

# WHY THE COST OF OPERATING RAILROADS HAS BEEN INCREASED

**STRUGGLING AGAINST INCREASED COST OF LABOR, SUPPLIES, ETC., ON ONE HAND—REDUCED RATES ON THE OTHER.**

During the last few years the advocates of government ownership of railroads have been somewhat persistent in the public press and the matter is referred to here, not with any idea of combating this propaganda, but merely that the people may be better informed of the picture. So long as a lot of men welcome the wrecking of the railroads on the theory that the government will take them over and that such a state of affairs would be preferable to private ownership, it will be impossible to obtain from them a fair judgment of the latter system which now prevails in the United States. It is impossible to go into this great question at any length at this time, but here are a few things worth thinking about. Much has been said in recent years about the "water" contained in American railroad securities, and, in this connection the valuation of the government owned railroads of Europe is very interesting. In Germany the state owned roads are valued at \$114,185 per mile, in Austria at \$120,692, in Hungary at \$69,210, in Italy at \$125,886, in Belgium at \$190,914, in Switzerland at \$102,910, in Roumania at \$99,113, in Japan at \$88,104, in New South Wales at \$71,391—while the privately owned lines of the United States, regardless of what water may have been forced into them in specific instances, are valued at only \$63,944 per mile. Whatever inflation may therefore have been put into their properties in the past, the fact remains, that their present valuation is much lower than that of the government owned railroads of Europe, and, what is still more important, the rates charged are the lowest and the service rendered admittedly the best in the world. It is also pertinent to remember that the charge of watered stocks, after all, can be made against but very few American railroads—the lion's share of them having been managed without a breath of scandal or criticism.

In connection, a statement contained in the last annual report of the Deutsche Bank of Berlin, which has a paid-up capital and reserve fund of \$75,000,000, is interesting: "American railroads need higher rates. The present rates are the lowest in the world—representing but a fraction of the English railway rates, for instance—and this in the face of the fact that wages in the United States on the average are fully twice as high as in Europe." Certainly this view of the privately owned lines of the United States, coming from Germany, which has the most successful state owned system of transportation in the world, is worthy of grave consideration.

In further confirmation of this statement we quote the following statistics: It costs 7 mills per mile on an average to haul a ton of freight in the United States while in England it costs an average of 2.33 cents. In France 1.41 cents and in Germany 1.42 cents. The average daily wage paid to American railroad employees is \$2.23, in England it is \$1.35, in France 88 cents and in Germany 81 cents. Are American railroads, therefore, entitled to the wholesale abuse and denunciation which has been heaped upon them from all sides in recent years?

## LETTING WELL ENOUGH ALONE.

In view of these facts, the average citizen may well ask himself whether it is not best to let well enough alone rather than invite other ills we know not of—whether it is not wiser to cure such defects as may encumber the present system rather than run the danger of plunging this mighty industry into the whirlpool of party politics for all time, with its attendant opportunity for evil of which the past affords such rich variety of experience. The United States is still a young country, and in many sections only partially developed. Many new lines and extensions are needed here and there to give a wider opportunity to expanding agriculture and commerce, and nothing could be more unfortunate or disastrous than that these favors could henceforth be obtained only by leave of the dominant political factions which will reign at the national capital in the years to come. Political parties are intensely human institutions, and the average cautious citizen will prefer to leave the railroad expansion of the future to the economic law of supply and demand of the different communities rather than to place such a temptation for power in

the hands of those who rise and fall in the field of politics. Furthermore, should the time ever come when the government takes over the railroads, it means that the people will have to forego the millions of taxes which they now pay and which help to support the public schools, public highways and other public expenses—and that henceforth these millions of revenue would have to come out of the pockets of the people.

Many other things could be said upon this phase of the question, but space forbids. For some time, the government, through the Interstate Commerce Commission, has been engaged in making a physical valuation of all our railroads as a matter of guidance for future rate adjustments. Again, we repeat: since the people absolutely control and regulate the railroads, is that not enough? Will it not be better to let well enough alone—to cling to that which is good and eliminate that which is bad in the present system which, with all that has been said against it, furnishes the best and cheapest transportation service in the world?

## INCREASED COST OF OPERATION

We now wish to refer briefly to another phase of the problem. For a number of years the cry of the "high cost of living" has been everywhere abroad in the land. Time was, not so many years ago, when the farmer sold his corn at 25 cents per bushel. Now it brings from 50 cents to 75 cents. So, too, he sold hogs at 3 cents per pound, which now readily brings from 7 cents to 10 cents—while a good steer calf, which used to bring from \$10 to \$12, now sells for from \$20 to \$25. Nobody who knows anything about present land values or the farmer's cost of production will contend that he is not entitled to these increased prices. As a matter of fact, unless he is an exceedingly good manager and utilizes the best of modern agricultural thought he is by no means getting rich at present prices—high as they may seem to people in the cities who do not understand the cost attached to present-day farming. To go back to the old prices he used to receive would bankrupt, in a little while, every farmer in the country—and the tendency of the future will be for the prices of farm products to go still higher rather than lower. Agriculture is the nation's greatest fundamental industry and society must make the farm game sufficiently profitable to justify the man who is on the farm today and the farmer boys of the future to stay by the plow. Much has been said recently about the fact that the farmer does not receive enough for what he produces—that there is too big a waste in the channels through which his products pass before they reach the consumer, and that he has some cause for complaint in this respect is undoubtedly true. However, the railroads can face such an inquiry with a clear conscience—for an exhaustive investigation conducted by the Lehigh Valley Railroad some time ago shows that the farmer gets 50½ cents out of the average dollar's worth of products he sells; the packers, local shippers, distributors and retailers get 44½ cents between them; while the railroads receive only 5 cents, or one-twentieth of the dollar, for the transportation services they render.

So, too, there has been a steady advance in practically the entire range of merchandise and manufactured products, whatever their nature, and the ever increasing toll in the cost of labor, steel products, lumber, cars, locomotives, and other supplies has levied a tribute of untold millions upon the railroads, which have not only been forbidden to increase their rates, but, on the contrary, in many instances compelled to lower them.

## BIG INCREASED COST OF LABOR.

To give the reader an exact idea of how the cost of labor has advanced in the operation of railroads we quote the following increases in the daily wage from 1900 to 1914—a period of only fourteen years: In the case of engineers if increased from \$3.68 per day to \$5.75, or an increase of 56 per cent; firemen from \$2.21 to \$3.62, or 64 per cent; conductors from \$3.31 to \$4.83, or 45 per cent; station agents from \$1.98 to \$2.16, or 9 per cent; other station men from \$1.62 to \$1.90, or 17 per cent; ordinary trainmen from \$1.97 to \$3.36, or 70 per cent; machinists from \$2.72 to \$3.52, or 29 per cent; carpenters from \$2.31 to

\$2.59, or 12 per cent; other shopmen from \$1.93 to \$2.20, or 14 per cent; section foremen from \$1.51 to \$1.83, or 21 per cent; trackmen from \$1.15 to \$1.52, or 32 per cent; telegraph operators and dispatchers from \$2.25 to \$2.65, or 17 per cent. This means a general average increase in wages of 32 29-100 per cent—and all other classes of railroad operatives and employees in a more or less similar degree. While these advances have proven a great boon to the nearly two million men employed in the railway service and increased their capacity to buy from merchant and farmer, they have exacted many millions annually from the railroads themselves—all of which made the general public richer, but the roads poorer. In 1900 the railroads paid \$1.44 per ton for coal. Now they pay \$1.81. Then they paid 38c for ties. Now they pay 52c.

## OTHER INCREASED COSTS.

But there are many other items which have enormously increased the cost of railroad operation which we cannot go into because of a lack of space. The public is constantly demanding a more efficient and a safer service, and hence the railroads have had to spend vast sums in installing block signals, steel passenger cars, going away with grade crossings, straightening lines, heavier locomotives, better roadbeds, and supplying many other precautions protecting both their operatives and the public—all things very necessary, yet very costly. So, too, numerous states have passed "Full Crew" laws which, without benefiting the public, have compelled the railroads to pay a toll of millions to useless employees.

Now, while labor, farm products, merchandise and manufactures and supplies of all kinds have steadily increased in price, the railroads, as stated before, have been compelled to reduce their rates in the face of this avalanche of ever-advancing cost of operation—and that all but the most powerful lines find themselves in an exceedingly critical condition is not to be wondered at. The farmer, the merchant, the manufacturer and the laborer justly insist that they would not be able to get along on the prices they received ten or fifteen years ago. How, then, can the railroads, which are the largest employers of labor and buyers of material in the United States, be expected to exist on less than they received ten or fifteen years ago? In view of these facts, it is no wonder that President Wilson and other patriotic and careful students of the situation are speaking words of kindly admonition to the American public, to the end that the railroads, through whose giant arteries flows the very life blood of the nation, may not be wrecked and destroyed.

## THE PUBLIC AND THE MANAGER.

On the one hand, for the last twenty-five years the public has demanded the best and highest efficiency in service and lower rates in one and the same breath. On the other hand stand the thousands of men and women who have invested their money in railroad securities and who, in common with the farmer, the manufacturer and the merchant, believe they are entitled to a fair profit. Then come the hundreds of thousands of employees who are continually clamoring for an increase in wages, as well as the cost of all manner of railroad supplies which is constantly advancing—and between them, as arbiters, stand the managers of the roads—the big "hired men," struggling with might and main to reconcile all these conflicting interests in the face of reduced rates upon every hand. That they have at last reached a point where they can continue the unequal struggle no longer should not be a matter of wonder—and in face of the harsh and unfriendly criticism which has descended upon their heads from every quarter they find themselves in the mental attitude of the fiddler in the Western mining camp when he yelled out, "Please don't shoot boys; I am doing the best I can." (Paid adv. To be continued next week.)

## Certainly a Good Offer.

John F. Gorder, the implement man, has a large ad. in another column of the Journal that is well worth looking over and the opportunity offered by him to his farmer friends should be taken advantage of. This is a feed grinder and engine demonstration and in addition to this he will furnish hot cakes and coffee on Wednesday and Thursday, December 30th and 31st. Any kind of grain brought in up to eight bushels will be ground free of charge by the demonstrator.

## Harness Oiled, \$1.00 Per Set.

Now is the time to look after your harness in the way of repairs and oiling. Bring them in and let us look after the needed repairs now. Our price for oiling is \$1.00 per set.

John Gorder.

Try a sack of Forest Rose flour. Your money refunded if not satisfactory.

## IN PLATTSMOUTH FORTY YEARS AGO.

Mr. Fred Gorder, long known as the "buyer" of the "Plattsmouth Grain Company," and now one of the firm of the new Stock & Grain Company, has gone to Fairmont to take charge of the branch houses of the firm established there and at Friendville, on the line of the B. & M. Pinyne & Reil are the gentlemen with whom Fred can be found at Fairmont.

On Monday morning several of our best sportsmen went out on the B. & M. some hundred miles west of here, and judging by the returns and by the chickens that the Herald demolished on Tuesday, they must have had good luck so far. The party, as far as we are informed, consisted of Dr. Livingston, Mr. Hildegarde of the B. & M., Hon. Sam M. Chapman, his brother, Hon. John Chapman, and L. D. Bennett. We must say such tender, delightful, enjoyable chickens the Herald never ate before.

The Herald attended a very pleasant little debate out at Greenwood the other evening. The question was the old one of whether it would be a detriment or a benefit to the women of the U. S. to be allowed the privilege of the ballot box. Dr. Root was president of the society. Our Plattsmouth friend, Joseph Connor, captain on the affirmative and J. D. Rouse on the negative. Connor opened the debate, followed by Rouse. Among the gentlemen who spoke on the affirmative side were Prof. Root, Mr. Geary, Mr. Shyne and the editor of this paper. On the negative appeared, besides the captain, Dr. Youngstead, Andy Tutt, and Mr. C. Young, who made a very good point when he said that the reason woman was not taken from man's head was because he had no brains nor anything else to spare from here, so she was taken from beneath his arm, etc. The question was decided in the affirmative by the intelligent judges.

We found Greenwood a very pleasant little village doing a thriving business. Mr. Connor tells us he has bought a great deal of corn there within a few weeks. From there and Ashland they shipped 19 carloads in one day, a great feat for Nebraska. A large warehouse and elevator was built here last year by the Grange. It was not successful, however, and was sold not long since to Doom & Co. W. T. Etheridge is one of the largest merchants there, and has a well stocked store, from which he supplies the surrounding country, and has been doing, in spite of hard times, a very good trade. We had the pleasure of staying there over night and hereby ask to be remembered to Mrs. Etheridge, whom in the hurry of leaving in the morning we did not get to see. Messrs. A. and J. Tutt, two old Plattsmouth friends, also keep a good, substantial outfit of general goods and have the postoffice in their store. They have bought and have now cribbed about 9,000 bushels of good, sound corn. They report their trade good and seem well satisfied with their change.

The town also boasts of two good "hitch" edifices, a handsome drug store, kept by Dr. Youngstead, and where both Drs. Youngstead and Root have their offices; two blacksmith and wheelright shops and other business that goes to make up a live western town. There is another crib of corn here of about 6,000 bushels bought by Mr. Etheridge, and in which our own man, Eli Plummer, is interested. The surrounding country is as handsome prairie as we ever saw anywhere. There are many fine farms in sight. The large stock farm of Mr. Fitzgerald is six miles from this station, Greenwood being the nearest R. R. point. As the sun rose from the great expanse of level country, so similar to its appearance at sea, the sight carried us back in memory for many a long year, when we used to watch from under our blankets beneath the open sky, or from the mouth of a tent, to see old Sol rise, and we once more rejoiced at the prodigious growth Nebraska has made in the last few years.

## REAL ESTATE TRANSFERS.

F. H. Urwin to C. A. Eager, lots 469 and 470, Louisville. Consideration \$ 800.00  
F. P. Sheldon to J. A. Dysart, part NE quarter, 34-10-13. Consideration 152.00  
Tom Bowers to Anna Vojtech, SE quarter, NE quarter, 7-11-14. Consideration 1.00

1915 Calendar Pads at the Journal office.



## For the Next 15 Days

We offer you a straight bonafide discount of 15 Per Cent on any Suit or Overcoat in the house except **STYLEPLUS**. You know the kind of goods we carry. You know our methods of doing business. You know when we say 15 Per Cent that you actually get 15 Per Cent below the marked price and "no monkey business." You also know that the biggest part of a Nebraska Winter is still ahead of us. Come early and get the best selections. This applies to Boys' Overcoats and Suits; also Mackinaws.

## C. E. Wescott's Sons

New ties every week

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Every size overall made

## LIGHTING PROPOSITION IS DRAWING TO A CLOSE

The Council Working Energetically to Bring the Matter to a Successful Conclusion.

The light committee of the city council and the members of the committee from the Commercial club which has the matter of the lighting contract and franchise in hand, are working hard on the proposition with a view of securing results that will prove most beneficial to the city its people and any arrangement that will be made at the council meeting can be assured will be to the best interests of everyone, as the committee has been busy for the past month in securing figures and facts on which to base their judgment in taking up the light question, and they intend to see that the public, which utilizes the service of the light companies is given a square deal all the way through. Both the Nebraska Lighting company that is located here at present, and the McKinley interests, which are seeking a franchise to do business here, have put forth their propositions to the city and these will be weighed before any recommendation is made as to the action to be taken by the city. The question is one filled with great interest for everyone who uses the electric current or gas and whatever action is taken will have a very important bearing upon the future of the city along the lines of municipal lighting and the committee shows good judgment in their deliberation on the question.

## MR. CLAUD SEIVERS AND MISS CATHERINE PETERS UNITED IN MARRIAGE

Another of the Plattsmouth young men has tired of the state of single blessedness in which he has been living and accordingly has taken upon himself a wife, the wedding ceremony occurring on Friday at the home of the groom's parents, Mr. and Mrs. J. W. Seivers, when their oldest son, Claude, was united in wedlock with Miss Catherine Peters of Louisville. The wedding was a very quiet one and was attended by only the immediate family and the employees of the Nebraska Lighting company, with whom the groom is engaged in working. Both of these young people are very popular among a large circle of friends and their marriage will be the source of a great deal of pleasure to their friends and acquaintances in this city and Louisville, where they are both well known, and where the groom is manager of the interests of the Nebraska Lighting company. The bride is a most charming young lady who has endeared herself to a large circle of warm personal friends, and her happiness in the future will be their most fervent wish. The groom has been reared to manhood here in Plattsmouth and his friends are without number and all will join in wishing him and his charming helpmate the best of success and years of happiness in their wedded future.

## Miscellaneous Shower.

There was a very pleasant miscellaneous shower given at the home of Mr. and Mrs. John Urish, west of Mynard, in Eight Mile Grove, last Wednesday evening, the affair being given in honor of their daughter, Miss Mattie, and Mr. Philip Schafer, whose wedding will take place some time in the near future. The occasion was a very enjoyable one for all those present, and many very useful presents were left with the future bride and groom. There were in the neighborhood of fifty guests in attendance, all of whom were nearby friends of this excellent young couple. The evening was pleasantly passed in the usual manner of games and music, and at the customary hour refreshments were served.

Registered Jersey Bull for service. C. E. Babbitt, Platts-mouth. 1-2-2mos-wkly

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## Make Your Wants Known

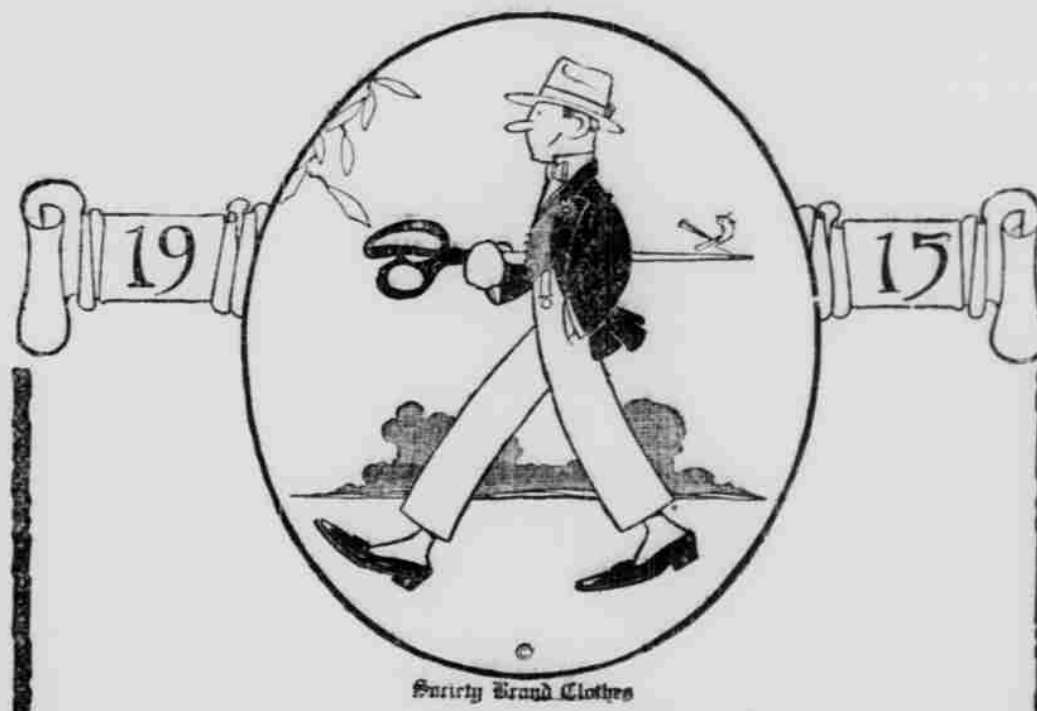
STRAY boar taken up at my place. Black with white spots. Louis Friedrich. 12-7-tfw

TAKEN UP—Black Holstein heifer. Owner may have same by calling at my place and paying for this advertisement. Wm. Wehrlein. 12-7-tfw

FOUND—A black muff. Owner may have same by calling at this office and paying for this advertisement. 12-15-tfd

LOST—Between Plattsmouth and Mynard, mud chains for automobile, size 30. Finder please call 'phone 2212 or notify R. L. Propst. 12-23-tf-d&w

FOR SALE—I have 20 or 30 pure bred S. C. Rhode Island Red Cockerels for sale. Prices from \$1.00 up. W. B. Porter, Mynard, Neb. 11-16-d&w



## Start the New Year right in one of our new overcoats!

Beginning Tuesday morning, December 29th we offer the greatest Overcoat Values ever shown to the men and young men of this community. Coming now, at the beginning of the winter, this is an opportunity which no man in need of an Overcoat can afford to pass up.

All coats come from makers who guarantee their product. This, with the guarantee of our store, gives you double assurance of satisfactory garments.

Our entire stock is divided into two classes for quick selling.

All \$15 and \$17 Overcoats, including 50-inch Shawl Collar and 46-inch Velvet Collar models made of All Wool fabrics, will sell for **\$10**

All \$20, \$25 and \$30 Overcoats, made up in this season's best selling models from all wool materials and hand tailored throughout will sell for **\$15**

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