

FURTHER DEBT

(Continued from Page 1)

men's loans, workmen's compensation, rural electrification \$108,672.05; for a grand total of \$1,796,761.24.

"In other words," Mr. Darby said, "a debt increase of \$1,294,138.36 but offset by assets of \$1,796,761.24—resulting in an added net worth of \$502,622.88. In addition, the Government contributed \$99,209.78 towards the construction of new hospital facilities. Is there a member of this Assembly who would say that these were wasteful expenditures or an extravagant management of public funds?"

He maintained that notwithstanding the heavy demands placed upon the Government for essential and even non-essential services the present debt of \$1,157,000.00 does not constitute an excessive burden upon the people. "A substantial portion of that debt has been the means of creating permanent, and better still, revenue producing assets for the benefit of this and coming generations."

The marked increases in certain expenditures in relation to those of former years were shown in the following figures: 1929, \$1,142,000.00; 1934, \$1,666,000.00; 1936, \$2,196,000.00; 1944, \$2,968,000.00; 1948, \$4,875,000.00; 1949, \$4,979,000.00; and for the fiscal year March 31st, 1950, \$6,199,882.24.

Tremendous Increase

"This tremendous increase in provincial expenditures is due, as I pointed out last year, largely to the increasing demands for health and welfare services, for extended highway and paving programs, for increased expenditures in education, as well as the rising cost of materials and supplies," Mr. Darby said. In 1929 the total expenditure for health and welfare, including Falconwood, was \$1,471,000.00; in 1948, \$1,400,000.00; in 1949, \$1,733,000.00; and for the fiscal year ended March 31, 1950, \$2,347,217.70.

The tremendous expansion here noted is reflected in all fields of Government endeavour, particularly old age and blind pensions from \$282,000.00 in 1939, to \$851,145.96 in 1949 and \$1,226,474.78 for the year ended March 31, 1950.

Child and family welfare including mothers' allowances from \$6,500.00 in 1939 to \$167,615.82 in 1949-50.

Public Works and Highway Expenditures: In 1929 were \$281,000.00; in 1945 were \$956,000.00; in 1947 were \$695,000.00; while for the fiscal year ended March 31, 1950, they were \$996,102.93.

In the Department of Education similar increases are reflected in the Departmental expenditures mainly in relation to teachers' salaries. In 1929 these amounted to \$292,000.00; in 1944 to \$486,000.00; in 1949 to \$743,280.90; and in 1950 to \$963,029.08.

Federal Contributions

"During the fiscal year ended March 31, 1950, we received out of a total of \$4,463,444.87, \$3,797,900.18 from the Federal Government. In other words, the people of this Province contributed through provincial taxation the balance of \$2,725,544.69.

From what sources did this money come? Six main fields produced \$2,459,717.96 of the provincial total: gasoline, \$1,056,600.38; amusement tax \$668,896.75; liquor and tobacco \$319,785.62; motor vehicle licenses \$272,911.73; and sale of liquor \$676,606.18.

"All of these can properly be regarded as derived from the sale of luxury commodities or special profit earning activities and not directly levied on those engaged in farming, fishing or other industrial features of our Province's economic life.

"Considering the extent the public services have expanded, I hesitate to think that the result would be should a depression period drastically reduce these revenues, as it inevitably would, before retrenchment became possible during a leaner cycle. This would indeed present a problem which would strain our endeavours to the utmost in view of the persistent demands for what is rapidly becoming accustomed standards of public benefits.

"Should that happen it will might be that the only answer would involve the imposition of new or increased taxation.

Tax Agreement

"It is true that of the \$3,727,890.13 received from Ottawa during that year, the subsidy payments of \$647,181.58 and the contributory payments for old age pensions and other grants in the amount of \$1,104,496.49 or a total of \$1,748,678.07 are unaffected by the tax agreement, but the balance of \$1,979,211.81 is derived directly from that source. This represents the payments received for the tax rental of corporation taxes, income taxes and succession duties turned over to the Dominion under the 1947 tax agreement.

"That we have been able to maintain the standard of public services during the current fiscal year ending March 31st, 1951, and has been due to a most careful handling of the public finances; the continued high level of current revenues, and the increased receipts under the tax rental agreement based on gross national product.

Interim Statement

Tabling the interim statement of revenue and expenditure for the fiscal year April 1st, 1950 to March 31st, 1951, consisting of ten months actual and two months forecast, Mr. Darby explained:

"The receipts show a substantial increase over the previous year. This applies not only to those received from Federal but also those derived from Provincial sources. If it is true, as economists agree, that the industry of agriculture falls to be a good source of taxation revenue,

then the general condition of our agricultural economy must be increasingly prosperous. Even a casual survey of our rural communities reveals a marked improvement in farm buildings and premises; a rapid expansion of machinery and equipment; and a widespread interest in increased herds of quality cattle, sheep and hogs. The rapid development of rural electrification reflects this improved situation.

"Prices for all farm produce, with the exception of potatoes, have been uniformly high. With added emphasis given to mixed farming, and increased production of quality goods there seems to be no reason why we in Prince Edward Island should view the immediate future with alarm. From the standpoint of actual figures farm income here in 1950 was \$23,524,000 while that of 1949 was \$21,247,000 showing a definite upward trend.

"We cannot, of course, ignore the probable influence of national and international events on local conditions. In Canada productivity and national income are at the highest level in the history of the Dominion. Economically we have shared in the Gross National Product; while at the same time Federal payments to the Province under the Tax Rental Agreement has greatly augmented our Provincial Government Revenues.

"In 1949 the Gross National Product was \$18 billion, 383 millions and in 1950 — \$17 billion, 639 millions. Current trends indicate that this is still mounting and will continue to soar under the impetus of a national economy.

"The international situation is still tense, and with the possibility that the undeclared war in the East may develop into a world wide conflict, we are increasingly concerned with the probable effect of such a situation on our economic position and on Government finance. Despite the intransigence of the rulers of Communist Russia it is hoped that some peaceful solution may be found for the apparent international impasse.

"As I have indicated, Provincial receipts have been buoyant and the tabulated statements show that for the current fiscal year Ordinary Revenues will reach a new high level of \$6,933,460.

"I may say that, despite the expanding receipts we keep as closely as possible to the plan of expenditures outlined in the budget of a year ago. Ordinary expenditures will total \$6,793,226; and the net result: a surplus on ordinary account of \$140,234.00. This surplus was derived after making a sinking fund provision of \$480,995, so that apart from this payment we would have had a surplus on ordinary account of \$621,229.

Cities Estimates

"It is obvious that this Government has adhered to its estimates. The estimated expenditure for the year was \$6,496,288.00; the actual \$6,793,226.00 — a difference of \$296,938.00.

"Old Age Pensions, Mothers' allowances, extra-mural T. B. assistance, maintenance of neglected children, cost an extra \$64,000 and the cost of living bonus for which \$80,000 was voted, involved \$29,000 more. Teachers' salaries and supplements increased \$35,000; gasoline rebates \$35,000; maintenance of highways \$153,000. On these few items the difference amounted to \$316,000, so that on all foreseeable items for which provision had been made we spent less by an amount of \$19,000.

In other words we maintained a strict system of budgetary control in all departments, and it was only by exercising that control we were able, despite the additional expenditures above noted, to produce the substantial surplus of \$140,234.

"During this year capital and extraordinary expenditures were \$2,459,061 and capital receipts \$333,449 together with \$48,000 interest on sinking fund investments. He cited other figures as follows: Total expenditure ordinary and capital \$6,330,287; total revenues \$7,319,906; or gross deficit of \$2,010,378. Deducting from this sinking fund provision of \$480,995 plus interest added \$48,000, or a total of \$528,995, left a net increase in liabilities of \$1,481,383. The net debt as of March 31, 1950 was \$14,157,171.82; the forecast net debt at March 31, 1951, \$15,638,554.82.

"While the overall indebtedness of the Province increased by \$1,481,383, this was offset by additional capital assets of highways construction, bridges, wharves, and new machinery totalling \$1,696,250.

"The Government also acquired, built or enlarged fixed assets at a cost of \$391,048. These assets included cold storage plant, new wiring \$70,000; new garage \$30,000; health centre \$95,000; Beach Grove and Falconwood Hospital \$52,000; Vocational School \$17,880; Government House renovations \$25,000; and other sundry assets \$11,168, or a total on fixed and revenue producing assets of \$2,067,298.

"In addition loans and advances were made of \$40,200, plus assistance to rural schools \$81,500; hospital construction grants \$18,000; land clearing machinery \$37,500, totalling \$377,000; or for a grand total of \$2,443,498, as against the debt increase of \$1,481,383.

Current Year

In the fiscal year ending March 31, 1951 ordinary revenues again reached a new high of \$6,933,460, an increase of \$480,015, over the previous year. Of this total, there was received from Ottawa in subsidies \$847,183; contributions from old age pensions and other assistance grants \$1,177,894; under tax rental agreement, in lieu of taxes \$1,443,068; plus additional based on gross national product \$776,819, or a total Federal contribution of \$4,444,964.

"The balance was derived from Provincial sources as follows: From local taxes, income tax arrears, gasoline, amusement, succession duties and public health tax \$1,063,705; from permits, licenses and fees \$493,949; from the Temperance Act \$875,000; and from penalties and sundry items \$111,740, or

IN MEMORIAM

JOSEPH AENEAS MacPHEE

The death occurred at the Charlottetown Hospital on Thursday, March 1st, of Joseph Aeneas MacPhee in his 60th year.

Suffering an illness of only two months and being aware of his condition and inevitable death, Mr. Darby also gave a summary of his life to the will of God, having absolute faith in his ultimate mercy and justice.

During his illness he was frequently visited by his former overseas Army Chaplain Rev. Monsignor Maurice MacDonald and Rev. Frank MacDonald, who administered the last rites of the Roman Catholic Church.

He was a veteran of the First World War, serving in France, Belgium and Germany. Following the war he joined the service of the Canadian National Railways. He later obtained a leave of absence from the railway and became a member of the Prince Edward Island Provincial Police and later a member of the Royal Canadian Mounted Police. Some years ago he resumed his railway duties.

He leaves to mourn his wife, the former Rose MacDonald of Georgetown. Two daughters, Eleanor, Mrs. Howard S. MacLean of Georgetown and Katherine, Mrs. Ward E. Dryden, Airdrie, Alberta, and three sons, Frank of Cobalt, Ontario, and Albert and Allan both at home. Also the following sisters Margaret, Mrs. J. L. Williams, and Gertrude, Mrs. Charles Rhind, both of Vancouver, B. C., and Isabelle, New York City, N. Y., also one brother Pius of Vancouver, B. C.

Mrs. Dryden and Frank arrived in Georgetown sometime ago to be present during their father's illness.

The funeral took place from his late residence on Monday, March 5th to the Roman Catholic Church at 9:30 a.m. where Requiem High Mass was celebrated by Rev. Owen Higgins, parish priest, who also officiated at the grave.

In spite of the inclement weather the procession was the longest seen in Georgetown for quite a long time which testifies to the popularity of the late Mr. MacPhee. The funeral was in charge of the Hennessey Funeral Home of Charlottetown, their funeral motor hearse conveyed the remains. The members of the Georgetown branch of the Canadian Legion paraded in a body and following the religious service at the grave, the usual Legion service was held with Comrade vice-president Harry Yostson reading the ritual. Bugler Smith of Charlottetown sounded the Last Post and Reveille.

The order of the procession was as follows: Parish Priest; Veterans; Hearse; Pall Bearers; Mourners; General Public. The Department of Veterans Affairs at Charlottetown was represented by District Administrator Col. B. H. Conrad, and Mr. Lawson Jenkins.

The pall bearers were George MacCormack, J. C. Goteil, Phillip Boudreaux, Joseph Johnson, Gordon Ross and Charles Fraser. The many Mass Cards, flowers and cards testified to his popularity among his friends. He will be fondly remembered by all.

Health and Welfare

In health and welfare services in 1953 the expenditure was \$247,000, growing to \$1,400,000 in 1949, to \$2,947,218 for the fiscal year ended March 31, 1950, and for the current fiscal year attaining a grand total of \$2,471,984. The estimates for next year will be approximately \$2,378,000 or \$83,000 more than the whole provincial expenditures for the year 1941, just ten years ago.

Old Age and Blind Pensions increased during the year from \$1,226,474 to \$1,341,000, almost \$115,000 higher; child and family welfare from \$1,617,617 to \$1,938,850.

The care and treatment of tuberculosis patients cost the Province \$232,500, mental treatment and care \$279,020, while the expenditures for the aged and infirm reached a new high of \$90,000.

The per diem grants to general hospitals this year will amount to nearly \$100,000. These grants are annual and have no reference to hospital construction grants which this year totalled \$188,000 and a similar amount appears in the estimates for the coming fiscal year. The Department has also inaugurated divisions of public health nursing, laboratories, sanitary engineering, cancer control, V.D. control, dental hygiene, at an estimated cost of over \$160,000 per year. Last year, for the first time in the history of the Province, mothers' allowances were instituted, and the assistance involved payments in excess of \$30,000.

Today the \$2,378,543 proposed in this department represents 37 per cent of estimated revenues.

1951-52 Fiscal Year

The tabulated estimates of receipts and the proposed expenditures for the fiscal year April 1, 1951 to March 31, 1952 show the estimated current revenues at \$6,969,318, and proposed expenditures on current account \$6,960,902, or an estimated surplus of \$8,416,000.

Capital expenditures will involve an outlay of \$2,417,996 and capital receipts \$400,500. Total expenditures are estimated at \$9,378,898, total receipts at \$7,459,818, or a gross deficit of \$1,965,080. Included in the expenditures is a sinking fund provision of \$523,125 so that the net forecast result of next year's operations will be an increase in liabilities of \$1,341,955.

It is anticipated therefore that the net liabilities of the Province as at March 31, 1952 will be Forecast Net Debt as of March 31, 1951, \$15,638,555 add increased liabilities to March 31, 1952, \$1,341,955 as above for a total of \$16,980,510.

In the main the debt increases are due to highway expenditures, the extended agricultural and industrial program, and public buildings for, and the increased cost of health and welfare services. The high rating which the Province enjoys in the financial markets is evidenced by the fact that last October, the Province sold \$1,250,000, 3 per cent, fifteen year debentures at a cost of 3.08 per cent as compared with a cost of 3.11 per cent for a similar issue a year ago last December.

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ORDER SEEDS EARLY! There are two distinct advantages — one ours — the other YOURS! 1st—We have much more time now for filling orders than when the spring rush is on. 2nd—Some varieties will be scarce later in the season, while NOW we can supply EVERY ITEM we catalogue. SO WHY NOT ORDER NOW? If not already a Customer, send for free Garden Catalogue today! ARTHUR VESEY, York, Prince Edward Island

Strange But True By F. H. MacArthur A thousand years after the city of Pompeii was destroyed by a volcanic eruption, workmen unearthed the skeleton of a Roman sentinel, his body hand still holding his sword. The stream of molten death stirred him not from his post. Samuel Slater of Providence, R. I., and one of the wealthiest men of the state, lived a very simple life. When his friends twisted him about this he replied: "I could have everything that wealth offers, but it is my duty to set an example of prudence, especially to my children. The world is too much inclined to extravagance." Good advice that. It was the ignorant, profane, degraded tinker, John Bunyan, who wrote that great book The Pilgrim's Progress. There is morality and there is religion. The first sometimes exists without the latter, but the latter cannot exist without the former. The first Bible came to America in the Mayflower and it proved a more enduring cornerstone of civil government than the famous Plymouth Rock. You'll find no account of a free state or government previous to the Jewish republic. Indeed the Bible is the real source of our science of government and civil liberty. The best painters got their inspiration from the Holy Book, namely, The Deluge by Trumbull, Moses on the Nile, by Rembrandt, Moses Striking the Rock, by Pousin; Belshazzar's Feast by Martin; Moses Receiving the Law, Paul's Shipwreck, Christ Rejected, and Death on the Pale Horse, by West; The Last Supper by Da Vinci; Christ in the Garden by Gudio; the Resurrection, by Rubens; The Transfiguration and The Madonna, by Raphael. . . Milton drew his material for Paradise Lost from Moses, Shakespeare, Byron, Burns and other writers got some of their lofty ideas from the Bible. At one time in Scotland you could buy a "pocket edition" of the Book of Proverbs. This was a sort of business guide for young men. The greatness of a country does not depend upon its size, but is measured by the character of its people. McDonogh, a one-time millionaire of New Orleans, directed that the following words be placed on his gravestone: "Remember always that labor is one of the conditions of our existence. Time is gold; throw not one minute away, but place each one to account". . . Gothe became a poet in consequence of reading "The Vicar of Wakefield". Rev. John Sharp said: "Shakespeare and the Bible have made me Archbishop of York." Fish never, before viewed by mortal eyes have recently been caught by the Danish Ocean exploring ship, "Galathea". These strange creatures were 28,000 feet under the ocean. Joseph Paxton, a gardener by trade, planned the Crystal Palace at Sydenham, England in 1851 and won a valuable prize over dozens of entries that came from engineers and architects. By following a well ordered system, Martin Luther wrote 700 volumes during his lifetime. The late Dr. Nathaniel Emerson carried his orderly habits so far that he hung his hat on the same peg for half a century and sat in the same chair to write his sermons. He used an open fire-place in his study and always kept the shovel on the north side of the fire-place. If a visitor or member of his family misplaced them, he could not work until they were back in their accustomed places. . . And Gideon Lee was so systematic that he kept his accounts posted and correspondence answered, up to the evening preceding his last illness.

ATTENTION RED CROSS WORKERS Super Meeting Trinity Church Hall THIS EVENING - 6 P.M. All Workers are requested to attend . . . important announcements and cards distributed.



WILLIAM O. WEALE

Song Evangelist, extraordinary, will assist M. D. Dunbar, minister of the local Central Christian Church and will be in charge of the musical menu being offered the first two weeks in April.

Mr. Weale was born in Wales and is a most accomplished instrumentalist and singer; has a most pleasing personality and a most consecrated life. As a coal miner, formerly, Mr. Weale was providentially spared during several mine catastrophes and has been thus given opportunity to sing and proclaim the manifold grace of God who mine serves.

The public is urged to hear this splendid Song Evangelist, April 1st-April 15th, every night except Saturday at 8:00 p.m.

Keep Regular CHAMBERLAIN'S TABLETS A PLEASANT PHYSIC Effective. Pleasant to take. Safe for children and adults. 40 tablets to box. Sold at all drug counters.

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CENTRAL ROYALTY PHONE 1786-J SPECIALS ALL THIS WEEK

- Red Rose TEA 89c Mother's Own TEA 85c Liebuoy SOAP, Bath Size, 3 for 33c 1 VEL and 1 PALM-OLIVE 46c SHORTENING—Fluffo 37c Domestic 35c Crispy Flake 34c LARD—Maple Leaf (Fresh Stock) 25c 3 TOILET PAPER 29c ROBIN HOOD FLOUR—98 lbs. \$5.95 Quaker MUFFETS—2 for 27c 1 Aunt Jimma White Cake MIX; 1 Aunt Jimma Chocolate Cake MIX, Both for 59c Quaker OATS, 49c 5 lb. pkg. 20c 3 SALT HERRING 53c CHICKENS, per lb. 53c

CREAM OF THE WEST FLOUR

98 lbs. only \$5.85 (Lowest Price in Charlottetown area)



24 lbs. \$1.59 24 lbs. in Tea Towel \$1.89 TEA-BISK, per pkg. 54c Get in your Guss on the Cream of the West 8-Day Cloek Contest, NOW

Closing Date Has Been Extended ONE WEEK. CONTEST NOW CLOSES MARCH 31st

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