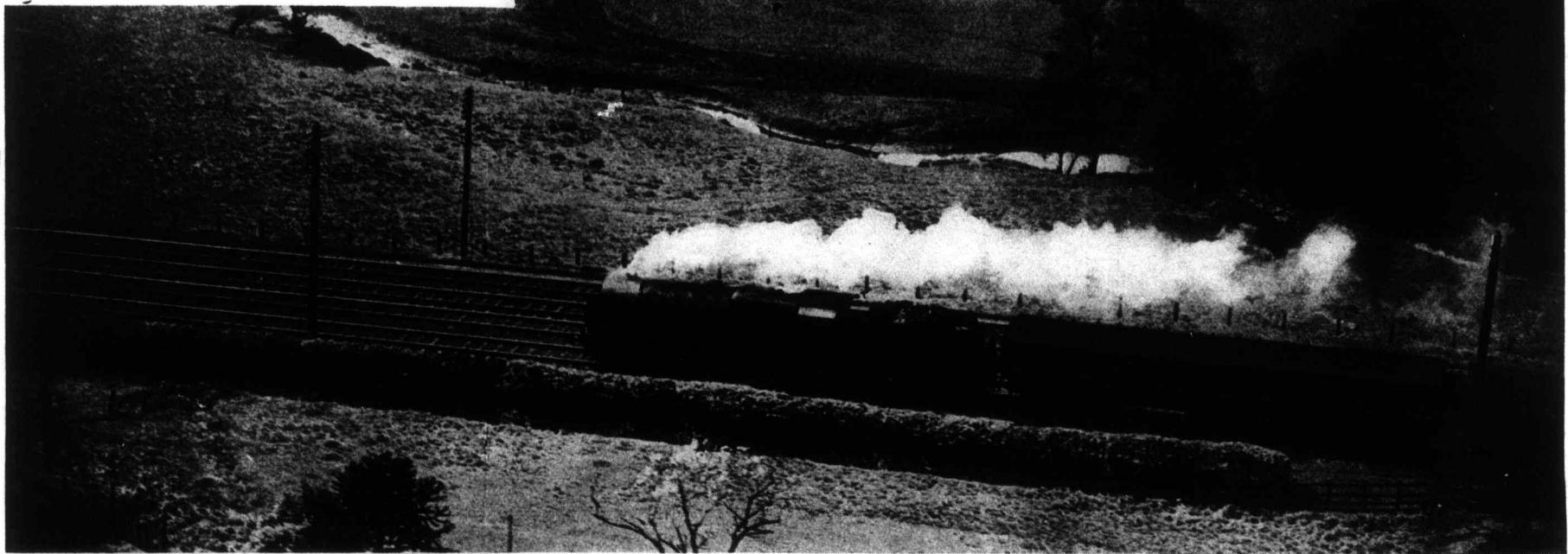


# Recovery on Rails

The story of how Britain's railways climbed from depression to prosperity

By SYDNEY MORRELL

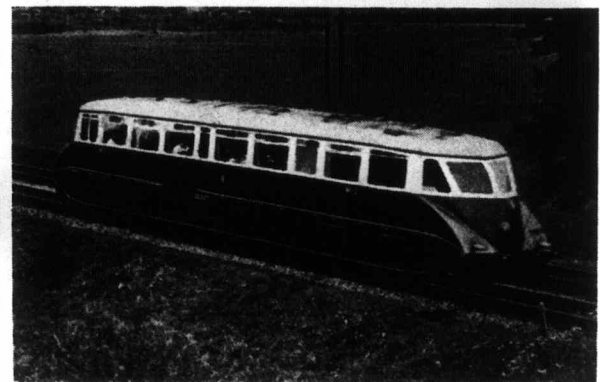
Below: Railway air services pace the trains.



A "hotel on wheels" starting a 2,000-mile tour.



Railway truck services now reach British farms.



Electric rail car, fitted with cafeteria, carries 40 persons.

**I**N 1922 the British railways were in a chaotic condition. Throughout the country there ran 20,000 miles of track, most of it paralleled, and in some cases short-circuited, by good highways, along which ran efficient and growing road traffic.

These 20,000 miles of track were divided among no less than 120 railway companies and ten times that number of subsidiary undertakings. The result was that services were duplicated to a ridiculous degree. For example, a passenger travelling from London to Birmingham had the choice of three lines, depending on whether he preferred thickly padded cushions in his compartment, or a hassock under his feet in the restaurant car, or hot water in the lavatory.

Salaries and wages had increased from £47,000,000 in 1913 to £173,000,000 in 1921, whereas net revenue had fallen from £43,500,000 before the War to a deficit of nearly £20,000,000 in 1921.

Due mainly to the Government policy of discouraging people to travel by railway during the War in order to facilitate the movements of troops, the public were turning more and more to the road systems for transport.

Today the position is completely changed. The bewildering network of railway undertakings is replaced by four

companies, which work in harmony together and whose profits rose last year to £33,000,000.

Redundant and duplicate posts have been abolished; duplicate services have been eliminated; rolling stock and appliances have been standardized.

There is, perhaps, an analogy for Canada in the way this tremendous amalgamation was carried out so successfully.

#### For the Public Good

**C**REDIT FOR the Railway Act of 1921 must go to the late Sir Eric Geddes, who died last year. Briefly, the radical changes ordered by the Act may be summarized as follows:

1. A new system of goods rates and passenger fares which abolished preferential and exceptional charges, and arranged scales and tariffs wherever possible to be applied impartially over the whole railway system.

2. Abolition of the system of maximum Parliamentary charges.

3. Institution of a Rates Tribunal upon which rest the function and responsibility of arranging new rates and charges on a fair and equitable basis, after bringing both

traders and passengers into close consultation with the railways' representatives.

4. Rates and charges to be reviewed every year and if necessary revised, so as to maintain a standard level—the net revenue yielded to the railways in 1913.

The last clause, next to the actual consolidation of the railways into four groups, was probably the most important in the whole Act because it secured as a principle that the good of the trading community, rather than the simple earning of dividends, should be the main objective of railway management. It embodied the principle of limitation of dividends, or at least of the fund out of which the dividends are paid.

Of course, the 120 separate undertakings and multitudinous subsidiaries were bitterly opposed to the whole scheme. There were at least 700 directors on these concerns, and their annual fees amounted to about £154,000. They did not relish the idea of losing this part of their incomes.

They were given time in which to arrive at a harmonious agreement, after which a Government Tribunal stepped in and took control of the amalgamations.

The workers, of course, had their own difficulties but were well provided for under the Act. Primarily, it was

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