

NATIONAL POLICIES HURT RAIL WORKERS

Frisco Switchman Decries Governmental Subsidy of Rail Competitors

By ROBERT A. HALEY
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All over the country applications are being made to abandon short line railroads because they have become a financial drain upon the owners. Forces on existing railroads are being rapidly reduced. Crews are being taken off and stations are being



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closed. The job of the railway employe is in jeopardy and it has been placed therein by the acts of government, state and municipality in subsidizing every form of railway competition and in relieving the operators participating therein from paying their proportionate part of the taxes, but most of all by the competitors of the railroads paying starvation wages to their employes.

It is time for railway employes to wake up.

Their jobs are slipping away from them and going to men who get \$20.00

EVERY kind of transportation now operating in competition with the railroads is subsidized by the government. The trucks and busses have their free roadway maintained by the state. The barges have their rivers and canals maintained by the government or the state, airships have their ports provided and maintained by the municipalities. The capital of the railroads is invested chiefly in road and equipment. Approximately 75 per cent of all railroad capital is invested in road which the railroads themselves have built. They not only maintain it themselves, but they must also pay taxes upon it. The estimated aggregate value of the railroads is thirty billion dollars and the ratio between road and equipment at 75 and 25 per cent, thus figuring the railroads have \$22,500,000,000.00 invested in road. The railroad tax bill last year exceeded four hundred million dollars and the greater amount of this vast sum was paid in taxes levied against road.

The chief competitors (waterways and trucks) have no such capital investment and are wholly exempt from payment of such taxes.

The remedy is for the government, state and municipality to discontinue subsidizing the competitors of the railroad and place them on the same footing with the railroad in respect to taxes.

The state not only subsidizes the truck, but the act passed by the legislature under which the truck operates with an exclusive franchise, smacks strongly of class legislation.

The following paragraph is quoted from the law:

"The Commission shall have no power in any event to refuse an application for a certificate of convenience and necessity on the ground that there are existing railroad or interurban railroad transportation facilities sufficient to serve the transportation needs of the territory involved."

By legislative mandate the railroad commission must wholly disregard the rights of the railroad in issuing certificates or permits to trucks. By specific stipulation the railroad commission is directed to protect the interests of the truck, which presumes to hold a franchise entitling it to exclusive right to operate trucks over the highways which the public has built and by specific provision orders the Commission, which was organized to regulate the railroads, to ignore the constitutional rights of the railroad, the principal tax payer.

and \$25.00 per week and our own lawmakers are making it possible.

The present railway situation is only partly due to the depression and is largely due to government policies. Consequently a revival of general business will leave the railroad problem unsolved. The Interstate Commerce Commission for ten years has disregarded the provisions of the Transportation Act which direct it to initiate, modify and adjust rates as to enable the railways, under good management, to earn a fair return.

Right here I would like to call attention to the following from a recent issue of "Railway Age" under the title "Time to Fight It Out", which was a reprint from Wall Street Journal of October 6, 1930. The substance of the article was that the time has come for the railroads, squarely to meet the attack upon their traffic and earnings being made by the carriers on the highways. Further quote—"It is time for railroad managers to stand up and fight it out. There is no quicker or surer way to popular support." This statement can be given a much broader application than it was in the Wall Street Journal. It is time for railroad managers to stand up and fight all who are attacking the railroad industry—those who are attacking it by diverting traffic from it, as well as those who are attacking it by unduly depressing its rates.

The railroads are suffering from excessive competition between themselves and also from Government subsidized and inadequately regulated competition from other means of transportation. It is time to quit fighting each other and begin devoting their energies to combating the powerful external influences which are threatening the future of the entire industry. Motor trucks are becoming serious competitors for freight business of almost all kinds. One important reason is that they take freight direct from the door of the shipper to the door of the consignee.

The time is here when the railroads should carefully consider whether they should not themselves establish, by means of trucks, a pick-up and delivery service which will enable them also to take freight from the door of the shipper to the door of the consignee. When freight is trucked by independent trucking companies to the railroad at one end of the haul and from the railroad at the other end of the haul, the trucking companies make such large charges

for their services that the shipper often finds it more convenient and less expensive to have the entire transportation service rendered by truck. The railroads undoubtedly could establish a pick-up and delivery service by truck in connection with the rail service which would give the shipper a more convenient and less expensive service than that now rendered by trucks in hauling freight over long distances.

The question of the extent to which the railways should engage in pick-up and delivery service is one which they cannot long avoid considering and the sooner they consider it carefully the better it undoubtedly will be for them.

The railroads have been provided for by the investment of private capital. They render a service that is more essential to the public welfare than any other kind of transportation service. It is therefore plainly contrary to the rights of private capital and to the public welfare that other means of transportation should be so aided by the government as to enable them to divert traffic from the railways that the railways plainly need to enable them to make adequate earnings and maintain their service.

What has been said about government aided competition by highway applies with even more force to government aided competition by waterway, because motor coaches and trucks do pay at least something for the use of the highways, while, excepting the Panama Canal tolls, carriers by water have the waterways provided for them entirely at public expense and the federal government, by operating a barge line on the Mississippi River system, has itself engaged at public expense in direct competition with the railway companies.

Do business men think they can consistently profess to believe in private enterprise and the rights of private capital and at the same time seek and accept, for their own selfish purposes, the use of the power of the government and of money raised by taxation to destroy the private capital investment in the railroads?

One of the most gratifying features of the present situation is the attitude of the public towards the railroads and their government-aided competitors. Public sentiment was never more friendly to the railways than now. In all parts of the country attacks are appearing in the newspapers upon the use being made of the highways by motor coaches and trucks which are inspired mainly by growing hostility to them of private motorists. There are increasing signs of public skepticism regarding the econ-

omic justification of extensive development of inland waterways.

Railway labor leaders and employes are awakening to a realization that the kind of unfair competition and unfair regulation to which the railroads are being subjected concern them because of the resulting reduction in number of railway employes.

The Wall Street Journal is right, "It is Time for Railroad Managers to Stand Up and Fight it Out." The railroad industry is being surrounded by serious dangers. The public must

AN EMPLOYEE PROTEST

Robert A. Haley, whose photograph appears on the preceding page, is a Frisco switchman. For seven years he has worked in that capacity in the St. Louis terminals. Prior to that time he served nine years with East St. Louis stockyards as a switchman and yardmaster.

"Bob" Haley is just one of thousands of railroad workers who have watched their jobs slip away before the constantly increasing flood of unregulated, unlicensed competition. For years he has watched the tide increase until it has reached flood stage. But Haley has done more than watch. He has studied causes and effects, and sought to determine remedies. Always he has looked at the problem from two viewpoints, first, as a railroad employe, second, as a believer in the efficiency of the railroad plant.

The editor believes that "Bob" Haley's views will interest thousands of his co-workers on Frisco Lines. They are presented in that light, rather than as a statement of policy on the part of the Frisco management.

W. L. H., Jr.

be told of those dangers. Definite policies must be adopted for the protection of railway earnings. Railroad managements should use every available means to expose the economic unsoundness and danger of prevailing government policies regarding highway and waterway transportation because of their dual tendency constantly to increase taxes and to undermine the earning power and service of the railroads.

Because of the conditions and influences to which the railroad industry is now subject the present generation of railroad managers have a heavier responsibility than any preceding one. They will determine the future of the railways more definitely than any past generation of railroad managers determined it. If the outcome is favorable to the railroad industry it will be so because this generation of managers will make such a fight as no past generation made or was called upon to make.

A PROTEST MEETING

Rail Employes at Sherman, Texas, Form Organization to Combat Bus and Truck

FRISCO employes took an active part in the mass meeting against unfair competition, held in Sherman, Texas, December 30, and attended by more than 200 rail workers, express employes and interested citizens. Among the Frisco leaders in this assemblage were L. T. Jones, agent at Sherman, who served on the committee which called the meeting, and J. L. McDuffie, president of the Sherman Frisco Employes' Club, who was a member of the nominating committee which recommended candidates for offices in the association formed in this meeting to combat bus and truck competition. Jones was appointed by the committee as candidate for secretary of the organization. Among the neighboring towns represented by delegations there were Denison, Dallas and Fort Worth.

Chief speakers in the session were William B. Futral, Rock Island Lines, Fort Worth, who was vice-chairman of the session; J. W. Knightlinger, superintendent of Texas and Pacific Lines, Fort Worth, and John George and C. A. Huguley of Sherman.

Futral, who was recently elected secretary of the Railway Employes' Association in Fort Worth, was the first speaker. He outlined the strict regulations which govern railroad operations as compared with lack of regulation of bus and truck lines.

"The highways have been and are being built with your money and my money," he said. "We don't find bus lines building their own roads as long as we let them use ours. The railroads are tried and proven. Busses and trucks are an experiment and no one can tell how long they will continue to carry on. At present you pay at least one-half of their operating cost by keeping up the highways. We are not trying to put anybody out of business and we are not going to let anybody put us out. We are asking as employes whose jobs are threatened by this new menace, for equality in regulation and taxation."

Knightlinger, the second speaker, also urged all to work for regulation, stating that a year ago two million men were employed by railroads in this country and that by December 1, 1930, this number had been reduced to 1,368,000 because of lack of business. He also called attention to the millions which railways pay for right-of-way construction and upkeep of their property for public service, convenience and safety.

Huguley concluded the meeting by summarizing the points brought out.

FRISCO RELIEF FUND TOTALS \$33,815

AN executive officer of Frisco Lines whose name is almost a household word in the homes of 25,000 employes, puffed reflectively on his pipe as he gazed intently at a sheet of paper covered with figures. Automatically, he drew a pencil from his pocket and underscored one line on the paper. That line read: "Total cash donations on hand—\$33,815."

"I've often wondered about the old-time religion on these modern-day railroads," he said softly, "but this sheet of paper convinces me beyond all doubt that Frisco employes believe beautifully in that fine old Golden Rule—'Do Unto Others as You Would Have Others Do Unto You.'"

Total cash donations on hand—**\$33,815.**

That is the answer made by Frisco workers to the letter dated November 19, and signed by President Kurn, announcing the formation of the Frisco Relief Fund. Sent to all employes, that letter commented on the general business depression and its resultant unemployment.

"With the approach of winter," the letter stated, "it is apparent that some employes of our railway may require assistance to carry them through the winter period. A desire to be helpful pervades every large organization during this difficult period, and Frisco employes are no less eager to be helpful to those members of the 'family' who may be in need. Every Frisco employe will undoubtedly respond to this appeal, and all officers and employes of the company who are able to do so are earnestly urged to contribute to the fund. The need is now upon us and becoming more acute with the approach of cold weather."

Chairmanship of the executive relief committee was given to H. L. Worman, vice-president of operation, and F. H. Hamilton, vice-president, secretary and treasurer, was appointed to handle the contributions.

Results were immediate.

On the same day that the letter was distributed, contributions began pouring in from St. Louis employes and officers, and on the second day a tremendous mail brought additional checks and pledges from points on the line.

When \$30,000 in cash had been received, the executive committee sent out word that no more money was needed immediately and that a second call might be made later on. This statement made little difference in the response, however, and more than \$3,000 has come in since then. Several

Employes Make Enthusiastic Answer to Pres. Kurn's Appeal For Needy Frisco Families

thousand pledge cards are on file in Mr. Hamilton's office, and the amounts of these pledges have not yet been tabulated.

Meanwhile, machinery for the distribution of the relief supplies was set up. At a meeting held in Springfield

Another example of the splendid feeling of loyalty and comradeship which exists between employe-members of this great Frisco "family" is strikingly manifest in the enthusiastic manner in which employes throughout the system rallied to the relief of their less-fortunate comrades. The ink was hardly dry on the letter sent by President Kurn to all employes, announcing the formation of the Frisco Relief Fund and requesting contributions, before money and checks began pouring into the office of the fund treasurer. So generous was the response, that F. H. Hamilton, who has charge of the fund moneys, has concerned himself only with actual cash contributions. Fifteen file boxes filled with pledge cards numbering well into the thousands, remain uncounted and untabulated on a table in one corner of the treasurer's office.

Long has the railroad industry been famed for its zealously in "protecting its own." It is doubtful if any other large industry has so enviable a reputation for conscientiously caring for its employes.

It must be splendid consolation to our fellow-workers who are temporarily "at liberty," to know that their comrades still in the service will see to it that they will comfortably and safely weather the twin storms of icy winter and business depression.

—W. L. H., Jr.

November 20, with all division superintendents, master mechanics and supervisory forces in Springfield, it was agreed that each superintendent and master mechanic should appoint a sufficient number of committees in his territory, to adequately investigate and report upon cases where relief is needed by any Frisco family in which the breadwinner is out of employment, due to the retrenchment in forces. When a case is found, and upon investigation pronounced worthy, full information is sent to C. J. Stephenson and J. K. Gibson in

Springfield. Then an order for relief is given the Central Boarding and Supply Company. This concern is handling, free of charge, all purchasing and ordering of supplies under the relief fund plan, with the exception of fuel. Immediately upon receipt of an approved order, the company makes the shipment to the needy family by baggage, in care of the agent at the point where relief is called for.

At Springfield and Memphis a car of coal has been provided from which fuel orders are being filled, and where fuel requisitions are made at other points instructions are issued by wire to purchase the fuel locally. It is interesting to note in this connection that fuel dealers throughout the railroad's territory, have responded generously to the plan, and have donated several tons of coal for Frisco relief.

In a report made January 18, Mr. Gibson, assistant to the superintendent of motive power at Springfield, states that more than 200 orders for groceries, fuel, clothing and medical attention have been filled. Through orders issued by Dr. Ross A. Woolsey, chief surgeon of the Frisco, all company physicians at points on the line, are giving their services to Frisco families in need of medical attention.

Up until January 18, approximately \$6,000 of the fund had been spent in caring for the needy families of these former employes.

Examples of the families being helped by the relief fund include almost all classes of employes.

A second class machinist with a wife and six children was laid off at the West shops in Springfield, November 4, when the shops were closed. He used his pay check of \$18.00 in fixing up a wood saw by which he hoped to provide for his family. One morning he broke his arm cranking his Ford, and has since been unable to work. The family has been cared for by the relief fund and the father given free medical attention.

For six weeks a former section foreman with a wife and six children has been ill and unable to work. Without income and credit, the family was destitute. The relief fund is caring for them.

A crossing watchman spent from December until June of last year in the employes' hospital, and has been too ill for more than a few days work since that time. His wife is attempting to provide for him and their son

(Continued on Next Page)

PENSION 61 VETERANS DURING 1930

DURING the year 1930 there were added to the company's pension rolls, 61 veterans with a combined service record of 2,103 years, an average of 34 years and 6 months service per man. Of the number added, 36 had reached the retirement limit of 70 years and 25 were compelled to retire because of physical infirmities. The total monthly allowance, based on average wages and length of service, was \$3,996.20, or an average per man of \$65.31.

It is interesting at this point to note that the average monthly pension allowance granted has steadily risen each year from a low point of \$23.44 per man in 1914 to the present average. This corresponds with the gradual rise in wages, the average monthly wage per pensioned employe in 1914 being \$61.24 and in 1930 \$186.36.

The average actual pension allowance paid per man in 1930 was \$46.02 as against \$44.88 paid in 1914.

Among the 61 men added to the "Honor Roll" are two who had rounded out a continuous service record of fifty years or more; Columbus B. Coleman, engineer, Bentonville, Ark., who had 50 years and 5 months to his credit, and Joseph W. Morrill ("Uncle Bill"), of Pacific, Mo., accident prevention agent, with 51 years.

The pension plan has been in operation 17½ years and during that time 1,047 applications have been received of which 13 are still under investigation or awaiting action by the board, 903 have been placed on the pension roll, of whom 398 had reached the age limit, and 505 had become disabled. Four hundred and twenty-six are dead, leaving 477 actually on the rolls at the close of the year. The average length of life of these 426 deceased pensioners was 4 years and 10 months.

The aggregate length of continuous service for the 903 employes, who have been pensioned, was 26,422 years or an average per man of 29 years and 3 months. Arranging the service periods into groups, there were 116 who had less than 20 years service, 399 with service of from 20 to 29 years, 263 with service of from 30 to 39 years, 120 with service of from 40 to 49 years, and 5 with service of 50 years or more.

The average age at retirement of the entire group was 65 years and 5 months.

The total amount paid out in pensions to date has amounted to \$1,955,624.52, and for the year 1930 alone,

Annual Report of Board Shows \$258,450 Paid in Pensions for Year

By W. D. BASSETT



Personally known to hundreds of Frisco employes, and by correspondence to many more, W. D. "Billy" Bassett, veteran chairman of the Frisco's Board of Pensions, has held his present position since May 1, 1913, and has passed upon the pensions of 1,047 applicants. He is the first secretary of the pension board, and was placed in charge of that department upon its inauguration. He began with the Memphis line at Kansas City, Mo., August 1, 1892, as secretary to the assistant general freight agent, and held secretarial positions up thru the traffic department, working as secretary to President Ed S. Washburn in 1898. When the Frisco took over the K. C. F. S. & M. Mr. Bassett came to St. Louis as maintenance clerk, on January 1, 1902, and filled every position in the president's office, at one time serving as chief clerk to Vice-President W. C. Nixon. He spent two years (1911-1913) in Springfield as assistant chief clerk to General Manager Tyler.

\$258,450.75. For the entire period, 421 were paid pensions ranging from \$20.00 to \$29.95 per month; 136 were paid pensions ranging from \$30.00 to \$39.95 per month; 98 were paid pensions ranging from \$40.00 to \$49.95 per

month; 71 were paid pensions ranging from \$50.00 to \$59.95 per month; 50 were paid pensions ranging from \$60.00 to \$69.95 per month; 38 were paid pensions ranging from \$70.00 to \$79.95 per month; 31 were paid pensions ranging from \$80.00 to \$89.95 per month; 17 were paid pensions ranging from \$90.00 to \$99.95 per month; 33 were paid pensions ranging from \$100.00 to \$149.95 per month; 8 were paid maximum allowance of \$150.00 per month.

With the approval of President Kurn, there was organized in June, last, a group composed of such pensioned employes who, at the time of their retirement on pension, had a full service period of 40 years; this is known as the "Old Timers' Club". There were 64 pensioners eligible to membership and at the first meeting held June 3, 1930, 32 were present. Since the organization, 4 have died and 12 have been added and the total membership today is 72. Its president is William H. Van Horn, pensioned engineer, St. Louis, Mo.

During the year, two new features were introduced: one, the issuance to each living pensioner of a handsomely engraved service certificate bearing the autograph signatures of the president and secretary of the company, and having the corporate seal affixed; and the other, the furnishing of 100 business cards to each pensioner as an aid in securing business.

While the majority of pensioned employes are so enfeebled by age or physical infirmity as to preclude their active solicitation, at the same time, much has been accomplished in making friends for the company through these men and the thanks of the company are due them for their efforts.

RELIEF FUND TO \$33,815

(Continued from Page 6)
by selling raincoats from door to door, but having little success. They have been provided for by the fund.

An extra-board brakeman has had no work since September 17, 1930, and his wife and eight children were in highly straightened circumstances until the relief fund came to their assistance.

Here is a sample grocery order provided one family under the relief fund plan: bacon, ham, cheese, lard, onions, potatoes, navy beans, lima beans, baking powder and soda, corn meal, flour, oatmeal, macaroni, milk, evaporated peaches, prunes, raisins, coffee, sugar, syrup, black pepper and salt.

50TH RAIL ANNIVERSARY CELEBRATED

TALES of pioneer railroading are intensely interesting to the modern railroad man and woman, and the struggle which led the first railroad train into Cape Girardeau on January 1, 1881, is one of the unusual bits of railroad romance which surrounds one of the Frisco's main line cities. Cape Girardeau celebrated its fiftieth anniversary of the coming of the first train with graphic descriptions of its building on December 31, 1930.

The history of the building of the first railroad into this city is most complete and the credit for the statistics goes to Major Giboney Houck, son of the late Louis Houck, builder of the old Houck line, later purchased by the Frisco. Before his death, Mr. Louis Houck wrote a complete history of the pioneer railroad, intending to publish it, and his son hopes to have the history in book form before the end of 1931.

The history of the city of Cape Girardeau is woven romantically into the history of the building of the first railroad. Cape Girardeau was founded in 1806, 125 years ago, and members of the Houck family have been prominently identified with its growth for 102 of those 124 years.

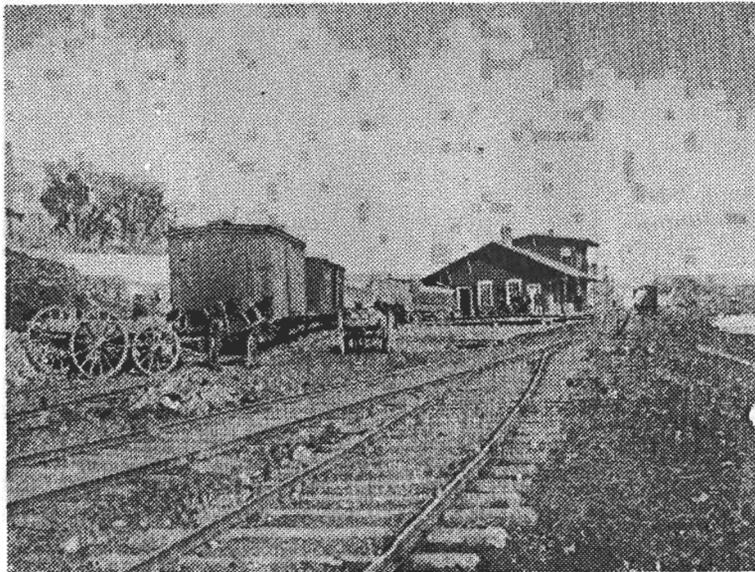
The inhabitants of Cape Girardeau were eager for a railroad. In the early days it was only a thriving little river town, but its citizens felt the need of a railroad, to supplement river transportation and to keep step with the building of railroads in and around that city.

Following the Civil war, the Missouri Pacific railroad had built into Sedalia, and the St. Louis & San Francisco, then known as the Southwest Branch had been completed to Rolla, Mo. The old Wabash, known as the North Missouri, was built to Macon, and the Iron Mountain at Ironton and the Cairo & Fulton had been abandoned.

Solomon G. Kitchen of Bloomfield,

Cape Girardeau Recalls Completion of Houck Line January 1, 1881—Now Part of Frisco

and his associates organized the Cairo & Fulton railroad and secured state aid to build it from Bird's Point west to the state line. However, the Civil war intervened to halt the work after it had been completed from Bird's Point to Charleston, and in 1867 it was sold by the state.



These two pictures, loaned through the courtesy of the Southeast-Missourian of Cape Girardeau, depict two early day scenes in Cape Girardeau's railway history. The picture above shows the first railroad station, then located where the present Frisco freight depot now stands. In this depot the business of the first road was transacted, with the general offices on the second floor.

It was then that the citizens of Cape Girardeau endeavored to secure aid to construct a railroad from Pilot Knob through Jackson to Cape Girardeau and thence to Belmont. The aid was not secured but a liberal charter was obtained and the counties were asked for help.

Bonds in the amount of \$900,000 were voted to build this road in 1859 but the bonds were never issued and the plans fell through. After the war when the state foreclosed its lien on the St. Louis & Iron Mountain railroad, extending to Pilot Knob and Ironton, it was provided that the road should extend to Belmont, but Cape Girardeau did not take advantage of the opportunity. However, in 1868,

when the Iron Mountain began construction of a line 15 miles from Cape Girardeau, the city began to awaken and the old charter of the Pilot Knob, Cape Girardeau & Belmont railroad was revived and revised and Cape Girardeau was permitted to construct a railroad southwest to the Arkansas state line. The township voted \$300,000 in bonds and in December, 1869, the actual construction was started.

But the \$300,000 did not go far, and the entire amount was used up before the road was completed. Efforts were then made to interest capitalists in the enterprise and a contract was made with the Illinois & Missouri railroad to build a road, several miles of iron rails were laid and a locomotive purchased.

It seemed that the war and business depressions held up this project of building the first railroad. The depression of 1873 stopped all work and the ties rotted out, the locomotive was shipped back to St. Louis, weeds grew up between the rails and all that was left of the project was a great railroad debt.

About this time, Mr. Houck became interested in the railroad. He was a lawyer and handled a suit to remove the railroad company from a controversy in which it had become involved as a result of bonds issued by the Illinois & Missouri railroad. He filed a suit in equity to clear the title to the road in behalf of P. R. Frank, its president in 1875, and was successful in winning it three years later.

After trying to interest the Iron Mountain in taking over the road and failing, Mr. Houck decided to build the road himself, as the main desire of the people of Cape Girardeau was to secure a connection with the Iron Mountain. It was felt that if such a railroad connection were secured, it would mean prosperity for the town as well as an impetus to its growth.

Mr. Houck took the matter up with the citizens of Cape Girardeau, stipu-