

The Herald

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JAMES MCISAAC
EDITOR & PROPRIETOR

Our Provincial Finances

The Report of the Provincial Auditor on the Public Accounts of the Province, for the fiscal year ended 30th December 1916, has already been briefly referred to. The ordinary receipts for the year amounted to \$482,534.51, and the ordinary expenditures equalled \$451,476.99. These figures leave a balance of receipts over expenditures of \$31,057.52.

In addition to the ordinary receipts and expenditures as above stated, account has to be taken of the special receipts and expenditure for war and health as provided for at the special session of the Legislature in August last. The total raised the tax then levied amounted to \$24,259.74; but the total expenditure for war and health exceeded this \$24,259.74 by \$1,244.04. In other words the expenditure for war and health reached \$25,503.78, or \$1,244.04 in excess of the special revenue intended to meet it, and this balance of \$1,244.04 was paid out by ordinary revenue. If we now add the amounts involved on both sides of the account in this special war and health arrangement to ordinary receipts and expenditures respectively we shall have this showing. Total receipts for the year \$506,794.25 and total expenditure 476,980.77

Credit balance on years transaction \$29,813.48

From this credit balance however, we must subtract a sum paid into the sinking fund, for the redemption of debentures amounting to \$11,745.00. This amount added to the debit side of the account gives us, on the years financial transactions a surplus of \$18,068.48.

This is the Government's excellent showing on the ordinary business of the Province for the year 1916, so far as receipts and expenditure go. Besides the ordinary receipts and payments, every Government expends in the course of each fiscal year, amounts varying from year to year on permanent public works which become an asset of the State and are not properly chargeable to the ordinary expenditures of the then current year. These are called capital or permanent expenditures. On this account our Government during 1916, spent \$17,344.86. This amount is offset by public improvements that enhance the assets of the Province equally at least to the amount thus expended. But even were this capital expenditure added to the ordinary expenditure of the year, the Government would still have a small surplus of \$723.62 over and above all expenditures. Turning to page 9 of the Auditor's Report and comparing the total liabilities of the Province as there set down for the years 1915 and 1916 respectively, we find the difference in favor of 1916, is \$19,581.22. These figures correspond pretty closely with the calculations given above and bear out our contention that the Government's financial showing for the year 1916, war and everything considered, is an excellent one.

United States Congress met in special session on Monday. President Wilson addressed the joint Assembly showing that a state of war exists between the United States and Germany. A resolution was then introduced authorizing and directing the use of the whole land and naval forces of the country against Germany. Congress is now wrestling with this resolution, which may pass by the end of the week. In the meantime German submarines are sinking American ships and causing the death of American citizens.

The Budget Speech

On Thursday evening last, Premier Matheson delivered the budget speech in the Legislature. He said this was the sixth occasion on which he delivered a budget speech. He pointed out that the first session he made the financial statement, the Public Accounts referred to and belonged to the year 1911, and consequently to the preceding Liberal Government. When he made this second budget speech in the Legislature, he dealt with the financial operations of fifteen months, from Sept. 30th 1911 to Dec. 31st 1912, as the fiscal year had been changed to correspond with the calendar year. On the close of the last financial year of the Liberal Government 30th Sept. 1911, the debt of the Province was \$904,000. In addition to this, \$168,000 was added to the debt in the two months the Liberals remained in power up to Dec. 2, 1911. This left the debt assumed by us when we took over the Government \$1,072,000. The debt now is \$1,062,157, or a reduction of the Provincial debt in five years of \$10,000. During these years the Government accomplished a great many things, and wiped out a great many blots from the public life of our Province. This was done for the most part, during a time of strenuous warfare which demands large revenues. For war purposes this Government has expended some \$33,000. He next referred to the \$185,000 debenture debt created by the Government of Mr. Fred Peters, twenty-five years ago. These debentures became due just recently and had been liquidated on terms most favorable. The Government found in the sinking only some \$32,000 but they have effected a loan for the balance on terms the most favorable in any part of the British Dominions.

A special Bank loan \$52,148 was raised for five years at five per cent. For 100,000 of the debentures a most favorable arrangement has been made. Instead of having to borrow at a discount, we have been able to raise the money at par and at a rate better than even Canada can borrow. The \$7,620 involved in the floating of these debentures twenty-five years ago now amounts to \$20,499 of a charge against this Province. The loan of \$100,000 was floated by this Government in this connection at no expense except the expressage on the bonds from here to Ottawa and return. With a comparison of these two records, who could hesitate to support the present Government? It is said by the Opposition that the present Government has \$200,000 more revenue than the Liberals had. The Premier said that we have some more revenue than they had, but not \$200,000. But why did not the Liberal Government get more revenue from Ottawa? They were no good; they did not properly press our claims. At the conference at Ottawa in 1906, our Liberal delegates made no demand for special claims, and in consequence, made our work very difficult when we went to push our legitimate claims later. We succeeded, however, in securing \$100,000 a year for all time to come. The Borden Government had been held to strict and hard account by the other Provinces for giving us that \$100,000. Sir Robert Borden has always been a friend of this Province but without the assistance of Sir Thomas White, his Finance Minister, he would not have been able to accomplish this for us. Nothing but the deepest thankfulness should be felt by the people of this Province for Sir Robert and Sir Thomas White for their kindly efforts in our behalf. But our Liberal friends instead of being thankful, have exhausted the vocabulary of vituperation and falsehood against Sir Robert Borden and his government. The Opposition are fond of saying we have \$200,000 more revenue than

the Liberals. We have not had quite half that amount in excess of their revenue. For the year 1916 the present Government had \$97,736 more than the Liberal had in the last year they held power here. The present Government have paid for all their public works, and also paid for many of the Public Works established by the Liberals. The present Government expended many thousands in excess of the Liberals. The present Government expended many thousands, in excess of the Liberals, for Education and for Public Works, and all this in war times. The Opposition say there is no surplus on the Provincial transactions of last year; but when the Government ask to levy a small amount of taxation for war, this same Opposition say, "you do not require any special tax for you have a large surplus. This is the nonsensical and misleading fashion in which the Opposition seek to handicap the operations of the Government. During last year the Government reduced the liabilities of the Province to the extent of over \$20,000. Should nothing extraordinary occur he hoped the government would be able to make as good a showing this year as we did last year, when we reduced the Provincial liabilities by \$20,000. The Premier next reviewed the question of education and showed how many of our educationalists had enlisted to fight our battles. The Superintendent of Education, three Inspectors, two of the Professors of Prince of Wales College, 33 first, 29 second and three third class teachers have done or are doing war service, in all seventy-one. All this has had an injurious effect on our schools. Notwithstanding all these drawbacks our schools have improved in enrollment and attendance. Provision is made for grants of \$500 to each of the hospitals at Charlottetown and to the Summerside hospital \$400; also a grant of \$500 each to the two orphanages. After reviewing the operations of the Governments in general, the Premier said the Dalton Sanatorium was the best adapted and the best equipped of any Institution of its nature in Canada. He said it would be necessary to increase the hospital accommodation for treatment of tubercular patients and returned soldiers. He pointed out that the hospital for the insane was conducted in the most economical way; at the same time the patients receive the very best of everything. After explaining the improvements that had taken place in the hospital for the Insane and the stock farm, he spoke of the war and our obligations in that connection. He appealed to the members of the Opposition to join with the Government in providing measures for the relief of our soldiers. Up to the present the most strenuous opposition has been offered to the Government's movements for the benefit of our soldiers, while the records show they strenuously oppose all measures initiated for their relief. His hope that the reduction of debt this year would be \$20,000. In his peroration he advocated strenuous efforts on behalf of the soldiers in the war.

Provincial Legislature

It was within ten minutes to four o'clock in the afternoon before the House met on Tuesday 27th after the week end recess. Immediately after the usual routine the debate on the address was resumed by Hon. Mr. Arsenault. He went on to discuss the matter of the fisheries. He pointed out that the Government's attitude on this question had been misrepresented by the Opposition. Referring to the embargo on lobsters, he showed that this had been so far removed through the efforts of our Conservative friends, as to allow fifty per cent of the catch to enter the British market. That is about all that goes there anyway, the balance of our lobster catch goes to France and the United States. On the question

of transportation, he pointed out that it seemed to him a mistake to keep up any agitation regarding the keeping of the steamers on the Charlottetown—Pictou and Summerside—Point du Chene routes, when the Car Ferry goes to the capes route. If steamers may be required for commercial purposes at the places named, let them be promoted by commercial enterprise. He proceeded to show that the Government were in no way responsible for any failure in the oyster industry. A disease had crept in among the oysters, and everything possible had been done by the Government to discover the source of the trouble. Discussing the question of employment for returned soldiers, he said that when a bill on this matter would be presented, it would be found to fairly meet the case. Regarding the Department of Agriculture he controverted the contention of the Opposition that the expense was too great for the results obtained, and went on to show what had been done through the operations of this department. The great advantages gained by our farmers through the oyster mud industry at St. Peter's and the underdraining operations fostered and promoted by the Government were pointed out. In this connection he read a report from the agricultural gazette demonstrating the greatly increased production from the lands drained according to the plan of the Government. The egg circle he pointed out, had been of much advantage to our farmers and poultry owners. On the question of Education he showed that the curriculum now in use in our public schools, is the same as had been used under the late Liberal government. He demonstrated that school work cannot be eminently successful unless proper and frequent inspection is in vogue. In consequence of the increase of Inspectors inaugurated by the present Conservative Government our schools are now doing much improved work. He considered it poor policy for the Opposition to harp about the taxes imposed for war purposes. Their contention that this taxation would dry up voluntary giving to the Patriotic and other funds is altogether groundless. During last year, he said, more had been contributed towards the patriotic fund than in the two previous years. Reverting to the question of connection with the mainland, he pointed out that after forty years of agitation, the present Conservative Prime Minister of Canada, Sir Robert Borden promised before he came into power that, if clothed with power, he would make an honest effort to solve this question. He kept his word, and lost no time in grappling with the difficulty and as a result gave us the Car Ferry. Surely this is something deserving of appreciation and support.

The debate, on the opposition side, was continued by Mr. David McDonald of the Fort Augustus District. Mr. R. J. McLellan, continuing on the Government side pointed out that the hon. member from Fort Augustus, (Mr. McDonald) could scarcely hold the Government responsible for waste of time. The Leader and members of the opposition have been the greatest offenders in this respect. Referring to the different paragraphs of the Speech, he showed that we had reason to be thankful for living under the best form of Government extant. The war now raging was a matter of the greatest possible interest to every one of us. It was a duty incumbent on us all to do everything we possibly could for the support of our soldiers at the front and for the successful conclusion of the war. He pointed out what the Government had done for our farmers, who are now in a much more prosperous position than ever before. He controverted the statement that the farmer was paying the lion's share of the taxes. The Opposition to issuing debentures for the extra taxes for war and health purposes he considered decidedly foolish. The extra tax was willingly paid and it is now over, and finished for all time. But debentures been issued they would be a matter of payment for thirty or forty years. Surely it does not require very extraordinary prescience to see which is the preferable plan

He made a practical speech sticking to the text. Mr. James D. McInnis made a brief speech touching most of the matters under discussion since the beginning of the debate on the address. The address was then passed and the House adjourned. After recess the House resumed at 9.30. The report of the Development commission and some other reports were laid on the table by the Premier. Premier Matheson next moved the House into committee of the whole to consider a resolution on which to found a bill providing for the settlement of returned soldiers on unoccupied lands of the Province. The Premier explained the nature of the bill and the desire of the Government to issue debentures for the financing of the measure. The House went into committee with Mr. Paton in the chair. Mr. Bell and Mr. Johnston asked for more information. The Premier pointed out that in cases of this kind the usage is to enunciate in the Resolution simply the principle of the anticipated bill. The debate was continued by the Hon. Mr. McEwen and by several other members. The resolution was reported without amendment and the bill founded thereon was introduced and read a first time. House adjourned 11.20 p.m.

The House met 11.30 Wednesday forenoon. The reports of the Departments of Education and Public Works and of the Trustees of the Hospital for the Insane were tabled. Premier Matheson now moved the second reading of the bill for the settlement of unoccupied lands of the Province in connection with the employment of returned soldiers. The bill was read a second time and on the motion to go into committee thereon the Premier explained fully the nature and scope thereof. He pointed out that the question of looking after our returned soldiers was engaging the attention of statesmen in Great Britain in Canada and in all the overseas Dominions.

Mr. Bell, Leader of the Opposition, criticised the Government's bill. His principal complaint was that sufficient information on the question was not presented to the Legislature. Mr. George E. Hughes also criticised the bill and expressed opposition to it.

Hon. Mr. McKinnon spoke in support of the bill, and expressed his surprise at the opposition offered from the other side of the House. He pointed out that the contention of the opposition was directly contrary to what they themselves advocated when in power. The care of returned soldiers is a matter engaging the attention of the Legislatures in all parts of the Empire but any movement of this nature necessarily requires time; therefore it was of the utmost importance that this measure should proceed without delay. The matter is new and will require much time and attention to work out. Should we wait until the soldiers return, as the Opposition contend? We would be altogether too late, now is the opportunity to make our arrangements; so as to be prepared to take action when the proper time comes. After Hon. Mr. McKinnon concluded his address he was followed by Mr. Benjamin Gallant on the Opposition side. He was followed by Mr. Howatt on the same side.

Mr. John A. Dewar said he did not feel he could support the bill. He regretted to be obliged to oppose the Government. Mr. Lee followed in opposition to the bill. He was followed by Mr. Johnston who also opposed the bill.

Hon. Mr. Arsenault spoke in favor of the bill. He pointed out that it was a curious thing that whenever any measure is introduced by the Government in any way favoring the soldiers, the members of the Opposition set their face against it as strongly as they can. The members of the opposition are loud in their profession of willingness to assist the returned soldiers; but immediately the Government introduces a bill looking towards assisting the opposition at once plac

themselves on record against it. Mr. Speaker having put the motion that the House go into committee a division was taken when the motion was carried 15 to 12. Mr. McInnis and Mr. Saunders were absent and Mr. Dewar voted with the opposition. The House went into committee with Mr. Paton in the chair. The bill was reported without amendment and set for third reading. A message was read from his Honor the Lieut. Governor transmitting the estimates. The bill incorporating the Prince Edward Island Development commission was read a second time and committed to a committee of the whole House. Progress was reported. The Premier introduced a resolution to continue the special war and health tax to supplement the revenue of the crown. House went into committee. Mr. H. D. McLean in the chair. Progress was reported. A bill authorizing extension of time for redemption of debentures was introduced by the Premier and read a first time. The House then adjourned.

The House met at 11.30 Thursday forenoon. After the usual routine, Mr. R. J. McLellan presented a petition from the Board of Governors of St. Dunstan's College praying for the incorporation of that institution as St. Dunstan's University. The petition was received and read a bill founded thereon was received, read a first time and referred to the committee on private bills. Committee was then resumed on the bill to continue the levy of a special war and health tax for the present year. Mr. H. D. McLean in the chair. Mr. Bell continued, his opposition to the bill. He was supported in his opposition by Mr. Hughes, who seconded the amendment. Premier Matheson said the amendment thus presented in committee was decidedly out of order and could scarcely be expected to be entertained. Mr. Bell expressed his disposition to persist in his course of pressing his amendment. The Premier said he was most desirous that the amendment of the Leader of the opposition should be placed on record as it would show the disposition of the opposition to oppose every possible move of the Government to provide for our soldiers or for patriotic purposes of any kind. Mr. Johnston continued the debate in support of the Leader of the opposition. Mr. Johnston was called to order for using unparliamentary language. On this a little breeze arose in which the Premier the Leader of opposition and Mr. Johnston took part at 1 o'clock the House took recess.

It was within a few minutes of 4 o'clock in the afternoon when the House resumed. Committee on the health and war tax bill was at once resumed. Mr. Johnston continued his speech in opposition to the Government's bill. Hon. Mr. Arsenault, on behalf of the Government took up the discussion, and pointed out their untenable position in the course they were pursuing. He showed that the amendment of the Opposition was out of order; but not withholding this, the Government waived this point and permitted the Opposition amendment, so that they may get it on record. Mr. Saunders supported Mr. Bell's amendment. Hon. Mr. McKinnon continued the debate on the Government side. If imposing taxes is a habit as stated by Mr. Saunders, what should it be called as it was operated by the Liberals when they were in power? Mr. John A. Dewar was the next speaker. He said he intended to vote against the Government, on this matter as he had on the previous day, however much he regretted to be obliged to do so. Mr. Dennis continued on the Opposition. Mr. Paton continued the debate from the Government side. He showed that the city of Charlottetown paid in income tax three times as much for the war tax as had been paid by all the rest of the Province. Speaking about surpluses and deficits he cited the deficit record of the Liberals when they were in power here. That was a record of the most scandalous deficits. Mr. Howatt continued Opposition to the Government's measure. He was followed by Mr. A. E. McLean on the same side. Hon. Mr. Mc-

Even said the question to be kept in view, was that we were at war and wanted money, and how were we to get it except by taxation or by creating debt? Which is the most preferable way? The Opposition say our expenditure should be reduced; but what particular department or what particular branch of the public service can be curtailed? Mr. A. P. Prowse thought it came with very bad grace from the Opposition to talk of taking this money from ordinary revenue. During all the years they were in power they had a scandalous record of deficits. The Opposition's course regarding the question under discussion was simply ridiculous and preposterous. Mr. B. Gallant followed on the Opposition side. At 6 o'clock the committee reported progress and the House took recess.

It was about 8.40, when the House resumed after recess Thursday evening. A message from his Honor, the Lieutenant Governor, was read relative to the approval of the Federal Government of the Legislature passed at the last session of our Legislative Assembly. A couple of bills were then introduced by the Premier and read a first time. Premier Matheson then delivered his budget speech elsewhere reported.

Mr. Bell commenced speaking at 11.45, at 11.30 Mr. Bell moved the adjournment of the debate and the House adjourned.

It was near 12 o'clock noon when the House met on Friday. After considerable routine work committee was resumed on the resolution to levy a health and war tax. Mr. Benjamin Gallant spoke briefly in Opposition to the bill and Hon. Mr. Arsenault spoke in support of the measure, after a brief debate the resolution was reported. On the motion to adopt the report of the committee, Mr. Bell moved in amendment that the resolution be referred back to committee to be amended. At this stage the House took recess.

House resumed at 3.15, Hon. Mr. McKinnon took up the debate which he had just started before recess. He pointed out that the course pursued by the Opposition was not properly in order. He was followed by Mr. Johnston, Hon. Mr. Arsenault pointed out that Mr. Johnston either did not understand the procedure or he wished to mislead the House. He showed that the Opposition unanimously voted for the Government's resolution, when in committee, and now they ask that the report of the committee be not adopted; but that the committee stage be resumed. This was ridiculous and out of order. Mr. Speaker so ruled. Thereupon Mr. Johnston moved and Mr. Saunders seconded that Mr. Speaker's ruling be not agreed to. That was voted down by the House 15 to 12, Mr. Dewar voting with the Opposition. Mr. Johnston next moved the original amendment to the Government's motion. This was seconded by Mr. Saunders; but Mr. Speaker said this was certainly out of order. On the point order Mr. Bell proceeded to speak. Hon. Mr. Arsenault pointed out the amendment was out of order on two grounds. It was initiated in committee, and the mover was out of order, because he had already spoken to the motion before the House. The resolution was; in any case, out of order, because it did bear on the motion before the House. Mr. Speaker ruled the resolution of Mr. Johnston out of order. Mr. Johnston seconded by Mr. Saunders, moved that Mr. Speaker's ruling be not agreed to. The motion was defeated on the same decision as before, 15 to 12. After another similar decision the motion that the report of the committee be adopted was carried on the same decision.

The debate on the motion to go into committee of supply was resumed by Mr. Bell, who continued speaking until the 6 o'clock recess. House resumed at 8.40, when Mr. Bell continued his speech. In the course of his remarks Mr. Bell accused the Attorney-General of aiding with the violators of the law. Premier Matheson said these words were not only offensive but false. He moved that the words be taken down by the clerk.

This being done, Mr. Speaker requested Mr. Bell to withdraw the words. After some haggling, the Leader of the Opposition withdrew his words, and calm was once more restored. Mr. Bell concluded his speech at about 10 o'clock. Hon. Mr. Arsenault followed on the Government side. He considered Mr. Bell, so fond of speaking about intemperance, was a forcible example of intemperance. Intemperance in language, intemperance in his epithets. He did not think there was much sincerity or earnestness in Mr. Bell's declaration regarding our Provincial finances. He considered it required no small temerity on the part of Mr. Bell to make the statement he did regarding our financial condition. He successfully refuted Mr. Bell's false exposition of our Provincial affairs. At 10.30 Mr. Arsenault adjourned the debate. The House then adjourned.

On Saturday the House sat only a very brief space, and no business beyond the necessary routine was done. The House adjourned till Monday evening April 2nd.

Local And Other Items

Beginning this Wednesday evening the office of *Tenebrae* will be sung in the Cathedral by the Bishop and Clergy commencing at 7 o'clock, and continued tomorrow and Friday evenings. At 3 o'clock Good Friday afternoon the way of the Cross will be performed. The solemn morning office on Holy Thursday and Good Friday will commence in the Cathedral at 8 o'clock, and on Holy Saturday at 7.30.

The solemn services of Palm Sunday were appropriately carried out in St. Dunstan's Cathedral on Sunday last. The services commenced at 11 o'clock. His Lordship Bishop O'Leary officiated at the blessing of the Palms, assisted by Rev. Maurice McDonald and Rev. Father Rooney, with Rev. Father Poirier as deacon and Rev. Father McQuaid sub-deacon, and Rev. Dr. Hughes as master of ceremonies. After the blessing and distribution of the Palms and the procession, solemn high Mass was celebrated by Rev. Father Herrell, with the deacon and sub-deacon named above. His Lordship occupied his throne during the Mass, assisted as at the Blessing.

The last of the course of special Lenten sermons in St. Dunstan's Cathedral was preached on Sunday evening last by Rev. Leo Herrell. His theme was the eighth commandment: "Thou shalt not bear false witness against thy neighbor." The Rev. preacher quoted the words of St. James' Epistle wherein he speaks of the tongue, "a little member that boasteth great things." But, said the Rev. preacher, this little member is full of deadly poison, which it soves broadcast. Who can estimate the evil working of an unbridled tongue? The second commandment: "Thou shalt not take the name of the Lord thy God in vain," and the eighth: "Thou shalt not bear false witness against thy neighbor," are especially directed against sins of the tongue. This eighth commandment is intended to guard one's reputation against the sins that transgress it. These are false testimonies, rash judgments and lies; calumny, detraction, backbiting, and the detestable practice of *alew-bearing*. The Rev. preacher dwelt upon the terrible sin of perjury, wherein one comes with a lie in his mouth and asks God to be a party to it, by calling Him to witness that what he swears is true. This was a most heinous and reprehensible sin. The Rev. preacher developed each of the divisions of his subject and pointed out the malice and sin peculiar to each. Lying lips are an abomination to the Lord. The sins against this commandment aim at the destruction of our neighbor's reputation and cannot be forgiven until restitution is made for the injury done. Obedience to the eighth commandment, as in the case of all the other commandments, is necessary for the salvation of our souls.

Our store has gained the reputation for reliable Groceries. Our trade during 1916 has been very satisfactory. We shall put forth every effort during the present year to give our customers the best possible service. R. F. Maddigan.