

RAKE-OFF' PLAN IS STEP NEARER BECOMING LAW

MAY YIELD \$2,800,000

Opposition Members Score Scheme as Idea of 'Poor Sports'

Provincial Treasurer Peter Smith's motion relating to alteration of assessment and taxation of independent telephone companies, imposing a 5 per cent. tax on all race-track wagers, and his \$15,000 per annum tax on liquor export companies, was subjected to severe handling in committee of the Legislature yesterday. After some sarcastic references from Hon. G. H. Ferguson, and some extremely vigorous denunciations from H. H. Dewart (Southwest Toronto), it was finally approved.

After securing from the Attorney-General a statement as to the status, under Provincial laws, of the liquor export companies, and the purpose of the Province's appeal from a court judgment as to their legality, the Conservative Leader declared the Government's position to be an absurd one. It proposed, he said, to tax something which, it said, was not legal.

Wipe Out Track Betting.

Mr. Ferguson appealed to the Attorney-General, as the only authority in the House on horse-racing, to explain the jurisdiction of Federal and Provincial laws governing racing. Mr. Raney said that the Federal law legalized seven days of racing, and Mr. Ferguson strongly pressed the view that, inside that law, the Province could wipe out race-track gambling by imposing prohibitive taxation. The Federal Government, he said, declared that the Province could not authorize more than seven days of racing, but it did not say that it could not authorize less.

Hon. Mr. Raney characterized the Conservative Leader's interpretation of the situation as ridiculous. There would be no stated case on the point, as suggested by Mr. Ferguson, he said, for two reasons: The first was that the law was perfectly well defined, and the second was that, even if it were not, he would not advise the Drury Government to take any responsibility in sanctioning a lesser number of racing days. It was the law of the Federal authorities—let them take the responsibility for legalizing race-track betting. "The Government has no intention of legislating against horse-racing," he declared.

Expects to Get \$2,800,000.

The Provincial Treasurer said he anticipated a revenue of \$2,800,000 from the tax, that is, if the Legislature did not continue in session through the various race meetings, under which circumstances the revenue might be less.

H. H. Dewart opened with a broadside to the effect that "this measure is unfair to legitimate and honest sport in this Province, and no sportsman would introduce such legislation. We do not recognize the Attorney-General as a sport."

Mr. Raney—Not a tin-horn-gambling sport.

Mr. Dewart—Well, we recognize the Attorney-General's friend, Mr. Abe Orpen.

Mr. Dewart secured the admission from the Provincial Treasurer that haste was necessitated by the opening next week of the Woodbine race track, and he went on to inquire if the bill was in the interests of the bookmakers, who would swarm the track, and necessitate the detailing of more police than the Attorney-General had on his entire staff. Under the old pari-mutuel system, he said, the people simply bet with each other, while this scheme exacted 5 per cent. from every wager, whatever its success.

Case of Extortion.

When the Provincial Treasurer pointed out that it had been shown that the old system took far greater toll of the wagers than 5 per cent., mentioning 84 per cent. Mr. Dewart said then the Government was to blame for not prosecuting for extortion.