

FINANCIAL TIMES

A Journal of Finance, Commerce, Insurance, Real Estate, Timber and Mining

Vol. IV. No. 9

VANCOUVER, MAY 5, 1917

SINGLE COPY 10c
THE YEAR \$2.00

State of Finance and Business in British Columbia

Budget Speech of Premier and Finance Minister Calls for Increased Taxation with Evident Intention of Making Income and Expenditure Balance.

The Premier and Minister of Finance of British Columbia, Hon. H. C. Brewster, delivered, on April 23rd, the budget speech. The keynote of his remarks was economy, and living within one's income. While the budget, particularly of increased taxation, is subject to considerable and just criticism, the Premier is to be congratulated that he has taken such a commonsense attitude on the financing of government. Some excerpts from his remarks follow:

"In the lamented death of the Honorable Ralph Smith, we were again, Mr. Speaker, placed under a very serious disadvantage. I make this statement, however, not as an excuse for anything that may follow, but rather as showing some of the disabilities under which we labored, and yet, I think I can promise you, Sir, and the country, that the Budget about to be delivered is one based on the sound principles of common sense, and a true setting forth of the conditions as they now exist.

Dealing with the new taxation the Minister said:

"I insist that it is necessary for this or any government having at heart the interests of the province to live within income. This being a business principle we know that the public themselves have the courage to see this thing through. I am of opinion that it would be ill-advised to go on the money market to borrow, piling up a higher debt and at a price that would be prohibitive.

I think it is time we made up our minds that we must be about the business of the country in a sane business-like way; that while we may bring about some apparent hardship we must get down to business principles and raise our own revenue from our people.

"We have no mysterious sources of revenue. The people have to pay, and it is necessary for the government, even at the expense of doing what some might consider an injustice by increasing taxation to meet that issue.

"We are reaching out specially to touch those phases or those persons and incomes which might best bear the burden. True, others have to suffer, but it is also true that we have at the present time, owing to the fact that high prices are prevailing, a very large amount of money

being taken out of natural resources, and of this amount we intend that those who have made great fortunes out of the country must pay. We have also in the matter of others, such as canneries, for instance, where incomes have been exempted from taxation since they were paying other taxes, come to the conclusion that if the incomes are taxable we do not see why they should not be taxed.

"In the matter of the poll tax we have decided that as these are times when it is impossible for us to be governed by ordinary considerations we will have to reimpose this to some extent. I am not particularly convinced of the scientific basis of this tax. I do not think it is good in ordinary times, but there are those in the province who are not contributing their share, or anything at all, in fact; and the government has seen fit to estimate \$150,000 as derivable from those who do not pay a sum equal to \$5 in municipal or provincial taxation.

"Another tax which honorable gentlemen will consider legitimate is a tax on amusement tickets. Those who go to amusement houses can afford to pay a small amount in the interests of the hospitals and other channels which help to meet our share in the great conflict."

Taking up the progress and the outlook along the chief lines of provincial enterprise, the Premier first dealt with forestry, saying:

"The estimated value of production in the forest industries last year, was \$35,528,000. This means an increase of more than six million dollars over the total for the previous year, and is greater than the

amount for 1915 or 1913. The production of shingles and boxes has shown a noticeable increase.

"Better prices and increased quantity of demand have produced a noticeable revival in the lumbering industry. As against this shortage of labor, difficulty in securing material such as wire rope, car shortages and increased cost in price of commodities have exerted a considerable effect in preventing development which would otherwise have taken place. In spite of this the total quantity of timber scaled for the year (1,280,000,000 feet) shows a 25 per cent. increase over that of previous year, this increase being general throughout all districts.

"The export lumber trade was severely handicapped by the scarcity of tonnage throughout the year, and the

STATE OF FINANCE AND BUSINESS IN BRITISH COLUMBIA	—
HALIBUT FARES AT PACIFIC COAST PORTS	—
MEANING AND PURPOSE OF CO-INSURANCE	—
RECENT ANNUAL REPORTS.	—
PROVINCIAL FORESTRY RETURNS FOR MARCH	—
MINING THROUGHOUT BRITISH COLUMBIA.	—
TRUST COMPANY NOTES, COMPANY NOTES, IN- SURANCE, MUNICIPAL, LUMBER, MINING AND OTHER INFORMATION.	—