

BUDGET STATEMENT

of

THE HONOURABLE
DANA PORTER

Treasurer

of the

Province of Ontario

1956



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OF
THE HONOURABLE DANA PORTER
Treasurer of the Province of Ontario
in the
LEGISLATIVE ASSEMBLY OF ONTARIO
THURSDAY, MARCH 1ST, 1956
On Moving the House Into Committee of Supply

Also Statements of
Financial and Economic Information



ONTARIO

TORONTO

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BUDGET STATEMENT
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HONOURABLE DANA PORTER

TREASURER OF THE PROVINCE OF ONTARIO

in the
LEGISLATIVE ASSEMBLY OF ONTARIO

THURSDAY, MARCH 1, 1956

MR. SPEAKER:

During the past year, the Ontario economy again demonstrated its capacity to create new job opportunities and to produce increasing flows of capital and consumer goods, which brought with them a rise in real income and an advance in living standards. A year ago, the level of unemployment was occasioning some disquiet. We were facing increased competition in the sale of our products, both at home and abroad, from the resurgence of production in Europe and Asia. That indispensable ingredient of stability—public confidence—was, however, well maintained. Early in the spring, a strong upsurge of demand for natural resource products, especially pulp and paper, lumber, copper and nickel, began to carry the economy swiftly forward. The production of iron and steel, motor vehicles, machinery, electrical apparatus and appliances also moved ahead rapidly. By mid-1955, it had become clear that we were far on our way to new records of output and income.

Manufacturing output, by the year's end, had set a new record, reaching a level eight per cent above that of 1954. Striking increases in production were recorded during 1955 in Ontario's primary iron and steel industry and in motor vehicles. The electrical equipment and textile industries managed a substantial recovery, while the industrial machinery industry benefited from the rise in capital investment in new plant and equipment. Manufacturers' new orders, which began to increase rapidly in February, ran well above the levels of 1953 and 1954.

The natural resource industries pushed on to new records in 1955. In mining, the total value of mineral output in the Province was 16 per cent higher than in 1954. Iron ore production, which climbed in 1955 to 4.4 million tons, an increase of 83 per cent over the previous year, took another long stride towards an expected output of 14 million tons in the early 1960's. The value of

both nickel and copper production was well above the 1954 levels, while the value of Ontario's gold output showed an increase of 8 per cent. With the demand running so strongly for newsprint and other paper products, Ontario's output from its forests again moved higher. Although agriculture has not shared in Ontario's general prosperity since 1951, farm cash income in 1955, on the basis of preliminary estimates, was two per cent over that in the preceding year.

Except in agriculture, all the standard indicators that reveal the health of the Ontario economy showed a buoyant tendency. During 1955, job opportunities were opened for an additional 60,000 workers and, last December, reflecting the improved conditions for employment, 86,000 more persons were employed than in the corresponding month a year earlier. Unemployment was down 35 per cent over the year. The generation of electrical energy in Ontario was 21 per cent higher in 1955 than in the previous year. Another sensitive indicator of economic activity—the value of cheques cashed in clearing centres—was up 10 per cent. Personal incomes were much higher. Average weekly wages and salaries in manufacturing reached \$66.59, four per cent above the figure for the preceding year. Increased incomes coupled with stable consumer prices were translated into higher living standards.

Although Ontario's population increase was about $2\frac{3}{4}$ per cent, retail purchases in 1955 were eight per cent higher than in 1954. Sales of new automobiles increased by 31 per cent in value, while sales by grocery stores rose six per cent and by department stores, nine per cent. There were substantial increases in the sale of electrical appliances such as refrigerators and washing machines. New residential construction in 1955 reached an unprecedented level, 25 per cent above the previous record set in 1954. Total capital and repair expenditures in Ontario last year were estimated at \$3.1 billion—eight per cent higher than in 1954.

EMPLOYMENT AND ONTARIO'S PUBLIC CAPITAL NEEDS

It is particularly gratifying that the past year has been one of more jobs, higher pay and generally improved conditions of employment. Together with the municipalities and the various public commissions and boards, including the Ontario Hydro and the Ontario Northland Railway, we have carried out during the past year the largest capital building and repair program in our history—a program requiring capital and repair expenditures of nearly \$700 million and giving employment to an average monthly work force of approximately 175,000 persons in direct on-site and off-site labour. We undertook that program not only to meet Ontario's essential public capital needs, but also to stimulate employment, which a year ago was causing concern.

The main items in this capital and repair program were: \$115 million on highways; nearly \$87 million on municipal roads; \$74 million on new school and university facilities; \$20 million on resource development and conservation; \$35 million on new hospitals; \$16 million on provincial public buildings and

miscellaneous projects; \$126 million on electric power; and nearly \$200 million on municipal utilities, public buildings, waterworks and sanitation. Through this huge public investment, the Province and its municipalities notably contributed towards maintaining economic stability and significantly increasing living standards.

It is, however, now apparent that that program must be maintained. The demand for new schools and university buildings, hospitals, highways, municipal thoroughfares, electrical energy and other sources of power and fuel, waterworks, sewers, disposal plants and other services continues unabated. Projections of Ontario's public capital needs over the next 10 years indicate a capital expenditure of \$8 billion as follows:

	Ten Year Period 1956-1965
	\$
Hydro-Electric and other Power Facilities .	1,500,000,000
Schools and Universities	600,000,000
Highways and Roads	3,000,000,000
Water and Sewerage	1,500,000,000
Hospitals and other Provincial Buildings .	425,000,000
Other	975,000,000
Total	<u>8,000,000,000</u>

None of these is a "make work" project. On the contrary, they constitute an immense reservoir of useful projects with which it is imperative that we proceed. In carrying forward this program, our twin goals are development and human betterment. With our growing population, we must augment our university, school and hospital facilities. At the same time, we must recognize the direct contribution to our productive efficiency that is made by an abundance of low-cost electric power, adequate highways and municipal roads, sewers, waterworks and other essential provincial and municipal facilities. Such services must be carried out while keeping taxation as low as possible and maintaining an environment friendly to industrial expansion and to the creation of new employment opportunities.

SUMMARY OF EXPENDITURE AND REVENUE FOR 1955-56

I am continuing our practice of making improvements in the Budget Statement. In the sections containing the Government and Economic Statements, you will find new charts and tables designed to show significant changes in economic and social conditions and in the provincial public services. As inevitably happens, growth resolves some problems, but creates others.

I am also including, as has been done now for two years, a statement showing a five-year comparison of the Province's ordinary and capital expenditures and

revenues, its surplus and the effect of capital financing on net debt. In addition, detailed statements of expenditures on highways and other public works projects will be distributed.

The Government's net ordinary expenditure in the current fiscal year ending March 31, 1956, is estimated at \$410,593,000. This includes various special grants and payments, which are described in detail in the next section, as well as a provision for sinking funds of \$17,630,000. The net ordinary revenue of the Government is estimated at \$411,342,000, giving us an interim surplus on ordinary account of \$749,000, after providing \$28.5 million for the Highway Reserve Account and \$17.6 million for the sinking funds. Both these funds aid in keeping our credit position strong. This is the Government's thirteenth consecutive surplus.

SPECIAL GRANTS AND PAYMENTS

I am glad to be able to inform the House that we have reached the end of the year in a revenue position which again enables us to provide special assistance to the universities and the hospitals, the needs of which, I am confident you will agree, are exceptionally pressing. The Teachers' and Public Service Superannuation Funds will be strengthened, as they have been in the past few years, by special contributions. There will also be grants for certain other special purposes.

As pointed out in the Province's Submission to the Royal Commission on Canada's Economic Prospects, the universities are confronted with an immense program of expansion. For the past four years, we have given tangible recognition to the requirements of the universities by making special capital grants available to them. Before the end of this fiscal year, we propose to pay them, for new construction and other capital purposes, special grants of \$7.2 million. This is an increase of \$1.6 million over the capital grants made available last year. The new grants are as follows:

University of Toronto, for the extension of the facilities of the Faculty of Dentistry	\$1,000,000
University of Toronto	1,915,000
Queen's University	1,000,000
University of Western Ontario	1,000,000
McMaster University, for Hamilton College	600,000
University of Ottawa, for facilities in medicine and the sciences	600,000
Carleton College	500,000
Assumption University, for Essex College	500,000
The Ontario College of Art, for construction	125,000
Total to universities and colleges	<u>\$7,240,000</u>

The payment of this amount will bring to \$19.9 million the capital grants made available to the universities during the last five fiscal years. With the provision of an additional \$1.0 million to the University of Toronto for the Faculty of Dentistry, \$3.0 million has now been provided for this purpose. As the nation-wide shortage of dentists has become increasingly acute, it is imperative that steps be taken to bring additional facilities into operation. It has been our hope that, with the announcement of our plans to provide for a new dental college, the Federal Government, because of the national service rendered by the Faculty of Dentistry in Ontario, would make a substantial contribution. Although, so far, the Federal Government has not offered any assistance, we hope that it will.

In addition to the university grants, it is our intention to pay special grants totalling \$150,000 for the provision of facilities needed for the education of retarded children.

At a cost of \$5.5 million, special grants will again be paid to the public general hospitals, at a rate of \$200 per bed, for rehabilitation and other capital purposes. An indication of the benefits that will be received by the hospitals is shown in the following table, while more complete details are shown in Appendix I. Government Statements:

Barrie, Royal Victoria Hospital	\$ 26,800
Chatham, St. Joseph's Hospital	23,800
Fort Frances, LaVerendrye Hospital	20,000
Galt, South Waterloo Memorial Hospital	43,200
Hamilton, Hamilton General Hospital	268,200
Hamilton, St. Joseph's Hospital	95,800
Kingston, Kingston General Hospital	94,000
Kingston, Hotel Dieu	57,600
London, St. Joseph's Hospital	86,000
London, Victoria Hospital	155,400
St. Catharines, Hotel Dieu	27,000
St. Catharines, St. Catharines General Hospital	73,400
Sudbury, Sudbury General Hospital	61,400
Toronto, Toronto General Hospital	278,600
Toronto, Toronto Western Hospital	139,400
Toronto, Sick Children's Hospital	152,400

To provide grants for additional public general hospital beds constructed in the present fiscal year over and above the original estimates, authority will be requested for a supplementary payment of \$750,000.

With the payment again this year of a special grant of \$1.0 million to the Ontario Cancer Treatment and Research Foundation, the Province will have made available a total of \$8.3 million for the construction and equipment of the Institute of Radiotherapy in Toronto. This project is progressing well and, when completed in the autumn of this year, will be one of the most modern research and treatment centres of its kind anywhere in the world.

It is proposed to pay a special grant of \$300,000 to the Toronto East General Hospital—a teaching hospital that serves many parts of the Province and is now undertaking a major expansion of its facilities.

Last year, we provided a special grant of \$100,000 to the Ontario Heart Foundation to enable it to accelerate its work in the field of heart disease, which accounts for over 35 per cent of all the deaths in the Province. It is our intention to provide the Foundation again with a special grant of \$100,000 for this purpose.

A grant of \$100,000 will also be made to the Stratford Shakespearean Festival of Canada Foundation as a contribution to its building program. The Shakespearean Festival has many notable achievements to its credit and this grant will assist it in becoming a permanent part of Ontario's cultural life.

A special grant of \$1.0 million towards a new building will also be made to the Royal Winter Fair, in recognition of the widespread benefits which are derived from its annual exhibition and the work it carries on.

In addition, grants of \$100,000 each are to be extended to the Royal Botanical Gardens, Hamilton, and to the Municipality of Metropolitan Toronto for the development of a zoological garden.

The Ontario Society for the Prevention of Cruelty to Animals will benefit to the extent of \$10,000.

The polio vaccine campaign carried out last year was such a conspicuous success that this year its coverage will be extended. Orders have already been placed for the vaccine, and it is proposed to provide for payment by way of a supplementary estimate of \$955,000.

In order to strengthen the financial position of the Teachers' Superannuation Fund and the Public Service Superannuation Fund, a special payment of \$1.0 million is being made to each of these funds.

All told, the special grants and payments to be authorized by supplementary estimates and paid before the end of this fiscal year amount to \$19.3 million. In addition, \$28.5 million will be transferred to the Highway Reserve Account by a supplementary estimate.

Celebrations to mark the creation of the Victoria Cross 100 years ago will be held in London, England, this June. To honour those residents of the Province of Ontario who have won this coveted award, the Government proposes to make a special grant totalling \$5,000 to those among these gallant men who will be making the Centenary pilgrimage this June and to certain of their relatives who choose to make the journey. The proposed grant, for which provision will be made in next year's Estimates, has been specifically designated to assist in defraying the expenses of these people during their stay in London: qualifying for it, besides holders of the V.C. making the journey, will be any accompanying relative in the person of wife, father, mother, brother, sister, son, daughter or

grandchild; or, where the holder of the Victoria Cross is deceased, a mother, widow, or other near relative. It is surely most fitting that we should recognize, and pay tribute to, the heroism of these men in this manner.

SUMMARY OF FORECAST OF REVENUE AND EXPENDITURE FOR 1956-57

For the coming fiscal year, ending March 31, 1957, I am estimating the Province's net ordinary expenditure at \$419,751,000 and its net ordinary revenue at \$420,519,000. Accordingly, I am budgeting for a surplus on ordinary account of \$768,000, after provision of \$17,729,000 for sinking funds. This will be our fourteenth consecutive surplus.

The more important items in the Government's net ordinary expenditure are: Education, \$108.0 million; Highways, \$88.2 million; Health, \$57.3 million; Public Welfare, \$31.3 million; and Municipal Affairs, \$16.8 million. The major sources of net ordinary revenue are: the tax rental payment, \$151.7 million; gasoline tax, \$100.0 million; Liquor Control Board profits, \$45.0 million; and motor vehicle licenses and permits, \$41.0 million.

Turning to capital payments, we estimate that our expenditure on physical assets will amount to an all-time high of \$173.8 million, an increase of 34 per cent over our estimated expenditure for the current fiscal year. Of this amount, \$114.6 million (including \$37.0 million from Highway Reserve Account) or 66 per cent, is allocated for King's Highways, Development Roads, Municipal Roads, and mining and logging access roads; \$43.8 million for public buildings and other public works; \$9.2 million for Ontario Hydro's rural electrification program; and \$6.2 million for the Ontario-St. Lawrence Development Commission, grants to Conservation Authorities, community planning and miscellaneous projects.

PROVINCIAL NET DEBT AND INVESTMENT IN PHYSICAL ASSETS

In this Budget Statement, I will have occasion to make frequent references to the heavy demands that are being made upon the Province for capital expenditures on new physical assets, ranging from new hospitals to highways, municipal roads and electric power. In meeting these huge demands, we have endeavoured to steer a course that would oblige us neither to make extensive use of our credit nor to resort to increased rates of taxation.

During the past 13 years, we have invested in highways, public buildings, conservation projects, hospitals and rural power extensions a total of \$659 million. Not the whole of this amount could be financed out of our current revenues under our present structure of taxation, but it is very gratifying that over two-thirds of that investment has been financed from current revenues by way of sinking fund instalments, surpluses on ordinary account and special provisions. Moreover, these additions to physical assets do not include the schools, public general hospitals, university buildings, Homes for the Aged and other institutions we have helped to finance through the payment of grants,

which we have treated as ordinary expenditure. On March 31, 1955, our net capital debt was \$661 million, approximately \$161 million higher than on March 31, 1943. In per capita terms, however, the debt showed an increase of only 29 cents from \$127.76 to \$128.05, and, of course, the real burden of the debt has been considerably reduced by the rise in incomes and revenues.

Despite the large capital projects undertaken this year, the Province was obliged to enter the money market on only one occasion. In July, it sold at par a \$50 million issue of 3 per cent, 10-year bonds, maturing September 1, 1965. The terms of this issue were especially favourable to this Province. As the year progressed, the general trend of interest rates moved sharply upward. Measures which heretofore had been adopted to assure adequate credit for business expansion were reversed, to restrict credit and so prevent the prevailing buoyant business conditions from generating inflationary effects. The Bank of Canada, in three successive adjustments, raised the Bank rate from $1\frac{1}{2}$ per cent in August to $2\frac{3}{4}$ per cent in November. The rise of interest rates in Canada and the Bank of Canada's action were in response to world conditions and followed the pattern of development in both the United States and Great Britain. During recent weeks, there has been a very slight easing in some interest rates.

Apart from the Province's own issue in July, we guaranteed an issue of the Hydro-Electric Power Commission of Ontario of \$65 million payable in two terms—\$50 million, with a maturity of 20 years and yielding 4.00 per cent, and \$15 million, maturing in 10 years and yielding 3.84 per cent. With these issues, the total amount of financing during the past 13 years, for which the Province has either issued its own bonds or guaranteed Ontario Hydro bonds, has risen to \$1,931 million. Of this amount, \$1,646 million, or more than 85 per cent, has been raised in Canada. Over 65 per cent of this borrowing—\$1,260 million—was required by Ontario Hydro to finance its capital expansion.

TAX CHANGES

I am glad to be able to inform the House that there will be no new taxes and no increase in taxes during the next fiscal year. There will be certain minor changes, mainly of an administrative nature. The race tracks tax on pari-mutuels, effective April 1, will be 6 per cent. To facilitate administration and to minimize the inconvenience to manufacturers, the Gasoline Tax Act will be amended so that the tax on aviation fuel, paint solvents and naphthas, which at present is refundable on application by the taxpayer, will in future not be collected and, therefore, no refund claim will be required.

A new Fuel Tax Act will be introduced to place the taxation of diesel fuel used in motor vehicles under a separate Act. At present, diesel fuel is taxed under the Gasoline Tax Act. Placing this tax under a separate statute will enable improvements to be made in administration.

I am sure that it has been apparent for some time to everyone that we could not continue to finance our enormously increased expenditure for highways and

municipal road subsidies without some upward adjustment of motor vehicle licenses. This explains the announcement last December providing for an increase in the motor vehicle registration fees as from January 1, 1956. These were the first increases in registration fees in more than 18 years and no changes were made in other fees or in the gasoline tax. The average increase for all vehicles was 40 per cent. Considering the decline in purchasing power since 1939, these changes were very moderate. Although the present rate of gasoline tax is 3 cents higher than the 8 cent rate introduced in 1939, in real terms it amounts to only 6 cents, or 25 per cent lower than in 1939, after allowing for the rise in the general level of prices. Similarly, the real level of registration fees, prior to the recent changes, had fallen to almost one-half of what it was immediately before World War II. The fee increases made in January are expected to yield approximately \$10 million extra revenue in the next fiscal year.

Although we have done exceedingly well in meeting the service needs of our expanding economy while keeping our tax structure within moderate limits, there is no denying that pressures on our revenues are developing. We have been called upon to embark on an enormously expanded program of highways, hospitals and other public buildings and works and, at the same time, to provide a nine-fold increase in our assistance to municipalities and school boards in the last dozen years. The time is rapidly approaching when further increases in expenditures cannot be accommodated within the dimensions of our present revenue. We will, therefore, be obliged either to halt expenditure increases or obtain new sources of revenue. The situation calls for the most careful husbanding of our revenues and the exercise of the utmost economy in expenditures. This must be the policy not only of the Province but of the municipalities and local school boards. Our requirements are so large that we must concentrate on essentials and leave to the future the things that we would like to do but cannot for the time being afford.

If a more realistic attitude on the part of the Federal Government towards the tax arrangements which are being proposed is forthcoming, then our situation might be very much relieved.

I wish to remind this House of the conclusion of the Budget speech last year. The then Provincial Treasurer said:

"I believe that we are now on the threshold of great things. We have increased living standards by over 35 per cent in the last twelve years. We have strengthened personal and family security. There is no reason why we should not in the next dozen years surpass those achievements. But if we are to do so, we will need to observe four rules: first, we must exercise common sense and recognize that if we want more public services, we must be prepared to pay for them; secondly, we must maintain public confidence in our securities and keep our credit-standing bright and clean; thirdly, we should keep taxes as low as possible; fourthly, we must undertake the great development works that will increase the efficiency and productivity of our workers and our industry. If we follow this course, we can achieve those higher living standards and make the fruits of our progress available in an ever-widening circle."

HUMAN BETTERMENT

In serving Ontario, we have adopted policies that promote development and raise productive efficiency and living standards, for it is by faithfully adhering to this course that we are best able to provide those improved standards of education, health and welfare that make for security and well-being and strengthen the foundations of our economic system. Education and technical research not only make a most direct contribution to our productivity, but also afford the opportunities for enriching our intellectual and spiritual life. Similarly, a secure people will generally be a more healthy and confident people, possessing characteristics which will stand us in good stead during periods of economic distress. Thus, in having regard to policies which are conducive to industrial expansion, we are also mindful of the importance of those services which may be grouped under the heading of Human Betterment. The importance of these services in the Ontario Budget is shown in the five-fold increase in our combined expenditures on education, health and welfare from \$39 million in 1943-44 to an estimated \$189 million for the present fiscal year. The provision for next year will require an increase of \$25.0 million over the amount voted last year.

Education

Education continues to pose one of our most pressing problems. About a decade ago, our elementary and secondary school attendance was only 660,000, now it is 1,050,000. Each year, facilities and teachers must be provided for nearly 70,000 additional pupils. Last year, 2,300 new elementary and secondary classrooms were provided at a cost of \$59.5 million. Nor is the end in sight. Projections of future trends suggest that, by 1960, more than 1.3 million pupils will be enrolled in our schools and, by 1965, it is anticipated that enrolment will rise to 1.6 million. All this foreshadows a continuing program of expansion.

Inevitably, operating costs have increased, and the Province's grants have grown correspondingly. A dozen years ago, the Province assisted the local school boards to the amount of \$8 million. During the current fiscal year, we have provided \$70.8 million, plus \$3.4 million which was charged to 1954-55 accounts but was paid out during the 1955 school year in the form of a special grant of \$4 per pupil. For the next fiscal year, 1956-57, a very large increase is being provided under the regular school grants formula, and, in addition, we are again paying a special per pupil grant which has been raised to \$6; based on average daily attendance, this will cost \$5.8 million. The provision for schools in the coming year amounts to \$84.0 million, \$10.0 million more than was voted last year. This represents one of the largest increases in school grants ever made by the Province, and brings the total increase in the last three years to \$25 million, or 42 per cent.

The educational problem embraces not only the provision of class rooms and other facilities but also the recruiting of teachers, and these grants will give assistance in both these directions. The increase in teachers' salaries has made it possible for the schools to attract new staff as never before. Of the 35,500

full time teachers in the provincial school system, nearly 14,000, or 40 per cent, entered the profession in the last dozen years. Over the next 10 years, some 20,000 new teachers will have to be recruited merely to cope with the anticipated increase in elementary and secondary school enrolment. Moreover, substantial additional numbers will be required to offset retirements from the profession. As a result of extraordinary measures, last year's enrolment in the Teachers' Colleges, which train teachers for elementary schools, was 1,000 higher than that in any previous year, and this year's is again 450 higher than last year's.

The shortage of teachers apparent in the elementary schools is now extending to the secondary schools. To help remedy this situation, an accelerated course of ten weeks' duration was held last summer by the Ontario College of Education. This course provided 418 teachers who are now teaching in the schools and will complete their training next summer.

I am sure that the Honourable Members will agree that we have been giving diligent attention to the needs of education. The provisions for elementary and secondary schools that I have outlined attest to that. But this Budget also makes a very substantial increase in assistance to the universities. Present university enrolment is now nearly 21,000 and applications for admission are expected to double over the next decade. In recognition of their needs, maintenance grants to universities and colleges were increased from \$2.5 million in 1945-46 to \$7.3 million in the current fiscal year, and provision is being made for a further increase of \$930,000 in the fiscal year 1956-57. Apart from this assistance, the Government in the past four years has provided over \$12 million in the form of capital grants for building expansion, and supplementary estimates will be introduced at this Session, providing for additional capital grants totalling \$7.2 million. These grants will include special payments to Carleton College totalling \$1.0 million, of which half will be paid as a supplementary estimate before the end of this fiscal year and the remainder provided in next year's appropriation. Capital grants will also be made to the University of Toronto, Queen's University, the University of Western Ontario, McMaster University, Ottawa University, Assumption University and the Ontario College of Art. A special capital grant of \$1.0 million will also be made for the Dental Faculty of the University of Toronto, bringing to \$3.0 million the capital funds we have made available for the construction of entirely new dental facilities. Although no federal contribution has yet been forthcoming for this institution, we are hoping that Ottawa will yet give tangible recognition to the Canada-wide service that this Faculty performs. Meanwhile, we propose to take action to bring this project to realization.

An appropriation of \$350,000 is being placed in the Estimates of the Department of Public Works for the Lakehead College of Arts, Science and Technology. This will be for capital purposes.

In addition to the universities and colleges to which I have referred, we are giving practical consideration to the needs of the agricultural colleges operated directly by the Province. To provide the funds for the erection of new science

facilities, including a new Soils Building at the Ontario Agricultural College, the extension of veterinary science at the Ontario Veterinary College and certain other purposes, we are including in the Estimates of the coming fiscal year capital grants totalling \$4.1 million, some \$3.5 million more than was expended for these purposes last year. As the maintenance appropriation is also being increased by \$441,500, we are thus providing a total of \$4.0 million additional money for agricultural education. With these appropriations, maintenance expenditures are being increased by 10 per cent over those last year and capital expenditures, by more than 600 per cent.

Details of these grants are shown in the following table:

PROVINCIAL ASSISTANCE PAYABLE TO UNIVERSITIES AND COLLEGES

CALENDAR YEAR 1956						
Universities	Maintenance Grants (\$000's)	Special Grants for Capital Purposes (\$000's)	Total (\$000's)	Increase in Maintenance and Special Capital Grants —1956 over 1955		
				Maintenance (\$000's)	Capital (\$000's)	Total (\$000's)
University of Toronto.....	5,200	1,915	7,115	500	115	615
for extension of facilities at the Faculty of Dentistry...	....	1,000	1,000	....	....	....
for Ontario College of Educa- tion.....	490	....	490	....	....	....
Queen's University.....	775	1,000	1,775	100	400	500
University of Western Ontario..	775	1,000	1,775	100	400	500
McMaster University for Hamilton College.....	275	600	875	50	300	350
University of Ottawa for the Faculty of Medicine and Science.....	275	600	875	50	300	350
Carleton College.....	175	1,000	1,175	30	800	830
Assumption University for Essex College.....	100	500	600	100	300	400
Ontario College of Art.....	150	125	275	...	-475	-475
Total.....	8,215	7,740	15,955	930	2,140	3,070

FISCAL YEAR 1956-57

Agricultural Colleges	Gross Maintenance Charges (\$000's)	Capital Outlays (\$000's)	Total (\$000's)	Increase in Gross Maintenance and Capital Outlays— 1956-57 over 1955-56		
				Maintenance (\$000's)	Capital (\$000's)	Total (\$000's)
Ontario Agricultural College and MacDonald Institute...	3,643	2,686	6,329	327	2,226	2,553
Ontario Veterinary College...	952	1,385	2,337	87	1,317	1,404
Kemptville Agricultural School	323	38	361	28	2	30
Total.....	4,918	4,109	9,027	442	3,545	3,987
GRAND TOTAL.....	13,133	11,849	24,982	1,372	5,685	7,057

Honourable Members will, I am confident, applaud this policy. Greater opportunities for our young people to obtain a higher education strengthen the whole fabric of our society, for the prime bulwark of our democratic way of life is a well-educated and enlightened people. As well as enlightenment, technical skill of the kind obtained in applied scientific courses is needed. To maintain our advances in scientific and technical knowledge, many students will need to engage in studies in mathematics and the sciences. Authorities have reported the immense strides that Russia has made in training many thousands of her youth in the various branches of science and applied technology and, if the countries of the Atlantic Alliance do not continue to expand their educational opportunities in these fields, they may find themselves lagging in world developments. But more than education in the technical sciences is required; the humanities and the social sciences must not be neglected. Our efforts must be devoted to achieving a balanced program of university expansion.

With this as our objective, the Chief Director of Education of the Province has been appointed to act in a co-ordinating and advisory capacity in respect to the long range plans that will be required to provide the universities with facilities and staff to accommodate the impending flood of applicants. The responsibility for initiating plans will, of course, rest with the universities themselves. They have the judgment, the experience and the self-interest to bring into effect, in co-operation with the Province, an integrated program tailored to meet our future requirements.

The Government has not been unmindful of the needs of our less fortunate children. Thirty-five classes for retarded children, with an enrolment of over 800 pupils, have now been established. These classes are in operation from Niagara Falls to Timmins, from Kingston to Windsor and from North Bay to the Head of the Lakes. Grants of \$250 per pupil of average daily attendance are paid to parents' groups for the conduct of these classes, while special training is offered to the teachers in summer sessions.

A variety of other special services, which complement the instruction offered in schools and enrich the lives of Ontario communities, is also provided. These include the loan of educational films, and the holding of school broadcasts in co-operation with the Canadian Broadcasting Corporation. Citizenship training for New Canadians is also a major and continuing service. At present, there are 1,010 organized classes with 17,549 registered pupils receiving instruction in basic English and citizenship.

With this ever-widening demand for educational services, the Province's educational bill, exclusive of that for the Agricultural Colleges, in 1956-57 will be \$108 million, by far the highest in its history. If the expenditures on Agricultural Colleges are included, it will be \$117 million. This is equivalent to 28 per cent of our estimated revenue next year and to our total ordinary expenditure on all services a dozen years ago.

Health

The past year will be recorded as one of the most notable in the field of health in a long time. Not only has Ontario's health program been carried forward with unremitting vigour, but more progress has been made towards the establishment of a national hospital insurance plan than in all the previous years that it was under consideration. It was at the insistence of the Prime Minister of Ontario that this subject was placed on the agenda of the Federal-Provincial Conference last April. At the same time, Ontario submitted a comprehensive memorandum on health insurance for study and consideration by the delegates and officials not only with respect to benefits but also as regards financial costs and other implications. It was pointed out that National Health Insurance had been talked of glibly for decades, but that nothing practical had been done. We therefore requested the Conference to explore its ramifications and to devise and propose a plan with which we could proceed.

At the Federal-Provincial Conference in October, we again submitted a series of study memoranda. In his statement to the Conference, the Prime Minister of Canada declared that the Federal Government would only be justified in participating in a provincially operated health insurance plan if a substantial majority of the provincial governments, representing a substantial majority of the Canadian people, adopted plans.

However, a special study committee composed of Federal representatives and Provincial Treasurers and Ministers of Health was established; it met in October, 1955, and again from January 23 to 26, 1956. On the closing day of the last meeting, January 26¹, the Chairman, the Hon. Paul Martin, Minister of National Health and Welfare, issued a statement declaring that the Federal Government would participate in the financing of a standard ward hospital care and diagnostic services plan, provided that six provinces having a majority of the Canadian population were prepared to implement plans in accordance with certain conditions. As the whole question will be placed before the House later, I need not deal with the details of the proposal here. Suffice it is to say at the moment that hospital insurance does not mean that services will be free. There is no magic in public finance; someone has to pay. It is estimated that in 1957 a hospital insurance and diagnostic services plan in Ontario, exclusive of the care and treatment of mental and T.B. patients, would cost \$160 million. Less than half this amount would be met by the Federal Government, leaving at least \$90 million to be borne by the Province, in addition to the \$30 million that is now required for the operation of mental hospitals and contributions to tuberculosis sanatoria. Nor would it include the cost of the health units and provincial laboratory and other services; the inclusion of these services would bring Ontario's total health costs, including the federal share, to about \$200 million, and these costs would increase through the years. Thus, in view of the magnitude of the expenditures involved, the utmost care must be exercised to insure that costs are kept within the financial capacities of our people and that an efficient

¹On the same day, the Prime Minister of Canada made a somewhat similar statement in the House of Commons.

and equitable method of financing is devised. The Hospital Services Commission being established at this Session will lay a sound foundation for the development of hospital facilities.

The painstaking consideration that has been given to hospital insurance over the past year has not distracted us from proceeding diligently with our general health program. Before the end of this fiscal year, we will pay out special capital grants totalling \$8.6 million to the public general hospitals and for other health purposes. The appropriation for the coming fiscal year, 1956-57, is \$57.3 million, so that the total amount to be voted for health at this Session is \$65.9 million, or \$5.0 million more than last year.

Assistance to the public general hospitals, including maintenance, construction and rehabilitation grants will total \$21.4 million in the present fiscal year. As a result of the stimulus to new construction, 1,743 hospital and nurses beds and 313 nursery bassinets were added to hospital accommodation during 1955. Despite the rapid growth in our population, the payment of construction grants since 1947 has resulted in the number of hospital beds increasing at an even faster rate than population, and this is reflected in the rise in the ratio of our bed capacity to population. There are now under construction throughout the Province 2,219 active treatment beds and 456 chronic beds, entailing an increase of $\$3\frac{1}{4}$ million in our Estimates for next year over this year.

In the field of mental health, it is the same story of progress and expansion of facilities. Our ordinary expenditure for operating our mental hospitals, which, at the end of 1955, were caring for more than 20,000 patients, is estimated next year at \$26.9 million. Accommodation is being expanded in many parts of the Province to enable patients to receive care and treatment in their own localities, permitting convenient visits from relatives and friends. During 1955, accommodation was increased by 1,000 beds, while this year about the same number will be brought into service. The hospital at Smiths Falls, which will eventually accommodate 2,200 patients, is now nearing full-scale operation. Good progress is being made on the construction of the Ontario Hospital at North Bay, and provision is being made in the 1956-57 Estimates for the maintenance of this building. At the Ontario Hospital in Toronto, the new Medical, Surgical, Reception and Diagnostic Clinical Building, which also contains an administration section, was completed in September, 1955. This building provides 100 beds for patients, an extensive outpatient department and other facilities.

Emphasis is being placed on ways and means to determine the causes of mental illnesses and to detect them in their early stages so that admissions to hospital may be reduced and patients more speedily returned to normal life. To this end, a psychiatric service in general hospitals has been established in several large centres, with a view to offering skilled diagnosis, clinic services and treatment at the community level.

One of the most heartening developments in the field of health is the reduction in the mortality rate from tuberculosis; the treatment of this disease now requires a provincial expenditure of over \$6.0 million. Preliminary estimates

indicate that the rate per 100,000 was 4.5 in 1955 as against 6.1 a year earlier and 26.9 a dozen years ago. This has not come about by accident. It has been the result of a planned program of early detection through chest clinics, regular X-Ray surveys and more modern methods of treatment. We may anticipate that, in time, part of our existing T.B. accommodation may be diverted to other purposes.

Our polio vaccine program will be extended in 1956. In 1955, two doses of Salk Vaccine were given in 842 municipalities to more than 350,000 children in the first three grades of the elementary schools. For 1956, the Government has ordered 3,375,000 doses. This will provide a third dose to all last year's group and first and second doses to all other elementary school children and to some children of pre-school age. It is hoped that the Province can give two doses of the vaccine this year to the new Grade 1, to Grades 5, 6, 7 and 8, and to as many children as possible between the ages of two and five years. If sufficient vaccine is available, a third dose will be given to these children as well.

Work on the Ontario Cancer Institute is proceeding on schedule and the prospects are that the building will be completed by the fall of 1956. The Ontario Cancer Treatment and Research Foundation, set up by this Government, is proceeding with an efficiently planned program. Our share of the cost this year is estimated to be \$1,050,000, as compared with \$550,000 a year ago. In co-operation with pathologists throughout the Province, the Cancer Foundation offers a free biopsy service to cancer patients or to persons suspected of having cancer, distributes scholarships for special study in this field and provides special equipment for modern treatment. By these means, it is hoped that cancer will be detected earlier and its effects mitigated.

In the field of child health, steps were taken in 1955 to set up a program aimed at lowering the death rate among prematurely born babies through the introduction of basic RH typing.

Welfare

Further improvements have been made in the Province's welfare services. In the current fiscal year, the cost will amount to \$28.4 million while, for 1956-57, we are asking the Legislature to approve an increase to \$31.3 million. Services for the needy in all walks of life are embraced in this comprehensive program.

It is encouraging to note that since the Province inaugurated a plan of capital construction grants for Homes for the Aged in 1949, the capacity of these institutions operated under municipal auspices has been almost doubled. During 1955 alone, 11 new Homes were built or were under construction, while plans were initiated for an additional nine. The Province shares equally with the municipalities in all construction and operating costs. Provincial payments for new construction alone aggregated over \$2.6 million during the present fiscal year. We are also strengthening our old age security program by the payment of grants towards the construction, operation and maintenance of Homes for the Aged operated by private charitable organizations. These grants, first introduced three years ago, have been an important factor in assisting private organizations

to provide nearly 1,000 additional beds for the aged and thereby relieve pressure on the hospitals. Moreover, under the Homes for the Aged Act, 1955, care for elderly people in private homes in the community is gradually increasing. This plan of "special home care" operates in connection with Homes for the Aged and permits some of those who normally qualify for admission to an institution to remain in the community. The Province shares the cost of maintaining elderly people in private residences in the community up to a maximum of \$30 per month.

Ontario was the first province in Canada to provide medical services to recipients of various welfare measures. During the 1955-56 fiscal year, the cost to the Province of these services, which are made available to thousands of persons, will amount to \$2 million.

Disability allowances, pioneered in this Province, have continued to fill an essential area of need in our social welfare program. The cost of these allowances in the current fiscal year is \$1.7 million and it is expected that next year it will rise to \$2 million.

Ontario's allowances to mothers and their dependants are the most generous in Canada. In the current fiscal year, the Government's expenditure on this form of aid will amount to \$6.8 million and it is expected to rise next year. Under the provisions of the Indian Welfare Services Act passed last year, mothers' allowance benefits were extended to Indian mothers with dependant children on the same basis as to all other mothers.

Child welfare has been, and continues to be, an important part of our activities. The Province provides substantial financial and supervisory aid in support of day nurseries. At present, it meets 50 per cent of the cost of 27 day nurseries operated by the municipalities.

During the past year, the Provincial Government worked out the details of an agreement with the Federal Government to extend all child welfare services to Indian children and families. This will implement one of the recommendations of the Advisory Committee on Native Indians.

During the current fiscal year, amendments to the Blind Persons' Allowances Act are being implemented; these provide for pension eligibility at the age of 18 rather than 21 and a higher ceiling on permissible annual income. At present, more than 1,700 persons are in receipt of benefits under this welfare measure. In addition to the payment of allowances, the Government has taken positive action in providing for remedial surgical and medical services for the restoration of sight to blind pensioners wherever possible.

HOUSING

There are few more welcome signs of a rising living standard than the increase in housing. Except for certain temporary setbacks over which we have had no control, each year has brought with it a new record of residential com-

pletions. The rate of increase has been especially marked in the period since 1953, during which time Ontario has written three consecutive records in units completed, and construction in 1956 may pass them all. The 51,000 housing units completed in 1955 were 10,000 more than in 1954, and 16,000 above the 1953 number. The 1955 total was nearly four times greater than the number of completions in 1945. In all, nearly 350,000 new and converted residential units have been constructed in Ontario since 1945.

The rate of construction has recently been particularly impressive in the Metropolitan Toronto area. The Metropolitan Municipality celebrated its second year of operation by far outpacing the volume of construction set in its first year. The 1955 total of 22,000 completions was 35 per cent above the 16,252 units erected in 1954 and more than double the level of residential building in the Metropolitan Toronto area in the year prior to this Government's creation of the far-reaching Metropolitan organization.

Progress has, however, been rapid throughout the whole Province. Through the Federal-Provincial-Municipal partnership, land assembly projects have been undertaken in 24 areas to date, making available at low cost land essential for economical building purposes. This land has either been serviced or is presently being prepared for release for construction to the extent of 14,000 lots, while the program encompasses plans for an ultimate availability of 30,000 to 35,000 serviced lots. Last year alone, the number of lots sold, available for sale, or in assembly, was more than double the total at the end of 1954.

The rental housing program has also made favourable progress. By the end of 1955, there were 28 rental housing projects in operation in the Province—an increase of seven during the year. Two additional schemes were in process of formation at the year's end and tenders were out for a further five projects. In all, the 35 projects either completed, under way, or planned, provided for about 4,310 rental housing units, compared with 1,820 units at the end of 1954. The major increase in units was effected by two large scale schemes in the Metropolitan Toronto area. The Lawrence Heights project calls for 1,080 rental units and the Regent Park South plans for 721 subsidized units. The latter project is in addition to the Regent Park North development, towards which this Government is contributing \$1,000 per unit up to a total of 1,274 units. The Lawrence Heights project is a \$12 million undertaking, while the final cost of the Regent Park South development is expected to reach \$9 million.

There are now 26 Housing Authorities, of which 3 have been set up during the past year. Rental housing projects have been completed in the municipalities of Arnprior, Amherstburg, Brockville, Dunnville, Fort Erie, Fort William, Galt, Guelph, Goderich, Hamilton, Lindsay, Midland, Owen Sound, Port Arthur, Prescott, Renfrew, Smiths Falls, St. Thomas, Stratford, Stamford, Sault Ste. Marie, Trenton and Windsor. Similar projects are now well advanced in two other centres and progressing in four other municipalities.

To the end of the current fiscal year, both land assembly and rental housing schemes will have involved federal and provincial commitments of over \$40 million.

The soundness of the Second Mortgage Plan carried out by the Government of Ontario between 1948 and 1950 is confirmed by each succeeding year. Although provisions of the National Housing Act superseded the Ontario program, 14,695 loans were made under it, 5,597 of which were fully repaid by January 31, 1956. Of a total advance of \$16.6 million in Ontario Second Mortgage Loans, \$8.9 million in principal had been repaid by that date.

For the fiscal year 1956-57, \$8 million will be provided in the Estimates for the several Federal-Provincial land assembly and rental housing schemes going forward. An additional \$48,000 will be appropriated as the Province's contribution to the Regent Park North project.

PARKS

Substantial progress has been made this year towards evolving an effective Province-wide public parks policy. Under legislation to be approved at this Session, a new Parks Board will be established, permitting a uniform policy to be adopted for all parks at present under the control of the St. Lawrence and Niagara Parks Commissions and the Parks Division of the Department of Lands and Forests. Revenues from water rentals will be used not only to support the development of existing parks, but also to acquire new parks, with a view to promoting an optimum distribution of parks throughout the Province in accordance with need. Temporarily, \$1.5 million will be advanced to the St. Lawrence Parks Commission for capital purposes.

During this year, 25 new parks, with an area of approximately 7,000 acres, have been acquired. In addition, four properties at present owned by the Department of Highways are being transferred to the Parks Division for development, seven others have been recommended for acquisition and numerous other properties have been placed on a priority list for future acquisition.

Many changes have been made in the administration of the older parks, to enable them to serve the purpose for which they were set aside, whether as wilderness, primeval or recreational areas. The principal changes are: the development of suitable camp sites in the larger parks, on a paying basis; the control of aircraft travel in Algonquin and Quetico Parks; and the change in control of Presqu'île and Long Point Commission Parks, to place them on the same administrative basis as other parks. The acquisition of private and commercial properties in Algonquin Park is proceeding.

In order that visitors may enjoy to the full the natural beauties of the parklands and be provided with every convenience, both new and old parks are being developed in accordance with a long-term plan, with the aid of consultants

in recreational planning. Ample provision will be made for camping and picnic grounds, parking areas, motor camp sites and other facilities. Particular attention is being devoted to the heavily populated areas of Southern Ontario.

As far as possible, the parks will be operated so as to produce sufficient revenue to cover maintenance costs. A small charge will continue to be made for camping and boat permits and fishing licences. The introduction of season tickets for automobiles, granting right of entry to any of the Provincial Parks, is also under consideration. The future extension of the Atikokan Highway westward to Fort Frances will render the Quetico Provincial Park more accessible to visitors. Ontario's new parks policy represents an imaginative, yet realistic, approach to the problem of urban congestion that will yield untold benefits to future generations.

PRIMARY RESOURCE DEVELOPMENT

The total value of production from Ontario's primary industries—agriculture, forestry and mining—again increased in 1955, principally as a result of expanded production and higher prices in forestry and mining. After substantial declines in 1952 and 1953, farm cash income has been fairly stable over the last two years. A very slight reduction in 1954 was offset by an increase of about 2 per cent in 1955. The decline in farm income has occurred not because of a lack of productive capacity but as a consequence of the decline in the prices of agricultural products and of other factors beyond our control. The problem has been aggravated by the rise in farm operating costs and the fact that the majority of Ontario's practising farmers commenced operations since the end of World War II. Two factors, however, have recently been more encouraging for farming: first, the downward trend in farm prices was arrested early last year, and, second, the growing local market should bring about an increase in effective demand and, in time, produce more favourable conditions. Population growth of the order of 140,000 a year has been projected, indicating an Ontario market of 6½ million people by 1965.

In general, while agriculture in Ontario is going through a period of readjustment, both mining and forest-based industries have enjoyed exceptional prosperity. The value of output in Ontario's mining industry in 1955 reached the unprecedented level of \$578 million—more than 16 per cent higher than that in 1954. Similarly, 1955 was for Ontario's forest industries a year of greater activity. Virtually all sections of this group, including pulp and paper and lumber, increased their output in response to heightened demands. Preliminary estimates would indicate a total increase in value of 10 per cent above that in 1954. To meet the requirements of the three departments of Agriculture, Mines, and Lands and Forests, we are providing in the fiscal year 1956-57, an appropriation on ordinary account of \$27.4 million, \$3.0 million over the amount appropriated for these purposes last year. In aggregate, the expenditures of these three departments have risen 183 per cent in the last dozen years.

Agriculture

The problems of farming are being given careful consideration. Steps are being taken to strengthen the farm products marketing program, educational and research facilities, extension services, electric power, rural telephone services and junior farmer loan policy.

Such is the magnitude of the agricultural marketing program in Ontario that there are now three times as many farm marketing schemes in operation in this Province as in all the other provinces combined. The program embraces 18 marketing plans covering some 30 crops—to which should be added the more than 50 community auction markets and, also, the two annual livestock auctions which have gained international recognition. A permanent Marketing Board was established last September and staffed by three qualified, full-time officials. With a view to clarifying the constitutional jurisdiction of farm marketing legislation, the Province, in a wide reference, is submitting the question to the Supreme Court of Canada.

Technology and agricultural science continued to play an important role on the farm. Indeed, the spread of mechanization, the steady advance of electrification, and the adoption of better farming practices in general, have combined to raise farm productivity significantly during the last decade and a half. Output per agricultural worker in Ontario is now about 75 per cent greater than it was 15 years ago. The strides made in farm electrification during the past decade have been most striking. The number of farm services supplied by Ontario Hydro increased from under 60,000 in 1944 to almost 139,000 in 1955. The average annual consumption of electricity per farm service supplied by the Commission grew in the same period from under 2,000 kilowatt hours to close to 4,200 kilowatt hours.

The Province's agricultural research program will be strengthened and the provision of technical and scientific advice to farmers aided by the addition of new scientific and research facilities. Plans have been completed for the erection of a new Soils Building at the Ontario Agricultural College; this should go far towards meeting the heavy demands of farmers for soil analysis. The present enlargement of the Ontario Veterinary College's laboratory facilities will be of considerable value to the Province's livestock industry, while of importance to the horticultural industry will be the expanded research and extension services of the Vineland Experimental Station.

During the past year, as in previous years, the Government helped communities equip themselves with amenities such as community halls, arenas, skating rinks, swimming pools and athletic fields. Thus, in 1955-56, 81 community projects—comprising 24 halls, 8 arenas, 6 combination hall-arenas, 28 athletic fields, 10 outdoor rinks and 5 swimming pools—received grants. Altogether, over \$2.1 million has been made available by the Province for 945 such projects.

Progress is being made in improving telephone services in rural areas. As part of its policy of facilitating consolidations and establishing more efficient services, the Ontario Telephone Authority in 1955 participated in negotiations for the sale or disposal of 45 telephone systems. The Authority has also been assisting rural telephone services by furnishing the companies with engineering advice and operating plans. This is undoubtedly one of the Authority's most valuable functions. At the end of 1955, 22 major engineering and planning projects were underway.

One of the Government's services to agriculture, which is proving of considerable value to the Province's farm youth, is the Junior Farmers Loan program. Set up under the Junior Farmer Establishment Act of 1952, and designed to assist those young farmers who wish to establish themselves on farms of their own, the Junior Farmer Establishment Loan Corporation has approved 1,569 loans totalling almost \$10.3 million. During the year 1955, 460 applications for loans totalling over \$3.2 million were approved by the Corporation. This year, it is proposed to increase the maximum amount which may be outstanding at any one time under the Act from \$10 million to \$20 million.

To carry on the Government's agricultural services, the appropriation on ordinary account is being increased from the \$9.7 million voted last year to \$10.8 million for the coming fiscal year.

Mining

Reflecting the general prosperity of the mining industry, prospecting was more intense in 1955 than ever before. Almost 57,400 claims were staked and recorded during the year, marking an increase of about 7,200 over 1954. Both copper and iron ore were focal points of considerable exploratory activity. Of significance to the future of iron ore production in Ontario was the first shipment of ore from Marmora in May of last year. Progress continued to be made in developing the uranium mines of both the Blind River and Bancroft-Haliburton areas. The actual production of uranium in the Blind River district commenced in September of last year, thus inaugurating a wholly new era in Ontario's mining history.

The tremendous expansion of Ontario's mining industry has brought with it a need for new townsites in certain of the Province's mining areas. This is a problem to which the Government is devoting considerable attention. Thus, as well as sharing in the necessary outlay, the Government is supervising the various phases of construction of a new town at Elliot Lake, north of Blind River, to serve the uranium mines of the district. The population of this town may eventually reach 20,000. Then, too, the Government has been supervising the erection of the new model town in the Manitouwadge area—a town with a prospective population of 5,000. Plans for the establishment of a new townsite in the Bancroft-Haliburton-Bobcaygeon uranium field are currently under consideration.

The opening up of new mineral fields has necessitated the building of access roads in many of the Province's mining camps—a program inaugurated in 1951. Each year, an appropriation of \$1 million has been approved for this purpose and the same provision will be made for the coming fiscal year. New construction work undertaken on mining access roads during the past year included that done on the Geraldton-Nakina road, the Sioux Lookout-Alcona road, and the Hornepayne North road. Various other roads were either reconstructed or improved. Several of these projects will be continued, and several new projects will be commenced, during the next fiscal year. To date, about 325 miles of such roads have been built, requiring an expenditure of over \$3.2 million. It should be emphasized that these roads not only support the growth and development of mining, but also afford relatively isolated communities additional means of contact with the outside world. As well, they open up potentially valuable agricultural and tourist areas and provide additional facilities for combatting forest fires.

As in past years, the Government intends to make provision for special grants to several designated mining municipalities. Last year, it will be recalled, \$1.5 million was provided. For the coming fiscal year, it is proposed to allocate \$2 million to this end.

Forestry

The management of Ontario's timber resources on a sustained yield basis is now to be strengthened by a more intensive policy of regeneration. Considerable sums are already being spent for this purpose and, in the coming fiscal year, it is proposed, in addition, to allocate the amount of \$550,000 for regeneration work in our red and white pine, spruce, jackpine and birch forests. This is the first time a specific appropriation has been made for regeneration. In the field of artificial regeneration, more than 28 million units of nursery stock were distributed in the past year, almost 3 million more than in the previous year. Over 16 million of these seedlings went to private land owners, while the balance was planted on Crown lands and in county, township and conservation authority forests. To broaden the scope of this policy, the Government has prepared plans for an increase in both the production of trees in provincial nurseries and in the number of trees planted on Crown lands.

The practice of sustained yield forestry would be impossible without accurate knowledge of the extent and volume of the various species of trees that comprise our forest resources—hence the importance of Ontario's Forest Resources Inventory. For magnitude and comprehensiveness, this inventory is without equal anywhere. Inventory work in what is known as the Province's exploitable forest area is now complete. In the southern agricultural area, the inventory is about one-fourth finished while, in the potentially exploitable area in the far north, it is three-quarters of the way advanced towards completion. Yet another major pillar of successful forest administration is the building of timber access roads to open up hitherto inaccessible forest areas. Realizing that sound

timber management and a high level of forest output mean making as much of the allowable cut as possible available to operations, the Government called last year for an appropriation of \$500,000 for forest access roads. For the coming year, it is proposed to set aside \$360,000 for this purpose.

One of the most vital services rendered by the Government to the forest industries, and certainly one of the most costly, is forest protection. During the present fiscal year, protecting Ontario's forests from the ravages of fire, insects and disease necessitated an expenditure of over \$8.7 million. It is intended to allocate close to \$6 million to this end for the 1956-57 fiscal year.

The total appropriation for the Department of Lands and Forests for the coming year on ordinary account will be \$15.4 million, an increase of \$1.9 million over the amount voted last year.

CONSERVATION

In the dozen years since the establishment of the Department of Planning and Development in 1944, the conservation requirements of the Province have been an important area of the Government's activities. Each year, additional municipalities have embarked upon flood control and other essential works in the conservation program.

Although no additional Conservation Authorities were created during the fiscal year 1955-56, the Otter Creek Conservation Authority was enlarged by the addition of adjacent watersheds, to form a continuous front with the Big Creek Region Conservation Authority along the Lake Erie shoreline. Consideration is being given to the formation of a Sydenham Valley Conservation Authority to cover parts of Kent, Lambton, Middlesex and Perth Counties. Renewed interest may also lead to the establishment of an Authority on the Nottawasaga Watershed in the Counties of Simcoe, Dufferin, Peel and Grey.

The creation of the Metropolitan Toronto and Region Conservation Authority is now in progress. The new Authority will give the Metropolitan Corporation necessary recognition in conservation matters affecting the area covered by the Etobicoke-Mimico Conservation Authority, the Don Valley Conservation Authority, the Humber Valley Conservation Authority and the Rouge River, Duffin, Highland and Petticoat Creeks Conservation Authority, all of which will be brought within the planning orbit of the Metropolitan Authority. The advantages of an overall planning organization in this densely populated region are apparent.

In all, there are 19 Conservation Authorities at work in the Province, comprising a total membership of 287 municipalities with a combined area of 12,021 square miles. To date, 36 surveys, covering watersheds as a whole or in part, have been made as a part of the Conservation Authorities' programs.

During the fiscal year 1955-56, a grant of \$1,250,000 was made to commence the Conestogo Dam on the Grand River—\$5.4 million will be the approximate total investment. With the completion of this project and others now under

way, the investment in such works in Ontario will total nearly \$15 million. The following list comprises the program completed to date, representing investment totalling over \$9.5 million:

Shand Dam	\$2,056,487
Long Branch Flood Control	155,600
Ingersoll Channel Improvement	1,000,000
Pt. Franks Flood Control	137,125
Fanshawe Dam and Reservoir	4,895,896
Luther Marsh Dam	233,806
Deloro Dam	55,570
Brampton Flood Control Dam	964,500
Bridgeport Flood Control	2,000
Fairey Lake Dam	36,914
	<u>\$9,537,898</u>

Recently, the Province increased its contribution on "small" conservation projects from 37½ to 50 per cent and, in anticipation that a larger number of small dams will be commenced, the amount of \$2.7 million is being placed in the Estimates for 1956-57.

Plans have been completed to the point of construction for flood control projects entailing an expenditure of \$17.2 million, and preliminary plans and investigations have been completed for other flood control works involving a construction cost estimated at \$48.2 million. Other projects under consideration will require \$15.3 million in capital outlays. Taken together, all of these projects—completed, now under way or planned—comprise an investment of nearly \$100 million.

The floods which swept through central Ontario in October, 1954, in the wake of Hurricane Hazel, demonstrated the tragedy which can follow from the erection of homes in areas naturally the domain of rivers when in flood. To provide assistance and get repairs under way as rapidly as possible, the Flood Homes and Buildings Assistance Board was created by the Province. This Board made 827 awards totalling \$721,760, in connection with structural damage. It also acquired 530 low-lying properties, selected by the municipalities in the various affected areas, at a cost of over \$2 million, thus helping to remove the danger of a repetition of the tragic losses.

Legislation has been introduced at this Session to provide for the regulation of water used in irrigation—of particular concern to the tobacco producing areas of the Province. This is an important aspect of practical conservation.

Reforestation is another project undertaken by the Conservation Authorities, and 12 of these have signed agreements with the Department of Lands and

Forests for the management of such areas. The total acreage of reforestation lands acquired to date is 28,633 and assistance to private reforestation has also been increased. Encouragement of farm planning has continued through little valley studies and the building of farm ponds—the total number of such ponds built with provincial aid has now reached 935, 185 more than last year. Provincial grants have also been made to promote educational activities dealing with conservation at schools and among forestry clubs and other interested groups. During the current fiscal year, the total expenditure of all departments on conservation was over \$21 million. For next year, \$24 million is being placed in the Estimates for this purpose.

WATER WORKS AND SEWERAGE

Recognizing that our Province can only thrive and prosper if there is an abundant fresh water supply and the pollution of our lakes, rivers and streams is controlled, the Ontario Government last May announced the establishment of the Ontario Water Resources and Supply Committee. This Committee has held public hearings and carried on investigations into the water resources of this Province, particularly in those areas where the need has been acute. These studies have made it plain that municipalities and industries cannot provide adequately for growth and expansion without long-range planning to ensure a plentiful supply of good water and the abatement and control of pollution—a problem of long standing, which was aggravated by the deferment of works during the depression and war and by the rapid population and industrial growth of the last dozen years. The problem is formidable, having inter-provincial and international implications. It has been estimated that, on the basis of current price and wage levels, a capital outlay of nearly \$2½ billion will be required in Ontario for water and sewerage projects over the next two decades.

The Committee's progress has strengthened our convictions as to the contribution that an organization engaged in facilitating the regional development of water and sewerage works can make to the Ontario economy. The Committee is therefore being re-organized into the Ontario Water Resources Commission, which will be granted adequate powers to carry out its work. The guiding principles underlying its operations will correspond with those of the Hydro-Electric Power Commission of Ontario. Projects will be undertaken on a cost basis and must be self-liquidating, producing over a reasonable time a revenue that will cover operating costs, interest charges and debt retirement. The Commission will give priority to those areas where the water and sewerage problems are particularly pressing and where distinct advantages may be realized from the development of a regional integration of facilities, which the municipalities themselves, acting independently, would be unable to obtain.

To enable the Commission to carry on its operation, \$150,000 is provided in next year's Estimates for surveys, investigations and administration and an additional \$2 million is being placed in the Estimates to provide for the initial financing of such capital works as the Commission approves. In this way, a

timely start will be made on a public service enterprise that will do much to make it possible for municipalities whose growth has been hampered by lack of water and sewerage to participate in the general development of the Province.

HIGHWAYS

Motor traffic in Ontario continues to increase at a rapid pace. Total registrations rose in 1955 by 8.6 per cent to 1,617,000, an increase of 145 per cent in the last decade. To the steadily rising volume of traffic generated within the Province must be added about five million vehicles per year from other provinces and the United States. Traffic counts reveal that the volume of traffic on provincial highways in 1955 was approximately 10 per cent greater than in 1954—a considerably higher rate of increase than is currently being experienced in the U.S.A. On some sections of the provincial highway system—for example, the Queen Elizabeth Way—the volume of traffic is increasing at an annual rate far above the average, and serious congestion, affecting over 700 miles of King's Highways, has arisen. In many urban municipalities, the situation is also acute. To help resolve this problem, the Province, together with the municipalities, has this fiscal year carried out the biggest highway and road construction program in Ontario's history. The Ontario Government's expenditures, aside from those made by the municipalities out of their own revenues, total \$157 million, of which \$68 million was for new construction of provincial highways and \$42 million for municipal subsidies. This huge program is \$45 million greater than a year ago and unparalleled in our history. In addition to this provincial program, the municipalities themselves spent another \$45 million from their own resources, making the total cost over \$200 million.

During the fiscal year 1955-56, several important projects were completed. Among these were the Washago By-Pass of 5.6 miles, including structures over the Trent Canal and the Canadian National Railways; an additional 4.6 miles of two-lane controlled access highway on the Toronto By-Pass between Highway 27 and Weston Road; the widening of Highway 11 for three miles from the Mausoleum to Steeles Avenue; the completion of the Mississippi River Bridge and 0.7 miles of new grading on Highway 17 south of Arnprior; finally, 7.3 miles of Highway 2, the re-location of which was made necessary by the St. Lawrence Seaway Project, were opened to traffic between Cornwall and Moulinette. With respect to the Trans-Canada Highway, 28 miles were paved in 1955, bringing the total distance now completed to 262 miles. Other work was carried out on an additional 94 miles and eight structures were completed. In brief, the main physical accomplishments of the Department in the fiscal year 1955-56 were:

- 260 miles of pavement re-surfaced;
- 174 miles of road paved with hot mix;
- 446 miles of road mulched or surface treated;
- 223 miles of road graded;
- 37 new road bridges constructed.

The review of secondary roads is now complete and the numbers appear on the Department's 1956 Road Map. During 1955, approximately 400 miles of secondary roads were assumed as King's Highways.

Despite these accomplishments, the Province is still confronted with a huge backlog of construction, which on provincial highways alone has been estimated at \$920 million, and, in addition, must make provision for future growth. If the use of motor vehicles continues to increase at the present rate, the volume of traffic in 10 years will be double that of today. Even if that trend is not maintained, it is apparent that vigorous steps must be taken to keep up with these pressing demands. The highway and municipal road program projected for next year will, therefore, be again increased. You will be asked to approve an appropriation for highways and municipal road subsidies totalling \$183 million. The appropriation will be allocated as follows:

- \$48 million for maintenance of provincial highways;
- \$85 million for capital construction of highways;
- \$20 million for municipal subsidies for maintenance;
- \$30 million for municipal subsidies for capital.

During 1956-57, further progress towards the goal of a first-class major highway extending from Windsor to the Quebec border will be achieved through the paving of 26.4 miles of Highway 401 between Windsor and Tilbury and 31.6 miles of the London-Ingersoll-Woodstock By-Pass, running from Highway 4 in the west to Highway 2 in the east. By the summer of this year, the whole of the Toronto By-Pass will be open to traffic, with the completion of 13.2 miles of paving from the Queen Elizabeth Way to Highway 5, west of Toronto, and from Bayview Avenue to Highway 2 and Highway 401, east of Toronto. The grading of 26 miles of highway, to give ready access to the rich uranium fields in the Quirke Lake area, north-east of Blind River, will be completed. Two important bridges will be constructed: the C.N.R. overhead on Highway 122 in Trafalgar Township and the Don Mills underpass on the Toronto By-Pass.

Projects on which work will continue during the coming year include: the building of the substructures of the Burlington High-Level Bridge on the Queen Elizabeth Way; the building of three major structures over the Trent, Moira and Cataraqui Rivers and the grading of Highway 401 between Kingston and Gananoque, to expedite construction of the Trenton, Belleville, Kingston and Gananoque By-Passes; the paving of 14.8 miles of the Atikokan Highway and the grading of 14.5 miles, to complete the highway from Shebandowan to Trans-Canada Highway 17.

Work on the Trans-Canada Highway will include the building of four major structures to the west of Marathon over the Little Pic, Prairie, Steel and Mattawin Rivers; and grading and culverts for 7.6 miles westwards from the Quebec boundary and for 6.5 miles from Oxdrift westwards.

In pursuance of the Government's policy of aiding development in, and improving communications between, northern communities, work on a number

of mining and access roads, the construction of which was not completed last year, will be continued in 1956-57, while plans for the building of several additional access roads are under consideration.

As to the municipalities, there is every indication that their volume of road construction will again rise. To meet their requests, provincial road subsidies will be increased to \$50 million and this will be matched by an approximately equal expenditure by the municipalities themselves, so that the total expenditure on municipal roads—including both new construction and maintenance—will be about \$100 million.

Thus, the projected provincial-municipal highway and road program for 1956-57 will require an expenditure of \$233 million. Such a program will help to ensure that the growing requirements of the Province for more and better highways are met—and met in an economical and efficient manner. For the first time, a comprehensive highway needs study is being conducted. Compared with the expenditure of \$233 million, revenue from motor vehicle licences and gasoline tax is estimated at \$141 million.

PUBLIC WORKS

Ontario's rapid population growth and industrial expansion have been accompanied by fresh demands for hospitals and many new public buildings and other projects. These demands have been superimposed upon an immense accumulation of need for the renovation and expansion of existing facilities resulting from the abnormally low level of capital accretion during the depression and war years. In recent years, we have been doing our best to overcome those deficiencies and, during the current fiscal year ending March 31, we will have spent on renovation and rehabilitation of existing structures and on new construction a total of \$25.4 million.

This work has taken varied forms and ranged over a wide area. Among the major undertakings completed in this fiscal year were the medical-surgical building of the Ontario Hospital at Smiths Falls, which makes available 400 new bed spaces, as well as other buildings there; a 100-bed structure for the Ontario Hospital in Toronto; a 300-bed unit for children's accommodation at the Ontario Hospital, Orillia; 360 additional beds in the Ontario Hospital at Port Arthur; the new Teachers' College in Toronto; the new Treasury Building at Queen's Park; the Osgoode Hall Annex, also at Toronto; the reconversion of the Yardley Building in Toronto for the Department of Labour; and additional buildings at the Ontario Agricultural College and for the Experimental Farm at Ridgetown.

Among the major projects to be continued in the fiscal year 1956-57—at an estimated cost of \$28.5 million—are the following: a new Teachers' College in Hamilton; a new 500-bed unit at the Ontario Hospital, Kingston; the six nearly completed patients' pavilions at the Brockville Ontario Hospital, in addition to two new continued-treatment buildings with accommodation for 286 patients

at the same hospital; a 500-bed self-contained tuberculosis unit at the Ontario Hospital, Woodstock; the first group of buildings for the new 1,200 bed Ontario Hospital at North Bay; and an additional 150-bed unit for accommodation of the criminally insane at the Penetanguishene Hospital. These major projects, together with other undertakings, will require \$44 million to be allocated to capital account in 1956-57. New work alone will involve a total commitment of \$12.5 million. Among the new projects to be undertaken is a new hospital for mentally defective children which will be on the model of the hospitals at Orillia and Smiths Falls. Plans will call for an initial installation of 1,000 beds. In view of the scale of the projects to be carried forward over several years, the Government's public works program will have a long-term stabilizing influence upon construction activity and employment.

ONTARIO HYDRO

Next June, the Hydro-Electric Power Commission of Ontario will complete 50 years of outstanding achievement, during which it has made an immeasurable contribution to economic development and rising living standards. During the past dozen years alone, it has more than tripled its generating capacity. At the end of 1955, its own resources provided a dependable peak capacity of 5,155,500 h.p. (as against only 1½ million h.p. in 1943) and power purchased from other sources raised total supplies available to over 6 million h.p. Without this supply of low-cost power, our industries could not have reached anything like their present size and importance as producers of goods and as employers of labour, the rural electrification which has meant so much to the farmer could not have taken place, and the domestic comforts and luxuries which electricity has taught us to enjoy would be impossible.

In the past year alone, five more units of the Sir Adam Beck Generating Station No. 2 on the Niagara River were brought into service. The two Sir Adam Beck Plants now have a combined dependable peak capacity of over 1.7 million h.p., and the Commission is proceeding with four additional 100,000 horsepower units to be installed at No. 2 Station. The head works have already been completed, and these units will be brought into operation in 1957 and 1958.

In Northwestern Ontario, the Commission is continuing to make provision for increased demands for power. Within weeks, it will place in service the Manitou Falls Generating Station on the English River, adding 73,000 h.p. to its resources. By the end of next year, the generating station at Whitedog Falls, on the Winnipeg River, northwest of Kenora, will make available another 72,000 h.p. to the growing economy of this region.

Work on the St. Lawrence power project is making excellent progress. Last year's heavy construction program was successfully completed, and the relocation and rehabilitation of the communities which must be moved is well under way. The importance to the Province of the St. Lawrence project is indicated by the fact that the installed capacity of the 16 generating units which are to be placed in service between 1958 and 1960 will be 1.1 million h.p., equal

to 20 per cent of the dependable peak capacity of the Commission's present generating facilities.

The Government has expended large sums to enable Ontario Hydro to extend low-cost power service to rural areas. These expenditures total \$97.8 million, \$80 million of which has been made in the past 13 years, during which time the mileage of primary transmission lines has been doubled, and the consumption of power by farm service consumers increased five times. In this fiscal year, the Province will pay out \$8 million in rural power bonus and, next year, \$9.2 million.

The task of financing the expansion of Ontario Hydro is one in which the Government has had a major role. Over the past 13 years, \$1.3 billion has been raised for this purpose on provincial debentures or on Ontario Hydro bonds bearing the Province's guarantee.

Looking to the future, Ontario Hydro estimates that, by 1960, our power requirements may be of the order of 7 to 8 million h.p., and that, by 1980, the growth of our population and our industrial development may have raised these requirements to between 26 and 29 million h.p. The Commission is proceeding with the development of atomic-powered generating plants, which are expected to supply a significant portion of Ontario's requirements by 1965. This development will place Ontario among the first in the application of atomic energy to peaceful uses.

ASSISTANCE TO MUNICIPALITIES

No phase of the Government's many-sided financial program has received more attention than that of assistance to municipalities. In the current fiscal year, grants for schools, hospitals, municipal roads and various other purposes totalled \$163.2 million and next year it is anticipated that they will rise to \$184.7 million. This is a remarkable advance from the \$20 million provided only a dozen years ago. Among the conditional grants, the largest is for education, which, including the \$6 per pupil grant, will amount to \$84.0 million in the fiscal year 1956-57, an increase of 42 per cent in the last three years.

Any provincial grant, whether it is paid for education or some other purpose, must be considered in relation to the other parts of the provincial assistance program. To single out a grant for any one purpose and to suggest that this grant is not meeting so large a percentage of total cost as it was in some year in the past without regard to the other assistance that is being provided is highly illogical. Such an approach presents only one side of the picture. It ignores not only the substantial increases in the grants for other purposes, but also the new forms of provincial assistance that have been adopted.

In several of the traditional fields, the Province's subsidies have been increased ten-fold. Grants for municipal roads advanced from less than \$5 million in 1943-44 to \$50 million in 1956-57, a ten-fold increase. The payments

to hospitals have been stepped up from \$1.6 million in 1943-44 to \$21.4 million in 1955-56, or almost fourteen-fold. In addition, this Government has pioneered several new types of assistance. The most important of these is the unconditional per capita grants, considered by nearly all municipal authorities to be the most satisfactory of the methods yet devised. Introduced in 1954-55, these grants will total \$12.8 million in 1956-57. Another step initiated by this Government was the introduction, in 1952, of the Municipal Tax Assistance Act, which provides the municipalities with about \$650,000 in lieu of municipal taxes on provincial properties. In addition, municipal revenues are obtained under this Act from Ontario Hydro and other public utilities. The payment of grants for Homes for the Aged, for day nurseries and for community centres are other new assistance measures we have introduced. The payment of grants to designated mining municipalities is also an important feature of the Government's program; these grants totalled \$1.5 million this year, but for next year an appropriation of \$2.0 million is being provided.

As I have indicated, the grants payable to municipalities, school boards and other local agencies have now reached the impressive total of \$185 million. This is more than \$21 million, or 13 per cent, above last year's assistance. There can be no doubt that the transfer of \$185 million for municipal purposes helps to raise standards of local services and relieve the local taxpayer. Of every \$2 of municipal tax levy, the Province contributes \$1. In other words, our grants are 50 per cent of the aggregate municipal tax levy. By the same token, this assistance represents a heavy drain on the Province's own financial resources, amounting at the present time to 40 per cent of our current revenue.

FEDERAL-PROVINCIAL RELATIONS

During the past year, Federal-Provincial Conferences were held in April, June and October. The April and October conferences were mainly concerned with fiscal arrangements and hospital insurance, while the June conference was devoted to discussions on unemployment relief assistance. I have already outlined the progress that has been made toward the adoption of a plan of hospital insurance and I wish now to review the negotiations that have been proceeding with respect to fiscal arrangements and unemployment relief assistance. I shall deal first with fiscal arrangements.

Federal-Provincial Fiscal Arrangements

During and following World War II, a series of conferences were held between the Federal Government and the provinces. The major problem that has emerged between the two levels of government in Canada concerns the distribution of tax revenues. In 1942, Ontario agreed to suspend its corporation and personal income tax levies. In return for this, the Federal Government reimbursed the Province in an amount equal to the provincial revenue from these taxes in 1940. On March 31st, 1947, these arrangements were terminated.

In entering the post war era, the provinces faced the prospect of vastly increased expenditures. A number of them had very limited revenue resources; all were concerned about the possible burden of unemployment, for the experience of the 1930's was still fresh in their minds. Some form of fiscal arrangement or understanding between the Federal Government and the provinces appeared to be essential for the balanced growth of the nation as a whole. The Federal Government proposed a further series of rental agreements for the five years from April 1, 1947 to March 31, 1952.

Under these agreements, federal payments were offered to any province which refrained from imposing personal income and corporation taxes and succession duties. Neither Ontario nor Quebec signed this series of tax rental agreements. Both provinces occupied the corporation tax field, imposing a rate of 7 per cent of income plus certain special corporation taxes, but they did not impose a personal income tax. Despite this, Ontario raised nearly \$20 million more from collecting its own taxes than it would have received under a tax rental agreement and, had it occupied the field of personal income tax with a levy of 5 per cent of the federal tax—which was deductible—it would have obtained an additional \$72 million over the five year period. Thus, the Ontario tax fields in the years 1947 to 1952 had a value of \$92 million more than the Federal Government was prepared to offer to the Province as a rental for them.

At the December, 1950, Federal-Provincial Conference, when the Federal Government proposed an extension of the rental agreements, a new option was offered, giving more realistic recognition to Ontario's tax yields. In consequence of this offer and our assessment of the revenue prospects from our own sources, Ontario signed an agreement suspending its rights to levy corporation and personal income taxes during the period January 1, 1952 to December 31, 1956. In initialling the agreement, the Prime Minister of Ontario described it as the best that could be reached at the time, though he was far from convinced that it was the best that could be devised. In fact, it was viewed as a stop-gap, pending the working out of a more satisfactory distribution of tax and revenue sources.

In return for renting its rights to personal income and corporation taxes, Ontario received a guaranteed minimum payment of \$101.8 million, increased in accordance with the rise in the gross national product per capita and the provincial population as ascertained in the year preceding the year of payment, compared with these factors in the base year of 1948. Ontario did not rent its rights to succession duties. Accordingly, the succession duty credits extended to taxpayers in Ontario—representing the Federal Government's loss of revenue—are being deducted from the rental that would otherwise be payable to this Province. As, inevitably, there is a lag in the calculation of these credits, some years will elapse after the expiration of the agreements before the aggregate of our actual rental receipts from the Federal Government can be exactly determined. Year by year figures are as follows:

Fiscal Year	\$
1952-53	123,327,363
1953-54	134,447,815
1954-55	142,746,809
1955-56	138,345,000
1956-57 (estimated)	151,700,000

Since Ontario entered into this tax rental agreement in 1952, several notable changes have occurred in the conditions under which a province may occupy its own direct fields. Less than a year after Ontario signed the agreement, the Federal Government increased the corporation income tax credit from 5 per cent to 7 per cent. In addition, the credit of 5 per cent of the federal tax allowed to taxpayers in a province levying a personal income tax was changed to an unconditional abatement of 10 per cent, effective January 1, 1955, whether or not the Province levied up to that rate. Although the Prime Minister of Canada advised that, in view of these adjustments, any province might terminate its tax rental agreement, only Quebec was occupying the corporation and personal income tax fields and, therefore, in an effective position to take advantage of them. Taking note of these changes, the Provincial Treasurer, last year, pointed out that Ontario's rental agreement was predicated on a 5 per cent personal income tax and 5 per cent corporation income credit; thus, a recomputation based upon the reduction allowed to Quebec taxpayers of 10 per cent personal income tax and 7 per cent corporation income plus special business taxes presented a completely altered picture, which would require careful consideration.

At the conferences in April and October last year, the Federal Government proposed a new series of fiscal arrangements for a five year period. The federal proposals, which represented a new approach to the Federal-Provincial fiscal problem, were crystallized in letters dated January 6 and February 18, 1956 from the Prime Minister of Canada to the Prime Minister of Ontario. In these letters, Mr. St. Laurent made a definite proposal. Briefly, the arrangement suggested takes the following form:

1. Where a provincial government chooses to impose and collect its own taxes in the personal income tax field or the corporation tax field or the succession duty field, the Federal Government will abate, by certain standard rates, the tax rates in each province whether or not the Province signs a fiscal agreement. The standard rates that the Federal Government will abate are:

- (a) on personal incomes, 10 per cent of the federal tax under the Income Tax Act, excluding the Old Age Security Tax;
- (b) on corporations, 9 per cent of the taxable income deemed to be earned in the Province;
- (c) on successions, 50 per cent of the federal duty.

2. Where a provincial government undertakes not to impose any one or all of these taxes, the Federal Government will pay to such provincial government each year an amount equal to the yield of the standard tax in that field in that province.

3. In addition to the amounts provided under 1 and 2 above, the Federal Government will pay unconditional tax equalization grants to the various provinces to the extent required to bring the combined per capita yield of the three tax fields at standard rates in each province up to the level of the weighted average per capita yield of these taxes in the two provinces—Ontario and British Columbia—which have the highest per capita combined yields in these three fields.

4. Where a provincial government chooses to impose and collect special corporation taxes, i.e., taxes other than a general tax on profits, the Federal Government will only allow the corporation to treat such provincial tax as an expense to the extent that it exceeds 9 per cent of the corporation's taxable income or the provincial general rate of corporate income tax, whichever is the greater. Furthermore, where the Federal Treasury incurs a loss in its revenue from allowing the provincial tax to be treated as an expense, that loss will be deducted from any payments due to the Provincial Government arising out of this proposal.

5. The Federal Government also proposes to provide during the currency of these arrangements a revenue floor equivalent to the higher of the tax rental paid or available to each provincial government in the fiscal year ending March 31, 1957, increased in accordance with the increase in the Province's population between June 1, 1956 and June 1 of the taxation year preceding the year of payment; *or* 90 per cent of the standard tax yield plus equalization and stabilization payments in the preceding year, or preceding two years, as applicable.

6. Provision is made to adjust the standard rates of personal income tax and succession duties to offset future federal changes in either rates or exemptions in these two fields.

From Ontario's standpoint, the new proposal has several advantages. It affords a considerably greater degree of flexibility. Each province has the option of:

- (a) renting any one or all of its main direct tax fields—personal income tax, corporation taxes and succession duties; or
- (b) having the personal income tax or corporation income tax collected by the Federal Government at the standard rates on an agency basis for an administrative fee payable by the province; or
- (c) collecting any one or all of these taxes itself.

Under the existing agreement, the personal income tax cannot be rented separately—the corporation tax has to be rented also as part of the arrangement, and the Federal Government was not willing to collect a provincial tax on any basis. Another distinct advantage of the proposal is that a provincial tax on the gross premiums received by insurance companies will not be construed as a corporation tax. This interpretation will allow each province, whether or not it signs a rental or tax collection agreement, to impose a gross premiums tax and have it treated as an offset or a credit against the Federal Government's two per cent tax on the gross premiums of insurance companies. There is an advantage, too, in having the amount of the subsidy element in the payments to the other

provinces—the so-called equalization payment—brought out into the open, where it may be clearly seen. Finally, although it is not possible to make accurate calculations inasmuch as they depend upon future levels of corporation profits and personal incomes, it is very likely that the revenues to Ontario under the new arrangement will be slightly higher than those available to it under the terms of the rental agreement now in effect.

We believe the principle involved in this offer is sound. If a person is now required to pay 20 per cent of his income in Federal income tax, his Federal income tax liability becomes 18 per cent and his provincial liability 2 per cent, unless the Province elects to levy some other rate. There will be no real effect upon the personal income tax payer, unless the Province collects its own tax under a schedule of rates that departs from the amount of the abatement. With respect to the corporation tax, the method of computing the abatement is somewhat different. Instead of it being calculated as a percentage of the federal tax liability, as it is for personal income tax and succession duties, it is a straight abatement of 9 percentage points of corporation income. Thus, under the proposal, the Federal corporation income tax of 45 per cent (excluding the 2 per cent social security levy) will be reduced to 36 per cent, leaving 9 percentage points of income available for provincial taxation. If a province rents its rights to these tax fields, the abatement will, of course, be nullified and the Federal Government will, as compensation, pay each province the amount of its computed yield at the standard rates, plus any equalization and stabilization payments that, under the formula, are owing to it. If a province undertakes to collect its own taxes, it may alter its rates and thereby its share of these tax fields, either up or down.

There are, in our view, two main defects in the federal proposal. These relate to the method of determining the equalization payments. This method is based upon the weighted average of the per capita tax yields of Ontario and British Columbia in the three main direct tax fields. The other provinces that have lower per capita tax yields are adjusted up to this average of Ontario and British Columbia. The Ontario Government has consistently supported federal fiscal need payments to the provinces which generally need them, but it seriously doubts that the present formula achieves this purpose. A much sounder approach would be to adopt the average per capita tax yields of all provinces as the yardstick or, in the alternative, the average per capita tax yields in the four highest provinces, Ontario, British Columbia, Quebec and Alberta.

The second defect in the proposal seems to us to lie in the failure to recognize adequately the compelling needs and heavy burdens that rapidly growing population and industry impose. Such growth in this century creates enormous demands for educational facilities, highways, hospitals and municipal roads, waterworks, sewerage works and many other services that must be financed by the province and the municipalities out of their revenues. Servicing industry is very costly, yet the federal formula does not take this into account. All the provinces except Ontario receive special federal payments. Their revenues in the

three main direct tax fields are raised virtually to the per capita yields in Ontario, which produces half of Canada's manufacturing output and contributes half the Federal Government's direct tax revenue. To starve Ontario's services or force it into unsound taxation practices will inevitably lower the standard of services and well-being in all provinces. Indeed, it will have a direct effect on the tax revenues of all provinces, for under the proposed formula the combined tax yield and equalization payment to each province depends upon the tax yield in Ontario. If Ontario's tax yield declines, so will that of all the other provinces. We would, therefore, urge that there be a realistic appreciation of our fiscal requirements and that a share of the total tax revenue be allocated to this Province sufficient to enable it to provide the services that its expanding industry and population require.

Federal Formula for Unemployment Assistance

No one will question that the best way of dealing with unemployment is to provide useful work. It was partly with this objective in mind that, last year, when unemployment was causing some anxiety, we embarked upon an expanded program of capital works. Virtually all people would prefer useful work to direct relief or "handouts". While this policy will not meet all needs in all situations, it is the field in which the provinces and municipalities can make their greatest contribution. Their financial resources are restricted and, inevitably, the funds that are channelled into direct unemployment relief necessitate a contraction in the money made available for carrying out essential capital projects. Under our Constitution, the great majority of useful works falls within the orbit of the provinces and municipalities, and it is in these fields that their energies and resources should be concentrated. Moreover, it should not be overlooked that any curtailment of these provincial and municipal services, as the result of lack of funds, will undoubtedly have the effect in the long run of reducing the potential revenue of the Federal Government itself. For the most part, provincial expenditures are productive. They provide the environment in which industry may grow and expand. They provide for the development of the skills of the people by education and in other ways. They provide for maintenance of standards of health. Indirectly and directly, they distribute widely, and in varied ways, monies which generate employment. Nearly all expenditures of a provincial government, in one way or another, give impetus to revenue-producing activities. It would be very short-sighted, because of heavy federal burdens for defence and other objectives, to overlook the long-term necessity of permitting the provinces to make full provision for the utmost development of their manpower and material resources, for it is from these that the revenues of the Federal Government are derived.

Traditionally, the provinces and municipalities have been responsible for assistance to unemployables. On the other hand, it has become almost universally agreed that the Federal Government should be responsible for assistance to the able-bodied unemployed. This federal responsibility was partly fulfilled with the amendment to the British North America Act in 1940, empowering the

Federal Government to establish a system of unemployment insurance. A gap was, however, still left in the Federal Government's sphere of responsibility—namely, the provision of supplementary assistance to indigent, unemployed workers. The Rowell-Sirois Commission, Dr. L. C. Marsh in his Report to the Advisory Committee on Reconstruction in 1943, and the Federal Government itself at the 1945-46 Federal-Provincial Conference all proposed that this be a federal responsibility. In his Report, Dr. Marsh recommended that there be established a national unemployment assistance program administered and financed by the Federal Government to supplement unemployment insurance. He went on to suggest that the logic of this course could be found in what he described as the "inadequate and repellent character of the relief measures of the past".

At the meetings of the Federal and Provincial Governments in April and June of last year, the Ontario Government made vigorous representations supporting this division of responsibility. It suggested that the Province and the municipalities continue to provide assistance for the unemployables and that the Federal Government bear full responsibility for assisting the able-bodied unemployed.

The unemployment relief proposal submitted to the Province gives but grudging recognition to these representations. It still leaves the Province and the municipalities with the burden of financing the whole cost of unemployment assistance for the unemployables. In addition, it imposes upon the Province and the municipalities the burden of financing 50 per cent of the cost of assistance payments to indigent unemployed workers as well as the cost of administration.

The details of this proposal are complex. The Federal Government will contribute to relief costs only on the case load exceeding 0.45 per cent of our population and then only on a 50-50 basis. In effect, the Federal Government will not contribute anything to the cost of the Province's unemployable relief load and will only contribute half the cost of relief assistance to the indigent employable case load. Thus, under this proposal, it will be necessary for the Province and the municipalities to spend additional money on unemployment relief in order to receive any federal money. More precisely, in order for the Province to obtain a dollar from the Federal Government it will be obliged, with municipal participation, to spend on unemployment relief an additional dollar from its own revenues. The federal proposal, therefore, leaves much to be desired. Nevertheless, it is being given study and consideration. Certain revisions to the federal plan were outlined in a letter from the Prime Minister of Canada last December 5th and, while these did not alter the basic principle of the proposal, we are hopeful that with further negotiation substantial improvements can be effected.

CONCLUSION

Mr. Speaker, a year ago, the Treasurer of Ontario concluded his Budget Statement upon a note of confidence in the great continuing developments that lie ahead. For these developments, boldly conceived and intelligently planned,

will increase the efficiency and productivity of our workers and our industry. During the months that followed, we have taken advantage of the provisions of the Budget that made allowance for these developments. We have done our full share as a Province in our contribution to employment. We have built and have assisted in the building of hospitals, schools, public structures, highways, bridges, conservation projects and many other undertakings. These all go to the maintenance and broadening of "an economic environment that fosters confidence, that is friendly to new ideas, that has the capacity of adaptability, that gives incentive to industrial expansion and preserves the right of earning and retaining just rewards". That we consider to be our job. We have pressed it forward during the last 12 months at a greater pace than ever before. The Budget for 1956-57 makes provision for a continuation of this program of development. In every department responsible for some phase of development, the estimates are increased. None has been neglected; and in some instances we have entered into commitments, such as the \$35 million we have pledged for the northern section of the natural gas pipeline, which will give great impetus to our development. Yet in this Budget there is a special emphasis. That emphasis is upon education. In addition to the unprecedented increase in the grants to schools, it lays a special stress upon the universities. The total amount provided for our institutions of higher learning represents an increase far greater than has ever appeared in any single budget in the history of Ontario.

It was not so many years ago when industry and business generally looked somewhat askance at university graduates. In the interval, attitudes have drastically changed. In almost all walks of life, new and varied opportunities have opened up for men and women with some professional training and general higher education. Our institutions have established a standard of merit which has received general recognition. Industry and business seek trained minds. Parents who missed the opportunity of higher education themselves now fully realize that it is an advantage. They wish it for their children. The problem of university enrolment is becoming one of great magnitude.

The program of development in this Province needs graduates of the universities for its fulfilment. It needs engineers, architects and all manner of men of science. Without increasing numbers of them, progress will be frustrated. The growing population requires doctors, dentists, nurses and others who are trained to preserve good health and relieve the sick. Practical science depends for its effective development upon scientific research. All this represents a constantly pressing demand which we must take steps to meet. And looming up as a pall of uncertain but sombre reality, we perceive a concentration upon training in the sciences in countries where those who rule do not think in the way that we think. Science has become a fundamental bulwark in the line of defence against terrifying possibilities.

Let us not forget that education for us is not the same thing as in some countries. For in some countries, the whole paraphernalia of science is diverted to serve the objectives of the state. With us, education is conceived as of a

different essence. It is designed to provide the environment for a wide breadth of view, for freedom of discussion, for the dispassionate search for truth. With all their shortcomings, in spite of all the raw edges and occasional turbulence so characteristic of undergraduate life, our universities do create this indispensable environment. Many students may emerge as highly trained specialists in some chosen field, yet they have had the opportunity of contact with the humanities. In our urgent need for persons of special scientific training, let us not overlook the fact that the great issues that arise from time to time in our country are human issues. We are faced constantly with the clash of ideas. It is in the universities that men and women learn the discipline of study, learn to discuss opinions from all viewpoints, learn to separate the true from the false. It is there that they can best gain a perspective of the vast sweep of history and come face to face with the thoughts of the great minds of all the ages. It is there that they may learn to live in the discipline of liberty. From thence may be derived some understanding of the basic problems and the causes that lie behind the conflict of ideas. It is not in the competition for scientific supremacy that the danger lies; it is in the conflict of ideas. Science is essential for our material progress and the defence of our liberty. The threat to our safety and our liberty comes from ideas that cannot be reconciled. The ultimate value of our universities lies in their breadth of vision, in their independence, in their liberty. We have a more pressing need for them than ever before. The major human issues will be resolved, if they ever will be resolved, by knowledge, disciplined understanding, and the wisdom that flows from these. Our schools with their one million pupils, our universities with their rising enrolments are constantly subject to the white light of public scrutiny and criticism. In spite of the inevitable shortcomings of a system that suffers from the pangs of rapid growth, these institutions are an integral part of our way of life. The evidence of the quality of the system is a generation of young men and women who are better informed, more self-reliant, more alive to the manifold opportunities that lie ahead of them than any generation that has gone before.

SUMMARY AND HIGHLIGHTS

1. Since it took office in 1943, the Ontario Government has achieved its thirteenth consecutive surplus. The amount of the surplus in 1955-56 will be \$749,000, after providing \$17.6 million for the sinking funds and \$28.5 million for the Highway Reserve Account. Ordinary expenditure in the current fiscal year ending March 31, 1956 is estimated at \$410.6 million and ordinary revenue at \$411.3 million. (p. 8).
2. The Ontario Government is budgeting for its fourteenth consecutive surplus in 1956-57—a surplus of \$768,000, after providing \$17.7 million for the sinking funds. (p. 11).
3. The Budget for 1956-57 provides for a great increase in provincial assistance for education; \$84.0 million is to be voted for schools, an increase of \$10 million over the amount voted last year. In the last three years, school grants have increased by \$25 million, or 42 per cent. A special

educational grant will be paid in 1956-57 amounting to \$6 per pupil; this is an increase of 50 per cent over the per pupil grant paid last year. (p. 14).

4. This year, we are providing for an unparalleled increase in assistance to universities. Including the special grants for capital purposes totalling \$7.7 million (an increase of \$2.1 million over last year's figure) provincial assistance will total \$16 million as against \$13 million last year. Maintenance grants are being increased by \$930,000. (p. 16).
5. Maintenance and capital expenditures for the Ontario agricultural colleges are being increased in 1956-57 by \$4.0 million. (p. 16).
6. Total provincial grants and expenditures on all universities and colleges in 1956-57 will be \$25.0 million—\$7.1 million over the amount provided last year. (p. 16).
7. There will be special grants for the Dental Faculty of the University of Toronto; Carleton College; Essex College, affiliated with Assumption University; all other universities; and the Ontario College of Art. (p. 8).
8. The Ontario Government's educational bill in 1956-57, exclusive of agricultural colleges, will be \$108 million. Including agricultural colleges, it is \$117 million. (p. 17).
9. There will be no new taxes and no increase in taxes. (p. 12).
10. Assistance to municipalities, school boards and other local agencies in 1956-57 will be \$185 million, \$21.5 million or 13 per cent above that a year ago. (p. 35).
11. Hospital insurance advanced as never before. (p. 18).
12. A special capital grant of \$200 per bed is to be paid to all public general hospitals. (p. 6).
13. Including the \$200 per bed grant, special capital grants for hospital and other health purposes total \$8.6 million. (p. 9).
14. The Province is providing for an expanded polio vaccine program. (p. 20).
15. The total health vote this year is \$65.9 million, \$5.0 million above that of last year. (p. 19).
16. The Province's combined expenditure on education, health and welfare in 1956-57 will be \$197 million, \$25 million more than last year's appropriation. (p. 11, 14).
17. Reflecting the Government's huge construction program, net capital expenditures in 1955-56 totalled \$129.3 million. For the fiscal year 1956-57, they will be \$173.8 million composed of:

Highways and capital grants for municipal roads	\$114.6 million
Public works and buildings	43.8 million
Rural power extension	9.2 million
Parks, conservation, etc.	6.2 million

(p. 11).

18. Municipal road subsidies in 1955-56 totalled \$42 million; this is being increased to \$50 million for 1956-57. (pp. 31, 35).
19. As the municipalities approximately match Provincial subsidies, the total expenditure on highways and municipal roads in 1955-56 was \$200 million; in 1956-57 it will be \$233 million. (pp. 31, 33).
20. 51,000 housing units were constructed in Ontario in 1955, 10,000 more than in 1954. (p. 22).
21. During the current fiscal year, 1955-56, the Ontario Government spent \$8.0 million for rural power extension, bringing electric service to 28,183 new rural customers. An additional \$9.2 million is being provided for this purpose in 1956-57. (p. 35).
22. Loans to young farmers to establish themselves on farms of their own have now reached 1,566, involving a total of \$10.3 million. It is planned to expand the funds available to the Junior Farmer Establishment Loan Corporation to \$20 million. (p. 26).
23. Preliminary estimates of Ontario's farm cash income in 1955 indicated a rise of two per cent over the previous year. (pp. 6, 24).
24. Capital funds of \$2.0 million will be made available to the newly established Ontario Water Resources Commission in 1956-57. This is in addition to \$150,000 on ordinary account. (p. 30).
25. In furtherance of its policy of expanding Ontario's park facilities and promoting a balanced distribution of parks throughout the Province, the Government acquired, during the 1955-56 fiscal year, 25 new parks with a total area of some 7,000 acres. (p. 23).
26. During 1955, job opportunities were opened for an additional 60,000 workers. Unemployment was down 35 per cent as compared with a year ago. (p. 6).
27. The Government's sustained yield forestry policy will now be supported by a considerably intensified regeneration program. (p. 27).
28. The value of output in Ontario's mining industry in 1955 reached a record \$578 million, marking an increase of 16 per cent over the level attained in 1954. The 57,400 claims staked and recorded during 1955—7,200 more than in 1954—constitute another new record. (pp. 24, 26).
29. The amount to be appropriated for special grants to designated mining municipalities will be increased from \$1.5 million to \$2 million. (p. 27).
30. Although the increase in Ontario's physical assets from March 31, 1943 to March 31, 1955 amounted to more than \$531 million, the Province's per capita net capital debt rose by only 29 cents. (p. 12).

APPENDIX I

GOVERNMENT STATEMENTS

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**INTERIM STATEMENT OF ORDINARY REVENUE, ONTARIO,
FISCAL YEAR APRIL 1, 1955 TO MARCH 31, 1956**

10 MONTHS' ACTUAL PLUS 2 MONTHS' FORECAST

DEPARTMENT	Gross Ordinary Revenue	Application of Revenue to Expenditure	Net Ordinary Revenue
AGRICULTURE.....	\$ 1,080,000	\$.....	\$ 1,080,000
ATTORNEY-GENERAL.....	4,820,000	531,000	4,289,000
EDUCATION.....	1,770,000	452,000	1,318,000
HEALTH.....	4,551,000	13,000	4,538,000
HIGHWAYS:			
Main Office.....	400,000	.....	400,000
Motor Vehicles Branch.....	38,000,000	.....	38,000,000
Total for Highways.....	<u>\$ 38,400,000</u>	<u>\$.....</u>	<u>\$ 38,400,000</u>
INSURANCE.....	\$ 426,000	\$.....	\$ 426,000
LABOUR.....	585,000	22,000	563,000
LANDS AND FORESTS.....	19,750,000	.....	19,750,000
MINES.....	7,722,000	15,000	7,707,000
MUNICIPAL AFFAIRS.....	264,000	.....	264,000
PROVINCIAL SECRETARY.....	2,000,000	.....	2,000,000
PUBLIC WELFARE.....	2,000	.....	2,000
PUBLIC WORKS.....	108,000	3,000	105,000
REFORM INSTITUTIONS.....	3,019,000	2,424,000	595,000
TRAVEL AND PUBLICITY.....	26,000	.....	26,000
TREASURY:			
Main Office—Subsidy.....	3,641,000	.....	3,641,000
Interest.....	71,000	.....	71,000
Miscellaneous.....	6,000	.....	6,000
Ontario Racing Commission.....	88,000	.....	88,000
Ontario Fuel Board.....	36,000	.....	36,000
Liquor Control Board—Profits.....	48,000,000	.....	48,000,000
Transfer Fees.....	650,000	.....	650,000
Province of Ontario Savings Office.....	662,000	662,000	.....
Provincial Share of Income Tax collected from privately-owned corporations operating public utilities.....	1,000,000	.....	1,000,000
Comptroller of Revenue:			
Tax Rental Agreement.....	138,345,000	.....	138,345,000
Gasoline Tax.....	98,000,000	.....	98,000,000
Succession Duty.....	23,000,000	.....	23,000,000
Race Tracks Tax.....	3,979,000	.....	3,979,000
Security Transfer Tax.....	3,600,000	.....	3,600,000
Hospitals Tax.....	4,600,000	.....	4,600,000
Logging Tax.....	600,000	.....	600,000
Land Transfer Tax.....	3,300,000	.....	3,300,000
Law Stamps.....	1,100,000	.....	1,100,000
Theatres Branch.....	263,000	.....	263,000
Total for Treasury.....	<u>\$330,941,000</u>	<u>\$ 662,000</u>	<u>\$330,279,000</u>
	<u>\$415,464,000</u>	<u>\$ 4,122,000</u>	<u>\$411,342,000</u>
PUBLIC DEBT—Interest, etc.	13,527,000	13,527,000	.....
	<u>\$428,991,000</u>	<u>\$17,649,000</u>	<u>\$411,342,000</u>

**INTERIM STATEMENT OF ORDINARY EXPENDITURE, ONTARIO,
FISCAL YEAR APRIL 1, 1955 TO MARCH 31, 1956**

10 MONTHS' ACTUAL PLUS 2 MONTHS' FORECAST

DEPARTMENT	Gross Ordinary Expenditure	Application of Revenue to Expenditure	Net Ordinary Expenditure
AGRICULTURE.....	\$ 10,410,000	\$	\$ 10,410,000
ATTORNEY-GENERAL.....	15,934,000	531,000	15,403,000
EDUCATION.....	100,726,000	452,000	100,274,000
HEALTH.....	59,821,000	13,000	59,808,000
HIGHWAYS.....	92,112,000	.....	92,112,000
INSURANCE.....	249,000	.....	249,000
LABOUR.....	1,963,000	22,000	1,941,000
LANDS AND FORESTS.....	17,160,000	.....	17,160,000
LIEUTENANT-GOVERNOR.....	19,000	.....	19,000
MINES.....	1,254,000	15,000	1,239,000
MUNICIPAL AFFAIRS.....	15,592,000	.....	15,592,000
PLANNING AND DEVELOPMENT.....	2,296,000	.....	2,296,000
PRIME MINISTER.....	123,000	.....	123,000
PROVINCIAL AUDITOR.....	332,000	.....	332,000
PROVINCIAL SECRETARY.....	1,880,000	.....	1,880,000
PUBLIC WELFARE.....	28,422,000	.....	28,422,000
PUBLIC WORKS.....	6,323,000	3,000	6,320,000
REFORM INSTITUTIONS.....	9,165,000	2,424,000	6,741,000
TRAVEL AND PUBLICITY.....	902,000	.....	902,000
TREASURY.....	6,836,000	662,000	6,174,000
STATIONERY ACCOUNT.....	35,000	.....	35,000
	<u>\$371,554,000</u>	<u>\$ 4,122,000</u>	<u>\$367,432,000</u>
PUBLIC DEBT—Interest, etc.....	39,058,000	13,527,000	25,531,000
	<u>\$410,612,000</u>	<u>\$17,649,000</u>	<u>\$392,963,000</u>
PUBLIC DEBT—Sinking Fund Instalments...	17,630,000	.....	17,630,000
	<u>\$428,242,000</u>	<u>\$17,649,000</u>	<u>\$410,593,000</u>

**SUMMARY
OF
ORDINARY REVENUE AND ORDINARY EXPENDITURE, ONTARIO,
FISCAL YEAR APRIL 1, 1955 TO MARCH 31, 1956**

10 MONTHS' ACTUAL PLUS 2 MONTHS' FORECAST

Net Ordinary Revenue.....	\$411,342,000
Less: Net Ordinary Expenditure (before providing for Sinking Funds).....	392,963,000
Balance (before providing for Sinking Funds).....	\$ 18,379,000
Less: Provision for Sinking Funds.....	17,630,000
Interim Surplus.....	<u>\$ 749,000</u>

**INTERIM STATEMENT OF CAPITAL RECEIPTS, ONTARIO,
FISCAL YEAR APRIL 1, 1955 TO MARCH 31, 1956**

10 MONTHS' ACTUAL PLUS 2 MONTHS' FORECAST

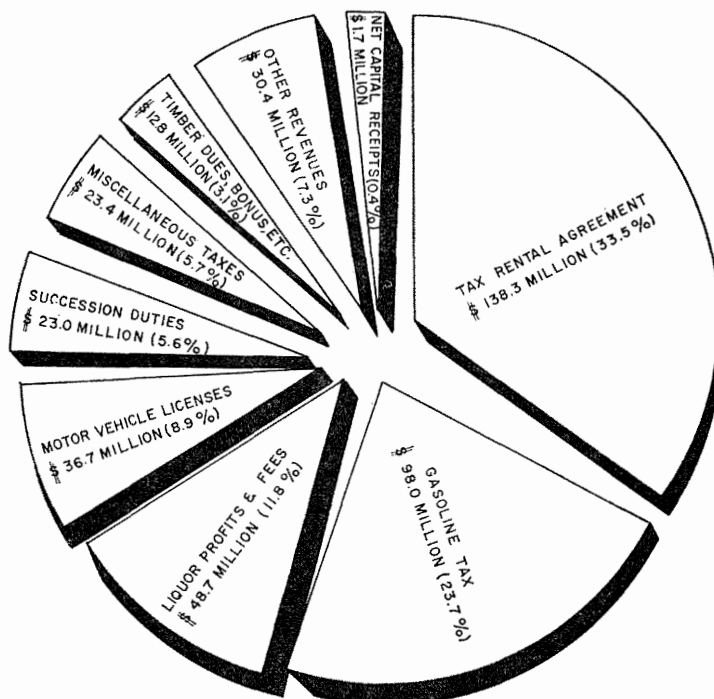
DEPARTMENT	Gross Capital Receipts	Application of Receipts to Payments	Net Capital Receipts
HIGHWAYS.....	\$ 3,400,000	\$.....	\$ 3,400,000
LABOUR.....	9,300,000	.....	9,300,000
LANDS AND FORESTS.....	353,000	.....	353,000
MINES.....	180,000	.....	180,000
PLANNING AND DEVELOPMENT.....	485,000	.....	485,000
PROVINCIAL SECRETARY.....	9,355,000	.....	9,355,000
PUBLIC WELFARE.....	7,343,000	7,343,000	.....
PUBLIC WORKS.....	1,000	.....	1,000
TREASURY.....	57,671,000	.....	57,671,000
	<u>\$88,088,000</u>	<u>\$7,343,000</u>	<u>\$80,745,000</u>

**INTERIM STATEMENT OF CAPITAL PAYMENTS, ONTARIO,
FISCAL YEAR APRIL 1, 1955 TO MARCH 31, 1956**

10 MONTHS' ACTUAL PLUS 2 MONTHS' FORECAST

DEPARTMENT	Gross Capital Payments	Application of Receipts to Payments	Net Capital Payments
AGRICULTURE.....	\$ 250,000	\$.....	\$ 250,000
HIGHWAYS.....	57,765,000	.....	57,765,000
Highway Reserve Account.....	37,000,000	.....	37,000,000
LABOUR.....	9,300,000	.....	9,300,000
LANDS AND FORESTS.....	173,000	.....	173,000
MINES.....	750,000	.....	750,000
MUNICIPAL AFFAIRS.....	8,250,000	.....	8,250,000
PLANNING AND DEVELOPMENT.....	4,685,000	.....	4,685,000
PROVINCIAL SECRETARY.....	3,182,000	.....	3,182,000
PUBLIC WELFARE.....	7,343,000	7,343,000	.....
PUBLIC WORKS.....	25,386,000	.....	25,386,000
TREASURY.....	1,097,000	.....	1,097,000
	<u>\$155,181,000</u>	<u>\$7,343,000</u>	<u>\$147,838,000</u>

PROVINCE OF ONTARIO
NET ORDINARY AND NET CAPITAL REVENUE
FISCAL YEAR 1955-56 *



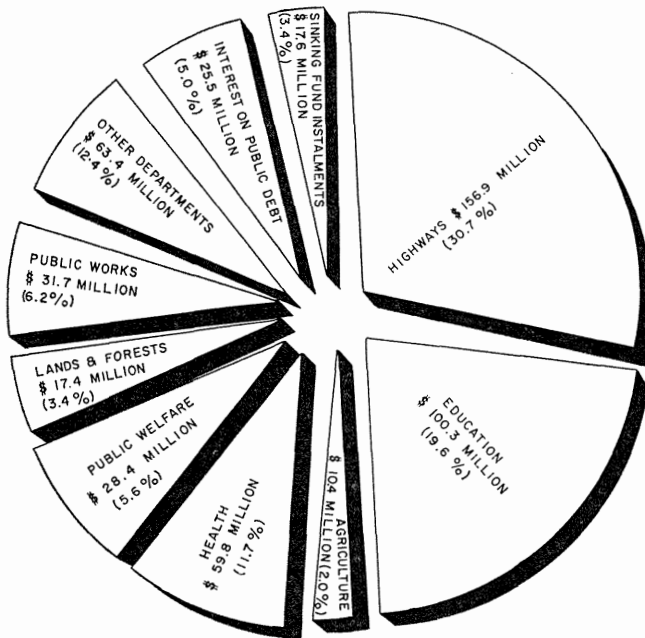
SOURCES OF NET ORDINARY AND NET CAPITAL REVENUE, ONTARIO,
FISCAL YEAR 1955-56

Source	Amount (Millions of Dollars)	Percentage of Total Net Ordinary and Net Capital Revenues
NET ORDINARY REVENUE:		
Gasoline Tax.....	98.0	23.7
Succession Duties.....	23.0	5.6
Miscellaneous Taxes:		
Mining Tax and Sundry.....	6.5	
Hospital Tax.....	4.6	
Race Track Betting.....	4.0	
Security Transfer.....	3.6	
Land Transfer.....	3.3	
Other.....	1.4	
Sub Total.....	23.4	5.7
Tax Rental Agreement.....	144.4	35.0
Liquor Profits and Fees.....	138.3	33.5
Motor Vehicle Licenses.....	48.7	11.8
Timber Dues, Bonus, etc.....	36.7	8.9
Other Revenues:	12.8	3.1
Fish and Game Licenses and Fines.....	4.2	
Fees, Rentals, etc.....	26.2	
Total Net Ordinary Revenue.....	411.3	99.6
NET CAPITAL RECEIPTS**.....	1.7	0.4
Grand Total.....	413.0	100.0

*Interim 10 months' actual and 2 months' estimated revenues.

**Excludes loans and advances, special funds deposits, deferred assets, surplus receipts and reserves.

PROVINCE OF ONTARIO
NET ORDINARY AND NET CAPITAL EXPENDITURE
FISCAL YEAR 1955-56 *



NET ORDINARY AND NET CAPITAL EXPENDITURE BY
DEPARTMENTS, ONTARIO, FISCAL YEAR 1955-56

Department	Net Ordinary Expenditures	Capital Expenditures on Physical Assets (Millions of Dollars)	Combined Net Ordinary and Capital Expenditures	Percentage of Total Combined Net Ordinary and Capital Expenditures
Highways.....	63.6 ¹	93.3 ²	156.9	30.7
Education.....	100.3	....	100.3	19.6
Agriculture (including Ontario Agricultural College and Ontario Veterinary College) .	10.4	....	10.4	2.0
Health.....	59.8	....	59.8	11.7
Public Welfare.....	28.4	....	28.4	5.6
Lands and Forests.....	17.2	0.2	17.4	3.4
Public Works.....	6.3	25.4	31.7	6.2
Other Departments.....	53.0	10.4 ³	63.4	12.4
Interest on Public Debt.....	25.5	....	25.5	5.0
Sinking Fund Instalments.....	17.6	....	17.6	3.4
Total.....	382.1	129.3	511.4	100.0

¹Excludes \$28.5 million set aside in the Highway Reserve Account.

²Includes \$37.0 million expended from the Highway Reserve Account and \$0.8 million for Mining Roads.

³Rural Electrification Program—\$8.0 million; Community Planning—\$0.6 million; and Conservation—\$1.8 million.

*Interim, 10 months' actual and 2 months' estimated expenditures.

**BUDGET FORECAST OF ORDINARY REVENUE, ONTARIO,
FISCAL YEAR APRIL 1, 1956 TO MARCH 31, 1957**

DEPARTMENT	Gross Ordinary Revenue	Application of Revenue to Expenditure	Net Ordinary Revenue
AGRICULTURE.....	\$ 1,091,000	\$.....	\$ 1,091,000
ATTORNEY-GENERAL.....	5,035,000	728,000	4,307,000
EDUCATION.....	1,770,000	430,000	1,340,000
HEALTH.....	4,802,000	516,000	4,286,000
HIGHWAYS:			
Main Office.....	250,000	.....	250,000
Motor Vehicles Branch.....	41,000,000	.....	41,000,000
Total for Highways.....	\$ 41,250,000	\$.....	\$ 41,250,000
INSURANCE.....	\$ 431,000	\$.....	\$ 431,000
LABOUR.....	574,000	21,000	553,000
LANDS AND FORESTS.....	19,512,000	.....	19,512,000
MINES.....	7,069,000	18,000	7,051,000
MUNICIPAL AFFAIRS.....	249,000	.....	249,000
PROVINCIAL SECRETARY.....	2,045,000	.....	2,045,000
PUBLIC WORKS.....	213,000	3,000	210,000
REFORM INSTITUTIONS.....	3,356,000	2,752,000	604,000
TRAVEL AND PUBLICITY.....	27,000	.....	27,000
TREASURY:			
Main Office—Subsidy.....	3,641,000	.....	3,641,000
Interest.....	71,000	.....	71,000
Ontario Racing Commission.....	50,000	.....	50,000
Ontario Fuel Board.....	38,000	.....	38,000
Liquor Control Board—Profits.....	45,000,000	.....	45,000,000
Transfer Fees.....	700,000	.....	700,000
Province of Ontario Savings Office.....	711,000	711,000	.....
Provincial share of taxes collected from privately-owned corporations operating public utilities.....	1,000,000	.....	1,000,000
Comptroller of Revenue:			
Tax Rental Agreement.....	151,700,000	.....	151,700,000
Gasoline Tax.....	100,000,000	.....	100,000,000
Hospitals Tax.....	4,200,000	.....	4,200,000
Succession Duty.....	21,000,000	.....	21,000,000
Race Tracks Tax.....	3,400,000	.....	3,400,000
Security Transfer Tax.....	2,500,000	.....	2,500,000
Land Transfer Tax.....	2,500,000	.....	2,500,000
Law Stamps.....	900,000	.....	900,000
Logging Tax.....	600,000	.....	600,000
Theatres Branch.....	263,000	.....	263,000
Total for Treasury.....	\$338,274,000	\$ 711,000	\$337,563,000
PUBLIC DEBT—Interest, etc.....	\$425,698,000 12,624,000	\$ 5,179,000 12,624,000	\$420,519,000
	<u>\$438,322,000</u>	<u>\$17,803,000</u>	<u>\$420,519,000</u>

**BUDGET FORECAST OF ORDINARY EXPENDITURE, ONTARIO,
FISCAL YEAR APRIL 1, 1956 TO MARCH 31, 1957**

DEPARTMENT	Gross Ordinary Expenditure	Application of Revenue to Expenditure	Net Ordinary Expenditure
AGRICULTURE.....	\$ 10,810,000	\$.....	\$ 10,810,000
ATTORNEY-GENERAL.....	15,493,000	728,000	14,765,000
ECONOMICS.....	230,000	.....	230,000
EDUCATION.....	108,460,000	430,000	108,030,000
HEALTH.....	57,850,000	516,000	57,334,000
HIGHWAYS.....	88,178,000	.....	88,178,000
INSURANCE.....	276,000	.....	276,000
LABOUR.....	2,162,000	21,000	2,141,000
LANDS AND FORESTS.....	15,395,000	.....	15,395,000
LIEUTENANT-GOVERNOR.....	20,000	.....	20,000
MINES.....	1,348,000	18,000	1,330,000
MUNICIPAL AFFAIRS.....	16,815,000	.....	16,815,000
PLANNING AND DEVELOPMENT.....	2,404,000	.....	2,404,000
PRIME MINISTER.....	126,000	.....	126,000
PROVINCIAL AUDITOR.....	350,000	.....	350,000
PROVINCIAL SECRETARY.....	2,041,000	.....	2,041,000
PUBLIC WELFARE.....	31,276,000	.....	31,276,000
PUBLIC WORKS.....	7,668,000	3,000	7,665,000
REFORM INSTITUTIONS.....	10,783,000	2,752,000	8,031,000
TRAVEL AND PUBLICITY.....	1,004,000	.....	1,004,000
TREASURY.....	6,456,000	711,000	5,745,000
	<hr/>	<hr/>	<hr/>
PUBLIC DEBT—Interest, etc.	\$379,145,000	\$ 5,179,000	\$373,966,000
	40,680,000	12,624,000	28,056,000
	<hr/>	<hr/>	<hr/>
	\$419,825,000	\$17,803,000	\$402,022,000
PUBLIC DEBT—Sinking Fund Instalments. . .	17,729,000	.....	17,729,000
	<hr/>	<hr/>	<hr/>
	<u>\$437,554,000</u>	<u>\$17,803,000</u>	<u>\$419,751,000</u>

SUMMARY

BUDGET FORECAST, ONTARIO,

FISCAL YEAR APRIL 1, 1956 TO MARCH 31, 1957

Net Ordinary Revenue.....	\$420,519,000
Less: Net Ordinary Expenditure (before providing for Sinking Funds).....	402,022,000
	<hr/>
Balance (before providing for Sinking Funds).....	\$ 18,497,000
Less: Provision for Sinking Funds.....	17,729,000
	<hr/>
Interim Surplus.....	<u>\$ 768,000</u>

**BUDGET FORECAST OF CAPITAL RECEIPTS, ONTARIO,
FISCAL YEAR APRIL 1, 1956 TO MARCH 31, 1957**

DEPARTMENT	Gross Capital Receipts	Application of Receipts to Payments	Net Capital Receipts
HIGHWAYS.....	\$ 2,900,000	\$.....	\$ 2,900,000
LABOUR.....	9,500,000	.....	9,500,000
LANDS AND FORESTS.....	278,000	.....	278,000
MINES.....	100,000	.....	100,000
PLANNING AND DEVELOPMENT.....	750,000	.....	750,000
PROVINCIAL SECRETARY.....	9,550,000	.....	9,550,000
PUBLIC WELFARE.....	7,722,000	7,722,000	.....
TREASURY.....	46,150,000	.....	46,150,000
	<u>\$76,950,000</u>	<u>\$7,722,000</u>	<u>\$69,228,000</u>

**BUDGET FORECAST OF CAPITAL PAYMENTS, ONTARIO,
FISCAL YEAR APRIL 1, 1956 TO MARCH 31, 1957**

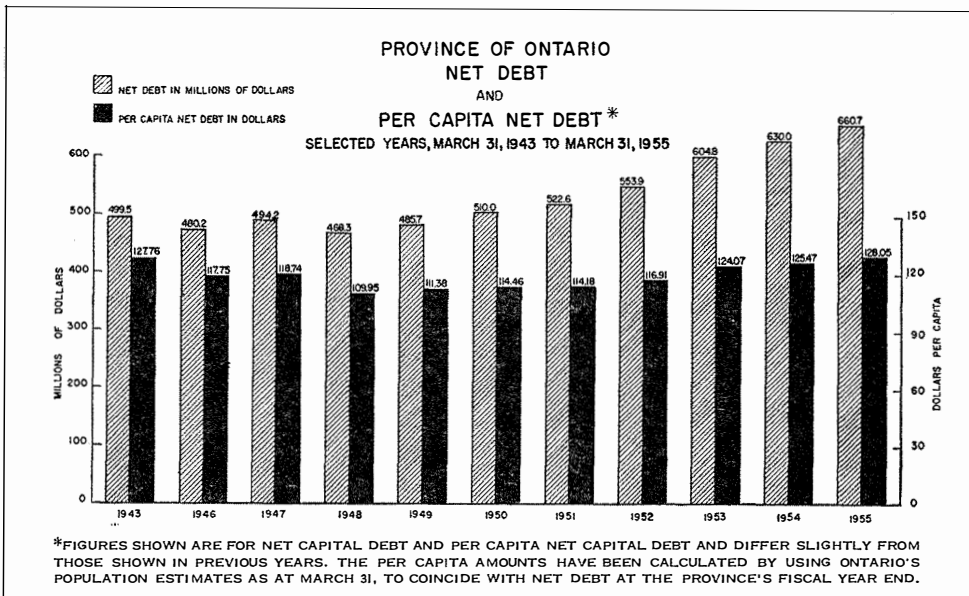
DEPARTMENT	Gross Capital Payments	Application of Receipts to Payments	Net Capital Payments
AGRICULTURE.....	\$ 450,000	\$.....	\$ 450,000
HIGHWAYS.....	78,635,000	.....	78,635,000
Highway Reserve Account.....	37,000,000	.....	37,000,000
LABOUR.....	9,500,000	.....	9,500,000
LANDS AND FORESTS.....	388,000	.....	388,000
MINES.....	1,000,000	.....	1,000,000
MUNICIPAL AFFAIRS.....	9,450,000	.....	9,450,000
PLANNING AND DEVELOPMENT.....	14,210,000	.....	14,210,000
PROVINCIAL SECRETARY.....	3,325,000	.....	3,325,000
PUBLIC WELFARE.....	7,722,000	7,722,000	.....
PUBLIC WORKS.....	43,775,000	.....	43,775,000
TREASURY.....	4,968,000	.....	4,968,000
	<u>\$210,423,000</u>	<u>\$7,722,000</u>	<u>\$202,701,000</u>

**ESTIMATED INCREASE IN THE GROSS CAPITAL DEBT, ONTARIO,
FOR THE FISCAL YEAR ENDING MARCH 31, 1956**

Estimated Gross Capital Debt as at March 31, 1956.....	\$1,100,945,034.18
Gross Capital Debt as at March 31, 1955.....	1,066,160,740.80
Estimated Increase in Gross Capital Debt.....	<u>\$ 34,784,293.38</u>
GROSS CAPITAL DEBT INCREASED BY:	
Capital Disbursements on Highways, Public Buildings, Works, etc.....	\$129,309,000.00
Less: Capital Receipts.....	\$1,734,000.00
Charged to Highway Reserve Account.....	37,000,000.00
	<u>38,734,000.00</u>
	\$90,575,000.00
Increase in Tile Drainage Loans (net).....	210,000.00
Increase in Investments of The Ontario Junior Farmer Establishment Loan Corporation.....	3,096,000.00
Increase in Co-operative Marketing Loans.....	152,000.00
Increase in Advances under The Housing Development Act.....	1,765,000.00
Advances to Ontario Telephone Development Corporation	250,000.00
Discount on Debentures issued during year.....	375,000.00
	<u>\$ 96,423,000.00</u>
GROSS CAPITAL DEBT DECREASED BY:	
Sinking Fund Provision charged to Ordinary Expenditure	\$ 17,630,000.00
Estimated Surplus on Ordinary Account.....	749,000.00
	<u>\$ 18,379,000.00</u>
Discount on Debentures, written off.....	704,000.00
Repayments of Loans Receivable— The Hydro-Electric Power Commis- sion of Ontario— on secured advances.....	\$5,500,000.00
on unsecured advances.....	1,900,000.00
Agricultural Development Board....	900,000.00
Miscellaneous (net).....	219,800.00
	<u>8,519,800.00</u>
Decrease in Temporary Investments.....	29,698,106.62
Decrease in Investments of Housing Corporation Limited	1,580,000.00
Increase in Reserves (net).....	277,800.00
Decrease in Investments of The Ontario Municipal Im- provement Corporation.....	2,480,000.00
	<u>61,638,706.62</u>
Estimated Increase in Gross Capital Debt.....	<u>\$ 34,784,293.38</u>

**ESTIMATED INCREASE IN THE NET CAPITAL DEBT, ONTARIO,
FOR THE FISCAL YEAR ENDING MARCH 31, 1956**

Estimated as at March 31, 1956:		
Estimated Gross Capital Debt.....	\$1,100,945,034.18	
Less: Estimated Revenue-Producing and Realizable Assets.....	368,385,765.48	
Estimated Net Capital Debt.....		\$732,559,268.70
As at March 31, 1955:		
Gross Capital Debt.....	\$1,066,160,740.80	
Less: Revenue-Producing and Realizable Assets.....	405,435,572.10	
Net Capital Debt.....		660,725,168.70
Estimated Increase in Net Capital Debt.....		<u>\$ 71,834,100.00</u>
NET CAPITAL DEBT INCREASED BY:		
Capital Disbursements on Highways, Public Buildings, Works, etc.....	\$ 129,309,000.00	
Less: Capital Receipts.....	\$ 1,734,000.00	
Charged to Highway Reserve Account.....	37,000,000.00	
	<u>38,734,000.00</u>	
		\$ 90,575,000.00
Advances to Ontario Telephone Development Corporation.....	\$ 250,000.00	
Discount paid on Debentures issued during year.....	375,000.00	
		<u>625,000.00</u>
		\$ 91,200,000.00
NET CAPITAL DEBT DECREASED BY:		
Sinking Fund Provision charged to Ordinary Expenditure.....	\$ 17,630,000.00	
Surplus on Ordinary Account.....	749,000.00	
	<u>\$ 18,379,000.00</u>	
Discount on Debentures, written off.....	704,000.00	
Increase in Reserves.....	277,800.00	
Miscellaneous Decreases.....	5,100.00	
		<u>19,365,900.00</u>
Estimated Increase in Net Capital Debt.....		<u>\$ 71,834,100.00</u>



**ESTIMATED INCREASE IN THE FUNDED DEBT, ONTARIO,
FOR THE FISCAL YEAR ENDING MARCH 31, 1956**

Estimated as at March 31, 1956 (after deducting Sinking Funds).....	\$870,771,500.00
As at March 31, 1955 (after deducting Sinking Funds).....	834,101,500.00
Estimated Increase in Funded Debt.....	<u>\$ 36,670,000.00</u>
FUNDED DEBT INCREASED BY:	
Debentures Issued:	
Series "TI"—4½%, due November 1, 1962*.....	\$ 9,800,000.00
Series "CD"—3%, due September 1, 1965.....	50,000,000.00
	<u>\$59,800,000.00</u>
Deduct: Provision for Sinking Funds..	\$17,630,000.00
Less: Debentures retired from Sinking Funds.....	10,032,000.00
	<u>7,598,000.00</u>
	<u>\$ 52,202,000.00</u>
FUNDED DEBT DECREASED BY:	
Redemption of Debentures:	
On Maturity.....	\$ 9,957,000.00
Prior to Maturity.....	5,575,000.00
	<u>15,532,000.00</u>
Estimated Increase in Funded Debt.....	<u>\$ 36,670,000.00</u>

*Issued under The Teachers' Superannuation Act.

**ESTIMATED INCREASE IN CONTINGENT LIABILITIES, ONTARIO,
FOR THE FISCAL YEAR ENDING MARCH 31, 1956**

Estimated as at March 31, 1956.....	\$1,002,439,901.65
As at March 31, 1955.....	943,074,901.65
Estimated Increase in Contingent Liabilities.....	<u>\$ 59,365,000.00</u>
CONTINGENT LIABILITIES INCREASED BY:	
New guarantees or increases in existing guarantees during the fiscal year ending March 31, 1956—	
Hydro-Electric Power Commission of Ontario.....	\$65,000,000.00
Ontario Food Terminal Board.....	1,356,000.00
Co-operative Associations.....	788,000.00
	<u>\$ 67,144,000.00</u>
CONTINGENT LIABILITIES DECREASED BY:	
Principal Maturities redeemed or to be redeemed, including redemptions prior to maturity, during the fiscal year ending March 31, 1956—	
Hydro-Electric Power Commission of Ontario.....	\$ 5,410,000.00
Ontario Northland Transportation Commission ...	1,208,000.00
Niagara Parks Commission.....	700,000.00
Co-operative Associations.....	356,000.00
Universities.....	63,000.00
Schools.....	40,000.00
Municipalities.....	2,000.00
	<u>7,779,000.00</u>
Estimated Increase in Contingent Liabilities.....	<u>\$ 59,365,000.00</u>

**ONTARIO'S INVESTMENT IN PHYSICAL ASSETS AND HUMAN BETTERMENT,
FISCAL YEARS 1943-44 TO 1955-56**

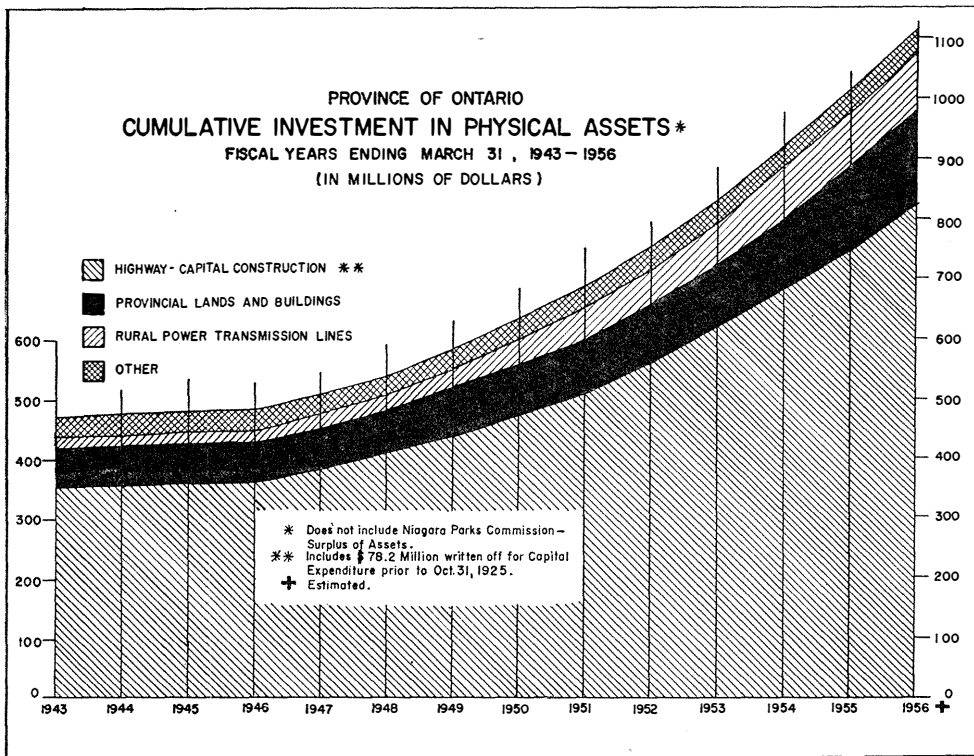
PHYSICAL ASSETS

	Estimated 1955-56 \$	Estimated Thirteen Year Total, 1943-44 to 1955-56 \$
Highways.....	92,255,000*	468,560,906*
Provincial Lands and Buildings.....	25,385,000	103,537,663
Rural Power Lines.....	8,000,000	79,120,344
Miscellaneous.....	1,935,000	7,483,410
	<u>127,575,000*</u>	<u>658,702,323*</u>

*Including expenditure from Highway Reserve Account.

HUMAN BETTERMENT

	Estimated 1955-56 \$	Estimated Thirteen Year Total, 1943-44 to 1955-56 \$
Education.....	100,274,000	715,471,410
Health.....	59,808,000	418,592,275
Public Welfare.....	28,422,000	245,036,979
	<u>188,504,000</u>	<u>1,379,100,664</u>



SPECIAL GRANTS TO HOSPITALS, ONTARIO, FISCAL YEAR 1955-56

This year, the Government is again providing hospitals with additional grants. The grant to each hospital will amount to \$200 for each recognized bed in service as at December 31, 1955, and will be for rehabilitation of facilities and for other capital purposes. Interim calculations for a number of the hospitals follow:

HOSPITAL		No. of Beds	Amount
Ajax	Ajax and Pickering General Hospital.....	33	\$ 6,600
Alliston	Stevenson Memorial Hospital.....	34	6,800
Almonte	Rosamond Memorial Hospital.....	15	3,000
Apsley	Red Cross Outpost Hospital.....	5	1,000
Arnprior	Arnprior and District Memorial Hospital....	38	7,600
Atikokan	Atikokan General Hospital.....	26	5,200
Bancroft	Red Cross Outpost Hospital.....	22	4,400
Barrie	Royal Victoria Hospital of Barrie.....	134	26,800
Beardmore	Red Cross Outpost Hospital.....	7	1,400
Belleville	Belleville General Hospital.....	139	27,800
Blind River	St. Joseph's General Hospital.....	51	10,200
Bowmanville	Bowmanville Hospital.....	53	10,600
Bracebridge	Bracebridge Memorial Hospital.....	35	7,000
Brampton	Peel Memorial Hospital.....	75	15,000
Brantford	Brantford General Hospital.....	333	66,600
Brantford	St. Joseph's Hospital.....	117	23,400
Brockville	Brockville General Hospital.....	171	34,200
Brockville	St. Vincent de Paul Hospital.....	79	15,800
Burk's Falls	Burk's Falls and District Red Cross Hospital	22	4,400
Burlington	Seniors' Convalescent Hospital.....	41	8,200
Campbellford	Campbellford Memorial Hospital.....	63	12,600
Carleton Place	Carleton Place and District Memorial Hospital	30	6,000
Chapleau	Lady Minto Hospital.....	27	5,400
Chatham	Public General Hospital.....	173	34,600
Chatham	St. Joseph's Hospital.....	119	23,800
Chesley	The Chesley and District Memorial Hospital	19	3,800
Clinton	Clinton Public Hospital.....	36	7,200
Cobourg	Cobourg General Hospital.....	38	7,600
Cobourg	Illahee Lodge.....	52	10,400
Cochrane	Lady Minto Hospital.....	62	12,400
Collingwood	Blue Mountain Camp Hospital.....	66	13,200
Collingwood	General and Marine Hospital.....	65	13,000
Cochenour	Margaret Cochenour Memorial Hospital....	13	2,600
Cornwall	Cornwall General Hospital.....	190	38,000
Cornwall	Hotel Dieu Hospital.....	243	48,600
Cornwall	Macdonell Memorial Hospital.....	22	4,400

	HOSPITAL	No. of Beds	Amount
Dryden	Dryden District General Hospital	22	4,400
Dunnville	Haldimand War Memorial Hospital	41	8,200
Durham	Durham Memorial Hospital	16	3,200
Emo	Red Cross Outpost Hospital	17	3,400
Englehart	Englehart and District Hospital	21	4,200
Espanola	Espanola General Hospital	33	6,600
Exeter	South Huron and District Memorial Hospital	36	7,200
Fergus	Groves Memorial Hospital	54	10,800
Fort Erie	Douglas Memorial Hospital	64	12,800
Fort Frances	LaVerendrye Hospital	100	20,000
Fort William	McKellar General Hospital	406	81,200
Galt	South Waterloo Memorial Hospital	216	43,200
Geraldton	Little Long Lac Hospital	23	4,600
Goderich	Alexandra Marine and General Hospital	58	11,600
Grimsby	West Lincoln Memorial Hospital	38	7,600
Guelph	Guelph General Hospital	175	35,000
Guelph	St. Joseph's Hospital	168	33,600
Haileybury	Misericordia Hospital	90	18,000
Haliburton	Red Cross Outpost Hospital	9	1,800
Hamilton	Hamilton General Hospital	1,341	268,200
Hamilton	St. Joseph's Hospital	479	95,800
Hamilton	St. Peter's Infirmary	211	42,200
Hanover	Hanover Memorial Hospital	20	4,000
Hawkesbury	Notre-Dame Hospital	32	6,400
Hawk Junction	Red Cross Outpost Hospital	9	1,800
Hearst	Notre-Dame Hospital	56	11,200
Hornepayne	Red Cross Outpost Hospital	6	1,200
Huntsville	Huntsville District Memorial Hospital	43	8,600
Ingersoll	Alexandra Hospital	56	11,200
Iroquois Falls	Anson General Hospital	30	6,000
Kenora	Kenora General Hospital	59	11,800
Kenora	St. Joseph's Hospital	49	9,800
Komoka	Woodeden Convalescent Hospital	82	16,400
Kincardine	Kincardine General Hospital	32	6,400
Kingston	Hotel Dieu Hospital	288	57,600
Kingston	Kingston General Hospital	470	94,000
Kingston	St. Mary's-of-the-Lake Hospital	103	20,600
Kirkland Lake	Kirkland and District Hospital	103	20,600
Kitchener	St. Mary's Hospital	122	24,400
Kitchener	Kitchener-Waterloo Hospital	439	87,800
Leamington	Leamington and District Memorial Hospital.	51	10,200
Lindsay	The Ross Memorial Hospital	60	12,000
Lion's Head	Red Cross Outpost Hospital	5	1,000
Listowel	Memorial Hospital	38	7,600

	HOSPITAL	No. of Beds	Amount
Little Current	St. Joseph's General Hospital.....	48	9,600
London	Parkwood Hospital for Incurables.....	185	37,000
London	St. Joseph's Hospital.....	430	86,000
London	St. Mary's Hospital.....	215	43,000
London	Victoria Hospital.....	777	155,400
Markdale	Centre Grey General Hospital.....	25	5,000
Matheson	Bingham Memorial Hospital.....	29	5,800
Mattawa	Mattawa General Hospital.....	30	6,000
Meaford	Meaford General Hospital.....	29	5,800
Midland	St. Andrew's Hospital.....	53	10,600
Minden	Red Cross Outpost Hospital.....	8	1,600
Mindemoya	Red Cross Outpost Hospital.....	16	3,200
Mount Forest	Louise Marshall Hospital.....	33	6,600
Nakina	Red Cross Outpost Hospital.....	7	1,400
New Liskeard	New Liskeard and District Hospital.....	40	8,000
Newmarket	The York County Hospital.....	55	11,000
Newtonbrook	St. John's Convalescent Hospital.....	186	37,200
Niagara Falls	The Greater Niagara General Hospital.....	184	36,800
Niagara	Niagara Hospital.....	27	5,400
Nipigon	Nipigon District Memorial Hospital.....	22	4,400
North Bay	Civic Hospital.....	101	20,200
North Bay	St. Joseph's General Hospital.....	116	23,200
Oakville	Oakville-Trafalgar Memorial Hospital.....	56	11,200
Orangeville	Dufferin Area Hospital.....	79	15,800
Orillia	Orillia Soldiers' Memorial Hospital.....	112	22,400
Oshawa	Oshawa General Hospital.....	197	39,400
Ottawa	Ottawa Civic Hospital.....	752	150,400
Ottawa	Ottawa General Hospital.....	614	122,800
Ottawa	The Perley Home for Incurables.....	127	25,400
Ottawa	Hospital St. Louis Marie de Montfort.....	245	49,000
Ottawa	St. Vincent Hospital.....	523	104,600
Ottawa	Salvation Army Grace Hospital.....	76	15,200
Owen Sound	General and Marine Hospital.....	102	20,400
Palmerston	Palmerston General Hospital.....	41	8,200
Paris	The Willett Hospital.....	57	11,400
Parry Sound	The Parry Sound General Hospital.....	83	16,600
Parry Sound	St. Joseph's Hospital.....	59	11,800
Pembroke	General Hospital.....	156	31,200
Pembroke	Pembroke Cottage Hospital.....	105	21,000
Penetanguishene	General Hospital.....	63	12,600
Perth	The Great War Memorial Hospital of Perth District.....	49	9,800
Perth	Merrywood-on-the-Rideau Hospital.....	62	12,400

	HOSPITAL	No. of Beds	Amount
Peterborough	St. Joseph's Hospital.....	180	36,000
Peterborough	The Peterborough Civic Hospital.....	226	45,200
Petrolia	Charlotte Eleanor Englehart Hospital.....	41	8,200
Picton	Prince Edward County Hospital.....	27	5,400
Port Arthur	St. Joseph's General Hospital.....	180	36,000
Port Arthur	The General Hospital of Port Arthur.....	257	51,400
Port Colborne	Port Colborne General Hospital.....	100	20,000
Port Hope	The Port Hope General Hospital.....	46	9,200
Port Loring	Red Cross Outpost Hospital.....	5	1,000
Port Perry	Port Perry Community Hospital.....	27	5,400
Rainy River	Red Cross Outpost Hospital.....	14	2,800
Red Lake	Red Cross Outpost Hospital.....	16	3,200
Renfrew	Victoria Hospital.....	106	21,200
Richards Landing	Red Cross Outpost Hospital.....	10	2,000
St. Catharines	Hotel Dieu Hospital.....	135	27,000
St. Catharines	The St. Catharines General Hospital.....	367	73,400
St. Marys	St. Marys Memorial Hospital.....	36	7,200
St. Thomas	St. Thomas-Elgin General Hospital.....	376	75,200
Sarnia	Sarnia General Hospital.....	255	51,000
Sarnia	St. Joseph's Hospital.....	148	29,600
Sault Ste. Marie	Plummer Memorial Public Hospital.....	135	27,000
Sault Ste. Marie	The General Hospital.....	167	33,400
Seaforth	Scott Memorial Hospital.....	39	7,800
Sesekinika	Northwood Convalescent Hospital.....	42	8,400
Shelburne	Shelburne and District Hospital.....	13	2,600
Simcoe	Norfolk General Hospital.....	102	20,400
Sioux Lookout	Sioux Lookout General Hospital.....	42	8,400
Smiths Falls	St. Francis General Hospital.....	75	15,000
Smiths Falls	Smiths Falls Public Hospital.....	60	12,000
Smooth Rock Falls	Smooth Rock Falls General Hospital.....	19	3,800
Southampton	Saugeen Memorial Hospital.....	19	3,800
South Porcupine	Porcupine General Hospital.....	22	4,400
Stratford	Stratford General Hospital.....	297	59,400
Strathroy	The General Hospital.....	50	10,000
Sturgeon Falls	St. Jean de Brebeuf Hospital.....	89	17,800
Sudbury	St. Joseph's Hospital.....	173	34,600
Sudbury	Sudbury General Hospital.....	307	61,400
Thessalon	Red Cross Outpost Hospital.....	14	2,800
Tillsonburg	Tillsonburg District Memorial Hospital.....	100	20,000

	HOSPITAL	No. of Beds	Amount
Timmins	St. Mary's Hospital.....	103	20,600
Toronto	Baycrest Hospital.....	87	17,400
Toronto	Canadian Mothercraft Hospital.....	27	5,400
Toronto	Hillcrest Convalescent Hospital.....	34	6,800
Toronto	Lockwood Clinic.....	48	9,600
Toronto	Our Lady of Mercy Hospital.....	284	56,800
Toronto	St. Joseph's Hospital.....	485	97,000
Toronto	St. Michael's Hospital.....	802	160,400
Toronto	Lyndhurst Lodge.....	50	10,000
Toronto	The Salvation Army Grace Hospital.....	55	11,000
Toronto	The Home for Incurable Children.....	40	8,000
Toronto	The Hospital for Sick Children.....	762	152,400
Toronto	The New Mount Sinai Hospital.....	373	74,600
Toronto	The Queen Elizabeth Hospital for Incurables	519	103,800
Toronto	The Runnymede Hospital.....	114	22,800
Toronto	Toronto East General and Orthopaedic Hos- pital.....	368	73,600
Toronto	Northwestern General Hospital.....	104	20,800
Toronto	Toronto General Hospital.....	1,393	278,600
Toronto	Toronto Western Hospital.....	697	139,400
Toronto	Women's College Hospital.....	161	32,200
Trenton	Trenton Memorial Hospital.....	68	13,600
Wainfleet	Lakewood Convalescent Hospital.....	66	13,200
Walkerton	County of Bruce General Hospital.....	34	6,800
Welland	Welland County General Hospital.....	124	24,800
Weston	Humber Memorial Hospital.....	115	23,000
Whitney	Red Cross Outpost Hospital.....	4	800
Warton	Bruce Peninsula and District Memorial Hos- pital.....	21	4,200
Wilberforce	Red Cross Outpost Hospital.....	2	400
Winchester	Winchester and District Memorial Hospital..	34	6,800
Windsor	Riverview Hospital.....	353	70,600
Windsor	Hotel Dieu of St. Joseph's Hospital.....	368	73,600
Windsor	Metropolitan General Hospital.....	255	51,000
Windsor	The Salvation Army Grace Hospital.....	181	36,200
Wingham	Wingham General Hospital.....	95	19,000
Woodstock	Woodstock General Hospital.....	154	30,800

ONTARIO'S GRANTS PROGRAM FOR PUBLIC HOSPITALS AND SANATORIA

In 1947, the Ontario Government authorized the payment of capital grants to public hospitals and sanatoria for new active treatment beds, nursery cubicles, chronic or convalescent beds and T.B. beds. In later years, the program was extended to psychiatric and detention beds, nurses beds and out-patient or auxiliary services accommodation. Grants are now paid on the following basis:

Active treatment beds	\$1,000 for each bed
Chronic beds	\$2,000 for each bed
Convalescent beds	\$2,000 for each bed
Nursery bassinets	\$ 333 $\frac{1}{3}$ for each bassinet
Nurses beds	\$1,000 for each bed
T.B. beds	\$2,500 for each bed
Out-patient and auxiliary services accommodation	\$ 3 $\frac{1}{3}$ for each square foot of floor area or 50 per cent of the cost, whichever is the lesser.
Psychiatric beds	\$8,500 for each bed
Detention beds	\$8,500 for each bed or the difference between the grant payable by the Fed- eral Government and the actual cost, where the latter is less than \$10,000, which- ever is the lesser.

From 1947 to the end of 1955, approval was given to construction programs involving the following accommodation:

Active treatment beds	14,511
Chronic beds	2,786
Convalescent beds	833
Psychiatric beds	415
Detention beds	30
T.B. beds	715
Nurses beds	4,001
Total	<u>23,291</u>
Nursery bassinets	<u>3,757</u>

The following table shows the increase in bed capacity since the introduction of the provincial capital grants program:

**INCREASE IN BED CAPACITY, ALL ONTARIO HOSPITALS,
DECEMBER 31, 1946 TO 1955**

	Active	Conval- escent	Chronic	Tuber- culosis	Psychi- atric	Deten- tion	Total Hospital Beds
Existing beds, Dec. 31, 1946.	14,427	308	1,643	3,642	0	0	20,020
Total Approved beds.	14,511	833	2,786	715	415	30	19,290
Beds lost due to construction and readjustment.	3,773	122	222	143	0	0	4,260
Under construction or approved but not started.	2,984	0	501	0	174	16	3,675
Net bed gain since 1946.	7,754	711	2,063	572	241	14	11,355
Existing beds, Dec. 31, 1955.	22,181	1,019	3,706	4,214	241	14	31,375
Under construction, Dec. 31, 1955	2,275	0	441	0	74	14	2,804
Approved but not started.	709	0	60	0	100	2	871
Planned, not approved.	1,258	0	154	0	30	6	1,448
Less beds in incomplected projects to be abandoned.	143	0	0	0	0	0	143
Total beds to be available on completion of programs.	<u>26,280</u>	<u>1,019</u>	<u>4,361</u>	<u>4,214</u>	<u>445</u>	<u>36</u>	<u>36,355</u>
NURSES BEDS:				NURSERY BASSINETS:			
Approved.	4,001			Approved.	3,757		
Completed.	3,448			Completed.	2,845		
Under construction.	553			Under construction.	912		

Including the special grants for hospitals providing special treatment facilities, the Province approved in the period from April 1, 1947 to December 31, 1955 expenditures totalling \$44.7 million, of which \$39.2 million has been paid.

In addition to the above grants, the Province has paid special capital grants to hospitals totalling \$20.8 million in the past four years. In 1952, the grant was paid to the teaching hospitals to assist them in improving facilities for the teaching of medical and other students. In 1953, 1954 and 1955, the grant was paid to all hospitals on the basis of bed capacity and it was directed that the grant be used for certain specific purposes, such as major renovations and rehabilitation of existing hospital property and the purchase of capital equipment.

Provincial grants to public hospitals and sanatoria for capital purposes from April, 1947 to January, 1956 amounted to \$60 million. Provincial maintenance and special maintenance grants came to \$114.5 million, making a total of no less than \$174.5 million during this period.

The table below shows the rapid growth in Government assistance:

**PROVINCIAL ASSISTANCE TO PUBLIC HOSPITALS AND T.B. SANATORIA,
FISCAL YEARS 1947-48 TO 1955-56**

Year	Ordinary Account*	Capital Account	Total
	\$	\$	\$
1947-48.....	6,206,000	1,037,000	7,243,000
1948-49.....	10,374,000	2,187,000	12,561,000
1949-50.....	13,162,000	2,561,000	15,723,000
1950-51.....	13,177,000	2,492,000	15,669,000
1951-52.....	13,524,000	9,587,000	23,111,000
1952-53.....	14,700,000	14,722,000	29,422,000
1953-54.....	15,265,000	11,530,000	26,795,000
1954-55.....	15,650,000	13,102,000	28,752,000
1955-56 (Estimated).....	17,000,000	10,800,000	27,800,000

*Provincial maintenance and special maintenance grants only. Excludes sundry grants to hospitals for out-patients, expectant mothers, infants, and mental and isolation patients, amounting to about \$250,000 per year from 1951-52 onwards.

The rapid rise in provincial expenditures on Ontario Mental Hospitals, is shown below:

**ONTARIO GOVERNMENT EXPENDITURES ON MENTAL HOSPITALS,
FISCAL YEARS 1945-46 TO 1956-57**

Year	Ordinary Expenditures	Capital Expenditures*	Total
	\$	\$	\$
1945-46.....	7,182,000	51,000	7,233,000
1946-47.....	8,614,000	282,000	8,896,000
1947-48.....	9,431,000	1,232,000	10,663,000
1948-49.....	11,031,000	1,676,000	12,707,000
1949-50.....	12,511,000	2,240,000	14,751,000
1950-51.....	14,015,000	3,466,000	17,481,000
1951-52.....	16,024,000	4,687,000	20,711,000
1952-53.....	17,261,000	4,894,000	22,155,000
1953-54.....	18,799,000	7,335,000	26,134,000
1954-55.....	20,901,000	8,645,000	29,546,000
1955-56 (Estimated).....	23,211,000	12,300,000	35,511,000
1956-57 (Estimated).....	26,856,000	16,100,000	42,956,000

*Includes Federal grants.

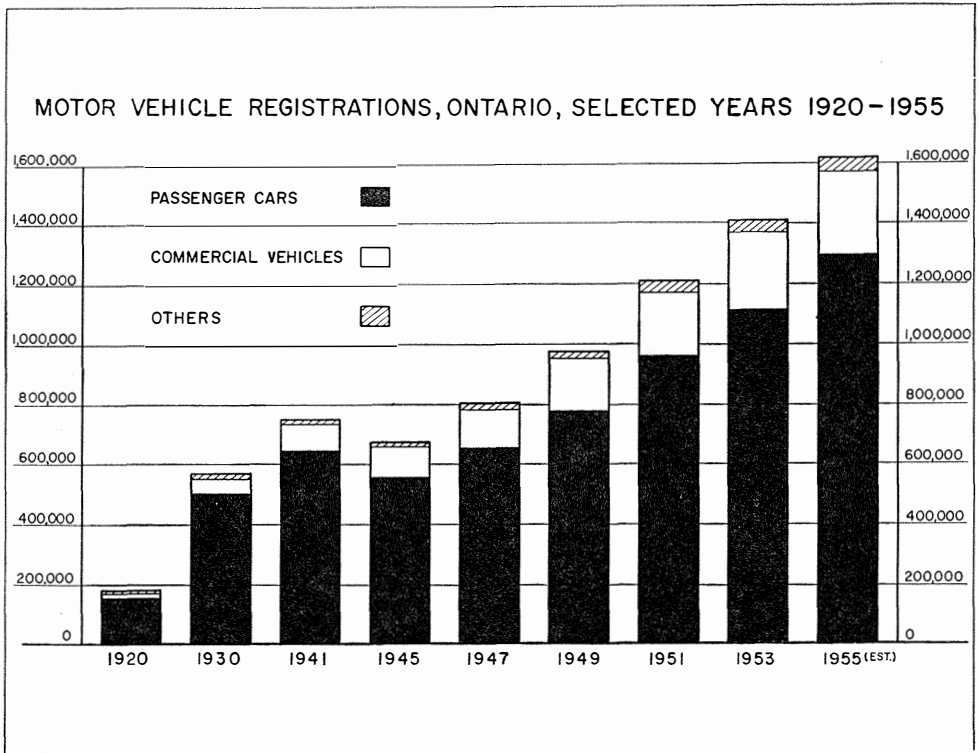
ONTARIO'S HIGHWAY EXPENDITURE, FISCAL YEARS 1955-56 AND 1956-57

CAPITAL EXPENDITURE	Estimated Expenditure (10 months' actual and 2 months' forecast) 1955-56 \$	Allocation of Proposed Appropriation for 1956-57 \$
1. South Western Ontario Districts..... Chatham, London, Stratford and Owen Sound— including grading, culverts, hot mix and concrete pavement and structures on 401 Highway in the Chatham and London Districts as well as grad- ing, culverts, granular base on various roads in all districts.	13,665,263	16,400,000
2. Central Southern Ontario Districts..... Hamilton, Toronto, Port Hope—including various structures on 401 and the completion of three structures on Highway 69; grading, granular base and hot mix pavement and structures on various roads throughout these districts; several struc- tures on the Lake Shore Expressway, west of the Humber River; sub- and super-structure and part of the grading for Burlington Bridge.	19,115,902	20,100,000
3. South Eastern Ontario Districts..... Kingston, Ottawa and Bancroft—including various structures and grading and culverts on Highway 401 and work on the Belleville and Kingston by-passes, grading, culverts and granular base and various structures in the Ottawa and Bancroft Districts.	7,044,101	10,200,000
4. North Central and North Eastern Districts..... Huntsville, North Bay, Sudbury, New Liskeard, Cochrane and Blind River—overhead structure at Novar and a subway at Footes Bay; hot mix paving as well as various structures on the Trans- Canada Highway in Sudbury, Huntsville and Blind River Districts; Quirke Lake Road to the New Elliott Lake Townsite; increased work pro- gram to gap Highway 17 between Marathon and Agawa River; grading culverts and hot mix pav- ing on various roads throughout these districts.	10,896,677	12,200,000
5. North Western Ontario Districts..... Fort William, Kenora—including grading and culverts on the Trans-Canada Highway and structures at Little Pick River, Steel River; grading, culverts and hot mix paving on various roads throughout these districts.	3,628,057	9,800,000
6. Property Purchases.....	10,000,000	10,500,000
7. Surveys, Soils and Testing Laboratory, etc.....	3,000,000	3,600,000
8. Municipal Roads.....	28,565,000	35,435,000
	<hr/> 95,915,000	<hr/> 118,235,000
Less: Estimated amount recoverable under the Trans- Canada Highway Agreement.....	3,350,000	5,000,000
	<hr/> 92,565,000 890,000	<hr/> 113,235,000 1,360,000
9. Mining and Logging Access Roads.....		
Total Capital.....	<hr/> <u>93,455,000</u>	<hr/> <u>114,595,000</u>

ORDINARY EXPENDITURE	Estimated Expenditure (10 months' actual and 2 months' forecast) 1955-56 \$	Allocation of Proposed Appropriation for 1956-57 \$
Maintenance of King's Highways and Development Roads, and administration of the Department.....	38,362,000	41,728,000
Repaving present roads.....	7,500,000	5,500,000
Amount allotted to Municipalities for Maintenance under Municipal Roads Branch.....	17,750,000	20,950,000
Total Ordinary.....	63,612,000	68,178,000
Combined Capital and Ordinary.....	157,067,000	182,773,000
Unallocated Amount in the Highway Reserve Account. .....	.....	27,231,189
	<u>157,067,000</u>	<u>210,004,189</u>

HIGHWAY RESERVE ACCOUNT

Appropriated from Ordinary Account in 1952-53.....	\$ 30,000,000
Appropriated from Ordinary Account in 1953-54.....	40,500,000
Appropriated from Ordinary Account in 1954-55.....	38,500,000
Appropriated from Ordinary Account in 1955-56.....	28,500,000
	<u>\$137,500,000</u>
Capital Expenditure in 1953-54.....	\$29,331,195
Capital Expenditure in 1954-55.....	26,937,616
Capital Expenditure in 1955-56 (estimated).....	37,000,000
	<u>93,268,811</u>
Estimated Balance at March 31, 1956.....	\$ 44,231,189
Appropriation from Ordinary Account in 1956-57.....	20,000,000
	<u>\$ 64,231,189</u>
Estimated Capital Expenditure in 1956-57.....	37,000,000
Estimated Balance available for future Capital Expenditure.....	<u>\$ 27,231,189</u>



**MOTOR VEHICLE REGISTRATIONS, ONTARIO,
SELECTED YEARS 1903-1955**

Year	Passenger	All Commercial	Heavy Commercial ¹ (over 10 tons)	Other	Total
1903.....	178	.....	.....	.....	178
1910.....	4,230	.....	.....	.....	4,230
1920.....	155,861	16,204	.....	5,496	177,561
1930.....	490,906	61,690	.....	9,910	562,506
1933.....	453,314	59,760	.....	7,279	520,353
1941.....	636,624	95,022	.....	7,548	739,194
1945.....	555,461	100,234	2,081	7,024	662,719
1946.....	585,604	117,217	3,139	8,285	711,106
1947.....	645,252	140,930	4,787	10,765	796,947
1948.....	698,384	162,589	6,381	12,285	873,258
1949.....	771,709	183,598	8,199	14,062	969,369
1950.....	881,143	202,800	11,424	20,137	1,104,080
1951.....	958,082	225,271	15,082	21,745	1,205,098
1952.....	1,024,816	243,591	18,594	23,346	1,291,753
1953.....	1,117,175	261,923	22,761	27,021	1,406,119
1954.....	1,187,725	272,241	26,145	30,014	1,489,980
1955 (Estimated) ..	1,291,600	288,200	32,030	37,600	1,617,400

All Commercial includes Motor Buses.

Other includes motorcycles, dual purpose vehicles and, beginning in 1950, station wagons and similar vehicles.

¹Total included with All Commercial.

MINING AND ACCESS ROADS CONSTRUCTED, ONTARIO, 1951 TO 1956

Since the inception of its mining and access road construction program in 1951, the Government has financed wholly or in part the building of 33 of these roads. A dozen other roads, also being built entirely or partially at public expense, are either as yet incomplete or currently under construction. Altogether, there are now in use in the Province's mining areas some 325 miles of road completed under the Government's mining and access road program. By the end of the present fiscal year, the Government will have spent over \$3.2 million on the construction, re-construction and improvement of these roads.

Completed Roads

1. Atikwa Lake Road—3.5 miles	Completed in 1952.
2. Delhi-Temagami Road—3.0 miles	Completed in 1952.
* 3. Foleyet-Ivanhoe Road—4.0 miles	Completed in 1952.
4. Gilgreer Mines Road—3.0 miles	Completed in 1952.
5. Jardun Mines Road—13.8 miles	Completed in 1952.
	Additional work done in 1954.
* 6. Jonsmith Mine Road—6.0 miles	Completed in 1952.
7. Matarrow Lead Mines Road—3.6 miles	Completed in 1952.
8. Murphy Township Road—5.0 miles	Completed in 1952.
9. McKenzie Red Lake-Cottage Cove Road—1.5 miles	Completed in 1952.
*10. Nemegos Uranium Road—11.7 miles	Completed in 1952.
*11. Newlund Mines Road—2.0 miles	Completed in 1952.
12. Ontario Pyrites Road—3.0 miles	Completed in 1952.
*13. Purdy Mica Mines Bridge	Completed in 1952.
*14. Renabie Mines Road—14.0 miles	Completed in 1952.
15. Rowan Consolidated Mines Road—1.3 miles	Completed in 1952.
16. East Rim Nickel Road—5.8 miles	Completed in 1953.
*17. Fecunis Lake Road—2.0 miles	Completed in 1953.
18. Holtyre Road—4.2 miles	Completed in 1953.
*19. Matachewan-Kenogami Road—17.1 miles	Completed in 1953.
*20. Nezah-Auden Road—9.8 miles	Completed in 1953.
21. Nickel Offsets Road—14.0 miles	Completed in 1953.
22. Red Lake Madsen Road—7.4 miles	Completed in 1953.
23. Roy Silver Mines Road—2.5 miles	Completed in 1953.
*24. Sinclair Road—41.1 miles	Completed in 1953.
*25. Warren Lake Road—20.2 miles	Completed in 1953.
	Additional work done in 1954.
*26. Hemlo-Geco Road—13.8 miles	Completed in 1954.
27. Mine Centre Road—6.5 miles	Completed in 1954.
*28. Potter-Doal Road—2.0 miles	Completed in 1954.

*29. South Onaman Road—16.2 miles	Completed in 1954.
30. Blind River Road—31.0 miles	Completed in 1955, but to be further improved.
*31. Kashabowie Outlet—0.75 miles	Completed in 1955.
*32. Sothman-Semple Road and Bridge—10.8 miles	Completed in 1955.
*33. Warren Lake Extension to Palomar—9.8 miles	Completed in 1955.

Roads to be Completed or Currently Under Construction

1. Burchell Lake Road—8.0 miles completed.
2. Caland Road—6.0 miles completed in 1955.
3. Caribou Lake Mica Mine Road.
- * 4. French Lake Road—0.5 miles completed in 1955.
- * 5. Geraldton-Nakina Road—11.8 miles completed in 1955.
- * 6. Hornepayne North Road—3.0 miles completed in 1955.
- * 7. Killarney-Burwash Road.
- * 8. Mattawa-Temiskaming Road.
- * 9. Palomar-Foleyet Road.
- *10. Seagram-Caramat Road.
- *11. Sioux Lookout-Alcona Road—5.2 miles completed in 1955.
- *12. Sultan-Cunningham Road.

In addition to new construction, indicated above, reconstruction and improvement work was undertaken on the following roads during the fiscal year 1955-56:

- * Bicroft Mine Road.
- * Blind River (Quirke Lake) Road.
- * Burchell Lake Road.
- * Geraldton-Nakina Road.
- * Hemlo-Geco Road.
- * Kenogami-Matachewan Road.
- * Kukatush-Palomar Road (Warren Lake Extension).
- * Mattawa-Temiskaming Road.
- * Savant-Sturgeon Lake Road.
- * Siscoe Metals (Silver Lake Claims) Road.
- * Sothman Semple (Southam Township) Road.
- * Warren Lake—Kukatush Road.

*The work done on these roads was, or is being, financed entirely by the Government.

ONTARIO'S PUBLIC BUILDINGS AND WORKS PROGRAM

In company with the progress occurring in all aspects of provincial development, the Department of Public Works has maintained a program of constant addition to, improvement in, and replacement of buildings and other works. Modernization, fire-proofing and complete renovation are carried out wherever practicable and new construction is being provided to match the expansion in service, staff and other public requirements.

To make provision for works at present under construction and new projects, \$41 million is being placed in the Estimates for 1956-57. Of this amount, \$28.5 million is required for projects now going forward, while \$12.5 million is being appropriated for new buildings. In addition to the \$41 million for buildings and similar projects, \$2 million will be provided for the work of the Ontario Water Resources Commission and another \$800,000 is being placed in the Estimates for the construction of remedial works, docks and storage dams.

The buildings and works completed during the fiscal year 1955-56, as well as a partial statement of the program for the fiscal year 1956-57, are shown in the following schedules:

Work Completed During the Fiscal Year 1955-56

Department of Agriculture: Guelph—Seed Processing Laboratory at the Ontario Agricultural College.

Ridgetown—Laboratory and Office Building at the Experimental Farm.

Department of Attorney-General: Ignace—Ontario Provincial Police Detachment Building.

Sudbury—Additions and alterations to the Registry Office.

Various Locations—Housing units for the Ontario Provincial Police.

Department of Education: Toronto—Teachers' College, Carlaw Avenue.

Department of Health: Smiths Falls—Ontario Hospital, installation of equipment for the Medical-Surgical Building is largely completed and the building is partially occupied. The remaining buildings completed in the new group are: Assembly Hall and Gymnasium; School Building, Administration Building, and Nurses' Residence.

Toronto—Ontario Hospital, 100 bed Reception and Administration Building.

Orillia—Ontario Hospital, 300 bed Children's Unit; Isolation Unit to accommodate 76 patients.

Port Arthur—Ontario Hospital, the second group of new buildings—known as F2, M2 and the Laundry Building—thus providing 360 new bed spaces and their service arrangements.

Department of Highways: Toronto—Central Storage Building and an Office and Laboratory at Keele Street and Wilson Avenue.

Other Buildings and Works: Toronto—new Treasury Building, Queen's Park; Osgoode Hall Annex; renovation of Department of Labour Building (Yardley Building), York Street; and renovation of 454 University Avenue to accommodate the Department of Planning and Development Offices.

Kemptville—Ontario Government Branch Office Building.

Storage Dams—

Loon Lake (Anglesea—Lennox and Addington District).

Opeongo Lake (Preston—Nipissing District).

Big Canoe River (Rainy River District).

Crow Lake (Kenora District).

Little Rapids (Thessalon River—Algoma District).

Monteith (Cochrane District).

Charlton—3 Dams (Temiskaming District).

Work to be Continued During the Fiscal Year 1956-57

Department of Agriculture: Guelph—New Paint Shop and Laundry Buildings at the Ontario Agricultural College (construction well underway).

Ridgetown—An addition to the Residence to accommodate 54 students.

Various other projects for the Department of Agriculture are now at the stage for calling tenders.

Department of Attorney-General: Toronto—Renovation to Building at 125 Fleet Street to provide General Headquarters for the Ontario Provincial Police and a Crime Detection Laboratory (well advanced).

Detachment Buildings at Various Locations—

Sioux Narrows

Essex

Foleyet

Hearst (addition)

Kaladar

Blind River

St. Thomas (Renovations)

Pembroke (Renovations)

Port Credit

Woodstock

Killaloe

Department of Education: Hamilton—New Teachers' College.

Department of Health: Brockville—Ontario Hospital expansion including: Mechanics Workshop, two Continued Treatment Buildings to accommodate 286 patients and fireproofing of six patients' pavilions (well on toward completion).

Kingston—A new 500 Bed unit started, consisting of Administration Building, two Infirmary Buildings and a Reception and Active Treatment Building, all well underway. Plans for other buildings in the unit are well advanced. A new Laundry Building and a Central Boiler Plant are already well along in construction.

Woodstock—A 500 Bed Tuberculosis Unit has been started and additional boiler capacity at the Ontario Hospital will also be provided.

North Bay—At the Ontario Hospital, construction is going forward on the first group of buildings to comprise a 1,200 bed unit, including: Administration Building, Four Pavilions (F1, F2, M1, M2), Power House, Kitchen and Office Building.

Department of Highways: Various Locations—Office Buildings:

Stratford—9 bay

Bancroft—7 bay

Fort William—11 bay

Cochrane—7 bay

Owen Sound—9 bay

A considerable number of divisional garages and other maintenance and administrative units for the Department of Highways are underway and planned.

Department of Lands and Forests: Sault Ste. Marie—Major renovations to the Fish Hatchery and the construction of a residence, garage and comfort station.

Pembroke—Addition to the District Office Building and construction of a Chief Ranger's Headquarters Building.

Port Arthur—Renovations to the District Office Building.

Maple—New Office, Workshop Building and Greenhouse.

Kapuskasing—New District Office Building.

Department of Reform Institutions: Burwash—new central heating plant at the Industrial Farm; a new dormitory building and power plant at Camp Bison are planned as well; a new waterworks system is underway.

Guelph—Major alterations and additions to the Ontario Reformatory Kitchen.

Millbrook—Construction of new Reformatory.

Mimico—Dormitory No. 4 under construction at the Reformatory.

The Department of Public Works is proceeding with various remedial works and dams, many in the northern areas of the Province. An extensive program of renovation and rehabilitation and many other projects will be advanced, in addition to the major items listed. New projects, carefully considered as to priority of need, will be added to the Department's capital program for a beginning in the coming year.

New Work to be Started During Fiscal Year 1956-57

Department of Agriculture: Guelph—Work will be started on new Physical Education and Science Buildings, and on a Vehicle Storage and Service Building at the Ontario Agricultural College; major renovations are planned for the mechanical service line system to accommodate the new construction.

Kemptville—A new Medical-Surgical Building will be constructed at the Ontario Veterinary College.

New Liskeard—A new Administration Building will be provided at the Experimental Farm.

Vineland—A new Administration and Laboratory Building will be started at the Experimental Station.

Department of Attorney-General: Construction of two new District Headquarters buildings will be undertaken, near Niagara Falls and near Barrie.

Construction will commence on eight new Detachment Buildings for the Ontario Provincial Police, to be located at: Dryden, Bracebridge, Sturgeon Falls, Thessalon, Gore Bay, White River, Emo, and Whitney. The construction of 80 new housing units in various parts of the Province, to provide residence accommodation for Provincial Police, will be undertaken. A start will also be made on an addition to the Court House at Sudbury.

Department of Education: Belleville—At the Ontario School for the Deaf, it is planned to start construction of a new Junior Residence Building, a new Junior School Building and a new Laundry Building. A new heating plant will also be provided.

Toronto—Ryerson Institute will be provided with the first unit of a new building group.

Port Arthur—At the Lakehead Technical Institute, construction will begin on a new building to provide essential accommodation for increased enrolment.

London—Construction will start on a new Teachers' College.

Brantford—The construction of a new building to contain an Assembly Room and Auditorium will be started at the Ontario School for the Blind.

Department of Health: London—A new Active Treatment Centre to provide 600 beds and modern clinical and operating room facilities and administration offices will be started at the Ontario Hospital.

Hamilton—A 600 bed unit will be constructed at the Ontario Hospital, to comprise: Administration and Reception and Treatment Buildings, two Elderly Patients Pavilions, Mental Health Clinic, Food Service Building and Cafeteria, Nurses' Residence, Laundry Building, and a new Power House.

Orillia—A new Laundry Building is planned for the Ontario Hospital.

Penetanguishene—The Ontario Hospital will be provided with a new Amusement Hall and an addition to the Oak Ridge Division.

Toronto—A new Laundry Building for the Ontario Hospital will be started.

Whitby—The construction of new sewage disposal, sanitary and storm sewage systems will be commenced at the Ontario Hospital.

Toronto—The construction of a one-storey addition to the Provincial Laboratory with quarters for animals will be started.

Department of Lands and Forests: Construction of an additional Dormitory Building at the Forest Rangers' School near Dorset will be started as well as work on two Chief Ranger's Headquarters Buildings to be located at Parry Sound and at Timmins.

Department of Mines: Kirkland Lake—The construction of new office buildings for the Mining Recorders will be started here and at Kenora.

Department of Public Works: Toronto—The construction of a new Sanitary Engineering Building is planned to replace the present quarters on Richmond Street West. It is also planned to start construction of a new Central Garage.

Sudbury—The development of a site on the Burwash Road will be proceeded with, to provide accommodation for several Departments in the Sudbury area.

Department of Reform Institutions: Monteith—A program for construction of permanent buildings to replace former army huts will be started at the Industrial Farm.

Brampton—A program for construction of permanent buildings to replace former army huts will be proceeded with at the Ontario Reformatory.

Bowmanville—A start will be made on the construction of a new dormitory building at the Training School to provide accommodation for 75 boys.

ASSISTANCE TO MUNICIPALITIES BY THE PROVINCE OF ONTARIO, FISCAL YEARS ENDING MARCH 31, 1944 TO 1957

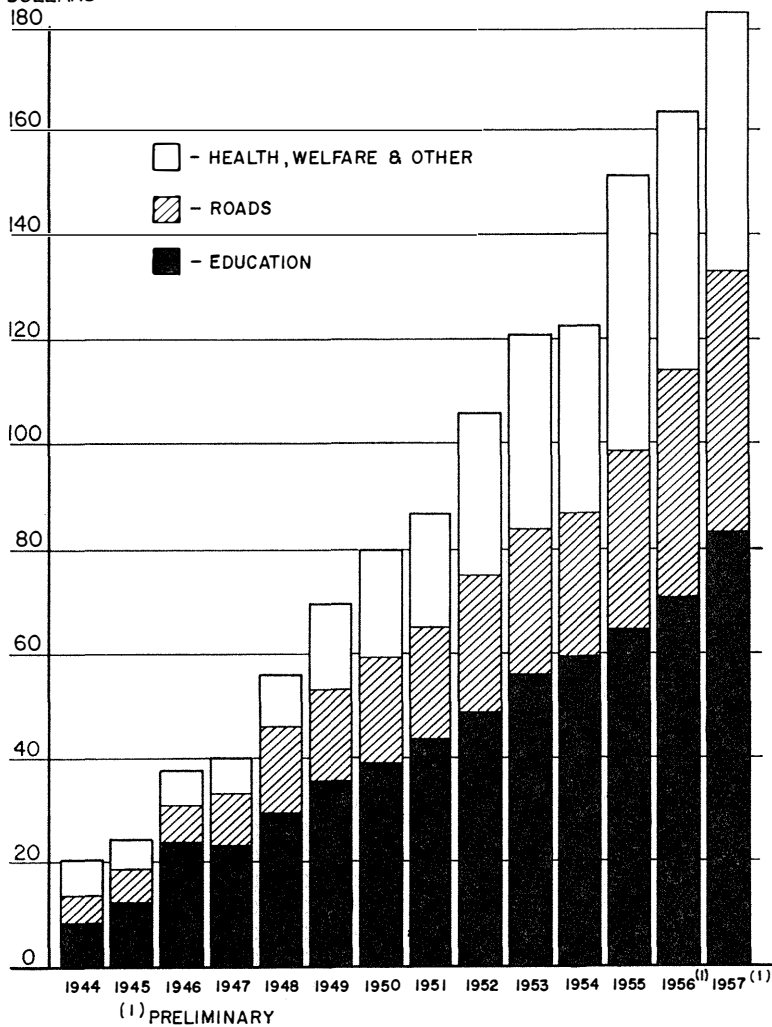
	1944	1946	1948	1950	1951 (Thousands of Dollars)	1952	1953	1954	1955	1956 ¹	1957 ²
Education—											
General Legislative Grants, etc.	8,398	23,369	29,977	38,708	43,695	48,863	55,438	59,044	64,696	70,775	78,275
Grant per Pupil of Average Daily Attendance	.....	.....	.....	.....	.....	.....	.....	.....	3,408	.....	5,750
Total Education	8,398	23,369	29,977	38,708	43,695	48,863	55,438	59,044	68,104	70,775	84,025
Hospitals:											
Maintenance and Construction	1,634	1,183	3,283	9,394	10,137	11,716	14,761	12,580	15,754	15,646	15,755
Special Grants for Rehabilitation and Other Capital Purposes	.....	.....	.....	.....	.....	5,750	7,111	7,070	6,243	5,800	.....
Total Hospitals	1,634	1,183	3,283	9,394	10,137	17,466	21,872	19,650	21,997	21,446	15,755
Health Units, School Medical Inspection and School Dental Services	25	171	428	489	526	580	646	672	700	757	765
Roads	4,917	7,341	15,335	20,752	21,345	25,232	28,020	28,084	33,526	42,915	51,035
One-Mill Subsidy	3,064	3,105	3,279	.....	.....	.....	.....	.....	.....	.....	.....
Police Act	.....	.....	.....	1,363	1,669	1,894	2,311	2,727	131	140	155
Fire Departments Act	.....	.....	.....	1,375	1,589	1,721	2,076	2,273	106	118	130
Unconditional per Capita Grants	.....	.....	.....	.....	.....	.....	.....	.....	11,638	12,405	12,750
Special Grant for Welfare Services and Work Projects	.....	.....	.....	.....	.....	.....	.....	.....	3,597	.....	.....
Total Unconditional Per Capita Grant	.....	.....	.....	.....	.....	.....	.....	.....	15,235	12,405	12,750
Day Nurseries	.....	.....	134	144	198	217	217	213	204	215	225
Children's Aid	72	77	88	824	1,017	1,152	1,340	1,487	1,615	1,733	2,060
Homes for the Aged	.....	.....	.....	463	1,038	2,238	1,971	1,829	2,357	3,648	5,565
Erection of Housing Units for Elderly Persons	.....	.....	.....	.....	.....	.....	.....	69	76	45	100
Unemployment Relief	1,219	1,310	1,807	2,396	2,687	3,038	2,831	2,811	3,338	3,850	3,850
Community Centres	.....	.....	9	482	433	423	204	187	300	143	200
Conservation, Drainage Aid and Flood Control	6	49	66	1,012	600	1,367	1,251	1,256	1,142	2,411	4,975
Mining Municipalities	350	105	150	300	302	372	1,427	1,493	1,498	1,500	2,000
Payments in Lieu of Certain Municipal Taxes	.....	.....	.....	.....	.....	.....	376	375	448	530	650
Miscellaneous	364	377	427	1,881	1,456	884	1,076	506	515	564	444
Grand Total	20,049	37,087	54,983	79,583	86,692	105,447	121,056	122,676	151,292	163,195	184,684

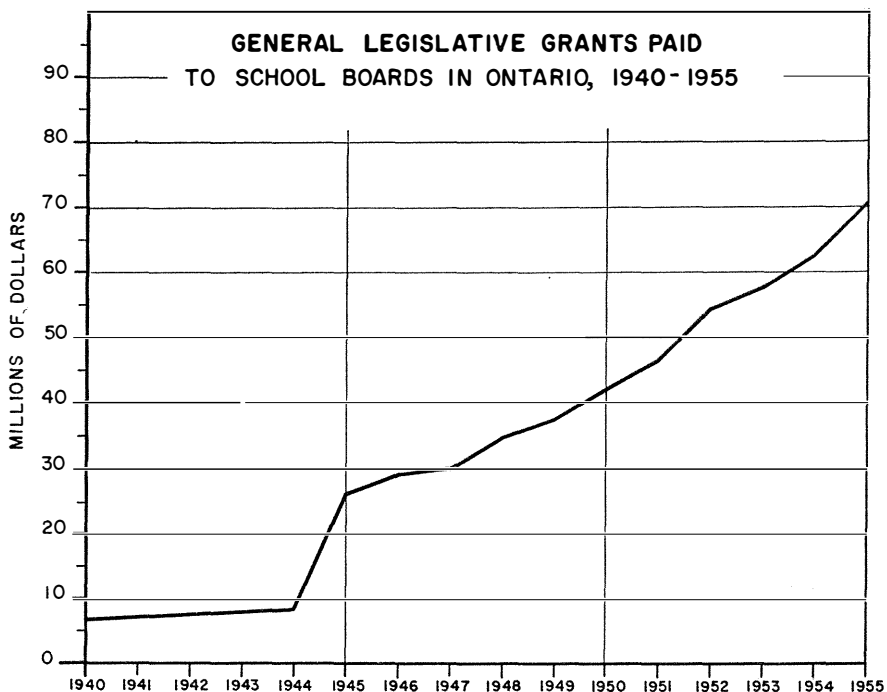
¹Interim, 10 months' actual plus 2 months' forecast.²Forecast.

ASSISTANCE TO MUNICIPALITIES BY THE PROVINCE OF ONTARIO

FISCAL YEARS ENDING MARCH 31, 1944 TO 1957

MILLIONS
OF
DOLLARS





**GENERAL LEGISLATIVE GRANTS PAID
TO SCHOOL BOARDS IN ONTARIO, 1940-1955⁽¹⁾**

YEAR	GENERAL LEGISLATIVE GRANTS
1940	\$ 7,000,000
1944	8,700,000
1945	26,600,000
1946	29,200,000
1947	30,100,000
1948	35,000,000
1949	37,500,000
1950	42,500,000
1951	46,900,000
1952	54,800,000
1953	57,700,000
1954	62,900,000
1955	(Estimate) 71,000,000

(1) On a calendar year basis

THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION

Summary by Municipalities of Debentures Purchased from Inception to March 1, 1956

Municipality	Type of Work	Amount
Atikokan, Township of.....	Water and Sewers.....	\$ 348,500.00
Board of Management of the Inter-Urban Area of		
Burlington-Nelson.....	Water.....	327,000.00
Bertie, Township of.....	Water.....	137,000.00
Black River, Township of.....	Water.....	51,500.00
Bracebridge, Town of.....	Water.....	90,000.00
Bronte, Village of.....	Water.....	210,000.00
Chapleau, Township of.....	Sewers.....	310,000.00
Cobden, Village of.....	Water and Sewers.....	77,900.00
Cochrane, Town of.....	Sewers.....	109,000.00
Crystal Beach, Village of.....	Water and Sewers.....	183,594.31
Delhi, Village of.....	Water and Sewers.....	50,000.00
Dryden, Town of.....	Water.....	55,100.00
Elmvale, Village of.....	Water.....	4,100.00
Etobicoke, Township of.....	Water and Sewers.....	1,416,113.75
Fort Frances, Town of.....	Water and Sewers.....	34,463.66
Geraldton, Town of.....	Water.....	90,000.00
Grantham, Township of.....	Water.....	107,700.00
Hawkesbury, Town of.....	Water and Sewers.....	638,800.00
Hearst, Town of.....	Water and Sewers.....	52,000.00
Long Branch, Village of.....	Water.....	106,700.00
Madoc, Village of.....	Water and Sewers.....	15,500.00
Mattawa, Town of.....	Water and Sewers.....	193,500.00
Matheson, Town of.....	Water.....	13,000.00
Morrisburg, Village of.....	Sewers.....	8,500.00
McKim, Township of.....	Water and Sewers.....	872,517.22
North York, Township of.....	Incinerator, Water and Sewers	1,747,367.59
Niagara Falls, City of.....	Water.....	598,000.00
Neelon and Garson, United Township of.....	Water.....	237,474.33
New Liskeard, Town of.....	Water and Sewers.....	116,000.00
Niagara, Township of.....	Sewers and Drainage.....	52,311.98
Nipigon, Township of.....	Water.....	10,000.00
Oakville, Town of.....	Water.....	490,000.00
Port McNicoll, Village of.....	Water.....	16,500.00
Port Credit, Village of.....	Water.....	270,476.00
Parry Sound, Town of.....	Water and Sewers.....	17,500.00
Red Rock, Improvement District of.....	Water and Sewers.....	43,145.00

Municipality	Type of Work	Amount
Riverside, Town of	Water and Sewers	152,982.78
Rockland, Town of	Water	35,000.00
Sioux Lookout, Town of	Water and Sewers	142,185.00
Scarborough, Township of	Water and Sewers	4,772,800.00
South River, Village of	Water	120,000.00
Sandwich East, Township of	Water and Sewers	282,113.54
Sandwich West, Township of	Water	152,475.59
Schreiber, Township of	Water	35,000.00
Stamford, Township of	Water	602,000.00
Sudbury, City of	Water and Sewers	276,404.17
St. Clair Beach, Village of	Water	14,230.00
Sturgeon Falls, Town of	Water and Sewers	132,321.00
Tarentorus, Township of	Water	74,000.00
Tay, Township of	Water	93,000.00
Teck, Township of	Water	100,000.00
Tecumseh, Town of	Sewers	22,385.00
Timmins, Town of	Sewers	109,875.00
Toronto, Township of	Water	800,000.00
Windsor, City of	Water	2,000,000.00
Widdifield, Township of	Water	62,450.00
Westminster, Township of	Sewers	28,000.00
West Ferris, Township of	Water	60,000.00
Whitney, Township of	Sewers	9,000.00
		<u>\$19,177,485.92</u>

**SURPLUS ON ORDINARY ACCOUNT, ONTARIO,
FISCAL YEARS 1951-52 TO 1955-56**

	1951-52	1952-53	1953-54	1954-55	Estimated 1955-56
	(Thousands of Dollars)				
Net Ordinary Revenue.....	302,721*	350,305*	372,973	399,393	411,342
Less: Net Ordinary Expenditure—before provision for Sinking Funds.....	267,384*	318,346*	342,095	377,714	392,963
Surplus—before provision for Sinking Funds.....	35,337	31,959	30,878	21,679	18,379
Less: provision for Sinking Funds.....	34,276	30,859	29,945	21,536	17,630
Balance carried to Surplus Account.....	<u>1,061</u>	<u>1,100</u>	<u>933</u>	<u>143</u>	<u>749</u>

**STATEMENT OF CONSOLIDATED REVENUE FUND, ONTARIO,
FISCAL YEARS 1951-52 TO 1955-56**

	1951-52	1952-53	1953-54	1954-55	Estimated 1955-56
	(Thousands of Dollars)				
Receipts:					
On Ordinary Account.....	302,721*	350,305*	372,973	399,393	411,342
On Capital Account.....	80,671	112,447	104,430	86,638	80,745
Net Proceeds of Loans, etc.....	195,825	206,757	262,994	153,585	254,907
	<u>579,217</u>	<u>669,509</u>	<u>740,397</u>	<u>639,616</u>	<u>746,994</u>
Disbursements:					
On Ordinary Account.....	301,660*	349,205*	372,040	399,250	410,593
On Capital Account.....	191,866	151,515	205,139	98,348	147,838
Loan Retirements, etc.....	74,045	174,026	149,484	177,534	181,742
	<u>567,571</u>	<u>674,746</u>	<u>726,663</u>	<u>675,132</u>	<u>740,173</u>
Net Increase (or Decrease) on Year.....	11,646	(5,237)	13,734	(35,516)	6,821
	<u>579,217</u>	<u>669,509</u>	<u>740,397</u>	<u>639,616</u>	<u>746,994</u>

**SUMMARY OF INCREASES IN NET CAPITAL DEBT, ONTARIO,
FISCAL YEARS 1951-52 TO 1955-56**

	1951-52	1952-53	1953-54	1954-55	Estimated 1955-56
	(Thousands of Dollars)				
Capital Disbursements on Highways, Public Buildings, Works, etc.....	71,055	86,193	88,173	80,518	129,309
Less: Expenditure from Highway Reserve Account.....	.....	.....	29,331	26,938	37,000
	<u>71,055</u>	<u>86,193</u>	<u>58,842</u>	<u>53,580</u>	<u>92,309</u>
Less: Capital Receipts relating thereto.....	3,377	2,763	2,617	681	1,734
	<u>67,678</u>	<u>83,430</u>	<u>56,225</u>	<u>52,899</u>	<u>90,575</u>
Add: Mortgage assumed on acquisition of building.....	.....	.....	.....	485	.....
	<u>67,678</u>	<u>83,430</u>	<u>56,225</u>	<u>53,384</u>	<u>90,575</u>
Miscellaneous Decrease.....	1,022	568	183	975	362
	<u>66,656</u>	<u>82,862</u>	<u>56,042</u>	<u>52,409</u>	<u>90,213</u>
Less: Surplus (before providing for Sinking Funds).....	35,337	31,959	30,878	21,679	18,379
Increase in Net Capital Debt.....	<u>31,319</u>	<u>50,903</u>	<u>25,164</u>	<u>30,730</u>	<u>71,834</u>
Included in the Net Capital Debt are the following items:					
Highway Reserve Account.....	.....	30,000	41,169	52,731	44,231
Corporations Tax Reserve Account.....	.....	14,355	15,294	15,562	16,887
	<u>.....</u>	<u>44,355</u>	<u>56,463</u>	<u>68,293</u>	<u>61,118</u>

*Adjusted to give effect to changes in accounting procedures in subsequent years.

**NET ORDINARY REVENUE BY MAJOR SOURCES, ONTARIO,
FISCAL YEARS 1951-52 TO 1955-56**

	1951-52	1952-53	1953-54	1954-55	Estimated 1955-56
	(Thousands of Dollars)				
Government of Canada:					
Statutory Subsidies.....	3,641	3,641	3,641	3,641	3,641
Interest—Common School Fund.....	71	71	71	71	71
Share of Income Tax Collected from Privately-owned Corporations Operating Public Utilities.....	630	474	1,097	1,342	1,000
Tax Rental Agreement.....	.....	123,327	134,448	142,747	138,345
	<u>4,342</u>	<u>127,513</u>	<u>139,257</u>	<u>147,801</u>	<u>143,057</u>
Taxation:					
Corporation Tax.....	94,115	.....	.....	.....	.....
Gasoline Tax.....	71,382	77,648	86,239	92,658	98,000
Succession Duties.....	21,652	19,821	20,165	25,819	23,000
Hospitals Tax.....	6,329	6,668	6,747	6,300	4,600
Race Track Betting.....	4,014	3,640	3,968	3,945	3,979
Mining Tax and Sundry.....	5,381	4,533	4,104	4,705	6,483
Security Transfer Tax.....	1,797	1,846	1,788	2,248	3,600
Logging Tax.....	922	827	824	539	600
Land Transfer Tax.....	1,836	2,049	2,487	2,876	3,300
Other Taxes.....	569	609	781	882	867
	<u>207,997</u>	<u>117,641</u>	<u>127,103</u>	<u>139,972</u>	<u>144,429</u>
Other Revenue:					
Agriculture.....	849	948	1,087	1,068	1,080
Attorney-General.....	2,484	2,953	3,572	4,120	4,082
Education.....	1,321	2,142	1,325	1,468	1,318
Health.....	2,896	3,723	4,062	4,070	4,538
Highways—					
Motor Vehicles—					
Licences.....	20,541	24,023	25,357	27,761	36,742
Fees and Fines.....	681	816	826	951	1,258
Other Licences, Rentals, etc.....	482*	881*	870	922	400
Insurance.....	338	365	382	458	426
Labour.....	261	272	469	531	543
Lands and Forests—					
Timber Dues, Bonus, etc.....	9,501	15,118	11,396	11,928	12,800
Fish and Game Licences, Fines.....	3,320	3,410	3,801	3,989	4,140
Water Power Leases.....	1,101	1,293	1,673	1,540	1,500
Other Rentals, Licences and Fees.....	313	407	724	832	670
Mines.....	475	551	1,056	957	1,224
Municipal Affairs—					
Registrar General.....	303	270	267	257	.....
Other Revenue.....	209	177	207	252	264
Provincial Secretary—					
Registrar General.....	.....	.....	.....	.....	287
Other Revenue.....	840	935	1,382	1,462	1,713
Reform Institutions.....	568	532	585	599	595
Treasury—					
Liquor Control Board—Profits.....	42,000	44,000	45,000	46,000	48,000
Transfer Fees.....	586	745	1,019	768	650
Law Stamps.....	878	933	976	1,072	1,100
Theatre Licences and Other.....	281	297	290	474	393
Various Other Departments.....	154	360	287	141	133
	<u>90,382*</u>	<u>105,151*</u>	<u>106,613</u>	<u>111,620</u>	<u>123,856</u>
Total Net Ordinary Revenue.....	<u>302,721*</u>	<u>350,305*</u>	<u>372,973</u>	<u>399,393</u>	<u>411,342</u>

*Adjusted to give effect to changes in accounting procedures in subsequent years.

**NET ORDINARY EXPENDITURE BY MAJOR CLASSIFICATIONS, ONTARIO,
FISCAL YEARS 1951-52 TO 1955-56**

	1951-52	1952-53	1953-54	1954-55	Estimated 1955-56
	(Thousands of Dollars)				
Education, Health and Welfare:					
Legislative Grants for Education.....	47,893	53,879	57,154	62,598	68,400
Special Grants to Schools.....	.....	.....	.....	3,409	.....
Education of Non-resident Pupils.....	451	721	897	1,010	1,200
Grants to Universities.....	6,276	6,646	7,111	7,271	7,291
Special Capital Grants to Universities.....	2,300	2,000	3,350	5,700	7,440
Public Libraries—Legislative Grants.....	505	599	735	800	860
Teachers' Superannuation Fund.....	2,974	3,551	3,973	1,739	4,964
Special Contribution.....	1,000	1,000	1,000	1,000	1,000
Grants to Health Units.....	539	603	624	648	700
Grants to Sanatoria.....	6,040	5,925	6,339	6,399	6,350
Grants to Public Hospitals.....	11,642	14,738	12,334	15,673	15,666
Grants to Isolation Hospitals.....	26	58	61	40	40
Special Capital Grants to Hospitals.....	5,750	7,111	7,070	6,243	5,800
Special Grant to Ontario Cancer Foundation.....	.....	.....	1,000	1,000	1,000
Ontario Hospitals—Administrative and Operating Expenses.....	16,024	17,261	18,799	20,901	22,206
Children's Aid—Grants, Services, etc.....	1,344	1,589	1,772	2,035	2,183
Mothers' Allowances.....	6,038	6,432	6,219	6,545	6,780
Medical Services.....	242	286	295	299	279
Old Age and Blind Pensions.....	8,689	4,765	4,917	5,055	5,138
Medical Services.....	968	1,248	1,346	1,326	1,319
Disabled Persons' Allowances.....	.....	883	2,493	2,560	1,710
Medical Services.....	.....	18	62	77	91
Homes for the Aged—					
Grants for Maintenance.....	672	860	946	961	1,030
Grants for New Homes.....	1,566	1,111	952	1,471	2,663
Direct Relief to Unemployables.....	3,038	2,831	2,811	3,338	3,850
Grants for Upkeep of Day Nurseries.....	217	217	213	204	215
Other Expenditure.....	12,634	14,004	15,486	16,425	20,329
Total Education, Health and Welfare.....	136,828	148,336	157,959	174,727	188,504
Agriculture, Forestry and Mining:					
Ontario Agricultural College, Guelph.....	2,296	2,601	2,773	3,062	3,162
Ontario Veterinary College, Guelph.....	626	737	749	859	865
Other Schools and Farms.....	572	661	734	849	901
Agricultural Representative Branch.....	798	865	877	982	1,274
Northern Ontario Branch.....	212	242	281	191	.....
Agricultural and Horticultural Societies Branch.....	711	537	598	737	595
Special Grant for the Royal Winter Fair ..	.....	.....	.....	.....	1,000
Basic Organization (Forestry)—					
District Offices.....	7,005	7,664	7,908	8,956	9,803
Other Field Services.....	1,746	1,556	2,311	2,082	5,593
Mines.....	920	980	1,033	1,141	1,239
Other Expenditure.....	4,374	4,914	5,274	4,014	4,377
Total Agriculture, Forestry and Mining.....	19,260	20,757	22,538	22,873	28,809
Highways:					
Highways and Development Roads.....	34,133	35,322	28,882	32,852	31,000
Resurfacing and Renovating Roads.....	.....	.....	2,665	.....	7,500
Municipal Roads—					
Development Roads.....	170	202	425	365	200
Roads in Unincorporated Townships in Northern Ontario.....	481	604	621	566	550
Municipal Subsidies.....	16,204	17,359	17,411	18,397	17,000
Other Expenditure.....	3,904	4,710	5,302	7,072	7,362
Total Highways.....	54,892*	58,197*	55,306	59,252	63,612

NET ORDINARY EXPENDITURE

(Continued)

Estimated

	1951-52	1952-53	1953-54	1954-55	1955-56
	(Thousands of Dollars)				
Public Works:					
Public Buildings—Maintenance and Repair	2,677	3,125	3,587	3,830	4,304
Dams, Docks, etc., and Drainage Works ..	56	52	96	99	75
Grants in Aid of Drainage Works.....	189	252	656	699	540
Expense in connection with Hurricane Hazel	.....	.....	.....	1,779	315
Other Expenditure.....	737	883	959	969	1,086
Total Public Works.....	3,659	4,312	5,298	7,376	6,320
Municipal Affairs:					
Subsidies for Police Departments.....	1,894	2,311	2,727	131	140
Subsidies for Fire Departments.....	1,721	2,076	2,273	106	118
One-Mill Supplementation.....	378	324	282	.....	.....
Subsidies to Mining Municipalities.....	372	1,427	1,493	1,498	1,500
Payments in Lieu of Certain Municipal Taxes.....	.....	376	375	448	530
Unconditional Per Capita Grants.....	.....	.....	.....	11,638	12,405
Special Unconditional Per Capita Grants..	.....	.....	.....	3,597	.....
Registrar General.....	367	398	394	477	.....
Administration Expenses re The Municipality of Metropolitan Toronto and the Metropolitan School Board.....	.....	.....	296	12	.....
Compensation for loss re Repeal of The Mortgage Tax Act.....	.....	.....	240	.....	.....
Reimbursement to Municipalities re Telephone Companies Tax.....	.....	.....	254	.....	.....
Ontario Telephone Authority.....	.....	.....	.....	.....	94
Greater Toronto Assessment Board.....	185	331	428	7	.....
Other Expenditure.....	480	568	734	574	805
Total Municipal Affairs.....	5,397	7,811	9,496	18,488	15,592
Planning and Development:					
Grant—Regent Park Housing.....	64	324	.....	303	216
Expenditure re the Dominion-Provincial Partnership Agreement.....	375	350	73	68	78
Additional Provision for Housing.....	1,000	.....	.....	.....	.....
Research Council of Ontario.....	517	536	591	535	.....
Ontario Research Foundation.....	.....	.....	.....	.....	475
Civil Defence.....	.....	.....	.....	.....	300
Other Expenditure.....	593	655	713	825	1,227
Total Planning and Development.....	2,549	1,865	1,377	1,731	2,296
Labour.....	1,232	1,466	1,592	1,761	1,941
Attorney-General:					
Criminal Justice Accounts.....	2,024	2,353	2,612	2,869	3,004
Law Enforcement.....	4,095	4,681	5,117	6,282	7,007
Election Expenses.....	2,216	(84)	4	145	2,175
Other Expenditure.....	2,789	3,236	3,315	3,056	3,217
Total Attorney-General.....	11,124	10,186	11,048	12,352	15,403
Reform Institutions:					
Ontario Reformatories.....	2,034	1,887	1,993	2,281	2,583
Industrial Farms.....	1,747	1,824	2,005	2,141	2,353
Ontario Training Schools for Boys.....	628	607	630	724	726
Ontario Training School for Girls.....	259	255	249	271	280
Special Grants—Training Schools, etc., for Boys and Girls.....	375	.....	.....	358	.....
Other Expenditure.....	831	990	1,058	749	799
Total Reform Institutions.....	5,874	5,563	5,935	6,524	6,741

NET ORDINARY EXPENDITURE

(Continued)

Estimated

1951-52 1952-53 1953-54 1954-55 1955-56
(Thousands of Dollars)

Provincial Secretary:					
Registrar General.....	1,176	1,439	1,528	1,501	494
Other Expenditure.....	1,176	1,439	1,528	1,501	1,386
Total Provincial Secretary.....	1,176	1,439	1,528	1,501	1,880
Lieutenant-Governor.....	17	17	21	18	19
Prime Minister.....	257	252	372	116	123
Treasury:					
Public Service Superannuation Fund.....	1,455	1,561	1,770	2,217	2,500
Special Contribution to Fund.....	.....	.....	1,000	1,000	1,000
Provision for Junior Farmer Establishment Loan Corporation.....	1,749	1,000	.....	.....	.....
Other Expenditure.....	1,749	1,899	2,032	2,333	2,674
Total Treasury.....	3,204	4,460	4,802	5,550	6,174
Provincial Auditor.....	223	235	254	279	332
Travel and Publicity:					
Ontario Rentals Administration.....	397	558	474	.....	.....
Other Expenditure.....	648	702	881	877	902
Total Travel and Publicity.....	1,045	1,260	1,355	877	902
Insurance.....	133	146	180	229	249
Queen's Printer—Stationery Account.....	64	.....	23	82	35
Total of above Departmental Expenditure...	246,934*	266,302*	279,084	313,736	338,932
Public Debt—Interest, Exchange, etc.....	20,450	22,044	22,511	25,478	25,531
Total Ordinary Expenditure before providing for Highway Reserve Account and Sinking Funds.....	267,384*	288,346*	301,595	339,214	364,463
Provision for Highway Reserve Account.....	.....	30,000	40,500	38,500	28,500
Provision for Sinking Funds.....	34,276	30,859	29,945	21,536	17,630
Total Net Ordinary Expenditure.....	301,660*	349,205*	372,040	399,250	410,593

*Adjusted to give effect to changes in accounting procedure in subsequent years.

**CAPITAL RECEIPTS, ONTARIO,
FISCAL YEARS 1951-52 TO 1955-56**

	1951-52	1952-53	1953-54	1954-55	Estimated 1955-56
	(Thousands of Dollars)				
Salvaging Fire-damaged Timber.....	3,037	2,316	1,626	179	33
Sales—Lands and Buildings.....	340	447	991	452	1,701
Sales—Radium.....	.....	.....	.....	50	.....
	3,377	2,763	2,617	681	1,734
Repayment of Loans and Advances:					
Hydro-Electric Power Commission of					
Ontario.....	1,732	11,990	1,813	1,856	7,400
Agricultural Development Board.....	1,625	1,350	1,175	1,005	900
Consolidated Revenue Fund Surplus Invest-					
ments.....	20,000	.....	.....	.....	.....
Housing Development Act.....	.....	92	146	406	485
Other.....	547	554	577	564	578
Deposits in Special Funds:					
Industry and Labour Board—Vacation Pay					
Stamps Sales.....	8,620	9,537	10,669	9,918	9,300
Public Service Superannuation and Retire-					
ment Funds.....	4,363	4,938	6,833	8,665	9,355
Investment—Province of Ontario Bonds—					
Matured.....	.....	.....	4,500	.....	.....
Unsatisfied Judgment Fund.....	790	1,568	1,803	1,973	2,200
Other.....	426	542	529	519	630
Deferred Assets:					
Discount on Debentures, written off.....	523	623	663	698	704
Discount on Debentures assumed by the					
Hydro-Electric Power Commission.....	3,375	2,250	1,710	.....	.....
Discount on Treasury Bills.....	.....	19	.....	.....	.....
Surplus Receipts:					
Provision for Sinking Fund.....	34,276	30,859	29,945	21,536	17,630
Other.....	1	1	1	1	1
Reserves:					
Highway Reserve Account.....	.....	30,000	40,500	38,500	28,500
Corporations Tax (receipts applicable to					
period preceding Tax Rental Agreement)	.....	14,355	939	268	1,325
Province's Expanding Housing Operations.	1,000	.....	.....	.....	.....
Ontario Junior Farmer Establishment Loan					
Corporation.....	.....	1,000	.....	.....	.....
Miscellaneous.....	16	6	10	48	3
Total Capital Receipts.....	80,671	112,447	104,430	86,638	80,745

**CAPITAL DISBURSEMENTS, ONTARIO,
FISCAL YEARS 1951-52 TO 1955-56**

	1951-52	1952-53	1953-54	1954-55	Estimated 1955-56
	(Thousands of Dollars)				
Highways:					
Highways and Development Roads.....	38,385	51,444	47,354*	36,159*	64,000*
Municipal Roads Branch—					
Development Roads.....	1,594	1,638	1,746	1,662	3,200
Roads in Unincorporated Townships in Northern Ontario.....	217	227	223	169	360
Municipal Subsidies.....	8,330	9,830	9,806	14,391	25,000
Contingencies.....	.....	4	22	4	5
Mining Roads—Construction.....	145	871	848	600	750
Lands and Forests:					
Construction of logging roads.....	.....	.....	.....	.....	140
Salvaging fire-damaged timber.....	2,197	1,655	800	179	33
Rural Power Extension Bonus.....	10,224	8,826	9,412	7,297	8,000
Conservation.....	1,040	991	526	410	1,860
Grant for Institute of Radio-Therapy.....	73	2,000	.....	.....	.....
Designing, development, etc., of Townsites ..	.....	.....	.....	47	575
Public Works:					
Construction of Public Buildings.....	8,493	8,381	16,913	19,276	25,000
Grants and Miscellaneous.....	357	326	523	324	386
	71,055	86,193	88,173	80,518	129,309
Loans and Advances:					
Hydro-Electric Power Commission of Ontario.....	100,000	50,000	100,000	.....	.....
Housing Development Act.....	.....	2,097	1,875	1,589	2,250
Investment—Consolidated Revenue Fund Surplus.....	10,000	.....	.....	.....	.....
Other.....	637	473	490	518	725
Special Funds:					
Industry and Labour Board—					
Vacation Pay Stamps Redeemed.....	6,935	8,889	9,967	10,747	9,300
Public Service Superannuation and Retirement Fund.....	1,859	1,929	2,380	2,695	3,182
Unsatisfied Judgment Fund.....	982	1,214	1,611	1,808	2,200
Ontario Telephone Revolving Fund.....	.....	.....	.....	.....	250
Other.....	393	716	636	469	613
Reserves.....	5	4	7	4	9
Total Capital Disbursements.....	191,866	151,515	205,139	98,348	147,838

*Including Expenditure from Highway Reserve Account.

**SURPLUS OR DEFICIT* ON ORDINARY ACCOUNT
BEFORE AND AFTER PROVISION FOR SINKING FUNDS, ONTARIO
FISCAL YEARS 1936 TO 1956**

Fiscal Year ending March 31st	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 \$
1936.....	65,726,984	78,178,770	12,451,786*	890,920	13,342,706*
1937.....	80,488,440	70,256,376	10,232,064	918,125	9,313,939
1938.....	86,052,793	80,495,109	5,557,684	947,965	4,609,719
1939.....	86,843,271	85,528,120	1,315,151	992,655	322,496
1940.....	88,172,952	90,368,393	2,195,441*	1,038,655	3,234,096*
1941.....	103,802,020	88,780,934	15,021,086	1,086,655	13,934,431
1942.....	111,496,170	95,208,016	16,288,154	1,129,000	15,159,154
1943.....	108,214,063	91,083,245	17,130,818	1,181,000	15,949,818
1944.....	118,096,684	101,210,715	16,885,969	5,570,000	11,315,969
1945.....	117,124,347	110,956,977	6,167,370	5,292,000	875,370
1946.....	128,368,864	121,450,964	6,917,900	5,352,000	1,565,900
1947.....	142,875,758	135,506,854	7,368,904	5,422,655	1,946,249
1948.....	191,698,952	160,589,199	31,109,753	5,481,000	25,628,753
1949.....	215,469,613	190,706,361	24,763,252	15,550,000	9,213,252
1950.....	228,550,022	199,271,374	29,278,648	20,622,000	8,656,648
1951.....	265,272,106	228,090,424	37,181,682	21,698,000	15,483,682
1952.....	302,320,999	266,983,560	35,337,439	34,276,000	1,061,439
1953.....	349,500,385	317,540,514 ¹	31,959,871	30,859,000	1,100,871
1954.....	372,973,316	342,095,302 ¹	30,878,014	29,945,000	933,014
1955.....	399,393,284	377,713,638 ¹	21,679,646	21,536,000	143,646
1956 ²	411,342,000	392,963,000 ¹	18,379,000	17,630,000	749,000

¹Including amounts set aside for the Highway Reserve Account:

1953—\$30,000,000
1954— 40,500,000
1955— 38,500,000
1956— 28,500,000

²Interim figures.

SURPLUS OR DEFICIT, ONTARIO, FISCAL YEARS 1867-1956

	Ordinary Revenue ¹	Ordinary Expenditure ¹	Surplus	Deficit
July 1st, 1867 to December 31st, 1867.....	\$ 182,899.63	\$ 56,669.97	\$ 126,229.66	
Fiscal Year ending 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	20,711.86	
" " " " " " 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 ending October 31st, 1909.....	7,477,920.94	7,545,040.47		67,119.53
Fiscal Year ending 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 ending March 31st, 1935.....	21,048,944.06	31,489,616.34		10,440,672.28
Fiscal Year ending 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.....	302,320,998.85	301,259,559.94	1,061,438.91	
" " " " " " 1953.....	349,500,385.36	348,399,514.15	1,100,871.21	
" " " " " " 1954.....	372,973,315.71	372,040,301.99	933,013.72	
" " " " " " 1955.....	399,393,284.17	399,249,638.33	143,645.84	
" " " " " " 1956 ²	411,342,000.00	410,593,000.00	749,000.00	

¹ 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 1956, inclusive, shown as net surplus after applying certain revenues as a reduction of expenditure.

² Interim figures only.

GROSS AND NET FISCAL YEARS

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.....	291,025,080	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 ¹	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
1952.....	826,228,000	128,265,000	165,692,000	30,208,000	75,693,000	271,593,000
1953.....	896,143,000	69,915,000	203,702,000	30,208,000	58,158,000	292,068,000

GROSS AND NET FISCAL YEARS

Fiscal Year	GROSS CAPITAL DEBT		REALIZABLE AND INCOME PRODUCING			
	Total	Yearly Increase or Decrease*	Hydro	O.N.T.C.	Loans and Cash	Total
	\$	\$	\$	\$	\$	\$
1943.....	695,189,000	.....	121,684,000	30,208,000	43,771,000	195,663,000
1944.....	656,806,000	38,383,000*	105,150,000	30,208,000	35,735,000	171,093,000
1945.....	636,770,000	20,036,000*	95,475,000	30,208,000	28,411,000	154,094,000
1946.....	629,914,000	6,856,000*	93,946,000	30,208,000	25,571,000	149,725,000
1947.....	635,842,000	5,928,000	89,513,000	30,208,000	21,909,000	141,630,000
1948.....	618,754,000	17,088,000*	87,850,000	30,208,000	32,429,000	150,487,000
1949.....	619,414,000	660,000	71,868,000	30,208,000	31,622,000	133,698,000
1950.....	683,978,000	64,564,000	70,209,000	30,208,000	73,541,000	173,958,000
1951.....	687,452,000	3,474,000	67,424,000	30,208,000	67,210,000	164,842,000
1952.....	814,160,000	126,708,000	165,692,000	30,208,000	64,331,000	260,231,000
1953.....	884,231,000	70,071,000	203,702,000	30,208,000	45,489,000	279,399,000
1954.....	1,035,484,000	151,253,000	301,889,000	30,208,000	73,391,000	405,488,000
1955.....	1,066,161,000	30,677,000	300,033,000	30,208,000	75,195,000	405,436,000

¹Population is computed at the fiscal year end on the assumption that a uniformly equal change occurred in each of the twelve months between the annual June estimates of the Dominion Bureau of Statistics.

²Five months ended March 31st.

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

DEBT, ONTARIO

1914-1953

ASSETS		NET DEBT		Population ¹	Per Capita Net Debt	Fiscal Year
Yearly Increase or Decrease*	Total	Yearly Increase or Decrease*	Total			
\$	\$	\$	\$		\$	
.....	6,294,000	.....		2,713,000	2.32	1914
5,384,000	9,469,000	3,175,000		2,719,000	3.48	1915
10,001,000	8,529,000	940,000*		2,718,000	3.14	1916
4,081,000	6,937,000	1,592,000*		2,732,000	2.54	1917
12,656,000	7,765,000	828,000		2,763,000	2.81	1918
16,373,000	13,115,000	5,350,000		2,820,000	4.65	1919
20,490,000	22,855,000	9,740,000		2,893,000	7.90	1920
53,430,000	44,609,000	21,754,000		2,953,000	15.11	1921
15,307,000	60,045,000	15,436,000		2,994,000	20.06	1922
16,903,000	100,978,000	40,933,000		3,032,000	33.30	1923
20,468,000	118,993,000	18,015,000		3,081,000	38.62	1924
10,705,000*	132,581,000	13,588,000		3,133,000	42.32	1925
4,770,000	144,536,000	11,955,000		3,187,000	45.35	1926
6,561,000	157,779,000	13,243,000		3,244,000	48.64	1927
9,179,000	173,794,000	16,015,000		3,301,000	52.65	1928
18,417,000	188,177,000	14,383,000		3,356,000	56.07	1929
21,857,000	212,778,000	24,601,000		3,405,000	62.49	1930
16,046,000	244,027,000	31,249,000		3,449,000	70.75	1931
20,105,000	277,674,000	33,647,000		3,489,000	79.59	1932
2,058,000*	299,441,000	21,767,000		3,525,000	84.95	1933
2,597,000	358,477,000	59,036,000		3,557,000	100.78	1934
1,313,000*	378,415,000	19,938,000		3,570,000	106.00	1935
12,451,000*	406,039,000	27,624,000		3,601,000	112.76	1936
32,496,000*	405,436,000	603,000*		3,632,000	111.63	1937
11,243,000*	438,294,000	32,858,000		3,666,000	119.56	1938
5,282,000*	478,268,000	39,974,000		3,702,000	129.19	1939
4,624,000*	507,203,000	28,935,000		3,741,000	135.58	1940
6,427,000*	506,200,000	1,003,000*		3,781,000	133.88	1941
5,805,000*	507,128,000	928,000*		3,868,000	131.11	1942
8,220,000*	495,441,000	11,687,000*		3,910,000	126.71	1943
25,389,000*	482,494,000	12,947,000*		3,955,000	122.00	1944
17,859,000*	480,309,000	2,185,000*		3,994,000	120.26	1945
5,279,000*	478,419,000	1,890,000*		4,078,000	117.32	1946
8,762,000*	493,087,000	14,668,000		4,162,000	118.47	1947
9,501,000	466,753,000	26,334,000*		4,259,000	109.59	1948
16,647,000*	483,675,000	16,922,000		4,361,000	110.91	1949
40,202,000	508,819,000	25,144,000		4,456,000	114.19	1950
8,777,000*	521,550,000	12,731,000		4,577,000	113.95	1951
95,180,000	554,635,000	33,085,000		4,738,000	117.06	1952
20,475,000	604,075,000	49,440,000		4,875,000	123.91	1953

CAPITAL DEBT, ONTARIO

1943-1955

ASSETS		NET CAPITAL DEBT			
Yearly Increase or Decrease*	Total	Yearly Increase or Decrease*	Population ¹	Per Capita Net Capital Debt	Fiscal Year
\$	\$	\$		\$	
.....	499,526,000	.....	3,910,000	127.76	1943
24,570,000*	485,713,000	13,813,000*	3,955,000	122.81	1944
16,999,000*	482,676,000	3,037,000*	3,994,000	120.85	1945
4,369,000*	480,189,000	2,487,000*	4,078,000	117.75	1946
8,095,000*	494,212,000	14,023,000	4,162,000	118.74	1947
8,857,000	468,267,000	25,945,000*	4,259,000	109.95	1948
16,789,000*	485,716,000	17,449,000	4,361,000	111.38	1949
40,260,000	510,020,000	24,304,000	4,456,000	114.46	1950
9,116,000*	522,610,000	12,590,000	4,577,000	114.18	1951
95,389,000	553,929,000	31,319,000	4,738,000	116.91	1952
19,168,000	604,832,000	50,903,000	4,875,000	124.07	1953
126,089,000	629,996,000	25,164,000	5,021,000	125.47	1954
52,009*	660,725,000	30,729,000	5,160,000	128.05	1955

APPENDIX II

ECONOMIC STATEMENTS

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ONTARIO'S POPULATION GROWTH

Ontario's population stood at 5,183,000 at June 1, 1955, 137,000 above the figure a year earlier, and at March 1, 1956 totalled about 5.3 million. The number of people in the Province increased by nearly $1\frac{1}{2}$ million, or about 40 per cent, in the 16 years from 1939 to 1955 and by 1.2 million, around 30 per cent, in the 10 year period ending June 1, 1955. The average rate of increase per annum in the last decade was nearly 3 per cent—more than double that in the years 1939 to 1945—and, at present, the Province's population is growing by about 12,000 per month. The rapid population growth in Ontario in the last 10 years is the result of a rising birth rate accompanied by a declining death rate and large scale immigration.

The sharp increase in the birth rate, first noticeable at the end of World War II, has continued ever since. The birth rate in 1955 was 27.1 per 1,000 population, compared with 23.8 in 1946 and 17.3 in 1939. Ontario birth registrations in 1955 were at an all-time high of 140,503—4,000 more than in 1954 and 44,000 higher than in 1946.

Although the number of deaths in the Province rose somewhat between 1939 and 1955, the death rate per 1,000 population in the latter year was at the lowest level ever recorded—8.8 compared with 9.7 in 1946 and 10.1 in 1939. More advanced methods of treating various diseases and improved living standards explain the falling death rate.

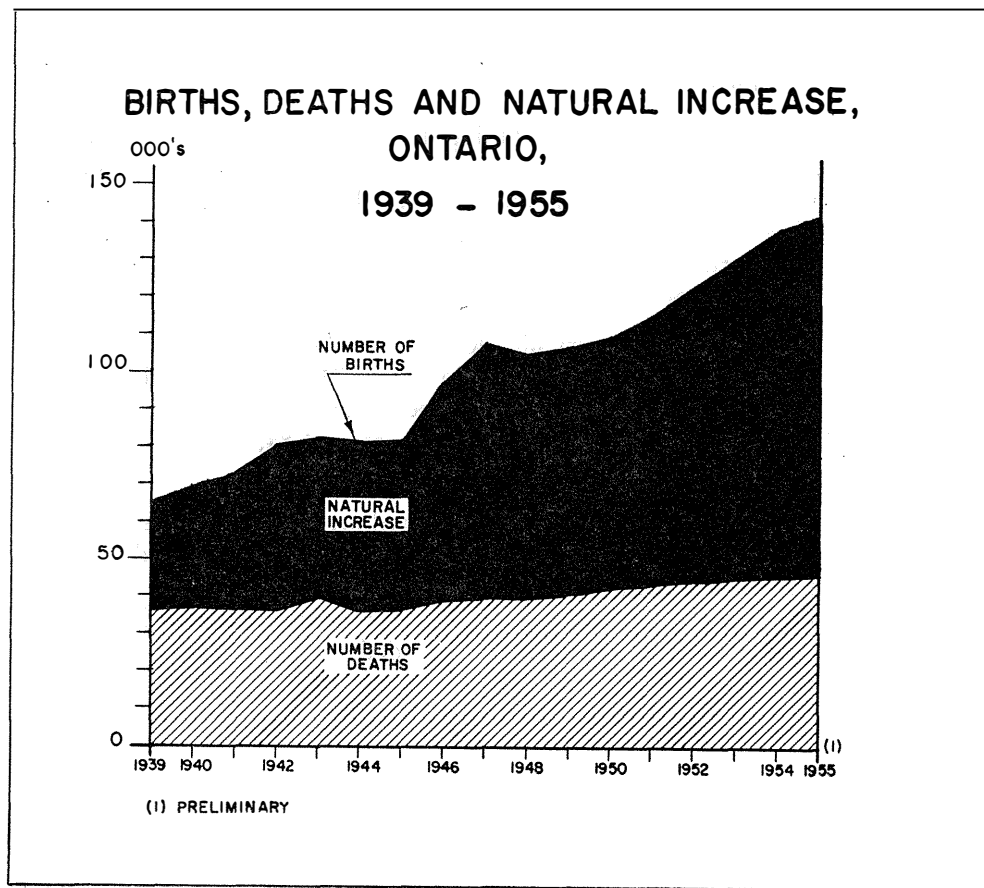
With the soaring birth rates and falling death rates of the post-war years, the Province's natural increase (births, minus deaths) has been at the highest level ever known. In 1955, it amounted to nearly 95,000—3,000 above the previous record level of 1954. The natural increase rate of 18.3 per 1,000 in 1955 was nearly one-third higher than the 14.1 rate of 1946 and was two and a half times the 1939 rate of 7.2.

Immigration has been at a very high level during the whole post-war period. Over 636,000 immigrants arrived in Ontario from 1946 to 1955, inclusive—an inflow comparable to that in the years immediately before the outbreak of World War I. During the last five years, an average of 84,000 immigrants per year came to Ontario.

The large number of marriages and the record arrival of immigrants, many of whom were married or at a marriageable age, in the post-war period have led to a continued rise in the number of families in the Province. In 1955, Ontario families totalled 1,315,000, an increase of about 225,000 since 1947. During the last few years, the average family size was recorded at 3.4 persons but, in 1955, it increased to 3.5 persons.

ONTARIO VITAL STATISTICS, 1939 TO 1955

Year	Population at June 1	Births	Birth Rate Per 1,000 Popu- lation	Deaths	Death Rate Per 1,000 Popu- lation	Natural Increase	Natural Increase Rate Per 1,000 Popu- lation
1939	3,708,000	64,123	17.3	37,530	10.1	26,593	7.2
1940	3,747,000	68,524	18.3	38,503	10.3	30,021	8.0
1941	3,787,655	72,262	19.1	39,226	10.4	33,036	8.7
1942	3,884,000	78,192	20.1	39,119	10.1	39,073	10.0
1943	3,915,000	81,173	20.7	41,063	10.5	40,110	10.2
1944	3,963,000	78,090	19.7	39,781	10.0	38,309	9.7
1945	4,000,000	78,974	19.7	39,499	9.9	39,475	9.8
1946	4,093,000	97,446	23.8	39,758	9.7	57,688	14.1
1947	4,176,000	108,853	26.1	41,619	10.0	67,234	16.1
1948	4,275,000	104,195	24.4	42,364	9.9	61,831	14.5
1949	4,378,000	106,601	24.3	43,379	9.9	63,222	14.4
1950	4,471,000	108,708	24.3	43,948	9.8	64,760	14.5
1951	4,597,542	114,827	25.0	43,981	9.6	70,846	15.4
1952	4,766,000	123,891	26.0	44,402	9.3	79,489	16.7
1953	4,897,000	129,771	26.5	45,242	9.2	84,529	17.3
1954	5,046,000	136,261	27.0	44,515	8.8	91,746	18.2
1955	5,183,000	140,503 ¹	27.1	45,673 ¹	8.8	94,830 ¹	18.3

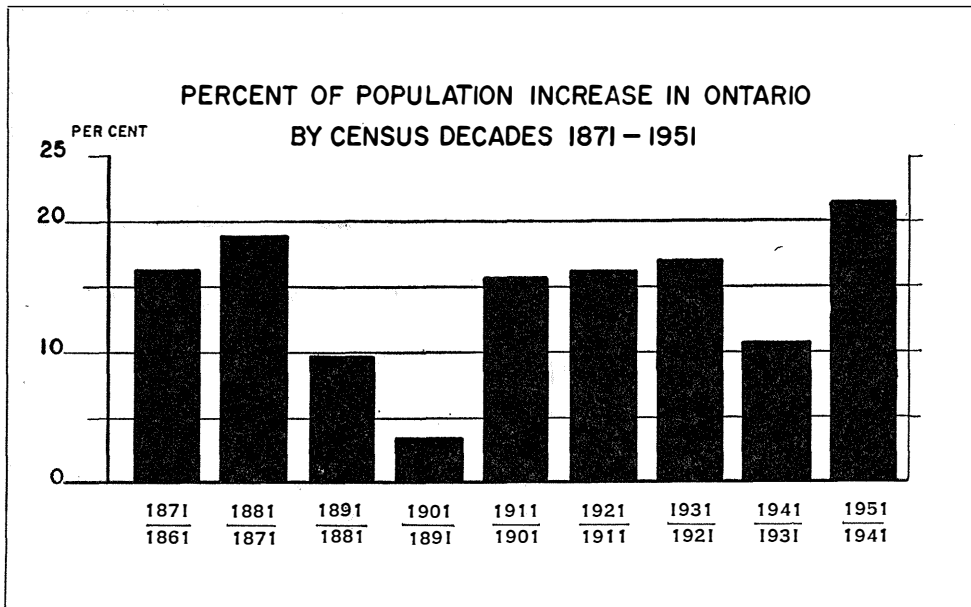
¹Preliminary.Source: Dominion Bureau of Statistics, *Vital Statistics*, 1954; December, 1955; *Estimated Population of Canada by Provinces at June 1, 1955*.

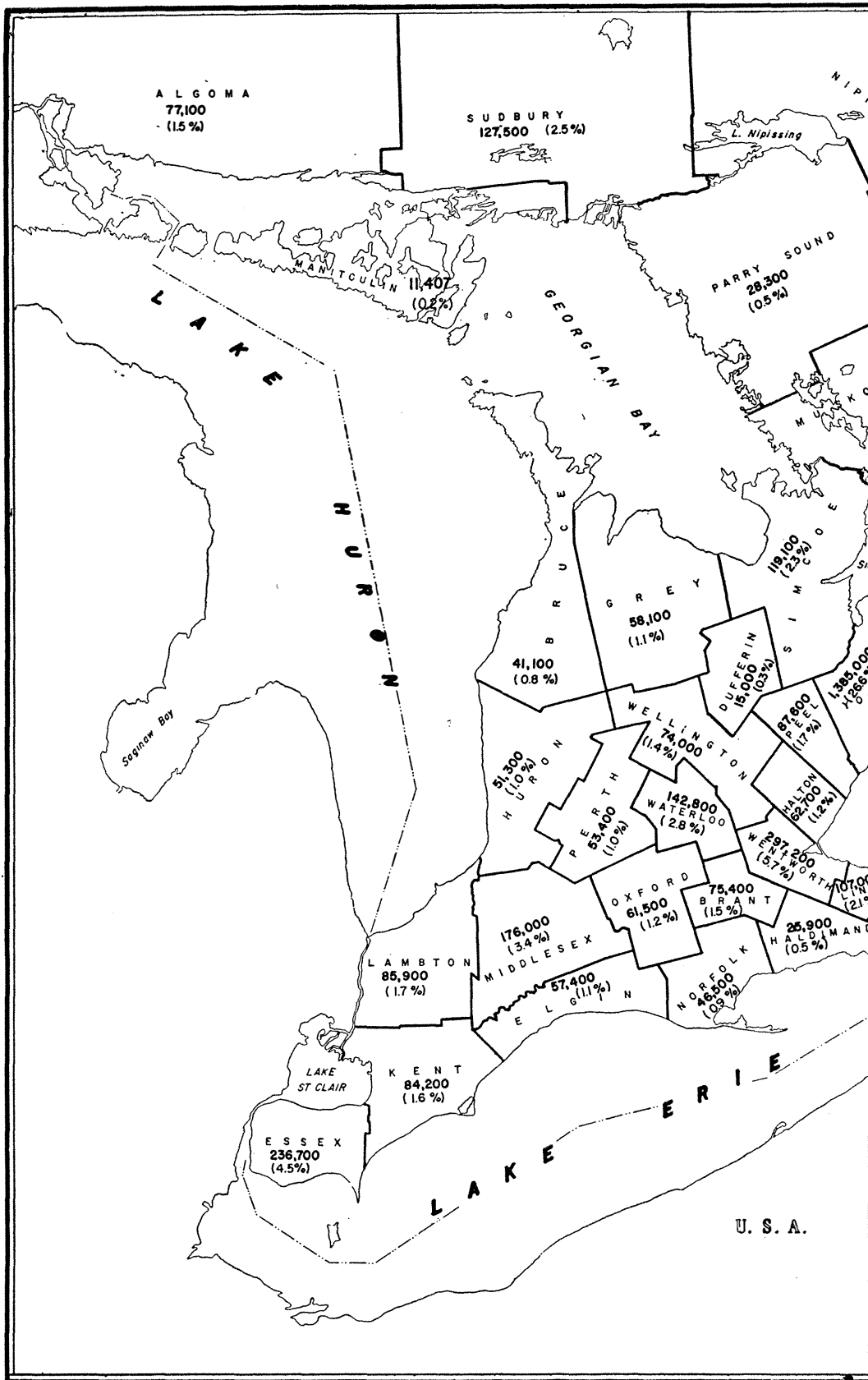
**POPULATION INCREASE IN ONTARIO, CANADA EXCLUDING ONTARIO,
AND ALL OF CANADA, BY CENSUS YEARS, 1871 TO 1951, AND
BY YEARS, 1939 TO 1955**

Year	Population No. (000's)	Ontario Increase No. (000's)	Percent %	Canada Population No. (000's)	Excluding Ontario Increase No. (000's)	Percent %	Population No. (000's)	All of Canada Increase No. (000's)	Percent %
By Census Years, 1871 to 1951, Showing Decennial Increase									
1871	1,621	225	16.1	2,068	235	12.8	3,689	460	14.2
1881	1,927	306	18.9	2,398	330	16.0	4,325	636	17.2
1891	2,114	187	9.7	2,719	321	13.4	4,833	508	11.7
1901	2,183	69	3.3	3,188	469	17.2	5,371	538	11.1
1911	2,527	344	15.8	4,680	1,492	46.8	7,207	1,836	34.2
1921	2,934	407	16.1	5,854	1,174	25.1	8,788	1,581	21.9
1931	3,432	498	17.0	6,945	1,091	18.6	10,377	1,589	18.1
1941	3,788	356	10.4	7,719	774	11.1	11,507	1,130	10.9
1951	4,598	810	21.4	9,411	1,692 ¹	21.9	14,009	2,502 ¹	21.7
By Years, 1939 to 1955, Showing Annual Increase									
1939	3,708	36	1.0	7,559	79	1.1	11,267	115	1.0
1940	3,747	39	1.1	7,634	75	1.0	11,381	114	1.1
1941	3,788	41	1.1	7,719	85	1.1	11,507	126	1.1
1942	3,884	96	2.5	7,770	51	0.7	11,654	147	1.3
1943	3,915	31	0.8	7,880	110	1.4	11,795	141	1.2
1944	3,963	48	1.2	7,983	103	1.3	11,946	151	1.3
1945	4,000	37	0.9	8,072	89	1.1	12,072	126	1.1
1946	4,093	93	2.3	8,199	127	1.6	12,292	220	1.8
1947	4,176	83	2.0	8,375	176	2.1	12,551	259	2.1
1948	4,275	99	2.4	8,548	173	2.1	12,823	272	2.2
1949	4,378	103	2.4	9,069	521 ¹	6.1	13,447	624 ¹	4.9
1950	4,471	93	2.1	9,241	172	1.9	13,712	265	2.0
1951	4,598	127	2.8	9,411	170	1.8	14,009	297	2.2
1952	4,766	168	3.7	9,664	253	2.7	14,430	421	3.0
1953	4,897	131	2.7	9,884	220	2.3	14,781	351	2.4
1954	5,046	149	3.0	10,149	265	2.7	15,195	414	2.8
1955	5,183	137	2.7	10,418	269	2.7	15,601	406	2.7

¹Newfoundland's entry into Confederation in 1949 accounted for 361,000 of the increase occurring during the decade 1941-1951 and for 345,000 of the increase shown in 1949.

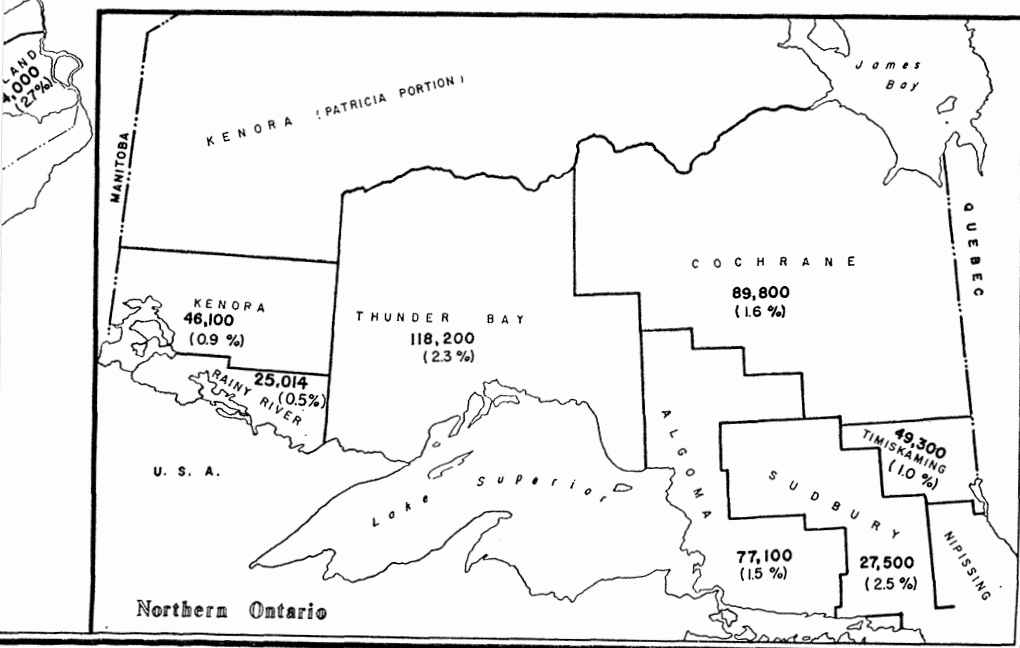
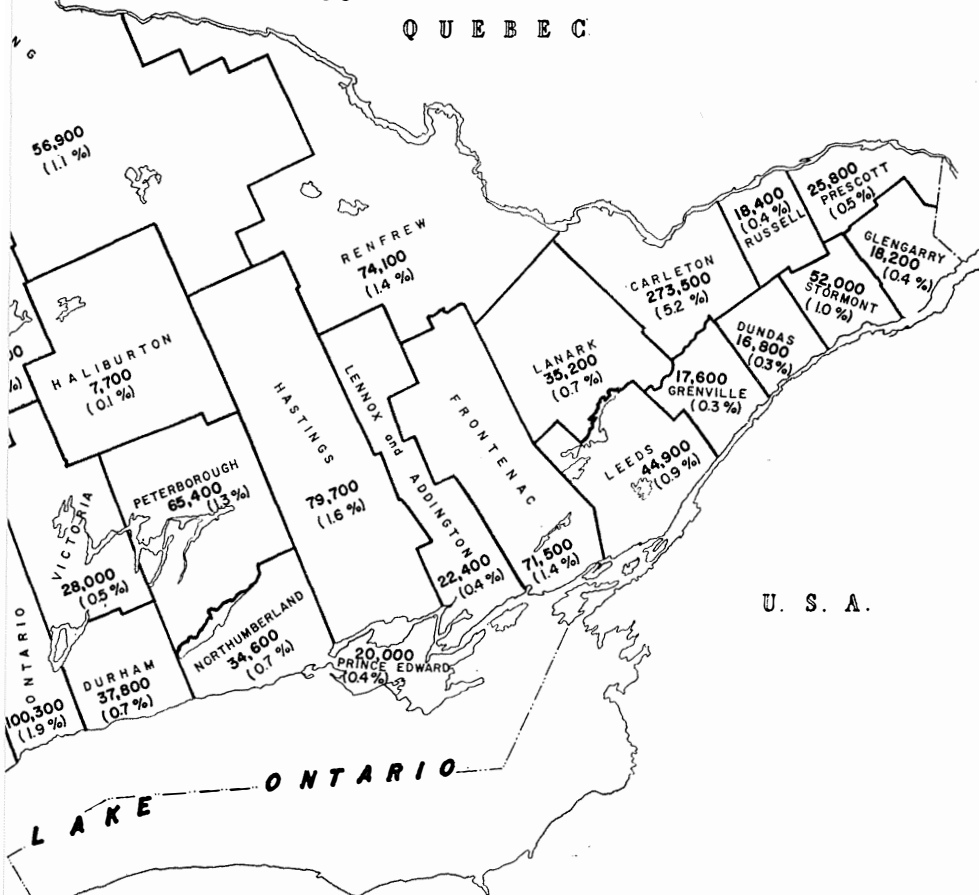
Source: Dominion Bureau of Statistics, *Canada Year Book*, 1955; *Estimated Population of Canada by Provinces at June 1, 1955*.





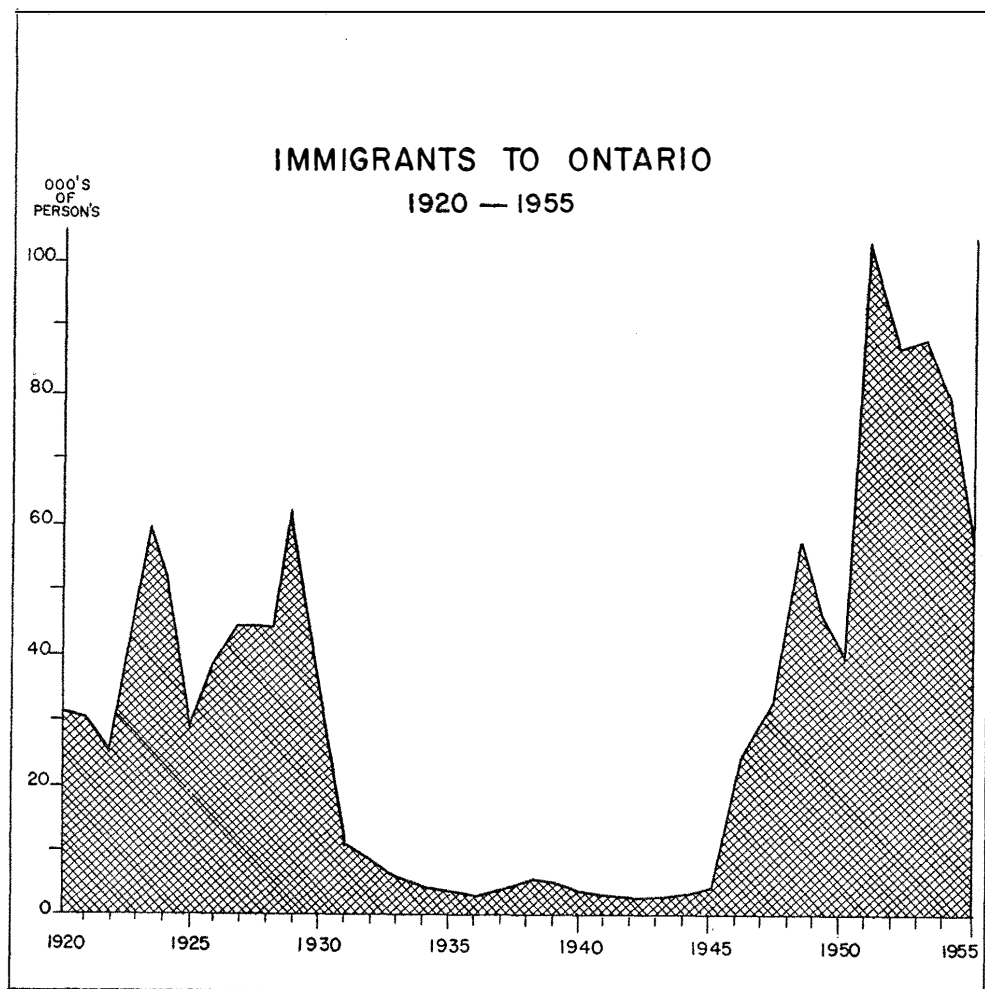
POPULATION OF ONTARIO BY COUNTIES 1955 (ESTIMATED)

QUEBEC



IMMIGRATION TO ONTARIO AND CANADA

A total of 57,563 immigrants, 52.4 per cent of the 109,946 arriving in Canada, gave Ontario as their destination in 1955. Of the 1.2 million immigrants entering Canada during the 10 years 1946 to 1955, inclusive, 636,000, or 52 per cent of the total, came to this Province. This is an average of almost 64,000 immigrants per year during that period, more than 10 times the annual average for the 15 years immediately prior to 1946. Immigration in the post-war years reached a peak in 1951, when 194,000 persons entered Canada; of these, 105,000, or 54 per cent, indicated that they were coming to Ontario. Since then, the flow of new settlers has declined somewhat, although it still remains larger than for any comparable period, except the years of mass immigration immediately preceding World War I.



The rate of immigration per 1,000 persons fluctuated considerably during the past decade. In 1946, the rate for Canada was 5.8 per 1,000 population, compared with one of 7.2 for Ontario. By 1951, the rate had climbed to a peak for both Canada and Ontario of 13.9 and 22.8, respectively, but, by 1955, it had fallen to 7.0 for Canada and 11.1 for Ontario. The average annual rate of immigration per 1,000 population since 1945 has been 8.7 for Canada, compared with 13.7 for Ontario. In sharp contrast, post-war immigration to the United States has averaged around 1.3 per 1,000 annually.

Mainly because of improved economic conditions in Western Europe and some restrictions on immigration into Canada during the first part of the year, 29 per cent fewer immigrants entered Canada in 1955 than in 1954. Immigration from the United Kingdom fell off by 33 per cent, while that from the United States rose by about 3 per cent. The number of new arrivals from all other countries—63 per cent of Canada's immigration in 1955—declined by 30 per cent, compared with the previous year.

**IMMIGRANTS TO CANADA (BY COUNTRY OF LAST PERMANENT RESIDENCE)
AND ONTARIO, AND RATES PER 1,000 POPULATION, 1939-1955**

Year	U.K. ¹	CANADA			Rate per 1,000 Population	ONTARIO		
		IMMIGRANTS FROM	Other	All		Rate	AS % OF	
		U.S.A.	Countries	Countries		per 1,000	CANADA	
						Number	Population	
1939	3,098	5,654	8,242	16,994	1.5	5,957	1.6	35.1
1940	1,509	7,135	2,680	11,324	1.0	4,447	1.2	39.3
1941	443	6,594	2,292	9,329	0.8	3,365	0.9	36.1
1942	674	5,100	1,802	7,576	0.7	3,315	0.9	43.8
1943	1,133	4,401	2,970	8,504	0.7	3,852	1.0	45.3
1944	4,684	4,510	3,607	12,801	1.1	5,361	1.4	41.9
1945	10,853	6,394	5,475	22,722	1.9	9,342	2.3	41.1
1946	50,950	11,474	9,295	71,719	5.8	29,604	7.2	41.3
1947	35,892	9,444	18,791	64,127	5.1	35,543	8.5	55.4
1948	43,639	7,393	74,382	125,414	9.8	61,621	14.4	49.1
1949	21,664	7,756	65,797	95,217	7.1	48,607	11.1	51.0
1950	13,121	7,821	52,970	73,912	5.4	39,041	8.7	52.8
1951	32,199	7,755	154,437	194,391	13.9	104,842	22.8	53.9
1952	46,007	9,333	109,158	164,498	11.4	86,059	18.1	52.3
1953	48,695	9,407	110,766	168,868	11.4	90,120	18.4	53.4
1954	45,440	10,131	98,656	154,227	10.1	83,029	16.5	53.8
1955	30,420	10,395	69,131	109,946	7.0	57,563	11.1	52.4

¹Includes immigrants from southern Ireland.

Source: 1939-1945—*Canada Year Book*, 1947, p. 134 and 1950, p. 186; 1946-1948—*Canada Year Book*, 1951, p. 143; 1949-1953—*Canada Year Book*, 1955, p. 168; 1954 and 1955—statements of the Department of Citizenship and Immigration, Ottawa.

THE ONTARIO LABOUR FORCE

The Ontario labour force at the survey date nearest to June 1, 1955 reached the highest level ever recorded for that time of year. The 2,016,000 total was 29,000 higher than for the corresponding survey in 1954 and 305,000, 18 per cent, more than in 1946.

The labour force includes that part of the population 14 years of age and over who are at work, available for work, or temporarily absent from work on account of sickness, holidays, lay-offs and industrial disputes. Consequently, even when the long-term trend is upward, the labour force, as it is expanded by the entry of young persons, immigrants and temporary workers (for example, students) and is contracted by deaths, retirements, marriages, emigration and physical incapacity, will vary considerably in numbers from season to season throughout the year.

The increase in the Ontario labour force during the post-war years has not kept pace with the rise in population, even though the factors which affect the composition of the population have a direct bearing on the structure of the labour force. Although the population of the Province grew by 26 per cent between June 1, 1946 and June 1, 1955, the labour force, during the same period, increased by just under 18 per cent—to over two million persons. The difference was largely the result of the high post-war birth rates, which led to an increase of the number in the 0-9 age group out of proportion to the growth in the rest of the population. As well, with the growing life expectancy, the population group aged 65 and over rose somewhat more than proportionately. With a relatively greater growth at the two ends of the population scale, where people have not entered the labour force or have mostly left it, the labour force is smaller in relation to total population than in the past.

With two exceptions, the age groups included in the labour force showed considerable increases between 1946 and 1955. The number of young persons in the labour force aged 14 to 19 declined. This drop reflects the low birth rates in the 1930's and the lengthening of the average period of formal education. The number of workers 65 years and over also fell during 1955, though this may be only temporary.

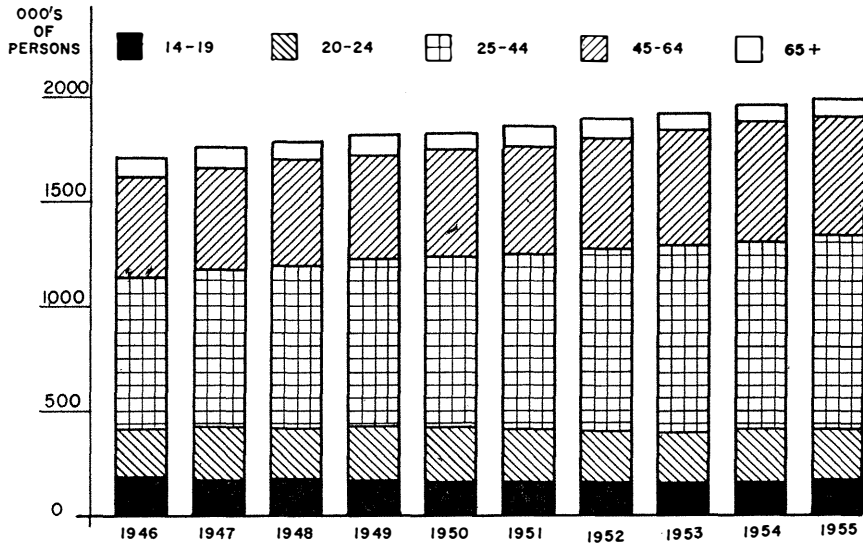
ONTARIO LABOUR FORCE, BY AGE GROUPS, AT SURVEY DATE NEAREST JUNE 1, 1946 TO 1955

Year	14-19	20-24	25-44	45-64	65+	Total
			(thousands of persons)			
1946	187	227	731	477	89	1,711
1947	185	240	761	484	91	1,761
1948	186	243	777	500	93	1,799
1949	180	254	801	497	94	1,826
1950	167	250	819	508	91	1,835
1951	162	250	847	519	92	1,870
1952	162	246	882	527	92	1,909
1953	155	245	902	550	85	1,937
1954	166	247	917	564	93	1,987
1955	170	245	941	574	86	2,016
%Increase						
1955/1946	-9.1	7.9	28.7	20.3	-3.4	17.8

Source: Dominion Bureau of Statistics, *The Labour Force*, November 1945-January 1955; *The Labour Force* (monthly), January to June, 1955.

ONTARIO LABOUR FORCE BY AGE GROUPS, 1946-1955

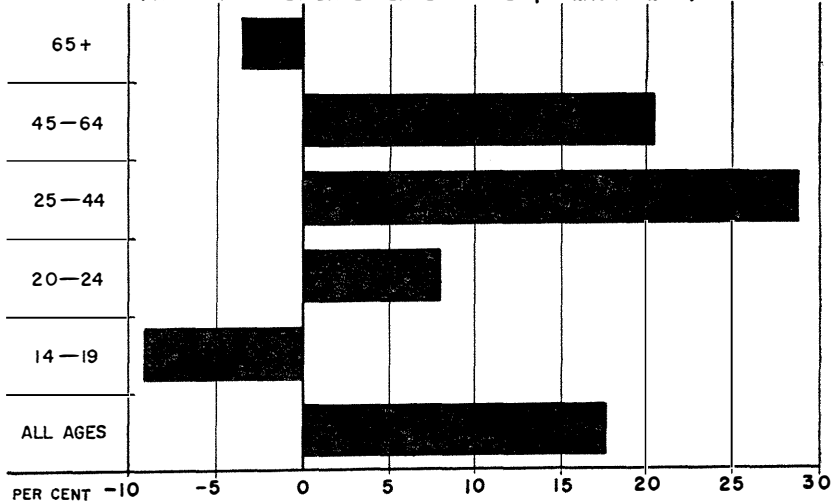
(AT THE SURVEY DATE NEAREST JUNE 1, IN EACH YEAR)



INCREASE IN THE ONTARIO LABOUR FORCE, BY AGE GROUPS

1946 & 1955

(AT THE SURVEY DATE NEAREST JUNE 1, IN EACH YEAR)



NEW RESIDENTIAL CONSTRUCTION IN ONTARIO

A record of over 51,000 new dwelling units, plus 1,000 conversions, were completed in Ontario in 1955, while the number of housing starts—more than 53,000—also reached a new high level. By the end of October, 1955, nearly as many new housing units had been started, and almost as many completed, as in the whole of 1954. The 1955 completions (total) and starts increased 22.6 per cent and 15.3 per cent, respectively, over the previous high mark set in 1954. The carry-over of new housing units under construction at the end of 1955 amounted to 30,000—an increase of 7 per cent over that at the end of the previous year.

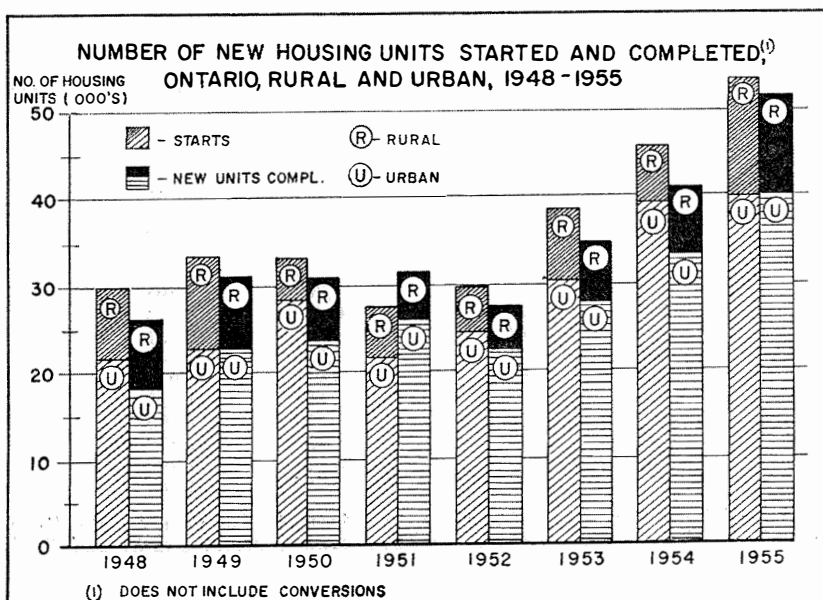
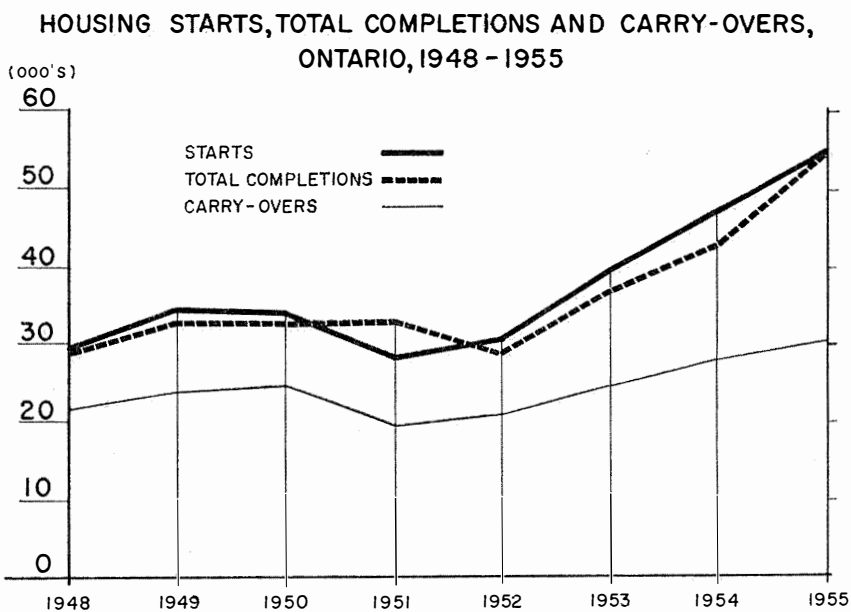
During the 11-year period 1945-1955, inclusive, close to 350,000 housing units and conversions were completed in Ontario. In the eight years since 1947, the number of new dwelling units built in the Province totalled nearly 270,000, 37 per cent of the volume of all new housing built in Canada in the period.

From 1952 to 1955, the average time required to complete a dwelling unit in Ontario fell from 7.8 to 6.1 months. Of the new housing completions, the same proportion, 76 per cent, consisted of one-family dwelling units in 1955 as in 1954, while apartments remained at 21 per cent and the balance of 3 per cent was made up of two-family detached or row housing.

HOUSING STARTS, COMPLETIONS, CONVERSIONS AND CARRY-OVERS, ONTARIO, 1945-1955

Year	Starts	New Units	Completions Conversions	Total	Carry-Over
1945 Total (est.)	n.a.	13,100	2,000	15,100	n.a.
1946 Total (est.)	n.a.	19,600	1,700	21,300	12,706
1947 Total (est.)	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	....	....	6,009
1952 Total	30,016	27,461	985	28,446	20,513
Urban	24,723	22,601	....	....	15,713
Rural	5,293	4,860	....	....	4,800
1953 Total	38,873	35,173	1,331	36,504	24,134
Urban	30,348	28,324	....	....	17,591
Rural	8,525	6,849	....	....	6,543
1954 Total	46,382	41,085	1,644	42,729	27,941
Urban	39,847	33,874	....	....	22,682
Rural	6,535	7,211	....	....	5,259
1955 Total	53,456	51,351	1,023	52,374	30,055
Urban	40,505	40,734	....	....	22,473
Rural	12,951	10,617	....	....	7,582
				347,722	

Source: Figures for 1945-1947 were estimated, while those for 1948-1955 were obtained from December issues of the Dominion Bureau of Statistics, *New Residential Construction*.



PERSONAL INCOME AND ITS COMPONENTS, ONTARIO AND CANADA

Total Personal Income

With the boom economic conditions experienced throughout Canada in 1955, the personal income earned in this Province was the highest ever recorded, standing at an estimated \$8.1 billion, an increase of \$0.7 billion, 9.2 per cent, over 1954. The 1955 figure is four and one-half times the 1939 total of \$1.8 billion and more than double the \$3.8 billion shown for 1946. Personal income for the Province increased by \$6.3 billion in the period from 1939 to 1955. While Ontario's share of Canadian personal income fell from a high of 42.8 per cent in 1941 to a low of 38.6 per cent in 1948, it climbed again in the following years and, in 1955, the Province accounted for 41 per cent of the national total. Per capita, personal income has always been at a substantially higher level in Ontario than in Canada. In 1955, personal income amounted to \$1,563 for every man, woman and child in the Province compared with \$1,267 for the country as a whole.

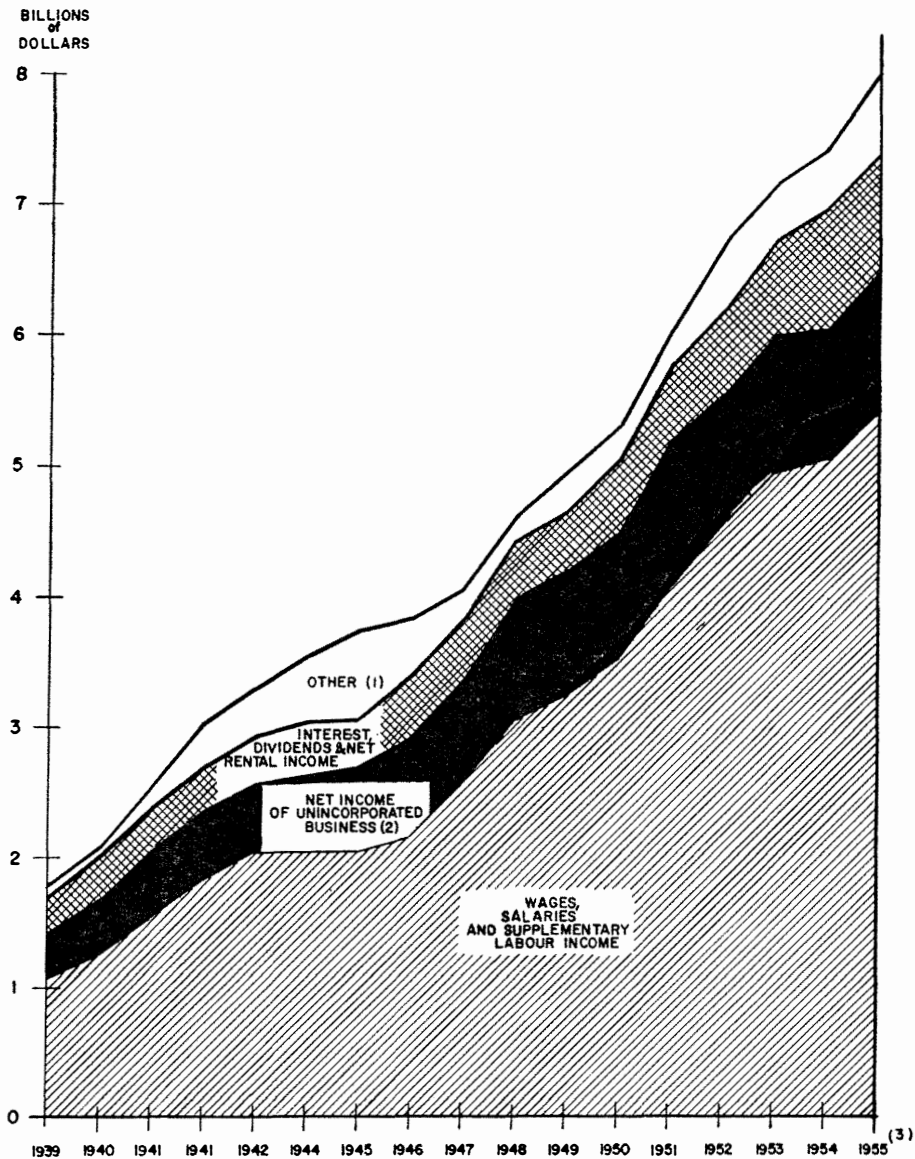
The broad components making up the personal income total all stood at new high levels in 1955 for both Ontario and Canada, registering increases of from 7 per cent to 11 per cent for the Province over the corresponding 1954 figures.

PERSONAL INCOME, ONTARIO AND CANADA, 1939-1955

Year	ONTARIO		CANADA		ONTARIO AS % OF CANADA %
	Amount (million \$)	Per Capita \$	Amount (million \$)	Per Capita \$	
1939	1,766	476	4,320	383	40.9
1940	2,059	550	4,947	435	41.6
1941	2,522	666	5,896	512	42.8
1942	3,002	773	7,475	641	40.2
1943	3,367	860	8,176	693	41.2
1944	3,566	900	9,002	754	39.6
1945	3,729	932	9,239	765	40.4
1946	3,821	934	9,761	794	39.1
1947	4,068	974	10,390	828	39.2
1948	4,608	1,078	11,943	931	38.6
1949	4,953	1,131	12,757	949	38.8
1950	5,303	1,186	13,414	978	39.5
1951	6,083	1,323	15,693	1,120	38.8
1952	6,729	1,412	17,214	1,193	39.1
1953	7,196	1,469	18,156	1,228	39.6
1954	7,418	1,470	18,173	1,196	40.8
1955	8,100 (est.)	1,563	19,766	1,267	41.0

Source: Dominion Bureau of Statistics, *National Accounts, Income and Expenditure, 1926-1950, 1951-1954; National Accounts, Income and Expenditure, Fourth Quarter and Preliminary Annual, 1955.*

MAIN SOURCES OF PERSONAL INCOME, ONTARIO 1939 - 1955



(1) TRANSFER PAYMENTS (INCLUDING INTEREST) AND MILITARY PAY, LESS PENSION CONTRIBUTIONS

(2) INCLUDES NET INCOME OF FARM OPERATORS FROM FARM PRODUCTION AND OF

NON - FARM UNINCORPORATED BUSINESS

(3) PRELIMINARY

Wages, Salaries and Supplementary Labour Income

A record level of employment during most of the year and advances in salaries and wages paid, brought wages, salaries and supplementary labour income in Ontario, as in Canada, to a new high in 1955. In Ontario, the figure was about \$5.4 billion, 7 per cent over 1954. This total was five times the \$1.1 billion level of 1939 and two and a half times the 1946 amount. In 1955, Ontario accounted for 42 per cent of all labour income earned in Canada. For Canada as a whole, wages and salaries in 1955, at \$12.9 billion, were \$0.9 billion, 7 per cent, higher than in 1954. The 1955 total was \$10.3 billion, four times, above that in 1939. The 1955 per capita figure for Ontario, \$1,042, was 26 per cent above the \$824 average wage and salary earned in the whole country.

WAGES, SALARIES AND SUPPLEMENTARY LABOUR INCOME, ONTARIO AND CANADA, 1939-1955

Year	ONTARIO		CANADA		ONTARIO AS % OF CANADA %
	Amount (million \$)	Per Capita \$	Amount (million \$)	Per Capita \$	
1939	1,092	294	2,575	229	42.4
1940	1,259	336	2,929	257	43.0
1941	1,554	410	3,575	311	43.5
1942	1,816	468	4,242	364	42.8
1943	2,016	515	4,783	406	42.1
1944	2,057	519	4,940	414	41.6
1945	2,047	512	4,953	410	41.3
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	3,507	784	8,311	606	42.2
1951	4,090	890	9,716	694	42.1
1952	4,585	962	10,868	753	42.2
1953	4,953	1,011	11,706	792	42.3
1954	5,067	1,004	11,989	789	42.3
1955	5,400 (est.)	1,042	12,861	824	42.0

Net Income of Unincorporated Businesses

The net income of all Ontario's unincorporated businesses (which include many trade, service, manufacturing and construction firms as well as most farms) amounted, in 1955, to \$1.1 billion, more than 11 per cent higher than in 1954. Ontario accounted for 34.9 per cent of the Canadian total of \$3.1 billion. On a per capita basis, the figures for the Province and the country as a whole were \$212 and \$202, respectively. The considerable increases registered in both the provincial and national totals for 1955 over 1954 were the result mainly of considerable advances in the non-farm sector, although agriculture showed a slight upward trend. The 1955 total for the Province is nearly four times that of 1939 and almost double that recorded for 1944, while the national total is twice the 1943 figure.

**NET INCOME OF UNINCORPORATED BUSINESSES, ONTARIO
AND CANADA, 1939-1955**

Year	ONTARIO		CANADA		ONTARIO AS % OF CANADA
	Amount (million \$)	Per Capita \$	Amount (million \$)	Per Capita \$	
1939	306	83	899	80	34.0
1940	329	88	980	86	33.6
1941	403	106	1,118	97	36.0
1942	519	134	1,740	149	29.8
1943	515	132	1,599	136	32.2
1944	578	146	2,010	168	28.8
1945	635	159	1,841	153	34.5
1946	732	179	2,161	176	33.9
1947	789	189	2,350	187	33.6
1948	932	218	2,953	230	31.6
1949	966	221	2,969	221	32.5
1950	990	221	2,846	208	34.8
1951	1,110	241	3,615	258	30.7
1952	1,032	217	3,456	240	29.9
1953	1,060	216	3,346	226	31.7
1954	988	196	2,730	180	36.2
1955	1,100 (est.)	212	3,149	202	34.9

Interest, Dividends and Net Rental Income of Persons

At \$0.9 billion, the interest, dividends and net rental payments received by Ontario residents in 1955 were the highest ever—about \$90 million more than in 1954 and double the 1948 figure. The \$2 billion total for all Canada was a new record, being nearly twice that in 1947 and \$175 million above the 1954 mark. The Ontario figure for 1955 was 44.8 per cent of the national total. On a per capita basis, the interest, dividends and net rental income of Ontario's people averaged \$174 in 1955, compared with \$129 for the country as a whole.

**INTEREST, DIVIDENDS AND NET RENTAL INCOME OF PERSONS,
ONTARIO AND CANADA, 1939-1955**

Year	ONTARIO		CANADA		ONTARIO AS % OF CANADA
	Amount (million \$)	Per Capita \$	Amount (million \$)	Per Capita \$	
1939	284	77	602	53	47.2
1940	312	83	655	58	47.6
1941	316	83	668	58	47.3
1942	319	82	718	62	44.4
1943	346	88	779	66	44.4
1944	360	91	836	70	43.1
1945	393	98	893	74	44.0
1946	412	101	957	78	43.1
1947	448	107	1,043	83	43.0
1948	442	103	1,058	83	41.8
1949	492	112	1,157	86	42.5
1950	541	121	1,295	94	41.8
1951	592	129	1,406	100	42.1
1952	660	138	1,566	109	42.1
1953	715	146	1,669	113	42.8
1954	810	161	1,825	120	44.4
1955	900 (est.)	174	2,010	129	44.8

NEW CAPITAL INVESTMENT IN ONTARIO AND CANADA

New capital investment in Ontario during 1955 broke all previous records, amounting, on the basis of the preliminary survey of intentions, to \$2.2 billion, an increase of more than \$100 million over 1954. The 1955 advance compares with the slight decline between 1953 and 1954. The main increases in new capital investment in 1955 came in the residential housing, and institutional services and direct government sectors. The only noteworthy decline was in manufacturing. New capital investment in the Province remained at close to 38 per cent of the national total, compared with 24 per cent for the Province of Quebec.

A sector breakdown of Ontario's new capital investment in 1955 shows residential housing ranking first, with \$540 million, one-quarter of the total. Second was institutional services and direct government, with \$426 million, 19 per cent. Utilities were third with \$400 million (18 per cent), followed by manufacturing (\$365 million, 17 per cent), trade, financial and commercial services (\$265 million, 12 per cent) and primary and construction industry (\$190 million, 9 per cent). Reflecting to a considerable extent the huge additions to generating plants and equipment made by the Ontario Hydro-Electric Power Commission, the investment in utilities during the last eight years has been only slightly lower than the investment by manufacturing firms in the Province.

The amount of new capital investment made in Ontario during the war and post-war period has been immense. In the 16 years 1940-1955, inclusive, nearly \$18.7 billion was invested in the Province's industrial plant, machinery and equipment, housing, highways, electric power stations, and other utilities, representing 37 per cent of all new capital investment in Canada during that period.

New capital investment in Canada for 1955 amounted to over \$5.8 billion,¹ an increase of \$300 million over 1954, and just short of the record set in 1953. The 1955 total was nearly six times the 1940 figure and well over three times the 1946 amount. Preliminary figures indicate that new capital expenditures in 1956 will amount to \$7,529 million, \$1.7 billion over the intentions originally expressed for 1955.

Capital investment in relation to Canada's gross national product increased considerably in the last 16 years. In 1940, Canada's new capital investment formed 15 per cent of the gross value of output of Canadian goods and services. After declining to a low point of under 11 per cent in 1945, the ratio again rose, fluctuating between 21 and 24 per cent in recent years.

¹This was calculated on the basis of a preliminary survey of intentions conducted early in 1955; a survey of new capital investment actually carried out indicates a total of \$6.2 billion.

NEW CAPITAL INVESTMENT, ONTARIO, QUEBEC AND CANADA, 1940 TO 1955

Year	Canada (million \$)	Ontario (million \$)	Ontario as % of Canada %	Quebec (million \$)	Quebec as % of Canada %	Canada's Gross National Product (million \$)	Capital Investment in Canada as % of G.N.P. %
1940	1,048	2,739 ¹	40.0	3,080 ¹	25.0	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 ¹	37.4		11,850	10.8	
1946	1,703				12,026	14.2	
1947	2,489				13,768	18.1	
1948	3,175	1,183	37.3	797	25.1	15,613	20.3
1949	3,502	1,298	37.1	793	22.6	16,462	21.3
1950	3,815	1,419	37.2	846	22.2	18,203	21.0
1951	4,577	1,740	38.0	1,065	23.2	21,474	21.3
1952	5,283	1,899	35.9	1,283	24.2	23,255	22.7
1953	5,842	2,106	36.0	1,374	23.5	24,449	23.9
1954	5,495	2,066	37.6	1,300	23.7	24,041	22.9
1955 ²	5,804 ³	2,187	37.7	1,394	24.0	26,500	21.9
Total	49,816	18,685	37.5	11,932	24.0		

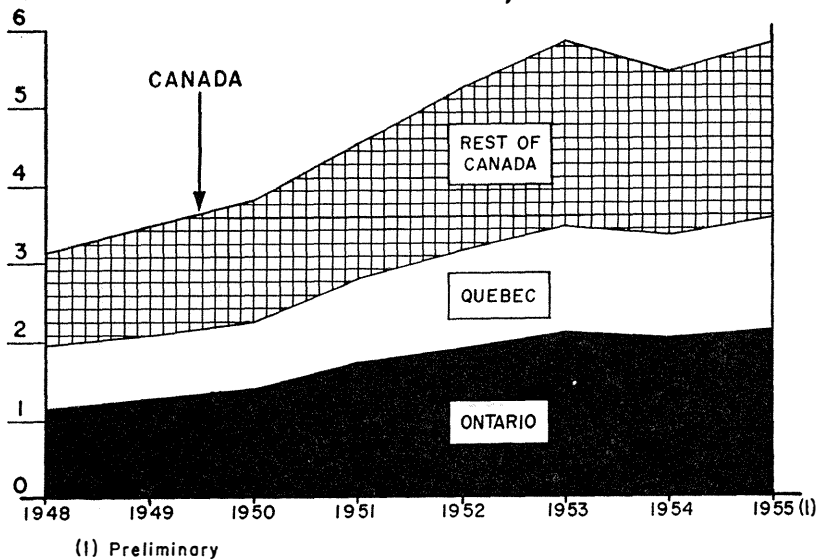
¹Estimated.²Preliminary.³Preliminary data indicates that realized expenditure for Canada was actually \$6,230 million; comparative data for the provinces is not yet available.Sources: Department of Trade and Commerce, Ottawa, *Private and Public Investment in Canada, 1926-1951*, pp. 151 and 201; *Private and Public Investment in Canada, Outlook, 1952, 1953; Private and Public Investment in Canada, Regional Estimates, 1953, 1954, 1955.*

NEW CAPITAL INVESTMENT IN ONTARIO, BY INDUSTRY, 1950 TO 1955

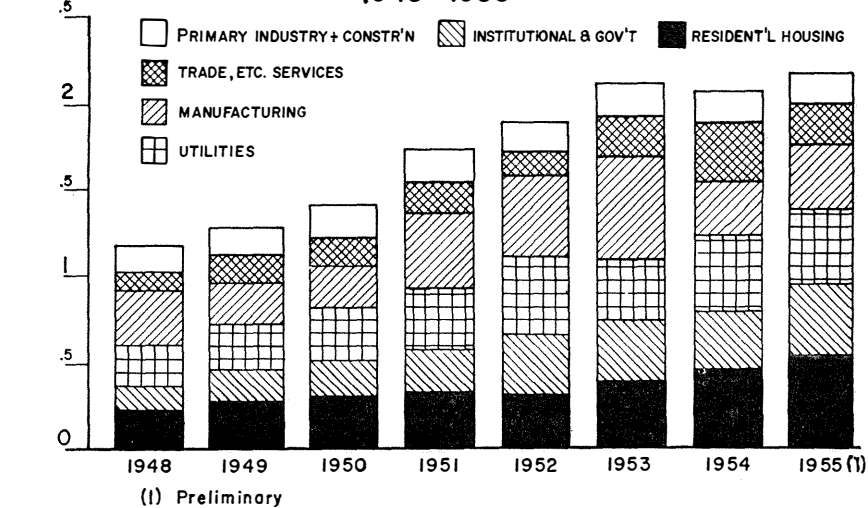
Industry	1950	1951	1952	1953	1954	1955 ¹
(millions of dollars)						
Primary Industry and Construction						
Industry.....	197.3	211.7	188.8	194.3	191.3	190.0
Manufacturing.....	217.9	395.2	477.3	499.4	403.3	365.5
Utilities.....	314.7	361.1	397.1	444.0	401.2	400.2
Trade, Finance and Commercial						
Services.....	166.6	175.0	137.0	217.9	251.0	265.2
Residential Housing.....	317.9	333.3	309.8	399.9	473.6	540.0
Institutional Services and Direct						
Government.....	204.8	263.7	389.3	350.1	345.4	426.0
Total.....	1,419.2	1,740.0	1,899.3	2,105.6	2,065.8	2,186.9

¹Preliminary.

**NEW CAPITAL INVESTMENT, ONTARIO, QUEBEC,
AND THE REST OF CANADA, 1948 - 1955**



**NEW CAPITAL INVESTMENT IN ONTARIO BY INDUSTRY,
1948 - 1955**



MINERAL PRODUCTION IN ONTARIO

Ontario's mineral production in 1955 was at the highest level ever reached, with preliminary figures showing a value of \$578 million. This figure is 16 per cent higher than the previous record of \$497 million reached in 1954 and more than three times the 1946 total. The Province, with one-third of the national output, continues as the leading producer of minerals in Canada. The historical records available indicate that from the beginning of mineral production to the end of 1955, the Province's mines and quarries produced minerals valued at \$8.5 billion.

A metallic mineral output of \$467 million, which is 47 per cent of the value of all metals mined in Canada in 1955, once again gave the Province primacy in the metals. Virtually the whole of the Canadian output of nickel, platinum metals, and cobalt is produced in the Province, in addition to well over half the nation's gold output, nearly half of its copper and about 30 per cent of the iron ore. As to non-metallic minerals, the Province continues to hold a North American monopoly of nepheline syenite and produces all Canada's graphite, as well as nearly three-fifths of its salt.

Impressive gains in value of output were registered by the Province's four most important metals—nickel, copper, gold, and iron ore. The value of nickel produced in 1955 was almost \$200 million, or 13 per cent greater than in 1954. Copper, with a 1955 value of \$107 million, showed an increase of about 32 per cent over the 1954 figure. The value of gold production rose more than 8 per cent during 1955 to reach a total of \$87 million. Iron ore output was valued at a record \$31.4 million in 1955—an increase of more than 53 per cent over 1954.

Both developmental and prospecting activity proceeded at a heightened pace during 1955. Indicative of the intensity of the search for minerals in Ontario were the 57,367 claims staked and recorded during 1955, compared to 50,230 in 1954 and 29,019 in 1953. In 1955, 25 per cent of the claims were staked in the Manitouwadge area, 21 per cent in Sault Ste. Marie and 17 per cent in Sudbury. Developmental work continued unabated in both the Blind River and Bancroft uranium fields.

The beginning of uranium production in the Blind River area in September, 1955 opened an entirely new chapter in Ontario's mining history. The importance of uranium to the economy of the Province may be seen from the fact that its uranium mines already hold production purchase contracts (for ore to be delivered prior to 1962) totalling over \$0.5 billion.

Copper and iron ore are both figuring prominently in current exploratory activity. Potential sources of copper are being investigated at Mamainse Point (north of Sault Ste. Marie), at Bruce Mines (west of Blind River), and in the Temagami Lake area. Potential sources of iron ore are being explored in Boston township (near Kirkland Lake), in Clay and Howells Townships (north

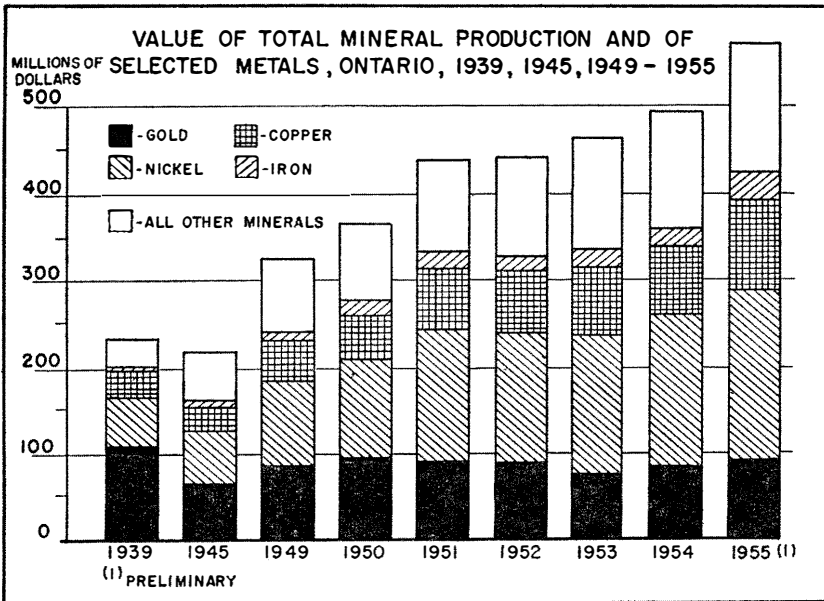
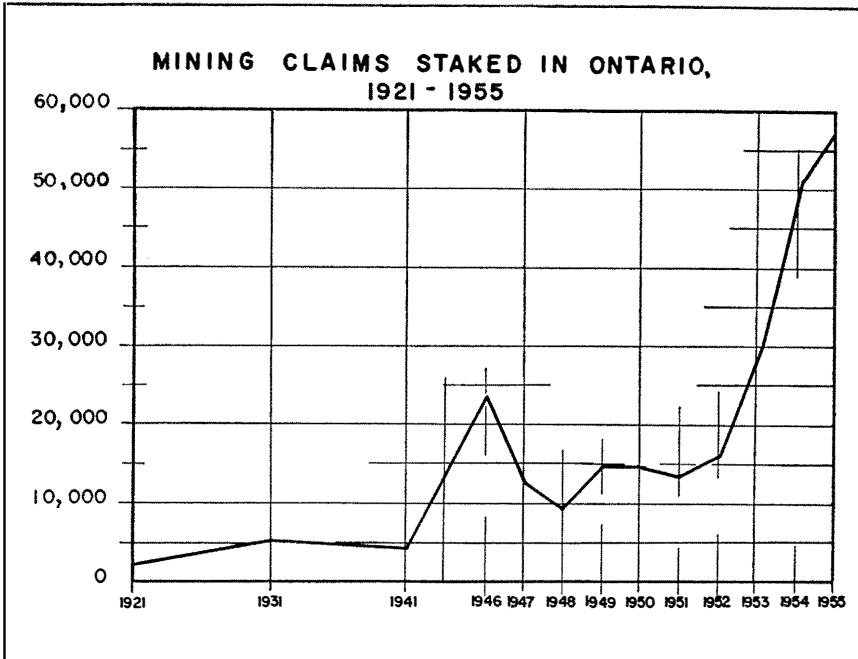
of Kapuskasing), in the Bruce Lake area, and in the Nakina district in North-western Ontario. These same two metals are also focal points for considerable developmental activity. Two copper mining properties in the Manitouwadge area are now well advanced towards production. In May, 1955, a new milestone was reached in iron ore production, with the first shipment of ore from Marmora. Also of importance to the future of iron production in Ontario was the completion of the first unit of a plant in the Sudbury Basin for the extraction of iron oxide from the nickel ores of the region.

The construction of mining access roads under the program initiated by the Department of Mines in 1951 has continued to facilitate the exploration of new territory and the development of established mineral areas. Up to the present, 45 roads, totalling about 325 miles, have been completed or are under construction.

**VALUE OF MINERAL PRODUCTION, TOTAL, GROUPS AND SELECTED METALS,
ONTARIO, 1939, 1945-1955**

Year	Total Mineral Production	All Metals	Nickel	Copper	Gold	Iron	Non- Metallics	Fuels	Structural Materials
	(millions of dollars)								
1939	232.5	208.2	50.9	32.6	111.5	0.3	3.8	7.7	12.9
1945	216.5	188.3	62.0	29.8	62.6	3.6	5.7	5.1	17.4
1946	191.5	157.1	45.4	22.5	66.6	6.8	5.2	4.9	24.3
1947	249.8	207.6	70.7	46.0	68.1	9.3	6.1	5.7	30.4
1948	294.2	244.5	86.9	53.4	73.3	7.5	6.9	7.6	35.2
1949	323.4	265.8	99.2	44.7	84.8	13.2	7.1	9.7	40.8
1950	366.8	302.6	112.1	54.4	94.4	17.6	10.5	4.1	49.7
1951	444.7	366.8	151.3	70.9	90.8	21.2	13.6	4.1	60.2
1952	444.7	360.9	151.3	71.0	86.1	19.6	13.2	4.0	66.6
1953	465.9	370.6	160.4	77.6	75.1	23.1	13.2	4.9	77.2
1954	496.7	395.2	176.6	81.3	80.5	20.4	13.1	5.4	83.0
1955 (prel.)	577.9	467.3	199.5	107.0	87.2	31.4	15.7	6.0	88.9

Source: Dominion Bureau of Statistics, *Mineral Production of Canada*, 1946; *Preliminary Report on Mineral Production*, 1947 to 1954; *Preliminary Estimate of the Mineral Production of Canada*, 1955.



THE PULP AND PAPER AND LUMBER INDUSTRIES IN ONTARIO

The Pulp and Paper Industry

Ontario's pulp and paper industry witnessed another year of remarkable growth. At the end of 1955, firms in the industry had improvement and expansion projects under way—including both the construction of new mills and additions to existing mills—involving an estimated total expenditure of well over \$60 million. Among the more important of these projects are the building of a new insulating board mill and a new corrugated box plant, the conversion of a mill using straw as a raw material into one using hardwood pulp—a welcome innovation conducive to a more balanced forest resource utilization—and the announcement by two newsprint producers of the addition of new machines to their plants.

The total volume of paper produced in Ontario is now about double what it was in 1939. All the different types of paper participated in this general increase. For example, the output of newsprint in the Province rose some 60 per cent during the 15 years following 1939, while the volume of paper boards produced increased almost 120 per cent during this period. Even more striking, during these same years, were the increases in volume of output of some of the other papers manufactured in the Province. Book and writing paper production rose over 200 per cent, wrapping paper showed an increase of close to 250 per cent, while the volume of tissue paper produced in the Province increased by no less than 430 per cent.

VOLUME OF PAPER PRODUCTION IN ONTARIO, SELECTED YEARS, 1939-1955

Year	Newsprint	Paper Boards	Book and Writing Paper	Wrapping Paper	Tissue Paper	Other Paper	Total Paper Production
				(thousands of tons)			
1939	840.1	191.7	57.9	19.9	7.4	8.9	1,125.9
1945	867.1	232.1	100.5	37.1	15.3	15.7	1,267.8
1946	1,073.1	309.9	118.6	41.3	20.2	16.4	1,579.5
1947	1,147.3	362.6	136.1	45.3	22.3	17.3	1,730.9
1948	1,198.1	396.1	146.6	52.9	25.8	18.0	1,837.5
1949	1,223.6	376.6	127.5	48.0	25.4	16.8	1,817.9
1950	1,240.1	417.4	137.6	62.7	27.5	18.4	1,903.7
1951	1,285.9	442.5	169.0	66.7	36.6	18.5	2,019.2
1952	1,296.8	408.0	153.2	56.5	31.5	17.4	1,963.4
1953	1,297.7	434.7	170.0	61.9	37.2	17.3	2,018.8
1954	1,345.7	420.7	177.0	68.7	39.3	15.6	2,067.0
1955 (prel.)	1,400.0	....	....	....	....	....	2,200.0

Source: Dominion Bureau of Statistics, *The Pulp and Paper Industry*, various years.

Lumber Production

The volume of lumber sawn in Ontario in 1955 was an estimated four per cent greater than the volume sawn in the Province in 1954, this being a reversal of the slight decline in lumber output which occurred during the recent past. Last year's rise in volume of production was, in large measure, a reflection of the continuing upward trend in both residential and non-residential construction. It is universally anticipated that this trend will be further strengthened during the course of 1956.

VOLUME OF LUMBER SAWN IN ONTARIO, SELECTED YEARS, 1931-1955

Year	Volume (thousand ft., B.M.)
1931	417,959
1941	602,248
1945	522,497
1954 (prel.)	730,000
1955 (prel.)	760,000

Source: Dominion Bureau of Industry, *The Lumber Industry*, various years.

ONTARIO HYDRO'S GENERATION OF ELECTRICAL ENERGY

The generation of electrical energy by the Hydro-Electric Power Commission of Ontario reached an all-time high in 1955 of 22.5 billion kilowatt hours, an increase of 24 per cent over 1954. Its current output is nearly four times that in 1939 and more than double the 10.8 billion kilowatt hours generated in 1950. Hydro's share of the energy generated by all central electric stations in the Province climbed from 73 per cent in 1939 to 79 per cent in 1946 and to a record 88 per cent in 1955. The increase in the Commission's energy output over the 16-year period 1939 to 1955 amounted to 16.6 billion kilowatt hours, of which 13.0 billion kilowatt hours, or 78 per cent, were added during the six years 1950 to 1955, inclusive. In 1955, chiefly through its own generating facilities, Ontario Hydro supplied 23.1 billion kilowatt hours of energy or over 89 per cent of the total primary energy consumed in the Province; this compares with 6.3 billion kilowatt hours, or 75 per cent, in 1939.

The new plants built by Ontario Hydro under its post-war construction program, inaugurated in November, 1945, brought these huge increases in energy generated. By the end of 1955, this program succeeded in raising the dependable peak capacity of the Commission's own generating stations to 5.2 million h.p., or to more than three and one half times the 1.4 million h.p. capacity at the end of 1939. The investment necessary to carry out the post-war additions to new generating plant, lines and equipment totalled nearly \$1¼ billion.

The amount of energy generated is expected to increase greatly during the next few years. By 1960, the Commission expects that its own generating stations will have a dependable peak capacity of close to 7 million h.p., which together with 0.8 million h.p. of purchased power will make available at that time a supply of 7.8 million h.p.

The number of rural customers supplied by the Commission reached 419,000 at the end of 1955, an increase of 29,000 over the same date in 1954. The 1955 total of rural customers was nearly double the 1948 figure and was three times that of 1943.

**ENERGY GENERATED AND SUPPLIED BY ALL CENTRAL ELECTRIC
ELECTRIC STATIONS IN ONTARIO AND BY THE ONTARIO HYDRO
ELECTRIC POWER COMMISSION, 1939-1955**

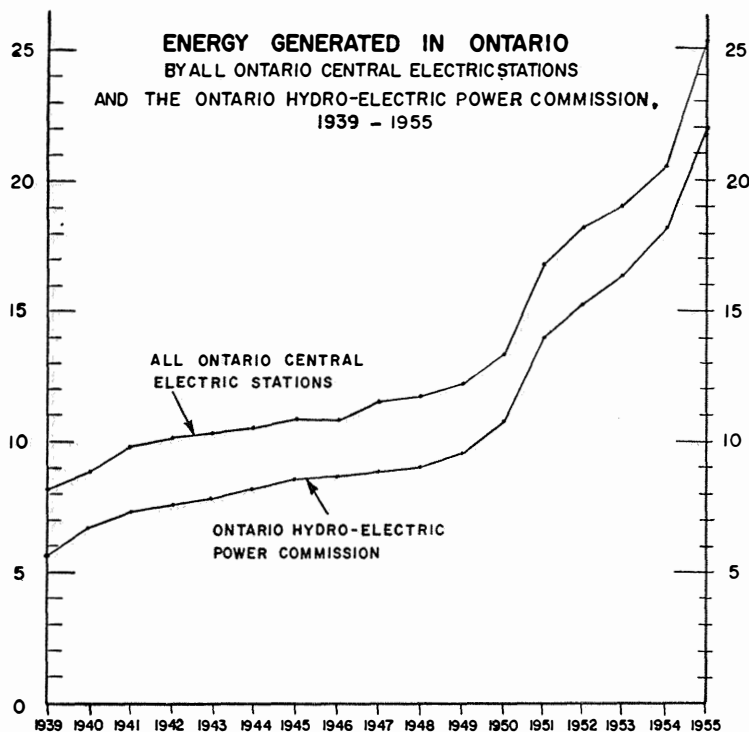
Calendar Year	Energy Generated in Ontario ¹			Primary Energy Consumed in Ontario		
	By all Central Electric Stations	By Ontario Hydro	Ontario Hydro as % of Total	Supplied by All Central Electric Stations	Supplied by Ontario Hydro	Ontario Hydro as % of Total
	(Thousands of Kilowatt- hours)		%	(Thousands of Kilowatt- hours)		%
1939	8,064,136	5,910,279	73.3	8,426,240	6,346,598	75.3
1940	8,877,012	6,655,728	75.0	9,856,286	7,616,764	77.3
1941	9,780,364	7,314,514	74.8	10,582,970	8,754,926	82.7
1942	10,142,115	7,617,377	75.1	11,651,285	9,670,183	83.0
1943	10,282,700	7,778,586	75.6	11,742,903	9,812,789	83.6
1944	10,543,539	8,076,988	76.6	11,703,926	9,862,467	84.3
1945	10,808,447	8,515,315	79.2	12,037,601	10,332,592	85.8
1946	10,755,071	8,517,610	79.2	12,265,093	10,543,758	86.0
1947	11,540,057	8,846,443	76.7	14,616,900	12,348,990	84.5
1948	11,678,680	8,984,176	76.9	15,118,147	12,717,867	84.1
1949	12,166,042	9,472,787	77.9	15,762,303	13,357,455	84.7
1950	13,437,351	10,818,484	80.5	17,306,306	14,918,953	86.2
1951	16,903,001	14,025,616	83.0	19,880,174	17,144,461	86.2
1952	18,167,160	15,271,704	84.1	21,048,921	18,392,336	87.4
1953	19,025,149	16,262,761	85.5	22,197,918	19,587,891	88.2
1954	20,963,613	18,077,667	86.2	23,200,361	20,470,101	88.2
1955	25,336,147	22,468,248	88.7	25,985,085	23,139,575	89.0

¹Energy generated in Ontario plus imports, less exports (from or to other provinces and the U.S.A.) for primary load purposes.

Source: Dominion Bureau of Statistics, *Central Electric Stations*; and the Hydro-Electric Power Commission of Ontario.

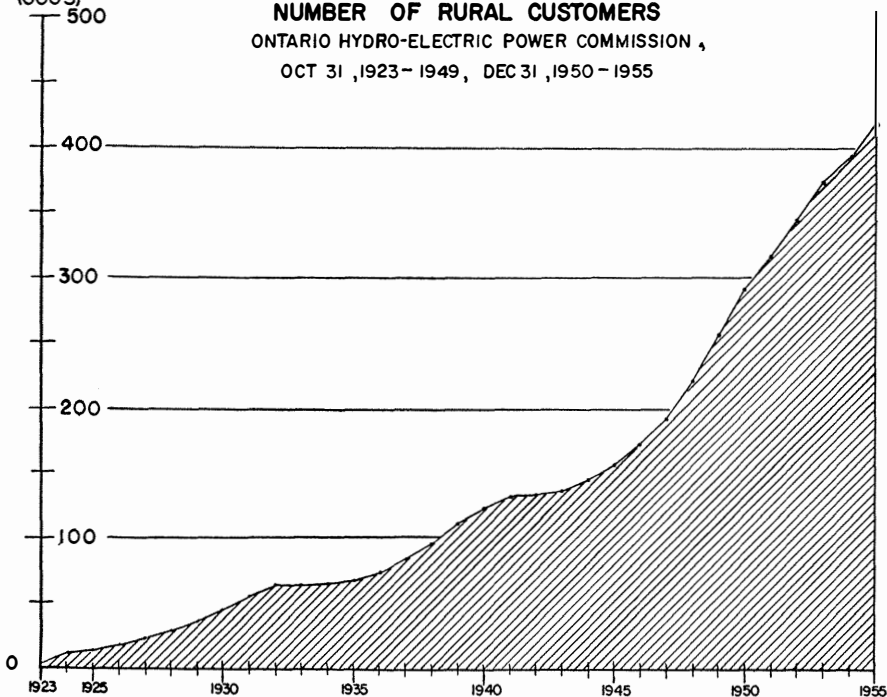
BILLIONS OF
KILOWATT
HOURS

ENERGY GENERATED IN ONTARIO
BY ALL ONTARIO CENTRAL ELECTRIC STATIONS
AND THE ONTARIO HYDRO-ELECTRIC POWER COMMISSION,
1939 - 1955



(000's)

NUMBER OF RURAL CUSTOMERS
ONTARIO HYDRO-ELECTRIC POWER COMMISSION,
OCT 31, 1923 - 1949, DEC 31, 1950 - 1955



**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 1954-55**

	1938-39			1954-55		
	Current	Personal	Current	Current	Personal	Current
	Expendi- tures (million \$)	Income (1938) %	Expendi- tures as % of Personal Income	Expendi- tures (million \$)	Income (1954) %	Expendi- tures as % of Personal Income
Ontario Government.....	86.8	1,689	5.1	392.9	7,418	5.3
Federal Government.....	413.0	4,090	10.1	3,429.9	18,173	18.9
Provincial Governments....	289.2	4,090	7.1	1,208.1	18,173	6.6
Ontario Municipal Govts....	106.6	1,689	6.3	416.1	7,418	5.6
Canadian Municipal Govts...	288.8	4,090	7.1	810.2	18,173	4.5

Note: Federal Government data are not strictly comparable for the two years.

Source: Compiled from *Comparative Statistics of Public Finance, 1936-1940*, Dominion-Provincial Conference, January, 1941, Table 50; *Bank of Canada Statistical Summary, 1946 Supplement*, p. 39 and p. 43, December, 1954, p. 260 and December, 1955, p. 328; *Public Accounts of Canada, 1955* (total, less expenditures of a capital nature); *Annual Report of Ontario Municipal Statistics, 1954*; and *National Accounts, Income and Expenditure, 1951-1954*.

**ESTIMATED TAX COLLECTIONS IN ONTARIO
BY THE THREE LEVELS OF GOVERNMENT,
FISCAL YEARS 1938-39, 1946-47 AND 1954-55**

	1938-39		1946-47		1954-55	
	Amount	% of Total Tax Collections	Amount	% of Total Tax Collections	Amount	% of Total Tax Collections
	(Mn. \$)	%	(Mn. \$)	%	(Mn. \$)	%
Federal Government ¹	188.5	52.1	1,045.0	85.9	1,766.0	80.0
Ontario Government ²	54.6	15.1	53.7	4.4	140.0	6.3
Ontario Municipal Govts ³ ..	118.9	32.8	117.9	9.7	302.3	13.7
	<u>362.0</u>	<u>100.0</u>	<u>1,216.6</u>	<u>100.0</u>	<u>2,208.3</u>	<u>100.0</u>

¹Estimated. Compilations of the Federal Government's direct tax collections 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.

²Includes taxes such as those on gasoline, mining profits and land transfer, as well as succession duties, but excludes receipt of \$142.7 million in fiscal year 1954-55 under the Tax Rental Agreement and revenue such as that arising from fire protection, motor vehicle licences and fees and liquor control trading profits.

³Ontario municipal government tax collections including arrears are taken from the comparative summary as set out in the Ontario *Annual Report of Municipal Statistics 1954*, p. xix.

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