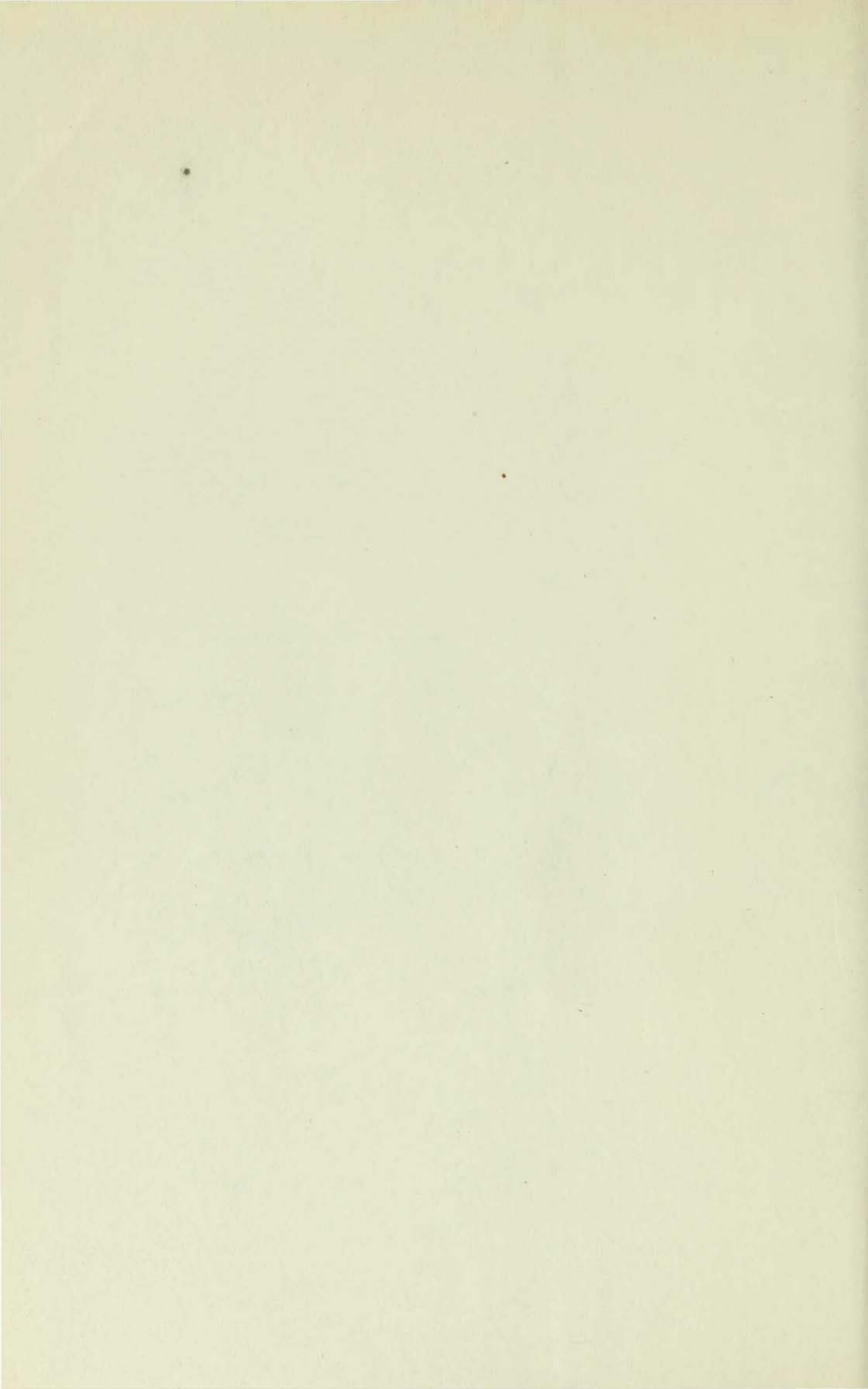


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Budget Address

OF

HON. EDWARD A. DUNLOP

Treasurer of the Province of Ontario

DELIVERED IN THE
LEGISLATIVE ASSEMBLY OF ONTARIO
ON THE

11th March, 1932

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
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1932

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IN THE PRESENCE OF THE HON. CHIEF JUSTICE OF THE

COURT OF APPEAL

ASSEMBLY

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BUDGET ADDRESS

DELIVERED BY

THE HON. E. A. DUNLOP

Treasurer of the Province of Ontario,
March 11th, 1932

MR. SPEAKER:

In presenting through you to the Members of this Legislature the financial statement of the Province for the year ending October 31st last, and the estimate of the revenue and expenditure for the current year, I seriously realize the responsibilities which rest on the Provincial Treasurer.

In the conduct of their financial affairs governments do not differ materially from individuals or corporations, and are affected by economic conditions in the same measure. Revenues, which in normal times are abundantly ample to take care of financial commitments, are to-day adversely affected as concerns governments to the same extent as corporations or individual citizens. Indeed, in times of economic strain and depression, the calls and demands upon governments are much greater than in normal times and no government in Canada, or for that matter perhaps elsewhere in the world, has as comprehensive a programme of social welfare, humanitarian and philanthropic legislation as has the Government of the Province of Ontario. Financial demands on account of these activities for unemployment relief, etc., are substantially augmented in times such as the present.

RETRENCHMENT POLICY

Honourable Members will note, from the Public Accounts for the last financial year which are on their desks to-day, that the Province of Ontario has carried this burden remarkably well. Our ordinary revenues have, within a relatively few thousand dollars, been sufficient to provide for the ordinary expenditures including direct unemployment relief. As a matter of fact, eliminating the expenditure on account of

direct relief, the ordinary revenue of the Province for the past year exceeded the ordinary expenditure by upwards of a quarter of a million dollars, surely a remarkable situation in view of the prevailing conditions in business and industry and the economic depression generally. This result has only been attained by the co-operation of every Minister and every Departmental official in the closest possible scrutiny of all expenditures in accordance with the rigorous retrenchment policy prevailing during the past year.

As I have just said, governments, individuals and corporations generally are all experiencing the difficulty of balancing budgets at the present time. As to when this period of depression may end one would be rash to predict. Of one thing I am firmly convinced, and that is it is not the most serious depression that Canada has experienced, nor for that matter, is it the most serious depression which either the United States or England has experienced. On more than one occasion in this country we have experienced conditions more trying by far. Conditions in the Republic to the south of us on four or five occasions in the previous century were much more serious than they are now; and the economic situation in Great Britain at times during the past one hundred years has been so serious as to appear almost hopeless to many who were then giving close attention to the political and financial affairs of that great country. However, it is perhaps true to say that because of the closer economic interdependence of the nations of the world to-day, the prevailing depression is more widespread and general than any which the world has ever before experienced.

DEPRESSION AND PROSPERITY IN CYCLES

Periods of good times and of bad, progress in cycles. Even as far back as we have record of in Biblical times there were the lean years and the years of plenty, and cycles of prosperity and depression to the present day follow one another with almost unfailing regularity. As the hollow of the wave follows the crest, and is proportionately deep as the wave is high, so business depressions follow periods of apparent prosperity, and the higher that apparent prosperity is built up by fictitious and artificial values the greater and more pronounced and lasting will be the hollow of the depression which follows. The farther the pendulum swings in one direction the farther it

will swing in the other. Great apparent wealth was accumulated up to and including the greater part of the year 1929, and fictitious profits were freely spent, adding to the cycle of prosperity. Paper profits are more freely spent than golden sovereigns. Many people became imbued with the idea that money was to be made by speculation and not by hard work. Speculative profits were looked upon as adding to the wealth of the world, and life savings of many citizens—savings which were safely invested either in our savings institutions or in government bonds—were freely exchanged for more or less worthless certificates because of the higher rates of interest promised. All the more regrettable because of the fact that had these savings remained in Government bonds or been deposited in our banks or larger financial institutions there would not have been a single dollar of loss to any citizen of the Province. Our Government bonds are as good as is Canada, and we think that Canada is the best country in the world, and the strength and financial capacity which has been evidenced by our chartered banks during this trying period has been such as to give to the people of this country a well-placed confidence in the integrity and sound judgment with which our banking system has been administered.

CONFIDENCE IN FUTURE

Human history is an alternation of good times and bad, and when things are at their worst they begin to mend. As to whether we have yet turned the corner, I am not prepared to say, but there is perhaps this to remark: that while economists and statisticians as a rule are poor as prognosticators they are at their best on post-mortems, and can usually give a clear and convincing statement as to why certain situations have developed. They now seem to be approaching a general agreement as to the causes and the reasons for the present depression. Once the source of our trouble has been definitely determined, the cure will soon be reached.

In the process of evolution from the savage to the civilized, mankind has made much progress in the past fifty years, and it is just possible that the laws and regulations under which we live have not kept step with the rapid changes in living conditions, and that the improvement in the machinery of production has outstripped our methods and facilities of distribution and consumption. However, without any doubt

the luxuries of to-day will be the necessities of to-morrow and the welfare, happiness and prosperity of mankind will be enhanced by shorter hours of labour and a higher standard of living. The process may seem slow and painful but the solution may be nearer than we think. We look to the future with courage and with confidence.

REVENUE AND EXPENDITURE FOR 1931

Referring to the financial activities of the past year, Honourable Members will note from the Public Accounts that the Revenue of the Province was \$54,390,092, as compared with a Revenue in 1930 of \$52,235,019—an increase in Ordinary Revenue for the year of \$2,155,073.

The Ordinary Expenditure for the year, exclusive of debt charges, was \$43,385,132, as compared with the similar expenditure for the year 1930 of \$43,085,018—or an increase for the year of \$300,114.

The charges on account of Provincial debt were \$11,461,862 last year, as compared with \$9,796,062 in the previous year—a total expenditure in 1931 of \$54,846,994, as compared with \$52,881,080 in 1930, and an excess of Ordinary Expenditure over Ordinary Revenue of \$456,902.

No provision has been made in the year just closed for Debt Retirement on Provincial account, although Debt Retirement in full on account of moneys advanced the Hydro-Electric Power Commission has been provided for.

As compared with last year the principal increases in Ordinary Revenue are as follows:

Liquor Control Board, \$2,515,000. The amount received by the Government from this source was \$10,000,000 in accordance with the estimated revenue in the budget statement of last year. The profits of the Board for the year, however, were \$1,509,346.57 less than this figure, and the estimated revenue was paid in full to the Government by drawing on the surplus profits in the hands of the Board, which were \$4,585,264.47 as of November 1st, 1930. There is still a surplus of profits in the Board's hands of \$3,076,917.90 as of November 1st, 1931, and any statement that the Government had robbed the Liquor Board in order that the full estimated receipts from that source should be available is entirely erroneous.

The revenue from Lands and Forests shows an increase of \$1,046,000, partly due to the fact that in the previous year an extension of time was given to timber licensees for the payment of Government dues.

Gasoline Tax shows an increase of \$193,000. Motor Vehicles \$63,000, and the Corporations Tax an increase of \$1,250,000, which is entirely accounted for by reason of the Corporations Tax Act passed last Session which extended the application of the Corporations Tax to all incorporated companies doing business in the Province.

Decreases in revenue occurred in Law Enforcement in the amount of \$295,000. This decrease is due to the falling off in the amount of fines imposed as compared with the previous year. The decrease of \$222,000 in the Mines Branch is largely accounted for by a loss in royalties for sand and gravel, which decrease is due to the lessened demand for these materials during the past year.

Game and Fisheries revenue shows a decrease of \$60,000, partly due to the decrease in revenue from royalties and licenses, consequent upon the depression in the price of furs, and also to the falling off in the sale of non-resident hunting and angling licenses.

Succession Duty revenue is less by \$1,725,000, the value of practically all estates being adversely affected by the drop in stock market prices.

The decrease of \$194,000 in the Amusements Tax, and Stock Transfer Tax decrease of \$120,000 are accounted for by the prevailing depression.

As regards expenditure—the interest on the public debt increased by \$1,666,000. Educational grants, etc., \$466,000. Due to a more generous scheme of grants to elementary schools there was an increase of \$170,497. During the past year the Government assumed the entire cost of county school inspections, relieving the counties of a burden in that respect amounting to \$165,722. Grants to Universities were \$109,379 more than the previous year, and the grant to secondary schools, due to an increase in the number of these schools and grants to the maintenance of vocational schools, call for an increase of \$73,178.

Game and Fisheries show an increased expenditure of \$66,000, largely accounted for by an increase of \$23,000 for

the better enforcement of the Act, and an increase of \$19,000 in the Biological and Fish Culture Branch.

Public Health Services and Public Institutions called for an increased expenditure of \$191,000. The institutional population of the Province increased by approximately 300 during the year.

Old Age Pensions and Mothers' Allowances show an increase of \$238,000. The Government contribution to the Teachers' and Inspectors' Superannuation Fund, which is a statutory expenditure, called for an increase of \$83,000, and a similar increase to the Public Service Superannuation Fund in the amount of \$117,000.

Grants in aid of Agriculture were increased by \$190,000.

Decreases of expenditure occurred in the Attorney-General's Department in the amount of \$321,000, accounted for largely by the fact that the expenses of the last General Election were paid for in the financial year of 1930.

The Mines Department show a decrease in expenditure of \$106,000; the Public Works Department a decrease of \$60,000, and Public Highways \$754,000. These decreases being due to the programme of economy and retrenchment which we have endeavoured to maintain as rigidly as possible throughout the whole year.

In administering the affairs of the people of the Province every possible economy has been affected. Salaries and grants have been reduced, services have been curtailed, and in some instances almost skeletonized (if I may use the word). We have endeavoured to see that not one dollar more than would cover actual necessities has been expended in the carrying on of any Department of the Government.

CIVIL SERVICE SALARY REDUCTIONS

In connection with salary deductions made effective this year, may I say a word with reference to the public-spirited attitude of the Civil Service of this Province. I appreciate that there is something to be said both for and against salary deductions. Notwithstanding it cannot be denied that a person to-day receiving the same salary as was paid in 1929 is relatively in a better position financially than two years ago. Appreciating this fact, and entirely of their own volition, the Provincial Civil Service decided, as their contribution to relief measures, they would voluntarily donate one day's pay

per month for five months—a very public-spirited and commendable action on their part, especially when it is considered that Civil Service salaries are not on a generous scale and in most cases are not commensurate with salaries paid for similar situations in the commercial and financial world.

However, considering the situation from its various angles, the Government decided that a general salary deduction on a graduated scale would be a fairer and more equitable proposition, and effective January 1st, a salary deduction was made by Order-in-Council on the following basis:

2%	up to and including \$1,000.				
2½%	on amount over	1,000	and up to	\$2,000.	
3%	"	2,000	"	3,000.	
4%	"	3,000	"	5,000.	
5%	"	5,000	"	6,000.	
20%	"	6,000	"	10,000.	
25%	"	10,000.			

This salary deduction is to continue until October 31st next, when the situation will be further considered as future developments may indicate.

In stormy weather the mariner who uses good judgment is compelled to shorten sail so that his ship may survive the gale, and eventually, in smoother seas with all sails set, proceeds to port; likewise it is hoped that salary deductions are of a temporary nature.

LONG-TERM LOANS

Two long-term loans were floated during the year. A \$30,000,000 4½ per cent. instalment issue maturing 1932-1971 was sold in January on a cost basis of 4.598 per cent. In June last a \$30,000,000 4 per cent. instalment issue, maturing also 1932-1971, was sold on a basis of 4.409 per cent.—the latter figure representing the cheapest long-term money the Province had obtained since before the war.

While on the subject of loans, may I say a word with reference to the \$25,000,000 loan which the Province floated in January of the present year. Some criticism has been made as to the rate of interest paid by the Province on this particular loan and statements have been made editorially and otherwise that this loan could have been floated at a lower rate; that the Province established a 6 per cent. rate, and by reason of its action had enhanced the cost of money to municipalities.

These statements are all quite erroneous and made without the knowledge and full consideration of the situation.

As far back as October last the Province considered going into the market for \$20,000,000, and arrangements were being made to float an issue immediately after the British elections, provided the results of that election were favourable to the MacDonald Government. It was thought that in this eventuality the bond market would improve; but at the request of the Premier of Canada, who was anxious that no other major financing should interfere with the National Service Loan, then contemplated, negotiations for our loan were temporarily discontinued. The Government, however, after that time, kept closely in touch with the market, and the rate of interest as finally determined for the Provincial Loan at 5.90 per cent. on the long-term loan and 6 per cent. on the short-term loan was only arrived at after consultations with representatives of banks, bond houses, and men who were well versed in Canadian financial affairs. Financiers, both in Toronto and Montreal, were consulted.

No bond issue of importance was on the market from the time the National Service Loan was sold until the end of the year. Early in January the Province of New Brunswick floated a 15-year issue on a basis slightly in excess of $5\frac{3}{4}$ per cent. Notwithstanding the undoubtedly high credit which the Province of New Brunswick enjoys, and the fact that the loan was relatively for a small amount, the issue did not meet with any enthusiastic response. Some ten days later, the City of Montreal came into the market with a \$15,000,000 15-year issue on a 6 per cent. basis and bond prices steadily fell, which is equivalent to saying that interest rates steadily rose.

Among those financial authorities consulted none suggested a rate lower than 5.80 per cent. nor a rate higher than 6 per cent., and those who would venture the opinion that a rate of 5 or $5\frac{1}{2}$ per cent. would have been ample to pay for this money are quite uninformed as to the situation. To-day, knowing as I do of the tremendous and prompt oversubscription of this issue, if I had again to fix the rate of interest on this loan, I would not have placed the issue price lower than 5.85 per cent., or $\frac{1}{20}$ of 1 per cent. lower than the rate at which it was issued.

At that time more was involved than the securing of \$25,000,000—in itself a large sum of money—but it was essen-

tial that the loan should be promptly oversubscribed. The credit of both Ontario and Canada would have materially suffered had there been any hesitancy manifest on the part of the public in taking up this issue. Bond prices for some months had been consistently falling. It looked as though interest rates were on their way toward 7 per cent., but the public, by their oversubscription of our bond issue in such tremendous amount, evidenced their faith in the credit of the Province and the tremendous amount of oversubscription demonstrated so strikingly that money in large amounts was available in Canada that the bond market immediately gave evidence of strength, and has improved almost without a set back from the day of our issue to the present. We have had figures compiled showing the bid and asked daily quotations on both Ontario and Dominion bonds from January 30th to March 11th, and the prices of both of these high-class securities have steadily improved from day to day during this period. Our issue did much to check the prevailing increase in interest rates, and, without doubt, cheaper money is available to-day because of the success of that loan.

COMMENTS ON LOAN

One of Canada's leading bankers, who was in New York a few days after the Ontario issue was announced, is authority for the statement that its tremendous success did more to re-establish confidence in the Province of Ontario and in the Dominion generally in the minds of New York bankers than anything that had happened during the previous five months. Largely as a result of the prompt and very substantial oversubscription of this loan, the Province of Ontario was able to renew \$16,000,000 of short-term loans which matured in New York in the month of February. With possibly one exception, in so far as I can learn, we are the first foreign government which has been able to renew a loan in the New York market since England abandoned the gold standard in September last. I am satisfied that this result would not have been achieved had our loan not been so quickly and readily oversubscribed.

The City of New York floated a loan of \$100,000,000 for 3, 4 and 5 years at 6 per cent. the week before our issue was announced, and these New York City bonds were free of both Federal and State Income Tax. This tax exemption feature

is common to all State and Municipal bonds in the United States, and when comparing our interest rates with those paid by American States and Municipalities, this tax-free feature of those securities should be taken into consideration. It is but little over ten years ago since the Province of Ontario floated a loan which cost the Province almost 7 per cent. At that time 1934 Victory Bonds of the Dominion Government were selling at a price to yield the investor 6.70 per cent.

I will quote but two of the many favourable comments regarding our issue which appeared in financial and non-political papers:

THE FINANCIAL TIMES (MONTREAL), FEB. 12TH, 1932

"A favourable aspect of the market during the past week or so has been the firmer tone prevailing generally in first and second grades of bonds. The good sale of the Ontarios, which are well above the offering price, at $97\frac{3}{4}$, appears to have stimulated the whole market. There has been a revival of interest in the retail market that suggests a restoration of some measure of confidence. A greater interest has been shown in utility and sound industrial issues. The public is manifesting an increasing interest."

THE MONETARY TIMES (TORONTO), FEB. 5TH, 1932

"One of the most encouraging developments on the Canadian government and municipal bond market since the first of the year was the rapid oversubscription of the \$25,000,000 Ontario issue, following which there was a much better tone apparent throughout the whole market. Incidentally there was a noticeable appreciation in the quotations of the new Ontario loan a few days after it was publicly offered. This movement in turn was reflected in a strengthening in bond prices throughout the provincial and municipal list."

The distribution of these bonds as between financial institutions, banks and the public was as follows:

Of the 20 million, 15-year, $5\frac{1}{2}$ per cent. Bonds:	
Financial institutions.....	\$3,659,500
Banks for themselves and for clients	2,789,500
General public.....	13,551,000

Of the 5 million, 3-year, 6 per cent. issue:

Financial institutions.....	\$51,000
Banks for themselves and their clients	1,545,000
General public.....	3,404,000

Of the total issue of 25 million dollars, \$21,526,000 was subscribed in the Province of Ontario, and \$3,474,000 outside the Province of Ontario.

Total subscriptions to the issue were to the amount of \$64,842,500. Subscription lists closed in Toronto at 3 o'clock in the afternoon of the day of issue, but subscriptions from outside points were considered when postmarked on the day of issue. Subscriptions to the short-term issue were allotted in full up to \$10,000; from \$11,000 to \$50,000, 50 per cent.; \$51,000 and over, 20 per cent. Of the long-term issue, subscriptions to \$25,000 were allotted in full; \$26,000 to \$50,000 to the extent of 50 per cent., and \$51,000 and over, 33 1/3 per cent.

Before proceeding to a consideration of the estimated receipts and expenditures of the present year, may I say a word or two with reference to some of the official and semi-official Boards and Commissions of the Government.

LIQUOR CONTROL BOARD

The Liquor Control Board of Ontario was set up, as its name indicates, for the purpose of controlling the sale of alcoholic beverages within the Province, and not primarily for profit, although it has, in the four years of its existence, financially benefited the Ontario taxpayer to the extent of \$43,182,780.79, and large as this sum is, it represents but two-thirds of the financial benefit which accrued to the Dominion taxpayer as a result of its operations: payments by the Board to the Dominion in the four years to October 31st, 1931, being in excess of \$66,500,000, or a payment to both Governments in four years of approximately \$110,000,000.

As I have stated, the first consideration of the Board is "control," but because of increased prices due to increased taxation and to the advance in price of spirituous liquors which was indicated in the Budget Statement of last year, the sales of the Liquor Board in dollars do not truly show the decrease in the quantity of spirituous liquors handled. These quantities show the very gratifying decrease of more than 25

per cent. for the year ending October 31st last as compared with two years ago. The sales of domestic spirits for the year ending October 31st, 1929, being 4,669,162 bottles, while for the similar period ending October 31st, 1931, the sales were 3,960,516 bottles. The sales of imported spirits for the year ending October 31st, 1929, were 6,009,982 bottles as compared with 3,927,318 bottles last year, or a total decrease in the amount of spirituous liquors sold in these two periods of 2,791,310 bottles, or 26.14 per cent.

The smuggling of spurious liquor into Ontario, from the prohibited areas of the United States, at first impression appears well nigh incredible. The reports, however, of commissions and enquiries, governmentally constituted in the United States, establish without doubt, that spurious liquor and alcohol are largely trafficked in in that country. Further, spurious liquors can be manufactured very cheaply. The usual base is alcohol; sometimes pure, sometimes poisonous. The added water, colouring matter, and flavouring cost but little; 65 per cent. overproof alcohol can be produced for forty-five cents a gallon, while the Dominion Excise Tax alone amounts to \$14.85 a gallon. American alcohol pays no taxes and has been illegally sold in Ontario as low as \$3.00 a gallon.

The financial position of the Commission as of October 31st last is as follows:

Land and Buildings.....	\$ 190,165 50
Cash on hand and in Banks.....	2,444,955 39
Accounts receivable made up of Hospital sales, 5 per cent. sales commission on direct brewery and brewery warehouse sales, duty recoverable items due from Customs Depart- ment, freight claims, fines, etc.....	45,129 85
Inventories of liquors and supplies.....	2,434,731 69
Prepaid insurance, etc.....	31,260 00
	<hr/>
	\$5,146,242 43

The liabilities are shown as \$2,069,324.53. This amount is composed of the following items:

For liquors and supplies, miscellaneous charges, etc.....	\$2,061,282 76
Due Provincial Treasurer (for permit sales and confiscated stock).....	8,041.77

It will be observed that the surplus is now \$3,076,917.90.

TEMISKAMING AND NORTHERN ONTARIO RAILWAY

The Temiskaming and Northern Ontario Railway made a net profit of \$935,797.10 on the year's operation and returned to the Provincial Treasury \$850,000, while Ontario's northern frontier has been pushed back one hundred and eighty-five (185) miles by the completion of the main line extension north of Cochrane to Moosonee at James Bay, and an ocean outlet for the Province is assured for coastal shipping and the development of the natural resources adjacent to the two thousand mile shore line of the navigable waters of James Bay.

The northern part of Ontario holds enormous possibilities of advancement and enrichment in the near future consequent upon the opening up of the new territory now served by this line—territory which is possessed of many natural resources in lignite, gypsum, china clay, high-grade iron deposits, etc. It is possible that very valuable fishing grounds may be found in the waters of James Bay and Hudson Bay, for which an outlet to markets will be provided by the extension completed this year.

The total mileage owned by the road is now 574.54 miles, in addition to which there are 21.99 miles of private sidings which are operated by the Company, a total mileage of 596.53 owned and operated.

The total revenue of the road for the financial year ending October 31st, 1931, was \$4,936,026.05, as compared with \$4,959,552.10 for the similar period in the preceding year. The expenditures, including interest on bonds of \$6,000,000 outstanding against this property, were \$4,000,228.95 as compared with expenditures in the preceding year of \$4,009,562.95, leaving the net earnings \$935,797.10 as compared with \$949,989.15 the previous year.

Considering the general business depression through which we are passing the result of the year's operation is exceedingly satisfactory.

HON. MR. NIXON: What was the amount of interest costs on the bonds?

HON. MR. DUNLOP: There are \$6,000,000 of 4 per cent. bonds outstanding against the T. & N.O. Railway Commission properties. The interest would be in the neighbourhood of \$240,000 and is taken care of in the operating expenses of the railway. The profit on our investment in this road, which

was \$30,207,934.92 as at October 31st last, is \$935,797.10, of which amount \$850,000 has been paid to the Treasurer of the Province.

HON. MR. NIXON: But surely you have to take into consideration the amount of interest charges?

GEN. HOGARTH: Yes, and you have to take into consideration the indirect benefits as well.

WORKMEN'S COMPENSATION BOARD

The Workmen's Compensation Board of the Province continues to function in a fair and impartial manner and to the general satisfaction of both employer and employee.

The Board, during the year 1931, dealt with 52,894 accidents, and awarded benefits to the amount of \$6,021,392.10. It is very gratifying to note that death cases paid for were reduced from 427 in 1930 to 266 in 1931. This substantial and gratifying decrease is due partially, but not entirely, to the industrial depression and consequently the fewer number of workmen employed.

In addition to the accidents reported in the year the Board pays monthly about 7,200 pensioners for pensions awarded in 1931 and previous years. From the commencement of the Act to the end of 1931, 928,571 accidents were reported and benefits amounting to \$91,924,617.85 have been awarded. If an average rate of assessment had been imposed on all the employers in Schedule 1, it would have required \$1.22 per \$100 of payroll for the year 1931, and since the commencement of the Act an average rate of \$1.18 per \$100. Schedule 1 is the schedule embracing industry in general, where the liability is collective. Schedule 2 covers municipalities, the Crown, etc., where the liability is individual to the employer.

The Pension Fund invested at the end of the year to cover annuities, etc., on claims in Schedule 1 was \$24,317,709.33, earning an average rate of interest of 5.22 per cent. Schedule 2 funds invested amount to \$3,453,005.45, and had an average interest earning of 5.81 per cent. for the year 1931.

In all, 236,650 cheques were issued during 1931, a daily average of 786. In the same period 30,799 assessments were made, and an average of 4,500 pieces of mail handled daily,

showing the large amount of detail work which is involved in the administration of this Board.

HYDRO-ELECTRIC POWER COMMISSION

The steady growth of the operations of the Hydro-Electric Power Commission during the past ten years is shown by the following statistics:

In 1922 the peak load carried was 605,000 horsepower. In 1930 the peak load was 1,425,991 horsepower, and in 1931 this peak load rose to 1,520,989 horsepower. The figure for 1930 has been corrected so as to include the Dominion Power and Transmission Company's plants.

These peaks given are the direct sums of the plant peaks during the year, with no allowances for diversity in time. Of the total peak load carried in 1931 the generating plants of the Commission supplied 1,154,579 horsepower. In addition the Commission utilized purchased power to the extent of 366,410 horsepower.

The number of customers served in 1922 was 364,988. In 1931 it was approximately 615,000. In 1922 the Commission operated 4,040 miles of transmission lines, including rural lines. In 1931 it operated over 15,000 miles. The reserves of the Provincial Hydro System in 1922 were \$8,562,840, in 1931 they amounted to \$62,600,000. The various municipal systems had reserves in 1922 of \$18,387,000, and in 1931 these municipal reserves were \$53,400,000.

The growth of the rural service is indicated by the fact that in 1922 there were 441 miles of rural lines. This mileage had increased to 8,196 miles in 1931. Rural customers to the number of 2,226 were served in 1922, and approximately 56,000 in the year just past.

The capital investment of the Provincial Hydro System increased from \$163,964,840 in 1922 to \$265,000,000 (estimated) in 1931, and the investment of the municipalities increased from \$53,583,400 in 1922 to \$105,000,000 (estimated) in 1931, a total investment on the part of the municipalities and the Province in this great public ownership enterprise of about \$370,000,000.

Net advances to the Hydro-Electric Power Commission on the part of the Province as of October 31st last were \$188,377,180.39. These advances are made by the Province

to the Commission at the net cost of the money to the Province. The Commission has thus had the advantage of low interest rates on its invested capital. These low interest rates have in turn been reflected in what may safely be said to be the lowest rates for electricity obtainable anywhere in the world for service supplied under similar conditions.

AGRICULTURAL DEVELOPMENT BOARD

The facilities offered by the Agricultural Development Board of the Province were availed of by agriculturists during the year in 3,361 new loans, in the amount of \$8,041,838.44, and the amount of the outstanding loans as of October 31st, 1931, was \$35,450,646, as compared with outstanding loans at October 31st, 1930, in the amount of \$29,442,986.90.

PROVINCIAL SAVINGS OFFICE

The Provincial Savings Office is now serving approximately 90,000 depositors—19,394 new deposit accounts were opened during the year, and the year's business shows an increase in deposits of \$3,548,725. The various branches handled a volume of business during the year in excess of \$61,000,000, and total deposits reached a new high level in the amount of \$26,855,844.

The Savings Office made a profit on the year's operations amounting to \$25,026—more than double the profit of the previous year.

There was \$678,153 paid to depositors in interest during the year and the surplus account now stands at \$211,802.

OLD AGE PENSIONS

Up to the present time five Provinces in Canada have adopted this Act.

In Ontario, as of 31st October last, the number of pensioners on the roll was 40,401, and the total amount paid in pensions for the fiscal year was \$8,765,049.23. The Province's proportion of this expenditure was \$2,945,853.26 and the municipalities contributed \$1,511,310.74.

The percentage of population over 70 years of age by Provinces is as follows:

Alberta.....	1.17%
British Columbia.....	1.84%
Manitoba.....	1.68%
Saskatchewan.....	1.17%
Ontario.....	3.48%

The percentage of those over 70 years of age receiving pension by Provinces is as follows:

Alberta.....	50.67%
British Columbia.....	54.84%
Manitoba.....	58.25%
Saskatchewan.....	66.32%
Ontario.....	34.56%

It will be noted from these figures that the percentage of those over 70 years receiving pensions in every other province is much in excess of the percentage in the Province of Ontario.

MOTHERS' ALLOWANCES

Under the Mothers' Allowances Act there were 5,997 beneficiaries, and 18,036 children benefiting by the allowances under this Act, in a total of \$2,574,144.83, of which amount the municipalities contributed \$1,195,621.95 and the Province the balance. The average of the monthly allowances is \$36.72 and the cost of administration 3.31 per cent.

THE KING'S HIGHWAYS

At the end of 1931 we had 2,977 miles of King's Highway in the Province, as compared with 2,738 miles at the end of last year. Of this mileage there was 1,055.89 miles of concrete surface, 207.52 of asphalt, 261.36 of bituminous penetration (a total of 1,524.77 miles of surfaced highway), 323.05 of macadam, 471.18 miles of mixed macadam and retread, and 658 miles of gravel.

As regards Highways, Ontario is now placed in a position second to none. No matter what attractions a country may have they must be made accessible before tourist traffic can become of any importance. In 1919 only 202,419 tourist cars entered Ontario from the States. In 1931 this number had increased to the spectacular total of 3,691,720. The amount of money left in Ontario by these tourists was estimated by the Dominion Bureau of Statistics to be \$118,700,000 in 1931. A questionnaire distributed by the Highways Department in 1930 to tourists using a 60-day permit indicated that this

class of tourists stayed in Ontario for an average of seven days and that the average number of miles travelled per car in Ontario was 528 miles. The average number of persons per car was 3.2, and the average expenditure per person \$34.95.

Other interesting information compiled from these cards would appear to show that 45 per cent. of the tourist traffic originated in the two States having direct access by motor to Southern Ontario, namely, New York and Michigan. Adding Ohio, the total is raised to 58 per cent.; including Pennsylvania, it is 68 per cent.; and including the State of Illinois it is 76 per cent. Thus it would appear that over three-quarters of motor visitors to Ontario in 1930 came from five States in the Union.

Of the cards received 21 per cent. mentioned the courteous treatment received from Ontario people—police and customs officers in particular—and 29 per cent. commented on the excellency of our roads. Other outstanding remarks were the prosperous appearance of our country and the beautiful scenery our Province had to offer. A great impetus to the northern flow of tourists will be given by the completion of the Trans-Canada Highway, the most northerly Trans-Continental road, and one that will equal any scenic beauties of any of the older lines of travel.

In the year 1931 there was expended by the Province on all road construction, including the King's Highway, Colonization Roads, and roads in Northern Ontario, the sum of \$28,741,118.45, capital and ordinary. Comparing current expenditure on Highways to current revenue for Highway purposes for the year 1931 the figures are as follows:

Maintenance.....	\$6,221,440
Interest.....	8,253,787
Debt retirement based on 20 years.....	4,992,319
Total.....	<u>\$19,867,546</u>

The current revenue for the same year was—

Motor Vehicle and Gas Tax.....	\$16,561,088
County and Suburban Area Repayment....	399,692
Total.....	<u>\$16,960,780</u>
(revenue 85.3 per cent. of the current expenditure.)	

Our King's Highways are maintained to a very high standard as to surface, grades and curves, and in addition to

the benefits of a high-class road system for the citizens of Ontario, our investment in Highways indirectly is of very substantial benefit, through the tourist traffic it creates, to the Province as a whole.

Motor vehicle permits in Ontario are the lowest in all of Canada, the comparative figures being as follows:

	Ontario	Quebec	New Brunswick	Nova Scotia	Prince Edward Island	Manitoba	Saskatchewan	Alberta	British Columbia
Ford A.....	\$7.00	\$17.20	\$25.90	\$21.60	\$18.20	\$11.50	\$17.50	\$17.50	\$20.95
Chev. 4.....	7.00	17.00	25.60	21.60	18.00	11.50	17.50	17.50	20.95
Chev. 6.....	12.00	18.95	28.00	23.40	19.95	14.00	20.00	20.00	23.65
Pontiac 6.....	12.00	19.20	28.35	24.30	20.20	16.50	17.50	17.50	25.65
Essex 6.....	12.00	19.25	28.40	24.30	20.25	16.50	22.50	22.50	25.00
Hudson 8.....	20.00	22.35	29.00	27.90	23.35	29.00	30.00	30.00	30.40
LaSalle 8.....	20.00	32.50	44.50	42.30	33.50	29.00	32.50	32.50	56.05
Operators' Licenses...	1.00	5.00	1.00	1.00	1.00	1.00	*	.50	1.00
Chauffeurs' Licenses..	2.00	5.00	2.00	5.00	5.50	2.00	5.00	3.00	A 7.50 B 6.00 C 4.00

*No charge to owners; 50c. to others

THE PUBLIC ACCOUNTS

Some criticism still seems to exist as to the change in the form of presenting the Public Accounts which was adopted last year. Indeed, from newspaper accounts of the speeches of some of the Honourable gentlemen opposite, and others, one would almost be led to believe that the Revenue and the Expenditure of this Province were not shown in full in its financial statement; that there was an attempt at concealment as to the true state of the Provincial finances. But I am confident that all the Honourable Members of this House know that this not the situation.

Every dollar of the revenue of the Province of Ontario and every dollar of the expenditure of the Province of Ontario for last year is shown clearly and concisely within the two covers of the Public Accounts which are to-day on the desk of every Member of this Legislature, and I defy any Honourable Member of this House to point to a financial transaction in which this Province was interested, either directly or indirectly, which is not entered in the Public Accounts in its proper place and in proper form. The expenditures and the revenues are

shown in detail and in gross figures. The expenditure or revenue refunds applicable to that charge, or to that particular revenue are shown and the net cost of the service to the Province or the net revenue received by the Province is shown in the Public Accounts and in its proper place.

Taking for example Old Age Pensions. (I am not quoting exact figures at the moment.) The total cost of Old Age Pensions to the Federal Government, the Government of Ontario and the municipalities is approximately \$8,000,000 annually. No Honourable Member will argue that \$8,000,000 should be shown in the Public Accounts of Ontario as being an expenditure of this Province—knowing full well, as he does, that 85 per cent. of this expenditure is taken care of by the Federal Government and the municipalities. Neither can it reasonably be argued that the refunds which we receive on account of Old Age Pensions from the Federal Government and municipalities amounting to approximately \$6,800,000 is by any stretch of the imagination Provincial revenue. Many other similar instances might be quoted. May I give one more. An athletic association will buy \$1,000 worth of Amusements Tax tickets and only sell \$500, returning the balance to the Department for redemption. Surely no Honourable Member would argue that the \$1,000 originally paid was revenue to the Province and the \$500 refund was Provincial expenditure.

BRITISH PRACTICE FOLLOWED

The form in which the Provincial accounts are now kept is the form in which they were kept from the time of Confederation until the appointment of Mr. Clancy as Provincial Auditor in 1905. It is the form in which the public accounts of the Federal Government, the Government of the Province of Quebec, and so far as I know every other province in Canada keep their accounts, and it is the form now used by the mother of all Parliaments at Westminster. It was adopted by The Right Honourable Winston Churchill, the Chancellor of the British Exchequer, when presenting his budget to the British House of Commons April 24th, 1928. May I quote from the Budget Speech of the Honourable Mr. Churchill of that date:

“In order to present a clearer picture I have this year adopted a new form in the presentation of our accounts. In

the first place I have presented them net instead of gross. . . . The object in each case being the same which is to remove from both sides of the account items which exactly balance and cancel each other. According to the doctrines of Sir Robert Peel and Mr. Gladstone the presentation of gross estimates was to be encouraged and respectable reasons can be found for it. But as the consequent meaningless inflation of the total figure has proved a stumbling block to a numerous tribe of political quadrupeds I thought it desirable on this occasion and for the future to make a change. . . . These figures represent more accurately and reasonably the actual cost of Government and the increase or decrease in the real burden on the country in our accounts. Whatever arguments we may have, it is much better to get on a sound and sensible basis."

I commend these words to any Honourable Member who continues to be of the opinion that the Public Accounts of this Province should continue to be shown in a form confusing and antiquated as against the present clear and concise grouping of expenditure and revenue in relation to its particular service.

ESTIMATED ECONOMIES OF FIVE MILLION DOLLARS

The estimated ordinary revenue for the present financial year is \$56,005,000 as compared with \$54,390,000 last year—an increase in ordinary revenue for the year of \$1,615,000.

The estimated ordinary expenditure, exclusive of public debt charges and direct unemployment relief, is \$37,920,000 as compared with \$42,595,000 for the year 1931—a decrease of \$4,675,000. Adding interest charges on the public debt in the amount of \$13,560,000 and estimated payments for New York exchange \$1,660,000, and an estimated expenditure on account of direct unemployment relief of \$2,500,000, the total expenditure during the year will be \$55,640,000, leaving an estimated surplus on account of the year's operations in the amount of \$365,000, or eliminating Direct Relief a balanced budget with Debt Retirement provided. We will take care of the debt retirement requirements on behalf of the moneys advanced to the Hydro-Electric Power Commission in full, but there is no provision in this estimate for any debt retirement on account of Provincial debt exclusive of the Hydro-Electric Power Commission.

The statement of Receipts and Expenditures as presented herewith is unique and I doubt if a similar statement has often, if ever, been presented to a Legislative body. The expenditures in connection with the administration of the affairs of this Province show a decrease in every department of the administration excepting that of the Provincial Treasurer. In accordance with our system, Government expenditures are grouped into twenty main classifications, and nineteen of these have been able to affect substantial reductions owing to a policy of rigorous economy and retrenchment which has been applied to the most minute detail of expenditure. For the information of Honourable Members I will make a comparison as between the actual expenditure for last year and the estimated expenditure for this year in each of these various Department.

The classification under the heading Lieutenant-Governor at \$6,000 is the same as last year.

Prime Minister's Department at \$158,000 shows a saving of \$15,000 as compared with last year.

Legislation at \$365,000 shows a saving of \$15,000.

The Attorney-General's Department at \$2,750,000 shows a decrease of \$35,000 from the figures of last year, but this does not truly indicate the saving affected in that Department as, in accordance with a recent judgment of Privy Council the Province is not entitled to retain fines received in certain cases and is ordered to make return to various municipalities of fines which we contended belonged to the Province. The return of these fines, amounting in round figures to \$300,000, of which one item alone of \$250,000 has to be returned to the City of Toronto, is included in the estimated expenditures of the Attorney-General's Office. This is an extraordinary and unusual expenditure and the elimination of this item would have shown a reduction in the ordinary expenditures of the Attorney-General's Office of \$335,000.

The Insurance Department shows an expenditure this year of \$65,000 as compared with \$72,000 in the previous year.

Education is estimated at \$10,048,000 this year as compared with \$11,829,000 last year, a saving in this Department of \$1,781,000.

Lands and Forests estimate an expenditure of \$1,330,000 this year as against \$2,130,000 last year—an estimated saving in this Department of \$800,000.

Northern Development shows an expenditure of \$1,922,000 this year, which is a reduction of \$144,000 on the amount expended last year.

Mines, at \$363,000 this year, are \$20,000 below their last year's figure.

Game and Fisheries Department likewise has reduced its expenditure for this year by \$11,000.

Public Works Department shows a reduction of \$51,000.

The Highways Department, for maintenance and repairs, is effecting a reduction of \$290,000 as compared with its expenditures for 1931. This expenditure, too, perhaps indicates a greater economy than would be apparent from these figures as the Highways expenditure for maintenance and repairs last year showed a reduction of \$754,752 from the year 1930, so that comparing the Highways expenditure on maintenance in 1932 with 1930 there is a reduction in this item of over \$1,000,000.

Public Health in 1932, at \$787,000, shows a reduction of \$72,000 from the previous year, and Hospitals, at \$4,960,000, a reduction of \$269,000 from the year previous. Labour, at \$334,000, shows a saving of \$9,000. Children's Aid, at \$240,000, a saving of \$7,000.

Old Age Pensions, a reduction in expenditure of \$527,000. This is not due to any reduction in the scale of Old Age Pensions but is accounted for by the increase in the proportion of the cost of Old Age Pensions which is now taken care of by the Federal Government.

The payments under the heading of Mothers' Allowances this year are \$1,615,000, as compared with \$1,479,000 last year; and Miscellaneous expenditures in the Department of Welfare, at \$315,000, show a saving of \$73,000.

The Provincial Treasurer's Department, in so far as services are concerned, indicates a saving of \$31,000, but expenditures which are made through the Provincial Treasurer's Office, such as the Government's contribution to the Public Service Superannuation Fund and to the Teachers' and Inspectors' Superannuation Fund, are uncontrollable items—the contributions thereto being fixed by statute—and account for an increase of \$43,000 this year as compared with similar expenditures last year.

The Legislative Post Office also comes under the jurisdiction of the Provincial Treasurer, and as all of the mail matter of the

various Departments and Branches of the Government is handled through this office the postal increase of one cent in the letter rate (effective July 1st, 1931) substantially increases the expenditure of this office, when it is considered that last year almost \$100,000 was paid for postage.

The Treasurer has had a very unhappy time with his colleagues in the Government because of the fact that he alone of all the Members of the Cabinet has been unable this year to show a net saving in administration expenses. However, the Treasurer has been able to advance arguments in support of his exceptional position which quite convince me that the \$12,000 net increase in the Department of the Provincial Treasurer has been quite unavoidable.

The Department of the Provincial Auditor shows a saving of \$10,000 and that of the Provincial Secretary a saving of \$72,000.

In Agriculture there is a reduction in expenditure this year as compared to last of \$456,000, and miscellaneous expenditures, at \$400,000, compared with expenditures under the same item last year of \$559,000—a total estimated saving in expenditure for the year, excluding debt charges, of \$4,675,000.

EMERGENCY TAXATION MEASURES

As stated previously, sources of revenue which in normal times would prove ample to provide for all the expenditures of Government are not to-day sufficient to take care of the minimum of the expenditure which is absolutely necessary to carry on the Government of this Province and maintain its necessary and essential services, and, notwithstanding savings and economies which have been affected, amounting to close to \$5,000,000, it is necessary in order that this Province may present a balanced budget to raise additional revenue this year to the extent of approximately \$4,000,000. It is the hope and the expectation of the Government that with a return to more normal times these and other taxes may be reduced and perhaps at the moment we might designate this proposed taxation as an emergency measure.

HEAVIEST TAX ON BROADEST SHOULDERS

It is proposed to make amendments to the Corporations Tax Act by which we will secure an additional revenue from that source of approximately \$2,000,000. The amendments

to this Act we hope to be able to put before the Legislature the first of next week. It will include additional taxation on Banks, Life Insurance Companies, Fire Insurance Companies, Miscellaneous Insurance Companies, Loan Companies, and Telegraph and Telephone Companies. It is also proposed to put a tax of 1 per cent. on the net profits of incorporated companies doing business in Ontario; and in connection with the returns made under the Corporations Tax Act it is proposed to incorporate the return now made to the Provincial Secretary's Department and to include the filing fee now paid to that Department with a principal office tax and a branch office tax, thus eliminating the duplication of returns now required of all incorporated companies.

It is proposed to increase the Amusements Tax and to eliminate entirely exemptions from this tax, excepting to religious, charitable, patriotic or philanthropic organizations, who may secure a rebate of the tax collected on production of a statement showing that at least two-thirds of the gross receipts of the entertainment have been available and paid over for the above purposes. The elimination of these exemptions and the increased tax, we expect will bring to the Province \$200,000.

It is proposed to increase the taxation on Gasoline by 1c. per gallon (bringing it up to six cents), and to eliminate all rebates of this tax excepting to the farmer or fisherman in the pursuit of their respective callings. From this source we look for an increase in revenue of \$1,350,000.

We propose to put into effect an emergency tax of 10c. per bottle on all spirituous liquor and imported wines sold through the stores of the Liquor Control Board, from which tax we expect to receive \$500,000. It is also proposed to tax domestic wine sold to the public through the wineries of the Province at the rate of 25c. per gallon. From this source of revenue we estimate \$60,000. It is proposed to increase Law Stamps to bring in additional revenue in the amount of \$100,000.

SURPLUS FOR 1932

With these sources of revenue we expect to be able, at the end of this financial year, to take care of all the ordinary expenditures of the Province; to provide for \$2,500,000 by way of direct relief to unemployment, and to end the year

with a surplus of ordinary revenue over ordinary expenditure of \$365,000.

Mr. Speaker, I beg to move that you do now leave the Chair, and that the House resolve itself into a Committee of Supply.

STATEMENTS
OF
ASSETS AND LIABILITIES
RECEIPTS AND PAYMENTS
ETC.

FISCAL YEAR
ENDED
OCTOBER 31st, 1931

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..... 1,480,829 46

Quebec Turnpike Trust—(Ontario and Quebec) 3,324 35

\$54,336,387 41

13 HYDRO-ELECTRIC POWER COMMISSION—

Advances.....\$200,827,676 36

Less—

Repayment from Sinking Fund.. 12,450,495 97

188,377,180 39

.. TEMISKAMING AND NORTHERN ONTARIO RAILWAY—

Advances..... 30,207,934 92

14 LOANS TO MUNICIPALITIES, ETC..... 7,781,586 23

\$280,703,088 95

14 BUILDINGS, ROADS, ETC..... 220,851,591 47

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

\$691,250,000 00

TOTAL CAPITAL ASSETS.....\$501,554,680 42

Current Assets

14 CASH IN BANKS..... \$ 3,973,554 68

14 ACCOUNTS RECEIVABLE..... 5,220,597 11

23 AGRICULTURAL DEVELOPMENT FINANCE ACT—

INVESTMENTS AND CASH..... 38,373,380 70

BOWMANVILLE SCHOOL GYMNASIUM FUND—INVESTMENTS 10,000 00

15 PLANT, LIVESTOCK, STORES AND EQUIPMENT..... 2,546,889 57

TOTAL CURRENT ASSETS..... 50,124,422 06

15 DEFERRED ASSETS..... 104,133 65

15 DISCOUNT ON LOANS..... \$ 6,323,935 58

TOTAL ASSETS.....\$551,783,236 13

PROVINCE OF ONTARIO

AS AT OCTOBER 31st, 1931

Page No.	Capital Liabilities
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16	ONTARIO STOCK AND DEBENTURES.....	\$455,375,344	54
	Deduct—		
22	Sinking Funds.....	3,679,667	28
		<hr/>	
		\$451,695,677	26
..	UNIVERSITY OF TORONTO CERTIFICATES.....	120,000	00
22	RAILWAY AID—CERTIFICATES AND ANNUITIES.....	1,335,918	78
18	CONTINGENT LIABILITIES:		
	Bonds, etc., guaranteed by the Province	\$80,676,036	17
		<hr/>	

NOTE:—The Hydro-Electric Power Commission has deposited with the Province, Ontario Bonds of par value of \$2,101,000 on account of Sinking Fund for repayment of advances, in excess of cash payments called for under the Debt Retirement Plan.

TOTAL CAPITAL LIABILITIES.....	<hr/> \$453,151,596 04
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Current Liabilities

..	TEMPORARY LOANS—TREASURY BILLS.....	\$26,040,000	00
23	PROVINCE OF ONTARIO SAVINGS OFFICE—DEPOSITS.....	26,855,844	00
23	ACCOUNTS PAYABLE.....	369,411	85
..	ACCRUED INTEREST ON PUBLIC DEBT.....	7,504,106	17
23	SPECIAL FUNDS.....	6,746,542	65

TOTAL CURRENT LIABILITIES.....	<hr/> 67,515,904 67
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TOTAL LIABILITIES.....	<hr/> \$520,667,500 71
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DEBT RETIREMENT RESERVE:

Amount provided out of Ordinary Revenue to date in
accordance with Debt Retirement Plan..... \$ 7,668,560 66

BALANCE—Excess of Total Assets over Total Liabilities	31,115,735 42
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<hr/> <hr/> \$551,783,236 13

PROVINCIAL DEBT

Statement Showing Investment Thereof as at October 31st, 1931

FUNDED DEBT:

Stock and Debentures outstanding.....	\$455,375,344	54
Certificates and Annuities.....	1,455,918	78
	<u>\$456,831,263</u>	<u>32</u>

Deduct—Sinking Fund Investments—

Registered Stocks.....	\$2,627,667	28
"AM"—Sinking Fund.....	715,000	00
"AN"—" ".....	337,000	00

Hydro-Electric Power Commission—

Ontario bonds deposited with Treasury.....	2,101,000	00
--	-----------	----

5,780,667 28

Total Funded Debt..... \$451,050,596 04

UNFUNDED DEBT:

Treasury Bills.....	\$26,040,000	00
Savings Office Deposits.....	26,855,844	00
Special Funds, Accounts Payable and Accrued Interest...	14,620,060	67

67,515,904 67

Gross Debt..... \$518,566,500 71

INVESTMENT THEREOF:

Revenue Producing and Realizable Assets—

Hydro-Electric Power Commission—advances.....	\$188,377,180	39
Less—Sinking Fund Investments deposited.....	2,101,000	00

\$186,276,180 39

Temiskaming and Northern Ontario Railway—advances.....	30,207,934	92
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Farm, Housing and Settlers' Loans.....	46,154,966	93
--	------------	----

Cash and Accounts Receivable.....	\$9,204,151	79
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King's Highways—Construction—Counties and Cities.....	2,696,137	82
---	-----------	----

11,900,289 61

274,539,371 85

Revenue Producing but not Realizable Assets—

Roads and Highways.....	\$165,358,395	31
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Less—Due by Cities and

Counties.....	2,696,137	82
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\$162,662,257 49

Niagara Parks.....	2,001,029	41
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Common School Fund—Trust Fund; Ontario and Quebec.....	1,484,153	81
--	-----------	----

166,147,440 71

Total Revenue Producing Assets..... \$440,686,812 56

Non-Revenue Producing Assets—

Provincial buildings and public works.....	\$53,492,166	75
--	--------------	----

Plant, stores and equipment.....	2,546,889	57
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Deferred assets.....	104,133	65
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56,143,189 97

Other Assets—

Capitalized value of annual subsidy.....	52,852,233	60
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Total Assets..... \$549,682,236 13

Excess of Assets over Liabilities..... \$ 31,115,735 42

GROSS PROVINCIAL DEBT**Statement Showing Increase****Fiscal Year ended October 31st, 1931**

	1930		1931		Increase	
FUNDED DEBT—	\$	c.	\$	c.	\$	c.
Stocks, Debentures, Certificates and Annuities.....	397,686,981	24	453,151,596	04	55,464,614	80
Less: Hydro Sinking Fund—Ontario Bonds deposited.....	1,751,000	00	2,101,000	00	350,000	00
	395,935,981	24	451,050,596	04	55,114,614	80
UNFUNDED DEBT.....	75,685,370	87	67,515,904	67	8,169,466	20
Gross Debt.....	471,621,352	11	518,566,500	71	46,945,148	60
INCREASE IN GROSS DEBT ACCOUNTED FOR THUS—						
CAPITAL EXPENDITURE—						
Expenditure on Highways, Northern Development, Public Buildings and Works, etc.....	\$29,084,632	67				
Less: Capital Revenue.....	237,096	75				
					\$28,847,535	92
HYDRO-ELECTRIC POWER COMMISSION—advances.....	\$13,353,200	18				
Less: Repayments from Sinking Funds.....	1,775,462	09				
					11,577,738	09
AGRICULTURAL DEVELOPMENT FINANCE ACT—						
Increase in Investments.....					6,374,045	07
OLD AGE PENSIONS AND MOTHERS' ALLOWANCES DUE PROVINCE.....					738,980	58
DISCOUNT ON BONDS, ETC., ISSUED IN 1931.....					2,301,663	83
MISCELLANEOUS.....					8,122	51
DEFICIT IN ORDINARY REVENUE—1931					456,901	91
					\$50,304,987	91
Deduct:						
CASH IN BANKS—Decrease.....	\$ 2,925,149	69				
LOANS TO MUNICIPALITIES, ETC.—						
Repayments in excess of advances.....	234,018	30				
DISCOUNT WRITTEN OFF IN CURRENT YEAR.....	107,785	48				
					3,266,953	47
Deduct:						
BOOK ENTRIES—					\$47,038,034	44
Hydro Sinking Fund—Ontario bonds deposited with Treasury during year.....	\$ 350,000	00				
Less—						
Increase in accrued liabilities at October 31st, 1931, included in Unfunded Debt—Accrued interest on Public Debt, Special Funds, etc.....	257,114	16			92,885	84
					\$46,945,148	60

NET PROVINCIAL DEBT

Statement Showing Increase

Fiscal Year Ended October 31st, 1931

	1930		1931		Increase	
	\$	c.	\$	c.	\$	c.
GROSS DEBT.....	471,621,352	11	518,566,500	71	46,945,148	60
REVENUE PRODUCING AND REALIZABLE ASSETS	258,843,070	69	274,539,371	85	15,696,301	16
Net Debt.....	212,778,281	42	244,027,128	86	31,248,847	44

INCREASE IN NET DEBT ACCOUNTED FOR THUS:

NET CAPITAL EXPENDITURE—	
Highways, Northern Development, Public Buildings and Works, etc., not of a realizable nature.....	\$28,847,535 92
DISCOUNT ON BONDS ISSUED IN 1931—LESS WRITTEN OFF.....	2,193,878 35
DEFICIT OF ORDINARY REVENUE, 1931.....	456,901 91
	<u>\$31,498,316 18</u>

Deduct:

BOOK ENTRIES—	
Accrued Accounts Receivable—increase.....	\$506,582 90
Less—Accrued Liabilities—increase.....	257,114 16
	<u>249,468 74</u>
	<u>\$31,248,847 44</u>

NOTE.—Net Debt represents indebtedness incurred in respect of expenditure on projects of a non-realizable nature, such as Highways, Buildings, Public Works, etc. It is further increased by items of the nature of discount on loans, deficits of ordinary revenue, etc.

STATEMENT SHOWING SOURCES OF ORDINARY REVENUE

Fiscal Year Ending October 31st, 1931

DOMINION GOVERNMENT—ANNUAL SUBSIDY.....	\$2,642,611 68
REVENUE DERIVED FROM INDIVIDUALS AND CORPORATIONS RECEIVING THE BENEFIT OF PROVINCIAL SERVICES, SPECIAL PRIVILEGES OR THE USE OF NATURAL RESOURCES AND PROPERTIES AND PROFITS FROM TRADING, ETC.:	
Taxation.....	\$18,366,360 26
Gasoline, Mines, Lands, Corporations, Race Tracks (betting), Amusements, and Stock Transfers.	
Licenses.....	7,423,287 16
Motor Vehicles, Liquor Permits, Hunting and Fishing, Insurance, Loan and Trust Companies, Mines, Race Tracks, Theatres, etc.	
Fees.....	2,307,691 56
Local Registrars, Police Magistrates, Crown Attorneys, etc.; Fire Marshal, Mine Recording, Companies and Brokers Registration, etc.; Land Transfers, Motor Vehicle Transfers, etc.	
Fines and Penalties.....	149,392 51
Profits from Trading Activities.....	10,015,000 00
Liquor Control Board—Profits, Fines, Sale of Con- fiscated Liquor, etc.	
Succession Duties.....	9,504,814 04
Natural Resources.....	3,615,398 56
Interest on Drainage and Sundry Loans.....	198,552 02
Miscellaneous.....	166,984 58
Ontario Gazette, sale of Government publications, and casual revenue.	
	<hr/> 51,747,480 69
	<hr/> \$54,390,092 37 <hr/>

**Statement
REVENUE AND
Fiscal Year ended**

Page No.	State-ment No.	Departments	Ordinary	Capital	Total
		Revenue	\$ c.	\$ c.	\$ c.
14	2	Prime Minister.....	310,716 90	.....	310,716 90
14	3	Legislation.....	40,679 96	.....	40,679 96
15	4	Attorney-General.....	10,552,200 74	.....	10,552,200 74
16	5	Insurance.....	178,938 88	.....	178,938 88
16	6	Education.....	12,830 65	.....	12,830 65
17	7	Lands and Forests.....	3,234,429 56	157,492 06	3,391,921 62
18	8	Northern Development.....	.....	18,323 78	18,323 78
19	9	Mines.....	766,226 97	33,013 09	799,240 06
20	10	Game and Fisheries	715,462 83	.....	715,462 83
20	11	Public Works.....	43,542 56	4,990 16	48,532 72
21	12	Highways	16,625,143 66	23,277 66	16,648,421 32
22	13	Health.....	31,134 00	.....	31,134 00
22	14	Labour.....	450 25	.....	450 25
22	15	Public Welfare.....	11,069 79	.....	11,069 79
25	16	Provincial Treasurer.....	21,113,162 72	.....	21,113,162 72
30	17	Provincial Secretary.....	554,972 97	.....	554,972 97
30	18	Agriculture.....	370 08	.....	370 08
..	T10	Stationery Account (Excess of distribution over purchases during year).....	207 83	.....	207 83
			54,191,540 35	237,096 75	54,428,637 10
31	19	Interest.....	198,552 02	.....	198,552 02
		TOTAL REVENUE.....	54,390,092 37	237,096 75	54,627,189 12

RECAPI

ORDINARY REVENUE

Ordinary Revenue as above.....
Ordinary Expenditure as per contra.....

Excess of Ordinary Expenditure over Ordinary

CONSOLIDATED

Fiscal Year ended

Page No.	Receipts	
..	Balance 'n Banks—November 1st, 1930.....	\$ 6,898,704 37
..	Revenue as above—	
	Ordinary.....	\$ 54,390,092 37
	Capital.....	237,096 75
		<hr/> 54,627,189 12
11	Public Debt—	
	Proceeds of Bond and Treasury Bill Issues, etc. .	\$169,213,081 82
12	Loan Repayments—Municipalities, Hydro-Electric Power Commission, etc.....	4,838,998 13
12	Special Funds—Deposits.....	1,494,790 63
		<hr/> 175,546,870 58
		<hr/> \$237,072,764 07

No. 1
EXPENDITURE
October 31st, 1931

Page No.	Departments	Ordinary		Capital		Total	
	Expenditure	\$	c.	\$	c.	\$	c.
A2	Lieutenant-Governor's Office.....	6,116	62			6,116	62
B2	Prime Minister.....	173,386	71	1,414,299	00	1,587,685	71
C2	Legislation.....	379,906	15			379,906	15
D2	Attorney-General.....	2,784,685	47			2,784,685	47
E2	Insurance.....	72,021	88			72,021	88
F2	Education.....	11,829,422	29	1,032,750	00	12,862,172	29
G2	Lands and Forests.....	2,130,425	83	1,106,893	46	3,237,319	29
H2	Northern Development.....	2,066,056	11	5,246,885	85	7,312,941	96
I 2	Mines.....	382,631	60	307,520	96	690,152	56
J2	Game and Fisheries.....	625,697	63	118,372	33	744,069	96
K2	Public Works.....	838,015	21	3,173,561	02	4,011,576	23
L2	Highways.....	4,234,843	45	12,644,477	52	16,879,320	97
M2	Health.....	6,088,030	27	29,000	00	6,117,030	27
N2	Labour.....	1,132,904	44	3,891,420	11	5,024,324	55
O2	Public Welfare.....	4,362,912	14			4,362,912	14
P2	Provincial Treasurer.....	2,103,949	71			2,103,949	71
Q2	Provincial Auditor.....	116,596	06			116,596	06
R2	Provincial Secretary.....	974,285	38	19,630	00	993,915	38
S2	Agriculture.....	2,523,711	86			2,523,711	86
T2	Miscellaneous.....	559,533	63	99,822	42	659,356	05
		43,385,132	44	29,084,632	67	72,469,765	11
P5	Public Debt—Interest, etc.....	11,461,861	84			11,461,861	84
	TOTAL EXPENDITURE.....	54,846,994	28	29,084,632	67	83,931,626	95

TULATION
AND EXPENDITURE

.....\$ 54,390,092 37
 54,846,994 28

Revenue for the year.....\$ 456,901 91

REVENUE FUND
October 31st, 1931

Page No.	Payments		
	Expenditure as above—		
	Ordinary.....	\$ 54,846,994	28
	Capital.....	29,084,632	67
		<u>\$ 83,931,626</u>	<u>95</u>
11	Public Debt—		
	Bonds and Treasury Bills, etc., matured and paid . . .	\$125,541,624	99
12	Loans Advanced—Municipalities:		
	Hydro-Electric Power Commission, etc.....	23,100,117	00
12	Special Funds—Repayments.....	517,787	69
		<u>149,159,529</u>	<u>68</u>
	Balance—		
14	In Banks—October 31st, 1931.....	\$ 3,973,554	68
..	Returned Cheques held for collection, etc.....	8,052	76
		<u>3,981,607</u>	<u>44</u>
		<u>\$237,072,764</u>	<u>07</u>

CAPITAL RECEIPTS AND EXPENDITURES

Fiscal Year Ended October 31st, 1931

Receipts

LANDS AND FORESTS		
Land Collections—75%	\$ 125,558 04	
Forestry—Refunds	8,540 94	
Lac Seul Dam—Dominion Government	23,393 08	
		\$157,492 06
NORTHERN DEVELOPMENT		
Assistance to Settlers—Repayments		18,323 78
MINES: Mining Land Sales		33,013 09
PUBLIC WORKS: Refunds, etc.		4,990 16
PUBLIC HIGHWAYS: Sale of Property, Equipment, etc.		23,277 66
		\$237,096 75

Expenditure

PRIME MINISTER: Rural Power Transmission Lines		\$1,414,299 00
EDUCATION		
University of Toronto, Land and Buildings	\$238,663 58	
Ontario College of Education—Extension	113,820 97	
Royal Ontario Museum—Extension	680,265 45	
		1,032,750 00
LANDS AND FORESTS		
Forest Ranging	\$174,183 37	
Forestry Act	34,759 81	
Surveys	125,000 00	
Parks	10,870 97	
Reforestation	391,984 31	
Fire Ranging	277,762 60	
Clearing Townsites	91,950 87	
Statutory Refunds—Crown Dues and Wild Lands	381 53	
		1,106,893 46
NORTHERN DEVELOPMENT		
Colonization Roads	\$292,139 58	
Roads (Statutory)	4,550,365 46	
Assistance to Settlers	21,860 50	
Unemployment Relief—Trans-Canada Highway	264,433 55	
“ “ General Work	118,086 76	
		5,246,885 85
MINES		
University of Toronto—Mining Building Extension	\$210,282 02	
Diamond Drilling Lignite and Other Deposits	93,542 45	
Trails, Clearing Streams, etc.	3,696 49	
		307,520 96
GAME AND FISHERIES		
Ponds and Buildings	\$109,174 15	
Boats and Boathouses	5,434 50	
Game Animals and Birds	3,763 68	
		118,372 33
PUBLIC WORKS		
Public Buildings	\$2,881,921 82	
Public Works	176,414 20	
Drainage Aid	115,225 00	
		3,173,561 02
PUBLIC HIGHWAYS		
Highways Construction	\$12,638,789 54	
Equipment	5,687 98	
		12,644,477 52
HEALTH		
Paving Roads—Whitby Hospital	\$23,000 00	
“ “ Penetanguishene Hospital	6,000 00	
		29,000 00
LABOUR		
Unemployment Relief—		
Municipal Works	\$2,843,420 11	
Northern Ontario—Roads	1,000,000 00	
Removal of Forest Fire Hazards, etc.	48,000 00	
		3,891,420 11
PROVINCIAL SECRETARY		
Purchase of Land, Industrial Farm, Burwash	\$630 00	
Guelph Industries—Equipment	19,000 00	
		19,630 00
MISCELLANEOUS		
Compensation paid to Workmen injured on Roads Construction	\$98,051 33	
Land Improvement Fund—Municipalities	1,771 09	
		99,822 42
		\$29,084,632 67

PUBLIC DEBT

Statement Showing Proceeds of Loans for Fiscal Year 1931

DEBENTURES—

Series "AR" 4½% 40 years. Instalment Annuity due 15th January, 1932-1971.

Payable Canada, New York and London.

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

Less—Discount..... 399,030 00

\$29,600,970 00

Series "AS" 4% 40 years. Instalment Annuity due 1st June, 1932-1971.

Payable Canada, New York and London.

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

Less—Discount..... 1,743,000 00

28,257,000 00

TREASURY BILLS—

Series "BG" 5% Due February 2nd, 1932-1936..... 940,000 00

Series "BY" 4¾% 1 month. Due January 30th, 1931. Payable Toronto..... 15,000,000 00

Series "BW" 3% 3 months. Due June 5th, 1931. Payable New York..... 5,000,000 00

Series "BW" 3% one month. Due July 5th, 1931. Payable New York..... 5,000,000 00

Series "BW" 2½% 4 months. Due November 6th, 1931. Payable New York..... 5,000,000 00

Series "BZ" 4% 1 month. Due December 8th, 1930. Payable Toronto..... 1,000,000 00

Series "CA" 3% 6 months. Due June 1st, 1931. Payable New York..... 15,000,000 00

Series "CA" 3% 1 month. Due July 1st, 1931. Payable New York..... 15,000,000 00

Series "CB" 4% demand. Payable Toronto..... 1,000,000 00

Series "CC" 4½% 2 months. Due February 15th, 1931. Payable Toronto..... 5,000,000 00

Series "CD" 3% one month. Due January 31st, 1931. Payable New York..... 5,000,000 00

Series "CE" 3% 4 months. Due June 16th, 1931. Payable New York..... 5,000,000 00

Series "CF" 3% 3 months. Due August 1st, 1931. Payable New York..... 5,000,000 00

Series "CF" 2½% 3 months. Due November 1st, 1931. Payable New York..... 5,000,000 00

Series "CG" 1¾% 1 month. Due June 29th, 1931. Payable New York..... 5,000,000 00

Series "CG" 2½% 5 months. Due November 29th, 1931. Payable New York..... 5,000,000 00

Series "CH" 2½% 3 months. Due November 15th, 1931. Payable New York..... 5,000,000 00

Series "CI" 3 months. Due January 5th, 1932. Payable Toronto.....

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

Discount (5%)..... 63,013 70

4,936,986 30

Series "CJ" 4½% demand. Payable Toronto..... 100,000 00

PROVINCE OF ONTARIO SAVINGS OFFICE—

Deposited with Provincial Treasurer..... 3,378,125 52

\$169,213,081 82

Payments for Fiscal Year 1931

STOCKS AND DEBENTURES MATURED—

Series "VWX" \$4,250,000 6% due May 15th, 1928..... \$200 00

" "HH" \$3,000,000 5½% due January 1st, 1930..... 1,000 00

" "MM" \$8,000,000 6% due June 15th, 1930..... 73,000 00

\$74,200 00

RETIRED UNDER DEBT RETIREMENT PLAN—

Series "AH" Instalment maturity due December 1st, 1930..... \$700,000 00

" "AJ" " " " January 15th, 1931..... 800,000 00

" "AK" " " " November 1st, 1930..... 800,000 00

" "AL" " " " May 15th, 1931..... 352,000 00

" "AP" " " " May 15th, 1931..... 299,000 00

Sinking Funds and Retirement—Bonds purchased..... 1,242,000 00

Inscribed Stocks—Sinking Fund Instalments Paid..... 22,189 92

Certificates and Annuities..... 215,614 94

4,430,804 86

TREASURY BILLS MATURED—

Series "BG" 5%, due February 1st, 1931..... \$940,000 00

" "BR" 6%, due November 1st, 1930..... 4,000,000 00

" "BT" 5½%, due December 2nd, 1930..... 4,000,000 00

" "BV" 4¾%, due December 30th, 1930..... 15,000,000 00

" "BV" 4¾%, due January 30th, 1931..... 15,000,000 00

" "BW" 3%, due March 5th, 1931..... 5,000,000 00

" "BW" 3% due June 5th, 1931..... 5,000,000 00

" "BW" 3% due July 5th, 1931..... 5,000,000 00

" "BX" 4½%, due December 1st, 1930..... 5,000,000 00

" "BY" 3%, due December 31st, 1930..... 5,000,000 00

" "BZ" 4%, due December 8th, 1930..... 1,000,000 00

" "CA" 3%, due June 1st, 1931..... 15,000,000 00

" "CA" 3%, due July 1st, 1931..... 15,000,000 00

" "CB" 4%, due on demand..... 1,000,000 00

" "CC" 4½%, due February 15th, 1931..... 5,000,000 00

" "CD" 3%, due January 31st, 1931..... 5,000,000 00

" "CE" 3%, due June 16th, 1931..... 5,000,000 00

" "CF" 3%, due August 1st, 1931..... 5,000,000 00

" "CG" 1¾%, due June 29th, 1931..... 5,000,000 00

120,940,000 00

96,620 13

PREMIUM ON DEBENTURES PURCHASED FOR SINKING FUNDS AND RETIREMENT.....

\$125,541,624 99

LOANS TO MUNICIPALITIES, ETC.

Receipts and Payments for Fiscal Year 1931

	Receipts	Payments
PRIME MINISTER'S DEPARTMENT—		
Hydro-Electric Power Commission—Advances.....	\$2,333,964 91	\$13,911,703 00
NORTHERN DEVELOPMENT—		
Settlers' Loans.....	58,304 81	118,835 00
EDUCATION—		
Municipal Debentures.....	.....	130 78
PUBLIC WELFARE—		
Mothers' Allowances.....	121,499 25	107,345 50
Old Age Pensions.....	.....	753,134 33
PROVINCIAL TREASURER—		
Agricultural Development Board—Debentures.....	1,700,000 00	7,850,000 00
Tile Drainage Loans.....	147,172 86	298,200 00
Municipal Drainage Loans.....	38,087 47	7,561 74
Farm Loans.....	19,616 50	48,035 00
Municipal Debentures.....	2,336 63	5,171 65
PROVINCIAL SECRETARY—		
Housing Loans.....	417,707 20	.....
AGRICULTURE—		
J. Brillou—On account of mortgage.....	308 50	.....
	<u>\$4,838,998 13</u>	<u>\$23,100,117 00</u>

SPECIAL FUNDS

Receipts and Payments for Fiscal Year 1931

	Receipts	Payments
PRIME MINISTER'S DEPARTMENT—		
Ontario Public Service Superannuation Fund.....	\$1,025,386 94	\$409,523 68
PROVINCIAL TREASURER—		
Municipal Sinking Funds.....	104,096 24	61,556 39
Surplus Registry Office Fees.....	39,288 39	42,678 34
Land Titles Office—Assurance Fund.....	69,029 28	4,029 28
Toronto Registry Office—Assurance Fund.....	3,222 90	.....
Discount on Bonds, etc.....	107,785 48	.....
Cancelled Cheques Refunded.....	69 75	.....
PUBLIC WELFARE—		
Bowmanville School—Rotary Club Gymnasium Fund....	2,380 00	.....
INTEREST ACCOUNT—		
Reserve for Farm Loans.....	143,671 15	.....
	<u>\$1,494,790 63</u>	<u>\$517,787 69</u>

HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO

Advances by Province to October 31st, 1931

Advanced on Capital Account to October 31st, 1930.....	\$187,474,476	18
Advances during current year (See page B2).....	13,911,703	00
	<u>\$201,386,179</u>	<u>18</u>
Deduct:		
Refund of Capital Advances not required (See page 33)....	\$388,712	70
Sale of Properties (See page 33).....	169,790	12
	<u>558,502</u>	<u>82</u>
Total Advances to date.....	\$200,827,676	36
Repayments from Sinking Fund in accordance with Debt Retirement Plan—		
To October 31st, 1930.....	\$10,675,033	88
Current year.....	1,775,462	09
	<u>12,450,495</u>	<u>97</u>
Net Advances to October 31st, 1931.....	<u>\$188,377,180</u>	<u>39</u>

Note—Province of Ontario Bonds, \$2,101,000, have been deposited with the Provincial Treasurer on account of Sinking Fund for the repayment of advances, in excess of cash payments called for and made under the Debt Retirement Plan.

LOANS TO MUNICIPALITIES, ETC.**As at October 31st, 1931**

Housing Loans.....	\$	4,546,038	84
Drainage Debentures—			
Tile Drainage Act.....	\$	2,246,998	43
Municipal Drainage Aid Act.....		267,846	44
			2,514,844 87
Settlers' Loans.....			634,156 70
Municipal Debentures—			
Town of Cochrane.....	\$	33,514	06
Township of Whitney.....		17,147	85
Village of Eganville.....		6,067	78
			56,729 69
Soldiers' Aid Commission.....			22,191 62
J. Brillon—Mortgage.....			6,174 51
Co-operative Marketing Loan Act.....			1,450 00
	\$	7,781,586	23

BUILDINGS, ROADS, ETC.**As at October 31st, 1931**

Provincial Buildings and Lands.....	\$	44,562,726	37
Improvements to Highways, 1919-1931.....		129,252,419	75
Northern Development—Roads and Farms, 1919-1931.....		32,372,760	66
Colonization Roads—1919-1931.....		3,733,214	90
Niagara Parks Commission—Surplus of Assets.....		2,001,029	41
Hydro Power Plant—Monteith.....		27,061	10
Rural Power Transmission Lines—Bonus, 1927-1931.....		6,014,243	00
Unemployment Relief—Municipal Works, etc.....		2,888,136	28
	\$	220,851,591	47

BANK BALANCES**As at October 31st, 1931**

BALANCES DUE BY BANKS—			
Commerce.....	\$	197,584	12
Dominion.....		113,533	92
Home (in liquidation).....		250,000	00
Imperial.....		130,544	64
Montreal.....		2,075,119	17
Nova Scotia.....		473,943	91
Royal.....		513,933	36
Toronto.....		218,895	56
	\$	3,973,554	68

ACCOUNTS RECEIVABLE**As at October 31st, 1931**

Lands and Forests—Crown Land Sales and Interest.....	\$	470,110	33
“ “ Timber Dues.....		819,399	39
Northern Development—Aid to Settlers—Notes Outstanding.....		311,006	03
Mines.....		71,866	66
Highways—Municipalities, Maintenance of Highways.....		346,907	00
Treasury—Succession Duties, Corporation Tax, etc.....		813,143	95
Hospitals and Institutions—Maintenance of Patients, etc.....		202,861	62
Sale of Central Prison and Toronto Asylum—Balance.....		473,320	00
Unemployment Relief—Dominion Government.....		3,283	83
Old Age Pensions—Dominion Government, Municipalities and Other Provinces..		1,582,899	75
Mothers' Allowances—Municipalities.....		107,345	50
Old School of Medicine—Sale.....		5,000	00
Returned Cheques Held for Collection.....		13,408	30
Byron Telephone Co.—Capital Stock.....		30	00
Suspense Account.....		14	75
	\$	5,220,597	11

PLANT, LIVESTOCK, STORES AND EQUIPMENT
As at October 31st, 1931

King's Printer—Stationery Stock.....	\$ 58,798 97
Education Department.....	12,010 25
Lands and Forests Department.....	1,125,000 00
Highways Department.....	56,400 16
Health—Ontario Hospitals.....	645,418 01
Public Welfare.....	12,782 50
Provincial Secretary—Ontario Reformatories.....	488,149 75
Agriculture.....	148,329 93
	<hr/>
	\$ 2,546,889 57

DEFERRED ASSETS
As at October 31st, 1931

Town of Matheson—	
Debentures and Interest Paid under Debenture Guarantee Act.....	\$ 48,783 20
Ottawa Separate Schools Commission—	
Promissory Notes Paid.....	53,902 23
Robillard and Truax School Board—	
Guaranteed Debentures Paid.....	1,448 22
	<hr/>
	\$ 104,133 65

DISCOUNT ON LOANS, 1926-1931

	Balance October 31st, 1930	Charged off during 1931	Balance October 31st, 1931
	\$ c.	\$ c.	\$ c.
Treasury Bills—			
Series "C.I." 3 months—due January 5, 1932..	21,004 57	42,009 13	
Debenture Issues refunding maturities of issued prior to October 31st, 1925:			
Series "A.J." 30 years—due 1956.....	575,432 00	22,132 00	553,300 00
" "A.K." 30 " " 1957.....	149,474 16	5,536 08	143,938 08
" "A.L." 38 " " 1966 (part).....	518,939 00	14,618 00	504,321 00
" "A.M." 30 " " 1959 ".....	77,116 16	2,705 83	74,410 33
" "A.P." 36 " " 1966 ".....	440,600 00	12,400 00	428,200 00
" "A.R." 40 " " 1971 ".....		9,754 00	19,508 00
	<hr/>	<hr/>	<hr/>
	1,761,561 32	67,145 91	1,723,677 41
Premiums received (on Debentures Issued):			
Series "A.N." 31 years—due 1960 (part).....	83,049 32	2,800 00	80,249 32
	<hr/>	<hr/>	<hr/>
	1,678,512 00	64,345 91	1,643,428 09
Premiums paid on Debentures and Stocks purchased for redemption and Sinking Funds.....	146,854 77	22,435 00	221,039 90
	<hr/>	<hr/>	<hr/>
	1,825,366 77	107,785 48	1,906,477 12
Debenture Issues—New Debt (since October 31st, 1925):			
Discount provided for by payment of annuity maturities and Sinking Fund instalments out of Ordinary Revenue:			
Series "A.L." 40 years—due 1968 (part).....	1,168,971 00	30,363 00	1,138,608 00
" "A.M." 30 " " 1959 ".....	205,508 75	7,210 83	198,297 92
" "A.P." 40 " " 1970 ".....	1,214,427 50	30,745 00	1,183,682 50
" "A.R." 40 " " 1971 ".....		9,244 20	360,523 80
" "A.S." 40 " " 1971 ".....		21,787 50	1,721,212 50
	<hr/>	<hr/>	<hr/>
	2,588,907 25	99,350 53	4,602,324 72
Premiums received (on Debentures Issued):			
Series "A.N." 31 years—due 1960 (part).....	191,240 97	6,374 71	184,866 26
	<hr/>	<hr/>	<hr/>
	2,397,666 28	92,975 82	4,417,458 46
	<hr/>	<hr/>	<hr/>
	4,223,033 05	200,761 30	6,323,935 58

PROVINCE OF ONTARIO—STOCK AND DEBENTURES

Maturity	Nature	Date of Issue	Rate	Amount of Issue	Redeemed and Cancelled	Amount Outstanding Public
Instalment Issues						
1931, Nov. 1..... (1928-1957).....	Serial	Nov. 1, 1927	$4\frac{1}{2}\%$	\$ 24,000,000	\$ 2,400,000	\$ 21,600,000
Dec. 1..... (1926-1955).....	Serial	Dec. 1, 1925	$4\frac{1}{2}\%$	21,000,000	3,500,000	17,500,000
1932, Jan. 15..... (1928-1957).....	Serial	Jan. 15, 1927	$4\frac{1}{2}\%$	24,000,000	3,200,000	20,800,000
1932, Jan. 15..... (1932-71).....	Annuity	Jan. 15, 1931	$4\frac{1}{2}\%$	30,000,000	.....	30,000,000
May 15..... (1929-1968).....	Annuity	May 15, 1928	4	30,000,000	1,018,000	28,982,000
May 15..... (1931-1970).....	Annuity	May 15, 1930	$4\frac{1}{2}\%$	30,000,000	299,000	29,701,000
June 1..... (1932-71).....	Annuity	June 1, 1931	4	30,000,000	.....	30,000,000
Straight Term Issues						
1935, April 1.....	Bonds	April 1, 1920	6	2,000,000	19,000	1,981,000
Dec. 1.....	Bonds	Dec. 1, 1920	6	16,000,000	767,000	15,233,000
1936, May 2.....	Bonds	May 2, 1921	6	15,000,000	610,000	14,390,000
July 1.....	B. & S.	July 1, 1906	$3\frac{1}{2}\%$	2,684,500	2,336,500	348,000
1937, Jan. 3.....	Bonds	Jan. 3, 1922	$5\frac{1}{2}\%$	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
1940, Oct. 31.....	Bond	Oct. 31, 1930	$4\frac{1}{2}\%$	2,000,000	.....	2,000,000
1941, Feb. 1.....	Bonds	Feb. 1, 1921	6	10,000,000	496,500	9,503,500
May 1.....	B. & S.	May 1, 1911	4	498,600	274,600	224,000
Nov. 1.....	B. & S.	Nov. 1, 1911	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	$5\frac{1}{2}\%$	20,000,000	1,360,500	18,639,500
1943, Sept. 15.....	Bonds	Sept. 15, 1921	6	15,000,000	88,000	14,912,000
Sept. 15.....	Bonds	Sept. 15, 1921	6	15,000,000	387,500	14,612,500
1944, Sept. 1.....	Bonds	Sept. 1, 1924	$4\frac{1}{2}\%$	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
1959, May 1.....	Bonds	May 1, 1929	5	35,000,000 *	.....	35,000,000
1960, Dec. 2.....	Bonds	Dec. 2, 1929	5	35,000,000 **	.....	35,000,000
1946, Jan. 1..... £422,549/4/10..	Stock	Jan. 1, 1906	$3\frac{1}{2}\%$	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	$4\frac{1}{2}\%$	834,412.54†	.....	834,412.54
				479,271,094.54	23,895,750	455,375,344.54

*Sinking Fund on 40-year retirement basis to provide 55 per cent. of issue at maturity in 1959.

**Sinking Fund to provide 68 per cent. of issue at maturity in 1960.

†Registered Stock—Bank of Montreal, London, England—Amount outstanding, of which there has been purchased for Sinking Funds, \$921,724.16, $3\frac{1}{2}$ per cent. stock; \$754,256.74, 4 per cent. stock, and \$453,563.29, $4\frac{1}{2}$ per cent. stock.

OUTSTANDING AS AT OCTOBER 31st, 1931

Series	Authority	Interest Dates	Where Payable†	Denom- inations	Exemption
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
AR	R.S.O. 1927, Cap. 23 & 57	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
AP	R.S.O. 1927, Cap. 23 & 57	15 May & Nov.	Prov. Treas. & Bk. Mtl., M., W., V., R., H., C. & St. J., Can.; N.Y.; L. (Eng.)	1,000	None
AS	R.S.O. 1927, Cap. 23, 20 Geo. V, Cap. 2	1 June & Dec.	Prov. Treas. & Agents; Prov. Treas., M., W., V., R., H., C.; St. J., N.Y., L. (Eng.)	1,000	None
KK	R.S.O. 1914, Cap. 39....	1 Apr. & Oct.	Prov. Treas. & Bk. Mtl., M....	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
AQ	R.S.O. 1927, Cap. 331	30 Apr. & Oct.	Prov. Treas.	1 Bond	None
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
AM	18 Geo. V, Cap. 6, R.S.O. 1927, Cap. 23	1 May & Nov.	Prov. Treas. & Bk. Mtl., M., W., V., R., H., C., St. J.; N.Y., L. (Eng.)	1,000	None
AN	19 Geo. V, Cap. 2, R.S.O. 1927, Cap. 23	2 June & Dec.	Prov. Treas. & Bk. Mtl., M., W., V., R., H., C. & St. J., Can.; N.Y.; L. (Eng.)	1,000 & 500	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

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

Indirect Liabilities and Guarantees of the Province of Ontario

As at October 31st, 1931

(1) Temiskaming 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.

Outstanding.....

1,790,000 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, \$454,680.00 outstanding.

Present value for 18 years at 4 per cent..... \$ 319,773 91

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, \$131,360.00 outstanding.

Present value for 20 years at 4 per cent..... 89,261 28

Guaranteed by 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, \$303,140.00 outstanding.

Present value for 20 years at 4 per cent..... 205,988 63

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, \$143,400.00 outstanding.

Present value for 24 years at 4½ per cent..... 86,610 49

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, \$130,000.00 outstanding.

Present value for 13 years at 5 per cent..... 93,935 70

Guaranteed by the Province of Ontario, under authority Order-in-Council, November 15th, 1928. Annuity Debentures of above University, payable January 15th, 1930, to January 15th, 1949, 20 years, \$1,155,474.00 outstanding.

Present value for 18 years at 5 per cent..... 750,389 85

1,545,959 86

(4) University of Western Ontario (London).

Guaranteed by the Province of Ontario, under authority Order-in-Council, November 29th, 1928. Debentures of above University payable July 2nd, 1929, to July 2nd, 1958, 30 years, \$440,000.00, 4½ per cent.

Amount outstanding.....

418,000 00

(5) Town of Bruce Mines.

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

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

18,354 57

Carried forward..... 9,772,314 43

Indirect Liabilities and Guarantees of the Province of Ontario—Continued

Brought forward.....\$ 9,772,314 43

(6) Town of Matheson.

7 Geo. V, cap. 9.

June 1st, 1923, to June 1st, 1937, 6 per cent., outstanding \$ 2,531 51

9 Geo. V, cap. 4.

April 1st, 1920, to April 1st, 1949, 6 per cent., outstanding 24,779 00

May 6th, 1924, to May 6th, 1948, 6 per cent., outstanding 30,446 45

57,756 96

(7) Town of Capreol.

10-11 Geo. V, cap. 7.

December 1st, 1922, to December 1st, 1939, 6 per cent., outstanding.... 4,743 97

(8) Township of Tisdale.

7 Geo. V, cap. 9.

Dec. 31st, 1917, to Dec. 31st, 1931, 6 per cent., outstanding \$ 2,428 37

Dec. 31st, 1917, to Dec. 31st, 1931, 6 per cent., outstanding 971 35

Statute Law Amendment Act, 1918, sec. 67.

July 1st, 1918, to July 1st, 1932, 6 per cent., outstanding 971 35

4,371 07

(9) Town of Cochrane.

7 Geo. V, cap. 9.

May 1st, 1918, to May 1st, 1947, 5 per cent., outstanding \$ 28,200 49

14 Geo. V, cap. 3.

July 2nd, 1925, to July 2nd, 1944, 5½ per cent., outstanding 30,516 44

July 2nd, 1924, to July 2nd, 1943, 5½ per cent., outstanding 79,331 10

138 048 03

(10) Town of Haileybury.

14 Geo. V, cap. 3.

April 1st, 1925, to April 1st, 1944, 6 per cent., outstanding \$ 15,436 34

April 15th, 1925, to April 15th, 1944, 6 per cent., outstanding 1,330 81

April 1st, 1925, to April 1st, 1934, 6 per cent., outstanding 1,345 81

July 15th, 1924, to July 15th, 1943, 6 per cent., outstanding 10,964 14

Feb. 12th, 1925, to Feb. 12th, 1934, 6 per cent., outstanding 1,815 89

May 10th, 1925, to May 10th, 1934, 6 per cent., outstanding 5,889 85

April 15th, 1925, to April 15th, 1944, 6 per cent., outstanding 1,815 79

38,598 63

(11) 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 \$ 13,929 41

9 Geo. V, cap. 4.

Nov. 1st, 1919, to Nov. 1st, 1938, 6 per cent., outstanding 8,120 91

22,050 32

(12) Town of Timmins.

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

April 1st, 1926, to April 1st, 1940, 5½ per cent., outstanding \$ 88,654 93

April 1st, 1926, to April 1st, 1940, 5½ per cent., outstanding 49,868 40

138,523 33

(13) Presqu'ile Park Commission.

13-14 Geo. V, cap. 6.

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

(14) Town of Kapuskasing.

14 Geo. V, cap. 3.

Aug. 1st, 1926, to Aug. 1st, 1945, 6 per cent., outstanding \$ 64,830 32

Jan. 1st, 1928, to Jan. 1st, 1947, 6 per cent., outstanding 17,621 57

82,451 89

Carried forward .. \$10,278,858 63

Indirect Liabilities and Guarantees of the Province of Ontario—Continued

		Brought forward.....		\$10,278,858 63
(15)	Town of Englehart.			
	15 Geo. V, cap. 4.			
	Dec. 31st, 1924, to Dec. 31st, 1943, 6 per cent., outstanding	\$	4,875 00	
	Dec. 31st, 1924, to Dec. 31st, 1943, 6 per cent., outstanding		9,750 00	
	Dec. 31st, 1925, to Dec. 31st, 1944, 6 per cent., outstanding		2,660 00	
				17,285 00
(16)	Guarantees under the authority of the Municipal Housing Act, 1920.			
	Beaverton.....	\$	4,481 69	
	Cochrane.....		51,571 04	
	Fergus.....		1,063 00	
	East Windsor.....		232,526 89	
	Kitchener.....		80,055 34	
	Listowel.....		38,565 16	
	London.....		192,505 78	
	Niagara Falls.....		51,235 28	
	Oshawa.....		144,238 38	
	Point Edward.....		31,623 46	
	Riverside.....		141,391 90	
	Sarnia.....		97,717 26	
	Sioux Lookout.....		18,273 37	
	Stamford Township.....		65,942 50	
	Sudbury.....		91,382 50	
	Tilbury.....		30,857 92	
	Walkerville.....		27,504 58	
	Windsor.....		619,027 01	
				\$1,919,963 06
(17)	Guarantees by the Province of Ontario, under authority of section 6b of the Department of Education Act and Amendments.....			
				3,121,338 65
(18)	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.....			
			8,017,000 00	
	First Mortgage 5 per cent. Bonds of the Ontario Transmission Company, Limited, due May 1st, 1945.....			
			1,335,000 00	
				\$20,552,000 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	
		Carried forward.....		
		\$ 36,189,445 34		

Indirect Liabilities and Guarantees of the Province of Ontario—Continued

Brought forward \$36,189,445 34

(18) 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 Act, 1931.

Bonds of the Commission 5%, dated May 1st, 1931, due November 1st, 1970 300,000 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 6,522,885 83

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

11,141,885 83

Re Electrical Development Company of Ontario, Limited.

First Mortgage 5 per cent. Gold Bonds of the company due 1933 3,353,500 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

Re Dominion Power and Transmission Co.

Forty year 4¾ per cent. Bonds of the Commission given in purchase of the Capital Stock of the Dominion Power and Transmission Company, due January 1st, 1970 \$13,000,000 00

Five year 5 per cent. Bonds of the Commission given in purchase of the Capital Stock of the Dominion Power and Transmission Company, due January 1st, 1935 8,000,000 00

21,000,000 00

65,338,590 83

\$80,676,036 17

SINKING FUNDS—INVESTMENTS

As at October 31st, 1931

3½% Registered Stock, due January 1st, 1946—£422,549-4-10:						
Ontario Registered 3½% Stock 1946.	Par value.		\$	611,419	26	
“ “ 4% “ 1947 “ “				194,556	96	
“ “ 4½% “ 1965 “ “				151,241	64	
British 5% War Loan 1929/1947, £50,019-7-3 at cost.				247,931	36	
						\$1,205,149 22
4% Registered Stock, due May 1st, 1947—£317,912-16-4:						
Ontario Registered 3½% Stock, 1946.	Par value.		\$	251,113	37	
“ “ 4% “ 1947 “ “				450,260	80	
“ “ 4½% “ 1965 “ “				191,365	92	
British 5% War Loan, 1929/1947—£11,800-14-9 at cost.				59,077	98	
Commonwealth of Australia 5% Stock, 1945/1975— £25,916-3-3 at cost.				122,676	62	
						1,074,494 69
4½% Registered Stock, due January 1st, 1946—£171,454-12-8:						
Ontario Registered 3½% Stock, 1946.	Par value.		\$	59,191	53	
“ “ 4% “ 1947 “ “				109,438	98	
“ “ 4½% “ 1965 “ “				110,955	73	
British 5% War Loan, 1929/1947—£1,317-5-10 at cost.				6,586	61	
Commonwealth of Australia 5% Stock, 1945/1975— £13,073-2-6 at cost.				61,850	52	
						348,023 37
Debenture Loan—Series “AM” due May 1st, 1959—\$35,000,000:						
Ontario Debentures, Series “UU” & “XX” 1943.	Par value.	\$	45,000	00		
“ “ “ “WW&YY” 1943 “ “			56,000	00		
“ “ “ “AF” 1948 “ “			307,000	00		
“ “ “ “AB” 1952 “ “			20,000	00		
“ “ “ “AM” 1959 “ “			287,000	00		
						715,000 00
Debenture Loan—Series “AN” due December 2nd, 1960—\$35,000,000:						
Ontario Debentures, Series “AC” 1942.	Par value.	\$	45,000	00		
“ “ “ “UU” & “XX” 1943 “ “			60,000	00		
“ “ “ “AN” 1960 “ “			232,000	00		
						337,000 00
						\$3,679,667 28

RAILWAY AID AND ANNUITIES

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

Year	Railway Aid Certificates		Annuities	
	\$	c.	\$	c.
1931.....			18,350	00
1932.....	127,918	94	32,700	00
1933.....	125,120	54	28,700	00
1934.....	123,021	74	28,700	00
1935.....	111,128	54	24,700	00
1936.....	105,090	01	16,700	00
1937.....	94,459	80	9,200	00
1938.....	90,961	80	2,850	00
1939.....	86,122	35		
1940.....	82,239	02		
1941.....	67,943	75		
1942.....	31,818	40		
1943.....	24,920	51		
1944.....	22,695	08		
1945.....	18,251	86		
1946.....	18,251	86		
1947.....	18,251	86		
1948.....	18,251	86		
1949.....	6,871	26		
1950.....	699	60		
	1,174,018	78	161,900	00

AGRICULTURAL DEVELOPMENT FINANCE ACT

R.S.O. 1927, Cap. 67

Statement Showing Deposits in Province of Ontario Savings Offices, and
Agricultural Loans as at October 31st, 1931

DEPOSITS IN SAVINGS OFFICES BY PUBLIC AT OCTOBER 31ST, 1931.....	\$ 26,855,844 00
AGRICULTURAL DEVELOPMENT FINANCE ACT—INVESTMENTS—	
Agricultural Development Board—Debentures.....	\$ 43,038,000 00
Less: Repayments to date.....	6,688,000 00
	<hr/>
	\$ 36,350,000 00
Accrued Interest.....	1,063,010 99
	<hr/>
	\$37,413,010 99
Farm Loans Act—Farm Loan Associations.....	171,986 57
“ “ “ —Capital Stock in Associations.....	2,595 00
	<hr/>
	\$ 37,587,592 56
Savings Offices—	
Cash on hand and in banks.....	\$ 735,769 27
Accounts receivable.....	1,000 00
Fixtures (depreciated value).....	49,018 87
	<hr/>
	785,788 14
	<hr/>
	\$ 38,373,380 70

ACCOUNTS PAYABLE

As at October 31st, 1931

Accounts due by Departments.....	\$ 338,976 11
Bonds matured outstanding.....	13,600 00
Dominion of Canada—Common School Fund.....	4,246 65
Surplus Registry Office fees—re Land Titles Office.....	12,589 09
	<hr/>
	\$ 369,411 85

SPECIAL FUNDS

As at October 31st, 1931

Ontario Public Service Superannuation Fund—see page 24.....	\$ 3,802,798 96
Municipal Sinking Funds.....	1,601,205 45
Assurance Fund under Land Titles Act.....	300,000 00
Assurance Fund—Toronto Registry Office.....	22,181 21
Federal Subsidy for Agriculture—balance unexpended.....	457 11
Agricultural Development Finance Act—Reserves:	
Province of Ontario Savings Offices.....	211,802 14
For Farm Loans.....	515,296 96
Vimy Ridge Farm—Boys' Trust Fund.....	7 76
Sundry bequests.....	112,736 12
Brophy Estate—Estreated.....	162,966 94
Bowmanville School—Gymnasium Fund—Rotary Club—Contributions.....	17,090 00
	<hr/>
	\$ 6,746,542 65

PUBLIC SERVICE SUPERANNUATION FUND

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

As at October 31st, 1931

Balance at credit of Fund—November 1st, 1930.....\$3,186,935 70

Contributions to Fund—

By Employees.....	\$439,871 20
By Government (Sec. 39).....	\$439,871 20
Less Refunds (Sec. 36).....	35,239 52
	<u>\$404,631 68</u>
For Sheriffs (Sec. 60).....	11,187 62
	<u>415,819 30</u>

Interest—

On balance to credit of Fund at November 1st, 1930.....	\$159,346 79
On Employees' Contribution... \$	9,045 53
On Government Contributions..	9,045 53
	<u>\$ 18,091 06</u>
Less interest allowed Government on payments.....	7,741 41
	<u>10,349 65</u>
	<u>169,696 44</u>
	<u>1,025,386 94</u>
	<u>\$4,212,322 64</u>

DEDUCT—

Benefits Paid—

Allowances to superannuates and beneficiaries.....	\$360,822 89
Lump sum payments, Secs. 34, 35 and 45.....	8,305 82
Refunds under Sec. 36.....	35,239 52
Interest on refunds and lump sum payments.....	5,155 45
	<u>409,523 68</u>

Balance at Credit of Fund at October 31st, 1931.....\$3,802,798 96

STATEMENT OF RECEIPTS AND EXPENDITURES

November 1st, 1920, to October 31st, 1930

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
1929.....	741,378 75	335,109 66	406,269 09
1930.....	812,817 26	336,993 11	475,824 15
1931.....	1,025,386 94	409,523 68	615,863 26
Total.....	6,421,539 73	2,618,740 77	3,802,798 96

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	3,830,647 42	1928
1929	12,450,000 00	4,359,577 69	1,794,950 66		166,925 22		24,203 11	405,564 91	4,943,462 70	1929
1930	13,875,000 00	4,590,367 00	2,131,211 67		85,419 31		25,520 34	600,626 77	7,200,962 50	1930
1931	12,670,000 00	4,417,696 10	2,309,576 36		29,603 14		40,854 13	497,265 93	8,776,122 79	1931
	\$126,323,195 74	\$49,354,908 34	\$13,095,748 60	\$164,490 68	\$841,843 11	\$174,765 05	\$112,622 92	\$11,615,096 27	\$51,555,465 45	

Summary of Expenditure		
	Capital	Ordinary
Provincial Highways.....	\$104,892,612 15	\$21,430,583 59
County Roads.....	35,669,449 83	13,685,458 51
Township Roads.....	6,212,736 52	6,883,012 08
Object Lesson Roads.....	164,490 68	
Connecting Links.....	816,547 33	25,295 78
Toronto and Hamilton Highway Commission.....	94,168 46	80,596 59
Indian Reserve.....	81,585 55	31,037 37
Colonization Roads.....	6,955,855 80	4,659,240 47
Roads in Northern Ontario.....	34,645,955 52	16,909,509 93
	<u>\$189,533,401 84</u>	<u>\$63,704,734 32</u>

Year	Summary of Repayments		
	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
1929.....	2,172,153 18		2,172,153 18
1930.....	3,547,715 81		3,547,715 81
1931.....	4,308,316 80		4,308,316 80
	<u>\$26,733,569 25</u>	<u>\$5,887,283 28</u>	<u>\$32,620,852 53</u>

RECAPITULATION			
	Capital	Ordinary	Total
Expenditure.....	\$189,533,401 84	\$63,704,734 32	\$253,238,136 16
Repayments.....	22,669,810 90	9,951,041 63	32,620,852 53
Total Expenditure.....	<u>\$166,863,590 94</u>	<u>\$53,753,692 69</u>	<u>\$220,617,283 63</u>

G. A. Brown,
Provincial Auditor.

HON. EDWARD A. DUNLOP

THE KING'S HIGHWAYS AND NORTHERN ONTARIO ROADS
COMPARISON OF CURRENT EXPENDITURE ON HIGHWAYS TO CURRENT REVENUE FOR HIGHWAY PURPOSES

CURRENT EXPENDITURE						CURRENT REVENUE					
Year Ended October 31st	Mainten- ance, etc.*	Debt Charges				Motor Vehicles and Gas Tax	County and Suburban Areas Re- payments‡	Total	Per cent. Current Revenue of Current Expendi- ture	Shortage of Revenue	Remarks
		Interest	Retirement 20 Years	Total Debt Charges†	Total						
	\$	\$	\$	\$	\$	\$	\$	\$		\$	
1920.....	1,692,164	943,758	570,834	1,514,592	3,206,756	1,990,833	78,262	2,069,095	64.5	1,137,661	
1921.....	1,689,673	1,555,455	940,820	2,496,275	4,185,948	2,945,360	50,668	2,996,028	71.6	1,189,920	
1922.....	1,864,585	2,314,359	1,399,844	3,714,203	5,578,788	3,477,430	78,057	3,555,487	63.7	2,023,301	
1923.....	4,205,144	3,313,012	2,003,882	5,316,894	9,522,038	4,295,730	54,248	4,349,978	45.7	5,172,060	
1924.....	3,703,643	3,636,082	2,199,290	5,835,372	9,539,015	4,784,408	90,421	4,874,829	51.1	4,664,186	
1925.....	4,239,808	3,937,790	2,381,779	6,319,569	10,559,377	7,574,720	242,800	7,817,520	74.0	2,741,857	Gas Tax 3c, 5½ mos.
1926.....	4,662,433	4,369,961	2,643,179	7,013,140	11,675,573	9,791,803	299,931	10,091,734	86.4	1,583,839	Gas Tax 3c, full year.
1927.....	5,785,485	4,915,743	2,973,296	7,889,039	13,674,524	9,997,806	255,535	10,253,341	75.0	3,421,183	Lic. Fees reduced.
1928.....	6,386,777	5,593,842	3,383,446	8,977,288	15,364,065	11,077,532	415,788	11,493,320	74.8	3,870,745	
1929.....	6,416,607	6,397,659	3,869,635	10,267,294	16,683,901	16,346,042	345,698	16,691,740	100.0	\$7,839	Gas Tax 5c, 7 mos.
1930.....	7,264,605	7,320,463	4,427,795	11,748,258	19,012,863	16,304,090	322,733	16,626,823	87.5	2,386,040	Lic. Fees reduced.
1931.....	6,621,440	8,253,787	4,992,319	13,246,106	19,867,546	16,561,088	399,692	16,960,780	85.3	2,906,766	

*Miscellaneous Revenue, deducted.

†Debentures not issued specifically for Highways' purposes. Debt charges have been calculated at an interest rate of 5 per cent., and Sinking Fund to retire debt in twenty years.

‡Deducted from Expenditures in Public Accounts.

§Surplus of Revenue.

ESTIMATED RECEIPTS
Fiscal Year Ending October 31st, 1932

		Ordinary	Capital
Prime Minister:			
Water rentals.....	\$277,000 00		
Miscellaneous.....	34,000 00		
		\$311,000 00	
Legislation.....		27,000 00	
Attorney-General:			
Liquor Control Board—			
Profits.....	\$10,000,000 00		
Tax on imported wines and spirits..	500,000 00		
Fines, Fees, etc.....	590,000 00		
		11,090,000 00	
Insurance.....		177,000 00	
Education.....		13,000 00	
Lands and Forests.....		2,100,000 00	\$180,000 00
Mines.....		766,000 00	25,000 00
Game and Fisheries.....		675,000 00	
Public Works.....		38,000 00	15,000 00
Public Highways:			
Motor Vehicles.....	\$7,725,000 00		
Gasoline Tax.....	12,350,000 00		
Miscellaneous.....	70,000 00		
		20,145,000 00	12,000 00
Health:			
Public Health Services.....	\$26,000 00		
Hospitals.....	3,000 00		
		29,000 00	
Provincial Treasurer:			
Dominion Subsidy.....	\$3,090,000 00		
Succession Duty.....	6,000,000 00		
Corporation Tax.....	7,975,000 00		
Amusements, Theatres, etc.....	1,280,000 00		
Domestic Wines Tax.....	60,000 00		
Land Transfer Tax.....	325,000 00		
Law Stamps.....	480,000 00		
Liquor Permit Fees.....	675,000 00		
Miscellaneous.....	85,000 00		
		19,970,000 00	
Provincial Secretary:			
Companies and Registrar-General....	\$437,000 00		
Reformatories.....	20,000 00		
		457,000 00	
Total, excluding interest.....		\$55,798,000 00	\$232,000 00
Interest:			
Miscellaneous.....		207,000 00	
Total, Ordinary and Capital.....		\$56,005,000 00	\$232,000 00
Loans and Special Funds:			
Hydro-Electric Power Commission—			
Repayment of Advances.....			\$2,310,000 00
Housing, Drainage and other Loan Repayments.....			2,350,000 00
Old Age Pensions and Mothers' Allowance Repayments			9,210,000 00
Superannuation Funds—Deposits.....			2,840,000 00
Other Special Funds—Deposits.....			470,000 00
			\$17,180,000 00
Total Receipts.....		\$56,005,000 00	\$17,412,000 00

ESTIMATED PAYMENTS

Fiscal Year Ending October 31st, 1932

	Ordinary	Capital
Lieutenant-Governor.....	\$6,000 00	
Prime Minister:		
Miscellaneous.....	158,000 00	\$1,250,000 00
Bonus—Rural Transmission.....		
Legislation.....	365,000 00	
Attorney-General.....	2,750,000 00	
Insurance Department.....	65,000 00	
Education.....	10,048,000 00	2,190,000 00
Lands and Forests.....	1,330,000 00	575,000 00
Northern Development.....	1,922,000 00	2,635,000 00
Mines.....	363,000 00	13,000 00
Game and Fisheries.....	615,000 00	90,000 00
Public Works.....	787,000 00	3,000,000 00
Public Highways.....	3,945,000 00	6,500,000 00
Health:		
Public Health Services.....	\$787,000 00	
Hospitals.....	4,960,000 00	
	5,747,000 00	
Labour.....	334,000 00	
Public Welfare:		
Children's Aid and Protection.....	\$240,000 00	
Old Age Pensions.....	1,722,000 00	
Mothers' Allowances.....	1,615,000 00	
Miscellaneous.....	315,000 00	
	3,892,000 00	
Provincial Treasurer.....	2,116,000 00	
Provincial Auditor.....	107,000 00	
Provincial Secretary:		
Secretary's Office.....	\$132,000 00	
Reformatories.....	770,000 00	
	902,000 00	
Agriculture.....	2,068,000 00	
Miscellaneous.....	400,000 00	140,000 00
Total, excluding interest and unemployment relief.....	\$37,920,000 00	
Public Debt Charges:		
Interest on Public Debt.....	\$13,560,000 00	
Exchange.....	1,660,000 00	
	\$15,220,000 00	
Unemployment Relief:		
Direct Relief.....	\$2,500,000 00	
Municipal Works.....		\$3,775,000 00
Trans-Canada Highway.....		2,625,000 00
Northern Ontario—General.....		2,760,000 00
Other Provincial Works.....		75,000 00
Madoc-Perth Highway.....		600,000 00
	\$2,500,000 00	\$9,835,000 00
Total, Ordinary and Capital.....	\$55,640,000 00	\$26,228,000 00
Loans and Special Funds:		
Hydro-Electric Power Commission—Advances.....		\$3,870,000 00
Agricultural, Drainage and Other Loans.....		9,050,000 00
Old Age Pensions and Mothers' Allowances chargeable to Dominion Government and Municipalities.....		9,125,000 00
Public Service Superannuation Fund—Payments.....		480,000 00
Other Special Funds—Repayments.....		135,000 00
		\$22,660,000 00
TOTAL PAYMENTS.....	\$55,640,000 00	\$48,888,000 00
1932		
Estimated Ordinary Revenue.....	\$56,005,000 00	
Estimated Ordinary Payments.....	55,640,000 00	
ESTIMATED SURPLUS.....	\$365,000 00	

