

ownership of electrical power. The honourable gentleman has not the first notion of the real situation with respect to the Hydro-Electric Power Commission and the service it renders. I admit that service may some day be blighted, but I am confident it will not. I do not think the citizens of Ontario will submit to any policy which they consider would result in the destruction of Hydro. I believe there is no other institution in the province to which the people as a whole are so devoted as they are to the Hydro-Electric Power Commission.

What are the facts? It is true that in the main private companies have disappeared. The properties of these companies have not been confiscated; they have been purchased by the process of bargaining, and sometimes by arbitration. Their bonds have been assumed and their shareholders paid. In Ontario we are sometimes charged with confiscating these properties, and that appears to be the kind of thing my honourable friend would allege against us. At other times it is said that we have paid too much. I should be in a position to come to an intelligent opinion, and, I think, an honest one; and I believe that in the main the assets of those private firms have been fairly purchased. I do not think the charge of confiscation will lie in any instance. I have never seen one where I was convinced it did lie, nor have I had anything to do with one where that was even charged. And I have not had to do with an instance where it was alleged that we paid too much. There were always reasons for whatever step was taken, and when an intelligent commission went into the matter it recognized such reasons, put the proper value upon them, and then made a sane report.

The result is that in the province of Ontario we find ourselves now with one unit instead of twenty. There is no duplication of service, and we are paying interest only upon the capital essential for the service instead of upon a multiplication of capital which inevitably would have been employed had there been multiple services. This fact is responsible for the economy which Hydro has brought to Ontario. The economy does not lie—and no sane person would claim it does—in superiority of managerial skill on the part of a commission or its officers as compared with a private corporation and its officers. The saving is due to the fact that we have avoided tremendous charges that would have come from multiplication of services.

Let us go a step further and trace the results. The honourable gentleman gave us some figures as to the cost of power, by which he

Right Hon. Mr. MEIGHEN.

means the cost to manufacturing industries. That is one factor and only one. He says that in certain cases the cost has increased, and in this he is correct. As you have to go farther for your power, or to less economical plants, necessarily the cost rises. If you could do what a private institution can, develop only the most economical plant and deliver power only where it can be most economically delivered, that is to people nearby, then of course you could offer lower rates. But if your policy is service to all the people, not to just a few, you must necessarily raise your prices as you have to go farther for the source of power which you distribute to the masses. Consequently an intelligible comparison cannot be drawn between conditions under private operations and under public operations. The objective in each case is entirely different.

In Ontario we have a vastly wider distribution of power than there is in Quebec. Our rural service covers over 63,000 farmers. How many are served in the province of Quebec? Just a comparative handful, only those who happen to live near the source of power. I speak now subject to correction, and without having made an intensive study of the situation in that province, but I do not believe that even in respect of power for industry the comparison favours Quebec. And if it did, that would argue very little or nothing at all.

In the province of Ontario before the introduction of Hydro, and afterwards in those sections where private interests were serving before the Hydro organization was spread as widely as it is to-day, the average cost for electrical current to the domestic consumer was 5·7 cents per kilowatt-hour. That is approximately the average cost throughout the whole state of New York to-day, and I think the figure would not be very far out as applied to the province of Quebec. Economies effected by the union of power enterprises have resulted in reducing the average cost in Ontario to-day to 1·7 cents. This current is used principally for lighting purposes. The saving to consumers on that account alone aggregates \$30,000,000 a year, or sufficient to pay the interest on the whole capital debt of the province, including the Hydro debt. While the honourable gentleman was talking he frequently pointed to the right honourable senator from Eganville (Right Hon. Mr. Graham), but for what purpose I was not able to divine. I suggest that the next time he is considering this question he ask the right honourable senator about results in the city of Brockville, where