

HEPBURN DENIES CABINET PURGE

**Says Rumors Have Not
'Slightest Foundation'**

Persistent rumors at Queen's Park of an impending purge of Cabinet members who have given public backing to Federal candidates in their home ridings were bluntly denied yesterday by Premier Hepburn as having not the "slightest foundation" of truth.

The denial was made in a prepared statement addressed to the Oshawa Daily Times, which on Wednesday, Feb. 21, carried a report hinting at a Cabinet shake-up under the headline, "Rumor Conant to Lose Cabinet Post." The Premier's statement at the same time paid tribute to Mr. Conant, member for Ontario and a resident of Oshawa, "as one of the most valuable Ministers with whom I have ever been associated."

While the Premier has remained silent on his plans respecting the election, the statement was regarded yesterday by Liberal Legislature members as conclusive evidence that Mr. Hepburn meant it when he

advised them they were free to act as they wished in the campaign.

Premier Hepburn laid down a policy of freedom of action for his members when he spoke in a 1939 caucus session and again in debate on the Dominion war effort issue, which led to the passage of the resolution sponsored by himself and by Hon. T. B. McQuesten, Minister of Highways, censuring the King Government's war program. But members have been admittedly festive, particularly after six Cabinet Ministers, all of whom were supporters of the resolution, declared support for King candidates.

Their defection from the spirit of the resolution and from the anti-King policies which the Premier has been at no pains to hide, even during the past week, is believed to have been particularly irksome to their Provincial Leader.

Rumors of a shake-up were intensified particularly after Mr. Conant, last Friday at Whitby, not only supported the candidature of W. H. Moore, but advised his and Mr. Moore's supporters, in effect, not to "swap horses while crossing a very dangerous stream."

Mr. Conant on that occasion described Dr. Manion's National Government appeal as a "thinly disguised Tory deception," and of the King Administration said: "It undoubtedly has a course well charted and plans developed for the present and the future requirements. It has knowledge of the international situation, and of the views and plans of the Imperial Government, obtained through many months of continuous contact. That in brief is the Government which asks the people of Canada for an extension of its term of office. On the other hand, and to deal only with the major party, we have the group which styles itself the 'National Party.'"

24 Provincial Centres Removed From Default

Twenty-four defaulting municipalities in Ontario have been completely refunded since the Department of Municipal Affairs began its practice of supervising municipalities in default, Hon. Eric Cross reported to the Ontario Legislature yesterday.

Reviewing the work of his department during the past year, Mr. Cross emphasized the fact that many municipalities formerly in default have chosen to remain under a form of departmental supervision after refunding plans were completed.

Lack of uniformity in accounting and auditing methods employed by Ontario municipalities presented a

serious obstacle to the department in compiling data, he said, but this was being met by the publication of a manual of accounting, designed for municipalities of less than 10,000 population. The standard system described is now in operation in thirty municipalities.

The report stated that municipal tax levies in 1938 showed a decrease from \$34.52 per capita in 1937 to \$34.29. School levies represented 33.7 per cent of the total tax levy. Tax arrears were reduced from \$41,932,203 to \$38,727,738 in the same period and debenture indebtedness from \$425,744,206 to \$404,290,461 — a decrease of \$6.93 per capita.

Calls Headline Unjustified.

Consequently, it was argued by members yesterday, that if Attorney-General Conant's position is firm, after not only supporting the candidate, but giving some measure of support to the King Government as well, then the Premier is not planning retaliation for the apparent "turn-about" moves of his colleagues, no matter how hard they may have hurt at the time.

The Premier's statement to the Oshawa paper is as follows: "Regarding article in your issue Feb. 21, under entirely unjustified headline, 'Rumor Conant to Lose Cabinet Post,' greatly regret that your paper should so reflect on a splendid citizen of the county and of the Province of Ontario. There is not the slightest foundation for or truth in the article. I regard Gordon Conant as one of the most valuable Ministers with whom I have ever been associated, a tireless worker, capable, conscientious in the public interest, and one of Ontario's greatest Attorneys-General. I hope it may be my privilege and pleasure to long have him associated with me."