## APPENDIX No. 2

Hon. Mr. Cochrane: And they should not have any rights there. They are only by reason of the bad faith of the company that got its charter from the people of Toronto selling out to them and giving them their power.

Mr. Nesbitt: I cannot agree that the Parliament of Canada did not know what they were doing when they gave them the right.

Hon. Mr. Cochrane: They certainly were doing it to the advantage of the different municipalities in the province.

Mr. Nesbitt: That may be true, but that will be prevented in the future. Subsection 4 of the amendment proposed by Mr. Macdonell says:—

"Nothing contained in this section shall be deemed to authorize the company, nor shall the company have any rights to acquire, construct, maintain or operate any distribution system or to distribute light, heat, power or electricity in any city, town or village, or to erect, put or place in, over, along or under any highway or public place in any city, town or village any works, machinery, plant, pole, etc."

That absolutely prevents this company increasing their output in any shape, manner or form.

Hon. Mr. Cochrane: If they do not make an agreement with the city.

Mr. Nesbitt: I doubt if they can make an agreement. There is no doubt about the fact that there is a local prejudice in Toronto against this corporation. Even our friend Mr. Macdonell, who is generally absolutely fair, seems to be prejudiced against this company.

Mr. MACDONELL: I am trying to protect the rights of the people.

Mr. Nesbutt: He imagines they are going to do this, that and the other thing, and that they are going to destroy the interests of the city. No corporation can be successful without having the good wishes of its patrons, and the only way these people can have the good wishes of their patrons, is to deal fairly with them. There is no question about that. Anybody with business experience knows it is absolutely impossible to build up any business in this country without the good wishes of its patrons. The reason I am not supporting the clause is simply because I can see very readily that the city of Toronto means to confiscate the property of these people, and there is English money invested in this corporation.

Hon. Mr. Cochrane: Confiscation is not proposed here. The matter must be left to arbitration, and that is not confiscation.

Mr. Nesbitt: There is no reference to arbitration here. The company is supposed to go to the Board, and Section 4 takes away the power of the Board to deal with it.

Mr. Johnston, K.C.: That is only as to the distribution.

Mr. Nesert: They take away the power from the Board to deal with it, and I am willing to leave it to the Board.

Mr. Macdonell: There is no power company in Canada which has the right to distribute power in a community or municipality without the consent of the municipality. There are two separate things involved. There is the transmission line, and the municipality has the power to say it shall not be constructed. If the municipality refuses permission to construct, the company has the right to go to the Railway Board, but when it comes to distribution no company has the right to go to the Railway Board, if the municipality says "No, we do not want you here as vendors and distributors of power in this community." This company will be treated identically the same as all other companies are treated, and there is not a shadow of anything in the nature of confiscation.