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of meeting a local condition in one portion of Canada, and it looks to me that the clause as drafted with the amendment proposed by Mr. Johnston would meet the conditions, because we do not interfere with vested rights. We do not say to the city of Toronto or any municipality, "You can tear down the poles."

Hon. Mr. COCHRANE: But a municipality has vested rights.

Mr. CARVELL: Certainly, but if I am correct in my information, there is a distribution system in the city of Toronto. What right would the city of Toronto have to go and tear down the poles?

Hon. Mr. COCHRANE: Simply because the franchise expires in 1919, and now they are making a fight. They are selling out to the parent company, and are not living up to the agreement with the city.

Mr. NESBITT: Suppose they do, what difference does that make to the city of Toronto in regard to taking over the plant.

Hon. Mr. COCHRANE: But they got from Parliament what they could not get to-day. When a company from Montreal came here to get a charter it was amended, and amended with their consent.

Mr. CARVELL: I am quite prepared to say that if any company came to Parliament to-day and wanted the right that Parliament gave to the Toronto-Niagara Power Company, they would not get them; but we should not shut our eyes to the fact that on the strength of that legislation people have invested their money.

Hon. Mr. COCHRANE: But their charter expires in 1919.

Mr. CARVELL: Does the city of Toronto object to competition?

Hon. Mr. COCHRANE: No.

Mr. MACDONELL: They object to people going on their streets and establishing a distribution power system without leave and license.

Mr. CARVELL: This Bill is drafted so that they shall not do it in the future.

Mr. MACDONELL: That permits them to continue operations.

Mr. CARVELL: Perhaps, coming from a part of Canada where we do not have to deal with the question, I may not be well versed in it, but if I invest my money in an electric light company, and am barely making dividends, I would feel pretty ugly about it if the municipality could step in, take my property away and confiscate it.

Hon. Mr. COCHRANE: The courts of Ontario said they had not the right to do this.

Mr. CARVELL: But the section as drafted now meets the decision of the Privy Council and says that in future they shall not have the right to extend these lines without the consent of the municipality. The city of Toronto is not satisfied with the amendment to the Act which provides that they shall not do these things in the future, but they say we should be allowed to go back ten or eleven years, and should have the rights to take up the poles and plants which they have placed there by virtue of their Act of Incorporation.

Hon. Mr. COCHRANE: No.

Mr. MACDONELL: You are quite wrong.

Hon. Mr. COCHRANE: The electric light company did have a franchise from the city of Toronto and they are trying to avoid it by selling out to the other company.

Mr. JOHNSTON, K.C.: I think probably you have not read subsection 4 of the proposed amendment.

The CHAIRMAN: I would like to place this memorandum on the record.

Hon. Mr. COCHRANE: Who is it from?