

# ONTARIO FINANCES SHOW A DEFICIT

**Larger Revenue Did Not Meet  
Expenditure.**

## HEAVY CAPITAL CHARGES.

**Big Increase in Receipts From Succession Duties and Supplementary Revenue—Revenue is Not Fully Recorded in Accounts, Says Hon. Mr. Matheson.**

A deficit of \$249,100.13 in current account is the feature of the Provincial Treasurer's financial statement submitted to the Legislature yesterday afternoon. The current revenue mounted to more than a million above Hon. Mr. Matheson's estimate, but his estimate of the expenditure proved too conservative. The total current receipts of the Province for the year ended October 31, 1911, were \$9,370,833.90, and the expenditure \$9,619,934.03. The balance on hand at the first of the year was \$3,177,589.66, of this amount \$3,032,000 being at special deposit. The Province received in addition \$2,858,701.26 by loans, sale of Central Prison and Asylum property, sinking fund on municipal securities, etc., making a total of receipts for the year of \$15,407,124.82. The expenditure charged to capital account and for statutory purposes was \$4,283,273.80. At the end of the year the amount at special deposit was \$1,442,000, and the amount at current account \$51,915.99.

### Decrease in One Department.

The largest revenue was received from the Department of Lands, Forests and Mines, which paid to the Provincial Treasurer \$2,710,242. This was above the estimate, but over \$200,000 less than the receipts for the preceding year. All the other departments show a substantial increase. The succession duties and supplementary revenue contribute the major share of the increase. The increase in population was reflected in the Dominion subsidy of \$2,261,758.28, over \$133,000 above the 1910 figures. The Provincial Secretary's Department paid over \$323,736.25, compared with \$243,109.36 for 1910.

### Succession Duties Increased.

The increase in succession duties amounted to nearly \$300,000, the total being \$1,050,633.36. Supplementary revenue amounted to \$854,659.91. The Department of Agriculture had a revenue of \$147,169.64. Return from licenses was \$656,363.66, an increase of approximately \$85,000.

The Temiskaming & Northern Ontario Railway contributed \$515,000. The earnings of the road were approximately \$593,000, but the full amount was not paid into the Treasury.

Education and the maintenance of public institutions were the two principal expenditure headings. On education \$1,835,793 was expended, \$195,000 more than in the preceding year. For the maintenance of public institutions \$1,197,726.38 was required. Agriculture received \$680,101.17, an increase of slightly under \$60,000. Civil government required \$602,528; legislation, \$275,959; administration of justice, \$653,383; hospitals and charities, \$357,849; colonization roads, \$451,111; Hydro-electric Power Commission, \$91,302.

### Heavy Capital Expenditures.

Under the heading of capital expenditure is a sum of \$1,412,324, advanced to the Temiskaming & Northern Ontario Railway; on good roads the statutory grant was \$179,688; on the new Government House \$166,227; new Provincial Prison, \$159,120; for Parliament Buildings, \$475,400, of which \$281,599 was for the new north wing; for the Provincial Museum \$50,000, and for the Ontario Veterinary College \$22,937.

The Munn Lumber Company was paid \$290,000 to surrender timber limits in Algonquin Park, which was repaid to the Treasurer by a special loan.

### Million for Hydro-electric.

The Hydro-electric Commission received \$1,358,697, of which \$1,332,581 was expended on the Niagara power transmission line, and the balance on the Port Arthur line.

The expenditure for all purposes was \$13,903,207, compared with an expenditure of \$12,591,529 in 1910.

### The Treasurer's Explanation.

To The Globe later the Provincial Treasurer explained that the apparent deficit could largely be accounted for by the fact that only \$515,000 had been received from the Temiskaming & Northern Ontario Railway, whereas the earnings of the road were about \$593,000, the smaller payment being the result of the necessary delay in winding up accounts.

Nothing had been received from the Hydro-electric Commission, which was now paying interest upon bonds out of the revenue of the system. The practice before had been to pay the revenue into the Provincial treasury, where it appeared among receipts, the interest on the amount invested being charged to capital.