

What Hydro Has Achieved

Sir Adam Beck last night briefly outlined the progress which has been made by the Hydro Commission, from its humble beginning to the immense public service organization it now is. "We have today approximately forty municipalities entirely free from debt," he declared, giving figures. "I do this," he said, amid applause from the Government benches, "for the benefit of our pessimistic friends across the floor. Hydro controls 23 water powers, serves over 360 municipalities, and from 60 to 80 large corporations.

"The total investment of both the municipalities and the Commission at the present time amounts to \$231,688,817. By the end of 1924, with the consent of the Government, we will have invested approximately \$245,000,000."

Denies Funds of Hydro Were Spent on Radials

Beck Brands Charges of Gregory Commission as "Entirely False"—Impossible to Conceal Anything, Because Clarkson Makes Continuous Audit of Hydro Books

AGAIN CLASH WHEN DOHERTY SNEERS

Dealing vigorously with what he termed the "personal" charge made in the Gregory report, that he had diverted power funds belonging to the municipalities to radial enterprises, Sir Adam Beck, in the Legislature last night, characterized the statement as "entirely false."

"The charge is made under such circumstances as to make it appear malicious and for the purpose of injuring me personally, rather than the finding of a report from an investigating committee whose duty was to be fair and judicial," he said. "It is charged that I was personally responsible for a 'wrongful diversion of trust funds,' and that there is a shortage in the Hydro Commission's power funds to the amount of \$1,100,000, due to expenditures for two purposes, namely, \$772,264 in respect of the proposed Toronto-Port Credit Radial Railway, and \$336,995 to meet expenses of the Commission in connection with the Royal Commission on Hydro-Radials, known as the Sutherland Commission.

Every Penny Honestly Spent.

"It is universally admitted that all of the money has been honestly expended, and it has never been and never can be suggested that one cent has been misappropriated. The moneys in question were received from the Government and are not chargeable to the power undertakings of the municipalities.

"I am quite ready and able to justify anything that I have done personally. The matter was not concealed from the Government, nor could it have been so concealed, as there is a continuous audit by Mr. Clarkson of every expenditure of the Commission, and full reports were made by Mr. Clarkson to the Government at various dates during four years prior to the Gregory report.

Authorized by Drury.

"The Gregory Commission has swollen its charge by adding thereto the expenditures of the Commission in presenting to the Sutherland Commission the case of the municipalities and the information which they were called upon by that Commission to produce. How unfair this is is shown by the fact that payment of these expenses was authorized by the Drury Government, not only by letters in July, 1920, but authorized by an Order-in-Council (Oct. 28, 1921) more than two years before the Gregory report, and that these expenses had been actually paid by the Government on Aug. 14, 1923—that is, six years before the Gregory report.

The Chairman of the Sutherland Commission stated that he had been informed by the Attorney-General that the Government would bear the expense of representation by counsel.

Was to Be Stampeded.

"I was to be stampeded into resigning, but they missed the mark. The whole tone of the report is unjust and unfair. It will be observed that in July, 1920, the Drury Government ordered all expenditures on radials to cease, but that they spent half a million dollars on the Sutherland Commission.

Referring to the expenditures of the Commission in presenting to the Sutherland Commission the case of the municipalities, and the information which the Hydro Commission were called upon to produce, Hon. Manning Doherty asked Sir Adam if this money had been voted through the House.

"It was Government money, not the money of the municipalities," replied Sir Adam.

"Did Mr. Clarkson never protest to the Government?" pressed Mr. Doherty.

"The Government guaranteed the bonds," declared Sir Adam.

History of Port Credit Line.

Dealing with the expenditures made by the Commission in the Toronto to Port Credit Railway, Sir Adam presented a short history of that railway. "I wish to make it perfectly clear," he said, "that no expenditure was made by the Commission until the consent of all the municipalities interested had been obtained; until the bonds of the municipalities had been deposited with the Commission; until the Prime Minister had given his assurance that legislation would be passed at the next session, and until the Prime Minister had undertaken that the Government guarantee of the necessary bonds would be given.

"In June, 1920, the Drury Government passed the Hydro-Electric Railway Act, 1920, whereby the legislation promised by Sir William Hearst was passed, and in July, 1920, the Drury Government ordered all expenditure on radials to cease and proceeded to then itself expend or cause to be expended upward of \$500,000 on the radial inquiry by the Sutherland Commission."

Hon. Manning Doherty, however, continued to press Sir Adam for further information. "When will these radials be built?" he inquired. "This year or next?"

"That is a fine question from a member of the Government which smashed these radials against the will of the municipalities," retorted Sir Adam. "You will be surprised yet at what we will do."