



PROVINCE OF BRITISH COLUMBIA

SUPPLEMENT
to
1955 BUDGET SPEECH

Delivered in the Legislature
March 7th, 1955

by the

Hon. W. A. C. BENNETT
Premier and Minister of Finance

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SUPPLEMENT TO 1955 BUDGET SPEECH

The Honourable W. A. C. Bennett, Premier and Minister of Finance, presented the following Message to the Legislature on Monday, March 7th, 1955:—

MR. SPEAKER:

During my Budget Address, it was emphasized that every effort was being directed to ensure the greatest possible equity in the apportionment of moneys by way of grants towards the cost of education by applying assessment equalization media. This apportionment of school grants would thus reflect equitably ability to pay, as well as the fair share of aid in relation to the burden to be borne by school districts (and, incidentally, by the components of those districts). Needless to say, when the Budget was prepared, only estimates were available to the Government.

Subsequent to my Address, factual returns have indicated that there were areas within which certain property values had not been taken into account for grant and divisor purposes. Furthermore, contrary to expectations and advices received, assessed values in a very few areas are now found to fall short of equalization standards—that is to say, 60 per cent of the 1953 actual value—and require appropriate revision.

You will remember, Mr. Speaker, that it was clearly outlined that the Government, as far as possible, would stabilize or reduce the dollar incidence of school taxation on property, and, in the aggregate, lessen the over-all burden of local property taxation by an increase in school grants, and by revised grants in aid of local government.

We are now satisfied that all basic information of major import is at hand. As a result, assessed values in a few municipal areas will have to be raised to a higher level for 1955 than at first anticipated. This adjustment will reduce the amount of the grant towards the cost of education. Municipalities already have made tentative estimates as to the effect of Government policy, and the volume of dollar benefits accruing to them under that policy. It is the Government's wish that the promised benefits are maintained and that any possible loss from a reduction in the estimated grant for education is compensated by an increase in the grant towards the cost of local government.

As a result of the foregoing, there is being presented to the House a Message amending the Estimates, which, while reducing the grants payable towards the cost of education by \$555,000, will increase the grants in aid of local governments by \$800,000, by amending the original formula and providing that there shall be paid:—

\$14 *per capita* for the population of each municipality up to 3,500:

\$9 *per capita* for the population of each municipality of 3,501 to 8,000:

\$6 *per capita* for the population of each municipality of 8,001 to 50,000:

\$4.25 *per capita* for the population of each municipality in excess of 50,000.

You will note, Mr. Speaker, that wherever a population is in excess of 8,000 persons but not more than 50,000, \$6 will be paid, or \$1 more *per capita* than originally provided, and, thereafter, \$4.25 or \$1.75 more *per capita*.

The net effect of these revisions will be that a decrease of \$555,000 in school grants will be offset by an increase of \$800,000 in local government grants, and that \$245,000 more will be made payable to municipalities.

The following twenty-three municipalities are affected:—

Vancouver City has a gross increase in local government grant of \$557,957, offset by a decrease in educational grant of \$555,000, and, therefore, will have a net increase in grants of \$2,957.

The other twenty-two municipalities will have an increase in local government grants, with no anticipated decrease in educational grants, as follows:—

Burnaby District Municipality.....	\$56,658
Victoria City	44,329
Surrey District Municipality.....	25,670
New Westminster City.....	20,639
Saanich District Municipality.....	20,481
Richmond District Municipality.....	11,186
Coquitlam District Municipality.....	7,697
North Vancouver City.....	7,687
North Vancouver District Municipality.....	6,469
West Vancouver District Municipality.....	5,990
Chilliwack District Municipality.....	5,677
Langley District Municipality.....	4,267
Oak Bay District Municipality.....	3,960
Trail City	3,430
Nanaimo City	2,696
Penticton City	2,548
Matsqui District Municipality.....	2,308
Esquimalt District Municipality.....	2,153
Maple Ridge District Municipality.....	1,891
Prince Rupert City.....	546
Kelowna City	517
Kamloops City	99
Contingencies (1955 extensions or new incor- porations)	5,145

¹Total increase in local government grants \$800,000

¹ This total includes the said \$557,957 for Vancouver City.

1954 AND 1955 PROVINCIAL GRANTS DIRECT TO MUNICIPALITIES

Cities

Name	1954 Motor-vehicle Grants	1955 Local Government Grants	Increase in 1955
Alberni.....	\$9,161	\$46,522	\$37,361
Armstrong.....	3,104	15,764	12,660
Chilliwack.....	15,612	68,467	52,855
Courtenay.....	7,038	35,742	28,704
Cranbrook.....	10,101	54,049	43,948
Cumberland.....	2,677	13,594	10,917
Duncan.....	7,675	38,976	31,301
Enderby.....	2,418	12,278	9,860
Fernie.....	7,052	35,812	28,760
Grand Forks.....	4,538	23,044	18,506
Greenwood.....	2,230	11,326	9,096
Kamloops.....	22,328	90,094	67,766
Kaslo.....	2,013	10,220	8,207
Kelowna.....	23,480	92,602	69,122
Kimberley.....	16,357	70,897	54,540
Ladysmith.....	5,773	29,316	23,543
Merritt.....	3,449	17,514	14,065
Nanaimo.....	29,488	105,676	76,188
Nelson.....	18,670	78,448	59,778
New Westminster.....	78,954	213,334	134,380
North Vancouver.....	43,247	135,622	92,375
Penticton.....	29,079	104,788	75,709
Port Alberni.....	21,628	88,105	66,477
Port Coquitlam.....	8,910	45,248	36,338
Port Moody.....	6,192	31,444	25,252
Prince George.....	21,054	87,601	66,547
Prince Rupert.....	23,560	92,776	69,216
Revelstoke.....	8,042	40,838	32,796
Rossland.....	12,693	58,936	46,243
Salmon Arm.....	3,311	16,814	13,503
Slocan.....	1,031	5,236	4,205
Trail.....	31,511	110,080	78,569
Vancouver.....	950,663	1,594,540	643,877
Vernon.....	21,564	87,898	66,334
Victoria.....	141,513	347,157	205,644
Sub-totals, cities.....	\$1,596,116	\$3,910,758	\$2,314,642

1954 AND 1955 PROVINCIAL GRANTS DIRECT TO MUNICIPALITIES—
Continued

District Municipalities

Name	1954 Motor-vehicle Grants	1955 Local Government Grants	Increase in 1955
Burnaby.....	\$160,936	\$377,098	\$216,162
Central Saanich.....	5,704	28,966	23,262
Chilliwack.....	37,706	123,562	85,856
Coldstream.....	3,865	19,628	15,763
Coquitlam.....	43,275	135,682	92,407
Delta.....	18,474	77,809	59,335
Esquimalt.....	27,991	102,418	74,427
Fraser Mills.....	1,017	5,166	4,149
Glenmore.....	3,085	15,666	12,581
Kent.....	4,756	24,150	19,394
Kitimat.....	5,599	28,434	22,835
Langley.....	33,819	115,102	81,283
Maple Ridge.....	27,268	100,846	73,578
Matsqui.....	28,418	103,348	74,930
Mission.....	12,315	57,703	45,388
North Cowichan.....	18,375	77,485	59,110
North Vancouver.....	39,889	128,314	88,425
Oak Bay.....	32,972	113,260	80,288
Peachland.....	1,693	8,596	6,903
Pitt Meadows.....	3,953	20,076	16,123
Richmond.....	52,893	156,616	103,723
Saanich.....	78,519	212,386	133,867
Salmon Arm.....	6,586	33,446	26,860
Spallumcheen.....	5,337	27,104	21,767
Sumas.....	11,069	53,635	42,566
Summerland.....	9,834	49,603	39,769
Surrey.....	92,824	243,520	150,696
Tadanac.....	1,321	6,706	5,385
West Vancouver.....	38,569	125,440	86,871
Sub-totals, district municipalities.....	\$808,062	\$2,571,765	\$1,763,703

1954 AND 1955 PROVINCIAL GRANTS DIRECT TO MUNICIPALITIES—
Continued

Villages

Name	1954 Motor-vehicle Grants	1955 Local Government Grants	Increase in 1955
Abbotsford	\$2,164	\$10,990	\$8,826
Alert Bay	1,759	8,932	7,173
Ashcroft	1,712	8,694	6,982
Burns Lake	2,208	11,214	9,006
Campbell River	6,763	34,342	27,579
Castlegar	3,664	18,606	14,942
Chapman Camp	1,621	8,232	6,611
Comox	1,968	10,808	8,840
Cranberry Lake	3,722	18,900	15,178
Creston	4,483	22,764	18,281
Dawson Creek	9,895	51,925	42,030
Fort St. James	802	4,074	3,272
Fort St. John	2,437	12,376	9,939
Fruitvale	1,999	10,080	8,081
Gibsons Landing	1,991	10,108	8,117
Harrison Hot Springs	1,315	6,678	5,363
Hope	4,599	23,352	18,753
Invermere	1,152	5,852	4,700
Kinnaird	2,611	13,258	10,647
Lake Cowichan	4,488	22,792	18,304
Lillooet	1,293	6,566	5,273
Lytton	860	4,368	3,508
McBride	1,348	6,846	5,498
Marysville	2,225	11,298	9,073
Mission City	7,356	37,352	29,996
New Denver	2,125	10,794	8,669
North Kamloops	5,456	27,706	22,250
Oliver	2,757	14,000	11,243
Osoyoos	2,478	12,586	10,108
Parksville	2,470	12,544	10,074
Pouce Coupe	1,266	6,426	5,160
Princeton	6,065	30,800	24,735
Qualicum Beach	2,125	10,794	8,669
Quesnel	4,428	22,512	18,084
Salmo	1,673	8,498	6,825
Sidney	2,853	14,490	11,637
Silverton	935	4,746	3,811
Smithers	3,319	16,856	13,537
Squamish	3,154	16,016	12,862
Stewart	780	3,962	3,182
Telkwa	1,348	6,846	5,498
Terrace	2,649	13,454	10,805
Tofino	833	4,228	3,395
Ucluellet	1,224	6,216	4,992
Vanderhoof	2,236	12,754	10,518
Warfield	5,365	27,244	21,879
Westview	9,668	49,063	39,395
Williams Lake	2,517	12,782	10,265
Zeballos	780	3,962	3,182
Sub-totals, villages	\$142,939	\$729,686	\$586,747
Contingencies (anticipated new 1955 incorpora- tions)		37,000	37,000
Grand totals, all municipalities	\$2,547,117	\$7,249,209	\$4,702,092

IN THE EVENT THAT IT IS DESIRED TO REFLECT THESE AMENDMENTS IN THE PRINTED COPY OF THE 1955 BUDGET SPEECH, THE FOLLOWING PAGES HAVE BEEN RE-PRINTED AND MAY BE INSERTED IN PLACE OF THE ORIGINAL PAGES: PAGES 25-26, 27-28, 30, 34, 36, 37, AND 53-54.

(6) 1955 local school mill rates will comprise 10 or 7 mills in municipal and rural areas respectively for ordinary expenses, plus an addition to the mill rate for the district's share of approved capital costs. Salaries above the salary grant scale and non-approved costs, where they exist, must be added to the local mill rate.

(7) In 1956 and succeeding years, local school mill rates will comprise 10 or 7 mills, after adjusting the basic grant for the rating of teachers within the salary grant scale, plus an addition for the district's share of capital costs, plus an addition for the district's share of ordinary expense increase, as adjusted, above the 1955 level.

(8) The implementation of the foregoing will be reflected by Provincial grants toward the cost of education amounting to \$33,845,000, whereas the grants provided, in the main estimates for the current year, aggregate \$18,800,000. This means an increase of \$15,045,000.

- B. The annual distribution of the one-fifth of the social services tax on the basis of census population and current school population and the annual distribution of the one-third of the motor-vehicle licence collections on the census population basis are to be discontinued, as from January 1, 1955, the respective amounts for 1955-56 being \$11,300,000 and \$2,650,000, or a total of \$13,950,000.
- C. There will be paid to the municipalities a yearly grant in aid of local government. Each district, city, and village municipality shall receive a grant based on the latest population census, plus any increase resultant from an extension of boundaries, computed as follows:—
- (a) \$14 *per capita* for municipal population for the first 3,500, and thereafter progressively.
 - (b) \$9 *per capita* for municipal population between 3,501 and 8,000; plus
 - (c) \$6 *per capita* for municipal population between 8,001 and 50,000; plus
 - (d) \$4.25 *per capita* for municipal population over 50,000.

During 1955 this will require the payment of \$7,250,000, apportioned as follows: \$3,911,000 to cities, \$2,572,000 to district municipalities, and \$730,000 to villages, plus \$37,000 for contingencies. The total of these grants is about equal in value to an over-all 4-mill levy on the \$1,362,000,000 of taxable values for school purposes under assessment equalization, and offsets by far the difference between the 7- and 10-mill rate factors governing the computation of grants toward the cost of education in rural and municipal territories.

The over-all monetary effect of the foregoing will be:—

Grants toward the cost of education amounting to	\$33,845,000
(Or a sum greater than the total current Provincial budget for 1944-45.)	
Grants in aid of local governments	7,250,000
	<hr/>
	\$41,095,000
These will replace the grants for education otherwise payable during 1955-56 under the existing method (or \$2,700,000 more than during 1954-55)	\$21,500,000
The one-fifth (net) of the social services tax distributable to munici- palities	11,300,000
The one-third (net) of the motor-vehicle licence fees distributed among municipalities	2,650,000
	<hr/>
	35,450,000
An over-all net increase in grants at a cost of	\$5,645,000

If the comparison were made with the estimates for 1954-55, the over-all increase would be \$8,065,000.

The generosity of the proposed grants should be self-evident with regard to both immediate and future school budgets. The preservation of local autonomy and financial responsibility was one of the factors leading to the conclusion that certain future excess costs should be borne to the extent of 25 per cent by School Boards. It is anticipated, however, that the normal growth in taxable values pursuant to regional development will prove an ample offset to increases in tax rates. Bearing in mind the fact that, from time to time, cases of exceptional hardship occur, provision has been made for the Lieutenant-Governor in Council to pay as high as, but not more than, 85 per cent of the increase in ordinary approved expenses.

Capital grants, which pay 75 per cent of residual total of approved capital costs, when 3 mills on local assessed values fail to raise the district's one-half share of capital cost, is far more generous than anything contemplated formerly. It will go a long way toward attaining a relatively low school tax rate in the poorer and pioneer school districts.

Provincial grants for transportation purposes are included in the grant structure. Instead of paying 60 per cent of all approved transportation expenditure, ordinary transportation expenses are taken into account when computing the 1955 basic grant.

In the case of approved capital expenditure for pupil conveyance, the Province will pay 50 per cent of such costs so long as the district's share of the total does not exceed 3 mills on assessed values; when, however, a district's share of capital expenditure would require a levy in excess of 3 mills in 1955 and thereafter, the Province will pay 75 per cent of the total excess capital outlay.

Increases in ordinary transportation expenditure after 1955 will be borne in the ratio of 75 per cent by the Province and 25 per cent by the school district, except in hardship cases where the percentage borne by the Province may be increased to 85 per cent by the Lieutenant-Governor in Council.

The result from assessment equalization and the application of the educational and local government grant will be a decrease in the tax dollars that ratepayers will have to pay in both municipal and rural areas.

The average 1955 mill rate, including capital charges, for school purposes in city and district municipalities will be 13.85 mills, and the average in rural areas will be 10.62 mills.

As accurate an estimate as is possible of the actual number of school dollars to be raised locally in 1955 on the full assessed value of land and 75 per cent of the assessed value of improvements, after considering the best available statistics of 1955 school budgets and assessed values, reveals that fifty-eight out of sixty-four city and district municipalities, or 90 per cent of them, will have a decrease or no increase in the number of school tax dollars that will have to be raised in 1955 after deducting the increase in Provincial grants. This means that, on the average, all ratepayers in these fifty-eight city and district municipalities will have no increase in the number of dollars they will have to pay for educational purposes, unless they have new construction or industrial tenants' fixtures which will become taxable for the first time in 1955.

Of the fifty-eight municipalities, seventeen will have decreases in the number of school tax dollars to be raised locally in 1955, excluding the increase in 1955 local government grants. Thirty-five will have decreases in the number of school tax dollars to be raised locally, after taking into account the increases in 1955 local government grants. Six will have either decreases or no increases in 1955 school tax dollar burdens after including increases in 1955 local government grants, the estimated addition of new construction, and the inclusion of industrial tenants' fixtures.

Of the remaining six municipalities, four have a small increase in the number of dollars to be raised for school purposes, amounting to 1 or less than 1 mill.

These four municipalities have an increase in their 1955 school tax dollar burden because of one or more of the following factors:—

- (a) Their local ability to pay, as reflected by equalized assessed values, requires them to pay a greater number of tax dollars at 10 mills for ordinary expenses than they were paying in the past with unequalized assessed values.
- (b) Competitive underassessment of assessed values resulted in shifting part of their school tax to other municipalities or rural areas in the same school district.
- (c) They are paying teachers' salaries above the salary grant scale and must bear the additional cost locally.
- (d) Social services tax grants, not based on local ability to pay, were far out of proportion with those paid to other local governments.

In the case of these four municipalities, increased 1955 school tax dollar burden will be very small so far as individual ratepayers are concerned. 1955 school mill rates are anticipated to be (1) New Westminster, 14.35 mills; (2) Esquimalt, 13.27 mills; (3) Oak Bay, 13.27 mills; (4) Nanaimo City, 13.02 mills.

The small increase in the school tax burden in Saanich is due to undervaluation of real property such as to shift much of its school tax burden in past years to the adjoining municipalities. With assessment equalization, values in Saanich had to be increased by 61 per cent in the inner wards and 88 per cent in the outer wards. However, through the combination of the generous educational grants and local government grants, Saanich, in 1955, will benefit by an increase of \$96,500.

The District Municipality of Coquitlam has an increase on improvements of 75 per cent to attain the recommended 1955 assessed value equalization level. It is obvious that this municipality has maintained an abnormally low assessed value in the past and, to a considerable degree, has shifted much of its share of school taxes to other municipalities and rural areas in School District No. 43. It is noteworthy that after the 1954 social services tax grants to this municipality are deducted from its share of the 1954 school requisition, it has an actual credit of 1.78 mills for school purposes. It is obvious that if municipalities are to bear a mill rate of 10 mills for ordinary expenses on an equalized assessed value in 1955, the favourable credit tax burden which Coquitlam enjoyed in 1954 cannot be continued. While over-all Provincial grants to Coquitlam will decrease by \$34,832 in 1955, the decrease would have been much more substantial if 1955 local government grants had not increased by \$93,042.

Municipalities which have substantial assessed values of commercial and industrial tenants' fixtures therein will have a reduction in the average school mill rate on business and residential property in 1955.

The best available estimates of 1955 taxable assessed values and school budgets for rural areas and village municipalities indicate that forty-eight out of seventy-four distinct rural components of large school districts will have a decrease in the 1955 school tax burdens.

Of the remaining twenty-six, eighteen will have increases in dollar tax burdens of less than 10 per cent; eight will have increases of between 10 and 20 per cent that can be attributed to the following factors:—

In certain rural areas the 1954 school mill rate was reduced below a reasonable level by excluding sizeable values of tenants' fixtures in deriving educational grants, but which were included in determining the school mill rates. This increased local educational grants, left a smaller sum to be raised locally, and gave areas (which had a relatively higher ability to pay) a lower school mill rate than was justified. Industrial tenants' fixtures were excluded in rural area grant computation before

	Actual, 1943-44	Estimated, 1954-55	Estimated, 1955-56
A. Direct grants—			
(1) Motor-vehicle revenue	\$570,000	\$2,550,000
(2) Social services tax		11,370,000
(3) Proposed local government grant for 1955			\$7,250,000
B. Education—Grants to School Boards on behalf of district and city municipalities—			
(1) Basic and supplementary grants	\$1,945,000	} 8,380,000
(2) Conveyance	78,000	
(3) School buildings
(4) Teachers' pensions (employers' share).....	50,000	1,500,000	1,575,000
(5) Proposed grant for 1955			20,730,000
Sub-totals	\$2,643,000	\$23,800,000	\$29,555,000
C. Indirect aid—			
(a) Social assistance	}	3,915,000	3,815,000
Indigent medical services		1,344,000	1,371,000
Hospitalization of social assistance cases (now under "Hospital Insurance Act")		810,000	3,000,000
(b) Local roads	15,000	165,000	165,000
(c) Interest on certificates of loan <i>re</i> municipal superannu- tion	58,000	110,000	110,000
Grand totals	\$3,526,000	\$32,334,000	\$38,116,000

Direct and educational grants to all municipalities will increase from \$23,800,000 in 1954-55 to \$29,555,000 in 1955-56, or by \$5,755,000 (including teachers' pension payments). A greater portion of the grant moneys will be paid to School Boards to reduce the local school tax requisition of city and district municipalities.

Village municipalities, which do not levy school taxes, will have local government grants of \$730,000 in 1955, or \$40,000 more than they received in 1954.

When it is borne in mind that 80 per cent of social assistance costs with respect to municipal residents is borne by the Province, the total of the financial assistance extended by the Government of British Columbia to its municipalities is, therefore, greater by far than the assistance extended by any other Province in Canada.

LEGISLATION

TAXATION

Amendments to the "Taxation Act" are recommended to alleviate certain tax burdens. The first amendment is to prevent a dollar increase in general Provincial property taxation in unorganized areas, coincident with assessed value equalization for educational levies.

Under the existing law the full assessed value of taxable improvements is subject to a fixed rate of 1 per cent. As the result of assessment equalization, structural values have had to be raised by approximately 30 per cent; therefore, unless corrective measures are applied, the burden upon the taxpayer would be increased to that extent.

Bearing in mind that the levy for school taxation throughout the Province, in both municipal and rural territory, applies to only 75 per

and the social services tax is expected to yield \$1,750,000 less than the estimated amount for the current year.

3. *Summary.*—The source of funds for budget requirements during the year ending March 31, 1956, may now be summarized:—

(1) Estimated revenue surplus at March 31, 1955	\$20,401,026
(2) Revenue estimated for the year ending March 31, 1956	194,522,469

Total of funds estimated as available for appropriation \$214,923,495

ESTIMATED EXPENDITURE FOR 1955-56

1. *Main Estimates of Current Expenditure.*—The original estimates for current account for the present fiscal year (excluding hospital insurance) totalled \$142,083,783, although supplementary estimates, statutory provisions, and special warrants have increased total authorized expenditure to \$145,843,492; it is unlikely that the whole of this sum will be spent.

After very careful consideration, both on the departmental level and by the Treasury Board, the current expenditure recommended for 1955-56 amounts to \$151,249,958, an increase of \$9,166,175 or 6.45 per cent over the main estimates for 1954-55.

The major part of this increase is due to the introduction of the new educational finance formula, which is discussed in detail elsewhere. Suffice it to say here that under the old formula, educational grants, together with distribution of the social services tax and motor-vehicle revenue, were estimated at \$33,030,000 in 1954-55. The proposed formula for educational and local government assistance involves an estimated expenditure of \$41,095,000, or \$8,065,000 more than the budget requirements for 1954-55.

Implementation of a forty-hour week throughout the Provincial service is a definite policy of this Government, and the provisions for increased staff and consequent additional salaries is shown in the Estimates. Where the forty-hour week is impractical, increased salaries are provided in lieu of the shorter working-week. The additional cost appears in the various institutions, gaols, tuberculosis and mental hospitals, etc., and amounts to \$585,000.

A plan for the cost sharing of medical benefits for all Provincial employees requires a new appropriation of \$160,000. This will be discussed in detail when the appropriate vote comes up for consideration.

Other major increases include: Gaol services, which show an overall increase of \$267,000, mainly because of the forty-hour week, and the coming into operation of the new Men's Gaol at Prince George. As a reflex of new building accommodation is an increase of \$292,000 related to the new Boys' School at Brannan Lake, the Health Centre in Vancouver, and the Poliomyelitis Pavilion. Further increases occur in

This tremendous capital programme is summarized as follows:—

	Gross
Roads, bridges, and ferries	\$29,486,680
Forest development roads	761,000
Mining-roads	500,000
Total roads, etc.	\$30,747,680
Construction of Provincial buildings	8,938,100
Okanagan flood-control	1,402,000
Text-book Rental Plan loss	115,000
Recoverable expenditure—	
Housing projects	127,000
Assistance to improvement districts	750,000
	<u>\$42,079,780</u>
The offsets referred to will apply to—	
(a) Roads, bridges, and ferries	\$8,885,443
(b) Buildings	783,196
(c) Okanagan flood-control	701,000
(d) Housing	27,000
	<u>10,396,639</u>
Net cash requirement	<u>\$31,683,141</u>

Comparable items will show an over-all total increase of \$1,646,730 over the amount provided for the current year. This is made up in roads and bridges, with an increase of \$2,293,940, and Okanagan flood-control, with an increase of \$505,000. Although the appropriation for buildings shows a decrease of \$474,210, it should be borne in mind that the building programme, over the next two years, will require an estimated expenditure of \$17,918,000, and that the \$8,938,100 proposed to be spent during 1955–56 is the actual amount of cash required. Other decreases occur in housing projects, \$133,000, and assistance to improvement districts, \$485,000.

BUDGET SUMMARY

A summary of the estimated cash on hand, cash accruals, and proposed expenditure for the year ending March 31, 1956, follows:—

<i>Funds Provided</i>	
(a) Estimated revenue surplus available for appropriation at March 31, 1955	\$20,401,026
(b) Estimated revenue for year ending March 31, 1956	194,522,469
	<u>\$214,923,495</u>
<i>Funds Applied</i>	
(a) Main estimates of expenditure—Income (current) \$151,494,958	
(b) Hospital Insurance Service	28,881,242
(c) Capital out of income (net)	31,683,141
	<u>212,059,341</u>
Balance of revenue estimated as available for appropriation at March 31, 1956	<u>\$2,864,154</u>

SUMMARY OF DEPARTMENTAL ESTIMATES FOR
THE FISCAL YEAR 1955-56

REVENUE

Main Estimates, 1954-55	Anticipated, 1954-55	Department	Estimated, 1955-56
\$30,000	\$30,000	Agriculture.....	\$30,000
34,935,500	34,943,500	Attorney-General.....	35,514,000
4,550	4,500	Education.....	4,050
138,565,319	135,535,200	Finance.....	137,471,319
25,000	25,000	Fisheries.....	25,000
105,500	105,500	Health and Welfare.....	105,500
1,500	1,500	Labour.....	1,500
17,470,000	18,520,000	Lands and Forests.....	18,095,000
100	300	Legislation.....	100
1,700,000	2,200,000	Mines.....	2,200,000
7,000	6,000	Municipal Affairs.....	6,500
76,500	76,500	Provincial Secretary.....	76,500
535,000	550,000	"Public Utilities Act" and "Motor Carrier Act".....	550,000
9,000	15,000	Public Works.....	10,000
4,000	4,000	Railways.....	4,000
5,000	3,000	Trade and Industry.....	4,000
\$193,473,969	\$192,020,000	Refunds of expenditure.....	\$194,097,469
425,000	435,000		425,000
\$193,898,969	\$192,455,000	Total, estimated revenue.....	\$194,522,469

CURRENT EXPENDITURE

Main Estimates, 1954-55	Authorized, 1954-55, Including Supplementaries and Special Warrants	Department	Estimated, 1955-56
\$16,157,293	\$16,157,293	Public Debt.....	\$15,349,564
210,900	210,900	Legislation.....	212,100
32,894	32,894	Premier's Office.....	32,520
1,286,235	1,288,735	Agriculture.....	1,207,450
7,012,799	7,068,438	Attorney-General.....	7,331,596
26,405,028	27,020,145	Education.....	41,856,563
24,471,445	25,311,645	Finance.....	18,108,672
41,487	41,487	Fisheries.....	40,923
27,535,484	28,226,084	Health and Welfare.....	27,784,257
550,764	555,764	Labour.....	484,532
9,025,676	9,070,095	Lands and Forests.....	9,048,472
745,632	745,632	Mines.....	707,400
186,794	151,533	Municipal Affairs.....	143,129
11,662,600	11,795,100	Provincial Secretary.....	12,165,517
332,154	332,154	Public Utilities Commission.....	326,441
13,120,888	14,506,103	Highways.....	13,104,543
2,520,346	2,537,526	Public Works.....	2,790,677
53,642	53,642	Railways.....	51,650
731,722	738,322	Trade and Industry.....	748,952
\$142,083,783	\$145,843,492	Hospital Insurance Service.....	\$151,494,958
28,885,000	28,885,000	Capital expenditure.....	28,881,242
33,340,564	33,340,564		31,683,141
\$204,309,347	\$208,069,056	Total.....	\$212,059,341

TABLE J₂.—CURRENT EXPENDITURE
(Expressed in thousands of dollars.)

	Actual Date of Fiscal Year End			
	Mar. 31, 1952	Mar. 31, 1953	Mar. 31, 1954	Mar. 31, 1956, Estimated
1. Debt charges—				
Interest.....	7,180	9,291	7,387	5,951
Amortization of discount and expenses.....	214	205	193	-----
Foreign exchange.....	2	(Cr.) 172	(Cr.) 158	18
Commissions and other charges of management.....	110	-----	-----	-----
Sinking fund contributions.....	6,870	7,542	7,017	6,506
Debt retirement.....	4,640	10,754	3,324	3,540
Totals, debt charges.....	19,016	27,620	17,763	16,015
2. Public welfare—				
Public health.....	3,006	3,591	3,653	4,527
Provincial institutions.....	10,517	12,279	12,178	13,130
Grants and assistance to hospitals.....	2,926	3,239	3,450	3,616
Child welfare.....	936	1,139	1,209	1,501
Mothers' and deserted wives' allowance.....	415	411	388	360
Old-age pensions.....	6,504	5,604	5,779	7,823
Labour.....	648	780	670	522
Vital statistics.....	192	207	203	217
Social assistance.....	5,769	4,806	5,294	6,583
Doukhobor rehabilitation.....	53	43	309	73
Other public welfare.....	125	128	149	208
Totals, public welfare.....	31,091	32,227	33,282	38,560
3. Education—				
Grants to schools.....	11,255	13,413	15,124	33,895
Universities—grants and other payments.....	2,000	2,239	2,530	2,950
Normal schools.....	220	236	237	196
Inspection of schools.....	287	336	341	548
Examinations.....	26	38	41	37
Free school texts.....	436	329	303	357
Libraries and museums.....	335	398	406	437
Other education.....	3,062	3,626	3,673	2,797
Totals, education.....	17,621	20,615	22,655	41,217
4. Administration of justice—				
Courts and Court officials.....	553	708	777	465
Witnesses, jurors, and interpreters.....	127	103	124	274
Police.....	696	821	791	1,116
Gaols.....	1,400	1,769	2,018	2,929
Other administration of justice.....	276	233	326	194
Totals, administration of justice.....	3,052	3,634	4,036	4,978
5. Legislation—				
Lieutenant-Governor's house.....	15	16	16	16
Government House maintenance.....	137	70	61	67
Elections, voters lists, etc.....	261	787	703	71
Legislative Assembly.....	217	208	399	212
Other legislation—constitutional litigation, etc.....	11	3	1	2
Totals, legislation.....	641	1,084	1,180	368
6. General government—				
Ministers of the Crown.....	195	186	197	211
General departmental offices.....	6,168	7,030	7,127	10,275
Land titles or registry offices.....	455	485	500	542
Civil Service Superannuation Funds.....	1,556	2,026	2,120	2,241
Other general government.....	361	507	398	364
Totals, general government.....	8,735	10,234	10,342	13,633

PROVINCE OF BRITISH COLUMBIA

TABLE J₂.—CURRENT EXPENDITURE—*Continued*
(Expressed in thousands of dollars.)

	Actual Date of Fiscal Year End			
	Mar. 31, 1952	Mar. 31, 1953	Mar. 31, 1954	Mar. 31, 1956, Estimated
7. Agriculture—				
Farms, experimental stations, and extension services	211	216	223	228
Live stock and poultry	258	288	261	269
Grants to societies, farmers' clubs, etc.	53	58	86	85
Dairying	(¹)	(¹)	46	47
Horticulture	113	130	133	133
Exhibitions	25	25	(²)	(²)
Other agricultural expenditures	217	234	220	316
Totals, agriculture	877	951	969	1,078
8. Public domain—				
Forests, timber, and woods	6,021	6,465	6,698	6,108
Mines	981	660	549	579
Lands	1,307	1,484	1,367	1,205
Water-power rights and storage	432	493	754	400
Drainage and irrigation	76	57	29	44
Game	807	853	866	859
Research	328	306	301	247
Parks and beaches	546	875	703	712
Other public domain				1
Totals, public domain	10,498	11,193	11,267	10,155
9. Highways, bridges, and ferries—				
Administration and supervision	1,143	1,057	1,225	44
Main highways	12,709	14,148	15,010	15,249
Highway grants to municipalities	40	40	40	125
Bridges	1,012	1,267	1,267	1,950
Ferries	640	663	622	849
Docks and wharves	(Cr.) 10	15	13	-----
Totals, highways, bridges, and ferries	15,534	17,190	18,177	18,217
10. Other current expenditures—				
Grants to municipalities	13	52	5	24
Revenue collected by the Province and shared with the municipalities	12,643	13,837	14,253	7,250
Refunds	-----	-----	-----	-----
All other current expenditures	50	17	28	-----
Totals, other current expenditures	12,706	13,906	14,286	7,274
Totals, current expenditures	119,771	138,654	133,957	151,495
11. Hospital Insurance Service	3,902	8,247	7,916	28,881
	123,673	146,901	141,873	180,376
12. Capital out of income	-----	6,500	23,751	31,683
	123,673	153,401	165,624	212,059

¹ Included under "live stock."² Included under "grants to societies, farmers' clubs, etc."

VICTORIA, B.C.

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