

BELL TELEPHONE CASE RESUMED

(Continued from page 16.)

Sir Henry Drayton disagreed with this statement, remarking that the company had a surplus of \$3,200,000, which, it was suggested, should be used to meet increased expenses.

Mr. MacFarlane argued that it was necessary for the company to maintain a surplus in order to take care of future business.

Sir Henry Drayton remarked that the company had earned surpluses which might have been kept in such a form as to take care of necessary expenditures in future.

It was argued by H. D. Gordon, of Toronto, that the very worst the Bell Telephone Company could do in 1919 was to have a surplus of about a million dollars. Mr. Gordon pointed out that the application for increased rates was based on the assumption that conditions would remain the same as at present, but it was likely that wages and materials would cheapen.

On the opening of the hearing on the 8th instant, Mr. W. J. Butler, representing the city of Montreal, requested that he be allowed to put in the case for that city at a special meeting in Ottawa. Messrs. W. D. Lighthall, representing the Union of Canadian municipalities, I. F. Rafferty, representing the city of Ottawa, also agreed to set their cases at that time. Sir Henry Drayton, the chairman, accordingly set aside January 22nd as the date for the special hearing of the evidence of the cities of Montreal, Toronto, Ottawa and Hamilton.

Toronto and London Object

When the Board was sitting in Toronto on the 14th, however, more evidence was received. Mr. Irving Fairty called witnesses on behalf of the city of Toronto, and Mr. Thomas Bradshaw, Commissioner of Finance, gave an interesting financial statement, which concluded with the following:—

"There would not appear to be any difficulty in providing additional capital for the Bell Telephone Company of Canada if such is required, either by the issuance of bonds or short-term notes, the latter possibly being the most desirable method, in view of the present conditions.

"Notwithstanding high prices, etc., the company has been improving its earning power, and its financial condition during the years of the war, and now that prices of materials are receding, and that the tendency is for them to decline still further, it would appear as though there is little basis for the claim now made by the company. In view of the great expansion in the company's business, what may be necessary is the obtaining of new capital money, and there would not appear to be any difficulty in obtaining this on current terms.

"There is also the other thought, and that is that at the back of the Bell Telephone Company of Canada is the wealthy corporation, the American Telephone & Telegraph Company, and it, no doubt, would be able to furnish, if it were called upon to do so in any period of emergency, very substantial funds, by increasing its stock holdings in the Bell Telephone Company of Canada."

Mr. T. G. Meredith, of London, Ont., also protested against this proposed increase, declaring that the Bell Telephone Company should meet the lean years out of the fat of other years.

MONEY MARKETS

Messrs. Glazebrook and Cronyn, exchange and bond brokers, Toronto, report the following exchange rates to *The Monetary Times*:—

	Buyers.	Sellers.	Counter.
N.Y. funds	2% pm	2 1-32 pm	
Mont. funds	par	par	1/8 to 1/4
Sterling—			
Demand	\$4.85.25	\$4.85.75	\$4.87 1/2
Cable transfers	4.86.10	4.86.20	4.88 1/2
Rate in New York for sterling demand, \$4.75.75.			
Bank of England rate, 5 per cent.			

BANK CLEARINGS

The following are the bank clearings for the week ended January 9th, 1919, compared with the corresponding week last year:—

	Week ended Jan. 9, '19.	Week ended Jan. 12, '18.	Changes.
Montreal	\$115,378,538	\$ 81,126,216	+ \$34,252,322
Toronto	82,392,266	64,395,261	+ 17,997,005
Winnipeg	51,094,198	46,670,378	+ 4,423,820
Vancouver	11,679,787	9,521,322	+ 2,158,465
Ottawa	8,018,954	6,008,899	+ 2,010,055
Calgary	6,228,688	7,981,649	— 1,752,961
Hamilton	6,080,215	5,325,504	+ 754,711
Quebec	5,111,247	4,139,220	+ 972,027
Edmonton	4,507,182	4,619,571	— 112,389
Halifax	5,545,982	3,918,930	+ 1,627,052
London	3,921,117	3,203,418	+ 717,699
Regina	4,200,458	4,317,261	— 116,803
St. John	2,846,402	2,517,818	+ 328,584
Victoria	2,240,940	1,877,407	+ 363,533
Saskatoon	2,181,539	2,018,841	+ 162,698
Moose Jaw	1,870,926	1,456,046	+ 414,880
Brandon	784,504	698,564	+ 85,940
Brantford	1,153,212	922,675	+ 230,537
Fort William	943,424	789,975	+ 153,449
Lethbridge	815,847	812,548	+ 3,299
Medicine Hat	543,460	543,658	— 198
Prince Albert	349,803		
Windsor	1,444,850		
New Westminster	564,941	390,930	+ 174,011
Peterboro	837,041	746,586	+ 90,455
Sherbrooke	1,212,584	722,032	+ 490,552
Kitchener	848,994	621,417	+ 227,577
Totals	\$321,002,446	\$255,346,126	+ \$65,656,320

The Toronto bank clearings for the current week are \$64,078,478, compared with \$57,197,375 for the same week last year and \$56,064,523 two years ago.

CANADIAN FORESTRY ASSOCIATION TO MEET

The public meeting of the Canadian Forestry Association, will be held at the Windsor Hotel, Montreal, January 29th. It is expected that a number of leading Canadian lumbermen and other forestry experts will be present, while there will be addresses by Col. Henry S. Graves, chief forester of the United States, who has recently returned from service in France, and Hon. W. R. Brown, of Berlin, N.H. Col. Graves will speak on his experiences in forestry work in the devastated areas of France, and the means of preserving forest wealth on the American continent, while Hon. W. R. Brown will deal more exclusively with the latter subject. Their addresses will be illustrated by a series of films illustrating forestry and forest preservation.

WHOLESALE LUMBER DEALERS MEET

Forty members were present on January 13th, at the annual banquet and business meeting of the Wholesale Lumber Dealers' Association of Ontario, at Toronto, at which satisfactory reports of the prosperity attending the first year's operations of the organization were presented. Mr. A. E. Clark, the president, in referring to some of the matters of vital importance to the lumber industry that will require readjusting during the reconstruction period of trade and commerce generally, called upon the membership to exercise wide and careful judgment. During the period that conditions would undergo a general transformation it was equally important that the members should co-operate with civic, provincial and federal governments, and endeavor to avert as little disturbance of industrial lines as it was possible to do during critical periods.