



NATIONAL ASSOCIATION OF RAILROAD PASSENGERS

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Tales From Two Countries

Canada Restores Trains!

"It is now time to turn VIA [ed.: Canadian equivalent of Amtrak] into a strong system that is cost effective, national in scope and one which Canadians will be proud of and will use."

—Transport Minister Don Mazankowski,
at Jan. 15 Ottawa news conference

"Four years of hard work by Transport 2000 [ed.: Canadian equivalent of NARP] and others has finally paid off with Mr. Mazankowski's announcement of the startup of the Atlantic Ltd., the Super Continental, the Canadian between Montreal-Sudbury, the Toronto-Peterborough-Havelock Dayliner, and service on the Montreal-Sherbrooke and Montreal-Mont-Joli lines, on June 1. When we opposed the cancellation of these trains back in 1981, we were told they did not have a place in the VIA system. Our research proved this wasn't so and, now, our efforts have been rewarded. We can even be optimistic enough to suggest we are seeing the dawn of a new day for the Canadian passenger train."

—Guy Chartrand, *National Pres.*, Transport 2000,
in Jan. 15 news release

Imagine—on this continent—a news conference at which the nation's top transportation official announced expansion of and major capital investments in the nation's rail passenger network! This dream became reality with the Jan. 15 announcement quoted above.

Canada's Pro-Train National Consensus

Conservative Mazankowski's actions in support of passenger rail service seem to reflect a national consensus. The need for improvements to VIA is one of the few points of agreement among Canada's 3 major political parties. Liberal Transport Critic and former Transport Minister Lloyd Axworthy has been emphasizing that he laid the groundwork for VIA's new good fortunes, and indeed he did promise 1985 restoration of the "Super Continental" and he implemented 2 smaller service restorations (see NARP News, June '84 Travelers' Advisory and Sep. '84, p. 3). New Democratic Party Transport Critic Les Benjamin, for years a pro-rail passenger "voice in the wilderness," says he would do even more.

All this is less surprising when one considers the findings of a 1983 survey by Angus Reid Associates, Inc. of Winnipeg: 77% of the 1,500 scientifically-selected respondents favored a high-quality rail passenger service, 82% wanted transcontinental passenger trains, 2/3 opposed any service cuts, 44% favored service expansion, and only 10% favored service cuts. Transport

(continued on page 2)

For Amtrak, Nothing; For Roads & Air, "Spend, Spend, Spend"

'Non-User' 1986 Air Subsidy To Exceed Amtrak's 1985 Support

Administration	NEW BUDGET AUTHORITY (Millions)		
	FY '86	FY '85	Change
Federal Highway	\$15,223	\$14,947	+1.8%
Nat'l Highway Traffic Safety	\$258	\$258	0.0%
Federal Aviation	\$5,133	\$5,330	-3.7%
(DOT TOTAL)	\$24,725	\$28,482	-13.2%
Urban Mass Transportation	\$1,377	\$4,131	-66.7%
Federal Railroad (Amtrak)	\$54	\$811	-93.3%
	0	\$684	-100.0%

"Of all the modes, Federal Highway has fared exceedingly well. The budget is not injurious to our programs at all."

—Federal Highway Administrator Ray A. Barnhart

"The administration is committed to improving interstate highways and promoting highway safety, while reducing support for local mass transit and eliminating subsidies for Amtrak."

—FY '86 Budget of the United States Government,
Ground transportation summary

At a Feb. 4 news conference, U.S. Transportation Secretary Elizabeth Hanford Dole unveiled a FY '86 budget containing no Amtrak funding—the first proposal by any U.S. president that the nation could do without intercity passenger trains.

She strained the credulity of informed observers, however, by saying some Amtrak service might be saved even with the adoption of the President's budget. Her unwillingness to admit that a zero budget means zero service perhaps is a tribute to the strength of public support for balanced transportation, but there's little reason to take her comments seriously (see separate story).

In any event, Amtrak service is assured until the start of FY '86 this October 1.

The Secretary repeatedly justified the no-train-subsidy budget by alleging that Amtrak passengers are "primarily middle-

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Sen. Heinz and Rep. Florio announce their support for Amtrak at a Phila. rally! Photos, pg. 4.

Canada Restores Trains! *(continued from page 1)*

Canada (Canada's DOT) contracted for the survey but did not release the results until forced to do so under Canada's Access-to-Information Act.

Most observers give Mr. Mazankowski a good chance for fulfilling his wonderful promises, but it must be remembered that Transport Canada is heavily staffed with anti-rail-passenger bureaucrats ("mandarins," as they are known locally) who will doubtless search for opportunities to derail the improvement program.

New Services to Start June 1

- Daily Winnipeg-Vancouver service on the "Super Continental" route via Edmonton, Jasper, and Kamloops. (The existing tri-weekly Winnipeg-Prince Rupert service will terminate at Jasper with conveniently scheduled transfer to/from Winnipeg.)

- Daily Montreal-Halifax "Atlantic" via Sherbrooke, northern Maine, Fredericton (via dedicated bus connection at Fredericton Jct.), St. John, and Moncton. This will be the only Montreal-Halifax through service, as "Ocean" will be cut back to Montreal-Moncton and may be timed to connect in Montreal with the "Canadian" instead of connecting in Moncton with "Atlantic."

- The Montreal-Gaspé "Chaleur" service will be restructured and the through cars carried on "Ocean" between Montreal and Matapédia. Between Montreal and Mont-Joli, the daytime "Saint-Laurent" will be restored.

- A direct Montreal-Ottawa-Sudbury section of the transcontinental "Canadian" will be restored, with a dome. Since 1981, "Canadian" Montreal and Ottawa passengers have had to use a circuitous routing via Toronto, with Ottawans suffering the additional inconvenience of having to change trains.

- Toronto-Peterborough-Havelock and Montreal-Sherbrooke daily business-oriented schedules will be introduced on a 2-year experimental "use-it-or-lose-it" basis.

Good News for Amtrak

While it's common for Amtrak supporters to invoke the quality of foreign services in justifying U.S. support for passenger trains, this argument will take on greater force because of the exceptionally close parallel between Canadian and U.S. transportation systems.

Notwithstanding Canada's longstanding lead in ridership per capita, Amtrak can point with pride to the following comparison chart:

1983 SYSTEM STATISTICS

	Amtrak	VIA
Ridership	19.0 million	6.7 million
Passenger-miles	4.2 billion	1.6 billion
Operating Subsidy	\$601.6 million	\$472.4 million
Average subsidy/psgr-mile	14.2¢	30.4¢
Average revenue/psgr-mile	15.2¢	10.8¢
Average passengers per train mile	145	128
Number of locomotives	273	149
Number of cars	1,466	837
Average age of fleet	13 years	30 years

Action Force Now Serves as VIA's Board

Mazankowski and Minister of State for Transport Benoit Bouchard also announced the replacement of VIA's board of directors with the 3-member Rail Passenger Action Force and VIA President Pierre Franche. [On Feb. 6, Prime Minister Brian Mulroney's choice for VIA's new chairman was announced. He is Lawrence Hanigan, who has served since 1974 as chairman of CTCUM, the Montreal transit system. Thus VIA has a 5-member board.]

The Action Force, whose appointment was originally announced by Mazankowski Nov. 19, is chaired by Dr. Hugh Horner of Edmonton, a former Member of Parliament and of the Alberta legislature who also served as Alberta's deputy premier and

minister of transportation, agriculture, and economic development, and as federal grain transportation co-ordinator.

The other two members, Nicholas Vincent and Roch Fortin, have been closely associated with Transport 2000, so their biographical sketches as released by Mazankowski Nov. 19 may be of interest: "A former energy policy analyst, Mr. Vincent, 40, has spent the last 5 years as director of Transport 2000. In that capacity, he gained expertise on the problems of rail passenger service in Canada and a perception of how to best deal with them. For Mr. Vincent, being called to the action force provides the occasion to put his accumulated knowledge and ideas to work." (Mr. Vincent resigned as executive director of Transport 2000 to accept the action force position.)

"A 37-year-old economist, Mr. Fortin has spent the last 4 years as director general of the Eastern Region Council for Development based in Sherbrooke. He has worked with both the Coalition for Improved Rail Passenger Service and Transport 2000 in trying to restore the Atlantic passenger service eliminated by the previous government in 1981."

The Transport Minister's Nov. 19 release said the action force "will be empowered to restore to health the ailing national passenger rail system." It quoted Mazankowski thusly: "I'm very pleased with this team. Not only do I have in Dr. Horner a tremendously experienced decision-maker, but I also have two men with expert knowledge of what Canadians want from their rail service."

A Report NARP Could Have Written

Also Jan. 15, Transport Canada released the action force's "Interim Recommendations to the Ministers." If such a report had been published anonymously in the U.S., few would doubt that NARP had written it, so strong is the reflected commitment to improved rail passenger service. Among the recommendations:

- Strengthening VIA with an "effective legislative mandate." (NARP Director John DeLora of Michigan offered detailed testimony in support of this goal before the Canadian Senate's Standing Committee on Transport and Communications on June 3, 1982.)

- Maintenance of most existing services and addition of services as noted in this article;

- "International Services: In addition to the Toronto-New York and Toronto-Chicago services VIA now operates with Amtrak, there may be opportunities between Vancouver and Seattle, between Winnipeg and Minneapolis/St. Paul and also for an overnight service between Toronto and New York. Amtrak has been investigating these routes. Because the Vancouver-Seattle service in particular would appear to have good prospects given Expo '86, the partial funding by VIA of this service should be evaluated immediately."

- "VIA recently completed a study of the feasibility of a dedicated, high-speed passenger rail line in the Quebec-Windsor corridor and found that the long-term prospects between Montreal-Toronto were encouraging. However, at this time, and for the immediate future, VIA should concentrate on improving existing services."

- Retention of the Victoria-Courtenay service on Victoria Island, British Columbia. This line "has an exciting possibility in the tourist industry: skiing in the winter and sightseeing in the summer. There is excellent community involvement and indeed a joint VIA-City of Victoria agreement to build a station in downtown Victoria has recently been signed."

- The full-service "Hudson Bay" linking Winnipeg with the port of Churchill would continue, "but the Railbus alternative now being developed with the Province of Manitoba should be pursued as an alternative" for local trains on this route and others. "Traditional railway 'status quo' thinking should not block reasonable efforts to adopt this type of new, innovative technology."

- Mazankowski rejected the Action Force's main negative recommendation—suspension of Calgary-Edmonton service "until a dedicated, high-speed service operating on its own right-of-way can be instituted at a later date." The Canadian Transport Commission is reviewing this service and is expected to make a recommendation this spring.

For Amtrak, Nothing *(continued from page 1)*

and upper-class." The Office of Management & Budget's background paper carefully limits this claim to the Northeast Corridor (NEC), however, and a recent Amtrak rider survey found that a higher percent of rail passengers (34%) than of air passengers or auto drivers (14% and 28%, respectively) have incomes under \$20,000. (Figures for the other modes come from the U.S. Travel Data Center.) Furthermore, 47% of Amtrak passengers who ride for 12 hours or longer had incomes under \$20,000.

The Secretary emphasized the growing percentage of DOT costs funded by user charges. She claimed the FY '82 figure was 49%, FY '85 will be 70%, and FY '86, under the President's budget, would be 85%. She did not point out that the proposed FY '86 general revenue (non-user tax) subsidy to aviation, about \$740 million, is higher than the total FY '85 Amtrak subsidy (\$684 million), and many question whether Congress will allow the aviation subsidy to drop so precipitously. (It was \$2.6 billion in FY '84 and \$1.6 billion in FY '85.)

The Secretary said that labor protection provisions in Amtrak's contracts are "not something the government would have to look at" (see separate story). She was not asked about the possible inconsistency between the \$1.2 billion profit the budget assumes will result from selling Conrail and the limbo into which one of Conrail's valuable assets would be thrown by adoption of a zero budget for Amtrak.

Amtrak owns the NEC and is not fully compensated for use of NEC tracks by Conrail freight trains and New Jersey Transit and SEPTA commuter trains. Stated another way, Amtrak is a conduit through which Congress gives a backdoor subsidy to Conrail and the commuter operators. This results from an Interstate Commerce Commission cost allocation decision which found that Amtrak is the NEC's "dominant user," and requires Conrail and the transit agencies to pay Amtrak less than the avoidable costs of using the Amtrak-owned NEC.

As *The Washington Post* reported, if Amtrak dies, "somebody will have to buy [the NEC], which currently provides access for Conrail to at least 400 of its customers, including those served in Baltimore and in the Potomac Yard in Alexandria [VA]."

Amtrak says elimination of its backdoor subsidy to Conrail and the commuter agencies would require those carriers to pay Amtrak a total of \$50 million/year more. If Amtrak ceased operation, however, Amtrak says those carriers initially would pay a total of \$212 million/year in new costs to continue their operations on property now owned by Amtrak, with the annual new cost declining to \$157 million/year if costly changes are made, such as the elimination of unneeded tracks and signal equipment.

Other results of an Amtrak shutdown:

- 21,000 Amtrak employees and 4,200 contracting railroad employees out of work;
- Wasting \$3.1 billion (current depreciated value) worth of equipment (rolling stock, \$1 billion; NEC and heavy maintenance shops, \$1.8 billion; stations and miscellaneous, \$300,000);
- Wasting over \$100 million in state investment in capital improvements under Section 403(b) of the Amtrak law;
- Loss of Amtrak's capacity—almost 70,000 seats and 6,000 sleeping car berths, plus food service cars—for use in national emergencies including national defense. Amtrak has been working on emergency plans with the Federal Emergency Management Agency and with the Army's Logistics staff and—in the event of a national crisis—could make available almost immediately 75% of its total capacity with the remainder becoming available within 48-72 hours.
- Displacement of about 20 million passengers (in FY '84, Amtrak carried 19.9 million passengers a total of 4.6 billion passenger-miles.)
- In FY '84, Amtrak ridership at points without intercity bus service exceeded one million. Excluding Metropark, NJ, the count was 861,000. In many cases where bus service does exist, it complements rather than competes with Amtrak (i.e., Amtrak runs east-west, bus north-south). In all, 25 Amtrak communities have no air or bus service; 52 more have no bus service; 94 more have no air service. ■

How Much Service Will Zero Dollars Buy?

At her Feb. 4 news conference, Transportation Secretary Dole said some trains might run even if there was nothing in the federal budget for Amtrak: "I think there are a number of ways that service might be retained. There may be a considerable amount of interest on the part of local and state authorities to pick up the service." She also alluded to the possibility that private interests might want to fund some service.

President Reagan himself apparently does not believe his budget would sound the death knell of the passenger train. He said that "some programs, such as Amtrak, could be handled more efficiently by the private sector."

Most informed observers, however, think Budget Director David Stockman got it right on that night's *McNeil/Lehrer News Hour* when he ridiculed the notion that private investors would fill any part of the breach. We would add that competing against cheap gasoline and public policies biased against rail passenger service is not a job for a prudent private entrepreneur at this stage in our nation's history.

And we see no reason to believe state and local governments will step in. They are confronted with massive federal budget cuts in all quarters, including the elimination of transit (and commuter rail) operating subsidies and a 52% cut in federal support for transit capital improvement (from about \$2.3 billion to \$1.1 billion). States along the very line the Secretary cited as most likely to survive (NY-Wash.) would be among those hit hardest by the transit funding cutbacks.

Far from dreaming about creation of new state-funded intercity rail passenger programs, the Secretary should worry about how much *existing* transit (including commuter rail) service might also be lost if the President's transit budget is adopted.

In the unlikely event that someone did launch a non-federally funded effort to save Amtrak services, the Secretary's own comments suggested such an effort would be crippled by the "labor protection" problem.

Amtrak says that, under its labor contracts, a total shutdown

A Primer for Public Officials: How to Kill Ground Public Transport

1. Use massive amounts of general revenues to build up the road and air systems. Before the 1971 imposition of airline user charges, the federal government alone spent \$15.8 billion on airport and airway development, money which a 1977 U.S. DOT report said will never be repaid by system users. During 1921-75, state and local governments spent \$130.8 billion more on highways than they collected from highway users.

2. When road/air traffic has developed sufficiently, do something never done for rail passengers: impose user taxes and earmark the proceeds for further development of the collecting modes. In other words, use gasoline tax proceeds to build more roads, and airline ticket tax revenues to build air facilities.

3. Claim that massive federal spending on highways and air facilities is justified because the user pays "virtually" all costs. (Federal Highway Administration figures for 1983, the most recent year available, show \$13.5 billion was collected for highways from non-user taxes by all levels of government—general fund appropriations, \$8.9 billion; property taxes and assessments, \$3.1 billion; other taxes and fees, \$1.6 billion.)

4. Provide 90% federal funding for urban freeways in the Interstate system though predominantly used by commuters. Don't provide 90% federal funding for transit projects. Argue that "mass transit is a clear example of a local matter best addressed by local management, local decisionmaking, and local financing" (Secretary Dole's opening statement, Feb. 4).

would require payments to the displaced workers totalling \$2.1 billion over 6 years, and that first-year (FY '86) labor protection payments (estimated between \$600-\$800 million) might exceed the costs of running the entire system (\$684 million if frozen at the FY '85 level, which Amtrak says is feasible).

The Secretary insisted that "labor protection is not a responsibility of the federal government. It is a responsibility of the corporation [Amtrak]." In other words, the Administration does not intend to request appropriations to honor the labor protection provisions in Amtrak's union contracts. A background paper released by the Office of Management & Budget states: "A U.S. Circuit Court has ruled that Amtrak is not a government agency. If subsidy termination resulted in an Amtrak bankruptcy, labor protection costs would be funded out of the court-supervised liquidation of assets in full or in part."

Amtrak says its capital assets have a depreciated value of "over \$3.1 billion," but \$1.8 billion of that is "Northeast Corridor and heavy maintenance shops" and \$1.0 billion is "rolling stock" so total liquidation of Amtrak's assets might not produce enough cash to cover labor protection alone, not to mention what Amtrak calls the "large administrative cost of a shut-down, including terminating long-term leases for computer equipment, vehicles and Metroliners" and "an expensive work force" to administer the labor protection payments "to over 25,000 people." (At the end of FY '84, Amtrak had 21,000 employees and was responsible for the employment of 4,200 additional employees of the contract railroads.)

The inescapable conclusions are that zero funding for Amtrak at best would produce no service and that an Amtrak shutdown would require substantial government funding at least in the first year and probably for six years. ■



—Amtrak photos by Howard L. McKean

On Feb. 12, Sen. John Heinz (R-PA) (left) and Rep. James J. Florio (D-NJ) held a news conference in Philadelphia's 30th St. Station "in front of cheering Amtrak workers and union representatives," according to *The Philadelphia Inquirer*. The legislators attacked the President's plan to end funding for Amtrak. Heinz called the proposal a "transportation [and] employment catastrophe. . . . It would be a disaster for the city of Philadelphia."



MORE REGIONAL MEETING INFO

Region 6 meets in Fort Wayne, IN, on Sat., 9 Mar., not the 30th, at the Downtown Holiday Inn at 8 AM. Also Mar. 9th, Region 11 meets in Gallup, NM, 3-5 PM at the Gallup Public Library. Region 9 meets Mar. 16th at 10 AM in St. Louis at the Holiday Inn (22nd & Market St.) Region 4 meets Mar. 23 at 8:30 AM in Baltimore at the U. of MD-Baltimore City Campus, Health Sciences Library Auditorium, 111 S. Greene St. Region 10 meets Mar. 30th, 10 AM, Denver, at La Quinta Motor Inn (I-25 & 23rd St.), rides to be available for those arriving on #5. More info: Dutch Tubman, 307/332-6259 after 4 PM, Mountain Time. Region 8 meets Mar. 23, Portland, OR, 12:15 PM lunch, Imperial Hotel, 400 SW Broadway (at Stark). NARP Pres. Jack Martin will speak at Portland; Exec. Dir. Ross Capon at Baltimore (Mar. 23) and Denver; and Asst. Dir. Barry Williams at Fort Wayne.

TRAVELERS' ADVISORY

In apparent response to continued criticism from NARP, Amtrak Feb. 15 reinstated the Kansas City-St. Louis-New Orleans "River Cities" sleeping car service to run at least through June 15.

New Orleans-Mobile "Gulf Coast Limited" made its last run Jan. 6, when additional 403(b) matching funds were not forthcoming from Mississippi. Train's other sponsors, Louisiana and Alabama, did have funds available. Started on Apr. 29, 1984, the train carried huge crowds during World's Fair, despite crippling speed restrictions in apathetic on-line cities. [A Mobile rock band has recorded "The Little Train That Could—If Only Mississippi Would," with proceeds going to revive train. Send \$3 per record to Save The Train, c/o Southern Spice Radio Hour, WXGR-Radio, P.O. Drawer ZZ, Bay St. Louis, MS 39520.]

Amtrak will remove station ticket agents in Ogden, UT, and Lawrence, KS, Jan. 31; and in Redding, CA, and Alpine, TX, Feb. 28; due to poor cost/revenue performance. Checked baggage service ends too (except in Alpine, which doesn't offer it). Custodians will open stations at train times.

Amtrak's first head-end-powered dome-lounge enters service on Auto Train Jan. 30; two more will enter service on the auto-ferry before spring. A quarter of Amtrak's 12 dome-coaches have been retrofitted with shorter seats upstairs to improve visibility; the balance should be retrofitted by summer.

Bingo is now played in "Southwest Chief" diner between lunch and supper, and initial reports from NARP members are quite favorable. Train's lounge now sells several magazines, and hosts late-afternoon Hospitality Hour.

New Jan. 27 Amtrak menu offers more regional diversity in sauces, embellishments.

Philadelphia's SEPTA commuter rail system was reunited Dec. 15 (four days early) with opening of a new \$3 million Columbia Av. bridge after predecessor was condemned Nov. 16.

