

# Chiffoniers

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## Complete Cure For Every Humor From Pimples to Scrofula

### MUNICIPAL LIGHTING PLANTS

Paper by Victor Rosewater at National Municipal Ownership Convention.

#### ARGUMENTS FOR AND AGAINST THE CITY

More Political Demoralization in Grants of Private Franchises Than in a Service by Responsible Public Servants.

Part II.  
Rightly or wrongly, the first question asked when the question of municipal ownership is broached is, "Will it pay?" If municipal ownership meant a heavier burden on the taxpayers of the city no other argument could command attention. But the beneficiaries of private franchises still insist that it is more economical for the city to subcontract the task of supplying its electric lighting to a franchised corporation, the answer is that the results of every investigation into comparative cost under private and public regimes contradict their assertion. In all candor I ask, why should a private corporation be able to supply electric light more cheaply than a public corporation? Would it be rational to believe, entirely apart from the facts and figures we have already examined, that the elements entering into the production of electricity for lighting purposes would

come more expensive to a municipal corporation than to a private corporation? The cost of production may be divided broadly under (1) capital investment and (2) expenses of maintenance and operation. Will any one contend that private corporations can borrow money as cheaply as municipal corporations? When it comes to raising the necessary funds for the capital investment, the municipality can sell its bonds at better rates than the private corporation. In the city of Omaha, where I live, municipal bonds bring a premium that reduces the interest rate down to approximately 4 per cent, while the public service corporations have to float their securities on a 6 per cent basis and often at a discount, and I have reason to believe the same is true generally throughout the country. It is sometimes contended that the municipal corporation would have to pay more for its building sites and construction work and that it cannot buy its machinery and installation materials as cheaply as the private corporation. There is nothing, however, to support this assertion, nor is it plausible unless we assume that the public officers are recreant to their trust and that private corporations are not as liable to suffer from dishonest or scheming employees as the municipal corporation. The manufacturers of electrical machinery certainly stand as ready to sell to municipal corporations as to private corporations without discrimination as to prices.

Of the expense for maintenance and operation, the principal items are those for supplies and fuel, for wages and salaries, for depreciation and repairs. What I have said with reference to the purchase of machinery applies with reference to supplies. There is no good reason why the municipality cannot buy as cheaply and effectively as any one on the market. These purchases are usually made by contract awarded on competitive bids whether they affect a municipality or a private corporation.

Question of Comparative Salaries.  
When it comes to the question of comparative salaries and wages, we can cite testimony in the report of the commissioner of labor, already referred to, which contains a table covering these points within the respective groups into which the plants are classified, with this comment: "So far as salaries are concerned the average cost in municipal plants is smaller in every group presented, in some cases being less than half the average cost in private plants. As regards wage costs, it is seen that in seven of the groups shown the average cost in the municipal plant exceeds that in the private plants, while in eight of nine groups the municipal plant is greater than in those municipally owned and controlled."

When it would be safe, certainly, to remember that substantially all the private plants engaged in supplying electric light have a large commercial business in addition to their contracts for street illumination. In fact, for most of them, the contract for city street lighting is simply a nest egg, while the more profitable part of the business consists in selling electricity to private consumers. In some cases private ownership undertakes to furnish street lamp at moderate, or even losing prices, as a consideration for the privilege of exploiting the commercial lighting field. On the other hand, the municipal plant has not always been allowed to engage in commercial business, but very often has been compelled because of legal limitations to confine itself to supplying street illumination for the municipality alone.

In his notable investigation Labor Commissioner Wright feels called upon to explain that in many cases his table (of comparative cost of production) shows that: "In municipal plants the income from private users during the year exceeded the cost of production and that apparently the city not only obtained free electricity for its own use, but made a profit besides, while in other cases, mainly in the smaller plants, the cost of electricity used by the city was extremely high. In the former cases the prices charged consumers by the municipal works was sufficiently high to reduce the cost to the city of its own electricity to a very small sum, and indeed in many cases to nothing in addition to showing a large profit on the service. In the latter cases, in which the cost to the city was apparently large, the condition may be due to one or more of a variety of causes. In some instances the high cost may be accounted for by the fact that small prices in charges to the private consumers and the income from this source being very small, the proportion of cost to be borne by the municipality was correspondingly large; further, in small towns and cities where the service is limited the cost of operation is almost as great as that demanded by a greater amount of service."

In analyzing the table I have constructed from the annual compilations of the statistics of cities already referred to, I have noted that of the thirteen cities of over 20,000 population two, namely, Tacoma, Wash., and Taunton, Mass., are apparently unique in doing business on a strictly commercial basis. For the year covered by the September, 1902, report, the city of Tacoma is credited with receipts from sales of electric light aggregating \$59,845 for the year. Its expenses of maintenance for the same period were \$69,251, so that the city secured all of its 335 street lamps without cash outlay and had besides a surplus of nearly \$10,000 to offset the interest on its investment and the depreciation of its plant. According to the same source of information, the plant at Taunton took in a yearly revenue amounting to \$25,747 paid for commercial lights, while its expenses of maintenance were \$25,747, leaving a difference of \$500 in addition to the use of 247 arc lamps for street illumination as an offset against interest charges. To show that this result is not simply an extraordinary condition of a single year, I have compiled from the Labor Bureau's annual bulletins the following tables to show the financial operations of these two municipally owned plants for a period of three years:

### It's So Easy

To take cold. It's so common to neglect the cold. That is one reason why there are so many people with "deep-seated," stubborn coughs, and so many more with "lung trouble."  
The short, quick way to cure a cough is to use Dr. Pierce's Golden Medical Discovery. The quicker this remedy is used the quicker the cure. But even when neglect has let disease fasten on the lungs, "Golden Medical Discovery" may be relied on to cure in ninety-eight cases out of every hundred.  
The only motive for substitution is to permit the dealer to make the little extra profit paid on the sale of less meritorious medicines. He gains. You lose. You lose more than you gain. I tried lots of different medicines and different doctors, but did not feel much better. I coughed until I vomited and my blood, but now I feel much stronger and healthier. Dr. Pierce's Golden Medical Discovery is the best medicine I have ever taken. My home is in Williamsburg, Virginia.  
Dr. Pierce's Pleasant Pellets are a laxative. No other medicine equals them for gentleness and thoroughness.

Commercial Business.  
In figuring on the financial saving effected by municipal ownership, we must remember that substantially all the private plants engaged in supplying electric light have a large commercial business in addition to their contracts for street illumination. In fact, for most of them, the contract for city street lighting is simply a nest egg, while the more profitable part of the business consists in selling electricity to private consumers. In some cases private ownership undertakes to furnish street lamp at moderate, or even losing prices, as a consideration for the privilege of exploiting the commercial lighting field. On

charged are not so generally fixed as to earn a per cent on the investment, unless as is frequently the case, outstanding bonds render interest a charge necessary to be earned.  
In another place the commissioner refers to the fact that by far the greater number of private plants show a good profit, the per cent reaching as high as 60.45 in one instance. That such profits are incompatible with reasonable rates to the public goes without saying.  
The Cry of Politics.  
But we are told that even if it were possible for the municipality to effect a large financial saving for its taxpayers and private consumers of electric light, and to secure for them the increment accruing from the steady growth of population and business, which for the private corporation is absorbed in the franchise value, political antagonism would stand in the way. The bug-a-boo of politics is always handy for use upon timid people or those who merely seek for an excuse. Establish municipal ownership by the acquisition of an electric lighting plant, declare its opponents, and it is at once dragged into politics. That with proper civil service regulations the plant can be operated without undue political interference is certainly a possibility, and that the acquisition of such a plant would exert the strongest influence for protecting the public service from the base of politics is more than reasonable to expect.  
On the other hand, who will deny that the private electric lighting corporations are constantly in politics? The regularly recurring necessity of securing new franchise grants, of barring out competitors or of Tacoma is credited with receipts from sales of electric light aggregating \$59,845 for the year. Its expenses of maintenance for the same period were \$69,251, so that the city secured all of its 335 street lamps without cash outlay and had besides a surplus of nearly \$10,000 to offset the interest on its investment and the depreciation of its plant. According to the same source of information, the plant at Taunton took in a yearly revenue amounting to \$25,747 paid for commercial lights, while its expenses of maintenance were \$25,747, leaving a difference of \$500 in addition to the use of 247 arc lamps for street illumination as an offset against interest charges. To show that this result is not simply an extraordinary condition of a single year, I have compiled from the Labor Bureau's annual bulletins the following tables to show the financial operations of these two municipally owned plants for a period of three years:

TACOMA—Pop. 37,714. 1900. 1901. 1902.  
Total number arc lamps..... 313 326  
Cost of plant.....\$450,000 \$500,250 \$500,250  
Capital outlay for..... 15,587 54,250 27,352  
Maintenance and..... 47,738 58,031 60,251  
Income from plant..... 37,114 50,251 50,683  
TAUNTON—Pop. 31,085. 1900. 1901. 1902.  
Number miles of..... 6 5  
Total number of arc lamps..... 247 247  
Cost of plant.....\$125,000 \$125,000 \$125,000  
Capital outlay for..... 9,223 2,769 4,781  
Year..... 24,728 27,299 29,247  
Income..... 28,119 25,259 29,747  
Expenses of other street lamps..... 8,776 1,814 5,906

If these tables show anything, they indicate that it is the lack of revenue from the commercial business that reduces the financial saving effected by municipal plants out of from private patronage to which the people of the respective municipalities are entitled.  
When it comes to efficient service and reasonable prices to private patrons the municipal plant again has the advantage. As the report of the labor commissioner declares: "In municipal plants profit is not usually considered as an object and the prices

## Samples

An entire Grand Rapids manufacturer's sample line of

### Dressers Chiffoniers Wash Stands

in Golden Oak, Curly Birch, Mahogany and Bird's Eye Maple, bought at a big discount on special sale Monday at a

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...ONE-QUARTER TO ONE-THIRD...**

Here is the opportunity to purchase a fine piece of furniture for the bed room at much less than regular value. Only one of a pattern in each finish. These goods are all highly hand polished, the latest designs and high quality. We must move them quick as we need the room for regular stock. So come Monday. They won't last long. A Genuine sample cut-price sale, all new, this season's patterns.

Here are a few of the prices showing regular and sample price.

|   |         |
|---|---------|
| \$32.00 Bird's-eye Maple Dresser—sample sale.....     | \$21.00 |
| \$32.00 Mahogany Dresser—sample sale.....             | \$21.00 |
| \$35.00 Mahogany Dresser—sample sale.....             | \$22.50 |
| \$37.00 Oak Dresser—sample sale.....                  | \$23.75 |
| \$36.00 Curly Birch Dresser—sample sale.....          | \$23.00 |
| \$35.00 Bird's-eye Dresser—sample sale.....           | \$22.50 |
| \$43 Maple, Oak and Mahogany Dresser—sample sale..... | \$28.50 |
| \$11.00 Oak Chiffonier—sample sale.....               | \$7.65  |
| \$16.00 Oak Chiffonier—sample sale.....               | \$10.75 |
| \$18.00 Oak Chiffonier—sample sale.....               | \$12.25 |
| \$21.00 Bird's-eye Chiffonier—sample sale.....        | \$15.50 |
| \$30.00 Bird's-eye Chiffonier—sample sale.....        | \$17.50 |
| \$30.00 Birdseye Chiffonier—sample sale.....          | \$18.25 |
| \$38.00 Mahogany Chiffonier—sample sale.....          | \$23.75 |

75 other patterns—Chiffoniers and Dressers.

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Cures Biliousness  
Constipation and  
Fetid Liver.

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Don't show your bad taste, but insist on having Book's Imperial Extra Dry Champagne of purest vintage always.