

Transport Central

What do you mean, "FREE RIDE"?

Several times in recent months we have pointed out that in many cases this railroad has been carrying some of its passengers at a very definite loss per mile. Some folks think it is plain scandalous to say these things. Others seem to think we should be able to make up our losses on freight revenue and operate the passenger service strictly as an accommodation. But, when you get right down to cold facts, it comes out this way: to exist and maintain service in the future... we must at least cover our costs in transporting passengers from here to there (and at this point, we're not even thinking of "profit").

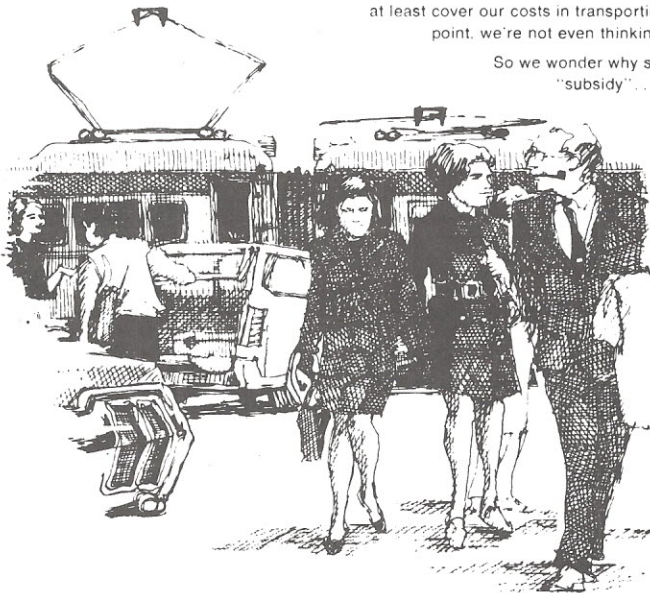
So we wonder why some people seem squeamish about the word "subsidy"... and that we have indicated a need for it.

Right now, most heavily populated areas of the country are covered by state transportation authorities created by their state legislators. They were not created to insure a public conveyance of making a profit. Only to insure the public that mass transportation would be available... and, at least, be able to operate at a break even level.

Should the Chicago South Shore and South Bend Railroad be expected to operate at less?

This railroad, this area, these people need the support of every passenger, taxpayer, and politician in urging the passage of a public transportation bill in the State of Indiana.

We don't want a "free ride" any more than you do. All we want is what is needed to get the job done!



the South Shore Line

CHICAGO SOUTH SHORE AND SOUTH BEND RAILROAD

23 NOVEMBER 1970

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column one

The South Shore Line copy reproduced on our cover this week illustrates well that line's approach to the problem of its own survival in the passenger business; the road's campaign is one of many directed toward forcing action toward a positive program that at least recognizes that there *is* a crisis, not to mention ways and means of alleviation.

Forgetting for a moment the side issues at stake here--the appalling lack of action on the part of the local planning commission toward assuring Federal assistance for the South Shore (and the area bus companies), and the reluctance of wealthy C&O (South Shore's corporate parent) to "give a damn" about its subsidiary's public service responsibilities--the plight of the South Shore again points up the imminent approach of that day when we will have to commit ourselves--on all governmental levels--beyond all hope of retraction as to the ways and means of assuring urban mobility.

There are just two choices available: we can either ignore the problem entirely, and hope it goes away; or we can plunge in with massive expenditures of public funds and do the job *right*.

The first alternative, collective indifference to mass transit and its usefulness to the community, can only result in chaos. A bad press and a deteriorating physical plant have adequately assured that mass transit can never "rise again" on its own hook.

On the other hand, if we can somehow turn public opinion around 180° to a stand in favor of mass transit--*actively* supporting its existence--and spend the money necessary to do the job properly, we can turn a neglected stepchild into the "white sheep" of the family.

But this means a complete change of attitude. For years the image of the "traction barons" has persisted--thanks in no small measure to the inability and unwillingness of transit to change it--and carriers' pleas of financial disaster have largely gone unheeded. Then too, the notion has been propounded that urban transit is somehow not a public service, and must exist solely on its own like any other business, being privy to the public purse only grudgingly, and then only when it is too late for public funds to do any real good.

We must somehow rid ourselves of the old notion that, since only a small percentage of the population uses transit, they (and they alone) must pay for it. We have progressed too far down the road of public enlightenment to cling to the idea that it is somehow against the public good to treat transit as a *total* community responsibility. If this means making the service free to all comers, what in the name of all that is (politically) sacred is wrong with that?

Now that the landmark transit bill has been passed, we *must* at last come to grips with the problem, and decide once and for all if our intentions are indeed honorable and a realistic assessment of possible solutions will be made; or if it is once again "business as usual".

--RICHARD R. KUNZ

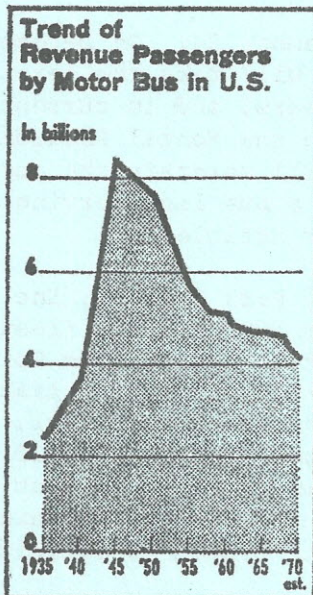
 **metro memo**

FINANCIAL FACTS -- The Cleveland Transit System, as expected, has hiked its fares to cover increasing costs (in part due to the settlement arising out of the "wild-cat" strike in June. These are the new CTS tariffs:

- LOCAL: Cash, 45¢; Tickets, 5 for \$2; Weekly Pass, \$7; Transfer, 5¢
- EXPRESS AND RAPID: Cash, 50¢; Tickets, 5 for \$2.25; Surcharge with pass, local ticket or transfer, 5¢.
- AIRPORT SURCHARGE: Additional fare between Airport and Brookpark, 25¢
- DOWNTOWN LOOP BUS: Cash, 25¢
- SENIOR CITIZENS: Cash, 30¢; Tickets, 5 for \$1.25; Transfer, 1¢

The new tariffs include, for the first time, a surcharge on the Airport Rapid line between the last two stations; there is little commuter traffic (other than Hopkins Airport employes) generated at the Airport station, and a number of rush hour runs terminate at Brookpark.

TIMES ARE TOUGH ALL OVER (Continued) -- The chart at the left accompanied a long *New York Times* Sunday article on the plight of transit in the U.S.; articles such as these are becoming commonplace as rising costs and declining patronage work their destruction on mass transit. The article pointed out that now Denver is the latest city to go into the transit business, area residents (faced with a Denver Tramways total collapse) having opted for municipal ownership in the November elections.



The New York Times Nov. 15, 1970

Some statistics related in the Denver segment of the article are worth noting: A recent study showed that a resident earning less than \$4,000 annually (which group makes up much of transit's patronage) is more than five times as likely to use a bus than one earning \$12,000. (About 12% of Denver's population is black, and an equivalent number are Mexican-Americans). In 1960, Denver Tramway buses carried 40,000,000 riders; this year, riders are expected to number only 16,000,000. Further, as ridership was dropping, per-mile labor costs are soaring. Per-mile labor costs rose 54% in the last decade, while the average number of passengers per mile dropped by half. Tramway officials said the company is losing more than \$20,000 each month.

Denver is not the only city with transit problems: Flint, Michigan (publicly-owned) is losing more than \$30,000 each month; Kansas City (recently gone public) expects to lose about \$1,500,000 this year; and Fargo [ND]/Moorhead [Minn], down to just 800 riders each day (from 13,000 in 1949), on its third try, is just about down for the count, despite a \$19,200 subsidy from the two cities....Also on November 3, voters in Danville [Ill] and Santa Clara county [Cal] rejected proposals to municipalize their transit systems. And in California, voters turned down a plan to divert funds from the swollen highway kitty to mass transit, in their wisdom [?] further contributing to the increasing smog problem.

And the beat goes on: Even when government funds are available for improvement projects, raging inflation takes its toll--the Chicago Loop subway project is now

price-tagged at \$750,000,000, up \$150,000,000 from its original estimate just last June....The cumulative deficit to be assessed the 79 cities and towns served by the Massachusetts Bay Transportation Authority for 1971 amounts to \$57,348,900. The Authority is still trying to solve the pension dispute, which since May has seriously slowed service because of equipment shortages (shopmen have refused to work overtime, causing a backlog of repair work.)....South Suburban SafeWay (of the Chicago suburb of Harvey), in asking for financial aid from the Chicago South Suburban Mass Transit District (purchaser of 130 new electric cars for the Illinois Central) has now stated it is not interested in purchase by the Chicago Transit Authority, a 180° turnabout from a September letter written to the Board.

MISCELLANY -- In the first such demonstration in Paris history, 20,000 subway, bus and train riders took to the streets November 19 to protest fare hikes and worsening service. Marching in rain-soaked streets during the rush hours, they were protesting a 14% fare hike on subway and bus lines, and a 12% boost in suburban train fares. All of the services are government-run (RATP operates the Metro and surface bus services in Paris, and SNCF the railway lines); the hike is the second in the last two years....The first three of CTS' new Airporter rapid cars are on the property; the order of ten was delayed by the GE strike. When delivery is completed (they were built by Pullman in Chicago), the CTS rapid fleet will consist of 30 red-silver Airporters and 87 blue cars, which date back to 1954.

Marietta [Ohio] Bus Lines is due to cease operation on December 24. On December 26, the Community Action Organization of Washington county will take the service over. Marietta Bus Lines has operated the service for 7 years, and is currently using four late-model Ford vans which it intends to sell to the Mental Retardation Board. CAO of course intends to get new equipment, will maintain the current 25¢ fare and operate the present routes. CAO "already has a bus line serving some rural communities in the county," so says a local newspaper article.

Local service in Parkersburg [WVa] is presently operated by Park Transit, Inc., which took over from City Lines of Parkersburg in September 1969. Their fleet includes several TGH-3102's from City Lines, two similar units acquired from Port Authority Transit in Pittsburgh, a lightweight GMC chassis/Carpenter body transit bus, one GMC PD-4104 and a school bus. The company is doing relatively well, and plans to purchase new equipment, either Flxettes or GMC "Baby Fishbowls" (3301's).Washington [Pa] City Bus Lines has replaced its run-down fleet of ancient GMC units with brand-new Flxettes. Last May, WCBL drivers struck in protest against the "unsafe condition of the buses"....The Cleveland Transit System is soliciting bids for 100 air-conditioned "luxury" buses.

United Motor Coach Company, the shakiest of the Chicago area carriers, has opted for higher fares as a way out of its financial morass. Increases of 5¢ (on fares below 50¢) and 10¢ (fares above 50¢) go into effect December 7. The company has solicited aid from the communities it serves; thus far Desplaines has set up a transit district by ordinance to assist the troubled carrier.

CTA payroll costs will increase about \$387,500 per month for the 10,600 Amalgamated union members working for the Authority, as the cost-of-living allowance rises to 51¢ per hour from its present 42½¢ in December. The hike is the largest in the history of the CTA/Amalgamated agreement....As of our press date, the new (rebodied) trolley coaches due in Dayton have not yet arrived....From the Texas ERA's *Short Circuit Bulletin* comes the report that the Helsinki [Finland] Transit Commission has ordered 25 new three-truck articulated cars from local builders.

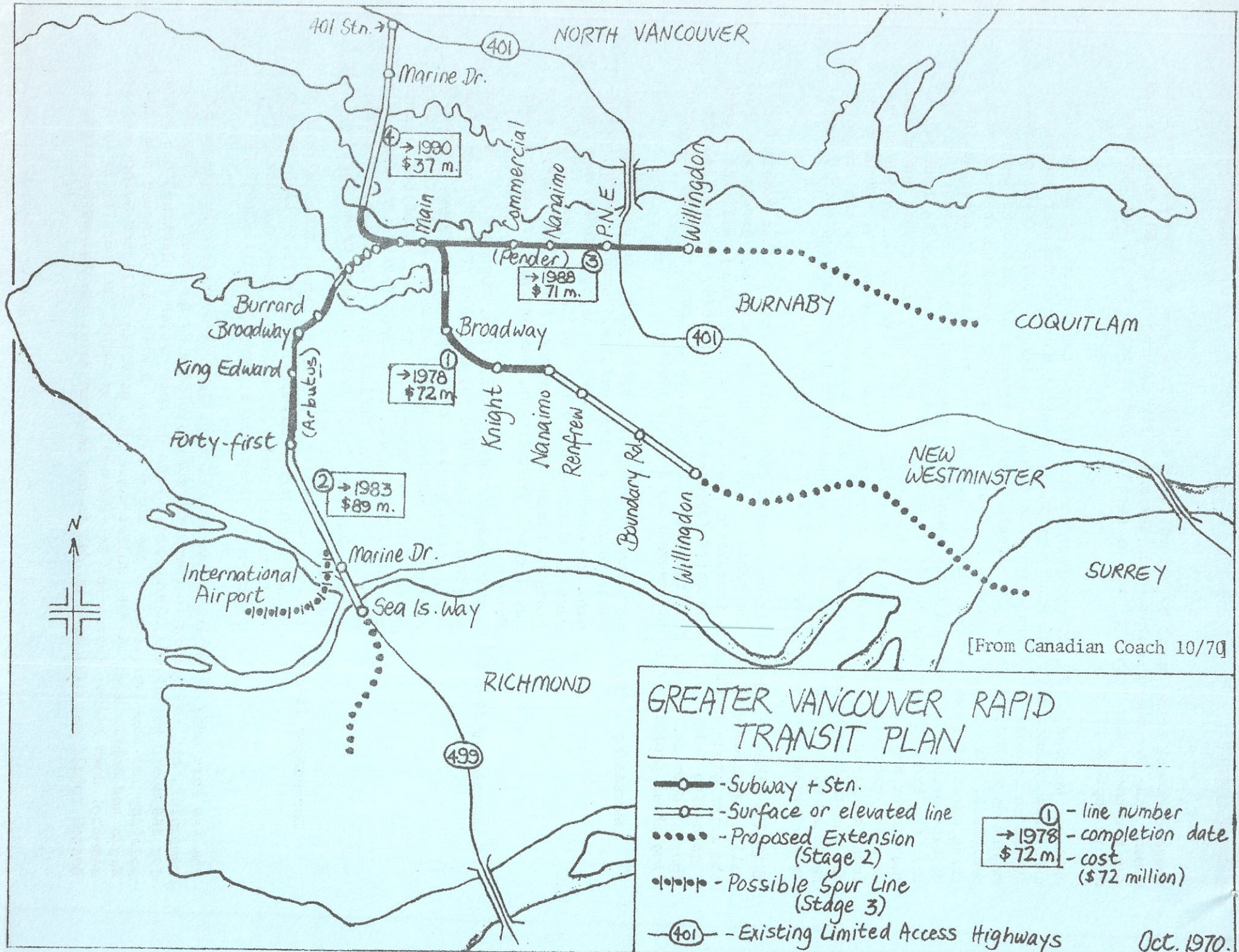
These cars are being built by Valmet, with electrical gear by Stromberg. At the moment, the Stromberg equipment is assembled for testing in car #8; this car has set the unofficial Helsinki trolley speed record, hitting the 65 mph mark one day in September.

UMTA has awarded a \$71,200 contract to the Metropolitan Council of the Twin Cities Area (Minneapolis-St. Paul) for the demonstration of a computer program designed to improve urban transportation planning....From *Canadian Coach* comes a report on a \$300,000,000 rapid transit system proposed for Vancouver (see map overleaf). Dr. Gordon M. Shrum, BC Hydro Chairman, has proposed that one of the first moves of a new regional transit authority in the Vancouver area should be to expropriate all land and improvements near proposed rapid stations. He said that the transit authority should reap the benefits of skyrocketing land values that occur near the rapid transit stations. By removing the private speculator from the picture, the benefits would accrue to all, lessening the burden on the local taxpayer who will eventually have to support the system. Dr. Shrum pointed out that a similar practice had been put to successful use by the freight railroad division of BC Hydro (the last remnant of an extensive electric inter-urban system) when opening up new industrial developments.

READER'S REPORT -- More data on transit from prolific statistician Robert Campbell: "My reasoning for the table (TC 16 NOV 70) in those four groups was that the first group (ridership increasing over 10%) was doing very well; the second (increasing 0-10%) well; the third (decreasing 0-1%) holding its own; and the fourth (decreasing over 33%) terribly. I shall now complete the list (by detailing those properties in the decreasing 1-33% category:

- Decreasing 1-10%: San Francisco/Oakland, Bridgeport, New Haven/Waterbury, Jacksonville, Orlando, Atlanta, Augusta, Macon, Savannah, New Orleans, Baltimore, Springfield/Holyoke, Worcester, Albuquerque, Fayetteville [NC], Raleigh, Norristown, Scranton, Greenville, Nashville, Austin, Corpus Christi, Port Arthur, San Antonio, Texarkana, and Roanoke.
- Decreasing 10-25%: Birmingham, Gadsden, Huntsville, Montgomery, San Diego, Stockton, Ft. Lauderdale, Columbus [Ga], Chicago, Hammond, Indianapolis, Des Moines, Baton Rouge, Monroe [La], Shreveport, Pontiac, Minneapolis/St. Paul, Kansas City, Omaha, Public Service [NJ], Trenton, Rochester, Wilmington [NC], Cincinnati, Cleveland, Dayton, Portland [Ore], Altoona, Johnstown, Philadelphia, Beaumont, Galveston, Laredo, Danville [Va], Norfolk area, Green Bay, and Milwaukee.
- Decreasing 25-33%: Little Rock, San Jose, Denver, Tampa, LaSalle/Peru, Ft. Wayne, Covington, Lexington, Louisville, Lake Charles, Grand Rapids, Gastonia, Columbus [OH], Lancaster [Pa], Pittsburgh, Chattanooga, Memphis, Charleston [WVa].

The New York area is generally omitted because data is available by groups of companies, and so is hard to compare. Subway riding is up about 1% (from 168,-192,865/month to 169,492,378/month). Data on some cities is lacking, but extrapolating for some omissions in the above table: Seattle and Syracuse down 10-25%; Elgin and Mobile down 25-33%; Joliet down 33%; Danville [Ill] and Quincy and Sacramento, down 1-10%; Boston and St. Petersburg up 0-10%; Decatur [Ill], up 0-10%. Boston totals may have gone up due to the Eastern Mass. St. Ry. acquisition.



Reader Campbell continues: "I am sending these figures because I am alarmed at the plunge transit is taking. If a system loses 1/4 of its riders every four years, at the end of 20 years it will have only 24% of its patrons left."

railway report

WHO SAYS THERE'S NO RECESSION? -- The Penn Central will run out of cash during the first quarter of 1971 unless it receives a combination of public and private emergency financial help, the company's court-appointed trustees told the Senate Commerce Committee. The trustees said the company will need interim financing of between \$175 and \$250 million in the next four months "and possibly that much more over the next 36 months." The alternative is nationalization in one form or another, they said.

RAILPAX REPORT -- Effective with the signing by President Nixon of the Railpax bill, the Interstate Commerce Commission in effect relinquished jurisdiction over the pending train discontinuance cases, even those involving trains running under court orders. This means that for all practical purposes, there will be no "train-offs" until the May 1, 1971 activation of the National Rail Passenger Corporation. At that time, of course, the rail passenger network of the U.S. is to be drastically realigned. DOT is to establish "corridors" of service on Monday, November 30; *Transport Central* will have a complete report in its 30 November issue, which will be delayed a day to include this late-breaking item....TC will also carry the final train-off listing in that issue (final, that is, before NRPC sharpens up its own hatchet.)....One last-minute note on discontinuances--GM&O 5-6 (Chicago-St. Louis), L&N 3-4 (Evansville-Atlanta), and 5-6 (Evansville-St. Louis) got 60-day continuances from November 6. If the runs are certified to be intercity in nature (the ICC's criteria is 75 miles or more in length), as they most certainly will be, the petitions will be dismissed without prejudice, as Railpax takes precedence.

Those Boston-Providence runs PC is anxious to be rid of are considered "commuter" service because of the nature of their patronage, and thus do not fall within the purview of Railpax: DOT has intervened in that case. The same agency has also intervened in the New London-Worcester docket; these runs are considered intercity in nature, because of the character of their patronage. It will obviously take some time for the battle lines to be drawn in these and similar cases.

ROADBED RUMBLINGS -- A Pittsburgh man, active in efforts to revitalize rail commuter service there, has been named executive director of the National Association of Railroad Passengers (NARP). Joseph Vranich of the city's East End will assume leadership of the Washington-based, non-profit consumer organization December 1... An ICC examiner has authorized Southern Railway purchase of the Tennessee, Alabama & Georgia Railway....DOT will finance two studies (at \$50,000 each) at GE and Westinghouse of MetroLiner mechanical defects....More on the PC: the road will eliminate some 250 jobs in the Chicago area by the first of the year....A hearty (and somewhat belated) burst of congratulations to *Trains* magazine, the flagship of the Kalmbach fleet, on its 40th anniversary....The Florida PSC has authorized triweekly operation of the *Gulf Wind* (L&N 8-11/12-9, SCL 40/39), Chattahoochee-Jaxville; as a condition of the service reduction, sleeper and diner service is to be restored, ala the recently-inaugurated PC/SRS/SP New York/New Orleans/Los Angeles run.



airline action

WHO SAYS THERE'S NO DEPRESSION? (II) -- A lengthy article in the *Wall Street Journal* the other day adequately pointed up the financial problems facing carriers other than the Penn Central--the country's major airlines. Times are indeed tough all over, as most of the U.S. carriers are cutting back on frills and personnel in an effort to stem the flow of red ink. American, for example, is laying off 700 employes, including 113 pilots, copilots and flight engineers. And United (which has stopped the serving of fancy--and expensive--Hawaiian Macadamia nuts on most flights, at a saving of \$250,000 annually) has grounded its 16 Caravelles and more than 300 employes. TWA, for its part, has grounded seven of its Boeing 707 craft and 200 pilots, as well as dropping meal service on some of its shorter domestic flights.

The reason for this, according to the *Journal*, is simple and grim: The airline industry is struggling through the worst year in its history. The drag on industry profits results from the sluggish economy, soaring operating costs, meager traffic growth and gigantic jumbo-jet expenditures. Add to this a dash of what AA president George Spater calls "an orgy of route duplications" recently awarded by the CAB. Statistically speaking, the 12 major U.S. carriers will lose some \$200,000,000 this year, as opposed to a profit of \$147,000,000 they collectively racked up last year.

More statistics: The Air Transport Association forecasts that the total traffic gain for 1970 over 1969 will be a mere 2%, well below the 17% average totalled between 1963 and 1968...Business travel, slowed by the corporate financial pinch, is running 10%-15% below last year's pace...85 Boeing 747s form the larger part of the total of 140 new planes delivered to the majors this year; financing the planes and related ground facilities will cost the carriers more than \$10 billion over the next four years...Carriers are phasing out older equipment faster than anticipated in order to make room for the new jumbo jets. American, for example, has put up for sale a total of 32 BAC-111s and Boeing 720s.

THE GREAT SEAT WAR (Continued) -- Because of the lack of traffic noted above, the seating plans on various lines' craft were altered to reflect the smaller loads. United was the first to cut back its six-abreast seating to five-abreast; TWA, in self-defense, went to a modified six-abreast plan that provides for conversion of the middle seat to a table when it is not in use. Then American, soon followed by TWA, proposed a four-abreast plan on certain of its planes; the latter proposal was just suspended, pending investigation, by the CAB. The Board did, however, permit AA to join TWA and United in offering a five-abreast configuration.

JET JOYRINGS -- The CAB has authorized hikes in first-class and certain promotional fares, boosting airline revenues by about \$80,000,000 annually....IATA has authorized hikes of about 7% in North Atlantic economy fares, to go into effect April 1, 1971....LAN-Chile, the government-owned Chilean carrier, has asked the CAB for approval of a Havana stop on its New York-Santiago run, substituting Jose Marti airport for Miami International. This would be the first direct U.S.-Cuba air service in more than a decade....Continental has also filed a bid to take over Western Airlines; American's bid is being weighed by the Western board....Airline operations at Chicago's Midway have more than doubled this year despite declines in patronage at O'Hare and elsewhere....The Conservative Party government in Britain will decide by March 31 on whether to continue funding the Concorde.