

**Retorts to Lyons's Charges.**

Referring to the recent Minnie M. charge preferred against the Liberal party by Hon. James Lyons, Mr. Sinclair said he didn't have to go back any 25 years to dig up "navigation matters" in which Mr. Lyons himself might be particularly interested. He said that Mr. Lyons, whose dealings with the Government through companies in which he had controlling interests had been made a subject of investigation by the Public Accounts Committee of last session, was still dealing with the Government, and quoted items from the accounts for 1926 to show, as he claimed, that last year the Misford and the Lotus, two Government boats, had bought fuel from the Sault Ste. Marie Coal and Wood Company, in which the ex-Minister of Lands and Forests is interested.

The events of last session, according to Mr. Sinclair, had had little effect on Mr. Lyons, who was not the man "to stand up in the House and vilify the Liberal party—present or of old—in respect of political morals or ethics."

Mr. Sinclair said that the succession duties collected last year by the Government had contributed chiefly to the "cutting down" of the deficit. He hoped that in estimating a slight revenue for the present fiscal year the Government wasn't banking on the "passing out" of many of the wealthy people of Ontario.

**Help for Highways Department.**

The altered cry of the Government regarding road maintenance was remarkable, Mr. Sinclair contended. In 1924 the Provincial Treasurer of that time had said it would be "a number of years before the Province would have sufficient revenue to carry its roads, and at the same time provide sufficient funds to retire its bonded indebtedness." But in the face of that admission the Government had now gone and cut the motor license tax to the extent of a \$1,250,000 loss to the Treasury. "The answer is plain," said the Liberal Leader. "Some other department must come to the aid of the Highways Department."

**Spoke in Wrong Place.**

"Apparently," said Mr. Sinclair, recalling Hon. George S. Henry's address to motor men on Monday night, "the Ontario Legislature is sitting at the King Edward Hotel. For there the Minister gave to the Motor League the speech that he should have given to this Legislature."

When the House had come to a consideration of highways bills last week, he noted, Mr. Henry had taken the occasion to review the history of highway administration work. Very interesting, but not relative to the bills. He had spoken at such length that the Opposition had no time to deal with the bills. And then the Minister had explained the bills, and foretold Government action in connection with administration of the proposed legislation, not to the House, but to the Motor League.

"This Government certainly works in a mysterious way its wonders to perform," said Mr. Sinclair, "as, for instance, with the Government-control bill. The Premier let it out last night and pulled it in today. We have some Government!"

"That's unanimous," retorted Mr. Ferguson, amid Conservative desk-banging.

**"Unusual" Way to Collect Tax.**

Mr. Sinclair criticized the payment by the Government of \$70,000 to oil companies for collection of gasoline tax. This, he felt, was "an unusual method."

"One wonders," he said, "if the same system is adopted for racing associations and tax on bets. It is high time there was an investigation and a show-down and that the people of Ontario knew just how taxes are being collected."

He went on to criticize the Government for certain payments by special warrants. "This legislation," he said, "has certain rights which cannot be delegated to the Lieutenant-Governor-in-Council, and one is the voting of supplies. Five hundred thousand dollars of the people's money was voted by special warrants last year."

Special warrants had provided \$7,500 for the Canadian Red Cross; \$84,752 for the advertising of the tourist attractions of Ontario; \$11,056 for the bilingual school inquiry; \$198,284 for the "purchase of an agreement in New Ontario" by the Lands and Forests Department.

**Explanation Due House.**

Why had not these expenditures been included in the estimates? he argued. He thought the House was entitled to an explanation of the \$198,284 agreement payment, for he understood the principals in that were "men in the States."

And special warrants had provided \$22,247 for a "bread and cake school."

"I suggest," said Mr. Sinclair, "the Government get some of those cakes when we have late night sessions, instead of falling back on the biscuits and cheese of last session."

"I see something doesn't agree with you," interjected Mr. Ferguson.

"That which doesn't agree with me is what I'm looking at all the time," retorted Mr. Sinclair, nodding at the Government benches.

Special warrants, he continued, provided \$27,000 in connection with the Government Building at the C.N.E., and a further sum for Kemptville Agricultural School land.

And, he noted, special warrant had accounted for \$3,000 for the Ontario Athletic Commission.

Mr. Ferguson rose to explain this. "You do much of this getting up when I'm after another Minister," Mr. Sinclair protested.

**"Estimates Exceeded."**

This brought Dr. Godfrey to his feet. The Athletic Commission payment, said he, was necessitated "because we exceeded the estimates."

"I'm glad you admit it," said Mr. Sinclair.

"We're not infallible," retorted Dr. Godfrey.

"No other Minister will admit that," said Mr. Raney.

"I'm admitting it for my department only," replied Dr. Godfrey.

Mr. Sinclair went on to cite other expenditures by special warrant. Who was doing the Province's financing, he queried, the Legislature or the Lieutenant-Governor-in-Council?

In conclusion he referred to the statement in the debate by a Government member that the people of Ontario and Canada would make Mr. Ferguson Dominion Prime Minister.

**Ottawa Aspirations?**

"The Premier is doing all he can to help that along," Mr. Sinclair went on. "The only thing that remains to be done is a non-partisan resolution to the Conservative party at Ottawa recommending that the honorable Premier be selected as Leader of the Opposition."

"Will you second it?" queried Mr. Ferguson.

"I think I would," retorted Mr. Sinclair.

"I don't think I want to go," smiled the Premier a moment later, when, rising to wind up the debate, he was greeted with thunderous desk-banging by his followers.

Mr. Ferguson pictured Mr. Sinclair "burning the midnight oil" and using a microscope in an effort to find in public accounts some reason for pointing "the finger of suspicion" at the Government.

**Replies to Criticism.**

Referring to Mr. Sinclair's statements about Ministers' travelling expenses, he said that no public would expect the Minister of Health, for instance, to pay travelling expenses in connection with the establishment of a health clinic, nor would it expect aged messengers and employees "to go hobbling down street on crutches" instead of using cars and other conveyances for their errands.

"One has only to examine all this criticism of my honorable friend," said the Prime Minister, "to see how childish it is from a public standpoint."

Mr. Ferguson was sharp in his treatment of Mr. Sinclair's attitude toward special warrants. On the matter of publicity expenditure, he said that Ontario last year had spent \$100,000 in advertising to the United States and Great Britain the attractions of the Province, and that the program would be extended in future. The "bread and cake" factory to which the Liberal Leader had referred so critically was an industry in connection with the O.A.C. at Guelph. The "bread and cake makers" had thought so much of the Government's managing ability that they had turned over a building to the Province on condition that the Government would administer the industry.

**Explains \$525,000 Expenditure.**

Mr. Ferguson said that the \$525,000 in expenditures of which Mr. Sinclair was skeptical represented but 1 per cent. of the total expenditure of the Province, and the total amount did not get to the Legislature before it was authorized. Mr. Sinclair, he added, was charging in this connection that the Magna Charta had been thrown to the winds. The answer he would give was that expenditures would always be made with due regard to economy and where they were in the public interests.

"My honorable friend the Liberal Leader," said the Premier, "has pictured me as being 'jumpy.' Well, it appears that we have jumped high enough and far enough to land in a pretty comfortable position."

The Premier twitted Mr. Sinclair about "sitting up nights" during the election campaign and figuring out his "mysterious Cabinet." He intimated that Mr. Sinclair had mentioned the "Cabinet" in one of his speeches.

"I never mentioned that subject in a speech," said Mr. Sinclair. "For I never got that far."

"I am glad my honorable friend could recognize his limitations," said Mr. Ferguson.

**Ideas on Tax Incidence.**

The policy of the Government in respect of taxation, he continued, was to shift it from where it was inequitable to where it was equitable. The policy of "pay as you go, as far as you go, and as fast as you go," was, he submitted, the proper one in dealing with the gas tax. It was his personal view that the tax on motor licenses should be further reduced, and that the people who used roads most should pay most for their gasoline.

Mr. Ferguson submitted additionally that the Government's system of collecting the gas tax was a proper one. Why shouldn't oil companies be paid for collecting the tax and doing the work of a big organization? There was nothing new to the principle, regardless of what critics might say.

The honorable member for Prince Edward (Mr. Raney) would agree to that, he was sure, for he (Mr. Raney) had instituted collections in Registry Offices. In the case of the gas tax collections, it was simply a matter of people assuming responsibilities, doing the work expected of them, and being reimbursed for their efforts.

**Good Word for Lyons.**

Mr. Ferguson dwelt at some length on the Lyons-Opposition controversy. While Mr. Lyons, he said, was perfectly capable of taking care of himself, he just wished to point out that "the old blister from the Minnie M. affair apparently had not healed," and the Liberal party "jumped" every time it was prodded. Mr. Sinclair's references to Mr. Lyons and the Public Accounts investigation of last session he considered "untimely and unfortunate." He said that Mr. Lyons had demanded, at the time, an investigation by the committee, and that the committee's findings, on a majority of 20-odd to 5, had given