

The Supreme Court, in Southern R. Co. v. North Carolina, 376 U. S. 93,

101, commented as follows on the reason for enacting section 13a:

As both the House and Senate Committee Reports on the legislation which became §13a(2) make clear, Congress was primarily concerned with the problems posed by passenger services for which significant public demand no longer existed and which were consistently deficit-producing, thus forcing the carriers to subsidize their operation out of freight profits.

Section 13a was not only intended to facilitate the release of railroads from the burdens of deficit trains, but it also hastened the already existing trend of declining rail service. Ten years before the 1958 enactment, railroad passenger volume was 42 billion passenger-miles, and represented 10.2 percent of the intercity total. By 1957 the volume was down to 26 billion passenger miles, or 3.8 percent of the total by all modes. In terms of passenger-train miles, the volume peaked at 605.2 million in 1914. That figure had trended downward to 410 million by 1948, and to 275 million by 1957.

Another indication of the decline can be seen in the train discontinuances then being approved by state agencies. In the six years preceding 1957, state commissions had approved an estimated 1,274 discontinuances and denied 197.⁵ While these statistics have certain deficiencies, they are accurate enough to show the declining demand for rail passenger service and the rate

5 Exhibit No. 16 in Docket No. 31954, reported at 306 I. C. C. 417 (1959).