

# INVESTIGATION OF PUBLIC TRADING.

## Legislature to Appoint a Select Committee.

### COL. GIBSON'S SPEECH.

#### A Splendid Review of the Situation.

#### The Power Question Once More Reviewed—Important Amendment to Power Bill.

An extensive inquiry into the growth and success or failure of municipal trading will be undertaken by a select committee of the Legislature, as the result of the adoption yesterday of a resolution by Attorney-General Gibson. The motion calls for an exhaustive examination of reports and publications from various countries upon this subject, particularly based upon the experience of Great Britain, the result to be published in a Parliamentary paper. Col. Gibson, in a speech of an hour and a half, exhibited a splendid grasp of the question, and presented much information and argument favoring both sides. Mr. Whitney professed to be in the dark, but offered no objection, and the resolution passed unanimously. On the motion to go into supply in the evening Dr. Beattie Nesbitt introduced a discussion on Niagara power.

#### Power Bill Broadened.

The Premier's power bill has been reprinted, with proposed amendments. In addition to allowing municipal Councils to appoint their own commission where they desire only to purchase and distribute power, another important clause is inserted. This provides that the commission, in lieu of developing and transmitting power, may purchase power from any other persons or corporations producing it, and thereafter transmit power to and distribute it within their own municipality.

#### New Bills Introduced.

Mr. Ross introduced two bills which, he said, were part of the recommendations of the Assessment Commission. One was entitled an act respecting statute labor, and the other an act respecting amendments of the law in connection with the revision of the assessment act.

Mr. W. A. Kribs introduced a bill providing that, "whereas compulsory vaccination is contrary to individual liberty and the liberty of the people as British subjects," therefore no child shall hereafter be vaccinated or inoculated against the will of its parents or guardian, and no other person shall be vaccinated against his or her will.

Dr. Pyne introduced a bill to make railways liable for municipal taxation on their tracks or roadways along any street or highway.

Upon motion of Mr. Harcourt, the House ratified an order in Council approving a loan of \$50,000 by the trustees of the University of Toronto to the faculty of medicine for the completion of their new building.

#### Municipal Trading and Ownership.

Col. Gibson moved:—That a select committee of five members be appointed to select reports of committees or commissions, or other authorities, on the subject of municipal trading or municipal ownership or operation of

public utilities, as well as other useful deliverances of authoritative weight on these subjects, and that the selections be printed and distributed in pamphlet form, and that the committee, if necessary, have power to sit and act after the close of the present session.

In speaking to the motion, Colonel Gibson said that there was a tendency apparent everywhere toward giving municipalities larger powers. Involved in the question was the somewhat burning question of municipal trading. We had been accustomed to municipal ownership of public utilities, such as waterworks, etc. We had recognized in Ontario public ownership of many of these utilities, and he did not know that he would favor retracing our steps. Still, he doubted if we appreciated here the length to which municipal trading had gone in the old country. It was, therefore, with a view to placing information on this subject before members of the House that he offered his motion. A good deal of information could be gained with the aid of a librarian, but the work was such that few members would care to undertake it. There was no reason why a return or a sessional paper might not be prepared, which would afford a great deal of useful information to the country. The inquiry should be impartial, and he would suggest that the committee include one or two representatives of advanced public opinion on both sides.

#### Reports in Other Countries.

There had been no systematic inquiry on this subject in Ontario, and as municipal associations in other countries had reported on the subject, it would be interesting to have in convenient form the result of some of their deliberations. The public of Great Britain had been so wrought up that a joint committee of the House of Commons and the House of Lords in 1900 made an investigation, and it would be interesting to know what they ascertained. Although much evidence had been taken, the work was not completed, other than the submission of the evidence taken. In reading upon the subject, Col. Gibson said, he had been impressed with the difference of opinion among prominent men whose motives were entirely disinterested. In this connection he recommended a perusal of the report of a meeting at the Royal Society of Artists, presided over by Sir Richard Webster. Quoting from the statements there presented, Col. Gibson said the argument in favor of public ownership of monopolies was that the general public should share in the profit. On the other hand, gas, for instance, was not used by everybody, while, too, there was a tendency for the municipality to make a profit. It was found impossible to so balance the matter that there would be neither a loss nor a gain. In England many of the municipalities made a profit on their gas plants, and that was used to reduce the general rates. That was unfair to the consumers of gas. The municipal head of Glasgow, the exemplar of municipal trading, had condemned this feature. The great bulk of those opposed to municipal trading in the United States favored leasing the franchises and getting the largest possible revenue therefrom. Apart from waterworks in the United States, there were few examples of municipal ownership. In Chicago, lighting had reverted to private ownership, and authorities differed as to whether public lighting was a success in Detroit.

#### Divergent Opinions.

Col. Gibson quoted from the fourteenth annual report of the United States Labor Commissioner, Mr. Carroll D. Wright, which showed that the charge per lamp per year for light was smaller when supplied by municipalities than when supplied by private corporations. He also quoted from a pamphlet by a Mr. Francisco, who claimed to be an unbiased expert in lighting, and who gave views directly opposed to those of Mr. Wright. A return to the British House of Commons, giving the results of all reproductive operations carried on under municipal management up to March 31,

1902, was ordered in December last. Col. Gibson read from this report that the general result from 1898 to 1902 showed a profit in gas and waterworks, but a deficit in the electric works. The local debts in England from 1875 to 1898 had almost trebled, and this was the outcome largely of municipal trading and operating. The permanent Secretary of the English Board of Trade, a man saturated with information on these subjects, believed that there was very little to be said in favor of municipal trading. The argument was freely used that the duties of Aldermen were already very large, and the best public men would not assume such duties because they occupied too much time. The difficulties involved regarding the labor market were also of much weight as an argument against the extension of municipal operations.

Mr. Whitney did not favor the idea of a committee being formed to consider such a question during the present session. Little could be accomplished by them during the short time left, while their duties would interfere seriously with other committees whose members had enough work before them. He had not understood, however, what was to be the result of the committee's work. Col. Gibson had spent his time in opposing the principles which were to be the subject of investigation.

Col. Gibson replied that he had not opposed municipal ownership of utilities, but had opposed the principle of public trading.

Mr. Whitney had no objections to the committee being appointed, and hoped that he would be able, after they had done their work, to understand the aims of the Attorney-General better than he did now.

#### Mr. Crawford Approves.

Mr. Thomas Crawford (West Toronto) wanted to know if the appointment of this committee meant the suspension of any legislation giving municipalities authority to enter upon public enterprises.

Mr. Ross—Certainly not.

Mr. Crawford said the House was under obligation to the Attorney-General for the information he had given. After all, he thought the argument of the Attorney-General would convince the people that public ownership of public utilities was the proper thing.

#### The Committee's Duties.

Mr. Ross assured the House that the Government had not the slightest intention of putting that motion forward for the purpose of dismissing or side-tracking any legislation before the House. Up to a certain point he approved of municipal ownership, but before public opinion had gone much further they should have the benefit of the experience of other countries where it had been practised. Much material was available in the library, and further material could be obtained by correspondence. The idea was to appoint the Librarian as Secretary of the committee, and after he had occupied several weeks in collecting and compiling information the committee could be called together to consider the material and decide what should be published. In reality that would be about all they would have to do.

The resolution was then declared carried.

#### Government Bills Advanced.

When the House resumed in the evening Mr. Ross' bill respecting the taxation of lands in Algoma, Manitoulin, Thunder Bay and Rainy River was assented to in committee. Second readings were carried of Mr. Harcourt's bills to consolidate the school boards in Toronto and respecting the property of public and separate schools in Windsor, Mr. Gibson's bill respecting local works and improvements, and Mr. Davis' bill to amend the act to provide for the appropriation of certain lands for the volunteers who served in South Africa and the volunteer militia who served in 1866. These bills have previously been explained.

#### Water-power Development.

The Premier moved that the House go into Committee of Supply, and Dr.