

you think, about the St. Lawrence?" asked Mr. Sinclair.

Supreme Court Reference.

Mr. Henry referred to the references made a couple of years ago to the Supreme Court by the Dominion Government on the St. Lawrence question; claimed that those references had been so worded that no decisions could possibly be handed down on them. He further contended that the Ontario Government had not been allowed to submit a reference; that, as a matter of fact, Ontario wasn't shown the Dominion's references until the day before they went to the Supreme Court.

"All I have to say," put in Mr. Sinclair, "that isn't what I read in the newspapers."

"We've been pressing the button on this thing for years—to get action," said Mr. Henry.

"You've been pressing the wrong button, that's sure," retorted the Liberal Leader.

Mr. Henry read his proposed amendment to the amendment. It was absolutely fair, for all the Opposition might say, he contended, and the Opposition would do well to think twice before voting against it.

Premier Reads Statement.

The Prime Minister read the following statement:

"On Tuesday, the member for Northeast Wellington (Dr. McQuibban) made a series of statements so injurious to the welfare of the people of the Province of Ontario that they should receive prompt and sweeping denial.

"Every one knows that the hydro-electric undertaking of Ontario municipalities has been founded upon confidence, and I can conceive of nothing more mischievous than making public misrepresentative statements, ostensibly supported by statistics, after a manner and under circumstances which must, to say the least, be disturbing to public confidence.

"If the member for Northeast Wellington had conceived some genuine doubts regarding the policies pursued by the Commission and approved by this Government, and if, moreover, he had made a real attempt, by reference to authentic data, to verify his doubts, then this Government would have been the last to say that he was unjustified in attempting to have matters rectified. The fact of the matter is, however, that the member has not attempted to find out and present the real facts, but has employed statistics in a manner seriously to misrepresent the Commission's work. Consequently, I wish to make it unmistakably clear that my references to his statements in this House are not a rejection of constructive criticism—which has not been given—but, rather, a protest against misrepresentation harmful to a great enterprise of the people of Ontario, and which can have had no other object than to secure political advantage.

Data Declared Misleading.

"At the outset, I have no hesitation in affirming that the member has presented data which—not only with regard to some of the important figures themselves, but also with respect to the setting that has been given them—encourage plausible, but nevertheless, more erroneous impressions to be created.

"For example, the member, to make it appear that the Commission did not need to purchase power to meet the needs of the Niagara system, definitely stated that, in 1930, exclusive of Gattineau power, 'we have 920,000 horsepower to meet demands of 867,963 horsepower.' In presenting his figures of power load, consumption, and so on, he says: 'All these figures are taken from the annual report of the Commission for 1930, the latest report available,' but nevertheless the member for Northeast Wellington, in compiling his figure of 867,963 horsepower, has neglected to include the peak load of 219,000 horsepower from the Gattineau power plants. The correct figure for the sum of the capacities, exclusive of Gattineau power, is 873,890 horsepower, instead of his 920,000; and the correct figure for the sum of the peaks of the plants or demands is 1,086,963 horsepower, as shown on pages 10 and 11 of the Commission's annual report. That is, the member bases his whole argument on false figures, purporting to show a surplus of capacity at Niagara over peak load of 52,000 horsepower, whereas the correct figures from the Commission's annual report on his basis of calculation show a shortage of capacity, but for the Gattineau contract, amounting to 213,073 horsepower below the peak loads on plants.

Mar. 4.

The Niagara Situation.

"Again, the member attempts to cast discredit upon the Commission's actions in connection with the Gattineau contract, saying, with reference to 1930: 'To control a factitious scarcity, we go into the market and conclude a contract with Gattineau for 250,000 horsepower; as a result, we find that Niagara is crippled. We use less than one-half the available capacity of this contract. At the same time we pay for it whether we use it or not.' If he had consulted the Commission's annual report carefully he would have known that this reckless charge is without foundation. Actually the contract amount of power to be taken and paid for by the Commission, in its fiscal year 1930, was about 150,000 horsepower for eleven months, and 250,000 horsepower for only one month.

"To illustrate the manner in which the member uses some correct figures, but in a setting that gives a wholly false impression, I may cite his statement with regard to the whole Hydro undertaking; that its output in 1930 was 'one-half its capacity.' This result he arrives at by comparing actual output with theoretical possibilities, assuming all capacity could be fully utilized every minute of the day and year, but he does not clearly state the basis and meaning of such computations as he makes. The fact of the matter is that an output of anywhere from 35 to 50 per cent. of theoretical continuous capacity is regarded universally by electrical undertakings as an excellent result, even in years of normal business activity, and the Commission's percentage was about 55 per cent. for the Niagara system.

In Other Provinces.

"For the years 1927 and 1929, for example, the highest yearly figure attained in any of the five Provinces of Nova Scotia, New Brunswick, Saskatchewan, Alberta and British Columbia was only 42.8 per cent. of theoretical capacity, as the member for Northeast Wellington computes it; the lowest was 17.6 per cent. Nevertheless, he presents his statement as an alleged support to his unfounded contention that the Commission is neglecting to utilize available capacity in Ontario in order to purchase power.

"It is neither my desire nor intention to impute personal motives as to why such misrepresentation as the foregoing should be made, but I submit that the three visits which the member announces he paid to Niagara and Queenston would never qualify him—nor anyone else, for that matter—to speak with knowledge and authority upon the complex subject respecting which he so readily offers detailed statistics.

"Evidently he had serious misgivings with regard to some of his statistics when in the course of his speech he challenges that the files might be produced in an 'attempt to disprove' his statements, clearly implying that it was not the files or other true record of facts and circumstances that he consulted, but rather some unnamed person with whom he conversed.

Statement Challenged.

"When the member, for example, represented in his speech that the Abitibi development involved a power

site equal in potential strength and power to the Niagara system, where, I ask, is supporting authority for such a representation? Is it not the equivalent of saying that the Abitibi development with its 330,000 installed horsepower—largely intermittent in character—is of equal power magnitude to the Niagara system with its generating capacity at Niagara of 850,000 horsepower?

"It is not my purpose at this time to go into details involving such questions as those of loads, load combinations and distributions, the economical use of Ontario's share of water under the Boundary Waters Treaty allotment and other statistics. These involve considerations far too complex for any other than experts conversant with the facts.

"When some 700 municipalities who are the owners of their Hydro enterprise and in constant touch with realities in Hydro matters are not complaining of the Commission's actions on their behalf, why, I ask, should the member feel called upon to voice publicly his unfounded suspicions, unless, indeed, it be for political purposes?

Political Control Denied.

"I wish to state with all the emphasis at my command that the work of the co-operating Hydro municipalities as reflected in their great Hydro-electric undertaking, was conceived on non-political lines. Its first Chairman and great leader, Sir Adam Beck, used every resource at his command to keep it isolated from political intrigue, and I believe that the municipalities and the Commission will bear unhesitating testimony to the fact that this Government has not sought to bring the Hydro undertaking within the realm of political controversy or control.

"I am, of course, not unaware that the charge has been made that there has been political interference. The necessarily close relationships between the Government and the Commission make it comparatively easy for plausible misrepresentations to be made that perhaps will mislead in this regard those who are unfamiliar with the established relationships, under statutory enactments, of the Government and the Commission. The Government, of course, has financed a large part of the Hydro work and consequently has responsibility to the people respecting the financial and economic soundness of the policies pursued by the Commission, but beyond the discharging this responsibility, it has not gone. As I have stated before, the Government, I believe, has confidence not only in the ability and experienced judgment of the Commission and its staff, but also in their thoroughgoing integrity.

"I submit that, so far as political interference is concerned, nothing could be more reprehensible than an unwarranted attack made upon the floor of this House such as was made by the member for Northeast Wellington, and which, in view of the circumstances under which the attack was made, receives prominence throughout the length and breadth of the land.

"I believe that the people of the Province of Ontario fully appreciate the fact that it would be a calamity, not only for the Province, but for the country at large, if statements like those made by the member should receive credence and be allowed to impair confidence in the Hydro undertaking. If I am any judge of the special concern expressed by Sir Adam Beck—and, after years of contact with him, I believe that I am—I should say that his repeated warning against having confidence disturbed between the co-operating municipalities themselves, and between them and the Commission, and its relationship to the Government, was a warning given because Sir Adam well knew that if this confidence could be basically shaken, it would only be a matter of time until the work of the co-operating municipalities would largely, if not entirely, be destroyed.

Boundary Waters Treaty Cited.

"Being somewhat familiar with the circumstances, there is one matter to which I might here refer, and use it to illustrate the gross inaccuracies of the member's representations, and that is the question of water diversion at Niagara under the Boundary Waters Treaty. It is true that under the treaty Canada is allotted 36,000 cubic feet of water per second, but out of this amount various apportionments are made, leaving about 24,500 cubic feet of water per second on the average which the Commission can use for the production of its power. That is to say, nearly one-third of the water is not available for Hydro use; but the member wholly ignores this fact, which nullifies one of his principal contentions.

"When the member pointed out that the Ontario power development and the Toronto power development were at times operated at less than capacity, he stated what was true; they are not operated continuously at full capacity, but he did not offer the very pertinent and true explanation, namely, it would require about 42,000 cubic feet per second. The water is not available under the treaty to operate all the plants continuously at capacity, and so the Commission wisely operates at greatest capacity the Queenston-Chippawa plant, which is the most efficient; at lesser capacity, the Ontario Power plant; and at