

SCHEDULE A.
Province of Ontario.

Summarized Statement, by Fiscal Years, of the Advances to, and the Repayments from, The Hydro-Electric Power Commission.

Fiscal Year Ending	Advances	Repayments
1909	\$ 486,893.73	.....
1909-10	2,130,456.78	.....
1910-11	1,564,572.34	.....
1911-12	479,315.48	.....
1912-13	1,361,407.89	.....
1913-14	4,064,556.70	.....
1914-15	2,380,509.16	.....
1915-16	9,772,955.64	.....
1916-17	5,818,773.19	.....
1917-18	8,409,597.68	.....
1918-19	11,743,962.51	.....
1919-20	18,676,500.00	.....
1920-21	37,517,816.53	.....
1921-22	14,134,617.00	.....
1922-23	8,835,260.00	.....
1923-24	10,885,021.61	.....
1924-25	8,844,092.83	.....
1925-26	3,191,104.46	4,812,000.00
1926-27	3,916,060.28	1,338,567.00
1927-28	6,867,442.26	1,417,529.45
1928-29	13,086,000.61	1,499,509.61
1929-30	13,884,559.50	1,607,427.82
1930-31	13,353,200.18	1,775,462.09
1931-32	3,660,955.08	2,402,944.38
1932-33	484,534.70	2,155,176.38
1933-34	2,277,092.20	2,412,398.33
1934-35	48,592.02	.....
1935-36	296,100.00x	14,846,584.52
1936-37	.....	21,162,208.84
	\$207,002,750.36	\$55,429,806.42

SUMMARY.

Total Advances	\$207,002,750.36
Total Repayments	55,429,806.42
Net Advances, as at March 31, 1937	\$151,572,943.94

xRefund of Temporary Advances made on Capital Account.

Capital Expenditures

"The capital expenditures for the fiscal year were estimated to amount to the sum of \$26,930,965.50 and, after giving effect to certain repayments by the Dominion Government on account of unemployment relief work on road and bridges, the total capital payments for the fiscal year will amount to the sum of \$25,703,621.69. With the permission of the House, I shall place upon the records an interim statement of gross capital payments for the fiscal year April 1, 1936, to March 31, 1937, being ten months' actual payments and two months' forecast.

INTERIM STATEMENT OF GROSS CAPITAL PAYMENTS.

Fiscal Year April 1, 1936—March 31, 1937—10 Months Actual—2 Months Forecast—12 Months

Department	Gross Capital Payments—		
	Works and Resources	Loan Advances	Trust Fund Repayments
Agricultural	\$ 2,000.00	\$ 2,500.00	.....
Attorney-General—			
Hydro-Electric Power Commission	1,000,000.00	20,000.00	.....
Education	65,638.43	.....	.....
Game and Fisheries	38,055.75	.....	.....
Health	6,104.42	.....	.....
Highways	6,115,463.49	.....	.....
Lands and Forests:			
Lands Branch	72,104.92	3,844.26	.....
Forests Branch	363,616.17	.....	.....
Northern Development:			
Districts	764,406.06	.....	.....
Colonization Roads Branch	195,788.96	.....	.....
Unemployment Relief, Roads and Bridges	*2,509,055.73	.....	.....
Prime Minister:			
Public Service Superannuation F'd	.....	.....	790,372.88
Provincial Secretary:			
Reformatories and Prisons Br'ch.	74,210.92	.....	.....
Provincial Treasurer:			
Main Office	.....	1,086,403.77	194,447.46
Public Welfare:			
Dom. Gov't. and Municipalities—			
Old-Age Pensions Commission	.....	10,050,000.00	.....
Mothers' Allow'ce Commission	.....	2,115,000.00	.....
Public Works	229,138.95	.....	.....
Miscellaneous	.....	.....	5,469.50
	\$11,435,583.82	\$13,277,748.03	\$990,289.84

SUMMARY.

Works and Resources	\$11,435,583.82
Loan Advances	13,277,748.03
Trust Fund Repayments	990,289.84
	\$25,703,621.69

*Net Expenditure after allowing for refund on account of Dominion's Share.

Ontario Funded Debt.

"Mr. Speaker, I have filled in the picture to a sufficient degree to enable me to estimate the financial results of our 'Pay-As-You-Go' policy with respect to the gross debt and the funded debt of the Province. Permit me to repeat what I said with respect to the Treasury bills. The reduction in the Treasury bills outstanding of the Province for the present fiscal year amounts to the sum of \$12,000,000. At the end of March, 1936, the funded debt of this Province, as represented by outstanding debentures, annuities and railway certificates amounted to:

.....	\$594,112,954.50
To this should be added debentures issued during the fiscal year, including the debentures issued for the investment of the Teachers' and Inspectors' Superannuation Fund	.....
That is a total of	\$62,289,855.19

Making a total of outstanding and issued obligations of \$630,241,954.50 Against this we have redeemed at maturity bonds amounting to \$60,227,650.00 We have redeemed for debt reduction 926,423.30 Annuities redeemed 16,700.00 Railway certificates redeemed 99,367.48 Sinking fund purchases 1,019,714.41 That is a total of 62,289,855.19 Leaving the outstanding debentures of the Province as at March 31, 1937, at \$567,952,099.31

Debt Reduction.

"This result shows a reduction of the funded debt of the Province in the sum of \$26,160,855.19. May I repeat, Mr. Speaker, a reduction in the funded debt of the Province of \$26,160,855.19.

"On Oct. 31, 1934, we had outstanding debentures payable at the option of the holder, both as to interest and principal in foreign currencies, in the amount of \$325,000,000. By refraining from issuing bonds repayable other than in lawful money of Canada and by sinking fund and debt retirement purchases, we have reduced the amounts of obligations payable as to principal and interest in London and New York by an amount in excess of \$34,000,000. As a result of this and as a result also of careful and—may I say—wise purchases of foreign exchange at the proper time, we have to report today the lowest cost of foreign exchange on the public debt for many years past.

Interest Costs.

"Of course, the balance of payments and other exchange factors have contributed in a very large measure to the reduction of the cost of exchange, but it will interest this House to know that the cost of exchange for the fiscal years listed was as follows:

Year ending October 31, 1932	\$4,047,311.48
Year ending October 31, 1933	2,112,417.57
Year ending October 31, 1934	878,798.24
Year ending March 31, 1936	238,754.07
Year ending March 31, 1937 (estimated on present rates of exchange)	180,615.41

"Another result of the 'Pay-As-You-Go' policy and the reduction in the funded debt is seen in the reduced cost of interest. In the fiscal year ended October 31, 1934, out of every dollar of net revenue collected by the Province, it required 42.62 cents to meet the cost of interest on the public debt, leaving only 57 cents out of the taxpayer's dollar to meet other ordinary expenses. This year instead of 42.62, or practically 43 cents, out of every dollar of revenue, it will cost only 26 cents out of every dollar of revenue to service the debt charge, leaving available, not 57 cents, but 74 cents out of every dollar paid in by the taxpayer of this country for education, hospitals, maintenance of roads and other necessary public services. Therefore, the taxpayer's dollar increased in value by nearly 17 cents, a result that must bring much satisfaction to the taxpayer when he turns over his hard-earned dollar to the Provincial Exchequer.