

4. That when distillers or brewers reduce prices a corresponding reduction in the sales price be made.

5. That Canadian and other distillers be approached with a view to a readjustment of prices to absorb the increased Dominion taxes and failing this that brands of equal quality, but at a lower price be substituted.

*Stores and Warehouses—*

6. We find that the Board is paying excessive rents for some of its properties. We recommend that if reductions cannot be effected these leases be not renewed when they expire.

7. We see no justification for the warehouse in Victoria. It is a complete duplication of the staff and stock in the Vancouver warehouse and we therefore recommend that it be closed.

8. We do not approve of the location of the Vancouver warehouse. It is quite unsuited for handling imported liquors, with the result that handling costs are excessive. We have been informed that Pacific Coast Terminals, Limited (in which both the Province and the City of New Westminster are interested by virtue of guarantees given in respect of its bonds), has made an offer to the Board which will greatly reduce these handling costs. This Company's warehouse is situated in New Westminster alongside docks and railway trackage. These and other facilities enable this Company to quote rates for storage and the many other items which make up the total handling charges substantially lower than those now being paid. This Company also offers to furnish (at a rent much lower than that which the Board is now paying) office space in its premises at New Westminster for the whole of the Board's head office staff. We are of opinion that this Company's offer deserves the serious consideration of the Board as likely to lead to substantial economies, and we are much in favour of the Board's head office being moved to New Westminster, as it will tend, to some extent at least, to remove it from the harmful influence arising from too close a proximity to the Government Buildings. In the event of this arrangement being made the Vancouver warehouse could be closed and sold when the opportunity occurred.

*Stocks—*

9. There are too many brands of whiskies stocked.

10. There are too many brands of Bass' ale and Guinness' stout bottled by different firms. One brand of each would be sufficient.

*Staff and Pay—*

11. We find that both stores and warehouses are greatly overstaffed, and are of opinion that the whole staff could be reduced by 25 per cent. in number with advantage in efficiency.

12. We are of opinion that the scale of pay is excessive in view of the fact that no particular training is required. We recommend that all salaries and wages be reduced by 20 per cent.

*Beer—*

13. That all beer parlours be allowed to sell beer by the bottle for consumption off the premises.

14. That the offer of Pacific Brewers' Agents, Limited, as contained in their letter of June 15th last to the Chairman of the Board (dealing with house deliveries of beer on telephone orders) be accepted, thereby permitting the price of beer to be reduced to the public from \$2.10 to \$1.75 per dozen.

*Law Enforcement—*

15. That the law enforcement branch of the Board be discontinued. This is police-work and we see no reason why it should not be undertaken by the police.

149. We conclude our remarks on this Board by pointing out that there is a probability of our neighbours to the south changing their laws in regard to liquor, in which event the Board's profits will eventually be reduced. This source of revenue, which for the current fiscal year is 14.6 per cent. of the total estimated revenue, cannot therefore be regarded as a stable source of income.

CHAPTER VII.

SOCIAL SERVICES.

GENERAL.

150. The following is the estimated cost of Social Services for the year ending March 31st, 1933:—

		Percentage.
Administration .....	\$41,645.08	0.67
Education .....	3,216,362.21	51.73
Public health, including grants to hospitals.....	988,810.36	15.90
Mental hospitals and Provincial homes.....	654,963.27	10.53
Unemployment relief, employment offices, and charities .....	271,667.36	4.37
Expenditure under Pensions and Infants Acts.....	911,033.25	14.65
Workmen's Compensation Board assessments.....	100,000.00	1.62
Miscellaneous social services .....	33,096.20	.53
	\$6,217,577.73	100.00

151. The enormous increase in the productive capacity of industry resulting largely from the war continued in succeeding years and gave rise to a natural desire on the part of all to share more fully than previously in the increased wealth, resulting in a wave of enthusiasm to benefit the less fortunate members of society. The nourishment of children, the sufferings of the sick, and the infirmities of the poor and aged, combined with the faith of the public in modern education, have inspired innumerable schemes of social service. With all these aspirations we have the greatest sympathy so long as they do not endanger other no less important services. To survive, both for individuals and nations, is essential and in British Columbia, as elsewhere, the capacity of the producer to carry the ever increasing burdens which have been imposed on him has received little consideration. Unfortunately, the ideals of the social reformer with their strong appeal to the general public have in their necessary transit through the political machine into actual practice, become distorted and abused, resulting in an expenditure which cannot possibly continue.

152. We are not suggesting that these ideals should be abandoned, but we are most emphatically suggesting that the time has come to call a halt for the purpose of surveying the results already accomplished, with the object of ascertaining whether the same ideals cannot be achieved by some less costly and more equitable method.

153. The comment of one member of the May Committee in England applies with equal force to British Columbia:—

"Successive governments have, without true appreciation of the economic position of the country and the financial problems arising from the war and from world conditions embarked upon expenditures on social reforms; granted concessions to various classes of state employees; undertaken obligations to local authorities; and followed a course of increased national expenditure failing to take into account the cumulative effect of their action."

EDUCATION.

154. The total cost of public education in the Province has risen from \$1,917,263 in 1910 to \$10,061,387 in 1931. These figures are taken from the annual report on public schools and include the cost of education to both the Provincial Government and the municipal authorities. The increased cost of public education shown by the above figures can only partially be explained by increased population.

155. When free education was first introduced in British Columbia it was confined to pupils from 6 years of age to the completion of their fifteenth year. Since then it has been extended until pupils are to-day receiving an advanced education with little, if any, cost to their parents. It is true that the "Public Schools Act" empowers School Boards to charge for this instruction after the end of the fifteenth year, but so far few, if any, have enforced payment.