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Financial Statement

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OF

The HON. A. J. MATHESON

TREASURER OF THE PROVINCE OF ONTARIO

Delivered on the 4th March, 1909.

IN THE

LEGISLATIVE ASSEMBLY OF ONTARIO

on moving the House into Committee of Supply

PRINTED BY ORDER OF
THE LEGISLATIVE ASSEMBLY OF ONTARIO



TORONTO:

Printed by L. K. CAMERON, Printer to the King's Most Excellent Majesty,
1909.

*Int. Dept. of Treasury and Economic
Taxation and Fiscal Policy*
Budget

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Budget Speech

DELIVERED BY

HON. A. J. MATHESON

PROVINCIAL TREASURER

4th March, 1909.

MR. SPEAKER : In rising to move that you do leave the Chair in order that the House may go into Committee of Supply, it is usual for the Provincial Treasurer to make some statement as to the finances of the past year, and the estimated revenue and expenditure during that period. I desire also to say something about the estimated revenue and expenditure for the approaching ten months and also the following year, discussing briefly such financial matters as should be brought to the attention of the House. As to the revenue, for the year 1908 it was \$8,602,902 as against the estimate of \$8,221,772, an excess of \$381,000. In every case with the exception of the items Casual Revenue and Crown Lands the estimated revenue was considerably exceeded. In the case of Casual Revenue there was a deficiency of \$35,000. The estimate was in error, and should have been \$110,000 instead of \$140,000, as I omitted to notice in preparing it that there was among the Casual Revenue receipts of the preceding year fines \$23,000 from the Michigan Central on account of the Essex explosion and \$8,000 from the sale of property, items which reasonably might not have been expected to be repeated.

In the case of the Crown Lands, where there was a deficiency of \$620,000, we were, owing to the lumber trade being still depressed, unable to quite reduce the arrears to the extent we

expected, and also because the cut during the past year was less than was expected. Of the decrease \$100,000 was also in connection with the Mines branch.

The excesses over estimated revenue were : In interest \$100,000, partly from collections from the Dominion Government under the Trust Funds Judgment, and partly that a year's interest on these Trust Funds came into last year's account, while we had only a half year's interest to repay. There were also the following excesses over estimates : Public Institutions, \$28,000; Central Prison Industries, \$15,000; Education, \$8,000; Provincial Secretary's Department, \$22,000; Agriculture, \$13,000; Succession Duties, \$535,000; Supplementary Revenue, \$25,000; Liquor Licenses, \$27,000; Law Stamps, \$5,000; T. and N. O. Railroad, \$50,000.

In the Succession Duties the estimate of \$600,000 which I made was more than we had in view at the time when the estimate was made, and it shows how difficult it is to make an accurate estimate of this source of revenue. It has been found that although an estate is allowed eighteen months in which to pay the money that they frequently pay in advance. Sometimes executors instead of giving a bond deposit the money. That frequently happens. The ordinary executor does not wish to ask his friends to give security for him, or to pay the Guarantee Companies' charges, and if he has the money he prefers to pay it in, and we allow three per cent. interest. From this source we frequently have very considerable payments. Another thing that causes the estimate to vary very much is that executors often give a very low estimate of the value of an estate. Naturally, although in perfect good faith, they put in the valuation at the lowest possible figure. They put in land at the assessed value and stocks which are unlisted and the price of which is unknown, sometimes stocks of merchandise, far below the real value. The result is that last year from duties on increased values—values which we increased on the estates over what they were put in at—we received the very considerable amount of over \$200,000. This shows how difficult it is to make a proper and accurate estimate of the Succession Duties.

The Temiskaming and Northern Ontario Railway also paid \$50,000 more than was estimated. It takes a couple of months to get exact figures as to the earnings of the road, but we know now that the actual net revenue from operation during the year 1908 was \$284,668, an increase of \$76,550 over the previous year. In addition to that we received more in royalties, royalties for ore under the right of way and Town of Cobalt. The total amount from that source was \$134,820, an increase of \$84,000 over the previous year. The total net revenue from the T. and N. O. was \$419,000, of which \$350,000 has been paid in, an increase of \$160,000 over the previous year. When it is considered that during the first four months of 1908 the T. and N. O. earnings failed to pay the operation expenses, the operation expenses for those first four months were \$14,000 in excess of revenue from operation, and from that revenue may be deducted \$7,000 received as royalties, it shows that in the remaining eight months we caught up that deficiency and obtained net receipts of \$284,000 on operation, which speaks well for the management of the railway. The first four months of 1907 showed a net revenue from operation of \$54,000 as compared with a deficit of \$14,000 in 1908, a difference of \$68,000 between the two.

This year owing to the completion of the track to the National Transcontinental, and the immense amount of supplies that are being rushed in for that road and for the mining camps, especially Gowganda, the earnings for January have increased very largely and I have great hope that the railway during the coming year will pay well from net earnings. (Cheers.)

As to the expenditures for 1908 they were well within the appropriations, being some \$620,000 less than the amount voted under the Supply Bill last year. The only service where the amount was exceeded was under the head of Miscellaneous which was exceeded by \$29,000, the General Election and Voters' lists costing \$26,000 more than was estimated, and the Hydro-Electric Commission \$27,000, but of the Hydro-Electric expenditure \$40,000, out of some \$58,000, was spent on capital account in connection with the Transmission of

Niagara power. In actual expenditure apart from construction payments the Commission was well within their estimates. Owing to the minute distribution of votes all through the departments we are obliged to take votes for more than is possibly required as accounts cannot be transferred from one vote to another, and so last year the total reduction on the estimates was \$620,000 and probably the same thing, to a greater or less extent, will occur during the coming year.

The total ordinary expenditure was \$8,557,064 leaving an excess of receipts for the year of \$45,000. Of this expenditure \$1,150,000 was on the Public and Normal Schools, practically all for Public Schools. We have put with the capital payments the Drainage Loans, which are loans on debentures of Municipal corporations for drainage, and which we get back again. Last year we loaned \$40,000 and we got \$20,000 paid back on old loans. It is not expenditure but an investment. Owing to the financial stringency the municipalities made greater demands for loans on Drainage Account, for they could not borrow very well as low as four per cent. which the Government charges. We have also put among the capital expenditures the item of payments for Good Roads \$107,000. These payments were never intended to be paid from the current year's revenue. When the Act was passed authorising the Government to assist counties in getting good roads \$1,000,000, cash in hand, was set aside for that purpose. It was not proposed to meet those expenditures out of the current revenue. We have that cash in hand for good roads. It is also the only item in the expenditure which cannot be fairly estimated. Last year we spent \$107,000. This year we may spend \$200,000, so that it is impossible to say how much that expenditure will be, and I think that it is proper to put it among the capital expenditures. Other items might have taken its place such as the item for building the Hydro-Electric transmission line. Instead of this \$107,000 we might have put in the Hydro-Electric, where \$40,000 out of its expenses were put against current revenue, into the capital account. We also paid to the Ontario Central Railway \$19,500 cash subsidy simply because the Act passed by our predecessors did

not provide for the giving of railway certificates. If we had been able to give certificates it would not have been paid out of the year's revenue. Then there was \$30,000 paid to the Alpha Mining Company on the receipts from the O'Brien Mine, which was expressly paid from the receipts from royalties of the previous year. These items alone if put to capital expenditure would have shown a considerable excess of receipts over expenditure. There were other items among the special expenditures for the past year, and I am taking only the larger items, which we might have put to capital account. The addition to Osgoode Hall cost \$35,000, Assembly Hall, Brockville Hospital, \$10,000; new Normal Schools, \$176,000; Court House and Registry Office, Sudbury, \$44,000; Gaol at Fort Frances, \$10,000; Hydro-Electric (capital), \$40,000; we also had special expenditures such as General Election, \$126,000; Quebec Battlefields, \$100,000, and the Central Ontario Railway, \$19,500. The total of these capital and special amounts all over ten thousand dollars, amounts to \$560,500,

We also spent a very large amount on Colonization Roads and bridges with a view of opening up the country to the north, for it is the duty of the Government and the Legislature to assist in the development of that Northern country. Among these items I may specially mention the expenditure of \$100,000 granted towards the Tercentenary celebrations at Quebec. That is an expenditure for which full value has been received. (Cheers.) It has brought about a friendly feeling between the provinces, and has removed much of the friction which, to a certain extent, existed between the Province of Ontario and that of Quebec. It showed that we were willing and anxious to meet them, and anxious to join with them in celebrating the great events which that Tercentenary commemorated. I think that that item of expenditure, and in this I think the Honourable Gentlemen opposite will agree, is one that can be fully concurred in, and one for which full value has been received. (Cheers.)

Against these capital expenditures we had special receipts from the Dominion, Interest and Principal in connection with the Trust Funds, of about \$200,000.

Now as to 1909. As Honourable Gentlemen are aware we have brought in a Bill to change the Fiscal Year, making it from the first of November to the 31st of October in the following year. The result is that this year we will have to bring down two sets of estimates. The first being those which have been brought down for ten months from the first of January to the 31st October, 1909. Subsequently other estimates from the 1st November, 1909, to the 31st October, 1910. In these estimates, Honourable Gentlemen will easily see that it is impossible to present estimates for such items as expenditure on Colonization Roads, Public Buildings that are not yet started, Public Works and many of such items. So we propose in the estimates for the following year to bring down only the ordinary expenditures leaving those special expenditures to be brought down as supplementary estimates in the Session of 1910.

As to the receipts for the coming ten months there is a disadvantage to the Treasurer in making a favourable statement, and there is no doubt that although I believe that if we had taken the full financial year we should have been able to easily pay our way, in ten months we may not be able to do so. For instance, in the Crown Lands Department a great deal of the revenue comes in during the months of November and December. More than half of it did last year. We also lose half of the liquor license fees which are paid in November. These large items are postponed, and on the other hand we pay in many cases during the first ten months nearly the whole of the expenditure for the year. For instance, nearly the whole of the item Legislation last year was paid in the first ten months, in fact in the first two months. The greater part of Education, coal and other supplies for the Public Institutions, which are generally bought about June, the bulk of the expenditure on Colonization Roads, Public Works and Public Buildings, 95 per cent. of the grants to Hospitals and Charities were paid last year during the first ten months of the year. I can best illustrate this by showing that during the months of November and December, 1908, the ordinary revenue received was \$2,300,000, while the expenditure was

only \$1,400,000, a difference against the ten months of nearly \$900,000 in a year in which the revenue and the expenditure were about equal. That shows the disadvantage for this first ten months, but that of course will equalise itself in future years.

The estimated expenditure in these estimates is \$6,943,661. Honourable Gentlemen will see that they have been prepared with great care and a desire for economy consistent with the proper development of this Province. The only item which I need specially mention is that of \$300,000 towards an addition to this Building of a new Library and two Departmental flats. A further vote for this addition will be taken in next year's estimates. We do not of course propose to erect this building out of current revenue. We expect to use some of the cash in hand in making the addition, but it would not be fair to charge the year's revenue with an expenditure of possibly \$500,000 for such a building. (Hear! Hear!) I think that Honourable Gentlemen will admit the necessity for this building. We are very crowded and are renting premises down town for the Temiskaming and Northern Ontario Railway Commission, and the Hydro-Electric Commission. The Education Department should be over here in the Parliament Buildings, and it is of the utmost importance that the valuable Library of the Province should be in a fire-proof building. (Hear! Hear!) It is also absolutely necessary that we should have more vault room which is fully provided for in this addition to the building. The existing vault room is so taken up that papers are lying on the floor, and valuable documents of the Crown Lands Department, which could not be replaced, are being kept in the offices for want of vault room. From time to time further additions to this building will be required, but the present necessity is one which we cannot further put off and must deal with now.

The revenue I estimate at \$6,105,272, although I hope it may be larger. Succession Duties I have put at \$400,000 which is in excess of all payments due before the first day of November, but I hope that by advance payments, such as I have mentioned, we may be able to exceed that amount. Dur-

ing January and February we received Succession Duties amounting to \$95,000 which would be a basis of about \$500,000 for the ten months, but you cannot estimate it accurately. Some months we get \$200,000, and another month we may get only \$30,000.

I am glad to say that we have practically secured reciprocity with Great Britain and nearly all the Provinces with regard to Succession Duties. Quebec is the only exception, and I am in hope that that Province will also pass the necessary legislation. It is not fair that in this one Dominion some estates should pay double taxes. It is not in the interest of this country that a man owning C. P. R. stock and living in Ontario when he dies his estate should be called upon for duty both in Ontario and Quebec. That principle was long ago recognized by the other provinces, and I hope that Quebec will come in.

Notwithstanding our great resources I hope that these estimates will show, and I wish to draw the attention of Honourable Members and those making demands upon us to this, the necessity for economy in the Public expenditure. We should not hesitate to spend money when it is absolutely necessary, but more and more the municipalities and other corporations are making demands that the Province should help them, that they should not tax themselves but trust to the Province alone to give them the money which they wish to spend. We have certain things that we ought not to hesitate about assisting—education, and the opening up of the North country. (Hear! Hear!) The development of this Province requires large expenditures, but still the necessity always arises that we should try to keep our expenditure within our ordinary revenue except in special cases where we are paying out the accumulation of former years. Sometimes Honourable Gentlemen challenge our increased expenditures. We have increased them, and every expenditure that we have made has been fully justified. (Cheers.) We have the revenue, and we have paid our way, and not one single item of that expenditure during the last four years has ever been challenged by Honourable Gentlemen opposite in this House. I don't blame

them for it, because I know that these expenditures were proper. (Hear! Hear!) This Province has grown and developed. The Civil Service has grown with the increased prosperity of the Province. Honourable Gentlemen know that the cost of living has greatly risen, and we have tried to do what is fair and just to the Civil Servants. (Hear! Hear!) I know that although we have made considerable increases we have had to resist much larger demands, and at the same time tried to act fairly and pay a reasonable salary for good service. The grants to Education have been largely increased. The expenditure in connection with the Public Schools has more than doubled. Not only have Honourable Gentlemen opposite not challenged any item of these expenditures, but several times they have actually asked to increase them. The payments were not enough on certain items, and yet they don't like the general result. I may be permitted to quote some items of increase during the past four years. In Civil Government, as I have said, the cost has been considerably increased owing to the extension of the service, and owing to the increased salaries that we have paid. The increase in four years has amounted to \$174,000 in that branch; Legislation, \$36,000; Administration of Justice has increased because we have opened up the North country, and I believe that justice in this Province has been better administered during the past four years than for a long time before. Then take Education. That alone shows an increase of \$950,000 in four years. Those expenditures have not been challenged by the Opposition. In regard to Public Institutions and their maintenance, new institutions have been opened such as the hospital for epileptics at Woodstock. These have been necessary, but the total expenditure has only increased in four years \$210,000 which is offset by \$75,000, the increased revenue from the patients apart from the revenue deducted from the Railway tax. Agriculture, leaving out the sugar beet bonus, has increased \$159,000, Hospitals and Charities has increased \$81,000, Colonization Roads \$173,000; the charges on Crown Lands, owing very much to the development of the mining industry, the cost of better care of the

forests in better fire ranging, has increased by \$269,000, from \$286,000 to \$555,000. Miscellaneous expenditures increased last year by \$256,000. Two items explain that, they were the grant to Tercentenary, and the cost of the General Election. Then we have paid \$340,000 in interest on the bond issue of the T. and N. O., but it is offset by receipts from that railway of \$350,000. Is that an increase of expenditure to be challenged? Then under distribution to municipalities out of the Railway tax there was paid to the municipalities last year \$73,000. That item did not occur four years ago, but surely Honourable Gentlemen will not challenge the distribution to the municipalities in relief of local taxation. We paid the Alpha Mining Company out of the O'Brien Mine royalties \$74,000, but that is offset by revenue in the proportion of one hundred to forty. Then in regard to the Central Prison Industries we give the total expenditure and the total receipts. In 1904 not a dollar of expenditure was shown but simply the net balance. We show both expenditure and receipts, and that helps to show an increased total expenditure although it is only a matter of book-keeping.

During the past year two loans on Treasury Bills have been made, one on the 1st May for £400,000 for six months at three per cent., and the other on the 1st November when we borrowed £400,000 more, making £800,000, at $3\frac{1}{4}$ per cent. Of this money so far we have used £400,000 to repay the first loan. The rate is one of which the Province may be proud—three per cent. in May, and three and a quarter in December, showing that our credit is quite as good as that of the Dominion of Canada, in fact so far as the first loan is concerned, I am not sure that it cannot be regarded as being a little better, and I know that it was far better than when some money was borrowed in 1907, when the Dominion was for a time paying the Bank of England rate on their loan, which was seven per cent.

Another matter that was settled during the year was the remaining \$1,000,000 of the Provincial Guarantee for the loan to the Canadian Improvement Company in connection with

The Lake Superior Corporation. The Canadian Improvement Company at the commencement of the year sold to British capitalists the securities which they held consisting of stock and bonds of The Lake Superior Corporation and with the proceeds of the sale paid off the remaining \$1,000,000 which this Province had guaranteed. That guarantee was one of the mistakes of our predecessors in office, and, Mr. Speaker, I claim for this Government that we have been patient. We have not sold out, as some people urged, our security, the result of which would have been a disturbance which would have meant The Lake Superior Corporation and its industries going into the hands of a receiver again, which would also include the Algoma Central, Manitoulin and North Shore Railway lines and the Corporation's steamship lines which were part of our special security, but we gave time and we are proud of the result. We have not only enabled the Canada Improvement Company to get out of the affair without loss, but they have brought English capital into this country and business men prepared to spend a sum up to two and a half millions to be used in perfecting the works at the Sault. Their success means a great deal for Ontario. It means not only the improvement of the Sault industries, but it also means, as a result, that other industries throughout this province will attract English capital. (Cheers.)

Then again there is another matter which has been settled during the past year, another legacy left by the Honourable Gentlemen opposite, or rather I cannot say that it was left because they tried to do their best. When we came into office we found that the Dominion Government was particularly hostile to this Province. (Hear! Hear!) The Dominion Government reduced the rate of interest on three of the Trust Funds held by them for this Province from five to four per cent., the first reduced payment taking place in the January previous to our coming in. The former Government had commenced an action against the Dominion to recover the difference of one per cent., or rather a half per cent. on the half year. It came to trial in the Exchequer Court and the

first judgment was affirmed by the Supreme Court. The effect of it was that, while the Dominion had to pay five per cent. as long as they kept the money, they could pay us off at any time. The result of this judgment was that it left no object in our leaving this money in the hands of the Dominion. We had to take the money \$1,900,000 or only get four per cent., and we owing the Dominion \$1,700,000 on which they charged four per cent. there was no object in leaving these funds with the Dominion. We were advised by counsel acting for the Province that it was inexpedient to appeal to the Privy Council from the judgment of the Supreme Court of Canada. That being the case, we took authority last year to receive from the Dominion payment for the Trust Funds. They wiped out the \$1,700,000 debt which we owed and paid the balance in cash, \$172,000, and also paid one per cent. interest from the 1st July, 1904, to the 1st July, 1907, when a tender was made. Now here is where the Dominion did not treat this Province fairly. At the same time that they reduced our interest on these Trust Funds from five to four per cent. they were owing the Province of Quebec \$2,400,000 on subsidies given to the North Shore Railway, and up to the same date they had been paying five per cent. interest on that amount. When they reduced our interest from five to four per cent. they reduced the interest of Quebec from five to four and a half per cent. only. Surely that is not treating this Province rightly. They had no right to pay more to the Province of Quebec and to make a distinction between the two Provinces of a half per cent. per annum. Also in connection with the Common School Fund they did not attempt to reduce the rate from five per cent. because if they had reduced the percentage of Ontario they would also have had to reduce that of Quebec. Now, Mr. Speaker, I have no complaint against the Province of Quebec. We wish them well. What I do say, however, is that all the provinces of this Dominion should be treated fairly by the Dominion Government. (Cheers.)

The three Trust Funds paid over by the Dominion to the Province were the—

Land Improvement Fund	\$124,685 18
U. C. Building Fund (Sec. 18 of Act, 1854)	1,472,391 41
U. C. Grammar School Fund, 2 Vict., Cap. 10	312,769 04

\$1,909,845 63

These were paid by cancellation of the debt owing by Ontario to the Dominion	\$1,737,190 72
and cash payment of	172,654 91

\$1,909,845 63

authority being given by chapter 13 of the Ontario Statutes, 8 Edward VII., to receive these monies freed and discharged of all trusts whatsoever.

The Land Improvement Fund was twenty-five per cent. of the receipts between 1853 and 1861 from sales of Common School Lands, after deducting six per cent. for expenses, which was under the Act payable to the municipalities in which the lands lay. At Confederation the above amount was undistributed, but some years ago the Province paid the amount to the municipalities interested, so that no trust attached to this Fund.

The Upper Canada Building Fund was made up by setting aside for the erection of Asylums and other public buildings in Upper Canada an amount equal to that paid for the purchase of Seigniorial rights in Lower Canada. Previous to Confederation the cost of the erection of asylums in Upper Canada was paid out of this Fund, and since Confederation asylums costing several times the above amount have been erected by the Province, and in this case also there is no trust.

The Upper Canada Grammar School Fund was formed from the sale of 250,000 acres of land in Upper Canada, set aside for Grammar School purposes. The Province now pays annually more than \$130,000 for the support of High or Gram-

mar Schools; but if at any time in the far future it should be sought to reduce this grant, the High Schools should be paid not less than four per cent. on this amount of \$312,000.

As to the debt owing by the Province to the Dominion of \$1,700,000, as found by the Arbitrators between the Province and the Dominion, some of the chief items which made up this amount were: Purchase of Rockwood Asylum 1877 and 1878 \$206,000, Transfer to Common School Fund in 1889 of monies collected and spent by Ontario \$925,000, Advance by Dominion 1891 of \$500,000 towards erection of Parliament Buildings, and \$112,350 in 1892, Ontario's capitalized share of payments to be made to Indians under Huron and Superior Indian Treaties. There were various other accounts settled, but these four items were the chief causes of Ontario's debt to the Dominion. They will be found in Sessional Paper No. 58 of the Session of 1901.

Another matter which was one of our legacies was the case brought by the Dominion Government some years ago, before the change of Government, against the Province of Ontario to recover the amounts paid by the Dominion to the Indians in the Rainy River District under Indian Treaty No. 3. They claimed a very large amount, and it was decided that whatever money might be found due to the Dominion should be divided between the Province of Ontario and the other Province or the Dominion in proportion to the territory covered by the treaty. There were about 55,000 square miles in the treaty of which about 22,000 were in Manitoba and Keewatin, but nearly all the Indians were in Ontario, and if the amount paid had been on the basis of population we should have been liable for nearly all. It was finally declared under the judgment that the division as to the amount found to be due should be in proportion to the territory, which was five-elevenths to six-elevenths in Ontario. Mr. Justice Burbidge since that date gave judgment against us for part of the money, for the actual subsidies paid. The Supreme Court has reversed that judgment in our favour and has decided in favour of Ontario that we are not liable under the Treaty to pay anything. That is the position at present. Of course

the Dominion may possibly appeal to the Privy Council, but we hope to hold the judgment of the Supreme Court.

One other thing I may refer to is the Act of last Session to make municipalities pay in a Sinking Fund for the paying off of debentures into the hands of the Province. The great object of that Act is to secure that the sinking funds of the municipalities are safe. Throughout the Province repeatedly we have found that municipal councils have spent their sinking funds and when the time comes for them to pay off their debentures they come to us for power to borrow again when they should have had the money on hand. The Act is beginning to work fairly well. I think that some eight or nine by-laws have been already passed, but of course we do not yet get the money on them. It is not due yet, but the paying of it in is provided for. The Counties of Leeds and Grenville the other day paid in some \$10,000 to the Sinking Fund on an old loan.

I hope that the result of the Act will be to put the finances of the municipalities, as regards borrowing, in a much better condition than they have been.

As to the Crown Lands receipts, the Deputy Minister of Lands and Forests read an interesting paper before the Forestry Convention a short time ago. He has given me his figures and I should like to give them to the House. From Crown Lands, that is land actually sold, the receipts for the ten years from 1867 to 1876 were \$3,429,000; from 1877 to 1886, \$1,398,000; 1887 to 1896, \$1,090,000; 1897 to 1907, \$1,762,000. Then for the years 1907-8, in which he included the sale of Cobalt and Kerr lakes, \$1,417,000. The result of that showed that our revenue, which was once very large from the actual receipts for the sale of Crown Lands, is now diminishing very rapidly. But I should like to give you the figures for pine, saw logs, booms, timber, cubic and square feet, feet board measure and the revenue from timber dues, ground rent, and bonus. From 1867 to 1876 the board measure cut was 4,283,000,000, that is an average of 428,000,000 a year, from which we got \$4,434,000 in ten years. From 1877 to 1896 the cut was 4,792,000,000 feet board measure

for which we got \$5,568,000; 1887 to 1896, 7,230,000,000 feet, revenue \$11,902,000; 1897 to 1906, 6,162,000,000 feet, revenue \$16,412,000; 1907, 790,000,000 feet, revenue \$1,219,000; 1908, 630,000,000 feet, revenue \$1,786,000. The total feet board measure for the period covered is 24,178,000,000, and the revenue \$41,322,000. Of the revenue given for 1908 \$391,000 was on account of dues payable in 1907.

What is the cause of this change in the rate of revenue and the quantity cut? Before Confederation the ground rent was fifty cents per square mile, and the timber dues fifty cents per thousand. On the 16th April, 1869, the ground rent was increased from fifty cents to \$2 a square mile, and the timber dues from fifty cents to seventy-five cents. On the 27th of April, 1887, the ground rent was increased from \$2 to \$3 a square mile and the timber dues from seventy-five cents to \$1 per thousand feet board measure. Other increases since 1887 were for particular sales only. For the sale in 1892 the dues were \$1.25 per thousand feet board measure. In the 1903 sale the ground rent was increased to \$5.00 per square mile, and the dues to \$2.00 per 1,000 feet board measure. Some sales have since been made at \$10.52 bonus per thousand feet board measure, and dues \$2, making a total of \$12.52. That was two years ago, I think in 1906. It was a township on the Algoma Central Railway, and as security the purchaser paid in \$50,000.

One other item of expenditure I think I should deal with and that is the expenditure in connection with the Hydro-Electric Commission. Contracts have been made in connection with the transmission of power from Niagara to the City of Toronto through Dundas and various other towns and cities including the Cities of London and St. Thomas. The estimate on which these contracts were based was for the cost of building the line with the necessary transformer stations, etc., and amounted to \$3,479,000. Part of the items based on that estimate have been tendered for and contracts entered into. The result is that some of the items are still estimates, and there has been an addition of \$51,000 for spare transformers, but in spite of that the total estimate, so far as

the original project is concerned, has been reduced by savings effected in the contracts entered into to \$2,997,886, a difference of \$482,000 less. But against that there have been added a couple of items which were not in the estimate for a new protective equipment to make the line safe, which is estimated to cost \$60,000, and the connecting line construction for the protective system \$46,000, making a total addition of \$106,000, and making the present estimate \$3,104,686 as against \$3,479,000, a saving of \$375,000 on the estimate on which the Commission gave prices to the various municipalities, and so far the Commission in making the contracts with the municipalities have been able to make considerable reductions in the amount charged. Among the items are: High Tension Transmission Line, \$1,270,000; right of way, \$227,375; High Tension Insulators delivered, \$178,015; Transformer Stations, electrical equipment, \$687,876, instead of \$1,100,175 estimated; Mechanical Equipment, \$82,000, which is still an estimate; Buildings for High Tension Transformer Stations, \$195,000, which is still an estimate; Low Tension Distribution and extras, including \$20,000 for automobiles, \$149,000 instead of \$217,982.

Honourable A. G. McKay: What are the automobiles for?

Honourable A. J. Matheson: The line will be over a long road and it will be necessary for the engineers to travel over it in order to inspect the line. It was thought that it would be cheaper to provide automobiles than to hire teams for this.

Honourable A. G. MacKay: What about the poor farmer?

Honourable Attorney-General: It will be an education.

Honourable A. J. Matheson: Testing instruments and tools will cost \$31,970, Engineering and Interest during construction on Transmission Lines, \$127,174, and spare transformers, \$51,485, making a total of \$2,997,886 to which has to be added the cost of the protective system, making the grand total \$3,104,686 before mentioned. Out of the expenditure already made \$40,000 is chargeable to the municipalities, and \$14,000 to the Province. This reduction of capital expenditure is very important—I speak only from the financial view of the question—but the more favourable the state-

ment as to capital expenditure the better will be the position in regard to the Sinking Fund, and the charge for power is also affected. It is proposed that this expenditure should be placed to Capital Account and that a special loan should be made.

Mr. McDougal (East Ottawa): Why is \$14,000 charged to the Province?

Honourable A. J. Matheson: The Commission has made surveys as to water powers in various parts of the Province, of almost every stream on which there is power. They have investigated conditions even in my Honourable Friend's constituency, in the City of Ottawa, and that could not be properly charged to Capital Account against the Niagara scheme.

As to the T. and N. O. Railway, Honourable Gentlemen are aware that the rails are now laid to the point of junction with the National Transcontinental Railway, but there is still much work to be done on capital account in connection with the road. The total cost of the road and equipment up to the 31st of December last year was \$13,441,704.89, or a cost per mile of \$50,532.73. The number of miles operated in 1908 was 191, and the total cost \$9,651,751.43 for the 191 miles. The earnings for 1908 were: from operation \$284,668.18, ore royalties \$134,820, making a total of \$419,488.45, while the interest on cost, at 3.8 per cent. was \$366,866.55. The total receipts for 1908 were \$982,000, an increase of \$129,000, and the total expenditure \$698,000, an increase of \$52,000. The net earnings on operation were \$284,000, an increase of \$76,000; Ore Royalties \$134,000, an increase of \$85,000. The total net revenue was \$419,000, an increase of \$160,000. (Hear! Hear!) The operating expenses were 70.8 per cent. I may say with regard to these operating expenses that the C. P. R. were 69.5 per cent., Grand Trunk 72.5, and other roads from 57 to 111 per cent. In the United States the operating expenses of the New York Central were 75 per cent. and the various other roads ran from 58 to 76 per cent. in spite of their immense traffic.

The number of passengers carried earning revenue was 479,005 and the total revenue from that source was \$366,-

504. The number of tons of freight carried was 484,444 and the total earnings \$472,513. I have a lot of small details, but I do not think that I need detain the House, but the fact is that we have now got to a basis of a new beginning in connection with this railway. So far, I think we can be said to have paid the interest on the operation, but we have certainly not paid the interest on the whole railway. The interest on the part not being operated is in all railway construction always charged to Capital Account, but I think we can fairly claim that the interest on the part being operated has been paid. There is no doubt whatever that we shall get a large traffic from the National Transcontinental, a traffic which will last for four or five years at least, and that we ought to get a large amount of through traffic after the completion of the railway to the West.

Now, Mr. Speaker, I think that I have given enough details as to the financial state of the Province, and I will just make a short summary. Our cash at the bank at the end of December was \$3,072,136, or \$216,000 more than at the end of 1904. We have borrowed money in Great Britain, but the amount paid to the T. and N. O. Commission for expenditure on Capital Account is \$1,357,000 more than every dollar borrowed on that account, and the whole expenditure is about \$14,000,000 to date. We have paid in during that time towards Sinking Fund \$97,000. The present value of the railway subsidies, notwithstanding that during the past year we have given the Grand Trunk Pacific a subsidy of \$244,000 on 122 miles of road; notwithstanding that during the past year we issued these certificates and also paid during two past years \$43,500 in cash to the Central Ontario Railway, yet the liabilities at the end of last year on account of railway subsidies were \$98,450 less than four years ago. So we have this, Mr. Speaker, that we have \$216,000 more cash in hand, we have paid \$97,000 to the Sinking Fund, we have retired railway subsidies until they are \$98,000 less than four years ago. Notwithstanding that we have paid the Grand Trunk Pacific, and the Ontario Central \$287,500. So during the past four years we have had receipts over expenditure of

\$1,840,000. (Cheers.) This is caused by cash surpluses of past years the Sinking Fund paid and the Principal paid on reduction of Railway and Annuity certificates. The only other increased liability is \$500,000 granted to the University and Hospital of Toronto. Even deducting that our assets over liabilities are \$1,300,000 more than in 1904. We have got rid of the liability on the Sault guarantee of \$2,000,000, our liability to the Dominion on old accounts of \$1,700,000, and so far we have defeated the claims of the Dominion to recover \$1,000,000 or more claimed as payment to Indians under Treaty No. 3. We have been liberal to our schools and universities, our hospitals and charities, Colonization Roads, and Public Buildings, and we have carried on the Government of this Province for the advantage of the Province. (Cheers.) No man can say that we have been extravagant beyond our means or, on the other hand—that we have been stingy in not making the proper expenditures that this Province ought to have. For the coming time I see no reason why, with proper economy, this Province should not pay its way, why the great North country which is coming on, should not be developed, why we should not be able to meet our responsibilities which are coming in connection with the opening up of North Ontario by the extension of the T. and N. O. and the building of National Transcontinental, which means more surveys in the future, more Colonization Roads, Public Buildings and the administration of justice throughout the whole of that great country. The recent election showed that the people of this Province trust that in our hands the development of this Province will progress and that we will pay our way as we have always done. (Cheers.)

CASH AND DEBENTURE ASSETS OF THE PROVINCE.

DECEMBER 31st, 1908.

BANK BALANCES:—

Current account.....	\$147,858 50	
Special deposits bearing interest.....	2,924,278 00	
		<hr/> \$3,072,136 50

SINKING FUND:—

Re Ontario Government inscribed stock,
5 Edw. VII., cap. 2 and 3 £1,200,000,
one half of one per cent. per annum
on the principal.

Amount of stock purchased for the
Province for sinking fund by the
Bank of Montreal, Fiscal Agents, to
the 31st December, 1908, at par of
exchange.....

97,568 69

DEBENTURES:—

Drainage Debentures.....	108,370 05	
Tile Drainage Coupons.....	48,420 00	
Sault Ste. Marie Debentures.....	25,572 50	
		<hr/> 182,362 55
		<hr/> 3,352,067 74

TRUST FUNDS OF THE PROVINCE HELD BY THE DOMINION.

Common School Fund (see Consolidat-
ed Statutes, c. 26) 1,000,000 acres set
apart (proceeds realized to 31st De-
cember, 1907), after deducting Land
Improvement Fund, \$2,602,410.86,
portion belonging to Ontario, as per
population of 1901.....

1,482,556 05

NOTE—See Awards, sessional papers,
1900 and 1901.

Common School Fund, Montmorency
Bridge Debentures paid over to the
Dominion *re* Quebec Turnpike Trust,
\$6,000.00, portion belonging to On-
tario as per population of 1901.....

3,418 11

1,485,974 16

LIABILITIES OF THE PROVINCE.

- 1.—Ontario Government Inscribed Stock
(London, Eng., loan) 5 Edward VII.,
cap. 2 and 3, issued to redeem Treas-
ury Bills falling due May 15, 1906,
£1,200,000 at par of exchange..... 5,840,004 00
- 2.—Ontario Government Bonds and Stock,
5 Edward VII., cap. 2 and 6 Edward
VII., cap. 4 (Canadian Loan) issued
for construction of Temiskaming and
Northern Ontario Railway..... 3,000,000 00

3.—Treasury Bills issued for six months due 1st of May, 1909, on account of T. & N.O. Railway, £800,000. 8 Edward VII., cap. 11. £800,000 at par of exchange. See Statement No. 18.....		3,893,336 00	
			12,733,340 00
NOTE—Against these liabilities the Province has an asset, the Temiskaming and Northern Ontario Railway, now under construction, the amount expended on which to 31st December, 1908, is \$13,982,764.55.			
4.—Railway Certificates, present value, outstanding on 31st December, 1908....		2,511,670 53	
Annuity Certificates, present value, outstanding on 31st December, 1908....		1,514,642 48	
			4,026,313 01
5.—Common School Fund collections by Ontario from 1st January, 1908, payable to the Dominion, in trust, for both Provinces.....		4,377 76	
In trust for Ontario, \$2,493.94			
In trust for Quebec, \$1,883.82			
6.—University of Toronto Certificates \$30,000 per annum for 27 years, 5 Edward VII., cap. 37.			
Present value at 3½ per cent. per annum		518,561 10	
Total direct liabilities.....		17,282,591 87	

INDIRECT LIABILITIES OF THE PROVINCE AND GUARANTEES.

1.—Niagara Falls Park Bonds—			
(50 Vic. c. 13).....		\$525,000 00	
(57 Vic. c. 13).....		75,000 00	
(8 Edw. VII., cap. 29)		100,000 00	
			700,000 00
NOTE—The Income of the Park Commission from lease of power, etc., was sufficient to pay all maintenance and interest charges and leave a balance available for capital expenditures			
2.—The Canadian Northern Ontario Railway Company, (formerly the James Bay Railway Company).			
Guarantee by the Province of Ontario under authority 8 Edward VII., c. 47, of principal and interest at 3½ per cent. per annum, Debenture Stock of above Railway payable in 30 years from 30th June, 1908. £1,615,068 9s. 7d. sterling.....			7,860,000 00
Secured by First Mortgage on Railway, Rolling Stock and Terminals.			

RECEIPTS AND EXPENDITURE, 1908.

RECEIPTS.

	\$	c.	\$	c.	\$	c.
Balance as per Public Accounts, 1907.						
Amount at special deposit, 31st Dec., 1907.....	1,561,881	61				
Amount at current account, 31st Dec., 1907.....	112,202	44				
					1,674,084	05

Consolidated Revenue Fund.**From Dominion of Canada:**

Subsidy on population:

B.N.A. Act, 1907.....	1,746,357	60		
Subsidy, 47 Vic., c. 4.....	142,414	48		
Special grant, B.N.A. Act, 1907.	240,000	00		
			2,128,772	08

**Interest paid by
Dominion on
Trust Funds....** 209,389 43

Less interest paid by
Ontario for six
months ended 30th
June, 1908, on
balance of account
current with Dom-
inion from Con-
federation to date
as finally adjusted 34,743 80

174,645 63

Interest on Investments..... 64,931 68

239,577 31

Lands, Forests and Mines:**CROWN LANDS:**

Agricultural.....	59,360	14
Mining.....	23,445	30

82,805 44

Clergy Lands.... 1,642 05

Common School
Lands..... 5,890 96Grammar School
Lands..... 433 65

University Lands 1,015 78

8,982 44

RENT:

Mining Leases... 20,611 81

Crown Leases.... 6,165 56

26,777 37

Mining Licenses.. 71,721 39

Recording Fees.. 66,008 71

137,730 10

Royalties..... 218,071 96

SUPPLEMENTARY REVENUE: \$	c.	\$	c.	\$	c.	\$	c.
Acreage Tax.....	9,502	47					
Profit Tax.....	100,538	57					
Gas Tax.....	15,037	02					
				125,078	06		

WOODS AND FORESTS:

Bonus.....	100,879	39					
Timber Dues.....	1,618,242	58					
Ground Rent....	65,150	87					
Transfer Fees....	2,066	15					
				1,786,338	99		
Provincial Assay Fees.....	362	60					
Casual Fees.....	778	72					
Cullers' Fees.....	384	00					
				1,525	32		
Rondeau Park...	335	25					
Algonquin Park..	581	90					
Forest Reserve...	1,181	77					
Provincial Mines.	12,592	90					
				14,691	82		

REFUNDS:

Diamond Drills..	11,286	11					
Temagami Timber Cutting.....	172	00					
Fire Ranging ...	16,177	63					
Surveys.....	121	00					
Wood Ranging...	311	54					
Agents' Salaries..	244	87					
Estimation of timber berths..	5	24					
Exploration and investigations..	104	50					
Inspection fees...	5	00					
				28,427	89		
						2,430,429	39

From Licenses.....	577,771	11					
“ Law Stamps	95,695	15					
“ Algoma Taxes.....	1,109	14					
“ Education.....	50,960	02					
“ Provincial Secretary	172,980	43					
“ Game and Fisheries	101,053	56					
“ Agriculture.....	87,722	05					
“ Supplementary Revenue Act (8 Edw. VII., c. 14).....	695,482	31					
“ Succession Duty	1,134,898	88					
“ “ (Funds deposited in lieu of Bond for payment of Succession Duty)	19,750	00					
“ Casual Revenue.....	105,799	02					

From Public Institutions :		\$	c.	\$	c.	\$	c.
Toronto Hospital for Insane.		45,770	88				
Brockville	"	15,839	85				
Hamilton	"	26,941	85				
Kingston	"	14,938	11				
London	"	32,433	46				
Mimico	"	17,221	22				
Orillia	"	9,808	77				
Penetanguishene	"	3,076	79				
Woodstock	"	8,370	61				
Cobourg	"	595	16				
Reformatory for Females...		3,626	41				
Central Prison		274	23				
Central Prison Industries...		59,350	26				
				238,247	60		
From Dominion of Canada :							
Balance on Capital of Funds paid by Dominion, 21st September, 1908. (See Statement No. 20)				172,654	91		
From Temiskaming and Northern Ontario Railway, from Earnings.....							
				350,000	00		
Total Receipts.....						8,602,902	96
From Drainage Debentures, Municipal.....							
						12,980	72
" Drainage Debentures, Tile.....						7,365	00
" Proceeds of Sale of Ontario Govern- ment Treasury Bills. (See State- ment No. 18)						3,785,171	56
						14,082,504	29

EXPENDITURE.

Consolidated Revenue Fund.

	\$	c.	\$	c.
For Civil Government.....	518,823	91		
" Legislation	236,787	98		
" Administration of Justice.....	607,090	74		
" Education.....	1,564,567	81		
" Public Institutions Maintenance	1,026,823	85		
" Central Prison Industries.....	54,344	10		
" Colonization and Immigration	33,645	00		
" Agriculture.....	534,325	72		
" Hospitals and Charities.....	317,774	60		
" Repairs and Maintenance, Parliament Buildings, etc.....	105,278	69		
" Locks, Dams, etc.....	14,714	88		

	\$	c.	\$	c.
For Colonization Roads.....	459,894	73		
“ Charges, Crown Lands.....	555,122	12		
“ Surveys, Inspections, etc.....	726	78		
“ Refunds <i>re</i> Crown Lands....	\$17,117	05		
“ Refunds <i>re</i> Forest Reserve, Regulations and Mines Act	2,028	84		
“ Refunds <i>re</i> Education.....	9,413	35		
“ Refunds <i>re</i> Miscellaneous....	11,093	24		
			39,652	48
“ Miscellaneous Services.....	468,131	30		
			6,537,704	69
“ Commutation Volunteer Veterans' Land Grants.....			29,995	83

Open Accounts.

For Hospital for Insane, Toronto.....	6,580	07
“ “ Mimico.....	14,233	55
“ “ London.....	25,491	66
“ “ Hamilton.....	18,580	86
“ “ Kingston.....	16,049	58
“ “ Brockville.....	21,372	53
“ “ Cobourg.....	1,457	83
“ “ Woodstock.....	17,838	69
“ “ Penetanguishene....	23,238	24
“ Hospital for Feeble-Minded, Orillia.....	4,819	02
“ Reformatory for Females, Toronto.....	2,972	86
“ Central Prison, Toronto.....	1,694	79
“ Osgoode Hall.....	45,444	25
“ Normal School, Toronto.....	5,746	52
“ “ Ottawa.....	12,095	41
“ “ London.....	13,420	72
“ Additional Normal Schools.....	176,557	79
“ Agricultural College.....	33,864	86
“ Fruit Experimental Station.....	18,908	80
“ Immigration House.....	743	09
“ Winter Fair Building, Guelph.....	101	25
“ Deaf and Dumb Institute, Belleville.....	3,754	28
“ Blind Institute, Brantford.....	6,345	91
“ District of Muskoka.....	1,443	53
“ “ Parry Sound.....	7,574	92
“ “ Nipissing.....	1,665	83
“ “ Algoma.....	7,779	57
“ “ Thunder Bay.....	10,436	11
“ “ Rainy River.....	11,625	93
“ “ Sudbury.....	49,204	67
“ “ Manitoulin... ..	4,868	31
“ Public Works.....	142,966	04
“ Drainage Works.....	18,500	00
“ Refund <i>re</i> Land Improvement Fund.....	3,439	71
“ Expenditure under Special Statutes.....	639,303	65
“ Railway Aid Certificates.....	120,860	68
“ Aid to Railways (Central Ontario Railway)	19,500	00
“ Annuities.....	102,900	00
“ Common School Lands.....	10,075	96
“ Special Warrants.....	21,663	78
“ Criminal Investigations.....	764	52

	\$	c.	\$	c.
For Stationery Accounts, excess of purchases over distribution.....	3,411	08		
“ Interest for 1908 on Ontario Government Bonds and Stock (5 Edw. VII., cap. 2, and 6 Edw. VII., cap. 4).....\$3,000,000	104,991	25		
“ Interest, Charges and Sinking Fund for 1908 on Ontario Government Inscribed Stock (5 Edw. VII., cap. 2 and 3) £1,200,000.....	235,075	98		
			1,989,364	08

Total Expenditure..... 8,557,064 60

For Good Roads.....	107,524	63		
“ Drainage Debentures, Municipal.....	34,497	96		
“ Drainage Debentures, Tile.....	6,300	00		
“ Advance to the Temiskaming and Northern Ontario Railway.....	2,304,980	60		
Amount at Special Deposit 31st December, 1908.....	2,924,278	00		
Amount at Current Account, 31st December, 1908.....	147,858	50		
			3,072,136	50
			14,082,504	29

ESTIMATED RECEIPTS, 10 MONTHS, 1909. INCLUDING CASH BALANCES ON HAND 31st DECEMBER, 1908.

Subsidy.....	\$2,128,772	08		
Interest on Common School Funds held by the Dominion ...	\$	74,000	00	
Interest on Investments.....	60,000	00		
			134,000	00

LANDS, FORESTS AND MINES DEPARTMENT:—

Lands and Forests:

Timber Dues, Bonus, Ground

Rent, etc.....\$ 925,000 00

Crown Lands..... 60,000 00

Clergy Lands..... 3,000 00

Common School Lands..... 10,000 00

Grammar School Lands 2,000 00

1,000,000 00

Mines:

Royalties..... 300,000 00

Supplementary Revenue 50,000 00

License Fees, Recording Fees,

etc..... 140,000 00

Provincial Mine 10,000 00

500,000 00

1,500,000 00

Public Institutions.....	\$ 130,000 00
Central Prison Industries.....	47,500 00
Education Department.....	40,000 00
Provincial Secretary's Department.....	127,000 00
Agriculture.....	75,000 00
Stationary Engineers.....	10,000 00
Casual Revenue.....	80,000 00
Succession Duties	400,000 00
Supplementary Revenue Tax (8 Edw. VII., Cap 14)	690,000 00
Tavern and Brewers' Licenses	300,000 00
Law Stamps.....	78,000 00
Games and Fisheries	65,000 00
Estimated Earnings, T. & N. O. Ry., 10 months.....	300,000 00
<hr/>	
Total Estimated Receipts.....	6,105,272 08
Cash Balances, 31st December, 1908.....	3,072,136 50
<hr/>	
Total	\$9,177,408 58

ESTIMATED EXPENDITURE, TEN MONTHS, 1909.

Civil Government.....	\$473,097 58
Legislation	239,832 77
Administration of Justice.....	550,334 03
Education.....	1,521,356 42
Public Institutions Maintenance	1,016,270 00
Agriculture	506,778 00
Colonization and Immigration	48,768 00
Stationary Engineers.....	4,750 00
Hospitals and Charities	341,950 00
Repairs and Maintenance.....	89,635 00
Public Buildings.....	747,396 05
Public Works.....	154,885 49
Colonization Roads	443,344 75
Charges Crown Lands.....	480,059 36
Refunds.....	31,253 70
Miscellaneous.....	293,950 00
<hr/>	
\$6,943,661 15	

ESTIMATED EXPENDITURE, 1909-10.

Civil Government.....	\$577,835 00
Legislation	253,550 00
Administration of Justice	665,668 66
Education	1,681,886 33
Public Institutions Maintenance	1,203,876 20
Agriculture.....	584,838 00
Colonization and Immigration.....	57,800 00
Stationary Engineers.....	5,950 00
Hospitals and Charities	307,950 00
Repairs and Maintenance.....	99,500 00
Public Buildings.....	265,000 00
Charges Crown Lands.....	507,300 00
Refunds.....	30,000 00
Miscellaneous.. ..	266,850 00
	<hr/>
	\$6,508,004 19

NOTE.—For the financial year 1909-10 votes for Colonization Roads, Public Works and Buildings, other than those in process of construction, are omitted and will be voted in the Supplementary Estimates for the year 1909-10.

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

Year.	Railway Aid Certificates.	Annuities.	Year.	Railway Aid Certificates.	Annuities.
	\$ c.	\$ c.		\$ c.	\$ c.
			<i>Fr'd</i>	2,644,825 60	1,899,200 00
1909	132,241 28	102,900 00	1929	132,241 28	50,700 00
1910	132,241 28	102,900 00	1930	131,541 68	50,700 00
1911	132,241 28	102,900 00	1931	128,043 68	43,700 00
1912	132,241 28	102,900 00	1932	121,047 68	32,700 00
1913	132,241 28	102,900 00	1933	118,249 28	28,700 00
1914	132,241 28	102,900 00	1934	116,150 48	28,700 00
1915	132,241 28	102,900 00	1935	104,257 28	24,700 00
1916	132,241 28	102,900 00	1936	98,218 75	16,700 00
1917	132,241 28	102,900 00	1937	87,588 54	9,200 00
1918	132,241 28	102,900 00	1938	84,090 54	2,850 00
1919	132,241 28	102,900 00	1939	79,251 09	.....
1920	132,241 28	102,900 00	1940	75,367 76	.....
1921	132,241 28	102,900 00	1941	61,072 49	.....
1922	132,241 28	102,900 00	1942	24,947 14	.....
1923	132,241 28	102,900 00	1943	18,049 25	.....
1924	132,241 28	96,200 00	1944	15,823 82	.....
1925	132,241 28	82,500 00	1945	11,380 60	.....
1926	132,241 28	69,350 00	1946	11,380 60	.....
1927	132,241 28	56,950 50	1947	11,380 60	.....
1928	132,241 28	50,700 00	1948	11,380 60	.....
<i>Fr'd</i>	2,644,825 60	1,899,200 00	<i>Ttls.</i>	4,086,288 74	2,187,850 00

NOTE.—Present value of Railway Certificates (interest $1\frac{3}{4}$ per cent. half yearly) \$2,511,670 53
 Present value of Annuities (interest $1\frac{3}{4}$ per cent. half yearly) 1,514,642 48

