

## DOMINION IRON AND STEEL ACTION

Sixty-five Dollars per Ton Set by Government for Steel  
Rails not Considered Sufficient by Company

**T**HREE million dollars is involved in the claim of the Dominion Iron and Steel Co. against the Dominion government, now being considered by the Exchequer Court. The case began before this court on September 7, and this week evidence is being taken in Sydney. The action is taken in connection with steel railways which the company had contracted to manufacture for the government.

The point at issue was the price the company should be paid for 116,000 tons of rails rolled and delivered subsequent to April, 1918, by the steel company, the rails being furnished in connection with an order in council passed by the government under the authority of the War Measures Act, enjoining the company to supply at least one hundred thousand of tons of order that railways might be put in a position to operate to full capacity during the period of the war. The cause of difference as to value of the rails, it developed at the hearing, was that the government contract was issued the Dominion Iron and Steel Co. had in hand large orders from the Imperial Munitions Board for shell steel and the manufacture of this had to be practically discontinued with the result that 99,000 tons were not delivered. On behalf of the company it was stated that for this steel the company would have received about eighty dollars per ton, but cost of production would have exceeded the cost of making rails by from 3 to 5 dollars per ton. The company suggested in view of these facts that it should receive 75 dollars per ton for the rails. The war trade board took the view that \$65 would be a proper price, when it was offered by Hon. J. D. Reid, Minister of Railways, and in accordance with the terms of the original order in council reference was made to the exchequer court. The amount actually in dispute therefor is \$10 per ton on 116,000 tons at \$1,160,000. Of nearly eight million claimed by the company for the rails, some \$5,000,000 has already been paid by the government.

The foregoing facts were brought out in the course of the examination of controller Cameron, of the Dominion Iron and Steel Co., by Mr. Wallace Nesbitt, K.C., chief counsel for the company. In reply to a question by the court, Mr. Nesbitt stated that it was the desire of the company to be placed in as a good a position as it would have been had it been permitted to proceed with the contracts with the Imperial Munitions Board and other contracts of the same kind which would have been undertaken. Letters were produced to show that the Imperial Munitions Board were anxious to have its contracts completed and to place others, and that it had been suggested that an upward revision of prices would be made for additional orders.

## JUDGMENT AGAINST ROYAL BANK

A judgment of great importance to outside companies licensed to do business in British Columbia was rendered by Justice Murphy on September 14, in the case of the Royal Bank vs. the National Fire Insurance Co. Under a judgment against a man named Stewart, a shareholder in the defendant company, the sheriff in behalf of the bank seized Stewart's stock. The company is not registered and has no share register in British Columbia. The bank was suing the company to compel registration of the shares in the bank's name to make effective the seizure.

The action is dismissed, his lordship holding that as the process in question could legally be carried out without the knowledge of the shareholder, every step in the process must be carried out with the utmost technical regard for the law. His lordship found that there had been a flaw in the service and on that account gave judgment against the plaintiff.

## RAILROAD RATES IN NEWFOUNDLAND

The Newfoundland Railway Commission has made its first recommendations in the reconstructive program of the operation of the railway, which includes the following:—

Instructions to conductors to refuse to accept passes from anyone in future; M.P.'s, members of legislative council, judges, magistrates, merchants, ex-M.P.'s, and clergymen, all without distinction, will have to pay railroad travelling fares, and in the future, it is proposed to construct a coastal terminus for the south coast traffic at Argentina. The terminus will also be used as a winter shipping port for the Anglo-Newfoundland Development Co., and Alexander Bay Pulp Co. The company will ship 2,000 carloads of paper from December to May that hitherto has been stored each winter at Grand Falls, thus tying up a large amount of money as well as causing congestion at Grand Falls, and the railroad commission will increase the railroad earnings to \$150,000 by this arrangement, and thus aid in making the road self-supporting.

The work of building the three miles of railroad will start immediately, and the terminal pier or breast-work will be ready for shipping by January.

The railroad commission has recommended an increase in passenger and freight rates and it is probable an increase of one cent per mile will be added to first-class railway fares. Six locomotives of the most modern type have been ordered by the commission and are due in this country in January. Material for fifty flat and fifty box cars is being provided, and the whole lot will be ready by next spring.

## INSURANCE IN MANITOBA

The superintendent of insurance for the province of Manitoba has issued his report covering the business transaction of the year 1919. A summary of the premiums and losses under the various classes of business in the province follows:—

## REGISTERED COMPANIES.

	Premiums.	Losses.
Automobile .....	\$ 294,001	\$ 118,955
Burglary .....	14,209	7,433
Employers' Liability ....	402,045	152,298
Fire .....	3,483,496	951,847
Guarantee .....	175,007	64,474
Hail .....	305,820	85,413
Live Stock .....	39,222	35,975
Life .....	14,396,334	1,607,692
Marine .....	34,260	6,592
Plate Glass .....	39,046	22,155
Sickness and Accident ..	339,436	147,784
Steam Boiler .....	30,933	2,328
Tornado .....	2,287	5,237
Unclassified .....	129,556	2,641
Totals .....	\$19,685,660	\$3,210,832

## LICENSED (DOMESTIC) COMPANIES.

Accident, Sickness, Auto and Guarantee ....	\$ 39,943	\$ 10,300
Fire .....	362,696	221,307
Hail .....	147,593	42,500
Life .....	127,421	14,708
Plate Glass .....	2,739	1,856
Totals .....	\$ 680,394	\$ 290,674
Registered Companies ..	\$19,685,660	\$3,210,832
Grand Total .....	\$20,366,055	\$3,501,506