

PennAg Passes Rail Resolution

In the shadow of Penn Central's impending liquidation, PennAg Industries Association recently adopted a resolution supporting the continuation of rail service in the Northeast.

Joining the National Grain & Feed Association, the American Feed Manufacturers Association and other trade groups who have policies designed to rehabilitate, refurbish and restore rail service, the Chairman of PennAg Industries' Transportation Committee, James W. Leeser, Selinsgrove, said,

"The welfare of Pennsylvania citizens and the State economy depend heavily on the railroads. The cost of Penn Central's liquidation to the citizenry would be almost incomprehensible. The lack of rail service would cost Pennsylvania farmers alone \$400 million annually according to PennDot studies".

The statewide association's resolution is aimed at continuing service and opposed to the misuse of funds. It calls for amendments to Federal acts, suggestions on subsidies and other ideas to promote efficiencies.

The Federal Railroad Administrator's authority would be limited to the approval or disapproval of applications for funds using ICC decisions or court rulings as a guide.

It would establish new tools to be used in continuing service on branch lines such as increased freight rates at the local level, reduction in service from daily to less frequent, or reduction in size of train crews, among other things.

The resolution calls for subsidy of essential branch lines, subject to certain safeguards, such as being limited to provable losses, in the public interest as opposed to continuing inefficiencies and for limited periods of time, thus necessitating periodic reevaluation.

It recommends establishment of car clearance centers to facilitate movement of cars to home territories. Also recommended would be a Federal fund used to evaluate the condition of all existing locomotion and rolling stock, the sale of cars as scrap which are not rehabilitable and the repair of the remaining fleet before purchasing new equipment.

Finally, the resolution calls for a scale of demurrage or penalties against either shipper or carrier in an effort to improve rail service.

"This resolution represents many hours of work by volunteer committee members, within PennAg Industries Association who are offering it as their contribution to lawmakers, regulatory agencies, carriers and shippers as a guide in solving a complex problem", Leeser concluded.

RESOLUTION on Rail Service

WHEREAS the RAIL TRANSPORTATION SYSTEM, especially in the Northeast, has been seriously affected by tropical storm Agnes, and WHEREAS certain RAIL TRANSPORTATION SYSTEMS are in a state of insolvency and were so prior to tropical storm Agnes, and

WHEREAS, due to the lack of

Canoe Settlers

Canoes brought voyagers from Southeast Asia to distant Pacific Island homes centuries before Columbus braved the Atlantic Double canoes of Tonga, largest known in Polynesia, reached 100 feet and carried as many as 200 passengers

sufficient operational capital, certain RAIL TRANSPORTATION SYSTEMS are incapable of involvement in a program of restoration and-or rehabilitation of certain affected lines, and

WHEREAS a number of the affected branch lines are vital to the life of the immediate area, the State and Nation and, in particular, to the stability and viability of agribusiness, and WHEREAS the NATIONAL GRAIN & FEED ASSOCIATION, THE AMERICAN FEED MANUFACTURERS ASSOCIATION and other interested NATIONAL TRADE ORGANIZATIONS have developed RAIL TRANSPORTATION policies designed to rehabilitate, refurbish and restore RAIL TRANSPORTATION services, now therefore

BE IT RESOLVED by the representative segment of PENNSYLVANIA

AGRIBUSINESS embodied in the TRANSPORTATION COMMITTEE of PENNAG INDUSTRIES ASSOCIATION that:

1. The BOARD OF DIRECTORS OF PENNAG INDUSTRIES ASSOCIATION adopt an attitude of full cooperation with the severally above-named on matters relating to RAIL TRANSPORTATION especially as it affects commerce within the State of Pennsylvania on the whole, the welfare of the citizenry and the economic security of the membership of PENNAG INDUSTRIES ASSOCIATION particularly.

2. The BOARD OF DIRECTORS OF PENNAG INDUSTRIES ASSOCIATION

empower the Executive Vice President to act as liaison between PENNAG INDUSTRIES ASSOCIATION and the severally above-named.

3. The BOARD OF DIRECTORS OF PENNAG INDUSTRIES ASSOCIATION adopt, as its policy on RAIL TRANSPORTATION, the following suggestions of the TRANSPORTATION COMMITTEE:

a. That APPLICANTS for Federal assistance under the provisions of the EMERGENCY RAIL FACILITIES RESTORATION ACT (PL 92-951) be required to forego abandonment proceedings on any line restored through use of such funds for a period of not less than eighteen (18) months following such restoration.

b. That the Federal Railroad Administrator be limited to approval or disapproval of applications for funds, by RAIL TRANSPORTATION SYSTEMS based upon:

1. I.C.C decisions already a matter of record.

2. Court Rulings based upon presentations by the RAIL TRANSPORTATION SYSTEM and arguments thereto by interested entities on any or all affected feeder or branch lines.

3. Full and complete investigation into the accounting procedure, of applicant carriers, to make certain that "loading" branch lines with unwarranted expenses has not taken place.

4. A re-determination of "essentiality" of branch lines,

not to be restored, based upon increased income as a result of:

a. Allowing increases in local freight rates to an extent not to exceed the cost of alternate modes of transportation.

b. Adjustment in service on the affected line, i.e., from five to three days service; from three to two days; from twice weekly to once a week.

c. Reduction in crew make-up to only the essential personnel, i.e., engineman, conductor and one brakeman or switchman. The exception to this being extraordinary circumstances that, for the safety of life and property, would require a second brakeman or switchman.

c. That consideration be given a program of subsidization of essential branch lines, provided:

1. Such subsidies be limited to provable losses based on strict accounting of the branch in question.

2. Such subsidies would be in the public interest and not purely the support of an inefficient operation.

3. Such subsidies were not to be granted for an indeterminate period of time but be limited to a period necessary to other disposition of the affected line.

4. Such subsidies to be granted only after the exercise of procedure as outlined in Section b, 4a, 4b and 4c proceeding.

d. That purchase of the affected line via Federal and State funds be arranged with the Trustees of bankrupt RAIL TRANSPORTATION SYSTEMS, under jurisdiction of the FEDERAL COURTS, by authority of

enabling legislation such as Hartke Bill S-1031, S-2188 and-or Pennsylvania Act number 35 (1973 Legislative Session). Such acquisitions to be continued in operation under lease agreements with other RAIL TRANSPORTATION SYSTEMS whether, or not, interconnecting.

e. That all else failing, branch lines be exposed at sale to any entity or combination of entities interested in the continued operation either as a "short line" or a "lease back" agreement.

f. That a system of car clearance centers be established to facilitate the movement of cars whether laden, or not, toward home territories. Special emphasis to be placed upon movements into and out of ports of embarkation and in-transit classification facilities and junction points.

9. That appropriation of Federal funds be made for the purpose of rehabilitation of locomotion and rolling stock with precedence given to modernization of present inventories through a program of evaluation. Examination of rolling stock and locomotion at points capable of making a decision as to the feasibility of repair and-or refurbishing or consignment to scrap, could be carried out. Funds derived from the sale of scrapped material could be returned to the program of rehabilitation and modernization of equipment.

h. That a scale of demurrage and-or per diem rates be established that would make it prohibitive for any RAIL TRANSPORTATION SYSTEM not to handle cars with greater facility.

Above Resolution adopted by: PennAg Industries Association Board of Directors

RED ROSE FARM SERVICE INC.

MR. FARMER

Red Rose Feed Grain Exchange Programs?

EXAMPLE

5-Ton's Solanco Feed at \$ _____
 Less 2½ TONS Farmers Grains at \$ _____
 Net \$ _____

To Complete The Above Blank Spaces
 Contact Pete Howard, Ray Boll,
 Dick Ibach.



WE ALSO OFFER GRAIN STORAGE FOR OUR MANY CUSTOMERS WHO HAVE A SURPLUS OF 1973 CORN CROP.
 WE OFFER COMPLETE MARKETING PROGRAMS FOR SHELLED CORN, SOYBEANS, ETC.

GRAIN ELEVATOR

New Providence

786-3427

MAIN OFFICE

N. Church Street
 Quarryville, Pa.

786-7361

Red Rose
 ANIMAL FEEDS



BUCK, PA.

284-4464