

## The First Twenty-Five Years - 1925 - 1950

Seventy-five years ago, on April 18, 1925, Power Corporation of Canada came into being. Its story since that day has been a story of steady, sometimes spectacular growth. It has been a story of remarkable leadership and extraordinary people. It has also been a story intricately bound with the economic, political, and social history of Canada in the 20th century. Through good times and bad, as an important and respected contributor to the development of the country, the Corporation has prospered and grown into the multibillion-dollar financial, industrial, and communications holding company that today spans the world.



A.J. Nesbitt (top) and P.A. Thomson, principal partners in the Montreal investment firm Nesbitt, Thomson and Company, established Power Corporation in 1925.

Like Canada, Power Corporation may be young in world terms, still full of youthful energy, dreams, and promise. But, again like Canada, it has been transformed by the incredible changes of the past 75 years; it has known the risks and rewards of technological advancements and societal revolutions; and it has emerged with the skills and stability that only time and experience can bestow. For Power's roots go back to the early days of electrification, when a prominent group of Montreal financiers foresaw the opportunities in building and providing hydro power for homes and industry across the country and around the world. The strength of their vision, to say nothing of their patience, was put to the test by holding firm through almost two decades of depression and war, ultimately to be rewarded by the industrial boom of the 1950s and a timely diversification into the oil and gas bonanza of Western Canada. But their mettle was tested yet again.

Early in the 1960s interventionist governments in Canada's provinces, not the least in the province of Quebec, pushed ahead to nationalize the hydro-electric industry as an essential public service. Power's immediate growth, perhaps even its long-term survival, was far from a sure thing. It required the Corporation, now in the hands of the second generation, to reinvest the cash it had received from the liquidation of much of its portfolio wisely, prudently, strategically. It was only part way towards the successful reinvention of itself when recession, stagflation, and the oil shocks buffeted the economy of North America. By a stroke of astute planning and good fortune, however, control of Power had passed to a new leadership that proved fully capable of overcoming the difficulties and focusing

La Presse - May 23, 1925  
Financial Post - May 22, 1925

