

Says Value Of Power Plant Is \$1,575,959.75

Estimate Made by Commission's Expert

Inquiry Resumed

Mr. Whiting Traces Financial History of N. B. Power Company and its Predecessors—Mr. Sullivan's Argument

The first session of the commission appointed to give judgment on the question of permitting the New Brunswick Power Company to increase its rates and taxes was held in the equity court room yesterday. Charles W. Whiting, a consulting engineer from Cambridge, Mass., testified that the valuation of the power company plant is \$1,575,959.75, exclusive of water power rights. The commissioners present were Henry Holgate of Montreal and Fred Albert S. Ritchey of the Worcester Polytechnic Institute of Worcester, Mass.

When the session opened there was some discussion who should proceed first, Mr. Sullivan objecting to being required to proceed before the company had put in its case. Mr. Sullivan said he was content to proceed and did not want to waste time. The company ought to be compelled to put in a full statement for 1918. The report of Engineer Whiting was ready and the city was prepared to go ahead. There was a controversy over rates and service. On Feb. 28, 1917, the St. John Street Railway Company had \$2,087,200 in stocks and bonds. The company at that time was in good condition and had been prosperous with rates of \$1 for gas, \$1.50 for lights, and fares of five cents, six for twenty-five cents, and twenty-five for \$1. In 1918 the property was regarded as valuable by Mr. Graham and associates of Portland (Me.), who made an offer of \$150 a share for the majority of the stock, and there is no reason for assumption that the company was less prosperous in 1917.

On March 1, 1917, the property was transferred to the New Brunswick Power Company. The New Brunswick Investment Company had been formed and offered to purchase the property for \$140 a share on Feb. 8, 1917. Even before that negotiations were going on. On Nov. 8, 1916, an offer was made by Harris, Forbes & Co. to market the bonds and that offer was accepted. Prior to Feb. 1, 1917, negotiations were carried on by persons desiring to purchase the property. Stock was bought up for the New Brunswick Power Company, and they should make an examination of the property which went into the Consolidated Company. The New Brunswick Investment Company was formed in February, 1917, to effect a transfer of the property of the St. John Street Railway to the New Brunswick Power Company. Percy Thomson was interested in the New Brunswick Investment Company and was probably interested in the transfer. He was interested in the water power. For five years the water power had lain dormant. Then on Feb. 28, 1917, the electric property became the property of the New Brunswick Power Company. A valuation of \$2,087,200 was transferred into a \$5,100,000 corporation. The securities were \$8,000,000 less than that were next day.

The only property which came to the New Brunswick Power Company besides that of the St. John Street Railway consisted of land and water rights on two rivers. Otherwise the New Brunswick Power Company got nothing except what the St. John Street Railway had. There was no free capital to be used for development. The New Brunswick Power Company had \$2,000,000 in common stock. What it knew for nobody knew, declared Mr. Sullivan, unless it was intended for decorative purposes or wall paper. "No one appears to place a value on it. It was watered stock. The company officials did not value it and never understood anyone claimed a valuation until Mr. Taylor did today. "The new company," continued Mr. Sullivan, "increased the manager's salary, which he no doubt deserved, and voided my brother, Taylor, \$20,000 for his valuable services in the transfer of the property. This was his commission for his services. At that time he was an official of the company. Whether he had a moral right to so act and receive a fee may be a question for this tribunal."

Mr. Sullivan asserted that the sum of \$8,120 had been satisfied on the people of St. John for dividends and interest. For that increase in capital charges, the people who rode in the cars and used electric light and gas got absolutely nothing. That money went out of the pockets of the people of St. John as a penalty for the transfer of 1917. The company paid seven per cent on its preferred stock paid charges and had a substantial surplus at the end of the year 1917. The effect of the war, the higher cost of labor, fuel and material last year was felt by the company. These things plus the capital stock forced a situation in which the company found it could not make both ends meet. Then they expected relief. They did what the manager did as the result of his own mismanagement—asked the public to pay more. They went to the Public Utilities Commission and got temporary relief. Then they went to the legislature with a petition for further relief, and the result was that this commission was appointed. Mr. Sullivan asked that Percy W. Thomson and H. P. Robinson be summoned as witnesses and that the first named bring records up to February, 1917, and that Mr. Robinson bring papers as to the water power. He also requested that vouchers be exhibited, showing the payment of \$118,000 for the water rights. He also desired the stock ledger of the New Brunswick Power Company and all papers connected with the case. Engineer Whiting then presented his report on the examination which he made for the city. After telling the commission of his experience and qualifications as an expert, Mr. Whiting was examined by Mr. Sullivan. He said he had received every conveyance from the company's officials and had been very busy on the case since July, 1918. He had examined the books and vouchers of the street railway and power companies in this city for a period prior to last up to February 28, 1917. He had examined the report made by John H. Waterman and reports submitted to the commission by various firms. He had examined a copy of the annual report of the New Brunswick Power Company. He inspected the power house and gas plant as to their physical condition. He considered \$1,575,959.75 a fair valuation for the property of the New Bruns-

COUNT FIFTY! PAINS AND NEURALGIA GONE

Instant relief! Rub this nerve torturer and misery right out with "St. Jacobs Liniment!"

Rub this soothing, penetrating liniment right into the sore, inflamed nerves, and like magic—neuralgia disappears. "St. Jacobs Liniment" conquers pain. It is a harmless "neuralgia relief" which doesn't burn or discolor the skin. Don't suffer! It's so needless. Get a small trial bottle from any drug store and instantly rub the "aching nerves" and in just a moment you will be absolutely free from pain and suffering. No reference whether your pain or neuralgia is in the face, head or any part of the body, you get instant relief with this old-time, honest pain destroyer—it can not injure.

wick Power Company, exclusive of the "water power rights." Although he admitted Mr. Waterman's conclusion, he did not think they were satisfactory as they are based on the original cost of the property, which he thought was not of particular interest. On May 1, 1918, the so-called cost of the property was given as \$800,000, but no valuation was given. He had examined the minute book of the directors of the gaslight company and a note book of ex-manager Jones of the old street railway and other companies. It was announced at this point that Mr. Jones would be a witness for the city. Mr. Whiting then took up in detail his findings as the result of his inspection of books and papers of the original companies. The original cost of the St. John City Street Railway Company, a horse car corporation, was estimated July 1, 1890, at \$85,000. The estimate was made by those planning electrification. On July 1, 1890, the company began to electrify its lines and spent \$40,000, which was charged to property. On April 7, 1894, the property was sold at public auction. The New Brunswick Electric Company, was another concern. Its property outside of land had depreciated three per cent. The land values were left at the original figures. He based his conclusion regarding depreciation on book values and not on cost. The New Brunswick Electric Company, of which Mr. Jones was manager, had a plant in Water street, near the ferry. It was purchased by the Consolidated Company. Its property was valued at from \$60,000 to \$65,000. It was dismantled by the Consolidated Company. The estimated cost of the poles and wires was \$11,250. Part of the plant afterwards became the property of the St. John Street Railway Company. The Eastern Electric Company spent \$56,873.26 up to 1894. Mr. Jones was manager of this also. This went to the Consolidated Company, of which Mr. Jones became manager. The Consolidated Company was incorporated January 18, 1892. The original cost of all the property which went into the Consolidated Company, was \$235,210.98. All of it did not go to the St. John Street Railway Company. The horses and cars of the original St. John City Railway did not go with the transfer. The New Brunswick Electric Company cost \$65,000, but only certain parts were taken by the St. John Street Railway Company. The value of the property taken was placed at \$88,000. Part of the plant was scrapped. The Consolidated Company's property cost \$283,010. The property was eventually sold by a referee in bankruptcy to Wm. C. Van Horne, James Ross and others. W. H. Thorne bought the building. The property cost almost three times as much as Mr. Van Horne and the others paid for it. The St. John Street Railway Company was incorporated April 21, 1894. It purchased the property bid by Messrs. Van Horne, Ross and others and spent \$7,885.82 up to April 30, 1898, for improvements. Mr. Jones went to the St. John Street Railway Company as manager. The total valuation on April 30, 1898, was \$245,707.13, other than the gas property. The valuation of the St. John Gas Light Company on January 31, 1895, Mr. Whiting said, was \$293,000. The St. John Street Railway Company had a capital of \$950,000 in 1894, \$600,000 more stock in the treasury and \$600,000 in bonds. The cost value of the gas plant was \$400,000 and the street railway \$600,000, as put down on the books. Mr. Whiting was still under examination when the commission adjourned at 3.30 until 10 o'clock this morning.

Electrical Inspector's 1918 Report Found Total Defective Conditions in Many Cases 63 Per Cent in Old Wiring Changes Made in Only 30 Per Cent of Cases—Some Buildings in No. 1 Fire District in Deplorable Condition

The report of the electrical inspector, appointed last year on the recommendation of the commissioner of public safety has been presented to the present commissioner. Some of his findings point strongly to the need of the adoption of by-laws covering electrical installations with regulations which can be enforced in the interests of protection against fire risks. The report is as follows: December 31, 1918. To John Thomson, Esq., Commissioner of Public Safety, City of St. John: Sir,—Herewith I take pleasure in submitting my report covering the eight months of my term of office as electrical inspector. In view of the fact that the proper by-laws have not been enacted by the common council, authorizing the organization and operation of an electrical inspection department having the proper jurisdiction, it has been impossible to collect a fee in consideration of services rendered, thereby contributing to make the department self-supporting. The total number of inspections that were made amounted to 178 of which some had to be duplicated. These inspections were made at the request of the commissioner of public safety, chief of the fire department, insurance companies, electrical contractors and private individuals, thereby assisting as follows: Number of inspections of new work 87 Number of inspections of old work 97 Reports of old work..... 12 Total number of inspections..... 178 Of the number of inspections that were made of old wiring fourteen per cent were passable; twenty-three per cent were partly defective; and the remainder, sixty-three per cent, were totally defective, viz., a new installation of wiring required..... 24 Of the total number of inspections that were made on new wiring eighty-seven per cent were passable; and the remainder, thirteen per cent, were defective, but on further inspections were found to be passable. Of the number of reports that recommended changes and alterations, only thirty per cent have been taken action. With other than electrical inspections was taken care of such as the designing and inspecting of a bell striker tower at No. 3 engine house, water meter, plans and specifications of various electrical work in connection with the city engineer's department. Contracts have been awarded for the re-wiring of the electric lighting, and the installation of a silent signal system in the General Public Hospital. This work was commenced late in November, 1918, and will be completed some time in February, 1919. The entire installation is to be enclosed in steel, and is the proper procedure in eliminating the fire hazard, as well as the protection of life. The work is being installed in conformity with the latest rulings of the National Board of Fire Underwriters. Recommendations were submitted for the re-wiring of the St. John free public library; up to the present no action has been taken. I trust that the commissioners of the same will comply with my request in the near future. The necessity of having public buildings installed with wiring in the proper manner is imperative. Several other buildings in the No. 1 fire district are in a deplorable condition and as the fire hazard in this district should not be overlooked I trust that alterations and changes will be carried out in such a way that will protect the public in general from any serious loss through this source. In conclusion, I trust that the early part of the year will see the enforcement of an electrical by-law and code, of which a copy of this size and standing is duly entitled. Respectfully submitted, HENRY WILSON, Electrical Inspector.

BLACK KNIGHTS ELECTED. At the monthly meeting of Queen's Royal Black Perceptory No. 62, held in the Orange Hall, Germain street, last evening, the following officers were elected and installed for the ensuing year: J. H. Dunlop, P. D. Hayes, D. P. James Arthur, chairman; A. Ellison, registrar; James Spruit, treasurer; A. Gilbrath, first lecturer; George Aikely, second lecturer; G. W. Clark, first censor; H. McFayden, second censor; P. McMains, first standard bearer; G. G. Kierstead, second standard bearer; S. Holder, servant; F. H. Pitt, outside tiler; George Ezrie, Charles Hughes, D. H. McNutt, A. Rolston, A. Winchester, R. Goodrich and E. W. Rowley committee. Repair work absorbs about 40 per cent of the labor and machinery of British shipyards.

W. C. MACDONALD, REG'D ESTABLISHED OVER 60 YEARS Tobacco Manufacturers MONTREAL Plug Smoking Plug Chewing "British Consols" "Prince of Wales" "Brier" "Napoleon" "Index" "Black Rod" (Twist) "Crown" Selling Agents for Province of New Brunswick SCHOFIELD & BEER ST. JOHN, N. B.

Our Footwear Sale the Talk of the Town

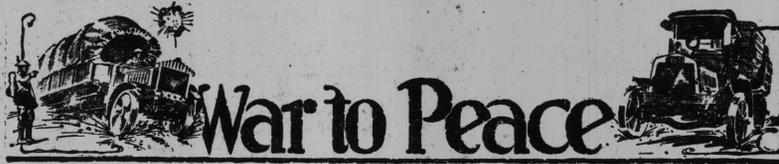
Some of Our Prices. What Do You Think of Them?

- Ladies' Shoes In best makes, guaranteed as to quality, at Big Reductions for this Sale. Gun Metal, with cloth tops..... \$2.35 Gun Metal, with cloth tops..... \$2.85 Brown Calf, high cut, Louis heel..... \$3.85 Patent Leather Kid, 9-inch top..... \$3.85 High-Cut Tan or Black Boot..... \$4.35 All Grey, 9-inch top; also in brown calf, military heel..... \$5.35



- Men's Shoes Well made, stylish and serviceable. We have some exceptional values in men's lines. Come in and inspect our bargain table. Men's Box Calf Work Boots..... \$3.00 Men's Heavy Work Boots, mercerized sole..... \$4.65 Men's Mahogany Calf Boots, Neolin sole, rubber heel. Always a special at \$5.85. Now \$4.85 Men's Black Boots, receding toe. Regular \$7.00..... \$6.00 Men's Leather-lined Black Boots—One of our best lines; wonderful value at this price..... \$6.85

NEW YORK SHOE STORE 655 Main Street



Putting Efficiency into Repatriation

THE Repatriation Committee has been formed by the Dominion Government to bring Canada forward to a peace basis with all speed.

It will use the existing machinery and any necessary new machinery.

The Committee consists of Hon. Sir James Lougheed, Minister of Soldiers' Civil Re-establishment; Hon. N. W. Rowell, President of the Privy Council; Hon. T. A. Crerar, Minister of Agriculture; Hon. G. D. Robertson, Minister of Labor; Hon. Arthur Meighen, Minister of the Interior; Hon. J. A. Calder, Minister of Immigration (Chairman). To assist them, Mr. H. J. Daly has been appointed Director of Repatriation.

This Committee is formed to co-ordinate the work of all those departments of the Government which have to do with the task of bringing back our soldiers to civil life, caring for them and their dependents, providing employment opportunities for soldiers and war-workers, and assuring proper living and working conditions. It also assists the efforts of all organizations and agencies prepared to give aid in the solution of our problems.

THE Committee surveys all plans. It prevents overlapping and confusion. It secures expert assistance. It obtains more speedy action, more effective co-operation. While its first consideration is the welfare of the Canadian soldier, its scope embraces the whole community.

The Committee has built up a Repatriation Organization to supplement the work of the existing departments of the Government.

The plans devised to meet every problem as it arises will be reported to you in the coming announcements.

The Repatriation Committee OTTAWA. Includes logo and signature of H. J. Daly, Director of Repatriation.