

Mine Activity Is Expanding

The constant and rapid growth of the mining industry of the Province is matter for congratulation.

Our chief products are gold, nickel, copper and natural gas. In addition we have platinum, palladium and other metals of the platinum group. Every one of these was produced in greater quantity and value in 1937 as compared with 1936.

Gold produced in 1936 had a value of 83 million dollars, and in 1937 of 90 million dollars, an amount equal to 63 per cent of the entire gold production in the Dominion of Canada.

Nickel gained from 44 million dollars in 1936 to 58 millions in 1937, copper from 27 millions to 43 millions, platinum and related metals from \$7,802,000 to \$10,725,000, and natural gas from 6 millions to 7 millions.

Canada as a whole produced last year 432 million dollars' worth of minerals of all kinds. Of this 50 per cent was the product of Ontario.

Resume Iron Ore Mining.

Iron is the most important of all metals. Notwithstanding the large deposits that exist, no iron ore has been mined for many years in Ontario, nor in Canada as a whole. Now, due to the Iron Ore Bounty Act passed at the last session, a large undertaking is under way in the District of Michipicoten which is expected to yield about 300,000 tons a year of finished ore ready for the furnace.

Mining is assuming a large share in solving the perplexing problem of unemployment. An industry of such magnitude puts many thousands of men to work at good wages. Of actual miners there are at present about 32,000, and including prospectors and those employed in preliminary work the estimated total is about 40,000 men.

The latest statistics available show that in 1935, 43 million dollars were expended by the mines of Ontario for machinery, supplies and services of all kinds, not including wages of labor, which may amount to 30 million dollars more, or, say, a total of 73 million dollars in all. It requires little imagination to visualize the importance of such a market for the farmers and manufacturers of older Ontario, by whom it is largely supplied.

That the industry is a profitable one may be seen from the dividends paid to shareholders of the mining companies. They amounted in 1936 to 53 million dollars, and in 1937 to over 71 millions. Nickel-copper mines paid out 35 million dollars, gold mines a like amount, and silver and miscellaneous sources another million. The Province's share of the tax on mining profits amounted to \$1,563,000 in 1936, and to \$1,800,000 in 1937.

Municipal Finance Better

The Department of Municipal Affairs is the youngest of the departments of the Provincial Administration, and will continue to increase both in importance and responsibility as time goes on.

The first important undertaking of the department was the taking over of supervision of defaulting municipalities throughout the Province. While this has been a laborious task indeed, occupying possibly more than a fair share of the de-

partment's attention, the progress made in rehabilitating the affairs and finances of these municipalities has more than warranted such attention. There has not only been a marked improvement in the finances of all concerned, but it has been possible to complete refunding plans for eight municipalities, thus effecting amicable settlement with the creditors of obligations approximating 57 millions of dollars.

Relief Load Shows Drop

Unemployment relief in the Province of Ontario in the year 1937 showed an improvement over the year 1936. The total numbers assisted in the calendar year 1937 were 2,876,102, as against 4,102,251 in 1936.

The heavy load still comes in the months of January, February and March. The items of fuel and clothing contribute materially to the costs in these months.

Grants-in-aid from the Dominion of Canada have been decreased from \$803,250 in the month of January, 1937, to \$465,000 in December, 1937. The total Dominion contribution for the calendar year 1937 was \$7,044,750, as compared with a total of \$10,647,000 for the calendar year 1936.

Total gross relief costs in the calendar year 1937 were \$22,306,433.84, and in the calendar year 1936 the total was \$30,899,339.80

these costs the various Governments contributed as follows:

| | 1937. | P.C. |
|-----------------|-----------------|-------|
| Dominion | \$ 7,044,750.00 | 31.58 |
| Provincial | 10,057,301.75 | 45.09 |
| Municipal ... | 5,204,382.09 | 23.33 |
| | <hr/> | |
| | \$22,306,433.84 | |
| | 1936. | P.C. |
| Dominion | \$10,647,000.00 | 34.46 |
| Provincial | 12,536,701.19 | 40.57 |
| Municipal | 7,715,638.61 | 24.97 |
| | <hr/> | |
| | \$30,899,339.80 | |

Co-operate With Ottawa.

During the past year the Dominion Government saw fit to establish an Unemployment Relief Commission, with the result that a classification of persons to whom assistance was being given was established.

Also plans were drawn up and put into execution jointly by both the Federal and Provincial Governments for the training of unemployed youth. This consisted of training in mining, forestation, agriculture, apprenticeship in all trades for boys, and learnership and home services training for girls. The results to date from this program have been encouraging indeed, in that up to the end of January, 1938, 2,107 were assisted in youth training programs that were formerly unemployed. Approximately 900 of these have been placed in permanent positions and 300 of this number were taken directly off the relief rolls.

Game Revenue Much Higher

The revenue which has been collected from April 1, 1937, to date indicates that the total amount of revenue which will be derived from all sources during the present fiscal year will total in all not less than the sum of \$845,584.90. This will be more than \$60,000 in excess of the total collected during the previous fiscal year, and represents the largest annual revenue ever produced by this department.

A forecast of expenditures for the same period reveals the fact that ordinary expenditures will total \$520,292.73. This, however, does not include moneys spent for capital expenditures, such as the erection of ponds and buildings, purchase of a fisheries patrol boat, etc., etc., and which capital expenditure, it is estimated, will amount to \$52,000, thus bringing the total expenditures for the year to practically \$572,292.73.

The foregoing figures represent an indicated surplus of revenue over expenditure of \$273,292.71, as applied to our operations for the year.

These figures are a distinct improvement over those for the fiscal year ending Oct. 31, 1934, when revenue collected totalled \$544,738.47, and expenditures, including capital, were \$556,267.54, representing an operating deficit for the year of \$11,529.07.

A comparison of the revenue received from the sale of non-resident angling licenses shows the following:

| | |
|------------------------|--------------|
| 1929 | \$214,470.25 |
| 1934 | 128,472.22 |
| 1937 (in excess of) .. | 329,530.50 |

Hydro Loans Prove Success

The Hydro-Electric Power Commission has been administering matters having to do with the Rural Power District Loans Act of 1930. Since the passing of this act up to Dec. 31, 1937, a total of 1,056 loans have been made to farmers throughout the Province, the total of which loans amounted to \$214,617. The principal instalments on these loans, matured to Dec. 31, 1937, amounted to \$128,551.21, and including interest on the loans to date the total collected amounted to \$148,463.65. The payments on these loans have been made promptly by the loanees, and only a comparatively small percentage of the outstanding loans remain matured and unpaid.

During 1937, 2,296 miles of primary lines were added to the rural power districts and 12,580 consumers were added.

The bonus paid by the Province for the year 1937 amounted to \$1,956,554, and it is expected that the Province will be called upon to pay \$2,000,000 as a bonus during 1938.

The latest bond issue of the Commission was a \$9,000,000 3 1/4 per cent 15-year issue, which was sold to yield 3.46 per cent. The purpose of this issue was to refund \$9,000,000 4 1/2 per cent bonds which matured Feb. 1, 1938. This financing gives the Commission the cheapest long-term money in its history, and effectively answers the constant statements being made by the ill-wishers of this Province that the credit of Hydro has been destroyed.

Revenue Total Sets Record

It has been aptly said that finance is the beginning of every business undertaking, and one of the problems of public finance is that of securing necessary revenue by taxation, by licenses, by the successful operation of publicly owned enterprises, and by the various other sources to which public authorities on this continent have recourse.

As Treasurer of this Province it is my constant duty to see that the revenues are collected promptly and in accordance with the law. In discharging this duty I wish to record my appreciation of the assistance of those officials of the Treasury and other departments of