

Tuesday - February - 12th

The Prime Minister first of all named the Central Conservative Association of Toronto as the organization involved. He blamed the Financial Committee of that body for "an unwise move," told how he had cut their action short and advised them to return all contributions received. Then, emphatically declaring that the Government had told the association that it would have to repudiate that organization's action if it were made public, Mr. Ferguson went on to say that since he had been in power no contributions had been solicited or accepted from the liquor interest, that no contributions had been solicited from anybody, and that all money received had been contributed voluntarily by persons interested in the success of the Government.

All this information came out in a series of exchanges between the two Leaders, a cross-fire that grew so fierce at one time that the Speaker called Mr. Sinclair to order.

#### Challenged to Platform Duel.

At one point when the words flew hot and heavy between the two Mr. Ferguson challenged the Liberal Leader to fight the matter out on any platform in the Province.

While Mr. Sinclair saw in the whole affair further evidence of a "one-man" Government, saw the Premier holding such authority that he could say what contributions should be received by the party and what should not be accepted, the Prime Minister maintained just as emphatically that he had acted to maintain the fair, unsullied reputation of the Government.

His first intimation of the Central's activity, he told the House, was when the Attorney-General had shown him a letter the Central's Financial Committee had written to the London Winery Ltd., at London, Ont., asking for contributions. He also learned that other such letters had been sent out, and so he wrote J. R. L. Starr, K.C., Treasurer of the Central, warned him against this activity, urged him to recall the letters, and send any money received back to the donors. He heard, by rumor, that contributions had been received and had been sent back.

"Just think," he had told Mr. Starr in referring to the Central's letter, "what a fine story could be made if this letter gets into the hands of those who desire to injure the Government."

#### Prophetic Words.

And, he told the House more than once yesterday, those words had been prophetic, for the letter had got into such "hands," and there was Mr. Sinclair trying to "besmirch" the Conservative Party.

"But," and the Premier said this also more than once, "this Government will not be besmirched." And he maintained from start to finish that the whole situation centred on a local activity and that the Government had made it clear that it set its face against such activity.

But Mr. Sinclair persisted with his argument that the whole affair was suspicious, and in his final bombardment at the Premier he emphasized this thought: "It's a mystery," he said, "why an organization in Toronto should go outside such a wealthy city to solicit contributions. Do you think many people are going to believe there was any necessity for soliciting outside Toronto for the party in Toronto, which sends members to both Parliaments without effort?"

#### Peaceful at Start.

The imbroglio between the two leaders opened peacefully enough. Just before the orders of the day were called, Mr. Sinclair rose and referred to a press report of trouble in the Tory ranks over an "alleged letter." John R. MacNicol, he observed, had denied authorship of an epistle to J. A. Pinard, Ottawa Liberal M.P.P. And Mr. Ferguson, interviewed, had stated that it all was a City of Toronto affair. And J. R. L. Starr, K.C., had said: "The Government would not take money from liquor interests."

"I would like to know from the Prime Minister," Mr. Sinclair continued, "if he has written Mr. Starr to refuse any such contributions, and to return any contributions to the donors. Also if he has taken any action since this matter first became of public interest in the press toward the end of last week. And I would also like to know if the Attorney-General has any knowledge of any letter sent out, and whether any action has been taken to discourage donors and see that money is returned to them."

"From what I hear on the streets and downtown there is something more than rumors to this," Mr. Sinclair declared. "Now the time has come for the Premier to say whether he has had any knowledge of such contributions and what steps he has taken."

#### Ferguson's Reply.

"I'm greatly indebted to my honorable friend for bringing this to the attention of the House," said Mr. Ferguson, opening his reply. "This Government has been extremely jealous of its good reputation, which has been well earned, and which has been accorded as such by a large majority of the Province."

"At no time," he continued, "since I have been in charge of the Government has there been a single, solitary dollar by way of contribution directly or indirectly, solicited or accepted for the assistance of this Government in election campaigns or organization work. There is an organization in Toronto that is entirely separate and distinct from the Provincial organization."

John R. MacNicol is President of the Provincial organization, and that is the reason for his emphatic denial and repudiation. The Attorney-General brought to my attention the other day information that had come to him—a letter which had been sent out, not by the central body, but by a subcommittee which has to do with the carrying on of the expenses of the local office for publicity and organization in the City of Toronto. Knowing that even that would be the subject of misinterpretation and lend itself to just the sort of suggestions and insinuations that my honorable friend makes here today, the Government decided to take prompt measures to make its position clear. On behalf of the Government, I wrote a letter entirely in accord with the policy we have pursued in matters of this kind."

#### Soliciting Letter.

Here he paused to refer to the letter which had been brought to his attention by the Attorney-General. It was on the stationery of the Conservative Association of Toronto, which carries in the upper left-hand corner the names William Croft, President; Garrett Tyrrel, Secretary, and in the upper right-hand corner the names of the Finance Committee, these latter being repeated in the letter.

It was dated Jan. 24, and addressed to the Manager, London Winery Limited, R.R. 1, Lambeth Highway, London, Ont., and read as follows:

"Dear Sir: The Finance Committee of the Liberal-Conservative Association of Toronto, commonly known as the 'Central Association,' finds it necessary to raise funds at the present time to carry on its work of the Toronto organization, and are taking the liberty of writing you for assistance."

"The Finance Committee consists of C. E. Calvert (Chairman), J. R. L. Starr, K.C. (Treasurer), Colonel Baptist Johnston, and Gordon Shaver, K.C. This committee is appointed by the Liberal-Conservative Association of Toronto with the understanding that they will raise sufficient funds to carry on the Toronto organization."

"As this is the only appeal for funds we have made for some time, we trust that you will see your way to send us a substantial contribution, which will be very much appreciated."

"Please make cheques payable to J. R. L. Starr, K.C., Treasurer, or the Chairman."

(Sgd.) "C. E. Calvert, Chairman."

#### "Was" Open or "Got" Open?

It was, Mr. Ferguson emphasized, correspondence of an organization in Toronto. "Just the same," he added, "as my honorable friend has a Liberal organization in Toronto, if you have not heard of it."

"On the face of it," he went on, "my honorable friend can see that it is an open letter, not a personal one—"

Mr. Sinclair—You mean it got open.

Mr. Ferguson—It's wide open. And similar letters were addressed to others interested in the liquor, beer and wine interests.