

to supply present power demand in the Territories and it is unlikely that any new equipment will be installed in 1962. However, to meet anticipated increases in demand, preliminary construction work is expected to begin in 1962 at Frobisher Bay with a view to bringing some 2,000 kw. of new capacity into service within the next four or five years. In all probability, growing requirements for power will warrant the installation of a 1,000-kw. unit at Inuvik, a unit of the same capacity at Fort Smith and a 600-kw. unit at Fort Simpson.

Section 5.—Public Ownership and Regulation of Electrical Utilities*

Federal Government regulation of electrical utilities, particularly with respect to the export of electric power and the construction of lines over which such power is exported, falls within the jurisdiction of the National Energy Board established in November 1959 and concerned with all matters relating to energy resources within the jurisdiction of the Parliament of Canada (see Foreign Trade Chapter XX, Part III, Section 2 for a brief survey of the functions and operations of the National Energy Board).

Power is generated in Canada by publicly and privately operated utilities and by industrial establishments. Table 9, pp. 551-552, giving statistics by type of establishment, shows that 51 p.c. of the total electric power generated in 1960 was produced by publicly operated utilities, 27 p.c. by privately operated utilities and 22 p.c. by industrial establishments. However, ownership differs greatly in different areas of the country. Quebec output, for instance, is predominantly from privately owned plants since a large portion of the power development in that province is connected with pulp and paper establishments and with the aluminum industry. In Ontario, on the other hand, almost all electric power is produced by a publicly owned utility, The Hydro-Electric Power Commission of Ontario.

Because of the absence of free market determination of prices and regulation of services in an industry that is semi-monopolistic, regulation of electrical utilities has been attempted in most provinces. Neither Newfoundland nor Prince Edward Island has a provincially operated electric power system, although in the former province a Commission, known as the Newfoundland Power Commission, was established by the provincial government in 1954 for the purpose of supplying electric power wherever needed throughout the province, particularly to rural areas. In Prince Edward Island, the town of Summerside and surrounding area is served by the municipally operated Town of Summerside Electric Light Department. The functions and activities of provincially operated electric power commissions in the other provinces are summarized in the following paragraphs.

Nova Scotia.—The Nova Scotia Power Commission was created under the Power Commission Act of 1919 with the function of supplying electric power and energy by the most economical means available. The Rural Electrification Act of 1937 greatly increased the possibilities for retail service by providing financial assistance to equalize cost and revenue of extensions approved by the Governor in Council. In 1941 an amendment to the Power Commission Act authorized the Commission, subject to the approval of the Governor in Council, to regulate and control the generation, transmission, distribution, supply and use of power in the province. Certain investigatory work is carried on in the province by the Federal Government in close association with the Commission, but the control of water resources is vested in the Crown and administered under the provisions of the Nova Scotia Water Act, 1919. The Commission pays regular fees for water rights.

Financially, the Commission is self-supporting, repaying borrowings from revenue. The balance sheet at Nov. 30, 1960 showed total fixed assets of \$62,691,094 including work in progress amounting to \$11,358,829. Current assets amounted to \$1,140,572 and liabilities were as follows: fixed \$51,767,021; current \$2,646,975; contingency and renewal reserves \$5,544,253; sinking fund reserves \$9,225,103; and general and special reserves \$3,248,690.

* Revised by the various provincial commissions concerned.