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Government
Publications

Financial Statement

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OF

The HON. A. J. MATHESON

TREASURER OF THE PROVINCE OF ONTARIO

Delivered on the 3rd February, 1910

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.
1910

*Ont. Department of Treasury and Econ.
Taxation and Fiscal Policy
Budget*

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Printed by
WILLIAM BRIGGS,
29-37 Richmond Street West,
TORONTO.

BUDGET SPEECH

DELIVERED BY

HON. A. J. MATHESON

PROVINCIAL TREASURER

3rd FEBRUARY, 1910

MR. SPEAKER: In rising to move that you do now leave the Chair, in order that the House may go into Committee of Supply, I feel it to be my first duty to congratulate the Province on having had a very prosperous financial year,—

Honourable A. G. MacKay: Hear! hear!

Honourable Mr. Matheson (proceeding): on having had prosperity throughout the Province generally, and on having had, moreover, prosperity in the finances of the Province.

Last session, on account of the change in the financial year, which now terminates on the 31st October, I expected and intimated that we might experience a very large deficit between receipts and expenditure. I am happy to inform the House, however, that, as a result of the general prosperity of the Province, the thoughtful economy of the administration, and the extra revenue received, over and above the estimates, we very nearly made ends meet, even for the short fiscal period of ten months.

The ordinary revenue for the ten months ending 31st October received was \$7,477,920, while the ordinary expenditure was \$7,545,040, leaving an apparent deficit of some \$67,000. But it must be remembered that we have to take into account the fact that a large portion of the revenue from Crown Lands and timber dues, and about half of the license

money, besides considerable other revenue, is payable and received during the closing two months of the year, November and December. It must also be remembered that, included in the expenditure of the ten months, was the outlay of \$35,000, which had been paid in cash towards railway aid, a payment which might have been made in railway certificates payable over forty years, if the Acts had been so framed. It should further be stated that of the expenditure made the sum of \$15,000 has been spent on the addition to this building, which we did not expect to pay out of current revenue, but out of the surpluses of former years and cash on hand.

Every item of the estimated revenue was exceeded save one, the total increases of revenue over the estimates being \$1,372,000. This, I take it, is an evidence of the prosperity of the Province, and at the same time is, in part, the result of our pressing for payments due within the fiscal period, which might otherwise not have been paid until the last two months of the year. Among the increases it is interesting to note that the interest received by the Province exceeded, owing to the large amount of cash on hand, the estimates by \$43,000. Crown Lands receipts, owing to the increase of mineral activity in the Province, show an increase over the estimate of \$528,000, the total revenue from this source being \$2,028,000. In like manner the Public Institutions show an increase of \$22,000 over the estimated revenue, while in the Provincial Secretary's Department, owing largely to the numbers of new charters granted—an indication of general business prosperity—the increase over the estimated revenue reached the sum of \$83,000.

In the matter of Succession Duties, the receipts were \$281,000 more than the estimated amount. In this connection, it is hardly necessary for me to point out the difficulty with which one is confronted in estimating the amount to be received from Succession Duties. For instance, nearly \$600,000 came in from this source after the 4th of March, when I made the Budget Speech of last year, a large por-

tion of it coming from the estates of persons who died after that date. As an example, the British Chancellor of the Exchequer could hardly estimate to receive a revenue of £4,000,000 from one estate where three heirs died within seven months. Thus it may be seen that, in similar proportion, it is difficult to estimate the amount to be received from Succession Duties, but in view of our experience, I believe I would be justified in saying that between \$600,000 and \$700,000 may be taken as a fair estimate of a year's Succession Duties. That amount, however, is liable to go up any year to approximately \$1,000,000 by the deaths of wealthy people.

From the Temiskaming and Northern Ontario Railway we have received a sum \$250,000 in excess of the estimate. I am glad to be able to tell the House that the Government Railway seems likely to become a permanent source of revenue to the Province, and that we shall be able to obtain annually from the net earnings of the Railway a sum quite sufficient to pay the interest on the cost of the road, so that it shall not be a charge on the Province otherwise. (Applause.)

Honourable Mr. MacKay: Hear! hear!

Honourable Mr. Matheson: The total revenue received was accordingly \$1,372,000 over the estimate. (Renewed applause.)

The expenditures were also within the estimate in nearly every item. In the Comparative Table given at the end of the Public Accounts, showing the increase or decrease over the amount appropriated by the House, I would draw the honourable gentlemen's attention to the fact that it differs from Statement No. 1 in that the capital cost of the Transmission Line at Niagara is included among the Miscellaneous expenditures. But, otherwise, in every department, I might say our expenditure was well within the estimate. (Applause.)

In reference to the Public Institutions, I may say, Mr. Speaker, that under the management of the Provincial Sec-

retary every item of the appropriations—not only in each Asylum, but in every particular item voted by this House—was in excess of the amount actually expended. That sort of thing is done by careful attention to details; by seeing that the officials keep within the estimates appropriated by the House. This has been our endeavour, and, while I have not gone into the details in connection with the Institution for the Blind at Brantford and the Institution for the Deaf and Dumb at Belleville, the total expenditure is within the estimate. Practically the same thing may be said of every department, for throughout the whole service generally the expenditure was within the estimate. (Applause.)

Among the receipts for the past year will be noticed the three loans floated by the Province: one, in London, England, for £820,000, floated at 102. We paid out of the proceeds of that loan Treasury Bills to the amount of £800,000, leaving a balance of \$78,000, which is credited here. We also floated in Ontario a loan of \$1,150,000, the balance of the loan of \$7,000,000 authorized in 1905, which was sold at par. It is not free from Succession Duty, and for that reason was sold at par. We also floated in connection with the Hydro-Electric Power project a loan of \$3,500,000, and up to the end of the 31st day of October \$2,070,000 of the amount had been taken up in Ontario. (Applause.) I may say, Sir, that our experience with this loan is that it is very satisfactory. Banks and large corporations took the bulk of the \$1,150,000 loan, but of the \$2,070,000 paid in to the end of October, and of the amount paid in since, nearly two-thirds was taken by the general public and not by the corporations—(applause)—taken, Sir, in sums of from \$100 up to \$100,000 by private people. It was floated at 102, the same rate as the English loan, and is free from Succession Duty. Up to date we have sold about \$2,250,000, leaving about \$1,250,000 to be disposed of.

Mr. Sam. Clarke (West Northumberland): Any commission paid on that?

Honourable Mr. Matheson: We gave a commission of $\frac{1}{4}$

fund have not gone through. This Municipal Sinking Fund will answer a good purpose in that it will save the municipalities from the trouble of looking after their sinking funds, besides making sure that the money is not expended other than for the sinking funds. It is put in here, not only for the rate of interest, but to place it beyond the power of municipal councils to take it out and spend it upon something they have not the right to spend it on. (Applause.)

Mr. Sam. Clarke: What rate of interest do you pay?

Honourable Mr. Matheson: Four per cent.

Among the revenue is the sum of \$550,000 from the T. & N. O. Railway. It is impossible for one or two months after the end of the year to tell exactly the revenue from the T. & N. O. Railway. This is caused by reason of the fact that an agent at Pittsburg may sell a ticket to Cobalt, or an agent at Cobalt may sell a ticket to Pittsburg, and all such accounts have to be adjusted by the various railways. The same condition applies to the coal coming from the mines in the States. For that reason, it is impossible to tell at the end of the financial year exactly what the actual revenue is, but \$550,000 has been obtained from the net operation of the road, a surplus of revenue over expenditure, in addition to \$100,000, and over, from royalties. Last year we paid some \$628,000 towards capital account in completing the T. & N. O. Railway. Of course the road was open, and the tracks laid to their terminals, but a large amount of work had yet to be done in the way of purchasing rolling stock, building stations, grading and raising the roadbed, in some places as much as twelve feet, and replacing the temporary bridges with permanent steel ones. For that reason we advanced under the authority of the Act, on capital account, the sum of \$628,000 to the Temiskaming Railway. Thus the total expenditure, including all interest, charges and sinking funds on the loans, was, to October 31st last, the sum of \$15,300,000. In that we have included the interest on the monies advanced to the railway, not only from loans, but also from cash on

hand. From time to time, as the loans came in, we advanced money for construction purposes at $3\frac{1}{2}$ per cent. On the completion of the road we had this interest calculated, and it amounted to some \$600,000.

The railway will require for rolling stock, dining-cars, new steel bridges over some of the rivers and creeks we cross, and for terminal buildings, probably \$600,000 more this year. Thus the road has cost something like \$58,000 per mile for the 265 miles, including branches, and it will cost a little more than that by the time it is completed. I may say that this has been done owing to the careful management of the Railway Commission, and particularly of its Chairman, Mr. J. L. Englehart. This Province owes a great debt to Mr. Englehart.

Honourable Sir James Whitney: Hear! hear!

Honourable Mr. Matheson: Notwithstanding the demands for the reduction in rates, the call for further expenditures in construction, and all sorts of such things, he has kept in view the interests of this Province, the determination that the road should pay its way and not become a charge upon the finances of the Province. (Applause.)

The Niagara Transmission Line has cost up to the 31st October \$486,000, and since then we have paid out some \$525,000 more. We are asking a vote of \$2,500,000, which will include that \$525,000, as the money will be expended rapidly by the contractors.

After all this was done—I do not know that it is necessary for me to go into all the details of items of the expenditure, for they are all within the estimates—we had a cash surplus on hand on October 31st of \$5,086,000—(applause)—of which about \$1,600,000 was on account of the borrowing for the Hydro-Electric project.

I have put in the Public Accounts this year a table showing the aid given to railways, amounting to \$7,600,000—it is among the statements at the beginning of the book—of which \$4,000,000 is still owing in railway certificates and annuities. I may say that the bulk of this, nearly all except

the Grand Trunk Pacific—in fact all except the Grand Trunk Pacific, and that also might be included—was a legacy from our predecessors. But I may add, Sir, that the whole of that \$4,000,000 will be paid by 1949, principal and interest, and within twenty years the bulk of it will be paid. We are decreasing the present value of these railway certificates and annuities by \$100,000 a year.

As to the Hydro-Electric Commission, it must be remembered that the whole of the \$3,500,000 is a loan by us, and both principal and interest will be paid by the municipalities taking power from the Transmission Line and any other transmission lines in connection therewith.

Personally, I believe in individual effort and individual business. It is the history of success in England. The great progress of the business community has been accomplished by private enterprise. But modern developments have changed conditions, mainly owing to the railways and telegraphs increasing modern means of communication, and the possibilities of forming large trusts and large corporations have increased greatly within the last fifty years, especially within the last twenty or thirty years. We are not, as I have said, manufacturing power. We are simply regulating the trusts. None but Governments can cope with such a condition as that. It is necessary with monopolies like that to have the Government interfere in order to protect the people. And this Government has interfered to the extent of transmitting that power—not manufacturing it. The result is that the people save money. (Applause.) Hamilton alone is saving a large amount yearly in the cost of its electric lighting, because we are going on with this project of transmitting power for the municipalities. Every municipality that takes part in it is benefiting at the present time, before we begin to transmit power, by the Government coming into each place and saying to these people that no excessive profits on watered stock will be allowed at the expense of the people. (Prolonged applause.) The saving in Hamilton alone in its capital expenditure would be worth a million dollars, and other municipalities would save in proportion. (Applause.)

In compiling the total indebtedness of the Province, we have to take into consideration our debt of \$14,000,000 on account of the T. & N. O. Railway. The railway certificates also are about \$4,000,000, which brings the amount up to \$18,000,000. We borrowed a little over \$2,000,000 on account of the Hydro-Electric, and \$500,000 on account of University of Toronto certificates. The total direct liabilities of the Province to-day consequently are \$20,500,000, while the direct assets, including T. & N. O. Railway, cash on hand, Hydro-Electric, and municipal drainage debentures which we have bought, amount to \$21,250,000, besides \$1,500,000, comprising the Common School Fund, which is in the hands of the Dominion, and on which we only get the interest. Thus we show assets at this date equal to every dollar of debt, and more than what we have expended, apart altogether from the general provincial assets of public buildings.

Speaking of the result last year, I have shown that there is an apparent deficit of some \$67,000 for the ten months, but for the calendar year up to December 31st we would show, by making up our accounts on the basis on which they have hitherto been made up, a surplus of from \$275,000 to \$300,000. The actual figure, I make it for the twelve months, is \$295,000, after crediting income over expenditure, adding the figures for the two months of November and December.

Mr. Sam. Clarke (West Northumberland): It's been a banner year.

Honourable A. J. Matheson: We have had good management. As I have said, many of the receipts which ordinarily do not come in until December were collected in October; for instance, the receipts from the Temiskaming Railway, and the greater part of our expenditure was well below the estimates.

I come now to the present year, beginning 1st November, 1909, and ending 31st October, 1910. The revenue esti-

estimated there is \$8,540,000, of which we have already in hand nearly \$3,000,000, which we have received during the past three months. The estimate for Crown Lands is placed at almost the same figure as that received in the last twelve months, \$2,800,000, of which \$1,100,000 is already in hand. I have estimated the Succession Duties at \$650,000, and as I said before you can place it variously at between \$600,000 and \$700,000 unless there is some extra large estate.

Honourable Mr. MacKay: You have had a million?

Honourable Mr. Matheson: That was when a very special estate came in.

The T. & N. O. Railway I have placed at \$625,000.00, sufficient to pay the interest and sinking fund on the capital expenditure.

In the Estimates for the year we have been able to include everything except Colonization Roads. All other estimates are in, but as soon as these Estimates are passed, we expect to bring down further supplementary Estimates to cover Colonization Roads, which we hope will be moderate.

In the Estimated Expenditure for the year the sum of \$575,000 has been placed for the Parliament Buildings and additions, and the new Central Prison. As for the Central Prison, the money to be expended for this institution is expected to be almost entirely recouped by the sale of the present Prison grounds, which are very valuable. The \$575,000 covers this expenditure, and we do not expect to pay this money out of current revenue. When these Parliament Buildings were built, half a million dollars was borrowed from the Dominion in aid of construction, and in the adjustment of the Trust Fund accounts recently part of the debt owing to the Dominion was this \$500,000 now paid off. There is no object in our keeping from \$3,000,000 to \$5,000,000 on hand. We want to expend that money on items, such as the Parliament Buildings addition, and items which do not form a part of the ordinary expenditure, but on special, extra expenditures as far as we can. This amount of \$575,000 of the Estimates ought not to be considered in determin-

ing whether we have a surplus or a deficit this next year. We expect to spend that money out of cash on hand.

The Central Prison will be moved to farm lands near Guelph. We have purchased some 800 acres at an average cost of \$78 per acre. As we expect to close up the Industries at the Central Prison by July 1st, we have only estimated the revenue at \$40,000 from that source, being practically for only two-thirds of the year. When the prisoners are moved out on the farm, I am sure members on the opposite side of the House will agree with me in this, that the prisoners will there learn farming, methods of treating fruit and spraying, and so get, as it were, a trade that will enable them to support themselves honestly after leaving the prison. (Applause.) A good revenue will be derived from the sale of road material. Stone will be quarried and road material will be sold to the municipalities, for the sake of good roads, as far as it can be carried by rail at a reasonable cost. This will assist in improving the roads in the Western part of the Province. (Applause.)

I may also say that there are some items in the Main Estimates which will not be expended. For instance the \$43,000 asked for the Provincial Police is practically a revote in another form. The same applies to the Crown Lands estimates,—part of the appropriation will not be expended. And so all along the line. We have to take votes of what may possibly be necessary for expenditure, but we hope to save on them to a large amount. (Applause.) Thus I hope that, while we have made moderate estimates of receipts, we will be able by economies in expenditures and some increase in revenue, to make ends meet during the coming year, other than the expenditure on Parliament Buildings and the Central Prison.

This Province and this Government is determined to maintain the credit of this Province, and if it should be found during the year that a mistake has been made, between this Session and next Session further sources of revenue will be found in addition, to the purpose of making ends meet. I

expect that, even as it stands, by close economy and some extra revenue, which we hope to get over our estimate, we will make ends meet.

We must remember that certain increases have to be made by all Governments. The cost of living is increasing. The Civil servants, especially those in the lower grades in this Province, are not highly paid, and our experience is that they have great difficulty in living on the allowances made by this Government. We must also remember that we have a country 1,200 miles long from Cornwall to Kenora. Two large new transcontinental railways are being built, and large amounts must be spent in making surveys, building Colonization Roads, and opening up and developing the country. We are going to develop the country. All this means more money, and it, therefore, requires close economy to have the money to meet these demands. These are some of the factors we have to consider in looking at the future, as to what increase in revenue may reasonably be expected from the development of the resources of the Province. Also from older Ontario comes the increased demands, which have been made for agricultural purposes, demands in connection with technical schools and hospitals and charities, on every hand demands are made for further expenditure. But people forget that money supplied by the Government should be given as aid. Where money is supplied by the Provincial Government for the whole expenditure, the people want the very best of everything. People want the best buildings, the best roads. If we have to pay everything, they want the very best that can be got, but when they have to pay part of the cost themselves, they are not so anxious for extravagant expenditure.

Honourable Mr. MacKay: Hear! hear!

Honourable Mr. Matheson: Before I close, Mr. Speaker, I would like to say a word as to the agricultural products of this Province. We are told much of the greatness of the North-West. I do not want to disparage the North-West, but we want to show the advantages we have in this province. I am quoting from the Dominion statistics. These statistics

show that Manitoba, Saskatchewan and Alberta during the year 1908 produced field crops valued at \$118,796,000, which increased by leaps and bounds till in 1909 the value had jumped to \$192,839,000. Ontario in field crops alone produced in 1908 \$185,308,000, while last year the total value of these crops was \$200,398,000, or more than the combined field crops of the three Provinces of Manitoba, Alberta and Saskatchewan. (Applause.) Such a statement of fact should be brought to the attention of the people. It is something to be proud of. It does not tell the whole story. It leaves out fruit farming, which does not exist in the North-West. When I tell you that I have been told on good authority that in one orchard of 26 acres, where the father made a profit of \$700 a year, his son, by spraying and cutting the dead wood out and caring for the trees, made \$10,000 profit last year, I give you some idea of what fruit farming in this Province means. Land on the Niagara Peninsula is selling for \$500 per acre, and planted it sells for \$1,000 per acre. A man, by employing others on six or seven acres of land, can make a living for himself, besides paying for his help. This is a great Province, one of which we may well be proud. We are advancing in old Ontario by strides and bounds. In New Ontario there has been great development by reason of the mining industry. But that is not all. Along the line of the T. & N. O. Railway, in every direction, farmers are going in, and when a man can get \$4.00 or \$5.00 a cord for pulpwood, he need not hesitate, if he is a good axeman, to take up land in the north country. The building of our railway has brought to notice lands that were thought barren, useless and of no value, and all through this north country great sources of revenue, and population, and wealth to the people of this Province are in view. It takes money to develop the country. It will take money for the surveys, and the roads, for you cannot expect colonization in that country without building main roads. It takes money for the administration of justice. It takes money for education. And this Legislature has dealt most liberally with that country. (Applause.)

Now I ask the people of this country, and the members of this Legislature, to have faith in the future of this great Province. These men who attempt to decry its credit should be frowned down on every side. They do themselves no good, and it is a shame that we should have men among us who behave that way towards the Province in which they live. I see great progress in the future, which may involve further expenditure, but we have sources of income which can be taxed if necessary, and which are not now taxed as they might be. We have sources of revenue in our woods and minerals, and I have no doubt that Ontario will continue to keep her position, as the banner province of this great Dominion. (Prolonged applause.)

Mr. Speaker, I beg to move that you do now leave the Chair, in order that the House may go into Committee of Supply.

CASH AND DEBENTURE ASSETS OF THE PROVINCE.

OCTOBER 31ST, 1909.

BANK BALANCES:—

Current account	\$77,005 75	
Special deposits bearing interest	5,009,278 00	
	<hr/>	\$5,086,283 75

SINKING FUNDS:—

<i>Re</i> Ontario Government inscribed stock, 5 Edward 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 of October, 1909, £23,594 11s. 7d., at par of exchange		114,669 65
<i>Re</i> Ontario Government inscribed stock, 8 Edward VII., cap. 11 and 12, £820,000, 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 of October, 1909, £1,998 14s. 8d., at par of exchange		9,713 84

DEBENTURES:—

Drainage Debentures	123,814 31	
Tile Drainage Coupons	46,210 00	
Sault Ste. Marie Debentures	25,572 50	
	<hr/>	195,596 81
Temiskaming and Northern Ontario Railway, amount expended to 31st October, 1909, see Statement No. 17		15,338,338 69
Niagara Power Transmission, amount expended on Niagara Transmission Line to October 31st, 1909. Interest and Sinking Fund to be paid by Municipalities		486,893 73

TRUST FUND OF THE PROVINCE HELD BY
THE DOMINION.

Common School Fund (see Consolidated Statutes, c. 26), 1,000,000 acres set apart (proceeds realized to 31st December, 1908), after deducting Land Improvement Fund, \$2,606,788.62, portion belonging to Ontario as per population of 1901	1,485,049 99
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NOTE.—See Awards, sessional papers,
1900 and 1901.

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

3,418 11

1,488,468 10

Total Assets

\$22,719,964 57

DIRECT LIABILITIES OF THE PROVINCE.

1. —Ontario Government Inscribed Stock
(London, Eng., loan), 5 Edward
VII., cap. 2 and 3, 3½ per cent.,
principal due 1st January, 1946,
for construction of Temiskaming
and Northern Ontario Railway, £1,-
200,000 at par of exchange 5,840,004 00
2. —Ontario Government Inscribed Stock
(London, Eng., loan), 8 Edward
VII., cap. 11 and 12, 4 per cent.,
principal due May 1st, 1947, for
construction of Temiskaming and
Northern Ontario Railway, £820,-
000 at par of exchange 3,990,666 66
3. —Ontario Government Bonds and Stock,
5 Edward VII., cap. 2, and 6 Edward
VII., cap. 4 (Canadian loan), 3½
per cent., principal due July 1st,
1926, and July 1st, 1936, for con-
struction of Temiskaming and
Northern Ontario Railway 3,000,000 00
4. —Ontario Government Bonds and Stock,
5 Edward VII., cap. 2 and 3 (Can-
adian loan), 4 per cent., principal
due June 1st, 1939, for construction
of Temiskaming and Northern On-
tario Railway 1,150,000 00
\$13,980,670 66
5. —Ontario Government Bonds and Stock,
8 Edward VII., cap. 12, and 9 Ed-
ward VII., cap. 8 (Canadian loan),
4 per cent., principal due June 1st,
1939. Authorized loan, \$3,500,000.-
00. Amount subscribed to October
31st, 1909 2,070,000 00
6. —Municipal Securities, 8 Edward VII.,
cap. 51. Municipal Sinking Funds
on deposit with the Province of On-
tario to 31st October, 1909 14,662 34

7.—Railway Certificates, present value outstanding on 31st October, 1909.	2,584,349 61	
Annuity Certificates, present value outstanding on 31st October, 1909.	1,507,078 54	
		<u>4,091,428 15</u>
8.—Common School Fund collections by Ontario, from 1st January, 1909, payable to the Dominion, in trust for both Provinces		4,558 94
In trust for Ontario...	2,597 16	
In trust for Quebec....	1,961 78	
9.—University of Toronto Certificates, \$30,000.00 per annum for 26 years, 5 Edward VII., cap. 37, present value at 3½ per cent. per annum...		<u>506,710 50</u>
Total Direct Liabilities		\$20,668,030 59

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	
		<u>\$700,000 00</u>

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

2.—The Canadian Northern Ontario Railway Company. Guarantee by the Province of Ontario under authority of 8 Edward VII., cap. 47, of principal and interest at 3½ per cent. per annum, Debenture Stock of above Railway payable in thirty years from 30th June, 1908. £1,615,068 9s. 7d. sterling... Secured by First Mortgage on Railway, Rolling Stock and Terminals.		7,860,000 00
3.—University of Toronto. Guarantee by the Province of Ontario under authority, Order in Council 15th July, 1908, and 16th June, 1909, Debentures of above University, payable 15th July, 1910, to 15th July, 1949, 40 years		<u>500,000 00</u>
		\$9,060,000 00

RECEIPTS AND EXPENDITURES.

TEN MONTHS ENDED OCTOBER 31ST, 1909.

RECEIPTS.

	\$	c.	\$	c.	\$	c.
Balance as per Public Accounts, 1908.						
Amount at Special Deposit						
31st Dec., 1908	2,924,278	00				
Amount at Current Account						
31st Dec., 1908	147,858	50				
					3,072,136	50

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, see

Statement No. 3

74,370 80

Interest on Investments

102,766 22

177,137 02

Lands Forests and Mines :

CROWN LANDS:

Agricultural .. 118,995 12

Mining

235,098 04

354,093 16

Clergy Lands... 903 70

Common School

Lands

6,088 60

Grammar School

Lands

807 90

University

Lands

908 30

8,708 50

RENT:

Mining Leases.. 19,016 74

Crown Leases.. 6,911 12

25,927 86

Mining Licen-

ses

108,701 00

Recording Fees 110,772 95

219,473 95

Royalties

338,426 66

Provincial Mines 115,411 71

453,838 37

SUPPLEMENTARY REVENUE:

Acreage Tax ...	10,719 85	
Profit Tax	28,812 60	
Gas Tax	10,197 58	
	<hr/>	49,730 03

WOODS AND FORESTS:

Bonus	285,571 41	
Timber Dues ..	529,422 50	
Ground Rent ..	68,528 53	
Transfer Fees..	2,370 00	
	<hr/>	885,892 44

Provincial

Assay Fees .	789 60	
Casual Fees....	523 83	
Cullers' Fees ..	352 00	
	<hr/>	1,665 43

Rondeau Park..	288 50	
Algonquin Park	438 50	
Forest Reserves	400 35	
	<hr/>	1,127 35

REFUNDS:

Wood Ranging	1,384 56	
Fire Ranging..	24,511 41	
Diamond Drill.	1,517 42	
Surveys	200 00	
Quebec Agency	14 00	
Agents' Salaries	50 00	
Temagami Tim-		
ber Cutting..	30 00	
Inspection Fees	10 00	
Explorations &		
Investigations	10 00	
Contingencies .	40 00	
	<hr/>	27,767 39

2,028,224 48

From Licenses.....	252,929 06
“ Law Stamps	83,185 55
“ Algoma Taxes	9,883 00
“ Education	36,653 84
“ Provincial Secretary.....	210,357 15
“ Game and Fisheries.....	83,047 35
“ Agriculture	104,956 42
“ Supplementary Revenue Act, 8 Edward	
VII., c. 14	719,148 68
“ Succession Duty	618,049 02
“ “ (Funds deposited in	
lieu of Bond for payment of Suc-	
cession Duty)	63,598 63
“ Casual Revenue	103,590 77

1,414,421 39

From Public Institutions :

Toronto Hospital for Insane	37,287	79
Brockville	10,736	84
Hamilton	28,077	82
Kingston	11,612	86
London	25,386	08
Mimico	13,555	10
Orillia	8,005	65
Penetanguishene	1,908	32
Woodstock	9,220	54
Cobourg	1,378	88
Reformatory for Females..	4,782	90
Central Prison	155	91
Central Prison Industries..	55,279	20
		<hr/>
	207,387	89

From Temiskaming and Northern**Ontario Railway, from**

Earnings 550,000 00

Total Receipts 7,477,920 94

From Drainage Debentures, Municipal	13,891	25
“ Drainage Debentures, Tile	6,210	00
“ Ontario Government Inscribed Stock, £820,000 Loan. Balance credited to Ontario Treasury Department, see state- ment No. 18	78,567	88
“ Province of Ontario Loan (Canadian) \$3,500,000.00. Net proceeds to Oc- tober 31st, see statement No. 20	2,099,477	25
“ Province of Ontario Loan (Canadian) \$1,150,000.00. Net proceeds, see statement No. 21	1,149,130	00
“ Municipal Securities, Municipal Sink- ing Funds received to October 31st. See statement No. 22	14,662	34
		<hr/>
	\$13,911,996	16

EXPENDITURES.

Consolidated Revenue Fund :

For Civil Government	457,880	64	
“ Legislation	221,221	00	
“ Administration of Justice	539,124	19	
“ Education	1,452,162	11	
“ Public Institutions Maintenance	906,311	06	
“ Central Prison Industries	48,484	22	~
“ Colonization and Immigration	34,203	84	~
“ Agriculture	493,410	19	
“ Stationary Engineers	4,631	73	~
“ Hospitals and Charities	340,589	92	
“ Repairs and Maintenance	87,560	07	~
“ Colonization Roads	449,209	66	
“ Charges, Crown Lands	503,296	81	
“ Refunds	31,304	91	~
“ Miscellaneous Services	251,162	00	~
			<hr/>
			5,820,552 35

“ Commutation Volunteer Veterans' Land Grants			8,050 00
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Open Accounts :

For Hospitals for Insane	160,906	55	
“ Reformatory for Females	6,656	47	
“ Central Prison, Toronto	3,525	04	
“ Osgoode Hall	21,565	28	
“ Normal Schools	57,441	18	
“ Parliament Buildings, addition	15,311	06	
“ Agricultural College	12,261	55	
“ Fruit Experimental Station	12,269	58	
“ Immigration House	73	50	
“ Winter Fair Building, Guelph	24,000	00	
“ Deaf and Dumb Institute, Belleville...	2,308	28	
“ Blind Institute, Brantford	8,151	13	
“ Hygienic Institute, London	24,588	60	
“ Districts of Muskoka, etc.	29,777	16	
“ Public Works	130,403	71	
“ Drainage Works	10,250	00	
“ Special Warrants	28,870	25	
“ Stationery Accounts, excess of purchases over distribution	8,570	56	
“ Statutory Expenditure	619,522	75	
“ Common School Lands	4,377	76	
“ Criminal Investigations	3,890	18	
“ Railway Aid Certificates	132,241	28	
“ Aid to Railways:—			
Cash Grants:			
Central Ont. Ry.....	30,000	00	
Thessalon & Northern			
Ontario Railway Co.	5,000	00	
			<hr/>
			35,000 00

For Annuities	51,450 00	
“ Interest, 1909, on Ontario Government Bonds and Stock (5 Edward VII., cap. 2, and 6 Edward VII., cap. 4), \$3,000,000.00 Loan	105,000 00	
“ Interest, Charges and Sinking Fund on Ontario Government Inscribed Stock (5 Edward VII., cap. 2 and 3), £1,200,000.00 Loan	117,734 27	
“ Interest, Charges and Sinking Fund on Ontario Government Inscribed Stock (8 Edward VII., cap. 11 and 12), £820,000 Loan	90,291 98	
	<hr/>	1,716,438 12
Total Expenditure		7,545,040 47

“ Drainage Debentures, Municipal (statutory)	29,335 51	
“ Drainage Debentures, Tile (statutory)	4,000 00	
“ Good Roads (statutory)	132,480 98	
“ Advanced to the Temiskaming & Northern Ontario Railway (statutory)	627,961 72	
“ Advanced to Hydro-Electric Commission. Amount expended on Niagara Transmission Lines to 31st October, 1909. Interest and Sinking fund to be paid by Municipalities	486,893 73	
	<hr/>	1,280,671 94

Amount at Special Deposit, 31st October, 1909	5,009,278 00	
Amount at Current Account, 31st October, 1909	77,005 75	
	<hr/>	5,086,283 75
		<hr/>
		\$13,911,996 16

**ESTIMATED RECEIPTS FISCAL YEAR ENDING OCTOBER 31st,
1910, INCLUDING CASH BALANCES ON HAND
31st OCTOBER, 1909.**

Subsidy	\$2,128,772 08	
Interest on Common School Funds held by the Dominion	\$ 74,127 00	
Interest on Investments	70,000 00	
	<hr/>	144,127 00

LANDS, FORESTS AND MINES DEPARTMENT:

Lands and Forests:

Timber Dues, Bonus,

Ground Rent, etc.\$1,550,000 00

Crown Lands 100,000 00

1,650,000 00

Mines:

Royalties	\$ 325,000 00	
Supplementary Revenue ..	115,000 00	
License Fees, Recording Fees, etc.	275,000 00	
Mining Lands	435,000 00	
	<u>1,150,000 00</u>	
		<u>2,800,000 00</u>

Public Institutions	160,000 00
Central Prison Industries	40,000 00
Education Department	40,000 00
Provincial Secretary's Department	200,000 00
Agriculture and Stationary Engineers	111,000 00
Casual Revenue	80,000 00
Succession Duties	650,000 00
Supplementary Revenue Tax (8 Edw. VII., Cap. 14)	725,000 00
Tavern and Brewers' Licenses	500,000 00
Law Stamps	98,000 00
Game and Fisheries	100,000 00
Estimated Earnings, T. & N. O. Ry.	625,000 00
Insurance	138,968 04

Total Estimated Receipts	\$8,540,867 12
Cash Balances, 31st October, 1909	5,086,283 75

Total	\$13,627,150 87
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ESTIMATED EXPENDITURE FISCAL YEAR ENDING OCTOBER
31st, 1910.

Civil Government	\$ 621,620 00
Legislation	279,710 00
Administration of Justice	723,009 93
Education	1,741,466 88
Public Institutions Maintenance	1,221,126 20
Agriculture	623,881 00
Colonization and Immigration	72,975 00
Stationary Engineers	6,050 00
Hospitals and Charities	349,700 00
Repairs and Maintenance	314,808 58
Public Buildings	686,702 40
Public Works	175,697 00
Charges Crown Lands	621,700 00
Refunds	65,588 04
Miscellaneous	319,982 66
	<u>\$ 7,824,017 69</u>

Hydro-Electric Power Commission:

Niagara Transmission Line	2,500,000 00
Port Arthur Transmission Line	50,000 00
	<u>\$10,374,017 69</u>

ESTIMATED EXPENDITURE FISCAL YEAR ENDING OCTOBER
31st, 1911.

Civil Government	\$ 615,585 00
Legislation	255,450 00
Administration of Justice	690,741 66
Education	1,734,187 00
Public Institutions Maintenance	1,219,326 00
Agriculture	634,606 00
Colonization and Immigration	73,800 00
Stationary Engineers	6,050 00
Hospitals and Charities	319,700 00
Repairs and Maintenance	211,100 00
Public Buildings	503,550 00
Public Works	69,700 00
Colonization Roads	118,000 00
Charges Crown Lands	561,000 00
Refunds	63,000 00
Miscellaneous	347,950 00
	<hr/>
	\$7,423,745 66
Hydro-Electric Power Commission:	
Niagara Transmission Line	200,000 00
	<hr/>
	\$7,623,745 66

NOTE.—For the financial year 1910-11 further special votes for Colonization Roads, and other works, are omitted and will be voted in the Supplementary Estimates for the year 1910-11.

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>For'd</i>	2,629,845 86	1,847,750 00
			1929	138,412 94	50,700 00
1909	.....	51,450 00	1930	137,713 34	50 700 00
1910	138,412 94	102,900 00	1931	134,215 34	43,700 00
1911	138,412 94	102,900 00	1932	127,219 34	32,700 00
1912	138,412 94	102,900 00	1933	124,420 94	28,700 00
1913	138,412 94	102,900 00	1934	122,322 14	28,700 00
1914	138,412 94	102,900 00	1935	110,428 94	24,700 00
1915	138,412 94	102,900 00	1936	104,390 41	16,700 00
1916	138,412 94	102,900 00	1937	93,760 20	9,200 00
1917	138,412 94	102,900 00	1938	90,262 20	2,850 00
1918	138,412 94	102,900 00	1939	85,422 75	.....
1919	138,412 94	102,900 00	1940	81,539 42	.....
1920	138,412 94	102,900 00	1941	67,244 15	.....
1921	138,412 94	102,900 00	1942	31,118 80	.....
1922	138,412 94	102,900 00	1943	24,220 91	.....
1923	138,412 94	102,900 00	1944	21,995 48	.....
1924	138,412 94	96,200 00	1945	17,552 26	.....
1925	138,412 94	82,500 00	1946	17,552 26	....
1926	138,412 94	69,350 00	1947	17,552 26	....
1927	138,412 94	56,950 00	1948	17,552 26	.....
1928	138,412 94	50,700 00	1949	6,171 66	.....
<i>Fr'd</i>	2,629,845 86	1,847,750 00	<i>Totals</i>	4,200,913 86	2,136,400 00

NOTE.—Present value of Railway Certificates, October 31st, 1909 (interest $1\frac{3}{4}$ per cent. half yearly) \$2,584,349.61
 Present value of Annuities, October 31, 1909 (interest $1\frac{3}{4}$ per cent. half yearly) \$1,507,078.54

