

Greater Provincial Revenue

MORE MONEY FOR EVERY PUBLIC ACTIVITY—ONTARIO'S FINANCES WELL HANDLED—THE FEDERAL GRANTS INCREASED

ONTARIO'S INCOME

1904.....	\$ 4,000,000
1913.....	1,180,000

The financial affairs of the province are in an excellent condition that they have ceased to be a matter for serious controversy. Under these circumstances little might be said with regard to them. At a time, however, when the people are "taking stock," some of the salient points ought to be considered. One of these is the fact that Ontario has passed from the period of deficits and insufficient income to an era of well-balanced financing.

THE PERIOD OF DEFICITS

The old state of affairs was described by Sir George Ross, the former Premier, in a speech delivered on March 22nd, 1904, wherein he declared that the normal revenue of the province was a million dollars short of the normal expenditure, and that the deficiency could not be made up otherwise than through a resort to direct taxation.

At the same time the debt was growing. The liability which originated with the subsidies to railways rose in the following manner:—

1891.....	\$3,229,420
1904.....	6,713,957

One of the consequences of this condition of the finances was a restricted credit. In 1904 the then Government tried to float a loan to meet the cost of building the Temiskaming railway, and the best offer it could get for its bonds was 93. The same loan was floated after the finances had been placed in better shape at 98½. Another consequence was an insufficient vote for the services required by the people.

THE NEW POLICY

Sir James Whitney declared at this time that the financial problem was capable of solution. With her extensive resources, he said, the difficulty could be overcome, and thus the way could be left clear for such increased expenditure upon agriculture and education as might be found necessary and desirable.

The policy of the Conservative Party was thus not the starvation of necessary services, but the development of the revenue so that all the services might be kept up and improved and that the deficits might cease.

JUSTICE FROM OTTAWA

One of the movements to which the new Government applied itself soon after its elevation to office, was the securing of justice from Ottawa by pressing our claims for a fair subsidy. The original terms of Confederation gave us a fixed annual grant from the Dominion Treasury regardless of our increase in population. The Whitney Government contended that this was not reasonable: we were paying larger customs and excise duties, and were consequently entitled to a larger share of the Federal revenue.