

"What we want to do is to give the taxpayer an exact picture of what was spent and what was received."

Hon. H. C. Nixon—How is it that you have just discovered this?

Dr. Monteith—Why, my good man, we learn as we go along.

It was natural, the Minister continued, to apply the previous year's surplus in ordinary revenue to debt retirement. When the present Administration took office in 1923, it had found a \$15,000,000 deficit on its doorstep. If it now had a deficit, it was due to a period of world-wide depression and other conditions over which it had no control. He differed from Mr. Tweed's view that the debt-retirement scheme was too ambitious. "Can any Government be too ambitious in controlling its debt?" he asked. "I think it should rather be described as laudable." He suggested that when Mr. Tweed went back to Waterloo he ascertain whether or not his own community did not provide for the retirement of its debt.

#### Claims as to Debt Retirement.

The Government, he continued, never claimed that there would be no debt in 40 years. What it had arranged was that the debt as existing when the plan was inaugurated in 1927 was to be retired in 40 years.

The Minister defended the Government's policy in relation to the gas tax. There was no diversion of money from gas tax and auto licenses. From the period 1920 to 1924, expenditures on the roads exceeded revenues from these sources by \$5,551,000; after the imposition of the 3-cent gas tax, the expenditures exceeded revenue by \$3,365,000 between 1924 and 1928, and to date the revenue was still \$2,400,000 short of expenditures.

#### Highways Criticism.

"I wish to only take up the time of the House to deal briefly with the two departments," said Mr. Elliott. "First, let us look at the Highways Department—practically all the receipts over \$16,000,000 received from gas tax, auto licenses, etc., are credited to ordinary revenue. We have no fault to find with this—but when we come to expenditure, we find less than \$5,000,000 charged to ordinary, and paid out of the receipts; and nearly \$13,000,000 added to the debt of the Province to pay the costs of the public highways.

Mr. Elliott argued that 20 cents on the dollar should be paid out of current revenue respecting Provincial highways; 50 cents on the dollar as against county roads, and 80 cents as against township roads.

Following this system the deficit would be increased by \$1,250,000, he said.

As for the Department of Lands and Forests, Mr. Elliott claimed that bonus and timber dues were allocated 70 per cent. ordinary revenue, and 30 per cent. to capital. But, to capital revenue account occurred such items as forest ranging, survey reforestation, and fire ranging, and to this extent added to the Provincial debt. In this way the deficit was made to appear smaller than it actually was.

#### Premier Congratulated.

Mr. Calder congratulated the new Prime Minister, who, he said, would never be found to do anything that was mean or anything less than first-class. He also complimented the new members of the Cabinet, and in particular Hon. Edward A. Dunlop, Provincial Treasurer. He would not be surprised, he said, if the honorable member for Carleton (A. H. Acres) was some day taken into the charmed circle.

Turning to the new members of the House elected in the recent by-elections in West Hamilton and Grenville, he said that the results had been a vindication of a very able and highly regarded public officer (Hon. W. H. Price, Attorney-General).

Turning to the subject of current depression, the West Kent member said that, since honesty, economy and progress were to be the policies of this Government, we could look forward to the future with faith, hope and optimism. Although he did not like depression, he thought that sometimes

it was good for a nation or an individual. However, there was a reasonable expectation that after the clouds the sun would shine through.

Mr. Calder then alluded to the Liberal convention of last December. This historic meeting, he observed, had dropped its pilot. However, it was one thing to pass on the sceptre and something else altogether to pass on the power. The Liberals, he thought, would not turn to a leader far away (Mitchell Hepburn), but to the leader that the convention deposed (W. E. N. Sinclair).

The speaker then touched upon the subject of alleged atheism at the University of Toronto, which was the subject of debate in the House not long ago. He speculated, rather facetiously, as to what might have happened had J. Fred Reid (Conservative, Windsor West) and A. H. Acres (Conservative, Carleton) been appointed a committee to find atheists in this institution of higher learning.

#### Editorial in Varsity.

He was glad that the matter of the editorial in Varsity, alleging that there was atheistic teaching in the university, had been dealt with in the spirit that it had been. He thought that the editor had failed to make any distinction between agnosticism and atheism. It was the privilege of youth to have doubt, but he thought that doubt was often an indication of searching mental energy, and always ended in faith. It was the experience most thinking people passed through.

Thomas P. Murray (Liberal, Renfrew South) prevented the Legislature from forgetting that it was St. Patrick's night. His speech on the Budget was gracious with blarney for members of Government and Opposition benches alike, spiced with wit that kept the House in an uproar, and filled with the solid stuff of canny Celtic observation on public affairs.

All that was appropriate for the place and the night and the speaker, for Mr. Murray explained he had asked as a special privilege to speak on St. Patrick's Day as the son of one of the Irish pioneers of this Province.

In his general tributes to the occupants of the Treasury benches he included the former Premier, declaring that Mr. Ferguson's good work in establishing harmony among races and creeds on the last day will have "atoned for many sins." He pictured the new Minister of Agriculture as having returned from distinguished career in the war to lead an army against the bugs and parasites that were threatening the farmers. Calling for the appointment of Ministers for the Departments of Education and Highways, he recommended that the Premier read the Good Book, with its injunction against a man serving two masters. "He is serving three," observed the speaker.

#### If He Were Ambassador.

"It has been asked," he continued, "where the Liberals found the money to contest the recent by-elections. Well, the little bit of money they had was their own. The Conservatives used public funds. If I were a friend of Premier Bennett's, and he appointed me Ambassador to Ireland, the Liberal candidate succeeding me in my riding would have to face all the grants the Government disposes of."

Referring to Dominion politics, and speaking in a serious vein, Mr. Murray declared that the people of Canada had made one of their greatest mistakes in rejecting the Dunning Budget. Premier Bennett's attitude at the Imperial Conference had hurt the Empire. In Russian papers it had been said as a result of that attitude that the Empire was crumbling and that Premier Bennett was a disobedient son.

He criticized the Government for seeking to increase its profits from liquor. "I've been brought up to believe," said he, "that money made out of liquor will do you no good."

After humorously tracing the history of liquor and politics, he declared that liquor seemed to agree with the Conservative Party, but had proved the downfall of the Liberal and Progressive Parties. "When the question came up again a few days ago,"

he added, amid laughter, "I decided I'd have nothing more to do with liquor, and left the House."

#### Northern Ontario Problems.

Mr. Waters devoted his address almost entirely to Northern Ontario and her problems, stressing the benefits which would accrue to the Province from the establishment of Moose Factory as a seaport next year, and pointing out the agricultural possibilities of the great clay belt, wherein, he claimed, lay accommodation for 1,000,000 people.

The present time, he claimed, was no time for foolish economy in so far as these people of the North were concerned. He, along with other Northerners was, he stated, very grateful for every dollar spent by the Government on roads, but he thought that the Government might well consider the Quebec "premium" system of financing its Northern settlers—a system which, as a matter of fact, was to be adopted by New Brunswick.

"If by means of such a system," said Mr. Waters, "we can make our settlers self-supporting, it would be well worth the money it would cost to put it in operation." Mr. Waters favored some scheme of unemployment insurance to take care of the poorly off in the lean years, and laid down a strong attack on proposals to abolish municipal income tax.

Mr. Baxter criticized what he took to be a suggestion contained in the speech of Farquhar R. Oliver (U.F.O., Grey South) to the effect that insurance rates on barns resulted in incendiary fires. He complained that the solicitors of the Agricultural Development Board, through slowness in searching titles, caused unnecessarily long delays in putting through loans. Referring to the present period of depression, Mr. Baxter asked: "What means should we take to prevent these regular recurrences of depression? Does the large proportion of taxes given for educational purposes really pay? Could there not be an investigation to bring about a type of rural education more suited to rural conditions?"

Mr. Strickland criticized Mr. Tweed's suggestion of a charities tax on meals, stating that it was accompanied by a complaint of too much taxation. Regarding Mr. Tweed's references to the contracts made by the Government for power, Mr. Strickland declared that there were highly skilled experts in the Hydro organization, and asked: "Is it probable that they were hoodwinked in these contracts?"

"Farmers are overburdened with advice," said John A. Sangster (Liberal, Glengarry). "The Canadian farmer is under a great disadvantage by having to pay a higher price for gasoline than users in the United States. The Government should reduce the cost of gasoline."

Mr. Sangster complained that the eastern part of the Province was not adequately served by power. "The only way to get rid of debt is to cut down expenditures," he went on. "Big centres of population are drawing the life-blood of smaller communities."

Mr. Sangster adjourned the debate at 10.45 p.m.