The Monetary Times

Absorbed the INTERCOLONIAL JOURNAL OF COMMERCE, 1869; the TRADE REVIEW, Montreal, 1870; and the JOURNAL OF COMMERCE, Toronto.

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The Monetary Times

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PRINCIPAL CONTENTS OF THIS ISSUE.

JUDGMENT—AND AFTER.

In the Privy Council decision in favor of the Toronto Street Railway's appeal against judgments upholding the City Council's right to dictate the Company's policy, the devotees of public ownership see a comforting inspiration for their cause. They suggest that a corporation never did and never will keep a contract made with a public authority. They declare that the only sure way to prevent "the people" from being ruthlessly oppressed is to make public utility franchises the sport of expert electioneers. The Privy Council, they say, has miserably failed to understand the plain meaning of a covenant which, just over three years ago, the Company itself was willing to accept under a consent judgment. Corporations are hopelessly slippery; Privy Councillors are as stupid as bats, and the only wise course left is to put everything at the disposal of such wiseacres as fooled away their chances of a consent judgment that would have secured them what the highest, most disinterested court in the world says they never, in law, deserved.

For the moment, we are not concerned with the extravagant virtues which its lovers attribute to public ownership and operation of public utilities, nor with the utter discredit which the enemies of public ownership continually throw upon it. The truth never rests with extremists. It is made to appear to lie with all of them in turn. Everybody admits that the public ownership of the means of collecting and distributing letters is not only justified, but lies at the very root of commerce. Everybody knows that to put a whole railroad system into the hands of politicians, who live by their electioneering quality, is a pretty sure way to incompetence, jobbery, and the illegitimate piling of current expenditure on to capital account.

As a matter of abstract economics, public ownership is not a predominant concern of the financier in office hours. As a matter of business, it is likely to become of cardinal importance. Where, then, must you look for the index to safety in a shifting situation? You must seek it in the factor that is going to win, and not in the factor that you would like to win. Nothing is to be gained by repeating your belief that the public is wrong; that the Government is going blind, and that if things get much worse enterprise may as well go out of business. All that may be earnestly believed; and still it does not alter the fact that every great development of public fiscal policy has produced hosts of the sincerest prophets of disaster, most of whom have lived to learn that lugubrious predictions very seldom come true. In a cold-blooded business proposition it doesn't matter who is right on the intrinsic merits of public ownership. The question is, What is going to happen, and how can events be made the servants of enterprise? We wish some other conclusion were possible than that the Privy Council judgment against the city of Toronto will help the cult of public ownership. Of course, the city would have been far wiser if it had not been so cocksure that it was going to beat the Company. The city is getting over a thousand dollars a day from the Company's revenue. The Toronto News, whose scathing denunciations of the Company have been in marked contrast to its usual dignity and moderation, admits that if the service goes on improving as it has done since the beginning of the year there will be little to criticize. Manager Fleming is too shrewd not to let the City Council see that more has been gained through being whipped than could be got by whipping. A venerable feud will probably flicker into a peaceful old age.

Will public ownership flicker away with it? It will not. It will have to be reckoned with. Daily newspaper influence is against the Company. The editorials may be wrong, but they make public opinion; and public