

JUL 3 1975

**Ferdie J. Deering**

## Transportation Efficiency Low

**E**VERY citizen depends upon public transportation in some way. Yet everything from jet airplanes to local bus lines is in financial difficulty. Some recent studies help to show why.

The National Commission on Productivity has been looking at railroads. It found that the average freight car carries only 15 to 20 loads per year. While some truck trailers average as much as 300 to 400 miles per day over their life, the average rail car travels only 58 miles per day.

The average rail car actually is moving under load only seven per cent of the time. The other 93 per cent of its life is spent being loaded or unloaded, standing in classification yards, standing idle, or moving empty.

Most of the nation's foodstuffs move by truck, but not always efficiently. The commission estimates that up to 40 per cent of the trucks on the highways are running empty because of restrictions imposed by government regulations. Among them is an ICC regulation that prevents owner-operators from carrying loads on return trips.

The government is trying to bail out nine bankrupt railroads with a long series of huge appropriations. So far, the only accomplishment is to keep most of them running at a loss.

One of the profitable railroads is the small Florida East Coast Line,

which showed a 1974 transportation ratio of 24.9, compared to 30 to 40 for profitable larger railroads and 44 to 66 on the bankrupt lines.

Officials explain that Florida East Coast was able to obtain this favorable ratio because it "has been able to eliminate the archaic work rules that are destroying the nation's railroads." These are mostly union rules that increase costs and lower productivity or efficiency.

FEC Board Chairman Edward Ball thinks all railroads and users would benefit if such rules were eliminated entirely. A study based on 1974 operating statistics showed that canceling these rules would have put eight of the nine bankrupt railroads in the black and boosted net operating income of 13 other major railroads by 74 per cent.

The idea of shipping coal mixed with water in a slurry pipeline is being revived and recently a 273-mile pipeline was built to connect an Arizona mine with a Nevada power plant.

Who built it? Southern Pacific railroad! Officials explained: "There wasn't any railroad available and it was cheaper to build a new pipeline than it would be to build a new railroad."

A Chicago man proposes to ship wheat to market in water gushing through two underground 36-inch steel tubes. Projected route is from Muskogee and Enid to Wichita and other Kansas points and on to Chicago. It would cost \$350 million to build.

The United States has more transportation than most other nations, but we haven't achieved peak efficiency. Perhaps our declining petroleum resources and rising costs will force us to remove regulations and practices that slow it down.