



Financial Statement

OF

The HON. T. W. McGARRY

TREASURER OF THE PROVINCE OF ONTARIO

Delivered on the 12th February, 1918

IN THE

LEGISLATIVE ASSEMBLY OF ONTARIO

On moving the House into Committee of Supply

PRINTED BY ORDER OF
THE LEGISLATIVE ASSEMBLY OF ONTARIO



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BUDGET SPEECH

DELIVERED BY

HON. T. W. MCGARRY

TREASURER OF THE PROVINCE OF ONTARIO

12th February, 1918

MR. SPEAKER,—Let me in the first place tender my congratulations to the Honorable the Leader of the Opposition, not alone upon his appointment to the high and honorable position of leader of his party in this House, but also upon the fact that his first suggestion as leader in this House was one that embodied strength, and recommended itself not alone to the members of this House but also to the people of the Province of Ontario.

Let me also congratulate the Prime Minister upon his acceptance of the recommendation made by my honorable friend, the Leader of the Opposition. (Applause.) He expresses my own opinion that no more momentous step could have been taken by any Legislature, and yet no such step has been so urgently required or will be so advantageous to the Province in which we live. (Applause.) It must be a source of gratification to the people that in this the first, largest and strongest Province of Confederation, we are to-day meeting in this House resolved that there shall be no great contention among us during the anxious months which are to succeed.

Strength in Unity

There can be no doubt that in the few months which are immediately to follow we shall witness probably the greatest battle ever fought in the history of the world, and although we are

only a small portion of the civilized world comprising what is known as the allied countries to-day, nevertheless our strength, our ability to maintain our position and to back the men who are standing between us and our enemies—our ability to do that depends upon the united strength that we put into this fight. (Applause.)

Therefore, I sincerely offer to both leaders in this House and to the members behind them my congratulations. I feel sure that in the years that are to come, posterity will speak of the momentous decision we are taking upon this occasion as a very great step, one which will contribute in no small measure to the victory which will be ours, be it this year or next year. (Applause.)

A Sense of Security

Mr. Speaker, at a time when all the warring nations of the world are perturbed over the financial situation, when many restricting laws are being enforced to conserve the resources which will help to win a substantial victory, I rise to move this House into Committee of Supply with a story to tell concerning the finances of this Province, which, if it does not meet with the approval of every honorable gentleman here, will, I am sure, commend itself to the people of the Province and guarantee to them a sense of security and a feeling of satisfaction.

Perhaps, because we are in the fourth year of the war, and because I am for the fourth time delivering the Budget, it might be in order for us to take a retrospective view of our finances during the time we have been at war. It has been a time of intense strain and anxiety, and particularly so in regard to the financial affairs of all countries engaged in this turmoil.

You will recollect with me that the late Sir James Whitney died on the 25th September, 1914, in the first year of the war, and Sir William Hearst, our present able Leader, took up the reins of office at a time when there were many dark clouds on the horizon, when the financial world looked apprehensively at the possibilities, when it was not known what would be required of us. But, Sir, those who were called into the Government in the year 1914, knew it required stout hearts to

face the situation which confronted us. Difficulties had already arisen; temporary loans were made at high rates of interest and new demands of an exacting character were made upon the Provincial Exchequer.

However, with strong purpose and with the knowledge that a splendidly loyal and patriotic people were behind us, we took up the task and now, after these three and a half years, we have the extreme satisfaction of knowing that in no part of the Empire has there been established a record which can surpass ours.

A Deficit in 1914

In the first year in which we were engaged in the war, we found ourselves in this position when presenting our financial report: we had to tell the House and the country that notwithstanding the economy with which the affairs of the Province had been administered, there was a balance against us of \$697,928.58. I explained in my first budget that it meant no discredit to the actions of the Government at that time. It was caused, partly, by the refusal of certain companies to pay us taxes, and partly through the expenditure on gifts of flour for Great Britain and the Belgian people.

In the following fiscal year, that of 1914-15 (the first full year of the Hearst administration) we had a somewhat different story to tell in presenting the financial statement. We were able to announce that we had a balance of ordinary receipts over ordinary expenditures of \$271,370.

Last year, there was a new and entirely different tale to tell. Although we had been in our third year of the war, although demands upon us were larger and more urgent than they had been, although we had gone into new avenues of expenditure made necessary because of our connection with the war, we were able to announce that we had the greatest surplus ever recorded in this House, namely, the enormous surplus of \$1,134,996.74. (Applause.)

A Great Surplus

If we faced last year, the fourth year of the war, with considerable doubt as to what report we might be able to make upon

this occasion, I am glad to say that any forebodings we had were dispelled, and in spite of the fact that great demands were made upon us, in spite of the fact that some of our revenues had fallen off, I am able to announce to the House to-day what has never been known before, and possibly may not be repeated for some time to come, that we have received in ordinary revenue during the last fiscal year the enormous sum of \$18,269,597.23—(applause)—and expended during that time the sum of \$16,518,222.64, leaving a net surplus for last year, the fourth year of the war, of \$1,751,374.59. (Applause.) I mention this, not with any desire on my part to exaggerate the importance of that favorable balance or to praise unduly the Government for what has been accomplished. I must give some credit to my honorable friends opposite and most credit above all to the people throughout the Province, but I say, with all modesty, that it must be a source of intense gratification to the country in these strenuous times that we have been able to build up such a magnificent surplus, which will be required when we are meeting the necessary demands imposed upon us by the war. (Hear, hear.)

The Debt Reduced

Not only have we the greatest surplus ever announced in this House, but we have, in addition, reduced the net debt during the last twelve months by \$1,216,301.70. (Applause.) We have expended on capital account \$5,155,000 in excess of the amount borrowed for these purposes. Altogether we expended on capital account the sum of \$10,155,245.35. Our total borrowings were \$5,000,000 so that, as stated, we expended over \$5,155,000 out of our ordinary revenues and the balance carried over from last year.

Of this sum of \$10,000,000 expended on capital account, \$5,700,000 was for Hydro-Electric; \$410,000 for the Temiskaming and Northern Ontario Railway, and \$2,000,000 to pay off a loan maturing last November. So, you have there a total outlay of \$5,700,000 for the benefit of the municipalities upon which they pay interest, and which necessarily becomes an asset; you have \$410,000 upon the Temiskaming and Northern Ontario Railway, the people's railway, which you will see also becomes an

asset; and you have \$2,000,000 expended for reducing the debt, in other words \$8,000,000 accounted for, the net result being that we have expended on capital account a lesser sum than in any recent years.

Let me impress upon my honorable friends (and I sincerely regret that the former Leader of the Opposition is not here to-day) that we now have a demonstration of the fact—a fact stated in the past by me in this Chamber as honorable Members are already aware—that there was an actual and substantial surplus the year before last, as indeed there is this year.

Reverting to our expenditures, let me repeat that we have expended on capital account \$10,000,000. Capital expenditure, as you know, is usually paid out of money borrowed for that purpose, and unless you have a surplus of ordinary revenue over ordinary receipts you will have no money with which to pay your capital expenditure unless you borrow it.

A Valuable Reserve

This year, we find ourselves facing the most difficult year of the war to finance. During the three years just gone by we were able to find a market for our bonds in the United States. A year ago we carried over a balance of \$4,000,000 in cash. I stated in this House a year ago that it would be a good thing to carry over that balance. When the United States declared war and joined the Allies against Germany and Austria the financial markets in New York, Philadelphia and Boston, open to us since 1914, were closed, and we found ourselves unable to borrow money for any length of time, and so we had to turn to some other source to finance our requirements during the year. What course did we follow? We adopted the course of resorting to the balance which we had built up during the last few years, and we found there a sum of \$4,000,000, which, with the income we were able to collect during the year just closed, enabled us to carry on all our necessary works during the twelve months, and bring forward (in spite of the fact that we paid out on capital expenditure \$5,155,000 more than we borrowed) a balance of \$1,601,520.10 in the bank. (Applause.)

I mention this to prove (if indeed proof is needed by honorable gentlemen here present) that the surplus I have already spoken of was no myth, and to fix in the minds of the people of Ontario the fact that we have been building up the credit of this Province and at the same time carrying on the business of the people. As a result Ontario is probably the soundest Province, Dominion or nation in the world to-day among those concerned in this war. (Applause.)

In reference to the last financial year, let me point out, too, that if we had desired to carry over a larger surplus, we could have done so had we been less generous towards different war objects. Last year we received the sum of \$2,050,128.39 from the provincial war tax. When that tax was introduced first in this House, it was stated by me that it was imposed for the purpose of war work and war work alone. During last year we found the demands made upon us very considerably in excess of the amount we were receiving from the tax, and although we received only \$2,050,128.39 we paid out \$2,414,447.55. In other words, we paid out \$364,319.16 in excess of the amount received from the tax.

Wise Leadership

I cannot let this opportunity pass without saying a word with regard to the leadership which has enabled us to accomplish this result. Sir William Hearst entered into his high office at a time when there were many dark clouds. But his conscientious devotion to duty, his great industry and wise judgment, coupled with the courage to explore new avenues, have all made the task a lighter one and proved how fortunate we were in having him at the helm. I am stating something of which both sides of this House and the people of the country ought to be extremely proud when I am able to announce that we have built up a surplus of over \$3,157,000 during the last three years, which are the three full years of his premiership.

Record Mining Revenue

In order to explain to my honorable friends how it is that we have so large a balance, let me take up the receipts. The first item to which I should like to draw attention is that of the

Department of Lands, Forests and Mines, from which we received the sum of \$3,579,196.06, the largest amount ever received by this Department in any one year. It is mainly due to legislation introduced by my honorable friend (Hon. G. H. Ferguson) who sits beside me. (Applause.)

May I recall to you that in the Session of 1915 he introduced legislation in this House and announced that a Royal Commission was being appointed for the purpose of enquiring into the whole nickel question and advising whether or not a further levy should be made upon this industry. That Commission was composed of men eminent in their professions. The chairman, who was one of the greatest metallurgists in the world, was brought from England. Following the report of the Commission, special legislation was introduced by my honorable friend, the Minister of Lands, Forests and Mines, by which we received last year from the taxation of nickel alone the sum of \$1,366,892, made up of arrears for 1915-16 of \$530,110, and taxes for 1916-17 of \$836,782.

Secure Knowledge First

My honorable friends opposite will claim some credit for that new income, and I am one of those generous persons who are always inclined to give credit to others, even though their past record may not wholly deserve it. But the history of this nickel question induces me to remark that it is unwise to impose taxation upon any company or upon any class of persons until you thoroughly understand the subject. I thought, as we sat here two years ago and listened to some of the eloquence (and some which was not eloquence), how very little the critics knew, and how much they had to learn from that Commission when it made its report to this House. I venture to say, placing ourselves in the judgment of the country and in the judgment of posterity, it will be found that we could not have taken any more important and yet more secure steps on behalf of the people of Ontario than the appointment of a Commission to study the question, so that we were able to adopt their report, to legislate in accordance with it, and then to levy the tax imposed by reason of it. I say

it is a credit to my honorable friend that we have been able so to increase the taxation on nickel taken from our own mines.

Just one word in passing. The names of the principal persons connected with the International Nickel Company may not be known. I would like to say a word with regard to Mr. Monel, who for some years has been President of this company and leader in its business. He has been appointed by the United States Government to manage, control and officer their whole flying organization in France and Flanders. I mention this to show how in times past we may have criticized our American friends. The time has now come when we are allies, fighting in the same cause, and I think it is a splendid thing to see a highly placed and salaried man occupying the position he did, giving up the great salary he was receiving, offering his services to his Government and to his country, from a spirit of patriotism. If we had more men like that here in our own country, men willing voluntarily to undertake duties for their country, perhaps there would not be so much blame attached to certain persons throughout this Dominion. It is gratifying to the people of Canada to know, whatever may have taken place in the past, that the full resources of the two nations, United States and Canada, are, to-day, being brought side by side to play their full part on the front in France and Flanders. (Applause.)

Succession Duty

The next item of importance is that of Succession Duty. I said, twelve months ago, that we had in the previous year the greatest return from Succession Duty which it had ever been the privilege of a Treasurer to announce. And yet great as these returns were in 1916, in 1917 we received a still greater revenue. We received from Succession Duty last year the sum of \$3,228,226.38 as compared with \$2,451,794 the year before, an increase of \$776,432.38. You may naturally ask how it is that Succession Duty revenue has been so largely increased. There are various causes for it. One of the causes is that some extremely valuable estates were forced to pay their full share towards the taxation of this country. Another reason is that we

passed legislation recently which made a vast difference in the number of estates with which we were dealing. Another is that we have now an excellent system of checking up the valuations made by people to the Department. Incorrect valuations are evidences of the weaknesses of mankind, and well demonstrate the belief that it is but a venial sin to cheat the Government and the people of the Province of Ontario. We have gone ahead with our legislation which enables us to investigate an estate without carrying on extremely expensive litigation. In a very quiet but effective manner, we find out when the affidavits come to our office whether or not the valuations filed by executors or administrators of deceased persons present to us a fair and reasonable story of the value of the estate; and so during last year we checked up almost every estate of considerable size which came to our office, with the result that we collected \$3,228,226.38 from this source of income.

It may be interesting to my honorable friends just here to go back with me a short time in the history of the Province and find how the revenue from this source has grown in recent years. In the first year (that was in 1893) in which succession duties were collected the total amount received was \$45,500. In 1900 it had grown to \$226,000; in 1904 to \$458,000; in 1914 to \$1,253,000; and in 1915 to \$1,669,000; in 1916 to \$2,451,000; and then in 1917 to \$3,228,226.38. (Applause.)

Soldiers' Estates Exempted

More than that: Last year or the year before, legislation was passed with regard to the treatment of estates of soldiers who died on the field of battle or from wounds received there. If I recollect rightly, the House on that occasion entered into the spirit of the proposal made by the Government and agreed unanimously that the Government should remit the duty on estates of soldiers who nobly fell fighting for their country. You will be impressed to learn that last year, exercising that discretion, believing it was only fair that the man who gives up all he had in life in behalf of ourselves and our allies, should have the duty remitted upon his estate, we re-

mitted duty amounting to \$112,390. This is a small price to pay for the number of lives which they represent. (Applause.)

There was one estate upon which we remitted duty, which, perhaps, calls for some remarks. It was an estate of \$407,042.-18 of the late George T. Richardson, of Kingston. The testator died on the field of battle. He left legacies amounting to \$50,000 for charitable and educational purposes. He also created a trust by which \$1,500 annually for 20 years was to be used for the education and advancement of the children of soldiers, who at the time of enlisting were citizens of the City of Kingston, or Counties of Frontenac or Hastings, and who might die, be killed or permanently injured on active service.

The executor of this estate announced, through his solicitor, that any duty remitted would be used for the trust referred to in addition to the amount in the will. So, exercising the discretion given to us by the Act of last Session, we decided that this was an estate without question upon which we could well remit all duty.

I mention this estate particularly because I think it is worthy of notice upon the part of the people of the whole Province of Ontario. Here was the case of a young man giving up great wealth and all the future of a life which held every promise for him and for those who were with him. He gave up all that deliberately for a sacred patriotic cause, and before giving it up he made a will which provided for his companions at the front and for the children of those companions who might be killed in the war. (Applause.) I strongly commend his example to the people of this Province—to those who may be possessed of considerable wealth—that it may inspire them all to remember the widow and the orphan of those who going forth to fight have laid down their lives for us. (Applause.)

Motor Traffic Increasing

In addition, we have received during the past year from automobile licenses the sum of \$930,753 as against \$639,987 in the year before. This is a very considerable increase, caused by the fact that the people in this country are living more luxuriously, and that there are many more motors used, and more

commonly used in the farming community, as roads grow better. Farmers find an advantage in having these machines, and are purchasing them in larger numbers, and we expect next year to collect \$1,100,000 from automobile owners.

Let me again speak about the big surplus we are carrying at the present time. I told you we had a surplus of \$1,700,000 last year. We had a surplus of over \$1,000,000 the year previously. Although we have invested that for the present in capital account, the larger part of it going to Hydro-Electric, it will be necessary to borrow for the Hydro and pay it back to Consolidated Revenue. But the revenue we receive from automobile licenses, by reason of the imposition of new taxation by my honorable friend the Minister of Public Works, we will treat as a trust, as money coming to us to be expended principally upon the highways of this country. (Applause.) We believe, Mr. Speaker, while the war continues it is not advantageous to spend that money, and we do not believe the people expect us to use such money upon the building of highways at the present time. It would not be wise to take any necessary labour from the farms. That principle applies to the building of highways. But when the war is over, there will naturally be an abundance of labour, a superfluity of labour, and it will be in the interest of the Province that these highways should be built. Our policy has already been placed upon the statute books; the Department has been organized, and the engineers have been doing their work. You will find in the years to come that every cent we are now collecting from automobile licenses, and more, will be expended to make life better and more comfortable for the people throughout the Province.

Regarding Recent Loans

Now let me add a few words with regard to the loans which we put through during the past twelve months. We borrowed altogether \$5,000,000. Of this \$2,000,000 were raised at 5.006 per cent. without any commission and \$1,000,000 at 4.92 per cent. In these two loans we take justifiable pride. We do not believe any Province or country was able to borrow money at such a favorable rate. In addition we borrowed, as a temporary loan at 6 per cent., the sum of \$2,000,000.

Of the \$5,000,000 the sum of \$2,000,000 was used to pay off a temporary loan, so that the net borrowing was the sum only of \$3,000,000. As I explained to my honorable friends, it was utterly impossible to borrow more money had we desired to do so. We were able to finance upon the moneys which we had in hand. Subsequently, however, an extremely acute situation developed. The United States was absolutely shut off to us for borrowing. Our bonds were unsaleable in New York. The best financial advice we could get here was that it was not a favorable time to float a loan. We had contemplated a popular loan in Ontario. However, some weeks ago the Minister of Finance at Ottawa sent for me. I went to Ottawa and had a conference with him, and although I cannot disclose all that took place, I can state that satisfactory arrangements have been made on behalf of the Province of Ontario for the duration of the war. I do not mean that all our financing is going to be done at Ottawa. The Minister of Finance is prepared to do it if it is absolutely essential. But since I have returned from there I have been able to take it up with a number of prominent brokers and representatives of financial institutions with the idea of placing some of our bonds in this Province. That operation is now going on, and I am glad to be able to tell this House that I expect, within a few days, to have placed a loan in this Province for \$2,000,000 at a lower rate than I was able to borrow it from the Minister of Finance for Canada. (Applause.)

Money for Hydro Extensions

Our borrowing during the last three years has altogether been for necessary public works. Most of our borrowing has been for Hydro-Electric. During the last year \$5,000,000 more has gone into the Hydro. We will require to borrow during the coming year a very considerable amount of money for Hydro and other enterprises. I assert, however, that during the coming **year we shall have plenty of revenue to carry on ordinary work and meet our ordinary expenses and provide for some capital expenditures as well.**

Now with regard to expenditures, honorable members will see that just as receipts grow our expenditures grow. Well, I

am not a pessimist; I hope I never will be with regard to the affairs of this Province. We are not the little Province we were a few years ago. It is true, in 1905 the total revenue was less than \$5,000,000: it is equally true that the expenditure was about the same amount.

Revenue Since 1905

I have been going over the figures since 1905. I find in 1905 we had a surplus of \$571,000; in 1906 a surplus of \$429,000, while the revenue in that year had grown to \$7,149,000. In 1907 it had reached \$8,320,000 with a surplus of \$606,000; in 1908 the revenue had grown to \$8,602,000 and the surplus had dropped to \$45,000. In 1909, which was a ten month period consequent upon the change in the fiscal year, the revenue dropped to \$7,477,000, and instead of a surplus there was a deficit of \$67,000. In 1910 the revenues grew again and reached the sum of \$8,891,000, and there was a small surplus of \$3,484. In 1911 the revenue increased to \$9,370,000, but we had a deficit of \$249,000. In 1912 the revenue increased to \$10,042,000, and we had a deficit of \$245,000. In 1913 the revenue was \$11,188,000 and we had a surplus of \$320,000; in 1914 the revenue had grown to \$11,121,000, but there were large expenditures in that year and there was a deficit of \$697,000. Since 1914 the revenue has jumped to \$18,269,000, and our expenditure has grown to \$16,500,000.

An Enterprising Province

But let me point out to any of my honorable friends who might be inclined to be pessimistic that the works carried on by this Province now far exceed in extent those carried on in 1905. We had no Hydro-Electric, and yet this year the interest charges upon the amount we have invested in the Hydro were \$1,300,000. We have altogether, to-day, invested in the Hydro-Electric the enormous sum of \$27,000,000, but we have assets for every dollar of it. (Applause.) We had no Temiskaming and Northern Ontario Railway in 1904; it was uncompleted, there were a few miles of line running from North Bay: now we have

more than 400 miles of railway, \$21,000,000 invested in it, for which there is an asset for every dollar, and the railway is paying at least a portion of the interest. In addition to that, this year we spent \$2,414,000 on the war. The war tax is entirely a new revenue. Consequently, if you take interest charges upon the Hydro-Electric, and interest upon the T. & N. O. Railway, the expenditure out of the war tax amounting to \$2,414,000—if you take these interest charges and the war payments, you will find that there is \$5,000,000 in round figures which we are paying towards these different enterprises which were unknown to the old Legislature and unknown until the last few years. But we must bear in mind that this annual increase is natural and healthy in a young, lusty and progressive country. The affairs of the Province are administered by a Government which desires it to progress, and we lead the confederation in this respect.

Sir, during last year the Hydro-Electric enterprises were continued. I had hoped, Mr. Speaker, that I should have had before me this afternoon a statement from the Chairman or Secretary, which would have enabled me to explain to the House how much was expended upon each service. I am unfortunately unable to give you that because the statement has not reached me. We have expended upon the Hydro the sum of \$5,700,000, that is the amount paid by the Government to the Hydro-Electric Commission. This amount was distributed among the various systems as follows:

Niagara System	\$4,091,931 99
Severn, Wasdell's and Eugenia Systems..	248,099 60
Muskoka System	49,711 40
Central Ontario System	94,658 65
St. Lawrence System	203,122 33
Port Arthur System.....	2,036 14
Service buildings and equipment	390,074 08

Now, with regard to the statement which I have just read, I wish to point out that a rather important step was taken last year by the Hydro-Electric. That step was the acquisition of the Ontario Power Company. I have not in detail the amount paid, but speaking roughly, the Hydro-Electric gave bonds to the extent of \$8,000,000. The cost to this country was in the

neighborhood of \$10,000,000. It was not purchased until after the Hydro had made a careful investigation, and engineers had reported on the economic desirability of the purchase, and not until the Chairman and other members of the Hydro-Electric Power Commission had satisfied themselves that it was good business on the part of the Province of Ontario and on the part of the Commission to obtain control of that Company. It was an incorporated company doing business both in Ontario and in the United States, and consequently the Hydro did not buy outright but secured a majority of the stock, and I might say that between 95 and 100 per cent. of the stock outstanding has been obtained. So to-day the Hydro-Electric Power Commission stands in the position of directors and owners of that Company, carrying on the business as before.

When I bring down the Further Supplementary Estimates, I hope to have in them a statement of the work that will be done during the year. The work is going on with as much attention as can be given to it considering the state of the labour market, and instead of there being any decrease of the activities of the Commission, they are being increased.

T. & N. O. Ry. Commission

Now with regard to the next Commission—the Temiskaming and Northern Ontario Railway Commission—you will notice that we received last year the sum of \$250,000. This is not to be compared with what we received in 1916-17. We received then \$1,000,000. I explained then that it was caused by the fact that the Chairman of the T. & N. O. Commission had for some years been building up a profit and loss account, putting aside from fifty to sixty thousand dollars a year until last year he was able to give us \$1,000,000. It was made up partly from net revenue earned in that year and partly from the amount he had placed to the credit of that account. This year we received \$250,000. It does not represent the whole profit of the railroad. The Commission has now 459.48 miles of railway operating. The total operating revenue last year was \$2,331,905.79; the total operating expenses were \$1,881,296.29, and the revenue

of \$450,609.50, which with the revenue other than from operations of \$66,091.06, make a total net earnings for the road of \$516,700.56. Let me say, Mr. Speaker, considering the turmoil caused to a great many railways in this country and throughout the civilized world, I think the record of the Ontario Government railway is one of which every member may well be proud.

The gross revenue per mile of road in 1917 was \$7,098.65 as compared with \$6,508.74 in 1916. You will notice that the gross revenue very considerably increased, but, unfortunately, the gross expenditure also increased; in 1917 it was \$6,001.93 per mile, as compared with \$5,173.27 in 1916. The enormous increase in the carrying charges of the railway is principally attributable to the payroll. In 1916 the total payroll amounted to \$1,127,885.74; in 1917 to \$1,273,967.54, an increase of \$146,081.80. Any employer of labour who is familiar with conditions to-day will easily understand how that amount is accounted for in the increased demands on the part of labour.

During the past year the forest products have considerably increased, and for the coming year it is anticipated that there will be a greater impetus given to the products of that particular section of our community.

Workmen's Compensation

The next great enterprise with which I wish to deal is the Workmen's Compensation Board. You will recollect that some years ago, my honorable friend the Attorney-General introduced in this House The Workmen's Compensation Act. That Act was not passed without very careful investigation and consideration. Sir William Meredith, Chief Justice of Ontario, after a most exhaustive enquiry recommended to the members of the Government that legislation of this kind should be passed. Now, I have before me some of the results which have been obtained during the past year, to which I will refer briefly. The number of accidents and the amount of compensation awarded show a considerable increase over the previous year. The total amount of compensation awarded was \$2,913,085.81 as against \$2,011,468.94 during 1916; the total number of accidents of every kind reported during the year was 36,514, as against

26,092 during 1916. The increase is partly the result of increased industrial activity and partly of increased rate of wages, which automatically increases the workman's compensation. The most marked increases in compensation and accidents were in munition manufacturing in Schedule 1 and in operation of railways in Schedule 2. The compensation in Schedule 1 industries amounted to \$2,289,529.44, and the accidents reported numbered 30,701; the compensation in Schedule 2 amounted to \$623,556.37, and the accidents reported numbered 5,813. Of the total 36,514 accidents reported during the year 454 were fatal cases. The average number of notices of accidents received each working day during the year was 126, and the average amount of compensation awarded each day was \$9,071; every day during the year \$9,000 was paid out to the working men of this Province. (Applause.) The total average number of cheques for compensation and medical aid being sent out by the Board each day is 318, of which 106 are for medical aid, the latter amounting on an average each day to \$1,036.

Government Pays Cost

Now, the cost of administration of The Workmen's Compensation Board is worthy of some mention. This Government during the past twelve months has given to the Board over \$133,000.

I would like to say one word with regard to the members of the Board. I think every person will agree that the Chairman of The Workmen's Compensation Board (Samuel Price, K.C.) has given great attention and shown wonderful industry in the performance of his duties. (Applause.) There is another member of the Board, however, who, I understand, has been the subject of some remarks. I refer to Mr. A. W. Wright. I believe it was said of him that he was a "party hack." While I am rather young in political life, yet during the years, Mr. Speaker, that I have been engaged in political affairs, I have had opportunities of conversing with and listening to Mr. Wright. I have always admired his ability on the platform, and I always found him a square, honest, fair party fighter. It may be he gave many a hard crack, but he was always willing to receive one

in return, and while it may be all right to regard him as a party hack, it is not given to many men to go through all the turmoil and heat of political strife that Mr. Wright has gone through and leave behind him such a reputation for honest dealing. (Applause.) Mr. Wright is one of those kindly, courteous, generous men, of whom, if Bobby Burns were living to-day, he would say: "The man's a man for a' that." If I were a workman, I would prefer to place my case before a man of that kind. I would know when I went to see Mr. Wright I would be meeting the man with the generous heart, a kindly gentleman, and I would go away feeling that he would deal with it in a broad, just manner. Nor will a close scrutiny show that the Workmen's Compensation Board has any official on its staff who is not giving strict attention to the work in hand.

Some Typical Cases

It is not only interesting, but instructive, too, for those who study labour questions to glance over some of the cases which have been dealt with during the last twelve months.

For instance, a stable foreman, "B," entered a stall to pull down some hay for one of the horses. The horse was startled and jumped sideways, crushing B. against the wall. He fell and was trampled on, receiving injuries from which he died. He left a young widow with four children. Before the Workmen's Compensation Act was passed that woman and her children would have been out on the road. They would not have received one cent on account of that accident. What did the Board do, by virtue of the Act passed in this House? They gave, in addition to \$7.00 paid him for temporary disability before his death, \$40 a month pension to the widow.

"R," 73 years of age, got sawdust in his eye. The eye became infected; ulcers resulted, causing complete loss of sight. Nothing would have been paid under the old law. He received \$127 for temporary disability and was awarded a monthly indemnity of \$30 for permanent impairment.

Another case, "M," was an engineer on a fishing boat. After fixing the fire he came up and sat on the rail of the boat. When

the boat lurched M. fell overboard and was drowned. He left a widow and one child. The widow would have received nothing before The Workmen's Compensation Act was passed. The Board awarded a pension of \$25 a month.

"S" tripped and fell while carrying a scantling, and received injuries which resulted in his death next day. He left five children, three of whom were under 16 years of age. The Board pays to the children's aunt, with whom they live, \$30 per month for their maintenance and benefit.

There are a number of other cases, but I mention these few in order to show to this House that there are not many people in Ontario, outside of those families which are directly interested, who understand what a marvellous change The Workmen's Compensation Act has made in the lot of the workers of this Province. There is no body of men in this country who have had to face such important and difficult questions as have the members of this Board, and the gentlemen of this House and the people of this Province should recognize these difficulties and understand that they are endeavouring to administer for the benefit of the working man, as well as for the benefit of the employers, the Act which we have placed upon the statute books. I am glad to be able to say that although the Board has been working for three years, I have yet to hear any great complaint made against their judgment by any of the families of working men who are affected by it. But, on the contrary, there has gone forth a chorus of praise to these gentlemen for the generous manner in which they have treated the dependents of those injured, and the conscientious consideration shown in every case.

Soldier's Aid Commission

One word with regard to the Commission over which my honorable friend the Provincial Secretary presides, that is, the Soldiers' Aid Commission. Nobody knows the vast amount of work undertaken by that Commission. During the time the war has been going on this Government has appointed a number of Commissions. All of them important, all having great work to perform, and all composed of men of high standing,

and all of them showing by their results they were necessary. But none of them has been doing such a great and important work as is being carried on by the Soldiers' Aid Commission.

There have been released from service in the army 14,500 men, who have come under the jurisdiction of the Provincial Secretary. Of these, six thousand men have been given employment—that is, given work to do so soon as they were ready—and along with the other eight thousand have been looked after, met when they arrived, their necessities ascertained, and provided with what was wanted. So that, in a general way these returned heroes were taken care of by this Commission. It is unfortunate that the Commission does not advertise more. When I say advertise, I do not mean in the common acceptance of the word, but rather with regard to the work they are performing and what they have accomplished during the last two years. They have a large number of schools where returned men are taught trades. I was surprised to learn on investigation that there are fifty institutions throughout the Province which are providing training in elementary, commercial, technical and industrial branches, education all for the benefit of the soldiers who come back maimed or wounded, unable to follow up the avocation which they had pursued before the war. These men who come back are not thrown on their families, perhaps as a charge, unable to earn their own living, but are being provided with this form of education as a means of enabling them to carry on their work. It redounds to the credit of my honorable friend the Provincial Secretary, although this is a non-political Commission, that there has been so little fault found. It is regrettable, too, that the members of this House and the people of Ontario are not more familiar with the great work which is being carried on.

Organization of Resources Committee

Sir, there is another Committee of which I would like to speak. You will recollect with me that a few years ago this House appointed an Organization of Resources Committee. The former Leader of the Opposition occupied a place on it,

as did the Prime Minister. Recently, the present Leader of the Opposition has accepted the place occupied by the former Leader. This Committee has been carrying on work for the last three years. And it might not be amiss if I told the House some of the things it has accomplished.

One thing which was left to the Resources Committee was the conduct of the British Red Cross campaign in this Province. I do not know if all the members of this House are familiar with what this Province has done; it has done perhaps much more than some are aware of. Three years ago we were asked for the first time by the British Red Cross to take up a collection in aid of that work. It was held on Trafalgar Day. The Resources Committee of Ontario looked after the local organizations formed for the purpose of making that collection. During the first year, although we only asked for a subscription of \$500,000, Ontario responded magnificently and gave the sum of \$1,550,000. (Applause.) We congratulate ourselves and the people upon what was accomplished. It is pleasant when you are working with an organization which is producing such results, and it should be an occasion for thanks by every member of this House that he was able to help in a small way to form the Committee which led in the collection of that great contribution. In 1916 a similar appeal was made and we collected \$1,600,000. In 1917 another collection was made, which realized \$1,778,000, or altogether we collected in the three campaigns in the Province of Ontario for the British Red Cross \$4,943,078, every cent of which has been forwarded to England and forms part of the British Red Cross Fund. The same appeal which was made in Ontario was made in every other Province of Canada. It was an appeal by the British Red Cross, with what result? With the result that during that time, including last year, the total amount collected in all the other Provinces from voluntary subscriptions was \$693,000, as against our \$4,943,000. (Applause.) Sir, when the war is over, and people begin to realize what great things have been done for the British Empire, there will stand out triumphantly, almost against the whole of the Empire, the magnificent Red Cross donation of \$4,900,000 from Ontario.

I wish to speak with regard to the other work of this Committee, because in almost every campaign this Committee, presided over by our Lieutenant-Governor, has taken a leading part. It may not be right to speak of the Lieutenant-Governor in this House, yet I cannot let this opportunity pass without paying tribute to the great work performed by Sir John Hendrie. He has undertaken work not alone for the British Red Cross, but for the Canadian Serbian Relief Fund, the Canadian Patriotic and Red Cross Fund, the Belgian Relief Fund, and other patriotic enterprises.

Ontario's Splendid Giving

Sir, I should like to relate to this House and place upon its records what the people of Ontario have donated since the war began to all these funds. We gave, as I have pointed out, \$4,943,000 to the British Red Cross. To the Canadian Serbian Relief we gave \$31,811, and all the other Provinces together gave only \$30,000. To the Canadian Red Cross the Province has given \$1,804,000; the other Provinces of the Dominion, \$1,964,000. In other words, we gave about fifty per cent. of what has been collected for the Canadian Red Cross. For the Canadian Patriotic Fund, the whole of Canada outside of Ontario has contributed \$17,300,000, and this Province gave \$15,253,000. In addition to that the Province of Ontario, including the grant made by this Government of \$500,000, contributed \$780,000 for machine guns; to the British Sailors' Relief Fund, \$265,000, while the rest of the Dominion did not give anything. We gave to the Belgian Relief Fund \$119,000; Secours Nationale, \$74,000 in cash and \$213,000 in kind.

Altogether the Province of Ontario has given to these different funds in cash \$23,485,000; we have given in kind, \$4,000,000. This makes a total of nearly \$28,000,000, as compared with \$15,000,000 on the part of all the other Provinces put together. (Applause.)

I do not mention this for the purpose of belittling the accomplishments of the other Provinces. I am proud of what

they have done, but I do say it is a matter of congratulation that the people of Ontario, in these strenuous times, when so many calls are made upon them by the levy of taxation and by other means, have been so generous towards all of these causes. When the war is over I do not believe that the people of the British Empire, including those of this Dominion, will overlook the fact that this Province has so signally led the way in connection with all these various movements.

Soldiers' Settlement Scheme

There is closely allied to the matter of which I have been speaking, another question, and that is the question of the settlement of soldiers at Kapuskasing, in Northern Ontario. This is a very important question, having a bearing not alone upon the soldiers who are returning to us, but a question having a more important bearing upon the conditions with which we will have to grapple after the war. A year and a half or two years ago, when the soldiers began to return, people were at a loss to know what could best be done with the man who was unable to return to the avocation which he was following when the war began.

A large number of men were returning to this country, and the problem was how to deal with them. It was thought desirable to place some of them on the farm, but as every honorable gentleman knows, there are difficulties about that, particularly in this country. One of them is that the man must have a knowledge of farming, and another is that he must go where he can obtain a farm. My honorable friend the Minister of Lands, Forests and Mines grappled with this subject and formulated a plan, and I think it is a high testimony to his organizing ability and foresight that some of the other Provinces are following in his footsteps. At Kapuskasing there is a large tract of valuable arable land fit for the settlement of soldiers. In years to come it will be highly productive, but up to the present, it has not been settled upon in any way. My honorable friend undertook to clear a considerable section of this land, to build substantial houses, schools and churches, and

to arrange for a community settlement—that is, a place where a number of men may be gathered together and have their families around a centre with its community hall, theatre, school-house and church. They would thus enjoy the boon of society, because the man who has been living in the trenches and has been associating with other soldiers at the front might find that isolated life, the life of our pioneer ancestors, did not appeal to him in Northern Ontario, and therefore little could be accomplished. And so my honorable friend arranged for these community settlements.

School at Monteith

For years there has been maintained at Monteith an experimental farm. It is of especial value when you have men who desire to learn something on that farm, preferably they ought to be men who are going to engage in agriculture in that country. So my honorable friend arranged that a school would be provided at Monteith with accommodation for at least fifty or sixty of such men. He then arranged with the returned soldiers to go up into that country. They went first to the school at the Monteith farm to learn something of the science of agriculture. When they had perfected themselves in that, they moved to Kapuskasing where some sixty or seventy are now. A few there have been who expressed dissatisfaction, men who found when they got to Kapuskasing that the life there did not appeal to them. These men, of course, were allowed to leave, but the majority of them have demonstrated that they are satisfied and have remained there helping to clear further land and are prepared to go on as farmers and work out their future upon the lands which are to be placed at their disposal by the Minister of Lands, Forests and Mines. And not alone that; they are provided with a house, and with enough money to buy some stock, horses and cattle. I predict, as our wounded heroes return to this country, it will be found that the proposition of my honorable friend the Minister of Lands, Forests and Mines will give to these soldiers an opportunity to earn a livelihood, so that they will not be a charge upon the people

for whom they have made such sacrifices. We shall find that the great after-the-war problem of settling the returned soldiers in a place where they will be satisfied has been solved.

In addition, further development in Northern Ontario has been going on. The building of roads has progressed, a creamery has been built at New Liskeard at a cost of \$15,000, where those settling in that district will be able to take their cream and get the benefit of an easy market. During two months last year there was paid out by that creamery between \$8,000 and \$9,000 to the settlers.

Financial Assistance to Settlers

With the idea of further assisting the settlers an arrangement has been made for issuing loans to settlers, a very important departure on the part of this Government. The men who come from eastern and western Ontario know with what great handicaps the pioneer farmer is faced, that he requires money to purchase seed grain and the other necessities common to the settler. We have, during the year, advanced to these farmers upon the security of their land or crops a total of \$370,000. That money has been advanced upon an application made by the farmer in which he establishes the ownership he has in any particular farm or piece of land, what he wants the money for, either to purchase seed, stock or for buildings. During the year just closed, if my information is correct, there has been paid in interest on settlers' loans the sum of \$6,000 or \$7,000.

Naturally, Mr. Speaker, as we go on and settlement becomes greater, the demands upon us for these loans will become greater. I do not believe this House or the country would be willing to ask these men to go into Northern Ontario unless we are ready to provide them with the necessities requisite. And you will realize that these things, combined with the establishment of the soldiers' farms at Kapuskasing, the opening of the agricultural school at Monteith, the building of the creamery at New Liskeard, and the maintenance of a mining school at Haileybury by the Department of Lands,

Forests and Mines—all these things are intended to provide for the years to come, so that when the war is over and the men come back in greater numbers you will find a solution to many of the questions which are now agitating the people of the country.

Agricultural Progress Made

There is another branch of our service to which I would like to refer, that is the Department of Agriculture. As you will remember, the Prime Minister has been Minister of Agriculture for some time. Honorable gentlemen on the Opposition gave us a long dissertation upon the inadvisability of a lawyer administering the Department of Agriculture. We have heard that before: it is not new, we will probably hear it again. I am going to leave that question to a considerable extent to the judgment of the people of the Province. I have heard more than one prominent gentleman of the other party express the opinion that the Department of Agriculture was never carried on so well as it has been during the last two years. Certainly it has been carried on with considerable ingeniousness and considerable determination to accomplish some of the things that were necessary. My honorable friend the Leader of the Opposition was kind enough and fair enough to congratulate the Minister of Agriculture upon one departure made by him. There have been many of them, and success has been so general that I will not trespass upon the time of the House by recapitulating all of them.

Starvation Lurking Abroad

I will speak of one of these. Early last year a situation arose which was acute and serious. It was a question of increased production. How serious it was the world is just now beginning to ascertain. I had an opportunity of discussing it a few days ago with a member of this House who has been overseas in France behind the lines and on the lines, a man who has been doing his duty in aid of the allied cause, for the Empire and for the Dominion of Canada. I refer to the member for East Simcoe (Major James I. Hartt)—(applause)

—who was here yesterday and told us that we in this country did not realize the meaning of all those long queues of people, of women and children, in London looking for food. He told me he stood there and watched for some long time a queue of people extending for several blocks waiting to obtain bread for themselves and their families. We are not fully aware of all the suffering that is being endured, not alone in England but also in France, and the only way we can meet a situation which is bound to arise before another crop comes in next fall is to see that on our part we do our share by increasing the production of foodstuffs at home.

The Prime Minister became aware of that condition and saw that if our efforts were to accomplish any results, it would be necessary to adopt heroic measures. He decided to purchase a number of tractor ploughs. It was rather a strange departure in the Province of Ontario for the Department of Agriculture to go into the ploughing business. But he did not hesitate when he found it was advisable. He had a warrant passed through the Treasury Department asking for a grant of \$100,000. I know some Treasurers who would have been aghast if he had asked for \$100,000 for tractor ploughs. I do not take any credit for agreeing with the Prime Minister. It took considerable courage to decide to order one hundred tractor ploughs, because they were to some extent an experiment in this Province.

A Historical Parallel

Let me say, however, that I was reminded of the fact, when the Prime Minister had made that departure, that we had another illustration from a famous war of what heroic measures should be adopted at a time like this. Some honorable gentlemen in this House will remember that during the American Civil war there were millions of men engaged on both sides in fratricidal strife. You will recollect the conditions becoming extremely acute. After the struggle had been raging for two years, the people were becoming impoverished because of the fact that millions of men had been taken from the farms and production had dropped to an extremely low level.

But they found a remedy that startled the whole civilized world and enabled them to meet the conditions caused by the shortage of food in the United States and by the fact that there were very few bottoms on the ocean which they could requisition for bringing food to them.

How did they meet it? They found a man named Cyrus McCormick who had invented a reaper and binder in 1831, some thirty years before. After it had been perfected, McCormick had gone to different manufacturers endeavouring to get them interested. They all refused because it was a departure from the regular course of events in the United States, and because they were so cheap. But finally, when they were confronted with the conditions of 1862 it was necessary for some strong individual to take up the duty of explaining to the people of the United States that the binder and reaper were commercially possible and should be manufactured in order to take the place of labour which was unobtainable. And so, Sir, in one year from that time it was demonstrated that the binders and reapers saved the situation in the United States. They started in 1863, and instead of a reduced output of natural products and the United States growing poorer by reason of the war, by the end of 1865 when peace was declared between the North and South, the United States had more food products than they had when the war began, and was a much richer nation than in 1860.

Must Increase Output

So, Sir, we have a somewhat similar condition in the Province of Ontario. There had been a great reduction in amount of foodstuffs available. We had to provide new means of increasing the output, and as there were none of the ordinary means at hand which in the opinion of the experts of the Department could be used, it was decided to invest \$100,000 in tractors. We purchased altogether 127 tractors and tractor ploughs. The total amount spent up to the end of the fiscal year amounted to \$146,000, although at that time there were many accounts outstanding.

A report shows that the tractors ploughed between 20,000 and 25,000 acres at an average cost of about \$1.60 per acre. The tractors purchased included fourteen different makes, and this has given the farmers the opportunity of seeing a practical test of various types of machinery under ordinary farm conditions. The plan has impressed the farmers with the seriousness of food production and has resulted in many tractors being purchased by private individuals. One evidence of the great interest developed is in the fact that one hundred and fifty young men have been in attendance at the Farm Power Course put on for the first time at the Ontario Agricultural College during the past few weeks. These 150 men will be available in the opening season to run those tractor ploughs throughout the Province.

An Object Lesson

To give an idea of what this work has meant in food production, an estimate may be of interest. Ploughing, of course, is not the only part of the operation, but is the part that makes the rest possible.

Suppose that 20,000 acres ploughed were used to grow wheat and yielded 20 bushels to the acre; this would mean a total of 400,000 bushels of wheat. At 6 bushels per capita per annum, which is the estimate of the consumption, this would provide the wheat needs for between 65,000 and 70,000 people for a year. So that in my opinion the part taken by the Government in supplying these tractors is one which alone was of some use in providing more food, and also was an object lesson to the farmers of Ontario, to the men who had not been able to experiment on the different makes of ploughs, and it demonstrated to them without cost the advisability of purchasing tractor ploughs in order to increase crop production.

I would like to mention before I sit down the yield from some of the crops. Last year there was a slight decrease in wheat. The figures for the year follow compared with those of 1916:—

	1917		1916
Wheat	17,063,723 bushels.		17,156,011 bushels.
Barley.....	18,387,741 “		12,388,969 “
Oats	111,232,817 “		71,297,528 “
Beans	1,126,039 “		583,105 “
Corn for silo....	4,587,176 tons green.		3,276,185 tons green.
Potatoes	18,291,735 bushels.		7,408,429 bushels.
Mixed grains....	20,102,421 “		13,297,354 “

So, altogether, last year, there was a marked increase throughout the Province of Ontario in field crops.

Money for Seed

There is another feature of the Government's work in assisting increased production. Loans were made by the Government through the banks last year in order to enable the farmers to purchase seed grain. This was a rather remarkable departure on the part of the Government. It was not made in conformity with The Farm Loans Act passed last year. It had nothing to do with that Act. It was done under the authority of an Order-in-Council and made through the Organization of Resources Committee. It was found last year that many farmers were unable to supply themselves with seed grain. This condition threatened to have a serious effect upon the campaign for increased production, so the Government decided that help must be given. It was not desirable that the Government should advance money direct to farmers, but we felt we might make an arrangement with chartered banks so that we would be able in this indirect way to give help. Consequently, as Treasurer of the Province, I was authorized to make an agreement with the Canadian Bankers' Association whereby we agreed to guarantee all loans for seed made by the banks in the Province of Ontario. The loans were to be confined to applicants who owned their own lands or were otherwise in such a financial position that they would ordinarily be entitled to credit. It was provided that such loans should not be made to those persons in Ontario who had already received loans from the Settlers' Loan Commission for the purchase of seed.

Now, we left it to the discretion of the bank manager under certain regulations to make these loans. In conformity with that agreement, there was loaned a total sum of \$163,148.30. Of that amount, by the 1st January last \$98,000 had been repaid, leaving a balance due of \$64,000.

Money Well Placed

We found it necessary to repudiate the loans made by one only of the banks. We felt that the manager did not use proper discretion in making loans at one point in Ontario, and we asked the Bankers' Association to make an investigation. As a result of that investigation, we communicated to the Secretary of the Canadian Bankers' Association that we would not be responsible for loans made by this particular bank, and that we repudiated entirely all liability. So we are relieved of our liability to the extent of \$20,981. Aside from that particular instance, I found every banker throughout the country had made careful investigation before making a loan, and out of the total loans of \$163,000, I believe there is only one loan of \$100 which we are not likely to collect. That speaks well of the care taken by the Bankers' Association, and it speaks well for the farmers of this country who have so readily responded to our appeal, and although we only advanced the money last year, they have already paid off 65 per cent. of the total amount loaned.

Ontario Government Supplies Fish

There is one other matter which requires some consideration. I stated earlier in my address that war conditions have made many changes. They have, among other things, caused us to devise means of helping the people of Ontario which otherwise might have remained neglected and unknown. They have shown us how fallacious have been some of our ideas about carrying on the affairs of the Province. Last year the Food Controller investigated the fish supply with a view of increasing the consumption of fish. As you are aware, he started bringing in salt water fish. My honorable friend the Minister of Public

Works took up this most important question from this end of the line. He ascertained how conditions were here, and if anything could be done, and it did not take him long to find out that it was commercially possible by opening Lakes Nipigon and Nipissing for this purpose to supply fish for Ontario consumption. It would not have done to have opened these lakes for commercial exploitation. There was no record of any Government throughout this Dominion having gone into the fish business, but my piscatorial friend here first sent up an agent and then decided to go into the fish business himself in a wholesale way. He sent men up there from his Department, who would be responsible to us for the fishing of these lakes. In addition, he gave to other parties permission to fish in these lakes, but he reserved to himself the right to fix the price. So, when these other parties are disposing of their fish, they must do so at a price set by my honorable friend.

Save 12½ Cents a Pound

The work began last fall in Lake Nipissing, and the first shipment was received on September 26th, and the finest of fish was placed on sale in Toronto at 12½ cents per pound. These fish, prior to that, had been sold on this market at from 20 to 30 cents per pound, an average of 25 cents. So for every pound of fish sold in Toronto last year by the Minister of Public Works there was a saving to the householder of 12½ cents. The demand was at least ten times the supply, and by the end of November 250,000 lbs. of fish had been put on the market by the Government, being sold in over sixty cities and towns throughout the Province. If the average amount saved the consumer on this quantity of fish is reckoned at 6 cents per lb., it would mean a saving to the people in the few weeks that the work was carried on of \$15,000.

Regarding the future, a progressive policy has been decided upon by the Government, providing a new clause in every fisherman's license issued, which places 20 per cent. of their entire catch at the Government's disposal for the benefit of the people of the Province. The fish of Lake Nipigon and Nipissing are contracted for. The population of the Province

in 1911 was something slightly over 2,500,000, averaging four to a family there would be 625,000 families. If one family out of every three ate one pound of Government fish weekly, it would require 5,200 tons of fish, and if a saving of 5 cents per pound were effected, the annual saving on this basis would be \$520,000. (Applause.)

My honorable friends will agree with me that perhaps never before in the history of any country has the fishing industry become so important as it is to-day. But it will become more important next year and the year after. What I wish to say is this: no better scheme could possibly be adopted to give the people this natural food at a lower price, on better terms and with greater facility, than the scheme adopted by my honorable friend.

The House will appreciate the marked moderation with which I am speaking to-day, and I think they will appreciate my feelings when I speak generally of the Ministers whom I have been discussing and of their success with regard to these important questions. We do not claim any divine inspiration when introducing these measures, but we rather give some credit to the conditions which created the necessity, and I am sure we on this side of the House will always be willing, as we have during the last three years, to entertain any suggestions from hon. members opposite which will help us in providing a cure for the evils which may exist, or in seeking a way out of the difficulties which are sure to arise during the days that are to come.

War Tax Expenditure

I am coming now to the most important item with which I have to deal. I must give to the Province an account of the imposition of the war tax and the expenditures made under that war tax. I have a very pleasant recollection, indeed, of the afternoon, three years ago, when I first introduced legislation to place a tax of one mill on the dollar on all property throughout the Province. It was a compliment and a matter of great satisfaction that in this House, composed of 111 members, no voice was raised against the imposition of that

tax. I gave my word on that occasion that during the time the tax was imposed and was collected, and during the whole period of the war, all that money would be expended for war purposes. I explained that the expenditure would have to be left to the discretion of the Government to spend the money from time to time as we found necessary. Recently there has been some discussion in the papers about the manner in which that tax is being levied. Some Toronto papers have been rather petulant over the manner in which the tax is imposed.

We have collected since the imposition of the tax, altogether \$6,005,624.97. That includes the money collected in January of this year. We have expended up to the present time \$5,948,145.81, or within \$50,000 of the total amount collected up to the 1st January. The Government is committed to an expenditure of \$1,200,000 this year for the Patriotic Fund, that is, for the main Patriotic Fund, and another \$150,000 to the different individual patriotic funds, Port Arthur, Fort William, County of Lincoln, Orillia and some other places which I do not remember now. In addition to that we stand committed to an expenditure of \$150,000 a year for the maintenance of the Ontario Military Hospital at Orpington. We stand committed—if we truly represent the feeling of Ontario, and I believe we do—to between \$300,000 and \$500,000 for comforts for the men who are fighting our battles—committed—I repeat this to the members here and through them to the country—to this policy: that so long as this war is going on, so long as our men are standing between us and harm and undergoing vicissitudes and dangers at the front, just so long will we collect this tax and spend it for the benefit of our men and for war purposes. (Applause.)

Inequalities Not Serious

In regard to this tax let me say that when I introduced the Bill, I explained there might be some inequalities with regard to the payment of the tax, because it was a war tax. I also explained that for all places in a county which were not outside the county for municipal purposes all the money they would have to pay would be settled upon an equalization

basis. That has been done since the war began. In Toronto they are taxed upon their assessment. They pay in the same proportion that every other place pays, and will understand the reason readily. They imagine they should pay upon the basis of population. Well, Mr. Speaker, I do not think that is a fair basis. Take the population of Toronto and compare it with Hamilton, Ottawa, St. Thomas and other places. To tax on the basis of population is not fair, for this reason: the larger the number of people congregated the greater becomes the value of property. If you took the City of Toronto and located it on Manhattan Island in the centre of the City of New York, the assessed value of Toronto instead of being \$600,000,000 would be more like \$2,000,000,000. And, if you took the City of St. Thomas and dumped it in the centre of Toronto, the assessed value would be probably six or seven times the present assessed value of St. Thomas. So taking all these places and lumping them together, their total assessment is not as large as the City of Toronto, and therefore to say that the 480,000 people in Toronto are paying more than their share is not a fair argument. Some places may not be paying as much as they would pay if I had an opportunity of assessing them. But, Mr. Speaker, when I introduced this legislation, I explained that if this tax were definitely fixed for all time to come, we should require a provincial assessment system which would call for the employment of a great number of persons and expend a large amount of money. And so, Sir, in order that there might be no waste of money in the imposition of this tax, we have taken the ordinary basis as we have in the Statutes provided for taking the assessment as made by the different municipal councils and asked the people to pay in accordance with it.

Few Complaints Heard

Let me point out, with regard to the City of Toronto, if we had an assessment through Ontario, and if we did what we are asked to do, (i.e., to increase the assessment of the different portions of the province), it would not reduce by a five cent piece the tax to be paid by the City of Toronto. The result

would only be that we would receive a larger amount from St. Thomas, Ottawa and Hamilton, though they say they are being assessed up to their full value. From the time of the imposition of this tax until the present moment I have never heard any person outside the City of Toronto claim that it was an unfair or an unjust tax. Before the imposition of this tax there were men and women walking around the Province who were unwilling to contribute one single, solitary cent towards the prosecution of this war. We decided the only fair way by which we would reach people who were unwilling to contribute to the Red Cross and Patriotic Funds was to impose a tax that would reach all the people. There is not a property in Ontario which is not being protected to-day. If some of these men, who have from time to time complained of the imposition of this tax, had their property situated in Northern France or Belgium, what would they find, Mr. Speaker? They would find their property in the hands of the German horde. If it happened to be a coal mine, it would be being worked by the Germans; if an iron mine, they would be taking all the production from that mine; if it were a home, the sanctity of that home would be violated, the family dispersed. Yet, Sir, in the peace and security which we in this Province enjoy, you will actually find men who will stand up and declare that the small tax of one mill on their dollar is too much to expect them to pay during this time of war in the defence of their country.

Where the Money Went

Perhaps it would only be right for me to refer briefly to some of the expenditure which goes to make up this large amount of money, and it is a large amount of money. We have expended altogether upon Orpington Hospital the sum of \$1,220,000. Honorable gentlemen, I am sure, will find no fault with that. We are in the proud position of being able to claim that we have the finest military hospital in the world to-day. (Applause.) As proof of that we have the evidence of soldiers of all ranks who have had an opportunity of visiting and examining that hospital, some, indeed, having been patients

there. We have expended upon construction \$475,000; for equipment and furnishings, \$187,000; for maintenance, \$215,000, and for an extension, \$342,000; and for comforts for patients, \$8,000, making the total I have mentioned.

We have not stopped with providing this great hospital for the care of the wounded soldiers. Most liberally we have given to the Belgian Relief; and to the British Navy \$332,000 to care for the men who are fighting our battles on the high seas. Surely there could not be a better object than to provide comforts for these men in order that we may keep up the standard of the British Navy. When we give to the British sailor we are helping to sustain that great fleet which has been the watchdog of our liberties since the 4th August, 1914.

Christmas Box for the Boys

We paid for soldiers' comforts last year \$183,000. At the approach of last Christmas we thought of the boys at the front, many of whom will be there for their third Christmas, and we felt it was only right, representing the people of Ontario, that we should send something which would be not only useful but would give them to understand that we at home were not forgetting them in their task. And so, Sir, we sent a Commissioner over to England, Belgium and France to investigate conditions, to find out what it was that the soldier in the firing line would say was the most acceptable thing to give, and the universal word was to send good, warm, strong, serviceable mitts, with one finger to press the trigger. We bought them for the soldiers in the front line, which meant about 70,000 pairs. They were the very best in the market. In addition we sent cigarettes, tobacco and other serviceable articles, and every soldier in the front line by this time has received that gift from the people, through the Prime Minister and the members of this House. Sixty thousand packages were sent to the soldiers in England. We had lists tabulated for us, so that we were able to arrange for the distribution among the soldiers in England and among the soldiers at the front.

With regard to the total amount received from the war tax, namely, \$6,000,000, we have expended the whole amount with

the exception of \$50,000. We stand committed for a further expenditure of about \$2,000,000, and I predict that by the end of the current fiscal year we will have spent over \$8,000,000. What to do? If it is all devoted towards the winning of the war, it is but a drop in the bucket when we see the British Government spending millions upon millions each day more than we have spent in these years.

We will go on during this year levying this tax and collecting it, giving an account of every dollar to the House next year.

Problems for the Future

The great subject with which we will have to deal during this year will be particularly the subject of increased food production and subjects connected with the welfare of our troops at the front and those who are returning. In addition to that there will be great social questions with which this House must deal, questions which are up for settlement now and others which the Government will be prepared to settle when the proper time comes. All these things will take considerable money, but my honorable friends will see from the statement before them that we have estimated there will be more than \$17,000,000 in revenue this year. I am hopeful that the amount will be over \$18,000,000, and as you will see by the Estimates laid before you, the expenditure brought down amounts to \$12,000,000. In addition, there will be capital expenditures upon the Hydro-Electric, also statutory expenditure, which if we take last year as a criterion, will be something around \$3,000,000. I do not know how much the expenditure on the Hydro-Electric will be. I want every honorable member to be assured that no matter what calls are made on this Province, we shall be prepared to meet them. We must go on, the King's Government must continue, no matter how long this war lasts, and we shall provide the means to carry it on.

Ontario a Great Example

I am hopeful that by reason of the legislation introduced to-day, and by reason of the fact that members on both sides of this House have agreed upon the advisability of continuing

this Legislature while the war lasts—and we will not be engaged in political turmoil, at all events during this year—that the members on both sides of this House will work together in the interests of the Province. It will give to this Legislature an opportunity, which has never been given to any Legislature before, to set an example to the people of a united front, and therefore show what may be accomplished by united effort. During the months that are to come, as we meet these great problems that arise with the war, the problem of meeting the returned soldier and providing for him, the problems of social reform which must be met in the near future, I say we ought to work in unity and with our whole strength. If we do that, Mr. Speaker, I predict that great as has been the past year of 1916-17, financially and otherwise, much as we have been able to accomplish, great as have been the departures made by this Government in new fields, greater still will be the work in the twelve months to come, not alone in this House and this Province but all over the Dominion. By our united effort and determination, no matter how dark the cloud may be, there will come a time when the silver lining will show through, when, Sir, every part of this Province will get a return three-fold over because of our strength, because of our determination and because of these great accomplishments. (Loud applause.)

ASSETS AND LIABILITIES OF THE PROVINCE.

OCTOBER 31ST, 1917.

CASH AND DEBENTURE ASSETS.

BANK BALANCES:—

Current Account	\$426,520 10	
Special deposits bearing interest ..	1,175,000 00	
		<u>\$1,601,520 10</u>

(Including Federal Subsidy for Agriculture, unexpended, \$144,689.03.)

SINKING FUNDS:

Amount of stock purchased for the Province for sinking fund by the Bank of Montreal, Fiscal Agents, to the 31st October, 1917.

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

£1,200,000 Loan, 5 Edw. VII., cap. 2 and 3:

£95,968 8s. 1d. at par of exchange	466,406 44
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£1,640,547 18s. 11d. Loan, 8 Edw. VII., cap. 11 and 12:

£71,339 11s. 3d. at par of exchange	346,710 27
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£817,294 Loan, 4 Geo. V., cap. 9:

£15,205 3s. 7d. at par of exchange	73,897 18
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Hydro-Electric Power Commission, Sinking Fund payment	475,000 00
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DEBENTURES:—

Drainage Debentures, Municipal ...	\$276,620 12	
Tile Drainage Coupons	459,818 39	
Sault Ste. Marie Debentures	25,572 50	
Village of Eganville Debentures	11,898 79	
Town of Cochrane Debentures	41,497 25	
Township of Whitney Debentures ..	16,673 08	
Township of Tisdale Debentures ...	29,599 98	
		<u>861,680 11</u>

Temiskaming and Northern Ontario Railway, amount expended to October 31st, 1917. See Statement No. 15	21,593,869 99
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Hydro-Electric Power Commission of Ontario, amount advanced to October 31st, 1917	\$19,613,667 72
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Less Sinking Fund payment in 1915, 1916 and 1917	475,000 00
	<u>19,138,667 72</u>

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

Hydro-Electric Power Commission, for purchase of the Electric Power System, 6 Geo. V., cap. 18	8,350,000 00
Balance due from sale of Central Prison and Toronto Asylum properties	655,320 00
Northern Development Branch:— See Grain Loans, outstanding	57,841 18
Settlers' Loans, outstanding	378,791 74
Estimated amount outstanding on Crown Lands and interest	1,000,000 00
Estimated amount outstanding on Timber Dues, Bonus, etc., 31st October, 1917	1,250,000 00

TRUST FUND OF THE PROVINCE HELD BY THE DOMINION.

Common School Fund (See Consolidated Statutes, c. 26), 1,000,000 acres set apart (proceeds realized to 31st December, 1916), after deducting Land Improvements Fund, \$2,639,836.06, portion belonging to Ontario as per population of 1911\$1,471,730 07

Note.—See Awards, Sessional Papers, 1900 and 1901.

Common School Fund, Montmorency Bridge Debentures paid over to the Dominion re Quebec Turnpike Trust, \$6,000.00, portion belonging to Ontario as per population of 1911	3,345 05	
	<hr/>	1,475,075 12
		<hr/>
		\$57,724,779 85

ASSETS—PUBLIC BUILDINGS AND LANDS.

Present value of Buildings and Lands on which they stand and surrounding areas belonging to the Province, October 31st, 1917	\$22,016,377 19
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ESTIMATED ASSETS—RESOURCES.

Pine Timber	\$132,000,000 00
Pulpwood Timber, Ties, Poles, Hardwood, etc.	225,000,000 00
Mining Lands and Profits	100,000,000 00
Agricultural Lands	15,000,000 00
Water Powers	20,000,000 00
Sand, Gravel, etc.	1,000,000 00
District of Patricia, area of 146,000 miles, Timber, Fisheries, Furs and Mining Possibilities	10,000,000 00
	<hr/>
	\$503,000,000 00
Taxable property in Ontario, actually assessed by Municipalities, over	\$2,000,000,000 00

DIRECT LIABILITIES OF THE PROVINCE.

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

(9)	"E," "F" and "G" Ontario Government Bonds, R.S.O., 1914, cap. 39, sec. 14, and R.S.O., 1914, cap. 21 (Canadian loan), 5 per cent., principal due October 1st, 1919....	3,000,000 00
(10)	"H" Ontario Government Bonds, R.S.O., 1914, cap. 39, sec. 14, due February 1st, 1920 (Canadian loan), 5 per cent.	3,000,000 00
(11)	"K" Ontario Government Bonds, 4 George V., cap. 9, and 5 George V., cap. 5, due April 15th, 1920 (Canadian loan), 5 per cent.	1,000,000 00
(12)	"L" Ontario Government Bonds, 5 George V., cap. 4, due May 1st, 1925 (Canadian loan), 4½ per cent.	4,000,000 00
(13)	Ontario Government Bonds (Canadian loan), 6 George V., cap. 2, 5 per cent., due June 1st, 1926....	4,000,000 00
(14)	"M" Ontario Government Bonds, 6 George V., cap. 18, 4 per cent., due March 1st, 1926 (For purchase of certain Water Powers.)	8,350,000 00
(15)	"N" Ontario Government Bonds, R.S.O., 1914, cap. 39, due December 1st, 1926, 5 per cent.	2,000,000 00
(16)	"P" Ontario Government Bonds, 2 Geo. V., cap. 2, due January 1st, 1923, 5 per cent.	1,000,000 00
(17)	"T" Treasury Bills, 7 Geo. V., cap. 2, 6 per cent. per annum, due January 18th, 1918	2,000,000 00
(18)	Railway Certificates, present value outstanding on 31st October, 1917. \$2,144,974 47 Annuity Certificates, present value outstanding on 31st October, 1917. 1,037,671 32	3,182,645 79
(19)	Common School Fund collections by Ontario, from 1st January, 1917, payable to the Dominion, in trust for both Provinces. In Trust for Ontario \$1,238 34 In Trust for Quebec 982 26	2,221 20
(20)	University of Toronto Certificates, \$30,000.00 per annum for 18 years, 5 Edward VII., cap. 37, present value at 3½ per cent. per annum	395,690 40
(21)	Assurance fund under the Land Titles Act, R.S.O., 1914, cap. 126, sec. 128	110,000 00

(22)	Municipal Securities, 8 Edward VII., cap. 51, Municipal Sinking Funds on deposit with the Province of Ontario to October 31st, 1917, with accrued interest at 4 per cent.	603,049 56
(23)	Queen Victoria Niagara Falls Park Bonds, Sinking Fund Payment ..	200,000 00
		<hr/> \$61,795,108 42

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 Edward VII., c. 29)	100,000 00
	(10 Edward VII., c. 21)	200,000 00
		<hr/> \$900,000 00

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

(2) The Canadian Northern Ontario Railway Company.

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

7,860,000 00

Secured by First Mortgage on Railway, Rolling Stock and Terminals.

(3) University of Toronto.

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

Present value for 32 years at 4 per cent. \$451,485 87

(4) University of Toronto.

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

	Present value for 34 years at 4 per cent.	120,924 76	
(5)	University of Toronto. Guarantee by the Province of Ontario, under authority Order-in-Council, May, 1912, Debentures of above University, payable 1st January, 1912, to 1st January, 1951, 40 years, \$300,000.00. Present value for 34 years at 4 per cent.	279,058 55	
(6)	University of Toronto. Guarantee by the Province, under authority of Order-in-Council, April 14th, 1915, Debentures of above University, payable 1st January, 1915, to 1st January, 1954, 40 years, \$110,000.00. Present value for 38 years at 4½ per cent.	107,848 69	959,317 87
(7)	The Toronto and Hamilton Highway Commission. Guarantee by the Province of Ontario, under the authority of 5 Geo. V., cap. 18, Debentures of above Commission, due November 1st, 1919. Interest at 5 per cent. per annum	600,000 00	
(8)	The Toronto and Hamilton Highway Commission. Guarantee by the Province of Ontario, under the authority of 6 Geo. V., cap. 16, Debentures of above Commission, due November 1st, 1919. Interest at 5 per cent. per annum	300,000 00	
(9)	The Toronto and Hamilton Highway Commission. Guarantee by the Province of Ontario, under the authority of 6 Geo. V., cap. 16, Debentures of above Commission, due November 1st, 1919. Interest at 6 per cent. per annum	340,000 00	1,240,000 00
(10)	Town of Bruce Mines. Guarantee by the Province of Ontario, under the authority of R.S.O., 1914, cap. 266, sec. 36, sub-sec. 3, amended by sec. 5, Stat. Law Amendment Act, 1914, Debentures of above Town, payable January 1st, 1918, to January 1st, 1947. Interest, 6 per cent. per annum ....	.....	25,000 00

(11) Town of Cochrane.		
Guarantee by the Province of Ontario, under the authority of 7 Geo. V., cap. 9, Debentures of above Town, payable May 1st, 1918, to May 1st, 1947. Interest, 5 per cent. per annum		
	.....	40,000 00
(12) Town of Matheson.		
Guarantee by the Province of Ontario, under the authority of 7 George V., cap. 9, Debentures of above Town, payable June 1st, 1923, to June 1st, 1937. Interest, 6 per cent. per annum		
	.....	5,000 00
(13) Township of Tisdale.		
Guarantee by the Province of Ontario, under the authority of 7 George V., cap. 9, Debentures of above Township, payable December 31st, 1917, to December 31st, 1931. Interest, 6 per cent. per annum...		
	.....	25,000 00
(14) Township of Tisdale.		
Guarantee by the Province of Ontario, under the authority of 7 George V., cap. 9, Debentures of above Township, payable December 31st, 1917, to December 31st, 1931. Interest, 6 per cent. per annum...		
	.....	10,000 00
(15) Hydro-Electric Power Commission of Ontario.		
Guarantee by the Province of Ontario, under the authority of R.S.O., 1914, cap. 39, 7 George V., cap. 20, Order-in-Council May 26th, 1917, Bonds of the above Commission. Interest, 4 per cent. per annum, due date, August 1st, 1957		
	.....	8,000,000 00
		<hr/>
		\$19,064,317 87

**Receipts and Expenditure, Fiscal Year Ended
October 31st, 1917.**

RECEIPTS.

Balance as per Public Accounts, 1916:

Amount at Special Deposit, October 31st, 1916	\$	c.	\$	c.	\$	c.
			3,575,000	00		
Amount at Current Account, October 31st, 1916			653,276	31		
			<hr/>			
			4,228,276	31		

Less Balance of Federal
Subsidy for Agriculture,
deposited to Special Ac-
count

66,273 96

4,162,002 35

From Dominion of Canada:

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

Interest paid by Dominion,

see Statement No. 3 ..	73,552	09
Interest on Investments..	136,018	09

209,570 18

Lands, Forests and Mines	3,579,196	06
Education	61,167	93
Agriculture	141,218	47
Game and Fisheries	223,631	22
Provincial Secretary	966,813	05
Military Hospitals Commission	69,603	83
Department of Public Highways, Motor Vehicles Branch	930,753	00
Insurance Department	73,700	42
Law Stamps	120,325	98
Succession Duty	3,110,495	24
Succession Duty (Funds deposited in lieu of Bond for payment of Succession Duty)	117,731	14
Corporations Tax Act, R.S.O., 1914, cap. 27, with amendments	1,771,287	06
Fire Marshal's Act	23,901	35
	<hr/>	
	1,795,188	41

Casual Revenue

988,603 61

Hydro-Electric Power Commission:

Interest:

1,185,091 42

**Temiskaming and Northern Ontario Rail-
way**

250,000 00

Ontario War Tax Act, 5 Geo. V., cap. 3..

2,050,128 39

Total Ordinary Receipts 18,269,597 23

From Drainage Debentures, Municipal	31,972	01
“ Drainage Debentures, Tile	25,605	00
“ Province of Ontario Loan (Canadian), R.S.O., 1914, cap. 39. See Statement No. 16	1,999,043	00
“ Province of Ontario Loan (Canadian), 2 Geo. V., cap. 2. See Statement No. 16	1,008,833	41
“ Treasury Bills, sale of, 7 Geo. V., cap. 2. See Statement No. 16	1,969,753	00
“ Central Prison Property, sale of	91,000	00
“ Municipal Debentures	5,116	00
“ Municipal Securities, Municipal Sinking Funds received for fiscal year ended October 31st, 1917	167,711	65
“ Hydro-Electric Sinking Fund	150,000	00
“ Ontario Teachers' and Inspectors' Superannua- tion Fund, 7 Geo. V., cap. 58	194,381	21
“ Settlers' Loan Commission (advances repaid) Northern Development Sales	6,892	33
	48,391	87
	<hr/>	
	28,130,299	06

PAYMENTS.

	\$	c.	\$	c.
For Civil Government	916,087	31		
“ Legislation	275,054	56		
“ Administration of Justice	607,667	49		
“ Education	2,538,989	11		
“ Public Institutions Maintenance ...	2,062,415	75		
“ Colonization and Immigration	46,400	10		
“ Agriculture	811,060	19		
“ Hospitals and Charities	543,536	39		
“ Repairs and Maintenance	254,128	32		
“ Colonization Roads	263,743	10		
“ Charges, Crown Lands	819,327	67		
“ Refunds	72,097	71		
“ Game and Fisheries	128,198	99		
“ Highways Department	174,560	29		
“ Attorney-General's Department, Mis-				
cellaneous	77,630	17		
“ Provincial Secretary's Department,				
Miscellaneous	259,347	51		
“ Treasury Department, Miscellaneous	64,791	81		
“ Miscellaneous Services	36,231	29		
	<hr/>		9,951,267	76

Public Buildings, etc.

For Osgoode Hall	33,652	55		
“ Parliament Buildings	4,172	11		
“ Public Institutions	193,459	19		
“ Educational Buildings	49,596	90		
“ Agricultural Buildings	16,105	23		
“ District Buildings	13,696	74		
“ Miscellaneous Buildings	9,263	68		
“ Public Works	195,408	13		
“ Special Warrants	294,575	60		
“ Statutory Expenditure	3,342,577	20		
	<hr/>		4,152,507	33

	\$	c.	\$	c.
For Expenditure in connection with the War in 1917 (see details in Statement No. 23)			2,414,447	55
Total Ordinary Expenditure			16,518,222	64
For Drainage Debentures, Municipal (Statutory)	10,094	80		
“ Drainage Debentures,, Tile (Statutory)	194,350	22		
“ Debentures, Town of Cochrane, purchase of (7 Geo. V., cap. 27)	10,050	68		
“ Advanced to Temiskaming & N. O. Railway	410,182	40		
“ Northern Development	517,145	15		
“ Settlers' Loan Commission	335,365	67		
“ Improvement to Highways	350,163	76		
“ Ontario Reformatory, Guelph, purchase of lands, etc.	40,054	40		
“ Purchase of property No. 15 Queen's Park, Toronto	18,380	17		
“ Deaf and Dumb Institute, purchase of land	15,000	00		
“ New Hospital for Insane, Whitby... ..	450,072	00		
“ District of Thunder Bay, Industrial Farm, Fort William	11,283	25		
“ District of Sudbury, Industrial Farm, Burwash	39,999	96		
“ Municipal Sinking Funds, payment of completed By-laws	9,093	00		
“ Retirement of Treasury Bills, New York	2,000,937	50		
“ Advanced to Hydro-Electric Commission during fiscal year ended 31st October, 1917, to be repaid by Municipalities	5,700,000	00		
“ Stationery account, excess of purchase over distribution	43,072	39		
			10,155,245	35
“ Amount at Special Deposit, October 31st, 1917	1,175,000	00		
“ Amount at Current Account, October 31st 1917	426,520	10		
	1,601,520	10		
Less balance of Federal Subsidy for Agriculture, deposited to Special Account	144,689	03		
			1,456,831	07
			28,130,299	06

ESTIMATED RECEIPTS FISCAL YEAR ENDING
OCTOBER 31st, 1918.

	\$	c.	\$	c.
Subsidy			\$2,396,378	88
Interest on Common School Funds held by the Dominion	\$75,000	00		
Interest on Investments	150,000	00		
			225,000	00
Lands, Forests and Mines Department			2,875,000	00
Public Institutions			300,000	00
Education Department			65,000	00
Provincial Secretary's Department			210,350	00
Motor Vehicles Licenses			1,100,000	00
Agriculture			200,000	00
Casual Revenue			400,000	00
Insurance Department			73,000	00
The Amusements Tax Act			500,000	00
Succession Duties			2,500,000	00
Corporation Tax Act			1,800,000	00
The Ontario Temperance Act			150,000	00
Law Stamps			125,000	00
Game and Fisheries			615,000	00
Earnings, T. & N. O. Ry.			250,000	00
Hydro-Electric Power Commission, Interest, etc.			1,200,000	00
Provincial War Tax			2,060,000	00
Total Estimated Receipts			\$17,044,728	88

ESTIMATED EXPENDITURE FISCAL YEAR ENDING
OCTOBER 31st, 1918.

Civil Government	\$1,109,478	36
Legislation	326,018	00
Administration of Justice	807,097	05
Education	2,571,479	23
Public Institutions Maintenance	2,143,486	70
Agriculture	1,017,468	00
Colonization and Immigration	98,112	00
Hospitals and Charities	611,015	11
Maintenance and Repairs of Government Buildings..	257,628	49
Public Buildings	277,347	28
Public Works	117,800	00
Colonization Roads	87,000	00
Highways Department	81,604	00
Game and Fisheries	340,804	87
Attorney-General's Department, Miscellaneous	186,355	75
Treasury Department, Miscellaneous	75,519	79
Provincial Secretary's Department, Miscellaneous..	303,693	74
Charges on Crown Lands	955,543	35
Refund Account	105,573	74
Miscellaneous Expenditure	97,508	36
	\$11,570,533	82

Capital

	\$	c.
Purchase of No. 17 Queen's Park	20,000	00
Hospital for Insane, Kingston, additional land	30,000	00
Hospital for Feeble-Minded, Orillia, additional buildings (part re-vote)	63,500	00
Hospital for Insane, Woodstock, additional buildings	40,000	00
Hospital for Insane, Hamilton, additional buildings	50,000	00
Hospital for Insane, London, new wing	20,000	00
Hospital for Insane, Whitby, additional buildings, etc. (part re-vote)	110,000	00
Hospital for Insane, Mimico, additional buildings ..	75,000	00
Educational Buildings	66,500	00
Agricultural Buildings	37,500	00
Court Houses, Industrial Farms, Gaols and Registry Offices, Districts	64,000	00
	<hr/>	
	\$12,147,033	82

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

Year.	Railway Aid Certificates.	Annuities.	Year.	Railway Aid Certificates.	Annuities.
	\$ c.	\$ c.		\$ c.	\$ c.
			F'r'd	2,318,739 58	1,259,750 00
1917	.....	51,450 00	1935	111,128 54	24,700 00
1918	139,112 54	102,900 00	1936	105,090 01	16,700 00
1919	139,112 54	102,900 00	1937	94,459 80	9,200 00
1920	139,112 54	102,900 00	1938	90,961 80	2,850 00
1921	139,112 54	102,900 00	1939	86,122 35	.....
1922	139,112 54	102,900 00	1940	82,239 02	.....
1923	139,112 54	102,900 00	1941	67,943 75	.....
1924	139,112 54	96,200 00	1942	31,818 40	.....
1925	139,112 54	82,500 00	1943	24,920 51	.....
1926	139,112 54	69,350 00	1944	22,695 08	.....
1927	139,112 54	56,950 00	1945	18,251 86	.....
1928	139,112 54	50,700 00	1946	18,251 86	.....
1929	139,112 54	50,700 00	1947	18,251 86	.....
1930	138,412 94	50,700 00	1948	18,251 86	.....
1931	134,914 94	43,700 00	1949	6,871 26	.....
1932	127,918 94	32,700 00	1950	699 60	.....
1933	125,120 54	28,700 00	.....	.....	.....
1934	123,021 74	28,700 00	.....	.....	.....
F'r'd	2,318,739 58	1,259,750 00	Totals	3,116,697 14	1,313,200 00

NOTE.—Present value of Railway Certificates, October 31st, 1917 (interest $1\frac{3}{4}$ per cent. half yearly)..... \$2,144,974 47
 Present value of Annuities, October 31st, 1917, (interest $1\frac{3}{4}$ per cent. half yearly)..... 1,037,671 32

