

ing an audit which has just been completed will probably be paid into the treasury before the end of the month.

The various services of government call for an expenditure during the coming twelve months, ending March 31, 1920, of \$11,071,113.01 on current account, and \$2,242,190 on capital account, or \$13,313,303 in all. Against this we estimate that we will have a revenue of \$10,200,960.13, which is an increase on that estimated for the current year of \$309,905. The figures have all been carefully prepared, and while the usual variations in collections may be looked for I believe I am justified in thinking that at the end of the period we will find that we have received at least the total of our estimate. In the Department of Agriculture we expect a revenue of \$53,000, the increase of \$23,660 being accounted for by larger receipts from horticultural inspection fees and collections from those who purchased seed grain last year.

The estimated expenditure by services is as follows:

	1918-19	1919-20
Public debt	\$1,409,678.08	\$1,412,050.62
Legislation	101,500.00	100,000.00
Premier's office	12,750.00	13,430.00
Dept. of Agriculture.....	240,201.43	271,334.00
Dept. of Attorney-General.....	941,300.16	917,822.00
Dept. of Education.....	1,780,990.00	1,844,540.00
Dept. of Finance.....	754,035.18	727,277.50
Dept. of Fisheries.....	17,175.00	16,955.00
Dept. of Lands.....	713,608.00	866,001.00
Dept. of Mines.....	335,504.00	330,238.89
Dept. of Labor.....	29,000.00	103,880.00
Dept. of Prov. Secretary.....	1,923,921.83	2,331,880.00
Dept. of Public Works.....	1,996,840.00	2,092,874.00
Dept. of Railways.....	41,730.00	42,830.00
Chargeable to capital.....	1,764,590.00	2,242,190.00

The public debt at March 31st last stood at \$23,071,936. To this is to be added \$1,000,000 borrowed through Brent, Noxon & Company, as I have stated a year ago, and the \$3,000,000 loaned to us by the Dominion Government last year, now about to be repaid by the proceeds of our new loan. This brings the total debt of the province up to \$27,071,936. Against this we have sinking funds invested which aggregated \$4,804,558.52 at December 31st last. Our net public debt today is, therefore, \$22,267,377.48, or, on an estimated population of 450,000, \$49.48 per head.

Realizing the obligations which it is under to the returned soldier to supplement the efforts of the Federal Government, it will be my duty, on behalf of this Government, to introduce a loan bill in the course of a few days to provide the means of carrying out soldier settlements projects of my colleague, the Honourable the Minister of Lands, and the productive public works to be initiated by my colleague, the Honourable the Minister of Public Works, for the purpose of at once assisting settlement and furthering employment for returned men. In addition to further funds for the Land Settlement Board this will provide one million and a half dollars for public works, half a million for the carrying out of plans under the Soldiers' Land Act and half a million for the conservation of irrigation works. The province will, besides, borrow one million and a half from the Federal Government in connection with the housing scheme now before this House.

In connection with the position of the Government with regard to railway guarantees the Minister showed the improved position of the province by reason of the Dominion Government taking over the Canadian Northern Railway and the Provincial Government acquiring the Pacific Great Eastern Railway.

Former railway policies of this province have landed it in a serious financial situation, but there are some bright

spots in the present outlook from the point of view of this province. The Canadian Northern lines throughout the Dominion have been taken over by the Dominion Government, which thus assumes the financial obligations of the Mackenzie-Mann system. Nominally the province is still guarantor for principal and interest of the Canadian Northern Pacific Railway Company's bonds to a value of \$47,975,000, due thirty years hence, but, of course, as the Dominion Government will not default, we are relieved of anxiety regarding this obligation and something like one million and three-quarters annual interest on the principal. The Nakusp and Slocan Railway guarantee I referred to last year. The bonded indebtedness of this company, which has always been operated as a leased line of the Canadian Pacific Railway, amounts to \$647,072. While the Premier and myself were in Montreal last summer we took this matter up with Baron Shaughnessy. As a result of our discussion with the then president of the Canadian Pacific, that company has agreed to assume the Nakusp and Slocan Railway's obligations, and legislation will be submitted to the House at the present session to ratify the agreement which was arrived at.

As the House is aware, the Pacific Great Eastern Railway property and share capital was acquired by the province last year. This step would probably have had to be taken sooner or later, but was precipitated at that time by the failure of the company to keep open the portion of the line which was being operated, and by its evident inability to complete its undertaking. The province's liability for the company's bonds, amounting to \$20,160,000, goes on, and we have now to find the money to continue its construction northward, but on the other hand we are the possessors of a line of railway which will serve a valuable section of the province, the development of which is very important. There will need to be a good deal of financing in connection with this line, and we will have to float a loan to provide for further construction. We expect, however, that in this connection the progress of building the line will afford work for many returned soldiers.

The Minister dealt with the entire system of reassessment and the progress which the Government had made in this connection, also the general tax plan of the province, audits, school taxes and the operation of the Administration Act, and concluded with:

Let me appeal to British Columbians to have confidence in themselves. Let us believe in ourselves and in our future destiny, with a steady, sustained and unfaltering confidence. It was faith in their cause and in the unshakeable courage of their people that won for Britain and her allies the victory which today heartens us. There were moments of defeat and discouragement which might have lead to a far different result with a less brave race, but the confidence which every citizen of the Empire felt in the outcome never wavered.

Here in this province we have had our setbacks and we still have weighty problems to solve. I sincerely believe that our people will not quail before the difficulties which surround the work of reconstruction, on the industrial, financial and social sides. These are to be successfully settled not alone by governmental action but by the co-operation of individuals, employers and workers, municipalities, this Legislature and the Government of the day. I can assure you, Sir, and the country, that the members of the Executive Council do not shrink from the responsibilities before them nor do they weaken in their confidence in the people and the resources of the province. There is no difficulty in any of the questions calling for solution which cannot be overcome by courage; courage and confidence. Our soldiers had the perfect confidence of all at home that they would win our battles for us; and gallantly have they fulfilled our highest expectations; let us have equal confidence in them and in ourselves to win the battles of peace.