

## FIVE MILLION LOAN NOT WISELY SPENT

### Mr. Rowell Criticizes the Government's Financing

#### DISCREDIT TO ONTARIO

#### Attorney-General Says That Method of Financing Was Pure Question of Bookkeeping—Information Sought Regarding Unemployment.

The Liberal leader in the Legislature yesterday pleaded for the restoration to the Assembly of a power of controlling finance withdrawn by the northern and northwestern Ontario development act of 1915, and with reference to the \$5,000,000 loan charged the Government with spending money on purposes other than those authorized. He declared that such a system of financing was not to the credit of the Province.

Hon. Mr. Lucas, Attorney-General, answered that the Legislature had given the authority to place the expenditure in the hands of the Government without the voting of the estimates, and with regard to the method of financing, asserted it was a pure question of how they kept their books.

#### Questionable Financing.

When the House sat in committee on the bill to amend an act for raising money on the credit of the Consolidated Revenue Fund of Ontario, Mr. Rowell recalled that in 1912 the northern and northwestern Ontario development act was passed, authorizing a loan on the credit of the Province of \$5,000,000 to be applied to certain uses set out in the act, but the control over the expenditure of this money was withdrawn from the Legislative Assembly and put in the hands of the Lieutenant-Governor in Council. At the time this bill was before the House the Opposition presented reasons why the power here conferred on the Lieutenant-Governor in Council should not be taken away from the Legislative Assembly, and that the House should have the right to determine the particular purpose for which the money should be expended under the scope of the provisions of the act. At that time it was stated they should not be uneasy about the provisions of the act; that they should be prepared to trust the Government with the raising and expending of this fund, and that the money would be raised and expended only for the purpose provided under the act.

#### A Risky Experiment.

"No matter how good or how trustworthy an act may be, we felt then, as we feel now, that it was a departure from important constitutional practice. What has happened since has more than justified the criticism of the bill passed at the time, and renders more urgent than ever that we should come back to the old constitutional practice and restore to the representatives of the people control over public expenditure." Mr. Rowell, proceeding, stated that in September, 1913, the Province had expended for purposes covered by the act only \$1,300,000, leaving a balance of over \$3,000,000, which, according to the statement given by the Deputy Provincial Treasurer, had been expended for other purposes. The borrowing powers authorized by the act were used, not for the purpose of the act, not to raise money for Northern Ontario, but to raise money to cover other financial arrangements of the Province. To put it mildly,

this was financing which was not to the credit of the Province. He moved that a clause be added to the bill restoring the control to the Legislative Assembly, so that the Government would have to bring down their estimates under this act and have them voted by the House.

#### Shaking Old Bones.

Hon. Mr. Lucas said his hon. friend was just shaking the old bones. The whole question had been debated over and over again. The Legislature had already answered the question whether it was desirable, as the House then decided, to place the expenditure in the hands of the Government without the voting of the estimates. Once the Legislature had given the authority, then all the rest of his hon. friend's criticism went for nothing. If he were not in the Legislature he (Mr. Lucas) would describe it as bunkum. He contended there had been a proper system of financing—it was a pure question of how they kept their books.

#### Political Expenditures.

Mr. Sam Carter (South Wellington) thought New Ontario money should be earmarked for special services and more scientifically spent. He declared when the old Government were in office he was of the opinion that a good deal of the money then spent in that district had political ends in view, and he was coming to think the same purpose was in view now.

A member on the Conservative side here interjected the question as to how Mr. Carter managed to win South Wellington, to which the speaker replied that he would tell them that some time. The election he had come through was a corrupt and abominable one on the part of the other side.

#### Money Well Spent.

Premier Hearst held that the money was wisely and economically spent on New Ontario, and quoted northern members on the Liberal side who had said that not too much money had been expended. There were others, he said, on the Liberal side who proclaimed their love for New Ontario from the housetops, "but when it comes to deeds they would try and hamper us in every way they can."

#### Unemployment Conditions.

In moving for a return of petitions, correspondence and other documents with reference to the condition of unemployment in the Province, Mr. Rowell said the object of his motion was to secure information on a matter of great public concern at this time. Undoubtedly the hardship through lack of work had pressed heavily on many families during the winter. He understood that representations had been made to the Federal Government by the labor unions, who suggested that the Dominion and Provincial Governments should get together and devise some plan whereby the situation might be relieved, and quoted a despatch from Ottawa which gave the impression that little encouragement was received from the Provincial authorities. While he was glad to see that a Commission on unemployment had been appointed, he felt if the suggestion of the Opposition last session had been adopted to look into the question a great deal of time would have been saved and results might now be coming in. The figures of registration, he thought, did not give the full story, as many trained men had registered only through their trade unions. He thought as well that aid might have been extended to skilled workmen, who could have found employment in England on account of war activity.

#### No Opportunities Lost.

"The Government have not lost any opportunity to co-operate with any movement that was calculated to meet the condition of things that was on or was expected to be on in this Province as the outcome of the present war," said Mr. Hanna in consenting that the order of the return should issue. "I think it will be found when the facts are all laid down that no opportunities in that direction have been lost."

In a question to Hon. Mr. Hanna, Mr. Rowell said he noticed from The News of February 26 that the Liquor Dealers' Association held a meeting to consider certain proposed amendments to the liquor license law. He would like to ask the Provincial Secretary if he had communicated to any representatives of the association