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# Budget Address

OF

**HON. DR. J. D. MONTEITH**

*Treasurer of the Province of Ontario*

DELIVERED IN THE

**LEGISLATIVE ASSEMBLY OF ONTARIO**

ON THE

**26th February, 1929**

On moving the House into Committee of Supply

Also Statements of

**ASSETS AND LIABILITIES  
RECEIPTS AND PAYMENTS, ETC.**

PRINTED BY ORDER OF

**THE LEGISLATIVE ASSEMBLY OF ONTARIO**



ONTARIO

**TORONTO**

Printed and Published by the Printer to the King's Most Excellent Majesty

1929



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HON. DR. J. D. MONTETI

Minister of the Province of Ontario

Delivered in the

LEGISLATIVE ASSEMBLY OF ONTARIO

on the

24th February, 1939

the morning the House into Committee of Supply

Also discussed the



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## TABLE OF CONTENTS

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	<i>Page</i>
Public Accounts.....	4
Mothers' Allowances.....	7
Teachers' Superannuation Fund.....	8
Workmen's Compensation Board.....	9
Savings Offices.....	9
Rural Credits.....	10
Housing Commission.....	11
The Niagara Parks Commission.....	12
Temiskaming and Northern Ontario Railway.....	13
Hydro-Electric Power Commission.....	14
Ordinary Account, 1928.....	16
Prime Minister's Department.....	17
Legislation.....	18
Education Department.....	18
Public Works and Highways.....	19
Attorney-General's Department.....	20
Provincial Secretary's Department.....	21
Mines Department.....	21
Game and Fisheries.....	22
Agriculture.....	22
Department of Health.....	23
Labour Department.....	24
Lands and Forests.....	24
Northern Development Department.....	24
Treasury.....	25
Interest.....	25
Tourist Attractions.....	19
Surplus.....	26
Expenditure Uncontrollable (65 per cent.).....	27
Recent Tax Reductions.....	27
Provincial Debt.....	28
Long Term Financing.....	29
Short Term Financing.....	30
Debt Retirement.....	32
Annual Borrowing Authority.....	34
Forecast for 1929.....	35
Financial Statements.....	37-63
Estimates.....	64-65



# TABLE OF CONTENTS

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# BUDGET ADDRESS

DELIVERED BY

## HON. DR. J. D. MONTEITH

Treasurer of the Province of Ontario,  
Tuesday, 26th February, 1929

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

It is a pleasure for me to welcome the new Members to the Legislature, and to congratulate my honourable friends from Hamilton (West) and Renfrew (North) on their elevation as Ministers Without Portfolio in the Ferguson Cabinet. The Prime Minister has made wise selections in choosing men of such sound judgment and sterling character, who are eminently qualified to advise in all matters pertaining to the Province of Ontario. I am also pleased to join with other Honourable Members in passing on my congratulations to the mover and seconder of the Address. Their efforts were a compliment to their constituents as well as a credit to themselves, and their presence assures to this Legislature a decided increase in debating ability.

The Financial Statement which I shall endeavour to present has demanded months of arduous and faithful application on the part of the staff of the Treasury and the Audit Office. I desire to express my sincere appreciation of their loyal and hearty co-operation in the task of the preparation of the Budget. The Deputy Minister and every member of the staff of the Treasury and Audit Departments have been untiring in their efforts to have the Public Accounts, the Estimates and the various financial statements ready for presentation to-day. I wish to take this opportunity, also, to draw the attention of this House to the sympathetic co-operation of outside financial institutions. Their advice and guidance in finance have helped us materially in our operations, and I wish to voice my appreciation of the great assistance



their sympathetic co-operation has been to the Province during a difficult period.

### PUBLIC ACCOUNTS

As usual, you have placed before you a copy of the Public Accounts in much the same form as last year—concise and easy to understand; also a copy of the Supplementary Estimates for 1929, Statements of the Provincial Assets and Liabilities, and a Forecast for the coming year. An innovation this year, which I am sure the Members will appreciate, is a chart of the revenue and expenditure, which shows at a glance the sources from which our revenues are obtained with a concise analysis of the expenditures. As the Session advances we will duly bring down the Further Supplementary Estimates for 1929 and the Main Estimates for 1930.

### PRINCIPLES OF FINANCE

In order that one may ascertain, Mr. Speaker, the soundness or otherwise of this or any Government it is necessary to have a fairly accurate knowledge of the condition of its finances. To this end, therefore, I will apply myself this afternoon to analyzing the financial operations of this Province during the fiscal year 1928. My object is that honourable gentlemen may be informed on the finances of this Province to the full extent of my ability. We are about to approach many facts and figures and multiples thereof. While these are all relatively important and necessary to a well-rounded knowledge of all the financial ramifications, yet it is infinitely still more important that one should realize and know the principles of finance from which they are evolved.

In order to have a true setting for this information it is well to preserve a mental picture of the immensity of this Province and its ever-increasing activities, not forgetting that in annual income we exceed two billions of dollars and that our potential wealth, embracing crown timber, municipal assessment, agriculture, manufacturing, forests, mines, fish and game, is estimated at over ten billions of dollars.

It might be interesting at this point to make a few references to the principles on which healthy finance is based.

First, a very simple phrase but of great potency: "Pay your way, and live within your income." This is a principle



of finance that is fundamental and ever proves to be a protection to the individual, corporation or government. Conformity to this old-established and well-tried rule of finance always brings its reward in financial contentment. To deviate means defeat, despair, and loss of financial strength.

Secondly, I would refer to what I would call the laws of finance. Honourable gentlemen no doubt will agree with me when I say there are divine laws, natural laws, and health laws, a breach of which invariably demands the payment of a penalty. There are also commercial laws, business laws and financial laws. I therefore offer as a suggestion that a study of the financial laws will greatly aid any government in directing its efforts along sane lines.

If a government expends a certain sum of money, if in due time the money does not come back, nor its equivalent in assets of service, then you enter the realm of reckless financing which brings with it extravagance and waste, resulting in financial distress and collapse. This is the penalty that is paid for a breach of the financial laws.

It might be interesting now to draw your attention to another basic principle which regulates successful finance, and that is a condition explained by the words expansion and retrenchment. During a period of expansion money is plentiful, and people develop the mental attitude of buoyancy and prosperity. Such a period has always been followed, and will always be followed, by a period of retrenchment when there is less business activity, less money in circulation and less money to spend. This is what we term "hard times," and is usually accompanied by some discontent and unrest. It is just the swing of the pendulum to a time when people should adjust their finances so as to meet the situation and spend less, incur fewer obligations and be content to conform to the existing condition. By so doing a people can be as happy and content under a period of retrenchment as under expansion. The main idea of it all is to adjust the financial activities so as to be in keeping with conditions of the world's affairs.

### INVESTMENTS

I will now refer you to another set of terms that may be considered as basic in all financial movements, and that is investment and finance. One might say that there is little or



no difference in these terms. True, it may be difficult to draw a line between them, but nevertheless the word finance is a broader term and in reality includes investment,—investment is more restricted in its meaning. The thought I desire to bring out, Sir, is this, that the greater the security of the investment the less amount of interest you may expect to receive. For greater interest yield you may expect a junior security which has the element of chance and risk. Where the element of chance and risk is present then your capital holding is jeopardized, or in other words becomes speculative. If it is desirable to keep intact your capital holdings, it is absolutely necessary to make your investments in a senior security such as government and municipal bonds, and to be content with the lower rate of interest.

This Government is not an investment house. We are not in business, but nevertheless we have certain funds in our custody that we do invest. For instance, there is the Teachers' and Inspectors' Superannuation Fund, totalling close to twelve millions of dollars. As authorized by statute, this money is invested in Ontario bonds from time to time, earning not a particularly high rate of interest, but yet sufficient to be in keeping with this grade of security. Then again we have the funds of the savings banks, amounting to some twenty millions of dollars. These are invested from time to time in the bonds of the Agricultural Development Board, which are reinforced by mortgages on farms on which money is loaned through the Development Board. These mortgages represent 50 per cent. of the appraised value of the farm. You will notice here the high type of security which safeguards the money advanced. Then again we loan to the municipalities of this Province a sum equal to two millions of dollars, in return for which we have debentures of the municipality bearing five per cent. These are known as the Tile Drainage Debentures.

There are many kinds of finance. We have careful finance and reckless finance, frenzied finance and high finance, but there is only one kind of finance that this Government or any other government can justify, and that is sound finance. Sound finance rests on the fundamental principles just referred to. These are the agents that have directed this government since 1923. These are the supporting timbers



and unyielding underpinning of the financial edifice of this Province at the present day. Thus there has been firmly imbedded in this Province a well-stabilized background in matters of finance.

One might well ask what has been the net result? I am happy to say that the financial houses of Canada as well as the United States look upon Ontario at the present time as a province with outstanding credit. Also by observing such sound principles this Province has been lifted from an era of deficit to one of balanced budgets and surpluses, and, what is not least, a controlled debt with an approved retirement scheme.

I am assured that the people all over the Province concede a record to this Government. The ratepayers in every corner of Ontario testify to a growing confidence in the general administration of this Government.

May I now draw the attention of honourable gentlemen to some of the lesser activities that pertain to the functions of the Government? Many of these, especially the Commissions, are more or less detached from the central operations of the Government, and regulate largely their own finances, but still each one is attached to some Department for the purpose of establishing responsibility.

Much time in last year's Budget Address was devoted to the main structural work of the finances of the Province. While that is of supreme importance, yet may I say that the lesser activities ought to have a very close place in the heart of every honourable gentleman present. I think possibly they are closer to your constituents than even the debt. Sometimes they come home to your municipalities in which they have a very direct interest. I will consider with you, therefore, first, the Mothers' Allowance Commission.

### MOTHERS' ALLOWANCES

What is the greatest asset to our Province after all? Is it not the people as a nation? The home is the bulwark of the nation, the mother is the bulwark of the home. What are we doing for the mothers in the homes of this Province?

The Mothers' Allowance Commission is operating under the chairmanship of Hon. Dr. Jamieson and attached to the



Department of Health and Labour. It is doing a very extensive, useful and humane work in the Province. Last year there was distributed \$2,190,000 to over five thousand mothers having two or more dependents under sixteen years of age. The number of children benefitted as the result of this benevolent activity on the part of the Province exceeds fifteen thousand in 1928. There is a refund from municipalities of 50 per cent. of the amount distributed by the Province, though the unorganized districts of the northern part of Ontario are not expected to make any refund. The actual cost to the Province, therefore, would be over one million dollars. The amount distributed each year increases by an amount between \$150,000 and \$200,000.

One can readily appreciate the growth of this movement when one realizes that the last year of its operation the expenditure of the Commission was \$2,190,000. The total disbursement in the eight years of its operation was over \$13,000,000. There was appropriated for the fiscal year 1928, \$87,000 for the administration. The actual amount expended was \$77,000, leaving an unexpended balance of over \$10,000, the actual cost of administration figuring  $3\frac{1}{2}$  per cent.

#### TEACHERS' SUPERANNUATION FUND

The Teachers' and Inspectors' Superannuation Fund is another interesting fund, and is associated with the Education Department. It was established by an Act of this Legislature in 1917. The fund at present amounts to practically \$12,000,000, and is made up by contributions from the teachers and inspectors of  $2\frac{1}{2}$  per cent. of their salary and a like amount contributed by the Province. The superannuation is based upon the number of years of service, together with the average salary for the last ten years for a thirty-nine year service. The lowest pension paid is \$365 and the maximum \$1,250. In the fiscal year 1928 there were 752 teachers and inspectors deriving benefit from this fund.

These funds are invested in Ontario bonds purchased in the open market. The average yield over a period of years has been approximately  $5\frac{1}{2}$  per cent., and the average yield of bonds purchased during the past year was 4.66 per cent. This was a distinctly favourable yield considering the unfavourable market for high grade securities during the year.



Had the Superannuation Fund invested direct in Ontario bonds at the interest cost of our last loan, the yield would have been only 4.41 per cent. Therefore, by buying in the open market we improved the situation by one-quarter of one per cent., which represents on an investment of \$1,300,000, a profit for the year of \$3,300. This will very clearly set forth the fact that the fund is not the loser by buying in the open market.

#### **WORKMEN'S COMPENSATION BOARD**

Another service of importance which is rendered to the people of this Province is through the Workmen's Compensation Board, administered by the Attorney-General under the chairmanship of Mr. V. A. Sinclair, K.C.

I have no doubt every honourable gentleman here has had contact with some of his constituents regarding adjustments in connection with claims as a result of accidents.

During the fiscal year 1928 there were in this Province over 79,000 accidents reported to the Board, and the total compensation awarded, amounted to approximately six million dollars, while over one million was paid out for medical aid as a result of these accidents, a total expenditure of \$7,600,000 in one year. Since its establishment in 1915 there has been paid over \$70,000,000 for compensation and medical aid. In 1928 the Board also disbursed some \$115,000 to safety associations promoting safety work along many lines. Another very interesting feature in connection with the Board's functions is the pensioning of those who are incapacitated as a result of accident. In the one year this involved a sum of \$1,800,000. The entire pensions paid since inauguration of this work, amount to over \$21,000,000. The cost of administration of this Board comes out of the fund from which awards are made and which is financed by levies or assessments on employers.

#### **SAVINGS OFFICES**

I desire now to draw your attention to the operation of two activities which go hand in hand,—namely, the Provincial Savings Offices, under the direction of Mr. M. E. McKenzie, and the Agricultural Development Board, whose chairman is Mr. A. G. Farrow. The Savings Offices are attached to the Treasury Department, while the Agricultural Development Board is attached to the Department of Agriculture.



During the fiscal year 1928 the Savings Offices made a very creditable report, and they had another successful year. At the end of the fiscal year 1928 there was on deposit the sum of \$19,800,000. During the year the deposits increased by over one million dollars as compared with half a million dollars in 1927. The number of accounts operated during 1928 was over 15,000 as compared with 12,000 in 1927.

The volume of business done in 1928 was \$54,000,000, as compared with \$46,000,000 in 1927. The operating charges of the Savings Offices is provided by one per cent. on the amount of deposits, as three per cent. is paid to the depositor, and the Savings Offices receive four per cent. from the Government.

To administer this branch in 1928 cost slightly over \$202,000, leaving a balance of some \$12,000 by way of surplus. This will bring the total surplus for reserve of the offices to \$158,000.

The Ontario Savings Offices exist mainly to provide money for the purpose of making rural loans at reasonable rates. The number of branches now operating in Ontario is sixteen; and \$540,000 in interest was paid to the depositors during 1928.

MR. PROULX—In the Provincial Savings Bank do you pay 4 per cent to depositors?

HON. DR. MONTEITH—No, 3 per cent.

MR. PROULX—Why not 4 per cent.?

HON. DR. MONTEITH—We would have to charge the farmers more. That one per cent. would cost the farmers just that much more. The fact that we are paying a fair rate of interest to our depositors is recognized by the fact that our deposits increased last year by over one million dollars.

### RURAL CREDITS

The Agricultural Development Board sell their bonds to the Province on which they pay  $4\frac{1}{2}$  per cent., and in turn they lend this money to the farmers at  $5\frac{1}{2}$  per cent. Out of this spread of one per cent. they meet all operating costs of the Board. To administer this branch of the work last year cost \$104,964 and there was a surplus of \$109,617, thus increasing their surplus total over the history of their operations to



\$302,906.74. Loans at the end of the fiscal year 1928 to farmers amounted to \$19,500,000. Since the beginning of this Board's history, they have passed on loans of \$27,000,000 on properties with a valuation of over \$62,000,000. The number of loans passed in 1928 was 1,567 as compared with 7,254 throughout the whole period of their existence. In 1928 they passed loans to the amount of \$5,670,000 on properties valued at over \$13,000,000. The total advanced to 1928 by the Treasury to the Board is slightly over \$22,000,000, but there were repayments of something like \$2,600,000, leaving a net balance in advances of about \$19,500,000. Comparatively few farms have come back on their hands, and of these some have been sold to cover the liability.

MR. PROULX—What percentage was there of losses?

HON. DR. MONTEITH—In the whole history of the Act there have been 115 foreclosures, 99 of the farms have been sold, 92 of the farms sold for more than the claim of the Government against them, and the overplus was handed back to those to whom it belonged. Seven farms showed a loss of \$5,540, but I want to bring to your attention the fact that the legal fees for conveyances where the sale realized more than the Government claim, neutralized even that loss, and the Board to-day report no loss over that entire period.

### HOUSING COMMISSION

The Housing Commission functions as a service to returned soldiers and workingmen, by way of providing convenient and cheap money for the purpose of erecting homes. The Ontario Housing Act of 1919 authorized the borrowing by the Province from the Dominion Government for that purpose, and the money was loaned to the municipalities, who in turn organized local Housing Commissions to supervise the loans to individuals.

Under this Act there was about \$9,000,000 involved, and five per cent. was the rate of interest. There has been returned to the Province by the local municipalities something over three million dollars in principal and the same amount in interest. There is outstanding slightly under \$6,000,000 to the Province by the municipalities. Some seventy-six municipalities took advantage of this cheap money, and



there were 2,500 houses constructed under the scheme. So promptly have payments been kept up to the Province that there are now only three or four municipalities in arrears. Under this Act the Province stands to lose no money.

In 1920 the Municipal Housing Act was introduced. Under this Act the municipalities issue their own bonds, which are guaranteed by the Province. Under this Act some \$3,000,000 have been used for the purpose of constructing houses, of which there were 775. The 1919 Act is no longer in force, so far as regards making loans, and under the Act of 1920 there is still outstanding something over two and a quarter millions in municipal debentures guaranteed by the Province of Ontario. Here also the Province should in nowise sacrifice anything in a financial way.

#### THE NIAGARA PARKS COMMISSION

May I at this point, Mr. Speaker, draw the attention of the House to the Niagara Parks Commission.

During the year this Commission issued \$2,000,000 4 per cent. debentures guaranteed by the Province, which were disposed of on a cost basis of 4.42 per cent.

The Niagara Falls Park has been well named "the front door of Ontario," although we might also mention Windsor and Sarnia, and say we have two front doors to Ontario, one in the east and one in the west. But at all events it has proven a great source of interest and a great attraction to our own people and those from the United States who visited us last season.

As to the financial aspect, assets amounted to \$4,000,000, with a liability of \$2,000,000, leaving a surplus of \$2,000,000 in assets acquired out of accumulated revenue.

For the last fiscal year of the Commission ended 30th November, 1928, the revenue, including water rentals, amounted to \$1,113,000; expenses, including provision for depreciation and the retirement of its funded indebtedness, to \$424,000, leaving a surplus of \$689,000.

#### TEMISKAMING AND NORTHERN ONTARIO RAILWAY

The present Government is very active and enthusiastic in support of its railway, the Temiskaming and Northern



Ontario Railway. This is a development which benefits not only the Province but the whole Dominion. The history of this road shows that it has been very successful since its inception, and all governments and parties have been sympathetic towards its support. It was originally started as a colonization road and has since developed and expanded so as to be a very important factor in the settlement, the development of natural resources, the expansion of industry and in the mining and lumbering activities in the great north country. It has a mileage of over 600 miles, including its subsidiary, the Nipissing Central. There has been constructed within the last year some thirty or forty miles extending to the Rouyn district, and still further towards its terminus at James Bay.

Settlement and expansion of trade in the territory it serves has been outstanding. Millions of dollars have been circulated by reason of the timber, pulpwood, precious metals and other activities. The total amount of dividends from the silver camps and the Kirkland and Porcupine gold areas since the road was constructed amount to over \$185,000,000. Last year the gold production in these territories amounted to \$33,000,000, as compared with the entire gold production seventeen years ago of \$43,000. The T. & N.O. is very capably managed from North Bay by a Commission, the chairman of which is Mr. Geo. W. Lee, who is aggressively sympathetic towards the development of the north country.

The finances are in a healthy condition. Last year they paid into the Provincial Treasury \$1,300,000 for interest and a like amount in 1927. By such a payment the T. & N.O. is about meeting its interest charges and paying its way. The fact is that this amount has not only paid its interest charges due for the fiscal year 1928, but also a portion of the arrears of interest that have been accumulated during its early years of operation. Besides this they are meeting their interest charges and retirement provision on their bond issue of \$6,000,000.

I might mention here that the T. & N. O. does its entire financing within itself. By legislative enactment it is now empowered to go into the money market and sell its own securities, guaranteed, of course, by the Province. It is notable to mention that in January, 1928, they went into the market to raise money, issuing \$6,000,000.00 in annuity bonds



and realizing the very attractive price of 4.21 per cent. This was the cheapest money obtained during the fiscal year in Canada, excepting an issue by the Province of Quebec which sold on a cost basis of 4.19 per cent.

Year by year their operations have been developing and their earnings greatly increased over the previous year. In 1928 their gross revenue was over five and one-quarter millions, which was a net increase over 1927 of \$186,000. After paying all operating expenses their net earnings showed a figure of one and a quarter million.

There is invested in this road some \$37,000,000, including the Nipissing Central Railway. The T. & N.O. has a very encouraging outlook for the future, as it is now the main artery and avenue for settlement, freight and passenger service and general development in the rapidly growing and much appreciated north country.

HON. MR. NIXON—Is that \$6,000,000 all the bonds they have raised?

HON. DR. MONTEITH—Yes. That is all they have issued to date.

### **HYDRO-ELECTRIC POWER COMMISSION**

I shall now, Mr. Speaker, draw the attention of the House to what might be considered the most important and gigantic enterprise under Government supervision, and that is the Hydro-Electric Power Commission. As is well-known by all honourable gentlemen, this not only has a national but an international reputation. It is practically the greatest example of a publicly-owned utility in the world. Its growth has been particularly rapid, and its foundations have been well and soundly laid. The work of this great public utility was made possible by the untiring efforts of that great Canadian statesman, the late Sir Adam Beck, and to-day it has a transmission of over 8,000 miles, almost half of this being rural.

It generates and distributes over one million horse-power to the citizens of the Province. It provides light and heat at a cost easily one-third of the price charged by privately-owned concerns in the United States. It serves 440,000 homes in the Province and its annual growth runs into thousands.



Rural expansion has in recent years been very active. Last year there were constructed 1,000 miles of rural lines, to which the Government contributed approximately one million dollars. Since the bonusing of the rural lines, this Government has contributed over three and a half million.

Their total indebtedness represents slightly over \$200,000,000. Of this they are obligated directly to the Province for advances of \$153,000,000. The balance is represented by bond issues guaranteed by the Province. Last year the Province advanced to the Hydro five and a half millions for expansion and capital expenditures. They paid to the Province over \$8,000,000 for interest at an average rate of 5.27 per cent. They have reserves of \$35,000,000 and are retiring their debt by means of sinking fund collections over a period of forty years.

This utility is owned by the municipalities and attached to the Department of the Prime Minister to establish responsibility, and operated by a Commission under the efficient chairmanship of Mr. C. A. Magrath.

The Hon. Leader of the Opposition party referred some time ago to a Hydro contract in Oshawa. That contract is based on business principles. There is nothing wrong in signing a contract. Is there anybody who ever signed one of these Hydro contracts and regretted it? Is there anybody who would say, "Take the Hydro out, the contract has not served me well"? All the contract needs is a little intelligent explanation. All the contract needs is an explanation to the farmer who feels he has been deceived or badly used.

#### CONSOLIDATED REVENUE FUND

We will refer for a brief period to the Consolidated Revenue Fund, the cash box of the Province, not that there are accumulated monies in the vaults, but rather funds protected by a methodical system of bookkeeping. The object of the Government is to maintain this fund in a regular form, with a proper and regular system of accounting and auditing. All revenue, both ordinary and capital, comes into this fund and out of the fund is checked all payments, ordinary and capital.

The fund really reflects the cash position of the Province from day to day and from week to week. It will be noticed



that there are two classes of accounts, Capital Account and Ordinary Account, and the proper classification of all accounts is of great importance.

Now shortly after my first statement went out I heard a criticism to the effect that our surplus was obtained by switching the accounts to capital when the items belonged to ordinary operation.

Mr. Speaker, I desire to announce here and now that throughout the operations of this Government since 1923 there has not been a dollar charged up to capital account when it belonged to ordinary account. The placing of ordinary expenses in capital accounts would be an irregular practice, and what good would it be? It does not do the Treasury any good, it does not do the Government any good, it does not do the people any good, it does not do anyone any good. Suppose you have a half-million dollars of true deficit and you swing a million ordinary expenditure over into capital account and thus give yourself an apparent surplus of half a million dollars. You have no assets to show for it. It is an evident weakness. Now what are we doing? That can be said in a sentence: we are trying to catch up with the deficit caused by the Drury Government. That deficit was caused by incapacity, I suppose. But an outstanding feature was improper classification of accounts. There is the rock on which the government of that day foundered,—improper classification. There is the rock on which many governments founder. That is what we have to avoid; there is no good reason for it and you cannot justify it. The idea is to keep your account in a proper classification. If you have a deficit, meet it, report it, and your financial position is just as good or better, and everybody knows where you stand.

### **Ordinary Account, 1928**

Mr. Speaker, I am now going to take up the ordinary operations of the Government for the year 1928—a record year.

#### **PRIME MINISTER'S DEPARTMENT**

We will first consider the Department of the Prime Minister. In this Department the expenditures are light, consisting chiefly of \$91,000 for administration expenses;



advertising tourist attractions, \$61,000; entertaining distinguished visitors, \$6,000, amounting in all to \$162,000. The revenue in the Prime Minister's Department for the last fiscal year was much heavier than ordinarily, amounting to \$2,790,000, being made up chiefly of water rentals, \$650,000; returns from the Ontario Gazette, \$29,000; and repayment of advances by Hydro of \$2,102,000.

I desire to call the attention of the House to this one item of repayment of advances. First of all it has been suggested by certain critics that this should have been received as capital revenue. I desire to draw your attention to the fact that these monies were advanced out of ordinary revenue from time to time over a period of some years for certain surveys, engineering and research work pertaining to Hydro activities, and for that reason they have been received and accepted as ordinary revenue.

I also desire to state that this includes some \$800,000 interest on the advances, and further, that an endeavour has been made for some years to have an agreement or settlement made with the Hydro regarding these advances; but not until this year was there an opportunity of making a final settlement. When it was ascertained that an opportunity presented itself for settlement, the Government naturally accepted what appeared to be a fair adjustment of all claims. This amount did not appear in the forecast owing to the fact that at that time the Government was not sure of completing its settlement with the Hydro. May I suggest that there were other sources of unexpected revenue besides the Hydro, such as \$225,000 from the Liquor Control Board, \$575,000 from Highways, \$253,000 from Corporations Tax. This condition exists at any time—you have unexpected revenue and unexpected expenditure.

Some critics have offered the suggestion that had this \$2,000,000 from the Hydro not come in by way of revenue, we would have had a deficit. One might as well say that if we had received \$500,000 less from succession duties a deficit would have resulted. Those who take this ground do not understand or appreciate our methods. The fact is that our financial arrangements are based on a fairly accurate knowledge of the current financial situation of the Treasury. The work of scrutinizing the revenue and expenditure and check-



ing them up with the estimates is carried on continuously throughout the year, and thus a measure of regulation and sound financial administration is effected which would otherwise be impossible. This is necessary, moreover, to ensure that the revenue of the Province is expended along the lines of public service where the greatest need exists, and if it was not possible last year to deal adequately with everything that justified expenditure, the reason will be found in the determination of the Government to live within its income.

For instance, \$900,000 extra was spent on maintenance of institutions, and also unavoidable increases for Education, Agriculture, Health, and Northern Development.

### LEGISLATION

I shall now refer to Legislation. In this service there was an expenditure of \$357,000 with a revenue of \$49,000. The chief items of expenditure include indemnities to Members, \$228,000; Sessional Salaries, \$28,000, and Stationery, Printing, etc., \$30,000. The revenues are received from the sale of Statutes, Bills, and Fees for Private Bills, etc.

### EDUCATION DEPARTMENT

The Department of Education, which is almost entirely a spending department, shows an outlay for 1928 of something over \$10,000,000. The revenue from this Department was slightly over one-half million dollars. There have been many essential and timely reforms that have necessitated an additional expenditure such as the carrying of education to remote parts of the Province by portable schools, etc., and then there are increased grants that automatically occur all over the Province as a result of higher standards and increased efficiency.

The main items of expenditure are the grants to public and separate schools, as well as provincial and other universities. These two items amount to something over \$7,000,000.

It might also be mentioned that there was approximately \$1,000,000 expended in technical education. One item of revenue was the subsidy of \$330,000 from the Federal Government in aid of technical education.

### PUBLIC WORKS AND HIGHWAYS

Let me now, Mr. Speaker, draw the attention of the House to a department that has very wide scope, and which entails



a large amount of money both by way of revenue and expenditure—I refer to the Department of Highways.

The ordinary expenditure last year was upwards of four and a half million dollars, while the revenue exceeded eleven and three-quarter million dollars, an increase in expenditure over 1927 of \$381,000 and in revenue an increase of \$1,288,000. As is well known throughout the Province there is an increasing demand for more roads and better roads by the taxpayers generally. There seems to be a general sentiment for this, and a willingness to pay for them.

The outstanding items of expenditure are County Roads, \$1,193,000; Township Roads, \$859,000; Provincial Highways, \$1,867,000. Automobile markers cost last year \$54,000; policing the highways, \$127,000; while \$60,000 was expended towards advertising and safety movements.

The revenue from this Department was very substantial, about \$6,500,000 from auto licenses, \$4,600,000 from gasoline tax, and \$500,000 from refunds from counties and townships. Although there have been large sums of money involved in the operation of this Department, it is generally acknowledged by all our citizens that our type of road is of the highest standard and has an international reputation for efficient and substantial construction.

The Department of Public Works is operated under the supervision of the Minister of Highways as well. The ordinary expenditure in this Department was \$867,000 and the revenue \$61,000, the outlay being along the lines of maintenance of buildings of various types in the different departments of the Government.

### TOURIST ATTRACTIONS

Speaking of our roads and highways at once brings to our minds the tremendous value to the citizens of Ontario of our magnificent system of roads; not only do our own people enjoy them, but they are an attraction of first importance to our tourist friends who year by year take greater advantage of the opportunity that Ontario affords for holiday seekers.

During 1928 more than 2,760,000 cars entered Ontario, being an increase of 14 per cent. over the previous year, while



the total number of tourists entering the Province by railroad, steamship and motor-bus was 11,144,000. It is estimated that these tourists spent in Ontario during the year no less than \$103,000,000.

The Government expended in advertising tourist attractions the sum of \$67,000 and received in revenue from the tourists approximately \$764,000 as follows:

Gas Tax.....	\$342,000
Liquor Permits.....	176,000
Hunting Licenses.....	161,000
Fishing Licenses.....	185,000

So far as the Government is concerned, this would appear to be a revenue which amply justified the expenditure.

The rugged grandeur and singular beauty of our country are yearly becoming better known and appreciated, and it is quite evident that we must attach great importance to our tourist attractions and possibilities.

#### ATTORNEY-GENERAL'S DEPARTMENT

We will now refer for a few moments to the Department of the Attorney-General. Expenditures in 1928 were \$2,132,000 while the Revenues shows \$7,767,000.

There was a decrease of some \$346,000 in the expenditure as compared with 1927 and an increase of Revenue of about \$3,000,000—to be exact \$2,940,000. Expenditures include administration of justice amounting to \$808,000, Law Enforcement \$640,000 and the administration of the Department, Supreme Court, etc., \$677,000. The main sources of Revenue in this Department are profits from Liquor Control amounting in the last fiscal year to \$7,225,000 and fees, fines, etc., \$530,000.

In the last fiscal year there has been in operation legislation for the protection of the citizens against fraud of various types. This has proven to be comforting to those interested in investing money in various securities, and has met with popular approval.

The Insurance Department, which is under the jurisdiction of the Attorney-General, shows an expenditure of \$52,724 and a Revenue of \$162,962.



## PROVINCIAL SECRETARY'S DEPARTMENT

We shall now make a few references to a very important Department that has a wide range of activity—the Department of the Provincial Secretary. The Expenditures in this Department are very substantial, amounting last year to \$7,425,000, while the Revenue was \$2,306,000. The chief expenditures are the maintenance and administration of the ten Ontario Hospitals, amounting to almost five and one-half million dollars.

Then there are grants to municipal sanatoria for consumptives, \$443,000, and General Hospitals, \$730,000. There was a revenue of \$677,000 from Companies Returns, Letters Patent, Commissions, etc. Maintenance of patients brought in one and a half million dollars.

The Institutions of the Province are to-day maintained at a proficient standard, all services to inmates are kept at a high level and general efficiency and economy prevails here as in all other Departments of the Government.

## MINES DEPARTMENT

May I now, Mr. Speaker, draw to the attention of the House a Department that is of intense interest to all the citizens of Ontario, besides attracting the attention of many investors in the United States and England. I refer to the Department of Mines. The expenditures in 1928 were \$331,900, the revenue, \$894,000, a decrease in expenditure of \$3,000 and an increase of \$98,000 in revenue over 1927. The administration costs are the largest item, and the expenditure for that purpose reached \$187,000. Then there are the Mining Recorders and Field Assistants running into some \$50,000. The largest source of Revenue might be noted as the Royalties on Sand and Gravel, \$127,000, Profit Tax, \$356,000, Recorders' Fees, \$147,000, and Miners' Licenses, \$107,000.

It might be noted that the development of gold production has increased rapidly in recent years. In 1927 and 1928 the amount produced was about \$33,000,000 each year, whereas in 1921 it was \$14,500,000 and seventeen years ago the total gold output did not exceed \$50,000.



### GAME AND FISHERIES

We shall now turn our attention to another very important department under the control of the Minister of Mines, namely, the Department of Game and Fisheries. The ordinary expenditure in this Department was \$564,000. The Revenue was \$732,000. Game Wardens in districts entailed an expenditure of \$232,000, Hatcheries, \$142,000, Wolf Bounties, \$92,000, Experimental Fur Farms, \$12,000. The Revenue comes chiefly from Game and Fish Royalties, \$138,000, and Game and Fish Licenses, \$548,000. Under this branch of the service careful attention is being paid to the conservation and increase of the fish supply in the waters of Ontario.

### AGRICULTURE

Just a word on agriculture. We expended in 1928 a total sum of over \$2,492,000 in intensive activity among the farmers of this Province. Of course, this is not a Department from which we expect much revenue, but last year this item amounted to \$517,000

I just want to mention a few of our activities. I want to show this House that the money expended on agriculture is along lines of real usefulness to the farmers, and something from which they get real returns.

In addition to the Agricultural and Horticultural Branches, the Livestock Branch, the Institutes Branch, the Dairy and Fruit Branches we have an Agricultural Representatives Branch on which we expended \$418,000 last year, an increase of some \$63,000. Then we have the markets and co-operation branch, \$25,000; Colonization and Immigration, \$171,000.

In recent years there have been decided advances in bringing scientific knowledge of agriculture to our young farmers by way of short-term courses. There are throughout the Province many schools and colleges for developing a knowledge of scientific operation, and for the purpose of giving to our young farmers a larger opportunity to obtain the best results. Then there have been many miscellaneous grants for research work of various kinds. For instance,



there was some \$7,000 for the Empire Marketing Board. I notice, too, an item for the restriction of corn-borer activities amounting to \$10,000. These items indicate the lines on which we have been expending money for agriculture.

Now, Mr. Speaker, that in a general way will show you what we are doing for agriculture, and I want to bring to your attention this fact which may not appear to directly affect this matter, but after all is direct; we are expending many thousands of dollars on Hydro rural transmission lines. These are giving excellent satisfaction, and are giving no trouble whatever. We are going ahead and building the lines and the consumers pay 50 per cent. spread over forty years by way of sinking fund, and the other 50 per cent. amounting to date to over \$3,500,000 we pay outright. Then we have \$19,500,000 in farmers' loans which they borrowed from us through the Agriculture Development Board at  $5\frac{1}{2}$  per cent. Is there any farmer who can get money cheaper than that on easy terms? It is not often any farmer has trouble with the Agriculture Development Board.

What else do we do for Agriculture? We have advanced to the extent of \$2,500,000 for the purpose of drainage on the farm at an interest rate of 5 per cent. We contribute \$2,000,000 to Township and County roads from the Treasury of this Province. I want to bring these things to your attention so that you may come to the conclusion that after all, this Government has been very generous to the farmer and has expended for the benefit of the farmer up to our ability so far as money on hand would allow.

#### DEPARTMENT OF HEALTH

We will now devote a few moments to the Department of Health. We all realize what health means to an individual as well as to the people. An honest effort is being made in this Department in the wise expenditure of money for the prevention and cure of diseases throughout the Province. Last year the expenditure was \$737,000 and the revenue was \$130,000.

Chief among the expenditures are \$83,000 for Maternal and Child Hygiene; \$42,000 for District Health Officers; \$299,000 for the Prevention of Diseases; \$89,000 for Labora-



tories; \$64,000, Registration of Births, Deaths and Marriages; and \$36,000 for Sanitary Engineering.

In the supplying of insulin alone last year the Province spent \$50,000 and I may say that great progress in supplying serum and vaccines for the purpose of the prevention and curing of diseases has been made. These are supplied gratis to all those unable to pay. The revenue is not an outstanding feature in this Department, as this service is essentially one of expenditure. However, \$130,000 was received during 1927 of which \$91,000 came from fees, etc. for certificates of registrations.

### **LABOUR DEPARTMENT**

The Department of Labour is also administered by the Minister of Health. The expenditure in this Department was \$2,644,000 and the total revenue, \$1,091,000. The chief expenditure here of course is due to the Mothers' Allowances of \$2,190,000, the Employment Bureau, \$183,000; Factory Inspection, \$70,000; Boiler Inspection, \$36,000. The revenues are derived chiefly in refunds from municipalities of Mothers' Allowance, \$979,000; and subventions from Federal Government, \$66,000.

### **LANDS AND FORESTS**

The Department of Lands and Forests is chiefly concerned with the development of the great North Districts of the Province, in which all citizens of Ontario are deeply interested. Expenditure during 1928 was \$1,736,000 and the revenue, \$3,557,000. The administration cost \$256,000, forest ranging, \$257,000, and fire-ranging slightly over one million dollars. The chief sources of revenue are rentals of Crown leases, \$191,000; land tax, \$157,000; bonus and timber dues, \$2,553,000; fire protection tax, \$367,000, and ground rentals, \$105,000.

### **NORTHERN DEVELOPMENT DEPARTMENT**

Another activity carried out under the Minister of Lands and Forests is that of Northern Development, which has to do primarily with the opening up of new country by the



construction and maintenance of colonization and other roads. The expenditure was \$2,087,000 during 1928, and this service has little or no revenue to collect. The chief items of expenditure in Northern Development is construction of roads and bridges, \$1,802,000, and colonization roads, \$143,000.

Its work is carried on under the Northern Development Act of 1912 and the Colonization Roads Act of 1903.

### TREASURY

And lastly, Mr. Speaker, I will refer to my own Department—the Treasury. This Department has very close affiliation to all the Departments of the Government pertaining of course to financial transactions, revenues, expenditure, etc. The expenditure of the Treasury last year was \$1,891,000, which includes the Archives Department, \$15,000; the House Post Office, \$87,000; Public Service Superannuation, \$386,000; Teachers' and Inspectors' Superannuation, \$698,000; Motion Picture Bureau, \$84,700; Board of Censors, \$21,400, etc.

The Treasury is the largest revenue-collecting Department in the service, and last year's revenue amounted to over \$15,700,000, a decrease of \$4,900,000 when compared with the previous year, due mainly to a reduction in the revenue from Succession Duty amounting to some \$5,000,000.

The chief items of revenue were the Dominion Subsidy, \$2,642,000; Liquor Permits, \$893,000; Amusements Tax, \$1,187,000; Corporations Tax, \$4,853,000; Luxury Tax, \$308,000; Succession Duty, \$4,668,000; Land Transfer Tax, \$539,000; and Law Stamps, \$356,000. These with other revenue give us the amount above outlined.

Bringing the control of revenue under a separate branch of the Treasury is providing greater efficiency in the collecting of revenue in all branches of Government service.

### INTEREST

May I now, Mr. Speaker, draw the attention of the House to the Interest Account which always reaches large proportions both as to Revenue and Expenditure. All interest is of course included in Ordinary Account. Interest



on the Public Debt is our main outlay amounting to \$16,862,000 for the fiscal year 1928. Interest on deposits of Savings Offices, \$749,000; interest on Bank overdrafts, \$191,000, a total for the year in interest charges of \$17,877,000.

It might be noted here that the amount expended on Debt Retirement was \$1,394,000, discount on bonds amounted to \$343,000. These added to the actual interest of over \$17,000,000, give an expenditure of \$19,615,000 on the Public Debt.

Our interest revenue is derived chiefly from Hydro, \$7,808,000; T. & N. O., \$1,300,000; Agricultural Development Board, \$607,000; Drainage Debentures and Ontario Housing Loans, \$381,000. Our total revenue in interest was \$10,370,000. It will be noticed, therefore, that the actual interest charges which really represent the charges on the Net Debt amount to approximately \$9,000,000.

I might inform the House that our overhead interest charges this year have been kept well in hand, our refunding has been satisfactory considering the condition of the money markets, and the control of Capital Expenditure has been such that the Interest Statement of the year 1928 shows a satisfactory control of all interest charges.

#### **SURPLUS—\$228,236**

In summing up the entire operations of all the Departments for the fiscal year 1928, we find that there has been a total Ordinary Revenue of \$58,426,982 with a total Ordinary Expenditure of \$58,198,746, leaving an excess of Revenue over Expenditure of \$228,236. This represents our surplus on Ordinary Account for the year.

I am pleased to call to the attention of Honourable Members that this has been the second surplus shown in succession which, with over \$3,000,000 applied in debt retirement and a balanced budget, gives evidence of stable and sound financing.

It will be noticed that the Province has changed its position in recent years from an era of deficits to one of surpluses, and the results as above outlined have been accomplished without weakening any public service.



**EXPENDITURE 65 PER CENT. UNCONTROLLABLE**

It might also be noted in the Expenditures for the year that in reality there was a large percentage of uncontrollable payments such as interest on the Public Debt, the debt retirement and discount on bonds, amounting to \$19,615,000. This item is of course entirely beyond any control and has to be met. Then again we have certain outlays that can only be considered as under partial control, such as an item of \$1,340,798 for the Administration of Justice and Revision of Statutes; \$8,000,000 for Education, grants to Universities and Public Schools, etc.; \$280,000 to Public Health; \$2,200,000 for Mothers' Allowances; \$1,000,000 for Superannuation Funds; over \$1,600,000 for grants to Hospitals and Charities, and so on throughout the various Departments, there are certain maintenance charges that cannot be avoided.

These with interest on the Public Debt represent 65 per cent. of our outlay that is beyond control, leaving about \$20,500,000 that might be considered controllable.

**RECENT TAX REDUCTIONS**

Following up the ordinary operations, one might logically make a reference to the taxation during the same period. Taxation of course is one of the chief functions of the Government, having in view always the betterment of Public Service through a minimum of taxation. The policy of the Government is to have a taxation system which is logical and equitable, the guiding principle being ability to pay, and we are at all times watchful that the poor and less fortunate are not expected to carry the burden of the rich in matters of taxation.

The tendency of this Government since coming into power has been to reduce year by year certain tax levies. This has been notable in the cancellation of the billiard room licenses, removal of the luxury tax, removal of a portion of the amusements tax on all admissions up to 25c and a reduction a year ago of \$5.00 on all motor vehicle licenses, also a reduction in race track taxation. There has been a total reduction in taxation over a period of years of over \$3,000,000. There has been indirectly a substantial re-



duction representing practically 1 per cent. on the Capital indebtedness of the Province.

There has been no tax imposed since this Government came into power except the luxury tax which was removed, a small tax on land in unorganized territories (the Provincial Land Tax), and the Gasoline Tax of three cents per gallon in 1925. This has proven to be a very logical tax, and is accepted by the people as being just and equitable, the principle being that those who use the roads have a right to help pay for them.

Besides this of course there must not be forgotten the fact that the proper control of interest charges is reflected in lighter taxation. Much money can be saved in twelve months in the financing of a Province by way of making the best of a good or bad money market or restricting Capital Expenditure. This item is most important as a method of relief to the taxpayer, as interest charges increasing faster than the normal increase in existing taxes must be provided for by increased taxation.

### PROVINCIAL DEBT

Let us now, Mr. Speaker, turn our attention to that all important subject in the consideration of Provincial Finances, the Debt.

The gross debt of Ontario to-day is \$393,747,000; after deducting Assets which are of an income producing or realizable nature, such as advances on account of Hydro, Temiskaming & Northern Ontario Railway and Agricultural and other Loans, we are left with a net Debt of \$173,793,000. These figures represent an increase over last year of approximately \$24,800,000 in the gross debt, and \$16,000,000 in the net, and I may say that such increase in the debt is represented by a corresponding amount of assets.

The gross Debt increase of \$25,000,000 is represented by:

Capital Expenditures during year on Highways, Northern Development, Provincial Lands, Buildings, etc., Less Repayments.....	\$15,700,000
Advances to Hydro, less repayments during year.....	5,500,000
Agricultural and other loans—Advances during year.....	3,500,000

This accounts for the increase in the public debt of twenty-four million dollars last year. Can it be justified? This



is the way the money went. There is your investment. Take Highways alone,—that accounts for eleven and a half millions of dollars, and Northern Development for another two million dollars,—that is to say, between them they have accounted for thirteen and one-half millions of dollars of the fifteen million dollars of Capital Expenditures.

HON. MR. NIXON: That increase of twenty-five million dollars in the public debt does not include the loan issued by the T. and N. O.? Does not that constitute a debt just as much as the other items?

HON. DR. MONTEITH: No, we do not regard that as funded debt. We have faith that they are going to repay it.

The Debt may be greater but the financial status still improved. As we have argued before, a debt is justifiable providing it is under control and you have assets representing such debt. This Government looks upon it as being healthy, sound finance to have not only assets representing its liabilities, but also to control its capital indebtedness by way of systematic retirement out of Ordinary Revenue, so that depreciation of the assets will be cared for and at the expiration of the life-time of many assets the financial obligations incurred therefor will be entirely wiped out. The status of the debt reflects the integrity of your ordinary operations from year to year. It is more or less the barometer of the whole financial field. Any deficit, or surplus of Ordinary Revenue finds its way to the debt as a capital charge or capital credit.

### LONG TERM FINANCING

Our borrowings during the past fiscal year have been very satisfactory. In November, 1927, a \$24,000,000, 30-year, 4½ per cent. issue, maturing serially, cost the Province 4.56. In May, 1928, the first Annuity issue of the Province was floated, being \$30,000,000, 4 per cent. 40-year Debentures, which cost the Province 4.41. Of the total of \$54,000,000, \$34,000,000 was for the purpose of refunding maturing loans and \$20,000,000 new money.

To date the Province has issued three Serial issues, with total annual maturities of \$2,300,000. Also one Annuity issue, with an initial maturity of \$110,000 on "Old" Debt



account and \$217,000 on "New" Debt account. These issues provide convenient maturities to be retired under the retirement policy, and will not be refunded at maturity.

In addition to the above loans, the Niagara Parks and Temiskaming and Northern Ontario Railway Commission each floated a loan during the fiscal year; in each case, guaranteed by the Province, and each in Annuity form, with annual maturities to be retired out of the Revenue of the Commission, and not to be refunded at maturity.

In December, 1927, the Parks Commission issued \$2,000,000, 4 per cent. 20-year Annuity Bonds at a cost of 4.42, and in January, 1928, the Railway Commission floated \$6,000,000, 4 per cent. 40-year Annuity Bonds, at a cost of 4.21, the cheapest long term money secured during the Fiscal Year anywhere in the Dominion, with one exception. Both these issues were handled by the Treasury Department. The average cost of these four issues was 4.455.

The rate of 4.41 obtained on the \$30,000,000 issue compares very favourably with other Provinces and even the Dominion, being the lowest rate secured by any Government during the Fiscal Year for a long term issue excepting one issue of \$5,000,000 by an Eastern Province.

In face of an adverse market, Mr. Speaker, for a great part of the fiscal year there has been a very creditable showing in our long term borrowings. As a matter of fact, when the \$30,000,000 issue was sold in May, time money in New York was 7 per cent. and call money 10 per cent. We were most fortunate in securing such cheap money. Almost immediately thereafter, the bond market took a turn for the worse, from the borrowers' point of view, and has remained unsatisfactory ever since. We fortunately have not been forced into the market.

### SHORT TERM FINANCING

May I now, sir, venture to say a few words regarding Short Term Financing.

There has been considerable short term financing during the fiscal year 1928, by way of Treasury Bills and Bank Credits, and, although the market has been anything but good, we feel assured that we have made the best of a bad



situation caused by the speculative spirit that has gone abroad. During the last eight or nine months the price of money has been very high, although I am free to state that the Banks have treated us very generously, the cost ranging from 4.10 to  $5\frac{3}{4}$  per cent. Of our unfunded debt, \$40,000,000 is borrowed on Treasury Bills for various periods, entailing therefor much activity in this field. As I have said, the speculative spirit of the people has driven money to the Stock Market to such an extent that the demand for high-grade bonds has been considerably diminished. During recent months, due to the high rates obtainable on call money, money has been by no means plentiful for short term financing, although we have been able to get along quite comfortably at what might be considered a reasonable cost. Our recourse is, as will be known, to the Banks of our country, and they have responded most loyally to our needs. The monies we have received from them might easily have netted them, if otherwise utilized, a very much greater return.

We are hoping there will be a return to normal conditions, and an adjustment in the market, which financial men tell us is now long overdue, when our borrowings may be restored to a cost basis somewhat on a par with a year ago. We do not claim to be able to regulate the money market, but what we do claim is that we have succeeded in the fiscal year 1928 in making the best of a good market as well as the poor market.

Let me cite an instance:—In October, 1928, we found ourselves in need of funds with the market in an extremely unfavourable condition—time money in New York  $7\frac{1}{2}$  per cent., call money 10 per cent., and no money available in Canada or New York for less than  $5\frac{1}{2}$  per cent.

At this time we investigated the London market and found that we were able to secure £2,000,000 one year Treasury Bills, costing the Province 5.01 per cent. It will be seen, therefore, that on this transaction the Province saved one-half of one per cent. on \$10,000,000, which meant a saving to the Province of \$50,000. This is an example of making the best of a bad market. The same may be said of other borrowings. In the face of an adverse market, we secured for the whole year our short term financing at an average rate of 4.78 per cent.



Finally, I may state that we still are in hopes that we can hold out of the long term market until there is a keener demand for gilt-edged securities. Our credit at the Banks is good and if we can succeed as we hope in pursuing our course of short term financing, then we shall not be obliged to tie ourselves for a large sum of money at a high cost for a long term of years.

By a thoughtful study of the markets during the fiscal year 1928, for both long and short term financing, considering the amount of loan, when to go into the market, where payable, the length of term, other conflicting issues, etc., we have secured comparatively cheap money, thereby saving large sums in interest charges. We submit, therefore, that our borrowing operations have been eminently successful.

### DEBT RETIREMENT

Mr. Speaker, I shall now turn my attention to the Debt Retirement Scheme, which has been discussed considerably since its introduction.

Our undertaking in 1927 was to pay so much per year off the Debt, starting with \$3,000,000 obtained from Ordinary Revenue of the Province and the Hydro. I think no one will question the wisdom of keeping the debt under control, and that adequate depreciation provision is sound finance. To the present the plan has been met in every particular. In 1927 the debt was reduced by an amount slightly over \$3,000,000. In 1928, an amount somewhat larger has been applied. This has been done without any difficulty, and there is no reason why it should not be continued. Our year's payment on the debt will increase, and this is made possible by the fact that the annual interest charges are reduced year by year. For instance, the \$6,000,000 odd which has been paid on the debt will mean a saving in interest charges. This is turned over and applied to the annual payment from year to year. As the years pass by, therefore, the interest charges are growing less and the payment on the debt greater, so that in forty years, the old debt of 1925 of \$319,000,000 will be paid off. Some have cast doubt on the possibility of carrying out this plan. There can be no doubt whatsoever attached, as we know just how much will be paid off each year, and we know just how much will be taken from



the revenue of the Province to meet this charge. As far as the old debt is concerned, there will be no greater amount than what was taken out of Revenue the first year, namely, \$1,500,000. A like amount will be taken out of the revenue each and every year during the forty years. The annual increase on the Debt payment is made up by the saving in interest as the payments are made from time to time. As regards the "Old" Debt, it will be no more difficult to meet the situation in the last year, 1966, than it was in 1927.

When we come to New Debt, Mr. Speaker, borrowings are being made by the issue of Instalment Bonds, maturing in such a way that the total annual payment of principal and interest together, will be the same throughout the term. As the interest payment decreases each year, the principal payment increases accordingly, and the total payment will be made out of Revenue. With Capital Expenditure controlled to a reasonable figure it will not be impossible to provide the required amount to bring about the situation that this Government has in view. As the new debt accumulates, the requirements, of course, from Ordinary Revenue will grow, but at no time would they be so great that they cannot be met.

As an example, figures have been compiled, based on a net Capital Expenditure of \$10,000,000 per annum, entailing the borrowing of that amount of money at 5 per cent. Borrowings for Hydro Advances are omitted, as the Commission's Sinking Fund would provide for their retirement. In the fortieth year, when charges would be at their peak, the total additional charge on Revenue would be \$3,300,000 to effect retirement in forty years of the \$400,000,000 of "New" Debt borrowed during the period. Adding to this the last instalment to be provided on the "Old" Debt, \$1,400,000, we have a total of \$4,700,000 to be provided out of Revenue in the fortieth year, when the peak would be reached. Thereafter, the "Old" Debt of \$319,000,000 will have been fully paid off, Interest charges and Retirement provision thereon will cease and the Revenues will immediately be relieved of these charges, amounting to some \$17,000,000.

The Provincial Debt would stand at \$276,000,000, representing forty years' borrowings of \$10,000,000 per annum, in various stages of retirement, with annual retirement provision out of Revenue equalling new borrowings. The Debt



would remain constant at \$276,000,000, with Interest and Retirement charges similarly constant, at approximately \$24,000,000 per annum.

Had there been no Retirement Scheme adopted, at the end of forty years, the total debt, with a \$10,000,000 annual Capital Expenditure, would amount to \$719,000,000. This amount at five per cent. would represent an Interest charge of some \$36,000,000. Full retirement provision would only entail an additional charge of approximately \$4,700,000 at the maximum in the fortieth year, falling to \$3,300,000 thereafter.

These figures have been carefully worked out to show how much would be required from the Public Revenues each year to carry out the plan devised. The amount to be devoted to Debt payment is classed with interest as an uncontrollable expenditure, and one which must be provided for.

My object here has been to show that it is not an impossible task, and that the Old Debt can be liquidated and the New Debt under control without an excessive demand on the Revenues of the Province.

### THE ANNUAL BORROWING AUTHORITY

Following the regular practice, I shall shortly be asking this Legislature for authority to take care of the borrowing of the Province until the next Session of the Legislature.

Fifty Million Dollars was the amount authorized during the last Session, and approximately a similar or smaller amount will be included in the Act this year. It is anticipated that about \$50,000,000, with such balances as are left over from other years, will give us ample borrowing powers to cover any necessary refunding or loans on Capital account.

It is interesting to note that the total borrowings since 1920, with the rates of interest applicable to the year, range as follows:—

Year	Amount	Average Cost of Borrowed Money	
1920.....	\$ 52,500,000	6.20	per cent.
1921.....	104,000,000	6.50	“ “
1922.....	77,525,000	5.48	“ “
1923.....	84,000,000	5.381	“ “
1924.....	36,000,000	4.996	“ “
1925.....	33,000,000	4.2665	“ “
1926.....	59,000,000	4.7445	“ “
1927.....	58,440,000	4.5948	“ “
1928.....	58,408,832	4.549	“ “



**FORECAST FOR 1929**

It is the determination of this Government, Mr. Speaker, to continue sound businesslike administration, to adhere strictly to sound bookkeeping methods and regular auditing of Receipts and Expenditures with a proper division of Capital and Ordinary Accounts; intensive attention to the collection of Revenue and control of Expenditure, control of interest charges and the easing of taxation wherever possible; the refunding operations to receive the same close attention as in years gone by, the regular careful control of the public debt, the carrying out of the Debt Retirement scheme by meeting the annual instalments, the third balanced budget to appear at the end of the fiscal year 1929, accompanied by a substantial surplus.

The statements setting forth the Revenue and Expenditure for 1929, which indicate the expectations of the Government in their financial activities as of the present fiscal year, are in the hands of the Honourable Members for their scrutiny and analysis.

The forecast calls for an estimated revenue of \$58,806,000 and expenditure of \$58,608,000—leaving an estimated surplus of \$198,000—I estimate revenue from the Liquor permits at \$900,000 and the profits at \$7,225,000—or \$8,125,000 from that source; Succession Duty, \$4,750,000; Amusements Tax, \$1,000,000. In the Highways Department the estimate is \$15,500,000—over \$3,700,000 more than last year due to the expected normal increase in the revenue of that Department, and to the proposed increase in the tax on gasoline.

Our estimated expenditure, it will be noticed, places our interest charges at \$19,300,000 and we are also providing for a payment of \$1,824,000 towards debt retirement which, with the Hydro portion, will meet the 1929 instalment of over Three Million Dollars.

**SUMMARY OF 1928 FEATURES**

By way of a summary of the financial activities of the fiscal year ending October, 1928, there are a few outstanding features that might be drawn to the attention of the House; first, a second successive balanced budget and a surplus of \$228,000, an era of surpluses replacing one of deficits. Another annual instalment of \$3,000,000 applied in debt retire-



ment in fulfilment of the requirements of the Debt Retirement scheme, making a total of over \$6,000,000 since its inauguration. It will be noticed, therefore, that, so far as the annual debt payment is concerned, the Government has lived up to its undertaking. Both long and short term financing have reflected satisfactory activities in the refunding operations, interest charges have been kept well under control. An outstanding feature in this field is the financing in the London market of a \$10,000,000 loan. Capital Expenditure has been well restricted. The revenues from the Departments generally have been buoyant, public services efficiently and economically maintained, tax levies logical and equitable.

Other outstanding features are the payment of \$1,300,000 into the Treasury by the T. & N.O., which about represents its carrying charges. The Hydro's payments of some \$8,000,000 in interest may also be noted with satisfaction, and \$8,000,000 of revenue from the Liquor Control Act is also a feature of this year's operations. The Savings Offices and Farm Loan Board continue successfully to meet needed services to the people. The balance sheet of the Province shows a substantial excess of Receipts over Expenditures, and our surplus assets are \$33,000,000 over our liabilities.

### CONCLUSION

In conclusion, may I offer the remark that this Government has responded to a certain influence that finds its way into the affairs of every man as well as corporations of all kinds, and that is the psychology which is established by the two simple words in the English language, namely, success and failure. This Government does not think in terms of failure—that word breeds hesitancy, timidity and depression, as well as lack of courage. We may make mistakes, that of course belongs to all human agencies, but I can assure this House that our efforts are never minimized or haunted by failure—we think in terms of success. May I offer the opinion, therefore, that this attitude of thought accounts in a large measure for the fact that another outstanding successful year has been added to the annals of the history of finance in this Province of Ontario.

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STATEMENTS  
OF  
ASSETS AND LIABILITIES  
RECEIPTS AND PAYMENTS  
ETC.  
FISCAL YEAR  
ENDED  
OCTOBER 31st, 1928



## THE GOVERNMENT OF THE

## ASSETS AND LIABILITIES

Page  
No.

## Capital Assets

## REALIZABLE OR INCOME-PRODUCING:

..	DOMINION OF CANADA		
	Capital Account—Capitalized at 5%—		
	Annual Subsidy, B.N.A. Act.....	\$ 4,800,000	00
	Annual Grant, B.N.A. Act.....	45,203,944	00
	Annual (increased) Subsidy, 47 V, Cap. 4...	2,848,289	60
	Common School Fund—(Ontario and Quebec)		
	Ontario's share of fund.....	1,474,483	93
	Quebec Turnpike Trust—(Ontario and Quebec).	3,324	35
		<hr/>	
		\$ 54,330,041	88
49	HYDRO-ELECTRIC POWER COMMISSION—ADVANCES—		
	Hydro System.....	\$145,030,680	86
	Less—		
	Repayment from Sinking Fund	7,568,096	45
		<hr/>	
		\$ 137,462,584	41
	Central Ontario System.....	15,473,235	21
		<hr/>	
		152,935,819	62
..	TEMISKAMING AND NORTHERN ONTARIO RAILWAY—		
	ADVANCES.....	30,207,934	92
50	LOANS TO MUNICIPALITIES, ETC.....	8,450,109	00
		<hr/>	
		\$ 245,923,905	42
50	BUILDINGS, ROADS, ETC.....		151,600,525 34
	ESTIMATED POTENTIAL REVENUE RESOURCES:		
	Log Timber, Pine, Spruce, Poplar, etc..	\$ 241,050,000	00
	Pulpwood Timber, Ties, Poles, etc..	337,200,000	00
	Crown Lands.....	23,000,000	00
	Water Powers.....	55,000,000	00
	Fish, Game and Fur.....	15,000,000	00
	Mines.....	20,000,000	00
		<hr/>	
		\$ 691,250,000	00

TOTAL CAPITAL ASSETS.....\$ 397,524,430 76

## Current Assets

50	CASH IN BANKS.....	\$ 3,176,300	45
51	ACCOUNTS RECEIVABLE.....	4,822,375	16
63	AGRICULTURAL DEVELOPMENT FINANCE ACT—INVEST- MENTS AND CASH.....	20,727,535	19
51	PLANT, LIVESTOCK, STORES AND EQUIPMENT.....	1,523,497	89
		<hr/>	
	TOTAL CURRENT ASSETS.....		30,249,708 69
51	DEFERRED ASSETS.....		93,666 81
51	DISCOUNT ON LOANS.....	\$ 3,180,599	31
		<hr/>	

TOTAL ASSETS.....\$ 427,867,806 26



## PROVINCE OF ONTARIO

AS AT OCTOBER 31st, 1928

Page	Capital Liabilities
No.	

52	ONTARIO STOCK AND DEBENTURES.....	\$ 322,365,844	54
	Deduct—		
58	Registered Stock Sinking Fund.....	2,251,041	13
		<u>\$ 320,114,803</u>	41
..	UNIVERSITY OF TORONTO CERTIFICATES.....	210,000	00
59	RAILWAY AID—CERTIFICATES AND ANNUITIES.....	1,900,459	20
54	CONTINGENT LIABILITIES:		
	Bonds, etc., guaranteed by the Prov-		
	ince.....	<u>\$ 62,669,215</u>	09

NOTE:—The Hydro-Electric Power Commission has deposited with the Province, Ontario Bonds of par value of \$366,000 on account of Sinking Fund for repayment of advances, in excess of cash payments called for under the Debt Retirement Plan.

TOTAL CAPITAL LIABILITIES.....	<u>\$ 322,225,262</u>	61
--------------------------------	-----------------------	----

## Current Liabilities

..	TEMPORARY LOANS—TREASURY BILLS.....	\$ 40,173,333	33
50	DUE TO BANKS.....	409,608	19
53	PROVINCE OF ONTARIO SAVINGS OFFICE—DEPOSITS.....	19,844,106	02
53	ACCOUNTS PAYABLE.....	681,564	85
..	ACCRUED INTEREST ON PUBLIC DEBT.....	5,138,283	26
53	SPECIAL FUNDS.....	5,641,369	94
		<u>71,888,265</u>	59
	TOTAL CURRENT LIABILITIES.....		
		<u>\$ 394,113,528</u>	20

## DEBT RETIREMENT RESERVE:

Amount provided out of Ordinary Revenue to date	
in accordance with Debt Retirement Plan.....	<u>\$ 3,443,620</u>
	22

BALANCE—Excess of Total Assets over Total Liabilities.....	33,754,278	06
	<u>\$ 427,867,806</u>	26



Statement  
REVENUE AND  
Fiscal Year ended

Page No.	State-ment No.	Departments	Ordinary	Capital	Total
		REVENUE	\$ c.	\$ c.	\$ c.
16	2	Prime Minister.....	2,797,960 36		2,797,960 36
16	3	Legislation.....	49,121 08		49,121 08
17	4	Attorney-General.....	7,767,417 92		7,767,417 92
18	5	Insurance.....	162,962 26		162,962 26
18	6	Education.....	524,020 88		524,020 88
19	7	Lands and Forests.....	3,557,462 69	1,183,766 62	4,741,229 31
20	8	Northern Development.....	3,069 96	61,758 11	64,828 07
21	9	Mines.....	894,307 04	73,936 80	968,243 84
22	10	Game and Fisheries.....	732,808 75	451 00	733,259 75
22	11	Public Works.....	61,164 99	90,637 18	151,802 17
23	12	Public Highways.....	11,758,004 74	1,577,884 60	13,335,889 34
25	13	Health.....	130,061 45		130,061 45
25	14	Labour.....	1,091,707 15		1,091,707 15
27	15	Provincial Treasurer.....	15,702,639 64		15,702,639 64
41	16	Provincial Secretary.....	2,306,388 54		2,306,388 54
44	17	Agriculture.....	517,001 22		517,001 22
46	18	Interest on loans, etc.....	10,370,883 98		10,370,883 98
		TOTAL REVENUE.....	58,426,982 65	2,988,434 31	61,415,416 96

RECAPI  
ORDINARY REVENUE

Ordinary Revenue as above.....  
Ordinary Expenditure as per contra.....  
Surplus of Ordinary Revenue over Ordinary

CONSOLIDATED  
Fiscal Year ended

Page No.	RECEIPTS	
..	Balance in Banks—November 1st, 1927.....	\$638,315 81
	Revenue as above—	
	Ordinary.....	\$58,426,982 65
	Capital.....	2,988,434 31
		61,415,416 96
47	Public Debt—	
	Proceeds of Bond and Treasury Bill Issues, etc.....	\$102,203,987 75
48	Loan Repayments—Municipalities:	
	Hydro-Electric Power Comission, etc.....	4,881,255 01
48	Special Funds—Deposits.....	2,609,538 36
		109,694,781 12
		\$171,748,513 89



No. 1

## EXPENDITURE

October 31st, 1928

Page No.	Departments	Ordinary	Capital	Total
	EXPENDITURE	\$ c.	\$ c.	\$ c.
A2	Lieutenant-Governor's Office.....	5,025 00		5,025 00
B2	Prime Minister.....	162,053 47	740,247 00	902,300 47
C2	Legislation.....	357,106 13		357,106 13
D2	Attorney-General.....	2,132,711 16		2,132,711 16
E2	Insurance.....	52,724 76		52,724 76
F2	Education.....	10,052,814 57	148,799 86	10,201,614 43
G2	Lands and Forests.....	1,736,923 12	1,120,312 33	2,857,235 45
H2	Northern Development.....	2,087,566 31	2,153,274 42	4,240,840 73
I2	Mines.....	331,975 45	1,071 59	333,047 04
J2	Game and Fisheries.....	471,829 48	46,225 48	518,054 96
K2	Public Works.....	867,849 61	1,342,855 96	2,210,705 57
L2	Public Highways.....	4,578,448 17	13,121,501 72	17,699,949 89
M2	Health.....	737,538 91		737,538 91
N2	Labour.....	2,644,191 81		2,644,191 81
O2	Provincial Treasurer.....	1,891,863 87		1,891,863 87
P2	Provincial Auditor.....	100,026 68		100,026 68
Q2	Provincial Secretary.....	7,425,396 20		7,425,396 20
R2	Agriculture.....	2,494,257 42	5,000 00	2,499,257 42
S2	Miscellaneous.....	421,640 67	754 92	422,395 59
S7	Stationery Account.....	30,914 10		30,914 10
	(Excess of purchases over distribution to Departments during year).			
O5	Public Debt—Interest and Debt Retirement.....	19,615,889 32		19,615,889 32
	TOTAL EXPENDITURES.....	58,198,746 21	18,680,043 28	76,878,789 49

## TULATION

## AND EXPENDITURE

.....	\$58,426,982 65
.....	58,198,746 21
Expenditures for the year.....	\$228,236 44

## REVENUE FUND

October 31st, 1928

Page No.	PAYMENTS		
	Expenditure as above—		
	Ordinary.....	\$58,198,746 21	
	Capital.....	18,680,043 28	
			\$76,878,789 49
T1	Public Debt—		
	Bonds and Treasury Bills, etc., matured and paid.....	\$77,896,850 00	
T1	Loans Advanced—Municipalities:		
	Hydro-Electric Power Commission, etc.....	13,369,305 22	
T1	Special Funds—Repayments.....	833,574 66	
			92,099,729 88
	Balance—		
50	In Banks (net)—October 31st, 1928.....	\$2,766,692 26	
	Returned cheques held for collection, etc.....	3,302 26	
			2,769,994 52
			\$171,748,513 89



**STATEMENT No. 1 (a)**  
**COMPARATIVE STATEMENT OF ORDINARY REVENUE AND EXPENDITURE**  
**Fiscal Years 1923-1928**

DEPARTMENT	ORDINARY REVENUE											
	1923		1924		1925		1926		1927		1928	
	\$	c.	\$	c.	\$	c.	\$	c.	\$	c.	\$	c.
Lieutenant-Governor.....												
Prime Minister.....			10	00	153,657	99	473,064	05	546,825	87	2,797,960	36
Legislation.....	18,340	66	21,560	64	31,421	29	17,811	68	21,501	59	49,121	08
Attorney General.....	1,611,216	40	1,888,470	66	1,797,696	49	1,743,726	10	4,827,148	06	7,767,417	92
Insurance.....	131,533	28	131,376	15	143,367	52	144,572	33	152,590	23	162,962	26
Education.....	483,385	93	571,556	83	602,871	33	530,082	52	628,282	77	524,020	88
Lands and Forests.....	1,993,448	40	3,335,206	03	3,555,006	92	3,281,329	58	3,445,763	21	3,557,462	69
Northern Development.....					4,639	38	395	84	4,092	38	3,069	96
Mines.....	562,872	25	593,218	15	572,717	68	799,837	67	796,084	17	894,307	04
Game and Fisheries.....	621,148	08	667,233	46	709,455	73	682,063	32	721,576	25	732,808	75
Public Works.....	14,473	89	22,506	25	10,295	31	17,691	83	16,138	60	61,164	99
Public Highways.....	4,525,928	14	5,498,028	75	8,482,939	96	10,416,491	30	10,469,820	30	11,758,004	74
Health.....			83,305	49	118,913	49	162,344	17	136,592	29	130,061	45
Labour.....	758,360	83	906,414	28	912,679	73	940,250	65	1,043,300	16	1,091,707	15
Provincial Treasurer.....	13,490,008	29	15,172,277	78	17,449,932	01	19,379,827	24	20,647,488	26	15,702,639	64
Provincial Auditor.....												
Provincial Secretary.....	1,226,520	52	1,449,662	57	1,426,757	29	1,805,545	92	1,886,545	31	2,306,388	54
Agriculture.....	339,084	19	476,132	72	445,127	72	483,317	01	545,929	02	517,001	22
Miscellaneous.....												
Stationery.....			2,755	47					32,916	44		
Total—Excluding Interest..	25,776,320	86	30,819,715	23	36,417,479	84	40,878,351	21	45,922,594	91	48,056,098	67
Interest.....	8,333,891	76	9,721,208	42	10,185,323	67	9,962,691	68	10,383,629	60	10,370,883	98
Deficiency.....	34,110,212	62	40,540,923	65	46,602,803	51	50,841,042	89	56,306,224	51	58,426,982	65
	15,195,226	53	8,468,764	51	5,107,364	99	812,140	31				
	49,305,439	15	49,009,688	16	51,710,168	50	51,653,183	20	56,306,224	51	58,426,982	65



# ORDINARY EXPENDITURE

DEPARTMENT	1923		1924		1925		1926		1927		1928	
	\$	c.	\$	c.	\$	c.	\$	c.	\$	c.	\$	c.
Lieutenant-Governor.....	5,400	00	5,400	00	5,450	00	5,450	00	5,450	00	5,025	00
Prime Minister.....	1,649,451	61	1,282,233	37	327,473	97	649,104	11	255,522	43	162,053	47
Legislation.....	457,531	34	314,867	38	365,933	51	343,757	24	366,049	08	357,106	13
Attorney General.....	2,343,299	32	2,201,069	48	2,510,723	12	2,004,449	59	2,479,317	61	2,132,711	16
Insurance.....	46,227	96	41,431	14	48,621	99	42,363	58	52,288	46	52,724	76
Education.....	9,835,581	26	9,283,487	65	9,259,464	03	9,190,734	39	9,514,789	22	10,052,814	57
Lands and Forests.....	1,510,878	20	1,263,128	31	1,664,453	20	1,708,365	61	1,762,231	60	1,736,923	12
Northern Development.....	1,404,139	69	1,384,317	16	1,390,824	68	1,661,028	28	1,823,918	35	2,087,566	31
Mines.....	315,454	77	324,408	66	278,115	27	291,400	07	334,972	31	331,975	45
Game and Fisheries.....	356,672	04	323,985	29	357,476	46	401,304	43	434,752	12	471,829	48
Public Works.....	1,000,640	21	850,000	31	805,181	26	749,815	65	822,120	06	867,849	61
Public Highways.....	3,302,950	41	3,001,235	05	3,534,911	91	3,348,816	90	4,196,708	58	4,578,448	17
Health.....	513,936	77	554,721	57	606,306	58	646,967	15	682,080	65	737,538	91
Labour.....	2,124,433	61	2,104,016	68	2,299,403	04	2,318,360	52	2,455,963	65	2,644,191	81
Provincial Treasurer.....	2,156,828	30	2,025,171	41	2,134,584	17	2,218,874	41	1,882,819	55	1,891,863	87
Provincial Auditor.....	60,886	51	72,953	83	89,862	90	100,567	31	103,024	03	100,026	68
Provincial Secretary.....	6,084,987	15	5,438,647	49	6,216,616	65	6,008,048	64	6,547,780	81	7,425,396	20
Agriculture.....	1,996,823	18	2,137,832	36	2,239,616	86	2,240,910	78	2,339,409	12	2,494,257	42
Miscellaneous.....	156,307	34	84,069	31	77,926	90	173,895	83	339,511	09	421,640	67
Stationery.....					11,056	22	46,766	01			30,914	10
Total—Excluding Interest	35,322,429	67	32,692,976	45	34,224,002	72	34,150,980	50	36,398,708	72	38,582,856	89
Interest, Debt Retirement, ..	13,983,009	48	16,316,711	71	17,486,165	78	17,502,202	70	19,548,292	40	19,615,889	32
Discount on Loans, etc.												
Surplus of Ordinary Revenue.	49,305,439	15	49,009,688	16	51,710,168	50	51,653,133	20	55,947,001	12	58,198,746	21
									359,223	39	228,236	44
	49,305,439	15	49,009,688	16	51,710,168	50	51,653,183	20	56,306,224	51	58,426,982	65



**Statement No. 1 (b)**  
**COMPARATIVE STATEMENT OF CAPITAL REVENUE AND EXPENDITURE**  
**Fiscal Year, 1923-1928**

DEPARTMENT	CAPITAL REVENUE					
	1923	1924	1925	1926	1927	1928
	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.
Lands and Forests.....	708,516 86	1,181,037 52	1,458,860 93	1,205,139 36	1,218,661 82	1,183,766 62
Northern Development.....	67,995 62	103,419 30	40,190 32	64,156 86	35,199 82	61,758 11
Mines.....			40,694 28	38,578 14	43,709 26	73,936 80
Game and Fisheries.....						451 00
Public Works.....			6,929 85	34,473 43	33,412 63	90,637 18
Public Highways.....	1,652,528 08	3,657,117 71	5,757,238 19	1,802,719 71	1,417,179 20	1,577,884 60
Provincial Treasurer.....				2,150 00		
Agriculture.....			3,175 00	3,000 00		
Miscellaneous.....	67,410 65					
	2,496,451 21	4,941,574 53	7,307,088 57	3,150,217 50	2,748,162 73	2,988,434 31

DEPARTMENT	CAPITAL EXPENDITURE					
	1923	1924	1925	1926	1927	1928
	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.	\$ c.
Prime Minister.....					1,100,000 00	740,247 00
Attorney General.....		2,720 00				
Education.....	202,200 00	307,532 80	172,256 76	142,875 67	100,937 85	148,799 86
Lands and Forests.....	1,416,327 28	881,757 32	710,186 19	745,366 23	764,914 47	1,120,312 33
Northern Development.....	2,563,782 05	2,106,604 00	2,546,758 04	2,429,800 63	2,682,215 76	2,153,274 42
Mines.....			7,748 18	9,116 45	4,098 35	1,071 59
Game and Fisheries.....	34,750 15	14,680 74	22,725 25	50,434 23	57,720 76	46,225 48
Public Works.....	1,600,324 63	1,306,306 47	2,186,033 80	2,256,456 29	1,353,973 85	1,342,855 96
Public Highways.....	19,206,120 46	8,131,024 80	9,349,890 18	8,170,060 39	9,762,557 65	13,121,501 72
Provincial Treasurer.....	53,558 00	15,441 80		44,500 00	1,700 00	
Provincial Secretary.....		22,200 65	10,788 30	13,629 84		
Agriculture.....			18,713 64	5,312 30		5,000 00
Miscellaneous.....					345 72	754 92
	25,077,062 57	12,788,268 58	15,025,100 34	13,867,552 03	15,828,464 41	18,680,043 28



**Statement No. 1 (c)**  
**PUBLIC DEBT, LOANS AND SPECIAL FUNDS**  
**Comparative Statement of Principal Receipts and Payments**  
**Fiscal Years 1923-1928**

	RECEIPTS					
	1923	1924	1925	1926	1927	1928
Public Debt:						
Bonds, Treasury Bills, etc..	\$ 76,030,667 c. 76	\$ 65,543,842 c. 51	\$ 47,949,876 c. 50	\$ 58,021,527 c. 65	\$ 63,202,159 c. 57	\$ 102,203,987 c. 75
Loans to Municipalities, Hydro, etc.....	1,079,063 94	3,434,098 73	1,117,543 04	6,526,740 82	3,985,689 11	4,881,255 01
Special Funds.....	337,280 01	635,905 44	721,788 33	952,726 41	2,187,215 97	2,609,538 36
Total.....	77,447,011 71	69,613,846 68	49,789,207 87	65,500,994 88	69,375,064 65	109,694,781 12

	PAYMENTS					
	1923	1924	1925	1926	1927	1928
Public Debt:						
Bonds, Treasury Bills, etc..	\$ 19,316,198 c. 14	\$ 26,375,415 c. 86	\$ 49,906,601 c. 15	\$ 43,230,768 c. 10	\$ 47,485,000 c. 00	\$ 77,896,850 c. 00
Loans to Municipalities, Hydro, etc.....	17,939,630 73	23,221,447 53	12,565,471 15	6,649,732 80	9,102,743 76	13,369,305 22
Special Funds.....	677,090 75	25,502 68	266,074 58	240,878 36	745,670 22	833,574 66
Total.....	37,932,919 62	49,622,366 07	62,738,146 88	50,121,379 26	57,333,413 98	92,099,729 88



## CAPITAL RECEIPTS AND EXPENDITURE

Fiscal Year Ended October 31st, 1928

## Receipts

## LANDS AND FORESTS:

Land Collections—75 per cent.....	\$79,390 49
Bonus and Timber Dues—30 per cent.....	1,094,553 43
Reforestation.....	8,075 76
Surveys.....	1,746 94

\$1,183,766 62

NORTHERN DEVELOPMENT: Assistance to Settlers—Repayments.....

61,758 11

MINES: Mining Land Sales.....

73,936 80

GAME AND FISHERIES: Experimental Fur Farm—Sale of Pelts.....

451 00

PUBLIC WORKS: Sale of Property, Materials, etc.....

90,637 18

PUBLIC HIGHWAYS: County, Township and Suburban Area—Repayments, etc.....

1,577,884 60

\$2,988,434 31

## Expenditure

PRIME MINISTER: Bonus, Rural Power Transmission Lines.....

\$740,247 00

## EDUCATION:

Guaranteed Debentures—Robillard &amp; Truax.....

\$130 78

University of Toronto—Buildings.....

79,710 65

University of Toronto—Buildings (University Aid Act).....

13,480 75

University of Toronto—Buildings (University Lands Act).....

52,157 68

Ontario School for Deaf—School Equipment.....

3,320 00

148,799 86

## LANDS AND FORESTS:

Surveys.....

\$111,849 43

Forest Ranging.....

187,399 42

Expenditure under Forestry Act.....

44,933 20

Parks.....

1,059 92

Reforestation.....

375,187 82

Forest Research.....

784 60

Fire Ranging.....

201,462 74

Insect Control—Equipment.....

15,088 75

Clearing Townsites.....

71,075 34

Statutory Refunds, Crown Dues and Wild Lands.....

596 73

Lac Seul Storage Dam.....

100,000 00

Long Point Provincial Park Road.....

10,149 38

Allowances to School Sections.....

700 00

Crown Agent's Offices.....

25 00

1,120,312 33

## NORTHERN DEVELOPMENT:

Colonization Roads.....

\$215,613 88

Roads—(Statutory).....

1,914,330 19

Assistance to Settlers.....

23,330 35

2,153,274 42

## MINES:

Erecting Dam—26 Mile Creek—Temiskaming.....

\$921 59

Temiskaming Testing Laboratories—Equipment.....

150 00

1,071 59

## GAME AND FISHERIES:

Boats and Boathouses.....

\$7,440 28

Game, Animals and Birds.....

683 50

Ponds and Buildings, etc.....

35,781 70

Chapleau Game Preserve—Purchase of Indian Reserves.....

2,320 00

46,225 48

## PUBLIC WORKS:

Public Buildings.....

\$1,078,000 18

Public Works.....

127,528 26

Drainage Aid.....

16,846 00

Purchase of Property.....

120,481 52

1,342,855 96

PUBLIC HIGHWAYS: Road Construction.....

13,121,501 72

AGRICULTURE: Vimy Ridge Farm Equipment.....

5,000 00

## MISCELLANEOUS:

Land Improvement Fund—Municipalities.....

290 52

Ridgetown Experimental Farm—Tile Drainage Taxes Commuted.....

464 40

\$18,680,043 28



## Statement No. 19

## PUBLIC DEBT

## Statement Showing Proceeds of Loans for the Fiscal Year 1928

## BOND ISSUES—

Series "AK", 17 Geo. V, Cap. 2, and R.S.O. 1914, Cap. 21—

4½% 30-year Instalment Serial due \$800,000 per annum, November 1st, 1928-1957.

Payable Canada, New York and London.

Par value.....\$24,000,000 00

Less Discount.....\$166,082 40

Deposit with tender received October 26th, 1927.....240,000 00

406,082 40

\$23,593,917 60

Series "AL", 16 Geo. V, Cap. 6, and R.S.O. 1927, Cap. 23, and 18 Geo. V, Cap. 6.

4% 40-year Instalment Annuity due in varying amounts per annum, 15th May, 1929-1968

Payable Canada, New York and London.

Par value.....\$30,000,000 00

Less Discount.....1,770,000 00

28,230,000 00

## TREASURY BILLS—

Series "AL", 14 Geo. V, Cap. 9, and R.S.O. 1927, Cap. 23—

5% 1-year, due 1st February, 1929.

Payable Toronto (Canteen Fund Committee).

Par value.....940,000 00

Series "AS", R.S.O. 1927, Cap. 39—

6 months, due May 31st, 1928.

Payable Toronto (Discount at 4¼%).

Par value.....10,000,000 00

Series "AT", R.S.O. 1927, Cap. 23—

4% 9 months, due December 14th, 1928.

Payable New York.

Par value.....\$ 5,000,000 00

Less Discount.....4,000 00

4,996,000 00

Series "AU", R.S.O. 1927, Cap. 57—

4% 9 months, due December 15th, 1928.

Payable Toronto.

Par value.....\$ 5,000,000 00

Less Discount.....12,700 00

4,987,300 00

Series "AV", R.S.O. 1927, Cap. 23—

4¼% 1-year, due May 26th, 1929.

Payable Toronto.

Par value.....\$ 5,000,000 00

Less Discount.....24,000 00

4,976,000 00

Series "AW", R.S.O. 1927, Cap. 57—

5% 6 months, due January 30th, 1929.

Payable Toronto.

Par value.....10,000,000 00

Series "AX", R.S.O. 1927, Cap. 23—

5¾% 3 months, due December 14th, 1928.

Payable Toronto.

Par value.....4,500,000 00

Series "AY", R.S.O. 1927, Cap. 57.

1-year, due October 1st, 1929.

Payable London, England.

Par value.....£2,000,000 \$9,733,333 33

Discount (4¾) stamp duty and commission.....479,366 67

9,253,966 66

## PROVINCE OF ONTARIO SAVINGS OFFICE—

Amount deposited with the Provincial Treasurer.....

726,803 49

\$102,203,987 75

## Payments for Fiscal Year 1928

## BONDS AND STOCKS MATURED—

Series "TU" \$3,000,000 6 % due February 1st, 1928.....\$ 2,993,600 00

" " "VWX" 4,250,000 6 % due May 15th, 1928.....4,240,500 00

" " "Y" 1,750,000 6 % due August 15th, 1928.....1,723,600 00

" " "JJ" 5,000,000 5½% due March 1st, 1925.....2,000 00

" " "PP" 5,000,000 6 % due November 15th, 1927.....4,997,000 00

" " "AH" 21,000,000 4½% due December 1st, 1927.....700,000 00

" " "AJ" 24,000,000 4½% due January 15th, 1928.....800,000 00

" " — 9,350,000 5 % due on demand.....9,350,000 00

Stock 525,000 6 % due November 1st, 1927.....150,000 00

\$24,956,700 00

## TREASURY BILLS MATURED—

Series "AF" \$15,000,000 4 % due May 26th, 1928.....\$15,000,000 00

" " "AL" 940,000 5 % due February 1st, 1928.....940,000 00

" " "AO" 10,000,000 4½% due November 26th, 1927.....10,000,000 00

" " "AO" 5,000,000 4½% due May 26th, 1928.....5,000,000 00

" " "AP" 2,000,000 4-2/5% due March 1st, 1928.....2,000,000 00

" " "AQ" 5,000,000 4¼% due March 15th, 1928.....5,000,000 00

" " "AR" 5,000,000 4¼% due September 14th, 1928.....5,000,000 00

" " "AS" 10,000,000 4¼% due May 31st, 1928.....10,000,000 00

52,940,000 00

## Succession Duty Free Bonds purchased—

Series "A" 4% due June 1st, 1939.....

150 00

\$77,896,850 00



## BUDGET ADDRESS

## LOANS TO MUNICIPALITIES, ETC.

## Receipts and Payments for Fiscal Year 1928

	Receipts	Payments
PRIME MINISTER'S DEPARTMENT—		
Hydro-Electric Power Commission—Advances.....	\$2,399,005 19	\$7,848,918 00
NORTHERN DEVELOPMENT—		
Settlers' Loans.....	92,274 21	53,625 00
PROVINCIAL TREASURER—		
Agricultural Development Board—Debentures.....	1,000,000 00	5,050,000 00
Tile Drainage Loans.....	105,632 41	374,200 00
Municipal Drainage Loans.....	37,122 57	2,611 88
Farm Loans.....	37,848 50	34,775 00
Municipal Debentures.....	1,432 00	5,175 34
Highway Loans.....	1,880 00	.....
Dominion of Canada Victory Bonds.....	776,812 50	.....
Soldiers' Aid Commission.....	3,691 88	.....
Seed Grain Loans.....	467 13	.....
PROVINCIAL SECRETARY—		
Housing Loans.....	424,829 60	.....
AGRICULTURE—		
J. Brillouin—On account of mortgage.....	259 02	.....
	<u>\$4,881,255 01</u>	<u>\$13,369,305 21</u>



## SPECIAL FUNDS

## Receipts and Payments for Fiscal Year 1928

	Receipts	Payments
<b>PRIME MINISTER'S DEPARTMENT—</b>		
Ontario Public Service Superannuation Fund.....	\$696,545 02	\$297,711 92
<b>PROVINCIAL TREASURER—</b>		
Municipal Sinking Funds.....	121,115 58	101,076 94
Surplus Registry Office Fees.....	54,612 78	62,365 57
Toronto Registry Office—Assurance Fund.....	2,954 38	.....
Suspense Account (Refund).....	200 73	.....
Debt Redemption Reserve.....	1,642,062 04	.....
<b>AGRICULTURE—</b>		
Vimy Ridge Farm—Boys' Trust Fund.....	17,463 67	.....
<b>INTEREST ACCOUNT—</b>		
Reserve for Farm Loans.....	74,985 62	.....
FEDERAL SUBSIDY FOR AGRICULTURE.....	.....	13,196 84
<b>SURPLUS REVENUE, 1927—</b>		
Applied to Debt Retirement.....	.....	359,223 39
	<u>\$2,609,538 36</u>	<u>\$833,574 66</u>



## HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO

Amount advanced to October 31st, 1928

	Hydro System	Central Ontario System	Total
Amount advanced on Capital Account to October 31st, 1927.....	\$138,698,793 40	\$14,937,680 41	\$153,636,473 81
Advances during current year—See page 12....	6,978,918 00	870,000 00	7,848,918 00
Refund of capital advances not required—See page 12.....	\$145,677,711 40 647,030 54	\$15,807,680 41 334,445 20	\$161,485,391 81 981,475 74
Total advances to date.....	\$145,030,680 86	\$15,473,235 21	\$160,503,916 07
Repayments from Sinking Fund under Debt Retirement Plan—			
Fiscal year 1926.....	\$4,812,000 00	.....	\$4,812,000 00
Fiscal year 1927.....	1,338,567 00	.....	1,338,567 00
Fiscal year 1928.....	1,417,529 45	.....	1,417,529 45
Total repayments to date.....	\$7,568,096 45	.....	\$7,568,096 45
Net amount advanced to October 31st, 1928 .....	\$137,462,584 41	\$15,473,235 21	\$152,935,819 62
Province of Ontario Bonds representing Sinking Fund investments, deposited as security for repayment of advances.....	\$366,000 00	.....	\$366,000 00



## LOANS TO MUNICIPALITIES, ETC.

As at October 31st, 1928

Housing Loans.....	\$	5,809,910	72
Drainage Debentures—			
Municipal Drainage Aid Act.....	\$	281,663	73
Tile Drainage Act.....		1,696,155	32
			1,977,819 05
Settlers' Loans.....			572,500 96
Municipal Debentures—			
Town of Cochrane.....	\$	33,514	06
Township of Whitney.....		17,147	85
Village of Eganville.....		7,470	25
			58,132 16
Soldiers' Aid Commission.....			22,191 62
J. Brillon—Mortgage.....			7,048 61
Co-operative Marketing Loan Act.....			1,450 00
School Board—Guaranteed Debentures—Robillard and Truax.....			1,055 88
	\$	8,450,109	00

## BUILDINGS, ROADS, ETC.

As at October 31st, 1928

Provincial Buildings and Lands.....	\$	36,100,409	92
Improvements to Highways, 1919-1928.....		90,979,647	98
Northern Development—Roads and Farms, 1919-1928.....		17,781,532	68
Colonization Roads, 1919-1928.....		2,843,421	68
Niagara Parks Commission—Surplus of Assets.....		2,028,204	98
Hydro Power Plant—Monteith.....		27,061	10
Rural Power Transmission Lines—Bonus 1927 and 1928.....		1,840,247	00
	\$	151,600,525	34



## BANK BALANCES

As at October 31st, 1928

## BALANCES DUE BY BANKS—

Dominion.....	\$ 193,368 02
Home (in liquidation).....	425,000 00
Imperial.....	82,782 59
Montreal, Toronto.....	49,915 78
Montreal, London, England.....	10,930 03
Montreal, New York.....	1,455,217 94
Nova Scotia.....	828,056 38
Standard.....	33,282 78
Toronto.....	97,746 93
	<hr/>
	\$ 3,176,300 45

## BALANCES DUE TO BANKS—

Commerce.....	\$ 182,061 75	
Royal.....	227,546 44	
	<hr/>	409,608 19
		<hr/>
		\$ 2,766,692 26

## ACCOUNTS RECEIVABLE

As at October 31st, 1928

Lands and Forests—Crown Lands and Interest.....	\$ 908,227 05
Northern Development—Unexpended balances and notes outstanding.....	272,885 92
Highways—Municipalities, etc.....	1,811,131 60
Public Institutions—Maintenance of Patients, etc.....	335,063 53
Sale of Central Prison and Toronto Asylum—balance.....	473,320 00
Succession Duties.....	328,000 00
Mothers' Allowances—Municipalities.....	119,525 45
Public Service Superannuation Fund—Employees, 1928.....	37 03
Agricultural Development Board—Accrued Debenture Interest.....	564,029 00
Returned cheques held for collection.....	10,155 58
	<hr/>
	\$ 4,822,375 16



**PLANT, LIVESTOCK, STORES AND EQUIPMENT****As at October 31st, 1928**

Public Institutions.....	\$ 1,234,153 68
King's Printer—Stationery Stock.....	66,613 09
Department of Agriculture.....	143,839 39
Department of Health.....	10,000 00
Department of Public Highways.....	68,891 73
	<u>\$ 1,523,497 89</u>

**DEFERRED ASSETS****As at October 31st, 1928**

Town of Matheson—	
Debentures and Interest paid under Debenture Guarantee Act.....	\$ 39,764 58
Ottawa Separate Schools Commission—	
Promissory Notes paid.....	53,902 23
	<u>\$ 93,666 81</u>

**DISCOUNT ON LOANS, 1926-1928**

	Balance October 31st, 1927	Charged off during year	Balance October 31st 1928
<b>Treasury Bills—</b>	\$ c.	\$ c.	\$ c.
Series "A.O."—1 year due May 26, 1928.....	3,625 00	3,625 00	.....
" "A.R." 1 year " September 14, 1928.....	10,937 50	10,937 50	.....
" "A.S." 6 months " May 31, 1928.....	.....	213,082 19	.....
" "A.T." 9 months " December 14, 1928.....	.....	3,238 00	762 00
" "A.U." 9 months " December 15, 1928.....	.....	10,215 22	2,484 78
" "A.V." 1 year " May 26, 1929.....	.....	10,000 00	14,000 00
" "A.Y." 1 year " October 1, 1929....	.....	39,947 22	439,419 45
	<u>14,562 50</u>	<u>291,045 13</u>	<u>456,666 23</u>
<b>Debenture Issues refunding maturities of Issues prior to October 31st, 1925:</b>			
Series "A.J."—30 years due 1956.....	641,828 00	22,132 00	619,696 00
" "A.K." 30 years " 1957.....	.....	5,536 08	160,546 32
" "A.L." 38 years " 1966.....	.....	7,310 00	548,175 00
	<u>641,828 00</u>	<u>34,978 08</u>	<u>1,328,417 32</u>
<b>Premium on Bonds and Stock purchased for redemption.....</b>	<u>198,073 78</u>	<u>17,073 02</u>	<u>181,000 76</u>
	<u>854,464 28</u>	<u>343,096 23</u>	<u>1,967,084 31</u>
<b>Debenture Issues—New Debt since October 31st, 1925—</b>			
Discount provided for by payment of annuity maturities out of Ordinary Revenue.....			
Series "A.L."—40 years due 1968.....	.....	.....	1,214,515 00
			<u>\$3,181,599 31</u>



## PROVINCE OF ONTARIO—STOCK AND DEBENTURES

Maturity	Nature	Date of Issue	Rate	Amount of Issue	Redeemed and Cancelled	Amount Outstanding Public
1928, Nov. 1..... (1927-8-9)..... Nov. 1..... (1928-1957).....	Stock Ser. Bonds	Nov. 1, 1921 Nov. 1, 1927	6 4½	\$ 525,000 24,000,000	\$ 150,000	\$ 375,000 24,000,000
Dec. 1..... (1926-1955).....	Ser. Bonds	Dec. 1, 1925	4½	21,000,000	1,400,000	19,600,000
Jan. 15..... (1928-1957).....	Ser. Bonds	Jan. 15, 1927	4½	24,000,000	800,000	23,200,000
1929, May 15..... (1929-1968).....	Annuity	May 15, 1928	4	30,000,000		30,000,000
Sept. 23.....	Bonds	Sept. 23, 1919	5½	4,000,000		4,000,000
Dec. 1.....	Bonds	Dec. 1, 1919	5½	3,000,000		3,000,000
1930, Jan. 1.....	Bonds	Jan. 1, 1909	5½	3,000,000		3,000,000
June 15.....	Bonds	June 15, 1920	6	8,000,000	96,500	7,903,500
Oct. 31.....	Bonds	Oct. 30, 1920	6	2,000,000		2,000,000
1935, April 1.....	Bonds	April 1, 1920	6	2,000,000	14,000	1,986,000
Dec. 1.....	Bonds	Dec. 1, 1920	6	16,000,000	692,000	15,308,000
1936, May 2.....	Bonds	May 2, 1921	6	15,000,000	558,500	14,441,500
July 1.....	B & S	July 1, 1906	3½	2,684,500	2,336,500	348,000
1937, Jan. 3.....	Bonds	Jan. 3, 1922	5½	15,000,000		15,000,000
1939, June 1.....	B & S	June 1, 1909	4	1,150,000		1,150,000
June 1.....	B & S	June 1, 1909	4	3,500,000	2,834,050	665,950
1941, Feb. 1.....	Bonds	Feb. 1, 1921	6	10,000,000	339,500	9,660,500
May 1.....	B & S	May 1, 1911	4	498,600	274,600	224,000
Nov. 1.....	B & S	Nov. 1, 1921	4	3,000,000	1,811,600	1,188,400
1942, Oct. 1.....	Bonds	Oct. 2, 1922	5	20,000,000		20,000,000
Dec. 1.....	Bonds	Dec. 1, 1922	5½	20,000,000	1,266,500	18,733,500
1943, Sept. 15.....	Bonds	Sept. 15, 1921	6	15,000,000	11,000	14,989,000
Sept. 17.....	Bonds	Sept. 15, 1921	6	15,000,000	352,000	14,648,000
1944, Sept. 1.....	Bonds	Sept. 1, 1924	4½	20,000,000	800,000	19,200,000
1948, Oct. 15.....	Bonds	Oct. 15, 1923	5	40,000,000	1,693,500	38,306,500
1952, April 1.....	Bonds	April 1, 1922	5	15,000,000		15,000,000
1946, Jan. 1..... £422,549/4/10	Stock	Jan. 1, 1906	3½	2,056,406.30†		2,056,406.30
1947, May 1..... £317,912/16/4	Stock	May 1, 1909	4	1,547,175.70†		1,547,175.70
1965, Jan 1..... £171,454/12/8.....	Stock	Jan. 1, 1914	4½	834,412.54†		834,412.54
				337,796,094.54	15,430,250.00	322,365,844.54

†—Montreal; W—Winnipeg; V—Vancouver; R—Regina; C—Calgary; H—Halifax; St. J.—St. John, N.B.; NY—New York; L—London, Eng.

†Registered Stock—Bank of Montreal, London, England—Amount outstanding, of which there has been purchased for Sinking Funds, \$862,038.75 3½% stock; \$699,204.19 4% stock, and \$437,551.73 4½% stock.



## OUTSTANDING AS AT OCTOBER 31st, 1928

Series	Authority	Interest Dates	Where Payable†	Denom- inations	Exemption
.....	7 Geo. V, Cap. 2.....	1 May & Nov.	Bk. Mtl., N.Y.....	....	None
AK	17 Geo. V, Cap 2, R.S.O. 1914, Cap. 21	1 May & Nov.	Prov. Treas. & Bk. Mtl., M., W., V., R., C., H. & St. J.; N.Y., L. (Eng.).	1,000	None
AH	15 Geo. V, Cap. 2, R.S.O. 1914, Cap. 21	1 June & Dec.	Prov. Treas. & Bk. Mtl., M., W., V., R., C., H. & St. J.; N.Y., L. (Eng.).	1,000	None
AJ	16 Geo. V, Cap. 6; R.S.O. 1914, Cap. 21	15 Jan. & July	Prov. Treas. & Bk. Mtl., M., W., V., R., C., H. & St. J.; N.Y.; L. (Eng.).	1,000	None
AL	16 Geo. V, Cap. 6, 18 Geo. V, Cap. 6, R.S.O. 1927, Cap. 23	15 May & Nov.	Prov. Treas. & Bk. Mtl., M., W., V., R., C., H. & St. J.; N.Y.; L. (Eng.).	1,000	None
FF	R.S.O. 1914, Cap. 39.....	23 Mar. & Sept.	Prov. Treas. & Bk. Mtl., N.Y.	1,000	None
GG	R.S.O. 1914, Cap. 39.....	1 June & Dec.	Prov. Treas. & Bk. Mtl., N.Y.	1,000	None
HH	R.S.O. 1914, Cap. 39.....	1 Jan & July	Prov. Treas. & Bk. Mtl., N.Y.	1,000	None
MM	R.S.O. 1914, Cap. 39.....	15 June & Dec.	Prov. Treas. & Bk. Mtl., M...	1,000 & 500	None
Teachers' Sup. Fund	10 Geo. V, Cap. 99.....	30 Apr. & 31 Oct.	Prov. Treas.....	1 Bond	None
KK	R.S.O. 1914, Cap. 39.....	1 Apr. & Oct.	Prov. Treas. & Bk. Mtl., N.Y.	1,000	None
RR	R.S.O. 1914, Cap. 39.....	1 June & Dec.	Prov. Treas. & Bk. Mtl., M. or W.	1,000 & 500	None
TT	R.S.O. 1914, Cap. 39.....	2 May & Nov.	Prov. Treas. & Bk. Mtl., M...	1,000 & 500	None
.....	5 Ed. VII, Cap. 2; 6 Ed. VII, Cap. 4	1 Jan. & July	Prov. Treas.....	1,000 & 500	Succ. Duty Free
ZZ	11 Geo. V, Cap. 7.....	3 Jan. & July	Prov. Treas. & Bk. Mtl., M. or N.Y.	1,000	None
.....	5 Ed. VII, Cap 2 & 3....	1 June & Dec.	Prov. Treas. & Bk. Mtl., M...	1,000 & 500	None
A	9 Ed. VII, Cap. 8.....	1 June & Dec.	Prov. Treas. & Bk. Mtl., M. or N.Y.....	1,000 & 500	Succ. Duty Free
SS	R.S.O. 1914, Cap. 39.....	1 Feb. & Aug.	Prov. Treas. & Bk. Mtl., M...	1,000 & 500	None
B	1 Geo. V, Cap. 9.....	1 May & Nov.	Prov. Treas. & Bk. Mtl., M. or N.Y.	1,000 & 500	Succ. Duty Free
C & D	1 Geo. V, Cap. 4.....	1 May & Nov.	Prov. Treas. & Bk. Mtl., M. or N.Y.	1,000 & 500	Succ. Duty Free
AC	12-13 Geo. V, Cap. 8.....	1 Apr. & Oct.	Prov. Treas. & Bk. Mtl., M. or N.Y.	1,000	None
AD	12-13 Geo. V, Cap. 8.....	1 June & Dec.	Prov. Treas. & Bk. Mtl., M...	1,000 & 500	None
UU & XX	R.S.O. 1914, Cap. 39.....	15 Mar. & Sept.	Prov. Treas. & Bk. Mtl., M. or N.Y.	1,000	None
WW & YY	R.S.O. 1914, Cap. 39.....	15 Mar. & Sept.	Prov. Treas. & Bk. Mtl., M. or W.	1,000 & 500	None
AG	14 Geo. V, Cap. 9.....	1 Mar. & Sept.	Prov. Treas. & Bk. Mtl., M., N.Y. or L. (Eng.)	1,000	None
AF	13-14 Geo. V, Cap. 2.....	15 Apr. & Oct.	Prov. Treas. & Bk. Comm., M., W., V., H. or St. J.	1,000 & 500	None
AB	R.S.O. 1914, Cap. 39.....	1 Apr. & Oct.	Prov. Treas. & Bk. Mtl., M. or N.Y.	1,000	None
.....	5 Ed. VII, Cap. 2 & 3....	1 Jan. & July	Bk. Mtl., London, Eng.....	....	None
.....	2 Geo. V, Cap. 2.....	1 May & Nov.	Bk. Mtl., London, Eng.....	....	Succ. Duty Free
.....	4 Geo. V, Cap. 9.....	1 Jan. & July	Bk. Mtl., London, Eng.....	....	Succ. Duty Free



# Indirect Liabilities and Guarantees of the Province of Ontario

As at October 31st, 1928

## (1) Timiskaming and Northern Ontario Railway Commission.

Guaranteed by the Province of Ontario, under authority  
17 Geo. V, cap. 16. Bonds of above Commission, due  
1st February, 1939, to 1st February, 1968, 4 per cent. ....

\$6,000,000 00

## (2) Niagara Parks Commission.

Guaranteed by the Province of Ontario, under authority  
17 Geo. V, cap. 24. Bonds of above Commission, due  
1st December, 1928, to 1st December, 1947, 4 per cent. ....

2,000,000 00

## (3) University of Toronto.

Guaranteed by the Province of Ontario, under authority  
Order-in-Council, 15th July, 1908, and 16th June, 1909.  
Annuity Debentures of above University, payable 15th  
July, 1910, to 15th July, 1949, 40 years, \$530,460.00 out-  
standing.

Present value for 21 years at 4 per cent. .... \$ 354,376 58

Guaranteed by the Province of Ontario, under authority  
Order-in-Council, 7th April, 1911. Annuity Debentures  
of above University, payable 1st January, 1912, to 1st  
January, 1951, 40 years, \$151,064.00 outstanding.

Present value for 23 years at 4 per cent. .... 97,579 74

Guarantee of the Province of Ontario, under authority  
Order-in-Council, 15th May, 1912. Annuity Debentures of  
above University, payable 1st January, 1912, to 1st  
January, 1951, 40 years, \$348,611.00 outstanding.

Present value for 23 years at 4 per cent. .... 225,185 15

Guaranteed by the Province of Ontario, under authority  
Order-in-Council, April 14th, 1915. Annuity Debentures  
of above University, payable April 15th, 1916, to April 15th,  
1955, 40 years, \$161,325.00 outstanding.

Present value for 27 years at 4½ per cent. .... 92,321 53

Guaranteed by the Province of Ontario, under authority  
Order-in-Council, June 17th, 1924. Annuity Debentures  
of above University, payable July 15th, 1925, to July 15th,  
1944, 20 years, \$160,000.00 outstanding.

Present value for 16 years at 5 per cent. .... 108,377 70

877,840 70

## (4) Town of Bruce Mines.

R.S.O. 1914, cap. 266.

January 1st, 1918, to January 1st, 1947, 6 per cent., outstanding. ....

20,265 63

## (5) Town of Matheson.

7 Geo. V, cap. 9.

June 1st, 1923, to June 1st, 1937, 6 per cent., outstanding \$3,501 62

9 Geo. V, cap. 4.

April 1st, 1920, to April 1st, 1949, 6 per cent., outstanding 26,922 03

May 6th, 1924, to May 6th, 1948, 6 per cent., outstanding 33,331 10

63,754 75

## (6) Town of Capreol.

10-11 Geo. V, cap. 7.

December 1st, 1922, to December 1st, 1939, 6 per cent., outstanding.

6,345 72

Carried forward. .... \$8,968,206 80



**Indirect Liabilities and Guarantees of the Province of Ontario—Continued***Brought forward.....* \$8,968,206 80**(7) Township of Tisdale.**

7 Geo. V, cap. 9.

Dec. 31st, 1917, to Dec. 31st, 1931, 6 per cent., outstanding \$8,919 43

Dec. 31st, 1917, to Dec. 31st, 1931, 6 per cent., outstanding 3,567 77

Statute Law Amendment Act, 1918, sec. 67.

July 1st, 1918, to July 1st, 1932, 6 per cent., outstanding 3,567 77

16,054 97**(8) Town of Cochrane.**

7 Geo. V, cap. 9.

May 1st, 1918, to May 1st, 1947, 5 per cent., outstanding \$31,446 69

14 Geo. V, cap. 3.

July 2nd, 1925, to July 2nd, 1944, 5½ per cent., outstanding 35,018 67

July 2nd, 1924, to July 2nd, 1943, 5½ per cent., outstanding 92,393 18

158,858 54**(9) Town of Haileybury.**

14 Geo. V, cap. 3.

April 1st, 1925, to April 1st, 1944, 6 per cent., outstanding \$17,621 55

April 15th, 1925, to April 15th, 1944, 6 per cent., outstanding 1,519 21

April 1st, 1925, to April 1st, 1934, 6 per cent., outstanding 2,475 77

July 15th, 1924, to July 15th, 1943, 6 per cent., outstanding 12,701 39

Feb. 12th, 1925, to Feb. 12th, 1934, 6 per cent., outstanding 3,340 54

May 10th, 1925, to May 10th, 1934, 6 per cent., outstanding 10,835 06

April 15th, 1925, to April 15th, 1944, 6 per cent., outstanding 2,072 84

50,566 36**(10) Board Trustees, R.C. Sep. School, Town of Timmins.**

7 Geo. V, cap. 27.

Dec. 1st, 1918, to Dec. 1st, 1937, 5 per cent., outstanding \$18,588 36

9 Geo. V, cap. 4.

Nov. 1st, 1919, to Nov. 1st, 1938, 6 per cent., outstanding 10,314 16

14 Geo. V, cap. 3 and 15 Geo. V, cap. 3.

April 1st, 1926, to April 1st, 1940, 5½ per cent., outstanding 109,904 00

April 1st, 1926, to April 1st, 1940, 5½ per cent., outstanding 61,821 00

200,627 52**(11) Presqu'île Park Commission.**

13-14 Geo. V, cap. 6.

Payable May 1st, 1943, 6 per cent..... 20,000 00

**(12) Town of Kapuskasing.**

14 Geo. V, cap. 3.

Aug. 1st, 1926, to Aug. 1st, 1945, 6 per cent., outstanding \$73,076 42

Jan. 1st, 1928, to Jan. 1st, 1947, 6 per cent., outstanding 19,456 31

92,532 73**(13) Town of Englehart.**

15 Geo. V, cap. 4.

Dec. 31st, 1924, to Dec. 31st, 1943, 6 per cent., outstanding \$6,000 00

Dec. 31st, 1924, to Dec. 31st, 1943, 6 per cent., outstanding 12,000 00

Dec. 31st, 1925, to Dec. 31st, 1944, 6 per cent., outstanding 3,230 00

21,230 00*Carried forward.....* \$9,528,076 92



## Indirect Liabilities and Guarantees of the Province of Ontario—Continued

Brought forward..... \$9,528,076 92

## (14) Guarantees under the authority of the Municipal Housing Act, 1920.

Beaverton.....	\$5,392 67
Cochrane.....	60,778 44
Fergus.....	1,063 00
Ford City.....	276,879 02
Kitchener.....	98,677 13
Listowel.....	45,259 29
London.....	231,545 15
Niagara Falls.....	60,713 76
Oshawa.....	167,987 62
Riverside.....	165,416 25
Point Edward.....	36,994 68
Sarnia.....	116,950 06
Sioux Lookout.....	21,168 85
Stamford Township.....	78,713 00
Sudbury.....	111,683 50
Tilbury.....	35,373 04
Walkerville.....	32,415 18
Windsor.....	735,482 38
	<hr/>
	\$ 2,282,493 02

## (15) Guarantees by the Province of Ontario, under authority of section 6b of the Department of Education Act and Amendments..... 3,060,872 54

## (16) Hydro-Electric Power Commission of Ontario.

Guarantees given by the Province in respect of bond and other liabilities assumed by and bonds issued by the Commission:

Forty year 4 per cent. Debentures of the Commission given in purchase of the Capital Stock of the Ontario Power Company, due August 1st, 1957 \$8,000,000 00

Twenty year 6 per cent. Debentures (due in 1941) issued by the Commission for the purpose of retiring debentures of the Ontario Power Company, which matured in 1921..... 3,200,000 00

First Mortgage 5 per cent. Bonds of the Ontario Power Company, due February 1st, 1943..... 8,366,000 00

First Mortgage 5 per cent. Bonds of the Ontario Transmission Company, Limited, due May 1st, 1945..... 1,421,000 00

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\$20,987,000 00

## Re Essex System.

Forty year 4 per cent. Debentures of the Commission, due June 1st, 1958..... 200,000 00

## Re Thorold System.

Forty year 4 per cent. Debentures of the Commission, due December 1st, 1958..... 100,000 00

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Carried forward.....\$14,871,442 48



## Indirect Liabilities and Guarantees of the Province of Ontario—Continued

Brought forward.....\$14,871,442 48

## 16) Hydro-Electric Power, etc.—Continued

## Re Sandwich, Windsor and Amherstburg Railway.

Forty year 4½ per cent. Bonds of the Commission, due April 1st, 1960.. \$2,100,000 00

Forty year 6 per cent. Debentures of the Commission, due July 1st, 1961... 900,000 00

Twenty year 5 per cent. Bonds of the Commission, due September 1st, 1943. 966,205 00

Twenty year 5 per cent. Bonds of the Commission, due July 1st, 1945..... 750,000 00

Twenty year 5 per cent. Bonds of the Commission, due September 1st, 1945 100,000 00

Twenty year 5 per cent. Bonds of the Commission, due July 15th, 1946..... 1,000,000 00

\$5,816,205 00

## Re Port Credit and St. Catharines Railway.

Fifty year 5 per cent. Bonds of the Commission, due November 1st, 1969—\$1,200,000 pledged as security for Bank Loan of \$500,000..... 500,000 00

## Re Guelph Railway.

Ten year 6 per cent. Bonds of the Commission, due May 1st, 1931..... 276,000 00

## Re Toronto Power Company, Limited.

Twenty year 6 per cent. Bonds of the Commission, due December 1st, 1940, given in part purchase of the Capital Stock of the Toronto Power Company.. \$619,000 00

4½ per cent. Guaranteed Debenture Stock of the Toronto Power Company, due May 1st, 1941..... 8,706,067 61

Fifteen year 5 per cent. Bonds of the Commission, due June 15th, 1939..... 4,000,000 00

13,325,067 61

## Re Electrical Development Company of Ontario, Limited.

First Mortgage 5 per cent. Gold Bonds of the company due 1933..... 3,618,500 00

## Re Toronto and York Radial Railway Company, and the Schomberg and Aurora Railway Company.

Twenty year 6 per cent. Bonds of the Commission, due December 1st, 1940, given in purchase of the Capital Stock of the Toronto and York Radial Railway Company, and the Schomberg and Aurora Railway Company..... \$2,375,000 00

Twenty year 6 per cent. Bonds of the Commission, due December 1st, 1940. 600,000 00

2,975,000 0047,797,772 61\$62,669,215 09



## REGISTERED STOCK—SINKING FUNDS

## Investment Account as at October 31st, 1928

3½% Stock due January 1st, 1946—£422,549-4-10:

Ontario Registered 3½% Stock due 1946.	Par value....	\$577,825 29
" " 4% " 1947.	" ....	186,276 59
" " 4½% " 1965	" ....	150,268 31
British 5% War Loan due, 1929/1947 £24,900-14-4 at cost.		122,278 11
		<hr/>
		\$1,036,648 30

4% Stock due May 1st, 1947—£317,912-16-4:

Ontario Registered 3½% Stock due 1946.	Par value....	\$228,499 53
" " 4% " 1947.	" ....	414,839 61
" " 4½% " 1965.	" ....	189,219 42
British 5% War Loan due 1929/1947—£3,101-7-10 at cost.		15,313 05
Commonwealth of Australia 5% stock 1945/1975— £15,406-9-2 at cost.....		73,750 17
		<hr/>
		921,621 78

4½% Stock due January 1st, 1965—£171,454-12-8:

Ontario Registered 3½% Stock due 1946.	Par value....	\$55,713 93
" " 4% " 1947.	" ....	98,087 99
" " 4½% " 1965.	" ....	98,064 00
British 5% War Loan due 1929/1947—£421-17-10 at cost.		2,079 11
Commonwealth of Australia 5% Stock, 1945/1975— £8,100-3-11 at cost.....		38,826 02
		<hr/>
		292,771 05
		<hr/>
		\$2,251,041 13



# **PROVINCE OF ONTARIO SAVINGS OFFICE**

## **Statement Showing Deposits and Investment thereof as at October 31st, 1928**

DEPOSITS BY PUBLIC AT OCTOBER 31ST, 1928.....	\$ 19,844,106 02
<hr/>	
AGRICULTURAL DEVELOPMENT FINANCE ACT—INVESTMENTS—	
Agricultural Development Board—Debentures.....	\$ 22,388,000 00
Less: Repayments to date.....	2,688,000 00
	<hr/>
	\$ 19,700,000 00
Farm Loans Act—Farm Loan Associations.....	144,493 33
“     “     “ —Capital Stock in Associations.....	2,400 00
	<hr/>
	\$ 19,846,893 33
Savings Offices—	
Cash on hand and in banks.....	\$ 845,484 10
Accounts receivable.....	1,000 00
Fixtures (depreciated value).....	34,157 76
	<hr/>
	880,641 86
	<hr/>
	\$ 20,727,535 19
	<hr/>

## **ACCOUNTS PAYABLE**

**As at October 31st, 1928**

Accounts due by Departments.....	\$ 601,966 48
Bonds matured outstanding.....	56,300 00
Dominion of Canada—Common School Fund.....	671 70
Surplus Registry Office fees—re Land Titles Office.....	22,626 67
	<hr/>
	\$ 681,564 85
	<hr/>

## **SPECIAL FUNDS**

**As at October 31st, 1928**

Ontario Public Service Superannuation Fund—see page 26.....	\$ 2,304,842 46
Municipal Sinking Funds.....	1,428,959 44
Deposits on Timber Sales.....	1,000,997 24
Assurance Fund under Land Titles Act.....	235,000 00
Assurance Fund—Toronto Registry Office.....	10,951 45
Federal Subsidy for Agriculture—balance unexpended.....	2,457 11
Agricultural Development Finance Act—Reserves:	
Province of Ontario Savings Offices.....	158,419 41
For Farm Loans.....	202,595 01
Vimy Ridge Farm—Boys' Trust Fund.....	26,199 81
Sundry bequests.....	107,564 78
Brophy Estate—Estreated.....	163,066 94
Suspense Account.....	316 29
	<hr/>
	\$ 5,641,369 94
	<hr/>



## PUBLIC SERVICE SUPERANNUATION FUND

R.S.O. 1927, Cap. 16, Part III

As at October 31st, 1928

Balance at credit of Fund—November 1st, 1927.....	\$1,906,152 26
Contributions to Fund—	
By Employees.....	\$309,549 50
By Government (Sec. 39)—	
Employees.....	\$309,549 50
Less refunds.....	36,309 23
	<u>\$273,240 27</u>
For Sheriffs (Sec. 60).....	10,883 00
Interest—	
On balance to credit of Fund at November 1st, 1927.....	95,307 61
On Employees' Contributions.....	\$6,613 15
On Government Contributions.....	6,613 15
	<u>\$13,226 30</u>
Less interest allowed Government on payments.....	5,804 56
	<u>7,421 74</u>
	<u>386,852 62</u>
	<u>696,402 12</u>
	<u>\$2,602,554 38</u>
Deduct—	
Benefits Paid—	
Allowances to superannuates and beneficiaries.....	\$242,345 14
Lump sum payments, Secs. 34 and 35.....	12,892 61
Refunds under Sec. 36.....	36,309 23
Interest on lump sum payments.....	1,347 84
Interest on refunds.....	4,817 10
	<u>297,711 92</u>
Balance at credit of Fund at October 31st, 1928.....	<u>\$2,304,842 46</u>

STATEMENT OF RECEIPTS AND EXPENDITURES  
November 1st, 1920, to October 31st, 1928

Year	Receipts	Expenditure	Surplus
	\$ c.	\$ c.	\$ c.
1921.....	331,412 32	62,709 95	268,702 37
1922.....	406,744 96	111,728 78	295,016 18
1923.....	485,151 01	170,199 39	314,951 62
1924.....	467,864 22	199,815 11	268,049 11
1925.....	466,060 66	212,319 80	253,740 86
1926.....	491,070 84	227,197 06	263,873 78
1927.....	497,250 65	255,432 31	241,818 34
1928.....	696,402 12	297,711 92	398,690 20
Total.....	3,841,956 78	1,537,114 32	2,304,842 46



**STATEMENT SHOWING AMOUNT EXPENDED ON ROAD CONSTRUCTION IN ONTARIO COMMENCING WITH THE FIRST PAYMENT MADE ON THE GOOD ROADS SYSTEM, 1903, FIRST PAYMENT UNDER THE NORTHERN DEVELOPMENT ACT, 1912, FIRST PAYMENT UNDER PROVINCIAL HIGHWAYS ACT, 1917, AND EXPENDITURE ON COLONIZATION ROADS, 1903.**

Year	THE HIGHWAY IMPROVEMENT ACT, CHAP. 54, R.S.O. 1927							Colonization Roads	Roads in Northern Ontario	Year
	Provincial Highways	County Roads	Township Roads	Object Lesson Roads	Connecting Links	Tor. and Ham. Highway	Indian Reserve			
1903		\$22,910 51						\$159,258 44		1903
1904		91,527 54						175,620 74		1904
1905		46,081 59						178,313 02		1905
1906		95,141 89						219,559 37		1906
1907		63,390 98						316,906 39		1907
1908		107,524 63						459,894 73		1908
1909		132,480 98						449,209 66		1909
1910		150,316 18						452,745 33		1910
1911		179,688 26						451,111 26		1911
1912		244,688 10		\$30,000 00				433,623 22	\$236,833 57	1912
1913		288,367 66		47,100 00				406,034 29	1,063,655 55	1913
1914		294,187 38		6,011 59				480,845 27	804,939 09	1914
1915		261,840 61		200 00				220,262 26	556,252 36	1915
1916		270,513 34						253,539 11	526,335 52	1916
1917	\$12,000 00	327,663 76		10,500 00				263,743 10	482,401 74	1917
1918	77,000 00	483,621 32		16,365 10				267,577 38	627,505 85	1918
1919	1,417,000 00	827,135 93		15,583 72				390,621 54	1,462,258 03	1919
1920	4,450,000 00	2,623,719 34		33,730 27	\$2,900 00			451,808 59	1,241,405 90	1920
1921	9,925,022 95	3,635,267 34	\$326,668 81	5,000 00	16,622 10			506,180 80	1,409,126 19	1921
1922	12,050,000 00	5,110,217 49	701,349 61		167,615 08	\$17,272 62		671,184 48	1,694,889 56	1922
1923	16,897,172 79	4,257,871 34	669,483 05		169,631 26	11,349 44		827,855 98	2,688,151 48	1923
1924	6,600,000 00	3,418,059 04	613,860 54		40,523 00	22,472 92		447,444 66	2,949,239 56	1924
1925	8,350,000 00	3,213,783 60	638,808 11		53,575 42	123,670 07		474,409 34	3,381,301 86	1925
1926	6,750,000 00	3,222,099 91	988,118 04		75,224 28		\$6,870 69	296,317 27	3,736,612 01	1926
1927	9,150,000 00	2,878,724 84	1,319,173 80		32,782 10		1,714 73	498,188 75	3,943,361 77	1927
1928	11,650,000 00	3,740,443 99	1,602,547 95		1,022 20		13,459 92	359,383 68	3,919,084 42	1928
	\$87,328,195 74	\$35,987,267 55	\$6,860,009 91	\$164,490 68	\$559,895 44	\$174,765 05	\$22,045 34	\$10,111,638 66	\$30,723,354 46	.....

**Summary of Expenditure on Roads for a Period of 26 Years for both Construction and Maintenance**

	Capital	Ordinary
Provincial Highways.....	\$71,634,137 96	\$15,694,057 78
County Roads.....	26,293,538 03	9,693,729 52
Township Roads.....	3,134,491 59	3,725,518 32
Object Lesson Roads.....	164,490 68	
Connecting Links.....	559,895 44	
Toronto and Hamilton Highway Commission.....	94,168 46	80,596 59
Indian Reserve.....	17,100 55	4,944 79
Colonization Roads.....	6,066,923 80	4,044,714 86
Roads in Northern Ontario.....	19,195,658 93	11,527,695 53
	<u>\$127,160,405 44</u>	<u>\$44,771,257 39</u>

**Summary of Repayments from Counties and Towns and Subsidy from the Federal Government.**

Year	Repayments	Subsidy	Total
1918.....	\$5,251 57		\$5,251 57
1919.....	14,733 64		14,733 64
1920.....	78,261 82		78,261 82
1921.....	654,277 00	\$1,315,633 67	1,969,910 67
1922.....	1,561,149 44	2,058,613 62	3,619,763 06
1923.....	988,454 00	705,048 24	1,693,502 24
1924.....	2,834,155 43	839,303 48	3,673,458 91
1925.....	5,067,807 75	865,414 90	5,933,222 65
1926.....	1,977,814 99	50,000 00	2,027,814 99
1927.....	1,572,671 18	53,269 37	1,625,940 55
1928.....	1,950,806 64		1,950,806 64
	<u>\$16,705,383 46</u>	<u>\$5,887,283 28</u>	<u>\$22,592,666 74</u>

**RECAPITULATION**

	Capital	Ordinary	Total
Expenditure.....	\$127,160,405 44	\$44,771,257 39	\$171,931,662 83
Repayments.....	16,648,581 29	5,944,085 45	22,592,666 74
Total expenditure.....	<u>\$110,511,824 15</u>	<u>\$38,827,171 94</u>	<u>\$149,338,996 09</u>

**G. A. Brown,**  
Provincial Auditor

HON. J. D. MONTEITH



**ESTIMATED RECEIPTS**  
**Fiscal Year Ending October 31st, 1929**

	Ordinary	Capital
Prime Minister:		
Water rentals.....	\$290,000 00	
Miscellaneous.....	38,000 00	
	<u>\$328,000 00</u>	
Legislation.....	\$23,000 00	
Attorney-General:		
Liquor Control Board.....	\$7,225,000 00	
Miscellaneous.....	546,000 00	
Insurance Department.....	162,000 00	
	<u>\$7,933,000 00</u>	
Education.....	\$345,000 00	
Lands and Forests:		
Lands and Forests.....	\$3,598,000 00	\$1,237,000 00
Northern Development.....	3,000 00	35,000 00
	<u>\$3,601,000 00</u>	<u>\$1,272,000 00</u>
Mines:		
Mines.....	\$900,000 00	\$100,000 00
Game and Fisheries.....	720,000 00	
	<u>\$1,620,000 00</u>	<u>\$100,000 00</u>
Public Works and Highways:		
Public Works.....	\$64,000 00	\$22,000 00
Public Highways.....	670,000 00	1,827,000 00
Motor Vehicles.....	7,570,000 00	
Gasoline Tax.....	7,260,000 00	
	<u>\$15,564,000 00</u>	<u>\$1,849,000 00</u>
Health and Labour:		
Health.....	\$127,000 00	
Labour.....	106,000 00	
Mothers' Allowances.....	1,000,000 00	
	<u>\$1,233,000 00</u>	
Provincial Treasurer:		
Dominion Subsidy.....	\$2,643,000 00	
Succession Duty.....	4,750,000 00	
Corporations Tax.....	4,600,000 00	
Amusements Branch.....	1,000,000 00	
Land Transfer Tax.....	550,000 00	
Law Stamps.....	360,000 00	
Liquor Permit Fees.....	900,000 00	
Miscellaneous.....	260,000 00	
	<u>\$15,063,000 00</u>	
Provincial Secretary:		
Companies.....	\$700,000 00	
Public Institutions.....	1,400,000 00	
	<u>\$2,100,000 00</u>	
Agriculture.....	\$496,000 00	
Total, excluding interest.....	<u>\$48,306,000 00</u>	<u>\$3,221,000 00</u>
Interest:		
Hydro-Electric Power Commission.....	\$8,000,000 00	
T. & N.O. Railway Commission.....	1,300,000 00	
Miscellaneous.....	1,200,000 00	
	<u>\$10,500,000 00</u>	
Total, Ordinary and Capital.....	<u>\$58,806,000 00</u>	<u>\$3,221,000 00</u>
Loans and Special Funds:		
Hydro-Electric Power Commission—Repayment of advances.....		\$1,500,000 00
Housing, Drainage and other Loan repayments.....		1,940,000 00
Public Service Superannuation Fund—Deposits.....		700,000 00
Other Special Funds—Deposits.....		2,580,000 00
		<u>\$6,720,000 00</u>
<b>TOTAL RECEIPTS.....</b>	<b>\$58,806,000 00</b>	<b>\$9,941,000 00</b>



# ESTIMATED PAYMENTS

Fiscal Year Ending October 31st, 1929

	Ordinary	Capital
Lieutenant-Governor .....	\$5,000 00	
Prime Minister:		
Miscellaneous .....	\$165,000 00	\$1,000,000 00
Bonus—Rural Transmission Lines .....	\$165,000 00	\$1,000,000 00
Legislation .....	\$360,000 00	
Attorney-General:		
Administration of Justice, Law Enforcement, etc. ....	\$2,120,000 00	
Insurance Department .....	56,000 00	
	\$2,176,000 00	
Education .....	\$9,902,000 00	\$147,000 00
Lands and Forests:		
Lands and Forests .....	\$1,762,000 00	\$1,215,000 00
Northern Development .....	1,600,000 00	2,400,000 00
	\$3,362,000 00	\$3,615,000 00
Mines:		
Mines .....	\$381,000 00	
Game and Fisheries .....	536,000 00	\$83,000 00
	\$917,000 00	\$83,000 00
Public Works and Highways:		
Public Works .....	\$904,000 00	\$2,090,000 00
Public Highways .....	3,100,000 00	15,000,000 00
	\$4,004,000 00	\$17,090,000 00
Health and Labour:		
Health .....	\$712,000 00	
Labour .....	2,887,000 00	
	\$3,599,000 00	
Provincial Treasurer .....	\$1,950,000 00	
Provincial Auditor .....	\$105,000 00	
Provincial Secretary:		
Companies .....	\$328,000 00	
Public Institutions .....	7,010,000 00	
	\$7,338,000 00	
Miscellaneous .....	\$335,000 00	
Agriculture .....	\$2,676,000 00	
Total, excluding interest .....	\$36,894,000 00	\$21,935,000 00
Public Debt Charges:		
Interest .....	\$19,300,000 00	
Debt Retirement .....	1,824,000 00	
Discount on Loans .....	590,000 00	
	\$21,714,000 00	
Total, Ordinary and Capital .....	\$58,608,000 00	\$21,935,000 00
Loans and Special Funds:		
Hydro-Electric Power Commission—Advances .....		\$10,000,000 00
Agricultural, drainage and other loans .....		5,480,000 00
Public Service Superannuation Fund benefits, etc. ....		350,000 00
Other Special Funds, Repayments .....		140,000 00
		\$15,970,000 00
TOTAL PAYMENTS .....	\$58,608,000 00	\$37,905,000 00
	1929	
Estimated Ordinary Revenue .....	\$58,806,000 00	
Estimated Ordinary Expenditures .....	58,608,000 00	
ESTIMATED SURPLUS .....	\$198,000 00	



