



## BUDGET ADDRESS

Delivered by

The Hon. Mitchell F. Hepburn Prime Minister and Treasurer of Ontario

in the

LEGISLATIVE ASSEMBLY OF ONTARIO Thursday, February 15th, 1940 On Moving the House into Committee of Supply

Also Statements of

## ASSETS AND LIABILITIES **REVENUE AND EXPENDITURE** COMPARATIVE AND STATISTICAL INFORMATION

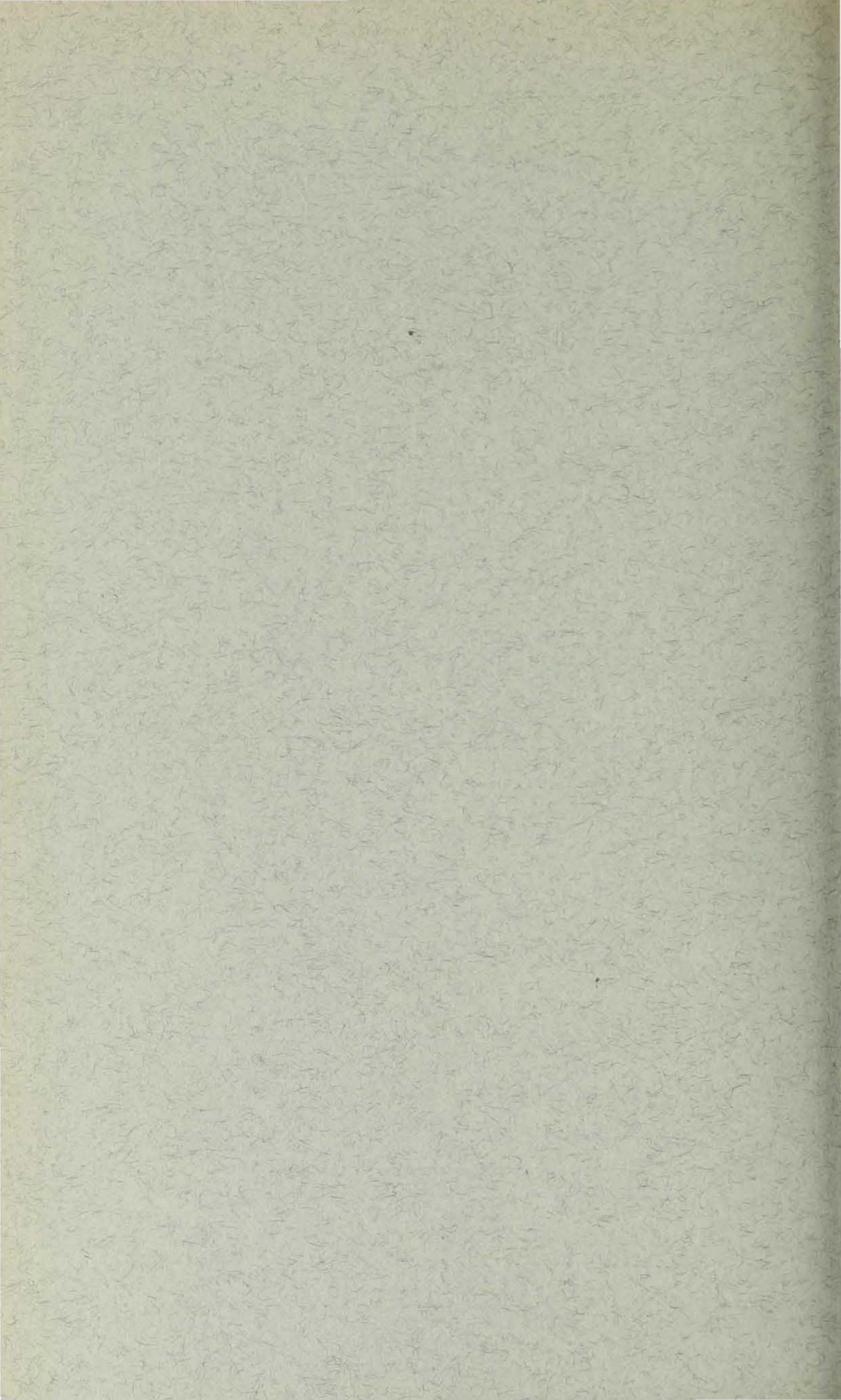


ONTARIO

### TORONTO

### Printed and Published by T. E. Bowman, Printer to the King's Most Excellent Majesty

1940



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## BUDGET ADDRESS

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## BUDGET ADDRESS

DELIVERED BY

## THE HON. MITCHELL F. HEPBURN

PRIME MINISTER AND TREASURER OF ONTARIO

IN THE

### LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, FEBRUARY 15TH, 1940

MR. SPEAKER:

I beg to move, seconded by Mr. Nixon, of Brant, that you now leave the Chair and that the House resolve itself into Committee of Supply.

A week ago I indicated that I was going to forsake a well-established precedent of this Parliament and deliver an unprepared Budget Address. However, I subsequently received protests from the gentlemen up in the Gallery in which they said they could best cover the Address if it were in the form of a manuscript such as I have here before me now and which I will have to follow to keep the record clear. It all goes to prove, Mr. Speaker, the power of the Press.

Last year when, on the 30th of March, I offered this customary motion, the House met within the shadow of the threat of war. To-day we are actually at war with a ruthless, powerful enemy, the German Reich. Moreover, we are vitally concerned in two non-declared wars that are being waged; the one in Europe in which heroic Finland is being menaced with complete destruction by the onslaught of the imperialistic-minded Soviet Republic, and the other in Asia, where millions of Chinese soldiers and perhaps also millions of inoffensive, helpless women and children have been foully done to death by the hordes that make up the mechanized armies of Japan.

In Ontario, no sacrifice will be considered too great to the end that the people of this, the largest Province in Canada, may play their full part in the great struggle that now besets us. The people of Ontario are determined to see this war through to a victorious conclusion and, with this in view, are prepared to stake their last dollar and furnish the last man, if need be, so that the world may be rid of this constant threat of war.

This Assembly is represented overseas to-day by our highly esteemed friend and colleague, Lieutenant Colin A. Campbell, of the Canadian Engineers, and Minister of Public Works in this Government. I desire to record also the fact that a former Member of the Government, the Member for Windsor-Walkerville, Mr. David A. Croll, has aplieted for active service and is deily expecting orders

## Mr. David A. Croll, has enlisted for active service and is daily expecting orders to proceed overseas.

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It should also be recorded to the credit of the members of the Civil Service of Ontario that approximately 170 members have enlisted. We pay due tribute to the unselfish devotion of our colleagues in the Assembly and to the members of the Civil Service of Ontario.

Early in the Spring of 1939 it became increasingly apparent that war between Germany and the Allies was inevitable. As Treasurer of this Province I endeavoured to chart a course which would be in the best interests of the Province and which would maintain our financial position should war break out, as it did on September 3rd last.

Some of the effective steps taken that circumstances appeared to warrant last Spring may be stated in a few words.

In April and June two public issues of debentures were created in a total sum of 31 million dollars. These sums were borrowed solely for refunding and were intended to meet obligations which would mature between the times that I have mentioned and June 1st, 1940. We were not pressed for the money at the time, but I judged it the part of wisdom to secure the money while it was available, and profit by the low rate of interest which obtained at that time, even though my doing so required the placing of the money in trust accounts at

low rates of interest until the days of maturity arrived.

Then, in the matter of foreign exchange—and I shall deal with this problem at greater length later on in my presentation of the Budget—we bought New York exchange, both spot exchange and futures, in sums sufficient, we estimated, to meet possible demands during the current fiscal year. In other words, long before the war, anticipating unfavourable exchange rates, this Government protected itself by buying American exchange, all of which was purchased approximately at par.

We purchased medical supplies and instruments and such materials as were most likely to be affected in price by the outbreak of war. By showing foresight in this respect, a considerable saving was made, estimated at a sum of \$550,000.00.

Realizing the fact that Canada will play a major part in this war in respect of furnishing munitions and materials of war, we arranged to protect the vital points in the Province where hydro-electric power is produced and distributed.

I recite these various steps taken not in a boastful spirit, but rather in the discharge of a duty to the House, which is entitled to be put in possession of the information as to what steps were taken, promptly and with due consideration, to protect the financial position and the economy of the Province in wartime.

**PUBLIC ACCOUNTS** 

The Public Accounts for the fiscal year ended March 31st, 1939, have been distributed to the members, and I call your attention to the fact that in the Budget Address delivered on the 30th of March, 1939, it was estimated that the surplus of ordinary revenue over ordinary expenditure would amount to \$236,038. The final result showed that the surplus for that fiscal year amounted to \$322,495.42.

Thus it will be seen that for the third successive year this Government was able to show a surplus of ordinary revenue over ordinary expenditure.

### **PUBLIC FINANCING**

Debentures of a par value of 15,000,000 were issued on April 15th, 1939; 7,500,000 bearing a coupon rate of 2% and repayable in three and one-half years, and 7,500,000 bearing a coupon rate of 3% and repayable in nine years with a provision for redemption on April 15th, 1946, or any subsequent interest date at the option of the Government. The price at which these debentures were sold has resulted in an effective cost for interest of 2.30% and 3.32% respectively.

On June 1st, 1939, debentures of a par value of 16,000,000 were issued; \$6,000,000 bearing a coupon rate of 1.5% and repayable 1,200,000 per year from June 1st, 1940, to June 1st, 1944, and 10,000,000 bearing a coupon rate of 3% and repayable in fifteen years with a provision for redemption on June 1st, 1952, or any subsequent interest date at the option of the Government. In the sale of these debentures an effective cost for interest of 1.90% and 3.14% respectively has been obtained.

On November 1st, 1939, debentures of a par value of \$8,614,000 were issued, bearing a coupon rate of 3.25% and repayable in eight years, with a provision for redemption on November 1st, 1945, or any subsequent interest date at the option of the Government. The effective cost for interest on this issue was 3.57%.

On December 1st, 1939, debentures of a par value of 12,000,000 were issued; \$3,000,000 bearing a coupon rate of 2.5% and repayable in four and one-quarter years, and \$9,000,000 bearing a coupon rate of 3.5% repayable in twelve years, with a provision for redemption on December 1st, 1949, or any subsequent interest date at the option of the Government. The price at which these debentures were sold has resulted in an effective cost for interest of 2.65% and 3.69%respectively.

Apart from the four public issues already described the Province in accordance with statutory requirements, has issued debentures to the amount of \$1,400,000 bearing interest at the rate of  $4\frac{3}{4}\%$  per annum and has received in payment therefor an equivalent sum of money from the Teachers' and Inspectors' Superannuation Fund.

### HYDRO-ELECTRIC POWER COMMISSION FINANCING

The Hydro-Electric Power Commission of Ontario has not issued any debentures since August 1st, 1938.

### **TREASURY BILLS**

The Province has no Treasury Bills maturing before June 30th, 1940, and with the permission of the House I place on record a statement of the temporary loans covered by Treasury Bills, showing the date of maturity, the date of issue, the rates of interest, and the amounts of the Bills, which total 64 million dollars.

### BUDGET ADDRESS

### **TEMPORARY LOANS—TREASURY BILLS**

### as at March 31st, 1940

Date of Maturity	Date of of issue	Rate %	Series	Amount Outstanding	Where Payable
1940, June 30	1939, June 30	11/4 % Disc.	EH	\$ 2,000,000.00	Canada
Sept. 1	Sept. 1	1.50	EP	2,000,000.00	"
Sept. 1	Sept. 1	1.50	EQ	2,000,000.00	u
Sept. 1	Sept. 1	1.50	EŔ	1,000,000.00	"
Sept. 1	Sept. 1	1.75	ES	5,000,000.00	"
Sept. 2	Sept. 2	11/4% Disc.	EN	1,000,000.00	"
Sept. 13	Sept. 13	1.25	RT-W	2,000,000.00	u
Sept. 13	1938, Sept. 13	1.65	RT-Q	5,000,000.00	"
Sept. 13	Sept. 13	1.65	RT-S	5,000,000.00	"
Sept. 15	1939, Sept. 15	1.50	ET	2,000,000.00	"
Nov. 1	1938, Nov. 1	1.65	RT-U	10,000,000.00	"
Dec. 21	Dec. 21	1.65	EM	10,000,000.00	"
1941, June 1	June 1	1.65	RT-N	5,000,000.00	"
Aug. 1	Aug. 1	1.65	RT-O	4,500,000.00	"
Aug. 1	Aug. 1	1.65	EJ	2,500,000.00	u
Sept. 13	Dec. 1	1.65	RT-T	5,000,000.00	"

\$64,000,000.00

FOREIGN EXCHANGE

Mr. Speaker, earlier in my remarks I informed the House that one of the precautionary measures taken by this Government was to purchase New York exchange in anticipation of an adverse exchange rate in the event of an outbreak of war. The Province of Ontario has direct obligations and guaranteed obligations of the Hydro-Electric Power Commission, the T. & N.O. Railway Commission, and the Niagara Parks Commission in an amount exceeding 300 million dollars which are payable, both with respect to interest and principal, at the option of the holders in United States funds.

All these obligations were entered into by previous Governments. I do not like to adopt an attitude of "I-told-you-so," but the House has been reminded on many occasions of the threat that hangs over this Province because of the unwisdom of former Governments in borrowing on debentures which were payable in foreign currency.

When times are normal and exchange markets are unhampered by Government restrictions, the law of supply and demand operates in respect to foreign exchange very much in the same manner as it does with any commodity of commerce. Operations in foreign exchange are simply the conversion of the currency of one nation into that of another. The nation that imports must pay for what it buys in another country. The nation that exports requires payment for what it sells abroad. In completing payments for those transactions, foreign exchange comes into the picture.

Generally speaking, the exports to which I refer fall into these classes;-

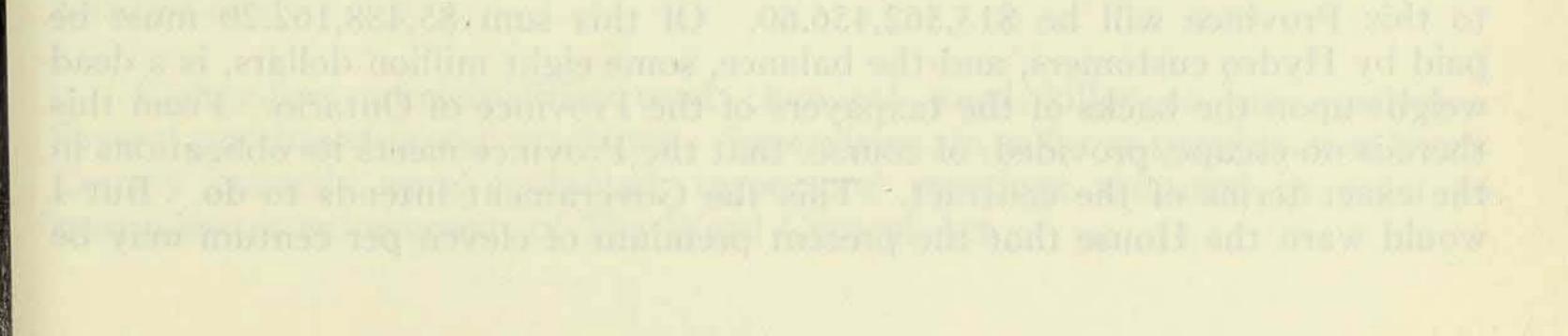
merchandise, securities, services, precious metals and travel. In making payment for these exports, foreign exchange is necessary. Certain factors other than exports and imports affect foreign exchange. Movements of capital not represented by the transfer of securities, speculation, the operation of exchange equalization funds, and so on, come into play. If this Government had been able to purchase, say, 20 million dollars in New York exchange at favourable rates up to the 31st of August, and no war had broken out, the Government would then have been in the unenviable position of being a seller of New York funds undoubtedly at a loss, and a Treasurer who allowed himself to be caught in such a position could not excuse himself on the ground that he had made provision for the normal requirements of the Treasury. In short, he would have been called a gambler in exchange and a gambler with public money.

Few, if any, are able to predict the fluctuations in exchange in wartime. If many people were able to predict what would happen to foreign exchange, it just would not happen. At the present time exchange is stabilized, and I have no complaint to make because of the exchange regulations and the rates that apply for New York funds. That is part of the war programme. War is a great economic effort and in order for the Allies to provide an adequate supply of oil and metals and munitions and foodstuffs and other materials and supplies, dollar exchange is an absolute necessity. In the last war Britain and her Allies were able to borrow tremendous sums of money in the United States. This helped to stabilize exchange for the time being. New York funds were practically never at a premium during the last war, or, at least, if at a premium, the highest rate never exceeded three per cent. During the war the pound sterling never dropped below \$4.49, and the low point was reached in September, 1915.

At present it is said that the Allies have available in the United States in dollar balances, readily saleable securities, and other resources over four and onehalf billions of dollars. Beyond this, the British Empire and France have gold resources of close to six billion dollars and they have an annual gold production of three-quarters of a billion dollars. Over and above these resources the Allies cannot hope to make purchases in the United States of America, except from the building up of New York exchange, and this will be brought about by favourable trade balances and through the medium of exchange control.

Unless the present Neutrality Act, which forbids borrowing by belligerent nations, is modified to permit of borrowing in the United States of America by Great Britain or her Allies, purchases in the U.S.A. must be kept within the limits of the resources that I have enumerated above.

With the permission of the House I will place on record a statement showing the Interest and Principal Maturities on Debentures payable in New York funds, and the estimated exchange payable thereon for the period from April 1st, 1940, to September 16th, 1944.



### **PROVINCE OF ONTARIO**

### Statement showing Interest and Principal Maturities on Debentures payable in New York, and the Estimated Exchange payable thereon for the period from April 1st, 1940 to September 16th, 1944

### FISCAL YEAR ENDING MARCH 31st

						Period April 1st,
SERIES	MATURITY DATES	1941	1942	1943	1944	1944 to Septem-
Interest						ber 16th, 1944
AC	1 April and Oct	\$ 993,600.00	\$ 993,600.00	\$ 993,600.00		
AB	1 April and Oct	738,300.00	738,300.00	738,300.00	\$ 738,300.00	\$ 369,150.00
AM	1 May and Nov	1,668,200.00	1,668,200.00	1,668,200.00	1,668,200.00	834,100.00
В	1 May and Nov	80.00	40.00			
C & D	1 May and Nov	19,880.00	19,880.00			
AK	1 May and Nov	645,075.00	609,075.00	573,075.00	537,075.00	
AL	15 May and Nov	982,800.00	962,320.00	941,020.00	918,900.00	453,820.00
AP	15 May and Nov	1,175,107.50	1,154,835.00	1,133,640.00	1,111,500.00	550,125.00
AS	1 June and Dec	1,045,600.00	1,027,980.00	1,009,640.00	990,560.00	490,420.00
AH	1 June and Dec	452,655.00	421,155.00	389,880.00	358,380.00	163,845.00
AN	2 June and Dec	1,663,375.00	1,663,375.00	1,663,375.00	1,663,375.00	831,687.50
AJ	15 Jan. and July	580,815.00	544,815.00	508,815.00	472,815.00	218,835.00
ÂR	15 Jan. and July	1,108,035.00	1,090,665.00	1,072,530.00	1,053,675.00	518,242.50
AG	1 Mar. and Sept	803,340.00	803,340.00	803,340.00	803,340.00	401,670.00
UU & XX	15 Mar. and Sept	813,900.00	813,900.00	813,900.00	406,950.00	Web Own All the Long of Monadore
CO a AA	15 Mar. and Sept	015,900.00	013,900.00	015,900.00	400,950.00	
	\$	\$12,690,762.50	\$12,511,480.00	\$12,309,315.00	\$10,723,070.00	\$ 5,082,432.50
Dringing				descent section and the section of t		
Principal	Ostabox 1st			010 072 000 00		
AC	October 1st			\$19,872,000.00		
B	May 1st		\$ 2,000.00			
C&D	November 1st		497,000.00			
AK	November 1st		800,000.00	800,000.00	\$ 800,000.00	
AL	May 15th	502,000.00	522,000.00	543,000.00	563,000.00	
AP	May 15th		458,000.00	484,000.00	500,000.00	
AS	June 1st	432,000.00	449,000.00	468,000.00	486,000.00	Control Control View Control Francisco Francis
AH	December 1st	700,000.00	695,000.00	700,000.00	682,000.00	
AJ	January 15th	800,000.00	800,000.00	800,000.00	781,000.00	
AR	January 15th	386,000.00	403,000.00	419,000.00	382,000.00	
AG	September 1st					17,852,000.00
UU & XX	September 15th		• • • • • • • • • • • • • •		13,565,000.00	
		\$ 4,063,000.00	\$ 4,626,000.00	\$24,086,000.00	\$17,759,000.00	\$19,444,000.00
		\$16,753,762.50	\$17,137,480.00	\$36,395,315.00	\$28,482,070.00	\$24,526,432.50
	and the second sec					Ended of the second

### **PROVINCE OF ONTARIO**

### Statement showing Interest and Principal Maturities on Debentures payable in New York, and the Estimated Exchange payable thereon for the period from April 1st, 1940, to September 16th, 1944

### SUMMARY

	INTEREST	AND PRINCIPAL	MATURITIES		EXCHANGE	
	Total	Province	Hydro	Total	Province	Hydro
Year ending						
March 31st, 1941	\$16,753,762.50	\$10,224,783.37	\$ 6,528,979.13	\$ 1,842,913.88	\$1,124,726.18	\$ 718,187.70
" " 1942	17,137,480.00	10,420,812.61	6,716,667.39	1,885,122.80	1,146,289.39	738,833.41
" " 1943	36,395,315.00	24,925,697.64	11,469,617.36	4,003,484.65	2,741,826.74	1,261,657.91
" " 1944	28,482,070.00	14,582,202.49	13,899,867.51	3,133,027.70	1,604,042.27	1,528,985.43
April 1st to Septembe	r	and the second second second second		ALL PROPERTY AND A LOCATION		
16th, 1944	24,526,432.50	13,249,180.22	11,277,252.28	2,697,907.57	1,457,409.82	1,240,497.75
	\$123,295,060.00	\$73,402,676.33	\$49,892,383.67	\$13,562,456.60	\$8,074,294.40	\$5,488,162.20
				E		

NOTE-Exchange has been calculated at a rate of 11% premium.

Assuming that the war continues during this period, that is up to September 16th, 1944, and that the premium on exchange which presently obtains, namely, 11 per centum, continues, it will be observed that the cost of New York exchange to this Province will be \$13,562,456.60. Of this sum \$5,488,162.20 must be paid by Hydro customers, and the balance, some eight million dollars, is a dead weight upon the backs of the taxpayers of the Province of Ontario. From this there is no escape, provided, of course, that the Province meets its obligations in the exact terms of the contract. This the Government intends to do. But I would warn the House that the present premium of eleven per centum may be exceeded. No one at this point can prophesy what the rate of exchange will be one year from to-day. But, if the present rates obtain, it will cost this Government during the next fiscal year \$1,842,913.88, of which over \$700,000 must be borne by Hydro consumers.

In view of the difficulties that I have outlined, and the unhappy position in which Ontario is placed because of the folly of former Governments in issuing debentures payable in U.S. funds, you must agree that this Government is entitled to full credit for borrowing on conditions which require repayment in Canadian funds only. Never have we borrowed a dollar repayable in New York funds.

Before proceeding to discuss the revenues and expenditures of the current year, I shall profit by the occasion to touch briefly and in a general way upon the activities of the principal Departments of Government.

### DEPARTMENT OF AGRICULTURE

General production, educational and organization problems received attention through the Agricultural Offices maintained in 52 counties and districts.

There were enrolled 5,069 boys and girls in 316 Clubs. These consisted of Calf, Foal, Swine, Poultry, Sheep, Grain, Potato, Garden and Garden and Canning Clubs. There was an enrolment of 1,889 in 54 short courses. 509 school fairs were held with an attendance of 106,900 pupils.

Soil testing has developed until it has over-taxed facilities, complete surveys were completed in several counties—are under way in nine counties, and in York County a complete survey was commenced in co-operation with the County Council. One Thousand Dollars was contributed by the County. In addition, thousands of individual tests were made at the Ontario Agricultural College, Kemptville and Ridgetown.

Thirty-two County Crop Improvement Associations were formed to promote the use of better seed of the most suitable varieties of field crops. Thousands of tests were made on farms to determine the most suitable varieties. Eight seed cleaning plants were established, bringing the total to 90 and cleaning 800,000 bushels of grain and 5,000,000 pounds of small seeds. Cultures for clovers were prepared and distributed.

Test plots to prove the value of the use of hybrid seed corn were carried wherever necessary.

Five large demonstration plots were carried in the principal potato producing counties to compare varieties, cultural methods, kind and amount of artificial fertilizer. Publicity and personal contacts were used to induce the purchase of

### certified seed.

Eighty-five municipalities used chemical weed killer on the roadsides. Several purchased power machines. Supervision, in so far as possible, was given. County councils were contacted, inspectors' meetings arranged in order to secure better enforcement of The Weed Control Act. Administration of The Plant Diseases Act and The Farm Products Grades and Sales Act required the services of several permanent and many temporary officials. The spray service was made available to fruit growers.

Organization of nine additional counties for T.B. testing and regular inspection of over 1,500 stallions were continued. Bacon hog fairs and 144 bacon hog clubs were organized and supervised.

Under The Farm Products Control Act, the following schemes operated: Ontario Peach Growers, Ontario Pear, Plum and Cherry Growers, Ontario Asparagus Growers, Erie-St. Clair Onion Growers, Cheese Producers. Considerable assistance and co-operation has been given to co-operative organizations, including cold storages.

War activities included:

- 1. Meetings to acquaint people with the swine situation commenced in October and were held throughout the Province.
- 2. Distribution of foundation breeding stock of swine through the various organizations and agencies or Agricultural Representatives.

- 3. Perfecting county or group organizations for production work.
- 4. Seed grain survey by counties-to bring buyer and seller together.
- 5. Organization of committees to study particular phases of agriculture:
  - (a) General feed supply.
  - (b) Protein concentrate supply.
  - (c) Cod liver and other oil supplies used in poultry and animal feeds.
  - (d) Preparation of suggested rations for cattle and swine.
  - (e) Preparation for rapid tests where and when necessary.

### **ATTORNEY-GENERAL'S DEPARTMENT**

The war has brought added duties and responsibilities to the Attorney-General in curtailing subversive elements and in the prosecution of offenders against the Defence of Canada Regulations passed under The War Measures Act. The law enforcement officials of the Province are kept informed and up-to-date on the Regulations by full briefs on the law and supplementary memoranda as they become necessary.

The largest increase in expenditure by this Department is occasioned by the appointment, equipping and arming of the Special Provincial Police and Veteran Guards for the purpose of guarding the vital power sources and hydro-electric work. The normal provincial police have been increased by the appointment of 142 special police officers and 600 veteran guards. The necessity of undertaking this important duty is self-evident. Hydro power is the life blood of the nation in the present crisis and any interruption in service, even for a short period of time, would result in losses to the people of the Province by the closing down of factories

and to the nation in the slowing-up of industry far in excess of any expenditure the Province is making to protect these interests. In this connection since the 3rd of September, 1939, to the end of the fiscal year (March 31st, 1940) the cost to the Province will have been \$895,000.00. This expenditure was wholly unanticipated.

### DEPARTMENT OF EDUCATION

The Department of Education is making its contribution to the programme of economy in public expenditure by asking this year for approximately one million dollars less than it spent in the present fiscal year. By reason of changes and economies in administration it will be possible to save this amount without making any substantial reductions in the grants to either elementary or secondary schools. The suspension of the Middle School examinations, it is expected, will alone involve a saving of more than one hundred thousand dollars. Further savings will be effected by a reduction in the number of Summer Courses offered this year, and it is possible that a plan by which these courses will be given in alternate years may be adopted.

The teachers of special subjects, such as Agriculture, Music and Art, are being asked this year to forego the special grants which they have received hitherto. It is felt that these subjects have now become sufficiently well established in the schools of the Province to warrant the withdrawal of special subsidies and that school boards in fixing the salaries of teachers will give consideration to their qualifications in these subjects.

### DEPARTMENT OF GAME AND FISHERIES

The Department of Game and Fisheries which is responsible for the administration of the wild life division of the provincial natural resources—under the protective legislation provided for that purpose—has experienced perhaps the most satisfactory and successful year in its history—particularly as to the restocking, protection and conservation provided and from the standpoint of the financial returns which have accrued.

Concerning development of departmental fish culture operations it may be of interest to state the new trout rearing station at Hill Lake, in the District of Temiskaming, is now being operated, while subsidiary trout ponds have been constructed in the vicinity of Brighton, and additional bass ponds have been provided at Sandfield (3), in the District of Manitoulin, at Skeleton Lake (5), in the District of Muskoka, and at Havelock (1), in the County of Peterborough. Further a hatchery and pond for the propagation of maskinonge, located at the outlet of Deer Lake in the County of Peterborough, was successfully operated and for the first time in the history of this Department maskinonge were reared to the fingerling stage, while studies were carried on in an experimental way in a portion of the waters of Stoney Lake, Peterborough County, with reference to conditions required for the successful production of this species in the natural state. Particular mention is made of the culture and distribution of speckled trout, brown trout, small-mouthed black bass, maskinonge and yellow pickerel, since the year's distribution of these species surpassed all previous records.

To administer and enforce the provisions of The Game and Fisheries Act, the Department maintains a regular staff of Field Officers throughout the Province

whose duties consist of securing observance of the laws and regulations pertaining to fishing, hunting and trapping. These permanent members of our field staff constitute an important section of the protective service. However, their services are augmented by the assistance and co-operation of members of the Ontario Provincial Police Force as well as certain seasonal officers who are retained for varying periods in the matter of providing adequate patrol service along certain waters during the spring and fall fish spawning periods and protective work during the various hunting seasons.

### DEPARTMENT OF HEALTH

During the year the Province experienced the lowest infant death rate, as well as the lowest maternal death rate at child-birth in its history. This, together with a fifty per cent decrease in the incidence of both typhoid fever and diphtheria, a forty per cent decrease in undulant fever, and a new low in the tuberculosis death rate, would indicate that the efforts of the Government in the protection of the public health are meeting with success. Undoubtedly the rapid fall in the incidence of both typhoid fever and undulant fever, as well as the materially lower death rate from intestinal infections among infants, is attributable in a large measure to a safer milk supply as ninety-two per cent of the milk now distributed in the Province is pasteurized.

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Mr. Speaker, may I pause for a minute to inject a remark here. This Parliament passed The Pasteurization Act and, for that reason alone, it will be known in history as the Parliament that saved more lives than any other Parliament that ever existed in the history of Ontario. (Applause.) There is a forty per cent decrease in the death rate from undulant fever, and we have lowered the death rate from tuberculosis. That is the effect of the protection which has been made available as the result of the Pasteurization measure alone which was passed by this Legislature. Its effects are reflected not only in the immediate results obtained, but they will be also apparent in the future in the slowing up of the number of young children coming to hospital from places where these diseases, including bovine tuberculosis, have been very prevalent. Only a short time ago a group of doctors from the Sick Children's Hospital asked me to convey to the Legislature appreciation of the action taken some years ago because, they said, the effects of that action will be felt in so many little children who otherwise would have remained subject to these diseases and many of them ending up crippled for life.

In addition to maintaining the accepted safeguards to the health of our citizens, arrangements were made to supplement the medical and diagnostic services of the country's war-time effort by offering the services of our laboratories as well as of our diagnostic clinics in both tuberculosis and mental disease. During the first four months of the war over three thousand specimens referred by the militia authorities were examined in our laboratories and fifteen thousand ounces of typhoid vaccine were distributed free to protect soldiers within the Province against this disease. At the same time hospitalization facilities were offered for soldier casualties.

I might say here that we shared in another problem brought on us by the war. That was in the case of the men who enlisted in the Army and, after three months or so in the forces, they were, on their second or third examination, found

to be suffering from tuberculosis. In many of these cases the men were formerly unemployed before enlistment, and to have sent them back to their families in that condition would have been almost criminal because, as you know, tuberculosis is highly infective. So we worked out a plan with the Militia Department by which we are notified immediately of these cases, and free hospital facilities are offered to these men and, if they are in dire circumstances and have no other source of support, their wives and children come under the provisions of The Mothers' Allowance Act. (Applause.)

### DEPARTMENT OF HIGHWAYS

Work programmes during the past year have been generally modified and an effort has been made to consolidate projects already started or nearing completion. In the whole of Ontario during the year there was a total of 199 miles of grading completed, 121 miles of pavement laid, and there were 42 major structures built. While capital expenditure for the coming year must be reduced to a minimum, it will be the policy of the Department to carry to conclusion only certain works already open and uncompleted.

The major part of the work in the north last year consisted in the completion of express highways into mining territory, especially through the Temagami Forest Reserve and the south and west of Kirkland Lake.

The Porcupine mining centre now has its communities joined with concrete highways.

Southern Ontario, this year, has seen substantial progress made on the new Divided Highway from Fort Erie to Oshawa, with much heavy work concentrated at St. Catharines and at the Western entrance to Toronto. The portion of this highway connecting Fort Erie and Toronto was dedicated by Her Majesty, as the Queen Elizabeth Way. While much remains to be done to complete this development, it has more than justified the large expenditure involved. Traffic has been attracted in greatly increased volume, at times of traffic peak the volume is far beyond the capacity of the former two highways between Toronto and Hamilton. Further progress was made on the divided highway development between Gananoque and Brockville, serving the new International Bridge at Ivy Lea. Prior to the construction of this bridge, the maximum number of cars crossing by ferries in this vicinity was about 14,000 in one year. From the opening of the bridge in August, 1938, to the end of August, 1939, one complete twelve-month period, it carried a total of over 198,000 motor vehicles.

Following the declaration of war, our Department approached the Department of Militia and Defence at Ottawa undertaking to carry out any work that might be required where this work would be of such a nature as to further the cause of the war.

About the middle of October we were approached with a view to determining as to the possibility of our staff making surveys of airfields that would be used in connection with those already in existence. We undertook that we would carry on any work they had in mind. Under date of November 8th representatives of the Department of Transport advised us that several locations had been decided upon and asked that we commence surveys at once. We immediately did so.

From that time up to the present various locations have been decided until now thirty fields in all have been considered. Ten plans covering these fields have been turned over to Ottawa. Sixteen additional are over fifty per cent complete, with four fields yet to do.

To facilitate the speedy return of the plans to Ottawa our staff is working night and day that they may be returned with the least possible delay, as a matter of fact, instructions at the present time have been issued to the Surveys Branch that surveys as requested from Ottawa be given preference over all other work. I might say for your information much of our contract work is standing idle until such time as the plans are ready. I feel certain that the plans as they are returned to Ottawa are as fine as can be produced within the time limit.

In co-operation with the Department of Aviation our Department is constructing at the present time a road into Camp Borden, the total cost of which when completed is estimated to be \$270,000.00. Of this amount \$105,000.00 will be taken care of by the Ottawa Department of Mines.

DEPARTMENT OF LABOUR

All Branches of the Department of Labour have increased their activities during the year and especially within the past five months. Since the declaration of war, industries engaged in the manufacture of war materials have been pressed for production, which requires longer hours of work, more workers, more space and new machinery. The Boiler Inspection Branch, upon request from the Department of National Defence, has undertaken the inspection of used boilers and tanks before being installed in the various barracks for billeting soldiers, and orders for new equipment, such as tanks for installation in buildings taken over for the Department of National Defence have resulted in additional work for this Branch.

During the first nine months of this fiscal year more than 108,000 placements have been made by the Ontario Government Offices of the Employment Service of Canada, which number is approximately 6,000 more than during the corresponding period of the previous year. This increase is due largely to demands on war industries. In order to assist military authorities in obtaining the large numbers of building tradesmen and labourers required for work at Camp Borden, a new office of the Employment Service was established at Barrie in September.

The activity of the Conciliation Service of the Department of Labour has been an important factor in the decrease in time-loss due to strikes in Ontario during the year. In the fiscal year 1939 this saving in time-loss was the equivalent of a full year's work for approximately 700 men, and in the first 9 months of the present fiscal year, the time-loss has been less than two-thirds that of the same period last year.

From the aircraft classes established under the Dominion Provincial Youth Training Plan 200 aircraft mechanics will proceed to the Royal Canadian Air Force, on completion of their training on April 1st.

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### DEPARTMENT OF LANDS AND FORESTS

The uncertain condition of Europe during the year 1938 and the greater part of the following year caused grave apprehension in the Forest Products Industry of the Country and adversely affected prospective undertakings within the Province of Ontario. The declaration of war, with its consequent disturbance in the economic field, may, however, have an important reaction on the pulp and paper business of the Province. Although there have been serious governmental restrictions placed upon the use of newsprint in the United Kingdom which will affect Canadian export, it is predicted that the loss of the Scandinavian trade with the United States will afford Ontario an opportunity of gaining additional markets for its pulp and paper.

Throughout the past year there were distributed and planted by the Department of Lands and Forests over sixteen million trees, the largest number by over four million in the history of the Province, all this nursery stock representing nearly eleven thousand recipients and involving an investment that will in years to come enhance the potential forest wealth of the country and pay substantial dividends to the holders.

Immediately upon the declaration of war the Province offered all its facilities to the Dominion Government to the end of co-ordinating Provincial and Dominion resources for the purpose of speedily and effectively prosecuting the war. Included in these Provincial facilities was the Air Service of the Department of Lands and Forests, actively engaged in a type of work and comprising a personnel whose epic flights and experiences in the face of all difficulties in the northern hinterland have provided an organization that is now actively supporting the Dominion Government.

Two of our fast Stinson Reliant Aircraft have been loaned to the Dominion and for months have been progressively utilized as important units in connection with the war programme particularly in regard to survey work. The services of eight of our key pilots and two of our skilled engineers were readily accepted by Ottawa, and they are doing their share in different parts of Canada furthering war efforts. Another of our top-notch pilots has been absorbed for training purposes by the Dominion Provincial Youth Training Movement. In addition to these numbers it is creditable to observe that three other high ranking pilots of the Provincial Air Service and three engineers have joined the colours, two of the pilots, one "Joe" Heaven and the other George Phillips, having distinguished themselves in the last Great War.

Thousands of blankets, being part of the stores of the Fire Protective Service, were loaned and are still being used by the Department of National Defense.

All in all the Provincial Air Service is making an important contribution in the way of equipment and personnel to the Dominion Government in these exacting times.

### DEPARTMENT OF MINES

The Mining Industry of the Province established an all-time record during 1939. Increasing demand for metals created by the war and a 10% increase in

the price of gold in September, were chiefly responsible for this achievement. Of the total value of Canada's mineral production, \$470,000,179, Ontario produced \$235,000,000 or 50%. The gold mines of Ontario produced bullion valued at \$109,508,979, to establish a new high record in the history of this particular industry. The nickel copper industry has likewise reported new all-time highs with regard to both quantity and value. Nickel and copper are very important in the present struggle for survival and Ontario is now in a better position to assist in a successful prosecution of war than was the case in 1914, owing to the fact that refineries have been established in Ontario for the production of these metals. Resumption of operations at the Helen Mine has brought Ontario back into the list of iron ore producers.

It is rather interesting to recall that Sir James Dunn appeared before the War Purchasing Board recently and informed the members that the Helen Mine was being worked with great success and was now able to carry on independently of outside sources for the production of high class steel.

### DEPARTMENT OF MUNICIPAL AFFAIRS

The Department of Municipal Affairs may look back with pride on the

many accomplishments that have been experienced during the last five years in the administration and financial position of municipalities in Ontario. Of outstanding note is the stabilization of municipal credit largely due to the amicable debt refundings for the supervised municipalities. Out of a total of \$105,000,000 of debenture debt in default at one time, involving 35 municipalities, over \$93,000,000 has been refunded for some 24 municipalities. Settlements with the Municipal Councils by debenture holders committees have been arranged to carry out the plans of four more municipalities involving over \$9,500,000. Plans for two other municipalities are pending and preliminary surveys are now under consideration for the remaining five with a view to refunding at an early date.

Gross Municipal debenture debt at the close of 1938 will amount to approximately \$404,300,000, a reduction of almost \$21,500,000 for the year. Thus the gross debenture debt of Ontario municipalities now stands at its lowest figure since 1923 when at December 31st of that year it amounted to \$376,512,000.

Continued improvement has also been experienced in the position of Ontario Housing Loans. There are, at present, only 11 municipalities indebted to the Province on this account, and the total balance of these loans outstanding is approximately \$550,000.

### DEPARTMENT OF PROVINCIAL SECRETARY AND REGISTRAR

The Registrar-General's Branch-

An important activity of the Registrar-General's branch in recent months has been the issuing of information and certificates with respect to the registration of the births and marriages of recruits for overseas and their dependents, this information and certificates have been issued without any charge whatsoever.

### **Reformatories Branch**—

Since December 31st last there has been a slight but definite decrease in the number of prisoners committed to Ontario Correctional Institutions and it is considered probable that a further reduction will occur prior to April 1st and through at least the early months of the coming fiscal year. Largely because of the closing of the Toronto Industrial Refuge in June last and the closing of the Toronto Industrial Farm in October, an increase in the prison population of the Province must unfortunately be reported for the calendar year 1939.

### DEPARTMENT OF PUBLIC WELFARE

Municipalities of Ontario will save more than \$3,500,000 during the fiscal year ending March 31st, as a result of the continuance of the Government's policy of assuming their share of the cost of Old Age Pensions, Pensions for the Blind and Mothers' Allowances. Through the above-mentioned agencies, direct relief and grants to orphanages, refuges and war veterans there will be disbursed approximately \$37,818,184 of which approximately \$23,600,000 is recoverable from the other governmental bodies involved. As an indication of the extent to which the public generally is affected by this department of Government,

during the month of December, 1939, more than 290,000 persons were dependent, wholly or in part, upon its assistance.

Another saving which accrued to Ontario's municipalities this year was by reason of the arrangement made whereby the Dominion Government, the Province and the Municipalities contribute on a 40-40-20 basis for unemployment relief, rather than by way of direct grant-in-aid. This change will result in a saving to Ontario municipalities of \$1,640,000 this year. On March 31st, 1939, there were approximately 300,000 persons in receipt of relief and it is anticipated that in the same month this year the rolls will be decreased by about 85,000.

### DEPARTMENT OF PUBLIC WORKS

The Ontario Hospital at St. Thomas has been turned over to the Dominion Government as an Air Training Centre and all buildings are now occupied by the Royal Canadian Air Force.

The new unit at Woodstock for epileptic children has been completed. Due to the turning over of the St. Thomas Hospital to the Dominion Government, Woodstock has had to be used for tubercular mental patients, and for the same reason, Langstaff Gaol Farm has been leased from the City of Toronto for use as a mental hospital, the Gaol Farm inmates so displaced being cared for in Provincial Institutions. The new Institutions at Port Arthur and Brampton were not proceeded with due to war conditions.

Among other projects undertaken during the year is co-operative effort on the Grand River Conservation Scheme. Good progress has been made on this and funds have been provided in the estimates to pay the Province's contribution towards this work for the year ahead.

### THE HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO

Continued development of the mining industry in Northern Ontario was responsible for an increase of 16 per cent in the primary load of the Northern Ontario Properties, which are held and operated by the Hydro-Electric Power Commission of Ontario on behalf of the Province. Some 50 mining and large industrial properties, together with 15 townsites and permanent communities are now served.

It is very gratifying to note that the applications for rural electrical service equalled the annual records established for the preceding two years. During the year more than 13,000 consumers were added to existing districts, necessitating the construction of 2,300 miles of primary lines. Special attention was also given to serving new rural territory in Northern Ontario. At present there are all told approximately 18,000 miles of rural line serving about 113,000 consumers, more than half of which represents service to individual farms. For the ensuing year it is anticipated that 1,900 miles of primary lines will be constructed necessitating an expenditure of approximately \$4,500,000, of which the Province will contribute about \$2,250,000 as a grant-in-aid to assist in providing the benefits of Hydro service to the rural population. In addition to the grant-in-aid, the Province has advanced to the Commission a total of \$320,000 to enable it to make loans to bona fide farmers for the purpose of wiring their premises, and securing electrical equipment. This plan has filled a very real need, and farmers to the number of 1,611 are now enjoying these benefits, who otherwise might not have been able to take advantage of them.

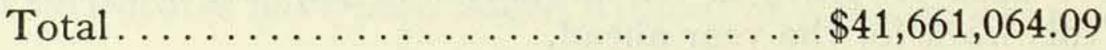
### TEMISKAMING AND NORTHERN ONTARIO RAILWAY COMMISSION

Although final figures will not be available for two or three months yet, indications are that the Temiskaming and Northern Ontario Railway will record for the fiscal year ending March 31st, 1940, one of the best years in its recent operating history. The reduced net earnings of the railway in the last fiscal year were only to be expected in view of the general situation as it affected all railway operations throughout the country, and the complete restoration of all wage reductions. The position for the present year, however, is completely changed and the net operating receipts for the period April 1st, 1939, to March 31st, 1940, may now be conservatively estimated at \$1,300,000 which reflects a decided improvement.

### AGRICULTURAL LOANS

The Commissioner of Agricultural Loans continues to liquidate the loans made by the Agricultural Development Board during the years from 1922 to 1935, and the books of the Department as at January 31st, 1940, show the following balance still outstanding:

# Principal \$39,584,144.37 Interest 2,048,592.04 Sundries 28,327.68



The collections for the ten months' period ending January 31st, are as follows:

Principal		 	 4	14	 	-		-			 1	 .\$2,028,373.02
Interest	• •	 			 110mail		• •		 •		 •	 1,440,736.87

Total Collections......\$3,469,109.89

This represents an increase of \$279,913.13 over the collections for the corresponding period of last year. I might stress that all possible means have been taken to assist the mortgagors in meeting their obligations to the Commission. Numerous extensions have been granted for considerable periods of time and a total of 829 cases have been reamortized for additional periods ranging from 20 to 33 years. This number is in addition to 4,945 loans previously reamortized.

In a great many of these cases the mortgagors are required to pay interest only at 4% annually for a period of three years as against a 5% interest rate charged by the Federal Government under the Canadian Farm Loan Board.

The farm properties repossessed and on hand total 862. They have a book value of \$3,442,989.79. 478 of these farms have been sold but the final details of sale have not yet been completed. The total number of farms resold during the

10 months period referred to amounted to 521.

### SETTLERS LOANS

In passing I might refer briefly to a mistaken impression that the Government's policy with regard to Settlers' Loans is driving people off their Northern Ontario lands to become relief charges in the city. There is no justification for such an impression. In fact not a single mortgagor under The Settlers' Loan Act was dispossessed in the year 1939 and very few, if any, were dispossessed prior to 1939. It is true that 70 farms were repossessed in the north under The Agricultural Development Act for the fiscal year ending March 31st last but none of these was repossessed unless it had been abandoned or the Government had been asked by the mortgagor to accept a quit claim deed, or else the Government had been compelled to pay insurance premiums and taxes on the mortgagor's behalf.

It has been the fixed policy of the Agricultural Development Board that no mortgagor is to be dispossessed unless he has fallen into arrears of interest for a period of at least four years, for when you find arrears of interest extending over four years, you also invariably find that other payments affecting the value of the property, insurance policies, for instance, are not being kept up. But as long as the interest has been paid, we have given the mortgagors every consideration as to principal sums overdue and unpaid.

### **ORDINARY EXPENDITURE**

In presenting the statement of the Gross Ordinary Expenditure for the fiscal year which will end on the 31st of March, I report with some degree of satisfaction the fact that, in spite of the trying times in which we live, the various Departments in the aggregate, kept within the amount of supply voted, and this notwithstanding the fact that a number of unforeseen items of expenditure had to be met. The amount voted for the fiscal year was \$103,356,038.44, while the gross amount expended will be \$102,900,929.00, leaving unexpended \$455,109.44.

I just want to refer now, Mr. Speaker, to some of those unforeseen expenditures. The policing of the Hydro power stations was a very necessary step and one that we have to maintain in order to ensure our power supply. That cost us \$895,000.00, an expenditure which was never contemplated when we brought down the Budget a year ago. Then we had extra expenditure in the Youth Training Movement, particularly in the training of young pilots who will be available for our own Royal Canadian Air Force. As regards the iron ore bounties, we are very glad to-day that the mines are being operated with success and the bonus in that connection amounts to \$237,000.00.

Some of the items of expenditure which were unforeseen were as follows:

Attorney-General's Department-	
Cost of guards for protecting power plants,	
etc\$	895,000.00
Department of Labour-	
Youth Training Movement	238,000.00
Department of Logiclation_	

Department of Legislation—	
Cost of extra session	15,184.00
Provincial Secretary's Department-	
Due in large measure to the increase of	
prisoners	302,000.00
Treasury Department-	
Iron Ore Bounties	237,000.00
Public Works Department-	
Expense of transferring patients from St.	
Thomas Hospital	12,700.00
Alterations to old Dairy School, Kingston	20,837.00
Total	1 720 721 00

In the Public Debt there was an additional cost of \$326,000 due to foreign exchange, but this is repayable by the Hydro-Electric Power Commission, although it occurs in our increase in the gross expenditures.

It will be observed that, of the above amounts, the cost of guarding power plants, etc., \$895,000, the part of the Youth Training Plan applicable to aircraft mechanics, \$150,000, the removal of patients from St. Thomas Hospital, \$12,748.59, which is a total of \$1,057,748.59, these expenditures are directly attributable to Ontario's assistance in prosecuting the war.

Just at this point it is worthy of mention that the interest and depreciation charges in respect of the St. Thomas Hospital buildings, loaned to the Dominion Government for military purposes absolutely free of cost, amounts to approxi-

### mately \$325,000 per annum.

With the permission of the Assembly, I desire to place on record an interim statement of the Gross Ordinary Expenditure for the fiscal year April 1st, 1939, to March 31st, 1940, being ten months actual and two months estimated. These expenditures, as I have said, amount to \$102,900,929.00.

### INTERIM STATEMENT OF GROSS ORDINARY EXPENDITURE

### Fiscal Year April 1, 1939-March 31, 1940

### 10 Months Actual-2 Months Forecast-12 Months

Department	Detail	Gross Ordinary Expenditure
1—Agriculture		\$ 2,163,754.00
2—Attorney-General		3,459,729.00
3-EDUCATION		12,786,056.00
4-GAME AND FISHERIES		563,782.00
5—HEALTH:		
	1,086,936.00	10 000 201 00
Hospitals Branch	9,901,368.00	10,988,304.00
6-HIGHWAYS	- all all and a shirt of a shirt of a	10,193,366.00
7-INSURANCE		59,228.00
8-LABOUR.		813,560.00
9-LANDS AND FORESTS.		2,150,076.00
10-LEGISLATION.		287,750.00
11-LIEUTENANT-GOVERNOR.		9,650.00
12-MINES.		382,305.00
13-MUNICIPAL AFFAIRS		4,651,194.00
14—PRIME MINISTER		181,134.00
15—PROVINCIAL AUDITOR.		118,500.00
16—PROVINCIAL SECRETARY:		110,000.00
Main Office and Registrar-General's Branch	117,745.00	
	2,229,696.00	
Reformatories and rusons Dranch	2,229,090.00	2,347,441.00
17—PROVINCIAL TREASURER:		2,347,441.00
	778,073.00	
Main Office	10,672.00	
Budget Committee Office	432,118.00	
	452,110.00	
Motion Picture Censorship and Theatre Inspection	34,331.00	
Branch		
Post Office	141,579.00	
Savings Office	274,038.00	1,670,811.00
18-PUBLIC WELFARE:		1,070,011.00
	392 929 00	
Main Office and Branches	382,838.00	
	3,382,811.00 5,209,538.00	
Mothers Anowances Commission	5,209,558.00	9 075 197 00
10_PUBLIC WORKS		8,975,187.00 857,223.00
19—PUBLIC WORKS.		
MISCELLANEOUS		4,694.00
STATIONERY ACCOUNT	Section and	29,379.00
a services importants and have need a test and dealer a surply of		\$ 62,693,123.00
PUBLIC DEBT-Interest, Exchange, etc	Sin demostry	30,838,134.00
aufwinde inter jaare interniteren versteren bester interniteren versteren interniteren interniteren interniteren		\$ 93,531,257.00
ADD: Unemployment Direct Relief and Administration	7 bill i Left-and	99,331,237.00
thereof		9,369,672.00
		\$102,900,929.00

CAPITAL PAYMENTS

For the information of the House I also place on record an interim statement of the Gross Capital Payments for the fiscal year April 1st, 1939, to March 31st, 1940, being ten months actual and two months forecast, the total being \$38,116,705.00.

### INTERIM STATEMENT OF GROSS CAPITAL PAYMENTS

### Fiscal Year April 1, 1939-March 31, 1940

### 10 Months Actual-2 Months Forecast-12 Months

GROSS CAPITAL PAYMENTS

	ks and ources	Loan Advances	Trust Fund Repayments
AGRICULTURE		\$ 27,500.00	
EDUCATION\$ 6	5,638.00	a sugar a la ser a ser a	an a
GAME AND FISHERIES 1	1,255.00		
HIGHWAYS 20,79	1,302.00		
LANDS AND FORESTS	7,423.00		
PRIME MINISTER:			AND DESCRIPTION AND ADDRESS
	anala anala a	a manana manana ana -	\$ 831,264.00
PROVINCIAL TREASURER:			
Main Office	and the second	757,280.00	385,519.00
Hydro-Electric Power Commission 2,05	0,000.00	50,000.00	
PUBLIC WELFARE:			
Dominion Government:			
		10,115,191.00	
PUBLIC WORKS 2,63	4,333.00		

### \$25,949,951.00 \$10,949,971.00 \$1,216,783.00

### SUMMARY

Works and Resources	\$25,949,951.00
Loan Advances	10,949,971.00
Trust Fund Repayments	1,216,783.00

\$38,116,705.00

06\_118.0Ka.1

### ORDINARY REVENUE

The ordinary revenue for the fiscal year reflects conditions in part due to the war and, in part, to other causes which I shall mention. In order that the members may see for themselves the items which have fallen short of the amount estimated, I shall, with the permission of the House, table a comparative statement of the Gross Ordinary Revenue for the fiscal year ending March 31st, 1940, showing the Budget forecast and the interim statement of revenue, which show ten months actual receipts and two months estimated.

It will be observed that the revenue shows a net decrease of \$4,945,000 over the forecast. The Motor Vehicles branch accounted for \$1,203,000 of this difference, Mines, \$346,000, Liquor Control Board revenue \$950,000, Succession Duty, \$3,600,000, Security Transfer Tax, \$246,000, and Land Transfer Tax, \$27,000. There are offsetting items of increase which improve the picture somewhat and these increases are shown on the comparative statement which I now table. The largest deficiency in revenue is in respect to Succession Duty, and this is due to the difficulties placed in the way of the Government arising out of the injunction obtained in what is known as the Kauffman case.

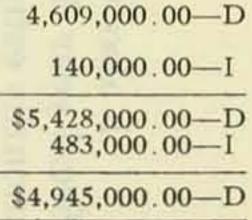
### COMPARATIVE STATEMENT OF GROSS ORDINARY REVENUE FOR THE FISCAL YEAR ENDING MARCH 31st, 1940

### DEPARTMENT

25

AGRICULTURE.	
ATTORNEY-GENERAL	
EDUCATION	
GAME AND FISHERIES	
HEALTH:	
Main Office and Branches	
Hospitals Branch	1,509,
HICHWAVE, to the state	
HIGHWAYS.	
Main Office and Branches	10,
Gasoline Tax Branch	25,000,
Permits, Gas Pumps, etc	90,
Motor Vehicles Branch	9,200,
INSURANCE	
LABOUR	
LANDS AND FORESTS	
LEGISLATION	
MINES	
MUNICIPAL AFFAIRS:	
Main Office and Municipal Board	10,
Housing Branch	35,
PRIME MINISTER	
PROVINCIAL SECRETARY:	
Main Office and Registrar-General's Branch.	368,
Reformatories and Prisons Branch	914.
	-
PROVINCIAL TREASURER:	
Main Office-Subsidy	2,941,
Interest	73.
Miscellaneous	
Liquor Control Board	10,750.
Controller of Revenue Branch-	
Succession Duty	17,000,
Corporation Tax	9,388,
Race Tracks	612,
Income Tax	6,000,
Security Transfer Tax	700,
Land Transfer Tax	250.
Law Stamps	400,
Motion Picture Censorship and Theatre Inspection Branch	185,
Savings Office	279.
ouvingo onice	,
PUBLIC WORKS	
	-
PUBLIC DEBT-Interest	
TO DE DE DE THUCICOL : : : : : : : : : : : : : : : : : : :	

FORE	ECAST	INTE	RIM	DIFFEF	RENCE
DETAIL	TOTAL	DETAIL	TOTAL	DETAIL Increase—I Decrease—D	NET Increase—I Decrease—D
	\$ 339,000.00 1,032,000.00 140,000.00 880,000.00		<pre>\$ 378,000.00 1,113,000.00 136,000.00 1,009,000.00</pre>		\$ 39,000.00—I 81,000.00—I 4,000.00—D 129,000.00—I
59,000.00 ,509,000.00	1,568,000.00	\$ 67,000.00 1,414,000.00	1,481,000.00	\$ 8,000.00—I 95,000.00—D	87,000.00—D
10,000.00 ,000,000.00 90,000.00 ,200,000.00	34,300,000.00	14,000.00 25,000,000.00 96,000.00 7,987,000.00	33,097,000.00	4,000.00—I 6,000.00—I 1,213,000.00—D	1,203,000.00—D
	230,000.00 140,000.00 3,126,000.00 14,000.00 2,600,000.00		229,000.00 132,000.00 3,500,000.00 14,000.00 2,254,000.00		1,000.00—D 8,000.00—D 374,000.00—I 346,000.00—D
10,000.00 35,000.00	45,000.00	31,000.00 62,000.00	93,000.00	21,000.00—I 27,000.00—I	48,000.00—I
	20,000.00		18,000.00	216	2,000.00—D
368,000.00 914,000.00	1,282,000.00	349,000.00 954,000.00	1,303,000.00	19,000.00—D 40,000.00—I	21,000.00—I
941,000.00 73,000.00 750,000.00		2,941,000.00 73,000.00 6,000.00 9,800,000.00		6,000.00—1 950,000.00—D	
,000,000.00 ,388,000.00 612,000.00 ,000,000.00		13,400,000.00 9,382,000.00 612,000.00 6,200,000.00		3,600,000.00—D 6,000:00—D 200,000.00—I	
700,000.00 250,000.00 400,000.00 185,000.00 279,000.00	48,578,000.00	454,000.00 223,000.00 403,000.00 201,000.00 274,000.00	43,969,000.00	246,000.00—D 27,000.00—D 3,000.00—I 16,000.00—I 5,000.00—D	4,609,000.00-D
	47,000.00	2 2 3 3 1	187,000.00		140,000.00—I
REEL	\$ 94,341,000.00 9,060,000.00		\$ 88,913,000.00 9,543,000.00		\$5,428,000.00—D 483,000.00—I
- E	\$103,401,000.00	5	\$98,456,000.00		\$4,945,000.00-D



Hon. MITCHELL F. HEPBURN 2

-1

### **ORDINARY REVENUE**

I also table an interim statement of the Gross Ordinary Revenue for the fiscal year April 1st, 1939, to March 31st, 1940, being ten months actual and two months estimated.

### **INTERIM STATEMENT OF GROSS ORDINARY REVENUE**

### Fiscal Year April 1, 1939-March 31, 1940

### 10 Months Actual-2 Months Forecast-12 Months

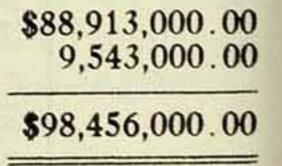
DEPARTMENT	Detail	Ordinary Revenue
1-AGRICULTURE		\$ 378,000.00
2—ATTORNEY-GENERAL		1,113,000.00
3-EDUCATION		136,000.00 1,009,000.00
5-HEALTH:		1,009,000.00
Main Office and Branches	\$ 67,000.00	
Hospitals Branch	1,414,000.00	
	the second s	1,481,000.00
6-HIGHWAYS:	11.000.00	
Main Office.	14,000.00 25,000,000.00	
Gasoline Tax Permits, Gas Pumps, etc	96,000.00	
Motor Vehicles Branch	7,987,000.00	
		33,097,000.00
7-Insurance		229,000.00
8—LABOUR		132,000.00
9-LANDS AND FORESTS		3,500,000.00
10—LEGISLATION		14,000.00
11-MINES		2,254,000.00
Main Office	9,000.00	
Municipal Board	22,000.00	
Housing Branch	62,000.00	
		93,000.00
13—PRIME MINISTER.		18,000.00
14-PROVINCIAL SECRETARY:	240 000 00	
Main Office and Registrar-General's Branch.	349,000.00	1 202 000 00
Reformatories and Prisons Branch	954,000.00	1,303,000.00
15—PROVINCIAL TREASURER:		
Main Office—Subsidy	2,941,000.00	
Interest	73,000.00	
Miscellaneous	6,000.00	
Liquor Control Board	9,800,000.00	
Controller of Revenue Branch:	12 100 000 00	
Succession Duty	13,400,000.00 9,382,000.00	
Corporation Tax	612,000.00	
Race Tracks Income Tax	6,200,000.00	
Security Transfer Tax	454,000.00	
Land Transfer Tax	223,000.00	
Law Stamps	403,000.00	
Motion Picture Censorship and Theatre Inspection	201,000.00	
Savings Office	274,000.00	43 969 000 00

### 16-PUBLIC WORKS.....

187,000.00

Gross

### PUBLIC DEBT-Interest.....



### HON. MITCHELL F. HEPBURN

### SUMMARY

Gross Ordinary Revenue. Less: Gross Ordinary Expenditure before pro- viding for Unemployment Direct Relief,	
Provision for Sinking Funds and Maturing Railway Aid Certificates	
Surplus: before providing for Unemployment Direct Relief, Provision for Sinking Fund, and Maturing Railway Aid Certificates Less: Unemployment Direct Relief and Administration thereof \$9,369,672.00 Provision for Sinking Fund 1,038,655.00 Maturing Railway Aid Certi-	6,049,368.00
ficates	10,494,297.00
Interim Deficit	\$ 4,444,929.00

In order to summarize the results of the Ordinary Expenditure and the Ordinary Revenue, I call your attention to the following items:

Gross Ordinary Revenue......\$98,456,000.00 Less: Gross Ordinary Expenditure before providing for Unemployment Direct Relief, Provision for Sinking Funds and Maturing Railway Aid Certificates... 92,406,632.00

According to the Public Accounts of the other Provinces of the Dominion, direct unemployment relief is charged either in whole or in part as capital and not as ordinary expenditure. It is not my intention to charge the cost of direct relief to capital, but to continue as in the past to consider it as an item of ordinary expenditure. Therefore, charging back the cost of Unemployment Direct Relief and administration thereof in the sum of ..... \$9,369,672.00

Provision	for Sinking Fund	1,038,655.00
Maturing	Railway Aid Certificates	85,970.00

Making a total of \$	10,494,297.00
This shows a deficit on the year of	4,444,929.00

May I refer back here to one item of revenue which has to do with the Motor Vehicles Branch. In the past it was the practice to allow motor vehicle licenses to run with the calendar year, but we extended the time for the securing of licenses. We thought we would trust the people and let the sale of markers go on in an orderly way during the first three months of the year. But we have found that a whole lot of people have not thought of buying their licenses until the 31st of March and then, on the 1st of April, there were long waiting queues of people who wanted to buy licenses and that money, of course, goes into the revenue of the fiscal year which is to come. So this year we have notified our sales agents, through the Department, that they are going to operate on a purely calendar year and collect licenses on the first of January and thus overcome those who have taken too full advantage of the Government's generosity and see that our revenue is applied to the fiscal year in which it belongs.

### CAPITAL RECEIPTS

With the permission of the House, I shall now place on record an interim statement of the Gross Capital Receipts for the fiscal year April 1st, 1939, to March 31st, 1940, being ten months actual and two months forecast. The estimated total capital receipts are \$17,516,470.

### INTERIM STATEMENT OF GROSS CAPITAL RECEIPTS

Fiscal Year April 1, 1939-March 31, 1940

10 Months Actual-2 Months Forecast-12 Months

GROSS CAPITAL RECEIPTS

DEPARTMENT

85,970.00

Works and

Loan

Trust Fund

	Resources	Repayments	Deposits
According		e 20.220.00	0
AGRICULTURE\$	16 202 00	\$ 39,220.00	\$
HIGHWAYS	46,382.00		
LANDS AND FORESTS	76,161.00	***** ***** * *** * ***	
MINES.	75,277.00	214,987.00	
MUNICIPAL AFFAIRS		214,907.00	
Public Service Superannuation Fund			1,345,000.00
PROVINCIAL TREASURER:			1,545,000.00
Main Office		2,805,533.00	221,420.00
Hydro-Electric Power Commission		2,566,049.00	
PUBLIC WELFARE:		2,000,010100	
Old Age and Blind Pensions Commission		10,115,191.00	
PUBLIC WORKS	11,250.00		
There is not the set of the second of the second of the			terrest to an and the second
\$	209,070.00	\$15,740,980.00	\$1,566,420.00

### SUMMARY

Works and Resources\$	209,070.00
Loan Repayments 1.	5,740,980.00
Trust Fund Deposits	1,566,420.00

In the case it was the presentance to the photo science to

a withdim calcular year, but we artended the time togethe security

with the set would be the prophe and by the of mark of making

\$17,516,470.00

As a second part of the

the size of March and then, on the lat of April there were long cherring caraces by reveals of March and then, on the lat of April there were long evening caraces of prophy who wanted to buy homes and that money of cames, goes into the revealed of the back year which is to come. So this year we have hold for balled accesses through the Department that they are going to operate on a parely relatively were and collect licenses on the first of January and thus overgate

### **GROSS PROVINCIAL DEBT**

The increase in the Gross Provincial Debt this year amounts to \$24,482,239. With the permission of the House I shall place on record a detailed statement of the estimated increase in the Gross Debt for the year ending March 31st, 1940. You will observe that, although the Gross Debt has increased by the sum of \$24,482,239, there are capital disbursements for highways, public buildings, and public works amounting to nearly 26 million dollars.

### **PROVINCE OF ONTARIO**

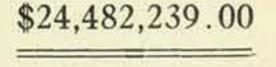
### Detail Summary accounting for Estimated Increase in Gross Debt

For the Year Ending March 31, 1940

GROSS DEBT INCREASED BY-Capital Disbursements-Highways, Public Buildings, Public Works, etc. ..... \$25,949,951.00 Less-Capital Receipts..... 209,070.00 \$25,740,881.00

Discount on Debentures, etc., issued during year	812,975.00	
Loan Advances—		
Municipal Debentures (Net)	104,564.00	
Payments re Guaranteed Debentures (Net)	354,319.00	
Deficit-		
Deficit on Ordinary Account \$4,444,929.00		
Less-		
Provisions charged to		
Ordinary Expenditure— Railway Aid Certifi-		
cates\$ 85,970.00		
Sinking Fund Instal-		
ments 1,038,655.00 1,124,625.00		
x,1=x,0=0.00	3,320,304.00	
Increase in Income Liabilities	332,613.00	\$30,665,656,00
Increase in Income Liabilities	332,613.00	\$30,665,656.00
Increase in Income Liabilities	332,613.00	\$30,665,656.00
	332,613.00	\$30,665,656.00
GROSS DEBT DECREASED BY— Loan Repayments— Hydro-Electric Power Commission of	332,613.00	\$30,665,656.00
GROSS DEBT DECREASED BY— Loan Repayments— Hydro-Electric Power Commission of Ontario	332,613.00	\$30,665,656.00
GROSS DEBT DECREASED BY— Loan Repayments— Hydro-Electric Power Commission of Ontario	332,613.00	\$30,665,656.00
GROSS DEBT DECREASED BY— Loan Repayments— Hydro-Electric Power Commission of Ontario	332,613.00	\$30,665,656.00
GROSS DEBT DECREASED BY— Loan Repayments— Hydro-Electric Power Commission of Ontario	332,613.00	\$30,665,656.00
GROSS DEBT DECREASED BY— Loan Repayments— Hydro-Electric Power Commission of Ontario	5,249,825.00	\$30,665,656.00
GROSS DEBT DECREASED BY— Loan Repayments— Hydro-Electric Power Commission of Ontario	332,613.00 5,249,825.00 924,777.00 8,679.00	\$30,665,656.00
GROSS DEBT DECREASED BY— Loan Repayments— Hydro-Electric Power Commission of Ontario	332,613.00 5,249,825.00 924,777.00 8,679.00	\$30,665,656.00

### Estimated Increase as at March 31st, 1940..... \$24,482,239.00

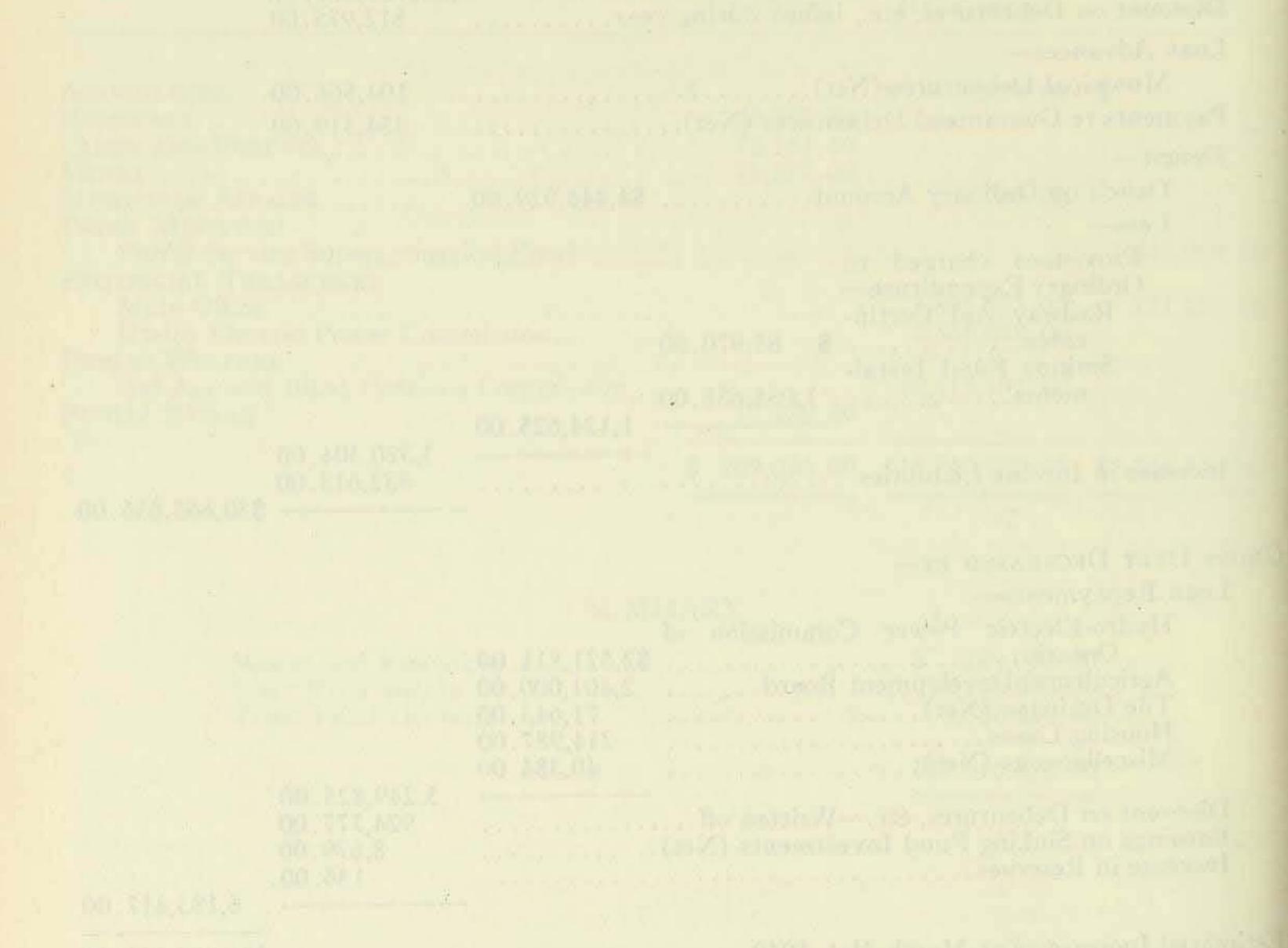


### NOTE.-The above estimated increase in Gross Debt has been based upon the actual receipts and disbursements for the period from April 1st, 1939, to January 31st, 1940, and estimated receipts and disbursements for February and March, 1940.

In dealing with the Gross Debt of the Province let me say that the increase in the gross debt from October 31st, 1934. to March 31st, 1940, amounts to \$81,488,530.75. To call this an increase in the gross debt without showing the other side of the picture and dealing with what might properly be called the investments of the Province, gives an incomplete and misleading impression.

For the period that I have mentioned, namely, October 31st, 1934, to March 31st, 1940, during which the Gross Debt shows an increase of \$81,488,530.75, the Province has made capital expenditures, with corresponding increase in capital assets totalling \$146,308,803.76. For the information of the House I table a statement of these expenditures and I say that, because of this increase, the Province is not poorer, but richer, for in the matter of highways alone we have constructed and paid for approximately 125 millions of dollars of these revenue-producing assets and, as you will see from the Statement of Revenue for the present fiscal year, the revenue from the Highways Department alone will exceed 33 million dollars.

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# **PROVINCE OF ONTARIO**

	5 months YEAR ENDED						
	ended Mar. 31, 1935	Mar. 31, 1936	Mar. 31, 1937	Mar. 31, 1938	Mar. 31, 1939	Estimated Mar. 31, 1940	
AGRICULTURE:						Mai. 51, 1940	-
Purchase of Land, Erection of Buildings, etc	•••••	•••••	•••••	\$ 58,978.98			\$
University of Toronto. GAME AND FISHERIES: Erecting Ponds, Buildings and Dams, Purchase of Land, Buildings Machinese and Dams, Purchase of Land,		\$ 65,638.43	\$ 65,638.43	65,638.43	\$ 65,638.43	\$ 65,638.43	
HEALTH:	**********	16,139.83	27,997.38	50,554.53	16,902.91	11,254.94	
Radium Emanation Plants, and Purchase of Radium		167,035.51	6,559.42	a state state	10,202.71	11,234.94	
Road Construction and Northern Ontario Roads		15,658,944.61	9,459,983.21	34,622,186.12	32,887,878.35	20,791,301.27	124,9
Reforestation, Surveys, Clearing Townsites, Equipment PROVINCIAL SECRETARY: Additions and Alterations Could be defined and a		290,430.05	415,494.35	312,952.89	390,176.92		
Additions and Alterations, Guelph and Burwash PUBLIC WORKS: Construction of New Buildings, Roads, Bridges, etc		•••••	74,321.92	65,422.62			1
Retire Bonded Indebtedness Alexandra Industrial C. L.	0.000000	263,039.57	219,574.55	2,015,118.07	4,850,461.77	2,634,332.73	10,3
The second of the second secon	******	20,000.00	******				
Bonuses, Rural Transmission Lines	120,000.00	305,000.00 211.84	1,000,000.00				8,2
	\$12,099,076.71	\$16 786,439.84	\$11,269,569.26	\$38,962,709.02			\$146.2
				and the second participation of the second		1017171900.00	\$140,5

# Statement of Capital Expenditures which correspondingly increase the Capital Assets of the Province

For the Period from November 1st, 1934, to March 31st, 1940

### Total

58,978.98 328,192.15

122,849.59 213,162.22 4,926,679.95 1,904,133.63 139,744.54 0,317,993.48 20,000.00 8,275,000.00 2,069.22 6,308,803.76

Hon. MITCHELL F. HEPBURN

Further, I take this opportunity, when discussing this increase in the Gross Debt of 81 million dollars, of bringing to the attention of the House some of the investments of this Province in the human resources of the state. During this period under review, we have spent on education, in round figures, 59 million dollars; on health, 40 million dollars; on agriculture, 9 million dollars; on unemployment direct relief, nearly 73 million dollars; on Mother's Allowances, 20 million dollars.

Let me pause for a moment and deal particularly with this item of Mothers' Allowances. The greatest wealth that this country possesses is its children and in assisting the mothers, who are for the most part widows, to educate and rear their children and bring them up to be good and valuable citizens of this Province, the Government has achieved something that is worthy of the highest commendation. This Government can take credit for having increased Mothers' Allowances by extending them to the mother with one child the allowance formerly denied them.

Old Age Pensions and Pensions for the Blind amount to \$14,000,000 and there is another item which is in the nature of a rebate to the taxpayers. I mean municipal subsidies. We have returned, since these subsidies were introduced, a sum in excess of 10 million dollars to the municipalities, and this sum has been applied directly in reduction of the taxes paid by the ratepayers of the various municipalities.

A statement showing the various net ordinary expenditures which go to make up the \$226,664,761.85 is, with the permission of the House, tabled for the information of the members.



# **PROVINCE OF ONTARIO**

# Statement showing Various Net Ordinary Expenditures, by Fiscal Periods

# From November 1, 1934, to March 31, 1940

	Five months		YEAR ENDING	MARCH 31ST			
	ending Mar. 31, 1935	1936	1937	1938	1939	(Interim) 1940	
EDUCATION	\$ 3,429,631.44	\$ 9,835,581.81	\$10,001,950.31	\$11,143,886.65	\$12,504,922.47	\$12,649,911.06	\$ 59,
HEALTH	3,055,582.99	6,187,596.83	6,128,023.08	7,576,768.90	8,077,017.49	9,563,325.62	40,
AGRICULTURE	690,618.76	1,531,781.13	1,546,471.94	1,753,862.10	1,809,962.63		9,1
UNEMPLOYMENT DIRECT RELIEF AND ADMINIS- TRATION THEREOF	0	21,813,368.20	13,270,057.29	9,996,164.35	10,175,482.56		72,8
MOTHERS' ALLOWANCES	747,886.55	2,133,489.86	2,477,971.29	4,851,641.50	5,000,040.68	the section section	20,2
OLD AGE PENSIONS		1,770,885.31	1,882,713.46	3,082,112.46	3,166,625.40	3,239,381.38	13,8
PENSIONS FOR THE BLIND				12,848.00	66,251.81	75,276.44	1
SUBSIDIES-MUNICIPAL AFFAIRS DEPARTMENT				2,920,962.96	2,941,477.08	4,450,075.84	10,3
	\$16,803,480.31	\$43,272,703.14	\$35,307,187.37	\$41,338,246.92	\$43,741,780.12	\$46,201,363.99	\$226,6
	and the second second second	and the second s				and the second se	

#### Total

9,565,883.74 0,588,314.91 9,118,537.11

2,817,417.31 0,278,911.38 3,828,805.27

154,376.25 0,312,515.88 5,664,761.85 HON. MITCHELL F. HEPBURN

I am content to be judged by the people of the Province of Ontario in respect of the increase of 81 million dollars in the gross debt of the Province when I am able to report, as I do to-day, that during the same period we have an increase in the tangible capital assets of the Province of 146 million dollars, and I like to report having contributed to the human resources of the Province a sum in excess of 226 million dollars.

It may rightly be said of Governments that, long after they have disappeared and have been replaced by others, their records will be read and their success or failure appraised according as they have developed the material and human resources of the organized society for whose welfare they were for the time being responsible.

#### NET DEBT

The net debt of the Province will vary in an amount closely following the amount of the gross debt. The exact amount of the variation cannot here be stated because of the necessity of ascertaining the amounts of certain balances which may be collected or outstanding at the end of the fiscal year. Full details of the change in the amount of the net debt will be available when the Public Accounts are brought down.

### **INDIRECT LIABILITIES AND GUARANTEES**

The indirect debt of the Province will show a decrease of some \$7,852,000 in the present year. The only guarantee given by this Government in the present fiscal year was one to a co-operative association in the sum of \$5,000. All other items entering into the Contingent Liability Account are deductions.

With the permission of the House I table a statement of the Contingent Liabilities of the Province as at March 31st, 1940, showing an estimated decrease of \$7,852,417.47.

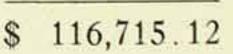
#### **PROVINCE OF ONTARIO**

# Contingent Liabilities, Bonds, etc., Guaranteed by the Province

#### Estimated as at March 31st, 1940

Total (as per Public Accounts, March 31st, 1939)\$1	43,838,873.98
ADD—New Guarantees for period from April 1st, 1939, to January 31st, 1940— Co-Operative Associations	5,000.00
\$1	43,843,873.98
LESS-Principal Maturities redeemed during period from April 1st 1939 to	

LESS—Principal Maturities redeemed during period from April 1st, 1939, to January 31st, 1940—



By MUNICIPALITIES— Co-Operative Associations\$ Housing	99,105.12 52,852.84 103,000.00 5,329,000.00 525,000.00 160,882.69 90,676.09	,460,116.74	
	testing the same		7,576,831.86
LESS—Sinking Fund Deposits—April 1st, 1939, to Jan	nuary 31st, 194	17.	36,267,042.12 19,146.66
Net Liability of the Province as at January 31st, 1940		\$1	36,247,895.46
LESS-Principal Maturities to be redeemed during Fel	bruary and Ma	arch, 1940-	
By PROVINCE OF ONTARIO— Housing Municipalities Schools	<b>.</b> \$	42,735.98 1,346.38 138.12	
By MUNICIPALITIES AND OTHERS— Housing\$ Railways\$ Schools	\$ 5,514.14 200,000.00	44,220.48	

	- 261,338.95
LESS—Estimated Sinking Fund Deposits—February and March, 1940	\$135,986,556.51 . 100.00
Estimated Net Liability of the Province as at March 31st, 1940	\$135,986,456.51

#### SUMMARY

Contingent Liability of the Province—March 31st, 1939	\$143,838,873.98 135,986,456.51
Estimated Decrease	\$ 7,852,417.47

### **ESTIMATES**

Permit me, Mr. Speaker, to present to this Assembly, the estimates for the coming fiscal year. In preparing these estimates the greatest possible care has been taken in order that we may clearly set out to the Assembly and to the people of the Province what financial plans have been prepared for carrying on the business of the state during this war period.

Far be it from me to paint any dark picture. I realize, as do we all, that we are in the second phase of the great war. There is no need to emphasize this point to-day but, realizing the responsibility that rests upon Canada, a responsibility that must be shared largely by this Province, it is the considered opinion of the Government that Ontario must give leadership to the rest of the Dominion. This richest, most prosperous, most progressive part of the Dominion must not betray any faltering in this time of testing. No greater disservice could be rendered the Dominion or the cause of the Allies than that this Province should forecast a deficit either in ordinary or capital accounts, and no greater disservice could be rendered than by a Government attempting to deceive itself by allowing estimates of revenue to be founded on optimism. We must be sure, and I believe that we are certain—as certain as human foresight makes it possible—that we budget for a surplus for the year on which we are about to enter.

It is estimated that the ordinary revenue for the coming fiscal year from April 1st, 1940, to March 31st, 1941, will amount to \$89,051,209.40.

> The net ordinary expenditure (not including Unemployment Relief) will amount to . . . \$82,744,970.24 Leaving an excess of ordinary revenue over 6,306,239.16 And after providing expenditures on account of Unemployment Direct Relief and administration thereof in a sum of ..... 5,950,000.00 356,239.16 We expect to present a surplus of .....

It is expected also that, after taking into consideration proposed capital expenditures and capital receipts we will be able to report at the end of the next fiscal year a reduction in the gross debt in the sum of \$864,899.23.

With the permission of the House, I place on the records the Budget forecasts of ordinary revenue, ordinary expenditure, capital receipts and capital payments for the fiscal year April 1st, 1940, to March 31st, 1941.

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and of heats while comparison and the new sub- and the new subsupple of the Province what financial clave, here, prepared for currying on

and the Cover on rest On any on Onterio must give leadership to the rest of the Dominicant Altered the Loghburger of the couse of the Allies that that that the line in the line in the

### **BUDGET FORECAST OF ORDINARY REVENUE**

Fiscal Year April 1, 1940-March 31, 1941

DEPARTMENT	Detail	Gross Ordinary Revenue	Application of Revenue to Expenditure	Detail	Net Ordinary Revenue
1—AGRICULTURE		\$ 327,618.00			\$ 327,618.00
<ul> <li>2—ATTORNEY-GENERAL: Main Office and Branches</li> <li>3—EDUCATION</li></ul>		1,057,050.00 100,000.00 922,000.00	\$ \$121,650.00		935,400.00 100,000.00 922,000.00
Main Office and Branches Hospitals Branch		1,450,620.00	2,000.00	\$ 58,120.00 1,390,500.00	
6—HIGHWAYS: Main Office and Branches Gasoline Tax Branch Miscellaneous Permits Branch. Motor Vehicles Branch	10,000.0024,000,000.0090,000.008,500,000.00	32,600,000.00		10,000.00 24,000,000.00 90,000.00 8,500,000.00	
7—INSURANCE	.t 20 00	220,000.00 80,000.00	3,500.00		220,000.00 76,500.00
Main Office and Branches 10—LEGISLATION 11—MINES 12—MUNICIPAL AFFAIRS:		3,486,306.40 11,500.00 2,158,257.00	5,000.00		3,486,306.40 11,500.00 2,153,257.00
Main Office and Municipal Board		21,250.00			21,250.00
13—PRIME MINISTER: King's Printer–Ontario Gazette		16,000.00			16,000.00
14-PROVINCIAL SECRETARY: Main Office and Registrar-		401.0 60,000			
General's Branch	329,100.00			329,100.00	
Reformatories and Prisons Branch	901,000.00	1,230,100.00	682,000.00	219,000.00	548,100.00
15—PROVINCIAL TREASURER: Main Office—Subsidy Interest Liquor Control Board	2,941,424.00 73,000.00 9,500,000.00		COLL T	2,941,424.00 73,000.00 9,500,000.00	
Controller of Revenue Branch: Succession Duty Corporations Tax Race Tracks	12,000,000.00 15,000,000.00 525,000.00			12,000,000.00 15,000,000.00 525,000.00	
Security Transfer Tax Land Transfer Tax	5,000,000.00 350,000.00 225,000.00			5,000,000.00 350,000.00 225,000.00	
Law Stamps Motion Picture Censorship and Theatre Inspection Branch	365,000.00 170,000.00			365,000.00 170,000.00	
Savings Office	276,824.36	46,426,248.36	276,824.36		46,149,424.00
16—PUBLIC WORKS		49,034.00 100,000.00	13,800.00 100,000.00		35,234.00
PUBLIC DEBT—Interest, etc Foreign Exchange	\$ 8,917,189.75 718,187.70	\$90,255,983.76 9,635,377.45	\$ 1,204,774.36 8,917,189.75 718,187.70		\$89,051,209.40
TOTAL	NOT T & PL AND	\$99,891,361.21	\$10,840,151.81		\$89,051,209.40
				the second second second	

#### SUMMARY

THE STREAM PROVIDE NO.

Net Ordinary Revenue	\$8	89,051,209. 82,744,970.	40 24
EXCESS OF ORDINARY REVENUE OVER ORDINARY EXPENDITURE Estimated Net Expenditure on account of Unemployment Direct Relief and	\$	6,306,239.	16
administration thereof	-	5,950,000.	00
SURPLUS FORECAST	\$	356,239.	16



# BUDGET FORECAST OF ORDINARY EXPENDITURE

# Fiscal Year April 1, 1940-March 31, 1941

DEPARTMENT	Detail	Gross Ordinary Expenditure	Application of Revenue to Expenditure	Detail	Net Ordinary Expenditure
1-AGRICULTURE		\$ 2,128,885.00			\$ 2,128,885.00
2—ATTORNEY-GENERAL: Main Office and Branches		2 196 410 00	e 121 650 00		3 064 760 00
3-EDUCATION		3,186,410.00 12,000,000.00	\$ 121,650.00		3,064,760.00 12,000,000.00
4-GAME AND FISHERIES		610,000.00			610,000.00
5—HEALTH:				the second data and	
Main Office and Branches	a set of the set of th		2,000.00	\$ 1,224,260.00 9,420,790.00	10,645,050.00
6-HIGHWAYS:					
Main Office and Branches	10,969,300.00			10,969,300.00	
Motor Vehicles Branch	402,000.00	11,371,300.00		402,000.00	11,371,300.00
7—INSURANCE		61,000.00			61,000.00
8-LABOUR		500,000.00	3,500.00		496,500.00
9-LANDS AND FORESTS:		000,000.00	0,000.00		
Main Office and Branches		2,312,000.00			2,312,000.00
10-LEGISLATION		273,000.00			273,000.00
11-LIEUTENANT-GOVERNOR		10,000.00	E 000 00		10,000.00
12—MINES. 13—MUNICIPAL AFFAIRS:		369,625.00	5,000.00		364,625.00
Main Office and Municipal					
Board	108,370.00				
Subsidy-1 Mill-					
To cities, towns, incorporated					
villages and townships	3,000,000.00	3,108,370.00			3,108,370.00
		167 265 00			167,265.00
14—PRIME MINISTER 15—PROVINCIAL AUDITOR		167,265.00 118,200.00			118,200.00
16—PROVINCIAL SECRETARY:		110,200.00			110,200.00
Main Office and Registrar-					
General's Branch	120,000.00			120,000.00	
Reformatories and Prisons	4 050 000 00		(00.000.00	1 2/2 000 00	1 200 000 00
Branch	1,950,000.00	2,070,000.00	682,000.00	1,268,000.00	1,388,000.00
17-PROVINCIAL TREASURER:					
Main Office	864,640.00			864,640.00	
Budget Committee Office	9,520.00			9,520.00	
Controller of Revenue Branch.	464,510.00			464,510.00	
Motion Picture Censorship and	15 505 00			45 535 00	
Theatre Inspection Branch	45,525.00 147,115.00			45,525.00 147,115.00	
Post Office Savings Office	276,824.36	1,808,134.36	276,824.36	147,115.00	1,531,310.00
	210,021.00	1,000,101.00	210,022.00		
18—PUBLIC WELFARE:				beer to be	
Main Office and Branches	387,810.00			387,810.00	
Old Age Pensions Commission	2 475 445 00			2 475 165 00	
and Pensions for the Blind Mothers' Allowances Commis-	3,475,165.00			3,475,165.00	
sion	5,271,420.00	9,134,395.00		5,271,420.00	9,134,395.00
19—PUBLIC WORKS		690,000.00			676,200.00
MISCELLANEOUS		104,400.00	100,000.00		4,400.00
		\$60 670 034 36	\$ 1,204,774.36		\$59,465,260.00
PUBLIC DEBT-Interest, etc					22,154,984.06
Foreign Exchan		1,842,913.88			1,124,726.18
					000 744 070 04
TOTAL.		\$93,585,122.05	\$10,840,151.81		\$82,744,970.24
ADD : Estimated Net Expenditur					
Unemployment Direct Relief ministration thereof		5,950,000.00			5,950,000.00
GRAND TOTAL		\$99,535,122.05	\$10,840,151.81		\$88,694,970.24
ondirib rombinnennen					



### **BUDGET FORECAST OF CAPITAL RECEIPTS**

### Fiscal Year April 1, 1940-March 31, 1941

CAPITAL RECEIPTS

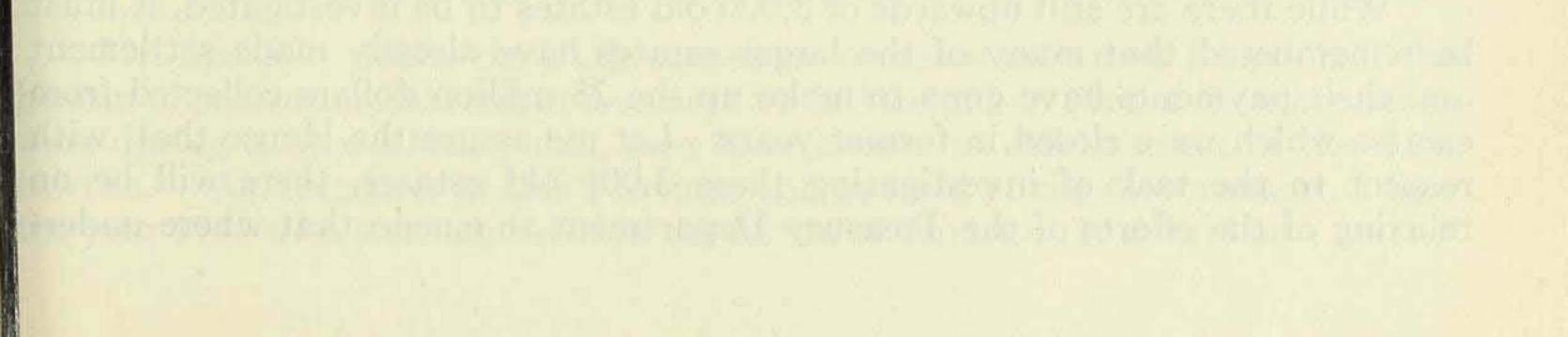
DEPARTMENT	Works and Resources	Loan Repayments	Trust Fund Deposits
AGRICULTURE		\$ 2,700.00	
Ніднways \$	5,000.00		· · · · · · · · · · · · · · · · · · ·
LABOUB		55,000.00	
Lands and Forests			
Mines	40,000.00		
MUNICIPAL AFFAIRS		30,000.00	
PRIME MINISTER: Public Service Superannuation Fund			\$ 1,350,000.00
PROVINCIAL TREASURER: Main Office		3,543,973.76 7,768,676.91	166,616.78

PUBLIC WELFARE:				
Dominion Government— Old Age Pensions Commission	- 171		9.810.000.00	
Pensions for Blind	100		240,000.00	
	\$	45,000.00	\$21,450,350.67	\$1,516,616.78

### SUMMARY

Works and Resources	\$ 45,000.00
Loan Repayments	
Trust Fund Deposits	1,516,616.78

\$23,011,967.45



### BUDGET FORECAST OF CAPITAL PAYMENTS

### Fiscal Year April 1, 1940-March 31, 1941

CAPITAL PAYMENTS

DEPARTMENT	Works and Resources	Loan Advances	Trust Fund Repayments			
AGRICULTURE		\$ 25,000.00	*********			
Education	\$ 65,638.43	* * * * * * * * * * * * *	*********			
GAME AND FISHERIES	15,000.00					
HIGHWAYS	7,000,000.00					
Labour		55,000.00				
Lands and Forests	386,600.00					
PRIME MINISTER: Public Service Superannuation Fund			\$ 850,000.00			
PROVINCIAL TREASURER: Main Office	;	1,401,544.44 60,000.00	234,901.78			

PUBLIC WELFARE: Dominion Government: Old Age Pensions Commission		9,810,000.00	
Pensions for Blind		240,000.00	
Public Works	525,500.00		
	\$10,242,738.43	\$11,591,544.44	\$1,084,901.78

#### SUMMARY

Works and Resources\$	10,242,738.43
Loan Advances	
Trust Fund Repayments	1,084,901.78

\$22,919,184.65

### **ORDINARY REVENUE**

In forecasting the possible revenue collectible by way of Succession Duty, the amount of revenue estimated is 12 million dollars. It is believed that this amount represents what may now be looked upon as a normal annual revenue from this source, and any amounts collected in excess of 12 million dollars will not be taken into account as ordinary revenue, but will be considered as capital revenue and applied either in reduction of capital expenditures or for reduction of the debt of the Province.

While there are still upwards of 3,000 old estates to be investigated, it must

be remembered that many of the larger estates have already made settlement and their payments have gone to make up the 25 million dollars collected from estates which were closed in former years. Let me assure the House that, with respect to the task of investigating these 3,000 old estates, there will be no relaxing of the efforts of the Treasury Department to ensure that where underpayment is found to exist, duty and interest and penalties will be exacted and collected. Having put my hand to the plough, I have no intention of abating my efforts to complete the task of investigating every estate where fraud or underpayment obtains.

Having carefully surveyed all possible revenues which we may, with assurance, hope to collect during the coming fiscal year, consideration must be given to two hard facts, namely,—there will be an estimated shrinkage in revenue of approximately \$9,750,000. Amounts of extraordinary expenditure which are inescapable amount to about 4 million dollars, making a total gap to be bridged of approximately \$13,750,000. Part of this gap we hope to close by reductions in expenditures. In addition, it is proposed to amend The Corporation Tax Act by increasing the rate of tax on corporation income from two per centum to five per centum, and increasing the tax on banks, insurance companies, railways, telephone companies, telegraph companies, express companies and car companies by 25 per centum. Inasmuch as these latter companies are taxed on a different basis from the ordinary company, an increase of 25 per centum fairly approximates the increase on ordinary corporations due to the changed rate from two to five per centum. The increases will not be retroactive with respect to operations prior to January 1st, 1939.

I do not at this time, suggest that the increase shall form a permanent part of the fiscal system of the Province and, with this in view, the Bill to amend the Act will contain a provision by which the taxing sections of the Bill expire with the year 1941. The increased revenue from Corporations Tax is expected to amount to a sum of five millions of dollars.

### **EXPENDITURES**

Your attention is called to the fact that a considerable reduction in expenditure is contemplated, the net expenditure forecast being \$88,684,970.24.

Particular attention is directed to the item of foreign exchange, from which it will be seen that the cost of foreign exchange for the ensuing fiscal year will be \$1,842,913.88, of which \$718,187.70 will be paid by the Hydro Power Commission, that being its share of the maturing debentures and the interest to be met during the coming fiscal year. This is a war expenditure, in that it is due to a condition arising out of the war and is inescapable.

Another item chargeable to the war is the sum of \$600,000, representing the cost of policing vulnerable points such as the Queenston Power Plant and other important power producing and distributing stations which might be the object of attack by saboteurs.

It is proposed to pay to the municipalities of the province a subsidy of one mill on the general assessment. May I remind you that during the last war instead of a subsidy of one mill, there was a special war tax of one mill on each dollar of general assessment levied and collected by the Province of Ontario.

Mr. Speaker, this is the sixth successive occasion on which I have had the honour of presenting the budget forecast to this Assembly. Five of these occasions were during a time which public men have chosen to call "the era of the dark thirties." As Treasurer of this Province and as head of the Government, I face the year 1940 with a strong belief in the future of Ontario. It should be a matter of great satisfaction to everyone, that I am going to present to you a budget for the ensuing fiscal year which will ensure not only a surplus of ordinary revenues over ordinary expenditures, but also a reduction in the gross debt, and this, notwithstanding the serious and difficult times that beset us and the heavy sacrifices that our citizens are being called upon to bear—both financially and mentally—because of war conditions.

Our financial position is sound and is such that, in addition to being able to report that we are about to enter upon a new fiscal year with a prospect of a balanced budget and reduction in gross debt, the programme for next year calls for the maintenance of all vital services at a high standard of efficiency.

With a view to giving clearer information to the prospective American tourists, it has been decided by this Government to establish a Publicity Bureau which can effectively counteract any unfortunate propaganda or misunderstanding of war conditions in Canada. It shall be our responsibility to impress upon the minds of those who contemplate visiting Ontario that we have a highway system which we believe to be second to none on this North American continent. Ontario will be advertised also as the Province which levies no amusement tax, no tax on meals, no local sales tax, where a policy of fish propagation has been carried to the point of efficiency so that our inland lakes and waters will be most attractive to those who enjoy that particular kind of sport. Furthermore, we shall en-

deavour to impress upon the American travelling public who, because of war conditions, are prevented now from spending their holidays in lands overseas, that their American dollar will be accepted at the premium value.

And furthermore, what should very properly emanate from this Government in this critical war period is the indication in the statement of capital payments forecast for next year, that the Province will not embark upon any programme of new capital expenditures whatsoever, even though such expenditures could be justified on sound economic grounds, our intention being, in so far as it lies within our power, to leave the borrowing markets free and unhampered by Provincial financing, so that the field may remain clear for the Dominion Government to finance the successful prosecution of the war.

In raising money by taxation for the carrying on of the business of the Government let me remind you, that out of every hundred dollars of the national income, and by that I mean the total of the incomes of all the people, eleven dollars are taken in taxation by the Dominion Government, six dollars by the municipal governments and barely three dollars by the Government of the Province of Ontario. The aim and policy of this Government is and always has been, to apply taxes in proportion to the ability of the taxpayer, and to disburse the amounts made available by taxation, to improve the lot of the people in what might be called the lower economic scale. The people who toil and produce the wealth even under the best of systems, enjoy but a fraction of the wealth they produce and it is our business to see that a proper standard of living is assured to all our people.

The human services maintained by this Government must be kept at the

maximum of efficiency, having in mind that the great natural resources of Ontario are sufficient to produce for every citizen an adequate standard of living. This administration recognizes its responsibility and realizes that the true functions of a Government are to increase and improve the comfort and happiness and wellbeing of all the people. (Loud applause from both sides of the House.)

# SUB-INDEX NO. 1

# BALANCE SHEETS OF BOARDS AND COMMISSIONS, PUBLIC DEBT, AND STATISTICAL STATEMENTS

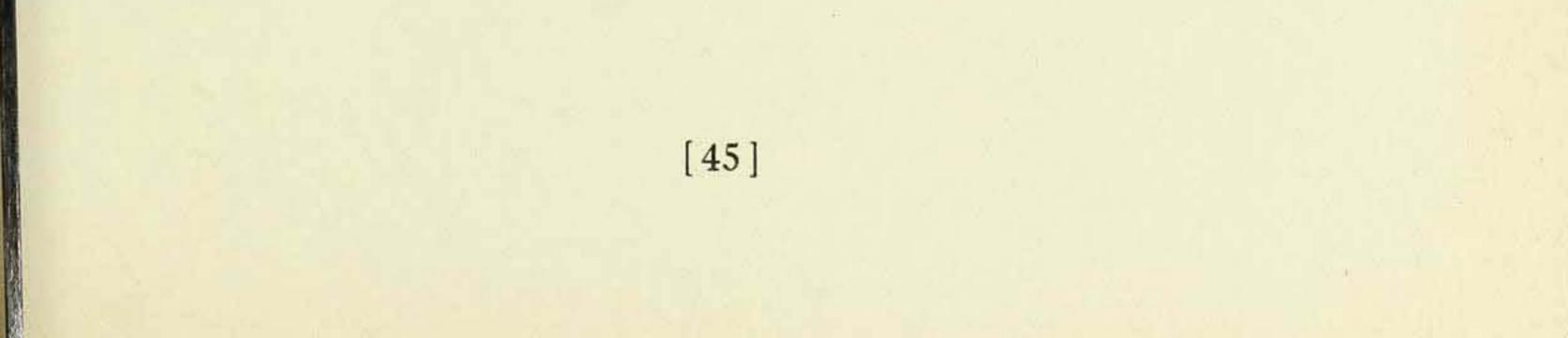
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# STATEMENT No. 1A

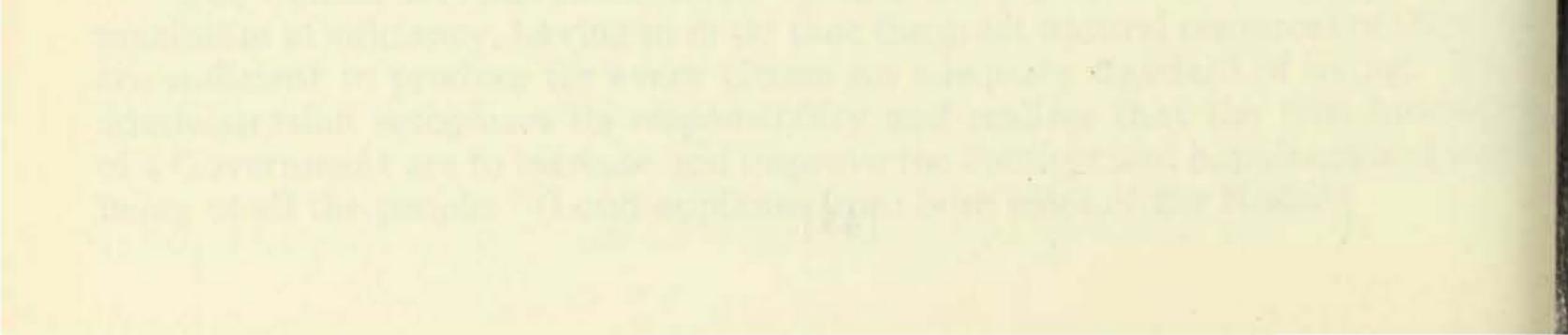
### **COMMISSIONER OF**

**Balance Sheet** 

### ASSETS

F.P.O. Mortgage Loans	\$ 2,886,819.89
F.P.O. Interest Charges	681,943.66
F.P.O. Sundry Charges	268,004.90
Current Loans	41,064,218.34
Current Interest, Due and Accrued	2,911,502.23
Current Sundries	36,673.37
BANK ACCOUNT:	
Capital Account\$ 6,286.76	
Current Account	26,104.76
Insurance Loss Account	23 706 47

Insurance Loss Account	23,190.41
DEFICIT ACCOUNT:	
Debit Balance, April 1st, 1938 \$ 4,527,239.61	
Charges, net, during the year ended March 31st, 1939 501,667.91	
Debit Balance, March 31st, 1939	5,028,907.52
	\$52,927,971.14



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# STATEMENT No. 1A

# AGRICULTURAL LOANS

as at March 31st, 1939

# LIABILITIES

Debentures	\$42,750,000.00
Interest on Debentures, Due and Accrued	6,199,419.18
Insurance Loss	23,796.47
Surpluses	
F.P.O. Interest Reserve \$ 681,943.66	
Current Interest Reserve	
F.P.O. Expense Reserve \$ 268,004.90	3,593,445.89
Current Expense Reserve	304,678.27

<u>\$52,927,971.14</u>



# STATEMENT No. 1B

# THE LIQUOR CONTROL

BALANCE

# As at March

# ASSETS

Land, Buildings, Furniture, Equipment, Fixtures and Alterations to Rented Premises, Less Amounts written off		\$ 125,115.30
Cash on hand, in transit, and in banks	\$179,250.69	
Accounts Receivable	172,535.30	
Inventories of Liquor and Supplies in Warehouses and Stores	2,181,229.31	2,533,015.30
Prepaid Charges		10,453.04

00 ( 00 502 64
\$2,668,583.64
*



# STATEMENT No. 1B

**BOARD OF ONTARIO** 

1. 1

-

SHEET

31st, 1939

### LIABILITIES

Accounts Payable, Accrued Charges, Deferred Revenue, etc..... \$2,612,193.53

P	ROVINCIAL TREASURER: Permit Sales—Balance from March 31st, 1938 Permit Sales—April 1st, 1938, to March 31st, 1939 (Net)				
	Less: Paid to Provincial Treasurer	\$587,133.30 585,000.00		2,133.30	
1	Permit Sales—1939-1940 (Net)			1,126.65	
	Confiscated Liquor Stocks	\$ 10,931.59 5,000.00		5,931.59	
C					\$2,621,385.07
3	JRPLUS: Balance carried from Surplus Account Less: Paid to Provincial Treasurer		\$10,45 10,41	7,198.57 0,000.00	
	Balance March 31st, 1939				47,198.57
2.0					\$2,668,583.64
С	ONTINGENT LIABILITIES: Liquor ordered but not delivered Duty on Stocks in Bond		. \$51 . 48	4,499.73 3,387.82	



BUDGET ADDRESS

STATEMENT No. 1C

# NIAGARA PARKS

# BALANCE

# As at March

# ASSETS

Current: Cash on Hand Canadian Bank of Commerce, Niagara Falls:	\$	1,700.00	
Chairman's "A" Account\$ Chairman's "C" Account	159,728.83 428,513.27		
Less: Current Account Less: Payroll Account Accounts Receivable Inventories of Supplies and Souvenirs WATER RENTALS, EARNED	588,242.10 52,024.01 6,421.18		602,027.84 27,932.49
RESERVE FUND: Sinking Fund Provision for 5½% 15-year Deben- tures due 1st August, 1947: Deposit with the Treasury Department of On December 1st, 1938 Accrued Interest thereon	\$	105,434.83 1,405.80	

50

(Deducted from Debenture Issue)	\$ 106,840.63
PROPERTY: Land, Buildings, Improvements, cost	0.73
Office and Restaurant Equipment, cost\$ 134,873 Less: Reserve for Depreciation109,52	
Cars and Trucks, cost\$ 16,000 Less: Reserve for Depreciation\$ 11,13	5.57 7.98 
Miscellaneous Equipment and Tools, cost\$ 31,24 Less: Reserve for Depreciation\$ 27,184	4.09 4,057.61
Tableware, Linens and Utensils, cost	
DEFERRED CHARGES: Payment made by the Commission in 1932 to the City of Niagara Falls in respect to the removal of the City Water Works from the Park Properties\$ 50,000 Less: Written off\$ 50,000 36,660	0.00 5.66
Discount on Debentures\$ 87,820 Less: Written off 48,400	
Expenses in re New Bridge Approaches Inventories of Expense Items Unexpired Insurance	



# STATEMENT No. 1C

# COMMISSION

### SHEET

# 31st, 1939

# LIABILITIES

CURRENT: Accounts Paya	able	\$ 3,240.68
FUNDED DEBT:	and the second reaction of the second r	
	uaranteed by the Province of Ontario, 21st December, 1940, \$500,000.00 each,	
numbered	d 1 to 5\$2,500,000.00	
Accrued Inter	rest thereon	598.63
	nt Gold Debentures, Guaranteed by	
1928-1947	ince of Ontario, payable 1st December, 7\$2,000,000.00	
Less:	: Redeemed	
	\$1,095,000.00	
Accrued Inter	rest thereon	500.00
	ar Debentures, Guaranteed by the	100.00
	of Ontario, due 1st August, 1947\$ 300,000.00 rest thereon	

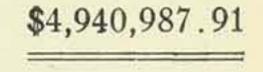
\$ Less: Amount of Sinking Fund	106,840.63 195,909.37	8
Reserve—Public Liability	3,819,208.00 29,208.61	
SURPLUS: As at April 1st, 1938 Deduct: International Railway Company, Arbitration, Award, and Legal, Engineer- ing and other costs incurred to date, less proceeds of sale of property	\$2,187,634.06 1,198,152.53	
Add: Excess of Revenue over Expenditure for the year CONTINGENT: Interest in re International Railway Company	\$ 989,481.53 99,849.09 1,089,330.62	

COMMITMENTS:

Arbitration.

- (A) To purchase certain lands.
  (B) To complete certain improvements.
  (C) To pay pensions of about \$75.00 per month.

\$2.



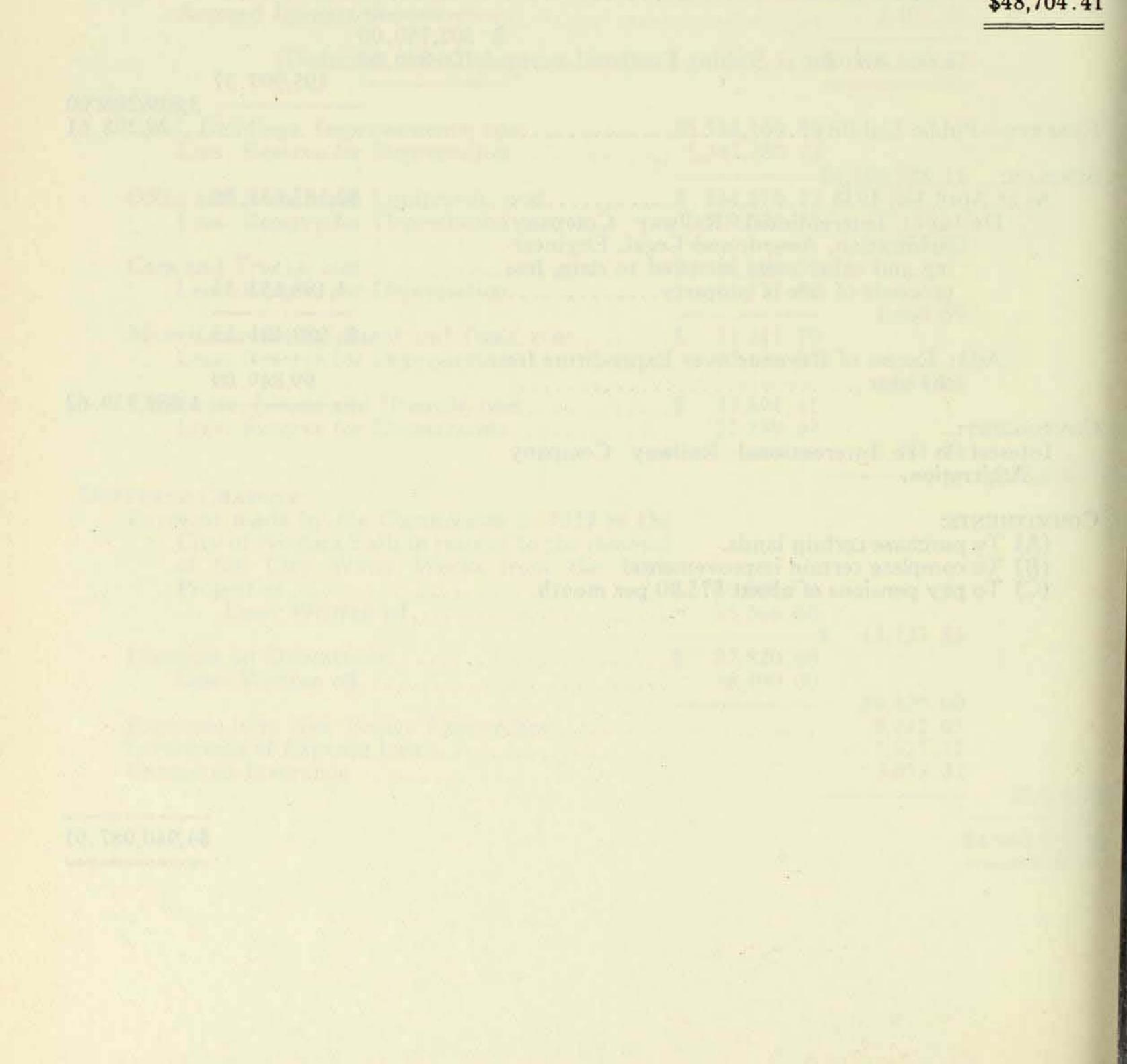
# STATEMENT No. 1D

### PRESQU'ILE PARK

#### Balance Sheet as at

#### ASSETS

CURRENT: Cash on Hand\$ 8.90 Cash in Bank Accounts Receivable (unpaid rent and taxes)	
SINKING FUND INVESTMENTS: Dominion and Ontario Government Bonds	10,224.75
FIXED:       Lands	
	\$48 704 41



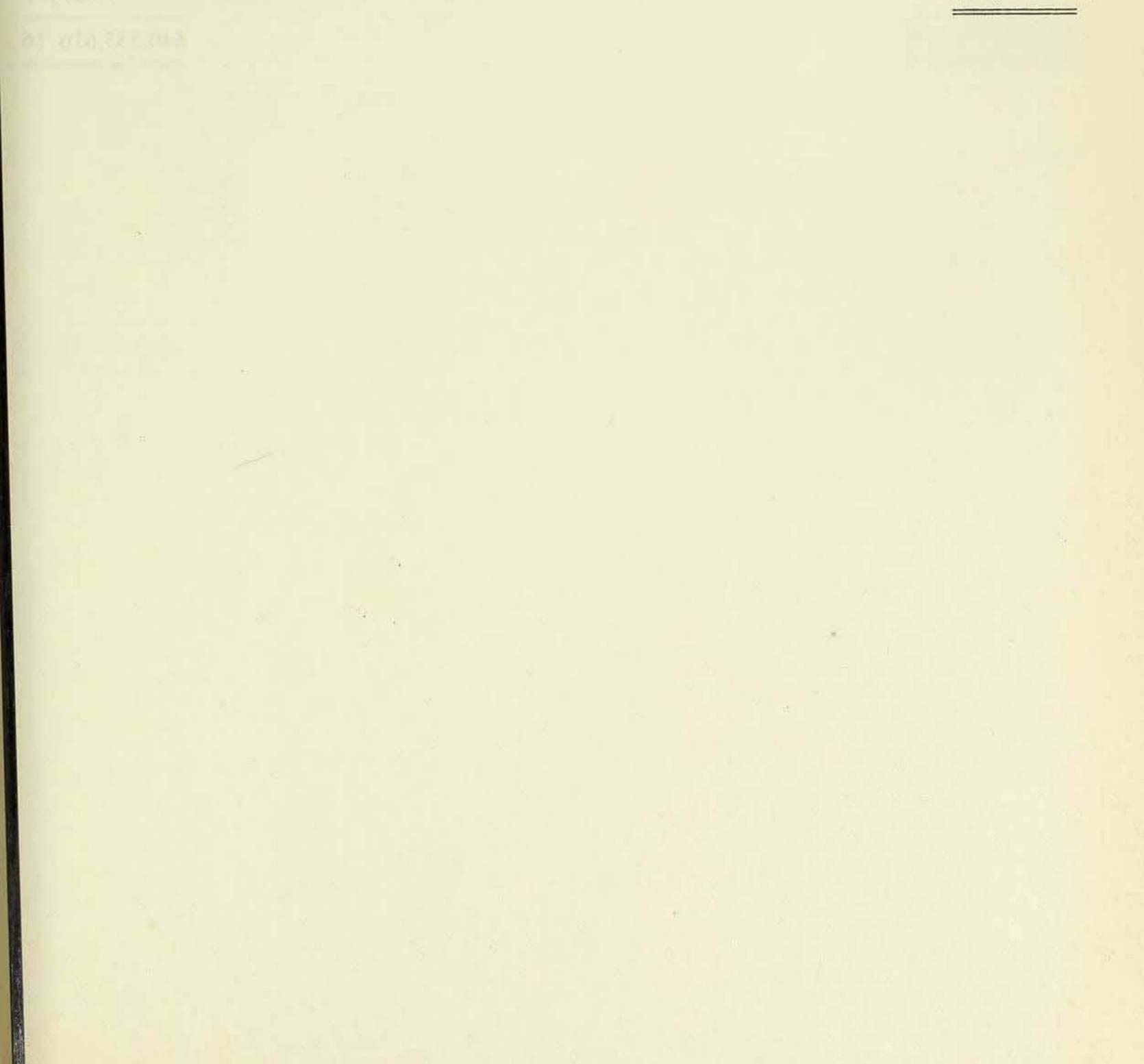
# STATEMENT No. 1D

COMMISSION

March 31st, 1939

# LIABILITIES

Bank Loan . Debentures, 6% May 1st, 1923, due May 1st, 1943	\$ 1,000.00
	22,500.00
SINKING FUND RESERVE: Represented by Sinking Fund Investments	13,762.64
SURPLUS: Balance March 31st, 1939	11,441.77



# STATEMENT No. 1E

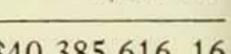
# THE PROVINCE OF

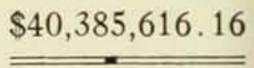
Balance Sheet as at

# ASSETS

ALC: NUMBER OF STREET

	741.28 927.85
Less: Due to Branches\$ 2,934.84 In Transit: Due from Branches	417.74 \$ 702,086.87
Deposited with the Provincial Treasurer	39,618,277.30
Miscellaneous Accounts Receivable	1,755.64
	578.18 119.60 <b>\$</b> 56,458.58
	811.50 773.73 7,037.77







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# STATEMENT No. 1E

# **ONTARIO SAVINGS OFFICE**

March 31st, 1939

16

# LIABILITIES

Depositors' Funds\$4	0,092,333.06
Surplus	293,283.10

\$40,385,616.16 Ψ. 15 1 141



# STATEMENT No. 1F

# **TEMISKAMING AND NORTHERN**

**Balance Sheet** 

### ASSETS

INVESTMENT:		
Road\$	33,949,958,10	
Railway Equipment	6.545.588.80	
Restaurant and News Equipment.	14,192.20	
		\$40,509,739.10
Investment in Affiliated Companies:		
Nipissing Central Railway—Advance\$	4,762,743.43	
Less Reserve	706,764.04	
		4,055,979.39
		\$44,565,718.49
CURRENT ASSETS:		
Cash\$	122,400.14	
Accounts Receivable	253,737.47	
Traffic Balances	182,660.51	
Balances due on Townsite Sales	3,814.55	
Agents' and Conductors' Balances	115,337.92	
Material and Supplies	638,453.23	
Material and Supplies	58.894.91	
Dallast Fit Oldhigs	JO.074, 71	

Other Assets	356.85	1,375,655.58
DEFERRED ASSETS:		1,010,000.00
Pension Fund Investments\$	300,705.54	
Fire Insurance Fund Investments	60,166.78	
Inc mourance I und myesements		360,872.32
UNADJUSTED DEBITS:		000,012.02
Insurance Premiums Prepaid\$	484.15	
Advances to Treasurer and Paymaster	1,816.72	
Accounts in Suspense	1,767.40	
		4.068.27

\$46,306,314.66



# STATEMENT No. 1F

# **ONTARIO RAILWAY COMMISSION**

### as at 31st March, 1939

I

### LIABILITIES

PROVINCE OF ONTARIO:	
Loan without Interest	 \$30,207,934.92

LONG TERM DEBT: Debenture Debt—Payable in instalments in the years 1940 to 190 Interest 4% per annum	58 inclusive—	5,893,000.00
	\$	36,100,934.92
CURRENT LIABILITIES:		
Bank of Nova Scotia—Demand Loan\$	3,825,000.00	
Audited Accounts and Wages	348,452.74	
Traffic Balances	25,102.21	
Debenture Interest—Due and Accrued	42,746.70	
Deposits on Contracts	497.20	
		4,241,798.85
DEFERRED LIABILITIES:		
Pension Fund Reserve\$	300,705.54	

Fire Insurance Reserve	60,166.78	360,872.32
UNADJUSTED CREDITS:		
Equipment Retirement Reserve—		
Railway Equipment\$ 2,082,750.16		
Motor Busses		
Restaurant and News Equipment 10,478.83		
	118,640.73	
Fidelity Insurance Reserve	4,000.00	
Accounts in Suspense	7,979.42	
	1,717.12	2,130,620.15
Surplus		3,472,088.42

\$46,306,314.66



# STATEMENT No. 2A

#### COMPARATIVE STATEMENT

#### **ORDINARY ACCOUNT**

#### SUMMARY

#### Fiscal Year Ended March 31st, 1939

ORDINARY NET REVENUE:	ORDINARY ACCOUNT:
Budget \$85,795,308.76 Actual 86,843,270.67	Revenue Budget \$85,795,308.75 Expenditure Budget 85,506,630.77
INCREASE \$ 1,047,961.91	SURPLUS\$ 288,677.99
ORDINARY NET EXPENDITURE:	Ordinary Account:
Budget \$85,506,630.77 Actual 86,520,775.25	Revenue Actual \$86,843,270.67 Expenditure Actual. 86,520,775.25
INCREASE 1,014,144.48	SURPLUS
\$ 33,817.43	\$ 33,817.43

#### RECONCILIATION

REVENUE INCREASED:	
All Departments	\$ 1,047,961.91

.

EXPENDITURE Increased:			
All Departments:	1000	resource and a second	
General	\$	69.140.28	
Unemployment Relief		375,482.56	TROUGH SIN
Interest, Sinking Fund Instalments, Discount and Exchange		569.521.64	
	-		1,014,144.48

\$ 33,817.43

#### ACTUAL COMPARED WITH ACTUAL OF PREVIOUS YEAR

ACTUAL NET ORDINARY REVENUE: To March 31, 1938 \$86,052,792.88	
To March 31, 1939 86,843,270.67	
INCREASE	\$ 790,477.79
ACTUAL NET ORDINARY EXPENDITURE:	
To March 31, 1938. \$81,443,074.35 To March 31, 1939. 86,520,775.25	
INCREASE	5,077,700.90
	\$ 4,287,223.11

ACTUAL SURPLUS ON ORDINARY ACCOUNT:

As at	March 31,	1938	\$ 4,609,718.53
		1939	322,495.42

\$ 4,287,223.11



# STATEMENT No. 2B

#### **COMPARATIVE SUMMARY ANALYSIS**

#### **GROSS AND NET ORDINARY REVENUE**

#### Cumulative Period to March 31st-Fiscal Year 1939

DEPARTMENT	Actual Gross Revenue	Application of Revenue to Expenditure	Actual	Budget Forecast Net Revenue	Decrease or Increase
AGRICULTURE		Contraction of the second states of the second stat			
ATTORNEY-GENERAL	1,078,292.94		952,498.09		86,902.73
EDUCATION	141,456.88		141,456.88		140,156.88
GAME AND FISHERIES	914,475.24		914,475.24	849,000.00	65,475.24
Main Office and Branches	73,218.37	6,268.59	66,949.78	46,720.00	20,229.78
Hospitals Branch	1,406,137.11	a total a second s	1,406,137.11	500.00	1,405,637.11
HIGHWAYS:					
Main Office and Branches	9,783.60		9,783.60	THE STATE AND ADDRESS OF A DATA PROVIDED AND ADDRESS AD	216.40
Gasoline Tax Branch	18,508,746.55		Listense of a set process from the fight between	18,200,000.00	308,746.55
Permits, Gas Pumps, etc	99,490.50		99,490.50	A CONTRACT OF A REPORT OF A CONTRACT OF A REPORT OF A	9,490.50
Motor Vehicles Branch	7,902,657.35		000 (11 00	10,000,000.00	2,097,342.65
INSURANCE	237,644.89 129,804.63				7,644.89 65,889.78
LANDS AND FORESTS:	129,004.03	05,159.05	00,004.70	115.00	03,009.70
Lands Branch	691,662.93	13,693.60	677,969.33	686,306.40	8,337.07
Forests Branch	3,965,456.60				590,456.60
LEGISLATION	19,359.19		10 050 10	8,000.00	11,359.19
MINES	3,099,644.65	4,666.35	3,094,978.30	2,595,000.00	499,978.30
MUNICIPAL AFFAIRS:			6 050 OF		( 050 05
Main Office	6,850.25		6,850.25		
Municipal Board	5,095.04		5,095.04	<ul> <li>Alternative statements of the statements</li> </ul>	5,095.04
Housing Branch PRIME MINISTER:	101,828.25	101,020.23			
King's Printer-Ontario Gazette	19,041.76		19,041.76	20,000.00	958.24
PROVINCIAL SECRETARY:				20,000.00	
Main Office and Registrar-General's					
Branch	395,622.84		and the second	363,500.00	32,122.84
Reformatories and Prisons Branch	1,073,965.18	808,129.08	265,836.10		265,836.10
PROVINCIAL TREASURER:	0.044 404 00	N N N N	2 0 4 4 2 4 2 0	2 0 41 424 00	0.0
Main Office—Dominion Subsidy			2,941,424.28		.28 164.54
Interest	72,835.46		101 (	73,000.00	191.65
Liquor Control Board	11,000,000,00			10,500,000.00	500,000.00
Controller of Revenue-	11,000,000.00		11,000,000.00	10,000,000.00	000,000.00
Succession Duty	15,314,853.87		15,314,853.87	18,000,000.00	2,685,146.13
Corporations Tax	9,979,678.84		9,979,678.84	9,000,000.00	979,678.84
Income Tax	6.896.501.49				
Stock Transfer Tax	683,093.11	C. MARTINE MARKET MARKET TO AND THE STATE OF A DECK O	001/00 1/		416,906.89
Land Transfer Tax	224,602.16				25,397.84
Law Stamps Miscellaneous	397,323.40 208.21		397,323.40		2,676.60 208.21
Motion Picture Censorship and Theatre	200.21		208.21		200.21
Inspection Branch	206,008.31		206,008.31	185,000.00	21,008.31
Savings Office	294.675.03		Production of the second se	1 Annual Contraction Contraction Contraction	
PUBLIC WELFARE	26.55		26.55		
PUBLIC WORKS	49,224.51				
PROVINCIAL TREASURER:	0.024 505 50	0.000 505 50			
Public Debt—Interest, etc STATIONERY ACCOUNT—	8,936,597.58	8,936,597.58			
Excess Distribution on Purchases	1,361.10		1 361 16		1,361.16
sheeps show our fullases	1,501.10	·····	1,361.16		1,501.10
The further of the objective of the for the further	\$97,235,891.49	\$10,392,620.82	\$86.843,270.67	\$85,795,308.76	\$6,285,108,27
The second s					5,237,146.36
					the second

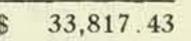
NET INCREASE-Actual over Forecast .....

\$1,047,961.91

#### SUMMARY

Bu	lget Forecast: Net Ordinary Revenue Net Ordinary Expenditure	.\$85,795,308.76 . 85,506,630.77	
	SURPLUS	\$	288,677.99
Ac	ual: Net Ordinary Revenue	.\$86,843,270.67	

#### SURPLUS..... 322,495.42



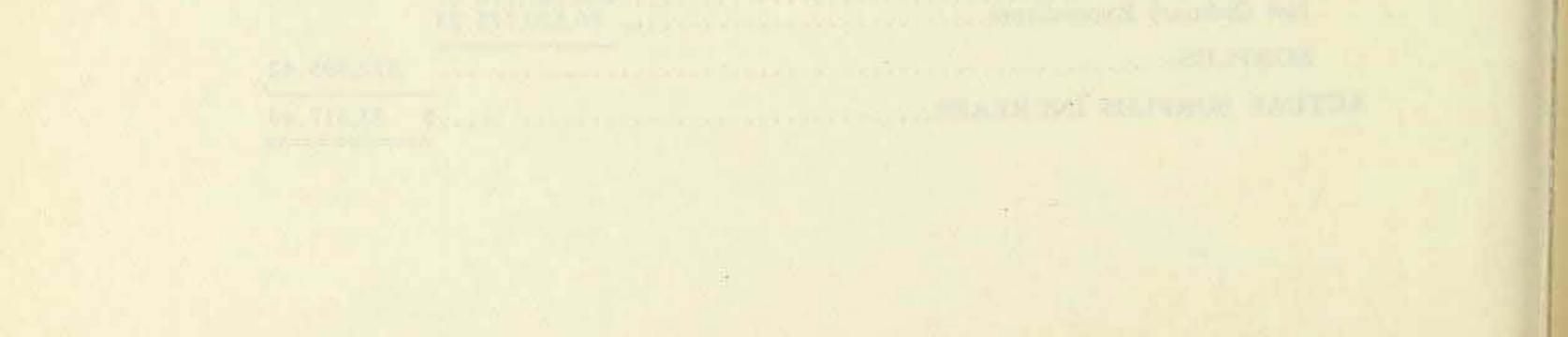
# STATEMENT No. 2C

#### **COMPARATIVE SUMMARY ANALYSIS**

#### **GROSS AND NET ORDINARY EXPENDITURES**

#### Cumulative Period to March 31st-Fiscal Year 1939

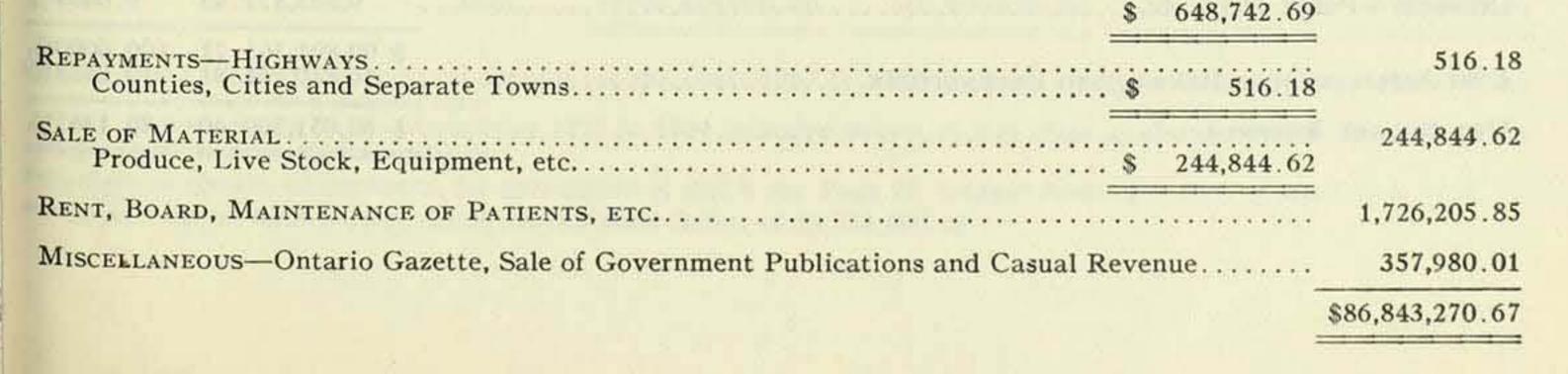
DEPARTMENT	Actual Gross Expenditure		Actual Net Expenditure	Budget Forecast Net Expenditure	Decrease or Increase
AGRICULTURE	\$2,142,614,59		\$2,142,614,59	\$2,044,280.95	\$ 98,333.64
ATTORNEY-GENERAL	2,794,062.53			2,627,720.00	40,547.68
EDUCATION	12,645,434.06			12,335,286.00	310,148.06
GAME AND FISHERIES	558,534.88		558,534.88	622,850.00	64,315.12
HEALTH:	1 012 014 20	6 969 50	1 007 645 61	1 106 154 00	00 500 20
Main Office and Branches	1,013,914.20			4.1 Set the set of	98,508.39
Hospitals Branch	8,481,150.96	• • • • • • • • • • • • •	8,481,150.96	7,874,002.00	607,148.96
Main Office	5,205,592.66		5,205,592.66	4,624,000.00	581,592.66
Municipal Roads Branch	2,943,716.32		2,943,716.32		908,283.68
Gasoline Tax Branch	44,803.25		44,803.25		30,196.75
Miscellaneous Permits Branch	24,698.08	**********	24,698.08		4,301.92
Equipment Branch	542,871.72		542,871.72		122,128.28
Motor Vehicles Branch.	327,596.31	• • • • • • • • • • • • •	327,596.31		77,403.69
INSURANCELABOUR:	66,219.56		66,219.56	67,800.00	1,580.44
Main Office and Branches	544,628.86	63,139.85	481,489.01	459,454.05	22,034.96
Workmen's Compensation Board	42,321.46		42,321.46		117,678.54
LANDS AND FORESTS:	antennesses.	P.D. Constant Constants		Transmersion of the	
Lands Branch	218,090.97		218,090.97	246,100.00	28,009.03
Forests Branch	2,013,865.42		2,013,865.42		369,265.42
LEGISLATION	268,976.56	• • • • • • • • • • • •	268,976.56		2,141.56
LIEUTENANT-GOVERNOR	9,500.00		9,500.00		500.00
MINES MUNICIPAL AFFAIRS:	384,229.30	4,666.35	379,562.95	455,000.00	75,437.05
Main Office and Municipal Board	91,480.17		91,480.17	104,450.00	12,969.83
Subsidy to Municipalities	2,941,477.08		2,941,477.08		58,522.92
Grant to City of Toronto Airport	250,000.00		250,000.00		100,000.00
PRIME MINISTER:					
Main Office and Branches	174,258.63		174,258.63		593.63
PROVINCIAL AUDITOR	112,891.31		112,891.31	121,000.00	8,108.69
PROVINCIAL SECRETARY: Main Office and Registrar-Gen. Branch	123,522.15		123,522.15	122,450.00	1,072.15
Reformatories and Prisons Branch	2,153,075.65		1,344,946.57		186,221.57
PROVINCIAL TREASURER:	2,100,010.00	000,1227.00	1,011,010.01	1,100,1120.000	
Main Office	528,806.73		528,806.73	581,081.14	52,274.41
Budget Committee Office	10,718.52		10,718.52		241.48
Controller of Revenue Branch	472,206.35		472,206.35	487,350.00	15,143.65
Motion Picture Censorship and Theatre	the last sector and the last her build as an		22 767 62	38,200.00	4,432.37
Inspection	33,767.63 146,975.87				5,849.13
Post Office			1 - 2 - 2 - 2 - 2 - 2 - 2 - 2 - 2 - 2 -	102,020.00	The second
PUBLIC WELFARE:	27 1,070.00	2, 1,010.00			
Main Office and Branches	377,844.44		377,844.44	400,700.00	22,855.56
Old Age Pensions Commission			Contraction of the second s		125,813.21
Mothers' Allowances Commission					292,441.28
Unemployment Relief Branch			10,175,482.56		375,482.56
PUBLIC WORKS	795,243.29	13,800.00	781,443.29	720,988.00	60,455.29
Various	18,980.12		18,980.12	2,400.00	16,580.12
PROVINCIAL TREASURER:	10,200.12		10,700.11	2,100.00	101000.12
Public Debt-Interest, etc	29,478,273.34	9,076,147.07	20,402,126.23	7 19,832,604.63	569,521.64
	96,913,396.07	10,392,620.82	86,520,775.25	85,506,630.77	3,241,139.90 2,226,995.42
INCREASE					\$1,014,144.48



# STATEMENT No. 3

# Detailed Statement Showing Principal Sources of Net Revenue For the Year ended March 31st, 1939

For the Year ended March 31st, 1939		
DOMINION GOVERNMENT. Annual Subsidy Interest—Common School Fund	\$ 2,941,424.28	\$ 3,014,259.74
	\$ 3,014,259.74	
TAXATION		54,802,447.85
Corporations Tax	10,662,771.95 15,314,753.87	
Income Tax. Mining and Mineral Taxes.	2,823,019.87	
Fire Protection Tax Fire Marshal Provincial Land Tax	60,207.49 129,178.01	
Other Taxes	Harris and Same	
ROYALTIES, DUTIES AND DUES	\$54,802,447.85	3,487,627.91
Bonus and Timber	\$ 3,351,304.55	0,107,027.91
Sand and Gravel	48,738.74	
	\$ 3,487,627.91	0 4 12 524 12
LICENSES AND PERMITS	\$ 7,681,422.42	9,643,536.42
Game and Fisheries Liquor Permits Garage, Gas Pumps, etc	585,000.00	
Marriage	102,720.00	
Miners	60,661.86 219,993.50	
Loan and Trust Corporations Act	10,555.00 15,015.88	
	\$ 9,643,536.42	
FEESLaw Stamps	\$ 397,323.40	2,263,187.03
Letters Patent and Supplementary Letters Patent	61,588.57	
Motor Vehicles. Legislation (Private Bills) Court and Legal (Police Magistrates, Local Master of Titles, Local and Surro-	6,372.63	
gate Registrars, etc., Sheriffs, Division Court Clerks, Bailiffs	488,309.52	
Brokers and Salesmen, Real Estate Brokers and Salesmen, Collection Agencies Censorship	114,202.57 110,370.50	
Vital Statistics (Certificates and Searches, etc.)	47,318.77 132,140.61	
Public Health (Boards of Health Laboratories, Nurses) Tuition Fees (Agricultural Schools and Colleges, Training Schools, Spring and	38,002.02	
Summer Schools, Schools for Deaf and Blind and Industrial Schools) Apprenticeship Board, Boiler Inspection Branch and Operating Eng. Board	61,510.63	
Air Service and Radio	24,494.81 38,825.92	
	\$ 2,263,187.03	
Fines and Penalties. Breach of Highway Traffic Act.	\$ 75.891.33	238,922.37
Police Magistrates and Crown Attorneys. Game and Fisheries. Other Fines.	27,225.30	
	\$ 238,922.37	
PROFITS FROM TRADING ACTIVITIES		10,415,000.00
Liquor Control Board: Profits, Fines, Licenses, etc	\$10,415,000.00	
AGRICULTURE AND PUBLIC DOMAIN	\$ 465.818.03	648,742.69
Ground Rentals	76,282.39 26,337.06	
Rentals, Mining Leases and Licenses of Occupation Sales—Crown Lands	23,928.73 18,803.01	
Miscellaneous	37,573.47	



# STATEMENT No. 4

#### Analysis of Budgeted Gross Revenue

#### Fiscal Year 1940-41

DOMINION GOVERNMENT:			
Annual Subsidy	\$ 2,941,424.00		
Interest, Common School Fund	73,000.00		
	\$	3,014,424.00	3.0178%
TAXATION:			
Gasoline Tax	\$24,000,000.00		
Corporation Tax	15,000,000.00		
Race Tracks	525,000.00		
Succession Duty	12,000,000.00		
Income Tax	5,000,000.00		
Mining or Mining Tax	1,963,000.00		
Fire Protection Tax	430,000.00		
Fire Marshal's Tax	62,000.00		
Provincial Land Tax	125,500.00		
Security Transfer Tax	350,000.00		
Security Transfer Tax	330,000.00	59,455,500.00	59.5201%
ROYALTIES, DUTIES AND DUES:		39,433,500.00	59.5201 /0
	e 222.000.00		
Bonus and Timber	\$ 222,000.00		
Game and Fisheries	82,500.00		
Sand and Gravel	16,000.00	0 210 500 00	2 22100
	I	2,318,500.00	2.3210%
LICENSES AND PERMITS:			
Motor Vehicles	\$ 8,500,000.00		
Game and Fisheries	810,550.00		
Liquor Permits	350,000.00		
Garage Gas Pumps, etc	90,000.00		
Marriage	97,000.00		
Theatres, etc	70,000.00		
Miners	45,000.00		
Insurance Act	204,900.00		
Loan and Trust Corporations Act	10,535.00		
Other Licenses and Permits	11,173.00		
		10 189 158 00	10 2002%

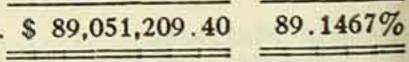
Law Stamps\$ 365,000.00	
Letters Patent and Supplementary Letters Patent	
Companies Act (Incorporation Returns and Registration Fees) 42,100.00	
Legislation (Private Bills)	
Court and I egal (Police Magistrates, Local Masters, Local and	
Surrogate Registrars, Crown Attorneys, Sheriffs, Division	
Court Clerks and Bailiffs)	
Registry Office and Land Transfer	
Brokers and Salesmen, Real Estate Brokers and Salesmen 100,000.00	
Censorship	
Vital Statistics (Certificates, Searches, etc.)	
Mines and Mining (Including Fees of Operators)	
Public Health (Boards of Health Laboratories and Nurses'	
Registration)	
Tuition Fees (Agricultural Schools and Colleges, Training	
Schools, Spring and Summer Schools, Schools for Deaf and	
Blind) and Indian Schools	
Apprenticeship Board, Boiler Inspection, Operating Engineers and Composite Inspection Branch	
Other Fees	70
	10
FINES AND PENALTIES:	
Police Magistrates and Crown Attorneys \$ 152,000.00 Game and Fisheries	
Other	7
	10
PROFITS FROM TRADING ACTIVITIES: Liquor Control Board (Profits, Fines, Licenses, etc.) 9,150,000.00 9.1600	0%
Liquor Control Board (Profits, Fines, Licenses, etc.) 9,150,000.00 9.1600	10
AGRICULTURE AND PUBLIC DOMAIN:	
Rentals—Crown Leases and Licenses of Occupation \$ 440,000.00	
Ground Rentals	
Rentals—Parks, Beaches, etc	
Rentals—Mining Leases and Licenses of Occupation	
Sales—Crown Lands	7
REPAYMENTS-Highways-Counties Cities and Separate Towns 10,000.00 .0100	10
REPAYMENTS—Highways—Counties, Cities and Separate Towns	/0
SALE OF MATERIAL: Produce Live Stock Equipment 907,455.00 .9084	7
Produce, Live Stock, Equipment	/0
RENT BOARD MAINTENANCE OF PATIENTS ETC 1.717.622.00 1.71950	7
RENT, BOARD, MAINTENANCE OF PATIENTS, ETC 1,717,622.00 1.7195	10
MISCELLANEOUS 761,066.36 .7619	7
MISCELLANEOUS	10
INTEREST-Public Debt. etc. 9,635,377.45 9.64599	70

The second devices of the second s

#### INTEREST—Public Debt, etc.....

# LESS APPLICATION OF REVENUE TO EXPENDITURE ......

NET BUDGET REVENUE...... \$ 89,051,209.40 



\$ 99,891,361.21 10,840,151.81

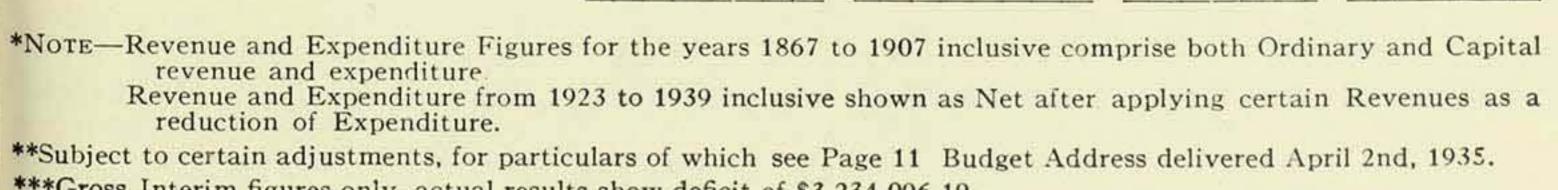
100.0000% 10.8533%

# STATEMENT No. 5

#### STATEMENT SHOWING SURPLUS OR DEFICIT

#### For the Period from July 1st, 1867 to March 31st, 1934

							Ordinary Revenue		Ordinary Expenditure *	Surplus	Deficit
					1867		182,899.63	\$	56,669.97	\$ 126,229.66	
Fiscal	l Year	r ended	December	31st,	1868		2,250,207.74		1,179,269.17	1,070,938.57	
u	"	u	и	"	1869 1870		2,625,179.29 2,500,695.70		1,445,751.73 1,578,976.65	1,179,427.56 921,719.05	
"	"	"	u	"	1871		2,333,179.62		1,816,784.11	516,395.51	
"	"	"	"		1872		3,060,747.97		2,217,555.07	843,192.90	
"	u	"	u	de la	1873 1874		2,961,515.31 3,446,347.93		2,940,803.45 3,870,704.14	20,711.86	\$ 424,356.21
u	u	"	"	"	1875		3,156,605.81		3,604,524.42		447,918.61
u	"	"	"	"	1876		2,589,222.83		3,139,505.66		550,282.83
"	"	"	"	"	1877		2,502,566.04 2,285,178.07		3,119,117.73 2,902,388.37		616,551.69 617,210.30
u	"	"	"	"	1879		2,287,951.39		2,902,388.37		653,762.88
"	"	"	"	"	1880		2,584,169.76		2,518,186.80	65,982.96	
"	"	"	"	"	1881		2,788,746.78		2,579,802.28	208,944.50	20 276 EE
u	"	"	"	"	1882 1883		2,880,450.40 2,439,941.42		2,918,826.95 2,887,037.73		38,376.55 447,096.31
u	"	и	"		1884		2,820,555.45		3,207,889.67		387,334.22
"	"	"	"	"	1885		3,005,920.71		3,040,139.07		34,218.36
"	"	"	"	"	1886 1887		3,148,660.01 3,527,577.95		3,181,449.69 3,454,372.43	73,205.52	32,789.68
	u	"	"	"	1888		3,603,262.14		3,545,234.85	58,027.29	
u	"	"	"	u	1889		3,538,405.08		3,653,356.37		114,951.29
"	"	"	"	"	1890		3,423,154.99		3,896,324.38		473,169.39
u	"	u	"	"	1891 1892		4,138,589.09 4,662,921.57		4,158,459.55 4,068,257.39	594,664.18	19,870.46
"	u	"	u	"	1893		4,091,914.01		3,907,145.32	184,768.69	
"	"	"	"	и и	1894		3,453,162.69		3,839,338.75		386,176.06
"	"	"	"		1895 1896		3,585,300.10 3,490,671.45		3,758,595.44 3,703,379.73		173,295.34 212,708.28
"	u	u	"	"	1897		4,139,847.68		3,767,675.70	372,171.98	212,700.20
"	"	"	"		1898		3,647,353.09		3,803,081.38		155,728.29
"	"	"	"	44 44	1899 1900		4,096,494.96 4,192,940.18		3,710,420.82 4,003,729.37	386,074.14 189,210.81	
"	"	u	"	u	1901		4,466,043.92		4,038,834.49	427,209.43	
"	"	"	u		1902		4,291,082.91		4,345,003.58		53,920.67
u	"	"	"	u u	1903		5,466,653.13 6,128,358.57		4,888,982.57 5,267,453.02	577,670.56 860,905.55	
	"	"	**		1904 1905		6,016,176.42		5,396,016.74	620,159.68	
"	"	u	"	"	1906		7,149,478.39		6,720,179.07	429,299.32	
"	u	"	"	"	1907		8,320,419.19		7,714,245.61	606,173.58	
Ten	montl	ns ende			1908 1909		8,602,902.96 7,477,920.94		8,557,064.60 7,545,040.47	45,838.36	67,119.53
Fisca	l Yea	r endec	1 October .	31st,	1910		8,891,004.68		8,887,520.09	3,484.59	and a second second second
"	"	"	"	"	1911		9,370,833.90		9,619,934.03		249,100.13
"	u	u	u	"	1912 1913		10,042,000.68 11,188,302.09		10,287,991.59 10,868,026.28	320,275.81	245,990.91
"	"	"	"	44	1914		11,121,382.07		11,819,310.65	10.004.001010.0070.0010-000	697,928.58
"	"	"	08 (1	"	1915		12,975,732.19		12,704,362.16	271,370.03	
u	"	"	"	"	1916 1917		13,841,339.64 18,269,597.23		12,706,332.90 16,518,222.64	1,135,006.74 1,751,374.59	
"	"	"	"	"	1918		19,270,123.71		17,460,404.05	1,809,719.66	
"	"	"	"	11 65	1919		19,904,772.04		21,464,574.88		1,559,802.84
u	и	"	"	"	1920 1921		25,078,094.62 29,261,477.39		25,880,842.45 28,579,687.98	681,789.41	802,747.83
"	"	"	11. 	- 44	1922		38,507,311.09		37,442,985.83	1,064,325.26	
"	"	"	"	11 11	1923		26,166,213.39		41,361,439.92		15,195,226.53
"	и	"		"	1924 1925		30,569,015.92 35,852,404.28		39,037,780.43 40,959,769.27		8,468,764.51 5,107,364.99
u	"	"	"	"	1926		40,984,958.63		41,797,098.94		812,140.31
"	"	"	"	сс 16	1927		46,607,638.88		46,248,415.49	359,223.39	
u	"	u	"	4	1928 1929		48,570,217.10 54,012,679.53	571	48,341,980.66 51,369,785.85	228,236.44 2,642,893.68	
u	"	"	٤٢.	- 11	1930		57,343,291.21		57,989,352.69	2,012,000.00	646,061.48
u	и и	"	и и	"	1931		54,390,092.37		54,846,994.28		456,901.91
u	"	"	"	"	1932 1933	*	54,175,233.01 *51,373,051.98		56,236,031.32 50,896,626.37	476,425.61	2,060,798.31
u	и	"	a	44	1934		50,067,841.37		80,667,091.15	110,125.01	30,599,249.78
Five	Mon	ths end	led March	31st.	1935	8	21,048,944.06		31,489,616.34		10,440,672.28
risca	u yea	r ended	1 March 31	st,	1936 1937		65,726,984.57 80,488,439.95		79,069,690.31 71,174,501.41	9,313,938.54	13,342,705.74
æ	"	"	u	46	1938		86,052,792.88		81,443,074.35	4,609,718.53	
"	"	"	ű	"	1939		86,843,270.67		86,520,775.25	322,495.42	
					1940	**	*98,456,000.00	-	102,900,929.00		4,444,929.00



\*\*\*Gross Interim figures only, actual results show deficit of \$3,234,096.19.

BUDGET ADDRESS

# STATEMENT No. 6

#### PROVINCE

#### Statement of Gross

1914-

		Gross	Debt		Realizable	and Income
		Total \$	Yearly Increase	Hydro \$	T. & N.O. \$	Loans, Cash and Accts. Receivable
End of Whitney Regime	1914	41,716,000		10,110,000	20,246,000	5,066,000
Hearst Regime	1915	50,275,000	8,559,000	12,316,000	20,483,000	8,007,000
	1916	59,336,000	9,061,000	21,939,000	21,184,000	7,684,000
	1917	61,825,000	2,489,000	27,489,000	21,594,000	5,805,000
	1918	75,309,000	13,484,000	36,244,000	21,823.000	9,477,000
** ** *	1919	97,032,000	21,723,000	47,700,000	22,335,000	13,882,000
Drury Regime	1920	127,262,000	30,230,000	65,717,000	22,681,000	16,009,000
	1921	202,446,000	75,184,000	102,946,000	23,599,000	31,292,000
** **	1922	233,189,000	30,743,000	116,786,000	25,654,000	30,704,000
	1923	291,025,000	57,836,000	124,360,000	28,075,000	37,612,000
Ferguson Regime	1924	329,508,000	38,483,000	135,045,000	30,208,000	45,262,000
	1925	332,391,000	2,883,000	141,717,000	30,208,000	27,885,000
** **	1926	349,116,000	16,725,000	142,473,000	30,208,000	31,899,000
	1927	368,920,000	19,804,000	147,120,000	30,208,000	33,813,000
** **	1928	394,114,000	25,194,000	152,936,000	30,208,000	37,176,000
44 44	1929	426,914,000	32,800,000	164,522,000	30,208,000	44,007,000
	1930	473,372,000	46,458,000	176,799,000	30,208,000	53,587,000
Henry Regime	1931	520,667,000	47,295,000	188,377,000	30,208,000	58,055,000
	1932	574,419,000	53,752,000	189,635,000	30,208,000	76,902,000
	1933	594,128,000	19,709,000	187,965,000	30,208,000	76,514,000
				107 000 000		FO. 0 1 F. 000

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		1934	655,761,000	61,633,000	187,829,000	37,208,000	72,247,000
Hepburn	n Regime	1935*	674,386,000	18,625,000	187,878,000	37,208,000	70,885,000
	īi	1936	689,559,000	15,173,000	172,735,000	36 408,000	74,377,000
**	66	1937	656,460,000	33,099,000	151,573,000	30,208,000	69,243,000
u	u	1938	678,075,000	21,615,000	149,621,000	30,208,000	59,952,000
"	4	1939	712,767,000	34,692,000	147,821,000	30,208,000	56,450,000

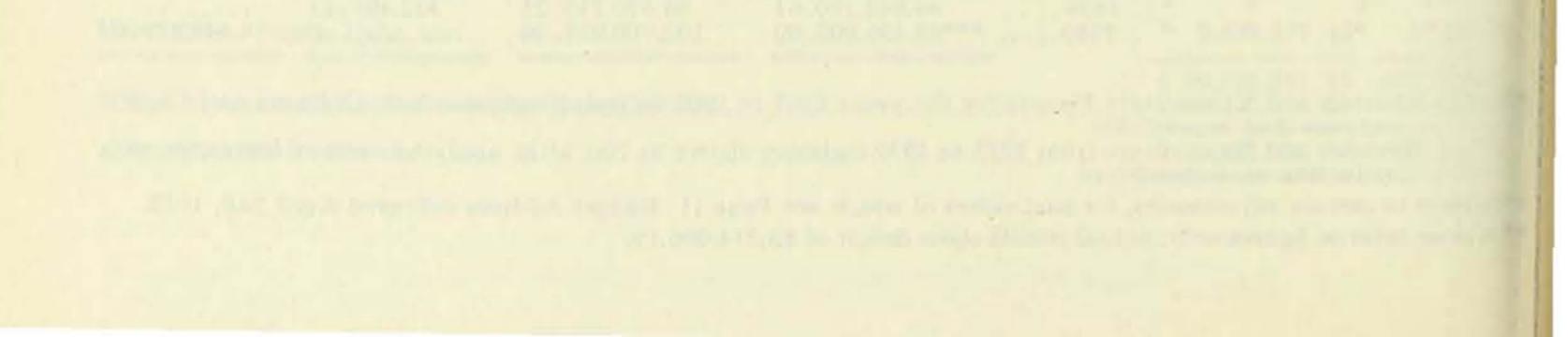
\*Five months ended March 31st.

\*\*Population as per Dominion Bureau of Statistics' Estimates as shown in Canada Year Book 1936, p. 141.

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""" 1939, p. 113.

NOTE:-Actual figures to nearest \$1,000.



# STATEMENT No. 6

Net Debt

**OF ONTARIO** 

and Net Debt

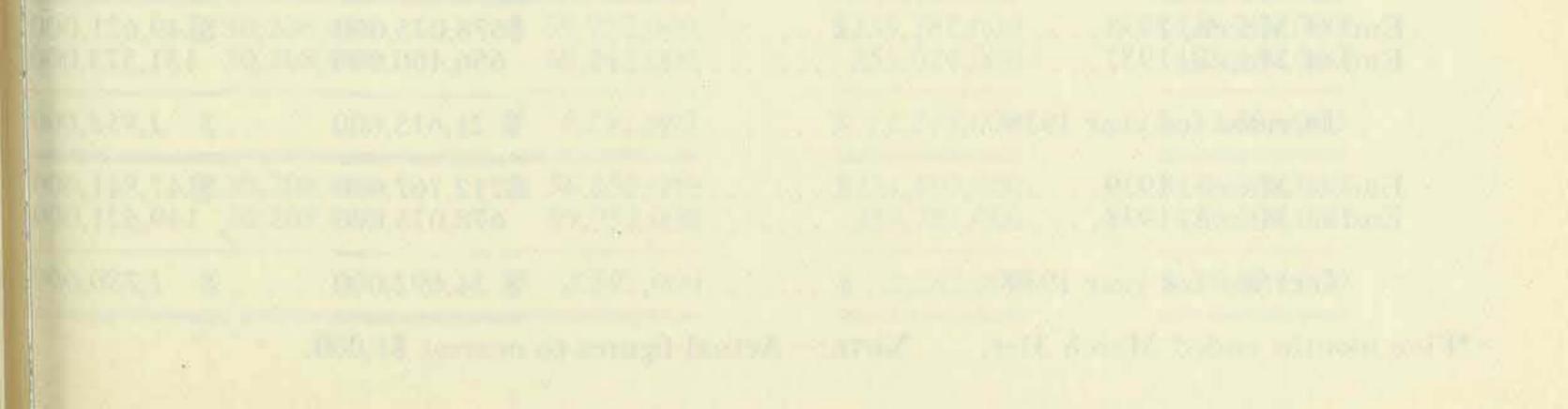
1939

#### **Producing Assets**

					**	
	Yearly		Yearly			Per Capita
Total	Increase	Total	Increase	Year	Population	Net Debt
\$	\$	\$	\$			
35,422,000		6,294,000		1914 Est.	2,705,000	2.33
40,806,000	5,384,000	9,469,000	3,175,000	1915 "	2,724,000	3.48
50,807,000	10,001,000	8,529,000	940,000	1916 "	2,713,000	3.14
54,888,000	4,081,000	6,937,000	1,592,000	1917 "	2,724,000	2.55
67,544,000	12,656,000	7,765,000	828,000	1918 "	2,744,000	2.83
83,917,000	16,373,000	13,115,000	5,350,000	1919 "	2,789,000	4.70
104,407,000	20,490,000	22,855,000	9,740,000	1920 "	2,863,000	7.98
157,837,000	53,430,000	44,609,000	21,754,000	1921 Cen.	2,934,000	15.20
173,144,000	15,307,000	60,045,000	15,436,000	1922 Est.	2,980,000	20.15
190,047,000	16,903,000	100,978,000	40,933,000	1923 "	3,013,000	33.51
210,515,000	20,468,000	118,993,000	18,015,000	1924 **	3,059,000	38.90
199,810,000	10,705,000	132,581,000	13,588,000	1925 "	3,111,000	42.62
204,580,000	4,770,000	144,536,000	11,955,000	1926 "	3,164,000	45.68
211,141,000	6,561,000	157,779,000	13,243,000	1927 "	3,219,000	49.01
220,320,000	9,179,000	173,794,000	16,015,000	1928 "	3,278,000	53.02
238,737,000	18,417,000	188,177,000	14,383,000	1929 "	3,334,000	56.44
260,594,000	21,857,000	212,778,000	24,601,000	1930 "	3,386,000	62.84
276,640,000	16,046,000	244,027,000	31,249,000	1931 Cen.	3,432,000	71.10
296,745,000	20,105,000	277,674,000	33,647,000	1932 Est.	3,459,000	80.28
294,687,000	2,058,000	299,441,000	21,767,000	1933 "	3,524,000	84.97
297,284,000	2,597,000	358,477,000	59,036,000	1934 "	3,566,000	100.53
295,971,000	1,313,000	378,415,000	19,938,000	1934 "	3,566,000	106.12
283,520,000	12,451,000	406,039,000	27,624,000	1935 "	3,596 000	112.91
251,024,000	32,496,000	405,436,000	603,000	a 1936 "	3,690,000	109.87
239,781,000	11,243,000	438,294,000	32,858,000	a 1937 "	3,711,000	118.11
234,499,000	5,282,000	478,268,000	39,974,000	a 1938 "	3,731,000	128.19

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BUDGET ADDRESS

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STATEMENT No. 7

		STATEME	NT OF GROSS 1914-
		Gross Debt	INCREASES
		Total	Hydro
End of Whitney Regime 191	4	\$ 41,716,000	\$ 10,110,000
End of Hearst Regime 191	9	97,032,000	47,700,000
End of Drury Regime 192 End of Ferguson Regime 193	3	291,025,000 473,372,000	124,360,000 176,799,000
	0	655,761,000	187,829,000
HEARST-5 YEARS			
End of Hearst Regime	1919	97,032,000	47,700,000
End of Whitney Regime	1914	41,716,000	10,110,000
Increase over 5 years	3	\$ 55,316,000	\$ 37,590,000
Average Annual Incr	ease	\$ 11,063,000	\$ 7,518,000
DRURY-4 YEARS		and the second second	
End of Drury Regime	1923	\$291,025,000	\$124,360,000
End of Hearst Regime	1919	97,032,000	47,700,000
Increase over 4 years	3	\$193,993,000	\$ 76,660,000

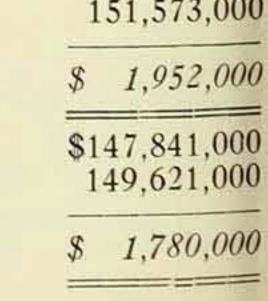
Average Annual Increase	\$ 48,498,000	\$ 19,165,000
FERGUSON-7 YEARS		
End of Ferguson Regime 1930	\$473,372,000	\$176,799,000
End of Drury Regime 1923	291,025,000	124,360,000
Increase over 7 years	\$182,347,000	\$ 52,439,000
Average Annual Increase	\$ 26,049,000	\$ 7,491,000
HENRY-4 YEARS	+	
End of Henry Regime 1934	\$655,761,000	\$187,829,000
End of Ferguson Regime 1930	473,372,000	176,799,000
Increase over 4 years	\$182,389,000	\$ 11,030,000
Average Annual Increase	\$ 45,597,000	\$ 2,757,000
Hepburn-		
End of March *1935	\$674,386,000	\$187,878,000
End of Henry Regime 1934	655,761,000	187,829,000
Increase over 5 months	\$ 18,625,000	\$ 49,000
End of Mouch 1026	€<00 550 000	£172 725 000
End of March, 1936	\$689,559,000 674,386,000	\$172,735,000 187,878,000
End of March, 1935	074,380,000	107,070,000
Increase for year 1936	\$ 15,173,000	\$ 15,143,000
End of March, 1937	\$656,460,000	\$151,573,000
End of March, 1936	689,559,000	172,735,000
Decrease for year 1937	\$ 33,099,000	\$ 21,162,000
	\$<70 075 000	\$140 621 000
End of March, 1938	\$678,075,000	\$149,621,000 151,573,000
End of March, 1937	656,460,000	151,575,000

#### End of March, 1937.....

Increase for year 1938.....

Increase for year 1939.....

\*Five months ended March 31st. NOTE:-Actual figures to nearest \$1,000.



\$ 21,615,000

\$712,767,000

\$ 34,692,000

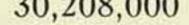
678,075,000

STATEMENT No. 7

# AND NET DEBT 1939 BY REGIMES Realizable and Income Producing Assets

### Net Debt

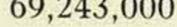
III. The same of the same state of the same state of the same			
	Loans, Cash		
	and Accts.		
Г. & N.O. Ry.	Receivable	Total	Total
\$ 20,246,000	\$ 5,066,000	\$ 35,422,000	\$ 6,294,000
Transfer States and the second states and the states of the second states and the sec			
22,335,000	13,882,000	83,917,000	13,115,000
28,075,000	37,612,000	190,047,000	100,978,000
30,208,000	53,587,000	260,594,000	212,778,000
37,208,000	72,247,000	297,284,000	358,477,000
01,200,000	, 2,211,000	271,201,000	000,111,0000
22,335,000	13,882,000	83,917,000	13,115,000
20,246,000	5,066,000	35,422,000	6,294,000
\$ 2,089,000	\$ 8,816,000	\$ 48,495,000	\$ 6,821,000
\$ 418,000	\$ 1,763,000	\$ 9,699,000	\$ 1,364,000
\$ 28,075,000	\$ 37,612,000	\$190,047,000	\$100,978,000
22,335,000	13,882,000	83,917,000	13,115,000
\$ 5,740,000	\$ 23,730,000	\$106,130,000	\$ 87,863,000
\$ 1,435,000	\$ 5,932,000	\$ 26,532,000	<u>\$ 21,966,000</u>
\$ 30,208,000	\$ 53,587,000	\$260,594,000	\$212,778,000
		The second se	
28,075,000	37,612,000	190,047,000	100,978,000
\$ 2,133,000	\$ 15,975,000	\$ 70,547,000	\$111,800,000
\$ 305,000	\$ 2,282,000	\$ 10,078,000	\$ 15,971,000
\$ 37,208,000	\$ 72,247,000	\$297,284,000	\$358,477,000
30,208,000	53,587,000	260,594,000	212,778,000
	, <u> </u>		1 <u>11 11 11 11 11 11 11 11 11 11 11 11 1</u>
\$ 7,000,000	\$ 18,660,000	\$ 36,690,000	\$145,699,000
\$ 1,750,000	\$ 4,665,000	\$ 9,172,000	\$ 36,425,000
A 27 000 000	A 50 005 000		
\$ 37,208,000	\$ 70,885,000	\$295,971,000	\$378,415,000
37,208,000	72,247,000	297,284,000	358,477,000
	\$ 1,362,000	\$ 1,313,000	\$ 19,938,000
\$ 36,408,000	\$ 74,377,000	\$283,520,000	\$406,039,000
37,208,000	70,885,000	295,971,000	378,415,000
\$ 800,000	\$ 3,492,000	\$ 12,451,000	\$ 27,624,000
\$ 30,208,000	\$ 69,243,000	\$251,024,000	\$405,436,000
36,408,000	74,377,000	283,520,000	406,039,000
	. 1,0 ,000	200,020,000	100,007,000
\$ 6,200,000	\$ 5,134,000	\$ 32,496,000	\$ 603,000
		0000 704 000	
\$ 30,208,000	\$ 59,952,000	\$239,781,000	\$438,294,000
30,208,000	69,243,000	251,024,000	405,436,000

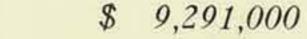


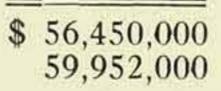
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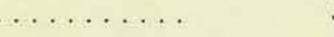
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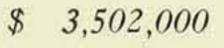
\$ 30,208,000

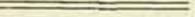


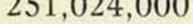


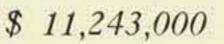


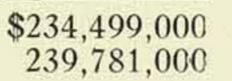


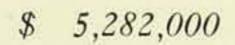


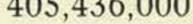


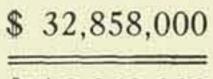


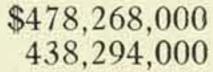


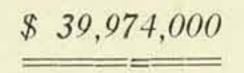


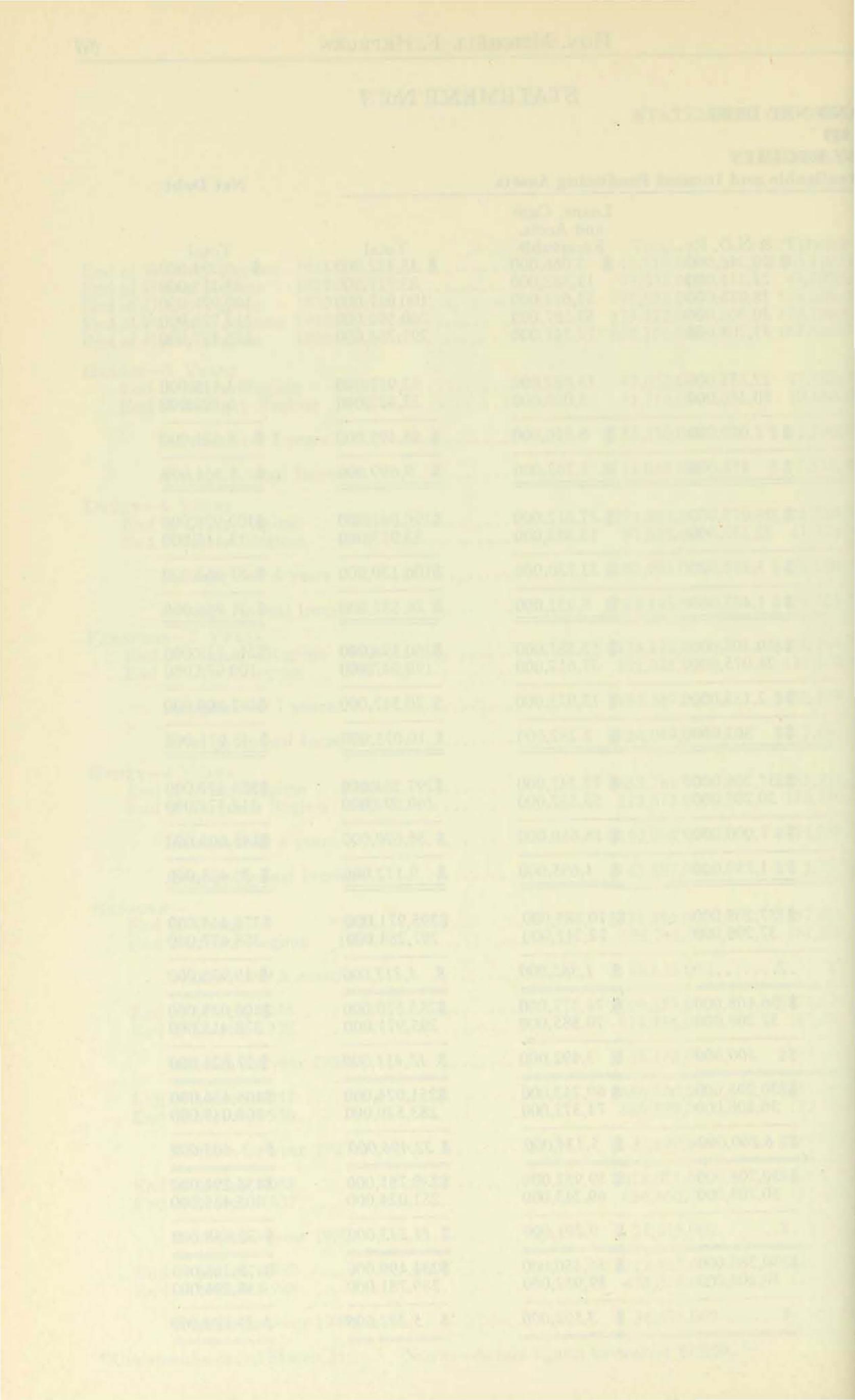












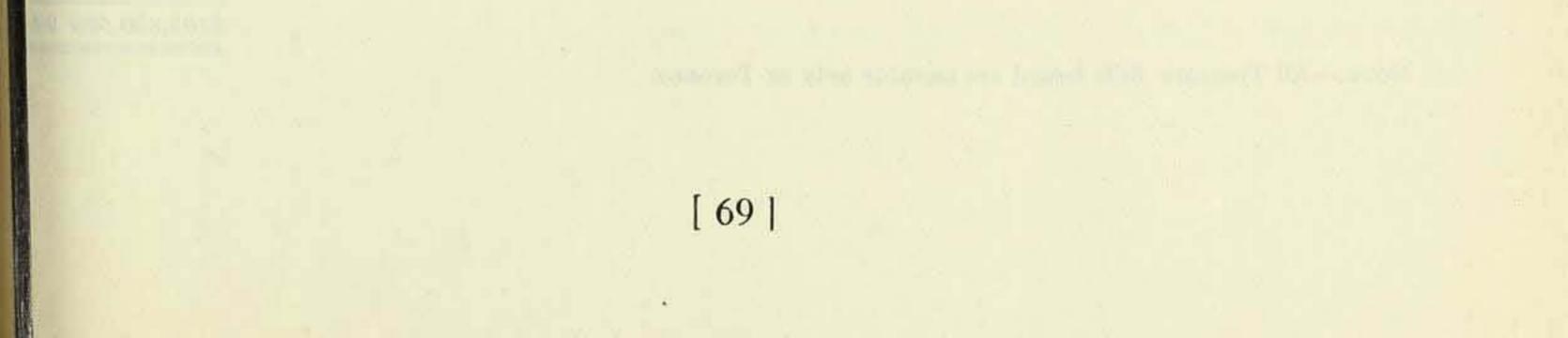
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SUB-INDEX NO. 2 FINANCIAL STATEMENTS (As per Public Accounts) As at March 31, 1939

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2–	-Public Debt-Payments	71
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4–	-Gross Provincial Debt-showing Increase for Fiscal Year ended March 31st, 1939	73
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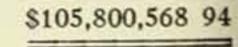
# STATEMENT No. 1

#### PUBLIC DEBT

# Proceeds of Loans for Fiscal Year, 1939

STOCK AND DEBENTURES:			
Series			
"ВЈ"	R.S.O. 1937, Cap. 22- 2 Geo. VI (Ontario), Cap. 26-3% Debentures,		
	due November 1, 1947-50, payable Canada— Par Value	\$15,000,000 00	
	Less Discount		\$14,587,500 00
"TI"	R.S.O. 1937, Cap. 366, Sec. 3 (3)-434% Stock, due November 1, 1942, payable Toronto-		
"RG"	Par Value		1,300,000 00
RO	due December 15, 1945-49, payable Canada-	61 C 500 000 00	
	Par Value		16,211,250 00
TREASURY BI	LLS:		\$32,098,750 00
Series			
"RT-M"	R.S.O. 1937, Cap. 22—(Renewal) 1½%, 1½ years, due December 1, 1939	\$ 6,000,000 00	
"RT-N"	R.S.O. 1937, Cap. 22—(Renewal) 1.65%, 3 years, due June 1, 1941	5,000,000 00	
"RT-O"	R.S.O. 1937, Cap. 22-1.65%, 3 years.		
"RT-P"	due August 1, 1941 R.S.O. 1937, Cap. 22—(Renewal) 1¼%, 1 year,	1,000,000 00	
"RT-Q"	due September 2, 1939 R.S.O. 1937, Cap. 22—(Renewal) 1.65%, 2 years,		
"RT-R"	due September 13, 1940 R.S.O. 1937, Cap. 22—Disc.—1¼%, 1 year,	5,000,000 00	
	due September 2, 1939- Par Value \$ 1,000,000 00		
	Less Discount	987,654 32	
"RT-S"	R.S.O. 1937, Cap. 22-1.65%, 2 years,		
"RT-T"	due September 13, 1940 R.S.O. 1937, Cap. 22—(Renewal) 1.65%, 2 years,	5,000,000 00	
"RT-T"	due September 13, 1940 R.S.O. 1937, Cap. 22-(Renewal) 1.65%, 2 years, 9½ months,	5,000,000 00	
	due September 13, 1941	5,000,000 00	
"RT-U"	R.S.O. 1937, Cap. 22—(Renewal) 1.65%, 2 years, due November 1, 1940	10,000,000 00	
"EG"	R.S.O. 1937, Cap. 22- 1 Edward VIII (Ontario, Cap. 44, 1¼%, 4 months,		
"EH"	due September 2, 1938 R.S.O. 1937, Cap. 22—	4,000,000 00	
511	1 Edward VIII (Ontario), Cap. 44, Disc. 1%, 6 months,		
	due December 30, 1938— Par Value \$ 2,000,000 00		
	Less Discount	1,990,049 75	
"EH"	R.S.O. 1937, Cap. 22-(Renewal), 1 Geo. VI (Ontario), Cap. 54, Disc. 1%, 6 months,		
	due June 30, 1939— Par Value \$ 2,000,000 00		
	Less Discount	1,990,049 75	
"EJ"	R.S.O. 1937, Cap. 22,		
	1 Geo. VI (Ontario), Cap. 54—1.65%, 3 years, due August 1, 1941	2,500,000 00	
"EK"	R.S.O. 1937, Cap. 22, 1 Geo. VI (Ontario), Cap. 54-11/4%, 1 year,		*
HET U	due September 13, 1939	2,000,000 00	
"EL"	R.S.O. 1937, Cap. 22- 1 Geo. VI (Ontario), Cap. 54, Disc. 1%, 3 months,		
	due January 10, 1939— Par Value \$ 2,500,000 00		
	Less Discount	2,494,770 98	
"EM"	R.S.O. 1937, Cap. 22-		
	2 Geo. VI (Ontario), Cap. 26—(Renewal) 1.65%, 2 years, due December 21, 1940	10,000,000 00	73,462,524 80
The second se	ONTARIO SAVINGS OFFICE-		239,294 14

70



10

### NOTE .- All Treasury Bills issued are payable only at Toronto.

# STATEMENT No. 2

#### PUBLIC DEBT

#### Payments for the Year ended March 31st, 1939

ANNUITIES: Matured. 1,875.00 STOCKS AND DEBENTURES: MATURED-Series "AH" Instalment maturity due December 1st, 1938..... \$ 700,000.00 "AJ" " January 15th, 1939..... 800,000.00 "AK" " " " November 1st, 1938..... 800,000.00 "AL" " May 15th, 1938..... " " 464,000.00 "AP" " May 15th, 1938..... " " 406,000.00 "AR" " January 15th, 1939..... " " 353,000.00 " June 1st, 1938..... "AS" 44 " 399,000.00 "AX" " 66 " June 1st, 1938..... 2,000,000.00 "BD" " " " August 30th, 1938..... 4,500,000.00 \$10,422,000.00 Purchased under The Succession Duty Act-Series "A" "A" "C & D" 6,600.00 50,000.00 56,600.00 10,478,600.00 TREASURY BILLS: MATURED-Series "RTF" 1.75% due June 1st, 1938.....\$ 5,000,000.00 "RTJ" June 1st, 1938..... March 12th, 1939.... 44 6,000,000.00 "RTL" 1.50% 66 2,000,000.00 "EB" 1.65% " September 13th, 1938..... 10,000,000.00 "EC" 1.65% \*\* September 13th, 1938..... 6,000,000.00 "ED" " November 1st, 1938..... 10,000,000.00

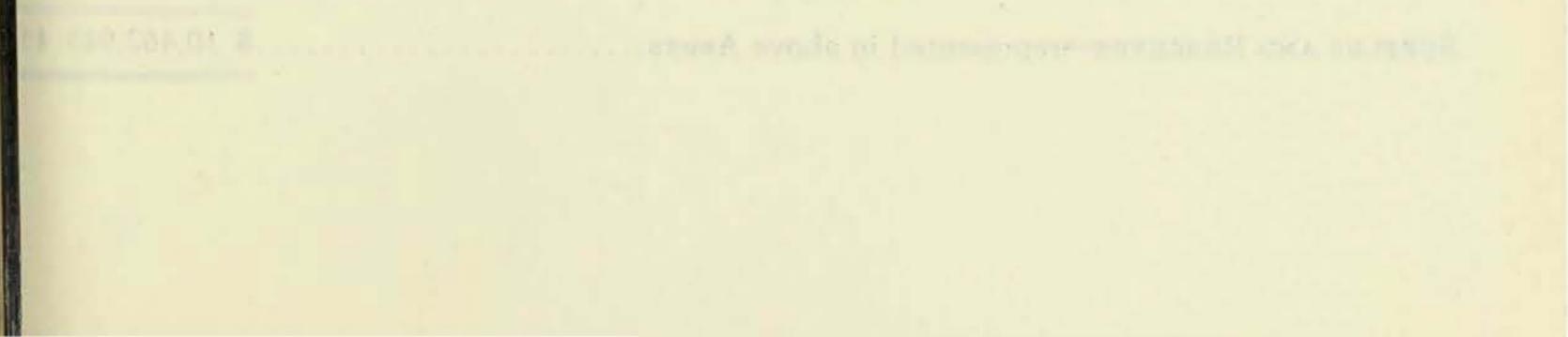
"EG" "EH" "EL"	1.25% 1.00% .85%	и и и	September 2nd, 1938 December 30th, 1938 January 10th, 1939	2,000,000.00			
Purchased for Series	Cancellati	ion—		the state of the	47,500,000.00		
"RTK" "RTT"	1.65% 1.65%	due "	February 25th, 1939 September 13th, 1940		15,000,000.00		
				and the second second	15,000,000.00	62.500.000 00	

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\$72,980,475.00

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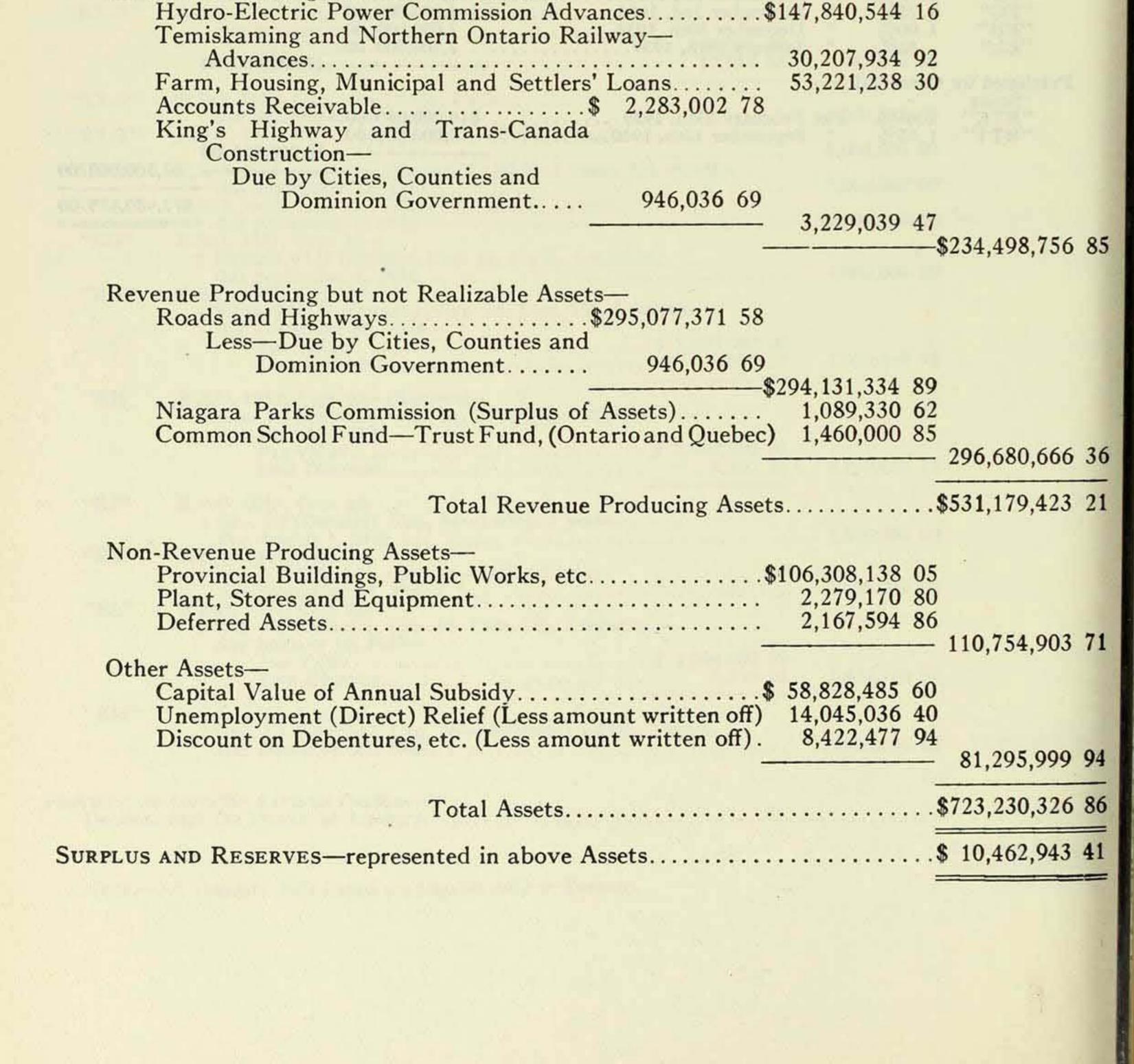
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# STATEMENT No. 3

# **PROVINCIAL DEBT**

### Statement Showing Investment Thereof as at March 31, 1939

FUNDED DEBT:			
Stock and Debentures Outstanding		\$607,435,374 353,180	55 17
Deduct—Sinking Fund Investments		\$607,788,554	
Total Funded Debt		\$596,890,132	18
UNFUNDED DEBT— Treasury Bills\$ Savings Office Deposits\$ Bank Overdraft Special Funds, etc	60,000,000 00 40,092,333 06 2,174,211 87 4,697,734 64		
Accounts Payable and Accrued Interest		106,964,279 8,912,971	
Gross Debt		\$712,767,383	45
INVESTMENT THEREOF— Revenue Producing and Realizable Assets—			



# STATEMENT No. 4

# **GROSS PROVINCIAL DEBT**

# **Statement Showing Increase**

# For the Fiscal Year, April 1, 1938, to March 31, 1939

						1, 1700, 10 1	1141	ch 31, 1939	e		
		1936 \$	с. \$	1937	с.	1938 \$	с.	\$ 1939	C.	Increas 1939 over \$	
UI	inded Debt ifunded Debt . come Liabilities	594,112,954 86,056,340	50 50 45 8	57,973,130 30,105,266	96	575,672,701 93,465,517 8,936,296	54	106 064 270	18	21,217,430	0 46
in.		689,558,513	76 65	56,460,348	37	678,074,515	94	712,767,383	45	34,692,862	7 51
In	CREASE IN GRO Capital Disbu	ursements-									
	WORKS	, etc				Buildings a	0	41,241,058 149,489	38 33		
	Discount on I Payments cha Payments re Increase in Su	Guaranteed	erves Deber	(net)		********	•••	41,091,569 738,725 3,172 311,487 1,402	20 57 53		
	Deduct: Surplus-						-		-\$	42,146,357	31
	Surp Prov pe	lus on Ordi per Statemer vision Charge nditures—	nt 1). ed to (	Ordinary E	\$ X-	322,495	42				
		Retirement Certifica Sinking Fun	ites			88,501 992,655					
	Provision Net Repa Hydi	for Accrued yments on I ro-Electric P	Inter Loans	est on Tre Receivable Commissio	ts ( asu			1,403,652 878,372 20,937 56,882	45 73		
	Agric Hous Tile Moth	of Ontario cultural Deve sing Loans Drainage Loans ners' Allowan	elopm ans	ent Board Old Age Per	\$ 	1,780,102 2,185,000 377,694 39,155	00 31				
	Misco	sions and Pen ellaneous	• • • • • •	• • • • • • • • • • •		46,347 4 109,977 2	28	1 520 055			
						Ontario Pro		4,538,277			
	- cercabe	III IIICOINE L.		IPC		· · · · · · · · · · · · · · · · · · ·		300,000 23,324 232,042	98		
										7,453,489	
	r	NET INCREAS	SE	• • • • • • • • • • •	• • •	• • • • • • • • • • • • •	• • •	• • • • • • • • • • •	\$	34,692,867	51



# STATEMENT No. 5

# NET PROVINCIAL DEBT

### **Statement Showing Increase**

For the Fiscal Year, April 1, 1938, to March 31, 1939

1936 \$	c.	1937 \$	c.	1938 \$	c.	1939 \$	с.	Increase 1939 over 1938 \$ c.
689,558,513	76	656,460,348	37	678,074,515	94	712,767,383	45	34,692,867 51
283,519,690	62	251,024,308	87	239,780,832	24	234,498,756	85	5,282,075 39
406,038,823	14	405,436,039	50	438,293,683	70	478,268,626	60	39,974,942 90
	\$ 689,558,513 283,519,690	\$c. 689,558,513 76 283,519,690 62	<ul> <li>c. \$</li> <li>689,558,513 76 656,460,348</li> <li>283,519,690 62 251,024,308</li> </ul>	\$       c. \$       c.         689,558,513       76       656,460,348       37         283,519,690       62       251,024,308       87	\$       c. \$       c. \$         689,558,513       76       656,460,348       37       678,074,515         283,519,690       62       251,024,308       87       239,780,832	\$       c. \$       c.         689,558,513       76       656,460,348       37       678,074,515       94         283,519,690       62       251,024,308       87       239,780,832       24	\$       c. \$       c. \$         689,558,513       76       656,460,348       37       678,074,515       94       712,767,383         283,519,690       62       251,024,308       87       239,780,832       24       234,498,756	

INCREASE IN NET DEBT ACCOUNTED FOR THUS- Capital Disbursements-	
Disbursements on Highways, Public Buildings and Works, etc\$ 41,241,058 Less—Capital Receipts	38 33
\$ 41,091,569         Discount on Debentures, etc., Issued during year       738,725         Increase in Common School Fund       66         Decrease in Income Accounts Receivable       1,322,666         Increase in Savings Offices—Furniture and Fixtures and       1,530	20 56 23 46
Deduct: Surplus— Surplus on Ordinary Account (as per Statement 1)\$ 322,495 42 Provision Charged to Ordinary Ex- penditure— Retirement of Railway Aid Certificates	\$ 43,154,557 50
Sinking Fund Instalments 992,655 27 Discount on Debentures, etc.—Written off \$1,403,652 Earnings on Sinking Fund Investments (net) 20,937 Provision for Accrued Interest on Treasury Bills 56,882 Decrease in Deferred Assets 36,155 Increase in Receivables—due from Municipalities and Dominion Government—re Highways 511,409	45 73 20 32
Increase in Accrued Interest on Agricultural Develop- ment Board Debentures	27
NET INCREASE	\$39,974,942 90



# STATEMENT No. 6

# STATEMENT SHOWING SOURCES OF ORDINARY REVENUE

# For the Fiscal Year ended March 31, 1939

Dominion Government— Annual Subsidy Interest—Common School Fund Revenue Derived from Individuals and Corporations Receiving the Benefit of Provincial Services, Special Privileges or the Use of Natural Resources and Pro-	72,835	46	\$ 3,014,259 74
PERTIES, AND PROFITS FROM TRADING, ETC.: Taxation Gasoline, Mines, Lands, Corporations, Income, Race Tracks (betting), Stock Transfers, Succession Duties, Fire Protection, etc. Royalties, Duties and Dues			
Bonus and Timber, Sand and Gravel, Game and Fish.	0,201,021	-	
Licenses and Permits	9,643,536	42	
Fees		03	
Fines and Penalties	238,922	37	
Profits from Trading Activities Liquor Control Board—Profits, Fines, Sale of Confiscated Liquor, etc.	10,415,000	00	
Agriculture and Public Domain	648,742	69	
Repayments—Highways	516	18	
Sale of Material Produce, Live Stock, Equipment, etc.	244,844	62	
Rent, Board, Maintenance of Patients, Perquisites, etc	1,726,205	85	
Miscellaneous ONTARIO GAZETTE, sale of Government Publications, and Casual Revenue.	357,980	01	
			83,829,010 93

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\$86,843,270 67



# MARGINE F. PRINT MILL

# STRUTEMENT NO. 6

# STATEMENT SHOPPING FORMUTATOR ORDINARY REVENUE

# PERI , 15 Protect Contractory Manager 1981 10.4

