

# MONTREAL SECTION

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## C. P. R. STRIKE.

### Company Stand Upon Arbitration Board's Award— Liquidation of Magdalen Islands Development Co.

(From Our Own Correspondent.)

Monetary Times Office,  
Montreal, August 6th.

Upwards of three thousand men in the city of Montreal alone went out on strike at the C.P.R. Angus Shops here when the signal was given on Wednesday. About 11,250 men are out along the line of the railway from the Atlantic to the Pacific. The men concerned are mechanics of all grades and occupations, save those connected with the operation of trains. Under the circumstances, it is thought impossible that the company will be able to keep its shops open, only a small portion of the regular staff of mechanics—such as those who do not belong to the unions—being left at work.

The officials of the C.P.R. refuse to make any statement. They claim that they are taking their stand on the award of the Board of Arbitration and Conciliation appointed under the Lemieux Law. On the other hand, the men claim that the company has not accepted the spirit of the award. Under the circumstances, it is difficult to see what can be done. It looks as though it would be a case of sitting down and waiting to see which side to the dispute needs the assistance of the other the worst. If the mechanics are not in a position to hold out long enough they will have to go back to work at the company's terms, while if the road is not able to operate without the assistance of the strikers it will have to capitulate to their demands. In all, the number of men on strike is 11,250.

The main points in dispute are the overlapping of hours, the ratio of apprentices, the question of employing machinists only to operate a drill press where a boring or facing tool is required, and the classification of boilermakers, the question of discussing grievances with the company, and the question of treating Eastern and Western lines together.

#### Electricity Supply Agreement.

The members of the Robert Syndicate which has been granted permission to supply electricity to the city are somewhat dissatisfied over the action of Mayor Payette in leaving the city on his holidays without having first signed the agreement between the city and the company. On account of this omission, the document, although accepted by the city some time ago, remains of no effect. It is said that upon his return from the Old Country the Mayor raised certain objections. These were apparently placed before the City Attorney, who considered that the interests of the city had been safeguarded. It is thought that the Mayor will have something further to say upon his return.

Interest has been aroused here over the voluntary liquidation of the Magdalen Islands Development Company. The stock of this company is not distributed to any considerable extent, so that very few outside the directors and promoters of the company are financially interested, although the stock has been listed on the Montreal Stock Exchange for a year or so past. One of the underwriters, who undertook to take \$100,000 of the company's securities, failed to the extent of \$80,000 of his obligation. As none of the rest of the board or their friends came to the relief of the situation, it was decided to liquidate. The company has an authorized capital of \$1,000,000 preferred stock, and a similar amount of common, the authorized bond issue being \$500,000. There has been paid up \$517,000 preferred stock, \$668,000 common and \$267,000 bonds. In the liquidation, the preferred and common stock will presumably be wiped out entirely, but as the stock had been largely given as bonus with the bonds and only a small amount has left the hands of the original subscribers, the public is but little concerned.

The company is an interesting one from the nature of the business it proposed to carry on, and for the development of which it is understood that \$100,000 have already been invested. As indicated by the name, it was the intention of the company to develop the resources of the Magdalen Islands, of which it was the owner. The mainstay was probably the fishing industry. It was estimated that the profits from this source would be \$128,000 per annum. Additional earnings were anticipated from the minerals, the profits from gypsum alone being estimated at \$20,000 and those from sand-lime brick \$15,000. A profit of \$5,000 was also estimated from a steamer service and one of \$10,000 from the

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cold storage warehouse. In all, profits of \$181,000 were estimated, from which was to come 6 per cent. interest on bonds, 7 per cent. on preferred stock and 6 per cent. on common stock, leaving a surplus of \$82,710. But like many other enterprises, excellent enough in themselves, the Magdalen Islands Development Company has come to an end under its present organization before anything particular has been accomplished. It is possible that an effort will be made to place the company on its feet again under better auspices.

#### Bell Telephone Improvements.

The Bell Telephone Company, possibly as a result of the sale of its Manitoba system, is about to undertake extensive improvements in its service in the Provinces of Ontario and Quebec. The improvements will cost about \$1,000,000 and will place the company in a better position than ever to handle its growing business. Through lines from Toronto to North Bay, to connect at the latter town with the Ontario Government system, will be built, while another line from Toronto to Parry Sound, and yet another between Montreal and Quebec, will be constructed as quickly as possible. An addition to the present exchange building in Quebec is being constructed, and will be ready in about three months. A new five-storey building, to accommodate equipment for 20,000 subscribers is being built to Toronto, while in Montreal a new exchange building is being built in Mile End. At the time of the sale referred to, the company intimated that the money received from the Manitoba Government would be spent in improving its service in the East. This, it would seem, is about to be done.

An echo from the failure of the St. Johns Bank is the announcement that the Superior Court for the district of Iberville had just maintained the petition for a winding-up order to liquidate the Iberville and St. Cesaire Hydraulic Power Company. It may be remembered that this company was spoken of in connection with the failure of the bank, that institution and the Hon. P. H. Roy having the controlling interest therein. The property will now be placed in the hands of the liquidator, who will dispose of it to the best advantage.

#### Possible Claim Against Stock Exchange.

The sale of the seat on the Montreal Stock Exchange of the late Victor G. Gray may lead to some interesting litigation, as the attorney for the Gray Estate takes exception to the by-laws of the Exchange. The brokers claim that when a member dies under the circumstances attending the death of Mr. Gray, his seat reverts to the Exchange to be sold for the benefit of the brokers who are creditors. The executor

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