

# Lyon's Resignation Asked After Charge Of Political Activity

**Challies Challenges Roebuck to Produce Engineers' Affidavit That Ontario's Power Reserves Found Adequate**

## CHAIRMAN ATTACKED

Calling upon Chairman Stewart Lyon to resign from the Commission "because of his political activities," George H. Challies (Cons., Grenville-Dundas) yesterday in the Legislature challenged Attorney-General Roebuck to bring into the House a statement signed by the Hydro engineers backing up the Commission's claim of sufficient reserve and standby power.

The former Provincial Secretary's challenge was allowed to pass without comment from the Attorney-General, who also kept silent when his colleague, the Hydro Commission Chairman, was subjected to a terrific attack by Mr. Challies.

### Wants Signed Statement.

"Let us have some authentic documentary evidence from these Hydro engineers," challenged the Conservative member. "Are the Hydro engineers in accord with the policies of the Government? Do they agree with Chairman Lyon's statement and the Attorney-General's statement that the present standby of 120,000 horsepower is safe operation practice?"

"There are some things the Attorney-General can do to enlighten the House. He could, for instance, bring to this House signed statements by the Hydro engineers, substantiating his claims. He claimed that cheap Quebec power was unwanted. Now he tells us of the Ogoki scheme, developing Madawaska, developing Ragged Rapids and increasing the flow to Decew Falls."

### Charges "Wild Statements."

"We know all about these projects. They are not new. Hydro engineers have been estimating on them for years. But heretofore Hydro engineers have considered them all rather expensive peak load projects, which would be justified some day to augment the systems which already were using large quantities of cheap base load power. In other words, Hydro engineers acclaimed that cheap Quebec power, with its high load factor, would provide cheaper and more kilowatt-hours for the money than any of the previously mentioned projects."

"Have Hydro engineers changed their minds?" asked Mr. Challies. "If so, let the House hear their signed statements."

Chairman Lyon was charged with making "a lot of wild statements," with "playing politics," and with giving out "some phoney" figures in connection with Hydro affairs.

"He either knows as little about Hydro as a cub reporter, or he is playing the worst kind of politics with Hydro that we have ever seen," charged Mr. Challies, referring to Mr. Lyon.

"The calibre of this man was exposed in the action he brought against the previous Commissioners and the former Chief Engineer. The whole of the charges were a frame-up and were exposed by the courts."

### Sees Damage to Trade.

Turning to the repudiation measures, Mr. Challies declared that by repudiating the Quebec contracts, "instead of modifying them as hon-

est men would have done," the Government had destroyed large potential industries in Ontario; had destroyed a tremendous volume of inter-Provincial trade and had established in Quebec a large power surplus to enable industry to flourish in that Province at the expense of Ontario.

"I would like to ask the House, where are the Prime Minister and his yes-men leading the Province with regard to his Hydro policy? Who is this brain trust the Prime Minister spoke of in Delta, July, 1933? Is it composed of A. G. Slaght, whose legal advice was found by Maclaren-Quebec bondholders not to be worth the paper it was written on? Of Frank O'Connor, the betrayer of the public school supporters? Of the one-time Minister of Northern Development (Hon. Peter Heenan), who took a pot of gold to Northern Ontario and let it evaporate into thin air? Of Lewis Duncan, who was repudiated on the floor of this House by the Prime Minister? Of the Attorney-General, whose Hydro legislation has been rejected by the courts? Of the Minister of Agriculture (Hon. Duncan Marshall), who stated that Abitibi was a pile of junk, and whose appraisal of power plants is on a par with his appraisal of bulls?"

"All great brain trusters," commented Mr. Challies, "but the Province hasn't seen any evidence of brains in Hydro's affairs in Ontario's one-man Government."

### Power Shortage Seen.

The Conservative member charged that the Hydro was illegally controlling its peak in an effort to show how little Quebec power was needed. The City of Toronto voltage had been illegally dropped from 120 volts to 105 volts to hold the peak down. Another method of reducing peak load was to cut off water heaters, he said. This was illegal, he claimed, because in the agreement signed between the Toronto Hydro and the Provincial Committee there was a clause allowing Toronto to cut off water heaters during the peak after a period of five years had expired. This period did not expire until 1938.

"Any body who knows anything at all about Hydro operations can see at a glance that the Hydro is short of power," declared Mr. Challies. "We all know that an ice jam at Niagara would immediately reduce the generating capacity of the Niagara plants by 100,000 h.p. Supposing we do get through the winter without an ice jam, and there is no major breakdown, what will be the power reserves? Chairman Lyon's figures, which do not give a true picture of the situation, show there was an increase of 73,000 h.p. in primary power over last year. And industry is picking up rapidly. This year we shall see another 65,000 h.p. and probably an 85,000 h.p. increase. Is it not evident that the normal increase, without emergency increases, will soon absorb our present standby of 120,000 h.p.?"

## CAMPAIGN FUNDS RAPPED

**"Sick and Disgusted" With Practice, Declares Liberal Member**

## CHANGE IS URGED

**Would Have Elections Paid For From a Special Fund**

Declaring he was "sick and disgusted" with the practice of political parties in accepting financial aid from contractors, large corporations and other organizations, J. H. Clark, Liberal member for Windsor-Sandwich, told the Legislature last night that an appropriation from public funds should be made for the political parties to pay election expenses.

The Windsor member did not spare the Liberal party in his castigation. He bluntly expressed the view that it was time "this sort of thing was stopped in the interests of good and sound Government, free from entanglements."

"Both major political parties have been accepting money from large firms, contractors and others, ever since their parties started," said Mr. Clark, when William Duckworth, Conservative member for Dovercourt, interrupted to ask what he knew about the Beauharnois contribution.

"Why try and make out that this is a rare thing?" demanded Mr. Clark. "I don't know anything about the Beauharnois money. I didn't handle any of it. But I do know that both the Liberal and Conservative parties have been accepting large sums from big interests. And don't think the Conservatives didn't get any from Beauharnois. But they weren't caught."

"I am sick and disgusted with the whole business," the Liberal member said. "There should be appropriations made for both parties to pay their election expenses."