

March 27

### Lawyers Scored.

The former Premier hammered out a picture of "a learned but ignorant Commission," which had been deliberately misled by "the two camp-followers of the Prime Minister, Slaght and McRuer."

In qualified language he suggested that these two lawyers had deliberately withheld important documents and the Commissioners were ignorant of their existence.

"The beginning of fraud," Mr. Henry said as he held one of these papers in his hand, "is the withholding of documents."

To prove this contention he delved into the legalities surrounding the initiation of the Ontario Power Service arrangements. The Commission had reported that the trustee had no guarantee, and was dependent on the Hydro agreement. Mr. Henry produced the guarantee.

The famed \$20 bonds were assailed. The Commission had said that the bonds were not bought for their value by Hydro. "This is not correct in substance or in fact," Mr. Henry said. The price paid for bonds by distressed brokers had been no indication of their value.

"I was one of the first witnesses called," he resumed as he swung back to Commission proceedings. "I had no counsel. We as a group were denied counsel and had to provide them at our own expense—a scandalous undertaking by an Administration which had two political camp-followers down there running the inquiry."

### Facts Disclosed.

Any impartial mind, said Mr. Henry, would agree that Mr. Tilley showed Messrs. Slaght and McRuer facts they didn't know.

He went after this premise by attacking Mr. Slaght's question asking why O.P.S. rents had been released by the Government to an annual extent of \$100,000 a year for forty years. The former Premier delved again into the legalities to show that this release had been only a ten-year release and had been part of the contract, whereby Hydro gained \$12 horsepower—a Government release in favor of Hydro so that it could give cheaper power to the North country.

Hammering at Mr. Slaght's contrary insinuation, Mr. Henry declared that it was a scandalous undertaking and deliberately misleading.

"Ridiculous nonsense. We had to drag the documents we needed from under the chair—out of the Hydro vaults—with Slaght and McRuer doing all they could to hide them. The examination of myself was misleading to the Commissioners. Slaght and McRuer never were men enough to stand up and say: 'We were in error; the release of the rental was a part of the contract, a gift to the Hydro Commission by the Department of Lands and Forests.'"

"The pro-consul of the people"—the former Premier repeated again and again as he turned all his sarcasm on Mr. Slaght.

### Resumes in Evening.

When the House resumed in the evening Mr. Henry touched on the price paid for the Ontario Power Service Corporation bonds. He and his advisers, he said, realized the danger of paying too low a price and running the danger of private interests stepping in and completing the project.

Mr. Henry declared he had pro-danger of letting private interests get doubted, the two Commissioners were anxious to hear, these facts relating to the Government's negotiations regarding the price paid for O.P.S. bonds.

"It is now the responsibility of the present Hydro Commission," Mr. Henry declared, "to sense the proper time when it will be advisable to call in the issue of \$18,000,000 and make arrangements for a reissue at a permanent rate."

"The company was bankrupt," declared the Hon. Harry C. Nixon.

"No, it wasn't," differed Mr. Henry. "The company would have lived. Only \$500,000 was needed to complete the

development." He again stressed the danger of letting private interests get hold of the project.

Mr. Henry referred at some length to evidence taken at the Abitibi inquiry, and declared that Arthur Slaght dare not bring witnesses to disprove certain of his statements.

"I rather think," declared Mr. Henry, "that the Latchford-Smith judgment was prepared in skeleton form before the inquiry ever opened." There was a murmur of protest at this remark.

"A good deal has been said," continued Mr. Henry, "about my own holdings of O.P.S. bonds. It is apparent that had I been thinking of myself I would have allowed the company to go on with the project. The company would have lived and I would have held my bonds and 5 1-2 per cent. would have been the prevailing price instead of the lower figure."

The speaker referred to a statement on the Commission judgment, suggesting that his (Henry's) fears for the bankruptcy of the corporation were groundless.

"That statement was a deliberate attempt to draw a herring across the trail on the part of the Commissioners," he said. "Mr. Latchford dare not put it in a report which would be subject to appeal—statements in the findings were not according to evidence."

"The Commissioners, in their report when they denied my statements, were guilty of senile or puerile nonsense," continued Mr. Henry. He added heatedly: "It is my opinion that there should be a maximum age when a man can sit as a Commissioner, and it should be a lower age than are those two distinguished gentlemen."

Mr. Henry criticized the action of the Government in dismissing the auditing firm of Clarkson & Company, who had audited Hydro accounts.

"Their charges were scandalous," Premier Hepburn put in. "We are getting it done for half. They set their rate at \$35,000 a year, but their charges ran to \$60,000. Instead of criticizing the Government, Mr. Henry should hang his head in shame."

At 11.30 Mr. Henry moved adjournment of the House, but the Premier declined to accept such a motion until midnight.

The Provincial Secretary reminded Mr. Henry that the Chief Whips of both sides of the House had agreed that he (Nixon) would wind up the debate yesterday (Tuesday).

The Leader of the Opposition continued on Hydro.

"I want to say," he declared, "that Hydro will never succeed if there continue the underhand methods of sowing discontent and cynicism and doubt. I say to the Government: 'Wake up! Have faith! Take care of your problems. They are not insurmountable!'"

The Opposition Leader turned then to Hydro contracts. He expressed the opinion that some day steam power would be an adjunct of Hydro.

"Steam power was in Sir Adam Beck's mind, but not in connection with firm power."

## Henry Defiant

**A** CRISIS came near developing in the Ontario Legislature late last night, when Hon. George Henry, Leader of the Opposition, declared that, rather than withdraw a statement or reveal a name, as ordered by Speaker N. O. Hipel, he would retire from the House.

### Continuous Attack.

Mr. Henry had been on his feet since about three in the afternoon in an almost continuous attack on the Latchford-Smith inquiry into Abitibi affairs.

He digressed for a while and made the statement that the great majority of Hydro employees in the Province were Liberals.

He then declared that in his riding a Hydro gang worker who had voted Conservative in support of the late Herbert Lennox had been so persecuted by his fellow-workmen, all Liberals, "that he died of a broken heart."

There was immediate and vigorous protest from the Government side and a demand for the name of the workman.

"That is a serious charge," declared Premier Mitchell F. Hepburn, heatedly. "The Leader of the Opposition says that because a Hydro workman voted Conservative, he was so persecuted it caused his death. Give us the name."

"Get the information from the Hydro," suggested Mr. Henry.

Speaker Hipel ruled that Mr. Henry should either withdraw the statement or give the name of the individual referred to.

### "I'll Retire From House First."

"I'm not prepared to," declared Mr. Henry, "I'll retire from the House first."

The Speaker of the House insisted. "Do you think I have to give the name?" said Mr. Henry. "The man is dead. He has relatives."

"The Leader of the Opposition has been particularly abusive all day," put in the Premier. "First, he calls honorable Judges ignorant. He has already suggested in this House that the Hon. J. R. Cooke's death resulted from persecution as the result of the Latchford-Smith inquiry. Now he says a workman was persecuted by Liberal workmen and died of a broken heart. The former Premier should curb his tongue."

"I ask the Leader of the Opposition to give the name of the individual or withdraw the statement," ordered Speaker Hipel.

"The Premier can get the name from his friend Jeffrey at the Hydro," said Mr. Henry.

"You have made a serious charge," said the Speaker.

"Against whom?" asked Mr. Henry. "Against Hydro employees," put in the Premier.

Again Speaker Hipel asked Mr. Henry to withdraw or reveal the name.

"Give me the rule saying I must," asked Mr. Henry.

"I'll give a ruling tomorrow," replied Speaker Hipel.

"Oh, if this is such a great constitutional question I suggest that you call in that great constitutional lawyer, Lewis Duncan, K.C.," Mr. Henry remarked.

"That's a direct slur on the Speaker of this Legislature," Premier Hepburn opined.

Mr. Henry stood firm, and his followers on the Opposition side whispered: "Don't withdraw."

Premier Hepburn at this juncture spilled oil on the troubled waters, and said: "I have no desire to see a crisis develop in this House."

Speaker Hipel then informed the Leader of the Opposition that he would give a ruling "tomorrow" on the point.

Premier Hepburn, however, expressed the doubt that Mr. Henry could substantiate his remarks concerning the Hydro workman who had died of a "broken heart" by virtue of persecution from Liberal workmen on the gang.