

Commission informing his Lordship, I will now put W. N. Tilley in the witness-box and examine him as to the work of his firm in connection with the purchase of the Dominion Power and Transmission Company? Then, Mr. Speaker, you can imagine the direct examination of Mr. Tilley, the witness, by Mr. Tilley, the counsel.

**Payments to Firm Alleged.**

"According to the Star of Feb. 22, a member of Mr. Tilley's firm is said to have received 'upward of \$60,000 for his services' in connection with the Dominion Power and Transmission deal. Picture with what severity

Mr. Tilley will examine his partner as to what he did for anything like such a fee. Is it possible that the Prime Minister's attitude to this inquiry and Mr. Tilley's functions are correctly summed up in one sentence of his interview in the Star last Saturday—he is 'not investigating anybody'?

"In another Hydro matter, the payment of \$125,000 to John Aird Jr. in connection with the Beauharnois-Hydro contract, which the Prime Minister has excluded from the investigation, Mr. Tilley's law firm again appears," declared Dr. Simpson. "Mr. Tilley was the senior of three counsel appearing before the House of Commons committee on behalf of the Beauharnois Company, and, according to the Mail and Empire of July 21, 1931, a member of the Tilley firm 'had been specially retained by the Ontario Hydro in connection with the matter' of the Beauharnois-Hydro contract. Here, apparently, on one occasion, a partner of Mr. Tilley represented the Ontario Hydro, and later Mr. Tilley himself appears on behalf of the Beauharnois Company.

**Promise Made by Premier.**

"Before leaving on his Western trip Premier Henry, according to the press, promised an investigation into Hydro affairs. In his absence, he said the various contracts would be looked into by Cabinet colleagues and department officials. Now he has given, not a full, impartial investigation, but the narrow inquiry covering only two of the deals under criticism by both the Opposition and the press. If these are not the only two that will stand investigation, why were others, like the Abitibi and Chats Falls, not included, along with the \$125,000 payment to John Aird Jr.? Why does the Prime Minister now dodge and seek refuge behind the Commissioner he has appointed?"

Mr. Henry—Do you want an answer?

Dr. Simpson—Well, later on. . . All right, go on.

**Premier Essays Explanation.**

Mr. Henry explained that the two contracts under scrutiny were for the purchase of assets and property. These two contracts, of all the contracts into which the Hydro had entered during the past five years, were of this nature; all other contracts, he stated, concerned the buying of electric current.

Mr. Nixon—Wouldn't that apply to the Foshay and the Wahnipitae?

Mr. Henry challenged Mr. Nixon to name one instance in which the press had been demanding an investigation into these purchases.

Mr. Sinclair—Apparently the Prime Minister has not been reading the papers.

Mr. Henry—Yes, I have.

Mr. Sinclair—Not so closely as I have.

Dr. Simpson stated that a Conservative Party stalwart, whose name he could, if necessary, give, had told him that he had not formerly considered an investigation necessary, but that he did think it desirable now, because of "the pussyfooting in which the Government has indulged."

"I think you have a very real grievance against the Prime Minister," Dr. Simpson told the Conservative members. "He has made it absolutely impossible for many of you to be re-elected at the next general election."

**Mr. Heighington Eulogistic.**

After a eulogy of Premier Henry and Attorney-General Price, Mr. Heighington plunged into a sharp criticism of the "defects" in the speech of Mr. Sinclair, affirming that there was no mention therein of the unemployment question, of the proposed moratorium on mortgages, of the suggested amalgamation of the Ontario Railway and Municipal Board and the Bureau of Municipal Affairs, of the Security Frauds Act; and that, because of this

non-mention, the Liberal Party had neglected its duty. Instead, its Leader had, so far, confined its discussion almost entirely to "one contentious issue," "one miserable point," that, partly at least, had been "refuted"—the alleged payment of \$125,000 by Beauharnois to John Aird Jr. The Progressive group, he said, had erred in a similar way. Not one constructive suggestion had, to date, come from them.

The Opposition argument with regard to the point at issue had consisted, he said, of "stale whiffs of forgotten scandals," of street-corner gossip, of feeble allegations from "vague and nebulous statements." Instead of bringing evidence into the House—documents and direct charges—the Opposition was supporting a general resolution calling for an investigation of seven or eight different Hydro contracts.

**"Fishing" Alleged by Speaker.**

Not a single Opposition member, declared Mr. Heighington, had suggested any discrepancy in a Hydro contract, nor submitted a single detail on which an investigation might be founded; and yet the Opposition was demanding a wide-open inquiry.

"I think," said he, "this amendment should have been referred to the Fish and Game Committee of the House. For its proponents are fishing for some point, and are trying to make political game of anything behind it."

The place to discuss political facts—and the Opposition, he charged, was playing politics on the issue—was in the House. While he supported the action the Government had taken in appointing a Royal Commission inquiry, he plainly indicated that it should have come only after the House had been able to dispose of the references, and he strongly urged the Government to stick to its ground that the present scope of the inquiry be not enlarged.

The issue was, he said, "only one of passing importance." Every one recalled, he added, the 4.4 beer controversy in the House, and its wasted effort. The present Hydro issue was far secondary to other pressing matters which should be occupying the time of the House just now. A mere accusation of R. O. Sweezey, or the "bare suspicions" of the Opposition were no grounds for an inquiry into the \$125,000 payment to Aird, and he was greatly surprised by the "amazing exaggerations" that had grown up about the payment.

"Why has the contentious issue reached the proportions it has?" asked Mr. Heighington. Waving a several-years-old clipping, "Sifton Attacks Ferguson Power Policy," he replied: "There you have the answer: The Siftons."

**Mr. Baxter Replies.**

"Much has been said on the subject of Hydro," declared Mr. Baxter, "and we on this side of the House are continually accused of being opposed to it and trying to damage it. My experience has been that, if we even ask a question, before an answer is given we are accused of knocking Hydro. I have found in my own constituency that the Conservative people were more critical of Hydro than any other party. Why this unrest?" he asked.

"They were told by the Commission that Hydro would be at cost. The Commission established a rate and consumption was started. Then we were informed," the speaker went on, "that the rate was too low, and no one was able to show why. All the Commission seemed to care was that it could get a contract signed and then it arranged to make the municipality responsible if payments were not made. No effort was made to inform users of conditions of Hydro. This was to be public ownership; and is it not British fair play that users should know where and for what their money is being paid?"

**Methods Under Criticism.**

"What effort is being made today by the Commission to add more users to lines already constructed? What interest is the Commission taking in that phase of rural development? The action of the Commission in the past in constructing large power lines across country has caused unrest among farmers. Until the last two or three years, has there been any uniform policy followed by the Commission in securing right of way? It was mostly done by dickering.

"On the line built to St. Thomas there was a policy of \$40 per tower no matter where the tower was placed. It might be in the farmer's front yard or back on waste land. The price was the same. The other dealings for right of way through a woods were by dickering. There are remedies in the hands of the Commission which could have been arranged before and justice dealt to all alike. Now we have an amendment to the amendment which deals with a subject that is sub judice. I consider this resolution is out of order, as it cannot be debated without referring to a subject which is sub judice."

**Hydro Again Is Theme.**

Captain Smith, in his speech, turned to the Hydro question. "The Hydro-Electric System," he said, "has for many years been the pride of the people of Ontario. Today there is a determined effort to prove that there is something wrong with Hydro. In all its history Hydro has withstood the attacks made upon it by opponents of one kind or another. The significant feature of the present campaign is that the opponents of Hydro are not only striking at it, but are endeavoring to drag in this Government, and to hold it responsible for anything which may have been done by Hydro of which they do not approve. Some of these gentlemen have very short memories. I believe the people have confidence in Hydro and in the Government."

**Mr. McArthur Speaks.**

Declaring that it was interesting last week to hear the Premier interrogating the members "just across the channel," in an effort to find out how they felt and how they served, Mr. McArthur averred that, were similar questions asked of the Government benches by the Opposition, the Conservatives would rise with a single shout, and tell you, "Our Leader is Hon. Mr. Henry."

Mr. McArthur recalled that Mr. Nixon was a member of Mr. Drury's Administration, which, after proclaiming economy, left a deficit of \$15,000,000 for the Conservatives to clear up. He recalled, too, "the dusty roads in Brant County at that time, which were rough as life itself." "There were no lights there then," he said, "except the light of the sun, moon and the stars, and one saw farmers doing chores with a small flickering lamp." Mr. McArthur remembered the bridges of the time, wooden contraptions with a squeak, which were called the musical bridges. "And there were old men and old women who had not been successful in life," he continued, "walking round the dusty roads with no place to go, and no place to stay."

The state of affairs thus pictured was contrasted by the speaker with present conditions in Brant County. There are 874 farmers enjoying rural Hydro, he said, and 284 old people enjoying old-age pensions in their own homes.

**Thrust at Mr. Hepburn.**

"We don't mind Mr. Hepburn in the least," Mr. McArthur continued. "We are not at all anxious or worried about him. But we do think that he should tell the truth." He characterized Mr. Hepburn's utterances as "exaggerated, inaccurate and misleading."

"If he has anything to say in reference to this Legislature, he should come right in here and say it. If he came in here and made the statements he has made out, in the common expression, it would be just too bad for him!"

"Mr. Hepburn," he went on, "seems to read certain pamphlets; seems to purchase these ready-made suits, and then broadcasts around this Province. And though he doesn't say so openly, he opposes public ownership." He added that Mr. Hepburn had omitted to mention that if the St. Lawrence power scheme were started on today, it was asserted by engineers that it would be eight years before there could be one horsepower from it. Mr. Hepburn, he said, was "nothing less than a malicious public impressionist."

Mr. Hutchinson, the only Labor member of the House, painted a black picture of labor and industrial conditions in his constituency. He thought that there should be more substance in the Speech from the Throne than was apparent. No won-