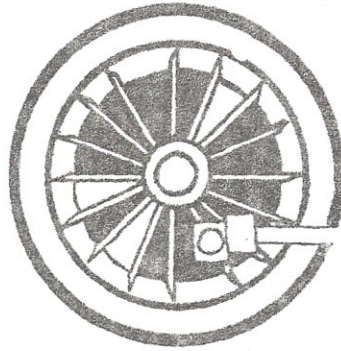
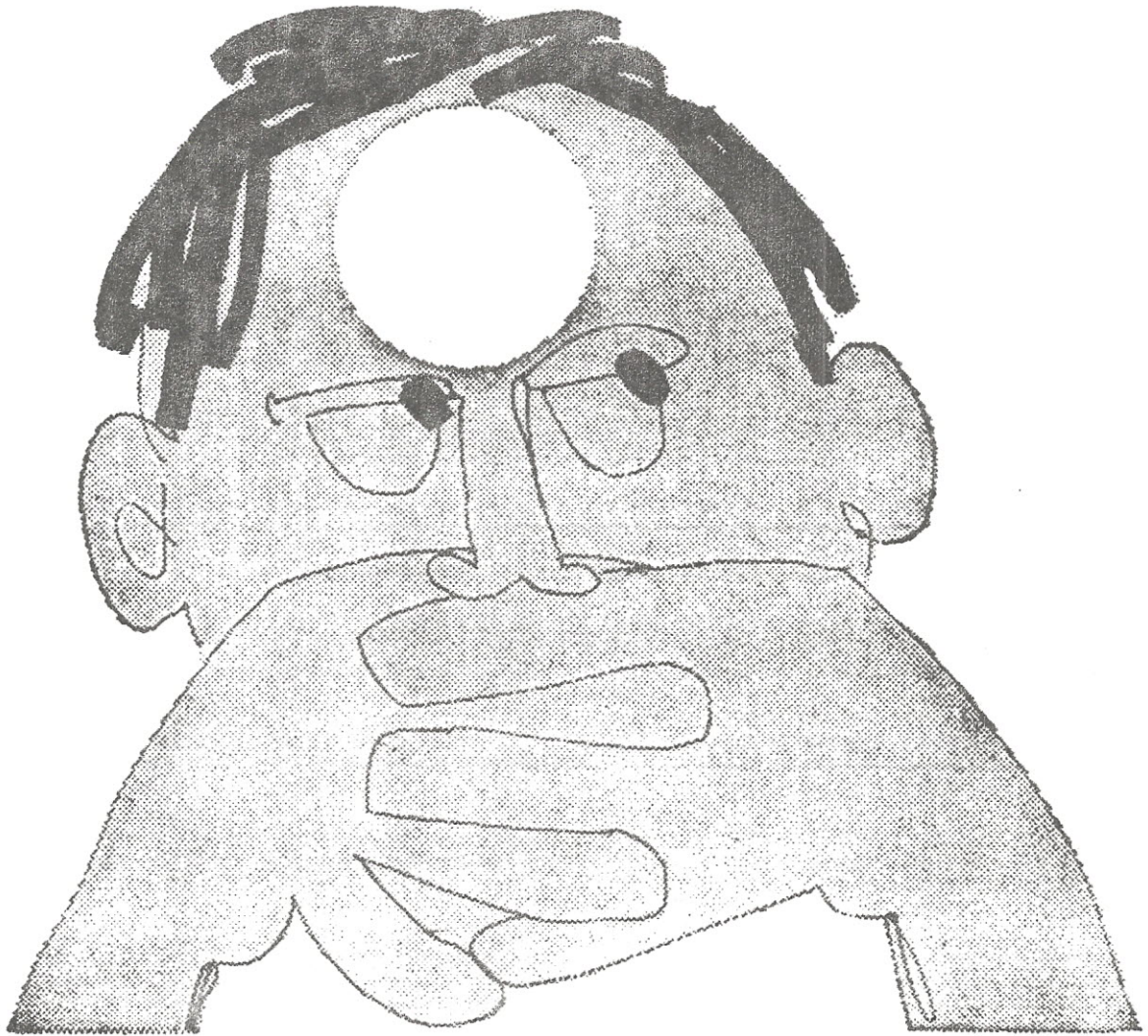


# Transport Central



**Lost your thought of train?**



8 FEBRUARY 1971

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## Ken Hayes

### THE MUNI AND THE MODE

Recently, in a meeting dealing with the San Francisco (city) Public Utilities Commission and its operating entities, the San Francisco Grand Jury called the Municipal Railway ("Muni" for short) a "disaster area".

The Grand Jury said the Muni falls behind Oakland's AC Transit in such measures as the ratio of employees to vehicles, the utilization of operating personnel, the use of preventive maintenance programs, and on accident and claims expenses. It also called the program of forward planning as deficient or lacking, and said that the management has been very slow in developing plans to integrate with the soon-to-be-opened BART system.

The Muni is a city operation, and as contrasted with other mediums of operating a publicly-owned transit system, falls sadly short. As a mode of carrying on an operation, it is beset by political hand-tying, by "second sister" attention (of all the facilities operated by the PUC, the Muni is the least glamorous and most unprofitable), by an over-strong union and a conciliatory city hall.

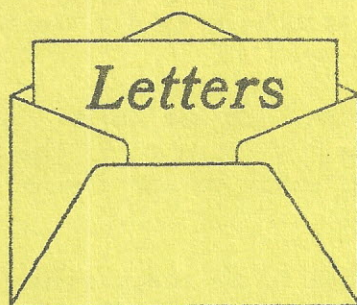
The Muni's troubles are not new. This can be clearly seen in the shops--with maintenance equipment still used daily that was purchased in 1900. It can be seen on the buses and streetcars--in their condition and average age. And in driver techniques--where the drivers operate and act as if they had a captive market.

On the positive side, the Muni has weathered the patron-loss storm rather well--at least better than the majority of transit systems. And its routes have not been subjected to the contemporary shrinkage of other systems. But then again Oakland has actually reversed its own situation, expanding both routes and patronage, and on a break-even basis.

On the other hand, the Muni loses over \$10,000,000 a year. Much of the difference, of course, lies in the fact that AC Transit has a relatively profitable intercity business. But, freed from the restriction that a city-operated system imposes, who knows where the Muni could go? It had better decide soon, for BART will make the scene and, like it or not, the Muni will be hassled if it hasn't done something by then.

*(Editor's Note: Interested readers are urged to consult the Final Report of the Northern California Transit Demonstration Project [Cal-MTD-5 and Cal-MTD-6], detailing integration recommendations between Muni-AC Transit and BART. The report, dated October 1967, is available from the Clearinghouse for Federal Scientific and Technical Information, Springfield, Virginia 22151. Although much of the proposed system is already obsolete because of carrier changes and population shifts, the report nevertheless goes a long way toward establishing a truly coordinated transportation system for the San Francisco Bay Area, and outlines solutions for the problems Mr. Hayes refers to in the above essay.)*





"I wanted to pass along a few clippings that might be of interest to you and TC readers as well as an anecdote or two for what they are worth.

"First, the *Official Airline Guide* won't tell you, and probably your travel agent won't either but you can travel coast-to-coast for \$33 less than the standard \$154 coach fare. Not only that, but you'll get a longer ride for your money.

"This little-known bargain rate is available from Delta Airlines on a thru, night-coach tariff between San Francisco and New York/Newark, via Atlanta. Delta keeps the tariff on file, along with a competitive transcontinental through day rate. Both are considerably less than the segmental fares New York-Atlanta and Atlanta-San Francisco, although the total of the two night-coach segments comes out to be about the same as the standard coach fare between the two coasts.

"One traveler (I) stumbled on the through rate for nightcoach when planning a Christmastime trip to the East, wanted to go to Newark airport and found I'd have to change in Chicago if I took an overnight plane. I thought that the possibilities of snowstorm-induced schedule disruption would be less if I traveled via Atlanta and saw that the fares were about the same, so you can imagine how surprised I was when the Delta agent said \$121 instead of \$152.

"The plane, a stretched DC-8, left SFO at 10:15 PM PST and landed at Atlanta at 5:15 AM EST. After a layover of about an hour, the coast-to-coast traveler departed Atlanta for EWR [Newark]. Delta has several sets of connecting flights arriving and departing within minutes of each other at various times during the day, so passengers and luggage can sort themselves out in passing from one gate to another. (Similar night-coach rates are available from LAX and DCA).

"II - A job downtown in San Francisco and residence in the Upper Market area of the city encourage travel by streetcar. The Upper Market area is, indeed, pretty much bound by the service territories of the five streetcar lines that the San Francisco Municipal Railway operates. It lies to the southwest of the downtown area and extends as far west as the portals of the Sunset and Twin Peaks streetcar tunnels. Riding a railed vehicle to work has been nothing new for me--I used to take the subway when I lived in New York City.

"But the other morning was different. I arrived at the Castro and East Market portal of the Twin Peaks tunnel to find a crowd of people looking anxiously at wristwatches, peering toward the tunnel mouth and discussing among themselves how to get to work.

"Some of us, realizing that Something Must Have Gone Wrong, boarded a cross-town bus on Castro, hoping to intersect some of the other routes. There had that week been some power failures on the Muni electric-powered lines, brought on in part by overhead rearranging for BART construction, so we thought it best to seek alternate means of transportation.



"Haight Street, crossing Divisadero bus routes about a half-mile north of Market seemed as good a place as any to catch a vehicle and we got off the cross-town bus to await a diesel or trackless trolley. Sure enough, within a few minutes along bounded a #71 diesel that stopped to pick us up.

"The bus was crowded; the only seats were at the back. It was noisy, it was bumpy and it was uncomfortable. 'How unpleasant this is,' I thought, as the air bags heaved us over irregularities in the street; 'I certainly wouldn't want to ride one of these to work every day.'

"Which brings up two points: Perhaps my own reaction to an unaccustomed bus ride says something about why urban bus riding has declined more rapidly than urban rail riding. Secondly, do those city planners who advocate buses as a solution to the public transport needs of a metropolitan area ever ride the vehicles they tout? One can imagine they would not, at least if their autos weren't in the shop."

--CHARLES F. ROZEMA

[PS: The enclosed clippings on the Muni "deficit" (see below-ED)--the word is in quotes since most other city departments providing essential services do not have most of their revenues derived from user charges--have an ominous portent. Analysis of the revenue statistics indicates that riding during rush periods is holding relatively constant. It is during the off-hours that the drop-off in riding has occurred. Off-hours, of course, are just the time when the Muni and every other North American transit system need riders and have excess capacity.

Popular accounts of the transit trauma usually refer to some form of "commuter crisis" (cf. *Newsweek's* recent issue on the agony of getting to work). And yet much of the crisis results not from the "commuter" but from the growing disparity between "commuter" (that is, rush hour) and "non-commuter" (or off-peak) demand. If a demonstrably public service must continue to meet most of its revenue needs from user charges, maybe some smart transit operator should talk about peak-hour surcharges--as almost all other public utilities already impose--since it appears that increased fares will not divert people going to work as much as they will others.]

*(Comment from this desk: A most sensible proposal. When a conventional business incurs additional costs in producing an order, those additional costs are usually passed along to the customer, in an extra surcharge for overtime work, for example. Why then cannot the transit industry--if it is to charge any fares at all, which is another matter entirely--allocate charges to its customers based on its costs, and not on some politically-oriented formula.*

*It has often been said by transit management that most of its deficits stem from having to operate unprofitable off-peak services as the result of some executive or legislative fiat, and that if said services were dropped, said carrier would be much closer to fiscal solvency. However, the classic pattern holds that when such a step--dropping all but rush-hour services--is instituted, it merely accelerates the slide toward bankruptcy and the elimination of ALL services, for the high costs--paying the typical driver for eight hours work, even though he actually is performing only about five--are still to be met.*

*It would appear that a far more realistic approach to the problem might be as Mr. Rozema suggests: to charge users a fair assesment of the actual cost of transporting them, not for the rush-hour rider to be subsidized by the mid-day rider.)*



# Muni Fare Rise Falls Short of Goal

By Jerry Burns

Last year's increase in Municipal Railway fares has failed to produce its predicted revenues and has resulted in a loss of riders that was more than expected, it was learned yesterday.

Figures for the first four months of the 25-cent base fare, which went into effect last August 30, showed that it was falling short of producing the extra \$3 million-per-year predicted by Muni officials.

Muni revenues for the months of September, October, November and December totalled \$3.68 million. It was an increase of \$785,900 over the same months in

1969, but the increase of 9.9 per cent was considerably less than the 15 per cent increase anticipated.

If Muni revenues continue at the same rate, the fare increase will produce less than \$2.4 million for its first full year.

The higher fare has failed to produce its expected revenues because the Muni has sharp decline in riders.

Muni officials, when making a case for the higher fares, predicted that a five-cent increase would result in a 6 per cent loss of patronage — just about the national average in such circumstances and about what the Muni suffered when the fare was raised from 15 cents to 20

cents in 1969.

However, general manager John M. Woods estimated yesterday that the loss of riders has been more on the order of 10 per cent.

It is impossible to set patronage figures exactly, he pointed out, because every quarter in the fare box could represent one regular-fare rider or five senior citizens using their special five-cent fare.

"We're still pretty certain that we've lost more than 6 per cent of our riders since last August," said Woods.

"In addition to those lost as a result of the fare increase, we've also been hit by the recession," he explained. "Declines in the

economy hit us as fast as anybody."

Woods said the Muni has found, in its passenger checks, less riding on shopping trips. Passenger traffic during commute hours, to and from jobs, has remained fairly steady.

He also said that another possible cause for revenues which are not meeting their expectations was the decision to extend the hours of the day in which senior citizens may ride for a nickel.

"We know we're not getting as much new income as we hoped for, but we don't know if it is going to be a permanent problem," Woods added. "If the economy gets better, perhaps our revenues will, too."

## Huge Muni Deficit Predicted

By Jerry Burns

San Francisco's Municipal Railway — already deeply mired in red ink — is going to suffer its largest deficit in history in the next fiscal year, the general manager reported yesterday.

John M. Woods told the Public Utilities Commission that the Muni deficit, which will be \$18.6 million in this fiscal year, will jump to a record \$21 million in 1971-72.

The enormous deficit — which is the amount that Muni costs exceed its revenues — must be made up out of property taxes.

Woods' not surprising report came shortly before the Commission unanimously approved a budget of nearly \$96.2 million for operation of the Muni, the Hetch Hetchy Water and Power System, the Water Department, the Bureau of Light, Heat and Power and the operation of its general office.

If approved by the mayor and the supervisors, the utilities' budget will be \$4.1 million higher than their budget for the present fiscal year.

The largest increases for individual utilities, as approved by the Commission, would be \$1.8 million more for Hetch Hetchy and \$1.76 million more for the Water Department.

However, since both of those utilities are self-supporting from their revenues, their requests usually run into little trouble.

Woods said that the deficit will climb to \$21 million because costs will go up and he predicted that revenues will go down, despite a fare increase last year.

He admitted after the meeting that the deficit will probably go even higher when Muni officials learn in July or August what pay raises are justified for 1850 drivers and conductors after a survey of other transit pay in the nation.

Woods' present figures showed that the Muni will take in about \$27.2 million in revenues and will put out about \$48.2 million in costs, including nearly \$30 million in salaries and wages.

The only member of the public to comment on the Muni budget was Marguerite Warren, Sunset district resident.

"The Muni must understand that this is a two-way street," she told the Commission. "If the public is going to pay \$21 million from our property taxes, we want better service for our money."

Miss Warren criticized the high rate of absenteeism among Muni drivers.

--San Francisco Chronicle



LETTERS (Continued)

Reader Anthony Perles sends along this "Quote Without Comment":

I: FROM A GULF OIL CORPORATION PRESS RELEASE --

"Efficient urban transportation is one of the most important goals our society should be seeking in the 1970's," Mr. Brockett (E.D. Brockett, Chairman of the Board of Gulf) said. "If cities are to remain important as centers of commerce, culture, medicine, education, religion--the fundamental elements of our society--they must be both beautiful and accessible.

"I don't believe we can make cities attractive to people merely by filling new superhighways with more and more cars and by leveling more downtown areas for parking lots.

"Because we are involved in the business of moving people, I and the oil company I work for, believe we have a social responsibility to work for the best total transportation programs to benefit all, to keep our cities viable, to free people to move about, which I feel is one of our principal freedoms."

II: FROM THE SAN FRANCISCO EXAMINER ---

"The Gulf Oil Corporation has admitted making a \$20,000 anonymous contribution to the successful campaign against Proposition 18, according to Secretary of State Edmund Brown Jr. Proposition 18, defeated by the voters in November, would have allowed use of gasoline tax funds to fight smog and develop rapid transit systems in the state."

Reader Perles also includes this excerpt from Engineering News Record, January 21, 1971, the annual statistical issue of the main trade magazine of the construction industry. It adds up to \$9 billion for rapid transit and \$5-1/3 for airports.

#### Rail transit systems

Location	Program	Est. cost (\$ mil.)	Est. compl.
Boston, Massachusetts Bay Area	Modernization, improvements, add 45 miles	999	1980
Chicago	Add 24 miles	750	1975
New York City area			
Ney York City transit	Add 52 miles	2,500	1975
N.Y. commuter lines	Add 10 miles	105	1975
Port Authority Trans Hudson	Modernize 14 miles, two new terminals	200	1971
Philadelphia	Add 1.2 miles	35	1971
San Francisco Bay Area Rapid Transit	75 miles system	1,400	1972
Phase I	25 miles	—	1971
II	31 miles	—	1972
III	19 miles	—	1972
Washington, D.C., area	98 miles	3,000	1979



## Airports

Location	Program	Est. cost (\$ mil.)	Est. compl.
Atlanta Municipal	terminal expansion, runway extension	72	1972
Boston, Logan International	new terminal, field improvements	300	1980
Chicago, O'Hare International	parking garage	38	1972
Dallas-Fort Worth Regional	new airport	—	2000
Phase I	terminal complex, 3 runways	700	1973
II	terminal expansion, 2-3 runways	—	1985
III	terminal expansion, 4-6 runways	—	2000
Detroit Metropolitan	new terminal, expansion of existing facilities	56	1974
Greater Pittsburgh	expansion of existing facilities, new terminal, runway	264	1979
Houston Intercontinental	new runway, runway extension	69	1973
Jacksonville	terminal expansion, hotel complex	365	1972
Los Angeles Dept. of Airports			
Los Angeles International	new terminal, roads, parking	567	1976
Ontario International	new terminal, field improvements,	100	1978
Palmdale Intercontinental	new airport	900	1978
Miami International	terminal expansion, garage, roadways, hangars	154	1972
Port of New York Authority			
Newark	new terminal, second runway	200	1972
Kennedy International	terminal expansion, new and expanded cargo bldgs, maintenance facilities, parking structures	650	1975
Philadelphia International	new passenger and cargo terminals, runway	470	1990
Portland (Ore.) International	terminal and field expansion, modification of existing terminal area	124	
San Francisco International	terminal, garage expansions, roadways	192	1976
Seattle-Tacoma International	terminal expansion, garage, runway	125	1972



## metro memo

METROPOLITAN MISCELLANY

The Illinois Central is firmly committed to extending its electrified commuter service to a point just west of the rapidly-growing Will County suburb of Park Forest South, according to *Chicago Today*. The overhead now extends to Richton Park, about three miles north of the new community. The IC holds an interest in the developer of the suburb, and plans to begin work in about two years on the extension, which will directly or thru shuttle bus service, tap the campus of the area's commuter-oriented (it has no dormitory facilities) Governors State University in the growing suburb.

The CTA has begun service to the new Olive-Harvey branch of Chicago City College on the Far South Side of Chicago....The Oshawa-Pickering GO Transit-Gray Coach service has increased to a daily weekday average of 900, up from 580 when the operation was introduced last September....NSL&P has donated former Halifax trolley coach #273 (CanCar T-44A, 1950) to the Seashore museum in Maine, joining a Boston Pullman, a Johnstown Brill and a Dayton Pullman in the collection.

THE COVER -- TC's cover this week features a portion of one of the new ads for Railpax devised by Chicago's Albert Jay Rosenthal advertising agency. The copy is too lengthy to reproduce here, but more than adequately (and humorously) overcomes the "generation gap". Trains, it says, are for easy going people.





## airline action

### Britain:

# Death Sentence For Symbol Of National Pride

**LONDON** — On March 30, 1968, British newspapers headlined the story of the country's greatest export sale in history: A contract won by Rolls-Royce to supply a new engine, the RB-211, for the Lockheed Aircraft Corporation's new TriStar jet. The initial order was for 540 engines—and there could be hundreds more — with sales worth perhaps \$2.5-billion.

David Huddie, the Rolls engineer who won the order, was knighted, and the whole affair was hailed as proof that Britain could still hold her own alone in the toughest league. The Daily Express, in its best jingo manner, wrote: "The triumph of Rolls-Royce is a marvelous tribute to our outstanding British design and manufacture..."

Last week, that dream came to a shattering end. Rolls-Royce, the maker of fine automobiles as well as jet engines, and a symbol of perfection and solidity in British engineering, went into bankruptcy. And the reason was the Lockheed contract.

As pictured by official sources here, just about everything imaginable was wrong with the deal to make the RB-211 engine. Technology, time, money: Every forecast was off.

The contract estimate was based on a new Rolls-Royce process for making turbine blades from pressed carbon. Those blades turned out to shatter too easily, as when a bird was sucked into the jet, so Rolls had to shift to more expensive titanium. But that was only a small part of the disaster.

Rolls-Royce engines were promised to Lockheed by the fall of this year, but not one has yet come off the line that meets the contract's specifications. Delivery could not start until at least six to 12 months after the due date. Contractual penalties for the delay might reach \$700-million.

The launching cost was supposed to be \$156-million, and the British Government put that up. Last November, that estimate was more than doubled, to \$324-million. And that turned out to be \$200-million short.

Meanwhile, inflation overtook the production cost. The price fixed for each of those 540 engines in the Lockheed contract was \$840,000; the cost estimate rose to \$1,104,000 — a loss of \$264,000 on every one.

Rolls asked the new Conservative Government for more launching aid last fall. The answer was a conditional yes, the condition being an inspection by independent auditors. The auditors looked, they told the Rolls board of directors, and suddenly the company's own chiefs came face to face with the reality that had been concealed from them.

### Instant Execution

Last week, it was up to Prime Minister Edward Heath and his Government again. This time, they said no. It was a death sentence that was instantly executed.

The Government moved in to rescue what it thought had to be saved: Rolls's production of spare parts and engines for the hundreds of planes and military machines operating on Rolls equipment all over the world. Reluctantly, as Tories, they announced they would nationalize those Rolls activities. The rest, including Rolls-Royce automobiles and the RB-211, was up to the receiver.

"We were completely surprised and appalled," said Daniel Haughton, chairman of Lockheed. He was not the only one. Within Britain and without, the impact of the country's biggest bankruptcy since World War II was immense.

The partial nationalization of the company did not conceal

the fact that the British Government had deliberately decided to let this symbol of national pride be dragged into the mud. Some thoughtful men criticized that step as senseless butchery. It would have been worth the price, they suggested, to bail the company out of its foolish Lockheed contract with more money — and try to get some out of the Americans, too.

But Mr. Heath and his colleagues felt very much the other way. In their view, it is time for Britain to get over fantasies, to face the cold reality of modern economics, to know that bad management and soft thinking lead to failure.

Politically, the country is in for a long and nasty fight. The Labor opposition will doubtless attack the Government as harsh and hasty. But it is vulnerable to Tory attack because, in the Labor Government, it was Anthony Wedgwood Benn, the Minister of Technology, who made fatuous speeches about the glories of this contract.

In human terms here, the pain is terrible. Rolls employs 80,000 people, and a good quarter of those have been working on the RB-211 alone. Derby, a grim industrial outpost of the midlands, is a Rolls-Royce town as Seattle is Boeing, and the outlook is similarly miserable.

The repercussions on the United States will be damaging, too. Lockheed has been having terrible troubles of its own, and the TriStar has been its main commercial hope. Now, suddenly, it is without engines for all those planes the airlines have ordered, and without much hope of recovering penalties or damages from a bankrupt supplier. It can try to use General Electric or Pratt & Whitney engines instead, but it will take more time and money to adapt and produce them.

The possibility remains of an Anglo-American deal to refinance the RB-211, for the mutual benefit of Rolls and Lockheed. But the Heath Government's action in coldly letting Rolls go under shows that any extra money now will have to come from Washington.

—ANTHONY LEWIS

--The New York Times