

Marshall's Rejoinder

Hydro engineers—by a second signed statement from T. H. Hogg and R. T. Jeffery—have no recollection of a request for their approval of Beauharnois or Maclaren-Quebec power purchases.

This was the gist of one bolt of renewed Hydro artillery fire delivered yesterday by Hon. Duncan Marshall.

There was an effort, Mr. Marshall charged, to make the engineers the "goat."

"As a matter of fact these engineers were called in for window dressing. There were a group of politicians wanting to put through a Hydro deal which would not stand the light of day and they brought in the engineers."

With the engineers' statement, Mr. Marshall introduced the Gatineau letter from C. A. Magrath to Hon. G. Howard Ferguson, submitting the first Quebec contract for Government approval—listing the "secret" clauses—and suggesting one Order-in-Council for the principal agreement and another Order for the four separate, allegedly "secret," agreements.

Why Gaby Was "Fired," He Says.

"That's why Mr. Gaby was fired," the Minister declaimed, as he read in the letter of the Chief Engineer's approval of the purchases. "Because he became a political tool to sell out this people to the Province of Quebec."

"You'll believe Charlie Magrath," said Mr. Marshall, as he introduced the letter. "He was a decent fellow. He was an easy mark for Howard Ferguson."

"A lot of people were easy marks for Mr. Ferguson on the opposite side of the House," said Colonel Price.

"They were, but they found him out," was the answer. "The red hot stoves he passed on burned out those of you who were left."

The letter from Mr. Magrath aroused running comment from Mr. Marshall. The "secret" clause covering apparatus was a harmless thing. "Anybody who was going to put a job over would put in a harmless thing like that."

Of a letter by G. T. Clarkson declaring that the agreements safeguarded the Commission: "The amount of money Clarkson got for auditing Hydro books would, I don't think, permit much difficulty in getting him to agree to what Howard Ferguson wanted."

Of the phrase "the interests of the Commission": "They don't say these reasonably protect the users of power and light, but that they reasonably protect the Commission."

Of the suggestion for two Orders-in-Council: "They did not want their bargain public. Nobody could see these things. They were in the sacred precincts of Hydro. That's where the business was done."

With Colonel Price the Minister debated the former's question: Was the original Gatineau agreement made public?

Continuing on general political issues, Mr. Marshall said of the June verdict:

"It wasn't an election. It was a rebellion."

The Minister declined to stop with that. He enumerated causes for the rebellion—"pouter-pigeon attitudes, in big limousines; a fifth year in office, and beer."

Withal it was good-humored, and Mr. Marshall in one breath called Prime Minister Mitchell F. Hepburn "a gallant young Leader" and Hon. George S. Henry "a doughty old warrior."

"It wasn't the captain of the ship that brought that ship to destruction," he declared, while the Conservative benches grinned. "It was the crew that had mutinied below deck."

Later in his vigorous address Mr. Marshall roundly assailed the action of the Henry Administration of "deliberately" juggling the sum of \$615,000 out of capital into current account for the express purpose of attempting to show a surplus on the last fiscal year of the Henry Government. One lump sum, he said, of \$400,000, which had been paid in connection with farm mortgages, was switched to show in current account.

"If that wasn't dishonest bookkeeping—if that didn't point to a poulticed Budget—then I have a lot to learn," the Minister declared, amid applause.

According to Mr. Marshall the only mistake that the former Premier made was to substitute beer for a Highland jig. "The stuff was too flat."

Clinging to Office.

As for a Ross Government clinging to office—"there never was a Government in the history of Canada that hung on with its fingernails, toenails, teeth and eyelashes, like the Government of which he was Leader." It had had something to do with the defeat.

As for beer Mr. Henry was "badly advised."

"I can't name his advisers," said the Minister, "but he turned to the worst of all things, beer." And to Mr. Marshall there had been a shift in Mr. Henry—from declarations of no change in the Liquor Control Act until he was later issuing a warning that if you wanted beer you must vote for the Henry Government.

"The more he got into the beer question, the madder he got," said Mr. Marshall.

Otherwise there used to be around the country big limousines "with a liveried chauffeur in one corner and in the southeast corner the Minister of Highways (Mr. Macaulay) looking like a fly in a pan of milk."

The Minister of Agriculture touched on the question of Hydro, and declared that the late Sir Adam Beck was forced to "bludgeon" the Whitney Government to enact measures in the interests of the great power undertaking.

"Who was it that backed Hydro in those days?" he asked. "I'll tell you. It was certain daily newspapers—The Toronto Globe, the Toronto Star, the Telegram—they were for forces which aided Sir Adam Beck."

A good portion of the juggling of accounts, the Minister declared, took place in connection with capital pay-

ments in connection with the Agricultural Development Board.

"The action of the Government was fearfully and wonderfully taken," he said, "but the Government got what they deserved last June."

"I want to say," continued Mr. Marshall, "that I absolve the former Minister of Agriculture in any of this—he (Hon. Thomas L. Kennedy) hasn't got that kind of a mind."

Farm Loans.

Then followed a recital of various farm loans made by the Farm Loan Board under the Henry Administration, which Mr. Marshall described as "disgraceful." He cited an instance where a \$3,000 loan had been made to a farmer on one and three-quarters of an acre of land. In another instance the sum of \$19,000 was paid out of the Provincial Treasury, and

the Government received in return only a mortgage for \$10,000. Later, this particular farmer owed the Development Board about \$14,000, and all on fifty acres of land.

Another loan, the Minister said, of about \$12,000 was made to a farmer who was already in debt with the banks to the extent of \$41,000.

It was by reason of such conditions discovered, the Minister declared, that farm loans had been discontinued for a while—held up until the books of the board had been audited and many of the doubtful loans reviewed.

"I am thoroughly in favor of loans to farmers," the Minister declared, but at the same time he said that the taxpayers had to be protected, and in these instances the taxpayer is the taxpayer of the Province.