

A F T E R N O O N S E S S I O N  
SPECIAL MEETING

Halifax, N. S.,  
Council Chamber,  
December 6, 1943,  
5.00 P. M.

A meeting of the City Council was held this day. There were present His Worship the Mayor, Chairman; Aldermen Reardon, Hosterman, Coffin, Adams, DeWolf, Doyle, Walker and Burgess.

The meeting was called specially to consider:

PURCHASE OF GORSEBROOK PROPERTY

Alderman Reardon questioned if this meeting was for the purpose of buying or discussing the Gorsebrook Property.

Moved by Alderman Reardon, seconded by Alderman DeWolf that legislation be secured enabling the City to purchase the property as originally planned at a cost of \$75,000.00.

Alderman Ahern arrives.

Alderman Adams stated that we should make an offer of \$60,000.00.

His Worship the Mayor stated that we have already done that.

Alderman Batson arrives.

Alderman Hosterman stated that he had not changed his mind and still held to the opinion that the purchase was not necessary and that he was opposed to it, and that we would have the opportunity of purchasing it after the war. He further stated that in his opinion, the property was not worth the amount in question.

Alderman Reardon stated that if we didn't take the property, someone else would.

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Alderman Adams stated that he was in favor of buying the property but not at the price of \$75,000. but that the price should be made \$60,000.00.

A report from the Board of Trade was then submitted and read:

November 24, 1943.

To His Worship Mayor Lloyd  
and Members of City Council.

Gentlemen:-

With the understanding the proposal to purchase a portion of the Collins' Estate, situated on South, Robie and Inglis Streets, will be discussed at your regular meeting of Council tomorrow, Thursday evening November 25th, I have been requested to advise you as follows:

The Real Estate, Trust and Mortgage Section of this Board, having had several meetings at which this proposal was studied, by resolution favored the acquisition by the City along the lines suggested by your Committee i. e., dividing the property into building lots, reserving portions for school, recreation grounds, etc.

The resolution was concurred in at a meeting of the Council of this Board held Tuesday November 23, 1943.

It is understood the price to be paid for the property is \$75,000.00 - a goodly portion of which will be recovered by the City in the sale of the lots referred to.

It is the opinion of the members of the Council of this Board that a very desirable living section can be located on this property.

Trusting the matter will receive favorable consideration from your honourable body, I am

Yours very truly,

E. A. Saunders,  
SECRETARY.

Alderman Walker asked if it was the understanding of the Council that if we purchase this property it will be divided into building lots and sold by the City.

His Worship the Mayor stated that it could be done that way as we are trying to put it on a

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properly planned basis. We could do a better job with it than other concerns for the benefit of the City.

It was moved in amendment by Alderman Adams, seconded by Alderman Batson that the City offer the sum of \$60,000.00 to the Eastern Trust Company for the purchase of the Gorsebrook Property.

Alderman Reardon stated that he had come in contact with a great many people and that he had yet to find one against the purchase of the property for the price of \$75,000.00 and felt that we were on the right track according to the wish of the public. The Alderman also stated that it was very necessary to purchase the property.

Alderman Hosterman interjected that he was of the opinion that we still would get the property more easily after the war.

The amendment was then put and lost as follows:

FOR THE AMENDMENT

Alderman Batson  
Adams

-2-

AGAINST IT

Alderman Reardon  
Hosterman  
Coffin  
DeWolf  
Doyle  
Walker  
Burgess  
Ahern

-8-

The motion was then put and lost as follows:

FOR THE MOTION

Alderman Ahern  
Coffin  
DeWolf  
Doyle  
Reardon

-5-

AGAINST IT

Alderman Adams  
Batson  
Burgess  
Hosterman  
Walker

-5-

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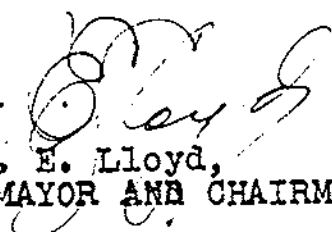
Two other items were brought up at this meeting viz: Authority of Superintendent of the Water Dept. to pass through lines at fires and the purchase of a Tractor and Snow Plow.

It was moved by Alderman Burgess, seconded by Alderman Ahern that these two items be passed informally and to be included in the agenda for the next meeting of Council. Motion passed.

Moved by Alderman Burgess, seconded by Alderman Reardon that this meeting do now adjourn. Motion passed.

Meeting adjourned.

5.30 P. M.

  
J. E. Lloyd,  
MAYOR AND CHAIRMAN.

  
W. P. Publicover,  
CITY CLERK.

CITY COUNCIL MEETING  
 THURSDAY  
 DECEMBER 16, 1943.

A G E N D A

- Prayer.  
 Minutes.  
 Accounts.
1. Report Finance & Executive Comm. re Sale of Property.
  2. " " " " re Exemption from Taxation A.N.A. Club  
 3. " " " " etc.
  4. " " " " re Electrical Rates.
  5. " " " " re Financial Statement.
  6. " " " " re Estate Geo. Miles.
  7. " " " " re Sewer Rates H. B. Cleveland.
  8. " " " " re Cashier.
  9. " " " " re Purchase of Tractor.
  10. " " " " re Claim for damages (Miss H. Killeen)
  11. " " " " re Exchange of Land.
  12. " " " " re Lease of property Highland Park.
  13. " " " " re Purchase of water meters.
  14. " " " " re Municipal Law Officers Convention.
  15. " " " " re Account V. G. Hospital.
  16. Report Safety Committee re City of Halifax vs Canham.
  17. " " " " re Tender for Plumbing.
  18. " " " " re Mounted Police Unit.
  19. Report Public Health & Welfare Comm. re Salary Registrar Vital Statistics
  20. " " " " re Tenders for Fish.
  21. " " " " re Account for nurses uniforms.
  22. Report Advisory Committee re North West Arm.
  23. Letter His Worship the Mayor re City of Novorossiisk.
  24. Questions.
  25. Report Committee on Works re Reduction in water accounts.
  25. " " " " re Abattoir.
  27. " " " " re Deal Street Flooding.
  28. " " " " re #6 Quinpool Road-Safety Zone.
  29. " " " " re Expropriation of land Prospect Road.
  30. " " " " re Underground Conduit.
  31. " " " " re Government water agreements.
  32. " " " " re Street names.
  33. " " " " re Maxwell property.
  34. " " " " re Old Parade Fountain.
  35. " " " " re Light - Rockcliffe and Windsor Streets.
  36. " " " " re Street light - Briars Lane.
  37. " " " " re Payment Fire Loss at lakes Guard House.
  38. " " " " re Imperial Oil Limited accounts over \$500.00
  39. " " " " re Appointment Town Planning Board.
  40. " " " " re Gorsebrook.
  41. Letter Clerk of the Executive Council re Appointment Court Tax Appeals.
  42. " " " " re Approval amendment Ordinance #6.
  43. Report Chief Accountant re Tax Collections.
  44. " " " " re Appropriations.

EVENING SESSION

8.10 P. M.,  
Council Chamber,  
City Hall.  
December 16, 1943.

A meeting of the City Council was held this evening.

After the meeting was called to order by the Chairman and before considering the regular order of business, the members of Council attending, led by the City Clerk, joined in repeating the Lord's Prayer.

At the above named hour there were present His Worship the Mayor, Chairman; Aldermen Reardon, Batson, Hosterman, Breen, Adams, DeWolf, McDonald, Doyle, Walker, Burgess and Ahorn.

The meeting was called to proceed with business standing over and the transaction of other business.

The following named papers were submitted.

MINUTES

Moved by Alderman Batson, seconded by Alderman Walker that the minutes of the previous meetings be approved. Motion passed.

ACCOUNTS

The following resolution covering accounts of the various Committees was submitted.

RESOLVED that the Council approve for payment the bills and accounts of expenditures submitted to this meeting by the Finance and Executive Committee amounting to \$13,759.41; the Committee on Safety amounting to \$1,090.79 chargeable to Fire Alarm; \$15,957.00 chargeable to Fire Department; the Committee on Public Health & Welfare amounting to \$14,860.85 chargeable to the Health Department; \$11,484.02 chargeable to the City Home and \$2,160.97 chargeable to City Prison; the Committee on Works amounting to \$18,900.52; the Directors of Point Pleasant Park amounting to \$694.92 under the provisions of Section 315 of the City Charter.

Moved by Alderman Adams, seconded by Alderman Batson that the resolution as submitted be approved. Motion passed.

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Moved by Alderman Reardon, seconded by Alderman Doyle that the matter of the purchase of the Gorsebrook Golf Club property be reconsidered.

Motion passed unanimously, the following Aldermen being present and voting therefor:

FOR THE MOTION

Alderman Batson  
Reardon  
Breen  
Hosterman  
Adams  
DeWolf  
McDonald  
Doyle  
Walker  
Burgess  
Ahern

The Deputy Mayor assumes the Chair while His Worship the Mayor addresses the Council from the floor.

His Worship the Mayor then submitted and read the following letter:

December 16, 1943.

MEMBERS OF THE CITY COUNCIL:

Dear Aldermen:-

At the last meeting of the Board of Works, it was recommended that this meeting of the Council re-consider the question of purchasing the remainder of the Collins Field, otherwise known as Gorsebrook Golf Course.

It was suggested at a meeting of the Finance and Executive Committee that I place before you, in writing, the following information.

The Eastern Trust Company, acting as agents for the Estate of Carteret F. Collins, under date of November 4th, advised me that they had been authorized to sell the property known as Collins Field, lying between Inglis, Robie and South Streets at a price of \$75,000.00 cash. The agents were willing to enter into an agreement of sale with the City pending the securing of the necessary legislation. Such agreement would include the adjustment of rent and taxes as from December 1st, 1943.

The property in question comprised an area of approximately 29 acres.

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The aforementioned block of land comprises 1,299,434 square feet, from which must be deducted 40,200 square feet being lots already sold. Estimating an allowance of 314,809 square feet for streets, there would be available as building lots 944,425 square feet, or approximately 130 lots 60 x 120 feet.

Assuming that each lot could be sold at a price of \$1,200.00 ... \$156,000.00 would result from such a sub-division. The assessed value of the property is \$59,150.00.

While the negotiations were under way with the Eastern Trust Company, a portion of the property was expropriated by the Federal Government for the purposes of the R. C. A. F. Approximately 9 acres have been taken by the Air Force and negotiations are now under way to determine the price which will be paid to the Agents for the property, for this portion of the Collins Field which was expropriated.

I was today advised by Mr. Stevens of the Eastern Trust Company that they are willing to offer to the City, the remaining 20 acres at a price proportionate to the original amount of \$75,000.00, or approximately 20/29ths of that amount. In other words, in round figures - \$52,000.00.

With your permission, I should like to recommend to Council the following Resolution:-

"WHEREAS much thought, careful attention and study is now being given to the question of planning the use of land in post war Halifax;

AND WHEREAS it may be many months before new regulations governing the use of land in Halifax will come into effect;

AND WHEREAS open spaces for public use such as parks, playgrounds, school sites and other buildings is of paramount importance to the success of future City planning;

BE IT THEREFORE RESOLVED that legislation be sought to enable the City to acquire the remainder of the so-called Collins Field from the Eastern Trust Company, Agents for the Estate of Carteret F. Collins, at a price proportionate to \$75,000.00 for the whole area bounded by Robie, Inglis and South Streets;

BE IT FURTHER RESOLVED that the City negotiate an agreement of sale with the Eastern Trust Company pending the securing of the aforementioned legislation;

AND BE IT FURTHER RESOLVED that the legislative authority be placed at \$75,000.00 for this purpose.

Due to the fact that the Air Force, having expropriated the previously mentioned 9 acres, it is desirable that the City have the necessary legislative authority and be in a position at any time to negotiate the purchase of the land now being used by the Air Force.



December 16, 1943.

In conclusion, may I point out that until such time as the City has set up its permanent organization and plans for the most effective use of lands in the City of Halifax, there is grave danger that the present Town Planning Board will have no justification for turning down a plan of sub-division of the Collins Field. In fact, the Eastern Trust Company, since we last discussed this matter, have written the attached letter under date of December 10th.

I, therefore, commend to you your favorable consideration of the resolution contained herein.

Respectfully submitted,

J. E. Lloyd,  
MAYOR.

His Worship the Mayor further stated that many organizations had presented very strong recommendations for the City to purchase the property.

His Worship the Mayor resumes the Chair.

Alderman DeWolf stated that we could buy the whole property at the present time but His Worship the Mayor stated that we couldn't as the Air Force had already taken 9 acres of the property.

Alderman DeWolf then remarked that we could make an agreement with the Air Force to take the whole property over and then perhaps lease the 9 acres to them until the war is over.

His Worship the Mayor stated that another firm is negotiating the purchase of the land at almost the same price that the City is considering.

Moved by Alderman Reardon, seconded by Alderman Doyle that the resolution as submitted by His Worship the Mayor be approved.

Alderman Hosterman stated that he would like to thank His Worship the Mayor for the information which was as you say at my request. It helps out some and from the support which apparently is being given this proposition by the different organizations, it would look as though a great many people think some action should be taken to acquire a portion of the property. I imagine the public are interested in the space for recreational purposes such as a playground. It would not require more than 5 acres for that. An expenditure of \$10,500.00 or \$11,000.00 should cover that item as I don't know what the assessed value is. I think that we are going a step too far in acquiring this property as I can't see the necessity for it. Apart from that I still cannot see my way clear to support this thing. I can only see the necessity for a playground. I don't see why the City of Halifax should go into the Real Estate business and as far as the letter from the Eastern Trust Company is concerned, it is merely a good sales talk and Your Worship the Air Force is buying this land under a \$75,000.00 proposition.

December 16, 1943

I don't want to be considered as bucking any improvement or Post War Plans, but rather to commend them, but at the same time, I can't see any justice to the rate-payers of Halifax. Again I say that a space for a playground should not exceed more than 5 acres. It would cost only \$11,000.00 then. I don't think there is anything more I can say.

Alderman Reardon stated that it was not his idea that the land was to be used as a playground only as we were going to need a considerable amount of that property for school purposes. We also need it for the completion of the Robie Street boulevard and I can't see why we should not purchase the property and it won't cost the City very much. If we prepare legislation to get the \$75,000.00, it will not be used unless we can take over two-thirds of the property. I can't see anything wrong with this move. In proposing the resolution to take over this property I did so after I was approached by a large number of citizens who expressed their disappointment to the fact that we had turned down this purchase previously. They felt that it should be brought up again. If there is going to be a place for children to coast, then that property is the ideal spot. I feel that I would be very lax as an Alderman by not expressing myself that we take that property over. The majority of citizens would feel very badly if we did not purchase this property.

Alderman Ahern stated that he was interested in this matter as it was a wonderful open space and not from the point of view of a Golf Course. It would be a shame if the City of Halifax let that property go into the hands of speculators and stated that we should fall in line to support this matter. I feel that I am carrying out the wishes of the people of the North End of the City.

His Worship the Mayor stated that the North End Civic Improvement League expressed itself that the City needs all the open spaces it can obtain for recreational purposes. His Worship further remarked that the property could be sold if the City so desired at any time. There are other organizations who are interested in this matter and they all subscribe to the move that we buy the property and they are representatives of citizens who will have to pay the taxes.

Alderman Ahern stated that he would like to hear from Mr. O'Leary on this matter.

Moved by Alderman Ahern, seconded by Alderman Burgess that Messrs. O'Leary, Archibald and Vaughan be permitted to address Council. Motion passed.

Mr. O'Leary: My interest in the matter is for the betterment of our City as we badly need open spaces for recreation. The cost runs into quite a bit of money but there are several things that can be done with the property such as selling the Inglis St. side. The Junior Board of Trade mentioned that the Robie Street side could be cut up into building lots and sold to individuals. I really think the City should get it, when it can.

December 16, 1943.

When your children are out, you are wondering where they are. If the City thinks that they should get rid of it in the future, they can do so. We should acquire it now. Thank you.

Mr. Archibald: I would like to thank you for offering me this opportunity to say a few words about this matter. We feel that the City of Halifax has an opportunity in buying the property such as Collins Field that offers such good recreational facilities. The division of this property into building lots will seal any possibility of its development for this use. The decision to purchase it temporarily will, nevertheless, keep that opportunity before the citizens and make possible health giving possibilities. This war has proven beyond a doubt that the health of citizens is not good. The value cannot be reckoned in mere dollars and cents.

Mr. Vaughan: This certainly ties in with Post War Plans as it must certainly be an over-all plan. We are of the opinion that it would be a grave error to let this property pass back into the hands of other people. We also believe that the City should get this land for the recreational facilities it offers as we are interested in Civic Improvement. We earnestly solicit your consideration in this matter.

Alderman Walker stated that a playground established on the Gorsebrook property would be a very dear one and that there was property that could be bought for less than that for that purpose. He further remarked that he didn't think that the City of Halifax wanted to go into the Real Estate business. He contended that they should go into the North End where they could get land more cheaply such as the Walker property and a few others.

Alderman Ahern stated that we in the North End of the City have used Collins Field for skating and skiing and it would be a shame to pass up this opportunity and the reason I am supporting the motion is that we can sell whenever we want to.

Alderman DeWolf stated that we were not buying this playground for \$75,000.00 as this figure included the whole land in question. The building lots will produce about \$20,000.00 or \$25,000.00 then the playground will cost roughly \$5,000.00.

Alderman Adams still believed that the City was paying too much money for the property but that he would support the motion.

Alderman Batson stated that every Alderman here tonight would agree that we need every open space available but stated that he favored the stand that Alderman Hesterman took.

His Worship the Mayor stated that he probably was to blame because of the difficulty of seeing all the factors that enter into the future planning of Halifax as it was not an easy task to plan the future of any community.

December 16, 1943.

There are certain rules and regulations that we must prescribe, to meet the future demands of society. This property might go into the hands of private owners. The post war planning committee is under way and it is bringing an architect from Upper Canada to advise them as to what course they should follow. I apologize for not putting all the factors into the picture as I saw great possibilities that we would acquire in purchasing the Collins Field and I know of another party that has stepped in to build a University. I agree with Alderman Hosterman in a way. My main purpose is to keep the matter open for future uses which will be based on future demands.

The motion was then put and passed 8 voting for the same and 3 against it as follows:

FOR THE MOTION

Alderman Adams  
Ahern  
Batson  
Breen  
DeWolf  
Doylo  
McDonald  
Reardon

~~-8-~~

AGAINST IT

Alderman Burgess  
Hosterman  
Walker

~~-3-~~

Alderman Reardon retires from the meeting  
8.50 P. M.

ABATTOIR

December 6, 1943.

ABATTOIR

The City Council.

Gentlemen:--

The Committee on Works at a meeting held on the 3rd instant, on motion of Alderman Reardon, seconded by Alderman DeWolf, recommended to City Council:--

1. That in order to assist the Minister of Agriculture for the Province of Nova Scotia in establishing an abattoir, the City of Halifax to express its willingness to assist by:--

- (a) Providing a site.
- (b) Making a yearly grant to assist in the financing of the project.

2. That the site to be used for this purpose be either a portion of the Hartlen property on Robie Street, or the City Property which extends back from the north side of Lady Hammond Road.

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3. That the Government choose the Hartlen site for their purpose because sewer and water mains are already laid to this location and it is served by the same railway siding as serves the other property.

4. That if the Hartlen site is acceptable to the Government of the Province of Nova Scotia, the City negotiate purchase of same from the Halifax Relief Commission.

Submitted herewith is a subsequent report of the Commissioner of Works dated December 6, 1943, and entitled "Extension Water Main to Abattoir".

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Per T. J. Moore,  
CLERK OF WORKS.

Moved by Alderman McDonald, seconded by Alderman DeWolf that the report be approved.

Alderman Burgess stated that we should not buy land from anyone else when we have our own land to put an abattoir on. It seems to me that \$20,000.00 is a lot of money to pay to someone else for a site.

Alderman Ahern stated that he would be quite willing to concede to the motion if they did not accept the other site. He wanted to know why the Lady Hammond Road was the most logical site for an abattoir.

His Worship the Mayor then submitted and read the following resolution:

WHEREAS the Minister of Agriculture of the Province of Nova Scotia is endeavouring to have established in Halifax an Abattoir and Meat Processing Plant;

AND WHEREAS the Province of Nova Scotia is willing to assist in the financing of the aforesaid project;

AND WHEREAS the co-operation of the City with the Province of Nova Scotia is being sought;

BE IT RESOLVED that the City of Halifax at its own expense provide the site for the said plant either by;

(a) Acquiring the Halifax Relief Commission property known as the Hartlen Site providing it can be obtained at a reasonable price, or,

(b) By conveying certain property now owned by the City situated on Lady Hammond Road.

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That the City undertake to make an adequate supply of water available to either site and to provide sewerage for either of said sites, both of said services to be supplied at the usual rates;

That the City indicates to the Province of Nova Scotia its preference for the Hartlon Site;

In the event that the project should result in sewer being laid on streets upon which unimproved land abuts, abutters charges accruing thereby, shall be deferred until a sewer connection is made to any building subsequently erected.

Alderman Breen stated that he knew his remarks would be taken by other people as selfish interests only and wished to say at the outset that it wasn't so. He stated that this abattoir was the child of the Provincial Government and it was up to them to nourish it to full bloom. I would be quite willing to go as far as to choose a site but nothing beyond that. He further stated that he didn't think the home owners should be called upon to bear the extra burden. Some years ago an abattoir was established in St. John and where is it today and he didn't think that there was much hope of one surviving in Halifax either. The Alderman finalized his remarks by stating that if we choose a site where there is no sewer or water, we should consider it very seriously.

Alderman McDonald stated that he was of the same opinion as Alderman Breen. He said that a few years ago they tried to get an abattoir in the South End and if they want one now it is up to themselves to get it. He said that he would not be willing to grant a site. As for the produce the only source of supply is from Upper Canada as Nova Scotia is solely a dairy producing Province and the farmers are not in the meat producing business. It would only last about a year then collapse after spending \$30,000.00 for sewer extension. The Alderman asked how much the abattoir cost that was put up in the North End and was answered by the City Assessor around \$100,000.00.

Alderman Breen stated again that the City was advised against the erection of an abattoir at that time. He said he was not against the abattoir itself but against the idea of citizens making any contributions towards it.

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His Worship the Mayor stated that Davis and Fraser have an abattoir in P. E. I. One aspect of this is the matter of health. If you build one to make health effective you would have to make regulations so that all meats will be graded. I am advised that the only way to have good inspection is to have the inspector inspect the meat when the animal is killed. You have the question of meats which are not properly slaughtered. My decision is based on the fact that the Minister of Agriculture is well qualified to judge these matters. We could provide a site anyway.

His Worship the Mayor asked the Council what their opinion was in respect to giving a grant to the abattoir and they replied that they were not in favor of this.

Alderman Breen stated that he would like to have the Aldermen view the site.

His Worship the Mayor stated that this would be classed as a small industry which would employ a small number of people.

Moved by Alderman Hosterman, seconded by Alderman DeWolf that the City offer the alternative sites as contained in the resolution.

The motion was put and passed unanimously with the following Aldermen being present and voting therefor:

FOR THE MOTION

Alderman Batson  
Breen  
Hosterman  
Adams  
DeWolf  
McDonald  
Doyle  
Walker  
Burgess  
Ahern

His Worship the Mayor stated that if it was agreeable to the Council that only the titles of the remaining reports would be read to which they agreed.

SALE OF PROPERTY

December 14, 1943.

To His Worship the Mayor and  
Members of the City Council.

Gentlemen:-

December 16, 1943.

At a meeting of the Finance and Executive Committee held on the above date tenders for the purchase of various City owned lots were considered.

Your Committee recommends that the tender of W. A. Andrews offering to pay the sum of \$225.00 for a lot of land on the S/S Chabucto Road 41x100 be accepted.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Moved by Alderman Adams, seconded by Alderman Batson that the report be approved. Motion passed.

EXEMPTION FROM TAXATION A. N. A. CLUB ETC.

December 14, 1943.

To His Worship the Mayor and  
Members of the City Council.

Gentlemen:-

At a meeting of the Finance and Executive Committee held on the above date letters from the City Assessor in connection with requests from the French Committee of National Liberation and the A. N. A. Club regarding exemption from taxation were considered.

Your Committee recommends that these organizations be dealt with in the same manner as other organizations under the provisions of Section 52, sub-section 3, Chapter 56 of the Acts of 1941.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Moved by Alderman Adams, seconded by Alderman Batson that the report be approved. Motion passed.

ELECTRICAL RATES

December 14, 1943.

To His Worship the Mayor and  
Members of the City Council.

Gentlemen:-

At a meeting of the Finance and Executive Committee held on the above date the attached letters from His Worship the Mayor and City Solicitor regarding the decision of the Public Utilities Board as to the valuation of the property of the Nova Scotia Light and Power Co., Ltd., were considered.

Your Committee concurs in the recommendation contained in these letters and submits herewith a resolution for Council's approval.



December 16, 1943.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

RESOLUTION

BE IT RESOLVED that, upon the issuance by the Public Utilities Board of its order in the matter of the valuation hearings respecting the Nova Scotia Light & Power Company Limited, the City shall lodge with the said Board a complaint to the effect that the rates, tolls and charges for electrical energy in the Halifax electrical area, supplied by the Nova Scotia Light & Power Company Limited, are excessive and are thereby unreasonably and unjustly discriminatory and that the same should be reduced;

AND BE IT FURTHER RESOLVED that the City Solicitor shall prepare and file such complaint with the said Board on behalf of the City of Halifax;

AND BE IT FURTHER RESOLVED that the said Board be requested to consider the position of the consumers of electrical energy supplied by Nova Scotia Light & Power Company Limited as the result of Federal taxation upon such Company, a privately owned utility, as compared with the position of the consumers of electrical energy, supplied by other public utilities under the jurisdiction of the Board, which are publicly owned, and which are not subject to such taxation with a view to formulating a plan whereby the position of both classes of consumers may be made more uniform.

December 14, 1943.

Members of the Finance and Executive Committee,  
Halifax, N. S.

Gentlemen:-

I today have received the attached report from Mr. Bethune, City Solicitor, re the decision of the Public Utilities Board as to the valuation of the property of the Nova Scotia Light & Power Co., Ltd. I concur in Mr. Bethune's recommendation that the City, on behalf of the consumers in the Halifax electrical area, served by the aforementioned Company, should apply - without delay - for a reduction in the rates charged by the said Company.

I also respectfully recommend that the Board of Public Utilities be asked to give special consideration in the said rate hearing to the effect of Federal Taxes on this privately owned utility.

I ask for special consideration of the effect of Federal Taxes because publicly owned utilities are not subject to the provisions of the Excess Profits Tax Act and the Income Tax Act and also, because certain utilities have recently agreed with the approval of Federal authorities to grant rebates to their consumers arising from the application of such taxing acts.

December 16, 1943.

In some municipalities in Canada where the utilities are publicly owned, substantial reserves have been set aside due to peak operations under war-time demands for service. Such reserves will be used to take care of deferred maintenance and other post war expenditures which will have to be undertaken by municipalities.

If there is a will on the part of governmental authorities to achieve equity in the application of Federal taxing acts, I am confident that it is not impossible to find a formula for a City tax which would offset the excess earnings of the Company under war-time conditions, without disturbing our peace time approaches to the problem of rate hearings.

Yours very truly,

J. E. Lloyd,  
M A Y O R,

December 14, 1943.

J. E. Lloyd, Esq.,  
Mayor and Chairman of the  
Finance and Executive Committee.

Dear Sir:-

I have received a copy of the decision of the Public Utilities Board in the above matter. The report is attached hereto and consists of some 35 pages. I think that in order to keep the report available that some consideration should be given to including it in the records of the City in some manner so that access to it can readily be had. In the past such reports have been included with the City Council minutes.

As you probably know this matter goes back to 1937 when the Company made an application for permission to reduce its rates. I appeared for the City and consumers and made certain submissions to the effect that the reduction offered was not large enough. The Board considered these and filed a decision to the effect that on the information before it, it was unable to come to a final decision and approved the rates proposed by the Board as "interim rates" and ordered that a valuation of the assets of the Company be made.

The report of the valuator was filed in 1942 and hearings on the same commenced and continued for some months.

The result of the valuation is to reduce the rate base as at December 31st, 1938, by some \$600,000.00. Of course since that date there have been substantial additions to the plant and of course some retirements.

I would recommend that, in view of the decision of the Board, the City on behalf of the consumers in the Halifax electrical area apply without any unnecessary delay for a reduction in the rates charged in that area by the Nova Scotia Light & Power Company Limited for electrical energy.

NOVA SCOTIA BOARD OF COMMISSIONERS OF PUBLIC UTILITIES.

IN THE MATTER OF SECTION 16 OF CHAPTER 128  
REVISED STATUTES, "THE PUBLIC UTILITIES ACT"  
AND ACTS IN AMENDMENT THEREOF.

- and -

IN THE MATTER OF NOVA SCOTIA LIGHT AND POWER  
COMPANY, LIMITED, A PUBLIC UTILITY WITHIN  
THE MEANING OF SAID ACTS.

On the First day of March, 1938, the following Order  
was issued by the Board:-

"WHEREAS the Board deems it expedient and necessary  
that inquiry should be made into the extent, con-  
dition and value of the physical assets of the Nova  
Scotia Light & Power Company, Limited, a public  
utility, and into the condition and value of the  
undertaking of the said public utility as a going  
concern;

AND WHEREAS the Board further deems it expedient and  
necessary that expert engineers, accountants and  
valuators should be employed by it to assist in such  
inquiry, and to prepare an inventory or inventories  
of said physical assets;

IT IS ORDERED that an inquiry be made into the  
following matters, viz.,:-

- (a) The extent, condition and value of  
the physical assets of the said public  
utility as of the first day of January,  
1938, and
- (b) The extent, condition and value of the  
undertaking, as a going concern, as of  
the first day of January, 1938.

IT IS FURTHER ORDERED that the inventory or inventories  
of the physical assets of the said public utility shall  
be so made up as to show the items of said physical assets  
used or useful in connection with each of the following  
departments of the undertaking of the said public utility,  
that is to say:-

- (a) Electric department,
- (b) Tramway department,
- (c) Gas department,
- (d) Steam heating department.

IT IS FURTHER ORDERED that Engineering Service Company,  
Limited, of Halifax, in the Province of Nova Scotia,  
expert engineers, accountants and valuers be and they  
are hereby empowered to make and prepare said inventory  
or inventories and to make a valuation of the items  
contained therein, and on the completion thereof to file  
the same with the Board.

IT IS FURTHER ORDERED that such inquiries shall be made  
subject to and in accordance with such rules and regu-  
lations to facilitate such inquiries as may be now in  
force, or hereafter made and which the Board may deem

"convenient for such purposes; and also subject to and in accordance with any further order which the Board may properly make for the carrying out of said inquiries and the objects incidental thereto, and for the holding of public hearings herein.

IT IS FURTHER ORDERED that, after approval by the Board, all proper costs and expenses of engineers, valuers, clerks, stenographers and other assistants retained and employed by the Board in connection with the making of the valuation ordered herein, be paid by the Nova Scotia Light & Power Company, Limited, from time to time, as the work of valuation proceeds.

IT IS FURTHER ORDERED that the said public utility be notified accordingly by the service upon it of a copy of this order."

and on the 30th day of March, 1938, the following Order was issued by the Board:-

"WHEREAS under the order for valuation made herein dated March 1, 1938, Engineering Service Company, Limited, engineers and valuers have been employed by the Board;

AND WHEREAS the Board deems it expedient to fix the basis on which said valuation should be made;

IT IS ORDERED that the inventory and appraisal to be filed with the Board under such Order shall be made on the basis of original cost, i. e., actual cost of property now in service.

IT IS FURTHER ORDERED that a copy of this Order be served on the Nova Scotia light and Power Company, Limited."

At a regular meeting of the Board on the said 30th day of March, 1938, the following Resolution was passed:-

"The Board has agreed that Engineering Service Company Limited shall first of all make an inventory and valuation of the electrical and steam heating department of the Nova Scotia Light and Power Company, Limited, and if it is satisfied that it can do so accurately without valuing the other departments of the Nova Scotia Light and Power Company, Limited, the portion of the order relating to the latter will be abandoned unless circumstances arise which make it necessary, in the judgment of the Board, to value these other departments."

Subsequently, the date for making the inventory and appraisal of the physical property of the Company by Engineering Service Company, Limited, was changed from January 1, 1938, to December 31, 1938.

Following the above mentioned Orders, Engineering Service Company, Limited, expert engineers and valuers of Halifax, Nova Scotia, (hereinafter called the "Valuers"), were employed to prepare the inventory and appraisal of the property of the Electric Department of the Company, and their work was completed and filed

with the Board on the 31st day of August, 1942, and is hereinafter referred to as Exhibit C/J.

#### HISTORY

It may be of general interest, at this point, to set out a brief resume of proceedings subsequent to the last valuation of the property and assets of the Company, the decision upon which was filed November 21, 1923.

The valuation was followed by a general rate reduction, the new rates being approved April 26, 1924.

A further, though minor, reduction was made in the rates for Commercial Lighting, effective August 1, 1928.

In November 1929, the Company made application for a new schedule of rates, and new rates were approved, effective January 1, 1930, making an estimated reduction of \$100,000.00.

On December 1, 1931, application to the Board was made by the City of Halifax, claiming excessive earnings by the Company and asking for a reduction in rates. This matter was repeatedly adjourned and in the interim the City entered into an agreement with the Company, which agreement was ratified by the Legislature (Chapter 53 Acts of 1932). By this agreement and legislation, Section 22, Chapter 180 of the Acts of 1914 was repealed and the basis of city taxation on the Company was changed, the tax on the gross earnings of the Electric Department being increased from 2% to 5%. The legislation making this change was passed on April 30, 1932, and on June 2, 1932 the City withdrew its application for a reduction of rates.

On September 1, 1937, the Company made application for a reduction in rates for Domestic and Commercial consumers of approximately \$60,000.00. At the hearing it was submitted on behalf of the City that the proposed reduction was not sufficient, but in order that the consumers might receive the benefit of the reduction proposed immediately, the Board gave interim approval to the proposed schedule of rates, which became effective December 1, 1937. At that time, the Board said:-

"From an examination of the evidence submitted, the Board is unable to decide whether this is a proper rate or not. It will, therefore, be necessary for

"the Board to make further inquiries, which will be done by other proceedings."

In consequence the Board issued the Order hereinbefore recited, ordering the instant valuation.

On the 21st day of October, 1942, pursuant to notice issued by the Board September 14, 1942, the Board convened to pursue its inquiry into the extent, condition and value of the Electric and Steam Heating Departments of the Company. Twelve days between the said 21st day of October and the 18th day of February 1943, were occupied in recording the evidence, and subsequently four and a half days were required for receiving the submissions of counsel.

L. A. Lovett, K. C., and John A. Y. MacDonald appeared as Counsel and Solicitor for the Board respectively. J. MacGregor Stewart, K. C., C. B. Smith, K. C., and W. Marshall Rogers, K. C., appeared on behalf of the Company. C. P. Bethune, K. C., and John S. Roper, K. C., appeared on behalf of the City of Halifax.

The evidence submitted was practically all the testimony of experts. The Company called F. M. Carhart of Boston, Massachusetts, of the firm of Jackson and Moreland, Consulting Engineers; Dale M. Farnham of Montreal, Assistant Distribution Engineer of Montreal Light, Heat and Power Company, Limited; Denis Stairs of Montreal, Member of Montreal Engineering Company; J. B. Hayes, Manager of Nova Scotia Light and Power Company, Limited; and J. J. Doolan, General Superintendent of Nova Scotia Light and Power Company, Limited; John R. Kaye, President of Engineering Service Company, Limited, gave evidence in support of the valuation as set forth in Exhibit C/J.

Mr. Carhart has had wide experience in public utility engineering in many States of the Union as well as in Nova Scotia. Mr. Kaye has had wide experience in electrical engineering in Western Canada and South America as well as Nova Scotia and has valued a number of public utilities in the Maritime Provinces.

The Company carries on the business of supplying electric light and power to the City of Halifax, the Town of Dartmouth, the District of Bedford, and some of the rural area adjacent to the said city and towns; supplies steam heating to certain restricted

customers; supplies gas for domestic and commercial use to the City of Halifax; and finally operates a tramway system within the said City.

SEPARATE UTILITIES.

It was the contention of the Company that in all these various operations it is one utility and that under the provisions of The Public Utilities Act as at the date of the valuation (1938), it was entitled to earn 8% on the value of its several undertakings taken as a whole. The Board has, on the contrary, consistently held that the Company operates three separate utilities under the Act.

The principle was clearly stated in an application of Cape Breton Electric Company, Limited, at page 40 of the Board's Report for the year 1919. In Robert Daw et al. and Nova Scotia Tramways and Power Company, Limited, Public Utility Report 1923 at page 103, the Board said:-

"Such principles are therefore now well settled and may be briefly summarized as follows:- Where a public utility is operating more than one service, each must stand by itself in any application involving valuation, ratemaking, extension of service, etc., in the public relations of a public utility the revenues of the electric energy department cannot be taken to bolster up the tram department, any more than the operating expenses of the tram department can effect the electric energy department---nor can a deficit in the tram department be allowed to affect the surplus in the electric energy department.

The user of electric energy cannot be called upon to pay higher rates for power in order that the tram car passenger may have the benefit of a lower fare, of extensions of service or of more frequent service, which may be unprofitable.

The value of the property dedicated to the public use in each department must be found separately, the operating expenses scrutinized and the rates and fares separately adjusted, so as to, if possible, provide a fair and reasonable return on the amount of capital actually found to be represented by value in each department separately."

At page 121 of the Board's Report for 1923 in the same proceeding, the Board said:-

"Following the decision filed in connection with the Cape Breton Electric Co., Ltd., for an increase in tramway fares to the effect that each department of the undertaking of a public utility must be valued separately for the purpose of rate-making, the valuation herein is being made by departments. This method is followed in order that the rate base, i.e., the amount on which a return is to be allowed, may

"be determined in each department. By this means the rates of the light and power customer do not include any tramway or gas expense nor are the fares of tram passengers or rates of gas customers affected by the results of operation of any other service. Each department stands on its own feet and the rates are so calculated as to provide the statutory return on the rate base of that department after all operating and other charges are provided for."

This same principle was enunciated in Yarmouth Light and Power Company, Limited, vide Board's Report for 1927. Again, in the application for approval of the sale and transfer of the Dartmouth and Sackville Companies to the Nova Scotia Light and Power Company, Limited, at page 26 of the Board's Report for 1935, the Board said:-

"The Nova Scotia Light and Power Company, Limited, the purchasing company, is also incorporated by a special act of the legislature of Nova Scotia and is a public utility supplying, inter alia, light, heat, power and transportation to the City of Halifax and adjacent territories, and by order of the Board is divided into three compartments, viz.:- electric, gas and tram, each of which, for the purpose of the Board, is a separate public utility, except for the purposes of Section 52 of The Public Utilities Act."

Section 34 of The Public Utilities Act (1913) reads:-

"All tolls, rates and charges shall always, under substantially similar circumstances and conditions in respect to service of the same description, be charged equally to all persons and at the same rate, and the Board may by regulation declare what shall constitute substantially similar circumstances and conditions."

It is the "service" the user receives for which he pays and for no other. If he is an electrical user, he pays only for electric service, and if a tramway user for tram service only. The Act does not empower the Board to fix a rate for any user charging that user for any service he does not receive, and the rate which the Board fixes can only be based on the value of the property used and useful in supplying the user with the service supplied him

No reason has been advanced in the present proceeding to cause the Board to depart from previous rulings. To compel the electrical user in his rate charged for electric service to pay for gas or tram service supplied to some other person, which is in effect the contention of the Company, runs counter to the whole spirit and intent of The Public Utilities Act. Where a company owns, operates, manages or controls more than one utility, each is a separate public



utility.

While the present valuation is being made under the provisions of the Act as the Act read at the date of the valuation, namely December 31, 1938, as a matter of public interest it may here be said, that since that time the Legislature has amended The Public Utilities Act (April 14, 1943) and by Section 39 has settled the matter for the future, making mandatory the determination of valuation in accordance with what has been the consistent practice of the Board.

#### STEAM HEATING

This service was instituted some twenty odd years ago when steam was furnished to the Canadian National Railway Station. Apart from heating the Company's plant, steam is presently furnished to the Railway Station, the Nova Scotian Hotel and the National Harbour Board. It is furnished only to these particular customers. It is not being held out as a service to or for the public. This being so, it is not a public utility within the meaning of the Act. This was apparently the view taken by the Board in previous years. No order was issued fixing rates for the furnishing of steam heating, it being treated as a by-product of the Electrical Department.

On page XLVII of Exhibit C/J reference is made to it, as follows:-

"It was not found practical to separate the 'Electric' and 'Steam Heating' Departments. Their operations are so inter-related and inter-dependent that it was concluded they must be considered together. Steam heating might almost be treated as a by-product of the electric generation station. The only items of property that are wholly used for steam heating purposes are some of the steam and return lines, condensate return units and steam meters and devices. These items are marked "Steam Heating Only" but are included in this report at their full value. All other items of property used for steam heating such as "Boiler Plant" etc., are used also for electric power generation. For convenience they have been marked 'Joint Use Light and Power and Steam Heat' and as before, one hundred percent of their value for these purposes has been included in this report."

At page 7 of the evidence, Mr. Kaye said:-

"A. We should mention 'Steam Heating'. It is similar to the Tram--everything belonging to Steam Heating is 100%. Generally speaking, the steam generation facilities have been labeled 'Joint Use L. & P. and Steam Heat', but 100% of the value is included in the Light and Power Department, and those parts of the Steam Heating system which are exclusively

\*used for Steam Heat (such as transmission mains and metering devices) have been marked 'Steam Heat Only', but their full value is included in the Light and Power Department.

Q. It is almost in the nature of a by-product?

A. You may consider it that way.

Q. As I understand it, Mr. Kaye, the value of the plant and equipment which supplies steam heat is all put down 100% to the Electric Light Department?

A. That is right."

While, therefore, all of the equipment used for Steam Heating is included in C/J under the Electrical and Steam Heating Department, those portions of equipment which are used solely for supplying Steam Heating have been so marked, their total original cost being given as \$31,080.00 (Exhibit C/J page 25.) Should the Company at any future time decide to furnish steam heating to the public, so constituting this service a public utility, the identification and segregation of the items of property used solely for that purpose, will facilitate the work of the Board in the fixing of rates.

As the matter now stands the Board will treat Electric and Steam Heating as one Department, any benefit arising from the sale of steam inuring to the benefit of the electric consumers. It will be the duty of the Board to see that in no circumstances shall it be allowed to throw any burden upon the electric consumers.

By agreement of counsel, it was decided that at the hearing the different matters should be dealt with in the following order:-

- I Physical Inventory
- II Jointly Used Property
- III Pricing with Direct and Indirect Costs
- IV Depreciation
- V Intangibles

- 
- I - PHYSICAL INVENTORY
  - II - JOINTLY USED PROPERTY

With regard to the Inventory as given in C/J, the only omissions claimed by the Company were set forth in a letter marked C/L, as follows:-

1. Storeroom Supplies
2. Spare Equipment
3. Garage Equipment and Tools
4. No. 10 Morris Street
5. Merchandising Supplies
6. Transformers
7. Garage
8. Distribution Poles
9. Service Wires.

In regard to the claim for omissions, Exhibit C/M was prepared by the Valuers and filed.

Items 1 and 2, Storeroom Supplies and Spare Equipment.

These were shown to be already included in the allowance for Working Capital as material and supplies.

Item 3, Garage Equipment and Tools. These were not included by the Valuers as no record could be found charging the same to capital account. After a careful check, this was shown to be correct. (See evidence J. B. Hayes at page 51). This item will, therefore, not be included.

Item 4, No. 10 Morris Street. This house, owned by the Company was included in a former valuation under decision of the Board, dated November 21, 1923. It is clear that as of the date of the present valuation, December 31, 1928, No. 10 Morris Street was being used as a boarding house and not as property used or useful in the Company's electrical service. Mr. Hayes in his evidence at page 21 says:- "That property will be of great value to the Company as we grow." It will not be included in the present valuation, but if and when the time arrives that this property becomes used or useful in the electrical service of the Company, application may be made for its inclusion in fixed capital.

Item 5, Merchandising Supplies. This is not an essential part of the operation of a utility and the Board does not permit the inclusion of such supplies in determining the valuation. (See the accounting regulations.)

Item 6, Transformers. The Company claimed that three 5 KVA, single phase, 2200-110/220 volt, and one 75 KVA, single phase 13200-2200/550 volt transformers had been omitted from the Inventory. This was found to be correct. The check also showed that three 50 KVA, single phase, 2200-110/220 volt transformers included in the Inventory were not actually charged to capital until after

December 31, 1938. The details regarding these items are found in Exhibit C/M and C/N and adjustment of the valuation figures will be made covering these items.

Item 7, Garage. The evidence of Mr. Kaye on this point is found at page 17 and is to the effect that the space occupied by transformer storage in the garage part of Number two car-barn, and the space occupied by the steam lines, carrying steam for heating, running along the wall, was so small a percentage of the whole that it should be overlooked. "It seems like splitting hairs as between three departments." It was not included in the Electrical Department and to this there was no serious objection.

Item 8, Distribution Poles. Much evidence was given on this point, the Company claiming that the Inventory was short by 53 poles of the actual number. It was finally agreed that Mr. Doolan and Mr. Kaye collaborate and make a reconciliation of the total number of poles in the Halifax area. Agreement was reached and Exhibit C/W was filed showing the final number agreed upon by Mr. Doolan for the Company and by the Valuers as 3,376 poles. As this is an exact figure the Board has decided that the 3% allowance for omissions, made by the Valuers, is not necessary and the appropriate adjustment will be made in arriving at the final valuation.

Item 9, Service Wires. Information asked for with reference to this item was furnished (see evidence page 50) and no further objection to the figures as shown in C/J was made by the Company.

On behalf of the Company, Mr. Stewart stated:- "As regards the physical inventory only one difference exists as between Engineering Services Limited and the Company. The other matters in dispute..... have been ironed out. The one omission is No. 10 Morris Street." No. 10 Morris Street has been already discussed. The physical inventory as set out in C/J, with the adjustments relative to Items numbered 4, 6 and 8 above may, therefore, be taken as correct.

### III PRICING WITH DIRECT AND INDIRECT COSTS

Under the Order of the Board, the pricing of the Inventory

was made on the basis of Original Cost. In his evidence Mr. Kaye indicated that vouchers of the original cost were found with regard to the great majority of items. The method of pricing followed by the Valuers is described at pages XLV to XLIX of Exhibit C/J and for convenience is here set out:-

"In general, the inventory contained in this report was made by actual count and measurement in the field, with the exception of land, rights of way, customers meters and certain buildings and structures. The inventory of land and rights of way was taken from the company's records. The inventory of those certain buildings and structures was taken from the inventory and appraisal made in 1921 by Messrs. Pickings and Roland, Engineers, Halifax, and was adjusted for changes made subsequent to that date. The field work as a whole was guided and supplemented by information taken from contracts, reports, plans and other records and information obtained from officials and employees of the company.

In accordance with instructions from the Nova Scotia Board of Commissioners of Public Utilities the inventory has been priced on the basis of 'Original Cost'.

An examination was made of the vouchers, contracts and other records which were made available by the company. The purchase prices of practically all the major items of equipment were found. In some cases where it was not practical to obtain original cost prices which were felt to be truly representative, reproduction cost prices as of December 31, 1938, were substituted. In cases where work was done by contract and the work thus done could be definitely identified, contract prices were used. In other cases labor had to be estimated. In the case of those buildings and structures already referred to, for which the inventory was based on the 1921 report of Messrs. Pickings and Roland, unit prices shown in that report as representing an average level for the twelve year period ending October 1, 1921, were used, and the totals in each case were adjusted for changes made subsequent to that date, at appropriate price levels. After careful consideration of the unit prices, the construction dates and other contributing factors, it is submitted that the values thus derived for those buildings and structures so treated are on the whole a fair measure of 'Original Cost'.

The results obtained by the procedure outlined above, plus appropriate allowances for purchasing and stores expense, workmen's compensation and liability insurance, where applicable, constitute the basis of the unit costs shown in the priced inventory in this report. The unit prices were developed for each division, namely, Halifax, Dartmouth, and Bedford.

Allowances for omissions have been included where applicable and are shown on the detailed inventory sheets at the end of each group.

It was difficult to determine the exact status of three jobs which were under construction on December 31, 1938, namely, 'Requisition 317, 69,000-Volt Transmission line to Dartmouth', 'Requisition 327, Lux Fire Protection System, Lower Water Street Station', and 'Requisition

"335, 69000/13000 Volt Substation at Tuft's Cove'. The property and equipment installed and charged to these requisitions is not included in the inventory, and the amounts expended thereon up to December 31, 1938, as shown by the Company's books, are included in the valuation under the item 'Unfinished Construction.'

In addition to the property included in or covered by this report, the Company owns and operates a tramway system and gas generation and distribution facilities in the City of Halifax. Its utility business with the public may be classified into four departments, namely, 'Electric', 'Tramway', 'Gas', and 'Steam Heating.' Some of the property and facilities of the Company are used by more than one department. This caused some difficulty in determining what property and facilities, and in some cases what portion or portions of items of property were used by each department, and to what extent.

It was not found practical to separate the 'Electric' and 'Steam Heating' departments. Their operations are so inter-related and inter-dependent that it was concluded they must be considered together. Steam heating might almost be treated as a by-product of the electric generation station. The only items of property that are wholly used for steam heating purposes are some of the steam and return lines, condensate return units and steam meters and devices. These items are marked 'Steam Heat Only', but are included in this report at their full value. All other items of property used for steam heating such as 'Boiler Plant' etc., are used also for electric power generation. For convenience they have been marked 'Joint Use Light and Power and Steam Heat', and as before, one hundred percent of their value for these purposes has been included in this report.

Likewise it was not found practical to separate or determine the respective amounts of use of certain buildings or items of equipment such as the generating station and switching and transformer buildings, transformers, motor-generator sets and switching equipment, etc., as between the 'Electric' and 'Tramway' departments. It is submitted that they must be considered as belonging to the 'Electric' department. Again for convenience, they have been marked 'Tram Service Only' or 'Joint Use Light and Power and Tram', as the case may be, but one hundred percent of their value has been included in this report.

In the case of all other items of property used for more than one department, the amounts considered appropriate to allocate to each department were based on the relative use made thereof and they are indicated as percentages. These percentages are marked on the detailed inventory sheets at the end of each group, where applicable. They are also shown in the 'Intermediate Summary by Locations'.

In decisions handed down by your Honourable Board the fair value of the physical assets and the value of the undertaking as a going concern was found for the Nova Scotia Tramways and Power Company, Limited, as of October 1, 1921, for the Dartmouth Gas, Electric Light, Heating and Power Company, Limited, as of December 31, 1921, and for the Sackville River Electric Company, Limited, as of December 31, 1927. In each case it is stated that reasonable and proper allowances for 'Organization' and 'Going Value' are included in the values found.

"As previously set out in this report under corporate history, the name of the present company was changed in 1928 from Nova Scotia Tramways and Power Company, Limited, to Nova Scotia Light and Power Company, Limited, and in 1935 it acquired by purchase the property and assets of the Dartmouth Gas, Electric Light, Heating and Power Company, Limited, and of the Sackville River Electric Company, Limited.

In the absence of anything to indicate that there should be any additions made to the allowances for 'Organization' and 'Going Value' due to expenditures made or events which have occurred since the decisions above referred to, it is submitted that the allowances made therein are appropriate to include at this time. Consequently, the items 'Organization' and 'Going Value' have been included in the 'Summaries by Accounts' and space provided in which to insert the amounts.

In the 'Summary by Accounts All Divisions' is shown the 'Original Cost' and 'Depreciated Cost' of the whole property of the Electric and Steam Heating Departments under each account, including the undistributed general overheads, 'Miscellaneous Construction Expenses', (including Engineering and Superintendence, Law Expenditures, Taxes, Interest and General Expenses), 'Unfinished Construction', an allowance for 'Working Capital' and space for allowances for 'Organization' and 'Going Value'.

There is a corresponding 'Summary by Accounts' for each of the three divisions, namely, Halifax, Dartmouth and Bedford.

In the company's books there are debits to sub-account 216, 'Government Regulatory Expenses', amounting to \$2,188.01, for the Dartmouth division, and \$52,143.84 for the Halifax division. These amounts represent costs of appraisal proceedings. No authority has been found for capitalizing these items and therefore, they have not been included in the summaries in this report. They are set out, however, for reference on page 531."

Dealing first with "Land". The only question raised with regard to land was with the valuation of the land and improvements of a piece of property, purchased from the Dominion Coal Company in 1929, and marked on the plan, Exhibit C/K, as 'Dominion Coal Company'. In 1929, the Company paid \$35,000.00 for this property and \$328.50 for the costs of acquisition. In the pricing as set out in C/J the land was valued at \$18,000.00, and the buildings or improvements at \$17,000.00, this being the division according to the City assessment made in 1929. The cost of acquisition, \$328.50, was, according to the evidence of Mr. Kaye, provided for under indirect costs.

According to the evidence of Mr. Hayes, this property was purchased for the purpose of extending the business of the Company, and was bought because of the use to be made of the land and not because of the buildings. The original requisition authorizing the purchase for \$35,000.00 approved by the Directors of the Company divided this into two sums, \$30,000.00 for land and \$5,000.00 for

buildings. Since the time of the purchase, the buildings have been rented. The Board has decided that the Company's claim is justified and the land will be included at \$30,000.00. The buildings, however, are found to be in the same category as the house at No. 10 Morris Street and will be excluded from the valuation.

No objection was taken to the pricing of the remaining items of property as shown by C/J on the basis of Original Cost.

#### ORIGINAL COST

At this point it is appropriate to discuss the basis upon which the valuation in C/J was made, namely, Original Cost. This was done by the Valuers under Order of the Board, dated March 30, 1938. At the Hearing, Mr. Bethune objected to the reception of evidence on reproduction cost. Mr. Stewart replied: "I should have thought the Commission, and my learned friend, both would welcome any evidence which tends to throw light on the value of this property." Mr. Bethune's objection was noted and the Board received the evidence submitted on reproduction cost.

Mr. Stewart, in subsequent argument, strenuously contended that "the physical property should be assigned a value based on reconstruction cost, less depreciation", citing in support *Edinburgh Street Tramways Co. vs. Lord Provost of Edinburgh* (1894 Appeal Cases, 456); *London County Council vs. London Street Tramways* (1894 Appeal Cases 489); *National Telephone Company vs. Postmaster General* (29 T. L. R. 190); *International Railway Co. vs. Niagara Parks Commission* (All English Reports 1937, Vol. 3, p. 181); and in *Ex Parte Moncton* (1927, 3 D. L. R. 1112).

This contention was previously advanced by Mr. Stewart in another proceeding before the Board, and it is sufficient here to repeat what was said by the Board in its decision (page 32 of the Board's Report 1940, In the Matter of Western Nova Scotia Electric Company, Limited):-

"Coming now to the question of value, Mr. Stewart contends that the valuation should be made on the basis of reproduction cost alone, submitting that:-



"citing in support of this contention--(a) Edinburgh Street Tramways Co. vs. Lord Provost (1894) A.C. 456; (b) In re London County Council and London Street Railway (1894) 2 Q.B. 189, (1894) A.C. 489; (c) Melbourne Tramway and Omnibus Co. vs. Tramway Board (1919) L.J.P.C. 102; (d) International Railway Co. vs. Niagara Parks Commission (1937) 3 D.L.R. 305.

The Board has given careful consideration to the authorities cited--in none of which the valuation sought was for rate-making purposes--and the Board is far from satisfied that they support the contention that reproduction cost is the only proper basis of value in a proceeding such as the present; on the contrary a review of the authorities would indicate that the Courts have laid down no set formula or rule which is along applicable to the present proceeding and the Board can see no sufficient reason to justify it is departing from previous practice in arriving at the value of the assets concerned from a consideration of all evidential information, using every aid open to it to assist it is arriving at a fair conclusion."

A somewhat lengthy discussion of the original cost basis versus the reproduction cost basis will be found in a decision of the Board at page 84 of the Board's Report for 1940. In the Matter of the Edison Electric Light and Power Company, Limited. It is sufficient here to quote the following:-

The Board said (page 89) -

"It is essential to efficient regulation that long delay in the fixing of rates should be avoided, and that information by which proper rates may be determined should be readily available. A valuation, especially of a large utility, is a long and expensive process, the cost of which falls upon the consumer, and repeated valuations create undue delays, and place the burden of repeated costs upon the consumer without any resulting advantage. A valuation having once been made and a continuous and perpetual inventory kept thereafter, regulation is placed on a scientific basis, long delays are avoided, the expense of repeated valuations is removed, and the result is equitable to both the utility and the consumer. This, in the judgment of the Board, is secured by making the valuation on the basis of original (or historical) cost so-called.

The original cost having been found, additions to capital would be added according to the moneys actually invested from time to time, while retirements would be subtracted in the same way, retirements being made at the cost when installed, less salvage. Thus, with the records properly kept, it would be readily possible at any given time to find the value and so determine a proper rate with a minimum of delay and expense.

This would be fair to the utility, which receives in the rates the return allowed on its actual investment, while as the service life of the property is used up, the capital is restored to the utility through the depreciation paid by the consumer. The utility therefore, receives the return on the investment, while the integrity of the investment itself is secured, its actual cost being returned to the utility when its service life is dissipated. It would be fair to the consumer, who pays the rate on the moneys actually

"pays back the original cost (actual investment) of the property as it is used up.

The records of the utility would reflect the changes which take place from time to time in the price levels. When costs are high, additions would be made at the actual costs incurred, and so also when costs are low.

In brief, on the basis of original cost, the return is allowed the investor upon the dollars which have been invested by him and used in the conduct of the utility, and at the same time there is allowed, as an operating expense, an amount for annual depreciation, which returns the investment as the service life of the property is used up. A rate base so determined on an original cost basis is manifestly equitable to the investor, since it guarantees a return on the investment and guarantees the investment itself, and thus secures the integrity of the capital honestly and prudently invested.

It places regulation on a scientific basis, valuation being grounded on actual facts, saves the useless expenditure of money to the burden of the consumer, reduces delay to a minimum, and enables the rate-making body to determine a stable and equitable rate fair to all parties concerned."

Again at page 91 in the same proceeding:-

"Turning now to the consideration of a valuation made on the basis of reproduction cost. It is found by estimating what it would cost to reproduce a property at current price levels, and this theoretically reproduced property is then depreciated to try to bring it back to the age and condition of the property it theoretically replaced, a procedure which is highly speculative. It is further complicated by the fact that in certain cases a plant may be far from modern and wise business judgment would not suggest the reproduction of the existing plant but the construction of a more modern and efficient one. Reproduction cost is based on hypotheses, and it often happens that estimates of experts differ widely and in the nature of the case, these estimates can never be checked by the actual factual cost of property reproduced. These difficulties are avoided by following the original cost method.

Again--valuation on a reproduction cost basis is without finality, varying with every change in the price level. Fluctuations may be abrupt and extreme as has happened repeatedly in recent years. In the case of a large utility, which it may take years to value, the value having been determined on reproduction cost may already have been obsolete at the time of its determination by reason of subsequent changes in the price levels.

If the reproduction cost is found at a time when price levels are high, injury results to the consumer who must pay the rates on a valuation which may greatly exceed the investment, the consumer in this case paying a return on moneys which were never actually invested in the utility. The consumer has no redress except by petitioning for another valuation, the cost of which he must bear, while at the same time continuing to pay the excessive return during the period required for the making of a successive valuation. On the other hand, if a valuation on reproduction cost were made when price levels are below normal, the result is unfair to the utility which in that event might find itself with a valuation below its investment

"in the enterprise.

These difficulties disappear when value is determined on the basis of original cost. It removes the necessity of repeated valuations, allows of records being so kept that the value can be readily determined (and rates fixed without undue delay), provides a stable non-fluctuating rate base fair to utility and consumer alike, and places the determination of value on a basis of actual facts determinable from the evidence."

Further in an Application of Nova Scotia Light and Power Company, Limited, for an Order approving an amendment to the Schedule of rates, tolls and charges, in the year 1937, out of which the present proceeding arose, at page 66 of the evidence of J. B. Hayes, the witness said:-

"Q. The valuation made in 1921 was not made on an original cost basis?

A. It was made on three bases. The valuation was made--one on historical cost, two reproduction cost, and three--on a plateau of prices over a twelve year period, and all adjusted for condition value.

Q. The Board, at that time, considered all these methods?

A. Yes.

Q. Then they brought down the valuation?

A. Yes.

Q. You cannot tell how much was the original cost?

A. No.

Q. How long do you consider that system of arriving at a rate base should go on--adding to the original valuation?

A. If the figures are honestly and accurately kept as to plant increases and decreases, I do not know that there is any limit of time at which you cannot get an accurate picture of the plant value for ratemaking purposes. As a matter of fact, the longer it goes on, the more accurate it becomes as after an interval most of the plant included in the original valuation will have been retired and then you have a clear cut case exactly in accordance with the facts.

Q. That will be based on original cost, less depreciation?

A. Yes. Historical cost is perhaps the better word."

This clearly indicates that with a valuation for rate-making purposes based on original (or as the witness prefers, "historical") cost, less depreciation "you have a clear cut case exactly in accordance with the facts." With this the Board agrees.

After carefully reviewing the evidence and arguments

presented, inasmuch as the purpose of this valuation is to arrive at a rate base for the fixing of rates to the electrical consumers, the Board sees no good reason to reach any different conclusion and the present valuation will be made on the basis of original cost.

As a matter of general public interest it may here be noted that, while the present inquiry was proceeding, the Legislature by Section 29 (2) Chapter 2, Acts 1943, has expressly settled this question for valuations in future, Section 29 (2) reading:-

"The Board shall determine the value of such property and assets on the basis of the prudent original cost thereof, deducting therefrom the amount of the accrued depreciation of such property and assets, as determined by the Board."

#### IV. DEPRECIATION

Accepting the inventory as given in C/J, Mr. Carhart prepared and filed various calculations, using different suggested methods of determining depreciation and applying them (1) to the inventory and original cost pricing as given in C/J (with slight modifications), and (2) to the inventory as given in C/J with pricing on a reproduction cost basis. As the Board has decided that the valuation will be made on the basis of original cost, it becomes unnecessary to discuss the calculations based on reproduction cost.

#### Elements Included

The matter of Depreciation was discussed at great length. At the outset it becomes necessary to say something regarding what elements should be included in the determination of depreciation. Of this Mr. Kaye at page 76 said:-

"A. I would say that depreciation is the exhaustion of service life or capacity not restored by current maintenance, caused by the various forces acting to terminate or limit that service life or capacity, amongst which are physical wear-and-tear, decay or corrosion or deterioration caused by action of the elements, inadequacy, obsolescence, the demands of public authority.

Q. Anything else?

A. I would include in there contingencies for accidents that might arise.

Q. Whether they have arrived at the time of your study?

- "A. I am not speaking of the study. I am giving a definition.
- Q. Whether the accident has occurred or not--the possibility of an accident you include?
- A. I include the net result or effect of all these elements in limiting or terminating the exhaustion of service life.
- Q. I am directing your attention to contingencies merely as one of a number of elements that you consider. On what basis do you include contingencies? For what reason?
- A. For the reason that these elements are known to be those that do terminate or fix the service life that is obtained from various items of property."

With this Mr. Carhart was in agreement, saying at page 190:-

"Depreciation may be defined as 'the loss in service value not restored by current maintenance incurred in connection with the consumption or prospective retirement of electric plant in the cause of service from causes which are known to be in current operation and against which the utility is not protected by insurance.'

This definition is the one given by the Federal Power Commission of the United States, and I believe it is generally recognized by those dealing with the subject of depreciation as sound in principle. The term 'service value' is defined as 'the difference between original cost and net salvage value' and the annual depreciation is a charge which must be made to operating expenses and credited to accrued depreciation."

On the other hand, Mr. Stairs gave it as his opinion that depreciation should be divided into two classes, that resulting from deterioration of all kinds, and that resulting from casualty. It was his contention that depreciation arising from casualty should not be included in making a valuation, his argument being that such depreciation had not occurred at the time the valuation was made. He maintained, however, that the consumer should provide the moneys to pay for the loss of property caused by depreciation resulting from casualty, as well as all other depreciation.

In the opinion of the Board this would provide for a retirement reserve and not for a depreciation reserve as required under the provisions of the Act.

Clearly the two expert witnesses for the Company were in disagreement regarding what elements should be included in the determination of depreciation, Mr. Carhart agreeing with Mr. Kaye

and Mr. Stairs differing with Mr. Carhart.

It is not necessary to pursue all the ramifications of the argument, suffice to say, that, after considering the matter from all angles, the Board is not persuaded that any good and sufficient reason has been advanced to warrant a departure from previous practice and from the widely accepted method of determining depreciation as including the loss in service value not restored by current maintenance in connection with the consumption or prospective retirement of plant in the course of service from all causes which are known to be in current operation and against which the utility is not protected by insurance, including the element of contingency or casualty, as followed by Mr. Kaye and Mr. Carhart.

Straight Line Method

Under instruction from the Board, the Straight Line Method, so-called, was followed by the Valuers in determining Depreciation. The evidence of Mr. Kaye is found at page 72 et seq. The method followed, and the average age, lives and allowances for salvage which were used for the various classes of property, are all set out at page I to LXIII of Exhibit C/J.

The total accrued Depreciation arrived at by the Valuers for all divisions (pp. LXVII, LXVIII, LXIX, LXX of C/J) was \$1,356,933.00, divided as follows:-

	<u>Total Original Cost</u>	<u>Total Depreciated Cost</u>	<u>Accrued Depreciation</u>
<u>Halifax Division</u>	\$2,838,058.00	\$1,645,400.00	\$1,192,658.00
<u>Dartmouth Division</u>	364,499.00	232,333.00	132,166.00
<u>Bedford Division</u>	149,537.00	117,428.00	32,109.00
<u>Total Physical Property All Divisions</u>	<u>\$3,352,094.00</u>	<u>\$1,995,161.00</u>	<u>\$1,356,933.00</u>

The theories and practice respecting depreciation, both annual and accrued, were discussed at some length by Mr. Kaye under cross-examination. The main point brought out in the discussion was that the Valuers employed the commonly used "Age Life Concept" which may be stated thus:-

$$\left( \frac{\text{Average Age}}{\text{Estimated Average Life}} \right) \times (\text{Cost less Salvage})$$

In calculating depreciation, Mr. Kaye agreed that it was

desirable to use mortality dispersion if the records establishing mortality dispersion were available, but in the present valuation the only classes of property on which mortality dispersion could be reasonably determined were meters and transformers.

The principal evidence with regard to mortality dispersion is found at page 92 et seq. (Mr. Kaye under cross-examination by Mr. Stewart):-

"Q. Is it not true that you failed to recognize mortality dispersion?

A. We could not find the data sufficient to get at a proper picture.

Q. What is sufficient in your opinion on which to base it?

A. We want records covering a long enough period on a large percentage of the property, so that we could cover these probability curves.

Q. What is a long enough period?

A. That would depend on the item under consideration and the expected life of it.

Q. Take transformers?

A. That would depend on how the transformers came into the system.

Q. How long a history of the age would you require?

A. To get reliable records, you want a record which would go back to the average life and considerably beyond. To get an accurate calculation, one must have quite considerable experience as far as time is concerned.

Q. I am putting it to you as a professional engineer and an expert in these matters, in the use of mortality dispersion and in the preparation of mortality curves or survivorship curves, is it necessary to have anything the record like average life?

A. I think if you want to get the true record of the performance in that particular property. There are various methods used to approximate that, but their result is not the same as you would get if you had the actual experience."

Further at page 169, when speaking on the accrued depreciation on Wire:-

"Q. If, therefore, 70% of that wire was still in service when you made that report, would that not indicate to you that the 21 years is too short?

A. That may be an indication in that direction I would say.

Q. You would not go so far as to say it would be?

A. Yes. I would not go so far as to say to what degree though.

"Q. That depends on mortality record?

A. It depends on subsequent retirements."

And again on page 169, re-examined by Mr. Lovett:-

"Q. With reference to previous condition of the poles how did you arrive at your average age?

A. By making an assumption that the poles in the system as of the date December 31, 1938, were the last installed poles; that is to say, if there were 4000 poles counted in the Inventory, by going back from December 31/38 and adding or accumulating the poles installed backwards through the years until arriving at, if possible from the records, a total equal to the number counted in the system by classes. I illustrate this in round numbers.

Q. The age determined in this way represented or equalled the real average age of the poles in service on December 31/38?

A. No, recognizing the fact that the life of all poles is not the same, that some go out before average life and others go after, they must of necessity find a result by this method which gives an average age less than the true average age would be if it were possible to take each individual pole and find its actual age and from that work out a weighted average. This would result when applied to the formula to a lesser figure than if the true average were used.

Q. And sufficient records could be kept by a company (I am not saying should be) but could be kept by a company to give this data with reference to the poles from which the exact age could be got?

A. Yes.

Q. Did you find any such records in this Company that would give you the information that would enable you to do that?

A. I didn't find complete records for these classes of property which would be conclusive evidence for the experience in the past.

Q. To what other items, if any, would this same thing apply? That is, the matter of not having the true age?

A. It would apply to all the items in the system except meters and transformers; as in the case of them we have shown the *true* average ages, and were enabled to do so on account of the serial numbers which they bear, and also on account of the fact that the company does have a card record for those two classes of equipment."

It was the contention of the Company that the principle used by Mr. Kaye in determining depreciation was not a proper one and that too high an accrued depreciation results from the use of his method.

An appraisal was prepared and filed (Exhibit C/5) by Mr. Carhart, based on the original cost of the physical property,



as determined by Mr. Kaye, and the straight line method of depreciation, but using the principle of calculating straight line depreciation as set out by him (Carhart). By this method Mr. Carhart found the accrued depreciation to be \$1,023,260.00 as against \$1,356,933.00 as found by the Valuers. The difference between these two amounts arises from the fact, that, instead of using the average age of the various groups of property in the formula, Mr. Carhart, in his application, used the remaining life as determined from survivorship curves, together with a somewhat greater allowance for salvage on certain items than was allowed by the Valuers.

Regarding methods of computing depreciation, Mr. Carhart said (page 192):-

"In utilizing the basic facts of plant costs, salvage, life, age and mortality characteristics, there are fundamentally two approaches which may be employed: (1) the accumulation of annual charges over the life of the property without considering interest on those accumulations, and (2) the accumulation of annual charges over the life of the property with interest on those accumulations during this period. The first of these is represented by what is commonly known as the Straight Line Method. The second includes three depreciation methods in common use which recognize the interest factor. Methods of calculating depreciation using an interest rate are (1) the Sinking Fund method, (2) Compound Interest method, and (3) the Present Worth method."

Mr. Carhart outlined these methods in detail but finally gave it as his opinion that the two most practicable methods to consider were the Straight Line method calculated on the remaining life basis and giving effect to mortality dispersion, and the Present Worth method, which also makes use of mortality dispersion and is made up by annual annuities which, together with the interest thereon, is charged to operating expenses. The Present Worth method is based on the actuarial principles used in life insurance, and, of course, similarly depends on the possession of reasonably accurate mortality records from which to determine remaining life. Mr. Carhart admits (pages 270-271) that he does not know of any instance where this method (Present Worth) of arriving at accrued depreciation has been used in a valuation proceeding. He has knowledge of some instances where it was used for determining the annual accrual.

There is doubtless sound reasoning behind the method as applied to life insurance. The Board, however, is not convinced that

it is equally applicable to composite properties such as are found in public utility operations. Moreover, the evidence shows, that during the service life the consumer will pay more than is necessary to recoup the investment when the Present Worth method is followed. (See page 279 et seq.) The result is also dependent on the rate of interest calculated on the reserve. In the Exhibit as shown (C/8) the rate of return used was six percent. The higher the rate of interest, the lower the amount of accrued depreciation, and the lower the rate of interest, the higher the amount of accrued depreciation. (page 285 et seq.)

After due consideration the Board has come to the conclusion that:-

- (1) The method used by the Valuers in calculating the depreciation, namely, the average age over estimated life multiplied by cost, minus salvage value, is that which will be adopted.
- (2) Some of the estimated lives used in the instant valuation are shorter than are justified by the evidence.
- (3) In some cases a greater salvage value should be allowed.
- (4) Records should be so kept that the actual lives of the various groups of property in use in the Company's service may be determined.
- (5) The Company shall submit to the Board at regular five year intervals the information gained from the records, and the rate of depreciation adjusted at five year intervals.

With reference to the change in lives and salvage value, referred to in conclusions 2 and 3 above, these may be set out as follows:-

1. TRANSFORMERS. The Valuers fixed the life of sub-station transformers at forty years and that of Line Transformers at thirty years. They did not allow any salvage value on either class. Mr. Carhart divided sub-station transformers into those with a capacity of 200 KVA and over, on which he fixed a life of fifty years; and those with a capacity of under 200 KVA on which he fixed the life at forty years. He divided line transformers as between those manufactured later than 1911, for which he fixed a life of thirty-three years, and those manufactured prior to 1911, to which he gave a life of twenty-five years. The reason for the division in dates was because of a decided improvement in the materials used in transformer manufacture

after 1911. Mr. Carhart placed the salvage value of sub-station transformers at 5% and line transformers at 8%. Mr. Farnham dealt specifically with transformers under 200 KVA and gave it as his opinion that such transformers have a life of from forty-five to fifty years and have a very material salvage value. After carefully reviewing the evidence, the Board has decided that the life of sub-station transformers will be fixed at fifty years and line transformers at forty years, with salvage value at 15% for both classes.

2. CUSTOMERS' METERS. The Valuator placed the life of Customers' Meters at thirty years with a salvage value of 10%. Mr. Carhart gave a life of thirty-eight years to meters manufactured in 1914 and later, and thirty-two years to those manufactured prior to 1914, the reason for the division in period being that material improvements were made in the manufacture of meters at that time. He also placed the salvage value at 10%. Mr. Doolan gave it as his opinion that with the exception of meters which were absolutely destroyed as by fire or other casualty, the life of modern meters was almost indefinite because parts for repairs are readily available and any part can be replaced and the meter re-tested by Government Inspectors, and it is then as good as ever. This is no doubt true, but it is questionable whether it is sound economic practice. The great majority of meters cost about \$10.00 and it is quite possible that the cost of removing, re-setting, repairing and testing, may amount to a considerable proportion of the total original cost. If this idea of indefinite life were adopted, it would seem that the proper way of treating meters would be to charge them to fixed capital originally and thereafter maintain and replace them entirely through operating expenses and not provide for depreciation. However, the Board is not convinced that this is a proper course to follow and it has been decided that the life of customers' meters will be fixed at 35 years, the salvage value to remain as fixed by the Valuator and agreed to by Mr. Carhart.

3. POLES. There was a great deal of evidence given relative to the life of poles. After carefully considering all the facts, the Board has decided that the life of Western cedar poles, untreated, should be increased to twenty-five years as against the twenty years

life given by the Valuator--the life of all other classes of poles to remain as fixed in C/J.

4. COPPER WIRE. After reviewing the evidence of Copper Wire, the Board has come to the conclusion that the life of bare copper wire should be increased from thirty-three to fifty years and, all primary weatherproof wire from twenty-one to fifty years, the salvage value remaining as fixed by the Valuator. Samples of wire of both these classes, which had been in service up to nearly thirty years, were produced, and showed no apparent signs of deterioration, and the Board is satisfied that the life as herein given is not unreasonable.

#### Turbo Generator Unit

In Mr. Stewart's brief, reference was made to the value of the 3,000 kilowatt turbine as set out in C/J. This turbine was originally installed in 1917 and at the time of the valuation, December 31, 1938, was used as a standby. The evidence shows that in 1937 the rotor of this unit developed a crack in one of the circular rings that held the turbine blades. As a result, a new rotor of improved design was purchased and installed. In 1938 a fire occurred which so seriously damaged the generator end of the unit that it became necessary to completely rewind it. The cost of these repairs, which included some minor improvements and betterments, was \$39,797.00. When the work was done, the total amount, except for betterment to the generator and which was charged to capital, was charged to depreciation reserve.

The Valuator found the original cost of this unit to be, in round figures, \$71,000.00. On the basis that this was used as a standby and that the life of the unit had been extended by reason of the repairs, its life was fixed at forty years, whereas, normally, such a unit would have been given a life of thirty years. This resulted in a depreciated value as of December 31, 1938, of \$33,693.00

Mr. Stewart contends that this is in error and that properly the amounts spent in 1937 and 1938 should be deducted from the depreciation as found in C/J. Supporting this, Mr. Hayes gave evidence that from an operating point of view, as of December 31, 1938

the machine was in excellent operating condition; that, further, it had produced more power in 1942 in one month than it had ever produced in any one month in its history; and that its operating efficiency was about as good as it had ever been. The fact remains that, at the time of the valuation, the machine was a standby and would have continued to be such had it not been for the conditions brought about by the war.

The evidence further shows that a new 10,000 kilowatt steam turbine plant is now being installed by the Company. When this new machine is installed, or should the war terminate before the new unit is completed, it can reasonably be expected that the 3,000 unit will again be used as a standby. Insofar as the repairs are concerned Mr. Lovett, in his brief, pointed out that when the repairs were made there was approximately \$36,000.00 retired and \$39,000.00 added in restoring the machine to operating use by adding the new rotor and rewinding the generator. This would make the undepreciated value of the second-hand unit, with some minor betterments, \$3,000.00 greater than the original cost, although two-thirds of the normal life of the frame of the machine (including the fixed blading, foundations, condenser and all auxiliary pumps and equipment) had been exhausted.

The Board, having carefully considered all the facts, has come to the conclusion that the valuation of this unit as of December 31, 1938, as set out in C/J, is reasonable and this will be approved. If, subsequent to December 31, 1938, it can be shown that, through changed conditions any unfairness has been created by this finding, the Board will, at any time, hear a further application from the Company with regard thereto.

#### Organization

The Valuers, in the absence of available data, did not set out any amount for Organization expense in Exhibit C/J. This lack of data was corroborated by Mr. Carhart, who said at page 388:-

"While I have made no investigation myself, I have made inquiry of the Company's staff and it is my understanding that there is no reliable data in the Company's records to determine what the actual organization expenses were in the creation of this enterprise."

The Valuers, at page XLVIII of C/J said:-

"In decisions handed down by your Honourable Board the fair value of the physical assets and the value of the undertaking as a going concern was found for the Nova Scotia Tramways and Power Company, Limited, as of October 1, 1921, for the Dartmouth Gas, Electric Light, Heating and Power Company, Limited, as of December 31, 1921, and for the Sackville River Electric Company, Limited, as of December 31, 1927. In each case it is stated that reasonable and proper allowances for 'Organization' and 'Going Value' are included in the values found.

As previously set out in this report under corporate history, the name of the present company was changed in 1928 from Nova Scotia Tramways and Power Company, Limited, to Nova Scotia Light and Power Company, Limited, and in 1935 it acquired by purchase the property and assets of the Dartmouth Gas, Electric Light, Heating and Power Company, Limited, and of the Sackville River Electric Company, Limited.

In the absence of anything to indicate that there should be any additions made to the allowances for 'Organization' and 'Going Value' due to expenditures made or events which have occurred since the decisions above referred to, it is submitted that the allowances made therein are appropriate to include at this time. Consequently, the items 'Organization' and 'Going Value' have been included in the 'Summaries by Accounts' and space provided in which to insert the amounts."

The only evidence submitted by the Company with reference to Organization expense was that of Mr. Carhart, who after saying no reliable data was available in the Company's records at page 388 stated:-

"It has therefore been necessary for me to resort to estimate of these costs based on analysis and estimates I have made on other projects. I have had opportunity in connection with some of the larger public Utility properties in the States to make studies of organization expense and based upon these studies and my general experience, it is my opinion that the organization costs of the property here under consideration would amount to at least 2% of the cost of the physical property. I have made my computation of organization expense on this basis and have included an allowance for interest on organization expense computed at the same average interest rate as used by Mr. Kaye in his determination of interest during construction on the physical property in his Original Cost study."

Following the above method, Mr. Carhart found an amount of \$70,059.00 calculated on the basis of Original Cost.

The Board cannot accept Mr. Carhart's reasoning as according to the principle followed by him the amount of Organization expense would vary with the value of the property. This is not in accord with fact, as a small company with modest Organization expense might grow into a large and substantial enterprise without adding a dollar to Organization expense. Moreover, it is in direct contradiction

to the Accounting Regulations of the Board, which are specific and include only amounts actually spent for Organization.

In the absence of direct evidence, the Board is, therefore, forced to fall back upon the records of previous hearings and from these to ascertain the allowances then made by the Board for Organization, which were included in the values found. The records, in the case of the Electrical and Steam Heating department in the City of Halifax, are by no means clear, but the Board, after examination of the documents and with the best exercise of its judgment, is of the opinion that the allowance for Organization was approximately \$45,000.00 and this sum will be allowed.

With regard to the Dartmouth Gas, Electric Light, Heating and Power Company, Limited (now part of the Dartmouth-Bedford Electric Area) the Board in its valuation as of December 31, 1921, did not set out the exact sum allowed by it for Organization expense. After examination of the records, the Board is of the opinion that such allowance was in the neighborhood of \$5,000.00 and this sum will be allowed.

With regard to the Sackville River Electric Company, Limited, the Board, in its decision dated October 6, 1928, fixing the valuation as of December 31, 1927, found an amount of \$1,264.00 for Organization expense, and this sum will be allowed.

V. INTANGIBLES

Going Value

Much evidence was given and argument submitted on this very contentious subject of Going Value. Mr. Kaye did not set out any amount for this item in C/J, but, after reference to decisions of the Board relative to Nova Scotia Tramways and Power Company, Limited; Dartmouth Gas, Electric Light, Heating and Power Company, Limited; and Sackville River Electric Company, Limited, stated at page XLVIII of C/J:-

"In each case it is stated that reasonable and proper allowances for 'Organization' and 'Going Value' are included in the values found..... In the absence of anything to indicate that there should be any additions made to the allowances for 'Organization' and 'Going Value' due to expenditures made or events which have occurred since the decisions above referred to, it is submitted that the allowances made therein are appropriate to include at this time.

"Consequently the items 'Organization' and 'Going Value' have been included in the 'Summaries by Accounts' and space provided in which to insert the amounts."

In the Matter of the Nova Scotia Tramways and Power Company, Limited (Board's Report 1923 at page 183), the Board said:-

"After the close study which has been given to the evidence including the exhibits presented at the hearing on this aspect of this valuation, the Board has decided that there is no case made out whereby the allowance for going value contained in the 1915 valuation of the property of the Halifax Electric Tramway Company, Limited, should be increased. It considers that going value should be confined to the early years of a utility when it is getting its organization tuned up, its initial difficulties swept aside and its customers secured."

and the Board in its decision set out the value of the physical assets by departments "including reasonable and proper allowances for organization and legal expenses and going value" but did not set out specifically the amount it had found for Going Value.

Mr. Stairs in his evidence (pp.420-427) arrived at a Going Value of \$309,828.00 for the Electrical and Steam Heating department, while Mr. Carhart, following an entirely different method arrived at a value of \$250,000.00 (pp. 389-399).

In view of the conclusion to which the Board has come with regard to this item, it becomes unnecessary to discuss the methods by which the above estimates of the two expert witnesses for the Company were arrived at, it being sufficient to say that in the opinion of the Board no evidence has been adduced to show that any actual expenditure has been made by the Company which would justify any increase in the amount approved by the Board in its decision dated November 21, 1923. The Board is satisfied that in the opinion of the Board at that date, such amount was justified and having been found, such amount, insofar as it can be determined, will be approved.

Here the Board meets with great difficulty inasmuch as the specific sum allowed for Going Value was not set out separately, but the Board, after examination of all the documents, is of the opinion that the allowance made for Going Value in the Board's decision dated November 21, 1923, was approximately \$167,000.00 applicable to the Electrical and Steam Heating department, Halifax Division, and this will be approved.



Coming now to the Dartmouth Gas, Electric Light, Heating and Power Company, Limited (now part of the Dartmouth-Bedford Electric Area) the facts are much the same as were found in regard to the Halifax Electrical and Steam Heating department, the Board in its valuation as of December 31, 1921, not having set out the exact sum allowed as Going Value. Again, after examination of the records, the Board is of the opinion that such allowance was in the neighborhood of \$25,000.00 and this sum will be allowed.

In the case of the Sackville River Electric Company, Limited, in its decision dated October 6, 1928 (1928 Report, page 159), the Board found the specific sum of \$8,000.00 for Going Value and this amount will be approved.

Cost of Valuations

Mr. Stewart in his brief stated:-

"On the Company's books there are already two items representing costs of valuations, namely, the Dartmouth Company \$2188.00 and the Nova Scotia Light and Power Company, \$52,144.00, or a total of \$54,332.00. The above amounts, therefore, together with the expenses of this hearing should be added to the valuation, not as value as such but because of the statutory directions as contained in Section 17."

The costs referred to must now be distributed as between departments of the Company as well as between divisions or electric areas. The Board, therefore, has decided that the costs of valuations will not be included at this time but when the application is made for an Order, fixing the cost of the present valuation, the proper division and the total amounts will be allocated.

Subject to the amounts to be determined as set forth in the preceding paragraph, the value of the electrical divisions of the Company, for the purpose of fixing rates, shall be the amounts set forth in the Schedules "A", "B" and "C" hereto annexed; and the total value of all the electrical divisions of the Company shall be as set forth in Schedule "D" hereto annexed.

An Order will issue accordingly.

DATED at Halifax, N. S. this 13th day of December, A. D.,

1943.

(Signed) J. A. Hanway  
(Signed) Ira P. Macnab  
(Signed) George Farquhar

VALUE ELECTRIC DEPARTMENT

HALIFAX DIVISION

As of December 31, 1938.

<u>ACCOUNT NUMBER</u>	<u>ACCOUNT</u>	<u>TOTAL ORIGINAL COST</u>	<u>TOTAL DEPRECIATED COST</u>
11	Power Generation Steam	\$ 858,841.	\$ 433,996.
14	Substations	399,085.	278,062.
15	Transmission	97,980.	67,391.
16	Distribution	954,220.	644,728.
17	General Property	<u>114,462.</u>	<u>69,046.</u>
	Sub Totals	\$2,424,588.	\$1,493,223
21	Miscellaneous Construction Expenses		
	Sub Acct. 211 Engineering & Superintendence	181,844.	111,992.
	Sub Acct. 212 Law Expenditures	12,123.	7,466.
	Sub Acct. 213 Taxes	12,123.	7,466.
	Sub Acct. 214 Interest	120,017.	73,915.
	Sub Acct. 217 General Expenses	36,369.	22,398.
	Unfinished Construction	<u>42,751.</u>	<u>42,751.</u>
	Sub Totals	2,829,815.	1,759,211.
	Working Capital	175,000.	175,000.
	Organization	45,000.	45,000.
	Going Value	167,000.	167,000.
	Cost of Valuations	<u>To be determined</u>	
	Totals	<u>\$3,216,815.</u>	<u>\$2,146,211</u>

VALUE DARTMOUTH SECTIONDARTMOUTH-BEDFORD DIVISIONAs of December 31, 1938.

<u>ACCOUNT NUMBER</u>	<u>ACCOUNT</u>	<u>TOTAL ORIGINAL COST</u>	<u>TOTAL DEPRECIATED COST</u>
14	Substations	\$ 55,458.	\$ 38,704.
15	Transmission	39,166.	29,961.
16	Distribution	202,610.	140,233.
17	General Property	<u>19,861.</u>	<u>14,428.</u>
	Sub Totals	\$317,095.	\$223,326.
21	Miscellaneous Construction Expenses		
	Sub Acct. 211 Engineering & Superintendence	23,782.	16,749.
	Sub Acct. 212 Law Expenditures	1,585.	1,117.
	Sub. Acct. 213, Taxes	1,585.	1,117.
	Sub Acct. 214 Interest	15,696.	11,055.
	Sub Acct. 217 General Expenses	<u>4,756.</u>	<u>3,350</u>
	Sub Totals	\$364,499.	\$256,714.
	Working Capital	20,000.	20,000.
	Organization	5,000.	5,000.
	Going Value	25,000.	25,000.
	Cost of Valuations		To be determined
	Totals	<u>\$414,499.</u>	<u>\$306,714.</u>

VALUE BEDFORD SECTIONDARTMOUTH-BEDFORD DIVISIONAs of December 31, 1938.

<u>ACCOUNT NUMBER</u>	<u>ACCOUNT</u>	<u>TOTAL ORIGINAL COST</u>	<u>TOTAL DEPRECIATED COST</u>
14	Substations	\$ 27,891.	\$ 24,739.
15	Transmission	14,719.	12,729.
16	Distribution	81,801.	65,102.
17	General Property	5,679.	4,662.
	Sub Totals	130,090.	107,232.
21	Miscellaneous Construction Expenses		
	Sub Acct. 211 Engineering & Superintendence	9,757.	8,042.
	Sub Acct. 212 Law Expenditures	650.	536.
	Sub Acct. 213 Taxes	650.	536.
	Sub Acct. 214 Interest	6,439.	5,308.
	Sub Acct. 217 General Expenses	1,951.	1,608.
	Sub Totals	149,537.	123,262.
	Working Capital	5,000.	5,000.
	Organization	1,264.	1,264.
	Going Value	8,000.	8,000.
	Cost of Valuations	To be determined	
	Totals	\$163,801.	\$137,526.

VALUE ELECTRIC DEPARTMENTSUMMARY ALL DIVISIONSAs of December 31, 1938

<u>ACCOUNT NUMBER</u>	<u>ACCOUNT</u>	<u>TOTAL ORIGINAL COST</u>	<u>TOTAL DEPRECIATED COST</u>
11	Power Generation Steam	\$ 858,841.	\$ 433,996.
14	Substations	482,434.	341,505.
15	Transmission	151,865.	110,081.
16	Distribution	1,258,631.	850,063.
17	General Property	<u>140,002.</u>	<u>88,136.</u>
	Sub Totals	2,871,773.	1,823,781.
21	Miscellaneous Construction Expenses		
	Sub Acct. 211 Engineering & Superintendence	215,383.	136,783.
	Sub Acct. 212 Law Expenditures	14,358.	9,119.
	Sub Acct. 213 Taxes	14,358.	9,119.
	Sub Acct. 214 Interest	142,152.	90,278.
	Sub Acct. 217 General Expenses	43,076.	27,356.
	Unfinished Construction	<u>42,751.</u>	<u>42,751.</u>
	Sub Totals	3,343,851.	2,139,187.
	Working Capital	200,000.	200,000.
	Organization	51,264.	51,264.
	Going Value	200,000.	200,000.
	Cost of Valuations		To be determined
	Totals	<u>\$3,795,115.</u>	<u>\$2,590,451.</u>

December 16, 1943.

This application of course will require a considerable amount of work and may require the employment of some technical assistance, but in view of the former proceedings in 1937 I believe the City should follow the matter through to a final conclusion. I will be pleased to do what I can in this matter.

It is important to note that the "compartment rule", requiring the electric, gas and tram departments to be considered as separate utilities for the purpose of rate making, was clearly and specifically applied in this case. This is in accordance with the provisions of the 1943 amendments to the Public Utility Act.

Another matter which was determined by the Board in this decision was the basis used in determining the value - namely "original cost" less depreciation calculated on the "straight-line-method" so called.

This decision and the statute of 1943 amending the Public Utilities Act have in my opinion done much to remove many doubts and uncertainties as to what standards should be applied in making valuations for the purpose of rate making and should also set at rest the differences of opinion as to the so-called "compartment-rule".

Yours very truly,

Carl P. Bethune,  
City Solicitor.

Moved by Alderman Adams, seconded by Alderman Batson that the report and resolution as submitted be approved. Motion passed.

FINANCIAL STATEMENT

December 14, 1943.

To His Worship the Mayor and  
Members of the City Council.

Gentlemen:-

At a meeting of the Finance and Executive Committee held on the above date a letter from the Commissioner of Finance regarding the publishing of an extract containing certain information relative to the financial position of the City in the Financial Post of Toronto and the Financial Times of Montreal was considered.

Your committee recommends that the extract be published as suggested by the Commissioner of Finance. Your Committee further recommends that the financial statement of the City for the Civic Year 1940-41 be published in the same form as previously.

Respectfully submitted,

W. P. Publicover, City Clerk.

December 16, 1943.

Moved by Alderman Adams, seconded by Alderman  
Batson that the report be approved. Motion passed.

ESTATE OF GEORGE MILES

December 14, 1943.

To His Worship the Mayor and  
Members of the City Council.

Gentlemen:-

At a meeting of the Finance and Executive Committee held on the above date the attached letter from the City Solicitor regarding the payment of a claim of the City amounting to \$52.54 against the Estate of George Miles was considered.

Your Committee recommends that the action taken by the City Solicitor in this case be ratified.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

November 12, 1943.

J. E. Lloyd, Esq.,  
Mayor and Chairman of the  
Finance and Executive Committee.

Dear Sirs:-

In December 1942 Mr. A. M. Butler forwarded to this office an account against the Est. of the late George Miles, formerly employed by the National Harbours Board, requesting that I take out Administration of this Estate so that the City could obtain its money from the National Harbours Board, who were holding cash to the account of this Estate amounting to about \$93.00.

Upon investigating this matter I discovered that this man was classed as an enemy alien and that it would be necessary to apply to the Custodian of Enemy Property for payment of our account.

Accordingly on October 28, 1943, I wrote to the Custodian of Enemy Property as follows:

"It would seem to me that some less cumbersome method could be arrived at for looking after this matter than applying to the Court of Probate for Administration and incurring the consequent expenses. The total amount of the assets of this man is \$93.00, and the claim of the City of Halifax is \$52.54, which includes his burial expenses of \$28.00.

You probably realize that by taking out Administration a person or Trust Company must be appointed and probably provide security and it is necessary to give public notice of the fact, all of which would constitute an expense to be borne by the very small Estate in this case.

December 16, 1943.

The result of taking out Administration will be that the assets of the estate (\$93.00) will be used up for Court fees and expenses and the City, the only apparent creditor, will receive nothing.

The City is willing to enter into an agreement to indemnify you or the National Harbours Board if any claim is ever made in respect of the money paid to the City.

Would you be good enough to give this matter your consideration and advise me so that we can have this matter disposed of."

Under date of November 3, 1943, I am advised by the office of the Custodian of Enemy Property as follows:

"I have your letter of October 28th and wish to advise that the Custodian has approved of the payment of the account of the City of Halifax in the amount of \$52.54. A cheque payable to the City of Halifax for this amount is enclosed.

This payment is made on the understanding that the City of Halifax is prepared to refund the amount to the Custodian if at any time he is called upon to release the total amount of \$93.30 received from the National Harbours Board. In view of the indemnity referred to in the second paragraph on page three of your letter, I trust this is agreeable to the City and the Custodian does not feel that any formal agreement need be entered into."

Would your Committee kindly ratify my action in extending this indemnity to the Custodian and the National Harbours Board against any claim made in respect of the money paid to the City. This was the simplest method of dealing with this matter, as any application to the Courts would have resulted in the estate being used up in fees and Court costs.

Yours very truly,

Carl P. Bethune,  
CITY SOLICITOR.

Moved by Alderman Adams, seconded by Alderman Batson that the report be approved. Motion passed.

SEWER RATES H. B. CLEVELAND

December 14, 1943.

To His Worship the Mayor and  
Members of the City Council.

Gentlemen:-



December 16, 1943.

At a meeting of the Finance and Executive Committee held on the above date a letter from the City Solicitor in connection with an account amounting to \$112.50 for sewer rates against Harriett V. Cleveland, Owen Street was considered.

An offer has been received without prejudice on behalf of Mr. Jordon Smith who now owns the lot, to pay the sum of \$112.50 without interest.

Your Committee recommends that this offer be accepted.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Moved by Alderman Adams, seconded by Alderman Batson that the report be approved. Motion passed.

CASHIER

December 14, 1943.

To His Worship the Mayor and  
Members of the City Council.

Gentlemen:-

At a meeting of the Finance and Executive Committee held on the above date a report from the Personnel Committee recommending that the provision in the Salary Scale for Female Cashier be abolished was considered and concurred in.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Moved by Alderman Adams, seconded by Alderman Batson that the report be approved. Motion passed.

PURCHASE OF TRACTOR

December 14, 1943.

To His Worship the Mayor and  
Members of the City Council.

Gentlemen:-

At a meeting of the Finance and Executive Committee held on the above date a report from the Committee on Works recommending the purchase of a tractor and plow at a cost of \$9,370.00 F. O. B. Halifax was considered and concurred in.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Moved by Alderman Batson, seconded by Alderman Adams that the report be approved. Motion passed.

December 16, 1943.

CLAIM FOR DAMAGES MISS H. KILLEEN

December 14, 1943.

To His Worship the Mayor and  
Members of the City Council.

Gentlemen:-

At a meeting of the Finance and Executive Committee held on the above date a report from the Committee on Works recommending the settlement of a claim of Miss Honour Killeen for damages to cellar at 85-99 Maitland Street for the sum of \$300.00 was considered and concurred in.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Moved by Alderman Adams, seconded by Alderman  
Batson that the report be approved. Motion passed.

EXCHANGE OF LAND

December 14, 1943.

To His Worship the Mayor and  
Members of the City Council.

Gentlemen:-

At a meeting of the Finance and Executive Committee held on the above date a report from the Committee on Works regarding the exchange of land between the City and the Eastern Trust Co., as agents for Sir Joseph Chisholm was considered and concurred in.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

December 6, 1943.

His Worship the Mayor.

Sir:-

Further negotiations with the Eastern Trust Company, agents for property owned by His Lordship Sir Joseph Chisholm, Armdale Road and Churchill Drive, have resulted in an exchange of land and the amount of \$350.00 to be paid to the Eastern Trust Company.

The area of land required by the City for Armdale Road and Churchill Drive is 4,852 Sq. Ft. The area required by the Eastern Trust Company to complete the frontage along the street, and which is not required by the City, is 1,006 sq. ft. The net area therefore required by the City is 3,846 sq. ft.

December 16, 1943.

Although the City does not, at this time, require the land for Armdale Road and Churchill Drive, it was the thought of the Eastern Trust Company that such an exchange could be made and the matter finalized.

Respectfully submitted,

R. M. MacKinnon,  
Commissioner of Works.

Moved by Alderman Adams, seconded by Alderman Batson that the report be approved. Motion passed.

LEASE OF LAND HIGHLAND PARK

December 14, 1943.

To His Worship the Mayor and  
Members of, the City Council.

Gentlemen:-

At a meeting of the Finance and Executive Committee held on the above date a report from the Committee on Works recommending that 4 additional lots in the Highland Park area be leased to the Department of National Defence was considered and concurred in.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

December 3, 1943.

His Worship the Mayor.

Sir:-

An application has been received from the Department of National Defence by letter dated December 2, 1943, requesting permission to lease an additional four lots for a period not exceeding the duration of the war and twelve months thereafter, on a basis of \$35.00 per annum.

This rate has been based on the rental paid by the Department for adjoining lots. Since these lots are not served by sewer and water facilities, I can see no objections to complying with the request.

I would recommend that permission be granted to lease these lots.

Respectfully submitted,

R. M. MacKinnon,  
Commissioner of Works.

Moved by Alderman Adams, seconded by Alderman Batson that the report be approved. Motion passed.

December 16, 1943.

PURCHASE OF WATER METERS

December 14, 1943.

To His Worship the Mayor and  
Members of the City Council.

Gentlemen:-

At a meeting of the Finance and Executive Committee held on the above date a report from the Committee on Works recommending that the sum of \$25,000.00 be appropriated for the purchase of additional water meters was considered and concurred in.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

December 14, 1943.

Chairman and Members of the  
Finance and Executive Committee.

Gentlemen:-

The Committee on Works at a meeting held on this date, considered the attached letter addressed to the City Clerk under date of December 13, 1943, by Mr. J. A. Hanway, K. C. Chairman of the Board of Commissioners of Public Utilities, concerning the City water survey, and advising that the Board has decided to request the City to appropriate the sum of \$25,000.00 for the purchase of additional meters.

On motion of Alderman Reardon, seconded by Alderman McDonald, the Committee recommended that the request indicated in the said letter, be granted.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Per T. J. Moore,

Moved by Alderman Adams, seconded by Alderman Batson that the report be approved.

The motion was put and passed unanimously with the following Aldermen being present and voting therefor:

FOR THE MOTION

Alderman Adams  
Ahern  
Batson  
Breen  
Burgess

December 16, 1943.

Alderman DeWolf  
Doyle  
Hosterman  
McDonald  
Walker

MUNICIPAL LAW OFFICERS CONVENTION

December 14, 1943.

To His Worship the Mayor and  
Members of the City Council.

Gentlemen:-

At a meeting of the Finance and Executive Committee held on the above date a letter was submitted from the City Solicitor regarding his attendance at the 2nd War Convention of the National Institute of Law Officers.

Your Committee recommends that the letter be filed.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

FILED

ACCOUNT V. G. HOSPITAL

December 14, 1943.

To His Worship the Mayor and  
Members of the City Council.

Gentlemen:-

At a meeting of the Finance and Executive Committee held on the above date a letter from Mr. Joseph J. Powell, Executor of the Estate of Sarah Allen in connection with an account of the City of Halifax amounting to \$40.00 for hospitalization at the V. G. Hospital was considered.

Mr. Powell points out that there is not enough money in the Estate to pay for all the services rendered and requests that the City reduce the account by 20%.

Your Committee recommends that the request be granted.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Moved by Alderman Adams, seconded by Alderman Batson that the report be approved. Motion passed.

December 16, 1943.

CITY OF HALIFAX VS CANHAM

December 9, 1943.

To His Worship the Mayor and  
Members of the City Council.

Gentlemen:-

At a meeting of the Safety Committee held on the above date a letter from the City Solicitor in connection with a claim of the City of Halifax against Thomas Canham for damages caused to the Fire Alarm Service Car amounting to \$58.20 as the result of an accident on June 17th, last, was considered.

Mr. Canham has offered to pay, without prejudice to his rights in the matter, the sum of \$31.00 in full settlement of the claim and your Committee recommends that the offer be accepted.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Moved by Alderman Adams, seconded by Alderman Batson that the report be approved. Motion passed.

TENDERS FOR PLUMBING

December 9, 1943.

To His Worship the Mayor and  
Members of the City Council.

Gentlemen:-

At a meeting of the Safety Committee held on the above date a tender from Mr. J. J. Downey offering to do certain plumbing work at the Bedford Row Fire Station in accordance with specifications prepared by the Plumbing Inspector for the sum of \$388.49 was considered.

Your Committee recommends that the tender be accepted.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Moved by Alderman Burgess, seconded by Alderman Ahern that the report be approved. Motion passed.

MOUNTED POLICE UNIT

December 16, 1943.

To His Worship the Mayor and  
Members of the City Council.

Gentlemen:-

December 16, 1943.

At a meeting of the Safety Committee held on the above date the matter of securing horses for the proposed Mounted Police Unit in the Police Department was considered.

Your Committee recommends that Dr. H. McFatridge be sent away and authorized to purchase on behalf of the City six horses and equipment.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Moved by Alderman Hosterman, seconded by Alderman Batson that the report be approved. Motion passed.

SALARY REGISTRAR OF VITAL STATISTICS

December 14, 1943.

To His Worship the Mayor and  
Members of the City Council.

Gentlemen:-

At a meeting of the Public Health and Welfare Committee held on the above date a report from the Personnel Committee regarding the salary of Mr. R. M. Grant was considered.

Your Committee concurs in the recommendation of the Personnel Committee viz: That Mr. Grant be classified as Statistician with a salary of \$1,500.00 to \$1,800.00 per annum as from December 1, 1943.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Moved by Alderman Burgess, seconded by Alderman Walker that the report be approved. Motion passed.

TENDERS FOR FISH

December 14, 1943.

To His Worship the Mayor and  
Members of the City Council.

Gentlemen:-

At a meeting of the Public Health and Welfare Committee held on the above date tenders for the supply of fish to civic institutions for a period of 6 months were considered as follows:

Burns Fisheries Limited	2,849.75
Boutilliers Limited	3,456.25

Your Committee recommends that the tender of

December 16, 1943.

Burns Fisheries Limited be accepted.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Moved by Alderman Burgess, seconded by Alderman Walker that the report be approved. Motion passed.

ACCOUNT FOR NURSES UNIFORMS

December 14, 1943.

To His Worship the Mayor and  
Members of the City Council.

Gentlemen:-

At a meeting of the Public Health and Welfare Committee held on the above date an account of T. Eaton Co., Maritime Limited amounting to \$206.25 for nurses uniforms was recommended for payment.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Moved by Alderman Burgess, seconded by Alderman Walker that the report be approved. Motion passed.

REPORT ADVISORY COMMITTEE ON N.W.ARM .

November 15, 1943.

To His Worship the Mayor and  
Members of the City Council.

Gentlemen:-

At a meeting of the Advisory Committee on the North West Arm on the above date matters pertaining to the correction of the pollution to the waters of the North West Arm were considered and it was unanimously agreed to make recommendations to the City Council as follows:

1. That as a Wartime measure the recommendations contained in reports of the Commissioner of Works and the Sanitary Engineer under dates of June 23, 1943 and October 8, 1943 respectively, be endorsed. That immediate steps be taken to improve the Chebucto Road sewer situation and the installation of settling tanks and as early as possible, when materials are available, that consideration be given to the extension of the main trunk sewer.



December 16, 1943.

2. That the proper authorities be requested to enforce regulations regarding the drainage of sewerage into the Arm and that steps be taken to advise citizens to provide incinerators for the purpose of burning garbage or see that same is removed to the City Dump.
3. That the City confer with Federal authorities to have regulations regarding the dumping of waste, etc., into the Arm enforced.
4. That the City confer with the Navy League of Canada and Federal authorities in an endeavour to arrange policing of the Arm and provision for a life saving station.
5. That the County residents along the Western shore of the Arm be urged to instal protective measures against further pollution of Arm waters and inspire co-operation by them in an endeavour to reduce the existing volume of contamination.
6. That every possible step be taken to acquire the MacLeod property on the Western side of the Arm and if necessary, that legislation be sought at the next session of the legislature, to enable the City to institute expropriation proceedings at as early a date as possible.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

June 23, 1943.

Chairman,  
N. W. Arm Contamination Committee,

Dear Sir:-

At a recent meeting of the Sub-Committee on North West Arm Contamination, I was asked to call for tenders for the extension of the sewer outlet at Chain Rock. This was done and no tenders were submitted. An estimate was made by one of the contractors however, who took out an application form. He placed the figure at \$20,000.00 exclusive of the cast iron pipe which was estimated to be in the vicinity of \$4,500.00. If the contractor had submitted this figure as a bid, I would not recommend it as I do not think the results would warrant such an expenditure although some improvements would result.

Letters were also written to the Engineer of eleven cities which have sewerage treatment plants, but as yet there has not been sufficient time for replies, this being a recent request by the Committee on Works. The treatment demanded by most of those cities, we will find, will be of a higher standard than that required here owing to the fact that the lakes and rivers into which their sewers empty are also the water supply for other cities.

December 16, 1943.

As you know, complete sewerage treatment plants consist of screening plants, sedimentation tanks, filtration beds, aeration sprays, disinfection treatments etc.

#### CHLORINATION

I would recommend that the effluent of the trunk sewer be disinfected by chlorination as the first step in improving existing conditions. Further studies must be made of Harbour pollution as well as sea waters at the Harbour mouth, and a standard set by the Health Authorities as to what degree of purification would be considered safe for bathing purposes. If, according to the "Huntsman" survey, the waters of the Harbour do not enter the North West Arm, there should be a great reduction in the "B" Coli Count by the chlorination of sewerage discharge at Chain Rock.

#### ESTIMATED COST

It has been calculated that the average flow through the sewer during dry seasons would not exceed 1.5 million gallons daily, and the treatment required would not exceed 15 pounds per million gallons. This would amount to 225 pounds per day which can be reduced if effluent shows a chlorine residual.

It would be advisable to purchase a 300 pound chlorinator at an estimated cost of \$2,800.00 to be housed in a small building somewhere within 15 minutes flowing time of the outlet and not less than 8 minutes flowing time. That would be in the vicinity of the McKen property on Franklyn Street where water would be obtained from Franklyn Street for the purpose of operating the chlorinator.

Estimated cost of building and water and Electric service - \$2,000.00.

The estimated time for the operation of the chlorinator would not exceed 6 months a year when the machine would be disconnected and removed for winter storage.

Amount of chlorine required per year—60,000 pounds at the most or \$6,000.00 or approximately \$5,000.00 for installation and \$6,000.00 per year maintenance expenditure. It is possible that the cost of chlorine would be reduced considerably by buying in carload lots with larger containers than at present used.

It must be remembered however, that a great amount of sewerage on the western side of the Arm and also from the Dutch Village Road and St. Margaret's Bay Road area finds its way into the Arm waters in addition to several clubs along the eastern shores.

The special features about chlorination are:

They are bound to get results; First cost is low; need not be operated over 6 months in the year; Chlorination, will have to be used for whatever type

December 16, 1943.

of purification is required; does not require much labor to install.

Yours very truly,

R. M. MacKinnon,  
Commissioner of Works.

REPORT ON  
NORTH WEST ARM POLLUTION.

A survey was made by W. P. Morrissey, N. Men- shions and myself to ascertain the sources of pollution entering the North West Arm from that section of its shores which are within the boundaries of the City of Halifax.

It was found that the pollution entering these waters from private residences abutting them was negligible. The number of dwellings actually drain- ing directly to the outlet was 3 and the number of boatclubs was 2.

The main sources of pollution were found to come from the overflow of the sewer on Chebuoto Rd. and the outlet of the intercepting sewer along the shore of the Arm.

The following are some recommendations which I feel will alleviate the City of Halifax of their responsibility for further cleaning of the waters of the North West Arm. I do not say that these recommendations will eliminate the pollution of the Arm waters because time has not permitted a survey of the Western side. Samples were however taken from Chocolate Lake and stream entering the Arm from Chocolate Lake. These samples showed in both cases 10 samples out of 10 to be polluted.

The recommendations mentioned above are as follows:

1. That a storm sewer be installed on Chebuoto Rd so that the overflow from Chebuoto Road may be eliminated.
2. That the connecting sewer between the 36" main on Chebuoto Road and the 48" intercepting sewer along the Arm, which, I understand is 24" be re- placed by a 48" sewer.
3. That the present sewer cleaning equipment be replaced with up-to-date equipment, so that that section of the intercepting sewer which has a very flat grade, not sufficient for self cleansing, may be cleaned twice a year and thereby enable a greater flow of sewerage through the intercepting sewer.
4. That the present overflows on Jubilee Road and Coburg Road be built up so that they would over- flow only during extremely heavy rainfalls.

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5. That the present outlet of the intercepting sewer be eliminated and the sewer continued along parallel to the shore of the Arm to the waters of the intersection of the Halifax Harbour and North West Arm, as shown on the accompanying plans for the approximate location, a distance of approximately 2500'.

In lieu of extending the sewer further out the Arm a chlorinating plant could be installed so that the sewerage could be treated before entering the waters of the Arm. May I point out however that a considerable amount of chlorine would be necessary and in an emergency such as the present war, chlorine supply for this purpose would possibly be cut off.

Sgd. E. C. Thomas.

Moved by Alderman Breen, seconded by Alderman Adams that this matter be deferred and copies of the report be forwarded to the Aldermen. Motion passed.

CITY OF NOVOROSSIIISK

December 11, 1943.

Members of the City Council.

Gentlemen:-

At a recent meeting of interested citizens called by invitation issued by His Honor Lieutenant Governor H. E. Kendall, under the chairmanship of Dr. Carleton Stanley at Government House, it was decided to recommend to the City Council that as a gesture of Canadian-Soviet Friendship that Halifax formally adopt the City of Novorossiisk, which is a seaport and industrial centre of comparable size to our City.

I have recently received from the National Council for Canadian-Soviet Friendship, under the chairmanship of Sir Ellsworth Flavelle, the attached correspondence.

May I be privileged to recommend to the Council that the suggestions of the local committee for Canadian-Soviet Friendship be carried out and that we formally adopt the City of Novorossiisk as a community to which we, in Halifax, will endeavour to send much needed medical supplies, clothing, etc.

Yours very truly,

J. E. Lloyd,  
M A Y O R.

Moved by Alderman Ahern, seconded by Alderman Burgess that the report be approved. Motion passed unanimously.

December 16, 1943.

QUESTIONS

Alderman Hosterman arose and stated that in voting on the Gorsebrook question, one Alderman had voted in favor of it on a misunderstanding and he also stated that he hoped that the City would not regret the purchase of the property in time to come.

Alderman Batson stated that he was that Alderman who Alderman Hosterman referred to but since the matter was concluded he was satisfied.

Alderman Ahern asked about the turkey situation for Christmas. He stated that he had spoken to Mr. Lee of the W. T. P. & T. Board after a very large number of requests to do so. The Alderman submitted and read a clipping from the newspaper which stated that there would be plenty of birds in the Prairie Provinces but that there would be a shortage on the East and West Coasts.

The Alderman Finalized his remarks by referring to the shortage of candy for children at Christmas time and was advised by Alderman McDonald that the candy would be released Christmas week.

Alderman Adams stated that he wished to commend the Board of Works for the work done during the last storm in clearing the streets and requested that a letter of appreciation be sent to Mr. Copp and Mr. MacKinnon for their efforts in this connection.

Alderman DeWolf asked about the taxi situation and was advised by His Worship the Mayor that Mr. Gordon Mitchell, President of the Wartime Taxi Association, was working on a financial statement of the Company and when that was forthcoming, there might be something done.

Alderman DeWolf further stated that the City of St. John had done away with the taxi pool.

REDUCTION IN WATER ACCOUNT

December 16, 1943.

The City Council.

Gentlemen:-

The Committee on Works at a meeting held on the 3rd instant, considered the attached report of the Commissioner of Works dated November 1, 1943, on an application from the owner of the premises #356 1/2 Gottingen Street, asking for a reduction in the water consumption from June to September inclusive of this year.

On motion of Alderman Reardon, seconded by Alderman Ahern, the Committee recommended to Council that the consumption be reduced to 5,000 gallons for each month involved.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK. Per T. J. Moore.

December 16, 1943.

November 1, 1943.

His Worship the Mayor.

Sir:-

I have an application from the owner of the premises #3563 Göttingen Street asking for a reduction in the water consumption from June to September inclusive of this year.

The record at these premises has been as follows:

1942		1943	
Apr. 15	30,100	Jan. 19	30,100
May 15	4,400	Feb. 22	Kippled
June 15	5,500	Mar. 1	—
July 16	2,800	Apr. 1	—
Aug. 1	—	May 21	Repaired
Sept. 18	9,800	June 25	40,000 (X) 9/7/43
Oct. 10	12,000	July 1	—
Nov. 21	1,100	Aug. 24	271,000 (X) 10/9/43
Dec. —	—	Sept. 29	100,000 (X) 25/10/43.

From the above it will be seen that the meter was repaired in May and when the meter was read in June a large consumption was recorded and the owner was notified on the 9th of July. The meter was not read in July and the August and September reading was extremely high. The owner states in his application for reduction that the first notice on the 9th of July was sent in care of the party with whom he has an agreement of sale and not sent to him, but the party receiving the notice stated that she investigated and could find no leaks in the plumbing. The owner received the notices in September and October and he immediately communicated with the tenant but no leaks were found in the plumbing.

I have had the Meter Foreman inspect the meter and at the time of inspection the meter was not registering and he also stated that it looked as if the meter had been tampered with.

With the very large consumption and the fact that no leaks could be found, it would look as if the trouble was in the meter, but as the water went through the meter and was registered, I cannot recommend a reduction in the consumption.

Respectfully submitted,

R. M. MacKinnon,  
Commissioner of Works.

Moved by Alderman McDonald, seconded by Alderman DeWolf that the report be approved. Motion passed.

DEAL STREET FLOODING

December 16, 1943.

The City Council.

Gentlemen:-

December 16, 1943.

The Committee on Works at a meeting held on the 14th instant, considered the attached report of the Commissioner of Works dated December 14, 1943 regarding a complaint from Mr. Watt, resident of Deal Street, re flooding of his property.

On motion of Alderman Ahern, seconded by Alderman Doyle, the committee recommended that Council authorize the construction of the drain indicated in the said report, estimated to cost \$150.00 approximately, and provided that one-half the cost be borne by Mr. Watt.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Per T. J. Moore.

December 14, 1943.

His Worship the Mayor.

Sir:-

At a meeting of the Committee on Works held on November 9th, a report was submitted regarding a complaint from Mr. Watt residing on Deal Street, re the flooding of his property.

Mr. Watt's house is erected on a low-lying lot, which receives the drainage of the surrounding area. Just east of his property the street is also very low and requires a considerable amount of fill. A number of similar requests have been received from this district in the past and conditions were improved from time to time by using collection ashes. To improve conditions for Mr. Watt a drain 150 ft. long at a depth from zero to two feet, would have to be constructed and have a drain for a distance of approximately 60 feet, at an estimated cost of \$150.00.

The City has no responsibility in this case. If the Board thinks something should be done for Mr. Watt he certainly should be asked to contribute to the cost of the improvement, either by cash or labor.

Respectfully submitted,

R. M. MacKinnon,  
Commissioner of Works.

Moved by Alderman McDonald, seconded by Alderman DeWolf that the report be approved. Motion passed.

#6 QUINPOOL ROAD - SAFETY ZONE

December 16, 1943.

The City Council.

Gentlemen:-

December 16, 1943.

The Committee on Works at a meeting held on the 14th instant, considered the attached report submitted by the Commissioner of Works under date of December 2, 1943, and entitled as above, together with the sketch referred to in the said report.

On motion of Alderman DeWolf, seconded by Alderman Reardon, the said report was approved and recommended to City Council for adoption, subject to the approval of the owner of No. 6 Quinpool Rd.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Per T. J. Moore.

December 2, 1943.

His Worship the Mayor.

Sir:-

Your sub-committee of the Committee on Works appointed to visit the Safety Zone at the Willow Tree, Quinpool Road, as it effects the property of Mr. Melitides, No. 6 Quinpool Road, submits the following report:

The relocation of the Safety Zone would not be advisable as the extension of the Zone eastwardly would interfere with the Filling Station driveway, and to move it westwardly would encroach on the curve.

We submit the attached sketch showing our proposal; that is, that until such time as a driveway is opened up on this property, we make available to No. 6 Quinpool Road, the strip of parking between the curb and sidewalk. The curb will have to be cut down and a concrete surface constructed on the area which will be about seven feet in width and forty feet in length. This will provide ample room for parking for short durations.

In the meantime, the Chief of Police will arrange to detour traffic into the track area at times when the space in front of No. 6 is required for unloading supplies, etc.

A guywire will be removed from this area by the N. S. L. & P. Co., Ltd., and it is quite possible that Mr. Melitides will have to permit the placing of a pole just inside his line at the eastern corner.

Respectfully submitted,

R. M. MacKinnon,  
Commissioner of Works.

Moved by Alderman McDonald, seconded by Alderman DeWolf that the report be approved. Motion passed.



December 16, 1943.

EXPROPRIATION OF LAND ON PROSPECT ROAD

December 16, 1943.

The City Council.

Gentlemen:-

Attached hereto is a report of the Commissioner of Works dated December 2, 1943, entitled as above, which with the plan and description referred to in the said report, was submitted by him to the Committee on Works at a meeting held the 14th instant. The said report is designated "A" and the said description is designated "B".

Attached also is a resolution in connection therewith, prepared by the City Solicitor, which was passed by the Committee on Works at the said meeting on motion of Alderman Doyle, seconded by Alderman DeWolf. This resolution is designated "C".

Attached hereto is a proposed resolution for Council prepared by the City Solicitor, in connection with the above as approved by the Committee on Works at the said meeting. This resolution is designated "D".

Submitted also herewith is the Plan referred to in the said report of the Commissioner of Works.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Per T. J. Moore.

RESOLUTION "D"

BE IT RESOLVED that this Council does hereby adopt the resolution of the Committee on Works passed at a meeting of that Committee held on December 14th, 1943, for the expropriation of certain lands and interests in lands situated at Goodwood in the County of Halifax, and that the lands and interests in lands set out in the said resolution of the Committee on Works, the expropriation whereof is therein recommended be and the same are hereby expropriated.

AND BE IT FURTHER RESOLVED that the sum of \$365.00 be paid into Court for the owners of the said lands as the price or compensation for the said lands and interests therein.

Moved by Alderman McDonald, seconded by Alderman DeWolf that the report and resolution as submitted be approved.

The motion was put and passed unanimously with the following Aldermen being present and voting therefor:

December 16, 1943.

FOR THE MOTION

Alderman Batson  
Breen  
Hosterman  
Adams  
DeWolf  
McDonald  
Doyle  
Walker  
Burgess  
Ahern

UNDERGROUND CONDUIT

December 16, 1943.

UNDERGROUND CONDUIT - 135 LR. WATER STREET

The City Council.

Gentlemen:-

The Committee on Works at a meeting held on the 14th instant, on motion of Alderman Reardon, seconded by Alderman McDonald approved and recommended to the City Council for adoption the attached report of the Commissioner of Works dated December 13, 1943 and entitled as above.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Per T. J. Moore.

December 13, 1943.

His Worship the Mayor.

Sir:-

An application has been received from the Foundation Maritime Ltd., to make an excavation in front of their premises at 135 Lr. Water St., for the purpose of laying an underground electrical cable.

I would recommend that permission be granted, with the understanding that the Company is to enter into an agreement with the City, containing such terms as the City Solicitor may approve.

Respectfully submitted,

A. C. Harris,  
Deputy Commissioner of Works.

Moved by Alderman McDonald, seconded by Alderman DeWolf that the report be approved. Motion passed.

December 16, 1943.

GOVERNMENT WATER AGREEMENTS

December 16, 1943.

The City Council.

Gentlemen:-

The Committee on Works at a meeting held on the 14th instant, on motion of Alderman Ahern, seconded by Alderman Doyle, approved and recommended to Council for adoption the attached report of the Commissioner of Works dated December 14, 1943 and entitled as above.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Per T. J. Moore,  
Clerk of Works.

December 14, 1943.

His Worship the Mayor.

Sir:-

At a discussion several weeks ago with the Board of Public Utilities regarding water billing, meter rentals, etc., we were informed by the Board that many of the agreements under which we are operating for the supply of water to the several departments of the Federal Government have never been approved by the Board and are therefore null and void.

In order to terminate these agreements according to terms therein, twelve months notice will have to be given by either party wishing a change therein. It is quite possible however, that if the whole agreement is of no effect that a new agreement may be drawn up at any time.

It is recommended that all water agreements under which we have been operating be cancelled and new agreements drawn up as soon as possible.

Respectfully submitted,

R. M. MacKinnon,  
Commissioner of Works.

Moved by Alderman McDonald, seconded by Alderman DeWolf that the report be approved. Motion passed.

STREET NAMES

December 16, 1943.

The City Council.

Gentlemen:-

December 16, 1943.

The Committee on Works at a meeting held on the 14th instant, considered the attached report of the Commissioner of Works dated December 14, 1943 and entitled as above.

On motion of Alderman Ahern, seconded by Alderman Doyle the Committee recommended to Council that the streets concerned be named as indicated in the said report.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Per T. J. Moore.

December 14, 1943.

His Worship the Mayor.

Sir:-

Wartime Housing Limited has applied to this Department for street names in the development beyond the Edgewood property, which development runs north from Bayers Road.

The suggestion of Mr. Brownell of Wartime Housing Limited was that these streets be named after the "Tribal Class" destroyers; the street running north and south to be called Miomac Street; the small court off the street to be called Miomac Court; and the street running parallel to Bayers Rd. to be called Huron Street.

This was merely his suggestion for street names, and it would seem to me that these streets could be so named.

Respectfully submitted,

R. M. MacKinnon,  
Commissioner of Works.

Moved by Alderman McDonald, seconded by Alderman DeWolf that the report be approved. Motion passed.

MAXWELL PROPERTY

December 14, 1943.

The City Council.

Gentlemen:-

The Committee on Works at a meeting held on the 14th instant, on motion of Alderman Ahern, seconded by Alderman McDonald approved and recommended to Council for adoption the attached report of the Commissioner of Works dated December 14, 1943, entitled as above.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK., Per T. J. Moore.

December 16, 1943.

December 14, 1943.

His Worship the Mayor.

Sir:-

A letter has been received from the Solicitors, Daley, Phinney and Outhit, acting on behalf of their clients, Messrs. Ross and Sidney Maxwell, asking that the City grant a release over the right-of-way twelve feet wide leading to their property from Henry Street, and also a strip of land 19 feet by 22'3 at the northeastern corner of the property.

A partial release was made of the Maxwell property in 1926 but the right-of-way release and the other strip of land were apparently overlooked.

I would therefore recommend that these lands be released by the City for the sum of fifty dollars.

Respectfully submitted,

R. M. MacKinnon,  
Commissioner of Works.

Moved by Alderman McDonald, seconded by Alderman DeWolf that the report be approved.

The motion was put and passed unanimously with the following Aldermen being present and voting therefor:

FOR THE MOTION

Alderman Adams  
Ahern  
Batson  
Breen  
Burgess  
DeWolf  
Doyle  
Hosterman  
McDonald  
Walker

OLD PARADE FOUNTAIN

December 16, 1943.

The City Council.

Gentlemen:-

The Committee on Works at a meeting held on the 14th instant, on motion of Alderman Reardon, seconded by Alderman DeWolf, approved and recommended to the City Council for adoption the attached report of the Commissioner of Works dated December 14, 1943 and entitled as above.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK, per T. J. Moore.

December 16, 1943.

December 14, 1943.

His Worship the Mayor.

Sir:-

We have an offer of \$15,00 from Mr. W. D. Piercey for the old cast iron fountain which was once located on the Parade and removed to the City Field in 1922.

The purchaser would have to spend a considerable amount in setting it up again, as all piping, nuts, bolts, etc., would be rusted away. It would also have to be scraped and painted.

If the City has no proposal for placing it elsewhere, it would be better to dispose of it while it has still some monetary value.

Respectfully submitted,

R. M. MacKinnon,  
Commissioner of Works.

Moved by Alderman McDonald, seconded by Alderman DeWolf that the report be approved. Motion passed.

LIGHTS ROCKCLIFFE AND WINDSOR STREETS

December 16, 1943.

The City Council.

Gentlemen:-

The Committee on Works at a meeting held on the 14th instant, on motion of Alderman Ahern, seconded by Alderman Doyle, approved and recommended to the City Council for adoption, the attached report of the Commissioner of Works dated December 14, 1943 recommending that additional street lights be installed on Rockcliffe and Windsor Streets.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Per T. J. Moore.

December 14, 1943.

His Worship the Mayor.

Sir:-

Attached is a recommendation from Mr. Durling, City Electrician, regarding the further lighting of Rockcliffe Street. As stated the removal of the lights from the South Street bridge left the North End of Rockcliffe Street in a darkened condition.

December 16, 1943.

Mr. Durling further recommends that a 1,000 c.m. light be installed at the corner of Windsor and Almon Streets instead of the present 400 c.p. which is too weak for this very busy intersection.

The estimated cost for the installation of the Rockcliffe Street lights.....\$62.  
Yearly maintenance.....\$14.

The estimated cost for the installation of the Windsor and Almon Street Light.....\$88.  
Yearly maintenance.....\$47.

As funds are available for this purpose, it is recommended that these additional lights be installed.

Respectfully submitted,

R. M. MacKinnon,  
Commissioner of Works.

Alderman Walker mentioned to His Worship the Mayor if he knew whether or not the lights on Cornwallis Street had been attended to.

His Worship the Mayor stated that the Alderman better get in touch with Mr. MacKinnon about this matter.

Moved by Alderman McDonald, seconded by Alderman DeWolf that the report be approved. Motion passed.

STREET LIGHT - BRIAR'S LANE

December 16, 1943.

The City Council.

Gentlemen:-

The Committee on Works at a meeting held on the 14th instant considered the attached report of the Commissioner of Works dated December 14, 1943 and entitled as above.

On motion of Alderman Reardon, seconded by Alderman DeWolf the Committee recommended to City Council that the street light referred to in the said report be installed.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Per T. J. Moore.

December 16, 1943.

December 14, 1943.

His Worship the Mayor.

Sir:-

About the first of December, I received a copy of a letter sent to the Chief of Police with reference to the installation of a street light on Briar's Lane by the Atlantic Chevrolet-Oldsmobile Limited.

Mr. Malkin points out in his letter that this is a very dark lane and does not receive the benefit of the light on Annandale Street; and further that three breaks have occurred into their offices from Briar's Lane during the past two years. He also states that they would have no objection to placing a light at this point but A. R. P. regulations will not permit such private lighting.

Mr. Durling made an inspection for location and finds the pole will have to be installed on Maritime Tel. & Tel. property and the light project out into the lane on a bracket.

Estimated cost of erection	\$31.00
Annual maintenance	\$20.00

for a 250 C.P. light.

Respectfully submitted,

R. M. MacKinnon,  
Commissioner of Works.

Moved by Alderman McDonald, seconded by Alderman DeWolf that the report be approved. Motion passed.

PAYMENT FIRE LOSS AT LAKES GUARD HOUSE

December 16, 1943.

The City Council.

Gentlemen:-

The Committee on Works at a meeting held on the 14th instant, on motion of Alderman DeWolf, seconded by Alderman Doyle recommended to Council that the attached cheque from the Halifax Insurance Company payable to the City of Halifax for \$223.86 submitted in full payment for fire loss at Lakes Guard House be accepted and that the release and full receipt which endorsement of the said cheque constitutes, be granted.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Per T. J. Moore.



December 16, 1943.

Moved by Alderman McDonald, seconded by Alderman DeWolf that the report be approved. Motion passed.

IMPERIAL OIL LIMITED ACCOUNTS OVER \$500.00

December 16, 1943.

The City Council.

Gentlemen:-

The Committee on Works at a meeting held on the 14th instant on motion of Alderman Doyle, seconded by Alderman McDonald, approved and recommended to Council for payment the following attached accounts submitted by the Imperial Oil Limited for asphalt.

Invoice #8933	dated Aug. 30/1943	\$ 970.03
Invoice #1134	dated Nov. 5/1943	\$ 980.63
		<u>\$1950.66</u>

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Per T. J. Moore.

Moved by Alderman McDonald, seconded by Alderman DeWolf that the report be approved. Motion passed.

APPOINTMENT TOWN PLANNING BOARD

December 16, 1943.

The City Council.

Gentlemen:-

The Committee on Works at a meeting held on the 14th instant considered the attached letter from the City Solicitor to Mayor J. E. Lloyd dated December 14, 1943 and the attached copy of a memorandum respecting the Nova Scotia Town Planning Act of 1939 referred to in the said letter.

On motion of Alderman Reardon, seconded by Alderman Doyle the Committee recommended to City Council that the Members of the Committee on Works be appointed a Town Planning Board, and that this policy be followed until a recommendation is received from the Post War Planning Committee concerning the City Planning Committee.

Respectfully submitted,

W. P. Publicover,  
CITY CLERK.

Per T. J. Moore.

December 16, 1943.

MEMORANDUM RE THE NOVA SCOTIA TOWN  
PLANNING ACT OF 1939

Prepared by C. P. Bethune, K. C.,  
City Solicitor.

1. The town planning Act of 1939, enacted by Chapter 8 of the Acts of 1939, was proclaimed by the Governor in Council to come into force on December 1st, 1943, according to the terms of Section 38 thereof.

2. The Act provides:

- (1) That every Council may create a Board, consisting of the Mayor and six other persons, of whom not less than three shall be members of the Council.

NOTE This fits in well with our present set-up. The Committee on Works, six members and the Mayor.

- (2) Members of the Board hold office until their successors are appointed. Members ceasing to be members of the Council cease to be members of the Board - vacancies to be filled by the Council.

NOTE This also fits in with our plans.

(3) The powers of the Board are:

- (a) To prepare an official town plan.  
(b) To prepare a zoning by-law.  
(c) To act in an advisory capacity in the carrying into effect of an official town plan and in the administering of a zoning by-law.  
(d) To act in an advisory capacity in all matters pertaining to town planning matters with the general object of securing  
(i) economic use  
(ii) proper sanitary conditions  
(iii) amenity, and  
(iv) convenience, including suitable provision for traffic, in connection with the laying out of streets and the use of land, and of any neighboring lands, for building or other purposes.

- (4) The Board may appoint such town planning engineers, consultants or other officers as may be necessary for its work and may expend such funds as may be furnished by the Council.

The Board may submit an estimate to the Council covering its expenditures for the ensuing year and the Council shall include in its estimates such amount as it sees fit.

December 16, 1943.

The officers of the City shall be at the disposal of the Board.

(5) The Board shall meet once a month and shall keep minutes. A majority shall be a quorum i.e. as in our case, 4 members.

3. Subject to the approval of the Minister of Municipal Affairs any Council shall have power to:

- (a) To prepare a plan or plans for development either as to the whole or any part or parts thereof which shall be known as "The Official Town Plan", and may add to, extend or alter it.
- (b) To prepare coordinating plans for the development of harbour, railway and rapid transit and street railway and airport facilities, and to recommend plans so prepared to any Railway Board or public authority having jurisdiction in the matter and to any railway or other company concerned therewith and to use all lawful measures to secure the adoption of such plans and the due coordination of terminal, transportation and other facilities of commerce and traffic within and about the municipality.
- (c) To provide lines to ensure street widening by defining minimum distance from centre of street.
- (d) Provide for reservation of land for projected streets or street widening projects and for parks and other public purposes.
- (e) To make provision for the supply of light, water, sewerage, street transit and other facilities to the various parts of the area included in an official town plan.
- (f) To provide the order in which certain areas may be developed and above services rendered.
- (g) To provide method of financing works and expenses incurred in carrying out the developments.

Before doing any of the foregoing the Council shall request the Board to make a report.

- (4) The adoption of an official town plan does not commit the Council to proceed with the developments but does prevent it from proceeding in any other way.
- (5) Notice of adoption of a plan must be given for two weeks by newspaper advertising.
- (6) The Council has power to acquire other adjacent neighboring lands in order to properly carry out a development. Such lands may include:

December 16, 1943.

- (I) remnants of parcels, portions of which are essential to carrying out the project
- (II) any lands which might be injuriously affected by the project
- (III) any lands which if allowed to be built upon without restriction might prejudicially affect the full enjoyment of any building forming part of the project or the architectural effect thereof.
- (IV) any lands which the Council is of the opinion could be conveniently and profitably sub-divided or rearranged and developed as part of the project.

Wide powers of acquisition, sub-division, etc. of lands is given to the Council.

- (7) Zoning by-laws may be enacted, subject to the Minister's approval, covering:
  - (I) Dividing the municipality into districts.
  - (II) Designating certain districts as subject to certain restrictions on erection, alteration, etc., of buildings thereon or as to the types of businesses to be carried out therein.
  - (III) Height of buildings.
  - (IV) Building lines.
  - (V) Use of buildings to be erected.
  - (VI) Controlling architectural design.
  - (VII) Prohibiting erection of buildings unless such services as light, water, sewerage, street transit, and other facilities are available.
  - (VIII) Regulating erection of buildings, wooden fences and fire-proof and fire-resisting buildings.
- (8) Notice of the passing of a zoning by-law must be given by advertisement in a newspaper.
- (9) It is a matter of importance that by section 23 property is not to be deemed to have been injuriously affected by reason of the passing of a zoning by-law and no compensation can be claimed.

December 16, 1943.

(10) Section 28 provides that no transaction shall be effectual to transfer any interest in any lot of a sub-division until the plan of the sub-division has been filed in the Registry of Deeds.

NOTE: This is important and I believe now.

(11) Where any City has town planning sections in its Charter or By-laws it is not necessary to prepare new plans or by-laws but existing by-laws subject to the Minister's approval may be amended, strengthened or improved under the provisions of this Act.

(12) The former town planning Act and I presume the regulations made thereunder (R.S.N.S. 1923, c. 98) are repealed.

Moved by Alderman McDonald, seconded by Alderman DeWolf that the report be approved. Motion passed.

LETTER CLERK OF THE EXECUTIVE COUNCIL RE  
APPOINTMENT TAX APPEALS

December 14, 1943.

His Worship the Mayor,  
City of Halifax,  
Halifax, N. S.

Dear Sir:-

This will advise you that the Governor in Council on the 13th instant appointed Herbert Hemming as a Member of the Court of Tax Appeals for the City of Halifax, in place of J. L. Fraser, deceased.

Yours truly,

Arthur S. Barnstead,  
Clerk of the Executive Council.

FILED

LETTER CLERK OF THE EXECUTIVE COUNCIL RE  
APPROVAL AMENDMENTS TO ORDINANCE NO. 6

December 6, 1943.

W. P. Publicover, Esq.,  
City Clerk,  
Halifax, N. S.

Dear Sir:-

I enclose herewith certified copy of amendment to Ordinance No. 6 of the City of Halifax respecting Electrical Wiring and the use of Electrical Energy, which was approved by the Governor in Council on the 27th day of November, A. D., 1943.

Yours truly,

Arthur S. Barnstead,  
Clerk of the Executive Council.

FILED

December 26, 1943.

TAX COLLECTIONS FOR MONTH OF NOVEMBER

Arrears Taxes Reserve	Outstanding Balances October 31/43	New Accounts and adjustments.	November Collections.	Outstanding Balances Nov.
1941-42	\$71,640.47	\$113,827.98	\$ 5,978.70	\$107,849.28
1942-43	30,131.33	217,545.64	9,027.69	298,517.95
Current 1943-44	39,858.00	441,402.71	33,426.52	407,976.19
Water Rates		78,553.22	8,083.73	70,469.49
		<u>\$851,329.55</u>	<u>\$56,516.64</u>	<u>\$794,812.91</u>

Poll Taxes

1934-35	468.44	9.00	459.44
1935-36	66.42	38.00	28.42
1942-43	3,420.29	719.29	2,701.00
1943-44	61,659.90	13,542.33	48,117.57

Additional Collections	1943-44	1942-43
Tax Arrears 1908-9 to 1924-25 Corresponding Period last year	87.00	\$12.04
Tax Arrears 1925-26-1940-41 Corresponding Period last year	3,954.33	4,496.69
Collections as per statment above Corresponding period last year	56,516.64	92,713.89
	<u>\$60,477.97</u>	<u>\$97,222.62</u>
Collection of Poll Tax May 1, 1943 to November 30, 1943. Corresponding Period last year	37,970.58	35,156.68

M. L. Bellew,  
Chief Accountant.

FILED

APPROPRIATIONS

TO THE CITY COUNCIL:

The following is the state of Civic Appropriations on the above date after deducting unpaid orders.

APPROPRIATION	FREE BALANCE
City Home Maintenance	\$18,003.87
City Home Salaries	15,661.54
Fleming Park	1,679.77
Public Gardens	7,510.86
T. B. Hospital Maintenance	16,789.57
T. B. Hospital Salaries	13,467.09
I. D. Hospital Maintenance	4,872.70
I. D. Hospital Salaries	6,554.47
Public Health & Welfare Maintenance	2,184.27
Public Health & Welfare Salaries	7,098.42

December 16, 1943.

APPROPRIATIONS (CONCLUDED)

Police Department Maintenance	\$ 2,481.14
Police Department Salaries	63,093.76
City Prison Maintenance	7,902.36
City Prison Salaries	7,400.24
Works Department	157,461.74
Fire Department Maintenance	15,164.94
Fire Department Salaries	91,700.85
Fire Alarm Telegraph Service	1,438.08
Fire Alarm Salaries	3,609.85
Printing and Stationery	5,699.75
Library Maintenance	930.71
Library Salaries	1,590.00
Co-operative Health Maintenance	9,354.02
Co-operative Health Salaries	24,425.37

M. A. Bellow,

Chief Accountant.

FILED

His Worship the Mayor stated that he would like to say a few words before the meeting adjourned and said he would like to take the opportunity of wishing everyone a very Merry Christmas and a Happy New Year and hoped to see the end of the present conflict during the next year.

Alderman Ahern spoke about the recent heroic deed executed by one of the members of the Police Department and asked to have a letter of commendation and appreciation sent to Constable Herman in saving the life of Constable Sidney Clark.

Moved by Alderman Batson, seconded by Alderman Burgess that this meeting do now adjourn. Motion passed.

Meeting adjourned.


10.00 P. M.

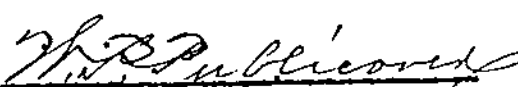
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J. E. Lloyd,  
MAYOR AND CHAIRMAN.

  
W. F. Publicover,  
CITY CLERK.