



NATIONAL ASSOCIATION OF RAILROAD PASSENGERS

Vol. 19, No. 4 April, 1985

OFFICERS: John R. Martin, *President*; John Kirkwood, *V. President*; Andrea Banks, *Secretary*; Joseph Horning, Jr., *Treasurer*; Ross Capon, *Executive Dir.*; Barry Williams, *Assistant Dir.*; Holly Anne Richardson, *Membership Dir.*

National Association of Railroad Passengers News, (ISSN 0739-3490), is published monthly except November by NARP, 417 NJ Av., SE, Washington, DC 20003. 202/546-1550; news hotline (evenings & weekends) 202/546-1551. Membership dues are \$15/year (\$7.50 under 21 or over 65) of which \$4 is for a subscription to NARP News. Second-class postage paid at Washington, DC.

Postmaster: Send address changes to NARP, 417 New Jersey Av., SE, Washington, D.C. 20003.

(No. 3 was mailed April 17.)

RETURN REQUESTED

The Strong Case for Amtrak

(A din of misinformation from Amtrak's opponents makes it hard for many legislators to understand the impacts of the funding levels under discussion. There is a solid case for freezing Amtrak's FY '86 funding at the '85 level of \$684 million, 24% less than the '81 level, and 11% less than the \$765 million Secretary of Transportation Elizabeth Hanford Dole initially recommended to President Reagan for Amtrak next year. If inflation is 4.2% as the administration projects, even a freeze would force Amtrak to make cuts totalling \$63 million, which is 4.2% of Amtrak's total operating budget of \$1.5 billion.)

The Senate Budget Committee voted 13-9 on Mar. 7 for the Moynihan transportation amendment including a freeze for Amtrak. Although that committee, in a Mar. 13 party-line vote, approved a government-wide budget resolution that cut Amtrak 30%, the full Senate voted 53-41 on May 9 for an Amtrak-only Specter amendment that would have cut 10%, giving Amtrak \$616 million, which Amtrak President W. Graham Claytor Jr. says is the lowest funding level Amtrak could take without suffering serious damage and losing routes. Unfortunately, the Senate's government-wide budget resolution, adopted on a 50-49 vote in the early-morning hours of May 10, would cut Amtrak 12.5% in FY '86 and impose devastating cuts of 25% and 40% in FY '87 and '88, respectively.

The House Energy and Commerce Subcommittee on Commerce, Transportation, and Tourism voted an Amtrak freeze on

AMTRAK'S CAPACITY: OUR GRANDCHILDREN WILL NEED IT EVEN MORE THAN WE DO!

Growing transportation demand and finite supplies of land, airspace, and petroleum mean highways and airplanes cannot accommodate all existing travel, and certainly not all future growth. In some markets, the loss of Amtrak's capacity today would hurt the economy by artificially reducing total travel volume; the number of markets so affected will grow in future years. Our grandchildren will need Amtrak's capacity even more than we do.

Amtrak's need for federal support stems partly from internal factors Amtrak can continue to change with time and money: some antiquated maintenance facilities and stations; a car-fleet that's too small; and antiquated labor arrangements with railroad operating crews except on the NEC and Auto-Train. But the need also stems from external factors unlikely to be changed before the next energy crisis, namely, public policies that prevent the marketplace from reflecting the true costs of automobile and air travel.

AIRLINE DELAYS TO GET WORSE

"The summer of 1985 will be significantly more chaotic for the airlines than the horrendous '84 experience," warns J. Donald Reilly, executive director of the Airport Operators Council International. "And in the longer run, our national airport system doesn't stand a chance of providing the aviation system with the ground facilities needed to service projected growth in the next decade."

"The FAA . . . says 23 airports face serious congestion by the end of the decade; 46 will have major problems by the turn of the century. . . . New airport construction has come to a halt because of lack of undeveloped land and local opposition to 'noise sewers.' . . . The Air Transport Association . . . wants the FAA to override dozens of curfews, flight-pattern restrictions and other noise-related limitations at scores of airports. . . .

"The FAA is unlikely to act. White House officials fear federal intervention could leave Washington liable for hundreds of millions of dollars in damage claims from disgruntled landowners near airports. Airport operators warn that removing local control actually would worsen congestion by convincing communities to oppose all future airport expansion."

—The Wall Street Journal, Apr. 5

May 2 and the full Energy and Commerce Committee voted a 10% cut on May 15. The next day, the House Budget Committee included a 10% cut in its government-wide budget resolution, which was adopted May 23 by the full House.

We hope what follows will help you get accurate information to your legislators, newspapers, and local civic and business officials. You may wish to give them copies of the following "overview" or the entire newsletter. PLEASE SAVE THIS FOR FUTURE REFERENCE.)

OVERVIEW

1. All Amtrak trains would cease operations at the end of September if Amtrak's FY '86 federal grant is zero. [As Federal Railroad Administrator John H. Riley testified Mar. 19, "There is no route that makes money and can operate in the absence of a subsidy."] There might also be at least a temporary shutdown of freight service and of New Jersey, Philadelphia area, and Long Island Railroad commuter trains using Amtrak property. All Washington/Maryland/West Virginia commuter rail service (2 routes to Baltimore, one to Martinsburg, WV) would shut down permanently, and freight service on much of the Amtrak-owned New Haven-Providence lines might do likewise.

2. A 10% cut would be survivable but, as Amtrak Pres. Claytor said in a May 13 letter to House Energy and Commerce Chairman John D. Dingell (D-MI), it "would require actions which in my view are counterproductive to the long-term health and continued economic improvement of Amtrak."

3. Amtrak handles more intercity trips than all other intercity carriers except four airlines (three while United is on strike) and Greyhound. Furthermore, an Amtrak shutdown would be more disruptive than the closure of any individual airline or bus company, since all of Amtrak's 20 million annual trips would be forced onto crowded highways or airways or be cancelled—depriving the economy of those travel dollars—and the railroads' existing and potential passenger-carrying capacity would be lost. By contrast, when an individual air or bus carrier shuts down, a large percentage of the affected passengers continue to use the same publicly-owned infrastructure simply by switching carriers, and disruption is minimized.

In the Northeast Corridor (NEC), Amtrak averaged 29,480 passengers/day in FY '84, and expects to exceed 31,000/day this year. Outside the NEC, Amtrak hauled 75.5% of its passenger-miles, earned 68.3% of its passenger revenues, and is vital to millions of people who have temporary or permanent doctors' orders not to fly or who are afraid to fly, and to many smaller cities where alternate transportation is not available.

4. **Budget Director Stockman's \$35/passenger subsidy figure is based on the false assumption that Amtrak's appropriation produces only the 20 million trips/year on Amtrak's trains, ignoring a complex and significant package of benefits for this and future generations—benefits which are far more important than Amtrak's short-term financial results:**

A. Reduced pressure on the overcrowded air and highway facilities most Amtrak passengers would be using if Amtrak shut down;

B. All-weather transportation. Trains are frequently the only vehicles moving in heavy snow or fog; they are certainly the safest;

C. Added capacity to enable the U.S. to meet growth forecasts for intercity passenger movement: the National Transportation Policy Study Commission estimated intercity rail passenger-miles at 7 to 10 billion/year in the year 2000 . . . growth of 55% to 122% over Amtrak's FY '84 level. **Amtrak's infrastructure, if not its present car fleet, is operating far below capacity, unlike the air and highway systems. Accordingly, it would be cheaper to make better use of existing rail rights-of-way by speeding up and expanding Amtrak services than to further expand air or highway capacity in many markets that are ideal for rail but in which Amtrak is currently insignificant;**

D. Mobility for communities and individuals across the nation (See last sentence in #3 above, and our response to Sen. Armstrong's "Rockville" charge on p. 4.)

E. Safety. Public transport is 30 to 50 times safer than traveling by private automobile, yet the automobile would get the lion's share of Amtrak's passengers if Amtrak shut down: Amtrak's spring '84 survey found that **45% of all passengers would switch to the automobile . . . even more in areas that already have the most automobile congestion: 48% in the NEC, and 53% in non-NEC corridors** (primarily in California, New York State, and radiating from Chicago).

F. Insurance against another energy crisis. Only trains can be switched from scarce petroleum to plentiful alternative fuels;

A DECISION THAT COULD NOT BE UNDONE

"Amtrak differs in one very important respect from other programs for which drastic reductions or eliminations have been proposed. Many of these other programs could be restored at any time that the condition of the budget permits, without structural damage. However, elimination of Amtrak would destroy a going concern that has taken 14 years to build and that, once dismantled, probably could never be replaced."

—from a "Save-Amtrak" resolution approved 13-0 by the Kansas City Council on April 4

in the electrified NEC, the switchover could come virtually overnight. Even where reliance on oil-burning diesels continued, the trains' energy efficiency would increase in parallel with their load factors, as in the last two energy crises. During June and July, 1979, for example, Amtrak ridership was up 25% and 27%, respectively, from the same months of 1978; ridership on the long-distance trains alone increased 37% and 34%, even though Amtrak was still using obsolete equipment on those trains;

G. Assurance that NEC rail commuter and freight services can continue; reduced pressure to raise fares and rates on such services nationwide. Amtrak benefits the commuter and freight carriers with which Amtrak shares facility costs across the nation but especially in the NEC. An Amtrak shutdown would force NEC commuter and freight carriers to pay \$212 million/year more just to maintain their own services, which handle about 165,900 commuter person-trips per average weekday (New Jersey Transit, SEPTA, and Maryland DOT) and serve about 160 freight customers on the NY-Washington segment alone. Outside the NEC, in FY '84 Amtrak paid \$231 million to the freight railroads for handling Amtrak trains. This helps those railroads' overall efficiency by lowering their unit costs and improving their cash flows. Chicago RTA's commuter train costs would rise \$4.5 million/year if Amtrak vacated Chicago Union Station. All local transit systems with which Amtrak connects benefit from fares paid by passengers making transit/Amtrak connections and this revenue would be lost if Amtrak shut down.

H. Maryland commuter rail service and certain rail freight services in southern New England (see last sentence in #1 above).

I. A cross-subsidy to NEC freight and commuter carriers. Amtrak is bearing more than its fair share of NEC costs. Secretary Dole and Administrator Riley have testified that, if Amtrak continues to exist, it should be allowed to collect \$71.2 million/year more in user charges from NEC freight and commuter carriers—not to be confused with the additional \$212 million/year those carriers would have to pay if Amtrak shut down (see **G.** above).

J. The Conrail sale. The President's budget assumes \$1.2 billion in revenues from selling Conrail. An Amtrak shutdown would impose \$82 million/year in additional costs on Conrail just to maintain New York-Washington freight service. \$82 million is over 28% of Conrail's "real" 1984 profits. It is unlikely that Norfolk Southern would go through with its plan to purchase Conrail if Amtrak is shut down, since Amtrak's demise would drastically reduce Conrail's value.

K. Amtrak's mail and express business, revenues from which are expected to rise from \$18.2 million in FY '84 to \$24.5 million this year. The business more than covers the marginal costs of handling it. Much of this traffic would otherwise be in highway vehicles that don't pay their fair share of highway costs. Some of Amtrak's express customers have no alternative, particularly along the Chicago-Seattle/Portland "Empire Builder" route, and others have no alternative offering Amtrak's speed, frequency, and reliability.

L. Around the nation, Amtrak's presence enhances the feasibility of setting up new commuter rail operations. The Detroit area is planning Detroit-Ann Arbor commuter trains which would share tracks with Amtrak, and also would share a new passenger station planned for downtown Detroit plus existing Amtrak stations in Dearborn and Ann Arbor (SEMTA has already authorized \$3.75 million for planning and engineering of the track needed to reach the new Detroit location). Serious plans are also afoot for Washington-Northern Virginia commuter rail service. Amtrak has already run temporary Los Angeles-Oxnard and Phoenix-Mesa commuter services (Feb. News, page 4, column 2).

5. **Passengers with incomes under \$20,000 constitute a higher percent of rail passengers (34%) than of airline passengers (14%) or auto drivers (28%).** 47% of Amtrak passengers who ride for 12 hours or longer on the same train have family incomes under \$20,000 and 47% of all Amtrak passengers are under \$30,000. Secretary Dole's "primarily middle- and upper-class" argument is based on NEC-only ridership profiles. NEC passengers' incomes are above the Amtrak average largely because the federal government has invested about \$2 billion there for the specific purpose

THE TWO FACES OF AMTRAK

"Trips on Amtrak's Cardinal between Alexandria, VA, and Charleston, WV, and on a New York to Washington Metroliner show the two faces of Amtrak. The former is the more leisurely people's train, favored by the elderly, families with small children, and blacks, particularly on trains to the South. The latter is also the Northeast businessman's special, complete with briefcases, three-piece suits, calculators and furrowed brows."

—Douglas B. Feaver (staff writer)
The Washington Post, Mar. 8

of attracting all types of travelers—including the "upscale" market—recognizing airport capacity problems and the ability of Amtrak to help all of the region's citizens, especially the inner-city poor, by minimizing pressure to expand airports, highways, and associated noise, air, and water pollution.

6. Scheduled intercity bus service is vanishing rapidly. Wayne Smith, Executive Director of United Bus Owners of America, expects scheduled-route intercity bus service to disappear "5 years from now outside of a few areas in the United States," due to cut-rate airline competition, with the bus industry concentrating on the tours and charter business. Already, 49 Amtrak-served communities have no bus service, and countless others have bus service that is less frequent than Amtrak's and/or requires much more travel time to reach the nearest major metropolitan area.

7. Amtrak's revenues-to-costs ratio has been steadily climbing: 58% this year vs. 48% in FY '81 and 56% last year.

Opponents' Claims and NARP's Answers

Claim: "I believe the private sector will provide, in those areas of the country where it makes sense, passenger rail service. . . . I refer to the short-haul areas like the Northeast corridor and maybe even some new areas such as San Diego to Los Angeles to San Francisco or Pueblo, CO, to Fort Collins where there is enough demand, enough traffic to support a for-profit or break-even operation."—Sen. William L. Armstrong (R-CO), on the Senate floor May 9 arguing against the Specter amendment.

Answer: Secy. Dole, who talked earlier about prospects for private sector participation, admitted in her House testimony Apr. 23 that, after studying the matter, she had **concluded that the private sector would not run any service** in the event of an Amtrak shutdown.

Although Amtrak used to brag about the Boston-Washington corridor's "above-the-rail" profitability, this did not include most "fixed facility" costs which Amtrak must pay because it owns most of the Corridor. As Federal Railroad Administrator John H. Riley testified Mar. 19 before the Senate Appropriations Subcommittee on Transportation, **"In the Northeast Corridor (NEC), Amtrak sustains a loss of approximately \$247 million annually," when all costs are considered.**

Furthermore, an NEC-only system would require a \$607 million appropriation in FY '86, as Amtrak estimates labor protection costs for shutting down all service outside the NEC at \$330 million in the first year (\$1.1 billion over six years), and first-year administrative costs of shutting down non-NEC services at \$30 million. Finally, it is absurd to suppose that Congress would vote any money for an Amtrak that served nothing but the NEC.

Claim: "Amtrak is an insignificant factor in intercity travel with only two percent of intercity passengers nationwide using Amtrak."—a U.S. Representative

Answer: (See also Overview, #3).

The 2% figure is based on averaging all intercity markets, many of which have no Amtrak service. Where Amtrak does have service, its market share is an estimated 4.9% overall. FRA's Riley says it's 10-12% in the NEC, and Amtrak estimates it's 16% NY-Washington, 14½% Washington-Philadelphia, 17% NY-Albany, 7.7% Chicago-Detroit, and 2.7% Los Angeles-San Diego. The figures probably are well above 20% for New York-Philadelphia (where even Mr. Stockman agrees passenger trains make sense) and in many of the rural markets where Amtrak is either the only or the only effective alternative to the automobile. (All percentages in this paragraph are based on the total market, including

automobile travel.)

In FY 1984, Amtrak carried 46% more passengers than did all airlines between and among NY/Newark/Philadelphia/Wilmington/Baltimore/Washington. Amtrak's total NEC ridership was 10.8 million, for a daily average of 29,480, 2.9% above the FY '83 level. During the first seven months of FY '85 (Oct.-Apr.), NEC ridership was 5% above the same months of FY '84 and thus was running at almost 31,000/day.

In the New York-Washington city-pair alone, Amtrak handled 2,700 trips/day, heavily oriented towards early-morning/late-afternoon slots when the airways are already jampacked. **Furthermore, Metroliner ridership during the first 5 months of FY '85 is up 10.3% above the same period in FY '84.**

Across the nation, Amtrak is vital to millions of people who are either afraid to fly (25 million, according to a 1978 Boeing survey) or are permanently or temporarily unable to fly for medical reasons. ("Dr. Lloyd Huneryager, D.O., of Collinsville [OK] has stated that he advises his patients with ear infections not to fly under any circumstances. Also, flying—for people with sinus troubles—may force the infection up the eustachian tubes, causing severe medical problems." —Collinsville, OK, News, Jan. 23, 1985.)

Claim: "Systemwide, it costs taxpayers \$35 per passenger to operate the system." — a U.S. Representative

Answer: This calculation—and a similar one by the Congressional Budget Office using passenger-miles—are based on the false assumption that, when Congress appropriates Amtrak's \$684 million/year, the only result is 20 million trips/year on Amtrak's trains. (FY '85 projection: \$684 million/20.9 million trips equals \$32.73/trip.)

In fact, since Amtrak is part of our nation's intricately interrelated transportation system, the Amtrak appropriation also buys the 12 important benefits listed in the Overview, #4 (tell us if there are benefits this newsletter has overlooked!). Some additional background information follows:

- continuation of Amtrak would spare the private railroads from paying Amtrak-related labor protection obligations totalling about \$200 million over 6 years (\$72 million the first year). These are separate from Amtrak's own such obligations;

- Since Administrator Riley says that \$71.2 million of Amtrak's costs are attributable to non-Amtrak freight and commuter services (Overview, #4, I), the FY '85 subsidy per Amtrak passenger would be \$29.32, not \$35 (\$684 million minus \$71.2 million, divided by 20.9 million passengers);

- According to Riley, a more "equitable split" of costs among NEC users would yield increased user payments to Amtrak of \$37.8 million/year from commuter authorities and \$33.4 million/year from freight railroads. In mandating the current setup, the Interstate Commerce Commission overruled Amtrak's arguments and defined Amtrak as the NEC's "dominant user." Consequently, the ICC required freight and commuter agencies to pay only their "avoidable costs." To make matters worse, ICC generally defined what costs are "avoidable" in ways adverse to Amtrak.

Claim: "Unsubsidized intercity buses go everywhere Amtrak does and they go there much more frequently. Thus not one person would be cut off from reasonably priced, alternative intercity transportation service if Amtrak subsidies were eliminated." —Amtrak White Paper, circulated by Trailways on Capitol Hill

Answer: 49 Amtrak-served communities have no bus service today, and the number is growing. Scheduled route bus service is vanishing rapidly in the wake of bus deregulation and because of cut-rate airline competition.

Wayne Smith, executive director of United Bus Owners of America, says **"Down the road five years from now I think outside of a few areas in the United States, I don't see the intercity bus surviving. . . . Regular route service across the country, scheduled routes, I just don't see it. I can see it feeding into different areas, but with the amounts airlines are charging a bus cannot compete. . . . Trailways has cut back a tremendous amount of service between San Francisco and Los Angeles and places like that. You just have to look at all the abandonments recently. . . since the deregulation bill. . . . When Greyhound was involved in the strike they released a market survey which showed they were**

getting their pants beat off by these low-cost airlines." (*Metropolitan*, March/April 1985)

"Says Terry Underwood, vice president for passenger sales at Greyhound Lines Inc., the Norfolk, VA-Neward route used to be 'a great bus market.' But no longer; the route is suffering badly from competition with People Express, which charges as little as \$27 for a trip that costs \$50.55 on Greyhound and \$56 on Trailways." (*Wall Street Journal*, Sep. 6, 1984).

Greyhound is "franchising routes for the first time in its 71-year history" and "will put 70 of its marginal routes (about 10,000 of its 94,000 miles) up for grabs April 17 and will be out of the long-haul business (trips over 500 miles) within 3 years, [Greyhound Corp. Chairman John W.] Teets says." (*USA Today*, Mar. 11) "According to Greyhound officials, the action occurred partly in response to low-cost airlines that were taking a substantial chunk out of the intercity bus business." (*Metropolitan*, March/April).

"If the franchising program doesn't pan out and the subsidiary [Greyhound Lines Inc.] keeps losing money, Teets has indicated that the parent company will probably discontinue the operation." (*Chicago Tribune*, Apr. 22).

Wayne Smith, whose United Bus Owners has Greyhound as its biggest member, pointedly observed in the *Metropolitan* interview that Trailways' effort at franchising "failed."

Not a word about Amtrak in the above-cited articles. Evidently, the bus companies just recently began Amtrak-bashing after reading news reports suggesting a real chance to kill Amtrak was at hand.

Bus company attacks on Amtrak ring hollow because they grossly exaggerate the extent to which rail and bus markets overlap. In 1971, when half the nation's intercity passenger trains were dropped and intercity rail passenger-miles fell 28.7%, there was no bonanza for the intercity bus: it also carried fewer passenger-miles, posting a 0.5% decline from 1970.

Amtrak passenger surveys, over time, have shown a decline in the percentage of Amtrak users who would take the bus in Amtrak's absence. And there is some doubt that people who initially would switch to the bus would stay with it. All of the substitute bus services provided for rail passenger operations discontinued by British Rail in the 1960s were dropped for lack of patronage within a few years. As the General Accounting Office noted in a Jan., 1979, report: "At best, survey responses [of Amtrak passengers] reflect probable responses in the event that Amtrak services were terminated, but may not reflect actual long-term adjustment. (For example, a former Amtrak rider may eventually purchase an automobile or travel less frequently but take the airplane rather than take trips by intercity buses.)"

Intercity buses are subsidized: since they pay a diesel fuel tax of 3¢/gallon (instead of 15¢ for other diesel users), they pay about 1/3 of their highway cost responsibility.

Claim: "I will bet there is not one community in this country where travelers would be seriously inconvenienced by the lack of Amtrak's service because of the ready availability of highways, intercity motorbuses, and commercial airline service. We have been told that there are 29 cities that do not have buses that do have Amtrak. Do you want to know what some of these are? Rockville, MD, is one of them [ed.: a Washington suburb with local rail and bus transit]. This is preposterous." —Sen. Armstrong, on the Senate floor May 9.

Answer: The count of 49 communities noted above does not include such suburbs. It includes places like Old Saybrook, CT; Chillicothe and Kewanee, IL; Creston, IA; Belton, MT; Huntingdon, PA; Thompson, UT; and Harpers Ferry, WV. Of those 49, 27 also lack air service.

Although Amtrak initially overstated its case by listing suburbs like Rockville, apparently because they weren't shown in Russell's Official [intercity] Bus Guide, Amtrak understated its case by failing to point out many examples of places which have some—but inadequate—alternate service.

For example, Williston, ND, has only one bus departure—to Bismarck, Monday through Friday only, even though Sunday is a major day for intercity travel. The Williston-Twin Cities trip takes only 12 hours on Amtrak's daily direct run; the bus journey takes over 18 hours—on days when the buses run—and requires a 90-

minute layover in Bismarck.

The Ottumwa, IA-Chicago trip takes about 5 hours on Amtrak's direct run—but it takes bus travelers about 9 hours and an enroute transfer.

The rural transport situation can be summed up thusly: 27 Amtrak points have neither air nor bus alternatives; 22 more have no bus service; 94 more have no air service. [No air service means more than 50 miles to an airport for points west of the Mississippi; more than 30 miles for points east.] Amtrak would be sorely missed at many other points where bus and air service exists but is inadequate or, in the case of many rural air services, is priced beyond the means of most of Amtrak's long-distance travelers. Finally, bus service is rapidly disappearing—a trend that will continue (due to air and bus deregulation) regardless of Amtrak's fate.

Claim: "[Amtrak is] a program which is going deeper and deeper into the red, which is now costing 20 times what it did a decade ago [and] is serving fewer passenger-miles."—Senator Armstrong, on McNeil/Lehrer News Hour, Feb. 21

Answer: The revenues-to-costs ratio has risen steadily since FY '81, when it was 48%. 56% was achieved in FY '84 and 60% is projected for FY '86.

Amtrak cost the federal government in 1985 only 1.3 times what it cost in 1975, even though the more recent figure includes the costs of owning the NEC. 1985 appropriations were \$684 million. The 1975 total was \$501.5 million: \$276.5 million in appropriations and about \$225 million in loan guarantees later converted to grants. ("About" is used because Amtrak received \$900 million in loan guarantees over a four-year period.)

Amtrak handled 3.0 billion passenger-miles in FY '72, peaked at 4.9 billion in the energy crisis year of FY '79. In recent years, passenger-miles have risen steadily: 4.15 billion in FY '82; 4.23 in FY '83; 4.6 billion in FY '84; and—in the first five months of FY '85—passenger-miles are up 2.9% over the same months in FY '84.

Claim: "The cost [of Amtrak] is only going down because the worst, the most egregious, and the most extravagant routes have been terminated."—Senator Armstrong on McNeil/Lehrer, Feb. 21. Amtrak is "now serving about half as many [route-]miles" as "when it started." —Senator Armstrong during the Budget Committee's Mar. 6 debate, after a committee staffer had provided him incorrect information.

Answer: Today's 24,000-mile system is actually 4% larger than the 23,000 miles Amtrak operated in its first year (1972) and is only 11% smaller than the biggest route-structure Amtrak ever operated (27,000 miles from 1977 through Sep. 30, 1979, not the 41,000 miles cited incorrectly by Senate staff as Amtrak's start-up size).

The last major service cutbacks were at the end of FY '81. Today, the system is larger than it was at the start of FY '82. Nonetheless, the FY '85 appropriation—\$684 million—is 6.9% below the FY '82 level, which was \$735 million.

Claim: Amtrak should just raise its fares to compensate for a subsidy cut.

Answer: Amtrak already sets its fares to maximize revenues, not ridership. During 1982-84, Amtrak fares rose an average 31.9% while the Consumer Price Index rose only 12.7%.

TRAVELERS' ADVISORY

(New York-)Richmond-Raleigh-Charlotte 403(b) "Carolinian" may make its last run Sep. 2. Ridership within North Carolina has exceeded projections, but long-distance revenues have been less than expected. Miami-Tampa 403(b) "Silver Palm" made its last run Apr. 30, when state funding expired. Begun in Nov. '82, the "Palm's" ridership peaked at almost 8,000 during its last month of operation. St. Paul-Duluth 403(b) "North Star" ended Apr. 6. (403(b) refers to the section of the Amtrak law that allows states to cosponsor and help fund added trains not part of the Amtrak basic system.)

New York City-Harmon and NY-Poughkeepsie travel is now possible on Amtrak trains for persons with through tickets Trenton-south or New Haven-east.