

for deficits—taxation. Of course, no municipal, provincial or federal government can make money; it can raise money only by taxation.

In its operation the Hydro-Electric Power Commission has been given favours that no private company has ever enjoyed. I cite a few facts in this connection. The Commission has been built up into a monopoly, for no one was permitted to compete with it. It obtained an advance of more than \$10,000,000 for the construction of rural lines. That is in addition to the initial advance of \$10,000,000. It has the right to impose—I should like honourable members to listen to this—it has the right to impose a first mortgage on the property of customers who fail to pay their electricity bills on the nail. I wonder how the farmers in Quebec would like that. No government commission has any control over it: it fixes its own rates; its decisions are final; it has arbitrary powers.

To illustrate this, let me direct the attention of the House to the following tables. I am dealing with the Niagara district, for it is close to the centre of power generation. The following rates per horse-power were paid in 1932:

5 municipalities paid from	\$19 to \$25
30 municipalities paid from	25 to 30
30 municipalities paid from	30 to 35
32 municipalities paid from	35 to 40
38 municipalities paid from	40 to 50
17 municipalities paid from	50 to 60
15 municipalities paid from	60 to 90

In spite of these official figures, supporters of nationalization of hydro power in Quebec continue to state that Ontario municipalities get their electricity from the Hydro Commission at from \$12 to \$15 per horse-power. This varying rate-scale clearly proves that in certain cases special favours have been given to friends of the Government in power.

The Hydro-Electric Power Commission has increased its rates from time to time. For instance, in 1909 its rate was \$9.50; in 1919, \$16; in 1923, \$24; in 1932, \$27.50. On the other hand the private power companies during that time have decreased their rates.

Now I come to what I consider a very serious blunder on the part of the Hydro-Electric Power Commission of Ontario, and perhaps the right honourable gentleman opposite will be surprised by what I am about to say.

Montreal visitors to Toronto must often have been puzzled by the fact that electric light in the latter city, particularly during "peak" hours, has a curious flickering quality that is quite unknown in their own city. This flickering light is the result of a policy adopted by Ontario Hydro, a policy described

by the editor of the Electrical World as "the prime electrical blunder of the age." It comes about from the fact that under public ownership Ontario has clung to an outmoded system of electrical current, while everywhere else in the world, Montreal included, large electric enterprises have moved forward with what science has shown to be the best engineering practice.

When electric lighting was in its infancy the current supplied was what is known as 25-cycle power. That gave a light which flickered. Experiments proved that power of a higher frequency eliminated the flicker. So in the last two decades the trend in North and South America, in Great Britain, and in Europe generally, has been toward 60-cycle frequency power. Private plants everywhere have scrapped old equipment and changed to 50-cycle or 60-cycle power. In Montreal and Quebec province generally 60-cycle power has long been supplied.

Ontario has kept on sinking capital in 25-cycle equipment, and even imported 25-cycle equipment which Germany abandoned in favour of higher frequencies. Why? Because of politics. Says the Financial Post, of Toronto:

Before it became financially disastrous to do so, Ontario could have changed over from 25-cycle to 60-cycle equipment. But that might have been politically disastrous. It would have been admitting a mistake!

Let anyone who imagines that politics can be kept out of public ownership enterprises make the best he can of that statement.

The remark I have quoted is made in connection with the fact that Hydro is now about to set the clock back in the last oasis of 60-cycle power in the Niagara district. In the days of private ownership 60-cycle power was established in Hamilton, Oakville, Brantford, St. Catharines, Welland, Beamsville, Grimsby, Burlington, Burlington Beach, Stony Beach, Palermo, Dundas and other municipalities. This 60-cycle power was continued after Hydro took over the Dominion Power and Transmission Company. The Financial Post says the fiat has now gone forth by which Hydro will deprive these municipalities of 60-cycle power and in exchange supply them with what is termed "an inferior article." They are to be given 25-cycle power in the interest of unification of services, and to permit switching of power in case of breakdowns. What else can be done? Many millions of dollars' worth of equipment will have to be scrapped to set the clock back in the municipalities mentioned, because Hydro cannot undertake to set the clock forward in other areas. More than \$600,000,000 has been spent on 25-cycle power projects. To