



# FRISCO Railfax

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

No. 361

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AID BILL PASSES BY TREMENDOUS VOTE: - The United States House of Representatives last Friday passed the Harris bill to aid railroads. The measure, as it was passed by the House, is slightly different from the Smathers bill passed earlier by the Senate. The two measures now go to a Conference Committee to work out differences in their provisions. It is expected that the Conference Committee will make its recommendations within the next few days and that those recommendations will be accepted by the two houses.

The vote on the bill in the House was 348 to 2.

The House measure, like the companion bill in the Senate, had aroused nationwide support because of the pressing need for relief to the railroad industry. Newspapers, civic and professional groups throughout the country had importuned members of Congress to lend their support to the measure, and the final vote shows that there was virtually no opposition to the proposal.

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TAX REPEAL BILL SIGNED: - President Eisenhower on Monday, signed the bill repealing the 3 per cent tax on freight. The repealer was included in the bill continuing for another year the Korean War increases in corporation income taxes and in excise taxes on new automobiles, car accessories, liquor and cigarettes.

The repeal of the 10 per cent tax on passenger fares was eliminated when the measure went to the Conference Committee.

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MAIL PAY FOR EASTERN LINES APPROVED: - A new schedule of mail pay rates, effective September 1, for 25 Eastern railroads has been approved by the ICC. The average increase for the future is estimated to be approximately 30 per cent and brings the Eastern rates in line with those previously approved for the South and West.



SEAWAY TOLLS ANNOUNCED: - The St. Lawrence Seaway Development Corporation has announced proposed tolls will be submitted for passage of ships through the St. Lawrence Seaway. The tolls vary for different types of vessels and cargo, but generally are based on the gross registered tonnage of the vessel, plus an assessed amount for bulk and general cargo carried. Passenger carrying vessels will be charged so much for each passenger.

The Tolls Committee said the proposed schedule will be sufficient to provide for annual cost of operation and maintenance of the Seaway facilities, and to meet interest charges and amortized borrowed money over a period of the next 50 years. The Committee also estimated that the first year's operation would see 25,000,000 cargo tons going through the Seaway and this amount would be doubled by 1968.

The AAR said preliminary study makes it doubtful that the tolls would produce sufficient revenue to make the project self-liquidating.

A hearing has been set for August 6 on the proposed rates.

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RATE PROBE DENIED: - The ICC denied a petition of the Southern Motor Carriers Rate Conference, Inc., for investigation of the class and commodity "piggyback" rates of the Frisco between Memphis and Birmingham.

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CAPITAL EXPENDITURES DOWN: - Capital expenditures for additions and betterments in Class I railroads, as of March of this year, totaled \$92,050,000, a decline of 21 per cent over the corresponding month of 1957.

For the first quarter of 1958, expenditures decreased 26.2 per cent while those for road and equipment decreased 25.2 per cent and 26.5 per cent respectively. Estimates for the next three quarters of 1958 indicate total gross expenditures of \$452.5 million, bringing the total expenditures for the year to \$706.4 million, compared with the previous estimate of \$835.7 million. This would indicate that the total expenditures for road in 1958 will be about 29 per cent under those for 1957, and that the decrease in equipment expenditures will be approximately 57.1 per cent.

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AIRLINE TRAVEL PICKS UP: - There was an increase of 13.2 per cent in the revenue passenger miles traveled by domestic trunk airlines, according to the ICC, the total hitting 24,500,000,000.

The ICC said a large part of the increase resulted from greater air coach traffic at reduced fares and with reduced space and service as compared with regular flights. Approximately 50 per cent of the travel was by air coach.



PASSENGER HEARINGS CONCLUDED: - The hearings being conducted by the ICC on the railroad passenger train deficit were concluded on June 23, with the testimony of President D. P. Loomis of the AAR.

In his testimony Mr. Loomis suggested that the ICC be vested with "plenary authority" to consider and approve applications for discontinuance of unprofitable passenger trains. He also advised that airlines be compelled to pay user charges for the services furnished by the Federal Government, and that air mail subsidies be discontinued.

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CONSIDERING TIME ZONES CHANGE: - The ICC has announced it is considering a proposal to re-define the limits of Eastern and Central time zones. A hearing will be held in Lexington, Ky., on July 24.

The new time zones would affect certain parts of Indiana, Ohio, Kentucky and Tennessee.

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TRUCK TONNAGE DOWN: - There was a decline of 5.6 per cent in inter-city tonnage carried by trucks during the first quarter of 1958, as compared to the same period in 1957, the American Trucking Association reported.

The report also showed the index for the first quarter tonnage moved by truck had dropped 11 points in comparison to the same period a year ago. This was the first such decline in the trucking index since 1954.

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CAR SHORTAGE MAY BE IN PROSPECT: - If the business recession should end quickly and an upturn develop within the next several months, there is a possibility that the "worst car shortage in history" might follow such a development, David C. Bevan, vice president of the Pennsylvania Railroad declared recently in a speech in New York.

Mr. Bevan based his prediction on the rate of increase of bad order cars during the past several months, saying that on May 1 it had hit the highest point of any month in the past year.

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DINER DOLLARS MORE EXPENSIVE: - It cost the Class I railroads \$1.46 in 1957 to serve a \$1.00 meal, according to the latest statistics. This is an increase of 4 per cent over the cost for 1956. The \$1.46 figure doesn't include any overhead on the operation of diners.

The cost ranges from \$1.01.9 on the New Haven to \$1.89.6 on the Union Pacific.



LOADINGS ESTIMATE IN SOUTHEAST: - The Southeast Shippers Advisory Board met in Charleston, S. C., and estimated that carloadings would be down 1.5 per cent in the area over the corresponding period of 1957.

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

Retirement: - L. O. Humphreys, treasurer and assistant secretary, June 30, after more than 52 years of Frisco service.

Appointment: - C. C. Kratky, treasurer, headquarters St. Louis, effective July 1.

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NSC AWARD WINNER: - The Frisco Railway Company for the fifth consecutive year has won the National Safety Council's golden spike award for off-the-job safety, President Clark Hungerford has been advised.

Frisco won the award on the basis of its promotion of safety programs for employees, family groups, school safety education and for co-operation with local safety groups in its nine-state area.

Winning the award permits the Frisco to fly the National Safety Council's flag, complete with five stars, over all the railway's installations.

"The co-operation of members of your safety department and employees with the work of safety organizations and public officials in communities served by your railroad is commendable," G. C. Stewart, executive vice president of the National Safety Council, told Mr. Hungerford in notifying him of Frisco's award.

Seventeen other railroads in the United States and Canada received similar awards.

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FRISCO LOADINGS: - For period June 21 to June 27, 1958, inclusive, Frisco revenue freight loaded on-line and received from connections totaled 14,978, compared with 16,112 for the previous 7-day period and a total of 15,794 for the corresponding period last year.

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BRIEF: - The first transcontinental "piggyback" or trailer-on-flat car shipment in the United States was a newspaper printing press, in March 1957, from New York to San Francisco.