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Financial Statement

OF

The HON. PETER SMITH

TREASURER OF THE PROVINCE OF ONTARIO

DELIVERED IN THE

LEGISLATIVE ASSEMBLY OF ONTARIO

on the

16th MARCH, 1922

On moving the House into Committee of Supply

PRINTED BY ORDER OF
LEGISLATIVE ASSEMBLY OF ONTARIO



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BUDGET ADDRESS

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TREASURER OF THE PROVINCE OF ONTARIO

16th March, 1922

MR. SPEAKER: In rising to move that you do now leave the chair in order that the House may resolve itself into Committee of Supply, I wish to make a few observations before explaining the financial transactions of the Province during the past year.

I would like to say a word about the death of the late Lieutenant-Governor, Mr. Lionel Clarke. It was not my privilege to have had any acquaintance with His Honour prior to his appointment, but as Provincial Treasurer I was much more intimately acquainted with him than others might have been. My Department had a great many dealings with him of an important business nature, and I want to say that I always found him to express eminently sound business judgment on all matters pertaining to the Province of Ontario. He was a man whose broad views and sane democracy in his exalted position appealed to everyone. I think I am expressing the sentiment of the Government and of all the members of the House when I say that his untimely death was a distinct loss to the Province of Ontario.

Three honourable Members of this House were taken by death during the year. With one of them, John Calder, the Member for North Oxford, I was very intimately acquainted as his riding happens to be adjacent to my own. I had known him a good many years before I met him in the House, and I always found him a man of shrewd, sound judgement and sterling character. As far as I have known the other two gentlemen, their deaths will be a distinct loss to this Legis-

lature. They were not men given to frequent speech, but when they arose they spoke with effect, and we always felt that anything they had to say added materially to the discussions in this House.

New Liberal Leader

I am sorry that my honourable friend from North Perth, the new leader of the Liberal Party, is not present to-day. In any case, I am going to say in his absence what I would have said had he been present. I have known the honourable Member for North Perth for a great many years, a natural result of living in the same county,—if not the best county, one of the best in the Province of Ontario. The honourable Member was bred in politics; his father was a politician; his uncles were politicians. The greatest tribute I can pay him is that he lived in North Perth practically all his life and I never heard anybody say an unkind word about him. I believe that he is very human, because I know from my own personal knowledge of him that he is very fond of children, musical comedies and flowers—anybody who loves flowers, little children and music is very human.

I was glad to see him appointed Leader of the Liberal Party for another reason. The speech he made on the address in reply to the Speech from the Throne was a master-piece,—the Speech of a leader. It went out through the Province of Ontario and made him, I believe, the Leader of what once was the great Liberal Party. May he be spared to live a long time as the leader of the Liberal opposition in this House.

Simplified Public Accounts

I would like to call the attention of the House to the Public Accounts this year. No doubt you have been delving through them and have found them easy of access for information. I trust you appreciate them and will agree with me that the officials responsible for the changes, should be commended on the greatly simplified Accounts you have before you this year. I am glad to hear my honourable friend from Grenville say, "Hear, Hear," because I am told that as presented by the late Administration it was most difficult to find what was wanted in them.

HON. MR. FERGUSON: Everything went into them somewhere.

HON. MR. SMITH: Now I do not mind my honourable friend asking me questions, but I do not want any interjections while I am making my speech today. My time is going to be limited. You will find under each department everything that pertains to that department in the Public Accounts. Heretofore you had to examine the Accounts in six or seven different places to get what you wanted.

Surplus Instead of Deficit

Now last year when it was my privilege to bring down the Budget I told you that I had a deficit and that I was proud of it, but I said at the same time that I would prefer to have a little surplus. Two years ago there was a deficit of \$1,559,802.84. In 1920 there was a deficit of \$802,784.83.

This year we have a different story to tell. There has been a great business depression throughout the whole Province of Ontario. Unemployment has been marked. The economic conditions which govern the financial affairs of the Province as well as those of private individuals have made financing difficult indeed. We are now passing through a strenuous time; the aftermath of the war. In spite of these facts we find our Ordinary Expenditure this year amounted to \$28,579,687.98, and our Ordinary Receipts, \$29,261,477.39, leaving a credit balance of \$681,789.41.

Now, according to the previous method of dealing with Public Accounts we would have shown a surplus of \$1,462,466.46. Our method of dealing with the Public Accounts is the only defensible method possible, and I am prepared on any platform to defend it. We have taken revenue to the amount of \$1,149,918. from Lands and Forests and put it in under Capital Receipts (where it should be) because we have depleted our forests to that extent of value. In another year or two, when the Government have instituted the system of reforestation which they are now perfecting, we will be able to offset the depletion of our forests by this reforestation. It will take a number of years to accomplish, but the land is practically unfit for any other purpose and time is a secondary consideration.

“Ordinary Receipts” Explained

I want to call the attention of the House to the Ordinary Receipts. First of all let us review the Receipts for the last few years.

In 1919	Ordinary Receipts	were	\$19,904,772.00
In 1920	“	“	\$25,078,094.00
In 1921	“	“	\$29,261,477.00

These figures speak for themselves and explain the very satisfactory increases in the revenues of the Province.

I would like now to explain briefly the Ordinary Revenues received for the last fiscal year.

Federal Subsidy. The Federal Subsidy is the first item and is the same as last year, namely, \$2,396,378.88. It is made up by the fixed grant of \$240,000. under the British North America Act, and subsidy under 47 Vict. Chap. 4 of \$142,414.48, 80 cents per head on population up to 2,500,000 and 60 cents per head on population over that figure. The Subsidy we received this year is based on the population as shown in the 1911 Census of 2,523,274. The new Census gives Ontario a population of 2,931,264, so there will, therefore, be an increase in the Subsidy that we will receive next year of about \$240,000.

Interest Account. We received \$901,434.94 on Interest Account, or an increase of \$569,029.00 over the previous year. This increase is largely accounted for by the accrued interest on loans which amounted to \$121,734.59, and the interest on money in banks on special deposit, which amounted to \$78,847.07. We had interest from the Ontario Housing Commission of \$362,511.21.

Lands and Forests. Lands and Forests revenues were the largest almost since Confederation, totalling \$4,035,747.94, of which sum \$1,149,918.76 has been placed in Capital Revenue. The Ordinary Revenue was \$2,885,829, an increase of \$878,204 over last year. In Lands and Forests the excess in bonuses and timber dues is over a million dollars; the revenue from the sale of leases of lands and water powers, \$215,000.00. These are the largest since Confederation.

Mines. Receipts under the heading of Mines amounted to \$501,969.27. This is a decrease of \$615,530.28 as compared with last year. This decrease was largely due to the prevailing financial stringency which resulted in fewer mining claims, licenses of occupation, mining leases, etc., being paid for and patented. There was also a large decrease in the Profit Tax.

Education. The Department of Education, which is not regarded as a heavy producer of revenue, collected \$481,429.88, an increase of \$152,263.74 over last year. This comes mainly from the federal authorities who make a contribution to Technical Education—(\$344,956.64, federal appropriation for Technical Education is included in the above.)

Agriculture. Receipts from Agriculture amounted to \$303,330.85, an increase of \$39,707.61 over the previous year.

Game and Fish. Game and Fisheries also showed an increase of \$51,264.88 over 1920, a total of \$871,030.59 being received for the fiscal year ending October 31, 1921. This increase is due largely to the natural expansion of the Department's policy and enforcement of the Act. The fees for commercial fishing licenses were slightly raised and the fee for angling permits was increased from \$2 to \$5, so that slightly over \$42,000 was received from these two items towards the increase in revenue. Royalties on pelts amounted to \$187,000. a detail of which I would like the honorable member for Grenville to take note.

Provincial Secretary's Department. The revenue from all the branches of the Provincial Secretary's Department amounted to \$2,530,951.57, or an increase of \$59,455.68 over last year. There was a decrease of \$85,345.82 in the Companies and Commissions branch occasioned by the lesser number of incorporations of companies which resulted from the period of business depression. This year an increase should be shown on the annual filing fees of returns of companies, as under authority of an Order-in-Council passed pursuant to The Ontario Companies Act, the minimum filing fee is \$5 instead of \$2 and the maximum fee \$30 instead of \$10 as formerly.

Corporation Taxes. The Corporations Tax Act showed an increase of \$90,000 over last year, the actual receipts being \$3,099,469.68. The estimate was \$3,300,000. The House may be interested to know that as a result of amendments to The

Corporations Tax Act, passed in 1920 and 1921 by the present Government, we received increase in revenue amounting to \$1,162,883. for the two years. From Insurance Companies we received on increased amount of \$110,054. In 1920 the tax on banks was doubled and fixed at one tenth of one per cent. on the Capital Stock, and \$3,000 from the head office and \$100 on each branch. Formerly it was one-fifth of one per cent. on the paid up capital. The tax on banks was again increased last session by placing a tax of one-tenth of one per cent. on Reserve Fund and Undivided Profits resulting in an increase of \$396,057. We received an increase from the receipts from race tracks of \$634,175. There had been no racing in 1917, 1918, and 1919. In 1920 the tax on stock transfers was increased from two to three cents per share making an increase in revenue of \$16,500.

Public Institutions. The revenue from Public Institutions showed an increase over last year of \$289,029.30, made up as follows;

From paying patients	\$18,942.81
From Industrial and Farm operations	23,618.33
From perquisites deducted from gross salaries of officers and employees of Public Institutions ..	146,110.51
Sundry Revenue	100,357.65

Motor Vehicles Revenue. The total amount received from the Motor Vehicles Branch was \$2,945,360.36, an increase over last year of \$954,526.98. The increase was due in part to the increased number of vehicles and also to the increased fees authorized by Order-in-Council. About \$700,000 of the increase is due to the new schedule of fees put into force last year.

MR. DEWART: When was it passed?

HON. MR. SMITH: I cannot tell you the date.

MR. DEWART: Was it not an Order-in-Council authorized by the Council,

HON. MR. SMITH: Yes.

MR. DEWART: The honorable member says the increased fees were by reason of the Orders-in-Council that were passed.

I just want to have some idea of what the Orders-in-Council were and when they were passed, because I have no recollection of these increased fees by Order of the Legislature.

HON. MR. SMITH: They were made under The Motor Vehicles Act, by Order-in-Council, by the Lieutenant-Governor-in-Council.

Highways. Then the Department of Highways contributed \$69,948.43 this year to ordinary revenue. This represents the sale of maps, motor fines, rentals of machinery, etc., \$19,289.82, and refunds from counties, \$50,667.61.

Succession Duties. Our largest producer was the Succession Duties Office. From Succession Duties we received \$4,821,811.03, or an increase of \$321,811.03 over the estimate. This tax to a large extent is a special contribution of wealth to the Provincial receipts, and the best informed economic thought upon questions of taxation to-day points to Succession Duties as one of the proper sources of revenue for the upkeep of public services of any country. The largest payment by any one estate amounted to \$827,551, the estate of J. A. Bisby, Hamilton. The increase on the estate due to the increased rates passed at the first session after the new Government came into power amounted to \$293,287.40. At the end of the fiscal year in Succession Duties alone we had due to us \$690,000, that was not paid on October 31st, 1921.

Casual Revenue. Casual Revenue shows total receipts of \$612,985.61, a decrease of \$980,312.83 as compared with last year. This is accounted for by the fact that our share of the Federal Chinese Capitation Tax was \$316,657.01 in 1920, and in 1921 only \$4,435.03. Last year the sale of Orpington Hospital \$437,000 also appeared in Casual Revenue.

Amusement Taxation. We received from the Amusement Tax the sum of \$1,458,314.89. This is an increase of \$84,775.36 over the previous year.

Labour and Health. The Department of Labour and Health showed an increase of \$2,714.51, the total receipts being \$126,263.61. The second instalment of upwards of \$28,000 due from the Dominion Government on account of Venereal Disease grant did not reach the Board until after the close of the fiscal year, so will appear in next year's receipts.

Hydro-Electric Interest. We were paid last year in Hydro-Electric interest \$4,463,345.38. Which is some \$1,600,000 more than the previous year.

T. & N. O. The T. & N. O. Railway paid in \$200,000; last last year \$100,000. It is estimated that \$200,000 will be paid in 1922.

Land Transfer Tax. The Land Transfer Tax brought in for the first five months during the past year \$162,506.70. The estimated revenue from this source for next year is \$400,000. This is a tax of \$2 per thousand on real estate transfers.

I would like to draw the attention of the House to the method of raising revenue by the Province. There is no tax that burdens the rank and file of the people of Ontario. The revenues of the province come mainly from Amusement, Luxuries, Corporation Taxes, Succession Duties, and from subsidies from the Dominion Government. All the revenue that accrues to the Province is taken from the people who, practically speaking, are best able to pay it.

"Ordinary Expenditures" Explained

Our ordinary expenditures under Civil Government were \$1,698,332.36, an increase of \$276,464.19 over last year. This increase is due to some extent to expansion in Government activities and to new legislation. New positions were created such as Commissioner of Provincial Police, Loan and Trust Company Auditor, Assistant Solicitor to the Department of Attorney General, new offices organized such as Agricultural Development Board, Minimum Wage Board, Mothers' Allowance. These things all contributed towards increased expenditure in Civil Government during 1921.

Legislation. An amount of \$370,755.86 was spent for Legislation, an increase of \$36,819.69 over last year. This is due no doubt to the length of the session of last year.

Justice. Administration of Justice cost the Province \$1,058,791.87, an increase of \$262,798.22.

Education. The ordinary expenditure in Education amounted to \$5,919,055.31, an increase of a little over a million dollars over last year. It is a large increase, but our policy is not to cut down expenditures on Education, but to spend prudently and even to increase expenditures where the need can be shown. The grants have been increased to Public Schools, and to Secondary Schools, Spring and Summer Schools, and so on.

I do not need to enter into any explanation as to the expenses of each Department because the Ministers representing the various Departments will do that before the Budget Debate is concluded. For that reason I am not going to discuss to any extent the expenditures of the various Departments.

Public Institutions. Public Institutions show an increase of \$364,317.66 over last year, the total being \$3,763,339.48. This increase is due to the fact that in order to bring the officials of the Public Institutions under the Superannuation Act they were placed on the permanent list, and this procedure increased the salary list by the value of the perquisites these officers were receiving previously. Another factor in connection with the increase was the taking over from the Federal Government of the Reformatory at Guelph, which entailed an expenditure for salaries of about \$75,000. The Hospitals at Whitby and Cobourg were also developed during the year with an increased pay-roll of \$82,000.

General expenses in connection with Public Institutions increased \$28,000, but this is due to the fact that owing to the coal shortage in the summer of 1920 the coal supply for the following winter was largely delivered and paid for after October 31, 1920, thereby making it a charge against the 1921 appropriation whereas normally it would have been charged to the 1920 appropriation. There is practically two years' coal supply in this year's accounts, as of course in the summer of 1921 the coal was plentiful and the winter supply was obtained before the close of the fiscal year.

There is a satisfactory decrease in the cost of provisions, the expenditure being \$128,598.05 less than that of last year. The population in the mental hospitals increased from 7,581 in October, 1920, to 7,852 in October, 1921. The population in the penal Institutions increased by 360 inmates, the figures being 1920—643; 1921—1,003.

Hospitals and Charities.—Hospitals and Charities increased by \$132,840.82—total expenditure being \$876,502.60. This increase is due to the increase in the per diem rate to the various charities. Previous to July 1, 1920, the hospital rate was 30 cents per day, the Sanatoria 50 cents per day, Refuges .07 cents and Orphanages .02 cents. The new rates are as

follows: Hospitals 50 cents per day, Sanitorias 75 cents, Refuges 10 cents and Orphanages .05 cents.

Repairs and Maintenance.—The Repairs and Maintenance shows an increase of \$76,553, the total expenditure being \$478,832.89. This is largely due to rental and upkeep of new buildings used by the Government, Knox College, 25 and 47 Queen's Park, etc.

Colonization.—Colonization Roads show a decrease of \$3,560.16—the total expenditure being \$177,163.28.

Lands and Forests.—Lands and Forests also shows a decrease of \$386,824.86, the total expenditure being \$117,377.45.

Mines.—Mines Department shows an expenditure of \$75,218.13, another decrease of \$143,423.32

Refunds.—Under the heading of Refunds there was an increase of \$64,803.40, the total expenditure being \$201,620.54. This is accounted for largely by the refunds of fines under the O.T.A. \$9,000, and the two items voted last year by the House of \$20,694.00 refunds of fines under The Military Service Act to the Dominion Government, and \$73,412.47 refunds of surplus registry office fees to the City of Toronto and County of York under R.S.O. 1914, Chap. 126.

Game and Fish.—Game and Fisheries shows a decrease in expenditure of \$59,647.15, mainly accounted for by the Government having gone out of the fish business to a great extent, the total expenditure being \$369,945.92.

Highways.—Highways Department shows a decrease of \$7,894.25 in the Ordinary Expenditures, the total expenditure being \$151,834.39.

O. T. A. Enforcement.—Attorney-General's miscellaneous expenditure shows a total of \$520,486.57, an increase over last year of \$480,744.13. This is accounted for by the fact that the O. T. A. enforcement, which was charged last year to the Provincial Secretary's Department, is now charged to the Attorney-General's Department. O. T. A. enforcement cost \$482,000.

The Provincial Secretary's Miscellaneous expenditure shows a large decrease of \$330,000, the expenditure under this service being only \$1,138.47.

MR. HALCROW: What does that Miscellaneous mean?

HON. MR. SMITH: It means various things. You will find what Miscellaneous means if you look in the Public Accounts under the Attorney-General's Miscellaneous; you will find it in the Public Accounts, each item individually.

Treasury Department Miscellaneous; Expended \$195,853.09, a decrease of \$201,747.74 from last year.

Miscellaneous Services shows a satisfactory decrease of \$55,954.90, the total amount spent being \$89,703.73.

MR. DEWART: Might I ask the Provincial Treasurer has he the information to show what is the difference between the cost of the administration of the O.T.A. under the Provincial Secretary's Department and the increased cost apparently under the Attorney General's.

HON. MR. SMITH: I have not got it at hand. The figures I gave you will be approximately the difference in cost.

Labour and Health. Labour and Health cost \$440,783.69, an increase of \$35,419.05. About \$70,000 was spent in Vaccines and Antitoxine for the prevention and cure of communicable diseases,—a service of inestimable value to physicians and the public. A great deal might be said as to the wonderful work carried on by this Department, but the time at my disposal does not allow of it.

Public Works. Under this heading we spent \$104,603.21, a decrease of \$207,191.89.

Public Buildings also showed a decrease of \$66,438.31, the expenditure being \$80,626.22.

Special Warrants shows \$496,848.62, a decrease of \$53,885.63.

Fixed Statutory Expenditure (Ordinary)

Statutory Expenditures amounted to \$9,420,935.86, an increase of \$1,692,493.17. One of the largest items which goes to contribute to the large increase is the interest, which amounted to about \$7,000,000.00 this year.

It might be interesting to know how the Statutory Expenditure in ordinary account is made up, so I will tell you the main items:

Interest charges, including Hydro loans	\$6,895,593.75
Corporation Tax Act	68,381.52
University of Toronto proportion of the Succession Duties paid to them under the Act	500,000.00
To The University of Toronto	7,000.00
To Royal Ontario Museum	34,905.65
To Annuity to Lady Whitney	2,000.00
Assurance Fund—Land Titles (Interest)	2,750.00
Auditing of Teachers' and Inspectors' Superannuation Fund	875.00
Government contribution to the Superannuation Fund	467,000.00
County Judges Act	55,915.00
Workmen's Compensation Act	117,677.00
Northern Development	362,000.00
Highways, (Maintenance)	794,000.00

Now I wanted to show the House where most of our money goes. Hon. members have been going around during the recess making speeches to the effect that the Government was very extravagant. They tried to lead the people to believe it, but I do not believe they succeeded.

MR. SINCLAIR: Were these speeches made at picnics?

HON. MR. SMITH: No. Any speeches that were made at picnics were made thoughtfully and in an intelligent effort to let the people know what the Government was doing. I believe my honorable friend made some speeches in North Oxford. But the fact is that the average individual does not know where the money is coming from or where it is going to, and I believe some members of the House do not know where our money goes. I just wanted to show the House that most of the money goes back into the ratepayers' pockets.

Millions Returned to Ratepayers

Last year we paid back in refunds or grants to roads under Highway construction, for county roads, for municipal road construction, grants to townships, proportion of overseers salaries and loans to townships on account of roads, \$3,983,798.72.

We distributed back to the Municipalities \$68,381.52 of the railway tax.

For Public Works, bridges and drainage, which are a direct relief to the municipalities in the construction of municipal works, \$300,000.

Unemployment Relief, \$219,844.

Mothers' Allowances, \$416,000. That is the portion paid by the Province.

For maintaining General Hospitals (which is a direct benefit to the municipalities because, if the Government did not pay, it would have to come out of the individual citizens) \$2,549,000.

Hospitals and Orphanages, \$951,502.60.

For Education, grants for Elementary Schools, \$2,485,350.62; Secondary Schools, \$186,320.27; total \$2,671,670.89 for Education.

For free vaccine, \$70,000.

For Administration of Justice in Counties, \$473,870.00.

For Colonization Roads, \$420,467.53.

Northern Development Branch, \$555,565.56.

Making a total that goes back actually into the pockets of the ratepayers of the Province of \$12,935,100.82 of our revenue.

What I want to point out is that a large proportion of the money doesn't come out of the pockets of the ordinary man at all; it comes out of the corporations who are privileged to do business in Ontario. There is no direct tax on anybody in the Province, and the only men that contribute to the revenue of the Province are the men that go to the picture shows and pay their two cents amusement tax, or drive an automobile and pay license fee. These are the only taxes that affect the average man and woman in the Province.

Good Administration Brings Increased Revenue

The honorable member for West Ottawa the other day referred to the amounts that had been raised by means of increased taxation by new legislation. The increased revenue received by the Province, which is due to the legislation or administration of the present Government, is as follows:

Insurance, revision of fees, resulted in an increase of \$25,000.

Motor Vehicles, increase of fees, by Order in Council, \$700,000.

Corporation Tax Act, new legislation, two years \$1,162,883.

Land Transfer Act, \$162,000, which was only for five months as I said before.

Game and Fish, an increase of \$42,000.

Lands and Forests, \$750,000.

Education \$300,000.

Labour and Health, \$92,000.

These are the direct results of the legislation which my honorable friend mentioned the other day.

Concerning Capital Receipts

Now the Capital Receipts of the Province amounted to \$6,364,979.86.

Some of the larger receipts in capital account were as follows:

Municipal Drainage, as Capital Receipts	\$ 32,045.39
Tile Drainage	59,221.07
Ontario Housing Commission	240,146.64
Municipal Sinking Fund	76,377.70
Ontario Public Service Superannuation Fund	332,332.42
Settlers Loan Commission, advances repaid	85,832.63
Northern Development, sales	53,492.69
Queen Victoria Park, Niagara Falls, Sinking Fund ..	13,500.00
Interest on General Sinking Fund	11,103.75
Department of Public Highways, rebates from municipalities .	2,295,927.91
Lands and Forests	1,149,918.76
Hydro-Electric Commission, refund Capital Account, Central Ontario system	1,719,472.22

Large Capital Expenditures

Now the Capital and Extraordinary Expenditures for the year amounted to \$63,949,409., and I will read to the House the items which make up this amount:

EDUCATION.

Consolidated Schools & Assisted Schools Building	\$ 41,640.99
Technical Education, Building etc. .	380,582.24
Queen's University (Hospital & Heating plant)	205,000.00
Royal College of Dental Surgeons ..	13,029.00
Grant University of Montreal Building	10,000.00
Special Grant to Royal Ontario Museum .	50,000.00
University of Toronto Cap. Acct., in special grant of \$880,000.00	75,688.00
	<hr/>
	\$ 775,940.23

COLONIZATION ROADS, CAPITAL		329,017.52
HOSPITALS & CHARITIES—National Sanitarium, Muskoka		75,000.00
LANDS & FORESTS, CAPITAL	592,303.90	
Timber Investigation	63,781.05	
	<hr/>	656,084.95
MINES DEPARTMENT.		
Cable Testing Machine	15,699.71	
Fuel Investigation	74,694.10	
..	<hr/>	90,393.81
GAME & FISHERIES.		
Erecting Buildings, Ponds, purchase of boats		55,328.78
PROVINCIAL SECRETARY, MISCELLANEOUS.		
Grant for aid, Unemployment Relief		219,844.89
TREASURY DEPARTMENT, MISCELLANEOUS.		
Purchase Motion Picture Machines	85,919.20	
Soldiers' Aid Commission for Soldiers' Welfare	60,000.00	
	<hr/>	145,919.20
DEPT. OF LABOUR & HEALTH.		
Mothers' Allowances	774,605.00	
Dept. of Hygiene, University of Toronto	68,028.69	
	<hr/>	842,633.69
PUBLIC WORKS.		
Bridges etc.		232,553.99
REPAIRS & MAINTENANCE.		
Vault Fittings		12,376.50
PUBLIC BUILDINGS		1,407,296.24
STATUTORY EXPENDITURE:—		
Railway Aid and Annuities paid off	239,915.94	
University of Toronto charges paid	30,000.00	
Drainage Debentures purchase ..	199,554.03	
Municipal Sinking Funds paid off ..	10,991.47	
Sinking Funds on English Loans ..	37,977.26	
Ontario Public Service Superannuation Fund	62,709.95	
Purchase of Bonds & Stock for Sinking Fund purposes	1,047,697.66	
Retirement of Inscribed Stock in London, England	455,597.30	
Ontario Housing Act	1,589,223.18	
Loans Debenture Guarantee Act ..	11,945.10	
Highways Construction	13,136,441.75	
Northern Development Capital ..	1,269,487.64	
Public Service Superannuation Fund, Government Contributions	167,840.44	
	<hr/>	18,259,381.72

HYDRO-ELECTRIC COMMISSION ADVANCES	39,237,288.75
Hydro-Electric Commission, Amount of Capital Account charged Province	275,068.86
T. & N. O. Railway, Amount of Capital Account charged Province	917,986.55
Stationery Account	90,467.17
SPECIAL WARRANTS:—	
Soldiers' Aid, Purchase of pro- perty, Kingston Road,	20,000.00
Soldiers' Aid Commission	75,000.00
Ontario Hospital, Cobourg	31,647.40
Brighton Cold Storage Warehouse	23,297.37
Advance to Town Cochrane to pay interest	2,000.00
Ono and Tecumseh Bridges	6,605.11
Northern Academy, Monteith ...	17,602.22
Commissions and sundry investi- gations	105,528.65
Shevlin-Clarke Litigation	45,145.67
	<hr/> 326,826.42
Total Capital Expenditure	\$ 63,949,409.27

MR. DEWART: Is the Provincial Treasurer prepared to say that that \$13,000,000 was the whole sum spent on Highways last year

HON. MR. SMITH: No. There was about a million extra. It would be about \$14,000,000.

MR. DEWART: Well, was the whole of that taken out of the \$20,000,000 loan or did part of that come out of the funds raised for Hydro.

HON. MR. SMITH: As a matter of bookkeeping?

MR. DEWART: Well, as a matter of fact.

HON. MR. SMITH: It all goes into the Consolidated Revenue Fund under the Act.

Other Provincial Expenditures Contrasted

I would like to draw the attention of the House now to the statement of my honorable friend from Ottawa West, in which he said that we had spent \$29,000,000 Ordinary Expenditure. If I made a mistake on that occasion it was a misunderstanding of mine: I did not know at the time that he was talking about the 1921 expenditure. But even at that he was wrong. He said in the course of his remarks that the Province of Ontario had increased their ordinary expenditure

in the last two years by some 60 per cent; that the Province of Quebec had increased their expenditure 17 per cent; Nova Scotia 20 per cent; Manitoba 20 per cent, going down the line with all the Provinces, emphatically assuring the House that the maximum in any other Province did not exceed 20 per cent.

Now I made it my business to find out the facts, and I found as follows: Quebec has increased her expenditure 19 per cent; Manitoba 22 per cent; Ontario 24 per cent; Alberta 37 per cent; Nova Scotia 43 per cent; New Brunswick 44 per cent; Saskatchewan 49 per cent, and British Columbia 54 per cent. Ontario ranks third in the Dominion. I have these figures here in official letters from the different Provincial Treasurers in the Provinces in response to my telegraphed enquiries.

Now I should like to carry the honorable member's argument a little further and show the per capita cost of ordinary expenditures for each of the Provinces. I do not know that it is perhaps wise to compare the Province of Ontario with other Provinces, but on account of the remark the honorable member made the other day I think I am justified in quoting the following: Quebec \$6.20 per capita; Ontario \$9.00; Nova Scotia \$9.00; New Brunswick \$9.30; Saskatchewan \$18.00; Manitoba \$19.00, British Columbia \$42.00. I want to say that I do not take into account the Hydro-Electric interest that the Province paid under Ordinary Expenditure of the Province because we get it back. It is just simply an offset to revenue, and in ordinary methods of bookkeeping it would not appear in Capital Account.

MR. HILL: After figuring the percentage in the increase in other provinces you really ought to know whether any deductions have been made in the same line.

HON. MR. SMITH: No. I just deduct our hydro interest. There may be some in some other province.

Small Increase if Interest is Deducted

When the Conservative administration came into power in 1905, the total expenditure the first year was \$5,396,016. When they went out of office in 1919 (which was a memorable event) their total expenditure was \$19,427,605. I have deducted the hydro interest also from there—an increase from

\$5,000,000. to \$19,000,000. in fourteen years under Conservative management. The first Conservative administration in the first two years they were in office, from 1905 to 1907, increased their ordinary expenditure 43 per cent., and in the last two years from 1917 to 1919, they increased the ordinary expenditure 27 per cent. Or in other words, when the Conservative party came into power in 1905 they increased the expenditure from \$5,000,000. in 1905 to \$19,000,000. in 1919. which was an average of $18\frac{1}{2}$ per cent. a year on all the years they were in power, or, taking the two years, it was an average of 37 per cent. for two years.

Now we came into power, as my honourable friends say, on a policy of economy. What is economy? Economy is getting value for the money you are spending. Now in 1919, deducting the hydro interest, we spent \$18,079,000. In 1920, \$21,265,000. In 1921, we spent \$21,646,000. Our increase in expenditure from 1919 was \$3,567,153. or 19 per cent. in two years deducting the interest.

Now last year (and I would like the honourable members who have been criticising the expenditures of this Government to please note) last year, notwithstanding the fact that we granted more than one million dollars extra for Educational purposes, our expenditure, after deducting the interest on the public debt, was only about \$400,000. in excess of the previous year or an increase of 1.8 per cent.

HON. MR. FERGUSON: Do you say the increase was \$400,000 after deducting the interest?

HON. MR. SMITH: Yes, less than \$400,000.

Timber Commission Brings Results

Now, there have been some very erroneous statements made in connection with the Government.

In one of the famous statements that the honourable member for Grenville has been making throughout the country he said in his usual reckless way; "Raney says \$100,000 has been recovered as a result of the efforts of the Timber Commission. He knows this statement is not correct. His own Crown Lands Minister told him so publicly."

So I asked the Crown Lands Department if we did get results and I find the following to be the fact:

J. Marsay Lumber Co., Sudbury, for trespass.....	\$37,500
James Horrigan Co., Port Arthur	12,600
Geo. E. Farlinger, Sioux Lookout	13,030
Russel Timber Co.,	55,000
S. L. Lambert Co.	4,219
	<hr/>
	\$122,349

HON. MR. FERGUSON: Will the Treasurer say that the Minister of Lands did not give a public statement to the effect that the amount recovered from the Marsay Lumber Co., Farlinger and some of the others had not been recovered from the Timber Commission but in the ordinary course through his Department?

HON. MR. SMITH: I would not say that. I asked this morning for the information. I said to the Department, "I want you to get me this information, and this is the information I received."

Increased Expenditures During Two Years Explained

Take our expenditure in 1919 as compared with 1921. Some of the increases were:

Civil Government, \$532,468. That was made up mainly by the increases in civil servants' salaries, \$460,000. We figured when we came into power, after looking over the salaries, in view of the high cost of living, that the Civil Servants were not getting sufficient remuneration. It was all threshed out last year, and we paid bigger salaries to the extent of \$460,000.

Legislation increased \$54,988, which, as honourable members are no doubt aware, was due to the length of the session.

Administration of Justice increased \$405,262. made up mainly by general administration of justice in the Counties and in the Districts.

Heavy Increase in Educational Grants

Here is a very important increase that I think should be drawn to the attention of every one, and that is the increase in the expenditure of the Education Department. In 1919 it was \$3,302,000. In 1921 it was \$5,919,055., making an excess of \$2,616,000.

The increases are accounted for in part, as follows:—

Rural Public and Separate Schools, Counties.....	\$904,864 00
Urban Public and Separate Schools, Special Grants & Contributions	4,000 00
Rural Public and Separate Schools, Districts	283,500 00
Continuation schools	57,525 00
Grants to teachers engaged in model school training..	13,000 00
Spring and Summer Schools	62,100 00
Inspection of Schools	66,000 00
Inspection of Schools, Traveling and Moving Expenses of Inspectors	15,000 00
Departmental Examinations	42,000 00
Grant—Queen's University	291,000 00
Grant—University of Toronto	715,000 00
Grant—University of Montreal	10,000 00
Special Grant to District Schools destroyed by fire ...	20,500 00
Subventions to Publishers re Text Books	65,500 00
Medical and Dental Inspection	53,448 00
High Schools	43,000 00
Ontario College of Art	13,000 00
Superannuated Teachers	21,000 00
Litigation, legal cases, etc.	22,275 00
Compassionate allowances for ex-teachers	7,000 00
Grants to Teachers and Inspectors Superannuation fund	3,875 00
Miscellaneous Salaries	42,000 00

As it is nearly six o'clock, and I do not want to adjourn the speech to-night, I will merely say this: Last year in closing my Budget Speech I begged the members of the loyal opposition, in view of the heavy financial undertakings we had to meet during the next fiscal year, and as wise and patriotic Canadians, to refrain from making speeches which would injure the credit of Ontario, especially in view of the prevailing financial and commercial unrest. But I am afraid some of the honourable members have not taken this advice—noticeably among others my honourable friend from Grenville. Never on any occasion did he miss an opportunity of taking a fling at the Government and the extravagance of the Government. He has never yet said wherein our extravagances lay. I would like him to tell us where we have been extravagant. I am open to suggestion, but it is significant, in spite of all the speeches he has made, our bonds sold the best of any bonds in the Dominion of Canada. We never had any difficulty in getting money, and I believe that the people do not pay any attention to him to-day any more than they did on October 20, 1919.

The Province of Ontario is growing, and it is impossible for us to reduce our expenditure at the present time, because everything has to be assisted that is of a nature to benefit the Province.

Finally, in making your replies and criticisms of the Budget, I would like you to state definitely wherein the present Government has been extravagant in its administration of the affairs of Ontario.

The Hon. Peter Smith, in concluding the Budget Debate on April 27, 1922, said:

MR. SPEAKER: I have listened with a great deal of interest to the many speeches that have been made on the budget this year, and was rather surprised that my honourable friend from Brantford had spoken twice. It was his legal right, no doubt, on account of the amendment having been moved by my honourable friend from South West Toronto. He had the Brantford situation, I thought, pretty well threshed out earlier in the session. However, there has got to be a certain amount of talking about the Ontario Temperance Act and the enforcement of the Ontario Temperance Act, and no matter when it takes place it has got to come some time, and the sooner, probably, the better. The Attorney General has acquired a very placid disposition,—something you acquire by sitting on the Government side and smiling while somebody is hammering you and you have no chance to defend yourself.

I have listened with a great deal of interest to all the addresses,—some very constructive and some interesting. I want to pay a tribute to my honorable friend from North Huron (Mr. Joynt) on his address last night. Knowing him as I do, and having come from a constituency adjacent to his own, I know how he is looked upon in North Huron. He told us last night it would not be well for the member for South West Toronto to go up in his constituency and try to interfere with him in the next election, that he would have a hot time getting out, and I believe him.

MR. DEWART: May I say the honourable member has invited me to come up and stay with him.

Cabinet Ministers Were Rare Visitors

MR. SMITH: We have heard a good deal about the reasons the present Government has been placed here. There is only one reason, and that is because the people had lost confidence in the old Government. I personally had nothing against the late administration, and during all the time that I was fighting the election in 1919 I do not think anybody can unearth a word I said against the Government whatever, and I do not think I have ever said anything since that I cannot defend. It was generally conceded that they were a Government that did not do anything, and that is why they are across on the other side today. There are only two Ministers, I believe, in the House that were in the late Cabinet when it was defeated, and I believe I am safe in saying that since the election they have made more speeches and the people have heard more from them than they ever did during the time that they were in power. I am speaking from experience because I have lived in the place I represent all my life. I was born there, my mother was born there, and my grandfather came from England and cleared the farm my residence is on to-day. And in all my experience I never saw or heard tell of a Cabinet Minister. They are rare birds in my country. If they come out everybody wants to look at them. We never saw a Cabinet Minister except in the case of an election. And I well remember the time of the North Perth by-election, when my honourable friend the present leader of the Liberal party, was returned. Sir William Hearst came up, and he had a full house. Everybody went out of curiosity to hear him, because Cabinet Ministers were almost an unheard of thing up in Stratford, although it is the hub of the world.

Now the hour is growing late. But I have a few things I want to say in regard to the Budget, and I believe the members of this House, in their criticism of the budget, have not intended anything personal, although I have been accused of malfeasance and misappropriation of funds. The two members who were looked upon as the critics of the Budget made very able addresses. I am sorry my honourable friend from South Ontario (Mr. Sinclair) is not in his seat because I have some things to say to him, but I see my honourable friend from Sudbury is here. I am pleased to say that on

every occasion that my honourable friend from Sudbury (Mr. McCrea) has spoken he has had something to say, something that is worth while listening to. He never makes an erratic speech like some members, but always has something that is logical and sane and sound, and the manner of his delivery inspires confidence in what he has got to say. I do not believe that there is a man on the opposition side to-day, with all due respect, and has more ability to judge the Public Accounts and to speak on the budget than my honourable friend from Sudbury.

Collecting Succession Duties

And what struck me as a significant fact was the honourable member for Kingston, (Mr. Nickle) who spoke more recently on the budget, said we had a deficit of \$3,270,000, I think, whereas my honourable friend from Sudbury declares we broke about even. I do not know where the disparity comes in after their thorough investigations. And my honourable friend from Sudbury is a keen lawyer and a good honest man—almost as honest as I am myself. Now my honourable friend from South Ontario said that we had sent out a lot of letters from the Succession Duty office, and he insinuated that on account of his having received a letter from the Succession Duty office he knew more about that matter than anybody else on the other side. This may be perfectly true: as I said yesterday we sent out a number of letters and telegrams from the Department. Now I do not see anything wrong about the Department sending out bills to people who owe us money; a man in a private business would do the same thing himself. Under the Act—he read the Act to you yesterday—it says in section 15 (1):

“The duty imposed by this Act, unless otherwise herein provided, shall be due at the death of the deceased and payable within 18 months thereafter.”

So it is due at the date of the death of the deceased, or any time thereafter for 18 months further, under the Act.

“and if the same or any part thereof is paid within that period no interest shall be charged or collected thereon.”

And further on, Section 15 (b), it says,

“For payment before the time provided for in this section the Treasurer may allow to the person accountable for the duty, interest at a rate not exceeding three per centum per annum upon the amount so paid.”

That is perfectly all right; it is just the same as any other man doing business. You can get discount if the debt is paid within 30 days—two or three per cent; it is just the same thing. But the fact is that it is payable at the death or any time thereafter within 18 months. Moreover, the Treasurer under The Act has the power to extend the time at a rate of interest.

During the debate there has been much made of the letters recently sent out by the Succession Duties Office. For my own information, and for the information of the House, I have looked up the records to see what was done in this respect by my honourable friend from Grenville and his colleagues when they were in office, and this is what I find:

“The Canada Trust Co.,

446 Richmond St., London, Ont.

“Sirs.—

Re: Samuel Sercombe Estate:

“I beg to acknowledge receipt of your letter of the 7th inst., and have noted contents therein. As the 31st inst. is the end of the Government’s fiscal year I am anxious to get in as much money as possible. I have computed the interest allowance for prepayment in this matter up to the 30th which amounts to \$61.80, which will leave a balance of \$2,096.32, due the 30th inst.

Will you kindly let us have check for this amount by that date, and oblige,

“Yours truly,

“(Sgd.) J. B. McLEOD,

“Solicitor to the Treasury.”

MR. RANEY: What is the date of that?

MR. SMITH: October 8th, 1915.

But I do not intend to labour this argument. There are many other such letters in the department, so it is not a new thing for the Succession Duties Office to send out letters asking people to pay their debts.

Large Returns at Small Legal Expense

My honourable friend from South West Toronto criticized the legal expenses of the Government, but in the Succession Duties Office it is impossible for the Branch to handle the great many cases that it has. It is quite impossible for an office which has no lawyers available at the time to go out and fight these cases. When my honourable friend from South West Toronto makes what he considers a good point, the honourable member for Grenville says, "Here, here."

MR. DEWART: Why not.

MR. SMITH: Why, he is doing it in contravention of what he did himself. Here was what was paid out in Succession Duties lawyers' fees previous to our coming in:

1916	\$ 25,464.00
1917	8,915.00
1918	10,499.00
1919 (the last year the late Government was in power)	13,565.00
1920 (the first year of the present administra- tion)	10,966.00
(But of that \$10,966.00, \$9,000.00 was not paid in 1919, so the actual payment we were responsible for in 1920 was \$1,966.00.)	
1921	8,333.00

Now, taking the average of the four years before we came into power, the late administration paid \$16,840 a year. Our two years show an average of \$5,420.

MR. DEWART: Does the Provincial Treasurer only refer to legal fees?

MR. SMITH: Yes, sir.

We paid, as I said, an average of \$5,420 in two years. For that \$5,420 average we received in extra Succession Duties \$215,873.69, and I feel that the money was well spent. There are several estates I cannot recall—the Duffield, the Smallman estate, and Sir George Gibbons' estate, and these are the only ones I can recall.

Outstanding Revenues Exceed Accounts Unpaid

Now we have been accused, and probably rightfully so, of having held over accounts from the last fiscal year. This is another thing that we have a precedent for, although my honourable friend has said a lot about it. He asked a question on the order paper and my honourable friend from Kingston drew the attention of the House to it,—that in reply to that question I said so and so, and closed the books on December 8th for revenue.

Now anybody that has been in business of any description during the past year realizes the difficulty they have had during a period of great depression; it has been almost impossible to collect the monies that are outstanding, and the Government is in a worse position than any private individual in that connection. But I have a statement here of all our monies that were held over, revenues that were paid out, expenditures paid out of 1922 appropriations; and I want to say now, as I said yesterday, that the Treasury Department have nothing to hide from anybody. If any member of the opposition comes to me (I don't care who he may be or what he may be) I will send him to the proper official for the information he desires, so you won't have to talk and talk and talk as some few have said they have to do.

In the Highways Department	\$2,087	72
Public Works Department	50,000	96
Agriculture Department	50,000	00
Fish and Game	22,979	54
Mines ..	4,580	00
Education	739,722	28
King's Printers	9,904	52
Administration of Justice	6,000	00
Board of Health	9,150	75
Lands & Forests.		
Colonization roads	\$23,898	18
Northern Development Br.	3,788	05
Other services	84,495	00
Labour	2,624	22

These were amounts that should have been paid out of 1921 appropriations but were not. Nobody has ever asked how much revenue was outstanding on the 31st of October, which was only fair, in my mind, and I want to tell the House what the revenue was, outstanding.

Succession Duty	\$690,642
(This was money for which the 18 months had elapsed.)	
Corporation Tax	631,399
Board of Health	28,000
(That was the grant that was received from the Dominion Government, but too late to be credited to the last year.)	
Mines Department	50,000
Highways ..	30,000
Lands and Forests	1,828,821
Making a grand total of outstanding revenue, (and this does not include revenue on capital account, although the expenditure did include some capital) of	3,258,862

In other words, while there was at the end of the fiscal year \$1,000,000. of unpaid accounts, there was in round figures \$3,000,000. of outstanding revenue.

Late Government Extended the Time Freely

The House will remember yesterday that my honourable friend from Grenville characteristically got up and said they always closed their accounts on the 15th of November, and I asked him if he were sure of it, and he said he thought so, and several times this occurred where he made statements, but I never could get him pinned down to anything definite. But I find that in the fiscal year, 1915-16, accounts not paid until the 16th of \$248,113. I do not intend to go into that particularly at this time. Also I have here a copy of an Order-in-Council passed October 29th, 1917, which reads as follows:—

“Upon the recommendation of the honourable the Provincial Treasurer, the committee of Council advise that under the provisions of sub-section 1 of section 19 of The Audit Act, as amended by Chapter II, Ontario Statutes 9 Edward VII, the time for finally closing the accounts of the appropriations made for the fiscal year ending October 31st, 1917, be extended to the 15th of November, 1917, inclusive.”

Then on the 29th of October I have a copy of a letter, written by the then Provincial Treasurer (Hon. T. W. McGarry) to all the Ministers, which reads as follows:

"My dear Sir:

"I enclose herewith copy of Order-in-Council extending the time for the final closing of the Accounts to the 15th of November. The time for receiving accounts in the Treasury Department will close on the 10th of November absolutely. Will you kindly give instructions to your Department and the various Branches to this effect?

"Yours very truly,

"PROVINCIAL TREASURER."

It will be seen, therefore, that the books were kept open to receive revenue until the 15th, but the date for receiving accounts for payment was closed off on the 10th, disregarding the terms of the Order-in-Council which I have just read. Let me tell you further, and this is rather surprising in face of the representations made by the honourable member for Grenville, that in 1910 the late Government closed their books on the 19th of November. That year they received after the close of the year \$269,000.00 and showed a surplus of \$3,484. In 1911, which was the year my honourable friend from Kingston left the Ontario Legislature, the books were kept open until the 25th of November, revenue to the amount of \$850,000. being received after the close of the fiscal year. A deficit of \$249,000 was shown. In the next year, 1912, they closed the books on the 18th of November, and they received after the close of the fiscal year \$190,000, and they had a deficit of \$245,000. In 1913 they closed the books on the 15th of November, and received after the close of the year \$772,000. A surplus of \$320,000. was shown that year. In 1914 the books were closed on the 14th of November, and received after the close of the fiscal year \$439,000. and had a deficit of \$697,000. In 1915—November 10th—received after close of year \$451,000—showed a surplus of \$271,000. On November 15th, 1916, they closed the books and received after the close of the fiscal year \$1,158,000 and they had a surplus of \$1,135,000.

So it is no new departure. As my honourable friend from Kingston said the other evening it is no excuse because somebody has done the same thing before you. Nobody ap-

preciates that more than I do. But I do not appreciate the allegation that we are hiding behind somebody else's skirts. I am not hiding anything, but I think that the Department was trained under the Conservative regime and it is mighty hard to get them out of that rut.

MR. NICKLE: Do you make any distinction between closing the books absolutely on the 15th, and closing the books as to payments out on October 31 and as to receipts in the middle of December?

MR. SMITH: No, I do not make any distinction because I have proven to you here by the letter I read to you that the Provincial Treasurer of that day had overridden the order in council he had passed and ordered the Ministers that they close the books for expenditure on the 10th, but left them open for revenue until the 15th.

Estimates Not Exceeded

Now a great number of honourable members have told this House, mainly in defence of hydro I think, that we had exceeded our estimates in every department. I do not agree with that statement. As a matter of fact there is not a word of truth in it. We have our estimates as presented to the House today but they do not include the statutory expenditure nor include further supplementary estimates, so it is just simply a sort of approximation as to what the amount will be as to estimates of revenue and expenditure. I can show you that, under the old administration, the estimates presented in their Budget speeches were just as far out as we were and any Government is likely to be away out in the estimates, because neither revenue nor expenditure is completed when the Budget speech is delivered.

But if you compare the expenditures, the appropriations, that have been voted by this House, that, to my mind, is the significant point. Take the appropriations, and my honourable friends have said on different occasions that we exceeded our estimates in every department. I am going to read you exactly what happened; they are in the public accounts, but people do not dig out the things that are so plain.

TOTAL ESTIMATES AND TOTAL EXPENDITURES SHOWING
NET BALANCE UNDER EACH SERVICE
FOR THE FISCAL YEAR 1920-21

	Estimate	Expenditure	Below Estimate	Over Estimate
Civil Govern- ment	\$ 2,058,541 00	\$1,698,322 00	\$ 360,210 00	
Legislation ..	420,315 00	370,755 00	49,559 00	
Justice	1,119,424 00	1,058,791 00	60,633 00	
Education ...	7,303,771 00	6,694,995 00	608,776 00	
Public Institu- tions	3,582,598 00	3,763,339 00		180,741 00
Agriculture ..	1,409,850 00	1,253,043 00	156,806 00	
Colonization ..	173,500 00	116,895 00	56,605 00	
Hospitals & Charities ..	1,104,393 00	951,502 00	152,890 00	
Repairs & Main- tenance	512,512 00	491,209 00	21,303 00	
Public Build- ings	2,033,984 00	1,487,922 00	546,062 00	
Public Works	415,125 00	337,157 00	77,968 00	
Public High- ways	165,917 00	151,834 00	14,083 00	
Game & Fish- eries	494,556 00	425,274 00	69,282 00	
Attorney-Gener- al's Dept. .	415,000 00	520,486 00		105,486 00
Treasury . ..	441,937 00	341,772 00	100,165 00	
Prov. Secretary	257,950 00	220,983 00	36,966 00	
Board of Health . ..	1,370,487 00	1,283,417 00	87,070 00	
Lands and Forests . .	1,526,300 00	1,373,462 00	152,838 00	
Colonization Roads . . .	757,981 00	506,180 00	251,801 00	
Mines	222,400 00	165,611 00	56,788 00	
Refunds	256,230 00	201,620 00	54,610 00	
Miscellaneous ..	111,103 00	89,703 00	21,399 00	
T. & N. O. Railway . .	1,893,283 00	917,986 00	975,296 00	
Hydro	36,937,700 00	39,512,357 00		2,574,657 00
Total	64,984,863 00	63,934,637 00	3,911,110 00	2,860,884 00
Net Appropriation unexpended			\$3,911,110 00	
“ “ over expended			2,860,884 00	
“ Balance Unexpended			\$1,050,226 00	

One department that exceeded its estimates is Public Institutions, which had an over expenditure of \$180,741. That was explained to you the other night by the Provincial Secretary, when he told you he had to pay two years' coal in one year, and gave the increased number of inmates, and also the fact that they took over and charged the perquisites of the institutions as salaries of the men engaged there.

MR. DEWART: May I ask this in connection with Highways; there are total expenditures given on page 1 of the estimates for Highways of \$14,311,000.

MR. SMITH: This has not been voted by this House; I am talking about appropriations.

MR. DEWART: Here we find a total expenditure of \$14,311,000. How do you account for that expenditure? Where did you get the money?

MR. SMITH: That is provided under statutory expenditure, by statutes passed since my honourable friend has been in the House. You will see the Total Supply Bill last year was \$64,900,000.—we expended \$63,934,000.

MR. NICKLE: Quite true. You spent \$63,934,000., but of this amount you spent \$1,387,800. Treasury Board Warrants, but you did not spend all your appropriations by way of Estimates.

MR. SMITH: What really brought the expenditure up was the hydro running over their estimates.

MR. NICKLE: I want to be quite fair. There were certain amounts of money appropriated and you did not spend all the money appropriated but what did you spend of this, taken in conjunction with the Treasury Boards Warrants, did not exceed but by little what the appropriations of the House were.

MR. SMITH: We exceeded our estimates in only two departments. In hydro they exceeded their estimates by \$2,574,000.

And in connection with the Attorney General's Department, which exceeded the estimate by \$105,000, the honourable member for Grenville is, I think, not always quite fair to the Attorney General. Sometimes I see him turning around in his chair when the Attorney General gets after him. And I tell the honourable gentleman that the Attorney General can put any of their hides on the fence. I was rather amazed during the

Shevlin-Clarke debate at the attitude taken by my honourable friend from Grenville. You remember during the budget debate that my honourable friend from South Ontario put his figures in the form of bushels of oats and wheat and so forth. He did that in the Shevlin-Clarke litigation costs. It did not amount to an awful lot. In the Shevlin-Clarke settlement I understood my honourable friend from Grenville to say we did not get enough money; we should have got twice as much. But if we take the amount that we are to receive under the judgment and agreement put through by the House a few weeks ago and reduce that amount of money to oats we would have had 20,000,000 bushels of oats. Just out of curiosity this morning I thought I would like to see what the price of hides were and I find if we invested the money in hides at the present price we would have 250,000,000 pounds of cow hides or 2,333,000 pounds of sheep skin. None of these figures include the honourable the Attorney General's hide or the hide of any member of the Government.

Speech by Sir Adam Beck Recalled

The inconsistency of my honourable friend is remarkable. He even stands up here in the House and tries to defend hydro; he puts himself forward as the champion of hydro. I looked up the speech of Sir Adam Beck delivered at Belmont last May—this is what he thinks of my honourable friend and his attitude toward hydro during last session when the bill was introduced in the House authorizing rural transmission lines. Here is an extract from the report dated May 9th, in the Toronto Telegram:—

“Now no less a person than Howard Ferguson joins in the campaign with the same contention. What is it all for? To play politics. Nothing else. Just a move to make friends of the farmer vote in his own rural constituency for the next election. I don't want any political fight with anyone, but when politics is being played it is time to let the people know about it. Mr. Ferguson says ‘the farmers asked for bread and they were given a stone.’ If he heard me say it once he heard me say a dozen times, when he was a member of the House, that Sir James Whitney's Government had authorized me to propose to grant a bonus of 25 to 30 per cent. to aid the con-

struction of rural lines. Mr. Ferguson's Government came in, and it went out without taking any action. Now he says the present Government has given the farmers a bone and not the meat. He never even gave the bone."

That is what the Chairman of the Hydro-Electric Commission thinks of the sincerity and the good intentions of my honourable friend from Grenville.

Why Opposition is Working Hard

The honourable member for North Hastings the other evening gave a wonderful address. I do not agree with some things he told us. For instance, he told us we were elected by the liquor people. I do not believe that. I know I got some liquor votes. I believe we all got some. And I won't turn them down again if they want to vote for me. But I can well remember the "Abolish the Bar" campaign in 1914. I suppose my constituency was only an average constituency, and the same would be happening all over the Province of Ontario, and every hotel in my county was a conservative committee room, and every hotel man, every man that had any interest in the liquor traffic, voted for the Conservative party, and I heard many a man say at that time, men high in their principles, men who were absolutely temperance but were tory to the bone, that the Conservative Government at that time got the liquor vote.

MR. SINCLAIR: Did you vote to abolish the bar?

MR. SMITH: Yes, I voted to abolish the bar. I might say I never gave any other vote but a temperance vote; and I believe they are telling the truth when they say we were elected by a considerable liquor vote, because they could not expect to get anything from the Conservative party at that time. How could you expect, when the Conservative party turned around to cut off their means of livelihood, after them paying the campaign funds in 1914, to support the Conservative Government in 1919.

HON. MEMBER: What do they expect from the present Government?

MR. SMITH: They do not expect anything. But I will tell you what they did expect. They expected some signs of life from the Government of that time, but you have heard, no doubt, of the "seven sleepers" in Queen's Park, and that is the

reason you are sitting in Opposition, and also why you are working harder to-day than you ever worked before in your life.

Reply to Criticism From Mr. Nickle

Now my honourable friend from Kingston made a wonderful speech and I will give him credit for being an able speaker. I sat still and listened to him attentively and respectfully. He tried to get me to discuss matters with which I was not absolutely conversant at that time, because it is impossible for any man, I don't care how clever, to be able to keep the different items in Public Accounts in his mind. And so I just let the honourable gentleman alone, with the natural result that he over-reached himself.

He said one thing I did not like—that he sought to sow the seeds of discontent among Government members, declaring that that would be a step towards progress. I do not think that it is the right spirit to try to sow discontent in a party, though he failed. But I nevertheless want to congratulate my honourable friend on his speech. He showed wonderful signs of diligence in the researches he made; I am serious when I say that. And I will say to him now that if at any time he wants any information, let him come to my department and I will save him all that labour for nothing and I will put him on the right track.

He criticized public accounts. Well, I am not going to defend at length the Public Accounts, but I will say if they are no improvement on Public Accounts as delivered previous to 1920, they are pretty bad. I thought they were exceptionally clear Public Accounts this year. The press have complimented the Auditor and the Treasury Department on the style and the clear way they grouped each department by itself so you could find what you wished for, in marked contrast to previous statements.

I have here a copy of the 1920 accounts from the Federal Government and we have always looked to the Federal House for precedents in rules of the House and anything else,—the British House of Parliament or the Federal House as precedent for the Provincial House. And I find several items classed "Special Expenditure." Now I thought I would go the Dom-

inion one better and call it "Extraordinary" rather than "Special," but I do not include many expenditures under that heading the way they did. They even put in parts of loan flotations, \$17,954,000; railway subsidies—you will recall railway subsidies—\$334,000, and so on; so we have precedents for our word "Extraordinary."

Certain Items "Extraordinary"

There are certain items which are neither ordinary nor capital but which can be called nothing else but extraordinary, and if I had time, I could give my honourable friend proofs from works that are in the library at the present time. Now my hon. friend started in to tell us about Special Warrants, and he wanted me to tell him whether I had put \$349,000 bonus to Civil Servants under Ordinary or Capital. He said I put it in Capital. He said that I put in the entertaining of the Deep Waterways Commission in Capital.

MR. NICKLE: No, I did not.

MR. SMITH: Well, what did you say?

MR. NICKLE: My honourable friend quite misapprehended me. I treated payments under special warrants as follows. I took every item in Special Warrants that I thought should be in Ordinary and read them *seriatim* and asked you if you had any objection to their being classed as Ordinary. I then deducted from the aggregate, \$707,285 the amount you in your report put in Ordinary and I challenged you as to where you had put the difference, \$210,486.

MR. SMITH: I do not agree with my honourable friend. I will read him the words he said—this is from the *Mail and Empire*—referring to Special Warrants; "In this account alone he found a total of \$334,000 placed in Capital account which he declared should have been charged against Revenue account, and which, in other words went just that far towards sweeping aside that \$681,000 surplus of Honourable Peter Smith. In this connection he had one direct challenge to hurl at the Provincial Treasurer and that concerned an item of \$349,000 bonus to Civil Servants which had been charged as capital account."

MR. NICKLE: That is not saying anything about deep Waterways—

MR. SMITH: Just a minute now. He may not have said so, but he gave the impression to this House and the press. He has a very keen mind and has been used to addressing juries, trying to make people believe black was white, and I give him credit for being one of the smartest in that line of endeavour, but on that occasion he certainly gave the impression that these things were in Capital. Now I have his words. "Deep Waterways Commission \$3,000; that may be a capital thing, but why should it not be in Ordinary?"

MR. NICKLE: I say that, yes.

MR. SMITH: It was in Ordinary.

MR. NICKLE: I did not say it wasn't. I do not want to interrupt the honourable member. There are three sheets from which I read you *seriatim* and gave you each page on which each item appears, and I said in my judgment these amounts should be charged to Ordinary and not Capital. I read every item in Special Warrants that I consider should have been charged to Ordinary.

MR. SMITH: Then he said: "Now we come to the joker; bonus to Civil Servants \$349,000, and I ask him whether he has charged to Ordinary or Capital this bonus to Civil Servants \$349,000. That is the way he secured his surplus. That should have been charged to Ordinary, not Capital, and that shoots \$350,000 out of his \$681,000." And it was always charged to Ordinary.

MR. NICKLE: Well then, you and I agree.

MR. SMITH: My honourable friend cannot possibly mean what he is saying, because when he finished the subject of Warrants, he said the total expenditure was over \$823,000 of which \$702,285 should have been charged to Ordinary. Let me tell you exactly how we have classed the expenditures charged to Special Warrants.

Special Warrants

	Ordinary	Capital and Extraordinary
Hydro Radial Commission		\$ 105,528 65
Ontario Town Planning Conference.....	\$300 00	
Special Report re Hydro-Electric Com....	4,000 00	
Entertaining Representatives re Deep Waterways	3,131 70	
Crown Attorney, County of York	3,725 00	
Settlement of Action re License In- specter	400 00	
Surplus Registry Fees	80,381 67	
Expenses re Royal Commission re Uni- versity of Toronto etc.	992 70	
Compensation to E. Lindsay re injuries	68 75	
Northern Academy, Monteith		17,602 22
Prov. Schools, Mounting Maps	275 00	
Dedemption of Debenture S. S. 4 Robil- lard	133 70	
Survey Kapuskasing Colony	150 00	
Salary & Expenses G. C. Hurdman and Staff	5,984 75	
Shevlin-Clarke Investigation		45,145 67
Omission re Investigation	2 00	
Exploratory trip to Hudson Bay	6,499 75	
Display Can. National Exhibition	396 60	
Temiskaming Testing Laboratories	4,138 06	
Loss of equipment from scow	1,400 00	
Settlement of Claim	300 00	
Oro & Tecumseh Bridges		6,605 11
Investigations re Manufacture Cement .	3,572 50	
Allowance E. J. Toker	210 00	
Employment offices re Soldiers' Civil Re- establishment	9,860 84	
Expenses Minister of Labour to Geneva ..	1,500 00	
Grant Ontario Safety League	10,000 00	
Soldiers Aid Commission, purchase of property		20,000 00
Soldiers Aid Commission		75,000 00
Interest on debentures, Town of Cochrane		2,000 00
Ontario Hospital, Cobourg		31,647 40
Legal & other expenses re freight rates	5,491 64	
Expenses Minister of Agriculture to Gt. Britain re Colonization work etc.	787 05	
Removal of embargo against Cattle....	1,100 00	
To indemnify banks re Seed Grain Loans	225 89	
Brighton Cold Storage Warehouse		23,297 37
Campaign re pure bred sires	1,905 92	
Operation Stone Crushers	146 65	
Ranching in Northern Ontario	159 45	
Bonuses to Civil Servants	349,609 00	
Total Special Warrants	\$ 496,848 62	\$ 326,826 42

MR. NICKLE: You have there charged to Capital, Hydro Radial Commission Enquiry \$105,000, which I said should have been charged to Ordinary?

MR. SMITH: Well, that is a difference of opinion.

MR. NICKLE: Quite so. I have \$75,000 Soldiers Aid Commission expenses, I have that charged to Ordinary and you have it charged to Capital.

MR. SMITH: Well, there is where we differ. And I have \$105,000 Hydro Radial Commission, because the Hydro Radial Commission saved this Province possibly \$200,000,000, and I believe that when you spend money to save Capital Expenditure that sum should be charged to Capital expense. Also the Soldiers' Aid. Now another matter that my honourable friend brought up the night he was making his speech was the fact that we had sold loans for less than par and that the loss on these had sold loans for less than par and that the loss on these loans should be distributed over the years for which the loans have to run. I take issue with him on that statement because you cannot charge to Ordinary expenditure the loss on loans. Now I sold a loan which my honourable friend from South West Toronto asked a question about the other day, and that loan was sold for 97.409 in New York. Now I sold that loan at 5 per cent. If I had made that loan 5½ per cent. I would have got a premium on it, so that according to my honourable friend's explanation I would have had a distribution of assets of Ordinary revenue in Ontario.

MR. NICKLE: The principle I laid down is sound in finance. that a loan sells for above or below par dependent on the rate of interest, depending whether the rate of interest is above or below the normal rate. If you make your loan at too low a rate of interest then it will sell below par and if you make it too high it will sell above par. I laid down as a sound principle that of providing for loss or profit on loans by the principle of amortization, charging the loss in each year during the currency of the loan to Ordinary or Revenue.

MR. SMITH: We could make any surplus we wished, according to this explanation, by floating a loan at a high rate of interest.

MR. NICKLE: No, because you should only charge or credit each year a proportion of that amount.

MR. SMITH: There would still be a surplus.

MR. NICKLE: Well, every insurance company has to work on that principle according to your law.

MR. SMITH: Now my honourable friend from Kingston has had considerable written about him in the press prior to his coming to this House. I have been reading a lot about him. I was going to say I thought he came down here as an independent Conservative, so he is in a class by himself in the other corner of the House. He controls one whole party by himself.

MR. NICKLE: We are agreed on that point.

MR. SMITH: I will just read you a few words from the *Kingston Standard* of Jan. 25. According to that newspaper he said during his unanimous convention in Kingston that he believed the time had come for rigid economy and administration by the Ontario Government; that expenditures must be cut and waste eliminated. Now that is all good common sense, but my honourable friend the other night in making his address did not tell us where we could save money or where we were wasting any money. But he did ask us to spend more money on higher education. Well, he shakes his head, but I claim that was the purport of his remarks, that we should increase the grants of higher education, and put them on a permanent basis.

Liabilities Reduced by Paying off Old Railway Subsidies.

Now then, here is another thing he said—I have it worked out myself in his closing remarks; “Special Warrants, \$346,000, they should have been charged to Ordinary; railway subsidies \$239,000.” He claims these items should be Ordinary expenditure. Now I will leave it to the judgment of the House. I am not infallible, but when we consider that we reduce our liability by the amount of the annuities, then we must consider that in reducing our liability we are increasing our assets. Now I do not care whether the honourable member agrees with me or not, but that is the way I look at this matter, and I do not see how anyone can look at it otherwise.

Now as to the losses on loans; we settled that. Regarding superannuation payments, \$230,000, and Mothers’ Allowance, \$478,000. I say these are extraordinary expenditures this year

for the reason that no previous Government ever had the courage to put them into effect. I say they are reasonably Capital expenditures.

My honourable friend also went into a hydro item of \$275,000. All I have to say in that connection is the House voted last year an estimate of Capital expenditure on page 133, vote 106. And it was voted as Capital expenditure; it had been used for making an investigation and a public record of the waterfalls that will be a benefit to Ontario for future generations.

Now my honourable friend made quite a point of his \$359,000. That order-in-council was passed on October 28. Now he gave the inference in his address that although we had passed the Order-in-Council on the 28th of October, we did not pay the money until after the 31st. As a matter of fact, it is not paid up to the present, nor will it ever be paid by the Province because it is not a just debt. The matter is not arranged between the Government and the Commission as to what proportion the Government will pay and I believe there was an answer made by the Attorney General a few days ago in the House explaining it.

MR. NICKLE: You have it in your Public Accounts.

MR. SMITH: That was the Hydro Electric Account, not ours. This is the first time in the history of public accounts any information concerning Hydro has been given in Public Accounts.

An Asset Overlooked

Now the honourable member also went into the assets and liabilities of the Province and made statements to the effect that we had assets over liabilities in 1920 of \$14,791,000, and that our assets over liabilities in 1921 had fallen to \$8,641,000—or that our assets had been depleted by \$6,000,000. Now I give my honourable friend credit for having “dug,” as he talked so much about, and by a process of elimination arriving at certain conclusions. But he should have “dug” in things that were easy rather than have gone into these hard things. I will explain where this \$6,000,000 went.

In the TT loan (\$15,000,000) the proceeds received up to October 31, 1921 were \$14,523,000, or \$477,000 not paid in; that accounts for \$477,000. The WW and YY loan sold Sep-

tember 20th for \$15,000,000, we put in as a direct liability. We had received on account of that loan \$10,289,000 as shown in Public Accounts. So in all fairness, my honourable friend might well give us credit for being too honest. We were, according to what has been said, giving figures absolutely in opposition to the truth; we were making misstatements of the fact; but we were only taking credit for the monies we had received.

MR. NICKLE: Surely if that is correct you should have had on your Asset side, receipts to be received from loan.

MR. SMITH: We should.

Larger Revenue Expected

I want to say a few words about receipts and expenditures estimated for the present year and where our revenue is to come from and where it is to go. The actual Ordinary Receipts for the year ending Oct. 31, 1921, were \$29,261,477. This year we have estimated the Receipts to be \$32,971,378, approximately \$3,600,000 more. Itemized increases in revenue we expect to get this year are made up as follows:

Subsidy	\$240,000
Education Department	40,000
Insurance	15,000
Amusement Tax	145,000
Succession Duties	200,000
Corporation Tax	200,000
Ontario Temperance Act	160,000
Law Stamps	8,000
Labour and Health	40,000
Land Transfer Tax	238,000
Hydro Interest	1,750,000

These are the normal increases that will take place during the year as estimated.

I am going to tell the House in a very few words the amounts of money that have to be raised by way of loans for the coming year. It amounts, all told, to about \$45,000,000, \$18,000,000 of which are to pay refunds on loans.

I am also, as is the usual custom, introducing a bill in the House—the Provincial Loans Act—making provision for the flotation of a loan of \$10,000,000 to take care of the Succession-

Duty-free bonds which the Government are buying in for Sinking Fund purposes. It makes a total of about \$45,000,000 which we will have to raise during the year.

MEMBER: Will that include refunds?

Remarkable Flotation of Five per cent. Loan

MR. SMITH: Yes. And I want to say here, that it redounds to the great credit of Ontario—I am too modest to take any myself—that we have been the first province in the Dominion of Canada to float a five per cent. loan since the war, notwithstanding the fact that my honourable friend from South West Toronto during the time the loan was advertised, raised the question of the legality of the loan. Subsequently the Dominion Government followed our example and got about the same price as ours. I have taken the legality of the loan up with several solicitors and when I come to consider the matter from all angles I cannot understand his attitude on this point.

MR. DEWART: The honourable Provincial Treasurer misunderstands me. It is not the legality of the loan, but the legality of the application of the proceeds of the loan made under Chapter 39.

MR. SMITH: The Act under which they are issued is stamped on the face of the bonds! There is legal opinion given as to the legality of the loan; I had a couple of solicitors pass on it, and every one of them said it was sound, and we got the best price since the war.

New Taxation

I have a new taxation to announce to the House to-night. It is very simple. The proposition is to tax the pari-mutuel machines on the total amount wagered at the race track, five per cent. We estimate it will bring us a revenue of \$2,500,000. The money will be easily collected without any expense, and there is no man who bets but knows if he wins he will pay a portion of the tax, but if he loses he won't pay anything. I do not think you could get anything fairer or more equitable. If you win, you are willing to pay: if you lose, you don't have to pay.

Conclusion

A few words of thanks in conclusion. I appreciate very much the courtesy that has been extended me by allowing me to come here and answer some of the criticisms levelled at the Budget. I tried to be fair. I want to be fair, and I feel that the members who have been criticizing the Budget have done so in the right spirit. I do not think there is anybody that wishes to do the Province of Ontario any harm. My honourable friends have mentioned on two or three occasions the warning I have given them that they should not do anything to harm the credit of the Province in their platform remarks. Now I want to read to the House, in conclusion, what the Hon. Mr. McGarry said in his last Budget speech in the House. He goes on to explain the loans he has to float and he winds up by saying this:

“I do not, however, anticipate any delay or difficulty in obtaining the loans. But I do expect this: that members in this House, instead of endeavouring to injure the credit of the Province during these strenuous times, will rather endeavour to uphold it. I shall not ask them to say what they do not believe, to bolster up any statement with which they do not agree, but I do say that for merely party purposes a man should not stand up in this House and strive to decry the reputation of the Province of Ontario. It will be strenuous work in the next two or three years to finance this Province.”

Now in view of what the Hon. Mr. McGarry has said, and in view of the statement of my honourable friend from Kingston—that he has faith in the Province of Ontario (and I believe there is not a member in this House who has not faith in Ontario), I wish to say, in conclusion, that as long as I am here I will do the best I possibly can to make sure that in the future Ontario will continue to march in the forefront of the Provincial ranks of the Dominion of Canada. (Continued applause.)

**Balance Sheet showing the Receipts of the Treasurer of Ontario during the
Fiscal Year ended 31st October, 1921, with the Cash Balances on the
1st November 1920.**

State- ment No.	Receipts.	Ordinary Receipts.	Capital and Extraordinary Receipts	
		\$ c.	\$ c.	\$ c.
	Balances as per Public Accounts, 1920:			
	Amount at Special Deposit 4,400,000 00			
	Amount at Current De- posit..... 1,271,393 66			5,671,393 66
	From Dominion of Canada:—			
	From Subsidy on popula- tion, B. N. A. Act, 1907 2,013,964 40			
	From Subsidy, 47 Vic., Cap. 4..... 142,414 48			
	From Special Grant, B. N. A. Act, 1907..... 240,000 00	2,396,378 88		
	From Interest paid by Dominion, see State- ment 18..... 73,895 20			
	From Interest on Invest- ments..... 827,539 74	901,434 94		
20	From Lands and Forests Department (4,035,747 94).....	2,885,829 18	1,149,918 76	
22	From Mines Department.....	501,969 27		
15	“ Education.....	481,429 88		
12	“ Agriculture.....	303,330 85		
16	“ Game and Fisheries.....	871,030 59		
24	“ Provincial Secretary.....	2,530,951 57		
	“ Motor Vehicles Branch.....	2,945,360 36		
	“ Department of Public Highways..	69,948 43	2,295,927 91	
17	“ Insurance.....	136,508 69		
21	“ Law Stamps.....	292,607 85		
25	“ Succession Duty.....	4,727,657 34		
	“ Succession Duty (Funds deposited in lieu of Bond for payment of Succes- sion Duty).....	94,153 69		
14	From Corporations Tax Act, R. S. O., 1914, Cap. 27, with amendments... 3,024,680 12			
	From Fire Marshal's Act.. 74,789 56	3,099,469 68		
13	“ Casual Revenue.....	2,071,300 50		
19	“ Department of Labour and Health	126,263 61		
	“ Mothers' Allowance Commission..		281,937 28	

Receipts of Treasurer—Continued

State- ment No.	Receipts	Ordinary Receipts	Capital and Extraordinary Receipts	
7	From Temiskaming and Northern Ontario Railway.....	200,000 00		
	“ Hydro-Electric Power Commission:—Interest.....	4,463,345 38		
	“ Land Transfer Tax.....	162,506 70		
	“ Drainage Debentures, Municipal.....		32,045 39	
	“ Drainage Debentures, Tile.....		59,221 07	
	“ Ontario Housing Commission.....		240,146 64	
	“ Hydro-Electric Power Commission Refund Capital Account, Central Ontario Electric System.....		1,719,472 22	
	“ Municipal Debentures.....		13,681 40	
	“ Municipal Securities, Municipal Sinking Funds, received for fiscal year ended October 31st, 1921.....		76,377 70	
	“ Ontario Public Service Superannuation receipts on account thereof.....		332,322 42	
	“ Settlers' Loan Commission (advances repaid).....		85,832 63	
23	“ Northern Development, Sales.....		53,492 69	
	“ Queen Victoria Niagara Falls Park Sinking Fund.....		13,500 00	
	“ Interest on General Sinking Funds.....		11,103 75	
5	“ Loan Accounts per statement.....			70,015,712 87
		29,261,477 39	6,364,979 86	

Summary

Cash on hand, October 31st, 1920.....	5,671,393 66
Ordinary Receipts.....	29,261,477 39
Capital and Extraordinary Receipts.....	6,364,979 86
Net Receipts from Loans.....	70,015,712 87
	111,313,563 78

Receipts from—Loans and Treasury Bills

	\$	c.	\$	c.
Receipts—Loan Series “PP”.....	5,226,650	00		
“ “ “RR”.....	14,774,400	00		
“ “ “SS”.....	9,678,700	00		
“ “ “TT”.....	14,223,826	20		
“ “ “WW” & “YY”.....	10,043,772	80		
“ “ “UU” & “XX”.....	15,990,120	00		
Treasury Bills “LL”.....	995,000	00		
“ “ “MM”.....	45,172	60		
“ “ “NN”.....	9,953,000	00		
“ “ “PP”.....	996,400	00		
“ “ “A”.....	14,965,050	00		
			96,892,091	60

**Balance Sheet showing the Payments of the Treasurer of Ontario during the
Fiscal Year ended 31st October, 1921, with the Cash Balances on the
31st October, 1921**

Payments	Ordinary Expenditure	Capital and Extraordinary Expenditure	
	\$ c.	\$ c.	\$ c.
For Civil Government.....	1,698,332 36		
“ Legislation.....	370,755 86		
“ Administration of Justice.....	1,058,791 87		
“ Education.....	5,919,055 31	775,940 23	
“ Public Institutions Maintenance.....	3,763,339 48		
“ Colonization and Immigration.....	116,895 00		
“ Agriculture.....	1,253,043 42		
“ Hospitals and Charities.....	876,502 60	75,000 00	
“ Repairs and Maintenance.....	478,832 89	12,376 50	
“ Colonization Roads, Maintenance.....	177,163 28		
“ Colonization Roads, Capital.....		329,017 52	
“ Charges, Lands and Forests.....	717,377 45	656,084 95	
“ “ Mines Department.....	75,218 13	90,393 81	
“ Refunds.....	201,620 54		
“ Game and Fisheries.....	369,945 92	55,328 78	
“ Highways Department.....	151,834 39		
“ Attorney-General's Department, Miscell- aneous.....	520,486 57		
“ Provincial Secretary's Department, Mis- cellaneous.....	1,138 47	219,844 89	
“ Treasury Department, Miscellaneous.....	195,853 09	145,919 20	
“ Miscellaneous Services.....	89,703 73		
“ Department of Labour and Health.....	440,783 69	842,633 69	
“ Public Works.....	104,603 21	232,553 99	
PUBLIC BUILDINGS (\$1,487,922.46)			
For Public Buildings.....	80,626 22	1,407,296 24	
STATUTORY EXPENDITURE (\$54,556,696.33)			
For Statutory Expenditure.....	9,420,935 88	18,259,381 72	
SPECIAL WARRANTS (\$823,675.04)			
For Special Warrants.....	496,848 62	326,826 42	

Payments of Treasurer—Continued

Payments	Ordinary Expenditure	Capital and Extraordinary Expenditure	
MISCELLANEOUS			
For Advanced to Hydro-Electric Power Commission.....		39,237,288 75	
“ Hydro-Electric Power Commission, Capital expenditure charged to Province....		275,068 86	
“ Advanced to T. & N. O. Railway.....		917,986 55	
“ Stationery Account, excess of purchase over distribution.....		90,467 17	
For Amount at Special Deposit, October 31st, 1921.....			12,040,000 00
“ Amount at Current Account, October 31st, 1921..... 6,652,224 33			
Balance of Federal Subsidy for Agriculture..... 89,473 92			
Balance of Reception Hospitals for Insane Fund..... 2,768 28			6,744,466 53
	28,579,687 98	63,949,409 27	18,784,466 53

Summary

Cash on hand, October 31st, 1921.....	18,784,466 53
Ordinary Expenditure.....	28,579,687 98
Capital and Extraordinary Expenditure.....	63,949,409 27

111,313,563 78

Payments of Loans and Treasury Bills

Payments:—(Statutory Expenditure) Treasury Bills “LL”... 1,030,000 00	
“ “ “MM”... 1,030,020 00	
“ “ “HH”... 3,090,000 00	
“ “ “GG”... 1,052,071 20	
“ “ “JJ”... 4,200,291 50	
“ “ “KK”... 6,178,848 53	
“ “ “NN”... 10,291,147 50	
Loan “E.F.G”... 4,000 00	
	26,876,378 73
Net Balance.....	70,015,712 87
	96,892,091 60

ASSETS AND LIABILITIES OF THE PROVINCE

October 31st, 1921

Cash and Debenture Assets

Bank Balances:—

Current Account.....	\$6,744,466 53	
Special Deposits bearing interest.....	12,040,000 00	
		18,784,466 53

Sinking Funds:—

Amount of stock purchased for the Province for sinking fund by the Bank on Montreal, Fiscal Agents, to the 31st October, 1921.

One-half of 1 per cent, per annum on the principal:

£541,235 2s 4d. Loan, 5 Edw. VII., cap. 2 and 3.	703,469 25	
£804,856 0s. 11d. Loan, 8 Edw. VII., cap. 11 and 12.	621,028 40	
£383,721 3s. 8d. Loan, 4 Geo. V., cap. 9.....	182,742 36	

1,507,240 01

Amount of stock purchased for the Province for general sinking fund purposes.....

1,061,000 00

Debentures:—

Drainage Debentures, Municipal.....	\$236,509 77	
Tile Drainage Coupons.....	800,896 08	
Sault Ste. Marie Debentures.....	25,572 50	
Village of Eganville Debentures.....	10,322 65	
Town of Cochrane Debentures.....	33,514 06	
Township of Whitney Debentures.....	16,673 08	
Township of Tisdale Debentures.....	17,901 37	

1,141,389 51

Temiskaming and Northern Ontario Railway, amount expended to October 31st, 1921. See Statement No. 7.....

23,599,492 20

Hydro-Electric Power Commission of Ontario, amount advanced to October 31st, 1921.....

\$92,556,604 85

Less Sinking Fund payments, with accrued interest.....

884,330 01

91,672,274 84

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

Central Ontario Electric System, for purchase price thereof—6 Geo. V., cap. 18—and advances thereto to October 31st, 1921.....

\$11,048,712 78

For purchase of certain pulp and timber in the Township of Bruton, 6 Geo. V., cap. 18.....

225,000 00

11,273,712 78

Balance due from sale of Central Prison and Toronto Asylum properties...

473,320 00

Northern Development Branch:—

Cash Balances, unexpended: Roads, farms, creamery, etc.....

87,838 07

Soldiers' settlement.....

20,715 06

108,553 13

Settlers Loan Account.....

11,755 00

Seed Grain Notes outstanding.....

62,159 64

Assistance of Settlers—Feed sold against Notes outstanding.....

53,576 05

Cattle Purchase Notes outstanding.....

6,164 00

Soldiers' Settlement Notes outstanding.....

64,430 20

Settlers' Loans outstanding.....

444,500 25

642,585 14

ASSETS AND LIABILITIES.—Continued

Contingent Assets:—

Shackleton Colony: Buildings and Improvements.....	15,364 00	
Kapuskasing: School building and equipment.....	4,600 00	
New Liskeard Creamery.....	15,931 54	
Stock Judging Pavilion, New Liskeard.....	20,132 09	
New Liskeard Farm.....	16,466 70	
Roads: Buildings, Plant, Equipment, Machinery, Motors, Tractors, etc.....	126,708 11	
	<hr/>	199,202 44
		<hr/>
		950,340 71

Estimated amount outstanding on Crown Lands and interest.....	900,000 00
Estimated amount outstanding on Timber Dues, Bonus, etc., 31st October, 1921.....	2,000,000 00
Ontario Municipalities—Indebtedness under the Ontario Housing Act, 9 Geo. V., cap. 54, to be repaid with interest.....	7,241,773 25

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, 1920), after deducting Land Improvement Fund, \$2,654,250 63, portion belonging to Ontario as per population of 1911.....	1,479,766 31	
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/>	1,483,111 36
Present value of Buildings and Lands on which they stand and surrounding areas belonging to the Province, October 31st, 1921.....		25,383,975 66
Capital expenditures on development account in fiscal years 1919, 1920 and 1921		
Northern Development, making of roads and farms.....	3,336,683 94	
Improvement to Highways.....	21,914,976 03	
Colonization Roads.....	850,661 34	
Purchase of Hydro Power Plant, Monticelli.....	27,061 10	
	<hr/>	26,129,382 41
		<hr/>
		213,601,479 26

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, £541,235, 2s. 4d., at par of exchange.....	\$2,634,010 88
(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., £804,856 0s. 11d., at par of exchange..	3,916,966 08
(3) Ontario Government Inscribed Stock (London, Eng., loan), 4 George V., cap. 9, 4½ per cent., principal due January 1st, 1965, £383,721 3s. 8d., at par of exchange..	1,867,443 08
(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 Stocks, 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) "L" Ontario Government Bonds, 4 Geo. V., cap. 4, due May 1st, 1925 (Canadian loan), 4½ per cent.....	4,000,000 00
(10) Ontario Government Bonds (Canadian loan), 6 George V., cap. 2, 5 per cent., due June 1st, 1926.....	4,000,000 00
(11) "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
(12) "N" Ontario Government Bonds, R.S.O., 1914, cap. 39, due December 1st, 1926, 5 per cent.....	2,000,000 00
(13) "P" Ontario Government Bonds, 2 George V, cap. 2, due January 1st, 1923, 5 per cent	1,000,000 00
(14) "R" Ontario Government Bonds, 6 Geo. V., cap. 18, due July 2nd, 1927, 5 per cent.....	225,000 00

Direct Liabilities—Continued

(15)	Loan from Dominion of Canada, 7 Geo. V., cap. 2, due January 15th, 1923, 6½ per cent.	2,000 000,00
(16)	Loan from Dominion of Canada, 9 Geo. V., cap. 54, Housing Act, 5 per cent.	8,750,000 00
(17)	"T" and "U" Ontario Government Bonds, 7 Geo. V., cap. 2, due February 1st, 1928, 6 per cent.	3,000,000 00
(18)	"V," "W," "X," "Y," Ontario Government Bonds, 8 Geo. V., cap. 21, due May 15th, 1928, and August 15th, 1928, 6 per cent.	6,000,000 00
(19)	"B.B." Ontario Government Bonds, R.S.O., 1914, cap. 39, due January 1st, 1922, 5 per cent.	3,000,000 00
(20)	"C.C." Ontario Government Bonds, R.S.O., 1914, cap. 39, due April 15th, 1922, 5½ per cent.	3,000,000 00
(21)	"D.D." Ontario Government Bonds, 9 Geo. V., cap. 2, due May 28th, 1922, 5 per cent.	4,000,000 00
(22)	"E.E." Ontario Government Bonds, 9 Geo. V., cap. 2, due August 15th, 1924, 5½ per cent.	3,000,000 00
(23)	"F.F." Ontario Government Bonds, R.S.O., 1914, cap. 39, due Sept. 23rd, 1929, 5½ per cent.	4,000,000 00
(24)	"G.G." Ontario Government Bonds, R.S.O., 1914, cap. 39, due Dec. 1st, 1929, 5½ per cent.	3,000,000 00
(25)	"H.H." Ontario Government Bonds, R.S.O., 1914, cap. 39, due January 1st, 1930, 5½ per cent.	3,000,000 00
(26)	"J.J." Ontario Government Bonds, R.S.O., 1914, cap. 39, due March 1st, 1929, 5½ per cent.	5,000,000 00
(27)	"K.K." Ontario Government Bonds, R.S.O., 1914, cap. 39, due April 1st, 1935, 6 per cent.	2,000,000 00
(28)	"L.L." Ontario Government Bonds, 7 Geo. V., cap. 3, due April 15th, 1925, 6 per cent.	6,800,000 00
(29)	"M.M." Ontario Government Bonds, R.S.O., 1914, cap. 39, due June 15th, 1930, 6 per cent.	8,000,000 00
(30)	"N.N." Ontario Government Bonds, 10 Geo. V., cap. 6, due October 1st, 1923, 6 per cent.	3,000,000 00
(31)	Ontario Government Bond, 10 Geo. V., cap. 99, sec. 10, Ontario Teachers and Inspector's Superannuation Fund Bond, due October 31st, 1930, 6 per cent.	2,000,000 00
(32)	"P.P." Ontario Government Bonds, R.S.O., 1914, cap. 39, due Nov. 15, 1927, 6 per cent.	5,000,000 00

Direct Liabilities—Concluded

(33)	"R.R." Ontario Government Bonds, R.S.O., 1914, cap. 39, due December 1st, 1935, 6 per cent.....	16,000,000 00
(34)	"S.S." Ontario Government Bonds, R.S.O., 1914, cap. 39, due February 1st, 1941, 6 per cent.....	10,000,000 00
(35)	"T.T." Ontario Government Bonds, R.S.O., 1914, cap. 39, due May 2nd, 1936, 6 per cent.....	15,000,000 00
(36)	"U.U." and "X.X." Ontario Government Bonds, R.S.O., cap. 39, due September 15th, 1943, 6 per cent.....	15,000,000 00
(37)	"W.W." and "Y.Y." Ontario Government Bonds, R.S.O., 1914, cap. 39, due September 15th, 1943, 6 per cent.....	15,000,000 00
(38)	"P.P." Treasury Bills, R.S.O., 1914, cap. 39, 6 per cent. per annum, due December 15th, 1921.....	1,000,000 00
(39)	"A" Treasury Bills, 11 Geo. V., cap. 7, 6 per cent. per annum, due January 15th, 1922.....	10,000,000 00
(40)	"A" Treasury Bills, 11 Geo. V., cap. 7, 6 per cent. per annum, due July 15th, 1922.....	5,000,000 00
(41)	Railway Certificates, present value outstanding on 31st October, 1921.....	1,865,666 18
	Annuity Certificates, present value outstanding on 31st October, 1921.....	749,342 59
		<hr/> 2,615,008 77
(42)	Common School Fund collections by Ontario, from 1st January, 1921, payable to the Dominion, in Trust for both Provinces.	
	In Trust for Ontario.....	1,024 66
	In Trust for Quebec.....	813 28
		<hr/> 1,837 94
(43)	University of Toronto Certificates, \$30,000.00 per annum for 14 years, 5 Edward VII., cap. 37, present value at 3½ per cent. per annum.....	327,615 60
(44)	Assurance fund under the Land Titles Act, R.S.O., 1914, cap. 126, sec. 128.....	110,000 00
(45)	Municipal Securities, 8 Edward VII., cap. 51, Municipal Sinking Funds on deposit with the Province of Ontario to October 31st, 1921, with accrued interest.....	558,472 20
(46)	Queen Victoria Niagara Falls Park Bonds, Sinking Fund payments.....	384,633 32
(47)	Ontario Public Service superannuation Fund, 10 Geo. V., cap. 4, Amount at credit of Fund in Consolidated Revenue Fund to October 31st, 1921.....	268,702 37
		<hr/> \$204,959,690 24

Indirect Liabilities of the Province and Guarantees.

1) Niagara Falls Park Bonds—(50 Vic., c. 13)	\$525,000 00	
(57 Vic., c. 13)	75,000 00	
(8 Edw. VII., c. 29)	100,000 00	
(10 Edw. VII., c. 21)	200,000 00	
	<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 28 years at 4 per cent.	420,908 89	
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 30 years at 4 per cent.	113,574 05	
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 30 years at 4 per cent.	262,095 29	
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 34 years at 4 ½ per cent.	103,049 39	
	<hr/>	899,627 62
7) 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

(8) Town of Cochrane.

Guarantee by the Province of Ontario, under the authority of 7 George V., cap. 9. Debentures of above Town payable May 1st, 1918, to May 1st, 1947; interest, 5 per cent. per annum

40,000 00

(9) 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

(10) 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

(11) 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

(12) Township of Tisdale.

Guarantee by the Province of Ontario, under the authority of Statute Law Amendment Act, 1918, sec. 67. Debentures of above Township payable July 1st, 1918, to July 1st, 1932; interest, 6 per cent. per annum

10,000 00

(13) Board of Trustees, R. C. Sep. School, Town of Timmins.

Guarantee by the Province of Ontario, under the authority of 7 George V., cap. 27. Debentures of above Board payable December 1st, 1918, to December 1st, 1937; interest, 5 per cent. per annum.....

30,000 00

(14) Board of Trustees, R. C. Sep. School, Town of Timmins.

Guarantee by the Province of Ontario, under the authority of 8 George V., cap. 20.. Debentures of above Board payable January 1st, 1923; interest, 7 per cent. per annum

30,000 00

(15) Town of Matheson.

Guarantee by the Province of Ontario, under the authority of 9 George V., cap. 4. Debentures of above Town payable April 1st, 1920, to April 1st, 1949; interest, 6 per cent. per annum

31,500 00

(16) Board of Trustees, R. C. Sep. School, Town of Timmins.

Guarantee by the Province of Ontario, under the authority of 9 George V., cap. 4. Debentures of above Board payable Nov. 1st, 1919, to Nov. 1st, 1938; interest, 6 per cent. per annum

15,000 00

- 17) Township of Tisdale.
 Guarantee by the Province of Ontario, under the authority of 9 George V., cap. 4. Debentures of above Township payable May 1st, 1920, to May 1st, 1924; interest, 7 per cent. per annum 10,000 00
- 18) Town of Matheson.
 Guarantee by the Province of Ontario, under the authority of 9 George V., cap. 4. Debentures of above Town; interest, 7 per cent. per annum..... 40,000 00
- 19) Township of Tisdale.
 Guarantee by the Province of Ontario, under the authority of 9 George V., cap. 4. Debentures of above Township payable June 1st, 1923; interest, 6 per cent. per annum 2,988 34
- (20) 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
- (21) Hydro-Electric Power Commission of Ontario.
 Guarantee by the Province of Ontario, under the authority of the Hydro-Electric Railway Act, 1914, and amendments. Order-in-Council, January 27th, 1920, and October 16th, 1919. Bonds of the above Commission, for the acquisition, construction, equipment and operation of certain electric railway lines in the County of Essex; due, April 1st, 1960; interest, 4½ per cent. per annum 2,100,000 00
- (22) Hydro-Electric Power Commission of Ontario.
 Guarantee by the Province of Ontario, under the authority of the Hydro-Electric Railway Act, 1914, and amendments. Hydro-Electric Railway Act, 9 George V., cap. 45. Order-in-Council, August 8th, 1919. Bonds of the above Commission, *re* electric railway between Port Credit, Hamilton and St. Catharines. Section between Port Credit and St. Catharines; due, November 1st, 1969; interest, 5 per cent. per annum 11,360,363 00
- (23) Hydro-Electric Power Commission of Ontario.
 Guarantee by the Province of Ontario, Order-in-Council, September 13th, 1921. Bonds of the above Commission for the capital costs of necessary extensions, additional works, and equipment, on the Hydro-Electric Railway, in the County of Essex; due April 1st, 1961; interest, 6 per cent. per annum half-yearly 900,000 00

(24) Hydro-Electric Power Commission of Ontario.

Guarantee by the Province of Ontario, Order-in-Council, June 23rd, 1921. Bonds of the above Commission, under the Power Commission Act, and amendments; due, June 24th, 1941; interest, 6 per cent. per annum, half-yearly

3,200,000 00

(25) Guarantees under the authority of the Municipal Housing Act, 1920, Sec. 4.

Sudbury	\$150,000 00
Fergus	10,000 00
Ford City	150,000 00
Kitchener	135,000 00
Sarnia	100,000 00
Walkerville	300,000 00
Beaverton	6,990 00
Tilbury	11,000 00
Stamford	50,000 00
Windsor	325,000 00

1,237,990 00

36,882,468 96

ESTIMATED RECEIPTS, FISCAL YEAR ENDING
OCTOBER 31st, 1922.

Subsidy	\$2,636,378 88
Interest on Common School Funds held by the Dominion	\$75,000 00
Interest on Investments	750,000 00
	<hr/>
	825,000 00
Lands and Forests Department	3,000,000 00
Mines Department	500,000 00
Public Institutions	1,200,000 00
Education Department	525,000 00
Provincial Secretary's Department	491,500 00
Motor Vehicles Licenses	3,500,000 00
Agriculture	250,000 00
Casual Revenue	700,000 00
Insurance Department	150,000 00
The Amusements Tax Act	1,600,000 00
Succession Duties	5,000,000 00
Corporation Tax Act	3,300,000 00
The Ontario Temperance Act	1,050,000 00
Law Stamps	300,000 00
Game and Fisheries	650,000 00
Labour and Health	173,500 00
Land Transfer Tax	400,000 00
Miscellaneous Items	300,000 00
Hydro-Electric Power Commission, Interest, etc.	6,220,000 00
Temiskaming and Northern Ontario Railway from earnings	200,000 00
	<hr/>
Total Estimated Receipts	\$32,971,378 88

ESTIMATED EXPENDITURE, FISCAL YEAR ENDING
OCTOBER 31st, 1922.

Civil Government	\$2,056,425 00
Legislation ..	334,995 00
Administration of Justice	1,467,461 19
Education ..	8,656,773 90
Public Institutions	3,924,620 32
Agriculture ..	1,581,702 00
Colonization and Immigration	163,100 00
Hospitals and Charities	913,800 00
Maintenance and Repairs of Government Buildings	502,396 90
Public Buildings	299,310 00
Public Works	220,838 00
Department of Labour	1,390,140 00
Colonization Roads	265,055 00
Highways Department	185,270 00
Game and Fisheries	485,000 00
Attorney-General's Department, Miscellaneous	408,500 00
Treasury Department, Miscellaneous	289,519 00
Provincial Secretary's Department, Miscellaneous ..	10,079 05
Lands and Forests	1,205,050 00
Department of Mines	147,500 00
Refund Account	170,809 73
Miscellaneous Expenditure	126,836 00
	<hr/>
	\$24,805,181 09

CAPITAL.

Education	360,000	00
Public Buildings	1,887,650	00
Public Works	610,733	33
Department of Labour	700,000	00
Colonization Roads	492,245	00
Highways Department	1,000,000	00
Game and Fisheries	68,000	00
Treasury Department, Miscellaneous	239,000	00
Provincial Secretary's Department, Miscellaneous ..	102,523	08
Lands and Forests	600,000	00
Department of Mines	60,363	50
Hydro-Electric Power Commission	10,443,199	00
Temiskaming and Northern Ontario Railway	190,000	00
	<hr/>	
	\$41,558,895	00



