

121 Miles of Pavement Laid in Ontario in 1939

The Ontario Highways Department carried out 199 miles of grading during the past year, laid 121 miles of pavement, and built 42 major structures, Premier Hepburn declared yesterday in dealing with activities of this department during the course of his Budget address.

Work programs during the twelve-month period had been generally modified, and an effort was made to consolidate projects already started or nearing completion, he said.

"While capital expenditure for the coming year must be reduced to a minimum, it will be the policy of the department to carry to conclusion certain works already open and uncompleted," said Mr. Hepburn. "The major part of the work in the North last year consisted in the completion of express highways into mining country, especially through the Temagami Forest Reserve and the south and west of Kirkland Lake. The Porcupine mining centre now has its communities joined with concrete highways.

"Southern Ontario this year has seen substantial progress made on the new divided highway from Fort Erie to Oshawa, with much heavy work concentrated at St. Catharines and at the western entrance to Toronto. The portion of this highway connecting Fort Erie and Toronto was dedicated by Her Majesty, as the Queen Elizabeth Way. While much remains to be done to complete this development, it has more than justified the large expenditure involved. Traffic has been attracted in greatly increased volume; at times of traffic peak the volume is far beyond the capacity of the former two highways between Toronto and Hamilton.

"Further progress was made on the divided highway development between Gananoque and Brockville, serving the new international bridge at Ivy Lea. Prior to the construction of this bridge the maximum number of cars crossing by ferries in this vicinity was about 14,000 in one year. From the opening of the bridge in August, 1938, to the end of August, 1939, it carried a total of over 198,000 motor vehicles."

Highlights of Budget

Highlights in Premier Hepburn's Budget address, delivered yesterday before the Legislature, include:

An interim deficit for the current fiscal year of \$4,444,929.

An estimated surplus for the fiscal year April 1, 1940-March 31, 1941, of \$356,239.16 on estimated ordinary revenue of \$89,051,209.40.

An estimated decrease in the gross debt during the next fiscal year of \$864,899.23 and an estimated net ordinary expenditure (not including unemployment relief) of \$82,744,970.24. Unemployment relief and administration thereof is estimated at \$5,950,000.

An increase in the gross Provincial debt of \$24,482,239. It is noted that capital expenditures during the year amounted to nearly \$26,000,000.

A declaration "that the Province will not embark upon any program of new capital expenditures whatsoever . . . to leave the borrowing markets free and unhampered by Provincial financing, so that the field may remain clear for the Dominion Government to finance the successful prosecution of the war."

A reduction of a half-mill in the current one and one-half mill subsidy that is being paid to the municipalities.

A statement that expenditures directly attributable to Ontario's assistance in prosecuting the war amount to \$1,057,748.59.

A pledge that Ontario will meet its contractual obligations irrespective of the operations of adverse exchange rates. Costs for the ensuing fiscal year are estimated to be \$1,842,913.88.

A declaration that any succession duties receipts over a normal amount (estimated at \$12,000,000) will be applied either in a reduction of capital expenditures or for reduction of the debt of the Province.

Declaration that the proposed increase in corporation taxes shall not be, in the hope of the Government, a permanent part of the fiscal system. Increased revenue is estimated at \$5,000,000.

Expects Growth In Pulp Mills Because of War

Important reaction on the pulp and paper business of the Province may be a consequence of the war, Premier Hepburn forecast in his Budget as he predicted that the loss of the Scandinavian trade with the United States would afford Ontario an opportunity of gaining additional markets for its pulp and paper.

Reforestation during the current fiscal year, he said, established a new record when more than 16,000,000 trees were planted, the largest number by 4,000,000 in the history of the Province.

"All this nursery stock represented nearly 11,000 recipients and involved an investment that will in years to come enhance the potential forest wealth of the country and pay substantial dividends to the holders," he said.