

# British Railways and the War

## Railroad control in Britain is a success

In view of the interest taken in railroad control in this country, what has been done along this line in Great Britain is of interest. A summary of the situation abroad is given in a pamphlet entitled "British Railways and the War," issued by F. A. McKenzie in London. In part, it states:

"In 1871, following the Franco-Prussian conflict, the British Government took power by act of Parliament to acquire by royal proclamation any or all of the railways of the United Kingdom in time of war. A committee of railway managers was already in existence to deal with such a situation. This body, known first as the War Railway Council and afterward as the Railway Executive Committee, was to act as a central organization, to give instructions, and to co-ordinate the activities of the different railways in war time. Working in co-operation with it was the engineer and railway staff corps—a volunteer organization of railway workers whose purpose was to develop schemes, methods, and personnel for the war railway service. It was composed of general managers of the leading railways, leading contractors, engineers and other railwaymen.

"Month by month, and year by year, the staff corps worked out schemes for the utilization of our lines under any contingency. It planned how carry out great movements of troops and from one part to the other.

### PRE-WAR PREPARATIONS.

"The Railway Executive Committee and the Railway Staff Corps working in conjunction with the Director General of Military Transport, gradually completed, during the years preceding the war, their plans of operations. These covered more especially the movements of a British expeditionary force to its embarkation port, the quick concentration of men at any point to repel an invading army, and the evacuation of invaded districts. By 1912 all was in readiness. Every railway manager had in his safe a confidential, sealed, unopened document, detailing a scheme of mobilization. In it he was told exactly what to do, the trains to be moved, their starting points and destinations, and the entire schedule of running, if war came. So far as the operation of our railways was concerned, England was prepared.

"On the same day that war was declared, August 4, 1914, the railways of England, Wales and Scotland—not Ireland—were taken over by the Government. The managers opened their sealed instructions and proceeded to carry them out. It had been provided in the act of 1871 that full compensation should be paid to the owners for any loss incurred. The Government, however, did not at the beginning announce any terms with the companies. This was left for a later date. Government control, it is important to note, did not mean Government ownership. The lines remained the property of the companies. They retained the management of their own concerns, subject to the instructions of the executive committee, and the whole machinery of administration went on as before. The sole purpose at the beginning was to facilitate the movement of troops. But as the war developed, as economy became more and more essential, the scope of the Railway Executive Committee, now in supreme control, became greatly extended.

### RAILWAYS FREE TO ACT.

"The official chairman of the Railway Executive Committee was the president of the Board of Trade, but the real presiding chief was the acting chairman H. A. (afterward Sir Herbert) Walker, general manager of the London & South-Western Railway. Working in co-operation with the acting chairman were twelve general managers of leading British lines. Under the central body were groups of committees, each made up of railway experts. The War Office and the Director General of Transport were in touch with the constant interchange of ideas, but from the beginning there was no attempt to supersede the railway men in carrying out their work.

"The main plans of the war policy of the railways had, of course, to be approved by the Government, and announcements were made in the name of the president of the Board of Trade. But the plan uniformly adopted was for the authorities to tell the Railway Executive Committee what had to be done and then to leave it to plan the details of how the work should be completed.

"The first task before the Committee was one calculated to tax its resources to the full. The Territorials—the volunteer forces of the United Kingdom—had been called to the colors and had to be distributed to their training grounds and their defense

areas all over the country. Simultaneously the expeditionary force, numbering 120,000 men, with a vast amount of material of war, had to be transported in a minimum of time to Southampton—the port of embarkation for France.

"The Government gave the railways a time limit of sixty hours to make ready for dispatch to Southampton of 350 trains of about thirty vehicles each. In addition, close on 1,200 other trains were necessary for conveying the equipment, munitions and food supplies of the forces. There were about 60,000 horses to be carried—seven to a truck; there were 5,000 tons of baggage and 6,000 vehicles. Sir Herbert Walker, over whose system—the London and South-Western Railway—the trains had to travel to Southampton, described what was done in a speech shortly afterward at the American Luncheon Club in London. He told of the Government time limit of sixty hours. "We 'delivered the goods,' as you Americans would say, in forty-eight hours.

### MOVING THE TROOPS.

"While this rapid concentration of troops was proceeding at Southampton the ordinary traffic of the railways was maintained with comparatively little alteration. Here and there a section of line was closed for a few hours, particularly sections of some of the junction lines across London; but the general public scarcely realized what was happening. Such precautions were taken that even the elaborate espionage system maintained at the time by Germany in England failed to convey to them full details of what was going on. The British army had landed in France and was marching in Flanders before the Germans realized where they had landed or what their numbers were.

"The terms under which the railways were being taken over for the period of the war were published in September. The Government guaranteed to the proprietors of the railways that their net revenue should be the same as in 1913, except when the net receipts for the first half of 1914 were less than the first half of 1913; in that case the sum payable was to be reduced in the same proportion. The entire Government traffic—men and freight—was to be carried without any direct charge being made for it or any accounts rendered. This plan was considered satisfactory by both sides. In the majority of cases there had been a reduction of earnings in the first half of 1914 over the previous half year, and companies were contemplating a still further reduction. The interests of their shareholders being assured, they were able to devote themselves to the work of economical and efficient distribution, quite apart from the usual financial problems. The one weak side of this agreement was that it made no allowances to cover increased interest payments on account of new investments, new capital expenditure since the war began. This point was afterwards met by an arrangement that the Government should pay interest at 4 per cent on all new capital invested by the railways since August 4, 1914, on new lines, branches, terminals, equipment, or other facilities put into use since January 1, 1913.

"The conclusion of the financial agreement between the Government, and the companies automatically brought about a great economy in the system of railway accounts. Hundreds of clerks had been employed at the Railway Clearing House at Euston, London, in dissecting payments covering different lines, so that each line should have its proper share. This work was no longer required.

"The great strain of the dispatch of the first expeditionary force passed, but it soon became clear that the railways would be faced by a double problem. They would all the time have a vast amount of military traffic to handle. Simultaneously with this great increase of work, they had a very serious reduction of staff. A number of railwaymen had been called up at once as Army Reservists and Territorials, while many others volunteered to join the colors. It was estimated a few months after the outbreak of war that 66,000 men, out of a total of 643,135, had joined the army. This figure rapidly grew, until at the end of 1916 nearly 150,000 men had been released by the railways for war duty—close on 50 per cent of the men of military age.

"This shortage of labor quickly grew into one of the most serious issues.

"The Railway Executive Committee, which now was the main body for making financial arrangements, announced that the railway companies had arranged to supplement the army pay and allowances of army

reservists and territorials in the railway service who joined the colors in such a manner that the families would be maintained in circumstances which should avoid hardships, during the absence of the breadwinner of the family. Certain privileges, such as the supply of cheap coal, would be continued. Occupants of the companies' houses would not be disturbed, and when the men returned positions would be found for them on the railways equal to those they formerly occupied. The general plan adopted was to make a grant to augment the income of the wife and family to at least four-fifths of the man's standard wage.

"At the time of the outbreak of war the railway companies and the men's unions—the National Union of Railway Men and the Associated Society of Locomotive Engineers and Firemen—were engaged in a controversy on the question of wages. A railway conciliation scheme drafted by a royal commission had come into operation early in 1912. This was to continue until November 6, 1914, but either side could terminate it on or after that date by twelve months' notice. The men had given notice in November, 1913, to withdraw; they wanted the conditions revised. When war broke out the negotiations between both sides were in a very forward state. A temporary arrangement was arrived at in October, 1914, by which the conciliation scheme was to be continued, but to be terminable by either side at six weeks' notice. Many railway employees were convinced that since the Government was now virtually in control of their lines their demand for increased wages should be met. The rapid rise in the cost of living had made it obvious, after a time, that something must be done. The railway companies felt that, from their point of view, any rise in wages, even though wholly or mainly made by the Government, might have the serious result of putting on them a heavy burden to be borne after the war and after private ownership was resumed. It is always difficult to reduce wages whatever the conditions may have been under which they are raised.

### SETTLEMENT WITH LABOR.

"On February 13, 1915, terms of settlement were arranged. A weekly bonus was to be paid to all wage-earning employees of eighteen years old and upward engaged in the manipulation of traffic; all whose standard rate of wages was under 30s a week were to receive a weekly bonus of 3s, and those earning 30s or more were to be paid 2s. The cost of this bonus was divided, one-quarter being paid by the companies and three-quarters by the Government. Modifications of the original agreement between the Government and the railway companies were made in order that this might be done. This agreement was revised afterward in 1915, and in its final form all employees of eighteen years or upward were given a bonus of 5s per week, those of under eighteen 2s 6d. The understanding at the time was that this arrangement was finally to settle the wages question until the end of the war. A definite undertaking was given on that point by the men's organizations:

"The National Union of Railwaymen and the Associated Society of Locomotive Engineers and Firemen undertake that during the pendency of this agreement they will not present to the railway companies any fresh demands for increased bonus or wages or general alterations in conditions of service, and that they will not give countenance or support either to a demand on the part of any of their members to reopen the settlement now made or any strike that might be entered upon in furtherance of such demand."

"Here, however, war conditions proved a stronger factor than formal agreements. The cost of living generally, and particularly the cost of food, continued to mount up. A second war bonus of 5s was added to the first, coming into force in September, 1916, and in April, 1917, a further agreement was come to between the Railway Executive Committee and the various trade unions of the men by which the war bonus was increased to 15s per week for all employees over eighteen and 7s 6d per week for those below that age. It was estimated that the total additional expenditure on account of the war bonus would be £23,000,000. The whole of these latter increases were borne by the Government.

"No statements have been issued showing the final balance sheet of the railways under Government administration, and any such statement would be very difficult to make out, since a vast quantity of Government traffic not credited under the war arrangements would have to be charged up in attempting to make any fair balance sheet. In December, 1916, however, Bonar Law, speaking officially in the House of Commons, said that the Government agreement with the railway companies, notwithstanding the grant of the war bonus to railway employees, had involved no financial loss, but probably some gain."