

RAILWAYS AND THE PUBLIC

BUREAU OF ECONOMICS HAS AIDED TO BETTER CONDITIONS.

Meeting Organizations with Organization — Value of Its Statistics, and Fields of Activity of Its Committees — Desire to Ascertain and Publish Facts — A New Policy.

(Special Correspondence of The Evening Post.)
WASHINGTON, January 7.—The best and most intelligently managed railroads long ago learned a lesson which is just coming home to various other large financial enterprises and industrial corporations in the United States. They learned that they had to conform to the law and to sound public opinion, and to respect both in the management of their business. A number of these railroads were signatories to the "Constitution of Peace" long before President Wilson invented the phrase. They had shown that "spirit of accommodation" toward the public and toward the Government which the President noted was now becoming a familiar phenomenon.

One of the manifestations of this attitude of some of the railroads is the Bureau of Railway Economics, established here at Washington in August, 1910. This bureau makes compilations of statistics and various analyses and studies of matters affecting the railways in their economic relations with one another and with the public.

Although public opinion in this country is antagonistic to the actual financial and physical combination and amalgamation of the railways, that same public opinion, through legislation regulating the railways, has brought about a condition compelling them to give collective attention to problems in which they have a common interest. Throughout the period of governmental regulation there has grown a tendency on the part of the regulating authorities to consider the railways somewhat less in the light of individual corporate entities. Legislation is enacted as to one and another phase of railway administration that may affect all the railways of a particular State, or a particular district, or all over the United States.

FORCED TO MEET ORGANIZATIONS.

There was a time when each railway company dealt exclusively with its own employees as to the rates of pay and working conditions. As the membership of the railway brotherhoods has increased, and the authority of their officers has extended, it has come about that all of the railway companies of a particular section are obliged to discuss the rates of wages and working conditions as affecting all of the members of a particular brotherhood in that section. There are organizations of shippers in particular cities, and in some cases coextensive with considerable regions with which the various railways of those cities and those regions are obliged to discuss matters of mutual interest. Thus officers of competing railways, that once had little intercourse with each other, now gather in conference in regard to legislation of one kind and another, and in arbitrations of one kind and another. This has brought about the necessity of organization in this common interest.

The railway mail pay committee is the intermediary with the Government for all the railways in the matter of compensation for the carrying of mail; the conference committee of managers has acted on behalf of the Eastern railways in negotiations with the railways' brotherhoods concerning the wages of employees of the Eastern railways; the Association of Western Railways performs a similar service for the lines west of Chicago; the special committee on the relations of railway opinions to legislation keeps informed as to legislation proposed and enacted in the various States and in Congress which affects the operation of the railways. The most recently formed of these organizations is the presidents' conference committee, which is discussing with the Interstate Commerce Commission, on behalf of all the railways, the questions that are arising in connection with valuation.

PUBLICITY.

Moreover, the publicity that is now being enforced of all railway procedure has compelled thorough study of every question that concerns every problem. The railways are quite aware that they have had, not without foundation, a reputation for partisanship and bias. They are also aware that many of the attacks upon them have been caused in large measure by partisanship, bias, and lack of understanding.

Therefore, many railway presidents have come to desire the facts as never before. They want the facts in regard to the place the railways occupy in the activities of the nation. The Bureau of Railway Economics was established to serve this purpose. Upon its staff are scientifically trained statisticians and economists, who are pledged to scientific accuracy and economic integrity in all of their work. Its headquarters are here, in order that it may have ready access to the statistics of the Interstate Commerce Commission and the statistics and records of other Governmental bureaus and departments. This Bureau, however, does not represent the railways before the Commission, Congress, or any public body. Its function is to make research, to analyze, to digest, and to compile information.

It made a study under the auspices of the Railway Mail Pay Committee of the probable effect of the parcel post upon the revenues of the railways; it has made three hundred or more tables, charts, diagrams, and other compilations for the conference committee of managers for use in its arbitration with the engineers, the firemen, the conductors, and other trainmen; it has aided the Special Committee on the Relations of Railway Operation to Legislation by a study of the arguments for and against train-crew legislation; it has made a study of the historical and economic considerations underlying the valuation of the railways; it has been engaged for several months with a force of a score of extra clerks in the service of the Eastern railways in connection with the Advanced Rate case. It is, moreover, continuously engaged in research and compilation in response to inquiries that are

made of it by its subscribers individually. The Bureau has also been endeavoring to pursue of its own initiative a programme laid out at the time of its establishment. This includes the issue of a monthly summary, which presents the revenues and expenses of the steam roads collectively for the United States and for the three geographical groups, thus giving information not heretofore so compiled, together with comparisons, analyses, and diagrams not elsewhere presented. This special programme includes among studies that have been completed one of the conflicts between State and Federal regulation; another, of the cost of transportation on the Erie Canal and by rail; others, of the comparative facility, serviceability, and utilization of the railways of the United States and the principal countries of Europe; of railway wages, and the cost of living in the United States and the principal countries of Europe; a comparison of capital values of the railways, manufactures, and agriculture, and an especial comparison of the railway and agricultural industries. These general studies are issued in bulletins expressed with all necessary qualification and the sources of authority are given.

FIELD OF BUREAU'S ACTIVITIES.

The bulletins of the Bureau are sent upwards of 8,000 newspapers throughout the United States, but without request for publication. The corporations of this country in general, and the railway companies in particular, have long been rightfully accused of maintaining secrecy in regard to their essential procedure. The opposite of this secrecy is that publicity which throws this essential procedure open to the light.

A useful department of the Bureau is its library, which now contains 25,000 items—books, reports, and documents of one kind and another. The librarian is not only gathering as complete a collection of railway literature as is practicable, but is ascertaining and recording the content of railway literature in every important library in the United States.

A collective catalogue of the railway economic literature in fourteen of the principal libraries has already been issued. It is believed that the more complete bibliography now in process will be of especial use during the next few years in connection with questions that arise in the valuation of railways. The librarian furnishes information in response to various inquiries and prepares bibliographies of the publications bearing upon railway subjects for the use of railway officers and students of transportation. He keeps a complete file properly indexed of current articles in the principal periodicals in regard to the railways.

MEMBERSHIP.

The membership of the Bureau of Railway Economics is composed of nearly all the principal railways of the United States, who contribute to its support in proportion to their earnings. It was established in their behalf by a general executive committee of six railway presidents, which supervises its operations. The membership of this committee changes in part from year to year. The first chairman was W. C. Brown, who has just retired from the presidency of the New York Central Lines. He was succeeded by the late W. W. Finley, president of the Southern Railway. The present chairman is Samuel Rea, president of the Pennsylvania Railroad.

The establishment of the Bureau of Railway Economics was coincident with the adoption of a policy by the principal railway companies toward ameliorating unfavorable popular sentiment. It was urged by the general executive committee of railway presidents that every railway company exert its best endeavor to the end that no point of contact between its operation and its patrons and the public in general leave a disagreeable impression. The railways have come to understand that grievances undressed not only lead to unfavorable opinion, but sometimes to ordinances and legislative enactments that entail far greater burdens than the removal of the grievance would have entailed.

There can be little doubt that the pursuance of a policy which heeded criticism and complaint, which has been fairly general on the part of railway officers during recent years, has been a factor in the admitted amelioration of popular antagonism. There is to-day comparatively little denunciation of the railways in general. Such denunciation as is evoked by particular and notorious causes the railways justly suffer.