

Expense to Ontario Due to War Already Exceeds \$1,000,000

EFFECT IS WIDE

In their determination to see the war through to a victorious conclusion, the people of Ontario are prepared to stake their last dollar and furnish the last man, if need be, Premier Hepburn declared yesterday in his Budget address as he unfolded to the Legislature the degree of the war's impact upon the Administration.

Even in the bare few months that have intervened since the war declaration, expenditures directly attributable to Ontario's assistance in prosecuting the conflict have mounted to \$1,057,748.59. The cost of exchange on securities payable in New York funds, for the ensuing fiscal year, alone is estimated at \$1,842,913.88, and, should the war continue until September, 1944, the cost will mount, the Provincial Treasurer estimated, to \$13,562,456.60.

But, in addition, the war's effects, said the Premier, have spread to nearly every department, and have ranged in their consequences from compelling the formation of an anti-sabotage guards force over power plants, costing \$895,000, to causing almost unprecedented activity in the Registrar-General's Branch, where a staff of harried employees has been issuing marriage and birth certificates.

Today, warned the Premier, Canada was not only at war with a ruthless and powerful enemy, the German Reich, but was vitally concerned in the two undeclared wars in Finland and China.

He revealed that Works Minister Colin Campbell, on leave of absence, was now representing the Assembly overseas, with the unit in which he is serving as a lieutenant. David A. Croll, Mayor of Windsor, member for Windsor-Walkerville and a private in the Essex Scottish, was daily expecting orders to proceed overseas. In addition, some 170 members of the Civil Service have enlisted.

As Treasurer when, early in the spring of 1939, "it became increasingly apparent that war between Germany and the Allies was inevitable," Mr. Hepburn said, he endeavored to chart a course which would not only be in the best interests of the Province, but would maintain its financial position should war break out.

With that end in view, he continued, two public issues of debentures, creating \$13,000,000, were borrowed solely for refunding. New York exchange, both spot exchange and futures, was purchased in sums sufficient to meet possible demands during the fiscal year. Medical supplies and instruments, "and such materials as were most likely to be affected in price by the outbreak of war," were also purchased to permit an estimated saving of \$550,000.

Expenses Unforeseen.

In the line of unforeseen expenditures attributable to the war, the Premier cited not only the anti-sabotage guards' cost, chargeable to the Attorney-General's Department, but \$150,000 as the Province's share of the Youth Training Plan applicable to aircraft mechanics; and the removal of the patients from the St. Thomas Mental Hospital, which was lent to the Dominion Government as an air force training establishment, \$12,748.59.

Moreover, the Premier cited, the interest and depreciation charges on the hospital buildings, which the Province is bearing, amount to approximately \$325,000 per annum.

The Department of Health, which bore the brunt of the work in transferring the mental patients from St. Thomas and arranging their care in already overcrowded hospitals administered by the department, had offered the services of its laboratories as well as its clinics in both tuberculosis and mental diseases.

"During the first four months of the war, over 3,000 specimens referred by the militia authorities were examined in our laboratories and 15,000 ounces of typhoid vaccine were distributed free to protect soldiers within the Province against this disease. At the same time, hospitalization facilities were offered for soldier casualties," said the Premier.

30 Airfields Surveyed.

In the Department of Highways, the engineering staff, he continued, has surveyed thirty proposed military airfields for the Department of Transport. Ten plans covering those fields have already been turned over to Ottawa and instructions have been issued to the Surveys Branch that surveys are requested from Ottawa be given preference over all other work.

The department, in co-operation with the Aviation Branch, is constructing a road into Camp Borden. Of the estimated cost of \$270,000, \$105,000 is being taken care of by the Federal Department of Mines.

In the Department of Labor, extra facilities have been established for taking care of war industry speed-up, and from the aircraft mechanics class within the department, 200 men will graduate into the air force on April 1.

Turning to the Department of Lands and Forests, the Premier declared that, immediately upon the declaration of war, the Province offered all its facilities to the Dominion Government, including the air service "actively engaged in a type of work and comprising a personnel whose epic flights and experiences in the face of all difficulties have provided an organization that is now actively supporting the Dominion Government."

Two of the department's fast Stinson Reliant aircraft were lent to the Dominion and the services of eight key pilots and two engineers were accepted by Ottawa.

Several Join Colors.

Another top-notch pilot has been absorbed for training purposes in the Youth Training Plan. "In addition to these members, it is creditable to observe that three other high-ranking pilots of the Provincial Air Service and three engineers have joined the colors, two of the pilots, Joe Heaven and George Phillips, having distinguished themselves in the last Great War," said the Premier.

"Thousands of blankets, being part of the stores of the fire protective service, were lent and are still being used by the Department of National Defense."

In the realm of mines, he noted that nickel and copper are vital to the struggle for survival. Ontario was now in a better position to assist than in 1914, owing to the fact that refineries have been established in the Province. Resumption of operations at the Helen Mine, huge repository of iron ore, "has brought back Ontario into the list of iron-ore producers." The Government, said the Treasurer, would continue its subsidy on iron production.