

Provincial Secretary Answers Utterances of the Opposition

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ladies and gentlemen electors have a chance to again turn them out.

But look around yourselves; other Governments have changed within the last few years; and, whilst we do not want to bring them into our discussion, may we be permitted to ask these questions: Are they better today than they were before the change? Are their deficits less?

Coming again to our administration, as we said before, the debt was \$32,197,029 in 1925; it is now \$48,411,380 or an increase in ten years of \$16,214,351. But, included in that increase are obligations of former governments assumed by us, not reckoned in the net debt of 1925. They are the obligations left by late administrations of \$208,000 for the payment of the rails of the Northern New Brunswick and Sea Board Railway; the sum of \$244,884 for the purchase of the right of way of the Saint John and Quebec Railway; the bonds of the Woodstock Cold Storage of \$9,220; the guarantee of the Canadian Packing Company of \$100,000 under an Act passed by late administration assumed by us, or, a total of \$562,104 of such former obligations which are not ours and when subtracted from the sum of \$16,214,351 leave a net increase under our ten year regime of \$15,652,247 which is substantially less than the increase of \$16,388,174 under eight years of Liberal Administration. And still, they have the audacity to speak of increased debt!

And yet, they were in power in normal times, whilst we, during the last four years, had to face the worst economic depression the world has ever seen. But, even in spite of the depression, we can favorably compare our records with theirs.

If in 1925, the financial position of the province was precarious, it was not so much on account of the amount of the capital debt, but the way by which it was yearly being increased. When, in 1925, we asked the late Liberal Administration, on the hustings, to accounts for their \$16,388,174 of increased debt, all that could be found were bridges that did not stand the increased traffic, some of them were blown down by the wind or carried away by the tide; they had constructed few stretches of main roads that had to be reconstructed by us almost immediately upon our coming into power; they built an inadequate hydro-electric plant at Musquash and, lest we forget, they had bought the Queen Hotel.

If the same questions were asked of us, we could enumerate the different assets, making the increase of our capital expenditures; assets that are sound and true and just as good today as when they were constructed. We have:—

New Roads, \$59,960; Hard Surface Roads, \$284,631; Saint John and Quebec Right-of-way, \$244,884; N. B. Electric Power Plant, addition, \$3,744,817; Permanent Bridges, \$2,621,185; Permanent Roads, including St. Leonard and Campbellton Highway, \$23,210,283; Vocational Buildings, \$94,631; Provincial Building, Saint John, \$130,000; Provincial Hospital, additions, \$1,253,739; Jordan Memorial Sanatorium, \$33,705; Woodstock Cold Storage, \$9,220; British Canadian Packing Co., \$100,000; Provincial Forestry, Mineralogy and Library Buildings, \$519,247; Provincial Museum Building, \$255,104; Provincial School, \$519,832. Total value of assets, \$33,081,238.

Buildings alone account for \$2,915,478 of these assets; permanent bridges, not the frail bridges of the late Liberal Administration, \$2,621,185; New Brunswick

Electric Power Commission Plant, in addition to what was found in 1925, \$3,744,817; add to that the right of way purchased for Quebec and Saint John Valley Railway; the amount paid for hard surface roads, for New Colonization Roads, and we have in good, permanent and durable assets, nearly the total increase of the net debt without mentioning the investments of \$23,210,283 in permanent roads, including the Saint Leonard and Campbellton Highways. For an increase, therefore, in the net debt of little over 16 millions, we present assets for over 33 millions. Would a private concern, for instance, frown at such a statement? Well, this is our record, a record of achievements that will stand the Government in good fortune, and one that has never here, been excelled by any government.

Turning to the ordinary expenditure account, as we said before, we found that the late Liberal Administration, during their entire term in office, never had a surplus, always huge deficits.

The deficit that we, ourselves faced in 1926, was over \$650,000; but, by good business-like administration, we were able to reduce it to \$61,000. In the normal years of 1927, 1928 and 1929, we produced surpluses, the only New Brunswick Government that, strictly speaking, ever had a surplus to its credit. And, had we not had to face these abnormal times, we would have continued on the surplus side of the ledger year after year.

With depression, we deemed it our duty to spend money to relieve distress; but even in spite of that, our statements of provincial finance stand not only as well in comparison than as any other province in Canada, but a great deal better than the statements of the late Liberal administration.

One thing is certain, unlike the other provinces, and unlike the late Liberal Administration, when more revenues were needed, we proceeded otherwise than by adding or increasing taxation.

We successfully concluded and without a Provincial-Federal Department of Affairs, an agreement with the Federal Government by which the province was relieved of the Valley Railway and six millions of debentures as well as annual deficits of over a quarter of a million.

Had the late Liberal Administration exercised more diligence in selling the road sooner or paying the deficits out of the ordinary expenditures as we did we would not have to pay yearly interest and sinking funds on \$1,540,470 of deficits of Valley Railway which they bonded.

But now, our opponents would want the people to forget their short-comings, in office, by stating that they will appoint a Minister of Federal Affairs, a very nice job for some one, but the benefits to be derived therefrom are to say the least very questionable. It is funny that no other party or province ever had such foresight.

Another thing which we did, without the need of a Provincial Department of Federal Affairs, was the successful presentation of the province's case to the Duncan Commission which resulted in an annual grant of \$600,000. And, again lately, we obtained a proposed increase of \$300,000 notwithstanding the absence of such department. A united effort on the part of the whole Government would seem to carry more weight than a weak Provincial Minister of Federal Affairs.

We also went to Ottawa for the Railway Tax, and we were happy to receive on that account, \$119,000. No need of a Minister of Federal Affairs. Leave it to us!

The organization of our inland fisheries, under an able minister, produced more than nine times what they were under the late administration.

We repealed the prohibitory laws and enacted instead a system of Government control of liquor traffic which has proven a good method of controlling liquor and a fair revenue producer.

With these increased revenues, obtained otherwise than by taxation, we increased the grants to hospitals, tuberculosis aid and sanatoriums. A new medical division has been established, public health nurses instituted and the Provincial Hospital remodelled and enlarged. We created a new school inspectorial division.

We did more; we doubled the grants to agriculture; appointed agricultural representatives for all sections of the province; organized agriculture into co-operative buying and selling societies and stock raising clubs; constructed a large mass of public works; built excellent roads, reputed the best in Eastern America; erected permanent bridges that are a credit to the province; and inaugurated a hard surface road policy to the greatest satisfaction of the public.

This is not all; we erected a complete system of highway sign markings; extended and maintained the ferry system to a high standard; and granted provincial aid to main trunk highways running through incorporated towns.

We could add the organization and maintenance of an effective police force; the formation of the Bureau of Information and Tourist Travel resulting in greatly increased benefits to the public.

We revised the Mining Act; increased the grants for mining development; appointed an inspector of mines and a provincial mineralogist; improved the laws affecting the safety of miners; established more game reserves and an efficient forest fire prevention service with the elimination of forest fire waste and the enlargement of many other services for the benefit of the people.

We also rendered possible the development of Grand Falls through private enterprise; and, the establishment and expansion of pulp and paper mills.

We limited in the Crown land leases, the yearly cut to the yearly growth, thus taking the precaution of placing our forests under sustained yield control; extended the transmission lines of the New Brunswick Electric Power Commission in the farming and rural districts and constructed a steam-power plant in the Grand Lake coal area, there utilizing as well as in other Government institutions a large percentage of coal from the Minto mines.

The settlers have always been the object of our greatest solicitude. We have an impetus to colonization; built colonization roads, giving the settlers the full benefits of the earnings thereof as well as assisting them otherwise with seed grain and subsistence.

We have appointed a Marketing Board under the Act passed in 1934, thereby establishing a greater co-operation between the farmer and the business man.

The Dairy Product Act passed last Session will be of great benefit to farmers.

The Honorable the Premier in a recent address told you the benefits of the New Brunswick Forest operation Commission and the aid our Government was given to the fishermen.

The Transportation Commission which, a few years ago, ceased to function, was revived with great future prospects.

We could go on with the enumeration of the benefits which dur-

ing our short regime, we have brought to the people.

We have passed many useful and advanced legislations; we have made effectual presentation of our problems at several inter-provincial conferences and at the Imperial Economic Conference without the need of that proposed Minister of Federal Affairs of the Opposition.

What more could be expected from a Government who has been in office for less than ten years? Where have we failed to respond to the trust which you, the people, have reposed in us?

Whilst we were working hard in your interests, we had to bear not only the brunt of the depression; but, we have been assailed by a blue ruin Opposition, who, during their entire term in office, never knew what a surplus was and never affixed its name to anything worth remembering. And yet, they have the audacity to seek your support?

We, your representatives for the last ten years; we, who have stood by you in the years of depression and hardships; we, who have managed to keep the services to a high standard of efficiency without increased taxation; we, who have conducted the affairs of this province in such a way that it now occupies a first place amongst the provinces in achievements and in solvability, are again asking a mandate to continue the good work and the progress of the province.

But, what would have happened if in 1925 the people of the province had not entrusted the now governing body with the administration of its affairs? We would probably be paying interest on millions of dollars spent in the development of Grand Falls, with no compensation for the investments; the Railway Contribution in lieu of taxation would be unknown; the awards of the Duncan Commission and of the White Commission would not exist; the bootleggers would be in control of the province; but, the deficits of the Valley Railway, the frail bridges, the crooked, narrow and hilly roads, insufficient and dangerous to the travelling public would still be with us.

No better testimonial of sound financial administration could have been procured than the recent sales of both long and short term debentures.

In March last, we sold an issue of \$800,000 five years of 3½ per cent. at the price of 102.57, or a net cost to the province of 2.94. Later, in May last, we again sold an issue of long term debentures at a net cost to the province of 3.33, both sales being the best on record in the province, whilst other provinces have had no such good results. Why were we so favored? Because, during our administration, in good times, we added one-half of one per cent. to the general sinking fund; funded the motor vehicle license fees to retire at maturity the debentures issued for roads, and provided with a sinking fund the bonds which the late administration and other former administrations had issued without a sinking fund.

These record prices are not only indicative of the very sound financial position of the province and of the continual increasing confidence which the money investors have in its credit, but also reflects the greatest merit on the administration, who has so managed the provincial affairs, so as to inspire that high degree of assurance.

Of course, the leader of the Opposition does not like the exposition of the picture of their sinking funds compared to ours. It undoubtedly stands in poor light.

In 1917, when they came in power, there was a sinking fund of \$1,030,977 for the net debt of \$15,809,855, or six per cent. in relation to the debt.

In 1925, when they left power, there was a sinking fund of \$2,230,707 for a net debt of \$32,197,029 or still about 6 per cent. of the debt.

Our administration in 1934 had increased it to \$7,461,419 for a net debt of \$48,411,380 or over 15

per cent. and nearly three times as much as the late Liberal Administration had in relation to the debt. That light is too bright for their eyes and their leader is trying to shade it some.

He says that the Government violated the sacred trust by reducing the percentage of the sinking fund. It is a pity that they did not find a sacred trust in sinking fund when they were in power.

When in 1934, we passed the Act permitting a reduction of the percentage of sinking fund for permanent road debentures to one-half of one per cent. for a period not exceeding three years, it was fully explained to the House that the earning power of that sinking fund greatly exceeded the basis on which such funds were established, and that such future and present surplus accumulations would be more than sufficient to compensate for the contemplated reductions. What more could be required and where is the violation of the sacred trust? In the imagination of the leader of the Opposition, no one else has been able to find it.

But oh, we transferred, they say, from Ottawa \$529,299.39, which we had there on deposit to the sinking fund. In the first place, let us inform them that the money was transferred in our books only, the money is still at Ottawa, at the same place it ever was, bearing the same amount of interest, the only difference being that the interest when received is invested in the sinking funds instead of being used for current expenses and the capital is secured to the sinking funds instead of being at the disposal of Government, liable to be used for any purposes. We offer no apology for the transfer.

But our opponents talk of deficits. Those who live in glass houses should not throw stones.

In eight years, the late Liberal Administration has deficits to the extent of \$3,249,550 and never a surplus.

In ten years, we have had deficits to the extent of \$3,012,818.61, or \$236,734 less than they had in eight years. But, during the same period, we also had surpluses amounting to \$223,379.80, or a net deficit in ten years of \$2,789,438.81, which is \$460,113 less than they had in eight years. But, the story does not end there. We increased the percentage of sinking fund in relation to the debt from six per cent. to 15 per cent. So, had we provided from current revenue only the same percentage of sinking funds as our opponents set aside when they were in power, for a net debt of \$48,411,380 would require \$3,025,711. But, we have \$7,461,419.56, or a surplus over our predecessors of \$4,435,708.31, thus enough to wipe out all our deficits and still leave \$1,646,272 to the good, whilst our opponents had deficits aggregating \$3,249,550. Now, let them talk!

If time permitted, we could go on enumerating the benefits that this Government has procured to the people; benefits that we trust have been appreciated and that will stand the Government in good fortune on the 27th day of June, instant.

The essentials today are to administer the affairs in such a way as to relieve distress, maintain confidence and plan wisely and carefully in anticipation of business acceleration following commercial recession. That is what we are doing, and that is what, with your good support, we will ever continue to do.

DRESSED POULTRY STANDARDS

Delegates from the whole Province of Saskatchewan in attendance at a recent convention of the Saskatchewan Poultry Pool, Ltd., passed the following resolution:

"That this body of delegates goes on record as being of opinion that all dressed poultry should be purchased according to Government dressed poultry standards, and hereby request the Dominion Government to take steps to make such dressed poultry grades compulsory throughout Canada."