

# TO THE VOTERS OF THE CITY OF OMAHA

The officers of the Street Railway Co. will take no part in the pending election on the question of seven fares for a quarter other than to make a plain and truthful statement to the voters through the press of certain facts, which should be carefully considered by all who vote on this proposition.

The average cost of transporting passengers on the lines of the Street Railway Co. in Nebraska during the past seven years has been 4.43 cents for each passenger. This cost includes operating expenses, taxes, depreciation and interest on bonds, but no dividends whatever to the stockholders of the company. If the proposed rate of seven fares for 25c had been in force during this period of seven years the Street Railway Co. would have lacked .86 of a cent on every fare collected of having earned enough to pay its fixed charges. Applying this to the operations of the company for the past year ending December 31, 1913, this company would have lacked \$408,962.12 of having earned enough to pay its fixed charges, to say nothing of any dividends whatever to its stockholders.

The policy of the Street Railway Co. for ten years past has been one of constant and intelligent expansion. During this period the Street Railway Co. has expended on its lines for extensions and betterments the total of \$4,474,951.16, or an average of about \$450,000 per annum. These large expenditures have been made in response to the urgent petitions of improvement clubs and citizens generally. The extensions of our lines have greatly increased the value of property and brought convenience to the homes of thousands of our citizens.

During this period of ten years nearly every line in the city of Omaha has been rebuilt, small cars have been replaced with large modern double-truck cars, 270 cars have been either built in our shops or purchased during this period and placed in service on our lines.

All these improvements have been made because the earnings of our company were such as to give it credit and standing in the financial markets of the country, necessary to secure the large sums of money required.

During this period the wages of our men have been increased no less than four times, making a total average increase of about 30 per cent. The taxes levied against the property of the Street Railway Co. have been increased from year to year until at present, including the occupation tax paid to the City of Omaha, the Street Railway Co. is paying taxes at the rate of \$243,378.78 per annum.

A few years ago an occupation tax of 3% on the gross earnings of company was levied by the City of Omaha. This tax last year amounted to \$60,682.46.

The Street Railway Co. has been able to bear all these large and increasing burdens during this period and maintained its credit only because it has been permitted to earn sufficient money to pay promptly all its obligations. If the proposed reduced fares had been in force during this period I do not hesitate to say that the company could not have made any of these improvements nor could it have made any increase in the wages of its employees. By necessity it would today be operating old, dilapidated out-of-date cars, over rough tracks instead of the fine first-class service it is giving to this community.

I am satisfied that the intelligent voters of this city want better service and extension of our lines rather than reduced fares. It will be absolutely impossible for this company to continue its policy of extensions and betterment if forced to reduce its fares as proposed at this time.

We have on file no less than fifteen petitions signed by thousands of citizens asking for extensions of lines to be made during the present year. Nineteen improvement clubs in all parts of the city have passed resolutions opposing reduction of fares and favoring extension of lines and betterment of service. The city of Omaha is scattered over a vast area which requires more service from all its public service corporations than the thickly populated cities in the states east of us, some of which have adopted lower street car fares.

There are some citizens who are foolish enough to believe that extensions will continue to be made and the wages of our men continue to increase even with a reduction of fares as is proposed. I warn all who entertain such ideas that this will not be possible, that if the proposed reduction of fares is forced on this company its only alternative will be to curtail expenditures on every hand, to stop all extensions and increase of service, and to furnish to the people of Omaha the kind of service that is being furnished in many other cities where lower fares prevail. I do not believe such a condition will be conducive to the growth and development of our city, nor do I believe that the people of Omaha want such a condition. I sincerely hope for the good of our city that it will not pass at the coming election.

G. W. Wattles, President.

**The Omaha and Council Bluffs Street Railway Company**