

THE MUNICIPAL BRIDGE AND TERMINALS COMMISSION OF ST. LOUIS

The Mississippi River, marking the Missouri-Illinois state line, makes a striking physical and governmental division between St. Louis, Missouri, and East St. Louis, Illinois; but otherwise these two municipalities (together with the immediately adjacent Illinois manufacturing towns—Madison, Venice, Granite City—which are naturally a part of East St. Louis) form a single commercial and manufacturing district.

In the railroad development of this district those lines entering from east of the river stopped at the east bank and built their terminals entirely on the Illinois side; while all lines entering from territory west naturally provided terminals entirely on the Missouri side where the main business development had taken place.

In recent years some three or four lines have acquired terminal property on both sides of the river; but no one road owns or operates an independent means of crossing the Mississippi River throughout the nineteen miles of St. Louis river front.¹

Several companies were organized from time to time to provide means of crossing the river, and to provide railroad terminals in St. Louis and East St. Louis: the Wiggins Ferry Company (operating ferries for cars, vehicles, and passenger traffic, and belt lines and team-tracks on both sides of the river); the Terminal Railroad Association (operating the Eads Bridge for wagon, pedestrian, street-car and railroad traffic and providing belt lines, team-tracks, freight-houses, and the St. Louis Union Passenger Station); the Merchants Bridge Terminal Company (operating the Merchants Bridge and some belt and terminal properties on both sides); the Interstate Car Transfer Company (operating car-ferries, and a belt line in East St. Louis).

These all supplied facilities for parts of the business, and, some limited competition; but the general result of their operation, independently of each other and independently of the railroads, was much friction, duplication of service, and cumulated terminal charges.

¹ The Missouri Pacific Railway Company operates a car-ferry between Ivory, Mo., and Bixby, Ill., just south of the St. Louis city limit.

All these properties, however, were gradually brought into closer operating and traffic relations under ownership or control by the Terminal Railroad Association of St. Louis, composed of the fourteen largest St. Louis railroads (the proprietary lines of the association having been increased from six in 1889 to fourteen in 1902). All other railroads were given the use of the Terminal Association properties on equal terms with the proprietary lines.

In the adjustment of freight-rates to and from the St. Louis district, western and southern lines applied the same basis to St. Louis and East St. Louis (except for business within a radius of about one hundred miles). That is, they absorbed the bridge or ferry charges in their rates. This was brought about by conditions of competition. The Chicago & Alton Railroad, while in western business, had its terminals at East St. Louis and crossed its western freight nearly a hundred miles up the river. That road, making the same rates between St. Louis and the West as those lines running directly west from St. Louis, forced the St. Louis rates to East St. Louis. Further, the St. Louis, Iron Mountain & Southern Railway (Missouri Pacific System) on the west side, and the Illinois Central, Mobile & Ohio, Louisville & Nashville, and other roads on the east side, were all in business from both St. Louis and East St. Louis to the Southwest, South, and Southeast, and in competition necessarily made the same rates from both sides of the river.

With eastern lines, however, the situation was entirely different. They published no rates to and from St. Louis; but issued their bills of lading and freight bills on an East St. Louis basis, and declined all responsibility for traffic between St. Louis and their terminals at East St. Louis. Separate bridge or ferry tolls were made on all eastern freight (and also on eastern passengers) for that part of the service.

The St. Louis merchant not only had these separate arbitrary charges to pay for the transfer to which extent he was at a disadvantage with the East St. Louis merchant, but he had the annoyance and intolerable delays of dealing with two and often three sets of officers of different transportation companies in the handling of one shipment. He had to accept and deliver his eastern freight at East St. Louis, where it was outside of the St. Louis police and fire-department protection, and at times subject to damage and great delay from flood waters.

An almost continual agitation for the removal of these burdens was kept up by the press, by various business organizations and traffic bureaus but without substantial results.

Further, while great extensions and improvements were made to the plants of the Terminal Railroad Association and of the individual railroads during the World's Fair period of 1903-4, these for freight traffic, were entirely inadequate to the marvelous business growth of the past few years, and a satisfactory development of terminal facilities was wanting both on account of public opposition to certain lines of development which were perhaps not fully understood, and on account of disagreements among the different railroads as to the proper policy to pursue in extending terminals.

In 1905 these conditions resulted in the passage of an ordinance by the Municipal Assembly of St. Louis providing for a Municipal Bridge and Terminals Commission to investigate the nature of the hindrances to the commerce of St. Louis, to determine the measures necessary to remove those hindrances, and to recommend what action the city should take in connection therewith.²

The ordinance provided that the commission should consist of the mayor as chairman, the president of the Board of Public Improvements, and seven citizens³ to be appointed by the mayor to represent the different business interests of the city. The ordi-

² Section 2 of the ordinance gives its duties in detail as follows:

"(1) To investigate and determine the nature and extent of the hindrances to the commerce of St. Louis, whether as regards delay or inconvenience in the handling of freight, or disadvantageous charges or methods of shipping or billing of freight, or in any other regard. (2) After the commission shall have determined what hindrances and disadvantages to St. Louis commerce do in fact exist, then the commission shall further determine what must be done to correct said existing hindrances to the commerce of St. Louis. The commission shall determine and announce what portion of the necessary remedial action shall be undertaken by the city of St. Louis as a municipality, and what portion by the citizens thereof or by associations of citizens, to the end that all the people of St. Louis may know the facts as they exist, and, being convinced as to the best way to remedy the situation, may all unite their efforts to accomplish practical relief. (3) The commission shall further prepare and cause to be introduced into the Municipal Assembly such ordinances as may be necessary to enable the city of St. Louis to do its part toward the correction of existing hindrances to the commerce of the city, as far as may seem to the commission to be right and proper for the municipality to undertake, such as constructing, acquiring, operating, or controlling bridges, trackage, transfer boats, or other transportation facilities."

³ These gentlemen, who serve the city without any compensation, are: Robert H. Whitelaw (vice-chairman), Whitelaw Bros.; Joseph D. Bascom, secretary

nance also covered the appropriation of a liberal amount for expenses of the commission.

Later the commission employed Messrs. Robert Moore and Albert T. Perkins to act as advisers to the commission in railroad traffic, operating, and engineering matters. Mr. Perkins gives practically his entire time to the work of the commission; Mr. Moore (an eminent bridge engineer) acts in a consulting capacity from time to time.

This commission, while having no coercive powers and desiring none, has, during the two years since its organization, been remarkably successful in bringing about desired results, toward which the various commercial bodies and the press had for years tried in vain to make progress. The causes of its influence and success are therefore worth considering.

In the first place, the commission represents the municipality as a whole, and, being the creature of the Municipal Assembly, ostensibly has back of it the legislative and franchise-giving or refusing power.

Secondly, the mayor acts as chairman, and all meetings, hearings, and formal negotiations are held in the mayor's office. This heightens the impression of backing by the municipal government and the city as a whole. The effectiveness of this chairmanship, however, has been mainly due to the unusual character and personality of the mayor, Hon. Rolla Wells—a man of broad culture as well as of affairs. He, by a combination of the best elements in both political parties, was elected mayor as the right man to conduct the business of the city and to represent the municipality with credit during the World's Fair period. On account of his striking work in putting the executive branch of the city government on an economical, efficient, and honest business basis, he had, at the time the commission was organized, just been elected by a largely nonpartisan vote, for a second term of four years.

Thirdly, the mayor succeeded in inducing business men of unusual fitness, and in sympathy with his sound business methods, to serve on the commission—men who have given much time and conscientious effort to this service and who have worked closely together. They elected as their vice-chairman Mr. Robert H. Broderick & Bascom Rope Co.; C. W. S. Cobb, president Glencoe Lime and Cement Co.; R. S. Colnon, Fruin & Colnon, contractors; Homer P. Knapp, vice-president Butler Bros.; Hugh McKittrick, vice-president Hargadine-McKittrick Dry Goods Co.; R. W. Shapleigh, vice-president Norvell-Shapleigh Hardware Co.

Whitelaw, a St. Louis merchant of many years' experience, who has taken unremitting interest in the large share of work in conducting the commission's negotiations, which has necessarily fallen to him.

Finally, all business of the commission has been conducted in a quiet, reasonable way. The executive officers of the railroads soon found that the conferences with the commission were entirely confidential, and thus felt able to discuss measures and means for improvements with entire frankness.

The first results obtained by the commission, after some conferences with the higher officers of the eastern railroads, were the St. Louis bill of lading and freight bill and the publication of through rates between St. Louis proper and the East. This, to use the current phrase, "put St. Louis on the railroad map." It extended the full responsibility of eastern railroads for the safe carriage of St. Louis goods into St. Louis.

Then the question of arbitrary bridge differentials in eastern rates was taken up. When the commission began its work, these differentials amounted to from 2 to 10 cents per 100 pounds on less than carload freight, and to from 1½ to 2 cents on carload freight. To this extent the merchant doing business in St. Louis was handicapped as compared with the merchant doing business in East St. Louis, and as compared with other points where rates were based on East St. Louis. It was a situation of an entirely unsatisfactory comparative adjustment. While the commission found that terminal charges in general in St. Louis were reasonable as compared with those in other cities, it felt that no sound reason existed for the differentials between St. Louis and East St. Louis, and that one basis of rates must apply to the whole St. Louis business district.

Investigation developed some sound reasons why these differentials should not be wiped out all at once; but in November, 1905, an agreement was reached, reducing the differentials on freight between St. Louis and points west of a 100 mile limit, as follows:

In addition, the bridge toll on soft coal, which comes mostly

Classes.....	1	2	3	4	5	6	Special Commodities—Hard Coal, Coke, Pig Iron, etc.
Old differentials	10-2	10-2	5-2	5-2	2-1½	2-1½	2-1
New differentials.....	2	2	1	1	½	½	½

from within the 100-mile limit, was reduced from 30 cents to 20 cents per ton.

On the volume of business then handled these reductions amounted to a saving of nearly \$1,000,000 per year to the people of St. Louis.

Negotiations continued, and in June, 1906, a further agreement was obtained, reducing the differentials on the two highest classes to 1 cent; and in the case of soft coal from Illinois mines the roads agreed to deliver on through St. Louis rates, free of all switching charges, to tracks connected with all the railroads in St. Louis (i.e., the eastern roads absorbed the switching charges to industries, etc., on the tracks of western roads in St. Louis). This was equivalent, on a large proportion of the coal business, to a further cutting-in-two of the differential. These reductions amounted to nearly \$300,000 more.

This left the differentials as follows:

Classes	1	2	3	4	5	6	Special Commodities
Cents per 100 lbs.....	1	1	1	1	$\frac{1}{2}$	$\frac{1}{2}$	$\frac{1}{2}$

There they remained until early in 1907, when the commission decided that conditions had changed sufficiently to warrant the abolition of the remaining differentials on business to and from all points beyond the 100-mile limit, and the placing of both sides of the river on the same rate basis.

Negotiations were therefore pushed, which resulted, at a meeting on April 19, 1907, between the executive traffic officers of the eastern railroads and the Municipal Commission, in arrangements to do away entirely with the remaining differentials on business beyond 100 miles, and to publish one set of rates between the St. Louis district (including St. Louis, East St. Louis, Madison, Venice, Granite City, etc.) and eastern points. This means that, as far as freight traffic is concerned, East St. Louis will be simply one division of St. Louis, just as North St. Louis, South St. Louis, and Carondelet are divisions of St. Louis. It means that St. Louis will be the freight-rate basing-point, not only for business between the St. Louis district and the East, but between the East and most of the vast territory west of the Mississippi River. This rate-basing adjustment is no less important than the fact that the cutting-out of the differentials as they existed in 1905 means a saving to St.

Louis people, on the present volume of business, of nearly \$2,000,000 per year.

Inside the limit of 100 miles it seemed that the previous adjustment was for the present entirely fair.

Before leaving this matter of rate differentials, it should be understood that the commission does not in any way concern itself with railroad rates as such. It has simply taken cognizance of relative rate adjustments which affect terminal conditions in the St. Louis business district.

Meantime the commission has dealt with various complicated problems in connection with drayage allowances for crossing the river, with a view to preventing discrimination as between different classes of business and between the different railroads; and it has taken up operating problems, for example, in connection with the receiving and rapid handling of less than carload freight such as a "4 o'clock house pull" from the Terminal Railroad Association stations whereby merchandise for eastern lines is received for the same day's movement up to 3:55 P. M., instead of only until 11:30 A. M., as formerly.

It has in all cases insisted in its agreements on the protection of the smallest shipper as well as the largest shipper.

But perhaps the most elaborate work of the commission came with the physical problem of working out a comprehensive scheme of freight-terminal development, in connection with which its duty is to recommend to the Municipal Assembly policies in the granting of franchises which should result in adequate facilities for shipping and receiving freight in all important business centers of St. Louis and which should enable all the St. Louis railroads to compete on reasonably even terms in all those centers.

This involved plans not only adequate for the present traffic but elastic enough for a development keeping pace with a rapidly growing traffic for many years. Plans for freight terminals had to be worked out in harmony with modern manufacturing and commercial tendencies, while at the same time allowing full provision for great growth of passenger transportation. And, further, due regard has been given to what might be desired in the way of future development of property for public-park and other civic purposes—something too often neglected in railroad terminal location and construction.

Accordingly, thorough investigations were made of the present railroad terminals, bridges, ferries, etc., in the St. Louis district, of

methods of operation, of the past and probable future character and volume of traffic, of the probable desirable uses of land for public purposes of all kinds, of the street-railway conditions, etc. Careful examinations were also made, by the advisers to the commission, of railroad terminals in other large cities with a view to applying to St. Louis whatever might seem to fit its conditions.

Plans for terminal improvements were prepared even to the extent of drawings and estimates in some detail for a new railroad bridge across the Mississippi River.

On January 8, 1907, a large number of presidents and vice-presidents of the St. Louis lines came together in St. Louis at the invitation of the commission; and the commission's suggestions for physical improvements were presented to them in detail under the following four divisions:

1. The better connecting-up of the terminal units inside the district, to permit free and rapid movement of cars between the different parts of St. Louis and East St. Louis.
2. Trans-Mississippi River bridge and ferry connections.
3. Team-tracks.
4. Freight-houses and the handling of less than carload traffic.

In the way of general policy the first step in planning a terminal scheme involved the discussion of union vs. individual terminals. It was apparent that any individual railroad getting the pick of locations in different parts of the city, and acquiring its property without forcing prices, might do its own team-track and freight-house business to best advantage; but with a large number of railroads, and with the best room limited, that seemed possible but for a part of the railroads, and for those only in a limited way.

After the establishment of the definite St. Louis basis of rates by all lines, and the settlement of the St. Louis bill of lading and the arbitrary differential questions, the remaining fundamental cause of antagonism to union terminals as represented by the Terminal Railroad Association was that, so far as the public is concerned, and so far as the local officers of the railroads are concerned, the Terminal Railroad Association had been handled as an institution practically independent of the railroads. The public is jealous of any appearance of monopoly; and the operation of the various properties of the Terminal Railroad Association as an organization apparently distinct from the railroads had naturally created that prejudice.

The public wants to deal directly with the agents of railroads

over which it is shipping and receiving freight; but there can be no valid objection to those agents being joint agents. To give on joint terminals service which is really satisfactory to the public, and which is, on the other hand, economical to the railroad companies, the agents of each railroad must clearly understand that the joint terminals are a part of that railroad, and that each railroad company is directly responsible to the public for the proper handling of its business on such joint terminals.

As the development of joint freight terminals seemed to the commission the right basis to work on, it was suggested that the agents of the Terminal Railroad Association be made joint agents of the railroad companies, and that, except for local transfer and switching business, all business with the public be transacted in the names of the individual railroad companies.

The plans submitted by the commission were in their general scope accepted by the railroad executive officers, and it was agreed they should be worked out as fast as financial and other conditions would permit. Work in line with recommendations of the commission, and involving the expenditure of some millions of dollars, is now under way.

Outside of its general recommendations for development of union freight terminals on a large scale, the commission has taken an active interest in the development of the terminals of the individual roads; and its greatest service in that connection should continue to be to see that such development is along lines not in conflict with general plans for the benefit of *all* the railroads.

It seems, therefore, that the work of adding to the natural advantages of St. Louis, transportation conditions—physical, operating, and traffic—most advantageous to its business, is well advanced.

No formal investigation of the street-railway and rapid-transit necessities has yet been undertaken; but data presented to the commission by its two advisers led to preliminary action whereby enabling acts were introduced and passed in the last session of the state legislature under which, in case further investigation should show that desirable, and on a two-thirds vote of the people, St. Louis may issue bonds for and construct subways and other necessary facilities, in ways similar to those pursued in the subway constructions in Boston and New York. It is probable that detailed investigations in this line will be undertaken at no distant date.