

April 6

#### Denies Huge Saving.

Mr. Henry claimed that when the auditors, who were now supposed to be preparing a statement as to the actual saving between the old and the new power agreements had completed their work, the "shock" to the Liberals would be terrific. Acting Chairman Houck of Hydro had represented this saving to be some \$92,000,000, whereas engineers employed by the Opposition had found, in checking up, that the saving would not be "a quarter of that sum." The Government, he said, was also claiming a \$2.50 saving in price per horsepower on the new agreements, whereas, he said, the depreciated value per horsepower was \$1.80, leaving a bare 70 cents per horsepower of a saving.

"The Government," he said, "is very fond of talking about how they've removed some secret clauses from the Beauharnois contract that were in the original agreements, but they won't tell you anything about this vital load factor, of which I've been speaking, and which is a feature of the Beauharnois contract."

#### Scents Hypocrisy.

Mr. Henry digressed to charge that the cost of operating automobiles in certain departments had been "covered up." His statement was made in reference to an earlier claim of the Premier that it would be difficult to lay before the House this entire cost as requested in a question on the order paper. Mr. Hepburn immediately shot back a reference to the automobiles which he said had been gasolined at the Government's expense, although owned by Mr. Henry when he was

at the head of the Government.

"I am only pointing out the hypocrisy of the man who would stand up in the House and say 'Vote as you like' to the members of the House, but when the vote was called the pressure was put on," retorted Mr. Henry, in reference to the sweepstakes motion vote.

"Are you defending sweeps?" asked J. H. Clarke (Lib., Windsor-Sandwich).

"As for you," shot back Mr. Henry, "the press had you reported pretty correctly."

#### Ruled Out of Order.

His reference was made to a press report, later denied by Mr. Clarke, that on the day of the sweep vote, the member for Windsor-Sandwich had polled each Liberal member in an attempt to drum up support for the motion.

The course of the debate was broken by charges that Mr. Henry was out of order, and on appeal, the Speaker ruled that he had wandered afield from the debate on the power bill.

"Well," grinned Mr. Henry, unabashed, "I am trying to keep within limits."

"Well, try a little harder, George," said the Premier, in an aside.

#### Charges Deception.

Mr. Henry charged that the Premier had deceived the public three years ago when the original contracts were repudiated, had deceived the public again on the back-to-Niagara program immediately before the election, and had evidently developed a technique that suggested "the way to handle the public is to deceive them once in a while, especially before an election."

The Premier now claimed there were no negotiations with Beauharnois before the election. Then, asked the speaker, why did Beauharnois bonds go up in the summer of 1937? The only explanation was that the Government was coming around to an agreement in the autumn.

For the second time of the session Mr. Hepburn leaped to his feet and declared that he had never at any time prior to the election negotiated with Beauharnois, directly or indirectly, nor had he heard of negotiations.

"My colleagues say the same," he added. "You will have to accept my statement."

#### Wants Legislation Wiped Out.

Mr. Henry then declared the Government should have made a new agreement in each case so that the "iniquitous repudiation legislation, sponsored by the member from Bellwoods (Mr. Roebuck), could be wiped from the statute books. "While that repudiation legislation remained on the books, he charged, they would be a disgrace and a blot upon the escutcheon of the Province."

Mr. Roebuck then took up the debate and said he was in favor of holding up the decision on the contracts until after the Hydro Investigating Committee made its report.

"Not that I am expecting much from the committee," he added. "It has been described as a judicial body, but with three Cabinet Ministers and five others from the Government benches and four from the Opposition among its members, I for one am expecting very little result of a sensational character."

"The people are giving very little attention to the committee. It carries no respect and nothing in particular is expected from it. Had this House desired to go to the bottom of this, it would have been referred to a Royal Commission, where it might have been given some judicial consideration."

He claimed the Government did not want an investigation of the new contracts and that the Opposition did not want an investigation of the old.

Premier Hepburn protested allegations that the committee carried with it no respect and held that Mr. Roebuck's opinion was motivated by the fact he was not a member of the committee.

#### Regrets Roebuck Left Off.

Mr. Macaulay said he was regretful that Mr. Roebuck had not been included.

"The committee needs to have the member from Bellwoods there a considerable part of the time. Why he is not there in a most strategic position, I can't imagine," he said.

He recalled that he had moved for the inclusion of Mr. Roebuck, "but the Prime Minister called on his members to vote down my suggestion." Mr. Macaulay argued that Mr. Roebuck would not be in a position of sitting in judgment on his own record any more than some other members of the Government appointed to the committee.

"I think Mr. Roebuck is in just as good a position to sit on that committee as the Attorney-General (Mr. Conant) or the Provincial Secretary (Mr. Nixon)," he said.

"I want to tell the Prime Minister that I think he has made a mistake. He has an opportunity before the House prorogues to make a correction."

The amendment, he said, spoke for itself, claimed Mr. Macaulay, and he appealed to the Government to let the validation action rest over until the committee made its report.

"Let us get Hydro on a basis on which the people of the Province can secure information on it without bias," he said. "Hydro discussion has taken up too much time of the House, largely because of the machinations of interested parties

who wanted something out of it. By excluding the member for Bellwoods from the committee and putting these contracts through without the committee's report, the Premier is only carrying on this situation."

#### Conant Opposes Delay.

The Attorney-General charged that members supporting the amendment were "trying to torpedo the contracts. They know full well that the agreements provide that two must be validated by May 1 and one by July 1. They know that if they are not ratified they must revert to the position in which they were before. It is inconceivable that the merits of the settlement could be affected one iota by the findings of the Investigating Committee."

T. A. Kidd, Conservative Whip, took up the plea for postponement on final action and in support of his contention, cited that Mr. Roebuck, during the Government's repudiation session, has held up the House for one week with his marathon address. He claimed too that certain of the Premier's speeches on the hustings were unfair and that unfairness in part could be wiped out with a proper consideration of the current Hydro issue.

Colonel Kidd precipitated a verbal explosion when he charged that "When your friend, Arthur Slaght, who represents the power interests, snaps his fingers, then the Premier must act."

#### Demands Withdrawal.

"I want you to withdraw that remark," shouted the Premier, who declared that Mr. Slaght did not discuss the contracts with him. Others from the Liberal benches held that Mr. Slaght had not the association with the power companies as charged by the Member

"Didn't Slaght represent MacLaren in 1934?" continued Colonel Kidd. "Didn't he look after the \$5,000,000 bond issue in 1934?"

He charged, in addition, that Mr. Slaght had been paid \$54,000 by the Government since 1934. "I say Slaght received too much money from the Province."

"You paid Tilley (W. N. Tilley, K.C.) \$200,000," broke in Mr. Nixon.

Mr. Clark broke in to declare that Colonel Kidd's remarks were wholly irrelevant to the debate.

"That reminds me," smiled Colonel Kidd. "I want to pay the member for Windsor-Sandwich a compliment. The Chairman of the Hydro Committee should be Major Clark instead of the Attorney-General."

"Here is a joke," roared the Premier. "I suggested Clark for the chairmanship, but the man who objected was your own leader. It just goes to show that you don't know what you are talking about."

The vote was called immediately afterwards.