

# CROSS DENIES QUEEN'S PARK AIDS DISUNITY

**Welfare Minister Tells House  
Hepburn Government Be-  
lieves Problems Soluble  
Without B.N.A.A. Change**

## HE SCORES PRAIRIES

Denying Conservative Leader Drew's charges that the Hepburn administration had fostered Canadian disunity by its Rowell Commission brief, Hon. Eric Cross, minister of welfare and municipal affairs, declared yesterday before the legislature that Ontario believed the present difficulties could be solved within the framework of the constitution.

At the same time, he made it clear, as did Premier Hepburn when he presented Ontario's case before the commission, sitting at Queen's Park last spring, it was the government's belief that the three prairie provinces' anxiety to rewrite the basis of Confederation was prompted by the fact that they were either unable or unwilling to meet the demands of their people out of taxation and that they had exhausted their credit.

### Credit Is Good.

"But the Dominion's credit was good," Mr. Cross told the House. "Ontario credit was good and Quebec credit was good. Therefore it appeared to them that there should be a realignment of the taxing powers and resources of the Dominion so that the West might be delivered from the dilemma in which it found itself."

He said he believed the dilemma was a serious one, one deserving of sympathy and one which should be studied at an interprovincial conference. "But," added Mr. Cross, "it does not follow that Ontario should immediately and without question surrender its wealth and resources to the demands of the West, so that in turn its credit might be exhausted as well. It may well be that we serve Canada best by standing firm and that we should insist that all provinces and the Dominion as well should put themselves on a pay-as-you-go basis before they raid Ontario's resources for the purpose merely of increasing their own expenditures or of reducing their own deficits."

He denied that Ontario sought autonomous rights beyond those conferred upon all the provinces under Section 92 of the B.N.A. and charged that Colonel Drew, in claiming that those rights were sought, was "bad in law and bad in fact." He said the western provinces had conferred about their submissions to the commission and had started preparations three months before Ontario knew that such a commission was contemplated.

### Social Service Bugbear.

"Through all the briefs and hearings," said the minister, "could be found the bugbear of social services and the wishful thinking that by some sleight-of-hand the Federal Government could solve the costs of such services by the waving of a wand. Moneys for social services are merely a transference from taxpayers to non-taxpayers in an attempt to raise the standard of living by taxation."

Mr. Cross warned the earnings of a people could not be increased by rearranging the taxing powers under the constitution. He suggested the commission might achieve a useful purpose in indicating what the national income might be and what a fair tax levy upon that income might be.

# Work Is Aim of Scheme For Youth, Hipel Explains

The Ontario Youth Training program, Hon. Norman Hipel, Minister of Labor, yesterday told the Ontario Legislature, would be directed, as long as he was head of the department, along a line which had as its objective the placing of the largest possible number in gainful occupations.

Mr. Hipel rose early in yesterday's sitting to defend the Ontario policy against attacks which, he said, had been levelled at the government. He denied vigorously charges that Ontario had not cooperated with Ottawa in the scheme.

"The government is following a

simple business plan in administration," said the minister. "We do not propose to teach young people unless there is a reasonable opportunity of placing them in gainful employment."

He recited to the House the number of training projects which the department had sanctioned. In the 1937-38 season, he said, there had been 55,457 trained in the Dominion under the plan, and of that number 3,282 had been placed. During the same period in Ontario, 2,934 had been trained and 1,474 or 53 per cent were placed. During the current season, of 1,674 trained in Ontario, 87 per cent were placed.