

PROVINCE OF QUEBEC FINANCES

Surplus of \$2,134,558 Largest on Record—Watchword of Government Had Been Economy

Hon. Walter G. Mitchell, provincial treasurer of Quebec, in making his budget speech in the legislative assembly a few days ago, announced a surplus of \$2,134,558, which is the largest surplus ever recorded in the history of the province.

He declared that the watchword of the government had been "Economy," and that, while the government had been recommending such a policy of economy to municipalities, corporations and individuals throughout the province, it had been doing what it had asked others to do, and administered the public funds with care and foresight.

The treasurer said that the province had forged ahead, and he was enabled, at the end of each year, to show a substantial surplus of ordinary revenue over ordinary and extraordinary expenditure. This year, however, it had exceeded all other records in its history.

The ordinary revenue for this period had exceeded the estimates by \$4,246,226 and the estimate of the ordinary and extraordinary expenditure was exceeded by \$2,174,620. This large excess of revenue over the estimates was due to the amounts collected under the Succession Duties Act exceeding the estimate by \$3,336,547. The excess in receipts thereby had enabled the government to pay large sums for patriotic and charitable purposes out of consolidated revenue, and also to further increase the grants to the important services of good roads, agriculture, education and colonization.

The Fiscal Year

The treasurer then turned to the question of the finances, showing that the estimates for the fiscal year ending 30th June, 1918, had anticipated an ordinary revenue of \$9,560,164 and an ordinary and extraordinary expenditure of \$9,497,212, which would have left an estimated surplus of \$62,951, whereas the actual results of the year's operations were greatly in excess of these estimates, the ordinary revenue for the twelve months closed on the 30th June last amounting to \$13,806,390 and the ordinary expenditure to \$11,423,497, which left a surplus of ordinary revenue over ordinary expenditure of \$2,382,893. The extraordinary expenditure for the year, however, paid out of ordinary revenue was \$248,334, which gives an actual surplus of ordinary revenues over both ordinary and extraordinary expenditure of \$2,134,558, from which was paid the sum of \$625,000, being the balance of the \$1,000,000 subscribed to the Canadian patriotic fund, leaving, therefore, a surplus of \$1,509,558.

Cash Operations

With respect to these, the treasurer explained that, on the 1st July, 1917, there were in various banks the sum of \$938,764, but from this should be deducted the outstanding warrants at the same date amounting to \$555,455, leaving a balance of \$383,308. On the other hand, the total receipts from all sources from 1st July, 1917, to 30th June, 1918, were \$15,300,846 and the total payments \$15,436,187, showing an excess of payments of \$135,340 and leaving a balance of \$247,958. Thus, on the 30th June, 1918, the province had in the various banks on deposit \$999,484, from which had to be paid outstanding warrants at same date amounting to \$751,516.

He then gave a statement of the direct liabilities and available assets of the province at 30th June, 1918. He showed that the liabilities formed a total of \$42,891,544, while the assets aggregated \$10,749,026, leaving the excess of liabilities over assets at 30th June, 1918, at \$32,142,517.

He stated that the net balance of the province on the 30th June, 1918, showed an increase over the net balance of the funded debt at 30th June, 1917, of \$197,716. This increase was accounted for by the issue of \$513,000 debentures under the act 3 George V., chapter 6, and \$4,100 under 6 George V., chapter 2, less \$152,326 of bonds redeemed of the loan of

1880, and \$167,057 invested on account of sinking funds.

On 30th June, 1918, the unfunded debt, consisting of trust deposits, outstanding warrants, etc., amounted to \$2,962,574, but against this the government had at the same date in the form of cash, claims against individuals and corporations, for loans and advances, Quebec's share (\$1,169,009) of the common school fund, etc., a total of \$8,835,711, leaving a surplus of assets over the unfunded debt of \$5,873,136.

The Current Year

Dealing with the question of the current year, the treasurer stated that the receipts for the six months ended on 31st December, 1918, were very satisfactory, and the estimated receipts would probably be exceeded at the end of the fiscal year.

There would also be an increase over the estimates of ordinary and extraordinary expenditure for the current fiscal year by the amount of special warrants issued since 1st July, namely, \$592,912, as shown in the statement laid on the table of the House, and also by the supplementary estimates to be submitted to the House for amounts required for the different services to complete the necessary expenditure for the current year. It was expected, however, that this increase in expenditure would be more than covered by the increase in the revenue, judging by the receipts up to the 31st December last.

For the next fiscal year (1919-1920) he estimated the total ordinary revenue at \$10,449,393 and the ordinary expenditure at \$10,399,345, which would leave an estimated surplus of \$50,047.

NORTH AMERICAN LIFE ASSURANCE COMPANY

The annual statement of the North American Life Assurance Company, as submitted at the annual meeting on January 30th, reveals once more the strength of this excellent Canadian institution. The assets, as at December 31st, 1918, total eighteen millions of dollars, an increase of \$917,139 over 1917. The real force of this statement is not alone in the fact that the figure, as quoted above, is a substantial one; the accompanying analysis showing the percentage of each security of the total, and indicative of the distribution of these assets for a period of five years past, clearly demonstrates the strong position of the company, and its perfect right to its claim to still be regarded as "Solid as the continent."

	1914.	1915.	1916.	1917.	1918.
Mortgages on real estate	31.58	29.38	26.94	25.19	23.98
Real estate and building fund	1.05	1.05	1.03	.91	.93
Bonds and debentures	33.59	36.22	41.87	43.80	46.91
Stocks owned	13.08	11.70	10.89	10.67	10.23
Loans on policies	15.26	15.25	14.31	13.34	12.77
Fire premiums paid re mortgages	.01	.01	.02	.02	.02
Cash in banks—cash at head office	1.13	2.27	.90	2.14	1.28
Suspense account					.03
OTHER ASSETS—					
Outstanding and deferred premiums	2.56	2.32	2.27	2.22	2.19
Interest due and accrued; rent due and accrued	1.62	1.73	1.73	1.67	1.62
Special deposit				.04	.04

The year just closed was the largest in the company's history. The amount of insurance now in force is almost \$71,000,000, of which \$13,552,161 was revived and issued during the year 1918. The net surplus now stands at \$2,751,990. During the past ten years no less a sum than \$2,043,035 has been paid to policyholders as dividends or surplus. Under the careful, progressive and energetic direction of the president, Mr. L. Goldman, and his efficient associates, the company has earned an enviable position in the realm of life insurance on this continent.