

person interested in the matter, may, on such notice to any other person, or without notice as it may see fit, make an order staying until such time as the court may prescribe or until further order all proceedings taken or which might be taken in respect of such company under the Bankruptcy Act and the Winding Up Act or either of them, and the Court may restrain further proceedings in any action, suit, or proceeding against the company upon such terms as the court sees fit, and the court may also make an order that no suit, action or other proceedings shall be proceeded with or commenced against the company except with the leave of the court and subject to such terms as the court shall impose".

The arguments in favour of putting the Winnipeg Electric into receivership are that the whole system can be put under the management of a receiver appointed by the bondholders with the result that a clearer picture can be obtained and more reliable and accurate information can be had. As it is now there are conflicting interests which make it impossible for the management of the Winnipeg Electric and the bondholders of Northwestern Power to be frank with one another. The only advantage in not invoking the guarantee of the Winnipeg Electric and thereby putting the company into bankruptcy is that the psychological effect created by such an action might jeopardize any chance of making a favourable deal with the municipal authorities of Winnipeg.

Early action is essential if the interests of the bondholders of the three utility companies are to be protected. The municipal elections will be held in November of this year and it is understood that Mayor Webb will not offer himself for re-election. A Labor Representative may be elected and the chances of a successful deal might be considerably reduced.

Alderman Honeyman, Chairman of the Transportation Committee, J.G. Glassco, Manager of the City Hydro and Mayor Webb are reported to be agreeable to a deal along the lines mentioned but it will take four or five months to get it through.

The deal would probably mean the disappearance of the Preferred and Common Stock in which Power Corporation have invested over \$3,000,000. The bondholders of Northwestern Power are in a position to force Winnipeg Electric to accept this deal and the City, it is believed, does not feel that it can afford to turn it down.

The attached map shows the power developments in the Winnipeg district together with the high tension transmission lines to the City of Winnipeg.