

WIDE FIELD COVERED BY HON. JAMES LYONS IN BUDGET DEBATE

**Former Minister Speaks for
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Get Him" in Public Ac-
counts Inquiry, Eulogiz-
ing Own Temperance
Record and Arraigning
Drury Administration**

BELANGER INFERS MISUSE OF FUNDS

Another "strong man" was revealed to Ontario yesterday when Hon. James Lyons, Conservative member for Sault Ste. Marie, in finishing what he had started last Thursday, spoke to the Legislature for nearly three hours, on matters that ranged in extreme from "the deliberate attempt to get" him that had been made, he said, in the public accounts inquiry of last session, to eulogization of his own record as a temperance man, and to a general slashing arraignment of the Drury Administration and its "political buffoonery," of which, he inferred, the Province was well rid.

Only Two Others.

Mr. Lyons took up so much of the House's time that only two other speakers—Aurelien Belanger, Liberal member for Carleton, and D. J. Taylor, Progressive member for North Grey—were heard before the 11 o'clock adjournment was moved. And, at that, Mr. Taylor goes over until this afternoon, with a score of other debaters who had prospects of speaking yesterday.

Mr. Belanger, as expected of him, rendered sharp criticism of the Budget; created somewhat of a stir when he inferred that money appropriated by the Government for purposes of Northern development might have been used for election purposes in recent campaigns; and registered a strong appeal in the interests of Northern settlers, whose advancement, he claimed, was hindered by the Government's tardiness in opening "back concessions."

Termed "Opportunists."

Mr. Taylor barely had time before adjournment to rush to the defense of the party in whose support he was first elected; to style the present Government as "opportunists" rather than "financial wizards," and, in direct reply to Mr. Lyons, to refer to Hon. W. F. Nickle, former Attorney-General, as one "now scorned" by the Conservative party, but upon whom, for words of counsel, the same party had been glad "to lean" in past years.

In resuming the debate, Mr. Lyons criticized the Drury Government at length on the matter of expenditures. He followed with a eulogy of the Ferguson Administration.

Hon. H. C. Nixon (Progressive, Brant County) had pointed out that in three and one-half months in 1923 the Ferguson Government had expended \$23,000,000, as compared to \$20,000,000 paid out by the Drury Government in the preceding eight and one-half months.

Explains Figures.

"That is easy to explain," said Mr. Lyons. The Drury Government evaded accounts, so that this Government had to float a loan of \$40,000,000 to meet the capital indebtedness of the Province. Moreover, the Drury Government tried to swell the revenue of 1922 by collecting revenue due long after the end of the fiscal year."

Mr. Nixon had stated that last year the revenue in the Lands and Forests Department had fallen off, and suggested that the Ferguson Government had not pressed for revenue because it was election year. It was true, said Mr. Lyons, that the revenue was \$500,000 less, but at Oct. 31 there was only \$1,500,000 outstanding on the books, which was less than any amount outstanding in previous years.

Reason for Reduction.

The reason for the reduction in revenue, he said, was the condition of the lumbering business. The interests in Ontario cut 90,000,000 feet less of white pine and other woods than in the previous year. The operators cut a million ties less than the year before.

There was a slight increase in pulpwood operations, said he. But the Government had a policy of allowing pulp operators to purchase from settlers rather than from the Crown. So the revenue from pulp was not as great as if the Government had used a policy which would lessen the benefits to settlers.

The Ferguson Government, Mr. Lyons emphasized, had collected \$1,500,000 more a year ago in the Lands and Forests Department than had the Drury Government.

5c a Gallon Gas Tax.

He touched on reductions in taxation, which the Budget estimated would amount to \$4,000,000. As for the reduction in auto license fees and the maintenance of the gasoline tax, he declared that the license fees had not been cut too much, and that he believed that the gas tax might well be increased to 5 cents a gallon.

Then Mr. Lyons dealt with pulp operations throughout the Dominion. A million and a half cords of pulpwood went to the United States every year. For this \$14,000,000 went into Canadian coffers. But, said Mr. Lyons, if this was manufactured into newsprint here in Canada, it would mean \$75,000,000 to Canadians, and it would give employment to 15,000 men.

The United States also imported from Canada a million ton of pulp every year. For this Canada received \$40,000,000.

\$105,000,000 Direct Loss.

"But," said he, "if this was manufactured into newsprint here it would mean \$90,000,000 for Canadians." There was a direct loss in pulp and paper operations of Ontario and Canada of \$105,000,000, he declared.

The Ontario Government attempted a policy providing for the manufacture of newsprint in the Province to do away with these losses. The pulp and paper industry in the Province was increasing, said he, and it was hoped that at the end of four years it would show an increase in production of 650,000 tons of newsprint a year.

Increased operations in four years would mean an increase of 100,000

people in Ontario's population, and in this industry \$75,000,000 would be expended yearly in labor, supply and other costs, which would directly benefit the people of the Province, he said.

There had been criticism, said he, of the present Government's administration of Crown Lands. The Drury Government, he noted, had disposed of 16,170 square miles of Crown Lands, capable of producing forty-one million cords of pulpwood, and the only benefit to the Province had been the creation of a 100-ton-a-day pulp mill and a 150-ton-a-day paper mill.

Continuing with his criticism of the Farmer administration, he declared that, just before the election in 1923, the Drury Government had cancelled fire charges amounting to \$45,000 on lands belonging to the Great Lakes Paper Company at Sturgeon, Pic and Long Lac.

To Increase Use of Poplar.

The present Government sought to increase the use of poplar in the Province, and in this connection interests were opening mills at Cornwall and Port Arthur.

Touching on highway administration, he said the Ferguson Government had undertaken to build 300 miles of road in Northern Ontario, linking the East and the West. The Drury Government should have done this work, he maintained, because it had received a \$6,500,000 grant from the Federal authorities for such a project.

Mr. Lyons emphasized that he was a temperance man. T. Farquhar (Progressive, Manitoulin) wanted to know why he didn't support the O.T.A. "Because," said Mr. Lyons, "it was destroyed by the bootleggers and temperance politicians."

He scored the Drury Government's stand on the liquor question. It was the Government, he emphasized, that allowed the manufacture of wine which contained from 25 to 30 per cent. alcohol. Wine was a poor man's drink, said he, and yet the Government compelled purchase by the case or five-gallon keg.

"Progressives Under Table."

"And in a five-gallon keg of wine," he went on, "there is a gallon and a quart of alcohol, enough to put the whole Progressive group in this House under the table and to keep them there."

"The Drury Government," he went on, "shouted temperance and down with the wine. It is that attitude that has driven the temperance sentiment of the Province to where it is today."

He turned his guns on Mr. Raney. In 1919 there were 20 wine distilleries licensed in the Province. After four years of Mr. Raney's Attorney-Generalship there were 49 licensed wineries.

"Is there any wonder," he continued, "that the people are sick and tired of this political buffoonery?"

Wine Production.

The production of wine increased during the Drury regime," he went on, until in 1924 there was produced a little over 1,000,000 gallons of Raney's Ready Relief. And there was a reserve of a million and a quarter gallons built up—wine maturing, because wine distillers of Ontario found they could compete with the distilleries of France."

Mr. Lyons then, amid uproarious laughter, adjourned the debate, to resume it at 8 o'clock.

Continuing his address after the adjournment for dinner, Mr. Lyons described the mineral wealth of the Province. And, in connection with this, there was a problem, he said, that should be considered by Ontario and Federal authorities.

Ontario Ore for Steel.

Ontario was rich in low-grade iron ore, carrying 38 per cent. iron. The United States ore ranged as high as 67 per cent. iron. Ontario did not produce a single ton of iron ore for commercial purposes, the high-grade United States ore being imported. Yet this Ontario ore could be transformed by processes of "beneficiation" to produce steel equal, if not better, to that produced from the United States ore.

The use of Ontario ore could be encouraged, he felt, if a bonus was paid. The Ontario Government had favored paying half a cent a ton on low-grade ore, if used in steel production in Ontario, if there was co-operation from the Federal Government of a like bonus. Iron ore to the value of \$250,000,000 was imported into Canada last year. Ontario low-grade ore might well replace this.

"Guesswork" Budget.

Mr. Belanger did not confine his efforts solely to an attack on the Government's policy of Northern development, but he treated the Budget generally from a critical point of view. Mr. Lyons had referred to it as the "sunshine Budget," and members on the Opposition side of the House had gone so far as to name it a "moonshine Budget," but he was inclined to term it a "pure guesswork" affair.