

QUICK ACTION TAKEN TOWARD ELECTRIC DEAL

Bill Introduced in Legisla- ture and Given Second Reading

CITY NOT TO ASK VOTERS FOR MONEY

Management of Railway and Light System to be in the Hands of Commission

Things moved swiftly yesterday in connection with Mayor Hocken's proposition to acquire the assets and franchises of the Toronto Railway Company and the Toronto Electric Light Company.

In the afternoon the City Council held a special meeting, and, without discussion, unanimously decided to ask for legislation granting power to make the purchase. In the evening Mr. W. K. McNaught (North Toronto) introduced the bill in the Legislature, the rules were suspended, and the measure was given a first and second reading. Issue of debentures is provided for without the necessity of a vote of the ratepayers. Certain amendments to the municipal act to make the law in harmony were also brought down by Hon. W. J. Hanna.

The move of the city has the hearty support of the Opposition members in the Legislature. "I desire," said Mr. Rowell, on the second reading, "to express my concurrence with the bill introduced by the hon. member for North Toronto. I am sure the members of the House will be glad to facilitate its passage through the House, and I hope that the power which the bill gives will be exercised to bring about an understanding and put an end to the series of misunderstandings between the city of Toronto and the Toronto Railway Company. If this bill will enable this very desirable object to be consummated I am sure that the members of the House will see that the rules are modified or suspended for the purpose of facilitating such an important action in the public interest."

Provisions of the Bill.

The provisions of the bill are simple. Power is given to the city to purchase the rights and interests of the Toronto Railway Company under the lease to the Kiely-Everett syndicate dated September 1, 1891; also the rights and interests of all companies and persons owning or operating electric or street railways within the city as the corporation may deem it expedient to purchase, including real and personal properties in connection therewith; all the assets, rights and franchises of the Toronto Electric Light Company, Limited.

For the purpose of providing for such purchase the bill provides that the city may borrow the money required upon the issue of forty-year debentures, bearing such rate of interest as the corporation may deem proper, without the necessity of submitting the debenture issue to the electors. The money borrowed may be secured by a mortgage upon all electric and street railways and elec-

tric light systems owned by the corporation, including those purchased under the act.

Upon the city acquiring the railway and electric light systems it shall enjoy and exercise all the rights, powers and privileges which were possessed by the companies.

The management of the street railway and electric light system shall be vested in a Public Utilities Commission of not less than three and not more than five members, and the head of the Council shall not be ex-officio a member of that Commission.

Mayor Explains Situation.

At the meeting of the Council the aldermen contended themselves with a statement from Mayor Hocken with reference to the advisability of obtaining the permissive legislation, to be used in case negotiations should reach such a stage that purchase would be desired by the people. His worship went further, and expressed a hope that the deal would be actually consummated within a few months.

"The basis of the negotiations to begin with," said the Mayor, "is 160 for the Street Railway stock, and 135 for the Toronto Electric Light Company's stock. We offered the Toronto Electric Light Company 135 two years ago. If we accept the offer of 160 for the Street Railway, which is not a final figure, we will pay little more than the exact value of the physical assets and the franchise. This consideration should lead us to go as far as we could reasonably go, in arranging to submit the question of purchase to the people."

Cannot Go Into Details.

The Mayor asked the members of the Council not to discuss the details of the prospective deal any further than they would regard as a public duty. "We have not yet reached the point," said he, "where it would be prudent to go into details with regard to the negotiations. The Mayor said part of the negotiations had been carried on between himself and Sir William Mackenzie, President of the Toronto Railway Company, by cable. This was somewhat unsatisfactory, but Sir William would probably leave Europe this week for Canada. "If so," added the Mayor, "I hope in six weeks or two months to be able to bring before the Council the result of our negotiations and make a final recommendation." He said a good deal of work had been done, and a good deal more was to be done, of considerable difficulty and delicacy. Hence a free discussion at this juncture would add to the difficulties.

Nothing to be Done "In the Dark."

"I ask the public and press to have confidence in me," urged the Mayor. "It would make the situation embarrassing if hypothetical questions were asked at the present time, or permanent judgment formed. I can assure the people there will be no attempt to do anything in the dark. I shall make no attempt to 'put anything over this Council or the people of Toronto.'" His worship promised that every last detail of the transaction would be submitted to the Council and the public. "I can not say positively that the proposal can be carried out, but I believe it can be done," said the Mayor. "The attitude of those with whom I have been dealing gives me confidence that we can arrive at an agreement acceptable to the Council, at least to the point of submitting the proposal to the people."

The Mayor expressed a hope that the deal could be carried out, and the Toronto Railway come into the city's hands by the first of July. The bill would provide that whatever the Council did would rest upon a favorable vote of the people. He said if failure was the outcome of his ef-