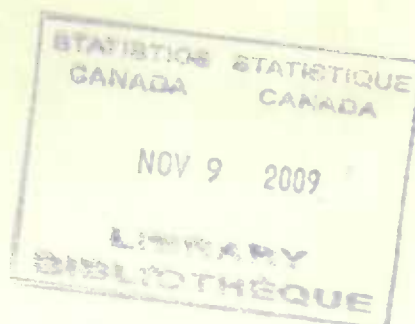


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**FINANCIAL STATISTICS
OF
FEDERAL GOVERNMENT ENTERPRISES
1958, 1959 AND 1960**

(Fiscal Years Ended Nearest to December 31st)

**ASSETS, LIABILITIES AND NET WORTH
CURRENT REVENUE AND EXPENDITURE**

First Issue

DOMINION BUREAU OF STATISTICS
Public Finance and Transportation Division
Public Finance Section

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CURRENT REVENUE AND EXPENDITURE

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SYMBOLS

The interpretation of the symbols used in the tables throughout this publication is as follows:

- .. figures not available.
- nil and amounts under \$500.

Note: Figures appearing in footnotes to tables are in thousands of dollars.

PART I

Introduction

This is the first report on the financial statistics of government enterprises in Canada. It is the initial step in the measurement of those activities of government which are outside the ambit of the basic budgetary accounts. It constitutes, moreover, another building block in the assessment of the full impact of government transactions on the course of economic affairs.

Budgetary and special fund statistics, in separate reports for each level of government and in consolidated form, have been published annually by the Public Finance and Transportation Division for several years. It is proposed to enlarge the scope of the public finance programme to include comparable data on such ancillary agencies as enterprises, institutions and social security and government pension funds. It will then be possible to present an evaluation of the government complex,

from such viewpoints as its demands on the goods and services produced by the nation, its capital formation, its external financing, the redistributive effects on private incomes through its taxing powers and transfer payments, and the significance of its trading operations in industry.

The transactions of government enterprises are an important component of total government financial activity. In this statistical presentation, government enterprises are distinguished from general government and ancillary agencies by their essentially commercial-type activities. In terms of economic motivation and behavior, government enterprises are more similar to private business enterprises than to institutional or non-commercial organizations with which latter category general government data are ordinarily classified.

THE CONCEPT OF A GOVERNMENT ENTERPRISE

Government Services

Services provided by present day governments are diverse in their nature, and are carried out by various forms of organization: departments, boards, commissions, Crown corporations or other agencies.

Those services of a general nature such as the protection of persons and property, health, education and highways, which are common to most governments, are usually financed out of ordinary revenues or funds repayable out of ordinary revenues. Nominal fees are charged for some general community services but for the most part there is no necessary relationship between the taxes and levies paid by a person and the use or benefit he derives from the services.

Certain other activities of government, however, have quite different characteristics, in as much as they involve the production of economic goods and services for sale on the market at a price to the consumer which is intended to compensate wholly or largely for their costs, or to yield a profit. The form of organization of this type of undertaking is usually a Crown corporation, or a special agency with specific powers, subject to varying degrees of financial control and public accountability. Capital funds are made available by direct loans and advances from government, share capital subscribed by government, or by outside borrowing usually guaranteed by government. The activities of these enterprises are of an outright commercial or industrial nature, conducted in competition with

private businesses or sometimes as monopolies. In terms of motivation and behavior, they are like any other business venture. Examples of such agencies may be found in the financial, electric power and transportation industries.

For purposes of uniformity and comparability in the recasting of public finance data within an economic and functional classification framework, these two distinct categories of government activity have been segregated into "general government" and "government enterprises".

Government Enterprises

To isolate government enterprise activities, it is necessary to establish certain criteria.

A government enterprise is defined as an instrument of a political, decision-making body to produce goods and services for sale on the open market at a price designed to cover costs. The essential feature of an enterprise as distinguished from a general government operation, is that it charges a price for its service according to use. It is thereby enabled to meet most of its costs from proceeds of sales without recourse to government funds.

An exception is made where a central agency has been set up to provide goods and services mainly to its own or other levels of government;

such an agency is treated as a working capital fund of general government as it is subject only to a limited play of market forces due to arbitrary prices.

One obvious criterion in identifying an enterprise is the maintenance of accounting records which permit the allocation of specific elements of costs against revenue. Two important cost items which are recorded by government enterprises but which are not normally maintained in general government accounting are changes in inventories and capital consumption allowances.

TERMINOLOGY AND CLASSIFICATIONS OF GOVERNMENT ENTERPRISE FINANCIAL STATISTICS

To fit the particular needs of an economic and/or functional classification of public finance data, and to stress the interrelatedness of government enterprise transactions with general government departments and agencies, the nomenclature of the items used in both schemes has been retained in so far as possible.

In an economic classification scheme, the current revenue and expenditure account takes the form of a trading and profit and loss statement as in a private corporation. The classifications used in the balance sheet accounts have been adopted after due consideration of the varied nature of the government businesses involved.

No attempt has been made in this report to segregate current assets or liabilities from those of a long-term existence, except in so far as they may fall into these categories by reason of the use of the conventional commercial presentation of the balance sheet accounts, which lists the items, more or less, in order of their liquidity.

Transactions of the enterprises with their own or other levels of government have been isolated in this report, whenever appropriate, by use of the following sub-items:

- (i) Federal government
- (ii) Federal government enterprises
- (iii) Provincial governments
- (iv) Provincial government enterprises
- (v) Municipal governments
- (vi) Municipal government enterprises

Transactions with non-governmental bodies are classified under sub-item, (vii) Other.

Transactions with subsidiary and affiliated enterprises are indicated by footnotes. A subsidiary is defined as a corporation (government or non-government) in which the parent government enterprise holds more than fifty per cent ownership; an affiliate is a corporation in which its ownership claim is fifty per cent or less.

Other characteristics of an enterprise, usually but not necessarily present are:

- (1) separate legal existence;
- (2) sustained activity;
- (3) commitment of an appreciable volume of capital;
- (4) payment of income tax;
- (5) personnel not subject to Civil Service Act.

No attempt has been made to isolate an enterprise activity from one that is incidental to a general government service, such as the operation of a souvenir booth in a public park.

While some of the definitions and terminology have been taken from reference manuals on financial statistics of provincial and municipal governments, particularly the latter, in many instances it has been necessary to prepare an explanation of a term in accordance with its application to government enterprise statistics.

ASSETS

Assets are defined as the property of all kinds of an enterprise.

Item 1. Cash on hand and on deposit comprises money, including currency and other forms of exchange, on hand, or on deposit, in a bank or other depository, which is unrestricted as to use by the management for disbursements of any nature. Short-term deposits, and deposits with the Receiver General of Canada are included.

Cash held in funds created for special purposes is shown under restricted funds, item 11.

Item 2. Accounts receivable are amounts due or owing on open account for goods and services, whether by governmental bodies, individuals, firms or corporations.

Reserves for bad debts, where shown separately, have been offset against accounts receivable.

Item 3. Inventories are recorded at book value for finished goods, goods in process and raw materials held in stock, on consignment and in transit. Operating supplies and small tools and equipment, which are in some cases, set up as prepaid expenses, are included.

Item 4. Interest, dividends and rents receivable constitute financial income due but not received, as distinct from income of this kind owing but not due, which is included in accrued revenue.

Transactions of the enterprises with their own or other levels of government have been isolated under the pertinent sub-items.

Item 5. Accrued revenue is income that has been earned but is not yet due.

This type of revenue is mostly in the form of interest, which has been set up as sub-item 1 under this classification.

Item 6. Prepaid expenses are current expenditures that have been entered in the accounts for benefits not yet expired, such as prepaid rent, prepaid interest, and insurance premiums.

Long-term expense prepayments, such as tooling and development costs, are classified as deferred charges.

Item 7. Fixed assets are defined as property of a permanent character, having continuing value, such as land, buildings, machinery and equipment.

Property held for sale by financial enterprises has been included under fixed assets rather than investments. For some studies, it may be desirable to exclude properties intended for sale, and for this reason, the amounts involved are shown in a footnote.

Fixed assets are recorded at the values carried on the balance sheet, less accumulated depreciation. The amount of accumulated depreciation is indicated by a footnote.

Progress payments on new construction or on the purchase of equipment are included.

Item 8. Loans and advances receivable. Loans receivable are amounts owing by other governmental bodies, individuals, firms or corporations, as a result of monies loaned out of borrowed or other available funds, as distinguished from accounts receivable which imply the supplying of goods or rendering of services for which a charge is made without the transfer of funds, and advances receivable which imply liability at a future date in respect of which payment is made in advance. Examples of advances receivable are advances on salaries or travelling expenses and payments on account of contracts prior to their completion.

Item 9. Securities held as investments are in the form of negotiable bonds and stocks, purchased with the object of employing idle funds, often set aside for a specific future use.

Also included are investments in other government enterprises which are not actually negotiable, but hold the expectation of earning a return in the form of dividends.

Negotiable papers provided by a borrower as security for a loan have been excluded, the asset having already been classified as a loan receivable.

Securities held in restricted funds appear under item 11 below.

Securities held as investments are classified under six sub-groups, viz.:

1. Federal government treasury bills, which are usually issued for a term of ninety days.
2. Federal government direct and guaranteed bonds.
3. Provincial and municipal government direct and guaranteed bonds.
4. Bonds of companies incorporated in Canada and of institutions.
5. Preferred and common stocks, Canadian, with sub-item for subsidiary government enterprises.
6. Foreign investments, with affiliated corporations indicated by a footnote.

Item 10. Mortgages and agreements of sale.

A mortgage is the creation of an interest in real property in favour of a mortgagee as security for the repayment of a debt by the mortgagor.

An agreement of sale is a contract between the owner of property and the purchaser pursuant to which the owner agrees to convey his interest to the purchaser upon payment of the balance of the purchase price.

Item 11. Restricted funds. These are assets held either by the enterprise or by a trustee for such purposes as the future payment for an asset or a service, the payment of an existing, real or contingent liability, or the retirement of debt. These funds may be created voluntarily or by reason of obligatory commitments, and are usually held in the form of cash or investments. Details of the composition of the funds are recorded by footnote, and are set out under this item rather than under cash on hand and on deposit (item 1) and securities held as investments (item 9) to emphasize the restrictions as to their use in the operations of the enterprise.

Three types of restricted funds have been identified, namely: (1) depreciation funds; (2) trust and deposit accounts; and (3) other funds.

Only the funds belonging to the enterprises, held on own account or by a trustee, are included in this statistical series. Trust and deposit accounts such as contractors' security deposits and staff savings funds have been offset against the contra liability item.

Item 12. Deferred charges involve expenditures that are not chargeable to the period in which they were made, but are set up as assets that are to be amortized, although they have no market or tangible existence. Bond discount and redemption expenses, and tooling and development costs are typical examples of deferred charges.

Item 13. Other assets. This classification embraces all asset items not elsewhere classified. Amounts due on deficit account, mainly from the parent government, are classified as a sub-item. Other types of assets contained herein are insurance claims recoverable and debit balances in suspense.

LIABILITIES

Liabilities are debts or other legal obligations which must be liquidated in cash or renewed or refunded upon some future date.

Item 1. Accounts payable represent amounts due and owing on open account for goods and services to persons, firms, corporations or other governmental bodies. They include accounts covering expenditures during the current or previous fiscal periods which have not been paid at the close of the current fiscal period.

Item 2. Temporary loans, advances and notes payable comprise amounts owing to banks or other sources as a result of direct borrowings by the enterprise for the purpose of temporary financing, and advances and prepayments on short-term contracts.

Item 3. Interest payable represents amounts due and unpaid in the form of interest, as distinct from interest owing but not due which is included in accrued expenditure.

Item 4. Accrued expenditure consists of expenses that have been incurred up to a given date, but have not been paid and are not payable until a future date.

Item 5. Long-term loans and advances constitute amounts owing to the parent government, banks or other sources as a result of borrowings by the enterprise for purposes of other than temporary financing, and advances on long-term contracts. Non-negotiable bonds and notes held by the parent government or enterprise are included here.

Item 6. Long-term debt. The long-term debt of an enterprise is usually in the form of bonds and debentures, issued and unmatured (including debentures assumed) undifferentiated as to holder. Mortgages and agreements for sale are other types of long-term indebtedness.

Item 7. Deferred credits are credits for income not yet earned.

Revenue that has been received, but is applicable to a future period, and unamortized premium on bonds are examples of deferred credits.

Item 8. Trust and deposit accounts represent liabilities for contractors' security deposits and staff savings funds for which contra asset accounts are not separately identifiable. All balances in asset item 11.1 have been offset against this liability.

Item 9. Other liabilities. This item includes all liabilities not elsewhere specified.

Item 10. Reserves. A reserve is an amount which has been appropriated or provided for undetermined future losses on assets, future expenditures, working capital, or contingencies. The appropriation or provision for a reserve appears in the current expenditure or surplus statement as required or permitted by statute.

Reserves against assets and reserves for liabilities have been classified as liability reserves. Liability reserves such as those set up for bad debts and depreciation, which represent estimated decreases in the value of the related assets have been offset to the appropriate asset accounts. Another type of liability reserve is a provision for future income taxes.

Reserves for contingencies which may or may not arise, and other types of reserves which theoretically represent a part of net worth, such as sinking fund reserves, reserves for plant expansion and reserves for unrealized profit in appraisal, have been classified as equity reserves.

For some studies, it may be desirable to add the amount of the equity reserves to unappropriated surplus.

Net Worth

Item 11. Proprietary equity and unappropriated surplus. Proprietary equity plus unappropriated surplus represent the excess of assets over liabilities and reserves or net worth.

1. **Proprietary equity** represents the ownership of the enterprise, and is subordinate to liabilities with respect to the security of capital and earnings.

Four types of equity have been distinguished: (1) capital stock, issued and fully paid; (2) interest-free working capital; (3) fixed assets, constructed or acquired by the parent government and transferred to the enterprise for use in business; (4) other equity, such as paid-in capital, goods transferred, equity in replacement of loans outstanding, etc.

2. **Unappropriated surplus** is the residual or balancing item in the balance sheet. Surpluses arise from earnings on operations, extraneous profits such as those derived from sales of fixed assets and investment securities, changes in appraisal values of fixed assets, and contributions from governments or others.

The net transactions of surplus accounts during the accounting period are set out in separate tables in this report.

REVENUE AND EXPENDITURE

Cash vs. Accrual Basis of Accounting

Revenues and expenditures are conventionally accounted for on a cash or on an accrual basis. If only actual receipts and actual payments within the accounting period are recorded, the accounts are maintained on a cash basis. If revenues are accounted for when due or earned, even though not collected, and expenditures are accounted for as soon as liabilities are incurred, whether paid or not, the system of accounting is said to be on an accrual basis.

Practically all government enterprises maintain their records on an accrual basis.

Revenue

Revenue consists of additions to cash or other current assets that do not increase a liability or reserve, nor represent the recovery of an expenditure.

Current revenue is derived from the sale of goods and services in the normal course of business, financial or non-operating income in the form of interest and foreign exchange on investments, rents, and contributions from government.

Capital revenue comprises amounts realized from the sale of fixed assets, and contributions towards expenditures of a capital nature.

Current Revenue

Item 1. Revenue from sales and services on current operations. Sales of goods bought for resale and sales of goods and services produced as part of the current operations of government enterprises are included here. Sales are deemed to be valued at actual prices charged, net of any rebates or discounts.

Sales to governments are not differentiated.

Item 2. Financial income is in the form of interest on bank deposits, investments and loans, and of foreign exchange and dividends.

Interest received from government and other government enterprises on these accounts is separately indicated.

Item 3. Rental income is derived from the hiring out of such fixed assets as buildings and machinery and equipment, primarily to non-government bodies. Government agencies hiring out mainly to government bodies are treated as working capital funds in public finance statistics.

Item 4. Contributions from own or other levels of government represent grants and payments from government bodies in respect of current expenditure

by enterprises, other than subsidies or re-imbursements for deficits incurred. Amounts received from governments on account of deficits, incurred by enterprises in current or prior years, are excluded from current revenue and shown in surplus account transactions.

Item 5. Other current revenue is income of a current nature not elsewhere specified.

Expenditure

An expenditure is a charge incurred in connection with the acquisition of a good or a service of value to the enterprise.

Current expenditure includes purchases of both tangible and intangible items whose value expire or are used up within the fiscal period, and are properly chargeable to expense accounts. Labour and material costs, interest on debt, and depreciation allowances are examples of expenditures charged to current expense accounts.

Capital expenditures in the form of purchases of new capital goods, purchases of land, and of existing capital goods other than land, are almost always charged to fixed asset accounts.

Current Expenditure

Item 1. Costs of goods and services sold from current operations

(1) **Wages and salaries:** This item represents the gross salaries, wages, living allowances, bonuses and commissions paid by government enterprises, in cash and in kind, to hired employees in Canada and abroad, in return for labour services. Retroactive wage increases, commissions and bonuses are included in the periods in which they are paid rather than the periods in which they are earned.

Except for a few isolated cases, it has not been possible to delete the labour costs on capital works constructed by the enterprises' own labour force or on development expenses. To this extent, the cost of salaries and wages on current account is overstated.

Supplementary labour costs such as contributions to pension funds, employee welfare funds, unemployment insurance, and workmen's compensation have not been separated from other costs of goods sold.

(2) **Net drawings on (+) or net additions to (-) inventories** represent the value of the net change over the accounting period in the volume of stock purchased or manufactured.

The valuations shown for this item are those reported for the opening and closing inventories in the trading accounts of the enter-

prises, wherever it has been possible to isolate them; otherwise the changes in the inventory asset item has been used.

(3) **Other purchases of goods and services for current operations.** This item embraces all current purchases of goods and services, net of rebates and discounts, other than for compensation of employees (sub-item 1.1), interest on debt (item 3), and the fixed charge of provision for depreciation (item 2). In addition to purchases of materials, it includes supplementary labour costs such as employers' contributions to social insurance and pension funds, and also fuel and electricity, office expenses, repairs and maintenance and some expenditures of a capital nature charged to current account.

The adjustment for current purchases or production added to inventories or for prior years' stores drawn therefrom, is made in sub-item 1.2.

Item 2. Provision for depreciation. The provision for the wearing out of those items treated as fixed assets, through use or obsolescence, is recorded at the amounts charged up by the enterprise, regardless of method of computation.

Item 3. Interest on debt. Interest on debt is mainly on bonds and debentures, or loans and advances by the parent government or affiliated enterprises. These inter-governmental agency transactions are shown separately.

Interest on debt due to non-government entities also includes interest on commercial debt in the form of bank overdrafts and other business credit.

Item 4. Other current expenditure comprises other non-operating expenses charged against the current year's revenue such as amortization of bond discount and bond redemption expenses, charges for depletion, amortization of preproduction and development expenses, lay-up expenses, and any contributions of enterprises to own or other levels of government.

Item 7. Estimated income tax. Since January 1, 1952, federal proprietary Crown corporations are liable for the payment of taxes on income earned as are privately owned corporations.

This item records the provision for income tax for the year under review.

PART II

LIST OF FEDERAL GOVERNMENT ENTERPRISES

The following corporations fall under the official classification of federal government enterprises as covered by this report. Recent background informa-

tion on their organization and functions may be found in "The Canada Year Book, 1961", Dominion Bureau of Statistics, pages 104 to 112.

**Name of Enterprise, with Associated Companies Indicated by
Corresponding Letters, (a) to (d)**

	Fiscal year end
Bank of Canada (a).....	Dec. 31
Canadian Arsenals Limited.....	Mar. 31
Canadian Broadcasting Corporation.....	Mar. 31
Canadian Commercial Corporation.....	Mar. 31
Canadian Government Elevators.....	Mar. 31
Canadian National Railway System ¹	Dec. 31
Canadian National Railway Company (b)	
Atlantic and St. Lawrence Railroad Company (1958, 1959)	
Canadian National Express Company	
Canadian National Hotels, Limited	
Canadian National Railways, (France)	
The Canadian National Railways Securities Trust	
Canadian National Realties, Limited	
Canadian National Rolling Stock Limited	
Canadian National Steamship Company, Limited	
Canadian National Telegraph Company	
Canadian National Transfer Company	
Canadian National Transportation, Limited	
The Canadian Northern Quebec Railway Company	
The Central Counties Railway Company	
The Champlain and St. Lawrence Railroad Company (1958, 1959)	
Eastern Transport Limited (1960)	
East-West Transport Limited (1960)	
Empire Freightways Limited (1960)	
The Great North Western Telegraph Company of Canada	
Montalta Holdings Limited (1960)	
The Minnesota and Manitoba Railroad	
The Minnesota and Ontario Bridge Company	
Montreal and Southern Counties Railway Company	
Montreal Fruit & Produce Terminal Company, Limited	
The Montreal Stock Yards Company	
The Montreal Warehousing Company	
Mount Royal Tunnel and Terminal Company, Limited	
The Niagara, St. Catharines and Toronto Railway Company (1958, 1959)	
The Quebec and Lake St. John Railway Company	
Sydney Transfer and Storage Limited (1960)	
The United States and Canada Rail Road Company (1958, 1959)	
Vermont and Province Line Railroad Company (1958, 1959)	
Wacos Holdings Limited (1960)	
Yukon Telephone Company Limited	
Central Vermont Railway, Inc.	
Central Vermont Transportation Co.	
Duluth, Rainy Lake and Winnipeg Railway Company	
Duluth, Winnipeg and Pacific Railroad Co.	
Duluth, Winnipeg and Pacific Railway Co.	
Grand Trunk-Milwaukee Car Ferry Company	
Grand Trunk Western Railroad Company	
Canadian National (West Indies) Steamships Limited.....	Dec. 31
Canadian Overseas Telecommunication Corporation.....	Mar. 31
Canadian Patents and Development Limited.....	Mar. 31
The Canadian Wheat Board.....	July 31
Central Mortgage and Housing Corporation.....	Dec. 31
Cornwall International Bridge Company Limited (d) (Subsidiary).....	Sept. 30

¹ See footnote at end of list.

**Name of Enterprise, with Associated Companies Indicated by
Corresponding Letters, (a) to (d) — Concluded**

	Fiscal year end
Crown Assets Disposal Corporation	Mar. 31
Eldorado Aviation Limited (c) (Subsidiary)	Dec. 31
Eldorado Mining and Refining Limited (c)	Dec. 31
Export Credits Insurance Corporation	Dec. 31
Farm Credit Corporation (formerly Canadian Farm Loan Board)	Mar. 31
Industrial Development Bank (a) (Subsidiary)	Sept. 30
National Harbours Board	Dec. 31
Newfoundland Car Ferry ²	Dec. 31
Northern Canada Power Commission	Mar. 31
Northern Ontario Pipe Line Corporation	Dec. 31
Northern Transportation Company Limited (c) (Subsidiary)	Dec. 31
Park Steamship Company Limited (inactive)	Dec. 31
Polymer Corporation Limited	Dec. 31
Prince Edward Island Car Ferry ²	Dec. 31
The St. Lawrence Seaway Authority (d)	Dec. 31
Trans-Canada Airlines (b) (Subsidiary)	Dec. 31
Yarmouth-Bar Harbour Ferry	Dec. 31

¹ In those cases where the statistics do not cover the full three years because of newly acquired financial control or corporate reorganization, the pertinent years are shown in brackets.

² Finances consolidated with those of C.N.R. except for fixed assets owned by federal government.

GENERAL COMMENTS

Part II of this report presents the assets, liabilities and net worth, net surplus transactions, and current revenue and expenditure of federal government enterprises for the years 1958, 1959 and 1960 recast into the standard classifications and definitions described in Part I. For most of the enterprises, the fiscal year corresponds to the calendar year.

The sources of the data are the published annual reports of the Crown corporations, supplemented by additional information obtained from company or departmental officials. The assistance of these officers is gratefully acknowledged.

The series on wages and salaries paid to employees of federal enterprises is, for the most part, based on monthly data obtained from the Government Employment and Payrolls Section, Public Finance and Transportation Division, and summated to pertinent fiscal year totals.

Comprehensive statistics on capital revenue, capital expenditure and the source and application of funds of federal enterprises are not available at this time, except in so far as changes in the balance sheet accounts reflect these transactions on a net basis.

Estimates of capital expenditures by government enterprises are published in the publication, "Private and Public Investment" (Table 7), prepared jointly by the Business Finance Division of the Dominion Bureau of Statistics, and the Economics Branch of the Department of Trade and Commerce. According to this source, capital expenditures of federal enterprises for the years 1958, 1959 and 1960 amounted to \$495 million, \$368 million and \$306 million respectively.

Coverage

There were twenty-nine federal enterprises actively engaged in business in 1959 and 1960, one more than in 1958. During 1958, Canadian National (West Indies) Steamships Limited ceased shipping operations and subsequently sold its fleet. Current expenditures incurred thereafter involve management and lay-up expenses only. In October of the same year, the Northern Pipe Line Crown Corporation leased its newly constructed pipe line, and in April, 1959, the St. Lawrence Seaway was opened for its first shipping traffic. Current operating accounts for these two entities take effect from these dates. The balance sheet accounts, however, portray the statement of condition at the end of each fiscal year, including any capital investments and their financing before commencement of operations.

The financial data for the Canadian National Railway System are taken from the annual reports for the years under review. Adjustments are made to show the revenues and expenditures of the Canadian National hotels on a gross basis and to transfer the contributions from the federal government for the operating deficits of the Newfoundland Car Ferry and the Prince Edward Island Car Ferry from current revenue to surplus account. In addition to those companies included in the System's corporate structure, there are several affiliated companies in which it holds fifty per cent or less claim of ownership. Only the amount of the investment in these affiliates is reflected in the statistics. Trans-Canada Air Lines, one of the System's wholly-owned subsidiaries, is treated as a separate federal government enterprise and its transactions with the parent company have been segregated.

Differences in Coverage in National Accounts

The series on net profit or loss before provision for income tax (item 6, Expenditure, Table 2) and for provision for depreciation (item 2, Expenditure, Table 2) do not agree with those which are currently incorporated in the National Accounts because of differences in coverage and of the addition to the National Accounts estimates of portions of the imputation for rent on government-owned buildings, and to the net profit series only, of imputed banking services provided to the federal government without specific charge.

To convert to the National Accounts coverage, the following adjustments are made:

Additions: estimates for Exchange Fund Account, Veterans' Land Act, Post Office, Bank of Canada, imputed items.

Deductions: estimates for Canadian Broadcasting Corporation, The Canadian Wheat Board, Crown Assets Disposal Corporation.

Bank of Canada

Although the Bank of Canada is classified as a federal government enterprise, its financial data are not included in the overall totals of enterprise transactions published in Tables 1 to 14.

The specialized terminology used by the Bank of Canada for some of its balance sheet items, by reason of its unique functions, affords, at best, an

awkward fit to the conventional nomenclature adopted for this statistical presentation. Another drawback has been the lack of published revenue and expenditure statements for 1958 and 1959.

However, for the convenience of users of these financial statistics, who may wish to incorporate available Bank of Canada figures into the relevant totals, Tables 15 and 16 present its balance sheet and surplus accounts within the enterprise classification framework, with a breakdown of the items included under each heading.

The Canadian Wheat Board

The Canadian Wheat Board was incorporated under the Canadian Wheat Board Act to market, in an orderly manner, in the interprovincial and export trade, grain grown in Canada. The net profits on the operations of the pool accounts accrue not to the federal government, but to the grain producers. In this respect, it differs from other government business enterprises.

Notwithstanding the special nature of its functions, however, the Canadian Wheat Board is treated in this report as a federal government enterprise.

Its financial data cover the fiscal years ended July 31st, and involve not only the interim transactions of the current crop year, but also the results of the operations of the previous year's wheat, oats and barley pool accounts during the same period.

ANALYSIS OF DATA

Table 1 shows the amount of assets held by the federal government enterprises, by type and in total, the liabilities outstanding in connection therewith, and the net worth as at the fiscal year ends nearest to December 31st, 1958, 1959 and 1960.

The absolute and per cent change in the group components between years, and their proportion to the total, are pointed up in the following tables:

Changes in Assets, Liabilities and Net Worth as at Fiscal Year Ends Nearest to December 31

	1958	1959	1960	Change		Per cent change based on unrounded data	
				1959/1958	1960/1959	1959/1958	1960/1959
millions of dollars							
Assets							
Cash	77	74	84	- 3	10	- 3.4	12.6
Accounts receivable	131	140	134	9	- 6	6.6	- 3.7
Inventories	796	836	865	40	29	5.1	3.4
Fixed assets	3,978	4,381	4,536	403	155	10.1	3.5
Investments including loans and advances and restricted funds	1,480	1,859	2,240	379	381	25.6	20.5
Other assets	79	104	131	25	27	32.2	26.5
Totals	6,541	7,394	7,990	853	596	13.0	8.1
Liabilities and net worth							
Accounts payable	546	598	557	52	- 41	9.5	- 6.8
Long-term loans and advances and debt...	3,311	3,899	4,457	588	558	17.7	14.3
Other liabilities	436	437	489	1	52	0.4	11.7
Reserves	82	100	124	18	24	22.0	24.4
Proprietary equity	2,098	2,297	2,304	199	7	9.5	0.3
Surplus	68	63	59	- 5	- 4	- 7.4	- 6.1
Totals	6,541	7,394	7,990	853	596	13.0	8.1

**Components of Assets, Liabilities and Net Worth as a percentage of Total
as at Fiscal Year Ends Nearest to December 31**

	1958	1959	1960
Assets			
Cash	1.2	1.0	1.0
Accounts receivable	2.0	1.9	1.7
Inventories	12.2	11.3	10.8
Fixed assets	60.8	59.2	56.8
Investments including loans and advances and restricted funds	22.6	25.2	28.0
Other assets	1.2	1.4	1.7
Totals	100.0	100.0	100.0
Liabilities and net worth			
Accounts payable	8.4	8.1	7.0
Long-term loans and advances and debt	50.6	52.7	55.8
Other liabilities	6.7	5.9	6.1
Reserves	1.2	1.3	1.6
Proprietary equity	32.1	31.1	28.8
Surplus	1.0	0.9	0.7
Totals	100.0	100.0	100.0

Assets

As at the end of 1960, assets owned by federal government enterprises, excluding the Bank of Canada, amounted to \$7,990 million, an increase of \$596 million, or 8 per cent over the holdings of the preceding year. This change is substantially less than that of \$853 million, or 13 per cent, which is pointed up in the preceding year-over-year comparison.

Of the increase in 1960, \$155 million is ascribable to the net addition to fixed assets, which were carried on the books of the Crown corporations at a value of \$4,536 million after allowances for depreciation, and comprised about 57 per cent of total assets. The ratio of fixed to total assets declined about 2 per cent.

Investments, including loans and advances and restricted funds, were valued at \$2,240 million at the end of 1960, an increase of \$381 million over the portfolio at the end of 1959, and constituted about 28 per cent of all assets. In the previous year, while the absolute change was of the same magnitude, the proportion was somewhat less. Of the loans and advances receivable at the end of 1960 (item 8), \$1,296 million represented loans granted under the National Housing Act. Mortgages receivable and agreements of sale in the amount of \$268 million were held largely by Central Mortgage and Housing and Farm Credit Corporations. Securities in the form of government direct and guaranteed bonds and corporation bonds and stocks, including those in restricted funds and of subsidiaries and affiliates, amounted to \$254 million, a change of \$21 million.

(About \$5 million in cash and unspecified assets of restricted funds was also included in the securities figures).

Inventories of materials and supplies on hand were recorded at \$865 million, a net addition of \$29 million from the position at the beginning of the 1960 accounting period. The inventory change in 1959 was \$40 million. Inventories represented 11 per cent of total assets.

Cash, accounts receivable and other assets made up the residual 4 per cent of assets.

Liabilities

Long-term loans and advances and debt amounting to \$4,457 million in 1960, accounted for more than half of the total of liabilities, equity and surplus accounts. The increase over the previous year was \$558 million, or 14 per cent, compared to a change of \$588 million (18 per cent) from 1958 to 1959. \$2,416 million of the loans and advances (item 5) was payable to the federal government, which also guaranteed most of the \$1,680 million in bonds and debentures outstanding.¹ Bonds and debentures of subsidiary federal government enterprises due to the parent enterprises are deemed to be non-marketable and have been classified in these

¹ For a statement of contingent liabilities of the federal government, including railway securities guarantees and other guarantees of federal enterprise transactions, see federal public accounts, page 118, 1958-1959, page 117, 1959-1960 and page 161, 1960-1961.

statistics as loans payable. The contra asset holdings of the parent enterprises are also classed as loans.

Proprietary equity constitutes somewhat less than one-third of the total. Of the \$2,304 million equity in 1960, \$2,269 million was held by the federal government either as capital stock, interest-free working capital, fixed assets transferred or other paid-in capital. The change from the previous year was \$7 million, a \$5 million decrease in holdings of shares in the Canadian National Railways being more than offset by a net increase of \$2 million in interest-free working capital advances, a \$5 million net addition to fixed assets transferred and \$5 million to other equity. \$30 million in capital stock issued was held by parent government enterprises, including the Bank of Canada's ownership of the shares of the Industrial Development Bank. About \$5 million shares of non-government subsidiaries of the Canadian National Railway System were owned by the public at the end of 1960.

The increase in equity account in 1959 was \$199 million or 10 per cent, and was mostly attributable to the setting up of proprietorship for capital assets of non-toll canals transferred as at April, 1959, prior to the opening of the St. Lawrence Seaway.

Unappropriated surplus showed a balance of \$59 million, down \$4 million from 1959 and representing about 1 per cent of total claims. There was a similar decline in 1959.

Liability and equity reserves reached a total of \$124 million in 1960, a net transfer of \$24 million, half of which was accounted for by additional appropriations to reserves for mortgage and home improvement loan insurance, and rental guarantees. The reserve for the prospective interest of the lessee under terms of a purchase option lease agreement on the Northern Ontario pipe line was increased by \$3 million, and a new reserve of approximately \$7 million was created by Trans-Canada Air Lines against anticipated net differences between book value and the amount realized on the disposal of piston engine fleets. In 1959 the net transfer to reserves of \$18 million was mostly for housing loan insurance.

Trade accounts payable amounted to \$557 million in 1960, a decrease of 7 per cent from 1959 which had formerly reflected an increase of almost 10 per cent.

Other liabilities in the amount of \$489 million reveal a change of \$52 million at the end of 1960, \$35 million of which was due to higher short-term loans and advances outstanding, \$14 million for interest, and the balance largely for income tax.

Industrial Distribution

Tables 6, 9 and 12 present these same balance sheet statistics classified into the broad industry groups in which the federal government enterprises participate.

The standard unit for obtaining basic statistical data on output, cost of materials, supplies, fuel and electricity, and employment and payroll, by industry, is the "establishment". Since the establishment cannot universally report overhead costs charged to it, and hence its net trading profits, the appropriate unit for reporting financial data is the "firm" and not the establishment. However, even the firm cannot report all financial data and it is necessary to resort to "enterprise" data, an "enterprise", in this sense, being a firm or an aggregation of firms under common ownership and financial control. In some cases, firms which may be in widely different industries are associated with one another through common management and financial control.

The standard industrial classification of federal government enterprises, applied in these statistics at the "enterprise" rather than at the firm or establishment level has resulted in a few aberrations. For example, Eldorado Mining and Refining Limited has been included in the manufacturing industry, although some of its operations are more properly classed under mining. The Canadian National Railway System accounts, as presently consolidated, cut across the transportation, financial and personal services industries. All of these activities are grouped with the transportation function.

Transportation, the industry group with the largest number of government enterprise participants, including the Canadian National Railways is also the most significant from the standpoint of asset holdings. The next major participating group is finance, insurance and real estate, followed in order of importance by manufacturing, communication, electric power and storage. The latter three sub-groups are part of the transportation, communication and other utilities division listing in the Standard Industrial Classification Manual (1960) of the Dominion Bureau of Statistics.

Current Revenue

Details of current revenue are provided in Tables 2, 7, 10 and 13.

Revenue derived from sales and services on current operations amounted to \$1,980 million in 1960, a decrease of 5 per cent. \$41 million of the \$102 million reduction in sales was experienced by enterprises engaged in manufacturing, \$31 million occurred in wholesale trade, and \$30 million in transportation. In manufacturing, the lower volume of trade in uranium was responsible for the decline, despite an improvement in sales of Polymer Corporation Limited over the previous year when a strike of employees at its plant caused a temporary cessation of operations. In wholesale trade, interim sales by The Canadian Wheat Board on behalf of grain producers of the 1959-1960 crop were lower, with increased yields being added to stock. A fall-off in railway traffic was a contributing factor to reduced revenues in the transportation industry, despite a marked acceleration of air travel under the stimulus of new jet service and lower Atlantic fares.

Financial income, mostly in the form of interest earned on loans, amounted to \$108 million in 1960, a gain of \$29 million over 1959. Increases in loans under the National Housing Act made available by the federal government through the agency of Central Mortgage and Housing Corporation accounted for a large portion of enhanced interest earnings.

Other items of current income include rents (item 3), which at \$17 million in 1960 have increased by \$3 million in the past two yearly comparisons, contributions from the federal government towards the net operating requirements of the Canadian Broadcasting Corporation (item 4), at \$59 million,

up \$7 million from 1959, and (item 5), subsidies for carrying charges on wheat under the Temporary Wheat Reserves Act, \$4 million higher at \$44 million, and \$3 million of miscellaneous earnings, relatively unchanged from the preceding year.

The overall decrease in current revenue was \$59 million, down 3 per cent from 1959.

Absolute and percentage changes in the major items of current revenue, current expenditure and net profit before income taxes are illustrated in the following table:

Changes in Revenue, Expenditure and Net Profit for Fiscal Years Ended Nearest to December 31

	1958	1959	1960	Change		Per cent change (on unrounded data)	
				1959/1958	1960/1959	1959/1958	1960/1959
				millions of dollars		%	%
Revenue							
Revenue from sales and services on current operations	2,033	2,082	1,980	49	- 102	2.4	- 4.9
Financial income	56	79	108	23	29	41.3	37.9
Other income	102	111	125	9	14	8.1	12.0
Totals	2,191	2,272	2,213	81	- 59	3.7	- 2.6
Expenditure							
Cost of goods sold from current operations	1,957	1,968	1,876	11	- 92	0.6	- 4.7
Depreciation	105	125	125	20	-	18.9	- 0.3
Interest	94	128	174	34	46	35.3	36.6
Other	8	7	6	- 1	- 1	- 11.9	- 10.1
Totals	2,164	2,228	2,181	64	- 47	2.9	- 2.1
Net profit before income taxes	27	44	32	17	- 12	65.4	- 26.9

Current Expenditure

Cost of goods and services sold from current operations in 1960 was \$1,876 million, a reduction of \$92 million from the previous year.

The wages and salaries component was \$8 million lower, a decrease of \$22 million in the payroll of Canadian National Railways overshadowing higher labor costs incurred by virtually all other Crown corporations. For 1959, only Polymer Corporation Limited showed a decrease in wages and salaries as a result of a strike by its employees.

The additions to inventories in 1960 were \$28 million (\$12 million less than the change in 1959), \$8 million of which evolved in manufacturing, and \$4 million in transportation.

Other purchases of goods and services were lower by \$97 million, the decrease being entirely in those enterprises which suffered reduced sales.

Provision for the depreciation of fixed assets was unchanged at \$125 million in 1960, in comparison with extra allowances of \$20 million made in 1959 by enterprises engaged in transportation.

However, depreciation charges reported by these companies in the next year were only \$2 million higher. A change in policy in providing for the recovery of the cost of fixed assets was adopted by The St. Lawrence Seaway. It now uses the procedure of accounting for debt amortization in the fifty year pay-off period instead of depreciation by reason of the fact that many of its fixed assets are non-depreciable or have a useful life beyond that span. A depreciation charge of approximately \$4 million allowed in 1959 by the corporation was revised in 1960 by an adjustment through surplus account. In manufacturing, there was a drop of \$3 million in depreciation charges due to a cut back in uranium production and the closing of a mine.

Interest paid on loans, advances, bonds and debentures amounted to \$94 million, \$128 million and \$174 million respectively in the years covered in this report. The increase in interest payments to the federal government was not as large in 1960 as in 1959. Central Mortgage and Housing Corporation paid an extra \$15 million by reason of funds made available to it for mortgage lending; and The St. Lawrence Seaway interest costs were \$5 million higher. In 1959, the inclusion of the latter corporation's operating finances for the first time and

the initial full year's accrual by the Northern Ontario Pipe Line Crown Corporation had accounted for \$11 million of the \$28 million increment in interest paid to the federal government.

The extra \$5 million in payments to parent enterprises was the result of additional loans made by Canadian National Railways to its subsidiary, Trans-Canada Air Lines. There was also a rise of \$22 million in interest costs on Canadian National Railways debt held by the public.

Included in the total interest charges on outstanding debt is the interest on bank loans. The amount involved in 1960 was \$10 million, \$2 million higher than in the other pertinent years.

Other miscellaneous expenditure, including the amortization of bond discount, showed a slight decrease.

Total current expenditure was \$2,181 million in 1960, a decrease of \$47 million (2 per cent), compared to an increase of \$64 million (3 per cent) registered in 1959. The 1960 decrease in total expenditure was less than that which occurred in total revenues, however, with the result that there was a drop of \$12 million in net profit before income taxes.

Net profits of federal government enterprises before provision for income taxes, excluding those of the Bank of Canada, were \$27 million, \$44 million and \$32 million respectively.

Estimated income taxes payable ranged from \$13 million to \$19 million, leaving profits for distribution of \$13 million, \$31 million and \$13 million in each of the three years.

Net Surplus Transactions

Net debits and credits to the surplus account carried to the balance sheet are shown in Table 3.

The closing balance at the end of 1960 was \$4 million less than the opening credit, which had already been reduced by \$5 million by the previous year's transactions.

Net profit after provision for income tax was \$18 million lower in 1960 than in 1959 and there was a net change in transfers to reserves of \$10 million. These entries were offset by a larger contribution by the federal government towards operating deficits incurred by some of its enterprises. Details of the contributions taken into surplus and current accounts are given in Table 5.

Remittances of surplus of \$94 million, including profit distributed to grain producers, remained about the same in 1960 as in 1959. The excess of \$11 million in this amount in 1959 as compared to 1958 was entirely due to higher accruals to grain producers.

Net profit on the sale or retirement of fixed assets amounted to about \$5 million each year.

There was a change between 1959 and 1960 of \$3 million in other debits, mostly affecting prior years' expenses.

Reconciliation of Assets or Liabilities and Net Worth with Balance Sheets per Annual Reports (Table 4)

To place the balance sheet accounts of all the enterprises on a comparable basis, and to eliminate trust and deposit accounts not owned by them, adjustments of \$111 million to \$115 million were made to the values which appeared in their published annual reports for the three years.

The largest adjustment (\$88 million in 1960) was to offset a reserve for the replacement of capital assets against the relevant property account which was reported on a gross basis. As mentioned previously, fixed assets are shown net of accumulated depreciation.

Employees' savings funds and contractors' security deposits made contingent to the fulfilment of contracts are eliminated.

There was a minor adjustment for the elimination of contra assets and liabilities on the amalgamation of two separate funds of one enterprise.

In order to show the accumulated surplus on a net basis in the conventional manner, any deficits shown on the debit side were transferred by a credit entry.

Note: Because of differences in methods of presentation by the enterprises of income, operating costs and fixed charges, there are no specific totals on which to base a reconciliation of current revenue and expenditure data as prepared for this publication.

Contributions from Federal Government (Table 5)

The contributions received from the federal government presented in this table include only those grants which affect the trading and surplus accounts.

Comments on the amounts involved were included in the remarks on current revenue and surplus.

Industrial Classification Tables

Tables 6 to 14 inclusive give the industrial distribution of the aggregates which appear in Tables 1 to 3. Comments on the classification of financial data of government enterprises by industry, made in connection with balance sheet items, apply to current revenue and expenditure and surplus accounts as well.

TABLE 1. Assets, Liabilities and Net Worth¹ as at Fiscal Year Ends Nearest to December 31

No.	Assets	1958	1959	1960
		thousands of dollars		
1	Cash on hand and on deposit	76,975	74,388	83,726
2	Accounts receivable	130,707	139,334	134,236
3	Inventories	796,103	836,360	864,593
4	Interest, dividends and rents receivable from			
	(i) Federal government enterprises ²	1,328	2,079	3,168
	(vii) Other	5,224	5,908	7,467
	Sub-total, item 4	6,552	7,987	10,635
5	Accrued revenue:			
	1. Interest owing from			
	(i) Federal government	202	188	208
	(v) Municipal governments	32	32	43
	(vii) Other	2,657	3,417	4,548
	Sub-total	2,891	3,637	4,799
	2. Other revenue	1,370	1,175	1,263
	Sub-total, item 5	4,261	4,812	6,062
6	Prepaid expenses	3,924	3,916	4,230
7	Fixed assets	3,977,958 ³	4,381,034 ³	4,536,481 ³
8	Loans and advances receivable from			
	(i) Federal government enterprises ³	83,397 ⁴	135,278 ⁴	209,207 ⁴
	(iii) Provincial governments	40	10	6
	(iv) Provincial government enterprises	1,080	9,201	14,246
	(v) Municipal governments	4,466	5,006	4,857
	(vi) Other	982,306	1,246,933	1,489,453
	Sub-total, item 8	1,071,289	1,396,428	1,717,769
9	Securities held as investments:			
	1. Federal government treasury bills	673	8,237	4,112
	2. Federal government direct and guaranteed bonds	29,899	27,052	35,476
	3. Provincial and municipal government direct and guaranteed bonds	1,928	2,207	2,159
	4. Bonds of companies incorporated in Canada and of institutions	28,773 ⁵	29,434 ⁵	30,247 ⁵
	5. Preferred and common stock, Canadian:			
	(ii) Federal government enterprises ³	5,387	5,387	5,387
	(vii) Other	8,832 ⁶	9,219 ⁶	9,404 ⁶
	Sub-total	14,219	14,606	14,791
	6. Foreign investments	3,740 ⁶	3,740 ⁶	5,071 ⁶
	Sub-total, item 9	79,232	85,276	91,856
10	Mortgages receivable and agreements of sale	200,820	229,783	287,863
11	Restricted funds:			
	1. Depreciation funds	52,563	54,495	55,819
	2. Trust and deposit accounts	— ⁷	— ⁷	— ⁷
	3. Other funds	76,487 ⁸	93,196 ⁸	106,437 ⁸
	Sub-total, item 11	129,050 ⁹	147,691 ⁹	162,256 ⁹
12	Deferred charges:			
	1. Amortization of bond discount	15,956	21,661	28,186
	2. Other charges	29,401	38,530	58,488
	Sub-total, item 12	45,357	60,191	86,674
13	Other assets:			
	1. Due on account of deficits from			
	(i) Federal government	3,969	6,648	2,753
	(iii) Provincial governments	744	744	744
	Sub-total	4,713	7,392	3,497
	2. Unspecified	13,729	19,526	20,270
	Sub-total, item 13	18,442	26,918	23,767
14	Total assets	6,540,670	7,394,118	7,990,168

¹ Excludes Bank of Canada. See Table 15 for special presentation.

² Involves transactions between subsidiary and parent government enterprises.

³ Net of accumulated depreciation, 823,712, 905,464 and 953,462 respectively; does not include government-owned plants valued at 103,423, 103,073 and 101,888 at year-end 1958, 1959 and 1960 but does include physical property held for sale of 134,438, 134,760 and 139,824.

⁴ Consists of non-negotiable notes and debentures of subsidiary federal government enterprises which are classified under contra loan liabilities.

⁵ Of these amounts, 27,070, 27,764 and 27,990 represent the value of bonds of non-government affiliates.

⁶ Investments in non-government affiliates.

⁷ Offset against contra liability item 8.

⁸ Consists mostly of insurance funds.

⁹ Consists of:

	1958	1959	1960
Cash	1,295	2,570	1,292
Federal government direct and guaranteed bonds	112,788	129,588	143,033
Provincial and municipal government direct and guaranteed bonds	13,022	13,019	13,012
Bonds of companies incorporated in Canada and of institutions	403	433	475
Preferred and common stock, Canadian	169	197	237
Foreign investments	400	400	400
Other assets	973	1,484	3,807
Totals	129,050	147,691	162,256

TABLE 1. Assets, Liabilities and Net Worth¹ as at Fiscal Year Ends Nearest to December 31

No.	Liabilities and net worth	thousands of dollars		
		1958	1959	1960
1	Accounts payable	546,486	598,130	557,565
2	Temporary loans, advances and notes payable:			
	1. Bank loans and overdrafts	104,875	110,984	125,810
	2. Other loans and advances	130,626	130,154	150,799
	3. Notes	—	—	—
	Sub-total, item 2	235,501	241,138	276,609
3	Interest payable to			
	(i) Federal government	16,321	29,387	35,659
	(ii) Federal government enterprises ²	1,328	2,079	3,168
	(vii) Other	2,936	2,697	3,770
	Sub-total, item 3	20,585	34,143	42,597
4	Accrued expenditure:			
	1. Interest owing to			
	(i) Federal government	20,528	22,774	23,721
	(ii) Federal government enterprises ²	800	991	1,205
	(vii) Other	12,853 ¹⁰	13,744 ¹⁰	18,393 ¹⁰
	Sub-total	34,181	37,509	43,319
	2. Provision for income tax	10,500	6,785	13,718
	3. Other expenditure	10,186	9,402	9,014
	Sub-total, item 4	54,867	53,696	66,051
5	Long-term loans and advances owing to			
	(i) Federal government	2,029,087	2,278,975	2,415,755
	(ii) Federal government enterprises ²	134,397	192,978	272,807
	(vii) Other	113,667	85,622	87,917
	Sub-total, item 5	2,277,151	2,557,575	2,776,479
6	Long-term debt:			
	1. Bonds and debentures	1,033,809 ¹¹	1,341,059 ¹¹	1,680,308 ¹¹
	2. Mortgages and agreements of sale	—	—	—
	3. Other debt	—	—	—
	Sub-total, item 6	1,033,809	1,341,059	1,680,308
7	Deferred credits:			
	1. Deferred revenue	66,593	63,444	59,993
	2. Other credits	14,576	13,694	14,498
	Sub-total, item 7	81,169	77,138	74,491
8	Trust and deposit accounts	7,142	5,031	4,446
9	Other liabilities	36,471	26,469	24,583
10	Reserves:			
	1. Liability reserves:			
	(1) Provision for future income taxes	167	203	407
	(2) Other liability reserves	78,869	95,915	108,859
	Sub-total	79,036	96,118	109,266
	2. Equity reserves:			
	(1) Contingencies	2,377	2,415	10,852
	(2) Plant expansion	106	212	212
	(3) Other equity reserves	122	850	3,806
	Sub-total	2,605	3,477	14,670
	Sub-total, item 10	81,641	99,595	123,936
11	Proprietary equity and unappropriated surplus (net worth):			
	1. Proprietary equity:			
	(1) Capital stock held by			
	(i) Federal government	1,345,321	1,359,586	1,354,030
	(ii) Federal government enterprises ²	30,230	30,230	30,230
	(vii) Other	4,504 ¹²	4,504 ¹²	4,499 ¹²
	Sub-total	1,380,055	1,394,320	1,388,759
	(2) Interest-free working capital provided by			
	(i) Federal government	26,657	21,189	23,569
	(3) Fixed assets transferred by			
	(i) Federal government	509,411	689,853	695,139
	(4) Other equity held by			
	(i) Federal government	181,583	191,648	196,370
	(vii) Other	37	81	35
	Sub-total	181,620	191,729	196,405
	Sub-total, item 11.1	2,097,743	2,297,091	2,303,872
	2. Unappropriated surplus	68,105	63,053	59,231
	Sub-total, item 11	2,165,848	2,360,144	2,363,103
12	Total liabilities and net worth	6,540,670	7,394,118	7,990,168

¹⁰ Includes interest accrued on securities guaranteed by the federal government of 12,629, 13,517 and 16,484.¹¹ Of these amounts, 1,024,710, 1,335,510 and 1,677,209 respectively, are guaranteed by the federal government.¹² Capital stock of non-government subsidiaries held by the public.

ASSETS AND LIABILITIES, BY TYPE 1958-1960

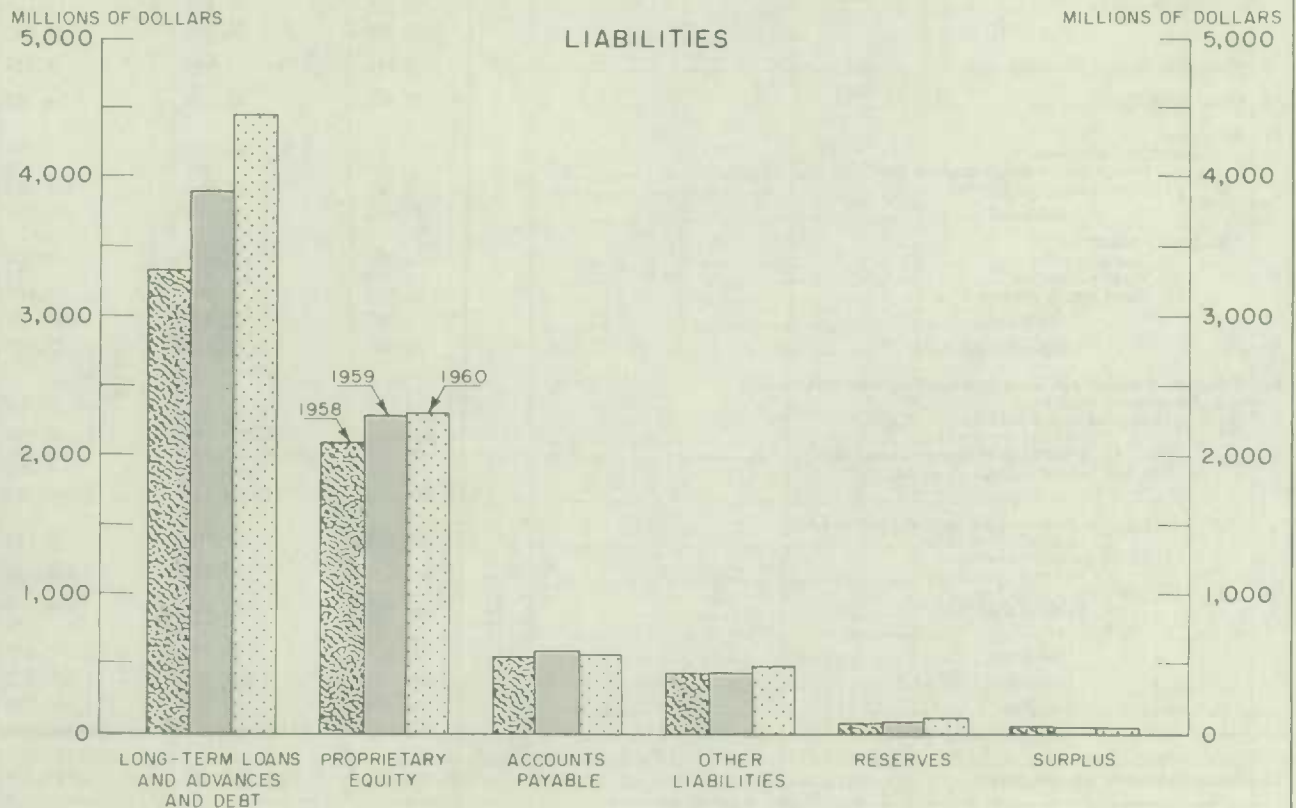
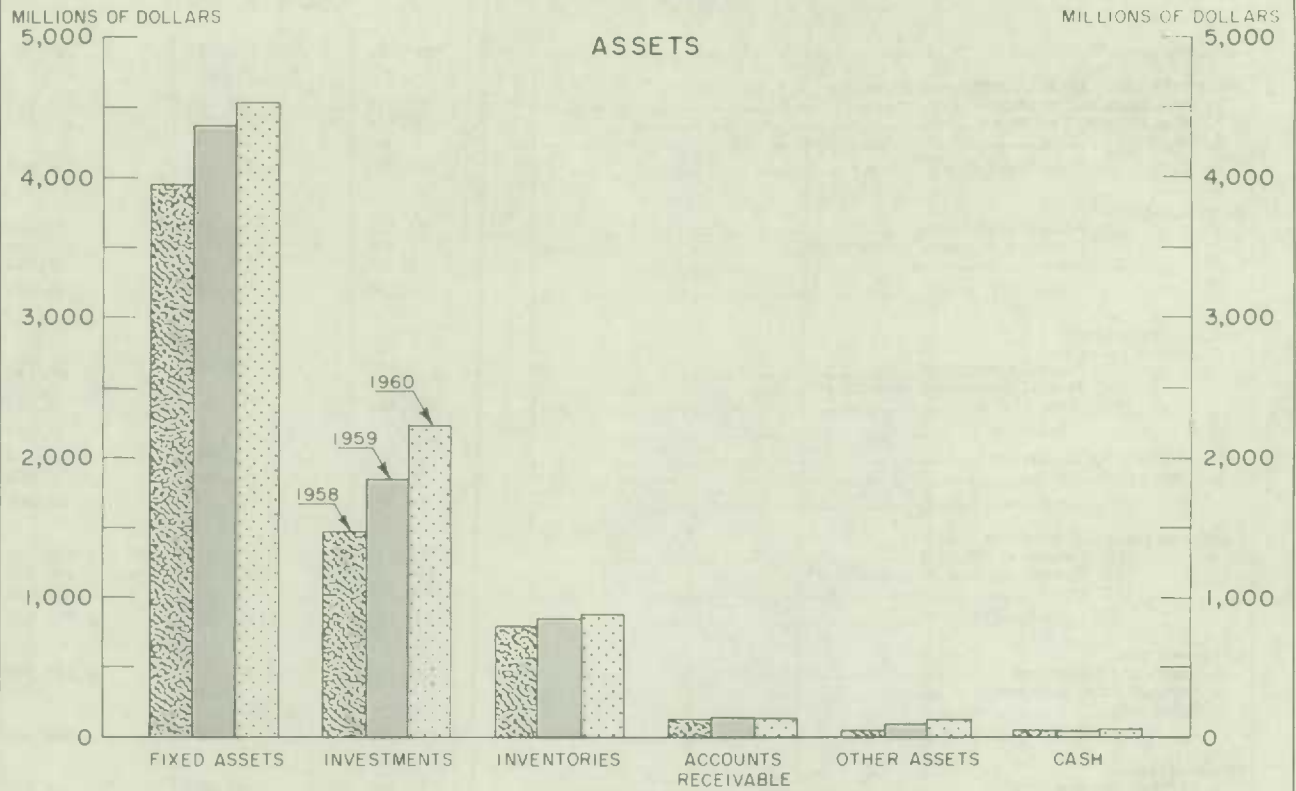


TABLE 2. Current Revenue and Expenditure¹ for Fiscal Years Ended Nearest to December 31

No.		1958	1959	1960
		thousands of dollars		
	Revenue			
1	Revenue from sales and services on current operations	2,032,906	2,082,196	1,980,442
2	Financial income:			
	1. Interest from			
	(i) Federal government	4,352	5,506	6,674
	(ii) Federal government enterprises	2,496	2,988	8,097
	(vii) Other	44,477	65,617	90,135
	Sub-total	51,325	74,111	104,906
	2. Other financial income	4,255	4,420	3,397
	Sub-total, item 2	55,580	78,531	108,303
3	Rental income	11,254	14,931	17,286
4	Contributions from own or other levels of government			
	(i) Federal ²	52,056	52,300	59,288
5	Other current income	39,093	43,496	47,494
6	Total current revenue	2,190,889	2,271,454	2,212,813
	Expenditure			
1	Cost of goods and services sold from current operations:			
	1. Wages and salaries	563,174	586,317	578,441
	2. Net drawings on (+) or net additions to (-) inventories	35,656	- 40,324	- 28,236
	3. Other purchases of goods and services	1,358,064	1,421,955	1,325,351
	Sub-total, item 1	1,956,894	1,967,948	1,875,556
2	Provision for depreciation	105,201	125,121	124,742
3	Interest on debt <i>to</i>			
	(I) Federal government	47,388	75,162	92,030
	(ii) Federal government enterprises	3,957	4,935	10,498
	(vii) Other	42,947	47,448	71,649
	Sub-total, item 3	94,292	127,545	174,177
4	Other current expenditure	8,073	7,114	6,395
5	Total current expenditure	2,164,460	2,227,728	2,180,870
6	Net profit (+) or loss (-) before provision for income tax	26,429 ³	43,726 ³	31,943 ³
7	Estimated income tax	13,963	12,448	19,205
8	Net profit (+) or loss (-) after provision for income tax	12,466	31,278	12,738
9	Total current expenditure plus net profit or minus loss	2,190,889	2,271,454	2,212,813

¹ Excludes Bank of Canada; includes current operations of Northern Ontario Pipe Line Crown Corporation from October, 1958 and of The St. Lawrence Seaway Authority from April, 1959.

² See Table 5 for contributions from federal government taken into current and surplus accounts.

³ Includes profits of The Canadian Wheat Board which are distributed to grain producers.

TABLE 3. Net Surplus Account Transactions¹ for Fiscal Years Ended Nearest to December 31

No.		1958	1959	1960
		thousands of dollars		
1	Balance at beginning of year	66,830	68,105	63,053
2	Net profit or loss for the year after provision for income tax ²	12,466	31,278	12,738
3	Net profit or loss on sale or retirement of fixed assets	5,850	4,976	4,641
4	Net transfers from (+) or to (-) reserves	1,858	- 3,867	- 14,228
5	Other adjustments (net)	- 6,009	- 4,428	- 1,297
6	Contributions from own or other levels of government			
	(i) Federal ³	69,956	60,934	88,010
7	Remittances of surplus:			
	1. Dividends paid to			
	(i) Federal government	- 7,525	- 7,230	- 9,725
	2. Other remittances to			
	(i) Federal government	- 6,965	- 8,942	- 10,239
	(vii) Other	- 68,356	- 77,773	- 73,722
	Sub-total, item 7	- 82,846	- 93,945	- 93,686
8	Net additions (+) or deductions (-)	1,275	- 5,052	- 3,822
9	Balance at end of year	68,105	63,053	59,231

¹ Excludes Bank of Canada.² Item 8, Expenditure, Table 2.³ See Table 5 for contributions from federal government taken into current and surplus accounts.

TABLE 4. Reconciliation of Assets or Liabilities and Net Worth with Balance Sheets per Annual Reports as at Fiscal Year Ends Nearest to December 31

No.		1958	1959	1960
		thousands of dollars		
1	Total assets or total liabilities and net worth per annual reports	6,651,676	7,508,685	8,104,698
	Deductions:			
2	Trust and deposit account assets offset to contra liabilities:			
	Contractors' security deposits	- 13,469	- 7,647	- 5,173
	Employees' savings funds	- 414	- 416	- 377
	Sub-total, item 2	- 13,883	- 8,063	- 5,550
3	Reserves offset against contra assets:			
	Reserve for depreciation offset to fixed assets	- 80,134	- 83,153	- 87,587
	Reserve for facilities not owned, offset to restricted fund account	- 6,251	- 6,264	- 6,273
	Sub-total, item 3	- 86,385	- 89,417	- 93,860
4	Interfund accounts eliminated	- 89	- 65	- 49
5	Deficits offset to accumulated surplus	- 10,649	- 17,022	- 15,071
	Total adjustments	- 111,006	- 114,567	- 114,530
6	Total assets or total liabilities and net worth per Table 1	6,540,670	7,394,118	7,990,168

**TABLE 5. Contributions from Federal Government taken into Current Revenue and Surplus Accounts¹
for Fiscal Years Ended Nearest to December 31**

	1958	1959	1960
	thousands of dollars		
Current revenue:			
Canadian Broadcasting Corporation:			
Grant in respect of net operating requirements	51,597	52,300	59,288
Broadcasting license fee revenue	459	—	—
Sub-total, current revenue	52,056	52,300	59,288
Surplus account:			
Contributions towards operating deficits:			
Canadian Arsenals Limited	1,800	2,000	2,849
Canadian National Railway System:			
Canadian National Railways	51,591	43,588	67,497
Newfoundland Car Ferry	5,771	5,800	5,433
Prince Edward Island Car Ferry	1,988	2,566	2,621
Canadian National (West Indies) Steamships Limited	1,152	—	—
The Canadian Wheat Board	2,133	—	—
The St. Lawrence Seaway Authority	—	517	1,264
Trans-Canada Air Lines	—	—	2,607
Yarmouth — Bar Harbour Ferry	197 ²	203 ¹	155 ²
Sub-total	64,632	54,674	82,426
Contributions for capital requirements:			
Canadian Broadcasting Corporation ³	5,324	6,260	5,584
Sub-total, surplus account	69,958	60,934	88,010
Total contributions from federal government taken into current revenue and surplus accounts	122,012	113,234	147,298

¹ In addition, two of the enterprises received production cost subsidies and three received contributions towards the purchase of fixed assets.

² Paid to Canadian National Railways which operates the ferry on a management fee basis.

³ Unexpended portion of grant included in other liabilities.

TABLE 6. Assets, Liabilities and Net Worth, by Industry¹ as at Fiscal Year End Nearest to December 31, 1958

No.	Assets	Manufacturing	Transportation, communication, and other utilities				Sub-total transportation, communication, and other utilities	Wholesale trade	Finance, insurance and real estate	Total
			Transportation	Storage	Communication	Electric power				
thousands of dollars										
1	Cash on hand and on deposit.....	13,480	42,094	—	9,273	1,565	52,932	3,612	6,951	76,975
2	Accounts receivable	40,034	73,670	42	5,547	1,021	80,280	6,770	3,623	130,707
3	Inventories	72,885	101,860	203	2,734	176	104,973	618,245	—	796,103
4	Interest, dividends and rents receivable from									
	(ii) Federal government enterprises ²	—	1,328	—	—	—	1,328	—	—	1,328
	(vii) Other	—	876	—	—	—	876	—	4,348	5,224
	Sub-total, item 4.....	—	2,204	—	—	—	2,204	—	4,348	6,552
5	Accrued revenue:									
	1. Interest owing from									
	(i) Federal government	37	27	—	12	5	44	—	121	202
	(v) Municipal governments	—	—	—	—	—	—	—	32	32
	(vii) Other	—	41	—	—	—	41	—	2,616	2,657
	Sub-total	37	68	—	12	5	85	—	2,769	2,891
	2. Other revenue	—	628	734	—	—	1,362	8	—	1,370
	Sub-total, item 5.....	37	696	734	12	5	1,447	8	2,769	4,261
6	Prepaid expenses	399	3,234	—	57	5	3,296	4	225	3,924
7	Fixed assets	53,615 ³	3,715,020	12,124	39,029	19,732	3,785,905	489	137,949	3,977,958 ⁴
8	Loans and advances receivable from									
	(ii) Federal government enterprises ⁵	297	83,100	—	—	—	83,100	—	—	83,397 ⁶
	(iii) Provincial governments	—	—	—	—	—	—	—	40	40
	(iv) Provincial government enterprises	—	—	—	—	1,080	1,080	—	—	1,080
	(v) Municipal governments	—	—	—	—	—	—	—	4,466	4,466
	(vii) Other	599	6,934 ⁷	—	—	—	6,934	114,035	860,738	982,306
	Sub-total, item 8.....	896	90,034	—	—	1,080	91,114	114,035	865,244	1,071,289
9	Securities held as investments:									
	1. Federal government treasury bills	—	—	—	—	—	—	673	—	673
	2. Federal government direct and guaranteed bonds	8,463	4,993	—	1,445	494	6,932	186	14,318	29,899
	3. Provincial and municipal government direct and guaranteed bonds	751	1,177	—	—	—	1,177	—	—	1,928
	4. Bonds of companies incorporated in Canada and of institutions	—	28,773 ⁸	—	—	—	28,773	—	—	28,773
	5. Preferred and common stock, Canadian:									
	(ii) Federal government enterprises ⁹	187	5,200	—	—	—	5,200	—	—	5,387
	(vii) Other	—	8,832 ¹⁰	—	—	—	8,832	—	—	8,832
	Sub-total	187	14,032	—	—	—	14,032	—	—	14,219
	6. Foreign investments	—	3,740 ¹¹	—	—	—	3,740	—	—	3,740
	Sub-total, item 9.....	9,401	52,715	—	1,445	494	54,654	859	14,318	79,232
10	Mortgages receivable and agreements of sale	444	2,240	—	—	—	2,240	5,948	192,188	200,820
11	Restricted funds:									
	1. Depreciation funds	—	52,563	—	—	—	52,563	—	—	52,563
	2. Trust and deposit accounts	—	—	—	—	—	—	—	—	—
	3. Other funds	—	26,389	—	700	—	27,089	—	49,398	76,487 ¹²
	Sub-total, item 11.....	—	78,952	—	700	—	79,652	—	49,398	129,050 ¹³
12	Deferred charges:									
	1. Amortization of bond discount	—	15,222	—	—	—	15,222	—	734	15,956
	2. Other charges	6,285	23,093	—	—	8	23,101	15	—	29,401
	Sub-total, item 12.....	6,285	38,315	—	—	8	38,323	15	734	45,357
13	Other assets:									
	1. Due on account of deficits from									
	(i) Federal government	—	3,969	—	—	—	3,969	—	—	3,969
	(iii) Provincial governments	—	744	—	—	—	744	—	—	744
	Sub-total	—	4,713	—	—	—	4,713	—	—	4,713
	2. Unspecified	—	8,866	—	2,293	—	11,159	21	2,549	13,729
	Sub-total, item 13.....	—	13,579	—	2,293	—	15,872	21	2,549	18,442
14	Total assets	197,476	4,214,613	13,103	61,090	24,066	4,312,692	750,006	1,280,296	6,540,670

¹ Excludes Bank of Canada. See Table 15 for special presentation.² Involves transactions between subsidiary and parent government enterprises.³ Does not include government-owned plants, valued at 103,423.⁴ Net of accumulated depreciation, manufacturing, 85,732; transportation, 699,563; storage, nil; communication, 15,864; electric power, 2,967; wholesale trade, 131; finance, insurance and real estate, 19,455; total, 823,712; includes physical property held for sale by financial enterprises, valued at 134,438.⁵ Consists of non-negotiable notes and debentures of subsidiary federal government enterprises which are classified under loan liabilities.⁶ Of this amount, 6,168 is receivable from non-government affiliates.⁷ Of this amount, 27,070 represents the value of bonds of non-government affiliates.⁸ Investments in non-government affiliates.⁹ Offset against contra liability item 8.¹⁰ Consists mostly of insurance funds.¹¹ Consists of cash, 1,295; federal government direct and guaranteed bonds, 112,788; provincial and municipal government direct and guaranteed bonds, 13,022; bonds of companies incorporated in Canada and of institutions, 403 (of which, 68 affiliated); preferred and common stock, Canadian, 169; foreign investments, 400; other assets, 973; total, 129,050.

TABLE 6. Assets, Liabilities and Net Worth, by Industry¹ as at Fiscal Year End Nearest to December 31, 1958

No.	Liabilities and net worth	Manufacturing	Transportation, communication, and other utilities				Sub-total transportation, communication, and other utilities	Wholesale trade	Finance, insurance and real estate	Total
			Transportation	Storage	Communication	Electric power				
thousands of dollars										
1	Accounts payable	38,508	96,610	—	3,756	872	101,238	404,033	2,707	546,486
2	Temporary loans, advances and notes payable:									
	1. Bank loans and overdrafts	—	—	—	—	—	—	104,875	—	104,875
	2. Other loans and advances	14,769	—	—	—	—	—	115,857	—	130,626
	3. Notes	—	—	—	—	—	—	—	—	—
	Sub-total, item 2	14,769	—	—	—	—	—	220,732	—	235,501
3	Interest payable to									
	(i) Federal government	—	16,321	—	—	—	16,321	—	—	16,321
	(ii) Federal government enterprises ²	—	1,328	—	—	—	1,328	—	—	1,328
	(vii) Other	—	—	—	—	—	—	2,936	—	2,936
	Sub-total, item 3	—	17,649	—	—	—	17,649	2,936	—	20,585
4	Accrued expenditure:									
	1. Interest owing to									
	(i) Federal government	—	9,929	—	—	—	9,929	—	10,599	20,528
	(ii) Federal government enterprises ²	—	—	—	—	—	—	—	800	800
	(vii) Other	—	12,731 ³	—	—	—	12,731	—	122	12,853
	Sub-total	—	22,660	—	—	—	22,660	—	11,521	34,181
	2. Provision for income tax	8,265	354	—	337	—	691	—	1,544	10,500
	3. Other expenditure	2,955	5,149	—	1,366	—	6,515	716	—	10,186
	Sub-total, item 4	11,220	28,163	—	1,703	—	29,866	716	13,065	54,867
5	Long-term loans and advances owing to									
	(i) Federal government	—	1,005,087	—	12,979	21,986	1,040,052	—	989,035	2,029,087
	(ii) Federal government enterprises ²	—	83,397	—	—	—	83,397	—	51,000	134,397
	(vii) Other	—	1,076	—	—	—	1,076	112,391	200	113,667
	Sub-total, item 5	—	1,089,560	—	12,979	21,986	1,124,525	112,391	1,040,235	2,277,151
6	Long-term debt:									
	1. Bonds and debentures	—	1,033,809 ³	—	—	—	1,033,809	—	—	1,033,809
	2. Mortgages and agreements of sale	—	—	—	—	—	—	—	—	—
	3. Other debt	—	—	—	—	—	—	—	—	—
	Sub-total, item 6	—	1,033,809	—	—	—	1,033,809	—	—	1,033,809
7	Deferred credits:									
	1. Deferred revenue	—	5,249	—	—	—	5,249	—	61,344	66,593
	2. Other credits	—	14,576	—	—	—	14,576	—	—	14,576
	Sub-total, item 7	—	19,825	—	—	—	19,825	—	61,344	81,169
8	Trust and deposit accounts	18	1,090	—	—	27	1,117	86	5,921	7,142
9	Other liabilities	—	23,468	—	8,454	54	31,976	—	4,495	36,471
10	Reserves:									
	1. Liability reserves:									
	(1) Provision for future income taxes	—	—	—	167	—	167	—	—	167
	(2) Other liability reserves	—	27,656	—	700	—	28,356	988	49,545	78,869
	Sub-total	—	27,656	—	867	—	28,523	988	49,545	79,036
	2. Equity reserves:									
	(1) Contingencies	—	—	—	—	677	677	—	1,700	2,377
	(2) Plant expansion	—	—	—	—	106	106	—	—	106
	(3) Other equity reserves	—	122	—	—	—	122	—	—	122
	Sub-total	—	122	—	—	783	905	—	1,700	2,605
	Sub-total, item 10	—	27,778	—	867	783	29,428	968	51,245	81,641
11	Proprietary equity and unappropriated surplus (net worth):									
	1. Proprietary equity:									
	(1) Capital stock held by									
	(i) Federal government	36,586	1,273,439	—	—	—	1,273,439	—	35,296	1,345,321
	(ii) Federal government enterprises ²	—	5,230	—	—	—	5,230	—	25,000	30,230
	(vii) Other	—	4,504 ⁴	—	—	—	4,504	—	—	4,504
	Sub-total	36,586	1,283,173	—	—	—	1,283,173	—	60,296	1,380,055
	(2) Interest-free working capital provided by									
	(i) Federal government	22,500	150	7	—	—	157	4,000	—	26,657
	(3) Fixed assets transferred by									
	(i) Federal government	—	496,431	12,124	856	—	509,411	—	—	509,411
	(4) Other equity held by									
	(i) Federal government	—	147,530	—	22,799	—	170,329	6,254	5,000	181,583
	(vii) Other	—	—	—	—	—	—	37	—	37
	Sub-total	—	147,530	—	22,799	—	170,329	6,291	5,000	181,620
	Sub-total, item 11.1	59,086	1,927,284	12,131	23,655	—	1,963,070	10,291	65,296	2,097,743
	2. Unappropriated surplus	73,875	— 50,623	972	9,676	364	— 39,611	— 2,147	35,988	68,106
	Sub-total, item 11	132,961	1,876,661	13,103	33,331	364	1,923,459	8,144	101,284	2,165,848
12	Total liabilities and net worth	197,476	4,214,613	13,103	61,090	24,066	4,312,892	750,006	1,280,296	6,540,670

¹ All but 102 of this amount is accrued on securities guaranteed by federal government.² 1,024,710 of this amount is guaranteed by federal government.⁴ Capital stock of non-government subsidiaries held by the public.

TABLE 7. Current Revenue and Expenditure, by Industry¹ for the Fiscal Year Ended Nearest to December 31, 1958

No.		Manufacturing	Transportation, communication, and other utilities				Sub-total transportation, communication, and other utilities	Wholesale trade	Finance, insurance and real estate	Total
			Transportation ²	Storage	Communication	Electric power				
thousands of dollars										
Revenue										
1	Revenue from sales and services on current operations	393,256	860,554	1,990	37,043	1,446	901,033	733,780	4,837	2,032,906
2	Financial income:									
	1. Interest from									
	(i) Federal government	—	2,061	—	150	22	2,233	56	2,063	4,352
	(ii) Federal government enterprises	—	2,496	—	—	—	2,496	—	—	2,496
	(vii) Other	—	1,590	—	—	—	1,590	143	42,744	44,477
	Sub-total	—	6,147	—	150	22	6,319	199	44,807	51,325
	2. Other financial income	—	4,026	—	—	—	4,026	3	226	4,255
	Sub-total, item 2	—	10,173	—	150	22	10,345	202	45,033	55,580
3	Rental income	—	3,222	88	—	6	3,316	—	7,938	11,254
4	Contributions from own or other levels of government									
	(i) Federal ³	—	—	—	52,056	—	52,056	—	—	52,056
5	Other current income	1,643	964	34	315	8	1,321	35,553	576	39,093
6	Total current revenue	394,899	874,913	2,112	89,564	1,482	968,071	769,535	58,384	2,190,889
Expenditure										
1	Cost of goods and services sold from current operations:									
	1. Wages and salaries	37,211	479,895	846	33,065	413	514,219	2,756	8,988	563,174
	2. Net drawings on (+) or net additions to (-) inventories	7,934	13,847	- 104	- 148	- 100	13,495	14,227	—	35,656
	3. Other purchases of goods and services	315,460	291,849	640	53,832	202	346,523	688,054	8,027	1,358,064
	Sub-total, item 1	360,605	785,591	1,382	86,749	515	874,237	705,037	17,015	1,956,894
2	Provision for depreciation	11,878	87,352	—	3,137	457	90,946	29	2,348	105,201
3	Interest on debt to									
	(i) Federal government	—	18,841	—	1,010	231	20,082	—	27,306	47,388
	(ii) Federal government enterprises	—	2,517	—	—	—	2,517	—	1,440	3,957
	(vii) Other	—	34,218	—	—	—	34,218	8,561	168	42,947
	Sub-total, item 3	—	55,576	—	1,010	231	56,817	8,561	28,914	94,292
4	Other current expenditure	2,479	4,837	—	—	—	4,837	—	757	8,073
5	Total current expenditure	374,962	933,356	1,382	90,896	1,203	1,026,837	713,627	49,034	2,164,460
6	Net profit (+) or loss (-) before provision for income tax	19,937	- 58,443	730	- 1,332	279	- 58,766	55,908 ⁴	9,350	26,429
7	Estimated income tax	10,711	474	—	565	—	1,039	—	2,213	13,963
8	Net profit (+) or loss (-) after provision for income tax	9,226	- 58,917	730	- 1,897	279	- 59,805	55,908	7,137	12,466
9	Total current expenditure plus net profit or minus loss	394,899	874,913	2,112	89,564	1,482	968,071	769,535	58,384	2,190,889

¹ Excludes Bank of Canada.² Lease of pipe line by Northern Ontario Pipe Line Crown Corporation operative from October, 1958.³ See Table 5 for contributions from federal government taken into current and surplus accounts.⁴ Includes profits of The Canadian Wheat Board which are distributed to grain producers.

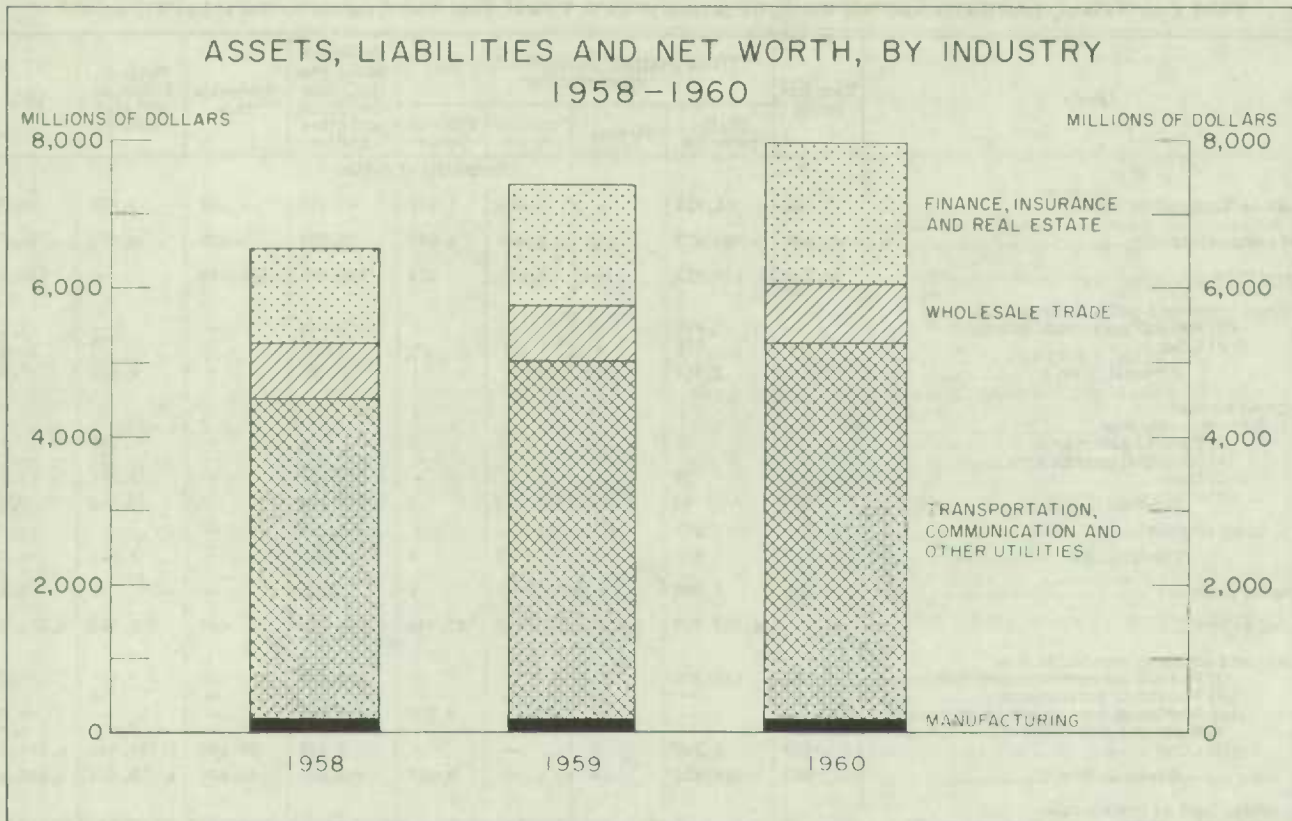


TABLE 8. Net Surplus Account Transactions, by Industry¹ for the Fiscal Year Ended Nearest to December 31, 1958

No.		Manufacturing	Transportation, communication, and other utilities				Sub-total transportation, communication, and other utilities	Wholesale trade	Finance, insurance and real estate	Total
			Transportation	Storage	Communication	Electric power				
thousands of dollars										
1	Balance at beginning of year	69,664	- 55,854	806	7,396	181	- 47,471	12,403	32,234	66,830
2	Net profit or loss for the year after provision for income tax ²	9,226	- 58,917	730	- 1,897	279	- 59,805	55,908	7,137	12,466
3	Net profit or loss on sale or retirement of fixed assets	-	378	-	- 159	-	219	-	5,631	5,850
4	Net transfers from (+) or to (-) reserves	-	3,900	-	-	- 96	3,804	-	- 1,946	1,858
5	Other adjustments (net)	710	- 829	-	- 988	-	- 1,817	- 3,585	- 1,317	- 6,009
6	Contributions from own or other levels of government									
	(i) Federal ³	1,800	60,699	-	5,324	-	66,023	2,133	-	69,956
7	Remittances of surplus:									
	1. Dividends paid to									
	(i) Federal government	- 7,525	-	-	-	-	-	-	-	- 7,525
	2. Other remittances to									
	(i) Federal government	-	-	- 564	-	-	- 564	- 650	- 5,751	- 6,965
	(vii) Other	-	-	-	-	-	-	- 68,356	-	- 68,356
	Sub-total, item 7	- 7,525	-	- 564	-	-	- 564	- 69,006	- 5,751	- 82,840
8	Net additions (+) or deductions (-)	4,211	5,231	166	2,280	183	7,860	- 14,550	3,754	1,275
9	Balance at end of year	73,875	- 50,623	972	9,676	364	- 39,611	- 2,147	35,988	68,105

¹ Excludes Bank of Canada.

² Item 8, Expenditures, Table 7.

³ See Table 5 for contributions from federal government taken into current and surplus accounts.

TABLE 9. Assets, Liabilities and Net Worth, by Industry¹ as at Fiscal Year End Nearest to December 31, 1959

No.	Assets	Manufacturing	Transportation, communication, and other utilities				Sub-total transportation, communication, and other utilities	Wholesale trade	Finance, insurance and real estate	Total
			Transportation	Storage	Communication	Electric power				
thousands of dollars										
1	Cash on hand and on deposit	23,795	35,994	—	3,455	2,923	42,372	4,296	3,925	74,388
2	Accounts receivable	41,540	80,577	95	6,098	1,064	87,834	5,928	4,032	139,334
3	Inventories	70,310	105,515	184	3,461	331	109,491	656,559	—	836,360
4	Interest, dividends and rents receivable from									
	(ii) Federal government enterprises ²	—	2,079	—	—	—	2,079	—	—	2,079
	(vii) Other	—	675	—	—	—	675	—	5,233	5,908
	Sub-total, item 4	—	2,754	—	—	—	2,754	—	5,233	7,987
5	Accrued revenue:									
	1. Interest owing from									
	(i) Federal government	17	28	—	12	5	45	—	126	188
	(v) Municipal governments	—	—	—	—	—	—	—	32	32
	(vii) Other	—	33	—	—	—	33	—	3,384	3,417
	Sub-total	17	61	—	12	5	78	—	3,542	3,637
	2. Other revenue	—	571	604	—	—	1,175	—	—	1,175
	Sub-total, item 5	17	632	604	12	5	1,253	—	3,542	4,812
6	Prepaid expenses	606	3,006	—	83	6	3,095	—	215	3,916
7	Fixed assets	45,399 ³	4,109,766	12,163	51,380	23,749	4,197,058	484	138,093	4,381,034 ⁴
8	Loans and advances receivable from									
	(ii) Federal government enterprises ²	178	135,100	—	—	—	135,100	—	—	135,278 ⁵
	(iii) Provincial governments	—	—	—	—	—	—	—	10	10
	(iv) Provincial government enterprises	—	—	—	—	9,201	9,201	—	—	9,201
	(v) Municipal governments	—	—	—	—	—	—	—	5,006	5,006
	(vii) Other	499	6,316 ⁶	—	—	—	6,316	86,666	1,153,452	1,246,933
	Sub-total, item 8	677	141,416	—	—	9,201	150,617	86,666	1,158,468	1,396,428
9	Securities held as investments:									
	1. Federal government treasury bills	—	74	—	3,985	—	4,059	2,691	1,487	8,237
	2. Federal government direct and guaranteed bonds	4,763	6,346	—	1,445	494	8,285	186	13,818	27,052
	3. Provincial and municipal government direct and guaranteed bonds	1,030	1,177	—	—	—	1,177	—	—	2,207
	4. Bonds of companies incorporated in Canada and of institutions	—	29,434 ⁷	—	—	—	29,434	—	—	29,434
	5. Preferred and common stock, Canadian									
	(ii) Federal government enterprises ²	187	5,200	—	—	—	5,200	—	—	5,387
	(vii) Other	—	9,219 ⁸	—	—	—	9,219	—	—	9,219
	Sub-total	187	14,419	—	—	—	14,419	—	—	14,606
	6. Foreign investments	—	3,740 ⁹	—	—	—	3,740	—	—	3,740
	Sub-total, item 9	5,960	55,190	—	5,430	494	61,114	2,877	15,305	85,276
10	Mortgages receivable and agreements of sale	488	1,792	—	—	—	1,792	5,451	222,052	229,783
11	Restricted funds:									
	1. Depreciation funds	—	54,495	—	—	—	54,495	—	—	54,495
	2. Trust and deposit accounts	—	—	—	—	—	—	—	—	—
	3. Other funds	—	26,763	—	760	—	27,543	—	65,653	93,196 ¹⁰
	Sub-total, item 11	—	81,258	—	760	—	82,038	—	65,653	147,691 ¹¹
12	Deferred charges:									
	1. Amortization of bond discount	—	20,859	—	—	—	20,859	—	802	21,661
	2. Other charges	4,502	34,006	—	—	6	34,012	16	—	38,530
	Sub-total, item 12	4,502	54,865	—	—	6	54,871	16	802	60,191
13	Other assets:									
	1. Due on account of deficits from									
	(i) Federal government	60	6,588	—	—	—	6,588	—	—	6,648
	(iii) Provincial governments	—	744	—	—	—	744	—	—	744
	Sub-total	60	7,332	—	—	—	7,332	—	—	7,392
	2. Unspecified	—	14,203	—	2,945	—	17,148	20	2,358	19,528
	Sub-total, item 13	60	21,535	—	2,945	—	24,480	20	2,358	26,918
14	Total assets	193,374	4,694,300	13,046	73,644	37,779	4,818,769	762,297	1,619,678	7,394,118

¹ Excludes Bank of Canada. See Table 15 for special presentation.² Involves transactions between subsidiary and parent government enterprises.³ Does not include government-owned plants, valued at 103,073.⁴ Net of accumulated depreciation, manufacturing, 96,765; transportation, 765,924; storage, nil; communication, 19,418; electric power, 3,515; wholesale trade, 133; finance, insurance and real estate, 19,689; total, 905,464; includes physical property held for sale by financial enterprises, valued at 134,760.⁵ Consists of non-negotiable notes and debentures of subsidiary federal government enterprises which are classified under contra loan liabilities.⁶ Receivable from non-government affiliates.⁷ Of this amount, 27,764 represents the value of bonds of non-government affiliates.⁸ Investments in non-government affiliates.⁹ Offset against contra liability item 8.¹⁰ Consists mostly of insurance funds.¹¹ Consists of cash, 2,570; federal government direct and guaranteed bonds, 129,588; provincial and municipal government direct and guaranteed bonds, 13,019; bonds of companies incorporated in Canada and of institutions, 433 (of which 65 affiliated); preferred and common stock, Canadian, 197; foreign investments, 400; other assets, 1,484; total, 147,691.

TABLE 9. Assets, Liabilities and Net Worth, by Industry¹ as at Fiscal Year End Nearest to December 31, 1959

No.	Liabilities and net worth	Manufacturing	Transportation, communication, and other utilities				Sub-total transportation, communication, and other utilities	Wholesale trade	Finance, insurance and real estate	Total
			Transportation	Storage	Communication	Electric power				
thousands of dollars										
1	Accounts payable	39,895	100,684	—	6,710	721	108,115	448,084	2,036	598,130
2	Temporary loans, advances and notes payable:									
	1. Bank loans and overdrafts	—	—	—	—	—	—	110,984	—	110,984
	2. Other loans and advances	20,346	—	—	—	57	57	109,751	—	130,154
	3. Notes	—	—	—	—	—	—	—	—	—
	Sub-total, item 2	20,346	—	—	—	57	57	220,735	—	241,138
3	Interest payable to:									
	(i) Federal government	—	29,367	—	—	—	29,367	—	—	29,367
	(ii) Federal government enterprises ²	—	2,079	—	—	—	2,079	—	—	2,079
	(vii) Other	—	—	—	—	—	—	2,697	—	2,697
	Sub-total, item 3	—	31,446	—	—	—	31,446	2,697	—	34,143
4	Accrued expenditure:									
	1. Interest owing to:									
	(i) Federal government	—	9,230	—	—	606	9,836	—	12,938	22,774
	(ii) Federal government enterprises ²	—	—	—	—	—	—	—	991	991
	(vii) Other	—	13,588 ¹²	—	—	—	13,588	—	158	13,744
	Sub-total	—	22,818	—	—	606	23,424	—	14,085	37,509
	2. Provision for income tax	3,859	—	—	622	—	622	—	2,304	6,785
	3. Other expenditure	3,219	3,797	—	1,310	—	5,107	1,076	—	9,402
	Sub-total, item 4	7,078	26,615	—	1,932	606	29,153	1,076	16,389	53,696
5	Long-term loans and advances owing to:									
	(i) Federal government	—	918,341	—	22,590	34,818	975,749	—	1,303,226	2,278,975
	(ii) Federal government enterprises ²	—	135,278	—	—	—	135,278	—	57,700	192,978
	(vii) Other	—	1,043	—	—	—	1,043	84,243	336	85,622
	Sub-total, item 5	—	1,054,662	—	22,590	34,818	1,112,070	84,243	1,361,262	2,557,575
6	Long-term debt:									
	1. Bonds and debentures	—	1,341,059 ¹³	—	—	—	1,341,059	—	—	1,341,059
	2. Mortgages and agreements of sale	—	—	—	—	—	—	—	—	—
	3. Other debt	—	—	—	—	—	—	—	—	—
	Sub-total, item 6	—	1,341,059	—	—	—	1,341,059	—	—	1,341,059
7	Deferred credits:									
	1. Deferred revenue	—	5,290	—	—	—	5,290	—	58,154	63,444
	2. Other credits	—	13,694	—	—	—	17,694	—	—	13,694
	Sub-total, item 7	—	18,984	—	—	—	18,984	—	58,154	77,138
8	Trust and deposit accounts	—	97	—	—	31	128	57	4,846	5,031
9	Other liabilities	—	17,521	—	4,608	9	22,138	—	4,331	26,469
10	Reserves:									
	1. Liability reserves:									
	(1) Provision for future income taxes	—	—	—	203	—	203	—	—	203
	(2) Other liability reserves	—	28,140	—	780	—	28,920	1,181	65,814	95,915
	Sub-total	—	28,140	—	983	—	29,123	1,181	65,814	96,118
	2. Equity reserves:									
	(1) Contingencies	—	—	—	—	815	815	—	1,600	2,415
	(2) Plant expansion	—	—	—	—	212	212	—	—	212
	(3) Other equity reserves	—	850	—	—	—	850	—	—	850
	Sub-total	—	850	—	—	1,027	1,877	—	1,600	3,477
	Sub-total, item 10	—	28,990	—	983	1,027	31,000	1,181	67,414	99,595
11	Proprietary equity and unappropriated surplus (net worth):									
	1. Proprietary equity:									
	(1) Capital stock held by:									
	(i) Federal government	36,586	1,292,704	—	—	—	1,292,704	—	30,296	1,359,586
	(ii) Federal government enterprises ²	—	5,230	—	—	—	5,230	—	25,000	30,230
	(vii) Other	—	4,504 ¹⁴	—	—	—	4,504	—	—	4,504
	Sub-total	36,586	1,302,438	—	—	—	1,302,438	—	55,296	1,394,320
	(2) Interest-free working capital provided by:									
	(i) Federal government	15,000	150	39	—	—	189	8,000	—	21,189
	(3) Fixed assets transferred by:									
	(i) Federal government	—	676,834	12,163	856	—	689,853	—	—	689,853
	(4) Other equity held by:									
	(i) Federal government	—	153,192	—	22,799	—	175,991	5,657	10,000	191,648
	(vii) Other	—	—	—	—	—	—	81	—	81
	Sub-total	—	153,192	—	22,799	—	175,991	5,738	10,000	191,729
	Sub-total, item 11.1	51,586	2,132,614	12,202	23,655	—	2,168,471	11,738	65,296	2,297,091
	2. Unappropriated surplus	74,469	— 58,372	844	13,166	510	— 43,852	— 7,514	39,950	63,053
	Sub-total, item 11	126,055	2,074,242	13,046	36,821	510	2,124,619	4,224	105,246	2,360,144
12	Total liabilities and net worth	193,374	4,694,300	13,046	73,644	37,779	4,818,769	762,297	1,619,678	7,394,118

¹² All but 71 of this amount is accrued on securities guaranteed by federal government.

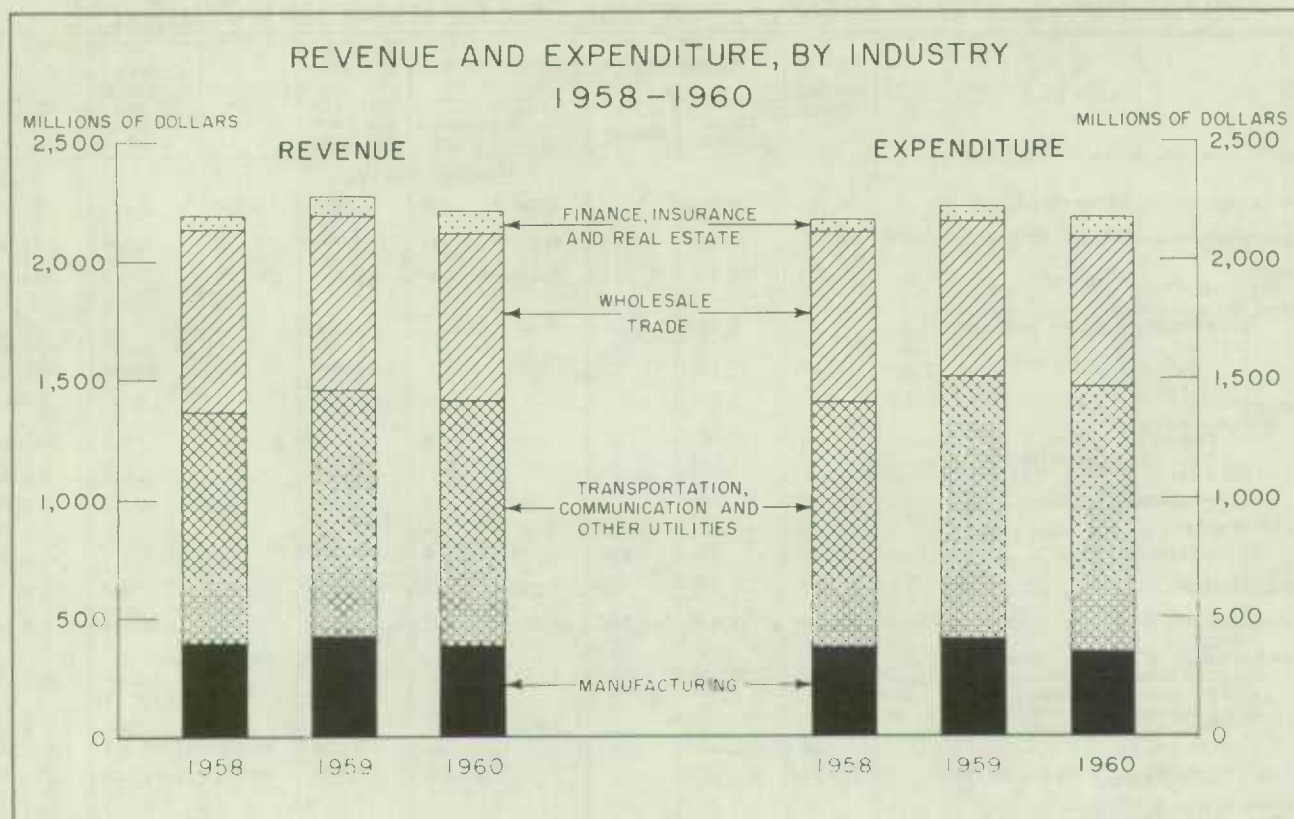
¹³ 1,335,510 of this amount is guaranteed by federal government.

¹⁴ Capital stock of non-government subsidiaries held by the public.

TABLE 10. Current Revenue and Expenditure, by Industry¹ for the Fiscal Year Ended Nearest to December 31, 1959

No.		Manufacturing	Transportation, communication, and other utilities				Sub-total transportation, communication, and other utilities	Wholesale trade	Finance insurance and real estate	Total
			Transportation ²	Storage	Communication	Electric power				
thousands of dollars										
Revenue										
1	Revenue from sales and services on current operations	418,024	919,525	1,864	43,940	2,431	967,760	692,303	4,109	2,082,196
2	Financial income:									
	1. Interest from									
	(i) Federal government	—	2,329	—	109	—	2,438	73	2,995	5,506
	(ii) Federal government enterprises	—	2,988	—	—	—	2,988	—	—	2,988
	(vii) Other	—	2,489	—	—	—	2,489	188	62,940	65,617
	Sub-total	—	7,806	—	109	—	7,915	261	65,935	74,111
	2. Other financial income	—	3,877	—	—	—	3,877	17	526	4,420
	Sub-total, item 2	—	11,683	—	109	—	11,792	278	66,461	78,531
3	Rental income	—	7,298	83	—	—	7,381	—	7,550	14,931
4	Contributions from own or other levels of government									
	(i) Federal ³	—	—	—	52,300	—	52,300	—	—	52,300
5	Other current income	1,452	1,472	9	293	76	1,850	39,826	368	43,496
6	Total current revenue	419,476	939,978	1,956	96,642	2,507	1,041,083	732,407	78,488	2,271,454
Expenditure										
1	Cost of goods and services sold from current operations:									
	1. Wages and salaries	34,102	502,150	854	36,052	623	539,679	2,901	9,635	586,317
	2. Net drawings on (+) or net additions to (-) inventories	2,575	- 3,722	19	- 727	- 155	- 4,585	- 38,314	—	- 40,324
	3. Other purchases of goods and services	357,155	314,030	679	58,274	594	373,577	683,452	7,771	1,421,955
	Sub-total, item 1	393,832	812,458	1,552	93,599	1,062	908,671	648,039	17,406	1,967,948
2	Provision for depreciation	11,538	107,081	—	3,804	548	111,433	38	2,112	125,121
3	Interest on debt to									
	(i) Federal government	—	32,552	—	529	507	33,588	—	41,574	75,162
	(ii) Federal government enterprises	—	3,001	—	—	—	3,001	—	1,934	4,935
	(vii) Other	—	38,964	—	—	—	38,964	8,345	139	47,448
	Sub-total, item 3	—	74,517	—	529	507	75,553	8,345	43,647	127,545
4	Other current expenditure	1,341	4,985	—	—	—	4,985	—	788	7,114
5	Total current expenditure	406,711	999,041	1,552	97,932	2,117	1,100,642	656,422	63,953	2,227,728
6	Net profit (+) or loss (-) before provision for income tax	12,765	- 59,063	404	- 1,290	390	- 59,559	75,985 ⁴	14,535	43,726
7	Estimated income tax	7,001	76	—	938	—	1,014	—	4,433	12,448
8	Net profit (+) or loss (-) after provision for income tax	5,764	- 59,139	404	- 2,228	390	- 60,573	75,985	10,102	31,278
9	Total current expenditure plus net profit or minus loss	419,476	939,978	1,956	96,642	2,507	1,041,083	732,407	78,488	2,271,454

¹ Excludes Bank of Canada.² The St. Lawrence Seaway Authority current operations (Canadian only) commenced in April, 1959.³ See Table 5 for contributions from federal government taken into current and surplus accounts.⁴ Includes profits of The Canadian Wheat Board which are distributed to grain producers.


TABLE 11. Net Surplus Account Transactions, by Industry¹ for the Fiscal Year Ended Nearest to December 31, 1959

No.		Manufacturing	Transportation, communication, and other utilities				Sub-total transportation, communication, and other utilities	Wholesale trade	Finance, insurance and real estate	Total
			Transportation	Storage	Communication	Electric power				
thousands of dollars										
1	Balance at beginning of year	73,875	- 50,623	972	9,676	364	- 39,611	- 2,147	35,988	68,105
2	Net profit or loss for the year after provision for income tax ²	5,764	- 59,139	404	- 2,228	390	- 60,573	75,985	10,102	31,278
3	Net profit or loss on sale or retirement of fixed assets	-	- 34	-	- 191	-	- 225	-	5,201	4,976
4	Net transfers from (+) or to (-) reserves	-	- 829	-	-	- 244	- 1,073	-	- 2,794	- 3,887
5	Other adjustments (net)	60	- 421	-	- 351	-	- 772	- 3,164	- 552	- 4,428
6	Contributions from own or other levels of government									
	(1) Federal ³	2,000	52,674	-	6,260	-	58,934	-	-	60,934
7	Remittances of surplus:									
	1. Dividends paid to									
	(1) Federal government	- 7,230	-	-	-	-	-	-	-	- 7,230
	2. Other remittances to									
	(1) Federal government	-	-	- 532	-	-	- 532	- 415	- 7,995	- 8,942
	(vii) Other	-	-	-	-	-	- 77,773	-	-	- 77,773
	Sub-total, item 7	- 7,230	-	- 532	-	-	- 532	- 78,188	- 7,995	- 93,945
8	Net additions (+) or deductions (-)	594	- 7,749	- 128	3,490	146	- 4,241	- 5,367	3,962	- 5,052
9	Balance at end of year	74,469	- 58,372	844	13,166	510	- 43,852	- 7,514	39,950	63,053

¹ Excludes Bank of Canada.

² Item 8, Expenditure, Table 10.

³ See Table 5 for contributions from federal government taken into current and surplus accounts.

TABLE 12. Assets, Liabilities and Net Worth, by Industry¹ as at Fiscal Year End Nearest to December 31, 1960

No.	Assets	Manufacturing	Transportation, communication and other utilities				Sub-total transportation, communication and other utilities	Wholesale trade	Finance, insurance and real estate	Total
			Transportation	Storage	Communication	Electric power				
thousands of dollars										
1	Cash on hand and on deposit	24,963	38,653	—	6,980	397	46,030	5,290	7,443	83,726
2	Accounts receivable	33,630	82,254	155	6,856	1,517	90,782	5,808	4,016	134,236
3	Inventories	59,827	104,574	251	4,436	400	109,661	695,105	—	864,593
4	Interest, dividends and rents receivable from									
	(ii) Federal government enterprises ²	—	3,168	—	—	—	3,168	—	—	3,168
	(vii) Other	—	782	—	—	—	782	—	6,685	7,467
	Sub-total, item 4	—	3,950	—	—	—	3,950	—	6,685	10,635
5	Accrued revenue:									
	1. Interest owing from									
	(i) Federal government	36	—	—	12	5	17	—	155	208
	(v) Municipal governments	—	11	—	—	—	11	—	32	43
	(vi) Other	—	24	—	—	—	24	—	4,524	4,548
	Sub-total	36	35	—	12	5	52	—	4,711	4,799
	2. Other revenue	—	673	586	—	—	1,259	4	—	1,263
	Sub-total, item 5	36	708	586	12	5	1,311	4	4,711	6,062
6	Prepaid expenses	541	3,278	—	195	10	3,483	—	206	4,230
7	Fixed assets	42,496 ³	4,249,687	12,183	62,281	26,351	4,350,502	472	143,011	4,536,481 ⁴
8	Loans and advances receivable from									
	(ii) Federal government enterprises ²	107	209,100	—	—	—	209,100	—	—	209,207 ⁵
	(iii) Provincial governments	—	—	—	—	—	—	—	6	6
	(iv) Provincial government enterprises	—	—	—	—	14,246	14,246	—	—	14,246
	(v) Municipal governments	—	—	—	—	—	—	—	4,857	4,857
	(vii) Other	446	7,135 ⁶	—	—	—	7,135	82,415	1,399,457	1,489,453
	Sub-total, item 8	553	216,235	—	—	14,246	230,481	82,415	1,404,320	1,717,769
9	Securities held as investments:									
	1. Federal government treasury bills	—	—	—	—	—	—	3,863	249	4,112
	2. Federal government direct and guaranteed bonds	9,224	7,260	—	1,445	494	9,199	186	16,867	35,476
	3. Provincial and municipal government direct and guaranteed bonds	993	1,166	—	—	—	1,166	—	—	2,159
	4. Bonds of companies incorporated in Canada and of institutions	—	30,247 ⁷	—	—	—	30,247	—	—	30,247
	5. Preferred and common stock, Canadian									
	(ii) Federal government enterprises ²	187	5,200	—	—	—	5,200	—	—	5,387
	(vii) Other	—	9,404 ⁸	—	—	—	9,404	—	—	9,404
	Sub-total	187	14,604	—	—	—	14,604	—	—	14,791
	6. Foreign investments	1,331	3,740 ⁹	—	—	—	3,740	—	—	5,071
	Sub-total, item 9	11,735	57,017	—	1,445	494	58,956	4,049	17,116	91,856
10	Mortgages receivable and agreements of sale	591	1,344	—	—	—	1,344	4,692	261,256	267,883
11	Restricted funds:									
	1. Depreciation funds	—	55,819	—	—	—	55,819	—	—	55,819
	2. Trust and deposit accounts	—	—	—	—	—	—	—	—	—
	3. Other funds	—	27,647	—	868	—	28,515	—	77,922	106,437 ¹⁰
	Sub-total, item 11	—	83,466	—	868	—	84,334	—	77,922	162,256 ¹¹
12	Deferred charges:									
	1. Amortization of bond discount	—	27,304	—	—	—	27,304	—	882	28,186
	2. Other charges	18,022	40,443	—	—	5	40,448	18	—	58,488
	Sub-total, item 12	18,022	67,747	—	—	5	67,752	18	882	86,674
13	Other assets:									
	1. Due on account of deficits from									
	(i) Federal government	129	2,497	—	—	—	2,497	—	127	2,753
	(iii) Provincial governments	—	744	—	—	—	744	—	—	744
	Sub-total	129	3,241	—	—	—	3,241	—	127	3,497
	2. Unspecified	—	16,106	—	1,982	—	18,088	20	2,162	20,270
	Sub-total, item 13	129	19,347	—	1,982	—	21,329	20	2,289	23,787
14	Total assets	192,523	4,928,260	13,175	85,055	43,425	5,069,915	797,873	1,929,857	7,990,168

¹ Excludes Bank of Canada. See Table 15 for special presentation.² Involves transactions between subsidiary and parent government enterprises.³ Does not include government owned plant valued at 101,888.⁴ Net of accumulated depreciation, manufacturing, 104,912; transportation, 799,977; storage, nil; communication, 23,899; electric power, 4,082; wholesale trade, 164; finance, insurance and real estate, 20,428; total, 953,462; includes physical properties held for sale by financial enterprises valued at 139,824.⁵ Consists of non-negotiable notes and debentures of subsidiary federal government enterprises which are classified under contra loan liabilities.⁶ Receivable from non-government affiliates.⁷ Of this amount 27,990 represents the value of bonds of non-government affiliates.⁸ Investments in non-government affiliates.⁹ Offset against contra liability item 8.¹⁰ Consists mostly of insurance funds.¹¹ Consists of cash, 1,292; federal government direct and guaranteed bonds, 143,033; provincial and municipal government direct and guaranteed bonds, 13,012; bonds of companies incorporated in Canada and of institutions, 475 (of which 62 affiliated); preferred and common stock, Canadian, 237; foreign investments, 400; other assets, 3,807; total, 162,256.

TABLE 12. Assets, Liabilities and Net Worth, by Industry¹ as at Fiscal Year End Nearest to December 31, 1960

No.	Liabilities and net worth	Manufacturing	Transportation, communication, and other utilities				Sub-total transportation, communication and other utilities	Wholesale trade	Finance, insurance and real estate	Total
			Transportation	Storage	Communication	Electric power				
thousands of dollars										
1	Accounts payable	27,777	77,785	8	5,290	232	83,315	445,462	1,011	557,565
2	Temporary loans, advances and notes payable:									
	1. Bank loans and overdrafts	—	—	—	—	—	—	125,810	—	125,810
	2. Other loans and advances	18,150	—	—	—	—	—	132,649	—	150,799
	3. Notes	—	—	—	—	—	—	—	—	—
	Sub-total, item 2	18,150	—	—	—	—	—	258,459	—	276,609
3	Interest payable to:									
	(i) Federal government	—	35,659	—	—	—	35,659	—	—	35,659
	(ii) Federal government enterprises ²	—	3,168	—	—	—	3,168	—	—	3,168
	(vii) Other	—	—	—	—	—	—	3,770	—	3,770
	Sub-total, item 3	—	38,827	—	—	—	38,827	3,770	—	42,597
4	Accrued expenditure:									
	1. Interest owing to:									
	(i) Federal government	—	6,824	—	—	953	7,777	—	15,944	23,721
	(ii) Federal government enterprises ²	—	—	—	—	—	—	—	1,205	1,205
	(vii) Other	—	16,530 ¹³	—	—	—	16,530	—	1,863	18,393
	Sub-total	—	23,354	—	—	953	24,307	—	19,012	43,319
	2. Provision for income tax	10,125	4	—	691	—	695	—	2,898	13,718
	3. Other expenditure	2,868	4,227	—	311	—	4,538	1,608	—	9,014
	Sub-total, item 4	12,993	27,585	—	1,002	953	29,540	1,608	21,910	66,051
5	Long-term loans and advances owing to:									
	(i) Federal government	—	752,800	—	31,686	40,027	824,513	—	1,591,242	2,415,755
	(ii) Federal government enterprises ²	—	209,207	—	—	—	209,207	—	63,600	272,807
	(vii) Other	3,659	1,009	—	—	—	1,009	82,763	486	87,917
	Sub-total, item 5	3,659	963,016	—	31,686	40,027	1,034,729	82,763	1,655,328	2,778,479
6	Long-term debt:									
	1. Bonds and debentures	—	1,680,308 ¹³	—	—	—	1,680,308	—	—	1,680,308
	2. Mortgages and agreements of sale	—	—	—	—	—	—	—	—	—
	3. Other debt	—	—	—	—	—	—	—	—	—
	Sub-total, item 6	—	1,680,308	—	—	—	1,680,308	—	—	1,680,308
7	Deferred credits:									
	1. Deferred revenue	—	5,441	—	—	—	5,441	—	54,552	59,993
	2. Other credits	—	14,498	—	—	—	14,498	—	—	14,498
	Sub-total, item 7	—	19,939	—	—	—	19,939	—	54,552	74,491
8	Trust and deposit accounts	—	44	—	—	18	62	44	4,340	4,446
9	Other liabilities	—	18,252	19	2,977	111	21,359	—	3,224	24,583
10	Reserves:									
	1. Liability reserves:									
	(1) Provision for future income taxes	—	—	—	407	—	407	—	—	407
	(2) Other liability reserves	—	28,917	—	868	—	29,785	1,064	78,010	108,859
	Sub-total	—	28,917	—	1,275	—	30,192	1,064	78,010	109,266
	2. Equity reserves:									
	(1) Contingencies	—	6,842	—	—	1,310	8,152	—	2,500	10,652
	(2) Plant expansion	—	—	—	—	212	212	—	—	212
	(3) Other equity reserves	—	3,606	—	—	—	3,606	—	—	3,606
	Sub-total	—	10,648	—	—	1,522	12,170	—	2,500	14,670
	Sub-total, item 10	—	39,565	—	1,275	1,522	42,362	1,064	80,510	123,936
11	Proprietary equity and unappropriated surplus (net worth):									
	1. Proprietary equity:									
	(1) Capital stock held by:									
	(i) Federal government	36,586	1,287,148	—	—	—	1,287,148	—	30,296	1,354,030
	(ii) Federal government enterprises ²	—	5,230	—	—	—	5,230	—	25,000	30,230
	(vii) Other	—	4,499 ¹⁴	—	—	—	4,499	—	—	4,499
	Sub-total	36,586	1,296,877	—	—	—	1,296,877	—	55,296	1,388,759
	(2) Interest-free working capital provided by:									
	(i) Federal government	13,500	—	69	3,000	—	3,069	7,000	—	23,569
	(3) Fixed assets transferred by:									
	(i) Federal government	—	682,100	12,183	856	—	695,139	—	—	695,139
	(4) Other equity held by:									
	(i) Federal government	—	157,242	—	22,799	—	180,041	4,929	11,400	196,370
	(vii) Other	—	—	—	—	—	—	35	—	35
	Sub-total	—	157,242	—	22,799	—	180,041	4,964	11,400	196,405
	Sub-total, item 11.1	50,086	2,136,219	12,252	26,655	—	2,175,126	11,964	66,696	2,303,872
	2. Unappropriated surplus	79,858	— 73,280	896	16,170	562	— 55,652	— 7,261	42,286	59,231
	Sub-total, item 11	129,944	2,062,939	13,148	42,825	562	2,119,474	4,703	108,982	2,363,103
12	Total liabilities and net worth	192,523	4,928,260	13,175	85,055	43,425	5,069,915	797,873	1,929,857	7,990,168

¹² All but 46 of this amount is accrued on securities guaranteed by federal government.¹³ 1,677,209 of this amount is guaranteed by federal government.¹⁴ Capital stock of non-government subsidiaries held by the public.

TABLE 13. Current Revenue and Expenditure, by Industry¹ for the Fiscal Year End Nearest to December 31, 1960

No.		Manufacturing	Transportation, communication, and other utilities				Sub-total transportation, communication and other utilities	Wholesale trade	Finance, insurance and real estate	Total
			Transportation	Storage	Communication	Electric Power				
thousands of dollars										
Revenue										
1	Revenue from sales and services on current operations	376,756	889,608	1,899	44,876	2,880	939,263	661,066	3,357	1,980,442
2	Financial income:									
	1. Interest from									
	(i) Federal government	—	2,579	—	146	—	2,725	55	3,894	6,674
	(ii) Federal government enterprises	—	8,097	—	—	—	8,097	—	—	8,097
	(vii) Other	—	6,105	—	—	—	6,105	250	83,780	90,135
	Sub-total	—	16,781	—	146	—	16,927	305	87,674	104,906
	2. Other financial income	—	3,003	—	—	—	3,003	51	343	3,397
	Sub-total, item 2	—	19,784	—	146	—	19,930	356	88,017	108,303
3	Rental income	—	9,960	85	—	—	10,045	—	7,241	17,286
4	Contributions from own or other levels of government									
	(i) Federal ²	—	—	—	59,288	—	59,288	—	—	59,288
5	Other current income	1,813	1,088	37	341	140	1,606	43,608	467	47,494
6	Total current revenue	378,569	920,440	2,021	104,651	3,020	1,030,132	705,030	99,082	2,212,813
Expenditure										
1	Cost of goods and services sold from current operations:									
	1. Wages and salaries	34,509	488,034	839	40,261	933	530,067	2,992	10,873	578,441
	2. Net drawings on (+) or net additions to (-) inventories	10,483	938	- 67	- 975	- 69	- 173	- 38,546	—	- 28,236
	3. Other purchases of goods and services	301,440	303,245	744	60,450	542	364,981	650,494	8,436	1,325,351
	Sub-total, item 1	346,432	792,217	1,516	99,736	1,406	894,875	614,940	19,309	1,875,556
2	Provision for depreciation	8,616	108,884	—	4,632	569	114,085	33	2,008	124,742
3	Interest on debt to									
	(i) Federal government	—	32,257	—	1,163	498	33,918	—	58,112	92,030
	(ii) Federal government enterprises	—	8,105	—	—	—	8,105	—	2,393	10,498
	(vii) Other	—	60,596	—	—	—	60,596	10,942	111	71,649
	Sub-total, item 3	—	100,958	—	1,163	498	102,619	10,942	60,616	174,177
4	Other current expenditure	766	5,042	—	—	—	5,042	—	587	6,395
5	Total current expenditure	355,814	1,007,101	1,516	105,531	2,473	1,116,621	625,915	82,520	2,180,870
6	Net profit (+) or loss (-) before provision for income tax	22,755	- 86,661	505	- 880	547	- 86,489	79,115 ³	16,562	31,943
7	Estimated income tax	12,350	4	—	1,332	—	1,336	—	5,519	19,205
8	Net profit (+) or loss (-) after provision for income tax	10,405	- 86,665	505	- 2,212	547	- 87,825	79,115	11,043	12,738
9	Total current expenditure plus net profit or minus loss	378,569	920,440	2,021	104,651	3,020	1,030,132	705,030	99,082	2,212,813

¹ Excludes Bank of Canada.² See Table 5 for contributions from federal government taken into current and surplus accounts.³ Includes profits of The Canadian Wheat Board which are distributed to grain producers.

TABLE 14. Net Surplus Account Transactions, by Industry¹ for the Fiscal Year Ended Nearest to December 31, 1960

No.		Manufacturing	Transportation, communication and other utilities				Sub-total transportation, communication and other utilities	Wholesale trade	Finance insurance and real estate	Total
			Transportation	Storage	Communication	Electric Power				
thousands of dollars										
1	Balance at beginning of year	74,469	- 58,372	844	13,166	510	- 43,852	- 7,514	39,950	63,053
2	Net profit or loss for the year after provision for income tax ²	10,405	- 86,665	505	- 2,212	547	- 87,825	79,115	11,043	12,738
3	Net profit or loss on sale or retirement of fixed assets	-	2	-	- 221	-	- 219	-	4,860	4,641
4	Net transfers from (+) or to (-) reserves	-	- 10,198	-	-	- 495	- 10,693	38	- 3,573	- 14,228
5	Other adjustments (net)	70	4,166	-	- 147	-	4,019	- 4,946	- 440	- 1,297
6	Contributions from own or other levels of government									
	(i) Federal ³	2,849	79,577	-	5,584	-	85,161	-	-	88,010
7	Remittances of surplus:									
	1. Dividends paid to									
	(i) Federal government	- 7,935	- 1,790	-	-	-	- 1,790	-	-	- 9,725
	2. Other remittances to									
	(i) Federal government	-	-	- 453	-	-	- 453	- 232	- 9,554	- 10,239
	(vii) Other	-	-	-	-	-	-	- 73,722	-	- 73,722
	Sub-total, item 7	- 7,935	- 1,790	- 453	-	-	- 2,243	- 73,954	- 9,554	- 93,686
8	Net additions (+) or deductions (-)	5,389	- 14,908	52	3,004	52	- 11,800	253	2,336	- 3,822
9	Balance at end of year	79,858	- 73,280	896	16,170	562	- 55,652	- 7,261	42,286	59,231

¹ Excludes Bank of Canada.

² Item 8, Expenditures, Table 13.

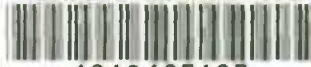
³ See Table 5 for contributions from federal government taken into current and surplus accounts.

BANK OF CANADA

TABLE 15. Net Surplus Account Transactions for the Fiscal Years Ended Nearest to December 31

No.		1958	1959	1960
thousands of dollars				
1	Balance at beginning of year	-	-	-
2	Net profit or loss for the year	88,632	74,012	90,176
i	Remittances of surplus:			
	2. Other remittances to			
	(i) Federal government: Paid to the Receiver General of Canada for credit of the consolidated revenue fund	- 88,632	- 74,012	- 90,176
8	Net additions (+) or deductions (-)	-	-	-
9	Balance at end of year	-	-	-

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