

occurs to me, have not received the consideration they merit.

There has been, in my humble opinion, much misunderstanding with respect to the net moneys which would be available for hospitals under the Bill now before us. In this connection the honourable senator from Parkdale (Hon. Mr. Murdock) read a letter he received from the Social Service Council of Canada. I believe the same letter was received by most honourable senators, although I personally was not favoured with one. Apparently I was not on the preferred list. This letter, which will be found in Hansard at page 94 draws attention to the report of the Royal Commission on Lotteries and Betting, issued in London, England, in 1933, and gives figures in connection with the Irish Sweepstakes for the years 1931 to 1933. I think there must be an error there, because, as the report was issued in 1933, the Commission could not have had before it the audited statements giving the percentages for that year. Therefore I take it that the report deals with the years 1931 and 1932.

The Social Service Council says the Commission's report shows that hospitals received only one-seventh of the amount wagered, one-half was spent on prizes, and the balance, five-fourteenths of all the money collected, was paid out to sellers and for overhead expenses. Apparently there is some serious mistake in these figures. I hold in my hand three published, certified, audited statements of sweeps in 1930 and 1931. I may say that these statements are made by Craig, Gardiner and Company, chartered accountants, and carry unqualified auditors' certificates to the effect that they have examined the accounts, receipts and disbursements, and obtained all the information and explanations required, and that the report is a true copy. Had I contemplated speaking on this Bill I would have endeavoured to get the auditors' statement for the 1932 sweepstakes, which undoubtedly is now available. The Royal Commission could not have had these statements—at least, not for 1933, as that year was not then complete. However, the statement for 1931 comes within the period on which the Royal Commission reports.

The first auditors' report covers the sweepstake on the Manchester November handicap, 1930. This was a small sweep, the amount of money collected being only £658,358, or roughly \$3,300,000. The expenses of 10.84 per cent include all items except the payment of 7 per cent to the Hospital Trust, Limited, for promoting the sweep, making the total expenses for this sweep 17.84 per

cent. There was paid to the hospital in this instance only 20 per cent of the gross takings, and 62.16 per cent was paid in prizes. This year was not within the Royal Commission's period of inquiry, and the audited statement is the most unfavourable one I have here.

Coming to the auditors' report for the same handicap in the following year, 1931, we find a very much improved situation, no doubt due to the fact that gross takings were much larger, namely £2,941,851, which, expressed in our dollars, would give gross takings of about \$15,000,000 at to-day's rate of exchange. This audited statement shows the general expense reduced to 6.69 per cent, which, added to the payment of 2.24 per cent to the Hospital Trust Limited, for promoting the stake, makes a total expense of 8.93 per cent of the gross takings. There was paid out in prizes 66.07 per cent, and to the hospitals 25 per cent of the gross takings, which would be somewhat less than \$4,000,000.

The third statement to which I now refer is most interesting. It is the auditors' report for the sweepstake on the Derby for 1931. The takings in this case were £2,789,696 17s. 0d., a very tidy sum of slightly over \$14,000,000 at to-day's rate of exchange.

The total expenses in this sweepstake, including the payment to the Hospital Trust, Limited, the promoters, is only 6.80 per cent of the takings. Of the balance 68.20 per cent was paid out in prizes and 25 per cent to hospitals.

These audited reports of two of the 1931 Irish sweeps show expenses to be 8 per cent instead of 35 per cent, or $\frac{5}{14}$, as reported by the Social Service Council. And 67 per cent was given in prizes, instead of 50 per cent, while the payment to hospitals on these two big sweeps, of the four held in 1931, was 25 per cent of takings and not $\frac{1}{4}$ or 14 per cent, as stated in the letter read by the honourable gentleman from Parkdale. As the figures I have quoted are correct for the year 1931, it is difficult to understand the increase in expense which would be necessary in the year 1932 to place the aggregate expenses for the period in keeping with the findings of the Royal Commission as reported by the Social Service Council. The Commission could not possibly have the figures for the year 1933, which is included in their report.

Honourable senators might well study the list of hospitals and the percentages given to each which make up the contribution of £697,424, or roughly \$3,500,000.

In this audited statement of the Derby sweep for 1931 I find in the list of distributions the name of the South Cork Infirmary—which