

commitments of capital which cannot be readily withdrawn, it cannot be satisfactorily regulated by competition and sooner or later becomes a virtual monopoly. Then the criticism which was sharp but scattered becomes concentrated and at times clamorous. Common experience indicates that while nearly all of the criticism of large corporations, whether private or municipal, is natural, human nature being what it is, much of it is unreasonable, in the sense of being directed against the inevitable, while some of it, and occasionally a great deal of it, is both reasonable and necessary and urgently requires remedy. It is then the primary function of a public utilities commission, by a constant accumulation and intelligent study of the facts, to determine what is and what is not reasonable and justifiable criticism of the public utility services rendered by private corporations, and on the basis of this knowledge to require the maintenance of a fair and equitable standard of efficiency, such as it is possible and reasonable to afford, and to regulate the rates at which such services can be maintained. In doing so, such a commission will find it necessary not only to protect the public against the unjust and unnecessary encroachments of the corporations, but, to the end that the corporations may be able in the most efficient manner to meet the requirements of the public, to protect them against each other and against shortsighted and irresponsible sectional clamor which, if allowed to determine public policy, would cripple or destroy very essential enterprises involving large investments of wealth, the impairment of which would immediately react to the detriment of the community.

The formation of a public utilities

commission is therefore recommended for the Province of British Columbia. On such a commission should be appointed certain departmental officials who are most thoroughly acquainted with the actual conditions relating, for instance, to water powers and other natural resources of the province, the utilizing of which is essential to the services rendered by the public utilities. Apart from the departmental members there should be at least one person of good judgment and wide experience who could devote his whole time to acquiring and coordinating the necessary information as to the varied interests of the public involved in the more important utilities. If properly constituted, the commission will be able to furnish well matured and just regulations and decisions alike for the general administration of the various public utilities as for the adjustment of special grievances and claims as to rates and conditions of service, in accordance with what may be most expedient in the public interest.

To such a commission could be transferred the mass of statistical and other information as to the past and present condition of the public utilities conducted by the British Columbia Electric Railway Company, produced before the present special Commission. This will furnish for future reference a body of valuable information on the ground covered, and which can be added to in other fields and kept up to date. Thus the commission will be able to afford an intelligent readjustment in the future of the rates and conditions of service which are recommended in this report, some of which will require further modifications when conditions change for the better, to the mutual advantage of the Company and the public.