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Patricia Dirks

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Résumé de l'article

La lutte menée de 1929 à 1934 en vue de faire approprier la distribution de l'électricité par l'administration municipale de Québec avait été suscitée par l'intention bien arrêtée d'un dentiste en vue, le docteur Philippe Hamel, de délivrer ses concitoyens des griffes du cartel de l'électricité. Au début, l'attaque dirigée par le Dr Hamel sur la compagnie *Quebec Power*, qui jouissait d'un monopole à Québec depuis 1923, avait été soutenue par les associations d'hommes d'affaires locaux, sauf exception notable, la Chambre de commerce. La *Quebec Power* ayant coopéré aux projets de la Chambre de commerce visant à attirer les grandes entreprises à Québec, et Hamel s'étant montré favorable à l'étatisation de l'électricité, les deux mouvements conjugués provoquèrent un affrontement amer lorsque l'administration municipale parut gagnée à la cause du dentiste. En fin de compte, les dissensions au sein du milieu des affaires, les conflits de personnalité et les rivalités politiques aidèrent la *Quebec Power* dans sa défense, orchestrée avec soin, devant les pouvoirs municipaux, puis provinciaux.

L'engagement du Dr Hamel dans le mouvement nationaliste canadien-français et son association avec l'École sociale populaire durant les années 30 donnèrent une dimension exceptionnelle à son attaque contre le cartel de l'électricité à Québec. L'allure de croisade que prenait sa campagne pour faire intervenir l'État dans le domaine de l'électricité afin d'assurer une certaine concurrence se retourna contre lui entre les mains de la *Quebec Power* et de ses alliés, contribuant ainsi à faire échouer le mouvement pour l'étatisation de l'électricité dont le Dr Hamel avait été le fer de lance en ces années-là à Québec.

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Patricia Dirks

Résumé/Abstract

La lutte menée de 1929 à 1934 en vue de faire approprier la distribution de l'électricité par l'administration municipale de Québec avait été suscitée par l'intention bien arrêtée d'un dentiste en vue, le docteur Philippe Hamel, de délivrer ses concitoyens des griffes du cartel de l'électricité. Au début, l'attaque dirigée par le D^r Hamel sur la compagnie Quebec Power, qui jouissait d'un monopole à Québec depuis 1925, avait été soutenue par les associations d'hommes d'affaires locaux, sauf exception notable, la Chambre de commerce. La Quebec Power ayant coopéré aux projets de la Chambre de commerce visant à attirer les grandes entreprises à Québec, et Hamel s'étant montré favorable à l'étatisation de l'électricité, les deux mouvements conjugués provoquèrent un affrontement amer lorsque l'administration municipale parut gagnée à la cause du dentiste. En fin de compte, les dissensions au sein du milieu des affaires, les conflits de personnalité et les rivalités politiques aidèrent la Quebec Power dans sa défense, orchestrée avec soin, devant les pouvoirs municipaux, puis provinciaux.

L'engagement du D^r Hamel dans le mouvement nationaliste canadien-français et son association avec l'École sociale populaire durant les années 30 donnèrent une dimension exceptionnelle à son attaque contre le cartel de l'électricité à Québec. L'allure de croisade que prenait sa campagne pour faire intervenir l'État dans le domaine de l'électricité afin d'assurer une certaine concurrence se retourna contre lui entre les mains de la Quebec Power et de ses alliés, contribuant ainsi à faire échouer le mouvement pour l'étatisation de l'électricité dont le D^r Hamel avait été le fer de lance en ces années-là à Québec.

The fight over municipalization of electrical services in Quebec City waged between 1929 and 1934 grew out of the determination of a prominent dentist, Dr. Philippe Hamel, to rescue his fellow citizens from the grip of the electricity trust. Initially Hamel's attack on the Quebec Power Company, in a monopoly position in Quebec City after 1925, received support from local businessmen's associations with the notable exception of the Board of Trade. Quebec Power's co-operation in the board's schemes to attract new big business ventures to Quebec City and Hamel's favourable disposition toward government-run electrical utilities combined to produce a bitter confrontation when the city administration appeared to be responding positively to his campaign. Ultimately divisions within the business community, personality clashes, and political rivalries contributed to the success of Quebec Power's carefully orchestrated defence of its interests carried out at the provincial as well as the municipal level of government.

Hamel's involvement in the French-Canadian nationalist movement and his association with L'École Sociale Populaire during the 1930s added a unique dimension to the attack he led against the electricity trust in Quebec City. The crusading nature of his drive to secure government-run competition in the electricity field proved to be an effective weapon in the hands of Quebec Power and its allies and thus contributed to the failure of the public power movement spearheaded by Hamel in Quebec City in these years.

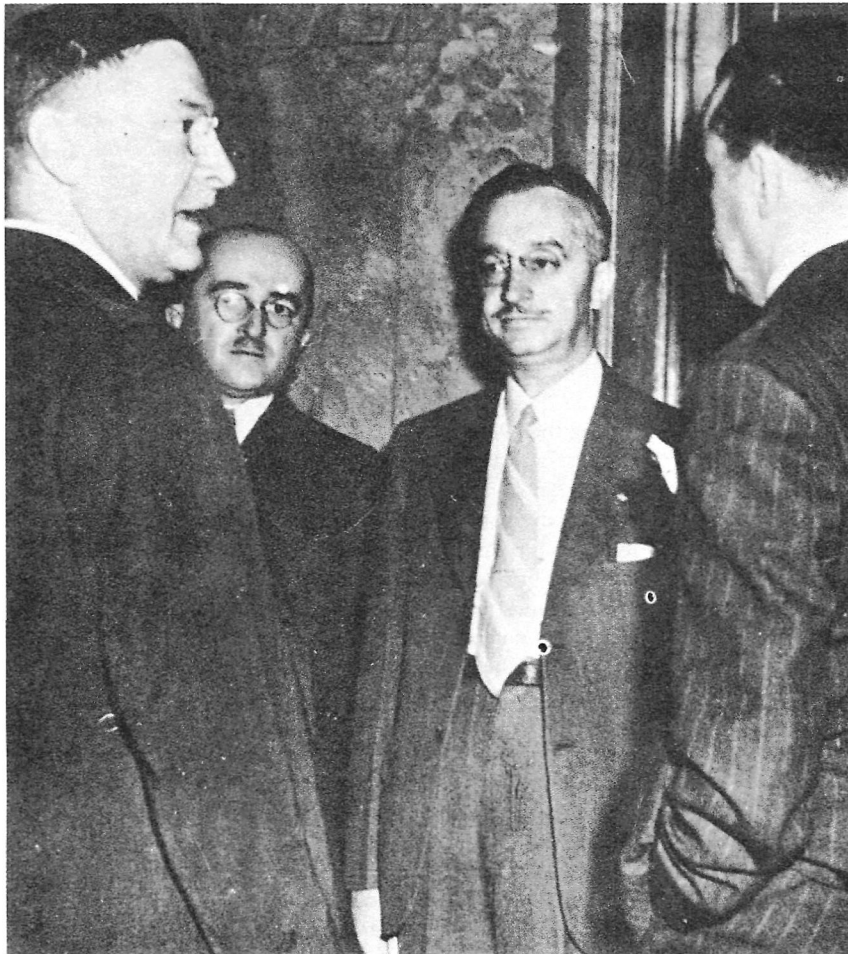
The fight over municipalization of Quebec City's electrical services which raged between 1929 and 1934 did not originate in an attack by the local business community upon prevailing rates. Rather it grew out of the determination of a prominent member of the professional elite, Dr. Philippe Hamel, to rescue his fellow citizens from exploitation by the Quebec Power Company, which had enjoyed monopoly control of electricity in Quebec City since 1925. Hamel's campaign, nevertheless, elicited considerable support within the city's business community; none, however, was forthcoming from the Board of Trade despite that organization's history of opposition to the company's rates. Local affiliates of the Canadian Manufacturers Association, the Retail Merchants Association, and *Le Cercle des Voyageurs de Commerce* joined the Quebec and Levis Federated Trades and Labour Council and a number of citizens' leagues in support of Hamel's initial efforts, but the Board of Trade viewed his campaign with suspicion from the outset.

Hamel's denunciation of Quebec Power's "exorbitant" rates deepened the business community's divisions, which had grown

during the 1920s when the Quebec region failed to recover from the post-war depression and to enjoy its "share" of the prosperity of the last half of the decade. While the Board of Trade expanded dramatically in this decade because of high pressure membership drives, its increased size was offset by the fact that the city's businessmen increasingly looked to other commercial organizations to protect their interests. Its mounting internal problems notwithstanding, the Board of Trade continued throughout the twenties to promote schemes designed to attract new big business ventures to Quebec City. In June 1929 the president, A.C. Picard, reported on a meeting with the General Manager of Quebec Power and a representative of Shawinigan Light, Heat and Power on this subject and was authorized to act as a member, along with the board's secretary, the Mayor, and Quebec Power's Manager, of a Special and Confidential Committee to secure new industry for Quebec City.¹ The fact that Quebec Power was the board's chief ally in its promotional efforts and Hamel's favourable disposition toward municipalization of electrical services set the stage for a bitter confrontation in the spring of 1930 at city hall. Other organizations representing businessmen operating in Quebec City did not share the

board's antagonism toward Hamel and his objectives at this stage, but, rather, lent support to his efforts to pressure City Council into forcing Quebec Power to lower its rates. Hamel's campaign, consequently, furthered divisions within the business community and there were subsequently exacerbated by personality clashes and political rivalries. These splits, and the Board of Trade's vehement opposition to the whole thrust of Hamel's campaign, worked to reinforce Quebec Power's extensive, carefully orchestrated defence of its interests. The popular appeal of Hamel's anti-electricity trust crusade during a time of worsening economic depression, and the use he could make of the escalating demand for relief from high rates within business circles, endangered the company's position because it forced Quebec City's politicians to take the electricity rates issue seriously. The existence of well-publicized differences on the solutions to be adopted and the unavoidable involvement of political loyalties – Quebec Power's staunchest ally was Premier Taschereau – heightened divisions within the community and at City Hall, thus contributing to the ultimate success of the company's counteroffensive carried out at the provincial as well as the municipal level of government.

Hamel's increased involvement in the French-Canadian nationalist movement during the 1930s and his association with Abbé Lionel Groulx and *L'Ecole Sociale Populaire* added a unique dimension to the public power movement which he initiated in Quebec City as that decade dawned. Hamel saw Quebec City's struggle with the Quebec Power Company as part of a broader North American fight against the electricity trust. Nevertheless, the character of the movement he led was influenced by his concern not only to avert the possible bad effects of unbridled capitalism in the interest of preserving the private enterprise system, but also to reassert French-Canadian control of Quebec's natural resources. State involvement in the electricity industry had the advantage of furthering both these ends. Hamel's nationalism affected responses within the French-Canadian, as well as the English-speaking community to his drive for municipalization. By 1933, when the focus of Hamel's campaign had shifted from securing a better deal from Quebec Power to the initiation of government-run electricity services, local chapters of organizations such as the Canadian Manufacturers Association were no longer adding their petitions to those of citizens' leagues and the Quebec and Levis Trades and Labour Council.



Dr. Philippe Hamel

Dr. Philippe Hamel (forefront, on the left) whose failure to rescue Quebec City from the grip of the "electricity" trust in the early thirties propelled him into provincial politics as an ally of Paul Gouin (back to camera), leader of Quebec's "third party," *L'Action Libérale Nationale*. Also shown is René Chaloult.

SOURCE: *La Presse*, as printed in C. Hogue, A. Bolduc, et D. Larouche, *Québec: un siècle d'électricité* (Montréal: Éditions Libre Expression, 1980), p. 111.

The nationalist overtones of the public power movement spearheaded by Hamel, and his identification with the work of *L'École Sociale Populaire*, may well have increased its popular appeal in the climate of worsening economic conditions of the early thirties. On the other hand, to the extent that Hamel's nationalist associations added weight to Quebec Power's repeated warnings to consumers against falling prey to the blandishments of a nationalist zealot who promised cheaper power from a municipally-owned electricity company but whose lack of practical experience ensured the delivery of chaos and higher bills, they were a source of weakness.

I

The electricity rates issue began to heat up in Quebec City late in 1929 when Philippe Hamel came to believe that the Quebec Power Company was exploiting the municipality and its residents.² An admirer of Abbé Groulx, Hamel shared the concern of conservative Catholics who feared lest the capitalist system be destroyed by the evils wrought by greedy capitalists. Thus, from the outset, Hamel's fight to wrest lower rates from Quebec Power had deeper implications. It quickly took on the character of a crusade that demanded nothing less than total commitment. Consequently, once Hamel embarked on this course, more and more of his time and energy were devoted to championing the cause of Quebec Power's exploited customers.

Tenacious in the face of the company's opposition, Hamel proved to be a single-minded, stubborn enemy who quickly became consumed by a desire to advance the cause of public power in Quebec.

Hamel came to the fight against Quebec Power as a consumer who had experienced frustration in dealing with the company that had been formed in 1923 as the successful conclusion of efforts to establish a monopoly in the electricity field in Quebec City.³ The various charters held by Quebec Power gave it a perpetual right to sell electricity within Quebec City's limits but provided no guarantee against the appearance of new competitors of either a public or a private nature.⁴ In 1925 the threat of competition had, however, been laid to rest for at least a decade when the company negotiated a ten-year contract with the city, giving it the right to supply all the electrical energy required by the municipality at stipulated rates and to fill all its residents' electricity demands at a rate not to exceed 6 cents per kilowatt-hour.⁵ In essence, these terms put Quebecers with complaints against Quebec Power, which also sold gas for domestic and industrial purposes, at the company's mercy for a decade unless the city cancelled the contract before it expired, an act which would involve expropriating the company's street lighting system.⁶ While a personal grievance sparked Hamel's initial investigation into Quebec Power's operations, his findings propelled him into a public campaign to rescue the city and its residents from the grip of the electricity trust by means of municipalization.



Head Office

The Quebec Railway, Light and Power building, headquarters of the Quebec Power Company, formed in 1923 after a series of mergers which gave it a monopoly over certain electrical services in Quebec City.

SOURCE: C. Hogue, A. Bolduc and D. Larouche, *Québec: un siècle d'électricité*, (Montréal: Éditions Libre Expression, 1980), p. 174.

By December 1929, when Hamel launched his attack against Quebec Power, the company had reduced its residential rate from 6 to 5½ cents per kilowatt-hour, but this remained far in excess of rates in many Canadian and American cities with populations comparable to Quebec City's.⁷ The company's gross and net revenues had, meanwhile, shown substantial growth, and dividends, which had doubled between 1924 and September 1927, continued to increase following a four for one stock split in that month.⁸ Convinced that the company's success was the result of excessive rates, Hamel set out to force Quebec Power to share its wealth with Quebecers by pressuring city politicians, due to face the electorate in February 1930, to take up this cause. Pointing out the electoral appeal of a campaign to secure lower electricity rates, he further argued that efforts in this line would also win city officials support within the business community, as victory would remove an obstacle to economic progress without adversely affecting Quebec Power's profits because consumption would rise. Without blaming the city administration for not acting sooner, Hamel urged that immediate action be taken to try to bring the company to reason.⁹

Quebec City's councillors responded promptly to Hamel's suggestions by seeking legal advice on the proper procedures to be followed should the city want to get certain electricity rates changed, and just as promptly referred the advice received to council's Administrative Committee.¹⁰ Hamel's efforts and petitions from citizens' leagues of St. Jean Baptiste and Limoilou notwithstanding, councillors went no further and thus faced the electorate having put off taking a stand on the electricity rates issue while implying that action might be forthcoming.¹¹

Before Quebecers went to the polls in the 1930 municipal election, it had become apparent that Hamel's battle against Quebec Power's rates would have political ramifications in the provincial arena. In an open letter to the Honourable M. Perreault early in February, Hamel criticized the minister for having replied to a question about electricity in the Assembly by echoing the opinion of Julian Smith, president of Quebec Power. In spite of his past political loyalties and the friendship he felt for many members of Taschereau's government, Hamel warned, he would be unable to give the government his continued support in the event that the Liberals persisted in defending those who, his figures demonstrated, were exploiting the people of Quebec.

When by April 1930, Quebec City's new administration, headed by a well-known Liberal, Lt.-Col. Lavigne, had failed to address the issue of Quebec Power's rates, Hamel renewed his campaign at the municipal level. Dismissing the company's rate reductions scheduled for July as "laughable" and accusing the press of failing to inform the people about the extent of exploitation by the electricity trust and of the benefits to be had from municipalization or nationalization, Hamel argued that the onus was on the Mayor and council to protect the interests of the city and to prevent the annual extortion of more than a million dollars from Quebecers.¹³ The administration's response was to appoint a special advisory commission on electricity rates, to consist of two councillors and one private citizen.¹⁴ By inviting Hamel to serve as the citizens' representative, council temporarily silenced one of its major potential critics, but in so doing it ensured the commission the enmity of the Board of Trade and, consequently, weakened any subsequent attempts the city might make to wrest concessions from Quebec Power.

Hamel's differences with the Board of Trade may be traced back to December 1929, when the *Chronicle-Telegraph* had refused to print either his charges that Quebec Power's rates were exploitative or the statistics upon which they were based. Hamel's allegation that this was due to the paper's ties with the company had sparked an increasingly acrimonious exchange of letters with the editor, A.G. Penny, who, it happened, became president of the Board of Trade in February 1930.¹⁵ By the time City Council got around to investigating the validity of conflicting reports about prevailing electricity rates in the spring of that year, members of the board shared their president's unalterable opposition to Hamel's involvement.¹⁶ While Hamel's spirited defence of municipalized and nationalized electricity systems in principle as early as December 1929 suggests that a split would have come eventually with the board in light of its opposition to public ownership, his antagonism of Penny precipitated and embittered this division and served to widen an already existing breach between the board and the city administration.

The Administrative Committee's decision of mid-May 1930 to recommend that council appoint two of its members and Dr. Philippe Hamel to the Special Investigatory Commission on electricity rates took the Board of Trade by surprise and gave rise to feeling that the board should not have been ignored. The ensuing controversy led to accusations that certain councillors had made ambiguous claims that implied the existence of an improper relationship between the Board of Trade and the Quebec Power Company. Personality clashes and the validity of such charges aside, the board's reaction to the composition of the Special Investigatory Commission revealed that its concern stemmed from the conviction that Hamel had already decided in favour of some form of municipalization as the means of attaining reduced electricity rates for Quebec City. This was seen as a threat to the continuation of "sympathetic relations" between the municipality and large corporations, which the Board of Trade believed to be essential to the city's industrial future. Council's failure to balance Hamel's appointment with one from the board underlined that organization's fears that independent action by the city administration would bring it into conflict with the private power company, thereby undermining the board's efforts to attract new industries to Quebec City. Consequently the board decided to launch its own investigation of electricity rates and, within days of City Council's appointment of its commission, named Messrs. J.A. Déry, Louis Lavoie and H.V. Bignell to a special Board of Trade committee.¹⁷ If, as the board suspected, Hamel's presence on the city's commission would result in an endorsement of municipalization, it was equally certain that the board's committee would condemn any form of government involvement in the power industry and seek a better deal for large-scale consumers. City Council had successfully postponed the necessity for taking immediate action on the question of electricity rates but in so doing had stirred up a controversy that widened and advertised the deep divisions among Quebec Power's critics. Opposition to the company's rate schedules had escalated by the spring of 1930, but Quebec Power officials could take comfort from the fact that their critics were already fighting among themselves. The lines had been drawn and the defenders of private power interests needed to have no fear of a united business community lending its support to a popular assault on Quebec Power. While many Quebec businessmen were willing to back Hamel initially in the interests of securing lower electricity rates, the Board of Trade, which saw itself as the spokesman for big business, sought to undermine

the effectiveness of his efforts from the beginning.

II

Throughout the summer and fall of 1930 the city's special commission carried out its investigations, clashing with the company from the outset over the question of access to Quebec Power records. An appeal to the Public Utilities Commission not only failed to get the investigators into the company's records but also cast doubt upon the special commission's legality.¹⁸ Hamel's disillusionment with the efficacy of government commissions as watchdogs for the public interest thus began, and his suspicions of private power companies grew. The seriousness with which Hamel viewed his task is reflected by the time and effort he devoted to collecting, analyzing, and collating data on electricity rates gathered from various Canadian, American, and British cities and from Ontario Hydro, which he greatly admired. By late fall it was anticipated that the special commission's report would be released in December. Before it appeared, the Board of Trade had forwarded an unsolicited copy of its committee's interim report to the municipal authorities and reaffirmed its continued concern about attracting new industries by deciding to suggest that the board's 1931 executive concentrate its efforts in this area.¹⁹ With the filing of the report of the city's Special Investigatory Commission in mid-December, council had before it two reports which agreed that Quebec Power's rates were too high, but which offered contradictory analyses of why this was so and who suffered as a result, and which suggested conflicting solutions.

Whereas the board's committee accepted the legitimacy of Quebec Power's capitalization and denied that Quebecers paid more for electricity so that investors might enjoy unjustified returns, the city's commission held overcapitalization responsible for the company's high rates. The board did, however, feel that some of Quebec Power's rates were too high. Large consumers, it was argued, carried too great a proportion of the company's costs. The obvious solution of shifting more of the burden to the smaller consumers was judged to be both unwise and impracticable. Council, therefore, was advised to find some other way to redress the grievances of large consumers without prejudicially affecting the company's revenues.²⁰ The city's commission, to the contrary, found all of Quebec Power's rates excessive and called for their replacement by ones "such as will allow a hydro-electric corporation which is not overcapitalized to realize fair profits without having to pay 15 or 20 times the cost of producing the power sold." The means to this end was acceptance by the company of rates which the Special Investigatory Commission had drawn up, or provision by the city of competition in the electricity field. Unless Quebec Power agreed to the commission's suggested rates, it was recommended that the city municipalize the electrical distribution system without expropriating any part of the company's system.²¹

1931 thus dawned with the ball having been returned to City Council's court. With a full year remaining in its term, the city's administration would have to deal with the issues raised by its special commission's report before the next election. As the economic climate continued to worsen, the suffering of Quebecers of all classes increased, making an issue such as electricity rates all the more explosive politically.

No. 1

A Public Statement of Facts

COST OF ELECTRICITY

QUITE recently the Quebec Board of Trade and the Civic Commission issued reports concerning the question of rates charged for electricity by this Company. Recognizing the public character of these reports we consider it our plain duty to present to the whole population and especially our customers further information. Commencing to-day this newspaper with others will publish the first of a series of weekly articles which should be followed with profitable interest by all concerned.

The information will be valuable not alone to residents of Quebec, but also to those living in the rural communities. We will endeavor to prove that Quebec has the advantage of an excellent electrical service at reasonable rates.

The constant aim of the present management has been to serve the community by improving its various services, to assist in the location of new industries, and to carry out its policy of consistently reducing electric lighting rates.

QUEBEC POWER CO.

Advertising Campaign

This is the first in an eight-part advertisement campaign launched by the Quebec Power Company in December, 1930, to counter charges that its rates were too high. The series, which appeared in Quebec City's French- and English-language newspapers while municipal authorities considered the possibility of entering the electricity business, also presented the company's case against municipal ownership.

SOURCE: *Quebec Chronicle-Telegraph*, 18 December 1930.

Council's initial action was to ascertain what rights Quebec City possessed with respect to the provision of electrical services. Louis St. Laurent was engaged early in January 1931 to examine the city's contract with Quebec Power and to determine whether the municipality had the legal right, in whole or part, to distribute and sell electricity within its limits.²² This action was followed shortly by criticism of the civic administration in A.G. Penny's Annual Presidential Report to the Board of Trade. While Quebec Power came in for praise for its co-operation with the board's efforts to attract new industries, the efficiency and economy of the city's administration were called into question, and council was warned that conditions which satisfied local opinion did not always commend themselves to outsiders.²³ Within two weeks the city's executive proceeded to act on the special commission's report without waiting to receive St. Laurent's opinion. On February 10, 1931 the Administrative Committee resolved to recommend that council give legal notice to Quebec Power that the city would terminate its contract with the company for street lighting and the supply of electricity within city limits when it expired. As followed logically, this resolution required the City Engineer to suggest electrical engineering experts who could estimate the cost of constructing a municipal distribution system and work with him to secure information as to the rates at which Quebec City could purchase electricity from different generating companies.²⁴

Not surprisingly, passage of this resolution prompted Quebec Power's president to suggest that, as businessmen, the councillors and company officials should get together and come to an agreement. Council's unanimous endorsement of this suggestion was in line with the special commission's recommendation that a municipal system be established only if Quebec Power refused to reduce its rates sufficiently.²⁵ And, while the apparent failure to appoint electrical engineering experts to begin planning for municipalization casts some doubt on council's willingness to carry through with the threatened contract cancellation, the city did name all three members of its special commission to the four-man team which was to negotiate with Quebec Power's representatives, and the Administrative Committee subsequently passed a resolution to add a clause to the city's charter to permit construction of a municipal electricity company.²⁶ This latter decision was taken in the wake of St. Laurent's judgement that the city's charter permitted establishment of a municipal electrical distribution system to sell power for domestic purposes, perhaps for commercial purposes, but not for industrial purposes. A municipal system would, moreover, have to compete with Quebec Power, which possessed a perpetual right to sell electricity in the city limits for all purposes.²⁷

Even though these decisions weakened the city's bargaining position when negotiations with the company commenced in late March, they got nowhere because the latter proposed renunciation by the city of its right to establish a municipal electrical distribution system in return for a fourteen-year contract and an unacceptable rate schedule. Although the proposed rates for domestic service compared very favourably at first glance to those sought by the special commission resulting, as they would have, in lower bills for residential consumers for the first four years, the city's negotiators were quick to point out they promised much higher bills for the next ten years. The company's reductions in street lighting rates, meanwhile, left them at twice the

No. 5

A Public Statement of Facts **COST OF ELECTRICITY**

STREET LIGHTING CHARGES UNDER MUNICIPAL OWNERSHIP DO NOT ALWAYS REPRESENT THE COST OF THIS SERVICE.

Under municipal ownership of electrical distribution systems the costs charged against street lighting are not an actual measure of the expense of this service and therefore cannot be compared with the price charged to municipalities by privately owned electric utility companies.

Municipally owned electric utilities can offset a statement of low costs for street lighting by undercharging for the expense of this service or if they so desire they can offset a statement showing high costs for street lighting by overcharging for the expense of this service. Investigation will prove that in most cases municipally owned electric utilities show a nominal charge only for the cost of street lighting which does not represent the expense of rendering this service. It is true that in some cases a very high cost of street lighting is shown which is much greater than the cost of rendering this service.

In the cities of Hamilton, Toronto and Riviere du Loup where the electric utilities are municipally owned the costs shown for street lighting are much below the expense of such service. Privately owned electric utility companies must charge for street lighting the actual cost of the service plus a reasonable percentage of profit.

The street lighting charges of the Quebec Power Company will bear a comparison with the charges for this service made by other privately owned electric utility companies under similar conditions.

QUEBEC POWER CO.

Advertising Campaign

SOURCE: *Quebec Chronicle-Telegraph*, 16 January 1931.

special commission's recommended level. Negotiations were thus snagged from the outset, and after a final futile meeting on April 1, the city's representatives recommended to council that they be broken off.²⁸

The company's next move came on April 6 when, in response to a proposal from the city which Quebec Power refused to accept, a slightly amended offer was forwarded to council.²⁸ The impossibility of compromise put the city administration into the position of having to pursue municipalization or to capitulate to the company. Neither alternative was particularly attractive, but a choice would presumably have to be made. Both the advocates of public power and the defenders of private utilities, consequently, set out to influence the city's decision by winning popular support.

III

Council subsequently received petitions from local branches of the Canadian Manufacturers Association, the Retail Merchants Association of Canada, and the Commercial Travellers of Quebec voicing approval of Quebec Power's introduction of a sliding scale, but rejecting its proposed rates and urging implementation of the special commission's rates. The Citizens' League of St.-Jean Baptiste went further and suggested that refusal by the company to accept the city's proposal should be met with municipalization when its contract expired. As far as the Quebec and Levis Federated Trades and Labour Council was concerned, Quebec Power's offer was an attempt to cool consumers into thinking that they would benefit from the new schedule.³⁰ Even the Board of Trade resolved that Quebec Power's new rates were unacceptably high, which, Hamel publicly claimed, numbered it among the supporters of the special commission's rates. This interpretation of the board's resolution may be indicative of the importance Hamel attached to support from this quarter, but it was unjustified and got him involved in another acrimonious dispute with A.G. Penny, who was serving his second term as president.³¹ While the members of the Board of Trade did find Quebec Power's proposal unacceptable, they saw it as a basis upon which an agreement could be worked out and made no mention of the rates suggested by the special commission.³²

The efforts of Hamel and other proponents of municipalization notwithstanding, defeat stared the movement in the face in mid-May when Mayor Lavigueur recommended at a meeting of the city's executive that Quebec Power's proposed rates be accepted for the duration of the existing contract to avoid the continuation of the higher rates in effect. Rates for the post-1935 period could be the subject of continued negotiation with the company. Hamel reacted by ridiculing this suggestion. Not only were the reductions laughable, he argued, but there would be no possibility of getting a better deal from Quebec Power four years hence if the question of municipalization had not been pursued in the interval. The issue, as he saw it, was to end the abuses of Quebec Power once and for all even if that meant waiting four years for victory. With petitions against acceptance of Quebec Power's proposed rates to back him up, Hamel mounted a vehement campaign against Lavigueur's suggestion.³³

By the time the Administrative Committee considered its negotiating committee's report and Quebec Power's latest offer on May 26, the Mayor had reversed his position. Lashing out at

unnamed individuals whom he accused of trying to destroy the city's administration, Lavigueur announced that the time had come to end exploitation by Quebec Power.³⁴ The company's offer was subsequently rejected, and council undertook to seek revision from the provincial government of the city's charter to remove all obstacles in the way of construction of a municipal system.³⁵ The city took no further action except to suggest, to no avail, on the eve of Quebec Power's unilateral implementation of new rates in mid-July,³⁶ that the dispute be submitted to the Council of Laval University for arbitration.³⁷

Quebec Power's revised schedules thus came into effect from July 15, 1931. Before month's end the Quebec and Levis Federated Trades and Labour Council had registered its objection to the new lighting rates on the grounds that they did not produce significant reductions, if any, and had reiterated its support for municipalization. Having received no reply from council by mid-October, this organization was inspired by the publication of figures relating to the profits of Quebec Power's parent company, to ask about the possibility of further reductions.³⁸ In mid-November a number of citizens' leagues forwarded lengthy petitions to council demanding municipalization and a city-run customer complaint bureau for Quebec Power.³⁹ While council complied with the latter request, it ignored the former.⁴⁰

By the end of 1931 the locus of the battle between Quebec City and Quebec Power had shifted to the provincial legislature, where the Liberals enjoyed their greatest majority ever, following the late summer election, despite the efforts of Hamel. The election had seen Hamel publicly repudiate his earlier Liberal allegiance and urge voters in the Quebec district to use their votes to rid the province of the Taschereau regime because of its continued defence of the electricity trust at the expense of the public interest.⁴¹ The crushing defeat suffered by Camillien Houde and his supporters, whom Hamel had advised Quebecers to take a chance on electing due to their willingness to establish a commission to end abuses in the electricity industry and bring Quebec's rates down to Ontario's, did not auger well for the city. The company, on the other hand, had decided within a few months of Taschereau's triumph to seek revisions in its charter to provide increased protection in the event of expropriation and municipalization. The necessary bill, which was presented to the Quebec legislature in December 1931 was in the words of the President of Quebec Power "a measure ... distinctly to the advantage of the Company."⁴² The feasibility of establishing a municipal electric company would be determined to a very great extent by the Taschereau government's responses to the cases presented by the Honourable Ernest Lapointe and the Honourable Lucien Cannon for Quebec City and Quebec Power respectively.

The Quebec Legislative Assembly's consideration of these requests for charter revisions came in the month prior to the municipal election but settled nothing. Quebec Power's attempt to improve its position in the event of expropriation met with opposition in the Assembly not only from the Conservatives, led now by Maurice Duplessis, and from that traditional Liberal critic of government policies on the electricity issue, T.D. Bouchard, but from several other Liberal M.L.A.s and Legislative Councillors. It was only after a stormy debate that Quebec Power's bill received second reading in mid-January, and even then five Liberals bolted.⁴³ With such well known Liberals as Ernest Lapointe and Mayor Lavigueur heading Quebec City's fight

against the company, the rebels could be seen as loyal party members in revolt solely against the Taschereau government's policy of concessions to companies like Quebec Power.⁴⁴ Such cracks in party solidarity notwithstanding, the Premier carried the day by convincing the company to withdraw its bill and by persuading the Private Bills Committee to reject Quebec City's request in return for his promise to refer the matter to the Public Service Commission within the year. The government's delay in dealing with Quebec City's request, stemmed, in part, from the city's admission that the administration had no intention of using the power to municipalize electric services immediately but wanted it as a weapon in its struggle with the company.⁴⁵

The provincial legislature's decision to maintain the status quo came in the midst of the 1932 municipal election campaign, which was dominated by the electricity rates issue. Lavigne's re-opening of the Quebec City charter revision issue had won him the endorsement of Hamel who dismissed as specious the reasons given by the mayor's opponent for opposing the city's bid.⁴⁶ But, while Lavigne successfully exploited what had assumed the proportions of a popular crusade for rates comparable to Ontario Hydro's, with municipalization as the threatened alternative, several of his followers went down to defeat.⁴⁷ Not surprisingly in light of the election results and the Taschereau government's response to the city's requested charter revision in the midst of that campaign, action on electricity rates was not forthcoming when the new administration took office.

Contending factions, aware that decisions would have to be taken eventually, stepped up competing efforts to gain public support. Hamel, for example, sought to persuade Quebec City's Kiwanis Club members that Quebec Power's overcapitalization, not taxes, was responsible for their paying higher electricity rates than their Ontario counterparts and argued that the business community should press for control of public utilities in particular, and of capitalism generally, in the interests of avoiding communism.⁴⁸ Those interests that shared Hamel's determination to save the capitalist system but opposed his advocacy of government involvement in the public utilities field, meanwhile, worked to undermine all such efforts designed to broaden the public power movement's base of support.

Quebec Power, which had been buying newspaper space to present its case to the public ever since December 1930, in the wake of the reports issued by the investigatory committees of City Council and the Board of Trade, intensified its drive to convince Quebecers of the dangers of municipalization.⁴⁹ Letters to Quebec Power stockholders, whom the company had long tried to ensure were also among its consumers, small as well as large, were put to use as a weapon in the battle with the city. Shareholders, whose dividends were reduced in April 1932 as a result of declining revenues due, in part, to the lower rates introduced in July 1931, were warned that too great a drop in revenue would threaten their investment and, by implication, their welfare as customers.⁵⁰

By late May, just as negotiations with Quebec Power were about to resume, the new City Council revealed that it was less militant than its predecessor on the electricity rates issue by refusing to resuscitate the special commission or even to appoint an electrical engineering expert to determine the cost of a municipal distribution system.⁵¹ The significance of this latter decision was magnified by the fact that it was Mayor Lavigne who

gave the victory to those opposed. A campaign was soon underway to pressure council into commissioning a feasibility study on municipalization. The Mayor's opposition to the subsequent circulation of petitions to this end, which, it was claimed, representatives from a variety of sources including all sectors of the business community, was reflected in his request to the President of the Commercial Travellers Association to issue a denial that that organization had endorsed one of these petitions.⁵² The combined efforts of anti-municipalization forces aside, when the Administrative Committee met in mid-June to consider Quebec Power's latest offers, it decided not only to request a detailed memorandum from the company outlining proposed electricity rates, but also to hire an outside consultant to study the company's offer and to estimate the cost of constructing a municipal electrical distribution system.⁵³

Quebec Power's subsequent moves were carefully and deliberately designed to take full advantage of council's willingness to consider a new offer and of the obvious lack of consensus on the question of municipalization. General Manager Tanguay consulted with the Mayor in the course of preparing the detailed proposal requested by council and saw to it that those reductions he especially favoured remained in the draft approved by the directors at their meeting of July 4, 1932. In the face of strong opposition to the proposed reduction in the minimum monthly charge from 70 cents to 50 cents, for example, Tanguay convinced Quebec Power's directors to go along with it because Lavigne had been particularly impressed with this reduction which, the General Manager pointed out, would cost the company no more than \$8,000 and more likely \$4,000 annually.⁵⁴ At that price the directors could hardly afford to risk alienating such an important ally.

Having agreed to a new rate schedule, after considerable grumbling about the idea of reducing rates when income was falling, Quebec Power's directors turned their attention to the tactics the company should employ in its negotiations with Quebec City's administration. It was agreed that it would be in the company's interest to reveal the proposed reductions in stages and, more importantly, to present councillors with a long, complicated proposal upon which they would be unable to act without seeking expert advice. This was seen as providing the aldermen with an opportunity to avoid having to accept responsibility for coming to terms with Quebec Power. By the summer of 1932 the company's directors were consciously trying to make it politically safe for the city's elected representatives to accept its proposed rate schedules. Their efforts to ensure that agreement was reached with Quebec City did not, however, stop at the portals of City Hall. Moves were also made to bolster the company's position within the business community.

In the course of discussing the proposal to be submitted to City Council, the directors sought information about the attitude of businessmen toward Quebec Power from A.C. Picard, Vice-President and General Manager of the Rock City Tobacco Company, who had been added to the company's Board of Directors in 1932. Picard, who as president of the Quebec City Board of Trade in 1929 had been instrumental in establishing the co-operative industrial development committee in conjunction with Quebec Power, now assured his fellow directors that most city businessmen were inclined to be fair towards the company if convinced that it was not overcapitalized. To this end the directors decided to engage the most highly respected Quebec City firm of accountants to do an outside audit of its books.

As a result of discussions at this directors' meeting, meanwhile, Quebec Power officials forwarded a lengthy, complicated rate proposal to the city which, as anticipated, council referred to the City Engineer, who was later given latitude to choose one or two electrical engineering experts to work with him on its assessment.⁵⁵ Having divested themselves of even the responsibility of selecting the engineers hired to advise them on questions related to electricity rates, the city's elected representatives were freed from the necessity of taking further action until the experts' report appeared. When this happened, fourteen months later, the depression had contributed to a further decline in the fortunes of both the city and the company, increasing the odds against municipalization on the one hand and enhancing the appeal of the public power movement's anti-trust message on the other.

IV

By the time Quebec City Council was ready to open negotiations on Quebec Power's 1932 rate proposal, the company's revenues and profits had declined significantly, and those directors who had doubted the wisdom of reducing rates in July 1932 had had their fears confirmed by the independent audit, which concluded that Quebec Power could not afford to reduce rates in light of low consumption and the relatively low percentage of customers.⁵⁶ The city administration, meanwhile, had had to cope with escalating responsibilities in a period of declining revenues. Thus, when the Engineers' Report finally appeared in August 1933, there was reason to believe that City Council might be more inclined than it had been earlier to come to terms with Quebec Power. To the extent that this was so, the company's bargaining position vis-à-vis the city may be said to have improved, but this is to ignore both the intensification of the public power campaign since July 1932 and the fact that municipal elections loomed.

Hamel, for one, had been engaged in an ever-broadening counterattack against the critics of government ownership and an expanded effort to convince Quebecers that they and their province suffered seriously from not having a system comparable to Ontario Hydro. 1933 saw the Quebec City dentist take his attack on the electricity trust beyond that municipality's boundaries and place it within a broader analysis of the dangers trusts in general posed for Quebec society. His emergence onto the provincial stage took the form of a ringing condemnation of the overcapitalization of Montreal Light, Heat and Power delivered before *L'Association Catholique des Voyageurs de Commerce* in Montreal on January 30, 1933. Arguing that Montreal consumers were charged excessive rates because of dividends paid on watered stock, Hamel called upon his audience, as members of French Canada's élite, to take up the challenge of destroying a trust whose greed impoverished the masses and threatened social order.⁵⁷ Hamel's attempts to widen the basis of support for publicly-owned electricity services throughout the province were part and parcel of his fight for municipalization in Quebec City. While the battle had to be fought at the local government level, in the first instance, what could be accomplished would be limited so long as the provincial government remained committed to protecting the interests of the private companies. Hamel's fight to free Quebec City from the grip of Quebec Power had convinced him that what was required was a provincial administration committed to the views espoused by the clerical and lay nationalists with whom he had become associated in

L'École Sociale Populaire.⁵⁸

The Quebec City crusader's search for allies took him beyond the realm of traditional French Catholic nationalists. By mid-March 1933 Hamel had approached T.D. Bouchard, the leading Liberal critic of the Taschereau administration's hydro-electricity policies, who, as mayor of St. Hyacinthe, was leading a fight for municipalization.⁵⁹ It was Bouchard who introduced Hamel to the U.S. Federal Commerce Commission's forty-four volume report on the electricity trust, of which he subsequently made so much use, and inspired him to journey to Chicago in August 1933 to meet Carl D. Thompson, Secretary of the Public Ownership League of the United States.⁶⁰ His own commitment to the values of the nationalists of *L'École Sociale Populaire* aside, Hamel saw the movement he spearheaded as a Quebec expression of a continental or even universal drive to save capitalism by ridding the system of its worse abuses through government involvement in the field of public utilities. By the time he returned from establishing contact with American allies, Hamel was aware that the odds in favour of municipalization in Quebec City would not be improved by the Engineers' Report soon to be released, and he looked to Bouchard for assistance in the difficult days ahead.⁶¹

On August 18, 1933 Quebec City's Board of Engineers reported that "under perfectly suitable conditions" municipalization "could reduce the present cost of electric service in substantial degree." In Quebec City's case, nevertheless, the engineers advised against it on the grounds that neither the municipal system's initial number of consumers nor its rate of consumer growth would meet the conditions necessary to achieve a cost reduction through municipalization.⁶² Instead of establishing a municipal electric company, the city's engineers recommended that council reopen negotiations with Quebec Power in order to secure rate schedules they had drawn up on the basis of a computation of the fair cost of the service the company provided. These rates, which differed both from those suggested by the City's special commission and from the company's proposal, would have reduced the cost of residential service by 26 per cent, commercial service by 23 per cent, industrial service by 9 per cent, and street lighting by 36 per cent. In the event that the company refused to agree to their schedules, the engineers advised the city to ask the Quebec Public Service Commission to implement them.⁶³ With the opponents of municipalization anxious to see council reject certain of the engineers' recommendations and the advocates of public power equally anxious to have it ignore others, the appearance of this long-awaited report heightened efforts by interested parties to influence the decisions the city administration would now have to make.

In mid-September just as the city began consideration of the Engineers' Report, the Quebec and Levis Federated Trades and Labour Council reiterated its earlier demands for municipalization and charged council not to sign a contract with Quebec Power unless rates equivalent to those in Ottawa were to be put into effect.⁶⁴ On October 5, the Administrative Committee concluded its study of the report by unanimously resolving to recommend that council give official notice to Quebec Power of its refusal to consider the company's offer of July 6, 1932 and submit, instead, for acceptance with the shortest possible delay the rates suggested by the engineers.⁶⁵ The advocates of municipalization, meanwhile, pressed on. For instance, J.E. Grégoire, a Quebec City lawyer and economics professor closely associated

with Hamel in the fight against Quebec Power, sought to enlist support from the Public Ownership League of America for *L'Association des Propriétaires*, which was promoting a plan for the municipal ownership of electrical utilities in Quebec City.⁶⁶ Public meetings continued to be organized by pro-municipalization forces with Hamel, for one, journeying hither and yon pointing out that the Engineers' Report did not condemn municipalization but rather concluded that it would result in considerable reduction in the cost of electricity if undertaken under entirely favourable conditions. Consumers were called upon to keep up the fight against the electricity trust despite opposition from government officials and the company. Convinced of the importance of a well informed public in this battle, Hamel urged support for *L'Action Catholique* and attacked *L'Événement* owned by Quebec Power director, J.H. Fortier, for criticizing City Council's expenditure of \$25,000 on the Engineers' Report, which had demonstrated that the company overcharged consumers by \$455,974 every year. The time had come, Hamel advised, for Quebecers to forget party allegiances in the interests of liberation from oppression.⁶⁷ In mid-October Quebec City public power advocates bolstered their campaign by bringing in T.D. Bouchard, the province's best-known champion of municipalization, to address a rally, even though the St. Hyacinthe referendum on this subject was scheduled for later that month.⁶⁸

Quebec Power was no less vigilant in its attempts to influence council's decisions and responded to the Administrative Committee's moves of October 5 by warning that the company, deeply affected by the Depression, faced an uncertain future, and suggesting that the engineers responsible for the city's actions meet with company personnel to learn why rejection of their findings and recommendations was justified.⁶⁹ Upon consideration on October 26 of Quebec Power's reply, the Administrative Committee first resolved that a referendum on municipalization should be held at the time of the February municipal election, and then agreed that council should invite the company to meet with it to discuss what reductions it would be willing to offer.⁷⁰

At this juncture, Hamel attacked Mayor Lavigne publicly for having gone so far, in the course of the city's deliberations, as to lay the blame for continued high electricity rates at the feet of the advocates of municipalization. Pointing to Lavigne's belief in the possibility of negotiating with Quebec Power and to his opposition to municipalization at every stage, Hamel advised Quebecers to ignore what their mayor had to say and to look instead for leadership to Mayor T.D. Bouchard of St. Hyacinthe, whose citizens had just endorsed municipalization.⁷¹ Within days Hamel was asking Bouchard to serve as one of the patrons of a newly-formed league of electricity consumers in Quebec City, whose purpose was to raise funds to launch a more vigorous assault upon the trust.⁷²

City Council, meanwhile, carried on with its plans both to hold a referendum on municipalization and to reopen negotiations with Quebec Power, despite one alderman's objection that the latter move amounted to accepting in advance higher rates than those in the Engineers' Report.⁷³ The company's position, finalized immediately prior to the council meeting of November 8, 1933 which it had been asked to attend, contended that the findings of the Engineer's Report were invalid because certain of its equipment had been omitted in the evaluation of

its assets and every allowance had been reduced "to a figure below the normal allowed by most Regulatory Commissions." In addition, the rates suggested in the report were unacceptable, in Quebec Power's view, because they were based on 1932 revenues, which were considerably higher than the company's 1933 revenues. For this reason, the company claimed that the \$343,000 reduction, which the engineers estimated the company could bear, would automatically be reduced. While rejecting the engineers' rates as "inadequate," the company claimed that if the "errors and omissions of the report [were] rectified the resulting rates would be satisfactory...." The company, therefore, was prepared to adopt rates that would save domestic consumers \$150,000 per annum and reduce the municipality's street lighting costs by \$35,000. According to Quebec Power, this amounted to "a renewal of the offer made in 1931... when a reduction of \$350,000 was suggested but, owing to the fact that the company's revenues have decreased \$200,000, the company now offers a reduction equivalent to \$150,000."⁷⁴ Before council acted on the company's counterproposal, petitions arrived at City Hall advising that the administration should hold out for the engineers' rates or proceed toward municipalization.⁷⁵ None, however, came from organizations representing business interests; not even from those which had in 1931 urged council to stand firm in its dealings with Quebec Power.

The company's opponents notwithstanding, on November 30, in the absence of two of its six members, the Administrative Committee authorized the Mayor to sign a contract with Quebec Power without insisting on the rates recommended in the Engineers' Report, provided the company offered unspecified guarantees, which Lavigne judged were sufficient.⁷⁶ The fact that this action was taken in the absence of Aldermen Drolet and Gosselin, despite calls for adjournment by two of the four members of the Administrative Committee present, and by two councillors, enraged the advocates of public power. They could do nothing, however, to stop the process set in motion by Mayor Lavigne's decision to turn a deaf ear to the calls for adjournment and to cast instead the deciding vote for the motion delegating him to come to terms with Quebec Power. Before year's end, despite a renewed outburst of anti-Quebec Power sentiment and a steady rearguard action by the pro-municipalization forces, the company had emerged victorious, and Hamel's initial three-year campaign to free Quebec City from the grip of the electricity trust had failed utterly.⁷⁷ On December 22, Quebec Power's directors approved a draft agreement with the city for ten years from August 1, 1935 and certain provisions for allowances in the existing contract. Within days Mayor Lavigne and General Manager Tanguay, acting for the city and the company respectively, had signed a ten-year contract assuring Quebec Power's monopoly for another decade.⁷⁸ Defeated but not crushed, Hamel was hard at work by late December trying to ensure that Quebecers realized how and why the new contract was not in their best interests.⁷⁹

As 1934 dawned the leaders of the public power movement in Quebec City were being drawn into active politics. Hamel had become convinced of the necessity of persuading Quebecers to replace those in power, municipally and provincially, with individuals committed to his objectives. At the municipal level, he helped pressure his ally in the fight against Quebec Power, J.E. Grégoire, to contest the mayoralty.⁸⁰ In the realm of provincial politics he had already decided that a *Parti National* would have to be created because both old parties depended upon trusts for

electoral funds.⁸¹ By the time Quebec entered the year in which the province's two party system would face a serious challenge, Hamel had emerged as a useful potential ally for a party with an anti-trust bias anxious to break into the Quebec region. The opening months of that year, meanwhile, saw the municipal political scene in Quebec City ablaze with activity prior to the elections scheduled for February. Mayor Lavigueur's bid for a third term was challenged from several different directions, which was indicative of the widespread, but divided, opposition to his record on the electricity issue. Hamel figured prominently in the campaign of the public ownership advocates' candidate, J.E. Grégoire, who promised to secure amendments to the contract signed by Lavigueur. Fearful of the Mayor's chances of re-election, the opponents of municipalization concentrated their efforts at the council level. The wisdom of this strategy was borne out by the election results. Grégoire won the mayoralty with a record majority, but only one of the councillors elected was from his proposed slate, in Hamel's view due to the machinations of the trust.⁸² Whether or not the electricity trust deserved as much "credit" as Hamel gave it for influencing the outcome of the 1934 Quebec City elections, the record of Grégoire's first administration demonstrated that the results suited the purpose of the anti-public power forces perfectly.⁸³

Capture of the mayoralty aside, Hamel's drive to free Quebec

City from the grip of the electricity trust continued to get nowhere. By the time Grégoire had been in office for a year, Hamel had become willing to join Quebec's new "third" party, *L'Action Libérale Nationale*, in return for promises that the defeat of the Taschereau regime would be followed by the provincial government's entry into the electricity industry. Before Mayor Grégoire received a renewed mandate in the Quebec City elections of February 1936, both he and Hamel had won seats in the Legislative Assembly as A.L.N. members within the electoral alliance called the *Union Nationale Duplessis-Gouin*, formed just prior to the election of November 1935. With the Taschereau government's majority reduced to six and Grégoire back in power at City Hall, it appeared as if the failure of Hamel's initial efforts to provide government competition in the electrical utilities field might be reversed. This did not turn out to be the case. Despite Hamel's contribution to the downfall of the Taschereau regime, and the subsequent accession to power of the *Union Nationale* under the sole leadership of Maurice Duplessis in August 1936, Hamel's crusade remained unsuccessful at both the municipal and the provincial level. In the final analysis it was Hamel's zeal and the crusading nature of his attack on the electricity trust that provided Duplessis with the justification needed to deny Hamel the opportunity of transforming his theories into government policy.

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 43. *Le Devoir* (Montreal), January 14, 1932.
 44. *Ibid.*, January 25, 1932.
 45. *Canadian Annual Review of Public Affairs* (hereafter CAR), 1932, p. 174; and *Le Devoir*, January 28, 1932.
 46. PH, File: Électricité, 1932-3, Extraits d'un discours prononcé au cours de la campagne électorale par le Dr. Philippe Hamel, Québec, 11 février 1932, 7p.
 47. CAR, 1932, pp. 160-61.
 48. PH, File: Électricité, 1932-3, Causerie au Club Kiwanis de Québec, le jeudi, 24 mars 1932.
 49. AVQ, Éclairage, No. 9, J.E. Tanguay to le Maire Lt-Col. H.E. Lavigreur, 26 décembre 1930. M. Tanguay was forwarding to the Mayor copies of three articles which had just appeared in Quebec City's newspapers on the subject of electricity rates. As had been announced, Quebec Power had undertaken to expose its point of view on the situation in weekly articles which would be forwarded to the Mayor who, Tanguay noted, would no doubt want to follow them and to have copies available for consultation. H-Q, SWP, File: 3086, QP, Annual Report, December 31, 1932. Expenditure for advertising had more than doubled from 1931 to 1932.
 50. H-Q, QP, Minutes... Directors' Meeting, April 13, 1932, draft of Circular letter to shareholders, April 13, 1932.
 51. AVQ, Procès-Verbaux-CA, Vol. 5 (1/3/32 au 28/2/34) 20 mai 1932, Resolution 7400, and 2 juin 1932, Resolution 7442.
 52. *Ibid.*, Électricité, *L'Action Catholique*, 13 juin 1932, and J.N.L. DeRome, 1st V-P du Cercle des Voyageurs de Commerce de Québec, to le Maire Lavigreur, 17 juin 1932.
 53. *Ibid.*, Procès-Verbaux-CA, Vol. 5 (1/3/32 au 28/2/34) 15 juin 1932, Resolution 7493.
 54. H-Q, QP, Minutes... Directors' Meeting, July 4, 1932. The Minutes of this QP directors' meeting consist of a three and one half page résumé of the discussion at the meeting "held to consider rate proposal to be submitted to city." Those present were listed as: Messrs. J.C. Smith; Howard Murray; Jas Wilson; J.H. Fortier; C.E. Taschereau; A.C. Picard; P.S. Gregory; J.E. Tanguay; Robt. Wood. The following account of the company's moves is based on the résumé.
 55. AVQ, Procès-Verbaux-CA, Vol. 5 (1/3/32 au 28/2/34) 7 juillet 1932, and 14 juillet 1932.
 56. H-Q, SWP, File: 3086, QP, Annual Report, December 31, 1932, and File: 3066, "Clarkson, MacDonald, Currie & Co. Chartered Accountants, Report on Financial Structure, Earnings, etc., Quebec Power Company to 31st December, 1931. Summary of Findings, February 25, 1933."
 57. PH, File: Électricité, 1932-3, Discours Prononcé en la Salle de l'Immaculée-Conception à Montréal, à L'Association Catholique des Voyageurs de Commerce du Canada, le 30 janvier 1933, 34p.
 58. *Le Devoir*, (Montreal), September 30, 1933, "Le Programme de Restauration sociale." DPH was one of the ten laymen who had signed this compilation of reforms designed to give practical expression to the principles enunciated in *L'École Sociale Populaire's* publication "Pour la Restauration sociale" (*École Sociale Populaire*, mai et juin 1933, nos. 232-233). *L'École Sociale Populaire* subsequently published two brochures in which four of the signatories of the programme published in *Le Devoir* elaborated upon its principle articles. DPH provided the section entitled "Trusts et Finance." See: "Le Programme de Restauration sociale, expliqué et commenté (*École Sociale Populaire*, décembre 1933, janvier 1934, Nos. 239-240).
 59. PH, File: T.D. Bouchard-Correspondance, DPH à T.D. Bouchard [hereafter TDB] 14 mars 1933.
 60. *Ibid.*, TDB à DPH, 22 mai 1933.
 61. *Ibid.*, TDB à DPH, 1 août 1933, and DPH à TDB, 21 août 1933.
 62. AVQ, Éclairage-Électricité, Engineers' Report, p.8.
 63. *Loc. cit.*, p. 10.
 64. *Ibid.*, Électricité, G. Des Biens, Secretary, Quebec and Levis Federated Trades and Labour Council to Lt. Col. H.E. Lavigreur, September 15, 1933, reporting on recommendations decided upon by the Council on September 12, 1933.
 65. *Ibid.*, Procès-Verbaux-CA, Vol. 5 (1/3/32 au 28/2/34) 5 octobre 1933, Rapport No. 1860.
 66. Archives, L'Université Laval, Fonds de M. Ernest Grégoire, Carl D. Thompson, Secretary, Public Ownership League of America, to J.E. Grégoire, October 6, 1933, replying to a letter from Grégoire informing the P.O.L. that the "Association des Propriétaires" shared its aims and looked to the American organization for information.
 67. PH, File: Électricité, 1932-3, Conférence Prononcée à Ste-Marie-de-Beauce, 8 octobre 1933.
 68. *Ibid.*, File: T.D. Bouchard, Correspondance, DPH à TDB, 13 octobre 1933.
 69. H-Q, QP, Minutes... Directors' Meeting, October 20, 1933.
 70. AVQ, Procès-Verbaux-CA, Vol. 5 (1/3/32 au 28/2/34) 26 octobre 1933.
 71. PH, File: Électricité, 1932-33, "Comment Expliquer ces Contradictions dans les paroles de Son Honneur M. le Maire?" dated 30 octobre 1933 and marked "Soleil, Journal & L'Action."
 72. *Ibid.*, DPH à TDB, 2 novembre 1933.
 73. *Ibid.*, File: P. Hamel-Clippings, *L'Action Catholique*, 14 décembre 1933, letter from DPH offering his explanation of how Quebec City Council's Administrative Committee came to accept a new deal with the Quebec Power Company. DPH claimed that Alderman Wilfrid Lacroix had opposed reopening negotiations with the company on November 2, 1933 arguing that to do so would be tantamount to accepting rates higher than those in the Engineers' Report.
 74. H-Q, QP, Minutes... Directors' Meeting, November 8, 1933, at 12:15 p.m. and PH, File: Quebec Power: Circulaires, Current Information Card, Quebec Power, November 14, 1933.
 75. AVQ, Électricité, L'Association des Propriétaires de Québec, October 18, 1933; and November 20, 1933; La Ligue des Citoyens de St. François d'Assises, November 29, 1933; Quebec and Levis Federated Trades and Labour Council, November 30, 1933.
 76. *Ibid.*, Procès-Verbaux-CA, Vol. 5 (1/3/32 au 28/2/34) 30 novembre 1933.

- Administrative Committee members Drolet and Gosselin were absent. The meeting was also attended by Councillors De Blois, Jobin, Poulin and Samson.
77. CAR, 1934, p.204, and AVQ, *Électricité*, La Ligue des Citoyens de St. Malo, 3 décembre 1933; La Ligue des Citoyens de Saint Esprit, 6 décembre 1933; Quebec and Levis Federated Trades and Labour Council, 18 décembre 1933.
 78. H-Q, QP, Minutes ... Directors' Meeting, December 22, 1933, and CAR, 1934, p.204.
 79. PH, File: Philippe Hamel-Clippings, *L'Action Catholique*, 28 décembre 1933, and File: Les Maires de Québec. 26 décembre 1933 signed statement by DPH criticizing the new contract and predicting that it would lead to an increased fight against the electricity trust.
 80. *Ibid.*, File: Lutte Municipale, 1936, Copy of a speech delivered over CKCV by DPH on February 11, 1936 in which he gave an account of how Grégoire had come to enter the mayoralty race in 1934.
 81. *Ibid.*, File: *Électricité*, 1932-3, Conférence Prononcée à Ste-Marie-de-Beauce, 8 octobre 1933, p. 14.
 82. CAR, 1934, p.204.
 83. PH,File: Lutte Municipale, 1936, Copy of DPH's speech delivered over CKCV, February 11, 1936. According to DPH, "En votant contre un cartel fait à ciel ouvert, la population élisait un autre cartel, plus dissimulé celui-là, celui du Trust et du gouvernement Taschereau; on élisait un groupe d'échevins qui ont combattu, sans relâche, le maire Grégoire."