FACTS REGARDING THE FINANCIAL POSITION OF THE PROVINCE OF MANITOBA UNDER THE NORRIS ADMINISTRATION

The total amount of debentures and stock of the Province of Manitoba outstanding at the 1st June, 1920, is $42,966,870.34.

The total amount of debentures and stock of the Province of Manitoba outstanding on the 15th May 1915 when the Norris Government took office, was $27,323,273.00, that is to say, the Norris Government have increased the bonded indebtedness of the Province by the huge sum of $15,643,597.34, and this in four years and a half.

The amount of the bonded indebtedness on account of Consolidated Revenue as at 15th May, 1915, was $17,958,908.02, while on the 30th November, 1919, it was $30,800,908.02, that is to say, the Norris Government increased the bonded debt on account of Consolidated Revenue by the sum of $12,842,000.00.

The interest charges on the bonded indebtedness on account of Consolidated Revenue when the Norris Government came into office in May, 1915, were $646,164.27 annually. On the 30th November, 1919, the interest charges had risen to the sum of $1,306,953.27, or more than double the amount when the Norris Government first came into power.

Of the amount of interest paid annually on outstanding bonds issued by the late Government $8,000.00 is payable in the United States of America.

Of the amount of interest paid by the present Norris Government annually, $1,417,000.00 is payable in the United States of America.

Taking the rate of exchange in New York at twelve and seventeen thirty-seconds (12-17/32), as shown by a letter signed by McDougall and Cowans, dated 28th May, 1920, copy of which is attached herewith, the Norris Government are actually paying in interest annually $1,594,550.00.

These figures speak for themselves and show the absolutely reckless and extravagant manner in which the Honourable Edward Brown is spending the peoples' money.

FACTS ABOUT THE BOND CONVERSION

Any person who studies the papers or takes any interest in the public affairs of the Province has heard of what is commonly known as THE BOND CONVERSION, but it is questionable whether very many people have gone thoroughly into this matter or have studied out the actual bearing that it has on the finances of this Province.

The following facts, which cannot be questioned, should be brought before the electors, and when they realize what these facts are there will be no need of further evidence regarding the incompetent manner in which the Norris Government, as trustees for the Province, have handled matters of finance.

In the year 1916, the Honourable Edward Brown, backed up by the members of the Norris Cabinet, bought back bonds in England amounting to $3,100,403.30, thereby cancelling that amount in London, England, but at the same time assuming a new liability in New York amounting to $2,651,000.00.

In view of this transaction the Honourable Edward Brown announced to the Members of the Legislature at the session held in the year 1917, that he had saved to the Province the sum of $449,403.30, because, as he stated, he had reduced the bonded liability of the Province by that amount.

Let us see now what really has happened! The interest on these bonds when held in England amounted to $127,018.81 annually, whereas after being converted and sold in New York, taking the rate of exchange at twelve and seventeen thirty-seconds (12-17/32), the annual interest is now $142,160.73, that is to say, that the Province is losing annually in interest on this bond conversion $15,141.92. But that is by no means all. Had these bonds been left in England, and taking the sterling exchange at $4.25 to the English pound, the annual loss to the Province is not $15,141.92, as stated above, but is $30,545.33.

Now let it be clearly understood that these bonds, when held in England, had approximately thirty years to run before maturing, and assuming that present conditions will prevail (and we are quite justified in assuming this) this Province will lose in interest by this transaction the sum of $916,359.90; deduct from this amount the sum of $449,403.30, the saving claimed by Mr. Brown, and the Province has a net loss of $466,956.60, which the people will be called upon to pay.

Not only this, but when the principal, namely, $2,651,000.00, has to be repaid in six years, assuming that present conditions prevail, the people of this Province will be called upon to pay a further sum of $331,375.00, which in addition to the loss already shown, means a total loss to the people of this Province of $798,331.60. SUCH IS MR. BROWN'S HIGH FINANCE.

WHO IS THIS MR. BROWN? In addition to being Provincial Treasurer of the Province of Manitoba, we find that he is also a professional bond and stock dealer, the proof of which is shown by his advertisement in the daily paper, a copy of which is herewith shown.