

it produces, plus a reasonable profit. But that can be done only by the joint action of the Dominion and Provincial Governments. Special assistance by any one Government is undoubtedly of temporary benefit, but it does not give the farmer any assurance of stable or adequate prices.

"That," added Colonel Drew, "was another extremely important reason why the Ontario delegates had no right to walk out of the conference. This subject certainly should have been discussed."

A clear understanding should have been drafted between the Governments to protect the rights of labor. He hoped the House would not be told that Premier Hepburn and Premier Aberhart of Alberta were the only ones concerned with the future of Confederation. He did not believe there was any more "surprising a spectacle than the teaming off of the two Premiers."

"Now we see him (Mr. Hepburn) in his role as Provincial Treasurer walking hand in hand through the same bewildered maze with the Alberta's silver-tongued apostle of economic lunacy," said the Conservative Leader. "He charged Mr. Hepburn with inconsistency, in favoring 'rubber money' on the hand and demanding the last cop-

per, on the other, in dealings with the other Provinces.

The Premier reminded the Legislature that since collapse of the Sirois conference their has been a by-election in Alberta.

"The people answered and I have great confidence in the people's judgment," continued the Premier. "Mr. Aberhart's candidate was elected by a substantial majority. If a by-election were to be held in Ontario I am confident the result would be the same."

"Can you find any meat in what he said?" demanded Mr. Hepburn in passing judgment on Colonel Drew's speech. "I challenge any member of this House. You are supposed to represent the concentrated brains of Ontario."

Mr. Hepburn observed that if Colonel Drew had been present at the conference he would have been willing to stay there until "doomsday," adding there were many other "vocal men like himself" who would have liked to have lingered there and talk.

He said he agreed with Prime Minister King that there were serious doubts as to advisability of calling a conference of this nature in wartime, and related how the Prime Minister turned to him when adjournment was proposed and asked: "What do you think, 'Mitch'?"

"He still calls me 'Mitch' to my face," Mr. Hepburn laughed. "I don't know what he calls me behind my back, but I don't think it is 'Mitch'."

#### Accounts for Increases.

The Premier said he had told Mr. King that while all the Ministers should be in their offices, carrying out their duties, "we should not adjourn—we should go on."

"I think we did this country a great service when we said no. When the conference was predicated upon the Sirois report we said no and retired," said the Premier.

The Conservative leader, he claimed, needed enlightenment on financial matters. "Every dollar increase in the 1939-40 deficit can be accounted for in the way of a concrete asset," said the Premier. Highways were an income drawing asset "and now we are going to cash in on the coupons."

When barred from the air in explaining his stand at Ottawa, we "carried a very full report in the advertisements," he continued. "We received thousands of letters commending us for it and expressing thanks for the opportunity of reading in detail everything that was said."

He stressed that Ontario in its opposition did not stand alone. "Quebec would never be agreeable to any change of the British North America Act that would centralize power at Ottawa. This I found out. The first thing I wanted to know when I went down there was what Quebec felt about it. Quebec stood in the background but if dragged out in the open stood firmly with us."

He quoted Premier Bracken as saying that, in the matter of future borrowings under the report recommendations, the Provinces would not only be permitted to borrow on their own rights but also upon the credit of Canada. This condition, he likened "to the prodigal son putting his father into bankruptcy."

The Premier claimed it was obvious from the start that the two conflicting points of view, as expressed by Quebec and the Prairie Provinces, could not be met.

Mr. Hepburn questioned the wisdom of the Federal Government selecting Dr. Sirois as a member of the commission, in that the latter was also a director of the Bank of Canada. He claimed the bank was loaded down with City of Montreal bonds, and these figured in the proposed deal.

"How they cloaked this whole business with patriotism!" Mr. Hepburn exclaimed. "These men should have been immortalized long before the conference took place."

#### Critical of John Bracken.

Taking a slap at Premier John Bracken of Manitoba, he said that Premier Bracken, in 1939, had tried to negotiate a barter deal with Germany.

"These are some of the men who are exponents of national unity," he proceeded. "The men who helped break up the conference as quick as they did achieved more for national unity than any one else."

The Dominion was asking the Provinces to relinquish certain powers in perpetuity, not simply as a wartime expedient, Mr. Hepburn argued. Ontario would have had no subsidy, while Quebec would have received an irreducible amount of \$8,000,000 annually. He repeated the claim that acceptance of the recommendations would have meant an increase of six mills on every tax rate in Ontario.

"The Dominion Government laid

great stress on the fact that it was going to take over the cost of employables on relief," the Premier continued. "If there was an all-out war effort there would be no employables on relief."

He claimed that the really big item is the cost of caring for unemployables, and, further, that men were on relief because the Governments clung to an orthodox system of finance.

"Any one who discussed this thing in an intelligent manner, like Aberhart, was damned," the Premier added.

"The unemployables on relief," he continued, "were put squarely on our doorsteps. We are meeting the representatives of the municipalities in this regard tomorrow, and if we had agreed to the proposals of the Sirois report what could we do but say to them: 'We have no money, you will have to take it out of direct taxation.' The situation would be the same in all other matters of social reform. We would be deprived of all sources of revenue, and would not be able to help."

"I, along with some others, saw the evil of centralization. I see, being developed in Ottawa, an autocracy. This Province will stand shoulder to shoulder with Quebec if there are any signs of the usurping of her powers under the B.N.A. Act."

"This is not the first time that I have been attacked by the capitalistic press. There was the case of the

Abitibi deal, which helped us so well in the election of 1934, but it pales into insignificance with the proposition we faced in Ottawa. This was the biggest bond deal in Canadian history, and history will show that we were right.

"When we cancelled the Hydro contracts it was said that we had destroyed the credit of Ontario, but what are the results? We won't deal with the reduction in price, but we were able to reduce rates and service charges so that Hydro is now available to thousands of farmers who could not get it before. As a result we are blessed by the farmers of Ontario."

#### Won't Call Election.

"Then there was the matter of Mr. Killam's contract. It had a clause whereby he could switch power from Ontario to Quebec, but we had that clause removed. There was another clause that said we should agree to pay in United States funds. We had that clause removed and so saved Ontario millions of dollars. I say to my honorable friends, 'Don't take this criticism too much to heart.'"

"I wish to inform the Leader of the Opposition that we are not going to call an election. We will finish the session. I know we have the confidence of the people and the solid support of the rural population."

"During the session we will introduce a number of measures sponsored by the Minister of Agriculture. These will include, among others, the bonusing of bacon and cheese and permission for the Government to subsidize some of the grain piled up at the Head of the Lakes and for which there is a market in Old Ontario. These are necessary because of the deplorable conditions into which agriculture was drifting several weeks ago. There was no talk of agriculture at the conference at Ottawa—all there was was bonds."

"As the session progresses we will bring forward more constructive legislation, and I may say that in all these the Government has but one thought in mind. The one duty for this country and this Legislature is to help in the prosecution of the war and to do to the utmost what Churchill asks of us," he said.

#### Resents Hepburn "Attack."

Halifax, Feb. 25 (CP).—Premier Hepburn's charge that the late Dr.

Joseph Sirois, chairman of the Sirois report on Dominion-Provincial relations, attempted to cloak "business in the atmosphere of patriotism" drew a reply tonight from Prof. R. A. McKay, a member of the board.

"I strongly resent Premier Hepburn's attack on the late chairman of the commission as reported by 'The Canadian Press,' Professor McKay said.

"The name of Sirois has always stood for personal integrity, absolute disinterestedness, high honor and public responsibility. It will so stand in history despite Premier Hepburn's attempt to besmirch his memory."

"To disagree with the recommendations of the report is one thing, to suggest the chairman would take advantage of his public position to serve private interests is quite another," he said.