

Friday, March 14<sup>th</sup>

# CONSIDERS \$500,000 IS "MERE BAGATELLE" FOR GREGORY REPORT

## Manning Doherty Tells of Drury Cabinet "Anxiety" to Restore Confidence in Hydro—Premier Calls It "Complete Vindication" of People's Project

## CLASHES WITH RANEY OVER MOTIVE OF U.F.O.

## Late Government Thought It Was Going to "Put the Hydro in a Hearse," Says Ferguson—Great- est Tribute for Beck Pub- lic Man Ever Received

Characterizing the report of the Gregory Commission as a great testimonial to Sir Adam Beck—the greatest, possibly, that had ever been accorded to any man in the Province of Ontario—Premier Ferguson led off in the debate which followed the tabling of the immense document in the Legislature yesterday afternoon.

The Premier was in vigorous mood, and he condemned his predecessors in office, particularly Hon. E. C. Drury and Hon. W. E. Raney, as men who had lacked faith in public ownership, and who had deliberately set out to destroy public confidence in Hydro by the creation of an anti-Hydro investigation commission. Although Mr. Raney denied it, the Premier declared the extension of the Commission's authority to all Hydro affairs was the former Attorney-Generals handiwork.

### Sharp Cross-firing.

In frequent cross-floor conflicts the Premier engaged Hon. Manning Doherty and Hon. Mr. Raney, and particularly did retorts become vigorous when the Premier accused the late Government of seeking to evade the responsibility of coming to a decision by thrusting the whole question upon the shoulders of the Commission.

The report, said the Premier, must be a great gratification to members of the Commission, particularly Sir Adam Beck, as well as to the general public, when, after unlimited inquiry, there was complete vindication of the Hydro project, by a Commission "which, as everyone knew, was antagonistic originally to the principle of public ownership."

Mr. Raney—No, no.

### Champions of Public Ownership.

Mr. Ferguson—My hon. friend may say "no," but will anybody tell me that Michael Haney is a supporter of public ownership? Or Lloyd Harris? Why, they have expressed their opinions on the hustings. I scarcely think my hon. friend hopes to establish that that Commission was sympathetic to public ownership.

Mr. Doherty—They were only two out of five.

Mr. Ferguson—What about Ross down here? What about your friend Mr. Gregory?

Mr. Raney—What about Mr. Gregory?

Mr. Ferguson—My hon. friend knows that these men were outstanding opponents of that great enterprise. And then you tell me you bring an engineer from the Montreal private ownership atmosphere and make a public ownership man of him in a few months.

The Premier said it was, nevertheless, greatly to the credit of men that they were big enough to subscribe to the efficiency of the Hydro project in Ontario.

Mr. Raney—I knew that.

Mr. Doherty—I want to say that I had no small part in the selection of these men, and no greater compliment could be paid to the judgment I exercised than the very report which you have given here.

Mr. Ferguson—I venture to say that if this Commission had been permitted to carry out the original instructions they got from the Government they would have set out to destroy public ownership.

Mr. Doherty and Mr. Raney—No, no.

The Premier went on to describe the instructions, and noted an "omnibus" clause, which he attributed to Mr. Raney, and which brought forth a denial.

Mr. Ferguson—Does my hon. friend mean to say that as Attorney-General he knew nothing about it?

Mr. Raney—I mean to say that the clauses were drafted as I say and were approved by all the members of the Cabinet. But I suppose my hon. friend has no doubt upon the subject, just the same as he had no doubt about the telegrams which the former Attorney-General sent out last week to inflame public opinion.

### If Guilty, Why Protest?

Mr. Ferguson—If you are guilty, why protest your innocence?

When the Premier went on to refer to the "pneumatic sweeper" which the former Attorney-General had set in motion on Hydro affairs, Conservative members laughed and applauded, and Mr. Raney again protested that he had not drawn the clauses, adding:

"May I just add that there is one function which certain members of this House sitting behind the Prime Minister can perform to perfection. You can always depend on them for a laugh when the Prime Minister gives the cue."

Mr. Ferguson—Well, that is more than can be said for the other side; it is usually tears over there.

The Premier characterized the Gregory Commission as a place for the late Government to "lie down, somebody to blame it on, an attempt to escape responsibility." Not a single suggestion, he said, had been brought in in the report.

With the appointment of a Commission, said the Premier, the late Government "thought it was going to put the Hydro Commission in a hearse and take it away."

Mr. Doherty—No, no.

Mr. Ferguson—Oh, he shakes his head now. It is splendid after the fact to come out and vindicate yourselves. But you were not saying so two years ago.

Mr. Doherty—Yes, every platform.

Mr. Ferguson—No, no; my honorable friend has never been able to divest himself of the atmosphere that surrounded him from his connection with private enterprise.

Mr. Doherty said that no one could point to any act of his in public life that would indicate private ownership sympathies. He hoped that for once the Premier would leave politics out of the question.

Mr. Raney—He cannot help it.

### Where Stands Drury?

But Mr. Ferguson protested that he was talking seriously, and declared that, quite evidently from election returns, no question ranked as highly as did Hydro in the downfall of the Drury Government. He challenged the Progressives to stand up and say where Hon. E. C. Drury had ever displayed any love for public ownership.

Mr. Doherty—Just as much as you.

Turning his attention to Hon. D. Carmichael, former Hydro Commissioner under the Drury Government, whose utterances on the floor of the Legislature precipitated the appoint-

ment of a Commission, the Premier asked if there was anything but a desire evidenced on his part to shirk his responsibility on the Commission. Mr. Carmichael, however, denied the imputation, and declared that careful reading of the report would justify the course he took on that occasion. On every occasion, he said, he had defended Hydro during the consideration of estimates.

Mr. Ferguson—I could not have been here.

### No Shadow of Dishonesty.

"What I want to emphasize to the House and to the Province," said the Premier, "is that, in spite of the motive that inspired the selection of the men who were going to carry out the desire of the Government surrounding these men and this inquiry with the enemies of the men who were responsible for Hydro's birth and development; notwithstanding all that, we have a report here today which shows, as the report says, that there is not a shadow of dishonesty attached to anybody; that they have an engineering organization second to none in the world, and that the audit system was perfect in every respect, not a single dollar had been diverted from the purpose to which it was put, and that public ownership has been fully vindicated under the direction and leadership, not of the late Government, not of the organization of this nameless creation here—

Mr. Doherty—No, no.

Mr. Ferguson—Well, give us a name. Tell us who you are. As, I say, in spite of all that, there is complete vindication of the leadership of Sir Adam Beck and the men who supported him. And now my honorable friend comes out in a position where Sir Adam's enemies have to vindicate him. I think it is the greatest tribute ever paid to a public man in this country.

Mr. Doherty twitted the Premier with the occasion upon which Sir Adam had turned his back upon the Conservative party and ran in London as an Independent, but the Premier came back with a reminder of the time when Mr. Doherty had led Sir Adam down to the U.F.O. gathering on King Street and offered him the leadership.

"He turned his back on that bunch, showing the good judgment he always has."

Mr. Doherty—He made a good speech.

Members—He always does.

### Mr. Doherty Speaks.

Mr. Doherty, who followed, said that the report was a subject for congratulation to the members of the Hydro Commission and their engineers. He regretted that the Premier had introduced politics into the discussion.

In spite of the \$500,000 of cost, Mr. Doherty held that it was a mere bagatelle from the point of view of the immense investment of the Province in Hydro, representing one-fifth of 1 per cent.

"I know," he said, "that this report is going to be regarded as the most authentic and most valuable report on hydro-electric development that has ever been issued in the English language. I know that when this report is ready there are hundreds, if not thousands, of engineers who are prepared to pay as high as \$2,000 for a copy."

### To Save Hydro.

He went on to justify the appointment of the Gregory Commission by the late Government, stating that conditions were such in the public mind when the late Government came in that some move had to be made if Hydro were to be saved. Amid Conservative "No, no's," Mr. Doherty said that there was a suspicion abroad that everything was not right, and "the death knell of public ownership would have been sung if this Government had not taken the steps it did."