

# HON. J. B. M. BAXTER SHOWS THE WEAKNESS

## HON. J. B. M. BAXTER RIDDES BUDGET ADDRESS

(Continued from Page 1)

In its financial operations New Brunswick was on the threshold of such a day as this province had never seen. Soon it would not be a question of raising revenue by putting on a tax here and squeezing a little there, but after the war a condition will confront us which will tremendously add to the difficulty of raising revenue. The present is the time not only for the preaching of economy but for its practice. The hour had not approached without warning. It had been coming for two years and some appreciation of that fact should have been evident in the estimate which the provincial secretary had laid before the house. He said this as a preface to criticisms he intended to make of the proposals of the government and to criticisms which would come from his side of the house, and he trusted from the other as well. The provincial secretary had referred to the audit of accounts as if there had never been such a thing before.

**New Audit Act.**

He referred to Messrs. Price-Waterhouse who appeared to have reorganized the whole system of accounting. Recently there had been introduced a new audit act, which he found did not differ in more than half dozen sections from the act introduced by Hon. J. D. Hazen when he took charge of the affairs of the province. Mr. Foster had said that the act required strengthening, but the speaker was unable to see that it had received it. There was a provision that notes must not be accepted by any provincial official, a provision which he completely approved, and he felt sure that if such a provision had been established in 1908 it would have secured the acceptance of every member of the house of that day. But there was nothing in the new act that could be hailed as delivering the province from financial ruin or financial misrule.

Last year the Price-Waterhouse audit was before the house and members on the other side of the house had confessed that it puzzled them. They could not understand what it meant. Despite the most careful and exhaustive scrutiny and examination of that report he was unable to find one syllable that intimated that \$1 had been misapplied by any member of the old government or any official under the control of that body. That was a very distinct advantage over the condition disclosed when the Hazen administration came into power in 1908.

**The Ancient Regime.**

No particular good could be accomplished by the washing of old linen, but he could say that when the administration led by Hon. J. A. Murray went out of office it went with an absolutely clean sheet.

At this there was an outburst of laughter from the back benches in the government side and Hon. Mr. Baxter facing them declared with much force, "If any honorable member in this house can point to any one set that does not show a clean sheet on the part of the late administration let him rise and do it now."

Mr. Veniot—"How long was the Murray administration?"

Mr. Baxter—"Not very long, but they would have been in power yet if it had been judged upon its merits. I can apply the same statement as to a clean sheet to the administration led by the late Premier."

The government supporters who had interrupted had no reply to make and Mr. Baxter continued.

Financial critics were not born every day, but one had arisen in the last election and had made certain criticisms in the columns of the Telegraph. The provincial secretary had complained of what he termed the misrepresentation of the opposition press. In that connection he referred to The Standard and to other papers which he did not name.

**Ananias and Sapphira.**

He could tell the provincial secretary that if malicious misrepresentation was to be regarded as a fine art, one of the professors of that art would be found seated in the editorial chair of the Telegraph or the Evening Sapphira. But Mr. Foster had made certain criticisms through the columns of the Telegraph and if they were fair at that time there could be no objection to using his own methods to measure the transactions of his own government. Mr. Foster's statement first referred to the "independent" auditor general and the word independent was followed by a note of interrogation. Whether that had been in the original Foster statement or had been inserted by the Telegraph artist, the speaker would not pretend to say, but at any rate Mr. Foster had not dismissed the auditor general when he came to power. The premier had intimated that the auditor general's statement of that day had been prepared at the dictation of the provincial secretary and the speaker wondered if it was the provincial secretary who dictated to him today. Mr. Foster by his methods had shown a total of \$2,871,000 which the Telegraph described as staggering.

**The Fosterian Device.**

Mr. Baxter then proceeded to apply the Foster method to the accounts for the year ending October 31, 1917. There was a total expenditure of \$7,085,283.88. Amounts to be deducted from that represented payments on bonds liquidated to the amount of \$48,000 and temporary deposits returned to the amount of \$94,064.53, leaving a balance of total expenditure of \$6,993,219.35. Total receipts showed at \$8,092,211.82, from which should be deducted the proceeds

of bonds to the amount of \$835,010 (which was received for the sale of bonds of a value of \$857,500), temporary deposits received of \$27,464.86, making a total of \$862,474.86. With these reductions made the total revenue stands at \$2,230,736.96, which subtracted from the expenditure leaves a balance of \$1,351,982.39. From this take the amount for sinking funds, \$454,317.75, and the net amount of over-expenditure for the year is shown to be \$917,644.66. That, said the speaker, is not a joke, or if it is, it is a joke invented by Mr. Foster. It is the result of following literally and exactly what he did in considering the statement of the former government, and if it was not correct then, it is not correct now. Mr. Foster's method of computation was wrong either through ignorance or desire to mislead the people.

**\$1,000,000 Deficit?**

He would acquit Mr. Foster of the desire to mislead the people, and accepting his method as correct showed that he had landed the province into a deficit of almost one million dollars. In the sale of bonds during the past year the sum of \$835,010 was realized, but of this \$400,000 had been sold to the provincial sinking fund at par. These bonds had nineteen years to run and bore interest at the rate of four per cent. Sold to a private individual at an interest rate of 5 1/2, and certainly they could not be sold for less, they would be worth at least \$2 and no more. Why had such a blunder been made as to charge the provincial sinking fund bonds at par when if sold to a private individual they could not have realized more than \$2? It was plain that the proper method was not understood or the government did not intend to follow it. If not, why not?

But these were the gentlemen who were to be the financial saviours of the country. They were the gentlemen who had introduced Price-Waterhouse & Company, but did all the financial wisdom depart from the province when the representative of Price-Waterhouse & Co. returned to his home? The former government had been charged with using this money for current revenue, a practice which had been followed by every government up to the present one, and which had saved the province thousands of dollars in interest charges. But when the present government attempted to correct the system they did not know how to do it. Turning again to Mr. Foster's statement that gentleman showed that in 1907 the government paid out as ordinary expenditure the sum of \$969,938.92 which with the amount of \$1,580,518.18 in 1916 by Mr. Foster's figuring. The total ordinary expenditure for 1917 was \$1,968,263.34, or deducting the Valley Railway interest, \$1,745,645.83, which is \$166,113.97 more than the total ordinary expenditure of such a span. And Mr. Foster's expenditure the speaker dealt only with what had been expended since October 31, 1916, and was chargeable to the present year. But the government admitted that they had had control for seven months of the year. That was the period when most of the work was done outside on the public works accounts, the largest item in the total. The expenditures during the last months of the old government had been small and of such a character that they would not vary much, no matter who was in charge, but public works expenditure was controllable and was largely chargeable to the present administration.

**A Sure Test.**

A test of the way in which the government performed its duty could be found in the table in the auditor general's report which showed the proportions and the expenditures. Turning to that table the speaker found under expenditures of \$35,090,26, and over-expenditures of \$232,904.99, leaving a net over-expenditure of \$197,813.83. In the department of public works alone Hon. Mr. Veniot had over-expended to the amount of \$119,368.21, and these were their own figures, made up under the most favorable conditions. After all over-expenditures of the public works should not be measured by dollars and cents as much as by the question whether the province got value for the money. He was willing to give Mr. Veniot credit for energy and ability, but yet that gentleman had constructed no permanent roads, and by permanent roads the speaker did not mean indestructible roads.

**Spending Much Money.**

He had simply been spending in larger amounts the money of the province for the same sort of road work that had gone on year after year. In the interests of the people of New Brunswick that practice must stop, otherwise the province would go on piling up debt against debt. When the speaker saw items all through the permanent road account of \$30 and \$50 charged to permanent roads he knew nothing of a permanent character had been done for that expenditure. He would like to see the account of the road work that had been done for that expenditure. He would like to see the account of the road work that had been done for that expenditure. He would like to see the account of the road work that had been done for that expenditure.

**Motor Vehicles.**

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more than \$3,000 of that amount would accrue this year. This remainder should be charged to back years.

An expectation of \$160,000 from railway earnings rather than the faith of those who had advocated launching into that enterprise. When the Valley Railway was first before the house Hon. Mr. Robinson was a member and had an opportunity to protest against it but he did not do so. The present premier, then active in St. John, was also earnestly in support of it, consequently when the provincial secretary attacked that undertaking he was striking at his own associates and his own leader.

**Patriotic Assessment.**

In closing Mr. Baxter attacked the assessment for patriotic and war purposes of \$99,080, and said that the government was asking for more money than required and more money than the Patriotic Fund had asked for. This \$99,080 was nothing more or less than the first indication of direct taxation. When direct taxation was necessary to meet the legitimate expenses of the country he would vote for it but as long as the government asked for \$137,000 more than last year on services not numbered as the most important he did not think it was prudent and would not support it. That was not the sort of administration the people wanted or had a right to expect.

**MAN POWER BILL IN PARLIAMENT**

(Continued from Page 1)

western front, which is taken to mean that he has superseded the Versailles war council.

London, April 9.—It was announced in the House of Commons tonight that the government had decided to extend the time for discussion of the man power bill until Tuesday of next week. This was a concession to a request of Mr. Asquith after a vote had been taken and the bill had passed its first reading amid cheers.

Leave to introduce the government's man power bill was carried by 299 to 60.

Joseph Devlin (Nationalist West Belfast) motion to adjourn was defeated by a vote of 328 to 80.

Premier Lloyd-George said: "We have now entered the most critical phase of this terrible war. There is a hull in the storm, but the hurricane is not over. Doubtless we must expect more fierce outbreaks, and one of us is finally exhausted there will be many more."

"The fate of the empire, the fate of Europe and the fate of liberty throughout the world may depend on the success with which the Allies in these attacks is resisted and countered."

"The government therefore, propose to submit to parliament today certain recommendations in order to assist this country and the Allies to weather the storm. They will involve, I regret, extreme sacrifices on the part of large classes of the population and nothing would justify them but the most extreme necessity and the fact that we are fighting for all that is essential and most sacred in our national life."

**Word of Explanation.**

"Before I come to the circumstances which led up to our submitting these proposals to parliament, I ought to say one word as to why parliament is not in session. The fact is that the battle began almost every hour in concerting with the Allies in the necessary measures to assist the armies to deal with the emergency."

"The proposals which we intend submitting to parliament required very close and careful examination and I think there is this advantage in our meeting today, rather than immediately after the impact of the German attack, that we shall be considering these proposals under conditions which will be far removed from any suggestion of panic."

"I shall not come to the circumstances which have led to the present military position. It is very difficult at this time to present a clear, connected and reliable narrative of what happened. There has been a great battle in front of fifty miles—the greatest battle ever fought in the history of the world. Enormous forces have been engaged; there was a considerable retirement on the part of the British forces and under these conditions it is not easily for some time to ascertain what actually happened."

**Encourage the Troops.**

"The House will recollect the difficulty we experienced with regard to the capture of Cambrai. It was difficult to piece together the story of the event for some time, and Cambrai was a very trivial event compared with this gigantic battle."

"The generals and their staffs are, naturally, engaged to have to concentrate their attention upon the operations of the enemy and until the strain relaxes it would be very difficult to institute the necessary inquiries to find out exactly what happened and to furnish an adequate explanation of the battle."

"However, there are two or three facts which stand out, and in stating them, I should like to call attention to two things, which I think above all must be avoided. The first is that nothing should be said which could give information to the enemy; nothing should be said which would give encouragement to the enemy, and nothing should be said which would give discouragement to our own troops, who are fighting so gallantly at this very hour."

**No Recrimination.**

"And the second question is that all recrimination at this hour must be shut out."

"What was the position at the beginning of the battle? Nottingham was the heavy casualties in 1917, the army in France was considerably stronger on the first of January, 1918, than on the first of January, 1917. Up to the end of 1917—up to now, about



After all an umbrella is like a fair weather friend—cannot be depended on in the storms of life.

But these new raincoats at \$7 to \$20 are man's best friends. All right in sun or rain, for looks or for protection. Various colors and patterns. For \$7 to \$20 we have the regular waterproof coats—for storms only.

Shirts, collars, ties, too for men's wear.

**Gilmour's, 68 King St.**

### MINIATURE ALMANAC.

April—Phase of the Moon.

Last Quarter.....	4th 9h. 33m. a.m.
New Moon.....	11th 0h. 34m. a.m.
First Quarter.....	7th midnight
Full Moon.....	26th 4h. 5m. a.m.

Date	D. of W.	Sun Rises	Sun Sets	H. Water a.m.	H. Water p.m.	L. Water a.m.	L. Water p.m.
10 W	5.83	6.57	10.40	23.04	10.40	17.03	
11 Th	5.51	6.59	11.30	23.53	11.30	17.53	
13 Fri	5.49	7.00		23.19		18.43	

It was quite impossible to observe them. This was a special disadvantage to us; inasmuch as our scheme of organization in that particular part of the line depended largely upon the cross line fire of machine guns and artillery. They had therefore a very special advantage, of which they made the fullest use.

**Was Very Critical.**

"With regard to the battle itself, as I have already stated, it will take some time to ascertain the whole facts. On one time it was undoubtedly very critical. The enemy broke through between our third and fifth armies and there was a serious gap, and the situation was retrieved, owing to the magnificent conduct of our troops. They retired in perfectly good order, re-establishing the junction between the two armies and frustrating the enemy's purpose."

"The House can hardly realize, and certainly cannot sufficiently thank—for can the country—our troops for their superb valor and their magnificent conduct. They retired, but were never routed and once more the confidence of the British soldier that he would not be defeated, saved Europe."

"I am referring to the whole army, general officers and soldiers. I mean the whole army and I draw no distinction. Their conduct has been one of the incredible courage and great coolness under the most trying conditions. I do not think that any distinction can be drawn between officers and men. I am referring to the British army and that means all."

"And I specially refer to what one brigadier general did. Some reference has been made in the press already to it, where at one point there was a serious gap, which might have let the enemy into Calais."

**Kaiser's Statement.**

"It was reported to me on good authority that the Kaiser informed ex-King Constantine: 'I shall beat them for they have no united command,' which shows that this was what they were relying in the main upon, that although their numbers were slightly inferior they knew the importance that was to be attached to the fact that there was a perfectly united command."

"And that is an obvious advantage, for if the risks in one particular part of the line are great and the risks in another are not so great, but substantially less than in the former, with one command there is no hesitation in the mind of the commander in chief as to which risk he will make the greatest provision against."

"With two separate commands the problem is a difficult one; it is more difficult to adjust the balance of risk and the general is always naturally inclined to give himself and his army the benefit of any doubt. That may be because if anything goes wrong there he alone is to be held responsible for his own countrymen for the safety of his army."

**The Enemy Favored Him.**

"The enemy had another incidental, but as it turned out, very important, advantage—that of weather. Exceptional weather favored his designs. It was both dry and misty. The attack, which succeeded, was made on that part of the line where under ordinary spring conditions the ground would have been almost impassable."

Before a splendidly representative audience in the West Side City Hall last night, Mrs. E. Atherton Smith told the story of the Halifax disaster. The audience saw for themselves, as on a canvas, the tragic occurrence which was described vividly by the talented lecturer and illustrated with copy-right slides.

At the close of the lecture, Mrs. Smith made an urgent and pathetic appeal for the needs of the Maritime School for the Blind at Halifax, and convinced all present of the privilege of contributing to the fund to enable the blind to help themselves.

**TOTAL PROVISION**

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