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**MOTOR TRUCK
TRANSPORT**
and the
PUBLIC INTEREST

by

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MOTOR TRUCK TRANSPORT *and the* PUBLIC INTEREST

*Mr. Chairman, Members of the
American Trucking Associations and Guests:*

It is largely through your pioneering and enterprise, as well as the engineering and sales efforts of vehicle makers, that the manufacturing of trucks has grown and prospered. Your necessities for improved and more economical operation have been the inspirations which have prompted our industry to make its mechanical and engineering advances. As you have needed the contributions which we have been able to make—so have we been dependent upon the developments by which you have turned our efforts to practical and constructive use. In this respect we stand upon mutual ground—each dependent upon the other.

Truck Makers and Operators Are Stewards of New Transport Era

But the common ground upon which we stand is much more expansive than the individual interests of our respective industries. For both of us have in our hands the stewardship of a relatively new and young era in the evolution of our nation's transportation. The importance of that stewardship is far greater than our own immediate interests—for we bear the common responsibility of determining the extent to which our branch of transportation shall justify and enlarge itself through the social and economic service which it renders to the public. Truck transportation will become what we make of it. Its opportunities are for us to open up. Its problems are ours to solve.

To me, the growth of transportation by truck is one of the most fascinating and astonishing chapters in our economic history. Where older forms of transportation such as the postroad, the stage coach, the canal and the early railroad knew and enjoyed the benefits of beneficent legislation and money or land subsidies, the

automotive truck has literally raised itself to its present position by its own bootstraps. And its upward climb for the most part has been in the face of restrictive legislation and even public opposition for the most of its life. Instead of legal encouragement it has encountered legal obstacles. Instead of receiving nourishing, helpful subsidies it has been the object of penalizing taxation. But regardless of any of the sloughs of despondency which it has traversed, it has remained virile and strong enough to keep steadily ploughing ahead.

All of us are entitled to a quiet smile when we read the record that in 1904, just a bit more than thirty years ago, there were 411 trucks manufactured and sold. We are likewise entitled to a slight whistle of surprise when we note that in 1936 there were 818,377 trucks made and purchased. The 411 trucks of 1904 represented an investment on the part of gentlemen like yourselves of less than a million dollars (\$946,947), while the 818,000 of 1936 represented almost a half billion in investment (\$481,961,420).

Highway Transport Has Attained Vast Social and Economic Significance

The record for the first ten months of this year shows continuing progress. Over three-quarters of a million new trucks (760,449) were produced for your service of transportation—17 percent more than for the same period of 1936.

The picture of your industry, painted in terms of physical equipment required and capital invested in it, is astonishing when its relative youth is considered. But a more inspiring—and infinitely more vital—picture is painted when we look beyond economic significance of truck transportation and view its social aspects. For it is a fact that one out of every seven men gainfully employed in the United States is engaged in some form of motor transport. More than three million men are required to drive the trucks—ten times as many as are required for the operating crews of all the nation's railways. More than a million are engaged in sales and servicing. In all, upwards of six million men earn their livelihood, support

their families and educate their children on the income received from motor transportation.

Trucks Perform Vital Public Service

The service which the industry renders to society is not circumscribed, however, by the living it provides to so large a segment of our nation. Its service to the public must be measured to its credit, also. More than half the nation's livestock is hauled quickly and economically to market by the motor truck. Nearly three-fourths of the perishable fruit rides in trucks. Practically all the milk supply of metropolitan communities comes by motor. And so on through the multitude of products that must travel from point of origin to the final consumer—all of the things that our nation eats, wears or uses, enjoy the speed, the economy and the advantages of the system of transportation which you represent. In a most intimate fashion, your industry touches the daily lives of every man, woman and child—rendering a service that means greater convenience and happier living for all.

In the face of the important and indispensable manner in which our system of motor transport has woven itself into the life of the nation, it seems inconsistent that it should have to face many of the problems which confront it today. Because you devote yourselves to developing greater efficiency in your service, it is hard to understand why you should be so restricted by the multitude and maze of restrictions and regulations imposed upon you. Because you recognize that in your industry the economy of your service is all important, it is difficult for you to see why you should be a target for so much taxation that results only in increased costs of operation without any corresponding benefit. It is not to be wondered at that you often feel irritated at the manner in which some one kicks your dog around.

Excessive Taxes Make Truck Transport More Costly

As a taxpayer, your industry stands in the front rank. Not counting the taxes paid on personal property, income tax and property

taxes on garages, terminals, repair shops, etc., the motor transport industry in 1936 paid as so-called "special truck taxes" the sum of \$383,563,000. This was at the rate of \$95.60 for every truck registered. This average figure contrasted with the average of ten years ago shows that your burden of tax per truck has nearly doubled—the 1927 average being but \$51.80.

It must be recognized that the industry of transportation by truck has received definite benefit from a portion of this money through new highways or improvement and maintenance of those already constructed. But it must also be recognized that an ever increasing proportion is finding its way into funds for many purposes far removed from any field which contributes to the efficiency and economy of the public service which you render.

Improper Use of Highway Tax Fund Is Growing Problem

The practice of diversion of automotive tax monies from their original purpose of highway construction and maintenance is growing. During the twelve years from 1924 to 1936 the number of states practicing diversion grew from seven to thirty-five. In 1936, more than 17 percent of the monies paid in as automotive taxes went for some dissociated purpose.

To be more specific on the question of diversion let us look at what happened recently in one of our large states. A special committee, reporting to the State Senate on highway planning, recommended that 1,850 miles of highways be widened.

Last year that State collected \$102,000,000 in registration fees and gasoline taxes, and appropriated about \$60,000,000 of this for uses other than construction and maintenance of highways. The estimated cost of a mile of a first class two-lane highway in that state is about \$40,000. If the \$60,000,000 of diverted highway taxes had been used for highways, it would have taken only 15 months' revenue from motor taxes to widen the 1,850 miles.

So not only does your industry face a problem as to the amount and the rate of your taxation, but you also face the problem of the purposes for which the money is used.

Need for Education of Public on Facts Regarding Motor Transport

Since one of your most precious assets is the economy of your operation and one of your most vital problems is the roadbed over which your loads must roll, the increased costs imposed by taxes and the detrimental effect of diversion on highway programs should rightfully be of deep concern to you. Intelligent and considered taxation for highway purposes can aid you—but unbridled taxation accompanied by general diversion can only penalize your industry.

I have long felt that many of your troubles in the direction of penalizing taxation arise from one of the many misconceptions that are in the public mind. All of us might as well admit that there is a general resentment toward trucks on the highways. And a part of the reason for that resentment is the feeling that the trucks use public roads for private purposes without paying for the privilege. That this decidedly is not the case we all know. Trucks represent about 14 percent of all motor vehicles—yet they are paying nearly 27 percent of all the motor vehicle taxes. But this fact, though we know of it, is not in the public mind—and accordingly a tax policy aimed at your industry is more apt to receive public approval rather than condemnation. Here it seems to me is an indication of a very direct need for public education in behalf of the industry. The public should be made to realize that in the end these taxes increase the cost of truck transportation and that they ultimately pay them in higher prices for the goods transported. With this realization in the public mind, taxation policies might more easily be tempered with conservatism.

Uniformity in Safety Regulations Would Improve Highway Transport

Taxation, of course, is but one of the legislative problems that confronts you. The scrambled variety of so-called “safety laws” enacted in the various states would seem to indicate that your drivers are reckless idiots and your sole purpose in having a truck on the highway is to crack it up. If anything in our national thought is typical of free

thinking it is the individual attitudes of individual state legislatures in determining their conceptions of what is required to make trucks something less than juggernauts. If your industry needs anything it is a uniform standard of safety practice—a uniform set of national regulations which do not contradict themselves every time a truck crosses a state line and which constitute an intelligent approach to the requirements involved in lighting, braking, etc. If such standardization cannot be national in its origin, it can at least be uniform as between the various states—and this amounts to the same thing.

There can be but little question that the industry outside of legal restrictions can do much for itself in the direction of safety. Overloading can be discouraged. Service and maintenance can be carefully conducted. Trucks traveling the highways can space themselves properly. Drivers can be better trained and made more mindful of their individual parts in the prevention of accidents. “When in doubt be careful” is a formula that can do much to further reduce the hazards of the road against which all of the conflicting safety regulations stand in protest.

Standardization Should Also Be Applied to Size and Weight Regulations

Another legislative hodge-podge which has developed to harass your industry is the confusing and conflicting regulations governing weights and sizes. Already these subjects are under fire in the courts of several states, being the objects of injunction proceedings. Such procedure is costly, however, and cannot be relied upon to completely clear the air. The need here is not for law suits, but for standardization among the states with intelligent reciprocity where standardization cannot be effected.

The subject of sizes and weights goes much further into certain vital phases of your industry than might casually appear on the surface. For the sizes of trucks and the weights of the payloads they may carry are bound up irrevocably to the economy of their operation. Reducing the size of the truck reduces the size of the payload. Reducing the size of the payload increases the cost of opera-

tion and necessarily increases the cost of hauling to the shipper. Cut the payload in half and the rate must be doubled. Reduce the rate and the truck operator turns to cheaper equipment and is compelled to cut corners in servicing and maintenance. Most of the evils of overloading and the seeming disregard of safety equipment and adequate maintenance arise from the necessity of economy and shoestring operation which unreasonable and unthoughtful restrictions on size and weight force upon the operator.

**Supported by Force of Public Opinion, Truck Industry
Could Quickly Solve Many Problems**

Entering into this problem of intelligent adjustment of how large a truck may be and how much weight it shall carry, your industry again runs headlong into public opinion. For some reason the larger the truck, the greater the public prejudice against it seems to be. No layman seems to consider that the largest truck with the maximum safe load represents the smallest cost for transportation to be added to what he buys. As a result of this lack of realization that the economies of truck transportation represent definite savings to the public pocketbook, the man in the street curses the large truck as a road-hog and a traffic obstructor and applauds when a law is presented to cut down size and reduce weight. To him this seems just as logical as it appears illogical to you gentlemen and myself. I am convinced that until some move is made on behalf of your industry and on behalf of the one I represent in the direction of gaining public understanding and sympathy on such problems, we shall probably stagger from pillar to post in our efforts for a permanent and proper solution. With the force of public opinion behind us, many of the gales that beset the industry would subside into calms and all of us be more free to aggressively promote greater economy and efficiency rather than to find ourselves continually on the defensive.

As a manufacturer representing the manufacturing industry, I can speak with authority upon the effects of the conflicting and confusing regulations and requirements to which you gentlemen

are subjected. Let the present trend continue to its ultimate and the manufacturer will be compelled to maintain about as many sets of construction specifications as there are states in the Union — building a special job for operation in each of the states. It is not enough for us to condemn such lack of standardization as ridiculous. Calling names will cure nothing. What is needed is a three-cornered understanding between operator, administrator and manufacturer. Only such a meeting of minds and practical planning can restore order to the present chaos and tumult of regulation.

Reciprocal Regulatory Policies Between States Would Promote Uniformity

Much of the present confusion could be clarified if a policy of reciprocity between the various states could become universal. Certainly reciprocity could go a long way to bridge the gap between what we have now and what we hope to have if the day of a standardized national policy of regulation ever comes. And certainly, until the industry is free from its present predicament, we shall all operate on the basis of expediency rather than on a sound policy of intelligent development of the opportunities that the truck presents for more rapid and economic transportation.

At the outset of my discussion I used the word stewardship. Simply defined, this word means “to take care of.” Because my industry manufactures and your industry operates, it is our clear and common duty “to take care of” the economic and social contributions which transportation by truck can make to modern society. We can only do this by common and concerted action in our respective spheres. Your association sitting here today in convention is the most powerful instrument you possess in working toward a better day and an emancipation of motor transport from the restrictions and difficulties that now beset it. If I may be bold enough to suggest it, I should suggest consideration of extending any program you might be contemplating to include the often forgotten factor of final decision—the public.

Cooperative Activity of Industry Is Sound Approach to Public

While the sound approach to public understanding of motor truck transportation is in the cooperative activity of the operators, the public officials and the manufacturers, this, to be successful, must be reinforced through a keener appreciation of each other's problems by the groups within the industry. It calls for council meetings of all types of operators, whether common, contract or private carrier, or whether local or over-the-road operator, within the confines of the state associations and in your national federation of state associations—the American Trucking Associations, Inc.

For a long time, we in the manufacturing industry have been mindful of our need for a more intimate understanding from the public. The problems which have prompted us to this frame of mind are but the reflections and shadows which your problems cast upon us. How equally important it would seem to be, that you, too, should approach the court of public opinion for sympathy, support and aid in working out your difficulties.

Make no mistake about one thing. You represent a new era in transportation. You have brought new speed, new economy, new flexibility to all transportation. Your social and economic functions are unassailable. It is only the problems of transition from the old to the new that must be worked out. In working these out you cannot be operators—you must be diplomats, politicians and planners. Your reward will be great, just as any reward for a fundamental contribution to society is great. Our part is to guide truck transportation toward its ultimate destiny as a servant of mankind, continuing with its development, making it an increasingly important factor in the nation's system of distribution.