MONTREAL CITY versus WATER COMPANY

Long-drawn-out Negotiations—Two Arbitrators Suggested by Company—Price and Other Considerations

Monetary Times Office,
Montreal, July 10th.

For some years negotiations have been going on between the representatives of the city and those of the Montreal Water and Power Company, to the end that the city purchase the undertaking of the latter. For various reasons these negotiations do not appear to have resulted in the contracting parties getting any closer to each other. The price was too high for the city, and at one time the company refused to permit an examination of its books such as was demanded by the city, although some sort of compromise was later said to be acceptable. Nevertheless, the deal was not consummated. The attitude of the city officials was that they were anxious to conclude the deal and a few weeks ago it was declared that the portion of the company's plant in one of the wards would be expropriated unless the officials of the company would come to terms at once. The company denied the right of the city to expropriate, and matters remained this way till about a week ago when it was announced that the city would proceed to take over the St. Henri plant. This threat followed the ultimatum to the company by which it was requested to supply certain information by June 20th, the company making the claim that they could not get the information from England, where most of their shareholders were situated, within the time mentioned.

Two Arbitrators Suggested.

The controllers have now received a communication from the company requesting that the matter be taken up in an amicable spirit and suggesting the names of arbitrators to act on the question of a just price for the plant. The names of Sir Thomas Shaughnessy and Senator Dandurand were mentioned by the company as members of a board of arbitration.

Of equal importance was the concession made by the company—namely, that the arbitrators shall not only have the right to make a complete and satisfactory examination of the books, but that they shall also have the right to call for the information necessary to show just what the physical condition of the plant may be. The company, furthermore, binds itself to accept whatever price the arbitrators may decide upon, and expects the city to act in a similar manner.

It was further represented that any attempt to expropriate the property of the company piecemeal would be regarded by the company as unfair and would be carried to the courts. This would mean expensive litigation and long delay.

City's Position Shown.

The city has taken no action in the matter other than to send the communication on to the city attorney. The mayor is not enthusiastic about accepting the decision of the board of arbitrators, and offers the view that as the city is the purchaser it would have the right of examining the books on its own part and of reaching a decision without arbitrators. The members of the board of control are desirous of getting the best bargain they can for the city.

It will be interesting to add that the company offered its property about two years ago to the city for somewhere in the vicinity of $7,000,000. Ex-controller Wanklyn held that this price was excessive and that the city would make no bargain unless the company was willing to let the city make the fullest examination in order to ascertain the value of the plant. This demand is now, in effect granted by the company, so far as the arbitrators are concerned.

HAMILTON GIVES OPTION ON ITS BONDS.

In April Hamilton, Ont., disposed of $267,000 4½ per cent. debentures to a United States bond house and two Toronto firms purchased lots of $50,000 and $118,000.

It now has for sale $382,269 4½ per cent. local improvement debentures.

Messrs. Wood, Gundy and Company, Toronto, on Thursday, were given an option on this block.

MONEY MARKETS

Messrs. Glazebrook and Cronyn, Toronto, exchange and bond brokers, report exchange rates as follows at closing:—

	Between Banks.		
	Buyers.	Sellers.	Counter.
N.Y. funds	1-16 pm.	5-64 pm.	⅛ to ¼
Montreal funds	5c dis.	par.	⅛ to ¼
Sterling—60 days' sight..	8¾	8 25-32	9 to 9⅛
do. demand	9⅝	9 21-32	9⅞ to 10
Cable transfers	9¾	9 25-32	10 to 10⅛

Rates in New York:	Actual.	Posted.
Sterling—60 days' sight	483.05	484
do. demand	486.90	488

BANK CLEARING HOUSE RETURNS

The following are the figures for the Canadian Bank Clearing Houses for the weeks of July 11th, 1912; July 3rd, 1913; July 10th, 1913, with percentage change:—

	July 11, '12.	July 3, '13.	July 10, '13.	Ch'g %
Montreal	$64,226,425	$48,911,798	$60,567,425	— 5.7
Toronto	46,256,612	36,433,605	44,073,478	— 4.9
Winnipeg ...	28,048,952	26,807,036	29,581,626	+ 5.1
Vancouver ..	12,991,989	11,472,928	12,636,170	— 2.8
Calgary	5,543,570	3,944,808	4,887,948	—11.1
Ottawa	6,047,617	3,514,643	4,714,976	—28.5
Edmonton ...	4,193,848	3,782,824	4,644,774	+ 9.7
Victoria ...	4,056,027	3,586,041	3,538,654	—14.6
Hamilton ...	3,476,670	3,342,335	3,503,445	+ .7
Quebec	4,727,781	3,277,297	4,899,282	+ 3.5
Saskatoon ..	2,110,598	1,442,033	1,809,092	—16.6
Regina	2,284,621	2,091,072	2,401,597	+ 4.8
Halifax	2,383,447	2,039,913	2,552,093	+ 5.4
St. John ...	2,078,709	....	2,048,077	— 1.4
London	1,910,843	1,524,034	1,967,688	+ 2.8
Moose Jaw ..	1,233,404	899,208	1,065,752	—15.6
Fort William .	784,215	952,456	1,425,132	+45.9
Lethbridge .	564,447	437,561	498,170	—13.2
Brandon	652,785	524,216	606,638	— 7.5
Brantford ..	755,851	527,953	710,265	— 6.3
Totals ...	$194,328,411	$..........	$188,102,152	.....
New Westminster	....	454,891	694,018	.....
Medicine Hat.	....	488,471	624,833	.....

JUNE COBALT ORE SHIPMENTS

The following are the shipments of Cobalt ore during June:—

Beaver	54.3
Buffalo	132.7
Casey Cobalt	73.8
Cobalt Lake	272.9
Cobalt Townsite	323.4
Coniagas	142.6
Crown Reserve	40.1
Chambers-Ferland	129.1
Dominion Reduction	173.2
Hudson Bay	147.1
Kerr Lake	61.2
La Rose	493.
McKinley-Darragh	454.8
Nipissing	405.1
O'Brien	148.
Orion Realty Investment	40.
Pennsylvania-Canadian	59.4
Temiskaming	62.4
Tretheway	109.3
Total	3,322.4

New Liskeard—Silver Ore.

Casey Cobalt	134.3

Cold Ore—(Treated at Cobalt).

Campbell and Deyell	62.9

Iroquois Falls—Nickel Ore.

R. F. Pullen	9,037.

The proceedings of the third annual convention of the International Association of Casualty and Surety Underwriters was opened this week at Quebec. The proceedings were presided over by Mr. Charles Holland, president of the association.