

BONDS and MUNICIPAL CREDIT

MANITOBA BUDGET IS GOOD.

Provincial Treasurer Expresses Satisfaction at Sale of Stock—Estimates for Current Year.

In presenting the budget last week, Provincial Treasurer Armstrong stated that a year ago the government estimated the revenue of the province at \$3,426,000. This figure had been exceeded by \$421,000. The total revenue for the year of 1910 was \$3,847,000. There was surplus on telephone operation of \$110,000, and there was an increase in the provincial secretary's department of \$14,936. There was a decline in provincial subsidy, owing to the charge made by the federal authorities of \$67,000 for fees in connection with the survey of swamp lands.

Provincial Government Stock Sales.

Another sign of prosperity was the price received last year for the stock of the province, of which \$5,000,000 was sold on the market for 103. This Mr. Armstrong described as the highest price ever realized by Manitoba or any province in Canada. He showed how this money had been expended and the balances in hand by the following statement:—

Amount of issue, £1,000,000	\$4,866,666.67
Sold at 103.	
Raised for the following purpose:—	
“To redeem treasury bills sold in 1909	\$1,280,000.00
“For telephone construction	2,440,666.67
“For grain elevators	1,000,000.00
“For Eastern judicial district jail....	100,000.00
“For drainage districts	46,000.00
“Total	\$4,866,666.67
“Of the money raised we have still on hand unexpended,” said the treasurer, “the following:—	
“Telephone construction	\$ 10,668.39
“Grain elevators	71,162.09
“Grain districts	686,096.60
“Total	\$767,927.08”

Dealing with the surplus the treasurer claimed a cash surplus of \$304,277 and had added to public buildings to the extent of \$308,103, making a total surplus of \$612,380. The statement was as follows:

Total receipts on consolidated revenue account, \$3,847,321.58; Total expenditure on consolidated revenue account, \$3,543,044.45; Cash surplus, \$304,277.13; Add amount expended on capital account, and included above, as per list appended, \$308,103.09; Real surplus, \$612,380.22.

Capital Account Expenditure.

Agricultural college and other buildings, \$78,784.63; Hospital for insane, Selkirk, \$59,321.40; Hospital for insane, Brandon, \$50,726.77; Deaf and Dumb Institute, \$2,531.07; Home for Incurables, \$30,212.41; Industrial training school, \$50,604.80; Court houses and jails, \$3,302.19; Land titles offices, \$1,012.35; Government House, \$263.30; Home for aged and infirm, \$31,344.17; Total, \$308,103.09.

Consolidated revenue cash on hand Dec. 31, 1909, \$1,382,969.41; Cash surplus as above, \$304,277.13; Total, \$1,687,246.54. Paid amount of M. & N. W. Ry. debentures, \$787,426.67; Paid amount of H. B. Ry. debentures, \$255,986.66; Total, \$1,043,413.33; Cash on hand, Dec. 31, 1910, \$663,004.86; Total, \$1,707,318.19.

The provincial treasurer next dealt with the Manitoba & Northwest lands showing that the province had paid on account of this debenture debt a total of \$2,280,000, by reckoning compound interest, cost of inspection, management and sales. The government had already received on account of sales \$1,736,810.82, leaving a deficit of \$543,189.18, which would be met by deferred payments yet to be received of \$715,645.12, and lands unsold totalling 62,967.96 acres. During the year they had paid out and retired bonds on the province from both the consolidated revenue account and from the trust account. From consolidated revenue the bonds retired amounted to \$1,043,000, and no other bonds would mature until 1923, when \$1,500,000 will fall due. If the present government still held office he prophesied that it would then be able to retire those bonds without going into the world's markets to borrow for the purpose.

In presenting a statement of land receipts amounting to \$648,848.46, the provincial treasurer said 12,185.55 acres of Manitoba and Northwest lands had been sold last year at an

average of \$7.23 per acre, and 61,543.80 acres of swamp lands had been sold at an average of \$4.90 per acre. In the same statement the sales of Manitoba and Northwest lands are placed at 16,297.41 acres, and the swamp land sales in 1910 at 126,237.69 acres. The government grants in 1910 were stated by Mr. Armstrong to have amounted to \$1,454,893.35, of which \$454,000 was for education.

Estimates for Current Year.

“We estimate the revenue for the current year as follows:—” said the provincial treasurer.

Subsidy, \$838,247; School lands, \$190,000; Telephone service, \$1,300,000; Grain elevators, \$140,000; Taxes on corporations, \$129,000; Railway tax, \$140,000; Maintenance of public institutions, \$171,500; Provincial lands, \$550,000; Liquor licenses, \$105,000; Succession duties, \$70,000; Land titles offices, \$230,000; All other license fees, &c., \$199,000; Interest, sundry, revenue, &c., \$77,500; Total revenue, \$4,140,247.

The estimated expenditure for the current year by departments is:

Legislation, \$90,585.00; Executive council, \$27,060.00; Treasury department, \$619,650.00; Provincial secretary, \$13,640.00; Education, \$543,480.00; Agriculture and immigration, \$278,219.90; Attorney-general, \$445,460.00; Provincial lands, \$20,560.00; Railway commissioner, \$1,100.00; Telephones and Telegraphs, \$1,000,000.00; Public works, \$1,062,590.00; Municipal commissioner, \$3,600.00; Capital expenditure, \$482,000.00; Total, \$3,532,944.90; Total expenditure, \$4,014,944.90.

BIG ONTARIO LOAN

Will be Floated, and Probably in London—Notes of Previous Issues.

The Ontario provincial government will float a loan for \$5,500,000 to meet necessary expenditures during the year and to provide the administration with working capital. The amount of money to the credit of the province is \$3,117,000, but a large part of that sum will be payable as capital expenditures on various public enterprises. Of the \$5,500,000, the Hydro-electric Commission will get \$2,500,000, of which \$2,000,000 will be used to extend the line to Windsor. The rest of the Hydro-electric share was for connections with other towns. The remaining \$3,000,000 is to hold for the Temiskaming & Northern Ontario Railway. The Porcupine extension will take \$600,000, and \$55,000 will be used in connecting the Grand Trunk with the Temiskaming & Northern Ontario at North Bay.

It is unlikely that any part of the new loan will be opened for public subscription as was the last Provincial issue. Honorable Mr. Matheson has already received an offer for the whole amount from New York financiers, but it is thought a better price could be secured in London, and it is there that the money will probably be raised.

The Ontario government issued no new loan last year except that it completed in February the sale of the loan of \$3,500,000, the purchases from January 1st to February being about \$1,300,000.

The Ontario Government successfully floated a \$1,150,000 loan on June 1st, 1909, by the sale of 4 per cent. 30-year bonds, not free from succession duties. The Province obtained par, the brokerage being paid by the purchasers. The loan was taken up by a Toronto syndicate of banks, trust and insurance companies and was the last of a \$7,000,000 issue for which authority was taken by the Provincial Treasurer from the Legislature in 1905. In that year treasury bonds to the extent of £1,200,000 were issued in London, netting \$5,800,000, and the June loan provided the balance. All the money has been expended upon the Temiskaming and Northern Ontario Railway. Ontario also issued £820,000 sterling 4 per cents. in London on May 1st, 1909, at 2 per cent. premium, £800,000 of which was used to take up Treasury Bills due on May 1st.

Ontario made an issue in July, 1909, of \$3,500,000 4 per cent. bonds, payable at Toronto, Montreal and New York. It was not underwritten, but the public were asked to send their contributions direct to the Provincial Treasurer. No part of the issue was made in sterling, the Ontario Government not courting English patronage for this particular loan, Canada and the United States being expected to assimilate the issue. This loan was issued at 2 per cent. premium.