

Beck Policy Still in Force, Critics Are Talking Nonsense, Is Cooke's Rejoinder on Hydro

Says Sir Adam Himself Planned to Purchase Power From Quebec — Budget Debate Ends With Government Victory—Sinclair Calls for National Tax Conference

PREMIER SPEAKS, BUT ONLY BRIEFLY

Emphatic claim that the policy and principle of Sir Adam Beck still live—that the recent McQuibban charges that the great public-owned power enterprise of the Province was rapidly going to the public-ownership "bow-wows" had been made by one with as little intimate knowledge of his subject as one might expect from a babe on the street—and that Liberal Leader Sinclair's love for Hydro, regardless of how broad that might be, was not as great as his love for his own political party, was all packed into a hefty punch which Hon. John Robert Cooke loosed in the Legislature, yesterday, on behalf of the record of the Ontario Hydro Commission, of which he is Acting Chairman, and in the interests of the policies which that Commission espouses.

Government Wins Vote.

Mr. Cooke's vigorous argument — only part, however, of the defense he intends to lay down, for he will speak again on the Hydro estimates with respect to the Beauharnois contract, and in regard to export of off-peak power—came at the wind-up of the Budget debate, and a House division in which, by a registered vote of 81-18, the legislators rejected the Tweed want-of-confidence amendment, and carried, on the same division, the main Budget motion, which now puts the House in Committee of Supply for consideration of the estimates.

The Tweed motion aimed at having the House regret the Government's failure to relieve the people of Ontario from unnecessary and burdensome taxation, and to announce any taxation survey that might make that relief possible.

Mr. Cooke's "pinch-hitting" for Premier Henry came somewhat as a surprise, and drew sarcastic gibes from the Opposition benches, and the claim from the Liberal House Leader, William E. N. Sinclair, that no real reply had been put up to the state-

ments made last week with respect to Hydro's "fall-down" by his Whip, Dr. George A. McQuibban, Northeast Wellington.

From practically one end of Hydro's field of development to the other did the Commission Acting Chairman range, scoring criticism of rural extension: inviting members and press alike to inspect Commission documents, to learn, if they doubted him, that the policy of Sir Adam still thrived; jabbing at Mr. Sinclair for his stand on the resolution which Hon. G. Howard Ferguson had before the Legislature some years ago to condemn the Georgian Bay Canal "steal," and warmly defending Hydro's policy of what the Opposition had termed "risking" in connection with power-securing plans.

The Progress of Hydro

Hon. John Robert Cooke, Acting Chairman of the Hydro Power Commission for Ontario, speaking in the Legislature yesterday, gave the following comparative statement on the expansion of Hydro since 1922:

	1922.	1930.
Peak load, H.P.	729,348	1,268,560
Number of municipalities served	239	685
Number of consumers served	303,090	590,000
Reserves (Hydro)	\$ 5,591,397.34	\$55,000,000.00
Reserves (Municipal)	\$18,534,880.17	\$50,000,000.00
Transmission lines (including rural)	3,579.78	13,157.51
Capital invested (Hydro)	\$163,964,840.05	\$262,350,000.00
Capital invested (Municipal)	\$55,274,702.64	\$98,200,000.00
Miles of rural lines	507.21	7,125.99
Consumers	3,257	46,832
Bonus paid	Nil	\$7,816,270.96
Hydro reserves invested in bonds—		
Investment of Commission's reserves in securities	\$33,309,058.01	
Sinking fund paid to Provincial Government	10,675,033.88	
Amount of reserves used to retire bonds of the Ontario Power Company and Toronto Power Company	6,049,643.16	
Total		\$50,533,735.05

Attraction of Risks.

"I might point out to the House in this connection," said Mr. Cooke, "that if no risks had been taken the cliffs of Dover would still mark the outer boundaries of the British Empire. If the Hydro had not taken a risk in purchasing the Ontario Power Company, the Electric Development Company, and had it not put \$18,000,000 into the Chippawa development, the municipalities of this Province would not be in the fortunate position in which they find themselves today."

Mr. Sinclair preceded Mr. Cooke in the debate wind-up with a general denunciation of the Government's financial policy and some extra "cracks" at Hydro thrown in for good measure. He also called for a taxation survey. Hon. Harry C. Nixon, Progressive Leader, supported, along with his following, the Tweed amendment. Following Mr. Cooke, the Prime Minister came on long enough to maintain that the Opposition speakers had done nothing more than "thresh a lot of old straw."

Mr. Sinclair, in opening his address, noted that the increased expenditure by the Government over 1929 of \$7,778,600 was alone more than the total expenditures of the Province when the present Provincial Treasurer first took his seat in the House in 1904. He discounted the Government's statement that the deficit was created by the present period of depression. Its revenue had increased by \$3,363,361. Eleven sources of income had shown increases, and five had shown decreases. But there had been increases in nineteen channels of expenditure, and decreases in only two.

"The deficit is accounted for," declared Mr. Sinclair, "by the increased expenditures of this Government. It was a fortunate year for the Government so far as succession duties were concerned. The increase in succession duties was \$4,619,057. And it saved a terrible deficit."

"Window-Dressing."

The statement regarding assets and liabilities was just a "window-dressing" statement, said Mr. Sinclair. It showed an excess of assets over liabilities of \$36,476,969, a decrease of \$1,393,801 as compared with the year

before. "Many of the assets are unrealizable at any price, but it looks good as an introduction to public accounts. The biggest assets of the Province are the 3,000,000 who will have to pay the debts."

Dealing with the Provincial debt, the Liberal Leader showed that it had increased by \$40,000,000 in three years during the operation of the debt-retirement plan. The Conservative Administration, he went on, in eight years had produced five deficits and three surpluses. There had been a total deficit of \$27,000,000 over all. He twitted the Government on the rejoicing that had heralded the surplus announcements and the declarations that the era of deficits had passed with healthy financing.

Too Much Spending.

Expenditures, he repeated, were the cause of the deficit, and in spite of some \$4,500,000 expected new revenue a \$2,670,000 deficit was predicted for next year. He criticized the Government's policy of taking reserves from the Hydro and Timiskaming & Northern Ontario Railway in former years and its proposal to take \$1,800,000 in reserves from the Liquor Control Board this year. "It must have taken courage for the Government to increase the cost of liquor to help its revenue, for, judging from the last election, few of the patrons of the liquor stores fail to vote for the Government," he added.

The proposed corporation tax, he continued, would be a burden to business, would affect the commodities people buy at a time when business needs relief and with the prospective return of the sales tax would seriously affect business. "It is a tax imposed as a last resort," he affirmed.

With a deficit of nearly \$3,000,000 predicted in spite of these additional taxes and with \$4,500,000 of this year's taxes outstanding, the future was not very promising for the Treas-