

March 30

CONTROLLED INFLATION IS PROPOSED

Currency Reform, Lower Interest Urged Upon
Hepburn by Acres

WOULD BACK MOTION

Controlled inflation of currency and a scaling down of interest rates on Government bond issues was commended yesterday in the Ontario Legislature to the Ottawa and Provincial Governments as an immediate cure for monetary ills and unemployment by A. (Holly) Acres (Con., Carleton), who, by his own admission, "never gets up to speak without making a definite suggestion."

"I would back a motion calling for a change in the monetary system," he told Premier Mitchell F. Hepburn in a speech on the Budget debate that flayed Liberal election spending, the Government's about-face on its mandate to return to Niagara for power, and its failure to maintain marketing facilities in London, Eng.

Taunted on his aspirations to party leadership, Mr. Acres whipped the House into a frenzy of applause when he declared that if he had led the Conservative Party the Liberals would not have been re-elected. Nor, he added, in pointed castigation of Conservative generalship, would he have been moved into a position of accepting the C.I.O. as a part of the party's platform.

On currency control, he suggested that bond obligations should be reissued on a lower rate of interest and on longer terms, and that if present owners did not agree they should be paid off in inflated moneys.

Raps Heavy Cost.

Mr. Acres charged the Liberals, in the October election had spent more money in one riding than the entire cost of the essential marketing centre incorporated in the old Ontario House in London.

He declared there was misrepresentation in Premier Hepburn's Budget speech, "but he is a clever orator and he can get away with things that others can't."

Echoes of Mr. Acres's Throne speech address were heard when he directed his fire at Hon. T. B. McQuesten, Minister of Highways, who was not in his seat when the member for Carleton pattered up and down the row of Cabinet Ministers with strong-voiced criticisms.

"I am glad he is here," he said. "He is one man in the front benches I admire and I am waiting for his stand on the Hydro issue"

In this reference, Mr. Acres spoke of the statement that is promised from Mr. McQuesten in the House today on his disagreement with the

Premier over the ditching of the back-to-Niagara power policy in favor of new Quebec contracts.

The speaker then leaped on the committee investigation slated for the Hydro contracts, worried it for a spell and claimed, "I wouldn't give a five-cent piece for the report that the committee will bring in."

Amazed at Premier.

He said he was amazed that Premier Hepburn, by his own admission, did not know prior to the election that there were no negotiations for Beauharnois power. Mr. Acres thought the Premier was smarter than that.

"Why," said the member, "when I was in Montreal in August I was told then the contracts were being negotiated and would be approved and furthermore would not be announced until a few weeks after the election"

His roving, outstretched finger, jabbing the air in emphasis of every statement, fell in line with the Prime Minister and again Mr. Acres directed his wrath against Mr. Hepburn, this time for having in the House Monday made slighting references to the nine-hour speech that Arthur Roebuck, K.C. (Lib., Bellwoods), had made in support of the contracts' repudiation bill, while he was Attorney-General and member of the Hydro Commission.

"He made a nine-hour speech for you and you pounded your desk until you were tired," said Mr. Acres.

He wanted, too, to know where all the money came from to the Liberal campaign fund. He suggested R. O. Sweezy, associated with Beauharnois and the Lake Sulphite Company, could tell something about it. Did it come from the Government's American friends who received pulpwood contracts behind closed doors? he asked.

"It is being proved in the courts of Canada that this man Sweezy is a contributor," said Mr. Acres.

Answers Dewan.

He then turned to earlier references, made by Hon. P. M. Dewan, Minister of Agriculture, to his bid for leadership of the Conservative Party.

"I didn't get very many votes," said Mr. Acres, "but I want to tell you that if I had you wouldn't be in the front seats."

Liberal members broke out into a frenzy of cheering and desk pounding at the statement that drowned the member's attempts to speak for some moments. When he could be heard, it was a statement to the effect that "no John Lewis either could have made me take the C.I.O. on as a platform."

He claimed also "that I called Hon. Earl Rowe to say that the Beauharnois negotiations were on in August and if any one challenges it, send him to the member for Carleton."

Mr. Acres then broached his policy of controlled inflation, suggesting that the "Dominion Government should call in all its loans, and

give the Provinces the same authority, and any individual or corporation which refused a new issue on much longer terms of payment and at a lower rate of interest should be given cash on an inflationary basis."

"I urge you, Mr. Prime Minister, to urge the Dominion Government to give you that authority. I approve of everything you said in the House the other day about the C.N.R. debt. Why not inflate and remove the railways debt?" he asked.

Mr. Acres said he was absolutely opposed to rail amalgamation, but in shooting back to the inflationary question, claimed Sir Robert Borden, during the war years, had inflated currency by \$219,000,000.