

THE CANADIAN MUNICIPAL JOURNAL

AND TELEPHONE AND BUILDING NEWS

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A COMPANY'S STATEMENTS

The Halifax Electric Tramways Co. does not want to be bought out by the citizens, and as a part of the campaign, has been issuing remarkable statements in the local papers. Of course, such fine advertising patronage is not given to the papers with any idea of influencing the editorial position, but space is taken solely to teach the public!

It is, however very remarkable what a desire to instruct the public takes possession of a Company when it wishes to obtain, or to secure the continuance of a franchise to operate a public utility. It seems a burden laid upon the Company to try and prevent its good friends, the Public, from making such a serious mistake as to refuse the generous terms offered by the Company. In the local papers, or some of them, appear large advertisements, the object of which is to lay before the public such facts—and fictions—as will turn their thoughts into a friendly direction. Of course, the editorials, which confirm the advertisements, are never written by the Company, or even suggested by it? They are simply the opinions of the editor, entirely unprejudiced by the gratitude of the advertising manager for a fat space contract?

As a matter of fact, the principal objection to the Private Ownership of Public Utilities, is the "water" added to the stock. Only a very few people comparatively want municipal ownership in every case; but the public is becoming more and more hostile to the inflated list of shares on which they have to pay the dividends.

As a sample of the statements upon which the Company bases its position let us examine one advertisement, taken from the Halifax "Chronicle."

It is stated that there are 320 municipal lighting plants in England and that they show a deficit of \$149,165 on the year's working.

In our January issue we gave the deductions from the annual pamphlet issued by Mr. James Carter, Borough Treasurer, Preston, England, and the totals show that while the losses incurred by municipal ownership were \$1,816,040, yet the profits were \$8,278,495, thus showing a net surplus of profits over losses of \$6,462,455.

In this book, the losses to all municipalities in electric light are given as \$27,000, while the profits of Liverpool alone were \$125,000, after placing additional profits to reserve.

Halifax, Yorkshire, is quoted in the advertisement as having a loss of \$83,855. As a matter of fact the loss was only £11,765 (\$58,825), and water-works are a necessity, apart from profit or loss. But—and here is the fraud in the statement—the same year, Halifax made total profits of \$73,345; this is carefully omitted by the Company.

Brighouse is shown with a loss of \$8,419 on electricity, but this does not appear in Mr. Carter's pamphlet, but on the contrary, Brighouse in 1911-12 made profits of \$12,500.

Dewsbury, according to the Company, lost \$954 on tramways. But Dewsbury also made profits of \$36,750 at the same time.

Huddersfield lost \$83,485 on waterworks, which is only an exaggeration of about \$25,000 over the real amount; while \$61,500 of profits on other utilities are quite overlooked by the Company.

Leeds, according to the Company, lost \$2,531 on markets and \$16,132 on estates. Mr. Carter's return does not show that there was a loss on the markets, but a profit of \$525, which was part of a total profit of no less than \$500,525.

Middlesborough is quoted as having a loss of \$12,896, but the cause is not shown. It was on water-works. There was a small profit of \$3,170 on markets.

Wakefield is stated to have lost \$1,703 on markets and \$32,824 on something not mentioned. But the total losses of Wakefield were only \$26,770, so that the Company's advertisement is again incorrect. This is one of ONLY FOUR places in England which show a loss without also showing a profit.

York is discredited by losses of \$16,577 on electricity and \$4,005 on tramways. In Mr. Carter's pamphlet, York is not among the places recording a loss, so that the figures above are manufactured out of whole cloth. On the contrary, York shows a profit of \$42,960, of which \$8,150 is on electric light and tramways—the very utilities on which the Halifax Tramways Co. states the city made heavy losses.

As the question at issue is the tramway, the Company might be interested to know that no less than 38 municipalities in England made profits in tramways, the largest amount being \$425,000 in Manchester.

A point conveniently ignored by the Company in its advertising campaign about electricity, is the price at which the consumer gets it. In Bournemouth a private company charged 13c for electric light, while the town of Bury charged 5½c and paid back in reduction of taxes \$5,000.

Our readers will see that the variation on figures depends upon the reliability of the Halifax Tramways Company, and Mr. James Carter, and we do not doubt that they will accept those of an impartial and reliable student, as Mr. Carter is, rather than that of a Company using every means to defeat the public.

Municipal ownership is not advocated by this JOURNAL, but we do feel it is absolutely unfair to use such methods in fighting it.