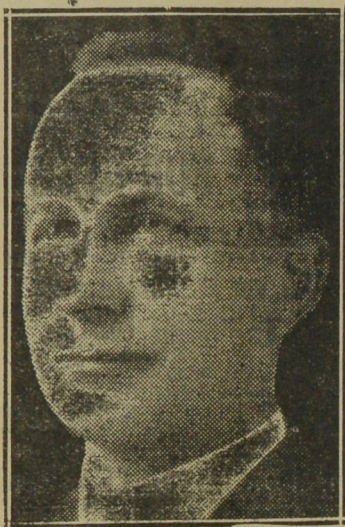


New Brunswick is now in a Sound Financial Position

A Masterly Exposition of Provincial Finances by Hon. A. J. Leger, the Provincial Secretary-Treasurer—The Bonding of Deficits Now a Thing of the Past—The Baxter Government Has Piled up an Enormous Revenue Without Adding to the Taxation—Substantial Surplus Predicted For This Year.

Hon. A. J. Leger, the Provincial Secretary-Treasurer, delivered his fourth budget speech in the Legislature yesterday afternoon, and as usual held the close attention of the House and galleries. He also submitted the estimates for the ensuing year, forecasting a revenue of \$6,009,694, an expenditure of \$5,985,475.72 and a surplus of \$24,218.28. In presenting his budget to the House Hon. Mr. Leger spoke for an hour and a half, and certainly did himself great credit. At the close of his speech members on both sides of the House crowded around him and tendered hearty congratulations.

Mr. J. E. Michaud, a former executive councillor who is now the chief financial critic of the opposition, moved the adjournment of the debate and has the floor this afternoon. While the debate on the budget is not expected to be unduly prolonged the indications are that it will extend well into next week.



HON. ANTOINE J. LEGER
Provincial Secretary-Treasurer, Who
Delivered His Fourth Budget
in the Legislature Yesterday.

GALLERY NINE

Assembly Chamber
March 6th, 1929

The House met at three o'clock. MR. AGAR, from the Committee appointed to present the Address to His Honor, presented His Honor's message to the House as follows:—
Mr. Speaker and Gentlemen:

I thank you for your Address, and beg to assure you that I entertain the fullest confidence that in all your deliberations you will be guided by a most earnest desire to promote the happiness and prosperity of the people of this province.

HUGH H. McLEAN,
Lieutenant Governor

The following bills were read a third time and passed: respecting Commissioners for taking affidavits; respecting the Public Utilities Act; respecting Court Stenographers; respecting the sale of securities; respecting the registration of deeds and other instruments; respecting Courts of Probate, and to provide for the redemption of provincial debentures.

HON. MR. REBELLY submitted the report of the Committee on Standing Rules, approving of a number of private bills.

MR. DICKSON submitted the report of the Committee on Agriculture.

HON. MR. SMITH submitted the Annual Report of the Department of Agriculture for 1928.

HON. MR. LEGER introduced a bill respecting the Historical and Literary Society of Acadia.

MR. MOORE presented a petition for a bill to amend the Towns and Counties Act.

MR. OULTON introduced a bill respecting the New Brunswick Dental Society.

MR. DAVIS presented a petition for a bill to incorporate the Plaster Rock Water and Light Company.

MR. RICHARD (Gloucester) presented petitions for bills relating to assessing, levying and collecting taxes in Bathurst, and to authorize the municipality of Gloucester to make temporary loans.

MR. BROOKS introduced a bill to incorporate the New Brunswick Command, Canadian Legion, British Empire Service League.

MR. NILES introduced bills to amend an Act incorporating the villages of Andover and Perth for light, power and heat, and a bill to authorize a new valuation for Victoria County.

MR. BROOKS presented a petition for a bill to authorize the town of Sussex to issue bonds.

HON. MR. BAXTER moved that the time for introducing private bills be extended up to and including Friday next. Also that the bill respecting renewable leases be referred to the Committee on Law Practice and Procedure.

HON. MR. BAXTER introduced a bill to amend the Municipalities Act.

HON. MR. LEGER presented a message from His Honor, the Lieutenant Governor, recommending the estimates of revenue and expenditure for the current year to the House, and he moved that the message and the estimates be deferred to the Committee on Supply. And also that that portion of His Honor's speech referring to Public Accounts and Estimates be referred to the Committee on Supply.

The estimates will be found on another page of this issue.

THE BUDGET SPEECH

HON. MR. LEGER presenting his Budget, said: Mr. Speaker:—Fully three years have elapsed since, under a changed administration it became the unpleasant duty of the Provincial Secretary-Treasurer to disclose to the people of the Province the grave financial difficulties, which in the opinion of the newly elected government, beset our position; to insist upon the necessity of changing chronic deficits into surpluses and of restoring equilibrium between revenue and expenditure.

Mr. Speaker, those were gloomy days. Progressive measures were required to meet liabilities previously incurred and to adequately carry on the public services. A government possessed of less activity, determination, energy and resourcefulness, would have fallen short at the task. The Province had to move forward instead of backward and the government representatives, ever faithful to their mandate, could not temporize, but took strong and decisive measures in the best interests of the people.

Action Demanded

A man is never more nor less than his work; and we felt that our accession to power demanded action based on our best judgment. That was the spirit which animated the present government. Needless to remind our opponents that if we had lived only for the love of power and not for the duties which power imposed, we could have evaded those criticisms which the saner judgment of time has fully removed by vindicating the wisdom of our course.

Three years is a very short duration in the life of a government, particularly when in the financial situation you have to restore order from chaos and in the other spheres of action and activities to give a new impulse.

Since this progress has been constant and continuous, it may be timely to examine briefly the condition in which we found the province, the progress since made, the improvement of the last fiscal year and the prospects for the future.

A Marvellous Change

It is not my intention to go into all the different phases of depression that existed in 1925, nor to entirely censure the then government for their existence, no more than perhaps to claim all the merits for betterment since acquired. It is somewhat remarkable that a new government following a different line of conduct would produce such a change of condition in so short a time.

A retrospective glance of the past would remind us of the alarming increase of our bonded debt under the late administration, with no adequate benefits derived therefrom. The almost total absence of watchfulness of public expenditures, the shameful disregard and defiance of legislative appropriation, the long narrative of deficits succeeding deficits, with alarming iteration; even the inexplicable expenditure of anticipated revenues, in years to come was characteristic of the preceding government. In other words revenues had long ceased to equal the expenditures with a resultant effect on the sale of bonds and on bank interest.

Dying of Inflation

Leaving the financial field for the economic and industrial, it was found that the province was then dying of inflation; that agriculture had practically no direction; that the fishing industry was dormant; other industries were starved; the mineral possibilities were not explored; the saw-mills were closing; the settlers were leaving; and the tourists were not coming. The coal industry was not only stagnant, but it had not even the government of New Brunswick for a customer. Investors in industrial concerns were turning away; and added to these alarming conditions, the then constant increase in taxation, the insufficiency of population; the want of confidence in the policy of the government; the Musquash problems; the Grand Falls muddle; a situation had been created which presented a problem to be solved by our administration. Fortunately it created within the people a spirit of assistance, co-operation and sympathy.

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 as on account of the way by which it was yearly being increased.

Deficits Bonded

Mr. Speaker, you may be surprised to learn that \$4,533,260 of the present bonded debt represents accumulated deficits bonded since Confederation, by the province; and, that the late administration was by far the worst offender in that respect, having bonded in less than eight years accumulated deficits to the extent of \$3,249,550, or over 71 per cent thereof; not counting a single cent of the disputed amount of 1917, involving at the present time a yearly interest computed at 5 per cent, of \$226,663. It is to be wondered that those interested in the affairs of the province exacted sanity in finance? To balance the budget, it is true, was not an easy task. Pending the adjustment of claims, we exacted contribution, not from the public generally, but from sources satisfied to help; and so the banks, the fire, the guarantee and life insurance companies and the trust companies were the principal contributors.

In less than a year, however, of business-like administration we could do without that help and we at once

abolished the law permitting the assessment. We would like to find one single tax of our predecessors that did not stick throughout their regime.

The Duncan Commission

Mr. Speaker, ever wishing to render the greatest amount of public service with the minimum of taxation, we successfully presented the views of the Province to the Duncan Commission and at the Interprovincial Conference, resulting in considerable increased subsidies. We settled the question of contribution by the Canadian National Railways and the Canadian Express Company, so that we have increased the revenue of the province without increasing taxation.

This, sound administration over a period of three years has already restored the province to a happy financial position and without bonding a single dollar of deficits.

The province made a speedy recovery, not only from the financial standpoint, but in every direction; perhaps the most rapid of any part of Canada.

A Great Improvement

Unemployment gradually grew less and production in all basic industries was augmented. Agriculture badly in need of leadership, under our new direction, with increased grants, more agricultural representatives and a co-operative constructive policy made the greatest revival in years.

The farmers made great improvement not only to their farms and buildings, but they have also been able to purchase needed equipment. A clearer and more sympathetic understanding between agriculture and industry has been brought about, resulting in a greater efficiency in distribution of farm products and naturally better prices.

Agricultural Progress

In contrast with the last years of the late administration New Brunswick has, in Agriculture, made much progress.

The most pronounced changes are the development and improvement in the dairy industry; the encouragement of the production of live stock; the diffusion of agricultural education; the organization and abatement of the agricultural co-operative movement both for buying and selling of farm products.

And so the emigrants, viewing the progress obtained by their friends and relatives at home, gradually came back; and the settlers hitherto inclined to leave the country have entirely changed their minds. The industry of boarding windows of vacant houses has disappeared and we have redeemed, in the last three years, a large percentage of our vacant farms.

Tourist Traffic

The tourist traffic had to be revived and stimulated. This government created the Bureau of Publicity to tell the people of Canada and United States what we had to offer them in the way of recreation. Our efforts in advertising the tourist attractions have proven to be a good investment indeed.

The increase from year to year has been far beyond expectation and has more than fully justified the expenditures made in that connection, producing not only an increased revenue to the province as such, but to its people as well.

Industrial Expansion

And realizing that the economic future of our province depended for its prosperity as much from industry as from agriculture, the government, from the very first day it took office, bent its energy to revive the industries that had waned and to create others. The farm that was not producing its maximum of yield, because, it had not the industry at hand ready to absorb its produce, had to be assisted by the desired creation. To inaugurate a new industry, encouragement to be given, but essentially in the best interests of the province. And so it is, that without the bonding of one cent of provincial capital we have less than three years, through private enterprises and by the development of Grand Falls, prepared an industrial expansion such that even the most ardent would not have thought possible.

If, before this industrial expansion, our hard working young men, not afraid nor adverse to work, were leaving, because the land afforded them such small returns on account of the lack of good markets; the creation of new industries, with their necessary employees affording addi-

tional consumption of farm products, now goes far and will go farther in furnishing them the desired market.

The industries thus created provide not only immediate employment in the works themselves; but much more in the industries which they help to create through the power that is made available.

Notwithstanding these large enterprises, the formation of smaller undertakings, emanating from the intelligent efforts of the government to promote industries and the courage and initiative of many eminent citizens, should also be highly commended.

Mineral Development

When to this is added the production of the mineral areas of the province, heretofore deemed and even declared non-existent by some governments, who had not enough foresight to change antiquated mining laws for intelligent legislation, now coming into commercial production; it will readily be seen that prospective expansion opens up an era of prosperity that will endure.

In fact, the impetus given by the government to agriculture and industry was apparently all that was necessary to get a brisk movement under way; and, throughout the entire province's varied lines of industrial endeavor, a progress is being made which augurs well for the future.

A New Spirit

The government, during the past three years, has succeeded in creating a new spirit in sending through the province a new pulse of life which is daily gaining in force, in intensity and in regularity, and which has already brightened prospects and promoted progress. Because, under our administration you have, year after year, listened to statements suggesting all previous records; it will be natural to find, this year also, improvement in the social, agricultural, economic, industrial and financial life of the province.

The Late Mr. Grant

In the social life we had, as ever, our sentiments of joy, of sympathy and of sorrow as the occasion affected us. We have here and there sympathized either with friends in distress or with sorrowing relations. The departed, we regret. There is one death which touches us more than the others because it struck within our own ranks, the late Mr. Gordon C. Grant. Whilst gazing towards his vacant seat we strive to repress the emotion ever created by his absence; the sense of duty calls upon us to pay him the public tribute of having loved and well served his province.

Spirit of Concord

Indeed to the observer of human nature there seems to reign in this province since a few years, amongst all the people a greater spirit of union, of fraternity and of mutual love, the spirit of concord and of bonne entente, born of contentment, of progress and of greater education.

This state of things, the government has tried to foster by giving attention to everything that would tend to bring about that friendly feeling.

We were also privileged during the year to receive distinguished visitors of the Church and state of other provinces and other countries. In short, the impetus given by the government to agriculture and industry was apparently all that was necessary to get a brisk movement under way; and, throughout the entire province's varied lines of industrial endeavor, a progress is being made which augurs well for the future.

This state of things, the government has tried to foster by giving attention to everything that would tend to bring about that friendly feeling. We were also privileged, during the year, to receive distinguished visitors of the Church and state of other provinces. Needless to state that with the spirit of cordiality that always characterized our province the several localities visited, opened their arms to the distinguished visitors and did so with a friendship and a reverence that was surely appreciated.

Visitors from Overseas

Without preference, mention could be made of the young Ambassadors and the Parliamentary Party who both came to study our resources, our problems and our methods of meeting them. We were glad to seize the opportunity offered, to tell them that men and money were needed to build up our province as it should be built. We made it clear that we had "riches lying at our feet, but some financing was necessary to get at the treasure;" that our province had many times more hidden wealth than had yet been discovered. We were also glad to seize the occasion of learning something of the problems of other Dominions; and no doubt, in regarding them, we have been inspired to face our own, with greater courage. In short we believe that these visits are conducive to the development of a closer sympathy, of real mutual respect and understanding between all the people who constitute the British Empire.

Agriculture

Mr. Speaker, in all our budget speeches we have especially referred to Agriculture, because the culture of the soil should be the surest way to a comfortable ease as well as to a life of independence and usefulness. Hence the reason we have striven, through the guiding influence of the department of Agriculture, to understand, first the conditions under which our farmers lived and worked, and then to take such steps as were necessary to improve those conditions thereby rendering the greatest good to the whole province.

We found that our farmers, through no fault of their own, had not progressed commensurately with the amount of work done, and last year we appointed more agricultural representatives to organize co-operative marketing, to teach the improved methods of farming, to give short courses in agricultural education, to form boys' and girls' clubs and to teach them the best methods of the raising and marketing of choice livestock, agricultural education has gained ground, and the future of the province has greatly brightened. The farmers themselves have by no means been lacking in their efforts to fur-

ther their own interests. They are willing to adopt such scientific attitude in their work as is brought to their attention and a better spirit prevails.

It is also remarkable to note the progress made in co-operative organization. There are over one hundred and fifty Agricultural societies, with a membership of over ten thousand covering nearly every phase of the province's farming. In short, there is a gratifying advancement in all directions.

Progress in Dairying

If we were to specify we could say that a noteworthy progress has been made in dairying; better cows are being kept with better results. A great activity exists in the organization of poultry, swine and calf clubs and live stock industries are thriving. Substantial shipments of live hogs have been made to packing houses.

The acreage planted in potatoes was seven per cent greater than last year and the yield, being almost ten million bushels, would have been, at normal prices, a source of outstanding revenue. It is worthy to mention that over one thousand more acres than last year of certified seed potatoes were planted. The hay crop was above the average and a large production of grain was stored.

Fruit Culture

Fruit culture, to which much of our area is so well adapted, is, under encouragement, progressing favorably. Planting of new orchards show 100 per cent. increases over 1927. In fact the year's crops was not only greatly above the average of many years, but New Brunswick is the only province in the whole Dominion of Canada that registered an increase over last year in the field crops.

Community life, in the rural districts is being highly organized through the medium of the Women's Institutes, Agricultural Societies, and School Fairs. Everywhere the government has applied itself to promote, love for work, good husbandry, the practice of co-operation give direction proportioned to the needs of all those worthy of being helped to achieve success, prosperity and contentment.

Farm Credits

Our government adopted at the earliest moment the legislation authorizing farm credits. And while we are on this subject, we may incidentally say that New Brunswick has done more than any other Province in Canada in providing for the settlement of its own people on farm lands and in giving to its native sons the same assistance as is given to other settlers.

As far as we are aware, ours is the only province in Canada which lends money to Canadians to enable them to take up farm lands. Our government was the first to co-operate with the British and Canadian Federal governments in a scheme of assisted British land settlement. Since the establishment of the Farm Settlement Board and fully 95 per cent. of whom have been New Brunswickers; besides the 117 from overseas settled under the British Settlement plan.

Fox Ranching

Another industry which has been engaging the attention of the Department is the Fox ranching industry. An analysis of the situation as a whole indicates that silver black fox ranching is a well established industry in New Brunswick, producing a commodity for which there will be a steady and increasing demand. The fact that there has been an increase of over 50 per cent in the price of silver fox furs during the last two years, proves, it would seem, that the industry presents great financial possibilities. The cost of food and labor and the capital expenditure for ranching are much less than in other live stock industries.

Not only have the agricultural activities grown, but waterpower, shipping, lumbering, mining, manufacturing, have made during the year remarkable progress.

Our Forest Wealth

Although conceding that agriculture occupies the first position as regards the intrinsic value of products, yet, the forest, viewed intrinsically, with all the different agencies that it sets

in motion, perhaps will soon be the greatest revenue producer of the province. Hence, the necessity of seeing that its supply be maintained; and this government has seen to its preservation, conservation and continuation not only by extended vigilance against forest fires, but also by limiting the yearly cut to the natural yearly growth. Here also as in all our other actions we are endeavoring to build and preserve for succeeding generations.

Fire Losses Small

With the greatest thankfulness to a kind Providence which helps those willing to help themselves, and with the extreme watchfulness on the part of the department, we are able to report the lowest loss from forest fires on record in our province.

The development of the pulp and paper industry based on the Grand Falls development is most interesting.

We are pleased to say that the era of activity and prosperity which was becoming apparent last year is now beginning in New Brunswick a period of industrial expansion not only by far the greatest in our history, but one that gives assurance of an ever-increasing activity and prosperity. So recent, however, is the change, that we may doubt even yet whether it can be seen in proper perspective.

A Grant Power Plant

The Saint John River Power Plant which makes provision for an 80,000-horse power, will be the largest in the Maritime Provinces, and it will give to our province a rebirth of prosperity. The result at least will be an extension of the mill at Edmundston, the erection of a new one at St. Leonard, a new paper mill at Dalhousie, a pulp mill on the Miramichi and a new sulphite mill at Athol. This extension of the pulp and paper industry invades a capital expenditure of nearly forty millions.

While there is every reason to believe that these expensive investments were assured by confidence in the future of our province, yet the government did not stand idle in the matter, but prepared the avenues by which came this progress. Thus the migratory and transient saw mill industry will largely be replaced by a highly capitalized and exceedingly permanent industry, employing many more men and involving also the housing of a large population of employees at centres where no other kind of employment was possible for them, and the villages thus formed will continue to prosper as the industry which is built for permanence will continue to expand.

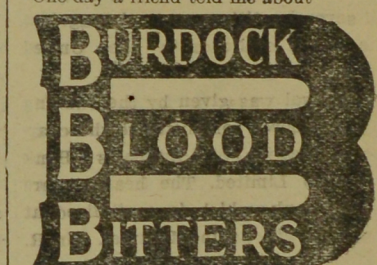
Normal Lumber Cut

Whilst the preparation for pulp and paper is being made, it is encouraging to note that the ordinary lumber trade is in a very satisfactory condition. A normal cut has been made to meet a steady lumber market.

(Continued on Page Three.)

Was Bothered With Severe Headaches Is Not Troubled Now

Mrs. James Rossiter, Riverside, N.B., writes:—"I was bothered with severe headaches, for years, and tried many different medicines, but to no effect. One day a friend told me about



and after I had taken three bottles I found it had done me a world of good. Now I don't know what a headache is like. I certainly have great faith in Burdock Blood Bitters.

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