizzed by

the country depots. It was more than a job. Being a railway postman was a profession. Elected county officials had to endorse the applicant or he didn't get the position.

INSURANCE COMPANIES refused to carry life insurance on railway postmen. "Too many wrecks," Mr. Kennedy explained. An older brother's train was once held up by Sam Bass near Mesquite, Mr. Kennedy said.

"I hate to see the RPO go, but it doesn't surprise me or anybody else," the former clerk said.

"There used to be more than 900 mail cars, but now they're getting rid of all of them," Mr. Kennedy said.

"The railway post office is just a thing of the past—the end of a wonderful era," he sighed. "They're dead birds."

Nothing can be done, now. He shook his head sadly.

WEDNESDAY MORNING Fort Worth STAR-TELEGRAM 7-D
 NOV. 15, 1967

**4-Mile Train to Make
 Rail History Today**

ROANOKE, Va. (AP) — The Norfolk & Western Railway, which just three weeks ago ran the longest train in railroad history, will break its own record Wednesday with a 500-car coal train stretching some four miles in length.

The 47,000-ton transporter—dubbed "Super Train" by the N&W—will leave Iaeger, W.Va. about 11:30 a.m. Wednesday and arrive in Portsmouth, Ohio about six hours later.

Three 3,600-horsepower diesel locomotives will power the train from the front end, with another three locomotives helping out 300 cars to the rear.

The N&W ran a 450-car coal train on a 47-mile jaunt Oct. 25 from Iaeger to Williamson, W. Va., and two trains of 420 cars each Nov. 3 and Nov. 8.

Super Train, said R. F. Dunlap, N&W vice president for operations, will "continue a series of experiments to determine the most efficient use of locomotive power with maximum train tonnage."

Motorists fearing a super wait with the advent of Super Train need not fear. An N&W spokesman says the 450-car train despite its size cleared most crossings within 10 minutes, and Super Train is expected to maintain a comparable speed.



THEY WENT THISAWAY — Five cars of a Missouri-Pacific freight train were derailed this morning in the 6800 block of W. Vickery. Rail officials said the train, being pushed into the city, struck a

switch in the wrong position. One of the wrecked cars contained butane gas, but the liquid fuel did not spill. The other cars contained cinders. No one was injured. —Star-Telegram Photo by GEORGE SMITH

Train Derailment Brings Gas Fear

Five cars on a Texas & Pacific Railroad freight—one a tank car loaded with propane gas—derailed early today causing firemen and railroad officials concern for about an hour.

They feared the propane liquid in the car, which overturned three times down a steep embankment in the 7500 block of W. Vickery at 7:15 a.m., might catch fire.

Rail officials said that there no longer was danger that the gas might ignite. The freight was en route to Carswell AFB and was switching. Officials said the switch apparently was not thrown properly, causing the cars to derail.

RB Sept 9 1967
Gas Leak

Threatens Wide Area

DENISON (Spl) — A railroad tank car leaking butane turned an area five miles north of Madill, Okla., into no man's land Friday.

The leak was triggered when 35 cars of a Frisco Railroad freight train were derailed when they hit a bridge weakened by recent flooding rains.

There were no injuries in the derailment, Frisco headquarters in Sherman revealed. The all-Sherman crew included W. C. Price, engineer; Ray Goff, conductor; and Jack Duke and C. S. Mulder, brakemen.

The Marshall County Sheriff's Office put the area off limits after being notified by the railroad officials of the butane leak, but lifted the curfew at 1 p.m., 12 hours after the derailment.

Because the derailment occurred in an isolated area of the Randolph Bottoms with no houses in the immediate area, there were no individuals evacuated from the scene. However, officers halted any curious persons from going into the wreck area because of the threat of an explosion.

Interstate Commerce Commission regulations call for the isolation of a leaking butane or propane car and then the opening of pet cocks to allow all of the stored gases to escape if there is a 10 mile per hour winds present.

In Sherman, officials said their preliminary report indicates that the derailment was of a "major nature." They said that many of the 35 cars were telescoped by the suddenness of the accident.

Dec 27-1967
Train in New York Crashes; 16 Injured

CHURCHVILLE, N.Y. (AP) — A New York Central passenger train went off the tracks Tuesday near this Rochester suburb, injuring 16 persons — one seriously.

The train was en route from Chicago to New York City with 219 passengers and a crew of 8. A railroad spokesman said 13 of the 15 cars were derailed. The accident resulted from the separation of two bolted rail sections, the spokesman said.

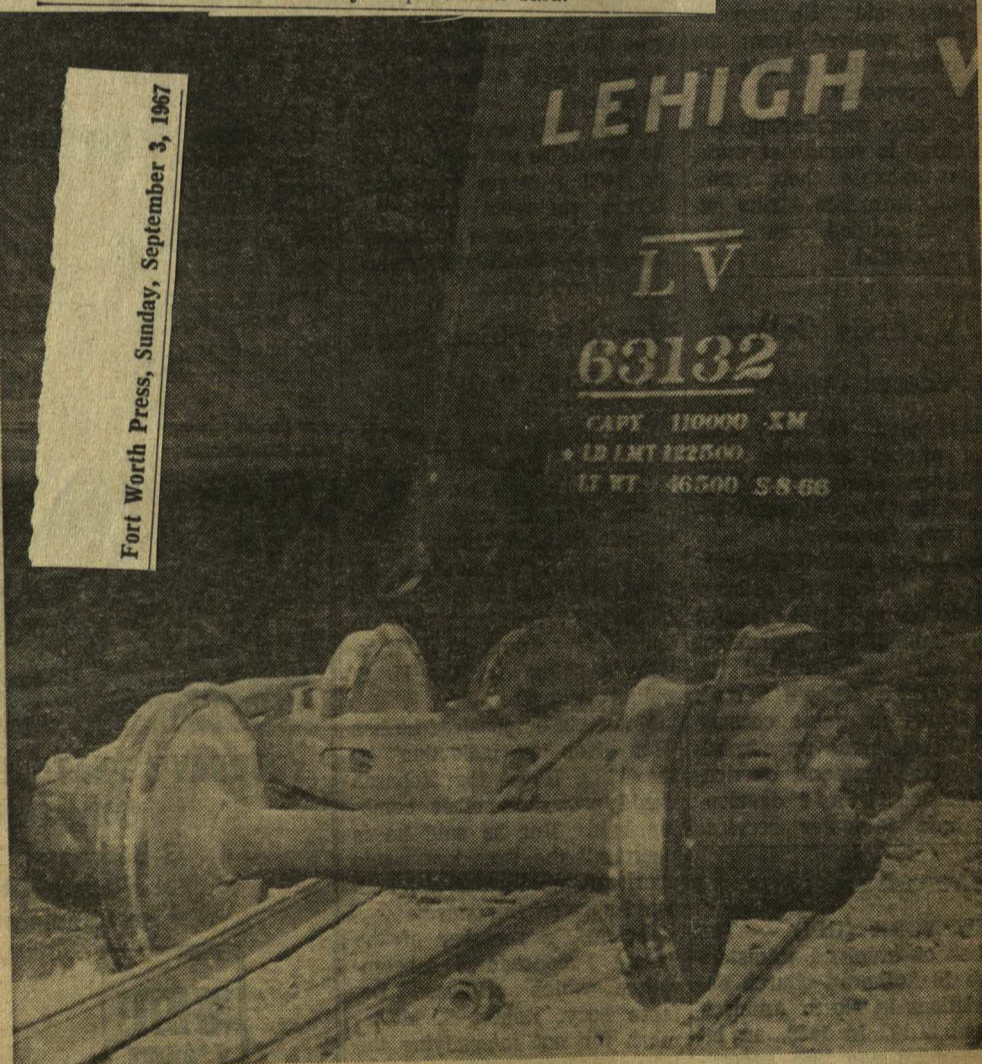
CARPENTER SCHEIDT
BULLETIN BOARD

11-9-1967
14 Killed,

70 Hurt in

Train Crash

The Milan-to-Palermo express tore through a wandering herd of buffalo and then into a derailed commuter train today, and at least 14 passengers were killed and about 70 injured. It was the third and worst train crash in Italy in a little more than two weeks and came just four days after 51 persons were killed when a British train jumped its tracks in London. In the wreck today, mutilated carcasses of the buffalo herd—about 50 animals — were strewn along a half-mile section of tracks 35 miles south of Naples.



Thirteen Cars Jump Tracks

Thirteen cars derailed late Saturday night on the northern edge of Fort Worth's city limits. Wreckage lined both sides of the Rock Island Railroad tracks only a few yards from the N. Freeway. Cause of the derailment is undetermined according to rail officials.—Press Staff Photo by Pat Yandell.

1939

Private Ownership and Operation

versus

Government Ownership and Operation

of

Railroads in the United States

ASSOCIATION OF AMERICAN RAILROADS
WASHINGTON, D. C.

1939

Private Ownership and Operation
versus
Government Ownership and Operation
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Railroads in the United States

ASSOCIATION OF AMERICAN RAILROADS
WASHINGTON, D. C.

*This booklet is distributed free of charge.
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Any railroad in the United States

or from

Committee on Public Relations of the Eastern Railroads,
143 Liberty Street, New York City

Western Railways' Committee on Public Relations,
105 West Adams Street, Chicago, Illinois

Association of American Railroads,
Transportation Building,
Washington, D. C.

L. C. Card No. A39-647
September, 1939

FOREWORD

Early in 1939 the Committee on Debate Materials and Interstate Cooperation of the National University Extension Association announced that the following subject had been selected for debate in high school forensic leagues throughout the United States during the school year 1939-1940: "Resolved, That the Federal Government should own and operate the railroads."

Since this announcement was made, individual railroads and this Association have received numerous requests from debate coaches, teachers, students and librarians for data which would be helpful in debating the negative side of the subject.

In response to this demand, the material contained in this book, including many quotations from addresses and writings of public officials, editors, university professors, business leaders and transportation authorities, has been compiled to support the principle of private ownership and operation.

A brief reference list of books and articles on the subject, as well as sources of statistical information, is included for the convenience of debaters.

ASSOCIATION OF AMERICAN RAILROADS

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THE ISSUE

The subject for debate,

RESOLVED, THAT THE FEDERAL GOVERNMENT
SHOULD OWN AND OPERATE THE RAILROADS,

presents two questions:

What would government ownership and operation do to the railroads?

What would government ownership and operation of the railroads do to the government of the United States?

WOULD the Federal Government be able to run railroads better than they can be run by the railroads themselves? Would the service be improved — made faster, safer, more adequate or more dependable? Would efficiency be increased and costs be cut? Would wages and working conditions be more favorable? And what about the taxes which railroads pay for the support of schools, public institutions, and state and local governments generally?

There is nothing in the record of the numerous government-owned and operated railroads throughout the world to indicate that operation by the Federal Government would improve the American railroads in any of these essentials of railroading.

The second, and more fundamental, question goes to the effect of government operation of railroads upon government itself.

Purchase of the railroads would require an enormous increase in the present federal debt—as much as 50 per cent increase, and probably more.

Operation of the railroads would more than double the number of persons on the civil payroll of the Federal Government.

The Federal Government would become the direct competitor of all those engaged in the business of transportation by highway, by water and by air. It would be, too, the sole customer of the railway supply industry, which normally employs nearly as many men as the railroads themselves.

So tremendous an expansion of the business activities of the Federal Government, and of its control over economic life would profoundly change the very basis of government and the relations between government and its citizens.

For the government to take over the railroad business would be a fateful step back toward the form of absolute government which is now called the "totalitarian state."

In the United States, ever since the American Revolution, there has been a separation of powers over the different activities in which the citizen engages. Church is separate from State. The actual conduct of business is separate from the political operations of government. In the totalitarian states, present and past, on the other hand, the political rulers not only run the government but also run business and economic life. There, the "State" is supreme and unchallenged in every field.

In America, things are different, but they could not long remain so if the government took over the ownership and operation of railroads.

The number of persons dependent upon government for their regular jobs would be more than doubled. The amount of government obligations held by banks, insurance companies, institutions and other investors would be increased by about 50 per cent. The dependence of communities and industries upon government for transportation facilities and service would be absolute. The effect of government competition would be felt by every other form of transportation, and the dominance of government in the transportation business on so huge a scale would extend to every industry which sells to the railroads and would affect every industry which uses the railroads.

Such a state of affairs would mark the beginning of the end of the salutary doctrine of separation of powers—economic, political and spiritual—under which the United States has so greatly progressed in the short space of a century and a half.

But, it is argued, government operation of the railroads is not different from the government's present participation in the transportation business through providing and maintaining highways, waterways and airways.

Such an argument overlooks the essential difference between transportation by rail and that by highway, waterway or airway. In the very first days of railroading, when toll pikes and toll canals were in common use, there was an idea that the road of rails was but another form of highway on which anyone might run his own vehicle, upon the payment of established tolls. But it was soon found that railroading was different, and that if there was to be safe and efficient operation, the same organization must control both the way over which the traffic moved and the vehicles in which it moved. There can be no such thing

as a railroad open to the use of every comer who might wish to run his own train upon it. Government operation of railroads, therefore, involves not merely building and maintaining ways for the use of the public, but also the actual conduct of the major transportation business of the nation.

Neither a "Remedy" nor "Inevitable"

Although the question for debate is that the Federal Government should own and operate the railroads, there are some who argue not that it *should* do so but that it may have to do so.

While such an argument is beside the precise point of the debate, it should be examined. It is based on the idea that the present financial condition and prospects of the industry are such that continued private operation of the railroads may become impossible. In that case, it is argued, the government might be compelled to take them over and run them, even at a loss, as an essential public service.

It is true that between the beginning of the depression in 1929 and the year 1938 there was a decline of 34 per cent in railroad traffic and a still greater decline, of 43 per cent, in railroad revenues. It is true that the railroads as a whole operated at a deficit during four of the past seven years and had a net deficit of over \$123,000,000 in 1938. It is true that more than 19,000 miles of railroad have been abandoned and torn up since the World War, and that nearly one-third of the present railroad mileage is in the hands of the bankruptcy courts.

It is true, in a word, that the privately-operated railroads as a whole have not been able to meet all their financial obligations during the depression years. But this failure to make ends meet fully has not been due to any inherent weakness of American railroads or failure in their operations.

During these same depression years the American railroads have brought their essential services to the highest standard ever

known, here or elsewhere. Their trains run faster than ever before, more safely than ever before, more dependably than ever before. While service and safety have improved, rates have been lowered. The average revenue received for hauling a ton of freight one mile has declined consistently since the period of the World War and now stands at less than one cent per ton-mile. The average revenue for carrying a passenger a mile is lower than ever before. Wages have gone up and working conditions have improved, while, through greatly increased efficiency, the actual operating cost of hauling a ton of freight a mile has gone down. America has better railroads today than ever before, and they are better run.

Nor are the present rail difficulties due to railroad capitalization. Careful investigation by the Interstate Commerce Commission, extended over twenty-five years, shows conclusively that railroads as a whole are not over-capitalized and that debt and fixed charges are not major elements in the present situation. The total of railroad stocks and bonds outstanding in the hands of the public is, in fact, less today in proportion to the amount invested in railroad property than it was thirty years ago. Railroad debts, as compared with investment, are approximately one-third lighter today than they were thirty years ago, when railroads were relatively prosperous.

The real roots of railroad difficulties are in the depression, which has cut down the volume of traffic to be moved by any means of transportation, and in a public policy which, by encouraging the diversion of freight to other means of transportation, operates to decrease railroad traffic and revenue.

Railroads must meet all their costs—not merely the cost of moving trains, but also the cost of providing and maintaining the ways on which those trains move. Upon both trains and ways, railroads pay taxes which are not spent to build or maintain

railroad tracks, but are spent for the support of government in general. The two together—the cost of providing and maintaining tracks, plus taxes—amount to approximately 35.7 cents out of each dollar the railroads take in.

Of no other form of general transportation is this true. Commercial highway carriers reporting to the Interstate Commerce Commission report the payment in taxes of less than 10 cents out of each dollar of their revenue. For this payment they receive all that any other taxpayer receives from government and, without any other payment whatsoever, they get the use of roadways built and kept up by public funds. Boat lines on improved inland waterways pay in taxes about 2 cents out of each dollar of their revenues and get the free use of channels which cost from \$100,000 to \$250,000 a mile to build.

The thing most needed to cure the present financial condition of the railroads is a chance to meet competition on equal terms—equal as to regulation, equal as to taxation, equal as to subsidy if government is to continue subsidies to any form of transportation.

Government ownership and operation of railroads is not needed to bring about such equality. And neither will government ownership and operation of railroads assist in bringing to an end the other major cause of railroad financial difficulties—the depression which reduced the total volume of business and traffic.

The sounder approach to the problem is that outlined as follows in a radio address in April, 1939, by Senator Burton K. Wheeler, Chairman of the Interstate Commerce Committee of the United States Senate:

. . . It is true that the railroads are the most vital unit of our national transportation system. Notwithstanding their importance, the railroads are not entitled to any special privileges but neither should they be made to suffer any discriminations. . . . There is a demand for a national transportation policy, an evenhanded justice to all, regardless of whether they be small or great.

THE AMERICAN RAILROADS

THE development of the United States of America and of its vast agricultural, forest and mineral resources was made possible by the development of steam railway transportation. The "civilizing rails," as they have aptly been called by Mark Jefferson, noted professor of geography, were the trail-blazers, the builders of empire. Railroads represent a great victory in man's conquest of the forces of nature. On the American continent, with its great distances and climatic extremes, the railroad provides the only dependable and cheap means of land transportation for all distances, in all seasons and under all conditions of weather.

Where the railroads went, settlement and civilization went. Frontier communities which had been established in advance of railway building took on new life and new energy with the coming of steam transportation. Along the newly laid rails, villages by the thousands sprang up, and many of them grew into thriving towns and cities. Following the advancing rails came every sort of development—of farm, forest, mine and factory.

Rail transportation broke down the barriers of distance and gave farmers a nation-wide market for their products. It enabled those remote from consuming and distributing centers and seaports to supply markets from coast to coast and to produce for export trade. With greatly increased buying power, the farm population became in turn a vast market for the products of industry. The development of railway refrigeration further widened the farmer's opportunities and revolutionized the eating habits of the American people.

Throughout the whole web of American life runs the essential railroad.

State Governments Had Their Experience

In the early period of American railway expansion, when private capital was not readily available, the governments of some states which were eager to promote their development, to protect their commerce and to prevent the diversion of traffic to rival trade routes, undertook to build and operate railroads. Financial failure was the result in every instance where state opera-

tion was attempted, and the few state-owned lines which were completed were eventually sold or leased to private companies.

The Commonwealth of Pennsylvania undertook the construction of canals and railroads with a view to connecting Philadelphia and Pittsburgh by a continuous line of internal improvements. To this end, 117 miles of railroad and 285 miles of canal were built. Operation by the state was a failure, and in 1857 the properties were sold to the Pennsylvania Railroad Company for about one-half the original cost. Pennsylvania had enough; it never again entered the railroad business.

The State of Georgia built a railroad, 138 miles in length, from Atlanta to Chattanooga, opened for through traffic in 1850. In 1870 the road was leased to a private corporation, the Western and Atlantic Railroad Company, which operated it until 1890, when it was leased to the Nashville, Chattanooga and St. Louis Railway, and it has since been operated by that company. Georgia never again ventured into the railroad business.

In 1837 the State of Michigan purchased the franchise and property of the Detroit & St. Joseph Railroad Company, and during the next decade built the line between Detroit and Kalamazoo. The Michigan legislature in 1846 refused any further appropriations. The State sold the uncompleted railroad to the Michigan Central Railroad Company, a private corporation, which completed the line to Lake Michigan.

Michigan was through; it never went into the railroad business again.

The Commonwealth of Massachusetts financed the construction of the Troy & Greenfield Railroad, a 44-mile line between Greenfield and the Vermont State line, including the Hoosac Tunnel. Twenty years were required to complete the tunnel. The road was never operated by the State but was operated by private companies on a rental or tollage basis, and in 1887 the state sold out to the Fitchburg Railroad Company. Massachusetts never again ventured into the railroad business.

In 1837 the State of Illinois launched a great scheme of internal improvements, which contemplated the construction of a canal and more than 1,300 miles of railroads. The project, characterized as "Illinois' supreme folly," collapsed in 1840, leaving the state with a debt burden of \$14,000,000, about half of which had been spent on railway construction, with only twenty-four miles of railroad to show for its costly venture into the railroad business. After a few years of intermittent and unprofitable operation, this state-owned railroad, known as the Northern Cross, was sold on the auction block for \$21,400! Illinois never again ventured into the railroad business.

No state went into the railroad business on a more extensive scale than North Carolina. Prior to the War Between the States,

North Carolina built two railroads—the North Carolina Railroad, 223 miles in length, and the Atlantic and North Carolina Railroad, 95 miles in length, and after the War it built the Western North Carolina Railroad, 185 miles in length. After about twenty years of state operation, the North Carolina Railroad was leased to a private company, and it is now a part of the Southern Railway System. After operating the Western North Carolina Railroad for about five years, the state sold it to a private company, and it is now a part of the Southern Railway System. The Atlantic and North Carolina was operated by the State until 1904 when it was leased to a private company and later became a part of the Norfolk Southern Railroad. A short time ago the Atlantic and North Carolina was turned back to the state, which is now negotiating for its lease to a private company.

In his book "A State Movement in Railroad Development," published by the University of North Carolina Press, 1927, Professor Cecil K. Brown said:

From the first entrance of the state into the field of railroad building down to the present time, the problem of management has been intricately bound up with the perennial issue of politics. . . . The state owned a controlling interest in each of the three companies, and appointed a majority of the directors of each. The appointment of the directors was a gift to be bestowed by the ruling political faction upon those of its favorites whom it chose to select. And efficiency is not the offspring of favoritism. From the standpoint of the original design to build an east to west state-controlled trunk line in North Carolina, the whole venture was a failure. From the financial standpoint it was likewise a failure.

In their eagerness to promote business development, a few state governments and some counties and cities subscribed to railway stocks and bonds. In so doing they, of course, took the same financial risks as other investors. In some instances their investments proved directly profitable; in other instances they did not, as far as immediate financial returns went. In every

The Railway Industry

The railroad industry has been one of our greatest institutions. Upon the transportation which it furnished, the nation has been built. Billions of dollars have gone into the industry, to a very great extent in the belief that it was a place where savings could safely be invested. Directly or indirectly, the larger part of our population has a financial interest in it. Eighteen years ago it gave employment to as many as two million persons. It has been one of the great consumers of both raw materials and manufactured products.—*Fifty-second Annual Report of the Interstate Commerce Commission, November 1, 1938.*

instance, however, they helped to secure the building of an economical, self-supporting, tax-paying way of transportation, which has contributed enormously to their growth and to their taxable wealth.

To enable its merchants and industries to share with Louisville in the trade of the Southeastern States, the City of Cincinnati financed the construction of a railroad between Cincinnati and Chattanooga. The road was opened to Chattanooga in 1880. Shortly thereafter it was leased to a private company and has been operated under this arrangement ever since then. For many years the road has been a part of the Southern Railway System.

In addition to these state and municipally owned railway projects, past and present, the Grand Trunk Western, the Duluth, Winnipeg & Pacific, and the Central Vermont railroads, embracing 1,325 miles of line in the United States, are owned and operated as parts of the Canadian National Railways of the Canadian Government.

The Federal Policy

The traditional policy of the Federal Government from the beginning of railway development in this country to the present day—a period of more than 110 years—has been to leave the ownership and operation of railroads in the United States proper to private enterprise.

During the Civil War period, military necessity required the Federal Government temporarily to take over the control of certain railroads in the zone of military operations.

During the World War similar considerations led to federal control and operation for a period of two years and two months—from January 1, 1918, to February 29, 1920—although many transportation authorities did not deem the step necessary. As the time approached for the return of the railroads to their owners, there was an effort to induce Congress to extend the period of

government control, but a storm of protest arose from coast to coast. The overwhelming sentiment of the American people, after more than two years of government operation, was for the return of the properties to private operation without further delay. This government venture into the railroad business cost the taxpayers of the United States an average of \$2,000,000 for each day they were operated by the government, or a total of \$1,616,000,000.

During the war period the Federal Government commandeered a large number of vessels and barges operating on the Mississippi and Warrior rivers. After the war the operation of these vessels was continued by the War Department in competition with the railroads and privately owned barge operators. In 1924 the Inland Waterways Corporation was created by an act of Congress, with government backing, to take over the operation of the Federal Barge Lines. Millions of dollars of public funds were invested in new equipment. The northern terminus of the Barge Line on the Warrior River System was at Birmingham, Alabama, several miles west of the Bir-

Private Enterprise

In all the history of railway development, it has been the private companies that have led the way; the State systems that have brought up the rear. It would be difficult to point to a single important invention or improvement the introduction of which the world owes to a State railway. England shares with America the credit of having invented the locomotive. England first rolled steel rails, but America was not long behind. England first introduced the block system of signalling; while to America is mainly due the later development of automatic appliances. There are two types of power brakes on the world's railways. The Westinghouse brake was invented in America, the vacuum brake in England. The automatic coupler is wholly American. So are the sleeping car and the dining car. Shunting by gravity, which accounts for a saving of millions of pounds a year, was invented in England, but has been mainly developed in America.—*W. M. Acworth, British Economist.*

mingham industrial district. In order to extend its operations into Birmingham, the Corporation purchased in 1926 a switching facility now known as the Warrior River Terminal Company, consisting of about twenty-seven miles of railway trackage. This small switching line, owning two locomotives and operated as an auxiliary of the Federal Barge Lines, is the nearest approach to a federal-owned railroad in the United States proper.

The Federal Government owns two railroads outside of the United States proper, the Panama Railroad and the Alaska Railroad. The Panama Railroad, in the Canal Zone, was acquired and is operated as an adjunct to the Panama Canal. The Federal Government has a transportation monopoly in the Canal Zone. The Panama Railroad is not regulated by the Interstate Commerce Commission. It is not subject to the provisions of the Railroad Labor Act in the settlement of wage disputes. It does not pay the pay roll taxes required by the provisions of the Railroad Retirement Act. In fact, it pays no taxes at all. Notwithstanding these and other cost-reducing factors, the government-owned Panama Railroad collects an average freight charge of 8.2 cents a ton-mile, compared with an average charge of less than 1 cent a ton-mile on the railroads of the United States.

The Alaska Railroad is owned by the Federal Government and operated by the Alaska Engineering Commission of the Department of the Interior. Although it pays no taxes or interest on its investment and enjoys many other exemptions, its operating deficit for the 15 years 1923-1937 averaged \$722,552 a year. However, the Alaska Railroad is no more typical of the railroads of the United States than the Panama Railroad or the Warrior River Terminal are typical of them. It traverses a sparsely-settled, largely undeveloped region where construction was costly and operations are difficult. It was foredoomed to be a drain upon the federal treasury, and

it will probably continue to be for many years to come.

Federal Land Grants

Following its earlier practice of granting lands to aid highway and canal construction and the improvement of river navigation, the Federal Government, in the period 1850-1871, made grants of land amounting in all to some 130,000,000 acres to a few states and railway companies to promote the construction of pioneer railroads through sparsely-settled or unsettled areas of the public domain. This method proved highly successful to both the Federal and the State governments. It created a market for hundreds of millions of acres of public lands which previously could not be sold at any price because of lack of transportation; it created billions of dollars of new wealth; it enhanced the value of both publicly and privately-owned lands; it converted non-taxable areas into taxable property; it accelerated agricultural and industrial development; and, by promoting the extension of rail transportation to the Pacific Coast, it bound the nation together as nothing else could.

Contrary to widespread popular impression, the land-grant lands were not given to the railroads. In return for grants of land from the Federal Government, the land-grant railroads (1) transport government troops at one-half of standard fares, (2) transport government property at one-half of standard rates, and (3) transport United States mails for 20 per cent less than standard mail rates. In order to share in government traffic, competing railway lines which did not receive land grants also handle government troops and property at land-grant rates.

The railroads which received federal land grants are, for the most part, in the West. They comprise less than 10 per cent of the total railway mileage of the country. From the time they were opened for traffic down to the present day, these pioneer railroads,

and competing railway lines, have been repaying the Federal Government for the land grants in the form of reduced rates and fares, and it is estimated that this repayment is now averaging about \$10,000,000 a year. The value of the land-grant lands at the time they were transferred to the railroads amounted, on the average, to less than \$1.00 an acre, or a total of less than \$125,000,000. Therefore, at the present rate of repayment, the railroads are returning to the government an amount equal to the value of the lands every twelve and one-half years.

The Federal Government benefitted from the land grants not only through the sale of its adjacent lands at much higher prices than it had formerly obtained, but also through reduced freight, passenger and mail rates. The states and their political subdivisions have also been greatly benefited, because the land-grant railroads contributed materially to their development and have been for many years among their principal taxpayers.

For instance, the Illinois Central, the original land-grant railroad, received 2,595,133 acres of land to aid in the construction of 705½ miles of railroad in Illinois. At that time, in 1850, the Federal Government owned more than 11,000,000 acres of wild lands in Illinois which had been on the market for years without takers at \$1.25 an acre. In return for this land for which the government had asked \$3,243,916, the Illinois Central up to December 31, 1937, had paid the Federal Government \$10,882,356 in land-grant rate reductions on federal

property, troops and mails, not to mention large sums which the government had saved through similar rate-reductions on government traffic moving over competing railroads.

In the same period and on the same 705½ miles of railroad, the Illinois Central Railroad Company paid taxes totaling \$92,702,138 to the State of Illinois and other millions of dollars in income taxes to the Federal Government.

Federal Loans to Railroads

In addition to land-grant aid, the Federal Government made loans totaling \$64,623,512 in bonds to six pioneer Western railroads to hasten their construction. The loans bore interest at the rate of 6 per cent per annum. These railroads were developed through virgin territory, much of it arid and mountainous, and, as was to be expected, there followed a period of extremely light traffic and great financial difficulties, during which net earnings were not sufficient to pay off the loans. Finally, however, three of the six railroads repaid principal and interest in full. Two others repaid principal in full and a very substantial part of their interest. One railroad failed to repay a loan of \$1,600,000 and it was necessary for the government to collect through deductions from transportation bills. On these transactions as a whole the railroads received \$64,623,512 in government bonds and paid back \$63,023,512 of the principal and \$106,175,657 in interest, or a total of \$169,209,169. Commenting on these loans in 1899, Professor Hugo R. Meyer, of the University of Chicago, said:

For the government, the whole outcome has been financially not less than brilliant.

When the railroads were returned from federal control after the World War in 1920, many of them were urgently in need of funds with which to rehabilitate their properties, purchase new equipment and expand their facilities to meet the needs of

Keep America a Land of Opportunity

I favor the American system of individual enterprise, and I am opposed to any general extension of government ownership and control. . . . This country would not be a land of opportunity, America would not be America, if the people were shackled with government monopolies.—*Calvin Coolidge.*

the future. At that time the Federal Government loaned them \$1,080,575,000, at 6 per cent interest. On June 30, 1938, the Secretary of the Treasury reported that all but \$30,230,000 of the principal has been repaid, and that the government had collected a total of \$217,840,000 in interest. The amount of principal repaid plus interest, therefore, exceeded the total amount of the loans by \$187,610,000. Much of the remaining unpaid principal, owed for the most part by railroads now in receivership, will be collected in time, plus interest, but even if the unpaid principal were never collected, the government would still show a very substantial profit on its post-war loans, because the interest rate at which the loans were made was nearly double the interest rate paid by the government on borrowed money.

Since the beginning of the recent depression the Reconstruction Finance Corporation and other federal agencies have loaned the railroads a total of \$851,078,000. Of this amount \$267,212,000 had been repaid to the government by the railroads on July 31, 1939. Railroad obligations amounting to \$125,272,000 had been sold by the government to private investors, leaving the railroads still owing the government \$458,594,000.

Since the railroads pay the Federal Government 4 to 5 per cent interest on the money which they borrow from the Reconstruction Finance Corporation and other government lending agencies, while the average interest rate paid by the government on its borrowed money is slightly under 3 per cent, the government is making a substantial profit on its railway loans.

The foregoing facts clearly show that the Federal Government has profited from both land-grant and financial aid to railroads, and that, contrary to a more or less general impression, neither federal land grants nor federal loans to railroads were in any sense gifts. They were business transactions, with the railroads paying for value received.

Who Owns the Railroads?

Directly and indirectly, the American railroads are owned by many millions of American citizens. These investors are divided into two groups—stockholders and bondholders.

At the beginning of 1938 the total par value of railway stocks, bonds and other securities in the hands of the public was \$18,943,000,000, of which \$7,154,000,000 represented stock and \$11,789,000,000 represented bonds and other funded securities.

The recorded investment in the railroads as a whole at the beginning of 1938 was \$26,598,000,000. This was approximately \$7,655,000,000 greater than the aggregate par value of all stocks, bonds and other securities outstanding in the hands of the public.

At the beginning of 1939 there were 887,492 railway stockholders in the United States, scattered throughout the country.

The statement repeatedly made that the American railroads are owned by "a few rich people" or by "Wall Street" is untrue. Ownership in railway securities is far more widespread today than it was a generation ago.

The extent to which ownership by the public at large has increased since around the turn of the century is shown by the following table:

Railroad	NUMBER OF STOCKHOLDERS		
	1904	1918	1938
Baltimore & Ohio	7,132	32,066	41,317
Boston & Maine	7,402	7,155	13,739
Chesapeake & Ohio	1,478	7,220	59,874
Chicago & N. West.	4,109	13,677	17,148
C, M, St, P. & P.	5,832	20,922	19,022
Great Northern	383	30,468	31,855
Illinois Central	9,123	11,324	19,657
Louisville & Nashville	1,672	5,154	7,186
New Haven	10,842	25,048	27,312
New York Central	11,781	31,767	64,695
Norfolk & Western	2,911	9,847	13,324
Northern Pacific	368	27,338	30,816
Pennsylvania	44,175	110,765	214,532
Santa Fe	17,823	49,796	55,711
Southern Pacific	2,424	38,502	45,899
Union Pacific	14,256	36,953	50,022
Total, 16 railroads	141,711	458,002	712,109

Railway Bonds Widely Held

In addition to numerous individual railway bondholders throughout the country, railway bonds are widely held by insurance companies, savings banks, colleges and universities, hospitals and other institutions. Railway bonds held by life insurance companies alone totaled \$3,267,000,000 at the beginning of 1937, while aggregate railway security holdings of life insurance companies, banks, educational and charitable institutions and foundations on the same date amounted to \$6,617,000,000, or approximately 56 per cent of the total net railway funded debt.

Virtually every life insurance policy holder and every savings bank depositor is indirectly an investor in the American railroads. Thus, the ownership of railway securities, directly and indirectly, reaches into nearly every home and institution in America.

Speaking before the Harrisburg (Pa.) Chamber of Commerce not long ago,

Martin W. Clement, President of the Pennsylvania Railroad, said:

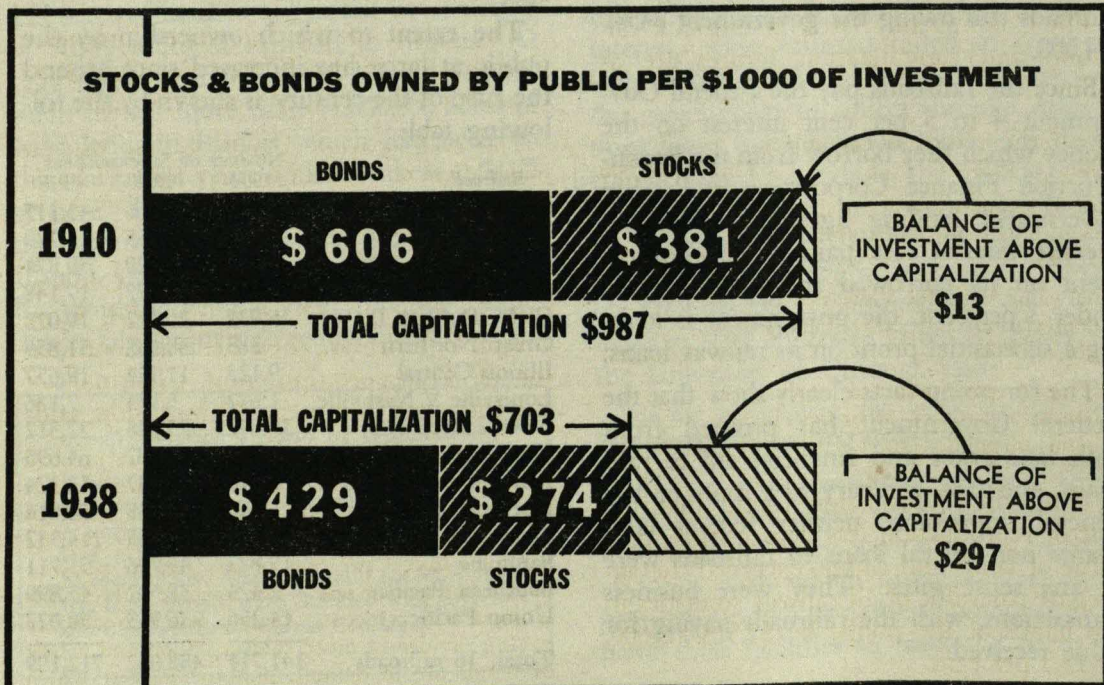
The railroads are privately owned by the public at large, when you consider the fact that in addition to their million stockholders, there are also a very great number of bondholders. They are privately owned by the public at large when you consider the fact that the life insurance companies of this country have 63,000,000 policy holders, and are all large investors in railway securities.

They are privately owned by the public at large when you consider the holdings by the savings banks and other banks, educational institutions and fire insurance companies, which are dependent to a considerable extent on their railroad investments. They are privately owned by the public at large when you consider the enormous amount of taxation that these railroads pay to the various governmental divisions. They are privately owned by the public at large when you think of the million employes and their families who are dependent on them for support, and of the number of citizens dependent upon those employes through the income which they give to the communities in which they live.

The railroads, therefore, as an institution, are privately owned by the public at large, and the

Ratio of Capitalization to Investment

All Steam Railways in the United States, Except Switching and Terminal Companies



whole community is interested in their prosperity because of the hundreds of millions they spend every year for materials and supplies, new equipment and facilities which provide employment and wages for hundreds of thousands on the farms, and in the factories, industries and ports of the nation. They are owned by the citizens themselves and not by any political body.

Facts About Capitalization and Fixed Charges

No aspect of transportation has probably been more widely misunderstood than railway capitalization. The old cry is that the railroads are overcapitalized, that they are burdened with "watered stock" and excessive fixed charges.

Fortunately, the facts are available for those who seek them. The Interstate Commerce Commission spent twenty-five years and many millions of dollars to find the value of the railroads. The railroads do not agree that the valuation found by the Commission represents full value; nevertheless, the Commission's investigation proved beyond the shadow of doubt that the railroads as a whole are conservatively capitalized.

The Commission's latest investment, valuation and capitalization figures are as follows:

Investment in road and equipment, Jan. 1, 1938	\$26,598,000,000
Cost of reproduction less depreciation, plus lands and rights, Jan. 1, 1937	21,456,000,000
Final value, with due allowance for depreciation and other factors. Jan. 1, 1938	20,988,000,000
Aggregate par value of stocks, bonds and other securities in hands of public, Jan. 1, 1938 ..	18,943,000,000

Thus, the Commission found that the cost of reproduction less depreciation, plus value of lands and rights, exceeded the aggregate par value of all railway securities in the hands of the public by \$2,513,000,000, or 13.3 per cent.

The Commission's "final value" exceeded total railway securities in the hands of the public by \$2,045,000,000, or 10.8 per cent.

This 10.8 per cent represents the zone of safety and conservatism — the extent to which the Commission's final value exceeds the par value of stocks and bonds in the hands of the public.

The recorded investment, representing capital actually invested in existing facilities and equipment, exceeded the total par value of stocks, bonds and other railway securities in the hands of the public by \$7,655,000,000, or 40.4 per cent.

Not only are the railroads as a whole conservatively capitalized, but their fixed charges do not constitute an unreasonable burden. Discussing the fixed charges of the railroads, a special committee of three Interstate Commerce Commissioners — Messrs. Splawn, Eastman and Mahaffie—reported to President Roosevelt in April, 1938, that "these charges constitute a comparatively modest return on only a part of the legitimate investment in railroad property," and added that "there is nothing unjust about this return."

The report of the Interstate Commerce Commission in the Fifteen Per Cent Rate Case, Ex Parte 123, March 1938, said:

This evidence tends strongly to show that the major cause of the unsatisfactory financial condition of the applicants as a whole is not to be found in excessive fixed charges.

Addressing the American Life Convention in Chicago, October 10, 1934, Hon. Joseph B. Eastman, then Federal Coordinator of Transportation, now Chairman of the Interstate Commerce Commission, said:

Nor is the interest rate high on the railroad debt. I have seen an analysis of railroad bonds still paying interest and having a par value of \$8,263,160,686. This shows that 43 per cent of the total pays 4 per cent or less and 89 per cent pays 5 per cent or less. The average interest rate is about 4½ per cent. Only a few railroads are paying dividends, more than a billion and a half of bonds are in default, and the interest which

is still being paid is at a relatively low average rate. It is impossible to support a claim that an extortionate return, or anything approaching such a return, is now being exacted on the money which has gone into the railroads.

"America's Twenty Per Cent Industry"

The railroads have aptly been called "America's Twenty Per Cent Industry" by reason of the fact that the par value of their stocks and bonds and other securities constitute 20 per cent of the par value of all corporate securities listed on the exchanges, and also by reason of the fact that the railroads normally purchase more than 20 per cent of the nation's coal, about 20 per cent of the nation's forest products, nearly 20 per cent of the output of steel and rolling mills, and more than 20 per cent of the output of foundries. Moreover, except for equipment exported, they take the entire output of the great locomotive and car manufacturing plants.

The railroads of the United States embrace some 240,000 miles of road and 423,000 miles of railway trackage. Their properties include many thousands of freight and passenger stations, several thousand bridges, hundreds of tunnels, and numerous repair plants and enginehouses, storehouses, coaling stations, section houses, wharves, docks and other terminal facilities. They own and operate around 47,000 steam and electric locomotives, 41,000 passenger, baggage, mail and express cars, 1,800,000 freight cars of all kinds, and several thousand units of work and floating equipment.

The operating revenues and expenses of the railroads fluctuate with general business and competitive conditions. Revenues

reached their peak in 1926, when receipts totaled \$6,383,000,000, and dropped to their lowest depression level in 1933, when they totaled only \$3,095,000,000. Operating expenses (not including taxes, rentals and fixed charges) also reached their peak in 1926, when they totaled \$4,669,000,000. They were reduced to \$2,249,000,000 in 1933. In 1938 revenues totaled \$3,565,000,000 and expenses totaled \$2,722,000,000.

Railway employment extends into every state and every city and into nearly every town and county in the United States. Each month the railroads distribute around 2,000,000 pay checks, spreading the benefits of railway employment into every part of the country.

Normally, more than 1,400,000 persons are employed in railway operations in the United States, and railway pay rolls range in the aggregate from around \$1,500,000,000 to more than \$2,500,000,000 annually, depending upon conditions in the industry. In 1938, a year of sub-normal railway activity, the railroads employed an average of 939,171 workers and paid out \$1,746,000,000 in wages.

Purchases by the railroads of fuel, materials and supplies fluctuate even more widely than pay rolls. For instance, in 1929 the railroads' net operating income (what is left after operating expenses, taxes and equipment rents are paid) was equivalent to a return of 4.81 per cent on their investment. In that year they spent \$1,330,000,000 for fuel, materials and supplies. But in the depression year 1932, when their net operating income equaled only 1.24 per cent of their property investment, they spent about one-third as much, or \$445,000,000, for fuel, materials and supplies.

In the same two years their expenditures for additions and improvements in plant and equipment amounted to \$854,000,000 and \$167,000,000, respectively.

In 1938, the railroads earned 1.43 per cent on their property investment and they spent \$583,000,000 for fuel, materials and supplies and \$227,000,000 for additions and improvements.

Arteries of the Nation

It must not be forgotten that our railways are the arteries through which the commercial lifeblood of this nation flows. Nothing could be more foolish than the enactment of legislation which would unnecessarily interfere with the development and operation of these commercial agencies.—*Theodore Roosevelt.*

In thousands of communities throughout the United States, railway taxes are relied upon to help support the public schools, to help maintain the highways and to defray the costs of local government. They also contribute extensively to the support of federal and state governments.

Total railway taxes vary from year to year owing to variations in income taxes, sales taxes, social security taxes and other factors, but they are much more rigid than either railway purchases or railway pay rolls. In 1929, when many railroads were paying large income taxes, railway taxes (Federal and state) totaled \$397,000,000 and took 6.3 per cent of railway operating revenues. In 1935 tax payments totaled \$237,000,000. However, due to much smaller railway earnings, this reduced tax bill took 6.9 per cent of total railway revenues, or slightly more than in 1929. Since then, owing largely to the operation of the social security laws but partly to other factors, railway taxes have steadily increased and amounted to \$341,000,000 in 1938. This took 9.5 per cent of gross operating revenues—the largest slice in railway history.

The foregoing facts give some idea of the economic importance of our railroads, not to mention the indispensable service they perform, day in and day out, month after month, year after year, as the only agencies that provide complete, nation-wide, common-carrier transportation of passengers, freight, perishables, express and mails.

The railroads perform the mass transportation service of the nation. Notwithstanding the extensive development of commercial transportation on highways, waterways, airways and pipelines, and despite the fact that these new forms of commercial transportation (except pipelines) are not required to provide and maintain their own roadways, and are less rigidly regulated than railway transportation, the railroads continue to perform the great bulk of the common-carrier freight, passenger, express

and mail transportation service of the nation. Today, as in the past, railroads are the backbone of the American transportation system.

The railroads of the United States—privately owned and privately operated—were created and developed by the spirit of individual enterprise. They have played a tremendously important part in the making of this great nation. Their day by day contribution to the economic life of this country as agencies of transportation, as employers of labor, and as purchasers of the products of industry cannot be estimated. They are among the country's largest—in many instances, the largest—contributors to the support of schools and state and local governments. In communities throughout the United States their taxes have the effect of lessening the tax burden of all other property owners.

In the following pages are set forth many reasons why, in the public interest, this great system of railroads should be continued under private ownership and operation.

Coordination

We have in the United States literally hundreds of railway companies, each separately owned and each operating its own lines, but in the performance of the great transportation services—the carriage of passengers, freight, perishables, express and mails—these railway companies coordinate their efforts and operations to provide the service which best meets the needs of the public. Gauges of track have been made uniform, equipment has been standardized, and systems have been worked out and agreements have been made whereby freight cars of one railroad are moved freely to or from any part of the United States. Frequently a single passenger train is operated over several railroads, and one may travel and ship goods from any point in the country to any other point as easily and speedily as if all railroads were under the same management. It is due in part to this cooperative effort that American railway service is as efficient as it is today.

Public Opinion Is Strongly Opposed to Government Ownership and Operation of Railroads.

IN a democracy, public opinion is the final arbiter. Political parties rise and fall; administrations come and go; questions and issues, great and small, are settled as public opinion dictates. The question of government ownership and operation of railroads has been advanced time and again over a long period of years and for sundry reasons. It was made an issue in political campaigns. Bills providing for government ownership and operation of railroads have been introduced repeatedly in Congress. Government ownership has been one of the planks in the platform of the Socialist Party for many years. In every instance, that all powerful force in American life—public opinion—has rejected it.

There is no popular demand for government ownership and operation of railroads. On the contrary, public sentiment is overwhelmingly opposed to it. Proof of this is to be found in the Gallup Poll and Fortune Poll, as well as in surveys conducted by the National Industrial Conference Board, the Transportation Conference and in the action taken by national and state farm organizations, details of which are given below.

It is significant that some of the former advocates of government ownership and operation have, as a result of mature study and consideration, changed their minds and have gone on record as favoring a continuance of private ownership and operation.

(a) President Roosevelt Is Against Government Ownership

Most of us have definite objection to Government subsidies to the railroads to enable them to meet the interest on their outstanding bonds or for any other purpose, and most of us also oppose Government ownership and operation of the railroads. I do.—*Franklin D. Roosevelt, President of the United States, in message to Congress, April 11, 1938.*

(b) Senator Wheeler Now Opposes Government Ownership

What is to be done about the railroads and for the railroads? I will give my opinions as we explore the industry's problems in detail; but I want to say at the outset that government ownership is *not* the solution. Once upon a time I thought it was. I was candidate for Vice-President in 1924 on the Progressive ticket headed by the late Senator Robert M. La Follette, and government ownership of railroads was a major plank in our platform. I have changed my mind. We have had examples in plenty during the past few years of the pressure that can be put on Congress to raid the Treasury for all sorts of schemes. If the government ran the railroads, every Chamber of Commerce, every community in the United States would be hollering for a new railroad station or more train service in one breath and

demanding a balanced budget with the next. New railroad stations would be pork-barrel items like new post offices or creek bridges have been, and are now. Conductors would be put in charge of trains according to their ability to get out the vote. The 900,000 railroad employees would not be human if they did not seek to use their political strength to get advantages from the owner-government. . . . I repeat that I am against government ownership because it will prostitute an essential service to politics.—*Senator Burton K. Wheeler, Chairman of the Committee on Interstate Commerce of the United States Senate, quoted in an article by Walter Karig in Liberty, May 6, 1939.*

* * * *

On "America's Town Meeting of the Air" program, presented over the National Broadcasting Company Network, April 13, 1939, Senator Wheeler was asked the following question:

Since one finds the government-owned railroads of Sweden and Switzerland and so forth both efficient and reasonable, and the Consul General of Sweden says that all their main lines are government-owned and electrified, why couldn't our government, which has already lent the railroads so much—so many millions, through the RFC—take them over gradually on the installment plan, and run them as a coordinated system for public service and not for profit?

To this question Senator Wheeler replied:

Well, they could take them over, and the question would be whether or not you would get better service. I must confess that there was a time when I thought that undoubtedly they could be run as well by the government as they would otherwise; but if you had been down in Washington as long as I have been and seen some of the departments operate some of these things, you would begin to question whether any government operation was successful.—From "Town Meeting," bulletin of *America's Town Meeting of the Air*, Volume IV, Number 23, published by Columbia University Press, 2960 Broadway, New York. Other speakers: John J. Pelley and Joseph B. Eastman.

(c) Chairman Lea States His Views

We have those who suggest government ownership as the legitimate solution of our carrier problem. I cannot regard government ownership as a solution of the problem. At best, it would be only changing from one situation of difficulty to another of greater difficulty. We can scarcely resort to government ownership with a reasonable expectation that we will reduce the cost of our transportation system. If it were humanly possible to have government ownership and effective business management, that proposal might be worthy of consideration. Government ownership means political control. The tendency of government operation towards the creation of needless jobs and unnecessary expense, makes it impossible to take over a nation-wide business operation with one or two million employes with any practical hope of making a success of the effort. One feature about government ownership has strongly impressed me because of my experience in public life and that is the political deterioration that would follow government ownership. Probably a million and a half men would become government employees. They would become primarily interested in political affairs of the country from the standpoint of their own compensation and conditions of employment. Every other consideration as citizens of the republic would be subordinated to their own interest. That is an inevitable result of large group employment by the government. We see enough of that already in the government organizations at Washington. The difficulty would be greatly multiplied by government ownership. It would be a matter of no small concern if a body of one or two million men with their relatives and friends become primarily interested in their own conditions to the neglect of the more pressing and great problems of the country.—Honorable Clarence F. Lea, Member of Congress from California, Chairman of the House Committee on Interstate and Foreign

Commerce, in address before Western Railway Club, Chicago, May 16, 1938.

(d) Commissioner Eastman Does not Favor Government Ownership

Hon. Joseph B. Eastman, Chairman of the Interstate Commerce Commission, and Federal Coordinator of Transportation in 1933-1935, was formerly one of the most prominent and best-known proponents of government ownership of railroads. His recent views on the subject, quoted below, are from BARRON'S for October 3, 1938:

In answer to the question: "What is your view on government ownership of railroads and the prospects of its invocation in the future?" Mr. Eastman said:

Long practical experience in public regulation of railroads led me some years ago to entertain with considerable favor the thought of public ownership and operation . . . Three things have deterred me of late from advocating public ownership and operation of the railroads:

1. It would require the government to assume a very large additional financial responsibility at a time when it is already sufficiently laden with financial burdens. Unfortunately, also, the extent of the obligation which government acquisition of the railroads would impose cannot be predicted with anything like accuracy, because of the probability of court litigation. The real value of the railroads at the present time is very difficult to determine. The courts would probably resolve doubts in favor of private owners.
2. The railroads have now ceased to hold the predominant position in transportation which they once had, and a very large part of the service is now provided by other agencies. If the railroads alone were acquired, we would have a public system of transportation competing with private enterprise. I can foresee much difficulty in such a situation.
3. Any industry, if it is to be successfully managed, must be under a single and concentrated authority. It cannot thrive under a multitude of bosses. Public ownership and operation of railroads will not work, in my judgment, unless the country is willing to entrust a very few men with authority and protect them against interference. In these times of stress and distress, and in view of the special interests of suffering employes and shippers, I much doubt whether this would be done. If it were not done, the operation of the railroads would probably impose heavy burdens on the taxpayers.

Incidentally, those who view railroad "fixed charges" with alarm, should bear in mind that under public ownership all, or a very large part, of the return on investment would be a "fixed charge" on the government.

Nevertheless, it is within the possibilities, certainly, that public ownership and operation of railroads may become a necessity. That is dependent on whether the railroads can be brought back to a condition where they will attract the investment of private capital.

(e) Shippers Oppose Government Ownership

The National Industrial Traffic League, composed of manufacturers and other large shippers throughout the United States, went on record as far back as 1918 as strongly opposed to government ownership of railroads. Since then the League has consistently and aggressively championed the principle of private ownership and operation. In a resolution approved February 23, 1939, the League stated its position as follows:

Congress should declare that the national transportation policy is to preserve and promote private ownership and operation of all forms of transportation; to preserve the inherent advantages of each; to promote safe, economical and efficient service; to encourage competition and the establishment and maintenance of reasonable charges for transportation services, without unjust discriminations, undue preferences or advantages, or unfair competitive practices, all to the end of insuring the development and preservation of national transportation service adequate at all times to meet economically and efficiently the full needs of the commerce of the United States.

(f) Agriculture Opposes Government Ownership and Operation

We recognize that American railroads constitute an essential transportation agency and believe their continued operation under private ownership will best assure the highest degree of efficient and improved service to the public.—*From Resolutions, American Farm Bureau Federation, New Orleans, Louisiana, December 15, 1938.*

We favor continued private ownership and operation of the railroads, and we advocate the taking of proper steps by Congress for the rehabilitation of the roads.—*From Resolutions, National Grange, Portland, Oregon, Nov. 16-24, 1938.*

We think that the railroads should be permitted to remain under private ownership and continue to pay taxes so necessary for the maintenance of our state and local governments and our public

schools.—*From Resolutions, Arkansas Farm Bureau Federation, Little Rock, Arkansas, November 17-18, 1938.*

We believe the best interests of agriculture will be served by a continuation of private ownership and operation of our railroads.—*Report of Resolutions Committee, Indiana State Grange, Goshen, Indiana, October 20, 1938.*

The time is here for organized agriculture to take a stand for farmers and demand just treatment of the government toward all agencies of transportation so that agriculture and industry may be well and efficiently served and real progress made toward a more sound and a better transportation policy. Such a policy should include: . . . Continuation of railroads as privately owned and operated enterprises.—*From Report of Legislative Committee, Iowa State Grange, Newton, Iowa, October, 1938.*

We believe the best interests of agriculture will be served by a continuation of private ownership and operation of our railroads.—*Resolution of Kansas Farm Bureau, October 13, 1938.*

In determining a national transportation policy, provision should be made for a continuance of railroads under private ownership and operation.—*From Resolutions adopted by Montana State Farm Bureau and Associated Women of the Farm Bureau, November 15, 1938.*

We recognize that an adequate, efficient, and dependable system of railway transportation is vitally necessary to Nebraska agriculture. We believe that in formulating laws to relieve the present distressed situation of no small part of the railways of the country the following principles should be recognized by the railways, the employees, the public and the government: (a) That the private ownership and operation of railways is better than government ownership and operation; (b) that the railways must make some return to their stockholders if abandonment or public ownership is to be avoided.—*From Resolutions, Nebraska State Grange, Broken Bow, Nebraska, October 13, 1938.*

Railroads should continue in private ownership and operation.—*From Resolutions, Nevada State Farm Bureau, Reno, Nevada, February 3, 1939.*

Like agriculture, we believe that the railroads should remain under private ownership and operation.—*From Resolutions, New York State Farm Bureau Federation, Buffalo, N. Y., Nov. 18, 1938.*

Recognizing that an economical and a speedy interchange of commodities between farm and market is necessary to agricultural prosperity, we believe that an adequate and efficient system of

railway transportation, privately owned and operated under reasonable regulations, is essential.—*From Resolutions passed by Ohio Farm Bureau Federation, Columbus, Ohio, November 17-18, 1938.*

We believe that under present conditions the best interest of Agriculture and Nation at large will be served by a continuation of private ownership and operation of our railroads.—*Report of Transportation Committee, Virginia State Grange, Marion, Virginia, October 26-28, 1938.*

Resolved, that we favor continued private ownership and operation of the railroads.—*From Resolutions, Wisconsin State Grange, Oshkosh, Wisconsin, December 8, 1938.*

(g) Views of Labor Leaders

There is a tendency on the part of some organizations connected with the railroad industry to advocate government ownership of railroads, and recently there appeared in the public newspapers an article leaving the impression that all of the standard railroad labor organizations advocated government ownership of railroads. The Brotherhood of Locomotive Engineers is not one of these organizations. The policy of this Brotherhood for many years has been against government ownership of railroads, and this policy will continue unless changed by convention action.—*A. Johnston, Grand Chief Engineer, Brotherhood of Locomotive Engineers, in the Locomotive Engineers Journal, July, 1935.*

(h) I have not found an increasing sentiment amongst railroad labor which would favor government ownership of railroads. . . . Under government ownership and operation, we may be faced with, at least, the same uncertainties as to employment; the status of our organizations; and the equality of our bargaining power. The very suggestion of a single system of transportation would be disturbing. There would be difficulty of employment, since railroads do not enjoy a monopoly of transportation. . . . Hence, there seems every reason to believe that labor would favor a continuance of private ownership and operation, and would seek to cooperate with management in making it possible, since this is in line with the best interests of labor, industry and the public. . . . We are jealous of the evolution of the methods which have been established between us under private ownership and control. Our greatest progress with legislation has been with legislative acts upon which management and labor have agreed. Hence, there seems every reason to believe that labor would favor a continuance of private ownership and operation, and would seek to cooperate with management in making it possible,

since this is in line with the best interests of labor, industry and the public. I recognize, of course, that such a belief is futile unless we can constructively continue to settle disputes and differences, which otherwise we may reasonably expect will lead to some form of government ownership and operation.—*David B. Robertson, President, Brotherhood of Locomotive Firemen and Enginemen, in address before Railway Business Association, Chicago, Illinois, November 18, 1937.*

(i) Editorial Opinions

Theoretically the government ownership of railroads is a beautiful dream, "an iridescent dream." The writer of these lines cherished it for years. But the last five years bringing their widening duties and powers of government have been revealing, indeed appalling! Now it is evident that this "iridescent dream" is a mirage. For practically, with political intelligence and political energy as they are now manifested under the American government, the government ownership of railroads, instead of being a great boon, might easily become one of the binding chains of our thralldom. It might strangle liberty on this planet. We might inadvertently turn the land of the free and the home of the brave into a cruel, bureaucratic tyranny in which labor would be oppressed, the taxpayer would be overburdened, and our citizens have no appeal from the inexorable grinding of the machine of the gods.—*From editorial in Emporia (Kansas) Gazette (William Allen White, Editor), February 16, 1938.*

The government is not economical as a business enterprise. It cannot run the railroads except at excessive cost and if the service during the war is a criterion, we would, under government management, have poor service.—*Manufacturers Record, March, 1938.*

(j) Fortune Magazine Poll

Do you think the government should take over the railroads?

With the percentage of railroad mileage operated by receivers skyrocketing, *Fortune* first asked this question two and one-half years ago. It was then a timely question because on every hand there were advocates of government ownership. It is even more timely now, because with declining revenues the plight of the railroads has become progressively even worse, and the sentiment for nationalization has spread to railway bondholders. Only last April the President told Congress that "the troubles of the railroads . . . have been getting steadily more difficult . . ." and that it is "important for all of us to cooperate in preventing serious bankruptcies . . ." among them. Thirty

months ago the public was firmly opposed to government ownership. Today, with the situation considerably worse, the public is no less opposed:

	January, 1936.	July, 1938.
Yes (the government should take over).....	26.7%	25.7%
No	51.8	52.8
Don't know	21.5	21.5

—From *Fortune Quarterly Survey XIII*, (containing the results of a poll of readers) *Fortune Magazine*, July, 1938.

(Editor's note: Of those who had opinions in the July, 1938, *Fortune* poll, 67.3 per cent were against the government taking over the railroads and 32.7 per cent were for it.)

(k) The Gallup Poll

To determine how much sentiment already exists for nationalizing the rails, the American Institute of Public Opinion has conducted a study covering three aspects of the issue. The results show that a sizable majority of the voting public still favors continuation of private ownership. Less than one-third want the Government to take over the carriers. One question put to a cross-section of voters throughout the nation was: "Do you believe the Government should buy, own and operate the railroads?" The vote is:

Yes	30%
No	70%

—Dr. George Gallup, Director, American Institute of Public Opinion, February 25, 1938.

(l) Industrial Conference Poll

The National Industrial Conference Board, Inc., polled newspaper editors in the first quarter of 1936, on the question "Does the public opinion in your community favor government ownership of railroads?" Of 3,596 replies received, 3,148, or 87.5 per cent were unfavorable; 395, or 11.0 per cent were favorable, and 53, or 1.5 per cent were doubtful.—Data from *National Industrial Conference Board Study No. 222, Table 37, page 40, April, 1936.*

(m) Transportation Conference Poll

The Transportation Conference of 1933-5, a delegate deliberative agency, composed of national groups using and supplying transportation, unanimously voted that the weight of argument upon the basis of all available facts here and abroad, favors continued private ownership and operation of the railroads of the United States. It found, however, that formal declarations of this subject

were few in number. It therefore set out to secure declarations and resolutions on the subject of government ownership and operation of railways from local, state, regional and national organizations throughout the United States, being careful not to influence or suggest in any way the character of the answer to its inquiry. As a result, declarations were secured from 666 organizations representing every state in the Union. Of this number 633 definitely favored the continuation of private ownership and stated their reasons; only one organization definitely favored government ownership—and even this organization has since withdrawn from its position. The balance of 32 were noncommittal.—Booklet issued by Railway Business Association, distributed at Convention of Railway Supply Manufacturers Association, Atlantic City, New Jersey, June 16-23, 1937.

(n) Poll of Candidates for Congress

Having secured the cooperation of organizations in every state, we proceeded in conjunction with the American Federation of Investors and with our affiliated associations, to canvass the candidates who were seeking election to the Senate and House. There were 1,135 such candidates of all parties and you are probably saying to yourselves "that was a fruitless undertaking." Not so. We hold declarations from 448, or 40 per cent of all the candidates. Of these, 14 favor government ownership unqualifiedly; 12 lean toward it, but hold some reservations; 405 declare against government ownership unqualifiedly, and 17 declare against government ownership with some reservations.—Harry A. Wheeler, President, Railway Business Association, in address before the Association, New York City, November 5, 1936.

No Popular Demand

There is no popular demand for government ownership and operation of railroads in the United States. Public opinion in this country is conservative, as is to be expected in a country where under normal conditions there are many opportunities for individual achievement and advancement, and there is no general desire for the government to assume economic functions which hitherto have belonged solely to private agencies. If government ownership comes, it will be because private ownership finds it impossible to exist under a system of government regulation.—T. W. Van Metre, Professor of Transportation, School of Business, Columbia University, in "Transportation in the United States," published by Foundation Press, Inc., Chicago, 1939, p. 392.

Private Ownership and Operation of Railroads Is a Long Established National Policy. Government Ownership and Operation Would Represent a Reversal of This Policy.

THOSE who advocate government ownership and operation of railroads are advocating a fundamental change in the American system. The question is of basic political, social and economic significance to the future of this nation. It is a question of whether we as a nation are going to continue along the way we have traveled since the republic was founded, the way that has made America great, or whether we are going to turn from that course and go down the road that leads inevitably in the direction of the totalitarian state—whether it be labelled socialism, communism, fascism or some other “ism.” The burden of proof that the proposed change would be beneficial to the American people, that it would be a wise move, that it would result in a definite improvement over private ownership and operation, rests with its advocates.

(a) The Government, as it now exists, was conceived and organized for political and social control and activity. It was not vested with any economic functions beyond those essential to the proper exercise of its own functions in coining money, collecting and disbursing revenue, emitting credit, operating post offices and carrying mails, and in developing and maintaining military establishments for the protection of the lives and property of its citizens. It was primarily designed “to promote the general welfare, and to conserve to its citizens the rights of ‘life, liberty, and the pursuit of happiness.’” The entrance of the Government into commercial and industrial undertakings, backed by public credit and resources and its military and civilian personnel, for the purpose of competing with the business establishments and the opportunities of livelihood of its citizens, is, therefore, in general, repugnant to our fundamental democratic institutions and aspirations.—*From Report of Special Congressional Committee (known as the Shannon Committee) Appointed to Investigate Government Competition with Private Enterprise, February 8, 1933, House Report 1985, 72nd Congress.*

(b) The burden of proof would seem to be on those who propose to change the system, and that burden should be discharged only by a showing that government operation might reasonably be expected to produce better transportation at less cost. Even if that should be made to appear as likely, the burden of proof should then be on the proponents to show that this presumptive gain in transportation efficiency would be sufficient to outweigh the dangers to the body politic inherent in turning over an industry such as the railroads to political management.—*J. J. Pelley, President, Association of American Railroads, in*

Annals of American Academy of Political and Social Science, September, 1936, p. 120.

(c) The senator [La Follette, Sr.] emphasizes this: “I am for government ownership of railroads and every other public utility—every one.” This means all railways, power, light, telephone and telegraph. Either we are to remain on the road of individual initiative, enterprise and opportunity, regulated by law, on which American institutions have so far progressed, or we are to turn down the road which leads though nationalization of utilities to the ultimate absorption into government of all industry and labor. What the senator proposes is far more than a transitory experiment of government in business; it is a change in our social, economic, and political principles that will react to revolutionize our government itself.—*Herbert Hoover, Secretary of Commerce, in radio address, September 29, 1924.*

(d) Our government gives and insures absolute freedom and equality. Shall we supplant that form of government by any other?—particularly one which would reverse the order of things and make the government supreme instead of the governed? If we choose federalization of utilities or industries, it means a reversal of our form of government. Therefore, I cannot believe the employees of public utilities, or any other class of our citizenship, will, in any numbers, support a plan which will bring, instead of progress to our nation, chaos and destruction.—*From address by W. N. Doak, Vice President, Brotherhood of Railroad Trainmen, Washington, D. C., October 17, 1924.*

(e) The American system of government differs in large degree from governments of the world generally. The theory of most governments other

A Dilemma

Government ownership . . . would be the worst dilemma we could lead this country into at this time.—*Hon. John Taber, Member of Congress from New York, in U. S. House of Representatives, July 26, 1939.*

than our own is that the people are not competent to rule and, therefore, there should be a strong centralized government with practically supreme power in the hands of a few chosen individuals. The American system is based upon the sound idea that the people are competent to rule themselves; and that their public servants must exercise only such limited and restricted powers as the people specifically vest in them. The American system is based upon the conception that each person, individual and corporate, shall be free to exercise his own judgment and to run his own business in his own way, subject to such limited and reasonable restrictions as are best calculated to prevent some selfish and willful individual from transgressing the proper rights of his fellow citizens. So it is under the American system, whether it be good or bad—personally, I think it the best yet devised by man—that business is the function of the individual, and it is no more the function of the federal government to run the railroads than it is for it to run the newspapers, the schools, the labor unions, the churches, the banks and every human activity.—*Fitzgerald Hall, President, Nashville, Chattanooga & St. Louis Railroad, in address before Traffic Club of Chicago, January 30, 1936.*

(f) Under government ownership, partisanship, logrolling, and politics would be the inseparable accompaniments of administration. To embrace this un-American experiment would increase the cost of service and decrease our national efficiency, and thus undermine our democracy and destroy the fundamentals upon which America has become great. Above all, we would abandon all we have developed over a period of one hundred and sixty years as a land of opportunity, freedom, and progress hitherto unparalleled in political history. This would not be progressive, for it would not be progress. It would be destruction.—*Raynard F. Bohman, General Traffic Manager, Heywood-Wakefield Company, mimeographed article, 1938.*

(g) Private ownership of railways has been clearly demonstrated to be the most efficient, progressive, and economical method, as illustrated by the experience in the United States and Great Britain, where this transportation policy has always been maintained. No compelling motive to

change this policy is found where national safety is not a primary consideration and where density of population and of traffic offer reasonable assurance of a return upon the capital employed.—*P. Harvey Middleton, Secretary, Railway Business Association, in "Railways of Thirty Nations," published by Prentice-Hall, Inc., New York, N. Y., 1937, p. 304.*

(h) Private enterprise has a peculiar and distinctive significance to the United States. The philosophy underlying our institutions begins with it. Some very keen minds explored the experience of the human race for several thousand years and brought forth a plan, which organized and concentrated more wisdom than anything of similar character in history. In contemplating forces which might order the political affairs of man, the choice may be narrowed down to two. On the one hand, we have the doctrine of the supremacy of the State. On the other, we have the doctrine of the supremacy of the individual. . . . In modern times this conflict is often referred to as centralization versus decentralization. In the light of history, the choice between the doctrine of the supremacy of the individual was regarded as so important that the men who designed the American system went to unusual lengths of laying out their plan of decentralization of government in contract form—the Constitution. They knew that the greatest guarantee of individual liberty and freedom lay in the direction of private enterprise and endeavored to move further than ever before to safeguard it.—*W. J. Williamson, General Traffic Manager, Sears, Roebuck & Company, before Traffic Club of Atlanta, Ga., Nov. 7, 1938.*

A Lumberman's View

It is axiomatic that the best insurance we have that the railroads may carry on under private ownership and management, under reasonable regulation, properly financed for normal purchases and adequate wage rates, and with equal opportunity to serve, is the complete understanding of the American public of the problems confronting the railroads. The men who use the railroads share with the roads the responsibility for the further education of that public until there is an understanding support of this necessary service that the roads must be free to render. We see the dawn of such an understanding, and we must work together for the constructive legislation on which depends the solving of many of our transportation problems. The railroads must and will carry on.—*R. M. Weyerhaeuser, President, Northern Lumber Co., in address before New York Railroad Club, December 8, 1938.*

Under Private Ownership and Operation of Railroads and Other Industrial and Commercial Enterprises, the United States Has Developed into One of the Great Nations of the World.

THE United States of America has advanced in the last century and a half to the dominant position which it occupies today largely because its government was established upon the principle that the State should be the servant of the people and not that the people should be the servants of the State. Private ownership and operation of farms, mines, factories, merchandising establishments, railroads, motor bus and truck lines, telephone and telegraph companies, and other commercial enterprises is deeply rooted in American life. It is deeply rooted in our form of government. This is the American way, and under this American form of government we have progressed and prospered until our nation is the envy of the civilized world.

We have flourished as no other nation in history. We maintain the highest standard of living of any nation on earth. The United States embraces only about 6 per cent of the world's land area and about 6 per cent of the world's population; yet we have in this country 31 per cent of the world's railway mileage, more than 70 per cent of the world's automobiles, more than 40 per cent of the world's radios, and more than one-half of the world's telephones. Our people make up 38 per cent of the world's motion picture theatre goers.

We have more wealth per capita and more of the luxuries of modern life than any other people. Our workers are better paid. We have better homes and schools. The average American child is better clothed, sheltered, fed and educated. We live more abundantly than any other people. This is why millions of immigrants have flocked to our shores in the past and why it has been necessary to restrict the number of foreigners who may be admitted.

(a) We live in a country which is only 160 years old. From the beginning until now, the principle of Private Enterprise, and the initiative and freedom of the individual, as so carefully provided for in our Constitution, represent the prime, if not the sole reason, why this country in such a short expanse of time has become a land of opportunity and the richest and most productive nation on earth. It is those qualities of stolid initiative and voluntary cooperation which must now be applied to our problem within the transportation industry.—*W. J. Williamson, General Traffic Manager, Sears, Roebuck & Company, in address before Western Traffic Conference, San Francisco, California, May 18, 1939.*

(b) On the side of private ownership, we see that the great railroad system, the backbone of our industrial, agricultural and economic life, has been built up in the last 100 years. The electric power and light system has been developed within less than 60 years. Our telephone service is of about the same age. On the whole they have shown astounding technical development, have given con-

tinually better and more extensive service to the public at reducing rates, have been efficiently managed by the best available technical and administrative talent.

On the side of government ownership, I can see no comparable evidence of ability to operate and at the same time technically develop a public service. . . . The record of the Post Office Department shows faithful routine service but certainly shows no evidence of ability to handle such situations as the railroad, electrical and communication industries have handled well. Many other Government bureaus and agencies also have performed faithful routine service, but in general they have shown less ability to improve service even in their own fields than have independent agencies, and they have followed rather than led the way.—*Dr. Karl T. Compton, President, Massachusetts Institute of Technology, in address before Investment Bankers of America, December 5, 1936.*

(c) We Americans take great pride in our high standard of living. Our standard of living cannot be measured by dollars earned from our jobs . . .

rather, it is truly evaluated only in terms of what those dollars can command in the form of goods and services. Our country is widespread . . . every community must draw on the four corners of the land for the necessities of life. . . . Distribution is vital to national well-being. For generations this all-important service—efficient distribution of goods and commodities—has been provided for our great country largely by its outstanding system of railroads. It is a compliment to them and to the American way of life that our railroad freight rates are the lowest in the world. It is a compliment to them and to the American way of life that these low costs have not been obtained at the expense of wages, working conditions or safety.—*Thomas H. McInerney, President, National Dairy Products Corporation, in address before New York Railroad Club, December 8, 1938.*

(d) While there are some wastes in connection with our American competitive system of doing business, competition is the life of trade, and the American system has resulted in the most rapid growth of industry; a higher wage and living standard, and a greater amount of comfort and luxury among the common people of this country than any people of any other land or time have ever enjoyed.—*Homer Snow, Vice President, Amer-*

ican Zinc, Lead & Smelting Company, and President, Associated Traffic Clubs of America, in radio address, St. Louis, Missouri, July, 1936.

(e) It is said that transportation will gravitate into government ownership because of financial necessity, notwithstanding that there appears to be no expressed or crystallized public desire in favor of such a policy. It is true that the credit position of transportation is none too bright at the present time, but it is nevertheless probable that the American people are today paying a sufficient transportation bill profitably to sustain all necessary transport services under the principles of private ownership and to pay a fair return upon the capital invested. . . . We must not hazard the experiment of government ownership in transportation simply to avoid meeting the present issue. If we do, we shall pull down all the standards upon which we have built this glorious nation—we shall invite and encourage the disasters of a socialistic state upon the welfare and progress of every basic business enterprise. Financial distress may be a cowardly excuse for government ownership, but it is not a just cause.—*Donald D. Conn, Executive Vice President, Transportation Association of America, in address before Minnesota Club, St. Paul, Minnesota, December 13, 1935.*

RAILWAY MILEAGE IN LEADING COUNTRIES — 1937

Country	Thousands of Miles									
	0	25	50	75	100	125	150	175	200	225
United States	238.5									
Russia	50.7									
India	43.0									
Canada	42.2									
France	40.3									
Germany	36.2									
Australia	31.8									
Argentina	23.7									
Great Britain	23.5									
Brazil	19.6									
Japan	18.7									
U. of South Africa	16.2									
Mexico	14.5									
Poland	13.3									
Italy	11.3									
Sweden	10.0									

**The American Railroads Are Unrivalled in Efficiency. In Spite
of Their Present Financial Difficulties, They Are Providing Fast,
Safe, Dependable Transportation at Low Cost, and Are Paying
Their Workers the Highest Wages in History.**

IN the United States of America we have by far the most extensive and the most efficient system of railroads in the world. Our vast railway network, embracing nearly one-third of the world's mileage and handling about one-half of the railway tonnage of the world, was built and developed by private initiative and private capital. Our railroads have attained their present development, capacity and efficiency by the free play of competition and the incentive of individual reward—in spite of all the restrictions, regulations and competitive handicaps which public policy has placed in their way.

(a) The high standard of service furnished by the railroads of our country must not be forgotten in considering the question of government ownership. We have the greatest railroad system in the world, which pays the highest wages, maintains the best working conditions for employes, and furnishes transportation for freight and passengers at the lowest rate in the world. In recent years both freight and passenger transportation have been speeded up with greatly improved facilities and with the newest and most up-to-date passenger equipment. At the same time, railway transportation in the United States is the best, fastest, and safest in the world.—*Colby M. Chester, Chairman, General Foods Corporation, in message to New York Railroad Club, December 9, 1937.*

(b) The railroads of the country have been built up by the courage and initiative of private management.—*From Resolutions, Batavia (New York) Chamber of Commerce, February 3, 1936.*

(c) Business of the railroads and in general would be stimulated and permanently improved if the federal government would take a firm and definite stand in favor of private ownership and operation. This policy would go far toward restoring confidence to investors, would afford material aid to such railroad reorganization plans as may be necessary, and would be an effective demonstration by our government that private initiative and enterprise are not to be supplanted in a country which has been built upon such factors, by dubious experiment involving state control.—*Resolution, Board of Directors, Illinois Manufacturers' Association, Chicago, June 15, 1934.*

(d) Government ownership should not be allowed to happen. The railroads made this part of America. It was done with speed and the government paid for that speed with land grant subsidies. Out of that arrangement grew a magnificent private initiative for the development of transportation. Certainly that evolution was accompanied by many errors, but America did profit mightily by the private process. The United States has more railroads than any other like-sized area. They are better railroads. They have always kept in advance of those in other countries and they are doing so today. Further major progress lies ahead of them if the government will decline to take them over. Further progress will be put away permanently if their future is now to be buried in a Washington bureau.—*Wichita (Kansas) Eagle, April 10, 1938.*

(e) Advocacy of government ownership and operation, generally speaking, is based on half truths and incorrect information, and proceeds on the theory that whatever in the history and present situation of railroads may seem wrong, in the light of hind-sight and second-guessing, would have been done differently and better if only the superior wisdom of government had had the doing of it. No railroad man would claim perfection or anything approaching it for the railroads of the United States, past or present; but in considering changes in our way of doing, it might be well to remember that this criticized way of railroading has provided us with railroads which produce the greatest amount of transportation service, at the lowest average cost, and pay the highest average wages in the whole transportation world. The record can be bettered, of course, and is being bettered day by day; but what is there to make any-

one think that it can be done by government better than it can be done by private operation?—*Robert S. Henry, Assistant to the President, Association of American Railroads, in Dynamic America, March, 1938.*

(f) Our privately owned and operated railroads have produced the finest, fastest, safest, most efficient, and cheapest system of transportation in the world, when all of the necessary and proper costs of construction and maintenance of any given form of transportation are included.—*Homer Snow, Vice President, American Zinc, Lead & Smelting Company, and President, Associated Traffic Clubs of America, in radio address, St. Louis, Mo., July, 1936.*

(g) There are announcements of new and better trains. . . . It is a fair question whether or

not the government would be equally enterprising in adding to the comfort and luxury of travel on the rail. Several years ago, the railroads discovered the artificial climate. The country became accustomed to air conditioned trains. At about the same time, innovations were made in railroad catering. In addition to the dining cars of the old order, the traveling lunch counters made their appearance. It was a time of change in other ways, as witness the introduction of the new-fangled trains of gleaming metal with their Diesel engines and units articulated instead of being coupled together. They were forerunners in the streamlining of the railroads which is now well under way. These are improvements made by private management. — *Boston (Massachusetts) Transcript, June 18, 1938.*

Success of Private Ownership and Operation Depends Upon Public Policy

UPON the policy of government depends the future of private ownership in America. Admittedly there are conditions under which private ownership and operation cannot possibly succeed, but they are conditions which no wisely governed nation will long tolerate. Some of the conditions now existing must be corrected, regardless of whether the railroads are privately owned or publicly owned. Privately owned railroads cannot hope to succeed if they are burdened with federal and state laws which put them in regulatory straight jackets, restrict their actions and impose undue financial burdens upon them. Privately owned self-supporting, tax-paying railroads cannot hope to succeed if public policy forces them to compete for traffic with agencies of transportation which are more favorably treated and are supported in part—sometimes in large part—by public funds.

(a) Government ownership, if it comes, is never going to come as a result of a bill. It is going to be approached by a flank attack and it is those flank movements that you want to watch more than you do any straightforward bill for the inauguration of Government ownership upon whatever method. If it comes at all it is going to come as a result of imposing on these railroads such overwhelming expense that Government ownership, with all its attendant evils and all of its general taxes to meet deficits, is going to be the only way out. . . . Government ownership of railroads is going to come, if at all, and only if at all, when these railroads are saddled with an expense that no private operator can carry and live.—*Carl R. Gray, President, Union Pacific System, before Pacific Coast Transportation Advisory Board, Los Angeles, California, March 20, 1936.*

(b) If government ownership comes in the United States it will come, not because of any inherent superiority of government operation over private, and not because the country has turned to some form of political collectivism. It will come because of the failure of private ownership to adjust itself to present-day conditions and the lack of sufficient resolution on the part of Congress to frame a suitable transportation policy. It will come as an economic depression comes, not because we want it, but because our collective intelligence is insufficient to enable us to avoid it.—*T. W. Van Metre, Professor of Transportation, School of Business, Columbia University, in "Transportation in the United States," published by The Foundation Press, Inc., Chicago, 1939, p. 392.*

A Great Dis-Service

If Congress, through ineptitude and political cowardice, permits the country to blunder into the error of Government ownership of railroads, it shall have performed probably the greatest dis-service in its history.—*Dallas (Texas) Morning News, June 20, 1938.*

(c) All the railroads in the country might be reorganized, consolidations might be accelerated, coordinations might be hastened, pooling might be greatly extended, bankers who are thought to exercise undesirable influence might withdraw, holding companies might be eliminated from the railroad field, financial irregularities might be suppressed, railroad executives might forego their salaries, the fourth section [of the Interstate Commerce Act] might be repealed, every train might be streamlined, and a host of other things done, yet all of these things put together *alone* will not put the railroads in a position to maintain their properties and earn a profit. They are distinctly secondary considerations, many are even minor or negligible, compared with the decisive factor of equality in competition. Equality is the keystone which holds the arch.—*Hon. Balthaser H. Meyer, for twenty-eight years a member of the Interstate Commerce Commission, in address before Western Railway Club, Chicago, May 22, 1939.*

(d) When we consider our transportation policy over the last 15 years, we likely will arrive at the conclusion that government ownership of railroads will come only if the people themselves permit it to come. It may come as a result of failure of the public to deal fairly with a privately owned railroad system which has made America what it is today. It may come through failure of government to realize the railroads no longer enjoy a monopoly in transportation, and that the rail carriers are properly entitled to such legislation as will enable them to hold a place in the transportation field and to function in the public interest. But it can and will come, if we continue to subject the railways to restrictive governmental action and costly legislation, which will stifle the railroads or any other industry, and which finally will leave government ownership as the only alternative.—*J. M. Fitzgerald, Vice Chairman, Committee on Public Relations, Eastern Railroads, in Savings Bank Journal, January, 1937.*

(e) Of course, no one factor will bring about government ownership. If it comes it will be the accumulation of unfavorable and unfair factors which will finally make the burden too heavy to bear.—*E. S. Jouett, Vice President and General Counsel, Louisville and Nashville Railroad, before Louisville Transportation Club, November 12, 1936.*

(f) Our great danger in this country is government ownership by inadvertence, that is, by the creation of circumstances under which private operation can not successfully live and function. Against this there are two protections, one in the hands of the business and professional leaders of the country, and that is resolutely to set our faces against asking for or countenancing the application to railroads of policies which would jeopardize success if applied to our own activities.—*Robert S. Binkerd, Vice President, Baldwin Locomotive Works, in message to United States Chamber of Commerce, Washington, D. C., April 28, 1936.*

Would Be Free Only in Name

The most cogent reason for restricting the interference of government is the great evil of adding unnecessarily to its power. Every function superadded to those already exercised by the government causes its influence over hopes and fears to be more widely diffused, and converts, more and more, the active and ambitious part of the public into hangers-on of the government, or of some party which aims at becoming the government. If the roads, the railways, the banks, the insurance offices, the great joint-stock companies, the universities, and the public charities, were all of them branches of the government; if, in addition, the municipal corporations and local boards, with all that now devolves on them, became departments of the central administration; if the employes of all these different enterprises were appointed and paid by the government, and looked to the government for every rise in life; not all the freedom of the press and popular constitution of the legislature would make this or any other country free otherwise than in name.—*John Stuart Mill, "On Liberty" (1859).*

Private Ownership and Operation of Railroads in America Can Succeed

FORTUNATELY, there are conditions under which private ownership and operation can unquestionably succeed. These conditions can be summed up, briefly, as follows: Fair treatment; equality for all forms and agencies of transportation with respect to regulation, taxation and government aid; freedom from costly and restrictive laws. All these conditions are for government to grant or to withhold. Whether our traditional American system of private ownership and operation can continue or whether it will be supplanted by the socialistic system of government ownership and operation depends upon the transportation policy pursued by Federal and State governments.

(a) The various forms of transportation must be placed upon the basis of economic parity. This, in a sentence, is the answer to the first question. To establish economic parity it is necessary, first, to treat all transportation agencies exactly alike in the matter of government aid, legal rights, and taxation. When this is done traffic will automatically move over that agency which can render service at lowest cost; but if any particular type of transportation agency is given special advantages, traffic may be diverted to the less economical type of carrier. Moreover, when any form of transportation is subsidized by the government, either directly or indirectly, we are not likely to know thereafter whether traffic is in fact actually moving by the cheapest method of transport. This is because some of the costs are buried in the general accounts of the government, and it is only when they are painstakingly extricated therefrom and converted to ton-mile rates for the routes in question that anyone knows what the total cost really is.—*"The American Transportation Problem," prepared for National Transportation Committee by Harold G. Moulton and Associates of the Brookings Institution, February, 1933, pp. 882-883.*

(b) If the American railroad system is nationalized it will come only as part of a deliberate political program of government ownership and management of the entire American business system. There is nothing in the actual economic facts of the financial structure, the operation or the labor conditions in the railroad industry which requires its nationalization. The Federal Government now has practically complete control of the price and costs of railroad transportation. It is in a position either to put the operation of the American railroad system on a sound and self-supporting basis, or to compel bankruptcy of the railroads and to confiscate or expropriate the savings of the American people that have been invested in them. It must assume full responsibility for the decision and the consequences.

Adequate railroad transportation service can be provided either under private enterprise or under government ownership and management only if the return for the service equals the cost of furnishing it. In order to continue under private enterprise, the railroads as a whole must receive for their service a return sufficient to cover all the costs of maintaining such service at the level of efficiency required to meet the demand for it, including the costs of labor and of management, the costs of maintaining, replacing and improving their capital facilities, and the taxes exacted by Federal, state and local governments. To do this railroad management must be free to bring about consolidations of systems, to abandon trackage and other facilities not needed, to readjust financial structures, to develop collateral and supplementary types of transportation in connection with rail lines, and to make voluntary collective adjustments of labor costs in the interest of operating efficiency. The tax burdens upon railroad properties must be rationalized in relation to railroad income, and railroad rates must be regulated on the principle of uniformity and equity in relation to costs of railroad transportation and to competing forms of transportation.

If these conditions are established by government in good faith, with the cooperation of railroad management, the American railroad system can continue to render efficient and progressive service as a private enterprise, and adequate capital can be obtained from the savings of the American people for the maintenance and improvement of railroad transportation service. If not, our railroad system must inevitably pass under some form of political ownership and operation, and this must mean that the vast investment which millions of American citizens have made in it will be largely destroyed, and the general public will be heavily taxed henceforth to maintain the minimum of transportation service required to carry on the country's business. The decision is clear-cut and inescapable, and the responsibility for

making it will be up to the Federal Government in the next few years.—*Dr. Virgil Jordan, President, National Industrial Conference Board, Inc., in address before New York Railroad Club, December 8, 1938.*

(c) The true policy for sound transportation—and that is what we all seek—is not government ownership and political operation. It is public ownership through wide distribution of securities, with business operation, under an enlightened government policy which will allow the roads in good times to make surplus earnings as other industries do; which will stop the uneconomic diversion of traffic through subsidies to other means of transport; and which will call a halt on legislative action to increase the operating cost of railroads or to reduce their revenues for the supposed benefit of other elements of the community. With that sort of policy—full and fair opportunity for our railroads to render to users, workers, and owners the service of which they are capable—there would be no discussion of government ownership and operation as either desirable in itself or inevitable because of circumstances; at least not by those who are interested in results rather than theories.—*J. Pelley, President, Association of American Railroads, in Annals of the American Academy of Political and Social Science, September, 1936.*

(d) There is only one way to prevent government ownership. This is to reverse policies which, by increasing operating expenses and diverting traffic, are threatening to incapacitate the railways permanently from earning enough to meet their financial obligations and raise the capital required to improve and cheapen their service. It will do no good to argue against it if there is continuance of policies leading directly toward it. If any industry must be operated with inadequate profits or at a loss, it must be owned and operated by government or not operated at all.—*Samuel O. Dunn, Editor, Railway Age, in address before Birmingham Traffic and Transportation Club, Birmingham, Ala., January 10, 1936.*

(e) The railroads constitute the great single industry in America to which the investments and the wage-earning abilities of millions of our citizens are entrusted. If this great public trust is to be protected the railroads must be able to earn more than just enough to pay interest on their bonds and a tolerable return to their stockholders. They must be enabled also to earn a surplus in good years to set aside against periods of depression and at the same time continue to carry out improvements from which the public benefits but which do not add to earning capacity.—*Rome C.*

Stephenson, President, American Bankers Association, in address before Advertising Club of New York, February 18, 1931.

(f) The most immediate requirement of the very serious crisis confronting the transport industry is the recognition on the part of all interests party to the problem that we can no longer apply one yardstick to one form of transportation and entirely different treatment to another.—*Donald D. Conn, in address before Great Lakes Advisory Board and Buffalo Transportation Club, Buffalo, New York, September 21, 1938.*

(g) For correction of this condition, for an unswerving following of the sign-post, government ownership of railroads is not in itself an answer. No costs are escaped, however they may be shifted; no economic results are escaped, however much they may be obscured.

For correction of this condition, government ownership of all facilities, by whatever means operated, is not in itself sufficient. Partial government ownership has, in fact, produced the chaos; its further extension might well be expected not to correct but to increase it. For, again, no costs are escaped, however they may be shifted; no economic results are escaped, however much they may be obscured.

There is no correction for conditions other than the adoption and application of a comprehensive and sound national policy. For this, government ownership, whether of railroads or all facilities, is not a prerequisite.—*C. S. Duncan, Economist, Association of American Railroads, in "A National Transportation Policy," published by D. Appleton-Century Company, New York, N. Y., 1936, p. 254.*

(h) There never was a time when the railroad problem was of greater significance nor of more vital interest than it is today. This railroad system of ours gives the cheapest and safest transportation in the world. It gives employment to a million men and, in 1937, paid out in wages about five million dollars a day. It pays in taxes nearly a million dollars a day, and, in normal times, buys annually more than a billion dollars worth of materials and supplies produced in every state of the land. And this purchasing power, as it fluctuates one way or the other, has a similar influence on the welfare of the country. If this country is to survive then our great railroad system must survive. Given fair treatment under a real constructive national policy, then there are brighter days ahead for all of us.—*William C. Dickerman, President, American Locomotive Company, in address before New York Railroad Club, December 8, 1938.*

Further Economies in Railway Operations Through Consolidations and Coordinations Can Be Accomplished Under Private Ownership as Well as, If Not Better Than, Under Government Ownership.

ADVOCATES of government ownership contend that if all railroads were operated as a unit, large savings could be effected, and many railway lines, shops and terminal facilities could be consolidated or abandoned. They say duplications in service could be eliminated in the interest of economy. There is no reason why consolidations and coordinations cannot be effected equally as well, if not better, under private ownership.

American railway development has been a process of evolution, trending toward consolidation and unification. Nearly all of the great railway systems are the result of this process. Hundreds of separate railway properties have gone to make up the Pennsylvania Railroad System. The main line of the New York Central Railroad between Albany and Buffalo was built and originally operated by seven railway companies, and the entire New York Central System embraces what once were several hundred separate and distinct railway properties. The same is true of other large railway systems.

This trend toward gradual reduction in the total number of railway companies is clearly shown by the reports of the Interstate Commerce Commission. In 1911 the Commission reported 1,312 operating railroads in the United States. In 1920 there were 1,085, and in 1937 there were only 631, or less than one-half the number in 1911. Between 1920 and 1929 alone, more than 40,000 miles of railroad were included in unifications of various kinds.

An inquiry conducted several years ago showed a degree of coordination of railroad services and facilities not generally realized. More than 24,000 miles of line are used jointly by two or more railway companies, and 263 engine terminals, 1,366 freight stations, 1,902 passenger stations, 618 switching yards and 472 large bridges are jointly operated. In addition, there are more than 1,000 points where the joint inspection and repair of freight cars is being performed.

Pooling, consolidations and joint arrangements which would tend to lessen competition between railroads were prohibited or made more difficult by the Interstate Commerce Act of 1887, the Sherman Anti-Trust Law of 1890, and the Clayton Act of 1914. By the time of the adoption of the Transportation Act of 1920, public thinking had

changed, and Congress undertook to reverse the policy of opposition to consolidations and coordinations. The Interstate Commerce Commission was directed to adopt a general and complete plan for consolidating all railroads into a limited number of systems, and railroads were permitted to effect consolidations in conformity to that plan, subject to the approval of the Commission. This effort to encourage consolidation proved to be unworkable because of the rigidity necessary in a plan that must undertake to cover at the same time all railroads in the United States. The Commission has repeatedly requested Congress to relieve it of the obligation of putting such a plan into effect.

From 1920, when the present plan of encouraging consolidation through governmental action went into effect, to the end of 1936, railroads filed a total of 467 applications for permission to acquire, lease or operate properties of other railroads, and the Commission had approved 448 of these applications.

Experience has demonstrated that the better way to secure the benefits of consolidations and coordinations is through the gradual and natural process of plans worked out by those thoroughly familiar with all as-

pects of particular situations, subject to the approval of the Interstate Commerce Commission, rather than through the sweeping changes involved in wholesale consolidation by government fiat.

One argument advanced for government ownership and operation of railroads is that the government would achieve economies through the elimination of duplicate and competing facilities and services. But there is constant complaint, by both citizens and public officials, of the government's own duplication of services and the lack of coordination in its own activities. In the particular field of transportation, the Federal Government is spending each year hundreds of millions of dollars building waterway and other transportation facilities for which there is little or no economic justification.

But, admitting for the sake of argument that in running the railroads the government might achieve what it has not been able to achieve in its own field—that is, complete coordination and elimination of duplicate operations—where would such a step lead the country?

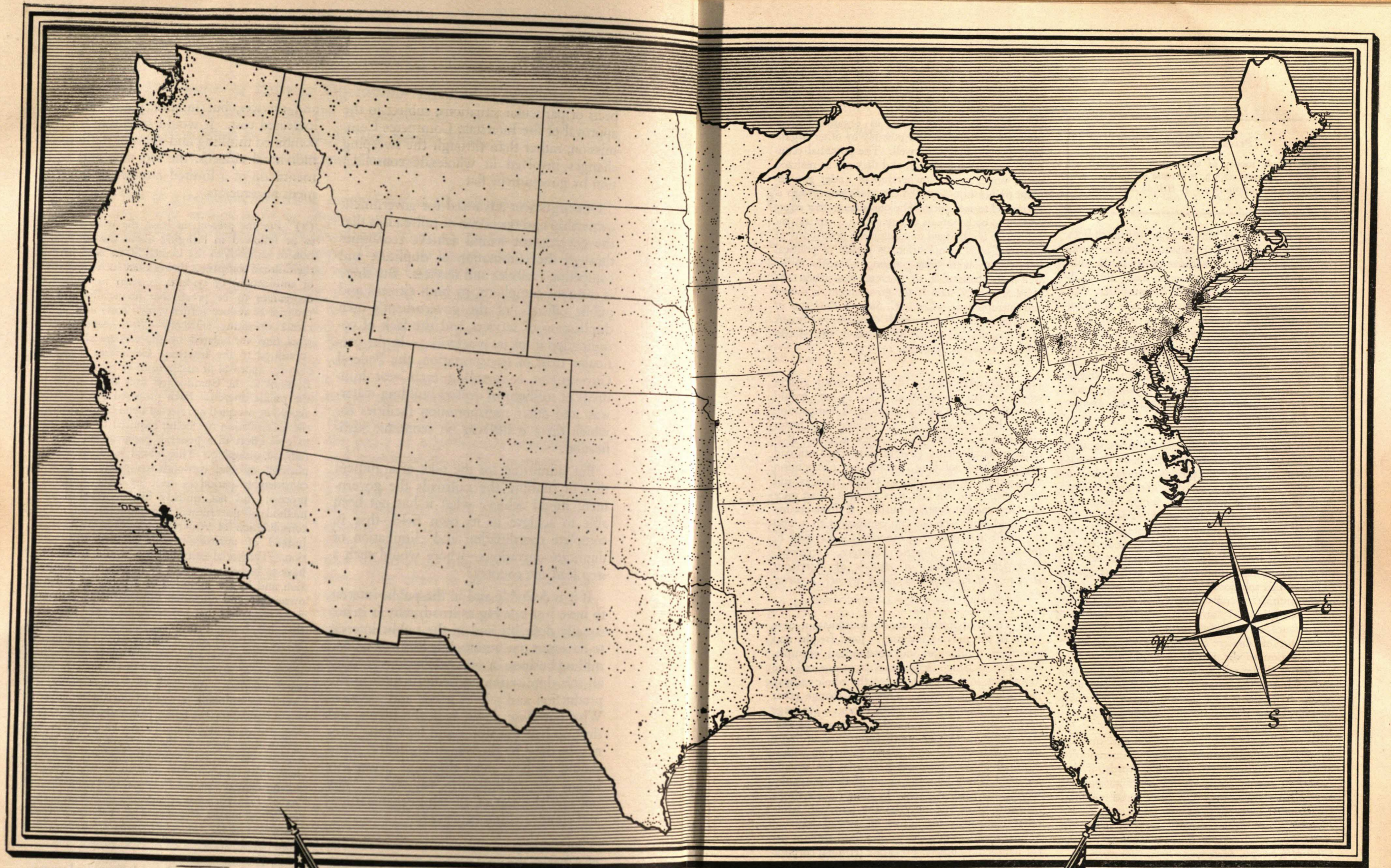
If it is desirable and in the public interest to have just one big railroad, why is it not equally desirable and in the public interest to have just one automobile business or one milling business or one steel business? Why all this duplication and competition in the production and sale of goods and services? Why not close down half the plants and shut up half the stores and let all the business be done by the remaining half? Why should we have more than one newspaper in any city, or indeed in any state? Why not save the cost of all sales organizations, and all advertising expense?

Such a step would remove from the life of America the vital urge of the competition which is inherent in the American system. It would mean not more wealth but less; not more employment but less; not greater efficiency and economy but less; not better and cheaper production of essential goods

and services, but inferior production and increased cost. It would substitute for the combined thinking and effort of millions of individual citizens, the red tape and regimentation of a limited number of government bureaucrats.

(a) For the present, at least, the wiser method to be followed in bringing about the consolidation of railroads in the United States is to permit the railroad companies to work out such groupings or unifications of systems as seem to interested companies to be practicable financially and to promise to reduce future capital costs and to increase operating efficiency. Each consolidation plan thus formulated by the carriers should be submitted to the Interstate Commerce Commission for approval or disapproval or for such modifications as the Commission may deem to be in the public interest. Each proposed consolidation should be accepted or rejected upon its own merits, the Commission not being required to adopt and to give effect to a general, pre-arranged plan of railroad grouping. This would result in accomplishing railroad consolidation gradually over a considerable period of time by an evolutionary process; and not quickly by the revolutionary method of government compulsion. . . . The consolidation of American railroads by systems instead of territorially can proceed by evolution. Territorial consolidation would necessarily have to be brought about by government compulsion and by the adoption of a policy of railroad ownership and operation fundamentally different from the policy that has prevailed in the past and that has brought into existence in the United States a railroad system that is second to none to be found in any other country in economy and efficiency of performance and in alertness to technical progress. As the future consolidation of American railroads is worked out under government regulation, the policy followed should be one that will eliminate the mistakes and evils of the past without lessening the morale of private initiative and the zeal for progress and achievement that have thus far characterized railway management in the United States.—*Emory R. Johnson, Professor of Transportation, University of Pennsylvania, in "Government Regulation of Transportation," published by D. Appleton-Century Company, Inc., New York, N. Y., 1938, pp. 345-346.*

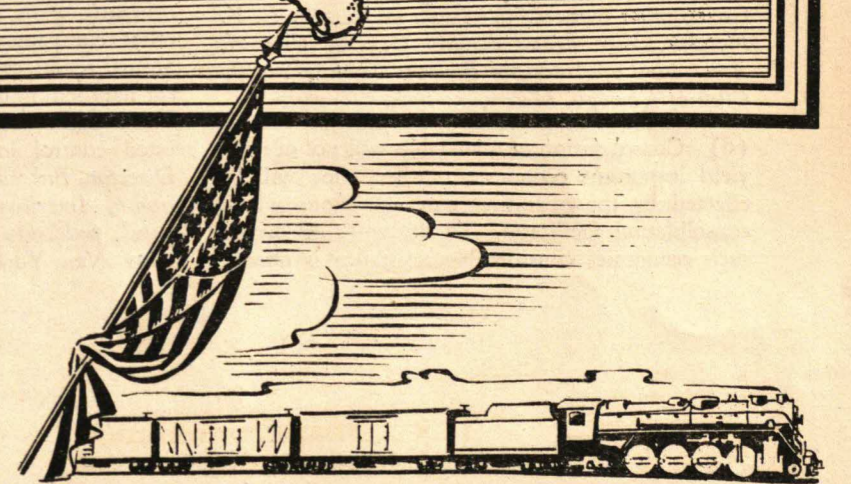
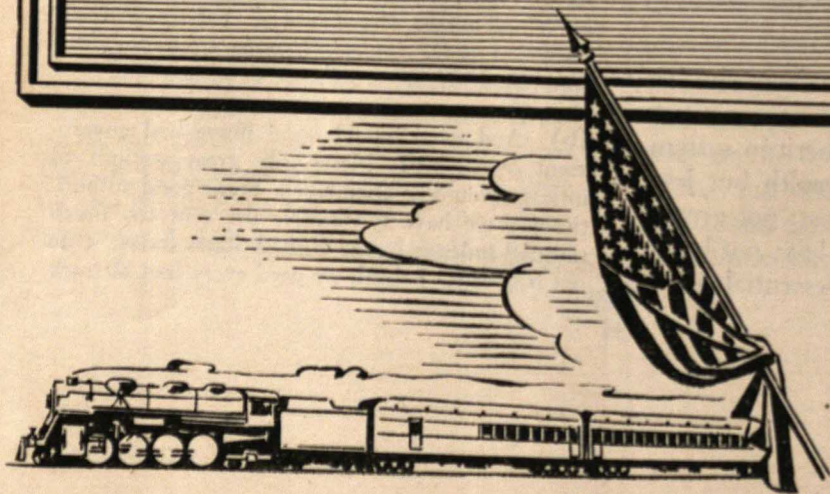
(b) And what would occur if we had government ownership? Necessarily great sections of mileage would be abandoned. Some good authorities say we have twenty-five per cent too much railroad mileage in the United States today. I do not believe it. I think we need every foot of track



RAILWAY PURCHASES IN THE UNITED STATES

Each dot on this map indicates a city or town in which one or more railroads purchased materials, supplies, fuel or equipment in 1937. Altogether, the railroads made purchases during the year from firms and industries in 12,174 cities and towns located in 2,638 of the 3,072 counties in the United States. Their purchases included more than 70,000 different items and amounted in 1937 to more than \$1,133,000,000.

One reason why railway purchases are so widespread is because each railway company prefers to patronize industries in its own territory. Under government operation, all railway buying would be directed by a single agency in Washington, and this would tend to concentrate buying in a comparatively small number of commercial and industrial centers.



Private Initiative

The whole theory of this nation, on which we have grown strong, is private initiative.—
Former Representative J. P. Hill of Maryland.

that we have. There may be isolated branch lines that serve coal mines or exhausted lumber areas that could be taken up without injury to the public, without any great economic loss. But railroads that serve towns and communities, that serve elevators, that serve lumber-yards and coal yards, should be continued for the future. And the only way they can be continued is to keep the railroads in the hands of the public, and not turn them over to the government.—*Frank B. Townsend, Traffic Director, Minneapolis Traffic Association, in address before Northwest Shippers' Regional Advisory Board, St. Paul, Minnesota, January 29, 1935.*

(c) It is now proposed, in certain quarters, that the Government shall be permitted to do what has been denied to the private owners, viz., to discharge men because coordinations and unifications render their services no longer necessary. We are told . . . that duplicated service will be avoided under Government ownership, and unprofitable lines either abandoned or reduced to the status of feeder lines. But at what price will these reforms be brought about? Is labor ready to accept this solution? And what of the welfare of communities thereby deprived of railroad service? Certainly, I am not arguing for the continuance of wasteful methods and the continued use of obsolete facilities. I am only calling attention to the results that will follow the transfer of all the railroads to Government control, and asking if the country is willing to pay this price. If it is true that the competitive principle in railroading should no longer survive, and I am not gainsaying it, then anti-trust laws applicable to railroads should be repealed and consolidations permitted without reference to conditions of labor or competition. In other words, if the American people are ready for coordinations on a wholesale scale, they can be secured without Government ownership.—*From address by R. V. Fletcher, Vice President and General Counsel, Association of American Railroads, before Traffic Club of Chicago, March 15, 1935.*

(d) Consolidation of ownership will not of itself yield important economies; rather, they will be effected by the operating reorganizations which consolidation facilitates. To the working out of such economies considerable resistance is offered

by organized railway labor, by organized communities of shippers, and possibly by other organized special interests as well. The potential economies are very substantial; and they *can* be realized either under private ownership or under government ownership, provided the managing group is permitted to seek them. The obstacles to that effort pertain to both systems of enterprise. Government enterprise is adjudged to contain the probability of increased costs of operation by reason of political interference with management; it seems to be well-nigh impossible to prevent this when the political agency, namely the government, is owner and entrepreneur.—*Lewis C. Sorrell, Professor of Transportation, University of Chicago, in Annals of American Academy of Political and Social Science, January, 1939, pp. 132-133.*

(e) The establishment of one railroad system would obviate competition. One system would mean the removal of that element of competition which has always been the incentive to better service in every branch of business activity. It is quite probable that a government-owned railroad system would not long countenance competition from other agencies such as motor vehicles and steamship lines. In fact, it is axiomatic that once the Government enters a business it must occupy that field alone—no one can compete with it, and the result is a paralyzing monopoly.—*Raynard F. Bohman, General Traffic Manager, Heywood-Wakefield Company, in Annals of American Academy of Political and Social Science, September, 1936, p. 129.*

(f) To an appreciable degree coordination now exists in the railway industry. Joint freight and passenger tariffs are one outstanding example. Railways exchange freight cars from one rail line to another, so that a shipper has the whole railway network at his service. They interchange other types of equipment to a lesser extent. Trackage agreements provide for another joint use of railway facilities, two or more companies utilizing the same tracks between given points, or within terminal areas. Terminal properties are usually occupied jointly by some or all of the companies serving the particular city. In some cases a single company owns and operates the terminal, while other companies use it on an agreed basis of annual rental, or at a charge of a fixed amount per car handled; in others, a separate terminal corporation is organized, which the several railways interested control jointly.—*Dr. Julius H. Parmelee, Director, Bureau of Railway Economics, Association of American Railroads, in "The Modern Railway", published by Longmans, Green & Company, New York, N. Y., 1939.*

Would Government Ownership and Operation Be a Forward Step? Would It Result in Improved Conditions and Better Service?

ONE fundamental question is: Would the people of the United States be better off if the railroads were owned and run by the Federal Government? There is nothing in human experience, here or abroad, now or in years past, that indicates the change would benefit the traveling and shipping public, the tax-paying public, the general public, or railroad employees. On the contrary, there is much to indicate that the exact opposite would be the case.

(a) Private enterprise has produced a reasonably high standard of rail transport in the United States, and has at its command the technical skill and knowledge to effectuate vast improvements in its service capacity. Provided its credit can be restored so that needed supplies of capital will be forthcoming, there is ample reason to expect that it will be adequate to the future needs of this country, and that government ownership and operation could do no more, and might easily do less.—*Lewis C. Sorrell, Professor of Transportation, University of Chicago in the Annals of the American Academy of Political and Social Science, January, 1939, p. 132.*

(b) Government ownership and management are often advocated in the name of "industrial democracy" upon the assumption that private capital gets excessive returns under private ownership that the public would get under public ownership . . . [Editor's Note: During the ten years 1929-1938 the railroads paid \$850,000,000 more in taxes to our federal, state and local governments than they paid in dividends to their owners. During this period many railroads operated at a loss and completely suspended dividends to stockholders but none of them failed to pay taxes.] . . . Do we not have something that looks much like "industrial democracy" in transportation under a system that enables the public daily and hourly to vote effectively regarding what kind of service it will have and to collect hundreds of millions of dollars annually in taxes from the railroads regardless of whether they are making profits or losses, and whether they will be bankrupted or not?—*Samuel O. Dunn, Editor, Railway Age, before New Orleans Board of Trade and Traffic Club of New Orleans, June 11, 1935.*

(c) In thinking of government ownership, it is important at the outset to realize that about the only reason for final resort to such a policy of despair would be because responsible forces, which have the opportunity to avert it, have failed on a

colossal scale. A mess has been made of transportation, and, therefore, a school of defeatists rises up to prate about government ownership and operation as though that were something constructive and might lead to something better. Some even call it "a remedy." However, that does no more than obscure its true nature. Government ownership would signify nothing more than failure, collapse, retreat and frustration.—*Raynard F. Bohman, General Traffic Manager, Heywood-Wakefield Company, in Annals of American Academy of Political and Social Science, January, 1939, p. 146.*

(d) It is said that the public would have greater confidence in the conclusions of government operators than in those who manage the railroads for the owners. But this seems to me highly doubtful. After some years of acquaintance with public officials and railroad executives, I should say that they are equally honest and equally patriotic, but that on the score of experience and special knowledge of the subject, the railroad executives are far better equipped for proper operation, a fact so obviously patent that the substitution of politically selected managers would not inspire confidence.—*R. V. Fletcher, Vice President and General Counsel, Association of American Railroads, before Traffic Club of Chicago, March 15, 1935.*

(e) I have used the railroads of substantially every country in the northern hemisphere. Those of America are by far the most efficient and provide the best service at the lowest cost to the public. Those in England are next. Both are privately owned and operated under public regulation.—*From address by Henry W. Anderson, Co-receiver, Seaboard Air Line Railway, before Railway Accounting Officers Association, White Sulphur Springs, West Virginia, June 27, 1934.*

(f) Whether it be government ownership or government control, the question to be answered

is: Why make any change and who would benefit? There would be no benefit to the customers. Nothing is wrong with present railroad service. It is impossible to find any fault with an industry that is giving better service than ever before and improving it all the time and that is charging less and less for it as time goes on. There would also be no benefit to the employes. They are now receiving the highest wages that have ever been paid, and there has been corresponding improvement in working conditions. Almost every day that passes makes a railroad job a better job. There are not so many jobs as there once were, but that is a question of volume. There is no reason to believe that the government could make traffic. There would likewise be no benefit to the tax collectors or to other taxpayers. That is plain to see. There is one other group that has a stake in the matter, and that is the present owners of the railroads. They are making no demand for government ownership or control. The question that remains is what should be done to avoid a development that promises no good all around. One sure way to avoid it is to restore the railroads

to a profitable basis of operation. The railroads cannot do this alone. They must have help, particularly from those who would be injured by government ownership or control.—*L. A. Downs, President, Illinois Central System, October, 1937.*

(g) Our railroads today form about a tenth of our total national productive capital or wealth. They are about equal in value to all the farm land in the country, are worth almost two-thirds as much as all the mineral, oil, and gas deposits, more than twice as much as our forests, and almost as much as all the machinery and equipment of our factories. Not only because of their value but more especially because of their basic economic importance, it is obvious that the nationalization of the railroads would cut so deeply into the organism of private enterprise that that organism would probably not long survive the operation in economic surgery it would involve.—*Dr. Virgil Jordan, President, National Industrial Conference Board, Inc., in an address before Joint Meeting of Traffic Club of New York and New York Board of Trade, 1934.*

Government Ownership Is Not Wanted

I do not believe that the American people want Government ownership of railroads. I certainly do not. One of the surest ways to prevent it is to enact fair and just transportation legislation that will bring under Government control all instrumentalities of interstate commerce. The recent session of Congress—both House and Senate—enacted legislation bringing under regulation all forms of transportation in an effort to stop cutthroat competition and have a well-rounded transportation set-up in the country. These bills are now in conference between the House and the Senate and it is the hope that an efficient and workable law will come out of these deliberations. A railroad reorganization bill was passed, which, in my opinion, will save two or three railroads in this country from going through tortuous and expensive bankruptcy proceedings. This transportation legislation, in my opinion, is of major importance.—*Hon. Sam Rayburn, Member of Congress from Texas, House Majority Leader, in National Broadcasting Company radio address, August 7, 1939.*

Government Ownership and Operation Would Definitely Put the Railroads and Their Employees in Politics.

THE nationalization of this \$26,000,000,000 industry—reaching into every part of the United States—would concentrate great and unprecedented powers in the hands of the Federal Government. It would create a powerful and menacing bureaucracy. It would establish a vast political machine which in the hands of unscrupulous or ambitious political leaders would be a dangerous threat to free government. Railroads would become a political football.

Nationalization of the railroads would add around 1,000,000 railway employes to the number of persons now on the government payroll. Increased traffic would further increase the number of railway employes, which in 1929 was 1,661,000. The Federal Government now has approximately 852,000 civil employes on its regular or permanent payroll—not including those in military or naval service or those employed in Civilian Conservation Corps work, or persons on relief. Therefore, federal ownership and operation of the railroads would have the immediate effect of more than doubling the number of permanent government employes. And when the dependents of this great army of 2,000,000 to 2,500,000 government workers were added, it would mean that no fewer than 7,000,000 to 9,000,000 persons in the United States would be dependent upon and subservient to the will of the political party in power.

Government ownership and operation of the railroads would transfer to Washington numerous activities and functions which are now performed in cities and towns all over the United States. Under private ownership, railroad companies maintain general and division headquarters in cities and towns throughout America. Bangor, Maine, is the headquarters of the Bangor & Aroostook Railroad; Portland, Maine, is the headquarters of the Maine Central; Boston is the headquarters of the Boston and Maine, the Boston Terminal Company, as well as important offices of

the Boston and Albany, the New York, New Haven and Hartford Railroad, and so on. Those who direct the affairs of the railroad, issue the executive orders and deal with patrons and personnel are on the ground, in close touch with local conditions, thoroughly familiar, through many years of experience, with the railroad, its territory and its patrons.

What would happen under government ownership and operation? Under the United States Railroad Administration during and following the World War the Director General of Railroads in Washington issued order after order, directing every local railway official to do this and to do that—orders, not requests—and local officials had nothing to do but carry out those orders. Authority and power would be concentrated in Washington bureaus, and much business which is now done at local headquarters would be done in Washington. Rules would be promulgated in Washington to apply throughout the entire country, with no consideration of local conditions, and such matters as purchases of fuel, materials and supplies, accounting, engineering activities, and so on, would no doubt be transferred largely from local headquarters to Washington.

Moreover, ownership and operation of the railroads by the Federal Government would deprive the forty-eight states of all regulatory authority over the railroads, because no state has power to regulate the activities of the Federal Government.

(a) We cannot afford to throw transportation into politics . . . Knowing the power of organized minorities in the electorate, I tremble for the future of the republic when I contemplate the addition of more than a million people to the civil rolls of the government.—*Congressman Sam Rayburn of Texas, Chairman, House Committee on Interstate and Foreign Commerce, in address before Associated Traffic Clubs of America, Virginia Beach, Virginia, May 7, 1935.*

(b) When men get political power, unless men are checked, they abuse that power. The lust for bureaucracy is in our human blood. It is the seed of tyranny which always threatens democracy. Given a railway commission with such power as one would have, if it controlled, operated and owned the American railroads, it would hold a power greater than any other unit of government now ruled by man on this planet. The tendency to crystallize bureaucracy into political tyranny would be a terrible temptation. Flesh and blood could hardly withstand it.—*From editorial in Emporia (Kansas), Gazette, (William Allen White, Editor) February 16, 1938.*

(c) . . . no matter what conditions and possibilities elsewhere may be, in this country, at least in our present state of development, or lack of development, the railroads in the hands of the government would be a political football and would be inefficiently managed. This is inherently true and apparent to anyone who is acquainted with practical politics. . . . Does anyone know of any government activity in the administration of business—even of its own business—that is as efficient as a business man would expect his organization to be? There may be exceptions, both as to departments and individuals, but they are so rare as merely to prove the point that government administration is cumbersome, expensive, political and inefficient; quite often it is dishonest also—at least as often as in the case of private management.—*From address by Henry A. Palmer, Editor, Traffic World, before Ohio Valley Transportation Advisory Board and Columbus Transportation Club, Columbus, Ohio, October 15, 1934.*

(d) The State owning railways, and so on, for war is very different from the State owning them in the public service. War control is not political. It was not a very good kind of control, but the roads were kept in order and the trains had to run somewhere near schedule. The trouble now in Europe is that these war railroads have slipped from military to political control. I have not the slightest doubt that an autocracy could manage its business affairs just as well as any private

corporation. But the moment you get into democracy and the people with State jobs have votes, then they are going to vote, not as citizens but as job holders; and the State will be run for the benefit of those who draw pay from it. That is the one big thing we have learned over here since the war. It does not make a bit of difference how perfectly any scheme of State ownership is worked out on paper; it does not make a bit of difference how honest and public spirited are the men who back State ownership, because—human nature being what it is, office-holders are going to vote for their jobs. You would do it and I would do it.—*Statement by a French statesman, quoted in "Public Ownership," by Edward N. Hurley, former Chairman, Federal Trade Commission; War Chairman, United States Shipping Board; published by Illinois Manufacturers' Association, Chicago, Illinois, 1929.*

(e) The private manager must make the income of the business at least equal its expenses or he will be "fired" by the directors. Back of the private manager there stalks the bankruptcy court and the fear of being thrown out of a job. With the government manager, the case is different. The fear of being put out of a job is ever present; but it is not linked with the fear of waste, inefficiency or bankruptcy. He knows that the government cannot go bankrupt as long as it has the taxing power, and while the people have anything on which to levy a tax. He knows that in the last analysis his job depends upon votes, and there are many quicker and easier ways to get votes than to conduct a public business so cheaply and efficiently that it will show a profit. Inherently the man in politics is no better or worse than the man of private business. But he is in another kind of a game. He plays according to different rules. He does not try to play poker by the rules of auction bridge. In business a man plays for profits—in politics he plays for votes.—*Edward N. Hurley, Former Chairman, Federal Trade Commission; War Chairman, United States Shipping Board, in article on "Public Ownership," published by Illinois Manufacturers' Association, Chicago, 1929.*

(f) An interesting illustration of difficulties of government operation happened in March, 1919, while I was Director General. In order to carry out the purpose of federal control I asked Congress for an appropriation of \$750,000,000. The House promptly passed that appropriation; the Senate Committee promptly reported it favorably, but a group of Senators decided it would be a good idea to embarrass the President by preventing the passage of this and other appropriations,

so they filibustered until the session expired on March 4 without passing this appropriation. This is one danger that would always confront government operation of railroads. At any time some vital appropriation might be defeated for purely political purposes and might greatly embarrass railroad operation and the interests of the employees.—*Walker D. Hines, Director-General of Railroads during period of Federal control, in an address before employees of Great Northern Railway, Minneapolis, Minn., August 2, 1924.*

(g) The one great objection to government ownership and operation in this country is that there would be constant political interference with railway management. New construction, rates, service, every phase of the railroad business would be under constant consideration by Congress, and if we are to go by the record of how Congress has dealt with waterway improvements, the construction of government buildings, even the establishment of military forts and soldiers' homes, it is difficult to believe that government ownership and operation of railroads in this country would result in more adequate transportation service at a lower cost. Railroad management might be efficient but it would not be economical, unless the log-rolling methods employed in making appropriations for public works, in fixing tariff duties on manufactured products, in enacting bonus and pension legislation, and in conducting many other affairs of the government were to be forgotten. It is not likely that this would be the case. In some countries politics has attained the dignity of a profession, in the United States it is still something of a racket. The ownership and operation of a vast railroad system with its property investment of twenty billion dollars and its million employees, all of voting age, would offer temptations and opportunities which the aspiring American politician would find it difficult, and probably impossible, to forego.—*T. W. Van Metre, Professor of Transportation, School of Business, Columbia University, in "Transportation in the United States," published by The Foundation Press, Inc., Chicago, 1939, pp. 391-392.*

(h) Under government ownership the job of every one of the million railway employes sooner or later would become a political prize with merit and experience taking a back seat. . . . Government ownership would mean administrative methods which, however able and conscientious the officials in charge might be, would not insure efficient service or economical operation. Politics lives on jobs, as you all know. It is obvious that under a government which is based on the political party system, the railroads under government ownership would be administered primarily for

the need of that system. Permanent transportation systems cannot be operated successfully by individuals whose work is dependent on periodic political appointments.—*Frederick E. Williamson, President, New York Central Lines, before Chamber of Commerce, Utica, New York, April 23, 1935.*

(i) There are now 1,171,302* employed by the railways of the country. Think what it would mean to transfer an army like that to the public payrolls and make them subject to political boards and appointees. The political possibilities and complications may well be imagined. And do not for a moment imagine that army would not be used in politics and that politics would not figure in appointments and promotions.—*Indianapolis (Indiana) Star, August 30, 1937.* (*Above figure was for June, 1937; in July 1939, the figure was 1,002,000.)

(j) Government ownership of our railroads means throwing a 26 billion dollar industry and more than a million jobs into politics and letting the taxpayers pay the bills, for government-owned railroads will not produce the million dollars a day taxes which private railroads pay. Moreover, our railroads normally buy 25 per cent of all coal mined, 16 per cent of all steel fabricated, and 16 per cent of all lumber manufactured—the purchase of which will also become a football of politics. In short, government ownership of railroads will build up a vast bureaucracy careless about operating deficits, and with absolute power over shippers, railroad employes, manufacturers of railroad equipment and supplies and the traveling public, making government supreme rather than the governed.—*Resolutions, Pennsylvania State Chamber of Commerce, January 29, 1936.*

(k) It is well said that not only would the American people pay more and receive less with government managing the railroads, but the railroad bureaucracy would at once become a formidable political machine with many high-salaried sinecures.—*Jacksonville (Florida) Times-Union, April 16, 1938.*

(l) Government ownership of the railroads would create the greatest bureaucracy this country has ever known. Such an act would be inimical to the interest of the public in the elimination of competition, under which system of private initiative industry has thrived and grown to its greatness, unknown in any other country in the world.—*Resolutions, Batavia (New York) Chamber of Commerce, February 3, 1936.*

(m) Would Congress interfere with the railway administration, demand local favors, secure positions for political backers, effect reductions in rates and fares, and vote higher wages and shorter hours for the personnel? If so, it follows as night the day that the administration of the railways would be political, with a lowering of efficiency and economy, and that the adequacy of service would go down and the cost go up. If at the same time rates are held down or reduced to satisfy the users, the high costs of operation would result in a deficit, which could only be met out of the government treasury, and become a burden on the taxpayers. The only alternative would be increased freight rates and passenger fares.

This question is vital in reaching a conclusion as to the probable result of government operation of railways in the United States. The history of Congress and its frequent capitulation to the pressure of organized minorities offer little reason to believe that it would refrain from exercising a

political influence on the railway administration. This has been the record in other countries; it seems even more likely in the United States.—*Dr. Julius H. Parmelee, Director, Bureau of Railway Economics, Association of American Railroads, in "The Modern Railway," published by Longmans, Green & Company, New York, N. Y., 1939.*

(n) It would change an efficient and necessary adjunct of American business into a political machine, and would result in subsidies necessary to make up operating deficits. It would throw the question of rate-making into the hands of politicians, and would mean a tremendous addition to the tax load on the back of a people already facing a serious problem in connection with their tax burden.—*Homer Snow, Vice President, American Zinc, Lead and Smelting Company and President, Associated Traffic Clubs of America, in radio address, St. Louis, Mo., July 24, 1936.*

Government Ownership and Operation Would Result in Impaired Efficiency—Cost of Service Would Be Higher Instead of Lower.

ONE of the claims of government ownership advocates is that the nationalization of the railroads would result in greater operating efficiency and savings in the cost of service to the public. There is nothing in the record of government ownership or operation to support such a claim. On the contrary, experience both in this country and abroad provides abundant proof that government ownership and operation would almost certainly result in impaired service, mounting costs and higher rates to the public.

(a) It is not to be expected that government management would reduce the costs of operation. Operating expenses are determined mainly by two factors, operating and administrative efficiency and labor costs. Nearly two-thirds of the railway operating expenses—63.52 per cent in 1932—are for wages, which in that year amounted to 48.3 per cent of the gross operating revenue. In 1920, the year that the war-time operation of the railroads by the government ended, labor costs were 59.5 per cent of operating income and were 63.2 per cent of operating expenses. The substitution of government for corporate ownership of the railroads would not reduce the number of employees. The number would quite certainly be increased, and is it not equally probable that the hours of labor would tend to be lower and the wages paid higher under government management, even if hours of labor and wages were not

influenced by political forces, which is an assumption that is very difficult to make? Would the rates paid by the traveling and shipping public be lower under public ownership and operation of the railroads? Railway revenues are not now large, indeed not so large as they need to be and as it is hoped they will be, when prosperous times return. These revenues are derived from fares and rates fully regulated by the government. If the government in managing the railroads should charge lower rates than private management, subject to public regulation, it would have to reduce operating expenses and capital charges substantially or else incur an annual deficit to be borne by the tax-paying public.—*Emory R. Johnson, Professor of Transportation and Commerce, University of Pennsylvania, Philadelphia, Pennsylvania, in paper read before American Philosophical Society, April 21, 1934.*

(b) What this country needs above anything else, as the world's greatest inland empire, is cheap transportation. Everything that the government has done in its regulatory course has been in the opposite direction. Government ownership, with politics in full control of railroads, will soon result in a mounting plateau of transportation costs for inland America.—*Dallas (Texas) Morning News, June 20, 1938.*

(c) What would be the improvements if the government could, by some means, finance the rails and take them over? Would there be any reduction in rates? I know of no reason to expect it. I was in Washington in 1917 and 1918, when we went through the World War. I lived through the days when the railroads were operated by the government. I was rather close to the subject, and I saw nothing in those days to lead me to believe that there would be any economies in the rail operation which would result in a reduction in rates. . . . Would there be any improvement in service? Have those of you who have had to deal with our government in other lines had evidence of any improvement in service because the government took over various functions? I have lived in Washington for half a century and have seen many administrations come and go, and I see no reason to believe that there would be any improvement in service. I think, on the other hand, that there would be a very bad change for the worse.—*Henry E. Stringer, Vice President, Hydraulic Press Brick Company, in address before Transportation and Communications Department, United States Chamber of Commerce, Washington, D. C., April 28, 1936.*

(d) There are many reasons, it is alleged, why government operation is more expensive than private. First, it is difficult to find officials possessing that high grade of executive and administrative ability that would be required to manage a national railway system. This system, it may be noted, would be larger than any other business unit that ever existed, at least in time of peace. As Mr. S. O. Dunn, the editor of the *Railway Age*, said in 1918, "in mileage, investment, traffic, earnings, expenses, number of employees and territorial area covered, any other railway system is a pigmy compared with that of the United States. Russia, with 50,000 miles in Europe and Asia, has the largest mileage of any country except ours; and the United States has five times the mileage of Russia." The capitalization of the United States Steel Corporation, our largest indus-

trial concern, is (1923) one and one-quarter billion dollars. This exceeds the capitalization of the Pennsylvania Railroad, our largest railroad corporation, by 25 per cent; but it is only 6 per cent of the capitalization of all the railways combined. As Mr. Dunn well says, the problem of developing and working an organization which would centralize authority enough to coordinate all parts of this vast railway system, and which would at the same time decentralize authority sufficiently to enable each part to cope with local conditions and needs, would be the biggest and hardest industrial problem ever presented to the genius and energy of man. There is thus serious question whether there exist men of sufficient capacity to manage the railways as a unit as effectively as they could be managed if they were not unified in a national system.—*Eliot Jones, Professor of Economics, Stanford University, in "Principles of Railway Transportation," published by Macmillan Company, New York, N. Y., 1927, p. 506.*

(e) No government has engaged in railroad ownership and operation for the purpose of effecting economies in operation or to raise the standard of service as compared with private ownership.—*C. S. Duncan, Economist, Association of American Railroads, in "A National Transportation Policy," published by D. Appleton-Century Co., New York, N. Y., 1936, p. 247.*

Government Ownership Is Not A Solution

While the present plight of the railroads is due in part to temporary causes, and a betterment can confidently be expected with an improvement in general business, it is clear that forces are at work over the long term which constitute a continuing threat to their credit structure. Due to the large investment in railroads, the threat is one to the credit structure of the country. Since this is a democratic country, a program to help the railroads cannot successfully be enacted, unless it is acceptable to the wishes of the great mass of the population, so far as they can be judged, regarding the transportation problem. Government ownership of railroads is not a solution, unless we are prepared likewise for the eventual government ownership of competing forms of transportation.—*Cassius M. Clay, Assistant General Counsel, Reconstruction Finance Corporation, in "What Shall We Do About the Railroads," Ransdell, Inc., publishers, Washington, D. C., 1939.*

(f) Business is not opposed to the government exercise of its proper functions. It recognizes that the art of government is quite different than the art of management in business and extends its admiration to those who can apply the art of government in an efficient and able manner. But business does oppose the theory that government bureaucracy can operate the business of this country more efficiently than private enterprise. By all the evidence of our wartime experience, and of every effort of bureaucracy along similar lines throughout the world, business is confident that no bureaucracy that the mind of man has conceived can ever operate the business organizations of this country as efficiently as they are operated under the incentives that are provided by the American system of private enterprise.—*Lewis H. Brown, President, Johns-Manville Corporation, in address before American Bankers' Association, New Orleans, La., November 13, 1935.*

(g) There is a belief in some quarters, also, that by unifying operations, abolishing competition, and the like, the Government could save money in the running of the railroads. The persistence of such a belief is a prize example of the triumph of hope over experience. The United States Government engages in one unified transportation operation on a national scale—the Post Office Department. It is a good service, and well run; but if the operating ratio of the American railroads—that is, the ratio of actual operating expense to revenues, leaving out any question of taxes, property investment, or return on capital—were as high as the operating ratio of the Post Office, railroad costs would be approximately one and one-half times what they are now. Such an increase in operating ratio would add more than fifteen hundred million dollars to the annual transportation bill of the country.—*John J. Pelley, President, Association of American Railroads, in Annals of American Academy of Political and Social Science, January, 1939.*

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Railroading is an art requiring specialized knowledge, individual resourcefulness and responsibility, answering to intense supervision and control. It rewards initiative and ability. These things are not generally cultivated in bureaucratic organizations, nor maintained when political influences enter. . . . an enterprise so vast, so difficult, so important as the railroads should not be taken from the hands of experts and subjected to political influence or control. . . .

What has been the driving force behind the able men who have created our complicated machinery and our complex economic order, whose brains and effort have made physical comforts and cultural advantages greater in this land with all its present troubles than in any other place on the globe? It has been the profit motive—the hope of reward for greater individual effort, greater initiative, greater ability. Take this away and progress is destroyed.—*James B. Hill, President, Louisville & Nashville Railroad, in address before Transportation Club of Louisville, Kentucky, April 11, 1935.*

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Private Enterprise Best

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Government Ownership Would Eliminate One of the Greatest Present Sources of Tax Revenue in America; It Would Shift Hundreds of Millions of Dollars of Tax Burden Now Borne by the Railroads to the Shoulders of Farmers and Other Property Owners.

ONE of the arguments of those who favor public ownership is that the government could provide cheaper transportation because government-owned railroads would be exempt from taxes. Nearly 10 cents out of every dollar of railway revenues now go to government in taxes. Therefore, exemption from taxation would give government-owned railroads a material advantage over privately-owned tax-paying railroads. But, would the American people be better off, or, indeed, as well off, if the railroads were tax-exempt?

What would it mean to your community, to your county, to your state, if railway taxes were abolished? It would simply mean that the burden of taxation now borne by the railroads would be shifted to other shoulders, because the cost of maintaining highways, schools and governments would go on just the same.

Approximately one-third of all railway taxes go to support the public schools. In many school districts in the rural sections of our country, railway school taxes represent a large percentage of all school taxes paid. If this important source of tax revenue were shut off, there would either have to be a sharp cut in the number and salaries of school teachers, which would unquestionably impair the efficiency of rural schools, or else the amount of taxes collected from farmers and other property owners would have to be materially increased to make up the loss. What advantage would be gained by shifting the tax burden from the railroads to the farmers and other taxpayers?

(a) Property owned by the United States is not subject to taxation. It is evident that the authors of the bills under discussion sought to allay opposition by the states through provision that real and personal property shall remain taxable even though government-owned. . . . one Congress cannot bind another. With government ownership once accomplished, tax provisions, as well as other provisions, might be repealed or modified whenever the majority in Congress so willed. Therefore, notwithstanding new legislation to the contrary as proposed in the acquisition bill, it is clear that no continuing contract would exist to retain on the tax rolls of the states and communities railroad properties found there.—*Walter J. Kohler, Chairman, Kohler Company, former Governor of Wisconsin, December, 1936.*

(b) Government ownership means just another white elephant for the taxpayers to feed. . . . Under government ownership the rails would pay no taxes, depriving every community of this source of revenue, thus forcing increased local taxes all along the line.—*Peoria (Ill.) Star, April 6, 1938.*

(c) Government ownership of roads may be forced, but if such a course is taken, every political division of government should be prepared for what will happen. If the railroads are operated as other government property is operated, there will be no taxes paid. Taxpayers will have to increase their own taxes to make up what the railroads now pay. Every school district, sanatorium, township, county and state will lose the taxes that are now paid.—*Decatur (Ill.) Review, April 8, 1938.*

(d) Speaking of taxes, who will replace the railroads as the largest corporate taxpayer in the country, in the event of government ownership? For many years these railroad taxes have constituted the answer to the politicians' prayer. As railroad taxes have always been regarded as a painless form of taxation, the rail carriers have been required to take a constantly increasing measure of tax from their patrons. Government operations are tax consumers and not tax producers.—*J. M. Fitzgerald, Vice Chairman, Committee on Public Relations, Eastern Railroads, in*

address before Pacific Coast Transportation Advisory Board, San Francisco, California, June 8, 1934.

(e) It should be remembered that in normal times the taxes of our railroads average about one million dollars daily—more than any other industry. Most of these taxes are levied on railroad properties in every city, town, and hamlet served by them. They go to the support of local and state governments, schools, highways, and for similar purposes. Inasmuch as government does not pay taxes, the burden supported by the taxes now paid by the railways would be transferred to individual taxpayers in any form of government ownership.—*Colby M. Chester, Chairman, General Foods Corporation, in message to New York Railroad Club, Dec. 9, 1937.*

(f) Railroads now pay in taxes—local, state and national—almost \$1,000,000 a day—in the high peak of prosperity they paid more. . . . From it millions go to local communities for maintenance of public schools. . . . When the railroads stop paying these taxes, as they will if the government owns them, the taxpayers will begin. Not a single community in the United States can escape the new tax burden. There will, of course, be an operating deficit. A deficit of as little as 350 million dollars a year would be a pleasant surprise, and that's another million dollars a day. A total additional tax burden of 20 cents a day for everybody for the pleasure of owning the railroads would be a minimum prospect.—*L. C. Probert, Vice President, Chesapeake and Ohio Railroad, 1936.*

A Sordid Story

Unless definite action is taken to preserve the principle of private ownership, we may be stirred out of our complacency very quickly some day in the near future to find that the railroads have been taken over by the government "to save their credit." If this should take place, the evils which would inevitably accrue would astonish even many pronounced government ownership advocates—the taxes to be paid, the increased numbers of political satellites employed, the extension of facilities beyond any possibility of remuneration, the bureaucracy of management and regulation, the pouring out of the people's taxes to assure votes—but why follow the sordid story!—*Professor W. T. Jackman, Department of Political Science, University of Toronto.*

(g) The railroads pay taxes in every school district, village, town, city, township, county, and State through which they pass, and taxing bodies are not always so gentle in fixing assessments and franchise charges against the railroads. These taxing units make them pay. The railroads pay annually more than \$350,000,000 in taxes to the Federal, State, county, city and other taxing units of the Nation. If there should be a collapse of the railroads . . . this would mean that the Government would have dumped into its lap this \$25,000,000,000 enterprise to finance and operate. How many billion dollars would the Government lose annually in such an undertaking? Who would pay these billions? The taxpayers of the whole Nation. Who would have to assume these \$350,000,000 in taxes that the railroads have been paying annually while privately owned? The taxpayers would have to meet this additional burden. What effect would such a catastrophe have on our insurance policies, many of our savings banks, and other banks?—*Hon. John M. Robison, Member of Congress from Kentucky, in House of Representatives, July 26, 1939.*

(h) . . . in my State . . . 97 per cent of our railroad mileage is operated under some form of receivership today, and yet those railroads are the main cash taxpayers we have. They are the taxpayers today who are keeping our schools going. In many counties, the farmers are not able to pay their taxes, nor are the small business men. School district after school district is utterly dependent upon the railroads as the sole cash taxpayers of size, and I am concerned with trying in some way to put those railroads in a position so that they can maintain the contribution they are making and at the same time help develop business and industry.—*Hon. Francis H. Case, Member of Congress from South Dakota, in House of Representatives, July 26, 1939.*

(i) The railroads are large taxpayers. If the government should take over the lines, every state, county and municipality would suffer considerable reduction in tax revenues. Government operation during and after the war proved costly to the public, expensive to shippers, and destructive to property.

Not only will towns, cities, counties, and states lose their largest and promptest taxpayers but such action would add twenty billion dollars to the national debt which everybody at some time will have to pay.

Neither the public nor the shipper wants government ownership. There is no public dissatisfaction with railroad service, nor general convic-

tion that government ownership would provide better or cheaper transportation.—*Columbus (Ga.) Ledger.*

(j) The fallacies in the government ownership contentions should be pointed out to the American people. In the first place, acquisition of the railroads would mean a big increase in public debt, already at a point which threatens national bankruptcy. If the roads were to be taken over by the government, a great loss in tax revenue would result. Finally, we have the record of gov-

ernment operation of the railroads during and immediately after the war to point the lesson in reduction of efficiency which inevitably results under political control.

Countries less subject to political inefficiency than the United States have found it impossible to operate railroads under government ownership at a profit. The tax burden that would be shifted to American citizens, in the event private ownership of the railroads were to stop paying its huge annual tax bill, would be tremendous.—*Rockford (Ill.) Register-Republic.*

Government Ownership Would Add Enormously to the Public Debt.

THE public debt is now the largest in history. Government acquisition of the railroads would necessitate increasing the debt to more than 60 billion dollars. It is extremely doubtful if any such debt could be incurred under existing conditions without seriously undermining the financial stability and credit of the government and substantially increasing the interest rate on federal securities. If the Federal Government should incur such a stupendous additional debt as would be necessary to acquire ownership of the railroads of this country, the annual interest charge on the government's obligations would be increased by several hundred million dollars. This would have to be met either out of railway revenues or out of taxes from the general public.

(a) The alleged savings in capital cost, attributed by advocates of government ownership to the lower interest rate on government funds, are likely to prove disappointing if the government acquires the roads at somewhere near the actual investment cost of the properties and pays for them with government fixed-interest-bearing bonds. Hence, the probability of any very substantial reduction in annual capital cost by the transfer of ownership is rather small, and might very readily be offset by increased costs in other directions.—*Lewis C. Sorrell, Professor of Transportation, University of Chicago, in Annals of American Academy of Political and Social Science, January, 1939.*

(b) Nor does our record of public borrowings to finance the building of new transportation where adequate facilities already exist, support the belief that in matters of debt government will be more prudent than the railroads have been. Enjoying the right to assess and collect taxes on the property and the income of the citizen, gov-

ernment may find it less difficult to retire debt; but certainly government—and I refer, of course, to no particular unit of government and no particular time, but to government in general at almost all times—has shown no great aversion to contracting debt. Regardless of who owns and operates the railroads, the charge for the capital invested in them exists and must be borne somewhere, somehow, by someone.—*J. J. Pelley, President, Association of American Railroads, in Annals of American Academy of Political and Social Science, September, 1936.*

(c) It would be difficult to imagine a greater national calamity. To condemn and purchase the railroad industry would cost billions. Hundreds of millions would be lost in taxes. Unless precedents are wrong, a government-owned railroad industry would undoubtedly create gigantic deficits for the taxpayers to meet and inevitably reduce efficiency and lower standards of service.—*From the Corinth (Miss.) Corinthian.*

Government Ownership Would Pile Up Huge Operating Deficits to Be Borne by the Taxpayers.

THE experience of this country during and following the World War under the United States Railroad Administration and the experience of democracies elsewhere support the conviction that if the Federal Government were to take over and operate the railroads, the American people would be called upon to meet huge operating deficits.

(a) It is reasonable to assume that the increased economic burden to the Nation, if the Government should decide to take over the railroads, would have to be borne by the taxpayer. Under Government ownership, with its attendant evils, if rates are made high enough to cover all the costs of operation, depreciation and interest, they will necessarily be higher than under our present efficiently managed and operated private systems. If they are not made high enough to cover all of the costs, the balance will be supplied through taxation, with the result that some will receive transportation at less than actual cost while others will be forced to pay part of the cost of furnishing transportation they do not use. This is precisely what is happening today in the case of our inland waterways.

I am convinced that neither Government ownership and operation nor Government regulation, as it is practiced today, offers any solution of our present transportation problems. I am also convinced . . . that reasonably regulated private management has all of the advantages and none of the disadvantages of any plan of Government operation so far advocated. And I believe that with even a partial return to normal business conditions, together with a policy of fair and impartial transportation legislation applied to all transportation agencies, private management alone will be able to cure at least most of the present ills of our railroads.—*Harold W. Roe, President, Associated Traffic Clubs of America and Traffic Manager, Mid-Continent Petroleum Corporation, in address before Central Western Shippers' Advisory Board, Evergreen, Col., June 30, 1934.*

(b) Enormous deficits would pile up. Interstate Commerce Commissioner Eastman, who has long favored public ownership in principle, was asked while he was railroad co-ordinator why he didn't move to make it a reality. "Because I don't want to go down in history as the man who made the United States government go broke," was his illuminating reply. The postal deficit is only a drop in the bucket compared with what the railroads would pile up under government operation, if the government operated them as it does other enterprises it has taken

over in competition with its citizens.—*Bluefield (W. Va.) Telegraph, November 28, 1937.*

(c) If the government had owned and operated the railways during the six depression years 1930-1935, inclusive, it probably would have incurred a railroad deficit of at least \$10,000,000,000 which the taxpayers of this country would have had to pay, in addition to all other costs of government incurred during this period. This estimate is based upon three different kinds of actual experience definitely indicating that government management would not have reduced operating expenses to offset the great decline in railway gross earnings that occurred. First, government operation of railways in this country actually increased operating expenses 10 per cent in 1919, when traffic declined 10 per cent. Second, the federal government has not reduced, but has increased, its ordinary expenditures during the depression years. Third, government-operated railways in other countries have not reduced their operating expenses during the depression years as privately-managed railways have.—*Samuel O. Dunn, Editor, Railway Age, in address before Mid-West Economics Association, Des Moines, Iowa, April 10, 1936.*

(d) All students of the subject know that while some groups favor it the mass of our people are definitely opposed to the nationalization of the railroads for various sound reasons. Additional taxes would be necessary (1) to pay the purchase price of the railroads, whose value has been fixed by the Interstate Commerce Commission at over 20 billion dollars, (2) to make up for the loss of taxes normally paid by railroads, approximately 300 million dollars annually, and (3) to pay the annual deficits which would surely result, as they did in enormous amounts during the government's operation of railroads during the World War.—*E. S. Jouett, Vice President and General Counsel, Louisville and Nashville Railroad, in address before Louisville Transportation Club, Nov. 12, 1936.*

(e) The most outstanding single departure from the American system is found in our treatment

of transportation. At the beginning, private enterprise established and developed the American transportation system. For fifty years this development proceeded apace and was largely free from outside restraint or control. Then we embarked upon what was described as regulation and for the past fifty years most of what we have been doing has been done in the name of that term. Since 1887 we have failed in that field to follow the wisdom of the designers of the American system. We have observed that the exercise of the

so-called fostering care of the State originally invoked in the name of regulation, has tended increasingly away from regulations toward full control until now there are only two more steps. The next is management; the last is ownership. Then would come the deluge. Experience in many countries indicates that it would be a deluge of red ink.—*W. J. Williamson, General Traffic Manager, Sears, Roebuck & Company, before the Traffic Club of Atlanta, Atlanta, Ga., November 7, 1938.*

Our Experience During and Following the World War Gave Us a Taste of Government Operation of Railroads.

DURING the World War a shortage of cargo vessels and congestion at the seaports, especially along the Eastern seaboard, made it necessary for the railroads to hold thousands of loaded freight cars in sidings and yards many miles back from the seaports awaiting movement to shipside. This not only deprived the railroads of needed freight equipment for loadings throughout the country, but it also deprived the seaport railroads of needed secondary trackage for efficient service and otherwise hampered them in their operations. Car shortages and embargoes resulted.

Under his war-time powers, the President of the United States created the United States Railroad Administration which took over the operation of the railroads, effective January 1, 1918. Government operation continued until March 1, 1920, a period of twenty-six months, during which period and for six months thereafter the government paid their corporate owners a return equal to the average net operating income for the three-year period, 1915-1917.

The federal control period was for about 10½ months of war conditions and 15½ months of peace conditions. As had been pointed out in a preceding chapter, this government venture into the railroad business cost the American taxpayers \$1,616,000,000, or an average of \$2,000,000 a day, notwithstanding repeated increases in

freight rates and the largest traffic and earnings in history up to that time. Conditions under which the railroads were operated were both exceptionally favorable and exceptionally unfavorable. Prices, cost of living and wages advanced rapidly; rates were increased; traffic taxed railroad facilities; maintenance was neglected; railway service deteriorated; and the railroads were returned to their owners with wages and other operating costs out of all proportion to their revenues and with the physical plant in need of extensive rehabilitation and improvements.

(a) For a period of twenty-six months, extending from December 31, 1917, to March 1, 1920, the United States Government assumed responsibility for the operation, but not the ownership of the railroads of this country. . . .

Former Director General Hines placed the net cost of federal control at \$1,123,500,000. This figure, strictly speaking, was the cost, to the treasury of twenty-six months of government operation of the roads. However, upon the return of the properties to their owners, it was deemed advisable to offer a guaranty of earnings for a period of six months, during which the carriers

An Entering Wedge

Government ownership of the railroads would infallibly be used as an entering wedge for government ownership of utilities and for a general move toward a socialistic state.—*From the Worcester (Mass.) Gazette.*

should adjust themselves from a government to a private basis of operation. This policy entailed a further outlay of \$536,000,000. These two sums should be regarded as the cost to the government of its wartime operation of the railroads.—*Lewis C. Sorrell, Professor of Transportation, University of Chicago, in "Government Ownership and Operation of Railways for the United States," published by Prentice-Hall, Inc., New York, N. Y., 1937, pp. 245-247.*

(b) We have not yet forgotten the wartime experience of Government operation of the railroads. We have not forgotten the inadequate service rendered, the high fares and most of all, we have not forgotten that when the roads were finally turned back to their owners they were all but ready for the junk pile. Government operation and control had been far from successful. The properties had not been maintained. The roads still are suffering from those effects.—*Grand Rapids (Mich.) Herald, March 25, 1938.*

(c) Most newspaper readers can recall the conditions during the war and shortly afterward, when the roads were operated by the government as a war measure. They can recall the congestion and delays. It should be remembered, too, that the Federal authorities operated all the systems as a single unit. They sent freight east over one line and west over another. All that was supposed to increase efficiency and speed up traffic, but it did not.—*Indianapolis (Ind.) Star, August 30, 1937.*

(d) Fortunately, the facts for comparing government and private operation in the United States are readily available. The railways were operated by the government in 1918 and 1919. The World War ended in November, 1918. Therefore, their operation throughout 1919 indicates how they would be operated by government in the future under conditions of peace. Their officers in 1919 carried out government orders and policies, and the results were principally due to these orders and policies. Let us, then, briefly compare railway results under government operation in 1919, with railway results under private operation in 1933, the worst year of the present depression. The comparison—or contrast—will throw light on many questions. Gross earnings in 1919 were \$5,150,000,000, and in 1933 only \$3,100,000,000, a decline of 40 per cent due to the depression. You would naturally expect to find, in view of these figures, that the financial results of operation were much worse in 1933 than in 1919. But they were better. Net earnings in 1919 were \$745,000,000, and in 1933 were \$846,000,000. The reason they were larger was that operating expenses were reduced from \$4,400,000,000 in 1919

to \$2,250,000,000 in 1933, or 49 per cent.—*Samuel O. Dunn, Editor, Railway Age, in The Rotarian, June, 1935. (This appeared as part of a debate on the question, "Railroads: Government Ownership?").*

(e) After we came out of the period of government operation and into private control again with a completely disorganized machine, as much wrecked as you could possibly wreck anything and still have it run, you had to put it all back in shape again and get control of your forces, rebuild your mechanism and go on to the stage which you have reached today; it gave such an illustration of the futility of public control of an enterprise like transportation, that I never could see how anyone could conceive the idea that we ought to go back to that stage again.—*H. A. Wheeler, President, Railway Business Association, in address before Purchases and Stores Division, Association of American Railroads, June, 1937.*

(f) We had a very illuminating experience with government operation of the railways of the United States themselves in 1918-19. Taken over as an emergency measure to help with the war, the government operated the roads for 26 months, without restraint from their owners or other outside agencies. This experience is so recent as still to be fresh in minds of most men in railway service today. In that period, it will be remembered that service deteriorated to such an extent as to lead to widespread criticism—that the properties were so grossly under maintained as to lead to later reimbursements to their owners totaling hundreds of millions of dollars—and above all, that expenses were so increased as to load onto the taxpayers a deficit totaling some \$1,700,000,000. It is no wonder that with such results, the public rejected with almost unanimous acclaim in 1920 the suggestion by the then federal director general of the railroads, that government operation be extended for five years and expressed in no uncertain terms its demands that government operation be brought to an end and the roads returned to their owners. It is not without significance that, after rehabilitating their properties to overcome the neglect of the period of federal control, the railways have given the public an excellence of service never before attained—a service that, through private initiative, is still bringing improvements in comfort and speed.—*Railway Engineering and Maintenance, June, 1934.*

First Line of Defense

The railroads constitute the first line of defense against state socialism.—*Business Week.*

Foreign Experience Is Enough to Discourage Government Ownership and Operation.

EXPERIENCE of foreign governments in the ownership and operation of railways offers ample reason for opposing such a policy in the United States. Political considerations always outweigh efficiency and economy measures, with the result that standards of service are low and operating costs are high. Only in those countries where labor costs are exceptionally low, notably in Japan and British India, do the state-operated railroads earn their way. In countries such as France, Italy and Norway, state-operated railroads fail even to pay their operating expenses. Year after year the public treasuries make up the deficits. The governments appropriate funds for capital improvements, and they receive no return in interest or dividends on their investments. In countries such as Germany, Belgium and Denmark, the government-operated railroads sometimes do and sometimes do not earn operating expenses, and government appropriations for the railroads are frequent.

Revenue Per Ton-Mile

Because of complexities in the structure of freight rates, in the character of traffic and in foreign exchange, it is difficult to make an exact comparison of freight charges in different countries. However, average railroad freight revenues per unit of service are lower in the United States than in any other important country on the globe except Japan, where wages are far below those prevailing in this country. The following statistics, compiled by the Bureau of Railway Economics, are based upon official railway reports of the several countries, foreign monies being converted to United States equivalents on the basis of average exchange rates as reported by the Federal Reserve Board:

Country	Year Ending	Av. Revenue per ton-mile (cents)
Great Britain ¹	Dec. 31, 1937	2.406
Denmark ²	Mar. 31, 1938	2.320
Italy ³	June 30, 1936	2.226
Australia ³	June 30, 1937	2.185
Germany ³	Dec. 31, 1937	2.160
France ²	Dec. 31, 1937	1.953
Union of South		
Africa ³	Mar. 31, 1938	1.728
Norway ³	June 30, 1938	1.692
Sweden ³	Dec. 31, 1937	1.312
British India ²	Mar. 31, 1938	1.004
Canada ²	Dec. 31, 1937	0.997
United States ¹	Dec. 31, 1938	0.983
Japan ³	Mar. 31, 1937	0.674

¹ All railroads, privately owned and operated.

² All railroads, both state and private lines.

³ State operated railroads only.

One measure of economy and efficiency in railway operations is the ratio of operating expenses to operating revenues. A ratio of 75 per cent, for example, means that 75 cents out of every dollar of revenue goes for labor, fuel, material and supplies, and other operating costs, leaving 25 cents for taxes, interest on investment, reserve accounts, additions and betterments to plant, and other capital purposes. When the ratio reaches 100 per cent, it means that the property has earned nothing toward the payment of taxes, interest, or other fixed charges and that no earnings are available to build up reserve accounts or for capital improvements to the physical plant. When the ratio exceeds 100 per cent, it means that the property is not earning its day-to-day operating costs.

During the eight years ended with 1937, the operating ratio of the privately-operated railways in the United States ranged between 72 and 77 per cent. During the same period, government-operated railroads in the various countries showed the following ranges in operating ratio: Australia, between 71 and 83 per cent; Belgium, between 91 and 107 per cent, exceeding 100 per cent during four of the eight years; Canadian National, between 91 and 97 per cent; Denmark, between 97 and 114 per cent, exceeding 100 per cent in six of the eight years;

France, between 106 and 137 per cent; Germany, between 90 and 105 per cent, exceeding 100 per cent in two years; Italy, between 100 and 130 per cent; New Zealand, between 83 and 91 per cent; Norway, between 102 and 118 per cent; Sweden, between 78 and 92 per cent. In certain countries where labor costs are exceptionally low, state-owned railways can operate at a low operating ratio. For example, in Japan the government railroads operated at a ratio ranging from 59 and 62 per cent; in India, from 66 and 73 per cent; in South Africa, from 65 and 80 per cent.

(a) In my study of government ownership of railroads of the various nations, I have come to one definite conclusion—the service is less efficient, wages to railroad workers are much less, and yet the cost of transportation is higher, and in some countries two or three times greater than in the United States.—*Hon. John M. Robison, Member of Congress from Kentucky, in House of Representatives, July 26, 1939.*

(b) Neither our national nor our state governments are planned or equipped for the task of government operation of utilities. Nobody ever tried it on our stupendous scale of a continent, but there are governments which, in their smaller scope, do operate in some fashion some of their utilities. Since it is always in worse fashion than ours, their example is no temptation to imitation, but it does illustrate that some governments, on some scale, in some fashion, can operate some of them. But none of them have ever attempted to operate all the utilities, nor does any one of them possess 15 per cent of our railway mileage, or 6 per cent of our power, or 15 per cent of our telephones. . . .—*Herbert Hoover, Secretary of Commerce, in radio address, September 29, 1924.*

(c) There is nothing in foreign experience or in the record of the Federal Railroad Administration to warrant government ownership. Private ownership of our railroads has given us the best and cheapest railroad service in the world. On the other hand, there is not a single instance of an improvement in railroad operation on record as having been developed on a government-owned railroad; and it required years to repair the damage done to our railroads by government operation during and after the World War.—*Declaration of Policy, Pennsylvania State Chamber of Commerce, Jan. 29, 1936.*

(d) Government ownership of railroads in Mexico has developed into the costly failure that was inevitable and now the carriers have been handed over to the railroad workers themselves. In view of the trend toward government ownership in this country, the experience in Mexico is illuminating. The government first crippled the roads by excessive taxation and unreasoning regulation, then took them over. Political management failed, as it nearly always does, and the roads became merely a bigger white elephant. Now, unable to "tote the load" longer, the government sidesteps and leaves the workers to hold the bag.—*Rome (Ga.) News Tribune, May 5, 1938.*

Executive Salaries

Proponents of government ownership speak of huge savings which could be made by reducing salaries and abolishing executive positions on the railroads.

The Class One railroads of the United States represent an investment of \$26,055,536,805. In 1938 their operating revenues amounted to \$3,565,491,000, their operating expenses amounted to \$2,722,199,000, and their payrolls amounted to \$1,746,141,000.

The amount paid in salaries in 1938 to the chief executive officers (presidents and/or trustees) of all Class One railroads totaled \$3,109,000. This represented 1/100 of 1 per cent of railway investment, 9/100 of 1 per cent of operating revenues, 1/10 of 1 per cent of operating expenses and 1/5 of 1 per cent of railway payrolls. It is doubtful if any other major industry in the United States pays its chief executive officers as small percentages of investment, revenues, expenses and payrolls as is paid in the railway industry.

Executive salaries cut a small figure in railway operating costs. This is illustrated by the fact that if every president and other chief executive officer of the Class One railroads of the United States were to serve without pay, the railway payroll would be reduced by less than 1/5 of 1 per cent. If the saving thus effected were applied to freight charges, it would make possible a reduction of only 1/1000 of a cent per ton-mile.

Executive salaries were sharply reduced during the depression. In 1938 the salaries of the chief executive officers of twenty leading railroads in the United States were 29 per cent less, on the average, than they were in 1929.

The railroad business calls for men of ability in the executive positions, and railroads, like other large industrial and commercial enterprises, must pay good salaries to attract and hold good men.

Government Ownership of Railroads Has Come About in Most Foreign Countries, Not Because of Public Sentiment, But Because of Public Policies Resulting in Railroad Bankruptcy, or Because of Military Considerations.

IN no democratic country on the globe has government ownership and operation of railroads come about because the people wanted it or demanded it on its merits in preference to private ownership and operation. In nearly every country where state ownership and operation exists, it was forced upon the government because private capital could not be found to take the risks, or because conditions made private ownership and operation impossible, or because peace-time motives were subordinated to war-time objectives.

(a) A military motive has played an important part in effecting government ownership and operation of railroads in some countries. This was true of Germany and of Japan. Political considerations have likewise controlled. The construction of the Intercolonial Railway by the government of Canada was for the purpose of uniting the provinces. The political motive played a part in the acquisition of railway lines by Prussia and other German states. Closely allied with the above is a desire to be independent of foreign capital. This was a factor in Belgium and in Switzerland. Perhaps the most common reason for inducing governments to undertake the construction of railroad lines has been the fact that, under the peculiar conditions existing at the time, private capital was not interested. This accounted for much of the early state construction of railroads and canals in the United States. It accounted for state constructions in Italy, in Australia, and in New Zealand. Still another reason that has led to government ownership and operation has been the financial failure of privately owned lines. In many cases these lines have been subsidized by government loans, guaranty of interest, or guaranty of the principal of railroad bonds. In case of continued default the state is likely to take over the roads. The state system in France was acquired for this reason, and the same was true of the principal state-owned lines in Brazil.—*D. Philip Locklin, Associate Professor of Economics, University of Illinois, in "Economics of Transportation," published by Business Publications, Inc., Chicago, 1938, pp. 668-669.*

(b) Americans are inclined to forget that in Europe there is a factor in government ownership of railroads entirely absent in this country. In some European countries railways were governmental from the beginning. This was not because of the theory that railways were better owned and

operated by government but for military reasons. Military reasons dictated the layout of many European roads from the outset. Only government could afford to build railways in which military purposes predominated. So government did build and operate them from the start.—*San Francisco (Cal.) Chronicle, September 13, 1937.*

(c) Principal reasons for Government ownership and operation in other countries have been consolidation of sparsely-settled areas; national defense, as in Europe in general; lack of private capital available, as in Australia and other countries. In the United States no such reasons exist for Government rail control. First, this nation is a unified and consolidated country; second, additional railway construction is not needed here for reasons of national defense, and, third, the railroads have developed out of individual initiative, effort and capital.—*Brooklyn (N. Y.) Citizen, November 23, 1936.*

(d) I think it is approximately accurate to say that 42% of the railway mileage of the world is publicly owned and 58% is privately owned. The percentage of publicly operated mileage is somewhat less, since some publicly owned railroads are leased to private companies for operation. In all, there are in the world 355,800 miles of state-owned roads; of this mileage, 52,000 is in Russia, 33,425 in Germany, 31,690 in India, 10,512 in Italy, about 12,000 in Japan, 12,450 in Poland and 13,151 in the Union of South Africa. In these countries will be found about 46 per cent of the publicly owned railways of the world. Of the 492,200 miles of privately owned railroads, 307,367 miles, or about five-eighths of the total, are in the free democracies of the United States, Great Britain and France, while, as we have seen, 46 per cent of the public owned properties lie in the despotisms of Russia, Germany and Italy; in countries

where self-government is yet in its experimental stage, as in South Africa and Poland; in Imperial Japan; and in India, hardly to be accepted as a model of orderly government. I think it is quite significant that in those countries which we are accustomed to regard most highly for their adherence to the ideals of freedom and democracy, there is such a preponderance of privately owned railroads, while the contrary is true in those nations that have confessed their incompetence by yielding to the rule of tyrants. When we are told, therefore, that we should look elsewhere for guidance in this important matter, our eyes at once fall upon the towering figures of Stalin, Hitler and Mussolini, from whom we are advised to learn wisdom. I do not assert that these despots are responsible for the system of State ownership in the countries over which they exercise dominion. To a very large extent, Government ownership antedated the rule of these usurpers. But it is fair to say that a condition of public sentiment which preferred ownership by the State rather than by private enterprise of the most important agencies of transportation, furnished a fertile field for the growth of tyranny. Those of us who still cling with passionate devotion to the freedom of the human spirit may well find in this circumstance material for sober reflection.—*R. V. Fletcher, Vice President and General Counsel, Association of American Railroads, in address before Traffic Club, Chicago, Illinois, March 15, 1935.*

(e) The fact is, as history shows, that not a single government in the world ever adopted government ownership as a deliberate or preferred policy. In every country where it exists it was a necessity; it was forced upon the government by circumstances or conditions which could not be avoided. In the smaller countries there was no private capital available to construct railroads, or,

Must Attract Investors

It may also be stated with assurance that if railroads are to be operated successfully under private ownership, they must have earnings sufficient to make not only their bonds but also their stock attractive to investors. Otherwise debt will mount until the bonds lose their attraction and the carriers will again be on the road to bankruptcy. The system of private ownership and operation is dependent on the profit motive and will not work well unless, sooner or later, profits are forthcoming.—*Fifty-second Annual Report of Interstate Commerce Commission, November 1, 1938.*

Many Industries Would Be Involved

If government ownership becomes a definite federal policy, the railroads form the most logical group upon which to try the experiment. Once adopted, other privately owned industries, such as public utilities, banking, and natural resource production (oil, coal, lumber, etc.) are sure later to become involved and even the conversion industries, producing necessities of life, would hardly escape if the principle of government ownership and operation became a fixed policy of our government.—*Harry A. Wheeler, President, Railway Business Association, before Associated Traffic Clubs of America, Indianapolis, Ind., October, 1935.*

if available, it would not accept the hazards; consequently, the governments were obliged to construct them, otherwise there would not have been any railroads.—*John J. Cornwell, General Counsel, Baltimore and Ohio Railroad, before Chamber of Commerce, Canton, Ohio, February 27, 1935.*

(f) With the exception of Switzerland, which operates about 3,800 miles of rail lines, nations have adopted government ownership—not as a matter of principle but as a matter of necessity. In some countries domestic capital was not available and foreign capital was not desired. Government was compelled to furnish transport service which communities could not provide for themselves. In other countries, railways are maintained as part of the military machine for national defense. These conditions are not present here. Private capital will continue to meet the needs of the railroad industry provided we treat it fairly and justly. Our railroad system always will make a maximum contribution to national defense, and without operating it as part of the military machine.—*J. M. Fitzgerald, Vice-Chairman, Committee on Public Relations, Eastern Railroads, in Savings Bank Journal, January, 1937.*

(g) It is clear that other countries have adopted public ownership and operation not as a matter of principle but for reasons of expediency. Often they have been forced into it because private enterprise would not build or could not longer carry on. Sometimes military considerations have been paramount, or an unwillingness to rely on foreign capital, or a desire to use the railways for the general business and industries in the country in its competition with foreign countries.—*Harry A. Wheeler, President, Railway Business Association, in address before the U. S. Chamber of Commerce, Washington, D. C., May 3, 1934.*

Government Ownership Would Be a Step Toward State Ownership of All Agencies of Transportation and of Businesses Which Supply the Railroad Industry.

IF government ownership and operation of the railroads of this country is desirable and in the public interest, why is it not equally desirable and in the public interest to have government ownership and operation of motor bus and truck lines, airlines, steamship, steamboat and barge lines, pipe lines, telephones, telegraph, radio broadcasting, power plants, coal and iron mines, manufacturing plants, banks, hotels, and so on? Is there any sound reason why the principle of public ownership and operation applies to railroads and not to other agencies of transportation or to other fields of business activity?

(a) . . . if government takes over the railroads, it will inevitably take over all other forms of transportation as well. No governmental activity will endure competition, and government alone has the power to disregard its own laws in the creation of monopolies by the destruction or confiscation of competing agencies.—*James F. Bell, Chairman of Board, General Mills, Inc., in address before National Industrial Traffic League, November 17, 1938.*

(b) The last stand against state socialism will be made by the railroads. When and if they go, who then is safe, who then is secure, whether engaged in competing transportation agencies, or in any form of business or industry? I hold no brief for the rails as against other carriers. I mention them only because they are nearest the

Investors Must Be Protected

It must be a cardinal principle in dealing with honestly built and wisely managed railways that the investor, the shareholder, is just as much entitled to protection as is the wage-worker, the shipper or the representatives of the general public. Unless the investor finds that he is to get a fair return on his money, he will not invest, and in such case not only will no new railways be built but existing railways will not be able to repair the waste, the wear and tear, to which they are subject, and will not be able to make needed improvements.

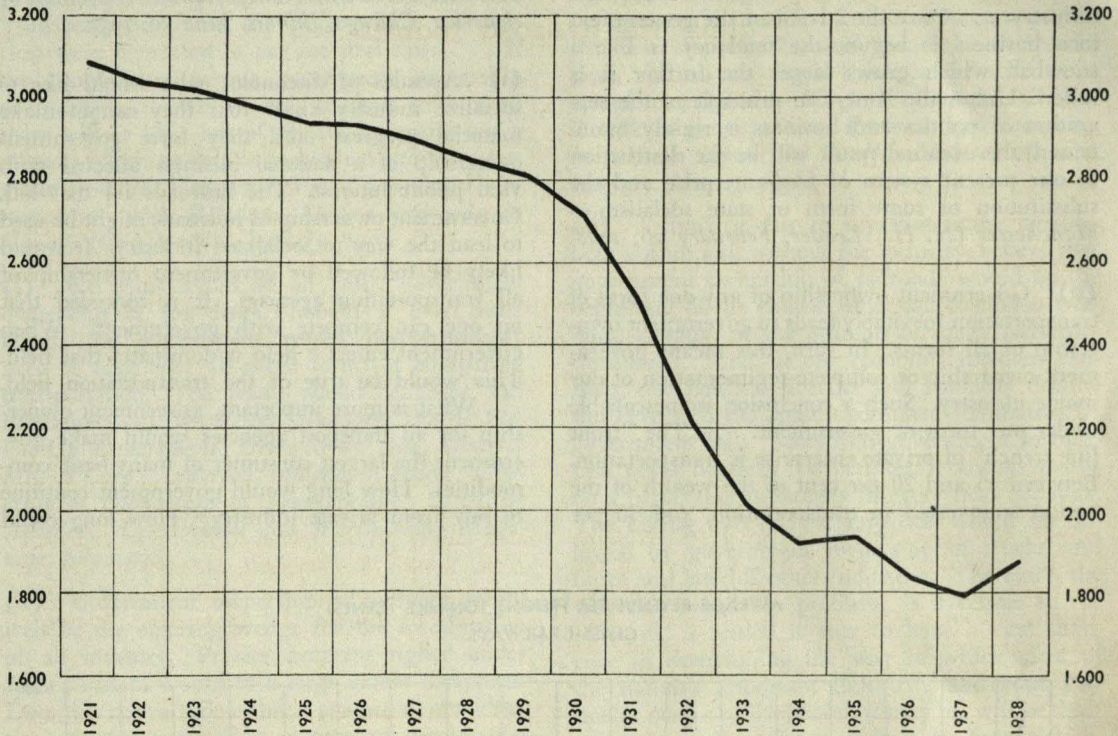
All governmental action, whether by the legislature or the executive, should be conditioned upon keeping in view this fact.—*Theodore Roosevelt.*

gun. The present problem of the rails is the potential future problem of all other carriers and of all other business. That problem is to keep alive under private ownership.—*From address by Hon. Samuel B. Pettengill, Member of Congress from Indiana, in address before Associated Traffic Clubs of America, St. Louis, Mo., October 12, 1937.*

(c) This Congress, sooner or later, has got to decide whether we are going in "hog wild" for government ownership of railroads, and if that happens trucks and buses and pipelines, aircraft and intercoastal shipping, as well as coastwise and Great Lakes shipping will follow, because it does not seem possible to me that the government, owning one of these great transportation agencies, and operating it at a loss, as it did during the World War, will then permit its business to be taken away from it by private competing agencies.—*Hon. Samuel B. Pettengill, Member of Congress from Indiana, reported in Railway Age, April 2, 1938.*

(d) If the Government is forced to take over the operation of the railroads, consideration must be given as to the effect on other types of carriers, both public and private, because of the fact that government does not usually brook competition. For example, in European countries where the railroads are owned by the government, highway transportation appears to have been rather definitely restricted with a view to protecting the rail carriers against this type of competition.—*Commissioner Carroll Miller, Interstate Commerce Commission, in address before Ninth Annual Economics Conference for Engineers, Stevens Engineering Camp, Johnsonburg, New Jersey, June 28, 1939.*

AVERAGE REVENUE PER PASSENGER-MILE (CENTS)
CLASS I RAILWAYS



A passenger-mile in railway service represents the transportation of one passenger one mile. The average revenue per passenger-mile is obtained by dividing total passenger revenues by the total number of revenue passenger-miles of service performed.

(e) The danger is real, not only for the railroads and their managers and the shipping public whose service will be crippled, but for other agencies of transportation and other kinds of business as well. Does anyone suppose it to be in the interest of the motor truck industry, for instance, that the railroads should get into a condition where it becomes necessary for the government to take them over? The trucks would then be confronted with the government as their competitor, instead of the railroads, or the government would also take them over—probably the latter. Having gone that far, why would not the government also take over the railway supply business, the coal business, the steel business, and every other business that contributes to railroad operation—why not, in fact, all business?—*Henry A. Palmer, Editor, Traffic World, in address before American Shortline Railroad Association, October 27, 1938.*

(f) Many of you may think that this makes no difference to you, but there is no basis for

any such belief. If the politicians take over the railroads, then they certainly will not permit competition with the government by private companies operating buses, trucks, air lines and boats. If the government once invades the field of private endeavor by taking over the railroads, it will soon take over every other form of transportation. In that event, no business of any kind in this country would be a free agent, but each would be subject to the bureaucratic control of the politicians in Washington.—*Fitzgerald Hall, President of the Nashville, Chattanooga and St. Louis Railway, in an address before Illinois Chamber of Commerce, October 10, 1935.*

(g) Besides the majority belief that government ownership and operation would bring a decline in efficiency, this method of solution of the railroad problem was generally opposed for another and most important reason. This was the fear that the experiment in government ownership with the railroads would set a dangerous precedent in the direction of direct federal interference

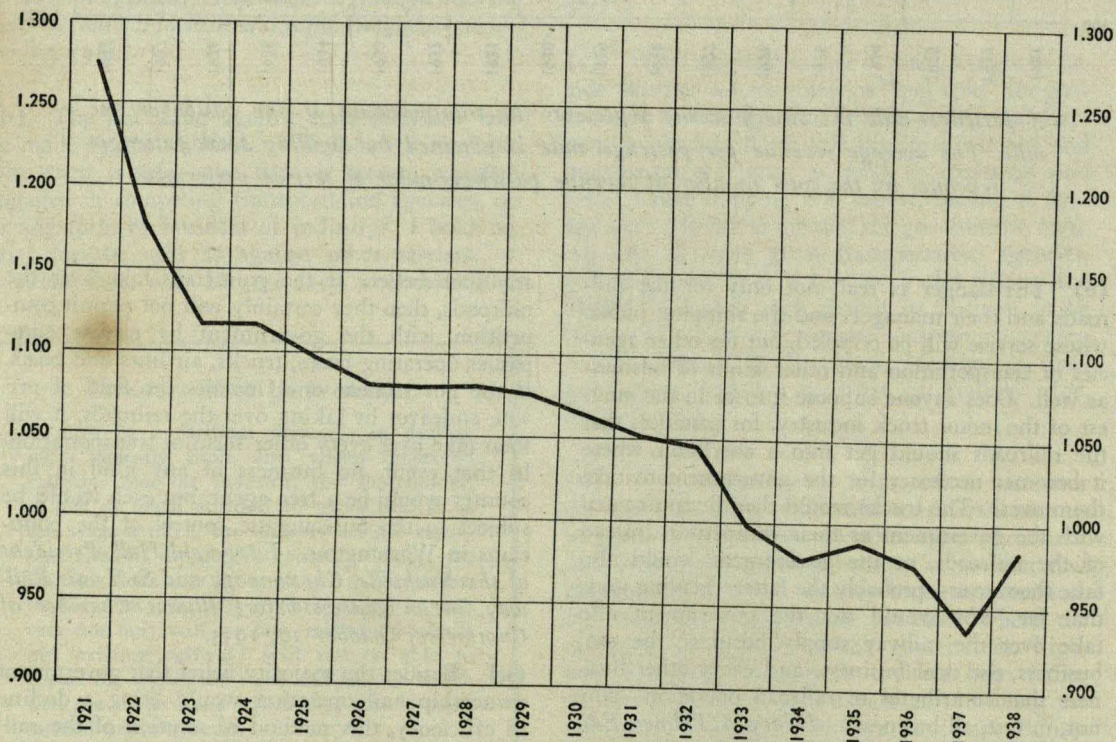
in other forms of private business. That danger most certainly is involved. In fact, suggestions are already made of government ownership and operation as a solution of the problems of the coal industry. . . . Once the advent of the government into business is begun, the tendency is like a snowball which grows larger the further it is rolled. Unless the American principle of the separation of politics and business is rigidly maintained, the eventual result will be the destruction of our present system of free enterprise and the substitution of some form of state socialism.—*Manchester (N. H.) Leader, February 26, 1938.*

(h) Government ownership of any one form of transportation inevitably leads to government ownership of all forms. In turn, this means government ownership or complete regimentation of our major industry. Such a conclusion is inescapable under our form of government. . . . The "front line trench" of private enterprise is transportation. Between 15 and 20 per cent of the wealth of the nation is invested in transportation, and 30 per

cent of our buying power. In a nation as far-flung as the United States, it is the keystone in the arch of private enterprise.—*Donald Conn, Executive Vice President, Transportation Association of America, Chicago, Illinois, June 30, 1937.*

(i) Apostles of discontent who would like to socialize industry know that they cannot make material progress until they force government ownership of a national business affected with vital public interest. The railroads fill that bill. Government ownership of railroads might be used to lead the way to socialized industry. It would likely be followed by government ownership of all transportation agencies. It is conceded that no one can compete with government. When government enters a field it dominates that field. This would be true of the transportation field. . . . What is more important, government ownership for all transport agencies would make government the largest consumer of many basic commodities. How long would government continue to buy from private industry? How long could

AVERAGE REVENUE PER FREIGHT TON-MILE (CENTS)
CLASS I RAILWAYS



A ton-mile in railway service represents the transportation of one ton of freight one mile. The average revenue per ton-mile is obtained by dividing total freight revenues by the total number of ton-miles of revenue freight service performed.

private industry survive at prices government might be willing to pay? Only a few years ago government, through the Federal Coordinator of Transportation, fixed the price which rail carriers were permitted to pay for steel rails. . . . If the people ever permit government ownership of railroads, it will be only a short time until there will be little left of private enterprise but a memory; nothing left of individual initiative but a name.—*J. M. Fitzgerald, Vice Chairman, Committee on Public Relations, Eastern Railroads, in Savings Bank Journal, January, 1937.*

(j) We must avoid at all costs, government ownership of rail lines. Should it ever come about, the government would unquestionably need to take over all other forms of competing transportation. The result would be chaos and bankruptcy.—*J. W. Peters, Manager, Traffic Follow-Up Department, Delco-Remy Div., General Motors Corp., Anderson, Indiana, in article "Government Ownership of Transportation Must Be Avoided," Distribution and Warehousing Magazine, July, 1938.*

(k) Government ownership of railroads might well be the entering wedge for the socialization of all industry. Private property rights under such a system would to a large extent disappear. Does this not include a threat against all our liberties? A state controlling all property would soon control all actions—freedom as we have known it would be gone. To my mind government ownership of railroads is a more serious menace than we realize.—*Philip A. Benson, President, Dime Savings Bank of Brooklyn, in an address before Atlantic Shippers Advisory Board, New York, Jan. 2, 1937.*

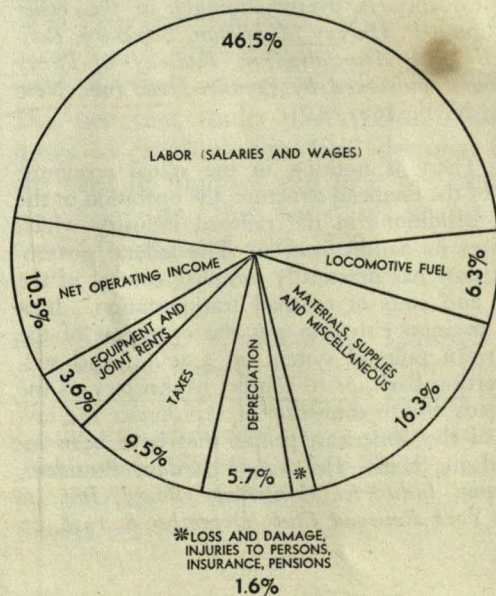
(l) Government ownership of railroads would almost inevitably be followed by extension of government ownership to other industries. The government probably would soon convince itself that it could make locomotives, cars and materials for the railways cheaper than it could buy them from private manufacturers. It would soon convince itself that it could mine coal cheaper than it could buy it from private operations.—*Samuel O. Dunn, Editor, Railway Age, April 10, 1936.*

(m) Government ownership represents the easiest and cowardly course of procedure. It neither represents policies nor measures which promise anything good for the country, our people, transportation systems, the investor or the patrons. The real reasons that politicians talk government ownership do not rest upon the merits of the idea. It would be an effective means of covering up. Evidences of vast mistakes could be sunk without a trace. It represents the line of least resistance, wholly incompatible with the American System.

It is an inconceivable alternate if we expect to preserve the fundamental principle of private enterprise for agriculture, industry and finance. Government ownership of transportation would be the first step, banks, and insurance companies next, and so on down through the scale to a complete socialism.—*W. J. Williamson, General Traffic Manager, Sears, Roebuck & Company, in address before the Traffic Club of Atlanta, Georgia, Nov. 7, 1938.*

(n) I think it fair to say that many persons, both within and without the industry, believe that government ownership of railroads would be the beginning of the end of American economic freedom, already, in the opinion of many, seriously threatened. And, as our economic freedom vanishes, our political liberties will similarly decline until every barrier against complete domination by government falls. Moreover, government in business never tolerates competition; it always insists on a paralyzing monopoly in every field it enters. The taking over of the railroads would be followed by government ownership of trucks and buses and later of other industries. Therefore, the way this ownership problem, as it relates to the railroads, is settled is sure to have a vital influence in determining the way in which most of the nation's important industries and your particular means of livelihood, it may be, will be dealt with eventually.—*From address by Frederick E. Williamson, President, New York Central Lines, before Chamber of Commerce, Utica, New York, April 23, 1935.*

DISTRIBUTION OF RAILWAY OPERATING REVENUES
Class I Railways—Year 1938



Why Change?

IN view of the enterprise and efficiency of the American railroads, what would be the advantage of transferring them to government ownership and operation? The answer is that there would be no advantage to the general public; on the contrary, the public would be adversely affected in many ways. There is no sound and sufficient reason for the change. It would remove one of the greatest sources of tax revenue. It would add enormously to our public debt. It would pile up huge operating deficits to be borne by the taxpayers. It would put the railroads and their employes into politics. No saving in the cost of transportation would result. On the contrary, the cost of transportation would be substantially increased.

(a) It must be evident to the severest critic that the extension of the railway network of the United States under private ownership, and the character of the service that has always been made available to the public, offers no argument to replace that enterprise and efficiency with a system owned and controlled by the government. The testimony of those who have been a part of the public-ownership movement in other countries as to the dangers of political domination, and the waste that inevitably follows under public operation of railroads, lends emphasis to this point of view.

Throughout the history of railway transportation, especially in the United States, it has been the privately operated railroads, supplemented by the inventive genius of the privately owned railway equipment and supply concerns, which have produced the most vital improvements in efficiency, economy, and safety. The proponent of government ownership of railroads will find it difficult indeed to demonstrate from any experience in foreign countries that the public would be better served under any type of public ownership. The evidence is overwhelmingly in the other direction.—*P. Harvey Middleton, Secretary, Railway Business Association, in "Railways of Thirty Nations," published by Prentice-Hall, Inc., New York, N. Y., 1937, p. 31.*

(b) There is nothing in the actual economic facts of the financial structure, the operation or the labor conditions in the railroad industry which requires its nationalization. The federal government now has practically complete control of the price and costs of railroad transportation. It is in a position either to put the operation of the American railroad system on a sound and self-supporting basis, or to compel bankruptcy of the railroads and to confiscate or expropriate the savings of the American people that have been invested in them.—*Dr. Virgil Jordan, President, National Industrial Conference Board, Inc., to New York Railroad Club, December 8, 1938.*

(c) All of us realize that transportation is essential to the welfare of our country, and it is not denied that the railroads comprise by far the most important part of the transportation plant. If they were not giving satisfactory service or if there were a shortage of railroad transportation, our public ownership friends might have some ground for their contention. But with railroad service concededly efficient and with a great surplus of transportation, where lies the urge for a program which will raise the national debt to staggering proportions, will lead the country a long way toward the socialization of industry, will transform a necessary adjunct of business into a political machine, with no promise of improved efficiency or real economy? Whether we test the question by the experience of other countries, or by the conditions that prevail in our own, we can find no sound reason for embarking on this un-American experiment.—*R. V. Fletcher, Vice President and General Counsel, Association of American Railroads, in address before Traffic Club, Chicago, Illinois, March 15, 1935.*

(d) There are those who have the conviction, or so declare, that our transportation problems are to be solved by Government intervention to the extent of ownership and operation of the railroads by the Government. . . . It is favored by those who indulge the blind assumption that to solve a problem the government need only assume responsibility for its solution. Conceding to them honest interest in the public welfare, their lack of understanding of what will promote that welfare makes them no less dangerous than are those who are moved by considerations of special interest. I do not believe that Government ownership of railroads will solve, in the public interest, our transportation problem.—*William T. Nardin, Vice President, Pet Milk Company, in address before Associated Traffic Clubs of America, St. Louis, Mo., October 12, 1937.*

Recent Railway Progress and Developments

Air-Conditioning of Passenger Cars: The first fully air-conditioned passenger train was placed in service in 1931. At the middle of 1939 there were 11,351 air-conditioned passenger cars in daily operation in the United States, providing a degree of comfort and cleanliness unknown a decade ago. The American railroads lead the world in air-conditioning.

Streamlined Passenger Trains: The first light-weight streamlined passenger train was placed in service in 1934. At the beginning of 1939 there were eighty-six of these ultra-modern passenger trains in daily operation in the United States. The United States leads the world in streamlined trains.

Increased Passenger Train Speeds: In 1930 there were only a few passenger train runs in the United States of a mile-a-minute or faster, start to stop. These runs covered 1,100 route-miles. In 1938 there were 924 passenger train runs of a mile a minute or faster. These runs covered 56,311 route-miles, of which 47,087 were on daily schedules. The United States leads the world in passenger train speeds, with more than one-half the world's mile-a-minute mileage.

Increase in Freight Train Speed: The average speed of freight trains in the United States was 61 per cent faster in 1938 than in 1920. In 1938 the average distance traveled per train for each 24-hour period was 398 miles, compared with 247 miles in 1920. These figures represent the average time required for the movement of all freight trains between terminals, including stops and delays enroute.

Schedules Are Maintained with Precision: Never before in the history of American railroading were train schedules, in both

passenger and freight service, maintained with such precision as they are being maintained today.

Reductions in Passenger Fares: In 1938 the railroads carried passengers for an average of 1.87 cents a mile, compared with 3.086 cents in 1921, the first full year after government control. Since 1935 the average revenue per passenger-mile has been lower than in any previous period in railway history.

Freight Rates Are Lower: The average revenue for carrying a ton of freight one mile was reduced from 12.75 mills in 1921 to 9.83 mills in 1938.

Improvement in Safety: The best general safety record in fifty years was established by the railroads of the United States in 1938. The actual number of train accidents in 1938 was two-thirds less than in 1929. Fatalities to employees on duty resulting from all kinds of accidents in 1938 totaled 479 compared with 1,348 in 1929. The number of such fatalities in 1938 was a reduction of 64.5 per cent compared with 1929. Compared with the number of man-hours worked, there was a reduction in 1938 of 31.6 per cent under 1929. Non-fatal injuries to employees in 1938 declined 73.1 per cent in number and 47.0 per cent in frequency on the basis of man-hours worked compared with 1929.

Car Shortages Eliminated: Through increased team-work and efficiency in the utilization and routing of freight cars, costly car shortages have been entirely eliminated. There has not been a serious car shortage in this country for more than fifteen years.

Increase in Average Hourly Wage: Average hourly earnings of railway employees in 1938 amounted to 75 cents, the highest figure ever reached. This compares with 28.3 cents in 1916 and 63.1 cents in 1926.

Collection and Delivery Service Introduced: Free collection-and-delivery service for less-than-carlot freight shipments was adopted on a nation-wide scale in 1936. This has had the effect of extending railway service, without additional charge, to the doors of merchants, manufacturers, shippers and consignees in every part of the country.

Increased Power of Steam Locomotives: The tractive power of the average steam locomotive in service on the railroads of the United States was increased from 36,935 pounds in 1921 to 49,803 pounds in 1938, a gain of 35 per cent.

Reduction in Fuel Consumption: Fuel consumption in locomotives for each 1,000 gross ton-miles was reduced from 172 pounds in 1920 to 115 pounds in 1938. Fuel consumption per passenger car-mile was reduced from 18.8 pounds in 1920 to 14.9 pounds in 1938.

Increase in Freight Cars Per Train: The average freight train operated in the United States consisted of 37 cars in 1922 and 47 cars in 1938.

Increase in Freight Car Capacity: The capacity of the average railway-owned freight car in service in the United States was increased from 42.5 tons in 1921 to 49.4 tons in 1938.

Increased Daily Car Mileage: From 1922 to 1938 the average mileage per freight car per day increased from 26.9 to 32.3. These averages include all serviceable cars owned by the railroads regardless of whether they were in use or not.

Increase in Freight Train Load: The average freight train load was increased from 676 tons in 1922 to 759 tons in 1938.

Increase in Freight Train Performance: In 1938 the average hourly freight train performance was 12,472 ton-miles of freight service, compared with 7,479 ton-miles in 1922, an increase in freight-train efficiency of 67 per cent.

Reduction in Loss and Damage Claims: Loss and damage claims were reduced from \$1.11 per carload of revenue freight in 1922 to 68 cents per carload in 1938.

Reduction in Ratio of Capital to Investment: For each \$1,000 of investment in railway property, the par value of stocks and bonds in the hands of the public amounted to \$703 in 1938, compared with \$987 in 1910.

Reduction in Ratio of Funded Debt to Investment: For each \$1,000 of investment in railway property, the funded debt was reduced from \$606 in 1910 to \$429 in 1938.

Expenditures for Additions and Betterments: In the ten-year period 1929-1938 the railroads spent \$3,796,000,000, or more than \$1,000,000 a day, on the average, for additions and betterments to their properties.

Increased Burden of Taxation: In 1916, for every dollar of operating revenue, the railroads paid 4.4 cents in taxes. In 1921, taxes took 5 cents for each dollar of operating revenue; in 1930, 6.6 cents; in 1938, 9.5 cents, the largest slice on record.

Tax Contributions to Government: In the 10-year period 1929-1938 the railroads of the United States contributed \$3,036,000,000 to the federal, state and local governments in taxes.

Railroads Can Meet Transportation Needs

THE railroads can handle at least 25 per cent more traffic than they are now handling, and by repairing approximately 200,000 freight cars and 8,000 locomotives now awaiting repairs, and not required for present traffic, they could handle 45 per cent more than the present business.

If and as additional equipment is required it can be had, and the railroads can and will keep ahead of any demands that may be made upon them.

These conclusions are the result of a very careful study made several months ago. It is a fact that there has been a great reduc-

tion in the amount of equipment owned. It is also a fact that there has been a great increase in the efficiency of movement. For example, the average speed of freight trains between terminals is now 61 per cent greater than in 1920 and the tons handled per train-hour, which is the real measure of work, have increased 106 per cent since 1920. It is conservatively estimated that the traffic of 1929, the largest in history, could now be handled efficiently with from 350 to 400 thousand cars less than were owned at that time.—*John J. Pelley, President, Association of American Railroads, September 5, 1939.*

A Challenge to Statesmanship

I cannot bring myself to believe that the progress of humanity has ceased or that opportunities for private initiative no longer exist. Every bit of the progress we have achieved to date has been the result of individual initiative.

The invention of the steam engine, the invention of the gas engine, the telephone, the telegraph, the airplane, and, within the last few years, radio and television—all of these things are the product not of consumer enterprise or of public enterprise but of the genius of individual men.

These and all the other inventions which have blessed mankind have been the results of the competitive urge, and like the authors of the Interstate Commerce Committee Report of 1913, from which I have already quoted, I believe "that the progress of the world depends in large measure upon that fair, reasonable rivalry among men which has hereto characterized the advances of civilization."

It is the function and the duty of government to promote and protect that rivalry. It is a challenge to statesmanship to make certain that this objective is attained and that competition in America's commercial life shall not be eliminated.

To accomplish that purpose let us first make certain that competition is preserved by preventing the restraints which have throttled it in the past; and second, let us break open new channels for the investment of private savings in free, private enterprise.—*Hon. Joseph C. O'Mahoney, United States Senator from Wyoming, in Congressional Record, July 26, 1939.*

Bibliographical Notes

Although the bibliography on government ownership and operation of railroads is extensive, most of the books on the subject were published many years ago when conditions surrounding the transportation industry were quite different from those existing today.

Among the recent books devoted to this subject are:

Government Ownership and Operation of Railroads for the United States, by Lewis C. Sorrell, Professor of Transportation, University of Chicago, published by Prentice-Hall, Inc., 70 Fifth Avenue, New York, N. Y., 1937.

Railroads of Thirty Nations, subtitled "Government Versus Private Ownership," by P. Harvey Middleton, Secretary, Railway Business Association, published by Prentice-Hall, Inc., New York, N. Y., 1937.

Government Ownership and Operation of Railroads, by Walter M. W. Splawn, Professor of Economics, University of Texas, now a member of the Interstate Commerce Commission, published by Macmillan Company, 60 Fifth Avenue, New York, N. Y., 1928.

Government Ownership and Operation of Railroads, a volume of statements on the subject by national, regional, state and local business organizations, compiled by Transportation Conference, 1933-35, printed and distributed by Railway Business Association, 38 South Dearborn Street, Chicago, Illinois.

In addition to these books, the *Annals of the American Academy of Political and Social Science*, Philadelphia, devoted its issue of September, 1936, to articles on the status of railroads in the United States and in foreign countries, with emphasis on the question of private versus government ownership, and devoted its issue of January, 1939, to the general subject of ownership and regulation of public utilities, including

several articles on private versus government ownership and operation of railroads. Both issues were edited by G. Lloyd Wilson, Professor of Transportation and Public Utilities and Director of Bureau of Public Affairs, University of Pennsylvania.

Among other recent publications which furnish a general background of information and thinking on the subject are:

Report of the Federal Co-ordinator of Transportation, 1934, Regulation of Railroads, Senate Document No. 119, 73d Congress, 2d Session, issued by the Government Printing Office, Washington, D. C., 1934.

A National Transportation Policy, by Dr. C. S. Duncan, Economist, Association of American Railroads, Washington, D. C., published by D. Appleton-Century Company, Inc., 35 West 32nd Street, New York, N. Y., 1936.

The Modern Railway, by Dr. Julius H. Parmelee, Director, Bureau of Railway Economics, Association of American Railroads, published by Longmans, Green & Company, 114 Fifth Ave., New York N. Y., 1939.

Among recent booklets issued by the Transportation Association of America, 400 West Madison Street, Chicago, Illinois, are:

Some of the Causes of Government Ownership Abroad and

Some of the Experiences with Government Ownership in the Scandinavian Countries.

General railway information is available from many sources, including the individual railroads, the Interstate Commerce Commission, Washington, D. C.; the Association of American Railroads, Washington, D. C.; the Committee on Public Relations of the Eastern Railroads, 143 Liberty Street, New York, N. Y.; the Western Railways' Committee on Public Relations, 105 West Adams Street, Chicago, Illinois, and various state railway associations.

Much statistical information concerning the railroads is contained in *Statistics of Railways in the United States* for each year beginning with 1888, prepared by the Bureau of Statistics of the Interstate Commerce Commission, and published by the Government Printing Office, Washington, D. C.

Railway statistics are available in more condensed form in the annual booklet *Railroad Facts*, published by the Western Railways' Committee on Public Relations, 105 West Adams Street, Chicago, Illinois. The same statistics are issued as *A Year-book of Railroad Information* by the Committee on Public Relations, Eastern Railroads, 143 Liberty Street, New York City.

Numerous articles relating to the railroads and transportation generally, including the specific question of government ownership of railroads, have appeared from time to time in the weekly journals, *Rail-*

way Age, published by Simmons-Boardman Publishing Corporation, 30 Church Street, New York, N. Y., and *Traffic World*, published by Traffic Service Corporation, 418 Market Street, Chicago, Illinois. Such material may be located by consulting the indexes of each volume of these journals.

In addition to the above, most of the standard textbooks on railroads and transportation contain some discussion of the question of government ownership and operation of railroads.

In response to the widespread interest aroused by the assignment of government ownership and operation of railroads as the topic for debate in 1939-40, several debate handbooks are in course of preparation by college professors, debate coaches and others. Information concerning these handbooks is probably available at local bookstores or libraries or from debate league officers.

Warns of Danger

To maintain genuine democratic government is a difficult task. It will be beset by many dangers, and efforts will be made to convert it into a socialistic state or into a powerful centralized and oppressive government. This Republic in its brief period of existence has encountered forces which menace its existence. The important task devolving upon all American citizens is to preserve this Republic and to keep it in the paths designed by the fathers. . . . There are those who insist that the Government shall take over many activities that belong to the capitalistic system and to lead the way to wider socialistic activities. . . . There are today socialistic governments, and also people living under communistic and dictatorial governments. They should be an admonition to the American people to maintain and defend this Republic. We have the best form of government the world has ever produced, and any departure from its philosophy and spirit will inevitably bring to the American people some of the sorrows and evils found in other countries.—*Hon. William H. King, United States Senator from Utah, in the United States Senate, July 27, 1939.*

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Railroads in the United States

ASSOCIATION OF AMERICAN RAILROADS
WASHINGTON, D. C.

