

sary to increase the rates to consumers in general, and indeed, the average cost per kilowatt hour to domestic consumers throughout the Province has continued to decrease. The reduction in the last four years from domestic consumption has been from 1.7 to 1.57 cents per kilowatt hour. After all adjustments, including the special withdrawals from reserves for cost stabilization, there was a net increase in the reserves of the Commission of over \$3,000,000. Such a result, achieved under the difficult economic circumstances of 1933, together with the fact that the Commission's reserves now aggregate a total of \$69,434,246.51, as against \$66,145,486.61 for 1932, demonstrates, it is believed, a strong financial position which is cause for satisfaction to all interested in Ontario's welfare.

"The Commission now serves 757 municipalities, including 27 cities, 96 towns, 269 villages and police villages, and 365 townships.

"A department of the Commission's activities that, even under the most adverse circumstances, has continued to expand year by year without interruption, is the distribution of rural electrical service. During the fiscal year 1932-33, there was constructed, or under construction, some 326 miles of primary transmission line in the rural power districts of Ontario, with a total aggregate construction of 9,245 miles.

More Consumers.

"Electrical service is given to an additional 2,300 consumers, and the capital expenditure approved for construction work to serve them was \$590,861.94.

"The total capital expenditure to date of the Commission in the supply of power to rural power districts amounts to \$17,693,875.11, of which the Government has given a grant-in-aid of \$8,793,108.10, supplying some 61,842 consumers, including service to more than 28,000 farms. The maximum aggregate peak load in rural districts established in 1932 was maintained throughout the year 1933, amounting to more than 36,000 horsepower in August, 1933. The total revenue of the rural power districts amounted to \$2,796,023.49; after maintenance, operation, administration and interest expenses, and the setting up of reserves to an amount of \$622,880.13, there was a net deficit of \$107,705.78 in 171 rural power districts.

"One of the most important studies made by the Commission, that is, under-earth heating, shows from experiments made within the last few years the feasibility of under-earth heating by electricity and demonstrates the advantages of its use as compared with other under-earth heating systems. The Commission, recognizing the necessity of this type of service to the farming industry, has practically completed their rate studies by which the farming industry will obtain this service at a rate which will be sufficiently low to enable its use on an economical basis."

Hydro was involved in questions in the House yesterday, asking if the Commissioners were permitted to carry on private business in addition to their public duties. Mr. Cooke answered in the affirmative. Officials of Hydro are not permitted to carry on private business "during the time paid for by the Commission," but a note explained that under existing conditions hours of certain employees have been reduced so that the greatest number possible could be kept employed. "The Commission has no information as to the use such employees make of their time when free of duty," Mr. Cooke stated.

A long and detailed answer itemized the circumstances of payments made to Strachan Johnston, K.C., and to W. N. Tilley, K.C., their firms, or members of their firms, by the Government and Hydro from 1928 to 1933. Accounts were certified by the Legislative Accountant, the Deputy Attorney-General, the Surveyor-General, the Deputy Minister of Education, and paid in one instance on the recommendation of the Minister of Education. Most of these payments were labelled "not taxed by the taxing officer."

An answer under the same question, headed "Payments by the Hydro-Electric Power Commission of Ontario," mentioned payments to Tilley, Johnston, Thomson and Parmenter of \$600 in 1928; \$1,800 in 1929; \$64,946.09 in 1930, of which \$60,000 was "for services in connection with the acquisition of the assets of the Dominion Power and Transport Company, Limited"; \$2,100 in 1931; \$400 in 1932, and \$12,600 in 1933.

The base rate per horsepower to customers was set out in a table presented by Mr. Cooke in answer to a final Hydro query. These rates, ranging from \$21 in Toronto, to \$20 in Hamilton and Ottawa, and \$18 in London and Peterboro', were contrasted with the cost of power per horsepower to the municipality for 1932, which was more than \$32 in Peterboro', nearly \$26 in London and Toronto, a cent less than \$25 in Hamilton, and \$14.77 in Ottawa.