

Financial Statement

OF

The HON. T. W. McGARRY

TREASURER OF THE PROVINCE OF ONTARIO

Delivered on the 3rd April, 1917

IN THE

LEGISLATIVE ASSEMBLY OF ONTARIO

On moving the House into Committee of Supply

PRINTED BY ORDER OF
THE LEGISLATIVE ASSEMBLY OF ONTARIO



TORONTO ;
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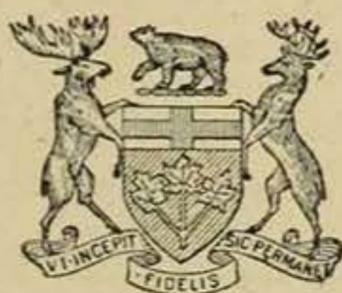
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BUDGET SPEECH

DELIVERED BY

HON. T. W. MCGARRY

TREASURER OF THE PROVINCE OF ONTARIO

3rd APRIL, 1917

MR. SPEAKER,—In rising to move that you do now leave the chair in order that the House may resolve itself into Committee of Supply, I would like to make one or two observations with respect to matters of recent occurrence in which I think the House and the country are interested.

The past two and a half years have been significant in the history of the Province and in the history of the British Empire. Never before in so brief a time have there been so many occasions upon which to congratulate ourselves that we are part of that great empire, whose sons have won renown not alone on the field of battle but also through their accomplishments in the arena of peace. (Applause.) During these months honors have been bestowed by the King upon men who distinguished themselves on the field of battle and upon those who were prominent in civil affairs. Among all these honors, I submit none fell more worthily than did the honor conferred upon the Prime Minister of this Province, Sir William Hearst. (Applause.) We may have different views politically, but, no matter what these opinions may be, there will be no two opinions with respect to the splendid patriotic manner in which he has discharged his duties during the last twenty-eight months. Throughout that time his health was not all it might have been, yet, Sir, I am sure he will leave behind him a record for patriotic endeavour that no man in Ontario can equal; one which the King fittingly honored when he created him a Knight Commander of the Order of St. Michael and St. George. (Applause.)

Ontario Leads

No one can rise in this House to-day without grateful remembrance of a man who has held high office in this Province for the last twelve years, who has given up active work in connection with that office, and has gone into semi-retirement so far as political activities are concerned. I refer to the honorable member for West Lambton (Hon. Mr. Hanna), who so long occupied the important office of Provincial Secretary. There may be honest differences of opinion regarding the work of every public man, but there can be no difference in the minds of the members of this House or in the minds of the people of this Province about the man who erected a lasting monument for himself and brought distinction to this Government in the institutions he created, as well as the manner in which he conducted the work of his Department. The greatest compliment that can be paid him is that which is being accorded from year to year by states and nations who have already adopted, or who are adopting the system he evolved with regard to those who come within the custodial care of the Province. He deserves in full measure the gratitude of the people of Ontario. (Applause.)

It is a matter of satisfaction that on his retirement the responsibilities of that office have fallen upon the shoulders of the member for Northwest Toronto (Hon. Mr. McPherson). We have had an exemplification of his ability and his sympathy for suffering humanity by the zeal he has brought to bear in his work as Chairman of the Soldiers' Aid Commission. In that work I say the new Provincial Secretary has displayed attributes which will assist in making him a most successful administrator of the important affairs of that Department.

Members on Service

I cannot let this opportunity pass without saying a word about the members of this House who are overseas. In doing so I believe I am voicing the hearty appreciation of the people of the Province of Ontario for the sacrifices they are making. I also wish to congratulate the members here who are wearing

the King's uniform, and I feel impelled to say to them that we are proud of what they are doing.

While looking around this House I would be forgetful of my duty if I did not remember, commencing with the Prime Minister and going down both sides of this House, another class of honorable gentlemen who deserve the gratitude and the best thoughts of the people of the Province. That class is composed of the men—the fathers of the boys who are fighting in the trenches for their country. (Applause.) There are many fathers who have reason to be proud of their sons, and I wish to offer to one the congratulations in public, which I have already offered to him in private. I refer to the honorable member for North Victoria (Dr. Mason). I had the pleasure of taking part in a patriotic meeting in his home town of Fenelon Falls, from whence his son, Captain Barclay Mason, heard the call of duty, enlisted, went to the front, and on the 5th January last was given the Military Cross for distinguished conduct on the field of battle. (Loud applause.)

These things, Mr. Speaker, bring back to us most forcibly the sacrifices that are being made to-day, just as they were being made when I addressed this House twelve months ago. These sacrifices must continue: during the year of 1917 there will be many a sad message, telling us that one more life has gone out that we may have life, liberty and freedom throughout the world.

Patriotism Before Politics

For that reason, on this occasion in discussing the financial affairs of the Province, it is not my purpose to introduce any partisan spirit. Last year I said, in presenting the financial statement to this House, that the occasion was one upon which we could well leave aside party questions; and I propose now to discuss our financial affairs in the spirit in which they were discussed a year ago. There is no reason for a change at this time. The war continues with as much intensity as ever. Our boys are fighting in the trenches just as tenaciously as they were many months ago. The same problems are present here, but intensified. Our financial resources are

being taxed and will be taxed in the future in order that there may come success to our flag and to our country. So, in entering upon this discussion, I wish to be considered as representing the whole of the people of Ontario. And if on this occasion my explanations are more concise than in the past I trust it will not be attributed to any intention upon my part to becloud the issue or to withhold a generous interpretation of every item with which I have to deal.

A Splendid Surplus

During the year prior to the 31st October, 1915, I said we had enjoyed a very prosperous term indeed. I was able to come to this House, and congratulate the people upon having gone through the second year of the war with a balance on the right side of the ledger of \$271,000. I said at that time it was a wonderful accomplishment, and I gave credit to the people of the Province, who had so willingly entered into the spirit of affairs that the Government was able to close the year in so successful a manner. (Hear, hear.)

If we felt some just pride in that accomplishment for 1915 there is room, I am glad to say, for still greater pride on this occasion. I come to the House feeling that all honorable members will be able to exult in the accomplishment for the twelve months of the last fiscal year. I may tell my honorable friends that during the last fiscal year our total ordinary receipts amounted to \$13,841,339.64. This is the largest ordinary revenue ever received in the history of this Province. (Applause.)

Our total ordinary expenditures for the same period amounted to \$12,706,332.90, leaving for the first time in the history of the financial operations of the Province the magnificent surplus of \$1,134,996.74. (Cheers.) In addition, after having expended that amount of money, we closed the year with real cash standing to our credit in the bank of \$4,328,276.31.

Besides piling up the surplus I have mentioned we were able, during the last twelve months, to reduce our net debt by the sum of \$810,253.24, or *nearly one million dollars*. (Applause.)

War Tax Separate

I may say to my honorable friends that in figuring out this surplus I am not including the special tax imposed for war purposes. You will find in the column of ordinary receipts (No. 1 Statement) that we have included the sum of \$749,218.22, but if you will look on the opposite side, in ordinary expenditure column you will see the sum of \$749,218.22 expended for war purposes—an exactly similar amount; so that the war tax had no influence whatever in arriving at the balance of \$1,134,996.74 in our favor. (Hear, hear.)

Honorable members will recollect that when we first brought down these figures and showed in our returns for the year any of this war tax, I stated to the House it would be our policy in the future to present in ordinary receipts only an amount corresponding to the actual amount we paid out, because, as honorable members will remember, when the bill was introduced to this House, when we appealed to the people of Ontario, for the first time, to pay a direct tax, we did so upon the promise that it would be expended for war purposes.

I submit that we have not deviated one iota from the trust reposed in us in that respect. We are continuing to impose that tax with the sole object that we may be able to do for the people what would be expected of us during the war. While there may be doubts in the minds of some honorable gentlemen as to whether certain specific items should be chargeable to this fund, so far as this Government is concerned, we are prepared to place ourselves in the judgment of the people to say whether we have given a faithful account of the money entrusted to us for that purpose.

In connection with a considerable number of these expenditures, my honorable friend, the Leader of the Opposition, has taken a patriotic stand. On more than one occasion, as a

member of the Organization of Resources Committee, he agreed that we should spend a portion of this money for patriotic purposes. It has been a matter of pride to the Government that on many occasions we have been able to do something exceedingly useful and substantial in the name of the people of this Province and of the British Empire. (Applause.)

After War Problems

This tax will continue so long as the war continues. And, I hope, Mr. Speaker, by the unanimous vote of this House, after the war, when our soldiers are returning from Europe in large numbers, we may be able to extend help to them. (Applause.) My honorable friend, the Minister of Lands, Forests and Mines, has, upon more than one occasion, announced it to be the policy of this Government that we should spend a considerable sum of money in order that returned soldiers may get free land in Northern Ontario. He has outlined a scheme by which these soldiers will be given farms and homes ready for use. I may tell the House that it is the understanding of this Government that during the next twelve or eighteen months it will take possibly \$1,000,000 for this purpose. It was never the intention of the Government, it is not the intention of the Government now, to confine our efforts for returned soldiers to Northern Ontario alone. If in older Ontario, we have been able to outline a plan in conjunction with the Dominion Government, we will be prepared to give one or two million dollars in order that returned soldiers may be properly cared for. (Applause.) There should be no differences of opinion amongst us; we should endeavor to get together to take care of these men, whom many of us invited to join the King's army and go overseas to fight our battles. So I hope that, in this discussion on matters concerning returned soldiers, or concerning anything in connection with the war, although we may differ perhaps on the advisability of one scheme or another, we shall be able to come together and justify the principle of such expenditures upon this very important question.

A Growing Revenue

I said a while ago that the surplus was \$1,134,000. Let me say that it was a remarkable year in many respects. It was remarkable because of that surplus. But it was also remarkable because of the immense revenues we received. Our receipts were \$1,462,867.40 larger than they ever were in the history of Ontario. (Applause.) While I do not wish to weary the House with an extended statement of the increases, let me mention a few which appear to me to be most striking.

Succession Duty

We received from Succession Duty the sum of \$2,451,000. In 1915 we received \$1,721,000. It is most interesting to study and fully comprehend the increases which, partly by reason of legislation passed and partly by reason of the increased wealth of the people of Ontario, have taken place. I do not know that the figures which I am about to give have ever been stated, but it is worth noting the gradual increase of revenue from Succession Duty.

The first year that succession duties were imposed was 1892. In 1893, the first full year, the total receipts amounted to \$45,507. In 1900, seven years afterward, the total receipts amounted to \$226,487; in 1904, the amount was \$458,669; in 1910, \$724,296; 1914, \$1,253,951; 1915, \$1,669,445; and in 1916, \$2,451,000.

Honorable gentlemen will remember that a few years ago legislation was passed which enabled the Government, particularly in the case of large estates, to dispute the inventory valuation and re-value an estate so that we got from it the proper amount which should come to the Province. In addition, we took legislation to include smaller estates. I submit, Mr. Speaker, that no hardship has been cast upon any person in this Province by reason of those changes. There has never come to the office of the Treasurer any word of fault in regard to the working of that Act, and, taking into consideration the sources of revenue enjoyed by this Province, there is no fairer or more equitable charge than that made against persons who

are the beneficiaries of estates of people who die possessed of a vast amount of wealth. This principle of our administration is that the estates of those who die shall contribute something to the upbuilding of our Province and of our institutions.

Let me say—and it is interesting to note—that the number of estates with which we have been dealing has continually increased. Not many years ago the number of estates dealt with was very small, but in the year ending October 31 last, we closed with 1,263 estates. There are very few estates in the Treasury office now awaiting settlement, certainly fewer than we have ever had before; but there are some estates of a considerable size. Let me give you an idea of the class of estates which come into this office.

GROSS VALUE OF ESTATES.

(Ontario and Foreign.)	Cases.	Amount of Duty.
Under \$10,000	186	\$46,563 92
\$10,000 to \$25,000	216	103,690 26
25,000 to 50,000	199	128,077 47
50,000 to 75,000	94	128,847 00
75,000 to 100,000	43	100,842 91
100,000 to 150,000	55	157,443 19
150,000 to 300,000	78	335,252 58
300,000 to 500,000	34	260,795 46
500,000 to 750,000	15	179,361 39
750,000 to 1,000,000	7	43,106 21
Over \$1,000,000	22	396,940 20
	<hr/>	<hr/>
Dutiable cases	949	\$1,880,920 59
Found to be exempt	314	
	<hr/>	<hr/>
Cases closed	1,263	

I may say with regard to the twenty-two estates of over a million dollars each, that some are English estates, holding a small equity in property here; consequently they are not paying the full tax here because they are paying death duties in England. But, during the period I have referred to, we dealt with 1,263 estates.

MR. ROWELL: How many Ontario estates exceeded \$1,000,000?

HON. MR. MCGARRY: I will have to give my honorable friend that information later. It is not worked out in the list which I have here.

License Revenue Made Up

Honorable members will recollect that last year we lost a considerable source of revenue. Legislation was passed last session by the unanimous vote of this House which did away altogether with liquor licenses. The loss to the Province by reason of the withdrawal of that source of revenue amounted to nearly \$500,000. We introduced legislation which we thought would provide an equal amount of money, and I am proud to be able to say that the events which have transpired since that Act came into force have amply justified the predictions we then made.

We put into force an Act placing a tax upon amusements. I said then, and I say now, there is no fairer source of revenue than that which should be paid by the people who enjoy the luxuries of life. We derived from the amusement tax for five and a half months of last year \$243,918. So I feel that in a full year we will receive between five and six hundred thousand dollars.

In addition we placed an extra tax upon automobiles and from it we received \$639,987.09, as against \$334,759 the year before. Honorable gentlemen will see that by comparatively easy methods and yet by absolutely fair methods we have been able, not alone to make up the revenue we lost, but to increase the amount in order to carry on the affairs of the Province.

With respect to receipts, the corporation tax brought \$1,905,538.36 as against \$1,831,311.73 the year before. The revenue from public institutions was \$277,043.13, a decrease of \$102,857.17. From agriculture we received \$143,806.28, a decrease of \$14,928.24. From casual revenue we received \$671,123.95. Casual revenue includes collections from various Departments, such as fines, forfeitures, surplus fees from the municipalities, moving picture licenses and the recently imposed amusement tax. From the insurance department we received \$71,340.63.

The Hydro-Electric Power Commission brought in last year the sum of \$515,083.30 as interest and \$150,000 as sinking fund.

T. & N. O. Nest-Egg

From the Temiskaming and Northern Ontario Railway we received the round sum of \$1,000,000. My honorable friends will congratulate us, I am sure, upon that if upon no other subject. Some years ago my honorable friend the present Attorney-General had a rather happy time with them explaining a certain item which he had placed in ordinary receipts, and in the first year in which I addressed this House my time was none too comfortable when I began to explain that item of \$544,000. (Laughter.) After a continued series of lessons and instructions to my honorable friends, I think it was fairly well agreed that the item was explained. And now, very seriously, I may say that last year we received \$1,000,000. Of that sum \$528,000, if I remember rightly, represented the actual net profits for the year; the other \$400,000 represented an amount to the credit of profit and loss which had been built up during the last number of years by the Chairman of the T. & N. O. Railway Commission. I think it represents an amount extending over a period of seven or eight years. Each year a balance was carried over ranging from forty to sixty thousand dollars. During the year the chairman of the Commission aggregated the amount and paid it over. But let me say that the interest charges alone upon the investment in the T. & N. O. Railway amount in round figures to \$825,000, and from year to year we have received from the T. & N. O. only \$250,000. We paid out of ordinary revenue the difference between that and the interest charges. Consequently, my honorable friends will congratulate us upon the fact that it is not necessary to pay anything out of our ordinary revenue to meet the interest charges against that railway, because we have received the amount I have mentioned. (Applause.)

MR. ROWELL: Will my honorable friend tell us where the T. & N. O. got the money to pay over this sum?

HON. MR. MCGARRY: Yes, I can give him that in detail.

MR. ROWELL: How did they get the money?

HON. MR. MCGARRY: They earned it on the railway. (Applause.) I hope my honorable friend does not think they

got it from me. The T. & N. O. Railway computed their balance and paid over to the Treasurer of Ontario such an amount. After all you must leave a good deal of discretion to the Commission. They used to pay over each year \$250,000. To be exact, \$25,000 was from the Nipissing Central Railway and \$225,000 from the T. & N. O. But I say now (an extremely able financier like my honorable friend will understand) when they made an adjustment at the close of the year, they always kept in profit and loss a small balance, and that balance has aggregated during the last number of years an amount which now enables them to pay us the \$400,000, making up, with the net profits of the road last year, the sum of \$1,000,000 altogether.

MR. ROWELL: My honorable friend did not comprehend my question. Where did the Commission get the money to make the payment. Of course, I see in the statement my honorable friend advanced them \$700,000.

MR. MCGARRY: The \$700,000 to which my honorable friend refers had nothing to do with the amount received from the T. & N. O. Railway Commission this year. I may tell him that it was a surprise to me (as no doubt it was to him) to learn that the Commission was able to pay us the sum of \$1,000,000 last year. I have always held in respect and admiration the Chairman of this Commission, and I feel sure that just as that respect and admiration increased when he was able to make this payment last year, so will my honorable friend the more appreciate the work being done by the Commission for the Province of Ontario when he learns the particulars of the operations of the road for the past twelve months. I hope to be able to present these to the House during the Session. The \$700,000.00 represent the amount we advanced to the road during the last financial year for capital expenditure. I have a list of these expenditures to present to the House, and I hope also to be able to present a statement of the capital expenditure for the next current year.

Now, from the proceeds of the war tax we received altogether \$749,000 on ordinary account and \$1,346,000 on capital account.

Loans Show Credit Good

In addition to that during the year we went into the money market. I explained to my honorable friends last year it would be necessary to make certain loans. There have been altogether two loans floated during the past year.

One of these was a loan of \$2,000,000 made in New York last February. We got that money at $4\frac{1}{4}$ per cent. for nine months. That loan has since been paid off out of ordinary revenue. It was one of the most favorable loans made anywhere in America and was put through without any expense whatever to the Province. From the proceeds we paid off another loan so that it does not appear on one side or the other.

The loan of \$4,000,000 was at the rate of 5 per cent. for a period of ten years. We obtained the money for 99.91 net after paying all expenses. In other words it cost the Province 5.01. Again, I say, we were most fortunate in being able to negotiate one of the best loans of any made since the war began. (Applause.) It is interesting to speak of this case. The Treasurer of the Province of Quebec (Hon. Mr. Mitchell), without any intention to mislead (and I say this because I had some correspondence with Mr. Mitchell in regard to it), speaking in the Legislature of Quebec, when announcing his budget, said that his Province negotiated one of the best loans yet made, that the Province of Ontario had made a loan, dated the same day as his loan for the same amount, \$4,000,000, sold in the same city at the same time. He stated that Ontario received only 99 while the Province of Quebec bonds brought 99.20!

There is nothing political in what I have to say. Mr. Mitchell is a man for whom I have the highest respect, but the fact of the matter is that we could not have been paid a higher compliment than was paid by Mr. Mitchell. If 99.20 was the best rate that any country (Quebec) got up to that time, what about this good old Province of Ontario that got 99.91? From the proceeds of that loan we paid off a loan of \$3,000,000, so that the net borrowing of the Province of Ontario last year was only one million dollars.

Large Bank Balance

We have spent on capital account \$4,000,000. We had in cash at the end of the year \$4,000,000 more, and we have now \$6,000,000 cash in the banks, and this at a most fortunate time since possibly the money market will not be open for a while. I mention these facts, Mr. Speaker, not because we desire any congratulations, but because I think it ought to be a matter of relief to the people of Ontario to know that at a time when the money markets to the south may be closed to us for a considerable period, we have at least \$6,000,000 of cash from which we can draw for our public works and other important matters. (Applause.)

Curtailement of Expenditure

Now, having said that much with reference to capital receipts, let me say a word or two with reference to our expenditures. While our receipts have been growing our expenditures have not necessarily been keeping pace with our revenues. We spent about the same amount on ordinary account that we spent in 1915, with about \$2,400,000 less on capital than we did in that year. Our capital expenditure in 1916 was about \$4,000,000. Of that sum \$1,422,955.64 was for Hydro-Electric undertakings. A further sum of \$668,318.17 was for Northern Ontario Development. There was \$700,271.82 for the T. & N. O. Railway; \$270,513.34 for good roads, and \$1,000,231.12 on our buildings.

Sound Financing

Notwithstanding that in almost every year of this administration we have been able to show a surplus, my honorable friend, the Leader of the Opposition, has been in the habit of arguing that we had a deficit. I want to say that his system of figuring and arriving at conclusions will not bear scrutiny. If I remember rightly, my honorable friend, in one of those moments of extreme generosity was willing to concede the right to place in capital expenditure the money spent upon the T. & N. O. and the expenditure for the Hydro-Electric. These were the only two expenditures that my honorable friend would

place in the capital column. But when questioned with respect to the particular place where he would drop the amount spent on public buildings, said he would place it, not in ordinary expenditure, not in capital expenditure, but he would place it in what he was pleased to call "general expenditure." (Laughter.) While I do not know what is in his mind with regard to general expenditure, it is a happy expression, because that is a place where he could cover up a great deal. I say this, Mr. Speaker, and my honorable friend must agree with me, there never was any justification for placing these expenditures anywhere else than in capital account, and I will explain why. (Applause.)

Capital Investments

My honorable friend knows that in advancing money to the Hydro-Electric we are advancing it under a statute with a liability imposed upon the municipalities, who in turn are liable to the Province of Ontario and pay interest upon that money. He knows that money advanced to the T. & N. O. Railway is advanced for capital expenditure under a statute, and we are authorized to borrow for that purpose. Now, why did we place those items in capital expenditure? Because, when we borrow the money under the statute, we place that money in capital receipts, which is the proper place to put it. If we placed it in ordinary receipts my honorable friend would be the first man to take issue, just as he took issue with my honorable friend the Attorney-General when he was Treasurer for placing an item of \$544,000 from the subsidy paid to the T. & N. O. by the Dominion in ordinary receipts. Why, Sir, the eloquence of my honorable friend reverberated through the House for having placed that item in ordinary receipts. There was only one other place to put it, and that was in capital receipts. He, no doubt, will say that was the proper place for receipts of that kind to appear. I agree with him in that respect. All moneys received from loans for the T. & N. O. or for the Hydro-Electric should go into capital receipts, and correspondingly expenditures should go into capital expenditures. Once you admit that principle you come down to Northern Ontario Development.

In 1912 the first Act for Northern Ontario Development was introduced in this House by the late Sir James Whitney to spend \$5,000,000 on Northern Ontario. In that bill there was a provision for borrowing \$5,000,000, against which the moneys would be drawn from time to time to build up New Ontario. When Sir James Whitney brought that bill down and announced his policy my honorable friend said, "Yes, that is my policy. You stole it from me. Not alone do I agree with it, but if I were Prime Minister I would make it, not \$5,000,000 but \$10,000,000." My honorable friend approved of the principle, and the principle included the right to borrow money for that purpose. When you borrow that money, where does it go? In what column should it be placed? It is placed in capital receipts. We have borrowed three and a half million dollars under that Act, as my honorable friend knows; we have paid back two million dollars of it, so that the net borrowing is one and a half millions, although we expended three and a half million dollars. We borrowed \$2,000,000 since the close of the fiscal year, which we have right now in the bank, and I want my honorable friend to tell me this afternoon, to-morrow or whenever he speaks, where I am to place that \$2,000,000 next year. Shall I place it in ordinary receipts or in capital receipts? and I leave my honorable friend in the judgment of the House and of the country when he makes answer.

AN HON. MEMBER: General receipts. (Ministerial laughter.)

The Proper Place

HON. MR. MCGARRY: I would say no. There is no column for general receipts. My honorable friend has a column for general expenditures, but none for general receipts. He does not want to allow us that \$2,000,000. I would be inclined to put it in capital receipts, and having done so, and having spent \$668,318.17 last year, I see no other place to put it than in capital expenditure. There it has gone, and there it will stay, until some person shows me a better way in which I should treat it.

All these remarks are made in the most friendly spirit, and I am glad that my honorable friend takes them that way.

Mr. Speaker, I will now deal with the question of good roads. The Leader of the Opposition will agree with me that for the good roads policy of this Province the old Government deserves some credit. The good roads movement was begun before, but very much broadened after Sir James Whitney was returned to power. The policy is that we should build good roads for future generations and future generations should pay for these improvements. When money is borrowed against good roads it is placed in capital receipts; when it is paid out it is shown in capital disbursements. If my honorable friend will analyze the capital expenditures of the past year, he will find that we have charged to capital only such items as have been expended from capital receipts for these various undertakings. So, closing my remarks with regard to this aspect of our finances to day, I challenge any person in the Opposition, or any person throughout this Province, to deny, with any authority behind him, that we have not a balance on the right side of the ledger of \$1,134,000. (Applause.) I challenge them to prove that there is one single dollar of expenditure appearing in capital account which should not be there; and I challenge them to prove, too, that we have not reduced the capital debt by \$810,000, even after building up that balance. I say it with pride (a pride which I am sure is shared in by the people of the Province of Ontario), that never has there been within the history of British institutions a province which after passing through a period such as we have during the past two and half years has been able to show such a splendid financial record. (Applause.)

Revenue for 1917

Therefore, Sir, I approach in an optimistic mood the question of our expenditures during the current year. My honorable friend has before him the estimate of our expenditure. He will find that we are counting upon receiving in revenue, including the war tax, the sum of \$14,300,000. He will notice

that we are taking on a new numeral to designate the immense amount of money we are taking in and spending in the interest of the people. For the first time the Treasurer of Ontario is able to announce to the House that \$14,000,000 or more will be received. While it is hard to estimate exactly how much will be received, and while it is difficult to tell the number of people who may die during the year or the value of their estates, yet, Sir, I may reasonably expect that during the current year the Province will receive, not alone \$14,000,000, but nearer \$16,000,000, including the war tax. While receiving this large amount of money the total amount of the Supply Bill, including Supplementary Estimates, is \$11,140,000.

Do not for a moment be led to believe that I include all the expenditure in that amount. It would not be fair to the House. It will be necessary to bring down further estimates, which will include capital expenditures for the T. & N. O. Railway and the Hydro-Electric. These expenditures, however, are statutory in their character. During the current twelve months the Hydro-Electric will have large expenditures. There are duplications of lines which will be necessary, duplications of transformer stations, and many other things which must receive attention. I hope to be in a position to give in detail the expenditures proposed by these two Commissions.

War Financing

Before I leave the financial side of this statement let me point out to the members of this House that probably never before has the Province of Ontario been faced with a more serious question financially than that which we are meeting now. When I say this I have no reference to the accounts, to receipts or expenditures. I have reference to a matter which concerns the whole Empire. From the day war began the British Empire has been endeavoring to build up behind the other nations allied with her, financial aid to ensure success to the war undertakings, and the strain upon Britain has been tremendous. She has been forced during recent months to ask, not only the people of Great Britain to deliver up their securities, but Great

Britain has been obliged to ask all the colonies and the nations within the Empire to contribute towards the financial prosecution of this great war.

Honorable members will wonder why I say this. Let me explain to you that the Province of Ontario has now in the hands of investors in Great Britain \$17,000,000 of our stock. That stock went to Great Britain many years ago when we required money to build the T. & N. O. Railway. The maturing date of the stock extends over a period, some 35 and some 45 years, and some as long as 48 years. Great Britain is building upon this side of the Atlantic a reserve upon which she can draw in order to provide munitions and other necessities to carry on the war, and has asked Ontario, among the other Provinces, to come to her aid so far as our ability may extend to take charge of these securities. We propose to re-sell dollar securities to take the place of the sterling securities, and to the extent of our financial ability help the mother land in this great war.

Are we going to do it? Is not the answer of every patriotic man, "Yes; we will make that sacrifice." (Applause.) If we are to make that sacrifice, then the borrowing of the \$17,000,000 becomes a first charge during this year upon the resources of the Province, and it becomes necessary that those who desire large expenditures by the Government should wait until we do the more essential financing required by the war. I mention this to-day, not to throw cold water upon any project presented to the House, but rather to warn honorable members of the absolute necessity for us to continue to build up our financial position in order that the investor on this side of the Atlantic may be willing to give us the opportunity to say to Great Britain: we can advance you \$17,000,000. Later on during the Session it is my intention to bring down a bill, which will enable us to purchase all these securities which we have in England, re-borrow the money on this side of the Atlantic, and endeavor to that extent to help Great Britain.

Maintaining Ontario's Credit

Let me say, in that connection, Ontario will not go into the financial markets unprepared to meet any criticism which may be levelled at her. We have gone to the United States during the last two years. And many may be surprised to learn that in almost every state of the Union, as well as Cuba and Mexico, and even as far away as Hawaii, men and women have been buying the bonds of the Province of Ontario. Not later than last week I received a communication from Honolulu from an investor there asking me to register bonds. These are indications that the financial record of Ontario is one which has appealed to the investor throughout the United States and elsewhere. And further, I may say, when we go into the markets of America and ask the American citizen to invest his wealth, we are going to him with a clean slate, and a list of assets which, when compared with liabilities, can be excelled by no other country in the world. (Applause.)

Assets of \$540,000,000.

We have in liquid assets \$51,000,000; we have in public buildings and lands \$21,000,000, or a total of nearly \$73,000,000 of real liquid assets. In addition, I take the valuation of a prominent member of the service, who was appointed to the service under the old administration, that we have \$475,000,000 of the best assets in the world. It means, that we have altogether \$540,000,000 of assets. Against what? Against a debt of only \$58,000,000. I say in these days of war, when men are particular to inquire about the securities in which they invest, it ought to be a matter of satisfaction to the people of Ontario that in offering our securities we are offering something second to none. (Applause.)

As Treasurer of the Province of Ontario I approach the coming year with absolute satisfaction. I hope this year we will be able to carry on our affairs, and show a balance on the right side of the ledger. But if the wants of the returned soldiers should be such that they should make a special drain

upon the revenues of this Province, I would sooner come here feeling satisfied that we had done our duty to the returned heroes than report the largest surplus in the history of the Province. (Loud applause.)

Progress of Hydro-Electric

I would like, Mr. Speaker, at this time to make one or two remarks with regard to our Commissions. There are operating in this Province a number of Commissions, having considerable power, but all reporting to this House. It will be interesting to have some knowledge of the work done last year.

The Hydro-Electric Power Commission has several systems operating, namely, the Niagara System, including the district in Western Ontario; the Severn System, covering the municipalities of Collingwood, Coldwater, Barrie, etc.; St. Lawrence System, covering the municipalities from Brockville to Chester-ville, Morrisburg, etc.; Wasdell's Falls, comprising the municipalities of Cannington, Beaverton, etc.; Port Arthur, supplying that municipality; Eugenia Falls, comprising Owen Sound, Chesley, Markdale, Mount Forest, Orangeville, Durham, etc.; Muskoka, comprising Gravenhurst, Huntsville, etc.; Central Ontario, supplying twenty-three municipalities in Central Ontario; Nipissing, supplying North Bay and adjacent municipalities.

On October 31, 1916, the Hydro-Electric Power Commission was supplying power to 170 municipalities, including 19 cities, 63 towns, 81 villages and 7 townships. Twenty-two other municipalities have passed by-laws to enter into contracts with the Commission.

On March 31, 1916, the properties of the Electric Power Company, were purchased by the Government, under the provisions of The Central Ontario Power Act, 1916, and their operation was turned over to the Commission on June 1, 1916. Six generating stations are in operation on the Trent River, with an aggregate capacity of 23,000 horse-power, supplying power to some 23 municipalities as mentioned before.

On all systems the Commission is supplying approximately 180,000 consumers and serving a population estimated at 1,300,000.

The aggregate power load on the Niagara System amounts to about 150,000 horse-power, compared with 108,000 in 1915. The total load on all systems, as I have said, is approximately 180,000 horse-power. In addition, the Commission has applications from municipalities and industries, in excess of 60,000 horse-power.

During the year the Commission constructed more than 160 miles of low-tension, wood-pole, transmission lines, operating at various voltages.

Now, to show the amount invested, I will give the capital expenditures on the various systems:

Niagara system	\$10,169,720
Severn system	765,145
St. Lawrence system	176,657
Wasdell's Falls	246,701
Eugenia Falls	1,149,800
Muskoka system	141,170
Port Arthur	107,393
Renfrew system	20,886
Ottawa	432
	<hr/>
	\$12,795,908
Central Ontario and Nipissing systems.	
Purchase price	8,350,000
Capital expenditure during year	82,982
	<hr/>
Total capital expenditure	\$21,228,890

Work for Municipalities

In addition, many investigations were made by way of engineering assistance given to 245 non-operating municipalities, including 86 townships, which requested reports on a supply of power and light to rural districts. Hydrographic surveys, water storage surveys, investigations of power sites and stream flow measurements for the Province were continued;

the number of stations being the same as during the fiscal year of 1914-15, with 47,000 square miles of the 407,000 square miles of the Province's area under observation, or approximately 12 per cent. This expenditure by the Province, as a whole, amounted last year to \$127,044.36. There was advanced, in addition to this, for capital expenditure to the Hydro during the year, the sum of \$1,422,955.64.

MR. ROWELL: What is actually the provincial share?

HON. MR. MCGARRY: All the surveys made for the benefit of municipalities, which are not connected with any particular system. This is noted in the report of the Chief Engineer, in which he mentions work done for 245 municipalities who are not being supplied with power.

MR. CARTER: Is that for power or for radial railways?

HON. MR. MCGARRY: Naturally that covers everything. It covers surveys in places not connected with any one of these systems.

Investigations, preliminary surveys and reports, regarding proposed municipal electrical railways were made on a total of 2,639 miles of line, and traffic statistics and engineering data obtained. Reports have been prepared and submitted upon the following lines, namely, Gravenhurst to Baysville and Hollow Lake; Kingston to Cornwall; Ottawa to Morrisburg; various lines in Prince Edward County.

I may say with regard to Hydro, that when I have complete information with reference to the estimated expenditure for this year, I will be glad to give that information to the House. I would like very much to give that explanation to-day if I had it, but I have here only the record of the Chief Engineer of the work done last year.

Workmen's Compensation

There is another Commission, the work of which may be of interest to this House and to the people at large. Its work has made a wonderful change in the Province of Ontario. It has done a great deal for humanity during the last couple of years.

I refer to the Workmen's Compensation Board. It may, therefore, be a matter of interest to members of this House to know that last year the total assessments collected amounted to \$1,767,479, and the amount of compensation awarded was \$1,559,759. This is exclusive of industries under Schedule 2 of the Act, in which the compensation amounted approximately to \$450,000, bringing the total compensation awarded during the year to \$2,009,759, or an average of about \$6,700 each working day.

The total number of accidents reported in Schedule 1 industries was 21,264, in Schedule 2, 4,828, making a total of 26,092.

At the close of the year, only 312 of the Schedule 1 cases in which reports were complete remained undisposed of, and about the same proportion in Schedule 2.

A Proud Record

Whatever one's idea may be with respect to the work done by the Compensation Board—and of course you will find certain people who will rise up and criticize anything—the fact stands out that the object for which that Board was created is being effected; the workman is able to get his damages without going into court and I do not think any Commission in this country could have a greater compliment paid than the compliment which one can read into the statement supplied me, that out of 26,092 cases, all but 312 have been disposed of. These facts convince one after all, there was a great field for an up-to-date Workmen's Compensation Act and a great field for the Workmen's Compensation Board. One can only hope that as the years go by, if there prove to be imperfections in the Act, they will be eliminated as we gain experience. History will pay a tribute to the wise and brilliant man who drafted the Act, Sir William Ralph Meredith, justifying the Government in adopting the recommendations that he made.

There was a time, Sir, when some people thought that the introduction of that bill would not be a popular move. There were those who thought that the Government was not acting

wisely. I remember hearing some people say that. The consensus of opinion among those who have studied the question is that the working out of the Act by the Commission is such that to-day one can see all opposition to it removed. No objections will exist, at any rate, in the minds of those who desire to see the successful working out of the great problems of the harmonious relation of capital and labor in this Province. Possibly it will interest hon. members if I relate a few of the cases dealt with by the Board last year.

A Few Cases

Here is a sample case. A man, "T," had his hand badly cut in the revolving knives of a wood shaping machine. He received \$237.77 while totally disabled and for the permanent injury was awarded \$100 cash and a pension of \$10 a month for life.

"H" had his right arm mangled by being caught under the rope of a hoisting machine and it had to be amputated near the shoulder. He received for twenty weeks temporary total disability, \$285.41, and for the loss of his arm \$140 cash and a pension of \$24 a month for life.

"W" had his hands so badly injured under a 2,500 pound steam hammer as to cause almost total disability. He received \$252.75 in weekly payments while his wounds were healing, and has been awarded a pension of \$40.52 a month for life.

"T" was so badly crushed by a piece of falling timber from a building that he died the same day. His widow was awarded \$35 a month for herself and three children.

"C" was instructed by his employers to go from one place to another to do some work. While on his way, travelling during usual working hours and under pay, he in some unknown manner fell off the train and received injuries which resulted in his death the same day. He left a widow in poor health, with two young children. Deceased carried no insurance. His widow has no relations except her widowed mother, a widowed sister and a crippled brother. Under the Workmen's Compensation Act she receives a monthly pension of \$30. Under

the old law she would get nothing; and that would be the situation in nearly all the other cases above cited. Surely such cases as that ought to bring satisfaction to all the members of this Legislature who joined in passing that bill. You have in that statement alone enough to satisfy anyone that there is something extremely humanitarian about this legislation.

“B” received burns on his face. Infection developed rapidly through his face and head, resulting in death in the course of 10 days. He left a delicate young widow and four children, who particularly require their mother’s supervision and care. On account of sickness it was impossible to make provision for their unexpected great loss. In fact they felt it impossible to secure professional services until infection had taken such hold that human skill was unable to arrest it. When the case was investigated, it was learned that this woman had started to work immediately after her husband’s burial, but was only able to work a few days at a time, as her strength would permit. Now that the claim has been dealt with she will receive a pension enabling her to fill a mother’s place by remaining at home and keeping her little family together.

I have other cases reported here. While it would be interesting to the House to be more extensive in my remarks, I can say that one has only to become familiar with the work of the Commission to see the good it is doing throughout the country, and predict that, as the years go on, as we remove certain imperfections in the Act, the people of other countries will look to Ontario for the model of the most advanced and ideal legislation upon this important subject.

Grants for Seed Grain

I would like to deal with Northern Ontario Development. During the past year my hon. friend the Minister of Lands, Forests and Mines, has been carrying on considerable work there. A sum of \$668,000 was expended, a considerable portion of which was for the purchase of seed grain. I do not know of any wiser act performed by the Government than that which enabled the Government to make a grant for seed grain

purposes. It is a matter of considerable satisfaction to us that since these advances were made, many of the farmers have been able to repay the amount they received, and if you consider the report of the Department of Agriculture along with the report of my hon. friend the Minister of Lands, Forests and Mines, you will find that real benefit to the Province has ensued by reason of these expenditures.

Upon the roads of Northern Ontario and for farms there has been expended since this Act came into force a sum of \$3,300,000. In 1912 we expended \$193,000; in 1913, \$1,081,000; in 1914, \$802,000; in 1915, \$689,000; and last year, \$574,000. The balance of the \$668,000 was made up of advances for seed grain and other purposes.

Review of War Tax

Let me say, Mr. Speaker, that perhaps one of the most important questions with which I ought to deal is that of the war tax.

You will remember two years ago we introduced in this House a Bill imposing a direct tax of one mill on the dollar upon all property in Ontario. One cannot but be struck to-day with the insignificance and smallness of the tax which we are imposing for war purposes, and when one considers that certain counties and towns in this Province have contributed not alone one mill, but several mills on the dollar for patriotic purposes, one is apt to regret we did not make it higher. But a unanimous House in its wisdom did impose a direct tax of one mill on the dollar, and from that we have received altogether \$3,909,465.49.

You will find in the Public Accounts a statement in detail, giving item by item the expenditures made by the Government under this war tax. We have expended altogether, and I will now include in it, the \$1,000,000 being paid to the Canadian Patriotic Fund and the cost of enlarging Orpington Hospital, although these bills have not yet come in, \$4,262,089.22.

MR. ROWELL: How much to date?

HON. MR. MCGARRY: My honorable friend will find in the Public Accounts the expenditure to the end of the fiscal year. I will be glad to give him the figures since then, which are included in the statement I have here. We have made to the Canadian Patriotic Fund two monthly payments of \$83,333.33. We are doing that because the Chairman of the Patriotic Fund desired it should be paid monthly, and so we have paid \$166,666.66.

We have made arrangements for the enlargement and completion of Orpington Hospital by doubling the number of beds. This will render it necessary to spend \$375,000, making, with the cost of maintenance, \$1,265,521. Counting these amounts, we will have expended \$4,262,089.22. Let me give some of the details of these expenditures.

MR. ROWELL: As I judge from the statement laid before us by my honorable friend, the expenditure for war purposes was \$749,000, the actual receipts from the war tax would be approximately \$1,900,000.

HONORABLE MR. MCGARRY: Yes.

MR. ROWELL: Will my honorable friend tell what was done with the balance of the war tax?

HON. MR. MCGARRY: Yes, the balance went into capital receipts and will remain there until I bring down the accounts next year. My honorable friend will recollect that I said to the House when I first brought down the proposal with regard to the expenditure of the war tax that we would only place in ordinary receipts the exact amount of our expenditures on the war. My honorable friend will find in capital receipts what he is asking about, namely—

MR. BOWMAN: The war loan?

HON. MR. MCGARRY: It is not the war loan, it is the proceeds of the war tax. There is no war loan this year, none whatever. As my honorable friend will recollect, we raised a loan of \$2,000,000 against the war tax, but it has since been paid off out of ordinary revenue.

MR. ROWELL: Then there is a mistake in the accounts.

HON. MR. MCGARRY: It should not have been war loan, it should be war tax. We have never used one dollar of the war tax for any purpose other than the war. Let me give my honorable friend some of the items:

WAR RECEIPTS.

1915	\$1,997,146 19
1916	1,912,319 30
	\$3,909,465 49

WAR EXPENDITURES.

WAR RELIEF.

Grant, Belgian Relief	\$20,000 00
“ Polish Relief Committee	5,000 00
“ Serbian Relief Committee	5,000 00
Gift of beans to relief of Belgians	13,892 70
Gift of evaporated apples to Navy and for relief of Belgians	12,164 85
Gift to British Navy Belgians, and comforts of Canadians on active service	144,657 01
Seamen's Hospital Fund, Greenwich	2,500 00
Grant to British Sailors' Relief Fund....	25,000 00
	\$228,214 56

HELP TO BRITAIN.

Flour to Mother Country	\$780,468 70
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ONTARIO MILITARY HOSPITAL, ORPINGTON.

Ontario Military Hospital, construction, etc.	\$570,550 00
Equipment furnished by public institutions, and including motor ambulance	111,351 84
Hospital comforts, patients at Orpington Hospital	819 43
Extension:	
Verandahs, buildings, cottages, etc., estimated	380,000 00
Equipment to be furnished by public institutions, approximately	57,000 00
Maintenance, Ontario Military Hospital ..	145,800 00
	\$1,265,521 27

MACHINE GUNS.

Paid Dominion Government for purchase of Machine Guns (500)	\$500,000 00
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RECRUITING AND SOLDIERS' COMFORTS.

Home Regiments	\$24,450 00	
Overseas Battalions	58,850 00	
Engineers	3,300 00	
Medical Services	1,250 00	
Recruiting Leagues	13,500 00	
Chief Recruiting Officer	7,000 00	
Cadet Corps	800 00	
Batteries, recruiting	1,500 00	
Batteries, soldiers' comforts	8,650 00	
Canadian Chaplains' Association	477 00	
Recruiting meetings	523 00	
		\$120,300 00

FOR THE BENEFIT OF THE SOLDIERS.

Soldiers' Aid Commission	\$17,950 00	
Assisting returned soldiers on land.....	50,000 00	
Grant to National Council Y. M. C. A.....	25,000 00	
Grant to Maple Leaf Club	16,719 85	
Salaries paid members of Civil Service in Expeditionary Force	149,880 36	
Ontario Military Hospital, Cobourg.....	24,820 75	
Resources Committee and British Red Cross	39,653 97	
Canadian Patriotic Fund	1,000,000 00	
Preston Patriotic Association	4,000 00	
Fort William Patriotic Association	10,000 00	
Kenora Patriotic Association	3,000 00	
		\$1,341,024 93

MISCELLANEOUS.

Grant to Boy Scouts, guarding public buildings, cost of purchasing, framing, etc., facsimile "Scrap of Paper," horse ambulance for overseas service, etc.	\$26,559 76
Expenditures, grand total	\$4,262,089 22

Gift of Money for Machine Guns

I have something to say in regard to machine guns, but I am not going to say it in any partisan spirit. It should be a matter of satisfaction to the members of the House that never in the history of warfare has the machine gun, and particularly the Lewis machine gun, which was purchased by the Dominion Government for this Province, been more effective and more highly thought of than during the last few weeks at the front. I have never thought there was much wisdom in discussing the merits or demerits of these guns,

because the men who are at the front, the real soldiers, are better able to intelligently deal with the subject. I am willing to leave the case of this Government in their hands; and when they come back to Canada and to the Province of Ontario, when we public men will be faced on the platforms by these heroes, I will be glad to accept their judgment. (Applause.)

I received, within a short time, this statement with reference to these guns.

“The Germans were for many months superior in machine guns, but the British now have a gun which can beat theirs, and is beating it every day, invented by an American officer, Col. Lewis.

“Its killing power may be gauged from the fact that in one trench recently, one of the guns, manned by a crew of two men, accounted for 330 Germans in half an hour. It has been described as the “hose of death,” and whether in advance or retirement it is going to be the supreme battle arbiter of the coming year.

“It is working now in France and Flanders night and day, sending a steady sweep of lead across the far-flung German line.”

That is “some gun,” if I may be allowed to use an everyday expression; to kill 330 Germans in half an hour is fairly good work. It has been rightly described as the “hose of death,” and whether in, advancing or retiring, it is of great assistance to our men.

Now, the members of this Government are prepared to leave themselves to the judgment of the returned soldier whether or not they were wise in giving the Government at Ottawa \$500,000 to buy these guns.

A Timely Action

It will be two years, in the near future, since we offered that money to Ottawa. What were the circumstances? Every prominent officer who returned from the front told us that what we lacked there was a sufficient number of machine guns. The Government at Ottawa had made up its mind to buy

2,500 guns. This Government ascertained that Ottawa would be deeply grateful for a gift of machine guns, and, believing that the people of Ontario desired us to do something outstanding for the war, we made an offer, not to buy the guns ourselves, but to pay \$500,000 to the Finance Minister at Ottawa in order that the Dominion Government might buy them. Why? Because we had no army of our own. We entrusted it to the officer of the Dominion who was looking after the purchase of supplies. When we took that position, when we announced to the people of Ontario that we were setting apart \$500,000, we were not acting wildly, we were not alone, because throughout the length and breadth of this Province at that time, when the people found there was a call for machine guns, municipalities, patriotic associations, Boards of Trade, and even Women's Associations rushed out to make their offer of machine guns. There was that continuous growth of sentiment in favor of doing something, that this Government, always at the front, prepared to lead the people towards the desired object. (Applause.) When we offered these guns, responsible ministers at Ottawa agreed to purchase them. They did purchase them. We had nothing to do with the purchase of the guns. Once we gave the money, there was no further obligation placed upon us. I was one of those who had something to do with the forwarding of the money to Ottawa, with the receiving of the receipt, and looking after the details of delivery. I never felt prouder of any action of this Government than I did of that. When a man in the Province of Ontario stands upon the platform, and for any purpose, political or otherwise, attacks the fairness of the action of this Government in presenting that money to the Government at Ottawa, for these machine guns, and questions their effectiveness, then, Sir, I say that man is not living up to his duty to this country. Attacks of that kind have a tendency to create in the minds of fathers and mothers, brothers and sisters, of the boys who are at the front a feeling that they are not being properly looked after. But, Sir, we have not only the testimony of men in Great Britain, but the testi-

mony of our opponents, the Germans, that there is no army of better fighters or men better prepared to fight or more efficiently looked after than the army of Canadian soldiers. This is the testimony of our opponents. The Government was in line with public opinion throughout the Province, and time will justify the wisdom and action we took upon that occasion.

I challenge any man in this House to say that our guns, the guns of the people of the Province of Ontario, are not at the front. They have been at the front for some time, have killed Germans and are killing them every day, and as long as our enemies are there, the guns supplied by Ontario will speak out.

We have taken great care of the soldier. We began to look after him long before any of my honorable friends thought we were doing so. We have not at any time endeavoured to advertise these actions, because we thought they were part of our duty. But from the time the soldier is trying to make up his mind whether he will don the King's uniform, until he is back again in the bosom of his family, this Government is assisting him in one respect or another.

Aid to Recruiting

When recruiting was not so rapid as it might have been, this Government, acting on its own initiative, by Order in Council, perhaps against the ethics of some honorable gentlemen opposite, offered to every battalion being formed in the Province of Ontario a substantial grant, not alone one grant, but two or three grants, in order that they might get recruits. And I ask the officers of these regiments to-day whether or not the \$100,000 or more that we spent for recruiting, has not been of great benefit. (Applause.)

Orpington Hospital

We found that after the soldier got over there, there were many ways in which he might be assisted. We felt there must be some means, after he had gone to the fighting line, by which we could be of further benefit to him. And when we said to the Imperial authorities and the Dominion authorities that

we were prepared to do something more, they pointed out that no more acceptable gift could be made by this Province than a hospital in England. And so, Sir, my honorable friend the Minister of Education (Hon. Dr. Pyne) was despatched to England, and with the sole desire that we should carry out the wishes of the people and of the Imperial and Dominion Governments, we began the erection of a hospital which would take care of 1,020 of our Canadian boys. That hospital was completed after several months, and has been visited by thousands and thousands of people throughout the Empire and from our own Dominion of Canada, and the judgment of every man who has gone there is that there is no place in the British Isles, there is no place on the continent of Europe, where greater care or better surroundings are furnished to the invalided soldiers than can be obtained at the Ontario Military Hospital at Orpington. (Applause.)

Day after day, as this war goes on, as the casualty lists are sent across the ocean to the fathers and mothers in the Province of Ontario, they have the satisfaction of knowing that there is a hospital built by this Province, manned by people from this Province, paid for and maintained by the Province, a place to which our boys go to receive every care and comfort necessary for their rehabilitation to health and strength.

Maple Leaf Club

When we found that even sometimes after the soldier gets into the trenches, we might do something for him, we continued our efforts.

It was found by the first Minister when over in England last year that when the Canadian soldier came across from France on furlough, there was no essentially Canadian Club to which he could go. There were many clubs for British soldiers, but none especially Canadian. The Maple Leaf Club had already been established in London, but its accommodation was limited, and so the Prime Minister immediately cabled me to send forward a certain sum of money to enlarge this Club, so that it might be made available for the many Canadian boys

who occasionally visit London from the front. I ask my honorable friends opposite whether they do not think this expenditure one in the interest of the boys from our own Province.

Soldiers' Aid Commission

Then, Sir, when the soldier is placed upon the boat and sent back to our own Canadian shores, we have here an organization for him. That organization was thought out by the Prime Minister. The legislation upon which it was founded was placed upon the statute books by him, but suggestions were made by some other members of this House, and I do not wish to take any credit away from them. When the legislation was passed creating a Commission of prominent men, the chairmanship of that Commission was offered to my honorable friend the Provincial Secretary (Hon. W. D. McPherson). That Commission meets the soldier as soon as he arrives in the Province, takes him by the hand, asks what is his name, what his injuries were (if he had injuries), what his work was before he left for the war and what this great Province can do for him. And out of 5,000 men who have come back to this country, 2,500 have been given positions with the assistance of this Commission. The work has gone on; the work will continue.

Farms for Soldiers

When the soldier who has been wounded in battle returns here, if he recovers sufficiently to engage in work and desires to enter farming life, my honorable friend the Minister of Lands, Forests and Mines has provided for him, and this Province is prepared in Northern Ontario to give him a farm with a number of acres cleared, with a house erected. Yes, not alone to do that, but before we send a returned soldier on the farm, we will teach him the science of farming, and that is of essential importance.

Progress Will Continue

Although there are many things that I would like to say, I will not further continue than to remark that I am hopeful

that the next year may bring with it, not alone success financially for this Province, not alone success in every field of individual enterprise, but that it will bring to the British armies and the armies of our Allies that success for which we are all fighting and the peace for which we all pray. (Applause.)

The great issues involved are such that, if we are successful, the British Empire, which long before this war began was great, will be still greater because of the principles it upholds and for which our boys are fighting at the front now; and if the war is terminated during the present year, I hope the members of this House will feel that while they have been doing their duty during the time the war has been going on, they will not be forgetful that their efforts must be continued for the building up of our country after the war is over. We shall be watchful as a Government to conserve our resources, to give wise and beneficent legislation, to advance on all sides the welfare of the Province of Ontario and to make every necessary provision for those who are standing between us and our enemies at the present time. (Applause.)

ASSETS AND LIABILITIES OF THE PROVINCE.

OCTOBER 31ST, 1916.

CASH AND DEBENTURE ASSETS.

BANK BALANCES:—

Current Account	\$653,276 31	
Special deposits bearing interest ...	3,575,000 00	
		\$4,228,276 31

(Including Federal Subsidy for Agriculture, unexpended, \$66,273.96.)

SINKING FUNDS:—

Amount of stock purchased for the Province for sinking fund by the Bank of Montreal, Fiscal Agents, to the 31st October, 1916.

One half of 1 per cent. per annum on the principal:

£1,200,000 Loan, 5 Edw. VII., cap. 2 and 3.		
£83,277 16s. 10d. at par of exchange		404,730 30
£1,640,547 18s. 11d. Loan, 8 Edw. VII., cap. 11 and 12.		
£57,663 18s. 5d. at par of exchange		280,246 65
£817,294 Loan, 4 Geo. V. cap. 9		
£9,369 16s. 7d. at par of exchange		45,537 37
Hydro-Electric Power Commission, Sinking Fund payment		325,000 00

DEBENTURES:—

Drainage Debentures, Municipal....	\$298,497 33	
Tile Drainage Coupons	291,073 17	
Sault Ste. Marie Debentures	25,572 50	
Village of Eganville Debentures....	11,898 79	
Town of Cochrane Debentures.....	33,009 76	
Township of Whitney Debentures...	16,673 08	
Township of Tisdale Debentures....	33,203 47	
		709,928 10
Temiskaming & Northern Ontario Railway, amount expended to October 31st, 1916. See Statement No. 15		21,183,687 59
Hydro-Electric Power Commission of Ontario, amount advanced to October 31st, 1916	13,913,667 72	
Less Sinking Fund payment in 1915 and 1916	325,000 00	
		13,588,667 72

(Interest and Sinking Fund to be paid by Municipalities.)

Hydro-Electric Power Commission, for purchase of the Electric Power System, 6 Geo. V., cap. 18	\$8,350,000 00
Balance due from sale of Central Prison and Toronto Asylum properties	746,320 00

TRUST FUND OF THE PROVINCE HELD BY THE DOMINION.

Common School Fund (see Consolidated Statutes, c. 26), 1,000,000 acres set apart (proceeds realized 31st December, 1915), after deducting Land Improvements Fund, \$2,638,045.76, portion belonging to Ontario as per population of 1911	\$1,470,731 97	
Note.—See Awards, Sessional Papers, 1900 and 1901.		
Common School Fund, Montmorency Bridge Debentures paid over to the Dominion re Quebec Turnpike Trust, \$6,000.00, portion belonging to Ontario as per population of 1911	3,345 05	
		<u>1,474,077 02</u>
		<u>\$51,336,471 06</u>

ASSETS—PUBLIC BUILDINGS AND LANDS.

Present value of Buildings and Lands on which they stand and surrounding areas belonging to the Province, October 31st, 1916	\$21,441,587 41
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ESTIMATED ASSETS—RESOURCES.

Pine Timber	\$132,000,000 00
Pulpwood Timber, Ties, Poles, Hardwood, etc.	225,000,000 00
Mining Lands and Profits	70,000,000 00
Agricultural Lands	15,000,000 00
Water Powers	20,000,000 00
Sand, Gravel, etc.	1,000,000 00
Amount outstanding on Crown Lands and Interest	1,000,000 00
Amount outstanding on Timber Dues, Bonus, etc. (31st October, 1916)	1,350,000 00
District of Patricia, area of 146,000 miles, Timber, Fisheries, Furs and Mining Possibilities	10,000,000 00
	<u>\$475,350,000 00</u>

DIRECT LIABILITIES OF THE PROVINCE.

(1) Ontario Government Inscribed Stock (London, Eng., loan), 5 Edward VII., cap. 2 and 3, 3½ per cent., principal due 1st January, 1946, for construction of Temiskaming and Northern Ontario Railway, £1,200,000, at par of exchange	\$5,840,004 00
(2) Ontario Government Inscribed Stock (London, Eng., loan), 8 Edward VII., cap. 11 and 12, 1 George V., cap. 4, and 2 George V., cap. 2, 4 per cent., principal due May 1st, 1947, for construction of Temiskaming and Northern Ontario Railway, etc., £1,640,547 18s. 11d., at par of exchange....	7,984,000 00
(3) Ontario Government Inscribed Stock (London, Eng., loan), 4 George V., cap. 9, 4½ per cent., principal due January 1st, 1965, £817,294, at par of exchange	3,977,497 47
(4) Ontario Government Bonds and Stock, 5 Edward VII., cap. 2, and 6 Edward VII., cap. 4 (Canadian loan), 3½ per cent. principal due July 1st, 1926, and July 1st, 1936, for construction of Temiskaming and Northern Ontario Railway	3,000,000 00
(5) Ontario Government Bonds and Stock, 5 Edward VII., cap 2 and 3 (Canadian loan), 4 per cent., principal due June 1st, 1939, for construction of Temiskaming and Northern Ontario Railway	1,150,000 00
(6) "A" Ontario Government Bonds and Stock, 8 Edward VII., cap. 12, and 9 Edward VII., cap 8 (Canadian loan), 4 per cent., principal due June 1st, 1939	3,500,000 00
(7) "B" Ontario Government Bond and Stock, 1 George V., cap. 9, and 8 Edward VII., cap. 12 (Canadian loan), Algonquin Park loan and Purchase Act, 4 per cent., principal due May 1st, 1941.....	500,000 00
(8) "C" and "D" Ontario Government Bonds and Stock, 8 Edward VII., cap. 12, and 1 George V., cap. 4 (Canadian loan), 4 per cent., principal due November 1st, 1941	3,000,000 00
(9) "E," "F" and "G" Ontario Government Bonds, R.S.O., 1914, cap. 39, sec. 14, and R.S.O., 1914, cap. 21 (Canadian loan), 5 per cent., principal due October 1st, 1919	3,000,000 00

(10) "H" Ontario Government Bonds, R.S.O., 1914, cap. 39, sec. 14, due February 1st, 1920 (Canadian loan), 5 per cent.	\$3,000,000 00
(11) "K" Ontario Government Bonds, 4 George V., cap. 9, and 5 George V., cap. 5, due April 15th, 1920 (Canadian loan), 5 per cent.	1,000,000 00
(12) "L" Ontario Government Bonds, 5 George V., cap. 4, due May 1st, 1925 (Canadian loan), 4½ per cent.	4,000,000 00
(13) Ontario Government Bonds (Canadian loan), 6 George V., cap. 2, 5 per cent., due June 1st, 1926.	4,000,000 00
(14) "M" Ontario Government Bonds, 6 George V., cap. 18, 4 per cent., due March 1st, 1926 (For purchase of certain Water Powers.)	8,350,000 00
(15) "S" Treasury Bills, R.S.O., 1914, cap. 39, interest, 4¼ per cent. per annum, due Nov. 1st, 1916.	2,000,000 00
(16) Railway Certificates, present value outstanding on 31st October, 1916.. \$2,208,951 64 Annuity Certificates, present value outstanding on 31st October, 1916.. 1,103,714 68	<u>3,312,666 32</u>
(17) Common School Fund Collections by Ontario, from January 1st, 1916, payable to the Dominion, in trust for both Provinces. In Trust for Ontario..... In Trust for Quebec	998 10 792 20 <u>1,790 30</u>
(18) University of Toronto Certificates, \$30,000.00 per annum for 19 years, 5 Edward VII., cap. 37, present value at 3½ per cent. per annum.	411,295 20
(19) Assurance Fund under the Land Titles Act, R.S.O., 1914, cap. 126, sec. 128	110,000 00
(20) Municipal Securities, 8 Edward VII., cap. 51, Municipal Sinking Funds on deposit with the Province of Ontario to October 31st, 1916, with accrued interest at 4 per cent.	425,948 04
(21) Ontario Government Stock, Charitable and Educational Bequests, 9 Edward VII., cap. 26, sec. 42, and 10 Edward VII., cap. 26, sec. 47	109,900 00
(22) Queen Victoria Niagara Falls Park Bonds, Sinking Fund Payment	200,000 00
	<u>\$58,873,101 33</u>

INDIRECT LIABILITIES OF THE PROVINCE AND GUARANTEES.

(1) Niagara Falls Park Bonds:—

(50 Vic., c. 13)	\$525,000 00	
57 Vic., c. 13)	75,000 00	
(8 Edw. VII., c. 29)	100,000 00	
(10 Edw. VII., c. 21)	200,000 00	
		\$900,000 00

NOTE.—The income of the Park Commission from lease of power, etc., was sufficient to pay all maintenance and interest charges and leave a balance available for capital expenditure.

(2) The Canadian Northern Ontario Railway Company.

Guarantee by the Province of Ontario, under authority of 8 Edward VII., cap. 47, of principal and interest at 3½ per cent. per annum, Debenture stock of above Railway, payable in 30 years from 30th June, 1908, £1,615,068 9s. 7d. sterling

7,860,000 00

Secured by first mortgage on Railway, Rolling Stock and Terminals.

(3) University of Toronto

Guarantee by the Province of Ontario, under authority Order-in-Council, 15th July, 1908, and 16th June, 1909, Debentures of above University, payable 15th July, 1910, to 15th July, 1949, 40 years, \$500,000.00.

Present value for 33 years at 4 per cent. \$458,409 63

(4) University of Toronto.

Guarantee by the Province of Ontario, under authority Order-in-Council, 7th April, 1911, Debentures of above University, payable 1st January, 1912, to 1st January, 1951, 40 years, \$130,000.00.

Present value for 35 years at 4 per cent. 122,589 15

(5) University of Toronto.

Guarantee by the Province of Ontario, under authority Order-in-Council, May, 1912, Debentures of above University, payable 1st January, 1912, to 1st January, 1951, 40 years, \$300,000.00.

Present value for 35 years at 4 per cent. 282,899 49

(6) University of Toronto.

Guarantee by the Province, under authority of Order-in-Council, April 14th, 1915, Debentures of above University, payable in 39 equal annual payments.

Present value for 39 years at 4 per cent.	\$108,922 21	
	<hr/>	\$972,820 48

(7) The Toronto and Hamilton Highway Commission.

Guarantee by the Province of Ontario, under the authority of 5 George V., cap. 18, Debentures of above Commission, due November 1st, 1919.

Interest at 5 per cent. per annum...	600,000 00	
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(8) The Toronto and Hamilton Highway Commission.

Guarantee by the Province of Ontario, under the authority of 6 George V., cap. 16, Debentures of above Commission, due November 1st, 1919.

Interest at 5 per cent. per annum..	300,000 00	
	<hr/>	900,000 00
		<hr/>
		\$10,632,820 48

**Receipts and Expenditure, Fiscal Year Ended
October 31st, 1916.**

RECEIPTS.

Balances as per Public Accounts, 1915.

	\$	c.	\$	c.	\$	c.
Amount at Special Deposit, October 31st, 1915.....			4,125,000	00		
Amount at Current Account, October 31st, 1915.....			410,747	03		
			4,535,747	03		
Less balance of Federal Sub- sidy for Agriculture, de- posited to Special Account			42,393	83		
					4,493,353	20

From Dominion of Canada:

Subsidy on population, B.N.A. Act, 1907.....	2,013,964	40				
Subsidy, 47 Vic. cap. 4....	142,414	48				
Special Grant, B.N.A. Act, 1907	240,000	00				
			2,396,378	88		

Interest paid by Dominion,

see Statement No. 3...	73,505	73				
Interest on Investments..	178,577	45				
			252,083	18		

Lands, Forests and Mines:

LAND COLLECTIONS:

CROWN LANDS—

Agricultural ..	\$79,598	75				
Townsites	3,934	28				
			83,533	03		

Mining Sales ..	36,457	56				
University Min- ing Sales....	121	13				
			36,578	69		

Clergy Lands..	1,692	32				
Common School Lands	3,760	48				
University Lands	1,518	51				
			6,971	31		

RENT—

Mining Leases.	16,218	36				
Crown Leases.	50,756	43				
			66,974	79		

Miners' Licenses	27,264	75				
Permits	960	00				
Recording Fees	38,682	23				
			66,906	98		

Royalties	15,083	52				
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SUPPLEMENTARY REVENUE—	\$	c.	\$	c.	\$	c.
Acreage Tax ..	12,637	38				
Profit Tax	140,559	60				
Gas Tax	33,630	14				
			186,827	12		
WOODS AND FORESTS—						
Bonus	419,827	94				
Timber Dues...	822,332	81				
Ground Rent..	89,520	03				
Transfer Fees..	3,640	00				
			1,335,320	78		
Provincial Assay						
Fees	744	75				
Casual Fees ..	1,216	43				
Cullers' Fees..	48	00				
			2,009	18		
Algonquin Provincial Park.						
	3,912	49				
Quetico Provincial Park ...						
	180	98				
Forest Reserves						
	767	50				
			4,860	97		
REFUNDS—						
Fire Ranging..	40,357	11				
Wood Ranging.	10,383	18				
Algonquin Park, Cleaning Right-of-way.	3,427	48				
Colonization Revenue	1,127	23				
Contingencies .	122	85				
Emigration Work in Great Britain	56	95				
Mines and Min- ing	11	20				
Salaries and Ex- penses	2	00				
Surveys	3	00				
			55,491	00		
			1,860,557	37		

	\$	c.	\$	c.
Education	70,278	99		
Agriculture	143,806	28		
Game and Fisheries	174,601	82		
Provincial Secretary	811,776	74		
Reception Hospital	4,141	07		
Department of Public Highways, Motor Vehicles Branch	639,987	09		
Insurance Department	71,340	63		
Law Stamps	123,629	76		
Succession Duty	2,333,700	03		

	\$	c.	\$	c.
Succession Duty (Funds deposited in lieu of Bond for payment of Succession Duty)	118,093	97		
Corporation Tax Act	\$1,831,390	72		
Fire Marshal's Tax	74,147	64		
	<hr/>		1,905,538	36
Casual Revenue			671,123	95
Hydro-Electric Power Commission:				
Interest paid by Municipalities under R.S.O., 1914, cap. 39, sec. 23 (a)....			515,083	30
Temiskaming and Northern Ontario Railway			1,000,000	00
Ontario War Tax Act, 5 Geo. V., cap. 3..			749,218	22
			<hr/>	
Total Ordinary Receipts			<hr/>	<hr/>
			\$13,841,339	64

Drainage Debentures, Municipal			37,114	15
Drainage Debentures, Tile			17,945	00
Province of Ontario Loan (Canadian), 6 Geo. V., cap. 2. See Statement No. 16			1,006,643	74
Central Prison Property, sale of			100,392	50
Balance War Loan, 5 Geo. V., cap. 3			1,247,927	97
Municipal Debentures			4,919	23
Municipal Securities, Municipal Sinking Funds received for fiscal year ended October 31st, 1916			179,338	48
Sinking Fund, Queen Victoria Niagara Falls Park ...			100,000	00
Hydro-Electric Sinking Fund			150,000	00
			<hr/>	
			21,178,973	91

PAYMENTS.

	\$	c.	\$	c.
For Civil Government	826,652	67		
“ Legislation	292,158	30		
“ Administration of Justice	644,219	24		
“ Education	2,262,800	94		
“ Public Institutions Maintenance ...	1,464,504	12		
“ Colonization and Immigration.....	43,670	53		
“ Agriculture	746,627	42		
“ Hospitals and Charities	522,451	81		
“ Repairs and Maintenance	241,578	91		
“ Colonization Roads	253,539	11		
“ Charges, Crown Lands	616,279	48		
“ Refunds	90,931	52		
“ Game and Fisheries	130,951	81		
“ Attorney-General's Department, Miscellaneous	70,432	58		
“ Provincial Secretary's Department, Miscellaneous	136,410	08		
“ Treasury Department, Miscellaneous	77,372	62		
“ Miscellaneous Services	65,450	46		
“ Hydro-Electric Power Commission: Expenditure charged to Province	127,044	36		
			<hr/>	
			8,613,075	96

Public Buildings, etc.	\$	c.	\$	c.
For Osgoode Hall	20,382	70		
“ Parliament Buildings	21,569	21		
“ Public Institutions	137,253	92		
“ Educational Buildings	23,666	70		
“ Agricultural Buildings	8,938	23		
“ District Buildings	10,892	88		
“ Miscellaneous Buildings	13,971	48		
“ Public Works	179,373	51		
“ Special Warrants	217,155	85		
“ Statutory Expenditure	2,710,834	24		
			3,344,038	72

Expenditure in connection with the War in 1916:

Services re Watchmen guarding Public Buildings	13,785	98		
Gift of Beans to the Belgians	2,992	50		
Grant to Relief of Belgians	5,000	00		
Grant to Polish Relief Committee	5,000	00		
Gifts to British Navy, etc.	86,336	24		
Construction, Ontario Military Hospital in England	225,000	00		
Equipment, Ontario Military Hospital, in England	77,098	62		
Maintenance, Ontario Military Hospital in England	71,636	25		
Payments of Grants in aid of Recruiting	74,400	00		
Travelling and other expenses of Committee re returned members of Canadian Expeditionary Force	11,950	00		
Travelling and other expenses of Committee, re British Red Cross Society.	3,791	46		
Cost of purchasing, framing and placing in schools facsimile of “Scrap of Paper”	1,968	78		
Grant to Serbian Relief Committee...	5,000	00		
Organization of Resources Committee, expenses, etc.	19,738	55		
Seamen's Hospital, Greenwich, England, grant	2,500	00		
Grant to Maple Leaf Club, London, England	16,719	85		
Grant to Canadian Chaplain's Association, Shorncliffe	477	00		
Grants for Soldiers' Comforts	4,650	00		
Ontario Military Hospital, Cobourg....	24,497	10		
Salaries of Civil Servants with Canadian Expeditionary Force	94,624	84		
Horse Ambulance for Overseas Service	2,051	05		
			749,218	22
Total Ordinary Expenditure			\$12,706,332	90

	\$	c.	\$	c.
For Drainage Debentures, Tile (Statutory)	134,671	78		
“ Advanced to Temiskaming and N. O. Railway	700,271	82		
“ Northern Development	668,318	17		
“ Good Roads (Statutory)	270,513	34		
“ New Government House	162,442,69			
“ Ontario Reformatory, Guelph, purchase of lands, etc.	124,020	97		
“ Ontario Agricultural College, Servants' Wing	22,276	11		
“ Ontario Reformatory Abattoir	7,266	36		
“ Brockville Asylum, Additional Buildings	13,003	46		
“ Orillia Asylum, Additional Cottages	94,015	39		
“ Orillia Asylum, Boiler House	48,163	88		
“ New Hospital for Insane, Whitby ...	431,585	04		
“ Registry Office, Fort William	14,389	77		
“ London Asylum, Additional Buildings	9,999	42		
“ London Asylum, buildings damaged by fire	6,251	77		
“ Rainy River District, Registry Office, Fort Frances	3,121	13		
“ District of Thunder Bay, Industrial Farm, Fort William	36,181	57		
“ District of Sudbury, Industrial Farm, Burwash	89,516	06		
“ Algoma District, Court House and Gaol, Sault Ste. Marie	29,997	50		
“ Municipal Sinking Funds, payment of completed by-laws	19,593	93		
“ Advanced to Hydro-Electric Commission during fiscal year ended 31st October, 1916, to be repaid by Municipalities	1,422,955	64		
“ Stationery account, excess of purchase over distribution	2,082	86		
			4,310,638	66
“ Amount at Special Deposit, October 31st, 1916	3,575,000	00		
“ Amount at Current Account, October 31st, 1916	653,276	31		
	4,228,276	31		
Less balance of Federal Subsidy for Agriculture, deposited to Special Account	66,273	96		
			4,162 002	35
			21,178,973	91

ESTIMATED RECEIPTS FISCAL YEAR ENDING OCTOBER 31ST,
1917.

Subsidy	\$2,396,378	88
Interest on Common School Funds held by the Dominion	\$75,000	00
Interest on Investments	200,000	00
	<hr/>	275,000 00
Lands, Forests and Mines Department	2,000,000	00
Public Institutions	225,000	00
Education Department	75,000	00
Provincial Secretary's Department	200,000	00
Motor Vehicle Licenses	750,000	00
Agriculture	200,000	00
Casual Revenue	350,000	00
Insurance Department	73,000	00
The Amusements Tax Act	500,000	00
Succession Duties	2,000,000	00
Corporation Tax Act	1,825,000	00
The Ontario Temperance Act	25,000	00
Law Stamps	125,000	00
Game and Fisheries	180,000	00
Earnings, T. & N. O. Ry.	500,000	00
Hydro-Electric Power Commission, interest, etc.....	575,000	00
Provincial War Tax	2,032,500	00
	<hr/>	
Total Estimated Receipts	\$14,306,878	88

ESTIMATED EXPENDITURE FISCAL YEAR ENDING OCTOBER
31ST, 1917.

Civil Government	\$1,039,889	46
Legislation	325,499	22
Administration of Justice	858,535	84
Education	2,438,488	52
Public Institutions Maintenance	1,804,252	00
Agriculture	908,542	00
Colonization and Immigration	102,788	00
Hospitals and Charities	550,895	51
Maintenance and Repairs of Government Buildings..	240,596	94
Public Buildings	449,934	18
Public Works	80,300	00
Colonization Roads	87,000	00
Highways Department	88,020	00
Game and Fisheries	154,274	46
Attorney-General's Department, Miscellaneous	176,474	78
Treasury Department, Miscellaneous	64,855	45
Provincial Secretary's Department, Miscellaneous ..	285,102	48
Charges on Crown Lands	644,985	36
Refund Account	100,619	70
Miscellaneous Expenditure	47,600	00
	<hr/>	
	\$10,448,653	90

Capital:

Purchase of No. 15 Queen's Park	\$20,000 00
Hospital for Feeble-Minded, Orillia, additional buildings (part re-vote)	30,000 00
Hospital for Insane, Hamilton—new boiler house ..	20,000 00
Hospital for the Insane, Whitby, additional buildings, farms, land and equipment	300,000 00
Educational Buildings	90,000 00
Agricultural Buildings	22,000 00
Osgoode Hall	10,000 00
Court Houses, Industrial Farms, Gaols and Registry Offices, Districts of Temiskaming, Sudbury, Algoma and Thunder Bay	200,000 00
	<hr/>
	\$11,140,653 90

Statement showing amounts payable annually for certificates issued by the Treasurer of the Province for "Aid to Railways" and Annuities.

Year.	Railway Aid Certificates.	Annuities.	Year.	Railway Aid Certificates.	Annuities.
	\$ c.	\$ c.		\$ c.	\$ c.
			F'r'd	2,457,852 12	1,362,650 00
1916	.....	51,450 00	1935	111,128 54	24,700 00
1917	139,112 54	102,900 00	1936	105,090 01	16,700 00
1918	139,112 54	102,900 00	1937	94,459 80	9,200 00
1919	139,112 54	102,900 00	1938	90,961 80	2,850 00
1920	139,112 54	102,900 00	1939	86,122 35	.....
1921	139,112 54	102,900 00	1940	82,239 02	.....
1922	139,112 54	102,900 00	1941	67,943 75	.....
1923	139,112 54	102,900 00	1942	31,818 40	.....
1924	139,112 54	96,200 00	1943	24,920 51	.....
1925	139,112 54	82,500 00	1944	22,695 08	.....
1926	139,112 54	69,350 00	1945	18,251 86	.....
1927	139,112 54	56,950 00	1946	18,251 86	.....
1928	139,112 54	50,700 00	1947	18,251 86	.....
1929	139,112 54	50,700 00	1948	18,251 86	.....
1930	138,412 94	50,700 00	1949	6,871 26	.....
1931	134,914 94	43,700 00	1950	699 60	.....
1932	127,918 94	32,700 00	.....	.....	.....
1933	125,120 54	28,700 00	.....	.....	.....
1934	123,021 74	28,700 00	.....	.....	.....
F'r'd	2,457,852 12	1,362,650 00	Totals	3,255,809 68	1,416,100 00

NOTE.—Present value of Railway Certificates, October 31st, 1916 (interest $1\frac{3}{4}$ per cent. half yearly)..... \$2,208,951 64
 Present value of Annuities, October 31st, 1916, (interest $1\frac{3}{4}$ per cent. half yearly)..... 1,103,714 68

