

TO AUTHORIZE SALARIES VOTED COMMISSIONERS

Amendments to the Ontario
Power Act of Lengthy
Debate in House

THE BILL IS RETROACTIVE

Meant to Remedy Alleged
Irregularities Dating
Back to 1920

The "simple little bill," as Premier Drury called the amendment to the Ontario Power Act, was discussed for three hours in the Legislature last night, and at 9 o'clock the debate was adjourned, with the promise of the Premier that the bill would be considered again on Wednesday.

On Friday afternoon at a few minutes to six the Premier moved that the House take into consideration the second reading of the amendment, which, he said, would be put through in a few minutes. The House adjourned because of lack of a quorum.

Sections two and three of the amendment provide for the increase of the salaries of two members of the Hydro Commission, Messrs. Carmichael and Lucas, to \$6,000 a year. The change is made retroactive to January 1, 1920.

Premier Drury gave an explanation as to why the clauses were there. It was felt that more money should be provided for these men, and the money had been voted to them, since January 1, 1920, by the directors of the Ontario Power Company, which company was acquired by the Hydro-electric Commission in 1917.

Power Directors Exceeded Rights.

Subsequent to the Government consenting to this increase the legal aspects of the situation were scrutinized, and the Government came to the conclusion that the directors of the Ontario Power Company had no right to vote money at all. This opinion is held by the Attorney-General, who is of the opinion that the Ontario Power Company ceased to be a corporation when its stock was acquired by the Hydro Commission.

It came out in the discussion that a sum of \$6,000 a year had been voted to the Chairman of the Hydro Commission, Sir Adam Beck, by the directors of the Ontario Power Company since 1917. Mr. Ferguson wanted to know why, since the Government was validating supposedly improper payments made to the other members of the commission, it did not also validate the payments made to Sir Adam Beck.

The Attorney-General said that the Government was not concerned with the Chairman's salary. Nothing had been asked for in this regard. The Government considered itself under obligation to clear up the salaries for which it was responsible. "So far as the other salaries are concerned we are in the hands of the House," he said.

Cannot Get Company's Records.

"Are you going to ratify a portion of the payments you say are illegal and refuse to ratify the others?" asked Mr. Ferguson.

"The Government endeavored to get the records of the Ontario Power Co. It has not been successful to this day in getting the records. The Government has no official knowledge of the salaries paid. The Government does not know what the situation is," said the Attorney-Gen-

eral.

"A member of your Government has access to all the records of that company," said Mr. Ferguson. "Why shirk the situation?"

Mr. Raney wished to know if the Hydro wanted the payments to the Chairman ratified. "I understand that their own advisers say it is perfectly regular," he said.

Mr. Ferguson—The Attorney-General says it is not regular.

Mr. Raney—That is only my opinion.

Mr. Raney read the correspondence he had with the Ontario Power Co. last August. The Secretary of the company replied eventually that the directors had decided that Col. Carmichael would take up the matter with him personally.

Denies Being Prompted.

Mr. G. G. Halcrow, East Hamilton, asked Col. Carmichael whom he dealt with when he made inquiries concerning the minutes Mr. Raney had asked for.

"The commission," said Col. Carmichael.

"What commission, the Hydro Commission?" asked Mr. Dewart.

"Certainly. What other commission would there be?" said Col. Carmichael. He then named the members, Sir Adam Beck and Hon. I. B. Lucas.

"That's what I wanted to know," said Mr. Halcrow.

"I did not understand your question," said the Colonel.

"Didn't get your cue," suggested Mr. Dewart, referring to a note that had been handed to Col. Carmichael by the Premier.

"I didn't get a cue," said the Colonel heatedly. "For all I care, you can see the note the Premier handed to me."

Then Col. Carmichael said it was considered by the commission that it was not proper for the minute book to leave the custody of the Ontario Power Co. He said that information was sent the Attorney-General that he could have free access to the books at the office of the company.

"I did not travel out of my way to see the books," said Mr. Raney.

Dewart Opposes Ratification.

J. M. Webster, West Lambton, moved the adjournment of the debate, and Mr. Dewart said that he was sorry to see the debate shelved. Before the debate was adjourned, he said, they should have the attitude of the Attorney-General on the matter. The member for Grenville (Mr. Ferguson), he said, had asked for the ratification of the remuneration to Sir Adam Beck and other officials paid in the last four years, the amount of which the Government had no knowledge. "I must take my stand against such a position," he said.

Mr. Dewart said he would like to move a six months' hoist of the bill, but he felt he could not do that because the last clause dealt with the validating of certain by-laws of several municipalities.

"If the debate is adjourned, my voice and vote will be that neither sections two nor three shall be enacted into law. I am opposed to the validation of what appears to be an illegal act or improper appropriation of money." He said that in committee he would ask that the sections be withdrawn.

The Premier said that there was no doubt that when the money was voted by the directors it was done in good faith. The Government also, when it approved the increase, acted in good faith. Later on the Government saw reason to think the arrangement might be doubtful, and in order to put on a proper footing that part of the arrangement it was responsible for the bill was brought in. They knew nothing of the other part. No access was to be had to the books.

Mr. Ferguson said that the books could be seen at the office of the company.

Government Will Not Spy.

"It is manifestly most improper," said the Premier, "for a Minister of the Crown to go to an office of a commission, no matter how strong, to inquire into books pertaining to the Government. We had a certain part in this matter which we put right. If the other party will come to us and give information we will put it right. We are not going to spy on those books by the Minister without portfolio or in any other man-

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