

THE ELEVATED NEWS

SAFETY

SERVICE

SPEED



RELIABILITY

COMFORT

COURTESY

TIME SAVING SERVICE

***I** believe in strictest regulation without conflicting authority, because all public utilities must yield to the voice of public interests. But the same power that protects the public must protect the public servant, whether that servant is capital or the workman who operates the utility.*

—Senator Warren G. Harding

THE ROAD OF SERVICE

The fastest electric train in the United States, known as "The Badger Limited" has been placed in service on the

NORTH SHORE LINE

The running time of the new train from Adams and Wabash to the New Milwaukee Terminal at Sixth and Clybourn is — *2 hours and 15 minutes* —

With the opening September 15 of the New Milwaukee Terminal the running time of all Limited trains has been reduced 10 minutes.

Express trains every thirty minutes to Waukegan and intermediate points.

For full information on new schedules apply Traffic Department, 72 West Adams street. Phone Central 8280.

**CHICAGO NORTH SHORE &
MILWAUKEE RAILROAD**

The Elevated News

Issued Monthly by Chicago Elevated Railroads

LUKE GRANT, Editor

Room 1105, Edison Building

Volume VI

September, 1920



Number 10

Costs More But Is Worth It

A PATRON of the Elevated since 1893 writes to the editor of THE ELEVATED NEWS giving his reasons for preferring the elevated lines as follows:

1. A better educated class of trainmen than on other lines.
2. Better and more reliable service.
3. The walk across the park every morning winter and summer fills me with "pep" for the day's work.

The writer of the letter does not say which park he walks across, but he evidently thinks it does him good.

While appreciating the better service given by the elevated lines, the writer of the letter asks: "Will you publish why you have to have more fare than the surface lines? To me it seems you don't have the accident damage suits or upkeep that the surface lines have and on six cars you have six men where the surface lines have twelve. I can't see where the expense in help is bigger."

The latter part of our correspondent's letter, in which he enumerates the reasons why he uses the elevated lines, is a good answer to his own query. The elevated lines charge a higher fare because they give a faster and more expensive service. Our correspondent probably buys a \$75 suit of clothes, when he could get a suit for \$40, but it wouldn't be the same quality of a suit.

There are several reasons why it costs more to furnish a ride on the elevated lines than on the surface and why a higher charge for it is justified. The elevated lines in most

part own their right of way. The cost to build and equip an elevated line today would be approximately \$1,500,000 a mile. The surface lines are laid on public streets at an approximate cost today of \$300,000 a mile. The initial capital invested in an elevated road is therefore about five times that invested in a surface line, were the charges for service based upon what would bring a fair return on the investment. But the public is not greatly interested in that and the rate of fare must be based on what the service is worth to the riding public.

The public demands rapid transit. That cannot be furnished except on elevated lines which are above the street level, or in subways which are below. Either method means expensive construction and heavy capital investment. As there is no other way by which rapid transit can be furnished and as the public today demands speed and service, the heavy investment in elevated lines and in subways is justifiable from a public policy point of view.

There is another phase of the subject which should be understood. The unit cost of a ride is based on the car miles run and the revenue per car mile. The revenue is determined by the length of the average ride. The report of the Chicago Traction and Subway Commission in 1916 showed that the average length of ride on the surface lines was 4.16 miles and on the elevated lines 6.48 miles. Eliminating the fractions to make easier comparisons, it will be seen that on an 8-cent fare the surface lines get a revenue of 2 cents a mile per passenger. To give the elevated the same revenue the fare would be 12 cents, instead of only $8\frac{3}{4}$ cents, as it is at present if the rider purchases tickets. It can readily be seen, therefore, that quite apart from the question of paying the owners of the elevated lines a reasonable rate of return on their invested capital—which they have never received—the patron of the elevated gets actually more transportation for his money than he does on the surface lines.

Not only does the passenger on the elevated get a greater mileage for his fare on the elevated, but he gets to his desti-

nation in much less time, for the average speed on the elevated is about twice that on the surface lines. Were you buying sugar you wouldn't expect to get a pound and a half for the price of a pound. When you buy transportation you shouldn't expect to get a six-mile ride for the price of a four-mile ride, especially when the longer ride is given under improved service conditions.

High Cost of Producing Transportation

TRANSPORTATION service is about the cheapest thing on the market today. The increase in the rate of fare on the Elevated is small in comparison with the increase in the cost of producing the service. That is true, even if the passenger pays a 10-cent fare instead of the former 5 cents.

Since 1914 the wages of trainmen on the Elevated Railroads have been increased more than 140 per cent. The price of materials has advanced in a more marked degree. The passenger who daily uses the Elevated cars has no conception of what it costs to maintain those cars in an operating condition, so that some actual figures on the costs may be of interest.

Cars on the Elevated lines must be repainted and revarnished every two years. In 1914 the average cost of painting a car was \$83. The average cost in 1920 is \$240 a car, practically three times as much. There are many other things which a car requires in the way of maintenance besides painting and varnishing and everything which goes toward that maintenance has increased much more in proportion than has the rate of fare.

The average cost of maintaining a car for a year on all the Elevated lines was \$497 in 1914. It was less on some lines and more on others, but that is the average for the four roads. In 1920 the cost of maintaining the same car is \$1,202. As there are on the lines 1661 cars in operation, it will be seen that the cost of maintenance is a very heavy item.

The owner of a house on finding that the cost of painting and decorating it is much greater than he expected, may defer the work and wait for lower prices. The Elevated roads cannot do that with their cars. It is imperative that cars be overhauled at regular intervals to insure the safety of the traveling public. No matter what the cost may be at the time, the work must be done. Service must be maintained and the Elevated Railroads maintained that service for months, before the last fare increase, at an actual loss of from \$25,000 to \$50,000 a month.

In spite of these facts, which are well known to public officials who have ready access to the books of the companies, there are some who insist that the old rate of fare should be restored. Such arguments may be good for political reasons with the unthinking, but they are as illogical as to say that bread must be five cents a loaf, milk five cents a quart or sugar five cents a pound.

The price of transportation service like everything else must be based on the cost of production and the figures quoted on wages and car maintenance are indicative of what it now costs the Elevated Railroads to furnish service as compared with pre-war days.

TEST OF COURAGE

I have traveled wherever mortals can, and have measured many a mile in India, China and far Japan, and up the noble Nile; I have been no stranger to death and danger in many a dark defile—but I dread on the cars the cross-kneed man who parks his feet in the aisle.

The ambushed native of Hindustan entraps you by craft and guile, and you have to look out for the African when the guy begins to smile; there are many comrades who quaked in Flanders—but paste these words in your tile: Beware, when you ride, of the cross-kneed man who parks his feet in the aisle.

You can duck and dodge by the cross-grained man when his

temper shows signs of bile; you can steer your course by the cross-eyed man and feel at your ease for a while; with wit and cunning and a little running you can beat these guys by a mile—but who is safe from the cross-kneed man who parks his feet in the aisle?—Wheeling Traction News.

SOME FAN

A city boy who had never seen a windmill before exclaimed: "Gee, mister! That's some electric fan you've got out there cooling the hogs."

He—"If I call pa 'pop,' why can't I call ma 'mop?'"

She—"If you do, she'll wipe the floor with you."

REPORT OF THE FEDERAL ELECTRIC RAILWAYS COMMISSION

THE Federal Electric Railways Commission, appointed by President Wilson in May, 1919, to investigate conditions in the electric railway industry, has completed its work and submitted its report to the President on August 17, last.

Many interesting facts were brought out during the public hearings held in Washington last year, at which 95 witnesses testified in person and 21 others submitted written statements. The testimony taken embraces 6,195 pages of typewritten transcript. This testimony was analyzed for the commission by Delos F. Wilcox, an authority on public utilities, to aid the commission in formulating its report.

On the financial condition of the electric railway industry the report says:

"The investigation demonstrates that the financial condition of the electric railway industry is acute, and that to a very great extent it is not properly performing its public functions.

"The record in this case shows that on May 31, 1919, there were 62 companies having a mileage of 5,912 in receivership, that 60 companies had dismantled and junked altogether 534 miles of railway, and that 38 companies together had abandoned 257 miles of track. Since that date and up to July 1, 1920, there have been 56 additional companies, having a mileage of 1,908, which have been thrown into receivership.

"The capitalization of the industry, according to the 1917 census report, is represented by \$3,058,377,167 in bonds and \$2,473,846,651 of stock. For the year 1917 the net income of operating companies was \$56,450,930, representing an average rate of return

of 2.81 per cent upon the capital stock. In 1918 the evidence shows the net income was reduced to \$20,183,413, which represents a return of only 1 per cent. As a whole, there has been some improvement in the industry since the commencement of these hearings, due to the fact that there has been an increase in the car-riding habit since demobilization, and in a great many instances the fare has been increased beyond 5 cents. In spite of this slight improvement, however, the condition of the industry at the present time is serious. A great many companies are unable properly to maintain their track and equipment and to perform efficient public service, to secure funds with which to purchase new equipment, to build necessary improvements and extensions, or to refund maturing obligations."

The commission says that the public always pays for a run-down plant, either through inferior service or higher charges. The first essential is service to the public. Due recognition of this fact, says the report, will secure to the investor a safe return upon his investment and to the public uninterrupted operation.

The conclusion of the commission is that the two great needs in the electric railway situation today are the need of credit and the need of co-operation between the public and the utility. A very conservative estimate, says the report, on the amount of new money required by the electric railways of the country places the figures between \$175,000,000 and \$200,000,000 per annum, to be used in replacements, refunding obli-

gations, extensions and improvements.

Following is a summary of the conclusions and recommendations of the commission:

I. The electric railway furnishing transportation upon rails is an essential public utility and should have the sympathetic understanding and co-operation of the public if it is to continue to perform a useful public service.

II. The electric railway has been and will continue to be a public utility, subject to public control as to the extent and character of the service it renders and as to the rates it charges for such service.

III. It is of the highest importance that both the total cost of the service and the cost to the individuals who use it shall be kept as low as possible without injustice to those who take part in producing it.

IV. The electric railway industry as it now exists is without financial credit and is not properly performing its public function.

V. This condition is the result of early financial mismanagement and economic causes accentuated by existing high-price levels of labor and materials, and of the failure of the uniform unit fare of 5 cents prescribed either by statute or by local franchise ordinances or contracts to provide the necessary revenues to pay operating costs and to maintain the property upon a reasonable basis.

VI. The industry can be restored to a normal basis only by the introduction of economies in operation, improving the tracks, equipment and service, and assuring a reasonable return upon the fair value of its property used in the public service when honestly and efficiently managed.

VII. The electric railways must expand to meet the growing needs of their communities; therefore,

the first essential is to restore credit in order to obtain necessary new capital for the extension and improvement of service.

VIII. Restoration of credit involves a readjustment of relations which will remove public antagonism, provide public co-operation and insure to the investor the integrity of his investment and a fair rate of return thereon.

IX. Effective public co-operation should be exercised by eliminating, in so far as it is practicable, special assessments for sprinkling, paving, and for the construction and maintenance of bridges which are used by the public for highway purposes.

X. Extensions into new territory resulting in special benefits to the property in that vicinity should be paid for by assessments on such property in proportion to the benefits received, and that the amount of such assessments should not be added to the physical value of the corporate property.

XI. The great increase in the use of private automobiles, the jitney and motor busses has introduced a serious, although not a fatal, competition to the electric railway. These forms of public motor conveyance when operated as public carriers should properly be subject to equivalent regulatory provisions.

XII. The full co-operation of labor is essential to the highest prosperity and the usefulness of the industry. The employees engaged in this occupation should have a living wage and humane hours of labor and working conditions. They should have the right to deal collectively with their employers, through committees or representatives of their own selection. All labor disputes should be settled voluntarily or by arbitration, and the award of such a board should be

final and binding upon both parties. It is intolerable that the transportation service of a city should be subject to occasional paralysis, whether by strikes or by lockouts.

XIII. A private industry should not be subsidized by public funds unless it is imperatively necessary for the preservation of an essential service, and then only as an emergency measure.

XIV. Unless the usefulness of the electric railways is to be sacrificed, public control must be flexible enough to enable them to secure sufficient revenues to pay the entire cost of the service rendered, including the necessary cost of both capital and labor.

XV. There can be no satisfactory solution of the electric-railway problem which does not include the fair valuation of the property employed in the public service, and where that is done the companies should voluntarily reduce any excessive capitalization to the basis of such value.

XVI. There is no insuperable objection to a large, wide-open city having exclusive jurisdiction over the rates and services of public utilities.

XVII. The necessity for scientific and successful regulation of systems, whether large or small, and especially those which operate through several cities and villages and in rural territory, leads to the conclusion that local regulation should generally be subject to the superior authority of the State, whether as a matter of original jurisdiction or through the medium of appeal.

XVIII. Cost-of-service contracts are in the experimental stage, but where tried they seem to have secured a fair return upon capital, established credit and effected reasonably satisfactory public service. Such contracts may safely be entered into where the public right eventually to acquire the property is safeguarded.

XIX. The right of the public to own and operate public utilities should be recognized, and legal obstacles in the way of its exercise should be removed.

XX. While eventually it might become expedient for the public to own and operate electric railways, there is nothing in the experience thus far obtained in this country that will justify the assertion that it will result in better or cheaper service than privately operated utilities could afford if properly regulated.

XXI. Public ownership and operation of local transportation systems, whether or not it be considered ultimately desirable, is now, because of constitutional and statutory prohibitions, financial and legal obstacles, the present degree of responsibility of our local governments, and the state of public opinion, practicable in so few instances that private ownership and operation must as a general rule be continued for an extended period.

XXII. If the reforms incident to public regulation which we suggest in this report should not result in making private ownership satisfactory to the public, such reforms should at least enable public ownership to be established upon a just and equitable basis.

OLE HANSON ON MUNICIPAL OWNERSHIP

OLE HANSON, who as mayor of Seattle gained wide publicity during a strike in that city, is now touring the country giving lectures. In a recent address before the Chicago Association of Commerce, Mr. Hanson, in speaking of the experiences of Seattle in operating its street car lines, said:

"In my best judgment, municipal ownership and operation of transportation lines, or any other utility where great num-

bers of men are employed, will never be really successful unless the great mass of people decide that brains are worth money, and that the men in charge are trained, competent, high-class men who can earn as well as receive as good compensation from the cities as they get in private employment. The spoils system must be abolished and the street car operated for efficiency and service and not for feathering some demagogue's political nest. The people themselves must agree that the car rider must pay for his ride and not the taxpayers, who, often, under some guise or other, are made to carry a part of the load. The employees of the city must be subject to the direction of the city officials and not of any outside body on the face of the earth. The employees must be paid a fair wage, and it should not be greater than the wage paid for similar employment in private life.

"However, after due consideration, I am of the opinion that under proper and just supervision by commissioners that are fair, the private company can furnish transportation at less cost than the average city government. Politics apparently cannot be kept out of the business of our municipalities, and politics is fatal to success.

I believe absolutely that the car rider must pay for his ride and not the taxpayer. I believe the capital invested in public utilities must be allowed to earn a fair and sure return on its investment. It is not true that the company's interest and the city's interest are opposed. Sometimes the corporations and sometimes the politicians have fostered this opposition, but it is wrong fundamentally.

Chicago is but at the beginning of its career as a city. Hate and strife will simply check Chicago's growth, hamper its future and

delay its arrival at its sure destination of being the largest city in the world. The city's business is your business. The public utilities intrude upon every hour of your life. Any waste or unnecessary expense is simply loss to your city, to yourselves."

WHY GAS RATES GO UP

It takes between three and four gallons of gas oil to make 1,000 cubic feet of water gas, the kind made in most Illinois cities for the householder's gas stove or lighting system or the furnaces of the industrial plant. Gas oil has increased in price from 3 cents a gallon or less, before the war, to 12 and 15 cents a gallon now; and this increase in price adds from 31 to 48 cents per thousand cubic feet to the cost of making gas. This, coupled with increased labor costs, has necessitated recent increases in the price of gas.

WHY TEACHER BITES HER NAILS

"Pompe was destroyed by an eruption from the Vatican."

The Gorgons were three sisters that looked like women, only more terrible."

"Edward the Third would have been King of France if his mother had been a man."

"Benjamin Franklin produced electricity by rubbing cats backward."

"George Washington married Mary Curtis and in due time became the father of his country."

"A deacon is the lowest kind of Christian."

"An index is where you look in the back part of the book when you want to find anything that is printed in the front part of the book."

OUR COURTESY COLUMN

SOMETIMES employees of the Elevated are called upon to perform a friendly act outside of their regular line of duty, and on such occasions they are always ready to be helpful.

The following letter, received from a grateful citizen, explains itself:

"It gives me great pleasure to send this note to you, hoping it will reach the eyes of those of your employees who lent their assistance so kindly in locating my two and one-half year old son yesterday morning.

"While I was in the sub-postal station at Kedzie avenue, near Leland, my little boy disappeared. The drug store being adjacent to the Kedzie avenue station, he was probably attracted by the incoming and outgoing trains. When I came out of the drug store, to my surprise my little boy was gone. I became very much excited and told my story to the newsboy in front of the station. Before I could realize what was being done I learned that the wires were burning all along the line and your people were searching for my boy. Other kind-hearted men offered their assistance to search through the neighborhood. Suddenly a young man asked me to come in to see the ticket agent of the Kedzie avenue station. She informed me that my boy had been located and was being put on the train at Belmont avenue, in charge of the conductor. When the train finally pulled into the station and I saw my little son seated with the funny page of the Sunday paper in his hands, I was too excited to say 'thank you,' and I want to thank all of

those who so kindly helped me in finding my boy.

"H. E. Scheck,
"3100 Cullom Avenue."

The employees who assisted in the search for the child are Mrs. L. Bond, ticket agent; C. Caspar, conductor; J. Frauley, platform man, and Miss Kelly, telephone operator.

Other employees commended during the month are:

Northwestern Trainman H. A. Goodwin, badge 593, is commended for his close attention to duty and flagging the following train when his train was brought to a stop on Kinzie street curve.

Metropolitan Conductor L. E. Ryan, badge 4140, is commended for finding seats for passengers.

Northwestern Trainman August Schrickle, badge 957, is commended for finding seats for standing passengers.

Metropolitan Trainman Chas. B. Ellis, badge 4938, is commended for assisting a blind man off the train to the station stairs.

Metropolitan Motorman John Gallagher, badge 4791, is commended for recovering a passenger's hat which was blown out of the car window and was being carried away by a boy.

South Side Trainman Chas. G. Enos, badge 2652, is commended for courtesy and helpfulness.

Little drops of water,
Add some raisins, too;
Then a little yeast cake,
Just to make the brew;
Put it in a warm place,
There you let it stay,
Try it on your neighbor—
Throw the stuff away.

Newlywed — "Why don't you make the bread mother used to make?"

Mrs. Newlywed — "Why don't you make the dough father used to make?"

White City

SO. PARK
AVE.
AT
63RD ST.

CHICAGO'S BRIGHTEST SPOT

DANCING AND ROLLER SKATING THE YEAR AROUND

NOW EV'RY EVE. FREE
MAT. SUN.

Chicago's Reigning Summer
Musical Success

Emile D. Recat's
1920 EDITION

The Garden Follies

Plus VAUDEVILLE

Star Cast Beauty Chorus
Gorgeous Gowns
Vaudeville Acts Supreme

Rides That Thrill!

The Frolic
Racing Derby
Giant Ferris Wheel
Over the Falls
Racing Coaster
The Pep
Venice
Chutes
Whip

Visit the
Fun House
Noah's Ark
1001 Troubles
Million Smiles

