

WEDNESDAY, MAY 26, 1920.

## Bill Introduced by Charles McCrea of Sudbury Gets Drastic Treatment at Hands of Legal Committee of Legislature

### SUBSTITUTE BILL GOES TO HOUSE

## R. J. Fleming, Chief Speaker Before Committee, Talks About Lean Years and Civic Cars Being Crowded Worse Than T.S.R. Cars

When the time comes for a showdown on an increase of street railway fares in Toronto the City Council or the people by the ballot may decide it. The Legal Committee of the Legislature last night replaced entirely Bill 235, introduced by Charles McCrea of Sudbury, and which would give the Ontario Railway and Municipal Board the right to permit companies increasing fares, with another bill proposed and drawn up by the members of the Ontario Railway and Municipal Board.

There was opposition to the last. Hon. D. Carmichael, J. W. Curry (Southeast Toronto) and Col. W. H. Price (Parkdale) opposed the old bill and the substitute therefor to the last ditch. The effect of the new bill, which will go to the House, is that the Railway Board cannot increase fares. The City Council, either on its own accord or a vote of the people, may agree to allow the company to increase the fares. The matter goes back to the two parties of the original agreement.

#### An Animated Debate.

At various times the debate was animated. Chas. McCrea, Conservative member for Sudbury, who introduced the original bill, said it was introduced in the interest of railway companies which found that it was impossible to meet the expendi-

ture from the revenue. It was in the interest of the public, because the public was the sufferer in the long run.

Traffic Manager Waller of the Hamilton Street Railway was the first to speak. He said it was very likely that the men would strike in Hamilton to-day and that the Railway Board would take over the lines. The average fare in Hamilton was four cents a mile. The men were demanding from 55 to 65 cents an hour. The company was paying no dividends, and on the radial lines into Hamilton there had been a deficit in every case. It would be impossible to operate if the men's demands were met. He would be very glad to have the board take the railway over.

"The whole bunch thrown together make money," said Hon. Mr. Rollo, referring to the various radial lines, street railway and other companies.

Mr. Waller said there was no "water" in the stock of the company, and that it bought its power from the Cataract Power Company at \$11 per h.p.

#### No Profit for 25 Years.

Chas. L. Wilson, manager of the Toronto & York Radial Railway, said they had been operating the radial for twenty-five years and had made no money. It had never paid a dividend, and it now had a deficit. Someone suggested that the city was going to take it over. "The city has been talking long enough about it," was the reply. He objected to being restricted to two cents a mile when the London & Port Stanley was allowed to charge 2.7 cents a mile. The company had had no labor troubles, and did not want any. He admitted that the lines had been bought cheaply.

#### Fifteen Per Cent. Cash Fares.

R. J. Fleming said that only 15 per cent. of the fares on the street railway to-day were cash, and that the average fare was 3.9 cents. He pointed out that materials had gone up 100 to 300 per cent. "We have been able to carry on only by neglecting the roads and the cars." He said that in three years the increases to the men had cost the company \$200,000, \$800,000, and last year \$1,500,000. The present demand by the men for an 85-cent wage would mean nearly three millions.

Mr. Fleming maintained that a Railway Board stepping into a company's affairs destroyed it, and he alleged that the credit of the company had been seriously hampered by the board stepping in last year.

"All power is given to the board to crush and destroy, but no power to construct and build up. The board should not be allowed to enter a company's premises before the company has a chance. If the company cannot take advantage of that chance, then let the board step in."

The city had been given \$12,000,000 in 28 years by the company, last year the sum amounting to 16 per cent. of the gross receipts, or \$1,152,000.

"Toronto would get the benefit of the increased fares as well as the company," commented Mr. McCrea.

"The corporation, yes; the citizen, no," interjected Col. Price.

#### Fleming and Dividends.

The last dividend was three years ago, and it was four per cent. Mr. Fleming said that last year a half-million, which should have gone into new equipment, went into wages for the men. Last year the company had a net profit of \$13,000, and with the same wage scale in force this year as there was for the latter half of last year, \$750,000 more would be required to pay the men. Speaking of dividends, Mr. Fleming said that for a number of years it was four per cent.; then five per cent.; then six per cent., and eight per cent. for six years from 1910 to 1916 or 1917. There had been an issue of \$5,000,000 of stock to the shareholders. One of the members of the committee suggested the word "melon," but Mr. Fleming could not agree.

Stock was now worth about 40 cents on the dollar. He said that it was not for street railway stock that \$135 had been offered on one occasion for the whole thing, but for