

FUEL OIL TAXATION IS "CUT TO PIECES" UNDER CRITICISM

Sweeping Powers Modified
After Opposition
Protests

TWO DIVISIONS FORCED

Tories Don't Applaud Even
When They Outvote
Foes

Vigorous battle which the Opposition groups in the Legislature, under the leadership of William E. N. Sinclair, K.C., and Hon. Harry C. Nixon, waged yesterday afternoon against the principle of the Government's "high-handed" fuel oil tax act was crowned with victory last night when the measure reached committee stage, where Provincial Treasurer Dunlop, under further fire from the Liberal and Progressive benches, capitulated to the extent of seeing his bill literally "cut to pieces."

In the drastic revision that was effected in the act before it went on to third reading, the Opposition scored the following triumphs:

Clause empowering collectors to enter homes and search and question occupants without warrant struck out entirely

Clause penalizing any person for failure or refusal to answer collector's questions struck out entirely.

Onus on fuel-oil consumer to keep a book and a record reduced to keeping record.

Five hundred dollars penalty reduced to one hundred.

Provision for further fining for each day's continuance of default on part of consumer entirely struck out.

Made in British Columbia.

Opposition gibes at the Government in connection with the bill and its make-up reached such a point at one stage that Attorney-General William H. Price rose to explain that the measure as originally drafted was a copy of the act in force in British Columbia.

"I'll admit it's not very well drafted," said he, "but it's no fault of ours."

Mr. Nixon immediately rose to protest. "Already this session," said he, "we have had an instance of the Federal Government making our laws, and now it's British Columbia that is doing it. What are things coming to in this House? What's the use of this Government having a large and expensive staff of highly trained legal advisers? I think for the Government to have brought down such a bill, under such circumstances, is an insult to the House."

Assurance was furnished Mr. Sinclair by Mr. Dunlop, during the argument, that the proposed tax certainly would not apply to coal oil, which is much used as fuel in farming communities.

The bill, when at second-reading stage, was characterized by Liberal Leader W. E. N. Sinclair as a "terrible" piece of legislation, and by Progressive Leader Harry C. Nixon as "damnable." It provided for a levy of one-half cent on every gallon of fuel oil consumed in the Province of Ontario, would compel all householders with oil-burning furnaces to keep a set of books and records for inspection at all times, and would empower inspectors and other authorized persons to enter one's home and search and interrogate without a warrant.

Not Listed or Printed.

The bill came into the House without order paper listing, unprinted and uncirculated, and was given second reading—on a registered vote of 63-18—despite the stubborn argument of

the Opposition chieftains and notwithstanding House Rule No. 52, which reads as follows:

"Except by unanimous consent of the House, no bill shall be read the second time until it has been printed and distributed, and it has been subsequently marked on the order paper of the day—thus printed (signifying that it has been printed and distributed)."

In the furor that attended the debate on second reading and the subsequent division, a strained atmosphere developed in which Mr. Sinclair attempted to stay the reading, was overruled by the Speaker, Hon. T. Ashmore Kidd, appealed from the latter's ruling, was turned down by the overwhelming Tory predominance on the benches, and had to content himself with an exasperated toss aside of his House rules and an equally exasperated: "Well, it's here in plain print, Mr. Speaker, regardless of what is done."

In the division (on the principle of the legislation) which was precipitated by Hon. Mr. Nixon, because he could not sit idly by, he said, and watch any Government try to foist such "high-handed business" on the good people of the Province, the House voted on straight party lines, although several prominent Tory members are reported to have previously fled to the corridors rather than remain within the Chamber and go against the dictates of their consciences.

Would Not Have Left.

Mr. Sinclair's attempted stay of second reading, on the ground that no "unanimous consent" to the measure had been secured by Provincial Treasurer Dunlop, its sponsor, was countered vigorously by Premier Henry with the statement that unanimous consent had been secured on first reading. This counter drew from Mr. Sinclair, and Mr. Nixon, as well, the declaration that they had been out of the House near the close of the morning sitting when the bill had come in; that the Prime Minister had given his undertaking to them, previous to their leaving of the House, that nothing important would be launched in their absence; and that, had they realized that while away the Government would not only "bury the Millar bill," but introduce the "Fuel Oil Tax" Act as well, they certainly would not have left.

Mr. Henry admitted the correctness of their claims, but held fast to the attitude that once the division had been called, second reading had been given, and Mr. Sinclair's demand for a stay was belated. Mr. Sinclair challenged the Prime Minister's stand and waved his House rules in support of his argument. Jeers and taunts were hurled at the Opposition from some sections of the Conservative benches, but, for the most part, the Tories sat silent with strained complexions. When the vote was announced, not a single clap of hands or thump of benches went up from the Government rank-and-file.

Mr. Speaker's Explanation.

Mr. Speaker then volunteered an explanation that, had a similar situation arisen on Wednesday, he would have been compelled under the rules (and Mr. Sinclair was right, he admitted, in his interpretation of them) to have put the bill over for twenty-four hours, in order that it might be printed and circulated. But, with the

House winding up in a few hours, coupled with the fact that typewritten copies of the measure had been furnished the two Opposition heads prior to second reading, he felt that, under the circumstances, and notwithstanding the technicality involved, his ruling throughout the situation had been the right one.

"Well, there are the rules," said Mr. Sinclair, by way of parting shot.

In the lengthy discussion which preceded the flare-up, Mr. Sinclair charged that there was no adequate definition under the bill of the words, "fuel oil," that its application would necessarily be extended to the tractor-using farmer; and that, as far as he could see it, it represented simply another case of "a nice-looking apple hanging within easy reach—all ready for the Treasurer's plucking."

From Mr. Nixon the Government had a blistering challenge to find a clause in the old O.T.A., of which they were so critical, he said, that would compare for high-handedness and downright "persecution" with any one of several clauses in the Fuel Oil Act.

Under the act another set of licenses—more revenue—would be established, he said. Everybody with an oil-burning furnace would have to keep books. Why?

"To help us enforce the law," replied Hon. Mr. Dunlop.

"And, if a man doesn't keep books," said Mr. Nixon, "he is liable to a fine of \$500, and if he keeps using oil after being found out he can be penalized an additional \$500 a day for every day he uses it. What a lovely situation that has been created. The Government must feel proud of itself."

Mr. Sinclair then proceeded to draw a picture of inspectors rushing into a house where a gallon of fuel oil may have been suspected to be in keeping, and putting the householder or persons present through a stiff examination. "What a beautiful picture that presents!" said he. "Only one word in my opinion characterizes this proposed law—that's 'terrible.'"

"Damnable!" clicked Mr. Nixon.