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# BUDGET ADDRESS

DELIVERED BY

**HONOURABLE LESLIE M. FROST**

Treasurer of the Province of Ontario

in the

**LEGISLATIVE ASSEMBLY OF ONTARIO**

**THURSDAY, MARCH 20TH, 1952**

**ON MOVING THE HOUSE INTO COMMITTEE OF SUPPLY**

Also Statements of

**ECONOMIC, FINANCIAL AND STATISTICAL  
INFORMATION**



TORONTO

Printed and Published by Baptist Johnston, Printer to the Queen's Most Excellent Majesty  
1952







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to the

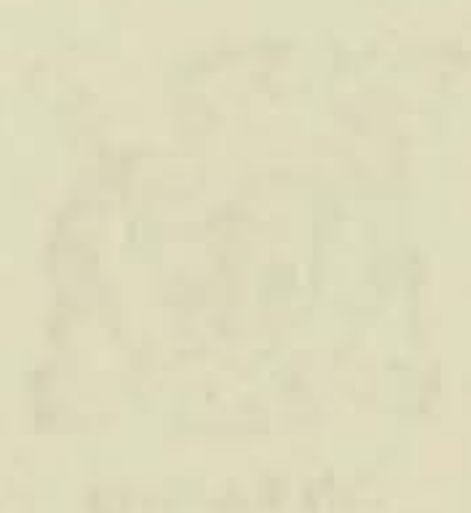
LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, MARCH 25TH, 1925

ON BEHALF OF THE HOUSE OF COMMONS OF GREAT BRITAIN

THE SECRETARY OF

AGRICULTURE, FISHERIES AND MINES  
ONTARIO



PRINTED BY

THE GOVERNMENT OF ONTARIO, TORONTO, 1925



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# BUDGET ADDRESS

DELIVERED BY

**HONOURABLE LESLIE M. FROST**

TREASURER OF THE PROVINCE OF ONTARIO

in the

LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, MARCH 20TH, 1952

HONOURABLE LESLIE M. FROST (Treasurer of Ontario) moved:

That Mr. Speaker do now leave the Chair and the House resolve itself into the Committee of Supply.

He said: Mr. Speaker, on this, my tenth occasion of making the traditional motion on the Budget presentation, it is opportune to review present economic conditions in Ontario and the application of our basic policy on surplus and debt that I first enunciated in 1944. This policy has been approved by the people in the general elections of 1945, 1948 and 1951, and we have not deviated from it.

Even against the background of outstanding developments in Canada as a whole, the economic growth of Ontario has been impressive. Expansion has been very marked in mining, forestry, construction, hydro-electric power and in the chemical and heavy manufacturing industries. The continued high level of capital investment and employment affords ample testimony that confidence in the basic soundness of the Province is undiminished.

Consumer retail sales at the beginning of 1951 reflected the inflationary boom of which they were an important part. The anticipation of impending Federal credit restrictions and higher excise taxes led to intensified production and sales of commodities which it was correctly assumed would become subject to heavier restrictions and taxes. A sharp reaction from this feverish buying was inevitable. Part of the sales occurring in the first three months of 1951 were in effect borrowed from the later months. But the readjustment, with its resultant effect on employment, has gone further than most expected. In consequence, Federal credit restrictions have been relaxed, and additional steps will no doubt be taken to meet the situation.

Not all the slackening in consumer spending and retail sales could be attributed to the anti-inflationary program. Some international prices were beginning to fall. Foreign competition was being increasingly felt in domestic textiles and other industrial fields. The postwar backlog of consumer wants was vanishing, and temporary saturation points were being approached at prevailing prices in some lines.

In spite of some adverse developments, however, the past year has been one of extraordinary growth and progress. Ontario's provincial product in 1951



increased over that in the previous year by 17 per cent in value and 6 per cent in volume to a total of \$8.7 billion. Personal income in Ontario rose by \$1.0 billion, labour income by approximately \$660 million and farm cash income by 17 per cent, or \$116 million.

Private and public investment in Ontario, one of the outstanding characteristics of our postwar economy, rose in 1951 to \$1 $\frac{3}{4}$  billion, an increase of 23 per cent over that in 1950. As in past years, approximately 21 cents out of every dollar spent in Ontario was devoted to the expansion of industrial plant, machinery and equipment, housing and other capital assets. There is no better evidence of the vigour of our industry and the people's faith in the future of Ontario than this investment in the capital assets of the Province—\$7.7 billion since 1944. This Province has done very well indeed.

Export trade, another of the dynamic forces in the economy, rose to a new high level, both in value and volume terms. Ontario's primary and secondary industries, which contribute substantially to this export trade, were in almost all lines operating under forced draft. Canadian domestic exports in 1951 totalled nearly \$4.0 billion, an increase of 26 per cent in value and 9 per cent in terms of physical volume over 1950. Consumption of electrical energy in Ontario showed an increase of 16 per cent over that of a year ago.

In terms of population, Ontario's natural increase (births less deaths) totalled over 71,000 last year. As in the case of births, the rate of natural increase approximated the highest level this Province has experienced in the last fifty years. As to immigration, last year 54 per cent of all those coming to Canada gave Ontario as their destination. Our gross population gain was over 176,000 and, after allowing for emigration from Ontario, the net increase was probably about 160,000, exceeding the largest previous yearly increase by 45,000. Ontario's present population is nearly 4 $\frac{3}{4}$  million.

Influenced by recruitment from the flow of immigration and from our own native born who in the year reached working age, the volume of employment attained a record high level in 1951. By August, the number of Ontario men and women with jobs had risen to nearly 1,900,000, an increase of 58,000 in the year.

Despite tighter credit, higher interest rates and the dropping of the 1/6th provision on N.H.A. loans (partially restored in October), the number of completions of new residential dwelling units in Ontario in 1951 was the highest in the history of the Province. The position of Ontario in this respect is unique, for it is the only province to show an increase in housing completions over those of a year ago. The number of starts and houses under construction is, however, lower than a year ago, and unless conditions change drastically a drop in completions in 1952 is unavoidable. Starts were also lower in all the other provinces and, except in Newfoundland, so were houses under construction.

The story in Ontario is one of development in every field. In agriculture, preliminary estimates place the gross value of Ontario's 1951 output at over \$1 $\frac{1}{4}$  billion, about 15 per cent greater than in 1950. Increased returns from the sale of livestock and field crops were largely responsible for the higher dollar value. In the main, this increase was the result more of higher prices than of greater output from Ontario farms. But, by and large, the industry achieved a slightly larger output with a smaller labour force. The decline in the farm labour force was offset by increased mechanization and by the extension of rural power.



In forestry, Ontario's gross value of production is estimated to have increased about 20 per cent in 1951. Higher outputs were realized by sawmills and pulp and paper industries. The output in pulp and paper was substantially higher. Export figures showed a marked increase.

In mining, the increase was over 19 per cent. The output of Ontario mines in 1951 reached an all time high of \$437 million. During the past year, iron ore development has been further advanced, providing a foretaste of the great future for iron production in this Province. Nickel was the leading mineral produced in Ontario and it ranked second in all Canada, replacing copper. Gold production, beset by operating difficulties and the loss of the exchange premium, declined slightly, but in value of output, gold was still the leading mineral in Canada and occupied second place in Ontario.

In manufacturing, activities in the Province are yearly assuming new importance. Manufactures now provide employment for 52 per cent of all the working men and women in Ontario industry who are on salaries or wages. The gross value of manufacturing production in Ontario in 1951 was estimated to have been over 20 per cent higher than the previous year.

The capacity of Ontario industry to produce is rising. This means that we are to an increasing extent enjoying the fruits of our past capital investment in the expansion and modernization of our industrial plant and machinery. Ontario is providing not only a healthy environment for the expansion of established industries, but a strong attraction for new industries. Hundreds of projects, large and small, have been located throughout Ontario, and they will have important consequences for the industrial growth of this Province. Many of these developments are taking place in the smaller communities, and we cannot doubt that this movement is in the general economic and social interests of the people. The number of manufacturing establishments in Ontario is increasing by several hundred annually, but a large part of the increase in capacity is taking the form of expansion by established plants.

#### CHANGES IN THE MONEY MARKET

Federal fiscal measures designed to control inflation have been reinforced by several monetary steps to tighten up credit and investment money. At first, this action was on a modest scale and made little impression. On September 30th, 1950, the Government abandoned its official buying and selling rates for the Canadian dollar. Two weeks later, on October 17th, 1950, the Bank of Canada moved to control credit expansion by raising the Bank Rate from  $1\frac{1}{2}$  per cent to 2 per cent. Although the direct effect of this action was almost negligible, the raising of the Bank Rate was a clear signal that the cheap money philosophy had for the time being ended. Since the creation of the Bank of Canada in 1934, there had been only one previous adjustment in the Bank Rate. That occurred in 1944, when the rate was reduced from  $2\frac{1}{2}$  per cent to  $1\frac{1}{2}$  per cent.

The attack on inflation by monetary measures was the first major reversal in the policy of the Bank of Canada since its inception seventeen years ago. Through eleven years of war and postwar reconversion an easy money policy had reigned; and it is one of the remarkable features of this whole period that, despite the financing of heavy public and private war and capital expenditures,



interest rates on high grade bonds tended to move downwards. But for a year and a half now, the prices of Canadian bonds have been declining and interest rates rising. The Dominion of Canada perpetuals, which were selling above par in October, 1950, were down to 85 to 86 at the beginning of January, 1952. Dominion of Canada 2½ per cent bonds, due in 1968, dropped to 90½ to 91.

The decline in the price of Government of Canada bonds created an entirely different situation for the marketing of provincial bonds. As long as Government of Canada bonds were selling above par, the provinces could count on a fairly active market for new issues, but when Federal Government bonds moved below par, provincial bonds were no longer so attractive. Financial institutions were understandably no more eager to sell their Canadian bonds at a loss than any other investor—thus, a thinner market for provincial and municipal bonds.

This deterioration in the supply of money for new bond issues has come at a time when the Province's requirements in the way of capital issues, particularly on behalf of the Hydro-Electric Power Commission of Ontario, are exceptionally large. Last year it was indicated in the Legislature that new action would have to be taken, and our statutes were amended accordingly. As a result, the Province entered the New York market on two occasions during the past year with issues of \$50 million each for the purposes of the Hydro-Electric Power Commission of Ontario. Additionally, the Government maintained its interest in the Canadian market. Two issues, one for \$30 million and the other for \$50 million, were made by Hydro, and the Province itself entered the market, principally for refunding purposes, for a loan of \$50 million, making a total of \$130 million raised in our own markets.

Ontario's New York loan last May was the first long-term issue the Province has sold in this market in twenty years. Hydro's experience with its May issue had not encouraged us to believe that the Canadian markets, under the unusual conditions which I have outlined, were capable of absorbing another loan so soon. Interest rates, of course, had risen in New York as well, but because of the extent of their market, we found that we were able to borrow amounts which at that time were not available in Canada.

The effect of increases in interest rates is, of course, manifest in our issues. We have been obliged to pay from about ½ to 1 per cent more than we would have had to pay on comparable loans a year and a half ago. This is in line with the rates on other government issues. The terms upon which we have sold our bonds are favourable in the light of the recent experience of other borrowers and, indeed, they are a tribute to the sound credit position of this Province, to which I shall refer later, and to the Government's practice since 1943 of building up sinking funds and retiring debt out of surplus account—a practice from which we have not departed over the years. It is to this policy and to the strong control which we have maintained over our net debt, which must be paid from taxes, that our strong fiscal position can be attributed. This has given us the strength to finance self-liquidating projects, such as Hydro, which in the past few years have involved over \$700 million in financing, and it is this strength which makes it possible for us to face developmental projects, such as the St. Lawrence, with positive confidence in our ability to carry out our commitments.

While we recognize that a low interest rate policy is at present in conflict with the measures adopted to combat inflation, nevertheless, I am referring back to a statement made in 1944 by Mr. G. F. Towers, Governor of the Bank of



Canada, when he explained the reasons for the reduction in the Bank Rate at that time. He said that "the prospect of unstable interest rates could make it exceedingly difficult for business to formulate long-term plans. Moreover, high borrowing costs would hamper new investment in plant, equipment and housing, would restrict the expansion of employment, and would seriously complicate the task of government financing."

There was great cogency in Mr. Towers' remarks then, and there is some application to the present situation. A slightly firmer tone for provincial issues developed in the money market this last January, but we should like to see further improvement to the end that the needs of Hydro and our own capital undertakings are met, as well as those of our municipalities, industry and the people who are seeking to establish themselves in homes of their own.

Ontario is old enough to value thrift and saving, and young enough to need investment capital and to be able to make effective use of it. It is no exaggeration to say that the future productiveness of our industrial structure depends on how wisely we are able to add to our capital stock. A high rate of investment in production facilities gives better assurance that the problems and tasks of tomorrow will be lighter than those of to-day.

#### SOME FACTORS IN 1952

The immediate economic outlook, although not so trouble-free as a year ago, has many undercurrents of strength. The increase in defence spending will add nearly 3 per cent to our total national expenditure, and will inevitably set up a train of secondary effects amplifying the initial outlay. The distribution of an additional \$200 million for old age pensions will mean a boost to consumer expenditure. Continuation of the capital investment boom in defence industries and in primary resources, particularly mining and forestry, is assured. The pace of general construction should continue largely unabated. It is hoped that there will be further relaxation in Federal credit restrictions on housing, which is showing some softness. Exports in 1952 will again be at a high level. The high rate of population growth throughout the democratic community of nations carries a presumption of increased long-term demand for the products of our farms, mines and forests and manufactures of one kind and another.

The drying up of credit and lending in the money markets curbs construction of housing and other capital works, affecting building suppliers and employees in these fields. Shortage of steel and other structural materials may form an even more effective barrier to expansion. Among the unpredictable elements in the 1952 picture is the increased volume of savings of private individuals estimated for Canada at \$641 million more in 1951 than in the previous year.

Sound economy and thrift are two of the sounding posts of progress. They should be practised by governments and individuals. The past year has demonstrated the tremendous productivity of our industry. Inflationary pressures are considerably less today than they were a year ago, and our enlarged productive capacity has gone a long way towards relieving that condition. By and large, the future is bright. Our financial position is sound. The world is turning its eyes to Canada and in the Canadian picture Ontario looms large. 1952 should be a good year.



## TAXATION, SURPLUS AND DEBT

This brings me to a discussion of the policy which I set out in my first Budget Speech, delivered on March 16, 1944. The question may well be asked: how has this policy worked out in these years of spectacular expansion and development where at every hand we see signs of growth and development? The policy we set out at that time has been followed unswervingly and unhesitatingly. As I have said, it has had the endorsement of our people in three general elections. During the last general election, and, indeed, in some newspaper comments since, there have been attempts to distort what we are doing and what we have done. May I assert that the policy we have followed is one which has contributed greatly to the financial strength of this Province. The fact that we have a large reservoir of credit available has made it possible for us to find the hundreds of millions of dollars required for Hydro, highways and other projects. It made it possible, without a moment's hesitation last July, for us to say that in partnership with the Federal Government we were prepared to go ahead with the seaway and power development on the St. Lawrence as an all-Canadian project.

I refer the Members of the House to the first fifteen pages of that 1944 Budget presentation dealing with the policy we have since followed. There, will be found a description of revenue producing and realizable assets, gross debt, and the all-important net debt, which must be paid from the taxes of the people and bears interest which is each year a first charge on our revenues. As I pointed out at that time, the net debt had grown from virtually nothing at the commencement of the century to approximately \$1½ billion in 1943. This type of debt is inseparable from surplus financing. If services are provided on ordinary account which increase the net debt, then we create a charge against each and every one of us on our future income.

It is, of course, necessary for us to use our credit. We have not taken the position that all of the capital costs of highways should be paid out of the revenues of one year. That is an extreme position. Credit, however, should be soundly used. It is a real asset which should always be conserved. Times come in the life of a province when, because of recession or other conditions, it is necessary to increase the net debt. But in times of buoyancy, it is the way of prudence to pay as much of our capital costs as we can from current revenues.

When I say, pay as much of our capital costs as we can, this brings me to the matter of taxation. We could pay all of our capital costs which are chargeable to net debt out of current taxes if we desired to impose the taxes. It has been our belief that in these days of high living costs and inflationary trends the best contribution we can make to containing that inflation is to carefully control our net debt, the class of debt which is payable from the taxes of our people.

Ontario has the lowest provincial taxation in Canada. We have no personal income tax, although we feel the Federal Government should credit us with 5 per cent of their collections, which has not been done. We have no sales tax, tobacco tax, meal tax or any taxes of that sort. Our taxes are of that class which has the lowest impact on the cost of living and, outside of corporation tax, our revenues come very largely from services which are provided. Such taxes include gasoline and motor vehicle licence fees, royalties on natural resources, and profits of commissions operated by the Government. Our two-



fold objective has been to keep our taxes low—in which we have been successful—and to so conduct our business that we can apply surpluses to the control of our net debt and, by paying what we can on current capital costs and increasing sinking fund payments, keep our credit healthy and strong and reduce the interest bill and service cost which go with the rise of debt.

Net debt can be increased by deficits on ordinary account. We have avoided deficits. We have had nine consecutive surpluses—a series that is unprecedented in the history of this Province. The other principal cause of net debt increase arises from borrowing to meet the capital cost of highways and public works.

The course we took in 1944 was designed: First, to provide for a sinking fund which would extinguish the then existing net debt of \$495 million over a period of not more than fifty years. That is the amount set forth each year in the sinking fund provision. Secondly, to use our highway revenues to pay the ordinary cost of operation and maintenance, subsidies to our municipalities, interest on the present highway debt, the amortization of new debt created, and, after these charges, to apply any remaining balance to surplus account to extinguish capital debt in the year in which it is incurred. Thirdly, with respect to public buildings and other works, which are not revenue producing, to pay as much as possible of their cost of construction out of ordinary revenue. In other words, our policy has been to apply surpluses which can be accumulated from the businesslike operations of the Province to the extinguishment of debt in the year in which it is incurred.

Eight years ago I said in describing this policy:

“All of the foregoing is, of course, predicated upon governments having the wisdom to tax for services which are given. The rule should be that we have balanced budgets and a wise use of our credit. A disregard of these principles will impair or destroy our credit, which is one of our greatest assets, and will place our Province in a debt-ridden position.”

I am glad to be able to say that we have followed this policy unswervingly and with salutary results. I may point out that our practice is to allocate many of the charges which might be regarded as capital, such as re-aligning and eliminating highway grades, to current account and to increase our sinking fund provisions beyond those required for extinguishing the net debt of 1943 in fifty years. In the last nine years, we have paid \$110.3 million into sinking fund—22 per cent of the net debt outstanding on March 31, 1943. This result justifies our increasing the sinking fund payments.

Another way of illustrating what we have done is this: for the eight years up to March 31, 1951 we increased our physical assets by the amount of \$215.2 million. This was in capital construction, including highways and buildings. During the same period, our sinking fund provision and surplus amounted to \$188.6 million which meant that we met 87.6 per cent of the cost of capital construction during that period from ordinary account. The balance was added to net debt which increased during that period by \$26.1 million, making the net debt as of the 31st March, 1951, \$521.6 million. This is a very vivid illustration of how we controlled our net debt during that period.

We would not approach the point of taxing beyond what is necessary until we reach the point of paying all of our capital costs for every year within the



year in which they are incurred and then providing for debt retirement in excess of that needed for extinguishing the debt within the fifty year period. We have never had any such objective as that. We have felt that such a policy would be extreme and would require the imposition of more taxes. We have never taken the position that we should pay all the capital costs in the year in which they are incurred. Our position has been the moderate one of applying what we reasonably can against new debt and amortizing the balance.

I append hereto a statement which was, in part, in my Budget Address of 1944, and has now been brought up to date. This shows our position in the various classes of debt to which I have referred.



# TRENDS IN ONTARIO'S DEBT, 1930 TO 1951

(Totals in Millions of Dollars)

(Per Capitas in Dollars)

	1930 Oct. 31	1931 Oct. 31	1932 Oct. 31	1933 Oct. 31	1934 Oct. 31	1935 Mar. 31	1936 Mar. 31	1937 Mar. 31	1938 Mar. 31	1939 Mar. 31	1940 Mar. 31
Liabilities represented by Revenue-producing and Realizable Assets, being money advanced by the Province to Hydro, Ontario Northland Rly., Farm Loans Bd., etc.....	260.6	276.6	296.8	294.7	297.3	295.9	283.6	251.1	239.7	234.5	229.8
Net Debt which must be paid from Taxes	212.7	244.0	277.6	299.4	358.5	378.5	405.0	405.4	438.3	478.2	507.2
Total Gross Debt as shown in Public Accounts.....	473.3	520.6	574.4	594.1	655.8	674.4	689.6	656.5	678.0	712.7	737.0
Net Debt per Capita (\$)	62.84	71.11	79.95	85.26	101.15	106.78	113.58	112.43	120.51	130.25	136.79
	1941 Mar. 31	1942 Mar. 31	1943 Mar. 31	1944 Mar. 31	1945 Mar. 31	1946 Mar. 31	1947 Mar. 31	1948 Mar. 31	1949 Mar. 31	1950 Mar. 31	1951 Mar. 31
Liabilities represented by Revenue-producing and Realizable Assets, being money advanced by the Province to Hydro, Ontario Northland Rly., Farm Loans Bd., etc.....	223.4	217.6	209.4	184.0	166.2	160.9	152.1	161.6	145.0	185.2	176.4
Net Debt which must be paid from Taxes	506.2	507.1	495.4	482.5	480.3	478.4	493.1	466.8	483.7	508.8	521.6
Total Gross Debt as shown in Public Accounts.....	729.6	724.7	704.8	666.5	646.5	639.3	645.2	628.4	628.7	694.0	698.0
Net Debt per capita (\$)	135.09	133.89	127.56	123.24	121.20	119.60	120.47	111.77	113.14	116.22	116.65



How well we have been able to control our net debt is shown by the fact that on March 31, 1940, it stood at \$507.2 million and on March 31, 1951, at \$521.6 million. In the first forty years of the century, when our population was much smaller, approximately \$500 million was added to our net debt; in the next eleven years only \$14.4 million. Of course, in this latter period were the war years when there were little, if any, capital expenditures. Nevertheless, since 1945, we have seen the spectacular expansion of Ontario, a period when we might have expected to call very largely on our credit. This is a remarkable record, indeed. It is fair also to say that the \$521.6 million, under date of March 31, 1951, bears a very different relationship to our income than did the \$507.2 million as of March 31, 1940. Since that time the value of the assets of Ontario has increased mightily. Our net ordinary revenues, due to the expansion of the Province, have risen from \$88 million to \$265 million last year. In 1940, the net debt was nearly six times revenue; in 1950-51 it was less than twice as much. The purchasing value of the dollar is, of course, less. Accordingly, the burden of our net debt is a great deal less than in 1940.

As to the future, we shall be faced with net debt increases unless we increase taxation, which I think we are wise to avoid. In this period of high cost of living I think it is fair that we should moderately use our credit to avoid raising taxes. We should adhere to the principles of our policy of 1944, namely, to increase our sinking fund and retire our old debt within the term set out and apply any surplus above that to the retirement of new debt resulting from capital works, thus making provision for the amortization of our net debt over a reasonable period of years. This is the policy we have followed—the policy which has kept Ontario's credit bright and clean and placed us in the strongest financial position in our history, particularly from the standpoint of our credit. Again I emphasize that we have the lowest provincial taxation in Canada, taxation arising almost in its entirety from services we render or resources we sell.

If our surplus were such that we were making no additions to net debt, our situation would be different. We would then be in the position of applying all our surplus to the reduction of old debt over and above our sinking fund requirements. If we were in that position, we could consider further tax reductions; but we are not. Our position is that for a number of years, indeed for the foreseeable future, we shall have to make additions to our net debt. Our objective must be to keep such additions as low as possible. If we reached the position that the additions became too large we would be obliged, as outlined in the 1944 policy, to increase taxes to take care of them.

#### DOMINION-PROVINCIAL RELATIONS

I shall not elaborate upon what has taken place in this important field as I referred extensively to it last September, and again in the House during this Session. I shall merely point out that we have occupied only a portion of the taxing field we could have rented under the proposal of 1945-46, and still we have realized more from that portion of the field we have occupied than we would have from the rental for the whole field.

The following statement shows results to March 31, 1952, but as part of the Federal rental will be paid after March 31, and, as there will be arrears of taxes collected by the Province after that date, it has been adjusted to take these backlogs into account.



FEDERAL GOVERNMENT'S PROPOSED PAYMENT TO THE ONTARIO GOVERNMENT UNDER DOMINION-PROVINCIAL  
TAX AGREEMENT COMPARED WITH REVENUE FROM TAX AND OTHER SOURCES RETAINED  
BY THE PROVINCE, FISCAL YEARS 1947-48 TO 1951-52

(Thousands of Dollars)

	1947-48	1948-49	1949-50	1950-51	1951-52	Total	Backlog	Grand Total
Proposed Federal Rental Payments: <sup>1</sup>								
Adjusted on final 1951 census population and latest estimates of gross national product per capita.....	58,095	79,387	86,488	95,419	104,438	423,827	25,719	449,546
Ontario's Revenue from Tax and Other Sources Retained:								
Statutory Subsidies.....	3,155	3,155	3,155	3,155	3,641	16,261	.....	16,261
Corporations Tax.....	44,664	60,712	64,154	76,254	90,000	335,784	.....	335,784
Succession Duties.....	17,945	15,995	14,978	17,828	19,500	86,246	.....	86,246
Excess of Mining Royalties over amount that could have been collected under Federal proposal without raising the level of taxation.....	1,400	1,400	1,400	1,400	1,400	7,000	.....	7,000
Excess of Logging Royalties over amount that could have been collected under Federal proposal without raising the level of taxation.....	.....	.....	.....	.....	1,000	1,000	.....	1,000
Backlog of collections due to Province from corporation taxes, succession duties, mining and logging taxes.....	.....	.....	.....	.....	.....	.....	10,000	10,000
	67,164	81,262	83,687	98,637	115,541	446,291	10,000	456,291
Surplus or Deficiency (—) of Collections from Revenue Sources Retained over Rental Payments.....	9,069	1,875	—2,801	3,218	11,103	22,464	—15,719	6,745
Personal Income Tax not collected by Province but held in reserve at 5% as per Federal proposal.....	13,993	14,691	11,474	13,500	17,500	71,158	.....	71,158
Total Surplus or Deficiency (—) of Ontario Revenue Fields Retained over Rental Payments.....	23,062	16,566	8,673	16,718	28,603	93,622	—15,719	77,903

<sup>1</sup>The fourth instalment of the rental payment owing in respect to each fiscal year is not payable until June 30th of the following fiscal year. The slightly higher rental payments shown in this statement compared with previous statements arise from the use of final 1951 census population figures which have now become available.



For the year 1952-53 we have prepared and balanced our accounts. We are budgeting for a surplus. None of this precludes the possibility of the Province entering into an agreement or agreements on tax matters. The door is wide open for discussion. In fact, discussions have been held and views have been exchanged on a variety of subjects. For the last five years we have been able to stand on our own feet without having hurt anyone, and we feel that we have helped not only ourselves, but everyone. Much has been learned. At the last Dominion-Provincial conference, convened on December 4, 1950, the Federal Minister of Finance quite generously acknowledged this when he said:

"I believe, too, that I should pay tribute to the general restraint and reasonableness shown by the two provinces which did not choose to enter into these tax agreements. In recent years, when financial demands have been extremely heavy, both provinces have in general pursued tax policies which, while conceived, of course, in the interest of the particular provinces, have not caused serious complications for the economy as a whole."

This is quite true. Each government has been able to pursue its policies unhampered by the others. Indeed, there has been a spirit of co-operation and appreciation of the problems of others on all sides which I do not think has been present for many years. This spirit of understanding, and the wealth of experience upon which it is based, will be of great benefit to us all in future dealings. That real success has attended negotiations between the governments of Canada and Ontario on fiscal, constitutional and other subjects is a matter of record. We have arrived at agreements on old age pensions, housing, the St. Lawrence Seaway and Power Development, the Niagara Treaty, the Trans-Canada Highway, conservation, and a great many other matters. There still remains much to be done. For instance, in the complicated subject of housing, we do not for a moment assert that what we have done is the last word. This difficult problem involves constant collaboration and action, and I am glad to say that a harmonious relationship exists to make this possible. In all matters of Dominion-Provincial relations, we as a Government are primarily responsible to the people of Ontario. It is our job to represent their interests. At the same time we are all Canadians, and we shall play our full part in promoting the general, sound, economic advancement of Canada.

I have said before—and this applies as well to taxation agreements as to anything else—that an agreement which is not good for all parties is not a good agreement. It must be fair and must protect the interests of all. It must be a Canadian approach, brought about by men of goodwill. The Federal offers have not been made in a take-it-or-leave-it attitude, and our position is similar. We are constantly looking for betterment and for advances which will be for the benefit of all our people.

In the past there has been a tendency in some respects to over-emphasize the benefits of certain types of revenue potential. In Ontario, we have a vast industrial concentration which has become more marked than ever in the last ten years, and it is increasing. We have received very large revenues from industry. That, however, does not make us a wealthy province. Industry has brought us enormous problems in Education, Welfare, Highways, Municipal Affairs, Conservation and, in fact, in every phase of government. Revenues are needed for these purposes. If the Province did not have them, it could not meet its commitments. In our case, these large revenue potentials have their counter-balance in an enormous growth of responsibility. All governments



have their own particular and peculiar problems, and it is the growing appreciation that we cannot be poured into the same mould that creates the spirit of understanding which has made possible such positive results in Dominion-Provincial relations as has been evidenced in these recent years. We have made progress, and we believe sound progress, and it will be our continuing policy to make further progress.

#### SPECIAL GRANTS AND PAYMENTS

Recent years have given rise to a number of special problems for our universities and our teaching hospitals which are an integral part of our universities. Our teaching hospitals play an important part in the training and education of students in medicine. For a number of years we have stressed the importance of these institutions. Without doctors and without science, the expansion of our health services would be impossible. Having met with special circumstances since my last Budget, we have made commitments to strengthen our teaching institutions.

During the year the Toronto General Hospital undertook to raise a large sum of money for renovation, modernization and expansion. The Hospital Board was successful in raising a sum in excess of \$16 million, and of this amount the Province agreed to pay \$3 million. The position of the Toronto General Hospital is, in many respects, unique. It is our largest teaching hospital, and accommodation for surgery and treatment has become congested beyond description. Its facilities and much of its equipment are outmoded. Surgical operations are being conducted under conditions which place a great strain upon the medical and nursing personnel concerned. We, therefore, decided to take action at once, and we pledged the above sum, and we believe it was an important factor in the success of the fund-raising campaign. We propose to pay this amount from this year's Budget.

As I have mentioned on previous occasions, the Wellesley Hospital is the site of the new Cancer Institute. The nursing facilities at that hospital were totally and completely inadequate, and as part of our project in cancer work we have undertaken the construction of a nurses' residence. For this purpose, \$424,000 was paid during the current year in the normal course, and the balance of \$1,200,000 we propose to ask the permission of the House to pay at once. The Cancer Institute, which will use the technical and nursing staffs of the hospital, cannot function unless there is adequate personnel.

We do not, however, desire to confine this special assistance to Toronto General Hospital, important as it is, and to the Wellesley Hospital with the Cancer Institute. We are cognizant that the other teaching hospitals throughout the Province also face difficulties which come from an expanding Ontario. The Government is, therefore, including in the expenditures for the present year an additional amount of \$1,550,000 for distribution among the other teaching hospitals of the Province as follows:



Ottawa General Hospital.....	\$ 250,000
Ottawa Civic Hospital.....	150,000
Kingston General Hospital.....	275,000
Kingston Hotel Dieu.....	125,000
Victoria Hospital, London.....	300,000
St. Joseph's Hospital, London.....	100,000
St. Michael's Hospital, Toronto.....	175,000
Western Hospital, Toronto.....	175,000
	<hr/>
	\$1,550,000
	<hr/>

This amount together with the \$3,000,000 payable to the Toronto General Hospital and the \$1,200,000 to the Wellesley Hospital makes a total of \$5,750,000 for the betterment of the teaching facilities and teaching hospitals of this Province.

We are not overlooking the general hospitals throughout the Province. In my Budget Address last year, I stated that the Government would pay the general hospitals before March 31, 1951, a special grant of \$1½ million towards the cost of indigent care, and I said that this assistance would be continued for another year and would be over and above all grants under existing bed assistance programs. It is, therefore, proposed to pay to all of our general hospitals the sum of \$1½ million before the 31st of this month to be applied against their maintenance costs.

We are not forgetting our universities. During this current fiscal year we have paid them \$5,700,000. This sum has been augmented by about \$2¼ million of Federal grants. All of the universities, however, are faced with capital expenditures, because of needed improvements and expansion. Our universities are not only the centres of things cultural, but they are also the main spring of scientific and health research which is fundamental to Ontario's progress and betterment. Accordingly, we propose to the House that special grants, totalling \$2,300,000, be given to our universities this year, distributed as follows:

University of Toronto.....	\$ 900,000
Queen's University.....	400,000
University of Western Ontario.....	400,000
University of Ottawa, Medical Faculty.....	250,000
McMaster University.....	250,000
Carleton College.....	100,000
	<hr/>
	\$ 2,300,000
	<hr/>

Including these grants for capital purposes, the Province's assistance to our universities for the current year will total \$8 million.

We are also placing to the credit of the Ontario Housing Corporation the sum of \$1 million, which will be used in connection with the Province's expanding housing operations. This amount will be supplemented, as I shall state in a few moments, by the provisions made for the next fiscal year.

In order to strengthen the Teachers' Superannuation Fund, we are requesting the approval of the House to pay the sum of \$1 million into this Fund.



It is my intention to introduce to the House at once supplementary estimates which will permit the payment of these sums before the close of the present fiscal year.

#### EXPENDITURE AND REVENUE

Including the above special grants and payments, the net ordinary expenditure before provision for sinking funds in the present year is estimated at \$266.9 million. In addition, provisions for sinking fund this year are made to the sum of \$25.3 million. This amount includes \$7,276,000 required to retire old debt and the sum of \$18,000,000 applied, in accordance with the policy which I have outlined, to capital indebtedness incurred during the year. This will make a total ordinary expenditure of \$292.2 million.

As a reflection of the high level of prices and economic activity in the Province, we are estimating our net ordinary revenue for the present fiscal year at \$293.1 million, resulting in a surplus on ordinary account of \$896,000.

With the permission of the House, I now table the Interim Statement of Ordinary Revenue for the Fiscal Year ended March 31, 1952, consisting of receipts for 10 months' actual and 2 months' forecast.



## INTERIM STATEMENT OF ORDINARY REVENUE

Fiscal Year April 1, 1951—March 31, 1952

10 Months' Actual—2 Months' Forecast—12 Months

DEPARTMENT	Gross Ordinary Revenue	Application of Revenue to Expenditure	Net Ordinary Revenue
AGRICULTURE.....	\$ 855,000.00	\$ .....	\$ 855,000.00
ATTORNEY-GENERAL.....	2,860,000.00	406,000.00	2,454,000.00
EDUCATION.....	1,561,000.00	185,000.00	1,376,000.00
HEALTH.....	2,879,000.00	21,000.00	2,858,000.00
HIGHWAYS:			
Main Office and Branch.....	30,000.00	.....	30,000.00
Gasoline Tax.....	71,000,000.00	.....	71,000,000.00
Motor Vehicles Branch.....	21,000,000.00	.....	21,000,000.00
	<u>\$ 92,030,000.00</u>	<u>\$ .....</u>	<u>\$ 92,030,000.00</u>
INSURANCE.....	\$ 344,000.00	\$ .....	\$ 344,000.00
LABOUR.....	283,000.00	10,000.00	273,000.00
LANDS AND FORESTS.....	13,899,000.00	.....	13,899,000.00
MINES.....	4,606,000.00	8,000.00	4,598,000.00
MUNICIPAL AFFAIRS.....	527,000.00	.....	527,000.00
PRIME MINISTER.....	90,000.00	.....	90,000.00
PROVINCIAL SECRETARY.....	819,000.00	.....	819,000.00
PROVINCIAL TREASURER:			
Main Office—Subsidy.....	3,641,000.00	.....	3,641,000.00
Interest.....	71,000.00	.....	71,000.00
Miscellaneous.....	6,000.00	.....	6,000.00
Liquor Control Board—Profits.....	42,000,000.00	.....	42,000,000.00
Liquor Control Board—Transfer Fees.....	570,000.00	.....	570,000.00
Savings Office—Refund of Expenses.....	535,000.00	535,000.00	.....
Provincial Share of Taxes collected from privately owned Corporations operat- ing Public Utilities.....	630,000.00	.....	630,000.00
Controller of Revenue Branch:			
Hospitals Tax.....	6,290,000.00	.....	6,290,000.00
Succession Duty.....	19,500,000.00	.....	19,500,000.00
Corporations Tax.....	90,000,000.00	.....	90,000,000.00
Race Tracks Tax.....	4,014,000.00	.....	4,014,000.00
Security Transfer Tax.....	1,668,000.00	.....	1,668,000.00
Land Transfer Tax.....	1,800,000.00	.....	1,800,000.00
Law Stamps.....	837,000.00	.....	837,000.00
Logging Tax.....	1,000,000.00	.....	1,000,000.00
Miscellaneous.....	8,000.00	.....	8,000.00
Motion Picture Censorship and Theatre Inspection Branch.....	270,000.00	.....	270,000.00
	<u>\$172,840,000.00</u>	<u>\$ 535,000.00</u>	<u>\$172,305,000.00</u>
PUBLIC WORKS.....	\$ 45,000.00	\$ 3,000.00	\$ 42,000.00
REFORM INSTITUTIONS.....	2,927,000.00	2,334,000.00	593,000.00
PUBLIC DEBT—Interest, Exchange, etc....	8,401,000.00	8,401,000.00	.....
	<u>\$304,966,000.00</u>	<u>\$11,903,000.00</u>	<u>\$293,063,000.00</u>



I also table the Interim Statement of Ordinary Expenditure for the same fiscal period.

### INTERIM STATEMENT OF ORDINARY EXPENDITURE

Fiscal Year April 1, 1951—March 31, 1952

10 Months' Actual—2 Months' Forecast—12 Months

DEPARTMENT	Gross Ordinary Expenditure	Application of Revenue to Expenditure	Net Ordinary Expenditure
AGRICULTURE.....	\$ 7,735,000.00	\$ .....	\$ 7,735,000.00
ATTORNEY-GENERAL.....	11,712,000.00	406,000.00	11,306,000.00
EDUCATION.....	67,888,000.00	185,000.00	67,703,000.00
HEALTH.....	44,980,000.00	21,000.00	44,959,000.00
HIGHWAYS.....	52,267,000.00	.....	52,267,000.00
INSURANCE.....	133,000.00	.....	133,000.00
LABOUR.....	1,246,000.00	10,000.00	1,236,000.00
LANDS AND FORESTS.....	10,725,000.00	.....	10,725,000.00
LIEUTENANT-GOVERNOR.....	18,000.00	.....	18,000.00
MINES.....	947,000.00	8,000.00	939,000.00
MUNICIPAL AFFAIRS.....	5,558,000.00	.....	5,558,000.00
PLANNING AND DEVELOPMENT.....	2,553,000.00	.....	2,553,000.00
PRIME MINISTER.....	259,000.00	.....	259,000.00
PROVINCIAL AUDITOR.....	228,000.00	.....	228,000.00
PROVINCIAL SECRETARY.....	1,204,000.00	.....	1,204,000.00
PROVINCIAL TREASURER.....	3,750,000.00	535,000.00	3,215,000.00
PUBLIC WELFARE.....	25,507,000.00	.....	25,507,000.00
PUBLIC WORKS.....	3,850,000.00	3,000.00	3,847,000.00
REFORM INSTITUTIONS.....	8,289,000.00	2,334,000.00	5,955,000.00
TRAVEL AND PUBLICITY.....	1,057,000.00	.....	1,057,000.00
STATIONERY ACCOUNT.....	30,000.00	.....	30,000.00
	<u>\$249,936,000.00</u>	<u>\$ 3,502,000.00</u>	<u>\$246,434,000.00</u>
PUBLIC DEBT—Interest, Exchange, etc....	28,858,000.00	8,401,000.00	\$ 20,457,000.00
	<u>\$278,794,000.00</u>	<u>\$11,903,000.00</u>	<u>\$266,891,000.00</u>
Sinking Fund Instalments.	25,276,000.00	.....	25,276,000.00
	<u>\$304,070,000.00</u>	<u>\$11,903,000.00</u>	<u>\$292,167,000.00</u>

I also table Summary of Ordinary Revenue and Ordinary Expenditure for the Fiscal Year April 1, 1951 to March 31, 1952. This summary shows an interim surplus, after provision for sinking fund, of \$896,000.

### SUMMARY

#### ORDINARY REVENUE AND ORDINARY EXPENDITURE

Fiscal Year April 1, 1951—March 31, 1952

10 Months' Actual—2 Months' Forecast—12 Months

Net Ordinary Revenue.....	\$293,063,000.00
Less: Net Ordinary Expenditure (before providing for Sinking Funds)....	266,891,000.00
Surplus (before providing for Sinking Funds).....	\$ 26,172,000.00
Less: Provision for Sinking Funds.....	25,276,000.00
Interim Surplus.....	<u>\$ 896,000.00</u>



## SURPLUS ACCOUNT

An explanation of some length has already been given concerning the policy which we have followed since 1944 in relation to our surplus position. This year, in addition to paying all of the costs of our operations on ordinary account, we have applied \$7,276,000 on old debt and \$18,000,000 against capital expenditure during the year. To this is added a surplus of \$896,000, making an application of \$26,172,000 on old debt and new capital investment for this year. If we had not followed the policy which I have outlined, the Province would now owe \$214.8 million more debt than we have at the present time, involving an additional interest cost, calculated at  $3\frac{3}{4}$  per cent, of \$8 million annually.

A statement of Surplus on Ordinary Account for the past three years and an estimate for the current year follows:

## SUMMARY OF SURPLUS ON ORDINARY ACCOUNT

Fiscal Year Ending March 31

	1949 \$	1950 \$	1951 \$	Interim Estimated 1952 \$
Net Ordinary Revenue.....	215,469,613.61	228,550,022.27	265,272,106.50	293,063,000
Less: Net Ordinary Expenditure (before provision for Sinking Funds).....	190,706,361.37	199,271,373.67	228,090,424.26	266,891,000
Surplus (before provision for Sinking Funds).....	24,763,252.24	29,278,648.60	37,181,682.24	26,172,000
Less: Provision for Sinking Funds.....	15,550,000.00	20,622,000.00	21,698,000.00	25,276,000
Balance carried to Surplus Account.....	9,213,252.24	8,656,648.60	15,483,682.24	896,000

I also table an Interim Statement of Capital Receipts and a Statement of Capital Payments for the Fiscal Year April 1, 1951 to March 31, 1952.

## INTERIM STATEMENT OF CAPITAL RECEIPTS

Fiscal Year April 1, 1951—March 31, 1952

10 Months' Actual—2 Months' Forecast—12 Months

DEPARTMENT	Gross Capital Receipts	Application of Receipts to Payments	Net Capital Receipts
HIGHWAYS.....	\$ 805,000.00	\$ .....	\$ 805,000.00
LABOUR.....	8,002,000.00	.....	8,002,000.00
LANDS AND FORESTS.....	2,577,000.00	.....	2,577,000.00
MINES.....	85,000.00	.....	85,000.00
PROVINCIAL SECRETARY.....	4,136,000.00	.....	4,136,000.00
PROVINCIAL TREASURER.....	43,469,000.00	.....	43,469,000.00
PUBLIC WELFARE.....	25,750,000.00	25,750,000.00	.....
PUBLIC WORKS.....	11,000.00	.....	11,000.00
	<u>\$84,835,000.00</u>	<u>\$25,750,000.00</u>	<u>\$59,085,000.00</u>



## INTERIM STATEMENT OF CAPITAL PAYMENTS

Fiscal Year April 1, 1951—March 31, 1952

10 Months' Actual—2 Months' Forecast—12 Months

DEPARTMENT	Gross Capital Payments	Application of Receipts to Payments	Net Capital Payments
AGRICULTURE.....	\$ 10,315,000.00	\$ .....	\$ 10,315,000.00
HEALTH.....	73,000.00	.....	73,000.00
HIGHWAYS.....	51,900,000.00	.....	51,900,000.00
LABOUR.....	7,000,000.00	.....	7,000,000.00
LANDS AND FORESTS.....	2,200,000.00	.....	2,200,000.00
MINES.....	150,000.00	.....	150,000.00
PROVINCIAL SECRETARY.....	1,750,000.00	.....	1,750,000.00
PROVINCIAL TREASURER.....	100,765,000.00	.....	100,765,000.00
PUBLIC WELFARE.....	25,750,000.00	25,750,000.00	.....
PUBLIC WORKS.....	11,950,000.00	.....	11,950,000.00
MISCELLANEOUS.....	50,000.00	.....	50,000.00
	<u>\$211,903,000.00</u>	<u>\$25,750,000.00</u>	<u>\$186,153,000.00</u>

I now table the statements of Gross Debt, Net Debt, Funded Debt and the Indirect Debt.



## PROVINCE OF ONTARIO

## DETAIL SUMMARY ACCOUNTING FOR ESTIMATED INCREASE IN GROSS DEBT

For the Fiscal Year to End on March 31, 1952

Estimated Gross Debt as at March 31, 1952.....	\$834,066,326.91
Gross Debt as at March 31, 1951.....	697,963,424.22

Estimated Increase for the fiscal year to end on March 31, 1952.....	<u>\$136,102,902.69</u>
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## GROSS DEBT INCREASED BY:

## Capital Disbursements—

Disbursements on Highways, Public Buildings, Works, etc.....	\$ 75,308,000.00
Less—Capital Receipts.....	2,716,000.00

\$ 72,592,000.00

Discount on Debentures and Treasury Bills issued during year.....	846,931.36
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## Increase in Loans Receivable—

The Hydro-Electric Power Commis- sion of Ontario.....	\$100,000,000.00
Tile Drainage.....	373,000.00
Co-operative Marketing Loans.....	280,000.00

100,653,000.00

Increase in the Ontario Municipal Improvement Corpora- tion—Investments.....	9,171,924.81
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Increase in Income Liabilities.....	1,181,439.06
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\$184,445,295.23

## GROSS DEBT DECREASED BY:

Sinking Fund Instalments charged to Ordinary Expen- diture.....	\$ 25,276,000.00
Estimated Surplus on Ordinary Account.....	896,000.00

\$ 26,172,000.00

Discount on Debentures and Treasury Bills, written off..	620,000.00
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## Repayments of Loans Receivable—

The Hydro-Electric Power Commis- sion of Ontario.....	\$ 1,732,000.00
Agricultural Development Finance Act Investments.....	1,604,600.00
Consolidated Revenue Fund In- vestments.....	10,000,000.00
Miscellaneous.....	469,200.00

13,805,800.00

Decrease in the Housing Corporation Limited Investments	1,560,572.20
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Decrease in Cash on Hand and in Banks.....	5,962,931.36
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Increase in Reserves (Net).....	221,088.98
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48,342,392.54

Estimated Increase for the fiscal year to end on March 31, 1952.....	<u>\$136,102,902.69</u>
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PROVINCE OF ONTARIO  
ESTIMATED INCREASE IN THE NET DEBT  
As at March 31, 1952

Estimated as at March 31, 1952:

Estimated Gross Debt.....	\$834,066,326.91
Less—Estimated Revenue Producing and Realizable Assets.....	264,808,681.09
Estimated Net Debt.....	<u>\$569,257,645.82</u>

As at March 31, 1951:

Gross Debt.....	\$697,963,424.22
Less—Revenue Producing and Realizable Assets.....	176,413,259.84
Net Debt.....	<u>\$521,550,164.38</u>

Estimated Increase in Net Debt.....	<u><u>\$ 47,707,481.44</u></u>
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THE FUNDED DEBT OF ONTARIO  
DETAIL SUMMARY OF ESTIMATED CHANGES

For the Fiscal Year to End on March 31, 1952

As at March 31, 1951 (after deducting Sinking Funds).....	\$582,717,500.00
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ADD—Sale of Debentures:

BU	3¼% due May 15, 1971.....	\$50,000,000.00	
BV	3¼% due September 1, 1972.....	50,000,000.00	
BW	4% due December 15, 1961.....	50,000,000.00	
TI	4½% due November 1, 1952.....	6,500,000.00	
		<u>156,500,000.00</u>	
			<u>\$739,217,500.00</u>

LESS—Redemptions:

AL	4% due May 15, 1951.....	\$ 773,000.00
AP	4½% due May 15, 1951.....	720,000.00
AS	4% due June 1, 1951.....	665,000.00
RT	3% due June 15, 1951.....	3,227,000.00
BM	1⅝% due July 15, 1951.....	500,000.00
RZ	2½% due August 1, 1951.....	1,000,000.00
RS	3% due November 1, 1951.....	850,000.00
AK	4½% due November 1, 1951.....	800,000.00
AH	4½% due December 1, 1951.....	684,000.00
RA	3% due December 1, 1951.....	16,948,000.00
RAD	2⅛% due December 15, 1951.....	2,000,000.00
TFB	3⅛% due January 1, 1952.....	1,200,000.00
AJ	4½% due January 15, 1952.....	800,000.00
AR	4½% due January 15, 1952.....	626,000.00
RB	3% due January 15, 1952.....	990,000.00
BN	1⅝% due January 15, 1952.....	1,500,000.00
CF	2¾% due January 15, 1955.....	50,000.00
		<u>\$33,333,000.00</u>
	Increase in Sinking Fund Investments—Current Year.	<u>25,276,000.00</u>

58,609,000.00

Estimated as at March 31, 1952 (after deducting Sinking Funds).....	<u><u>\$680,608,500.00</u></u>
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SUMMARY

New Issues.....	\$156,500,000.00
Less—Redemptions and Increase in Sinking Funds.....	58,609,000.00
Net Increase in Funded Debt.....	<u><u>\$ 97,891,000.00</u></u>



## PROVINCE OF ONTARIO

## CONTINGENT LIABILITIES, BONDS, ETC., GUARANTEED BY THE PROVINCE

Estimated as at March 31, 1952

Total as per Public Accounts, March 31, 1951..... \$496,856,710.98

ADD—New Guarantees or Increases for the Fiscal Year to end  
on March 31, 1952—

Power Commission.....	\$80,000,000.00	
Park Commissions.....	2,500,000.00	
Railways.....	1,000,000.00	
Co-operative Associations.....	197,750.00	
		<u>83,697,750.00</u>
		\$580,554,460.98

LESS—Principal Maturities redeemed or to be redeemed,  
including redemptions prior to maturity, during the Fiscal  
Year to end on March 31, 1952—

Power Commission.....	\$ 2,799,000.00	
Park Commissions.....	2,600,600.00	
Railways.....	678,000.00	
Schools.....	94,289.21	
Universities.....	23,794.65	
Ontario Stock Yards Board.....	35,000.00	
Municipalities.....	2,709.18	
Ontario Food Terminal Board.....	537.99	
		<u>6,233,931.03</u>
		\$574,320,529.95

LESS—Sinking Fund Deposits for the Fiscal Year to end on March 31, 1952.... 871.19

Estimated Contingent Liability of the Province as at March 31, 1952..... \$574,319,658.76

## SUMMARY

Estimated Contingent Liability of the Province as at March 31, 1952.....	\$574,319,658.76
Contingent Liability of the Province as at March 31, 1951....	496,856,710.98
Estimated Increase.....	<u><u>\$ 77,462,947.78</u></u>



## WAYS AND MEANS

In laying plans for the fiscal year commencing April 1, 1952, we are keeping in mind the demands for rearmament with which our nation is charged, and also the necessity of all governments doing their part to control the inflationary tendencies which can have such a detrimental effect on our economy. We are not including any projects which we do not consider vitally necessary for the times in which we live. We must not only keep the matters which I have mentioned constantly in mind but we must also consider that we are in an ever-progressing and expanding economy, and it is our desire to provide for greater opportunities for our citizens and at the same time keep our financial position strong.

In past years in the Budget, a very considerable review has been given of the various departments of Government. This is not being done this year, owing to the fact that each of the Ministers will be giving a comprehensive review of the department over which he presides. Additionally, appended to this Budget, are a number of statements relative to the financial position of the Province, which may be perused by the Members of the House and others who are interested and concerned. This section will, therefore, be confined to an outline of some expanding projects in which the Province is, or will be, engaged.

## THE MUNICIPAL POSITION

This important subject has been quite extensively mentioned in each budget presentation for the last eight years, and quite rightly so. Since 1943 we have emphasized the municipal position, and we are again providing increased assistance for the year 1952-53. Grants for primary and secondary schools are being increased by \$6.6 million, which is nearly the amount of all grants for education in 1943. Our educational grants in 1952 will total \$55.4 million. The increases in grants in education may be seen from the fact that in 1950 the amount was \$43.6 million, in 1951, \$48.8 million and this year \$55.4 million.

In 1951-52, our grants to municipalities, covering a wide range of subjects, total approximately \$100 million, in place of \$18 million in 1943. In 1952-53, there will be a further increase of \$19 million. This increase is as much as we paid for everything in 1943. The total grants to municipalities for the coming fiscal year will be \$118.6 million; in other words, an increase of \$100 million in the last nine years. Grants in aid to municipalities now represent about one-third of the ordinary and capital budget of this Province and form a major portion of the increase in our expenditures.

During the past year, two Municipal Committees have been set up, one of them in relation to mining municipalities and the other with very broad powers of enquiry into the whole municipal financial position. In this latter Committee, which has an immense task, considerable progress has been made. This work, however, will cover a long period of time. The Mining Committee has completed its work and we are taking steps in this Budget to deal with the matter of mining taxation in relation to our mining municipalities.

As has been stated on various occasions during the past year, I feel that emphasis should be placed upon grants which are not allotted to any particular service, and indeed many of the present grants might be revised on that basis



with a view to giving to our municipalities more complete autonomy within their field. It is quite true, nonetheless, that unconditional grants have a tendency to encourage expenditures in a way that does not apply to grants which are conditional.

#### ASSISTANCE TO MINING MUNICIPALITIES

The Government is proposing both a change in the method of providing aid to Northern Ontario mining municipalities and an increase in the amount of assistance.

Since the commencement of mining in the North, mining municipalities have derived their tax revenues from participation in the tax receipts of the Province on mining operations, which since 1943 have been supplemented by grants in aid. Under The Mining Tax Act, mining municipalities were entitled to a prescribed share of the taxes collected by the Province on mining royalties. This method has become out-moded. For instance, a mine within the municipality may employ a large number of men and carry on a considerable operation and yet have no profits and, therefore, pay no taxes to the municipality. On the other hand, a mine may be in an organized territory and have large profits and its employees reside within a municipality which would not be entitled to any taxes.

A new formula is being introduced, which includes several factors—residence of the miners, profits of any mine within the municipal limits, the actual tax rate of the municipality and assumed assessment figures for the homes of miners. The new formula will do justice to the municipalities which are providing the services to the employees.

During this present fiscal year, \$435,000 was paid to the mining municipalities under the provisions of The Assessment Act. This was supplemented by grants in aid to the extent of \$384,000, making a total of \$819,000. Under the new formula, the mining municipalities will receive \$1,300,000, an increase of approximately \$480,000. Provision has been made that no municipality will receive less revenue than under the old system. The municipalities, including the Town of Timmins, the Township of Teck which includes Kirkland Lake, and the City of Sudbury, will generally receive very considerably more than formerly.

This is the first revision of methods of taxation and financing since the present provisions in The Assessment Act were devised nearly fifty years ago. It is a practical and realistic solution to the municipal mining tax problem which has been outstanding for many years.

#### PAYMENT TO MUNICIPALITIES ON TAX EXEMPT PROVINCIAL PROPERTIES

The Government and the Hydro-Electric Power Commission of Ontario will make payments to municipalities on business properties located within their boundaries in accordance with the taxes levied for general purposes, including local improvements, in the municipalities. The assessment of properties will be made by the Department of Municipal Affairs. The valuation for assessment purposes will in each case be on the same basis as other property



liable for local taxation within the municipality. The municipality will have the right to appeal the assessment before the Ontario Municipal Board.

This provision for payment of taxes will not extend to Crown and forest lands or to educational institutions, hospital or charitable institutions, parks or fish hatcheries, except for local improvements in certain cases, but will extend to Government administrative offices and business establishments such as the Ontario Northland Railway, the Ontario Stock Yards, the Ontario Food Terminal, the Liquor Control Board Stores and buildings, the Provincial Savings Offices, and the like. With Hydro, it will include all similar business offices and establishments, but not plants and transmission lines. Section 41 of The Assessment Act will be amended to provide for the payment of taxes by local utilities on lands and buildings.

The amount of \$2 million is being placed in the estimates to pay Provincial taxes and it is estimated that a further \$2 million will be paid by the Hydro-Electric Power Commission and the Municipal Commissions.

#### HOUSING

Legislation on housing has already been introduced in this House. It involves a many-sided approach to this problem and extends and strengthens plans now in effect. I earlier made reference to housing construction within this Province. Conditions here are in most cases not comparable with those existing in other provinces. It may be said, however, that this Province from an over-all standpoint has made more progress than have the others.

We have urged the Federal Government to ease the restrictions in connection with private building under national housing. Facilitating private building is, in our belief, the method of getting the greatest number of units constructed. All other Government participations are auxiliary to the efforts of the people themselves. This Government has urged that the down payment should be reduced and that materials should be allotted in cases of shortage to the average type of house.

As Members of this House know, in 1948 the Government entered into what is known as the Second Mortgage Plan which had the effect of reducing the down payment. 14,919 loans were made under this plan, involving the advance of \$16.9 million. These loans have been highly successful. 1,509 have been fully repaid and \$4½ million has been paid from the amounts advanced by the Province. The Second Mortgage Plan was a conspicuous success—so much so that two years ago the Federal Government decided to incorporate the principle of Ontario's second mortgage loan into The National Housing Act by making an additional one-sixth loan. Under the agreement, the Province retired from the field as of December 31, 1949. About a year later, the Federal Government announced that, as part of its efforts to control inflation, the one-sixth additional advance would be discontinued. We are dissenting strongly from this course. On the other hand, we recognize that the fiscal and economic policies to combat inflation are a Federal responsibility.

During the autumn of 1951, the Federal Government restored in some cases the additional advance, but still in a major portion of the field the plan remains suspended. We have felt that this suspension was a mistake and have continued to urge that the one-sixth loan should be reinstated. It must be borne in mind



by Members of the House that credit, interest rates and control of materials are Federal matters. No province can hope to operate successfully in this field, particularly with continually changing conditions. Some suggestion has been made that the Province itself should re-enter this field. I have already reviewed the effects of the changes of Federal Government policy on interest rates and on credit. Present conditions are so entirely different from 1948 when the Province was able to operate in the second mortgage field for about a year and a half, that it would be completely unfeasible to re-enter it.

In addition, there is this important feature. The Federal Government, in its wisdom, has taken steps which are within its jurisdiction to control inflation. For the Province to enter the field in direct opposition to the plans of the Federal Government would, I am quite sure, be regarded as being contrary to the national effort. We maintain that in this regard the decision and the responsibility must be with the Federal Government and, while we may disagree, we shall abide by their decision, with the hope that they at an early date will reverse it and will make not only the one-sixth advances again available, but will also take steps, similar to those for defence projects, to give priorities for materials to housing developments, private or public.

By what I have said, I do not desire it to appear that the Federal Government has been unmindful of our problems. As a matter of fact, the Minister, the Honourable Mr. Winters, and his staff have been co-operative in every way. We can readily acknowledge that only matters of high policy would have influenced their decision in connection with the one-sixth mortgage advances. Despite this, in every field we have worked closely together and we can see that with an understanding approach to this complicated problem very real advances will be made.

Our plans for providing serviced land for housing purposes are meeting with real success. In co-operation with the municipalities, many projects have already been carried out across the Province, and we are sure that these plans will be greatly extended.

May I commend the Federal Government for their participation in the rental housing plan which was started as a pilot plan last June for 5,000 units, with provision to expand it to 25,000 units. As will readily be understood, this plan requires a close partnership with the municipalities and, as was intimated by one of the Members of this House a few days ago, instantaneous results cannot be produced. Every municipality has its problems concerning location, services and other things. Furthermore, this type of housing is new to our people, as well as to ourselves and to the municipalities. Authorities have to be set up. Experience has to be gained. But this plan will prove a very useful auxiliary in providing houses for that segment of our population which is interested in rental units. Already rental projects have been started in St. Thomas, Windsor, Hamilton, Fort William and Prescott, with combinations of land assembly and rental in Brockville, Guelph and Trenton. Negotiations are also under way with North Bay, Peterborough, Port Arthur, Stratford, Sault Ste. Marie and a number of other places.

Reference has already been made in this House to our many-sided approach to this complicated and involved problem and the conditions affecting housing which vary greatly across this great Province. This approach, as has been said, covers the following phases:—



1. Extension and simplification of the land assembly plans.
2. Introduction of the principle of taxes geared to rentals, which can be used as an alternative or in combination with any municipal participation.
3. Broad powers to expropriate.
4. Powers to acquire lands within municipalities for redevelopment in deteriorated areas.
5. Industrial participation.
6. Rural housing.
7. Establishment of young farmers on the land, which is in part a housing problem.
8. A Crown corporation, which will in itself be a loaning institution within the provisions of The National Housing Act, to operate in rural areas.

All of these points are the subject of discussion with the Federal Government which is our partner in the problem. The purpose of both Governments is to assist individuals and municipalities to reduce burdens and to cut red tape.

In this Budget, upwards of \$10 million is being directly placed in the estimates to further these projects. When it is considered that many of these projects are in partnership with the Federal Government, which is the partner to the extent of 75 per cent, it will be seen that this can involve an expenditure of more than \$40 million next year—if such a vast sum can be expended in view of the many involvements, including availability of land, shortages of labour and material and the requirements of private industry in house and other construction work. The \$10 million, however, is not all. There is the extension of Provincial credit for these various housing purposes through the Ontario Housing Corporation and the corporations which will be formed to take the place of the loaning institutions for farm housing and to carry out the provisions of the Ontario Junior Farmer Establishment Act, 1952.

By all of these provisions, we are confident that we shall encourage modern housing in this Province on a wide scale, and that progress will be made in a sound, practical way, which will be well within the capacity of our people to sustain.

#### ESTABLISHMENT LOANS TO YOUNG FARMERS

While I have already referred to loans to young farmers, I should like to elaborate a little further on this important matter. Everyone recognizes that a prosperous and expanding agricultural Ontario is essential to the high standards of health and living of our people wherever they may be. Our farm work force has been declining, but production has been maintained largely because of the spectacular extensions of rural power to our people. Rural power is, after all, the finest hired hand. Great steps have been taken to provide for more attractive rural life through the extension of rural power, improved highways, snow-ploughed roads, better opportunities for education—equality of opportunity is now a reality—and the extension of all the other benefits to better living obtained through community halls, rural programs, rinks and things of that sort.

Nevertheless, one of our primary objects must be to keep our young people on the farms. The Ontario provision to make loans to junior farmers in no way duplicates the loans made by the Federal Government under their two Acts—The Canadian Farm Loan Act and the Farm Improvement Loans Act. These



Federal acts are designed to serve the needs of established farmers. The loans and assistance we propose to make will be for the purpose of establishing young farmers. The Junior Farmer Establishment Loan Corporation will make loans to qualified young farmers who desire to enter farming as a full-time occupation. The loans may be made to young farmers of age 21 to 35, up to 80 per cent of the value of the farm assets and to a maximum of \$15,000. As I have said before, we are placing the credit of the Province behind this project and, while we are putting in the estimates \$1 million to give effect to the purposes of this Act, it is with the intention of increasing this amount as we are required to do. Again, in the first year of the Act, an organization has to be set up. We are confident, however, that this Act will make a real contribution to maintaining our rural population and not only encourage, but definitely make it possible for young people to take up the great business of agriculture as their lifetime work.

#### CONSERVATION

The conservation and development of our natural resources of forest, mine, soil and water are of the greatest importance. During the year ending the 31st of this month, increasing emphasis has been placed on this phase of our responsibilities, and we shall have expended over \$13 million. Conservation projects are carried on by a number of departments, including Lands and Forests, Public Works, Agriculture, Highways, Mines, Education and Planning and Development, integrated by a Departmental Committee and now by the Minister of Public Works. The work is on a very extended front. It includes reforestation, forest management, insect control, soil conservation, flood control, exploratory work concerning water tables, drainage, the propagation of game and fish and the protection thereof, the work of the Ontario Research Council and many other phases.

Two more conservation authorities have been established on the Upper Holland and Middle Maitland rivers, bringing the total of such authorities to fifteen. Field assistance has been given to all authorities during the year and in four of the authorities—the Upper Thames, Ausable, Etobicoke-Mimico and Grand—financial assistance in the sum of \$957,500 has been granted. In addition, smaller grants have been given for engineering and general conservation purposes. Reforestation has been undertaken in three of the authorities. During the coming year, additional payments of \$1,404,000 will be made to the Ausable, Thames, Grand and Etobicoke authorities for flood control schemes. Additional surveys are planned in several areas.

While community planning covers a wider field than conservation, nevertheless, it is a factor. Sixteen new Planning Boards have been established, raising the total authorities in the Province to 123, covering all or part of 207 municipalities. Every effort is being made to encourage planning and to secure the development of communities along sound and modern lines.

In the problem of conservation, the Ontario Research Council has been of great value. Conservation and development of natural resources are in the forefront of the work of this Council. In conjunction with the Ontario Research Foundation, industrial researches are under way to give to the development of our natural resources every advantage of science. Controlled density of iron is a case in point. This year the Council awarded from 70 to 80 scholarships to research students, and it is also assisting research in universities and other fields.



Science and research will make a great contribution to the conservation and sound development of our natural resources.

During the coming year, expenditures which are attributable directly to conservation will amount to nearly \$16 million, and many millions of dollars more of expenditures indirectly affecting conservation will be made.

The problem of the Great Lakes water levels and erosion on the Great Lakes shores has been a matter of grave concern to this Government. The Province has no control of Great Lakes water levels which are an international problem involving the governments of Canada and the United States. Erosion control should properly be a problem for those governments. We, however, are urging a joint conference of representatives of the governments of Canada and the United States with our Province and those interested municipalities, in order that a survey of the whole matter be made concerning steps to control the Great Lakes water levels to prevent the damage which is taking place on our shores.

#### NO NEW TAXES

I am pleased to make the following announcements regarding taxes for the ensuing year:

There will be no new taxes.

There will be no increase in the rates of present taxes.

There will be slight reductions in some tax rates achieved through an adjustment of depreciation rates for corporations, a lowering of the rates of Race Tracks Tax and some other minor changes.

#### Corporation Tax

Depreciation allowances under the income tax sections of our Corporations Tax Act are being revised to conform to the depreciation provisions of the Federal Income Tax Act.

#### Race Tracks Tax

The rate of pari-mutuel tax is being reduced by the amount of 2 per cent in each bracket, thus reducing the combined Provincial tax and the proportion retained by each track to 17 per cent, instead of the 19 per cent that prevailed last year. This is being done to curb illegal betting.

During the 1951 racing season, this tax added to the percentage of the amount wagered to which each track is entitled under the Criminal Code, made a total withdrawal from the amount staked or deposited on each race as follows:

Total Amount Staked or Deposited on Each Race	Provincial Tax Percentage	Percentage Retained by Race Track	Total
On the first \$20,000 or part thereof.....	10%	9%	19%
On the next \$10,000 or part thereof.....	11%	8%	19%
On the next \$10,000 or part thereof.....	12%	7%	19%
On the next \$10,000 or part thereof.....	13%	6%	19%
In excess of \$50,000.....	14%	5%	19%



For the 1952 racing season, the Government's percentage has been reduced by the amount of 2%. The tax will, therefore, be:

Total Amount Staked or Deposited on Each Race	Provincial Tax Percentage	Percentage Retained by Each Track	Total
On the first \$20,000 or part thereof.....	8%	9%	17%
On the next \$10,000 or part thereof.....	9%	8%	17%
On the next \$10,000 or part thereof.....	10%	7%	17%
On the next \$10,000 or part thereof.....	11%	6%	17%
In excess of \$50,000.....	12%	5%	17%

#### FORECAST OF REVENUE AND EXPENDITURE

We are estimating the net ordinary revenue of the Government for the fiscal year 1952-53 at \$291.1 million and the net ordinary expenditure before provision for sinking funds at \$281.6 million. We are providing for sinking fund \$9.4 million, leaving us with an estimated surplus of \$88,000.

We are budgeting for a revenue of \$89 million from corporation taxes. This item, of course, depends upon corporation profits, and we are budgeting intentionally at a safe level. The amount may exceed this. If it does, it is our intention in accordance with our 1944 policy, to apply this excess, and indeed any other additional excess of revenue, to the reduction of capital expenditures made during the year. We are budgeting for a revenue of \$36 million from Liquor Control Board profits, \$75 million from gasoline tax, and \$21.0 million from motor vehicle licences.

The largest items on the expenditure side are education, \$72.1 million, which is \$9.0 million higher than the appropriation last year; highways, \$54 million on ordinary account and \$46 million on capital, or a total of \$100 million, \$5.8 million more than the amount appropriated in the last Budget; health, \$42.9 million; and welfare, \$25.8 million. The estimates include capital expenditures of \$19.5 million for public works and \$11.0 million for rural power extensions.

While we are budgeting for revenues of \$291.1 million, I should again like to stress that there are many uncertainties ahead. We think that our estimates have been predicated, as always, on safe grounds. Federal policies, of course, may affect these. Any new taxation in fields occupied by the Province, or the further tightening of commodity restrictions and credit restraints could have very far-reaching effects. Last year in the Legislature, I referred to the chaotic effects produced by the Federal increases in excise duties and taxes on spirits and beer in the autumn of 1950. I again state that, in arriving at a fair division of tax fields, the Federal Government should give to the provinces the whole field of taxation on alcoholic beverages. The provinces are confronted with the responsibility of administration, control, enforcement and, in fact, everything else connected with this great problem. The Federal Government, as I indicated last year, is deriving very much more in taxation from this source than are the provinces. I suggest again that the Federal Government would do well, in agreement with the provinces, to vacate this field by progressive steps and leave it exclusively with the provinces which have to deal with the whole problem.



## BUDGET FORECAST FOR FISCAL YEAR 1952-53

With your permission I now place on the records of the House the budget forecast of Ordinary Revenue, Ordinary Expenditure, Summary, Capital Receipts and Capital Payments for the fiscal year April 1st, 1952 to March 31st, 1953 and I forecast a surplus of \$88,000.

## BUDGET FORECAST OF ORDINARY REVENUE

Fiscal Year April 1, 1952—March 31, 1953

DEPARTMENT	Gross Ordinary Revenue	Application of Revenue to Expenditure	Net Ordinary Revenue
AGRICULTURE.....	\$ 815,000.00	\$ .....	\$ 815,000.00
ATTORNEY-GENERAL.....	2,998,000.00	499,000.00	2,499,000.00
EDUCATION.....	1,980,000.00	275,000.00	1,705,000.00
HEALTH.....	4,831,000.00	520,000.00	4,311,000.00
HIGHWAYS:			
Main Office and Branch.....	30,000.00	.....	30,000.00
Gasoline Tax Branch.....	75,000,000.00	.....	75,000,000.00
Motor Vehicles Branch.....	21,000,000.00	.....	21,000,000.00
	<u>\$ 96,030,000.00</u>	<u>\$ .....</u>	<u>\$ 96,030,000.00</u>
INSURANCE.....	\$ 311,000.00	\$ .....	\$ 311,000.00
LABOUR.....	258,000.00	12,000.00	246,000.00
LANDS AND FORESTS.....	18,175,000.00	.....	18,175,000.00
MINES.....	4,582,000.00	8,000.00	4,574,000.00
MUNICIPAL AFFAIRS.....	435,000.00	.....	435,000.00
PRIME MINISTER.....	70,000.00	.....	70,000.00
PROVINCIAL SECRETARY.....	655,000.00	.....	655,000.00
PROVINCIAL TREASURER:			
Main Office—Subsidy.....	3,641,000.00	.....	3,641,000.00
Interest.....	71,000.00	.....	71,000.00
Liquor Control Board—Profits.....	36,000,000.00	.....	36,000,000.00
Transfer Fees....	600,000.00	.....	600,000.00
Province of Ontario Savings Office.....	580,000.00	580,000.00	
Provincial Share of Taxes collected from privately owned Corporations operat- ing Public Utilities.....	670,000.00	.....	670,000.00
Controller of Revenue:			
Hospitals Tax.....	6,000,000.00	.....	6,000,000.00
Succession Duty.....	16,000,000.00	.....	16,000,000.00
Corporations Tax.....	89,000,000.00	.....	89,000,000.00
Race Tracks Tax.....	4,000,000.00	.....	4,000,000.00
Security Transfer Tax.....	1,200,000.00	.....	1,200,000.00
Land Transfer Tax.....	1,800,000.00	.....	1,800,000.00
Law Stamps.....	800,000.00	.....	800,000.00
Logging Tax.....	500,000.00	.....	500,000.00
Motion Picture Censorship and Theatre Inspection Branch.....	262,000.00	.....	262,000.00
	<u>\$161,124,000.00</u>	<u>\$ 580,000.00</u>	<u>\$160,544,000.00</u>
PUBLIC WORKS.....	\$ 40,000.00	\$ 3,000.00	\$ 37,000.00
REFORM INSTITUTIONS.....	3,066,000.00	2,500,000.00	566,000.00
MISCELLANEOUS.....	100,000.00	.....	100,000.00
	<u>\$295,470,000.00</u>	<u>\$ 4,397,000.00</u>	<u>\$291,073,000.00</u>
PUBLIC DEBT—Interest, Exchange, etc....	8,826,000.00	8,826,000.00	.....
	<u>\$304,296,000.00</u>	<u>\$13,223,000.00</u>	<u>\$291,073,000.00</u>



## BUDGET FORECAST OF ORDINARY EXPENDITURE

Fiscal Year April 1, 1952—March 31, 1953

DEPARTMENT	Gross Ordinary Expenditure	Application of Revenue to Expenditure	Net Ordinary Expenditure
AGRICULTURE.....	\$ 8,592,000.00	\$ .....	\$ 8,592,000.00
ATTORNEY-GENERAL.....	10,699,000.00	499,000.00	10,200,000.00
EDUCATION.....	72,418,000.00	275,000.00	72,143,000.00
HEALTH.....	43,441,000.00	520,000.00	42,921,000.00
HIGHWAYS.....	54,000,000.00	.....	54,000,000.00
INSURANCE.....	145,000.00	.....	145,000.00
LABOUR.....	1,486,000.00	12,000.00	1,474,000.00
LANDS AND FORESTS.....	12,500,000.00	.....	12,500,000.00
LIEUTENANT-GOVERNOR.....	20,000.00	.....	20,000.00
MINES.....	1,058,000.00	8,000.00	1,050,000.00
MUNICIPAL AFFAIRS.....	9,293,000.00	.....	9,293,000.00
PLANNING AND DEVELOPMENT.....	1,850,000.00	.....	1,850,000.00
PRIME MINISTER.....	282,000.00	.....	282,000.00
PROVINCIAL AUDITOR.....	248,000.00	.....	248,000.00
PROVINCIAL SECRETARY.....	1,414,000.00	.....	1,414,000.00
PROVINCIAL TREASURER.....	5,118,000.00	580,000.00	4,538,000.00
PUBLIC WELFARE.....	25,842,000.00	.....	25,842,000.00
PUBLIC WORKS.....	4,660,000.00	3,000.00	4,657,000.00
REFORM INSTITUTIONS.....	8,355,000.00	2,500,000.00	5,855,000.00
TRAVEL AND PUBLICITY.....	1,495,000.00	.....	1,495,000.00
MISCELLANEOUS.....	100,000.00	.....	100,000.00
	<u>\$263,016,000.00</u>	<u>\$ 4,397,000.00</u>	<u>\$258,619,000.00</u>
PUBLIC DEBT—Interest, Exchange, etc....	31,833,000.00	8,826,000.00	23,007,000.00
	<u>\$294,849,000.00</u>	<u>\$13,223,000.00</u>	<u>\$281,626,000.00</u>
PUBLIC DEBT—Sinking Fund Instalments.	9,359,000.00	.....	9,359,000.00
	<u>\$304,208,000.00</u>	<u>\$13,223,000.00</u>	<u>\$290,985,000.00</u>

## SUMMARY

## BUDGET FORECAST

Fiscal Year April 1, 1952—March 31, 1953

Net Ordinary Revenue.....	\$291,073,000.00
Less: Net Ordinary Expenditure (before providing for Sinking Funds)....	281,626,000.00
Surplus (before providing for Sinking Funds).....	\$ 9,447,000.00
Less: Provision for Sinking Funds.....	9,359,000.00
Surplus Forecast.....	<u>\$ 88,000.00</u>



## BUDGET FORECAST OF CAPITAL RECEIPTS

Fiscal Year April 1, 1952—March 31, 1953

DEPARTMENT	Gross Capital Receipts	Application of Receipts to Payments	Net Capital Receipts
HIGHWAYS.....	\$ 755,000.00	.....	\$ 755,000.00
LABOUR.....	9,500,000.00	.....	9,500,000.00
LANDS AND FORESTS.....	3,175,000.00	.....	3,175,000.00
MINES.....	75,000.00	.....	75,000.00
PROVINCIAL SECRETARY.....	4,191,000.00	.....	4,191,000.00
PROVINCIAL TREASURER.....	24,732,000.00	.....	24,732,000.00
PUBLIC WELFARE.....	6,520,000.00	6,520,000.00	.....
	<u>\$48,948,000.00</u>	<u>\$6,520,000.00</u>	<u>\$42,428,000.00</u>

## BUDGET FORECAST OF CAPITAL PAYMENTS

Fiscal Year April 1, 1952—March 31, 1953

DEPARTMENT	Gross Capital Payments	Application of Receipts to Payments	Net Capital Payments
AGRICULTURE.....	\$ 11,250,000.00	\$ .....	\$ 11,250,000.00
HEALTH.....	2,000,000.00	.....	2,000,000.00
HIGHWAYS.....	45,000,000.00	.....	45,000,000.00
LABOUR.....	9,500,000.00	.....	9,500,000.00
LANDS AND FORESTS.....	1,900,000.00	.....	1,900,000.00
MINES.....	1,000,000.00	.....	1,000,000.00
PLANNING AND DEVELOPMENT.....	7,500,000.00	.....	7,500,000.00
PROVINCIAL SECRETARY.....	2,150,000.00	.....	2,150,000.00
PROVINCIAL TREASURER.....	2,924,000.00	.....	2,924,000.00
PUBLIC WELFARE.....	6,520,000.00	6,520,000.00	.....
PUBLIC WORKS.....	19,525,000.00	.....	19,525,000.00
MISCELLANEOUS.....	150,000.00	.....	150,000.00
	<u>\$109,419,000.00</u>	<u>\$ 6,520,000.00</u>	<u>\$102,899,000.00</u>



## BUDGET FORECAST OF ORDINARY EXPENDITURE

Fiscal Year April 1, 1952—March 31, 1953

DEPARTMENT	Gross Ordinary Expenditure	Application of Revenue to Expenditure	Net Ordinary Expenditure
AGRICULTURE.....	\$ 8,592,000.00	\$ .....	\$ 8,592,000.00
ATTORNEY-GENERAL.....	10,699,000.00	499,000.00	10,200,000.00
EDUCATION.....	72,418,000.00	275,000.00	72,143,000.00
HEALTH.....	43,441,000.00	520,000.00	42,921,000.00
HIGHWAYS.....	54,000,000.00	.....	54,000,000.00
INSURANCE.....	145,000.00	.....	145,000.00
LABOUR.....	1,486,000.00	12,000.00	1,474,000.00
LANDS AND FORESTS.....	12,500,000.00	.....	12,500,000.00
LIEUTENANT-GOVERNOR.....	20,000.00	.....	20,000.00
MINES.....	1,058,000.00	8,000.00	1,050,000.00
MUNICIPAL AFFAIRS.....	9,293,000.00	.....	9,293,000.00
PLANNING AND DEVELOPMENT.....	1,850,000.00	.....	1,850,000.00
PRIME MINISTER.....	282,000.00	.....	282,000.00
PROVINCIAL AUDITOR.....	248,000.00	.....	248,000.00
PROVINCIAL SECRETARY.....	1,414,000.00	.....	1,414,000.00
PROVINCIAL TREASURER.....	5,118,000.00	580,000.00	4,538,000.00
PUBLIC WELFARE.....	25,842,000.00	.....	25,842,000.00
PUBLIC WORKS.....	4,660,000.00	3,000.00	4,657,000.00
REFORM INSTITUTIONS.....	8,355,000.00	2,500,000.00	5,855,000.00
TRAVEL AND PUBLICITY.....	1,495,000.00	.....	1,495,000.00
MISCELLANEOUS.....	100,000.00	.....	100,000.00
	<u>\$263,016,000.00</u>	<u>\$ 4,397,000.00</u>	<u>\$258,619,000.00</u>
PUBLIC DEBT—Interest, Exchange, etc....	31,833,000.00	8,826,000.00	23,007,000.00
	<u>\$294,849,000.00</u>	<u>\$13,223,000.00</u>	<u>\$281,626,000.00</u>
PUBLIC DEBT—Sinking Fund Instalments..	9,359,000.00	.....	9,359,000.00
	<u>\$304,208,000.00</u>	<u>\$13,223,000.00</u>	<u>\$290,985,000.00</u>

## SUMMARY

## BUDGET FORECAST

Fiscal Year April 1, 1952—March 31, 1953

Net Ordinary Revenue.....	\$291,073,000.00
Less: Net Ordinary Expenditure (before providing for Sinking Funds)....	281,626,000.00
Surplus (before providing for Sinking Funds).....	\$ 9,447,000.00
Less: Provision for Sinking Funds.....	9,359,000.00
Surplus Forecast.....	<u>\$ 88,000.00</u>



## BUDGET FORECAST OF CAPITAL RECEIPTS

Fiscal Year April 1, 1952—March 31, 1953

DEPARTMENT	Gross Capital Receipts	Application of Receipts to Payments	Net Capital Receipts
HIGHWAYS.....	\$ 755,000.00	.....	\$ 755,000.00
LABOUR.....	9,500,000.00	.....	9,500,000.00
LANDS AND FORESTS.....	3,175,000.00	.....	3,175,000.00
MINES.....	75,000.00	.....	75,000.00
PROVINCIAL SECRETARY.....	4,191,000.00	.....	4,191,000.00
PROVINCIAL TREASURER.....	24,732,000.00	.....	24,732,000.00
PUBLIC WELFARE.....	6,520,000.00	6,520,000.00	.....
	<u>\$48,948,000.00</u>	<u>\$6,520,000.00</u>	<u>\$42,428,000.00</u>

## BUDGET FORECAST OF CAPITAL PAYMENTS

Fiscal Year April 1, 1952—March 31, 1953

DEPARTMENT	Gross Capital Payments	Application of Receipts to Payments	Net Capital Payments
AGRICULTURE.....	\$ 11,250,000.00	\$ .....	\$ 11,250,000.00
HEALTH.....	2,000,000.00	.....	2,000,000.00
HIGHWAYS.....	45,000,000.00	.....	45,000,000.00
LABOUR.....	9,500,000.00	.....	9,500,000.00
LANDS AND FORESTS.....	1,900,000.00	.....	1,900,000.00
MINES.....	1,000,000.00	.....	1,000,000.00
PLANNING AND DEVELOPMENT.....	7,500,000.00	.....	7,500,000.00
PROVINCIAL SECRETARY.....	2,150,000.00	.....	2,150,000.00
PROVINCIAL TREASURER.....	2,924,000.00	.....	2,924,000.00
PUBLIC WELFARE.....	6,520,000.00	6,520,000.00	.....
PUBLIC WORKS.....	19,525,000.00	.....	19,525,000.00
MISCELLANEOUS.....	150,000.00	.....	150,000.00
	<u>\$109,419,000.00</u>	<u>\$ 6,520,000.00</u>	<u>\$102,899,000.00</u>



## SUMMARY

Mr. Speaker: Before concluding my address, I should like to take a few moments to summarize our accomplishments of the present fiscal year and our program for the next year.

1. We are continuing the "pay as you go" policy which I outlined in my first Budget Address in March, 1944. This year we have allocated \$25,276,000 to sinking fund, leaving a surplus on ordinary account of \$896,000.

2. We are budgeting for a surplus in 1952-53.

3. This will be the Government's tenth consecutive surplus on ordinary account since it assumed office in 1943.

4. We are neither raising rates of tax nor imposing new taxes; we are making some tax reductions.

5. Taxes will hereafter be paid on Provincial and Hydro properties; \$2 million is being placed in the Provincial Estimates and an additional \$2 million is being provided by Ontario Hydro and Municipal Commissions for this purpose.

6. A new formula in respect to payments to mining municipalities will be introduced in the coming fiscal year, increasing payments to such municipalities by \$1½ million.

7. \$10 million is being provided in the Estimates to carry out various housing projects.

8. The Province's Housing Corporation will make loans for rural home construction.

9. The Province will make loans to assist young farmers to establish themselves on farms.

10. Special capital grants of \$5¾ million are being paid out to the teaching hospitals for modernization and improvement of facilities and equipment before the end of this fiscal year.

11. Distribution of a special maintenance assistance grant of \$11½ million to the general hospitals will also be made before the end of this fiscal year.

12. In addition to the regular maintenance grants amounting to \$5.7 million, we shall pay to the universities this year special additional grants of \$2.3 million for general capital improvement purposes. The following are the maintenance grants for this year plus the capital grants, totalling \$8.0 million:

	Maintenance	Special Capital
University of Toronto.....	\$4,187,000	\$ 900,000
Queen's University.....	550,000	400,000
University of Western Ontario.....	550,000	400,000
McMaster University.....	150,000	250,000
University of Ottawa.....	150,000	250,000
Carleton College.....	100,000	100,000
	<hr/>	<hr/>
	\$5,687,000	\$2,300,000
	<hr/>	<hr/>



13. Including the special capital grants advanced this year only, grants payable to municipalities and local agencies for education, roads, hospitals and other purposes total over \$105 million in 1951-52.

14. In 1952-53, grants to all municipalities and associated bodies will amount to almost \$119 million, \$19 million more than in the present year, excluding special capital grants. Grants for roads are up \$7 million and for education \$6½ million. The total of these grants now represents one-third of the ordinary and capital budget of the Province.

15. We spent more than \$13 million on conservation in 1951-52; nearly \$16 million will be spent next year.

16. During the 1951 calendar year, the bonus paid on rural power extensions to bring the benefits of electricity to the rural areas of Ontario resulted in 3,400 miles of line being constructed and 25,795 new customers supplied with power. Since October 1943, 18,111 miles of line have been added and 182,442 new consumers served, more than doubling rural power operations.

17. To improve telephone service in rural Ontario, we paid the Ontario Hydro this year \$35,000, and we are placing in next year's Estimates for this purpose the amount of \$50,000.

18. During the present fiscal year, 273 new schools or substantial additions to old schools will be completed at a cost of \$45 million. These additions will provide accommodation for 40,000 new pupils, making an investment of more than \$1,100 per new pupil.

19. In the field of health, the hospitals of the Province, with the help of capital grants paid by the Government, will have added 1,885 new beds and 340 new nursery cubicles to their facilities during the fiscal year 1951-52.

20. As a result of the mutual co-operation between the Dominion Government and the Province, old age pensions have become payable without a means test to all persons 70 and over. Those between 65 and 69 are eligible on a means test. The Province administers the payments to the 65 to 69 age group and pays half their pensions. The Province also provides medical services.

21. The cost of homes for the aged, completed or being built, totals \$10 million.

22. In the educational field, schools for Grade IX and X pupils will now receive grants of \$3 per pupil for free text books.

23. The Department of Education appropriation for 1952-53 is \$72.1 million, \$9.0 million higher than the appropriation last year.

24. The Government will provide allowances for disabled persons.

25. Capital construction and maintenance grants to public general hospitals will reach \$12.7 million in 1952-53, an increase of \$2 million over the 1951-52 fiscal year appropriation.

26. Expenditure for Ontario mental hospitals will be \$16.5 million, \$2 million more than for 1951-52.



27. In addition to paying all costs on ordinary account, we have this year provided for the sinking fund instalment of \$7,276,000 on the old debt and applied \$18,896,000 against capital expenditures made during the year.

28. Had we not adhered to this policy of retiring old debt and meeting part of the cost of capital construction out of current revenue, the net debt would now be \$214.8 million higher, involving an additional interest charge of \$8 million annually.

29. Highway expenditures, including ordinary and capital expenditure and grants to municipalities for 1951-52 amount to \$104 million, \$12 million more than estimated revenue from gasoline tax and motor vehicle licences.

30. Capital expenditure, representing investment in highways, buildings, special conservation projects, rural power extensions and other physical assets, totals \$72.6 million in 1951-52.

31. The Province raised \$100 million in New York for Hydro and guaranteed Hydro issues of \$80 million in the Canadian market. It also entered into the Canadian market for an issue of \$50 million for its own purposes, principally for refunding.

32. We are calling for redemption on May 1, 1952, three years before maturity, the series RN 3 $\frac{1}{4}$  per cent issue of \$15 million.

33. The second stage in the programme of aerial photographing and mapping of Ontario's forests has begun. The total area covered is now 165,000 square miles. The Ontario and Federal governments will share fifty-fifty the cost of surveying the more northerly and southerly parts of the Province, covering 105,000 square miles.

34. 185 million board feet of lumber has been salvaged from the burned-over Mississagi forest reserve.

35. We have kept Ontario's credit bright and clean. We can face with complete confidence the St. Lawrence Seaway and Power project and any other development the Province desires to undertake.



## CONCLUSION

Mr. Speaker: In these times of sudden and unpredictable changes we dare not fail to recognize our responsibility as the largest and most prosperous of all the provinces of this great Dominion. We must conserve our credit and our resources to the end that we may be prepared to meet any reverses that may come with little or no warning and to fulfill our proper role in the progress and development of this Province and this Nation.

We in Ontario must ever be mindful of the fact that the prosperity of this Canada of ours is all of one piece—indivisible. We cannot morally or wisely grasp prosperity with one hand and with the other strive to impede the progress of our brother Canadians in other provinces. As Ontario prospers, so must Canada prosper.

In this First Session of the Twenty-fourth Legislature of the Province, we enter upon a new era—the Elizabethan era. The torch that fell from the hands of Her Father, whose career was one of goodness, courage and of devotion to duty, has been caught up by His Daughter, Our Gracious Queen Elizabeth the Second. It is for us, Her loyal subjects, a matter of thanksgiving that our Queen takes up the torch at a time when the words uttered by William Pitt in the House of Commons in another period of trial and difficulty, in November, 1797, only five years after our then infant province took form, have a present day application in Canada as well as in the Motherland:—

“There is one great resource, which I trust will never abandon us, and which has shone forth in the British character, by which we have preserved our existence and fame as a nation, which we shall be determined never to abandon under any extremity, but shall join heart and hand in the solemn pledge that is proposed to us, and declare to His Majesty, ‘that we know great exertions are wanted; that we are prepared to make them. . . .’ ”

And, Mr. Speaker, in all events, like Pitt in his day, we are determined to stand or fall by the laws, liberties and religious and moral traditions of our people. May the new Elizabethan era, ushered in during a time of trial and testing in which our people will not fail, become one of the great periods of Peace and of Betterment for all mankind.







## APPENDIX I

## ECONOMIC DATA

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## POPULATION

Since 1939, Ontario's population has grown by 24.0 per cent, rising from 3,708,000 to 4,597,542 in 1951. Over this same period the number of live births rose from 64,123 to an all time high of 116,193 in 1951, an increase of 52,070, or 81.2 per cent. The natural increase (births less deaths) totalled 26,593 in 1939, rose to 67,234 in 1947 and climbed to a record 71,223 in 1951.

Ontario's birth rate per 1,000 population increased from 17.3 in 1939 to a high of 26.1 in 1947 and, after a moderate decline, rose to 25.3 in 1951. Ontario's natural increase rate exhibits a pattern similar to that of the birth rate. In 1939, Ontario's rate of natural increase was 7.2 per thousand population. By 1943 it had reached 10.2 and in 1947 established a high of 16.1. Thereafter, the natural increase rate declined to an average of slightly more than 14.4 for the next three years and then jumped to 15.5 in 1951.

In 1951, Ontario's birth registrations were 7 per cent above those of a year ago; Quebec's registered an increase of one-tenth of 1 per cent and Canada's 3 per cent. Ontario's natural increase totalled over 71,000, about 7,000 more than the previous year and 4,000 more than the previous high in 1947. Both the rate of births and natural increase approximated the highest level this Province has experienced in the last fifty years.

POPULATION IN ONTARIO AND CANADA  
BY DECENNIAL CENSUS YEARS, 1901-1951<sup>1</sup>

Year	Ontario			Canada		
	Population (000)	Increase Amount (000)	Increase Percentage %	Population (000)	Increase Amount (000)	Increase Percentage %
1901	2,183	69	3.3	5,371	538	11.1
1911	2,527	344	15.8	7,207	1,836	34.2
1921	2,934	407	16.1	8,788	1,581	21.9
1931	3,432	498	17.0	10,377	1,589	18.1
1941	3,788	356	10.4	11,507	1,130	10.9
1951	4,598	810	21.4	14,009	2,502	21.7

<sup>1</sup>Canada Year Book 1951 and D.B.S. Memorandum, February, 1952.



### ONTARIO'S POPULATION, BIRTHS, DEATHS & NATURAL INCREASE, 1939 TO 1951<sup>1</sup>

Year	Population (000)	Births	Birth Rate per 1,000 Population	Deaths	Natural Increase	Natural Increase Rate per 1,000 Population
1939	3,708	64,123	17.3	37,530	26,593	7.2
1940	3,747	68,524	18.3	38,503	30,021	8.0
1941	3,788	72,262	19.1	39,226	33,036	8.7
1942	3,884	78,192	20.1	39,119	39,073	10.1
1943	3,915	81,173	20.7	41,063	40,110	10.2
1944	3,963	78,090	19.7	39,781	38,309	9.7
1945	4,000	78,974	19.7	39,499	39,475	9.9
1946	4,093	97,446	23.8	39,758	57,688	14.1
1947	4,176	108,853	26.1	41,619	67,234	16.1
1948	4,275	104,195	24.4	42,364	61,831	14.5
1949	4,378	106,601	24.3	43,379	63,222	14.4
1950	4,471	108,741	24.3	43,895	64,846	14.5
1951	4,598	116,193	25.3	44,970	71,223	15.5

<sup>1</sup>Population figures were taken from D.B.S. Memorandum, February 1952 and Ontario Annual Report, December 1949 and D.B.S. Report, Births, Marriages and Deaths in Canada, December, 1951.

### IMMIGRANT ARRIVALS, ONTARIO AND CANADA<sup>2</sup>

The return of peace in 1945 was followed by a renewed flow of immigration to Canada. The volume of immigration swelled until in 1948 over 125,000 immigrants entered the country, of whom 61,621 settled in Ontario. For the next two years immigration lagged, but in 1951 it jumped to a level which has not been seen in either Canada or Ontario since the mass immigration years immediately preceding the First World War. In 1951, over 194,000 immigrants entered Canada. Of these, nearly 105,000, or 53.9 per cent, gave Ontario as their destination. To find anything comparable, it is necessary to go back to 1913-14, when 120,497 immigrants entered Ontario, but only a portion of them stayed. During the period 1946-1951, Ontario received over 319,000 immigrants, or 51 per cent of the total for Canada.

Calendar Year	Canada				Immigrants Giving Ontario As Their Destination	Ontario % Canada
	U.K.	U.S.	Other Countries	Total		
1939	3,098	5,654	8,242	16,994	5,957	35.1
1945	10,853	6,394	5,475	22,722	9,342	41.1
1946	50,984	11,474	9,261	71,719	29,604	41.3
1947	35,957	9,444	18,726	64,127	35,543	55.4
1948	43,724	7,393	74,297	125,414	61,621	49.1
1949	22,201	7,744	65,272	95,217	48,607	51.0
1950	13,427	7,799	52,686	73,912	39,041	52.8
1951	31,370	7,732	155,289	194,391	104,842	53.9

<sup>2</sup>Immigration 1939-1947, Canada Year Book, 1950, p. 186; 1948-1951, Statements issued by The Department of Citizenship and Immigration, Ottawa.



## HOUSING STARTS, COMPLETIONS AND CARRY-OVERS IN ONTARIO<sup>1</sup>

Since 1945, the number of completions of new residential housing units in Ontario has increased by two and one-half times from 13,100 units to 31,732 units in 1951. Total completions of new housing, including conversions, has jumped from 15,100 units in 1945 to 32,705 units in 1951.

Year		Starts	Completions			Carry-Over
			New Units	Conversions	Total	
1945	Total.....	N.A.	13,100	2,000	15,100	N.A.
1946	Total.....	N.A.	19,600	1,700	21,300	12,706
1947	Total.....	N.A.	22,500	2,200	24,700	17,243
1948	Total.....	29,976	26,391	2,273	28,664	21,112
	Urban.....	21,547	18,207			16,382
	Rural.....	8,429	8,184			4,730
1949	Total.....	34,023	31,440	1,264	32,704	23,585
	Urban.....	23,107	23,144			16,270
	Rural.....	10,916	8,296			7,315
1950	Total.....	33,430	31,318	1,178	32,496	24,331
	Urban.....	28,428	24,267			19,740
	Rural.....	5,002	7,051			4,591
1951	Total.....	27,349	31,732	973	32,705	19,258
	Urban.....	21,680	26,530			13,159
	Rural.....	5,669	5,202			6,099
Total 1945 to 1951 inclusive.....					187,669	

<sup>1</sup> Data of the number of dwelling units completed in Canada during 1945, 1946 and 1947 are based on returns received by the Dominion Bureau of Statistics from 623 municipalities out of a total of 3,845. These 623 municipalities had approximately 66 per cent of the total population of incorporated municipalities. The number of dwelling units completed as reported in these returns is increased by an estimate of the probable completions in municipalities from which returns were not received. The Dominion Bureau of Statistics only provides figures by provinces in these years of the actual completions reported. As this method leads to an obvious understatement of the completions in the provinces, the number of completions in Ontario for the years 1945 to 1947 has been increased above the actual number reported by the same ratio as the estimates for Canada have been increased above the actual number reported. Completions of dwelling units in Ontario during the years 1948 to 1951 have been estimated by the Dominion Bureau of Statistics from the results of a nation-wide survey carried out each month by the Bureau with the co-operation of Central Mortgage and Housing Corporation.



PERSONAL INCOME IN ONTARIO AND CANADA<sup>1</sup>

Since 1939, personal income in Ontario has increased by more than three and one-half times, rising from \$1.8 billion to an estimated \$6.3 billion in 1951. Over the same period personal income in Canada rose from \$4.3 billion to \$15.9 billion in 1951.

Ontario's share of the Canadian personal income reached a high of 42.8 per cent in the war year of 1941 and then gradually declined until a low of 38.6 per cent was reached in post war 1948. Since then, Ontario's share of the nation's personal income has risen to 39.7 per cent.

Year	Ontario (Amount) (millions of dollars)	Canada (Amount) (millions of dollars)	Ontario as % Canada
1939.....	1,766	4,320	40.9
1940.....	2,059	4,947	41.6
1941.....	2,522	5,896	42.8
1942.....	3,002	7,475	40.2
1943.....	3,367	8,176	41.2
1944.....	3,566	9,002	39.6
1945.....	3,729	9,239	40.4
1946.....	3,821	9,761	39.1
1947.....	4,068	10,390	39.2
1948.....	4,608	11,943	38.6
1949.....	4,953	12,757	38.8
1950.....	5,327	13,417	39.7
1951.....	6,300 <sup>2</sup>	15,859	39.7

<sup>1</sup> National Accounts, Income and Expenditure 1926-1950, p. 62.

<sup>2</sup> Estimated.

WAGES, SALARIES AND SUPPLEMENTARY LABOUR INCOME<sup>1</sup>

Wages, salaries and supplementary labour income rose to a new peak in 1951. In Ontario, preliminary estimates show that wages and salaries rose to nearly \$4.2 billion, an increase of 18.9 per cent over 1950.

On a per capita basis, wages and salaries continue to remain on a substantially higher level in Ontario than in Canada as a whole. In 1951, estimated wages and salaries amounted to \$905 for every person in the Province compared with \$690 for Canada.

Year	Ontario		Canada		Ontario as % Canada
	Amount (millions \$)	Per Capita \$	Amount (millions \$)	Per Capita \$	
1939.....	1,092	295	2,575	229	42.4
1946.....	2,189	535	5,323	433	41.1
1947.....	2,584	619	6,221	496	41.5
1948.....	3,010	704	7,170	559	42.0
1949.....	3,246	741	7,761	577	41.8
1950.....	3,498	782	8,271	603	42.3
1951.....	4,160 <sup>2</sup>	905	9,660	690	43.1

<sup>1</sup> Dominion Bureau of Statistics, National Accounts, Income and Expenditure, 1926-1950 and 1951 (preliminary).

<sup>2</sup> Estimated.



## NET INCOME OF AGRICULTURE AND OTHER UNINCORPORATED BUSINESS<sup>1</sup>

Net income of agriculture and other unincorporated business in Ontario registered an increase in 1951 over the previous year of approximately \$283 million, while Canada showed an increase of \$882 million. This upswing was due in large part to the sharp rise in income of farm operators brought about by several factors, including the record wheat crop and the high prices for live-stock.

Final figures will show Ontario's net farm income in 1951 to be substantially higher than in 1950. The value of the 1951 alfalfa, hay and clover crop was \$133.6 million, or \$17.6 million above that in 1950. Production of cattle and calves on Ontario farms in 1951 was valued at \$195 million, \$35 million above last year, while production of hogs registered an increase in value of close to \$29 million over 1950. The value of the tobacco crop in 1951 was \$62.7 million, the highest on record, and \$14 million above that in 1950.

Net income of other unincorporated business in Ontario probably rose by about the same percentage as for Canada, or 9.5 per cent, and thereby contributed to the rise in Ontario's total net farm and other unincorporated business income to \$1,300 million, compared with \$1,017 million in 1950. In 1951, Ontario received something like 34 per cent of the total Canadian net income derived from agriculture and other unincorporated business.

Year	Ontario	Canada <sup>2</sup>	Ontario
	Amount (millions of dollars)	Amount (millions of dollars)	as % Canada
1939.....	306	899	34.0
1946.....	732	2,161	33.9
1947.....	789	2,350	33.6
1948.....	932	2,953	31.6
1949.....	966	2,969	32.5
1950.....	1,017	2,942	34.6
1951.....	1,300 <sup>3</sup>	3,824	34.0

<sup>1</sup> Dominion Bureau of Statistics, National Accounts, Income and Expenditure, 1926-1950 and 1951 (preliminary). Net income of agriculture includes adjustment and equalization payments to farmers by the Canadian Wheat Board, but excludes undistributed earnings of the Canadian Co-operative Wheat Producers and the Canadian Wheat Board.

<sup>2</sup> Includes Newfoundland for the years 1949, 1950 and 1951.

<sup>3</sup> Estimated.

## COMBINED PUBLIC AND PRIVATE CAPITAL INVESTMENT IN ONTARIO AND CANADA

Since 1940, Canada's combined public and private capital investment (excluding repair and maintenance expenditures) has totalled \$27.4 billion. This new capital investment in construction, machinery and equipment has increased 4½ times since 1939 and 3½ times since 1945. Capital investment has followed a similar pattern in Ontario, rising from less than \$400 million in 1940 to \$1¾ billion in 1951. Nearly \$10½ billion of capital has been invested in Ontario's industrial plant, machinery and equipment, housing, highways and buildings



since 1939, representing over 38 per cent of the Canadian total. In the last five years, the volume of Ontario's capital investment has been from 48 to 79 per cent greater than that in any other province.

### CAPITAL INVESTMENT IN ONTARIO AND CANADA 1940-51<sup>1</sup>

Year	(Millions of Dollars)			Canada's G.N.P.	Capital Investment in Canada as % G.N.P.
	Canada	Ontario	Ontario % Canada		
1940.....	1,048	2,739 <sup>2</sup>	.....	6,872	15.3
1941.....	1,463		.....	8,517	17.2
1942.....	1,542		.....	10,539	14.6
1943.....	1,485		.....	11,183	13.3
1944.....	1,309		.....	11,954	11.0
1945.....	1,284	2,048 <sup>2</sup>	.....	11,850	10.8
1946.....	1,703		37.4	12,026	14.2
1947.....	2,489		.....	13,768	18.1
1948.....	3,175	1,183	37.3	15,613	20.3
1949.....	3,502	1,297	37.1	16,462	21.3
1950.....	3,815	1,419	37.2	18,029	21.2
1951.....	4,581	1,748	38.2	21,217	21.6
	27,396	10,434			

Increases in private and public investment are forecast for 1952 for both Canada and Ontario. The anticipated investment in Canada is \$5,003 million, of which Ontario's share is expected to be 39.3 per cent, or \$1,965 million.

The following table provides a breakdown of capital investment by industry in Ontario for the years 1949, 1950, 1951 and the outlook for 1952.

### CAPITAL INVESTMENT IN ONTARIO, BY INDUSTRY<sup>3</sup>

Industry	1949	1950 (millions of dollars)	1951	1952
Primary Industry and Construction Industry.....	172.9	197.3	228.8	228.5
Manufacturing.....	240.2	217.9	385.2	507.5
Utilities.....	279.9	314.7	358.3	408.2
Trade, Finance and Commercial Services.....	139.1	166.6	180.2	134.5
Residential Housing.....	291.4	317.9	341.1	343.8
Institutional Services and Direct Government.....	173.7	204.8	254.0	342.5
Grand Total.....	1,297.2	1,419.2	1,747.6	1,965.0

<sup>1</sup> Capital investment data for Canada and Ontario have been taken from publications of the Department of Trade and Commerce, Ottawa, for years 1948 and 1949, Private and Public Investment in Canada, 1926-1951, p. 201, and for years 1950 and 1951, Private and Public Investment in Canada, Outlook 1952, p. 17.

<sup>2</sup> Estimated.

<sup>3</sup> Private and Public Investment in Canada, Outlook 1951, p. 23 and Outlook 1952, p. 22.



# ESTIMATE OF PROVINCIAL-MUNICIPAL CAPITAL INVESTMENT IN ONTARIO, 1949-50 TO 1951-52

(Does not include expenditures or grants for repairs and maintenance)

	Fiscal Years or Nearest Calendar Years <sup>1</sup>		
	1949-50	1950-51	1951-52
(Thousands of Dollars)			
1. Direct Capital Expenditures of the Ontario Government			
Highways.....	32,314	36,001	50,900
Public Works.....	6,921	8,971	11,950
Hydro-Rural Power Extensions.....	10,622	7,297	10,035
Resource Development <sup>2</sup> .....	11,100	12,500	13,200
Education <sup>3</sup> .....	627	623	685
Grants to Hospitals and Sanatoria.....	2,561	2,083	3,500
Grants for Community Centres.....	475	425	422
Grants for New Homes for the Aged...	196	652	1,700
Miscellaneous.....	1,220	1,140	2,300
Sub-Total.....	66,036	69,692	94,692
2. Provincial Commissions, etc.			
Ontario Hydro.....	153,300	138,672	164,097
Ontario Northland Railway.....	894	3,444	4,020
University of Toronto.....	2,366	1,772	1,041
Niagara Parks Commission.....	249	440	148
Sub-Total.....	156,809	144,328	169,306
3. Municipalities <sup>4</sup>			
Schools.....	22,000	36,000	45,000
Hospitals.....	11,300	5,300	8,200
Water.....	11,500	8,200	28,100
Hydro.....	2,900	1,200	12,000
Sewers.....	8,000	12,900	12,800
Drains.....	1,300	1,400	6,100
Pavement, Sidewalks, Bridges and Road Machinery.....	7,300	9,700	12,400
Local Improvements.....	3,000	3,800	1,200
Civic Buildings.....	5,500	1,500	1,100
Housing.....	400	400	1,900
Capital Expenditures out of Revenue...	4,300	3,900	4,000
Toronto Transportation Commission...	9,548	13,520	16,500
Other.....	10,500	9,300	13,700
Sub-Total.....	97,548	107,120	163,000
Total of Items 1 to 3 (Less Rural Power Bonus).....	309,771	313,843	416,963

<sup>1</sup> Capital expenditures of Ontario Government departments, Hydro, Niagara Parks Commission and University of Toronto are for fiscal years and all others are for calendar years.

<sup>2</sup> Includes the Departments of Land and Forests, Mines and Planning and Development.

<sup>3</sup> Includes expenditures of the Department of Education on Normal Schools, Schools for Blind and Deaf, etc., and provincial grants for capital purposes to Vocational Schools.

<sup>4</sup> Municipal expenditures, with the exception of those shown for schools, capital expenditures out of revenue and the Toronto Transportation Commission, are 1948, 1949 and 1950 debenture approvals of capital undertakings.



## APPENDIX II

A STATISTICAL COMPARISON OF SOCIAL AND ECONOMIC  
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# A STATISTICAL COMPARISON OF SOCIAL AND ECONOMIC FACTORS IN ONTARIO AND OTHER PROVINCES<sup>1</sup>

## POPULATION AND VITAL STATISTICS

Item.	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada
POPULATION, JUNE 1, 1951 . . . . . No.	361,416	98,429	642,584	515,697	4,055,681	4,597,542	776,541	831,728	939,501	1,165,210	14,009,429 <sup>2</sup>
VITAL STATISTICS, 1950											
Births . . . . . No.	12,589	2,893	17,267	16,416	119,081	108,741	19,179	21,651	25,646	27,115	370,578 <sup>3</sup>
Rate per 1,000 population.	35.9	30.1	27.1	32.1	30.0	24.3	25.0	26.0	28.1	23.8	27.1
Marriages . . . . . No.	2,514	616	5,065	4,376	34,010	43,719	7,121	6,910	9,290	11,112	124,733
Rate per 1,000 population.	7.2	6.4	7.9	8.5	8.6	9.8	9.3	8.3	10.2	9.8	9.1
General Mortality . . . . . No.	3,058	908	6,079	4,898	33,525	43,895	6,601	6,246	6,857	11,582	123,649
Rate per 1,000 population.	8.7	9.5	9.5	9.6	8.4	9.8	8.6	7.5	7.5	10.2	9.0
Infant Mortality . . . . . No.	732	106	691	930	6,101	3,746	671	692	815	805	15,289
Rate per 1,000 live births.	58	37	40	57	51	34	35	32	32	30	41
Some Causes of Death:											
Diseases of the Heart . . . . . No.	446	298	1,859	1,360	8,635	16,036	2,089	1,911	2,043	4,041	38,718
Cancer . . . . . "	333	102	837	553	4,326	5,974	935	912	928	1,648	16,548
Tuberculosis . . . . . "	243	29	172	159	1,564	585	181	162	173	314	3,582
Pneumonia . . . . . "	152	40	249	244	1,236	1,481	284	270	275	402	4,633
Typhoid Fever . . . . . "	1	—	2	2	12	1	1	1	1	1	22
Diphtheria . . . . . "	3	1	1	1	28	8	2	3	1	1	49

## PROVINCIAL INCOME

INCOME, 1950											
Personal Income . . . . . \$ Million	175	57	485	343	3,267	5,327	754	746	907	1,325 <sup>2</sup>	13,417
Per Capita . . . . . \$	499	594	760	670	823	1,191	982	896	993	1,141	978
Salaries, Wages and Supplementary Lab- our Income . . . . . \$ Million	109	24	301	208	2,143	3,498	421	276	430	857	8,271
Per Capita . . . . . \$	311	250	472	406	540	782	548	331	471	738	603
Net Income of Agricul- ture and Other Unin- corporated Business . \$ Million	33	20	88	71	604	1,017	219	339	335	216	2,942
Per Capita . . . . . \$	94	208	138	139	152	227	285	407	367	186	215
Interest, Dividends and Net Rental Income of Persons . . . . . \$ Million	13	5	43	29	293	540	64	66	75	138	1,266
Per Capita . . . . . \$	37	52	67	57	74	121	83	79	82	119	92

<sup>1</sup> Compiled from reports of the Dominion Bureau of Statistics and other Departments of the Government of Canada.

<sup>2</sup> Including Yukon and Northwest Territories.

<sup>3</sup> Excluding Yukon and Northwest Territories.



## INDEXES OF EMPLOYMENT AND PAYROLLS ON THE BASE 1939 = 100

Item	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada <sup>1</sup>
INDEX NUMBERS OF EMPLOYMENT (1939 = 100) Nov. 1, 1951.											
Forestry (chiefly logging) . . . Index	—	—	—	265.5	280.3	284.2	—	—	—	231.6	259.8
Mining . . . . . "	—	—	90.4	—	157.5	104.4	—	—	207.0	101.3	121.2
Manufacturing . . . . . "	—	185.2	166.0	173.8	184.5	195.1	181.3	177.6	223.8	204.2	190.7
Construction . . . . . "	—	—	264.0	247.5	120.9	297.2	370.0	167.7	373.3	275.3	203.2
Transportation, storage and communication . . . . . "	—	153.9	168.5	172.3	209.7	188.4	189.5	138.8	178.7	176.7	186.1
Public utility operation . . . . . "	—	—	—	—	168.2	213.2	—	—	—	182.3	189.9
Trade . . . . . "	—	146.5	190.6	169.3	167.1	177.3	150.3	166.4	195.1	212.8	176.5
Finance, insurance and real estate . . . . . "	—	—	169.0	—	158.1	181.5	164.8	168.2	—	222.0	176.4
Service . . . . . "	—	—	—	—	187.1	189.3	166.7	167.8	165.1	179.7	183.0
Industrial composite . . . . . "	—	182.6	158.6	185.9	177.7	193.8	178.2	157.2	211.6	197.2	186.2
INDEX NUMBERS OF PAYROLLS (1939 = 100) Nov. 1, 1951.											
Forestry (chiefly logging) . . . Index	—	—	—	1,004.7	928.1	975.7	—	—	—	582.4	797.1
Mining . . . . . "	—	—	247.0	—	340.6	191.9	—	—	504.9	217.1	263.7
Manufacturing . . . . . "	—	448.2	345.0	414.8	446.5	464.1	374.2	356.8	465.7	471.8	450.8
Construction . . . . . "	—	—	482.6	548.6	360.2	772.5	858.7	415.8	865.0	718.6	558.0
Transportation, storage and communication . . . . . "	—	314.5	311.6	358.9	404.6	364.6	350.9	266.1	341.9	355.2	360.2
Public utility operation . . . . . "	—	—	—	—	322.9	417.1	—	—	—	396.2	375.5
Trade . . . . . "	—	257.7	337.4	327.1	338.8	369.8	291.5	329.8	380.4	429.2	357.6
Finance, insurance and real estate . . . . . "	—	—	269.8	—	258.8	300.3	260.5	265.0	—	370.7	289.5
Service . . . . . "	—	—	—	—	378.8	378.8	287.0	351.1	341.1	349.2	363.3
Industrial composite . . . . . "	—	356.3	325.1	420.0	413.1	427.8	348.7	313.5	441.2	431.6	412.3
AVERAGE WEEKLY WAGES AND SALARIES, Nov. 1, 1951.											
Forestry (chiefly logging) . . . . . \$	49.17	—	—	46.35	46.66	52.69	—	—	—	75.93	53.12
Mining . . . . . \$	54.25	—	55.27	—	60.47	62.33	—	—	67.95	65.61	62.60
Manufacturing . . . . . \$	52.34	37.79	45.90	48.20	50.34	56.45	50.51	50.35	52.23	58.63	53.85
Construction . . . . . \$	62.83	—	37.02	39.48	47.96	56.09	52.49	48.30	53.73	61.58	51.49
Transportation, storage and communication . . . . . \$	48.98	48.03	46.89	54.03	55.33	56.65	54.94	53.46	56.36	56.69	55.39
Public utility operation . . . . . \$	34.07	—	—	—	55.84	62.19	—	—	—	63.00	58.35
Trade . . . . . \$	32.88	29.03	35.90	37.07	43.21	45.46	44.97	43.95	44.85	46.11	44.31
Finance, insurance and real estate . . . . . \$	39.15	—	43.70	—	48.62	49.07	45.68	40.39	—	46.78	47.71
Service . . . . . \$	23.97	—	—	—	31.71	33.38	29.87	29.88	34.24	35.63	32.59
Industrial composite . . . . . \$	—	38.82	43.94	45.79	49.48	54.08	50.31	48.35	53.06	56.91	51.97

<sup>1</sup> In these statistics Canada excludes Newfoundland, Yukon and Northwest Territories.



## ELECTRIC POWER CONSUMPTION

Item.	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada
<b>DOMESTIC ELECTRIC POWER SERVICE, 1949.</b>											
Customers											
Number.....No.	28,725	8,966	107,516	87,827	741,941	1,036,705	131,284	87,987	121,440	265,835	2,619,831 <sup>1</sup>
Per 100 population.....No.	8.32	9.54	17.09	17.29	19.11	23.68	17.34	10.58	13.72	23.88	19.48
Average Annual Bill <sup>2</sup> .....\$	26.44	56.54	36.97	38.12	27.47	33.58	51.88	47.41	38.00	40.62	34.47
Average per Kilowatt Hour. c.	2.38	5.37	3.11	3.81	2.04	1.13	1.11	3.95	3.54	2.20	1.59
Average Annual Consumption											
Per Customer.....KW. Hrs.	1,111	1,052	1,187	1,000	1,347	2,968	4,694	1,199	1,073	1,850	2,168
Per Capita....."	92	100	203	173	257	703	814	127	147	442	422
Domestic Consumption as a Per Cent of Total Power Used in Province.....	15.90	37.81	17.93	14.19	4.99	20.20	23.47	26.83	16.07	24.26	15.90
Per Cent of Total Domestic Power used in Canada.....	.56	.17	2.25	1.55	17.59	54.18	10.85	1.86	2.29	8.66	100.00
<b>FARM ELECTRIC POWER SERVICE, 1949</b>											
Customers.....No.	—	3,860	13,533	28,490	74,857	106,134	11,155	2,299	5,017	5,521	250,866 <sup>3</sup>
Average Annual Bill <sup>2</sup> .....\$	—	41.77	35.77	35.12	27.91	45.28	69.95	63.83	87.17	56.10	40.72
Average per Kilowatt Hour. c.	—	6.4	4.2	5.0	3.3	1.6	3.3	7.3	4.1	2.3	2.3
Average Annual Consumption											
Per Customer.....KW. Hrs.	—	651	849	708	833	2,763	2,113	880	2,128	2,439	1,752
Per Cent of Total Farm Consumption in Canada.....	—	.57	2.61	4.59	14.19	66.72	5.36	.46	2.43	3.07	100.00

<sup>1</sup> Including Yukon and Northwest Territories.<sup>2</sup> Federal, Provincial and Municipal taxes on the electricity purchased are not included.<sup>3</sup> Excluding Newfoundland, Yukon and Northwest Territories.



## CAPITAL INVESTMENT

Item.	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada
NEW CAPITAL INVESTMENT—FORECAST, 1952											
Primary Industries and Construction Industry... \$ Million	9.6	3.9	23.6	12.8	130.1	228.5	83.1	122.7	193.1	51.7	859
Manufacturing..... "	8.1	0.6	19.3	17.8	188.5	507.5	11.9	10.3	77.4	87.8	929
Utilities..... "	12.7	1.9	22.2	31.5	296.6	408.2	64.1	48.5	108.8	135.1	1,130
Trade, Finance and Commercial Services. "	1.6	0.5	9.1	4.8	57.7	134.5	20.4	17.8	30.4	32.1	309
Residential Housing... "	32.1	9.6	10.6	16.6	182.5	343.8	32.4	21.1	65.6	74.8	758
Institutional Services & Government Depts.. "			52.8	29.9	278.5	342.5	55.6	33.2	101.3	94.0	1,018
Total..... "	64.1	16.5	137.6	113.4	1,133.9	1,965.0	267.5	253.6	576.6	475.5 <sup>1</sup>	5,003

## MINERAL PRODUCTION

MINERAL PRODUCTION, 1951											
Copper..... '000 lb.	5,510	—	—	—	139,793	257,778	30,921	63,153	—	43,812	540,967
\$'000	1,526	—	—	—	38,723	70,909	8,565	17,493	—	12,096	149,313
Gold..... '000 oz.	8	—	—	—	1,061	2,446	162	114	—	252	4,329
\$'000	297	—	1	—	39,102	90,131	5,979	4,086	4	9,287	159,407
Iron Ore..... '000 ton	1,788	—	—	—	—	2,828	—	—	—	120	4,736
\$'000	8,215	—	—	—	—	17,644	—	—	—	815	26,674
Lead..... '000 lb.	32,271	—	—	—	15,319	—	—	—	—	244,458	304,999
\$'000	5,938	—	—	—	2,819	—	—	—	—	44,980	56,120
Nickel..... '000 lb.	—	—	—	—	—	274,536	—	—	—	—	274,536
\$'000	—	—	—	—	—	150,647	—	—	—	—	150,647
Platinum..... '000 oz.	—	—	—	—	—	155	—	—	—	—	155
\$'000	—	—	—	—	—	14,680	—	—	—	2	14,682
Silver..... '000 oz.	513	—	—	—	4,202	5,357	580	1,494	—	8,425	24,245
\$'000	485	—	—	—	3,973	5,065	548	1,413	—	7,975	22,933
Zinc..... '000 lb.	63,515	—	—	—	170,977	—	28,753	79,707	—	319,842	667,872
\$'000	12,639	—	—	—	34,024	—	5,722	15,862	—	63,649	132,906
Asbestos..... '000 ton	—	—	—	—	941	26	—	—	—	—	967
\$'000	—	—	—	—	75,006	3,786	—	—	—	—	78,792
Coal..... '000 ton	—	—	6,370	650	—	—	—	2,230	7,750	1,747	18,750
\$'000	—	—	49,553	4,806	—	—	—	4,375	41,521	9,738	110,050
Petroleum, crude..... '000 bbl.	—	—	—	15	—	202	12	1,250	46,403	—	48,097
\$'000	—	—	—	21	—	706	30	1,562	118,684	—	121,408
Cement..... '000 bbl.	—	—	—	—	7,058	5,379	1,625	—	1,540	1,325	16,928
\$'000	—	—	—	—	16,515	12,438	3,818	—	4,097	3,340	40,209
Sand and Gravel..... '000 ton	1,666	—	1,777	3,164	28,429	37,201	2,597	2,802	3,814	5,309	86,760
\$'000	844	—	1,546	2,548	10,404	18,475	731	2,015	2,980	3,412	42,953
Total Mineral Product'n \$'000	32,829	—	59,388	10,282	249,554	437,085	28,397	50,908	173,231	168,293	1,228,005

<sup>1</sup> Includes Yukon and Northwest Territories.



## GROSS AND NET VALUE OF PRODUCTION

Item.	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada <sup>1</sup>
SURVEY OF PRODUCTION, 1949											
GROSS VALUE OF PRODUCTION											
Agriculture.....\$000	—	25,979	50,488	59,021	428,105	756,226	247,663	584,778	440,029	114,141	2,710,430
Forestry....."	—	1,717	43,748	119,838	645,719	452,834	21,092	10,057	23,997	408,631	1,793,976
Fisheries....."	—	4,667	54,143	24,442	8,181	5,728	4,800	1,026	652	84,163	190,137
Trapping....."	—	7	427	256	1,664	3,964	2,545	1,992	1,927	835	15,297
Mining....."	—	—	56,392	7,188	387,833	448,087	37,214	67,542	120,089	223,785	1,384,301
Electric Power....."	—	903	10,979	7,672	104,271	86,930	14,988	11,072	13,539	27,352	280,312
Construction....."	—	7,424	92,657	70,108	553,233	907,434	117,515	73,960	150,592	232,609	2,220,775
Custom and Repair....."	—	1,893	15,747	9,519	131,456	163,951	26,015	20,044	23,411	38,705	430,741
Manufactures....."	—	18,123	247,592	231,506	3,788,497	6,103,805	474,682	215,743	371,995	959,008	12,479,593
Less: Duplication....."	—	4,784	73,402	105,896	756,162	621,776	34,360	35,993	23,057	441,925	2,145,635
Total, Gross Value...."	—	55,929	498,771	423,654	5,292,797	8,307,183	912,154	950,221	1,127,174	1,647,304	19,359,927
NET VALUE OF PRODUCTION											
Agriculture.....\$000	—	16,654	32,997	41,667	290,287	532,738	199,738	476,913	361,918	74,392	2,027,304
Forestry....."	38,710	1,209	26,973	69,764	371,304	261,098	14,543	7,339	15,570	249,739	1,056,404
Fisheries....."	—	2,474	32,073	14,879	4,548	5,728	4,800	1,026	653	50,801	119,316
Trapping....."	—	7	428	256	1,664	3,964	2,545	1,992	1,927	835	15,297
Mining....."	17,472	—	47,125	6,074	183,199	263,605	19,671	33,809	111,163	108,944	800,217
Electric Power....."	1,910	655	8,381	6,255	104,107	86,256	14,911	8,851	11,961	26,189	270,127
Construction....."	8,196	3,766	45,257	33,281	260,825	439,776	51,509	34,510	75,169	114,360	1,066,649
Custom and Repair....."	—	1,284	10,685	6,459	89,199	111,248	17,652	13,601	15,885	26,264	292,277
Manufactures....."	32,919	4,338	102,294	91,187	1,651,630	2,708,554	167,335	47,357	114,681	409,665	5,330,566
Less: Duplication....."	24,325	2,002	35,028	51,399	341,314	298,215	15,414	7,187	14,063	191,988	880,638
Total, Net Value...."	74,882 <sup>2</sup>	28,385	271,185	218,423	2,615,449	4,114,752	477,290	618,211	694,864	869,201	9,997,067
PER CAPITA											
Gross Value of Production...\$	—	595	793	834	1,363	1,897	1,205	1,142	1,274	1,480	1,444
Net Value of Production...\$	217	302	431	430	674	940	631	743	785	781	743

<sup>1</sup> Includes Newfoundland's production for forestry, mining, electric power, construction and manufacturing.<sup>2</sup> Excludes agriculture, fisheries, trapping and custom and repair.



# MOTOR VEHICLE REGISTRATIONS

Item.	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada
MOTOR VEHICLE REGISTRATIONS—											
1950											
Passenger Cars.....	10,907	10,441	62,636	48,890	303,752	881,143	111,756	129,302	151,724	198,397	1,910,072
Motor Trucks.....	4,468	3,626	27,036	19,056	111,388	205,616	40,988	69,073	69,028	65,005	617,194
Motor Buses.....	381	25	370	382	2,439	3,612	191	127	1,749	700	10,004
Motorcycles.....	319	81	1,647	1,464	16,122	13,709	1,994	1,224	2,549	4,609	43,746
Other Motor Vehicles.....	300	1,270	2,874	4,623	—	—	2,417	140	6,892	1,601	20,251
Total.....	16,375	15,443	94,563	74,415	433,701	1,104,080	157,346	199,866	231,942	270,312	2,601,267 <sup>1</sup>
Percentage of Total Registrations	0.6	0.6	3.7	2.9	16.7	42.4	6.0	7.7	8.9	10.4	100.0
Average Number of Persons per Motor Vehicle—1950.....	21.4	6.2	6.7	6.9	9.2	4.0	4.9	4.2	3.9	4.2	5.3
Average Number of Persons per Passenger Car—1950.....	31.1	9.2	10.2	10.5	13.1	5.1	6.9	6.4	6.0	5.7	7.2

# HIGHWAY MILEAGE

## HIGHWAY MILEAGE—1949

### Surfaced Road

Portland Cement or Concrete	—	4	7	—	320	1,794	72	—	—	41	2,237
Bituminous Pavement.....	24	—	33	—	4,865	3,249	—	—	—	132	8,303
Bituminous Surface.....	89	220	1,044	1,415	924	4,418	584	599	916	1,991	12,200
Gravel—crushed stone.....	1,620	1,516	6,789	11,951	20,469	49,157	8,445	13,513	15,374	8,959	138,980
Other Surfaces.....	—	—	—	—	—	—	—	62	—	17	79

Total Surfaced Road..... 1,733 1,740 7,873 13,366 26,578 58,617 9,101 14,174 16,290 11,140 161,799

### Non-Surfaced Road

Improved Earth.....	440	1,883	3,297	3	54	14,297	8,062	80,427 <sup>2</sup>	28,360 <sup>2</sup>	10,008	147,089
Other Earth Roads.....	150	—	3,963	—	14,454	—	74,184 <sup>2</sup>	118,377 <sup>3</sup>	38,750 <sup>2</sup>	2,581	252,459

Total Non-Surfaced Road.. 590 1,883 7,260 3 14,508 14,297 82,246 198,804 67,110 12,589 399,548

Grand Total..... 2,325 3,623 15,133 13,369 40,650 72,914 91,347 212,978 83,400 23,729<sup>4</sup> 561,347<sup>1</sup>

<sup>1</sup> Includes Yukon and Northwest Territories.

<sup>2</sup> Includes all road allowances.

<sup>3</sup> Includes 59,916 unimproved road allowances not in use.

<sup>4</sup> Includes 699 miles of gravelled and 177 miles of improved earth roads of the Northwest Highway System.



## NUMBER OF HOUSEHOLDS WITH APPLIANCES

Item.	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada
HOUSEHOLDS HAVING CERTAIN HOUSEHOLD EQUIPMENT											
Washing Machines—1948.....	N.A.	9,000	74,000	59,000	619,000	890,000	124,000	180,000	161,000	217,000	2,333,000
Refrigerators —1948.....	N.A.	2,000	24,000	19,000	223,000	498,000	41,000	26,000	44,000	100,000	977,000
Vacuum Cleaners —1948.....	N.A.	2,000	29,000	22,000	220,000	516,000	40,000	33,000	61,000	146,000	1,069,000
Radios —1949.....	54,000	17,000	141,000	110,000	814,000	1,159,000	180,000	220,000	229,000	323,000	3,247,000
Electric Wiring —1949.....	35,000	9,000	138,000	97,000	795,000	1,153,000	145,000	125,000	161,000	344,000	3,002,000

## NUMBER OF TELEPHONES

NUMBER OF TELEPHONES—1950....	21,635	11,420	107,870	72,983	735,680	1,262,292	150,602	135,396	141,623	277,341	2,917,092 <sup>1</sup>
Average per 100 population.....	6.2	11.9	16.9	14.3	18.5	28.2	19.6	16.3	15.5	24.4	21.3

## RETAIL SALES

	Maritimes	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada
RETAIL SALES—1951								
Value (Thousands of Dollars).....	702,226	2,457,391	4,033,221	666,701	616,338	831,317	1,137,867	10,445,061 <sup>2</sup>
Sales per Capita (\$).....	559	606	877	859	741	885	977	767

<sup>1</sup> Yukon included in total for Canada.<sup>2</sup> Does not include Newfoundland, Yukon and Northwest Territories.



# TAXES AND LICENCES<sup>1</sup>

Item.	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.
SELECTED TAXES AND LICENCES LEVIED BY PROVINCIAL GOVERN- MENTS.										
Corporation Tax <sup>2</sup>										
On Capital.....	—	—	—	—	Approxim- ately 1/10 of 1% varying slightly ac- cording to types of corporations.	Approxim- ately 1/20 of 1% varying slightly ac- cording to types of corporations.	—	—	—	—
On Net Profits.....	5%	5%	5%	5%	7%	7%	5%	5%	5%	5%
Succession Duties <sup>2</sup> .....	—	—	—	—	1% to 30% depending on value of estate plus 1% to 10% depending on individual share.	1½% to 35% depending on value of estate and class of bene- ficiary plus surtax of 15% to 25%.	—	—	—	—
Amusement Tax..... (Excludes Pari-Mutuel Betting)	—	Approx- imately 10% of admission price.	Approx- imately 10% of admission price.	Approx- imately 11% of admission price.	12.5% of admission price.	12.5% of admission price.	Approx- imately 20% of admission price.	—	Approx- imately 10% of admission price.	17.5% of admission price.
Sales Taxes										
General.....	3% of retail price.	—	—	4% of retail price.	2% of retail price.	—	—	3% of retail price.	—	3% of retail price.
Fuel Oil.....	—	—	—	—	—	—	—	—	—	½c. per gallon.

<sup>1</sup> Compiled on the basis of a statement by Dominion Bureau of Statistics.

<sup>2</sup> Under the terms of the Dominion-Provincial Tax Agreement, 1947, all provinces, except Ontario and Quebec, in return for a rental payment agreed to refrain from levying personal income taxes, succession duties and corporation taxes, except for a 5 per cent corporation income tax which the provinces were required to impose and the revenue from which was deducted from the amount of the rental paid to them. Succession Duties levied by Ontario and Quebec are deductible from succession duties payable to the Government of Canada, up to 50 per cent of Dominion succession duty rates. Ontario's and Quebec's corporation taxes on capital are treated as a cost and deducted from net income before calculation of Dominion corporation tax.



## TAXES AND LICENCES (Cont'd)

Item.	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.
Motor Fuel.....	14c. per gallon.	13c. per gallon.	15c. per gallon.	13c. per gallon.	13c. per gallon.	11c. per gallon.	9c. per gallon.	10c. per gallon.	10c. per gallon.	10c. per gallon.
Tobacco.....	—	10% of retail price	—	10% of retail price	10% of retail price	—	—	—	—	—
Meals.....	—	—	—	—	5% of price of meals costing over 59c.	—	—	—	—	—
Motor Vehicles Annual Fees.										
Private Automobile Licences.										
Austin.....	\$18.00	\$14.20	\$14.60	\$13.80	\$16.10	\$ 5.00	\$ 9.00	\$10.00	\$10.00	\$20.00
Ford.....	18.00	19.20	21.00	19.80	23.10	10.00	16.50	15.00	15.00	25.00
Chevrolet.....	18.00	18.70	20.30	19.20	22.40	10.00	16.50	15.00	15.00	25.00
Plymouth.....	18.00	19.50	21.40	19.80	23.10	7.00	19.00	15.00	15.00	25.00
Operator's Licence.....	3.00	1.00	1.00	2.00	2.50	1.00	1.00	1.00	1.00	1.00
Property Tax— Annual levy.	—	—	Occupancy of more than 1,000 acres 1% of value of land in excess of 1,000 acres.	2c. per acre where 500 or more acres owned by one person or joint tenants.	—	Land outside municipal organization subject to a tax of not more than 2% of assessed value.	—	2 mills on the dollar of the total equalized assessment in cities, towns and villages; 2c. per acre in local improvement districts.	Certain land outside school districts 3 mills on the dollar of the assessed value	Certain land outside municipalities based on assessed value. Farm Land ½ of 1%, Improved Land-1%, Timber Land-1½%, Wild Land-3%, Coal Land-"A"-7% "B"-2%.



# TAXES AND LICENCES (Cont'd)

	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.
Land Transfer Tax— Paid at time of transfer.	\$2.50 if land valued under \$250; \$5.00 if valued from \$250 to \$500; 20c. per each \$100 over \$500.	—	—	—	2½% of purchase price for transfer of property under the Bank- ruptcy or Winding up Acts.	1/5 of 1% of purchase price of land.	—	—	1/5 of 1% on value up to \$5,000; 1/10 of 1% on additional value over \$5,000.	—
Unearned Increment Tax	—	—	—	—	—	—	—	—	10% of increase in value of land upon transfer.	—
Security Transfer Tax	—	—	—	—	Bonds, debentures and debenture stocks: 3c. for every \$100 or fraction thereof. Shares sold, trans- ferred or assigned: Value of less than \$1-1/10 of 1% of value \$ 1 to \$ 5-¼c. per share \$ 5 to \$25-1c. per share \$25 to \$50-2c. per share \$50 to \$75-3c. per share \$75 to \$150-4c. per share Over \$150-Quebec-5c. per share Ontario-4c. per share plus 1/10 of 1% of value in excess of \$150.			—	—	—







## APPENDIX III

## GOVERNMENT STATEMENTS

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TAX RENTAL AGREEMENTS PROPOSED AT THE  
DOMINION-PROVINCIAL CONFERENCE, DECEMBER, 1950  
AND AS LATER MODIFIED BY CORRESPONDENCE

At the Conference of the Federal and Provincial Governments in December, 1950, the Federal Government proposed a continuation of tax rental agreements for a further period of five years from April 1, 1952 to March 31, 1957, along lines basically the same as the agreements in effect from April 1, 1947 to March 31, 1952.

The 1950 offer consisted of an upward adjustment in the guaranteed minimum payments, a new option, and two modifications in the method of calculating the adjusted annual payments. The Federal Government was not prepared to make any sizeable increase in the amount of the adjusted payments, but it gave recognition to the depreciation in the value of money by raising the level of the guaranteed minimum payments. Thus, under the agreements effective April 1, 1952, the guaranteed minimum payments are adjusted upwards in accordance with the increase in provincial populations and the gross national product per capita between 1942, the former base year, and 1948, which is the new base year. This revision provides a considerable increase in the guaranteed minimum payments, but it does not affect the level of adjusted payments unless, of course, there is a substantial fall in the gross national product.

The new option is based upon tax rates applicable to personal income and corporate income in the province in 1948, and succession duties in certain years, and it has the same escalator provisions as the other tax rentals. The guaranteed minimum payment is calculated by taking the sum of the following:

1. The yield of a personal income tax at 5 per cent of 1948 federal rates applied to 1948 incomes in the province.
2. The yield of a tax of  $8\frac{1}{2}$  per cent on corporation profits earned in the province in 1948.
3. The average revenue received by the Province from succession duties in either the two years before succession duties were suspended, or in the case of Ontario and Quebec the average of the three fiscal years 1946-47 to 1948-49.
4. Statutory subsidies payable to the province for 1948.

This option—Option 2—is beneficial only to Ontario. It raises Ontario's minimum payment to \$101.8 million, an increase of \$2.1 million or 2.1 per cent over the guaranteed amount that would otherwise be payable.

At the Conference, the Federal Government proposed two modifications in the method of calculating the adjusted rental payments. The first, and perhaps more important, was the shift in the escalator clause to a two-year averaging of the relevant factors. Under the agreements from 1947 to 1951 the adjusted payments were calculated by using the average of the G.N.P. per capita and provincial population in the three years prior to the year of payment. The December 1950 offer reduced this averaging to two years. The other modification involved the substitution of the concept of the G.N.P. at factor cost for that of the G.N.P. at market prices. The former is the latter after excluding the revenue derived from indirect taxes.

The combined effect of these modifications is to raise the adjusted payment to all provinces for the fiscal year 1952-53 by \$23 million over the amount payable under the former agreements, assuming they were extended without change.



The adjusted payment to Ontario for that year is raised to \$127 million as against \$118 million under the terms of the 1947-51 agreement.

Since the Conference, an additional revision has been proposed. Under a letter from the Minister of Finance of January 10, 1952, the provinces have been given the option, subject to their making an election for the entire five years, of calculating the adjusted rental payment on the G.N.P. per capita and provincial population in the year immediately preceding the year of payment. On this one year basis, the adjusted payments are obviously more sensitive to the changes in the G.N.P. per capita and provincial population than on either of the former two or three year basis. While the payments on the one year reflect the increase in income and population since 1948, they would, by the same token, decline more rapidly in a period of economic recession. In the same letter, the Minister of Finance also stated that under the new agreements the provinces would not be required to levy a 5 per cent provincial income tax, but that instead the Federal Government would maintain a uniform corporation income tax across the nation and would allow a tax credit of up to 5 per cent against corporation tax payments to the Federal Government with respect to such payments made to any province which did not enter into a tax rental agreement.

With these modifications, the conditions of the latest Federal proposal are essentially the same as under the present agreements, namely, that the Province undertake for the duration of the agreement not to impose taxes on corporations (other than on logging and mining operations) on personal incomes, and, at their option, on successions. The provinces may continue to levy succession duties, but if they do so the credits which are allowed under Federal succession duty law in respect of duties paid to the Province are deducted from the amount of the rental otherwise paid to the Province. The Province will continue to receive its statutory subsidy, but this is also deducted from the amount of the rental payment.

TAX RENTAL AGREEMENTS PROPOSED AT THE FEDERAL-PROVINCIAL  
CONFERENCE, DECEMBER, 1950 AND AS LATER MODIFIED BY  
CORRESPONDENCE

Adjusted Payments, Fiscal Year 1952-53<sup>1</sup>

Province	Guaranteed Minimum Payments <sup>1</sup>		Based on Two Preceding Years		Based on Preceding Year	
	Per Capita on 1951		Per Capita on 1951		Per Capita on 1951	
	Amount \$000	Population \$	Amount \$000	Population \$	Amount \$000	Population \$
Newfoundland.....	9,062	25.07	11,329	31.35	12,267	33.94
Prince Edward Island.....	2,967	30.14	3,624	36.82	3,908	39.70
Nova Scotia.....	15,296	23.80	18,653	29.03	20,110	31.30
New Brunswick.....	12,533	24.30	15,373	29.81	16,591	32.17
Quebec.....	84,790	20.91	105,995	26.13	114,771	28.30
Ontario.....	101,801	22.14	126,920	27.61	137,364	29.88
Manitoba.....	18,439	23.75	22,716	29.25	24,534	31.59
Saskatchewan.....	19,159	23.04	22,820	27.44	24,498	29.45
Alberta.....	20,348	21.66	26,203	27.89	28,515	30.35
British Columbia.....	29,546	25.36	37,959	32.58	41,293	35.44
All Provinces.....	313,941	22.45	391,592	28.00	423,851	30.31

<sup>1</sup> These calculations are based on final 1951 census population figures and latest estimates of gross national product at market prices. A further recalculation of 1952-53 payments will be required when the estimate of gross national product for 1951 on the basis of factor cost becomes available.



## PROVINCE OF ONTARIO

ESTIMATED ASSISTANCE TO MUNICIPALITIES IN THE FISCAL  
YEARS ENDING MARCH 31, 1951 TO 1953

(Thousands of Dollars)

	1951	1952	1953
Grants for Education.....	43,695	48,869	55,425
Grants for Hospitals.....	10,146	11,760 <sup>1</sup>	12,673
Grants for Health Units, School Medical Inspection and School Dental Services...	527	584	637
Grants for Roads.....	21,346	24,250	31,500
Grants under The Police Act.....	1,669	1,925	2,100
Grants under The Fire Departments Act.....	1,551	1,725	1,900
Grants for Day Nurseries.....	198	235	300
Grants for Children's Aid.....	1,017	1,175	1,276
Grants for Homes for the Aged.....	1,038	2,372	2,700
Grants for Unemployment Relief.....	2,687	3,000	3,000
Grants for Community Centres.....	425	422	300
Grants for Conservation, Drainage Aid and Flood Control.....	600	1,835	2,275
Grants for Mining Municipalities.....	302	384	1,300
Payments re Municipal Taxation on Prov- incial Public Buildings.....	..	..	2,000
Railway Tax Distribution.....	220	222	223
Miscellaneous Grants.....	937	748	961
	<hr/> 86,358	<hr/> 99,506	<hr/> 118,570

<sup>1</sup> Does not include special grants for capital purposes of \$3,000,000 to Toronto General Hospital, \$1,200,000 to the Wellesley Hospital, and \$1,550,000 to Teaching Hospitals—a total of \$5,750,000.



## THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION

The Ontario Municipal Improvement Corporation came into being on March 24, 1950, under legislation passed in that year. Its purpose is to purchase from Ontario municipalities, debentures issued by them for undertakings such as waterworks, sewage and drainage works and plants for the incineration of garbage. The affairs of the Corporation are conducted by three directors who, subject to the approval of the Lieutenant-Governor-in-Council, are empowered to borrow money up to an aggregate of \$50 million on debentures of the Corporation, treasury bills or temporary loans.

Up to February 29, 1952, the Corporation had purchased municipal debentures to a total of \$10,355,141.52 to provide municipal water and sewage works and plants for the incineration of garbage. The Corporation has not issued any debentures of its own.

## Debentures Purchased by the Ontario Municipal Improvement Corporation

Atikokan.....	Water and Sewers.....	\$ 237,500.00
Bertie.....	Water.....	137,000.00
Bracebridge.....	Water.....	90,000.00
Burlington-Nelson.....	Water.....	327,000.00
Chapleau.....	Sewers.....	310,000.00
Cochrane.....	Sewers.....	109,000.00
Delhi.....	Water and Sewers.....	50,000.00
Dryden.....	Water.....	20,000.00
Elmvale.....	Water.....	4,100.00
Etobicoke.....	Water and Sewers.....	692,038.00
Fort Frances.....	Water and Sewers.....	34,463.66
Grantham.....	Water.....	107,700.00
Hawkesbury.....	Water and Sewers.....	99,000.00
Matheson.....	Water.....	5,000.00
McKim.....	Water and Sewers.....	472,905.00
Mattawa.....	Water and Sewers.....	158,000.00
Niagara Falls.....	Water.....	598,000.00
North York.....	Incinerator, Water and Sewers...	1,626,359.86
Oakville.....	Water.....	490,000.00
Port Credit.....	Water.....	270,476.00
Port McNichol.....	Water.....	16,500.00
Riverside.....	Sewers.....	94,405.00
Scarborough.....	Water and Sewers.....	2,460,200.00
Schreiber.....	Water.....	35,000.00
Sioux Lookout.....	Water and Sewers.....	69,050.00
South River.....	Water.....	120,000.00
Stamford.....	Water.....	602,000.00
St. Clair Beach.....	Water.....	11,130.00
Sudbury.....	Water.....	77,264.00
Tay.....	Water.....	81,000.00
Teck.....	Water.....	100,000.00
Westminster.....	Sewers.....	28,000.00
West Ferris.....	Water.....	60,000.00
Widdifield.....	Water.....	12,050.00
Windsor.....	Water.....	750,000.00

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\$10,355,141.52



PROVINCE OF ONTARIO  
INVESTMENT IN PHYSICAL ASSETS

	1951-52 \$	Total Nine Years 1943-44 to 1951-52 \$	Cumulative Total 1867 to 1951-52 \$
Highways.....	51,005,000	202,004,721	557,266,327
Provincial Lands and Buildings.	9,989,000	35,300,616	98,942,914
Rural Power Transmission Lines.	10,035,000	45,397,376	63,105,619
Other.....	1,563,000	5,132,737	39,547,190
	<u>72,592,000</u>	<u>287,835,450</u>	<u>758,862,050</u>

EXPENDITURES ON HUMAN RESOURCES

	1951-52 \$	Total Nine Years 1943-44 to 1951-52 \$
Agriculture.....	7,735,000	63,248,822
Education.....	67,703,000	366,302,652
Health.....	44,959,000	198,845,363
Public Welfare.....	25,507,000	145,766,647
	<u>145,904,000</u>	<u>774,163,484</u>



CURRENT EXPENDITURES BY THE GOVERNMENT OF ONTARIO AND ALL  
LEVELS OF GOVERNMENT IN CANADA AS A PERCENTAGE  
OF PERSONAL INCOME

FISCAL YEARS 1938-39 AND 1950-51<sup>1</sup>

	1938-39			1950-51		
	Current	Personal	Current	Current	Personal	Current
	Expendi- tures	Income (1938)	Expendi- tures as % Personal Income	Expendi- tures	Income (1950)	Expendi- tures as % Personal Income
	(Millions of Dollars)		%	(Millions of Dollars)		%
Ontario Government.....	86.8	1,689	5.1	240.3	5,327	4.5
Federal Government.....	413.0	4,090	10.1	2,680.5	13,417	20.0
Provincial Governments.....	289.2	4,090	7.1	777.5	13,417	5.8
Ontario Municipal Governments...	106.6	1,689	6.3	274.3	5,327	5.1
Canadian Municipal Governments.	288.8	4,090	7.1	519.4	13,417	3.9

<sup>1</sup> Compiled from the Bank of Canada Statistical Summary, 1946 Supplement, pp. 39 and 43; the Bank of Canada Statistical Summary, October, 1951, p. 176, and December, 1951, p. 218; Public Accounts of Canada, 1951, p. 102; Comparative Statistics of Public Finance, 1936-40; Dominion-Provincial Conference, January, 1941, Table 50; Annual Report of Ontario Municipal Statistics, 1950, pp. XVIII and 130; and National Accounts, Income and Expenditure, 1926-1950, p. 61.

ESTIMATED TAX COLLECTIONS IN ONTARIO  
BY THE THREE LEVELS OF GOVERNMENT  
FISCAL YEARS 1938-39 AND 1950-51

	1938-39	%	1950-51	%
	\$	Total Tax	\$	Total Tax
	(millions)	Revenue	(millions)	Revenue
		Collections		Collections
Federal Government Tax Collections in Ontario <sup>1</sup> ..	188.5	49.1	1,212.5	73.2
Ontario Government Tax Collections <sup>2</sup> .....	80.6	21.0	255.1	15.4
Ontario Municipal Government Tax Collections <sup>3</sup> ..	115.0	29.9	188.4	11.4
Total.....	384.1	100.0	1,656.0	100.0

<sup>1</sup> Any estimate of the Federal Government's tax collections in Ontario must inevitably be approximate. Compilations of the Federal Government's direct taxes, such as corporation and personal income tax and succession duties, are based on the figures published in the report of the Department of National Revenue, "Taxation Statistics". Federal collections of indirect taxes, such as sales and excise taxes, are estimated on the basis of the ratio of retail sales in Ontario to those in Canada.

<sup>2</sup> Includes taxes such as those on corporations and gasoline and motor vehicle licenses, mining royalties and liquor control profits.

<sup>3</sup> Compiled from Annual Reports of Municipal Statistics of Ontario.



PROVINCE OF ONTARIO SAVINGS OFFICE  
BALANCE SHEET

As at March 31, 1951

ASSETS

Funds on deposit with Provincial Treasurer.....		\$ 63,006,762 61
Savings Offices—		
Cash on Hand and in Banks.....	\$ 1,195,220 20	
Accounts Receivable.....	255 00	
Furniture and Fixtures (after provision for depreciation)...	1 00	
	<hr/>	1,195,476 20
		<hr/> <hr/>
		\$ 64,202,238 81

LIABILITIES

Savings Balances due to the Public with accrued interest to March 31, 1951....	\$ 63,908,955 71
Reserve.....	293,283 10
	<hr/>
	<hr/> <hr/>
	\$ 64,202,238 81

STATEMENT OF SURPLUS OR *DEFICIT*\* ON ORDINARY ACCOUNT  
BEFORE AND AFTER PROVISION FOR SINKING FUNDS

FOR FISCAL YEARS ENDED MARCH 31, 1939 TO 1952

Fiscal Year ended March 31	Net Ordinary Revenue	Net Ordinary Expenditure before pro- vision for Sinking Funds	Surplus or <i>Deficit</i> * before pro- vision for Sinking Funds	Provision for Sinking Funds	Surplus or <i>Deficit</i> * on Ordinary Account
	\$	\$	\$	\$	\$
1939.....	86,843,270.67	85,528,119.98	1,315,150.69	992,655.27	322,495.42
1940.....	88,172,951.62	90,368,392.54	2,195,440.92*	1,038,655.27	3,234,096.19*
1941.....	103,802,020.46	88,780,934.05	15,021,086.41	1,086,655.27	13,934,431.14
1942.....	111,496,169.77	95,208,015.77	16,288,154.00	1,129,000.00	15,159,154.00
1943.....	108,214,063.15	91,083,245.06	17,130,818.09	1,181,000.00	15,949,818.09
1944.....	118,096,683.51	101,210,714.54	16,885,968.97	5,570,000.00	11,315,968.97
1945.....	117,124,346.77	110,956,976.56	6,167,370.21	5,292,000.00	875,370.21
1946.....	128,368,864.36	121,450,964.37	6,917,899.99	5,352,000.00	1,565,899.99
1947.....	142,875,758.56	135,506,854.06	7,368,904.50	5,422,655.27	1,946,249.23
1948.....	191,698,952.37	160,589,199.53	31,109,752.84	5,481,000.00	25,628,752.84
1949.....	215,469,613.61	190,706,361.37	24,763,252.24	15,550,000.00	9,213,252.24
1950.....	228,550,022.27	199,271,373.67	29,278,648.60	20,622,000.00	8,656,648.60
1951.....	265,272,106.50	228,090,424.26	37,181,682.24	21,698,000.00	15,483,682.24
1952 <sup>1</sup> .....	293,063,000.00	266,891,000.00	26,172,000.00	25,276,000.00	896,000.00

<sup>1</sup> Interim Figures.



## STATEMENT SHOWING SURPLUS OR DEFICIT

For the Period from July 1st, 1867, to March 31st, 1952

		Ordinary Revenue *	Ordinary Expenditure *	Surplus	Deficit
July 1st, 1867, to December 31st, 1867.....		\$ 182,899.63	\$ 56,669.97	\$ 126,229.66	
Fiscal Year ended December 31st, 1868.....		2,250,207.74	1,179,269.17	1,070,938.57	
" " " " " 1869.....		2,625,179.29	1,445,751.73	1,179,427.56	
" " " " " 1870.....		2,500,695.70	1,578,976.65	921,719.05	
" " " " " 1871.....		2,333,179.62	1,816,784.11	516,395.51	
" " " " " 1872.....		3,060,747.97	2,217,555.07	843,192.90	
" " " " " 1873.....		2,961,515.31	2,940,803.45	120,711.86	
" " " " " 1874.....		3,446,347.93	3,870,704.14		\$ 424,356.21
" " " " " 1875.....		3,156,605.81	3,604,524.42		447,918.61
" " " " " 1876.....		2,589,222.83	3,139,505.66		550,282.83
" " " " " 1877.....		2,502,566.04	3,119,117.73		616,551.69
" " " " " 1878.....		2,285,178.07	2,902,388.37		617,210.30
" " " " " 1879.....		2,287,951.39	2,941,714.27		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	
" " " " " 1882.....		2,880,450.40	2,918,826.95		38,376.55
" " " " " 1883.....		2,439,941.42	2,887,037.73		447,096.31
" " " " " 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.....		3,148,660.01	3,181,449.69		32,789.68
" " " " " 1887.....		3,527,577.95	3,454,372.43	73,205.52	
" " " " " 1888.....		3,603,262.14	3,545,234.85	58,027.29	
" " " " " 1889.....		3,538,405.08	3,653,356.37		114,951.29
" " " " " 1890.....		3,423,154.99	3,896,324.38		473,169.39
" " " " " 1891.....		4,138,589.09	4,158,459.55		19,870.46
" " " " " 1892.....		4,662,921.57	4,068,257.39	594,664.18	
" " " " " 1893.....		4,091,914.01	3,907,145.32	184,768.69	
" " " " " 1894.....		3,453,162.69	3,839,338.75		386,176.06
" " " " " 1895.....		3,585,300.10	3,758,595.44		173,295.34
" " " " " 1896.....		3,490,671.45	3,703,379.73		212,708.28
" " " " " 1897.....		4,139,847.68	3,767,675.70	372,171.98	
" " " " " 1898.....		3,647,353.09	3,803,081.38		155,728.29
" " " " " 1899.....		4,096,494.96	3,710,420.82	386,074.14	
" " " " " 1900.....		4,192,940.18	4,003,729.37	189,210.81	
" " " " " 1901.....		4,466,043.92	4,038,834.49	427,209.43	
" " " " " 1902.....		4,291,082.91	4,345,003.58		53,920.67
" " " " " 1903.....		5,466,653.13	4,888,982.57	577,670.56	
" " " " " 1904.....		6,128,358.57	5,267,453.02	860,905.55	
" " " " " 1905.....		6,016,176.42	5,396,016.74	620,159.68	
" " " " " 1906.....		7,149,478.39	6,720,179.07	429,299.32	
" " " " " 1907.....		8,320,419.19	7,714,245.61	606,173.58	
" " " " " 1908.....		8,602,902.96	8,557,064.60	45,838.36	
Ten Months ended October 31st, 1909.....		7,477,920.94	7,545,040.47		67,119.53
Fiscal Year ended October 31st, 1910.....		8,891,004.68	8,887,520.09	3,484.59	
" " " " " 1911.....		9,370,833.90	9,619,934.03		249,100.13
" " " " " 1912.....		10,042,000.68	10,287,991.59		245,990.91
" " " " " 1913.....		11,188,302.09	10,868,026.28	320,275.81	
" " " " " 1914.....		11,121,382.07	11,819,310.65		697,928.58
" " " " " 1915.....		12,975,732.19	12,704,362.16	271,370.03	
" " " " " 1916.....		13,841,339.64	12,706,332.90	1,135,006.74	
" " " " " 1917.....		18,269,597.23	16,518,222.64	1,751,374.59	
" " " " " 1918.....		19,270,123.71	17,460,404.05	1,809,719.66	
" " " " " 1919.....		19,904,772.04	21,464,574.88		1,559,802.84
" " " " " 1920.....		25,078,094.62	25,880,842.45		802,747.83
" " " " " 1921.....		29,261,477.39	28,579,687.98	681,789.41	
" " " " " 1922.....		38,507,311.09	37,442,985.53	1,064,325.26	
" " " " " 1923.....		26,166,213.39	41,361,439.92		15,195,226.53
" " " " " 1924.....		30,569,015.92	39,037,780.43		8,468,764.51
" " " " " 1925.....		35,852,404.28	40,959,769.27		5,107,364.99
" " " " " 1926.....		40,984,958.63	41,797,098.94		812,140.31
" " " " " 1927.....		46,607,638.88	46,248,415.49	359,223.39	
" " " " " 1928.....		48,570,217.10	48,341,980.66	228,236.44	
" " " " " 1929.....		54,012,679.53	51,369,785.85	2,642,893.68	
" " " " " 1930.....		57,343,291.21	57,989,352.69		646,061.48
" " " " " 1931.....		54,390,092.37	54,846,994.28		456,901.91
" " " " " 1932.....		54,175,233.01	56,236,031.32		2,060,798.31
" " " " " 1933.....		51,373,051.98	50,896,626.37	476,425.61	
" " " " " 1934.....		50,067,841.37	80,667,091.15		30,599,249.78
Five months ended March 31st, 1935.....		21,048,944.06	31,489,616.34		10,440,672.28
Fiscal Year ended March 31st, 1936.....		65,726,984.57	79,069,690.31		13,342,705.74
" " " " " 1937.....		80,488,439.95	71,174,501.41	9,313,938.54	
" " " " " 1938.....		86,052,792.88	81,443,074.35	4,609,718.53	
" " " " " 1939.....		86,843,270.67	86,520,775.25	322,495.42	
" " " " " 1940.....		88,172,951.62	91,407,047.81		3,234,096.19
" " " " " 1941.....		103,802,020.46	89,867,589.32	13,934,431.14	
" " " " " 1942.....		111,496,169.77	96,337,015.77	15,159,154.00	
" " " " " 1943.....		108,214,063.15	92,264,245.06	15,949,818.09	
" " " " " 1944.....		118,096,683.51	106,780,714.54	11,315,968.97	
" " " " " 1945.....		117,124,346.77	116,248,976.56	875,370.21	
" " " " " 1946.....		128,368,864.36	126,802,964.37	1,565,899.99	
" " " " " 1947.....		142,875,758.56	140,929,509.33	1,946,249.23	
" " " " " 1948.....		191,698,952.37	166,070,199.53	25,628,752.84	
" " " " " 1949.....		215,469,613.61	206,256,361.37	9,213,252.24	
" " " " " 1950.....		228,550,022.27	219,893,373.67	8,656,648.60	
" " " " " 1951.....		265,272,106.50	249,788,424.26	15,483,682.24	
" " " " " 1952**.....		293,063,000.00	292,167,000.00	896,000.00	

\*Revenue and Expenditure figures for the years 1867 to 1907 inclusive comprise both ordinary and capital revenue and expenditure. Revenue and Expenditure from 1923 to 1952 inclusive shown as net surplus after applying certain revenues as a reduction of expenditure.

\*\*Interim figures only.



PROVINCE  
STATEMENT OF GROSS  
1914—

Fiscal Year	GROSS DEBT		REALIZABLE AND INCOME PRODUCING			
	Total \$	Yearly Increase or Decrease* \$	Hydro \$	O.N.T.C. \$	Loans, Cash And Accts. Receivable \$	Total \$
1914.....	41,716,000	.....	10,110,000	20,246,000	5,066,000	35,422,000
1915.....	50,275,000	8,559,000	12,316,000	20,483,000	8,007,000	40,806,000
1916.....	59,336,000	9,061,000	21,939,000	21,184,000	7,684,000	50,807,000
1917.....	61,825,000	2,489,000	27,489,000	21,594,000	5,805,000	54,888,000
1918.....	75,309,000	13,484,000	36,244,000	21,823,000	9,477,000	67,544,000
1919.....	97,032,000	21,723,000	47,700,000	22,335,000	13,882,000	83,917,000
1920.....	127,262,000	30,230,000	65,717,000	22,681,000	16,009,000	104,407,000
1921.....	202,446,000	75,184,000	102,946,000	23,599,000	31,292,000	157,837,000
1922.....	233,189,000	30,743,000	116,786,000	25,654,000	30,704,000	173,144,000
1923.....	291,025,000	57,836,000	124,360,000	28,075,000	37,612,000	190,047,000
1924.....	329,508,000	38,483,000	135,045,000	30,208,000	45,262,000	210,515,000
1925.....	332,391,000	2,883,000	141,717,000	30,208,000	27,885,000	199,810,000
1926.....	349,116,000	16,725,000	142,473,000	30,208,000	31,899,000	204,580,000
1927.....	368,920,000	19,804,000	147,120,000	30,208,000	33,813,000	211,141,000
1928.....	394,114,000	25,194,000	152,936,000	30,208,000	37,176,000	220,320,000
1929.....	426,914,000	32,800,000	164,522,000	30,208,000	44,007,000	238,737,000
1930.....	473,372,000	46,458,000	176,799,000	30,208,000	53,587,000	260,594,000
1931.....	520,667,000	47,295,000	188,377,000	30,208,000	58,055,000	276,640,000
1932.....	574,419,000	53,752,000	189,635,000	30,208,000	76,902,000	296,745,000
1933.....	594,128,000	19,709,000	187,965,000	30,208,000	76,514,000	294,687,000
1934.....	655,761,000	61,633,000	187,829,000	37,208,000	72,247,000	297,284,000
1935***.....	674,386,000	18,625,000	187,878,000	37,208,000	70,885,000	295,971,000
1936.....	689,559,000	15,173,000	172,735,000	36,408,000	74,377,000	283,520,000
1937.....	656,460,000	33,099,000*	151,573,000	30,208,000	69,243,000	251,024,000
1938.....	678,075,000	21,615,000	149,621,000	30,208,000	59,952,000	239,781,000
1939.....	712,767,000	34,692,000	147,841,000	30,208,000	56,450,000	234,499,000
1940.....	737,078,000	24,311,000	145,319,000	30,208,000	54,348,000	229,875,000
1941.....	729,648,000	7,430,000*	137,600,000	30,208,000	55,640,000	223,448,000
1942.....	724,771,000	4,877,000*	135,904,000	30,208,000	51,531,000	217,643,000
1943.....	704,864,000	19,907,000*	121,684,000	30,208,000	57,531,000	209,423,000
1944.....	666,528,000	38,336,000*	105,150,000	30,208,000	48,676,000	184,034,000
1945.....	646,484,000	20,044,000*	95,475,000	30,208,000	40,492,000	166,175,000
1946.....	639,315,000	7,169,000*	93,946,000	30,208,000	36,742,000	160,896,000
1947.....	645,221,000	5,906,000	89,513,000	30,208,000	32,414,000	152,134,000
1948.....	628,388,000	16,833,000*	87,850,000	30,208,000	43,577,000	161,635,000
1949.....	628,663,000	275,000	71,868,000	30,208,000	42,912,000	144,988,000
1950.....	694,009,000	65,346,000	70,209,000	30,208,000	84,773,000	185,190,000
1951.....	697,963,000	3,954,000	67,424,000	30,208,000	78,781,000	176,413,000

\*\*\*Five months ended March 31st.

\*\*The populations are shown in the years between the decennial censuses and in accordance with estimates of the Dominion Bureau of Statistics.

NOTE—Actual figures to nearest \$1,000.



# OF ONTARIO AND NET DEBT

1951

ASSETS		NET DEBT		Year	Population **	Per capita Net Debt \$	Fiscal Year
Yearly Increase or Decrease*	Total \$	Yearly Increase or Decrease*	\$				
.....	6,294,000	.....		1914 Est.	2,705,000	2.33	1914
5,384,000	9,469,000	3,175,000		1915 "	2,724,000	3.48	1915
10,001,000	8,529,000	940,000*		1916 "	2,713,000	3.14	1916
4,081,000	6,937,000	1,592,000*		1917 "	2,724,000	2.55	1917
12,656,000	7,765,000	828,000		1918 "	2,744,000	2.83	1918
16,373,000	13,115,000	5,350,000		1919 "	2,789,000	4.70	1919
20,490,000	22,855,000	9,740,000		1920 "	2,863,000	7.98	1920
53,430,000	44,609,000	21,754,000		1921 Cen.	2,934,000	15.20	1921
15,307,000	60,045,000	15,436,000		1922 Est.	2,980,000	20.15	1922
16,903,000	100,978,000	40,933,000		1923 "	3,013,000	33.51	1923
20,468,000	118,993,000	18,015,000		1924 "	3,059,000	38.90	1924
10,705,000*	132,581,000	13,588,000		1925 "	3,111,000	42.62	1925
4,770,000	144,536,000	11,955,000		1926 "	3,164,000	45.68	1926
6,561,000	157,779,000	13,243,000		1927 "	3,219,000	49.01	1927
9,179,000	173,794,000	16,015,000		1928 "	3,278,000	53.02	1928
18,417,000	188,177,000	14,383,000		1929 "	3,334,000	56.44	1929
21,857,000	212,778,000	24,601,000		1930 "	3,386,000	62.84	1930
16,046,000	244,027,000	31,249,000		1931 Cen.	3,432,000	71.11	1931
20,105,000	277,674,000	33,647,000		1932 Est.	3,473,000	79.95	1932
2,058,000*	299,441,000	21,767,000		1933 "	3,512,000	85.26	1933
2,597,000	358,477,000	59,036,000		1934 "	3,544,000	101.15	1934
1,313,000*	378,415,000	19,938,000		1934 "	3,544,000	106.78	1935
12,451,000*	406,039,000	27,624,000		1935 "	3,575,000	113.58	1936
32,496,000*	405,436,000	603,000*		1936 "	3,606,000	112.43	1937
11,243,000*	438,294,000	32,858,000		1937 "	3,637,000	120.51	1938
5,282,000*	478,268,000	39,974,000		1938 "	3,672,000	130.25	1939
4,624,000*	507,203,000	28,935,000		1939 "	3,708,000	136.79	1940
6,427,000*	506,200,000	1,003,000*		1940 "	3,747,000	135.09	1941
5,805,000*	507,128,000	928,000		1941 Cen.	3,788,000	133.89	1942
8,220,000*	495,441,000	11,687,000*		1942 Est.	3,884,000	127.56	1943
25,389,000*	482,494,000	12,947,000*		1943 "	3,915,000	123.24	1944
17,859,000*	480,309,000	2,185,000*		1944 "	3,963,000	121.20	1945
5,279,000*	478,419,000	1,890,000*		1945 "	4,000,000	119.60	1946
8,762,000*	493,087,000	14,668,000		1946 "	4,093,000	120.47	1947
9,501,000	466,753,000	26,334,000*		1947 "	4,176,000	111.77	1948
16,647,000*	483,675,000	16,922,000		1948 "	4,275,000	113.14	1949
40,202,000	508,819,000	25,144,000		1949 "	4,378,000	116.22	1950
8,777,000*	521,550,000	12,731,000		1950 "	4,471,000	116.65	1951



## PROVINCIAL DEBT

Statement Showing Investment Thereof as at March 31, 1951

## FUNDED DEBT—

Stock and Debentures Outstanding.....	\$672,667,500 00	
Less—Sinking Funds.....	90,850,000 00	
	<u>\$581,817,500 00</u>	
6% Bonds of the Sandwich, Windsor and Amherstburg Railway Company due July 1, 1961—Principal Liability assumed by the Province.....	900,000 00	
Total Funded Debt.....		\$582,717,500 00

## UNFUNDED DEBT—

Savings Office Deposits.....	\$ 63,908,955 71	
Special Funds, etc.....	20,410,117 24	
Temporary Loans—Treasury Bills.....	4,960,000 00	
Housing Corporation Limited—Liabilities.....	14,530,914 18	
Ontario Municipal Improvement Corporation—Liabilities...	924,624 21	
	<u>104,734,611 34</u>	
ACCOUNTS PAYABLE AND ACCRUED INTEREST.....		10,511,312 88
Gross Debt.....		<u>\$697,963,424 22</u>

## INVESTMENT THEREOF—

## Revenue Producing and Realizable Assets—

Hydro-Electric Power Commission—Advances .....	\$ 67,424,022 13	
Ontario Northland Transportation Commission—Advances.....	30,207,934 92	
Housing Corporation Limited—Investments.....	14,929,888 69	
Loans—Farm, Municipal, etc.....	14,945,436 17	
Accounts Receivable.....	10,300,267 96	
Cash on Hand and in Banks.....	27,677,444 60	
Consolidated Revenue Fund—Investments.....	10,000,000 00	
The Ontario Municipal Improvement Corporation—Investments.....	928,265 37	
	<u>\$176,413,259 84</u>	

## Revenue Producing but not Realizable Assets—

Roads and Highways.....	\$506,261,327 13	
Niagara Parks Commission (Surplus of Assets).....	2,136,753 18	
Government of Canada—Debt Account.....	2,848,289 52	
Government of Canada—Common School Fund.....	1,424,597 20	
	<u>512,670,967 03</u>	

Total Revenue Producing Assets.....\$689,084,226 87

## Non-Revenue Producing Assets—

Public Buildings, Public Works, etc.....	\$177,871,970 05	
Equipment, Stores and Materials.....	4,268,233 02	
Other Loans and Advances.....	934,428 09	
	<u>183,074,631 16</u>	

## Other Assets—

Discount on Debentures, etc. (Less amount amortized).....	5,495,043 42	
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Total Assets.....\$877,653,901 45

SURPLUS AND RESERVES—represented in above Assets.....\$179,690,477 23



## GROSS PROVINCIAL DEBT

## Statement Showing Increase

For Fiscal Year Ended March 31, 1951

	1950		1951		Increase 1951 over 1950	
	\$	c.	\$	c.	\$	c.
Funded Debt.....	585,350,849	80	582,717,500	00	2,633,349	80
Unfunded Debt.....	98,626,787	22	104,734,611	34	6,107,824	12
Income Liabilities.....	10,031,697	63	10,511,312	88	479,615	25
<b>GROSS DEBT.....</b>	<b>694,009,334</b>	<b>65</b>	<b>697,963,424</b>	<b>22</b>	<b>3,954,089</b>	<b>57</b>

## ACCOUNTING FOR INCREASE IN GROSS DEBT—

## Capital Disbursements—

Disbursements on Highways, Public Buildings,  
Works, etc.....

\$ 55,595,724 84

Less Capital Receipts..... 5,523,416 45

\$ 50,072,308 39

## The Ontario Municipal Improvement Corporation—

Investments..... 928,265 37

Discount on Debentures, issued during year..... 500,000 00

Increase in Drainage Loans (net)..... 22,554 85

Increase in Co-operative Marketing Loans (net)..... 123,596 00

Consolidated Revenue Fund—Temporary Investments..... 10,000,000 00

Increase in Income Liabilities..... 479,615 25

\$ 62,126,339 86

## Deduct—

## Provision Charged to Ordinary Expenditure—

Retirement of Railway Aid Certificates..... \$ 349 80

Sinking Fund Instalments..... 21,698,000 00

Surplus on Ordinary Account..... 15,483,682 24

\$ 37,182,032 04

Discount on Debentures, written off..... 536,525 85

## Net Repayments on Loans Receivable—

Hydro-Electric Power Commission  
of Ontario..... \$ 2,784,701 84

Agricultural Development Board.. 1,875,000 00

Miscellaneous (net)..... 37,978 40

4,697,680 24

Decrease in Cash on Hand and in Banks..... 15,089,137 37

Decrease in Sundry Assets of Savings Office..... 2,741 72

Increase in Reserves (net)..... 249,316 86

Decrease in Housing Corporation Investments..... 246,256 19

Home Bank..... 10,000 00

Sandwich, Windsor and Amherstburg Railway—Bonds. 100,000 00

City of Windsor—Debentures..... 58,560 02

58,172,250 29

NET INCREASE..... \$ 3,954,089 57



## NET PROVINCIAL DEBT

## Statement Showing Increase

For Fiscal Year Ended March 31, 1951

	1950		1951		Increase 1951 over 1950	
	\$	c.	\$	c.	\$	c.
Gross Debt.....	694,009,334	65	697,963,424	22	3,954,089	57
Revenue Producing and Realizable Assets....	185,190,003	15	176,413,259	84	8,776,743	31
NET DEBT.....	508,819,331	50	521,550,164	38	12,730,832	88

## ACCOUNTING FOR INCREASE IN NET DEBT—

## Capital Disbursements—

Disbursements on Highways, Public Buildings, Works, etc.....	\$ 55,595,724	84
Less Capital Receipts.....	5,523,416	45

\$ 50,072,308 39

Discount on Debentures, issued during year ..... 500,000 00

Decrease in Accrued Interest on Agricultural Development

Board Debentures..... 142,602 10

Increase in Income Liabilities..... 479,615 25

\$ 51,194,525 74

## Deduct—

## Provision Charged to Ordinary Expenditure—

Retirement of Railway Aid Certificates... ..\$ 349 80

Sinking Fund Instalments..... 21,698,000 00

Surplus on Ordinary Account..... 15,483,682 24

\$ 37,182,032 04

Discount on Debentures, written-off..... 536,525 85

Increase in Income Accounts Receivable..... 481,610 73

Decrease in Savings Office—Furniture and Fixtures and

Alterations to Premises..... 2,260 82

Increase in Reserves (net)..... 249,316 86

Net Repayments in respect to Other Loans and Ad-

vances..... 10,389 02

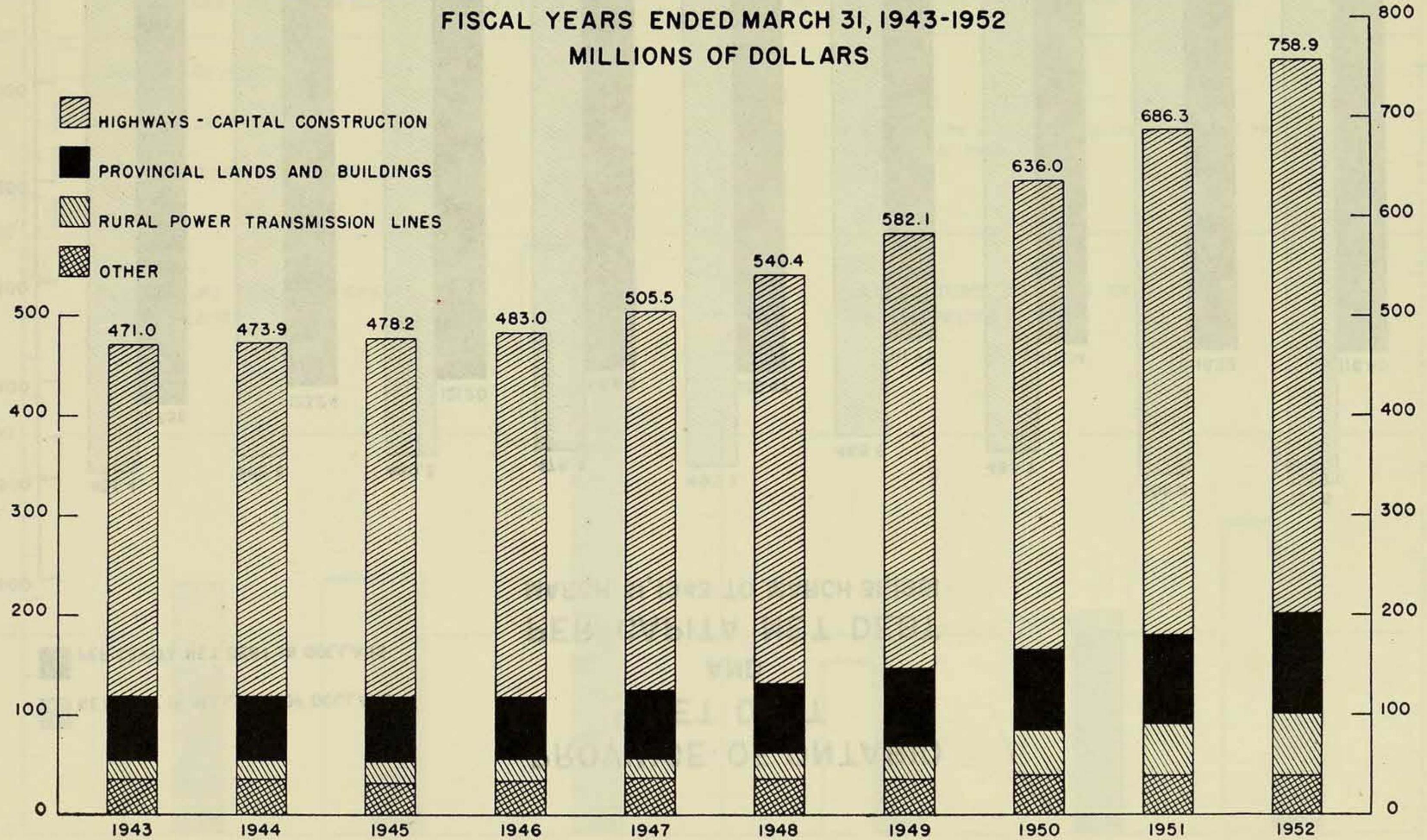
Miscellaneous Decreases..... 1,557 54

38,463,692 86

NET INCREASE.....\$ 12,730,832 88

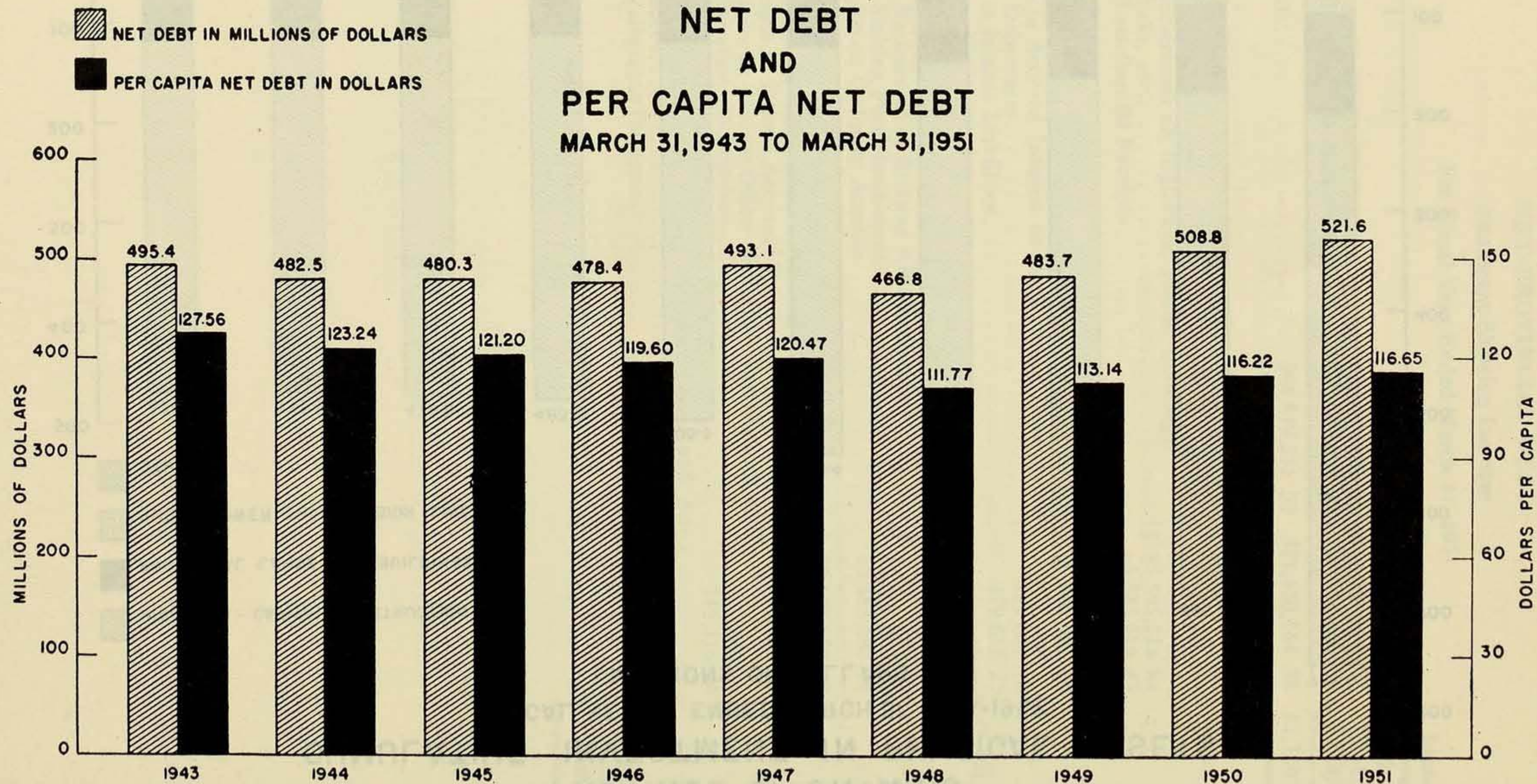


# PROVINCE OF ONTARIO CUMULATIVE INVESTMENT IN PHYSICAL ASSETS FISCAL YEARS ENDED MARCH 31, 1943-1952 MILLIONS OF DOLLARS



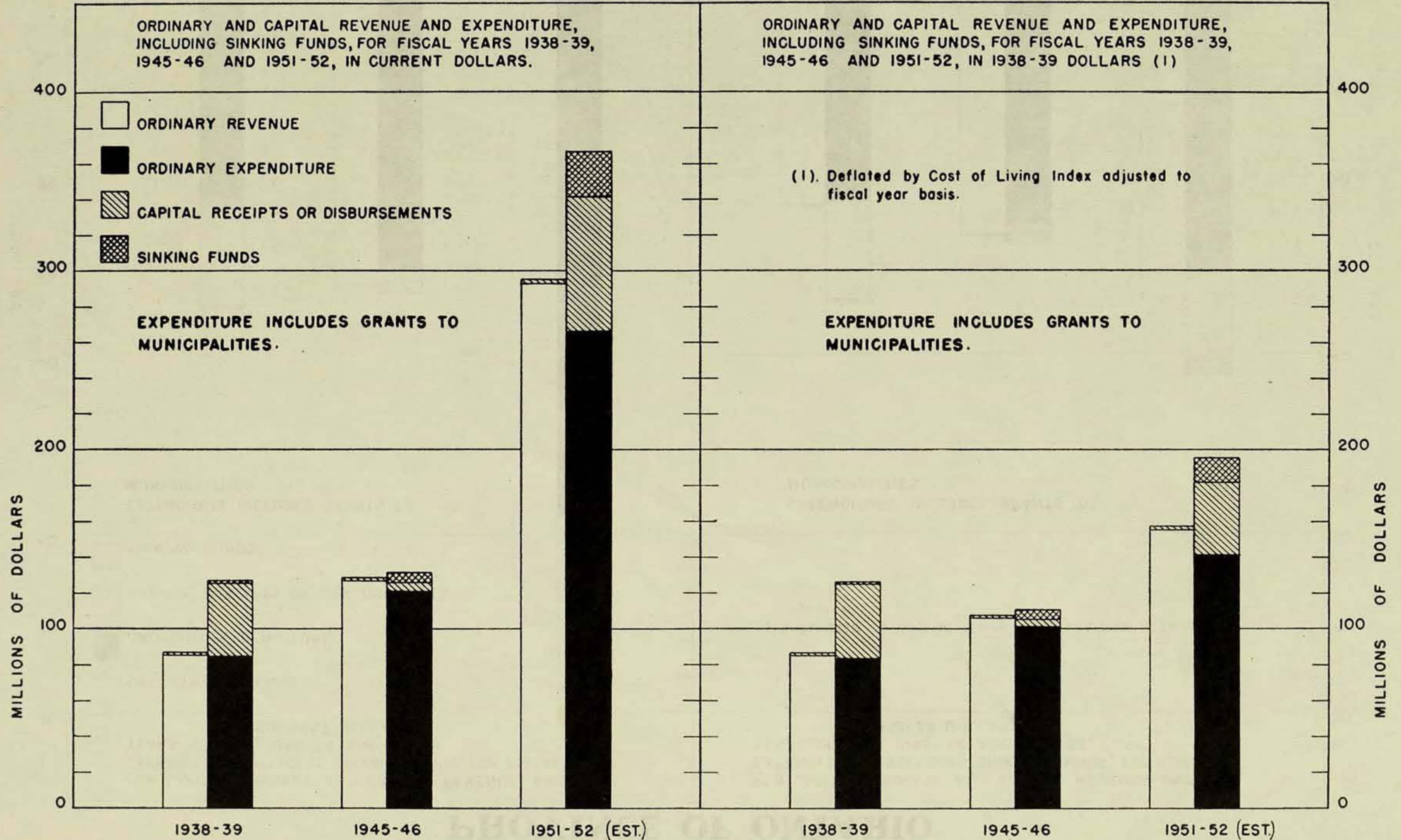


PROVINCE OF ONTARIO  
NET DEBT  
AND  
PER CAPITA NET DEBT  
MARCH 31, 1943 TO MARCH 31, 1951





# PROVINCE OF ONTARIO





# PROVINCE OF ONTARIO

