

Amtrak Fares--What Would Be Most Reasonable Policy?

A number of NARP members have written us to complain about recent Amtrak fare increases.

Any discussion of fares leads directly into the big question of Amtrak financial deficits. We do not believe that Amtrak should be forced to eventually earn a profit or be discontinued, nor do we believe that Amtrak's success or failure should be judged primarily on the size of its deficit. In view of the large and continuing government expenditures on other modes of transportation, we have no hesitation in asking for a substantial financial commitment on the part of government to rail passenger service. However, none of this can wash away the fact that Amtrak's current operating deficit (\$150 to \$180 million

Florida's plans for a turbotrain between Orlando and Miami have been delayed until late 1975, due to lack of funds. Under original plans, Amtrak was to pay for two of the \$3.1 million French-built turbos, but Amtrak now wants Florida to pay the entire amount. The trains could provide four hour service between the cities, which are 262 miles apart. Stops would be in Kissimmee, Auburndale, Sebring, West Palm Beach and Fort Lauderdale.

per year) is excessive in relation to benefits being provided the public, and that the more money needed to cover operating losses, the less there will be for capital improvements.

Amtrak must make a determined effort to reduce its operating losses. If it does not, we face the danger of a "taxpayer revolt" which would cause Amtrak operations to be severely dismembered. The opponents of Amtrak and rail passenger service will be quick to take advantage of ever-rising deficits.

Generally speaking, fares should be set on a basis that will maximize revenues, i.e., Amtrak should charge that the traffic will bear in the absence of an impelling social reason in specific instances to offer cut-rate fares.

Variations in fare levels in accordance with weekly, seasonal,

The National Visitors Center, planned for Union Station in Washington, D.C., may be ready for the Bicentennial after all. Work on the project had been halted because of an Amtrak lawsuit against the terminal company. The Amtrak board voted to dismiss the lawsuit after being reassured that adequate facilities would be provided for Amtrak passenger service.

and holiday demand increases seems an appropriate step towards maximizing revenues. The Canadian National Railways has for several years pursued such a policy thru its "Red, White and Blue" fares. British Railways has a similar approach.

Higher fares during seasonal and holiday peaks are unreasonable only if and when it can be shown that as a consequence significant numbers of people are economically prohibited from traveling. Accordingly, Amtrak's 20% summer increase does not appear unreasonable *per se*. However, during the off-season, fares should be reduced to levels which will encourage maximum use of relatively fixed train consists.*

A case can be made that fares should be reduced during peak periods in order to attract large numbers of travellers from crowded highways and airways. However, if this were done, Amtrak would lose revenue which it needs to help make up deficits incurred during slack periods. Hence a fare policy of this kind would probably preclude a reduction in the Amtrak operating deficit, and might even increase it.

Some urge that Amtrak offer special low fares to certain

categories of passengers, such as youth, senior citizens, etc. We have serious doubts we are impressed with the reasoning of the Civil Aeronautics Board, which found that airline "youth fares" are discriminatory as to other classes of passengers and ordered their abolition.

There is no question that some of our senior citizens are hard-pressed to pay full fares. However, for these people the shoe is pinching in many areas other than transportation. In our view, a better solution to their problems than price concessions on given goods and services would be to increase pensions and Social Security benefits to provide them with more income for disposal in whatever way they see fit.

Once the door is opened to this kind of fare reduction it might be very hard to close. Coming along right behind youth and age will almost certainly be other groups who feel they can wield the political muscle to wring out a fare concession from Amtrak. We understand that about 70-80% of all passengers carried by the Italian National Railways ride on some kind of reduced fare.

Despite our acquiescence in peak period fare increases, and our reservations about fare concessions to specific groups, we believe that there are and will be sound opportunities for Amtrak to reduce fares, thereby both improving its financial position and making its service available to a large segment of our population. One example that come to mind is the Metroliner. Why not convert one or two cars of each six car Metroliner set to "three and two" seating, thereby allowing a substantial fare reduction while still realizing per car revenue equal to or greater than the present level?

The 747's of rail travel is what Amtrak is calling its upcoming bi-level passenger cars. Bids for them are expected this month, and 11 companies may bid: Budd, Pullman-Standard, Linkton-Cobalt, Rohr and Boeing in the U.S. and Montreal Locomotive Works, Hawker-Siddeley, Frangecco, Messerschmitt and FIAT abroad, plus an unnamed Japanese company. Of Amtrak's existing cars, about 1000 will be converted to electric heating and air conditioning: mostly Budd-built stainless steel cars.

In short, it may be best for Amtrak to haul more people at lower fares in spartan accommodations than to haul fewer people at higher fares in luxury accommodations. The key condition for any such fare reduction is that it be justified by a reduction in the unit cost of the service purchased by the fares.

We welcome your comments.

* See Public Benefits Flowing from Amtrak - A Desirable Public Policy for Amtrak's Fares, a study by R.L. Banks & Associates, Washington, D.C., September 1973, published by the RAIL Foundation. Copies are available upon request.



**NATIONAL ASSOCIATION
OF RAILROAD PASSENGERS**

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October, 1974

New Trains, Service Listed In Amtrak Fall Timetable

Amtrak's fall system-wide timetable, listing two new trains as well as a number of schedule improvements, is now available.

One of the new trains is The Washington Irving, a service funded in part by the State of New York. It began operating between Albany and New York on Oct. 27. The Washington Irving leaves Albany at 8:15 a.m., Hudson at 8:42 a.m., Rhinecliff at 9:04 a.m. Stops to discharge passengers are made at Poughkeepsie, 10:05, Croton-Harmon, 10:12, and New York's Grand Central Station at 11:05 a.m.

Northbound, it leaves Grand Central Station at 11:15 a.m. daily with stops to receive passengers in Croton-Harmon at 12:05 and in Poughkeepsie at 12:55 p.m. Stops to receive and discharge passengers are made in Rhinecliff, 1:10 p.m., and Hudson, 1:32 p.m., before arriving in Albany at 2:05 p.m.

Another new train, sponsored jointly by New York and Michigan, began Oct. 31. The new train connects Buffalo and Detroit. It is an extension of the Empire State Express which operates between New York City and Buffalo.

A third new train, the seasonal Miamian, will not begin until Dec. 13. The Miamian will operate daily, leaving New York at 12:35 p.m. and arriving in Miami at 1:50 p.m. the following day. Northbound, this train will leave Miami at 3:40 p.m. and will

BART To Sue Westinghouse, Et Al

The Bay Area Rapid Transit District board of directors agreed unanimously Oct. 7 to sue four suppliers who they believe were responsible for flaws in the BART cars and other equipment that led to the delays and other problems that plagued the system. The companies are Westinghouse Electric Co., maker of the control system, Rohr Industries, manufacturer of the cars, Parsons Brinkerhoff-Tudor-Bechtel, engineering consultant, and Bulova Watch Co. maker of the crystal which malfunctioned, causing a serious accident.

arrive in New York at 4:50 p.m. the next day. Miamian service will be discontinued in April.

The Salt City Express from Syracuse to New York City now operates on an improved schedule. The train leaves Syracuse at 7:00 a.m. arriving in New York at 12:50 p.m.

The Silver Meteor, running between New York and Miami, has added a stop at Savannah, Ga., southbound at 6:00 a.m., northbound at 6:45 p.m.

The Southern Crescent has discontinued its stop in Trenton, N.J. However, two trains, operating Monday through Friday, provide alternate transportation from Trenton to New York and Philadelphia. Train No. 215 leaves New York at 2:55 p.m., arriving in Trenton at 3:55 and Philadelphia at 4:35 p.m. Northbound, train No. 208 leaves Philadelphia at 11:05 a.m. arriving in Trenton at 11:44 and New York at 12:43 p.m.

The Mayflower, which operates from Washington on Fridays only, now terminates at New Haven rather than Boston. The Mayflower leaves Washington at 5:10 p.m., New York at 9:30 p.m. and arrives New Haven at 11:05 p.m. Stops are made at Rye, Stamford and Bridgeport to discharge passengers who boarded before New York.

Amtrak has just ordered 25 more 3,000 hp diesel locomotives, which, together with 176 new units already delivered or on order, will replace over 100 less efficient units, many of them over 20 years old. The new locomotives will be built by General Electric at its plant in Erie, Pa. Delivery of all units has been promised by the end of next June. GE is also building, as part of earlier orders, 26 new 6,000 hp electric locomotives for use on the electrified sections of the Northeast corridor.

POST OFFICE STATEMENT

Statement of the ownership, management and circulation of "News from National Association of Railroad Passengers," published monthly except November at Washington, D.C., required by the Act of Congress of August 12, 1970; Section 3685, Title 39, U.S.C.

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I hereby request permission to mail the publication named above at the reduced postage rates presently authorized by 39 U.S.C. 3626. (Signed) Anthony Haswell, Chairman.

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I certify that the statements made by me above are correct and complete.

Anthony Haswell, Chairman

Mexico City to Texas Border Auto-Train Plans Underway

Auto-Train Corporation, which now runs two North-South lines in the United States, is planning expansion into Mexico.

Eugene K. Garfield, president, revealed that the corporation has signed an agreement in principle with a group of Mexican investors for Auto-Train service between the Mexican border near Laredo, Texas, to a suburb of Mexico City. Service may begin in about a year.

The Mexican run would use Mexican National Railway tracks and refurbished cars.

The Mexican venture would be a franchise-type deal, in which the parent company would provide management expertise, use of name and trademark, etc., while the Mexican investors would actually own the Mexican company.

Mr. Garfield also stated that Auto-Train is investigating additional routes in the United States. Chicago-Denver is believed to be under consideration.

He said the firm would like to increase its Louisville to Florida service, which now runs every third day, to more frequent service. However, equipment shortages prevent this at present.

The Louisville to Florida service and the Lorton, Virginia, line, which runs daily, are both 90 per cent of capacity, with many trains sold out.

Auto-Train also revealed plans for a "truck-train" which will carry big tractor-trailer trucks on flatbed cars, while the drivers eat and rest in passenger cars. Terminals will be built at Lorton, Va. and Louisville, Kentucky.

Amtrak Fares Increase Average 10 Per Cent Nov. 15

SUPPORT NARP — Bring In A New Member

Yes, I want to aid the cause of better rail passenger service. I understand I will receive a membership card and a monthly newsletter to keep me informed of developments.

Enclosed is my remittance for the category checked. I understand that part of this amount is for a one-year subscription to the newsletter.

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| <input type="checkbox"/> Contributing \$10 | <input type="checkbox"/> Sponsoring \$50 |
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Name _____

Address _____

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(NARP members should use this form to renew. It would be helpful if members wait until they receive the coded renewal reminder.)

Amtrak fares increase an average of 10 per cent on most routes, effective November 15, in time to obtain higher revenues from Holiday travelers.

The National Rail Passenger Corporation said the increase is due to higher fuel, labor and material costs.

The Corporation added that fares won't be increased on six routes nor will there be any increases in accommodation charges for sleeping-car, slumbercoach and parlor-car service. But some fares will go up more than 10%. Fares between Chicago and Florida will go up 20%. Unchanged will be fares between Chicago and Detroit, St. Louis, Port Huron, Mich., and Denver, as well as between Seattle and Los Angeles and between New York and Montreal, via Albany, N.Y.

Reservations made before the Amtrak announcement for travel on or after Nov. 15 will cost the old fare, if the ticket is paid for before the date, Amtrak said.

Meanwhile, Amtrak said it will buy 35 more Metroliner-type cars from Budd Co. at a cost of \$14.6 million.

The high-speed cars, to be pulled by locomotives, will boost the total on order from Budd to 292. The Metroliners currently in use in Amtrak's electrified New York-Washington run are self-propelled, but the new cars will be locomotive-pulled so they can be used anywhere on Amtrak's system. All 292 cars are to be delivered to Amtrak by August 1976, with deliveries beginning next spring.

The latest order will include 28 regular Metroliner coaches and seven food-service coaches.

MacDonald, Amtrak Director Solicits Consumer Comments

Times have certainly changed. In the first few years of Amtrak, there was no "consumer director" at all. Now there are three, and one has actually asked for comments.

The letter, from Joseph V. MacDonald of the Amtrak Board, follows:

As you may know, I am one of the newly appointed members of the Board of Directors of Amtrak, and one of the three designated as consumer representatives.

You may be interested to know that I recently made a business trip for my employer, Continental Can Company, Inc., throughout the west — to Denver, Los Angeles, Oakland, Seattle, and Spokane — traveling most of the way via Amtrak.

The morning of Tuesday, Aug. 20, I left Los Angeles on the Amtrak bus to Bakersfield, and rode the San Joaquin to Oakland. I had the chance to spend a few minutes with Mr. Bob Levin, the ticket agent at Bakersfield, and aboard the train visited with Sante Fe conductor Bill Carpenter.

Train No. 711, The San Joaquin, that day had two SP coaches, and the cold food lounge car. The air conditioning in one of the coaches failed two hours out of Bakersfield forcing passengers to crowd into the other coach and lounge car. We had standees at midpoint.

Yet I was told that two additional SP coaches remain on the storage track, being put on the train only on weekends. The train crew told me that they need at least three coaches during the week.

I am mentioning this detail so that you may appreciate that some of the new members of Amtrak's board are getting out on the road to see with our own eyes the conditions our customers are facing. My notes on No. 711, along with several more pages of notes written up on the other trains, will be discussed at our next board meeting.

Please feel free to encourage your readers to send me any comments they may have on Amtrak's service (or lack of!). I'm a regular rail passenger, having travelled on business for some 33 years, and I'll know what they're talking about, and will welcome their assistance in our efforts to provide the kind of service we are mandated to offer throughout the country.

Address:
L'Enfant Plaza
Washington 20024

JOSEPH V. MacDONALD
Member, Board of Directors
National Railroad
Passenger Corporation

NARP MEMBERS

Thank you for your magnificent response to our splendid funds appeal. As of November 1, the totals were: \$22,873 from 1,156 contributors to NARP, \$18,406 from 456 contributors to RAIL. The total of \$41,279 substantially exceeds our goal of \$33,000.

PLEASE do not forget to renew your annual membership when it comes due. The response to the special appeal keeps the dice rolling, but the long-term future of NARP is dependent upon a continuing (and hopefully increasing) flow of membership dues.

Amtrak Postpones Plans For Florida Auto-Ferry

Amtrak has postponed plans for an experimental Indianapolis-Florida auto ferry service for the current fiscal year.

An unfavorable economic projection and equipment shortage were the factors which most influenced the board of directors' decision, although the board did vote to continue research and development on the project.

The auto-ferry cars available to Amtrak were modified from existing equipment and would have been limited by their wheel assemblies to freight train speeds.

Furthermore, the necessary locomotives, coaches, sleeping cars and food service cars necessary for the ferry would have been diverted from other Amtrak routes causing "an adverse impact on revenues, schedules and maintenance programs" an Amtrak spokesman said.

Another consideration, the spokesman said, was the board's concern that "a premature beginning, with unsuitable equipment, might jeopardize future efforts to establish an auto-ferry service."

Eugene K. Garfield, president of Auto-Train Corporation, which runs an auto-ferry from Louisville, Ky., to Florida, hailed the Amtrak decision as "a victory for free enterprise." He said it was a "significant development" for the future of Auto-Train.

DOT Chief Says Trains Lead In Energy Effectiveness

Data contained in a report to Congress by Secretary of Transportation Claude Brinegar proves that inter-city passenger trains lead all other modes in energy effectiveness based on seat capacity.

As load factors on Amtrak trains have been rising due to growing passenger acceptance of rail passenger service, the actual energy effectiveness of rail service based on real passenger miles per gallon becomes increasingly significant relative to other modes.

The report follows:

PASSENGER TRANSPORTATION Present Fuel Consumption Based on Seating Capacity and Average Fuel Use Rates	Seat Miles Per Gallon Representative
RAIL—(U.S. Current—includes allowances for engine idling between runs.)	
– 3000 hp. Locomotives, turbocharged, 0.5 mpg, 9 coaches per locomotive, 60-80 seats each (Amtrak Data)—Relatively new Amtrak locomotives. Many Amtrak cars were less than 60 seats when acquired, now being refurbished with higher density seating.	270-360
– 2250 hp. E-8, not turbocharged, 0.63 mpg, 6 coaches per locomotive, 60-80 seats each (Amtrak Data)—Relatively old Amtrak locomotives, extra engines sometimes added for reliability	225-300
– 2250 hp. E-8, not turbocharged, 0.63 mpg, 4-5 coaches per locomotive, 60-80 seats each (Amtrak data interpolate)	150-250
– 2250 hp. E-8, not turbocharged, 0.62 mpg, 4 cars per locomotive—sleepers, dining, and club cars (Southern Railroad data)—Locomotive performance essentially the same as Amtrak data. For cross-country, added engine for reliability and added luxury cars sharply reduce seat miles per gallon.	50
– Rail diesel car (RDC) (Budd), 3 mpg, 75 seats 85 seats.	250

– Rail diesel car (RDC) (B&M) 2 mpg, 75 seats — Illustrates difference between manufacturers estimate and operating experience. Single B&O demonstration of same cars got 3.48 mpg	150
– Rail turbine train; 0.33 mpg, 320 seats (296 + 24 snack car) (Amtrak data) (Amtrak's French RTG) — Delivery test at 80 mph average	110
– Autotrain, 0.37 mpg, 36000 hp. locomotive, 18 cars per locomotive, 30 automobile—miles/gallon, at 5 seats per auto	150

BUS—(U.S. Current)

– Intercity, 6.0 mpg (Greyhound), 47 seats (TSC Industry average)—Over-the-road test of Greyhound and Trailways buses by TSC indicated 8.8 mpg at 50 mph, 8.1 mpg at 60 mph	282
– Urban, 3.6-4.6 mpg, 50 seats (FHWA, UMTA data)	180-230

AUTOMOBILE — (FHWA Data)

– Urban—Sub Compact 4 seats, 24 mpg	96
– Urban—Compact 5 seats, 18 mpg	90
– Urban—Standard 6 seats, 14.4 mpg	86.4
– Urban—Luxury 6 seats, 9.0 mpg	54
– Intercity—Sub Compact 4 seats, 30 mpg	120
– Intercity—Compact 5 seats, 22.5 mpg	112.5
– Intercity—Standard 6 seats, 18.0 mpg	108
– Intercity—Luxury 7 seats, 12.0 mpg	72

AIR—(NASA Data)

Twin engine turbofan, 68-106 seats	
Short (250 mi. stage) .34-.44 mpg	30-38
Medium (500 mi. stage) .44-.54 mpg	37-47
3 & 4 engine turbofan, 131-200 seats	
Medium (500 mi. stage) .21-.29 mpg	35-41
Long (1,000 mi. stage) .26-.34 mpg	44-51
3 & 4 engine turbofan, widebody, 256-385 seats—Wide body jets use new high by pass turbofan engines with low specific fuel consumption.	
Medium (500 mi. stage) .11-.19 mpg	44-51
Long (1,000 mi. stage) .14-.22 mpg	54-60

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