

BIG SURPLUS IS CLAIMED

Hon. T. W. McGarry Presents
Budget to the
Legislature

THREE MILLIONS NET

In three and a half years of war-time, which called for many unusual disbursements, Ontario piled up a surplus of over \$3,000,000, including a net surplus of \$1,751,374 for 1917, the biggest in the history of the Province, according to the Budget speech in the Legislature yesterday afternoon by the Provincial Treasurer.

After congratulating Mr. Proudfoot upon assuming the leadership of the Liberal party in the House, Hon. T. W. McGarry said:

"A statement of the first year of the war, a review of the year 1913-14, discloses the fact that there was a deficit of \$697,928.58. As explained at the time by me, that deficit was due partly to the refusal of certain companies to pay taxes and partly to the fact that we had expended the sum of \$294,000 in advances for flour for Great Britain and the Belgian people.

"In the following fiscal year, that of 1914-15 (the first full year of the Hearst Administration), we were able to announce a surplus of ordinary receipts over ordinary expenditures of \$271,370.

Last Year's Surplus.

"Last year, when presenting the financial sheet for the fiscal year 1915-16, there was announced 'the greatest surplus that had been,' namely, \$1,134,996.74.

"And now I have the honor to present the report of our finances for the fiscal year 1916-17. During that year our total ordinary receipts amounted to \$18,269,597.23, and our total ordinary expenditures were \$16,518,222.64, leaving a net surplus on the year's operations amounting to \$1,751,374.59.

Reduced Net Debt.

"Not only have we the greatest surplus ever announced in this House, but we have, in addition, reduced the net debt by \$1,216,301.70, and we have expended on capital account \$5,155,000 in excess of the amount borrowed for these purposes. Altogether we expended on capital account the sum of \$10,155,245.35. Our total borrowings were \$5,000,000, so that, as stated above, we expended over \$5,000,000 out of ordinary revenues and the balance carried over from last year.

"Of this sum of \$10,000,000, \$5,700,000 was for Hydro-electric, \$410,000 for T. & N. O. Railway and \$2,000,000 to pay off a loan. So, on the whole, our capital expenditure, outside of these particular items, was very considerably reduced.

Provincial War Tax.

"Last year we received from the Provincial war tax the sum of \$2,050,128.39, and we expended \$2,414,447.55, or \$364,319.16 more than we received, and this additional sum has been charged up to ordinary expenditures.

"The first item in receipts to which attention ought to be drawn is that of receipts from Lands, Forests and Mines Department, amounting to \$3,579,196.06. In the fiscal year 1915-16 our total receipts from this branch of the Government were \$1,860,557.37, so that there is an apparent increase of \$1,718,638.69. This is principally accounted for by the fact that last year we received \$1,366,892 from the nickel tax, made up of arrears for 1915-16, \$530,110, and taxes for 1916-17, \$836,782.

Motor Licenses.

"The second item of interest is that of motor licenses. In 1916 we