

March 27.

ONTARIO BUDGET BEFORE HOUSE NEXT THURSDAY

Treasury Officials Won't Predict How Tax Move Will Affect Its Structure

Premier Hepburn, next Thursday, will present his third wartime Budget to the Ontario Legislature and the first to fall under the influence of the newly authorized transfer of taxing authority in corporations and personal income taxes to the Federal Government.

Just how the new status of Treasury financing will affect the structure of the new Budget, as compared with the old form, Treasury officials last night were unable to predict. One thing remained clear, however, that in place of estimated revenues in the branches affected by the transfer agreement, the Province will start off in the fiscal year of 1942-43 with the assurance of a flat \$28,963,039.54—the amount guaranteed by the Dominion in compensation for the surrender of the taxes and for whatever loss which may accrue from lowered gasoline tax and motor vehicle permit revenues.

The Premier said he would not attend today's session. "Friday, and this week-end, I will spend preparing the Budget in readiness for presentation on Thursday," he said.

Pre-Easter Agenda.

The pre-Easter agenda calls for House action on private bills on Monday and debate on the Throne Speech on Tuesday and Wednesday. "Of course," said the Premier, "if the Throne Speech debate is not cleared by Wednesday, the presentation of the Budget will be deferred."

The House will recess Thursday night for the Easter week-end and will reconvene on Tuesday, to stand in session until the slate is cleared. At the present moment, despite the anxiety of farmer members to get back to the land, it is predicted that the session will run the full thirty days' course, ending on or about the last day of April.

Premier Hepburn said: "I may," when asked if he would introduce an amendment to that section of the Legislative Assembly Act which requires members to sit more than thirty days to receive their full \$2,000 sessional indemnity.

The clause was conceived originally in the belief that it would spur members into making the required attendance on the duties of the House. Each member is permitted six days' absence for necessary business free from the penalty of \$15 for each day that he fails to attend, unless he is given leave of absence or is absent through illness. Unless the House sits more than thirty days, each member is allowed an indemnity of but \$20 per day.

Mr. Hepburn, and the members too, have freely declared their criticism of the ruling, in the belief that to the public it has given the impression that the members are paid an indemnity solely for attending the session.

Defends Members.

"It is wrong," said the Premier last night. "The members are always working on their jobs. I know of some of the Northern members who will spend half their indemnities in travel alone, during the year. While they do get their rail fare, there are Pullman charges, meals and hotels and the general cost of running around their vast constituencies which are not served with transportation like some of the southern ridings. On top of that, the members are at the beck and call of their constituents all the year around and are faced constantly with costs of their office."

If such an amendment is passed, said the Premier, the members will meet for that time which is required to transact the business of the House, whether it be for thirty days or ninety days. While some members favor the payment of the indemnity quarterly or half-yearly, the Premier intimated he believed it should remain an annual payment.