

WHY A 5c STRAIGHT FARE?

Service Requirements Make It Necessary

1. In order that the P. R. T. can successfully continue to carry the people of Philadelphia—nearly 3,000,000 car-riders each day.
2. In order that the P. R. T. can pay in full the wages due 11,000 employees who are now performing in public service in a way to set a world example.
3. In order that the P. R. T. can have credit to raise money to uphold and improve service.

P. R. T. NOW HAS ITS BACK TO THE WALL

P. R. T. must have more money or go to the wall! This would mean the loss of present Management with probable reversion to conditions that existed here prior to 1911.

P. R. T.'s operating statement, just made public, shows a deficit of \$425,354.21 for the month of August. An accumulated deficit has been built up during the past several months in varying amounts until P. R. T. is now short \$1,151,628.77 as of August 31.

P. R. T.'s operating deficit for the next twelve months would exceed \$4,000,000 under present conditions.

The need of increased earnings is two-fold; the amount required to pay actual operating costs is necessary in order that the cars may be kept running; the amount to pay the agreed 5% dividend on P. R. T. stock is required in order that P. R. T. credit may be sufficiently established as to make its guarantee on bonds, to be issued for desired extensions, of sufficient value to make them salable.

Up to 1911, when the present Management came in, car service in Philadelphia was chaotic; street car strikes had greatly disturbed the car rider and caused enormous loss to the community.

Co-operation under present Management has put a stop to all this. Instead of having strikes and interrupted car service during the war, co-operation, between **MEN AND MANAGEMENT** of P. R. T., secured such settled conditions as made it possible for Philadelphia to get more than its share of war contracts. These contracts provided plenty of employment at high wages, made money plentiful and benefited everybody—except P. R. T.

The established policy of the present Management is that P. R. T., as a public carrier, strives to carry the greatest possible number of persons at the lowest possible fare.

The car rides per annum in Philadelphia for each person in the population served have been increased from 288 rides in 1910 to 479, for the year 1919, this being an increase of 191 rides per annum per person—a condition unapproached in any other city.

Under the straight 5-cent fare, without transfer or exchange ticket, it is estimated that 760,000,000 5-cent passengers would remain undisturbed. It is also estimated that of the present 230,000,000 free transfer and 3c ex-

change passengers per annum, many will no longer make use of this privilege for very short distances. They do so now simply because it can be done for little or no cost. If this estimate be correct, there will thus be provided an added available car capacity equal to the now semi-wasted car capacity. This will supply the equivalent of 300 additional cars during the rush hours, for those passengers whose ride is of sufficient importance to justify the payment of the 5-cent fare.

Philadelphia has today better street car service at a less price than any other city. P. R. T. stands alone in supplying uninterrupted street-car service during the war, and has given Philadelphia freedom from strikes and labor disturbances during the entire 9-year period of present Management.

The **MEN AND MANAGEMENT** of P. R. T. in these days of difficulties between Labor and Capital, represent an asset to Philadelphia far greater than seems to be generally appreciated. That which is necessary to preserve this great asset to the community is but the measure of temporary relief, as represented by the straight 5-cent fare without transfers or exchanges.

Pittsburgh is now permitted to charge a 10-cent fare, and this would be necessary here except for the good work of the MANAGEMENT AND MEN.

No street-car company in the State has served its City during the war in any way to compare with P. R. T.

No company serves its people so well and no company has such a priceless asset to the City it serves, as is represented in the loyalty and faithful service of P. R. T. employees; and yet P. R. T. is the only street railway company in Pennsylvania that has not yet received the right to increased revenue.

No change in routes, which will increase the rate of fare during the period of this temporary tariff, will be undertaken without first applying to the Public Service Commission, which has the power to order public hearings on the question. The free changing of cars at Juniper Street Station between the subway-surface and subway-elevated will be continued as at present.

P. R. T. is willing to operate the Frankford Elevated as a part of its system and pay 5% per annum upon its cost, but must get increased revenue before it takes on any new obligations.

It has been urged that City's consent to increased revenue should be withheld until valuation is determined, or until something could be done to reduce the rentals to underlying companies. If the City now makes the mistake of refusing to consent to an immediate increase in revenue, P. R. T. must fail, and the City will have exchanged the substance of a Management which has already saved millions in operating costs, for a shadow, which is represented in the hope of decreasing P. R. T.'s fixed charges, through the valuation of its property, or a reduction in underlying rentals, neither of which can possibly offset the loss which would follow a return to conditions of Labor and Management such as were formerly here, and do now generally exist elsewhere.

Inventory of P. R. T.'s property was yesterday presented to the Public Service Commission. Pricing of the parts is proceeding and can be accomplished with sufficient rapidity to keep ahead of the City and Public Service Commission representatives, so that there need be no delay. In spite of this fact, however, the experience in similar valuation proceedings elsewhere, notably Pittsburgh, shows the verification of P. R. T.'s valuation cannot be accomplished so that it may be usable for rate-making purposes for many months to come.

Under the terms of the 1907 Agreement between the City and the Company, it is stated that fares may be changed from time to time, but only with the consent of both parties.

P. R. T. has petitioned the City now to assent to the collection of a straight 5-cent fare without transfer or exchange ticket. This as a measure of temporary relief to continue until the value of the Company's property, for rate-making purposes, is finally determined, as required by law.

The Mayor and City Council have urged that the question of increased revenue is for the City to decide under the terms of the 1907 Agreement. The Company has met this suggestion by withdrawing its July application from the Public Service Commission, and has presented its petition to Council, hoping the City, having assumed the responsibility, will rise to the emergency and assent to the temporary relief required to save P. R. T. from bankruptcy.

T. E. MITTEN, President,
Philadelphia Rapid Transit Company.