

lected, has not considerably exceeded the annual expenditure." What, in the name of all that is incomprehensible, has the difference between the estimate and the expenditure got to do with the deficit? The deficit represents the difference—on the wrong side of the ledger—between the "yearly revenue, actually collected," and the yearly expenditure, actually expended. Any schoolboy could have told the Premier that; and yet he expects a community, consisting of intelligent adults, to accept this new, but not conspicuously ingenious, method of explaining away the deficit! If *his* way were to be accepted, even the Argentine Republic would be able to prove itself solvent. The Finance Minister of that bankrupt country would only have to make sure of having his estimates considerably lower than the revenue possibly could be, and he would be cocksure of being able to show a balance in his favor at the end of the year. Of course there might be—and certainly would be—a thumping deficit; but, according to Mr. Davie's theory, that would not matter in the very least. *He* would advise the taxpayers of Argentina not to let a little thing like that trouble them.

But, as a matter of fact, the \$216,000, referred to, is the estimated over-expenditure for ordinary purposes. Consequently, on the Premier's own showing, the Province is going behind at a rate that is anything but cheering to the people who have to shoulder the burden of indebtedness. Mr. Davie's ridiculous explanation, that the \$216,000 did not come from the regular revenue, but from a loan, is almost an insult to the intelligence of the public. Who will have to pay that loan, principal and interest? Why, of course, the same people who furnish the annual revenue. It surely makes mighty little difference to a man, when he has to pay out money in discharge of indebtedness incurred, whether he pays it out of his left pocket or his right. But Mr. Davie says it makes all the difference—and Mr. Davie is "an honorable man." All the same, he cannot pull the wool over the eyes of the people of British Columbia by any such chicanery as that, however cunningly he may disguise it in words. The very disheartening fact remains, that the necessary expenditure of the Province is not nearly met by its revenue, but with money to raise which the future of the country is put in pawn. It is all very well for the organs of the Government to denounce those who protest against this reckless waste of the people's money, as "traitors," who are injuring the financial standing and credit of the Province by exposing the Government's methods; but when the taxpayers are being robbed, and the Province pushed nearer and nearer, each year, to the ragged edge of the precipice of financial embarrassment, if not of bankruptcy, it is no time for the real friends of British Columbia to keep a close mouth for the sake of fooling the money-lenders and bond-buyers in London. It is rather their duty to "cry aloud and spare not," in the interest of themselves and their successors in the possession of this "goodly heritage" of ours.

We have not space to make more than one additional stricture on the interview which furnishes us with a text for this homily, although it bristles with pegs on which one might hang any number of categorical denials. If it be true, as Mr. Davie said, that "the Government, at the last general election, was largely sustained at the polls, how does he account for the fact, which has never been denied, and which is undeniable, that, in a district which contained three-fourths of the entire voting population of the Province, only one Government supporter was returned, and two members, opposed to the Government, were returned by the remaining one-fourth of the enfranchised population? Of course, in spite of the fact that the opponents of the Government, in the Legislature, represented an overwhelming

majority of the voters of the Province, they were, nevertheless, in a minority in the House, simply because of the existence on the Island of a number of pocket boroughs, like Cowichan, for instance, which, with only 387 registered voters, is represented by two members, one of whom is the Hon. Theodore Davie, Premier and Attorney-General of the Province of British Columbia!

It might be as well, before dropping the subject, for a time, to let the people of the Mainland—that is to say, the vast majority of them, who attached their signatures to the petition to the Governor-General, know what Premier Davie thinks of them. He characterized them, in delivering his sentiments and opinions to the *Empire* man, as a "few malcontents, resident in one section of the Mainland of the Province!" One wonders how they, the "malcontents" aforesaid, would designate Mr. Davie, if they were to speak their minds? Would they speak of him as that "little, overhearing, dictatorial, would-be autocrat, who represents a hip-pocket section of the Island of the Province?" If they did, they would not be far out in fitting him with an appropriate, if not very flattering, designation.

When the by-law proposing that the city of Vancouver should have the option of purchasing the plant and business of the Electric Light and Tramway Company at the end of five years, at the actual cost of the plant—franchises and good will thrown in—was submitted to the people, we were entirely in favor of the arrangement, and we are still, as strongly as ever, of the opinion that the citizens made a grave mistake when they did not vote for the passing of that by-law. The only stipulation then made, by the stockholders, was that the City should guarantee the interest on \$400,000 bonds of the Company, thus insuring the running of the system without a hitch—for the good of the City, be it noted—in spite of any financial depression which might occur to cripple its operations. The proposition was, in all respects, a fair one for the City, and, in fact, had the bargain been concluded, the City would have secured the system at the bare cost of the plant, road-bed and rolling stock, *without robbing the stockholders.*

But that proposition was rejected, and another one is now brought forward. The former was made by the stockholders, to whose spirit of public enterprise and desire to advance the material wealth and prosperity of the City, the existence of the system is entirely due. The latter proposition emanated from the City Council, and we are free to admit that its terms strike us as being very like those which an unscrupulous huckster would make with a customer whom he believed he had in a hole. It is proposed that the City, while guaranteeing the interest on the amount of bonds mentioned, shall receive, *as a gift*, a controlling interest in the system, thus practically becoming the owners of it, having the power to do as they please with it, and, should they so incline, absolute facilities for "freezing out" the original stockholders, that is to say, the men who built the road. In addition to those conditions, it is stipulated that, at the end of every five years, the city shall have the option of taking over the balance of the stock on a 7 per cent basis, which means that, if, at the time of the proposed transfer of said stock to the City, the system be paying 7 per cent. net, *or more*, the shares shall be taken over at their par value. Should the system be paying less than 7 per cent., then a proportionate reduction would be made on the price to be paid for the shares. Meantime, the city would not be required to contribute a single cent to the Sinking Fund, as, when the bonds mature, they can be replaced by a fresh issue.