

LEADER JONES WHEN SOLICITOR
GENERAL HAD A HAND IN
GIVING AWAY GRAND FALLS

Moncton, June 7—Mr. Harry T. Reilly, barrister, spoke over the C. N. R. Radio last night in support of the good government policies, and at the outset gave a complete answer to Mr. Jones and the opposition as to who gave away Grand Falls. Unlike the opposition leader, who makes statements at variance with the facts of the Legislature to place Mr. Jones in a very bad light in connection with the manipulation of Grand Falls by a former administration of which the present opposition leader was a member.

Mr. Reilly's address in full follows: Ladies and Gentlemen.

In opening my remarks tonight I wish to take this opportunity of publicly acknowledging the privilege conferred upon me in my being permitted to address the electors in support of the record of the Administration now appealing to the people for endorsement.

As the campaign progressed, we note that references have been made by opposition speakers to the giving away of Grand Falls by the present Government. You will also carefully note that despite repeated assertions to that effect not one of the speakers has volunteered one word of explanation as to the circumstances surrounding the entire affair. The Premier of the Province and Members of his Government have stated that Grand Falls, when the present administration came into power in 1925, did not belong to the Province, and in order to examine the respective claims of the various campaigners, I am going to ask you to go back with me into the years that have passed but whose records are still living entity.

Leasing of Grand Falls in 1903

Let us start first in the year 1903 when the Pugsley-Tweedie Government was in power and examine Chapter 3 of the Legislative Acts of that year. This act is an act entitled "An Act to authorize the leasing and development of water power at Grand Falls. It expressly recognizes an opportunity of developing a valuable water power at Grand Falls and it further states that the utilization of same would prove of great public advantage by leading up to the erection of lumber mills, pulp and paper mills and other industries. Please note here that reference, in the act itself, is made only to mills and industry.

The act vests in the Lieutenant-Governor-in-Council power to incorporate a company for the purpose of acquiring and taking over the water power at Grand Falls and all lands, interests in land, rights and privileges deemed necessary for the operation of the Company when incorporated. The Lieutenant-Governor-in-Council was further empowered by the act to confer upon the company all the necessary authority for acquiring and appropriating such lands, interests in land, rights and privileges as might be necessary. All such a company had to do was to satisfy the Lieutenant-Governor-in-Council of its financial ability to carry out the development as a mark of good faith, and to deposit \$50,000 with the Governor upon incorporation of the company. Lieutenant Governor-in-Council was empowered further to lease Grand Falls and the rights mentioned for such a term and on such conditions as the Lieutenant-Governor-in-Council might determine.

Record of Leader of Opposition

At this point, I would ask you to note that the present Leader of the Opposition Party in this Province was a member of that Legislature and a supporter of the Government that passed the act referred to. He represented the County of Carleton.

With that as a background let us follow the chain of interesting events that subsequently happened. On the 9th day of March, 1905, Lieutenant-Governor Snowball entered the Legislative Chamber and read the Speech from the Throne which contained the following paragraph:

"Under the legislation authorizing the Executive to deal with water power at Grand Falls, the preliminary steps have been taken for its development. The sum of fifty thousand dollars has been deposited with the Receiver General by the promoters of the undertaking, as an evidence of bona fides. This sum is to be

forfeited in case the works are not proceeded with. I look with very considerable confidence to the establishment in the near future of large manufacturing industries at this point, and for the distribution of electrical energy therefrom to various sections of the Province."

On March 24th, 1905, the Lieutenant-Governor-in-Council, acting under the authority of the 1903 statute, issued Letters Patent thereby incorporating "The Grand Falls Power Company Limited," composed of Barton E. Kingsman, of New York, Frederick C. Sayles, of Providence, Charles H. Newell, of New York. This incorporation was for purposes of acquiring the water power at Grand Falls and all lands, easements, franchises and privileges necessary for the efficient operation of the company and to deal in the same.

A Party to Old Charter

This charter or letters patent was confirmed by an act for the Legislative Assembly passed April 14th, 1905 and is found in the 1905 statutes as Chapter 17. The present leader of the Opposition Party was still paying his allegiance to the party in power, and was a member of the Legislature.

Up to this time we find the following: (1) The Legislature vested the Lieutenant-Governor-in-Council with power to incorporate a company to acquire and develop Grand Falls. (2) The Lieutenant-Governor-in-Council incorporated The Grand Falls Power Company Limited to acquire and develop the site. (3) All of these dealings received subsequent sanction of the Legislative Assembly in the nature of confirming statutes.

Hon. Mr. Jones, speaking in the Legislative Assembly, on March 27th, 1905, made the following statement:

"The enterprise, which is likely to be established at Grand Falls is one which will mark an era in the history of this Province and for which in future years all parties will give them (the Government) that credit which is now denied them by the opposition."

To Give Lease in Perpetuity

Let us go still a further step and see what happened: on April 10th, 1905, the Government of New Brunswick, of which Hon. Mr. Jones was a member and supporter, entered into a lease with the Grand Falls Power Company Limited whereby the Province leased to the company Grand Falls and the water power and all lands of the crown upon the banks of the St. John River and under the river and waters thereof at and within two miles of the falls. This lease was for twenty years at a rental of \$500 per year for the first 10 years subject to being increased to \$1000 per year for the remaining ten years if the Government required. The company in the same document were given an option of renewal for a further term of twenty years at a rental of \$15000.00 per year. At the end of this 40 years the Company were empowered to ask the Province bound to give a lease in perpetuity at a yearly rental of \$2000.00 the Company were in the same lease given another alternative: the Province would be bound to sell Grand Falls, the water power and all the rights just mentioned for the sum of \$60,000.00. These rights, along with those of another company, were subsequently vested in The Grand Falls Company Limited.

Thus you will see that these rights at this time were vested not in the Province of New Brunswick as some of the opposition speakers would have us believe, but in The Grand Falls Company, Limited.

In 1925 we were faced with the spectacle of the administration headed by Hon. P. J. Veniot paying \$1,200,000 for the rights of the Grand Falls Company Limited. If that arrangement had been carried out the Province would have been saddled with a development running into the millions of dollars. My submission tonight is that prompt, careful and efficient dealing with this gigantic problem by the present Government deserves the praise and commendation and support of the electorate because the present administration has accomplished in the short space of three years what preceding Governments could not

achieve since 1905 and all of this without one cent worth of cost or expenditure to the people of New Brunswick. I needn't elaborate tonight on the erection of the Grand Falls power plant nor on the mills erected at Edmundston, Athol and Dalhousie, for these works stand as a lasting monument to an administration that has at all times placed New Brunswick's interests first. There are those who may disagree with the Administration in some respects but it doesn't lie in the mouths of the Opposition Party to condemn the policy of the Government with respect to Grand Falls for the Pugsley-Tweedie Government had tied up the power site years ago, and it was not until the advent of the Baxter Ministry in 1925 that the development, dreamed of for years, became a reality in three short years. There must be a realization in the hearts of the opposition that the Government must be a realization in the hearts of the opposition that the Government in charge of provincial affairs for the past five years have taken into their respective integrity and ability, spurs that have been won only after many years of unstinted and faithful devotion to duty and at great personal sacrifice.

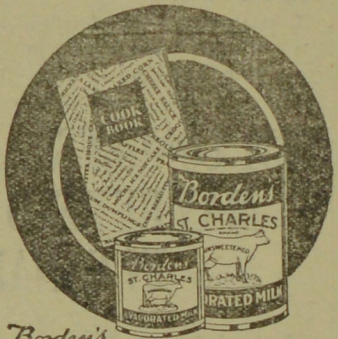
Appeal to Younger Generation

I would like to direct an appeal tonight to the younger generation for they are the ones who tomorrow must shoulder the affairs of state when these men pass on. The exercise on the right of franchise is not a myth but a real, live duty that falls to the lot of every subject of 21 years of age, this right has been won for the people at an enormous cost and the troublesome and difficult road hewed by our ancestors out of the centuries has seen fruition. That right has been handed down to us as a right not to be trifled with but to be exercised in conscientiously choosing succeeding administrations.

1-4 cup butter
1 tablespoons cocoa
2 cups confectioner's sugar
3 or 4 tablespoons strong coffee
Cream the butter and add the cocoa. Stir in the sugar and coffee gradually. Beat until smooth and spread on cake.

The juryman, after retiring to consider their verdict, re-entered the court and the judge asked the foreman if they had arrived at unanimous decision.

"No, my lord," he replied. "We have not. I never met eleven such obstinate men in my life."



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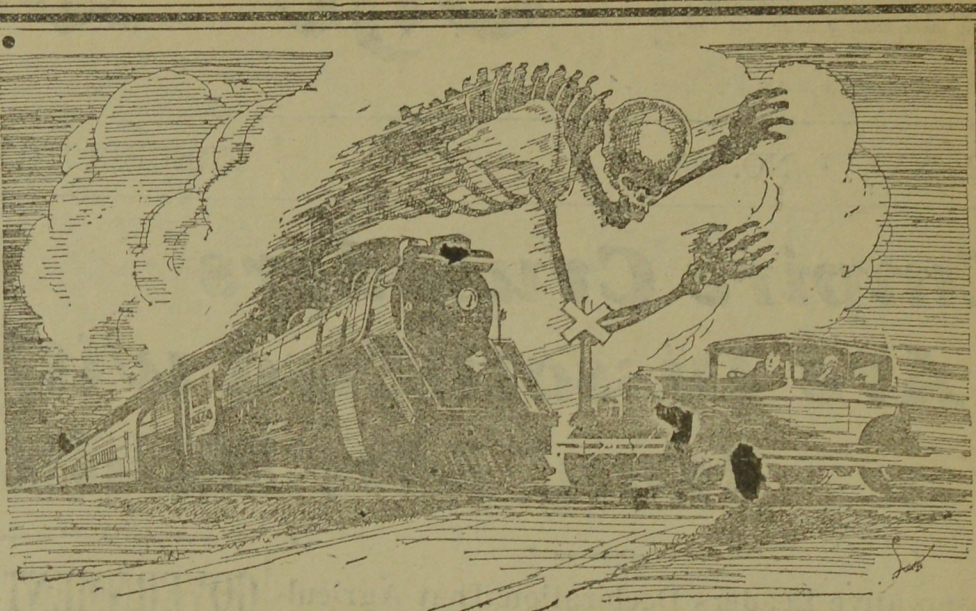
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What is the Department of Public Works doing to prevent this ?

1. The Motor Vehicle Act requires that all Motorists slow down and busses must stop at Level Crossings.
2. A warning sign has been placed 300 feet on either side of 350 railway crossings on New Brunswick's trunk roads.
3. A general survey of all Grade Crossings in New Brunswick has been made by the Highway Division and all crossings classified as to degree of hazard.
4. Twenty-five extra hazardous railway crossings have been entirely removed.
5. Work is proceeding on the elimination of three more hazardous railway crossings at this time and others are to be eliminated during the present year.
6. Bushes, boulders and other obstructions to vision at Level Crossings have been removed.
7. The Department carries on annually an educational campaign by means of advertising in every newspaper published in New Brunswick to awaken the public to the extreme danger of negligence at all level crossings.



THE AIM OF THE DEPARTMENT

The aim of the Department of Public Works is to eliminate as many level Railway Crossings as may be physically possible in New Brunswick, to make the remainder as safe as ingenuity can devise, and to educate the Public to exercise proper caution at these danger points.

New Brunswick Department of Public Works

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