

# Nixon Amendment Ruled Out of Order In Premier's Reply

**Messrs. McQuibban and Nixon Score Government Policies — Prime Minister Makes Jocular Remarks About East Kent Member's Leader**

## HYDRO ATTACKED BY BOTH CRITICS

Premier Henry retorted on Opposition assailants at yesterday's Legislature session, and voiced an objection which caused withdrawal of a second no-confidence motion directed against his Government.

### Objections.

Leaders' Day in the debate on the Address found Dr. G. A. McQuibban of the Liberals and Hon. Harry Nixon, Progressive, each equipped with an amendment condemning Administration policies. At the close of his opponents' speeches Mr. Henry rose with a demand that Speaker T. A. Kidd rule the two amendments so similar as to be repetition. This the Speaker did, but gave Mr. Nixon the right to prepare a new and acceptable motion.

Just before the sitting ended the Speaker unexpectedly called on Mr. Nixon for his new amendment. Mr. Nixon protested that he had had no time to prepare a new motion. The Speaker regretted, but it could not stand over. Subsequently Mr. Nixon said he regarded the matter as finished.

### Liberal Amendment.

The Liberal amendment climaxing Dr. McQuibban's speech was "that all the words in the motion after the first word 'that' be struck out, and the following substituted therefor: 'This House views with alarm the ever-increasing burden of taxation and debt which the policies of this Government have imposed upon the people, and condemns the utter failure of the Government to deal efficiently and in a businesslike manner with the problems of vital concern to the people.'"

The Progressive amendment, ruled out, was as follows: "That the amendment to the motion be amended by adding thereto the following words: 'And this House respectfully submits that your Honor's present advisers do not enjoy the confidence of the people; and that they have usurped office for months after the end of the term for which they were elected, in defiance of sound constitutional practice, and should no longer be permitted to function as a Government.'"

### Wide-Ranged Attacks.

The Opposition attacks ranged over a wide field of alleged maladministration by the Government. Dr. McQuibban claimed that the Liquor Board was borrowing to build up the semblance of a Government surplus; that the educational system was outmoded and over-costly; that Hydro was strangling itself with power purchases from Quebec. Mr. Nixon struck out with a more strictly political address, viewing the Government as on the verge of defeat, and deploring the "barrenness" of the program so far revealed this session.

Replying, Premier Henry was in genial mood, punctuating his address with frequent slaps at the Opposition. He endeavored to meet the different points of criticism offered by his adversaries, and had not concluded his speech when the House rose.

Directing a share of the fire at Premier Henry, Dr. McQuibban noted that the Government Leader's "many avenues in which to exercise official responsibilities" included receipt of "assurance that all is well with Hydro from the lips of those whose capacity to be perfect is now pretty much limited to themselves." The Premier said Dr. McQuibban, also could gaze with pride on a \$476,000 surplus, "which is vainly trying to conceal a deficit of \$38,000,000 or more in 1933: he could call in his many Education Department assistants and study further centralization of the Province's school system."

He protested two Conservative Governments' inclination to treat the educational branch of the public policy as a sideline to other important portfolios. Nevertheless, a department that supervised the critical years of a quarter of the population demanded full-time attention.

### Educational System Claimed Obsolete.

As a result, Dr. McQuibban found, "the educational rut has become deeper and deeper, outworn its evolutionary stage, and is functioning as an obsolete system." As example, he cited the Adolescence School Act, requiring children to continue studies after high school entrance, although most of them dropped out immediately on attaining the age-limit. "It must necessarily incur a very serious financial burden on the taxpayer to maintain this antiquated rule," commented Dr. McQuibban.

He recalled the warning of Dr. George Rogers, Chief Director of Education for Ontario, that schools were in danger of departmentalization with mechanical precision, touching neither the character nor personality of teacher and student. Dr. Rogers had stated that hundreds of students at the university were not of university calibre, and high schools contained many pupils who should never have gone there. Quoting university statistics to show "a wretched sacrifice to the gods of university culture," Dr. McQuibban repeated his complaint that "nothing is done."

Centralization policies, thought Dr. McQuibban, shackled the "fine and capable body of Ontario teachers." He advised reevaluation of the teaching staffs, addition of responsibilities, in the interests of efficiency and economy. To offset the surplus of teachers, the department should estimate requirements and regulate attendance at Normal Schools. Repeat teachers at Normal were treated unjustly, "forced to cram more academic fodder."

### McQuibban Assails Hydro System.

Turning to Hydro, Dr. McQuibban observed that: "Gradually, but surely, the constricting coils of their business have been tightening around the Commission. In 1932 the Commission had conveniently delved into the surplus" to convert a \$2,500,000 deficit into a surplus. Why a deficit? asked Dr. McQuibban. The trail, he found, led back to Quebec, where increased purchases of power had raised expenses 50 per cent, while leaving total power less in 1932 than in 1929.

Purchased power he pictured as an octopus, gradually strangling production from the Niagara system. Into that system now flooded in power from Gatineau, Beauharnois, Chats Falls and MacLaren.

With regard to the Throne Speech statement that the December peak load was the highest in history, Dr. McQuibban remarked that the Commission hesitated to publish the fact that "Hydro users were obliged to pay for 5,000,000 dollars' worth of power which they could not use, power from Quebec contracts and other blocks." This problem was met by diverting such power to industries, inducing the public to instal hot-water heaters, and exporting power to the United States. The December peak was established by "throwing the vast bulk on the Queenston plant of Niagara operation and flooding the system from Que-

bec." The other plants at Niagara remained virtually inactive. The Commission is "buying and then dumping its products."

### Seaway Plan Discussed.

Regarding development from the St. Lawrence waterway project, "the general information is to the effect that power will ultimately be supplied at a cost of \$15 per horsepower; Sir Adam Beck believed St. Lawrence power could be available at the lowest price in the world, somewhere below \$10."

He recalled that the President of the Beauharnois Corporation had estimated a price diminishing to \$10.25 per horsepower. "If a private corporation could so determine a price, why could not the organized forces of public utility receive encouragement and leadership to take over this project, and not only develop at \$10.25, but at even a much lower figure? And then we hear that St. Lawrence power will be \$15."

Defeating the hopes of cheap power is "a complicated mill," he said. "The present Administration and its Hydro advisers have proved to this Province their inability and unfitness to be entrusted with the future of the big power problems."

Dr. McQuibban concentrated then on the Abitibi Canyon purchase: "In the North the Government steps in when a private corporation's plans go askew and takes over the Canyon development after first signing away a huge power site—an alienation which deserves very severe censure—and by this means places the mining areas at the mercies of private corporations for all time, an act at which even the gods rebelled."

Then, said Dr. McQuibban, "after signing away the water lease, practically guaranteeing the bonds of Ontario Power Service Corporation, and ultimately taking it over when the financial breakers hit it, and loudly proclaiming the boon it is to mining, they become the servile slaves of the Northern Ontario Power Corporation." Only a few mines, he claimed, ever would benefit by the somewhat reduced rate-scale instituted as a result of the purchase. "You may get some revenue, but it will be ground out from the same mines you boosted, to assist, and most surely you have run true to form."

### Provincial Financing Attacked.

Turning his attack to Provincial financing, Dr. McQuibban spoke of "the great financial houses with which my honorable friend consults in floating loans," and said they were paying lower interests on deposits, but still demanding the same interest and security on loans. Meanwhile, the producer had faced mounting debts, falling prices and wavering credit. "Mr. Prime Minister, if you had called in the diggers and faced them with your banker plutocrats in regard to your loan, some one would have made you understand the situation."

No industry, he held, could thrive under present high rates of interest. "This expansion demands cheap money. They have all been crucified on the cross of gold."

The only solution, Dr. McQuibban believed, was scaling down of the whole range of interest. If rates on Government bonds were cut, interest on all types of mortgages and loans

would follow suit. "Vast sums will then be released into the business channels of our land. A drop of 1 per cent. in farm mortgages alone would relieve the farmer of \$2,250,000 annually, and equalize more fairly the equation of commodity and incident charges. Commodity prices will rise, Budgets will be balanced, the whole citizenry will be stimulated."

In the January Provincial loan the Province had been deprived of about \$1,000,000 in handling charges. The issue was sold at 97, and the bonds were quoted at 98 a few hours later; profits which should have stayed with the Government were diverted to others. "It is generally understood that the Government could have at least secured an additional point on the \$15,000,000 long-term loan."

### Liquor Control Board.

Examining Provincial bookkeeping, Dr. McQuibban found that the Liquor Control Board borrowed money from the banks to turn over to the Treasurer's Department to create favorable financial reports. He saw no reason why the Liquor Board should establish a large surplus, but surely its