

CAUSTIC CRITICISM OF ONTARIO BUDGET VOICED BY LIBERAL

R. F. Miller Says Only Good
Luck Keeps Deficit
Down

PROGRESSIVE ATTACKS

The "Ferguson Sunshine Budget" made its appearance in the Legislature yesterday. It was only the Monteith Budget of last Tuesday in a bright new dress painted for it by Hon. James Lyons, Conservative member for Sault Ste. Marie, and while—as its donor represented to the House—"it should appeal to every man, woman and child in the Province," it failed to make any impression on Opposition critics.

Instead, R. F. Miller, Liberal member for Haldimand, termed it an "evasive Budget," and Hon. H. C. Nixon (Progressive, Brant), who followed the Haldimand member in debate, went as far as to call it a "booze Budget." And between the two of them it came in for pretty vigorous criticism.

Mr. Miller, who was making his first speech in the House, paid particular attention to the \$800,000 deficit reported for the fiscal year of 1926, and claimed that if the extra revenues the Government had secured—through "luck," and not through "good financing"—had been unavailable, the Government would have been compelled to report a deficit in the neighborhood of \$6,000,000.

Praises Former Administration.

Mr. Nixon spoke for almost two hours in criticism of various lines of Government endeavor. He deprecated the persistent effort of the present Ministry to compare its record with that of the Drury Administration, intimating that if the present Budget was so "wonderful" it should be compared with the last two Robb Budgets from Ottawa. Then it would be revealed as the "wishy-washy" thing it was. Mr. Nixon also held that the present Budget was "a child of fortune," reared on the good investments of the Drury Administration.

Era of Deficits.

At the outset of his remarks Mr. Miller referred to the great resources of Northern Ontario as "the heritage handed down to us in trust by our forefathers," and stressed the prosperity which had obtained, he said, in the old days under Liberal Governments. Since the Liberals had gone out of power, he contended, the country had entered upon an era of deficits. In the last eighteen to twenty years expenditures of the Province in nearly every instance had outweighed the revenues.

It was hard to realize, he declared, that Ontario, with a present debt of \$347,000,000, could have got into that "serious predicament" in such a short while. Three years ago the debt per capita was \$97. Today it is \$117. Government members were fond of saying that the country was getting out of debt.

"I can't see it," said Mr. Miller, frankly. "I have given careful consideration to the records during the past few days and I find that in the last three years of the Ferguson Government the debt has been increased by \$58,000,000. That doesn't sound to me very much like getting out of debt."

Doubtful of Control.

Mr. Miller referred sarcastically to Government claims that the debt was now controlled, adding that, if the present situation of finances was any indication of what was meant by "control," he was not very hopeful for the success of Government "control" of liquor. He pointed out that Dr. Monteith—to use the Treasurer's own remarks—had given a great deal of study to the Budget he had brought down to the House on Tuesday last.

"Well, he needed to give it study," said Mr. Miller. "To cover up the flaws in it." Continuing, he complimented the Treasury on securing the very low rate in its last refunding loan bond issue, but added that "any other Government could have done the same" had it been in power. The Ferguson Administration, he said, liked to compare itself with the former Drury Government, and to take pride in the comparison. But had it anything to feel proud about? he inquired. The Public Accounts had revealed to him that the present Government had experienced "a lot of good luck" in being able to state its deficit for the fiscal year of 1926 as \$812,000. Wise financing, he contended, had not accomplished it.

The 1926 increase in revenue from the gas tax, over 1925, amounted to \$1,402,000; the extra revenue from motor vehicles for the same comparison, \$776,000, and the extra revenue from succession duties, \$3,750,000. Good financing, he asserted, had not brought this extra revenue to the Province. Had its total amount been added to the \$812,000 deficit as reported, the Province's exact deficit would have read \$6,740,000.

Liquor Revenues.

Mr. Miller referred to the Provincial Treasurer's estimate of \$3,500,000 from liquor sales in 1927. This revenue, he said, was not actually a taxation, but it served the purpose. It had answered two purposes, in fact—first, to replenish the Treasury, and, second, to return the Ferguson Government to power in the last election, in that it had served to cover up the public record of the Administration. He could not, he added, reconcile himself to Dr. Monteith's assurances of "an era of taxation reduction." It was perfectly right to cut the motor-car license tax \$5, but why counteract that benefit to the motorist by maintaining the obnoxious gas tax? He was certain, he said, that returns from the gas tax more than made up for the Government's loss of revenue in the other regard.

Speaking briefly on the O.T.A., Mr. Miller said that no member in the House could say that alcohol taken to excess was "a good thing."

"No!" cried Government members. "Then," he replied, "if the Government is going to realize the revenue it anticipates from the sales in its stores, it must expect people to drink to excess." He thought the Government would be sorry for bringing in the new act, and that it would serve as the skid that would "skid the Government out of power." Temperance people who had supported the Government policy in the election, in the belief that it was creating for "better temperance," would soon realize the error of their ways, he predicted, and seize the very first chance of turning the Government out of office. It was his belief that the people were anxious for a return of Liberal Government—and the days when there were "balanced Budgets—happy faces—and general prosperity."

In conclusion he deplored the fact that in the supplementary estimates there was no appropriation for the Diamond Jubilee celebration. "Not even enough money voted," he added caustically, "to provide a bunch of firecrackers for the Prime Minister."

"Stunts," Says Nixon.

Mr. Nixon first emphasized that this session's Budget was simply a continuation of the Government's policy with regard to all Budgets, namely, "to stage some peculiar feature, some stunt that would appeal to the public."

"In 1923," said he, "we had the bookkeeping Budget. Then came the beer and gasoline Budget. Then the debt repayment Budget. Now we have the booze Budget. Government control was not touched on at any great length, but it was undoubtedly the point that appealed most to the press. Newspaper reports of the Budget carried big headlines on this point."

The whole comparison between the financial activity of the present Government and the Farmer Administration was most unfair, he declared. If the Provincial Treasurer was keen for comparison, why did not he compare his Budget with the last two Federal Budgets?

If such a comparison was made, he thought, it would show that the Monteith Budget was a "very washy affair."

Business Improving.

It was natural, he went on, that the present Budget should mirror a bettered financial condition in the Province. Were not conditions throughout the whole Dominion improved? Business generally had been so good, the Province's revenue was so tremendous, that it was impossible to show other than a good statement.

The Budget simply showed, said he, "that the present Government is a child of good fortune, living on the good investments made by the Drury Government."

Mr. Nixon went on to deal particularly with certain phases of the Budget. "The revenue from county payments has decreased tremendously," said he. "It is not said whether counties completed payments or that the time was extended, the Government thinking it was not wise to press for too much repayment in election year."

He felt that a saving could be effected if the Government handled much of its own insurance.

He noted that a bill to empower the Toronto Board of Education to carry its insurance had just been thrown out of committee, "perhaps because it was felt that if all the good risks were taken away from the fire insurance companies more would have to be paid on the poor risks." Still, he emphasized, the Government should go into the matter of carrying its insurance, and some scheme might be evolved by which it could carry, if not all, at least part.

Provincial Savings Deposits.

There had been a mention in the Budget of deposits in the Provincial Savings Offices. Ottawa statistics, said Mr. Nixon, showed an increase in bank deposits all over the Dominion. Yet the amount of money deposited in the Provincial banks had decreased.

Then he turned to a new topic. F. H. Keefer, Legislative Secretary for Northern Ontario, was no longer in the House. Mr. Nixon believed that his defeat in the election was really the public's judgment on the office. The post of Legislative Secretary for Northern Ontario had cost the Province "\$30,000 directly, and goodness knows how much indirectly."

When the office was created the Opposition had maintained that it was not needed; that it was an unnecessary expense. He hoped that the Government would not appoint a successor to Mr. Keefer.

Referring again to a falling off in revenue, he drew attention to the fact that the revenue in the Lands and Forests Department showed a marked decrease. Was this due to the fact that, between the resignation of Hon. Mr. Lyons and the appointment of Hon. Mr. Finlayson, for seven and a half months no Minister had given full time to administering the work of the department? Or was it that the Government did not press for all the revenue that could be collected because it was election year?