

Governor Harry H. Woodring, Correspondence Files, Box 16

Section 1, Pages 1 - 30

These folders contain correspondence state agency files and subject files from the Governor Woodring collection. Some subjects included are the American Legion, American Red Cross, American-War Mothers, Betsy Ross Corps, Boy Scouts, Child Welfare, and Coal.

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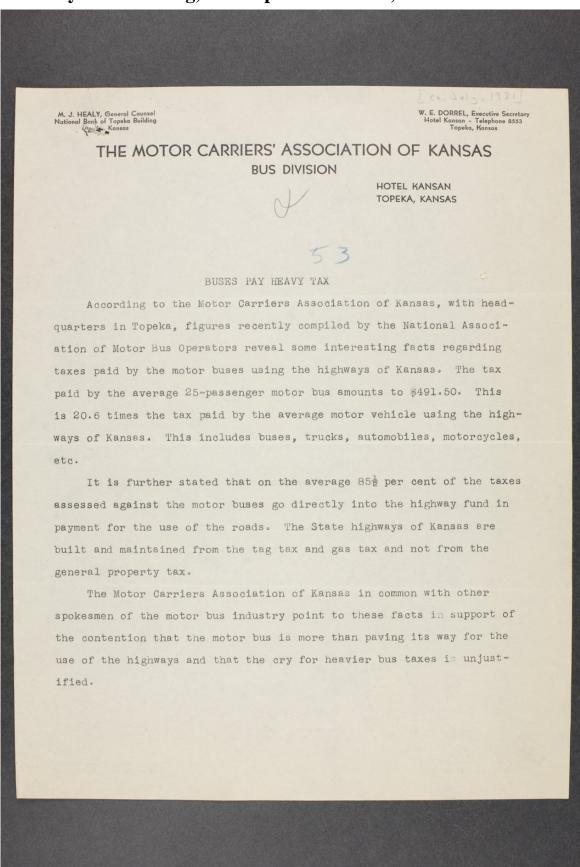
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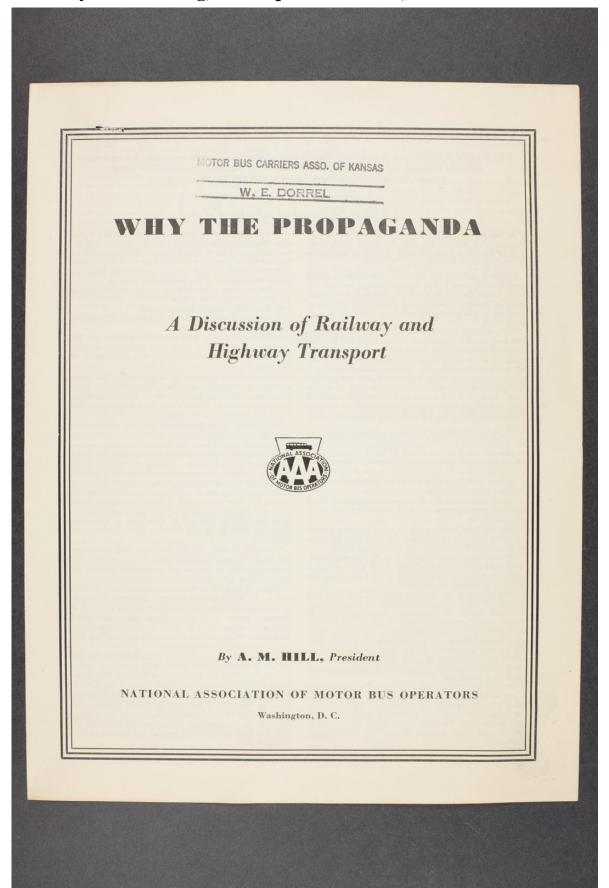
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A Discussion of Railway and Highway Transport

The widely diverse and frequently conflicting statements made recently by railroad officials throughout the country with respect to highway competition must indeed be confusing to the average reader of the newspapers.

A Clear Statement of the Case

At the annual dinner of the Des Moines Chamber of Commerce, on January 7th, 1931, Mr. Ralph Budd, President of the Great Northern Railway, said, in his address on The Changing Transportation Situation.

"Another instance of important developments which have been obscured by the upward trend in railway revenues during the past decade is the change that has taken transportation through the building of good roads and the multiplication of motor vehicles on those roads.

"This situation is anomalous, because the vast construction program of building these modern roads and creating the motor vehicles to use them has been directly and indirectly the cause of the large railway revenues during the ten years ending with 1929. A huge transportation system was being created which already in 1925 had exceeded the national railway system in extent as well as investment. By 1930 it had grown until it consisted of 660,000 miles of surfaced highway, or nearly three times the total railway mileage, besides 2,400,000 miles of secondary high-

"There were 24,000,000 passenger carrying vehicles, 97 per cent of which were engaged in private use for business or pleasure and 3,400,000 trucks, of which 90 per cent or more were private or non-common carrier. There are, in other words, 10 or 12 times as many miles of highway as of railway and 10 or 12 times as many highway cars as there are railway cars in this country.

"The investment in the highways and highway vehicles is \$35,000,000,000, while that in railway and equipment is \$25,000,000,000.

"The highways handle about 10 times as many passen ger miles of travel and perhaps not more than one-tenth as many ton-miles of freight as the railways handle.

"Private automobiles carry most of the highway travel, while common carrier buses handle about 3 per cent of it and common carrier trucks amount to but 7 per cent of the private and contract trucks together.

"The picture of the highway system is that of a vast network of roads completely covering the whole country and used mostly by automobiles belonging chiefly to farmers, manufacturers, wholesalers, and private and contract truckers. A very small proportion of these vehicles are common carriers, but when it comes to actually placing highway competitors on the same basis as railways, as concerns regulation of rates and service, this small group of common carriers seems to be the only one amenable to such regulation.

"In most states, the 5 per cent of total highway traffic which is handled by common carriers is regulated. In many states the regulation is complete and effective, covering maximum hours of duty for drivers, safety appliances, Forty-six of the states of the Union have control over these common carriers in the following

1. By requiring a certificate of convenience and necessity. The purpose of requiring a certificate of convenience and necessity is not to permit unreasonable duplication of transportation service on the highways or in competition with the rail carrier that adequately serves the transportation requirements of the communities affected.

2. By requiring public liability or indemnity insurance for the protection of the public.

3. Regulating rates of transportation.

4. Regulating facilities, hours of service, and safety of operation in all particulars.

5. Giving the same general power of regulation over the common carrier bus and truck as is granted to railroad commissions or public service boards over the railroads of

"Control of such things as the weight, length, and width of trucks and trailers which are permitted on the high-ways is a part of the police power of the various states and may be exercised by officials of all of the states accord-

ing to the dictates of public opinion.
"At present, in the absence of regulation of interstate highway traffic, there is much unnecessary duplication which is injurious alike to the highway carriers in competition with each other and to the railways with which the highway carriers compete. Perhaps the best evidence that the highway common carriers believe they will be benefited by Federal regulation is their desire to have laws enacted providing for it. The railways will benefit by having for their competitors stabilized operations as to rates and service. In the event railways desire to enter upon the business, they will be able to do so with more assurance because of the freedom from irresponsible

"Taxation is quite a different thing from regulation and should be considered separately. Like regulation, the question should be approached constructively-that is, some rational basis of taxation should be sought.

"Taxes of highway users already are very high in some states. In Minnesota, for instance, all automobiles pay an average of about \$25 per year, including a tax of 3 cents per gallon on gasoline. Buses pay about \$1,100 taxes each per year, or as much as 44 automobiles, in Minnesota. This amounts to about 22 per cent tax per year on the average value of buses.

"It must be recognized that the public highways are for the use of all the public. Undoubtedly people who drive their automobiles for business and pleasure and their trucks for hauling their own freight, or who contract their hauling with private carriers, would object to excessive taxes on automobiles and private carrier trucks. As already stated these vehicles handle about 95 per cent of the traffic on the highways; there are about 24,000,000 of them and they are owned by most of the families of the United States.



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"People who do not own cars or for any other reason desire to have the benefit of the public highways by using common carrier buses and trucks may share equally in the advantages of good roads, if such roads are open to common carrier vehicles with taxation and regulation which will enable them to give the cheapest and best service consistent with proper use of the highways.

"I respectfully suggest that Congress should leave to the Interstate Commerce Commission the regulation of railways, especially as to fixing rates; that railways be permitted to operate ships, buses and trucks in an effort to coordinate all forms of public transportation for the sake of improved service efficiency and avoidance of waste, Railways should be encouraged to reduce expenses in every reasonable way, including the making of appropriate consolidations.

"They should be permitted to take off unprofitable trains where automobiles have taken the travel and to substitute highway bus service for those trains, either themselves or by arrangements with bus companies. Regulatory bodies should recognize the necessity of conserving

revenues and, therefore, should not depress rates arbitrarily, but endeavor to sustain reasonable rates wherever possible. The railway companies are not blameless in respect to rate cutting and should be more cooperative with each other in that respect.

"The problem of coordinating railway and other transportation is not peculiar to the United States. France, Italy, Germany and England all are wrestling with it.

"Neither is the misfortune of poor earnings peculiar to the railroads. Indeed, the railroads merely reflect the poor business of others. While I do not expect to see local passenger travel restored to the railroads, I do expect to see the railroads hold the great bulk of their other business. The automobile and the oil business will be among the others to contribute earnings to the railways in greater volume as conditions improve. They have contributed to make our country the most advanced in the world. The railways are so essential they cannot help benefiting from the continuation of that advancement, which I have an abiding faith we shall soon witness."

On the Other Hand

In contrast to the intelligent and sincerely analytical attitude of Mr. Ralph Budd, is the following statement by Mr. R. W. Barrett, Vice President and General Counsel of the Lehigh Valley Railroad, in the New York Times, January 4, 1931, which may be considered representative of the restrictive propaganda being broadcast by many other railroad interests:

"You have heard of the house that Jack built. In so far as taxes are concerned the house that Jack built runs about as follows: This is the railroad that paid the taxes, that built the highway, that carried the truck, that took the revenue of the railroad. In other words, we paid the taxes—or a large portion of them—for building the highways that constitute the free roadbed for the movement of freight and passengers in trucks and buses that we would have moved ourselves."

Mr. Barrett may know his nursery rhymes but he is certainly all "higglety-pigglety" concerning the facts. However, he is not alone. "Publicly provided free roadbed," "subsidy," "stolen traffic" are volubly used terms in the public utterings of such railroad officials.

In 1929 motor vehicle fees and gasoline taxes, less collection costs, were 75 per cent more than sufficient to pay all costs of the State Highways. The difference was sufficient to pay all costs on local rural roads that may be attributed to the presence of motor vehicles.

The bus and the truck pay an unduly high proportion of these fees and gasoline taxes.

The extremely small part of Rural Road revenue attributable to railroads comes through the general tax fund, and is comparable to a similar share paid by motor vehicle owners, real estate owners and all citizens in general, aside from the gasoline and other highway use taxes.

The railroad must have its passengers and freight brought to it—it cannot go to them as the motor vehicle can—hence roads are built and maintained for its benefit quite as much as they are for the benefit of the property owner, and the railroad should pay for that benefit in the same proportion.

And whether or not the railroads themselves would have carried the traffic of the bus was excellently summarized in the January 13th statement of the Missouri Pacific, St.

Louis-Southwestern, and Missouri-Kansas-Texas railroads to the Interstate Commerce Commission, in which they pointed out that convenience and not low cost was the important advantage of highway transportation. They stated:

"... the traveling public use busses primarily because of frequent service and because they can take busses at hotels adjacent to their residences, and also because they can be discharged at their destinations at points convenient to such passengers."

They further stated regarding private automobile traffic:

"It is a matter of common knowledge that owners of private automobiles can under present rates travel more economically by railroad at 3.5 cents per mile than by use of their private automobiles, which, it is safe to say, costs from 6 to 8 cents per mile to operate."

Protesting the rate reduction in railroad passenger fares from 3.6 cents to 2 cents per mile as proposed by the St. Louis-San Francisco Railway, these three railroads pointed out that passenger travel by railroad would have to increase 80 per cent—an impossible increase. In other words, such decreases in passenger fares lack economic justification, and would result in losses that would have to be absorbed by freight revenues and are simply rate cuts designed to drive out motor bus competition which cannot fall back on freight traffic.

Anti-bus and truck propagandists support their claim with misinterpreted or irrelevant statistics. They, for example, cite the 92,500 buses in the country for being heavily responsible for their losses in passenger traffic, when less than 32,000 buses can even remotely be considered as competitors of railroads, and certainly most, if not all, of the annual traffic of even these would still stay on the highway if bus service were discontinued.

"Unregulated" is another of their favorite words in discussing competitive buses. In every State except Delaware intrastate buses are regulated and even in Delaware all important operations are supervised by the City of Wilmington. And interstate bus operators have themselves been foremost in a concerted and prolonged effort

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to secure regulation of the 6,000 buses operating inter-

The motor bus came as an experiment. It remained and has grown rapidly because of the public convenience and necessity which it serves. It is economical yet enjoys no subsidy or privilege. It pays its ways handsomely.

Whatever advantage it has over the railroad hes largely in the fact that it can carry small loads of passengers at great frequency of schedule with less machinery and closer to the ultimate destination than can the railroad. This advantage is inherent and should not be denied the public.

Then Why the Propaganda?

Efforts through propaganda to restrict and to harm the development of bus transportation are not made with the interest of the public in mind but apparently with the sole purpose of protecting revenues of competing forms of transport.

The motor bus operators of the country through the membership of their National Association in the U. S. Chamber of Commerce recently subscribed to the "Principles of Business Conduct" as promulgated and adopted by the Chamber May 8, 1924, and subsequently subscribed to by all members.

Principle No. XI of the Code reads as follows:

"UNFAIR COMPETITION, embracing all acts characterized by bad faith, deception, fraud, or oppression, including commercial bribery, is wasteful, despicable, and a public wrong. Business will rely for its success on the excellence of its own service."

Judge Edwin B. Parker, Umpire, Mixed Claims Commission, and Chairman, Committee on Business Ethics, Chamber of Commerce of the United States, in a discussion of the "Principles of Business Conduct," makes the following comments:

"Every business enterprise should deserve and command success because of the excellence of its own products and service rather than because of the shortcomings or misfortunes of its competitors. Competition in service is always in the public interest.

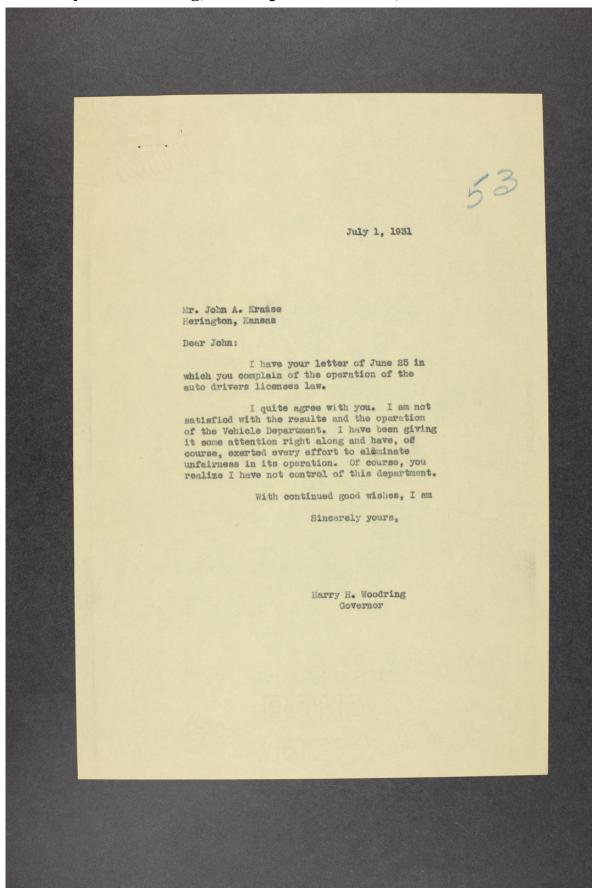
"But the seeking of a business advantage through efforts directed to harm a competitor is unethical and wasteful and will receive the unqualified condemnation of all right-thinking men. Whatever form such efforts may take entails economic waste and is repugnant to the public interest."

It would seem that no industry or business could ask for a better or more honest platform than that outlined by the "Principles of Business Conduct" and Judge Parker's remarks thereon.

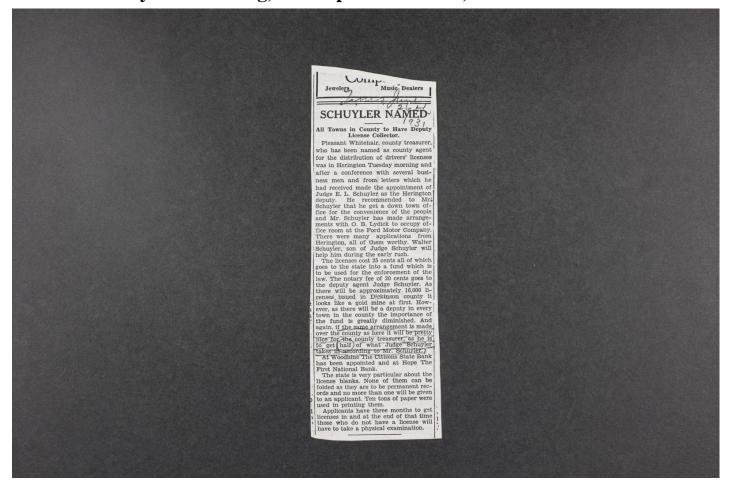
The motor bus operator is willing to let his service answer for itself and is not afraid, if the facts on both sides of the picture are fairly displayed, to depend on the public for the ultimate answer.



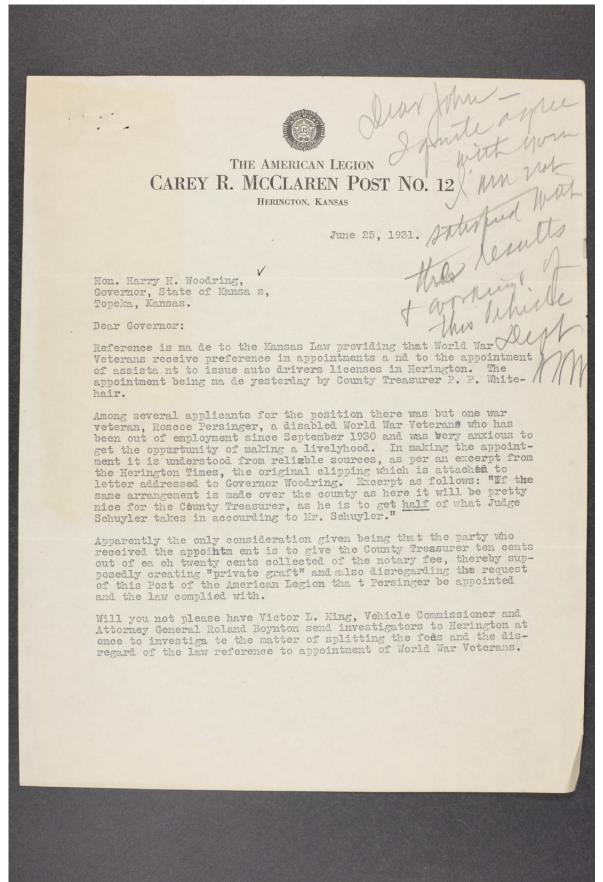




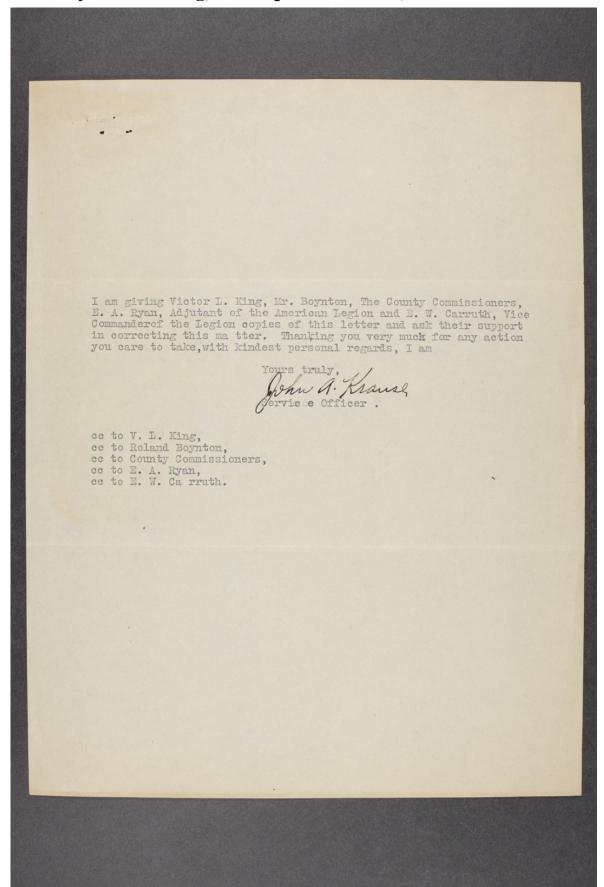














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RESUME OF HOUSE BILL NO. 61

DRIVERS' LICENSE LAW

Effective July 1, 1931.



(Only items concerning drivers of COMMERCIAL vehicles are mentioned here)

DEFINITIONS. Section 1. The following words and phrases when used in thisact shall for the purpose of this act have the meaning respectively ascribed to them in this section, except in those instances where the context clearly indicates a different meaning: (a) "Motor ve icle". Every vehicle, as herein defined, which is self propelled. (b) "Owner." A person who holds the legal title of a vehicle, or in the event a vehicle is the subject of an agreement for the conditional sale or lease thereof, with the right of purchase upon performance of the conditions stated in the agreement and with an immediate right of possession vested in the conditional vendee or lessee, or in the event a mortgagor of a vehicle is entitled to possession, then such conditional vendee or lessee or mortgagor shall be deemed the owner for the purpose of this act. (c) "Operator." Every person, other than a chauffeur, who is in actual physical control of a motor vehicle upon a highway. (d) "Chaffeur." Every person who is employed for the principal purpose of operating a motor vehicle, and every person who drives a motor vehicle while in use as a public or common carrier of persons or property: Provided, That this classification shall not apply to any person operating a truck used in the transportation of farm products from point of origin to market. (e) "Department." The vehicle department of this state acting directly or through its duly authorized officers and agents. (f) "Commissioner." The vehicle commissioner of this state. (g) "Farm tractor."
Every motor vehicle designed and used primarily as a farm implement for drawing plows, mowing machines and other implements of husbandry. (h) "Nonresident." Every person who is not a resident of this state.

UNQUALIFIED PERSONS. An opertor's or chauffeur's license shall not be issued in any of the following cases: Sec. 5. An operator's or chauffeur's license shall not be issued in any of the following cases: (a) To any person under the age of 13 years, and no chauffeur's license to any person under the age of 18 years.

Department also has the right to refuse license to persons who are

Department also has the right to refuse license to persons who are mentally or physically unfit or who are unable to understand highway warning or direction signs in the English language. Sec. 6. It shall be unlawful for any person, whether licensed under this act or not, who is under the age of sixteen years to drive a motor vehicle while in use as a school bus for the transportation of pupils to or from school, or for any person, whether LICENSED UNDER THIS ACT OR NOT, WHO IS UNDER THE AGE OF TWENTY-ONE YEARS, TO DRIVE A MOTOR VEHICLE, WHILE IN USE AS A PUBLIC PASSENGER-CARRYING VEHICLE. Sec. 22. Every owner of a motor vehicle causing or knowingly permitting a minor under the age of sixteen years to drive such vehicle upon a highway, and any person who gives or furnishes a motor vehicle to such minor, shall be jointly and severally liable with such minor for any damages caused by the negligence of such minor in driving such vehicle.

APPLICATION AND FEE. Sec. 8. (a) Every application for an operator's or chauffour's license shall be made upon the approved form furnished by the department, shall be verified by the applicant before a person authorized to administer oaths, and shall be accompanied by the fee therefor, which fee for an operator's license shall be twenty-five cents (25¢) and for a chauffour's license shall be two dellars (\$2). ********* That application for chauffour's license may be made by the employer of such chauffour and the fee for such license be paid by such employer, and that it shall be stated on the face of each chauffour's license whether the fee is paid by the employer or the chauffour. That when the fee is paid by the employer may have the chauffour's license canceled at any time and a new license issued to some other person without payment of any additional fee.

EXAMINATION: (c) The department may in its discretion issue an operator's or chauffeur's license under this act, without examination, to every person applying therefor within three months after this section takes effect, and who is of sufficient age, as required by section 5 of this act, to receive the license applied for and who furnishes evidence satisfactory to the department that such applicant has previously operated any motor vehicle in a satisfactory manner within this state over a period of not less than one year. (Section 10)

IDENTIFICATION BADGE. Sec. 13. (a) The department shall issue to every person licensed as an operator an operator's license, and to every person licensed as a chauffeur a chauffeur's license. Every chaffeur before operating a motor vehicle as a public or common carrier of persons or property shall apply for and receive from the department, and at all times while so operating a motor vehicle shall display in plain sight upon the band of his cap or upon the lapel of his outer coat a chauffeur's badge. Any person licensed as a chaffeur under this act shall not be required to procue an operator's license, but no person shall drive any motor vehicle as a chauffeur unless licensed as a chaffeur.



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Sec. 14. In the event that an operator's or chaffeur's license or a chaffeur's badge issued under the provisions of this act shall be lost or destroyed, the person to whom the same was issued may obtain a duplicate or substitute thereof upon furnishing proof satisfactory to the department that such license or badge has been lost or destroyed, and upon payment of the fees required by law.

license or badge has been lost or destroyed, and upon payment of the fees required by law.

Sec. 15. Every person licensed as an operator or as a chauffour shall write his usual signature with pen and ink in the space provided for that purpose on the license certificate issued to him immediately upon receipt of such cortificate, and such license shall not be valid until the certificate is so signed. The licensee shall have such license in his immediate possession at all times when driving a motor vehicle.

CAUSES FOR REVOCATION OF LICENSE

- 1. Manslaughter, resulting from the operation of motor vehicle
- 2. Driving a vehicle while intoxicated or under influence of a narcetic drug.
- 3. Porjury or making falso affidavit in application for license.
- 4. Conviction or forfeiture of bail on three charges of reckless driving.
- 5. Leaving scene of accident without making identity known.

Sec. 27. No person shall employ any chauffour to operate a motor vehicle who is not licensed as provided in this act.

Sec. 28. No personal shall authorize or knowingly permit a motor vehicle owned by him or under his centrel to be driven by any person who has no legal right to do so, or in violation of any of the provisions of this act.

NOTE. IT IS NOT NECESSARY FOR A PERSON OBTAINING A "CHAUFFEUR'S LICENSE TO ALSO SECURE AN "OPERATOR'S" LICENSE.



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J. W. Blood, President

M. J. Healy, Vice Pres.

W. E. Dorrel, Sec.

MOTOR TRANSPORTATION ASSOCIATION OF KANSAS, INC., Headquarters, Room 930, Hotel Kansan Topeka, Kansas

ORGANIZED TO FURTHER THE INTERESTS OF THE AUTHORIZED MOTOR CARRIERS OF KANSAS

Bulletin No. 10

July 2, 1931

ODDERNING

GREETINGS

GREETINGS

We are pleased to welcome the following new members into the Association:

J. D. Colson, Kanapolis, Kans.; E. J. Gebhart, Harveyville, Kans.; P. H. Klessen, (Dutch Truck Line) Hillsboro, Kans.; H. L. Felten, Hays, Kans.; Harman Bros., Girard, Kans.; Anderson Motor Service, Kansas City, Mo.; Capital Transit Company (truck) Holton, Kans.; Meade Produce Company, Meade, Kans.; Ferd P. Radloff, Basehor, Kans.; Breckenridge & Zuell, Louisburg, Kans.; Paul Gerety, Emmett, Kans.; O. J. Budd, Red Ball Motor Lines, Liberal, Kans.; Ray Tedman, Stafford, Kans.; Ben Waters, Alta Vista, Kans.

These men investigated and found this to be a substantial, legitimate, organization. Most of them have made personal visits to this office. We are very glad to have them as members and hope they will give us an opportunity to serve them often. This is not a complete roster of our members, these being recent additions which have not been previously announced. IS YOUR NAME ON THIS LIST? It should be.

IMPORTANT - A three-judge Federal Court, sitting in Topeka June 25 and 26, expressed doubt as to the validity of Senate Bill 388, (regulating size, weight, speed, etc.) inasmuch as it exempted farmers and, therefore, was a discrimination against others. However, they ruled that Senate Bill 387 (the fee bill) is constitutional and further ruled that the Public Service Commission has power under section five of bill 387 to do the things which bill 388 attempted to give the Motor Vehicle Commissioner power to do.

This means that the Public Service Commission can regulate, size, weight, speed, etc., as well as collect the fee of one-half mill per ton mile.

It is very unfortunate that some of the operators have taken it upon themselves to question the authority of the Commission in enforcing this law. No doubt they were advised by some person who is wholly unfamiliar with the situation and who really has no interest in the highway transportation business except to profit from some of the operators.

We have repeatedly advised you that this office was in close touch with the state departments and glad to be of service to you at all times. Any time you care to take up matters of this kind, they will have very good attention, and unless we have to go cutside of the organization for assistance, there will be no charge to you. LET'S ALL GET BEHIND THIS MOVEMENT AND WORK WITH THE PUBLIC SERVICE COMMISSION WITH A VIEW TO CLEANING UP THE HIGHWAY TRANSPORTATION INDUSTRY. WE WILL ALL PROFIT BY SUCH ACTION. Why let a few people make the entire industry look ridiculous before the people of Kansas.

"UNITED WE STICK - DIVIDED WE'RE STUCK."

LET'S GET TOGETHER - SEND IN YOUR APPLICATION TODAY

The driver's license law took effect July 1. GET YOUR MEN COVERED.

This office is in touch with a number of first class, experienced drivers, who have handled large equipment, both bus and truck, for several years. Also can supply several traific men and junior executives. NEED ANY GOOD HELP?

There will be very few hearings before the Commission during the next sixty days, however, you will be kept posted on all important matters.

WHO IS COMPETING UNFAIRLY WITH YOU TODAY? Why not lot us help eliminate them.

It would be interesting to know how many of you fellows started your truck operations at the request of the United States government during the war. How many of you have the original letters? These would make good publicity for you.

W. E. DORREL Secretary



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	ORDERS ISSUED
	MOTOR CARRIERS
Docket No.	June 30, 1931
7290	Application of Leonard Brothers to transfer Route 17 to Wright Miller, GRANTED.
12213	Application of Mo. Pac. Ry. Co., through its attorneys for a rehearing in the matter of the application of D. S. Potterf for a certificate of convenience and necessity to operate as a motor carrier for the transportation of property between Atchison, Kansas and Contralia, Kansas, GRANTED, and rehearing assigned for July 27, 1931
12688	Application of J. W. Blood for a certificate of convenience and necessity to operate as a motor carrier for the trans- portation of persons between Manhattan, Kansas and Colby, Kansas, DISMISSED AT REQUEST OF APPLICANT.
12997	Application of Thad McCormick, Mt. Hope, Kansas, for a certificate of convenience and necessity to operate a trunk line from Mt. Hope, Kansas and Hutchinson, Kansas, GRANTED.
	HEARINGS SCHEDULED
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