

Budget Speech in The Legislature

Hon. R. G. Tatlow Reviews the Past Year in the Province—Appropriations for Public Works Have Been Increased in Estimates Brought Down.

(From Friday's Daily).

Yesterday afternoon in the legislature the budget speech of the minister of finance, Hon. R. G. Tatlow, was delivered, and the estimates brought down. The speech is important as showing the satisfactory conditions in B. C., as compared with the industrial uneasiness elsewhere.

In rising to deliver his speech the minister of finance was greeted with loud applause. He said: "Mr. Speaker, this is the fifth occasion on which I have had the honor to move that 'you do leave the chair,' and while on each former occasion I have been able to leave before this House an improved condition of affairs, but I feel that the statement I am about to make to-day will more than ever meet with its approval.

While such a condition of our financial affairs is at all times a matter for satisfaction, it must be even more so at a time like the present when the country is just about to emerge from a period of commercial depression which it has not experienced as acutely here as elsewhere, still from its effect on the great monetary centres has rendered it more than ordinarily difficult to obtain the necessary capital, not only to start new enterprises, but in many cases to carry on and extend existing undertakings.

Before coming to the more interesting portion of my work, I will ask you to take up the public accounts for the last financial year, from which you will see that the net income for the year was \$4,594,082, while the net expenditure was \$3,194,969, leaving a net surplus of \$1,399,113. This is chiefly accounted for by the fact that the actual revenue exceeded the estimates by over \$1,600,000, derived from land sales (principally in the neighborhood of the city of Vancouver) and timber licenses and royalties owing to an even greater degree in the lumber industry than would have been anticipated when the estimates were framed in March, 1906. The excess in these two items alone amounting to over \$1,265,000, and the increase in registry fees and printing of receipts, which are largely effected thereby, will account for a large portion of the remainder. On the other hand the estimated expenditure only exceeded the actual by \$220,000, including the expenditure on public works of \$178,323.

To turn again to the public accounts in the balance sheet of the province, we find the balance of the public assets has decreased considerably in the last year. Taking the past five years, we find that this item reads as follows:

1903	.....	\$2,009,412
1904	.....	2,597,887
1905	.....	2,814,534
1906	.....	3,092,900
1907	.....	4,338,632
1908	.....	5,252,332

showing a reduction in the last year of nearly \$1,600,000, mostly in the public debt. The loan of 1877 matured on the 1st July last; the amount payable was \$462,490, which was provided for by the sinking fund invested in our Government stock of \$165,674. The redemption was based on our obtaining a price of 55 for this sinking fund, but the conditions last summer were such that we were unable to obtain the price of 55, but only 51, which would have entailed a heavy loss. Consequently we determined to purchase the sinking fund on the government account, and the stock inscribed in the name of the government of British Columbia, with authority to Glen Mills Currie Co., to apply it from time to time towards the redemption of our Government stock.

The next vote is public works, which I am glad to say we are able to devote a larger sum than formerly. Last year we spent \$564,135 on public works for the present year we have an appropriation of \$1,058,540, and next year propose to spend \$1,255,000, of which we find the greater portion is for roads, trails and bridges, \$775,555.

The vote for education is supplementary estimates for the present year, amounting to over \$1,200,000; the sum appears large at first, but it includes the repayment of the outstanding debt of \$1,000,000 loan, some \$22,000 for additional help in all departments of the government, occasioned by the increase of work in connection with the timber sales, etc. There is also an increase for legislation including the seasonal indemnity.

The remaining accounts are to supplement the estimates of the preceding year, and will be found in keeping with the increases asked for in the main estimates.

The principal item, next to repayment of the loan, is for public works for the present year, \$1,058,540. Roads, streets, bridges, \$775,555. Surveys, \$220,000. Contingencies, \$62,985.

latter at \$900,000. The estimated taxes are based on the collections which may be expected after the 30th June, the great proportion being usually paid before that date. Consequently a very small proportion will be paid in during the period of nine months under discussion.

The new items appear in this estimate, \$10,000 under head of game licenses, and \$7,000 from fisheries.

To obtain the former, it is proposed to increase the big game license from \$10 to \$15, and devote the amount to game protection.

The latter amount of \$7,000 is obtained from fees under the Fisheries Act, and will go to reduce the cost of fisheries, which is about \$17,000 per annum. There is also a revival of the item "Chinese Restriction Act," owing to a number of Chinese having paid the duty tax. This I place at \$50,000.

At comparison of the receipts for the last five years shows that they have doubled in that period:

1903	\$2,009,412
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and the estimate for the nine months would be over that for 1907 were it not that they are stated before there are certain collections such as taxes, free miners' certificates, etc., of which only a small portion will be paid between July 1st and March 31st.

Turning to the estimate of expenditure for the coming year, we find a total of \$3,026,311, which is a little less than the estimate of revenue, because we have anticipated a payment of \$200,000, which I understand it is proposed to set aside for the superannuation fund.

The first item is public debt, \$252,509, as against an expenditure of \$172,313 for the year ending 30th June last, and an estimate of \$273,369 for 1908. The reason of the great difference being that the parliament building loan, the 1877 loan, and the 1877 loan have been paid off, and also that excepting on the sinking fund there will be only one payment on account of interest and sinking fund between July 1st and March 31st.

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These figures include such items as \$300,000 for bacon, ham and lard; \$115,000 for poultry; \$200,000 for beef and mutton; \$335,000 for oats; \$75,000 for apples; \$248,000 for canned fruits; \$148,000 for hay, and many other things which might easily be produced within the province, thereby giving employment and furnishing comfortable livelihood to a large number of individuals and families.

though handicapped by a dry summer, a shortage of fodder and high wages for milkers and other help, the dairy industry shows a fairly satisfactory increase in production. The output of butter for the year from 18 creameries amounted to 1,631,904 pounds, valued at \$549,421, compared with 1,619,000 pounds valued at \$430,000 in 1906. The increase, \$220,000, seems considerable, but the higher price received for butter in the present year cured netted the patrons of the creameries over \$100,000 more than they received in 1906. It is estimated that the farmers' wives and daughters contributed about 400,000 pounds, and adding to the output of the creameries, we have a total production of over 2,051,304 pounds, against 4,317,000 imported from other provinces and foreign countries, and also that excepting on the sinking fund there will be only one payment on account of interest and sinking fund between July 1st and March 31st.

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Apples, pears, plums, cherries and other fruits are grown to perfection as far north as Hazelton. Bella Coola is recognized as a fruit district, and there can be no doubt whatever that the Bulkley, Omineca and Nechako valleys will produce fruit equal in every respect to that grown in Southern British Columbia. It is estimated that there are from three to four million acres suitable for fruit-growing in those northern valleys, so it does not require much exercise of the imagination to look forward to a day when British Columbia will be one of the greatest fruit producers of the world, and that the orchards will be titled that of "The Orchard of the Empire."

The fight against insect pests and plant diseases was actively waged during the year. One of the most important reported over 55,000 pieces found to be infested were destroyed by the inspectors. The inspection of the orchards has been the most successful of the year, the destruction of a large number of diseased and worthless trees.

The farmers' exchanges and fruit growers' associations are doing excellent work in the direction of securing the best results from the growing and marketing of fruit. Through their efforts and with the assistance of the government, great improvements have been made in the methods of packing, but eternal vigilance is the price of success, and will done by careless growers, who ignore the rules to their own ultimate loss, and to the injury of the reputation of British Columbia fruit.

The policy of the government in sending exhibits of fruit to Great Britain has been criticized in some quarters, the principal contention being that the expense of the exhibits was money wasted and that no substantial benefit could accrue from them, on account of the distance and high transportation charges. We were convinced, however, that the exhibits were necessary to establish a profitable market for British Columbia fruit in Great Britain, and that they have not only won the highest honors at the provincial exhibitions, but have also secured the recognition of prominent fruit-growers in London and other large cities to such an extent that some of our fruit-growers are now devoting all their efforts to filling Old Country orders.

By giving special attention to the business men and manufacturers of Canada generally, and those of British Columbia in particular, I am not having allowed themselves to be influenced by the spirit of panic which has wrought so much damage in the United States; a period of industrial stagnation, in which hundreds of thousands of wage-earners were thrown out of employment, following the reduction in prices of metals and consequent cut-down of wages, have happily been adjusted on a satisfactory basis, and the mining industry shows unmistakable signs of permanent prosperity.

The calm, sensible businesslike way in which the mine owners and mine workers discussed the situation, and the spirit of conciliation shown by the latter in their negotiations, was an example to the industrial world, and a credit to all concerned.

The fisheries returns for the season of 1907 will show smaller results than those of many former years. 1906 and 1907 were "lean" years in the salmon fishing industry. In 1906 year the total salmon catch amounted to 45,096,227, compared with \$8,200,715 in 1905, while 1907 shows a still greater falling-off, the total catch being 57,459 cases, valued at \$2,974,480, but there must be added to this the value of the frozen, smoked, salted and pickled salmon, the figures of which are not yet available.

This is one of the smallest packs on record, the only one approaching it being that of 1904, when the total was 65,894 cases.

It is possible, indeed expert declare it is a fact, that the salmon of this coast is being destroyed by indiscriminate methods used in catching the fish, and that unless preventive regulations are adopted and strictly enforced in this province and in the State of Washington, this great industry may, in a very few years, be but a commercial memory. On the other hand, optimists in the business world at expert opinion and consistently declare that the annual runs will continue to occur as in the past, in sequence of "lean" years broken by periodical "fat" years, when the fish are so plentiful as to defy all efforts to preserve more than a small percentage. As an ounce of prevention is better than a pound of cure, however, it behooves us to do everything in our power to prevent the destruction of the salmon fisheries, and every possible effort will be made by this government to preserve them as a permanent and profitable industry.

Now, Mr. Speaker, with these facts of good work by the army before us, I think it is not asking too much of our gentlemen on the opposite side of the House, to withhold their criticism of the government in this connection until such time as they can produce something to show that the army has failed in its agreement, or that the government was ill advised in becoming a party to it. Labor conditions have changed completely throughout this continent during the past four months, but will anyone be bold enough to predict that these conditions are permanent? Is it not a fact rather that the country is passing through a short period of depression, and that with the opening of spring all classes of labor will be more in demand than ever.

Looking the situation over, and considering the very extensive works proposed in railway building, lumbering, mining and other industries during the coming working season, and coupling this with the universally expressed desire of the business men and manufacturers of Canada generally, and those of British Columbia in particular, I am not having allowed themselves to be influenced by the spirit of panic which has wrought so much damage in the United States; a period of industrial stagnation, in which hundreds of thousands of wage-earners were thrown out of employment, following the reduction in prices of metals and consequent cut-down of wages, have happily been adjusted on a satisfactory basis, and the mining industry shows unmistakable signs of permanent prosperity.

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fish Columbia Timber and Forestry Chamber, the Canadian Forestry Association, and all other societies framed in the interests of the lumber industry, should combine in a campaign of education which would teach every man in the business to look upon proper methods of logging as the essential principle of success in his calling.

While on this subject I might say that the percentage of forest fires during the past year has shown a gratifying decrease, and the increased attention given to their prevention is bearing good fruit. The lumbermen recognize the importance of fire protection and are earnestly assisting in the work.

According to returns made to the chief timber inspector the lumber cut for 1907 was as follows:

Cut on Provincial lands west of Feet	.....	488,000,000
Cut on Provincial lands east of Feet	.....	260,000,000
Cut on Dominion lands Railway Belt	.....	45,000,000
Cut on E. & N. lands Vancouver Island	.....	53,000,000
Total cut	.....	846,000,000

Stocks of lumber on hand, west Coast Range, \$140,000,000. Stocks of lumber on hand, east Coast Range, \$120,000,000. Total, \$260,000,000. The revised totals of the average of 1917, valued at the average of \$15 per cord, represents \$12,600,000. Log scaling returns to Coast Range, average 3,186,000 per month, 382,320,000. Logs scaled east of Coast Range, 178,000,000.

This would indicate that at the beginning of 1907 there was about 280,000,000 feet of logs in the woods or in the water. The revised totals of the average of 1917, valued at the average of \$15 per cord, represents \$12,600,000. Log scaling returns to Coast Range, average 3,186,000 per month, 382,320,000. Logs scaled east of Coast Range, 178,000,000.

At the opening of the new year's business the lumbermen find themselves with a stock on hand of about 260,000,000 feet which, I am informed, is being rapidly diminished to fill eastern and overseas orders, and with a prospect of having more orders than they can conveniently supply when the building season begins on the prairies. The fact that the "short" crop of 1907 netted the farmers of Alberta, Saskatchewan and Manitoba, \$20,000,000, and that the average crop of 1908, makes it certain that there will be no check to the progress of those provinces and consequently—and if all other markets were cut off—falling off in the demand for our lumber.

With regard to the shutting down of some of the big production mines, I need only remind you of the coke shortage which followed the reduction in the prices of copper and other metals which followed the collapse of the attempt to corner the market, an event which led to a general slump in all the principal trading stocks and consequent bankruptcy of many large monetary concerns in the United States. No better proof is needed of the stability of our mining industry than the fact that these drawbacks the mineral output shows an increase over that of 1906 of over three quarters of a million dollars. The estimates of production are as follows:

Fluor Gold (Lode)	.....	1,852,329
Silver	.....	7,678,463
Copper	.....	1,238,854
Blig. materials, etc.	.....	1,200,000
Total Metalliferous mines	.....	11,770,646
Coke	.....	8,468,100
Total	.....	20,238,746

remedy of which calls for immediate action. While we cannot control the salmon canners of Puget Sound or force them into co-operation with our own canners in a scheme for preserving the salmon, the Dominion government can surely take measures to prevent the halibut banks from being unlawfully depleted by foreign poachers.

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AN IMPERIAL SOCIETY

PREMIER AGRICULTURAL SOCIETY

The Question of Herring Caught in the Strait of Juan de Fuca Brought to the Attention of the Legislature

The principal item of legislation brought down by the Hon. R. G. Tatlow, is the length elsewhere. In addition to this advanced a stage.

Mr. Grant presented Thomas Cairns and legislation protecting pre-emptors in the land belt.

Questions Arise
Mr. Kerwin asked the Hon. R. G. Tatlow, whether the Bell Co. Company continue to lease?

2. If so, upon what terms?
3. What is the price per acre upon the company's lease?
4. Is the company's lease limited in any way?
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