

7. DEPARTMENT OF PUBLIC WORKS.

That expenditures of a capital nature on highways and all other public works be immediately discontinued and that the further recommendations connected therewith contained in paragraph 223 be made effective.

8. SALARIES AND WAGES OF GOVERNMENT EMPLOYEES.

That the number of Government employees and their salaries be reduced. (See paragraphs 106, 107, 148 (11) (12), 238, 239.)

9. POLICE.

That arrangements be entered into with the Royal Canadian Mounted Police to take over the policing of the Province, as recommended in paragraph 121.

10. LIQUOR CONTROL BOARD.

That the Liquor Control Board be reorganized as recommended in paragraph 148.

11. DEPARTMENTAL RECOMMENDATION.

That the expenditures by the following Departments be reduced in accordance with the recommendations made by us in the paragraphs relating thereto:—

Education (see paragraphs 154 to 176, inclusive).

Finance (see paragraphs 68 to 107, inclusive).

Agriculture (see paragraphs 190 to 196, inclusive).

Mines (see paragraphs 198 to 209, inclusive).

Lands (see paragraphs 210 to 212, inclusive).

12. That the activities of the following Departments be closed or transferred elsewhere, as recommended in the paragraphs relating thereto:—

British Columbia House (see paragraphs 108 to 112, inclusive).

Department of Railways (see paragraph 225).

Department of Fisheries (see paragraph 197).

13. MOTHERS' AID.

That the recommendations of Miss Witton in connection with Mothers' Aid be given immediate attention, as suggested in paragraph 178.

14. MENTAL HYGIENE.

That the recommendations of the Royal Commission on Mental Hygiene be adopted, as recommended in paragraph 181.

15. QUARTERLY STATEMENT OF ACCOUNTS.

That a quarterly statement of revenues and expenditures be published by the Department of Finance (see paragraph 94) and that the Public Accounts be published on the 15th of August in each year. (See paragraphs 89 and 90.)

ECONOMIES TO BE EFFECTED.

We are of opinion that the total annual expenditures of the Province must be reduced by at least \$6,000,000, and we hope that our recommendations will serve as a useful guide in attaining this end.

CONCLUSION.

248. WE ARE OF OPINION THAT THE TIME HAS COME FOR A COMPLETE CHANGE IN THE IDEAS, OPINIONS, AND MOTIVES WHICH HAVE INFLUENCED BOTH THE ELECTORS AND THE ELECTED IN THE PAST. PATRONAGE AND SELF-INTEREST HAVE BEEN ALLOWED TO CONTROL THE AFFAIRS OF GOVERNMENT AND THE PUBLIC PURSE HAS BEEN REGARDED AS AN INEXHAUSTIBLE BOOTY UPON WHICH ALL MAY PREY. OUR LEGISLATORS AND THEIR LEADERS HAVE LIVED SO LONG IN AN ATMOSPHERE OF CONCESSION, COMPROMISE, AND DEBT THAT IT IS DIFFICULT, IF NOT IMPOSSIBLE, FOR THEM TO REALIZE THE ENTIRELY NEW CONDITIONS WITH WHICH THEY ARE TO-DAY CONFRONTED. THE RECORD OF

DEFICITS AND PUBLIC DEBT TO BE FOUND IN THE FIRST CHAPTER OF THIS REPORT PROVES CONCLUSIVELY THAT REFORM AND ECONOMY HAVE BEEN URGENTLY REQUIRED FOR MANY YEARS AND IT IS NOT PLEASANT TO REFLECT THAT ONLY THE PRESENT FINANCIAL CRISIS HAS CREATED THE OPPORTUNITY FOR THIS WARNING, NOW MUCH OVERDUE, TO BE GIVEN TO THE PUBLIC.

249. When we consider all the circumstances constituting the financial position of our Province, the picture is an alarming one. It is certain that another unbalanced budget is already in sight and that no economies of a sufficiently drastic character are being effected to compensate for the deficiency.

250. THE GOVERNMENT OF THE DAY IS FACED WITH A HEAVY DRAIN ON THE PUBLIC PURSE FOR UNEMPLOYMENT RELIEF AND OTHER EXPENDITURES WHICH CANNOT CONTINUE FOR MORE THAN A FEW MONTHS, SO THAT THE PROSPECT FOR THE COMING WINTER IS DISTURBING IN THE EXTREME. WE ARE NOT ALARMISTS, BUT WE CONSIDER IT OUR DUTY TO WARN THE PUBLIC OF THE PRESENT DESPERATE CONDITION OF THE GOVERNMENT'S FINANCES IN ORDER THAT THEY MAY HAVE AT LEAST AN OPPORTUNITY OF STEMMING THE TIDE BEFORE IT IS TOO LATE.

251. We have done our best in accordance with our instructions to indicate economies which an efficient and unhampered administrative machine could enforce, bringing in sight a balanced budget and the restoration of public confidence which to-day is badly shaken.

252. But such a machine will, of course, depend for its successful operation on those by whom it is directed. As we have already shown in the chapter dealing with the control of expenditures, the most perfect safeguards resulting from centuries of experience can be nullified in their operation by a multitude of counsellors uncertain when to say "Yes," and seldom capable of saying "No."

253. By what means such an administrative machine is to be created is not for us to say. All we can suggest is that the demand for its immediate creation is imperative if we wish to avoid the disgrace of having the control of the affairs of the Province pass into the hands of its creditors.

254. It has, we believe, been suggested that should the occasion arise the Dominion Government will take such steps as may be necessary to protect the solvency of any Provincial Government. We are of opinion that this very important aspect of our financial position should be investigated and, if possible, a definite understanding arrived at.

255. Our work has, of course, only been made possible through the invariable courtesy and assistance of each member of the Executive Council, to which has been added the willing and invaluable co-operation of the Deputy Ministers and their staffs.

It would be impossible to enumerate here the many organizations and persons who have freely given us their suggestions and counsel, but they certainly have our thanks.

We must particularly thank our Secretary, Mr. W. J. Barrett-Lennard and his staff for their able work and time so generously given.

We have the honour to be,

Sir,

Your obedient servants,

GEORGE KIDD.
W. L. MACKEN.
AUSTIN TAYLOR.
A. H. DOUGLAS.
R. W. MAYHEW.

W. J. BARRETT-LENNARD, Secretary.
July 12th, 1932.