

Tuesday - February - 12th

Knowing, the Premier continued, that the letter might be made public to the detriment of the Government, he wrote Mr. Starr and had his letter delivered to him. He then read his own letter, which had been written on Feb. 1, and marked personal. It was as follows:

"Astounded," Says Letter.

"My Dear Starr: I am perfectly astounded at a letter that has come to my notice, apparently authorized by the Central Association. It is addressed to the Manager of the London Winery Limited, and asks for a substantial contribution to assist in carrying on the work of the Toronto organization.

"Of course, I have no voice in directing the affairs of the Central, nor do I ever attempt to interfere except when I feel that something is being considered or done that may affect the Government or the welfare of the party throughout the Province. There can be nothing wrong about taking subscriptions for the ordinary organization work, but surely appeals should not be made to people or organizations who have relations with the Government or are dependent in any way upon the Government for the continuation or regulation of their businesses. Just think what a fine story could be made if this letter gets into the hands of those who desire to injure the Government. I

think that you should lay it down as a most implicit and inflexible rule that no funds should be solicited or accepted from either distillery, brewery or winery interests. As I have already said, the Government has no control over the Central, or voice in its affairs, but were this letter to become public you will readily understand that it would be my duty to repudiate the whole transaction. I have always taken the position and insisted that the party should not put itself under obligation to any of these interests.

"I think you should take immediate steps to recall these letters and return any subscriptions that you have received. There should not be the slightest trouble in collecting a sufficient amount to carry on the local activities of the organization from sources that are not in a position to leave the transaction open to misrepresentation or suspicion."

Return of Money.

Having read his letter, Mr. Ferguson continued: "I understand that moneys have been or are being returned to all from whom they were solicited.

"Perhaps," he stated, "that is one of those unwise incidents that are acted on on the spur of the moment without sufficient thought as to the consequences or the conclusions that might be drawn. Now I desire to repeat: Firstly, this was a purely local organization. Secondly, the Government dissociates itself from any movement to collect money from any such source or to ask any one for money for political purposes at any time. I want to tell my honorable friend that in two elections, and since I have been head of this Government, not one single dollar came to the assistance of the party from sources of this kind, and no money was solicited. Whatever money has come has come voluntarily from those interested in the success of this Government. This Government will not be impugned in this matter."

Mr. Sinclair—The admission that the Prime Minister has made is that he has control over the sources of campaign funds collected for the Conservative organization in Ontario.

Mr. Ferguson—My honorable friend must say nothing of the kind. I say here that I set my face against it and am not in control.

Not Refused Elsewhere?

Mr. Sinclair—The Prime Minister has said that contributions from this source were discontinued. My statement is broad in its terms. If there is a refusal from this source, the only inference an intelligent man can draw is that there is not a refusal from other general sources, and that the Premier is the man who allows them.

Speaker W. D. Black rose against Mr. Sinclair. "The honorable member," he declared, "is entirely out of order. The Prime Minister has explained the situation. You are duty-bound to accept his statement."

"My I have the privilege to speak, at any rate?" said Mr. Sinclair hotly.

"I do not want you to insinuate that you have not the right to speak in this House," said the Speaker. "You have made such insinuations in the past, and I do not intend to let it go on."

"May I continue my general remarks?" Mr. Sinclair inquired.

"Yes," said the Speaker.

So the Liberal Leader went on to say that this was one of the gravest situations ever brought before the attention of the Legislature. "Now," said he, "we understand why Mr. Starr said that the Government does not take contributions from liquor sources: because the Premier had already written Mr. Starr a letter telling him he did not."

Mr. Ferguson— I told Starr he shouldn't accept them for his organization.

Why He Wrote.

Mr. Sinclair—Why did you write the letter?

Mr. Ferguson—Because I knew my honorable friend would be attempting to besmirch the party and the Government as he is today. (Uproarious laughter from the Government benches.)

Mr. Sinclair—On whose behalf did you write the letter?

Mr. Ferguson—I knew that my honorable friend, bereft of every other attack, would look for this opportunity, and would give a misconception to the people of the Province. So I did what any sensible man would do.

Mr. Sinclair—What authority had you to write a letter to any organization about subscriptions?

Mr. Ferguson—What authority has my honorable friend to speak for the Liberal Party? I think I have more authority to speak for the Conservative Party.

Mr. Sinclair—Now there's the admission that you have the right to speak for the Conservative Party, and you have the right to say where contributions come from.

Mr. Ferguson—No, sir. I have the right to protect the good name of this Government.

Mr. Sinclair—You have the right to refuse contributions from sources that you don't approve of.

Mr. Ferguson—I have the right to protect the good name of this party.

Mr. Sinclair—That is exactly what I had in mind when I started to speak, that you'd admit your authority—

Mr. Ferguson—You can't put those words into my mouth. You are framing all this matter for The Star. I am determined that the public shall understand that the Government's integrity and honesty is not questioned in this matter. And I want to tell the honorable member that I'll fight this out on any platform in the Province with him. The public must understand that this Government is not besmirched.

"Received and Returned."

Mr. Sinclair—Does the Premier know if any funds were received or not?

Mr. Ferguson—I do not know. I only know as a matter of rumor that money was received and returned.

Mr. Sinclair—It's a mystery why an organization in Toronto should go outside this wealthy city to solicit funds. I feel that it is a matter that has been properly brought before this House, and we have received some illuminating information. You see the names on the letterhead and you see the influence reaching outside the city. It's just like two barrels, a big one and a little one. They were soliciting funds in London. Do you think that many people are going to believe that there was any necessity for soliciting outside Toronto for the party in Toronto which sends members to both Parliaments without effort? Here we have the Premier interfering when it takes public form.

Mr. Ferguson—If my honorable friend was in my position would he have interfered? (Laughter from Conservative members.)

Mr. Sinclair—Now you're starting off on the old stuff. If I was in your position the large contributors would not be in our political party. And the Liberals would not do any such foolish thing as that here, sending out all over the Province of Ontario.

Mr. Ferguson—That's the best evidence that the men who did this didn't appreciate the gravity of it. It was a wide-open letter.

Mr. Sinclair—Maybe it just developed as a habit.

And that ended the affair—so far as the Legislature was concerned.