

PERMIT HEENAN TO CALL PARLEY OF TIMBER MEN

Drew Wants 'Neutral'
Minister to Act; Holds
Lands Branch Probed

MEMBERS CLASH

Over the determined opposition of Conservative Leader George Drew and a background of acrid debate that carried an earlier committee feud to the floor of the House, the Legislature yesterday authorized Hon. Peter Heenan, Minister of Lands and Forests, to call an immediate conference of all groups interested in the timber industry, with a view to settling major problems now confronting them.

The proposed conference was approved by the House when it accepted an interim report presented by Hon. Paul Leduc, committee chairman, and voted down an amendment proposed by Colonel Drew. Under its terms, representatives of the pulp and paper industry, independent operators, transportation companies, power producers and labor will be summoned to a round table conference "at an early date."

The Conservative Leader objected to a clause in the report naming Mr. Heenan as the Minister empowered to call the conference, voicing the belief that, as his department was still under investigation, a "neutral" Minister should be given that authority.

The Minister of Lands and Forests, he declared, had been in a position to call such a conference for the past five years and had failed to do so. In view of that fact he felt that some other department head should be entrusted with the mission. With that end in view, he presented an amendment naming Mr. Leduc in place of Mr. Heenan.

"To waste the time of this house and quibble over who is to call the conference is ridiculous," Mr. Heenan said in reply. "This resolution arises directly from a suggestion made by me in the course of evidence before the committee. The Leader of the Opposition wanted to hire a rink or Massey Hall or some place like that and have everybody come, but I pointed out that was impossible."

Colonel Drew rose to his feet at that point, but the Minister refused to yield the floor.

"Oh, sit down!" he snapped, as the Conservative Leader began to speak. "Mr. Speaker, I don't want to give way to any member who haggles over words."

"I am rising to a question of personal privilege," Colonel Drew interjected. "I at no time suggested any such ridiculous plan as that mentioned by the Minister. My intention was to call exactly such a conference as that outlined in the report now before you."

"This resolution was produced directly out of a statement I made to the Leader of the Opposition in committee," Mr. Heenan repeated. "He asked me if I had any suggestion to offer regarding a solution of timber problems and I suggested a conference be held. His amendment has been designedly introduced for the purpose of insulting the Minister and the Department."

The brief exchange was in many respects a continuance of sharper clashes between Mr. Heenan and Colonel Drew which featured yesterday's session of the special committee.

CROSS LASHES CITY HALL RULE AS BEEF TRUST

Says Toronto Rewards
Him With Abuse After
Being Saved \$4,200,000

IN CLASS BY SELF

The City of Toronto was accused of rank ingratitude last night when Hon. Eric Cross, Minister of Municipal Affairs, told the Legislature in the course of the Budget debate that the Hepburn Government had helped the city more than any other Administration in history and was rewarded by abuse.

The Budget debate, which saw two Ministers of the Crown participate, is expected to wind up today. The House rose at 10:30 p.m., Farquhar Oliver, U.F.O., South Grey, moving adjournment of the debate. It is believed prorogation will take place Friday.

Mr. Cross labelled the civic administration a "city hall beef trust" and asserted that every municipality, with the exception of Toronto, had met its problems and met them well. He lashed out at the use of the word "banditry" by Mayor Ralph Day, when the announcement was made of the reduction in the Provincial subsidy.

"Fine words from the mayor of a great city to a Provincial Administration that has helped them more than any other Government in history," commented the Minister. "No Government heaped more charges on the city than the one which preceded the present Administration. We have saved the city more than \$4,200,000 during the term of office of the mayor who today cries 'banditry.'"

Says Cushion Provided.

"The City of Toronto is faced with declining assessments," he continued. "They have no place to grow and they want to stay in their own back yard and lose their marbles to themselves. Does it look like banditry when we save them more than \$4,000,000?"

"But where did the tax rate go notwithstanding that assistance? It has gone up and up. Every dollar we have given them has been a cushion to save them from the necessity of cutting their own expenses. What right had the city to think of the Provincial Government as Santa Claus to save them from their own lack of courage and expect us to put a tax reduction in their stockings every year?"

"We have saved them long enough from facing the realities of their own problems. Every municipality in the Province, with this exception, has met its problems and met them well. I think that we all have had enough of the City Hall beef trust."

"This Government has committed itself to a policy of helping the municipalities. That policy was expressly limited to the budget requirements of the Province. We have redistributed the tax burden to accomplish that purpose. But upon us all—Provincial and municipal governments alike—is this wartime responsibility of retrenchment and economy."

Municipal Debt Reduced.

The Minister of Municipal Affairs contrasted the plight of the municipalities in 1934 with their situation today. From 1934 to 1938 the net debt of the municipalities had been reduced from \$484,000,000 to \$400,000,000 and today the per capita debt of the municipalities was the lowest of any time since 1914, he claimed. The Government had brought order out of the municipal chaos, he asserted, and the position of the municipalities was now the soundest it had ever been.

"In 1934 there was \$105,000,000 in default," said Mr. Cross. "Today that figure is less than three millions. Not only that, but municipalities formerly in default are now able to go out and obtain money at the lower rates prevailing in Government securities."

The Government had stood fast against increased demands and this was shown by the fact that the Department of Municipal Affairs and Public Welfare had cut its estimates by \$5,900,000, said the Minister.

A. W. Downer (Con., Dufferin-Simcoe) said he was skeptical of economy that cut \$1,000,000 from education.

"We must economize. Governments must economize, but we must not jeopardize the coming generation," he said.

Pre-election promises of 1934 to reduce expenditures, to cut administration costs 50 per cent were, he charged, "gone with the wind."

"Instead of reducing expenditures, the spending machine has been working overtime. This Government has been putting the Province into debt at the rate of \$72,000 a day since 1934, when it was first elected. In 1934 they were talking about the Ferguson Government putting the Province into debt at the rate of \$50,000 a day. How times have changed," he said.