

BUDGET DEBATE WOUND UP AT LAST

Prime Minister and Liberal
Leader Address the House.

DIVISION ON PARTY LINES.

Labor Member Sides With the
Government.

Hon. A. G. MacKay Delivers Masterly
Criticism of Provincial Treasurer's
Financial Statement—An Attempt
to "Humbug" the People — Sir
James Attacks Reciprocity.

A masterly two-hours' address by Hon. A. G. MacKay, and a reply by Sir James Whitney marked by all the vigor characteristic of the Prime Minister, brought to a close in the Legislature late yesterday afternoon the long-drawn-out debate upon the Budget. The Liberal leader covered a tremendous amount of ground in his address. He began with the financial statement of the Provincial Treasurer, and caustically criticized Hon. Mr. Matheson for his attempt to "humbug" the people of the Province by figuring out a surplus, traced the source of the revenue increases so proudly announced by the Government to legislation framed by the previous Administration, and went thoroughly into the unsatisfactory condition of education throughout the Province.

The Trade Agreement.

In the closing portion of his address Hon. A. G. MacKay scored the Provincial Treasurer for deliberately introducing reciprocity into the debate—a matter which, he contended, was clearly outside the province of the Legislature, and one for the Dominion Parliament to deal with. Stating that Hon. Mr. Matheson by attacking reciprocity had forced him to discuss the subject, the Liberal leader launched into a brilliant defence of the agreement made at Washington, pouring ridicule upon the Provincial Treasurer for the position he had taken that a man could not ship an animal across the border without shipping his nationality across with it. Hon. Mr. MacKay proved from Hansard that the Provincial Treasurer had in his attack gone directly opposite to the position taken by all the leaders of the Conservative party since Confederation.

At the close of his address the Liberal leader moved an amendment to the motion to go into Committee of Supply, instancing all the points upon which the Opposition took issue with the Government.

Sir James Waves the Flag.

The reply of the Prime Minister was chiefly confined to an attack on reciprocity. After defending the Administration against the various criticisms of the Liberal leader, Sir James declared that the Provincial Treasurer had a perfect right to allude to the danger he saw menacing the Provincial railway as a result of reciprocity, even though it was a matter particularly within the purview of the Dominion Government. He held that trade had always followed the flag.

The Prime Minister referred to

President Taft as the "wise and crafty President of the United States," who was "too much for" Messrs. Fielding and Paterson. He closed with a vigorous attack upon reciprocity.

A Straight Party Division.

The amendment moved by the Liberal leader was lost on a straight party vote, Mr. Allan Studholme, the Labor member, voting with the Government. The vote was: Yea, 18; nay, 30. The original motion was carried on the same division.

The interest taken in the final day of the debate was evident from the crowded galleries, and many people listened to the leaders from the floor of the House under the galleries. One of the most interested spectators was Miss Sylvia Pankhurst, the English suffragette, who was accompanied by Dr. Margaret Gordon and other ladies interested in the suffragette movement in Toronto.

The Treasurer Meets Himself.

In his opening remarks the Liberal leader declared that he was going to introduce the Provincial Treasurer to himself—to face the shade of the Provincial Treasurer in his first year of office with the Provincial Treasurer of to-day.

"If the people of the Province are to have any conception of where they stand there must be some continuity of system in estimating the revenues," he declared. "It is a remarkable thing when the Provincial Treasurer must transpose figures to get a surplus. He says he has a surplus, but he cannot justify that statement.

"I don't idealize a surplus. It is not such an attractive thing that the figures of the financial statement should be juggled to get one."

Current or Capital Revenue?

Hon. Mr. MacKay showed that the Provincial Treasurer had classed as current revenue money received from the absolute sale of Crown lands, and contrasted this with his statement in the Legislature in 1905 in which he declared that receipts from Crown lands should be treated as a capital receipt and not a current one. He claimed that if the Provincial Treasurer had placed these receipts from Crown lands in his statement as capital receipts he would have been forced to announce a deficit of half a million of dollars instead of a small surplus.

"If this revenue was a capital receipt in 1905 it is a capital receipt now," summed up the Liberal leader. "If the Provincial Treasurer is allowed to transpose items at will, to class an item one way at one time and another way at another, then his statement will become a laughing-stock and the public will pay little attention to it."

"I am not here," continued Hon. Mr. MacKay, after showing how the Provincial Treasurer had worked out his surplus, "to make any extreme party criticism, but I do say that it is a crime for any public man to shift around his figures to show as a surplus what is in reality a deficit."

The speaker criticized the Government for claiming so much credit for the large receipts from the mines, pointing out that a year before the Government adopted the "royalty" system it was advocated by the Liberal Opposition.

Liberals Provided the Revenue.

Hon. Mr. MacKay showed that the former Liberal Administration had provided the sources of revenue by reason of which the Government were able to increase their grants to education, agriculture and colonization, instancing the tax on corporations, the tax on brewers and distillers, and the succession duties, all of which the Government members had criticized when in Opposition. From these sources he showed that the Government had received all but some \$300,000 of the increase in revenue, not a dollar of which they would have received had they succeeded in their opposition at that time.

The Liberal leader showed that, with the total expenditure increasing over 68 per cent., the farming industry had received an increase of only 39 per cent. The increase to civil government had been 65 per cent. and to the Crown Lands Department 98 per cent. He showed that education was receiving but one per cent. more