

ham said he expected that the department would make preparation so that next session this necessary item of legislation could be dealt with.

An amendment was made to the housing bill in committee by which the proposed guarantee of bonds could be made without the sanction of the ratepayers, but on a certificate from the Provincial Board of Health. Mr. Hanna explained that the Government was loth to make such a departure, but the working of the act would be watched with care, and if this experiment did not produce satisfactory results amendments would have to be made.

Mr. Rowell thought some limit might be placed on the amount of bonds that could be issued by a housing company and upon which a municipality might be asked to give a guarantee. It would be all right with a \$500,000 enterprise, but if the bond issue was \$2,000,000 it was more serious for the municipal guarantor.

ty of the enterprise and the economic value to the locality served by it.

Two or more municipal corporations may be authorized by the Lieutenant-Governor in Council to enter into an agreement with the Commission (1) for the construction, equipment and operation of an electric railway to be operated by power supplied by the Commission; or, (2) for its construction by the Commission and for its operation by the corporation, or (3) for its construction and operation by the corporation or corporations, and in either case for the supply of electric power by the Commission.

The agreement with the Commission shall include the location of the line of railway, the character of the equipment and the service, and the maximum tolls and fares to be chargeable thereon; the proportion in which the cost of construction, equipment, maintenance and operation shall be borne by each of the corporations interested, the proportion of the revenue to be distributed to the corporations after deducting the charges for rental of right of way, power, etc.

To meet the cost of the railways the municipalities shall have power to issue forty-year debentures. This section must be first authorized by the ratepayers.

Where the agreement provides for the construction and operation or operation of the electric railway by two or more municipal corporations, it shall also provide for the operation and management of the railway by a Public Utilities Commission to be approved by the Lieutenant-Governor in Council. The agreement shall stipulate the method of appointing such a Commission, as well as the distribution of the proportion of the cost and of the revenue.

By the act the corporations are not restricted to their own boundaries in constructing lines.

Where an agreement has been entered into for the construction of a line the Commission may construct, maintain and operate a railway, and may exercise the powers of a company incorporated by special act for the construction of such a railway under the provisions of the Ontario railway act.

#### Authority to Acquire Land.

The Commission is given considerable power in taking land needed for the purposes of the railways, being authorized to proceed in the same manner provided by the public works act, where the Minister of Public Works may take land or property for the use of the Province.

Where the Commission is operating a line it has power to take the revenue to meet working expenses, and where there is a balance after meeting these expenses it must pay the amount over to the corporation or corporations interested.

The sections of the railway act from 68 to 97 giving the Ontario and Municipal Board authority over railways will not apply to the Commission or any railway constructed or operated by it.

The necessity of a fiat is placed in the bill, requiring the consent of the Attorney-General before any action can be launched against the Commission under the railway act.

The Province and the Commission are protected by a clause declaring that neither can incur liability for any error or omission in estimates, plans or specifications prepared by the Commission.

The final clause of the act vests in the Commission all property connected with railways constructed, operated and maintained by that body.

## HYDRO RADIALS NOW IN SIGHT FOR FARMER

### Liberal Suggestions Embodied in Bill Introduced by Hon. Adam Beck

### MUNICIPALITIES TO BEAR ENTIRE COST

### Authority to be Granted for Issuing of 40-Year Debentures to Meet Expense

Another step in public ownership was marked in the Legislature yesterday when Hon. Adam Beck, Chairman of the Hydro-electric Power Commission, introduced a bill "respecting the public construction and operation of electric railways." This is the rural railway proposition that has been discussed for the past few months in the Province and was brought to a focus by the Opposition last week on the discussion of Mr. Marshall's resolution to extend hydro-electric benefits to farmers and equip rural railways.

The scheme differs from the Hydro-electric enterprise in that no government money will be directly expended on the work beyond what is involved for the up-keep of the Commission. It will be a municipal affair entirely, and the cost will be paid by the municipalities out of debentures issued. The right-of-way of the Hydro-electric transmission system may be used at a rental to be fixed between the parties. In introducing the bill Mr. Beck pointed out that the chief feature of the proposition was that two most important factors of cost were eliminated, the heavy charges for underwriting and the high cost of power. There will be no stock jobbing or dividend paying schemes in it.

Mr. Rowell in a few words congratulated the Minister on coming so quickly to the Opposition way of thinking of the matter, and was glad to see that the Government had at last made up its mind to do something.

#### Need of Line First Determined.

The bill provides first that the Hydro-electric Power Commission, whenever required by the Lieutenant-Governor in Council so to do, may inquire into, examine, investigate and report upon the cost of constructing and operating electric railways in any locality where power is supplied by the Commission, with an estimate of the probable revenue, the practicability