The Federal Barge Line, operating on the Mississippi River and known as the Mississippi-Warrior Service, was created as a war emergency in 1918, the most important reasons therefor being the accute shortage in railroad transportation equipment and the urgent demand of shippers of the Middle West and Southeast for a revival of the use of our inland waterways system as a means of transportation.

At the close of the war, by appropriate legislation, the transportation facilities of the Barge Line were transferred from the Railroad Administration (who had previously operated same) to the Secretary of War, who was authorized and directed to continue the operation thereof.

The Barge Line is owned by the Inland Waterways Corporation, which corporation is in turn owned by the United States Government. It is operated, under the direction of the Secretary of War, as a common carrier, being subject to the Interstate Commerce Act.

The Government having spent many millions of dollars to make the rivers of the country navigable this Federal Barge Line is looked upon, by many, as an experiment to determine whether or not additional appropriations for maintenance of channels, etc., are justified. At first the Barge Line operated at a loss, but year by year the loss was cut down until that part of the line operating on the lower Mississippi River has been profitably operated for the last few years.

The operation on the Mississippi River is from New Orleans, La., to Minneapolis, Minn. Modern docks with suitable equipment for transferring freight between railroad cars and barges have been built at New Orleans, La., Baton Rouge, La., Vicksburg, Miss., Helena, Ark., Memphis, Tenn., Cairo, Ill., St. Louis, Mo., E.St. Louis, Ill., Dubuque, Ia., Burlington, Ia., Minneapolis and St. Paul, Minn. Freight in large quantities is handled between these points and also via these various points, in connection with rail carriers, to and from a vast interior territory.

Arrangements have been made with connecting rail carriers under which freight is transferred from the barges at the docks to freight cars and handled via the railroads to various points located great distances from the river, For example: Freight in a substantial volume has been handled from Pittsburgh, Pa., via rail carriers to St. Louis, Mo., thence Barge Line to New Orleans, La., there transferred to other rail carriers and handled via rail from New Orleans to El Paso, Tex. This is but one illustration. Similar joint arrangements cover the handling of rail-barge traffic from and to thousands of inland points not located on the river, therefore, the economies effected by the operation of the water line (cost of water transportation is lower than that of rail transportation) are not confined to points on the river, but are enjoyed by producers and receivers of freight in practically all of the Central states, the Middle Western states, the Southwestern states and Southern states.

The tonnage handled by Federal Barge Lines is tabulated below:

	Lower Miss.	Div.	Upper Miss.	Div.	Warrior Div.	Total
1918	23,359				2,645	26,004
1919	104,769				107,869	212,638
1920	160,702				195,953	356,655
1921	443,267				226,283	669,550
1922	599,669				260,344	860,0k3
1923	710,431				269,341	979,772
1924	849,503				222,345	1,071,848
1925	910,755				231,464	1,142,219
1926	1,044,649				296,929	1,341,578
1927	1,237,452		13,887		398,694	1,650,033
1928	1,435,560		119,648		317,389	1,872,597
1929	1,292,876		105,950		254,555	1,653,381
1930	1,149,864		105,494		235,266	1,490,624
1931	1,170,317		79,726		283,872	1,533,915
1932	1,292,983		104,185		255,920	1,653,088
1933	1,206,302		144,585		254,943	1,605,830

As the rates charged on traffic handled in connection with the Barge Line are substantially lower than the all-rail rates on every ton of freight which has been handled, a saving to the producer or receiver of the goods has been effected and naturally this saving should be reflected in the cost to the ultimate consumer of such goods.

The following is the basis for Barge Line rates:

BASIS FOR BARGE LINE RATES

The general basis for rates via the Mississippi-Warrior Service is as follows:

Between river points, Barge Line rates are made 80 percent of the contemporaneously applicable all-rail rates, or in other words 20 percent is deducted from the all-rail rates to arrive at the Barge Line rates on the same commodities and between the same points.

Between Inland points on the one hand and river points on the other, also between inland points on the one hand and inland points on the other, the port to port differentials are deducted from the through rail rates to arrive at the joint rail-barge rates.

In all cases fractions are disposed of.

EXAMPLES

River point traffic - Between Saint Louis and New Orleans first class rail rate is \$1,90, 80 percent of which is \$1.52 which is the barge rate, the differential being 38 cents.

Inland points to river points - The first class all-rail rate from Chicago to New Orleans is \$2.15. From this rate is deducted the St.Louis-New Orleans differential of 38 cents to arrive at the joint rail-barge rate of \$1.77.

Inland points to inland points via Saint Louis and New Orleans - From the through all-rail first class rate is deducted the 38 cent St. Louis-New Orleans differential to arrive at the joint rail-barge-rail rate.