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03



# PROVINCIAL GOVERNMENT ENTERPRISE FINANCE

1962

(Fiscal Years Ended Nearest to December 31st)

Formerly Financial Statistics of Provincial Government Enterprises

---

ASSETS, LIABILITIES AND NET WORTH  
CURRENT REVENUE AND EXPENDITURE

---

DOMINION BUREAU OF STATISTICS

Public Finance and Transportation Division

Government Finance Section



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## TABLE OF CONTENTS

Charts	Page
1. Assets = Liabilities and Net Worth, by Type, 1961 - 1962 .....	20
2. Assets = Liabilities and Net Worth, by Industry, 1961 - 1962 .....	26
3. Revenue and Expenditure, by Industry, 1961 - 1962 .....	27
4. Net Profit or Loss, by Industry, 1961 - 1962 .....	28
5. Assets = Liabilities and Net Worth, by Province, 1961 - 1962 .....	35
6. Revenue and Expenditure, by Province, 1961 - 1962 .....	36
7. Net Profit or Loss, by Province, 1961 - 1962 .....	37
Introduction .....	5
The Concept of a Government Enterprise .....	5
 Provincial Government Enterprises included in this Report	
List of Enterprises .....	6
Explanatory Comment on Certain Enterprises .....	10
Comparison with Coverage in National Accounts .....	10
 Financial Statistics of Provincial Government Enterprises	
Source of Data .....	10
Capital Revenue and Expenditure .....	10
Classification of Enterprises by Industry Group and by Province .....	11
Financial Classification and Terminology .....	11
Analysis of Data .....	15

### INDUSTRIAL DISTRIBUTION

Table	
1. Assets, Liabilities and Net Worth, by Industry, 1962 .....	22
2. Current Revenue and Expenditures, by Industry, 1962 .....	24
3. Net Surplus Account Transactions, by Industry, 1962 .....	24
4. Analysis of Securities Held as Investments, by Industry, 1962 .....	25

### GEOGRAPHICAL DISTRIBUTION

5. Assets, Liabilities and Net Worth, by Province, 1962 .....	30
6. Current Revenue and Expenditures, by Province, 1962 .....	32
7. Net Surplus Account Transactions, by Province, 1962 .....	33
8. Analysis of Securities Held as Investments, by Province, 1962 .....	34
9. Reconciliation of Assets or Liabilities and Net Worth with Balance Sheets per Annual Reports, by Province, 1962 .....	34

### SYMBOLS

The following standard symbols are used in Dominion Bureau of Statistics publications:

- .. figures not available.
- ... figures not appropriate or not applicable.
- nil or zero.
- amount too small to be expressed.
- p preliminary figures.
- r revised figures.

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

## INTRODUCTION

This report covers the financial statistics of provincial government enterprises in Canada in 1962. It is the second in a series of publications by the Bureau of Statistics, the first of which covered the years 1958 to 1961.

This series complements the publications "Provincial Government Finance—Revenue and Expenditure" (Catalogue No. 68-207) and "Provincial Government Finance—Debt" (Catalogue No. 68-209) which are published annually by the Bureau of Statistics.

A series of corresponding reports is also published annually for federal government enterprises (Catalogue No. 61-203).

Reports dealing with government enterprises are part of the program to enlarge the scope of the public finance statistics by incorporating comparable data on government enterprises, institutions and social security and pension funds. The broadened framework will permit a more sophisticated evaluation of the impact of government on the economy with respect to its demands on the goods and services produced, 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 CONCEPT OF A GOVERNMENT ENTERPRISE

Government enterprises are part of the government complex and render a portion of the services provided by government.

### 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 the provision of services for sale on the market at a price to the consumer which is intended to compensate wholly or largely for their costs, and, in some cases, 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 by government 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. In most cases, 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 more comparable to private business corporations than to

institutional or non-commercial organizations with which latter category general government data are ordinarily classified.

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 considered to be an instrumentality of a political, decision-making body which produces goods or services for sale on the open market at a price generally 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 or 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, for example, the Defence Production Revolving Fund.

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.



Other characteristics of an enterprise, usually but not necessarily evident, 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 that is incidental to a general government service.

### PROVINCIAL GOVERNMENT ENTERPRISES INCLUDED IN THIS REPORT

There were sixty provincial government enterprises in operation during 1962. This number does not include the following enterprises although their financial statistics are included in this report: the Newfoundland Savings Bank which was sold on March 31, 1962; the Madawaska Valley Telephone Company which was sold on June 1, 1960; the Ontario Telephone Development Corporation which was inactive; and the Province of Saskatchewan Liquor Licencing Commission whose operations are included with those of the Liquor Control Board.

Canada Electric Company Limited became a subsidiary of the Nova Scotia Power Commission on January 3, 1962 and the International Transit Company ceased operations during the year.

A list of the enterprises included in this report, the statutory authority by which they were established, the value of their assets as shown in each enterprise's 1962 annual report and their main functions follows:

List of Enterprises

Name of enterprise with associated companies indicated by corresponding letters (a) to (d)	Fiscal year end	Responsible Minister or authority of province	Provincial statutory authority	Year of incorporation	Value of assets per annual reports 1962	Main functions
					\$'000	
<b>Newfoundland:</b>						
Board of Liquor Control .....	Mar. 31	Minister of Finance	Alcoholic Liquors Act, RS 1952, c. 93; and amendments.	1949*	3,436	Control and sale of alcoholic beverages.
Division of Northern Labrador Affairs.	Mar. 31	Minister of Public Welfare	Department of Public Welfare Act, RS 1952, c. 18.	1949*	675	Provision of essential goods and services not otherwise available to the people of Northern Labrador.
Newfoundland Fibreply Limited	Dec. 31	Minister of Economic Development	—	1959	no published report	Production of all-purpose flake or chipboard from local hardwoods.
Newfoundland Power Commission.	Mar. 31	Attorney-General	Newfoundland Power Commission Act, 1954, c. 72.	1954	3,558	Generation, transmission and distribution of electric power and energy.
Newfoundland Savings Bank <sup>1</sup> .....	Mar. 31	Minister of Finance	Newfoundland Savings Bank Act, RS 1952, c. 252 and amendments.	1949*	nil	Provision of banking services (as at March 31, 1962, sold to Bank of Montreal).
St. John's Housing Corporation	Dec. 31	Lieutenant-Governor in Council	St. John's Housing Corporation Act, RS 1952, c. 80; and amendment.	1949*	7,103	Development of housing in St. John's area, by purchase or construction; lending of money for the purchase or construction of housing in the area.
* Year of Newfoundland admission to Confederation.						
<b>Prince Edward Island:</b>						
Prince Edward Island Industrial Corporation.	Mar. 31	Minister of Industry and Natural Resources	Prince Edward Island Industrial Corporation Act, RS 1951, c. 121; and amendment.	1949	1,895	Assistance in development of industry; operation of cold storage plant; chartering for shipping services.
Prince Edward Island Liquor Control Commission.	Mar. 31	Lieutenant-Governor in Council	Liquor Control Act, RS 1951, c. 1959; and amendments.	1948	440	Control and sale of alcoholic beverages.

<sup>1</sup> See also explanatory comment on page 10.



List of Enterprises - Continued

Name of enterprise with associated companies indicated by corresponding letters (a) to (d)	Fiscal year end	Responsible Minister or authority of province	Provincial statutory authority	Year of incorporation	Value of assets per annual reports 1962 \$'000	Main functions
<b>Nova Scotia:</b>						
Canada Electric Company Limited (a) (subsidiary) <sup>1</sup> .	Dec. 31	Lieutenant-Governor in Council	(a)	1961	5,135	Generation and distribution of electric power and energy; shares of this company were acquired by the province on January 1, 1961, and were sold to Nova Scotia Power Commission on January 3, 1962.
Halifax-Dartmouth Bridge Commission.	Dec. 31	Commissioners appointed by province	Halifax-Dartmouth Bridge Commission Act, 1950, c. 7; and amendments.	1951	14,107	Construction, maintenance and operation of bridge and approaches between Halifax and Dartmouth.
Industrial Estates Limited (b) .....	Mar. 31	Minister of Trade and Industry	Industrial Estates Limited Act, 1958, c. 5; and amendments.	1957 (Companies Act)	7,620	Development of secondary industry.
Keltic Lodge .....	Mar. 31	Minister of Trade and Industry	—	1940	no published report	Operation of resort hotel with cottages during tourist season.
Nova Scotia Liquor Commission .....	Mar. 31	Lieutenant-Governor in Council	Liquor Control Act, RS 1954, c. 155; and amendments.	1930	5,618	Control and sale of alcoholic beverages.
Nova Scotia Power Commission (a) ..	Nov. 30	Lieutenant-Governor in Council	Power Commission Act, RS 1954, c. 220; and amendments.	1919	81,542	Generation, transmission and distribution of electric power and energy.
Springhill Development Corporation (b) (subsidiary).	Mar. 31	Minister of Trade and Industry	(b)	1958	1,006	Development of industry in Town of Springhill.
<b>New Brunswick:</b>						
New Brunswick Electric Power Commission.	Mar. 31	Lieutenant-Governor in Council	Electric Power Act, RS 1962, c. 71; (secs. 45 to 69); and amendment.	1920	160,686	Generation, transmission and distribution of electric power and energy.
New Brunswick Liquor Control Commission (New Brunswick Liquor Control Board to May 10, 1962).	Mar. 31	Lieutenant-Governor in Council	Liquor Control Act, 1961, c. 3.	1927	3,260	Control and sale of alcoholic beverages.
<b>Quebec:</b>						
Quebec Autoroutes Authority .....	Dec. 31	Minister of Roads	Quebec Autoroutes Act, 1960-61, c. 62.	1957	107,920	Construction, operation and maintenance of autoroutes and related works.
Quebec Hydro-Electric Commission	Dec. 31	Minister of Natural Resources	Quebec Hydro-Electric Commission Act, RS 1941, c. 98A enacted by sec. 1, 1944, c. 22; and amendments.	1944	1,239,425	Generation, transmission and distribution of electric power and energy.
Quebec Liquor Board .....	Mar. 31	Minister of Natural Resources	Quebec Liquor Board Act, RS 1941, c. 255 enacted by sec. 1, 1960-61, c. 88; and amendments.	1921	25,280	Control and sale of alcoholic beverages.
Quebec Sugar Refinery .....	Mar. 31	Lieutenant-Governor in Council	Act respecting the establishment of a beet-sugar factory at St. Hilaire, 1943, c. 23.	1943	2,389	Operation of a beet-sugar factory.
<b>Ontario:</b>						
Hydro-Electric Power Commission of Ontario.	Dec. 31	Lieutenant-Governor in Council	Power Commission Act, RS 1960, c. 300; and amendments.	1907	2,702,227	Generation, transmission and distribution of electric power and energy.
International Transit Company Limited	June 16	Treasurer of Ontario	Sault Ste. Marie Bridge Act, 1960.	1960	439	Operation of ferry service until completion of Sault Ste. Marie International Bridge, October 31, 1962.
Liquor Control Board of Ontario .....	Mar. 31	Lieutenant-Governor in Council	Liquor Control Act, RS 1960, c. 217; and amendments.	1927	29,409	Control and sale of alcoholic beverages.
Madawaska Valley Telephone Co. Limited (c) <sup>1</sup> (subsidiary).	Dec. 31	Lieutenant-Governor in Council	(c)	1956	nil	Provision of telephone service; sold to private interests as of June 1, 1960.
Ontario Food Terminal Board .....	Mar. 31	Minister of Agriculture	Ontario Food Terminal Act, RS, 1960, c. 272.	1954	5,366	Operation of wholesale fruit and market facilities to serve Metropolitan Toronto.
Ontario Northland Transportation Commission (d).	Dec. 31	Minister of Economics and Development	Ontario Northland Transportation Commission Act, RS 1960, c. 276; and amendment.	1902	81,086	Operation of Ontario Northland Railway, Nipissing Central Railway, Ontario Northland Highway Services, Ontario Northland Boat Lines and Ontario Northland Communications.
Ontario Stock Yards Board .....	June 30	Minister of Agriculture	Stock Yards Act, RS 1960, c. 385.	1944	no published report	Operation of facilities for a livestock market.

<sup>1</sup> See also explanatory comment on page 10.

## List of Enterprises - Continued

Name of enterprise with associated companies indicated by corresponding letters (a) to (d)	Fiscal year end	Responsible Minister or authority of province	Provincial statutory authority	Year of incorporation	Value of assets per annual reports 1962	Main functions
<b>Ontario - Concluded:</b>						
Ontario Telephone Development Corporation (c). <sup>1</sup>	Dec. 31	Lieutenant-Governor in Council	Ontario Telephone Development Corporation Act, RS 1960, c. 280.	1955	61	Provision of telephone service.
Province of Ontario Savings Office	Mar. 31	Lieutenant-Governor	Agricultural Development Finance Act, RS 1960, c. 9.	1921	77,363	Provision of banking services.
Star Transfer Limited (d) (subsidiary)	Dec. 31	Minister of Economics and Development	(d)	1960	1,211	Operation of highway transport.
<b>Manitoba:</b>						
Liquor Control Commission of Manitoba.	Mar. 31	Attorney General	Liquor Control Act, 1956 c. 40; and amendments.	1923	3,085	Control and sale of alcoholic beverages.
Manitoba Agricultural Credit Corporation.	Mar. 31	Minister of Agriculture and Conservation.	Agricultural Credit Act, 1958 c. 1; and amendments.	1959	17,276	Operation of lending agency for farmers.
Manitoba Development Fund .....	Mar. 31	Minister of Industry and Commerce	Business Development Fund Act, 1958, c. 3; and amendments.	1958	6,793	Provision of financial assistance to industry.
Manitoba Farm Loans Association ....	Mar. 31	Lieutenant-Governor in Council	Manitoba Farm Loans Act, RS 1940, c. 73.	1917	123	Provision of loans on security of farm land.
Manitoba Hydro-Electric Board .....	Mar. 31	Minister of Public Utilities	Manitoba Hydro Act, 1961, c. 28.	1921	378,148	Generation, transmission and distribution of electric power and energy. Formed by the amalgamation on April 1, 1961 of Manitoba Power Commission (incorporated in 1921) and Manitoba Hydro-Electric Board (incorporated in 1949).
Manitoba Telephone System .....	Mar. 31	Minister of Public Utilities	Manitoba Telephone Act, 1955, c. 76; and amendments.	1908	184,593	Operation and maintenance of Manitoba telephone system.
Manitoba Water Supply Board .....	Mar. 31	Minister of Agriculture and Conservation	Manitoba Water Supply Board Act, 1959, c. 69.	1959	1,280	Provision of potable water supplies to municipalities.
<b>Saskatchewan:</b>						
Province of Saskatchewan Liquor Board. Liquor Licensing Commission .....	Mar. 31	Lieutenant-Governor in Council	Liquor Act, 1960, c. 31; Liquor Licensing Act, 1959, c. 19; and amendment.	1925	6,091	Control and sale of alcoholic beverages.
Saskatchewan Forest Products .....	Oct. 31	Minister of Natural Resources	Crown Corporations Act, RS, 1953, c. 34; and amendments.	1949	5,812	Operations in woods, sawmills, lumber yards and planing mills.
Saskatchewan Government Airways	Oct. 31	Minister of Natural Resources	Crown Corporations Act, RS, 1953, c. 34; and amendments.	1947	787	Provision of transportation facilities for the development of province's northland.
Saskatchewan Government Insurance Office.	Dec. 31	Provincial Treasurer	Saskatchewan Government Insurance Act, RS 1953, c. 36.	1945	17,806	Provision of general insurance and administration of compulsory automobile insurance plan.
Saskatchewan Government Printing Company.	Dec. 31	Provincial Treasurer	Crown Corporations Act, RS 1953, c. 34; and amendments.	1945	367	Operation of printing plant for government and agencies.
Saskatchewan Government Telephones.	Dec. 31	Minister of Telephones.	Saskatchewan Government Telephones Act, RS 1953, c. 37; and amendments.	1947	113,578	Provision of telephone, telegraph, radio network and television microwave facilities, as a crown corporation since April, 1947, and as a government department 1910-47.
Saskatchewan Guarantee and Fidelity Company Limited.	Dec. 31	Provincial Treasurer	..	1949	2,817	Provision of reinsurance facilities.
Saskatchewan Fur Marketing Service (formerly a division of Saskatchewan Marketing Services).	Sept. 30	Minister of Natural Resources	Crown Corporations Act, RS 1953, c. 34; and amendments.	1945	149	Marketing of pelts of fur-bearing animals; became a crown corporation under corporate name of Saskatchewan Fur Marketing Service in October 1958.
Saskatchewan Minerals .....	Dec. 31	Minister of Natural Resources	Crown Corporations Act, RS 1953, c. 34; and amendments.	1944	2,368	Manufacture of clay products and salt-cake.
Saskatchewan Power Corporation ....	Dec. 31	Minister of Industry and Information	Power Corporation Act, RS 1953, c. 35; and amendments.	1929	476,366	Generation, transmission and distribution of electric power and energy; transmission of natural gas including gas gathered by its wholly-owned subsidiary, Many Islands Pipe Lines Limited.
Saskatchewan Transportation Company.	Oct. 31	Minister of Highways and Transportation	Crown Corporations Act, RS 1953, c. 34; and amendments.	1946	2,432	Operation of passenger and freight transportation service.

<sup>1</sup> See also explanatory comment on page 10.



## List of Enterprises - Concluded

Name of enterprise with associated companies indicated by corresponding letters (a) to (d)	Fiscal year end	Responsible Minister or authority of province	Provincial statutory authority	Year of incorporation	Value of assets per annual reports 1962 \$'000	Main functions
<b>Alberta:</b>						
Alberta Government Telephones Commission.	Mar. 31	Minister of Telephones	Alberta Government Telephones Act, 1958, c. 85; and amendments.	1958	243,806	Provision of telephone service, under Department of Telephones from 1906, until establishment of crown corporation in 1958.
Alberta Industrial Corporation .....	Dec. 31	Lieutenant-Governor in Council	Alberta Industrial Corporation Act, RS 1955, c. 153.	1946	1,336	Provision of financial assistance to industry by loans, acquisition of shares or other assets.
Alberta Liquor Control Board .....	Mar. 31	Provincial Treasurer	Liquor Control Act, 1958, c. 37; and amendments.	1924	13,385	Control and sale of alcoholic beverages.
Alberta Municipal Financing Corporation.	Dec. 31	Lieutenant-Governor in Council	Alberta Municipal Financing Corporation Act, 1956, c. 3; and amendments.	1956	244,582	Assistance in municipal financing by purchase and sale of municipal securities.
Bow River Development .....	Nov. 30	Minister of Agriculture	Bow River Development Act, 1955, c. 48; and amendments.	1955	6,277	Operation of irrigation project.
Marketing Services Limited .....	Dec. 31	Minister of Industries and Labour	Alberta Marketing Act, RS 1955, c. 191; and amendments.	1939	635	Assistance to industry through large-scale purchasing of materials used in manufacturing.
St. Mary and Milk Rivers Development	Nov. 30	Minister of Agriculture	St. Mary and Milk Rivers Development Act, 1946, c. 5; 1950, c. 68; and amendments.	1946	20,965	Operation of irrigation project.
Treasury Branches .....	Mar. 31	Provincial Treasurer	Treasury Branches Act, RS 1955, c. 344; and amendment.	1938	97,487	Provision of banking services.
<b>British Columbia:</b>						
British Columbia Hydro and Power Authority.	Mar. 31	Lieutenant-Governor in Council	British Columbia Hydro and Power Authority Act, 1961, c. 8; and amendments.	1945	971,059	Generation transmission and distribution of electricity; distribution of natural gas; provision of passenger bus and rail freight-transportation services. Formed by the amalgamation of the B.C. Power Commission (incorporated in 1945) and the B.C. Electric Co. Ltd. (acquired by the Province in 1961).
British Columbia Toll Highways and Bridges Authority. <sup>1</sup>	Mar. 31	Lieutenant-Governor in Council	Toll Highways and Bridges Authority Act, RS 1960, c. 380.	1953	87,119	Provision of highway, bridge, tunnel and ferry services.
Liquor Control Board of British Columbia.	Mar. 31	Attorney General	Government Liquor Act, RS 1960, c. 166; and amendment.	1921	11,451	Control and sale of alcoholic beverages.
Pacific Great Eastern Railway Company.	Dec. 31	Minister of Railways	(Pacific Great Eastern Incorporation Act, 1912, c. 34); Railway Act, RS 1960, c. 329.	1924	197,703	Operation of passenger and freight railway service.
<b>Yukon:</b>						
Liquor Control Authority .....	Mar. 31	Commission, Government of Yukon Territory	Liquor Ordinance, RO 1956, c. 67; and amendments.	1921	446	Control and sale of alcoholic beverages.
<b>Northwest Territories:</b>						
Liquor Control Authority .....	Mar. 31	Commissioner of the Northwest Territories	Liquor Ordinance, RO 1956, c. 60; and amendments.	1939	699	Control and sale of alcoholic beverages.

<sup>1</sup> See also explanatory comment on page 10.

### Explanatory Comment on Certain Enterprises

Explanatory comments on the operations of certain of the enterprises follow:

**Newfoundland Savings Bank.**—The Bank was sold to the Bank of Montreal as at March 31, 1962 and the balance remaining in its surplus account was remitted to the Province of Newfoundland later in the year.

**Canada Electric Company Limited (Nova Scotia).**—The shares of this company were acquired by the Province of Nova Scotia on January 1, 1961 and it was operated as an independent provincial government enterprise during 1961. On January 3, 1962 the shares were sold by the Province to the Nova Scotia Power Commission and the company was operated as a wholly-owned subsidiary of the Commission during the year 1962.

**Ontario Telephone Development Corporation and its subsidiary, Madawaska Valley Telephone Company.**—The Madawaska Valley Telephone Company, the only subsidiary of the Ontario Telephone Development Corporation was sold to private

interests as of June 1, 1960. Winding-up operations were still in process in 1962. The Corporation was otherwise inactive.

**British Columbia Toll Highways and Bridges Authority.**—Toll charges were removed on March 31, 1963 on the Nelson, Okanagan Lake and Agassiz-Rosedale Bridge and the facilities, valued at \$15,585 million, were transferred to the Province of British Columbia. The funds were applied largely to cancellation of parity bonds of the Authority.

### Comparison with Coverage in National Accounts

The same provincial government enterprises are covered in the enterprise series as in the National Accounts. The amount incorporated in the National Accounts as part of government investment income, however, differs from the amounts shown as net profit or loss before provision for income tax (Table 2, Expenditure, item 6) due to the inclusion in the former of an imputation for rent on provincial government-owned buildings and the conversion of the profits of liquor commissions from a fiscal to a calendar year basis. The amounts for provision for depreciation (Table 2, Expenditure, item 2) in the enterprise series are included in the National Accounts aggregate "capital consumption allowances and miscellaneous valuation adjustments".

## FINANCIAL STATISTICS OF PROVINCIAL GOVERNMENT ENTERPRISES

### Source of Data

The sources of the financial data are the published annual reports of the enterprises and the public accounts of the provinces, supplemented by additional information obtained from company or provincial officials. The assistance of these officers is gratefully acknowledged.

The series on wages and salaries paid to employees of provincial enterprises is, for the most part, based on data obtained from the Government Employment and Payrolls Section, Public Finance and Transportation Division.

### Capital Revenue and Expenditure

Comprehensive statistics on capital revenue, capital expenditure and the source and application of funds of federal enterprises are not available at this time.

Estimates of expenditures of a capital nature 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 provincial enterprises for the year 1962 were \$534 million.

### Classification of Enterprises by Industry Group and by Province

The financial statistics presented in this report have been classified in Tables 1 to 4 according to the broad industry groups in which the enterprises participate, as set out in the Standard Industrial Classification Manual (1960) of the Dominion Bureau of Statistics.

Although the "establishment" is the Bureau's standard unit for obtaining basic statistical data by industry on output, cost of materials, supplies, fuel and electricity and employment and payrolls, some establishments are unable to report overhead costs charged to them and therefore cannot show their net trading profits. Thus the appropriate unit for reporting financial data is the "firm". Sometimes 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 (in some cases in widely different industries) which are associated with one another through common management and financial control.

The standard industrial classification when applied to provincial government enterprises at the "enterprise" rather than at the firm or establishment level has resulted in some aberrations between classes and major groups within the transportation, communication and other utilities division. For example, finances of the gas distribution facilities operated by provincial electric power commissions in Quebec, Saskatchewan and British Columbia have not been segregated from the power accounts nor have the financial data on the telegraph services provided by the Ontario Northland Transportation Commission been isolated from its main transportation function.

The other utilities group in this report includes provincial water irrigation and supply systems which are classified separately in the DBS Standard Industrial Classification.

Tables 5 to 9 inclusive portray the financial statistics of provincial government business enterprises geographically.

Combined with existing statistics of provincial departmental and special fund revenue, expenditure, assets and debt, they will permit of a broader, although still incomplete, interpretation of the role of each province in the public sector of the economy.

### Financial Classification and Terminology

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.

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.

For purposes of interpreting this report, the following definitions (or explanations) of certain assets, liabilities, revenues and expenditures are presented.

### 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 and Provincial Treasurers 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 pre-paid 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, including interest on bonds and debentures of own or other government enterprises which are not identified, in these statistics, by type of holder for the reason that the holder is not usually known. The same breakdown is used for asset item 5. 1.

**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 assets 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 eight sub-groups:

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

For securities held in restricted funds, a further category "equity in provincial government sinking funds" is necessary.

**Item 10. Mortgages and agreements for 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 for 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 in Table 4 by industry and in Table 8 by province 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 value 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. It is noted that while the holder of negotiable bonds and debentures issued by government enterprises is not usually identifiable, interest earned on long-term debt of own or other governments, or their enterprises, held as investments (asset items 9 and 11) are classified by sub-items (i) to (vi), under the appropriate asset or revenue items. 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 11.2 (Restricted funds: Trust and deposit accounts) have been offset against this liability.

## 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.

**Item 9. Liability reserves.** 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 (item 11.5)**.

**Item 10. Other liabilities.** This item includes all liabilities not elsewhere specified.

**Item 11. Proprietary equity (net worth)** represents the ownership of the enterprise, the excess of assets over liabilities and liability reserves, or net worth, which is subordinate to liabilities with respect to the security of capital and earnings.

Six 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.; (5) equity reserves, which are appropriations of surplus; and (6) unappropriated surplus, 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 frequently accounted for 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** includes 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 to current expenditure by enterprises, other than subsidies or reimbursements 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 values 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.

In some 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 enterprises, 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. Provisions for depreciation and replacement.** The provision for depreciation and replacement of fixed assets is recorded at the amount charged by the enterprise, regardless of method of computation.

**Item 3. Interest on debt.** Interest on debt is mainly on bonds and debentures, undifferentiated as to payee, or on 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 allowances for doubtful accounts, foreign exchange and 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. Provincial government business enterprises** were not subject to federal or provincial corporation income tax during 1962.

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

### ANALYSIS OF DATA

Tables 1 and 5 show the assets, liabilities and net worth of provincial government enterprises as at the fiscal year end nearest to December 31, 1962, classified by the categories described in the preceding section entitled "Financial Classifications and Terminology".

The absolute and per cent change in the group components between 1961 and 1962, 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

	1961	1962	Absolute change <sup>1</sup> 1962/61	Per cent change 1962/61
	millions of dollars			%
<b>Assets</b>				
Cash .....	142	126	- 16	- 11.4
Accounts receivable .....	95	100	5	5.3
Inventories .....	140	146	6	4.1
Fixed assets .....	5,825 <sup>2</sup>	6,187	362	6.2
Investments, including loans and advances and restricted funds .....	788	861	73	9.3
Other assets .....	306	296	- 10	- 3.3
<b>Totals .....</b>	<b>7,296<sup>2</sup></b>	<b>7,716</b>	<b>420</b>	<b>5.8</b>
<b>Liabilities and net worth</b>				
Accounts payable .....	86	89	3	2.8
Long-term loans and advances and debt .....	5,420	5,738	318	5.9
Liability reserves .....	30 <sup>2</sup>	33	3	10.8
Other liabilities .....	310	304	- 6	- 2.0
Proprietary equity (net worth) .....	1,450 <sup>2</sup>	1,552	102	7.0
<b>Totals .....</b>	<b>7,296<sup>2</sup></b>	<b>7,716</b>	<b>420</b>	<b>5.8</b>

<sup>1</sup> Based on unrounded data.

<sup>2</sup> These figures differ from previously published amounts due to the reclassification of reserves for the replacement of fixed assets as equity reserves. In previous years they were treated as accumulated depreciation and deducted from the value of fixed assets or shown as liability reserves.

## Components of Assets, Liabilities and Net Worth as a Percentage of the Total as at Fiscal Year Ends Nearest to December 31

	1961	1962
	per cent	
<b>Assets</b>		
Cash .....	2.0	1.6
Accounts receivable .....	1.3	1.3
Inventories .....	1.9	1.9
Fixed assets .....	79.8	80.2
Investments, including loans and advances and restricted funds .....	10.8	11.2
Other assets .....	4.2	3.8
<b>Totals .....</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities and net worth</b>		
Accounts payable .....	1.2	1.1
Long-term loans and advances and debt .....	74.3	74.4
Liability reserves .....	0.4	0.4
Other liabilities .....	4.2	4.0
Proprietary equity (net worth) .....	19.9	20.1
<b>Totals .....</b>	<b>100.0</b>	<b>100.0</b>

The percentage distribution of total assets or total liabilities and net worth for 1961 and 1962 by industry and by province follow:

**Percentage Distribution of Total Assets or Liabilities and Net Worth, by Industry,  
as at Fiscal Year Ends Nearest to December 31**

	1961	1962
	per cent	
Forestry .....	0.1	0.1
Mines, quarries and oil wells .....	- <sup>1</sup>	- <sup>1</sup>
Manufacturing industries .....	0.1	0.1
Transportation, communication and other utilities:		
Transportation .....	6.9	6.9
Communication .....	5.6	5.8
Electric power .....	79.4	79.1
Other .....	0.4	0.4
Sub-totals .....	92.3	92.2
Wholesale trade .....	- <sup>1</sup>	- <sup>1</sup>
Retail trade .....	1.3	1.3
Finance, insurance and real estate .....	6.2	6.3
Community, business and personal services industries .....	- <sup>1</sup>	- <sup>1</sup>
<b>Totals .....</b>	<b>100.0</b>	<b>100.0</b>

<sup>1</sup> Less than 0.1.

**Percentage Distribution of Total Assets, or Liabilities and Net Worth, by Province,  
as at Fiscal Year End Nearest to December 31**

	1961	1962
	per cent	
Newfoundland .....	0.6	0.2
Prince Edward Island .....	- <sup>1</sup>	- <sup>1</sup>
Nova Scotia .....	1.4	1.5
New Brunswick .....	2.2	2.3
Quebec .....	17.4	18.2
Ontario .....	39.0	37.5
Manitoba .....	6.7	7.1
Saskatchewan .....	7.9	8.1
Alberta .....	6.8	7.5
British Columbia .....	18.0	17.6
Yukon .....	- <sup>1</sup>	- <sup>1</sup>
Northwest Territories .....	- <sup>1</sup>	- <sup>1</sup>
<b>Totals .....</b>	<b>100.0</b>	<b>100.0</b>

<sup>1</sup> Less than 0.1.



### Assets

At year-end 1962, assets held by provincial government business enterprises amounted to \$7,716 million, an increase of \$420 million or 6 per cent over the holdings of the previous year.

The percentage of assets of provincial government enterprises held in the various industry groups did not vary appreciably from 1961 to 1962. In both years almost 80 per cent were held by electric power utilities, 7 per cent by transportation companies and about 5 per cent each by telephone systems and institutions dealing with finance, insurance and real estate. The share of the liquor commissions (about 1 per cent) would be more substantial except for variances in accounting for the cost and use of fixed assets.<sup>1</sup>

Assets held by the provinces of Ontario, Quebec and British Columbia were 74 per cent of the total in 1961 and 73 per cent in 1962.

Fixed assets, comprising about 80 per cent of the total assets held by provincial government enterprises in both 1961 and 1962, increased by \$362 million or 6 per cent. This increase was largely due to \$327 million worth of facilities added by electric power utilities and a rise of \$29 million in the value of the assets of the telephone companies. Fixed assets valued at \$16 million were transferred to the Province of British Columbia by the British Columbia Toll Highway and Bridges Authority during 1962.

Investments, including loans and advances and restricted funds, were valued at \$861 million at the end of 1962, \$73 million higher than the opening portfolio and encompassed about 11 per cent of all assets. Of the \$383 million in loans and advances receivable, \$230 million were loans made by the Alberta Municipal Finance Corporation to municipalities and secured by non-negotiable debentures and \$124 million were provincial savings banks' loans. Security holdings, including those in restricted funds, amounted to \$414 million and included \$333 million in the form of government direct and guaranteed bonds and \$71 million equity in provincial government sinking funds to repay borrowings made by the provinces on the enterprises' behalf. Cash and accrued interest of \$36 million were also held in restricted funds. Mortgages receivable and agreements for sale in the amount of \$29 million were largely held by Manitoba Agricultural Credit Corporation.

Cash, accounts receivable, inventories and other assets made up the residual 9 per cent of assets. Inventories amounted to \$146 million at the end of 1962, \$6 million more than in 1961.

<sup>1</sup> See the Bureau's report "The Control and Sale of Alcoholic Beverages in Canada", Catalogue No. 63-202.

### Liabilities and Net Worth

Long-term loans and advances and debt amounting to \$5,738 million accounted for almost three quarters of the total of liabilities and proprietary equity in 1962. This was an increase of \$318 million or 6 per cent over 1961. Of the total \$1,409 million was payable to parent provincial governments and a further \$4,259 million was guaranteed by them.<sup>2</sup> Increased long-term liabilities incurred during 1962 included \$215 million by electric power utilities, \$52 million by institutions dealing with finance, insurance and real estate and \$30 million by telephone companies.

Trade accounts payable increased by 3 per cent during the year to \$89 million.

Liability reserves amounted to \$33 million at year-end 1962.

Other liabilities totalled \$304 million, down \$6 million from the previous year. The change represented a decrease in temporary loans, advances and notes payable only partly offset by an increase in interest payable.

Proprietary equity (net worth) amounting to \$1,552 million constituted about 20 per cent of total claims in 1962. The equity of provincial governments in their enterprises is shown as \$105 million. Municipal electrical utilities in Ontario hold equity of \$438 million, representing their contributions for the redemption of hydro debt.

Equity reserves, at a value of \$668 million in 1962 were mostly appropriations of surplus by electrical utilities for stabilization of rates, contingencies and sinking funds.

The balance in unappropriated surplus was \$340 million at the end of 1962 an increase of \$5 million during the year.

### Current Revenue and Expenditures

Details of current revenue and expenditure for 1962 are shown by industry and by province in Tables 2 and 6, respectively.

Absolute and percentage changes in the major items of current revenue, current expenditure and net profit are illustrated in the following table.

Total current revenue amounted to \$1,553 million in 1962, 9 per cent higher than in 1961.

<sup>2</sup> Bonds and debentures of enterprises, issued to and held by the parent province or enterprise as security for bonded indebtedness incurred on their behalf, are deemed to be non-marketable and have been classified in these statistics as loans payable. The corresponding asset holdings of the parent are also classified as loans.

This method of presentation facilitates the treatment of combined direct debt statistics of the parent government and its enterprises. In those cases where a sinking fund is maintained by the enterprise against bonds and debentures incurred by the province on its behalf, the year-end balance has been classified as an equity in a provincial sinking fund.



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

	1961	1962	Absolute change 1962/61	Per cent change <sup>1</sup> 1962/61
	millions of dollars			%
<b>Revenue</b>				
Revenue from sales and services on current operations .....	1,374	1,501	127	9.2
Financial income .....	42	45	3	7.1
Other income .....	7	7	—	—
<b>Totals .....</b>	<b>1,423</b>	<b>1,553</b>	<b>130</b>	<b>9.1</b>
<b>Expenditure</b>				
Cost of goods sold from current operations .....	787	865	78	9.9
Depreciation .....	116	130	14	12.1
Interest .....	200	222	22	11.0
Other .....	19	22	3	15.8
<b>Totals .....</b>	<b>1,122</b>	<b>1,239</b>	<b>117</b>	<b>10.4</b>
<b>Net profit before income taxes .....</b>	<b>301</b>	<b>314</b>	<b>13</b>	<b>4.3</b>

<sup>1</sup> Based on unrounded data.

Revenue derived from sales and services on current operations accounted for \$1,501 million of aggregate income. Of this total, 47 per cent was earned by liquor commissions and 41 per cent by electric power utilities and these two traditionally government-orientated activities accounted for \$112 million of the year's \$127 million higher sales.

Financial income mostly from interest on investment in government direct and guaranteed bonds and loans to own or other levels of government yielded \$45 million in 1962, an increase of 7 per cent over 1961. Most of this income was earned by electric power utilities on reserve investments and by financial institutions.

Other current income of \$7 million was composed of \$5 million miscellaneous earnings mainly by electric power utilities and \$2 million of rental income.

Total current expenditure increased at the rate of 10 per cent from \$1,122 million in 1961 to \$1,239 million in 1962. As in the case of revenues, the liquor and electric power commissions absorbed the bulk of total costs with the government telephone systems and transportation utilities next in line.

The cost of goods and services sold from current operations amounted to \$865 million, a rise of \$78 million or 10 per cent from the previous year. The wages and salaries component of this item accounted for \$15 million of the additional outlay due to generally higher labour costs. A net addition of \$6 million was made to inventories in 1962, \$2 million more than inventories added in 1961. Other purchases of goods and services increased by \$64 million.

At \$130 million, provision for the depreciation of fixed assets was \$14 million higher than in 1961.

Interest expense was \$222 million in 1962, 11 per cent more than in 1961. This excludes the amount of \$25 million capitalized during construction of fixed assets of enterprises engaged in transportation, communication, electric power and other utility fields. The electric power utilities, which owed 78 per cent of enterprise debt outstanding, paid 79 per cent of the total interest costs.

Other miscellaneous expenditures of \$22 million, including the amortization of bond discount and write-off of the frequency standardization program by the Hydro-Electric Power Commission of Ontario, showed an increase of \$3 million over the previous year.

Net profits (less losses) of provincial government enterprises were \$314 million in 1962, \$13 million more than in 1961. Of the total, \$217 million was earned by liquor commissions, \$20 million more than in the previous year. The profits of electric power utilities were \$90 million in 1962, a drop of \$6 million. Profits of the three government-owned telephone systems decreased by nearly \$1 million.

#### Net Surplus Account Transactions

Net debits and credits to surplus account carried to the balance sheet are shown in Tables 3 and 7.

The net addition to surplus was \$5 million in 1962 compared to nearly \$24 million in 1961.

Although the net profits earned by the enterprises on the year's operations rose by \$13 million, remittances of income to provincial treasurers were \$24 million higher.

Appropriations of surplus to reserves, net of transfers therefrom, amounted to \$95 million, over \$10 million more than in the preceding year.

Contributions of provinces, mostly in the form of assistance towards rural electrification and toll-highway and toll-bridge subsidies, were about \$4 million in both 1961 and 1962.

**Reconciliation of Assets or Liabilities and Net Worth with Balance Sheets per Annual Reports**

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, as well as deferred provincial liquor license revenue, adjustments totalling \$28 million were made in their published annual reports. Detail of these adjustments are shown, by province, in Table 9.

The additions to the published totals consisted of payables and reserves offset against assets, the

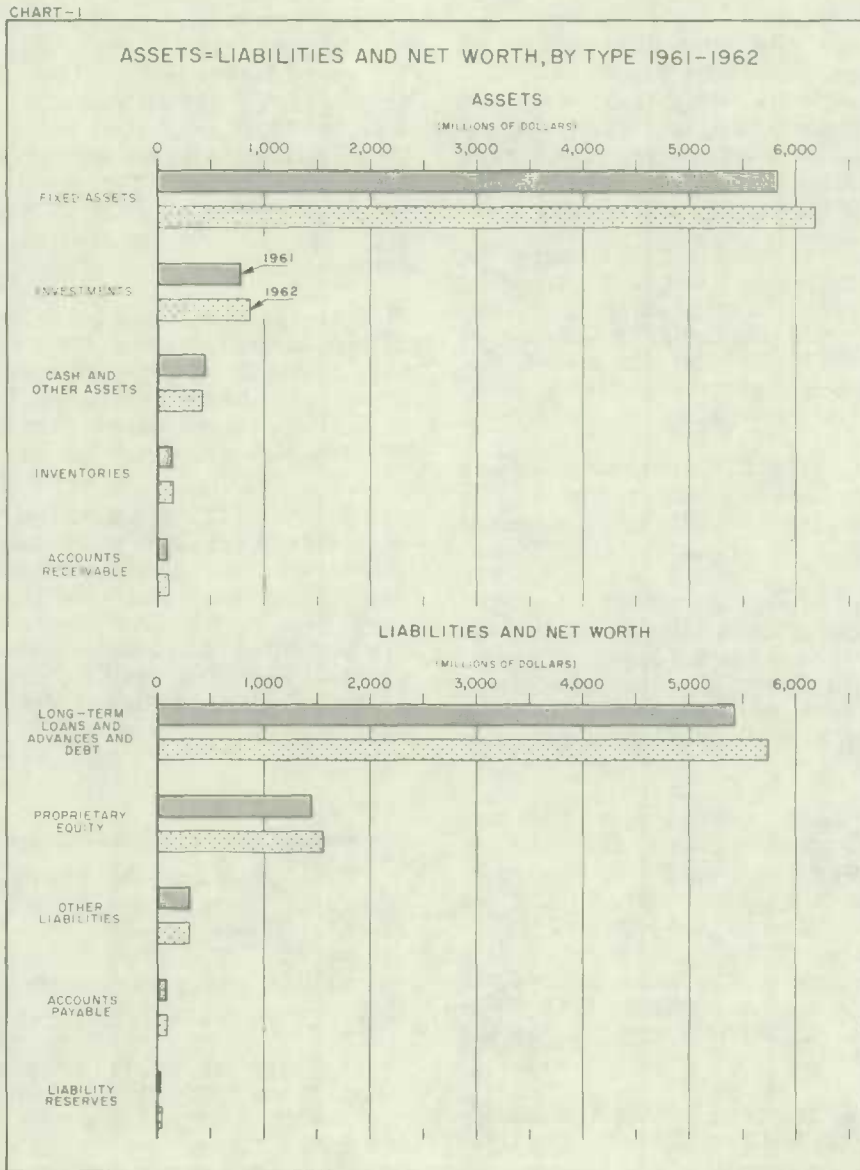
latter being largely in the form of sinking funds netted against investment holdings.

The most significant deduction was for reserves for depreciation of fixed assets reported on the credit side of the balance sheet. As mentioned previously, fixed assets are shown in this series net of accumulated depreciation.

Employees' savings funds including pension funds and contractors' and customers' security deposits made contingent to the fulfilment of contracts were eliminated.

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

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



INDUSTRIAL DISTRIBUTION



TABLE 1. Assets, Liabilities and Net Worth, by Industry as at Fiscal Year End Nearest to December 31, 1962

No.	Assets	Forestry	Mines, quarries and oil wells	Manufacturing industries	Transportation, communication, and other utilities				Sub-total transportation, communication and other utilities	Wholesale trade	Retail trade	Finance, insurance and real estate	Community, business and personal service industries	Total
					Transportation <sup>1</sup>	Communication	Electric power	Other						
thousands of dollars														
1	Cash on hand and on deposit .....	-	-	83	15,124	18,568	49,025	20	82,737	403	14,177	28,061	-	125,461
2	Accounts receivable less reserve for bad debts .....	878	340	316	3,461	11,335	76,133	368	91,297	106	4,380	2,842	-	100,159
3	Inventories .....	3,829	540	1,680	3,937	13,574	52,712	30	70,253	141	69,319	222	23	146,007
4	Interest, dividends and rents receivable from													
	(iii) Provincial governments .....	-	-	-	-	-	-	-	-	-	-	6	-	6
	(vii) Other .....	-	-	-	93	-	26	-	119	-	-	385	-	504
	Sub-total, item 4 .....	-	-	-	93	-	26	-	119	-	-	391	-	510
5	Accrued revenue:													
	1. Interest owing from													
	(i) Federal government .....	-	-	-	-	-	1,387	-	1,387	-	-	-	-	1,387
	(ii) Federal government enterprises .....	-	-	-	-	-	119	-	119	-	-	-	-	119
	(iii) Provincial governments .....	-	-	-	12	-	921	2	935	-	-	150	-	1,085
	(iv) Provincial government enterprises <sup>2</sup> .....	-	-	-	-	-	4	-	4	-	-	3	-	7
	(v) Municipal governments .....	-	-	-	4	-	63	-	4	-	4,772	-	-	4,776
	(vii) Other .....	-	-	-	4	69	633	-	706	1	-	792	-	1,499
	Sub-total .....	-	-	-	20	69	3,064	2	3,155	1	-	5,717	-	8,873
	2. Other revenue .....	-	-	-	334	-	8,611	3	8,948	-	-	1,358	-	10,306
	Sub-total, item 5 .....	-	-	-	354	69	11,675	5	12,103	1	-	7,075	-	19,179
6	Prepaid expenses .....	64	3	-	332	1,100	1,006	3	2,441	-	326	119	-	2,953
7	Fixed assets .....	711	753	3,299	456,155	370,513	5,298,726	27,761	6,153,155	62	11,958	16,811 <sup>3</sup>	-	6,186,749 <sup>4</sup>
8	Loans and advances receivable from													
	(iii) Provincial governments .....	-	325	-	200	-	7,970	-	8,170	-	-	75,670	-	84,165
	(iv) Provincial government enterprises <sup>2</sup> .....	-	-	-	-	-	467	-	467	-	-	1,006	-	1,473
	(v) Municipal governments .....	-	-	-	-	-	-	-	-	-	-	234,646 <sup>5</sup>	-	234,646
	(vii) Other .....	181	-	-	5	-	11,318	-	11,323	56	17	50,826	-	62,405
	Sub-total, item 8 .....	181	325	-	205	-	19,755	-	19,960	56	17	362,150	-	382,689
9	Securities held as investments <sup>4</sup> .....	5	13	-	2,665	261	13,855	196	16,977	-	-	39,895	-	56,690
10	Mortgages receivable and agreements for sale .....	-	33	-	23	-	7,275	-	7,298	-	121	21,994	-	29,446
11	Restricted funds: <sup>6</sup>													
	1. Depreciation funds .....	-	-	-	1,002	1,571	-	-	2,573	-	-	-	-	2,573
	2. Trust and deposit accounts .....	-	-	-	-	-	-	-	-	-	-	-	-	-
	3. Other funds .....	-	-	-	42,906	26,767	313,677	9	383,359	-	-	6,690	-	390,049
	Sub-total, item 11 .....	-	-	-	43,908	28,338	313,677	9	385,932	-	-	6,690	-	392,622
12	Deferred charges:													
	1. Amortization of bond discount .....	-	-	-	5,548	3,574	74,843	-	83,965	-	-	3,695	-	87,680
	2. Other charges .....	4	254	71	368	546	173,685 <sup>7</sup>	-	174,599	-	284	927	-	176,139 <sup>8</sup>
	Sub-total, item 12 .....	4	254	71	5,916	4,120	248,528	-	258,564	-	284	4,622	-	263,799
13	Other assets:													
	1. Due on account of deficits .....	-	-	-	-	-	-	-	-	-	-	-	-	-
	2. Unspecified .....	-	-	-	147	76	9,302	-	9,525	-	-	8	-	9,531
	Sub-total, item 13 .....	-	-	-	147	76	9,302	-	9,525	-	-	6	-	9,531
14	<b>Total assets</b> .....	<b>5,672</b>	<b>2,261</b>	<b>5,449</b>	<b>532,320</b>	<b>447,964</b>	<b>6,101,695</b>	<b>28,392</b>	<b>7,110,361</b>	<b>769</b>	<b>100,582</b>	<b>490,878</b>	<b>23</b>	<b>7,715,995</b>

<sup>1</sup> Includes the transactions of the International Transit Company Limited to October 31, 1962, when the company ceased operations.<sup>2</sup> Involves transactions between parent and subsidiary provincial government enterprises.<sup>3</sup> Includes financial property held for sale, 1,915.<sup>4</sup> Net of accumulated depreciation, forestry, 938; mines, quarries and oil wells, 2,213; manufacturing industries, 3,488; transportation, 34,457; communication, 116,287; electric power, 932,960; other utilities, 213; wholesale trade, 35; retail trade, 7,377; finance, insurance and real estate, 1,617; total, 1,099,485, and including an undetermined amount of interest capitalized during the construction of fixed assets of transportation, communication and other utilities.<sup>5</sup> Of this amount, 230,213 is secured by non-negotiable debentures.<sup>6</sup> See Table 4 for analysis of investments held, by industry.<sup>7</sup> Of this amount 171,299 represents the unamortized cost of frequency standardization by a hydro utility.

TABLE 1. Assets, Liabilities and Net Worth, by Industry as at Fiscal Year End Nearest to December 31, 1962

No.	Liabilities and net worth	Forestry	Mines, quarries and oil wells	Manufacturing industries	Transportation, communication, and other utilities				Sub-total transportation, communication, and other utilities	Wholesale trade	Retail trade	Finance, insurance and real estate	Community, business and personal service industries	Total
					Transportation <sup>1</sup>	Communication	Electric power	Other						
thousands of dollars														
1	Accounts payable .....	290	12	279	6,786	7,183	57,750	187	71,906	6	13,227	2,634	-	88,354
2	Temporary loans, advances and notes payable:													
	1. Bank loans and overdrafts .....	124	56	1,897	575	-	1,978	25	2,578	-	165	136	-	4,956 <sup>8</sup>
	2. Other loans and advances <sup>9</sup> .....	-	-	-	2,100	-	2,467	-	4,567	-	-	172,860 <sup>9</sup>	-	177,427 <sup>8</sup>
	3. Notes .....	-	-	-	-	-	354	-	354	-	-	-	-	354
	Sub-total, item 2 .....	124	56	1,897	2,675	-	4,799	25	7,499	-	165	172,996	-	182,737
3	Interest payable to:													
	(iii) Provincial governments .....	-	-	-	-	-	-	-	-	-	-	1,047	-	1,047
	(vii) Other .....	-	-	-	-	-	3,746	-	3,746	-	-	1,226	-	4,972
	Sub-total, item 3 .....	-	-	-	-	-	3,746	-	3,746	-	-	2,273	-	6,019
4	Accrued expenditure:													
	1. Interest owing to:													
	(ii) Federal government enterprises .....	-	-	-	-	-	137	-	137	-	-	-	-	137
	(iii) Provincial governments .....	-	-	-	1,453	1,718	10,614	-	13,785	-	-	-	-	13,785
	(vii) Other .....	-	-	-	4,172	1,265	43,076	-	48,513	-	-	-	-	48,513
	Sub-total .....	-	-	-	5,625	2,983	53,827	-	62,435	-	-	-	-	62,435
	2. Provision for income tax .....	-	-	-	-	-	-	-	-	-	-	-	-	-
	3. Other expenditure .....	58	11	1	385	-	12,775	-	13,160	-	187	276	-	13,693
	Sub-total, item 4 .....	58	11	1	6,010	2,983	66,602	-	75,595	-	187	276	-	76,128
5	Long-term loans and advances owing to:													
	(i) Federal government enterprises .....	-	-	-	-	-	24,731	-	24,731	-	-	-	-	24,731
	(ii) Federal government enterprises .....	-	-	-	-	-	602	-	602	-	-	-	-	602
	(iii) Provincial government .....	4,777	1,735	3,749	63,494	221,563	1,036,356	1,210	1,322,623	400	8,434	67,277	-	1,408,995
	(iv) Provincial government enterprises <sup>3</sup> .....	-	-	-	-	-	-	-	-	-	-	1,006	-	1,006
	(vii) Other .....	-	-	-	-	-	20,142	-	20,142	-	-	1,776	-	21,918
	Sub-total, item 5 .....	4,777	1,735	3,749	63,494	221,563	1,081,831	1,210	1,368,098	400	8,434	70,059	-	1,457,252 <sup>8</sup>
6	Long-term debt:													
	1. Bonds and debentures .....	-	-	-	317,132	128,361	3,550,431	-	3,995,924	-	-	214,410	-	4,210,334 <sup>10</sup>
	2. Mortgages and agreements for sale .....	-	33	-	3,865	-	10,296	-	14,161	-	-	-	-	14,194
	3. Other debt .....	-	-	-	13,304 <sup>10</sup>	-	43,077 <sup>11</sup>	-	56,381	-	-	-	-	56,381 <sup>10</sup>
	Sub-total, item 6 .....	-	33	-	334,301	128,361	3,603,804	-	4,066,466	-	-	214,410	-	4,280,909
7	Deferred credits:													
	1. Deferred revenue .....	-	-	-	78	1,743	-	2	1,823	-	-	7,600	-	9,423
	2. Other credits .....	-	11	133	155	437	150	-	742	-	-	23	-	909
	Sub-total, item 7 .....	-	11	133	233	2,180	150	2	2,565	-	-	7,623	-	10,332
8	Trust and deposit accounts .....	-	-	-	-	-	13,851	-	13,851	-	-	22	-	13,873
9	Liability reserves:													
	1. Provision for future income taxes .....	-	-	-	-	-	-	-	-	-	-	-	-	-
	2. Other liability reserves .....	185	21	-	2,306	150	17,658	223	20,337	4	2,134	10,107	-	32,788
	Sub-total, item 9 .....	185	21	-	2,306	150	17,658	223	20,337	4	2,134	10,107	-	32,786
10	Other liabilities .....	17	-	8	2,280	-	11,826	-	14,106	-	984	146	23	15,284
11	Proprietary equity (net worth):													
	1. Capital stock held by:													
	(iii) Provincial governments .....	-	-	-	65,441	-	-	-	65,441	-	-	4,634	-	70,075
	(iv) Provincial government enterprises <sup>3</sup> .....	-	-	-	54	61	1,150	-	1,265	-	-	-	-	1,265
	(v) Municipal governments .....	-	-	-	-	-	-	-	-	-	-	15	-	15
	Sub-total .....	-	-	-	65,495	61	1,150	-	66,706	-	-	4,649	-	71,355
	2. Interest-free working capital provided by:													
	(iii) Provincial governments .....	-	-	-	-	-	-	-	-	-	731	-	-	731
	3. Fixed assets transferred by:													
	(iii) Provincial governments .....	-	-	-	-	-	-	26,565	26,565	-	-	-	-	26,565
	4. Other equity held by:													
	(iii) Provincial governments .....	-	-	3,382	-	-	3,486	-	3,486	-	-	422	-	7,290
	(vi) Municipal government enterprises .....	-	-	-	-	-	438,316 <sup>12</sup>	-	438,316	-	-	-	-	438,316
	Sub-total .....	-	-	3,382	-	-	441,802	-	441,802	-	-	422	-	445,606
	5. Equity reserves:													
	(1) Contingencies .....	-	45	-	-	582	157,210	-	157,792	25	2,500	700	-	161,062
	(2) Plant expansion .....	-	-	-	-	1,571	28,960	9	30,540	-	2,209	-	-	32,749
	(3) Other equity reserves .....	-	-	-	36,208	11,276	416,233	6	463,723	-	10,527	293	-	474,543
	Sub-total .....	-	45	-	36,208	13,429	602,403	15	652,055	25	15,236	993	-	668,354
	6. Unappropriated surplus .....	221	337	4,000	12,532	72,044	194,323	165	279,064	334	59,484	4,268	-	339,708
	Sub-total, item 11 .....	221	382	618	114,235	85,534	1,239,678	26,745	1,466,192	359	75,451	10,332	-	1,552,319
12	<b>Total liabilities and net worth .....</b>	<b>5,672</b>	<b>2,261</b>	<b>5,449</b>	<b>532,230</b>	<b>447,954</b>	<b>6,101,695</b>	<b>28,392</b>	<b>7,110,361</b>	<b>769</b>	<b>100,582</b>	<b>490,878</b>	<b>23</b>	<b>7,715,995</b>

<sup>8</sup> Includes the following amounts guaranteed by provinces: item 2, manufacturing industries, 569; transportation, 2,675; electric power, 1,978; total 5,222; item 5, electric power, 20,000; finance, insurance and real estate, 1,756; total, 21,756; item 6, transportation, 330,332; communication, 128,361; electric power, 3,564,130; finance, insurance and real estate, 214,410; total 4,237,233; total all items, 4,264,211.

<sup>9</sup> Includes savings balances due to the public, 158,709.

<sup>10</sup> Includes notes payable, 13,022.

<sup>11</sup> Notes payable.

<sup>12</sup> Represents contributions of municipal electrical utilities for redemption of hydro debt.



TABLE 2. Current Revenue and Expenditure, by industry for the Fiscal Year Ended Nearest to December 31, 1962

No.	Forestry	Mines, quarries and oil wells	Manufacturing industries	Transportation, communication, and other utilities				Sub-total transportation, communication, and other utilities	Wholesale trade	Retail trade	Finance, insurance and real estate	Community, business and personal service industries	Total
				Transportation <sup>1</sup>	Communication	Electric power	Other						
thousands of dollars													
<b>Revenue</b>													
1	7,364	2,001	3,817	55,767	89,345	618,708	586	764,406	888	705,867	16,469	200	1,501,012
2	Financial income:												
	1. Interest from:												
				8	66	5,139		5,213			630		5,843
						490		490					490
				1,777	922	5,305	6	8,010			3,855		11,865
				302	123	766		1,191			176		1,367
				23				23			11,467		11,490
	3			298	340	4,662	18	5,316	28	343	4,471		10,161
	3			2,406	1,451	16,362	24	20,243	28	343	20,599		47,276
				18		3,175		3,193		5	943		4,141
	3			2,424	1,451	19,537	24	23,436	28	348	21,542		45,357
3			3	94		357	14	465	8	24	1,087	2	1,589
4	Contributions from own or other levels of government:												
						270 <sup>2</sup>		270					270
5	5	31	3	200	378	3,526		4,104	2	922	127		5,194
6	7,372	2,032	3,823	58,485	91,174	642,398	624	792,681	926	707,161	39,225	202	1,553,422
<b>Expenditure</b>													
1	Cost of goods and services sold from current operations:												
	1,010	496	989	22,712	39,413	132,714	245	195,084	66	34,142	4,583	65	236,435
	693	-53	-467	407	-774	-789	8	-1,128	181	-5,107	82	-2	-5,801
	5,179	897	3,322	13,480	12,311	120,596	372	146,759	657	460,234	17,338	109	634,495
	6,862	1,340	3,844	36,599	50,950	252,541	625	340,715	904	489,269 <sup>3</sup>	22,003	172	865,129
2	127	151	385	4,061	18,089	105,694	42	127,886	3	771	196		129,519
3	Interest on debt to:												
						883		883					883
				1,334	9,014	40,689	36	51,073			2,329		53,402
	103	6		18,060	5,388	134,133		155,581		6	12,067		167,763
	103	6		17,394	14,402	175,705	36	207,537 <sup>4</sup>		6	14,396		222,048
4	18	200		374	909	18,401	26	19,710	2	410	1,725		22,065
5	7,130	1,697	4,229	58,428	84,350	532,341	729	695,848	909	490,456	36,320	172	1,238,761
6	242	335	-406	57	6,824	90,057	-105	96,833	17	216,705	905	30	314,661
7													
8	242	335	-406	57	6,824	90,057	-105	96,833	17	216,705	905	30	314,661
9	7,372	2,032	3,823	58,485	91,174	642,398	624	792,681	926	707,161	39,225	202	1,553,422

<sup>1</sup> Includes transactions of the International Transit Company Limited to October 31, 1962, when the company ceased operations.

<sup>2</sup> Consists of grant for rural electrification taken into current revenue account. See also item 6, Table 3, for contributions credited to surplus account for this and other purposes.

<sup>3</sup> Includes capital expenditures amounting to 2,309 met out of the operating incomes of the provincial liquor commissions.

<sup>4</sup> Excludes interest capitalized during construction of fixed assets, 25,356.

TABLE 3. Net Surplus Account Transactions, by industry for the Fiscal Year Ended Nearest to December 31, 1962

No.	Forestry	Mines, quarries and oil wells	Manufacturing industries	Transportation, communication, and other utilities				Sub-total transportation, communication, and other utilities	Wholesale trade	Retail trade	Finance, insurance and real estate	Community, business and personal service industries	Total
				Transportation <sup>1</sup>	Communication	Electric power	Other						
thousands of dollars													
1	71	356	-3,556	18,796	69,665	168,429	290	275,180	356	57,150	4,825		334,382
2	242	335	-406	57	6,824	90,057	-105	96,833	17	216,705	905	30	314,661 <sup>3</sup>
3	4	-2	3	7	9	47		63			2		70
4		4		-6,951	-1,368	-85,147	-15	-93,481		2,311	943		-94,845
5	-25			319	168	3,234	5	3,078	-30	52,055 <sup>3</sup>	629		55,707
6	Contributions from own or other levels of government:												
				3,048 <sup>4</sup>		1,080 <sup>5</sup>		4,128					4,128
7	Remittance of surplus:												
	-71	-356	-41	-106	-3,254	-3,377		-8,737	-9	-264,115	-3,036 <sup>6</sup>	-30	-274,386
	-71	-356	-41	-106	-3,254	-3,377		-8,737	-9	-264,115	-3,036	-30	-274,386
8	150	-19	-444	-4,264	2,379	5,894	-125	3,884	-22	2,334	-557		5,336
9	221	337	-4,000	12,532	72,044	194,323	165	279,064	334	59,484	4,268		339,708

<sup>1</sup> Includes transactions of the International Transit Company Limited to October 31, 1962, when the company ceased operations.

<sup>2</sup> Item 8, Expenditure, Table 2.

<sup>3</sup> Consists of licenses, permits and fines net of enforcement expenses collected by the liquor commissions, on behalf of the provinces, which are also included in remittances, item 7.2 below.

<sup>4</sup> Toll-highway and toll-bridge subsidy.

<sup>5</sup> Comprises assistance for rural electrification, 921; miscellaneous grants, 159.

<sup>6</sup> Includes an amount of 1,868 in connection with the sale of the Newfoundland Savings Bank to the Bank of Montreal on March 31, 1962.



**TABLE 4. Analysis of Securities Held as Investments including those in Restricted Funds, by Industry as at Fiscal Year End Nearest to December 31, 1962 (Asset items 9 and 11)<sup>1</sup>**

No.		Forestry	Mines, quarries and oil wells	Transportation, communication and other utilities					Finance, insurance and real estate	Total
				Transportation	Communication	Electric power	Other	Sub-total		
thousands of dollars										
1	Federal government direct and guaranteed bonds:									
	Asset item 9 .....	-	-	141	-	7,743	10	7,894	14,307	22,201
	Asset item 11 .....	-	-	1,427	4,321	124,981	-	130,729	522	131,251
	Sub-total .....	-	-	1,568	4,321	132,724	10	138,623	14,829	153,452
2	Provincial government treasury bills:									
	Asset item 11 .....	-	-	40	-	-	-	40	-	40
3	Provincial and municipal government direct and guaranteed bonds:									
	Asset item 9 .....	-	-	1,602	200	3,280	186	5,268	20,802	26,070
	Asset item 11 .....	-	-	41,495	4,682	104,992	3	151,172	1,895	153,067
	Sub-total .....	-	-	43,097	4,882	108,272	189	156,440	22,697	179,137
4	Bonds of companies incorporated in Canada and of institutions:									
	Asset item 9 .....	-	-	201	-	27	-	228	4,732	4,960
	Asset item 11 .....	-	-	829	-	514	-	1,343	-	1,343
	Sub-total .....	-	-	1,030	-	541	-	1,571	4,732	6,303
5	Preferred and common stock Canadian:									
	(iv) Provincial government enterprises:									
	Asset item 9 .....	-	-	692	61	1,605	-	2,358	-	2,358 <sup>2</sup>
	(vii) Other:									
	Asset item 9 .....	5	13	29	-	1,200 <sup>3</sup>	-	1,229	54	1,301
	Sub-total .....	5	13	721	61	2,805	-	3,587	54	3,659
6	Equity in provincial government sinking funds:									
	Asset item 11 .....	-	-	-	19,232	52,172	-	71,404	-	71,404
7	Total securities:									
	Asset item 9 .....	5	13	2,665	261	13,855	196	16,977	39,895	56,890
	Asset item 11 .....	-	-	43,791	28,235	282,659 <sup>4</sup>	3	354,688	2,417	357,105
	Grand totals .....	5	13	46,456	28,496	296,514	199	371,665	42,312	413,995

<sup>1</sup> In addition, cash and accrued interest held in restricted funds are as follows:

	Cash	Accrued interest	Total
Transportation	19	98	117
Communication	61	42	103
Electric power	30,895	123	31,018
Other utilities	6	-	6
Finance, insurance and real estate	4,256	17	4,273
<b>Totals</b>	<b>35,237</b>	<b>280</b>	<b>35,517</b>

<sup>2</sup> Comprises investment of parent enterprises in wholly-owned subsidiaries.

<sup>3</sup> Comprises investment in a non-government affiliate.

<sup>4</sup> The following amounts were held in trust in provincial treasuries: transportation, 30,443; communication, 2,832; electric power, 42,906; finance, insurance and real estate, 701; total, 76,882.

CHART - 2

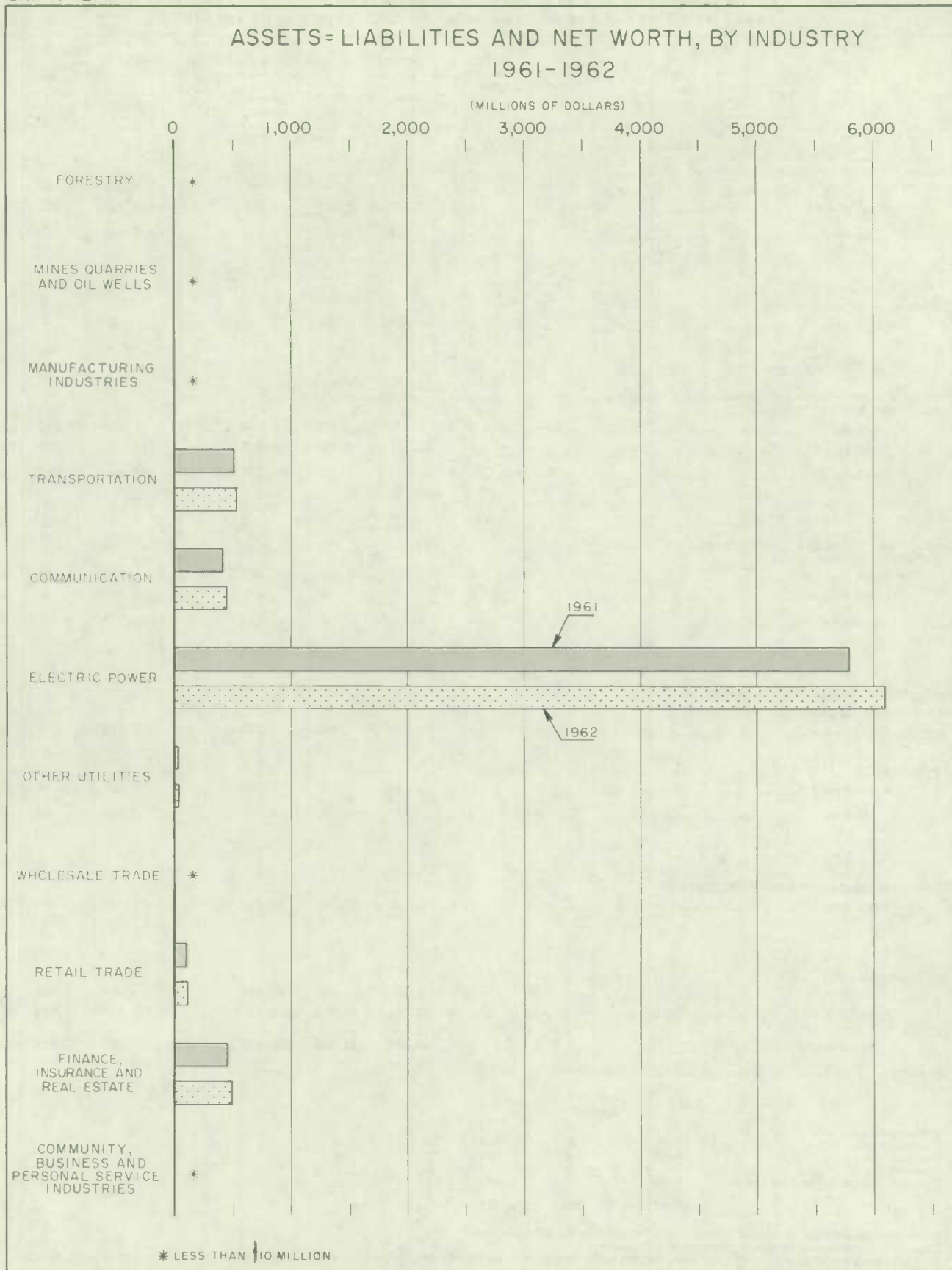
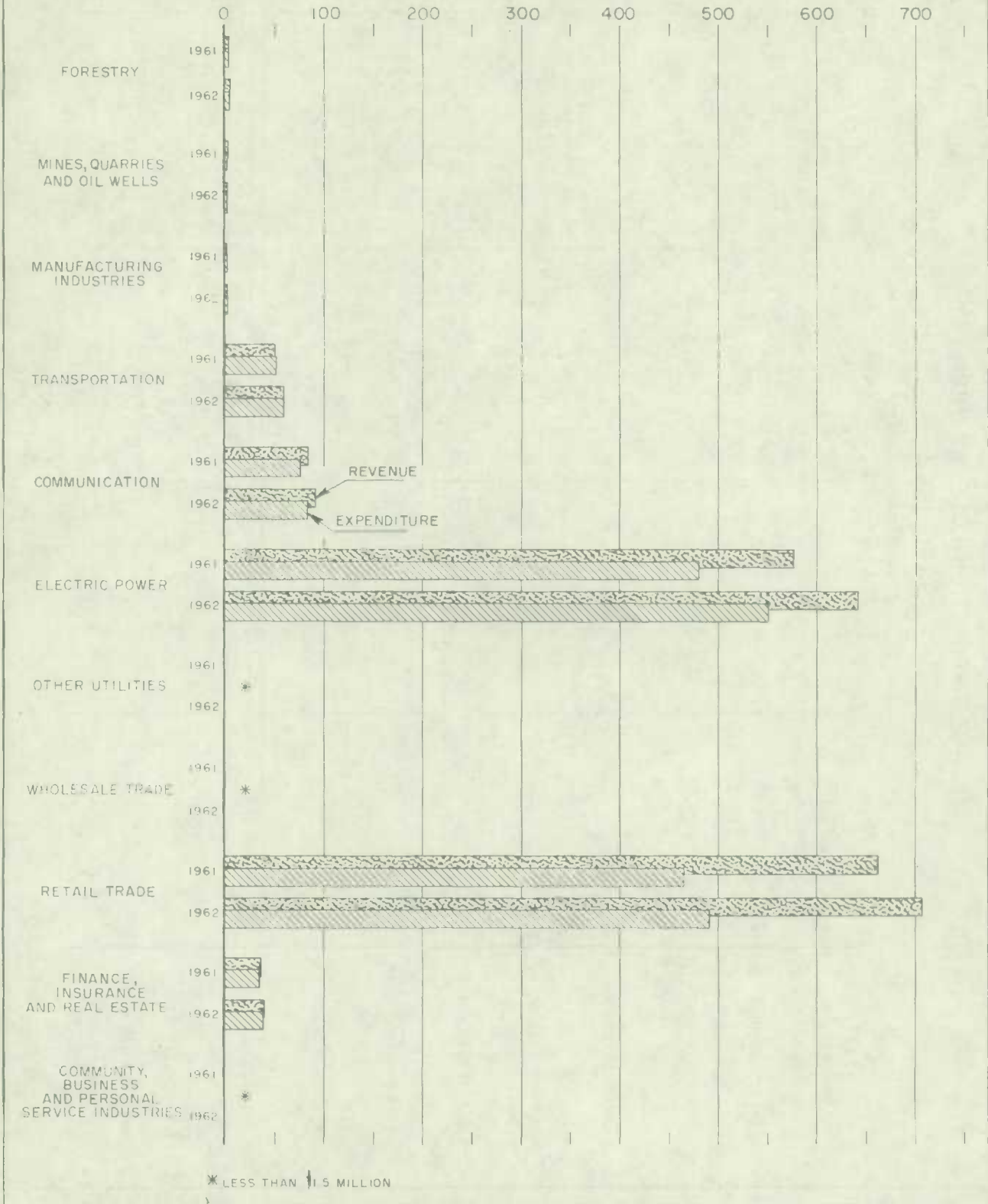


CHART - 3

REVENUE AND EXPENDITURE, BY INDUSTRY  
1961-1962

(MILLIONS OF DOLLARS)



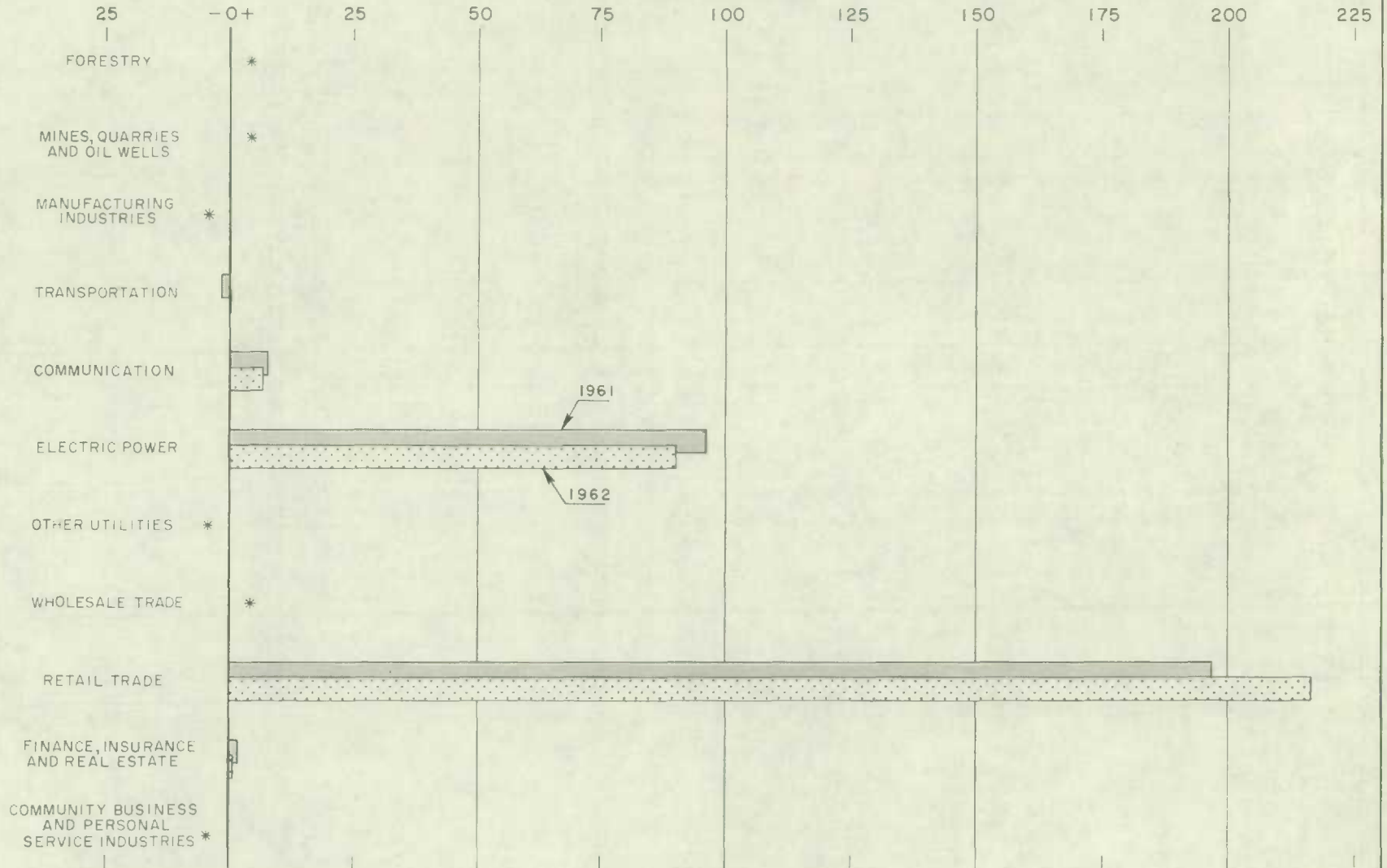
\* LESS THAN \$1.5 MILLION



CHART-4

### NET PROFIT OR LOSS, BY INDUSTRY 1961-1962

(MILLIONS OF DOLLARS)



\* LESS THAN 1 MILLION

GEOGRAPHICAL DISTRIBUTION

TABLE 5. Assets, Liabilities and Net Worth, by Province as at Fiscal Year End Nearest to December 31, 1962

No.	Assets	New-found-land	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario <sup>1</sup>	Mani-toba	Saskat-chewan	Alberta	British Colum-bia	Yukon	North-west Terri-tories	Total
thousands of dollars														
1	Cash on hand and on deposit .....	1,793	122	680	1,830	9,705	42,901	4,001	9,559	37,896	17,082	92	—	125,461
2	Accounts receivable less reserve for bad debts .....	419	18	1,733	2,999	12,100	37,622	7,367	12,018	5,911	19,972	—	—	100,159
3	Inventories .....	1,904	317	3,376	3,760	30,039	49,788	9,387	18,509	12,878	14,996	354	699	146,007
4	Interest, dividends and rents receivable from													
	(iii) Provincial governments .....	—	—	—	—	—	6	—	—	—	—	—	—	8
	(vii) Other .....	—	—	—	—	—	—	19	—	366	119	—	—	504
	Sub-total, item 4 .....	—	—	—	—	—	6	19	—	366	119	—	—	510
5	Accrued revenue:													
	1. Interest owing from													
	(i) Federal government .....	—	—	—	—	—	1,193	194	—	—	—	—	—	1,387
	(ii) Federal government enterprises .....	—	—	—	—	—	119	—	—	—	—	—	—	119
	(iii) Provincial governments .....	—	—	12	—	—	336	585	150	2	—	—	—	1,085
	(iv) Provincial government enterprises .....	—	—	2 <sup>1</sup>	—	—	2	—	—	3	—	—	—	7
	(v) Municipal governments .....	—	—	4	—	—	—	—	—	4,772	—	—	—	4,776
	(vii) Other .....	—	1	4	—	112	521	444	2	415	—	—	—	1,499
	Sub-total .....	—	1	22	—	112	2,171	1,223	152	5,192	—	—	—	8,873
	2. Other revenue .....	—	—	13	—	7,464	—	1,154	1,341	—	334	—	—	10,306
	Sub-total, item 5 .....	—	1	35	—	7,576	2,171	2,377	1,493	5,192	334	—	—	19,179
6	Prepaid expenses .....	63	—	69	—	4	215	449	849	662	642	—	—	2,953
7	Fixed assets .....	8,871 <sup>1</sup>	521	67,542	140,313	1,270,270	2,318,692	456,020	498,070	195,807	1,212,643	—	—	6,166,749 <sup>1</sup>
8	Loans and advances receivable from													
	(iii) Provincial governments .....	—	—	—	7,940	—	75,670	—	555	—	—	—	—	84,165
	(iv) Provincial government enterprises .....	—	—	1,473 <sup>2</sup>	—	—	—	—	—	—	—	—	—	1,473
	(v) Municipal governments .....	—	—	431	24	7,858	—	5,150	3,618	234,648 <sup>4</sup>	45,303	21	—	234,648
	(vii) Other .....	—	—	—	—	—	—	—	—	—	—	—	—	62,405
	Sub-total, item 8 .....	—	—	1,904	7,964	7,858	75,670	5,150	4,173	279,949	21	—	—	382,689
9	Securities held as investments <sup>5</sup> .....	—	—	2,397	—	—	1,302	10,359	13,848	25,717	3,267	—	—	56,890
10	Mortgages receivable and agreements for sale .....	2,882	1,356	393	78	1,028	3,334	16,943	663	288	2,481	—	—	29,446
11	Restricted funds: <sup>6</sup>													
	1. Depreciation funds .....	—	—	1,002	—	—	—	—	—	1,571	—	—	—	2,573
	2. Trust and deposit accounts .....	—	—	—	—	—	—	—	—	—	—	—	—	—
	3. Other funds .....	147	—	12,391	16,696	43,219	161,210	28,400	60,220	8,674	59,092	—	—	390,049
	Sub-total, item 11 .....	147	—	13,393	16,696	43,219	161,210	28,400	60,220	10,245	59,092	—	—	392,622
12	Deferred charges:													
	1. Amortization of bond discount .....	—	—	338	2,849	14,372	25,585	5,555	10,044	4,958	23,959	—	—	87,660
	2. Other charges .....	56	—	174	1,041	980	171,402 <sup>6</sup>	709	476	803	498	—	—	176,139
	Sub-total, item 12 .....	56	—	512	3,890	15,352	196,987	6,264	10,520	5,761	24,457	—	—	263,799
13	Other assets:													
	1. Due on account of deficits .....	—	—	—	—	—	—	—	—	—	—	—	—	—
	2. Unspecified .....	—	—	8	2,315	2,681	4,147	—	76	—	326	—	—	9,531
	Sub-total, item 13 .....	—	—	8	2,315	2,681	4,147	—	76	—	326	—	—	9,531
14	<b>Total assets</b> .....	<b>16,135</b>	<b>2,335</b>	<b>112,040</b>	<b>179,645</b>	<b>1,399,812</b>	<b>2,894,045</b>	<b>546,736</b>	<b>627,998</b>	<b>580,672</b>	<b>1,355,432</b>	<b>446</b>	<b>899</b>	<b>7,715,265</b>

<sup>1</sup> Includes transactions of International Transit Company to October 31, 1962, when the Company ceased operations.<sup>2</sup> Involves transactions between the Nova Scotia Power Commission and its subsidiary, Canada Electric Company Limited, and between Industrial Estates Limited and its subsidiary, Springhill Development Corporation.<sup>3</sup> Net of accumulated depreciation: Nfld., 836; P.E.I., 2; N.S., 5,674; N.B., 30,720; Que., 242,033; Ont., 382,420; Man., 123,690; Sask., 94,924; Alta., 39,823; A.C., 179,363; total, 1,099,485; includes physical property held for sale valued at 1,882 in Nfld. and 33 in Man.; plus an undetermined amount of interest capitalized during the construction of fixed assets of transportation, communication and other utilities.<sup>4</sup> Of this amount, 230,213, is secured by non-negotiable debentures.<sup>5</sup> See Table 8 for analysis of investments held, by province.<sup>6</sup> Of this amount, 171,299 represents the unamortized cost of the frequency standardization by the Hydro Electric Power Commission of Ontario.



TABLE 5. Assets, Liabilities and Net Worth, by Province as at Fiscal Year End Nearest to December 31, 1962

No.	Liabilities and net worth	New-found-land	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario <sup>1</sup>	Mani-toba	Saskat-chewan	Alberta	British Colum-bia	Yukon	North-west territories	Total
thousand of dollars														
1.	Accounts payable .....	637	1	1,831	3,197	16,793	15,770	4,853	7,835	7,526	29,844	67	-	88,354
2.	Temporary loans, advances and notes payable:													
	1. Bank loans and overdrafts .....	569	35	1,978	165	1,328	676	-	180	25	-	-	-	4,956 <sup>7</sup>
	2. Other loans and advances .....	-	-	467 <sup>3</sup>	-	-	79,170	2,000	-	95,790	-	-	-	177,427 <sup>8</sup>
	3. Notes .....	-	-	-	-	-	-	-	354	-	-	-	-	354
	Sub-total, item 2 .....	569	35	2,445	165	1,328	79,846	2,000	534	95,815	-	-	-	162,737
3.	Interest payable to:													
	(iii) Provincial govern-ments .....	130	-	-	-	-	-	-	-	917	-	-	-	1,047
	(vii) Other .....	-	-	-	-	-	3,746	-	-	1,226	-	-	-	4,972
	Sub-total .....	130	-	-	-	-	3,746	-	-	2,143	-	-	-	6,019
4.	Accrued expenditure:													
	1. Interest owing to:													
	(ii) Federal government enterprises .....	-	-	-	137	-	-	-	-	-	-	-	-	137
	(iii) Provincial govern-ments .....	-	-	-	1,376	1,453	93	2,680	6,801	641	741	-	-	13,785
	(vii) Other .....	-	-	164	581	11,679	22,604	493	111	772	11,909	-	-	48,513
	Sub-total .....	-	-	164	2,094	13,132	22,897	3,173	6,972	1,413	12,650	-	-	62,435
	2. Provision for income tax .....	-	-	-	-	-	-	-	-	-	-	-	-	-
	3. Other expenditure .....	-	-	239	273	3,218	8,463	338	843	-	319	-	-	13,693
	Sub-total, item 4 .....	-	-	403	2,367	16,350	31,360	3,511	7,755	1,413	12,969	-	-	76,128
5.	Long-term loans and advances owing to:													
	(i) Federal government enterprises .....	-	-	7,398	17,333	-	-	-	-	-	-	-	-	24,731
	(ii) Federal government enterprises .....	602	-	-	-	-	-	-	-	-	-	-	-	602
	(iii) Provincial govern-ments .....	7,002	-	56,618	94,810	34,144	384,315	200,890	479,059	90,848	60,930	379	-	1,408,995
	(iv) Provincial govern-ment enterprises .....	-	-	1,006 <sup>3</sup>	-	-	-	-	-	-	-	-	-	1,006
	(vii) Other .....	420	1,356	-	-	-	-	20,000	142	-	-	-	-	21,918
	Sub-total, item 5 .....	8,024	1,356	65,022	112,143	34,144	384,315	220,690	479,201	90,848	60,930	379	-	1,457,252
6.	Long-term debt:													
	1. Bonds and debentures .....	-	-	12,188	48,000	953,340	1,602,223	248,551	10,400	302,771	1,043,261	-	-	4,210,334 <sup>7</sup>
	2. Mortgages and agreements for sale .....	-	-	-	-	3,719	75	-	10,400	-	-	-	-	14,194
	3. Other debt .....	-	-	-	-	-	104	-	-	-	56,277 <sup>8</sup>	-	-	56,381 <sup>7</sup>
	Sub-total, item 6 .....	-	-	12,188	48,000	957,059	1,602,402	248,551	10,400	302,771	1,099,538	-	-	4,280,909
7.	Deferred credits:													
	1. Deferred revenue .....	3	-	64	-	-	7	537	7,208	1,604	-	-	-	9,423
	2. Other credits .....	133	-	23	-	-	152	31	32	437	101	-	-	909
	Sub-total, item 7 .....	136	-	87	-	-	159	566	7,240	2,041	101	-	-	10,332
8.	Trust and deposit accounts .....	-	-	69	129	9,808	2,507	22	1,338	-	-	-	-	13,673
9.	Liability reserves:													
	1. Provision for future income taxes .....	-	-	-	-	-	-	-	-	-	-	-	-	-
	2. Other liability reserves .....	250	-	-	1,360	3,074	11,644	252	10,011	576	5,621	-	-	32,788
	Sub-total, item 9 .....	250	-	-	1,360	3,074	11,644	252	10,011	576	5,621	-	-	32,788
10.	Other liabilities .....	146	440	23	365	354	2,480	3,426	6,132	-	1,918	-	-	15,284
11.	Proprietary equity (net worth):													
	1. Capital stock held by:													
	(iii) Provincial govern-ments .....	-	45	9	-	-	150	4,300	250	30	65,291	-	-	70,075
	(iv) Provincial govern-ment enterprises .....	-	-	1,150 <sup>3</sup>	-	-	115 <sup>10</sup>	-	-	-	-	-	-	1,265
	(v) Municipal govern-ments .....	-	-	-	-	-	-	-	-	15	-	-	-	15
	(vii) Other .....	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-total .....	-	45	1,159	-	-	265	4,300	250	45	65,291	-	-	71,355
	2. Interest-free working capital provided by:													
	(iii) Provincial govern-ments .....	731	-	-	-	-	-	-	-	-	-	-	-	731
	3. Fixed assets transferred by (iii) Provincial govern-ments .....	-	-	-	-	-	-	-	-	26,565	-	-	-	26,565
	4. Other equity held by:													
	(iii) Provincial govern-ments .....	3,486	422	-	-	3,362	-	-	-	-	-	-	-	7,290
	(vi) Municipal govern-ment enterprises .....	-	-	-	-	-	438,316 <sup>11</sup>	-	-	-	-	-	-	438,316
	Sub-total .....	3,486	422	-	-	3,362	438,316	-	-	-	-	-	-	445,606
	5. Equity reserves:													
	(1) Contingencies .....	-	-	6,799	3,699	134,255	500	12,789	3,020	-	-	-	-	161,082
	(2) Plant expansion .....	-	-	-	-	-	-	9	17,209	1,571	13,960	-	-	32,749
	(3) Other equity reserves .....	127	-	16,893	3,635	218,692	150,810	24,306	-	11,688	48,392	-	-	474,543
	Sub-total .....	127	-	23,692	7,334	352,947	151,310	37,104	20,229	13,259	62,352	-	-	668,354
	6. Unappropriated surplus .....	1,899	36	5,121	4,565	4,573	169,925	21,259	77,073	37,670	16,868	-	699	339,708
	Sub-total, item 11 .....	6,243	503	29,972	11,919	360,902	759,816	62,663	97,552	77,539	144,511	-	699	1,552,319
12.	<b>Total liabilities and net worth .....</b>	<b>16,135</b>	<b>2,335</b>	<b>112,040</b>	<b>179,643</b>	<b>1,399,812</b>	<b>2,894,045</b>	<b>546,736</b>	<b>627,998</b>	<b>580,672</b>	<b>1,355,432</b>	<b>446</b>	<b>699</b>	<b>7,715,995</b>

<sup>7</sup> Includes guarantees by the provinces, as follows: Nfld, 969; P.E.I., 1,356; N.S., 11,189; N.B., 48,000; Que, 953,340; Ont., 1,604,898; Man., 242,150; Alta., 302,771; B.C., 1,099,538; total 4,264,211.

<sup>8</sup> Includes savings balances due to the public at 77,070 in Ontario and 81,639 in Alberta.

<sup>9</sup> Consists of notes payable.

<sup>10</sup> Capital stocks of subsidiaries, Madawaska Valley Telephone Company Limited and Star Transfer Limited held by their respective parent corporations, Ontario Telephone Development Corporation and Ontario Northland Transportation Commission.

<sup>11</sup> Represents contributions of municipal electric utilities for the redemption of hydro debt.

TABLE 6. Current Revenue and Expenditure, by Province for the Fiscal Year Ended Nearest to December 31, 1962

No.	Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario <sup>1</sup>	Manitoba	Saskatchewan	Alberta	British Columbia	Yukon	Northwest Territories	Total
	thousands of dollars												
	<b>Revenue</b>												
1	8,483	4,399	48,482	49,119	243,217	477,656	118,760	149,886	119,809	276,889	2,438	1,874	1,501,012
2	<b>Financial income:</b>												
	<b>1. Interest from</b>												
	<b>(i) Federal government enterprises</b>												
	—	—	146	102	—	4,531	368	—	696	—	—	—	5,843
	<b>(ii) Provincial governments</b>												
	—	—	322	500	247	4,227	927	2,923	251	2,468	—	—	11,865
	<b>(iv) Provincial government enterprises</b>												
	—	—	79	—	—	386	352	18	230	302	—	—	1,367
	<b>(v) Municipal governments</b>												
	—	—	23	—	—	—	—	—	11,467	—	—	—	11,490
	<b>(vii) Other</b>												
	206	77	100	34	1,341	2,192	1,203	1,090	3,330	586	2	—	10,161
	<b>Sub-total</b>												
	206	77	670	636	1,588	11,784	2,892	4,031	15,974	3,356	2	—	41,216
	<b>2. Other financial income</b>												
	1	—	9	65	—	2,698	2	5	898	463	—	—	4,141
	<b>Sub-total, item 2</b>												
	207	77	679	701	1,588	14,482	2,894	4,036	16,872	3,819	2	—	45,357
3	339	16	344	5	307	407	7	122	15	22	—	5	1,589
4	<b>Contributions from own or other levels of government</b>												
	<b>(iii) Provincial</b>												
	—	—	270 <sup>2</sup>	—	—	—	—	—	—	—	—	—	270
5	29	—	131	150	2,961	294	548	806	29	244	—	2	5,194
6	9,058	4,492	49,906	49,975	248,073	492,839	122,209	154,850	136,725	280,974	2,440	1,881	1,553,422
	<b>Expenditure</b>												
1	<b>Cost of goods and services sold from current operations:</b>												
	<b>1. Wages and salaries</b>												
	898	149	3,784	5,563	37,503	74,968	24,822	26,247	20,845	41,512	85	81	236,435
	<b>2. Net drawings on (+) or net additions to (-) inventories</b>												
	-269	13	-360	329	-1,301	-3,827	451	-168	520	-1,170	-19	—	-5,801
	<b>3. Other purchases of goods and services</b>												
	5,726	2,852	27,209	21,277	80,286	198,987	48,504	69,492	60,617	117,050	1,453	1,042	634,495
	<b>Sub-total, item 1</b>												
	6,353	3,014	30,613	27,169	116,488	270,128	73,777	95,571	81,982	157,392	1,519	1,123	865,129 <sup>3</sup>
2	184	—	590	4,511	20,953	39,695	14,511	17,210	7,428	24,437	—	—	129,519
3	<b>Interest on debt to</b>												
	<b>(i) Federal government</b>												
	—	—	375	508	—	—	—	—	—	—	—	—	863
	<b>(iii) Provincial governments</b>												
	229	—	2,214	3,677	1,334	13,243	8,889	18,801	3,370	1,645	—	—	53,402
	<b>(iv) Provincial government enterprises</b>												
	—	—	—	—	—	—	—	—	—	—	—	—	—
	<b>(vii) Other</b>												
	—	59	652	2,348	28,503	63,387	8,782	109	13,670	50,253	—	—	167,763
	<b>Sub-total, item 3</b>												
	229	59	3,241	6,533	29,837	76,630	17,671	18,910	17,040	51,898	—	—	222,048 <sup>4</sup>
4	17	—	159	298	2,003	14,305	306	1,205	2,218	1,554	—	—	22,065
5	6,783	3,073	34,603	38,511	169,281	400,758	106,265	132,896	108,668	235,281	1,519	1,123	1,238,761
6	2,275	1,419	15,303	11,464	78,792	92,081	15,944	21,954	28,057	45,693	921	758	314,661
7	—	—	—	—	—	—	—	—	—	—	—	—	—
8	2,275	1,419	15,303	11,464	78,792	92,081	15,944	21,954	28,057	45,693	921	758	314,661
9	9,058	4,492	49,906	49,975	248,073	492,839	122,209	154,850	136,725	280,974	2,440	1,881	1,553,422

<sup>1</sup> Includes transactions of the International Transit Company Limited to October 31, 1962, when the company ceased operations.<sup>2</sup> Grant for rural electrification taken into current revenue account. For contributions credited to surplus account for this and other purposes, see item 6, Table 4.<sup>3</sup> Includes capital expenditures met out of the operating incomes of provincial liquor commissions: Nfld., 19; N.B., 100; Ont., 1,976; Man., 54; Sask., 3; Alta., 137; total, 2,309.<sup>4</sup> Excludes interest capitalized during the construction of fixed assets: N.B., 252; Que., 12,476; Ont., 4,487; Man., 2,413; Sask., 2,991; Alta., 67; B.C., 2,670; total 25,356.

TABLE 7. Net Surplus Account Transactions, by Province for the Fiscal Year Ended Nearest to December 31, 1962

No.	Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario <sup>1</sup>	Manitoba	Saskatchewan	Alberta	British Columbia	Yukon	Northwest Territories	Total
thousand of dollars													
1	3,769	31	3,897	4,421	7,904	167,414	20,294	72,673	35,622	17,309	—	1,048	334,382
2	2,275	1,419	15,303	11,464	78,792	92,081	15,944	21,954	28,057	45,693	921	758	314,661 <sup>2</sup>
3	—	—	—	—	50	7	9	4	—	—	—	—	70
4	— 5	—	— 2,418	— 1,495	— 37,009	— 28,207	— 2,793	— 1,085	— 3,304	— 18,529	—	—	— 94,845
5	3,166	26	745	86	18,871	25,209	3,155	2,544	1,644	531	1	— 271	55,707
6													
	159	—	—	—	—	921 <sup>3</sup>	—	—	—	3,048 <sup>4</sup>	—	—	4,128
	159	—	—	—	—	921	—	—	—	3,048	—	—	4,128
7													
	—	—	—	—	—	—	—	—	—	—	—	—	—
	— 7,465 <sup>5</sup>	— 1,440	— 12,406	— 9,891	— 64,035	— 87,500	— 15,350	— 19,017	— 24,349	— 31,184	— 922	— 836	— 274,395 <sup>6</sup>
	— 7,465	— 1,440	— 12,406	— 9,891	— 64,035	— 87,500	— 15,350	— 19,017	— 24,349	— 31,184	— 922	— 836	— 274,395
8	— 1,870	5	1,224	164	— 3,331	2,511	965	4,400	2,048	— 441	—	— 349	5,326
9	1,899	36	5,121	4,585	4,573	169,925	21,259	77,073	37,670	16,868	—	699	339,708

<sup>1</sup> Includes transactions of the International Transit Company Limited to October 31, 1962, when the company ceased operation.

<sup>2</sup> Item 8, Expenditure, Table 6.

<sup>3</sup> Assistance for rural electrification.

<sup>4</sup> Toll-highway and toll-bridge subsidy.

<sup>5</sup> Includes the amount of 1,868 in connection with the sale of the Newfoundland Savings Bank to the Bank of Montreal, on March 31, 1962.

<sup>6</sup> Net revenue remitted to provinces includes (a) profits (item 2) and (b) other revenue collected by the liquor commissions on behalf of the provinces, less enforcement and other expenses and adjustments (item 5), as shown in the table below:

	Net revenues other than profits				Sub-total	Total remitted
	Liquor profits remitted	Licenses and permits	Fines and penalties	Expenses and adjustments		
Newfoundland .....	2,024	2,376	40	580	2,996	5,020
Prince Edward Island .....	1,415	25	—	—	25	1,440
Nova Scotia .....	12,205	155	52	— 36	171	12,376
New Brunswick .....	9,689	202	—	—	202	9,891
Quebec .....	42,364	18,845	26	—	18,871	61,235
Ontario .....	62,018	26,465	180	— 1,163	25,482	87,500
Manitoba .....	12,391	2,968	—	— 13	2,955	15,346
Saskatchewan .....	14,843	96	1	— 8	89	14,932
Alberta .....	22,311	1,122	—	—	1,122	23,433
British Columbia .....	30,911	528	—	— 253	273	31,184
Yukon .....	921	1	—	—	1	922
Northwest Territories .....	758	78	—	—	78	836
Totals .....	211,850	52,859	299	— 893	52,265	264,115



**TABLE 8. Analysis of Securities Held as Investment including those in Restricted Funds, by Province, as at Fiscal Year End Nearest to December 31, 1962 (Asset items 9 and 11)<sup>1</sup>**

No.		Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskatchewan	Alberta	British Columbia	Total
		thousand of dollars								
1	Federal government direct and guaranteed bonds:									
	Asset item 9 .....	—	—	—	141	7,743	675	13,642	—	22,201
	Asset item 11 .....	3,563	101	—	119,979	4,591	—	2,017	1,000	131,251
	Sub-total .....	3,563	101	—	120,120	12,334	675	15,659	1,000	153,452
2	Provincial government treasury bills:									
	Asset item 11 .....	—	—	—	—	—	—	—	40	40
3	Provincial and municipal government direct and guaranteed bonds:									
	Asset item 9 .....	199	—	—	394	2,616	12,957	7,837	2,067	26,070
	Asset item 11 .....	8,300	16,082	43,117	35,241	11,028	—	4,717	34,582	153,067
	Sub-total .....	8,499	16,082	43,117	35,635	13,644	12,957	12,554	36,649	179,137
4	Bonds of companies incorporated in Canada and of institutions:									
	Asset item 9 .....	593	—	—	13	—	116	4,238	—	4,960
	Asset item 11 .....	1,343	—	—	—	—	—	—	—	1,343
	Sub-total .....	1,936	—	—	13	—	116	4,238	—	6,303
5	Preferred and common, stock, Canadian:									
	(iv) Provincial government enterprises:									
	Asset item 9 .....	1,605 <sup>2</sup>	—	—	753 <sup>3</sup>	—	—	—	—	2,358
	(vii) Other:									
	Asset item 9 .....	—	—	—	1	—	100	—	1,200 <sup>4</sup>	1,301
	Sub-total .....	1,605	—	—	754	—	100	—	1,200	3,659
5	Equity in provincial government sinking funds:									
	Asset item 11 .....	—	—	—	—	11,184	60,220	—	—	71,404
7	Total securities:									
	Asset item 9 .....	2,397	—	—	1,302	10,359	13,848	25,717	3,267	56,890
	Asset item 11 .....	13,206	16,183	43,117	155,220	26,803	60,220	6,734	35,622	357,105 <sup>5</sup>
	Grand totals .....	15,603	16,183	43,117	156,522	37,162	74,068	32,451	38,889	413,995

<sup>1</sup> In addition, cash and accrued interest held in restricted funds are as follows:

	Cash	Accrued Interest	Total
Newfoundland .....	147	—	147
Nova Scotia .....	64	123	187
New Brunswick .....	513	—	513
Quebec .....	4	96	102
Ontario .....	5,990	—	5,990
Manitoba .....	1,597	—	1,597
Alberta .....	3,452	59	3,511
British Columbia .....	23,470	—	23,470
<b>Totals</b> .....	<b>35,237</b>	<b>280</b>	<b>35,517</b>

<sup>2</sup> Investment by the Nova Scotia Power Commission and Industrial Estates Limited in their subsidiaries, Canada Electric Company Limited and Springhill Development Corporation respectively.

<sup>3</sup> Investment by Ontario Telephone Development Corporation and Ontario Northland Transportation Commission in their subsidiaries, Madawaska Valley Telephone Company Limited and Star Transfer Limited, respectively.

<sup>4</sup> Comprised investment in a non-government affiliate.

<sup>5</sup> The following amounts were held in trust in provincial treasuries: Ontario, 701; Manitoba, 19,436; Alberta, 2,832; British Columbia, 53,913; total, 76,882.

**TABLE 9. Reconciliation of Assets or Liabilities and Net Worth with Balance Sheets per Annual Reports as at Fiscal Year End Nearest to December 31, 1962, by Province**

No.		Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskatchewan	Alberta	British Columbia	Yukon	Northwest Territories	Total
		thousands of dollars												
1	Total assets or total liabilities and net worth per annual reports .....	16,135	2,335	115,051	163,946	1,375,014	2,898,307	591,298	628,573	628,473	1,267,332	446	699	7,687,609
2	Additions:													
	Payables offset against assets .....	—	—	—	—	1,337	—	—	131	—	—	—	—	1,468
3	Reserves offset against assets:													
	Liabilities reserves, other .....	—	—	—	—	—	6,052	—	—	437	4,608	—	—	11,097
	Equity reserves, other .....	—	—	75	15,700	37,525	—	—	—	5,137	83,492	—	—	141,929
	Sub-total, item 3 .....	—	—	75	15,700	37,525	6,052	—	—	5,574	88,100	—	—	153,026
	Total additions .....	—	—	75	15,700	38,862	6,052	—	131	5,574	88,100	—	—	154,494
4	Deductions:													
	Trust and deposit account asset offset to contra liabilities:													
	Employees' savings funds .....	—	—	—	—	—	7,695	—	706	14,872	—	—	—	23,273
	Other .....	—	—	165	1	—	1,758	75	—	—	—	—	—	1,999
	Sub-total .....	—	—	165	1	—	9,453	75	706	14,872	—	—	—	25,272
5	Reserves for depreciation offset to fixed assets .....	—	—	2,921	—	—	—	44,288	—	38,224	—	—	—	85,433
6	Deficits offset to accumulated surplus .....	—	—	—	—	13,574	—	99	—	34	—	—	—	13,707
7	Other deductions .....	—	—	—	—	490	861	100	—	245	—	—	—	1,696
	Total deductions .....	—	—	3,086	1	14,064	10,314	44,562	706	53,375	—	—	—	126,108
8	Net additions (+) or deductions (-) .....	—	—	3,011	15,699	24,798	4,262	44,562	575	47,801	88,100	—	—	28,386
9	Total assets or liabilities and net worth per Table 5 .....	16,135	2,335	112,040	179,645	1,399,812	2,894,045	546,736	627,998	580,672	1,355,432	446	699	7,715,995

CHART-5

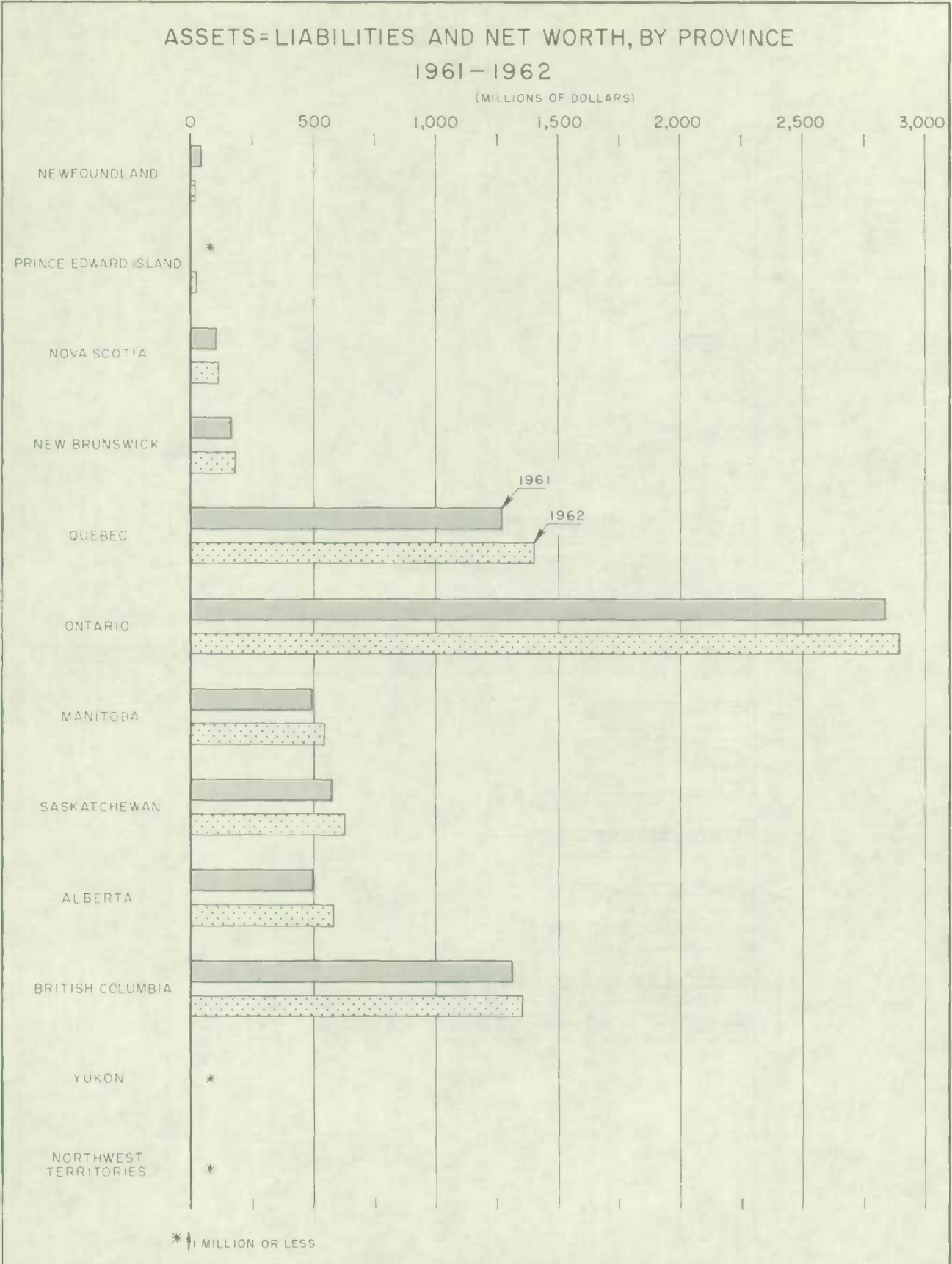


CHART-6

### REVENUE AND EXPENDITURE, BY PROVINCE 1961-1962

(MILLIONS OF DOLLARS)

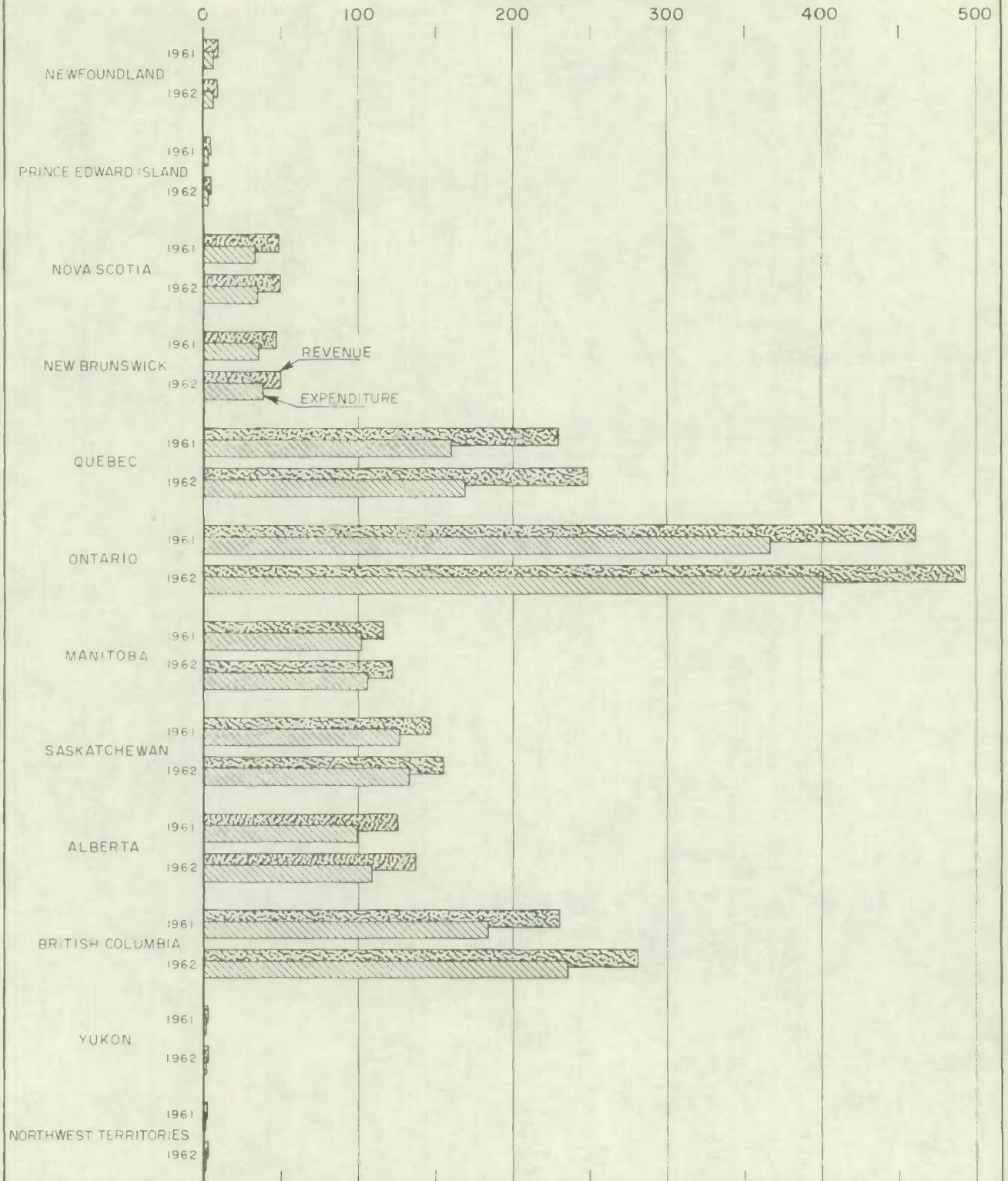
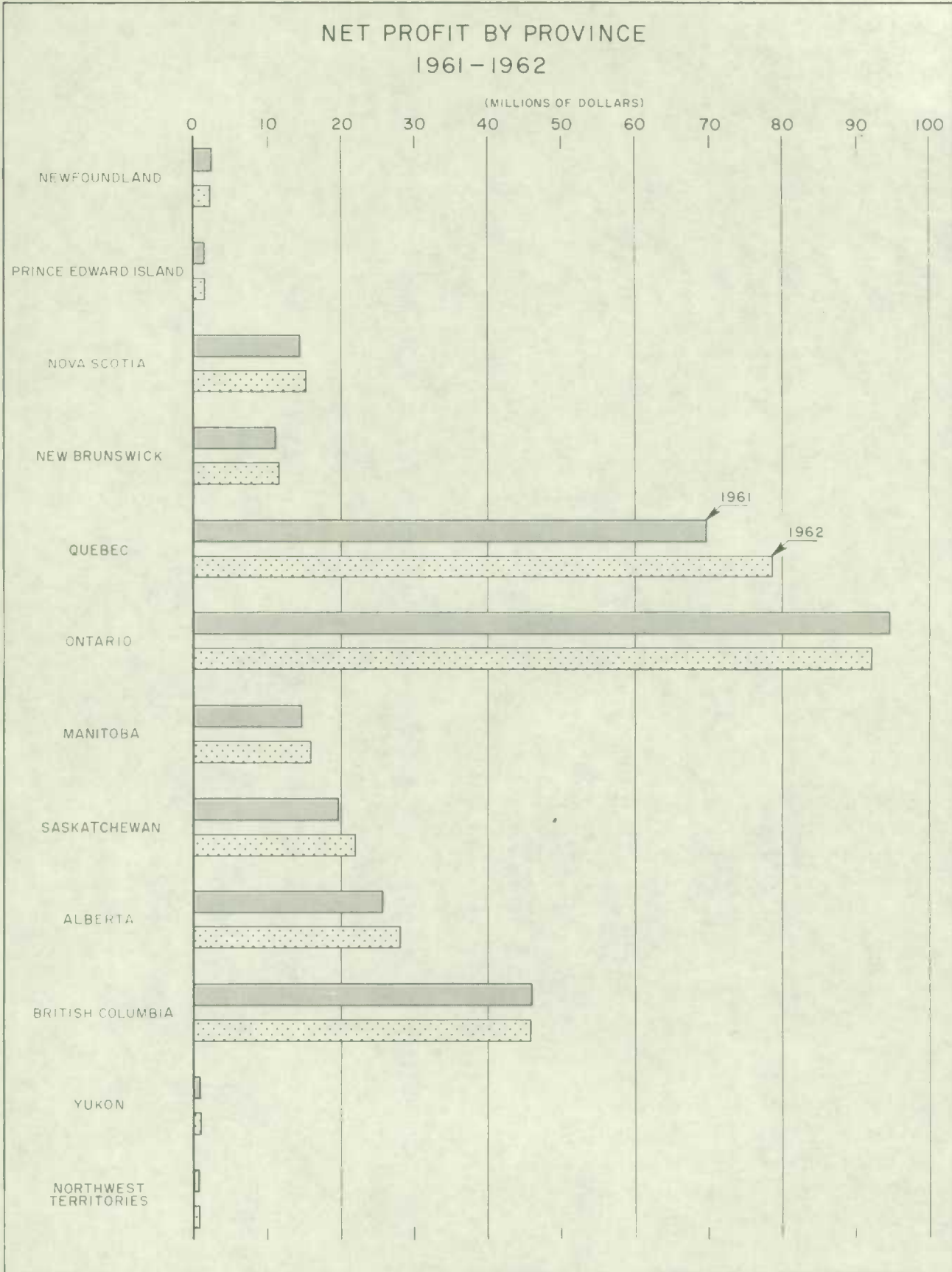




CHART-7









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