MONTREAL TRAMWAYS AND SUBSIDIARY COMPANIES

Matters in connection with the Montreal Tramways and Power Company and its subsidiaries are occupying almost the entire attention of financial circles in Montreal and the citizens generally. The Monetary Times last week reviewed the case of Messrs. Ernest E. Vipond and Herbert S. Vipond against the Corporation Agencies, Limited, and H. A. Lovett, K.C. Plaintiffs were suing for $279,500 which they claimed was the value of the rights and franchises of the Montreal Hydro-Electric Company, which had been turned over to the Montreal Tramways and Power Company by defendant, the Montreal Hydro-Electric Company being a holding company or merger formed by Mr. Lovett of two concerns of which the Viponds were apparently the principal owners. They were the entire owners of the Montreal Electric and, they alleged, were the owners of an option on the other company, the Electric Power Company of Montreal, which, Mr. Lovett, in the direction of carrying out his contract to carry the scheme through to an operating basis, had merged into the Montreal Hydro-Electric. This was in 1911.

The Viponds claimed that defendants had not fulfilled their contract in the manner in which it was made but had turned the Hydro-Electric into the Montreal Tramways and Power which was the big concern formed to take in the Canadian Light and Power, the Tramways Company and a number of other smaller power concerns of the city. Their particular objection seemed to be to the inclusion of the Canadian Light and Power in the Tramways and Power Company.

In this connection, came up the name of the Imperial Trust Company, which had officiated in the transfer of the Hydro-Electric to the Tramways and Power Company. It was shown that it was under the same control as the Canadian Light and Power, the Tramways Company, and the Tramways and Power Company. Further connection was attempted by showing that Mr. H. A. Lovett, K.C., was closely associated with this group of companies also, as their counsel. Then was made an attempt to have certain documents relating to the deal produced by the Imperial Trust Company. Argument on this point went on for some hours and resulted in the Judge ordering the production of the documents. The official claimed he would have to consult those in authority first, upon which the Judge read him a lecture and ordered the documents to be produced.

At this juncture the counsel for the defence announced that under such circumstances he would beg to take the matter to the Court of Appeal. The matter will accordingly be brought before the Appeal next month.

Meantime, the Canadian Light and Power Company has sustained an attack from another direction, certain large contractors having entered suits for amounts aggregating, it is claimed, nearly half a million, on the grounds that contracts completed at the company's plant near Valleyfield had never been paid for and that their engineers had been prevented from making the final estimates necessary to secure the balance of payments due.

During the past week, also, the appeal of the Tramways Company on the grounds of jurisdiction was made against the Public Utilities Commission of the province of Quebec. The arguments put forward were much the same as those outlined at Quebec recently, when the company was ordered to appear and show grounds why the Commission should not take other means to obtain the details of information previously ordered, and at the expense of the company. The burden of the appeal was that the government of the province had relieved the company of the jurisdiction of the control of the Commission. The lawyers who were to present the arguments to the contrary were not ready, so that the matter will be heard later.

OUR PIG IRON MADE FROM NEWFOUNDLAND ORE

Some interesting evidence concerning the demand for and supply of iron ore was given before a meeting of the Dominion Royal Commission held in England last year, by Mr. Wallace Thorneycroft. It was stated that most of the ore imported into Great Britain was made into Bessemer hematite pig-iron, which was used for steel making by the acid process. For that purpose the ore must contain very little phosphorus. Great Britain imported in the year 1909, 6,326,000 tons of iron ore, of which nearly 6,000,000 tons was Bessemer ore.

Nearly 5,000,000 tons of this Bessemer ore came from Spain, and the balance from Sweden, Norway, Greece, France, Algeria and Tunis. Except 62,000 tons from Newfoundland, no ore was imported during that period from the Dominions. Cumberland and North Lancashire supplied 1,558,000 tons of Bessemer ore. Therefore the Bessemer pig-iron industry depended upon foreign ore supplies.

It was probable that the deposits of Bessemer ore in Spain would be approaching exhaustion 25 years hence. It was also probable that supplies of this quality of ore would be got from other countries, but at an increased cost of freight. There were large known deposits in Brazil, Cuba, Chili and Venezuela, some of which were being developed.

The Wabana deposit in Newfoundland, from which the bulk of Canada's production of pig-iron was made, was said to contain over 3,000 million tons of ore. But as it contained .75 of phosphorus it was unsuitable for the manufacture of steel by the acid process. It was largely exported to Germany and Belgium, where steel was manufactured by the basic process, by which the phosphorus was extracted from the steel.

Basic steel, it was stated, was not as reliable as steel manufactured by the acid process from Bessemer ore containing less than 0.5 of phosphorus. If the basic principle were adopted in this country there would be a greater demand for Newfoundland ore. The more rapid growth of the pig-iron industry in Germany and the United States was, it was said, entirely due to the invention of the basic process.

Except in Canada there was, so far as is known, no production of pig-iron on a large scale in the Dominions. The governments of the Dominions, it was stated, might, with advantage, provide more money for the geological survey of the territory under their control. There could be no more profitable investment. They should publish the results of the surveys made as rapidly as possible, and communicate advance copies to the iron and steel associations of this country, or abstracts and references to such publications.

It was not suggested that the governments should undertake detailed prospecting work. The geological department of Canada was already very good, but with the vast area it had to cover, progress was necessarily slow.

The indication of large deposits, especially Bessemer ore, accessible for shipment anywhere in eastern Canada or Newfoundland would promptly be investigated in detail by British makers of iron and steel and ample capital would soon be found if the deposits warranted development.

It would be right for the Dominion governments to encourage the export of iron ore. If the economic conditions around the deposits were favorable, production of pig iron and steel would naturally follow.