

# BUDGET STATEMENT

*of*

**THE HONOURABLE  
DANA PORTER**

*Treasurer*

*of the*

*Province of Ontario*

**1957**













**BUDGET STATEMENT**  
**OF**  
**THE HONOURABLE DANA PORTER**  
Treasurer of the Province of Ontario

in the  
**LEGISLATIVE ASSEMBLY OF ONTARIO**  
THURSDAY, FEBRUARY 21st, 1957  
On Moving the House into Committee of Supply

Also  
Financial and Economic Statements



**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, FEBRUARY 21ST, 1957

MR. SPEAKER:

This Budget, like its predecessors, is a reflection of the Ontario economy, of its development, its problems and its prospects. For a decade and a half, we have enjoyed an extraordinarily high rate of population growth and industrial expansion, and the past year has been no exception. The quinquennial census, taken here last year for the first time, confirmed that our population has been growing by 161,000 a year—an average annual rate of increase of 3.3 per cent, and one well above that of the rest of Canada and double that of the United States.

Ontario's labour force increased last year by 4 per cent but, with the economy operating at full draught, unemployment was at its lowest level since the Korean war. For the second consecutive year, the total provincial product rose by over 10 per cent, of which more than four-fifths represented an increase in the volume of goods and services. The gross value of manufactured products was 10 per cent higher. Electric power generation—one of the best barometers of our economic weather—rose by 12 per cent. In value, the output of Ontario's mines established a new record, increasing by nearly 10 per cent, while pulp and paper advanced by close to 9 per cent. Continuing the upward trend which has now been in evidence for two years, Ontario's agricultural output and farm cash income again improved, and as the population grows the outlook brightens. Capital investment in new factories, machinery and other private and public physical assets rose in 1956 by an astounding 25 per cent to the highest level in our history.

In any year, downward adjustments in some sectors of the economy are to be expected. Owing to credit restrictions and other factors, it became apparent early last year that some slackening in residential construction was inevitable. The number of housing starts began to decline in August, while completions began to move downward in October. By the end of 1956, the number of

dwelling units under construction was 12 per cent below those at the end of the previous year. Despite these adjustments, the 52,000 dwelling units completed in 1956 approximated the record-breaking level of the previous year, while the amount of capital invested in housing was 6 per cent higher.

There were many signs of the steady rise in living standards. On the average, consumer prices were 1.5 per cent higher in 1956 than in 1955, but weekly wages and salaries were 5 per cent higher. The total income of workers and small businesses rose by over 10 per cent, while retail trade purchases increased by 6 per cent. All these advances added up to Ontario's most prosperous year—an impressive record of growth, development and achievement.

### THE GOVERNMENT'S PROGRAM

In the last thirteen years, Ontario's population has increased by more than 1½ million, while nearly \$20 billion has been invested in its factories, commercial buildings, new machinery and equipment, natural resources, housing and other capital assets. While this rapid expansion has brought maturity and strength to the Ontario economy, it has also imposed heavy burdens upon the Province and its municipalities.

To the Ontario Government and the municipalities has fallen the responsibility of providing those essential services of education, highways and roads, hospitals, water and sewerage works, conservation and development projects, without which urban development could not occur, nor industry flourish. On them, in addition, has devolved a major part of the task of maintaining an economic environment that is friendly to industrial expansion, to the creation of new employment opportunities and to the maintenance of a system of taxation that will enable our manufacturers and other producers to be competitive in the markets of the world.

The swift advance of Ontario's economy in recent years has necessitated a huge expansion in all these services. Moreover, the problem has been intensified in many of these fields by the existence of a heavy backlog of need inherited from the depression and war years. I shall have occasion to refer many times in this Budget to the problems that Ontario's growth and expansion impose upon us.

The Government's net ordinary expenditure in the current fiscal year ending March 31, 1957, is estimated at \$461.3 million. This expenditure includes certain special grants and payments, which I shall describe in a few minutes, as well as a provision of \$17.7 million for sinking funds and \$57.5 million for transfer to the highway reserve account.

The Province's capital expenditure, during the current fiscal year, will amount to a record total of \$175.4 million. Of this amount, \$135.3 million is for highways and natural resource and community access roads, while \$33.0 million is for public works, including the Ontario Hospitals for the mentally ill,



and conservation and development projects. Thus, the combined net ordinary and capital expenditure in the fiscal year 1956-57 is estimated at \$636.7 million, including \$75.2 million for sinking fund and highway reserve account.

The net ordinary revenue of the Government for the fiscal year 1956-57 is estimated at \$461.7 million. The largest sources are: the tax rental agreement, \$160.6 million; gasoline tax, \$107.0 million; motor vehicle licences, \$45.0 million; Liquor Control Board profits, \$54.0 million; succession duties, \$25.0 million; and revenue from Lands and Forests, \$20.5 million.

After provision for sinking funds and the transfer to highway reserve account, we are budgeting for an interim surplus on ordinary account of \$390,000. However, the shortfall in the Province's revenue necessary to balance its overall expenditure, including that for new construction, is \$115.2 million.

### Special Grants and Payments

To augment education, health and other services, we are making available out of this year's revenue, as we did last year, a number of special grants and payments which will be introduced as supplementary estimates. While in recent years, we have provided as supplementary estimates in the current fiscal year large capital grants to universities, this year such grants will be provided in the Estimates for 1957-58. Supplementary Estimates will therefore be introduced to provide for the following special grants:

#### *Education*

Waterloo College—to carry out special studies in connection with engineering . . . . .	\$ 25,000
The Girl Guides Association—for the Centenary World Camp . . . . .	25,000
The Stratford Shakespearian Festival . . . . .	150,000
Royal Ontario Museum—for extension of the Arts . . . . .	100,000
Royal Botanical Gardens . . . . .	100,000
The Faculty of Dentistry, University of Toronto—for increase in facilities . . . . .	1,000,000
The Teachers' Superannuation Fund . . . . .	1,000,000

#### *Health*

A special grant of \$200 per bed will be paid to the public hospitals for defraying depreciation costs and for other capital purposes. These grants will total \$5,800,000.

To assist nurses' training in public general hospitals, a grant of \$1,800,000 will be paid to the hospitals concerned.

A special grant of \$200,000 will be paid to the Salvation Army Grace Hospital for welfare work.

A special grant of \$700,000 will be paid to the Toronto Western Hospital in connection with its teaching services.

A special grant of \$200,000 will be paid to the Scarborough General Hospital for metropolitan out-patient work.

A special grant of \$100,000 will be paid to the Ontario Heart Foundation for research purposes.

#### *Other*

The amount of \$180,000 will be paid for new research facilities of the Ontario Research Foundation.

A special contribution of \$1,000,000 will be made to the Public Service Superannuation Fund.

These special grants and payments total \$12,380,000.

## PROVINCIAL ASSISTANCE TO MUNICIPALITIES

### **The Municipal Problem**

The extreme rapidity with which the Ontario economy has been expanding thrusts heavy burdens and responsibilities not only upon the Province but upon the municipalities. In the face of these new burdens, there has been a tendency in some quarters to draw a line between services which could be properly assigned to the Province and those which were strictly municipal in nature. It is very questionable, however, whether in practice any such delineation can be made. Just as in some fields the Province can administer services more efficiently and economically than can the Federal Government, so in other fields, the municipalities, which are closest to the people and can most accurately assess their local needs, are in the best position to administer the program. This is particularly true of education, and also of certain welfare services where a means test of the people who require assistance is necessary. But in such cases, there must be some element of financial responsibility. Where Provincial monies are made available for specific purposes—as in some cases they must be, since requirements vary so greatly from one municipality to another—then efficiency and economy can best be realized if the municipality bears part of the cost. It is therefore neither administratively nor financially practicable for the Province to take over the administration or assume the whole financial cost of such services.

It is also sometimes said that the municipalities should have more fields of taxation. Thirteen years ago, when we introduced a new approach to the municipal problem, it was the opinion—and that opinion still seems to be prevalent—that there was no altogether satisfactory way of granting municipalities access to additional forms of taxation which they might employ them-

selves. It was decided then that the most effective assistance the Province could immediately render to the municipalities was to increase its grants to education, and this it has continued to do through the years. While the cost of operating the elementary and secondary school system in the last thirteen years has increased by about four and a half times, the Province's grants to local school boards have been increased by nearly ten times—from \$8.4 million to \$81.2 million this year.

Nor is this all. To enhance the security and attractiveness of the teaching profession, the Province, in addition to these grants, has made large contributions to the Teachers' Superannuation Fund. This year its contribution is \$6.7 million. This is an expense that would otherwise be a cost to the municipalities and a charge on real property.

The assistance to education was intended to serve two purposes: first, to relieve the property-owner of some of the burden of real estate taxes and, second, to improve the standards of education throughout the Province. Both these purposes have been served.

### **The Province's Many-Sided Program**

The Province has not, however, confined its assistance only to education. The pressing need of Provincial assistance for other local services has also been recognized. In many municipalities, education is the most urgent problem; in others, it is roads; and in still others, the cost of welfare services is relatively heavy. Thus, the Province's program of assistance has had to be many-sided, and grants for all these purposes have been greatly increased.

Since Provincial grants for specific purposes require a municipal contribution to ensure economy of administration, the Province in 1953 pioneered a new system of unconditional grants payable, without any strings attached, to the municipalities in recognition of their social welfare costs. In most instances, such grants have fully compensated the municipalities for their outlays on social welfare.

The Province has also introduced other methods to assist the municipalities. In 1952, it adopted for the first time in Canada a system of paying grants in lieu of municipal taxes on Ontario Government and other publicly-owned property such as Ontario Hydro. It has established the Ontario Municipal Improvement Corporation which, through the purchase of debentures, has provided eighty-four municipalities with funds to enable them to proceed with schools and water and sewerage works. It has also set up the Ontario Water Resources Commission to undertake the construction and operation of water and sewerage works.

The Province's assistance to the municipalities is therefore very comprehensive, and no part of it should be singled out without relation to the others.



The program must be considered as an integrated whole, and its value determined in accordance with what it contributes toward raising the standard of municipal services and giving tax relief to real property. During the current year, the Province's assistance to municipalities will total \$180.2 million. This is equivalent to nearly one-half of the total municipal tax levy. Thus, it cannot be denied that this assistance, combined with wise municipal administration, has served to blunt the edge of municipal tax and debt increases. The Royal Commission on Canada's Economic Prospects recently made reference to this and, as is shown in the appendix to my remarks, municipal tax levies not only absorb a smaller proportion of personal income but in terms of constant dollars per capita are today considerably lower than they were fifteen to twenty-five years ago. Nevertheless, we recognize that municipal tax levies and debts are rising. This Budget, therefore, provides for substantial increases in Provincial assistance for both education and other municipal purposes. In addition, certain municipal reforms will be introduced to encourage home ownership and enhance the position of the individual who is unable to treat his local tax as an expense for income tax purposes.

### **A Sustained Assistance Program**

Our program of municipal assistance for 1957-58 will, I am confident, demonstrate that we are not unmindful of the needs of the municipalities. But no one should expect all the problems which have arisen out of the past twenty-five years of depression, war and expansion to be solved at once. We cannot expect to remove the back-log of need for municipal thoroughfares at one stroke any more than the Province can achieve this object with respect to highways. Nor can the Province or the municipalities be expected to meet the accelerated needs of water and sewerage works and many other services in a single year. Time must be allowed to provide solutions.

#### *Education*

The need for a long-term approach is particularly evident in dealing with the problem of education. Ontario's elementary and secondary school enrolment, which this year reached 1,100,000, is expected to double over the next fifteen to twenty years. Inevitably, this increase in enrolment will be accompanied by a rise in costs. Our policy must therefore be formulated to provide a continuing increase in educational grants. Basing our grants on the considerations of only one year's needs would have disastrous consequences for local school boards, confronted as they are with a relentless rise in enrolment and costs. The increases in grants of one year should not be wiped out by the forced economies of the next. The municipalities must be assured of sustained increases in Provincial grants in accordance with their expanding obligations.

There is another reason why our grants should have regard for the continuing nature of this problem. One of the factors used in determining the amount of

the grant payable is the value of the assessment per class room or per person in each district. In many municipalities, assessment values differ, one from another. The Province recognizes that these differences add to the complexity of the problem and the difficulty of attaining an equitable educational grants system. Consequently, we are pressing forward with a view to having, in 1958, a Province-wide common yardstick of municipal assessments which will be used for grants, though not necessarily for local tax purposes. With the magnitude of the school grants now being paid, an equalized assessment is the only satisfactory method of achieving an equitable distribution of Provincial assistance.

Although the Province is making headway in this matter, it has not yet reached the stage where there is a satisfactory basis of equalization in all communities. It is imperative that we approach the problem of Provincial assistance for education from the standpoint not only of 1957 but of the years 1958, 1959 and even beyond. Our immediate plans are therefore being formulated on the basis of a three-year period.

In the first stage, commencing with the fiscal year 1957-58, we are raising our contribution to the Teachers' Superannuation Fund from 4 to 6 per cent and we are providing a further large increase in grants to school boards, based mainly on the present grants system. Part of the increase will be occasioned by the growth in enrolment and average daily attendance, but an even larger part will result from the following improvements in the grants formula:

- (a) At a cost to the Province of \$5.0 million in 1957, the basic amount of school teachers' salaries included as approved cost for grant purposes for elementary schools will be raised from \$75 to \$100 per pupil of average daily attendance;
- (b) At an additional cost to the Province of \$1.5 million in 1957, the special per pupil grant, which in the current fiscal year has been \$6 per pupil, will be increased for all elementary schools to \$8 per pupil of average daily attendance; and
- (c) At an additional cost to the Province of \$3.5 million in 1957, the special per pupil grant of \$6 paid in respect of secondary schools will be increased in accordance with the following amounts—for continuation schools, to \$20 per pupil; for high schools and collegiate institutes, to \$25 per pupil; and for vocational schools to \$30 per pupil.

As a result of these improvements, the Province's total grants for elementary and secondary school education will rise from \$81.2 million in the current fiscal year to \$101.0 million in the next fiscal year, 1957-58, an increase of \$19.8 million. The Province's regular contribution to the Teachers' Superannuation Fund, which is over and above this amount, will be increased by \$3.7 million to \$9.4 million.

The second stage of our three-year plan will come into effect in 1958. Since it is expected that, by then, sufficient information will have been assembled to permit the equalization of municipal assessments on a Province-wide basis, the grants structure will be revised. As a major proportion of the grants will be based upon these equalized assessments, it will be possible for us to introduce in 1958 an entirely new system. At the same time, we shall exercise care in order to achieve an orderly transition from the existing system to the new program.

In this second stage, it is proposed to incorporate a basic floor in the grants system. Owing to the increase in school costs, adjustments in minimum levels will be required. An especially acute problem has arisen in rapidly expanding urban and suburban municipalities. In the light of changing conditions, the Province is making a detailed appraisal of the operating and capital educational needs of our Ontario municipalities. This will be part of an exhaustive study of all aspects of school finances and administration. As this information becomes available, the Province will be better able to shape its educational grants structure in accordance with the developing needs of all municipalities.

During the third stage of the plan, coming with the year 1959, additional refinements will be made. The grants system will be kept under continuous review and experience will determine where adjustments and improvements can be made. It is recognized that the municipalities, and especially the rapidly-growing municipalities, must have additional help to meet the issue of rising educational cost. On the other hand, the Province is faced with demands from many quarters—demands for highways, roads, hospitals and numerous welfare and developmental services. Moreover, it should never be forgotten that there are limits to the demands that can be met out of the Province's limited revenue if it is to avoid imposing an intolerable burden of taxation on its people.

### *Health*

I have already made reference to the special supplementary grants of \$8.7 million to be paid before the end of this fiscal year to the public general, chronic and convalescent hospitals to meet depreciation and for other purposes. These payments supplement our regular grants of \$3.0 million for assisting new hospital construction and of \$11.6 million for the care and treatment of indigent patients. Thus, our grants to the public hospitals this year total \$23.3 million and, next year, the regular appropriation is being increased by an additional \$1.0 million.

With the introduction of public hospital insurance, which we confidently expect will be by January 1, 1959—or sooner if arrangements can be made—the municipalities will receive additional assistance. This will take two forms. In the first place, the public hospital deficits, which most municipalities assume, will be wiped out. In the second place, the costs that the municipalities are required to meet on behalf of hospitalized indigent patients will, in effect, be



absorbed by the Province through the payment of a special unconditional grant to commence when the hospital insurance program becomes effective. Thus, with the introduction of our hospital insurance program, another notable advance in municipal reform will have been achieved.

### *Welfare*

Two other tangible steps to assist the municipalities are being taken in welfare. The Province will raise from 25 to 40 per cent its contribution in support of Children's Aid costs.

Secondly, the Province will increase from 50 per cent to 60 per cent its share of public assistance paid out by municipalities in the form of direct relief. These measures will involve an estimated minimum annual saving to the municipalities of \$1.3 million.

### *Subsidies for Municipal Roads*

A notable part of the Province's assistance has been the greatly increased subsidies to municipalities for municipal roads. A decade ago, these amounted to \$9.3 million. During the current fiscal year, they will total \$46 million and, next year, we are making \$53 million available for this purpose. Besides these subsidies, the Province, in the last decade, has given other indirect aid to the municipalities, through the absorption within its own Provincial highway system of 173 miles of road which were formerly the responsibility of the municipalities.

In many other ways, the Province is co-operating with the municipalities. For example, this year it proposes to base its contribution towards the cost of constructing connecting links in municipalities on a width of 48 feet of road as against a previous width of 33 feet.

### *Unconditional Grants*

This year, the Province, in recognition of social welfare expenditures made by the municipalities, has paid out unconditional grants consisting of a basic amount of \$1.50 per capita plus an additional amount graduated up to \$2.50. Such grants have amounted to \$12.7 million this year.

For the coming fiscal year, the grants will be as follows:

1. To all municipalities which contribute toward the cost of the administration of justice under the Administration of Justice Expenses Act and certain other Acts, the Province will pay a basic grant of \$1.00 per person. Under the present system, most municipalities have contributed to financing the administration of justice, but in recognition of the expenses they incur, the Province has made certain offsetting payments. With the payment of the basic grant of \$1.00 per person, it is proposed to discontinue these Provincial payments and thereby eliminate the neces-

sity of maintaining the present elaborate system of bookkeeping. In general, the grant of \$1.00 per person will compensate municipalities for these expenses.

2. In recognition of the expenditures made by municipalities for social welfare services, the Province will pay to all municipalities a basic amount of \$2.00 per person.
3. In further recognition of such municipal expenditures on social welfare, the Province will continue to pay, in accordance with the population of the municipality, an additional amount ranging up to \$2.50 per person, as set out in the schedule to the Municipal Unconditional Grants Act.

To all municipalities that are providing administration of justice services, the Province will therefore pay a basic grant of \$3.00 per person and this amount will range up to \$5.50 per person in the largest municipality. In order to finance this new schedule, the appropriation for unconditional grants is being expanded to \$20.9 million, an increase of \$8.2 million.

Continuing the effect of the present Act, the new Bill will authorize the Province to make increased payments where a municipality's population has increased by 7 per cent or more above that in the base year or in the year in which the last adjustment was made. As the whole grant is unconditional and may be used at the discretion of the municipality, any savings or economies realized in the administration of justice and social welfare will benefit the municipalities with respect to the financing of their other services.

In the past, Provincial unconditional grants have been applied so as to effect a reduction in the general tax rate on all real property. They have benefited industrial and commercial property equally with residential property. The owners of industrial and commercial properties, however, have been able to charge their municipal taxes as an expense of doing business and to deduct them from their taxable income before computing corporation income tax. Thus, in general, the net cost of municipal taxes to corporate taxpayers is only about one-half of such taxes. On the other hand, the taxpayer who owns his own home does not enjoy this advantage. To him, the cost of the municipal property tax is a net cost. There is no opportunity for him to secure a partial offset or recovery under corporation income tax.

To meet this situation, the Province's unconditional grants will be applied to benefit residential and farm taxpayers only. In computing the tax rate, the council will strike its general rate for all property. Its unconditional grant from the Province will then be calculated as a reduction in the mill rate on residential and farm property. We believe this measure will stimulate home ownership and also increase the number of dwellings available for rental purposes. At the same time, it will give some relief to farm property and thereby assist a sector of the economy that has not been participating in the Province's general expansion and prosperity.

*Municipal Improvement Corporation*

To assist the municipalities in undertaking the construction of schools, water and sewerage works, the Province is expanding its authority to make advances under the Ontario Municipal Improvement Corporation Act from the present maximum of \$50 million to \$150 million.

**Summary of Grants**

To summarize: the Province's assistance in the current fiscal year will total \$180.2 million. Next year, even excluding indirect aids such as the Province's contribution to the Teachers' Superannuation Fund, the work of the Ontario Water Resources Commission and the monies made available by the Ontario Municipal Improvement Corporation, this assistance will be increased to \$213.9 million. That is \$33.7 million, or 19 per cent, more than the assistance provided this fiscal year. It is an increase of \$55.2 million in the last two years and should go far to ease the problems of the municipalities. Certainly such a large program of assistance affords eloquent testimony that the relationship between the Province and the municipalities is in a very real sense a partnership.

**THE PROVINCIAL SERVICES PROGRAM**

While population and industrial growth have necessitated an unprecedented expansion of municipal services, toward the financing of which a large part of the Provincial Budget is devoted, the Province itself has been faced with mounting demands for the services administered by its own departments. These demands take a multitude of forms extending over the broad fields of education, health and welfare and the creation of physical assets, such as highways and municipal roads, which are essential to our continuing development.

**Education**

In the field of education, the Province, besides providing assistance for elementary and secondary school education, must give consideration to the needs of the universities, which are not only struggling with rising costs now, but face the prospect of an enrolment which may double within the next ten years and quadruple within the next twenty. To lighten their financial load and better prepare them for the huge expansion ahead, the Province in recent years has increased its aid to the universities for both maintenance and capital purposes several times. In the last five years, the Province has paid them \$17.6 million for new buildings and facilities and, in this Budget, provision is being made for the payment of an additional \$9.7 million, making our total capital assistance in this six-year period \$27.3 million. An additional \$1.0 million for the Faculty of Dentistry of the University of Toronto will be paid out of this year's revenue, bringing to \$4.0 million the capital funds which the Province has now made available for new dental teaching facilities.

**PROVINCIAL ASSISTANCE PAYABLE TO UNIVERSITIES AND COLLEGES**  
**FISCAL YEAR 1957-58**

Universities	Main- ten- ance Grants (\$000's)	Special Grants for Capital Purposes (\$000's)	Total (\$000's)	Increase in Maintenance and Special Grants 1957-58 over 1956-57		
				Maintenance (\$000's)	Capital (\$000's)	Total (\$000's)
University of Toronto.....	5,807	1,800	7,607	607	—115	492
for Ontario College of Educa- tion.....	500	272	772	10	272	282
Queen's University.....	825	1,000	1,825	50	....	50
University of Western Ontario	825	1,000	1,825	50	....	50
McMaster University for Hamilton College.....	400	1,000	1,400	125	400	525
University of Ottawa for Instruction in Medicine and the Sciences.....	400	1,000	1,400	125	400	525
Carleton College.....	225	1,000	1,225	50	....	50
Assumption University for Essex College.....	150	1,000	1,150	50	500	550
Ontario College of Art.....	175	....	175	25	—125	—100
Waterloo College.....	100	500	600	75	500	575
Total.....	<u>9,407</u>	<u>8,572</u>	<u>17,979</u>	<u>1,167</u>	<u>1,832</u>	<u>2,999</u>
Agricultural Colleges	Gross Main- ten- ance Charges (\$000's)	Capital Outlays (\$000's)	Total (\$000's)	Increase in Gross Maintenance and Capital Outlays 1957-58 over 1956-57		
				Maintenance (\$000's)	Capital (\$000's)	Total (\$000's)
Ontario Agricultural College and MacDonald Institute ..	4,202	4,250	8,452	468	3,150	3,618
Ontario Veterinary College...	1,097	1,000	2,097	117	700	817
Kemptville Agricultural School	357	225	582	30	143	173
Total.....	<u>5,656</u>	<u>5,475</u>	<u>11,131</u>	<u>615</u>	<u>3,993</u>	<u>4,608</u>
GRAND TOTAL.....	<u>15,063</u>	<u>14,047</u>	<u>29,110</u>	<u>1,782</u>	<u>5,825</u>	<u>7,607</u>

The Province has also responded to the universities' need for additional money to finance their operating costs. In the last decade, such annual grants to the universities have been raised from \$3.8 million to \$8.2 million. Next year, this amount will be raised to \$9.4 million—an increase of \$1.2 million. Thus, total Provincial grants to universities in the coming fiscal year will amount to \$18.0 million. This is another large instalment in fulfilment of the Government's balanced program to place the universities in a position to meet the formidable challenge which lies ahead.

In recognition of the important part that public libraries play in education, an additional \$115,000 will be paid to them out of next year's appropriation.

The greatly expanded need for school teachers has necessitated the construction of several new teachers' colleges. The new Teachers' College at Hamilton is now being occupied and new teachers' colleges have been started, or are very nearly at the construction stage, at New Toronto and London. A new building is also being provided for the Lakehead College of Arts, Science and Technology

at Port Arthur and Fort William, while a start has been made on the construction of permanent buildings at the Ryerson Institute of Technology on its present site in Toronto.

In another branch of education—the agricultural colleges—the Province this year will spend \$5.0 million for operating expenses as well as \$1.5 million for expansion of their facilities. For next year, their maintenance and operating appropriation is being increased by \$600,000, and an additional \$5.5 million is being provided in capital for new buildings and equipment, making their total appropriation next year \$11.1 million.

All these educational grants and expenditures make the Provincial outlay this year \$112.8 million. Next year, with larger appropriations provided for virtually all divisions, the total expenditure projected is \$145.2 million. That is an increase of \$32.4 million and I think it affords a reliable guide to the importance that this Government attaches to the advancement of education.

Education is more than a means of earning a livelihood. It is essential to provincial and national growth and a safeguard of our democratic heritage. That explains the position that education commands in the Province's program. It also affords striking proof of the Province's willingness to share the burden of educational costs with the municipalities. Education cannot be wholly a Provincial matter; nor can it be wholly a municipal matter. Assuming the importance that it does, its needs can best be served through a partnership arrangement between the governments concerned.

## Health

Another major part of the Government's comprehensive program is its health services. In recent years, these have been immensely improved and expanded, though at a cost that has been rising at about \$3.0 million a year. This year, our health bill, including the supplementary grants to hospitals, will total \$63.7 million. This expenditure, of course, includes the provision of health services across a broad front. Of signal importance is the Ontario Cancer Institute, which will be coming into operation this year. Another is the poliomyelitis vaccine program which is now in full stride.

There has been a striking increase in the public general hospital accommodation, toward which the Government pays capital and maintenance grants. There has also been a corresponding expansion in the bed capacity of the mental hospitals constructed and operated by the Province itself. The Ontario Hospital in North Bay, which affords accommodation for 764 patients, has been brought into service, while additions are being made to the Ontario Hospitals at Brockville, Penetanguishene, Woodstock and Kingston. It is estimated that the cost of operating Ontario's 17 mental hospitals next year will amount to \$29.9 million.

New scientific methods and techniques are constantly being adopted in the Ontario mental and tuberculosis hospitals to accelerate the restoration to normal, useful lives of individuals who are ill or physically or mentally handicapped. Progress has been so marked in the tuberculosis hospitals that bed capacity is now becoming available for treatment of other ailments. There are many signs that we are on the threshold of notable advances in the treatment of mental illness. The salvage of human beings is a compelling objective and a concentrated effort will be made to give more intensified treatment. This policy will require additional staff and equipment, involving an initial increase in expenditures to which, I am confident, no one will object, when the results can be translated into preventing mental illness and shortening patients' stay in hospital.

Ontario has deservedly won an international reputation for its high standards, but health is such a precious asset that we cannot be complacent. We must constantly be striving to extend the benefits of scientific medical advances and efficient hospital care to all our people.

It was in keeping with this objective that we proposed to the Federal-Provincial Conference on Fiscal Relations in April, 1955 that all aspects of a hospital insurance plan be thoroughly studied with a view to evolving an efficient and practical plan. As a result of Ontario's initiative, this subject was placed on the agenda, and at subsequent meetings of the Federal-Provincial Conference in October, 1955 and again at the January, 1956 meeting of the Federal-Provincial Ministers on Health, Ontario submitted proposals, from which has emerged a plan in which we believe the Federal Government will participate. Honourable Members are familiar with the Federal plan and the Ontario proposal. We are confident that an agreement will shortly be reached which will make hospital insurance "universally available" to everyone in Ontario, irrespective of occupation, age or disability.

The cost and financial implications of such a program are not to be considered lightly. That is why we have insisted on careful planning and preparation and that decisions as to when and upon what groups the program becomes mandatory should be left to the Province. Without efficient organization and a well-planned layout of administrative equipment, costs will be needlessly high. The administration must also ensure that while essential hospital care is made available to all when it is genuinely needed, benefits are not used unnecessarily. Sound organization is a prerequisite of economy.

It is our hope that the hospital insurance program will come into operation on January 1, 1959, or earlier, if it is administratively feasible. But, as it is estimated that it will require two years for "tooling up" for such a vast program, an early agreement with the Federal Government is not only desirable but imperative, if that target date is to be met.



Benefits will include in-patient diagnostic services, standard ward care in active treatment hospitals, convalescent hospitals and hospitals for the mentally ill, specific out-patient services and either simultaneously, or at a later date, diagnostic services on an out-patient basis. It will also include the care and treatment of patients in mental and tuberculosis hospitals. Thus, the benefits are exceptionally comprehensive. As they will be "universally available" and there will be no cancellable conditions, the program will protect the individual against the catastrophic costs of long-term hospitalized illness.

The program is to be financed in the following ways:

1. By a contribution from the Federal Government based on the following formula:
  - (a) Twenty-five per cent of the per capita shareable costs in Ontario, plus
  - (b) Twenty-five per cent of the average per capita shareable costs in Canada as a whole, multiplied by the population covered by the Ontario program.
2. Payments by the Province from its consolidated revenue fund.
3. Premiums paid by or on behalf of the beneficiaries.
4. Contributions by the municipalities in the form of statutory per diem payments on behalf of municipal indigents to meet a small part of the costs.

Because the Government plan is far more comprehensive as to its benefits and will afford protection, such as hospital coverage for elderly and disabled persons and others suffering from catastrophic ailments—protection which is not available in existing plans—it is not possible to make accurate comparisons of the premium rates which will be charged through the Government program and those that are being charged under existing private plans. It is apparent, however, that the costs of the new hospital insurance program will be heavily subsidized by Federal and Provincial contributions and, therefore, the premium rates ultimately adopted will be extremely attractive and, indeed, considerably lower than those of existing plans which do not afford such broad coverage.

Many advantages stem from this program: First, it makes the benefits of hospital insurance available to many persons who, because of age or physical or other disability, are unable to obtain a prepayment method of insurance benefits. Second, it resolves the problem of the crippling financial costs that arise from prolonged hospitalized illness. Third, through the contributions made by the Federal and Provincial Governments, the premium rate will be brought within the financial capacity of a much larger proportion of our population than would otherwise be possible. Fourth, through the Province's payment of premiums on behalf of the social assistance cases—the known indigent case load—the hospitals will be relieved of the deficits arising from the care and treatment of

indigent patients. Fifth, the municipalities will realize considerable savings through the Province paying premiums on behalf of indigents and the elimination of hospital deficits which have been recognized obligations of the municipalities.

While the municipalities, to preserve administrative economies, will be required to pay a per diem charge on behalf of hospital indigents who are resident in their municipalities, the Province, on the coming into operation of this program, will pay them a special unconditional grant, which will, to all intents and purposes, relieve them of these indigent costs. Moreover, those municipalities which have been paying the deficits of hospitals will be saved this expense.

### **Welfare**

With population growth, there are inevitable increases in welfare expenditures. During the current year, expenditure on welfare is estimated at \$29.4 million and next year \$34.5 million is being provided. The principal increases will be in payments to charitable institutions, Children's Aid and Mothers' Allowances. More than 5,000 persons are now benefiting from supplementary old age assistance payments, of which the Province pays 60 per cent and the municipalities the remainder. The position of children under the Mothers' Allowances Act is being improved through broadening the basis of payments. Steps are also being taken to make dental care and treatment available to all Ontario children under 18 years of age who are the sons and daughters of social assistance cases. Many new Homes for the Aged are coming into operation under our policy of providing welfare services for those in need.

### **Additions to the Province's Physical Capital**

To cope with the mounting traffic on our highway and road systems, the Province and municipalities have, this year, carried out the largest volume of highway and road construction in our history. The Ontario Government itself has spent a total of \$203 million, of which \$110 million has been for new highway construction, \$48 million for maintenance and \$45 million for subsidies to municipalities for maintenance and construction of new roads and thoroughfares. Out of their own revenue, the municipalities themselves have spent an additional \$46 million, thereby bringing the total expenditure on highways and roads in the Province during the past year to \$249 million. Compared with this expenditure, revenue from motor vehicle licences and gasoline tax has totalled \$152 million, or three-fifths of the combined expenditure on highways and roads.

Although this expenditure is producing many improvements, the magnitude of our task also continues to grow. Motor vehicle registrations are still rising rapidly. The increase over the previous year—5.5 per cent—although smaller than that in previous post-war years, still represents an additional 90,000 motor vehicles on our highway and road system, compared with an average annual

increase of 100,000 in the last decade. It is estimated that the rate of increase in Ontario's traffic volume in this period has been more than double that in the United States.

Studies of future needs leave no doubt that this highway and municipal road construction program must be continued and expanded. Accordingly, we are providing for a Provincial expenditure next year, excluding credits to highway reserve account, of \$233.4 million—\$30 million more than is being spent in the current fiscal year. Of this amount, \$181.4 million will be for the maintenance and new construction of highways and \$52 million for the payment of subsidies to the municipalities. This appropriation, together with the municipalities' share of their expenditures, will make possible an overall highway and road program totalling \$284 million.

Steps are being taken to ensure a more efficient checking of motor vehicle weights on highways. For the purpose of weighing trucks and checking their loaded weights against their declarations, a number of new permanent weigh stations will be established, and it is also intended to introduce mobile weighing scales. The whole system of checking truck weights is being reorganized.

Many new physical assets, far too numerous to mention in detail, have come into service or have been under construction during the past year. These include not only teachers' colleges and hospitals, but buildings for the various departments, storage dams, remedial works and other conservation and development projects. During the past year, the establishment of the Sixteen Mile Creek Authority brought to twenty the number of conservation authorities operating across Ontario. Recently the four conservation authorities in or adjacent to Metropolitan Toronto were united to form one Authority. Work on the Conestogo Dam on the Grand River has been advanced. A number of smaller but nonetheless vital flood control works have been started at various sites. Flood control projects are also under way at Paris, Guelph and several other places. Aided by the Government, the number of small ponds on farms is being extended. Additional funds are being provided for forest protection, conservation and development. During the current fiscal year, the various departments concerned will have spent \$20.2 million for such purposes and, for next year, their appropriations are being increased to \$27.9 million.

An important feature of our program is the expansion of Provincial park lands. The new co-ordinating Parks Board, which will direct this policy, will be supplied with ample funds for its purpose.

The extension of electric power services into the rural areas of the Province is another striking development. In the past year, more than 11,000 additional rural customers were added to the lines, bringing the total number of rural customers now being served to 430,000. Of all those now receiving rural electric service, 68 per cent were connected for power in the past 13 years. During this

current year, the Province's outlay for assisting rural line construction and betterment has totalled \$7.0 million and, next year, \$8.7 million is being provided in furtherance of this policy, an increase of \$1.7 million.

In the housing field, we are co-operating with the Federal and Municipal Governments in serviced land assembly and other housing projects. Three additional housing authorities have joined in the plan to provide rental housing. Discussions are being held with a number of municipalities with respect to urban re-development. For the coming fiscal year, we are providing \$5.9 million in the estimates to advance the various housing projects in which Ontario is participating.

### THE COMPELLING FORCES OF GROWTH

I have endeavoured in the foregoing to give a review of the Province's overall program. I believe everyone will agree that the program is comprehensive, but large and comprehensive as it is, it is certain—barring some major upset—to be larger next year, the year after and so on. The explanations of this are readily at hand.

The main services that the Province and the municipalities provide bear a direct relationship to the growth in population and the expansion of industry. Our population, now increasing at an average rate of 15,000 per month, is growing more rapidly than ever before. The recent tragic events in Europe have given fresh stimulus to migration to this Province and this occurs at a time when our own natural increase, arising from our high birth rate, is also breaking new statistical ground. Larger population spells more children in our schools, more patients in hospitals, greater demand for water and sewerage works and a wider range of Provincial as well as municipal services. It also seems to spell more motor vehicles and therefore increased expenditures on our highways and municipal roads system.

This period of expansion coincides with a period of high interest rates that inescapably saddles our Province and municipalities with higher costs, which must be financed out of taxation over many years. We have, of course, been passing through an exceptional period. The amount of capital investment in both the private and public sectors of the economy has far exceeded that of any previous year. This has greatly intensified the demand for investment funds.

In these circumstances, we have co-operated with national objectives to contain inflation by deferring some projects which we had intended to undertake, but there are decided limits as to how far the Province and its municipalities can go in postponing works which are so closely tied to social and industrial needs. It must be remembered that Provincial and municipal capital works were reduced almost to the vanishing point during World War II, and even following this, owing to inflationary pressures and shortages of labour and

material, we were not free to proceed with the volume of public investment that the situation demanded. The Province cannot always go on cutting back projects for which it is responsible. As the Ontario economy grows, so must Provincial and local services.

## THE PROVINCE'S NEED FOR REVENUE

It is plain that to carry out its own program and to give assistance to municipalities, the Province will require substantially greater revenues. Over the last thirteen years, it has financed nearly two-thirds of its capital projects out of current revenue. In this period, \$826 million of new physical assets in highways, hospitals, public buildings and developmental projects have been created, of which all but one-third has been financed from current revenue.

But the Province's capital program has recently been so large that an increasing proportion of it must be financed by borrowing. In the past year, the Province was obliged to enter the domestic capital market for two loans aggregating \$110 million. It also borrowed \$50 million for Ontario Hydro in the New York market and, in 1956, guaranteed Hydro bonds of \$155 million financed in the Canadian market. The Province, which either borrows directly for, or indirectly guarantees the bonds of, the Hydro Electric Power Commission of Ontario has in the past thirteen years pledged its credit in this way to the extent of \$1.4 billion. Through the Ontario Municipal Improvement Corporation, the Province has also purchased the bonds of many municipalities. It has set up the Ontario Water Resources Commission. It has provided loans and capital financing for housing, land drainage and for establishing young farmers on farms of their own. It has pledged its credit for the Ontario Northland Railway and undertaken to furnish temporary financing for part of the natural gas pipeline running from the Ontario-Manitoba boundary to Kapuskasing. The ability of the Province to assist development in these varied ways depends upon its maintaining a strong credit position.

In view of the accretion to our physical assets over the last 13 years, the increase in the Province's net debt is very moderate. On a per capita basis, the nominal increase in this period is only 15.6 per cent. Indeed, the burden of our debt is much lighter than it was a dozen or more years ago as the following table clearly shows:

Fiscal Year ended March 31	Province's Net Capital Debt in Current Dollars (\$ millions)	Net Debt in Constant 1935-39 Dollars (\$ millions)	Net Debt Per Capita in Current Dollars (\$)	Net Debt Per Capita in Constant 1935-39 Dollars (\$)	Net Debt as a Proportion of Personal Income in Ontario (%)	No. of times Net Debt is of Ontario Government's Revenue (times)
1939	478.7	477.3	129.31	128.92	28.3	5.5
1944	485.7	404.1	122.81	102.17	14.4	4.1
1957 <sup>1</sup>	786.8	356.0	142.02	64.26	8.7	1.7

<sup>1</sup>Preliminary—subject to revision.

In spite of our strong financial position, it is apparent that our capital spending requirements are rising more rapidly than our revenues. The projection of our expenditures over the next four or five years confirms that without substantial additions to our revenues, we would be obliged to resort increasingly to the money market to finance our capital program. Furthermore, these capital acquisitions would conflict with those of the municipalities and other large public borrowers such as Ontario Hydro. This is undesirable. We should not be competing with the municipalities, which are themselves hard-pressed, and in the process drive up the cost of capital borrowing to them as well as to ourselves.

It is therefore imperative that we appraise our financial position not only in the light of next year's position, but of that in the years beyond. We have said that the Province of Ontario needed an additional \$100 million in revenue over that in sight. We were not exaggerating, nor were the figures inflated. Indeed, since then the evidence multiplies that we understated our requirements.

While the Province's revenue has not been sufficient to cover its total expenditures and its debt has been mounting, the Federal treasury has been filled to overflowing. The Federal Government has been able to reduce its debt and, at the same time, to set aside out of its present surplus \$100 million that will not be spent next year but be spread over many years. Nearly half of its large surplus comes from Ontario taxpayers. It is derived largely from revenues to which we have an equal claim, and it is being attained at a time when interest rates are high and borrowing is difficult. Our contention that the Federal Government is overtaking in the direct tax field is fully substantiated. An abatement of some of the direct taxes that it has employed to produce this surplus would ease the problems of the Province and its municipalities.

## FEDERAL-PROVINCIAL ARRANGEMENTS

During the past year, we have continued our negotiations with the Federal Government on the new fiscal arrangements first discussed at the Federal-Provincial Conference in April, 1955, and later in October of the same year. These arrangements were described fully in my Budget Address of last year.

Honourable Members will recall that Ontario proposed a schedule of Federal tax credits or abatements somewhat higher than the Federal Government had offered. These were:

- (a) 15 per cent of the Federal Government's individual income tax collections in the Province;
- (b) 15 percentage points of corporation income in the Province; and
- (c) 50 per cent of the Federal Government's collections of succession duties in the Province.



Had the Federal Government accepted these rates, the Province's share of these tax fields would have been, in the case of corporation income tax, less than one-third, while the Federal Government's would have been more than two-thirds; in the case of personal income tax, the Province's share would have been only one-seventh, while the Federal Government's would have been six-sevenths; and finally, in the case of succession duties, the Province's participation would have been equal to that of the Federal Government.

Instead of these rates, which we considered reasonable and within the Federal Government's financial capacity, abatements have been fixed at:

- (a) 10 per cent of the Federal Government's personal income tax collections at 1956 rates;
- (b) 9 percentage points of corporation income; and
- (c) 50 per cent of the Federal Government's succession duty collections.

Thus, under the arrangements that have been proffered by the Federal Government, the Province's share in the personal and corporation income direct tax fields, which were regarded for half a century after Confederation as the special preserve of the Province, is less than one-fifth of combined Federal-Provincial corporation tax collections and only one-tenth of personal income tax collections.

In view of the growing magnitude and importance of Provincial services, we cannot accept this as a realistic division of these two major fields. If allowed to continue, it would erode the basis of Provincial and municipal finance. We have striven to convince the Federal Government of the soundness and equity of our proposals and of the enlightened self-interest that would be served by a more accurate appraisal of Ontario's requirements.

We have pointed out that the \$155 million of annual equalization or subsidy payments to the other nine provinces, while Ontario receives nothing, will come to a large extent from Ontario taxpayers. Thus, a policy of the Federal Government which endangers growth and expansion in this tax-earning Province may also operate to impair its capacity to finance not only these equalization payments but, indeed, its whole expenditure program.

A 15-15-50 formula instead of 10-9-50 would have been fair and equitable and not beyond the capacity of the Federal Government to carry out, but though it has been unwilling to accede to this, we must still go ahead. To temporize, to fail to meet our problems as they arise would be a dereliction of our responsibilities and a handicap to the development of our municipalities, the Province and the nation.

We must emphasize policies that promote development and production under a system of moderate taxation. If we achieve this objective, we will be better able to undertake advances in human betterment. There will be no place for frills or non-essentials, no room for extravagance. That has been our

policy in the past and it will be our policy in the future. Even if we confine ourselves to essentials, our task will be big enough.

We are faced with irresistible demands for services. We cannot expect our children to wait for schools and teachers. We cannot expect the same highway and road system to accommodate more and more trucks and passenger cars. Illness does not wait for hospitals. To expand industries and urban population, we must have water. Pollution must be reduced and controlled. In the lakes and streams of this Province, we enjoy a priceless asset. The realization of this will grow steadily as our development proceeds. We must ensure that projects are undertaken to conserve the purity of these waters and that they are effectively utilized for the benefit of all. Thus, we must proceed with our program, and we must expect to pay for it.

Provincial taxation in Ontario is, by all standards, moderate. We have not imposed some of the consumer goods taxes levied in other provinces. Nor have we imposed a general sales tax, as have five other provinces. We have striven to avoid imposing that tax, and we have succeeded. We are, however, now obliged to effect a moderate increase in tax rates in several provincial fields. The additional revenue provided is essential to the continued progress and prosperity of Ontario. This is what we propose:

## **TAX CHANGES**

### **Individual Income Tax**

The Government will introduce legislation authorizing Ontario to enter into an agreement with the Federal Government under which the Province, for a five-year period commencing January 1, 1957 and ending December 31, 1961, covenants to suspend its rights to levy individual income tax in return for an annual rental from the Federal Government payable in monthly instalments, equal to 10 per cent of the Federal Government's individual income tax collections from Ontario residents at 1956 rates of tax. If Federal income tax rates are changed, an adjustment in Ontario's proportion of the Federal Government's collections will be made to ensure that the amount of the rental payable to Ontario will always be 10 per cent of Federal income tax collections from Ontario residents at 1956 rates. It is anticipated that the Province's revenue from this source in 1957-58 will total \$63 million.

### **Corporation Tax**

A new Corporations Tax Act will be introduced under which all corporations now taxable under the Income Tax Act of Canada that transact business in Ontario will be taxed at the rate of 11 per cent of the income they earn in this Province. The new rate will be effective January 1, 1957. The measurement of taxable income will be precisely as defined in the Income Tax Act of Canada. The allocation of taxable income between Ontario and other provinces where the

corporation concerned does business outside, as well as inside, Ontario, will also be as provided by the Income Tax Act and Regulations of Canada.

The Province's special business taxes on capital and places of business, which were in effect from 1947 to 1951 inclusive, will be re-imposed at the same rates as applied under the Ontario Corporations Tax Act which was suspended at the end of 1951. However, any corporation income tax payable to the Province will be deductible from the special business taxes (excluding the insurance premium tax) otherwise payable, so that the amount of the special taxes (excluding insurance premium tax) will be payable only to the extent that they exceed the amount of the Ontario corporation income tax to which companies are subject. In effect, excluding the insurance premium tax, companies will pay an amount equivalent to the higher of the corporation income tax or the special business taxes.

With the Federal Government's 9 per cent abatement, companies will be able to offset all but 2 per cent of Ontario's corporation income tax. Thus, Ontario, with respect to corporation income tax, is restored largely to the position that it occupied relative to the other provinces between 1947 and 1951. While our rate of corporation income tax may be 2 per cent higher than that in other parts of Canada, most of the other provinces have special business or consumer goods taxes that we do not have in Ontario. The revenue from corporation taxes in 1957-58 is estimated at \$160 million.

### Insurance Premium Tax

The Corporations Tax Act will include also a tax of 2 per cent on all insurance companies calculated on the gross premiums that become payable by policyholders with respect to risks in Ontario, after deducting re-insurance ceded to registered insurers in Ontario. This tax replaces the tax formerly payable by the same companies under the Excise Tax Act of Canada, which was repealed as of December 31, 1956, and it does not involve any increase in taxation. Revenue from this tax is estimated at \$10 million.

### Mining Tax

A Bill will be introduced to amend the Mining Tax Act, raising certain rates of royalty tax based upon the income of each mine above \$10,000 and changing somewhat the basis of taxation in accordance with arrangements made with the Federal Government. The new rate compared with the present rate is shown as follows:

Profits	Present Rate	New Rate
On the first \$990,000 over \$10,000 . . . . .	6%	6%
On profits over \$1,000,000 but up to \$5,000,000 . . . . .	8%	11%
Over \$5,000,000 . . . . .	9%	12%

Besides the increase in rates on companies with profits over \$1,000,000, the Province, as a result of its negotiations with the Federal Government, has obtained more latitude in determining the proportion of a company's profits allocated to mining operations. As in the past, companies engaged in mining operations will be allowed to treat these taxes as an expense and to deduct them from their taxable income before calculating the Federal tax. The same procedure will be followed for Provincial corporation income tax.

Total revenue from mining operations in 1957-58 is estimated at \$16.3 million, an increase of \$9.0 million over revenue in the current year. Approximately \$7.0 million of this increase will derive from higher rates and the expanded profits basis of taxation.

### **Logging Tax**

The present rate of tax on income from logging operations, namely 9 per cent, will not be increased. However, as the result of negotiations with Federal authorities, the profits basis upon which logging tax may be applied has been enlarged and this will result in increased logging tax revenue to the Province. The Province's logging tax, like its mining tax, may be treated as an expense for Federal and Provincial corporation income tax purposes. It is estimated that our logging tax revenue will be increased from its current level of about \$900,000 to \$2,000,000.

### **Gasoline Tax**

Effective at 12:01 a.m. tomorrow, the gasoline tax will become 13 cents per Imperial gallon, an increase of 2 cents per gallon over the present rate. A Bill authorizing this increase will be introduced at once.

The regulations under the Gasoline Tax Act will be revised so that all purchasers of gasoline, other than farmers and commercial fishermen, who use gasoline for purposes other than to generate motive power for motor vehicles on highways may receive refunds at the rate of 11 cents of the 13 cents per gallon paid. Farmers and commercial fishermen will receive the full refund. Accordingly, all aviation gasoline and all other gasoline used will be subject to a net charge of 2 cents per gallon.

With this increase in the gasoline tax, Ontario's rate is brought into line with the rates effective in Quebec and Prince Edward Island, but it is still less than those in Nova Scotia, New Brunswick and Newfoundland. Despite many improvements to the highway system, the rise in construction costs and the general increase in the real income of our people, the gasoline tax has remained at 11 cents per gallon for the last 16 years—indeed, ever since April 1, 1941, when the Federal Government superimposed on the Provincial rate of 8 cents a 3 cents per gallon excise tax. In 1947, when the Federal Government repealed this tax, the Province continued the 11-cent rate.

Translated into real values, the new rate of 13 cents per gallon is lower than the gasoline tax was in both 1947 and 1939. This information may be summarized as follows:

	Current Rate of Gasoline Tax	Constant 1939 Dollars (Deflated by Consumer Price Index)
1939 . . . . .	8c.	8c.
1947 . . . . .	11c.	8c.
1957 (February) . . . . .	13c.	7c.

It is estimated that this extra 2 cents per gallon levy will yield additional revenue in 1957-58 of some \$20 million, increasing the total yield from this source to \$131 million. Even with this additional tax, however, the revenue from motor vehicle users will still fall many million dollars short of meeting the Province's expenditures on highways and municipal roads.

### **Diesel Fuel Tax**

It is the Government's intention to raise the tax on diesel fuel used in motor vehicles to 20 cents per gallon. Previously, diesel fuel used in cars and trucks has been subject to the same rate of taxation as gasoline. But the experience of operators in both Canada and the United States, supported by extensive tests, has demonstrated that, on the average, cars and trucks using diesel fuel secure from 40 to 65 per cent more miles per gallon than cars or trucks of the same weight using gasoline. The justification of a higher rate on diesel fuel is, therefore, universally acknowledged. It is estimated that the seven cent per gallon differential for diesel fuel will bring in additional revenue of \$1.5 million. This new rate will come into effect on April 1, 1957. Until then, the gasoline tax rate will apply.

### **Fire Marshal's Tax**

This tax, which is intended to defray the costs of the Fire Marshal's Office, has remained for some years at a rate of one-third of one per cent of fire insurance premiums, with respect to business transacted in Ontario. Although the cost of the Fire Marshal's Office has risen progressively in recent years so that it is now double the revenue derived from the tax, the Province has been prevented from increasing this rate by the Tax Rental Agreement, which is now expiring. Thus, to obtain a closer balance between the revenue and expenditure of the Fire Marshal's Office, this rate is being raised to two-thirds of one per cent.

### **Licence Fee on Brewers**

The present licence fee imposed on brewers at a rate of 8.7 cents per gallon will be replaced by a new rate schedule estimated to yield additional revenue of \$5.0 million.

### Summary of Tax Changes

The tax increases set out in this Budget will produce additional revenue, estimated for the coming fiscal year at \$59.5 million, as follows:

	\$ Million
2 per cent additional corporation income tax plus special business tax . . . . .	26.4
2 cents per gallon extra on gasoline . . . . .	20.0
9 cents per gallon additional on diesel fuel . . . . .	2.0
Additional mining and logging taxes . . . . .	6.1
Increase in gallonage fee on beer production . . . . .	5.0
	<u>59.5</u>

The Province, in addition, will receive an increase in revenue from the following sources which will not involve any additional taxation on our people:

	\$ Million
Corporation Income Tax	
(Province's share of field raised from 8½% to 9%) . . . . .	6.5
Personal Income Tax	
(Province's share of field raised from 5% to 10%) . . . . .	31.5
Insurance Premium Tax	
(2% formerly levied by Federal Government) . . . . .	10.0
Improvements in Mining Tax and Logging Tax Formulae . . . . .	2.0
	<u>50.0</u>
Less: Effect of Tax Rental Escalator on Succession Duties and Statutory Subsidy . . . . .	11.0
	<u>39.0</u>
Total of Additional Revenue . . . . .	<u>98.5</u>

### FORECAST OF REVENUE AND EXPENDITURE FOR 1957-58

In 1957-58, we are budgeting for net ordinary expenditure of \$491.3 million, including provisions of \$20.0 million for highway reserve account and \$17.8 million for sinking fund. The largest expenditure items comprise: \$139.5 million for education, not including \$5.6 million for the agriculture colleges; \$94.8 million for health and welfare; and \$93.6 million for highways and municipal road subsidies. Capital expenditure is forecast at \$218.5 million, of which \$158.5 million is being provided for highways and municipal road subsidies for



new construction, \$45.9 million for public works, \$8.7 million for rural power extensions and \$4.2 million for special conservation works. The combined ordinary and capital expenditure forecast for 1957-58 is, therefore, \$709.8 million, including a total of \$37.8 million for highway reserve account and sinking fund.

The Province's estimated overall expenditure for 1957-58 will therefore be \$73.1 million higher than in the current fiscal year, including in both years provisions for sinking fund and highway reserve account. Of this increase, \$33.7 million represents increased grants to the municipalities, school boards and other local agencies.

Net ordinary revenue for 1957-58 is forecast at \$574.4 million which, together with net capital receipts of \$1.2 million, makes a total revenue of \$575.6 million. This is an estimated increase in 1957-58 of \$112.3 million over that in 1956-57.

The forecast of revenue and expenditure for 1957-58 may be summarized as follows:

### Summary

#### FORECAST OF EXPENDITURE, 1957-58

	\$ million
Ordinary Expenditure <sup>1</sup>	
Education, Health and Welfare.....	234.3
Highways (including \$20.0 million for Highway Reserve Account).....	93.6
Natural Resources, Conservation and Development.....	36.9
Other Departmental Expenditure.....	55.4
Unconditional Grants.....	20.9
Debt Interest.....	32.4
Provision for Sinking Funds.....	17.8
Total Ordinary Expenditure.....	491.3
Capital Expenditure	
Highways and Natural Resource Access Roads.....	129.8
Subsidies for Municipal Roads.....	30.0
Hospitals and Other Public Buildings.....	45.8
Rural Power Extensions.....	8.7
Grants for Conservation.....	4.2
Total Capital Expenditure.....	218.5
Grand Total.....	<u>709.8</u>

<sup>1</sup> These expenditures are shown by departments. Expenditures on the Agricultural Colleges are therefore included under Natural Resources, Conservation and Development.

## FORECAST OF REVENUE, 1957-58

	\$ million
Rental of Personal Income Tax.....	63.0
Corporations Tax.....	160.0
Succession Duties.....	23.0
Logging Tax, Crown Timber Dues, Game and Fish Licences, etc. . .	24.6
Mining Tax.....	17.6
Gasoline Tax and Diesel Fuel Tax.....	134.0
Motor Vehicle Licences.....	47.2
Amusement Tax for Hospitals.....	4.2
Security Transfer Tax.....	4.0
Liquor Control Board of Ontario.....	65.6
Miscellaneous.....	31.2
Total Net Ordinary Revenue.....	574.4
Total Net Capital Receipts.....	1.2
Grand Total.....	<u>575.6</u>

It will be apparent from this comparison of our expenditure and revenue for 1957-58 that the tax increases proposed in this Budget are very modest and that they are absolutely essential if we are, in the light of the impressive growth in our assistance to municipalities and expansion of our own services, to maintain a sound position.

## CONCLUSION

Mr. Speaker, I have shown that to meet our financial responsibilities arising from an unprecedented program of development, we must increase our tax revenues. Not only are we charged with providing the normal necessities which stem from growth, but we are obliged to cope with a rate of expansion in our economy that creates special problems for us. The expansion of our services is indispensable to the utilization of the long term opportunities open to our industries and people. To succeed in this, we must maintain a strong financial position and this we intend to do. By the steps proposed in this Budget, it will be possible for us both to carry out our program and strengthen our credit.

If the burden of our net debt is to be fairly assessed, it should be viewed in relation to our present revenues and our potential revenues. Thirteen years ago, the ratio of our net revenue to our net debt was of the order of 1 to 4. In other words, thirteen years ago it would have required the net revenue of four years to retire our outstanding net debt. During the present fiscal year, the ratio is of the order of 1 to  $1\frac{3}{4}$ . Accordingly, it would require the revenue of one and three-quarter years to retire our net debt. Our position has therefore immensely improved, and this comparison would be even more favourable on the basis of the increased revenues for which we are budgeting this year.

In the light of these facts and our extensive investments in human and material assets, which have enhanced the productivity of our people, we can truly say that our credit position is stronger than ever before.

But we face heavy demands for our services, and we are compelled to obtain additional revenue by way of increased taxation. The federal fiscal arrangements will not provide sufficient revenue to meet our essential requirements. These arrangements which concern income tax, both corporate and personal, deal with direct taxes—fields of taxation in which the Province has an equal right to participate. Although the Federal Government has now recognized, at least in principle, our right to tax in the manner that we have been advocating for the last six or seven years, they still ignore in these changing times the extent to which we are entitled to share these revenue sources. They are in possession of these fields owing to the exigencies of war. They have withdrawn from them in a manner and to a limited extent of their own choosing. These direct taxes have contributed largely to their swollen surplus. And this is a surplus remaining after they have made full provision for all capital as well as ordinary expenditures.

They fail to recognize the vital importance to the Federal Treasury in the long run of Ontario's maintaining a strong credit position and at the same time carrying out its necessary development program. They fail to grasp that the economic growth of this central and most productive Province has a beneficial influence extending far beyond its borders. They do not comprehend the size of our task now, nor do they foresee our accumulating problems of the future. They do not realize that an unnecessary increase of the aggregate taxes paid by our people is not in the general interest. They fail to see that 10 per cent of the personal income tax to us and 90 per cent to them is not good enough; that 9 per cent of the present corporate income to us and 38 per cent to them is not our rightful share in view of our contribution. Amidst the throes of a dynamic economy, they have assumed an attitude of timidity. For Ontario, this attitude is rigid; it is unrealistic; it is deplorably short-sighted. Whether we may in the future be faced with the horrors of war, or may continue to enjoy a prolonged era of peace, the financial and economic vitality of Ontario will be one of the main sources of strength upon which the Federal Government will have to rely.

They fail to perceive that the living strength of a great democracy derives from local government that is strong, independent, with revenues adequate to do the job, and free from an oppressive tax load. Just as they are five years too late in acknowledging the principle that we put forward five years ago, I predict that if they persist in their present course, they will awaken to the fact five years from now that they are again five years too late.

Whereas under the conditions of modern development, the functions of the Federal and Provincial governments of necessity become to some extent inter-mixed, they are in reality engaged in a joint program covering the whole field of public affairs. This is also true of the Province and municipalities. Their relative responsibilities can never be separated into air-tight compartments. Financially and administratively, they are engaged in a vast, joint undertaking, which involves provision for education, welfare, administration of justice, physical assets and a wide range of property and civil rights. This is today, in total, a billion dollar job. The demands of modern society have emphasized

the necessity of moving step by step to achieve co-operation in the provision of services and an equitable but still economic distribution of the tax load. As municipal budgets increase, the inequities of real estate taxation become intensified. To relieve real estate of some of its tax load, we have distributed to the municipalities in as fair a manner as possible more and more Provincial revenue obtained from a variety of our tax sources.

No one tax is completely just in its incidence. All have defects. Thus, moderate increases in a number of taxes is the best method of approach. The tax increases proposed in this Budget adhere to this concept. It is the expansion of our policy of assistance to the municipalities and relief to real estate that makes additional tax revenue necessary. It should, however, be recognized that this policy can be continued only so long as the Province's financial position remains strong.

If we review our whole joint program with the other levels of government over the last thirteen years and project it into the future, we may grasp the immensity of its impact upon the life of our people. In some instances, we have co-operated and shared costs with the Federal Government to achieve objectives upon a national scale; in some others, we have co-operated and shared costs with the municipalities. In still others, we have assumed the whole cost. A list of the main subjects affected is a vivid reminder of the benefits of Provincial assistance. Some of these are new; some are of long standing but infused with new life and quality by Provincial funds. Some are just at the beginning and their fulfilment lies in the future. And we have now reached the threshold of a much heralded reform—hospital insurance.

All these undertakings carried forward into the future impose an increasing strain upon Provincial finances. Such undertakings will grow rather than diminish in the years to come.

The continued rapid growth of Ontario holds out wider and more diversified opportunities for our people. It offers the prospect of steadily increasing improvement in living standards. Given wisdom and understanding, economic advances may be the foundation for better living in the fullest sense. They give more and more people the opportunity to share increasingly in the physical comforts and conveniences of life. They open the door to the fulfilment of the infinite variety of aspirations that urge men and women forward in their manifold activities. These many new avenues of opportunity offer a wide range of choice of occupations. They draw out the many latent talents that otherwise would die unsuspected and unused. They point the way to work that fits the bent and ambition of the individual. For work under such conditions becomes work well done. It is a sure foundation for satisfaction and happiness. And with this come enhanced opportunities for the employment of leisure in its innumerable facets, so many of them yet untapped, so many of them yet unrealized.

It is these possibilities opening to Canadians everywhere that will determine our greatness as a nation. The swiftness of change and the furious rapidity of

the development which overwhelms us may seem at times beyond our comprehension. We shall not despair because our responsibilities are great. Despite the impending clouds of war that threaten, despite despondency, despite the dislocations that attend upon change, despite internal controversies, it is good to be Canadian. It is a privilege to live in Canada in this exciting time. Let us lift our eyes to the future, for the horizon is ever-widening. In the strengths, the skills and the minds of a united people, we can see the stuff of achievements beyond imagination. Amidst the fever of prodigious growth, a vista lies open before us of wonder and enchantment. We are engaged in the adventure of freedom in its dynamic sense; freedom to do; freedom to create; freedom to achieve.

### SUMMARY

1. We are budgeting in 1957-58 for our fifteenth consecutive surplus on ordinary account—one of \$556,000, after provision for sinking funds and highway reserve account. (p. 53)
2. The Province's net ordinary and capital expenditures for 1957-58 are forecast at \$709.8 million, including a provision of \$20 million for highway reserve account and \$17.8 million for sinking funds. Net ordinary revenue is expected to reach \$574.4 million after allowing for the revisions in taxation announced in this Budget. (pp. 30, 31)
3. The following tax changes are being introduced:
  - (a) A corporation income tax is imposed of 11 per cent of income earned by corporations in this Province—9 points will be abated by the Federal Government. The special business taxes in effect from 1947 to 1951, inclusive, are being reimposed, but taxpayers will pay only the greater of either the special business taxes or the corporation income tax. (pp. 26, 27)
  - (b) An insurance premium tax will be levied on all insurance companies at the rate of 2 per cent. As this tax replaces one formerly levied by the Federal Government, no increase in tax will occur. (p. 27)
  - (c) Mining tax rates are being raised and the profits base widened. (p. 27)
  - (d) The logging tax profits base is being widened. (p. 28)
  - (e) The gasoline tax is raised to 13 cents per Imperial gallon. (p. 28)
  - (f) The diesel fuel tax is raised to 20 cents per Imperial gallon. (p. 29)
  - (g) The Fire Marshal's tax is increased to two-thirds of one per cent. (p. 29)
  - (h) The licence fee imposed on brewers is being replaced by a new rate schedule which will yield additional revenue of \$5 million. (p. 29)

4. This Budget provides for an unparalleled increase in assistance to municipalities, school boards and other local agencies. Such grants will be increased from \$180.2 million in the current fiscal year, 1956-57, to \$213.9 million in 1957-58. This is an increase of \$33.7 million or 19 per cent. It brings the combined increase in the Province's assistance in the last two years to \$55.2 million. (pp. 8-15, 74)
5. A three-year plan has been adopted for assistance to school boards. (pp. 10-12)
  - (a) In the first year, the Province's contributions to Teachers' Superannuation is being raised from 4 to 6 per cent, at a cost of \$3.7 million and the grants formula is also being revised upwards at a net cost of \$10.0 million. Grants to school boards in this first year, including provision for the normal growth in enrolment, will be increased by \$19.8 million—from \$81.2 million to \$101.0 million. (pp. 11, 74)
  - (b) A new school grants formula will be adopted in 1958 based upon equalized assessments. (p. 13)
  - (c) This system will be further refined in 1959. (p. 12)
6. The Province's unconditional grants to municipalities are being increased by \$8.2 million—from \$12.7 million to \$20.9 million.
  - (a) A basic grant of \$1.00 per person will be paid to all municipalities which are contributing towards the cost of certain administration of justice services.
  - (b) In addition, all municipalities will be paid a basic grant of \$2.00 per capita in recognition of their social welfare services.
  - (c) The present graduated amount, which ranges up to \$2.50 per capita, based upon the population of each municipality, will continue to be paid to compensate municipalities for their social welfare expenditures.

The basic grant to all municipalities contributing to administration of justice expenses will therefore be raised from \$1.50 to \$3.00 per person, and this amount will range up to \$5.50 per person in the largest municipality. (pp. 13, 14, 74)
7. Provincial unconditional grants will be applied exclusively to benefit residential and farm taxpayers. (p. 14)
8. With the introduction of hospital insurance—which we are hopeful will commence by January 1, 1959, or earlier if administratively feasible—additional assistance will be afforded to municipalities. Public general hospital deficits which most municipalities assume will be wiped out, while the cost borne by municipalities for hospital indigent patients will, in effect, be absorbed by the Province through the payment of a special unconditional grant to begin when the Hospital Insurance program becomes effective. (pp. 12-13)



9. The Province proposes to increase its proportion of municipal welfare costs in two fields: The Province will raise from 25 to 40 per cent its contribution in support of Children's Aid costs. Secondly, it will increase from 50 per cent to 60 per cent its share of public assistance paid out by municipalities in the form of direct relief. This will provide an estimated saving to the municipalities of at least \$1.3 million. (p. 13)
10. Provincial assistance to municipalities for municipal roads will amount to \$46 million in the current fiscal year and \$53 million in 1957-58. (pp. 13, 74)
11. The Province's assistance to municipalities represents nearly half the municipalities' total tax levy. In other words, it accounts for nearly \$1.00 of every \$2.00 that the municipalities raise themselves. Though it is acknowledged that municipal tax levies and debts are rising, their financial position in terms of constant dollars or personal income is exceedingly favourable compared with their situation 15 to 25 years ago. (p. 10)
12. The Ontario Government's health bill in 1956-57 is \$63.7 million. This includes a special grant payable to the public general hospitals totalling \$5.8 million, distributed on the basis of \$200 per bed; also, an additional special grant of \$1.8 million to assist hospitals responsible for the training of nurses; and other special grants to hospitals totalling \$1.1 million; making in all a total of \$8.7 million. (pp. 17-20, 55-65)
13. The Ontario Government's educational bill, including increased appropriations for Ontario Agricultural Colleges, also reached a record high level of \$112.8 million in 1956-57 and this is being further increased to \$145.2 million in 1957-58. (pp. 15-17)
14. Besides the increased grants for elementary and secondary schools, the Province has greatly stepped up its capital and maintenance grants to the universities. These will total \$18 million in 1957-58, an increase of \$3 million over those in the current fiscal year. (pp. 15, 16)
15. An additional \$1 million is being paid to the Dental Faculty of the University of Toronto, to bring total payments up to \$4 million. Additional provision is being made for public libraries and for new Teachers' Colleges now under construction. (pp. 7, 15)
16. Provision for welfare expenditures is being increased from \$29.4 million in the current fiscal year to \$34.5 million in the fiscal year 1957-58. (p. 20)
17. The Province has carried out its largest highway and road construction program in history. The Province itself spent a total of \$203 million in 1956-57, and this was supplemented by municipal expenditures of \$46 million, bringing the total expenditure on highways and roads in the

- Province during 1956-57 to \$249 million. Next year, it is anticipated that this program will be increased to \$284 million, of which the Province will spend \$233 million—an increase of \$30 million. (pp. 20, 21, 66-68)
18. Large scale construction, involving hospitals, Teachers' Colleges, conservation works and buildings of all kinds, was undertaken during 1956-57 and is projected for the coming fiscal year. \$33.1 million was spent this fiscal year and an appropriation of \$50.1 million is being provided for a program commencing April 1st. (pp. 21, 52)
  19. The Province's outlay for rural power lines totals \$7.0 million this fiscal year and it is anticipated it will increase to \$8.7 million in 1957-58. (pp. 21, 22)
  20. The Province's net ordinary and capital expenditures in 1956-57 are estimated at \$637 million, including \$75 million for sinking fund and highway reserve account. Net ordinary revenue is estimated at \$462 million. An interim surplus on ordinary account of \$390,000 was obtained after providing \$75 million for sinking fund and highway reserve account. Unprecedented capital expenditures of \$175.4 million led to a shortfall in revenue of \$115.2 million. (pp. 6, 7, 41-44)
  21. Authority will be given to the Ontario Municipal Improvement Corporation to increase its loaning capacity from \$50 million to \$150 million for purchasing debentures of municipalities. (p. 15)
  22. Ontario's population growth and industrial expansion creates pressing demands for services. (p. 22)
  23. The Province's need for \$100 million in additional revenue. (pp. 23, 24)
  24. The financial position of the Province is strong and steps are being taken to keep it that way. (pp. 23, 24)
  25. A long term approach is needed in solving municipal and provincial problems. (pp. 8, 9)
  26. Ontario is making new fiscal arrangements with the Federal Government. (pp. 24-26)
  27. 1956 was Ontario's most prosperous year. Capital investment rose by an astounding 25 per cent to the highest level in the Province's history. (p. 5)

## APPENDIX I

### GOVERNMENT STATEMENTS

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## INTERIM STATEMENT OF ORDINARY REVENUE, ONTARIO

FISCAL YEAR APRIL 1, 1956 TO MARCH 31, 1957

9 MONTHS' ACTUAL PLUS 3 MONTHS' FORECAST

DEPARTMENT	Gross Ordinary Revenue	Application of Revenue to Expenditures	Net Ordinary Revenue
AGRICULTURE.....	\$ 1,093,000	\$.....	\$ 1,093,000
ATTORNEY-GENERAL.....	5,551,000	674,000	4,877,000
EDUCATION.....	1,761,000	359,000	1,402,000
HEALTH.....	4,210,000	1,000	4,209,000
HIGHWAYS:			
Main Office.....	425,000	.....	425,000
Motor Vehicles Branch.....	45,000,000	.....	45,000,000
Total for Highways.....	\$ 45,425,000	\$.....	\$ 45,425,000
INSURANCE.....	\$ 438,000	\$.....	\$ 438,000
LABOUR.....	673,000	20,000	653,000
LANDS AND FORESTS.....	20,537,000	.....	20,537,000
MINES.....	8,577,000	18,000	8,559,000
MUNICIPAL AFFAIRS.....	355,000	.....	355,000
PROVINCIAL SECRETARY.....	2,073,000	.....	2,073,000
PUBLIC WORKS.....	205,000	3,000	202,000
REFORM INSTITUTIONS.....	3,164,000	2,529,000	635,000
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.....	71,000	.....	71,000
Ontario Fuel Board.....	99,000	.....	99,000
Liquor Control Board—Profits.....	54,000,000	.....	54,000,000
Transfer Fees.....	562,000	.....	562,000
Province of Ontario Savings Office.....	725,000	725,000	.....
Provincial Share of Income Tax collected from privately-owned Corporations operating Public Utilities.....	1,500,000	.....	1,500,000
Comptroller of Revenue:			
Tax Rental Agreement.....	160,572,000	.....	160,572,000
Gasoline Tax.....	107,000,000	.....	107,000,000
Succession Duty.....	25,000,000	.....	25,000,000
Race Tracks Tax.....	4,294,000	.....	4,294,000
Security Transfer Tax.....	3,700,000	.....	3,700,000
Hospitals Tax.....	4,500,000	.....	4,500,000
Logging Tax.....	835,000	.....	835,000
Land Transfer Tax.....	3,900,000	.....	3,900,000
Law Stamps.....	1,200,000	.....	1,200,000
Theatres Branch.....	261,000	.....	261,000
Total for Treasury.....	\$371,931,000	\$ 725,000	\$371,206,000
	\$466,020,000	\$ 4,329,000	\$461,691,000
PUBLIC DEBT—Interest, etc.....	15,015,000	15,015,000	.....
	<u>\$481,035,000</u>	<u>\$ 19,344,000</u>	<u>\$461,691,000</u>

## INTERIM STATEMENT OF ORDINARY EXPENDITURE, ONTARIO

FISCAL YEAR APRIL 1, 1956 TO MARCH 31, 1957

9 MONTHS' ACTUAL PLUS 3 MONTHS' FORECAST

DEPARTMENT	Gross Ordinary Expenditure	Application of Revenue to Expenditure	Net Ordinary Expenditure
AGRICULTURE.....	\$ 10,924,000	\$.....	\$ 10,924,000
ATTORNEY-GENERAL.....	15,714,000	674,000	15,040,000
ECONOMICS.....	205,000	.....	205,000
EDUCATION.....	108,078,000	359,000	107,719,000
HEALTH.....	63,695,000	1,000	63,694,000
HIGHWAYS.....	125,503,000	.....	125,503,000
INSURANCE.....	282,000	.....	282,000
LABOUR.....	2,095,000	20,000	2,075,000
LANDS AND FORESTS.....	16,081,000	.....	16,081,000
LIEUTENANT-GOVERNOR.....	19,000	.....	19,000
MINES.....	1,347,000	18,000	1,329,000
MUNICIPAL AFFAIRS.....	16,404,000	.....	16,404,000
PLANNING AND DEVELOPMENT.....	3,218,000	.....	3,218,000
PRIME MINISTER.....	141,000	.....	141,000
PROVINCIAL AUDITOR.....	341,000	.....	341,000
PROVINCIAL SECRETARY.....	2,332,000	.....	2,332,000
PUBLIC WELFARE.....	29,404,000	.....	29,404,000
PUBLIC WORKS.....	7,190,000	3,000	7,187,000
REFORM INSTITUTIONS.....	10,070,000	2,529,000	7,541,000
TRAVEL AND PUBLICITY.....	1,031,000	.....	1,031,000
TREASURY.....	7,379,000	725,000	6,654,000
STATIONERY ACCOUNT.....	35,000	.....	35,000
	<hr/>	<hr/>	<hr/>
PUBLIC DEBT—Interest, etc.....	\$421,488,000	\$ 4,329,000	\$417,159,000
	41,428,000	15,015,000	26,413,000
	<hr/>	<hr/>	<hr/>
PUBLIC DEBT—Sinking Fund Instalments...	\$462,916,000	\$ 19,344,000	\$443,572,000
	17,729,000	.....	17,729,000
	<hr/>	<hr/>	<hr/>
	<u>\$480,645,000</u>	<u>\$ 19,344,000</u>	<u>\$461,301,000</u>

**INTERIM STATEMENT OF CAPITAL RECEIPTS, ONTARIO**  
**FISCAL YEAR APRIL 1, 1956 TO MARCH 31, 1957**

9 MONTHS' ACTUAL PLUS 3 MONTHS' FORECAST

DEPARTMENT	Gross Capital Receipts	Application of Receipts to Payments	Net Capital Receipts
HIGHWAYS.....	\$ 3,210,000	\$.....	\$ 3,210,000
LABOUR.....	11,000,000	.....	11,000,000
LANDS AND FORESTS.....	312,000	.....	312,000
MINES.....	120,000	.....	120,000
PLANNING AND DEVELOPMENT.....	690,000	.....	690,000
PROVINCIAL SECRETARY.....	10,840,000	.....	10,840,000
PUBLIC WELFARE.....	7,471,000	7,471,000	.....
PUBLIC WORKS.....	92,000	.....	92,000
TREASURY.....	80,678,000	.....	80,678,000
	<u>\$114,413,000</u>	<u>\$ 7,471,000</u>	<u>\$106,942,000</u>

**SUMMARY**

Sale of Lands, Buildings, etc.....	\$ 1,634,000
Repayment of Loans and Advances.....	3,812,000
Special Funds.....	24,529,000
Sinking Fund Instalment.....	17,729,000
Highway Reserve Account.....	57,500,000
Discount on Debentures—written off.....	1,438,000
Reserves.....	300,000
	<u>\$106,942,000</u>

**INTERIM STATEMENT OF CAPITAL PAYMENTS, ONTARIO**  
**FISCAL YEAR APRIL 1, 1956 TO MARCH 31, 1957**

9 MONTHS' ACTUAL PLUS 3 MONTHS' FORECAST

DEPARTMENT	Gross Capital Payments	Application of Receipts to Payments	Net Capital Payments
AGRICULTURE.....	\$ 700,000	\$.....	\$ 700,000
HIGHWAYS.....	75,738,000	.....	75,738,000
Highway Reserve Account.....	58,127,000	.....	58,127,000
Unsatisfied Judgment Fund.....	2,000,000	.....	2,000,000
LABOUR.....	10,500,000	.....	10,500,000
LANDS AND FORESTS.....	382,000	.....	382,000
MINES.....	1,100,000	.....	1,100,000
MUNICIPAL AFFAIRS.....	7,000,000	.....	7,000,000
PLANNING AND DEVELOPMENT			
—realizable assets.....	2,714,000	.....	2,714,000
—conservation works.....	1,500,000	.....	1,500,000
PROVINCIAL SECRETARY.....	3,700,000	.....	3,700,000
PUBLIC WELFARE.....	7,471,000	7,471,000	.....
PUBLIC WORKS.....	31,539,000	.....	31,539,000
Ontario Water Resources Commission.....	25,000	.....	25,000
TREASURY.....	51,201,000	.....	51,201,000
	<u>\$253,697,000</u>	<u>\$ 7,471,000</u>	<u>\$246,226,000</u>

**SUMMARY**

Highways, Public Works, etc.....	\$175,386,000
Loans and Advances.....	54,069,000
Special Funds.....	16,771,000
	<u>\$246,226,000</u>



**SUMMARY OF OPERATIONS**  
**(Ordinary Account plus Net Capital Expenditure on Non-Realizable Assets)**

**APRIL 1, 1956 TO MARCH 31, 1957**

9 MONTHS' ACTUAL PLUS 3 MONTHS' FORECAST

**FUNDS PROVIDED:**

Net Ordinary Revenue.....		\$461,691,000
Capital Receipts—		
Highway Reserve Account:		
Balance from prior years.....	\$38,127,000	
1956-57 Budget Appropriation.....	20,000,000	
	<u>\$58,127,000</u>	
Sale of Lands, Buildings, etc.....	1,634,000	
		<u>59,761,000</u>
Total Funds Provided.....		<u>\$521,452,000</u>

**FUNDS APPLIED:**

Net Ordinary Expenditure (before providing for Sinking Funds).....	\$443,572,000	
Gross Capital Payments for Non-realizable Assets:		
Highways—		
Reserve Account.....	\$58,127,000	
Construction, Subsidies, Land Acquisition, etc.....	75,738,000	
	<u>\$133,865,000</u>	
Logging Roads.....	382,000	
Mining and Access Roads.....	1,100,000	
Rural Power Extension.....	7,000,000	
Conservation Works.....	1,500,000	
Public Works.....	31,539,000	
	<u>\$175,386,000</u>	
Proportion (34.1%) of above Capital Payments to be paid from funds provided.....	59,761,000	
Total Funds Applied.....		<u>503,333,000</u>
Balance (before providing for Sinking Funds).....		<u>\$ 18,119,000</u>
Less: Provision for Sinking Funds.....		<u>17,729,000</u>
Interim Surplus.....		<u>\$ 390,000</u>

# PROVINCE OF ONTARIO NET ORDINARY AND NET CAPITAL REVENUES AND EXPENDITURES FISCAL YEAR 1956-57

TOTAL REVENUES \$ 463.3 MILLION		TOTAL EXPENDITURES \$ 579.9 MILLION	
NET CAPITAL RECEIPTS	\$ 1.6 million 0.4 %		
OTHER REVENUES	\$ 30.4 million 6.6 %		
TIMBER DUES, BONUS ETC.	\$ 13.5 million 2.9 %		
MISCELLANEOUS TAXES	\$ 25.6 million 5.5 %		PUBLIC DEBT - INTEREST AND SINKING FUND INSTALMENTS
SUCCESSION DUTIES	\$ 25.0 million 5.4 %		OTHER DEPARTMENTS
LIQUOR PROFITS & FEES	\$ 54.6 million 11.8 %	\$ 16.1 million 2.8 %	LANDS AND FORESTS
MOTOR VEHICLE LICENSES	\$ 45.0 million 9.7 %	\$ 38.7 million 6.7 %	PUBLIC WORKS
			HEALTH & PUBLIC WELFARE
GASOLINE TAX	\$ 107.0 million 23.1 %		EDUCATION & AGRICULTURE
TAX RENTAL AGREEMENT	\$ 180.6 million 34.6 %		HIGHWAYS
			\$ 203.3 million 35.1 %

**ESTIMATED INCREASE IN THE GROSS CAPITAL DEBT, ONTARIO**  
**FOR THE FISCAL YEAR ENDING MARCH 31, 1957**

Estimated Gross Capital Debt as at March 31, 1957.....	\$1,205,792,574.13
Gross Capital Debt as at March 31, 1956.....	1,072,409,118.83

Estimated Increase in Gross Capital Debt.....	<u>\$ 133,383,455.30</u>
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**GROSS CAPITAL DEBT INCREASED BY:**

Capital Disbursements on Highways, Public Buildings, Works, etc.....	\$176,125,000.00
Less: Capital Receipts.....	\$1,634,000.00
Charged to Highway Reserve Account.....	58,127,000.00
	<u>59,761,000.00</u>
	\$116,364,000.00
Increase in Tile Drainage Loans (net).....	315,000.00
Increase in Investments of The Ontario Junior Farmer Establishment Loan Corporation.....	3,558,000.00
Increase in Co-operative Marketing Loans (net).....	350,000.00
Increase in Advances under The Housing Development Act.....	1,310,000.00
Advances to Ontario Telephone Development Corporation	250,000.00
Discount on Debentures issued during year.....	2,972,400.00
Advance to the Hydro-Electric Power Commission of Ontario—Secured by Bonds.....	50,000,000.00
	<u>\$ 175,119,400.00</u>

**GROSS CAPITAL DEBT DECREASED BY:**

Sinking Fund Provision charged to Ordinary Expenditure	\$ 17,729,000.00
Estimated Surplus on Ordinary Account.....	390,000.00
	<u>\$ 18,119,000.00</u>
Discount on Debentures, written off and assumed.....	1,438,000.00
Repayments of Loans Receivable— The Hydro-Electric Power Commis- sion of Ontario—on unsecured advances.....	\$1,756,000.00
Agricultural Development Board....	775,000.00
Miscellaneous (net).....	175,900.00
	<u>2,706,900.00</u>
Decrease in Investments of Housing Corporation Limited	1,340,000.00
Increase in Reserves (net).....	104,000.00
Decrease in Investments of The Ontario Municipal Im- provement Corporation.....	578,200.00
Transfer of Corporations Tax Reserve to Surplus Account	17,449,844.70
	<u>41,735,944.70</u>
Estimated Increase in Gross Capital Debt.....	<u>\$ 133,383,455.30</u>

**ESTIMATED INCREASE IN THE NET CAPITAL DEBT, ONTARIO  
FOR THE FISCAL YEAR ENDING MARCH 31, 1957**

Estimated as at March 31, 1957:

Estimated Gross Capital Debt.....	\$1,205,792,574.13	
Less: Estimated Revenue-Producing and Realizable Assets.....	419,004,373.42	
Estimated Net Capital Debt.....		\$786,788,200.71

As at March 31, 1956:

Gross Capital Debt.....	\$1,072,409,118.83	
Less: Revenue-Producing and Realizable Assets.....	367,102,973.42	
Net Capital Debt.....		705,306,145.41

Estimated Increase in Net Capital Debt.....		<u>\$ 81,482,055.30</u>
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NET CAPITAL DEBT INCREASED BY:

Capital Disbursements on Highways, Public Buildings, Works, etc.....	\$ 175,386,000.00	
Less: Capital Receipts.....	\$1,634,000.00	
Charged to Highway Reserve Account.....	58,127,000.00	
	<u>59,761,000.00</u>	
		\$115,625,000.00
Discount paid on Debentures issued during year.....		2,972,400.00
		<u>\$118,597,400.00</u>

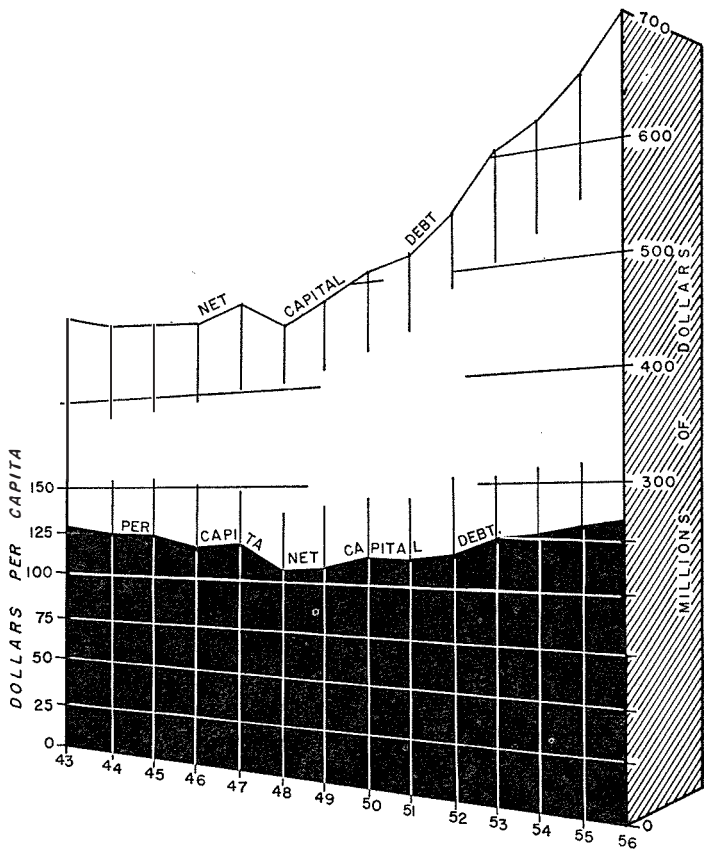
NET CAPITAL DEBT DECREASED BY:

Sinking Fund Provision charged to Ordinary Expenditure.....	\$ 17,729,000.00	
Surplus on Ordinary Account.....	390,000.00	
	<u>\$ 18,119,000.00</u>	
Discount on Debentures, written off or assumed.....	1,438,000.00	
Increase in Reserves.....	104,000.00	
Miscellaneous Decreases.....	4,500.00	
Transfer of Corporations Tax Reserve to Surplus Account.....	17,449,844.70	
		<u>37,115,344.70</u>

Estimated Increase in Net Capital Debt.....		<u>\$ 81,482,055.30</u>
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PROVINCE OF ONTARIO  
NET DEBT  
AND  
PER CAPITA NET DEBT\*

MARCH 31, 1943 TO MARCH 31, 1956



\* THE PER CAPITA AMOUNTS HAVE BEEN CALCULATED BY USING ONTARIO'S POPULATION ESTIMATES AS AT MARCH 31, TO COINCIDE WITH NET DEBT AT THE PROVINCE'S FISCAL YEAR END.

**ESTIMATED INCREASE IN THE FUNDED DEBT, ONTARIO  
FOR THE FISCAL YEAR ENDING MARCH 31, 1957**

Estimated as at March 31, 1957 (after deducting Sinking Funds).....	\$1,009,869,500.00
As at March 31, 1956 (after deducting Sinking Funds).....	855,771,500.00

Estimated Increase in Funded Debt.....	\$ 154,098,000.00
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**FUNDED DEBT INCREASED BY:**

Debentures Issued:

Series "TI"—4½%, due November 1, 1962*.....	\$ 12,000,000.00
Series "CH"—4½%, due December 1, 1963.....	18,000,000.00
Series "CG"—4¼%, due May 15, 1974.....	60,000,000.00
Series "CJ"—4½%, due December 1, 1976.....	32,000,000.00
Series "CE"—3⅞%, due May 15, 1981.....	50,000,000.00

\$172,000,000.00

Deduct: Provision for Sinking Funds .. \$17,729,000.00

Less: Debentures retired from

Sinking Funds..... 7,381,000.00

10,348,000.00

\$ 161,652,000.00

**FUNDED DEBT DECREASED BY:**

Redemption of Debentures:

On Maturity.....	\$ 7,381,000.00
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Prior to Maturity.....	173,000.00
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7,554,000.00

Estimated Increase in Funded Debt.....	\$ 154,098,000.00
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\*Issued under The Teachers' Superannuation Act.

**ESTIMATED INCREASE IN CONTINGENT LIABILITIES, ONTARIO  
FOR THE FISCAL YEAR ENDING MARCH 31, 1957**

Estimated as at March 31, 1957.....	\$1,125,579,107.32
As at March 31, 1956.....	1,001,724,107.32

Estimated Increase in Contingent Liabilities.....	\$ 123,855,000.00
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**CONTINGENT LIABILITIES INCREASED BY:**

New guarantees or increases in existing guarantees during the fiscal year ending March 31, 1957—

Hydro-Electric Power Commission of Ontario.....	\$140,000,000.00
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Co-operative Associations.....	382,000.00
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\$ 140,382,000.00

**CONTINGENT LIABILITIES DECREASED BY:**

Principal Maturities redeemed or to be redeemed, including redemptions prior to maturity, during the fiscal year ending March 31, 1957—

Hydro-Electric Power Commission of Ontario.....	\$ 14,585,000.00
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Ontario Northland Transportation Commission ...	1,217,000.00
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Niagara Parks Commission.....	600,000.00
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Co-operative Associations.....	83,000.00
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Schools.....	37,000.00
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Universities.....	3,000.00
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Municipalities.....	2,000.00
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16,527,000.00

Estimated Increase in Contingent Liabilities.....	\$ 123,855,000.00
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**BUDGET FORECAST OF ORDINARY REVENUE, ONTARIO**  
**FISCAL YEAR APRIL 1, 1957 TO MARCH 31, 1958**

DEPARTMENT	Gross Ordinary Revenue	Application of Revenue to Expenditure	Net Ordinary Revenue
AGRICULTURE.....	\$ 1,111,000	\$.....	\$ 1,111,000
ATTORNEY-GENERAL.....	5,847,000	761,000	5,086,000
EDUCATION.....	1,895,000	395,000	1,500,000
HEALTH.....	4,854,000	501,000	4,353,000
HIGHWAYS:			
Main Office.....	400,000	.....	400,000
Motor Vehicles Branch.....	47,200,000	.....	47,200,000
Total for Highways.....	\$ 47,600,000	\$ .....	\$ 47,600,000
INSURANCE.....	\$ 438,000	\$.....	\$ 438,000
LABOUR.....	640,000	28,000	612,000
LANDS AND FORESTS.....	22,630,000	.....	22,630,000
MINES.....	17,591,000	20,000	17,571,000
MUNICIPAL AFFAIRS.....	332,000	.....	332,000
PROVINCIAL SECRETARY.....	2,081,000	.....	2,081,000
PUBLIC WORKS.....	195,000	3,000	192,000
REFORM INSTITUTIONS.....	3,406,000	2,787,000	619,000
TRAVEL AND PUBLICITY.....	26,000	.....	26,000
TREASURY:			
Main Office—Subsidy.....	3,641,000	.....	3,641,000
Interest.....	71,000	.....	71,000
Ontario Racing Commission.....	87,000	.....	87,000
Ontario Fuel Board.....	235,000	.....	235,000
Liquor Control Board—Profits.....	65,000,000	.....	65,000,000
Transfer Fees.....	600,000	.....	600,000
Province of Ontario Savings Office.....	740,000	740,000	.....
Provincial share of taxes collected from privately-owned corporations operating public utilities.....	1,000,000	.....	1,000,000
Comptroller of Revenue:			
Tax Rental Agreement.....	63,000,000	.....	63,000,000
Corporations Tax.....	160,000,000	.....	160,000,000
Gasoline Tax.....	131,000,000	.....	131,000,000
Motor Vehicle Fuel Tax.....	3,000,000	.....	3,000,000
Hospitals Tax.....	4,200,000	.....	4,200,000
Succession Duty.....	23,000,000	.....	23,000,000
Race Tracks Tax.....	4,500,000	.....	4,500,000
Security Transfer Tax.....	4,000,000	.....	4,000,000
Land Transfer Tax.....	3,600,000	.....	3,600,000
Law Stamps.....	1,000,000	.....	1,000,000
Logging Tax.....	2,000,000	.....	2,000,000
Theatres.....	270,000	.....	270,000
Total for Treasury.....	\$470,944,000	\$ 740,000	\$470,204,000
	\$579,590,000	\$ 5,235,000	\$574,355,000
PUBLIC DEBT—Interest, etc.....	14,433,000	14,433,000	.....
	<u>\$594,023,000</u>	<u>\$19,668,000</u>	<u>\$574,355,000</u>



**BUDGET FORECAST OF ORDINARY EXPENDITURE, ONTARIO**  
**FISCAL YEAR APRIL 1, 1957 TO MARCH 31, 1958**

DEPARTMENT	Gross Ordinary Expenditure	Application of Revenue to Expenditure	Net Ordinary Expenditure
AGRICULTURE.....	\$ 12,445,000	\$.....	\$ 12,445,000
ATTORNEY-GENERAL.....	17,975,000	761,000	17,214,000
ECONOMICS.....	257,000	.....	257,000
EDUCATION.....	139,906,000	395,000	139,511,000
HEALTH.....	60,747,000	501,000	60,246,000
HIGHWAYS.....	93,646,000	.....	93,646,000
INSURANCE.....	311,000	.....	311,000
LABOUR.....	2,353,000	28,000	2,325,000
LANDS AND FORESTS.....	19,688,000	.....	19,688,000
LIEUTENANT-GOVERNOR.....	20,000	.....	20,000
MINES.....	1,562,000	20,000	1,542,000
MUNICIPAL AFFAIRS.....	25,144,000	.....	25,144,000
PLANNING AND DEVELOPMENT.....	3,210,000	.....	3,210,000
PRIME MINISTER.....	132,000	.....	132,000
PROVINCIAL AUDITOR.....	390,000	.....	390,000
PROVINCIAL SECRETARY.....	2,454,000	.....	2,454,000
PUBLIC WELFARE.....	34,522,000	.....	34,522,000
PUBLIC WORKS.....	10,271,000	3,000	10,268,000
REFORM INSTITUTIONS.....	12,041,000	2,787,000	9,254,000
TRAVEL AND PUBLICITY.....	1,185,000	.....	1,185,000
TREASURY.....	8,090,000	740,000	7,350,000
	<u>\$446,349,000</u>	<u>\$ 5,235,000</u>	<u>\$441,114,000</u>
PUBLIC DEBT—Interest, etc.....	46,785,000	14,433,000	32,352,000
	<u>\$493,134,000</u>	<u>\$19,668,000</u>	<u>\$473,466,000</u>
PUBLIC DEBT—Sinking Fund Instalments...	17,833,000	.....	17,833,000
	<u>\$510,967,000</u>	<u>\$19,668,000</u>	<u>\$491,299,000</u>

**BUDGET FORECAST OF CAPITAL RECEIPTS, ONTARIO**  
**FISCAL YEAR APRIL 1, 1957 TO MARCH 31, 1958**

DEPARTMENT	Gross Capital Receipts	Application of Receipts to Payments	Net Capital Receipts
HIGHWAYS.....	\$ 2,950,000	\$.....	\$ 2,950,000
LABOUR.....	10,500,000	.....	10,500,000
LANDS AND FORESTS.....	400,000	.....	400,000
MINES.....	100,000	.....	100,000
PLANNING AND DEVELOPMENT.....	815,000	.....	815,000
PROVINCIAL SECRETARY.....	13,200,000	.....	13,200,000
PUBLIC WELFARE.....	8,005,000	8,005,000	.....
TREASURY.....	45,657,000	.....	45,657,000
	<u>\$81,627,000</u>	<u>\$8,005,000</u>	<u>\$73,622,000</u>

**SUMMARY**

Sale of Lands, Buildings, etc.....	\$ 1,250,000
Repayment of Loans and Advances.....	7,505,000
Special Funds.....	26,284,000
Sinking Fund Instalment.....	17,833,000
Highway Reserve Account.....	20,000,000
Discount on Debentures written off.....	750,000
	<u>\$73,622,000</u>

**BUDGET FORECAST OF CAPITAL PAYMENTS, ONTARIO**  
**FISCAL YEAR APRIL 1, 1957 TO MARCH 31, 1958**

DEPARTMENT	Gross Capital Payments	Application of Receipts to Payments	Net Capital Payments
AGRICULTURE.....	\$ 950,000	\$.....	\$ 950,000
HIGHWAYS.....	100,969,000	.....	100,969,000
Highway Reserve Account.....	57,500,000	.....	57,500,000
Unsatisfied Judgment Fund.....	2,200,000	.....	2,200,000
LABOUR.....	10,500,000	.....	10,500,000
LANDS AND FORESTS.....	300,000	.....	300,000
MINES.....	1,000,000	.....	1,000,000
MUNICIPAL AFFAIRS.....	8,700,000	.....	8,700,000
PLANNING AND DEVELOPMENT			
—realizable assets.....	9,400,000	.....	9,400,000
—conservation works.....	4,175,000	.....	4,175,000
PROVINCIAL SECRETARY.....	4,350,000	.....	4,350,000
PUBLIC WELFARE.....	8,005,000	8,005,000	.....
PUBLIC WORKS.....	45,890,000	.....	45,890,000
Ontario Water Resources Comm.....	15,000,000	.....	15,000,000
TREASURY.....	39,949,000	.....	39,949,000
	<u>\$308,888,000</u>	<u>\$8,005,000</u>	<u>\$300,883,000</u>

**SUMMARY**

Non-realizable Assets—Highways, Public Works, etc.....	\$218,534,000
Loans and Advances.....	64,850,000
Special Funds.....	17,499,000
	<u>\$300,883,000</u>

**SUMMARY OF OPERATIONS**  
**(Ordinary Account plus Net Capital Expenditure on Non-Realizable Assets)**

**APRIL 1, 1957 TO MARCH 31, 1958**

**FUNDS PROVIDED:**

Net Ordinary Revenue.....		\$574,355,000
Capital Receipts—		
Highway Reserve Account—		
Balance from prior years.....	\$37,500,000	
1957-58 Appropriation .....	20,000,000	
	\$57,500,000	
Sale of Lands, Buildings, etc.....	1,250,000	
		58,750,000
Total Funds Provided.....		\$633,105,000

**FUNDS APPLIED:**

Net Ordinary Expenditure (before providing for Sinking Funds).....	\$473,466,000	
Gross Capital Payments for Non-realizable Assets:		
Highways—		
Reserve Account.....	\$ 57,500,000	
Construction, Subsidies, Land Acquisition, etc .....	100,969,000	
	\$158,469,000	
Logging Roads.....	300,000	
Mining and Access Roads.....	1,000,000	
Rural Power Extension.....	8,700,000	
Conservation Works.....	4,175,000	
Public Works.....	45,890,000	
	\$218,534,000	
Proportion (64.6%) of above Capital Payments to be paid from funds provided.....	141,250,000	
Total Funds Applied.....		614,716,000
Balance (before providing for Sinking Funds).....		\$ 18,389,000
Less: Provision for Sinking Funds.....		17,833,000
Forecast Surplus.....		\$ 556,000

# ONTARIO'S INVESTMENT IN PHYSICAL ASSETS AND HUMAN BETTERMENT, FISCAL YEARS 1943-44 TO 1956-57

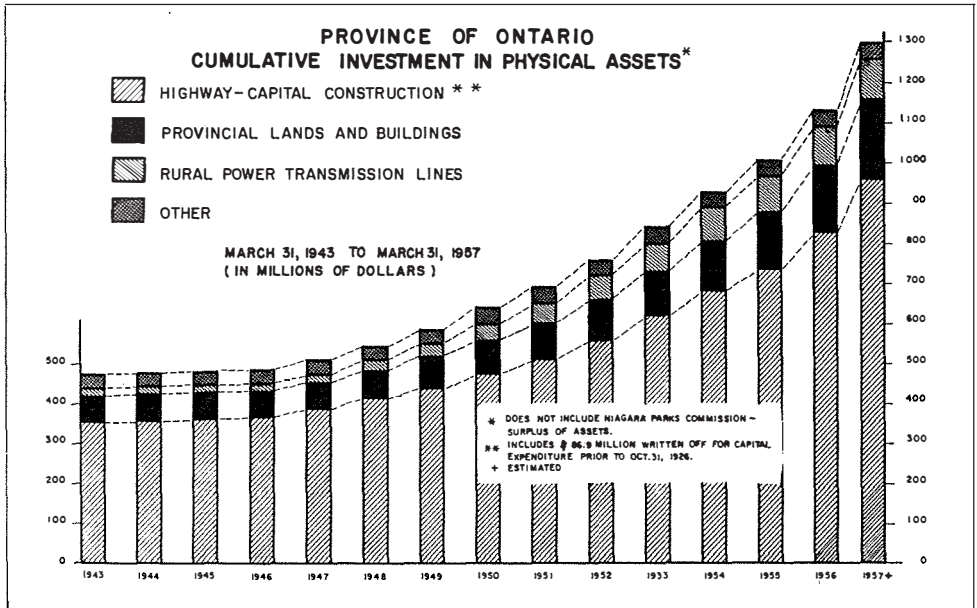
## PHYSICAL ASSETS

	Estimated 1956-57	Estimated Fourteen Year Total 1943-44 to 1956-57
Highways.....	\$134,215,000*	\$600,913,278*
Provincial Lands and Buildings.....	30,908,000	133,472,479
Rural Power Lines.....	7,000,000	86,096,414
Miscellaneous.....	1,629,000	7,673,127
	<u>\$173,752,000*</u>	<u>\$828,155,298*</u>

\*Including expenditure from Highway Reserve Account.

## HUMAN BETTERMENT

	Estimated 1956-57	Estimated Fourteen Year Total 1943-44 to 1956-57
Education.....	\$107,719,000	\$ 823,057,743
Health.....	63,694,000	481,847,407
Public Welfare.....	29,404,000	273,019,298
	<u>\$200,817,000</u>	<u>\$1,577,924,448</u>



### SPECIAL GRANTS TO HOSPITALS

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 of December 31, 1956, and will be for rehabilitation of facilities and for other capital purposes. Interim calculations of this special grant 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 . . . . .	196	39,200
Blind River	St. Joseph's General Hospital . . . . .	55	11,000
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 . . . . .	159	31,800
Brockville	Brockville General Hospital . . . . .	161	32,200
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 . . . . .	65	13,000
Carleton Place	Carleton Place and District Memorial Hospital	30	6,000
Chapleau	Lady Minto Hospital . . . . .	51	10,200
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 . . . . .	40	8,000
Cobourg	Cobourg General Hospital . . . . .	38	7,600
Cobourg	Illahee Lodge . . . . .	32	6,400
Cochenour	Margaret Cochenour Memorial Hospital . . . .	13	2,600
Cochrane	Lady Minto Hospital . . . . .	70	14,000
Collingwood	Blue Mountain Camp Hospital . . . . .	70	14,000
Collingwood	General and Marine Hospital . . . . .	86	17,200
Cornwall	Cornwall General Hospital . . . . .	190	38,000
Cornwall	Hotel Dieu Hospital . . . . .	243	48,600
Cornwall	Macdonell Memorial Hospital . . . . .	46	9,200

HOSPITAL		No. of Beds	Amount
Dryden	Dryden District General Hospital.....	53	\$ 10,600
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.....	395	79,000
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.....	89	17,800
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.....	48	9,600
Hawkesbury	Notre-Dame Hospital.....	32	6,400
Hawkesbury	St. Cœur-de-Marie Hospital.....	39	7,800
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.....	42	8,400
Kenora	Kenora General Hospital.....	59	11,800
Kenora	St. Joseph's Hospital.....	49	9,800
Kincardine	Kincardine General Hospital.....	44	8,800
Kingston	Hotel Dieu Hospital.....	288	57,600
Kingston	Kingston General Hospital.....	470	94,000
Kingston	St. Mary's-of-the-Lake Hospital.....	206	41,200
Kirkland Lake	Kirkland and District Hospital.....	103	20,600
Kitchener	St. Mary's Hospital.....	122	24,400
Kitchener	Kitchener-Waterloo Hospital.....	439	87,800
Komoka	Woodenden Convalescent Hospital.....	82	16,400
Leamington	Leamington and District Memorial Hospital	51	10,200
Lindsay	The Ross Memorial.....	60	12,000
Lion's Head	Red Cross Outpost Hospital.....	5	1,000

	HOSPITAL	No. of Beds	Amount
Listowel	Memorial Hospital.....	38	\$ 7,600
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.....	805	161,000
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.....	105	21,000
Minden	Red Cross Outpost Hospital.....	8	1,600
Mindemoya	Red Cross Outpost Hospital.....	16	3,200
Mount Forest	Louise Marshall Hospital.....	31	6,200
Nakina	Red Cross Outpost Hospital.....	7	1,400
New Liskeard	New Liskeard and District Hospital.....	40	8,000
Newmarket	The York County Hospital.....	113	22,600
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.....	157	31,400
Orangeville	Dufferin Area Hospital.....	89	17,800
Orillia	Orillia Soldiers' Memorial Hospital.....	112	22,400
Oshawa	Oshawa General Hospital.....	281	56,200
Ottawa	Ottawa Civic Hospital.....	807	161,400
Ottawa	Ottawa General Hospital.....	614	122,800
Ottawa	The Perley Home for Incurables.....	218	43,600
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.....	85	17,000
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



	HOSPITAL	No. of Beds	Amount
Perth	Merrywood-on-the-Rideau Hospital.....	62	\$12,400
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.....	369	73,800
St. Mary's	St. Mary's 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
Scarborough	Scarborough General Hospital.....	184	36,800
Seaforth	Scott Memorial Hospital.....	39	7,800
Sesekinika	Northwood Convalescent Hospital.....	42	8,400
Shelburne	Shelburne and District Hospital.....	16	3,200
Simcoe	Norfolk General Hospital.....	102	20,400
Sioux Lookout	Sioux Lookout General Hospital.....	42	8,400
Smiths Falls	St. Francis General Hospital.....	76	15,200
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.....	287	57,400

	HOSPITAL	No. of Beds	Amount
Sudbury	Sudbury Memorial Hospital.....	248	\$49,600
Thessalon	Red Cross Outpost Hospital.....	14	2,800
Tillsonburg	Tillsonburg District Memorial Hospital....	100	20,000
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.....	300	60,000
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.....	42	8,400
Toronto	Hospital for Sick Children.....	647	129,400
Toronto	The New Mount Sinai Hospital.....	373	74,600
Toronto	The Queen Elizabeth Hospital for Incurables	519	103,800
Toronto	Queensway General Hospital.....	131	26,200
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.....	279	55,800
Trenton	Trenton Memorial Hospital.....	68	13,600
Wainfleet	Lakewood Convalescent Hospital.....	66	13,200
Walkerton	County of Bruce General Hospital.....	34	6,800
Wallaceburg	Sydenham District Hospital.....	75	15,000
Welland	Welland County General Hospital.....	124	24,800
Weston	Humber Memorial Hospital.....	118	23,600
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.....	349	69,800
Windsor	Metropolitan General Hospital.....	316	63,200
Windsor	The Salvation Army Grace Hospital.....	176	35,200
Wingham	Wingham General Hospital.....	91	18,200
Woodstock	Woodstock General Hospital.....	154	30,800

## GRANT TO ASSIST THE TRAINING OF NURSES

This year, the Government is providing a grant to assist hospitals to finance the cost of the training and instruction of student nurses. This grant is being paid on the basis of \$300 for each student nurse enrolled in an approved school of nursing on January 1st, 1957.

	HOSPITAL	No. of Student Nurses	Amount
Barrie	Royal Victoria Hospital of Barrie. . . . .	78	\$23,400
Belleville	Belleville General Hospital. . . . .	62	18,600
Brantford	Brantford General Hospital. . . . .	83	24,900
Brockville	Brockville General Hospital. . . . .	54	16,200
Chatham	Public General Hospital. . . . .	72	21,600
Chatham	St. Joseph's Hospital. . . . .	64	19,200
Cornwall	Cornwall General Hospital. . . . .	51	15,300
Cornwall	Hotel Dieu Hospital. . . . .	65	19,500
Fort William	McKellar General Hospital. . . . .	78	23,400
Galt	South Waterloo Memorial Hospital. . . . .	44	13,200
Guelph	Guelph General Hospital. . . . .	80	24,000
Guelph	St. Joseph's Hospital. . . . .	84	25,200
Hamilton	Hamilton General Hospital. . . . .	304	91,200
Hamilton	St. Joseph's Hospital. . . . .	204	61,200
Kingston	Hotel Dieu Hospital. . . . .	136	40,800
Kingston	Kingston General Hospital. . . . .	197	59,100
Kitchener	Kitchener-Waterloo Hospital. . . . .	61	18,300
Kitchener	St. Mary's Hospital. . . . .	92	27,600
London	St. Joseph's Hospital. . . . .	213	63,900
London	Victoria Hospital. . . . .	267	80,100
Niagara Falls	The Greater Niagara General Hospital. . . . .	46	13,800
North Bay	St. Joseph's General Hospital. . . . .	56	16,800
Orillia	Orillia Soldiers' Memorial Hospital. . . . .	33	9,900
Oshawa	Oshawa General Hospital. . . . .	58	17,400
Ottawa	Ottawa Civic Hospital. . . . .	304	91,200
Ottawa	Ottawa General Hospital. . . . .	107	32,100
Ottawa	Hospital St. Louis Marie de Montfort. . . . .	14	4,200
Owen Sound	General and Marine Hospital. . . . .	43	12,900
Pembroke	General Hospital. . . . .	32	9,600
Peterborough	The Peterborough Civic Hospital. . . . .	111	33,300
Peterborough	St. Joseph's Hospital. . . . .	57	17,100
Port Arthur	The General Hospital of Port Arthur. . . . .	51	15,300
Port Arthur	St. Joseph's General Hospital. . . . .	54	16,200
Renfrew	Victoria Hospital. . . . .	34	10,200

	HOSPITAL	No. of Student Nurses	Amount
St. Catharines	The St. Catharines General Hospital.....	121	\$36,300
St. Thomas	St. Thomas-Elgin General Hospital.....	92	27,600
Sarnia	Sarnia General Hospital.....	63	18,900
Sault Ste. Marie	The General Hospital.....	35	10,500
Sault Ste. Marie	Plummer Memorial Public Hospital.....	38	11,400
Stratford	Stratford General Hospital.....	68	20,400
Sudbury	Sudbury General Hospital.....	93	27,900
Sudbury	St. Joseph's Hospital.....	59	17,700
Timmins	St. Mary's Hospital.....	30	9,000
Toronto	Hospital for Sick Children.....	174	52,200
Toronto	St. Joseph's Hospital.....	184	55,200
Toronto	St. Michael's Hospital.....	320	96,000
Toronto	Toronto East General and Orthopaedic Hos- pital.....	182	54,600
Toronto	Toronto General Hospital.....	451	135,300
Toronto	Toronto Western Hospital.....	252	75,600
Toronto	Women's College Hospital.....	104	31,200
Windsor	Hotel Dieu of St. Joseph's Hospital.....	149	44,700
Windsor	Metropolitan General Hospital.....	70	21,000
Windsor	The Salvation Army Grace Hospital.....	128	38,400
Woodstock	Woodstock General Hospital.....	43	12,900

## ONTARIO'S PROGRAM OF ASSISTANCE TO PUBLIC AND T.B. HOSPITALS

In the period from April 1, 1947, when the present method of paying grants on the basis of the number of new beds being provided was introduced, to the end of 1956, the Government has approved capital grants for public hospital and sanatoria beds amounting to \$47.7 million, of which \$43.6 million has been paid.

In addition to the above grants, the Government introduced, in 1953, special grants for hospital rehabilitation purposes. Total Government payments under this scheme to the beginning of 1957 amount to \$26.2 million.

Total Government payments between April 1, 1947 and April 1, 1957 to public hospitals and sanatoria in the form of capital grants and special grants of a capital nature amount to \$78 million.

In this 10 year period, Government payments by maintenance grants, etc., to public hospitals and sanatoria amount to \$139 million, making a total expenditure on ordinary and capital account of no less than \$217 million.

The two tables below show the sharp rise in expenditures since 1947.

### PROVINCIAL ASSISTANCE TO PUBLIC HOSPITALS FISCAL YEARS 1947-48 TO 1957-58

Year	Maintenance Grants, etc.	Capital and Special Grants	Total
1947-48.....	\$ 2,200,000	\$ 1,037,000	\$ 3,237,000
1948-49.....	6,291,000	2,187,000	8,478,000
1949-50.....	7,077,000	2,253,000	9,330,000
1950-51.....	7,841,000	2,163,000	10,004,000
1951-52.....	8,209,000	9,000,000	17,209,000
1952-53.....	9,268,000	14,382,000	23,650,000
1953-54.....	9,352,000	11,142,000	20,494,000
1954-55.....	9,618,000	13,007,000	22,625,000
1955-56.....	11,183,000	10,722,000	21,905,000
1956-57 (estimated).....	12,831,000	9,900,000	22,731,000
1957-58 (estimated).....	11,830,000	3,100,000*	14,930,000*

\*Special grants, if any, are excluded.

### PROVINCIAL ASSISTANCE TO T.B. SANATORIA FISCAL YEARS 1947-48 TO 1957-58

Year	Ordinary Account	Capital Account	Total
1947-48.....	\$3,988,000	\$ .....	\$3,988,000
1948-49.....	4,083,000	.....	4,083,000
1949-50.....	6,085,000	308,000	6,393,000
1950-51.....	5,337,000	329,000	5,666,000
1951-52.....	5,454,000	586,000	6,040,000
1952-53.....	5,664,000	339,000	6,003,000
1953-54.....	6,150,000	388,000	6,538,000
1954-55.....	6,318,000	81,000	6,399,000
1955-56.....	5,928,000	33,000	5,961,000
1956-57 (estimated).....	5,900,000	.....	5,900,000
1957-58 (estimated).....	6,000,000	.....	6,000,000

As a result of the large scale government assistance to public hospitals, there has been a substantial increase not only in the overall number of beds but also in the number of beds per 1,000 population. This is all the more noteworthy in view of the large increase in the population of Ontario since the war. The total number of public general hospital beds has increased from 14,427 in 1947 to 23,438 in 1956 or from 3.5 to 4.3 beds per 1,000 population. The total number of public hospital beds (comprising active treatment, convalescent, chronic, psychiatric and detention beds) has increased from 16,378 in 1947 to 28,741 in 1956 and now stands at 5.3 beds per 1,000, 35 per cent more than the figure in 1947.

The number of tuberculosis beds has increased from 3,642 in 1947 to 4,204 in 1956. No increase in bed requirements is anticipated so that no new construction is planned.

The following table shows the increase in bed capacity in public hospitals since the introduction of the provincial grants program.

**INCREASE IN BED CAPACITY, ONTARIO PUBLIC AND T.B. HOSPITALS,  
BETWEEN 1946 AND 1956.**

	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
Add—Total beds approved for capital grants.....	15,262	857	2,922	715	413	34	20,203
Less—Beds lost, due to obsolescence, alterations, reclassification, etc.....	3,926	228	295	153	0	0	4,602
Less—Beds approved, but still under construction, or not started.....	2,325	22	197	0	124	8	2,676
EXISTING BEDS, Dec. 31, 1956...	23,438	915	4,073	4,204	289	26	32,945
Add—Under construction, Dec. 31, 1956.....	1,757	22	137	0	84	4	2,004
Add—Approved, but not started.....	568	0	60	0	40	4	672
Add—In planning stage, not approved.....	1,226	0	50	0	30	6	1,312
Less—Beds in incomplete projects to be abandoned..	397	0	16	0	0	0	413
Total beds to be available....	<u>26,592</u>	<u>937</u>	<u>4,304</u>	<u>4,204</u>	<u>443</u>	<u>40</u>	<u>36,520</u>
NURSES BEDS:				NURSERY BASSINETS:			
Approved.....	4,339				Approved.....	3,922	
Completed.....	3,711				Completed.....	3,222	
Under construction...	<u>628</u>				Under construction...	<u>700</u>	

The Ontario Government has authorized since 1947 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

Accommodation for out-patient  
and auxiliary services, and for  
training and instruction in nur-  
sing \$ 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.



## ONTARIO'S EXPENDITURES ON MENTAL HOSPITALS

Provincial expenditures on mental hospitals in the 10 year period 1947-48 to 1956-57 amount to \$170 million for ordinary expenditures and \$59 million for capital expenditures.

The table below shows the sharp rise in expenditures since 1947.

### PROVINCIAL EXPENDITURES ON MENTAL HOSPITALS FISCAL YEARS 1947-48 TO 1957-58

Year	Ordinary Expenditures	Capital Expenditures*	Total
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 . . . . .	23,406,000	11,705,000	35,111,000
1956-57 (estimated) . . . . .	26,613,000	13,500,000	40,113,000
1957-58 (estimated) . . . . .	30,418,000	17,500,000	47,918,000

\*Includes Federal grants.

On December 31, 1956, there were 20,474 beds in use as compared with 15,453 on December 31, 1946. The increase in the number of beds in use in this ten year period was 5,021. The number of beds lost was 75. At the beginning of this year, the number of beds under construction was 2,110 and the number of beds in an advanced planning stage came to 2,824.

## ONTARIO'S HIGHWAY EXPENDITURE, FISCAL YEARS 1956-57 AND 1957-58

CAPITAL EXPENDITURE	Estimated Expenditure (9 months' actual and 3 months' forecast) 1956-57	Allocation of Proposed Appropriation for 1957-58
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 and structures on various roads in all districts.	\$ 22,372,000	\$ 16,865,000
2. Central Southern Ontario Districts. . . . . Hamilton, Toronto and Port Hope—including granular base, hot mix paving, structures and service roads on the Queen Elizabeth Way; grading, culverts and structures on Highways 400 and 401; continuation of the Burlington Skyway; as well as grading, culverts, granular base, hot mix paving and structures on various roads in all districts.	24,985,000	30,589,000
3. South Eastern Ontario Districts. . . . . Kingston, Ottawa and Bancroft—including granular base, hot mix paving and structures on Highway 401; and grading, culverts, granular base, hot mix paving and structures on various roads in all districts.	13,795,000	20,553,000
4. North Central and North Eastern Districts. . . . . Huntsville, North Bay, Sudbury, New Liskeard, Cochrane, Sault Ste. Marie and White River— including grading, culverts, granular base, hot mix paving and structures on Trans-Canada Highway in Huntsville and Sault Ste. Marie Districts; continuance of the increased work pro- gram to gap Highway 17 (Trans-Canada Highway) between Marathon and Agawa River; grading, culverts, granular base, hot mix paving and struc- tures on various roads in these districts.	16,742,000	30,705,000
5. North Western Ontario Districts. . . . . Fort William and Kenora—including grading, culverts, granular base, hot mix paving and struc- tures on the Trans-Canada Highway, and similar work on various roads in these districts.	9,805,000	10,019,000
6. Property Purchases. . . . .	16,000,000	16,000,000
7. Surveys, Soils and Testing Laboratory, etc. . . . .	5,301,000	6,003,000
8. Municipal Roads. . . . .	30,365,000	36,735,000
	<u>\$139,365,000</u>	<u>\$167,469,000</u>
Less: Estimated amount recoverable under the Trans- Canada Highway Agreement and the St. Lawrence Seaway Agreement. . . . .	5,500,000	9,000,000
	<u>\$133,865,000</u>	<u>\$158,469,000</u>
9. Mining and Logging Access Roads. . . . .	1,460,000	1,300,000
Total Capital. . . . .	<u><u>\$135,325,000</u></u>	<u><u>\$159,769,000</u></u>

ORDINARY EXPENDITURE	Estimated Expenditure (9 months' actual and 3 months' forecast) 1956-57	Allocation of Proposed Appropriation for 1957-58
Maintenance of King's Highways and Development Roads, and Administration of the Department....	\$ 41,741,000	\$ 46,884,000
Repaving Present Roads.....	5,300,000	3,500,000
Amount Allotted to Municipalities for Maintenance under Municipal Roads Branch.....	20,962,000	23,262,000
Total Ordinary.....	\$ 68,003,000	\$ 73,646,000
Combined Capital and Ordinary.....	\$203,328,000	\$233,415,000
Unallocated Amount in the Highway Reserve Account.	37,500,000	Nil
	<u>\$240,828,000</u>	<u>\$233,415,000</u>

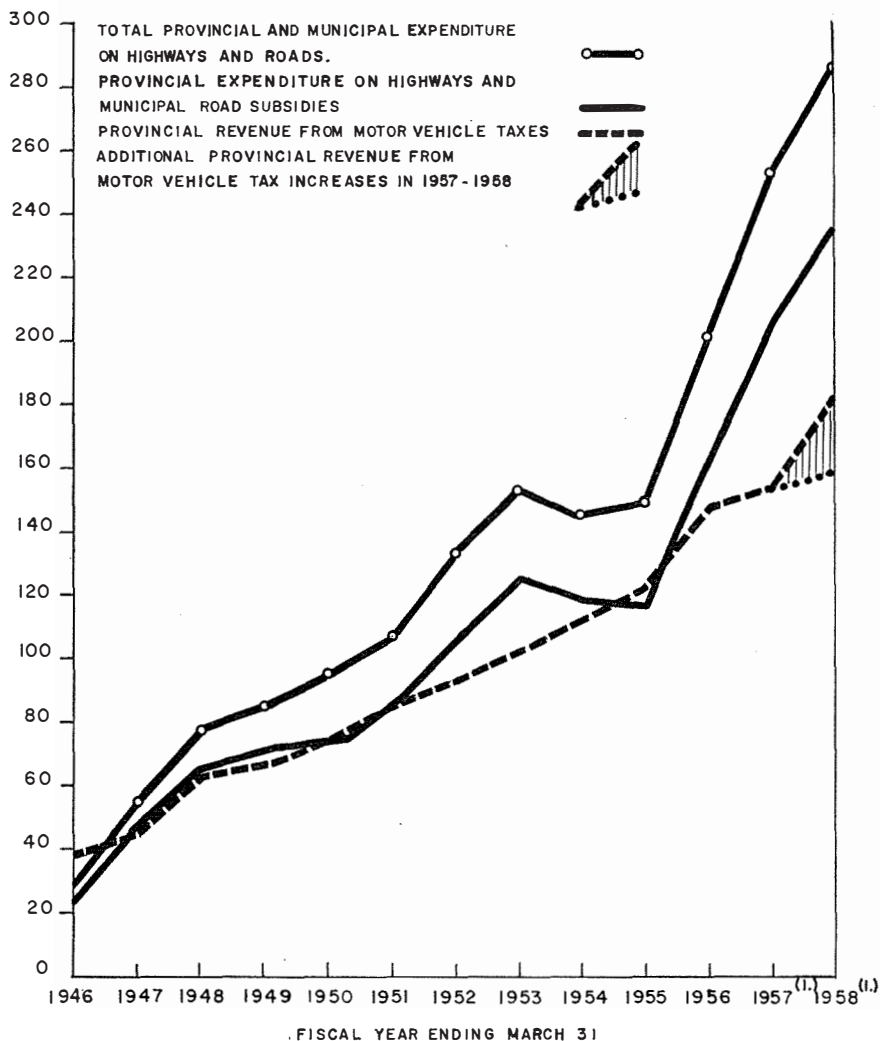
## HIGHWAY RESERVE ACCOUNT

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
Appropriated from Ordinary Account in 1956-57.....	57,500,000
	<u>\$195,000,000</u>
Capital Expenditure in 1953-54.....	\$29,331,195
Capital Expenditure in 1954-55.....	26,937,616
Capital Expenditure in 1955-56.....	43,103,889
Capital Expenditure in 1956-57 (estimated).....	58,127,300
	<u>157,500,000</u>
Estimated Balance at March 31, 1957.....	\$ 37,500,000
Appropriation from Ordinary Account in 1957-58.....	20,000,000
	<u>\$ 57,500,000</u>
Estimated Capital Expenditure in 1957-58.....	57,500,000
Estimated Balance available for future Capital Expenditure.....	<u><u>\$ Nil</u></u>

# COMPARISON OF MOTOR VEHICLE REVENUES & EXPENDITURES ON HIGHWAYS AND ROADS

FISCAL YEARS ENDING MARCH 31, 1946-58<sup>1</sup>

MILLION  
DOLLARS



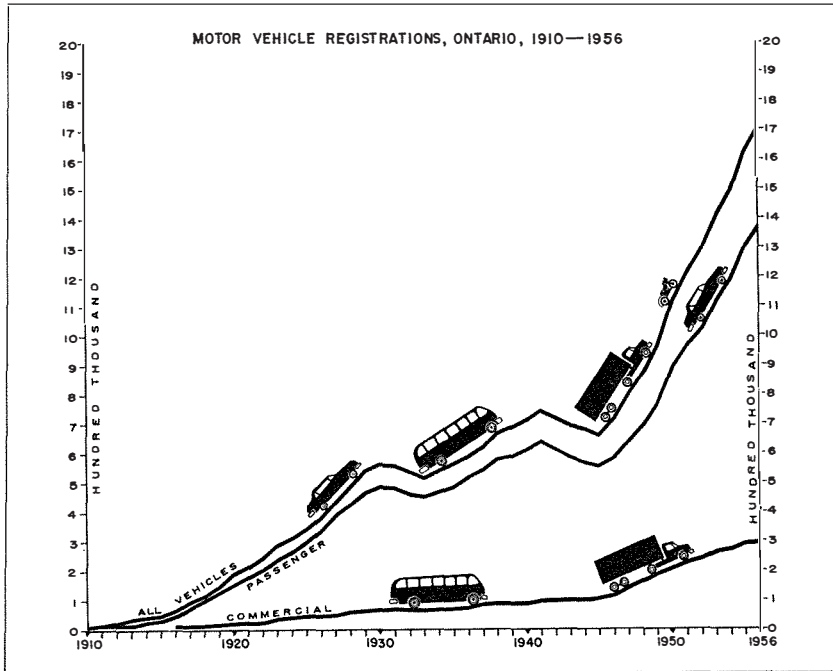
## MOTOR VEHICLE REGISTRATIONS, ONTARIO, SELECTED YEARS 1910-1925, 1930-1956

Year	Passenger	All Commercial	Heavy Commercial	Other	Total
1910.....	4,230	.....	.....	.....	4,230
1915.....	42,346	.....	.....	4,174	46,520
1920.....	155,861	16,204	.....	5,496	177,561
1925.....	303,736	34,690	.....	3,748	342,174
1930.....	490,906	61,690	.....	9,910	562,506
1931.....	489,713	64,256	.....	8,247	562,216
1932.....	462,923	61,347	.....	7,327	531,597
1933.....	453,314	59,760	.....	7,279	520,353
1934.....	470,617	64,436	.....	7,192	542,245
1935.....	489,610	67,590	.....	6,876	564,076
1936.....	514,211	70,693	.....	4,553	589,457
1937.....	541,802	75,687	.....	6,429	623,918
1938.....	580,364	81,642	.....	7,082	669,088
1939.....	593,693	82,206	.....	6,992	682,891
1940.....	610,576	86,038	.....	7,258	703,872
1941.....	636,624	95,022	.....	7,548	739,194
1942.....	611,897	95,836	.....	7,647	715,380
1943.....	586,036	97,717	.....	7,862	691,615
1944.....	568,223	99,612	.....	7,222	675,057
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.....	1,292,133	287,942	31,945	37,778	1,617,853
1956 (estimated) ..	1,364,000	297,000	37,900	47,000	1,708,000

*All Commercial* includes trucks and buses.

*Heavy Commercial* includes trucks, buses and trailers over ten tons.

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



## MINING AND COMMUNITY ACCESS ROADS

The Government's mining and community access road program, begun in 1951, was continued during the fiscal year 1956-57. The purpose of this program is to promote the development of Ontario's mineral resources, assist agriculture, logging operations and tourism, and improve communications between scattered communities.

To date, the Ontario Government has financed entirely or in part the construction or improvement of 39 roads, covering a total distance of about 420 miles. It is now participating in the building or repair of 19 other roads, eight of which—financed wholly by the Province—are nearing completion. By the end of the 1955-56 fiscal year, the Government's total expenditure on these roads was \$3,462,334. It is estimated that a further \$1.1 million will be spent during the current fiscal year.

### Roads Completed in 1956

	Miles
1. Jardun Mines Road . . . .	13.8
*2. Renabie Mines Road . . . .	14.0
*3. Kashabowie Outlet . . . .	0.8
*4. Sothman-Semple Road . . . .	10.8
*5. Bicroft Mine Road (now Secondary Highway) . . . .	3.4

### Roads Currently under Construction

	Miles	
*1. Mattawa-Temiskaming Road . . . .	24.1	80% Complete
*2. Palomar-Foley Road . . . .	12.0	50% Complete
*3. Hornepayne North to Highway 11 . . . .	39.0	35% Complete
*4. Killarney Burwash Road . . . .	42.0	25% Complete
*5. Seagram to Caramat Road . . . .	19.8	70% Complete
*6. Geraldton to Nakina . . . .	31.7	65% Complete
*7. French Lake Road . . . .	0.5	90% Complete
*8. Nym Lake Road . . . .	1.0	80% Complete
*9. Burchell Lake Road . . . .	6.0	90% Complete
*10. Sioux Lookout-Alcona Road . . . .	6.0	Road completed, large bridge over Sturgeon River to be built.
11. Coppercorp Mine Road . . . .	1.5	
12. Consolidated Denison Mine Road . . . .	1.6	
13. Can-Met Mine Road . . . .	10.0	
14. Jardun Mine Road . . . .	0.8	
15. Centre Hill Mine Road . . . .	2.0	
16. Renabie Mine Road . . . .	1.0	
17. McFinley Redlake Mine Road . . . .	4.0	
18. Temagami Mine Road . . . .	12.0	
19. Milnet to Sellwood Road . . . .	5.0	

\*Financed entirely by the Ontario Government.

## CONSERVATION

There are now 291 municipalities, representing a combined area of 12,217 square miles, participating in 20 Conservation Authorities. The Authorities' programs have included 39 complete or partial surveys of highly important watersheds.

The Conestogo Dam on the Grand River was further advanced last year. When completed, this major undertaking will represent a total investment of some \$5.4 million. The dam will be in operation by the spring of 1958 and, together with similar works underway elsewhere in Ontario, will form part of a total investment in flood control of approximately \$16.1 million. Major projects completed to date include the following:

Authority	Scheme	Year Com- pleted	Total Cost	Ontario Grants (Actual payments made to date)	%
Ausable.....	Port Franks	1950	\$ 157,784	\$ 118,341	75
Etobicoke-Mimico.....	Long Branch	1949	155,600	116,764	75
	Brampton	1952	976,600	732,450	75
Grant Commission.....	Shand Dam	1942	2,056,487	771,183	37½
	Luther Marsh Dam	1953	233,806	87,745	37½
Upper Holland.....	Fairey Lake Dam	1955	36,914	13,843	37½
Moir.....	Deloro Dam	1953	55,570	19,358	37½
Upper Thames.....	Fanshawe Dam	1953	4,895,896	1,933,703	37½
	Ingersoll	1950	1,000,000	752,235	75
			<u>\$9,568,657</u>	<u>\$4,545,622</u>	

A rapid expansion of flood control activities followed the increase two years ago in the Province's contribution to "small" flood control projects from 37½ per cent to 50 per cent. A number of these smaller but nonetheless vital flood control works are now being started, notably the Exeter Dam on the Ausable River, the Orangeville Reservoir on the Credit and the dredging operations at the lower end of the Don River. Flood control projects are also underway at Paris and at Guelph, both on the Grand River, and the Second Depot Dam on the Napanee and the Casselman Dam on the South Nation have been started. The Estimates for 1957-58 include \$2.7 million to advance these works.

That part of the future flood control program which is now prepared to the fully planned stage comprises a proposed investment of over \$17 million, and the necessary preliminary planning and research has been carried out for other flood control projects requiring a further investment estimated at some \$48 million. Other conservation works now being considered will require over \$15 million. The full complement of these flood control and similar conservation undertakings, including those already in service or under construction and projects planned for the future, represent a total investment of \$100 million.



The Flood Homes and Buildings Assistance Board, created by the Province in response to the needs of those people who had suffered the tragic hurricane losses of late 1954, had completed the main body of its work by mid-summer of last year. The Board has now been disbanded and the final details of the assistance scheme are being administered by the Conservation Branch of the Department of Planning and Development. The two year program of reconstruction aid and remedial work will have required a total expenditure of \$3 million; the Board made awards for structural damage to homes and other property totalling \$725,000 and the remaining \$2,275,000 was directed to the acquisition of over 530 properties in low-lying areas.

An added feature connected with flood control has been the appointment of a hydrometeorologist to the Department of Planning and Development who is co-ordinating a system of flood forecasting and flood warning for all the rivers in Southern Ontario.

At the last Session, legislation was initiated to control the use of water required for irrigation of Ontario's valuable crop lands. These provisions became effective on February first of this year. The tobacco-growing sections of the Province will be particularly benefited by this vital conservation work when the measures become fully operative.

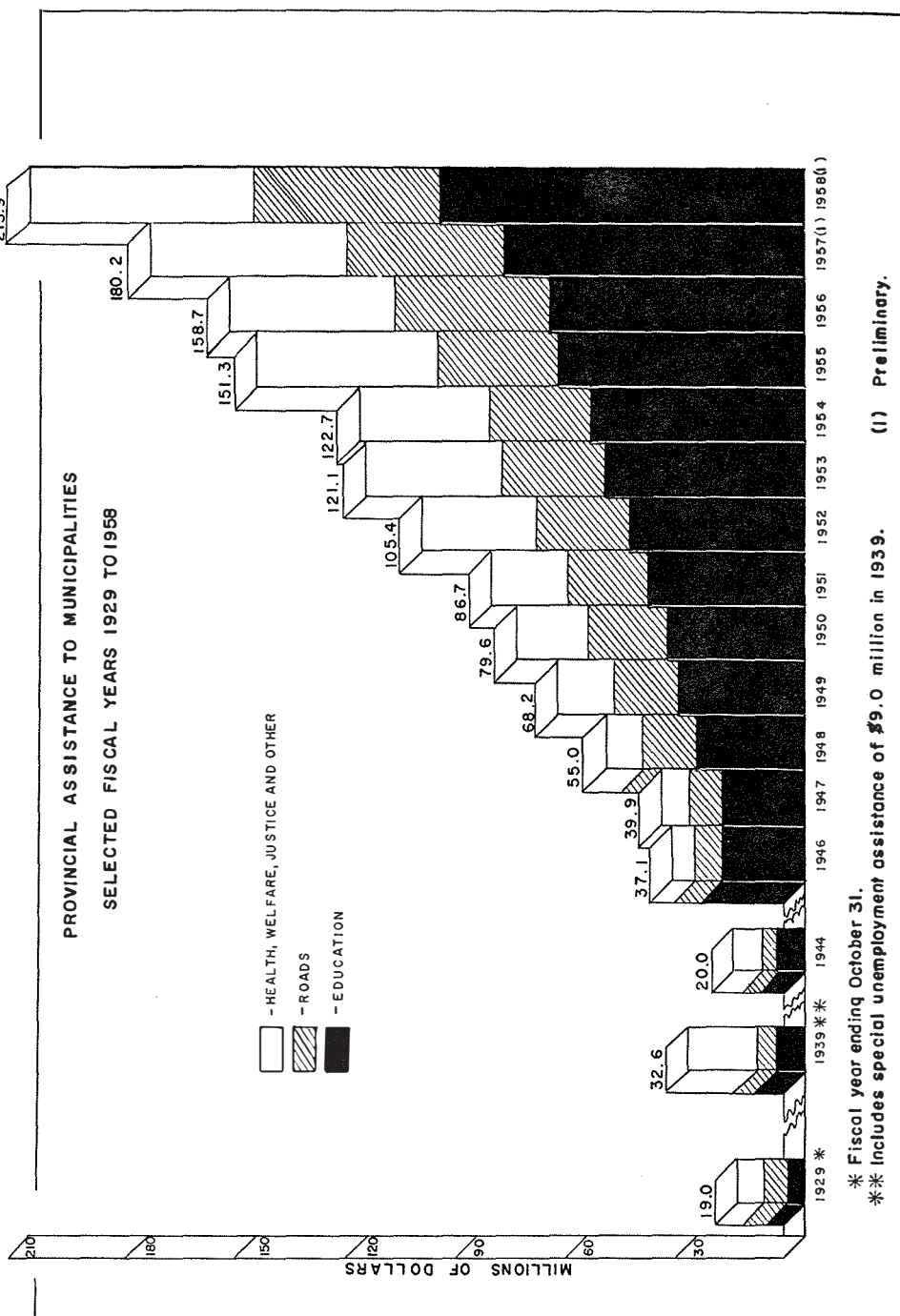
The Conservation Authorities participate in various reforestation projects within their respective planning areas. A dozen agreements covering the management of such undertakings have been formulated by the Authorities and the Department of Lands and Forests. Lands have been acquired for reforestation totalling 31,000 acres to date and continued encouragement for private reforestation schemes has been extended over the past year. Farm planning and the related irrigation and conservation activities have all been greatly assisted through "little valley" studies and by the completion of over 900 farm ponds built by Conservation Authorities with Provincial aid.

The continued program of resource protection education in the schools and through the many private organizations active in this field has received increased support throughout the year. During the 1956-57 fiscal year, the Government Departments will have made expenditures for conservation and forest protection totalling \$20.2 million. For 1957-58, \$27.9 million is being provided.

## ASSISTANCE TO MUNICIPALITIES BY THE PROVINCE OF ONTARIO, FISCAL YEARS ENDING MARCH 31, 1944 TO 1958

	1944	1946	1948	1950	1952 (Thousands of Dollars)	1953	1954	1955	1956	1957 <sup>1</sup>	1958 <sup>2</sup>
Education:											
General Legislative Grants, etc.	8,398	23,369	29,977	38,708	48,863	55,438	59,044	64,696	70,757	75,793	89,950
Grant per Pupil of Average Daily Attendance	.....	.....	.....	.....	.....	.....	.....	3,408	.....	5,450	11,000
Total Education	8,398	23,369	29,977	38,708	48,863	55,438	59,044	68,104	70,757	81,243	100,950
Hospitals:											
Maintenance and Construction	1,634	1,183	3,283	9,394	11,716	14,761	12,580	15,754	15,696	14,583	15,621
Special Grants for Rehabilitation and Other Capital Purposes	.....	.....	.....	.....	5,750	7,111	7,070	6,243	5,754	8,700	.....
Total Hospitals	1,634	1,183	3,283	9,394	17,466	21,872	19,650	21,997	21,450	23,283	15,621
Health Units, School Medical Inspection and School Dental Services	25	171	428	489	580	646	672	700	775	809	865
Roads	4,917	7,341	15,335	20,752	25,232	28,020	28,084	33,526	40,519	45,965	53,385
One-Mill Subsidy	3,064	3,105	3,279	.....	.....	.....	.....	.....	.....	.....	.....
Police Act	.....	.....	.....	1,363	1,894	2,311	2,727	131	137	165	180
Fire Departments Act	.....	.....	.....	1,375	1,721	2,076	2,273	106	117	130	140
Unconditional per Capita Grants	.....	.....	.....	.....	.....	.....	.....	11,638	12,396	12,703	20,900
Special Grant for Welfare Services and Work Projects	.....	.....	.....	.....	.....	.....	.....	3,597	.....	.....	.....
Total Unconditional Per Capita Grant	.....	.....	.....	.....	.....	.....	.....	15,235	12,396	12,703	20,900
Day Nurseries	.....	.....	134	144	217	217	213	204	196	225	225
Children's Aid	72	77	88	824	1,152	1,340	1,487	1,615	1,730	2,116	3,062
Homes for the Aged	.....	.....	.....	463	2,238	1,971	1,829	2,357	2,978	4,835	3,871
Erection of Housing Units for Elderly Persons	1,219	1,310	1,807	2,396	3,038	2,831	2,811	3,338	3,667	3,375	4,275
Unemployment Relief	.....	.....	9	482	423	204	187	300	150	265	201
Community Centres	.....	.....	.....	.....	.....	.....	.....	76	39	85	180
Conservation, Drainage Aid and Flood Control	6	49	66	1,012	1,367	1,251	1,256	1,142	1,125	2,127	5,050
Mining Municipalities	350	105	150	300	372	1,427	1,493	1,498	1,499	1,875	2,000
Payments in Lieu of Certain Municipal Taxes	.....	.....	.....	.....	.....	376	375	448	530	650	800
Miscellaneous	364	377	427	1,881	884	1,076	506	515	638	385	2,242
Grand Total	20,049	37,087	54,983	79,583	105,447	121,056	122,676	151,292	158,703	180,236	213,947

<sup>1</sup>Interim, 9 months' actual plus 3 months' forecast.<sup>2</sup>Forecast.



**ONTARIO MUNICIPAL TAX LEVY IN CURRENT AND CONSTANT<sup>1</sup> DOLLARS, WITH LEVY IN PER CAPITA TERMS AND AS  
A PROPORTION OF ASSESSMENT, PERSONAL INCOME AND DISPOSABLE INCOME IN ONTARIO,  
SELECTED YEARS 1929 TO 1956**

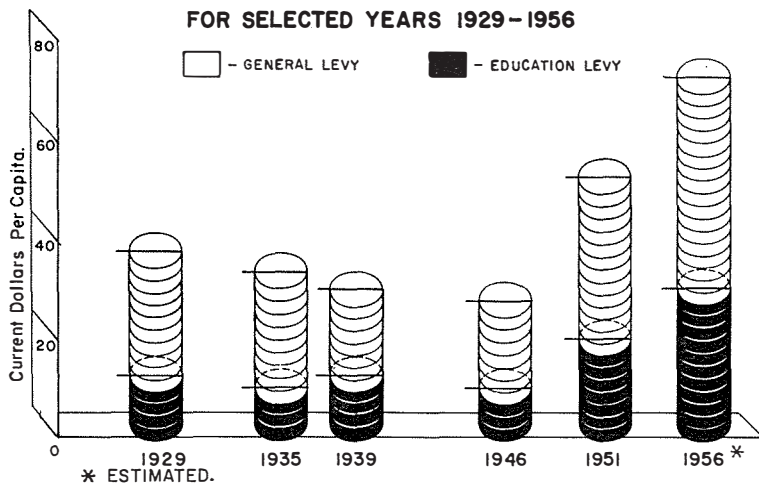
Year	Total Tax Levy <sup>2</sup>				Education Tax Levy				Total Tax Levy as Percent of			
	Assessed Population (000's)	Current Total Amount (\$000's)	Per Capita (\$)	Constant Total Amount (\$000's)	Current Total Amount (\$000's)	Per Capita (\$)	Constant Total Amount (\$000's)	As % Total Tax Levy (%)	Total Municipal Assessment (%)	Personal Income in Ontario (%)	Disposable Income in Ontario* (%)	Personal Income in Ontario (%)
1929	3,065	115,787	37.78	106,815	37,847	12.35	34,914	32.7	3.8	6.1	6.2	6.2
1935	3,322	117,466	35.36	117,701	34,557	10.40	34,626	29.4	3.9	8.3	8.6	8.6
1939	3,443	114,255	33.18	115,293	39,297	11.41	39,654	34.4	3.9	6.5	6.7	6.7
1940	3,479	114,921	33.03	110,714	40,287	11.58	38,812	35.1	3.9	5.6	5.8	5.8
1941	3,509	112,256	31.99	104,134	40,852	11.64	37,896	36.4	3.8	4.5	4.7	4.7
1942	3,545	110,277	31.11	92,904	41,420	11.68	34,895	37.6	3.7	3.7	4.0	4.0
1943	3,580	111,546	31.16	92,800	43,023	12.02	35,793	38.6	3.6	3.3	3.7	3.7
1944	3,580	111,381	31.11	88,750	43,502	12.15	34,663	39.1	3.6	3.1	3.5	3.5
1945	3,612	108,163	29.95	82,191	43,485	9.55	26,204	31.9	3.5	2.9	3.2	3.2
1946	3,695	117,629	31.83	95,246	37,125	10.05	30,061	31.6	3.7	3.1	3.4	3.4
1947	3,854	135,348	35.12	99,083	44,608	11.57	32,656	33.0	4.0	3.3	3.7	3.7
1948	3,942	151,361	38.40	100,106	51,180	12.98	33,849	33.8	4.4	3.3	3.6	3.6
1949	4,083	171,450	41.99	106,425	59,864	14.66	37,160	34.9	4.3	3.5	3.7	3.7
1950	4,203	190,312	45.28	112,478	67,244	16.00	39,742	35.3	4.5	3.6	3.8	3.8
1951	4,326	228,271	52.77	120,587	85,313	19.72	45,068	37.4	5.2	3.8	4.1	4.1
1952	4,490	262,491	58.46	132,907	100,079	22.29	50,673	38.1	5.5	3.9	4.3	4.3
1953	4,648	282,116	60.70	137,752	112,217	24.14	54,793	39.8	5.6	3.9	4.4	4.4
1954	4,842	308,216	63.65	145,385	121,836	25.16	57,470	39.5	5.1	4.2	4.6	4.6
1955	5,013	338,350	67.49	154,286	139,841	27.90	63,767	41.3	5.2	4.3	4.8	4.8
1956*	5,129	372,185	72.56	165,416	156,622	30.54	69,610	42.1	5.2	4.3	4.8	4.8

<sup>1</sup>Deflated by National Accounts Implicit Price Index—Government Expenditures (1935-39 = 100).

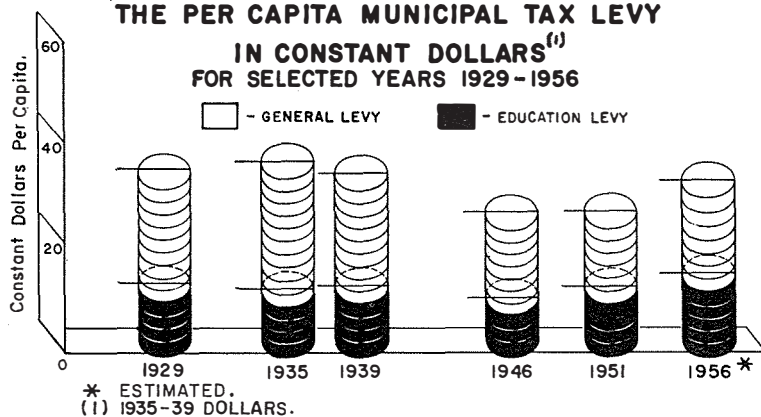
<sup>2</sup>Including miscellaneous charges on the roll.

\*Estimated.

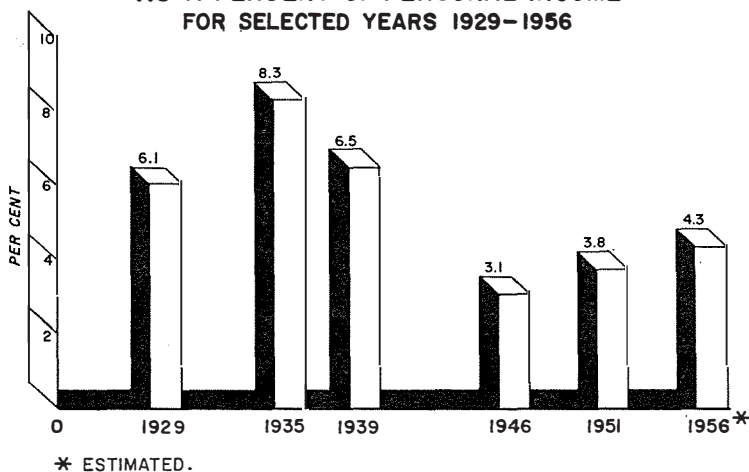
### THE PER CAPITA MUNICIPAL TAX LEVY IN CURRENT DOLLARS FOR SELECTED YEARS 1929-1956



### THE PER CAPITA MUNICIPAL TAX LEVY IN CONSTANT DOLLARS<sup>(1)</sup> FOR SELECTED YEARS 1929-1956



### THE TOTAL MUNICIPAL TAX LEVY AS A PERCENT OF PERSONAL INCOME FOR SELECTED YEARS 1929-1956



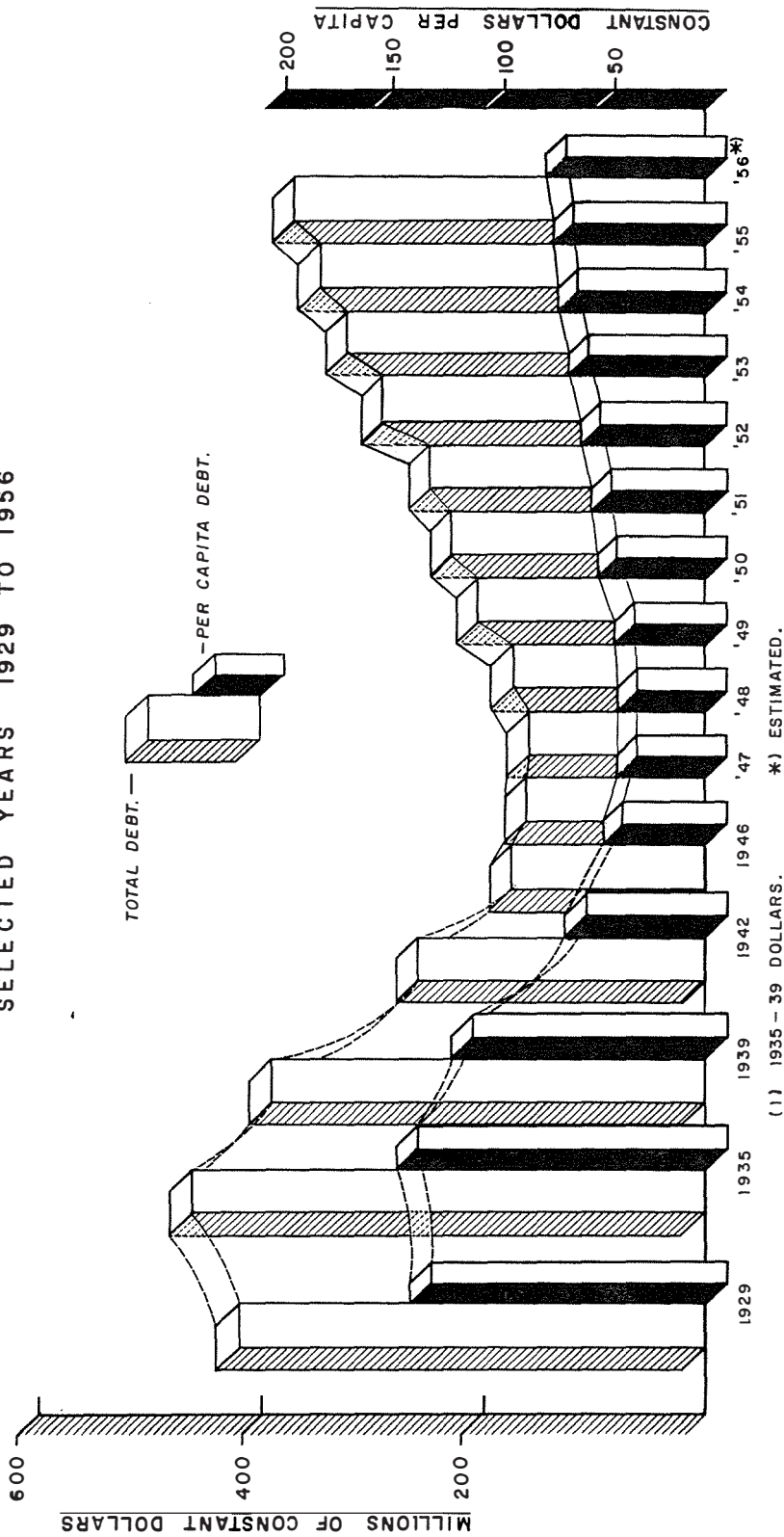
**DISTRIBUTION OF ONTARIO MUNICIPAL GROSS DEBENTURE  
DEBT OUTSTANDING, 1929 TO 1956**

Year	Municipal	Education	Utilities and Municipal Enterprises	Current Amount	Total Debenture Debt		
					Dollars Per Capita	Constant Amount	Dollars <sup>1</sup> Per Capita
	\$000's	\$000's	\$000's	\$000's	\$	\$000's	\$
1929	218,715	86,354	146,868	451,937	147.44	416,916	136.01
1930	247,971	86,552	150,757	485,280	154.47	451,004	143.56
1931	257,689	88,782	152,531	499,002	156.22	476,602	149.21
1932	260,343	88,144	156,269	504,756	155.82	505,768	156.13
1933	255,734	84,723	153,977	494,434	151.78	497,419	152.70
1934	243,349	83,068	157,535	483,952	147.76	488,840	149.25
1935	225,570	79,571	156,512	461,653	138.98	462,578	139.26
1936	209,229	76,624	145,693	431,546	128.81	433,715	129.46
1937	230,435	67,520	127,840	425,795	126.06	422,416	125.06
1938	219,334	64,695	120,310	404,339	119.13	403,130	118.77
1939	215,364	59,499	113,386	388,249	112.76	391,775	113.78
1940	207,138	56,961	101,525	365,624	105.09	352,239	101.25
1941	188,887	53,114	93,419	335,420	95.58	311,150	88.67
1942	171,552	49,418	84,492	305,462	86.17	257,340	72.59
1943	159,404	45,070	76,989	281,463	78.61	234,162	65.41
1944	136,181	46,483	70,023	252,687	70.59	201,344	56.24
1945	123,954	43,042	63,911	230,907	63.93	175,461	48.58
1946	115,337	42,182	57,151	214,670	58.10	173,822	47.04
1947	120,447	46,412	53,089	219,948	57.06	161,016	41.77
1948	137,399	57,333	47,611	242,343	61.48	160,280	40.66
1949	150,777	71,745	55,644	278,166	68.13	172,667	42.29
1950	170,322	89,100	86,222	345,644	82.25	204,281	48.60
1951	197,141	120,916	119,520	437,577	101.16	231,155	53.44
1952	221,902	145,552	128,351	495,805	110.42	251,041	55.91
1953	243,236	178,546	175,531	597,313	128.51	291,657	62.75
1954	281,593	204,977	202,250	688,820	142.26	324,915	67.10
1955	291,513	238,284	237,548	767,345	153.07	349,907	69.80
1956 <sup>2</sup>	320,750	270,106	253,224	844,080	162.32	375,147	72.14

<sup>1</sup>Deflated by National Accounts Implicit Price Deflator—Government Expenditures (1935-39 = 100).

<sup>2</sup>Estimated.

# ONTARIO MUNICIPAL DEBENTURE DEBT, IN CONSTANT DOLLARS,<sup>(1)</sup> SELECTED YEARS 1929 TO 1956





# THE ONTARIO MUNICIPAL IMPROVEMENT CORPORATION

## Summary by Municipalities of Debentures purchased from inception to January 31, 1957

Municipality	Type of Work	Amount
Atikokan, Township of.....	Water, Sewers and Schools..	\$ 383,500.00
Atwood, Township of.....	Schools.....	58,400.00
Bancroft, Village of.....	Schools.....	107,000.00
Bertie, Township of.....	Water.....	137,000.00
Black River, Township of.....	Water.....	87,378.00
Blenheim, Township of—Board of Trustees of Roman Catholic Separate School Section No. 21.	Schools.....	47,000.00
Blind River, Town of—Board of Trustees of the Roman Catholic Separate School.....	Schools.....	160,000.00
Bracebridge, Town of.....	Water.....	90,000.00
Bronte, Village of.....	Water.....	210,000.00
Board of Management of the Inter-urban Area of Burlington-Nelson.....	Water.....	327,000.00
Calvert, Township of—Board of Trustees of Roman Catholic Separate School Section No. 4..	Schools.....	160,000.00
Cartier, Unorganized Township of.....	Schools.....	4,150.00
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
Hensall, Village of.....	Schools.....	112,500.00
Innisfil, Township of—Board of Trustees of Roman Catholic Separate School Section No. 12.	Schools.....	79,000.00
Long Branch, Village of.....	Water.....	106,700.00
Madoc, Village of.....	Water and Sewers.....	15,500.00

Municipality	Type of Work	Amount
Markham, Township of—Board of Trustees of Roman Catholic Separate School Section No. 1..	Schools.....	\$ 80,000.00
Matheson, Town of.....	Water.....	13,000.00
Mattawa, Town of.....	Water and Sewers.....	193,500.00
McKim, Township of.....	Water and Sewers.....	872,517.22
Moore, Township of—Board of Trustees of Roman Catholic Separate School Section No. 5..	Schools.....	15,000.00
Morrisburg, Village of.....	Sewers.....	8,500.00
Neelon and Garson, United Townships of.....	Water and Schools.....	586,169.37
New Liskeard, Town of.....	Water and Sewers.....	116,000.00
Niagara, Township of.....	Sewers and Drainage.....	52,311.98
Niagara Falls, City of.....	Water.....	598,000.00
Nipigon, Township of.....	Water.....	10,000.00
North Gwillimbury, Township of.....	Schools.....	70,000.00
North York, Township of.....	Incinerator, Water and Sewers	1,747,367.59
Oakville, Town of.....	Water.....	490,000.00
Parry Sound, Town of.....	Water and Sewers.....	17,500.00
Pembroke, Township of.....	Schools.....	37,000.00
Petawawa, Township of.....	Schools.....	40,000.00
Pickering, Village of.....	Schools.....	110,000.00
Port Credit, Village of.....	Water.....	270,476.00
Port Dalhousie, Town of—Board of Trustees of Roman Catholic Separate School.....	Schools.....	60,000.00
Port McNicoll, Village of.....	Water.....	16,500.00
Powassan, Town of.....	Water and Sewers.....	206,000.00
Red Rock, Improvement District of.....	Water and Sewers.....	43,145.00
Riverside, Town of.....	Water and Sewers.....	152,982.78
Riverside, Town of—Board of Trustees of Roman Catholic Separate Schools.....	Schools.....	120,000.00
Rockland, Town of.....	Water.....	35,000.00
Sandwich East, Township of.....	Water, Sewers and Schools..	455,784.97
Sandwich West, Township of.....	Water and Schools.....	597,475.59
Sandwich West, Township of— Board of Trustees of the Roman Catholic Union Separate School for the United Sections Nos. 2, 3, 4, 7 and 9.....	Schools.....	220,000.00
Scarborough, Township of.....	Water and Sewers.....	4,772,800.00

Municipality	Type of Work	Amount
Schreiber, Township of.....	Water.....	\$ 35,000.00
Sioux Lookout, Town of.....	Water and Sewers.....	142,185.00
South River, Village of.....	Water.....	120,000.00
Stamford, Township of.....	Water.....	602,000.00
Sudbury, City of.....	Water and Sewers.....	276,404.17
St. Clair Beach, Village of.....	Water and Schools.....	33,230.00
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
Thessalon, Town of.....	Water and Sewers.....	20,000.00
Timmins, Town of.....	Sewers.....	109,875.00
Tisdale, Township of.....	Water and Sewers.....	361,730.00
Toronto, Township of.....	Water.....	800,000.00
Toronto, Township of—Board of Trustees of Roman Catholic Separate School Section No. 7.	Schools.....	80,000.00
Trafalgar, Township of—Board of Trustees of Roman Catholic Separate School Section No. 18.	Schools.....	150,000.00
Trafalgar, Township of—Board of Trustees of Roman Catholic Separate School Section No. 13.	Schools.....	78,000.00
Umfreville, Township of.....	Schools.....	10,500.00
Westminster, Township of.....	Sewers.....	28,000.00
West Ferris, Township of.....	Water.....	60,000.00
Whitney, Township of.....	Sewers.....	41,000.00
Widdifield, Township of.....	Water.....	62,450.00
Windsor, City of.....	Water.....	2,000,000.00
Windsor, City of—Board of Trus- tees of Roman Catholic Separate Schools.....	Schools.....	400,000.00
		<u>\$23,053,010.39</u>

# THE ONTARIO JUNIOR FARMER ESTABLISHMENT LOAN CORPORATION

Summary by Counties and Districts of Loans Granted from inception to January 31, 1957

County or District	No. of Loans	Amount
ALGOMA.....	7	\$ 34,200.00
BRANT.....	34	278,650.00
BRUCE.....	135	812,000.00
CARLETON.....	36	247,800.00
COCHRANE.....	12	47,100.00
DUFFERIN.....	52	363,606.00
DUNDAS.....	21	140,000.00
DURHAM.....	25	210,500.00
ELGIN.....	49	415,800.00
ESSEX.....	54	410,750.00
FRONTENAC.....	6	27,900.00
GLENGARRY.....	12	49,800.00
GRENVILLE.....	11	62,000.00
GREY.....	160	906,975.00
HALDIMAND.....	53	342,000.00
HALIBURTON.....	..	.....
HALTON.....	7	55,800.00
HASTINGS.....	20	123,025.00
HURON.....	182	1,206,360.00
KENORA.....	1	2,000.00
KENT.....	31	297,500.00
LAMBTON.....	49	341,850.00
LANARK.....	16	105,350.00
LEEDS.....	13	59,700.00
LENNOX AND ADDINGTON.....	6	44,450.00
LINCOLN.....	18	143,500.00
MANITOULIN.....	6	19,300.00
MIDDLESEX.....	94	721,050.00
MUSKOKA.....	1	7,000.00
NIPISSING.....	12	63,700.00
NORFOLK.....	36	281,500.00
NORTHUMBERLAND.....	42	253,700.00
ONTARIO.....	56	411,650.00
OXFORD.....	63	604,050.00
PARRY SOUND.....	5	17,100.00
PEEL.....	15	139,000.00
PERTH.....	118	820,825.00
PETERBOROUGH.....	16	96,400.00
PRESCOTT.....	48	259,100.00
PRINCE EDWARD.....	23	160,525.00
RAINY RIVER.....	18	66,900.00
RENFREW.....	21	134,040.00
RUSSELL.....	55	282,050.00
SIMCOE.....	91	666,950.00
STORMONT.....	23	138,700.00
SUDBURY.....	5	18,700.00
TEMISKAMING.....	29	129,300.00
THUNDER BAY.....	6	40,500.00
VICTORIA.....	30	206,650.00
WATERLOO.....	21	173,200.00
WELLAND.....	13	111,300.00
WELLINGTON.....	141	962,200.00
WENTWORTH.....	30	223,360.00
YORK.....	39	314,400.00
	<u>2,067</u>	<u>\$14,051,766.00</u>

**SURPLUS ON ORDINARY ACCOUNT, ONTARIO,  
FISCAL YEARS 1952-53 TO 1956-57**

	1952-53	1953-54	1954-55	1955-56	Estimated 1956-57
	(Thousands of Dollars)				
Net Ordinary Revenue.....	*350,305	372,973	399,393	427,969	461,691
Less: Net Ordinary Expenditure—before provision for Sinking Funds.....	*318,346	342,095	377,714	392,834	443,572
Surplus—before provision for Sinking Funds.....	31,959	30,878	21,679	35,135	18,119
Less: Provision for Sinking Funds.....	30,859	29,945	21,536	32,630	17,729
Balance carried to Surplus Account.....	<u>1,100</u>	<u>933</u>	<u>143</u>	<u>2,505</u>	<u>390</u>

**STATEMENT OF CONSOLIDATED REVENUE FUND, ONTARIO,  
FISCAL YEARS 1952-53 TO 1956-57**

	1952-53	1953-54	1954-55	1955-56	Estimated 1956-57
	(Thousands of Dollars)				
Receipts:					
On Ordinary Account.....	*350,305	372,973	399,393	427,969	461,691
On Capital Account.....	112,447	104,430	86,638	96,572	106,942
Net Proceeds of Loans, etc.....	206,757	262,994	153,585	268,709	169,028
	<u>669,509</u>	<u>740,397</u>	<u>639,616</u>	<u>793,250</u>	<u>737,661</u>
Disbursements:					
On Ordinary Account.....	*349,205	372,040	399,250	425,464	461,301
On Capital Account.....	151,515	205,139	98,348	141,846	246,226
Loan Retirements, etc.....	174,026	149,484	177,534	197,314	14,554
	<u>674,746</u>	<u>726,663</u>	<u>675,132</u>	<u>764,624</u>	<u>722,081</u>
Net Increase (or Decrease) on Year.....	(5,237)	13,734	(35,516)	28,626	15,580
	<u>669,509</u>	<u>740,397</u>	<u>639,616</u>	<u>793,250</u>	<u>737,661</u>

**SUMMARY OF INCREASES IN NET CAPITAL DEBT, ONTARIO,  
FISCAL YEARS 1952-53 TO 1956-57**

	1952-53	1953-54	1954-55	1955-56	Estimated 1956-57
	(Thousands of Dollars)				
Capital Disbursements on Highways, Public Buildings, Works, etc.....	86,193	88,173	80,518	125,336	175,386
Less: Expenditure from Highway Reserve Account.....	.....	29,331	26,938	43,104	58,127
	<u>86,193</u>	<u>58,842</u>	<u>53,580</u>	<u>82,232</u>	<u>117,259</u>
Less: Capital Receipts relating thereto.....	2,763	2,617	681	1,986	1,634
	<u>83,430</u>	<u>56,225</u>	<u>52,899</u>	<u>80,246</u>	<u>115,625</u>
Add: Mortgage assumed on acquisition of building.....	.....	.....	485	.....	.....
	<u>83,430</u>	<u>56,225</u>	<u>53,384</u>	<u>80,246</u>	<u>115,625</u>
Miscellaneous Decrease.....	568	183	975	530	**16,024
	<u>82,862</u>	<u>56,042</u>	<u>52,409</u>	<u>79,716</u>	<u>99,601</u>
Less: Surplus (before providing for Sinking Funds).....	31,959	30,878	21,679	35,135	18,119
Increase in Net Capital Debt.....	<u>50,903</u>	<u>25,164</u>	<u>30,730</u>	<u>44,581</u>	<u>81,482</u>
Included in the Net Capital Debt are the following items:					
Highway Reserve Account.....	30,000	41,169	52,731	38,127	37,500
Corporations Tax Reserve Account.....	14,355	15,294	15,562	17,150	**
	<u>44,355</u>	<u>56,463</u>	<u>68,293</u>	<u>55,277</u>	<u>37,500</u>

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

\*\*Includes \$17,449,845 Corporations Tax Reserve Account transferred to Surplus Account.

**NET ORDINARY REVENUE BY MAJOR SOURCES, ONTARIO,  
FISCAL YEARS 1952-53 TO 1956-57**

	1952-53	1953-54	1954-55	1955-56	Estimated 1956-57
	(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.....	474	1,097	1,342	1,574	1,500
Tax Rental Agreement.....	123,327	134,448	142,747	138,345	160,572
	<u>127,513</u>	<u>139,257</u>	<u>147,801</u>	<u>143,631</u>	<u>165,784</u>
Taxation:					
Gasoline Tax.....	77,648	86,239	92,658	103,815	107,000
Succession Duties.....	19,821	20,165	25,819	25,462	25,000
Hospitals Tax.....	6,668	6,747	6,300	4,662	4,500
Race Track Betting.....	3,640	3,968	3,945	3,979	4,294
Mining Tax and Sundry.....	4,533	4,104	4,705	6,802	7,391
Security Transfer Tax.....	1,846	1,788	2,248	4,011	3,700
Logging Tax.....	827	824	539	837	835
Land Transfer Tax.....	2,049	2,487	2,876	3,436	3,900
Other Taxes.....	609	781	882	919	966
	<u>117,641</u>	<u>127,103</u>	<u>139,972</u>	<u>153,923</u>	<u>157,586</u>
Other Revenue:					
Agriculture.....	948	1,087	1,068	1,094	1,093
Attorney-General.....	2,953	3,572	4,120	4,399	4,663
Education.....	2,142	1,325	1,468	1,310	1,402
Health.....	3,723	4,062	4,070	4,229	4,209
Highways—					
Motor Vehicles—					
Licences.....	24,023	25,357	27,761	39,934	45,000
Fees and Fines.....	816	826	951	1,372	
Other Licences, Rentals, etc.....	*881	870	922	420	425
Insurance.....	365	382	458	494	438
Labour.....	272	469	531	583	626
Lands and Forests—					
Timber Dues, Bonus, etc.....	15,118	11,396	11,928	12,707	13,500
Fish and Game Licences, Fines.....	3,410	3,801	3,989	4,155	4,150
Water Power Leases.....	1,293	1,673	1,540	1,531	1,450
Other Rentals, Licences and Fees.....	407	724	832	743	712
Mines.....	551	1,056	957	1,320	1,168
Municipal Affairs.....	177	207	252	274	355
Provincial Secretary—					
Registrar General.....	270	267	257	277	2,073
Other Revenue.....	935	1,382	1,462	1,730	
Reform Institutions.....	532	585	599	603	635
Treasury—					
Liquor Control Board—					
Profits.....	44,000	45,000	46,000	50,700	54,000
Transfer Fees.....	745	1,019	768	626	562
Law Stamps.....	933	976	1,072	1,125	1,200
Theatre Licences and Other.....	297	290	474	395	431
Various Other Departments.....	360	287	141	394	229
	<u>*105,151</u>	<u>106,613</u>	<u>111,620</u>	<u>130,415</u>	<u>138,321</u>
Total Net Ordinary Revenue.....	<u>*350,305</u>	<u>372,973</u>	<u>399,393</u>	<u>427,969</u>	<u>461,691</u>

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

**NET ORDINARY EXPENDITURE BY MAJOR CLASSIFICATIONS, ONTARIO,  
FISCAL YEARS 1952-53 TO 1956-57**

	1952-53	1953-54	1954-55	1955-56	Estimated 1956-57
	(Thousands of Dollars)				
Education, Health and Welfare:					
Legislative Grants for Education.....	53,879	57,154	62,598	68,400	73,700
Special Grants to Schools.....	.....	.....	3,409	.....	5,450
Education of Non-resident Pupils.....	721	897	1,010	1,178	850
Grants to Universities.....	6,646	7,111	7,271	7,291	8,724
Special Capital Grants to Universities.....	2,000	3,350	5,700	7,440	1,400
Public Libraries—Legislative Grants.....	599	735	800	865	875
Teachers' Superannuation Fund.....	3,551	3,973	1,739	4,960	5,686
Special Contribution.....	1,000	1,000	1,000	1,000	1,000
Grants to Health Units.....	603	624	648	700	750
Grants to Sanatoria.....	5,925	6,339	6,399	5,928	5,850
Grants to Public Hospitals.....	14,738	12,334	15,673	15,712	14,567
Grants to Isolation Hospitals.....	58	61	40	36	35
Special Capital Grants to Hospitals.....	7,111	7,070	6,243	5,754	8,700
Grant to Ontario Cancer Treatment and Research Foundation.....	.....	1,000	1,000	1,000	1,000
Ontario Hospitals—Administrative and Operating Expenses.....	17,261	18,799	20,901	23,406	26,613
Children's Aid—Grants, Services, etc.....	1,589	1,772	2,035	2,121	2,523
Grants for Upkeep of Day Nurseries.....	217	213	204	196	225
Mothers' Allowances.....	6,432	6,219	6,545	6,761	6,988
Medical Services.....	286	295	299	304	287
Old Age Assistance and Blind Pensions....	4,765	4,917	5,055	5,120	4,935
Medical Services.....	1,248	1,346	1,326	1,315	1,257
Disabled Persons' Allowances.....	883	2,493	2,560	1,711	1,867
Medical Services.....	18	62	77	91	95
Homes for the Aged—					
Grants for Maintenance.....	860	946	961	1,029	1,165
Grants for New Homes.....	1,111	952	1,471	1,988	3,560
Charitable Institutions—					
Grants for Maintenance.....	115	229	241	250	255
Grants for New Buildings.....	120	41	267	710	724
Direct Relief to Unemployables.....	2,831	2,811	3,338	3,669	3,375
Other Expenditure.....	13,769	15,216	15,917	17,576	18,361
<b>Total Education, Health and Welfare.....</b>	<b>148,336</b>	<b>157,959</b>	<b>174,727</b>	<b>186,511</b>	<b>200,817</b>
Agriculture, Forestry and Mining:					
Ontario Agricultural College, Guelph.....	2,601	2,773	3,062	3,161	3,550
Ontario Veterinary College, Guelph.....	737	749	859	867	980
Other Schools and Farms.....	661	734	849	908	1,008
Extension Branch.....	*1,107	*1,158	*1,173	1,289	1,701
Agricultural and Horticultural Societies Branch.....	537	598	737	593	1,027
Special Grant for the Royal Winter Fair ..	.....	.....	.....	1,000	.....
Basic Organization (Forestry)—					
District Offices.....	7,664	7,908	8,956	10,192	11,588
Other Field Services.....	1,556	2,311	2,082	5,199	2,677
Mines.....	980	1,033	1,141	1,218	1,329
Other Expenditure.....	4,914	5,274	4,014	*4,374	4,474
<b>Total Agriculture, Forestry and Mining.....</b>	<b>20,757</b>	<b>22,538</b>	<b>22,873</b>	<b>*28,801</b>	<b>28,334</b>
Highways:					
Highways and Development Roads.....	35,322	28,882	32,852	31,654	36,979
Resurfacing and Renovating Roads.....	.....	2,665	.....	7,626	5,300
Municipal Roads—					
Development Roads.....	202	425	365	116	350
Roads in Unincorporated Townships in Northern Ontario.....	604	621	566	518	600
Municipal Subsidies.....	17,359	17,411	18,397	19,501	20,000
Other Expenditure.....	4,710	5,302	7,072	7,274	4,774
<b>Total Highways.....</b>	<b>*58,197</b>	<b>55,306</b>	<b>59,252</b>	<b>66,689</b>	<b>68,003</b>

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



## NET ORDINARY EXPENDITURE, ONTARIO

(Continued)

	1952-53	1953-54	1954-55	1955-56	Estimated 1956-57
	(Thousands of Dollars)				
Public Works:					
Public Buildings—Maintenance and Repair	3,125	3,587	3,830	4,158	5,190
Dams, Docks, etc., and Drainage Works . .	52	96	99	66	110
Grants in Aid of Drainage Works . . . . .	252	656	699	487	525
Expense in connection with Hurricane Hazel	.....	.....	1,779	47	.....
Other Expenditure . . . . .	883	959	969	1,103	1,362
Total Public Works . . . . .	4,312	5,298	7,376	5,861	7,187
Municipal Affairs:					
Subsidies for Police Departments . . . . .	2,311	2,727	131	137	165
Subsidies for Fire Departments . . . . .	2,076	2,273	106	117	130
One-Mill Supplementation . . . . .	324	282	.....	.....	.....
Subsidies to Mining Municipalities . . . . .	1,427	1,493	1,498	1,499	1,875
Payments in Lieu of Certain Municipal Taxes . . . . .	376	375	448	530	650
Unconditional Per Capita Grants . . . . .	.....	.....	11,638	12,396	12,703
Special Unconditional Per Capita Grants . .	.....	.....	3,597	.....	.....
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	.....	.....	.....
Greater Toronto Assessment Board . . . . .	331	428	7	.....	.....
Other Expenditure . . . . .	568	734	574	797	881
Total Municipal Affairs . . . . .	*7,413	*9,102	*18,011	15,476	16,404
Planning and Development:					
Grant—Regent Park Housing . . . . .	324	.....	303	288	48
Expenditure re the Dominion-Provincial Partnership Agreement . . . . .	350	73	68	74	102
Research Council of Ontario . . . . .	536	591	535	.....	.....
Ontario Research Foundation . . . . .	.....	.....	.....	459	495
Special Contribution . . . . .	.....	.....	.....	.....	180
Civil Defence . . . . .	.....	.....	.....	159	300
Other Expenditure . . . . .	655	713	825	1,131	2,093
Total Planning and Development . . . . .	1,865	1,377	1,731	2,111	3,218
Labour . . . . .	1,466	1,592	1,761	1,872	2,075
Attorney-General:					
Criminal Justice Accounts . . . . .	2,353	2,612	2,869	3,006	3,349
Law Enforcement . . . . .	4,681	5,117	6,282	7,023	8,152
Election Expenses . . . . .	(84)	4	145	2,157	70
Other Expenditure . . . . .	3,236	3,315	3,056	3,181	3,469
Total Attorney-General . . . . .	10,186	11,048	12,352	15,367	15,040
Reform Institutions:					
Ontario Reformatories . . . . .	1,887	1,993	2,281	2,440	2,590
Industrial Farms . . . . .	1,824	2,005	2,141	2,263	3,026
Ontario Training Schools for Boys . . . . .	607	630	724	707	779
Ontario Training School for Girls . . . . .	255	249	271	280	316
Special Grants—Training Schools, etc., for Boys and Girls . . . . .	.....	.....	358	164	89
Other Expenditure . . . . .	990	1,058	749	596	741
Total Reform Institutions . . . . .	5,563	5,935	6,524	6,450	7,541

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

## NET ORDINARY EXPENDITURE, ONTARIO

(Continued)

	1952-53	1953-54	1954-55	1955-56	Estimated 1956-57
	(Thousands of Dollars)				
Provincial Secretary:					
Registrar General.....	*398	*394	*477	486	536
Other Expenditure.....	1,439	1,528	1,501	1,509	1,796
Total Provincial Secretary.....	*1,837	*1,922	*1,978	1,995	2,332
Lieutenant-Governor.....	17	21	18	18	19
Prime Minister.....	252	372	116	122	141
Treasury:					
Public Service Superannuation Fund.....	1,561	1,770	2,217	2,498	2,900
Special Contribution to Fund.....	.....	1,000	1,000	1,000	1,000
Provision for Junior Farmer Establishment Loan Corporation.....	1,000	.....	.....	.....	.....
Other Expenditure.....	1,810	*1,927	*2,202	*2,479	2,754
Total Treasury.....	*4,371	*4,697	*5,419	*5,977	6,654
Provincial Auditor.....	235	254	279	320	341
Travel and Publicity:					
Ontario Rentals Administration.....	558	474	.....	.....	.....
Other Expenditure.....	702	881	877	893	1,031
Total Travel and Publicity.....	1,260	1,355	877	893	1,031
Insurance.....	146	180	229	241	282
Economics.....	*89	*105	*131	*164	205
Queen's Printer—Stationery Account.....	.....	23	82	2	35
Total of above Departmental Expenditure...	*266,302	279,084	313,736	338,870	359,659
Public Debt—Interest, Exchange, etc.....	22,044	22,511	25,478	25,464	26,413
Total Ordinary Expenditure before providing for Highway Reserve Account and Sinking Funds.....	*288,346	301,595	339,214	364,334	386,072
Provision for Highway Reserve Account...	30,000	40,500	38,500	28,500	57,500
Provision for Sinking Funds.....	30,859	29,945	21,536	32,630	17,729
Total Net Ordinary Expenditure.....	*349,205	372,040	399,250	425,464	461,301

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

**CAPITAL RECEIPTS, ONTARIO,  
FISCAL YEARS 1952-53 TO 1956-57**

	1952-53	1953-54	1954-55	1955-56	Estimated 1956-57
	(Thousands of Dollars)				
Salvaging Fire-damaged Timber.....	2,316	1,626	179	33	22
Sales—Lands and Buildings.....	447	991	452	1,553	1,612
Sales—Radium.....	.....	.....	50	.....	.....
Recovery—Townsite Development Projects.....	.....	.....	.....	374	.....
Recovery under Contracts.....	.....	.....	.....	26	.....
	<u>2,763</u>	<u>2,617</u>	<u>681</u>	<u>1,986</u>	<u>1,634</u>
Repayment of Loans and Advances:					
Hydro-Electric Power Commission of Ontario.....	11,990	1,813	1,856	7,400	1,756
Agricultural Development Board.....	1,350	1,175	1,000	900	775
Housing Development Act.....	92	146	406	488	600
Other.....	554	577	569	600	591
Deposits in Special Funds:					
Industry and Labour Board—Vacation- with-Pay Stamps Sales.....	9,537	10,669	9,918	9,495	11,000
Public Service Superannuation and Retirement Funds.....	4,938	6,833	8,665	9,492	10,840
Investment—Province of Ontario Bonds— Matured.....	.....	4,500	.....	.....	.....
Unsatisfied Judgment Fund.....	1,568	1,803	1,973	2,085	2,100
Other.....	542	529	519	699	679
Deferred Assets:					
Discount on Debentures, written off.....	623	663	698	704	1,438
Discount on Debentures assumed by the Hydro-Electric Power Commission.....	2,250	1,710	.....	.....	.....
Discount on Treasury Bills.....	19	.....	.....	.....	.....
Surplus Receipts:					
Provision for Sinking Fund.....	30,859	29,945	21,536	32,630	17,729
Other.....	1	1	1	1	.....
Reserves:					
Highway Reserve Account.....	30,000	40,500	38,500	28,500	57,500
Corporations Tax (receipts applicable to period preceding Tax Rental Agreement)	14,355	939	268	1,588	300
Ontario Junior Farmer Establishment Loan Corporation.....	1,000	.....	.....	.....	.....
Miscellaneous.....	6	10	48	4	.....
Total Capital Receipts.....	<u>112,447</u>	<u>104,430</u>	<u>86,638</u>	<u>96,572</u>	<u>106,942</u>

**CAPITAL DISBURSEMENTS, ONTARIO,  
FISCAL YEARS 1952-53 TO 1956-57**

	1952-53	1953-54	1954-55	1955-56	Estimated 1956-57
	(Thousands of Dollars)				
Highways:					
Highways and Development Roads . . . . .	51,444	*47,354	*36,159	*66,040	*103,500
Municipal Roads Branch—					
Development Roads . . . . .	1,638	1,746	1,662	3,840	5,000
Roads in Unincorporated Townships in					
Northern Ontario . . . . .	227	223	169	313	350
Municipal Subsidies . . . . .	9,830	9,806	14,391	20,177	25,000
Contingencies . . . . .	4	22	4	10	15
Mining Roads—Construction . . . . .	871	848	600	998	1,100
Lands and Forests:					
Construction of logging roads . . . . .				95	360
Salvaging fire-damaged timber . . . . .	1,655	800	179	33	22
Rural Power Extension Bonus . . . . .	8,826	9,412	7,297	7,976	7,000
Conservation . . . . .	991	526	410	481	1,500
Grant for Institute of Radio-Therapy . . . . .	2,000				
Designing, development, etc., of Townsites . . . . .			47	468	
Public Works:					
Construction of Public Buildings . . . . .	8,381	16,913	19,276	24,505	31,000
Grants and Miscellaneous . . . . .	326	523	324	400	539
	86,193	88,173	80,518	125,336	175,386
Loans and Advances:					
Hydro-Electric Power Commission of					
Ontario . . . . .	50,000	100,000			50,000
Housing Development Act . . . . .	2,097	1,875	1,589	774	2,000
Other . . . . .	473	490	518	1,020	2,069
Special Funds:					
Industry and Labour Board—Vacation-					
with-pay Stamps Redeemed . . . . .	8,889	9,967	10,747	9,168	10,500
Public Service Superannuation and Retirement Fund . . . . .	1,929	2,380	2,695	3,189	3,700
Unsatisfied Judgment Fund . . . . .	1,214	1,611	1,808	1,791	2,000
Other . . . . .	716	636	469	554	571
Reserves . . . . .	4	7	4	14	
Total Capital Disbursements . . . . .	<u>151,515</u>	<u>205,139</u>	<u>98,348</u>	<u>141,846</u>	<u>246,226</u>

\*Including Expenditure from Highway Reserve Account..

**SURPLUS OR DEFICIT\* ON ORDINARY ACCOUNT  
BEFORE AND AFTER PROVISION FOR SINKING FUNDS, ONTARIO,  
FISCAL YEARS 1936 TO 1957**

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 <sup>1</sup>	31,959,871	30,859,000	1,100,871
1954.....	372,973,316	342,095,302 <sup>1</sup>	30,878,014	29,945,000	933,014
1955.....	399,393,284	377,713,638 <sup>1</sup>	21,679,646	21,536,000	143,646
1956.....	427,969,363	392,834,481 <sup>1</sup>	35,134,882	32,630,000	2,504,882
1957 <sup>2</sup> .....	461,691,000	443,572,000 <sup>1</sup>	18,119,000	17,729,000	390,000

<sup>1</sup>Including amounts set aside for the Highway Reserve Account:

1953—\$30,000,000  
1954— 40,500,000  
1955— 38,500,000  
1956— 28,500,000  
1957— 57,500,000.

<sup>2</sup>Interim figures.

## SURPLUS OR DEFICIT, ONTARIO, FISCAL YEARS 1867-1957

		Ordinary Revenue <sup>1</sup>	Ordinary Expenditure <sup>1</sup>	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
" " " " " " 1935	.....	21,048,944.06	31,489,616.34		10,440,672.28
" " " " " " 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	.....	427,969,362.89	425,464,480.99	2,504,881.90	
" " " " " " 1957 <sup>2</sup>	.....	461,691,000.00	461,301,000.00	390,000.00	

<sup>1</sup>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.

<sup>2</sup>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	22,355,000	13,882,000	83,917,000
1920.....	127,262,000	30,230,000	65,717,000	22,681,000	16,009,000	104,407,000
1921.....	202,446,000	75,184,000	102,946,000	23,599,000	31,292,000	157,837,000
1922.....	233,189,000	30,743,000	116,786,000	25,654,000	30,704,000	173,144,000
1923.....	291,025,000	57,836,000	124,360,000	28,075,000	37,612,000	190,047,000
1924.....	329,508,000	38,483,000	135,045,000	30,208,000	45,262,000	210,515,000
1925.....	332,391,000	2,883,000	141,717,000	30,208,000	27,885,000	199,810,000
1926.....	349,116,000	16,725,000	142,473,000	30,208,000	31,899,000	204,580,000
1927.....	368,920,000	19,804,000	147,120,000	30,208,000	33,813,000	211,141,000
1928.....	394,114,000	25,194,000	152,936,000	30,208,000	37,176,000	220,320,000
1929.....	426,914,000	32,800,000	164,522,000	30,208,000	44,007,000	238,737,000
1930.....	473,372,000	46,458,000	176,799,000	30,208,000	53,587,000	260,594,000
1931.....	520,667,000	47,295,000	188,377,000	30,208,000	58,055,000	276,640,000
1932.....	574,419,000	53,752,000	189,635,000	30,208,000	76,902,000	296,745,000
1933.....	594,128,000	19,709,000	187,965,000	30,208,000	76,514,000	294,687,000
1934.....	655,761,000	61,633,000	187,829,000	37,208,000	72,247,000	297,284,000
1935 <sup>2</sup> .....	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.....	646,842,000	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	37,577,000	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
1956.....	1,072,409,000	6,248,000	292,633,000	30,208,000	44,262,000	367,103,000

<sup>1</sup>Population 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.

<sup>2</sup>Five months ended March 31st.

<sup>3</sup>Revised.

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



## DEBT, ONTARIO

1914-1953

ASSETS	NET DEBT			
Yearly Increase or Decrease*	Total	Yearly Increase or Decrease*	Population <sup>1</sup>	Per Capita Net Debt
.....	\$ 6,294,000	.....	2,713,000	\$ 2.32
\$ 5,384,000	9,469,000	\$ 3,175,000	2,719,000	3.48
10,001,000	8,529,000	940,000*	2,718,000	3.14
4,081,000	6,937,000	1,592,000*	2,732,000	2.54
12,656,000	7,765,000	828,000	2,763,000	2.81
16,373,000	13,115,000	5,350,000	2,820,000	4.65
20,490,000	22,855,000	9,740,000	2,893,000	7.90
53,430,000	44,609,000	21,754,000	2,953,000	15.11
15,307,000	60,045,000	15,436,000	2,994,000	20.06
16,903,000	100,978,000	40,933,000	3,032,000	33.30
20,468,000	118,993,000	18,015,000	3,081,000	38.62
10,705,000*	132,581,000	13,588,000	3,133,000	42.32
4,770,000	144,536,000	11,955,000	3,187,000	45.35
6,561,000	157,779,000	13,243,000	3,244,000	48.64
9,179,000	173,794,000	16,015,000	3,301,000	52.65
18,417,000	188,177,000	14,383,000	3,356,000	56.07
21,857,000	212,778,000	24,601,000	3,405,000	62.49
16,046,000	244,027,000	31,249,000	3,449,000	70.75
20,105,000	277,674,000	33,647,000	3,489,000	79.59
2,058,000*	299,441,000	21,767,000	3,525,000	84.95
2,597,000	358,477,000	59,036,000	3,557,000	100.78
1,313,000*	378,415,000	19,938,000	3,570,000	106.00
12,451,000*	406,039,000	27,624,000	3,601,000	112.76
32,496,000*	405,436,000	603,000*	3,632,000	111.63
11,243,000*	438,294,000	32,858,000	3,666,000	119.56
5,282,000*	478,268,000	39,974,000	3,702,000	129.19
4,624,000*	507,203,000	28,935,000	3,741,000	135.58
6,427,000*	506,200,000	1,003,000*	3,781,000	133.88
5,805,000*	507,128,000	928,000	3,868,000	131.11
8,220,000*	495,441,000	11,687,000*	3,910,000	126.71
25,389,000*	482,494,000	12,947,000*	3,955,000	122.00
17,859,000*	480,309,000	2,185,000*	3,994,000	120.26
5,279,000*	478,419,000	1,890,000*	4,078,000	117.32
8,762,000*	493,087,000	14,668,000	4,162,000	118.47
9,501,000	466,753,000	26,334,000*	4,259,000	109.59
16,647,000*	483,675,000	16,922,000	4,361,000	110.91
40,202,000	508,819,000	25,144,000	4,456,000	114.19
8,777,000*	521,550,000	12,731,000	4,577,000	113.95
95,180,000	554,635,000	33,085,000	4,757,000 <sup>3</sup>	116.59 <sup>3</sup>
20,475,000	604,075,000	49,440,000	4,916,000 <sup>3</sup>	122.88 <sup>3</sup>

## CAPITAL DEBT, ONTARIO

1943-1956

ASSETS	NET CAPITAL DEBT			
Yearly Increase or Decrease*	Total	Yearly Increase or Decrease*	Population <sup>1</sup>	Per Capita Net Capital Debt
.....	\$499,526,000	.....	3,910,000	\$127.76
\$ 24,570,000*	485,713,000	\$ 13,813,000*	3,955,000	122.81
16,999,000*	482,676,000	3,037,000*	3,994,000	120.85
4,369,000*	480,189,000	2,487,000*	4,078,000	117.75
8,095,000*	494,212,000	14,023,000	4,162,000	118.74
8,857,000	468,267,000	25,945,000*	4,259,000	109.95
16,789,000*	485,716,000	17,449,000	4,361,000	111.38
40,260,000	510,020,000	24,304,000	4,456,000	114.46
9,116,000*	522,610,000	12,590,000	4,577,000	114.18
95,389,000	553,929,000	31,319,000	4,757,000 <sup>3</sup>	116.45 <sup>3</sup>
19,168,000	604,832,000	50,903,000	4,916,000 <sup>3</sup>	123.03 <sup>3</sup>
126,089,000	629,996,000	25,164,000	5,086,000 <sup>3</sup>	123.87 <sup>3</sup>
52,000*	660,725,000	30,729,000	5,241,000 <sup>3</sup>	126.07 <sup>3</sup>
38,333,000*	705,306,000	44,581,000	5,382,000	131.05



## APPENDIX II

### ECONOMIC STATEMENTS

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## POPULATION AND VITAL STATISTICS

Ontario's population at the last Census date, June 1, 1956, was 5,404,933 and, by January 1, 1957, it had risen to 5,515,000. The population is growing at the fastest rate on record. The Census data show an increase of 807,391, 17.6 per cent, over the 4,597,542 enumerated five years earlier, at the 1951 Census—just a few thousand short of the growth during the previous 10 years. During the years 1951-1956, the average increase was 161,000, or 3.3 per cent, per year—substantially above the rate in the rest of Canada during the same years and two and a half times the Province's war-time rate of increase. At the present time, it is estimated that our population is growing by about 15,000 persons per month. Almost 34 per cent of all the people in Canada now reside in this Province—the highest proportion of the total since before World War I.

One of the major factors in the rapid population growth has been the extremely high birth rate. Record heights of economic well-being during the past 10 years have enabled people to marry at an earlier age and have also been a factor in increasing family size. In 1956, there were 26.7 births per 1,000 population, compared with 23.8 in 1946 and 17.3 in 1939. During 1956, a total of 144,089 births were registered in the Province—4,500, 3.2 per cent, above the previous all-time high of 139,554 in 1955, 46,600, nearly 50 per cent more than in 1946 and 80,000, one and a quarter times, higher than in 1939. Along with the rise in the birth rate, there has been a steady decline in the death rate over the past few years, as advances in medical science, improved hospital facilities and higher living standards have prolonged the average life span. Although the number of deaths in the Province increased somewhat between 1939 and 1956, the death rate in the latter year was at about its lowest level—8.9, compared with 9.7 in 1946 and 10.1 in 1939. The combination of rising birth rates and falling death rates has brought the Province's natural increase (births minus deaths) to the highest point ever known. In 1956, natural increase added 95,737 persons to the population, 1,600 more than in 1955, 38,000 more than in 1946 and 69,000 more than in 1939. The natural increase rate of 17.7 per 1,000 exceeded that of 1946 by one-quarter and was about two and a half times the 1939 rate.

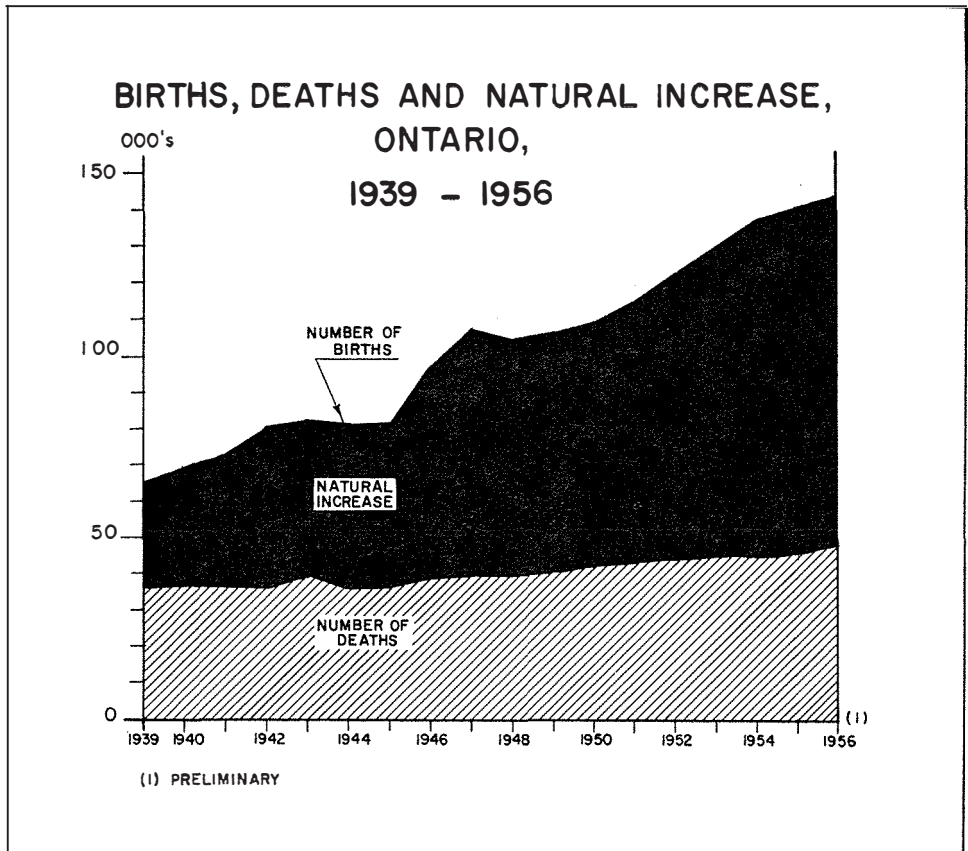
While natural increase plays a large part in the Province's population growth, another important factor is migration to Ontario from other countries and from the other provinces. The flow of immigrants to this Province since 1946 is comparable to the record level of the years immediately before 1914. During the past five years, an average of 80,000 immigrants per year came to Ontario, with nearly 90,700 entering in 1956 alone. The total is expected to be even larger in 1957. During the past five years, an additional 20,000 to 25,000 persons from areas outside the Province have been settling in Ontario each year. Some of these persons are from other provinces, while others are immigrants who have come to Ontario, although originally registering to settle in other parts of the country.

VITAL STATISTICS, ONTARIO, 1939-1956

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	10.1
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	9.9
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	4,788,000	123,891	25.9	44,402	9.3	79,489	16.6
1953	4,941,000	129,771	26.3	45,242	9.2	84,529	17.1
1954	5,115,000	136,261	26.6	44,515	8.7	91,746	17.9
1955	5,266,000	139,554	26.5	45,434	8.6	94,120	17.9
1956	5,404,933	144,089 <sup>1</sup>	26.7	48,352 <sup>1</sup>	8.9	95,737 <sup>1</sup>	17.7

<sup>1</sup>Preliminary.

Source: Dominion Bureau of Statistics, *Vital Statistics*, 1955, December, 1956.



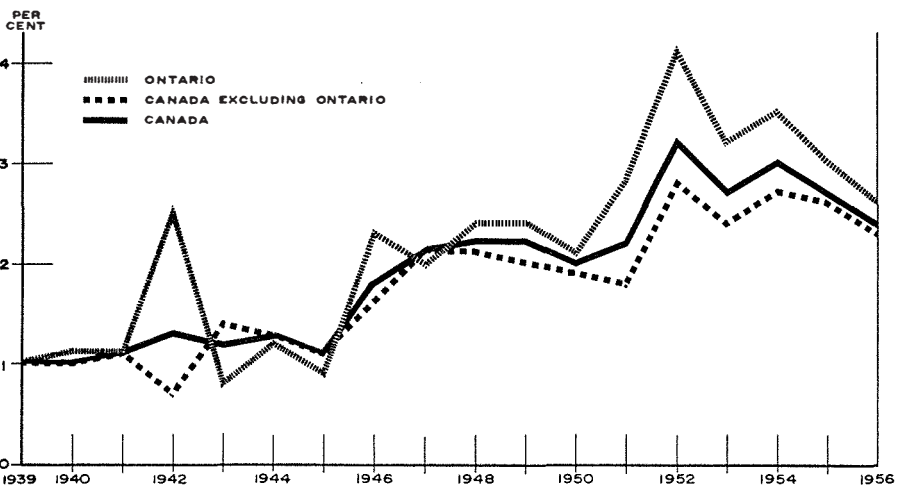
**POPULATION INCREASE IN ONTARIO, CANADA EXCLUDING ONTARIO,  
AND CANADA, BY CENSUS YEARS 1871-1956 AND BY YEARS 1939-1956**

Year	Ontario			Canada <sup>1</sup> Excluding Ontario			All of Canada <sup>1</sup>		
	Population (000's)	No. Increase	Per Cent (%)	Population (000's)	No. Increase	Per Cent (%)	Population (000's)	No. Increase	Per Cent (%)
By Census Years, 1871 to 1956, Showing Increase for Each Period									
1871	1,621	225	16.1	2,220	262	13.4	3,841	487	14.5
1881	1,927	306	18.9	2,585	365	16.4	4,512	671	17.5
1891	2,114	187	9.7	2,921	336	13.0	5,035	523	11.6
1901	2,183	69	3.3	3,409	488	16.7	5,592	557	11.1
1911	2,527	344	15.8	4,922	1,513	44.4	7,449	1,857	33.2
1921	2,934	407	16.1	6,117	1,195	24.3	9,051	1,602	21.5
1931	3,432	498	17.0	7,226	1,109	18.1	10,658	1,607	17.8
1941	3,788	356	10.4	8,022	796	11.0	11,810	1,152	10.8
1951	4,598	810	21.4	9,411	1,389	17.3	14,009	2,199	18.6
1956	5,405	807	17.6	10,676	1,265	13.4	16,081	2,072	14.8
By Years, 1939 to 1956, Showing Annual Increase									
1939	3,708	36	1.0	7,857	81	1.0	11,565	117	1.0
1940	3,747	39	1.1	7,935	77	1.0	11,682	116	1.0
1941	3,788	41	1.1	8,022	87	1.1	11,810	128	1.1
1942	3,884	96	2.5	8,078	56	0.7	11,962	152	1.3
1943	3,915	31	0.8	8,193	115	1.4	12,108	146	1.2
1944	3,963	48	1.2	8,299	106	1.3	12,262	154	1.3
1945	4,000	37	0.9	8,394	95	1.1	12,394	132	1.1
1946	4,093	93	2.3	8,529	135	1.6	12,622	228	1.8
1947	4,176	83	2.0	8,712	183	2.1	12,888	266	2.1
1948	4,275	99	2.4	8,892	180	2.1	13,167	279	2.2
1949	4,378	103	2.4	9,069	177	2.0	13,447	280	2.1
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	4,788	190	4.1	9,671	260	2.8	14,459	450	3.2
1953	4,941	153	3.2	9,904	233	2.4	14,845	386	2.7
1954	5,115	174	3.5	10,172	268	2.7	15,287	442	3.0
1955	5,266	151	3.0	10,432	260	2.6	15,698	411	2.7
1956	5,405	139	2.6	10,676	244	2.3	16,081	383	2.4

<sup>1</sup>Estimates of the Newfoundland population are included in the Canadian total for dates prior to 1949; estimates for the years before 1921 are based on the Newfoundland Censuses which were as follows: 1869, 146,536; 1874, 161,374; 1884, 197,335; 1891, 202,040; 1901, 220,984; 1911, 242,619; 1921, 263,033.

Source: Dominion Bureau of Statistics, *Canada Year Book*, 1955, and revised intercensal estimates of population. Newfoundland data from 1921 in *Vital Statistics*, 1955.

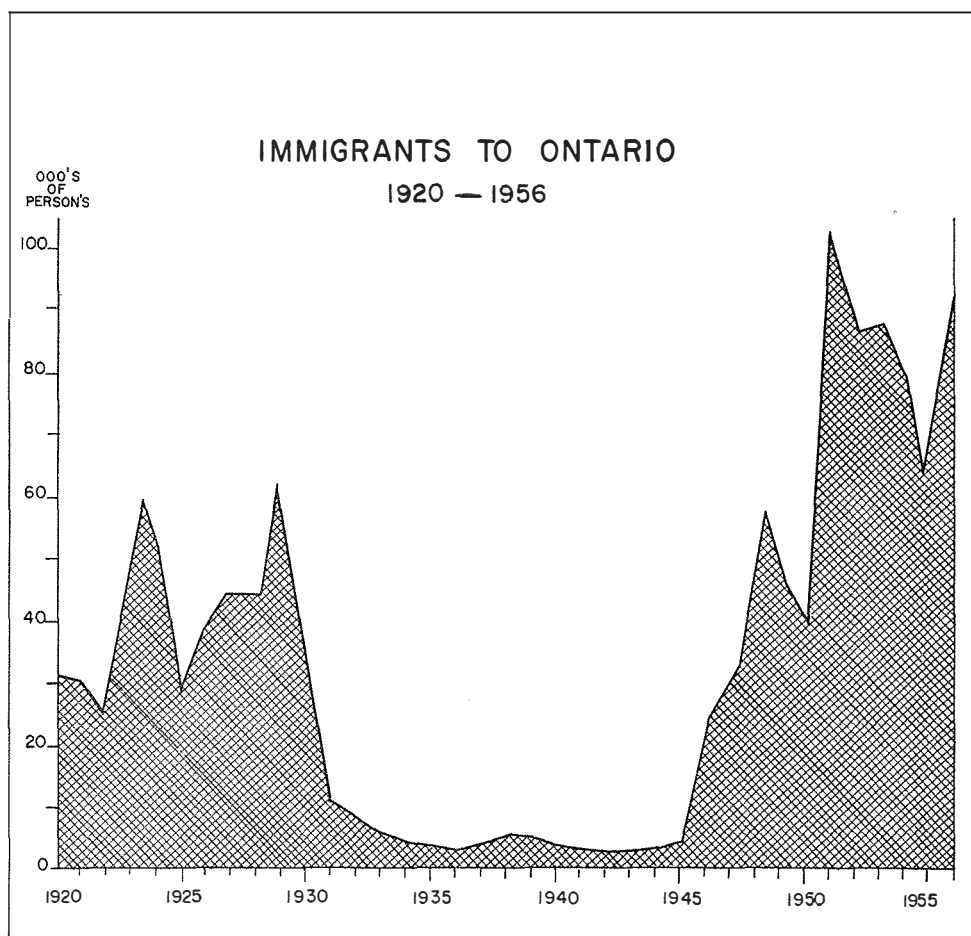
**PERCENTAGE INCREASE IN POPULATION  
ONTARIO, CANADA EXCLUDING ONT. AND CANADA  
1939-1956**





## IMMIGRATION

Nearly 90,700 immigrants, 55 per cent of the 165,000 arriving in Canada, gave Ontario as their destination in 1956. The number entering this Province in 1956 was 50 per cent above the 1955 level. The proportion of Canadian immigrants settling in Ontario last year was the highest recorded in this century, except in 1947—and in that year, the numbers involved were under two-fifths of the 1956 immigration total. Of the 1,387,000 immigrants entering Canada during the eleven years 1946-1956, inclusive, 727,000 or 52 per cent, came to this Province. This is an average of around 66,000 immigrants per year to Ontario during that period, more than 10 times the annual average for the 15 years immediately prior to 1946. The peak post-war immigration was in 1951, when 194,000 persons entered this country; 105,000 of these, or 54 per cent, came to this Province. The flow of immigrants into Ontario declined somewhat during the next few years, but in 1956, the number rose to its highest point since 1951.



The rate of immigration per 1,000 persons has fluctuated considerably during the past eleven years. The Ontario rate in 1956 was 16.8 per 1,000 population compared with the 1946 rate of 7.2 per 1,000 and the 1951 peak of 22.8. These rates compare with the rates for Canada as a whole of 10.3, 5.8 and 13.9, respectively. The average annual rate of immigration for the period 1946-1956, was 13.9 per 1,000 for Ontario, compared with 8.8 for Canada.

Some shift in the flow of immigrants from several countries occurred in 1956 compared with the previous year. Residents of the British Isles increased to 52,619 from 30,420 in 1955, and accounted for 31.9 per cent of the total, compared with 27.7 per cent. The number of immigrants from the United States fell by 600 and their proportion of the total dropped to 5.9 per cent from 9.5 per cent. Other large groups in 1956 were 27,900, 16.9 per cent, from Italy, compared with 19,100, 17.4 per cent, last year; 26,100, 15.8 per cent, from Germany, compared with 17,600, 16.0 per cent, in 1955; 7,800, 4.7 per cent, from the Netherlands, compared with 6,800, 6.1 per cent. The largest increases were in residents of Britain—21,000, Italy—8,800, and Germany—8,400.

#### IMMIGRANTS TO CANADA, BY COUNTRY OF LAST PERMANENT RESIDENCE, AND TO ONTARIO, AND RATES PER 1,000 POPULATION, 1939-1956

Year	CANADA					ONTARIO		ONTARIO AS % OF CANADA
	U.K. <sup>1</sup>	U.S.A.	Other Countries	All Countries	Rate per 1,000 Pop'n	No.	Rate per 1,000 Pop'n	
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	18.0	52.3
1953	48,695	9,407	110,766	168,868	11.4	90,120	18.2	53.4
1954	45,179	10,131	98,917	154,227	10.1	83,029	16.2	53.8
1955	30,420	10,395	69,131	109,946	7.0	57,563	10.9	52.4
1956	52,619	9,777	102,461	164,857	10.3	90,662	16.8	55.0

<sup>1</sup>Includes immigrants from southern Ireland.

Source: Dominion Bureau of Statistics, *Canada Year Book*, 1947, 1950, 1951, 1955, 1956, statements of the Federal Department of Citizenship and Immigration.

## THE LABOUR FORCE

The steady expansion experienced by the Ontario labour force during the past decade accelerated in 1956, to give the Province the largest increase of any year during the post-war period. Over the year, there was an average of 2,098,000 persons in the labour force, some 73,000, or 3.6 per cent, more than the 1955 average. There were about 400,000, or 23 per cent, more workers in the Province in 1956 than in 1946. The work force in Ontario has grown much more rapidly than in Canada as a whole, as the number of workers in the country as a whole in 1956 increased by 2.6 per cent over 1955 and was 18.1 per cent higher than in 1946.

The Province's labour force has shown a continuous upward trend over the past ten years; however, its growth during this period lagged behind the increase in population. Although many factors, both social and economic, affect the proportion of the total population working at any given time, the greatest influence in lowering this proportion in Ontario during the past ten years has been the relatively slow increase in the working age population, as compared with the growth in the very young and the very old age groups. Because of the low birth rates of the thirties, young people are now entering the labour force in relatively smaller numbers than was the case in the past. Moreover, the high level of post-war birth rates and a rising life expectancy have increased the relative size of the population under 14 and over 65 years of age. Along with this comparative shrinking in the working age population, the growing need for highly trained and specialized workers has necessitated a longer period of formal education. These factors which have tended to lower the relative proportion of people in the labour force have been partially offset by the large number of immigrant workers entering the Province—370,000 since 1945—and by the increasing work participation of women.

During 1956, the expansionary forces in the economy of the Province were sufficiently strong to counteract the effects of the comparatively slow growth in the working age population. Thus, although the population increased by 2.6 per cent from 1955 to 1956, the work force was 3.6 per cent higher, on the average. This large increase was possible because the exceptionally strong demand for labour attracted a larger number than usual of students, semi-retired people and women into the work force, particularly during the summer months. At the peak of summer employment in mid-August, the labour force totalled 2,180,000 persons, an increase of 90,000, or 4.5 per cent, over the corresponding date in the previous year. The number of workers 14-19 years of age increased by 7 per cent, while those 65 years of age and over exceeded the number in August, 1955 by 18 per cent; the number of women working increased by 11 per cent. Many of these people were only temporarily attached to the labour force and probably dropped out during the winter months.

The strong demand for workers arising from the record level of business activity in Ontario during 1956 not only attracted an unusually large number of people into the work force, but also kept them in virtually full employment throughout most of the year. Unemployment levels were the lowest since 1953 and among the lowest in the post-war period, averaging only about 2 per cent of the labour force over the whole year. During the peak summer employment period in July and August, only about 30,000 persons, or 1.3 per cent of the total work force in the Province, were unemployed. In Canada as a whole, unemployment averaged 3.1 per cent of the work force over the year and 1.7 per cent at the peak of the summer.

Ontario's workers also enjoyed record incomes during the year. Wages and salaries of industrial workers were about 5 per cent higher in 1956 than in 1955, averaging \$66.60 per week for the year. By the beginning of December, average industrial earnings in the Province had risen to \$68.57 per week, an increase of more than \$4 a week over December, 1955. Although in Canada as a whole, industrial earnings also rose substantially during the year, Ontario workers, on the average, continued to enjoy higher earnings than those in the rest of Canada. In 1956, average industrial earnings in Ontario exceeded those in Canada as a whole by 3.7 per cent.

**ONTARIO LABOUR FORCE, BY AGE GROUPS, AT SURVEY DATE  
NEAREST JUNE 1, 1946-1956**

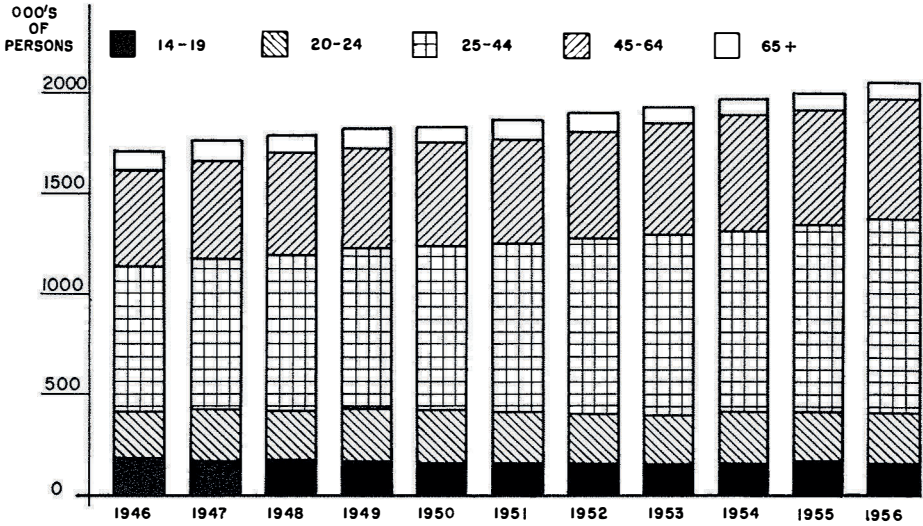
Year	14-19	20-24	25-44 (thousands of persons)	45-64	65+	Total
1946	187	227	731	477	89	1,711
1947	185	240	761	484	91	1,761
1948	186	243	777	500	93	1,799
1949	180	254	801	497	94	1,826
1950	167	250	819	508	91	1,835
1951	162	250	847	519	92	1,870
1952	162	246	882	527	92	1,909
1953	155	245	902	550	85	1,937
1954	166	247	917	564	93	1,987
1955	170	245	941	574	86	2,016
1956	165	248	964	601	93	2,071
% Increase 1956/1946	-11.8	9.3	31.9	26.0	4.5	21.0

NOTE: 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.

Source: Dominion Bureau of Statistics, *Labour Force*, November, 1945—January, 1955; *Labour Force*, May, 1955; May, 1956.

### ONTARIO LABOUR FORCE BY AGE GROUPS, 1946-1956

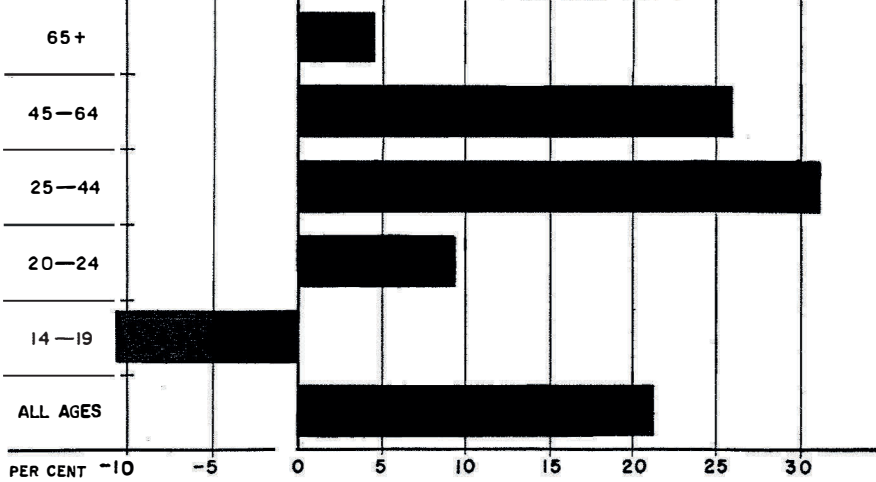
( AT THE SURVEY DATE NEAREST JUNE 1, IN EACH YEAR )



### INCREASE IN THE ONTARIO LABOUR FORCE, BY AGE GROUPS

1946 to 1956

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



## RESIDENTIAL CONSTRUCTION

Just over 51,200 new dwelling units, plus about 1,100 conversions, were completed in Ontario in 1956, making 52,300 in all. Although completions were down several hundred from 1955, because of difficulties caused by credit restrictions in some areas, they, nevertheless, represented the second best year in the history of Ontario's residential construction, being one-quarter higher than the 1954 total. Housing starts during 1956 numbered 48,700, while the carry-over of new housing units under construction at the end of the year amounted to 26,200.

During the 12-year period 1945-1956, inclusive, more than 400,000 housing units, including conversions, were completed in this Province. In the nine years 1948-1956, inclusive, the number of new dwelling units built in Ontario numbered 327,400, 38 per cent of the total constructed in Canada in the period.

HOUSING STARTS, COMPLETIONS, CONVERSIONS AND CARRY-OVERS,  
ONTARIO, 1945-1956

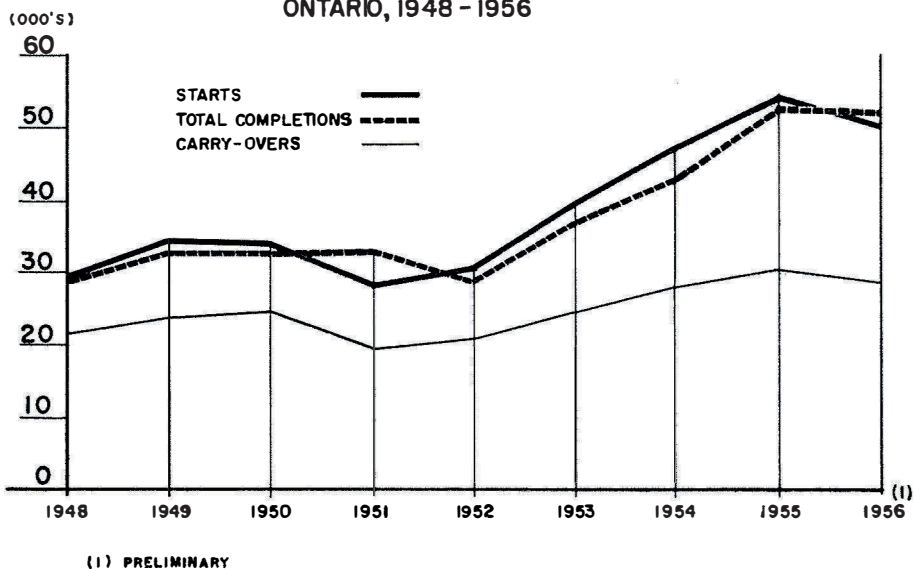
Year	Starts	Completions			Carry-Over
		New Units	Conversions	Total	
1945 Total (est.)	n.a.	13,100	2,000	15,100	n.a.
1946 Total (est.)	n.a.	19,600	1,700	21,300	12,706
1947 Total (est.)	n.a.	22,500	2,200	24,700	17,243
1948 Total	29,976	26,391	2,273	28,664	21,112
Urban	21,547	18,207	....	....	16,382
Rural	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	....	....	6,099
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	1,524	42,609	27,941
Urban	39,847	33,874	....	....	22,682
Rural	6,535	7,211	....	....	5,259
1955 Total	53,456	51,612	1,023	52,635	30,055
Urban	40,505	40,995	....	....	22,473
Rural	12,951	10,617	....	....	7,582
1956 Total	48,712	51,201	1,086	52,287	26,232
Urban	37,014	39,640	....	....	19,319
Rural	11,698	11,561	....	....	6,913
				400,150	

Source: 1945-1947—Estimated by Department of Economics.

1948-1956—Dominion Bureau of Statistics, *New Residential Construction* (formerly *Housing Bulletin*), December issues 1948 to 1956.

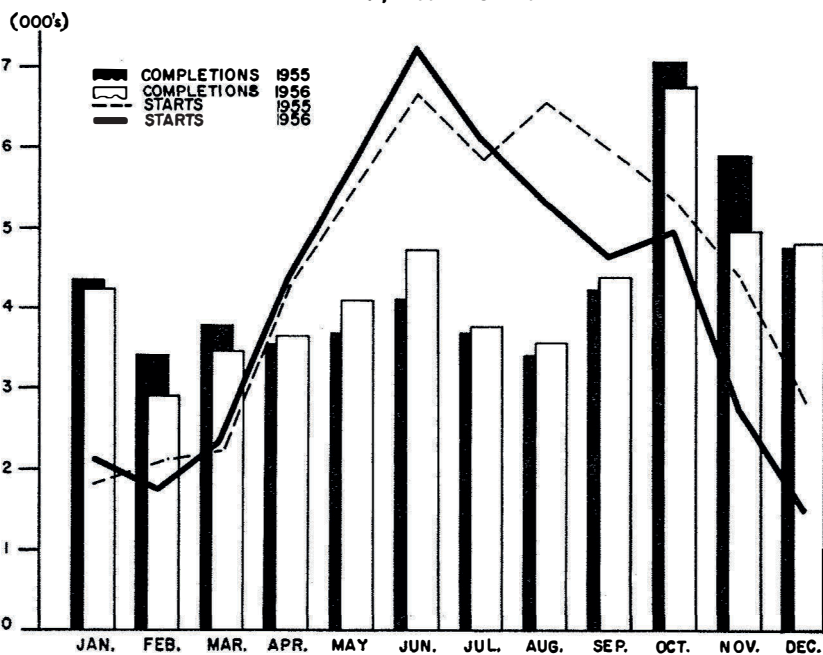


### HOUSING STARTS, TOTAL COMPLETIONS AND CARRY-OVERS, ONTARIO, 1948 - 1956



### NEW RESIDENTIAL CONSTRUCTION, ONTARIO

BY MONTHS, 1955 AND 1956





## HOUSEHOLD FACILITIES AND EQUIPMENT

The great rise in living standards enjoyed by the people of Ontario during the past 15 years is illustrated by the increase in the proportion of households using certain facilities and equipment in 1956, compared with 1941. Nearly three-quarters of Ontario homes are now owner occupied, 98 per cent are supplied with electricity, over 90 per cent have a refrigerator and a radio, more than 85 per cent have a telephone, 70 per cent possess at least one automobile, over two-thirds have a vacuum cleaner and, the same proportion, a television set.

## HOUSEHOLD FACILITIES AND EQUIPMENT, ONTARIO, 1941, 1951, 1953-1956

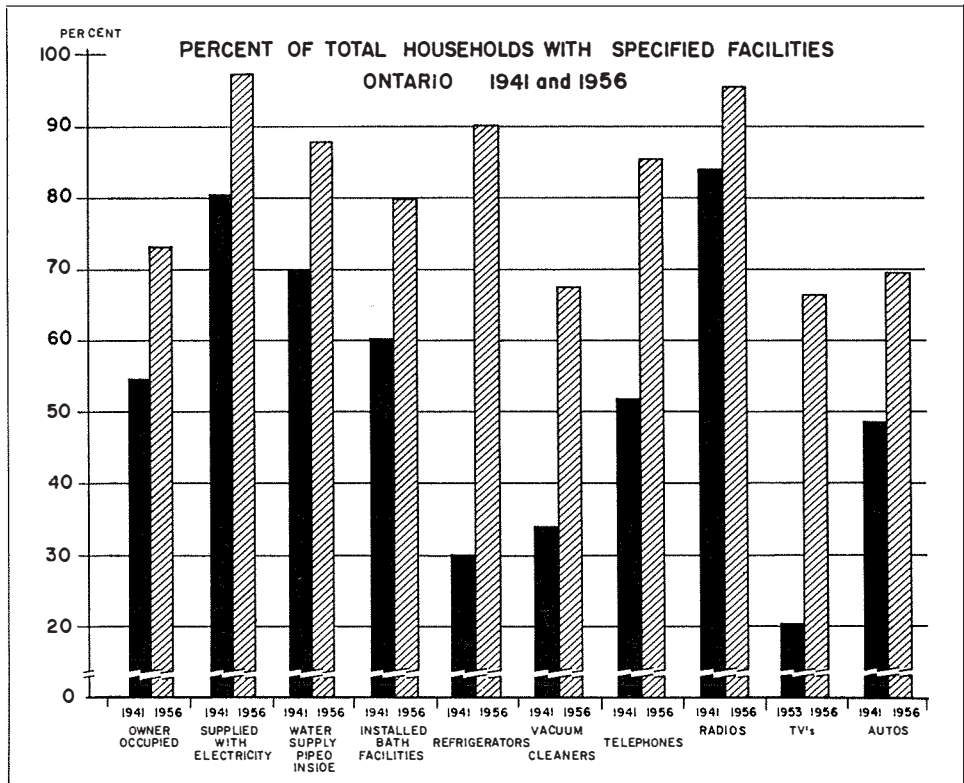
## DWELLINGS

Year	Total Occupied	Owner Occupied		Supplied with Electricity		Water Supply Piped Inside		Installed Bath Facilities	
	No. (000's)	No. (000's)	%	No. (000's)	%	No. (000's)	%	No. (000's)	%
1941	911	515	56.5	738	81.0	630	69.2	553	60.7
1951	1,181	821	69.5	1,111	94.1	971	82.2	860	72.8
1953	1,266	918	72.5	1,233	97.4	1,083	85.5	972	76.8
1954	1,311	969	73.9	1,276	97.3	1,110	84.7	1,002	76.4
1955	1,333	990	74.3	1,300	97.5	1,144	85.8	1,045	78.4
1956	1,370	1,005	73.4	1,342	98.0	1,212	88.5	1,111	81.1

Year	Refrigerators		Telephones		Radios		TV's		Automobiles	
	No. (000's)	%	No. (000's)	%	No. (000's)	%	No. (000's)	%	No. (000's)	%
1941	287	31.5	476	52.3	759	83.3	..	..	450	49.4
1951	729	61.7	865	73.2	1,098	93.0	n.a.	..	640	54.2
1953	1,022	80.7	1,016	80.3	1,229	97.1	272	21.5	818	64.6
1954	1,109	84.6	1,064	81.2	1,267	96.6	478	36.5	885	67.5
1955	1,171	87.8	1,115	83.6	1,288	96.6	698	52.4	912	68.4
1956	1,250	91.2	1,174	85.7	1,314	95.9	915	66.8	957	69.9

Source: Dominion Bureau of Statistics, *Census of Canada*, 1941, Volume 9; 1951, Volume 3; *Household Facilities and Equipment* (annual), 1953-1956.



## PERSONAL INCOME AND ITS COMPONENTS

### Personal Income

The personal income gained in Ontario in 1956 was higher than ever before, standing at an estimated \$8.7 billion, an increase of more than 10 per cent over 1955. This advance reflected the increase in employment, the rise in average earnings and the general high-level economic activity that marked 1956. The 1956 personal income was two and a third times the 1945 total and almost five times the \$1,766 million shown for 1939. Ontario, last year, accounted for 40 per cent of the total Canadian personal income, which amounted to around \$21.7 billion. As in the past, the level of per capita earnings in Ontario was substantially higher than in the rest of Canada. The 1956 personal income averaged \$1,610 for every man, woman and child in the Province, compared to \$1,350 for the country as a whole.

The components making up personal income all reached record levels in 1956 for both Ontario and Canada, showing considerable increases over the corresponding 1955 totals.

### PERSONAL INCOME, ONTARIO AND CANADA, 1939-1956

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	4,935	1,127	12,757	949	38.7
1950	5,303	1,186	13,414	978	39.5
1951	6,083	1,323	15,693	1,120	38.8
1952	6,729	1,405	17,214	1,191	39.1
1953	7,172	1,452	18,132	1,221	39.6
1954	7,379	1,443	18,209	1,191	40.5
1955	7,881	1,497	19,701	1,255	40.0
1956	8,700 (est)	1,610	21,706	1,350	40.1

Source: Dominion Bureau of Statistics, *National Accounts, Income and Expenditure, 1926-1950, 1950-1955*; *House of Commons Debates*, March 14, 1957 (Budget Papers). 1956 Ontario data was estimated by Ontario Department of Economics.

### Wages, Salaries and Supplementary Labour Income

Wages, salaries and supplementary labour incomes in the Province in 1956 amounted to an estimated \$6.0 billion, an increase of 12 per cent over the 1955 total and five and a half times the amount earned in 1939. Earnings for the whole of Canada reached \$14.3 billion, compared with \$12.8 billion in 1955 and \$2.6 billion in 1939. As consumer prices advanced by only a few points during 1956, a further appreciable gain in real income is represented by the increase in earnings. As has been the case for the last decade, labour income in Ontario in 1956 comprised 42 per cent of the Canadian total. The Province's per capita labour income in 1956 was \$1,110, about one-quarter higher than the average for the nation of \$888 and a gain of about 9 per cent over the 1955 amount of \$1,021. The average earnings of each worker in the Province amounted to \$2,860 in 1956, compared with \$2,656 in the previous year. (As the number of workers includes both full- and part-time employees and summer help, the figure for average earnings is much lower than it would be if only full-time workers were covered.)

#### WAGES, SALARIES AND SUPPLEMENTARY LABOUR INCOME, ONTARIO AND CANADA, 1939-1956

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	958	10,868	752	42.2
1953	4,950	1,002	11,715	789	42.3
1954	5,044	986	11,994	785	42.1
1955	5,378	1,021	12,810	816	42.0
1956	6,000 (est)	1,110	14,284	888	42.0

### Net Income of Unincorporated Businesses

The net income of unincorporated businesses (which include most farms) in Ontario in 1956, amounted to \$1.2 billion, an increase of 12 per cent over the 1955 total of close to \$1.1 billion. The provincial figure last year represented 35 per cent of the Canadian total. The income from this source has increased more than three times since 1939 and shows a gain of 67 per cent over the 1946 amount. The per capita net income for Ontario was \$226 compared with \$220 for all Canada.

**NET INCOME OF UNINCORPORATED BUSINESSES,  
ONTARIO AND CANADA, 1939-1956**

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	216	3,456	239	29.9
1953	1,053	213	3,332	224	31.6
1954	1,003	196	2,776	182	36.1
1955	1,086	206	3,175	202	34.2
1956	1,220 (est)	226	3,539	220	34.5

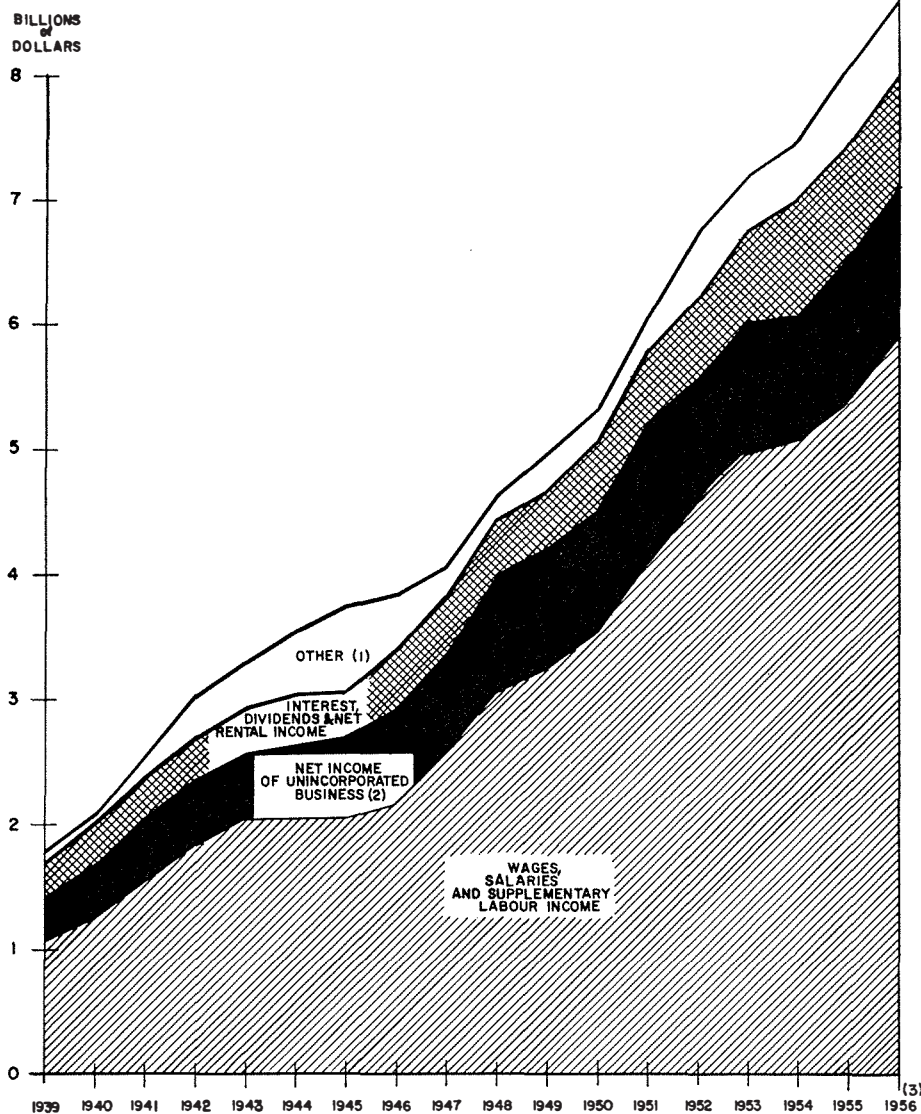
**Interest, Dividends and Net Rental Income of Persons**

The interest, dividends and net rental income received by Ontario residents in 1956 reached a new peak, standing at an estimated \$0.9 billion. This represented an increase of 7 per cent over 1955 and was more than three times the 1939 total. With the Canadian figure standing at \$2.1 billion, Ontario's share of the national total amounted to 44 per cent. On a per capita basis, the Ontario and Canadian figures were \$169 and \$130 respectively.

**INTEREST, DIVIDENDS AND NET RENTAL INCOME OF PERSONS,  
ONTARIO AND CANADA, 1939-1956**

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	108	42.1
1953	704	142	1,649	111	42.7
1954	783	153	1,783	117	43.9
1955	854	162	1,957	125	43.6
1956	915 (est)	169	2,097	130	43.6

# PERSONAL INCOME SHOWING MAIN COMPONENTS, ONTARIO 1939 - 1956



(1) TRANSFER PAYMENTS (EXCLUDING INTEREST) AND MILITARY PAY, LESS SOCIAL INSURANCE AND PENSION CONTRIBUTIONS.

(2) INCLUDES NET INCOME OF FARM OPERATORS FROM FARM PRODUCTION AND OF NON-FARM UNINCORPORATED BUSINESS.

(3) PRELIMINARY ESTIMATE.

## PRICE MOVEMENTS

The various price indexes were moderately higher in 1956. The consumer price index averaged 118.1, compared with 116.4 for 1955. The rise in this index first began in May, with increases in food prices being the main cause. The farm commodities index averaged 119.0, 2.5 points over 1955. The general wholesale price index rose by 3.4 points to 113.8. The building material indexes each rose by over 4 points, compared with the 1955 average. The index of wholesale prices of farm products advanced by 2 points over the average for the previous year.

**SPECIFIED PRICE INDEXES, CANADA, ANNUAL AVERAGES 1939-1956,  
MONTHS, 1956**

(1949 = 100)

Year	Consumer Prices	Commodities and Services Used by Farmers	General Wholesale Prices	Non-Residential Building Materials	Residential Building Materials	Wholesale Prices of Farm Products
1939	63.2	51.1	50.0	60.3	44.9	42.5
1940	65.7	55.7	54.5	62.2	48.4	44.0
1941	69.6	60.4	58.7	66.1	53.8	49.8
1942	72.9	66.7	62.0	69.2	57.4	60.3
1943	74.2	71.1	64.5	70.2	61.0	66.7
1944	74.6	72.0	65.9	70.9	64.3	67.2
1945	75.0	73.5	66.6	71.4	65.0	70.5
1946	77.5	75.9	70.0	75.0	67.8	73.6
1947	84.8	82.5	82.3	84.5	79.1	80.2
1948	97.0	96.9	97.5	95.9	95.4	103.1
1949	100.0	100.0	100.0	100.0	100.0	100.0
1950	102.9	102.4	106.5	105.0	106.4	102.6
1951	113.7	113.2	121.1	118.6	125.5	120.8
1952	116.5	119.5	114.0	123.2	124.9	115.8
1953	115.5	116.5	111.3	124.4	123.9	99.6
1954	116.2	115.6	109.4	121.8	121.7	96.8
1955	116.4	116.5	110.4	123.4	124.3	96.3
1956	118.1	119.0	113.8	128.1	128.4	98.3
Jan.	116.8	116.1	112.0	126.7	127.0	91.0
Feb.	116.4	....	112.1	126.9	127.0	90.3
Mar.	116.4	....	112.6	127.2	128.0	91.8
Apr.	116.6	119.0	113.2	127.2	128.7	93.8
May	116.6	....	113.6	127.4	129.0	99.7
June	117.8	....	114.2	127.5	129.0	105.1
July	118.5	....	114.3	127.1	128.9	111.8
Aug.	119.1	121.8	114.5	129.3	128.9	102.1
Sept.	119.0	....	114.7	129.3	128.6	97.7
Oct.	119.8	....	114.5	129.5	128.7	97.5
Nov.	120.3	....	114.3	129.3	128.6	98.9
Dec.	120.4	....	115.0	129.6	128.4	99.9

NOTE: The Farm Commodities and Services, the Wholesale Price and the Farm Products Indexes were arithmetically converted from a 1935-39 base.

The indexes are for Canada as a whole, except the Farm Commodities and Services and the Farm Products Indexes, which are for Eastern Canada.

The indexes can only be used to compare the movement of prices in each series over time and not to compare the level of prices among the various groups at a particular date.

Source: Dominion Bureau of Statistics, *Prices and Price Indexes, 1949-1952*, and *Prices and Price Indexes* (monthly), to December, 1956.

## CONSUMER SPENDING

With the increased employment and higher earnings of the past year, consumer spending in Ontario, as shown by retail trade data, reached a new high level in 1956, standing at \$5.4 billion (preliminary). This amount was 5.6 per cent above 1955, more than two and a third times the 1946 total and over five times that of 1939. During the past few years, Ontario consumers have accounted for about 38 per cent of the retail trade in Canada.

Every type of store sold more goods in 1956 than in 1955. Grocery and combination stores did a larger amount of business than any other type in 1956, as in previous years. The value of their trade amounted to \$1,025 million—just under one-fifth of the total retail trade conducted in the Province. Motor vehicle dealers accounted for \$951 million in sales—over one-sixth of the total—and garages and filling stations for \$324 million. Other groups of stores with large volumes of sales were department stores—\$414 million; clothing and shoe stores—\$320 million; and furniture, appliance and radio stores—\$239 million.

## RETAIL TRADE, BY SPECIFIED TYPES OF STORES, ONTARIO, 1941-1956

Year	Total	Grocery and Combination	Motor Vehicle	Garage and Filling Station (millions of dollars)	Depart- ment (dollars)	Clothing and Shoe	Furniture, Appliance and Radio	All Other
1939 <sup>1</sup>	1,038.7	175.0	115.0	75.0	110.0	85.0	35.0	443.7
1940 <sup>1</sup>	1,191.1	200.0	130.0	85.0	125.0	100.0	40.0	511.1
1941	1,388.0	230.7	151.3	97.2	146.0	114.9	48.9	599.0
1942	1,446.5	262.7	91.9	55.1	158.0	139.2	46.5	693.1
1943	1,488.0	273.5	77.5	41.9	152.5	147.3	40.1	755.2
1944	1,573.7	290.9	87.1	44.1	162.9	159.4	41.2	788.1
1945	1,773.5	316.0	104.5	51.3	181.6	176.9	47.7	895.5
1946	2,264.5	364.4	201.8	111.4	217.8	205.3	82.3	1,081.5
1947	2,721.1	434.8	291.7	152.3	250.9	226.8	110.5	1,254.1
1948	3,067.2	513.2	320.2	168.9	285.8	249.0	122.8	1,407.3
1949	3,293.6	561.5	384.4	186.4	302.1	255.6	135.2	1,468.4
1950	3,715.4	615.5	544.9	199.9	305.8	248.1	151.2	1,650.0
1951	4,129.8	729.6	699.2	212.6	308.6	290.0	164.1	1,725.7
1952	4,383.3	773.5	769.3	223.4	334.2	303.0	201.4	1,778.5
1953	4,615.9	815.9	845.6	240.1	342.6	307.3	222.3	1,842.1
1954	4,634.5	887.7	748.4	277.5	353.3	295.1	218.7	1,853.8
1955	5,115.2	944.2	938.0	313.5	383.8	301.2	228.3	2,006.2
1956 <sup>2</sup>	5,403.0	1,025.3	951.1	323.7	413.5	319.9	239.2	2,130.3

<sup>1</sup>Component data are estimated.

<sup>2</sup>Preliminary.

Source: Dominion Bureau of Statistics, *Retail Trade, 1930-1951, Retail Trade* (annual), 1952-1955, *Retail Trade* (monthly), December, 1956.



## NEW CAPITAL INVESTMENT

More new capital was invested in Ontario during 1956 than in any previous year. The total amounted to \$2.8 billion, an increase of \$559 million, about one-quarter, over 1955, the previous record year. All sectors of the economy experienced advances in new capital investment in 1956, with the main increases coming in manufacturing, utilities, and the primary and construction industries. New capital investment in the Province last year was close to 36 per cent of the Canadian total of \$7.9 billion. Capital expenditures in Ontario in 1957 are forecast at close to \$3.2 billion, 37 per cent of the \$8.5 billion total for the whole country. The Ontario total indicates an increase of \$333 million, or 12 per cent, over 1956.

The sector breakdown of new capital investment in Ontario in 1956 shows manufacturing ranking first, with \$606 million, 21 per cent of the total. Second was residential housing, with \$602 million, 21 per cent. Utilities were third with \$480 million (17 per cent), followed by institutional service and direct government (\$477 million, 17 per cent), primary and construction industries (\$379 million, 13 per cent) and trade, financial and commercial services (\$287 million, 10 per cent). Reflecting to a considerable extent the huge additions to generating plant and equipment made by the Ontario Hydro-Electric Power Commission, the investment in utilities during the last nine years was only slightly lower than in manufacturing. Five of the main sectors of the economy are forecast as showing increases in capital expenditures in 1957, with one—housing—decreasing. Leading are utilities and manufacturing—\$691 million and \$689 million, respectively, or around 22 per cent of the total, each. Third is institutional services and direct government (\$558 million, 17 per cent), followed by residential housing (\$507 million, 16 per cent), primary and construction industries (\$401 million, 13 per cent) and trade, financial and commercial services (\$318 million, 10 per cent).

New capital investment in Ontario in the war and post-war period has reached an enormous total. In the 17 years 1940-1956, inclusive, over \$21.6 billion was invested in the Province's industrial plant, machinery and equipment, housing, highways, electric power stations and other utilities. This amount was 37 per cent of all new capital invested in Canada during that period.

Capital investment in relation to Canada's gross national product has increased considerably over the last 17 years. In 1940, the new capital investment in the country 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 proportion again rose and, in recent years, has fluctuated between 21 and 24 per cent. In 1956, however, the proportion was over 26 per cent.

## NEW CAPITAL INVESTMENT, CANADA AND ONTARIO, 1940-1957

Year	Canada (million \$)	Ontario (million \$)	Ontario as % of Canada (%)	Canada's Gross National Product (million \$)	Capital Investment in Canada as % of G.N.P. (%)
1940	1,048	2,739 <sup>1</sup>	40.0	{ 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 <sup>1</sup>	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	15,613	20.3
1949	3,502	1,298	37.1	16,462	21.3
1950	3,815	1,419	37.2	18,203	21.0
1951	4,574	1,740	38.0	21,474	21.3
1952	5,283	1,899	35.9	23,255	22.7
1953	5,842	2,106	36.0	24,473	23.9
1954	5,625	2,089	37.1	24,317	23.1
1955	6,351	2,271	35.8	26,769	23.7
1956	7,899	2,830	35.8	29,866 <sup>2</sup>	26.4
			37.0		
Total	58,389	21,622			
1957 <sup>3</sup>	8,536	3,164	37.1		

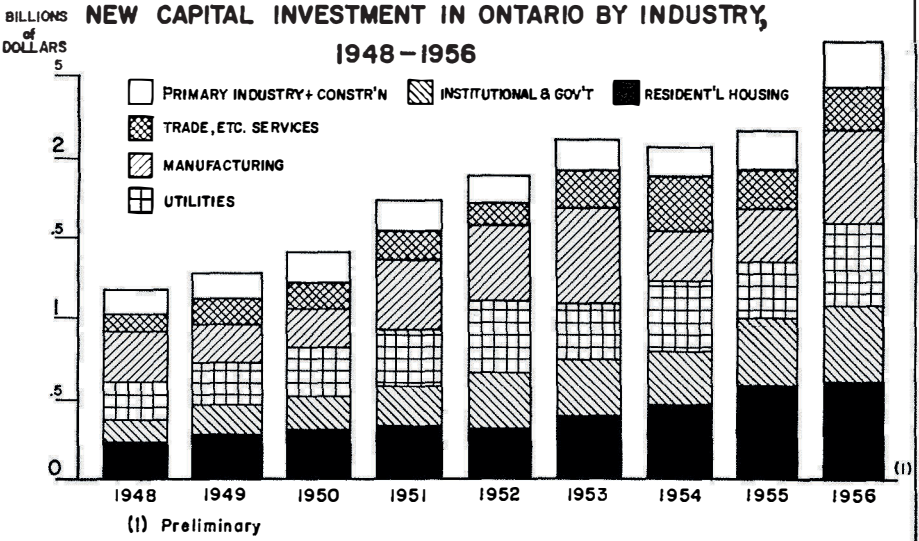
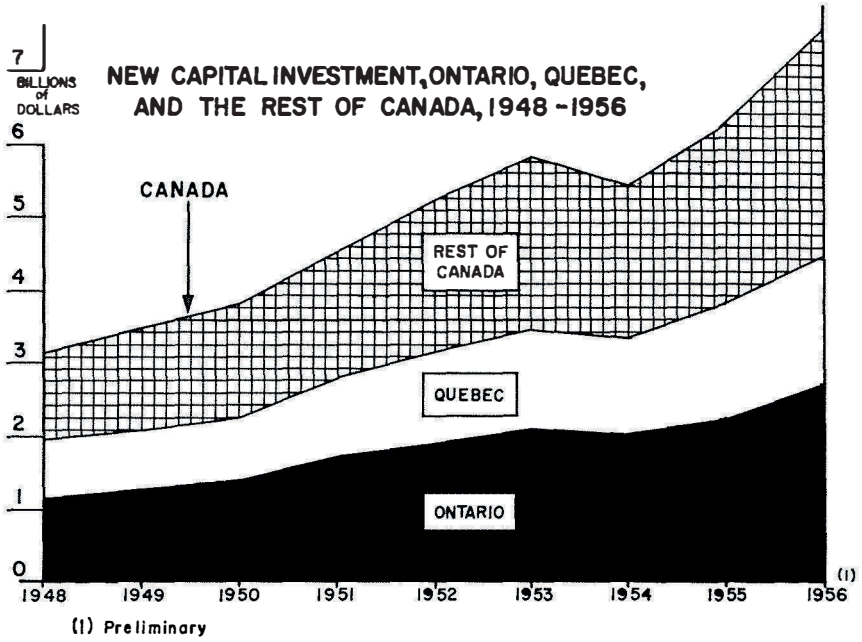
<sup>1</sup>Estimated.<sup>2</sup>Preliminary.<sup>3</sup>Forecast

Source: Department of Trade and Commerce, *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, 1956, 1957. Ontario, 1940-1947, was estimated by the Ontario Department of Economics.

## NEW CAPITAL INVESTMENT, BY SECTORS, ONTARIO, 1950-1957

Industry	1950	1951	1952	1953	1954	1955	1956	1957 <sup>1</sup>
	(millions of dollars)							
Primary Industries and Construction Industry.....	197.3	211.7	188.8	194.3	203.9	259.0	379.3	401.3
Manufacturing.....	217.9	395.2	477.3	499.4	416.3	411.8	605.7	688.9
Utilities.....	314.7	361.1	397.1	444.0	392.6	346.6	479.6	691.0
Trade, Finance and Commercial Services.....	166.6	175.0	137.0	217.9	255.3	261.4	286.9	317.5
Residential Housing.....	317.9	333.3	309.8	399.9	484.9	605.9	601.6	506.7
Institutional Services and Direct Government.....	204.8	263.7	389.3	350.1	335.7	386.4	477.2	558.0
Total.....	<u>1,419.2</u>	<u>1,740.0</u>	<u>1,899.3</u>	<u>2,105.6</u>	<u>2,088.7</u>	<u>2,271.1</u>	<u>2,830.3</u>	<u>3,163.4</u>

<sup>1</sup>Preliminary.



## INTEREST RATES AND CAPITAL BORROWING

During the past year, Canada's easy money policy came to an end. One of the main indications of this situation was the precipitous rise in interest rates, which was a factor in compounding the problems of provincial and municipal borrowers.

The Bank of Canada's index of monetary conditions—the bank rate—rose rapidly. It stood at 2.75 per cent on January 1, 1956 but, by the end of the year, had increased to 3.92 per cent. Fairly stable during the early 1950's, it was reduced from 2.00 per cent to 1.50 per cent in 1955, when a temporary recession was expected. It was then increased seven times between June, 1955 and November, 1956 to a level of 3.50 per cent.

On November 1, 1956, the policy of setting this rate at 0.25 per cent above the average weekly tender rate for 91-day treasury bills was established. By this measure, the bank rate moves automatically with changes in the 91-day treasury bill rate. The bank rate was 3.50 per cent on October 17, 1956. The first rate under the new policy was 3.59 per cent. Since that time, it has risen gradually and on February 14, 1957 was quoted at 4.00 per cent.

Rising interest rates reflect, in part, the heavy demand for loanable funds. This trend was apparent during the year in all sectors of the bond market. The average yields on representative securities in various groups increased as follows: Provincials from 3.82 per cent to 5.03 per cent; Municipals from 4.04 per cent to 5.45 per cent; Corporations from 4.15 per cent to 5.22 per cent and Utilities from 3.98 per cent to 4.98 per cent. Other inflationary pressures were evident throughout the economy, and it was felt that the rapid rate of expansion should be tempered, as various segments of the economy showed signs of over-extension.

In late 1955, the chartered banks were requested to increase their liquid reserves, with a view to restricting the amount of loanable funds available to the public. This was accomplished by creating a seven per cent reserve of treasury bills and day-to-day loans in addition to the statutory eight per cent cash reserves. The chartered banks had obtained this objective by May of 1956 and adhered to this policy throughout the rest of the year. In the fall of 1956, the chartered banks and other principal lending institutions were also requested to restrict their lines of credit. This had the effect of forcing some corporate borrowers into the public market for funds usually obtained elsewhere and the volume of new financing rose considerably in the latter part of the year. Industry as a whole appears to be re-examining its expansion program in the light of these new difficulties, in an attempt to postpone or curtail certain capital outlays. The Small Loans Act was passed, restricting interest rates on loans for smaller amounts and thus making them unprofitable for the finance companies. In

January, 1957, National Housing Act mortgage rates were increased to six per cent to make them competitive in the demand for loanable funds and perhaps to divert some of these funds from other more inflationary type objectives.

The Province of Ontario has been affected by the interest rate fluctuations. In 1946, for example, it was able to market serial debentures maturing in 21 to 30 years at an offering yield of 2.75 per cent; in November, 1956, the yield on an issue of 20 year bonds had risen to 4.73 per cent. Despite these rising interest rates, the Province has been obliged to borrow to help finance its greatly expanded capital program.

Since the end of World War II, the Province has raised about \$1 billion (gross) in the bond market, of which some \$300 million was on behalf of Hydro. In addition, it has guaranteed over \$1.1 billion of bonds issued by Hydro. Ontario Government borrowings, which in 1946 totalled \$30 million, were more than five times as great last year at \$160 million, of which \$50 million was for Hydro.

The Province came to the Canadian market twice in 1956. In May, it issued \$60,000,000  $4\frac{1}{4}$  per cent debentures due May 15, 1974 at 100 to the public and, in November, it issued a total of \$50,000,000  $4\frac{1}{2}$  per cent debentures maturing December 1, 1963 and December 1, 1976. These debentures were offered to yield 4.70 per cent and 4.73 per cent, respectively. In April, the Province went to market in the United States for \$50,000,000  $3\frac{7}{8}$  per cent debentures due May 15, 1981. These debentures were offered to the public at 99.60, to yield approximately 3.90 per cent in U.S. funds. The proceeds were advanced to Hydro.

The volume of municipal borrowing has followed a pattern similar to that noted for the Province. Municipalities in Canada came to market in 1956 for about \$350 million, compared with \$300 million in 1955, \$240 million in 1952 and \$135 million in 1946. Thus, over the past decade, the level of municipal borrowings has increased  $2\frac{1}{2}$  times. Of last year's total, local governments in Ontario accounted for \$152 million or 43 per cent, a sum greater than the total for Canada in 1946.

Not the least of the problems of our municipalities is the cost of public financing. For example, one Ontario city with a population of 23,000 and a high credit rating paid 4.07 per cent for its capital money in 1951, 4.15 per cent in 1953, 3.70 per cent in 1954, 3.60 per cent in 1955 and 5.2 per cent in 1956. Some smaller municipalities, without the same credit standing, are having to pay rates as high as 5.60 per cent to 6.00 per cent in the public market, while other municipalities are experiencing difficulties in marketing debentures at any price.

## AGRICULTURE

Agricultural conditions in Ontario improved somewhat in 1956, compared with the previous few years, in spite of adverse weather conditions. The estimated gross value of agricultural production was \$1,074 million in 1956, an increase of 3 per cent over 1955. For field crops only, the increase for 1956 was over 6 per cent. Farm cash income for 1956 is estimated at \$753 million—1.2 per cent higher than in 1955. Although farm operating costs increased slightly in 1956, the farm cash income from farm operations was still over \$5 million in excess of the 1955 figure.

Livestock and livestock products account for about 55 per cent of the Province's gross value of farm production and for over 70 per cent of cash income. Field crops are second, with 29 per cent of the gross value of farm production.

### VALUE OF FARM PRODUCTION, ONTARIO, 1939-1956

Year	Gross Value of Production (\$000's)	Gross Farm Income (\$000's)	Cash Income from Sale of Farm Products (\$000's)	Net Income of Farm Operators from Farming (\$000's)
1939.....	372,249	268,987	208,974	129,799
1940.....	380,342	275,780	215,936	132,194
1941.....	473,378	322,713	274,387	170,283
1942.....	573,486	436,960	356,635	263,406
1943.....	586,467	440,982	386,370	246,039
1944.....	654,262	506,328	405,648	288,957
1945.....	703,986	531,295	454,357	309,795
1946.....	768,069	580,215	481,126	338,621
1947.....	853,074	643,934	543,415	343,237
1948.....	1,029,204	765,250	664,234	438,169
1949.....	1,070,448	793,061	678,252	458,546
1950.....	1,128,957	825,625	679,757	461,811
1951.....	1,262,088	962,314	786,805	558,174
1952.....	1,091,809	883,148	736,887	447,629
1953.....	1,025,613	862,468	720,161	435,686
1954.....	1,038,036	827,642	714,379	396,611
1955.....	1,041,760	869,966	744,108	428,438
1956 (est) .....	1,074,079	880,000	752,983	435,000

Source: Gross Value of Production—Ontario Department of Agriculture. Other—Dominion Bureau of Statistics, *Handbook of Agricultural Statistics*, Part 4, *Quarterly Bulletin of Agricultural Statistics* (January to March, various years). 1956 gross and net income were estimated by the Ontario Department of Economics.

The scarcity of farm labour and the tendency of farm wages to rise still further continued to pose serious problems for farmers during the year. Since 1946, the farm labour force has decreased by one-third and now constitutes only a little over 10 per cent of the total number of workers in the Province. The gross value of production per agricultural worker, however, more than doubled in this ten-year period, as a result of increased mechanization and improved work methods.



The Government of Ontario assists in various programs designed to benefit the farming community and to make the amenities of city life available to rural dwellers.

The Junior Farmer Establishment Loan Corporation, which assists young farmers in obtaining ownership of a farm, was very active in 1956. The number of loans granted under the Act doubled over the year. On December 31, 1956, 2,056 loans involving \$14.3 million, had been approved. This compared with the \$7 million in 1,098 loans approved between the time of establishment of the Corporation in 1952 and January 31, 1955.

The agricultural colleges and schools administered under the Department of Agriculture continued to extend their services to the Province's farmers. The Department of Agricultural Engineering at the Ontario Agricultural College expanded its operations during the year. Plans were prepared to construct additional buildings and increase services and staff. The Ontario Veterinary College widened its research and extension program.

The Farm Products Marketing program, covering some thirty commodities, contributed to the increases in farm product prices registered during 1956. Several vegetables were added to the eight main processing crops previously regulated for marketing. The decision of the Supreme Court of Canada on the validity of the provincial Farm Products Marketing Act settled areas of uncertainty which existed in regard to the legal status of marketing procedure under the Act. The Milk Products Board, which supervises the marketing of milk for manufactured products in the Province, assumed jurisdiction over the three milk product marketing plans.

Under the Community Centres Act, a total of \$198,000 in grants was extended to assist the financing of 92 projects. Since the Act was passed in 1948, 252 grants have been provided for construction of halls, 260 for athletic fields, 161 for skating arenas, 79 for outdoor rinks, 95 for combination arenas and halls and 26 for swimming pools.

The policy of assistance to agriculture in Northern Ontario was continued in 1956. Expenditures amounted to \$199,000 in connection with clearing and breaking of land, farm water supply, the Demonstration Farm at Sault Ste. Marie, and grants for various purposes.

In the field of rural tele-communications, the Ontario Telephone Authority continued to assist independent telephone companies with their engineering and commercial problems and to promote the integration of small systems into larger and more efficient units. Since January 1st, 1954, the number of independent telephone systems in the Province was reduced by 83 to 371 on December 31st, 1956. The consolidation of an additional 16 systems with larger groups has been approved.

The number of rural customers supplied by the Hydro-Electric Power Commission of Ontario in 1956 reached 430,000, nearly three times the total serviced in 1944.



## MINING

Mineral production in Ontario in 1956 reached the highest level ever recorded, with preliminary data showing a value of \$640.9 million. This total is \$56.9 million, 9.7 per cent, above the previous record of \$584.0 million reached in 1955 and three and a third times the 1946 total. Ontario is the leading mineral-producing province and during the last few years has accounted for about one-third of the Canadian total, compared with about one-fifth at the turn of the century. The total recorded mineral output of the Province since the first mines were opened until the end of 1956 amounted to about \$9.2 billion.

The Province's output of metallics—\$512.4 million in 1956—accounts for 45 per cent of the national total. All of Canada's platinum metals are produced in the Province, and virtually all the nickel and cobalt, in addition to well over half the gold, nearly half the copper and over a quarter of the iron ore. Ontario produces about 80 per cent of the free world's supply of nickel and is the world's largest supplier of the platinum metals. As for the non-metallics, it holds a North American monopoly of nepheline syenite and produces all of the country's arsenious oxide. Ontario accounts for over two-fifths of the country's output of structural materials.

Impressive gains in value of output were registered in 1956 by the Province's two most important minerals—nickel and copper. The value of nickel in 1956 was \$209.7 million, 5.6 per cent above the 1955 level, while copper, with a 1956 value of \$127.0 million, was 18.5 per cent higher than in 1955. The Province's third most important mineral, gold, at \$86.0 million, was down slightly from 1955. Iron ore, with a value of \$40.0 million, was 16.6 per cent above 1955. Uranium output in 1956 was valued at \$5.9 million, compared with \$0.5 million in the previous year.

Development and prospecting continued at a high level during 1956. Although the number of claims staked—47,997—was somewhat lower than in the two previous years, nevertheless, last year was the third most important on record for prospecting. The Sudbury and Port Arthur mining divisions were the most active, with somewhat over 8,000 claims—one-sixth of the total—being recorded in each area. There were about 105,000 mining claims in good standing in the Province at the end of 1956. More than 900,000 feet of diamond-drilling was completed last year.

Copper and nickel figured most prominently in exploratory activity during 1956. Prospecting for these two metals took place at Werner Lake; for nickel, copper and platinum near Sudbury; and for copper near Matachewan. Exploration work for iron ore was carried out near Kirkland Lake, north of Kapuskasing, in the Larder Lake Division, at several locations in the Port Arthur Division, and east of Red Lake.

Ontario's deposits of uranium ore are among the most important in the world. One mine alone in the Blind River area is reported to have ore reserves more than double those of all uranium mines in the United States. Development is proceeding apace. Three producers were in operation in 1956—two in the Blind River area and one in Bancroft—and a number of others will come into production this year. Seven mills are under construction in the Blind River area and two around Bancroft. The Province's uranium mines hold production purchase contracts amounting to over \$1.2 billion.

As regards development in other metals, two copper mines in Manitouwadge are nearing the production stage. The daily ore capacity in one is expected to be 3,300 tons and in the other, 1,000 tons. A copper-lead-zinc operation is expected to be in production near Chelmsford by mid-1957. Of importance in iron production was the first operation of a plant in the Sudbury basin to extract iron oxides from nickel ores. In the same area, construction will begin on a pilot plant to recover elementary sulphur from gases containing sulphur dioxide. A new asbestos producer went into operation in Deloro Township.

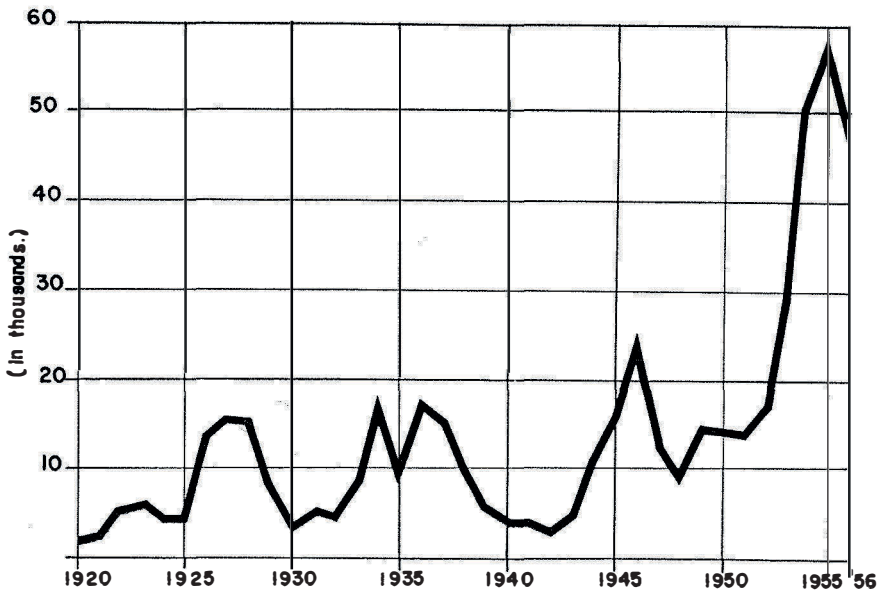
The vast exploration program and the development of new properties have been facilitated by the construction of access roads, in a project initiated by the Ontario Department of Mines in 1951. Up to the end of 1956, about 420 miles of such roads had been built.

#### VALUE OF MINERAL PRODUCTION, TOTAL, GROUPS AND SELECTED METALS, ONTARIO, 1939-1956

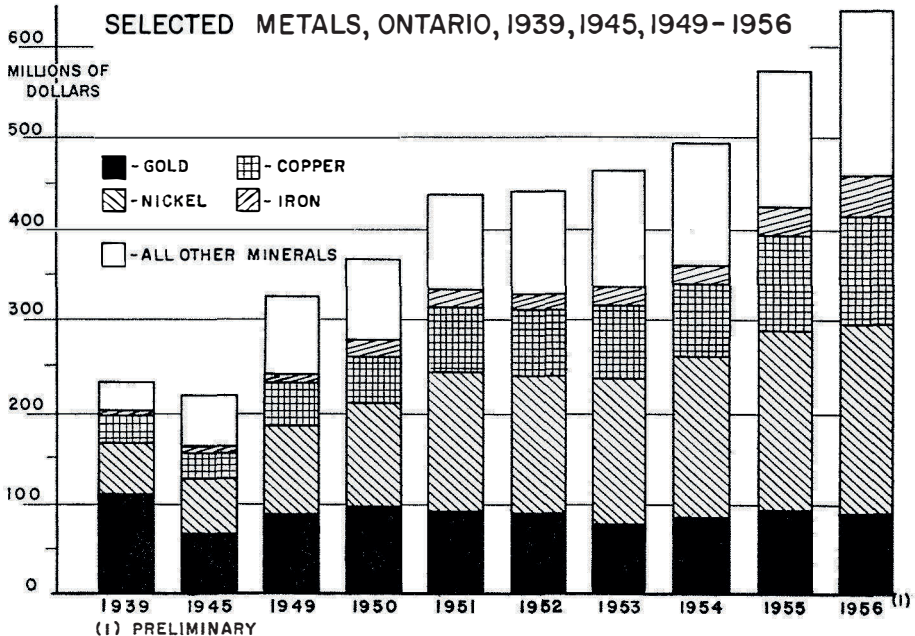
Year	Total Mineral Production	All Metals	Nickel	Copper	Gold (millions of dollars)	Iron	Non- Metallics	Fuels	Structural Materials
1939	232.5	208.2	50.9	32.6	111.5	0.3	3.8	7.7	12.9
1940	261.5	232.8	68.7	34.7	125.6	1.2	4.4	8.1	16.2
1941	267.4	237.0	70.0	33.2	123.0	1.4	4.8	7.5	18.1
1942	259.1	230.5	71.7	30.6	106.4	1.5	5.4	7.1	16.1
1943	232.9	204.8	69.2	32.2	81.5	1.5	6.3	6.8	15.0
1944	210.7	183.9	62.0	33.8	66.7	1.9	6.1	5.0	15.7
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	584.0	470.9	198.5	107.2	87.1	34.3	14.4	5.9	92.7
1956 (est)	640.9	512.4	209.7	127.0	86.0	40.0	19.7	7.1	101.7

Source: Dominion Bureau of Statistics, *General Review of the Mining Industry* (annual), 1939-1954; *Final Statistics of Mineral Production in Canada, 1955*; *Preliminary Estimate of the Mineral Production of Canada, 1956*.

MINING CLAIMS STAKED, ONTARIO, 1920 - 1956



VALUE OF TOTAL MINERAL PRODUCTION AND OF SELECTED METALS, ONTARIO, 1939, 1945, 1949-1956



## FORESTRY AND FOREST-BASED INDUSTRIES

### Forest Production

The prime output of Ontario's forests in 1956 was higher by 7 per cent in volume and 8 per cent in value than in 1955. The cut last year amounted to an estimated 770 million cubic feet valued at \$175 million, compared with 720 million cubic feet worth \$162 million in 1955. The value of Ontario's 1956 forest output was about double the 1946 total and nearly five times the 1939 production. Ontario's cut accounts for over one-fifth of the Canadian total.

### VALUE OF FOREST PRODUCTION FROM OPERATIONS IN THE WOODS, CANADA AND ONTARIO, 1939, 1945-1956

Year	CANADA		VOLUME		ONTARIO	
	Volume (000 cu.ft.)	Gross Value (\$000's)	Amount (000 cu.ft.)	% of Canada (%)	GROSS VALUE Amount (\$000's)	% of Canada (%)
1939	2,258,583	157,747	474,388	21.0	36,100	22.9
1945	2,566,058	334,325	479,289	18.7	70,420	21.1
1946	2,812,718	413,269	564,501	20.1	90,412	21.9
1947	3,091,086	519,804	613,919	19.9	109,528	21.1
1948	3,198,179	586,295	654,268	20.5	130,923	22.3
1949	3,140,137	561,412	632,202	20.1	125,912	22.4
1950	3,342,399	625,735	652,886	19.5	133,953	21.4
1951	3,602,957	782,525	695,877	19.3	150,921	19.3
1952	3,565,609	815,651	709,413	19.9	170,534	20.9
1953	3,579,336	783,547	687,192	19.2	165,135	21.1
1954	3,670,606	745,000(est)	688,447	18.8	159,148	21.4
1955 (est)	3,800,000	760,000	720,000	18.9	162,000	21.3
1956 (est)	3,925,000	815,000	770,000	19.6	175,000	21.5

Source: 1939-1954; Dominion Bureau of Statistics, *Operations in the Woods*, 1953; *Canada Year Book*, 1950, 1952-1953. 1955, 1956 data were estimated by the Ontario Department of Economics.

### The Lumber Industry

In spite of a decrease in residential building during 1956, the volume of sawn lumber produced in Ontario increased by about 7 per cent over last year, rising to 819 million board feet from 764 million in 1955.

### VOLUME OF LUMBER SAWN, ONTARIO, SELECTED YEARS 1931-1956

Year	Volume (thousand ft., B.M.)
1931	417,959
1941	602,248
1945	522,497
1954	721,742
1955	764,384
1956 (est)	819,000

Source: Dominion Bureau of Statistics, *The Lumber Industry*, various years. 1956 estimate was prepared by the Ontario Department of Economics.

### The Pulp and Paper Industry

The pulp and paper industry experienced a period of exceptional growth during 1956. The gross value of production last year was around \$437 million, close to 9 per cent above the 1955 total of \$401.7 million, which was the previous record high. A barometer of the continuing rise in the demand for paper products is the current investment in new plant and equipment, which now totals \$145 million, almost two and one-half times the amount recorded last year. Projects include at least four additions to capacity for sulphate pulp—used in the manufacture of container board and wrapping paper; two increases in sulphite facilities; and one new newsprint mill. The United States demand for newsprint continues its strong upward surge.

The total volume of paper produced in 1956 was well over double what it was in 1939. The outstanding increases in production in the past year took place in the paper board and fine paper categories, principally reflecting the development of the domestic market. These two groups rose by 12 and 15 per cent, respectively. In the past year also, it is estimated that newsprint production rose by nearly 5 per cent, pulp production by 6 per cent and wrapping paper production by 9 per cent.

#### VOLUME OF PAPER PRODUCTION, BY KINDS, ONTARIO, 1939, 1945-1956

Year	Newsprint	Paper Boards	Book and Writing Paper	Wrapping Paper (thousands of tons)	Tissue Paper	Other Paper	Total Paper Production
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	1,427.1	474.7	193.1	74.4	40.9	15.0	2,225.2
1956 (est)	1,490.0	....	....	....	....	....	2,400.0

Source: Dominion Bureau of Statistics, *The Pulp and Paper Industry*, various years. 1956 estimates were prepared by the Ontario Department of Economics.

## MANUFACTURING

Manufacturing is Ontario's single largest branch of industry, accounting for over two-thirds of the Province's entire production by all industries and nearly half the total manufacturing output of Canada. 1956 proved to be another record breaking year, with an estimated gross value of products of around \$10.5 billion. This is nearly 10 per cent over the 1955 production of \$9.6 billion, nearly a two-fold increase over the 1946 total of \$3.8 billion and a five-fold rise over 1939. The leading manufacturing group in the Province in 1956 was iron and steel products—\$1.8 billion; followed by transportation equipment—\$1.7 billion, and food and beverages—nearly \$1.6 billion. Ontario's most important individual manufacturing industry is motor vehicles; the Province accounts for over 98 per cent of the Canadian output. Other leading industries are non-ferrous metal smelting and refining, primary iron and steel, pulp and paper, slaughtering and meat packing, and petroleum products. Ontario accounts for more than 90 per cent of the Canadian production of motor vehicle parts, heavy electrical machinery, and agricultural implements.

Manufacturing in Ontario in 1956 employed around 645,000 persons, about 30 per cent of the Province's labour force. Salaries and wages in manufacturing for that year amounted to over \$2.3 billion.

### PRINCIPAL MANUFACTURING STATISTICS, ONTARIO, 1939-1956

Year	Establishments (units)	Employees (000's)	Salaries and Wages (\$000,000's)	Net Value of Products (\$000,000's)	Gross Value of Products <sup>1</sup> (\$000,000's)
1939	9,824	318.9	378.4	791.4	1,745.7
1940	10,040	372.6	479.4	1,004.5	2,302.0
1941	10,250	468.2	660.7	1,360.1	3,121.8
1942	10,711	543.0	840.8	1,671.1	3,817.4
1943	10,587	570.0	956.4	1,844.7	4,221.1
1944	10,730	564.4	975.0	1,930.0	4,339.8
1945	10,869	518.1	883.5	1,720.9	3,965.1
1946	11,424	498.1	845.2	1,659.3	3,754.5
1947	11,860	537.6	1,038.0	2,136.0	4,903.5
1948	12,118	551.6	1,210.4	2,486.0	5,742.3
1949	12,951	557.2	1,305.5	2,708.6	6,103.8
1950	12,809	566.5	1,413.0	3,068.1	6,823.0
1951	13,025	599.4	1,669.4	3,569.4	8,074.7
1952	13,172	609.7	1,844.2	3,811.1	8,372.2
1953	13,114	634.6	2,018.0	4,130.1	8,876.5
1954	13,178	598.9	1,954.8	3,930.7	8,533.2
1955 (prel)	13,300	613.7	2,076.7	4,413.3	9,616.3
1956 (est)	13,400	645.0	2,315.0	4,800.0	10,530.0

<sup>1</sup>In 1952 and subsequent years, "Value of Factory Shipments" instead of "Gross Value of Products" data are shown.

Source: Dominion Bureau of Statistics, *Manufacturing Industries of Canada* (annual), 1939 to 1955. 1956 estimates were made by the Ontario Department of Economics.



## ELECTRICAL ENERGY

About 58 per cent of the available water power resources in Ontario had been developed by the end of 1956; much of the remainder, however, cannot, at the moment be economically developed. The installed turbine capacity amounted to 5.4 million horsepower at the same date. This capacity was 1.4 per cent greater than in 1955 and more than double the 1946 total. Nearly 95 per cent of the 1956 capacity was installed in central electric stations, 4 per cent in pulp and paper mills for their own use and the remainder in other industries, also for their own use. Over 90 per cent of the central electric station capacity is installed in publicly operated stations.

Until the end of 1949, virtually all electrical energy generated by central electric stations in Ontario was produced by water power. Since then, however, the amount of energy produced from thermal power has increased considerably. In 1956, it amounted to nearly one billion kilowatt-hours, about  $3\frac{1}{2}$  per cent of all energy generated by the Province's central electric stations.

The energy generated in central electric stations has increased greatly in recent years. In 1956, it totalled 28.2 billion kilowatt-hours, 11.5 per cent above 1955, nearly two and two-thirds times the 1946 figure of 10.8 million kilowatt-hours and three and one-half times the amount generated in 1939.

The generation of electrical energy by the Hydro-Electric Power Commission of Ontario in 1956 reached a record level of 25.1 billion kilowatt-hours, an increase of 12 per cent over 1955, nearly three times the output in 1946 and four and a quarter times that in 1939. The Commission's share of the energy output of all central electric stations in the Province has been climbing steadily, rising from 73 per cent in 1939 to 89 per cent in 1956. The increase in the amount of energy generated by the Commission over the 17-year period from 1939 to 1956 amounted to 19.2 billion kilowatt-hours, of which 14.3 billion kilowatt-hours, or three-quarters, were added during the six years 1950-1956, inclusive. In 1956, chiefly from its own generating facilities, the Commission supplied 25.1 billion kilowatt-hours, or over 88 per cent of the total primary energy supplied by central electric stations for consumption in Ontario, as against 10.5 billion kilowatt-hours, 86 per cent, in 1946 and 6.3 billion kilowatt-hours, 75 per cent, in 1939.

This great increase in energy output results from the Commission's post-war construction program which, from its commencement in 1945 to the end of 1956, cost \$1.4 billion (and an estimated \$1.6 billion by the end of 1957) in additions to generating plant, lines and equipment. This program raised the dependable peak capacity of the Commission's own generating stations to over 5.2 million h.p. at the end of 1956 or to about three and three-quarter times its 1.4 million h.p. capacity in 1939.

The Hydro's program continued unabated during 1956. An additional four 100,000 h.p. units of the Sir Adam Beck Generating Station No. 2 on the



Niagara River are well on the way to completion and, when ready—during 1957 and 1958—will raise the station's total installed capacity to 1.6 million h.p. The pumping-generating station at Niagara will be substantially completed in 1957; it will have an installed capacity of 228,000 h.p. in six units. In North-western Ontario, four units were brought into operation at the Manitou Falls Generating Station in July, 1956, while another unit will be added in 1958, bringing the station's capacity to 88,100 h.p. Also by the latter date, a dependable peak capacity of 72,400 h.p. will be made available at the Whitedog Falls Generating Station, where construction is proceeding rapidly. In addition, steady progress is being made at the station at Caribou Falls on the English River, while further units are being added to the Alexander and Cameron Falls Generating Stations on the Nipigon River, all of which will contribute an additional 131,000 h.p. to existing facilities by the end of 1958. A new station at Silver Falls on the Kaministiquia River is also being planned, to be placed in service in 1959. Looking further ahead, between 1958 and 1960, 1.1 million h.p. of installed capacity will be added to the Commission's system through the completion of four more units at the Richard L. Hearn Generating Station in Toronto. Excellent progress continues to be made on the St. Lawrence power project, which is now about half finished, and in rehabilitating communities and relocating rail and road communications lying in the path of this great development. The 16 generating units scheduled for completion by the end of 1960 will have an installed capacity of 1.1 million h.p., equal to more than one-fifth of the Commission's present generating facilities.

To meet the ever-increasing demands of Ontario users of electrical energy, the Commission has planned for a dependable peak capacity of nearly 8 million h.p. from its own stations in 1960. This capacity, along with 0.8 million h.p. of purchased power, will make available a total supply of about 8.8 million h.p. at that time.

The diminishing scope for further major hydro-electric power developments within the Province, coupled with increasing demands from all users, means that greater reliance will have to be placed in the future on thermal stations. Accordingly, in co-operation with Atomic Energy of Canada Limited and the Canadian General Electric Company Limited, the Commission last September began the construction of the first Canadian nuclear power station near Chalk River. This experimental station—to be completed in 1959, with an installed capacity of 27,000 h.p.—will serve as the pattern for a series of larger nuclear stations which may be erected within the Province over the next few years.

The number of rural customers supplied by the Commission reached 430,000 at the end of 1956, nearly three times the total in 1944, and almost four times that of 1939. It is estimated that a further 30,000 customers will be serviced in 1957. Existing rural lines will bring service to 24,000 of these new customers, while 6,000 are to be served from 900 miles of new line.

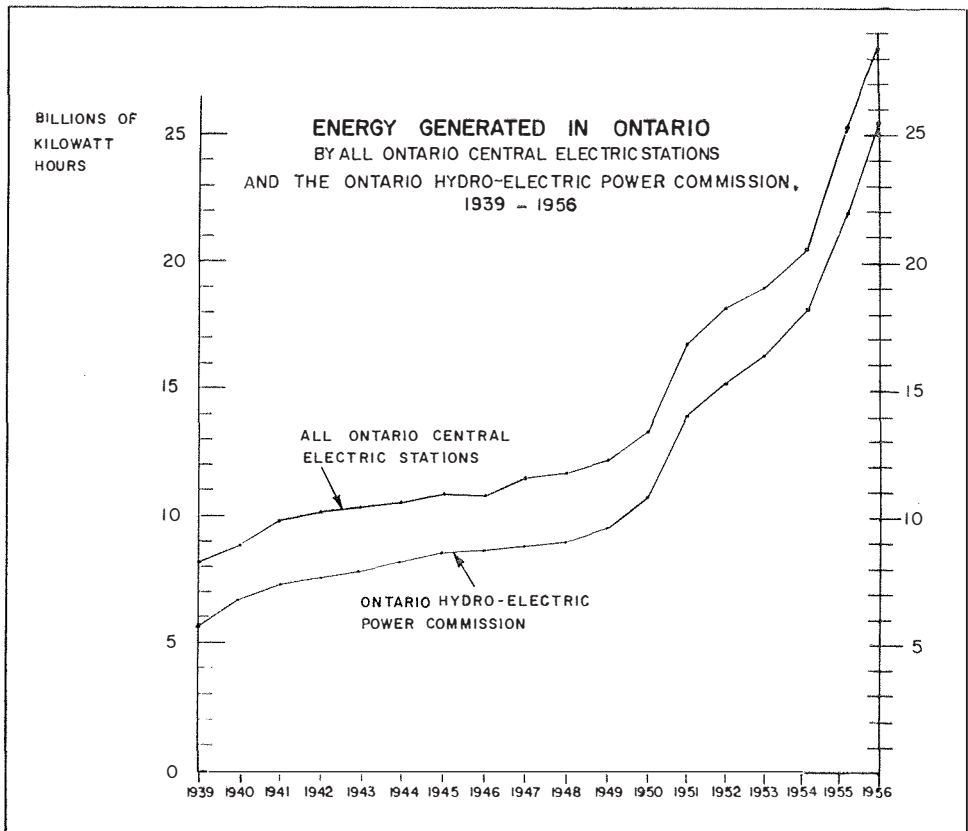
**ENERGY GENERATED AND SUPPLIED BY ALL CENTRAL ELECTRIC  
STATIONS IN ONTARIO AND BY THE HYDRO-ELECTRIC  
POWER COMMISSION OF ONTARIO, 1939-1956**

Calendar Year	Energy Generated in Ontario			Primary Energy Consumed in Ontario <sup>1</sup>		
	By all Central Electric Stations <sup>2</sup> (Thousands of Kilowatt- hours)	By Ontario Hydro (Thousands of Kilowatt- hours)	Ontario Hydro as % of Total (%)	Supplied by All Central Electric Stations <sup>2</sup> (Thousands of Kilowatt- hours)	Supplied by Ontario Hydro (Thousands of Kilowatt- hours)	Ontario Hydro as % of Total (%)
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	78.8	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	22,876,779	88.0
1956	28,248,097	25,142,295	89.0	28,533,846	25,135,102	88.1

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

<sup>2</sup>These data are the accumulated monthly figures.

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





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