

MUNICIPAL OWNERSHIP.

The electors of Chicago were recently given an opportunity of voting on the question, whether it was desirable for the city to own and operate a plant for the electric car service and lighting the city. The vote in favour of municipal ownership stood 125,000 against 26,000, or about 5 to 1 in support of the city taking up these services. This result is no surprise to those who know how thoroughly imbued with socialistic ideas are the artisan classes in the windy city. Chicago is the Mecca, the City of Refuge, towards which centre Polish and German socialists trek when their presence is no longer desired where they are best known. Their vote in favour of municipal ownership adds not a feather's weight to the argument on that question. If analysed that vote would be found to have been not so much a vote for the city operating certain enterprises, as a vote against any enterprises being conducted for the profit of capitalists. It was given on the same principal as the Puritans condemned bear-baiting, which they prohibited, not because of regard for the bear, but because the sport gave pleasure to the spectators. If we may judge by the journals which have an enormous circulation in Chicago, it would be easy to secure an overwhelming vote in that city in favour of the Armour pork and meat packing establishment being taken over by the people and operated by a popular committee in order to secure such products at a lower than cost price.

Municipal ownership, so far, is a cause unsupported by any demonstration of economic success. It is true that Glasgow and Birmingham are pointed to as proofs of certain public services being performed more advantageously to the public by a City Council than by private capitalists. Were those examples all that some imagine them to be they should be regarded as exceptions which support the rule. It is incredible that with such alleged successful examples before them the hundreds of other cities and towns in the United Kingdom should decline to follow the example of Glasgow and Birmingham. How is it that cities and towns like Newcastle, Leeds, Sheffield, Nottingham, Leicester, Derby, Manchester, Liverpool, Oldham, Cardiff, Bristol, Ashton, Wolverhampton, Belfast, Dundee, and all the congeries of large towns around Manchester, those groups of towns also in North and South Staffordshire, those in the West Riding of Yorkshire and in Westmoreland, all the county capitals and all the great seaports of Great Britain, how is it that the ratepayers in these places have decided not to follow the example of Glasgow? So far as intelligence, enterprise, public spirit, progressive ideas are concerned, many of the above communities claim to be de-

cidedly more advanced than Glasgow. There is only one conclusion to be drawn from such an almost universal avoidance of the municipal ownership scheme by the cities and towns of the United Kingdom, which is, that the case in support of this system has not been sustained by experience. The boasted economies effected by the Corporation of Glasgow are alleged to be open to grave question. It is stated that all the costs of certain services are not charged thereto in order to make them appear either profitable when really worked at a loss, or the loss on working is minimized by the accounts being obscured by defective bookkeeping. Thus, what the citizens save by the city's economic enterprises is lost to them by certain charges being put in the tax bill, the real nature of which they do not recognize.

A visitor to Canada from Australia has given publicity to his views on this subject through the "Canadian Electrical News." He states as follows:

"In New South Wales all railways, telegraph lines and public works of every kind are managed directly by the Government. Under the prevailing system the cost of public works is very much greater than would be the case under the system of constructing such works by contract. Another deplorable result is, that a system of bribery and corruption universally prevails. Some years ago the Government of New South Wales borrowed a large sum of money for the purpose of constructing a railway from one end of the country to the other, a distance of about 1,000 miles. This money, however, has never been used for the object for which it was borrowed, but has been diverted and frittered away on a great number of minor objects. Much of it no doubt has found its way into the pockets of the politicians."

The above has a familiar sound; we have heard it in Parliament and in the press in regard to Government railways in Canada. As both political parties have been equally severe in their charges against the extravagant and corrupt management of Government railways such accusations may be fairly accepted as justified.

It is so well established as to be almost an axiom in economics, that a business enterprise cannot be conducted by a Government or municipal corporation as efficiently or economically as one in control of private owners. In the former case no particular persons have a direct interest in the success of an enterprise, no individuals have capital at stake therein, so that the greatest motive for economy and efficiency in management is absent. If loss occurs, if expenses exceed receipts, if the service is defective in a Government or municipally-owned enterprise, no persons' pockets are depleted or prospects injured. When, on the other hand, an enterprise is sustained by private capital, that capital is