

the electric railway and light and power service to the year 1888. As regards the latter the present situation and its evolution may be summarized as follows:

The agreements under which the Company carries on its business in the City of Victoria and in the adjoining municipalities and districts are embodied in a provincial act of 6th April, 1894, and an amending act of 1910. The act of 1894 refers to an agreement dated November 20, 1888, between the municipal corporation of Victoria and certain designated individuals. The latter were authorized to construct and operate a street railway within the limits of the city. These parties were then incorporated under the provincial Companies Act, with power to build and operate an electric railway and supply electricity for light. This company was named the National Electric Tramway and Light Company. By a subsequent act of 1890 the company was authorized to construct and operate tramways in the districts of Victoria, North and South Saanich, Lake, Highland, Esquimalt, Sooke and Metchosin, and connecting with its lines in Victoria City. The acts embodying these franchises and agreements were consolidated by the act of 1894 and the name of the company changed to the Victoria Electric Railway and Light Company. All rights and obligations under the previous acts were conserved except in so far as modified and enlarged under the act of 1894.

The capital of the company was designated at \$1,000,000, but it had the right to expand its capitalization and to sell fully paid up and non-assessable shares at less than their nominal value. The usual rights were granted to lay single or double tracks on the city streets and bridges, subject to the approval of the City Engineer as to their location within the city limits and to the approval of the Chief Commissioner of Lands and Works in the surrounding dis-

tricts. The services to be rendered by the company included the carrying of passengers, freight, express and mail matter, but without any limitation as to the streets over which any of these services might be conducted. The company is not required to construct or maintain any portion of the city streets further than when laying or repairing its tracks to leave the road-bed in as good condition as before disturbance and to maintain it in that condition between the tracks and for eighteen inches on either side of them for three months after construction, subject to the satisfaction of the City Surveyor. The company had also the necessary authority to operate electric light works. It might receive grants in money or lands, from individuals or corporations, including municipalities, and these might hold shares in the company or exempt it from taxation.

When the British Columbia Electric Railway Company took over this company, under authority of its license granted in 1898 it acquired all these rights and privileges. They remained unaltered until 1909, when the City of Victoria and the B. C. Electric entered into an agreement, dated August 9, ratified August 26 by the necessary two-thirds vote of the ratepayers of the city. The act to validate this agreement was passed March 10, 1910.

Under this agreement, in consideration of certain extensive capital investments which the Company undertook to make for the benefit of the City and adjoining districts, the City of Victoria, in terms applicable to the City of Vancouver from 1900, agreed that it should not, prior to 1938, undertake to purchase, construct or operate any works similar to those then carried on by the B. C. Electric Company until the City Council had by bylaw fixed a price at which it would take over the property of the Company, allowing the Company thirty days within which