

of each year an amount shall be taken from the tolls reduction fund and turned into gross revenues equal to the amount so taken from the fund at the time of the reduction of tolls; but when the total amount remaining in the tolls reduction fund at the end of any year is less than the amount taken annually from the fund for the increase of gross revenues as above provided, the appropriation from the fund to gross revenues shall for the time being be discontinued, but the tolls shall remain as previously reduced until it shall be necessary as hereinafter provided, to increase them.

If the tolls reduction fund, in spite of its depletion for such reduction in tolls, shall again increase to an amount in excess of \$2,500,000, the tolls shall be further reduced in the same manner as before. If in any year the gross revenues shall be insufficient to provide for the payment of all sums payable under paragraphs 1 to 5, and if the contingent reserve fund is less than \$300,000, the commission shall forthwith from any monies in the tolls reduction fund, appropriate the amount necessary to bring the contingent reserve fund up to \$500,000, all deficits in the payments provided for under paragraphs 1 to 4 being made up, or if sufficient monies therefor are not available in said tolls reduction fund, then the commission shall forthwith increase the tolls to the extent necessary to provide at least sufficient gross revenues to meet all the payments provided for under paragraphs 1 to 5.

At the termination of this contract the tolls reduction fund shall be the city's property, and any amounts borrowed by the company from the fund and not previously repaid, shall forthwith, upon the city's demand, be paid into the fund by the company, and in case of purchase by the city of the tramways system, any amounts then due from the company to the fund shall be deducted from the purchase price.

Any loans made to the company from the maintenance and renewals fund, the contingent reserve fund or the tolls reduction fund, shall constitute, without registration, a lien upon the company's plant and property, superior to any other lien hereafter created by act of the company and not previously authorized by any mortgage or deed of trust in existence on June 30, 1917, affecting such plant and property; but the company may reimburse said loans for the purpose of replacing or renewing any lien created or authorized in virtue of any deed of trust existing on said date.

No monies taken from earnings, except surplus available to the company, shall be used to redeem any mortgage, lien, or other mortgage indebtedness of the company.

**Expropriation.**—On Mar. 24, 1953, and at the expiration of every subsequent five-years period, the city shall have the right, after six months notice given to the company within the 12 months immediately preceding Mar. 24, 1953, and also after a similar notice of six months and on the same conditions at the end of each subsequent five-years period, to appropriate for itself the company's railway, as well as the immovables and dependencies, plant and cars belonging to it and necessary for the operation of the railway, situate within and without the limits of the city, by paying the value thereof to be fixed by arbitrators and 10% over and above the estimate. Should the city exercise the right conferred upon it by this clause, then it is agreed that the valuation of \$36,386,295 fixed by this contract shall

in no way bind the arbitrators in establishing the purchase price payable by the city. The purchase price shall also comprise all the company's privileges, rights and franchises in any municipality wherein the assets so acquired are situated, and the city shall not pay for the value of such privileges, rights and franchises and shall further have the right to operate the system of tramways so purchased in any municipality wherein the same is located. No municipality other than the city shall have the right to purchase the company's railway system in whole or in part.

Within 30 days after the expiration of each year of operation the company shall furnish to the commission detailed statements of its expenditures made within the preceding year.

All the provisions of the contracts, agreements or arrangements concluded between the company and any municipal corporation outside of the city, incompatible with the provisions of this contract shall remain without effect counting from the putting into force of this contract.

In the event of the company, at any time failing to conform to or contravening any of the conditions or obligations which are imposed on it by this contract, or to any of the commission's decisions or orders, it shall be liable to a fine not exceeding \$40, with or without costs at the discretion of the court, for each and every day it neglects to so conform or contravenes any of the conditions, obligations, decisions or orders.

This contract shall form part of the securities furnished by the company under the trust deed in favor of the National Trust Co. and the Harris Trust and Savings Bank, dated July 1, 1911, and other trust deeds existing on June 30, 1917, to guarantee the loans and the issues of debenture stock made by the company under the authority of the said trust deeds.

This contract shall not take effect until ratified by the Quebec Legislature.

### Halifax Electric Tramway Employees Strike.

The Nova Scotia Tramways & Power Co.'s electric railway employees in Halifax, ceased work Feb. 23. On the same day the management issued a statement to the effect that the men did not give any notice of their intention to stop work, nor any reason for so acting. The wages agreement does not expire until May 20, and for two weeks prior to the date of ceasing work there had been negotiations between the company and the men as to a new agreement. On Feb. 18, the company submitted to the men a new scale of wages representing an advance of 12% upon the scale provided for in the unexpired agreement. There had been some differences with the men, owing to certain alleged acts of insubordination which the company's executive officer had dealt with. One employee, Conductor Zinck, being suspended, and the other, Motorman Lowe, being dismissed. It was stated by the Managing Director, H. R. Mallison, that there had been a good deal of insubordination, and defiance of discipline among the men, and that it was determined to make an example. The employees claimed in the case of Conductor Zinck that, having been injured in the explosion, and being nervous, he felt, when rated as motorman for a new run, that in the best interests of himself and the public he should not undertake it;

that before suspension he was not given an opportunity to explaining to the official who suspended him his reasons for not accepting the run, and that he was not physically fit for it. He was taken off the list as a conductor and rated as a motorman. He had served as conductor and in spare time as a motorman. In the case of Motorman Lowe, dismissed, the employees claimed that when an inspector was posting the run guide, including Zinck's name, Lowe suggested that it should not be left up too long, or it might cause trouble. This remark apparently had been described to the company as Lowe ordering the notice down or that he would make trouble. Lowe claimed to have five witnesses to testify to the exact remark he made, which he claims to have been intended as harmless. The men also issued a statement saying that, after ineffectual attempts to secure the reinstatement of Zinck and Lowe, the men decided, by a 90% vote, to cease work until the two men were reinstated.

The city authorities endeavored to bring about an understanding between the parties, with the result that on Feb. 25, H. R. Mallison, Managing Director, wrote the Deputy Mayor as follows:—"It has been decided to moderate the punishment meted out to Motorman Lowe. If our employees are prepared to return to work in the customary manner tomorrow morning, and, on behalf of the citizens, give the company loyal and faithful support, and observe in a satisfactory manner the reasonable rules and regulations laid down for their guidance, the company's ruling in regard to the dismissal of Lowe will be withdrawn, and he will, instead, be subjected to a suspension of one week; which week terminates Wednesday night next. It is part of this proposal that both the company and the men waive further investigation or inquiry in the two cases in dispute and at once resume the harmonious relations which should exist between employer and employees, in order that the public may be efficiently served and the unfortunate condition which has existed for the past three days be ended at once."

This proposal was accepted by the men and the service was resumed Feb. 26.

**Levis County Ry. Fares Advanced.**—The Levis County Ry. applied recently to the four municipalities in which it operates, viz.: Levis, Lauzon, Bienville and St. Romuald, for permission to increase its passenger fares, which were fixed by franchise and ratified by the Quebec Legislature. The fares which have been in force for 15 years are: Cash fare, 5c; unlimited tickets, 6 for 25c; scholars' tickets, 50 for \$1.25. The company applied for the following new rates: Cash fare, 10c; unlimited tickets, 12 for \$1; workmen's tickets, 16 for \$1; children not in arms and scholars under 16 years of age, 50 tickets for \$1.50. We are officially advised that an agreement has been come to, under which the cash fare is advanced from 5c to 10c. Unlimited tickets will be sold, 8 for 50c or 50 for \$3, instead of 6 for 25c as heretofore. Children, not in arms and under 12 years of age, will be charged a cash fare of 5c or 10 tickets for 25c; scholars will be sold 50 tickets for \$1.50.

Sandwich, Windsor & Amherstburg Ry. employees have refused the terms offered by the company, and on Mar. 21 applied to the Minister of Labor for the appointment of a board of conciliation. The two principal points upon which the parties have disagreed are the amount by which wages should be increased, and the recognition of the union.