Honolulu Star-Bulletin

RILEY H. ALLEN - - - - - - - - - - EDITOR

MONDAY ..... APRIL 7, 1913

Clear understandings make long friendships. —Italian proverb.

WHAT THEN ?

The governorship situation is not one that any intelligent citizen of this territory can view with contentment of mind or satisfaction of heart.

Of the three avowed Democratic office-seekers, the territory is plainly reluctant to indorse the claims or support the candidacy of L. L. McCandless or G. J. Waller, and the illness of E. M. Watson is such that the territory with extreme regret feels that he should not accept the position at this time, even though his health is improving.

There is no successor for Mr. Frear in sight who has anything like the present executive's mental grasp and physical qualifications for this exacting office. There is no successor for Mr. Frear in sight in whom the territory has anything like the confidence it has in Mr. Frear.

A JOKE COMMISSION

It is hardly possible that the senate will consider seriously the passage of a public utilities bill of the kind introduced last Saturday by Senator Baldwin.

The Baldwin bill is a bill without teeth and without claws, weak, puny and entirely inadequate to cope with the public service corporation problems of the territory of Hawaii. As a matter of fact it should not be called the Baldwin bill at all, for there is no secret that it was drawn on behalf of corporation interests. It is the kind of bill favored by the corporation representatives at the public hearing a few days ago, and evidently is drawn up on the lines suggested by these representatives. Senator Baldwin is introducing it by request, he should not be held responsible for it, and we doubt if even he can vote for it as it now stands.

The bill provides for a public service commission whose powers for all practical purposes are limited to those set forth in Section 12, which reads as follows:

"Section 12. If the board shall be of the opinion that any public utility is violating or neglecting to comply with any territorial or federal laws or any provision of its franchise, charter, or articles of association, if any, or that changes, additions, extensions or repairs are desirable in its plant or service in order to meet the reasonable convenience and necessity of the public, or to insure greater safety or security, or that any rates, fares or charges are unreasonable or unreasonably discriminatory, it shall in writing inform the public utility of its conclusions and recommendations, shall include the same in its annual report, and may also publish the same in such manner as it may deem wise."

The commission has no power to fix rates, no power even to follow up its recommendations with any degree of authority. It has no power to prescribe just and proper service, equipment, facilities or methods. It has no power properly to ascertain the value of the public utilities. In fact, it hasn't any real power at all. A commission provided in this way would be a joke commission. There is, of course, the provision that the commission may give due publicity to its findings. Publicity is a great weapon, it is true, —and we hope it is going to be great enough in this case to kill the bill under discussion,—but a commission armed only with publicity would not be feared or respected by corporations bent on amassing big profits.

At the public hearing on the utilities commission, a good deal was said of the Massachusetts commission and a good deal of favor was shown the Massachusetts plan by those who spoke representing the corporation and business interests. Now it might be of interest to the public to know just what has been happening to the Massachusetts plan. Perhaps the most authoritative work on public utilities is that compiled in California and containing the report of Max Thielen, attorney for the California railroad commission. Mr. Thielen, after a minute and thorough investigation of the public utilities acts and commission of the various states, reported as follows to the California body on the Massachusetts plan:

"Rate Fixing—Up to 1911 the board had, with reference to rates, recommendatory powers only. For that reason, the board was referred to by a committee of the National Association of Railroad Commissioners as a weak board. It is evident that this charge rankles. The commissioners explained that although they did not have the power to fix a rate, they accomplished practically the same purpose through their powers of recommendation, for the reason that if their recommendations were not complied with, the general court would pass a statute in the matter, lowering the rate. *I have been informed within the last few days, however, that the general court before adjourning this spring finally gave the commission the power to fix rates.*"

There's what's happening in Massachusetts —a commission finally given teeth and claws to fight unfair public service corporations.

The main trouble with the latest utilities bill before the Hawaiian legislature is that it is given power only to recommend, not to enforce. The Star-Bulletin disagrees largely with the earlier bills introduced, because they go too far where the latest bill does not go far enough. They are given too many powers of prescribing extensions, building-sites and all kinds of doses for all kinds of utilities. But there is a happy medium and it can be reached without making the commission either a burden or a joke.

There are other things wrong with the Baldwin bill, such as giving the commission a biennial appropriation of only $5,000, of which $3,000 will be paid out in salaries for the three commissioners alone, leaving $2,000 for office expenses, clerk-hire, etc. Five thousand dollars, we admit, would be enough for a commission of the kind this bill proposes, in fact it would be five thousand dollars too much, but it is a ridiculously inadequate sum for the expenses of any body that attempts seriously to solve the difficult technical problems of public service corporations and their relations to the public.

Aside from a few objections of this sort, the bill is a perfectly harmless, nice and ladylike piece of legislation and is guaranteed not to worry any kind of a corporation.

Let's see: If President Wilson's sugar-tariff revision plan goes into effect, there will be a twenty-five per cent cut on sugar duties for the next three years. Then free sugar will become effective. That will be about July 1, 1916,—four months before the next presidential election. Fine!—for the Democratic stump-speakers!

Now that the militant suffragettes have torn up the golf-courses and burned down race-track stands, the next method of attack on institutions dear to the British heart will probably be to pour ammonia on the roast beef of old England.

How President Wilson expects to reconcile his recent statements that no legitimate industry would be injured with his present free-sugar program is beyond the comprehension of those intimately familiar with the sugar industry.

Under the latest public utilities bill, the commission might have the right to slap offending public service corporations on the wrist. Otherwise, its activities would consist of deep thought and an annual report to the governor.

Attend the massmeeting tomorrow morning on the roof garden of the Young Hotel and declare yourself in sympathy with Hawaii's determined fight to save Hawaii's sugar industry from demoralization.

The Balkan war now takes on resemblance to an international chess game.

CRACK TENNIS PLAYER RETURNS TO HONOLULU

The many friends of William L. Warren, the former tennis enthusiast, who left Hawaii four years ago, will be glad to know that Mr. Warren has decided to return to Honolulu and will arrive tomorrow on the Lurline to take up his permanent residence here. For fiv eyears young Warren was employed by his brother in the Honolulu Photo Supply Co. and it is to accept a position in that business that he is returning to the islands. Warren was among the crack players of the islans and is the possessor of several cups won in tournaments here and on the Coast. His coming has been delayed two weeks as he [illegible] on the Coast to officiate as best man at the weeding of Mr. Guilford Whitney of Honolulu and Miss Grace Davis of Modesto, Cal., which took place March 19.

NUUANU RESIDENTS ASK FOR PROBE

(Continued from Page 1.)

lons of water daily would be consumed under the terms of the agreement.

Assistant Superintendent of Public Works A. C. Wheeler stated this morning that the electric company had found the artesian water now used for boiler purposes left a residue in the boilers and that they had therefore found it necessary to make arrangements for water from the Nuuanu Valley supply.

Superintendent Little of the water works would have nothing to say as to the agreement, merely stating that the contract had been signed and that it could be found on file at the office of the public works department. Last week, however, the statement was made at the water works office that the supply of water in the Nuuanu dam was far below what is necessary to supply the demands of local consumers. Chief Engineer Rieks at that time stated that, owing to the shortage in the water supply, Honolulu is facing a water famine which will be far more acute than the famine of last year. It was stated that, in spite of the recent rains, only fifteen or twenty days' supply had been collected in the dam.

LETTERS ON TIMELY TOPICS

[The Star-Bulletin invites free and frank discussion in this column on all legitimate subjects of current interest. Communications are constantly received to which no signature is attached. This paper will treat as confidential signatures to letters if the writers so desire, but cannot give space to anonymous communications.]

STREET RAILWAY FRANCHISE.

Editor Honolulu Star-Bulletin,

Sir: Enclosed please find an editorial from the Engineering News, Vol. 62, Page 729, which is timely and interesting in view of our present Rapid Transit franchise controversy.

The heavy vote against a 25-year extension to street railway franchises which still have 16 years to run, in Kansas City on Dec. 16, (1909) is encouraging. The majority against the proposition was about 7,100 in a total of 30,400, which latter figure we understand, approached quite near the registration. This large majority seems all the more remarkable when it is understood that as an inducement to grant the franchise extension the Metropolitan Street Railway Co. offered, virtually, a 4-cent fare with universal transfers.

Aside from unwillingness to vote away street and attendant privileges so long in advance, it is reported that many voters felt that the company would, sooner or later, find some way to evade the lower-fare and transfer provisions of the proposed franchise. This is not at all surprising, in view of recent action of street railway authorities in New York and Philadelphia. We take, it, however, that the people of Kansas City were more influenced by the belief that there was no good and sufficient reason why they should extend a franchise so long in advance of its expiration.

The company is reported as being quite doubtful as to its future and as to the character of the service it can render its patrons, in view of the negative results of the election. It states that the franchise extension was necessary in order to enable it to raise "money to pay maturing bonds, build extensions, buy new cars," etc., and that it "frankly so stated to the people of Kansas City." Frankness is good, but assuming all this to be true, for the purpose of argument, does it not show something wrong in the past or present management of the company? The declaration is, in effect, an assertion that the company cannot meet its obligations to its creditors, on the one hand, nor its present and prospective patrons, on the other, without securing and then capitalizing an extension to a franchise that still has 16 years to run. Evidently the voters of Kansas City were not convinced that such was the case. Probably many of them were of the opinion that a good part of this franchise-extension capitalization would go into the pockets of insiders and at the same time be added to the watered stock on which street-car riders would be expected to pay dividends. Possibly the people of Kansas City may have to wait sixteen years before they get 4-cent fares, but at any rate they have not sold their children's birthright for a mess of pottage. If they have the intelligence and determination shown in the recent election campaign and victory they will yet secure all that is legitimately due them in both fare reduction and improved service. Before 16 years are passed we trust that Missouri and at least the majority of other states will have public-service commissions to control street railway and other franchise companies in the interest of both investors and patrons. This is already partly true in Massachusetts, New York and Wisconsin, although there remains something to be done in them as regards the regulation of fares and transfers.

THE PUBLIC UTILITY BILLS.

Editor Honolulu Star-Bulletin,

Sir: The joker in the third public utility measure introduced in the senate by Senator Baldwin is plainly in evidence to "the man who runs," and consists of two clauses, i. e.: the clause which limits the power of the commission to merely making recommendations and the entire absence of a clause authorizing the commission to employ experts to place a physical valuation on the physical property of the utility companies, for the purpose of rate-making.

The "joker" in the bill is no more of a joke than would be a recommendation of the commission to reduce rates, based on anything but the fact that a reduction would still leave the utility affected, ample income to meet all reasonable charges, and, in addition, sufficient to pay 6 or 8 per cent on the actual physical value of the property used in the service of the public, franchises and good-will to be excluded entirely in all appraisals, inasmuch as neither one nor the other has cost the companies anything and their value has been made possible only through involuntary contributions by the public.

The experience of California for nearly half a century should be sufficient warning that a utility commission with only recommendatory powers is far worse than useless because the public is led to believe that it is afforded some sort of protection, when the fact is that such a commission is no more than an opiate to the public body, in that they think they have a curb to corporate greed and extortion, but in reality have only the empty shell.

As sufficient proof of the crying need of a utility law with both "teeth" and "claws," I might cite the case of the Hawaiian Electric Company, which is not an exceptional case.

A utility commission, governed by such a law as the learned lawmaker proposes, would be just as much a laughing-stock to the community as a judge would be, who was obliged by law to decide the following case, in the way which I will describe: Timothy Tompkins appears before the bar of justice, charged with stealing Farmer Corntassel's chickens, this being his third offense. The honorable court delivers itself of the following decision: "After mature deliberation, considering the enormity of the offense, and the entire absence of any extenuating circumstances, this court hereby declares that the following decree shall be recorded against the defendant: It is recommended by this court, that the defendant cease robbing hen-roosts and if he must eat fowl and will not pay the price, let him confine his depredations to the looting of duck-ponds."

Does anybody think that the defendant could be reformed by such a decree? Does anybody think that a corporation would reduce its rates by so much as a penny, merely on the recommendation of a commission which couldn't even place a physical valuation on their property, for rate making purposes?

I would further suggest that it is about time that some laws were passed for the public, instead of laying awake nights to devise measures beneficial only to a select few. The average citizen is doing his own thinking on political and economic questions now-a-days, so the wise politician is the one who keeps his ear to the ground—he will hear the rumble, because it is certainly there.

Very truly,
WM. GITT.

Honolulu, T. H., April 5th, 1913.

THE STRAIGHT OF IT

Editor Honolulu Star-Bulletin,

Sir: In your issue of April 5th, there appears an article headed "Gunst Firm is Taken Over by the United Cigar Co."

To most smokers "United Cigar Co." is synonymous with the "United Cigar Stores Co." an affiliation of the American Tobacco Co.; you also are evidently of the same opinion, as you say "after long withstanding overtures, capitulated to the United Cigar Company."

The "straight" of the matter is this: On March 26th a deal was consummated whereby M. A. Gunst & Co., Inc., secured control of the United Cigars Manufacturers Company, a concern engaged exclusively in the manufacture of cigars, and up to the present time not identified with the retail cigar business. The United Cigar Stores Co. is engaged only in the retail business, and then only as distributors of the American Tobacco Co.'s products.

We can assure you that M. A. Gunst & Co. is in no way affiliated with the American Tobacco Co., more familiarly known as the Tobacco Trust, or with any of its subsidiary companies.

Trusting you will help remove a false impression by giving space to this communication, we are

Very truly yours,
M. A. GUNST & CO.,
J. Unger, Asst. Treas.

JUMPED FROM CAR TO DEATH

Without a sound of warning, Moeluhi, an aged Hawaiian, jumped from his seat in a rapidly moving Rapid Transit car about nine o'clock last night and falling to the street suffered injuries that within an hour resulted in his death.

The man was a passenger on Waikiki-bound car number 49, which had reached a point on King street near its intersection with Kamehameha IV road. The Hawaiian is declared to have failed to make any signal whatsoever that he wished to alight from the car.

In striking the ground, the man suffered a hemorrhage of the nose. He was taken to Queen's Hospital by the police patrol, which soon arrived upon the scene.

Sheriff and Coroner Rose have been summoned to appear at an inquest to be conducted by Deputy Conductor Ickies and Motorman Reed, in charge of the conveyance, the man has been cared for by friends for some time past. This afternoon.

Articles for Evening Dress

"The bothersome trifles that make or mar a man's appearance."—Donley.

WICHMAN & CO.

The important thing about a gentleman's jewelry, for evening dress use, is that it be quiet in style, neat in size, adequate for its use yet inconspicuous.

Our jewelry sets, in gold, platinum and pearl, will be found quite the ideal in beauty and utility.

What Is Your Life Worth?

During your existence it is the most precious thing in the world to you: it is precious to your family because you are responsible for that family.

But after you are gone——What?

Being responsible for your family's welfare, you should still protect them after your death by becoming insured now.

SEE

Trent Trust Co. Ltd

NAPKIN RINGS

In a profusion of designs. Have you seen the new bands?

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Popular Jewelers

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Fresh Crackers
BUY LOVE'S BAKERY CRACKERS

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We have for sale choice building lots in the best residence sections of the city. We have also for sale a number of residences including some modern bungalows. These are located at Kaimuki, Ocean View, Pawaa, Manoa, Makiki and other parts of the city. Detailed information will be given any one calling at our office.

We have for rent two cottages on the makai side of King street, near Punahou. These cottages are brand new and have never been occupied.

GUARDIAN TRUST CO., Ltd.,
SECOND FLOOR, JUDD BUILDING

Henry Waterhouse Trust Co., Limited,

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