



BUDGET STATEMENT

of

THE HONOURABLE
LESLIE M. FROST

*Prime Minister and
Treasurer of the Province of Ontario*

1958

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in the
LEGISLATIVE ASSEMBLY OF ONTARIO
Wednesday, February 26th, 1958
On Moving the House into Committee of Supply

Also
Financial and Economic Statements



TORONTO

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PRIME MINISTER AND TREASURER OF THE PROVINCE OF ONTARIO
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LEGISLATIVE ASSEMBLY OF ONTARIO
WEDNESDAY, FEBRUARY 26, 1958

MR. SPEAKER:

After a lapse of three years, it is again my pleasure to bring down the Budget of Ontario. Like all its predecessors, this Budget, which is my fourteenth, is a reflection of the times in which we live. It is designed to meet the conditions and problems with which we are faced. It has been formulated in the light, not only of our pressing requirements for education, health, welfare, highways and other services, but of the economic conditions and realities of the day.

After a decade and a half of unparalleled expansion that carried capital investment, production, employment and living standards to historically high levels, we should not be surprised if economic adjustments are required. In my Budget Statements of both 1954 and 1955 I pointed out that in a dynamic economy, adjustments in industry and employment are the normal process by which production is adapted to demand, and I stressed that in all sectors of our economy we must constantly aim for flexibility and adaptability to meet changing conditions. I also emphasized the need for keeping things in perspective, and if we look at the year 1957 as a whole we shall find that by most measurable tests it was one of impressive accomplishment. Despite the remarkable increases in 1955 and 1956, employment and income, investment and production in real terms were all higher in 1957.

Capital investment rose to over \$3 billion, three times that of a decade ago. Personal income was 6 per cent higher, while electric power consumption increased by nearly 7 per cent. Ontario's pulp and paper industry maintained its 1956 record level of output, while sales of uranium and nickel more than offset the decline in those of copper and other base metals with the result that Ontario's mineral output rose to \$739 million, 14 per cent above that in 1956. Agricultural production held almost to the 1956 level and was higher than that in each of the years 1953, 1954 and 1955. The housing industry developed a marked upturn

after reduced down payments were effected and more funds were made available. New residential units and conversions completed in Ontario in 1957 totalled nearly 46,000, a level exceeded only in the peak years of 1955 and 1956, while the number of residential starts fell only fractionally short of those record years. Purchases of food and soft goods also continued to advance, roughly offsetting the decline in the purchases of motor vehicles and certain other consumer durables. Thus, by most standards, the past year has been a prosperous one. More people were employed and more goods were produced than ever before in our history.

Each year brings its special set of problems, and 1958 is no exception. To overcome the accumulated shortages of the war years and to meet the requirements of rapid growth, a prodigious increase in productive capacity has been brought into operation. In some fields, this increased capacity cannot be fully employed for the time being. In others, there has been an easing of demand. Although our overall production has continued on a high plane, adjustments have been necessary and these have given rise to more unemployment than we have recently been experiencing. To the seasonal unemployment that normally occurs at this time of the year has been added a number of workers who are in the process of changing their places of employment as conditions adjust themselves to the changing pattern of demand.

On the whole, economic dislocations both at home and abroad have not been unmanageable. Corporate liquidity is high and personal savings are increasing. While any realistic appraisal of the situation must acknowledge points of weakness, there are nevertheless many strong and vigorous elements in our economy which justify an attitude of confidence. I would ask you to consider the following:

1. Our markets are growing rapidly. Last year, Ontario's population increased by over 210,000, or nearly 4 per cent, while about half a million people were added to the Canadian market. Each year, an additional three million people in the United States and about forty million abroad must be fed, clothed and furnished with some of the comforts of life. As far as our home market is concerned, the high birth rate and the increase in family size underline the need for food, clothing, domestic services, children's equipment, schools, highways, electric capacity, hospitals, water and sewage systems and other similar services. By the mid-1960's the high birth rates of the years immediately following World War II will produce a bulge in the family formation group which should provide a major stimulus to the demand for motor vehicles, household furnishings and other durable goods.

2. An increasing proportion of our labour force is being employed in services such as transportation, communications, electric power and gas, wholesale and retail trade, finance, insurance, restaurants and recreation. Between 1946 and 1957, the proportion of our labour force engaged in these service industries rose from 39 per cent to 50 per cent. The continuation of this trend will open up many new avenues of employment.

3. There is a growing propensity for children to prolong their formal education and thereby withhold their services from the labour market. For instance, in 1951, 60 per cent of the male population between 14 and 24 years of age was in the labour force; by 1957 this proportion had declined to 53 per cent.

4. Capital investment intentions in 1958 suggest another high volume of spending. The contraction in private capital investment will largely be offset by the expansion in enterprises such as pipelines, electric power and telephone systems as well as schools, university buildings, highways, hospitals and local services. The expansion of such services affords strong support to current business, and lays a firm foundation for a broad economic advance. Owing to new injections of capital funds, 1958 will also be an active year for housing. The acceleration of housing completions should spur sales of furnishings and electrical and gas appliances and fixtures. In all this work, the federal, provincial and municipal governments are co-operating closely.

5. Credit in 1958 will be more readily available and will cost less. This should serve to stimulate both private and public investment.

6. Increased outlays will be made under such built-in stabilizers as old age pensions, old age assistance payments, family allowances and unemployment insurance and direct relief benefits. Increased appropriations for education, health and welfare will also be required. Together with the reduction in individual income taxes, these programs reinforce and enhance consumer spending.

7. Farm marketing and support programs will be strengthened to improve farm incomes and purchasing power.

8. Our major trading partners—the United States and the United Kingdom—are no less dedicated than we ourselves are to a policy of high levels of employment and income. We are confident that by working in unison, a resurgence of our economic growth will be achieved.

THE PROVINCIAL CONTRIBUTION TO CAPITAL INVESTMENT AND EMPLOYMENT

Although in Canada the Federal Government is primarily responsible for maintaining a high level of employment because of its control over monetary policy, its regulation of tariffs and trade and its possession of the main fiscal and tax powers, the Province and the municipalities, nevertheless, can, and do, make a significant contribution to maintaining sustained growth. The fact is that the most essential public projects which are in demand today and underlie our development fall within provincial and municipal jurisdiction.

During the current fiscal year, the Government of Ontario together with the municipalities and the various commissions and agencies, will spend a total of \$875 million on capital formation and repairs to physical assets. Of this amount,

\$300 million will be for provincial projects such as highways, roads and hospitals. The provincial commissions, mainly Ontario Hydro, will spend a total of \$275 million—\$215 million for new construction and the remainder for frequency conversion and repairs and maintenance. The municipalities, school boards and local commissions account for an additional \$300 million, making the aggregate expenditure by Ontario's various provincial, municipal and other authorities \$875 million. This huge expenditure is over \$175 million more than was spent just two years ago. When I referred to this matter in my Budget Statement of 1955, it was estimated that this expenditure would provide employment for about 175,000 workers. In the year closing, our program has been furnishing on-site and off-site jobs for 215,000 full-time workers who are engaged in adding to our physical stock and maintaining and repairing our existing facilities.

In the coming year, an even larger capital investment and repair program will be undertaken—one estimated to involve an expenditure of \$955 million, which will provide jobs for 235,000 workers. Nor does this expenditure tell the whole story: in carrying out such a huge volume of work there are obviously other indirect effects which ramify throughout the whole economy, generating secondary and tertiary income and employment. Thus, we are not only adding to the capital stock of our Province in the form of schools, hospitals, highways, roads, electric power, utilities and other physical assets, but we are making a telling contribution to the alleviation of unemployment. Furthermore, I give this assurance—should there be unemployment conditions that call for a further extension of our capital investment policy, we shall, in co-operation with the Federal Government and with its assistance, take a more active part in creating useful assets and employment for our people.

It may not be amiss to point out, however, that private enterprise accounts for nearly 70 per cent of all capital expenditure. Thus, to a large extent the success of any policy designed to maintain a sustained rate of economic growth depends upon private business—upon its initiative, its good judgment and ingenuity, and, as well, upon the restraint that both business and labour exercise and the harmony with which they work together to solve their common problems.

STATEMENT OF EXPENDITURE, REVENUE AND SURPLUS

Although from the standpoint of both assistance to municipalities and direct provincial services, we have carried out the largest program in our history, I am able to announce a surplus on ordinary account. The Government's net ordinary expenditure for the current fiscal year ending March 31, 1958, is estimated at \$581.6 million. This expenditure includes certain special grants and payments, which I shall later describe, as well as \$17.8 million for sinking funds, \$57.5 million for transfer to the highway construction account and \$39.0 million for application to capital expenditure.

The Province's capital expenditure during the current fiscal year totals \$215.7 million, an increase of \$43.9 million over that of last year. Highways and natural resource and community access roads will account for \$164.1 million, of which \$57.5 million will be provided by transfers from the highway construction account. An estimated \$40.9 million will be disbursed for the construction of new public works and buildings, including hospitals for the mentally ill, while \$2.5 million is being expended for special conservation works. Our combined net ordinary and capital expenditure in the fiscal year 1957-58 is therefore estimated at \$758.3 million. This amount includes \$17.8 million as a provision for sinking funds and \$57.5 million transferred to the highway construction account, which is equivalent to the amount withdrawn from this account and expended on new highway construction during the 1957-58 fiscal year. Three services—education, highways and health—account for two-thirds of our total expenditure. Expenditures for education, excluding those for the agricultural and veterinary colleges, total \$142.8 million, the combined ordinary and capital expenditure on highways amounts to \$230.0 million, while that for health totals \$69.1 million. Among other large spending departments are: Welfare, \$35.5 million; Municipal Affairs, \$37.9 million; Lands and Forests, \$20.0 million; and the Department of the Attorney-General, \$17.6 million.

The net ordinary revenue of the Government for the current fiscal year 1957-58, is estimated at \$582.1 million of which the largest sources are corporation income tax, \$147.0 million; gasoline tax, \$135.0 million; motor vehicle licenses, \$51.5 million; tax rental agreement for personal income tax, \$74.4 million; Liquor Control Board profits and fees, \$65.6 million; succession duties, \$30.0 million; and revenue from timber dues, water rentals and game and fish licenses, \$22.1 million. Thus, after making provision for sinking funds, transfers to the highway construction account and the application of \$39.0 million in current revenue to capital expenditures, our interim surplus on ordinary account is estimated at \$547,000.

PROVINCIAL NET CAPITAL DEBT

The massive capital construction program to which we have been committed by the unprecedented rate of our population and industrial growth has obliged us to add to our net capital debt at least in some measure. As I have pointed out, this year, our capital construction program totals \$215.7 million, yet our net capital debt increase will be held to \$99.6 million. Thus, we have succeeded in financing out of current revenues \$116 million of capital improvements. This is more than half our capital investment in physical assets and continues our past financial experience. In my first three Budgets, from 1944 to 1946, we had a surplus on overall account, but our capital expenditure in those years averaged only \$4 million, whereas our capital expenditure in this current fiscal year is \$215.7 million. Next year it is estimated to be \$241.7 million. Thus, our

revenue deficiency in relation to our overall expenditure stems directly from the great volume of capital investment we have under way. Indeed, we have done much better than these figures would indicate, for we have financed a substantial part of the capital cost of local services such as new schools and public general hospitals, and we have done it out of our current revenue.

While our net debt has risen, production, personal income and our revenues have grown much more rapidly. When I delivered my first Budget Address fourteen years ago, Ontario's net debt formed 14.4 per cent of the total personal income of the people of Ontario. This year it represents only 9.4 per cent. In 1944 it would have taken over four years of the Province's revenue to retire the net debt, as against one and one-half year's revenue now. It is true that we have not, as have some provinces, reduced our net debt. On the other hand most provinces have not experienced the same rapid growth with all its incidental problems. Were it not for this capital program, which has no parallel in our history, our revenue-expenditure position would be favourable beyond words. But so long as we are in this expansion phase, we are committed to a large volume of capital investment and this reflects itself in the rise in our net capital debt. However, taking all factors into consideration—particularly the need for a moderate structure of taxation, our assistance to the municipalities and this huge accretion of physical assets which is contributing so much to the economic well-being of our people—the increase in our net debt, judged by all standards, has been very moderate.

SPECIAL GRANTS AND PAYMENTS

As in previous years, we are providing a number of special grants and payments for education, health and cultural services. In addition, this year we are asking for a special appropriation for the relief of unemployment. These measures, I am sure, will receive the full endorsement of this House. Prior to last year, we included in the Supplementary Estimates a number of capital grants to facilitate the expansion of university facilities. This year, as last, such grants are mainly provided in the Estimates for 1958-59. Supplementary Estimates authorizing special grants to be paid out before the end of this fiscal year will be introduced as follows:

Education:

University of Toronto—for new Dental Building	. . .	\$1,000,000
McMaster University—for Engineering Building	. . .	1,000,000
Royal Ontario Museum—for extension of the Arts	. . .	100,000
Royal Botanical Gardens—to retire capital indebtedness	. . .	92,000
Law Society of Upper Canada—for capital purposes	. . .	100,000
Teachers' Superannuation Fund—special contribution	. . .	1,000,000

Health:

A special grant of \$200 per bed is to be paid to the public hospitals before the end of this fiscal year to assist them in meeting their capital costs. In addition, it is proposed to provide a special grant totalling \$2.0 million to assist hospitals which undertake the training of nurses. Thus, to summarize these and other health grants:

\$200 per bed in Public General, Chronic and Convalescent	
Hospitals	\$6,075,000
To assist Hospitals in Nurses' Training	2,000,000
The Banting and Best Research Fund	20,000
The Ontario Heart Foundation	100,000
The Ontario Cancer Institute	600,000

Special Unemployment Assistance:

As recently announced in the House, the Government is proposing to make grants to municipalities of 70 per cent of the direct labour costs incurred on special work projects. The amount of \$5.0 million is being placed in the Supplementary Estimates for this purpose.

Other:

A special grant of \$35,000 will be paid to St. John's Training School for Boys.

A special contribution of \$1.0 million will be made to the Public Service Superannuation Fund.

The amount of \$1,760,000 will be placed in the Supplementary Estimates for making advances to, and purchasing the debentures of, the Improvement Districts of Elliot Lake, Manitouwadge and Bicroft. These communities are meeting with exceptional developmental problems as a result of their rapid population growth and require special aid at this time to finance their capital projects.

In total, these special grants and payments amount to \$19,882,000.

HUMAN BETTERMENT: EDUCATION, HEALTH AND WELFARE

Education

To me, education is Ontario's most important and absorbing problem. I make no apologies for so describing it. Last September, 1,200,000 pupils were being taught in Ontario's elementary and secondary schools by nearly 40,000 full-time teachers. Nearly 4,000 school boards directed the expenditure of over a quarter of a billion dollars for current operations and spent an additional \$55 million for the construction of new schools and other facilities. Our school

enrolment has almost doubled since 1945, and each year the problem grows in magnitude. For every student we now have in our elementary schools, we will have two in another fifteen to twenty years. This growth has presented us with our most formidable task. It involves more than constructing schools. It means educating and recruiting teachers, finding the money for expansion, evolving a grant structure founded on a just basis of distribution and maintaining and strengthening the character and standards of our educational system. This is the challenge we face now and which we shall continue to face well into the future.

The Province's contribution to education has increased greatly through the years. As far as grants to local boards of education are concerned the first major advance occurred in 1945. In that year, the basis of distribution was completely changed and the total amount of the grant was tripled—from \$8.4 million to \$23.4 million.

The underlying objectives of the 1945 provincial grant plan were to increase the assistance to local school boards and to secure a greater equalization of the burden of educational costs throughout the Province. The new system was not free from defects but it was a notable step forward in the direction of equality of opportunity for education to children in all parts of the Province. In the ensuing years, a number of improvements were adopted. It was also found necessary to raise ceilings on approved costs and to provide better aid to school boards faced with large capital expenditures. Commencing in 1955, the Province paid a supplementary per pupil grant in addition to its other payments. This amounted to \$4 per pupil in 1955 and it was progressively increased until in 1957 it reached \$11 per pupil for elementary schools and \$20 to \$30 per pupil for children in continuation, collegiate and vocational schools. In addition, last year the Province raised from \$75 per pupil to \$100 per pupil the recognized allowance for salaries of elementary school teachers upon which grants were calculated. These various revisions represented a realistic effort to improve both the amount and the equity of the school grants and to ameliorate the especially acute problems of rapidly developing areas.

The Province recognized, however, that as long as one of the criteria of financial need was the assessment of property rateable in each municipality by local assessors, there could not be a just distribution of aid. Despite the increase in grants—doubled in the last four years—and many other improvements, the absence of a common yardstick for municipal assessment created inequities. Indeed, the Province's grants, based as they were partly on local assessment, discouraged any effort at assessment reform. In most instances, the practice of under-assessing was self-defeating, for one municipality's gain was at the expense of another. Municipalities which kept their assessments arbitrarily low tended to forfeit more revenue from industry and business and other property owners than they gained in the form of provincial grants. In these

circumstances, some form of equalization of assessment on a Province-wide basis for grant purposes became imperative.

Three years ago the assessment problem was tackled, but so immense has been the task that it was not until this year that sufficient information became available to establish a Province-wide operating basis of equalized assessment for grant purposes. The significance of this development cannot be over-emphasized. Not that we believe that our system is the last word. We are under no illusion that it is completely accurate, and that it will not require refinements. Nevertheless, the system that has been developed is founded on experience. It will provide a far more equitable distribution of school grants than has existed before. With the marked increase in grants that we are providing in this Budget, the adoption of a common yardstick for municipal assessment cannot be delayed.

Last year, as the first instalment of a three-year program of assistance to school boards, we increased our grants, on an interim basis, by \$19 million. This year, in fulfilment of the second stage of our program, we are providing for an additional increase of \$33 million—by far the largest increase in the Province's history. The payment of this amount brings to \$52 million the additional money the Province has made available to the municipalities for education in these two years alone. It means that in the coming fiscal year, we will distribute grants of \$133 million to the local boards—an increase of 64 per cent in two years and 100 per cent in the last four.

The people of Ontario gain from this policy in three important ways. First, as never before, equality of educational opportunity has become a reality. Whether the child comes from the country or the city, from a wealthy residential district or a low income area, he has an opportunity to develop his talents to the fullest extent of his ability. More diversified courses, better facilities, higher teachers' salaries, a spectacular rise in enrolment in secondary schools and a marked and most gratifying propensity for children to remain in secondary school for a longer period of time—all these have combined to increase costs and thrust heavy burdens on municipal finances, supported primarily from levies on real estate. The Province has therefore assumed a much greater proportion of educational costs. It has adopted a system of grant distribution that enables municipalities and school boards lacking adequate resources to provide educational facilities of a standard comparable with those of more favourably situated communities—certainly far above the standard that would otherwise be possible. Secondly, more generous provincial assistance has made possible a Province-wide betterment of teachers' salaries, conditions of work and educational facilities. Thirdly, the new grants system has eased the burden of municipal taxation on residential, farm and industrial property and encouraged home-ownership.

An important feature of our new formula is the growth-need factor. The growth-need factor is an innovation. As far as it is known, no other jurisdiction has embodied it in a general grants structure. Its aim, both in principle and practice, is to direct additional assistance to those rapidly expanding areas that are required to meet sharply increased debt charges and other extraordinary costs. Experience in Ontario shows that the impact of school costs is more serious in communities of rapid growth than in those of relatively stable populations. This has also been our experience in other provincial services. The Ontario formula is therefore designed to provide additional revenue for education in these "growth" municipalities.

In introducing this new grant formula and underwriting a greater share of school costs, the Province has sought to foster standards of education that make the most effective use of the intellectual resources and potentialities of our people. We are confident that this objective can be achieved without disturbing the traditional basis upon which our system rests. Elementary and secondary school education must continue to be a local function; and where there is local direction and control there must also be local financial responsibility. All the lessons and experiences of the past underscore the need for local autonomy. On the other hand, the Province recognizes its own responsibility to provide financial assistance and, therefore, this year is making available this great increase in grants. Next year, as the third stage of its program, it will undertake to make additional refinements and improvements.

The future of our Province depends on more than the success achieved in our elementary and secondary school system, important though that may be. Careful consideration must be given to the needs of our universities which over the next ten to twenty years will be confronted with an avalanche of students seeking to harvest the fruits of higher learning. To assist the universities, the Province in the last six years alone has paid out a total of \$27.7 million for the construction of new buildings and the acquisition of new equipment. In this Budget, provision is being made for an additional \$12.0 million for capital purposes, bringing the Province's total capital grants to universities over a seven-year period to \$39.7 million. With the payment of an additional \$1.0 million for the new Dental College facilities of the University of Toronto, we will have increased to \$5 million the capital funds the Province has made available to meet this very pressing need. A special grant of \$2 million will also be provided for the construction of an engineering building and other facilities at McMaster University. Half of this amount will be paid out of this year's revenue as a Supplementary Estimate. All the other universities will be provided with special capital grants.

Provincial grants in support of universities' operating costs will also be increased. They have been scaled up steadily from \$3.2 million ten years ago to \$9.4 million this year and in this Budget we are increasing them to \$11.2 million. Thus, the Province's grants to universities in this Budget both for capital and operating purposes total \$23.2 million.

PROVINCIAL GRANTS TO UNIVERSITIES PROVIDED IN 1958

	Maintenance Grants (\$000's)	Grants for Capital Purposes (\$000's)	Total (\$000's)
Estimates, Fiscal Year 1958-59			
University of Toronto.....	6,532	3,000	9,532
for Ontario College of Education.....	645	....	645
Queen's University.....	925	1,000	1,925
University of Western Ontario.....	925	1,000	1,925
McMaster University.....	650	1,000	1,650
University of Ottawa			
for instruction in Medicine and Sciences.....	450	1,000	1,450
Carleton University.....	325	1,000	1,325
Assumption University for Essex College.....	200	1,000	1,200
Waterloo College Associate Faculties.....	150	1,000	1,150
Lakehead College of Arts, Sciences and Technology.....	100	....	100
Ontario College of Art.....	175	....	175
Special Grant for Archæological Research.....	10	....	10
	<u>11,087</u>	<u>10,000</u>	<u>21,087</u>
Supplementary Estimates, Fiscal Year 1957-58			
University of Toronto for new Dental Building.....	....	1,000	1,000
McMaster University for Engineering Building.....	....	1,000	1,000
Royal Ontario Museum for extension of the Arts.....	100	....	100
	<u>100</u>	<u>2,000</u>	<u>2,100</u>
Total Provincial Grants provided in 1958.....	<u><u>11,187</u></u>	<u><u>12,000</u></u>	<u><u>23,187</u></u>

In addition to this assistance to universities, the Province has provided in the current fiscal year \$430,000 for capital facilities at the Lakehead College of Arts, Sciences and Technology. Rapid progress is also being made on the reconstruction and expansion of the Ryerson Institute of Technology and in the coming fiscal year \$1.5 million will be provided to further this work.

Our broad educational program embraces many other forms of assistance. Among these are bursaries and loans to students. In 1957-58, Provincial and Provincial-Federal bursaries were awarded to 2,200 students at a cost of \$494,000 of which the Province contributed \$394,000. The bursary system is now being expanded and, in addition, we are establishing a student aid loan fund of \$3 million to make available loans to students who require financial assistance to continue their studies. It is estimated that in the coming year as many as 2,000 students may benefit under this plan. Progress has been made for the construction of facilities for the training of school teachers. The new teachers' college at Hamilton is now occupied and those at New Toronto and London are nearing completion.

Recognizing the invaluable contribution that our public libraries make to our people, we are making available to them an additional \$115,000. This will raise our total grants for this purpose to \$1.1 million.

Modern education has become an expensive business. Next year our educational bill will total \$177.3 million, excluding the provision for student loans. This is an increase of \$37.8 million over the appropriation last year and \$102 million more than was spent just five years ago. I think it speaks eloquently of the Province's devotion to achieving high standards of education and to sharing equitably the burdens of educational costs with the municipalities.

Health

Our health services are continuing to receive most careful study and consideration. The negotiation of an agreement with the Federal Government and the creation of an administrative organization for the introduction of hospital insurance on January 1, 1959 have been proceeding apace. It is anticipated that an agreement will be signed very shortly.

Under our hospital insurance plan, coverage will be available to all subscribers regardless of their age, condition of health, disability or occupation. All may join and share in its benefits. There will be no limitations on the length of stay in hospital and there will be no cancellable features. It will, therefore, meet both the requirements of short-term stays in hospitals and the catastrophic hospital burdens often associated with prolonged illness. Benefits will be provided in all approved public general, chronic and convalescent hospitals, as well as in mental institutions and tuberculosis sanatoria. Insurance coverage will, therefore, be available to patients who are mentally ill or suffer from tuberculosis. Recognized social assistance cases who are unable to pay a premium will be enrolled in the plan and will be eligible for benefits.

Insurance coverage will be mandatory for employees of all firms having a specified number of employees, and while, initially, it will not be mandatory for others, every assistance and encouragement will be given to non-insured employees and self-employed persons to obtain coverage. The Ontario hospital insurance program, therefore, offers advantages to people in every walk of life. Despite the fact that the benefits will be far more comprehensive than those available under any existing plan, the premiums will be very moderate, amounting to \$2.10 per month per single person and \$4.20 per month per family. The family rate will cover all dependent children up to and including those of 18 years of age. The revenue from premiums will meet only one-third of the estimated cost of the program in 1959 amounting to over \$200 million. An additional one-third will be paid from the general revenues of the Province and the remaining third will be contributed by the Federal Government.

In order to ensure administrative economy with respect to indigent patients, a municipal contribution will be required on a per diem basis for every resident indigent patient in an active treatment hospital. In this way, the support of

the municipalities is enlisted to ensure that indigents are not kept in hospital at the expense of the hospital insurance fund any longer than is necessary. As the municipalities are now required to make a statutory per diem payment on behalf of such resident indigent patients, the present practice is simply being continued with this difference: effective in 1959, the Province will pay to each municipality a special unconditional grant that will generally compensate them for their payments on behalf of hospitalized indigents. Thus, our municipalities will obtain two distinct advantages: they will be relieved of the payments to meet hospital deficits and they will receive from the Province an additional unconditional grant which will in general compensate them for the payments they are making to hospitals for indigents. In effect, the Province will be relieving the municipalities of an expenditure now totalling about \$12 million a year.

Hospital insurance is only one phase of the Province's many-sided program to reinforce Ontario's health services. During the past year the Province paid capital grants on an additional 1,400 hospital beds and bassinets. Since the end of World War II, the net increase in public general accommodation, after allowing for the loss of beds through obsolescence and other factors, was 13,000, or 80 per cent. To give further impetus to hospital construction—which has been made necessary by the growth in our population and the commencement of the Ontario hospital insurance program next January—we have this year doubled our capital construction grants to hospitals. The Province's action coincides with that of the Federal Government. The following table shows both the old and the new grants that became payable by the Province and the Federal Government on January 1, 1958:

Beds	Province		Federal		Combined Total	
	Old Rate	New Rate	Old Rate	New Rate	Old Rate	New Rate
	\$	\$	\$	\$	\$	\$
Active treatment.....	1,000	2,000	1,000	2,000	2,000	4,000
Chronic and convalescent	2,000	3,000	1,500	2,000	3,500	5,000
Nursery bassinets.....	333 $\frac{1}{3}$	666 $\frac{2}{3}$	333 $\frac{1}{3}$	666 $\frac{2}{3}$	666 $\frac{2}{3}$	1,333 $\frac{1}{3}$
Nurses' beds.....	1,000	2,000	500	750	1,500	2,750
Interns' beds.....	....	2,000	....	750	....	2,750
T.B. beds.....	2,500	3,000	1,500	2,000	4,000	5,000
For every 300 sq. ft. of space for emergency and out-patient services and for diagnosis and treat- ment.....	1,000	2,000	1,000	2,000	2,000	4,000

The expansion in our public general, chronic and convalescent hospitals has been paralleled by the increase in the hospitals for the mentally ill. The new Ontario Mental Hospital in North Bay was opened in October, 1957 and now offers accommodation for over 750 patients. Plans are also under way for additional space throughout the Province. They include 285 beds at Brockville, 500 beds at Kingston, 150 at Penetanguishene and 586 at Woodstock. In

addition, the hospital at Thistletown, near Toronto, is being renovated to provide residential treatment for emotionally disturbed children.

In accordance with the Government's policy of making vaccines as freely available as possible, the Government on January 1, 1958 placed the Salk type polio vaccine on the "free biologicals list". Sufficient supplies are now available to make this possible and we are appropriating \$250,000 to pay for it.

The Ontario Cancer Institute, considered to be the largest cancer treatment and research unit in Canada and one of the finest in the world, is now in operation. An additional \$600,000 has been provided in the Supplementary Estimates of this year for capital expenses. In addition, funds are being appropriated to operate the Cancer Institute, as well as six treatment centres at Hamilton, London, Windsor, Kingston, Ottawa and Port Arthur, which possess the "Cobalt Bomb".

In consequence of these varied health services, expenditures this year, including the supplementary grants to hospitals, will total \$69.1 million, an increase of \$6.6 million over the amount disbursed last year. It is anticipated that even a larger amount will be required in the year commencing on April 1.

Welfare

Notable progress has been made over the past year in extending and improving the Province's welfare system. This has taken several forms. Coincidental with the Federal Government's increase in old age assistance payments, the Province raised its maximum allowance in such cases from \$40 to \$55 per month. This increase was also extended to blind persons and disabled persons. In addition, supplementary allowances, the cost of which is shared by the Province and the municipalities, may also be paid, up to the maximum of \$20 monthly.

Excellent progress has been made in expanding the accommodation in homes for the aged and other private charitable institutions. Improvements are also being made in respect to child welfare services. A new system of nursing and homemakers' services will be brought into operation next year. Many persons who are at present patients in our hospitals are capable of being treated in their own homes, provided nursing care is available. Such a program will be experimental in the beginning, but should it prove successful, as we have every reason to believe it will, it will produce appreciable economies and savings. To ensure effective operation, the co-operation of the municipalities and organizations, such as the Victorian Order of Nurses and the St. Elizabeth Visiting Nurses Association, will be required. The services of homemakers will also be made available for those in need. Programs of this nature may not only achieve economies but preserve the therapeutic benefits of normal family life.

Measures have been adopted to expand the administrative machinery for providing direct relief to unemployed workers and also for creating certain types of emergency employment. Until last December, the Province reimbursed the municipalities to the extent of 60 per cent of their expenditures on direct relief to unemployable persons. However, as a result of a new agreement worked out with the Federal Government, under which it contributes 50 per cent of the cost of direct relief to both unemployable and employable persons, the Province, on December 1, 1957, undertook to reimburse the municipalities 80 per cent of their outlays for direct relief. This new arrangement closes a gap in our welfare program. It makes it possible to meet the pressing needs of workers who have either exhausted their unemployment insurance benefits or have not been eligible to receive them.

On February 14, 1958, the Province also introduced an emergency works program under which it will reimburse municipalities to the extent of 70 per cent of their direct labour costs incurred between February 15 and May 31, 1958 on any approved municipal project or work undertaken in the municipality. The approved projects and works include such activities as repairs to sidewalks, streets, roads and sewers; park and beach clean-up; repair and painting of buildings; renovation of heating and wiring facilities; and tree planting and trimming. The program has been designed to stimulate employment for those who are in need, but are able to work and are not eligible for unemployment insurance benefits. It is not intended to provide funds for any projects or work which would be undertaken in the ordinary course by a municipality in the period up to May 31, 1958, and therefore the Province's assistance applies only to the amount by which the municipality's expenditure for wages in the period from February 15 to May 31, 1958 exceeds those expenditures for the same type of work or project in the corresponding period in 1957. This precaution has been taken to ensure that the Province would not simply be assuming 70 per cent of the labour costs of a function that would in the normal course be performed by a municipality, but so that it would, in fact, give rise to additional work and employment.

The Province's broadening concern for welfare is well illustrated in the increase in its appropriation in 1958-59 to \$42.8 million—\$7.3 million over its estimated expenditure in the current fiscal year. In fact, welfare, health and education all make heavy demands on our revenues. In this current fiscal year ending March 31, 1958 our expenditure on these services will total \$247 million. Next year, with the implementation of the broad program I have just outlined, our expenditure will rise by \$46 million to the unprecedented total of \$293 million. Our appropriation for these services which are devoted to what I call "human betterment" is nearly double what it was four years ago.

A BALANCED PROGRAM FOR EXPANSION AND DEVELOPMENT

I do not have to emphasize that our capacity to support high standards of education, health and welfare is dependent upon the productiveness of our Province and Nation. We, therefore, cannot be unmindful of those services and policies that contribute to industrial development. Ours must be a balanced program. Without provincial and municipal services, our communities cannot grow nor can industry expand.

Highways and Roads

The importance of highways and municipal thoroughfares to our economic development needs no elaboration. Our highway system not only is an integral part of our industrial structure but underlies our whole social and economic way of life. Last year, motor vehicle registration increased by 5 per cent or 90,000 vehicles. To cope with this mounting traffic, aggravated by the addition of a million vehicles in the last dozen years, we have undertaken a construction program that is unprecedented. During the current fiscal year, the Province of Ontario is spending a total of \$230 million on highways and municipal roads, of which \$67.2 million is for maintenance and \$162.8 million for capital. These expenditures include \$57.7 million payable to the municipalities in subsidies, of which \$35.0 million is for new construction. When the municipalities' own share of road expenditure is taken into consideration, the total expenditure on highways and municipal roads in Ontario in the current fiscal year ending March 31, 1958, will have been \$288 million. Of this total, \$198 million is for capital purposes.

This highway program is being continued. The Province's appropriation next year totals \$252.8 million, composed of \$73.2 million for maintenance and \$179.6 million for capital, including \$61.4 million for municipal subsidies of which \$24.0 million is for maintenance and \$37.4 million for capital construction. This will provide for a combined Provincial and municipal program totalling \$315 million.

Ontario Hydro

Ontario Hydro has also contributed immeasurably to our development. Today, the Hydro-Electric Power Commission of Ontario operates 65 hydro-electric and two major thermal generating stations, having a dependable peak capacity of 5.7 million h.p. With the addition of purchased power, Ontario Hydro has a dependable peak capacity of 6.5 million h.p. That is a three-fold increase since the early World War II years.

Each year, additional capacity is being brought into operation to meet Ontario's requirements. Last year alone the increase was 391,000 h.p. principally as a result of bringing into operation two additional units at the Sir Adam Beck generating station. By 1962, it is expected that the Commission's dependable peak capacity will reach 9.0 million h.p. A major contribution to

this increase will, of course, come from the St. Lawrence power development that is now over 80 per cent completed and from which the first power is expected to be delivered next August. By the end of 1958, six of the sixteen units are expected to be in service. When completed, this project will generate 1.1 million h.p. for Ontario. Other new generating stations or additions to established plants are planned or under way at White Dog Falls on the Winnipeg River, Manitou Falls and Caribou Falls on the English River, Silver Falls on the Kaministiquia River, at the Alexander and Cameron Falls plants on the Nipigon River, at Red Rock on the Mississagi River and at the site of the Abitibi Canyon generating plant. In addition, work is progressing to triple the size of the thermal station in Toronto and plans are being prepared for electric power thermal stations at Fort William, Long Branch and Hamilton. Simultaneously, research is being undertaken in the field of nuclear power plants.

The vast program that Ontario Hydro has had under way has involved a capital expenditure in the past calendar year of \$247 million including \$40 million of expenditure on frequency conversion. To assist the Commission's post World War II development, the Province has either issued its own bonds or guaranteed Ontario Hydro securities to the extent of \$1.6 billion.

Natural Resources

Many projects involving the conservation and development of our natural resources are being carried forward. With the growth in population, not only here but abroad, one cannot but be optimistic of our economic prospects. This applies equally to agriculture, mining and forestry. The favourable natural resource-population ratio we enjoy and the unfolding world need for our strategic resources present unrivalled opportunities for increasing our productive power and our living standards. It is always well, however, to bear in mind that the prosperity of our natural resource industries depends upon the fortunes of our export trade and this necessitates that our costs, whether they arise from private or public services, should be such as to keep our price structure internationally competitive.

In this important field, the Province's policies must be founded upon both long-term and short-term considerations. Conservation as well as development must be an objective. In agriculture, as in other natural resource industries, the Province has kept these fundamentals in mind. Emphasis has been placed upon the adoption of scientific methods. At the Ontario Agricultural College and the Ontario Veterinary College, a large-scale expansion is being undertaken to modernize and improve teaching and research facilities. During 1958-59, we are providing for these colleges and the agricultural schools \$6.6 million for maintenance and \$4.1 million for new capital construction, or a total of \$10.7 million—far in excess of our appropriation a few years ago.

Through education, research, field extension work, mechanization and farm marketing every effort is being made to improve the well-being of this important sector of the Ontario economy. Since the end of World War II, electric power has been extended to farmers at an accelerated pace. Including the 28,000 who have been connected for service in the past year, nearly 300,000 rural customers have been supplied with hydro-electric power since 1945 at a cost in provincial subsidies of \$90 million. It is anticipated that with the plans that are now being made, 27,000 additional rural customers will this year be connected for electric service for the first time.

As a result of a change in the regulations governing rural power extensions, the Ontario Hydro Commission will now install the first two-thirds of a mile of line free to an established farmer instead of the former limit of one-third of a mile. Several thousand farmers will benefit from this new policy. Two-thirds of Ontario Hydro's rural customers have been connected for electrical energy in the last dozen years. Indeed, so rapid has been the rate of progress that 94 per cent of Ontario's farmers now have electric power compared with only 32 per cent in 1941.

The decision handed down by the Supreme Court of Canada in January, 1957 removed doubts about the legality of the farm marketing policy. The sale of 28 crops was accomplished through 16 collective bargaining plans, while other produce was sold under the provisions of three single sales agency plans. The 1957 tobacco crop is being handled through the new Flue-Cured Tobacco Growers Marketing Board and Ontario's wheat crop is also to be brought under the control of Ontario's Farm Marketing Act. Every effort is being made to improve marketing arrangements.

The Province is continuing to make loans to settle young farmers on the land. Under The Junior Farmer Establishment Act, 562 loans, involving a total of \$4.1 million, have been made in the twelve months ended January 31, 1958. Since the inception of the plan in 1952, 2,629 loans, having an aggregate value of \$18.2 million, have been made to young farmers. These, of course, are capital items, and except for administration, are not included in the ordinary expenditures of the Department of Agriculture which next year for all purposes will total \$14.1 million, an increase of \$1.3 million over this year's expenditure.

In forestry and mining, our objective is sound management. This involves a many-sided program to which only the briefest reference can be made. As part of our policy of development and conservation we have undertaken several projects, some in co-operation with the Federal Government, to make our resources more accessible, to enhance their value and to create employment opportunities in the northern regions of the Province. One means by which these objectives are being served is through the construction of new access and inter-community connecting roads. For our next fiscal year we are again providing an appropriation of \$1 million for access roads into mining and logging areas

and one of \$800,000 for forest management roads. Forest regeneration is being expanded and every encouragement is being given to private operators to undertake similar programs. The appropriation for the Department of Mines is being increased from \$2.6 million to slightly over \$2.7 million, while that of the Department of Lands and Forests is being increased by \$5.5 million, from \$20.0 million to \$25.5 million.

Many flood control and storage dams are being constructed and extensive remedial works are being carried out. Nineteen conservation authorities are now established in the Province, including two new authorities, one on Junction Creek and the other in the North Grey region. Nearly 300 municipalities are taking part in the valuable work done by these groups. The Conestogo Dam on the Grand River is now virtually completed. Work on a number of other smaller projects has also been advanced or completed with the result that the total expenditure during the present fiscal year on such projects will be \$4.9 million. In the coming year, the completion of a larger volume of work is anticipated, for which an appropriation of \$7.0 million is being provided.

Provincial Parks

Few policies of the Province are in the long run likely to prove more rewarding than the establishment of Provincial parks under the policy introduced by this Government two years ago. A St. Lawrence parks system is being created which will extend from the Bay of Quinte to the Ontario-Quebec boundary. Among the parks acquired are the Sibbald Point Park at Lake Simcoe and the Pinery, a 4,000-acre tract on Lake Huron. Negotiations are also proceeding which are expected to result in the addition of over 20 other parks which will raise the total number of parks under provincial operation to 115. To advance this parks policy, we are placing \$5.8 million in our Estimates for capital purposes.

Provincial Assistance for Water and Sewage Works

Through the Ontario Water Resources Commission, which was established in 1956, contracts have been let to a value of \$9.1 million as of December 31, 1957 to build sewage and water systems in certain communities.

At present three Commission-built water supply systems are in operation at Port Perry, Sunderland and Havelock, while others are under construction in five other communities, namely, Bancroft, Harrow, Richmond Hill, Dresden and the Town of Essex. Water test drilling is proceeding at Winchester and in Markham Township. The Commission has sewage projects under way in Toronto Township, Stratford, Streetsville, Trenton and Richmond Hill. Agreements have been executed with six municipalities in the County of Essex for integrating a water pipeline system from Lake Erie.

A number of other projects, involving an additional cost of \$6.0 million, are also nearing the agreement-signing stage. These involve sewage and water facilities for Frankford; sewage plants for Brantford and Tillsonburg; water for Alfred; sewage for Korah Township; and an integrated sewage system for North Bay and the Townships of Widdifield and West Ferris. To advance this work in 1958-59, the Province has provided \$840,000 for operating expenses and special studies and \$15.0 million for capital purposes.

Housing

In contrast to the recent downward trend in some lines of activity, the volume of housing construction, spurred by easier credit conditions, additional public funds and lower down payments, has moved into high gear. The result is that despite the slow beginning in 1957, the number of housing starts at the close of the year was only 2 per cent less than that at the end of 1956. The sharp upturn in housing activity from September on augurs well for 1958.

As in past years, we are participating with the Federal and municipal governments in various serviced land assembly and other housing projects. During the past year, Ottawa, Windsor, Sudbury and London entered into serviced land assembly schemes. Thus, by the end of 1957, there were 59 land assembly schemes and 44 housing projects in operation across the Province. Thirty-five new projects of both types were undertaken in the past year—more than in any previous year.

The assembly phase of Scarborough's Malvern project, covering 1,663 acres, has been virtually completed, while another 600 acres in Etobicoke is under study for development, all assembly having been completed. In many communities, the serviced land provided under the tri-level government program is the only suitable property available for large-scale residential construction.

Many units in both the Lawrence Heights and Regent Park South Housing Projects have already been completed and are now occupied by tenants. When fully completed, these two rental housing undertakings alone will provide 2,000 new dwelling units in the Metropolitan area.

A start on the 105-unit addition to the Regent Park South Project has been advanced to February from the original starting date which was to be next autumn. While the project will provide a substantial addition to the new housing supply ahead of schedule, it also affords on-site jobs for some 200 workers.

The amount of \$5.8 million is being placed in the 1958-59 Estimates for the Province's varied housing activities.

PROVINCIAL ASSISTANCE TO MUNICIPALITIES

I come now to a subject of unsurpassed importance. I refer to the measures taken by the Province to assist the municipalities in carrying out their local services. The same forces of growth and expansion which have imposed such heavy burdens upon the Province weigh with equal severity upon the municipalities, who, with their long history of experience and intimate knowledge of local conditions, can alone provide efficiently a range of public services that are indispensable to our people. Recognizing their administrative advantages in many fields, we have sought not to take over their services but, on the contrary, to strengthen and invigorate them.

In recent years, we have increased our financial assistance to municipalities, school boards and other local agencies many times, and this Budget provides for another increase—an increase that is without parallel, an increase that exceeds last year's appropriations by \$46.1 million and that raises the level of our assistance to a record of \$260.1 million. Given Legislative approval of this Budget, we shall pay to the municipalities and other local agencies over 40 per cent of next year's revenue. That is a striking fact. It means that the money we make available to them out of our revenue is equal to over half the total municipal tax levy in this Province. We therefore have in operation today a partnership system that is very much different from that of a decade and a half ago. As we have said elsewhere, virtually all the revenue that we receive from the three major direct tax fields—namely, corporation and personal income taxes and succession duties—is transferred to the municipalities.

By far the largest increase in our assistance this year goes to local education. This Budget provides for payments to boards of education totalling \$133 million, an increase of \$33 million over last year.

Recognizing that the municipalities are confronted with pressing needs for improvements to their thoroughfares, we have endeavoured to match their needs with grants. In this fiscal year ending March 31, 1958, we will have paid out \$57.7 million in municipal road subsidies and we are proposing to raise that amount next year to a total of \$61.4 million.

We are anticipating that the unconditional per capita grants—first introduced in 1954 and greatly advanced last year—will amount to \$21.6 million this coming fiscal year. These have been increased by 70 per cent or by \$9 million in the last two years. Mining municipalities, in addition to sharing in the general grants distribution, will receive next year special grants of \$3.5 million, an increase of \$1.1 million.

Provincial assistance under various welfare schemes is being extended. Last year, the municipal share of direct relief cost was reduced from 50 to 40 per cent, and recently, as a result of a satisfactory arrangement with the new Government in Ottawa, we have been able to cut the municipal share of direct relief costs to 20 per cent.

Payments for unemployment relief are, of course, no substitute for work and wages. For this reason, we have devised, in co-operation with the municipalities, a plan to provide immediate employment for those able to work who are in the greatest need. We have agreed to reimburse the municipalities to the extent of 70 per cent of the direct labour cost which they incur between February 15 and May 31, 1958 on special projects or works. As the plan is designed to create additional work and give immediate employment in lieu of direct relief, the Province's contribution will apply only to those projects which would not normally be undertaken by the municipalities during these months. The Province's assistance will therefore apply only to the amount by which the municipalities' expenditure for wages in the period from mid-February to the end of May, 1958 exceeds those expenditures for the same type of work or project in the corresponding period of 1957. To finance this program, which is open to all municipalities, the Province will introduce a Supplementary Estimate of \$5.0 million.

The Province's share of medical costs for persons on unemployment relief has been raised by one-third—from 60 to 80 per cent—and we have also assumed 80 per cent of the total cost of tuberculosis after-care, formerly wholly borne by the municipalities.

We have also increased our maintenance contribution to municipally-operated Homes for the Aged and undertaken as well to meet 75 per cent of the deficits of charitable institutions providing accommodation for the aged.

In many other ways, the Province has fostered the development of community services. It has set up the Ontario Water Resources Commission to undertake on behalf of the municipalities the construction and operation of water and sewage facilities. It has also established the Ontario Municipal Improvement Corporation which, since its inception in 1950, has purchased municipal and school board debentures totalling \$43.6 million for over 150 municipalities. In this manner, funds have been made available to municipalities that either were unable to borrow at all or could not borrow on satisfactory terms.

FEDERAL-PROVINCIAL RELATIONS

Since we last met, a new Federal-Provincial Conference has been convened. The first meeting of this Conference, a preliminary one, was held on November 25 and 26. The attitude of the Federal Government was cordial and receptive, and from that preliminary meeting already have come several measures that are of benefit to this Province and its people. No other Federal-Provincial Conference has produced such quick results.

Of benefit to Ontario—particularly at this time—is the change effected in the method of sharing the cost of unemployment relief assistance. The former Canadian Government was willing to share the cost of relief for employable

persons, that is above .45 per cent of the Provincial population, but it was not prepared to contribute towards the cost of relief for unemployable persons. Ontario properly maintained that if the Province was to assume half the cost of relief to employable persons—those above this “threshold”, which authorities have agreed are primarily a Federal responsibility—the Federal Government should bear half the cost of relief for those below it. In the circumstances, Ontario refrained from signing an agreement. Happily, at the November meeting of the Federal-Provincial Conference, this “threshold” was removed and Ontario has now entered into an agreement which provides for equal sharing of all relief costs.

Three advantages devolve from this agreement: first, it establishes an orderly system for providing direct relief to indigent employables; second, it eliminates the arbitrary and invidious distinction between unemployables and employables; and third, the Province has reduced the municipal share of relief costs from the former rate of 40 per cent to 20 per cent.

Another achievement of the November Conference relates to hospital insurance. Honourable Members will recall that the Federal Hospital Insurance and Diagnostic Services Act contained a provision governing the time of commencement of the Federal Government's contribution. In effect, the Act provided that the Federal Government would not contribute until at least six provinces containing at least half the population of Canada had entered into agreements and had Acts in force. This condition made it very difficult, if not impossible, for us to make plans and enter into all the commitments necessary to bring the Ontario program into operation on January 1, 1959. The uncertainty of whether or not there would be six provincial hospital insurance plans in effect and entitled to Federal contributions was an unnecessary inhibition to progress. The Government of Canada has now given assurance that this restriction will be removed. An agreement will shortly be signed, and the Ontario Hospital Services Commission is now able to proceed with the strengthening of its administrative organization and its arrangements with all persons who wish to enroll in the plan and participate in its benefits.

The Federal Government's increase in capital grants for hospital construction, which became effective January 1 of this year, is also an illustration of the understanding and co-operation that have pervaded these discussions. We have recognized for some time that with the rise in construction costs, these capital grants for hospitals, which the Province pioneered in 1947, left proportionately too heavy a burden on the local hospital boards and municipalities. We therefore made representations to the Federal Government that their assistance should be increased and that if they would entertain this proposal favourably, we would increase our capital grants accordingly. Thus, upon the announcement of the Federal Government that, effective January 1, 1958, their grants would be approximately doubled, we took similar action.

Still another advance in the field of Federal-Provincial relations is the amendment to the Tax-Sharing Arrangements Act, which for the year 1958 increases from 10 to 13 per cent the standard rate of individual income tax. Honourable Members will recall that prior to this amendment, the best arrangement that we could obtain was a formula which provided for a standard rental rate or tax abatement of 10 per cent of Federal income tax, 9 percentage points of corporation income and 50 per cent of succession duty collections in each province. In the light of Ontario's rapidly growing needs, we could not accept these rates as an equitable or realistic basis of tax sharing. We submitted that the standard rates should be increased to 15-15-50, capable of yielding this Province \$100 million more revenue annually. These rates remain our objective. But, meanwhile, we have obtained this interim adjustment in the form of an increase from 10 to 13 per cent of the Federal personal income tax collections in the Province, which on the basis of the 1957 tax yield would produce an additional \$22 million.

In passing, it may, however, be noted that as a result of the reduction of the Federal individual income tax rates which came into effect last January, the new standard rate, which is adjusted in accordance with any change in Federal individual income tax rates, exemptions, or deductions, will become something over 14 per cent. This increase in the standard rate does not yield the Province any additional revenue, but it does protect the Province against the decline in its rental payment which would in the normal case result from the reduction in Federal income tax rates effected at the beginning of this year. By tying the standard rate of tax abatement to the Federal income tax rates of 1956, we have safeguarded the Province against a loss in revenue in our next fiscal year of over \$7 million.

It might also be pointed out that virtually all the revenue we obtain from the three major direct tax fields, namely—corporation and individual income taxes and succession duties—is paid over to the municipalities, the school boards and other local agencies. While next year our revenue from these three sources is expected to be somewhat higher, by reason of the increase in the standard rate of individual income tax, all this revenue will be paid over to the municipalities and local school boards. The municipalities have, in fact, been the principal beneficiaries of the fruitful results that we have achieved recently in our Federal-Provincial negotiations.

NEED FOR PROVINCIAL REVENUE

While we are gratified by the additional revenue we are receiving from the interim adjustment in our tax-sharing arrangements with the Federal Government, it is apparent that if we are to meet our heavy obligations and responsibilities we must obtain still additional sources of revenue. The demands which our growth and development impose for highways, thoroughfares, schools,

hospitals and a host of other things seem almost insatiable. We are faced with pressures not only to expand our own services, but to give financial assistance to our municipalities far beyond anything heretofore imagined. Our need for revenue is revealed no more clearly than in the rise of \$99.6 million in our net debt this year. Next year, confronted as we are with a massive capital investment program, it will no doubt be higher.

We could quickly resolve our deficiency of revenue on overall account by radically paring our capital expenditures. However, as long as we are in this expansive phase and there is a pressing need for provincial and municipal services as well as opportunities for work and wages, such a course would not, I am confident, command the serious consideration of any member of this Legislature.

It has been estimated that over the next twenty years the Province and our municipalities will require not less than \$11 billion of new capital works and projects. This forecast may not be exact in detail, but no one will question the magnitude of the task which is before us. Consider our growth in population, the remarkable increase in the number of births in this Province and the rising tide of young people who will soon be entering our elementary schools and then moving up to the secondary grades and on to university. Visualize the many additional demands this mounting avalanche of young people will make for other services. The question is not whether we are faced with a continuation of this staggering capital program; the only question is where the money is to come from. The money, of course, in the end has to come from taxes and they should be progressive taxes directly related to the developmental projects which we are fostering and servicing. These developmental projects and works produce employment, wages and general benefits for our people. Thus, it is from progressive taxes, geared to these projects, that our revenue should come.

A large proportion of the income generated by the capital works we are undertaking will accrue to the Federal Government in individual and corporation taxes, sales tax and customs and excise taxes. Because the Federal Government occupies by far the largest share of the direct fields of taxation, their revenues respond to and reflect the expansion and development of this Province. Their soundest course is, therefore, to share equitably with the provinces the major direct sources of taxation. The revenues thus made available to the provinces and devoted to sustaining a high rate of development will create new freshets of Federal revenue and multiply the returns to the national treasury many times.

Ontario has made it plain that the Province's share of the main direct tax fields should not be less than 15 per cent of the Federal personal income tax, 15 percentage points of corporation income and 50 per cent of Federal succession duty collections in each province. We believe this to be the minimum. Our revenues should come from our development. We should not be forced into the

untenable position of supporting expansion by regressive types of taxation. I have said that Ontario needs \$100 million more in direct taxation. The recent Federal-Provincial adjustment in individual income tax will benefit us in 1958-59 to the extent of about \$22 million. Our goal is still 15, 15 and 50.

TAX CHANGES

Despite the huge capital construction program which we have under way and its effect on our overall revenue-expenditure position, I am very pleased to announce to the House that there will be no new taxes or increases in rates. On the contrary, I am happy to state that through a change we have effected in our method of allocating corporation profits among the provinces, we have succeeded in avoiding any question of duplicate taxation arising from the two different systems of profit allocation that are in use in this country. An amendment to The Corporations Tax Act, 1957 will be introduced that will have the effect of confirming regulations made under the Act since the last Session. These regulations remove any possibility of any corporation that carries on business in Ontario as well as elsewhere having to pay tax to Ontario on any part of its income that is also taxable in another province. Complementary regulations have been made under The Income Tax Act (Canada). These latter regulations allocate the corporate income amongst the provinces of Canada in exactly the same proportions as apply under the Ontario Act.

Elsewhere, I have referred to the need for an adjustment in our tax-sharing arrangements with the Federal Government that will make available to this Province additional revenues which arise from our production and development. The first meeting of the Federal-Provincial Conference held last year demonstrated the fruitful results that can be achieved in this field in an atmosphere of understanding and co-operation. We are very hopeful that with a continuation of these good relations a workable solution will be effected, enabling all levels of government to proceed with the challenging tasks which lie ahead.

FORECAST OF REVENUE AND EXPENDITURE FOR 1958-59

We are budgeting for increased expenditures next year on both ordinary and capital accounts. Net ordinary expenditure of \$598.9 million—including \$17.9 million for sinking funds, \$20.0 million for highway construction account and \$23.0 million to be applied against capital expenditures—is forecast for 1958-59. This will be an increase of \$70.8 million over the current year's expenditure after excluding in both years the appropriations for highway construction account and the amount to be applied against capital expenditure.

The largest increases occur in: education, \$34.6 million; health and welfare, \$11.2 million; and highway maintenance, \$6.0 million.

In the coming fiscal year our major spending departments on ordinary account will be: Education, \$177.3 million; Highways (for maintenance purposes including municipal road maintenance subsidies), \$73.2 million; Health, \$73.0 million; Public Welfare, \$42.8 million; and Municipal Affairs, \$27.6 million.

An expanded capital investment program is expected to require \$241.7 million in 1958-59—\$26.0 million more than in 1957-58. Appropriations for highways, including municipal subsidies and natural resource and community access roads, will be increased to \$181.4 million—\$17.3 million more than a year ago—while those for public works and buildings, including new hospital construction, will amount to \$51.1 million. We have also provided \$4.2 million for special conservation works, an increase of \$1.7 million over the corresponding expenditures in the current fiscal year.

In total, it is estimated that our combined net ordinary and net capital expenditure (including \$17.9 million for sinking funds and \$20.0 million for highway construction account) will amount to \$817.6 million in 1958-59.

Obviously, in appraising our sources of revenue, consideration must be given to our economic prospects. The effects of the decline in corporation profits, which commenced in the third quarter of 1956, are reflected in the reduction in our revenues from corporate sources, not only this year but also in the Budget Forecast for next year. One bright spot is the additional revenue which Ontario will obtain as a result of the recent adjustment in its personal income tax rental agreement with the Federal Government. Taking this additional revenue into account, we are forecasting a total net ordinary revenue in 1958-59 of \$599.2 million. This is an increase of \$17.1 million over our estimated ordinary revenue in 1957-58. The principal revenues forecast for 1958-59 are: corporation taxes, \$147.0 million; rental of individual income tax, \$87.0 million; gasoline and diesel fuel taxes, \$145.0 million; motor vehicle licenses, \$53.0 million; and Liquor Control Board profits and fees, \$65.6 million. The forecast of revenue and expenditure is shown in detail on pages 49 and 50.

CONCLUSION

Mr. Speaker, the coming year will bring its problems, but I am confident that they will not be unmanageable. It is true that in some lines of activity we have more productive capacity than is needed to satisfy current demand. But this situation is temporary. As I have pointed out, the North American market alone is growing by three and a half million persons a year and that of the world at large by many more. There is an ever-widening search for higher living standards. In this Province and Nation we have abundant natural

resources, great productive capacity and skilled management and labour. The world has need of them all. We cannot, of course, force our customers to buy our products. Nor can we be content to sit back and wait for time to provide solutions. In our dynamic economy there are bound to be temporary dislocations which give rise to unemployment and loss of income. We cannot avoid them. They are inescapable aspects of life. But there are many things we can do. We can, and must, improve our productive efficiency. We can try for those measures and methods that will improve and not impair our competitive cost position. There will be additional time and opportunity for research, aimed at product improvement and lower costs. Let us use them.

Together, government, business and labour can push ahead with new ventures and projects which will ensure that while some industries are contracting, others are expanding. In this way the utilization of our resources can be maximized. To achieve this, let us accept the fact that adjustments and therefore adaptability are essential. Let us learn to live with them. Let us keep in mind that our interests are indivisible, and that the indispensable ingredient of success in maintaining a sustained rate of economic growth is the preservation of public confidence. This does not mean burying our heads in the sand. It does not mean we can dispense with sound financial and economic planning. It simply means that fear and anxiety can sap our strength and undermine our well-being. There are many strong forces in our economy that favour a continuation of our vigorous growth. Our united policy should be to encourage those forces.

Three years ago, when I delivered my last Budget, I said that I believed we were on the threshold of great things. I pointed out that we had increased living standards by a substantial margin, that we had strengthened personal and family security, and that there was no reason why we should not in the next dozen years surpass those achievements. The necessary conditions that I laid down then for continued progress are still applicable. Let me remind you of them. First, I said, it would be necessary to maintain an economic environment that fosters confidence, that is both friendly to new ideas and adaptable, and that encourages industrial expansion and preserves the right of earning and retaining just rewards. And then, bringing the Government's sector into focus, I said, secondly, that we should exercise common sense and recognize that if we wish more public services, we must be prepared to pay for them. Thirdly, I held that we must maintain public confidence in our securities and keep our credit standing bright and clean. Fourthly, I was convinced that while undertaking the great development work that would increase the efficiency and productivity of our workers and our industry, we should keep our taxes as low as possible. Those were my views at that time; they are still my convictions. If we continue on this course and work in unison with our trading partners, I am confident that we can achieve higher living standards and make the fruits of our progress available in an ever-widening circle.

SUMMARY

1. We are budgeting in 1958-59 for our sixteenth consecutive surplus on ordinary account—estimated to total \$280,000 after providing \$17.9 million for sinking funds, \$20.0 million for highway construction account and using \$23.0 million of ordinary revenue for financing capital payments on highways and public works. The Province's net ordinary and capital expenditures for 1958-59 are forecast at \$817.6 million. Net ordinary revenue in 1958-59 is estimated at \$599.2 million. (pp. 30, 31)
2. The Province's net ordinary and capital expenditures in 1957-58 are estimated at \$758.3 million, including \$75.3 million for sinking funds and highway construction account. Net ordinary revenue is estimated at \$582.1 million. An interim surplus on ordinary account of \$547,000 was obtained after providing \$114.3 million for sinking funds, highway construction account and financing, in part from ordinary revenue, capital payments on highways and public works. (pp. 8, 9)
3. There will be no new taxes and no increase in tax rates. (p. 30)
4. Despite economic adjustments, 1957 was a year of accomplishment. Ontario's population increased by over 210,000 or nearly 4 per cent last year. More people were employed and more goods produced and income earned than ever before. (pp. 5, 6)
5. Industrial and population growth has created heavy demands for provincial and municipal services. (p. 20)
6. Sweeping revisions in our educational grants system will be effected this year with the adoption of the second stage of our three-year program: in 1958-59 we will increase our assistance to local education to a record level of \$133 million—\$33 million over 1957-58's assistance—\$52 million more in the last two years. (p. 13)
7. New grants will be based on equalized assessment factors. A growth-need factor will also be pioneered. Equality of opportunity for education will be realized as never before. (pp. 13, 14)
8. To assist our universities in expanding facilities, this Budget provides \$12 million for new buildings and equipment. Capital grants to universities total \$39.7 million since 1951-52. All universities participate. (p. 14)
9. An additional \$1 million is being paid for a new Dental College, University of Toronto, bringing to \$5 million the capital funds made available for this purpose. (p. 14)

10. McMaster University has been given special assistance of \$2 million for an engineering building and other facilities. (p. 14)
11. The Province's grants towards universities' operating costs have been increased in this Budget from \$9.4 million to \$11.2 million, bringing the total of our contributions in capital and maintenance grants to universities in 1958 to \$23.2 million. (p. 14)
12. The number of bursaries is also being expanded. In addition, a Student Aid Loan Fund of \$3 million is being established. (p. 15)
13. Grants in aid of education are the dominant feature of this Budget. Next year we estimate that our total education bill will reach \$177.3 million, excluding the provision for student loans. This is an increase of \$37.8 million over the appropriation last year and \$102 million more than our expenditure just five years ago. (p. 16)
14. Although the increase in our grants for local education is the largest in our history and forms the biggest part of the increase in our assistance to municipalities, other municipal services also receive more provincial aid:
 - (a) Municipal road subsidies are increased from \$57.7 million to \$61.4 million. (pp. 20, 25)
 - (b) Unconditional per capita grants to municipalities are increased to \$21.6 million in 1958-59, an advance of \$9 million or 70 per cent in the last two years. (p. 25)
 - (c) Provincial assistance has also been increased for municipal welfare services through assuming a greater proportion of unemployment relief costs, medical costs of relief recipients and increased provincial contributions for Homes for the Aged and other charitable institutions. (pp. 25, 26)
 - (d) A plan to provide immediate employment for those in need has also been devised. (pp. 19, 26)
 - (e) Special grants to mining municipalities are being increased by \$1.1 million. (p. 25)

In consequence, last year's appropriation for assistance to municipalities, school boards and other local authorities is being raised by \$46.1 million, from \$214.0 million to \$260.1 million in 1958-59. This is an increase of 21 per cent over last year's appropriation and \$101.4 million or 64 per cent in the last three years. (p. 25)
15. The Ontario Municipal Improvement Corporation from its inception in 1950 to February 23, 1958 has purchased municipal and school board

debentures totalling \$43.6 million, of which issues valued at \$19.8 million have been purchased in the last fiscal year. In addition, the Corporation has approved the purchase of debentures totalling \$16.7 million. (pp. 26, 70)

16. Provision is being made to assist rapidly developing mining improvement districts by loans. (p. 11)
17. Through the Ontario Water Resources Commission, which was established in 1956, contracts for water and sewage works have been let to a value of \$9.1 million. (pp. 23, 26)
18. An agreement with the Federal Government concerning hospital insurance is soon to be signed. (p. 16) The Province, together with the Federal Government, has doubled its capital construction grants to hospitals. In the past fiscal year, the Province has paid capital grants on 1,400 beds and bassinets. (pp. 17, 27)
19. Ontario's health bill in the current fiscal year will total \$69.1 million. (p. 18)
20. The total expenditure for provincial welfare services, including an increased share of direct municipal unemployment relief, will reach \$42.8 million in the fiscal year 1958-59, \$7.3 million above the Province's total welfare bill for the current fiscal year. (p. 19)
21. Education, research and sound farm marketing are being emphasized. The Ontario Agricultural and Veterinary Colleges and agricultural schools are to be modernized and expanded to improve teaching and research facilities. Maintenance and capital appropriations in 1958-59 total \$10.7 million. (p. 21)
22. Ontario is engaged on a capital construction program without parallel in its history. During the fiscal year 1957-58, the Government of Ontario, together with its municipalities and the various commissions and agencies, will spend a total of \$875 million on capital formation and repairs. This expenditure will provide for on-site and off-site employment for an estimated average monthly work force of over 215,000. In the coming fiscal year, a further increase in this capital investment program will be undertaken. The expenditure forecast for next year is \$955 million, which will provide jobs for an estimated 235,000 workers. (pp. 7, 8)
23. The Province is expanding its highway construction program. Expenditure for new construction and maintenance on the provincial highways system is expected to reach a total of \$252.8 million in 1958-59. This represents an increase of \$22.8 million over the total for 1957-58. (p. 20)

24. Comprehensive construction activities—including hospitals, teachers' colleges, conservation works, education and other public buildings of all kinds, docks, dams and remedial works—will be advanced during the next fiscal period. Appropriations totalling \$55.3 million are being made for the public works and conservation program projected from April 1st. In the fiscal year now ending, our combined construction activities required an expenditure of \$43.9 million. (pp. 9, 31, 93)
25. In the fiscal year 1958-59, we will provide a further appropriation of \$1 million for mining access roads and \$800,000 for forest access and management roads. (pp. 22, 23, 60, 61)
26. During the coming year, flood control and storage dams, docks, remedial works and many other smaller projects will be advanced. An appropriation of \$7.0 million is being made for these purposes. (p. 23)
27. A St. Lawrence parks system is being created from the Bay of Quinte to the Ontario-Quebec boundary. (p. 23)
28. In this Budget, capital expenditures on highways, Ontario Hospitals and other physical structures are being increased by \$26.0 million over last year's, from \$215.7 million to \$241.7 million. (p. 31)
29. Of the huge accretion in Ontario's physical assets in the fiscal year 1957-58, amounting to \$215.7 million, over one-half was met out of current revenue. Thus, during this current year we have financed more new capital construction out of our current revenue than in any previous year of our history. (p. 9)
30. The increase of \$99.6 million in our net debt in this current fiscal year is the outcome of the large-scale capital program upon which we have been engaged. It, however, points up the need for additional sources of revenue if the Province is to continue its essential program and give assistance to the municipalities. (pp. 28, 29)
31. Although the Province has obtained an interim adjustment in its tax-sharing arrangements with the Federal Government, the Province's objective is a share of the direct tax fields equal to 15 per cent of Federal individual income tax, 15 percentage points of corporation income and 50 per cent of Federal succession duty collections. It is to these progressive fields of taxation that we must look for an increase in our revenue. (pp. 28, 29)
32. Accordingly, we are neither introducing new taxes nor raising tax rates. On the contrary, a change is being effected in our method of allocating the profits of corporations among the provinces which will remove any question of duplicate taxation arising from the two different systems of profit allocation that are in use in this country. (p. 30)

APPENDIX I

GOVERNMENT STATEMENTS

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**INTERIM STATEMENT OF ORDINARY REVENUE, ONTARIO,
FISCAL YEAR APRIL 1, 1957 TO MARCH 31, 1958**

9 MONTHS' ACTUAL PLUS 3 MONTHS' FORECAST

DEPARTMENT	Gross Ordinary Revenue	Application of Revenue to Expenditure	Net Ordinary Revenue
AGRICULTURE.....	\$ 1,282,000	\$	\$ 1,282,000
ATTORNEY-GENERAL.....	5,994,000	778,000	5,216,000
ECONOMICS.....	3,000	.....	3,000
EDUCATION.....	1,961,000	415,000	1,546,000
HEALTH.....	4,367,000	4,000	4,363,000
HIGHWAYS.....	536,000	.....	536,000
INSURANCE.....	454,000	.....	454,000
LABOUR.....	726,000	29,000	697,000
LANDS AND FORESTS.....	22,100,000	.....	22,100,000
MINES.....	11,109,000	20,000	11,089,000
MUNICIPAL AFFAIRS.....	322,000	.....	322,000
PROVINCIAL SECRETARY.....	1,939,000	.....	1,939,000
PUBLIC WELFARE.....	25,000	.....	25,000
PUBLIC WORKS.....	227,000	3,000	224,000
REFORM INSTITUTIONS.....	3,285,000	2,588,000	697,000
TRANSPORT.....	51,570,000	.....	51,570,000
TRAVEL AND PUBLICITY.....	26,000	.....	26,000
TREASURY:			
Main Office—Subsidy.....	3,641,000	.....	3,641,000
Interest.....	71,000	.....	71,000
Ontario Racing Commission.....	89,000	.....	89,000
Liquor Control Board—Profits.....	65,000,000	.....	65,000,000
Transfer Fees.....	600,000	.....	600,000
Province of Ontario Savings Office.....	770,000	770,000	.....
Provincial share of Income Tax collected from privately-owned corporations operating public utilities.....	1,500,000	.....	1,500,000
Comptroller of Revenue:			
Tax Rental Agreement.....	74,379,000	.....	74,379,000
Corporations Tax.....	147,000,000	.....	147,000,000
Gasoline Tax.....	135,000,000	.....	135,000,000
Motor Vehicle Fuel Tax.....	5,000,000	.....	5,000,000
Hospitals Tax.....	4,400,000	.....	4,400,000
Succession Duty.....	30,000,000	.....	30,000,000
Race Tracks Tax.....	4,643,000	.....	4,643,000
Security Transfer Tax.....	2,700,000	.....	2,700,000
Land Transfer Tax.....	3,200,000	.....	3,200,000
Law Stamps.....	1,300,000	.....	1,300,000
Logging Tax.....	1,250,000	.....	1,250,000
Theatres Branch.....	256,000	.....	256,000
Total for Treasury.....	\$480,799,000	\$ 770,000	\$480,029,000
	\$586,725,000	\$ 4,607,000	\$582,118,000
PUBLIC DEBT—Interest, etc.....	18,221,000	18,221,000	.....
	\$604,946,000	\$22,828,000	\$582,118,000

**INTERIM STATEMENT OF ORDINARY EXPENDITURE, ONTARIO,
FISCAL YEAR APRIL 1, 1957 TO MARCH 31, 1958**

9 MONTHS' ACTUAL PLUS 3 MONTHS' FORECAST

DEPARTMENT	Gross Ordinary Expenditure	Application of Revenue to Expenditure	Net Ordinary Expenditure
AGRICULTURE.....	\$ 12,735,000	\$.....	\$ 12,735,000
ATTORNEY-GENERAL.....	18,330,000	778,000	17,552,000
ECONOMICS.....	246,000	.....	246,000
EDUCATION.....	143,187,000	415,000	142,772,000
HEALTH.....	69,149,000	4,000	69,145,000
HIGHWAYS.....	124,719,000	.....	124,719,000
INSURANCE.....	334,000	.....	334,000
LABOUR.....	2,409,000	29,000	2,380,000
LANDS AND FORESTS.....	19,688,000	.....	19,688,000
LIEUTENANT-GOVERNOR.....	20,000	.....	20,000
MINES.....	1,620,000	20,000	1,600,000
MUNICIPAL AFFAIRS.....	30,222,000	.....	30,222,000
PLANNING AND DEVELOPMENT.....	2,990,000	.....	2,990,000
PRIME MINISTER.....	139,000	.....	139,000
PROVINCIAL AUDITOR.....	381,000	.....	381,000
PROVINCIAL SECRETARY.....	2,488,000	.....	2,488,000
PUBLIC WELFARE.....	35,520,000	.....	35,520,000
PUBLIC WORKS.....	9,581,000	3,000	9,578,000
REFORM INSTITUTIONS.....	12,269,000	2,588,000	9,681,000
TRANSPORT.....	2,861,000	.....	2,861,000
TRAVEL AND PUBLICITY.....	1,228,000	.....	1,228,000
TREASURY.....	9,937,000	770,000	9,167,000
	<u>\$500,053,000</u>	<u>\$ 4,607,000</u>	<u>\$495,446,000</u>
PUBLIC DEBT—Interest, etc.....	47,513,000	18,221,000	29,292,000
	<u>\$547,566,000</u>	<u>\$22,828,000</u>	<u>\$524,738,000</u>
PUBLIC DEBT—Sinking Fund Instalments...	17,833,000	.....	17,833,000
	<u>\$565,399,000</u>	<u>\$22,828,000</u>	<u>\$542,571,000</u>
Capital Payments on Highways, Public Works, etc., financed out of Ordinary Revenue....	39,000,000	.....	39,000,000
	<u><u>\$604,399,000</u></u>	<u><u>\$22,828,000</u></u>	<u><u>\$581,571,000</u></u>

SUMMARY

Ordinary Revenue and Ordinary Expenditure, Fiscal Year April 1, 1957 to March 31, 1958

9 MONTHS' ACTUAL PLUS 3 MONTHS' FORECAST

Net Ordinary Revenue.....	\$582,118,000
Less: Net Ordinary Expenditure.....	\$524,738,000
Provision for Sinking Funds.....	17,833,000
Capital Payments financed out of Ordinary Revenue.....	39,000,000
	<u>581,571,000</u>
Interim Surplus.....	<u><u>\$ 547,000</u></u>

**INTERIM STATEMENT OF CAPITAL RECEIPTS, ONTARIO,
FISCAL YEAR APRIL 1, 1957 TO MARCH 31, 1958**

9 MONTHS' ACTUAL PLUS 3 MONTHS' FORECAST

DEPARTMENT	Gross Capital Receipts	Application of Receipts to Payments	Net Capital Receipts
HIGHWAYS.....	\$ 720,000	\$.....	\$ 720,000
LABOUR.....	13,500,000	.....	13,500,000
LANDS AND FORESTS.....	425,000	.....	425,000
MINES.....	175,000	.....	175,000
PLANNING AND DEVELOPMENT.....	710,000	.....	710,000
PROVINCIAL SECRETARY.....	16,500,000	.....	16,500,000
PUBLIC WELFARE.....	9,158,000	9,158,000	.....
PUBLIC WORKS.....	70,000	.....	70,000
TRANSPORT.....	3,000,000	.....	3,000,000
TREASURY.....	86,612,000	.....	86,612,000
	<u>\$130,870,000</u>	<u>\$9,158,000</u>	<u>\$121,712,000</u>

SUMMARY

Sale of Lands, Buildings, etc.	\$ 1,370,000
Repayment of Loans and Advances.....	10,374,000
Special Funds.....	33,685,000
Sinking Fund Instalment.....	17,833,000
Highway Construction Account.....	57,500,000
Discount on Debentures—written off.....	950,000
	<u>\$121,712,000</u>

**INTERIM STATEMENT OF CAPITAL PAYMENTS, ONTARIO,
FISCAL YEAR APRIL 1, 1957 TO MARCH 31, 1958**

9 MONTHS' ACTUAL PLUS 3 MONTHS' FORECAST

DEPARTMENT	Gross Capital Payments	Application of Receipts to Payments	Net Capital Payments
AGRICULTURE.....	\$ 950,000	\$.....	\$ 950,000
HIGHWAYS.....	105,319,000	.....	105,319,000
Highway Construction Account.....	57,500,000	.....	57,500,000
LABOUR.....	13,600,000	.....	13,600,000
LANDS AND FORESTS.....	300,000	.....	300,000
MINES.....	1,000,000	.....	1,000,000
MUNICIPAL AFFAIRS.....	9,460,000	.....	9,460,000
PLANNING AND DEVELOPMENT			
—realizable assets.....	7,900,000	.....	7,900,000
—conservation works, etc.....	3,000,000	.....	3,000,000
PROVINCIAL SECRETARY.....	4,500,000	.....	4,500,000
PUBLIC WELFARE.....	9,158,000	9,158,000	.....
PUBLIC WORKS.....	40,887,000	.....	40,887,000
Ontario Water Resources Commission.....	5,000,000	.....	5,000,000
TRANSPORT			
Unsatisfied Judgment Fund.....	2,200,000	.....	2,200,000
TREASURY.....	17,727,000	.....	17,727,000
	<u>\$278,501,000</u>	<u>\$9,158,000</u>	<u>\$269,343,000</u>
Less: Financed out of Ordinary Revenue.....	39,000,000	.....	39,000,000
	<u>\$239,501,000</u>	<u>\$9,158,000</u>	<u>\$230,343,000</u>

SUMMARY

Highways, Public Works, etc.....	\$215,706,000	
Less: Financed out of Ordinary Revenue.....	39,000,000	
	<u> </u>	\$176,706,000
Loans and Advances.....		32,833,000
Special Funds.....		20,804,000
		<u> </u>
		<u>\$230,343,000</u>

**STATEMENT OF CURRENT OPERATIONS INCLUDING CAPITAL PAYMENTS
FINANCED OUT OF ORDINARY REVENUE, ONTARIO,
FISCAL YEAR APRIL 1, 1957 TO MARCH 31, 1958**

9 MONTHS' ACTUAL PLUS 3 MONTHS' FORECAST

FUNDS PROVIDED:

Net Ordinary Revenue.....		\$582,118,000
Capital Receipts—		
Highway Construction Account:		
Balance from Prior Years.....	\$37,500,000	
1957-58 Budget Appropriation.....	\$57,500,000	
Less: Amount carried forward to 1958-59	37,500,000	
	<u>20,000,000</u>	
	\$57,500,000	
Sale of Lands, Buildings, etc.....	1,370,000	
	<u>58,870,000</u>	
Total Funds Provided.....		\$640,988,000

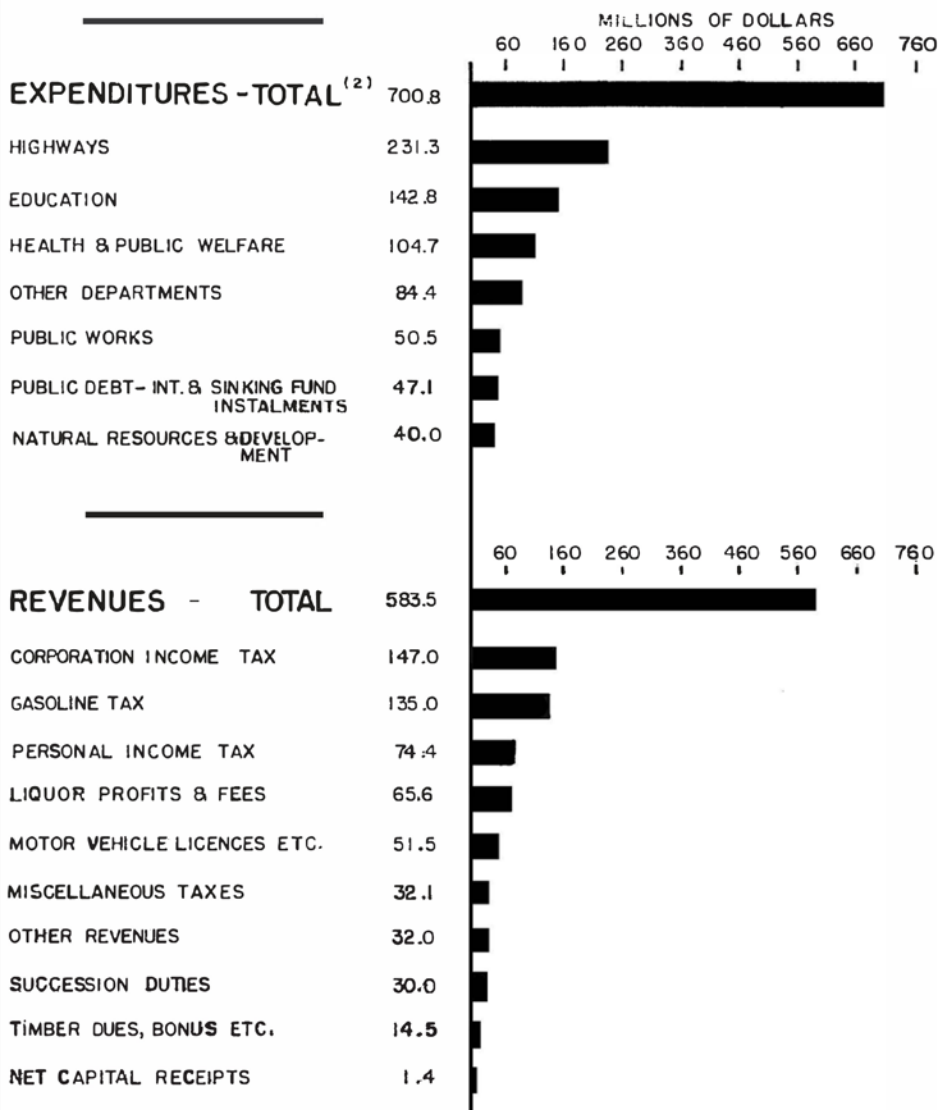
FUNDS APPLIED:

Net Ordinary Expenditure.....	\$524,738,000	
Gross Capital Payments for Non-realizable Assets—		
Highways:		
Construction Account.....	\$ 57,500,000	
Construction, Subsidies, Land		
Acquisition, etc.....	105,319,000	
	<u>\$162,819,000</u>	
Logging Roads.....	300,000	
Mining and Access Roads.....	1,000,000	
Rural Power Transmission Lines.....	7,700,000	
Conservation Works, etc.....	3,000,000	
Public Works.....	40,887,000	
	<u>\$215,706,000</u>	
Proportion (45.4%) of above Capital Payments to be paid from Funds Provided.....	97,870,000	
Total Funds Applied.....		622,608,000
Balance (before providing for Sinking Funds).....		\$ 18,380,000
Less: Provision for Sinking Funds.....		17,833,000
Interim Surplus.....		<u>\$ 547,000</u>

PROVINCE OF ONTARIO

Net Ordinary and Net Capital Revenues and Expenditures

FISCAL YEAR 1957-58 (1)



(1) NINE MONTHS' ACTUAL—THREE MONTHS' FORECAST.

(2) EXCLUDING \$57.5 MILLION APPROPRIATED FROM ORDINARY ACCOUNT FOR HIGHWAY CONSTRUCTION ACCOUNT.

**ESTIMATED INCREASE IN THE GROSS CAPITAL DEBT, ONTARIO,
FOR THE FISCAL YEAR ENDING MARCH 31, 1958**

Estimated Gross Capital Debt as at March 31, 1958.....	\$1,315,173,941.21
Gross Capital Debt as at March 31, 1957.....	1,196,707,468.63
Estimated Increase in Gross Capital Debt.....	<u>\$ 118,466,472.58</u>

GROSS CAPITAL DEBT INCREASED BY:

Capital Payments on Highways, Public Buildings, Works, etc.....	\$215,706,000.00
Less: Capital Receipts.....	\$1,370,000.00
Charged to Highway Construction Account.....	57,500,000.00
Capital Payments financed out of Ordinary Revenue.....	39,000,000.00
	<u>97,870,000.00</u>
	\$117,836,000.00
Increase in Tile Drainage Loans (net).....	350,000.00
Increase in Investments of The Ontario Junior Farmer Establishment Loan Corporation.....	2,727,000.00
Increase in Co-operative Marketing Loans (net).....	654,000.00
Increase in Advances under The Housing Development Act	5,190,000.00
Increase in Advances to Ontario Telephone Development Corporation.....	200,000.00
Discount on Debentures issued during year.....	1,200,000.00
Advance re The Northern Ontario Pipe Line.....	8,000,000.00
Increase in Investments of The Ontario Municipal Improvement Corporation.....	17,810,000.00
Increase in Advances to Ontario-St. Lawrence Develop- ment Commission.....	2,000,000.00
Advances on Special Projects.....	1,760,000.00
Advances to Ontario Water Resources Commission.....	5,000,000.00
	<u>\$ 162,720,000.00</u>

GROSS CAPITAL DEBT DECREASED BY:

Sinking Fund Provision charged to Ordinary Expenditure	\$ 17,833,000.00
Estimated Surplus on Ordinary Account.....	547,000.00
	<u>\$ 18,380,000.00</u>
Discount on Debentures—written off.....	950,000.00
Repayments of Loans Receivable— The Hydro-Electric Power Commission of Ontario— on secured advances.....	\$2,105,000.00
on unsecured advances.....	1,568,000.00
Agricultural Development Board....	600,000.00
Miscellaneous (net).....	122,000.00
	<u>4,395,000.00</u>
Decrease in Investments of Housing Corporation Limited	958,000.00
Increase in Reserves (net).....	63,000.00
Decrease in Temporary Investments.....	18,212,000.00
Decrease in Cash on Hand and in Banks.....	1,302,527.42
	<u>44,260,527.42</u>

Estimated Increase in Gross Capital Debt.....	<u>\$ 118,466,472.58</u>
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**ESTIMATED INCREASE IN THE NET CAPITAL DEBT, ONTARIO,
FOR THE FISCAL YEAR ENDING MARCH 31, 1958**

Estimated as at March 31, 1958:

Estimated Gross Capital Debt.....	\$1,315,173,941.21
Less: Estimated Revenue-Producing and Realizable Assets.....	457,257,439.66

Estimated Net Capital Debt.....	\$857,916,501.55
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As at March 31, 1957:

Gross Capital Debt.....	\$1,196,707,468.63
Less: Revenue-Producing and Realizable Assets.....	438,429,767.08

Net Capital Debt.....	758,277,701.55
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Estimated Increase in Net Capital Debt.....	<u>\$ 99,638,800.00</u>
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NET CAPITAL DEBT INCREASED BY:

Capital Payments on Highways, Public Buildings, Works, etc.....	\$ 215,706,000.00
Less: Capital Receipts.....	\$ 1,370,000.00
Charged to Highway Construction Account.....	57,500,000.00
Capital Payments financed out of Ordinary Revenue.....	39,000,000.00
	<u>97,870,000.00</u>

Discount paid on Debentures issued during year.....	\$117,836,000.00 1,200,000.00
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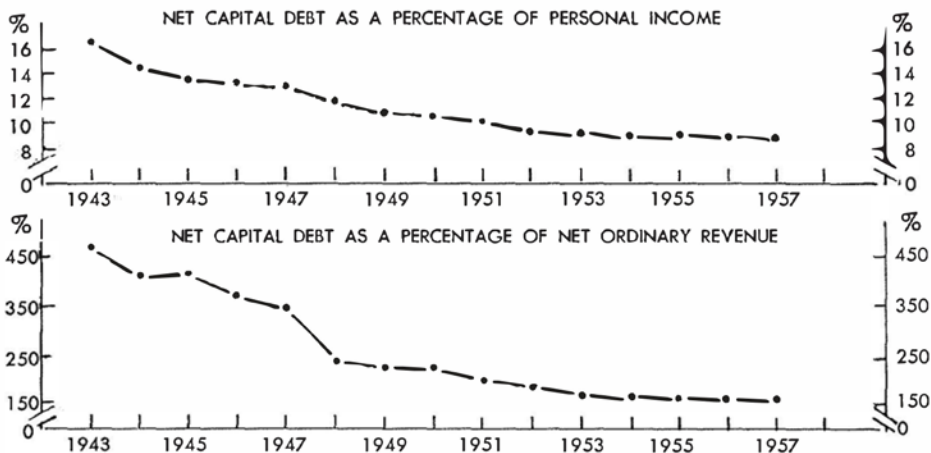
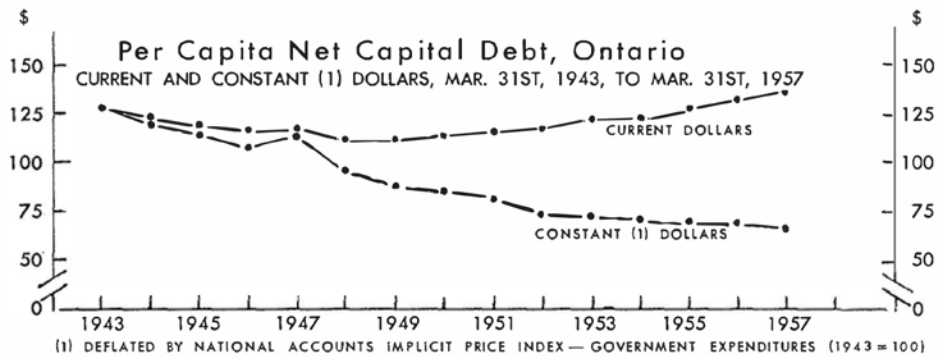
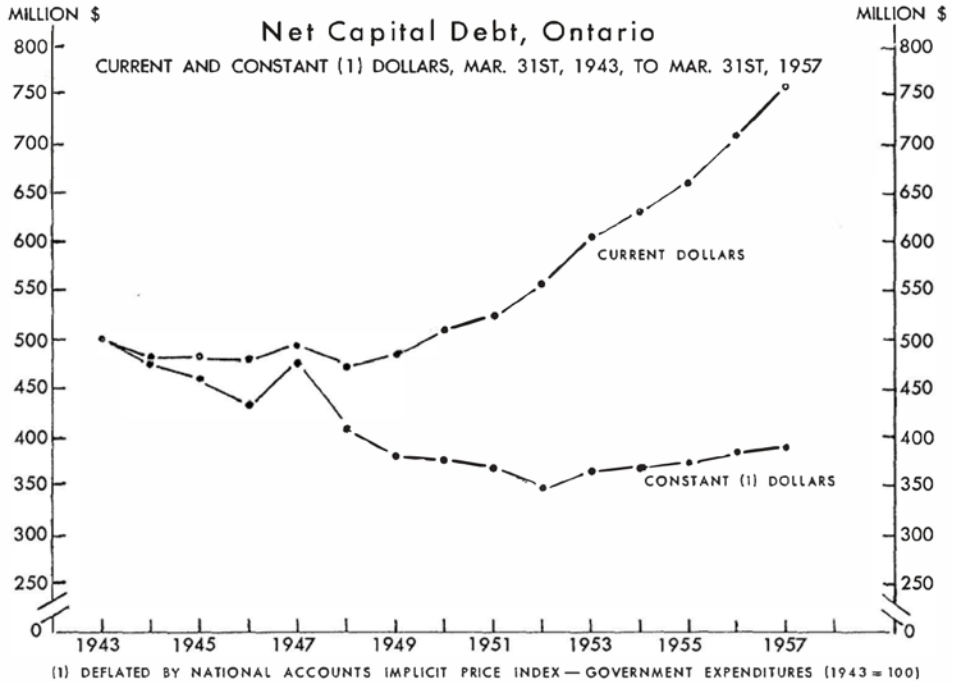
\$119,036,000.00

NET CAPITAL DEBT DECREASED BY:

Sinking Fund Provision charged to Ordinary Expenditure \$	17,833,000.00
Surplus on Ordinary Account.....	547,000.00
	<u>\$ 18,380,000.00</u>
Discount on Debentures—written off.....	950,000.00
Increase in Reserves (net).....	63,000.00
Miscellaneous Decreases.....	4,200.00

19,397,200.00

Estimated Increase in Net Capital Debt.....	<u>\$ 99,638,800.00</u>
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**ESTIMATED INCREASE IN THE FUNDED DEBT, ONTARIO,
FOR THE FISCAL YEAR ENDING MARCH 31, 1958**

Estimated as at March 31, 1958 (after deducting Sinking Funds).....	\$1,043,204,500.00
As at March 31, 1957 (after deducting Sinking Funds).....	987,042,500.00

Estimated Increase in Funded Debt.....	\$ 56,162,000.00
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FUNDED DEBT INCREASED BY:

Debentures Issued:

Series "TI" —4½%, due November 1, 1962*	\$16,100,000.00
Series "CK" —5%, due July 15, 1964.....	27,000,000.00
Series "CL" —5%, due July 15, 1975	33,000,000.00

\$76,100,000.00

Deduct: Provision for Sinking Funds. . \$17,833,000.00

Less: Debentures retired from

Sinking Funds..... 6,771,000.00

11,062,000.00

FUNDED DEBT DECREASED BY:

Redemption of Debentures:

On Maturity.....	\$ 6,771,000.00
Prior to Maturity.....	2,105,000.00

8,876,000.00

Estimated Increase in Funded Debt.....	\$ 56,162,000.00
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*Issued under The Teachers' Superannuation Act.

**ESTIMATED INCREASE IN CONTINGENT LIABILITIES, ONTARIO,
FOR THE FISCAL YEAR ENDING MARCH 31, 1958**

Estimated as at March 31, 1958.....	\$1,354,592,625.71
As at March 31, 1957.....	1,126,370,625.71

Estimated Increase in Contingent Liabilities.....	\$ 228,222,000.00
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CONTINGENT LIABILITIES INCREASED BY:

New guarantees or increases in existing guarantees during the fiscal year ending March 31, 1958—

Hydro-Electric Power Commission of Ontario....	\$225,000,000.00
University of Toronto.....	11,500,000.00
Co-operative Associations.....	1,720,000.00
Ontario Northland Transportation Commission ...	2,300,000.00

\$ 240,520,000.00

CONTINGENT LIABILITIES DECREASED BY:

Principal maturities redeemed, or to be redeemed, including redemptions prior to maturity, during the fiscal year ending March 31, 1958—

Hydro-Electric Power Commission of Ontario....	\$ 10,990,500.00
Ontario Northland Transportation Commission ...	1,225,000.00
Co-operative Associations.....	45,000.00
Schools.....	32,500.00
Municipalities.....	2,500.00
Parks Commission.....	2,500.00

12,298,000.00

Estimated Increase in Contingent Liabilities.....	\$ 228,222,000.00
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**BUDGET FORECAST OF ORDINARY REVENUE, ONTARIO,
FISCAL YEAR APRIL 1, 1958 TO MARCH 31, 1959**

DEPARTMENT	Gross Ordinary Revenue	Application of Revenue to Expenditure	Net Ordinary Revenue
AGRICULTURE.....	\$ 1,290,000	\$.....	\$ 1,290,000
ATTORNEY-GENERAL.....	6,157,000	829,000	5,328,000
EDUCATION.....	2,046,000	430,000	1,616,000
HEALTH.....	4,874,000	504,000	4,370,000
HIGHWAYS.....	556,000	.....	556,000
INSURANCE.....	454,000	.....	454,000
LABOUR.....	707,000	28,000	679,000
LANDS AND FORESTS.....	20,535,000	.....	20,535,000
MINES.....	15,651,000	20,000	15,631,000
MUNICIPAL AFFAIRS.....	282,000	.....	282,000
PROVINCIAL SECRETARY.....	1,928,000	.....	1,928,000
PUBLIC WORKS.....	220,000	3,000	217,000
REFORM INSTITUTIONS.....	3,672,000	2,960,000	712,000
TRANSPORT.....	53,000,000	.....	53,000,000
TRAVEL AND PUBLICITY.....	26,000	.....	26,000
TREASURY:			
Main Office—Subsidy.....	3,641,000	.....	3,641,000
Interest.....	71,000	.....	71,000
Ontario Racing Commission.....	107,000	.....	107,000
Liquor Control Board—Profits.....	65,000,000	.....	65,000,000
Transfer Fees.....	600,000	.....	600,000
Province of Ontario Savings Office.....	820,000	820,000	.....
Provincial share of Income tax collected from privately-owned corporations operating public utilities.....	1,200,000	.....	1,200,000
Comptroller of Revenue:			
Tax Rental Agreement.....	87,000,000	.....	87,000,000
Corporations Tax.....	147,000,000	.....	147,000,000
Gasoline Tax.....	140,000,000	.....	140,000,000
Motor Vehicle Fuel Tax.....	5,000,000	.....	5,000,000
Hospitals Tax.....	4,000,000	.....	4,000,000
Succession Duty.....	26,000,000	.....	26,000,000
Race Tracks Tax.....	4,500,000	.....	4,500,000
Security Transfer Tax.....	2,500,000	.....	2,500,000
Land Transfer Tax.....	3,000,000	.....	3,000,000
Law Stamps.....	1,200,000	.....	1,200,000
Logging Tax.....	1,500,000	.....	1,500,000
Theatres Branch.....	250,000	.....	250,000
Total for Treasury.....	<u>\$493,389,000</u>	<u>\$ 820,000</u>	<u>\$492,569,000</u>
	\$604,787,000	\$ 5,594,000	\$599,193,000
PUBLIC DEBT—Interest, etc.....	14,539,000	14,539,000	.....
	<u>\$619,326,000</u>	<u>\$20,133,000</u>	<u>\$599,193,000</u>

**BUDGET FORECAST OF ORDINARY EXPENDITURE, ONTARIO,
FISCAL YEAR APRIL 1, 1958 TO MARCH 31, 1959**

DEPARTMENT	Gross Ordinary Expenditure	Application of Revenue to Expenditure	Net Ordinary Expenditure
AGRICULTURE.....	\$ 14,075,000	\$.....	\$ 14,075,000
ATTORNEY-GENERAL.....	19,368,000	829,000	18,539,000
ECONOMICS.....	334,000	.....	334,000
EDUCATION.....	177,759,000	430,000	177,329,000
HEALTH.....	73,498,000	504,000	72,994,000
HIGHWAYS.....	93,209,000	.....	93,209,000
INSURANCE.....	399,000	.....	399,000
LABOUR.....	2,751,000	28,000	2,723,000
LANDS AND FORESTS.....	21,653,000	.....	21,653,000
LIEUTENANT-GOVERNOR.....	21,000	.....	21,000
MINES.....	1,758,000	20,000	1,738,000
MUNICIPAL AFFAIRS.....	27,601,000	.....	27,601,000
PLANNING AND DEVELOPMENT.....	3,572,000	.....	3,572,000
PRIME MINISTER.....	157,000	.....	157,000
PROVINCIAL AUDITOR.....	440,000	.....	440,000
PROVINCIAL SECRETARY.....	2,698,000	.....	2,698,000
PUBLIC WELFARE.....	42,828,000	.....	42,828,000
PUBLIC WORKS.....	11,608,000	3,000	11,605,000
REFORM INSTITUTIONS.....	15,148,000	2,960,000	12,188,000
TRANSPORT.....	3,815,000	.....	3,815,000
TRAVEL AND PUBLICITY.....	1,480,000	.....	1,480,000
TREASURY.....	10,561,000	820,000	9,741,000
	<u>\$524,733,000</u>	<u>\$ 5,594,000</u>	<u>\$519,139,000</u>
PUBLIC DEBT—Interest, etc.....	53,372,000	14,539,000	38,833,000
	<u>\$578,105,000</u>	<u>\$20,133,000</u>	<u>\$557,972,000</u>
PUBLIC DEBT—Sinking Fund Instalments...	17,941,000	.....	17,941,000
	<u>\$596,046,000</u>	<u>\$20,133,000</u>	<u>\$575,913,000</u>
Capital Payments on Highways, Public Works, etc., to be financed out of Ordinary Revenue	23,000,000	.....	23,000,000
	<u>\$619,046,000</u>	<u>\$20,133,000</u>	<u>\$598,913,000</u>

SUMMARY

ORDINARY REVENUE AND ORDINARY EXPENDITURE

FISCAL YEAR APRIL 1, 1958 TO MARCH 31, 1959

NET ORDINARY REVENUE.....		\$599,193,000
Less: Net Ordinary Expenditure.....	\$557,972,000	
Provision for Sinking Funds..	17,941,000	
Capital Payments to be financed out of Ordinary Revenue..	23,000,000	
		<u>598,913,000</u>
FORECAST SURPLUS.....		<u>\$ 280,000</u>

**BUDGET FORECAST OF CAPITAL RECEIPTS, ONTARIO,
FISCAL YEAR APRIL 1, 1958 TO MARCH 31, 1959**

DEPARTMENT	Gross Capital Receipts	Application of Receipts to Payments	Net Capital Receipts
HIGHWAYS.....	\$ 755,000	\$.....	\$ 755,000
LABOUR.....	14,000,000	.....	14,000,000
LANDS AND FORESTS.....	440,000	.....	440,000
MINES.....	150,000	.....	150,000
MUNICIPAL AFFAIRS.....	50,000	.....	50,000
PLANNING AND DEVELOPMENT.....	700,000	.....	700,000
PROVINCIAL SECRETARY.....	18,070,000	.....	18,070,000
PUBLIC WELFARE.....	11,342,000	11,342,000	.....
TRANSPORT.....	3,000,000	.....	3,000,000
TREASURY.....	45,584,000	.....	45,584,000
	<u>\$94,091,000</u>	<u>\$11,342,000</u>	<u>\$82,749,000</u>

SUMMARY

Sale of Land, Buildings, etc.....	\$ 1,395,000
Repayment of Loans and Advances.....	6,926,000
Special Funds.....	35,493,000
Sinking Fund Instalments.....	17,941,000
Highway Construction Account.....	20,000,000
Discount on Debentures—written off.....	994,000
	<u>\$82,749,000</u>

**BUDGET FORECAST OF CAPITAL PAYMENTS, ONTARIO,
FISCAL YEAR APRIL 1, 1958 TO MARCH 31, 1959**

DEPARTMENT	Gross Capital Payments	Application of Receipts to Payments	Net Capital Payments
AGRICULTURE.....	\$ 950,000	\$.....	\$ 950,000
EDUCATION.....	3,000,000	.....	3,000,000
HIGHWAYS.....	122,135,000	.....	122,135,000
Highway Construction Account.....	57,500,000	.....	57,500,000
LABOUR.....	14,000,000	.....	14,000,000
LANDS AND FORESTS.....	3,800,000	.....	3,800,000
MINES.....	1,000,000	.....	1,000,000
MUNICIPAL AFFAIRS.....	3,360,000	.....	3,360,000
PLANNING AND DEVELOPMENT			
—realizable assets.....	8,300,000	.....	8,300,000
—conservation works.....	4,175,000	.....	4,175,000
PROVINCIAL SECRETARY.....	4,600,000	.....	4,600,000
PUBLIC WELFARE.....	11,342,000	11,342,000	.....
PUBLIC WORKS.....	51,090,000	.....	51,090,000
Ontario Water Resources Commission.....	15,000,000	.....	15,000,000
TRANSPORT.....	3,000,000	.....	3,000,000
TREASURY.....	33,648,000	.....	33,648,000
	<u>\$336,900,000</u>	<u>\$11,342,000</u>	<u>\$325,558,000</u>
Less—To be Financed out of Ordinary Revenue	23,000,000	.....	23,000,000
	<u><u>\$313,900,000</u></u>	<u><u>\$11,342,000</u></u>	<u><u>\$302,558,000</u></u>

SUMMARY

Non-realizable assets—Highways, Public Works, etc.	\$241,700,000	
Less: To be Financed out of Ordinary Revenue.....	23,000,000	
	<u> </u>	\$218,700,000
Loans and Advances.....		61,810,000
Special Funds.....		22,048,000
		<u><u>\$302,558,000</u></u>

**STATEMENT OF CURRENT OPERATIONS INCLUDING CAPITAL PAYMENTS
TO BE FINANCED OUT OF ORDINARY REVENUE, ONTARIO,
APRIL 1, 1958 TO MARCH 31, 1959**

FUNDS PROVIDED:

Net Ordinary Revenue.....		\$599,193,000
Capital Receipts—		
Highway Construction Account—		
Balance from previous year.....	\$37,500,000	
1958-59 Appropriation.....	20,000,000	
	<u>\$57,500,000</u>	
Sale of Land, Buildings, etc.....	1,395,000	
		<u>58,895,000</u>
Total Funds Provided.....		\$658,088,000

FUNDS APPLIED:

Net Ordinary Expenditure.....	\$557,972,000	
Gross Capital Payments for Non-realizable Assets—		
Highways—		
Construction Account.....	\$ 57,500,000	
Construction, Subsidies, Land		
Acquisition, etc.....	122,135,000	
	<u>\$179,635,000</u>	
Logging Roads, Parks, etc.....	3,800,000	
Mining Roads.....	1,000,000	
Rural Power Transmission Lines.....	1,500,000	
Conservation Works, etc.....	4,675,000	
Public Works.....	51,090,000	
	<u>\$241,700,000</u>	
Proportion (33.9%) of above Capital Payments to be paid from Funds Provided.....		<u>81,895,000</u>
Total Funds Applied.....		639,867,000
Balance (before providing for Sinking Funds).....		<u>\$ 18,221,000</u>
Less: Provision for Sinking Funds.....		17,941,000
Forecast Surplus.....		<u>\$ 280,000</u>

**ONTARIO'S INVESTMENT IN PHYSICAL ASSETS AND HUMAN BETTERMENT,
FISCAL YEARS 1943-44 TO 1957-58**

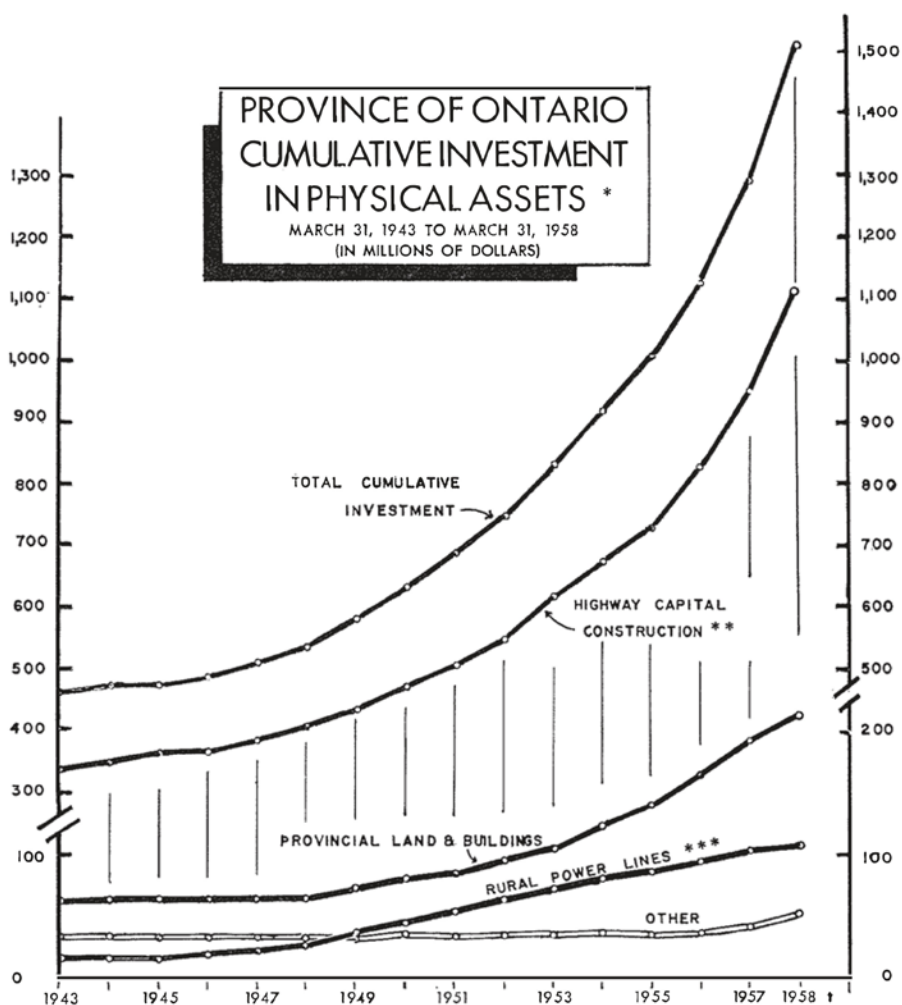
PHYSICAL ASSETS

	Estimated 1957-58	Estimated Fifteen-Year Total 1943-44 to 1957-58
Highways.....	\$163,344,000*	\$ 764,070,642*
Provincial Lands and Buildings.....	39,930,000	170,997,632
Rural Power Lines.....	7,700,000	92,940,130
Miscellaneous... ..	3,362,000	10,443,787
	<u>\$214,336,000*</u>	<u>\$1,038,452,191*</u>

*Including expenditure from Highway Construction Account.

HUMAN BETTERMENT

	Estimated 1957-58	Estimated Fifteen-Year Total 1943-44 to 1957-58
Education.....	\$142,772,000	\$ 965,506,384
Health.....	69,145,000	563,170,513
Public Welfare.....	35,520,000	315,883,975
	<u>\$247,437,000</u>	<u>\$1,844,560,872</u>



* DOES NOT INCLUDE NIAGARA PARKS COMMISSION—SURPLUS OF ASSETS.

** INCLUDES \$97.9 MILLION WRITTEN OFF FOR CAPITAL EXPENDITURE PRIOR TO OCT. 31, 1927

*** INCLUDES \$1.1 MILLION WRITTEN OFF FOR CAPITAL EXPENDITURE PRIOR TO OCT. 31, 1927

ONTARIO'S HIGHWAY EXPENDITURE, FISCAL YEARS 1957-58 AND 1958-59

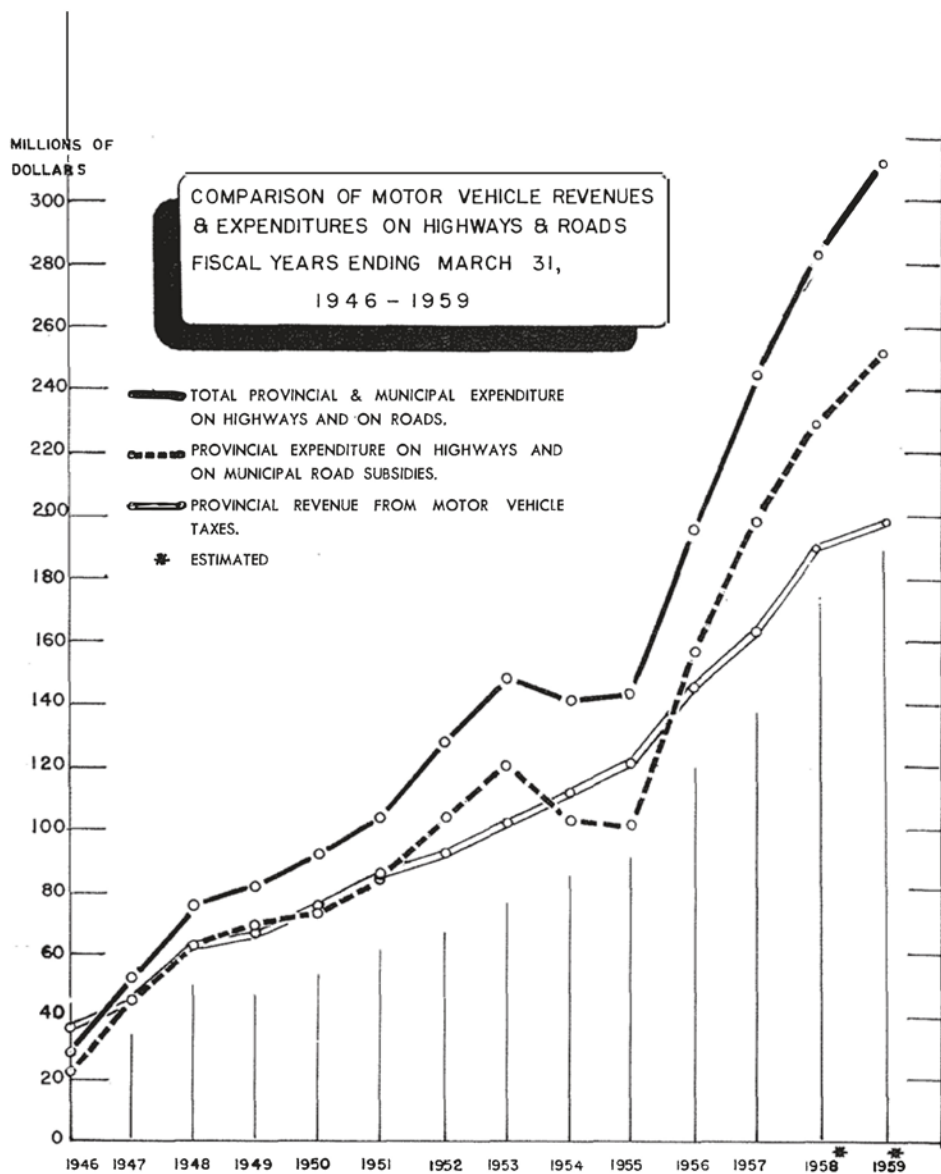
CAPITAL EXPENDITURE	Estimated Expenditure (9 months' actual plus 3 months' forecast) 1957-58	Allocation of Appropriation 1958-59
1. South Western Ontario Districts..... Chatham, London, Stratford and Owen Sound— including grading, culverts, granular base and structures on various roads in all Districts.	\$ 17,321,000	\$ 13,168,000
2. Central Southern Ontario Districts..... Hamilton, Toronto, Port Hope—including granu- lar base, hot mix paving, structures on the Queen Elizabeth Way; grading, culverts and structures on Highway 401; completion of the Burlington Skyway, as well as grading, culverts, granular base, hot mix paving and structures on various roads in all Districts.	32,257,000	46,771,000
3. South Eastern Ontario Districts..... Kingston, Ottawa and Bancroft—including granular base, hot mix paving and structures on Highway 401; and grading, culverts, granular base, hot mix paving and structures on various roads in all Districts.	20,215,000	18,047,000
4. North Central and North Eastern Districts..... Huntsville, North Bay, Sudbury, New Liskeard, Cochrane, Sault Ste. Marie and White River— including grading, culverts, granular base, hot mix paving and structures on Trans-Canada Highway in Huntsville and Sault Ste. Marie Districts; continuance of the increased work pro- gram to gap Highway 17 (Trans-Canada High- way) between Marathon and Agawa River; grading, culverts, granular base, hot mix paving and structures on various roads in these Districts.	35,065,000	43,472,000
5. North Western Ontario Districts..... Fort William, Kenora—including grading, cul- verts, granular base, hot mix paving and structures on Trans-Canada Highway, and similar work on various roads in these Districts.	9,372,000	9,862,000
6. Property Purchases.....	12,000,000	12,000,000
7. Surveys, Soils and Testing Laboratory, etc.....	5,929,000	6,880,000
8. Municipal Roads.....	41,085,000	44,435,000
	<u>\$173,244,000</u>	<u>\$194,635,000</u>
Less: Estimated amount recoverable under the Trans- Canada Highway Agreement and the St. Lawrence Seaway Agreement.....	10,425,000	15,000,000
	<u>\$162,819,000</u>	<u>\$179,635,000</u>
9. Mining, Logging and Forest Access Roads.....	1,300,000	1,800,000
Total Capital.....	<u>\$164,119,000</u>	<u>\$181,435,000</u>

ORDINARY EXPENDITURE	Estimated Expenditure (9 months' actual plus 3 months' forecast) 1957-58	Allocation of Appropriation 1958-59
Maintenance of King's Highways and Development Roads, and Administration of the Department....	\$ 42,119,000	\$ 45,909,000
Repaving Present Roads.....	2,000,000	2,800,000
Amount Allotted to Municipalities for Maintenance under Municipal Roads Branch.....	23,100,000	24,500,000
Total Ordinary.....	<u>\$ 67,219,000</u>	<u>\$ 73,209,000</u>
Combined Capital and Ordinary.....	\$231,338,000	\$254,644,000
Unallocated Amount in the Highway Construction Account.....	37,500,000	Nil
	<u>\$268,838,000</u>	<u>\$254,644,000</u>

HIGHWAY CONSTRUCTION ACCOUNT

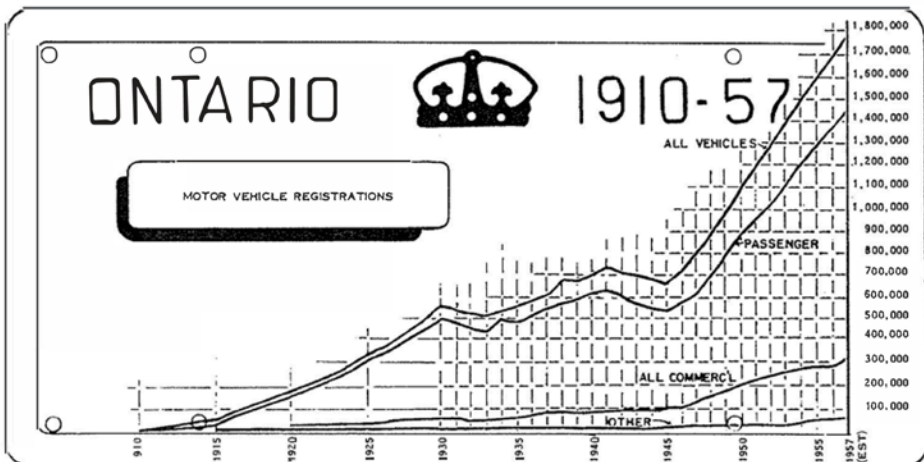
(Formerly Highway Reserve Account)

Appropriated from Ordinary Account in 1952-53.....	\$ 30,000,000
Appropriated from Ordinary Account in 1953-54.....	40,500,000
Appropriated from Ordinary Account in 1954-55.....	38,500,000
Appropriated from Ordinary Account in 1955-56.....	28,500,000
Appropriated from Ordinary Account in 1956-57.....	57,500,000
Appropriated from Ordinary Account in 1957-58.....	57,500,000
	<u>\$252,500,000</u>
Capital Expenditure in 1953-54.....	\$ 29,331,195
Capital Expenditure in 1954-55.....	26,937,616
Capital Expenditure in 1955-56.....	43,103,889
Capital Expenditure in 1956-57.....	58,127,300
Capital Expenditure in 1957-58 (estimated).....	57,500,000
	<u>\$215,000,000</u>
Estimated Balance at March 31, 1958.....	\$ 37,500,000
Appropriation from Ordinary Account in 1958-59.....	20,000,000
	<u>57,500,000</u>
Estimated Capital Expenditure in 1958-59.....	<u>\$ 57,500,000</u>



ONTARIO MOTOR VEHICLE REGISTRATIONS, SELECTED YEARS 1910 TO 1957

Year	Passenger	All Commercial ¹	Heavy Commercial ²	Other ³	Total
1910.....	4,230	.....	.....	.....	4,230
1915.....	42,346	.....	.....	4,174	46,520
1920.....	155,861	16,204	.....	5,496	177,561
1925.....	303,736	34,690	.....	3,748	342,174
1930.....	490,906	61,690	.....	9,910	562,506
1931.....	489,713	64,256	.....	8,247	562,216
1932.....	462,923	61,347	.....	7,327	531,597
1933.....	453,314	59,760	.....	7,279	520,353
1934.....	470,617	64,436	.....	7,192	542,245
1935.....	489,610	67,590	.....	6,876	564,076
1936.....	514,211	70,693	.....	4,553	589,457
1937.....	541,802	75,687	.....	6,429	623,918
1938.....	580,364	81,642	.....	7,082	669,088
1939.....	593,693	82,206	.....	6,992	682,891
1940.....	610,576	86,038	.....	7,258	703,872
1941.....	636,624	95,022	.....	7,548	739,194
1942.....	611,897	95,836	.....	7,647	715,380
1943.....	586,036	97,717	.....	7,862	691,615
1944.....	568,223	99,612	.....	7,222	675,057
1945.....	555,461	100,234	2,081	7,024	662,719
1946.....	585,604	117,217	3,139	8,285	711,106
1947.....	645,252	140,930	4,787	10,765	796,947
1948.....	698,384	162,589	6,381	12,285	873,258
1949.....	771,709	183,598	8,199	14,062	969,369
1950.....	881,143	202,800	11,424	20,137	1,104,080
1951.....	958,082	225,271	15,082	21,745	1,205,098
1952.....	1,024,816	243,591	18,594	23,346	1,291,753
1953.....	1,117,175	261,923	22,761	27,021	1,406,119
1954.....	1,187,725	272,241	26,145	30,014	1,489,980
1955.....	1,292,133	287,942	31,945	37,778	1,617,853
1956.....	1,365,874	297,329	37,877	47,037	1,710,240
1957 (estimated) ..	1,434,300	304,900	41,800	57,600	1,796,800

¹Includes trucks and buses.²Includes trucks, buses and trailers over ten tons.³Includes motorcycles, dual purpose vehicles, and, beginning in 1950, station wagons and similar vehicles.

MINING, FORESTRY AND COMMUNITY ACCESS ROADS

During the fiscal year 1957-58, considerable progress has been made in expediting the Government's mining and community access roads program. This plan was initiated in 1951 and was originally designed to aid in the development of Ontario's mineral resources. In actual practice, however, the program has provided a comprehensive array of benefits. These roads have opened up large areas of hitherto inaccessible forest land, made possible the settlement of potentially valuable agricultural land, encouraged tourism and improved communications for outlying communities.

Over the past seven years, the Ontario Government has financed entirely or in part the construction of 50 access roads, of which 12—representing a total of nearly 60 miles—were completed in 1957. At present, construction work is continuing with respect to six roads of which five are being financed entirely by the Province. By the end of the fiscal year 1957-58, the Government's aggregate expenditure on mining and access roads will amount to about \$5 million. In 1958-59, a total of \$1.8 million will be provided for the overall access roads program of which \$1 million will be for mining and community access roads and \$800,000 for forest management roads.

Roads Completed in 1957

	Miles
1. Mattawa-Temiskaming Road*	24.0
2. French Lake Road*	0.5
3. Nym Lake Road*	1.5
4. Burchell Lake Road*	8.0
5. Coppercorp Mine Road	1.5
6. Consolidated Denison Mine Road	1.6
7. Can-Met Mine Road	10.0
8. Jardun Mine Road	0.8
9. Centre Hill Mine Road	2.0
10. Renabie Mine Road	1.0
11. Milnet to Sellwood Road	5.0
12. Northspan Mine Road	1.5

*Financed entirely by the Ontario Government.

Roads Currently Under Construction

	Miles	
1. Palomar-Foley Road* . . .	12.0	Virtually complete
2. Hornepayne North to Highway No. 11* . . .	43.0	30% complete
3. Seagram to Caramat Road* . . .	20.0	75% complete
4. Geraldton to Nakina* . . .	43.0	60% complete
5. Sioux Lookout-Alcona Road* . . .	5.8	Road completed, large bridge over Sturgeon River to be built.
6. Temagami Mine Road . . .	10.9	10% complete

*Financed entirely by the Ontario Government.

CONSERVATION

In the fourteen years since the establishment of the Department of Planning and Development in 1944, the conservation requirements of the Province have formed an important area of the Government's activities. Each year, additional municipalities have embarked upon flood control and other essential works in the conservation program.

The amalgamation of four former Conservation Authorities into the Metropolitan Toronto and Region Conservation Authority, and the establishment of two new Authorities during 1957 in the North Grey region and on Junction Creek in Sudbury District, brought the total number of Authorities to 19. Nearly 300 municipalities are participating in Authorities with a combined area of 12,994 square miles. Up to the present, 41 surveys, covering watersheds as a whole or in part, have been included in the Conservation Authorities' programs.

The work of three major Authorities has been greatly encouraged by renewed interest on the part of the Federal Government in contributing to their planned flood control and recreational development projects. The proposed undertakings comprise a \$10 million flood control scheme on the Upper Thames River; a \$2.7 million plan to prevent flooding on the Ausable River near Exeter; and a similar project on the Moira north of Belleville with an estimated cost of \$400,000. The Upper Thames project would also provide recreational facilities.

The Province is prepared to match any contributions from Ottawa which may be forthcoming following favourable reports of federal engineers now reviewing the proposals. Together, the two senior governments would meet three-quarters of the cost, with the three Authorities absorbing their respective shares of the balance. These are the most urgent of several projects, long ready

for advancement, which could well be undertaken subsequent to a Federal decision favouring participation. Notable among the latter group are the Credit Valley Conservation Scheme and the Big Creek regional flood control plan.

During the fiscal year 1957-58, the Conestogo Dam on the Grand River was completed except for some road work, and is ready for operation. This project and others completed or now under way represent a total investment in such work in Ontario of approximately \$16.6 million.

Since the increase of flood control grants from 37½ to 50 per cent in 1955, a number of smaller flood control schemes have been undertaken and several have been completed, such as the Second Depot Lake Dam on the Napanee; the Exeter Dam on the Ausable; erosion control, dredging and diversion of the Don. Also completed have been the building of gabion groynes together with channel improvements at Bridgeport; the repair and restoration of the dam at Grand Valley; repairs to the Queen Street Dam at Galt; the first section of remedial work at Guelph; and flood control at Paris—all on the Grand. Flood control projects under way include those at Grand Bend on the Ausable and at Listowel on the Middle Maitland, together with channel improvements on the Humber as well as work at Goodwood near Toronto, and at Walkerton on the Saugeen. The amount of \$3 million is being placed in the 1958-59 Estimates for such work.

Plans have been completed to the point of construction for other flood control projects entailing an expenditure of over \$9.9 million, and preliminary plans and investigations have been completed for still other flood control works involving a construction cost estimated at \$46 million. Other projects under consideration will require \$27.9 million in capital outlays. Taken together, all of these projects—completed, now under way or planned—comprise an investment of nearly \$103.4 million.

Since the absorption in 1956 of the remaining work of the Flood Homes and Buildings Assistance Board by the Conservation Branch, the program, involving an outlay of \$3 million for relief in the wake of the 1954 hurricane, has been completed with the exception of some work outstanding in respect of only four municipalities.

Reforestation is another project undertaken by the Conservation Authorities, and twelve agreements have been completed between the Department of Lands and Forests and the Authorities for the management of program areas. The total acreage of reforestation lands acquired to date is 35,275, while assistance to private reforestation has been greatly increased. The principle of regeneration is to be given very considerable emphasis in our forest management during the coming year. The Department of Lands and Forests plans to expand its own program and to promote co-operative reforestation projects wherever feasible.

Encouragement of farm planning has continued. Gully control demonstrations and land judging competitions have been held, while over 1,000 farm ponds have now been built by Authorities with Provincial aid.

Provincial grants have also been made to promote educational activities dealing with conservation at schools and among forestry clubs and other interested groups. During the fiscal year 1957-58, the total expenditure of all Departments on conservation will reach \$25 million. For 1958-59, \$30 million is being placed in the Estimates for this purpose.

MAJOR FLOOD CONTROL PROJECTS COMPLETED BY CONSERVATION AUTHORITIES

Authority	Scheme	Year Completed	Total Cost \$	Ontario Grant %
Ausable	Port Franks	1950	157,784	75
	Exeter Dam	1957	225,652	50
Grand Commission	Shand Dam	1942	2,056,487	37½
	Luther Marsh Dam	1953	233,806	37½
	Conestogo Dam	1957	5,400,000	37½
Upper Holland	Fairey Lake Dam	1955	36,914	37½
Etobicoke-Mimico (now under jurisdiction of Metropolitan Toronto and Region Conservation Authority)				
	Long Branch	1949	155,600	75
	Brampton	1952	976,000	75
Moir	Deloro Dam	1953	55,570	37½
Napanee	Second Depot Lake Dam	1957	180,000	50
Upper Thames	Fanshawe Dam	1953	4,895,896	37½
	Ingersoll Channel	1950	1,000,000	75
			<u>8,374,309</u>	

ASSISTANCE TO MUNICIPALITIES BY THE PROVINCE OF ONTARIO, SELECTED FISCAL YEARS ENDING MARCH 31, 1946 TO 1959

	1946	1948	1950	1952	1953	1954	1955	1956	1957	1958 ¹	1959 ²
Education:											
General Legislative Grants, etc.	23,369	29,977	38,708	48,863	55,438	59,044	64,696	70,757	75,754	87,395	133,720
Grant per Pupil of Average Daily Attendance	.....	.....	.....	.....	.....	.....	3,408	.....	5,447	13,420	.....
Total Education	23,369	29,977	38,708	48,863	55,438	59,044	68,104	70,757	81,201	100,815	133,720
Hospitals:											
Maintenance and Construction	1,183	3,283	9,394	11,716	14,761	12,580	15,754	15,696	14,317	13,620	15,577
Special Grants for Rehabilitation and Other Capital Purposes	.....	.....	.....	5,750	7,111	7,070	6,243	5,754	8,648	8,075	.....
Total Hospitals	1,183	3,283	9,394	17,466	21,872	19,650	21,997	21,450	22,965	21,695	15,577
Health Units, School Medical Inspection and School Dental Services	171	428	489	580	646	672	700	775	856	915	965
Roads	7,341	15,339	20,752	25,232	28,025	28,084	33,526	40,519	46,794	57,735	61,435
One-Mill Subsidy	3,105	3,279	.....	.....	.....	.....	.....	.....	.....	.....	.....
Police Act	.....	.....	1,363	1,894	2,311	2,727	131	137	162	180	205
Fire Departments Act	.....	.....	1,375	1,721	2,076	2,273	106	117	128	140	160
Unconditional per Capita Grants	.....	.....	.....	.....	.....	.....	11,638	12,396	12,702	20,700	21,600
Special Grant for Welfare Services and Work Projects	.....	.....	.....	.....	.....	.....	3,597	.....	.....	.....	.....
Total Unconditional per Capita Grants	.....	.....	.....	.....	.....	.....	15,235	12,396	12,702	20,700	21,600
Grant for Special Work Projects	.....	.....	.....	.....	.....	.....	.....	.....	.....	5,000	.....
Day Nurseries	.....	134	144	217	217	213	204	196	197	225	250
Children's Aid	77	88	824	1,152	1,340	1,487	1,615	1,730	2,127	3,320	4,713
Homes for the Aged	.....	.....	463	2,238	1,971	1,829	2,357	2,978	4,373	3,691	4,112
Erection of Housing Units for Elderly Persons	1,310	1,807	2,396	3,038	2,831	69	76	39	18	251	180
Unemployment Relief	.....	9	482	423	204	2,811	3,338	3,667	3,900	5,145	6,650
Community Centres	.....	.....	.....	.....	.....	187	300	150	265	350	250
Conservation, Drainage Aid and Flood Control	49	66	1,012	1,367	1,251	1,256	1,442	1,125	1,759	2,625	4,375
Mining Municipalities	105	150	300	372	1,427	1,493	1,498	1,499	2,000	2,450	3,500
Payments in Lieu of Certain Municipal Taxes	.....	.....	.....	.....	376	375	448	530	628	800	850
Miscellaneous	377	427	1,881	884	1,076	506	515	638	425	1,834	1,541
Grand Total	37,087	54,987	79,583	105,447	121,061	122,676	151,292	158,703	180,500	227,871	260,083

¹Interim, 9 months' actual plus 3 months' forecast.

²Forecast.

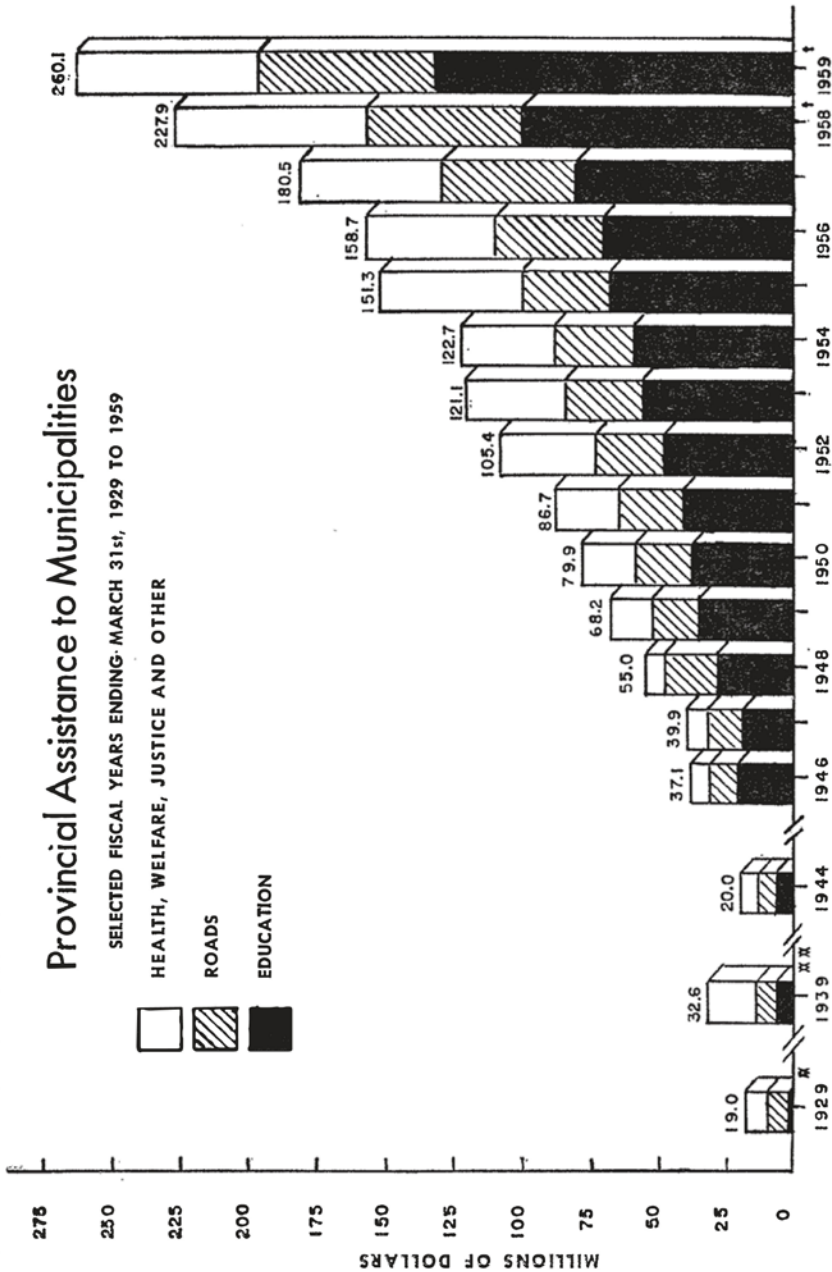
Provincial Assistance to Municipalities

SELECTED FISCAL YEARS ENDING MARCH 31st, 1929 TO 1959

HEALTH, WELFARE, JUSTICE AND OTHER

ROADS

EDUCATION



† PRELIMINARY

× FISCAL YEAR ENDING OCTOBER 31ST.

×× CALENDAR YEAR: INCLUDES SPECIAL UNEMPLOYMENT ASSISTANCE OF \$9.0 MILLION

**ONTARIO GROSS MUNICIPAL TAX LEVY IN CURRENT AND CONSTANT¹ DOLLARS, WITH LEVY IN PER CAPITA TERMS
AND AS A PROPORTION OF ASSESSMENT, DEBENTURE DEBT AND PERSONAL INCOME IN ONTARIO,
SELECTED YEARS 1929 TO 1957**

Year	Gross Tax Levy ²				Education Tax Levy				As % Gross Tax Levy	Total Municipal Assessment (%)	Municipal Debt (%)	Personal Income in Ontario (%)
	Assessed Population (000's)	Total Amount (\$000's)	Per Capita (\$)	Constant Total Amount (\$000's)	Per Capita (\$)	Constant Total Amount (\$000's)	Per Capita (\$)					
1929	3,065	115,787	37.78	106,815	34.85	37,847	12.35	34,914	11.39	32.7	25.6	6.1
1935	3,322	117,466	35.36	117,701	35.43	34,557	10.40	34,626	10.42	29.4	25.4	8.3
1939	3,443	114,255	33.18	115,293	33.49	39,297	11.41	39,654	11.52	34.4	29.4	6.5
1940	3,479	114,921	33.03	110,714	31.82	40,287	11.58	38,812	11.16	35.1	31.4	5.6
1941	3,509	112,256	31.99	104,134	29.68	40,852	11.64	37,896	10.80	36.4	33.5	4.5
1942	3,545	110,277	31.11	92,904	26.21	41,420	11.68	34,895	9.84	37.6	36.1	3.7
1943	3,580	111,546	31.16	92,800	25.92	43,023	12.02	35,793	10.00	38.6	39.6	3.3
1944	3,580	111,381	31.11	88,750	24.79	43,502	12.15	34,663	9.68	39.1	44.1	3.1
1945	3,612	108,163	29.95	82,191	22.75	34,485	9.55	26,204	7.25	31.9	46.8	2.9
1946	3,695	117,629	31.83	95,246	25.78	37,125	10.05	30,061	8.14	31.6	54.8	3.1
1947	3,854	135,348	35.12	99,083	25.71	44,608	11.57	32,656	8.47	33.0	61.5	3.3
1948	3,942	151,361	38.40	100,106	25.39	51,180	12.98	33,849	8.59	33.8	62.5	3.3
1949	4,083	171,450	41.99	106,425	26.07	59,864	14.66	37,160	9.10	34.9	61.6	3.5
1950	4,203	190,312	45.28	112,478	26.76	67,244	16.00	39,742	9.46	35.3	55.1	3.6
1951	4,326	228,271	52.77	120,587	27.87	85,313	19.72	45,068	10.42	37.4	52.2	3.8
1952	4,490	262,491	58.46	132,907	29.60	100,079	22.29	50,673	11.29	38.1	52.9	3.9
1953	4,648	282,116	60.70	137,752	29.64	112,217	24.14	54,793	11.79	39.8	47.2	3.9
1954	4,842	308,216	63.65	145,179	29.98	121,836	25.16	57,389	11.85	39.5	44.7	4.2
1955	5,013	338,350	67.49	153,865	30.69	139,841	27.90	63,593	12.68	41.3	44.1	4.3
1956	5,131	384,624	74.96	165,786	32.31	163,947	31.95	70,667	13.77	42.6	43.6	4.5
1957*	5,335	423,086	79.30	182,365	34.18	185,260	34.73	79,853	14.97	43.8	42.3	4.5

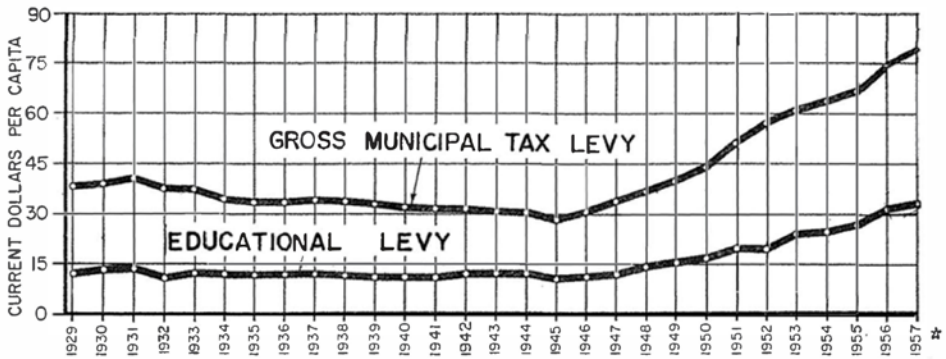
¹Deflated by National Accounts Implicit Price Index—Government Expenditures (1935-39 = 100).

²Including miscellaneous charges on the roll.

*Estimated.

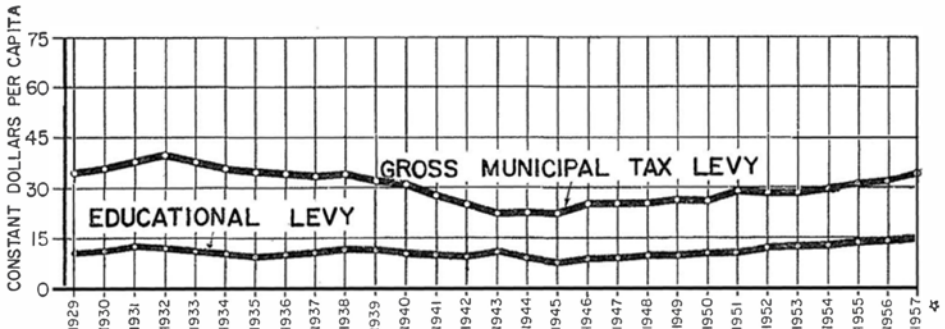
THE PER CAPITA MUNICIPAL TAX LEVY IN CURRENT DOLLARS

1929 TO 1957



THE PER CAPITA MUNICIPAL TAX LEVY IN CONSTANT DOLLARS

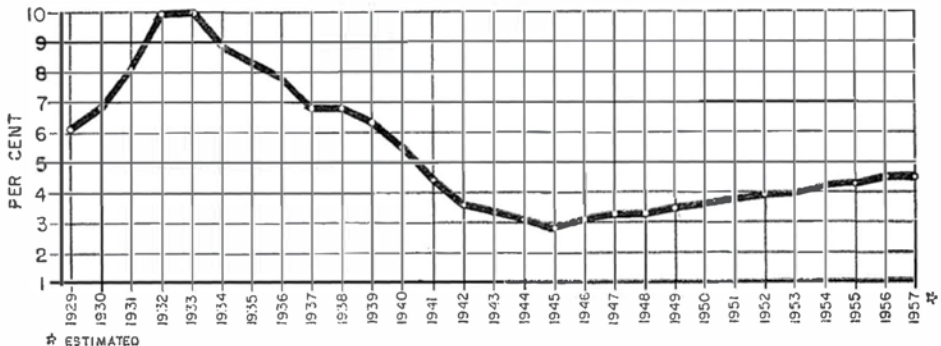
1929 TO 1957



(1) Deflated by National Accounts Implicit Price Index - Government Expenditures (1935-39 = 100)

THE TOTAL MUNICIPAL TAX LEVY AS A PERCENT OF PERSONAL INCOME

1929 TO 1957



* ESTIMATED

DISTRIBUTION OF ONTARIO MUNICIPAL GROSS DEBENTURE

DEBT OUTSTANDING, 1929 TO 1957

Year	Municipal \$000's	Education \$000's	Utilities and Municipal Enterprises \$000's	Total Debenture Debt			
				Current Dollars		Constant Dollars ¹	
				Amount	Per Capita	Amount	Per Capita
				\$000's	\$	\$000's	\$
1929	218,715	86,354	146,868	451,937	147.44	416,916	136.01
1930	247,971	86,552	150,757	485,280	154.47	451,004	143.56
1931	257,689	88,782	152,531	499,002	156.22	476,602	149.21
1932	260,343	88,144	156,269	504,756	155.82	505,768	156.13
1933	255,734	84,723	153,977	494,434	151.78	497,419	152.70
1934	243,349	83,068	157,535	483,952	147.76	488,840	149.25
1935	225,570	79,571	156,512	461,653	138.98	462,578	139.26
1936	209,229	76,624	145,693	431,546	128.81	433,715	129.46
1937	230,435	67,520	127,840	425,795	126.06	422,416	125.06
1938	219,334	64,695	120,310	404,339	119.13	403,130	118.77
1939	215,364	59,499	113,386	388,249	112.76	391,775	113.78
1940	207,138	56,961	101,525	365,624	105.09	352,239	101.25
1941	188,887	53,114	93,419	335,420	95.58	311,150	88.67
1942	171,552	49,418	84,492	305,462	86.17	257,340	72.59
1943	159,404	45,070	76,989	281,463	78.61	234,162	65.41
1944	136,181	46,483	70,023	252,687	70.59	201,344	56.24
1945	123,954	43,042	63,911	230,907	63.93	175,461	48.58
1946	115,337	42,182	57,151	214,670	58.10	173,822	47.04
1947	120,447	46,412	53,089	219,948	57.06	161,016	41.77
1948	137,399	57,333	47,611	242,343	61.48	160,280	40.66
1949	150,777	71,745	55,644	278,166	68.13	172,667	42.29
1950	170,322	89,100	86,222	345,644	82.25	204,281	48.60
1951	197,141	120,916	119,520	437,577	101.16	231,155	53.44
1952	221,902	145,552	128,351	495,805	110.42	251,041	55.91
1953	243,236	178,546	175,531	597,313	128.51	291,657	62.75
1954	281,593	204,977	202,250	688,820	142.26	324,456	67.01
1955	291,513	238,284	237,548	767,345	153.07	348,952	69.60
1956	335,266	289,927	256,671	881,864	171.87	380,114	74.08
1957 ²	380,000	329,000	291,000	1,000,000	187.44	431,000	80.79

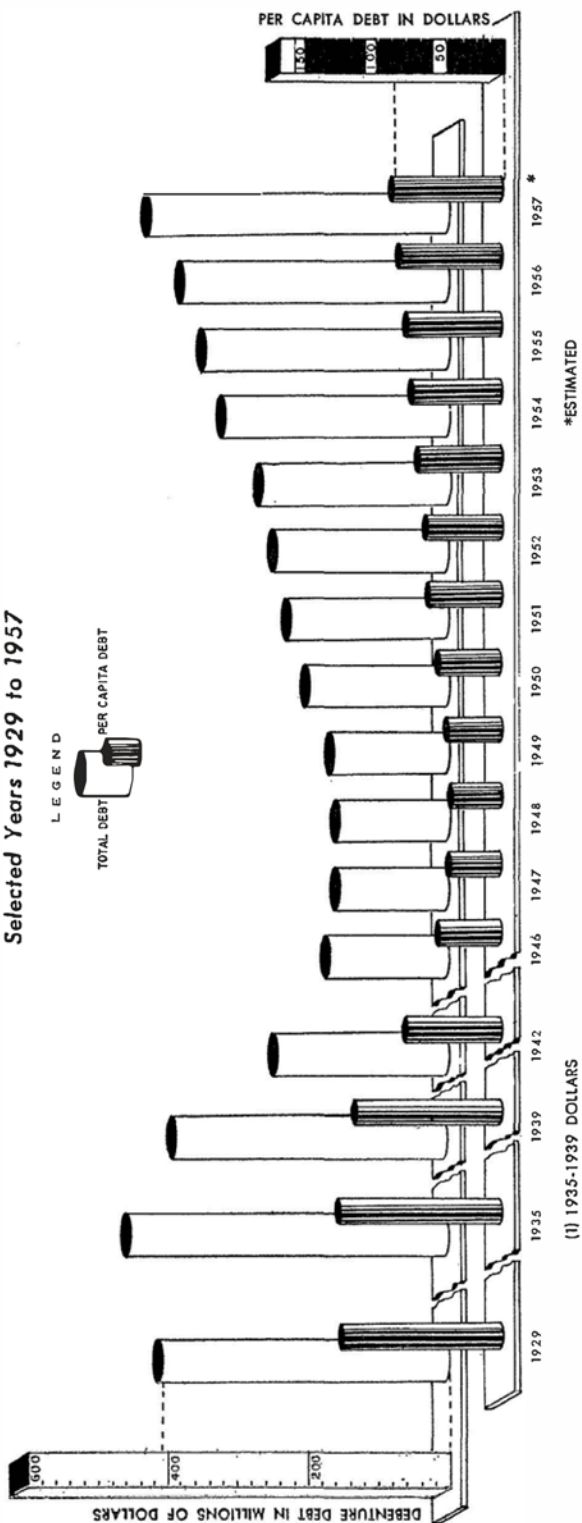
¹Deflated by National Accounts Implicit Price Deflator—Government Expenditures (1935-39=100).

²Estimated.

ONTARIO MUNICIPAL DEBENTURE DEBT

IN CONSTANT DOLLARS (1)

Selected Years 1929 to 1957



(1) 1935-1939 DOLLARS

THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION

Summary by Municipalities Showing Debentures Purchased and Unmatured Balance from Inception to December 31, 1957

Municipality	Type of Work	Purchased	Unmatured Balance
		\$	\$
Acton, Town of.....	Watermains and Schools.....	255,000	255,000
Ajax, Town of.....	Schools.....	140,000	140,000
Ajax, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	70,000	70,000
Albion, Township of—Board of Trustees of Roman Catholic Separate School Section No. 8.....	Schools.....	40,000	40,000
Anderdon and Sandwich West, Town- ships of—Board of Trustees of Roman Catholic Union Separate School, United Sections Nos. 2 and 8.....	Schools.....	29,000	26,800
Atikokan, Township of.....	Water, Sewers and Schools.....	383,500	276,900
Atwood, Township of.....	Schools.....	58,400	47,800
Bancroft, Village of.....	Schools.....	107,000	104,000
Bertie, Township of.....	Water.....	137,000	106,000
Black River, Township of.....	Water.....	87,378	78,700
Blenheim, Township of—Board of Trus- tees of Roman Catholic Separate School Section No. 21.....	Schools.....	47,000	45,600
Blind River, Town of—Board of Trus- tees of Roman Catholic Separate School.....	Schools.....	160,000	155,300
Blind River, Town of.....	Watermains, Sewers and Schools.....	419,000	419,000
Bracebridge, Town of.....	Water and Schools.....	390,000	369,000
Brampton, Town of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	120,000	120,000
Bronte, Village of.....	Schools, Sewers and Water.....	571,457	537,457
Brunel, Township of.....	Schools.....	33,600	33,600
Burlington and Nelson—Board of Man- agement of the Interurban Area.....	Water.....	327,000	236,000
Calvert, Township of.....	Sewers and Watermains.....	25,000	25,000
Calvert, Township of—Board of Trus- tees of Roman Catholic Separate School Section No. 4.....	Schools.....	160,000	155,300
Capreol, Town of.....	Sewers and Watermains.....	29,400	27,200
Cardiff, Improvement District of.....	Waterworks and Schools.....	617,000	617,000
Cartier, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1.....	Schools.....	4,150	3,500
Cayuga, Village of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	40,000	40,000
Chapleau, Township of.....	Sewers.....	310,000	241,000
Chelmsford, Town of.....	Schools.....	4,250	4,050
Chippawa, Village of.....	Sewage and Disposal Plant.....	208,633	208,633
Chippawa, Village of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	80,000	80,000
Cobalt, Town of.....	Schools.....	224,000	224,000
Cobden, Village of.....	Water and Sewers.....	77,900	59,600
Cochrane, Town of.....	Sewers.....	109,000	85,000
Colchester North, Township of.....	Schools.....	100,000	100,000
Crowland, Township of—Board of Trus- tees of Roman Catholic Separate School Section No. 9.....	Schools.....	120,000	120,000
Crystal Beach, Village of.....	Water and Sewers.....	183,594	144,700
Delhi, Village of.....	Water and Sewers.....	50,000	.....
Dover, Township of—Board of Trustees of Roman Catholic Union Separate School Sections Nos. 3, 7, 9, 13, 14.....	Schools.....	140,000	140,000
Draper, Township of.....	Schools.....	45,000	43,800

Municipality	Type of Work	Purchased \$	Unmatured Balance \$
Dryden, Town of.....	Waterworks.....	55,100	39,900
Dysart, Guilford, Harburn, Dudley, Harcourt, Bruton, Havelock, Eyre and Clyde, Townships of.....	Schools.....	30,000	30,000
Elliot Lake, Improvement District of.....	Schools.....	3,417,600	3,417,600
Elmvale, Village of.....	Water.....	4,100	2,500
Etobicoke, Township of.....	Water and Sewers.....	1,416,114	943,000
Fort Frances, Town of.....	Water and Sewers.....	34,463	23,400
Frontenac, County of.....	Schools.....	775,000	775,000
Georgetown, Town of.....	Watermains, Sewers and Schools	415,626	415,626
Geraldton, Town of.....	Water.....	90,000	.....
Gladstone, Bright, Parkinson, Patton and Eley, Townships of.....	Schools.....	40,000	40,000
Glencoe, Village of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	20,000	20,000
Gloucester, Township of.....	Schools.....	172,000	164,100
Grantham, Township of.....	Sewers, Water and Schools....	569,293	509,593
Grantham, Township of—Board of Trustees of Roman Catholic Separate School Section No. 2.....	Schools.....	120,000	120,000
Grantham, Township of—Board of Trustees of Roman Catholic Separate School Section No. 8.....	Schools.....	40,000	40,000
Hawkesbury, Town of.....	Water and Sewers.....	638,800	65,800
Hearst, Town of.....	Water and Sewers.....	52,000	43,000
Hensall, Village of.....	Schools.....	112,500	109,200
Houghton, Township of—Board of Trus- tees of Roman Catholic Separate School Section No. 9.....	Schools.....	45,000	43,800
Innisfil, Township of—Board of Trustees of Roman Catholic Separate School Section No. 12.....	Schools.....	79,000	76,700
Jaffray and Melick, Townships of.....	Schools.....	23,000	23,000
Johnson, Township of.....	Schools.....	48,000	48,000
King, Township of.....	Drainage Works.....	28,188	28,188
Lakefield, Village of.....	Schools and Watermains.....	273,700	270,400
Lakefield, Village of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	40,000	40,000
La Salle, Town of.....	Watermains.....	29,400	29,400
London, Township of—Board of Trus- tees of Roman Catholic Separate School Section No. 20.....	Schools.....	42,000	42,000
Long Branch, Village of.....	Water.....	106,700	.....
Long and Striker, Townships of—Board of Public School Trustees of Union School Sections Nos. 1 and 1.....	Schools.....	59,000	59,000
Lybster and South Marks, Unorganized Township of—School Area.....	Schools.....	20,000	20,000
Machin, Township of.....	Schools.....	12,000	12,000
Madoc, Village of.....	Water and Sewers.....	15,500	13,400
Markham, Township of—Board of Trus- tees of Roman Catholic Separate School Section No. 1.....	Schools.....	80,000	77,700
Marmora, Village of.....	Schools.....	90,000	87,600
Matheson, Town of.....	Water.....	13,000	4,500
Mattawa, Town of.....	Water and Sewers.....	193,500	142,000
Moore, Township of—Board of Trustees of Roman Catholic Separate School Section No. 5.....	Schools.....	15,000	14,600
Morrisburg, Village of.....	Sewers.....	8,500	3,800
McKim, Township of.....	Water and Sewers.....	872,517	462,900
Neelon and Garson, United Townships of.....	Water and Schools.....	719,455	617,886
Nelson Township of.....	Schools.....	771,000	771,000

Municipality	Type of Work	Purchased	Unmatured Balance
		\$	\$
New Liskeard, Town of.....	Water and Sewers.....	116,000	10,100
Niagara, Town of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	120,000	120,000
Niagara, Township of.....	Sewers and Drainage.....	52,312	21,900
Niagara Falls, City of.....	Water.....	598,000	.....
Nipigon, Township of.....	Sewage Plant.....	85,000	82,000
North Fredericksburg, Township of.....	Schools.....	18,500	17,100
North Gwillimbury, Township of.....	Schools.....	70,000	66,800
North York, Township of.....	Incinerator, Water and Sewers.....	1,747,368	1,202,368
Oakville, Town of.....	Water.....	490,000	379,200
Onaping, Improvement District of.....	Schools.....	117,000	117,000
Oro, Township of.....	Schools.....	40,000	40,000
Parry Sound, Town of.....	Water and Sewers.....	17,500	8,000
Pembroke, Township of.....	Schools.....	37,000	35,900
Petawawa, Township of.....	Schools.....	40,000	38,800
Pickering, Township of.....	Schools.....	60,000	58,400
Pickering, Village of.....	Schools.....	110,000	106,800
Port Credit, Village of.....	Water.....	270,476	209,000
Port Dalhousie, Town of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	60,000	58,200
Port McNicoll, Village of.....	Water.....	16,500	13,000
Powassan, Town of.....	Water, Sewers and Schools.....	306,000	293,600
Red Rock, Improvement District of.....	Water, Sewers and Schools.....	87,145	70,600
Richmond Hill, Town of.....	Schools.....	280,000	272,400
Richmond Hill, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	80,000	80,000
Riverside, Town of.....	Water and Sewers.....	152,983	72,645
Riverside, Town of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	120,000	116,000
Rockland, Town of.....	Water.....	35,000	30,600
Rodney, Village of, and Aldborough, Township of—Board of Trustees of Roman Catholic Union Separate School Section No. 5.....	Schools.....	40,000	40,000
Sandwich East, Township of.....	Storm Sewers, Schools and Watermains.....	490,838	328,200
Sandwich East, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1.....	Schools.....	80,000	77,620
Sandwich East, Township of—Board of Trustees of Roman Catholic Separate School Section No. 3.....	Schools.....	14,000	14,000
Sandwich West, Township of.....	Watermains and Schools.....	824,073	752,179
Sandwich West, Township of—Board of Trustees of Roman Catholic Union Separate School United Sections Nos. 2, 3, 4, 7, 9.....	Schools.....	260,000	254,000
Scarborough, Township of.....	Water and Sewers.....	4,772,800	.....
Schreiber, Township of.....	Water.....	35,000	29,000
Schreiber, Township of—Board of Trus- tees of Roman Catholic Separate School Section No. 1.....	Schools.....	23,000	23,000
Sherwood and Jones, Township of.....	Schools.....	37,407	36,400
Sioux Lookout, Town of.....	Sewers and Watermains.....	228,185	197,100
South River, Village of.....	Water.....	120,000	87,000
Stamford, Township of.....	Water and Watermains.....	1,231,000	1,013,000
Stamford, Township of—Board of Trus- tees of Roman Catholic Separate School Section No. 7.....	Schools.....	120,000	120,000
Stouffville, Village of.....	Sewage Disposal.....	500,000	500,000
Strathroy, Town of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	17,000	16,500
Sturgeon Falls, Town of.....	Water and Sewers.....	132,321	103,200

Municipality	Type of Work	Purchased \$	Unmatured Balance \$
Sudbury, City of	Water and Sewers	276,404	123,800
St. Clair Beach, Village of	Water and Schools	62,430	51,500
Tarentorus, Township of	Water and Sewers	201,934	187,400
Tay, Township of	Water	93,000	71,900
Teck, Township of	Water	100,000	67,500
Tecumseh, Town of	Sewers	22,385	10,100
Thessalon, Town of	Water, Sewers and Schools	25,260	22,700
Thorold, Town of—Board of Trustees of Roman Catholic Separate School	Schools	114,000	110,900
Timmins, Town of	Sewers	109,875	55,100
Tisdale, Township of	Water and Sewers	361,730	350,800
Toronto, Township of	Water	800,000	639,000
Toronto, Township of—Board of Trus- tees of Roman Catholic Separate School Section No. 2	Schools	40,000	40,000
Toronto, Township of—Board of Trus- tees of Roman Catholic Separate School Section No. 5	Schools	100,000	97,000
Toronto, Township of—Board of Trus- tees of Roman Catholic Separate School Section No. 7	Schools	80,000	77,700
Toronto Gore, Township of—Board of Trustees of Roman Catholic Separate School Section No. 6	Schools	40,000	38,900
Trafalgar, Township of	Schools	529,000	522,300
Trafalgar, Township of—Board of Trus- tees of Roman Catholic Separate School Section No. 13	Schools	64,800	64,800
Umfreville, Township of—Board of Trustees of Public School Section No. 1	Schools	10,500	7,200
Vespra, Township of	Schools	60,000	57,400
Wallaceburg, Town of—Board of Trus- tees of Roman Catholic Separate School	Schools	100,000	100,000
West Ferris, Township of	Water	60,000	45,000
Westminster, Township of	Schools and Sewers	168,000	152,000
Whitney, Township of	Sewers	41,000	33,100
Wicksteed, Township of	Schools	50,000	48,600
Widdifield, Township of	Water	62,450	48,100
Windsor, City of	Water	2,400,000	1,688,200
Woodbridge, Village of	Schools and Waterworks	177,000	177,000
Wyoming, Village of—Board of Trustees of Roman Catholic Separate School	Schools	40,000	38,900
		<u>\$37,732,494</u>	<u>\$27,065,045</u>

THE ONTARIO JUNIOR FARMER ESTABLISHMENT LOAN CORPORATION
Summary by Counties and Districts of Loans Granted from Inception to January 31, 1958

County or District	No. of Loans	Amount
ALGOMA.....	6	\$ 32,500.00
BRANT.....	41	357,450.00
BRUCE.....	180	1,115,200.00
CARLETON.....	44	310,133.00
COCHRANE.....	12	47,100.00
DUFFERIN.....	62	418,686.00
DUNDAS.....	25	156,200.00
DURHAM.....	29	243,500.00
ELGIN.....	62	505,290.00
ESSEX.....	76	592,250.00
FRONTENAC.....	8	42,000.00
GLENGARRY.....	16	68,350.00
GRENVILLE.....	12	72,000.00
GREY.....	200	1,150,415.00
HALDIMAND.....	66	446,900.00
HALIBURTON.....	..	Nil
HALTON.....	8	64,800.00
HASTINGS.....	26	153,625.00
HURON.....	232	1,567,310.00
KENORA.....	1	2,000.00
KENT.....	44	432,000.00
LAMBTON.....	77	558,650.00
LANARK.....	21	127,325.00
LEEDS.....	20	115,400.00
LENNOX AND ADDINGTON.....	6	44,450.00
LINCOLN.....	21	168,700.00
MANITOULIN.....	7	25,150.00
MIDDLESEX.....	114	893,000.00
MUSKOKA.....	1	7,000.00
NIPISSING.....	14	74,000.00
NORFOLK.....	40	317,000.00
NORTHUMBERLAND.....	59	400,700.00
ONTARIO.....	59	440,150.00
OXFORD.....	90	852,350.00
PARRY SOUND.....	6	19,600.00
PEEL.....	18	164,000.00
PERTH.....	151	1,072,450.00
PETERBOROUGH.....	24	140,700.00
PRESCOTT.....	63	336,750.00
PRINCE EDWARD.....	31	227,525.00
RAINY RIVER.....	23	88,500.00
RENFREW.....	30	210,540.00
RUSSELL.....	71	372,100.00
SIMCOE.....	109	787,950.00
STORMONT.....	25	153,700.00
SUDBURY.....	5	18,700.00
TEMISKAMING.....	32	136,300.00
THUNDER BAY.....	6	40,500.00
VICTORIA.....	32	215,750.00
WATERLOO.....	34	299,200.00
WELLAND.....	16	135,800.00
WELLINGTON.....	183	1,245,850.00
WENTWORTH.....	36	277,360.00
YORK.....	55	423,550.00
	<u>2,629</u>	<u>\$18,168,409.00</u>

SPECIAL GRANTS TO HOSPITALS

This year, the Government is again providing additional assistance to hospitals in the form of special rehabilitation grants. Since the inception of these grants in 1952, and including the \$6.0 million to be authorized at this Session, the Government has made almost \$32 million available to hospitals in Ontario. The grants for the fiscal year 1957-58 are based on \$200 for each bed eligible for the regular maintenance grant and available for service as of December 31, 1957. They are designed to be used for the rehabilitation of facilities and other capital purposes. Interim calculations of the grants are as follows:

	HOSPITAL	No. of Beds	Amount
Ajax	Ajax and Pickering General Hospital.....	33	\$ 6,600
Alliston	Stevenson Memorial Hospital.....	34	6,800
Almonte	Rosamond Memorial Hospital.....	15	3,000
Apsley	Red Cross Outpost Hospital.....	5	1,000
Arnprior	Arnprior and District Memorial Hospital....	38	7,600
Atikokan	Atikokan General Hospital.....	26	5,200
Bancroft	Red Cross Outpost Hospital.....	22	4,400
Barrie	Royal Victoria Hospital of Barrie.....	134	26,800
Beardmore	Red Cross Outpost Hospital.....	7	1,400
Belleville	Belleville General Hospital.....	209	41,800
Blind River	St. Joseph's General Hospital.....	55	11,000
Bowmanville	Bowmanville Hospital.....	53	10,600
Bracebridge	Bracebridge Memorial Hospital.....	35	7,000
Brampton	Peel Memorial Hospital.....	75	15,000
Brantford	Brantford General Hospital.....	412	82,400
Brantford	St. Joseph's Hospital.....	159	31,800
Brockville	Brockville General Hospital.....	161	32,200
Brockville	St. Vincent de Paul Hospital.....	79	15,800
Burk's Falls	Burk's Falls and District Red Cross Hospital	22	4,400
Burlington	Seniors' Convalescent Hospital.....	41	8,200
Campbellford	Campbellford Memorial Hospital.....	65	13,000
Carleton Place	Carleton Place and District Memorial Hospital	30	6,000
Chapleau	Lady Minto Hospital.....	51	10,200
Chatham	Public General Hospital.....	173	34,600
Chatham	St. Joseph's Hospital.....	122	24,400
Chesley	The Chesley and District Memorial Hospital	19	3,800
Clinton	Clinton Public Hospital.....	40	8,000
Cobourg	Cobourg General Hospital.....	38	7,600
Cobourg	Illahee Lodge.....	32	6,400
Cochenour	Margaret Cochenour Memorial Hospital....	13	2,600
Cochrane	Lady Minto Hospital.....	70	14,000
Collingwood	Blue Mountain Camp Hospital.....	70	14,000

	HOSPITAL.	No. of Beds	Amount
Collingwood	General and Marine Hospital.....	86	\$ 17,200
Cornwall	Cornwall General Hospital.....	194	38,800
Cornwall	Hotel Dieu Hospital.....	250	50,000
Cornwall	Macdonell Memorial Hospital.....	47	9,400
Dryden	Dryden District General Hospital.....	53	10,600
Dunnville	Haldimand War Memorial Hospital.....	41	8,200
Durham	Durham Memorial Hospital.....	16	3,200
Emo	Red Cross Outpost Hospital.....	17	3,400
Englehart	Englehart and District Hospital.....	21	4,200
Espanola	Espanola General Hospital.....	33	6,600
Exeter	South Huron and District Memorial Hospital	36	7,200
Fergus	Groves Memorial Hospital.....	54	10,800
Fort Erie	Douglas Memorial Hospital.....	64	12,800
Fort Frances	LaVerendrye Hospital.....	100	20,000
Fort William	McKellar General Hospital.....	402	80,400
Galt	South Waterloo Memorial Hospital.....	216	43,200
Geraldton	Little Long Lac Hospital.....	23	4,600
Goderich	Alexandra Marine and General Hospital....	58	11,600
Grimsby	West Lincoln Memorial Hospital.....	38	7,600
Guelph	Guelph General Hospital.....	176	35,200
Guelph	St. Joseph's Hospital.....	168	33,600
Haileybury	Misericordia Hospital.....	89	17,800
Haliburton	Red Cross Outpost Hospital.....	9	1,800
Hamilton	Hamilton General Hospital.....	1,301	260,200
Hamilton	St. Joseph's Hospital.....	479	95,800
Hamilton	St. Peter's Infirmary.....	211	42,200
Hanover	Hanover Memorial Hospital.....	48	9,600
Hawkesbury	Notre-Dame Hospital.....	32	6,400
Hawkesbury	St. Cœur-de-Marie Hospital.....	39	7,800
Hawk Junction	Red Cross Outpost Hospital.....	9	1,800
Hearst	Notre-Dame Hospital.....	56	11,200
Hornepayne	Red Cross Outpost Hospital.....	6	1,200
Huntsville	Huntsville District Memorial Hospital.....	43	8,600
Ingersoll	Alexandra Hospital.....	56	11,200
Iroquois Falls	Anson General Hospital.....	42	8,400
Kenora	Kenora General Hospital.....	59	11,800
Kenora	St. Joseph's Hospital.....	49	9,800
Kincardine	Kincardine General Hospital.....	44	8,800
Kingston	Hotel Dieu Hospital.....	288	57,600
Kingston	Kingston General Hospital.....	470	94,000

	HOSPITAL	No. of Beds	Amount
Kingston	St. Mary's-of-the-Lake Hospital.....	206	\$ 41,200
Kirkland Lake	Kirkland and District Hospital.....	103	20,600
Kitchener	Freeport Sanatorium (Coumts Pavilion).....	28	5,600
Kitchener	Kitchener-Waterloo Hospital.....	439	87,800
Kitchener	St. Mary's Hospital.....	122	24,400
Komoka	Woodedden Convalescent Hospital.....	82	16,400
Leamington	Leamington and District Memorial Hospital	51	10,200
Lindsay	The Ross Memorial Hospital.....	60	12,000
Lion's Head	Red Cross Outpost Hospital.....	5	1,000
Listowel	Memorial Hospital.....	38	7,600
Little Current	St. Joseph's General Hospital.....	48	9,600
London	Parkwood Hospital for Incurables.....	185	37,000
London	St. Joseph's Hospital.....	437	87,400
London	St. Mary's Hospital.....	215	43,000
London	Victoria Hospital.....	805	161,000
Markdale	Centre Grey General Hospital.....	25	5,000
Matheson	Bingham Memorial Hospital.....	29	5,800
Mattawa	Mattawa General Hospital.....	31	6,200
Meaford	Meaford General Hospital.....	29	5,800
Midland	St. Andrew's Hospital.....	105	21,000
Minden	Red Cross Outpost Hospital.....	8	1,600
Mindemoya	Red Cross Outpost Hospital.....	16	3,200
Mount Forest	Louise Marshall Hospital.....	31	6,200
Nakina	Red Cross Outpost Hospital.....	7	1,400
New Liskeard	New Liskeard and District Hospital.....	40	8,000
Newmarket	The York County Hospital.....	113	22,600
Niagara Falls	The Greater Niagara General Hospital.....	184	36,800
Niagara	Niagara Hospital.....	28	5,600
Nipigon	Nipigon District Memorial Hospital.....	24	4,800
North Bay	Civic Hospital.....	105	21,000
North Bay	St. Joseph's General Hospital.....	116	23,200
Oakville	Oakville-Trafalgar Memorial Hospital.....	162	32,400
Orangeville	Dufferin Area Hospital.....	89	17,800
Orillia	Orillia Soldiers' Memorial Hospital.....	112	22,400
Oshawa	Oshawa General Hospital.....	328	65,600
Ottawa	Ottawa Civic Hospital.....	807	161,400
Ottawa	Ottawa General Hospital.....	622	124,400
Ottawa	The Perley Home for Incurables.....	218	43,600
Ottawa	Hospital St. Louis-Marie de Montfort.....	245	49,000
Ottawa	St. Vincent Hospital.....	523	104,600

	HOSPITAL	No. of Beds	Amount
Ottawa	Salvation Army Grace Hospital.....	76	\$15,200
Owen Sound	General and Marine Hospital.....	135	27,000
Palmerston	Palmerston General Hospital.....	41	8,200
Paris	The Willett Hospital.....	57	11,400
Parry Sound	The Parry Sound General Hospital.....	85	17,000
Parry Sound	St. Joseph's Hospital.....	59	11,800
Pembroke	General Hospital.....	157	31,400
Pembroke	Pembroke Cottage Hospital.....	105	21,000
Penetanguishene	General Hospital.....	63	12,600
Perth	The Great War Memorial Hospital of Perth District.....	49	9,800
Perth	Merrywood-on-the-Rideau Hospital.....	62	12,400
Peterborough	St. Joseph's Hospital.....	180	36,000
Peterborough	The Peterborough Civic Hospital.....	226	45,200
Petrolia	Charlotte Eleanor Englehart Hospital.....	41	8,200
Picton	Prince Edward County Hospital.....	27	5,400
Port Arthur	St. Joseph's General Hospital.....	181	36,200
Port Arthur	The General Hospital of Port Arthur.....	260	52,000
Port Colborne	Port Colborne General Hospital.....	100	20,000
Port Hope	The Port Hope General Hospital.....	46	9,200
Port Loring	Red Cross Outpost Hospital.....	5	1,000
Port Perry	Port Perry Community Hospital.....	27	5,400
Rainy River	Red Cross Outpost Hospital.....	14	2,800
Red Lake	Red Cross Outpost Hospital.....	16	3,200
Renfrew	Victoria Hospital.....	106	21,200
Richards Landing	Red Cross Outpost Hospital.....	10	2,000
St. Catharines	Hotel Dieu Hospital.....	143	28,600
St. Catharines	The St. Catharines General Hospital.....	369	73,800
St. Marys	St. Marys Memorial Hospital.....	36	7,200
St. Thomas	St. Thomas-Elgin General Hospital.....	376	75,200
Sarnia	Sarnia General Hospital.....	248	49,600
Sarnia	St. Joseph's Hospital.....	148	29,600
Sault Ste. Marie	Plummer Memorial Public Hospital.....	135	27,000
Sault Ste. Marie	The General Hospital.....	168	33,600
Scarborough	Scarborough General Hospital.....	184	36,800
Seaforth	Scott Memorial Hospital.....	39	7,800

	HOSPITAL	No. of Beds	Amount
Sesekinika	Northwood Convalescent Hospital.....	42	\$ 8,400
Shelburne	Shelburne and District Hospital.....	16	3,200
Simcoe	Norfolk General Hospital.....	103	20,600
Sioux Lookout	Sioux Lookout General Hospital.....	42	8,400
Smiths Falls	St. Francis General Hospital.....	76	15,200
Smiths Falls	Smiths Falls Public Hospital.....	60	12,000
Smooth Rock Falls	Smooth Rock Falls General Hospital.....	19	3,800
Southampton	Saugeen Memorial Hospital.....	36	7,200
South			
Porcupine	Porcupine General Hospital.....	22	4,400
Stratford	Stratford General Hospital.....	300	60,000
Strathroy	The General Hospital.....	50	10,000
Sturgeon Falls	St. Jean de Brebeuf Hospital.....	89	17,800
Sudbury	St. Joseph's Hospital.....	173	34,600
Sudbury	Sudbury General Hospital.....	289	57,800
Sudbury	Sudbury Memorial Hospital.....	248	49,600
Thessalon	Red Cross Outpost Hospital.....	14	2,800
Tillsonburg	Tillsonburg District Memorial Hospital....	100	20,000
Timmins	St. Mary's Hospital.....	103	20,600
Toronto	Baycrest Hospital.....	87	17,400
Toronto	Canadian Mothercraft Hospital.....	27	5,400
Toronto	Hillcrest Convalescent Hospital.....	34	6,800
Toronto	Our Lady of Mercy Hospital.....	300	60,000
Toronto	St. Joseph's Hospital.....	485	97,000
Toronto	St. Michael's Hospital.....	802	160,400
Toronto	Lockwood Clinic.....	39	7,800
Toronto	Lyndhurst Lodge.....	50	10,000
Toronto	The Salvation Army Grace Hospital.....	55	11,000
Toronto	The Home for Incurable Children.....	42	8,400
Toronto	Hospital for Sick Children.....	647	129,400
Toronto	The New Mount Sinai Hospital.....	373	74,600
Toronto	The Queen Elizabeth Hospital for Incurables	519	103,800
Toronto	Queensway General Hospital.....	131	26,200
Toronto	The Runnymede Hospital.....	114	22,800
Toronto	Toronto East General and Orthopaedic Hospital.....	368	73,600
Toronto	Northwestern General Hospital.....	104	20,800
Toronto	Toronto General Hospital.....	1,393	278,600
Toronto	Toronto Western Hospital.....	697	139,400

	HOSPITAL	No. of Beds	Amount
Toronto	Women's College Hospital.....	279	\$55,800
Trenton	Trenton Memorial Hospital.....	68	13,600
Wainfleet	Lakewood Convalescent Hospital.....	66	13,200
Walkerton	County of Bruce General Hospital.....	34	6,800
Wallaceburg	Sydenham District Hospital.....	75	15,000
Welland	Welland County General Hospital.....	124	24,800
Weston	Humber Memorial Hospital.....	118	23,600
Whitney	Red Cross Outpost Hospital.....	4	800
Warton	Bruce Peninsula and District Memorial Hospital.....	21	4,200
Wilberforce	Red Cross Outpost Hospital.....	2	400
Willowdale	North York Branson Hospital.....	86	17,200
Willowdale	St. John's Convalescent Hospital.....	211	42,200
Winchester	Winchester and District Memorial Hospital.	34	6,800
Windsor	Riverview Hospital.....	353	70,600
Windsor	Hotel Dieu of St. Joseph's Hospital.....	360	72,000
Windsor	Metropolitan General Hospital.....	316	63,200
Windsor	The Salvation Army Grace Hospital.....	182	36,400
Wingham	Wingham General Hospital.....	91	18,200
Woodstock	Woodstock General Hospital.....	155	31,000

GRANT TO ASSIST THE TRAINING OF NURSES

For the second consecutive year, the Government is providing a grant to assist hospitals to finance the cost of the training and instruction of student nurses. This grant, which is being paid on the basis of \$300 for each student nurse enrolled in an approved school of nursing on January 1, 1958, will amount to approximately \$2 million. Interim calculations of this grant follow:

	HOSPITAL	No. of Student Nurses	Amount
Barrie	Royal Victoria Hospital of Barrie.....	84	\$25,200
Belleville	Belleville General Hospital.....	57	17,100
Brantford	Brantford General Hospital.....	91	27,300
Brockville	Brockville General Hospital.....	48	14,400
Chatham	Public General Hospital.....	68	20,400
Chatham	St. Joseph's Hospital.....	64	19,200
Cornwall	Cornwall General Hospital.....	54	16,200
Cornwall	Hotel Dieu Hospital.....	60	18,000
Fort William	McKellar General Hospital.....	64	19,200
Galt	South Waterloo Memorial Hospital.....	47	14,100
Guelph	Guelph General Hospital.....	71	21,300
Guelph	St. Joseph's Hospital.....	69	20,700
Hamilton	Hamilton General Hospital.....	273	81,900
Hamilton	St. Joseph's Hospital.....	197	59,100
Kingston	Hotel Dieu Hospital.....	150	45,000
Kingston	Kingston General Hospital.....	201	60,300
Kitchener	Kitchener-Waterloo Hospital.....	79	23,700
Kitchener	St. Mary's Hospital.....	76	22,800
London	St. Joseph's Hospital.....	203	60,900
London	Victoria Hospital.....	251	75,300
Niagara Falls	The Greater Niagara General Hospital.....	56	16,800
North Bay	St. Joseph's General Hospital.....	54	16,200
Orillia	Orillia Soldiers' Memorial Hospital.....	30	9,000
Oshawa	Oshawa General Hospital.....	70	21,000
Ottawa	Ottawa Civic Hospital.....	333	99,900
Ottawa	Ottawa General Hospital.....	106	31,800
Ottawa	St. Louis-Marie de Montfort Hospital.....	17	5,100
Owen Sound	General and Marine Hospital.....	46	13,800
Pembroke	General Hospital.....	43	12,900
Peterborough	The Peterborough Civic Hospital.....	105	31,500
Peterborough	St. Joseph's Hospital.....	73	21,900
Port Arthur	The General Hospital of Port Arthur.....	54	16,200
Port Arthur	St. Joseph's General Hospital.....	64	19,200
Renfrew	Victoria Hospital.....	31	9,300

	HOSPITAL	No. of Student Nurses	Amount
St. Catharines	The St. Catharines General Hospital.....	122	\$ 36,600
St. Thomas	St. Thomas-Elgin General Hospital.....	95	28,500
Sarnia	Sarnia General Hospital.....	69	20,700
Sault Ste. Marie	Plummer Memorial Public Hospital.....	27	8,100
Sault Ste. Marie	The General Hospital.....	39	11,700
Stratford	Stratford General Hospital.....	54	16,200
Sudbury	Sudbury General Hospital.....	105	31,500
Sudbury	St. Joseph's Hospital.....	65	19,500
Timmins	St. Mary's Hospital.....	32	9,600
Toronto	Hospital for Sick Children.....	162	48,600
Toronto	St. Joseph's Hospital.....	188	56,400
Toronto	St. Michael's Hospital.....	325	97,500
Toronto	Toronto East General and Orthopaedic Hospital.....	175	52,500
Toronto	Toronto General Hospital.....	448	134,400
Toronto	Toronto Western Hospital.....	257	77,100
Toronto	Women's College Hospital.....	111	33,300
Windsor	Hotel Dieu of St. Joseph's Hospital.....	177	53,100
Windsor	Metropolitan General Hospital.....	80	24,000
Windsor	The Salvation Army Grace Hospital.....	128	38,400
Woodstock	Woodstock General Hospital.....	47	14,100

ONTARIO'S PROGRAM OF ASSISTANCE TO PUBLIC AND T.B. HOSPITALS

By doubling the capital grants to hospitals in most categories, the Province has again taken a major step in stimulating hospital construction and creating new employment opportunities. The increase in capital assistance this year will amount to \$2.6 million. A summary of the changes in these grants, which became effective January 1, 1958, with payments on the basis of each new bed provided, is shown below:

Type of Bed	Old Rate	New Rate	Increase
Active Treatment.....	\$1,000	\$2,000	\$1,000
Chronic and Convalescent.....	2,000	3,000	1,000
Nursery Bassinets.....	333⅓	666⅔	333⅓
Nurses' Beds.....	1,000	2,000	1,000
Interns' Beds.....	..	2,000	2,000
T.B. Beds.....	2,500	3,000	500
Outpatient and Emergency Areas and Services (for each 300 square feet).....	1,000	2,000	1,000

Beginning with regular maintenance grants in 1946, the Ontario Government successively introduced capital construction grants in 1947, special maintenance grants in 1950, special rehabilitation grants in 1952 and nurses' training grants in 1957. In addition to these grants, it makes a variety of smaller payments. In total, these grants to Public and T.B. Hospitals have amounted to almost \$250 million over the past eleven years.

The following two tables show the sharp rise in assistance since 1947.

**PROVINCIAL ASSISTANCE TO PUBLIC HOSPITALS,
FISCAL YEARS 1947-48 TO 1958-59**

Year	Maintenance Grants, etc.	Capital and Special Grants	Total
1947-48.....	\$ 2,200,000	\$ 1,037,000	\$ 3,237,000
1948-49.....	6,291,000	2,187,000	8,478,000
1949-50.....	7,077,000	2,253,000	9,330,000
1950-51.....	7,841,000	2,163,000	10,004,000
1951-52.....	8,209,000	9,000,000	17,209,000
1952-53.....	9,268,000	14,382,000	23,650,000
1953-54.....	9,352,000	11,142,000	20,494,000
1954-55.....	9,618,000	13,007,000	22,625,000
1955-56.....	11,183,000	10,722,000	21,905,000
1956-57.....	12,866,000(a)	9,602,000	22,468,000
1957-58 (est.).....	13,353,000(b)	9,100,000	22,453,000
1958-59 (est.).....	13,822,000(c)	5,575,000	19,397,000

(a) Includes \$1,783,500 Special Nurse Training Grant.

(b) Includes \$2,000,000 Special Nurse Training Grant.

(c) Includes \$4,500,000 payment by the Ontario Government towards the cost of operating the Hospital Insurance Plan.

**PROVINCIAL ASSISTANCE TO T.B. SANATORIA,
FISCAL YEARS 1947-48 TO 1958-59**

Year	Ordinary Account	Capital Account	Total
1947-48.....	\$3,988,000	\$.....	\$3,988,000
1948-49.....	4,083,000	.....	4,083,000
1949-50.....	6,085,000	308,000	6,393,000
1950-51.....	5,051,000	329,000	5,380,000
1951-52.....	5,454,000	586,000	6,040,000
1952-53.....	5,664,000	339,000	6,003,000
1953-54.....	6,150,000	388,000	6,538,000
1954-55.....	6,318,000	81,000	6,399,000
1955-56.....	5,896,000	32,000	5,928,000
1956-57.....	5,512,000	.....	5,512,000
1957-58 (est.).....	5,825,000	.....	5,825,000
1958-59 (est.).....	5,990,000	10,000	6,000,000

The effect of this capital and maintenance program has been to increase public hospital beds from 16,378 in 1947 to 29,287 at December 31, 1957. On a population basis, the number of public hospital beds has increased from 3.95 per thousand in 1947 to 5.10 per thousand at the end of 1957.

In the early years of the program, 715 sanatoria beds were added to the 3,642 available in 1947, but owing to new methods of treatment and the declining incidence of tuberculosis, there are now vacant beds in several sanatoria and indeed two have released beds for the care of non-tuberculosis patients.

The following table shows the increase in bed capacity in Public and T.B. Hospitals since the introduction of the provincial grants program.

**INCREASE IN BED CAPACITY, ONTARIO PUBLIC AND T.B. HOSPITALS,
BETWEEN 1946 AND 1957**

	Active Treat- ment	Conval- escent and Chronic	Psychi- atric	Deten- tion	Total Public Hospital Beds	T.B. Beds	Total Public and T.B. Beds
Existing Beds, Dec. 31, 1946.	14,427	1,951	0	0	16,378	3,642	20,020
New Beds completed to Dec. 31, 1957 under the Capital Grants Program.....	13,656	3,579	333	30	17,598	715	18,313
Total.....	28,083	5,530	333	30	33,976	4,357	38,333
Beds lost, due to obsolescence, alteration and reclassifica- tion, etc.....	4,084	605	0	0	4,689	219	4,908
Existing Beds, Dec. 31, 1957.	23,999	4,925	333	30	29,287	4,138	33,425
Beds approved for Capital Grants—under construction	2,297	199	80	6	2,582	0	2,582
Beds approved for Capital Grants—not started.....	80	60	0	4	144	0	144
Beds in planning stage—not yet approved.....	2,744	402	30	0	3,176	0	3,176
Total.....	29,120	5,586	443	40	35,189	4,138	39,327
Beds in incomplete projects to be abandoned.....	281	16	0	0	297	0	297
Total Beds to be available...	28,839	5,570	443	40	34,892	4,138	39,030
	Nurses' Beds				Nursery Bassinets		
Approved.....	4,413				4,066		
Completed.....	4,018				3,523		
Under Construction ..	395				543		

ONTARIO'S EXPENDITURES ON MENTAL HOSPITALS

Provincial expenditures on Mental Hospitals between 1947-48 and 1957-58 have exceeded \$200 million for ordinary purposes while, in addition, about \$74 million (including Federal Grants) has been spent for capital purposes.

**PROVINCIAL EXPENDITURES ON MENTAL HOSPITALS,
FISCAL YEARS 1947-48 TO 1958-59**

Year	Ordinary Expenditures	Capital Expenditures ¹	Total
1947-48.....	\$ 9,431,000	\$ 1,232,000	\$10,663,000
1948-49.....	11,031,000	1,676,000	12,707,000
1949-50.....	12,511,000	2,240,000	14,751,000
1950-51.....	14,015,000	3,466,000	17,481,000
1951-52.....	16,024,000	4,687,000	20,711,000
1952-53.....	17,261,000	4,894,000	22,155,000
1953-54.....	18,799,000	7,335,000	26,134,000
1954-55.....	20,901,000	8,645,000	29,546,000
1955-56.....	23,406,000	11,705,000	35,111,000
1956-57.....	26,343,000	13,635,000	39,978,000
1957-58 (est.).....	31,000,000	14,008,000	45,008,000
1958-59 (est.).....	35,290,000	17,500,000	52,790,000

¹Includes Federal Grants.

Between December 31, 1956 and December 31, 1957, the number of beds in use rose by 437, from 20,474 to 20,911. The additional accommodation was made possible by the opening of the new hospital at North Bay, which operates 754 beds, and by the extension of facilities in other locations. During the year, however, 500 beds were taken out of service, principally by the closing of the hospital at Langstaff. In addition to accommodation in use, there were 1,512 beds under construction as at December 31, 1957 and 2,584 in an advanced planning stage.

In the last few years, new therapeutic methods have been introduced in the Ontario Hospitals. These include techniques, such as the use of tranquillizing drugs, which make it possible to return patients to their places in the community after shorter periods of treatment than formerly.

**SURPLUS ON ORDINARY ACCOUNT, ONTARIO,
FISCAL YEARS 1953-54 TO 1957-58**

	1953-54	1954-55	1955-56	1956-57	Estimated 1957-58
	(Thousands of Dollars)				
Net Ordinary Revenue.....	372,349*	398,795*	427,969	479,783	582,118
Less: Net Ordinary Expenditure—before provision for Sinking Funds and Capital Payments financed out of Ordinary Revenue..	341,471*	377,116*	392,834	437,250	524,738
Surplus—before provision for Sinking Funds and Capital Payments.....	30,878	21,679	35,135	42,533	57,380
Less: Provision for Sinking Funds.....	29,945	21,536	32,630	40,729	17,833
Capital Payments financed out of Ordinary Revenue.....	....	....	....	....	39,000
Balance carried to Surplus Account.....	<u>933</u>	<u>143</u>	<u>2,505</u>	<u>1,804</u>	<u>547</u>

**STATEMENT OF CONSOLIDATED REVENUE FUND, ONTARIO,
FISCAL YEARS 1953-54 TO 1957-58**

	1953-54	1954-55	1955-56	1956-57	Estimated 1957-58
	(Thousands of Dollars)				
Receipts:					
On Ordinary Account.....	372,349*	398,795*	427,969	479,783	582,118
On Capital Account.....	104,430	86,638	96,572	133,931	121,712
Net Proceeds of Loans, etc.....	262,994	153,585	268,709	446,671	74,900
	<u>739,773</u>	<u>639,018</u>	<u>793,250</u>	<u>1,060,385</u>	<u>778,730</u>
Disbursements:					
On Ordinary Account.....	371,416*	398,652*	425,464	477,979	581,571
On Capital Account.....	205,139	98,348	141,846	242,301	230,343
Loan Retirements, etc.....	149,484	177,534	197,314	321,967	8,876
	<u>726,039</u>	<u>674,534</u>	<u>764,624</u>	<u>1,042,247</u>	<u>820,790</u>
Net Increase or (Decrease) on Year.....	13,734	(35,516)	28,626	18,138	(42,060)
	<u>739,773</u>	<u>639,018</u>	<u>793,250</u>	<u>1,060,385</u>	<u>778,730</u>

*Adjusted to give effect to changes in accounting procedures in subsequent years.

**SUMMARY OF INCREASES IN NET CAPITAL DEBT, ONTARIO,
FISCAL YEARS 1953-54 TO 1957-58**

	1953-54	1954-55	1955-56	1956-57	Estimated 1957-58
	(Thousands of Dollars)				
Capital Disbursements on Highways, Public Buildings, Works, etc.....	88,173	80,518	125,336	171,812	215,706
Less: Expenditure from Highway Construction Account.....	29,331	26,938	43,104	58,127	57,500
Capital Payments financed out of Ordinary Revenue.....	....	....	....	....	39,000
	<u>58,842</u>	<u>53,580</u>	<u>82,232</u>	<u>113,685</u>	<u>119,206</u>
Less: Capital Receipts relating thereto.....	2,617	681	1,986	2,023	1,370
	<u>56,225</u>	<u>52,899</u>	<u>80,246</u>	<u>111,662</u>	<u>117,836</u>
Add: Mortgage assumed on acquisition of building.....	....	485	....	....	....
	<u>56,225</u>	<u>53,384</u>	<u>80,246</u>	<u>111,662</u>	<u>117,836</u>
Miscellaneous Decrease or (Increase).....	183	975	530	16,157*	(183)
	<u>56,042</u>	<u>52,409</u>	<u>79,716</u>	<u>95,505</u>	<u>118,019</u>
Less: Surplus (before providing for Sinking Funds).....	30,878	21,679	35,135	42,533	18,380
	<u>25,164</u>	<u>30,730</u>	<u>44,581</u>	<u>52,972</u>	<u>99,639</u>
Included in the Net Capital Debt are the following items:					
Highway Construction Account.....	41,169	52,731	38,127	37,500	37,500
Corporations Tax Reserve Account.....	15,294	15,562	17,150	....	....
	<u>56,463</u>	<u>68,293</u>	<u>55,277</u>	<u>37,500</u>	<u>37,500</u>

*After the transfer of \$17,533,010 Corporations Tax Reserve Account to Surplus Account.

**NET ORDINARY REVENUE BY MAJOR SOURCES, ONTARIO,
FISCAL YEARS 1953-54 TO 1957-58**

	1953-54	1954-55	1955-56	1956-57	Estimated 1957-58
	(Thousands of Dollars)				
Government of Canada:					
Statutory Subsidies.....	3,641	3,641	3,641	3,641	3,641
Interest—Common School Fund.....	71	71	71	71	71
Share of Income Tax collected from privately-owned corporations operating public utilities.....	1,097	1,342	1,574	1,428	1,500
Tax Rental Agreement.....	134,448	142,747	138,345	160,558	74,379
	<u>139,257</u>	<u>147,801</u>	<u>143,631</u>	<u>165,698</u>	<u>79,591</u>
Taxation:					
Corporations Tax.....					147,000
Gasoline Tax.....	86,239	92,658	103,815	112,971	135,000
Motor Vehicles Fuel Tax.....					5,000
Succession Duties.....	20,165	25,819	25,462	29,161	30,000
Hospitals Tax.....	6,747	6,300	4,662	4,615	4,400
Race Track Betting.....	3,968	3,945	3,979	4,294	4,643
Mining Tax and Sundry.....	4,104	4,705	6,802	8,208	9,833
Security Transfer Tax.....	1,788	2,248	4,011	3,503	2,700
Logging Tax.....	824	539	837	861	1,250
Land Transfer Tax.....	2,487	2,876	3,436	3,691	3,200
Other Taxes.....	781	882	919	1,022	1,033
	<u>127,103</u>	<u>139,972</u>	<u>153,923</u>	<u>168,326</u>	<u>344,059</u>
Other Revenue:					
Agriculture.....	1,087	1,068	1,094	1,216	1,282
Attorney-General.....	3,572	4,112*	4,399	4,988	4,996
Education.....	1,325	1,468	1,310	1,392	1,546
Health.....	4,062	4,070	4,229	4,358	4,363
Highways.....	246*	324*	420*	506*	536
Transport—					
Motor Vehicles—Licences.....	25,357*	27,761*	39,934*	47,200*	51,500
—Fees and Fines.....	826*	951*	1,372*	1,901*	
Miscellaneous.....			6*	65*	70
Insurance.....	382	458	494	504	454
Labour.....	469	531	583	685	669
Lands and Forests—					
Timber Dues, Bonus, etc.....	11,396	11,928	12,707	13,557	14,500
Fish and Game Licences, Fines.....	3,801	3,989	4,155	4,205	4,350
Water Power Leases.....	1,673	1,540	1,531	1,554	1,600
Other Rentals, Licences and Fees.....	724	832	743	789	865
Mines.....	1,056	965*	1,354*	1,311*	1,256
Municipal Affairs.....	207	252	268*	298*	322
Provincial Secretary—					
Registrar-General.....	267	257	277	300	307
Other Revenue.....	1,382	1,462	1,730	1,786	1,632
Reform Institutions.....	585	599	603	659	697
Treasury—					
Liquor Control Board—					
Profits.....	45,000	46,000	50,700	56,100	65,000
Transfer Fees.....	1,019	768	626	494	600
Law Stamps.....	976	1,072	1,125	1,288	1,300
Theatre Licences and Other.....	290	474	361*	348*	345
Various Other Departments.....	287	141	394	255	278
	<u>105,989*</u>	<u>111,022*</u>	<u>130,415</u>	<u>145,759</u>	<u>158,468</u>
Total Net Ordinary Revenue.....	<u>372,349*</u>	<u>398,795*</u>	<u>427,969</u>	<u>479,783</u>	<u>582,118</u>

*Adjusted to give effect to changes in accounting procedures in subsequent years.

**NET ORDINARY EXPENDITURE BY MAJOR CLASSIFICATIONS, ONTARIO,
FISCAL YEARS 1953-54 TO 1957-58**

	1953-54	1954-55	1955-56	1956-57	Estimated 1957-58
	(Thousands of Dollars)				
Education, Health and Welfare:					
Legislative Grants for Education.....	57,154	62,598	68,400	73,666	85,000
Special Grants to Schools.....	.....	3,409	.....	5,447	13,420
Education of Non-resident Pupils.....	897	1,010	1,178	846	985
Regular Maintenance Grants to Universities	7,111	7,271	7,291	8,224	9,467
Capital and Other Special Grants to					
Universities, etc.....	3,350	5,700	7,440	1,900	10,864
Public Libraries—Legislative Grants.....	735	800	865	875	990
Teachers' Superannuation Fund.....	3,973	1,739	4,960	5,686	9,509
Special Contribution.....	1,000	1,000	1,000	1,000	1,000
Grants to Health Units.....	624	648	700	795	850
Grants to Sanatoria.....	6,339	6,399	5,928	5,512	5,850
Grants to Public Hospitals.....	12,334	15,673	15,712	14,308	13,610
Grants to Isolation Hospitals.....	61	40	36	28	27
Special Capital or Rehabilitation Grants to					
Hospitals.....	7,070	6,243	5,754	8,648	8,075
Grant to Ontario Cancer Treatment and					
Research Foundation.....	1,000	1,000	1,000	965	1,180
Grant to Ontario Cancer Institute.....	.....	.....	.....	.....	600
Ontario Hospitals—Administrative and					
Operating Expenses.....	18,799	20,901	23,406	26,343	30,788
Children's Aid—Grants, Services, etc.....	1,772	2,035	2,121	2,543	3,795
Grants for Upkeep of Day Nurseries.....	213	204	196	197	225
Mothers' Allowances.....	6,219	6,545	6,761	6,985	8,964
Medical Services.....	295	299	304	308	344
Old Age Assistance and Blind Persons'					
Allowances.....	4,917	5,055	5,120	4,897	5,903
Medical Services.....	1,346	1,326	1,315	1,302	1,301
Disabled Persons' Allowances.....	2,493	2,560	1,711	1,850	2,512
Medical Services.....	62	77	91	99	110
Rehabilitation Services.....	.....	.....	4	57	121
Homes for the Aged—					
Grants for Maintenance.....	946	961	1,029	1,109	1,896
Grants for New Homes.....	952	1,471	1,988	3,087	2,046
Charitable Institutions—					
Grants for Maintenance.....	229	241	250	260	355
Grants for New Buildings.....	41	267	710	697	720
Direct Relief to Unemployables.....	2,811	3,338	3,669	3,908	5,145
Other Expenditure.....	15,216	15,917	17,572	17,657	21,785
Total Education, Health and Welfare.....	157,959	174,727	186,511	199,199	247,437
Agriculture, Forestry and Mining:					
Ontario Agricultural College, Guelph.....	2,773	3,062	3,161	3,554	4,061
Ontario Veterinary College, Guelph.....	749	859	867	976	1,155
Other Schools and Farms.....	734	849	908	1,005	1,182
Extension Branch.....	1,158*	1,173*	1,289	1,678	1,956
Agricultural and Horticultural Societies					
Branch.....	598	737	593	853	1,133
Special Grant for the Royal Winter Fair..	.....	.....	1,000	.....	.....
Field Services (Forestry)—					
Basic Organization—District Offices....	7,908	8,956	10,192	11,641	15,238
Other Field Services.....	2,311	2,082	5,199	2,636	2,644
Mines.....	1,033	1,213*	1,302*	1,365*	1,600
Other Expenditure.....	5,274	4,014	4,374*	4,346	5,054
Total Agriculture, Forestry and Mining.....	22,538	22,945*	28,885*	28,054*	34,023

*Adjusted to give effect to changes in accounting procedure in subsequent years.

**NET ORDINARY EXPENDITURE, ONTARIO,
(Continued)**

	1953-54	1954-55	1955-56	1956-57	Estimated 1957-58
	(Thousands of Dollars)				
Highways:					
Highways and Development Roads.....	28,258*	32,254*	31,654	35,421	39,000
Resurfacing and Renovating Roads.....	2,665	....	7,626	4,645	2,000
Municipal Roads—					
Development Roads.....	425	365	116	219	350
Roads in Unincorporated Townships in Northern Ontario.....	621	566	518	489	750
Municipal Subsidies.....	17,411	18,397	19,501	19,382	22,000
Other Expenditure.....	4,197*	5,304*	5,665*	2,657*	3,119
Total Highways.....	53,577*	56,886*	65,080*	62,813*	67,219
Transport:					
Motor Vehicles.....	948	1,501	1,610	1,969	2,679
Other.....	....	....	34	85	182
Total Transport.....	948*	1,501*	1,644*	2,054*	2,861
Public Works:					
Public Buildings—Maintenance and Repair	3,587	3,830	4,158	4,986	6,293
Dams, Docks, etc., and Drainage Works..	96	99	66	110	120
Grants in Aid of Drainage Works.....	656	699	487	489	500
Expense in connection with Hurricane Hazel	....	1,779	47	....	....
Other Expenditure.....	959	969	1,103	1,203	2,665
Total Public Works.....	5,298	7,376	5,861	6,788	9,578
Municipal Affairs:					
Subsidies for Police Departments.....	2,727	131	137	162	180
Subsidies for Fire Departments.....	2,273	106	117	128	140
One-Mill Supplementation.....	282	....	....	....	....
Subsidies to Mining Municipalities.....	1,493	1,498	1,499	2,000	2,450
Payments in Lieu of Certain Municipal Taxes.....	375	448	530	628	800
Unconditional Per Capita Grants.....	....	11,638	12,396	12,702	20,700
Special Unconditional Per Capita Grants..	....	3,597	....	....	....
Grants for Special Work Projects.....	....	....	....	....	5,000
Administration Expenses re The Municipality of Metropolitan Toronto and the Metropolitan School Board.....	296	12	....	....	....
Compensation for loss re Repeal of The Mortgage Tax Act.....	240	....	....	....	....
Reimbursement to Municipalities re Telephone Companies Tax.....	254	....	....	....	....
Greater Toronto Assessment Board.....	428	7	....	....	....
Other Expenditure.....	734	574	762*	792*	952
Total Municipal Affairs.....	9,102*	18,011*	15,441*	16,412*	30,222

*Adjusted to give effect to changes in accounting procedure in subsequent years.

**NET ORDINARY EXPENDITURE, ONTARIO,
(Continued)**

	1953-54	1954-55	1955-56	1956-57	Estimated 1957-58
	(Thousands of Dollars)				
Planning and Development:					
Grant—Regent Park Housing.....	....	303	288	48	....
Expenditure re the Dominion-Provincial Partnership Agreement.....	73	68	74	102	123
Research Council of Ontario.....	591	535	....	....	....
Ontario Research Foundation.....	....	....	459	481	525
Special Contribution.....	....	....	....	180	....
Civil Defence.....	337*	227*	159	249	369
Other Expenditure.....	713	825	1,131	1,910	1,973
Total Planning and Development.....	1,714*	1,958*	2,111	2,970	2,990
Labour.....	1,592	1,761	1,872	2,024	2,380
Attorney-General:					
Criminal Justice Accounts.....	2,612	2,869	3,006	3,339	3,683
Law Enforcement.....	5,117	6,282	7,023	8,117	9,877
Election Expenses.....	4	145	2,157	77	50
Other Expenditure.....	3,315	2,984*	3,181	3,421	3,942
Total Attorney-General.....	11,048	12,280*	15,367	14,954	17,552
Reform Institutions:					
Ontario Reformatories.....	1,993	2,281	2,440	2,850	4,178
Industrial Farms.....	2,005	2,141	2,263	2,480	2,961
Ontario Training Schools for Boys.....	630	724	707	783	1,025
Ontario Training School for Girls.....	249	271	280	324	415
Special Grants—Training Schools, etc., for Boys and Girls.....	....	358	....	....	35
Other Expenditure.....	1,058	749	760	772	1,067
Total Reform Institutions.....	5,935	6,524	6,450	7,209	9,681
Provincial Secretary:					
Registrar-General.....	394*	477*	486	523	589
Other Expenditure.....	1,191*	1,274*	1,509	1,797	1,899
Total Provincial Secretary.....	1,585*	1,751*	1,995	2,320	2,488

*Adjusted to give effect to changes in accounting procedure in subsequent years.

NET ORDINARY EXPENDITURE, ONTARIO,
(Continued)

	1953-54	1954-55	1955-56	1956-57	Estimated 1957-58
	(Thousands of Dollars)				
Lieutenant-Governor.....	21	18	18	19	20
Prime Minister.....	372	116	122	138	139
Treasury:					
Public Service Superannuation Fund.....	1,770	2,217	2,498	3,121	5,100
Special Contribution to Fund.....	1,000	1,000	1,000	1,000	1,000
Other Expenditure.....	2,084*	2,469*	2,395*	2,568*	3,067
Total Treasury.....	4,854*	5,686*	5,893*	6,689*	9,167
Provincial Auditor.....	254	279	320	333	381
Travel and Publicity:					
Ontario Rentals Administration.....	474	.....	.....	.....	.....
Other Expenditure.....	881	877	893	1,025	1,228
Total Travel and Publicity.....	1,355	877	893	1,025	1,228
Insurance.....	180	229	241	275	334
Economics.....	105*	131*	164*	198	246
Queen's Printer—Stationery Account.....	23	82	2	....	....
Total of above Departmental Expenditure...	278,460*	313,138*	338,870	353,474	437,946
Public Debt—Interest, Exchange, etc.....	22,511	25,478	25,464	26,276	29,292
Total Ordinary Expenditure before providing for Highway Construction Account, Sinking Funds and Capital Payments financed out of Ordinary Revenue.....	300,971*	338,616*	364,334	379,750	467,238
Provision for Highway Construction Account.....	40,500	38,500	28,500	57,500	57,500
Provision for Sinking Funds.....	29,945	21,536	32,630	40,729	17,833
Capital Payments financed out of Ordinary Revenue.....	....	....	....	....	39,000
Total Net Ordinary Expenditure.....	371,416*	398,652*	425,464	477,979	581,571

*Adjusted to give effect to changes in accounting procedure in subsequent years.

**CAPITAL RECEIPTS, ONTARIO,
FISCAL YEARS 1953-54 TO 1957-58**

	1953-54	1954-55	1955-56	1956-57	Estimated 1957-58
	(Thousands of Dollars)				
Salvaging Fire-damaged Timber.....	1,626	179	33	22	....
Sales—Lands and Buildings.....	991	452	1,553	1,783	1,370
Sales—Radium.....	....	50	....	6	....
Recovery—Townsite Development Projects..	....	....	374	91	....
Recovery under Contracts.....	....	....	26	121	....
	<u>2,617</u>	<u>681</u>	<u>1,986</u>	<u>2,023</u>	<u>1,370</u>
Repayment of Loans and Advances:					
Hydro-Electric Power Commission of Ontario.....	1,813	1,856	7,400	1,756	3,673
Ontario Municipal Improvement Corporation.....	....	....	....	....	4,800
Agricultural Development Board.....	1,175	1,000	900	775	605
Housing Development Act.....	146	406	488	664	710
Other.....	577	569	600	596	586
Deposits in Special Funds:					
Industry and Labour Board—Vacation- with-Pay Stamps Sales.....	10,669	9,918	9,495	12,725	13,500
Public Service Superannuation and Retirement Funds.....	6,833	8,665	9,492	11,323	16,500
Investment—Province of Ontario Bonds— Matured.....	4,500	....	....	....	....
Unsatisfied Judgment Fund.....	1,803	1,973	2,085	2,202	3,000
Other.....	529	519	699	1,781	685
Deferred Assets:					
Discount on Debentures, written off.....	663	698	704	737	950
Discount on Debentures assumed by the Hydro-Electric Power Commission.....	1,710	....	....	700	....
Surplus Receipts:					
Provision for Sinking Funds.....	29,945	21,536	32,630	40,729	17,833
Other.....	1	1	1	1	....
Reserves:					
Highway Construction Account.....	40,500	38,500	28,500	57,500	57,500
Corporations Tax (receipts applicable to period preceding Tax Rental Agreement)	939	268	1,588	383	....
Miscellaneous.....	10	48	4	36	....
Total Capital Receipts.....	<u>104,430</u>	<u>86,638</u>	<u>96,572</u>	<u>133,931</u>	<u>121,712</u>

**CAPITAL DISBURSEMENTS, ONTARIO,
FISCAL YEARS 1953-54 TO 1957-58**

	1953-54	1954-55	1955-56	1956-57	Estimated 1957-58
	(Thousands of Dollars)				
Highways:					
Highways and Development Roads.....	47,354*	36,159*	66,040*	102,775*	121,734*
Municipal Roads Branch—					
Development Roads.....	1,746	1,662	3,840	4,513	6,100
Roads in Unincorporated Townships in Northern Ontario.....	223	169	313	292	450
Municipal Subsidies.....	9,806	14,391	20,177	26,624	34,500
Contingencies.....	22	4	10	6	35
Mining Roads—Construction.....	848	600	998	900	1,000
Lands and Forests:					
Construction of logging roads.....	....	....	95	166	300
Salvaging fire-damaged timber.....	800	179	33	22	....
Rural Power Extension Bonus.....	9,412	7,297	7,976	6,144	7,700
Conservation.....	526	410	481	1,149	2,500
Designing, development, etc., of Townsites ..	....	47	468	2	500
Public Works:					
Construction of Public Buildings.....	16,913	19,276	24,505	28,697	40,000
Grants and Miscellaneous.....	523	324	400	522	887
	<u>88,173</u>	<u>80,518</u>	<u>125,336</u>	<u>171,812</u>	<u>215,706</u>
Loans and Advances:					
Hydro-Electric Power Commission of Ontario.....	100,000	....	....	50,000	....
Housing Development Act.....	1,875	1,589	774	1,574	5,900
Ontario-St. Lawrence Development Commission.....	....	....	....	422	2,000
Ontario Water Resources Commission.....	....	....	....	....	5,000
Ontario Municipal Improvement Corporation.....	....	....	....	....	8,500
Northern Ontario Pipe Line Act.....	....	....	....	....	8,000
Other.....	490	518	1,020	1,497	3,433
Special Funds:					
Industry and Labour Board—Vacation- with-pay Stamps Redeemed.....	9,967	10,747	9,168	10,476	13,600
Public Service Superannuation and Retirement Fund.....	2,380	2,695	3,189	4,001	4,500
Unsatisfied Judgment Fund.....	1,611	1,808	1,791	1,858	2,200
Other.....	636	469	554	651	504
Reserves.....	7	4	14	10	....
	<u>205,139</u>	<u>98,348</u>	<u>141,846</u>	<u>242,301</u>	<u>269,343</u>
Less: Financed out of Ordinary Revenue..	....	....	....	....	39,000
Total Capital Disbursements.....	<u>205,139</u>	<u>98,348</u>	<u>141,846</u>	<u>242,301</u>	<u>230,343</u>

*Including Expenditure from Highway Construction Account.

**SURPLUS OR DEFICIT* ON ORDINARY ACCOUNT
BEFORE AND AFTER PROVISION FOR SINKING FUNDS, ONTARIO,
FISCAL YEARS 1936 TO 1958**

Fiscal Year ending March 31	Net Ordinary Revenue	Net Ordinary Expenditure before pro- vision for Sinking Funds	Surplus or <i>Deficit</i> * before pro- vision for Sinking Funds	Provision for Sinking Funds	Surplus or <i>Deficit</i> * on Ordinary Account
1936.....	\$65,726,984	\$78,178,770	\$12,451,786*	\$ 890,920	\$13,342,706*
1937.....	80,488,440	70,256,376	10,232,064	918,125	9,313,939
1938.....	86,052,793	80,495,109	5,557,684	947,965	4,609,719
1939.....	86,843,271	85,528,120	1,315,151	992,655	322,496
1940.....	88,172,952	90,368,393	2,195,441*	1,038,655	3,234,096*
1941.....	103,802,020	88,780,934	15,021,086	1,086,655	13,934,431
1942.....	111,496,170	95,208,016	16,288,154	1 *29,000	15,159,154
1943.....	108,214,063	91,083,245	17,130,818	1,181,000	15,949,818
1944.....	118,096,684	101,210,715	16,885,969	5,570,000	11,315,969
1945.....	117,124,347	110,956,977	6,167,370	5,292,000	875,370
1946.....	128,368,864	121,450,964	6,917,900	5,352,000	1,565,900
1947.....	142,875,758	135,506,854	7,368,904	5,422,655	1,946,249
1948.....	191,698,952	160,589,199	31,109,753	5,481,000	25,628,753
1949.....	215,469,613	190,706,361	24,763,252	15,350,000	9,213,252
1950.....	228,550,022	199,271,374	29,278,648	20,622,000	8,656,648
1951.....	265,272,106	228,090,424	37,181,682	21,698,000	15,483,682
1952.....	302,320,999	266,983,560	35,337,439	34,276,000	1,061,439
1953.....	349,500,385	317,540,514 ¹	31,959,871	30,859,000	1,100,871
1954.....	372,973,316	342,095,302 ¹	30,878,014	29,945,000	933,014
1955.....	399,393,284	377,713,638 ¹	21,679,646	21,536,000	143,646
1956.....	427,969,363	392,834,481 ¹	35,134,882	32,630,000	2,504,882
1957.....	479,783,191	437,249,640 ¹	42,533,551	40,729,000	1,804,551
1958 ²	582,118,000	563,738,000 ¹	18,380,000	17,833,000	547,000

¹Including amounts set aside as follows:

	Highway Construction Account	Capital Payments Financed out of Ordinary Revenue
1953.....	\$30,000,000	.....
1954.....	40,500,000	.....
1955.....	38,500,000	.....
1956.....	28,500,000	.....
1957.....	57,500,000	.....
1958.....	57,500,000	\$39,000,000

²Interim figures.

SURPLUS OR DEFICIT, ONTARIO, FISCAL YEARS 1867 TO 1958

				Ordinary Revenue ¹	Ordinary Expenditure ¹	Surplus	Deficit
July 1, 1867 to	December 31	1867	1867	\$ 182,899.63	\$ 56,669.97	\$ 126,229.66	
Fiscal Year ending	December 31	1868	1868	2,250,207.74	1,179,269.17	1,070,938.57	
" " " "	" " "	1869	1869	2,625,179.29	1,445,751.73	1,179,427.56	
" " " "	" " "	1870	1870	2,500,695.70	1,578,976.65	921,719.05	
" " " "	" " "	1871	1871	2,333,179.62	1,816,784.11	516,395.51	
" " " "	" " "	1872	1872	3,060,747.97	2,217,555.07	843,192.90	
" " " "	" " "	1873	1873	2,961,515.31	2,940,803.45	20,711.86	
" " " "	" " "	1874	1874	3,446,347.93	3,870,704.14		\$ 424,356.21
" " " "	" " "	1875	1875	3,156,605.81	3,604,524.42		447,918.61
" " " "	" " "	1876	1876	2,589,222.83	3,139,505.66		550,282.83
" " " "	" " "	1877	1877	2,502,566.04	3,119,117.73		616,551.69
" " " "	" " "	1878	1878	2,285,178.07	2,902,388.37		617,210.30
" " " "	" " "	1879	1879	2,287,951.39	2,941,714.27		653,762.88
" " " "	" " "	1880	1880	2,584,169.76	2,518,186.80	65,982.96	
" " " "	" " "	1881	1881	2,788,746.78	2,579,802.28	208,944.50	
" " " "	" " "	1882	1882	2,880,450.40	2,918,826.95		38,376.55
" " " "	" " "	1883	1883	2,439,941.42	2,887,037.73		447,096.31
" " " "	" " "	1884	1884	2,820,555.45	3,207,889.67		387,334.22
" " " "	" " "	1885	1885	3,005,920.71	3,040,139.07		34,218.36
" " " "	" " "	1886	1886	3,148,660.01	3,181,449.69		32,789.68
" " " "	" " "	1887	1887	3,527,577.95	3,454,372.43	73,205.52	
" " " "	" " "	1888	1888	3,603,262.14	3,545,234.85	58,027.29	
" " " "	" " "	1889	1889	3,538,405.08	3,653,356.37		114,951.29
" " " "	" " "	1890	1890	3,423,154.99	3,896,324.38		473,169.39
" " " "	" " "	1891	1891	4,138,589.09	4,158,459.55		19,870.46
" " " "	" " "	1892	1892	4,662,921.57	4,068,257.39	594,664.18	
" " " "	" " "	1893	1893	4,091,914.01	3,907,145.32	184,768.69	
" " " "	" " "	1894	1894	3,453,162.69	3,839,338.75		386,176.06
" " " "	" " "	1895	1895	3,585,300.10	3,758,595.44		173,295.34
" " " "	" " "	1896	1896	3,490,671.45	3,703,379.73		212,708.28
" " " "	" " "	1897	1897	4,139,847.68	3,767,675.70	372,171.98	
" " " "	" " "	1898	1898	3,647,353.09	3,803,081.38		155,728.29
" " " "	" " "	1899	1899	4,096,494.96	3,710,420.82	386,074.14	
" " " "	" " "	1900	1900	4,192,940.18	4,003,720.37	189,210.81	
" " " "	" " "	1901	1901	4,466,043.92	4,038,834.49	427,209.43	
" " " "	" " "	1902	1902	4,291,082.91	4,345,003.58		53,920.67
" " " "	" " "	1903	1903	5,466,653.13	4,888,982.57	577,670.56	
" " " "	" " "	1904	1904	6,128,358.57	5,267,453.02	860,905.55	
" " " "	" " "	1905	1905	6,016,176.42	5,396,016.74	620,159.68	
" " " "	" " "	1906	1906	7,149,478.39	6,720,179.07	429,299.32	
" " " "	" " "	1907	1907	8,320,419.19	7,714,245.61	606,173.58	
" " " "	" " "	1908	1908	8,602,902.96	8,557,064.60	45,838.36	
" " " "	" " "	1909	1909	7,477,920.94	7,545,040.47		67,119.53
Ten Months ending	October 31	1910	1910	8,891,004.68	8,887,520.09	3,484.59	
Fiscal Year ending	October 31	1911	1911	9,370,833.90	9,619,934.03		249,100.13
" " " "	" " "	1912	1912	10,042,000.68	10,287,991.59		245,990.91
" " " "	" " "	1913	1913	11,188,302.09	10,868,026.28	320,275.81	
" " " "	" " "	1914	1914	11,121,382.07	11,819,310.65		697,928.58
" " " "	" " "	1915	1915	12,975,732.19	12,704,362.16	271,370.03	
" " " "	" " "	1916	1916	13,841,339.64	12,706,332.90	1,135,006.74	
" " " "	" " "	1917	1917	18,269,597.23	16,518,222.64	1,751,374.59	
" " " "	" " "	1918	1918	19,270,123.71	17,460,404.05	1,809,719.66	
" " " "	" " "	1919	1919	19,904,772.04	21,464,574.88		1,559,802.84
" " " "	" " "	1920	1920	25,078,094.62	25,880,842.45		802,747.83
" " " "	" " "	1921	1921	29,261,477.39	28,579,687.98	681,789.41	
" " " "	" " "	1922	1922	38,507,311.09	37,442,985.53	1,064,325.26	
" " " "	" " "	1923	1923	26,166,213.39	41,361,439.92		15,195,226.53
" " " "	" " "	1924	1924	30,569,015.92	39,037,780.43		8,468,764.51
" " " "	" " "	1925	1925	35,852,404.28	40,959,729.27		5,107,364.99
" " " "	" " "	1926	1926	40,984,958.63	41,797,098.94		812,140.31
" " " "	" " "	1927	1927	46,607,638.88	46,248,415.49	359,223.39	
" " " "	" " "	1928	1928	48,570,217.10	48,341,980.66	228,236.44	
" " " "	" " "	1929	1929	54,012,679.53	51,369,785.85	2,642,893.68	
" " " "	" " "	1930	1930	57,343,291.21	57,989,352.69		646,061.48
" " " "	" " "	1931	1931	54,390,092.37	54,846,994.28		456,901.91
" " " "	" " "	1932	1932	54,175,233.01	56,236,031.32		2,060,798.31
" " " "	" " "	1933	1933	51,373,051.98	50,896,626.37	476,425.61	
" " " "	" " "	1934	1934	50,067,841.37	80,667,091.15		30,599,249.78
Five Months ending	March 31	1935	1935	21,048,944.06	31,489,616.34		10,440,672.28
Fiscal Year ending	March 31	1936	1936	65,726,984.57	79,069,690.31		13,342,705.74
" " " "	" " "	1937	1937	80,488,439.95	71,174,501.41	9,313,938.54	
" " " "	" " "	1938	1938	86,052,792.88	81,443,074.35	4,609,718.53	
" " " "	" " "	1939	1939	86,843,270.67	86,520,775.25	322,495.42	
" " " "	" " "	1940	1940	88,172,951.62	91,407,047.81		3,234,096.19
" " " "	" " "	1941	1941	103,802,020.46	89,867,589.32	13,934,431.14	
" " " "	" " "	1942	1942	111,496,169.77	96,337,015.77	15,159,154.00	
" " " "	" " "	1943	1943	108,214,063.15	92,264,245.06	15,949,818.09	
" " " "	" " "	1944	1944	118,096,683.51	106,780,714.54	11,315,968.97	
" " " "	" " "	1945	1945	117,124,346.77	116,248,976.56	875,370.21	
" " " "	" " "	1946	1946	128,368,864.36	126,802,964.37	1,565,899.99	
" " " "	" " "	1947	1947	142,875,758.56	140,929,509.33	1,946,249.23	
" " " "	" " "	1948	1948	191,698,952.37	166,070,199.53	25,628,752.84	
" " " "	" " "	1949	1949	215,469,613.61	206,256,361.37	9,213,252.24	
" " " "	" " "	1950	1950	228,550,022.27	219,893,373.67	8,656,648.60	
" " " "	" " "	1951	1951	265,272,106.50	249,788,424.26	15,483,682.24	
" " " "	" " "	1952	1952	302,320,998.85	301,259,559.94	1,061,438.91	
" " " "	" " "	1953	1953	349,500,385.36	348,399,514.15 ¹	1,100,871.21	
" " " "	" " "	1954	1954	372,973,315.71	372,040,301.99 ¹	933,013.72	
" " " "	" " "	1955	1955	399,393,284.17	399,249,638.33 ¹	143,645.84	
" " " "	" " "	1956	1956	427,969,362.89	425,464,480.99 ¹	2,504,881.90	
" " " "	" " "	1957	1957	479,783,191.11	477,978,640.19 ¹	1,804,550.92	
" " " "	" " "	1958 ²	1958 ²	582,118,000.00	581,571,000.00 ³	547,000.00	

¹Revenue and Expenditure figures for the years 1867 to 1907, inclusive, comprise both ordinary and capital revenue and expenditure. Revenue and Expenditure from 1923 to 1958, inclusive, shown as net surplus after applying certain revenues as a reduction of expenditure.

²Interim figures only.

³Includes amounts set aside for Highway Construction Account in each of these years. In addition, in 1957-58 provision was made for capital payments financed out of ordinary revenue.

GROSS AND NET FISCAL YEARS

Fiscal Year	GROSS DEBT		REVENUE-PRODUCING AND REALIZABLE			
	Total	Yearly Increase or Decrease*	Ontario Hydro	O.N.T.C.	Loans, Cash and Accts. Receivable	Total
1914.....	\$ 41,716,000		\$ 10,110,000	\$20,246,000	\$ 5,066,000	\$ 35,422,000
1915.....	50,275,000	\$ 8,559,000	12,316,000	20,483,000	8,007,000	40,806,000
1916.....	59,336,000	9,061,000	21,939,000	21,184,000	7,684,000	50,807,000
1917.....	61,825,000	2,489,000	27,489,000	21,594,000	5,805,000	54,888,000
1918.....	75,309,000	13,484,000	36,244,000	21,823,000	9,477,000	67,544,000
1919.....	97,032,000	21,723,000	47,700,000	22,335,000	13,882,000	83,917,000
1920.....	127,262,000	30,230,000	65,717,000	22,681,000	16,009,000	104,407,000
1921.....	202,446,000	75,184,000	102,946,000	23,599,000	31,292,000	157,837,000
1922.....	233,189,000	30,743,000	116,786,000	25,654,000	30,704,000	173,144,000
1923.....	291,025,000	57,836,000	124,360,000	28,075,000	37,612,000	190,047,000
1924.....	329,508,000	38,483,000	135,045,000	30,208,000	45,262,000	210,515,000
1925.....	332,391,000	2,883,000	141,717,000	30,208,000	27,885,000	199,810,000
1926.....	349,116,000	16,725,000	142,473,000	30,208,000	31,899,000	204,580,000
1927.....	368,920,000	19,804,000	147,120,000	30,208,000	33,813,000	211,141,000
1928.....	394,114,000	25,194,000	152,936,000	30,208,000	37,176,000	220,320,000
1929.....	426,914,000	32,800,000	164,522,000	30,208,000	44,007,000	238,737,000
1930.....	473,372,000	46,458,000	176,799,000	30,208,000	53,587,000	260,594,000
1931.....	520,667,000	47,295,000	188,377,000	30,208,000	58,055,000	276,640,000
1932.....	574,419,000	53,752,000	189,635,000	30,208,000	76,902,000	296,745,000
1933.....	594,128,000	19,709,000	187,965,000	30,208,000	76,514,000	294,687,000
1934.....	655,761,000	61,633,000	187,829,000	37,208,000	72,247,000	297,284,000
1935 ¹	674,386,000	18,625,000	187,878,000	37,208,000	70,885,000	295,971,000
1936.....	689,559,000	15,173,000	172,735,000	36,408,000	74,377,000	283,520,000
1937.....	656,460,000	33,099,000*	151,573,000	30,208,000	69,243,000	251,024,000
1938.....	678,075,000	21,615,000	149,621,000	30,208,000	59,952,000	239,781,000
1939.....	712,767,000	34,692,000	147,841,000	30,208,000	56,450,000	234,499,000
1940.....	737,078,000	24,311,000	145,319,000	30,208,000	54,348,000	229,875,000
1941.....	729,648,000	7,430,000*	137,600,000	30,208,000	55,640,000	223,448,000
1942.....	724,771,000	4,877,000*	135,904,000	30,208,000	51,531,000	217,643,000
1943.....	704,864,000	19,907,000*	121,684,000	30,208,000	57,531,000	209,423,000
1944.....	666,528,000	38,336,000*	105,150,000	30,208,000	48,676,000	184,034,000
1945.....	646,484,000	20,044,000*	95,475,000	30,208,000	40,492,000	166,175,000
1946.....	639,315,000	7,169,000*	93,946,000	30,208,000	36,742,000	160,896,000
1947.....	645,221,000	5,906,000	89,513,000	30,208,000	32,414,000	152,134,000
1948.....	628,388,000	16,833,000*	87,850,000	30,208,000	43,577,000	161,635,000
1949.....	628,663,000	275,000	71,868,000	30,208,000	42,912,000	144,988,000
1950.....	694,009,000	65,346,000	70,209,000	30,208,000	84,773,000	185,190,000
1951.....	697,963,000	3,954,000	67,424,000	30,208,000	78,781,000	176,413,000
1952.....	826,228,000	128,265,000	165,692,000	30,208,000	75,693,000	271,593,000
1953.....	896,143,000	69,915,000	203,702,000	30,208,000	58,158,000	292,068,000

GROSS AND NET FISCAL YEARS

Fiscal Year	GROSS CAPITAL DEBT		REVENUE-PRODUCING AND REALIZABLE			
	Total	Yearly Increase or Decrease*	Ontario Hydro	O.N.T.C.	Loans and Cash	Total
1943.....	\$ 695,189,000		\$121,684,000	\$30,208,000	\$43,771,000	\$195,663,000
1944.....	656,806,000	\$ 38,383,000*	105,150,000	30,208,000	35,735,000	171,093,000
1945.....	636,770,000	20,036,000*	95,475,000	30,208,000	28,411,000	154,094,000
1946.....	629,914,000	6,856,000*	93,946,000	30,208,000	25,571,000	149,725,000
1947.....	635,842,000	5,928,000	89,513,000	30,208,000	21,909,000	141,630,000
1948.....	618,754,000	17,088,000*	87,850,000	30,208,000	32,429,000	150,487,000
1949.....	619,414,000	660,000	71,868,000	30,208,000	31,622,000	133,698,000
1950.....	683,978,000	64,564,000	70,209,000	30,208,000	73,541,000	173,958,000
1951.....	687,452,000	3,474,000	67,424,000	30,208,000	67,210,000	164,842,000
1952.....	814,160,000	126,708,000	165,692,000	30,208,000	64,331,000	260,231,000
1953.....	884,231,000	70,071,000	203,702,000	30,208,000	45,489,000	279,399,000
1954.....	1,035,484,000	151,253,000	301,889,000	30,208,000	73,391,000	405,488,000
1955.....	1,066,161,000	30,677,000	300,033,000	30,208,000	75,195,000	405,436,000
1956.....	1,072,409,000	6,248,000	292,633,000	30,208,000	44,262,000	367,103,000
1957.....	1,196,708,000	124,299,000	340,878,000	30,208,000	67,344,000	438,430,000

¹Population is computed at the fiscal year end on the assumption that a uniformly equal change occurred in each of the twelve months between the annual June estimates of the Dominion Bureau of Statistics.

²Five months ended March 31st.

NOTE—Actual figures to nearest \$1,000.

DEBT, ONTARIO, 1914 TO 1953

ASSETS		NET DEBT		Population ¹	Per Capita Net Debt	Fiscal Year
Yearly Increase or Decrease*	Total	Yearly Increase or Decrease*	Total			
.....	\$ 6,294,000	.....	2,713,000	\$ 2.32	1914
\$ 5,384,000	9,469,000	\$ 3,175,000	2,719,000	3.48	1915	
10,001,000	8,529,000	940,000*	2,718,000	3.14	1916	
4,081,000	6,937,000	1,592,000*	2,732,000	2.54	1917	
12,656,000	7,765,000	828,000	2,763,000	2.81	1918	
16,373,000	13,115,000	5,350,000	2,820,000	4.65	1919	
20,490,000	22,855,000	9,740,000	2,893,000	7.90	1920	
53,430,000	44,609,000	21,754,000	2,953,000	15.11	1921	
15,307,000	60,045,000	15,436,000	2,994,000	20.06	1922	
16,903,000	100,978,000	40,933,000	3,032,000	33.30	1923	
20,468,000	118,993,000	18,015,000	3,081,000	38.62	1924	
10,705,000*	132,581,000	13,588,000	3,133,000	42.32	1925	
4,770,000	144,536,000	11,955,000	3,187,000	45.35	1926	
6,561,000	157,779,000	13,243,000	3,244,000	48.64	1927	
9,179,000	173,794,000	16,015,000	3,301,000	52.65	1928	
18,417,000	188,177,000	14,383,000	3,356,000	56.07	1929	
21,857,000	212,778,000	24,601,000	3,405,000	62.49	1930	
16,046,000	244,027,000	31,249,000	3,449,000	70.75	1931	
20,105,000	277,674,000	33,647,000	3,489,000	79.59	1932	
2,058,000*	299,441,000	21,767,000	3,525,000	84.95	1933	
2,597,000	358,477,000	59,036,000	3,557,000	100.78	1934	
1,313,000*	378,415,000	19,938,000	3,570,000	106.00	1935	
12,451,000*	406,039,000	27,624,000	3,601,000	112.76	1936	
32,496,000*	405,436,000	603,000*	3,632,000	111.63	1937	
11,243,000*	438,294,000	32,858,000	3,666,000	119.56	1938	
5,282,000*	478,268,000	39,974,000	3,702,000	129.19	1939	
4,624,000*	507,203,000	28,935,000	3,741,000	135.58	1940	
6,427,000*	506,200,000	1,003,000*	3,781,000	133.88	1941	
5,805,000*	507,128,000	928,000	3,868,000	131.11	1942	
8,220,000*	495,441,000	11,687,000*	3,910,000	126.71	1943	
25,389,000*	482,494,000	12,947,000*	3,955,000	122.00	1944	
17,859,000*	480,309,000	2,185,000*	3,994,000	120.26	1945	
5,279,000*	478,419,000	1,890,000*	4,078,000	117.32	1946	
8,762,000*	493,087,000	14,668,000	4,162,000	118.47	1947	
9,501,000	466,753,000	26,334,000*	4,259,000	109.59	1948	
16,647,000*	483,675,000	16,922,000	4,361,000	110.91	1949	
40,202,000	508,819,000	25,144,000	4,456,000	114.19	1950	
8,777,000*	521,550,000	12,731,000	4,577,000	113.95	1951	
95,180,000	554,635,000	33,085,000	4,757,000	116.59	1952	
20,475,000	604,075,000	49,440,000	4,916,000	122.88	1953	

CAPITAL DEBT, ONTARIO, 1943 TO 1957

ASSETS		NET CAPITAL DEBT		Population ¹	Per Capita Net Capital Debt	Fiscal Year
Yearly Increase or Decrease*	Total	Yearly Increase or Decrease*	Total			
.....	\$499,526,000	.....		3,910,000	\$127.76	1943
\$ 24,570,000*	485,713,000	\$ 13,813,000*		3,955,000	122.81	1944
16,999,000*	482,676,000	3,037,000*		3,994,000	120.85	1945
4,369,000*	480,189,000	2,487,000*		4,078,000	117.75	1946
8,095,000*	494,212,000	14,023,000		4,162,000	118.74	1947
8,857,000	468,267,000	25,945,000*		4,259,000	109.95	1948
16,789,000*	485,716,000	17,449,000		4,361,000	111.38	1949
40,260,000	510,020,000	24,304,000		4,456,000	114.46	1950
9,116,000*	522,610,000	12,590,000		4,577,000	114.18	1951
95,389,000	553,929,000	31,319,000		4,757,000	116.45	1952
19,168,000	604,832,000	50,903,000		4,916,000	123.03	1953
126,089,000	629,996,000	25,164,000		5,086,000	123.87	1954
52,000*	660,725,000	30,729,000		5,241,000	126.07	1955
38,333,000*	705,306,000	44,581,000		5,382,000	131.05	1956
71,327,000	758,278,000	52,972,000		5,586,000	135.75	1957

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POPULATION

Ontario's population is continuing to increase at one of the fastest rates in the world. At the beginning of 1958, our population is estimated to have reached 5,750,000, which represents an increase of about 18,000 per month throughout 1957. The rate of growth is expected to decline in 1958 but even with a substantial drop in the level of immigration we can expect to gain about 12,000 persons per month. Although all of North America is sharing in the present population surge, Ontario's growth has been exceptional. During 1957, our population increased by about 210,000 or nearly 4 per cent. Our rate of increase, therefore, exceeded that of Canada as a whole, which was 3.1 per cent, and that of the United States, which was 1.8 per cent.

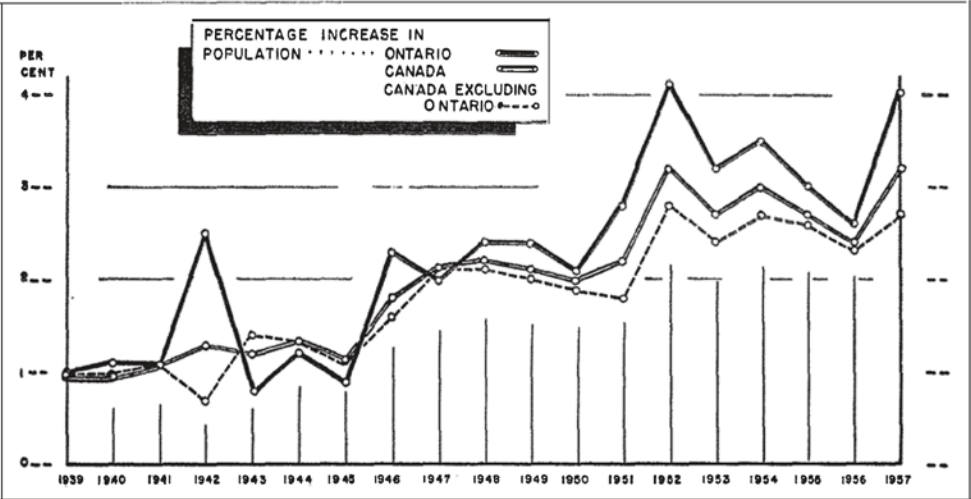
Natural increase and immigration are both contributing to this tremendous population growth. Many factors have contributed to the rising rate of natural increase. Among the most significant of these are the trends towards earlier marriages, larger families and longer life expectancy. In 1957, the rate of natural increase reached a record of 18.5 per thousand population—almost triple the rate of the 1930's. Immigration to Canada was also exceptional last year, totalling over 282,000, the highest since 1914; a record number of these, 147,000, came to Ontario.

Over the long term, changes in birth rates in this country and the successive waves of immigration have resulted in some unusual bulges and gaps in the age distribution of our population. Because of the very high birth rates since World War II, some 22.3 per cent of the population, or more than one in every five persons, is under ten years of age. On the other hand, the number of young people now reaching working age is proportionately very small because of the low birth rates of the thirties. Thus in 1957, only 13.3 per cent of the total population fell between the ages of 15 and 24 as compared with a proportion varying between 17 and 20 per cent between 1901 and 1941. The next 8 to 10 years may show some falling off in birth rates as these young people—constituting a smaller proportion of the population than hitherto—move into the main family formation age group of 25 to 35. However, if immigration continues at a reasonably high level, the decline in birth rates may be fairly small, as recent experience has shown more than half the immigrants to be between 20 and 25 years of age. There will undoubtedly be another rapid population increase starting about 1965 when the present large group under 15 reach marrying age.

POPULATION INCREASE IN ONTARIO, CANADA EXCLUDING ONTARIO,
AND ALL OF CANADA, BY CENSUS YEARS, 1871 TO 1951, AND
BY YEARS, 1939 TO 1957

Year	Ontario			Canada Excluding Ontario			All of Canada		
	Population No. (000's)	Increase No. (000's)	Per Cent	Population No. (000's)	Increase No. (000's)	Per Cent	Population No. (000's)	Increase No. (000's)	Per Cent
By Census Years, 1871 to 1951, Showing Decennial Increase									
1871	1,621	225	16.1	2,068	235	12.8	3,689	460	14.2
1881	1,927	306	18.9	2,398	330	16.0	4,325	636	17.2
1891	2,114	187	9.7	2,719	321	13.4	4,833	508	11.7
1901	2,183	69	3.3	3,188	469	17.2	5,371	538	11.1
1911	2,527	344	15.8	4,680	1,492	46.8	7,207	1,836	34.2
1921	2,934	407	16.1	5,854	1,174	25.1	8,788	1,581	21.9
1931	3,432	498	17.0	6,945	1,091	18.6	10,377	1,589	18.1
1941	3,788	356	10.4	7,719	774	11.1	11,507	1,130	10.9
1951	4,598	810	21.4	9,411	1,692 ¹	21.9	14,009	2,502 ¹	21.7
By Years, 1939 to 1957, Showing Annual Increase									
1939	3,708	36	1.0	7,559	79	1.1	11,267	115	1.0
1940	3,747	39	1.1	7,634	75	1.0	11,381	114	1.1
1941	3,788	41	1.1	7,719	85	1.1	11,507	126	1.1
1942	3,884	96	2.5	7,770	51	0.7	11,654	147	1.3
1943	3,915	31	0.8	7,880	110	1.4	11,795	141	1.2
1944	3,963	48	1.2	7,983	103	1.3	11,946	151	1.3
1945	4,000	37	0.9	8,072	89	1.1	12,072	126	1.1
1946	4,093	93	2.3	8,199	127	1.6	12,292	220	1.8
1947	4,176	83	2.0	8,375	176	2.1	12,551	259	2.1
1948	4,275	99	2.4	8,548	173	2.1	12,823	272	2.2
1949	4,378	103	2.4	9,069	521 ¹	6.1	13,447	624 ¹	4.9
1950	4,471	93	2.1	9,241	172	1.9	13,712	265	2.0
1951	4,598	127	2.8	9,411	170	1.8	14,009	297	2.2
1952	4,788	190	4.1	9,671	260	2.8	14,459	450	3.2
1953	4,941	153	3.2	9,904	233	2.4	14,845	386	2.7
1954	5,115	174	3.5	10,172	268	2.7	15,287	442	3.0
1955	5,266	151	3.0	10,432	260	2.6	15,698	411	2.7
1956	5,405	139	2.6	10,676	244	2.3	16,081	383	2.4
1957	5,622	217	4.0	10,967	291	2.7	16,589	508	3.2

¹Newfoundland's entry into Confederation in 1949 accounted for 361,000 of the increase occurring during the decade 1941-1951 and for 345,000 of the increase shown in 1949.
Source: Dominion Bureau of Statistics, *Canada Year Book*, 1956; Census of Canada, 1956; estimated population of Canada by Provinces, June 1, 1957.

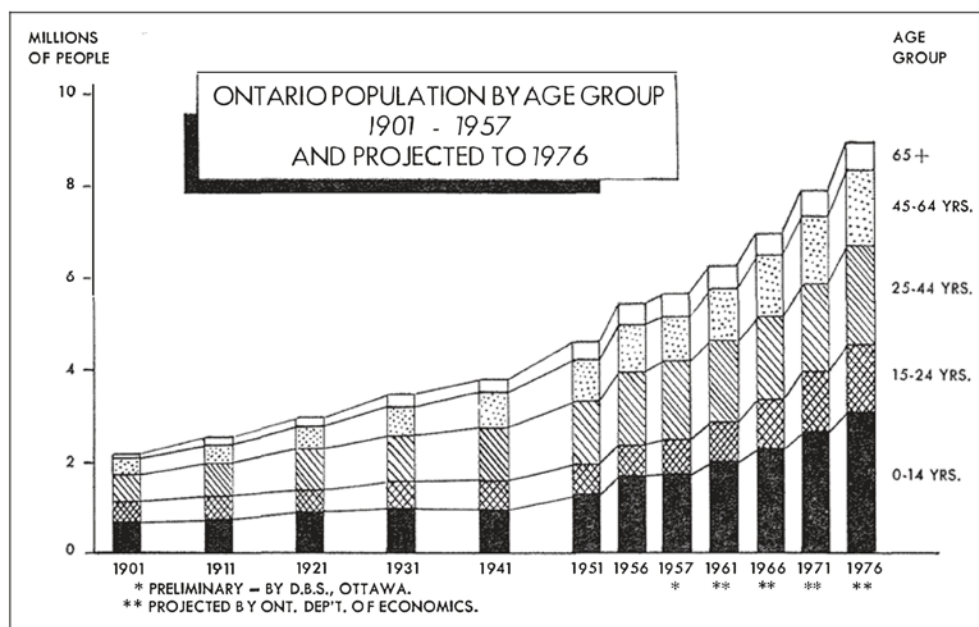


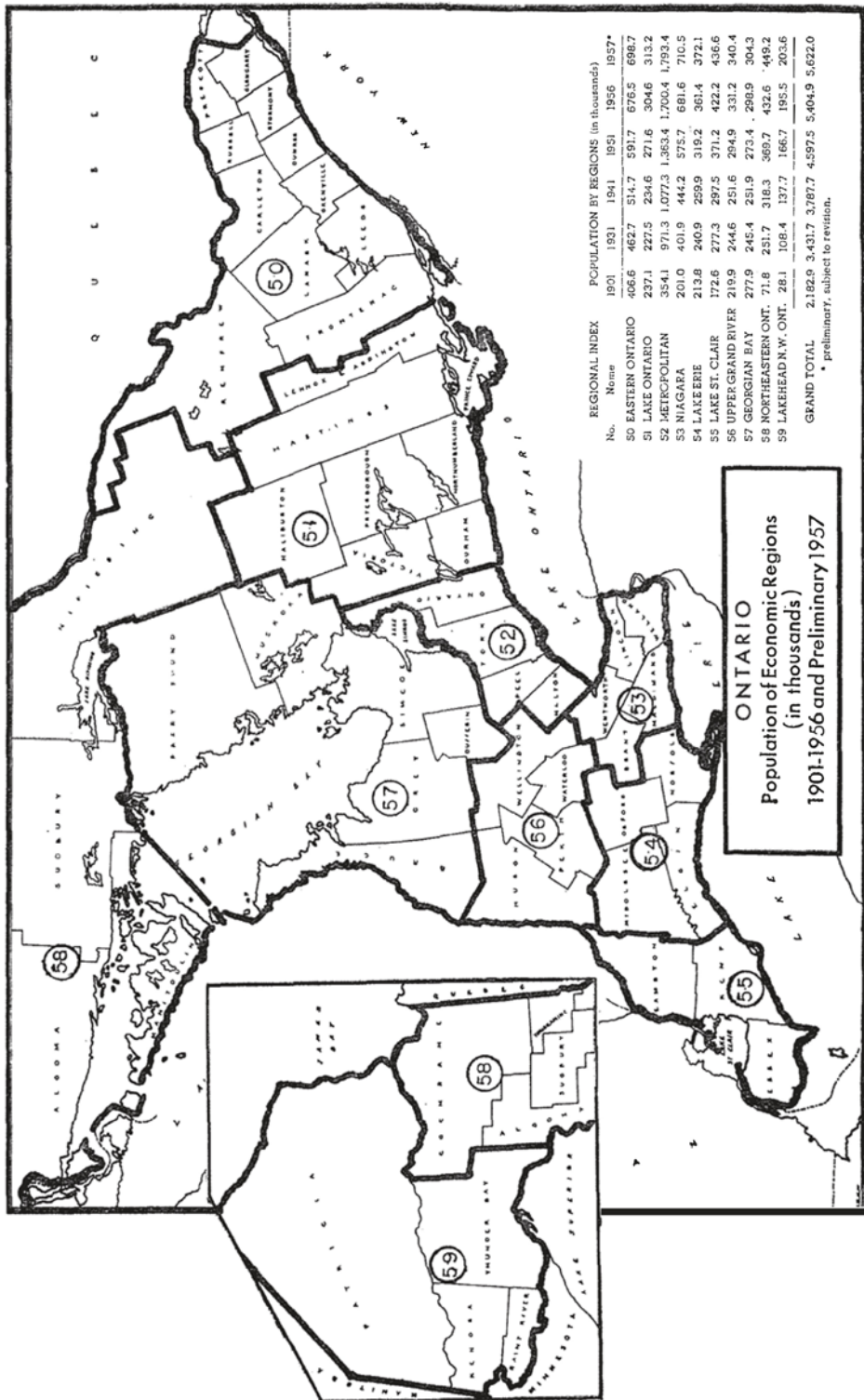
**ONTARIO POPULATION BY AGE GROUP, 1901 TO 1957,
PROJECTED TO 1976**

Year	0-14 (000's)	15-24 (000's)	25-44 (000's)	45-64 (000's)	65+ (000's)
1901.....	685.2	445.7	604.5	326.9	120.6
1911.....	741.3	488.0	746.1	409.1	142.8
1921.....	885.4	494.9	869.5	511.6	172.3
1931.....	958.9	610.2	992.3	636.1	234.2
1941.....	924.2	663.2	1,121.0	778.1	301.2
1951.....	1,239.3	668.0	1,381.5	908.4	400.4
1957*.....	1,708.8	747.0	1,663.5	1,041.1	461.6
1961**.....	2,005.0	857.0	1,752.0	1,165.0	470.0
1966**.....	2,294.0	1,073.0	1,817.0	1,302.0	504.0
1971**.....	2,662.0	1,290.0	1,908.0	1,483.0	555.0
1976**.....	3,089.0	1,492.0	2,132.0	1,633.0	627.0

*Intercensal estimate, Dominion Bureau of Statistics.

**Projections by the Ontario Department of Economics.





Regional Distribution of Population Growth

The impact of the spectacular population growth of recent years is even more startling when we consider its geographical concentration. A close look at the relative growth rates of the various regions of the Province shows that a disproportionately large part of the increase is occurring in the heavily industrialized southern part of the Province. During recent years, more than two-fifths of the total provincial population increase has occurred in the four counties of the Metropolitan Region and almost 30 per cent in Metro Toronto proper. Another 13 per cent of the increase was in the Niagara Region. Together, the Metropolitan and Niagara Regions, extending around Lake Ontario from Oshawa to Niagara Falls, have had an estimated population increase of well over 100,000 during the past year, and we can expect a further addition of about 75,000 during the coming year. The Nickel Range and the Sault are also growing at a much more rapid rate than the Province as a whole and, together, they probably accounted for between 15,000 and 20,000 of last year's increase.

VITAL STATISTICS

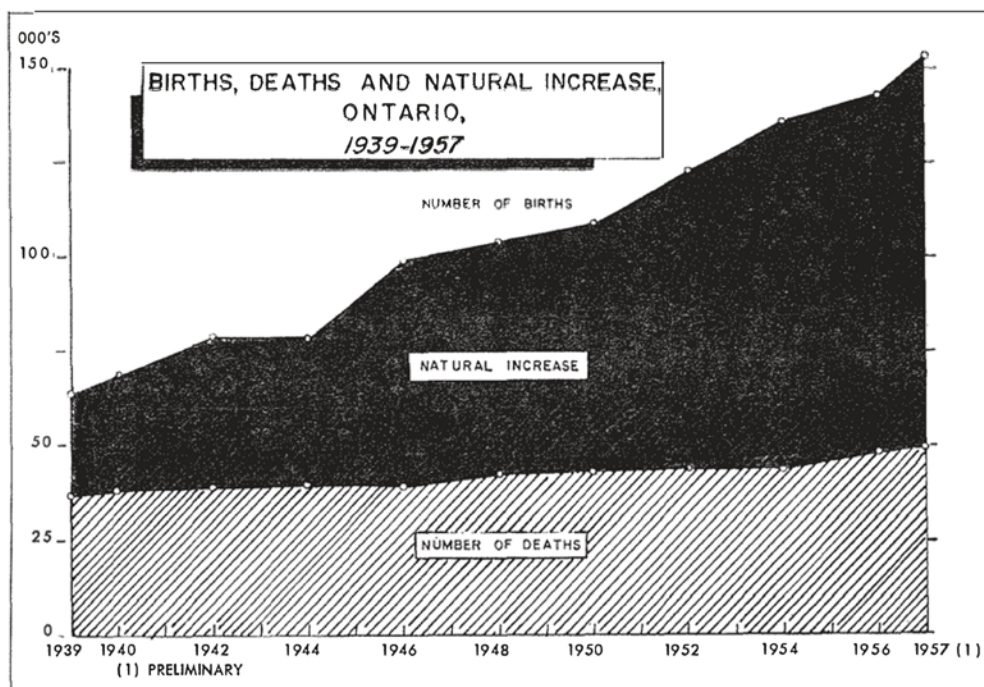
One of the most surprising developments of recent years has been the tremendous increase in birth rates. It had long been felt that we would have a declining birth rate by about 1955 as a result of the low birth rates of the twenties and thirties. On the contrary, our birth rate has continued to climb and in 1957 there were more than 150,000 babies born in Ontario, or 27.4 per thousand population. This rise occurred despite the fact that the proportion of the population in the child-bearing age groups has declined from 23.1 per cent in 1941 to 21.2 per cent in 1957.

Another factor which has had a significant effect on population growth has been the gradual lengthening of the average life span. Improved medicine, increasing use of hospital treatment and better nutrition and sanitation have greatly extended average life expectancy. The average age at death in Ontario has increased from 42 for men and 46 for women in 1921 to 60 for men and close to 65 for women. In 1957, there were only 8.8 deaths per thousand population as compared with 10.1 in 1939 and 11.8 in 1921. The rate for infant deaths has shown the greatest improvement. Stillbirths declined from 46.6 per thousand live births in 1921 to 13.7 in 1956 and infant deaths from over 90 per thousand live births to about 25 in 1956.

ONTARIO VITAL STATISTICS, 1939 TO 1957

Year	Population at June 1	Births	Birth Rate per 1,000 Popu- lation	Deaths	Death Rate per 1,000 Popu- lation	Natural Increase	Natural Increase Rate per 1,000 Popu- lation
1939	3,708,000	64,123	17.3	37,530	10.1	26,593	7.2
1940	3,747,000	68,524	18.3	38,503	10.3	30,021	8.0
1941	3,787,655	72,262	19.1	39,226	10.4	33,036	8.7
1942	3,884,000	78,192	20.1	39,119	10.1	39,073	10.0
1943	3,915,000	81,173	20.7	41,063	10.5	40,110	10.2
1944	3,963,000	78,090	19.7	39,781	10.0	38,309	9.7
1945	4,000,000	78,974	19.7	39,499	9.9	39,475	9.8
1946	4,093,000	97,446	23.8	39,758	9.7	57,688	14.1
1947	4,176,000	108,853	26.1	41,619	10.0	67,234	16.1
1948	4,275,000	104,195	24.4	42,364	9.9	61,831	14.5
1949	4,378,000	106,601	24.3	43,379	9.9	63,222	14.4
1950	4,471,000	108,708	24.3	43,948	9.8	64,760	14.5
1951	4,597,542	114,827	25.0	43,981	9.6	70,846	15.4
1952	4,788,000	123,891	25.9	44,402	9.3	79,489	16.6
1953	4,941,000	129,771	26.3	45,242	9.2	84,529	17.1
1954	5,115,000	136,261	26.6	44,515	8.7	91,746	17.9
1955	5,266,000	139,554	26.5	45,434	8.6	94,120	17.9
1956	5,404,933	143,516	26.6	47,231	8.7	96,285	17.8
1957	5,622,000	153,773	27.4	49,597	8.8	104,176	18.5

Source: Dominion Bureau of Statistics, *Vital Statistics*, 1955; Census of Canada, 1956; estimated population of Canada by Provinces, 1957.



IMMIGRATION

The past year has seen the largest inflow of immigrants in the history of the Province. Immigration to Canada totalled 282,000 in 1957, the highest since 1914, and more than half of the new entrants named Ontario as their destination. Thus there were 147,000 immigrant arrivals in the Province in 1957 as compared with the previous peak of 123,000 in the fiscal year 1913-14 and an annual average of 66,000 between 1946 and 1956.

There were many factors influencing this heavy inflow from abroad, but the major forces were our own serious labour shortages in 1956 and the uncertain political atmosphere in Europe. Last year, there were more than 30,000 immigrants from Hungary, as compared with an annual average of about 1,500 since 1946. The largest increase in immigration was from the United Kingdom, with a total of 114,000 this past year, as compared with only 53,000 in 1956 and a post-war average of about 38,000 per year. Other large groups of immigrants were: 28,000 from Italy, 28,000 from Germany, 12,000 from the Netherlands, 11,000 from the United States of America, 10,000 from the Scandinavian countries, and about 6,000 from France.

**IMMIGRANTS TO CANADA (BY COUNTRY OF LAST PERMANENT RESIDENCE)
AND ONTARIO, AND RATES PER 1,000 POPULATION, 1939 TO 1957**

Year	CANADA					ONTARIO		
	IMMIGRANTS FROM:				Rate per	Rate per		ONTARIO AS % OF CANADA
	U.K. ¹	U.S.A.	Other Countries	All Countries	1,000 Popu- lation	Number	1,000 Popu- lation	
1939	3,098	5,654	8,242	16,994	1.5	5,957	1.6	35.1
1940	1,509	7,135	2,680	11,324	1.0	4,447	1.2	39.3
1941	443	6,594	2,292	9,329	0.8	3,365	0.9	36.1
1942	674	5,100	1,802	7,576	0.7	3,315	0.9	43.8
1943	1,133	4,401	2,970	8,504	0.7	3,852	1.0	45.3
1944	4,684	4,510	3,607	12,801	1.1	5,361	1.4	41.9
1945	10,853	6,394	5,475	22,722	1.9	9,342	2.3	41.1
1946	50,950	11,474	9,295	71,719	5.8	29,604	7.2	41.3
1947	35,892	9,444	18,791	64,127	5.1	35,543	8.5	55.4
1948	43,639	7,393	74,382	125,414	9.8	61,621	14.4	49.1
1949	21,664	7,756	65,797	95,217	7.1	48,607	11.1	51.0
1950	13,121	7,821	52,970	73,912	5.4	39,041	8.7	52.8
1951	32,199	7,755	154,437	194,391	13.9	104,842	22.8	53.9
1952	46,007	9,333	109,158	164,498	11.4	86,059	18.0	52.3
1953	48,695	9,407	110,766	168,868	11.4	90,120	18.2	53.4
1954	45,179	10,131	98,917	154,227	10.1	83,029	16.2	53.8
1955	30,420	10,395	69,131	109,946	7.0	57,563	10.9	52.4
1956	52,619	9,777	102,461	164,857	10.3	90,662	16.8	55.0
1957	114,347	11,008	152,970	282,164	17.0	147,097	26.1	52.1

¹Includes immigrants from Southern Ireland.

Source: 1939-1953—*Canada Year Book*, 1947, p. 134; 1950, p. 186; 1951, p. 143; 1955, p. 168; 1956, p. 182; 1954-1957—Memo from the Department of Citizenship and Immigration, Ottawa.

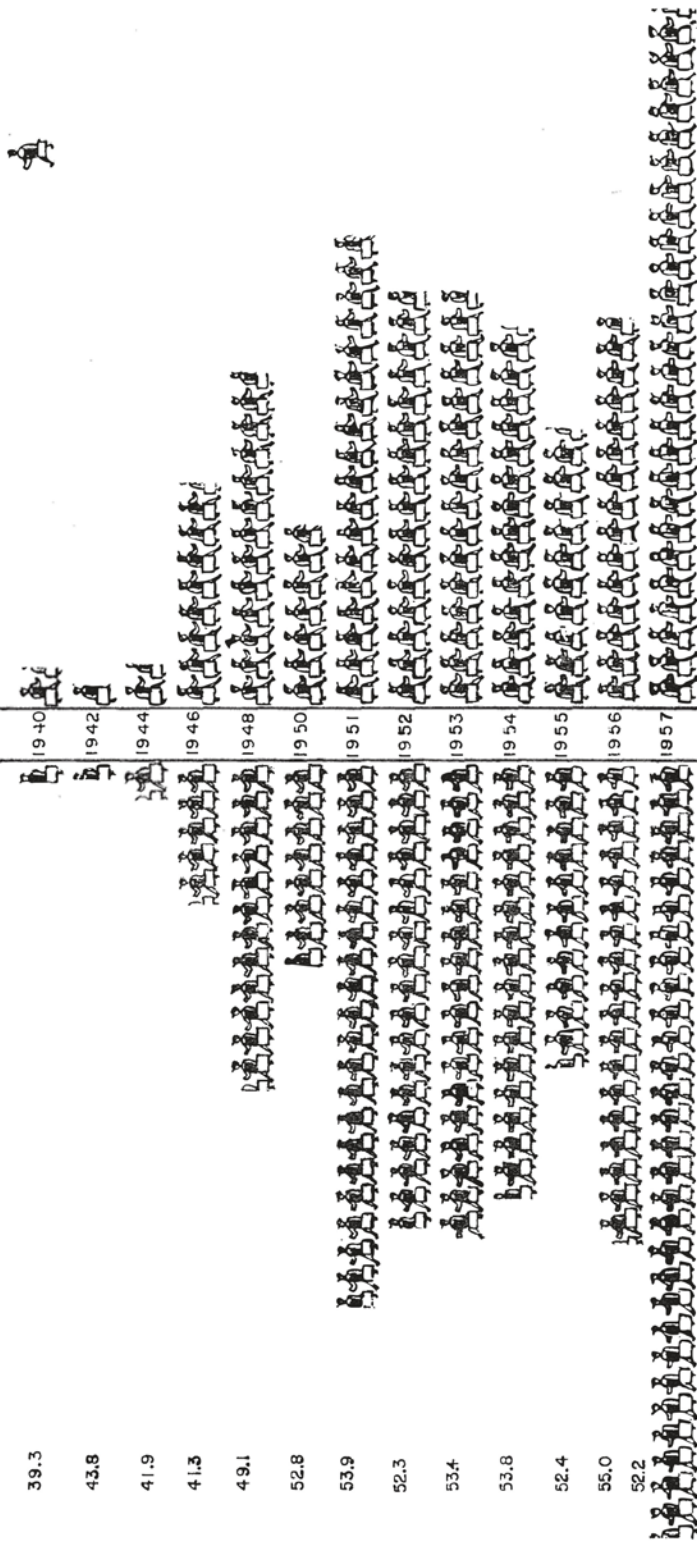
IMMIGRATION

ONTARIO
AS % OF
CANADA

TO
ONTARIO

TO REST OF
CANADA

EACH HUMAN FIGURE
REPRESENTS 5,000
PEOPLE PER YEAR



SCALE -- NO. OF PERSONS IN 000'S

THE LABOUR FORCE

The past year saw another record number of new entrants to Ontario's work force. The Province's labour force was reinforced by more than 75,000 workers, bringing the total increase during the past two years to about 150,000. This is almost half as many as were added during the ten years from 1945 to 1955. The labour force averaged 2,174,000 during 1957 and at the August peak reached a total of 2,247,000.

These exceptionally large additions to the labour force are largely the result of the rapid rate of immigration during the past two years. Of the 75,000 net addition to the work force last year, approximately 60,000 were immigrant arrivals and 15,000 represented the Province's own natural increase in the working population.

Employment also increased substantially during the past year, averaging 2,106,000 in 1957 as compared with 2,055,000 in 1956. However, a slowing down in private investment during the latter half of the year along with a slackening demand for some consumer durables resulted in a decline in the rate of hiring. Although average employment was 51,000 higher this year than last, unemployment was also considerably higher than usual, particularly during the final quarter of the year. Unemployment averaged 68,000 or 3.1 per cent of the total work force in 1957 as compared with 2.0 per cent in 1956, 3.0 per cent in 1955 and 3.5 per cent in 1954. The Ontario employment situation is consistently brighter than that of either Canada as a whole or the United States of America, in both of which, unemployment averaged 4.3 per cent of the labour force during 1957.

During and since World War II, there has been a fairly rapid shift in the industrial distribution of the work force. Nearly all industries in the Province have been expanding both in production and in employment but some have had proportionately larger increases than others. The transportation, storage, finance, insurance, public utility and other service industries have shown the largest employment increases, almost doubling in the past 25 years. These now employ more than half of the Province's total work force and the trend appears to be continuing upward. The manufacturing industries have also shown striking employment increases. In 1957, an estimated 660,000 people, or more than 30 per cent of the total labour force, were engaged in the various branches of manufacturing, while in 1931 these industries employed only about 310,000 or 23 per cent of the Province's workers. The largest proportionate increases occurred during the early part of the period, between 1931 and 1941, and there has been only a very gradual increase since 1951. The primary industries have shown an absolute decline in employment. In 1957, these basic industries employed an estimated 258,000 workers, or less than 12 per cent of the total labour force, as compared with nearly 15 per cent in 1951 and more than 26 per cent in 1931. The agricultural work force has declined from about 300,000 immediately prior to World War II to 189,000 in 1957, while the forests and mines are employing a fairly stable or rising number of workers.

LABOUR FORCE, BY SEX, AND FEMALE MEMBERS AS PERCENTAGE OF TOTAL LABOUR FORCE

	1901	1911	1921	1931	1941 ¹	1951	1957
	(thousands)						
Male.....	646	836	922	1,111	1,167	1,423	1,594
Female.....	109	155	195	255	323	444	580
%.....	14.4	15.6	17.4	18.7	21.7	23.8	26.7

¹Excluding members of the armed forces.

NOTE: 1901-1921 data are "Gainfully Occupied", from Census of Canada; 1931 data are estimates based on the Census but calculated according to the Labour Force definition; 1941 data are from Census of Canada; 1951 and 1957 data are annual averages of the labour force, Dominion Bureau of Statistics, *Labour Force Survey*.

INDUSTRIAL DISTRIBUTION OF LABOUR FORCE¹ IN ONTARIO

	1931	1941	1951	1956*	1957*
	(thousands)				
Primary Industries.....	355	335	277 ²	270 ³	259 ³
Manufacturing.....	314	460	615	655	662
Construction.....	96	82	127	152	163
Transportation, Storage, Communication, Trade, Finance and Other Services ..	601	613	866	1,021	1,090
	1,366	1,490	1,885 ²	2,098	2,174

¹Persons who were not employed or did not state their industrial affiliation were distributed in proportion to those classified in the industries.

²The total for the agricultural labour force was adjusted to correspond with the labour force survey data. Agricultural labour force in the Survey exceeded Census data by about 20,000.

³*Labour Force Survey*.

*Estimated.

ONTARIO'S LABOUR FORCE AND THE WORKING AGE GROUPS IN THE POPULATION AS A PROPORTION OF THE TOTAL POPULATION

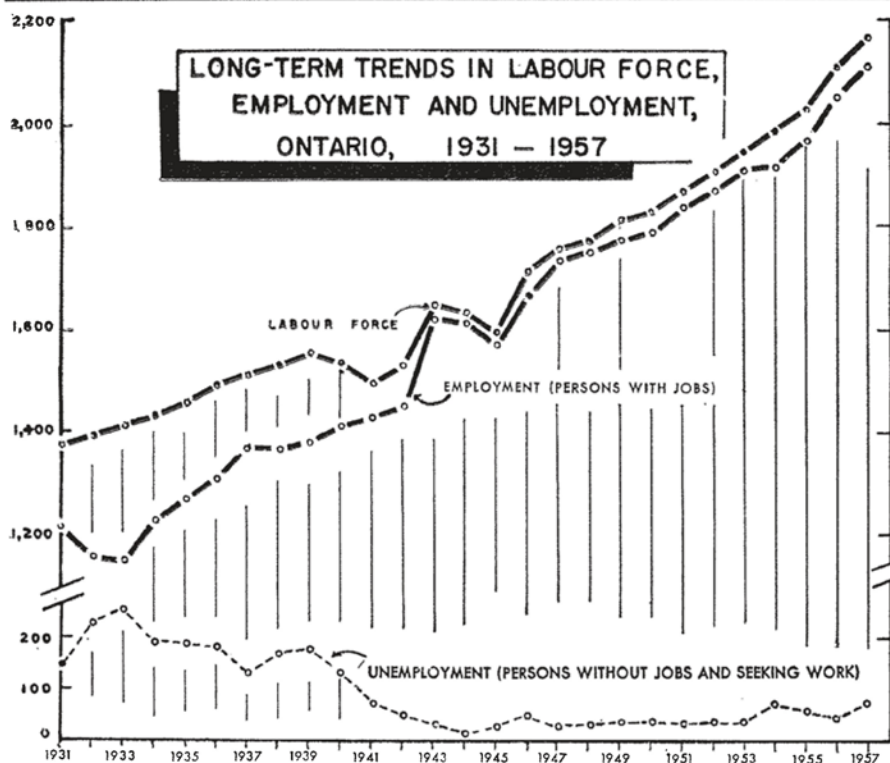
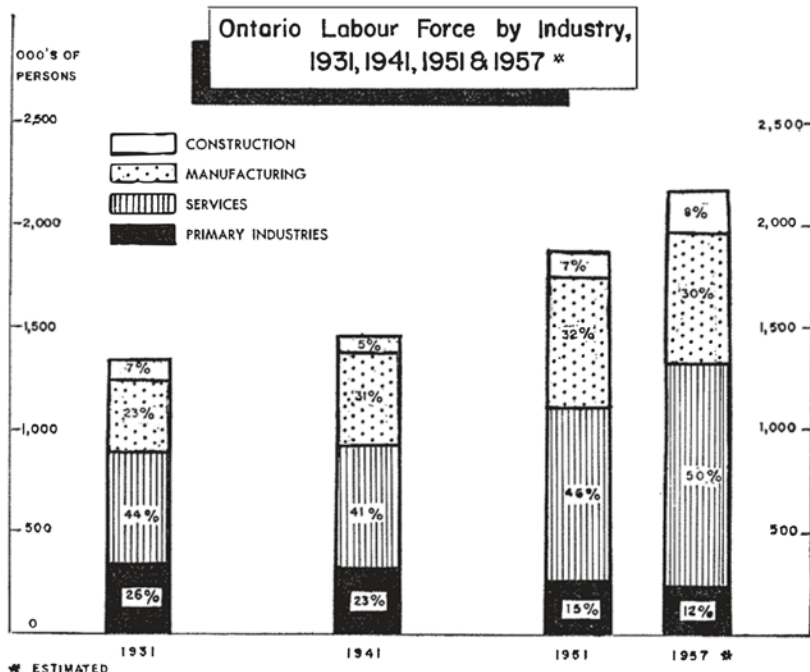
	Labour Force ¹			The Labour Force as a % of the Total Population			The Working Age Groups (14-64) in the Population as a Proportion of Total Population		
	Male	Female (thousands)	Total	Male %	Female %	Total %	Male %	Female %	Total %
1901	646	109	754	58.9 ²	10.0 ²	34.6 ²	64.7	65.7	65.2
1911	836	155	991	64.3	12.6	39.2	67.4	66.3	66.9
1921	922	195	1,117	62.2	13.4	38.1	65.7	65.8	65.8
1931	1,111	255	1,366	63.5	15.2	39.8	67.4	66.6	67.0
1941	1,284 ³	323 ³	1,608 ³	66.8 ³	17.3 ³	42.5 ³	69.8	68.9	69.4
1941	1,167 ⁴	323 ⁴	1,490 ⁴	60.7 ⁴	17.3 ⁴	39.3 ⁴			
1946	1,285	417	1,702	62.2	20.6	41.6	68.9	68.5	68.7
1947	1,340	419	1,759	63.6	20.3	42.1	68.3	68.0	68.1
1948	1,364	412	1,776	63.2	19.5	41.5	67.5	67.3	67.4
1949	1,388	427	1,815	62.8	19.7	41.5	67.0	66.8	66.9
1950	1,395	430	1,825	62.1	19.4	40.8	66.6	66.3	66.5
1951	1,423	444	1,867	61.5	19.4	40.6	65.8	65.6	65.7
1952	1,453	453	1,906	60.2	19.1	39.8	65.1	65.0	65.0
1953	1,484	458	1,942	59.6	18.7	39.3	64.7	64.4	64.6
1954	1,499	488	1,987	58.1	19.3	38.8	64.2	63.9	64.0
1955	1,519	506	2,025	57.2	19.4	38.5	63.7	63.3	63.5
1956	1,550	548	2,098	57.0	20.4	38.8	63.3	62.9	63.1
1957	1,594	580	2,174	56.2	20.8	38.7	63.1	62.6	62.9

¹"Gainfully Occupied" rather than "Labour Force" status was used prior to 1931. For 1931 an estimate was made of those in "Labour Force" definition not included in "Gainfully Occupied". Data for 1911 to 1941 are from the Census; 1946 to 1952 is an annual average of quarterly data, and 1953 to 1957, an annual average of monthly data from the Dominion Bureau of Statistics' *Labour Force Survey*.

²Indians were included in the population, but not in the labour force.

³Labour Force including the Armed Services.

⁴Labour Force excluding those in the Armed Services.



SOURCE: 1931-1945 ESTIMATED BY DEPARTMENT OF ECONOMICS, ONTARIO.
1946-1957 ANNUAL AVERAGES, D.B.S. LABOUR FORCE SURVEY.

PERSONAL INCOME AND ITS COMPONENTS

Personal Income

In 1957, total personal income in Ontario rose by nearly 6 per cent over the 1956 level, establishing an all-time high of more than \$9.1 billion—nearly two and one-half times the 1945 total and better than five times the \$1,766 million in 1939. This advance reflected both the record level of employment and the rise in average salaries and wages and other types of income during the first three quarters of the year. New high levels were achieved in two of the main components of personal income: Wages, Salaries and Supplementary Labour Income and Interest, Dividends and Net Rental Income.

Ontario accounted for about 40 per cent of Canada's total personal income which rose to an estimated \$23 billion. Personal income in 1957 averaged \$1,624 for every man, woman and child in the Province, compared with an average of \$1,386 for Canada as a whole.

PERSONAL INCOME, ONTARIO AND CANADA, 1939 TO 1957

Year	ONTARIO		CANADA		ONTARIO AS % OF CANADA
	Amount (Million \$)	Per Capita (\$)	Amount (Million \$)	Per Capita (\$)	
1939	1,766	476	4,320	383	40.9
1940	2,059	550	4,947	435	41.6
1941	2,522	666	5,896	512	42.8
1942	3,002	773	7,475	641	40.2
1943	3,367	860	8,176	693	41.2
1944	3,566	900	9,002	754	39.6
1945	3,729	932	9,239	765	40.4
1946	3,821	934	9,761	794	39.1
1947	4,068	974	10,390	828	39.2
1948	4,608	1,078	11,943	931	38.6
1949	4,953	1,131	12,757	949	38.8
1950	5,303	1,186	13,414	978	39.5
1951	6,083	1,323	15,693	1,120	38.8
1952	6,729	1,405	17,214	1,191	39.1
1953	7,172	1,452	18,132	1,221	39.6
1954	7,380	1,443	18,209	1,191	40.5
1955	7,906	1,501	19,701	1,255	40.1
1956	8,622	1,595	21,706	1,350	39.7
1957 ¹	9,130	1,624	23,000	1,386	39.7

¹Estimated by the Ontario Department of Economics.

Source: Dominion Bureau of Statistics, *National Accounts, Income and Expenditure*, 1926-1950, 1950-1956, 1st, 2nd and 3rd quarters, 1957.

Wages, Salaries and Supplementary Labour Income

Wages, salaries and supplementary labour income in Ontario rose about 7 per cent in 1957 to an estimated \$6.4 billion—almost six times the 1939 level. Comprising 41.7 per cent of the national total, it amounted to \$1,140 per capita, or about \$3,985 per family, as against \$925 and \$3,515, respectively, in Canada as a whole. Ontario's per capita labour income is now almost four times the 1939 level, and as a proportion of total personal income it has increased from 61.8 to 70.1 per cent during the past eighteen years. During 1957, the average labour income per worker in the labour force stood at \$2,940 as compared with \$2,840 in 1956 and \$1,043 in 1941.

WAGES, SALARIES AND SUPPLEMENTARY LABOUR INCOME, ONTARIO AND CANADA, 1939 TO 1957

Year	Total (Million \$)	ONTARIO		Total (Million \$)	CANADA		ONTARIO AS % OF CANADA
		As % of Total Personal Income	Per Capita (\$)		As % of Total Personal Income	Per Capita (\$)	
1939	1,092	61.8	294	2,575	59.6	229	42.4
1940	1,259	61.1	336	2,929	59.2	257	43.0
1941	1,554	61.6	410	3,575	60.6	311	43.5
1942	1,816	60.5	468	4,242	56.7	364	42.8
1943	2,016	59.9	515	4,783	58.5	406	42.1
1944	2,057	57.7	519	4,940	54.9	414	41.6
1945	2,047	54.9	512	4,953	53.6	410	41.3
1946	2,189	57.2	535	5,323	54.5	433	41.1
1947	2,584	63.5	619	6,221	59.9	496	41.5
1948	3,010	65.3	704	7,170	60.0	559	42.0
1949	3,246	65.8	741	7,761	60.8	577	41.8
1950	3,507	66.1	784	8,311	62.0	606	42.2
1951	4,090	67.2	890	9,716	61.9	694	42.1
1952	4,585	68.1	958	10,868	63.1	752	42.2
1953	4,950	69.0	1,002	11,715	64.6	789	42.3
1954	5,044	68.3	986	11,994	65.9	785	42.1
1955	5,378	68.0	1,021	12,810	65.0	816	42.0
1956	5,964	69.2	1,103	14,284	65.8	888	41.8
1957	6,400 ¹	70.1	1,140	15,348	66.7	925	41.7

¹Estimated by the Ontario Department of Economics.

CONSUMER SPENDING

The high levels of employment and personal income in 1957 were matched by a record level of retail sales. In Ontario, the 1957 value of retail trade was 2 per cent greater than for 1956, nearly two and one-half times the 1946 total and more than five times the value in 1939. During the past year 38 per cent of all Canadian retail sales were made in Ontario.

Although motor vehicle dealers' 1957 sales declined by 8 per cent from their record level in 1956, and sales by furniture, appliance and radio stores fell 4 per cent from their 1956 record, all other categories of retail stores showed increases. The grocery and combination stores, which accounted for more than one-fifth of all retail sales, increased their value of sales by 11 per cent to \$1,135 million.

RETAIL TRADE, BY SPECIFIED TYPES OF STORES, ONTARIO, 1939 TO 1957

Year	Total	Grocery and Combination	Motor Vehicle	Garage and Filling Station (Million \$)	Depart- ment	Clothing and Shoe	Furniture, Appliance and Radio	All Other
1939 ¹	1,038.7	175.0	115.0	75.0	110.0	85.0	35.0	443.7
1940 ¹	1,191.1	200.0	130.0	85.0	125.0	100.0	40.0	511.1
1941	1,388.0	230.7	151.3	97.2	146.0	114.9	48.9	599.0
1942	1,446.5	262.7	91.9	55.1	158.0	139.2	46.5	693.1
1943	1,488.0	273.5	77.5	41.9	152.5	147.3	40.1	755.2
1944	1,573.7	290.9	87.1	44.1	162.9	159.4	41.2	788.1
1945	1,773.5	316.0	104.5	51.3	181.6	176.9	47.7	895.5
1946	2,264.5	364.4	201.8	111.4	217.8	205.3	82.3	1,081.5
1947	2,721.1	434.8	291.7	152.3	250.9	226.8	110.5	1,254.1
1948	3,067.2	513.2	320.2	168.9	285.8	249.0	122.8	1,407.3
1949	3,293.6	561.5	384.4	186.4	302.1	255.6	135.2	1,468.4
1950	3,715.4	615.5	544.9	199.9	305.8	248.1	151.2	1,650.0
1951	4,129.8	729.6	699.2	212.6	308.6	290.0	164.1	1,725.7
1952	4,383.3	773.5	769.3	223.4	334.2	303.0	201.4	1,778.5
1953	4,615.9	815.9	845.6	240.1	342.6	307.3	222.3	1,842.1
1954	4,634.5	887.7	748.4	277.5	353.3	295.1	218.7	1,853.8
1955	5,115.2	944.2	938.0	313.5	383.8	301.2	228.3	2,006.2
1956	5,498.6	1,025.6	943.9	357.3	413.4	323.0	246.6	2,188.8
1957 ²	5,612.0	1,134.5	868.4	379.4	427.3	323.4	237.4	2,241.6

¹Component data are estimated.

²Preliminary.

Source: Dominion Bureau of Statistics, *Retail Trade* (annual), 1952-1956; *Retail Trade* (monthly), December, 1957.

HOUSEHOLD FACILITIES AND EQUIPMENT

The marked rise in living standards enjoyed by the people of Ontario during the past 16 years is illustrated by the increased proportion of households using certain facilities and equipment in 1957 compared with 1941. Nearly three-quarters of Ontario homes are now owner-occupied, 98 per cent are supplied with electricity, 96 per cent have a radio, 95 per cent have a refrigerator, more than 85 per cent have a telephone and better than 70 per cent have at least one automobile. Over three-quarters of all Ontario households have a television set.

While the total number of occupied dwellings in the Province was half again as large in 1957 as in 1941, both the number of owner-occupied dwellings and the number of dwellings with a water supply piped inside doubled. The number of homes with a telephone was more than two and one-half times as large as in 1941 and the growth in the number having a refrigerator indicated a comparable increase. The number of dwellings with one or more automobiles rose by more than 120 per cent over the period. Those with installed bath facilities increased by 110 per cent, while the number supplied with electricity expanded by nearly 90 per cent. Nearly four times as many homes had a television set in 1957 as in 1953.

HOUSEHOLD FACILITIES AND EQUIPMENT, ONTARIO, 1941, 1951 AND 1953 TO 1957

NUMBER AND PROPORTION OF DWELLINGS

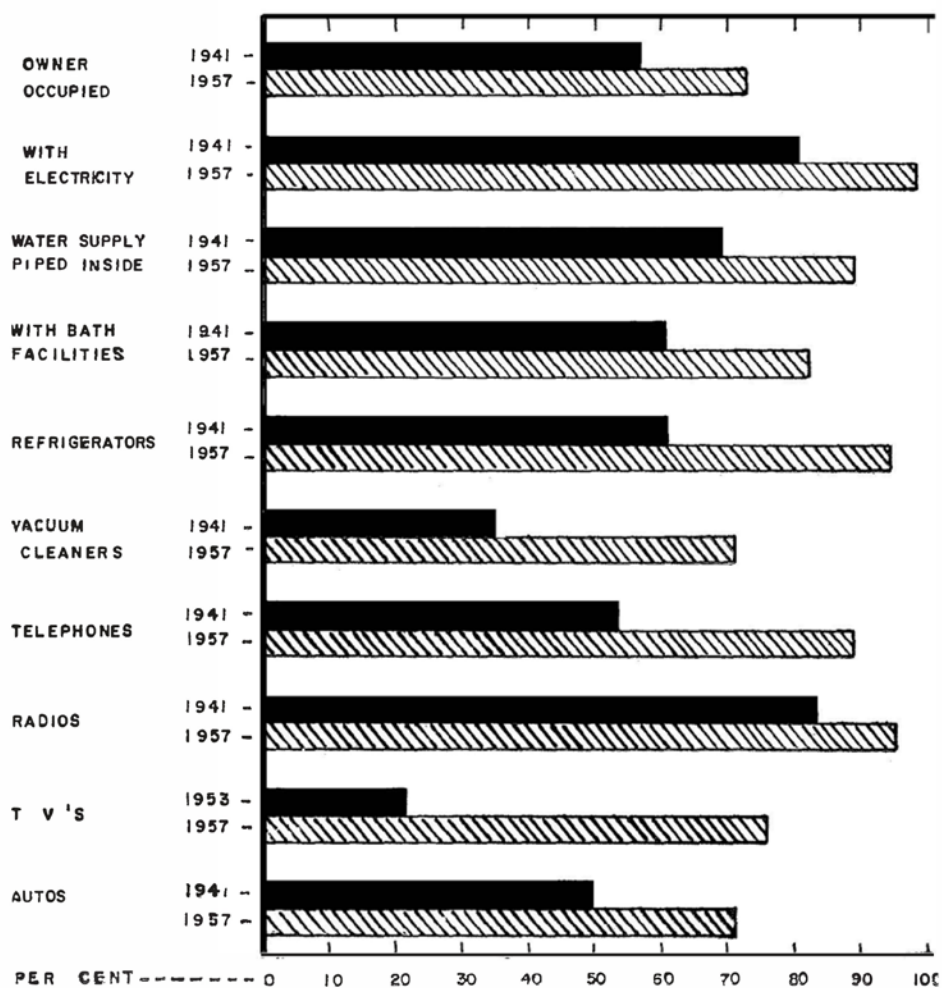
Year	Total Occupied		Owner-Occupied		Supplied with Electricity		Water Supply Piped Inside		Installed Bath Facilities	
	No. (000's)		No. (000's)	%	No. (000's)	%	No. (000's)	%	No. (000's)	%
1941	911		515	56.5	738	81.0	630	69.2	553	60.7
1951	1,181		821	69.5	1,111	94.1	971	82.2	860	72.8
1953	1,266		918	72.5	1,233	97.4	1,083	85.5	972	76.8
1954	1,311		969	73.9	1,276	97.3	1,110	84.7	1,002	76.4
1955	1,333		990	74.3	1,300	97.5	1,144	85.8	1,045	78.4
1956	1,370		1,005	73.4	1,342	98.0	1,212	88.5	1,111	81.1
1957	1,410		1,028	72.9	1,388	98.4	1,257	89.1	1,158	82.1

Year	Refrigerators ¹		Telephones		Radios		TV's		Automobiles	
	No. (000's)	%	No. (000's)	%	No. (000's)	%	No. (000's)	%	No. (000's)	%
1941	555	60.9	476	52.3	759	83.3	..	..	450	49.4
1951	965	81.7	865	73.2	1,098	93.0	..	..	640	54.2
1953	1,140	90.0	1,016	80.3	1,229	97.1	272	21.5	818	64.6
1954	1,188	90.6	1,064	81.2	1,267	96.6	478	36.5	885	67.5
1955	1,230	92.3	1,115	83.6	1,288	96.6	698	52.4	912	68.4
1956	1,291	94.2	1,174	85.7	1,314	95.9	915	66.8	957	69.9
1957	1,339	95.0	1,243	88.2	1,352	95.9	1,072	76.0	1,003	71.1

¹Includes ice boxes.

Source: Dominion Bureau of Statistics, *Census of Canada*, 1941, Volume 9; 1951, Volume 3; *Household Facilities and Equipment* (annual), 1953-1956 (Sept.), 1957 (May).

PER CENT OF TOTAL HOUSEHOLDS
WITH SPECIFIED FACILITIES,
ONTARIO, 1941 & 1957



PRICE MOVEMENTS

The slight decline which occurred in the consumer price index for November and December, 1957, was more than offset by the steady rise during the first ten months of the year—from 120.3 in January to a record high of 123.4 in October—so that the average for 1957 was 3.2 per cent higher than for 1956. The general wholesale price index declined steadily during the first half of 1957, rose fractionally in July and then resumed its steady decline during the next four months. Although the index rose in December, it was still one per cent below the level of December, 1956.

During 1957, the price index of commodities and services used by farmers rose by 3.4 per cent, the index for non-residential building materials by 1.6 per cent and the general wholesale price index by nearly one per cent, while the index for residential building materials remained unchanged.

Since the end of World War II, there have been three main periods of rising consumer prices. During the first period, January, 1946 to October, 1948, the consumer price index rose by 32.8 per cent to 99.9. The second upswing began with the Korean War and ended in January, 1952, when the index reached 118.2. During the third period, May, 1956 to October, 1957, the index rose by 5.8 per cent to 123.4.

SPECIFIED PRICE INDEXES, CANADA, ANNUAL AVERAGES 1939 TO 1957

(1949=100)

Year	Consumer Prices	Commodities ^{1, 2} and Services Used by Farmers	General ¹ Wholesale Prices	Non-Residential Building Materials	Residential Building Materials	Wholesale ¹ Prices of Farm Products
1939	63.2	51.1	50.0	60.3	44.9	42.5
1945	75.0	73.5	66.6	71.4	65.0	70.5
1949	100.0	100.0	100.0	100.0	100.0	100.0
1950	102.9	102.4	106.5	105.0	106.4	102.6
1951	113.7	113.2	121.1	118.6	125.5	120.8
1952	116.5	119.5	114.0	123.2	124.9	115.8
1953	115.5	116.5	111.3	124.4	123.9	99.6
1954	116.2	115.6	109.4	121.8	121.7	96.8
1955	116.4	116.5	110.4	123.4	124.3	96.3
1956	118.1	119.6	113.8	128.0	128.5	98.3
1957	121.9	123.8	114.6	130.2	128.4	96.8

NOTE: The indexes are for Canada as a whole, except the Farm Commodities and Services and the Farm Products Indexes, which are for Eastern Canada. These indexes can be compared vertically but not horizontally.

¹Arithmetically converted from a 1935-39 base.

²Composite index inclusive of living components.

Source: Dominion Bureau of Statistics, *Prices and Price Indexes*, 1949-1952, and December, 1957.

RESIDENTIAL CONSTRUCTION

At the close of 1957, the number of new housing units under construction in Ontario was very close to the year-end record set in 1955. This was a reflection of the upturn which occurred in the industry late in the year and was an indication of good prospects for 1958.

Following a period of unusually low numbers of housing starts, the stimulus provided by governmental encouragement with more readily available sources of money brought a sharp increase in the number of new units started during the last quarter of 1957. In fact, the stimulus was so effective that it overcame the seasonal forces that normally cause a downturn in the last two months of the year. However, the total number started during the twelve months of 1957 was 47,739, 2 per cent fewer than the number in 1956, and 11 per cent fewer than those started during the record year of 1955. The upturn also came too late to influence the number of units completed. They fell 13 per cent below the 1955 record, coming to a total of approximately 46,000. Nevertheless, 1957 was one of the best years for housing construction in Ontario. The Province also accounted for 39 per cent of the units started and 38 per cent of those completed in the entire country. Since the end of World War II, Ontario has constructed 37 per cent of all dwelling units in Canada bringing the total number completed for the thirteen years to nearly 450,000.

HOUSING STARTS, COMPLETIONS, CONVERSIONS AND CARRY-OVER, ONTARIO, 1945 TO 1957

Year	Starts	Completions			Carry-Over
		New Units	Conversions	Total	
1945 (est.)	n.a.	13,100	2,000	15,100	n.a.
1946 (est.)	n.a.	19,600	1,700	21,300	12,706
1947 (est.)	n.a.	22,500	2,200	24,700	17,243
1948	29,976	26,391	2,273	28,664	21,112
1949	34,023	31,440	1,264	32,704	23,585
1950	33,430	31,318	1,178	32,496	24,331
1951	27,349	31,732	973	32,705	19,258
1952	30,016	27,461	985	28,446	20,513
1953	38,873	35,173	1,331	36,504	24,134
1954	46,382	41,085	1,524	42,609	27,941
1955	53,456	51,612	1,023	52,635	29,794
1956	48,712	51,201	1,086	52,287	26,232
1957	47,739	45,087	1,000 ¹	46,087 ¹	29,782
				446,237 ¹	

¹Estimated by the Ontario Department of Economics.

Source: Figures for 1945-1947 were estimated, while those for 1948-1956 were obtained from December issues of the Dominion Bureau of Statistics, *New Residential Construction*.

NEW CAPITAL INVESTMENT

During 1957, new capital investment, the drive wheel of economic expansion, established a new record of \$3.2 billion in Ontario—an increase of \$378 million, or 13 per cent, over 1956. Ontario's total was about 37 per cent of Canada's \$8.7 billion, and represented about 25 per cent of the total expenditures on goods and services in the Province. Capital expenditures in Ontario are forecast at about the same level for 1958 as for the previous year and represent 38 per cent of the \$8.5 billion for all of Canada.

All investment sectors participated in last year's expansion except housing, which, however, improved so rapidly in the last quarter that housing starts were far above the usual seasonal rate. Although remarkable gains were made in manufacturing, mining, trade and institutional services, the most striking increase was in utilities, reflecting expenditures on Ontario's portion of the Trans-Canada Pipeline, on expanding the generating capacity of the Ontario Hydro-Electric Power Commission and on construction of the St. Lawrence Seaway.

The sector breakdown reveals that in 1957 utilities superseded manufacturing to achieve first place in amount of capital invested, with an expenditure of \$746 million, or 23.2 per cent of the total for the Province. Manufacturing, with an investment of \$659 million, or 20.5 per cent of the total, was followed by housing with \$553 million (17.2%), institutions and governments with \$540 million (16.8%), primary and construction industries with \$398 million (12.4%), and trade, finance and commercial services with \$323 million (10.0%).

During the war and post-war periods, new capital investment reached an enormous total in Ontario. In the 18 years, 1940 to 1957, inclusive, about \$24.9 billion was invested in the Province's industrial plant, machinery and equipment, housing, highways, electric power stations and other utilities—accounting for 37 per cent of all new capital invested in Canada during that period.

The proportion of Canada's Gross National Product that has been invested in new capital has grown considerably during the past 18 years. In 1940, new capital investment formed 15 per cent of the gross value of output of Canadian goods and services. After declining to a low point of just under 11 per cent in 1945, the proportion again rose. In recent years, it has fluctuated between 21 and 24 per cent, but in 1956 it climbed to 27 per cent and in 1957 to 28 per cent.

NEW CAPITAL INVESTMENT, CANADA AND ONTARIO, 1940 TO 1958

Year	Canada (Million \$)	Ontario (Million \$)	Ontario as % of Canada %	Canada's Gross National Product (Million \$)	Capital Investment in Canada as % of G.N.P. %
1940	1,048			6,872	15.3
1941	1,463			8,517	17.2
1942	1,542	2,739 ¹	40.0	10,539	14.6
1943	1,485			11,183	13.3
1944	1,309			11,954	11.0
1945	1,284			11,850	10.8
1946	1,703	2,048 ¹	37.4	12,026	14.2
1947	2,489			13,768	18.1
1948	3,175	1,183	37.3	15,613	20.3
1949	3,502	1,298	37.1	16,462	21.3
1950	3,815	1,419	37.2	18,203	21.0
1951	4,574	1,740	38.0	21,474	21.3
1952	5,283	1,899	35.9	23,255	22.7
1953	5,842	2,106	36.0	24,473	23.9
1954	5,625	2,089	37.1	24,317	23.1
1955	6,351	2,271	35.8	26,769	23.7
1956	8,019	2,842	35.4	29,866	26.8
1957	8,722 ²	3,220 ²	36.9	31,000 ¹	28.1
Total	67,231	24,854	37.0		
1958 ³	8,523	3,239	38.0		

¹Estimated.²Preliminary.³Forecast.

Source: Department of Trade and Commerce, *Private and Public Investment in Canada*, 1926-1951, pp. 151 and 201; *Private and Public Investment in Canada, Outlook, 1952-1953*; *Private and Public Investment in Canada, Regional Estimates*, 1953, 1954, 1955, 1956, 1957, 1958. Ontario, 1940-1947, was estimated by the Ontario Department of Economics.

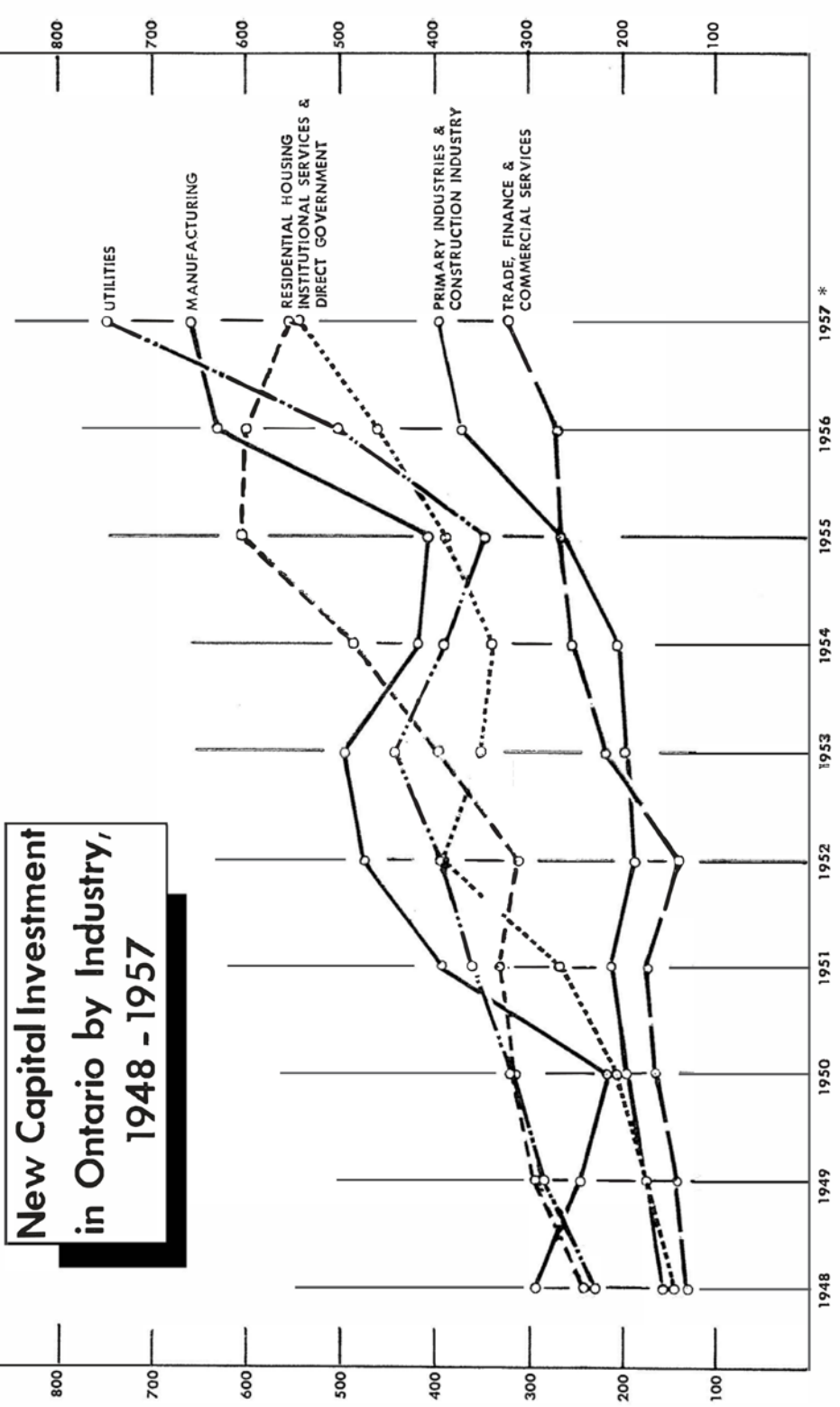
NEW CAPITAL INVESTMENT, BY SECTORS, ONTARIO, 1951 TO 1958

Industry	1951	1952	1953	1954	1955	1956	1957 ¹	1958 ²
	(Million \$)							
Primary Industries and Construction Industry	211.7	188.8	194.3	203.9	259.0	373.3	398.4	233.7
Manufacturing	395.2	477.3	499.4	416.3	411.8	630.1	659.3	577.1
Utilities	361.1	397.1	444.0	392.6	346.6	501.0	745.7	824.3
Trade, Finance and Commercial Services	175.0	137.0	217.9	255.3	261.4	270.6	322.6	308.9
Residential Housing	333.3	309.8	399.9	484.9	605.9	601.6	553.3	647.1
Institutional Services and Direct Government	263.7	389.3	350.1	335.7	386.4	465.5	540.3	647.9
Total	1,740.0	1,899.3	2,105.6	2,088.7	2,271.1	2,842.1	3,219.6	3,239.0

¹Preliminary.²Forecast.

IN MILLIONS OF DOLLARS

**New Capital Investment
in Ontario by Industry,
1948 - 1957**



A REVIEW OF TRENDS IN AGRICULTURE, FORESTRY AND MINING

Agriculture

Although the gross value of Ontario's agricultural production in 1957, estimated at \$1,079 million, was about \$12 million less than in 1956, it exceeded the average for the past five years by two per cent. The category of dairy products showed an increase in gross value of \$4 million over 1956 and the estimate for the 1957 tobacco crop of \$76.5 million represented an all-time high.

Cash income from the sale of Ontario's farm products was estimated at \$745.4 million for 1957, which was less than \$4 million or one-half of one per cent below the corresponding 1956 figure of \$749.3 million. This decline was less than that for the rest of Canada. For all Canada, the 1957 farm cash income was estimated at almost five per cent below the 1956 figure. Farm cash income per acre of farm land was considerably higher in Ontario than in any other province and two and one-half times the Canadian average.

VALUE OF FARM PRODUCTION, ONTARIO, 1939 TO 1957

Year	Gross Value of Production (\$000's)	Gross Farm Income (\$000's)	Cash Income from Sale of Farm Products (\$000's)	Net Income of Farm Operators from Farming (\$000's)
1939	372,249	268,987	208,974	129,799
1940	380,342	275,780	215,936	132,194
1941	473,378	322,713	274,387	170,283
1942	573,486	436,960	356,635	263,406
1943	586,467	440,982	386,370	246,039
1944	654,262	506,328	405,648	288,957
1945	703,986	531,295	454,357	309,795
1946	768,069	580,215	481,126	338,621
1947	853,074	643,934	543,415	343,237
1948	1,029,204	765,250	664,234	438,169
1949	1,070,448	793,061	678,252	458,546
1950	1,128,957	825,625	679,757	461,811
1951	1,262,088	962,314	786,805	558,174
1952	1,091,809	883,148	736,887	447,629
1953	1,025,613	862,468	720,161	435,686
1954	1,038,036	827,791	714,379	387,350
1955	1,047,081	874,878	749,104	422,072
1956	1,091,341	889,983	749,293	405,561
1957 (est.)	1,078,756	877,000	745,448	395,000

Source: Gross Value of Production and Farm Net Income, Ontario Department of Agriculture. Cash Income and Gross Income, Dominion Bureau of Statistics' publications. Gross and net income for 1957 were estimated by the Ontario Department of Economics.

It appears that our Ontario farmers have been quite successful in the face of various difficulties, not the least of which are a continuing scarcity of farm labour and rising farm wages. The number of workers employed in agriculture showed a further decrease of 10 per cent from 211,000 in 1956 to 189,000 in 1957.

Average wages of male farm help in 1957 were 4 per cent higher than in 1956 and 12 per cent above the 1955 level, but gross production per agricultural worker increased by 10 per cent, from \$5,172 in 1956 to \$5,708 in 1957. The yield per acre of most field crops in 1957 also showed an increase over 1956.

**YIELD PER ACRE OF PRINCIPAL FIELD CROPS, ONTARIO,
1947, 1956 AND 1957**

Product	Yield per Acre		
	1947 (Bushels)	1956 (Bushels)	1957 (Bushels)
Winter Wheat.....	24.9	31.9	33.2
Spring Wheat.....	18.1	21.2	22.2
Oats.....	32.2	42.6	49.5
Barley.....	26.9	35.2	39.0
Peas (dry).....	14.8	16.7	19.6
Beans (dry).....	15.0	17.5	17.5
Mixed Grains.....	33.7	44.8	50.5
Rye.....	19.3	21.6	23.3
Buckwheat.....	18.4	22.4	21.7
Flax.....	12.0	11.0	13.6
Soy Beans.....	18.2	21.8	25.7
Corn (shelled).....	38.8	55.1	58.3
Potatoes.....	133.3	203.0	190.0
Field Roots.....	372.0	425.0	415.0
	(Tons)	(Tons)	(Tons)
Corn (fodder).....	8.54	9.10	10.11
Hay.....	1.89	1.95	1.97
Sugar Beets.....	8.83	10.41	13.77

The continual pressure on farm wages has undoubtedly contributed to the increasing mechanization in agricultural production procedures, which is demonstrated by the fact that in 1956 our farmers operated four times as many motor trucks, five times as many tractors and thirty times as many grain combines as they used in 1941. The extension of power lines, apart from enabling the rural population to enjoy amenities such as television, radio and electrical household apparatus, also permits mechanization of certain operations on the farm. In the 1941-1956 period, the number of miles of rural primary distribution line more than doubled and the number of customers connected to these lines more than tripled. The new Hydro policy, requiring an estimated \$7 million, for the provision of free line extensions to soundly established farms for the first two-thirds of a mile, instead of for one-third of a mile as before, is likely to bring electricity to several thousand additional farms.

The Ontario Telephone Authority continues its activities directed toward the encouragement of extended and more efficient telephone service in rural communities. Since the Authority started to function in 1954, it furthered the process of consolidation of telephone companies into larger, more efficient units to such an extent that a 25 per cent reduction in the number of small systems has been effected. The 347 systems now operating serve more people more effectively than did the 454 independent systems existing in 1954. The Ontario

Telephone Development Corporation, established in 1955, made a notable contribution to the improvement of telephone service in the important Bancroft uranium mining area.

At the Ontario Agricultural College and the Ontario Veterinary College, the expansion of the teaching program and greatly accelerated research activity have made present facilities inadequate. By 1960, eight new buildings will have been added. Construction of the four largest buildings is well under way and planning for the other buildings is in an advanced state. Over \$4 million will be expended in 1958-59 in furthering these projects.

The Ontario Agricultural College, as a centre of agricultural activities, attracts an increasing number of people, including students from many countries of the world. Over the years 4,000 students have obtained an Ontario Agricultural College degree and another 3,000 have successfully completed a diploma course. More than 1,500 obtained a diploma or degree in home economics at the Macdonald Institute. Over 40,000 people, representing more than 200 different organizations, visit the campus each year.

The number of samples analysed by the soils department has almost tripled in the last dozen years. Present capacity is about 20,000 samples per year, but facilities in the new soils building will provide for the handling of 100,000 samples annually.

Other educational and research institutions under the direction of the Department of Agriculture, such as the Kemptville Agricultural School, the Western Ontario Agricultural School at Ridgetown, the Horticultural Experimental Station at Vineland and the demonstration farms at New Liskeard and Sault Ste. Marie, continue to contribute materially to the well-being of our farmers by providing training for young farmers and through increased extension services.

The testing of Ontario's Farm Products Marketing Act by the Supreme Court of Canada in January, 1957 removed doubts about the legality of our farm marketing program. In 1957, the sale of 28 crops with an estimated farm value of \$210 million was effected through sixteen collective bargaining plans. In addition, three farm products, including tobacco, with a total value of \$105 million are being sold under the provisions of three single sales agency plans. Ontario's flue-cured tobacco growers, by a majority of 63 per cent of the number eligible to vote, sought approval of a proposed marketing plan, which was granted by the Minister of Agriculture about the middle of 1957. The 1957 tobacco crop, estimated at a record value of \$76.5 million, is now being moved through the auction warehouses set up by the new Ontario Flue-Cured Tobacco Growers' Marketing Board. In January, 1958, Ontario's wheat growers voted in favour of marketing their product through the Farm Marketing Board. This means

that our wheat crop, which in 1957 had an estimated value of about \$25 million, will also be brought under the control of the Ontario Farm Marketing Act. It is estimated that the membership of our marketing boards now covers 100,000 farmers, or 70 per cent of the Province's 140,000 agricultural producers.

The increasing activity of our agricultural co-operative organizations is reflected by the number of applications for loans received from these organizations by the Co-operative Loans Board of Ontario. More applications were received in 1957 than in any previous year and the total amount of loans granted was \$843,039 compared to \$133,000 during the year ended December 31, 1956.

The Junior Farmer Establishment Loan Corporation approved 562 loans, totalling \$4,116,643, in the year ending January 31, 1958. This brings the total number of loans granted by the Corporation since its inception in 1952 up to 2,629 and the total amount to \$18,168,409.

In 1957, under The Community Centres Act, 138 grants were extended to communities to assist in the financing of 131 projects consisting of 9 arenas, 36 halls, 46 athletic fields, 10 combined arenas and halls, 15 outdoor rinks and 15 swimming pools. An amount of \$375,620 was expended for these purposes in that year.

Mining

The high level of prospecting activity during the last few years and the substantial capital investment in development work have resulted in a continuation of the increase in mineral production which has been characteristic of Ontario mining ever since 1946. Mineral production in 1957 was estimated to have reached a value of \$739 million, which represented a new record and an increase of \$88 million or 13 per cent over 1956. While nickel production showed a considerable gain, the most spectacular development took place in uranium mining with a production value of \$78 million as compared with \$9 million in 1956.

The sharp increase in uranium production was achieved by the entry of new mills into production. Many of these were still under construction or in the planning stage in previous years. Daily capacity of completed mills was estimated at 18,000 tons of ore by the end of 1957. By the end of 1958 total rated mill capacity may be expected to have more than doubled to 40,000 tons per day as a result of the addition of units to existing mills and the completion of more new mills.

Ontario's uranium production ranks fourth in value after nickel, copper and gold, but in view of the expected increase, it may well take second place in 1958. The Blind River-Elliot Lake area is the main centre of production, with six companies in operation, one of which owns the largest single operation

in the world for the exclusive mining and milling of uranium ore. This area alone is estimated to have more uranium deposits from the standpoint of contained oxide than any other area in the free world. The discovery and development of these ore-bodies have, in only four years' time, transformed this bush country into an area of bustling activity.

Nickel is still at the top of the list of Ontario's mineral products. Its value of production increased by 18 per cent from \$208 million in 1956 to \$246 million in 1957. Last year, our Province produced 94 per cent of Canada's and over 72 per cent of the free world's nickel production.

As a result of the opening of new modern plants in the Manitouwadge camp and the expansion of existing copper-producing facilities elsewhere in the Province, Ontario's production of copper increased by more than eight per cent from 312.5 million pounds in 1956 to 338.0 million in 1957. During 1955 and 1956, the world's productive capacity of copper was insufficient to satisfy demand, with the result that prices rose to record levels. Last year brought a reversal of this situation and copper prices fell sharply to an average of about two-thirds of the top level at the end of 1956. This caused Ontario's value of copper production to decrease from \$129 million in 1956 to \$97 million in 1957. However, long-term prospects are considered to be good and producers have confidence in the continued prosperity of this important segment of the mining industry.

Ontario's gold mining industry last year maintained its 1956 level of production with a volume of 2.6 million ounces representing a value of approximately \$86 million. There was no change in the fixed price of gold and most mines continued to receive cost aid under the Emergency Gold Mining Assistance Act. The rather high premium on the Canadian dollar in 1957 had a depressing effect on the price of gold in Canada and from this point of view the downward trend of the premium in recent months is encouraging. Although no major expansions have taken place, the value of output of our gold mines still ranks third in the Province's mining industry. In 1957, Ontario mines accounted for more than half of the country's gold production and gave employment to approximately 12,000 persons.

Last year, all metallic minerals in aggregate showed an increase in value of production over 1956 of 14 per cent, the non-metallic minerals of 13 per cent, fuels of 24 per cent and structural materials of nearly 10 per cent. In terms of dollars, over half of Canada's metal production came from Ontario's mines and 41 per cent of the country's structural materials was produced in our Province.

Prospecting activity increased in two Ontario areas. The search centered on iron in the Patricia and Kowkash divisions, while nickel and iron were the chief minerals sought in the Porcupine division. The total number of claims

staked in these areas in 1957 was 9,079, which is almost double the 1956 total of 4,686. For all Ontario, the number of claims staked was 30,947 in 1957 as against 47,997 in 1956.

The completion of twelve mining and access roads added another 60 miles to those already in existence. Six additional roads with a total mileage of 135 are under construction. Government expenditure on mining and access roads will have totalled about \$5 million in the seven fiscal years ending March 31, 1958.

**VALUE OF MINERAL PRODUCTION, TOTAL, GROUPS AND SELECTED METALS,
ONTARIO, 1939 TO 1957**
(Million \$)

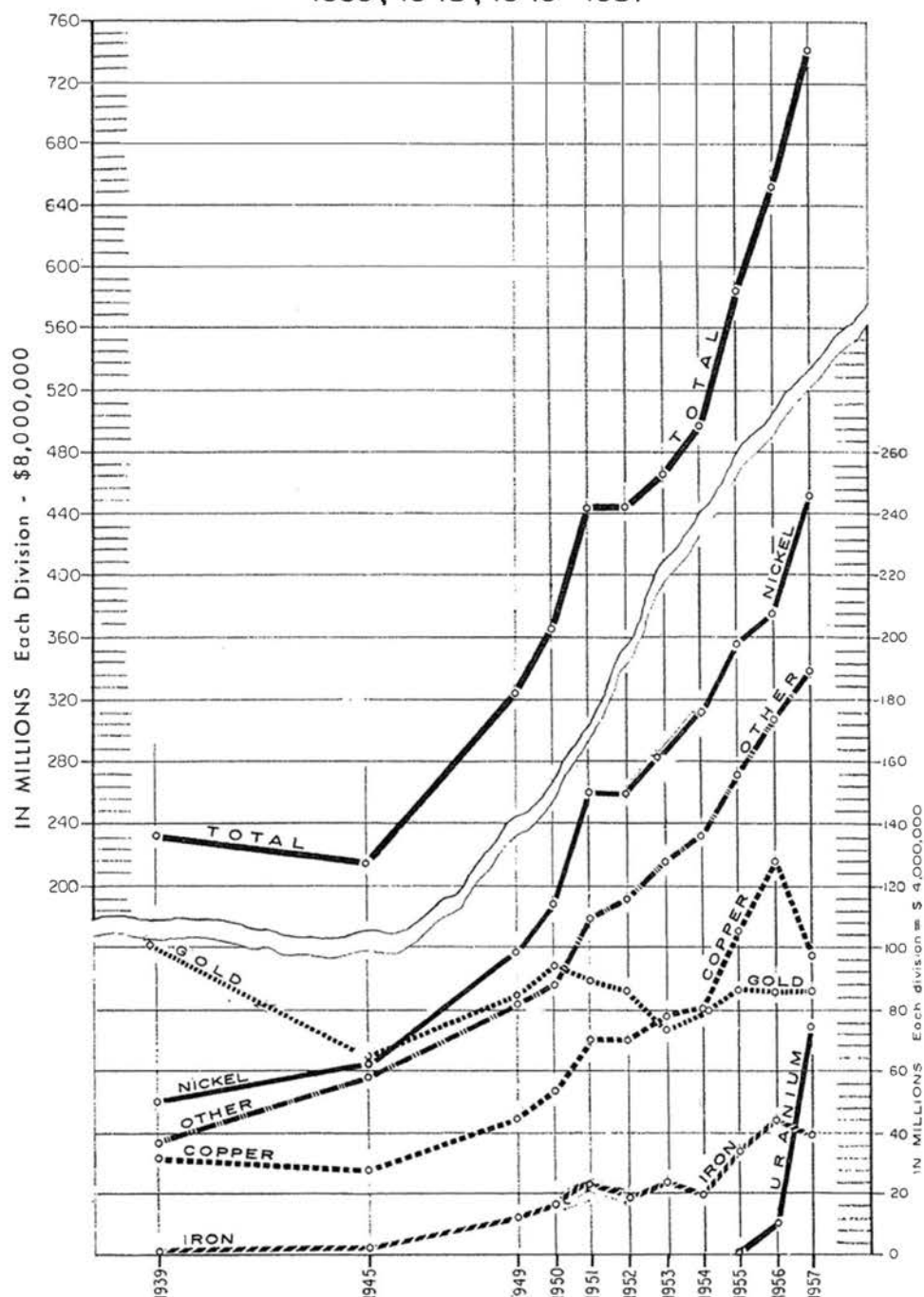
Year	Total Mineral Production	All Metals	Nickel	Copper	Gold	Uran- ium	Iron	Non- Metallics	Fuels	Structural Materials
1939	232.5	208.2	50.9	32.6	111.5		0.3	3.8	7.7	12.9
1940	261.5	232.8	68.7	34.7	125.6		1.2	4.4	8.1	16.2
1941	267.4	237.0	70.0	33.2	123.0		1.4	4.8	7.5	18.1
1942	259.1	230.5	71.7	30.6	106.4		1.5	5.4	7.1	16.1
1943	232.9	204.8	69.2	32.2	81.5		1.5	6.3	6.8	15.0
1944	210.7	183.9	62.0	33.8	66.7		1.9	6.1	5.0	15.7
1945	216.5	188.3	62.0	29.8	62.6		3.6	5.7	5.1	17.4
1946	191.5	157.1	45.4	22.5	66.6		6.8	5.2	4.9	24.3
1947	249.8	207.6	70.7	46.0	68.1		9.3	6.1	5.7	30.4
1948	294.2	244.5	86.9	53.4	73.3		7.5	6.9	7.6	35.2
1949	323.4	265.8	99.2	44.7	84.8		13.2	7.1	9.7	40.8
1950	366.8	302.6	112.1	54.4	94.4		17.6	10.5	4.1	49.7
1951	444.7	366.8	151.3	70.9	90.8		21.2	13.6	4.1	60.2
1952	444.7	360.9	151.3	71.0	86.1		19.6	13.2	4.0	66.6
1953	465.9	370.6	160.4	77.6	75.1		23.1	13.2	4.9	77.2
1954	496.7	395.2	176.6	81.3	80.5		20.4	13.1	5.4	83.0
1955	584.0	470.9	198.5	107.2	87.1	0.5	34.3	14.4	5.9	92.7
1956	650.8	521.3	208.1	128.9	86.6	9.4	44.2	18.7	6.7	104.1
1957 (est.)	739.2	595.7	246.2	97.1	86.2	78.2	40.7	21.2	8.3	114.0

Source: Dominion Bureau of Statistics, *General Review of the Mining Industry* (annual), 1939-1954; *Final Statistics of Mineral Production in Canada*, 1955, 1956; *Preliminary Estimate of the Mineral Production of Canada*, 1957.

VALUE OF TOTAL MINERAL PRODUCTION AND OF SELECTED METALS,

ONTARIO,

1939, 1945, 1949-1957



Forestry and Forest-Based Industries

Although the prime output of our forests decreased by an estimated 14 per cent during the past year, this decline was not equally reflected in the volume of production for all forest-based industries. Our pulp and paper industry had an over-all production in 1957 which was equal, or very close to its 1956 record. In recent years this industry has found it difficult to keep pace with the increase in the demand for its products, which has prompted the management of several companies to expand their capacity. Last year, expansion programs requiring an investment of almost \$50 million were completed in Northwestern Ontario. Additional projects, which are now under way and are expected to be completed this year, will add approximately \$70 million more to the capital invested in our pulp and paper industry. Since the demand for pulp and paper products did not increase in 1957, the industry now has some surplus capacity.

VOLUME OF PAPER PRODUCTION, BY KINDS, ONTARIO, 1939, 1945 TO 1957

Year	Newsprint	Paper Boards	Book and Writing Paper	Wrapping Paper	Tissue Paper	Other Paper	Total Paper Production
(Thousands of Tons)							
1939	840.1	191.7	57.9	19.9	7.4	8.9	1,125.9
1945	867.1	232.1	100.5	37.1	15.3	15.7	1,267.8
1946	1,073.1	309.9	118.6	41.3	20.2	16.4	1,579.5
1947	1,147.3	362.6	136.1	45.3	22.3	17.3	1,730.9
1948	1,198.1	396.1	146.6	52.9	25.8	18.0	1,837.5
1949	1,223.6	376.6	127.5	48.0	25.4	16.8	1,817.9
1950	1,240.1	417.4	137.6	62.7	27.5	18.4	1,903.7
1951	1,285.9	442.5	169.0	66.7	36.6	18.5	2,019.2
1952	1,296.8	408.0	153.2	56.5	31.5	17.4	1,963.4
1953	1,297.7	434.7	170.0	61.9	37.2	17.3	2,018.8
1954	1,345.7	420.7	177.0	68.7	39.3	15.6	2,067.0
1955	1,427.0	474.7	193.1	74.4	40.9	15.0	2,225.1
1956 ¹	1,471.4	530.0	220.0	80.0	....	....	2,365.0
1957 ¹	1,487.3	510.0	225.0	77.0	....	....	2,360.0

¹Data for 1956 and 1957, except in the case of newsprint, were estimated by the Ontario Department of Economics.

Source: Dominion Bureau of Statistics, The Pulp and Paper Industry, various years. The 1956 and 1957 figures for newsprint were supplied by the Canadian Pulp and Paper Association.

In our lumber industry, a considerable slackening in demand resulted in a 20 per cent decrease in the production of sawn lumber from the previous year. Fortunately, the number of starts in new residential construction showed an encouraging increase in the second half of 1957, which may help to promote activity in Ontario's lumber industry.

In the field of forest management, further progress has been made toward implementing the Province's policy of sustained yield. This program has been designed to preserve our rich forest resources for future generations and to

ensure the continued prosperity of our important forest-based industries. In our Forest Resources Inventory, which has now been completed, we have a tool of inestimable value for making decisions regarding forest-management, protection and regeneration. Since 1947, when this work commenced, 285,000 square miles have been photographed from the air and a great number of maps have been prepared from the material thus acquired. This year, a start will be made with a program of re-photographing the Province's accessible forests, in order to bring our Forest Inventory data up to date. It is expected that an area of 12,500 square miles will be covered annually.

Last year, \$1.1 million was allocated for the purpose of forest regeneration, as a result of which silvicultural treatment was given to 14,000 acres of forest land, while regeneration surveys were carried out on 6,500 additional acres and ten miles of road were built to make these areas accessible. Apart from creating suitable conditions for natural seeding, a considerable amount of direct seeding was undertaken in specified cut-over and burned areas. An integral part of the Province's regeneration program was the planting of 14 million trees on 28,000 acres of land. In order to meet the increasing demand for trees required to carry out our own programs and for distribution to private applicants, the capacity of our nurseries has been more than doubled over the past ten years. From the five producing nurseries we operate, 26.5 million trees were supplied during 1957. Six new nurseries were established last year and two more will be developed during 1958. The output is expected to exceed 30 million trees this year and to reach the 40 million mark in 1960.

Our forest protection service was very effective last year in the prevention and restriction of fire damage. Although the number of forest fires in 1957 exceeded the 1956 figure of 1,017 by more than 600, the total of the areas burned measured only 46,000 acres or one-fifth of the 1956 total and one-third of the average for the period 1952-56. The incidence of forest fires depends on numerous factors, but the alertness of our fire fighters and the availability of modern equipment, the use of radar to detect lightning storms, and aerial water dropping methods all help to keep the damage to a minimum. Expenditures in the fiscal year 1957-58 on forest protection will total \$7.6 million. For the fiscal year 1958-59 a total of \$7.9 million has been provided for this purpose.

Recreational facilities offered to the public in our provincial parks are becoming increasingly popular; the number of camping permits increased from 24,000 in 1956-57 to 44,000 in 1957-58. In 1957, an estimated three million people used the 92 parks which are now in operation. Negotiations are under way which are expected to provide an additional 23 parks, bringing the total to 115. Improvements to provincial parks included construction of sanitary facilities, erection of picnic shelters and change houses, and construction of park

roads and access roads. New construction expenditures amounted to about \$1.7 million in 1957-58. The appropriation for the development, maintenance and conservation program in provincial parks for 1958-59 is \$7.4 million.

MANUFACTURING

Manufacturing—the largest single branch of industry in Canada's industrial heartland—once more accounted for over two-thirds of the Province's entire production and for roughly half the total manufacturing output of the nation. The year 1957 established another record with an estimated gross value of products amounting to about \$10.8 billion, nearly triple the 1946 output and more than six times the 1939 total.

The leading manufacturing group in the Province was again iron and steel products, with gross value of output estimated at \$1.9 billion. It was followed closely by transportation equipment—\$1.7 billion and foods and beverages—\$1.6 billion. Ontario's most important individual manufacturing industry was again motor vehicles. Over 98 per cent of the value of Canadian production was accounted for by this Province. Other leading industries were non-ferrous metal smelting and refining, primary iron and steel, pulp and paper, petroleum products and slaughtering and meat packing. The Province manufactured more than 90 per cent of Canada's output of motor vehicle parts and agricultural implements.

Employment in manufacturing industries rose one per cent to about 650,000, representing about 30 per cent of Ontario's labour force and around half the number employed in manufacturing throughout Canada.

PRINCIPAL MANUFACTURING STATISTICS, ONTARIO, SELECTED YEARS 1939 TO 1957

Year	Establishments (Units)	Employees (000's)	Salaries and Wages (Million \$)	Net Value of Products (Million \$)	Gross Value of Products ¹ (Million \$)
1939	9,824	318.9	378.4	791.4	1,745.7
1946	11,424	498.1	845.2	1,659.3	3,754.5
1949	12,951	557.2	1,305.5	2,708.6	6,103.8
1951	13,025	599.4	1,669.4	3,569.4	8,074.7
1952	13,172	609.7	1,844.2	3,811.1	8,372.2
1953	13,114	634.6	2,018.0	4,130.1	8,876.5
1954	13,178	598.9	1,954.8	3,930.7	8,533.2
1955	13,276	613.9	2,088.9	4,426.7	9,617.6
1956 (prel.)	13,400 (est.)	641.4	2,308.3	4,802.4	10,653.9
1957 (est.)	13,400	650.0	2,450.5	4,850.0	10,765.0

¹In 1952 and subsequent years "Value of Factory Shipments" instead of "Gross Value of Products" data are shown.

Source: Dominion Bureau of Statistics, *Manufacturing Industries of Canada* (annual), 1939 to 1956. 1957 estimates were made by the Ontario Department of Economics.

ELECTRIC ENERGY

During 1957, a record amount of electric energy was generated and consumed in Ontario as both industrial and personal needs rose. Total net generation, that is, the net amount available for domestic, commercial and industrial purposes, or total output less the amount used in station service, amounted to nearly 30 billion kilowatt-hours of which seven per cent was produced by industry mainly for its own use and 93 per cent by utilities to be sold to the public. Ontario now consumes 31.1 billion kilowatt-hours of energy a year, an increase of 85 per cent over the past eight years and of about 175 per cent since 1941.

The Hydro-Electric Power Commission of Ontario, created in 1906, now operates 65 hydro-electric and two major thermal generating stations. By December, 1957, the dependable peak capacity of these stations was 4,248,600 kilowatts (5,695,174 horsepower)—a net increase of 292,000 kilowatts (391,421 horsepower) in the past year alone, and of 3,080,800 kilowatts (4,129,759 horsepower) since 1943. In addition, the capacity of the Commission's sources of purchased power amounted to 595,500 kilowatts (798,257 horsepower) in December, 1957. By 1962, total dependable peak capacity is expected to reach 6,687,800 kilowatts (8,964,900 horsepower) generated and 609,900 kilowatts (817,600 horsepower) purchased. The Commission currently supplies about 86 per cent of all the energy available for use in the Province.

These increases reflect the extensive expansion program of the Hydro-Electric Power Commission, which has involved close to \$400 million in the past two years and will require expenditures on capital construction of \$496 million during the next five years. Thirteen separate projects are currently involved, nine hydro-electric stations and four thermal stations. In addition, the development of nuclear energy, field investigations, the construction of diversion canals and other improvements will continue.

The St. Lawrence Seaway Power Project, now over 80 per cent completed, is scheduled to produce its first power in August, 1958, and will have six of its sixteen units in service by the end of the year. Total installed capacity will be 820,000 kilowatts (1,100,000 horsepower). The temporary diversion canal and most of the dike at Cornwall were completed during 1957, in preparation for the closure of the Long Sault Dam and the establishment of the headpond during 1958. Three new townsites were created, 40 miles of double track laid, and 35 miles of main highway built to replace communities and facilities which will be flooded. Channel improvements and excavation were other phases of this vast and complicated project which will cost approximately \$300,000,000.

At the Sir Adam Beck-Niagara Generating Station No. 2, on the Niagara River, two additional units each with a capacity of 75,000 kilowatts (100,000 horsepower) were placed in service in December, 1957, and two more will be completed in 1958. Three of the six units at the pumping-generating station were in service in 1957 and the other three will follow in the spring of 1958. These, together with the twelve units completed in 1955, will bring the plant's capacity up to 1,370,000 kilowatts (1,836,000 horsepower). Upstream from Niagara Falls, a control dam has been completed, thus fulfilling the Niagara River remedial works program.

To meet the needs of current economic development in Northwestern Ontario, six hydro-electric projects are to be completed in 1958 and 1959. At Whitedog Falls on the Winnipeg River, construction of the main 1,150 foot dam for a three-unit generating station is substantially completed and by 1958 this station will be in service with a dependable peak capacity of 54,000 kilowatts (72,400 horsepower). Another three-unit generating station with a total dependable peak capacity of 67,500 kilowatts (90,500 horsepower) is scheduled for service in October, 1958, at Caribou Falls on the English River. Increased loads have necessitated the installation of a fifth generating unit at Manitou Falls Generating Station. This unit is expected to be in operation by March, 1958, bringing the station's dependable peak capacity up to 65,700 kilowatts (88,100 horsepower). During 1958, capacity at the Cameron Falls Generating Station on the Nipigon River will be increased by 19,100 kilowatts (25,600 horsepower). At the Alexander Generating Station on the same river an extra unit will add 11,300 kilowatts (15,100 horsepower) by the middle of the year. At Silver Falls on the Kaministiquia River the Commission is undertaking a completely new development, building a single-unit station with a dependable peak capacity of 45,500 kilowatts (61,000 horsepower).

Additional hydro-electric power will also soon be available in Northeastern Ontario, especially in the rapidly expanding mining area of Blind River. A new unit will add 45,000 kilowatts (60,000 horsepower) to the 181,000 kilowatt capacity (243,000 horsepower) of the Abitibi Canyon Generating Station. In addition, plans call for the construction of generating stations at Red Rock on the Mississagi River and at Otter Rapids on the Abitibi River, to provide 31,000 kilowatts (42,000 horsepower) and 131,000 kilowatts (176,000 horsepower), respectively, by 1960-61.

As the sources of water power feasible for development decrease in number, the amount of energy that can be generated from other sources increases in importance. During 1957, 93 per cent of the net amount of energy generated in Ontario was produced by hydro-electric plants and only seven per cent by thermal plants. There are signs of a change, however, for three of the largest projects planned by the Hydro-Electric Power Commission involve the construction of thermal-electric stations—one each at Fort William, Long Branch and Hamilton. Meanwhile, work is well under way at the Richard L. Hearn thermal station in

Toronto to increase its capacity to 1,200,000 kilowatts (1,608,000 horsepower), three times its present size. The production of nuclear energy, a third source of power, is the aim of the Nuclear Power Plant Division established in Toronto by Atomic Energy of Canada Limited. Ontario Hydro will participate in the Division's main project, the development of a 200,000 kilowatt nuclear power plant, and will resume work on the 20,000 kilowatt (26,800 horsepower) Nuclear Power Demonstration plant at Chalk River. Work there was suspended in April, 1957, in order to incorporate recent advances in design into the reactor.

Facilities are being expanded and developments undertaken to meet the needs of rural as well as urban and industrial customers. At December 31, 1957, the Hydro-Electric Power Commission was serving approximately 454,000 rural customers over 45,350 miles of rural primary distribution line, more than three times as many customers as in 1943. During 1958, extension of services will increase this number by six per cent with 5,775 of the new customers being served by 1,208 miles of new lines.

INTEREST RATES AND CAPITAL BORROWING

The year 1957 was characterized until the late summer by a continuation of the upward trend in interest rates which carried them to the highest level in 25 years. The volume of new financing reached new peaks in all sectors of the bond market and competition for available funds was exceptionally keen. The Bank of Canada rediscount rate, reflecting not only the domestic situation but conditions abroad, rose from 3.90 per cent at the beginning of 1957 to a high of 4.33 on August 22. Then, in consequence of the slowdown in some lines of activity and the rise in unemployment, and again moving in sympathy with international trends, particularly in the United States, the rediscount rate declined to 3.28 on February 20, 1958. Coming in the late summer and autumn, the easing of credit has brought interest rates down below those prevailing on January 1, 1957, to about the average of the latter half of 1956.

AVERAGE YIELDS IN 1957 OF REPRESENTATIVE BONDS IN THE PROVINCIAL, MUNICIPAL, PUBLIC UTILITY AND INDUSTRIAL SECTORS

Sector	Monthly Average July-Dec., 1956	As at Jan. 1, 1957	High for the Year	As at Dec. 31, 1957	As at Feb. 3, 1958
	%	%	%	%	%
Provincial	4.46	5.03	5.18 (Sept.)	4.60	4.60
Municipal	4.93	5.45	5.77 (Oct.)	5.12	5.04
Public Utilities	4.56	4.98	5.50 (Oct.)	5.03	4.88
Industrial	4.82	5.22	5.77 (Sept.)	5.04	5.03

Despite the high interest rates which prevailed during most of 1957, total bond financing in Canada for the three levels of government amounted to about \$2.6 billion, or \$700 million more than in 1956. Public issues of bonds and debentures sold directly or guaranteed by the Province of Ontario totalled \$260 million in 1957 compared with \$315 million in 1956. Other provinces in Canada, however, issued or guaranteed issues to the value of \$388 million, an increase of \$45 million over the previous year. Total municipal issues in 1957 were slightly higher in value than in 1956, rising from \$352 million to \$361 million. Ontario municipalities sold issues in 1957 totalling \$167 million compared with \$152 million in 1956.

The Province of Ontario went to the bond market, for its own purposes, on only one occasion in 1957. In June, it obtained \$60 million through an issue of 5 per cent debentures maturing July 15, 1964 and July 15, 1975. These debentures were offered to the public at 99.00 to yield 5.17 per cent and 5.08 per cent, respectively.

The Province guaranteed principal and interest on three issues, totalling \$200 million, of the Hydro-Electric Power Commission. The first, issued late in January, 1957, was for \$50 million principal amount in $4\frac{3}{4}$ per cent bonds due February 15, 1962 and August 15, 1975, priced at 98.91 and 97.00, respectively, to yield 5.00 per cent. The second, marketed in March, was an issue of \$100 million principal amount 5 per cent bonds due April 1, 1965 and April 1, 1977, priced at 100 to yield 5.00 per cent. The third issue, early in November, was for \$50 million principal amount 5 per cent bonds due May 15, 1964 and November 15, 1976. These bonds were priced at 99.75 and 99.50, respectively, to yield 5.04 per cent.

In February, 1958, the Province also guaranteed an issue of \$75 million 4 per cent and $4\frac{1}{2}$ per cent bonds due March 1, 1966 and March 1, 1978, respectively. The short term 4 per cent bonds were priced at 98.32 to yield 4.25 per cent, while the longer term bonds were issued at 100 to yield 4.50 per cent.

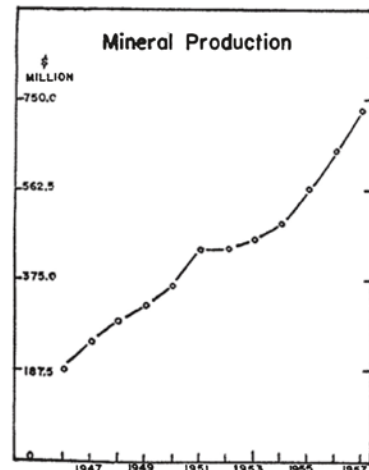
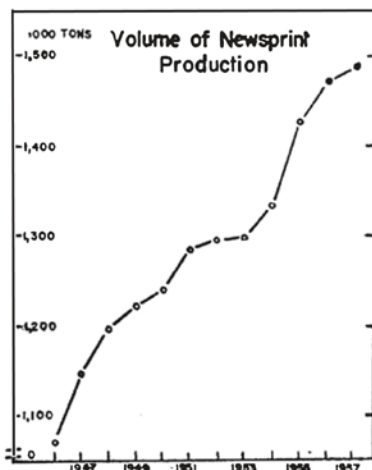
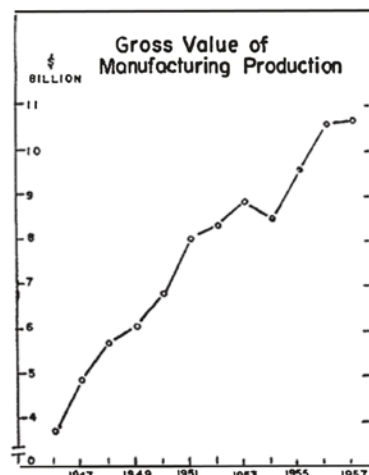
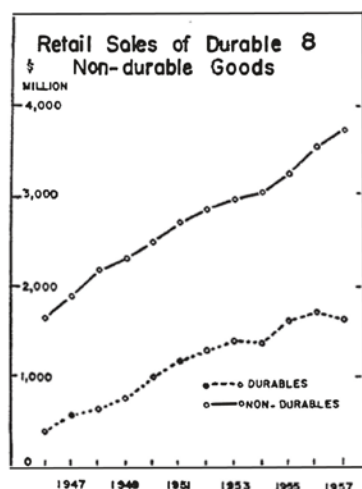
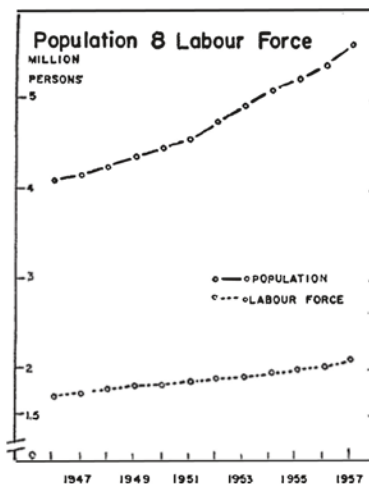
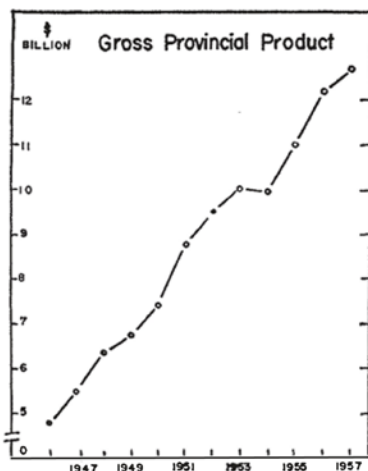
All of these issues were well received and this reflects, at least in part, public confidence in the soundness of the Province's credit position. The rapid increase in bond prices which occurred towards the end of the year, resulted in the 1957 issues being quoted at premiums over their offering prices.

**SELECTED ECONOMIC INDICATORS OF ONTARIO,
PERCENTAGE CHANGES IN THE VALUE OR VOLUME OF CERTAIN INDICATORS**

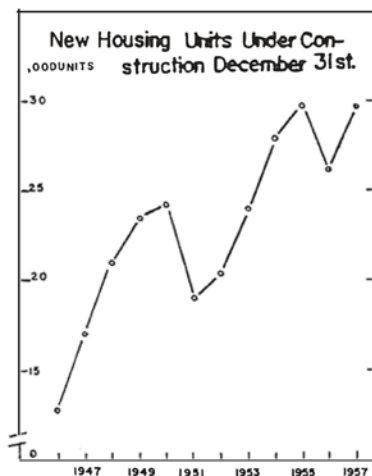
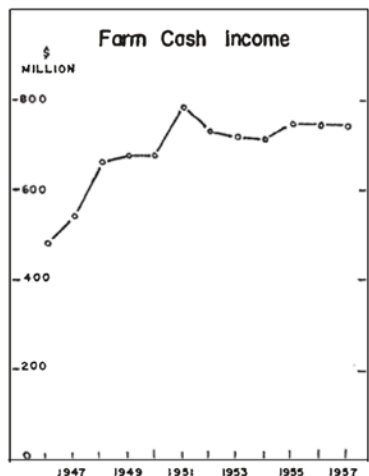
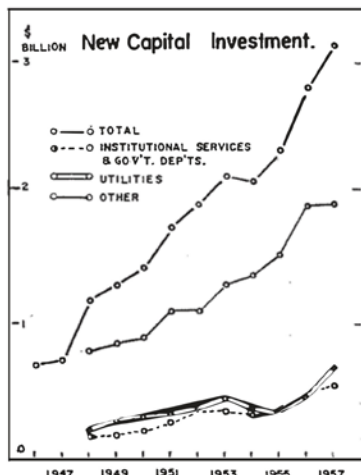
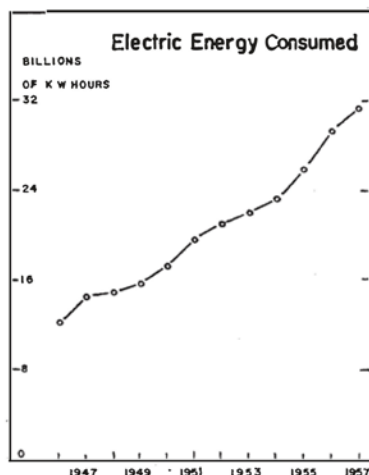
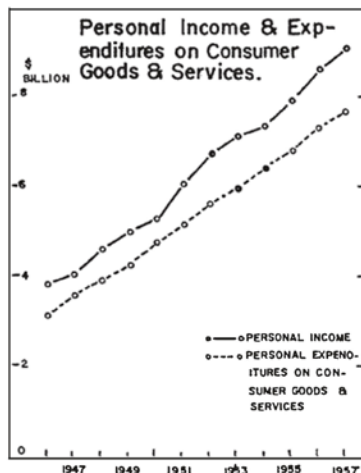
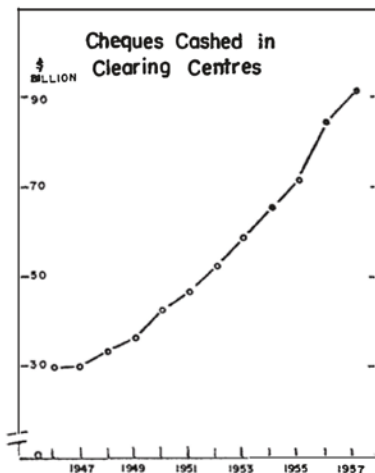
	1957 over 1939	1957 over 1946	1957 over 1950	1957 over 1956	1956 over 1955	1955 over 1954
Changes in Current Dollar Values						
Gross Provincial Product ¹	443.2	164.2	70.3	3.8	11.0	10.6
Gross Value of Manufacturing.....	513.7 ¹	185.3 ¹	57.0 ¹	0.6 ¹	10.8	12.7
Value of Mineral Production.....	217.9	285.9	101.5	13.6	11.5	17.6
Value of Pulp and Paper Production...	518.5 ¹	149.3 ¹	35.2 ¹	— 7.5 ¹	8.9	10.1
Personal Income.....	417.0 ¹	138.9 ¹	72.2 ¹	5.9 ¹	9.1	7.1
Wages, Salaries, Supplementary Labour Income.....	476.9 ¹	187.8 ¹	79.6 ¹	5.6 ¹	10.9	6.6
Personal Expenditures on Consumer Goods and Services ¹	382.2	146.9	62.1	4.5	7.2	6.9
Retail Sales.....	440.3	147.8	51.0	2.1	7.5	10.4
New Capital Investment.....	n.a.	375.7 ¹	127.9 ¹	12.6 ¹	26.5	8.7
Cheques Cashied.....	579.0	204.2	114.3	9.3	17.5	9.7
Farm Cash Income.....	256.7	54.9	9.7	— 0.5	0.0	4.9
Changes in Number or Volume						
Population, June 1.....	51.6	37.4	25.7	4.0	2.6	3.0
Labour Force, June 1.....	48.8 ¹	26.5	18.0	4.5	2.7	1.5
New Housing Units Under Construction, December 31.....	n.a.	134.4	22.4	13.5	— 12.0	6.6
Consumption of Electric Energy (kilo- watt-hours).....	272.4 ¹	155.8 ¹	81.3 ¹	6.3 ¹	13.6	12.0
Steel Furnace Capacity (net tons), January 1.....	185.7 ¹	80.6	60.3	2.8	3.8	11.8
Newsprint Production (tons).....	77.0	38.6	19.9	1.1	3.1	6.0
Estimated Changes in Constant Dollars (1949 = 100)						
Gross Provincial Product.....	146.8	54.4	35.2	1.0	7.2	9.0
Personal Income, Per Capita.....	77.3	10.8	15.7	— 1.5	4.7	4.0
Retail Sales.....	180.2	57.6	27.5	— 1.1	5.9	10.2
New Capital Investment.....	n.a.	143.7	72.7	5.2	20.3	6.9

¹Estimated.

SELECTED ECONOMIC INDICATORS of ONTARIO



SELECTED ECONOMIC INDICATORS of ONTARIO



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