

Municipal Ownership in England

Broad statements often appear in newspapers, originating in the sleepless Press Bureau of the monopolists, stating that municipal ownership in the older lands has proved an unmitigated failure, and that it is being given up on every hand.

In view of this it is very interesting to receive a copy of the annual statement prepared by Mr. James Carter, Borough Treasurer of Preston, England, and to compile a few results from the valuable statistics presented. That it is especially valuable is proved by the statement made by Mr. Carter, that "This statement is framed with the object of showing the actual rates (or taxes) levied in various towns and the extent to which such Rates have been increased or reduced by Municipal Undertakings (or Ownership of Public Utilities) and Estates, and is not intended to demonstrate the desirability or otherwise of Municipal Trading (or Ownership.)"

In pursuance of this position, Mr. Carter does not give any totals, so that these, with their consequent deductions, are left for each reader to work out for himself.

The first table gives the Rates (or Taxes) levied in 91 towns, in the year 1908-9. This varies from 5 shillings (\$1.25) in Bournemouth to 9s. 10d. (\$2.45) in Norwich.

Then follows a table of charges for Gas, Water and Electricity, also in 91 towns, and the figures shew a great variation, some of the plants being privately and some municipally owned. The lowest rate for Water is in Liverpool, being 7½ pence, on the £ (or 15 cents on \$5.00); while the highest is Ashton-under-Lyne, where it is 2 shillings and 2 pence, (54 cents.)

The highest price charged for gas is 3s. 6d. (87 cents), by a private company, in King's Lynn, while the lowest is at Widnes, a municipal plant, where the price is 1s. 2d. (29 cents.)

In Electric Light the variation is also marked, the lowest rate being 3d. (6 cents) in Liverpool, while in Batley and Bournemouth, the rate is 6d. (12 cents.)

Thus Liverpool has the lowest rate for water and electricity, gas there being in the hands of a private company and fairly high.

The two final tables are the most interesting, the first being the "Receipts from Profitable Undertakings (or Municipal Ownership) by which Rates (or Taxes) have been reduced." In this list there are 76 towns, and the tables show the profits from Markets, Gas, Water, Electric Light, Tramways, (Street Cars), Estates Owned, and other sources. The total amount of profits shown by these towns is £1,179,287 or \$5,896,435. The amounts paid over to reduce the regular rates (or taxes) varies from ½d. (1 cent) in the £, (\$5), in Heywood, and West Hartlepool to 1s. 8½d. (41 cents) in Macclesfield. In the last named, there is a profit turned to the rates of £7,177 (\$35,885), from gas at 2s. 6d. (62 cents.)

The last table gives "Losses on Municipal Undertakings" (Municipal Ownership), and consists of a list of 38 towns, some of course figuring in the previous list as profit earners in some lines. In fact only 3 towns show a loss, and no profit at all; only 9 show a loss to the rates (taxes) in excess of the profit in other forms of municipal ownership, and one of these, St. Helen's, show a loss on the leasing of the tramways (street cars). The total losses, which have been paid out of rates (taxes) is £209,655 (\$1,048,275), and out of this no less than £111,477 (\$557,375), or more than half, is due to the operation of waterworks, which is acknowledged to be a necessity, apart from profit or loss.

The result therefore of municipal trading (or owner-

ship) in England, as shown by Mr. Carters' statistics, is that the total amount of Profit paid over to reduce rates (taxes) is £1,179,287 (\$5,896,435) while the loss charged against rates (taxes), deducting the loss of waterworks, is only £98,178 (\$490,890) and therefore the net amount paid over from Municipal Undertakings (ownership) to reduce the rates (taxes) is £1,081,109 (or \$5,405,545).

How can the enemies of municipal ownership meet these figures?

Forcing Municipal Ownership

The Montreal Light, Heat and Power Company—the Octopus of Montreal—is one of the most powerful and persistent advocates of municipal ownership. The professor before his classes, the author with his readers, and the editor with his paper, must all bow before the persuasive eloquence of "Power".

Some years ago, the Royal Electric Co., which was the precursor of "Power", did an inestimable benefit to municipal freedom in Canada by tightening its grasp so greatly that in sheer desperation and in a last attempt to retain some little freedom, the Union of Canadian Municipalities was organized.

Little did the management of "Royal Electric" dream that the continued coercion of the City of Montreal would lead to the birth of such a factor in municipal freedom as the Union has already been, or surely the shrewd business directors would have hesitated before raising such a champion of liberty.

Since then, "Power" has pursued the usual way of gigantic monopolies. Frightened by competition at the last renewal of the street lighting contract, it cut the price from \$125 per lamp to \$65 — and it is generally conceded that the quality of the light was equally reduced, for the lighting of the streets of Montreal is a farce when compared with other cities; and the dim dingy streets are depressing after a visit to any other city which has electric light.

"Power" has secured control of all large rival companies, and has put up prices as quickly as it got the monopoly. It buys power from Shawinigan at \$14 per h. p., and sells at any figure up to \$80, or even higher; and holds a monopoly of this development in Montreal.

True it has met with an implacable rival in the municipal plant of Westmount—which it owes to its hoggish policy—and has tried to cajole its patrons by cheaper rates, special discounts, and even rebates.

Now it has roused the City Council of Montreal, and if a civic lighting plant is built in Montreal, it will not be due to example or precept,—even this Journal can claim little credit—but it will be due solely and entirely to the Montreal Light, Heat and Power Company.

But an even graver part of the question remains. How can Montreal hope to retain her supremacy as a manufacturing centre under the control of this monopoly, while all the cities in Ontario are having cheap power, and Winnipeg is building a huge plant to supply cheap power to factories?

Perhaps "Power" may find that its high prices result in killing the goose that lays the golden eggs, and the Directors may see their interests in real estate and in other industries depreciated by the mad idea that a monopoly can control prices.

The last issue of the Indian Municipal Journal, states that Cawnpore is the first provincial town in India to introduce electric street lighting. The plant is a municipal one. Several municipalities have received grants for the establishment of waterworks. Rangoon has adopted by-laws to regulate the milk supply.