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The Handling of Railway Scrap or Salvage.

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The subject I try to deal with in this little paper is scrap or salvage. The word is so familiar that it might seem superfluous to define it here, and yet I have hopes that some may not know all that there is to know about it. I would be glad indeed if there are a few who know as little about it as a friend of mine in Ottawa. You will remember the great fire of 1898 that wiped out a considerable portion of the cities of Hull and Ottawa. In that year the price of scrap was at a high level, and scrap men from all over the North American continent gathered at Ottawa to bid against each other for the scrap that was lying in the track of this fire. Some of the monied men of the city became aware of what was going on and concluded that they would like to have a share of this business, so they selected my friend as their representative, loaded him down with money, and sent him out to buy scrap in competition with the experts who were swarming over the ground. My good friend proceeded to get busy, and was about to close a deal for a quantity of material when it occurred to him that he would call me up and ask my advice. When he told me what he was trying to do, and gave me the details of the deal that he was about to close, I asked him what he knew about scrap anyway, and his reply was, "Why, scrap is scrap, isn't it?" and then I begged him to come and see me before he went any further or the fellows that he was dealing with would not only have his clothes, but his shirt. After I had had an interview with him and told him a few things about scrap, he concluded that he would not put the experts out of business that year; and he returned the money to his friends, much to their disgust, as they had visions of large profits. These men were not aware of the fact that the scrap business of this continent is one of the best organized lines of trade that is carried on in the country, and is handled largely by experts, and these experts lost money on Ottawa scrap that year.

The word scrap does not, I am afraid, fully describe or cover the thing that we are dealing with. If you look in your dictionary you will find the definition of the word as "a small piece, fragment, or crumb," and as we proceed you will realize that the expression "small fragment or crumb" can hardly be properly applied in this case. The word as used in the railway world is supposed to cover all of our material that has been used for the purposes for which it was made, and discarded as of no further use in its then existing form, and must be returned to be made over into its original form or into some other form in which it can be made use of. It would be interesting to know just what this fragment or crumb amounts to. An ordinary American railway makes \$40 worth of miscellaneous scrap each year for each mile of road operated. We have

on the American continent 271,106 miles of railway, at \$40 a mile. This amounts to \$10,844,240; and we must add to these figures car wheels, discarded locomotives, released rail, structural steel and brass, which would bring our figures close to \$50,000,000. This is some fragment or crumb. The creation and sale of scrap by railways is, of course, no new thing. It has been going on ever since we had a railway. But it has never received from the railways themselves the attention that it deserved. It was one of the things that was everybody's business, and, as usual in such cases, it was nobody's business; and if we could today secure figures showing what the railways of America have lost through the careless handling of scrap, we would begin to understand why Mr. Brandeis got the idea that we were wasting a million dollars a day. The people of America are, I suppose, the greatest wasters the world has ever seen, and it was natural and human that they should be, because in the beginning there were a very few of us, and there was a very large country, and I believe the expression "inexhaustible resources" was coined in America. There is no more mischievous expression in the English tongue; it has been responsible for much of our foolish and wasteful ways.

We learned how to waste before railways came into existence, and we are only slowly unlearning that lesson, and in this matter of scrap we wasted probably a little more than along other lines. By multiplying the kind and class of locomotives and cars we created more scrap than we should have, and after it was created we did not handle it to the best advantage. In this world there are people always prepared to turn to their advantage their neighbors' mistakes, and the railways' neglect of their scrap has enriched many middlemen. Unfortunately the fortunes made by these men did not anywhere near represent the loss suffered by the railways, for the reason that in the scrap purchased by them was much good useable material that could not be used by others than the railway, and the middlemen made no more out of this than they did out of the material that was actually scrap.

The plan of handling and disposing of this material on the majority of American railways has been for the departments to send into the purchasing office an estimate of the quantities on hand at the various points, and the purchasing office would offer it for sale, depending entirely on the parties making the reports as to the correctness of the reports, and also depending on them for the proper loading of the material when the sale was made. As only carload lots could be sold there was generally at the end of the selling period as much scrap on hand as had been sold, and this was carried over from year to year to the railways' very considerable loss. Some years ago the Railway Storekeepers'

Association took up this question very seriously and appointed committees to study the matter and recommend proper methods of handling. One of the first things they did was to classify the scrap. This is divided under 98 headings, as follows:

[Editor's Note.—Space will not permit of printing the entire list, but the following headings are given as examples.]

- 1 Arch bars and transoms, iron.
- 2 Arch bars and transoms, steel.
- 3 Axles, iron. Driving and other axles, 6 in. diam. and over.
- 4 Axles, steel. Driving and other axles, 6 in. diam. and over.
- 5 Axles, iron. Car, tender, engine truck and other axles, car and locomotive, under 6 in. diam.
- 6 Axles, steel. Car, tender, engine truck and other axles, car and locomotive, under 6 in. diam.

A form for storekeepers to report on is supplied headed as follows:—

REPORT of SCRAP on HAND AVAILABLE
for SALE
At Storehouse 191...
Signed S.K.
Date 191...

Standard Classification
Railway Storekeepers' Association
No. DESCRIPTION. Quantity.

The form has the whole 98 headings printed on it, with description of the different items as shown in the specimen of headings given above. Storekeepers are required to fill out and send to the general storekeeper on the 4th of each month, reporting quantities in gross tons and including all scrap available for sale, except that for which sales orders are held. Barrels are reported by carload.

The next thing advocated by the association was the central scrap yard, where all scrap material would be collected and sorted, so that the best price possible would be secured at time of sale.

In this world we always have those who lead, those who follow, and those who refuse to do anything. In this matter of the central scrap yard one of the great roads of the United States has gone a little further than any other, and their experience should be an object lesson to every other road on the continent. The road that I refer to has over 6,000 miles of track, and they were so situated geographically that the best market for their scrap material was at one end of 6,000 miles of rail, but they did not hesitate to collect their scrap and bring it to this point. The first discovery they made was a startling one, which was that out of the enormous tonnage brought into this yard it was found that 40% was good useable material, and the value of this 40% as they selected it from the actual scrap amounted to \$175,000 a month. When this became known the departments became more careful in handling their material, and the good material found in the scrap gradually diminished, until today it amounts to only 6½% of the gross tonnage. In connection with this yard these people have established a salvage and manufacturing plant, and with even the small percentage of good useable