



# FRISCO Railfan

ISSUED BY THE PUBLIC RELATIONS DEPT., ROOM 339 FRISCO BLDG., ST. LOUIS 1, MO.

No. 357

April 21, 1958

RAIL PLIGHT WORSENS: - The Nation's Class I railroads in February 1958, found a \$9,000,000 deficit staring them in the face, in contrast to a net income of \$48,000,000 for the same month of the previous year. The February deficit was also in marked contrast to the net income of approximately \$17,000,000 for January 1958.

This left a net income of \$8,000,000 for the first two months of the current year -- as against a net of \$93,000,000 for the January, February period of 1957.

In the 12 months ended February 1958, the rate of return averaged 3.05 per cent, compared to a rate of 3.95 per cent for the year that ended in February 1957.

There were 42 Class I railroads which failed to earn interest and rentals in the first two months of 1958. Of these, 24 were in the Eastern District, 12 in the Western District and six in the Southern Region.

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SMATHERS PLANS FIGHT: - Florida's Senator Smathers is going to head up a drive to repeal the excise taxes on transportation of freight and passengers. The Senator who directed the committee studying the "deteriorating railroad situation" declared that if a repeal bill ever got to the floor of Congress "we'll pass it."

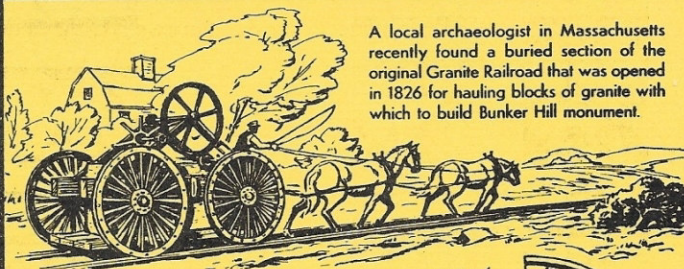
He declared that he would make a determined fight to remove the tax because he felt it would be a great boost to the transportation industry at this time.

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FRISCO LOADINGS: - For period April 5 to April 11, 1958, inclusive, Frisco revenue freight loaded on-line and received from connections totaled 13,831, compared with 13,801 for the previous 7-day period and a total of 15,162 for the corresponding period last year.



# Rail oddities



A local archaeologist in Massachusetts recently found a buried section of the original Granite Railroad that was opened in 1826 for hauling blocks of granite with which to build Bunker Hill monument.



Last year 48 cents out of every dollar of operating revenue taken in by the railroads went to meet their payroll.

A railroad man's watch must meet high standards of design and precision. He is required to check at frequent intervals to make sure that its accuracy doesn't vary more than 30 seconds in 168 hours.

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**A WORTHY SUGGESTION:** - "... We wonder how many (protests) there would be if state utility commissioners demanded proof that an objector had bought a railroad ticket over any part of the Frisco route between Memphis and St. Louis at least once during the last five years. If only those who buy the service are considered, we are about to hear for the last time the whistle of another night train to Memphis." -- The Memphis Commercial Appeal commenting on the Frisco's application to discontinue Trains 805-806.

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**POINT OF NO RETURN:** - Unlocated damage to freight, both in and out of packages, totaled approximately 69 million dollars on the Nation's railroads in 1957. Total claim payments by the year aggregated \$122,864,624 or an increase of 7.8 per cent over 1956.



FAVORS USER CHARGES: - The Federal Government's budget director is a firm believer in user charges being imposed on those individuals or organizations who benefit commercially from the services or facilities furnished by the Government at the expense of all taxpayers.

Speaking before a group at Houston, Texas, a few days ago, Maurice H. Stans declared that when the Government provides a service which gives "identifiable individuals or groups a quasi-commercial benefit above and beyond the benefits to the public generally," those groups or individuals should be charged accordingly, rather than placing the full burden of the cost on the general taxpayer. He said that the proposals which have been made by the Administration on "user charges" should be considered favorably by Congress.

"It is increasingly appropriate," he declared, "that these users pay their fair share of the costs. The cost of new facilities alone will total one billion dollars over the next few years to meet the jet age. It is proposed that taxes on aviation gasoline be increased and that the same tax be levied on jet fuels."

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WANTS LONG-RANGE LOOK: - Senator Schoepel of Kansas is proposing creation of an independent commission to take a long-range look at the multifarious problems of the railroad industry. He said he favored some of the short-range proposals made to alleviate railroad ills, but believed the problems call for something more than temporary solutions. He said the commission should study such things as subsidies, user charges, and the weight and authority that should be given the I. C. C.

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PERSONNEL CHANGES: - The following changes in Frisco personnel have been announced:

Retirement: - G. V. Elliott, claim agent at Joplin, April 10, after more than 44 years of Frisco service.

Appointments: - Paul A. Brandenburg, claim agent, headquarters, Joplin, effective April 10.

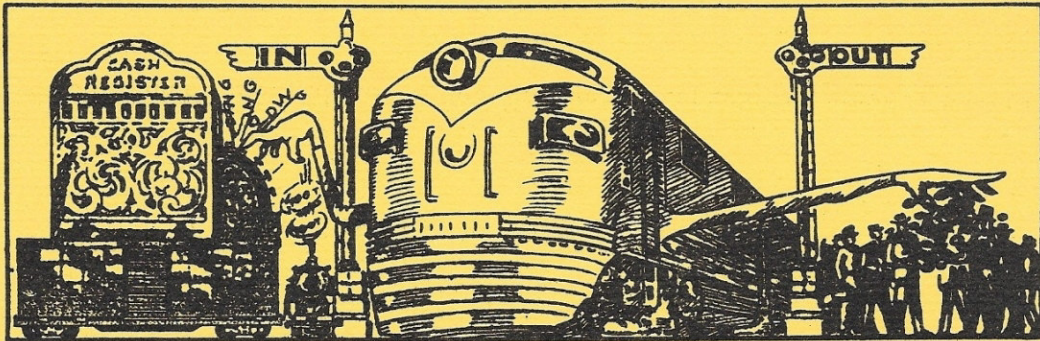
Ray M. Hall, claim agent, headquarters, Memphis, effective April 10.

Nelson P. Kifer, claim agent, headquarters, Springfield, effective April 10.

Dewell W. Massey (QA&P), commercial agent, headquarters, San Francisco, effective March 24.



## Where Our Income Came From For Year 1957



		Percent of Total Income
Freight	\$118,337,878	89.43
Passenger	4,084,691	3.09
Mail and Express	5,243,226	3.96
Switching	2,706,581	2.04
Other Sources	<u>1,956,528</u>	<u>1.48</u>
	\$132,328,904	100.00

### HOW IT WAS USED

Wages	64,969,424	49.10
Fuel	6,026,350	4.55
Other Material and Supplies	19,081,908	14.42
Casualties	3,157,255	2.38
Depreciation	8,957,637	6.77
Other Expenses	6,969,761	5.27
Taxes	9,737,479	7.36
Interest on Debt	<u>8,648,714</u>	<u>6.54</u>
	\$127,548,528	
Leaving for Improvements, Dividends and Retirement of Debt	<u>4,780,376</u>	<u>3.61</u>
	\$132,328,904	100.00