

QUEBEC POWER DEAL PROBED BY OPPOSITION

Commissioner Houck Asks Non-Partisan View—Drew Asks Data

Indications that the Legislature is likely to be the scene of a major clash over ratification of the Ottawa River power agreement made between Ontario and Quebec were given in the House yesterday when the Drew-led forces served notice that they were far from satisfied with the bill.

The agreement between the two Provinces gives Ontario the right to develop waterpower sites on the Ottawa River which will eventually yield a continuous capacity of 428,390 horsepower. The Government took the position that in planning to develop these sites it was giving substantial aid to the nation's war effort through the supply of electricity to war plants; that the agreement was fair in every respect to both Provinces; that, failing consummation of the agreement, the Hydro Commission would have to turn to the Madawaska River, where only a relatively small amount of power is available.

The Opposition criticized the Government for not permitting the members to become better informed as to the contents of the bill, and Lt.-Col. George Drew sought unsuccessfully to have the measure referred to a special committee of the House. He complained that the bill was one of the most important to come before the House in many years, and yet the Government wished to speed it through as quickly as possible.

The unscheduled entry into the debate of Hydro Commissioner W. L. Houck was a feature of the discussion. Mr. Houck rose to answer a question asked by Col. Drew, and, having done so, he took the opportunity of appealing to the members not to be swayed by political considerations in considering the bill. He stressed that more power was urgently needed, and Ontario must provide this power for the war industries of the Province.

Week's Delay Serious.

"No war industry in Ontario has been refused power by the commission," said Mr. Houck. "This ratifying legislation is needed to enable our engineers to get to work on the project. A week's delay might prove serious. Eastern Ontario has nothing to fear from this development. We have played fair with Eastern Ontario in the past, and will continue to do so. I assure members from eastern constituencies that when power is needed in their section of the Province it will be given. But don't let us allow thoughts of political advantage to interfere in this most important matter. Adequate supplies of power are as important to the war effort as the men in uniform. Industry in Ontario is 90 per cent electrified. Therefore it is necessary that we throw aside petty, political, partisan feelings."

Mr. Houck paid tribute to the cooperation of the public in the power conservation campaign, and expressed the view that, barring unforeseen developments, there would be no further restrictions on the use of Hydro.

George H. Challies, Progressive Conservative member for Grenville-Dundas, criticized the Government for not putting all its information before the members. He disputed a previous assertion that the Eastern Ontario Electrical Association had approved the Ontario-Quebec agreement, declaring that the association had not been told of the taxes they would lose as a result of the project, nor of the lands that would be affected. Mr. Challies protested that the members of the House could not possibly familiarize themselves with the contents of the bill if the Government persisted in "rushing" it through. He joined his Leader in asking for a special committee of the Legislature.

In opening the debate for the Opposition, Col. Drew said the bill amounted to rewriting of the boundary between Ontario and Quebec. It provided for a virtually permanent disposition of certain rights along the Ottawa River, he said.

Only Surface Touched.

"Members of the House should not be asked to make a decision unless they have more information," declared Col. Drew. "The Prime Minister has only touched the surface. A committee of members of the House should be named and empowered to call witnesses and find out what is behind it all, so that the House may know what it is doing."

Premier Conant took objection to the phrase "what is behind it all." He declared that there was nothing behind the bill other than a desire to get power for Ontario.

"I can assure the members of the House that there is nothing sinister behind it," he said. "As far as the matter of changing the boundary line between Ontario and Quebec, that was something which both Provinces carefully avoided as both did not wish to have prolonged discussions over the years as to where the boundary lies."

Mr. Conant said action by the Legislature was far more necessary than any action by Quebec, as it was his opinion that steps already taken by Quebec covered the situation. The Lieutenant-Governor of Quebec, by Order-in-Council, had given his assent to the agreement, but to make sure that everything was in order the Province of Quebec had agreed to bring in a bill.

War Industry Now Supplied.

Reviewing Hydro's wartime needs and resources and Ontario's negotiations with Quebec regarding Ottawa River power development, Premier Conant tabled correspondence between himself and Dr. T. H. Hogg, Hydro chairman; Premier Adelard Godbout of Quebec; and with Prime Minister W. L. M. King (for Federal ratification).

Prior to the war, Mr. Conant said, the existing power resources exceeded the demand by 280,000 h.p. In addition to this active reserve, the Commission had contracts for power for future delivery aggregating 200 h.p., a combined total reserve for future growth of 480,000 h.p.

Since December, 1938, the Commission had taken on new loads amounting to 878,000 h.p., 794,000 h.p. of it estimated as a war load, more than half of which is supplied directly by the Commission to large industrial customers. Of the 794,000 h.p. about 100,000 h.p. was exported to the United States by request of the Power Controller of Canada, to maintain the flow of war goods to Britain. American industries using it were the Union Carbide Co. at Niagara Falls, and the Aluminum Co. of America at Massena, N.Y.

The Commission has conducted a successful conservation campaign which brought about a saving that, taken in conjunction with expansion of resources, had virtually eliminated any shortage of supply for war industry.

Between 1938 and 1942, Mr. Conant said, quoting Dr. Hogg's report, the Commission provided about 170,000 h.p. additional and in 1943 a further 65,000 h.p. plant will go into operation at DeCew Falls, bringing the figure up to 235,000 h.p. by the fall of this year.

Expect Later Shortages.

He said 57,500 h.p. of the increased resources provided since 1938 had been secured on a short-term basis so that this amount of power and its cost would disappear after the war.

In addition, resources were augmented on an average by 135,000 h.p. from additional water diversion at Niagara Falls without increasing the peak resources at all, an important and valuable contribution since the average power demand was increasing more rapidly than the peak demand. The Ogoki diversion, too, he said, would be completed in 1943, there was reason to believe. But with an estimated increase from 60,000 to 120,000 h.p. in the demand this year it was expected that there would be a shortage by next December of from 15,000 to 20,000 h.p.

"That situation, which became apparent soon after the outbreak of war," said Mr. Conant, "has been a matter of much concern to the Hydro Commission and the Ontario Government—the need of meeting the enormous demands in the future. We had developed all our large power resources in 1942 except those on the Ottawa and the St. Lawrence."

If implemented, the plan between Canada, the United States and Ontario of March, 1941, for joint power development on the St. Lawrence would have made available a million horsepower for Ontario. "With the signing of that agreement we hoped that our power requirements for Southern Ontario would be met for many years to come. We were pledged to proceed with the development as soon as the United States passed necessary legislation and we could not undertake other power developments until we knew the fate of these negotiations," Mr. Conant explained. "Between March, 1941 and March, 1942, we have had to mark time," to learn last March that the United States regarded the St. Lawrence development as for after the war. Where could Hydro turn for the substantial power required for war?

Only Ottawa River Available.

"We were increasing the load in the Niagara system alone," said Mr. Conant, "at the rate of 199,655 h.p. a year for three years. How to take care of war's demands on our system became a serious question. We turned to the Ottawa River because it offered undeveloped sites—virgin power—that would produce 1,200,000 h.p., of which Ontario's share would be 600,000 h.p."

"Present also in the consideration was the distinct advantage of reserving the Madawaska for 60-cycle power. Taking it all into consideration, when the United States decided not to proceed with the St. Lawrence development until after the war, the only available site for development of large-scale power was the Ottawa River."

Discussion opened last year centred on whether a joint development of the Ottawa should be undertaken with Quebec or whether it should be done on a basis of allocation of available sites. Quebec had not been willing to proceed with a joint proj-