

Sir George Ross as declaring that this was a proper and just tax, as the insurance companies enjoyed the protection of the laws and courts of the Province. Sarcastically, he referred to the sense of loyalty that actuated the directors of these companies in refusing to pay a tax which insurance experts had declared was not a heavy impost, and declared that if they found a court decree that the law was indirect taxation and not within the power of the Province to impose, he would bring

down a bill which will not only "insure to us the collection of the \$145,000 owing, but will penalize those that refuse to pay." (Applause.)

Traitors, Says Mr. McGarry.

Styling as traitors the men at the head of these insurance companies who had defied the tax, Mr. McGarry said:

"There is no difference between the conduct of these companies and that of the soldier on the field of battle who, when he meets the enemy, and so much depends upon his bravery and fighting capacity, turns his back upon them and runs away. What do they do with that kind of a man? He is shot, and generally the shot takes effect in his back. These gentlemen are just as much traitors to their country as the man on the field who turns his back.

Failed in Time of Peril.

"This Province of Ontario is discharging its duty towards the Empire, being obliged to create a deficit. Knowing that required funds—for that was well known last summer—these men, hiding behind their friends, the legal luminaries in the city of Toronto, and joining with other companies, say: 'Although this Province requires money, although we have admitted the principle of the tax during the last fifteen years, although we willingly paid it during the time of the late Administration, yet in this year of crisis, at a time of peril to the Empire, when the Province needs money, it is a good time to fight it.'

"I place the gentlemen who form the boards of directors of these companies in the judgment of the people of this Province, and ask them to deal out that castigation and merited disapproval which every honorable man gives them in this hour of trial." (Applause.)

He knew of none of the companies that had refused to pay the tax rushing to the aid of the Empire and insuring the lives of the soldiers who went from here.

May Increase Revenue Here.

While admitting that the succession duty tax was created by the old Liberal Government, Mr. McGarry said last year the receipts were much over the estimate, and he hoped to see the revenue considerably augmented from this source by reason of an investigation that was being made into the estates of deceased millionaires. The Government would see to it that the Province was getting its full share of the distribution of this wealth, and he naively suggested that some of the profits that were going into the pockets of directors of life insurance companies would be properly subject to a tax.

Defending the management of the T & N. O. Railway, Mr. McGarry went on to show that the Provincial line had suffered less from the reduction in business than any other of the big railways of Canada. He applauded the assistance that the railway was giving to settlers, and characterized the management by Mr. J. L. Englehart, Chairman of the Commission, as efficient, self-sacrificing and entirely disinterested.

Ontario's Credit.

Proceeding, Mr. McGarry discussed the position which the credit of the Province occupied in the money markets, and showed that the policy of issuing short-term loans at this time, to be replaced with longer loans when the money market was more favorable, had met the commendation of financial men who had given of their advice freely to the Treasury Department. He objected to the tenor of The Globe's report of the Public Accounts in yesterday's issue as being misleading and untrue, and declared that criticism of that sort was bound to damage the credit of the Province.

Expansion of Hydro.

In a brief review of the work of the Hydro-electric Power Commission for the year, Mr. McGarry stated that eighty municipalities were then taking power from the Hydro lines, and 800 farmers were under contract with the Commission. The total investment in the Hydro to the end of the year was \$9,392,000.

Mr. McGarry challenged the Opposition to show how the expenditure for any of the various services could be curtailed without impairing efficiency. A remark about the new Government House drew a smile, but the Treasurer went on to say that although \$100,000 was spent there last year, \$200,000 would be spent there this year, and the building would be completed, "and my honorable friend (Mr. Rowell) will be able to sit down and enjoy a real banquet." (Laughter.)

Survey Being Made.

A survey was being made of the assets of the Province. Various items had been included in the statement, but as the list was not complete no totals were shown. The direct liabilities of the Province were \$40,445,000, and the assets tabulated \$35,368,000. To these he added the total of a valuation of the various institutions—hospitals, asylums, schools and other buildings—bringing the total assets to \$54,664,000, showing a net surplus of assets over liabilities of \$14,000,000. (Loud applause.)

Masterly Analysis

by Liberal Whip

Mr. C. M. Bowman (West Bruce), in an hour's speech in the evening, began with a reference to the conflict in which the British Empire is involved, and remarked that as a member whose ancestors were Germans, he could speak probably more feelingly on this point than some other members of the House. As a Canadian of German descent he appreciated at this time that it was our duty and the duty of Great Britain to fight with our allies until Prussian militarism is smashed.

Speaking for himself and those on his side of the House, he would say they concurred heartily in the proposition made by the Provincial Treasurer that the Province of Ontario should do still more than had been done not only for the motherland, but for the people of Belgium. But while he concurred in the raising of the amount of money for this purpose, he regretted that some other method of raising it had not been devised.

Why Not British System?

He was in hopes that this Government in raising money for this special purpose would have adopted to a large extent the policy which had been followed by Lloyd George in Britain to meet the requirements of the present situation. He felt this fund should have been levied upon the people of this Province in such a manner that those who were best able to pay this amount should practically contribute the whole sum. Levying one mill on every dollar of assessable property meant that every property owner in this Province would have to contribute his or her share, involving such cases as the widow with a limited income who had a home, the man out of employment struggling to meet the payments on his little home, and in many instances the wives of brave soldiers who had gone to the front to fight.

Cause of the Deficit.

Proceeding to allude to the public accounts, Mr. Bowman said, if he remembered aright, Mr. Lucas, in his Budget speech last session, predicted that this year there would be absolutely no doubt that there would be a surplus. As he understood the statement of the Provincial Treasurer that afternoon, he had intimated that for certain reasons he was forced to announce to the Legislature that he had in round figures practically a deficit of \$700,000, and that this was largely due to the falling-off in revenue produced by the war. Mr. Bowman pointed out that in looking over the public accounts and checking up the estimated revenue presented to the House a year ago by Mr. Lucas, he found that it was reckoned the receipts would be \$9,793,378.