

## RAILROAD-STEAMSHIP CONTRACTS

*The Traffic World Washington Bureau*

The Shipping Board announced November 26 that the hearing on contracts and agreements between railroads and foreign steamship companies, scheduled for December 1, would be of the "utmost importance to the establishment and upbuilding of an American merchant marine." Representatives of ten railroad companies will be present. The hearing will be held before commissioners Thompson, Plummer and Lissner, who are the Shipping Board members of the Joint Shipping Board-Interstate Commerce Commission committee. In its announcement, the board said:

The object of the conference, which will be public, is to ascertain to what extent a preferential or exclusive contractual relation between an American railroad and shipping companies operating vessels under other than the registry of the government of the United States is adverse to the establishment and upbuilding of an American merchant marine and to apply such corrective measures as may be necessary in order that the American railroad can be a preferential feeder for American shipping interests instead of for foreign shipping interests.

All of the ten railroads accepted the invitations sent them to appear before the committee. They are the Great Northern Railway Company, who will be asked concerning its contract with the Nippon Yusen Kabushiki Kaisha; Chicago, Milwaukee & St. Paul Railway with the Osaka Shosen Kabushiki Kaisha; the Mobile & Ohio Railroad Company with the Mobile Liners, Inc.; the Northern Central Railway Company with the International Mercantile Marine Company and Furness, Withy & Co.; Pennsylvania Railroad Company with the International Mercantile Marine Company; Grand Trunk Railway System with the White Star-Dominion Line; Atlanta, Birmingham & Atlantic Railway with the Strachan Shipping Company; Southern Railway Company with the Mobile Liners, Inc.; Boston & Albany Railroad Company with the Leyland S. S. Line and the Cunard Line; Baltimore & Ohio Railroad with the Donaldson Line, the Scandinavian-American Line, the North German Lloyd, Ltd., Furness, Withy & Co. and the International Mercantile Marine Company.

In response to the resolution adopted by the Senate November 8, calling for copies of all agreements on file with the Commission between railroads and steamship companies engaged in foreign trade and the amount of freight handled under each of such agreements, the Commission has sent the information requested to the Senate. The information was referred to the Senate commerce committee. The total tonnage received by the railroads was given as 591,245 tons and the total tonnage delivered to the steamship companies as 2,044,256 tons.

The statements showing the amount of tonnage received from and delivered to the steamship lines cover the year ending December 31, 1920, except in instances where contracts or agreements expired before the end of that year. They show the amount of tonnage of products of agriculture, products of animals, products of mines, products of forests, and manufactures and miscellaneous, which moved under the contracts or agreements.

The Atlanta, Birmingham & Atlantic Railway Company under its agreement with the Strachan Shipping Company, received 8,064 tons of freight from the steamship company and delivered to the company 22,126 tons.

The Baltimore & Ohio, under its agreements with the International Mercantile Marine Company (Atlantic Transport Co.), Donaldson Bros., Ltd., managers Donaldson Line, Ltd., Furness, Withy & Co., Ltd., proprietors of the Johnston Steamship Line, Ltd., and the Scandinavian-American Steamship Line, received a total of 88,113 tons of freight and delivered to those companies a total of 227,961 tons of freight.

The Boston & Albany, under its agreement with the Cunard Line and the Leyland Line, received 60,091 tons of freight and delivered to those companies 237,073 tons of freight.

The Boston & Maine, under agreements with the Calcutta Line, the Clyde Line, the Cunard Line, the France-Canada Line, the Furness Withy Co., the Holland-American Line, the International Mercantile Marine, the Leyland Line, the Luckenbach Line, the Pan American F. & D. Corporation, the Pacific Mail Steamship Co., the Red Star Line, J. G. Hall, Charles Hunt Co., A. G. Lombard's Sons, Patterson-Wyld & Co., Scandinavian-American Line, Wilson Line, Crowell & Thurlow, John S. Emery Co., and C. H. Sprague & Son, received 211,404 tons of freight and delivered to those companies 258,061 tons of freight.

The Chesapeake & Ohio, for the Chesapeake & Ohio lines, under an agreement with the Furness Withy & Co., received 3,229 tons of freight and delivered to the company 60,247 tons of freight, for the period from January 1, 1920, to September 30, 1920, on which latter date the contract expired.

The Chicago, Milwaukee & St. Paul, under its agreement with the Osaka Shosen Kabushiki (Osaka Mercantile Steamship Co., Ltd.), received 99,416 tons of freight, and delivered to the company 110,800 tons of freight.

The Grand Trunk Railway System, under its agreements with the Thomson Line, Rogers & Webb Line, Anchor-Donaldson Line, Red Star Line, Cunard Line, White Star Dominion Lines, Furness-Withy Co., and tramp steamers, received 16,839 tons of freight and delivered 645,710 tons of freight.

The Great Northern, under its agreement with Nippon Yusen Kaisha, received 28,867 tons of freight and delivered 38,785 tons of freight.

The Mobile & Ohio, under its agreements with the Munson Steamship Co., and Mobile Liners, received 3,949 tons of freight and delivered 98,468 tons of freight.

The Missouri Pacific, under agreements with the Harrison Line via New Orleans, the Leland Line via New Orleans, the Elder-Dempster Line via New Orleans, and the Norton Lilly Line via New Orleans, received 1,639 tons of freight and delivered 10,476 tons of freight.

The New York, Ontario & Western, under agreements with the American Line and the White Star Line, received no freight and delivered 66 tons of freight.

The Norfolk & Western, under agreements with Furness, Withy & Co., Ltd., and London & Liverpool Lines, received 174 tons of freight and delivered 18,365 tons of freight.

The Pennsylvania System, under agreements with the International Mercantile Marine Co., and Furness, Withy & Co., Ltd., received 61,692 tons of freight and delivered 234,261 tons of freight.

The Southern Railway Co., under agreements with the Munson Steamship Co., the Mobile Liners, and F. D. M. Strachan, received 6,950 tons of freight and delivered 71,011 tons of freight.

The Spokane, Portland & Seattle Railway Co., under agreements with Frank Waterhouse & Co., A. M. Gillespie, Pacific Steamship Co., and the Columbia Pacific Steamship Co., received 818 tons of freight and delivered 10,846 tons of freight.

No tonnage moved under an agreement between the Union Pacific and the General Steamship Corporation.

The report also covered the amount of revenue received by the New England Steamship Co., which is controlled by the New Haven, under agreements with respect to the transportation of passengers by a number of trans-Atlantic passenger lines. The New England received approximately \$8,340 for the transportation of 1,491 passengers to and from the steamship companies at Boston and New York.

## HAGUE RULES PROTESTED

Protest against the adoption of the Hague rules as a basis for uniform shipping documents has been made to the Interstate Commerce Commission, the Shipping Board and the House merchant marine committee by the Washington representatives of the Institute of American Meat Packers. The protest embodied the material contained in a letter written to Norman Draper, Washington representative of the institute, by C. B. Heineman, its vice-president, which was printed in the Traffic World, November 19.

"In explaining these conditions," it is said in the protest, "we are endeavoring to point out that the steamship lines were confronted with the almost inevitable necessity of modifying onerous conditions which they have so long imposed on the shipping public; that they thereupon elected to gracefully sidestep the proposed legislation by seeming to acquiesce in the Hague rules which presumably represented the views of the shippers."

"The protests also call attention to a resolution adopted by the National Industrial Traffic League opposing the Hague rules proposals as a basis for amending the Harter act and revising ocean bills of lading. It is suggested if the Harter act is to be amended to meet modern business methods that suggestions made by American shippers to Congress and the Interstate Commerce Commission be adopted and that no modification of the American-proposed form be adopted in legislation or otherwise until American shippers shall have been granted a full hearing."

Chairman McChord has answered the telegram protesting the adoption of the Hague rules as a basis for amending the Harter act, which was sent to him, Chairman Lasker of the Shipping Board, and George W. Edmonds, chairman of the House sub-committee on marine insurance, by the recent meeting of the National Industrial Traffic League in Chicago. In his reply, the chairman of the Commission said he would bring the matter to the attention of his colleagues. Replies have also been received from S. S. Huebner of the shipping board, speaking for the chairman of the House sub-committee, saying that the committee was glad to know the position of the league in the matter.

In a circular issued by the league, a communication from F. H. Price, of Price & Co., New York, in which the proposed rules are characterized as an "attempt to stifle the voice of the ocean shipper," was reproduced as follows:

It must be confessed that the rules governing the form and substance of bills of lading to be used in ocean traffic, proposed by the International Law Association at the Hague, September 3, 1921, represent a distinct and long step forward.

There is no question but what uniformity is greatly to be desired, and there is no doubt, further, that shippers as well as carriers would make many concessions, each to the other, to bring about uniformity. At present there is no uniformity in bills of lading used in ocean traffic. Moreover, there is great dissatisfaction on the part of the shippers, who heretofore have had no voice in the drafting of a contract to which the Courts held them to be a party. The shipping public have had almost no voice in legislation which governs the ocean carriage of goods. What voice they have had has been stifled by the superior ability and solidarity of the steamship interests.

For instance, the Harter act, enacted by Congress in 1893, was originally a bill proposed by flour millers for the protection of the shipping public. It was converted into an adverse instrument by the elimination of a provision which held the carrier liable for the full actual loss sustained by the owner of damaged merchandise, and by the insertion of a provision that the carrier shall not be liable for the faults or errors of his servants in the management of the steamer. Its force and effect has been hampered further by the inclusion by carriers, under the sanction of the courts, of a clause