

March 8

Hydro Commission were political appointments, he said. Two Cabinet Ministers on the Commission was a thing unheard of previously. "God help Hydro," he said, if that was keeping Hydro out of politics. Hydro had come through three investigations and each time had come out clean, and it would come out of this investigation unblemished, he predicted. The purchase of power would be shown to be a "wise and sensible" bargain.

He denied emphatically that Hydro had been started by a Liberal Government, but charged the Liberal Administration in 1900 (Premier G. W. Ross) had granted three leases at Niagara Falls, two of them to American interests.

To Resume Tuesday.

At 11.20 Mr. Ellis moved the adjournment of the debate. Premier Hepburn announced that the debate would resume on Tuesday next. In deference to members who wish to visit their homes at the week-end, he added, the House would adjourn at 5 p.m. today.

Quebec Mills Busy On Ontario Funds, Hepburn Charges

Three Paper Plants Here Idle—Cites New Phase in Power Dispute

A new phase to the Hydro-Quebec power contracts controversy was cited by Premier Hepburn yesterday. "Three Ontario paper mills are closed down," he said, "while Quebec mills continue to operate, and the reason is that the power companies and paper companies of Quebec are linked. The power companies in the Eastern Province, largely through the revenues derived from the sale of electrical energy to this Province, are able to subsidize their paper mills and so, with Ontario funds, are able to drive Ontario mills to the wall.

"That is a new and important factor of the case," added Mr. Hepburn. "We are not only faced with the necessity for increasing the cost of our power to the consumer, if these contracts for power purchase in Quebec remain unbroken, but we are also faced with unfair competition from the same quarter in our pulp and paper industry.

"I want the people to understand the far-reaching effect of these power contracts which we are now challenging."

The Premier repeated a willingness to meet the Quebec power interests and discuss a revision of contracts. "We will meet them if they so desire," he stated. "We haven't approached them. If they ask us for an interview, we will give them an opportunity to meet the whole Cabinet. We are not worrying, though, rest assured. We can cancel those contracts through legislative action."

Mr. Hepburn stated the Cabinet Council would meet on Saturday morning, but denied that a conference with Quebec power representatives had been arranged for that time, reiterating merely that "we are ready to meet them, if they so desire."

WHIP PROTESTS

Claims Headline Was Inaccurate

Strong exception was taken in the Ontario Legislature yesterday by Harold Kirby, Chief Liberal Whip, to an article appearing in a Toronto evening paper, headed: "Hepburn Dazes City Council with Bid to Hunt Club Dinner."

The fact is, Mr. Kirby explained, that Liberal members of the House have arranged the dinner on Friday night for the Prime Minister and his Cabinet, members of the Opposition and the City Council. Premier Hepburn, he said, had nothing to do with arrangements for the event.

Hon. George S. Henry claimed the Whip was out of order in bringing the matter up.

"The member is going to correct one of the many misleading articles which appear in that paper," the Premier put in.

"We'll always be in order then," said Mr. Henry.

"You look after your side of the House and I'll look after mine," the Premier returned.

CHALLIES WON'T ANSWER ROEBUCK

"Is That a Compliment?"

Hon. George H. Challies, former Provincial Secretary in the Henry Administration, in the Ontario Legislature, yesterday bluntly declined to answer any questions which Attorney-General Arthur W. Roebuck might see fit to ask.

The Conservative member was at the outset of his address on the House debate on Hydro affairs when the Attorney-General rose to question one of his statements.

"I wish to say right here," declared Mr. Challies, "that I will accept questions from any other member of the House, but not from Mr. Roebuck."

"Is that a compliment or the reverse?" the Attorney-General asked.

"You can take it just as you like," Mr. Challies replied, and then went on to say that the Attorney-General had had the services of "a battery of legal advisers, and a group along the sidelines acting as cheer leaders and preparing his data."

Several times the Attorney-General tested Mr. Challies's sincerity and interjected a question, but the latter shook his finger and said: "Not one question of yours will I answer."