

Comparison Available.

"We are now in a position to make in this instance a striking comparison between the respective policies. I hold in my hand a statement by Mr. R. T. Jeffery, the Chief Municipal Engineer of the Hydro-Electric Power Commission, in which he states the entire annual cost of the Commission's operation of the Chats Falls development. It includes everything—interest on investment, renewals, contingencies, obsolescence, operating and maintenance charges—everything with the exception only of sinking fund.

"This is not included for purposes of comparison with the cost of the power from the other side of the river, because the Commission will not own the plant of the Ottawa Valley Power Company at the end of the forty-year arrangement. But, figuring in every cost, charge and expense for the construction and operation of the Commission's plant, the Chief Municipal Engineer of the Hydro-Electric Power Commission states that the cost of power at the basis of 96,000 h.p. is \$6.86 per h.p. We are paying \$15 per h.p. for the privately generated power delivered at the same point. This makes a difference of \$8.14 per h.p.

"If there are any who would argue that sinking fund should be included, I am ready to meet him in a comparison on this basis also. Were the Commission to include a charge which, at the end of the forty years would leave them with a plant completely paid for and free of all encumbrances on the public ownership basis, and without \$1 of interest in the privately owned plant across the way, the cost would, nevertheless, be only \$7.20 per horsepower on a 96,000 horsepower basis, or just 20 cents more per horsepower than one-half the price paid the private company.

"The cost of construction to the

Ottawa Valley Power Company, including the plant and the land, was \$8,567,286.88, being the company's half of the total cost. On the basis of the contract price for 96,000 horsepower for the forty-year term of the contract, the Commission will have paid to the Ottawa Valley Power Company the sum of \$56,349,438.67, or more than six and one-half times the cost of the development."

Assailed on Six Points

Roebuck Summarizes Reasons Why Power Contracts Are Invalid

SIX definite reasons are advanced by Attorney-General Arthur W. Roebuck as to why, in his opinion, three power contracts between three Quebec companies and the Ontario Hydro-Electric Power Commission are illegal and unenforceable. They are, in brief:

1. Because the Gatineau, Beauharnois and Maclaren concerns are creatures of the Provincial Legislatures and are unable to do what Legislatures themselves cannot undertake.

2. The acts in these agreements are beyond the corporate powers of the three companies and the Ontario Hydro.

3. Because they involve the construction of works and undertakings which connect one Province with

another and extend beyond the boundaries of a Province.

4. The Province of Quebec does not possess power to create corporations capable of constructing works connecting the Provinces or extending beyond the limits of a Province. This is a function of the Dominion Parliament, and can be delegated to a corporation only by the Dominion Government.

5. The capacity of the Commission to construct works linking Ontario with Quebec or extending beyond the limits of this Province is subject to the same limitations as apply to private companies, and the Commission is limited by its own act of incorporation.

6. Because, in his opinion, the power of the Commission is to purchase power delivered within the Province, and not from without.

Unjust Aspersion, Declares Roebuck

Answers Macaulay Query Regarding Hydro Engineers

Twice yesterday in the Ontario Legislature the Opposition warred on Hon. Arthur Roebuck's Hydro premises.

Once they took up the statements of Hydro engineers denying any recollection of being asked for an opinion on an Eastern power purchase.

"When were these statements signed?" asked Hon. Leopold Macaulay.

Mr. Roebuck would not give him the month, but said it was after the Government had taken office in July.

After the men were given notice of dismissal, Mr. Macaulay suggested:

"That is an unjust and unwarranted aspersion on the engineers," Mr. Roebuck answered.

Mr. Macaulay repeated his question. The Attorney-General said that the men were not given notice of dismissal and explained the technicalities. "There has been no fear in the minds of these men in regard to their keeping their positions," he said.

"At the same salaries?" he was asked.

"At the same salaries. But they are doing the work for \$10,000 for which Gaby was paid \$30,000."

Later in the delivery of his opinion Mr. Roebuck was asked if he knew that Arthur Slaght, K.C., had given an opinion holding certain contracts legal in the issue of bonds.

"I am glad my friends are so ready to defend these matters," he answered. "What you have got was an opinion on the validity of bonds not of contracts."

The Conservatives pressed the matter

"Whatever Mr. Slaght's opinion is, and I value it highly," said Mr. Roebuck, "this is my opinion and it has been backed up."

Nixon Hits Back As Price Asks To See Papers

Opposition Asked for Years to Have Contracts Tabled

TILT IN LEGISLATURE

Claiming a good deal of speculation in bonds had resulted from remarks of Attorney-General Roebuck concerning secret agreements, Col. W. H. Price attempted to draw the Government out as to its intentions on Quebec power contracts yesterday.

Hon. Harry Nixon, who was leading the Legislature in the absence of the Premier, replied: "The policy of the Government will be announced soon enough to suit my honorable friend."

"If," continued Colonel Price, "all the facts are laid before the House is the Government ready to place these documents, these contracts, before us so we can see them?"

"Certainly we are," came back Mr. Nixon. "We asked you people for those contracts for years, and I placed motions before this House repeatedly asking that these returns be tabled. If you had complied with my demands you would have had them two years ago."

To similar urging by Hon. Leopold Macaulay for immediate return of the documents Mr. Roebuck replied: "It is usual in court procedure to let one counsel conclude his case before you take the papers out of his hands."

And to Arthur Ellis (Ottawa South), who asked if he agreed with views recently expressed by T. Stewart Lyon, Chairman of the Ontario Hydro Commission, the Attorney-General replied: "Under new, Liberal, vigorous and honest management, I believe we can return the Hydro enterprise to the people for whom it was intended."