

The price to be charged for electrical power is altogether at the discretion of the Hydro-Electric Power Commission.

The nature of the service to be provided is quite indeterminate, although it is stated in the information submitted by the Hydro-Electric Power Commission to the City of Hamilton "it is anticipated" that certain services will be given.

The renewal clause makes the document virtually a perpetual Agreement. At the expiration of fifty years there is no provision for the transfer of Hamilton's rights or obligations. In short, the Agreement contemplates the entry of Hamilton into the railway business in such a manner that it is practically impossible for the city to withdraw or stop. The condition appears to be quite different from one in which the rights and privileges may be regularly transferred. In bonds, or other forms of equity in an incorporated company, there is always available a definite mode of transfer.

No audit is provided for. This is certainly a serious and important omission.

The proposed Agreement as a whole, although in accordance with the Statutes of Ontario, is too indeterminate and obscure. Certain parts of it, however, are perfectly explicit, for example, losses in operation which must be made up by Hamilton; the exemption of the Ontario Government and the members of the Hydro-Electric Power Commission from any responsibility of any kind, financial or otherwise; the City's lack of power to enter into transportation agreements of any kind, without the consent of the Commission; and the final and binding decision of the Hydro-Electric Power Commission in all matters.

The present Commissioners will, in the natural course of events, be replaced by new men within a very few years, in the selection of whom neither Hamilton nor the other municipalities can have any direct voice, nor can the municipalities exercise any control whatever over the administration of their property in the railways, nor of the traffic upon them. Dissatisfaction with such uncontrolled management is certain to arise, and, indeed, appears by terms of the Agreement to be anticipated, but instead of providing such means of relief or betterment as are found to be necessary in the management of other business enterprises, it is specifically provided that neither the Commission nor any member thereof, nor any of its officers, may be impeached or subjected to trial in any court without the consent of the Attorney-General of Ontario, nor can they be put out of office for any cause by any power except by the Government of the Province. Experience has abundantly shown that for the successful management of railways and other business enterprises, the proprietors must have control over the directorate, and it has been found necessary in the public interest that railways be put under the control of Provincial or Federal Commissions, as regards all their dealings with the public.

CONCLUSION.

Having considered the whole question, we conclude that it is not in the interest of Hamilton to pass the proposed By-law and enter into the proposed Agreement.

The whole is respectfully submitted,

R. W. LEONARD, Chairman.

SIR JOHN KENNEDY.

W. F. TYE.

L. A. HERDT.

WALTER J. FRANCIS, Secretary.