

public is saying "Hear, hear!" And at the very first opportunity they will be saying "There, there!"

"I remember when the Attorney-General bemoaned the idea of a Government sharing in the profits of the liquor traffic," went on the Grenville member. "But, having got to the fleshpots, the chameleon changes his color; he sits down and enables his good-natured friend, the Provincial Treasurer, to work out just how much of these profits he can get."

Revenue From Liquor.

Last year, he said, the Treasurer had received from the liquor traffic in Ontario the sum of one million dollars, assisted by the Attorney-General, who, in years gone by, had stood on a higher plane and had been looked up to by the youth of the land as a paragon of right-doing.

Under the present Attorney-General, Hon. Mr. Ferguson stated, law enforcement was little to be proud of.

Picking from his desk Hon. Mr. Raney's pamphlet on the business of racetrack gambling, Hon. Mr. Ferguson twitted the Attorney-General upon his literary efforts of that character. The Attorney-General, he said, had contributed liberally to the libraries—and the waste-baskets—of the Province, and a notable contribution had been the pamphlet he held in his hand. Yet the author of that pamphlet now was sharing in the ill-gotten gains of these same race-tracks, as he was in the profits of the liquor business. The present Government in the past year had profited from track-racing to the extent of \$770,000. The Attorney-General, he said, was sharing in the profits of his old friend, Abe Orpen.

"I don't wonder he is anxious to consult closely, and perhaps make a client of, my old friend, Abe Orpen. I used to know him in my old, unregenerate days," he declared, amid laughter.

Interrupted by the Attorney-General as to whether he understood the legal authority of the Province in respect of the suppression of race-track gambling, Hon. Mr. Ferguson replied that he had read the recent judgment "hot from the oven," and his opinion was that the judgment in question left a splendid ground for appeal. The case presented by the Attorney-General, in his opinion as a lawyer, was not a proper one.

Attorney-General—Do I understand—

A member—Oh, yes; you understand all right!

Hon. Mr. Ferguson—Your argument was from the standpoint of morals, which is within Dominion jurisdiction, but—

Attorney-General—Will the honorable member put his judgment as a lawyer against the judgment of the two counsel who represented the Crown?

Hon. Mr. Ferguson—I am not here to make invidious comparisons between individuals.

Continuing, Hon. Mr. Ferguson stated that he had read between the lines of the judgments, and in them he "saw excellent grounds for appeal."

Attorney-General—Is the honorable member charging that this Government deliberately stated its case to get a certain judgment?

Hon. Mr. Ferguson—I'm saying you are a bit weak on your job.

Attorney-General—We haven't all the brains on this side of the case.

Hon. Mr. Ferguson—I'm glad you are realizing that; I had the temerity to tell you that once myself.

About Timber Lands.

"In the last year in which I had charge of the forest reserves," he said, "when it was said that I sold without limit and without price all the pieces of timber and pulpwood that could be sold, the department disposed of some 1,600 square miles of resources. But now, in the very first year after this riot among the plain people, the Crown has 8,418 square miles less of forest reserves than when it came into office. Not content with selling 8,418 square miles of natural resources, this Government has advertised to-day 5,700 more square miles of natural resources to be disposed of."

Reply of Premier Drury.

"Mere fault-finding with expenditure simply because of its increase or decrease accomplishes nothing," declared Premier Drury. "There are, it seems to me, just three general questions which should be asked, and on the answers to these

questions those in charge of Provincial expenditures should be blamed or praised. First, are the works and activities of the Government, in all its departments, such as should properly be undertaken by the Provincial Government? Second, has the money been spent so as to get a reasonably efficient return, a dollar's worth for a dollar? Third, are the sources of revenue such as properly and justly belong to the Province?

"The care of the helpless and afflicted is a duty which falls upon the individual, the municipality and the Province," continued the Premier. "We must provide in some way for looking after the mentally afflicted, the sick, the incurable, the aged and the orphaned. This service is a growing one. Twenty-five years ago we had five hospitals for the insane, with a population of 4,614, maintained at an annual charge of \$799,222. To-day we require eleven such institutions, which have 7,475 patients and cost us \$3,399,000 to maintain. Twenty-five years ago 40 per cent. of these unfortunates came from the jails, and to-day some 23 per cent. We are giving financial assistance to 88 general hospitals, 4 homes for incurables, 41 refuges, 31 orphanages and 9 sanitariums for consumptives. Where we spent \$190,221 per annum in 1896 for this purpose, we are to-day spending \$743,661. Besides this, we take care of neglected and dependent children, we provide compensation for injured workers, and lately we have established a system of pensions for widowed mothers with dependent children."

Highway Expenditure.

Regarding highways, Premier Drury traced the development of the plan for co-operation between the townships, the counties and the Province.

"Under this plan," he said, "from 1902 to 1919 the contribution of townships to road purposes was doubled, and the counties and the Province spent between them the sum of \$17,000,000. Last year the counties spent \$7,250,000, toward which the Province will pay over \$3,000,000; the townships spent \$2,000,000, of which the Province will contribute \$400,000, and in addition we invested \$4,500,000 in Provincial highways. A comprehensive plan of co-operation is now in existence, under which the Province is responsible for 1,800 miles of Provincial highways, the counties are in charge of about 10,000 miles, and the townships from 40,000 to 45,000 miles."

Were Left Some Legacies.

"Let us look at the financial situation when we were called to office two weeks after the fiscal year, 1919, had commenced," he went on. "We had, of course, to assume the financial obligations and the commitments of our predecessors. During the year 1919 they had increased the public debt by nearly \$22,000,000. They had had a deficit on the year's transactions of \$1,559,802, and they had collected a direct war tax of \$2,085,000, which they had abolished. They also left a legacy of unpaid debts incurred during the previous year of \$608,000 for the general election, and we had to assume an obligation of \$460,000 to the Teachers' Superannuation Fund which had been ignored by the retiring Administration. In addition to this the cost of everything reached the highest peak in 1920. We had to pay about 15 per cent. more for all supplies than was paid in 1919, and the cost of living rose in the same proportion to all the employees of the Government.

"Under these circumstances the financial outlook for 1920 presented serious difficulties. To carry on the works of the Government and meet its obligations we had to secure additional revenues, and we did so. In 1919 the ordinary revenue, including the war tax, was \$19,904,772, and in 1920 we raised a revenue of \$25,078,094, or an increase of \$5,173,322 over the receipts of 1919. Not one dollar of this money was levied in direct taxation upon the people. The bulk of the increased revenue was brought in by means of taxes on amusements, luxuries, corporations, estates passing at death and receipts from mines and forests.

"The expenditure during the year increased from \$21,404,574 in 1919, to \$25,880,843 in 1920. The actual increase was \$4,416,269, which was \$757,053 less than the increased revenue. We find that the result of