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British Columbia's Biggest Budget Is Down; Hospital Insurance Is \$12,750,000 In Hole

Health and Welfare is Most Costly Item—Municipalities Gain

VICTORIA (CP) — Finance Minister Herbert Anscomb today brought down the biggest budget in British Columbia's history.

Estimating expenditures for the year ending March 31, 1952, at \$118,269,000, the minister of finance told the Legislature that revenue in the next

fiscal year was estimated at \$118,503,000 which would leave a surplus of \$234,000.

No new taxes were announced. Expenditures for the year ending March 31, 1951, will be about \$117,000,000. Four years ago expenditures were about half that amount.

The biggest single item in the budget is \$27,424,674, outlay for the health and welfare department, an increase of \$4,400,000 over the previous year.

Mr. Anscomb said that by March 31, 1951, the compulsory insurance scheme will be about \$12,750,000 in the red.

Other main items in the budget are \$17,805,388 for education, an increase of \$1,374,233 over the previous year; \$12,697,445 for public works, \$3,000,000 less than last year, and \$7,663,625 for lands and forests, an increase of nearly \$1,000,000.

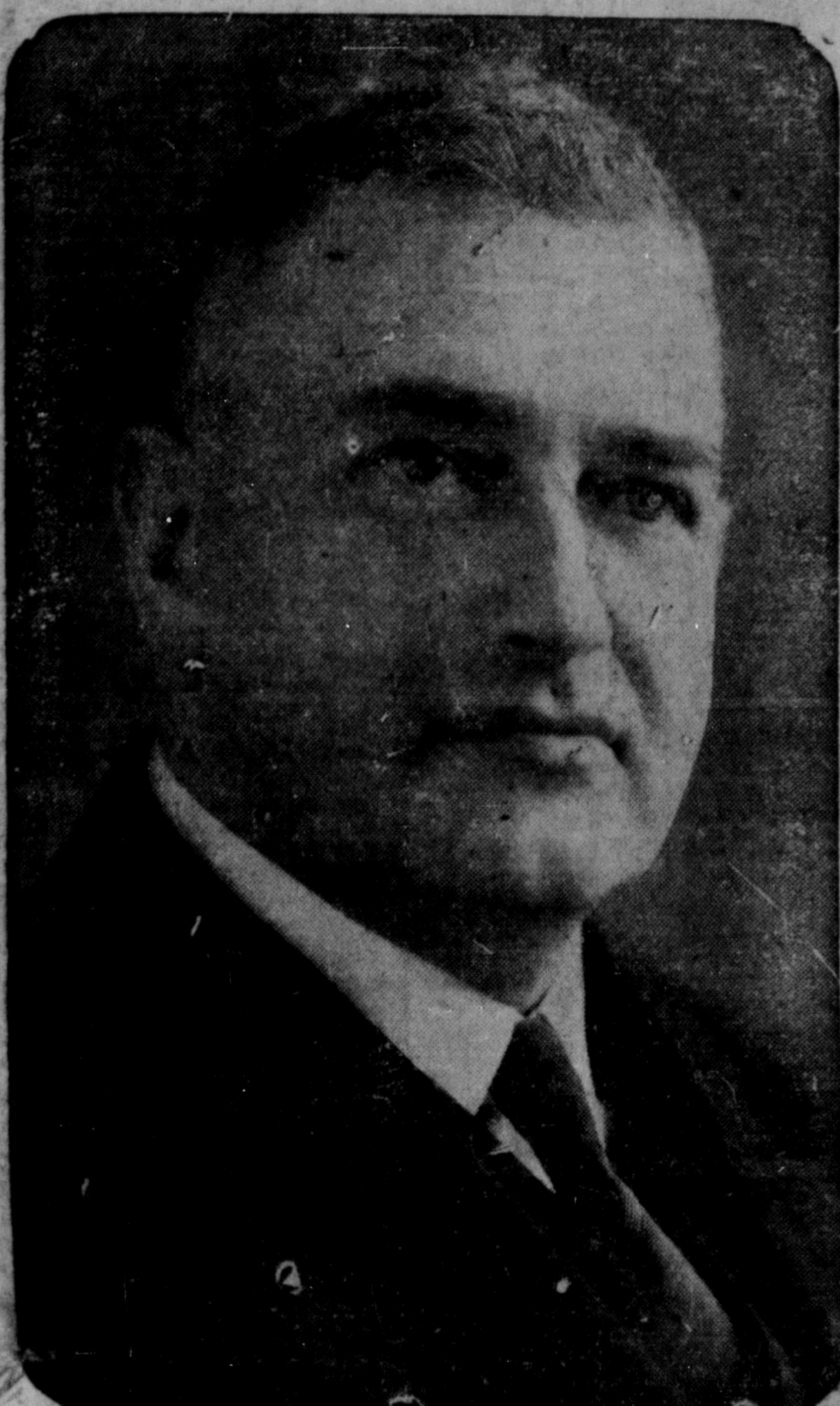
More money will go to school boards, rural schools, the University of British Columbia, municipalities and social allowances. Aid for municipalities will amount to \$18,612,520, an increase of \$2,506,315 over the previous year.

The minister asked for legislation to provide for additional borrowing powers for \$28,000,000 for the development of power, highways, railway construction, flood control and other public services.

Apart from the provision for additional borrowing powers amounting to \$28,000,000 for the development of the province including power, highways, railway construction, flood control and other vital public services, perhaps the most striking features in the budget address were the analysis of the fiscal relations between the province and the federal government, which included studies of the relative tax contributions by provinces to the federal treasury and the analysis of the provincial-municipal relations.

With respect to the latter, it was shown that during the coming fiscal year municipal financial assistance will amount to the staggering sum of \$27,385,000 as compared with \$2,960,000 during the first year of the Coalition government's administration. No other province in Canada has accorded such generous financial assistance to its municipalities as that given by the government of British Columbia, Mr. Anscomb said.

(Continued on page 6)



HIS DAY—Minister of Finance Anscomb introduces budget in Legislature.

City Council Anxious—To Plan at Once for New Water System

A new water system for Prince Rupert is to be the immediate study of City Engineer D. C. Stewart. A thorough survey of the present system with a view to replacing it was recommended last night by City Council at its regular meeting.

Ald. George Casey, board of works committee, first recommended the city engineer be instructed to make a complete survey for a new pipeline from Northern B.C. Power Company power house to Shawatians Lake pump house.

Said Ald. D. F. Fitch: "We know our water system is in terrible condition. Our plan really is for a total rehabilitation."

"And I suggest there be no longer delay. Get at it as fast as possible," said Ald. Doug. Prizell.

Mayor G. W. Rudderham said that the city "can't get out of" spending another winter with the present water system, but it could "make a thorough study of the whole job" necessary to install a new system.

A plan for a practical system, was following the coldest night of the winter, March 5, that the pressure began to fall.

At least \$60,000 more will be spent by the city this year than in 1950, Ald. T. B. Black told City Council at last night's meeting. Last year's budget was for \$547,000.

Mainly, the increase would include higher school costs, and a hike in civic employees' wages. The wage increase is expected to cost the city \$20,000 more this year.

Mayor G. W. Rudderham, re-nominating for the wage committee, said civic employees had been offered an increase of eight per

Protests at Power Raise

Strong objection to proposed Northern B.C. Power Company rate hikes was raised last night by Ald. H. S. Whalen, speaking to City Council on behalf of the hospital board.

Ald. Whalen said that the present annual electric bill for Prince Rupert General Hospital amounted to \$8,133.22. At the new rates, this would be increased by 100 per cent.

"This is far out of line for hospitals," he said, giving comparative figures of lighting costs to hospitals in other areas.

North Vancouver's hospital paid \$3,844; St. Mary's Hospital, New Westminster, \$2,269; Duncan Hospital, \$1,552; Vernon, \$1,494; and Penticton, \$3,228.

"Our hospital should get a better deal as far as electricity is concerned," Ald. Whalen said.

Council referred the matter to the utilities committee for report.

Ald. T. B. Black said later he thought the increase in the annual cost would amount only to eight per cent, adding that the offer was still open for the hospital to instal their own substation.

North coast region—Variable

cloudiness and widely scattered showers today. Overcast tonight with rain commencing about midnight. Little change in temperature. Light winds becoming southeast (20) tonight and increasing to southeast (30) by morning. Lows tonight and highs tomorrow—At Port Hardy 32 and 42; Sandspit 35 and 42; Prince Rupert 35 and 42.

THE WEATHER City Council is Not Protesting

VANCOUVER—The city council yesterday refused to protest to the British Columbia Public Utilities Commission at the application of the B.C. Electric Co. to increase power rates here. A motion of Ald. Alex Fisher to make such a protest had no second.

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North coast region—Variable

House Passes Hospital Hike

VICTORIA—The bill amending the Hospital Insurance Act to provide for increased premiums and payments for the first ten days in hospital was given second reading in the Legislature yesterday by a vote of 32 to 12.

Four Coalitionists—M. P. Finerty, Similkameen; W. A. C. Bennett, South Okanagan; Andrew Whisker, Cowichan-Newcastle, and Dr. J. J. Gillis, Yale—bolted to join the CCF and Tom Uphill, Labor, in voting against the government on the issue.

Premier Byron Johnson, speaking briefly, said he had no apology to make for hospital insurance.

Troop Train Case Starts

PRINCE GEORGE (CP) — The court case born of the Rocky Mountain troop train disaster last fall started today in this northern British Columbia city.

Preliminary hearing of a manslaughter charge opened in police court against tall, bespectacled Alfred John Atherton, 22, former Canadian National Railways telegrapher at Red Pass.

Atherton is alleged to have relayed a train order incorrectly, resulting in the head-on collision, November 21, at Canoe River, in which 21 persons lost their lives.

Typhus Is Bad Enemy

TOKYO (CP)—General MacArthur's headquarters has received a report that typhus in Korea has wiped out an equivalent of two Chinese Red divisions—20,000 men.

This report directly contradicts a statement from Eighth Army headquarters in Korea only two days ago that there was no confirmed evidence of any typhus epidemics among Chinese and North Korean troops.

HOCKEY SCORES

Mainline Okanagan Final
Vernon 4, Nanaimo 0. (First game best of five series.)
Trail 8, Kimberley 8. (Trail leads best of five series 2-0, one game tied.)

Defence Costs Boost Spending To Huge Figure

OTTAWA (CP)—A government spending program of \$3,586,915,000, boosted by record peacetime expenditures, was submitted to the House of Commons yesterday by Finance Minister Douglas Abbott for the coming fiscal year.

It was \$858,300,000 more than has been approved to date for the current year that ends March 31.

However, the distance will be narrowed later this month when the government seeks supplementary votes for some large items of 1950-51 expense.

Defence expenditures of around \$1,700,000,000 with \$1,600,000,000 for the defence department itself boosted Mr. Abbott's 1951-52 estimates to the whopping total in spite of an over-all reduction of \$35,268,000 in all departments except defence and the new defence production department.

Defence department estimates are up \$837,382,000 over the amount authorized to date in the current year.

Mr. Abbott estimated that defence department production, with allied crown companies, is going to cost \$64,212,000 of which \$50,000,000 will be capital spend-

ing to create production facilities. The department, set up a few days ago, will have spent about \$7,000,000 by the end of this month.

Dealing only with expenditures, a 540-page blue book did not give any indication of deficit or surplus for the current or coming fiscal years.

It contained no forecast of revenue for 1951-52. That is to come after the Easter recess in the budget of the minister of finance which is expected to call for a substantial increase in taxes in spite of a reduction of spending in non-defence fields.

— TIDES —

Wednesday, March 14, 1951
High 5:01 18.3 feet
18:06 14.7 feet
Low 11:54 7.2 feet
23:23 10.5 feet

TODAY'S STOCKS

(Courtesy S. D. Johnston Co. Ltd.)

VANCOUVER		AUMAQUE	
American Standard	30	Beattie	60
Bralorne	7.00	Bevcourt	47
B.R.X.	.04	Bobjo	14.7
Cariboo Quartz	1.30	Buffalo Canadian	26
Congress	.83	Consol. Smelters	139.50
Hedley Mascot	.64	Conwest	2.30
Indian Mines	.20	Donakda	.51
Pend Oreille	7.75	Eldona	23.2
Pioneer	2.85	East Sullivan	8.50
Premier Border	.13	Giant Yellowknife	7.20
Privateer	.82	God's Lake	.38
Reeves McDonald	4.25	Hardrock	.25
Reno	.06	Harricana	.14
Sheep Creek	1.63	Heva	.12
Silbak Premier	.34	Hosco	.61
Taku River	.07	Jackknife	.06
Vananda	.15	Joliet Quebec	.61
Salmon Gold	.37	Lapaska	.05
Spud Valley	.42	Little Long Lac	.85
Silver Standard	2.50	Lynx	.15
Western Uranium	1.55	Madsen Red Lake	2.37
Oils—		McKenzie Red Lake	.49
Anglo Canadian	6.15	McLeod Cockshutt	3.10
A.P. Con	.41	Moneta	.35
Atlantic	2.95	Negus	.95
Calmont	1.11	Noranda	79.25
C & E	12.00	Louvicourt	.20
Central Leduc	2.47	Pickle Crow	1.71
Home Oil	18.00	Regcourt	.42
Okalta	2.65	San Antonio	2.55
Pacific Pete	9.35	Senator Rouyn	.22
Princess	1.50	Sherrit Gordon	3.20
Royal Canadian	.91	Steep Rock	8.80
TORONTO		Sturgeon River	14.2
Athona	.08	Silver Miller	1.43

(Continued on page 8)

es Are hining on

CP—American troops back into Yuding today control of the vil-

11 miles southeast and less than three miles from the Chinese border. United Nations Division patrol the town Monday withdrew after a brief

along the 70-mile Nations forces strangely elusive North Korean soldiers toward the 38th paral-

heads of three ns, closing in on ere within 25 miles boundary between South Korea.

y in ment

CP—One man another injured a Canadian Na-

freight train was a gravel slide at 14 miles north of

ineer E. C. Robert- Brakeman A. G. of Kamloops, was condition is not

rybody Wants to Get on Alcan's Big Act

\$50 Million B.C. Project Swinging Into Low Gear

(By C. C. MILNE in Financial Post)

phone rang in the Vancouver office of Co. of Canada, and the Alcan executive

don't know... It's hard to say right now... I don't know... Well write us a letter? ... I don't know... (A smile) call back in about three years."

placed the phone almost and patted it.

wants to open a store wants to know if a company townsite, or buy land? And when up? ... I only wish

the way it's going in Columbia. Everybody get into Alcan's act—a aluminum project

top billing right ard.

gest thing that's the railway lines At this writing, the positive assurance will go through. But raises a fresh crop and the company is plenty of moves. The executive puts it to The

read a million on studies; it's the we've found yet. If lot of equipment, some and warves in a hurry. taking out a little ready. Against the road won't the equipment we and around and sell ifng upsets the applie-

that background, Alcan is doing: Vanderhoof, on the line, 40 miles the dam site on