

LIBERAL

Hand Book

Provincial Election
1937

PUBLISHED BY
NOVA SCOTIA LIBERAL ASSOCIATION

NS
329.9716
N

The Story of Finance

*An inspiring Record of
a great achievement.*

By courageous and intelligent administration of Provincial affairs the Macdonald Government, without adding to the burdens of the ordinary taxpayer, in three short years has converted a formidable provincial deficit of \$1,600,000 into a surplus of more than \$151,000.

Concurrently it has increased social service expenditures in many directions, notably such a sweeping and expensive reform as Old Age Pensions; has provided the province with a magnificent and urgently needed public building; and has progressed far with an extensive program of hard surface roads destined to make this sea-girt peninsula the tourist Mecca of the North.

By these vigorous and hopeful developments, Nova Scotia has been transformed from a province that was merely getting by into one of the foremost up and coming sections of the North American continent.

The inspiring story of this great achievement brought about by a Liberal Government, led by a brilliant young returned soldier, Angus L. Macdonald, is told in the following pages.

Issued by

NOVA SCOTIA LIBERAL ASSOCIATION

No. 1.

3308

SURPLUS AFTER DEFICITS

Let us compare the last year of the Harrington regime with the most recent year of the Macdonald ministry:

	Revenue	Expenditure	
1936 Macdonald	\$10,289,368.65	\$10,137,650.31	\$151,718.34 Surplus
1933 Harrington	7,226,911.27	8,845,795.13	1,618,883.86 Deficit
	<u>\$ 3,062,457.38</u>	<u>\$1,291,855.18</u>	

It takes money to abolish deficits and extend public services. From what source did this money come and how was it spent?

Let us look in detail at the comparable expenditures and revenues of the Harrington and Macdonald periods:

	EXPENDITURE		Increase	Decrease
	Harrington 1932-33	Macdonald 1935-36		
Attorney General	\$ 223,568.97	\$ 154,692.93		\$ 68,876.04
Education	1,190,286.41	1,313,202.93	\$122,916.52	
Highways, General	1,899,570.79	2,073,324.48	173,753.69	
Highways, Interest	1,018,308.30	1,348,625.40	330,317.10	
Agriculture	314,054.41	246,772.72		67,281.69
Public Health	1,439,217.42	2,128,755.96	689,538.54	
Provincial Secretary	32,505.91	90,080.18	57,574.27	
Provincial Treasurer (Interest less amount received and excluding Power Commission)	1,443,789.66	1,517,044.76	73,255.10	
Provincial Treasurer General	333,130.32	365,713.31	32,582.99	
Public Service	274,302.44	163,665.75		110,636.69
Public Works and Mines	252,611.13	329,956.97	77,345.84	
Labor	20,507.19	27,643.26	7,136.07	
Sinking Funds	403,942.18	378,171.66		25,770.52
Total	\$8,845,795.13	\$10,137,650.31	\$1,291,855.18	

The increase of expenditure in 1936, as compared with 1933, arises chiefly in the following departments:

Public Health, approximately	\$690,000
Education, approximately	123,000
Highways, approximately	500,000

REVENUE

	Harrington 1932-33	Macdonald 1935-36	Increase	Decrease
Attorney General	\$ 167,628.37	\$ 225,499.53	57,871.16	
Education	131,328.49	131,010.47		318.02
Highways	2,423,759.17	3,424,483.71	\$1,000,724.54	
Agriculture	5,943.30	850.05		5,093.25
Public Health	584,143.28	593,975.29	9,832.01	
Provincial Secretary ...	1,271,906.43	1,789,578.63	517,672.20	
Provincial Treasurer				
General	1,906,620.61	2,420,260.49	513,639.88	
N.S. Liquor Commission	287,142.43	971,736.97	684,594.54	
Public Service	14,330.00	38,910.38	24,580.38	
Public Works and Mines	429,848.54	689,271.09	259,422.55	
Labor	4,260.65	3,792.04		468.61
Total	\$7,226,911.27	\$10,289,368.65	\$3,062,457.38	

The increases in expenditure in some Departments were partly offset by decreases in Lands and Forests Agriculture and other Departments leaving a net total increase in expenditure of about \$1,300,000.

The heavy increase in Public Health spendings was caused by one of the greatest forward steps ever taken in the history of this or any other province, the payment of Old Age Pensions which account for \$645,929.67 of the \$690,000 total increase in the expenditure of the Department of Public Health.

Increased Mothers' Allowance payments and similar health or social service items account for the rest.

Free School Books make up the largest increased item in the Education budget, with the balance devoted to miscellaneous school improvements.

Bridges, secondary roads and interest on money borrowed for paving purposes caused the \$500,000 rise in Highways expenditures. (378 miles were paved up to the end of 1936. This year 324 miles will be paved and 142 miles are now under contract to be paved next year. This year also many additional miles of highway will be made ready for paving next year.)

The Macdonald Government from the first has taken the view that our secondary roads have been neglected, and one of the main objects of paving the trunk roads was to release maintenance funds for the secondary roads. Over \$400,000 additional will be spent this year on secondary roads.

Increased interest charges on money borrowed on capital account to pay deficits, relief and other charges have been partly offset by refunding certain issues at lower interest rates, holding the net increase to about \$73,000.

The Macdonald Government believes that wise expenditure is true economy and therefore felt that increased expenditures on Old Age Pensions, Mothers' Allowances, Free School Books, Secondary Highways, and interest charges on paving were absolutely necessary for the development of the province and the proper care and comfort of its people.

It has exercised every precaution to ensure economical operation of these services and to secure the best possible value for the outlay of all public monies.

It does not hesitate to take full responsibility for what it has accomplished, and it challenges its opponents to point to a single service which has resulted in increased expenditure that they would undertake to abolish if given the opportunity.

HOW THE MONEY WAS PROVIDED

How was the money for these necessary services secured?

How much of a burden was placed upon the taxpayer in the process?

Increased revenue came principally from:

Gasoline Tax	\$788,010.88
Passenger Vehicle Licenses	25,226.81
Commercial Vehicle Licenses	151,285.13
Nova Scotia Liquor Commission	684,594.54
Federal Subsidy	425,000.00
Royalties on Coal	262,703.94
Corporation Taxes	202,682.38
Death Succession Duties	303,931.35

The Opposition has parroted the well worn phrase that "Revenue comes from the pockets of the people and from no other source", but the fact is that this particular \$3,000,000 not only caused no general increase in the rate of taxation but in several instances was accompanied by actual reductions in the rate of taxation.

In the main it is almost entirely due to better volume of business induced by Liberal policies and to better management of the Provincial business by a Liberal Government.

Corporation tax revenue rose partly through increases in rate and partly through business improvement, due to better times.

Death Succession Duties also increased and there was further revenue because of appreciation in prices of securities held by estates.

The Macdonald Government not only makes no apology for these two increases, but is prepared to prove that if increase was necessary to provide revenue, it was in these two departments that it could be most easily borne, without undue hardship.

By securing a gasoline price cut of 3.5 cents (which jumped sales from 16 to 22 millions of gallons), and imposing an additional tax of two cents a gallon, the government secured to the motorist a stable reduction of 1.5 cents a gallon on his gasoline and for itself an additional painless revenue of near \$800,000.

The same principle was successfully applied to the Motor Vehicle Branch, where passenger car registration fees were dropped 20 per cent, so that the number of registrations grew rapidly and increased the total tax revenue from this source by more than \$25,000, notwithstanding the 20 per cent cut in license fees.

SAVING TO THE PASSENGER CAR OWNER ON ACCOUNT 20% REDUCTION

1934	\$160,400.00
1935	170,425.00
1936	180,175.00
Total Saving	\$511,000.00

Although a Harrington government commission had recommended a 100 per cent increase on commercial truck registration fees, the Macdonald Government declined to take any such action, but did impose a somewhat higher scale on heavy road destroying trucks. At that, all Nova Scotia truck registration fees are still below those of New Brunswick and other comparable provinces.

Here again, increased revenue came mainly from improving business calling for greater number of trucks.

LESS LIQUOR, LARGER PROFITS

Several factors enter into the \$685,000 rise in profits of the Liquor Commission.

Sales actually fell off 300,000 gallons in bulk and \$1,200,000 in revenue as compared to the first year of operation, namely 1930-31.

Hard liquor sales showed a paper increase because lowering of prices to conform with conditions under which the Bennett Government reduced excise taxes in 1935, coupled with a vigorous law enforcement drive, had a tendency to divert most of the patrons of the bootleggers to the government stores.

Increased profits came from shrewd buying, which has cut cost of stock purchases by \$250,000 and from a \$60,000 saving in costs of operation.

The situation as a whole represents a notable decline in the consumption of liquor throughout the province.

FEDERAL SUBSIDY UP \$425,000.

Following an effective presentation of provincial claims at Ottawa by Premier Angus L. Macdonald, the Federal subsidy was increased by \$425,000, an item which represents no additional burden upon the Nova Scotia taxpayer as such.

CHAINS AND BIG PARTNERSHIPS

Corporation tax revenues were increased about \$200,000 by increases of existing taxes on Banks, Trust Companies and some Public Utility Companies, while chain stores and certain large businesses operating under partnerships, which had heretofore escaped corporation taxation, were made to contribute their just share.

General business improvement and increased corporate revenues was also an element here.

The Macdonald's Government's attitude on Corporation taxes and Death Succession Duties is that the important thing to do was to balance the budget.

As increases in taxation had to be made to balance the budget, these were the sources best able to bear the impost.

GENERAL SUMMARY

The general situation is that about \$3,000,000 of additional revenue has been raised without imposing undue additional burdens upon the ordinary taxpayer, who in several instances has benefited because former imposts were lowered by the Macdonald Government.

The two important increases were made where they could most easily be met.

CAPITAL ACCOUNT

Provincial debt statistics show:

1936 Macdonald Funded Debt	\$86,974,113.34
1933 Harrington Funded Debt	\$67,939,879.99
	<hr/>
	\$19,034,233.35

In three years the Macdonald Government increased the funded debt by approximately \$19,000,000.

Was this increase justified? What was it used for? Could we have done without it?

The principal items are:

Highways Paving	\$9,000,000	
Relief Expense	4,000,000	
Deficits	3,800,000	(Including Harrington
Buildings and Equipment	1,400,000	1933 deficit)

OUR HIGHWAYS A SOURCE OF REVENUE

The Harrington Government spent \$18,000,000 on highways capital account and when they got through had nothing to show for it but gravel roads, impossible maintenance costs and a dust cloud that was choking our tourist prospects.

With much smaller outlay (\$9,000,000 to the end of 1936) the Macdonald ministry is providing a system of paved roads the excellence and desirability of which cannot successfully be challenged.

Already the Highways Department show a small surplus against a former annual loss of \$500,000, and when further large paving expenditures are made in 1937 and 1938 Nova Scotia will have in its highways department a large revenue producer instead of an annual drag upon the general revenues of the province. In 1936 for the first time in its history the Highways Department showed a surplus of revenue over expenditure.

UNAVOIDABLE RELIEF CHARGES

Every Canadian Province (except Ontario, and there, only recently has the change been made) follows the only possible course, having regard to its revenues, in capitalizing its relief expenditures. The Harrington Government began the practise in Nova Scotia and it has been continued by the Macdonald Government to the amount of \$4,000,000.

This is a humane, necessary outlay that has the endorsement of every right minded Nova Scotian.

FUNDING THE DEFICITS

Adding accumulated deficits to the provincial debt was unavoidable in the first years of the Macdonald Government, even though each successive budget showed large slashes in the annual losses.

In 1936, for the first time in 12 years, the practise was halted by a balanced budget and it is hoped that such conditions as obtained before that time will never return.

NEW PROVINCIAL BUILDING

By constructing the new provincial office building when interest rates were unusually low, and the cost of building comparatively low, the Macdonald Government attained several highly desirable and long overdue reforms:

It saved huge amounts in annual rentals in widely scattered private buildings (as much as \$12,000 in one single instance); it assembled its departments and people under one roof for the more efficient transaction of provincial business and the convenience of the general public; it eliminated extremely high insurance rates, and ended a dangerous fire menace not only to its staff personnel, but to important public records which were scattered about the city often without adequate fire protection.

Other items included in the \$1,400,000 outlay on buildings and equipment went for additions and improvements at the historic Province House, Victoria General Hospital, Kentville Sanatorium, Nova Scotia Technical College and the Nova Scotia Hospital at Dartmouth.

Good business judgment marked all of these very necessary works.

MISCELLANEOUS EXPENDITURES

There was no dissenting voice in the Legislature when other miscellaneous items of capital expenditure, such as Nova Scotia Power Commission, Land Settlement Board and Fishermen's Loans were under discussion there.

The Government believes that these things have already added much to the business life of the Province, and that they will continue to be sources of aid and comfort to many of its finest citizens.

REAL VERSUS SHAM SINKING FUNDS

The Opposition has at times criticized the Macdonald Government because the amount provided for sinking funds on bonded debt is not larger.

For years prior to 1933 it was the custom to borrow money for sinking funds, whereas it is considered essential in sound business practise that sinking funds shall be provided from revenue.

The Macdonald Government, on the other hand, has provided adequate sinking funds from revenue.

In other words the critics are trying to compare sham sinking funds with real sinking funds.

On taking over control in 1933, the Macdonald ministry asked P. S. Ross & Sons, provincial auditors appointed by the Harrington Government, for a recommendation, re sinking funds, which was given as follows:

Page 18. Report on Financial Position as at Sept. 30th, 1933, by P. S. Ross and Sons.

"In our opinion, a better procedure under the existing conditions would be as follows:

"To continue the payment of annual Sinking Fund instalments on Loans with Sinking Fund requirements. To waive Sinking Fund provisions on new Loans until such time as a balanced Budget can be brought down. The waiving of Sinking Fund provisions on new Loans should be looked upon as an emergency measure and every effort should be made to balance Revenue and Expenditure, including reasonable provision for the retirement of Funded Debt, at the earliest possible date. The action of the Government in this respect would be governed largely by market conditions and underwriters' requirements."

This is exactly what the Macdonald Government did.

In 1933 the Sinking funds set up were.....	\$403,942.18
In 1936 the Sinking funds set up were.....	378,171.66
	<hr/>
	\$ 25,770.52

The reason that the amount set up in 1936 was \$25,000 less than in 1933, was that in the meantime certain loans with specific sinking fund requirements matured, making provision for further instalments towards a sinking fund unnecessary.

Following the advice of the auditors no further loans were issued with sinking fund provisions until the budget could be balanced.

Speaking in the Legislature last session, the Premier, Honourable Angus L. Macdonald, said:

"While on the advice of the auditors Messrs. P. S. P. S. Ross and Sons, loans made while the budget was not balanced were not provided with a sinking fund, the condition must change from now on, and we must be prepared to provide proper sinking funds for all our loans."

The policy of the Macdonald Government as respects sinking funds has been strictly in accordance with the recommendations of the auditors, and appeals to ordinary business sense as the proper procedure.

HELPING THE MUNICIPALITIES

One of Nova Scotia's boasts during the years of depression has been that not one of her municipalities has defaulted its bond or other obligations, whereas in some provinces the percentage of bankrupt municipalities is 40 per cent or higher.

One of the outstanding features of the fiscal success of the Macdonald Government has been that it was not achieved at the expense of the Municipalities.

Some provinces take all the motor license and gasoline revenue and leave the municipalities saddled with the maintenance of all roads except main trunk highways, costs which have driven not a few of them to the wall.

The municipalities in some provinces also have to pay anywhere from two fifths to one half of the cost of Old Age Pensions and Mothers' Allowances, on the theory that these reduce the ordinary poor list expenditures.

In Nova Scotia the province assumes the whole burden of highways work, including all secondary roads.

Our Municipalities pay a moderate highways tax to the province, but this has remained stationary while highways costs have soared.

Our Municipalities are not called upon for a red cent toward Old Age Pensions or Mothers' Allowances.

On the contrary they reap something of a harvest, because in cases where old folks prefer to remain in Municipal Institutions, the government pays \$13 monthly toward their maintenance.

TAXATION CHANGES

A Summary of decreases and increases in the rate of taxation under the Macdonald Administration follows:

DECREASES

Motor Vehicles: Passenger vehicle registrations reduced 20%, amounting to \$511,000 in three years.

Theatre Ticket Tax: The Government abolished the tax on low priced theatre tickets in 1936.

Poll tax on young men, ages 18-21

Heretofore, the municipalities were required to collect a poll tax on men, ages 18-21, to pay to the Government. This tax has been abolished.

Provincial Sanatorium Rates

In 1936, the rates charged at the Provincial Sanatorium were reduced by \$1.00 per week.

Gasoline Tax.

Tax increased from 6c to 8c per gallon but action taken to reduce price of gasoline so that the public have a net benefit of 1½c per gallon.

INCREASES

Corporation Taxes: New taxes were imposed on chain stores and certain partnerships that were carrying on large businesses and taxes on Banks, Trust Companies and certain public utilities were increased.

Succession Duties: Rate of taxation on large estates in the form of succession duties was increased.

On Breweries: New tax of 5 per cent.

The wise fiscal policy pursued by the Macdonald Government has wiped out deficits; enabled it to provide Old Age pensions since 1934, to begin an elaborate program of paving the main highways, to increase Mothers' Allowances, provide free School Books and set aside large sums for the improvement of secondary roads—ALL WITHOUT ADDING TO THE BURDENS OF THE ORDINARY TAX-PAYER.

The Story of the Highways

The truly amazing story of Nova Scotia's great highways development under the Macdonald Government falls naturally under four main headings:

1. **Paving**—The hard surfacing of no less than 378 miles of main trunk roads has already been completed; a further 324 miles will be paved this year; and several hundred additional miles are to be prepared and made ready for paving next year.
2. **Secondary Roads**—The long neglected but vitally important secondary roads will this year receive the benefit of expenditures totalling \$1,050,000, an all time high for Nova Scotia, and double the amount expended upon them under the Harrington regime.
3. **Gasoline Regulation**—The Macdonald Government by wise legislation has reduced the price of gasoline to the consumer by 1.5 cents a gallon,—a saving to the motorist of \$330,000 a year; at the same time increasing its own revenues by \$800,000—a public service without parallel in the annals of gasoline legislation in Canada or anywhere else.
4. **Financial Self Sufficiency**—The astute fiscal policy by which the Government, through complete re-arrangement of gas tax, motor vehicle license fees, and miscellaneous sources of revenue converted the Highways Department from an unit which formerly dipped into the general revenues of the province for \$500,000 a year, into a self supporting Department now showing a small surplus and destined soon to grow into one of the major revenue producing assets of the province.

Issued by
NOVA SCOTIA LIBERAL ASSOCIATION

THE PLEDGE

In his manifesto addressed to the People of Nova Scotia in August, 1933, Angus L. Macdonald, Leader of the Liberal Party said:

Para. 14. Highways

"The Liberal Party believes that the Highways of this Province have not been properly maintained, having regard to the amount of money spent for highway purposes, and that in consequence much of the capital expenditure on our highways has been lost. It re-affirms the highway policy of 1919 to the effect that proper attention be given to the secondary roads of the Province.

Realizing that gravelled roads require large expenditures for their upkeep, and for the elimination of the dust nuisance—the Liberal Party believes that at no distant date the Provincial Government must embark on a gradual program of hard surfacing the main highways of the Province. In the meantime, active steps must be taken by the Department of Highways to eliminate the dust nuisance on gravel roads. We believe that hard surfaced roads would attract to the Province many more tourists than visit it at present, and we feel that the tourist trade should be encouraged and developed in every possible way. With this object in mind we will create an active and aggressive tourist bureau.

Believing that the present Motor Vehicle fees are too high, the Liberal Party pledges itself to a reduction in the fees payable for Motor Vehicle Licenses."

THE FULFILLMENT

In 1919 the Liberal Murray government inaugurated what was at that time a very up to date highways program, under which, by 1925, about 1,000 miles of trunk lines and 2,000 miles of secondary roads had been thoroughly re-built.

When the Rhodes-Harrington ministry left office in 1933, it had not improved materially upon the Murray program, but meanwhile had spent on capital account alone no less than \$18,000,000.

For this huge sum, all they had to show was an out-moded type of gravel highway, with maintenance costs in places as high as \$1,500 a mile,—and this mostly loose surfacing that blew off as fast as it was put on in clouds of choking dust that effectually strangled the expansion prospects of our infant tourist industry.

Moreover, the highways were eating up not only all of their own departmental receipts, but were gouging into the general revenue of the province at a rate close to \$500,000 a year.

The Macdonald ministry decided that the remedy was to be found in constructing hard surfaced main highways.

"It can't be done," croaked the Opposition and the professional pessimists.

But they went ahead and did it anyway, and here is the situation as it exists today:

378 miles of highways fully paved.

324 miles being paved this year.

All trunk lines nearing completion.

Tourists pouring in to dustless roads.

Gasoline prices drastically reduced.

Motor vehicle licenses cut 20 per cent.

Highways revenues up about \$1,000,000 a year.

Highways operations self sustaining and showing a surplus of \$2,500.

Trunk road maintenance cut from \$815,000 to \$350,000 already.

Secondary road maintenance boosted from \$576,000 to \$1,050,000.

And there are benefits still to come:

Ease of operation on pavement will cut gas costs to an equivalent of 4 or 5 cents a gallon.

Elimination of dust will raise property values along the highways 30 per cent, it has been estimated.

Savings in broken windshields (from gravel), tire costs, repairs and general depreciation will be approximately \$50 per car a year.

Huge increases in tourist travel mean millions in new money, the commodity Nova Scotia needs most.

Finally, as maintenance costs fall off on completed main lines, the money will be poured into improvement (and in many cases, paving) of secondary roads until, in the words of Premier Angus L. Macdonald:

"Nova Scotia is provided with the finest system of highways of any like territory on the Continent."

THIS IS HOW IT WAS DONE

The foundation for a modern system of highways in this Province was laid by a Liberal Government under the leadership of Honourable G. H. Murray in 1919.

Up to that time all of the highways of the Province had been maintained by the municipalities with the assistance of statute labor and in some cases Provincial grants.

Realizing the growing importance of motor traffic and the need of a uniform system of reconstruction, as well as maintenance under a central authority, the Murray Government by legislation undertook the responsibility of maintaining and improving the highways of the Province.

A five year program of reconstruction was embarked upon and sections of important County and local roads were surfaced and plans made for their improvement.

As a result of this policy from 1919 until July 1925, almost 1000 miles of trunk highways, nearly 2000 miles of important County roads and a very considerable mileage of local roads were re-graded, drained and surfaced.

The capital cost of this work was slightly under \$15,000,000.

1925-1933

From 1925 until 1933, when the Macdonald Government was elected, the general road policy inaugurated by the Murray Government was continued.

Our highways system remained as it was in 1925—a system of gravel or crushed stone surfaced highways.

From time to time alterations in alignment and grades were effected and certain trunk highways brought up to a higher standard than had existed prior to 1925.

Basically, however, the system of highways in 1933 was the same as in 1925, despite the fact that \$18,000,000.00 had been spent on capital account.

Although motor traffic had tremendously increased and with it the cost of maintenance, no appreciable attempt was made to hard surface the main highways.

The roads remained as they were in 1925, surfaced with crushed stone or gravel.

MAINTENANCE COSTS RISE

With the improvement of highways from 1919-1925 motor travel rapidly increased, and with the increase of travel, the cost of maintaining this system of highways became a matter of increasing importance.

Below is a table showing the expenditure for maintenance from 1923-1936, excluding such items as bridges, administration, aid to towns, ferries and miscellaneous, as taken from the various highway reports.

The table also includes the number of motor vehicles registered and the amount of taxable gasoline consumed where such information is available.

MAINTENANCE EXPENDITURES

Year	Trunk Highway	Secondary Roads	Dust Layer	Gals. Taxable Gas.	Motor Vehicle Reg.
1923	\$105,290	\$610,119			18,103
24	236,492	648,418			20,606
25	389,540	615,895			22,745
26	471,417	757,417			25,746
27	544,630	719,375			29,914
28	725,303	744,862		11,835,442	35,194
Av. 24-28	\$473,476	697,193			26,841
29	766,212	595,482		14,714,197	39,972
30	828,203	718,312	\$63,316	17,497,793	43,029
31	770,780	641,702	77,841	18,176,944	43,758
32	630,868	670,891	46,939	16,365,564	41,013
33	815,170	561,381	47,319	15,843,685	40,648
Av. 29-33	\$762,247	637,553	58,854	16,519,636	41,684
34	774,782	576,004	82,832	17,190,498	41,932
35	485,281	768,010	85,805	18,000,273	44,045
36	448,300	960,479	91,461	22,042,015	46,332
37 Est.	350,000	1,050,000	85,000	24,500,000	48,750

NOTE: In 1928, highways were regrouped, additional mileage being designated as trunk highways which thereafter may effect the comparable distribution of maintenance monies somewhat, but probably not enough to seriously effect the comparison.

From the above table it will be observed that in the early years of the highway program the amount expended on maintaining trunk highways was very much less than on secondary roads.

For instance in 1923 the amount expended on trunk highways maintenance was about \$100,000 whereas the expenditure on secondary roads was over \$600,000 or six times as much.

From then on for the next ten years traffic more than doubled, and while the expenditure on trunk highways increased by leaps and bounds the expenditure on secondary roads remained practically stationary.

For the five year period from 1924-28 inclusive, the average expenditure on trunk roads was over \$470,000, but still less than the secondary road expenditure of over \$697,000.

By 1929 the expenditure on trunk roads had exceeded that of secondary roads. For the five year average of 1929-33 inclusive, under the Rhodes-Harrington Governments, the average trunk highway expenditure exceeded that of secondary roads by \$125,000 yearly and by 1933, the cost of trunk highways had gone up to over \$800,000 while that on secondary roads had dropped to about \$560,000, considerably less than it was in 1923.

It was apparent that Highway affairs were rapidly approaching a crisis.

The cost of maintaining such heavily travelled gravel highways, as that from Bedford to Truro, was from \$1,200 to \$1,500 per mile per year and was steadily increasing.

Two inches of gravel was ground into dust each year and had "Gone with the wind."

To cover up the heavy maintenance costs then some of the maintenance costs were included in capital expenditure.

Moreover despite the fact that the secondary highways were being starved of their fair share of the maintenance monies, the expenditure on highways generally so far exceeded the revenues earmarked for the purpose, that it was necessary to dip in to the other revenues of the Province for almost half a million dollars to make up the difference, without considering any provision for sinking funds.

The situation in 1933 was as follows:

Revenue	
Highways Tax	\$ 429,263.81
Gasoline Tax	947,954.50
Motor Vehicles License	899,475.96
Miscellaneous	147,064.90
Amount taken from General Revenue	494,119.92
	<hr/>
	\$2,917,879.09

Expenditure

Interest on Debentures	\$1,018,308.30
Maintenance (Total)	1,752,392.33
Miscellaneous	11,673.51
Motor Vehicles	77,985.12
Director of Information	57,519.83
	<hr/>
	\$2,917,879.09

The situation in 1933 in respect of Highways was then that despite a capital expenditure of almost \$18,000,000 since 1925, the system remained as it was at that time, one of gravel surfaces.

The gasoline tax had been instituted but no attempt had been made to prevent the increase in price being passed on to the public.

No attempt whatever had been made to control gasoline prices in the Province.

The secondary roads were being starved for maintenance monies and the main trunk highways had become, to quote the Hon. A. S. MacMillan, "Veritable sink holes for public monies."

No preparation had been made for, or apparently any consideration given to the hard surfacing of heavily travelled highways.

It was indeed fortunate for the Province of Nova Scotia that at this juncture the affairs of the Province were entrusted to a Liberal administration headed by the Hon. Angus L. Macdonald.

That he, and the Liberal Party, appreciated the situation is evidenced by Para. 14 of the Manifesto that he issued on August 1st, 1933, on behalf of the Liberal Party, and previously quoted.

That he, and the Liberal Party, have kept faith with Nova Scotia is evidenced from what followed:

His first action was to ask the Hon. A. S. MacMillan to take the portfolio of Minister of Highways. Mr. MacMillan's experience as a contractor, his previous experience in the Department of Highways, where more than anyone else he had laid the basis for the Highways policy, which his opponents did him the compliment of continuing until they went out of office in 1933, made him eminently qualified for the position.

With characteristic energy he applied himself to the task that was ahead of him, with the result that in less than four years the whole picture has been changed.

In these years hard surfacing of main highways has become an accomplished fact.

The terrific drain of trunk highway maintenance has been radically reduced.

Instead of main trunk highways taking the big share of maintenance monies, the estimates for 1937 provide for an expenditure on secondary roads of over three times as much for maintenance as in the case of trunk highways.

Gasoline prices have been controlled and the price reduced to the consumer, and motor car license fees have been cut 20%.

With no additional burden on the consumer the revenues from gasoline tax have increased by more than the amount necessary to pay the cost of interest and sinking fund on the whole capital expenditure on hard surfacing and the total cost of highways has for the first time for many years been met by the revenues, from motor license fees, gasoline and highway taxes, without dipping into the other revenues of the Province.

No where in the history of Provincial administration is there a record equal to the record of the Macdonald Government as respects the Highways.

COMPLICATED PROBLEMS

The problems the Macdonald Government faced were these:

- (1) To provide a modern system of highways for the Province.
- (2) To increase the revenue for highway surfacing and maintenance without passing the burden on to the taxpayer.
- (3) To stop terrific waste of public monies on main highway maintenance.
- (4) To give secondary highways their fair share of maintenance money, from which they had been deprived from 1925-1933.
- (5) To make the highway system of Nova Scotia a self supporting, revenue bearing asset.

The immensity of the task might well have daunted a less courageous Government.

The Conservative opposition ridiculed the idea, and proclaimed from every platform that it could not be done.

Even many who had supported the Government were lukewarm, some fearing it was a "Bennett" promise, and others that it was impossible.

Firm in their belief however that if the Province of Nova Scotia was to progress, its people must have a modern highway system, usable twelve months a year instead of seven; reduced

maintenance cost for their vehicles; freedom from the danger and expense of the dust nuisance and one that would enable them to enjoy a fair share of the ever increasing tourist travel to Canada, the Macdonald Government without hesitation or faltering pushed to completion the program they adopted.

POSSIBLE SOURCES OF REVENUE

The first step was to provide more revenue without adding to the burdens of the taxpayer. There were four sources from which revenues for Highways were available.

- (1) Highway tax on towns and municipalities.
- (2) Motor Vehicle license fees.
- (3) The general revenues of the Province.
- (4) The gasoline tax.

HIGHWAYS TAX SITUATION

An increase of highway tax was out of the question.

Already the municipalities had all or more than they could bear.

An increase in this tax would simply result in it being passed on to the taxpayer, already heavily burdened.

No change was made therefore in highway tax.

MOTOR VEHICLES TAX POSSIBILITIES

As respects Motor Vehicle license fees the situation was much the same.

Although truck registrations were materially less than in other Provinces, passenger car license fees were higher.

In order to bring the situation more in line with other Provinces, **passenger car license fees were cut 20%**, the Government hoping that while there would be no immediate loss of revenue, the increased number of registrations would more than make up the difference.

On heavy trucks the license fee was adjusted upwards, bringing them more in line with other Provinces, but it is still considerably less than in some other Provinces as the following table shows:

	N.B.	N.S.
1 ton truck (about 6400 lbs. gross)	\$46.50	\$28.80
2 ton truck (about 10000 lbs. gross)	92.00	65.00

FAIR TAXATION

It is always possible to continue to do in the future as had been done in the past—take from the general revenues of the Province the necessary monies or increase the general taxes.

It was felt, however, that to do this was mere subterfuge, and that it would be that much harder to balance the budget, and put the general financial position of the Province in order.

The government therefore decided to increase the gasoline tax and at the same time to regulate the trade in gasoline in the interests of all the people.

Everything taken into consideration the gasoline tax seemed to be the fairest way to secure additional revenue.

The heavier the car or truck and the more it is operated, the more gasoline it uses and the more tax it pays.

If an operator has no use for his motor vehicle he pays no tax.

If he has use for it, he pays as he uses the highways.

The Story of The Secondary Roads

The secondary road—primary consideration of at least half our population—constitutes one of the outstanding problems of all the Highways Department efforts.

Under the Rhodes-Harrington regime, the main trunk gravel roads demanded so much maintenance that by 1933 annual expenditures on secondary roads had fallen away to \$561,381.

This despite the admitted importance to the province of these roads, which must serve as feeders to the main highways, and along which at some stage of their journey to market pass probably 90 per cent of the agricultural products of the province.

The Macdonald Government's hard surfacing program has already cut trunk road maintenance to \$350,000, which has released additional funds for secondary roads and which this year will benefit by the large expenditure of \$1,050,000.

And so it is that at long last the rural dweller on secondary highways is about to come into his own and to get the transportation facilities for which he has been striving for decades.

In addition there will be paving of short stretches of secondary roads which carry unusually heavy traffic between trunk highways and points of special interest on the coast and elsewhere.

An outstanding feature of our secondary road program—and one too frequently lost to view—is that it is being done without a cent of expense to the municipalities.

In the rich province of Ontario, for instance, the province takes responsibility only for the main trunk highways.

The various counties in Ontario have to look after their own feeder lines, and with costs so great that many of them have defaulted on their bonds and gone bankrupt.

Issued by

NOVA SCOTIA LIBERAL ASSOCIATION

No. 3

THE PLEDGE

In his manifesto addressed to the People of Nova Scotia in August, 1933, Angus L. Macdonald, Leader of the Liberal Party said:

Para. 14. Highways

"The Liberal Party believes that the Highways of this Province have not been properly maintained, having regard to the amount of money spent for highway purposes, and that in consequence much of the capital expenditure on our highways has been lost. It re-affirms the highway policy of 1919 to the effect that proper attention be given to the secondary roads of the Province.

Realizing that gravelled roads require large expenditures for their upkeep, and for the elimination of the dust nuisance—the Liberal Party believes that at no distant date the Provincial Government must embark on a gradual program of hard surfacing the main highways of the Province. In the meantime, active steps must be taken by the Department of Highways to eliminate the dust nuisance on gravel roads. We believe that hard surfaced roads would attract to the Province many more tourists than visit it at present, and we feel that the tourist trade should be encouraged and developed in every possible way. With this object in mind we will create an active and aggressive tourist bureau.

Believing that the present Motor Vehicle fees are too high, the Liberal Party pledges itself to a reduction in the fees payable for Motor Vehicle Licenses."

THE FULFILLMENT

In 1919 the Liberal Murray government inaugurated what was at that time a very up to date highways program, under which, by 1925, about 1,000 miles of trunk lines and 2,000 miles of secondary roads had been thoroughly re-built.

When the Rhodes-Harrington ministry left office in 1933, it had not improved materially upon the Murray program, but meanwhile had spent on capital account alone no less than \$18,000,000.

For this huge sum, all they had to show was an out-moded type of gravel highway, with maintenance costs in places as high as \$1,500 a mile,—and this mostly loose surfacing that blew off as fast as it was put on in clouds of choking dust that effectually strangled the expansion prospects of our infant tourist industry.

Here is the position for 1936:

Revenue

Highway Tax	\$ 438,445.67
Gasoline Tax	1,735,965.38
Motor Vehicle Reg.	1,075,987.90
Miscellaneous	174,084.76
Taken from General Revenue.....	Nil
	<hr/>
	\$3,424,483.71

Expenditures

Interest on Debentures	\$1,348,625.40
Maintenance	1,907,549.52
Motor Vehicle Department.....	72,173.12
Department of Information	93,601.84
Surplus	2,533.83
	<hr/>
	\$3,424,483.71

As was the case in the table for 1933, these figures are before sinking funds, but for the first time in many years, Interest on Debentures, Maintenance, and the costs of the Motor Vehicle and Publicity Departments, have been paid out of the Highway revenues, and left a small surplus.

This condition will, we believe, continue to improve.

Taxable gasoline shows for 1936, an increase of 4,000,000 gallons over 1935.

We believe that with the improvement of the highways, their increased use both by our own citizens and by our visitors, will result in ever increasing revenues.

Nova Scotians can now look with pride upon their \$50,000,000 investment in highways, as a self supporting asset, not only contributing indirectly to general prosperity of the Province, but paying its way in every respect, sinking funds included.

In less than four years, then, the problems that faced the Macdonald Government in 1933, as respects highways, are well on the way to being solved:

- (1) Nova Scotia is rapidly being provided with a modern system of highways.
- (2) Revenues have been increased by almost a \$1,000,000 a year, through gas taxes and registrations, but passenger car registrations were reduced 20%, and the cost of gasoline was reduced not only by the amount of the increased gas tax, but $1\frac{1}{2}$ cents besides.

- (3) Maintenance costs of main trunk highways have been reduced from \$815,000 in 1933, to \$448,000 in 1936, and an estimated amount of \$350,000 for 1937; a saving of \$465,000 per year.
- (4) Maintenance expenditure on secondary roads has been increased from \$576,000 in 1933 to \$960,000 in 1936, and an estimated expenditure of \$1,050,000 in 1937; an increase of \$474,000.
- (5) For the first time in the history of the Department of Highways the costs of interest and maintenance of our highways system has been met by highway revenues, without dipping into the general revenues of the Province.

Great however as are, and have been, the direct benefits to the Province of its paving program, it is in the indirect that even greater advantages lie. They consist of:

- (1) The advantages of 12 months roads instead of those which could only be used economically for 7 months of the year.
- (2) The saving in gasoline. It has been estimated that the saving in gasoline, by reason of hard-surfaced roads, is the equivalent of a 4 to 5 cent reduction in price.
- (3) The saving in wear and tear and depreciation of the motor vehicle:
 - (a) Broken windshields from flying gravel.
 - (b) Tires.
 - (c) Repairs.
 - (d) General depreciation.
- (4) The benefits from elimination of the dust nuisance:
 - (a) To operator, in the elimination of danger in driving and the inconvenience.
 - (b) To the resident on the highway, whose farms, gardens and properties were seriously injured by the dust.
- (5) The benefit to the Tourist Industry.
We are, we believe, on the threshold of a great development of Tourist Travel to Canada.

To get our share it is absolutely necessary that heavily travelled highways be paved.

There are many who predict that the area on this continent which will experience the greatest development in the next ten years in the tourist industry is the Province of Nova Scotia.

- (6) The increased value of property. Already there is much evidence that property values have materially improved in many sections of the Province as a result of the Highway Program. Some have placed the figure as averaging a 30% increase.

THE SECONDARY ROAD

To the great majority of the citizens of the Province the important point is that the road policy of the Macdonald administration has not only made available to secondary roads increasing amounts for maintenance, but it is there that the activity of the future will be centred.

As an indication we give herewith again the relative expenditures for maintenance on trunk and secondary roads for recent years:

Year	Trunk Highway	Secondary Roads	Administration
1933	\$815,170	\$561,381	Harrington
1934	774,782	576,004	Macdonald
1935(11 m.)	485,281	768,010	Macdonald
1936	448,300	960,479	Macdonald
1937 Est.	350,000	1,050,000	Macdonald

In 1933, the expenditure on trunk highway maintenance exceeded that of secondary roads, by over \$250,000.

For 1936, the position was completely reversed, the expenditure on secondary roads for maintenance exceeded that of the trunk highways by over \$500,000.

Steadily, year after year, the position was changed and for the coming season the expenditure on secondary roads for maintenance will exceed \$1,000,000 or three times that of main trunk highways.

The Government stated that as maintenance money was saved on the trunk highways, additional amounts still will be spent on secondary roads, till in the words of the Premier, Hon. Angus L. Macdonald, "Nova Scotia is provided with the finest system of Highways of any like territory on the Continent."

HIGHWAYS NOW REVENUE PRODUCER

But one may well ask, Have the results financially been up to expectations?

The table given above showed that after using up the Highway revenues, the Harrington Government had to dip into the general revenues of the Province to the extent of almost a half a million of dollars.

THE STORY OF GASOLINE

HOW \$330,000 PER YEAR IS
BEING SAVED THE MOTOR-
IST IN GASOLINE BILLS.

AND, AT THE SAME TIME
\$750,000 ADDITIONAL REV-
ENUE SECURED FOR THE
IMPROVEMENT OF ROADS.

Issued by
NOVA SCOTIA LIBERAL ASSOCIATION

GASOLINE REGULATION

Under the old Rhodes-Harrington government the big oil companies were practically a law unto themselves.

Generally speaking, the oil people's practise seems to have been to boost the price of gasoline half a cent a **gallon** every time crude oil went up ten cents a **barrel**.

Besides that, they engaged in ruinous cut throat competition with one another, furnishing free equipment to any dealer who would handle their special brands.

When the Macdonald Government investigated their operations and costs, there were found to be no fewer than 2,000 such stations with a total of over 4,000 gas pumps.

By the Gasoline Licensing Act of 1934, (the first gasoline licensing act to be passed by any legislature anywhere but since followed in whole or in part by every province in Canada) these places were put under strict regulation as to price, some of the more uneconomic layouts were closed altogether, and the oil companies were ordered to cease their equipment bonuses and other unfair practises.

Further investigation resulted in securing prices at a level approximately 3.5 cents a gallon lower than obtained at the exit of the old government in 1933.

An additional tax of two cents a gallon was levied, leaving a net gain to the consuming motorist of 1.5 cents a gallon.

On the gasoline used during the last twelve months the Nova Scotia motoring public saved no less than \$330,000.

Owing to increased sales at the lower prices, the government itself reaped revenue increases of \$750,000 over 1933.

In a word, by wise legislation which resulted in lowering the price of gasoline to the consumer while increasing the revenues

of the Government—all in one operation—the Macdonald Government succeeded in rendering a public service without parallel in the whole history of gasoline regulation in the Dominion of Canada.

THE GASOLINE TAX

The gas tax was first put into force in 1926. From 1925 however until 1933, the Conservative Government in power made no effort to control the selling price of gasoline to the consumer or to see that a good quality of gasoline was made available to the consumers at a reasonable price.

Gasoline prices fluctuated from time to time but it did not seem to concern the Government of the day.

From testimony before the Tariff Commission at Ottawa, it would appear in the main that prices fluctuated largely as a result of the changes in the price of crude oil.

A change in the price of crude oil of 10c a barrel would result in a change of $\frac{1}{2}$ c a gallon in the selling price of gasoline.

That this had been happening in Nova Scotia is borne out by gasoline prices in the Province, which were as follows:

Date	Price Crude Oil	Selling Price Gasoline, Halifax
Jan. 23, 1933	.44 bbl.	.27 $\frac{1}{2}$
July 30, 1933	.54	.28
Aug. 26, 1933	.64	.28 $\frac{1}{2}$
Sept. 11, 1933	.89	.29 $\frac{1}{2}$

In the last year the Conservative Government was in power, there were three increases in the price of gasoline, including one a few days after the Macdonald Government took office.

These all followed increases in the price of crude oil and there is nothing to show that Mr. Harrington or Mr. Black ever raised the slightest protest or made the slightest effort to find out whether the prices charged to the consumers were reasonable in all the circumstances.

The Government was still only getting six cents per gallon revenue, although the price of gasoline to the consumer had increased two cents.

Moreover since 1933 crude oil prices have increased to \$1.22 a barrel so that it is fair to assume that had Conservative Governments remained in power and had continued to display the indifference to gasoline prices that they displayed from 1925-33 the price at Halifax today would have been 31c per gallon, and the rest of the Province 32-32 $\frac{1}{2}$ c and the Government would have been receiving only six cents per gallon revenue from the gasoline tax.

MINISTER MAKES INVESTIGATION

But the Macdonald Government immediately took action. Shortly after it assumed office the Minister of Highways took steps to have an investigation made of the trade in gasoline in the Province.

The facts elicited in this enquiry resulted in the introduction and passing of The Gasoline Licensing Act, 1934.

The conditions which obtained in the industry prior to the passing of the Act is well described in a decision of the Board of Commissioners of Public Utilities filed on the granting of licenses under the Act on the 31st of December 1934.

It may be of interest to quote some paragraphs here. They are as follows:

PUBLIC UTILITIES REPORT

".....the Board has ascertained that in the year 1933 approximately seventeen hundred licenses to operate gasoline stations, in which were installed approximately 4,000 pumps, had been issued by the Minister of Highways under the provisions of The Gasoline Tax Act 1926 and that approximately two-thirds of the licensees sold on the average less than 3,500 gallons a year and many under 1,000 gallons each.

As the average spread taken by the retailer in Nova Scotia was four cents a gallon, it is at once apparent, having regard to the expenses of selling such a small average gallonage and with the loss from evaporation, shrinkage and inevitable waste, that the business of retailing gasoline must have been unprofitable to the average retailer. The Board informed itself that a very large proportion, probably over ninety per cent of the pumps installed, had been installed free of charge, by the wholesalers, on the condition that the retailers operating these pumps should, for a term of years, purchase gasoline from a particular wholesaler. In some cases the retailer was thus compelled to purchase all the gasoline he required and in all cases he was compelled to purchase all the gasoline put through a particular pump from the wholesaler who installed the pump. In addition to this, the wholesalers of gasoline, in wasteful and extravagant competition with one another had provided retailers, free of charge, with other articles of equipment, such as grease lifts, grease guns, air compressors, jacks, light poles, etc., and had constructed or furnished materials for canopies, buildings and driveways, also free of charge. Again money has been loaned to retailers at low rates of interest; lands had been purchased from individuals, stations built thereon at the expense of the wholesaler and such

lands and stations leased back to the individuals, in many cases at ridiculously low rentals. All these and other extravagant and economically unsound business practices engaged in by the wholesalers had brought about the condition which the Act was presumably designed to remedy. More people had been induced to enter into the business of selling gasoline at retail than the public interests required. The cost of the business practises described was reflected in the price the consumer paid for this gasoline and healthy competition among wholesalers based on the price or quality of gasoline or the service offered to the retail trade had been stifled. It has been estimated that the wholesalers had expended well over a million and a half dollars in the manner and ways above described. It is a fair assumption that in order to secure a return of the money thus expended they had kept the wholesale price of gasoline higher than it should otherwise have been. That this is so, is evidenced by the fact that when Section 5 of the Act, which forbids a wholesaler furnishing any equipment to any retailer or consumer or lending money or expending money or moneys worth for the benefit of any retailer or consumer, came into force, as it did on May 2nd, 1934, the wholesale price of gasoline was reduced by one and one-half cents a gallon all over Nova Scotia. This reduction of one and one-half cents a gallon on 17,000,000 gallons effected a saving to the users of gasoline of more than \$250,000.00 a year, compared with the retail prices then prevailing.

"The result of this extravagant, wasteful and economically unhealthy competition among wholesalers in this Province is indicated by the fact that while at the end of 1933 there was in the whole of Canada one gasoline pump installed to each 17.2 motor vehicles registered, in Nova Scotia, at the same time there was one pump to each 10.2 motor vehicles registered."

RESULTS OF LEGISLATION

Prior to the passing of the Act conferences were held by the Minister of Highways with various wholesalers, retailers and consumers of gasoline.

The proposals of the Minister of Highways with respect to the regulation of the trade in gasoline were discussed with the result that the Minister of Highways was enabled to announce in the Legislature that upon the passage of the Act the price of gasoline would be reduced one and one-half cents a gallon.

On May 1st, 1934, the tax on gasoline was increased from six to eight cents a gallon and on May 22nd, 1934, the price of gasoline to the consumer was reduced one and one-half cents a gallon.

Since the first reduction and on January 15th, 1936, as a result of certain facts disclosed before The Tariff Board of Canada during a hearing with respect to the tariff on gasoline, which along with the Governments of other provinces the Government of Nova Scotia had promoted and at which enquiry it was represented by counsel, the price of gasoline was reduced another cent a gallon.

Again on October 2nd, 1936, a further reduction in the price of gasoline of a cent a gallon was obtained.

The situation today is therefore that the Government of Nova Scotia by its policy in this regard has been able to secure an additional two cents a gallon for its revenues without the price to the consumer being advanced accordingly.

Moreover the price of gasoline to the consumer has been reduced an additional $1\frac{1}{2}$ cents, although crude oil prices have increased .33c a barrel.

The following table indicates the fruits of the policy of regulating the sale of gasoline in Nova Scotia:

	Date.	Price Crude Oil per bbl.	Price Gas Hlfx.	Price Gas in N.S.	Tax on Gasoline
Previous to action	Sept. 11/33	.89	.29 $\frac{1}{2}$	.31	6c per gal.
If Conservative Government still in power	Today	1.22	.31	.32 $\frac{1}{2}$	6c per gal.
Actual situation today. Result of Gasoline License Act and Tariff Enquiry	Today	1.22	.28	.29 $\frac{1}{2}$	8c per gal.

Note. "Price Gas in N.S." refers to price of Gasoline in the province outside Halifax, excluding Sydney.

As compared with what it was under the Harrington Government the wholesale price of gasoline has been reduced $3\frac{1}{2}$ cents a gallon.

Of this reduction the Government took two cents when it increased the gas tax to eight cents instead of six.

There still remains however a net reduction of $1\frac{1}{2}$ cents in the consumers price, despite the fact that crude oil prices have been steadily increasing.

Moreover the prediction of the Government that sales of gas would increase has been fulfilled, as the sales for 1936 were over 22,000,000 gallons, whereas in 1933 they were less than 16,000,000.

The Province had during 1935 additional revenue of more than \$750,000 from the gasoline tax, although the selling price to the consumer is today $1\frac{1}{2}$ cents less than in September 1933, notwithstanding an increase in the tax of 2 cents a gallon.

In its Gasoline legislation the Macdonald Government blazed a trail for others to follow and they are following it.

EXPERIMENTS WITH SURFACINGS

Coincident with the action to increase the revenues, the Government attacked the problem of providing a permanent hard surface, thus reducing the steadily mounting cost of maintenance of trunk highways.

Practically every phase of governmental policy with respect to roads demanded a new policy.

No one can question the need of good trunk highways, but they comprised only 1600 miles out of 16,000 or about 10%.

The remaining 90% or 14,000 miles of roads in the Province along which the larger number of the citizens of the Province lived, were being starved for maintenance monies.

In 1933, as pointed out above, \$50,000 less was spent in maintaining them than in 1923, ten years before.

Despite the huge expenditure on trunk highways, they were in effect only seven months roads on account of climatic conditions.

With the heavy travel, the dust on trunk highways was not only a source of danger to the traveller, but destroyed the properties of those living along it.

Canada, as a whole, was making a serious effort to attract tourists as a major source of revenue and our people were entitled to a fair share of the benefits.

Every interest demanded that the trunk highways and important secondary roads be paved and all other highways be improved materially.

The attitude of the Harrington Administration was one of indifference or open opposition.

Some said it wasn't needed, some that it would cost too much, and the Conservatives left office as they came to it, simply maintaining the system of highways they found in 1925, which had, with changing conditions, become entirely inadequate, and they had only done that, by starving the secondary roads, and almost bankrupting the Province.

Having decided to hard surface the Highways of the Province, the problem was what the type of hard surface should be, how cheaply it could be constructed and how quickly it should be undertaken.

Great as have been the services of the Hon. A. S. MacMillan to the Province, it was at this point that the service he rendered was probably the greatest.

The program consisted of two phases, first—preparing for paving, viz.: cutting out curves, cutting down grades and generally preparing the foundation; and secondly the actual construction of the paved surface.

Apparently convinced that the generally accepted theory that suitable pavements must cost from \$20,000 to \$45,000 a mile, the Harrington Government did not attempt anything else.

Mr. MacMillan, convinced that some other solution was possible, started at once the grading program and devoted 1934 to experiments as to the most suitable paving consistent with price.

During 1934—25 miles of various types of paving were tried and 175 miles graded preparatory to the 1935 program.

As a result of the experiments in 1934 a type of pavement was decided upon, and 140 miles of paving was completed in 1935.

Instead of the preconceived idea of a paving costing \$20,000 and up per mile, the type selected ranged from \$6,000 to \$8,000 per mile.

The principle involved was simply this,—that the road is only as good as its foundation.

If the foundation is good, the surface will carry the traffic.

If, as a result of the climatic conditions or unforeseen conditions, the foundation fails, an expensive surface would fail as well and would cost much more to repair.

It was not contemplated then, and it is not now, that there will be no failures in the surface.

Experience has gone to show that they occur with the most expensive pavements, if road-bed conditions are not perfect.

But if and where they may occur largely as a result of the conditions in the Spring of the year, repair will be a simple and comparatively inexpensive matter.

In the meantime each year the roadbed will consolidate, and the material will remain on the highway instead of blowing away in clouds of dust.

With the type decided upon, there was the problem of how much to attempt each year.

A program of say 50 miles per year would result in very little inconvenience to the travelling public, but it would require 20 years to construct 1000 miles.

PROGRAM DETERMINED

After careful thought it was decided to push the program ahead as rapidly as it was humanly possible to do so for the following reasons:

- (1) In order to provide the maximum amount of employment.
- (2) Because it was possible to borrow money at a very low rate of interest, which might not be possible in a few years.
- (3) Because Nova Scotia had had some very unfavorable advertising as a tourist Province because of dust conditions and effective and immediate action must be taken to correct that impression.
- (4) Because very little highway work was going on in Quebec and Ontario, and the Department would be able to secure the services of Contractors with big organizations who might not be available later on. This was of value, not only in getting the work done, but in securing far lower prices than would be available if there was a lot of work offering elsewhere.

Circumstances have shown how well founded these reasons were.

During the past year highway construction in Nova Scotia has provided thousands of days work to those needing it.

In the main it has been possible to borrow the necessary money for the purpose at a cost of only 3% and because of keen competition on the part of contractors the work has cost at least 25% less than it would have cost if delayed to this and next year.

As a result of the advertising campaign and rapidly improving business conditions the years immediately ahead promise to see tourist travel develop to an unheard of extent and as a result of the pavement already laid, and that which will be laid in 1937, together with a liberal use of dust layer in the meantime, dusty highways have ceased to be associated with Nova Scotia.

That there has been some slight inconvenience to the travelling public was inevitable because of the gigantic scale on which

the work was carried on, but by far the worst is over and the word that has gone forth far and near is not **that the roads are dusty, but that they are being paved.**

That tourist travel increased 35% in 1936 over 1935 is conclusive evidence, in spite of the inconvenience, that the trend of tourist traffic is definitely toward Nova Scotia.

At the close of 1936 the situation was as follows:

Miles of Paving completed	378
Miles to be paved this year	324

Each succeeding year as the organization of the work has been improved, finds the work carried on with less inconvenience to the travelling public.

The actual highway under construction has been kept in better shape.

Contracts have been let earlier, which enables the contractors to start at the earliest possible moment in the Spring.

Each year has shown larger amounts of paving completed.

During the coming year 300 miles of additional trunk highways will be paved.

A further one hundred and fifty miles of the original main trunk highway program will be prepared for paving in 1938, and in addition, sections of heavily travelled secondary roads will be graded preparatory to paving later on.

How well timed the program was is evidenced by the fact that the establishment of the National Park in Cape Breton and the generally anticipated boom in tourists travel in the next year or two will find Nova Scotia equipped, as far as highways are concerned, to get its fair share of the business.

Many illustrations can be given of the wilful waste of public money during the Election of 1933. A survey made after the Election by an Engineer employed by the Rhodes-Harrington Government from 1925 to 1933, discloses that thousands of dollars were wasted on numerous projects. Instances were investigated where roads were built for the purpose of expending money, roads that ended nowhere, and never will be completed, and it is quite evident that there was no intention that they should ever be completed. Men were placed on these jobs without tools to work with, and in some cases brought their violins and other musical instruments along, so they might entertain one

another in idleness. Instances were given by this Engineer, where thousands of dollars was expended, with no evidence to show that it had ever been used on any project, and no value received. Details can be supplied, if necessary.

During the Election of 1933 in one Constituency alone, there was expended \$38,000.00, without authority from the Minister, Chief Engineer, or anyone connected with the Department, and no authority was ever issued for this money. It is rumored that the then sitting Member for this Constituency will be a candidate in the coming Election.

There are many other instances where thousands of dollars of capital money was expended for maintenance purposes, which is contrary to all the rules of highway engineering. In 1933 an agreement was made with the Federal Government, whereby approximately half a million dollars was contributed for relief purposes, and an equal amount provided by the Province from borrowed money. The agreement stated definitely that this money was to be used for construction and improvement of highways. A large portion of this money, however, was used for ordinary maintenance in that year, or to assist in the Election campaign.

THE STORY OF AGRICULTURE

Time was when it was considered "good enough" to have a doctor, a lawyer, an insurance broker or what not at the head of the Department of Agriculture.

But Premier Angus L. Macdonald broke with political tradition and took strong ground that only a practical farmer can possibly understand the views and needs of practical farmers; and the great record of the Department under Honorable John A. McDonald amply vindicates that momentous decision of August, 1933.

It is impossible in small space to summarize all the forward looking steps of the last three and a half years.

But when we see our Grade 1 poultry output today **three times** greater than our whole poultry output was before;

When we see our dressed chicken and turkey, and our live Nova Scotia pigs commanding **higher prices** than the pork and poultry output of any other Canadian province;

Then we know without having to be told that there has been a revolution in the farming life of this province.

Just what has been going on to lift Agriculture in Nova Scotia out of the Slough of Despond in which it had been bogged down prior to 1933 and to set it upon the high road to still greater prosperity?

These pages contain the answer.

Issued by
NOVA SCOTIA LIBERAL ASSOCIATION

TO the man who knows anything at all of the present situation in agriculture in Nova Scotia, and who views that situation in fairness and honesty, it will be apparent that a great improvement has been brought about in the production and marketing of agricultural products, **to such an extent indeed that Nova Scotia products to-day hold a higher place in both domestic and world markets, both with respect to quality and to price, than has been attained at any previous time in the history of the province.**

It is fair to say that this has been due to no small degree to the soundness of the policies initiated and acted upon by the present administration of the Provincial Department of Agriculture.

Farmers in Nova Scotia are struggling back from the depths of the depression with a new hope and a new courage, born of the confidence they now feel that there is in operation a Department of Agriculture whose minister and officers understand their problems, and are able to point the way to the practical realization of a sound and reasonable prosperity for the agricultural industry.

It has been gratifying to the Department and its officers to realize the extent to which the farming population have responded to the leadership given, and the keener interest they are showing in the improved methods of production and marketing, with greatly increased demand for information and instruction.

ORGANIZATION AND WELL-CONSIDERED RURAL PROGRAM:

One of the most gratifying features of the present agricultural situation in the province is the close co-operation which has been effected between the Provincial Department of Agriculture and the various Federal Department officers working in Nova Scotia. This has made possible not only more effective work but has eliminated costly and unwise overlapping and duplication of policies. The result is a closely-knit organization of agricultural workers administering policies that fit together like a well-designed pattern.

Agricultural workers in the province to-day have before them as their objective a carefully prepared, long-term program of development which has been prepared by a joint committee on agricultural services.

This committee, brought into being under the auspices of the present administration, includes not only federal and provincial agricultural workers, but representatives of other institutions engaged in rural development, and it functions in an advisory capacity in agricultural matters. The program prepared is comprehensive and covers all phases of rural development, based on sound and proved policies. The program has been worked out for the express purpose of giving all agricultural workers an objective to be aimed at over a period of years.

"ECONOMY WITH EFFICIENCY" THE WATCHWORD:

With a practical farmer at the head of the Department in the person of John A. McDonald, the watchword since the Macdonald administration assumed power has been economy with efficiency. Hon. Mr. McDonald's endeavor in the Department of Agriculture has been to maintain the essential services and to extend them along sound lines, while at the same time exercising a businesslike control over expenditures, eliminating waste, extravagance and carelessness in the handling of public money.

"We have endeavoured to handle our appropriations in the same manner as we would handle our own business", Hon. Mr. McDonald said on one occasion. "We have eliminated wasteful expenditures and unnecessary staff, but we have actually added to certain services where we felt it was to the benefit of the future of farming, and we have strengthened the personnel of the Department by eliminating weak links, and adding men of proved ability. "All of this has been done at a saving of many thousands of dollars annually, but not at the sacrifice of efficiency, for we have every reason to believe that the Department of Agriculture of Nova Scotia is now manned and operated as efficiently as any similar service anywhere."

FARMERS ENCOURAGED TO ORGANIZE

The encouragement of the farmers to make a study of their own problems and to organize for the proper handling of these problems and the marketing of their products has been a settled policy of the present administration, with the result that there has been a notable growth and development of soundly-based farmers' organizations and the co-operative effort in general. Farmers have been encouraged and assisted by the officers of the Department where desired, to plan not only for the immediate future but for many years in advance. Meetings for the discussion of farm problems have greatly increased in number, and greater use of the services available is being made.

GREATER LAND UTILIZATION

The more intensive utilization of land chiefly for the purpose of producing more home grown feeds, whereby dairying and other farm production can be put on a more economical and profitable basis, has been one of the outstanding policies of the present administration in the Department of Agriculture.

Such a policy is of vital importance to the establishment of agriculture on a more permanent basis and much effort has been put forth by the Department in urging such a policy upon the farmers.

Very satisfactory results have been obtained.

In the fall of 1935 a strong campaign for more fall plowing and greater acreage in forage crops was undertaken, with the result that in 1936 some twelve thousand more acres were planted in these crops.

The soundness of this was amply demonstrated when, aided by a favorable season, greater quantities of feed were available the past fall and winter.

The campaign has been continued and the 1937 season sees a still larger area in crop.

SOIL SURVEY PROGRAM

Excellent service is being provided for the farmers of the province by way of analysis of farm soils, which is undertaken by the chemistry division at the Agricultural College, Truro, under the direction of Professor L. C. Harlow. Professor Harlow also has charge of the soil survey work now being carried on, under which definite surveys are being made of the soils in certain areas of the province.

The soil analysis work provides the farmers in many sections with accurate knowledge of the quality of the soils of their farms, helping them to know exactly what their soils lack and so enabling them to fertilize more effectively and intelligently. Something like 700 samples of farm soils are analyzed annually by the Provincial Chemist and his staff.

For the summer season of 1937, three men have been added to the staff for field work. These men will conduct analysis of farm soils on the farms themselves, in order that farmers may have first hand information as to the content of the soils and their lime and fertilizer requirements.

Definite soil surveys were initiated in the Annapolis Valley three seasons ago in co-operation with the Federal Government. The results of these surveys will now be available.

PASTURE FERTILIZATION

Coupled with these policies is the continued program of pasture fertilization work, being carried on largely under the direction of the various extension workers, and through the operation of the junior fertilizer clubs and senior community organizations. This work has been one of the outstanding factors in the betterment of conditions surrounding the dairy industry. The importance of proper pasture management has been impressing itself more and more upon the farmers in various parts of the province who are being gradually weaned away from the old indifferent methods of pasture provision for their herds.

Pasturage is the cheapest form of feed, and good pasturage, produced only by proper fertilization and proper planning, is a big factor not only in increasing production but in reducing costs.

LIME AT CHEAP RATES

The importance of providing for the lime requirements of the soil on the farms of this province has had much attention, the problem being to make lime available to the farmers in convenient ways and at costs within their reach. The Department has been able to organize this matter in such a way as to make it possible for farmers to have lime delivered at their nearest railway station at the low cost of \$2.75 per ton.

The Department has also in the past three years made available portable limestone crushers for the use of groups of farmers who undertake to provide cheap limestone for their respective communities. This has materially reduced the price of limestone and is very popular in many places in Nova Scotia. It is encouraging to note that more limestone and marl was used in 1936 than ever before in the history of Nova Scotia.

In four years the amount of limestone and marl taken out for farm use has doubled. In 1933 the total of both was 8,650 tons, and this had increased to 14,503 tons in 1935 and to 17,463 tons in 1936.

PROMOTION OF PLOWING MATCHES

The more active promotion of plowing matches in various Counties has been undertaken by the Provincial Department of Agriculture with considerable success, and arrangements are being made to hold a provincial plowing match.

Plowing matches stimulate better cultivation and greater pride in well-plowed fields, and from the interest which has been

shown in the local plowing matches during the past two seasons the province-wide contest should be a great success.

The Department's policy is to grant a sum of \$25 to any county farmers' organization which will subscribe a like amount for a plowing match.

In 1936, seven of these county matches were held, and in 1935 there were five.

The Department supplied the judges for these matches and keen interest was displayed.

BONUSES FOR HERD SIRES

As a definite move to bring about improvement in the quality of sires being used in the herds of the province, the Department of Agriculture, early in 1936, inaugurated a program in sire bonuses for agricultural societies and owners of purebred herds.

Under this policy the Department has paid 60 percent of the purchase price on first grade bulls and 40 percent on second grade bulls over a period of two years.

Many have taken advantage of this policy, and the result has been a great stimulus to the breeding of high-class stock and the development of a real consciousness among the farmers of the importance of and profit in the better breeding and feeding of their stock.

DAIRY HERD IMPROVEMENT

Three years ago when the Dominion Government gave up the dairy herd cow testing work, the Nova Scotia Department of Agriculture assumed the burden of this work, believing it to be of too vital importance to the dairy industry to be allowed to drop.

The Department has been able to carry on this work, involving inspection and supervision of a large number of dairy herds, at the low cost of \$14,000 annually, which cost is far offset by the great improvement in production.

Under this policy the work is carried out by dairy herd improvement associations, with Department officials doing the inspection, cow testing, and supervision. A careful check is kept on the records of production of the various herds, inspection is made every two months, and the supervisors give direction and assistance to the herd owners in improved feeding and production methods and on herd management.

There are now 50 herd improvement associations in existence under this policy with 584 herds involved, totalling more than 5000 cows.

The average production in butterfat in 1936 for 3665 cows which were recorded for eight months and over was 254.7 lbs.

There were 119 herds with 976 cows in these herds which reached the high average in 1936 of over 300 lbs. of butterfat.

REMARKABLE ADVANCE IN POULTRY INDUSTRY

Policies initiated and carried out by the present administration, in co-operation with federal officials, and other organizations, in the poultry industry, have resulted in the situation today that Nova Scotia poultry producers:

1. Receive the highest price for poultry and eggs of any Province in Canada.
2. Put on the market dressed poultry that is far superior in quality to anything produced in previous years in the province, thus gaining a recognized place in the domestic markets, which was not the case a few years ago.
3. Have a smaller percentage of disease in the accredited poultry flocks than any other province in Canada.

This is indeed an enviable record, and one of which the producers of the province are justly proud. It is a complete reversal of the situation which existed some years ago, when it was necessary to import practically all of the good quality poultry products to fill domestic demands.

This splendid showing has been brought about largely through poultry promotion work carried on by the Department, and the introduction and operation of sound production and marketing policies.

These include the flock approval policy of the Provincial Government, the hatchery approval policy of the Federal Government, the operation of senior and junior poultry clubs, and the organization of poultry marketing pools where dressed poultry is marketed according to grade, as well as the maintenance of the inspection and grading of eggs which is operated under the direction of the Federal Department.

Interest in greater poultry production has been stimulated to the extent that in 1936 there were 140,000 more birds in the flocks of the province.

The blood-testing work carried on by the Provincial Department and the promotion of disease-free flocks has resulted in reducing the disease percentage in approved flocks to one-half of one percent in 1936 which is the lowest disease record in Canada.

Quality of eggs has so improved in Nova Scotia that the increase in Grade A eggs coming into the Halifax market has been from 31 percent. six years ago to 85 percent. in 1936. Through the poultry marketing pools, organized first in 1934, a vast improvement in quality has been brought about. In 1934 a total of 9,300 lbs. of dressed poultry was marketed. In this only 25 percent. of the chicken and 13 percent. of the turkey reached top grades. In 1936 pools a total of nearly 45,000 lbs. of poultry was marketed, the percentage of top-grade in chicken having grown to over 60 percent. and the percentage of top-grade in turkey to 55 percent.

SOUND POLICIES PROMOTED BY MARKETS BRANCH

Early in its career the present administration realized the necessity of the organization of a capable and active markets branch for the assistance of producers in marketing their own products along sound lines, and in the best markets, and for the development of new markets for products.

The fundamental principles in successful marketing are the grading of products on a quality basis, the production of a uniformly high quality of product of the type best suited to meet the market demands, the organization of centralized marketing, and the constant supply of markets intelligence to the producers that they may be properly informed as to the market conditions they have to meet.

The Markets Branch has endeavoured to operate to bring these principles into operation as widely as possible. One of the policies initiated has been a complete up-to-date markets intelligence service for the producers. Centralized marketing on a graded basis has been constantly encouraged. There has been an encouraging change in the marketing situation with respect to many farm products, which now go to market on a graded basis, ensuring the best market prices with consequent better returns to the producer.

THE MARKETING OF PRODUCTS

A striking example of the improvement brought about is given in the poultry industry for which records were quoted above. Another example is furnished by the potato industry,

in which Nova Scotia potatoes now have a definite place as a result of promotion of better quality by grading, inspection and supervision.

In the fishing industry, in which the Provincial Department of Agriculture now participates to the extent of assistance in organizing the producers for proper marketing of their product, a splendid example of the value of organization of centralized marketing is given.

This is in respect to the marketing of lobsters from Eastern Nova Scotia, where individual lobster men were shipping haphazardly to the Boston market on consignment.

Organization of the producers led to a systematic group marketing plan, whereby the producers took control of the marketing of their product from the time of the catch to the selling of the product on the Boston market.

The result has been an increase of more than five cents a pound in net return to the producers.

LIVE HOG MARKETING

A very large increase in the marketing of live hogs has taken place in the province within the past year or two, and the Department is giving special attention to the promotion of this branch of livestock, particularly as a sideline to dairying.

The situation in the hog market has been quite favorable, with Nova Scotia producers receiving a higher return for live hogs sold on grade than has been the case in other provinces.

The Nova Scotia hog producer is particularly well situated to benefit from a favorable market, and the Department has provided the services of a trained official to devote his entire attention to the promotion of hog production and marketing along sound lines.

DEVELOPING NEW MARKETS

An example of the work done in development of new markets is seen in the experiment made in 1936 of the shipment of processed strawberries from Nova Scotia to the British jam trade.

The province harvests a fairly large crop of strawberries annually and the problem has been to market the surplus successfully without too greatly disturbing the price levels.

New outlets were desirable.

A small shipment of strawberries were processed at the Dominion Experimental Farm, Kentville, and shipped to England for test as to their suitability for use in making jam for the British trade.

The experiment was highly successful, and the market opened for a fair quantity of the Nova Scotia product annually.

The tests proved the Nova Scotia product to be the equal, if not the superior, of strawberries hitherto obtained in other countries.

Still another outlet for strawberries was developed by the preparation for market of a quantity of high quality berries in a frozen state in syrup for market during the winter season.

The experiment proved highly successful, with the result that one firm has undertaken to market a considerable quantity in the fall and winter of 1937-38.

PUBLICIZING NOVA SCOTIA PRODUCTS

With the object of publicizing Nova Scotia products in important market centres, a certain amount of exhibit work was undertaken in 1936, and this work was highly successful.

At the Toronto Exhibition, the largest exhibition of its kind in the world, a fisheries display was conducted in conjunction with a mines display from the Provincial Department of Mines.

Various kinds of sea foods produced in Nova Scotia waters were displayed attractively and to advantage, and a great deal of publicity secured. Total attendance at this exhibit was close to 300,000.

At the recent Produced-in-Canada Exhibition at Montreal, a very effective apple display featured several varieties of Nova Scotia apples of highest quality attractively packed.

The Montreal market offers important possibilities for Nova Scotian apple growers and the exhibit, which was accompanied by the 1936 apple queen, Miss Helen Wood, attracted a great deal of attention.

Total attendance at this exhibition was in the neighborhood of 200,000.

PROBLEMS OF THE FRUIT INDUSTRY

Continued and increased support has been given by the Department of Agriculture to the study of the problems of the fruit industry, and the dissemination of information in this respect.

This work is the responsibility of the horticultural division, and quite properly, its efforts are largely given over to the work of dealing with problems surrounding the orchard districts of the Cornwallis and Annapolis Valleys, where the greater number of problems relating to horticultural practices and pest control are found.

Orcharding has come to be a highly specialized business, and for this reason it is necessary that the growers be constantly provided with technical information on horticultural practices.

In co-operation with the Federal Department of Agriculture there have been carried on during the past two years experiments in shipping apples to England, and much valuable information has been compiled by the staffs of both Federal and Provincial Departments.

WIDE ORGANIZATION

The promotion of spray circles in the orchard districts has now been carried on to a point where 23 of these operated in 1936, with 900 members.

The organization now covers practically all of the progressive fruit growing districts and the circles provide excellent medium for educational work in their respective communities.

In addition to carrying forward the work of the spray circles, the Provincial Department has maintained spray demonstration plots where a study of the efficiency of the more commonly recommended spray mixtures is carried on.

Each year these plots are examined by growers on specially appointed field days.

The plots are so marked that they may be visited by growers at any time.

Demonstration and educational work on thinning apples is also being carried on.

NOVA SCOTIA AGRICULTURAL COLLEGE

Success in the farming industry is most likely to come to those who determine continually to improve their knowledge of the industry and its problems, and who have ability to make a practical application of that knowledge to their every-day farming operations.

It is shown by observation that Nova Scotia Agricultural College graduates are invariably making a success of their practical farming operations, demonstrating the value of such training.

The policy which has actuated the present Department of Agriculture in the conduct of the Provincial Agricultural College at Truro has been to make the courses of such a nature as to give practical training in the science of farming to the end that the students may return to farming in Nova Scotia with greater possibilities of success on the farm, and better equipped also to become leaders in their communities.

BIG INCREASE

The attendance at the College in the past year or two has increased 100 percent. and a greater percentage of the students graduating are returning to farms. There is good reason to believe that there will be one hundred carefully selected young men taking agricultural training at the College in the near future.

PROVINCIAL EXHIBITIONS

The Department of Agriculture has taken an increasingly active interest in the past two years in the promotion and improvement of the Provincial Exhibition at Halifax, and the Maritime Winter Fair at Amherst.

In 1935 a re-organization of the management of the Provincial Exhibition was effected, and the improvement in this exhibition at Halifax has been self-evident.

The general comment on all sides with respect to the 1936 exhibition was that it was the best ever held.

The services of the Provincial Agronomist have been made available by the Department to the Provincial Exhibition at Halifax, as agricultural manager, and to the Amherst Winter Fair as manager.

This gentleman has acted in these dual roles for the past two years thus effecting a considerable saving while greatly increasing the efficiency and attractiveness of the fairs.

Nova Scotia was the first of the Maritime Provinces to provide a grant for the re-establishment of the Maritime Winter Fair two years ago, and the success of this move is unquestioned.

AGRICULTURAL SOCIETIES

Under the direction of the departmental officials in charge of the work among agricultural societies, definite efforts have been put forth to stimulate interest and improve the quality of the annual fairs, among the policies adopted being that for the organization of local programs at the various fairs.

County fair judges have been organized in order that there might be a standard and more uniform system of judging at the local fairs.

Organization of conferences of agricultural society secretaries has also been carried on, with much benefit to the work of the various exhibitions.

This year the policy of the grants to agricultural societies is being changed so that the forming of larger societies will be encouraged rather than the past system which has tended to break up existing societies into still smaller groups.

EXTENSION WORK

As has been stated, the demand for services and advice from extension workers throughout the province has been extremely heavy in recent years as a result of the policy of the Department of encouraging producers to make a study of their own problems.

The general extension work includes the supplying of information on a great many different lines to farmers who apply for it, in addition to giving assistance in solving specific farm problems as they arise.

These problems occur with respect to livestock feeding and care, crop programs, varieties, treatment for disease, etc., fertilizer and soil difficulties.

Moreover, the extension staff members are always available for assistance to any group organized for improvement of production and marketing conditions.

The agricultural representative service now covers the Counties of Yarmouth, Digby, Annapolis, Kings, Hants,

Lunenburg, Colchester, Halifax, Cumberland, Pictou, Antigonish, Guysboro, North and South Inverness, Victoria, Cape Breton and Richmond.

GARDEN CLUBS

Important work was carried out in the past year or two in the garden clubs, both senior and junior. Extension workers spent a considerable amount of time in certain eastern Nova Scotia districts in the promotion of garden work among adult groups, and a great deal of progress was made along this line.

One of the outstanding activities of the extension workers is concerned with the boys' and girls' farm clubs, which are now organized in 16 different projects and have a total membership of 4,322, the highest in the history of the work.

A greater part of the membership is in the calf, garden and garment clubs.

The garment clubs for girls have shown a remarkable increase and already some 25 new clubs have been organized for 1937.

Thus, through extension work, practical agricultural training is taken to the boys and girls of rural Nova Scotia in their own communities.

WOMEN'S INSTITUTES

Under the direction of the superintendent of institutes for the province, who is an official of the Department of Agriculture, the institutes in 1936 reached the peak of their history with respect to both membership and activities. There are now 131 branches in the province, with a total membership of 3157. Four new institute branches were organized in 1936 and six new branches set up in 1935. The director of Home Economics has handled the direction of the institute work, as well as conducting the domestic science branch of the Agricultural college. Three assistants have been appointed to carry on the work among the women of the rural districts.

Here should be mentioned the efficient organization and the enthusiasm and loyalty of the thousands of women voluntarily engaged in institute work.

The institutes through their meetings and activities, supplemented and assisted by demonstrations and lectures, have made a very important contribution to the welfare of the people of the province. The Department anticipates being of increased service to the people living in out-of-the-way places in the province, through work which is being done by this branch.

The Story of The Forests

Practially unsurveyed, and therefore unprotected by the menace of legal prosecution, Nova Scotia's Crown Lands under the Rhodes and Harrington Government became the happy hunting ground of timber poachers great and small.

Rhodes-Harrington grants of special cutting licenses at ridiculously low rates forced all prices down until the small wood lot owner was getting nothing for his wood, and next to nothing for his labor in cutting it.

Then the Harrington Government crowned these achievements with Bill 151, which would have perpetuated such slavery conditions and would have delivered the people still farther into the clutches of unscrupulous exploiters.

At this unhappy juncture, deliverance came with the advent of the Macdonald Government, which repealed Bill 151, abolished special cutting licenses, raised stumpage rates to reasonable levels, began proper surveys and records, and notified timber rustlers that hereafter they lift Crown wood at their own peril.

Phenomenal tourist and game developments lend our forest wealth potentialities undreamed of 25 years ago.

The wise and vigorous forest policies inaugurated by the Macdonald Government in the last few years ensure to the citizen of Nova Scotia proper conservation and expansion of this great natural heritage which, in the light of modern conditions, promises to rival even our coal mines as our greatest single source of provincial prosperity.

Issued by
NOVA SCOTIA LIBERAL ASSOCIATION

For hundreds of years its forests have proved a source of great wealth to the people of Nova Scotia.

In a good year, the woods provide as many-man days work as the more highly publicized mines of the province.

In addition, they:

1. Conserve precious moisture.
2. Protect game and wild life.
3. Attract tourist and holiday visitors.
4. Provide an unfailing "cash crop" on land generally useless for any other purpose.

SURVIVES HARRINGTON'S CARELESSNESS

It is the highest possible tribute to the stamina of our forest wealth that it has continued to support a large population after a fashion, in spite of the incredible carelessness and waste to which it was subjected during the late Rhodes-Harrington regime, when:

- (a) No surveys whatever were undertaken to determine the extent or true boundaries of the Crown Lands.
- (b) In consequence, lumbermen trespassed upon them in all directions at will, with loss of untold thousands of cords of splendid and well nigh irreplaceable wood.
- (c) This casual robbery of the provincial treasury was supplemented by grants to political favorites of special cutting permits at low stumpage rates, and
- (d) By grants to other favorites of "lump sum" cutting permits which, in some cases, are alleged to have worked out at less than 10 cents a cord.
- (e) By either not making, or removing or destroying records of these transactions, they made it practically impossible for any redress to be obtained by their successors in office.

WORKING FOR BARE SUBSISTENCE

The immediate effect of these various depredations was to drive down the price of all wood cut in Nova Scotia and to force the farmer and small woodlot owner practically to work for a mere subsistence allowance, and often not a very good subsistence at that.

In most cases prices paid would not compensate the cutter for his own labor, his valuable timber being thrown in free.

THE INIQUITOUS BILL 151

Not satisfied with these scattered assaults upon the "cash crop" income of the small cutter, the former government brought in the blanket measure known as Bill 151 which, under the guise of conservation, really provided efficient machinery for the exclusion of all possible buying competition; in other words for the complete enslavement of the small cutter, or woodlot owner, leaving him absolutely at the mercy of a few large operators who would be able to pay whatever they liked to offer for his pulpwood on a "take it or leave it" basis.

While the bill never really came into force, it served its purpose well enough by making outside capital shy of investing in Nova Scotia pulp lands, and as a result the provincial cutters were unmercifully exploited for years.

RELEASING WOODLOT OWNERS

The Macdonald government, on assuming office, took immediate steps to remedy these conditions and to release the private owners from their intolerable bondage to the big interests:

1. Bill 151 was immediately repealed.
2. Crown Land surveys were instituted as fast as available funds permitted. (200,000 acres have so far been defined and registered in Guysboro, Pictou, Halifax and Hants).
3. Stumpage rates were raised from 50 cents a cord and \$1 a thousand to 60 cents and \$1.20. Later this was jacked up again, first to \$1 and \$2., and then to \$1.50 and \$3. where they stand at present.
4. Abolished special cutting licenses at low rates.
5. Abolished "lump sum" cutting licenses.
6. Instituted proper records of all Crown Lands transactions.
7. Served notice that no illegal cutting will be tolerated on Crown Lands, and that immediate prosecution will follow in all cases where surveys are complete enough to furnish legal proof.
8. Declared that no paper mill, pulp mill or other manufacturer can expect to exist only by grace of starvation wages for the man who produces the raw product.

Prices of peeled pulp wood have already reached \$16 to \$18 a cord in Britain, and it is confidently expected that with the steps that have been taken to end virtual monopoly and the criminal exploitation of the small cutter our forests in the next few years will yield the most worthwhile "cash crop" harvest that the rural workers of Nova Scotia have enjoyed since the war.

A GREAT WINTER ASSET

Not least of the advantages of our forest wealth is that although the payroll is less than in mining, the fact that in the main the industry is pursued at a time of year when other occupations are impossible makes it of tremendous importance to the economic life of the Province.

The carelessness and inefficiency that characterized the administration of the Rhodes and Harrington Governments, from 1925-1933, as respects the forest resources of the Province, is such as to merit the condemnation of every right thinking citizen of Nova Scotia.

NO ATTEMPT TO SURVEY WEALTH

During this whole period, no effort was made to determine by survey the extent and location of the Province's forest assets, and because of this fact, law enforcement as respects illegal cutting was difficult or impossible.

Records of transactions were carelessly kept or when they resigned in 1933 removed from the office of the Department.

Cutting licenses were given to political friends for a fraction of their value, and their policy of disposing of wood from Crown Lands at a much lower figure than it was worth, brought the Government of Nova Scotia into open competition with the holders of private lands, and depressed the price of every cord of pulpwood and thousand of timber that was cut by the owners of private lands.

But the crowning achievement of all was the passage of Bill 151, which under the guise of conservation, sought to conserve to a few an absolutely monopoly of pulpwood in this Province, to the detriment of every private operator from Cape North to Cape Sable.

Never in the history of Government has there been such a record of carelessness and inefficiency in the administration of a public trust, or such a brazen attempt to depress the price of a commodity and to fasten a monopoly upon a Province.

WHO HOLD OUR FORESTS

Nova Scotia's total forest area is less than 10,000,000 acres, distributed as follows:

Large land owners	2,900,000
Farmers, small owners	4,500,000
Government (Crown Lands)	2,300,000

Of the Crown Lands:

Leased or licenses	800,000
Still unalienated	1,500,000

In the main the leases or licenses are for small areas, about 700 of them being below 300 acres each.

The notable exceptions are Oxford Pulp and Paper Co. which leases an area of 500,000 acres in Cape Breton, issued in 1899, and renewed again in 1931; and the contract with the Mersey Paper Co. Ltd., made in 1928, whereby they could choose Crown Lands that would yield them 1,000,000 cords of pulpwood

On the latter contract, lands that were estimated to yield 800,000 had been selected and tentatively agreed to by the Department before the Harrington Government resigned in 1933.

While the portion of the Crown Lands that still remain in the hands of the Province not subject to lease or license is relatively small they constitute a potential asset, and their administration has had and can have a most important bearing on the future of the Province.

CHIEF FORESTER'S PLEA UNHEEDED

The outstanding fact is that the Rhodes-Harrington Governments made no appreciable attempts to determine their exact location and extent.

Year after year the reports of the then Chief Forest drew attention to the fact that "The existing Crown Lands maps are in a very poor state."

It was suggested that in nearly all cases Crown Lands grants were taking considerably larger acreage than they called for.

In some cases it was reported that the actual acreage over ran by 100%.

Despite the repeated representations of the Chief Forester no appreciable attempt was made to survey or locate these Crown Land areas. To anyone familiar with the forests it must be readily apparent that the absence of well defined lines and boundaries left these lands wide open to illegal and unauthorized cutting, whether intentional or otherwise. While the extent to which unauthorized cutting on Crown Lands was going on, will probably never be known there is not the least doubt that thousands of cords of wood were lost forever to the Province.

OPERATORS BECOMING CARELESS

Under these circumstances it would be difficult if not impossible for Department Officials to detect trespass or if they felt reasonably sure of the fact, to prove it.

The attitude of the operator became over a period of years, one of indifference as to whether or not his operations covered some portion of Crown Lands, for which operation he had no authority.

If he was not detected he got that portion of his stumpage for nothing.

If he was detected he paid for the wood on some basis arranged by compromise, since the absence of boundary lines in most cases made prosecution by the Department practically impossible.

Along with this almost unbelievable neglect, the records kept in the Department showed an equal degree of carelessness.

Details of transactions were either never kept, or were removed from the files.

The whole system of the care and administration of this most important provincial asset not only has undoubtedly resulted in the loss of thousands of dollars of revenue to the Department, but definitely encouraged a school of thought throughout the Province which held that the Crown Lands were a "happy hunting ground" for anyone who sought to cut them, whether he possessed authority or not.

But there is another feature of the administration of the Crown Lands by the Harrington Government which had most serious consequences to the Forestry industry in Nova Scotia and particularly as respects prices of pulpwood. It is believed that they continually sold stumpage from Crown Lands at a figure substantially less than it was worth.

IMPOVERISHING THE WOOD LOT OWNER

Even during the boom years of 1928-29 their charge was only \$1.00 a cord and \$2.00 per thousand.

Later on it was reduced to 50c per cord and \$1.00 per thousand.

This policy brought them into direct competition with the owners of private lands of the Province, and the competition from the Government lands of cheap stumpage depressed the price to everyone else.

But there were even worse examples.

Their resourcefulness and desire to reward special friends prompted them to issue cutting licenses on what was described as a "Lump Sum" basis.

These were particularly popular in election years; in 1933 no less than 15 being issued or renewed.

In these cases a lump sum was charged, irrespective of the amount of wood cut.

It can be readily appreciated that no applicant would take such a license unless he were sure that the cost would be less than 50c a cord.

While there is of course no official record of the amount of wood cut in these cases, there are reports current that the amount of wood cut represented a payment by the permit holders of approximately 10c a cord.

The action of the Harrington Government as respects the competition they forced private operators to meet, brought the price down to starvation levels.

The return from the wood not only gave no adequate return for the stumpage but resulted in a wage scale that was a disgrace to any self-respecting country.

Not content, however, with assisting in the depressing of the price of pulpwood they proceeded to make sure that competition in buying from outside the Province would not force the price up.

Under the guise of conservation, Bill 151 was passed, despite the opposition of private land owners, Liberal and Conservative alike.

The Bill provided that at any time the Government might forbid the export of pulpwood.

This was widely proclaimed as a conservation measure, aimed at protecting the forests.

It must be apparent, however, that in effect what it sought to conserve was the pulpwood industry to a few who were engaged in the business in Nova Scotia.

If pulpwood prices were low in Nova Scotia, those who wished to buy would be attracted to the Province, as purchasers.

Experience has gone to show that those who would be permanently interested in buying pulpwood, must be prepared to make a material capital investment in order to insure continuity of supply.

It is quite obvious therefore that with the constant threat hanging over their heads that at any moment a Government might decree that they could not export, no one would risk the capital expenditure.

This was exactly what happened.

No new purchasers came to the Province.

Some who had purchased land and expected to operate, secured a source of supply elsewhere, and offered their lands for sale.

During the depression nothing much was heard in respect to it, but now that pulpwood is again becoming a very desirable commodity, there are indications that, if they should get the chance, the Conservative Party would again attempt to fasten monopoly on this Province, and exclude outside competition.

Immediately the Macdonald Government came into office it proceeded to correct this very unfortunate state of affairs.

In co-operation with the Federal Department, a comprehensive survey of privately owned forest lands is being conducted to determine the extent of the forests and an approximate idea of yearly reproduction.

Crown Lands surveys were ordered to mark their limits and determine the amount of wood thereon.

These surveys have been carried on as rapidly as the available moneys would permit and at the end of 1936, over 200,000 acres had been completed.

So far they have been carried on largely in Guysboro and Pictou Counties, with small portions in Hants and Halifax.

Further surveys are being carried on this year, and will be continued till every acre of Crown Land has been definitely surveyed and located.

When the Macdonald Government took office the forest Products industry was at a very low ebb.

It was difficult to make any radical change in price or method, particularly as the Department called upon all operators to assist unemployment by operating.

Immediately, however, the stumpage of 50c per cord was increased to 60c and \$1.00 per thousand to \$1.20.

Later, in 1934, the rate was further increased to \$1.00 and \$2.00 respectively.

During the latter part of 1935, the rate was further increased to \$1.50 per cord and \$3.00 per thousand, where it is at present.

It also took action to limit the issuing of lump sum licenses, reducing the number to 8 in 1934, most of which were for very small areas.

In 1935 there was only 1, and in 1936 the government did away with them entirely. It immediately repealed Bill 151 and served notice to all concerned that as far as a Liberal Government was concerned, no such legislation would ever be enacted.

Already beneficial results have followed. Demand for pulpwood from outside the Province is being reported at much better prices, and if this competition is not again throttled much better prices will result in the future. No one in his right senses would hope otherwise than that, as far as possible, the forest resources of Nova Scotia be converted into as highly finished products as possible within the Province, but we believe that no paper mill, pulp mill or other manufacturing establishment should exist only as a result of starvation prices for the man who produces the raw product.

The producer is entitled to as high a price for his product from our local mills as he can get by exporting, and legislation or government policy to prevent him is nothing short of a crime.

In our forests we have a great potential asset.

It can be a source of great wealth to Nova Scotia, both directly and indirectly.

Advice from our Timber Commissioner in London is that increasing demand is evident on all sides for wood products.

The potential demand for the products of pulpwood is rapidly leading to a world shortage.

Prices for peeled pulpwood in England or on the Continent range from \$16. to \$18. per cord and in some cases higher.

The day will come when our forest lands will be conserved, reproduced and cropped as systematically as one would crop a farm.

REVENUES OF THE DEPARTMENT

The following table shows a comparison of the Revenues and Expenditures of the Department during the years of the Conservative regime, 1925-1933 inclusive, and during the years of the present Liberal regime, 1934-1936 inclusive:

REVENUE AND EXPENDITURE 1925-1936

	Revenue	Expenditure	Surplus	Deficit
1925	145,507.00	38,347.00	107,160.00	
1926	181,981.71	74,406.72	107,574.99	
1927	172,832.33	120,821.30	52,011.03	

1928	159,973.82	133,191.02	26,782.80	
1929	170,580.37	145,307.55	25,272.82	
1930	191,148.90	197,760.29		6,611.39
1931	191,512.82	190,505.95	1,006.87	
1932	178,205.88	165,939.08	12,266.80	
1933	163,465.29	179,988.67		16,523.38
1934	165,704.56	155,186.81	10,517.75	
1935 (14 mos.)	218,385.23	131,914.91	86,470.32	
1936	216,845.24	100,692.06	116,153.18	
	\$2,156,143.15	\$1,634,061.36	\$545,216.56	\$23,134.77

Note that in 1930 the cost of maintaining the Department had mounted to \$197,760.29, and that in 1931 it was almost as high.

In 1936, on the other hand, at the end of three complete years of Liberal administration, it had been reduced to \$100,692.06.

Notwithstanding this great reduction in expenditure, the sum of \$100,692.06, which represents the cost of maintaining the Department in 1936, includes the sum of \$14,000 for the Crown Land survey.

This survey, which had long been a crying need, represented an entirely new but absolutely necessary expenditure, the object of which was the estimation, for the purpose of conservation, of the timber resources of the Crown.

Had the Department been satisfied to pursue the old Conservative policy of careless administration of the forest wealth, or had it chosen to exhibit as capital expenditure the cost of this undertaking, as it might well have done since the results of it will last for many years, then the total expenditure for the year 1936 would appear as \$86,692.06.

This is the figure that ought to be compared with the figures in the foregoing table that represent the expenditure during the years 1925-1933 of Conservative administration.

WILL YIELD FUTURE INCOME

The expenditure of this \$14,000 for determination and conservation of the forest wealth is an investment that in years to come will yield an infinite income in material returns and in enjoyment to the residents of this Province.

The following table indicates one way in which the saving was made.

**Salaries under the Department of Lands and Forests
1925-1936.**

1925 Liberal Government.....	\$ 18,600.00
1926 Conservative Government.	40,190.94
1927	62,684.12
1928	73,787.97
1929	69,297.97
1930	74,555.22
1931	77,150.85
1932	83,428.65
1933	75,560.82
1934 Liberal Government.....	40,255.78
1935	43,645.98
1936	37,247.67
	<hr/>
	\$696,405.97

In addition to these economies, the services of the Department were improved and essential equipment was increased.

COMPARING FOREST FIRES

This table gives a comparative statement of fire fighting equipment in 1933, when the present Government took office and in 1935, the year just ended:

Year	Motor Hose Back		Mattocks			
	Pumps	feet	Pumps	Pails	and Axes	Shovels Trailers
1933	27	25,486	360	164		84 8
1936	45	93,000	1,102	930	677	901 14

During 1936, the cost of fire suppression was \$3,077.89, one of the lowest amounts in the entire history of the Province.

The estimated forest damage was \$854.00 and the estimated property damage, \$2,100.00.

These figures constitute an all time record in forest conservation and economy of service, and could not have been achieved had not the essential services of the Department been maintained at an exceedingly high and improved standard.

The Story of the Economic Council

Our dried fish trade with Brazil was in a bad way.

From 40,000 quintals in 1930, it had fallen to little more than 1,600 quintals.

Until the problem was handed to the Economic Council, it was generally believed that the loss was mainly due to high hard times forcing South Americans to forego their favorite high quality Nova Scotia fish for the cheaper products of Europe.

But the Council soon found that freight rates also had a lot to do with it.

To North Brazil, our ocean rate was \$1, a drum against 80 cents a drum from Newfoundland ports.

To South Brazil, our rate was \$1.45 against a Newfoundland rate of 90 cents.

The Council went after the River Plate steamship rates conference with the result that the charge was reduced, first to \$1.10, later to 90 cents.

This was only in February, 1937, and in little more than a month sales to Brazil had claimed from \$5,000 the year before (March 1936-February 1937) to over \$24,000

To date these sales total more than \$40,000, and it is estimated will reach \$70,000 this year

The only limit appears to be a real shortage of dried fish due to so many operators having gone into the fresh fish business during the slump.

But there it is:

From \$5,000 to \$70,000

Other activities in which the Council is engaged on behalf of an expansion of Nova Scotia trade are described in the following pages.

Issued by
NOVA SCOTIA LIBERAL ASSOCIATION

After the appointment of a Secretary in June 1936, the Economic Council, the members of which were appointed by Order in Council in December 1935, met to discuss organization and methods.

Since then, to date, (May 1937), the Council has held ten business meetings.

An office has been established to assemble the data that are fundamental to the study of the economic questions confronting the industries and trades of Nova Scotia.

The economic inquiries that have been made by the Council have concerned the main industries of the Province, namely fisheries, lumber, mining and agriculture.

Attention has been directed to some of the particular questions affecting each of these industries.

In some of these questions, investigation was able to proceed up to that stage which permitted a report, embodying the analysis of the question, the findings, and recommendations of the Council, to be presented to the Government of the Province.

In other instances, where the questions are complex, and where a finding is less easy to reach, the questions have been broken down to fundamentals, so far as that is possible, and some phases of the whole question have been studied, and reports have been made.

THREE MAIN FISHERIES PROBLEMS

In the fisheries industry, after a preliminary survey was made, attention was directed to some phases of the general questions that confront the industry, particularly in the dried fish trade.

On this, three reports have been prepared, each dealing with a different phase of the trade.

One dealt with the conditions necessary for reviving the dried fish trade of the Atlantic fisheries, another with the dried fish trade of the United States, and its relation to Canadian exports, and the third with Nova Scotia's trade with Cuba, with particular reference to fish.

These three surveys, with conclusions and recommendations, were prepared for transmittal to Ottawa, the matters concerned being within the jurisdiction of the Dominion Government.

The first of these reports was presented at Ottawa by the Premier and a delegation from the Council.

Another study of the dried fish trade investigated the Brazil market, and the discriminatory freight rates against Nova Scotia in its competition with Newfoundland in that market.

A case was prepared and presented to the shipping companies concerned.

They co-operated fully, and the freight rate from Halifax was reduced to the same level as the Newfoundland rate.

In the fresh fish trade, a study was made of the distribution, and transportation to the central Canadian markets, and a report with recommendations has been forwarded to the Government.

NECESSITY FOR GRADING LUMBER

In the lumber industry, an investigation was made of the forest resources of Nova Scotia, and of the methods of timber utilization.

Following this, a report, and recommendations, were made to the Government on the conservation of forest resources.

The study of the methods of utilizing waste lumber is still proceeding.

With respect to the export of lumber, a survey of the trade was completed, analysing the competitive conditions in the overseas markets, and the marketing methods of the European and other competitors, with a view to discovering how the returns to Nova Scotian producers might be increased.

A report was made to the Government on the necessity of grading lumber in the export trade.

DEVELOPMENT OF MINERAL WEALTH

In the mining industry, attention was given to the fundamental conditions necessary for assisting the commercial development of the minerals of Nova Scotia.

In particular, the requirements with respect to mapping, and investigating the geological conditions in the various coal fields, were studied with a view to discovering how those in charge of mining operations in these fields might be assisted.

In addition, attention was given to the need for additional economic study of the gold occurrences, and also of the base-metals and the industrial minerals.

The report outlining the assistance that could thus be given to the various sections of the mining industry, was made in two parts, one recommending action that might be taken by the Provincial Government, and another detailing the assistance that might be given by the Canadian Department of Mines, and by the Fuel and Ore-Testing, and the Ceramics Laboratories at Ottawa.

UTILIZING N. S. HIGHWAYS MATERIAL

A preliminary study was made of the possibility of utilizing provincial resources in the construction of highways.

A committee, composed of representatives of the Highways Department and of the Nova Scotia Technical College, conducted a special inquiry into road stabilisation.

The report of the committee, and its recommendations, have been made.

In agriculture, only one study has so far been completed.

It concerned the marketing of fluid milk in Nova Scotia, the matter being investigated by the Council from the points of view of public health, and of public economy.

A report, embodying the Council's findings, and recommendations, was made to the Government.

STUDY FERTILIZER TRADE

In agriculture, a study is being made of the fertilizer trade, with a view to discovering how far provincial resources could be increasingly utilised as fertilizers, and how far this development would also lower the costs of fertilizers.

The Council has devoted some study to the secondary industries of Nova Scotia.

Attention was given particularly to the problems that confront these industries as they try to hold local markets against the competition of firms from the more highly industrialized regions.

A report has been prepared outlining the needs that have to be fulfilled if small local firms and industries are to compete effectively with the large firms that penetrate the Maritime markets.

SUBJECTS OF ENQUIRY TO DATE

The reports made by the Council are as follows, in chronological order:

- (1) Nova Scotia's Trade with Cuba, with particular reference to Fish.
- (2) Preliminary Report on Highways Research.
- (3) The Necessity of Grading Lumber for Export.
- (4) The Marketing of Fluid Milk in Nova Scotia.
- (5) The Conservation of Forest Resources.

- (6) Geological and Economic Investigation and Mapping Required to Assist the Commercial Development of the Minerals of Nova Scotia.—Two Parts.
- (7) Desirability of Equal Freight Rates on Dried Fish Shipments from Halifax and from Newfoundland to Brazil.
- (8) The Dried Fish Trade of the United States, and its Relation to Canadian Exports.
- (9) The Conditions Necessary for Reviving the Atlantic Fisheries, with particular reference to the Dried Fish Trade.
- (10) Stabilization of Secondary Roads in Nova Scotia (report made by co-operation of the Highways Department and the Nova Scotia Technical College).
- (11) Transportation Rates on Fresh Fish.
- (12) Need for a division of Information for assisting the Secondary Industries of Nova Scotia.

The Story of Old Age Pensions

Apart from Magna Charta and the Bill of Rights, it is doubtful if there is in existence any document that is calculated to contribute more to the real cause of human freedom than the Nova Scotia Old Age Pensions Act.

Already over 17,000 aged worthy people have been rescued from actual penury or released from the mental anguish of dependence upon relatives by the working of this great social reform.

True, there are pensions acts in operation elsewhere, but almost invariably they carry with them vexatious surrender of cherished personal possessions or small properties, or saddle municipalities with costs which tend to destroy the spontaneous enjoyment of what should be one of life's greatest boons.

The Nova Scotia Act at one stroke cuts through all this picayune meanness, and furnishes to deserving people an adequate income free from worrisome strings and restrictions.

Its great success has admittedly been due in no small measure to the sympathetic personal attention of the Honourable Frank R. Davis, generally recognized in the medical profession and beyond, as one of the ablest public health and social legislation administrators that this country has ever produced.

The following pages tell how vital Old Age Pensions have been put into force by a determined Liberal government in the teeth of opposition and faint heart cries of "impossible" and "where will we get the money?"

Issued by
NOVA SCOTIA LIBERAL ASSOCIATION

"If the Macdonald Government, during its four years in office, had done nothing but institute Old Age Pensions, that action alone would be sufficient to entitle it to the support of every thoughtful Nova Scotian."

This sentiment, or some variation of it, has been heard thousands of times in every county of Nova Scotia from Cape North to Cape Sable since this great epoch marking reform was instituted immediately following the 1933 election in which it had been a major issue.

Old Age Pensions had been for generations the fondest dream of aging people in the Bluenose province.

More than one Royal Commission had investigated its possibilities, but the first one was too far in advance of the sentiment of its own day (1907) and the last got nowhere because of the strange dilatoriness and timidity of the Rhodes-Harrington ministries.

Pensions had been a major plank of the Conservative platform in 1925, but this pledge was never implemented.

When charged with this delinquency, and faced with an electoral crisis, Premier E. N. Rhodes made the further pledge that he would pay old age pensions within six months or resign from office.

But the pensions were not paid, nor did Hon. Mr. Rhodes resign.

Moreover, when Angus L. Macdonald pledged himself, in 1933, to pay old age pensions immediate, if elected, he was derided from the housetops by the Conservative press and platform speakers, who said over and over again that such a thing was "impossible."

Finding that public sentiment was overwhelmingly behind pensions, Premier Harrington then altered his opposition to a plea of helplessness to act and to a renewed pledge that the Old Age Pensions Act **"will be proclaimed immediately following the prorogation of the next session of the Federal parliament and in any event not later than July 1 next."**

To this the Halifax Herald added by way of explaining and abetting, that "The leader of the Opposition (Mr. Macdonald) knows as well as any and better than most... that it will be impossible to pay Old Age Pensions in this province.... **Another session of the Federal parliament must be held.... Therefore the term "immediate" in the manifesto of the leader of the opposition is put there merely as a gesture and does not mean a thing."**

Let us see how that prediction turned out.

Posing down in Cape Breton as a great constitutional lawyer, and directing his remarks at one whom he evidently considered a mere infant in constitutional law, Col. Harrington ridiculed the Macdonald promise to pay old age pensions immediately.

Premier Harrington claimed that under the constitution old age pensions couldn't be paid until after the Federal House met the following year.

But unfortunately for the colonel's dictum, the "infant in law" was elected to office and his first official proceeding was to proclaim the Old Age Pensions Act!

Without waiting for the Federal parliament;

Without waiting for the Provincial parliament;

The law was put into effect.

And within five months, the deserving old people of Nova Scotia were receiving their first pensions cheques.

During the comparatively short life of this great measure, which is approached in social significance only by the earlier (also Liberal) Workmen's Compensation Act, 17,739 worthy Nova Scotians have been rescued from old age dependence and enabled to spend their declining years in peace and comfort.

At this moment more than 13,500 people are in receipt of these monthly payments, which have an effect upon the economic life of the province, particularly upon its rural sections, far more profound than any bare statistics can possibly convey.

In scores of instances, fine old folk have been saved the necessity of breaking up their pleasant homes and going to county institutions.

In hundreds of others, people have been enabled to leave such institutions and return to the more congenial surroundings of their earlier years.

Still others who wished to continue to receive the service and protection of public homes have been furnished with adequate pocket money and the balance of their pensions applied to payment of their board in county homes.

(Incidentally the municipalities have all benefited mightily, first by being relieved of large number of former inmates; and second by receiving money instead of paying it out on behalf of those who remained. In most other provinces, municipalities are obliged to pay a substantial portion of the cost of all old age pensions. and not a few of them have gone bankrupt in consequence.)

Other worthy families, hard pressed themselves, but too proud and independent to allow their aged parents to become inmates of public institutions, have found the burden of caring for these relatives greatly eased by the coming of the pension cheque.

In some districts, and in many instances everywhere, the pensions cheque represents as much or more actual cash as the family otherwise might be able to earn in the same period.

It is freely admitted that in some instances this may not be an entirely unmixed blessing, but such cases are few and far between.

The general effect of the Act has been not only to provide a great measure of security for the old, but greatly to raise the standard of living and comfort of whole communities.

Apart altogether from economic aspects of the matter, any humane person must take into consideration the great weight of mental anguish that rolled off the aged poor of Nova Scotia when the first old age pensions cheques went out.

Under the most favorable conditions, old people find it a heart breaking process to adapt themselves to the routine of the homes of even the most considerate of relatives.

In some cases relatives are not very considerate, and to scores of recipients the pension came as welcome lever for independence and immunity from family exploitation.

As one Nova Scotia publicist recently summarized it:

Lincoln freed the chattel slaves.

Roosevelt freed the wage slaves.

Macdonald freed the old age slaves.

Another element that has greatly enhanced the social value of old age pensions in Nova Scotia is the extremely reasonable way in which the Act has been interpreted and administered.

This despite the fact that, as the official report says:

The proper administration of the Old Age Pensions Act is neither a simple nor an easy task. Reliable information is not always obtainable. In many cases it is most difficult to determine accurately the income of an applicant. Cash income is often a very small part of a pensioner's means of livelihood but many applicants consider only their cash receipts. The regulations respecting income state, among other things, that the Board shall take into account other means of livelihood, whether in money or in kind, which the pensioner may reasonably be expected to receive. This would obviously include what contributions, in cash or in kind, the children should make toward the support of their parents. How is the Board to arrive at a correct estimate of this amount? There are numerous difficulties with respect to proof of age. Many applicants are without proper certificates of date of birth and yet dispute the Dominion Census records, which are often the only source of information available. Residence is a matter of vital importance and gives rise to much correspondence and inquiry. The transfer of property, wages or earnings of pensioners after the granting of a pension, and the receipt of bequests or other gifts, bring up many complex problems for solution.

In this connection it should be explained that, unlike procedure in some other provinces, **the Nova Scotia Board does not take away any property of which the pensioner may be possessed when he goes on pension.**

The Dominion Act provides for the turning over by the pensioner of his dwelling, but:

IN NOVA SCOTIA THE BOARD WILL NOT ACCEPT ANY DWELLING HOUSE UNDER THIS SECTION OR PROVISION OF THE ACT.

When the pensioner dies, the Board is entitled to recover from his estate the cost of the pension plus 5 per cent compound interest.

BUT—This applies only if the estate passes to some "outsider" who has done nothing for the maintenance of the pensioner.

If it passes to some person or relative who has helped to maintain the pensioner for three years last past, or from the inception of the pension, or to his wife who has been living with him, the Board has no claim.

Unlike the red tape that so often complicates and delays military pensions applications, the Nova Scotia Board never considers a case as finally closed, but is always ready to re-open without formality whenever anything that even looks like new evidence or circumstances crops up.

The Board is able to do this because of the comparatively small area and population of the province, which give to these transactions a more personal touch than is possible with Dominion wide undertakings.

The Story of Rural Electrification

The cause of Rural Electrification in Nova Scotia has already advanced such farther than is generally known, the Macdonald Government having some time ago arranged for an expert survey of the situation, and having lately received an exhaustive report which has been approved in principle.

The plan contemplates a minimum installation of 100 miles of line a year for five years, with a minimum of three subscribers to the mile.

The proposed service charge is \$1.25 a month for light current alone, or \$1.75 a month for current where both lights and an electric cooking range are installed.

Each subscriber to receive \$25 grant to assist with the wiring of his home; and existing utilities to be encouraged to make rural extensions from their present lines.

If public support rallies to more than the three subscribers a mile minimum, then it is probable that lines may be extended faster than at the rate of 100 miles a year.

It is an ambitious undertaking, one that in human values ranks second only to Old Age Pensions.

Eventually it will bring about a real Renaissance of rural life in Nova Scotia.

Issued by

NOVA SCOTIA LIBERAL ASSOCIATION

"Light and power contribute to the elevation of the general standard of life of rural population by making work easier and improving working conditions," declares a noted authority on Rural Electrification, adding:

These factors are of special moment, since they counteract the tendency of the rural population to abandon the farms in order to move to towns or industrial districts."

Rural electrification was not among the 1933 pledges of the Nova Scotia Liberal government, but Angus L. Macdonald was never one to stand by the mere letter of his undertaking with the people.

Travelling as premier from one end of the province to the other, he became convinced that next to Old Age Pensions, there is nothing that will add more to the comfort and happiness of our people than some better system than we at present possess for the wider distribution of electrical services.

As usual, to think was to act.

Harold S. Johnston, Chief Engineer of the Nova Scotia Power Commission, and himself an outstanding electrical authority, was instructed to prepare a report which has now been received and approved in principal by the government.

Rural electrification, however, is an expensive problem, and adequate financing is the next matter to be arranged.

The project at the moment is in the financial stage but progress is being made, and in the near future it is hoped to be able to begin the delivery of light, heat and power to the farms at the rate of about 100 miles of line a year.

The average estimated total cost for the first five year period would be \$57,229 a year, against which would be charged certain revenues that will be available, bringing the net cost down to an estimated \$33,454 a year.

This is based upon the assumption that demand for service will be at an absolute minimum per mile. Should the people respond with greater demand for the service either the cost a year would be greatly lowered or the money would be used to expend at a rate greater than 100 miles per annum.

Many people have the idea that all that is required for such service is to be near a power line.

They imagine that all one has to do is to "plug in" on that line in approximately the same way that a person in a wired house plugs a toaster or similar equipment into a wall outlet.

As a matter of fact, before local service can be rendered, there must be a stepping down of power from the main line which involves expensive equipment, so that service cannot be given at the legal profit of 8 per cent to a private company unless there are at least seven customers to each mile of line.

The plan approved by government would extend aid to such lines to the extent that service could be given if only three customers at first were available to the mile of line.

The hope is, of course, that the advantages of light and power will attract other customers until each mile of new line has seven or more consumers and is self-sustaining, whereupon the government aid will be available to electrify still other miles of at present unserved territory.

The Johnston report is highly technical in content, but some of its outstanding recommendations are:

1. A service charge of \$1.25 a month for light and \$1.75 where electric cooking range is installed.
2. Government aided extension lines to be built only where there are three assured contracts a mile plus seven reasonable prospects a mile.
3. A sum of \$3,000 to \$7,000 a year to enable the Commission to conduct a campaign of rural education as to desirability of electrical connection.
4. A grant of \$25 to each subscriber to enable him to wire his home properly for service. \$15 of this to be repaid in five years by increasing service charge 25 cents a month, or a net consumer bonus of \$16.25.
5. Government to loan money at cost plus one half per cent to existing utilities willing to build extensions under this plan. (Subscribers joining under this section to receive the same \$25 aid as in No. 4 above).
6. Commission to take over inspection work of Fire Prevention Board to see that installations are properly done and to regulate types of electrical equipment allowed to be sold in province.
7. A 3 per cent tax on gross annual income of Commission and all private and municipal utilities, except on cost of power sold in bulk for resale, or on street current for street lighting.

Commission and utilities to pay an additional tax of 25 cents a meter on all domestic and commercial contracts.

These amounts to help defray costs of the rural electrification plan above.

The item for education is necessary because despite the obvious advantages of electrification, there are rural districts where lines have been in existence for five years without attracting more than 25 per cent of the possible subscribers, while it is very unusual to have more than 60 per cent of the homes in any community connected with rural lines.

Authorities report that groups likely to contract for service fall into the following order of importance:

1. Unserved farms on or near rural lines.
2. Unserved dairy, poultry, fruit farms so located as to make service cheaper than from other sources of supply.
3. Limited areas where farms are close enough together to make service cheap.
4. Limited number of farms where income is high enough to make cost a secondary object.

A serious deterring factor is the cost of wiring and equipment, which for a fully electrified farm is often out of all proportion to what the service is worth to the farmer.

However, the government takes the view of the authority quoted at the beginning of this article who says:

"In considering the benefits of rural electrification, it becomes desirable to look beyond the immediate balance sheet of an individual rural electrification project and consider the larger balance sheet of rural well being for the nation as a whole."

The Story of Forest Products Marketing

Condensed official statistics best tell of the success of the Macdonald Government in its policy of fostering sales of Nova Scotia lumber and forest products.

140 per cent increase in general Forest Production.

300 per cent increase in lumber exports to Britain and the United States.

\$2,000,000 increase in value of forest products over 1935.
Other forward steps:

Crown Lands survey:

60,000 acres classified as to quality of timber.

250,000 acres thoroughly surveyed.

600 miles of boundaries run to prevent future poaching.

47 motor fire pumps against 27 previously.

93,000 feet of fire hose against 24,486.

100,000 trees planted.

New steel fire towers now under construction.

Best of all, so rapid has been the recovery of the Nova Scotia lumber trade that the only real danger at the present time is the danger of a SHORTAGE of forest products to meet the demands of the domestic and overseas markets.

Issued by

NOVA SCOTIA LIBERAL ASSOCIATION

Nova Scotia is one of the finest vacation lands in the western hemisphere.

Nova Scotians have ever been ready to reiterate their pride in the virgin charm, quiet restfulness, scenic beauty and recreational advantages of their native Province, sea-girt, endowed with great historical traditions and genuinely hospitable to the visitor from afar.

Only in recent years has the value of this justly pronounced pride in our attractions been realized to any appreciable extent, other than the sentimental phase.

When the Macdonald administration took office in September, 1933, there were attendant declarations by members of the government concerning the possibilities of developing the tourist industry in Nova Scotia.

A vigorous campaign would be launched, it was promised, to persuade more visitors to come here.

New money for Nova Scotia was the keynote of this policy.

Capital outlay would be slight compared with the much larger revenue that should result.

The goal was the creation of a new major industry in the Province, a tourist trade which may employ directly and indirectly hundreds upon hundreds of people and divert into every channel of commerce "new" money.

NEW OFFICES AT DIGBY, CANSO AND YARMOUTH

The Bureau of Information and Publicity involves the maintenance of a head office in Halifax, now located in the newly erected Provincial Administration building.

From it the director supervises the Bureau's work, assisted by an office staff prepared to handle many thousands of inquiries from abroad each year, to produce tourist booklets descriptive of Nova Scotia and to develop continually the growing interest in Nova Scotia elsewhere. Bureaux are also maintained at Yarmouth, Digby, the New Brunswick border and the Strait of Canso.

The Digby and Canso offices have been set up since 1933 and are doing excellent work, while the earlier "cubby-hole" type of office in Yarmouth has been shifted to a new building with larger quarters and improved personnel.

At these various bureaux incoming tourists are aided in every way and all types of inquiry answered as clearly and fully as possible.

Promises were betrayed and inquiries disregarded.

By gross indifference and unbelievable apathy—or worse—ineestimable harm was done the lumbering industry of the Province.

QUOTED RIDICULOUSLY HIGH PRICES

When this representative succeeded in interesting one English firm of importers in Nova Scotia pulpwood, **the Government deliberately quoted a price, f.o.b. that was two to three dollars per cord higher than the current price being paid by the Mersey Paper Co.** No explanation has ever been made for the Government's action in discouraging the purchase of Nova Scotia pulpwood in this fashion, just as no satisfactory explanation has ever been given for the enactment of Bill 151.

The Macdonald Government set about to undo the harm that had been done.

The promised samples were obtained and dispatched to their destinations.

The neglect and incompetency of the previous administration were corrected. Correspondence was resumed.

Undertakings were fulfilled.

The representative of the Macdonald Government returned, bringing with him orders for Nova Scotia lumber products of a value of approximately \$100,000.

The confidence of the English market in this Province as a source of lumber and lumber products was restored.

Important contacts were made and lumber importers in Great Britain were impressed with the desire and ability of Nova Scotian importers to supply many of their needs.

LUMBER PRODUCTION RISES

The impetus which these measures contributed to give to the lumbering industry of the Province was remarkable.

The following table shows the lumber production of Nova Scotia from 1931 to 1936.

The "Other Products" in the third column comprise Pulp-

wood, Railway Ties, Mine Timber, Shingles, Laths, Staves and Heading, Piling and Box Wood:

Year	Lumber	Other	Total
	Feet Board Measure	Products Feet Board Measure	Feet Board Measure
1931 (Calendar)	99,322,000	142,005,000	241,327,000
1932 "	67,447,000	99,177,000	166,624,000
1933-34 (Season)	196,277,000	163,451,000	359,728,000
1934-35 "	217,690,000	162,953,000	380,643,000
1935-36 "	227,806,000	175,641,000	403,447,000

The production for the 1935-36 season was 227,806,000 feet, board measure for lumber; 175,641,000 for other products, or a total of 403,447,000 feet, board measure.

TAKE LEAD IN SPRUCE EXPORTS

The exports of spruce planks and boards to the United Kingdom and the United States from Nova Scotia, New Brunswick and Quebec for the years 1933 to 1936 is shown by the following:

Nova Scotia

	U. K.	U. S.	Total
Yr. ending Mar. 31 1933	21,069,000	6,216,000	27,285,000
" " " 1934	69,990,000	6,768,000	76,758,000
" " " 1935	115,152,000	6,334,000	121,486,000
" " " 1936	96,904,000	10,548,000	107,452,000
Jan. 1st to Sept. 30 1936	84,432,000	10,389,000	94,821,000

New Brunswick

	U. K.	U. S.	Total
Yr. ending Mar. 31, 1933	21,539,000	29,214,000	50,753,000
" " " 1934	94,778,000	29,656,000	124,434,000
" " " 1935	105,230,000	17,475,000	122,705,000
" " " 1936	45,799,000	30,040,000	75,839,000
Jan. 1st to Sept. 30, 1936	50,392,000	34,065,000	84,457,000

Quebec

	U. K.	U. S.	Total
Yr. ending Mar. 31, 1933	7,064,000	56,595,000	63,659,000
" " " 1934	54,133,000	59,547,000	113,680,000
" " " 1935	68,387,000	55,462,000	123,849,000
" " " 1936	36,759,000	67,241,000	104,000,000
Jan. 1st to Sept. 30, 1936	20,244,000	65,333,000	85,577,000

In 1936, Nova Scotia took the lead for the Eastern Canadian Provinces, in the export of spruce lumber to the United Kingdom and the United States.

A STORY OF STEADY IMPROVEMENT

In the past four years, as the above figures show, Nova Scotia has gone a long way towards recapturing an important place in the export market, not only in Great Britain, but also, as a result of the recent reciprocal arrangements between Canada and the United States, in the latter country as well.

The situation as it exists today in Nova Scotia, as compared with several years ago, may be summed up briefly as follows:

1. An increase over 1933 of about 140 per cent. in the production of forest products in the Province, with consequent great improvement in the employment situation.
2. An increase of nearly 300 per cent in the exports of forest products to Britain and the United States.
3. An improvement of some \$2,000,000 in the value of forest products in 1936 over 1935, as a result of improved markets and steadily increasing demand for certain forest products.

PRICES HAVE STEADILY IMPROVED

Prices for all classes of forest products have been steadily on the increase during the past few years, particularly those for lumber.

A quotation of prices received by one Nova Scotia exporter of timber is ample evidence of this fact.

The following were the prices received by this exporter for sawn lumber on a basis, f.o.b. ship at Halifax per 100 feet board measure, boards 10 feet by 7 inches, from March 1933 to April 1937:

March 13, 1933	.....	\$13.40	per M
March 23, 1933	.....	12.50	" "
March 30, 1933	.....	12.00	" "
December 11, 1933	.....	18.50	" "
January 4, 1934	.....	18.75	" "
April 30, 1934	.....	19.75	" "
May 31, 1934	.....	19.00	" "
December 5, 1934	.....	18.00	" "
April 31, 1935	.....	18.75	" "
September 30, 1935	.....	17.50	" "
December 10, 1935	.....	17.25	" "
February 29, 1936	.....	17.25	" "
April 14, 1936	.....	19.50	" "

September 5, 1936	.....	21.50	" "
November 5, 1936	.....	22.00	" "
December 15, 1936	.....	22.50	" "
January 15, 1937	.....	23.50	" "
February 12, 1937	.....	24.50	" "
April 9, 1937	.....	24.75	" "
April 24, 1937	.....	26.00	" "

Demand for pulpwood increased by the various factors affecting the situation in both Britain and the United States. has become exceedingly strong and special efforts have been made recently by the government through the Department of Lands and Forests and the Markets Branch of the Department of Agriculture to interest pulp buyers in Nova Scotia pulpwood.

As a result a number of outstanding firms from abroad have contacted the government and have been put in touch with supplies.

The greatly increased demand for both lumber and pulpwood renders the outlook for the industry in Nova Scotia exceedingly bright, when one views, particularly, the advantage the Province holds in geographical nearness to the export markets.

The present government is taking all steps possible to assist in placing the industry in a position to reap the full benefits of the improved situation.

INCREASED REVENUE FROM STUMPAGE

This not only brought increased revenue to the Province but acted as a factor in maintaining the price received on privately-owned stumpage.

SANE POLICY OF CONSERVATION

The Government has also taken steps to ascertain the amount of timber growing in the Province and the amount that could be cut annually without depleting the forest resources of the Province.

FIRST SURVEYS OF CROWN LANDS IN HISTORY

It was felt imperative to a proper policy of conservation that such information should be compiled and available at all times.

The surveys have been under way each year since August 1934. and some 250,000 acres of Crown timber lands have now been surveyed and boundaries properly marked, while some 60,000 acres have already been mapped with quality of timber of each kind designated. Over 600 miles of boundary lines have been run.

GUARD AGAINST SHORTAGE IS URGENT NEED

Unquestionably, looking to the near future, the country that has a plentiful supply of wood is going to be a prosperous country and those who are owners of or interested in the forest lands of the Province should take every precaution to provide for the future, in order that the Province may not find itself, perhaps in the not too distant future, with a shortage of wood when there is a heavy demand and high prices.

FIRE PROTECTION

Every method has been used to bring home to the public the value and importance of fire prevention, and this has been kept constantly before the people by various means, including radio, press and movie.

The Department now has a total of 45 motor pumps for forest fire work, compared with 27 in existence in 1933, and now has 93,000 feet of hose compared with 25,486 in 1933.

The policy with respect to fire detection has also been improved. The start of a new system of fire towers, to replace some of those in existence which were found most unsuitable for their purpose, has been made, with the erection of a new 50-foot steel tower at Nutby in Colchester County.

The policy will be to erect these steel towers at strategic points commanding a wide view of the territory served, and giving coverage of the entire Province with a minimum number of towers.

100,000 NEW TREES PLANTED

In line with sound conservation policies for the forests, a definite reforestation program has been conducted by the present government, and in 1936 some 100,000 trees were shipped to all parts of the Province.

By far the greater number of these were used directly on reforestation projects.

The policy of supplying forest seedlings free of cost to those interested in planting is being continued.

The Story of Tourist Development

In the summer of 1936, the number of tourist visitors to Nova Scotia reached a new all time peak of 299,443.

This was 75,000 greater than the previous peak year 1931.

It was double the volume of 1933.

It was more than double the volume of the boom year 1929.

It is estimated that these friendly neighbors left at least \$6,000,000 new money in Nova Scotia.

Simultaneously, Wedgeport sprang into world fame as a tuna fisherman's paradise; and Louisburg as a Mecca for the comparatively new sport of angling the broad bill swordfish.

Longer recognized tuna bases such as Liverpool and Lockeport and Jordan Bay gained new honors and prestige.

Famous visitors—including President Franklin D. Roosevelt—came from afar to Nova Scotia's unrivalled deep sea angling attractions.

And the immediate outlook is for unparalleled expansion of tourist volume and activities in 1937.

All this was not accomplished by a mere twiddling of thumbs.

Some highlights of the highly intelligent and successful tourist effort of the Macdonald Government are given herewith.

Issued by
NOVA SCOTIA LIBERAL ASSOCIATION

Nova Scotia is one of the finest vacation lands in the western hemisphere.

Nova Scotians have ever been ready to reiterate their pride in the virgin charm, quiet restfulness, scenic beauty and recreational advantages of their native Province, sea-girt, endowed with great historical traditions and genuinely hospitable to the visitor from afar.

Only in recent years has the value of this justly pronounced pride in our attractions been realized to any appreciable extent, other than the sentimental phase.

When the Macdonald administration took office in September, 1933, there were attendant declarations by members of the government concerning the possibilities of developing the tourist industry in Nova Scotia.

A vigorous campaign would be launched, it was promised, to persuade more visitors to come here.

New money for Nova Scotia was the keynote of this policy.

Capital outlay would be slight compared with the much larger revenue that should result.

The goal was the creation of a new major industry in the Province, a tourist trade which may employ directly and indirectly hundreds upon hundreds of people and divert into every channel of commerce "new" money.

NEW OFFICES AT DIGBY, CANSO AND YARMOUTH

The Bureau of Information and Publicity involves the maintenance of a head office in Halifax, now located in the newly erected Provincial Administration building.

From it the director supervises the Bureau's work, assisted by an office staff prepared to handle many thousands of inquiries from abroad each year, to produce tourist booklets descriptive of Nova Scotia and to develop continually the growing interest in Nova Scotia elsewhere. Bureaux are also maintained at Yarmouth, Digby, the New Brunswick border and the Strait of Canso.

The Digby and Canso offices have been set up since 1933 and are doing excellent work, while the earlier "cubby-hole" type of office in Yarmouth has been shifted to a new building with larger quarters and improved personnel.

At these various bureaux incoming tourists are aided in every way and all types of inquiry answered as clearly and fully as possible.

Outgoing tourists are questioned as to their experiences in the Province, what they liked and what complaints they have, if any.

The government set up as an adjunct to the Bureau of Information and Publicity a Provincial Tourist Advisory Council, designed to assist in the work.

Appointed as members were leading business men, hotel men and other prominent and judicious citizens whose ideas and experience thus became available at no cost to the Bureau.

Members of the Council are at liberty to approve or to condemn suggested activities of the Bureau and to put forth any proposals they may have to make themselves.

The benefits accruing to the Bureau from this body are inestimable, taking into due consideration the knowledge and wisdom of those who compose it and their desire to serve the public welfare.

"SELLING" NOVA SCOTIA ATTRACTIONS

Competition with other Provinces and States compelled the government to review the methods of attracting tourists adopted by such highly successful vacation lands as Bermuda, Quebec, Maine, British Columbia and California.

Intensive publicity campaigns were clearly responsible in great measure for the annual influx of visitors to these regions.

The prohibitive cost of organizing a publicity department such as those maintained or employed by many of these holiday areas caused the government to seek out a reputable publicity agency equipped to "sell" Nova Scotia on a large scale to Upper Canadians and citizens of the United States.

Recommended by other governments and by business concerns was the Mandeville Press Bureau of New York, an agency employing a considerable staff of trained newspapermen, photographers and magazine writers in addition to veteran tourist experts.

This Press Bureau was engaged in February, 1935, to launch a publicity campaign for the Province, which has since proved abundantly successful.

No other Province or State has enjoyed in the last two years such a steady volume of publicity as has Nova Scotia through press, magazines, radio and motion pictures.

Several film travelogues were prepared and released to theatres of both countries, one gaining the coveted National

Exhibitors' Award as the best travelogue produced by any company during the year 1936 (Harold McCracken's "The Land of Evangeline" with Alois Havrilla as narrator).

The prize-winning film—to give an instance of what has been accomplished—has to date been shown in more than 5,000 theatres of the United States and Canada.

Various hunting and fishing films were also prepared.

A continual stream of newspaper and magazine publicity has been kept up with an accompanying flow of attractive and news-worthy still pictures.

HUGE DISTRIBUTION OF LITERATURE

The Bureau of Information and Publicity has annually prepared, published and distributed booklets, pictorial and otherwise, describing the attractions of the Province.

Seven booklets were issued in 1936, 453,648 copies being distributed outside Nova Scotia.

Well printed and handsomely illustrated, they are distinctive and "different," readily catching the eye and interesting the reader.

Exhaustive information is conveyed in some while others tell their story very simply through the medium of pictures.

Each of these booklets has a specific purpose, namely, to relate a different story from the others—so that out of the mass there should be few who do not find something to stir thoughts of Nova Scotia, whether it be the student, the business man, the sportsman or the casual vacationist.

In addition to these booklets and to the work of the Mandeville Press Bureau, advertising space was purchased last year in (17) newspapers and (10) magazines scattered over the Eastern and Mid-West United States and Upper Canada.

Thirty-seven thousand two hundred and fifty-nine (37,259) inquiries were directly received in 1936 at the Halifax office of the Bureau of Information and Publicity, aside from large numbers reported by the Mandeville Press Bureau's New York office and thousands answered by attendants at Nova Scotia exhibits in United States sportsmen's shows.

This is greatly in excess of total inquiries received in any other year of the Bureau's work and is significant of the spreading interest in Nova Scotia.

NEW ALL TIME TOURIST "HIGH"

It is interesting to observe that in 1936 the number of tourists entering Nova Scotia between June 1 and September 30 reached the unparalleled peak of 299,443, almost 75,000 greater than in the previously high year of 1931 (except for 1935 with 243,966).

Tourist cars entering numbered 53,435, twice the total of 1933, which was greater than in 1929.

If each of the tourists visiting Nova Scotia during the four summer months of 1936 spent ten dollars while here, the revenue derived by hotels, restaurants, garages, shops, sporting guides, railways and others would amount to almost \$3,000,000.

It would be conservative to estimate that twice times that amount was left in Nova Scotia by our summer guests in 1936—six million dollars.

It is obvious what the tourist industry—a major industry today—means to Nova Scotia.

Inquiries received by the Bureau of Information and Publicity cover a multitude of subjects.

They are very helpful in classifying the types of people to whom Nova Scotia has an appeal.

Questions answered by the Bureau in recent years concern mostly, in order of numerical precedence, (a) the country generally, (b) the roads, (c) recreation—hunting, fishing, games, etc., (d) accommodations and (e) historic sites.

WEEKLY REPORTS TO ANGLERS

The government has pursued a policy of assisting tourists in every conceivable fashion while they are in the Province.

It is the duty of tourist officials to supply information fully and clearly when requested, and to make the stay of our guests as enjoyable as possible, so that they may carry home good reports on leaving our confines.

Through the valuable and cheerful co-operation of county and town tourist associations and fishery officials it has been possible for the Bureau to operate an up-to-date news service on sport fishing conditions in most parts of the Province.

This is available to inquirers at the Bureau and is also available at Mandeville Press Bureau offices in the United States.

Reports are sent weekly to newspaper fishing editors and to sporting magazines and are freely used in regular column features and in special articles.

News of big catches, particularly in tuna and swordfishing, are relayed to the press as "spot" news by the Mandeville Press Bureau.

There is also available to inquirers a weekly service on highway conditions during construction of paved roads, thus making it possible for the tourist to experience a minimum of discomfort.

ANNUAL SPORTSMEN'S SHOWS

Sportsmen's shows are conducted annually in Boston, New York and Hartford, each of which draws hundreds of thousands of sportsmen.

During the past three years the Bureau has actively interested itself in these shows on behalf of the government, sponsoring large Nova Scotia exhibits.

In fact, so successful have these exhibits proved, during 1935, 1936 and 1937 shows Nova Scotia occupied the limelight more than any other individual State or Province.

A heavy volume of inquiries was handled by experienced tourist officials and hunting and fishing guides.

Colorful displays depicting hunting and fishing in Nova Scotia as well as the historical aspect have been popular.

The space given to the Nova Scotia exhibit in 1936 and 1937 amounted to 2,000 square feet with a frontage of 100 feet.

Radio hook-ups on transcontinental systems and extensive newspaper publicity resulted from Nova Scotia's participation in these shows.

The Bureau of Information and Publicity has followed a policy of co-operation and goodwill in all dealings with local tourist organizations, whose objects are essentially identical with those of the Bureau, although not so wide in scope.

In some cases the Bureau has helped to set up new tourist associations.

Exchange of information and mutual assistance at all times has fostered excellent teamwork.

The result has been that, instead of many bodies hindering concerted effort, there has been a steady progress toward expansion of the tourist trade.

"ORDER OF THE GOOD TIME"

Early in 1936 the ancient "Order of the Good Time" was revived by the government, with the purpose of maintaining good fellowship amongst our summer visitors.

The Order was founded by Samuel de Champlain at Port Royal in 1606.

To be eligible for membership the visitor must spend at least ten days in Nova Scotia.

While no special effort was possible last year to build up membership, the records showed at the conclusion of the tourist season an enrolment of no less than 4,844 families resident abroad.

In other words, a small army of "boosters" for Nova Scotia had been organized.

The Bureau has constantly been engaged on the preparation of special articles on Nova Scotia and these have been made available to periodicals in other parts of the Dominion and in the United States on request.

Many are written on receipt of letters from magazine editors anxious to feature a particular phase of life or industry in this Province.

It has proved good business to oblige.

Appointment of an experienced hotelwoman by the government in 1936 followed promulgation of regulations governing hotels and overnight cabins by the Minister of Highways.

Improvement of tourist accommodation is essential to the future welfare of the tourist industry.

This lady acted as adviser to hotels throughout the Province and reported to the government on conditions obtaining in hosteleries of every section.

She went from one place of accommodation to another, giving the owners full benefit of her experience.

Her work is being continued during 1937.

DEEP SEA SPORT FISHING

Development of deep sea sport fishing appears to offer a source of real revenue to Nova Scotia, particularly at those coastal towns bordering on tuna and swordfish waters.

The rapid climb to prominence as a sport centre of Wedgeport, in 1935, as a result of angling there by Michael Lerner, noted United States big game hunter and fisherman, led to visits by numerous outstanding deep sea anglers who had previously confined their activities to New Jersey and Caribbean waters.

Large catches proved so frequent and full of "thrills" that sporting editors gave unusual prominence to news reports furnished by the government publicity agency, resulting in yet keener interest.

Consequently the government determined to assist this promising industry.

The services of Captain Herman P. Gray, of West Palm Beach, Florida, regarded by authorities as the leading salt water fishing guide in North America, were secured for the months of July, August and September, 1936.

He demonstrated to commercial fishermen at such centres as Wedgeport, Jordan Bay and Liverpool the best methods of sport fishing.

Definite progress was made and the outlook for the future is bright.

DEVELOP BROAD BILL SWORDFISH ANGLING

The government sponsored last year an expedition to Cape Breton waters for the purpose of studying habits of broadbill swordfish off the coast and to discover the possibilities of deep sea angling.

Manned by representatives of the American Museum of Natural History and led by Michael Lerner, the expedition spent some weeks in Cape Breton waters and captured several broadbill swordfish with rod and line for the first time.

Mr. Lerner has since declared that this area presents the finest swordfish angling in North America.

Yachtsmen of the United States and Upper Canada have been informed through various yachting associations of the excellent conditions prevailing in Nova Scotia for summer cruises.

The coastal line extending from Cape Sable to Cape North and the beautiful Bras d'Or Lakes of Cape Breton Island afford the yachtsman a prolonged cruise with a high degree of safety and convenience.

Many safe harbors offer shelter and all ports provide ready facilities for the purchase of food supplies and fuel.

During 1936 more than 100 foreign yachts (including the official party of President Franklin D. Roosevelt) came to Nova Scotia, a much larger number than ever before.

This year reports seem to bear out the hope that many more yachtsmen will avail themselves of our hospitality during the summer.

CLEAN UP NOVA SCOTIA

This spring the government inaugurated a campaign to improve the general appearance of communities of the Province by urging that citizens exercise particular care to remove all litter from their premises and if possible to brighten their properties with fresh paint, to plant trees (obtainable free from the government) and to make every effort to present in each community an atmosphere of cleanliness and comfortable attractiveness—not alone for the benefit of the critical tourist but as a matter of personal and of community pride.

Improvement Weeks were proclaimed during the month of May.

Through the medium of schools, newspapers and radio the importance of this campaign was brought home to the public.

Travellers are said to have noted in many localities a real improvement in the general appearance of municipal and private property.

Purchase this year by the government of motion picture equipment assures the Bureau of Information and Publicity of a new outlet for publicity.

Frequent communications have been received in the past from sporting and educational organizations abroad for short films on Nova Scotia.

Unfortunately proper camera equipment had never been available and only productions arranged by the Mandeville Press Bureau had been filmed.

It is now proposed that good sporting scenes, historic sites and beautiful scenery will be filmed for compilation over a period of time in one and two reel films.

In this way a small motion picture library will be built up by the Bureau and not only will it be possible to accede to requests for the loan of films illustrating Nova Scotian topics, but efforts can be made to have them shown in the United States and Upper Canada.

The tourist industry in Nova Scotia today means a revenue of millions of dollars to the Province.

Constructive work in all fields can build the industry rapidly, and there appears to be no reason why Nova Scotia can not in a few years be in a position to recognize it as one of the greatest sources of income we shall have.

It furnishes a profitable market at home for the products of our farms, fields and sea and a cash market at that.

It is an industry well worth stimulating for the benefit of all our people.

THE STORY OF THE NATIONAL PARK

Possibly no development in Nova Scotia in recent years carries more potential solid advantage to this province than the establishment of a National Park in northern Cape Breton Island.

The project had been an issue in Cape Breton off and on for years, but the Hon. A. S. MacMillan was the first public man to grasp the possibilities of a great public playground effectively fenced on three sides by deep salt water.

While he was still in opposition, prior to 1933, Mr. MacMillan continually kept the subject to the fore, and then and later associated with Hon. Angus L. Macdonald, they finally got Ottawa really interested in the idea.

In 1934 in response to an invitation from the provincial government, R. W. Cautley, an engineer of the Dominion Parks branch, was sent to look at three prospective Nova Scotia sites, and unhesitatingly selected the Cape Breton location as by far the best available.

The Macdonald Government then clinched the matter by turning over the necessary public lands at a nominal price of One Dollar.

That dollar bids fair to become the greatest single investment ever made by the province of Nova Scotia.

The new park consists of 458 square miles of the most picturesque section of a picturesque province.

Included in it is the highest mountain in Nova Scotia, the Sugar Loaf that marked the first landfall of John and Sebastian Cabot on their memorable voyage of discovery from Bistol.

Lofty cliffs, beautiful pastoral valleys, wonderful seascapes make it entirely different from anything to be seen elsewhere in this country.

Federal engineers are at present engaged in stocking the park with animals, birds and fish, while the province continues to maintain the main highway, the famed Cabot Trail that penetrates territory until a few years ago in places almost as remote as Labrador.

The only comparable Canadian Park is Riding Mountain in Manitoba, and when that area opened, more than 100,000 tourists visited it the first year.

One advantage of the Cape Breton location from purely a business viewpoint is that the visitor must twice traverse at least half the length of the whole province.

This great project, as yet only in its infancy, had been talked about in Nova Scotia for decades.

It remained for the Macdonald Government to give direction and effect to an undertaking that contains the germs of great future prosperity.

The Story of Labor Legislation

*What the Macdonald Government
has done in the interests
of labor:*

THE INDUSTRIAL STANDARDS ACT.

THE TRADES UNION ACT.

THE APPRENTICE TRAINING PROJECT.

Issued by
NOVA SCOTIA LIBERAL ASSOCIATION

THE STORY OF THE TRADE UNION ACT

If we could have had the Macdonald Trade Union Act 30 years ago, it would have saved the people of Nova Scotia directly and indirectly more than \$50,000,000 in the cost of more or less needless walkouts.

In the immediate future it will save us other untold millions in potential similar strikes now made unnecessary by the automatic "recognition" machinery of this Bill 92.

The history of modern Nova Scotia is largely a history of industrial trouble.

In 1904 occurred the first strike for "recognition" at Sydney steel plant, an outbreak that was rigorously put down according to the now obsolete ideas of those days.

But it did not die out.

It simply smouldered underground until 1909, when it broke out with fresh fury not only in Cape Breton but on the mainland at Springhill, where the miners were "out" for 23 months, causing heavy loss in wages, coal sales, damage to property and general business depression throughout large areas of the province.

And when it was all over and "recognition" of the U. M. W. had successfully been resisted, the men who quit at \$1.10 a day went back to work at \$1.50, and no questions asked, thus showing conclusively how small a factor wages and working conditions had been in the whole affair.

The strikes of 1922 were not "recognition" strikes proper, though they grew somewhat out of bitterness engendered by the earlier conflicts.

ALL FOR LACK OF CO-OPERATION

But when the steelworkers again fought for "recognition" in 1923, they drew out the miners in sympathy, and once again millions went up in the actual costs and lost wages and slackened business of a futile strike.

(It was at that time that John L. Lewis, as he has recently done at New Waterford, insisted upon observance of union contracts with the coal operators, and deposed the alleged radical officers of the Nova Scotia district who had called the U. M. W. out in support of the steelworkers).

From feuds thus engendered, grew the big strike of 1925 with its huge loss of treasure on both sides of the dispute.

All this, be it remembered, because certain employers were not willing to sit down with their employees, organized in an union, and talk over disputed points amicably.

And in this year of Grace 1937, we were being headed by Colonel Harrington and the provincial opposition straight into a new flock of "recognition" strikes—C.I.O. recognition this time.

The Harrington measure—also known as Bill 92—would have legalized and encouraged the formation of dozens of new unions—but made absolutely no provision for their recognition by employers.

Had the House adopted the Harrington bill, recovery in this province would have been set back for two years at least.

An unrecognized whim, smarting under a sense of unreasonable oppression, is about as fruitful a source of unrest and trouble as could well be imagined.

The Macdonald Government averted this impending calamity for employer, employee and the general public with its Trade Union Act, since generally recognized, (even by the extremely conservative financial newspapers), as the most advanced and effective labor-social legislation on the continent of North America.

By it, the workman is protected in his inherent right as a man to belong to any legitimate union he sees fit.

He cannot be intimidated or dismissed for so doing.

"RECOGNITION" BOGEY ABOLISHED

And if he can induce 50 per cent or more of his fellow workers to join the union, the employer must recognize it and bargain collectively as to wages and working conditions with the officers of the union or a union committee.

The employer is not obliged in any way to meet all or any demands of the Union but the Act does provide for a face to face discussion of grievances or other matters of mutual interest.

And experience in the past has shown that where such get together meetings can be held it is usually possible to agree upon some amicable working agreement.

At one stroke Premier Macdonald thus removes the basic cause of nine tenths of the labor strife from which Nova Scotia has suffered so severely since 1900.

Because it affords him a dignified and secure escape from futile "recognition" strikes, the Act performs as timely a service for the employer as it does for the employee.

For the information of the reader, there follows a clause by clause comparison of the Harrington and Macdonald bills.

The section in black face type contains the vital clause that makes all the difference in the world to the welfare of the province, because it represents the difference between the hasty and incomplete and dangerous opposition measure on the one hand, and the carefully considered and beneficial government bill on the other.

The Macdonald Act

An Act Respecting the Right of Employees to Organize

Assented to the 17th day of April, 1937

BE IT ENACTED by the Governor and Assembly as follows:

1. This Act may be cited as the Trade Union Act.

2. In this Act "trade union" shall mean any lawful association, union or organization of employees, whether employed by one employer or by more than one employer which is formed for the purpose of advancing in a lawful manner the interest of such employees in respect of their employment.

3. "Employee" as used herein shall not include officers, officials or persons employed in any confidential capacity.

4. It shall be lawful for employees to form themselves into a trade union, and to join the same when formed.

5. It shall be lawful for employees to bargain collectively with their employer or employers and for members of a trade union to conduct such bargaining through the trade union and through the duly chosen officers of such trade union. Every employer shall recognize and bargain collectively with the members of a trade union representing the majority choice of the employees eligible for membership in said trade union, when requested so to bargain by the duly chosen officers of said trade union, and any employer refusing so to bargain shall be liable to a fine not exceeding One Hundred Dollars for each such offence, and in default of payment to thirty days imprisonment.

6. It shall be unlawful for any employer hereafter to insert any

The Harrington Bill

BE IT ENACTED by the Governor and Assembly as follows:

1. This Act shall be known as Trades Unions Act.

2. "Trade Union" shall mean any association, union or organization of employees, whether employed by one employer or by more than one employer, which is formed for the purpose of advancing the interests of such employees in respect of their employment.

3. It shall be lawful for employees to form themselves into a Trade Union, and to join the same when formed.

4. It shall be lawful for employees to bargain collectively with their employer or employers, and to conduct such bargaining through a Trade Union and through the duly chosen officers or representatives of such Trade Union.

5. It shall be unlawful for any employer hereafter to insert any clause in any written contract of employment, or to impose any condition in any verbal contract of employment, or to continue such clause or condition heretofore in effect, where such clause or condition seeks to restrain any employee from exercising his rights under this Act, and any such clause or condition shall be of no effect.

6. Any employer, whether an individual person, a firm or a corporation, who, whether by intimidation or any other means whatsoever prevents or attempts to prevent an employee from joining or belonging to a Trade Union, shall be guilty of an offence against this Act, and shall be liable upon summary conviction to a fine not exceeding One Hundred Dollars (\$100.00) for each such offence, and in default to thirty days imprisonment.

THE MACDONALD ACT (continued)

clause in any written contract of employment, or to impose any condition in any verbal contract of employment, or to continue such clause or condition heretofore in effect, where such clause or condition seeks to restrain any employee from exercising his rights under this Act, and any such clause or condition shall be of no effect.

7. Any employer, whether an individual person, a firm or a corporation, which shall by intimidation, threat of loss of position or employment, or by actual loss of position or employment, or by threatening or imposing any pecuniary penalty, prevent or attempt to prevent, an employee from joining or belonging to a trade union shall be liable to a fine not exceeding One Hundred Dollars for each such offence, and in default to thirty days imprisonment, and in case of a corporation to a fine not exceeding One Thousand Dollars.

8. Nothing in this Act shall detract from or interfere with the right of an employer to suspend, transfer, lay off or discharge employees for proper and sufficient cause.

9. Every trade union shall file with the Provincial Secretary a copy duly certified by its proper officers to be true and correct, of its constitution, rules and by-laws, or other instruments or documents containing a full and complete statement of its objects and purposes.

10. A general statement of the receipts and expenditures of every trade union for the preceding calendar year verified by the affidavit of a responsible officer shall be transmitted to the Provincial Secretary before the first day of February in every year, and shall be in such form and contain such particulars and such further information as the Provincial Secretary may from time to time require. Every member of such trade union shall, on application to the secretary or treasurer of such trade union, be entitled to a copy of such statement free of charge. Every officer of a trade union who fails to comply with the provisions of this section shall be

liable to a penalty not exceeding One Hundred Dollars.

11. Every treasurer or other officer having custody of the funds or property of a trade union shall at such times as required so to do by the rules or by-laws of such trade union, render to the members of such trade union at a meeting of the trade union, a just and true account of all moneys received and paid by him since he last rendered the like account and of the balance then remaining in his hands and of all property of such trade union and shall cause his said account to be audited by a fit and proper person named by the members of such trade union at a meeting thereof; and such treasurer or other officer shall, upon said account being audited, if required by the members, hand over to such person or persons, as the members of the trade union shall designate, the balance which on such audit appears to be due from him and all securities and effects, books, papers and property of such trade union in his hands or custody; and if he fail to do so any such person or persons so designated may, on behalf of such trade union, sue such treasurer or other officer in any competent court for the balance appearing to have been due from him upon the account last rendered by him and for all the moneys since received by him on account of the said trade union, and for the securities and effects, books, papers and property in his hands or custody, leaving him to set off in such action the sums, if any, which he may have since paid on account of such trade union.

12. In any industry in which by statute or by arrangement between employer and employees deductions are made from the wages of employees for benefit societies, hospital charges, or the like, deductions shall be made by the employer from the wages of employees for periodical payments to a trade union of employees

- (a) if the officers of such trade union thereunto duly authorized by its members make application to the Minister of

Labour for the taking of a vote to ascertain the wishes of the employees of such industry in respect of such deductions; and

- (b) if, upon a vote taken by ballot at times and under conditions fixed by the Minister of Labour, a majority of the employees of such industry vote in favour of the making of such deductions; and
- (c) if the individual employee being a member of such trade union makes to the employer a signed written request that such deductions be made from the wages due to him therein indicating the name of the person to whom such deductions shall be paid.

13. In every industry in which deductions are made by the employer from the wages of the employee,

whether by statutory provision or by arrangement between employer and employee, the employer shall furnish to the Provincial Secretary before the first day of February in every year a statement showing the amounts so deducted. Such statement shall be in such form and contain such particulars and such further information as the Provincial Secretary may from time to time require. Every employer who fails to comply with the provisions of this section shall be liable to a penalty not exceeding One Hundred Dollars.

14. Section 12 of this Act shall not apply to any employee in or about any mine to which the provisions of Section 97 of the Coal Mines Regulation Act apply.

Passed on 17th April, 1937
Assented to 17th April, 1937

During the committee hearings on this measure, the check off features were bitterly assailed by certain corporation lobbyists.

When closely questioned, their objections boiled down to a statement that the check-off might be all right for the miners but not for the steelworkers.

They were able to advance no valid reason for this, except that the former had become customary.

The Government took the ground that all workers are free and equal before the law in Nova Scotia.

That if the corporations can tolerate the check off for the miners, there is no reason why they should not tolerate it for any other class of workers who take the trouble to organize sufficiently to secure whatever advantages they believe it holds for them.

INDUSTRIAL STANDARDS ACT

This much discussed legislation, which applies only to the City of Halifax and the Town of Dartmouth, provides that where employers and employees in any industry get together in properly convened meeting and agree upon a schedule of rates of wages and working conditions, the Minister of Labor may, if he deems the representation at such meeting sufficient, approve the agreed schedule.

And when this schedule has been put in force by the Governor-in-Council, its rates and conditions become binding upon the whole industry (in Halifax and Dartmouth only) under suitable penalties for violations.

This enactment is credited with having already done much to stabilize employment conditions, particularly in the building industries.

THE STORY OF WORKMEN'S COMPENSATION

Few governments in this country have come anywhere near paralleling the record of the Macdonald ministry in enactments designed to improve the lot of the worker.

And foremost among these progressive measures have been vitally important amendments to the Workmen's Compensation Act.

This humane law, first advocated and pushed in the Assembly by that grand old Liberal veteran, Dr. Arthur S. Kendall, of Sydney, was adopted originally by the Murray government, and has gradually evolved into the remarkable stabilizing force it is today.

By its provisions thousands of Nova Scotia workmen, their widows and orphans and dependents, have been saved from bitter penury or the doubtful outcome of lawsuits now made unnecessary by the automatic accident benefits and disability pensions features.

Important changes in this important law made by the Macdonald Government include:

1. Ten per cent increase in compensation benefits. (From 60 to 66 2/3 per cent of weekly earnings).
2. Twenty five per cent increase in salary allowable for compensation basis. (From \$1,200 to \$1,500).
3. Minimum payment raised from \$6 to \$8 a week.
4. Extra hospitalization or medical treatment, if the Board considers it justified. (Formerly free medical treatment ceased at the end of 30 days.)
5. In fixing percentage of disability to be paid, Board is now allowed to take into consideration the industrial as well as the medical disability.

(That is to say, the loss of a finger might be a small matter from purely a medical standpoint, but extremely serious in certain occupations, if the victim was forced thereby to engage in a much lower paid class of work than he formerly was able to do. Additional compensation may now be paid for this cause.)

6. **Mechanics wage liens now take precedence of Board claims.** (Formerly if an employer got into difficulties with the Board, official demands had to be satisfied before employees' due wages could be considered).

7. **All regulations promulgated by the Board must now be approved by Order-in-Council and published in the Royal Gazette.**

(Formerly there was nothing to prevent the Board making new regulations off the bat to meet any awkward situation in which it might find itself).

THE TRAINING OF APPRENTICES

What experts in such matters believe to be the most practical and promising steps ever taken toward lessening of unemployment are contained in the Macdonald Government bill providing for the Training of Apprentices adopted at the 1937 session of the Assembly.

It is an accepted axiom in the older industrial countries that the most important factor in industrial development is a highly trained force of craftsmen to utilize such natural resources as are available, and that ultimately the standard of living varies with the training and ability of the national labour force.

In Nova Scotia, due to lack of apprenticeship regulations and standards, the training of craftsmen has, in the past, been haphazard in nature and the extent to which it was conducted depended to a great extent upon the personal attitude of the heads of industry toward their moral obligations to maintain and improve the technique of tradesmen in numbers sufficient to insure the best industrial development of the Province. **Further, the development of tradesmen by the present methods sets no defined standard of fitness and provides no certificate which would serve as a recommendation to a future employer.**

With the resumption of normal employment conditions in the Province during the past year it has become more evident that almost all those receiving public assistance are in the untrained class, both in the older and younger age units.

Unemployment among elder heads of families who are untrained in any special craft is today in a large measure, due to pressure on the employment market from younger men leaving school without prospects of further training, and because of their limited responsibilities are able to work for lower wages than family heads.

CONCERNS WHOLE PROVINCE

Having the above facts in mind, it is quite evident that the problem of apprenticeship training is a matter of concern, not only of the particular industry or of the individual men affected, but a matter that concerns all the people of the Province, and it is because of this concern that the Government feels it desirable to pass the present apprenticeship legislation, **so that, with proper training and regulation, an adequate force of trained men may be available to maintain and improve the industrial development of Nova Scotia, and most important of all, that an outlet for the younger generation may be found.**

The purpose of this bill is to make available possibilities for the training of these young men during the period when their need of earnings is not as great as in later life.

It provides for the setting of high standards of craftsmanship by the compulsion of certain technical education along with actual working practice, and provision is made for a regulation of numbers to be trained to insure renewal of the necessary working forces. **Provision is made for state assistance in abnormal times or in trades where training is an excessive burden to the employer,** and for registration of apprenticeship contracts, also for transfer of apprenticeship contracts from one employer to another when necessary; this arrangement is only possible when a standardized training without loss to either employer or employee is put into effect.

Perhaps the best feature of the bill is the outlet provided by it for the energy and aspiration of the youth of the Province and the opportunity it affords them for a useful and constructive life.

MINE APPRENTICE PROJECT

The young men included in this project will be selected initially from those who are unemployed and residing in the colliery towns of the Province, and the training they receive will be given in gold mines of this Province which are to be operated as a government project.

The gold mining field has been selected because it is not subject to industrial competition.

The apprentices will receive free board, free instruction and equipment and will be paid a rate beginning at 50 cents per day.

The age limit for applicants is from 19 to 25 years.

Those who pass the physical and X-ray examinations and are selected for training will be provided with free transportation to the mine to which they are assigned.

INTENSIVE TRAINING COURSE

There, the trainee will be given an intensive training designed to qualify him within a year to take a semi-skilled position in the hard rock mines of this Province and of Northern Canada.

It is proposed that under the Project, arrangements will be made with the larger mining companies to place the trainees in employment as soon as they complete their training.

The gold mines will be operated by a skeleton crew of specially selected skilled workers, each of whom will have under his direction two or three apprentices to whom he will give the necessary information and skill in the shortest possible time under practical working conditions.

Supplementary technical instruction will be given to the trainees on a definite schedule for two or three evenings a week.

The course of training is planned for a period of one year, after which the worker will go to some other mine in the province or elsewhere for a regular job.

The schedule of training calls for work at prospecting, construction of surface plant, shaft sinking, drifting, crosscutting, stoping, timbering, raising and milling etc.

PROGRAM OF TRAINING

For purpose of training, the work at the mine will be separated into two divisions, viz., (1) surface and maintenance work, and (2) underground work.

In the first division are included prospecting, wood construction, concrete foundations, hoisting, power plant operation, mill wrighting, pipe fitting, electric wiring, blacksmithing, mill operation and machinery maintenance.

In the second division are included, muching, timbering, drilling, blasting, stoping, track-laying and sampling. Apprentices with distinct mechanical aptitudes will be selected for training in surface and maintenance work, while those with superior physique and preference for actual mining operations will be enrolled for underground.

During the probationary period of one month the beginners will be assigned to different jobs so that their special abilities and preferences may be fairly well determined.

Technical instruction which will be simple and elementary, will be supplied by instructors furnished by the Technical Education Branch of Department of Education.

Physical, moral and recreational instruction will be provided by a qualified man in each camp.

Special arrangements will be made to meet the religious and denominational requirements of the trainees.

TRAINING NOVA SCOTIA'S GOLDEN ARGONAUTS

With 40 young men already at work at Chester Basin, the Macdonald Government has made an auspicious start on a highly original plan which holds out high hopes of for improving the employments prospects of young Nova Scotians, particularly of lads from the coal mining districts.

Hard rock miners are in keen and increasing demand throughout Canada, but coal mining technique applies only to a very limited extent to metal mining operations, and Hon. Michael Dwyer has undertaken to train in government operated gold mines in this province suitable young men who may thus be fitted to graduate into the larger and well paid metal mining undertakings of Central Canada and the West.

NS
328
97
N

THE HISTORY OF THE
CITY OF LONDON
FROM THE FOUNDATION
TO THE PRESENT TIME
BY
JOHN STOW
1618

3 3283 00085 4854

