

Wednesday, Apr 27

are only insinuations which will be answered if I live a year before I die"—Sir Adam commented upon the fact that the Gregory Commissioners had conceded that the Hydro Commissioners were not being over-paid.

"I suppose," he said, "that means we are not getting enough."

Premier Ferguson—That means you were not getting as much as they got.

He had too much respect for him, he said, to believe that Hon. Mr. Carmichael had prompted himself to make the statements credited to him on the floor of the House in 1922, as to the "dishonesty or inefficiency" of the Hydro Commission, adding: "Where it came from," he said, "he knows better than I do."

Sir Adam, in commenting upon the attitude and actions of the late Government, stated that if that Administration had remained in power much longer it was doubtful if Hydro could have survived other than as a Government department.

#### Sharp Exchanges With Doherty.

"There was a time," he said, "when I was looked upon as a possible member of that Government, but after these revelations, if I have one thing more than another to be thankful for, it is that I did not bite."

Mr. Doherty—Might I remind my hon. friend that he bit as hard as he could, but the hook was taken away from him.

Sir Adam—When you and Mr. Fraser came to my house and asked me to go to the country with you, do you say I bit at the hook.

Mr. Doherty—I do.

After further exchange, Sir Adam peremptorily exclaimed: "Don't sidestep the real issue when you are the real culprit. You are absolutely dishonest if you say I was nibbling for a hook."

Mr. Doherty—I will allow my hon. friend to go a long way, but when he comes to say anything about my being dishonest, then he is just overstepping the mark. For myself, my reputation in this House will stand alongside his. There has never been an action in my public or private life on which I was not able to face my fellowmen. But I am too much of a gentleman to break confidence even to meet you, which I could do with the greatest of ease.

Sir Adam—Well, I am glad the few remarks which I made about you brought some life into you.

#### Mr. Doherty's Funeral.

The controversy across the floor broke out again with renewed vigor a moment later, when Sir Adam stated that he "was not born yesterday," even at the time when he was offered the U.F.O. leadership.

Mr. Doherty—Well, you were biting pretty hard just the same.

Sir Adam—Well, it is your own funeral you are attending, not mine.

Mr. Doherty—If I wanted to tell the truth I could tell about the springs you made to get hold of it.

Sir Adam—Did I leave my chair when Mr. Fraser and you came with seven gentlemen to my home, to ask me to join the Government? Did I show any sign of joining you in any way?

Mr. Doherty—More than that. It would be very interesting for the public to know what you said about some of your friends sitting right alongside of you.

Sir Adam—Yes, and you may repeat them in public whenever you see fit. You cannot get from under anyway, because I didn't join you. I waited my time, and here we are. You have your answer as no other Government ever had in the history of this Province.

#### Stuck With the Ship.

Returning to the subject of the Carmichael resignation, Sir Adam

intimated his suspicion that it was prompted by a desire to precipitate his own resignation. He, together with the Hydro staff, however, had decided to stick with the ship, and whether it was from lack of courage or from political discretion, the old Government had not asked for his resignation. The damning part of the old Government's criticism, he said, was in the report of their own Gregory Commission.

"We will go along smoothly from now on," he said. "At least, we have no fear that you will ever trouble us again."

Mr. Doherty—Don't be too sure about that.

Sir Adam commented that recent revelations in connection with Province of Ontario finances had been "unpleasant to all of us."

Mr. Doherty—Oh, no.

Sir Adam—Well, then, you have a thicker skin than I thought you had.

Taking up the much-discussed Great Lakes Pulp & Paper contract and the Nipigon situation, Sir Adam

accused the old Government of playing politics with the Great Lakes contract and with the Hydro situation at the Head of the Lakes. It had literally forced a contract through the Hydro Commission

through the medium of its two appointees, George Ramsden and Hon. Dougal Carmichael, and, in spite of all the contentions of the old Government, the present Prime Minister was the only man who had had the courage to tell the Great Lakes they were in default on their contract, and they had to sign a new power agreement which would do justice to Port Arthur.

Former Premier Drury he accused of being a man who preached public ownership and attacked public ownership in the same breath. He had got his answer in the last election from the people of London, he said, and also from the people of Halton, in respect to his destruction of the Hydro-Radial project.

#### Nipigon Development.

Nipigon's early over-development, he said, was directly creditable to the old Government, when they compelled a rush schedule to make power available for the Great Lakes Company, who were only compelled to commence construction when power was available. The new Government, he said, had been instrumental in securing new power customers to an extent that Nipigon was already oversold.

Dealing with mention in the Gregory report of increases in salaries to the members of the Hydro Commission and its officials through the medium of the Ontario Power Company, Sir Adam said that every step in that direction was taken with the knowledge and approval of the Government. The Gregory Commission, he said, had not been sufficiently fair to point out that he had devoted ten years' work to Hydro groundwork without remuneration or even expenses.

Following Sir Adam, Hon. Dougal Carmichael, former Power Commissioner under the Drury Government, made a semi-apology for a previous use of the word "dishonest." "If I offended anyone, I am very sorry," he said. "It was a matter of great import to both the Province and to the Commission. I was by no means speaking of the Commission alone, but I still feel that the Commission did not deal with the public as it should have."

Hon. Mr. Carmichael was disposed to quarrel with Sir Adam on the matter of the Government grants toward the construction of power lines.

#### "Class Legislation."

"I was glad to hear the Chairman of the Commission make reference to these grants," he said, "because I am told that during the last election campaign he referred disparagingly to the aforesaid grants as 'class legislation,' and used them to attack the Drury Government."

Straightforward denial by Sir Adam, coupled with the statement by Alex. Lewis that it was due to the Conservative group in the last House that the grant had been raised from the proposed 33 1-3 per cent. to the 50 per cent. incorporated in the final bill, was the fire that the former Power Commissioner drew.

"I have not the information I desire before me at the present moment," was Mr. Carmichael's retort, "but I am sure that the honorable members are inaccurate in their statements."

#### Quotes Gregory Report.

Continuing, Mr. Carmichael read extensively from the Gregory report

in its various criticisms, and remarked:

"Evidently there was a tendency that Hydro estimates should be exceeded. It happened on the Nipigon; on the Chippawa in the construction of the third pipeline, away back in 1903," he said.

There should have been frank discussion with the Government, he said, in such expenditures as the \$11,000 spent in 1923 for campaign purposes. He protested against that at the time, he said.

"I still maintain," he said, "that any statements I made in the House in 1922 in regard to increased costs of Chippawa were fully justified. Perhaps I ought not to have used such harsh words, and if I have offended anybody I apologize."

Mr. Doherty, after wishing Sir Adam a "blissful sojourn" with his new party, received an affirmative answer to a question as to whether a certain \$100,000 in the estimates was to pay for investigations into a second Chippawa Canal.

#### St. Lawrence Development.

Discussing a \$1,500,000 item for St. Lawrence development, Premier Ferguson said that all the Government had on that item was "hope." There was no information as to whether the Federal Government would approve the Morrisburg plans.

Col. Carmichael asked if it was Sir Adam's opinion that Niagara's scenic beauty ought to be sacrificed to further diversion of water. Sir Adam reminded him that there were recommendations from United States sources for further development, and Ontario desired the United States to make the advances for further water diversion.

#### Estimates All Carried.

Hydro estimates totalling \$22,090,000 were all carried, and the House went into public buildings estimates.

The House adjourned at 11 o'clock, with all the estimates but one item carried.