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THE
IMPENDING
BREAKTHROUGH
IN
TRANSPORTATION



New Jersey State Library

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MR. CHAIRMAN and all of you Members and Guests of the Association: It is indeed a pleasure to find myself here this morning participating to some degree in the activities of this gathering which is intent upon helping to straighten out some of our metropolitan transportation problems. I am sure that this conference will prove significant and rewarding.

“The Impending Breakthrough in Transportation”—What does this signify to the residents of this vast metropolitan region? What does it mean?

In the purely physical sense as applied to rubber tire transportation it means that we are at last on the verge of bringing into reality many of the modern superhighways that North Jersey has sought in vain for decades. The opportunity to complete a network of express highways across and around this region and open it to the traffic and commerce of our State and of our Nation in a few short years is within our grasp.

It is also within our power to retain the great workhorse of mass transit which has for generations played a truly effective role in the movement of people and goods on which depends this region's very existence.

Let me be very clear on one point: When I say these modern highways are "within our grasp" or that a revival of mass transit is "within our power," I mean now - not mañana. It is no longer a question of "can we do it" or even one of "how can we do it," but simply a question of "will we do it?"

As for the highways, they are being built now and will be completed, that is, the Interstate Defense Routes. As to the 50-50 highways and 100% State, the real question is "will we do them in time?" Here is where a group such as yours in close contact with local officials and possessing an independent voice with which to communicate with the public, can perform a very real service.

Three years ago, I described the network of Interstate Routes which are being built in New Jersey with 90-10 Federal Aid. When the Federal Government made this assistance available in 1956, the State Highway Department was faced with the most massive and complex planning problem in its history even though studies for the urban routes had been initiated as early as 1953. You are, I am sure, qualified to understand the difficulties inherent in the location, design and construction of a brand new, billion-dollar highway system.

Not the least of our problems was the decision of where to start and what priorities to place on the various routes. As you may know, long stretches have been constructed of the Interstate System in the sparsely populated rural areas of some of our Western States. Here in New Jersey we took the opposite approach. We decided to develop our new Interstate Routes first where they were needed most - in the metropolitan area around Camden and here in the highly urban region of North Jersey.

In making this decision, the Highway Department deliberately

chosed to make the first years the most difficult of the State's 17-year Interstate construction program. It was recognized right at the start that it would take longer to build urban sections of highways than the rural sections. Construction of eight or ten lanes takes longer than construction of four. Only so much money a year is available, and every mile built in North Jersey costs many times more than the national average for Interstate construction. The normal time lag between authorization and construction is more apt to be lengthened, as a matter of fact has, by the local opposition and at times by our representatives in Washington, for reasons best known to themselves depending of the "year and the time of the year." We have had an adequacy of such activities.

But despite the difficulties, the Interstate construction program in this State has been planned and coordinated so that all of the new, major routes in North Jersey could be open to traffic in 1965-66. These routes include Interstate 80 and Interstate 95 from the George Washington Bridge past Netcong to the west and to a connection with the New Jersey Turnpike going south; Interstate 78 from the Turnpike Extension at Newark past Pluckemin to the west; all of Interstate 280 from Newark to Interstate 80 near East Hanover; and Interstate 287 from Route U.S. 1 near Metuchen past a connection with Interstate 80 in Morris County. In other words, a network of ultra-modern express routes can be superimposed on the map of North Jersey in about four more years.

Notice I said "can be" not "will be." Only part of what I have described is certain. Interstate 80 is now under construction through Bergen County and will be completed into Paterson in 1963 at a cost of more than \$100 million. Years of painstaking effort and many, many consultations with local officials have cleared its path so that no difficulty is expected in linking up from Paterson west to the section now open to traffic between Denville and Netcong. The same is

true of Interstate 287, as far as construction in Middlesex and Somerset Counties is concerned.

But serious difficulties, mainly in the area of public understanding, menace the future of Interstate 287 to the north, through Morristown. The same sort of "political" rather than engineering difficulties have delayed construction of Interstate 78 through Essex and Union Counties for years and also threaten to toss our timing for Interstate 280, the Essex East-West Freeway, into the "ashcan". All these routes that thousands, even hundreds of thousands of riders have been crying for for ages get "treatment" from the "experts", some with an axe to grind, others sincere but often lacking in knowledge of highway and urban planning. In the end intelligent judgments will prevail but its like climbing up a hill with a heavy load on your back - in most cases a thankless job.

The Highway Department feels, very strongly, that the North Jersey metropolitan region must have these new routes at the earliest possible moment. We are convinced that almost everyone in North Jersey wants them. Our locations and designs have been developed by some of the best engineers and have been coordinated with local plans at every possible point of contact. We have the resources, financial and technical, needed to complete this portion of our overall tasks. Personally, my associates and I in the Highway Department feel confident that the difficulties now facing us with regard to the precise path of Interstate 287 contiguous to Washington's Headquarters and Interstate 78 near Weequahic Park, and with regard to whether Interstate 280 in West Orange will be a highway or a bomb shelter at a premium of some 12,000,000 or more dollars, will be overcome - eventually - as similar problems have been solved in the past. Again we must point out that these highways were badly needed ages ago and to wait for "eventually" may cost North Jersey more than it can afford. Each day of delay adds to the cost to our communities. You know as well as I, that

what hurts any part of a region as compact and inter-dependent as this one hurts all of it.

A "breakthrough" in highway transportation is coming. The realization of many of the region's transportation dreams is due four years from now. Whether that painstakingly planned schedule is kept depends to a large extent on those it will benefit most - the people of North Jersey.

The same can be said of mass transit. The commuter railroads serving North Jersey are essential in any comprehensive transportation scheme. Three years ago they were about to "give up the ghost". Four years from now they can be back "on their feet."

The Highway Department's Division of Railroad Transportation will shortly issue a report to the Governor and the Legislature outlining the steps necessary to accomplish this transformation. Without going into too many details, I can tell you it proposes consolidation and connection of existing railroad facilities together with modernization of plant and equipment. The program is designed to provide more efficient service together with more economical operation. None of the proposals present major engineering difficulties. None envisage disproportionate cost.

As a matter of fact, prior to August of 1958 we were content in the Highway Department to concern ourselves with efforts to provide safe and adequate capacity on our highways for autos, buses and trucks. In making our forecasts of future travel, we always assumed that the railroads would continue to operate, thus sharing the burden of carrying the peak period journey to work travel of our citizens, as well as pinch-hitting during storm periods.

The significance of the Transportation Act Passed by Congress

in August, 1958 was soon demonstrated when the courts confirmed the intent of this Act and permitted the New York Central Railroad to terminate its interstate ferry service thus diverting the great majority of its patrons to the highways. Soon thereafter the Lackawanna Railroad posted notices in all its cars that it would end all of its electrified suburban service and other railroads petitioned to remove passenger trains or raise fares, or both. Most of the events of this period are familiar to this audience – the events that resulted in establishing a Division of Railroad Transportation in the Highway Department.

This action was understandable to the railroad commuter who recognized that his only alternative to continued use of rails was to resort to the highways in his auto or in a bus; it was also understandable to the interstate auto and bus commuters as they fought congestion and contemplated the resulting conditions if all rail passengers, consisting of some quarter of a million trips per day, were to be added to the already overloaded highways.

The first "breakthrough" was the recognition by interested citizens that they could not "turn their backs" on the plight of the rail commuter carriers. Without this understanding on the part of a good percentage of the public our program to improve transportation could end in failure.

In 1960 the Legislature acted resolutely in passing the Railroad Passenger Service Act authorizing subsidies to the railroads to maintain the status quo while plans for improvements were being developed. And here let me give you the Funk & Wagnalls' meaning of this word "subsidy" and I quote: "a government grant to a private enterprise considered of benefit to the public." When we advanced the service contracts we were the first to call it a "stop-gap" program – an expedient to be pursued for a period of three to five years.

It is now in its second year and it is serving its purpose. We can see the necessity for its continuance for at least another year.

Bringing about real improvements in service will be the next "breakthrough" in our program. This has advanced from a "possibility on the horizon" to a "realization at hand". Last June the Commuter Benefit Tax was enacted and funds are now flowing to the State collected from New York residents working in New Jersey. Under the procedure spelled out in the law, this money will be handed to New York next April and tax moneys collected by New York from our citizens working there will be returned to New Jersey. We should, according to the experts, gain thirty or forty million dollars annually from this tax if all goes well.

With regard to legal aspects, our drafters of the law believe it will survive constitutional court tests - based on nearly a year of research and it should be noted that no such suit has yet been filed.

The alternative to a court test would require changing the New York tax law, which would upset arrangements now in effect with a number of other States - causing other States in turn to revise their laws. Although we believe New York would be reluctant to take such action at this time, should it do so, the result would be that New Jersey could at least keep the taxes collected from New Yorkers working here - a total of possibly ten million dollars a year or more.

The projects that are expected to receive priority in the use of the Commuter tax were announced more than a year ago. First, however, the \$11,650,000 that will have been expended in service contracts by June 30th of 1962 must be returned to the State Highway Department. Then physical connections and improvements will be made to route the Jersey Central

service from Cranford to Newark utilizing the Lehigh Valley trackage. Also, the service on the North Jersey Coast will be consolidated under Pennsylvania Railroad operation and routed through Newark to Penn Station, Manhattan. It might not be amiss to mention that the Central Railroad, the Pennsylvania Railroad and our Transit Division have joined together in a contract with Ford, Bacon and Davis, engineering consultants, to develop further details with respect to certain changes and consolidations of service operated by these carriers.

Also, this past summer the Erie-Lackawanna and our Railroad Division jointly retained the Engineering firm of Gibbs and Hill Inc., to carry out specific assignments. This consultant is developing the economics of electrification extensions, conversion of power to a high voltage commercial frequency system, rail connections for more efficient operation and how best to coordinate service with the H & M. The possibility of gaining federal funds under the special provisions of the Housing Act of 1961 for service demonstration projects utilizing certain little used routes serving Bergen County is also being investigated.

Progress is being made on the years' old plan to remove the Erie tracks from the main street of Passaic by improving a connection to the Boonton Line in the Paterson-Clifton area. Another route change that has desirable objectives lies in making a connection from the Boonton Line to the Greenwood Lake Branch in Wayne, New Jersey and routing the Boonton Service from this connection over the Branch to Hoboken. With electrification extensions the next step would be to connect the Montclair line to the Greenwood Lake Branch in Montclair. This would complete an electrified loop to Denville and offer improved flexibility in use of equipment. The economic advantages resulting from electrifying the former Erie Main Line to Suffern are also being determined.

Out of the joint studies has developed ticket interchangeability on the several routes operated by the merged railroad. Effective December 1st commuters will have more flexibility in choice of routes without added costs as the railroad will honor tickets not only to stations to which sold but to any other stations in the suburban territory where the fare is the same or less. This plan will be available to holders of monthly commutation, weekly commutation, 10-trip and 30-day round trip tickets.

At this point it would be well to note that a pre-requisite to the projects concerning the Jersey Central and Pennsylvania Railroads is the "face-lifting" required on the H & M. You are familiar with the stalemate that has developed in the legislative action required of the States of New York and New Jersey to authorize the Port Authority to acquire and rehabilitate this line. You are also conscious of the Tri-State Transportation Committee as established by the Governors of Connecticut, New Jersey and New York and the directive calling for action in the work of the Committee. The Committee is determined to resolve this stalemate and we feel confident that progress will soon be made toward a solution, opening the door to proceeding with the remainder of our improvement program.

On all three major roads plans are under development for consolidating some stations to locations with better access and ample parking. In some of the faster growing suburban areas, additional stations are needed. All new or relocated stations will be designed to permit later conversion to turnstile or other controlled entrance. Also, a study is underway to convert to a zone ticket system to simplify fare structures and collecting practices. In mass transportation, as in most other industries, the key to economic survival lies in reducing operating costs. I predict that it will be "breakthroughs" of this type that will in the end do more toward giving our com-

muters an adequate rail transit system than will some of the notions and concepts re: monorails, air cushion vehicles and others. We would much rather — as a matter of fact we intend — to pursue the rehabilitation of what we have, rather than “chase pink butterflies” to the tune of hundreds of millions of the taxpayers’ dollars with no absolute guarantee that rail patronage will again be what it was. Also, why dissipate the securities held by institutions, banks, insurance companies and trusts by cutting off what we have and then, as some far western communities are having to do, buy back rapid transit facilities at many times their original cost.

Whereas a short time ago we considered maintaining the status quo we no longer can be content with less than realizing both the improvements that we have outlined and those that we have under development. We are now in the transition from preventing rail service from going “down the drain,” to accomplish the changes that are designed to permit the essential service to operate without subsidy. If we fail, the alternative may be public or quasi-public ownership of all forms of mass transit and here I want to pay a well deserved compliment to the railroads now under contract for service maintenance. In the face of substantial losses, those carriers have cooperated with us, worked with us, “sweated it out” and evidenced a substantial measure of consciousness for the public welfare.

Looking for a moment beyond the suburban service part of the over-all railroad problem, the States alone cannot extricate the Eastern carriers from their financial plight — a plight that we believe results more from the loss of freight profits than from the amount of the passenger deficits. A review of the statistics makes this clear. For instance, in 1949 the rail carriers that are now participating in the contract program had system freight net revenues of \$154,000,000 and system passenger deficits of \$86,000,000 resulting in net gain for

the combined service of approximately \$68,000,000. The passenger deficits were 56% of the freight income. In 1959 the freight earnings had dropped over 50 million and the passenger deficit declined about 21 million. This resulted in reducing the combined net to \$37,000,000 and although the passenger deficit had been substantially reduced, the percentage of passenger deficit to freight income increased to about 65%. In 1960 the situation worsened and the \$54 million combined passenger deficit of these roads – the lowest in 14 years – exceeded earnings from freight operations, resulting in a small net over-all operating loss. The first half of 1961 was financially the poorest half year for Eastern District railroads since the depression years of the early thirties. To demonstrate the seriousness of their situation on October 25, 1961, the Eastern District Railroads made detailed presentations to a specially convened session of the Governors of all States in the Region. These presentations gave emphasis to the contention that federal policies in effect in recent years actually discriminate against the railroads. This was not news to us. In policy statements made by the State of New Jersey in 1959 pertaining to the suburban passenger problem, we said New Jersey recognized that it was a discriminating public policy at the federal level that was largely responsible for the economic plight of the railroads. We pointed out that the railroads still operated under regulations legislated before the turn of the century when they had a virtual monopoly on transportation. We stressed that while keeping regulations clamped on railroads, the public had allowed hundreds of millions of its tax dollars to be spent to the direct benefit of the railroads' principal competitors.

The only significant action taken by federal agencies in recognizing these inequities concerns a recommendation made by the I.C.C. A few days before Congress adjourned, the I.C.C. recommended that federal subsidies to passenger carrying railroads be paid in amounts corresponding to their

expenses for maintenance of way and structures solely related to passenger service, plus additional amounts to match assistance now being rendered rail carriers by state and municipal governments. This recommendation is a step toward equal treatment of transport media.

In transportation the American people have adopted the automobile as their favorite vehicle of transportation. The demand for added and improved highways is a natural consequence. As each segment of the interstate system now being constructed to satisfy this demand is completed, many segments of our society will benefit while competing forms of transportation will be adversely affected. It appears that here in the Eastern Region the competition between rail and rubber will be intensified in the years ahead. This points up the need to determine if the users of our highways are paying their share of highway costs. The Illinois Road Tests recently completed by the Bureau of Public Roads with all State Highway Departments participating is expected to provide conclusive findings in this regard.

We have not overlooked the fact that next to the automobile the motorbus provides for the bulk of travel within New Jersey and interstate trips to metropolitan areas in adjoining states. The bus companies have felt the same financial effects of automobile competition as have the rails, and the economics of the common carrier bus operations — particularly those of the smaller companies and companies with only intrastate franchises — have ceased to be profitable.

The situation was sufficiently serious to cause investigation of the bus industry by a Legislative Commission created pursuant to a Senate Resolution in 1958. The Commission reported in the spring of 1961 and recommended first that the gross receipts tax be reduced from 5% to 3%. Legislation effecting this tax relief has passed both houses and is now

before the Governor for his action. We have recommended that this bill be executed in order to give some immediate assistance to this very essential segment of the municipalities served and the State's Public Transportation network.

In short, the aforementioned program is based on the practical realities of life. It promises nothing which cannot be put into effect in fairly short order.

Here, again the major need is for public understanding of the task which faces us. The public must realize that no plan for reviving mass transit can succeed unless all existing means of crossing the Hudson River and for intrastate travel are used to the best advantage. This means there is no escape from the need for modernizing the Hudson & Manhattan Railroad and operating it in the most efficient manner possible. Many students of the transportation situation in North Jersey have pointed out in the past that this is a natural responsibility of the Port of New York Authority. With this argument we fully agree.

Therefore no time should be lost in adopting the necessary legislation in New Jersey and New York. The stakes are too high for further delay. Otherwise the transit breakthrough will continue to be "impending", much in the manner of a heavy cloud which hovers alluringly in the hot summer sky but never produces rain.

By now, the idea that rails and rubber must work together if any area is to have really good transportation is commonplace. The new highway facilities and the revitalized transit facilities which are now only a short space from reality will give the North Jersey Region a tremendous "breakthrough" in terms of an adequate and well-coordinated transportation system.

But they are only physical things, the product of the time and effort of skilled and resourceful planners and "doers". The tangible highway or railroad is only the end result of the teamwork of many persons striving toward a common goal.

Such teamwork over a period of time produces more than detailed plans for new highways and railroads, parks and low-rent housing. It produces new concepts which may, in the long run, be even more valuable. The very name of your Association, if properly and effectively carried out, can gain even greater prominence along the eastern seaboard. We cannot afford to think in terms of political or geographical boundaries; instead we must concentrate on the requirements of regions bound together by common population characteristics and economic needs.

The concept that adequate highways and railroads are both necessary to a region's continued social and economic growth is not new. But something new was done when the Division of Railroad Transportation was established as a part of the Highway Department, giving life to the theory that the Department was responsible for far more than mere construction of roads. Further development in the same direction is inevitable.

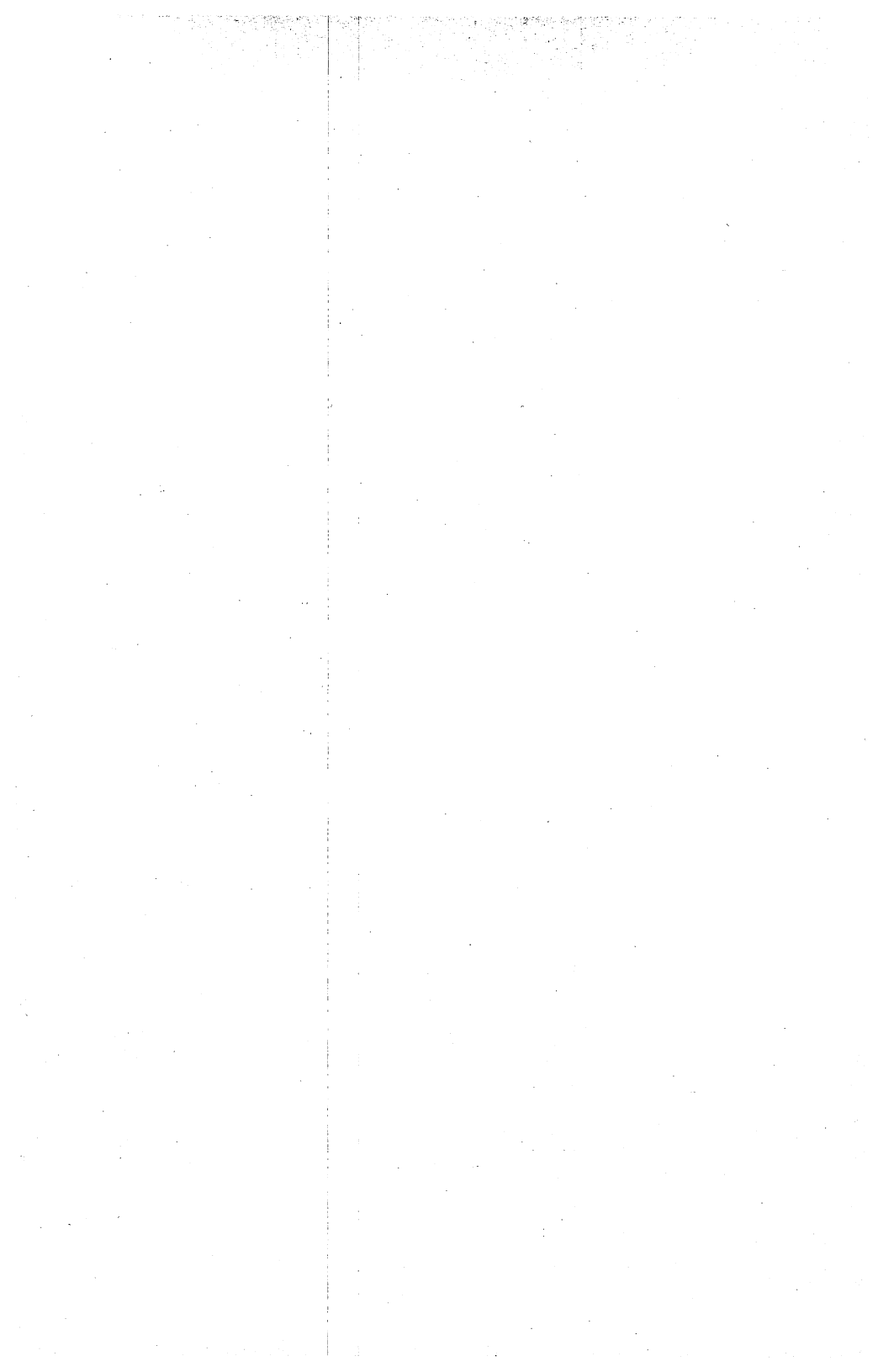
Planning for the future is one of the continuing duties of the present. Development of the proposed Transportation Study of Northern New Jersey and its coordination with the efforts of the newly-created Tri-State Transportation Committee do reflect new attempts to put this concept to practical use -- and on a regional basis as has been done in the Philadelphia -- Camden area.

These moves even by themselves demonstrate breakthroughs in the handling of our basic problems of future development. What this will mean in terms of the transportation facilities

provided for our children and our children's children, time alone can tell – but affords the hope that “the good life” we all seek will be even better for them.

This I give you as our concept of the efforts, all interdependent, needed to untangle and facilitate the progress of our State.







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