

term agreement with Ottawa Valley (Chats Falls) Mr. Roebuck, in his then capacity of Hydro Commissioner, had himself put the stamp of approval on "what he now attacks."

"The Honorable Member for Bellwoods," said Mr. Houck, "tells us that it is impossible by any formula to predict in absolute certainty future power demands, and in this I agree with him, but I will further point out that almost in the very next breath yesterday he declared with an equally positive assurance that in his opinion we have over-purchased very considerably and will not need the power as it becomes available. Mr. Speaker, how many directions can the Honorable Member travel at one time? I am inclined to take my advice from the engineers — the same engineers, incidentally, who stood sufficiently high in his regard that he maintained them in office and concurred in the payment of their very comfortable salaries, but who did not stand sufficiently high in his regard that he cared to accept their advice."

Lauds Hogg as Authority.

Dr. Hogg, he added, was one of the most outstanding power authorities in the world, and his advice could be depended upon.

"That wasn't so, when you were campaigning against him in 1934," observed Mr. Macaulay.

"I didn't know Dr. Hogg then," parried Mr. Houck.

"He wasn't Chief Engineer then," put in Premier Hepburn.

"His name wasn't mentioned in the campaign," Provincial Secretary Nixon added.

"Oh, yes, it was—scores of times," Mr. Macaulay shot back. "I can produce lots of quotations and I will undertake to bring them into this House."

St. Lawrence Not Alternative.

Before negotiating the new Quebec agreements, the Hydro Commission, said Mr. Houck, had con-

sidered exhaustively the question of development within the Province. Even if international and inter-Dominion complications over the St. Lawrence were settled in a manner satisfactory to all parties, six years, said Mr. Houck, would be required in construction before power would be available for the Niagara System.

"The possibility of power generation on the St. Lawrence," he added, "offers no alternative to the purchase of Quebec power. The previous Attorney-General and Hydro Commissioner recognized this difficulty, and said so in the House, and yet today he would condemn us for wasting our opportunities to bring about some settlement of difficulties over boundary waters."

To rely upon the Madawaska as an alternative to Quebec power would also be "foolhardy," Mr. Houck stated. And Mr. Roebuck, he added, had also well realized the difficulties surrounding generation on the Ottawa. Today, he said, Mr. Roebuck was telling the Legislature that he had pressed vigorously for some agreement between Ontario and Quebec with respect to Ottawa rights, and yet on March 24, 1937, he had taken a pessimistic view of the situation, admitting serious complications arising out of the fact that three separate legislative authorities exercise an administrative control over the river.

Discounts Treaty Chances.

In Mr. Houck's opinion there seemed now no greater chance of securing treaty revision with regard to water diversion at Niagara than there was ten years ago. "Private power interests operating in New York State," he said, "have for some time been pressing actively for the right to further diversion on the American side of the

river. On the other hand are groups favoring the development of the St. Lawrence for either power or navigation purposes. It is inevitable that these forces should oppose, and that delay should result from their opposition. For this reason prudence forbade that the Commission place reliance on the possibility of further power gen-

eration at Niagara, at least as an immediate alternative to the purchase of power."

"It will be thus observed," said Mr. Houck, "that none of the proposals mentioned offers an attractive alternative to the purchase of power. Out of his own mouth the former Attorney-General eliminates the St. Lawrence and Ottawa Rivers, and on equally positive grounds the others fail. Not only do international and interprovincial difficulties exercise a potent influence against their economical and mechanical feasibility, but all can unconditionally be discarded because of the length of time which would necessarily elapse before power could become available."

"It's all right to say that now," interrupted Opposition Leader Macaulay, "but why didn't you tell your constituents that during the election?"

"If you hold your horses, I'll get down to that," said Mr. Houck.

"Yes, let him make his speech," Mr. Hepburn giped.

Gibes at Roebuck.

At this juncture, Mr. Houck took a sharp crack at Mr. Roebuck on the water treaty revision question. Mr. Roebuck had stated that never were Mr. King and President Roosevelt in a more generous mood toward treaty revision. If that were so, he added, why hadn't Mr. Roebuck, while in Hydro office, attempted to do something about the situation?

"The previous Attorney-General's penchant for travelling is well known," Mr. Houck giped. "I can recall at least two trips he took to England, and if there had been any possibility of making any headway on this water treaty issue, I am sure he wouldn't mind at all going down to Washington and having his picture taken with the President, and published in all the newspapers of this fair country."

"The member for Bellwoods says we are going away from private ownership; it's because we've been forced to, temporarily."

The necessity for adequate power reserves provision had been amply and forcibly demonstrated, said Mr. Houck, in the ice jam at Niagara last January. "It is interesting to refer to my friend's statement of yesterday, in which he strongly implied that the actual loss to the system was not nearly the amount of 175,000 horsepower (Ontario Company plant) because the water released from use at the Ontario plant was available for use at the other two plants. I am pleased to tell the former Attorney-General that such was far from the case. Actually ice conditions were so severe at the other two plants that our total loss was approximately 225,000 horsepower."

Denies Negligence.

"His imputation that the Commission's Chairman, Dr. Hogg, was negligent in his duties in not installing shutters over the windows at the Ontario power plant in order to prevent the entry of ice is also one to which I must take exception. As a matter of fact," said he, "if responsibility and blame must accrue to any one, it will accrue equally to members of the Commission from the time in which the Ontario plant first came under their control. Not only so, but I am advised by the engineers that the physical characteristics of the plant in question are such that to completely shutter the windows would result in a transfer of the stress and strain to the walls, with a possible and probable more serious result."

The collapse of this plant was admittedly serious, said Mr. Houck, but the serious consequences which might naturally follow were averted "because reserve power was available."

"We were able to avert disaster," he said, "because of quantities of Quebec power now available under contract."

Dealing with the matter of re-

serve, Mr. Houck said that it was the opinion of the Commission's engineers that a reserve of 75,000 horsepower over and above primary demand should be immediately available at all times. Dr. Hogg, he said, had reached the conclusion that over and above this 75,000 provision should also be made for the immediate years which Ontario is facing for an annual increase in primary supply of 7 per cent. Under the contracts which existed prior to the readjustment the system, he said, would have been short 340,000 horsepower of the amount required to supply a maximum demand by the winter of 1942.

Mr. Roebuck, said Mr. Houck, had deprecated the possibility of an annual increase of 7 per cent by discussing the increase in average over the years from 1927 to 1937, amounting, as Mr. Roebuck had claimed, to 2 per cent.

"That's the way your fellow-Commissioner (J. A. Smith, M.L.A.) figured it the other day when he spoke here," interjected Mr. Macaulay.

"Now, Mr. Speaker," protested Mr. Houck, "I was gentleman enough not to interrupt the honorable the Leader of the Opposition when he spoke in this debate. Let him be gentleman enough not to keep on interrupting me."

Stated Policy as He Knew It.

Mr. Macaulay, said the Hydro Vice-Chairman, had reminded him that during the election campaign he had campaigned on a "back-to-Niagara" policy. "Well, Mr. Speaker," said he, "I admit I stated that the policy of the Government as I know it was 'back-to-Niagara.'"

"Whose advice did you follow?" asked Mr. Macaulay.

"Whose could I follow?" said Mr. Houck.

"Roebuck's," put in some back-bencher.

"Perhaps I did that," smiled Mr. Houck.

"To your sorrow," prompted Premier Hepburn.

"To my sorrow," said Mr. Houck.

Hydro's future seemed bright and full of promise, Mr. Houck declared. Decreased rates and increased surpluses bore testimony, he added, to efficiency of management and satisfactory operation.

"Business can move ahead," he said, "confident that its demands will be met at any time, with power costing in the final analysis some \$92,000,000 less than that provided within the period of the arrangements concluded by a previous Conservative administration. The underlying consideration in cancellation was that the system might later achieve by compromise the relief to which the people of the system were entitled. Accumulated deficits of \$12,500,000 within the four years from 1932 to 1935 bear witness to the disregard of business principles involved in the early contracts, and the necessity for ac-