

Wednesday - Mar 20th

# PUBLIC HYDRO RETURN THOUGHT INADVISABLE DUE TO COMPETITION

## Liberal Leader's Resolu- tion Asking Information on Details of Operations and Business Affairs Withdrawn After Pre- mier Points to Dangers Involved

### EXPORTS OF POWER ALSO DISCUSSED

With Premier Ferguson maintaining that it was inadvisable to make public details of the operations and business affairs of the Ontario Hydro-Electric Power Commission and with Opposition members declaring that Hydro should not be shrouded in secrecy, and that the Hydro undertaking had nothing to fear from private power enterprises, the resolution of William E. N. Sinclair, Liberal Leader, asking for a return of Hydro information, was finally withdrawn in the Ontario Legislature late yesterday afternoon.

Mr. Sinclair's resolution was: "That there be laid before the House a return, showing all contracts, letters written or received, memorandums, reports and documents of all kinds relating to the export of power by the Hydro-Electric Power Commission of Ontario."

Mr. Ferguson, stating that he would be pleased to give Mr. Sinclair, privately, the information sought, declared that he had conferred with the Hydro Commission, and it was felt that the making of a public return would endanger Hydro through unfair competition from private power organizations. He maintained that even a private company would not give its shareholders information of the type sought in the resolution, and certainly not make it public in an annual statement.

#### Ask for More Light.

While Mr. Sinclair intimated early in the discussion that he would withdraw the resolution if the Premier maintained that the return could not be ordered, he and other Opposition members still argued with the Government that there should be more light thrown on Hydro operations.

Having dealt with a variety of bills the House turned its attention to the Hydro motion at 5.30 p.m. Mr. Ferguson stated that he was not attributing any ulterior motive to Mr. Sinclair's request for the information. "But," he emphasized, "it is not in the interest of the public to give that return. I will be glad to give the honorable member privately any information that we have, but I am not prepared to suggest to the Hydro Commission to make public all the information involved."

"There have undoubtedly been very definite attempts made to undermine the Hydro enterprise," the Premier continued, "and attempts to create doubt in the minds of the people in a number of ways. This has been more definite in the last six or eight months than for some time before. And it is not the desire of this House to give anybody any advantage in that respect."

#### End Wild Speculation.

"I am at a loss to know how there is honest financing if the public doesn't know the revenues," said Mr. Sinclair. "Suppose the Government said that it was not in the public interest to tell the workings of the Highways Department. Surely if the Hydro is seeking to be above suspicion, it should give some statement of revenue and expenditures. I don't see how it would hurt Hydro to give information of that sort here. An end would be put to this wild speculation and these wild statements by the giving of information. If there is no information you can't blame the people if they make

their own estimates. That is an unfair position in which to put Hydro. How are we to know the costs of any article unless we know all the elements that enter into it, both receipts and expenditures? Personally, I am at a loss to know why information like this cannot be given. It will put an end to the criticism that the Prime Minister has referred to, and put an end to the wild statements by guessers or enemies of Hydro. I would ask the Premier to reconsider the situation and allow the information to be given to the public."

"The annual Hydro report," the Liberal Leader continued, "is all right for engineers, but it is rather a sealed book to the ordinary man."

He intimated that if the Premier said that the return could be ordered he'd withdraw his request. "But," he declared, "I submit that this is not the right attitude in regard to this great public undertaking."

#### Not a Parallel Case.

"Even after discussing this matter with Hydro engineers, perhaps I'd be foolish enough to give you all the information, as I usually do," said Mr. Ferguson, laughing. But, seriously, he continued, "this is not a matter that is parallel with the Department of Highways."

"We make advances to Hydro," he explained, "because this Legislature has confidence in their enterprise. But we must leave it to their administration."

"Hydro," he continued, "has to compete with private enterprises, and the competition that it has had to meet hasn't always been of the fairest type. Hydro is more or less in the open. But there is no private enterprise that would give even to its shareholders the information that my honorable friend asks for. Certainly it wouldn't give it in the public statement of its annual report."

C. A. Magrath, Chief Hydro Commissioner, said Mr. Ferguson, had, since taking the chairmanship of the Commission, become even more certain than before of the worth of public ownership and the future of Hydro. The Chairman, said the Premier, had no desire to withhold information.

"But," Mr. Ferguson continued, "every day he sees evidence of attacks, and it is up to us to protect Hydro. It is all just a question whether we have confidence in Hydro or not."

#### Extensive Check-Up.

He went on to tell of the Government-arranged audits of Hydro and that "an auditor even lives in the Hydro office." There was, said he, an extensive check-up to see that everything was spent in the channels designated, and that "we get reports from time to time."

He regretted that the situation was as it was, but he believed, after a consultation with the Hydro Commission, that he should take the stand that he was taking.

Mr. Sinclair asked what companies Hydro had to fear in Ontario.

Mr. Ferguson replied that, while he didn't like to mention names, there were "a number of private organizations." He said that there was "one big development company at Niagara Falls" and "in Northern Ontario the Northern Canadian Power Company, which controls the power situation largely on the Montreal River. There was private control further north still," said he, and another power company at Kaministiquia Falls.

"And," he continued, "there are the more insidious gentlemen who visit us from foreign lands seeking to get their hooks in here and there."

"Why not," the Premier was asked, "set public ownership up as a great example to private ownership and show just where it excels?"

#### Would Be Inadvisable.

"We have to buy and sell power," said the Premier, "and it would be inadvisable to disclose the information to our competitors. We have to get power at cost. Power companies can give power for nothing for a time to beat us out. We cannot do that."

"Would the Foshay interests be any competition at all?" said C. A. Robertson (Liberal, North Huron). "Why be afraid?" We have nothing to fear."

Wednesday - Mar 20th

## BROKERS, SALESMEN ARE FURTHER CURBED

### Amendments to Frauds Pre- vention Act Are Brought Down

Amendments to the Security Frauds Prevention Act which Attorney-General Price brought down to the Legislature yesterday, place further restrictions on registered brokers and salesmen and officials of registered partnerships and companies.

These amendments make it an offense for any of these persons to try, by personal canvass, to induce any one to acquire securities without giving that person, during the first interview and before entering into any contract with him, a statement clearly setting forth, in type not smaller than ten-point:

"1. All of the information contained in the latest prospectus of the company or organization issuing the security sought to be disposed of, as filed with the Provincial Secretary under the Companies Information Act of 1928.

"2. Whether the security sought to be disposed of is a 'treasury' or 'non-treasury' security, as the case may be, and the designation shall be 'treasury' if the security is to be, or was, issued directly by the company or organization only in return for a cash contribution to its treasury, otherwise the designation shall be 'non-treasury,' and such information shall in every case be in ink and of a color which is in contrast to that used in any other parts of any document upon which the statement may appear."

These provisions apply only in respect of every security not being traded upon the Toronto Stock Exchange, the Standard Stock and Mining Exchange, and any other stock exchange from time to time designated in the regulations.

It is also provided that the Attorney-General may, in writing, exempt any security or any class of security from the provisions of the amendments, and may cancel such exemption.

Wednesday - Mar 20th

### Supplementary Estimates Are Approved by House

The Ontario Legislature yesterday afternoon completed its job of voting the supplementary estimates for the fiscal year ending Oct. 31, 1929. More than \$14,000,000 in appropriations were voted on Monday night. Yesterday the House swung through the balance—\$857,399.91—with practically no dissent. By departments, yesterday's votes were as follows: Treasurer's, \$25,875; Agriculture, \$157,000; Miscellaneous, \$22,009; Provincial Secretary's, \$581,964.91; and Health, \$70,550.