

FIRST DIVISION IN LEGISLATURE

Debate on Budget Concluded at Early Hour.

HON. MR. MACKAY'S SPEECH

Non-constructive Policy Was Heavily Scored.

Brilliant Address by Liberal Leader

—Many Questions Discussed—

Result of Acceptance of Argument

of Present Provincial Treasurer

When in Opposition—Government

Pledges Unfulfilled—An Amend-

ment Submitted.

The debate on the Provincial budget concluded this morning with the first division of the session, after a brilliant speech by Hon. A. G. MacKay, in which the non-constructive policy of the present Government was severely criticized. As on the occasion of his address delivered in the debate on the speech from the throne, Mr. MacKay carried the war into the enemy's camp. He accepted the line of argument adopted by the present Provincial Treasurer when in Opposition, that receipts from the sale of timber and other natural resources of the Province were drafts upon the natural capital of Ontario. Following this line of argument to its conclusion, he proved that instead of a boasted surplus the financial statement should show a deficit of alarming proportions. Mr. MacKay submitted an amendment expressing the regret of the House that the present Government should have allowed controllable expenditure to increase during the last three years in a degree disproportionate with the general advance of the Province. Speaking on the power question, he said that the Premier had "slammed the door" in the face of Toronto so far as cheap power was concerned by his refusal to treat with the representative of the British bondholders of the Electrical Development Company. That action of the Premier he described as a breach of trust, inasmuch as the Government were the trustees of the municipalities, and could only make such agreements as were in accordance with the demands of the municipalities. Premier Whitney replied in one of his characteristic speeches, and incidentally challenged the statement of the leader of the Opposition that the Conservative party had pledged themselves that Boards of License Commissioners should include County Judges and County Wardens. Before the House rose Mr. MacKay quoted from the journals of the Legislature the resolution to that effect, which was seconded by Mr. Whitney himself. The amendment was lost on division by 55 to 19, Mr. Studholme voting with the Opposition.

Breakfast-food Comparison.

The debate on the budget was resumed by Mr. Donovan (Brockville), who, after making general criticisms of previous Liberal speakers, took occasion to refer again to his victory. Mr. Donovan presented to the House what he termed "two political bills of fare," in which he made breakfast-food comparisons between the Ross and Whitney Administrations. Though it was the budget debate, Mr. Donovan said he would not burden the House with figures, and studiously avoided them. Referring to the member for East Hamilton (Mr. Studholme), the speaker

said he "speaks more than any man in the House and says less." (Laughter.) He reminded the same member that for every hour in the House the cost to the Province was \$100.

Mr. Studholme, who had already spoken on the debate, rose to correct Mr. Donovan in a statement to the effect that he (Mr. Studholme) had not suggested any remedies for existing evils. Mr. Studholme said he had been accused of taking up the time of the House, but he added that he had never given the House "bills of fare, and soups," and things.

The Premier reminded Mr. Studholme that he had spoken, and would not be permitted to make another speech on the budget.

Mr. I. B. Lucas (Centre Grey) criticized the Liberal financial critic (Mr. Pense) for not being specific. In only one instance, said Mr. Lucas, had the member for Kingston been specific, and that was with reference to legal fees. Years ago the present Provincial Treasurer, when in Opposition, had said that he could keep the expenditures within the income. That was being done today. Between the years 1899 and 1903 the late Government had received in bonuses from the sale of pine about \$6,000,000, while the present Government had had no substantial sale of pine.

Mr. Clarke (Northumberland)—You sold Cobalt Lake; that is the same thing as pine.

Travelling Fast Enough.

Mr. Lucas, proceeding, said that having the knowledge of the wealth of Cobalt, the late Government neglected to take precautions that the Province should realize the fullest benefit. From the fragments which had not been gobbled up the present Government were receiving millions. The Opposition idea of the development of New Ontario was to give it away. With regard to the three-fifths clause Mr. Lucas said that the Opposition must take the responsibility of throwing the temperance question into the political arena. They did not know what position the leader of the Opposition took with regard to the local option question. If they did, then they would know exactly what weight to attach to his attacks on the three-fifths clause. He would not say that the last word had been said with regard to the three-fifths clause, but he did think that it should have a fair trial before any attempt was made to upset it. The liquor license act, with the three-fifths clause in it, was the most advanced temperance legislation which the Province had seen in very many years. The Government were travelling in the right direction on the temperance question, and perhaps travelling fast enough.

On the House resuming after dinner the Premier announced that the Government had decided to refer the various bills which had been introduced respecting the regulation of the speed of automobiles to the Municipal Committee.

The debate was resumed by Mr. G. Pattinson (South Waterloo), who followed the line of other supporters of the Government, and congratulated the Administration upon its successful financial policy. He admitted that expenditures had grown, but contended that it was money well spent. Coming to the Hydro-electric Commission, Mr. Pattinson said the expenditures would be amply repaid.

The Opposition Leader.

Hon. A. G. MacKay, who was received with applause, said that reference had been made by the member for Waterloo to the work of the Department of Neglected Children, but he would remind the House that the gentlemen supporting the Government had opposed the officer in charge of that department. In regard to the Mercer Institution the Government were also only trailing the blaze made by the present Opposition. The member for Waterloo had also given the Minister of Mines the credit of establishing royalties on mines, forgetting that in 1903, he (the leader of the Opposition) had urged that method, was then told that it would not be adopted, and that it had subsequently been adopted in part. He argued then, and still held the same opinion, that mining was an uncertain occupation, and the Province had no right to charge men who were spending their money and time in endeavoring to develop a mine which might never bring in a dollar. A tax should be imposed upon the net revenue of the mine. He still believed that the royalty should be graded, with a heavier tax on the good mines than on the poor ones.

The University of Toronto.

Turning to the University of Toronto, Mr. MacKay still maintained his opinions regarding this University. He did not know of any better way to get

the great mass of the people in touch with the University than to discuss the estimates and finances of such an institution from year to year. Such a discussion in the Legislature would familiarize the people with its workings. When half the succession duties were placed at the disposal of the University by an underground channel, when the people's representatives were not trusted with the responsibility of caring for that great institution, he felt that the Legislature was stultified. If the Minister of Education took department by department of the University, explaining the expenditures, the result would be an extension of interest and pride in the institution.

Must Consider Conditions.

Proceeding, Mr. MacKay turned to the remarks of the member from Centre Grey (Mr. Lucas). That member had asked where he (the speaker) stood on local option. Mr. MacKay said such a question was meaningless unless local conditions and local sentiment were taken into consideration.

At this juncture a Conservative member interrupted, and Mr. MacKay retorted that the people in his own town did not have far to go to find how he voted.

Mr. Lucas had stated that he was convinced that a majority division was better than the three-fifths clause, yet on the floor of the House he had twice voted against his conviction.

Another question referred to was the Montreal River and pulp deals. In this connection Hon. Mr. MacKay pointed out that pulp mills should be built in the territory being developed, and the colonization idea carried out as provided in the old agreement made in 1902. He complimented the Minister of Lands and Mines on the general idea of his new regulations, which provided that the mills had to be placed in the limits being developed. It was, said Hon. Mr. MacKay, the right idea to transmute the forest wealth of the district into towns and developed territory.

A Progressive Policy.

"We cannot afford to rob New Ontario even to build up old Ontario," said Mr. MacKay. There were, he continued, 100,000,000 acres of land in New Ontario, pine valued at \$100,000,000, pulpwood which, with the increasing prices, might become worth \$250,000,000 to \$300,000,000. The G. T. P. was being built and would tap that great area, and "the Ontario Government should not stand shivering on the brink. Our policy should be a progressive one."

Coming to the financial statement, he noted the surplus of \$606,000, which should mean the excess of current receipts over current expenditures, but if the Provincial Treasurer had followed his own bookkeeping, or at least the line of reasoning he formerly followed, he would have an actual deficit of \$8,085,700. "You cannot get away from the reasoning," said Mr. MacKay, "even if you take out the timber bonuses, because timber may reproduce itself. Surely the receipts from the sale of the bare land, \$1,701,000, cannot be called current receipts. It is capital; but deducting the amount from the sale of lands, we have an actual deficit of \$575,000." (Opposition cheers.)

Premier Whitney—We have the money.

Mr. MacKay—You have the money, certainly, but it's capital absolutely.

Continuing, he said that in 1904 the mining development brought \$27,000 to the Provincial Treasury, and last year the amount from royalties, sale of leases, etc., came to \$1,690,340. Then there was the extra Dominion subsidy, and from these two sources alone the Government obtained \$2,058,083. Since the succession duties act had been in force the Province had received in all \$5,213,727, a part of which would not have been received if the gentlemen opposite had had their way. The supplementary revenue act had yielded \$3,368,000, not one dollar of which would have come into the Provincial treasury if the Conservative votes had ruled.

In all, the brewers and distillers' regulations had brought in \$580,800. In a criticism of the public accounts the Government could not expect members of the Opposition to point to certain items and then object. All that could be expected was a fair general statement. One of the most startling statements made during this session, said Mr. MacKay, was that of the member for East Huron, who showed that in 1872 the per capita expenditure was \$1.50, in 1904 \$2.50 and in 1907 \$3.50.

"The per capita expenditure has increased as much in the last three years as in the last thirty years. That was one of the most startling statements made throughout the session," he said.