

The Toronto Civic Railway's Fares and Deficits.

T. Bradshaw, Commissioner of Finance, and R. C. Harris, Commissioner of Works, the latter of whom has charge of Toronto Civic Ry. construction and operation, presented the following report to the city's board of control recently:—

We deem it our duty to again direct attention to the fast accumulating deficit on account of the operation of civic car lines. Prior to the operation of the first line on Gerrard St. East in the latter part of 1912, the Commissioner of Works made strong and insistent representation to the board of control that the rate of fares charged by the Toronto Ry. Co. should apply to the civic lines. Consent was not given to this, but bylaw 6304, passed Dec. 13, 1912, provided for the following scale of fares from 5.30 a.m. to 12 midnight, viz.:—Single cash fare for adults, 2c, or 6 tickets for 10c; children under 9 years, 1c; infants in arms, free; night fares, from 12 midnight to 5.30 a.m., 5c cash.

On Aug. 22, 1913, the Commissioner of Works again recommended that the fare scale of the Toronto Ry. Co. should be applied to the civic lines. The board of control did not agree therewith, but recommended that the existing rates be continued as a temporary measure, to be adjusted, after determination had been reached, upon the negotiations for the purchase of the Toronto Ry. Co., having in view the possible unification of the systems. This was adopted by council Sept. 29, 1913, and on the same day bylaw 6673 was passed, applying the existing rates of fares on the Gerrard St. line, to the St. Clair and Danforth Ave. sections of the system.

In 1914 Aldermen Whetter and Hiltz moved that the board of control consider the advisability of increasing the rates of fares. The board reported favorably, but the motion was referred back by council.

On Feb. 22, 1915, the Commissioner of Works advised the board of control that instructions had been issued to apply the existing rates to the Bloor St. line, and added, "I am still of opinion, however, that a sum sufficient to pay operating, maintenance and overhead charges should be collected."

On Feb. 26, 1915, the Commissioner of Works recommended to the committee on works that the following fares be charged, viz.:—Adults, 3c cash or 9 tickets for 25c; children, 1c; night fares, 5c. The committee adopted this recommendation; the board of control, however, recommended that it be referred back, and in this council concurred on Mar. 8, 1915.

On April 4, 1917, we made joint report to the board of control, recommending that a straight 3c fare, or 10 tickets for 30c, be charged. This recommendation was rejected. Had it been adopted, the revenue for 1917 would have approximated \$428,056, instead of \$278,147 actually received—a practical loss of \$149,909. The foregoing figures do not provide for the collection of fares from soldiers in uniform, of whom we carried 477,149 free during 1917. The total debenture issue on account of civic car lines amounts to \$2,287,171, the annual charges thereon being \$171,063.80. Since the inception of the system, the total charges of the operating sections have been as follows:—

Operating and maintenance.....	\$860,000.00
Capital charges	660,947.00
Total	\$1,520,947.00
Total revenue	930,259.00
Deficit	\$590,688.00

In other words, since the institution of the various civic car lines, the ratepayers at large, up to Dec. 31, 1917, were called upon to pay \$590,688 for special service accorded those in the districts contiguous to the civic lines. As before reported, it cannot be urged that this practice is sound, wise or business like. Every public utility should be made self supporting. It is unfair that the citizens at large should be compelled to make good annually, through the tax rate, the deficit created by reason of preferential treatment accorded a section of the community. Furthermore, it provides one of the most potent and damaging arguments against public ownership.

We have shown that the accumulated deficit to Dec. 31, 1917, amounted to \$590,688, and will under present conditions, increase at a rate approximating \$200,000 yearly. This means that in Sept. 1921, when we obtain possession of the Toronto Ry., the ratepayers at large will have disbursed \$1,340,688 to eliminate a deficit created by special preference accorded favored sections. Nor does it end here. We are now proceeding to acquire the section of the Metropolitan Division of the Toronto & York Radial Ry., located on Yonge St. within the city limits, which, if effected, will mean a considerable increase in annual capital charges, and if rated on the fare scale now existing on our civic lines, will considerably augment the annual deficit. This gives us considerable concern. We should persistently hold in mind the necessity of conserving every financial resource, against the acquisition of the Toronto Ry., 43 months hence, when the citizens may be emancipated from the pretence for service offered by the company, whose delinquency in discharging its obligations, is, unfortunately, aggravating rapidly. We are neither conserving or prudent in furnishing service below cost. In our opinion such policy is unwise and dangerous, inasmuch as it may have some serious collateral bearing upon the 1921 situation.

We recommend that the fares on the civic car lines be 3c cash, or 10 tickets for 30c; children's fare to be 1c cash, as at present; the foregoing rates to apply from 5.30 a.m. to 12 midnight; night fares from 12 midnight to 5.30 a.m. to be 5c cash, as at present. We estimate that the recommended scale of fares will be sufficient to cover the operating, maintenance and capital charges, but not physical depreciation, or municipal taxes, which, in our opinion, should be collected from every public utility, operated municipally or otherwise. If this scale be adopted, the following statement, based upon the number of passengers carried in 1917, and the service provided for in the estimates of 1918, would approximate the situation at the end of this year, viz.:—

Operating and maintenance charges.....	\$325,624.00
Capital charges	171,064.00
Total	\$496,688.00
Revenue passengers—16,478,391 at 3c.	
a passenger	494,351.00
Deficit	\$ 2,337.00

We cannot too strongly urge upon the administration to give effect to this recommendation. In our opinion it embraces good finance, sound business and efficient administration, while arguments may be admitted to affect its purport. We are convinced that the great outstanding principle which has made public ownership successful, viz., that a high standard of service should be furnished at mini-

mum cost, but that such service should be absolutely self sustaining, will of itself, by its sound logic, confute any such arguments.

The board of control sent the foregoing report on to the city council, advising that the recommendations did not meet with its approval and the city council acquiesced, so the fares remain as they were before and the deficits will continue to pile up.

Application for Increased Electric Railway Fares in Quebec.

The Quebec Ry., Light & Power Co. is applying to the Quebec City Council for permission to increase its street railway fares and gas rates. Following are particulars of the present street railway fares and of the increases asked:—

Cash fare, 5c., no change asked. Tickets, present rates, unlimited tickets, 6 for 25c. and 25 for \$1; workmen's tickets, 8 for 25c. It is desired to change to 5 unlimited tickets for 25c. and 21 for \$1, and to abolish workmen's tickets.

School children's tickets, present rate, 10 for 25c., no change asked.

Children under 7 years of age, when accompanied by parents or guardians, are now carried free. It is asked that all children, excepting those in arms, shall pay 3c. cash fare, or buy 10 tickets for 25c.

Transfers are now free, and permission is asked to charge 1c. each for them.

After giving particulars of increased fares granted to electric railway companies in the United States, the Quebec Co.'s application gives a statement showing prices of material incidental to the operation of public utility companies in June, 1917, compared with June, 1913, showing an average increase of 109.3%. The application continues: "The larger portion of the material used in the operation of this company's service being manufactured in the United States, we are compelled to pay heavy customs duty, and for this reason alone, railway companies operating in the U.S. have the advantage over Canadian railway companies. Different railways in the United States have, however, found it necessary to ask for, and have been granted increases, in most cases abolishing tickets and charging a straight 5c. cash fare, and in a number of cases charging a 6c. and 7c. cash fare. The operating wages paid the Quebec Co.'s employes for 1917 were \$589,751.90, against \$470,721.43 for 1916.

Winnipeg Jitneys to be Abolished.—Winnipeg press dispatch Mar. 26.—Abolition of the jitneys was decided upon by the city council last night by a vote of 12 to 5. The resolution reads that the Winnipeg Electric Ry. Co. shall give adequate service, eliminate the electrolysis that damages the water mains, clear the streets of useless poles, and that if motor busses are put on by the company they shall be under regulation by the city. It was stated Mar. 20 that there were about 200 licenses for running jitneys in existence in Winnipeg, and that they were being issued as usual. The licenses are subject to cancellation at any time, and the bonds given run from month to month.

Guelph Radial Ry. Officials.—The officials of this line, which is owned and operated by the City of Guelph, Ont., are as follows: President, J. W. Lyon; Vice President, T. Hall; Treasurer, S. Rundle; Secretary, H. Westoky; Manager, A. H. Foster.