

"Maybe it was," replied Mr. Henry. "Mr. Ferguson had to negotiate the contract," pressed the Liberal Leader. Mr. Henry replied that Mr. Ferguson may have talked with Premier Taschereau in regard to the Hydro contract, but it was wide of the field, he charged, to contend that the Prime Minister, having three able Commissioners to take care of the problem, had assumed any responsibility himself.

"He was there in negotiations with a fellow-Prime Minister," he added, "to get the consent of the Province of Quebec so that an Order-in-Council could be passed and the contract got through."

Cross-Firing Develops.

Ridiculing Hon. Mr. Nixon's "cry against the Government's absolutely uncontrolled extravagance," Mr. Henry said that it was wrong to pile up surpluses—that surpluses, when available, should be used to reduce taxation.

Mr. Henry protested the Opposition charges that he was "rushing" the House through to a wind-up next week. "I'm prepared to sit here until midsummer, if necessary," he declared. "This 'rushing' cry is the speech I've heard from my honorable friend from Brant every session for years. No one is more anxious to get the business of the House over and get home than he is. It is the smallest kind of petty politics for him to stand up and talk as he does."

Mr. Sinclair interjected the remark: "The Government is in the habit of bringing in such bum, rotten legislation that you can't expect us to stay here and correct it all."

Cries of "Picayune" and "Withdraw" greeted the remark.

Mr. Henry deprecated Mr. Nixon's attitude with regard to the construction of the new building at the Ontario Agricultural College, Guelph.

"I am surprised," said he, "that my

honorable friend, as an alumnus of that college, does not stand up for it, and express pride that the Government of the day is attempting to find moneys with which to improve the institution." The Prime Minister declared that the Opposition had not proved that the present Administration was inefficient or extravagant.

"We had to pay the debts," the Prime Minister replied.

Stating that 70 per cent. of the money went to the men and 30 per cent. to the buying of equipment for the trans-Canada highway workers, Mr. Henry said: "I think it was very wrong to suggest that only 30 per cent. is going into the hands of those who need it."

Gibed on South Wellington.

Pointing out the difference between a deficit and a debt, the Premier declared: "I am not afraid to go before the people of this Province and say we have a deficit of \$500,000,000."

Mr. Nixon—You didn't go to South Wellington, though.

Mr. Henry—I didn't need; I was ably represented by lieutenants who went.

Mr. Nixon—Well, I am pleased with the results if you are.

The Budget speech was described by Mr. Henry as "the most lucid presentation of public accounts in all our history." He dubbed the amendment, "This bill of fare which they ask us to digest." It did not, he averred, embody one constructive suggestion.

ONTARIO TREASURER ANNOUNCES DETAILS OF CORPORATION TAX

Notice Is Given of Bill to Provide \$2,000,000 Additional Revenue

BANK LEVY IS DOUBLED

Dominion Method Is Followed in Determining Impost on Net Profits

Provincial Treasurer Edward A. Dunlop, last night, gave notice of the bill by which the Corporations' Tax Act of the Province will be amended to bring to the Treasury some \$2,000,000 in additional revenue annually.

The bill will come up for first reading on Monday. The tax increases it provides for are:

Tax on banks will be increased from \$100 to \$200.

Tax increases on insurance companies will be: Life companies, from 1¼ per cent. of premiums to 3¼; fire companies, the same; miscellaneous companies, from 1 to 2 per cent.

Trust and loan companies are now taxed to the extent of one-twenty-fifth of their capital reserve. The new tax will be one-twentieth.

The tax on telegraph companies is being raised from ¼ of 1 per cent. to 1 per cent. on the capital investment.

The telephone companies tax is to be raised from ¼ of 1 per cent. to 3-8 of 1 per cent.

A new tax of \$60 on every head office and branch office doing business in the Province is to come into effect. This is not to exceed one-fifth of 1 per cent. of the paid-up capital, with a minimum tax of \$20.

This tax will include the filing fee which is at present paid into the Provincial Secretary's Department. In future only one return will be required—to the Provincial Treasurer.

The proposed 1 per cent. tax on net profits of corporations, as announced in the Budget speech, is to be determined on the same basis as profits under the Dominion Income Tax Act are determined.

HOUSE CHARGES TERMED "LIES" BY HUTCHINSON

Brigadier-General Hogarth Retracts, Observing Legislature Rules

WILL CONTINUE INQUIRIES

"Lies" was the definition which Earl Hutchinson (Labor, Kenora), speaking in the Legislature yesterday applied to Brig.-Gen. Don Hogarth's charges of the evening previous that he, Hutchinson, had been connected with the Winnipeg revolt "against constituted authority" in 1919, and that he had to look for election in his riding to the Communist element.

A further demand from the young Labor member that General Hogarth retract his statements was acquiesced in by the latter, but solely on the ground that under House rules he was forced to accept Mr. Hutchinson's explanation.

"I shall pursue my investigation further," was the former's parting shot.

Word Not Challenged.

In the general hush which attended the denial and its acceptance, no one called attention to the use of "lies"; the Speaker did not interfere; and the harsh word passed entirely unchallenged.

Mr. Hutchinson's statement, in part, follows:

"I was not connected with the Winnipeg strike, except to keep it from spreading to my home terminal at Kenora. No one went on strike there. Kenora is 125 miles east of Winnipeg and was the point from which Senator Robertson sent his message to Ottawa on his way West to settle the strike, showing that he intended to use force and not conciliation to end the strike. At Brandon, 132 miles west of Winnipeg, there was trouble and at nearly every divisional point on the prairies. Yet our men at Kenora remained on the job. In my opinion there would have been no bloodshed in Winnipeg had a spirit of conciliation been used by the Minister of Labor at that time. But, Mr. Speaker, it is absolutely without foundation to connect me with the trouble, and I demand as public a withdrawal as that given to the charges made. The charge is absurd and I am glad to inform this House that I was at Denver, Col., attending a convention of the Brotherhood of Locomotive Firemen and Enginemen at the time of the trouble.

Challenge to Contest.

"If the member for Port Arthur wants to test out his theory in regard to my support, let him come up and contest the seat in the next election. All that I would need would be a full copy of the speech from which this

report is made. There is not a single word of truth in the entire number of quotations. I say they are lies, and demand they shall be retracted."

Mr. Hutchinson claimed that his statements at the 1931 session with regard to communistic activities in the North had been made for the purpose of drawing attention of the authorities to the conditions existing so that they might take action to eliminate the breeding grounds, and thereby thwart the growth of "Red" teachings and activities.

"Would that indicate that I support the communistic theory?" he asked of General Hogarth.

"The outburst of my honorable friend," said the latter in reply, "appears to require some statement from me."

Deliberately he counter-charged that