

of certain bonds and ultimately of the property securing the same. From the documents, it would appear that your contention was that the property being administered by the Hydro Commission belonged to the seven hundred or more partner municipalities (subject, of course, to indebtedness) and that as Commissioner you were acting as Trustee of such municipalities and that, as the contemplated purchase was being made by the Government of Ontario on the credit of that Government and the properties of the municipalities were in no way affected it was not your duty to review the merits of the Government's bargain. Consequently, you believed and stated that you had no discretion to exercise affecting in any way the price to be paid for the bonds and properties. On this belief your fellow Commissioners also acted.

The investigating Commissioners appointed by the Governor in Council of Ontario took another view. So far as I can gather from the published report of their finding they hold that the properties being administered by the Hydro Commission do not belong to the partner municipalities but to the Province of Ontario and that you had a duty to check and review any purchases being made by the Ontario Government.

I do not wish—in fact it would be highly improper for me—to comment on the soundness or unsoundness of their interpretation of the law, but I think it fair to say that the idea of the Hydro properties not being held for the partner municipalities has not been heretofore the accepted understanding of the situation. The Hydro Commission is appointed and dismissible by the Government itself. It is hardly conceivable that the Legislature intended to clothe that body with the power to review and control the actions of the Government which had appointed it with respect to purchases that in the opinion of the Government should be made on the terms agreed upon. I decline to assume that the Legislature intended to set up a commission having power to modify or even nullify agreements for purchases made by the Government which appointed it.

But the important consideration—indeed the only consideration of interest to this Government—is not whether the investigating Commissioners are right in their interpretation of the law or whether you are right in your interpretation. What concerns us is whether they found in the circumstances anything reflecting on your honour as a public man. Assuming for the sake of argument that they are right and you are wrong, it would appear to me even from the Latchford-Smith report, that your view was honestly held; this seems to me to dispose of the question.

Under these circumstances, I really do not feel there would be any justification for us making to the Chief Justice the representations you request. It is a matter of sincere regret to me not to be able to meet your wishes, but I trust on further reflection you will agree with the views I have expressed.

With kindest regards, believe me,

Yours faithfully,

R. B. Bennett.

There is very much more that I could say. I refrain at this time because of a conviction that the House does not feel it appropriate that I should say it. I accept the position taken by the Prime Minister; but if any honourable member of this House takes another

view, or feels that upon that report my honour is even in the most oblique or remote way concerned, I invite him to move here for a committee to investigate the allegations made against me. I shall accept such a motion without the shadow of a feeling of resentment. What is more, I shall support it and invite and urge honourable members to support it as well. I shall gladly appear before that committee. But if it should not be the wish of any honourable member so to move, then from this date onward I shall treat this report of the Latchford-Smith Commission with the attention it deserves, which is exactly none at all.

## THE GOVERNOR GENERAL'S SPEECH

### ADDRESS IN REPLY

The Senate proceeded to the consideration of His Excellency The Governor General's Speech at the opening of the session.

Hon. L. COTE rose to move that an Address be presented to His Excellency the Governor General to offer the humble thanks of this House to His Excellency for the gracious Speech which he has been pleased to make to both Houses of Parliament.

He said (Translation): The right honourable leader of this House was no doubt thinking of the evangelical precept that "The last shall be first" when he entrusted me with the important and perilous honour of moving the adoption of the Address in reply to the Speech from His Excellency the Governor General.

I accepted this task, the fulfilment of which impresses me anew with a full consciousness of my inexperience and lack of eloquence, merely in order not to show ingratitude.

I hope the right honourable leader of this House will allow me to express my sincere thankfulness for his having thus honoured me particularly. I must also tell him how happy it makes me to see him in his seat, looking so hale and healthy after his trip to the antipodes, where he contributed to increase the fame of our country.

It is no doubt true that, in this honourable House, designed more for control and supervision, my right honourable friend must sometimes long for other spheres of public life, spheres where he formerly served his country so brilliantly. On the other hand, the very thought that in this assembly which he adorns, thanks to his vast experience, his clarity, his intellectual power and integrity, he is still serving his country, must sustain and console his patriotism, and that, much better than my feeble words could express.