

## SALARY REDUCTION AMENDMENT LOST

By a vote of 66 to 19, the bill sponsored by Hon. Harry C. Nixon to decrease the salaries of Hydro Commissioners and to prevent them from holding directorates—the latter clause admittedly directed at Right Hon. Arthur Meighen—was defeated in the Legislature yesterday. It was a straight Government-Opposition vote.

### Reads List of Companies.

Mr. Nixon, in speaking to the bill which would have amended the Power Commission Act, read off the list of companies with which Mr. Meighen was associated, and the investments of these companies in securities which directly or indirectly related to Hydro activities. And in conclusion he made this challenge to Premier Henry: "If the Prime Minister would read the correspondence which he has received from Mr. Meighen this past ten days, I understand that it would be much more interesting than the statement he just read." He was referring to a statement which the Premier had read in connection with the Hydro discussions.

Mr. Nixon's bill would have prevented any one being a Commissioner who was a director of any corporation the interests of which might be affected by the acts of the Commission, or the value of whose shares might be enhanced or affected by acts of the Commission; or any one who had or purchased any business or firm the interests of which might be affected by the acts of the Commission; or any one who was a holder of bonds, etc., the value of which might be affected by the Commission; or any one who was interested in any device, etc., which might be subject to regulation by the Commission.

### Salaries Proposed.

It would have set the salaries at \$10,000 per annum for the Chairman, \$8,000 for the Vice-Chairman, and \$7,000 for the third Commissioner.

"In moving this bill to amend the Power Commission Act, I would like to point out to you, and to the Government, that this concludes my program of legislation for this session," commenced Mr. Nixon. "I hope they will receive it a little more kindly than they have my previous resolutions, which I still feel should most certainly have been passed in the public interest."

"This bill is very simple and self-explanatory, containing two clauses, one of which seeks to set by legislation the salaries of the Hydro Commissioners. These salaries at the present are settled by the Lieutenant-Governor in Council, and form part of the cost of the administration of the Hydro Electric Power Commission."

### Provisions of the Act.

The present Power Commission Act, Section 6, says, "An amount not exceeding \$45,000 may be paid annually for the service of a Chairman and the other members of the Commission, who shall receive from the said amount such sums as may be determined by the Lieutenant-Governor in Council, and the said sums shall be deemed a part of the expenses of the Commission."

"Under this section, my information is that the salary of the Chairman is \$18,000, and the salaries of the Commissioners \$10,000 each. I propose to substitute the figures as set out in the bill. I have suggested in this House that, in my opinion, the salaries of these Chairmen of Commissions should certainly not exceed that of the Premier of the Province, and I recall that last year my good friend from Woodbine (Mr. Shields) agreed with me emphatically, in spite of which I still think I am right."

"This bill, of course, proposes to put the salaries of the Chairman on a parity with that of a Cabinet Minister but, if my honorable friends feel that they should vote that the Chairman of the Hydro Commission should receive \$8,000 a year more than the Minister of Mines, the Attorney-General, Minister of Lands and Forests, or the other Cabinet Ministers, that is, of course, their privilege. I suggest this amendment with all sincerity."

### Outside Activities Limited.

"The other section seeks to limit, or, if you like, place certain prohibitions, although that is not a popular term in this Legislature, upon the outside activities of members of the Commission. The Power Commission Act takes two pages setting out prohibitions as to the activities of members, or of officers, of any Commission appointed or elected in the municipalities. (Local Commissions.) It seems to me in this connection that what is sauce for the goose should be sauce for the gander, and the members of the Commission should not object to accepting such restrictions as their own act applies to members of the local Commissions," Mr. Nixon contended.

"But I will say, quite frankly, that this is aimed particularly at the anomalous position of Hydro Commissioner Mr. Meighen, with respect to his duties on the Hydro Board and his association with numerous corporations whose holdings are most decidedly affected by the action of the Commission."

"I would bring to your attention that Hydro Commissioner Meighen is listed in the Financial Post directory as President of the Canadian General Securities, Ltd.; of the Dealers Finance Corporation, Ltd.; and of the London & Western Trusts Co., and also a President and Managing Director of the Traders' Finance Corporations, Ltd.; and Chairman of the Board of the Canadian General Investments, Ltd.; Third Canadian General Investment Trust, Ltd.; Fourth Canadian General Investment, Ltd.; Confederation Investments, Ltd.; and Canadian General Insurance Co."

### Mr. Meighen's Positions.

"He is a member of the Hydro Electric Power Commission at a public salary and a member of the Senate at a public salary. And, according to information set out in the Financial Post Corporation Service, the Canadian General Investment Trust, as of March 31, 1932, had in their portfolio such securities as Abitibi Power and Paper, Gatineau Power, MacLaren, Quebec; Ontario Power Service Corporation, Dominion Power and Transmission."

"And in the Third Canadian Investment Trust, Beauharnois Power, MacLaren, Ontario Power Service. The lists laid on the table the other day showed that these corporations, of which he was a dominating director, held at least \$213,000 Ontario Power Service bonds. The information which is furnished from the Canadian General Trust Investment, Ltd.,

shows that, on Dec. 31, 1932, this one corporation alone had in its portfolio \$115,500 of the new Hydro-Electric Power Commission bonds, guaranteed by the Province; \$302,000 in Gatineau at 5 per cent.; \$52,000 Gatineau at 6 per cent.; \$44,000, MacLaren, Que.; \$23,000 Abitibi Power and Paper; and 100 shares of preferred. After the debate of yesterday, I do not propose to discuss these in further detail, except to say that, in my view, it is not in the public interest that a Hydro Commissioner should have these connections," said Mr. Nixon.

"To show you how embarrassing it may be to the Government, I may say that we know we have a Securities Commission, and it might be necessary for a review of the Commissioner by the Securities Commission, as I understand that a request has already been made. In this connection, I have before me clippings from the Victoria Times of July, 1931."

"Sir Percy Lake heads Victoria Committee," Mr. Nixon read from the headlines of an article in the above paper. "I do not propose to go into the matter further, but a communication was sent and acknowledged, and it was indicated that A. W. Rogers would look into it."

### Civil Matter, Says Price.

"I don't know anything about it," replied Attorney-General Price. "The Securities Commission would handle it; that is its work. But I understand there was nothing to it, that it was a purely civil matter."

Premier Henry then rose. "I will admit quite candidly that there should be some limitation to which public servants can carry on in their private business. There should be a well-defined shadow in which they might move. But I cannot agree that we can go as far as this bill would have us go. What kind of Commissions could you expect, if this went through? I don't know who you could put on."

"We have heard the member from Brant boast about his coming into power, or the groups which he represents coming into power. Possibly he might like the job himself, and I suppose he would be quite fitted for it. But, as the bill is framed, no farmer who takes power could sit on the Commission."

"I suppose every financial interest in the Province is more or less affected by the action of the Hydro Commission. I do not suppose my friend left anything out of the scope of this bill," the Premier said, reading its clauses.

Mr. Nixon—I lifted it entirely out of your own bill and the Workmen's Compensation Act.

### Better Service Sought.

Premier Henry—Then he says that the salaries should be fixed by statute rather than the way it has been done since the organization of the Commission twenty-five years ago. I would like to know where we could go for Commissioners under this. Surely we want outstanding men, men of vigor. It is not a matter of decreasing salaries. It is a matter of heaping more responsibilities on them and getting better service.

"We have to take men in active life who have interests, or otherwise we would not obtain the efficiency we are getting today. All three Commissioners have proved themselves men of capacity. I doubt that the people would vote for a reduction in the salaries."

Mr. Nixon—Don't you think that you have good men in your Cabinet?

Mr. Henry—Yes; but they have not the same responsibilities. They are not handling \$20,000,000 in revenue.

Mr. Nixon—What about the Provincial Treasurer?

### "Continual Nagging" Charged.

The Premier declared it was beneath the dignity of the House to make political capital out of the salary of the Chairman. "He is giving his very lifeblood in the interests of the work, and the other two Commissioners are satisfactory. I think the people have been misled by those who would make a political football out of the Hydro. For years we have been charged with interfering with Hydro affairs, and now when we don't we are abused because we don't," the Premier declared heatedly. "If this continual nagging of politicians who wish to make some petty—," the rest of his remarks being lost in the applause.

Mr. Nixon—You are not mentioning any names?

Mr. Henry—This was put on the order paper for no other purpose, so that when he goes out through the country—"

Mr. Nixon—You can't impute that. I put it on in all sincerity.

Mr. Henry—It is difficult to tell when you are sincere.

"The member from Brant says he introduced it in all sincerity. That is saying a whole lot," observed W. E. N. Sinclair, Liberal House Leader. "As a lawyer, I am forced to disagree with the drafting of the bill. I agree with what the Prime Minister has said. It is not drawn in a way to meet the situation my friend wants to meet. I happen to be a director of the Temple Building in Oshawa, a Masonic affair. Under this bill I would be debarred from being a Commissioner. So would a farmer or any user of power. And one couldn't own a mining share."

### "Foolish," Says Sinclair.

"I almost think it would debar a man from owning an electric clock,"