

One aspect of the story of the B.C.E. which has puzzled me is this:

It was the Socred government of W.A.C. Bennett that nationalized the B.C. Power Corporation, parent of the B.C.E. But, the Socreds as they became in the time I've lived in the province were right wing, free enterprise oriented. What would make them want to expropriate a private corporation?

W.A.C. Bennett & B.C. Electric

In researching this note, I've come to realize that W.A.C. Bennett cannot be labelled as Socialist, a Conservative, or middle-of-the-road. He believed in the province of British Columbia. He would not be bound by labels.

In the early 1960's, the US was interested in damming the Columbia River, in Canada, for two reasons:

- Flood control to prevent downstream flooding in Montana.
- Storage to allow the year round generation of electricity, not just in the spring months.

The province of B.C. was also interested in damming a river for power, but it wanted to build on the Peace River. The Premier, W.A.C. Bennett, promoted a "two river" approach, but clearly favoured the Peace River project.

The Columbia River treaty was between three parties: Canada, US, and the province of British Columbia. The Americans agreed Canada would be entitled to half of the downstream benefits of damming the Columbia. Early on, a difference of opinion developed between Canada and British Columbia about those benefits. W. A. C. Bennett wanted cash, in advance, from the Americans. Canadian federal negotiator Davy Fulton said B.C. should take power generated downstream instead.

Bennett didn't like the idea of "sending coal to Newcastle". Power returned to B.C. by the Americans would compete with power produced by his favoured project. Not only that but some critics believed that the province couldn't absorb both Columbia and Peace power.

The B.C. Power Corporation, parent of the B.C. Electric, made it known on several occasions that it would rather obtain power from the Columbia River dams. The reason? It would be cheaper. Without a guaranteed market, financing for the Peace project would be difficult to obtain. It seemed the only way for Bennett to get the B.C. Electric to buy Peace River power would be to nationalize it. This his government did.

Although the business community was horrified at what had happened, the public, it appears didn't mind that much. The utility had some of the highest rates for electricity in North America. And as for the transit side, there was a refrain that would become all-too familiar in later years: transit service did

not keep up with Vancouver's expansion.

With the nationalization, B.C. was in a position to refuse to sign any deal it didn't like. It would have a source of power other than the Columbia and it owned the power utility which would have to receive the US power. Bennett got his way, the federal government backed down. B.C. received money instead of power, but by 1973, the newly elected N. D. P. government told the province just how bad the Columbia treaty was for B.C. The money obtained from the Americans did not even pay for the three dams built by the province, let alone compensate for the huge areas of land flooded.