

# Net Debt Reduction Will Be Announced At Fiscal Year End

## Ontario's Improved Financial Condition Reflected by Hydro and T. & N.O., Hepburn Asserts

A reduction in the net debt of the Province of Ontario will be announced after March 31, Premier Mitchell Hepburn declared yesterday during his Budget address. The improved financial condition of the Province as a whole, he said, was also reflected by the Hydro-Electric Power Commission which was daily improving its position, and by the T. & N. O. Railway.

The exact amount of the reduction in the net debt could not be immediately ascertained because of certain balances which might be outstanding or collected at the end of the fiscal year, the Premier stated.

"It is, however, gratifying to know there will be a reduction in the net debt, and full details of the reduction will be shown in the printed copy of my address," he said.

### Hydro Guarantee Given.

"During the current fiscal year the Province has added its credit to that of the Hydro-Electric Power Commission and has guaranteed Hydro borrowings of \$20,000,000.

"I am sure there is no fear that the Province will ever be called upon to make good its guarantee on any amounts borrowed by the Commission, which is daily improving its financial position, and will ultimately be able to borrow on its own credit at rates as favorable as will this or any other Canadian Province.

"The Province, also, at the request of the Temiskaming & Northern Ontario Railway, guaranteed a loan of \$5,600,000, obtained through one of the chartered banks, and since this loan was made the T. & N.O. has reduced the amount of the loan by \$500,000 and is steadily decreasing the loan at the rate of \$100,000 per month.

### Others Given Aid.

"Assistance has also been given by way of guarantee of loan to the First Co-Operative Packers Limited, at Barrie, \$75,000; the Ontario Cheese Patrons' Association, Belleville, \$35,000; the Orangeville Co-Operative Marketing Co., Limited, Orangeville, \$10,000. I am sure that this House will heartily endorse the assistance that the Province has given to these co-operative movements," the Premier said.

# PROVINCE PAYS PENSIONS COST FROM APRIL 1

## Arrangement for Relieving Municipalities Now Ready, Hepburn Announces

### MOTHERS' ALLOWANCES

## Ontario to Enact Enabling Legislation for Giving Pensions to Blind

Announcement was made yesterday by Premier and Provincial Treasurer Hepburn that the new arrangement whereunder the Government will relieve municipalities from contributing to the cost of old-age pensions and mothers' allowances will come into operation on April 1.

Notice of the necessary legislation was given on Monday by Hon. David A. Croll, Minister of Welfare and Municipal Affairs.

"Earlier in the year," Mr. Hepburn informed the House, "it was announced that the municipalities' share of the cost would be borne by the Province from Jan. 1, 1937. Let me say, however, that there being no legislative authority for payments for the months of January, February and March, the new arrangement will come into effect on April 1."

### Pensions for Blind Please.

The Prime Minister said that the Administration had learned with satisfaction of the intention of the Dominion Government to give pensions to the blind when they attain the age of 40 years.

"I have pleasure in announcing today," he added, "that this Government is heartily in accord with this, another evidence of advanced social legislation by a Liberal Government, and has already taken steps to enact complementary enabling legislation which will make the pensions effective in the Province of Ontario at the earliest possible date. If the measure passes the Dominion House before this session prorogues, the legislation will be introduced this year."

# OVATION MARKS BUDGET SPEECH

## Liberals Greet Financial Statement With Frenzied Demonstration

### TAX CUTS ARE CHEERED

If Parliamentary rules had permitted cheering, the excited Liberals of the Legislature yesterday would have shouted themselves hoarse with wild enthusiasm as their Leader and Provincial Treasurer, Premier Mitchell F. Hepburn, gave a 90-minute analysis of what was considered the finest financial statement read to the House in recent years.

The Government followers sensed there was good news in the wind. But they had no conception of the scope and extent and significance of what was to come from the lips of the Prime Minister. The \$7,000,000 surplus produced such an outburst of desk-thumping that Mr. Hepburn was forced to stop until the noise subsided.

### Frenzied Demonstration.

But when he went further into the financial picture and told of the tax reductions that were to be put into effect, the Liberals let themselves go in a frenzied demonstration that even affected the packed galleries. Not having had much to cheer about in recent weeks, the Liberals greeted the "sunshine" Budget with an almost unprecedented outburst. It was something to make a noise about, they felt, and they made the most of the opportunity.

The Prime Minister was in good form. Apparently he did not find his figures very dry, for not once did he pause for a sip from the glass of water on his desk. Although he was obliged to read his speech because of the mass of detail it contained, he gave it sparkle by frequent bits of impromptu comment.

Opposition Leader George Henry occasionally took notes as the Premier announced a saving or a tax reduction. When Mr. Hepburn revealed the \$7,000,000 surplus, Mr. Henry's face, to use the words of a Liberal back-bencher, was as "inscrutable as the Sphinx." Only once did Mr. Henry break his silence. That was when the House boiled over in a terrific outburst of applause at announcement of the amusements tax abolition.

### Henry Critical.

"We took exception to the Government raising the amusements tax in the first place, and when we were in office we were on the way to accomplish what you have done now," said Mr. Henry.

There was derisive laughter from the Liberals, and the Prime Minister, a broad smile on his face, remarked:

"My honorable friend is like a signboard. He always points the direction but never goes that way."

More laughter came from the Liberals and it was renewed a few moments later when the Prime Minister remarked, "I couldn't collect much amusement tax over there right now," referring to the Opposition benches.

When it was all over, the Prime Minister, tired but happy, received the congratulations of not only his own supporters but those of several of the Opposition as well. He shook hands with many visitors, signed a few autograph books, and then left the House for a brief rest.