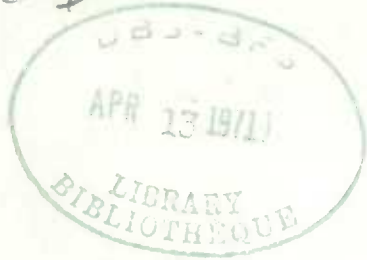


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PROVINCIAL GOVERNMENT ENTERPRISE FINANCE 1968

(Fiscal Years Ended Nearest to December 31st)

ASSETS, LIABILITIES AND NET WORTH
CURRENT REVENUE AND EXPENDITURE

DOMINION BUREAU OF STATISTICS

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Governments Division

PROVINCIAL GOVERNMENT ENTERPRISE FINANCE
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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.

NUMBERING OF SUB-ITEMS ON EACH TABLE

Transactions of the enterprises with their own or other levels of government have been isolated whenever appropriate. Throughout this report such transactions are designated by the same numerical categories as follows:

- (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.

INTRODUCTION

The report represents the financial statistics of provincial enterprises for 1968. This series of publications by the Dominion Bureau of Statistics commenced with data for 1958.

The provincial government statistical universe is comprised of: (a) departmental organizations, (b) special funds and agencies, (c) institutions operating in such fields as education, health, welfare, and the administration of justice, (d) trust funds and (e) enterprises.

The series on provincial government enterprises is part of the program of government finance statistics and complements the publication "Provincial

Government Finance - Revenue and Expenditure" (Catalogue No. 68-207) and "Provincial Government Finance - Debt" (Catalogue No. 68-209) which contain financial data on departmental organizations, special funds, and institutions. The series makes it possible to evaluate the impact of government commercial activities on the economy.

There is a series of corresponding reports for federal government enterprises (Catalogue No. 61-203).

Explanatory comments and an appendix explaining the concepts, classifications and terminology used will be found on page 35.

REVIEW OF THE YEAR 1968

Assets, Liabilities and Net Worth

Table I shows the changes that took place in the assets, liabilities and net worth of provincial government enterprises during 1968. Assets increased by \$1,326 million or 9.7 per cent over the corresponding figure at the end of 1967. This expansion of the assets side was balanced by increases of \$1,136 million or 10.5 per cent in liabilities and \$190 million or 6.8 per cent in net worth.

Table II compares the components of assets, liabilities and net worth of provincial government enterprises in 1968 with those of 1967. On the asset side, fixed assets held fast at a dominating 80.9 per cent of the total picture, the relative importance of accounts receivable and investments increased while that of cash, inventories and the residual category called "all other assets" decreased. On the liabilities side, the relative importance of long term debt declined noticeably but that of provision for estimated liabilities (exchange premium on debt, provision for unpaid claims etc.) increased significantly. The other main liability categories held more or less steady in terms of relative importance. Net worth as a percentage of assets declined from 20.4 per cent to 19.9 per cent.

Table III shows the changes that took place in the percentage distribution of the total assets or liabilities and net worth of provincial government enterprises by industry (as per standard industrial classification) between 1967 and 1968. Enterprises engaged in transportation, communication or the provision of other utility-type services declined in relative importance from 88.6 per cent to 86.6 per cent of total assets or liabilities and equity. All main categories of this group contributed to the decline. The rapid growth of enterprises engaged in finance, insurance and real estate operations (from 9.2 per cent to 11.0 per cent of total assets or liabilities and equity) was largely responsible for the diminution in the relative importance of the first named group. Enterprises engaged in manufacturing activities increased their share of total

assets or liabilities and equity from 1.0 per cent to 1.3 per cent while enterprises engaged in retail operations (liquor boards by and large) saw their decline from 1.2 per cent to 1.1 per cent.¹ It must be explained that the liquor boards' shares of total enterprise assets or liabilities and equity would be more substantial if it were not for variances in accounting for the cost and use of fixed assets.

Table IV shows the changes that took place in the percentage interprovincial distribution of the total assets or liabilities and equity of provincial government enterprises between 1967 and 1968. The relative importance of the value of enterprises in Newfoundland, Nova Scotia, Quebec and Ontario increased while that of enterprises in New Brunswick, Saskatchewan and British Columbia decreased. The transfer of the assets (valued at \$130 million at the end of 1967) and liabilities and equity of the British Columbia Ferry Authority to the provincial highways department partially offset the increase in value of other enterprises in that province.

Certain comments are in order to complement or qualify the above analysis.

Electric power utilities accounted for \$10,082 million or 83.3 per cent of the \$12,096 million of total fixed assets of provincial government enterprises at the end of 1968; they were also responsible for \$879 million or 82.0 per cent of the \$1,072 million increase in the total fixed assets of the same agencies during the year. Enterprises engaged in finance, insurance and real estate added \$110 million to the value of their fixed assets while those engaged in manufacturing activities increased theirs by \$49 million mainly as a result of the acquisition of a steel complex and the construction of additional facilities for manufacturing heavy water.

¹ See DBS *The Control and Sale of Alcoholic Beverages in Canada* (Catalogue No. 63-202).

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

	1967 ¹	1968	Absolute change 1968/67	Per cent change ² 1968/67
	millions of dollars			%
Assets				
Cash	307	310	3	0.1
Accounts receivable	198	260	62	31.2
Inventories	231	230	- 1	-
Fixed assets	11,024	12,096	1,072	9.7
Investments, including loans and advances and restricted funds (items 8 to 11, Tables 1 and 5)	1,514	1,700	186	12.3
All other assets	349	353	4	1.2
Totals	13,623	14,949	1,326	9.7
Liabilities and net worth				
Accounts payable	297	324	27	9.2
Long-term loans and advances and debt	9,094	9,774	680	7.5
Provision for estimated liabilities	92	103	11	11.2
All other liabilities	1,358	1,776	418	30.8
Total liabilities	10,841	11,977	1,136	10.5
Proprietary equity (net worth)	2,782	2,972	190	6.8
Totals	13,623	14,949	1,326	9.7

¹ These figures differ from previously published amounts due to changes in classification of enterprises and special funds in government finance statistics.

² Based on unrounded data.

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

	1967 ¹	1968
	per cent	
Assets		
Cash	2.3	2.1
Accounts receivable	1.4	1.7
Inventories	1.7	1.5
Fixed assets	80.9	80.9
Investments, including loans and advances and restricted funds	11.1	11.4
All other assets	2.6	2.4
Totals	100.0	100.0
Liabilities and net worth		
Accounts payable	2.2	2.1
Long-term loans and advances and debt	66.7	65.4
Liability reserves7	.7
Provision for estimated liabilities	10.0	11.9
Proprietary equity (net worth)	20.4	19.9
Totals	100.0	100.0

¹ These figures differ from previously published amounts, see footnote 1, Table I.

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

	1967 ¹	1968
	per cent	
Mines, quarries and oil wells	2	2
Manufacturing industries	1.0	1.3
Transportation, communication and other utilities:		
Transportation	5.9	4.6
Communication	5.1	5.0
Electric power	77.0	76.4
Other6	.6
Sub-totals	88.6	86.6
Wholesale trade	2	2
Retail trade	1.2	1.1
Finance, insurance and real estate	9.2	11.0
Community, business and personal service industries	2	2
Totals	100.0	100.0

¹ These figures differ from previously published amounts, see footnote 1, Table I.

² Less than 0.1.

TABLE IV. Percentage Distribution of Total Assets, or Liabilities and Net Worth, by Province, as at Fiscal Year Ends Nearest to December 31

	1967 ¹	1968
	per cent	
Newfoundland	2.1	2.3
Prince Edward Island	0.1	0.1
Nova Scotia	2.3	2.5
New Brunswick	2.9	2.7
Quebec	29.4	29.9
Ontario	28.7	29.4
Manitoba	6.4	6.4
Saskatchewan	5.9	5.7
Alberta	4.3	4.3
British Columbia	17.9	16.7
Yukon	2	2
Northwest Territories	2	2
Totals	100.0	100.0

¹ These figures differ from previously published amounts, see footnote 1, Table I.

² Less than 0.1.

Loans and advances held by enterprises amounted to \$305 million at the end of 1968 for an apparent decrease of \$2 million from the corresponding figure at the end of 1967. However the use of a consolidated statement eliminated a \$16 million transaction between a parent enterprise and its subsidiary from the 1968 statistics. Loans by financial institutions increased by \$12 million. Securities amounting to \$911 million were held as investment mainly by financial institutions and electric power utilities; this constituted an increase of \$256 million over the corresponding figure at the end of the previous year. Securities valued at \$464 million, \$454 million of which were held by utilities, were kept in restricted funds; these figures do not include payments made by enterprises into the

sinking funds of their parent governments to repay borrowings made by the provinces on their behalf. Analyses of all securities held as investments at the end of 1968 including those in restricted funds are to be found in Tables 4 and 8. Government direct and guaranteed bonds and treasury bills and capital stock of subsidiary government enterprises amounted to \$1,114 million and bonds, notes and stock of Canadian companies and institutions to \$246 million. Other assets in restricted funds amounted to \$11 million.

An amount of \$9,774 million was owed in long-term loans and advances by enterprises at the end of 1968. Of this, \$2,157 million was payable to parent governments or their enterprises and

\$7,213 million was guaranteed by provincial governments.² Increased liabilities in this area during 1968 amounted to \$680 million of which \$569 million was incurred by electric power utilities, \$38 million by communication utilities, and \$86 million by enterprises engaged in finance, insurance and real estate; the long-term liabilities of transportation utilities decreased by \$57 million mainly as a result of the transfer of facilities to a province.

The \$418 million increase for the category called "all other liabilities" consisted largely of increased deposits with financial institutions and short-term borrowings by electric power companies.

Of the total proprietary equity (net worth) of \$2,972 million of provincial government enterprises at the end of 1968, \$145 million was provincial government equity, \$676 million was equity held by Ontario municipal electrical utilities and represented their contribution to the redemption of hydro debt, and \$1,551 million constituted equity reserves maintained mostly by electrical utilities for rate stabilization, contingencies, amortization and sinking funds, and funds held in connection with the Columbia River Treaty between Canada and the United States.

² 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 and offset against the loan payable to the province.

The balance in unappropriated surplus was \$506 million or \$64 million more than at the end of 1967. Credits to surplus during 1968 included net profits of \$585 million, liquor revenue, other than profits, of \$82 million and contributions from government of \$17 million. Amounts totalling \$479 million were remitted to provincial governments and transfers amounting to \$159 million were made from surplus to reserve funds of enterprises.

Revenue and Expenditure

Table V compares the revenue and expenditure positions of provincial government enterprises in 1967 and 1968 and shows the changes that took place in them between the two years.

Total revenue increased by \$309 million or 11.8 per cent in 1968. Revenue from sales and services, which accounted for some 95.0 per cent of total revenue, was responsible for the bulk of the increase. The rise in financial income and in receipts of the category called "other income" proceeded, however, at a rate significantly higher than that of revenue from sales and services.

Total expenditure increased by \$271 million or 13.0 per cent in 1968. All main categories registered appreciable gains with interest outlays showing the way in relative terms with an expansion of 17.9 per cent.

Net profit increased by \$38 million or 7.0 per cent in 1968. This modest rise was caused by an expansion of expenditure which was more rapid than that of revenue.

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

	1967 ¹	1968	Absolute change 1968/67	Per cent change ² 1968/67
	millions of dollars			%
Revenue				
Revenue from sales and services on current operations	2,501	2,783	282	11.3
Financial income	104	127	23	22.1
Other income	21	25	4	18.0
Totals	2,626	2,935	309	11.8
Expenditure				
Cost of goods sold from current operations	1,444	1,615	171	11.8
Depreciation	223	252	29	12.9
Interest	368	434	66	17.9
Other	44	49	5	12.6
Totals	2,079	2,350	271	13.0
Net profit	547	585	38	7.0

¹ These figures differ from previously published amounts, see footnote 1, Table I.

² Based on unrounded data.

Certain interesting observations can be made with regard to the above data.

Of the total revenue of \$2,783 million derived from sales and services, \$1,249 million or 44.9 per cent was earned by electric power utilities and \$1,146 million or 41.1 per cent was earned by liquor boards. Of the total financial income of \$127 million, \$67 million or 53.0 per cent was received by enterprises engaged in finance, insurance and real estate while \$52 million or 40.7 per cent went to electric power utilities largely as interest on securities held as investments or in restricted funds.

The cost of goods sold from current operations accounted at \$1,614 million for 68.7 per cent of total expenditure. Interest expenses at \$434 million and depreciation at \$252 million accounted for 18.5 per cent and 10.7 per cent respectively of the same outlays. The amount claimed as interest expenses excludes \$96 million capitalized during the construction of facilities for enterprises engaged in transportation, communication and other public-utility type of activities and includes \$100 million

paid either to parent governments or other levels of government. Electric power utilities which owed 81.4 per cent of total enterprise debt outstanding paid 79.4 per cent of total interest costs.

Of the total net profit of \$585 million, \$388 million or 66.3 per cent was earned by provincial liquor commissions, \$159 million or 27.2 per cent by electric power utilities, \$29 million or 5.0 per cent by enterprises engaged in finance, insurance and real estate, and \$15 million or 2.6 per cent by telephone utilities. Enterprises engaged in transportation activities recorded a loss of \$9 million equivalent to 1.5 per cent of net profit.

Capital Expenditures

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 1968 were \$1,440 million.

PROVINCIAL GOVERNMENT ENTERPRISES INCLUDED IN THIS REPORT

The financial transactions of seventy-seven enterprises are included in these statistics as well as those of the Province of Saskatchewan Liquor Licensing Commission which have been included to obtain interprovincial comparability. Transactions of the Manitoba Agricultural Credit Corporation cannot be identified.

Elizabeth Towers Limited, Newfoundland, Marystown Shipyard Construction Limited, Newfoundland, and Deuterium of Canada Limited, Nova Scotia were still in a construction stage at the end of 1968. Saskair was sold in 1965 but was not wound up until the end of the current year.

In accordance with the concept of a government enterprise given on page 35, a number of changes have been made in the classification of enterprises and special funds in government finance statistics. The Newfoundland Municipal Financing Corporation and the Alberta Municipal Financing Corporation formerly included as enterprises are now treated

as special funds of government whereas the following corporations are included in this publication: New Brunswick Housing Corporation, Ontario Housing Corporation, Manitoba Housing and Renewal Corporation and Alberta Housing and Urban Renewal Corporation. The figures for 1967 shown in this publication have been revised accordingly.

Other enterprises included in these statistics for the first time are: Sydney Steel Corporation (SYSCO) and Saskatchewan Pulpwood Limited.

Explanatory comment on the enterprises mentioned above and others in which changes have occurred during the current year is given on page 14.

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 1968 annual report and their main functions follows:

List of Enterprises

Name of enterprise with associated companies indicated by corresponding letters (a) to (c)	Fiscal year end	Responsible Minister or authority of province	Provincial statutory authority	Year of incorporation	Value of assets per annual reports 1968	Main functions
					\$'000	
Newfoundland:						
Newfoundland Liquor Commission (formerly Board of Liquor Control).	Mar. 31	Minister of Finance	Alcoholic Liquors Act, RS 1952, c. 93; and amendments.	1949*	3,786	Control and sale of alcoholic beverages.
Power Distribution Districts of Northeast Newfoundland, South Newfoundland, West Newfoundland and Labrador. ¹	Mar. 31	Minister of Economic Development	Newfoundland and Labrador Rural Electricity Act, 1963, c. 27 and amendment.	1966	11,014	Procurement, generation, transmission and distribution of electric power and energy.
Elizabeth Towers Limited (a) (subsidiary).	Dec. 31	Lieutenant-Governor in Council	Companies Act, RS 1952, c. 168 and amendments.	1966	4,391	Provision of residential accommodation. (Not in operation in 1968.)
Harmon Corporation ¹	Mar. 31	Minister of Public Works	Harmon Corporation Act, 1966-67, c. 25.	1966	95,418	Operation of, and development of industry in, the Harmon Corporation Area.
Hotel Buildings Limited	Mar. 31	Minister of Economic Development	—	1966	16,990	Provision of hotel accommodation.
Marystown Shipyard Construction Limited.	Mar. 31	Minister of Economic Development	Companies Act, RS 1952, c. 168; and amendments and Government - Newfoundland Marine Works Limited (Agreement) Act, 1966-67, c. 48.	1966	13,456	Construction and operation of a shipbuilding and repair yard and general engineering works. (Not in operation in 1968.)
Newfoundland and Labrador Housing Corporation.	Mar. 31	Minister of Municipal Affairs and Housing	Newfoundland and Labrador Housing Corporation Act, 1966-67, c. 47.	1967	12,841	Development, control and direction of housing in the province.
Newfoundland and Labrador Power Commission.	Mar. 31	Minister of Economic Development	Newfoundland and Labrador Power Commission Act, 1965, c. 20; and amendments.	1954	140,578	Generation and transmission of electric power and energy.
Newfoundland and Labrador Rural Electricity Authority. ¹	Mar. 31	Minister of Economic Development	Newfoundland and Labrador Rural Electricity Act, 1965, c. 51; and amendment.	1954	16	Procurement, generation, transmission and distribution of electric power and energy.
Newfoundland Fibreply Limited	Oct. 31	Minister of Economic Development	—	1959	no published report	Manufacture of wood panels and other wood products.
Northern Labrador Services Division	Mar. 31	Minister of Public Welfare	Department of Public Welfare Act, 1965, c. 36.	1949*	1,391	Provision of essential goods and services not otherwise available to the people of Northern Labrador.
St. John's Housing Corporation (a)	Dec. 31	Lieutenant-Governor in Council	St. John's Housing Corporation Act, RS 1952, c. 80; and amendment.	1949*	10,851	Development of housing in St. John's area, by purchase or construction or lending money for the purchase or construction of houses. *Year of Newfoundland admission to Confederation.
Prince Edward Island:						
Industrial Enterprises Incorporated	Dec. 31	Minister of Industry and Natural Resources	Industrial Enterprises Incorporated Act, 1965, c. 13.	1965	9,113	Development of industry.
Prince Edward Island Industrial Corporation.	Mar. 31	Minister of Industry and Natural Resources	Prince Edward Island Industrial Corporation Act, RS 1951, c. 121; and amendments.	1949	3,676	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. 159; and amendments.	1948	824	Control and sale of alcoholic beverages.
Nova Scotia:						
Deuterium of Canada Limited ¹	Jan. 31	Minister of Trade and Industry	Deuterium of Canada Limited Act, 1966, c. 6; and amendment.	1964	98,075	Manufacture of heavy water to be sold to Atomic Energy of Canada Limited. (Not in operation in 1968.)
Digby Pines Hotel	Dec. 31	Minister of Trade and Industry	—	1965	no published report	Operation of resort hotel with cottages during tourist season.
Halifax-Dartmouth Bridge Commission.	Dec. 31	Commissioners appointed by province	Halifax-Dartmouth Bridge Commission Act, 1950, c. 7; and amendments.	1951	22,441	Construction, maintenance and operation of bridge and approaches between Halifax and Dartmouth.
Industrial Estates Limited ¹	Mar. 31	Minister of Trade and Industry	Industrial Estates Limited Act, RS 1967, c. 139.	1957 (Companies Act)	67,158	Development of industry.

¹ See also explanatory comment on page 14.

List of Enterprises - Continued

Name of enterprise with associated companies indicated by corresponding letters (a) to (c)	Fiscal year end	Responsible Minister or authority of province	Provincial statutory authority	Year of incorporation	Value of assets per annual reports 1968 \$'000	Main functions
Nova Scotia - Concluded:						
Keltic Lodge	Dec. 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 1967, c. 169; and amendment.	1930	10,920	Control and sale of alcoholic beverages.
Nova Scotia Power Commission	Nov. 30	Lieutenant-Governor in Council	Power Commission Act, RS 1967, c. 233.	1919	121,831	Generation, transmission and distribution of electric power and energy.
Sydney Steel Corporation (SYSCO) ¹	Mar. 31	Minister of Trade and Commerce	Sydney Steel Corporation Act, 1967 (2nd Session) c. 1; and amendment.	1967	59,483	Operation of steel works.
New Brunswick:						
New Brunswick Development Corporation. ¹	Mar. 31	Minister of Finance and Industry	Assistance to Industry Act, 1960-61, c. 3.	1959	14,272	Provision of financial assistance to industry.
New Brunswick Electric Power Commission. ¹	Mar. 31	Lieutenant-Governor in Council	Electric Power Act, 1961-62, c. 41, and amendments.	1920	342,238	Generation, transmission and distribution of electric power and energy.
New Brunswick Housing Corporation. ¹	Mar. 31	Minister of Municipal Affairs	New Brunswick Housing Act, 1967, c. 17; and amendment.	1967	2,558	Development, control and direction of housing in the province.
New Brunswick Liquor Control Commission.	Mar. 31	Lieutenant-Governor in Council	Liquor Control Act, 1961, c. 3; and amendments.	1927	7,339	Control and sale of alcoholic beverages.
Quebec:						
Quebec Autoroutes Authority	Dec. 31	Minister of Roads	Autoroutes Act, RS 1964, c. 134.	1957	343,794	Construction, operation and maintenance of autoroutes and related works.
Quebec Deposit and Investment Fund.	Dec. 31	Minister of Finance	Charter of the Quebec Deposit and Investment Fund, 1965, c. 23.	1965	683,933	Administration, as a trustee of assets of provincial bodies, principally the Quebec Pension Board, by a long term investment program with the ancillary objective of financing the economic development of the Province of Quebec.
Quebec Hydro-Electric Commission (Hydro-Quebec).	Dec. 31	Minister of Natural Resources	Hydro-Quebec Act, RS 1964, c. 86; and amendments.	1944	3,387,072	Generation, transmission and distribution of electric power and energy.
Quebec Liquor Board	Mar. 31	Minister of Justice	Liquor Board Act, RS 1964, c. 44, and amendments.	1921	38,987	Control and sale of alcoholic beverages.
Quebec Mining Exploration Company (SOQUEM). ¹	Mar. 31	Minister of Natural Resources	Charter of the Quebec Mining Exploration Company, 1965, c. 36.	1965	5,338	Mining exploration and participation in the development of discoveries and the bringing into production of mineral deposits.
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	3,418	Operation of a beet-sugar factory.
Ontario:						
Hydro-Electric Power Commission of Ontario.	Dec. 31	Lieutenant-Governor in Council	Power Commission Act, RS 1960, c. 300; and amendments.	1907	3,748,871	Generation, transmission and distribution of electric power and energy.
Liquor Control Board of Ontario	Mar. 31	Lieutenant-Governor in Council	Liquor Control Act, RS 1960, c. 217; and amendments.	1927	42,854	Control and sale of alcoholic beverages.
Ontario Food Terminal Board	Mar. 31	Minister of Agriculture and Food	Ontario Food Terminal Act, RS 1960, c. 272; and amendment.	1954	8,061	Operation of wholesale fruit and market facilities to serve Metropolitan Toronto.
Ontario Housing Corporation ¹	Dec. 31	Minister of Economics and Development	Ontario Housing Corporation Act, 1964, c. 76 and amendments.	1964	297,695	Development, control and direction of housing in the province.
Ontario Northland Transportation Commission (b).	Dec. 31	Minister of Economics and Development	Ontario Northland Transportation Commission Act, RS 1960, c. 276; and amendments.	1902	99,682	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 and Food	Stock Yards Act, RS 1960, c. 385.	1944	no published report	Operation of facilities for a livestock market.
Ontario Water Resources Commission (provincial projects only). ¹	Dec. 31	Lieutenant-Governor in Council	Ontario Water Resources Commission Act, RS, 1960, c. 281; and amendments.	1956	40,217	Supply of water to local governments and provision of local sewage disposal systems.

¹ See also explanatory comment on page 14.

List of Enterprises - Continued

Name of enterprise with associated companies indicated by corresponding letters (a) to (c)	Fiscal year end	Responsible Minister or authority of province	Provincial statutory authority	Year of incorporation	Value of assets per annual reports 1968	Main functions
Ontario - Concluded:						
Province of Ontario Savings Office	Mar. 31	Lieutenant-Governor in Council	Agricultural Development Finance Act, RS 1960, c. 9; and amendment.	1921	102,722	Operation of offices which receive interest-bearing deposits from the public. Funds in excess of day-to-day requirements are used for purposes specified in the Act.
Star Transfer Limited (b) (subsidiary).	Dec. 31	Minister of Economics and Development	(b)	1960	1,901	Operation of highway transport.
Manitoba:						
Liquor Control Commission of Manitoba.	Mar. 31	Attorney General	Liquor Control Act, 1956, c. 40; and amendments.	1923	4,956	Control and sale of alcoholic beverages.
Manitoba Agricultural Credit Corporation. ¹	Mar. 31	Minister of Agriculture and Conservation	Agricultural Credit Act, 1958, c. 1; and amendments (repealed in 1968).	1959	-	Operation of lending agency for farmers to August 31, 1968.
Manitoba Development Fund	Mar. 31	Minister of Industry and Commerce	Manitoba Development Fund Act, 1966, c. 17.	1958	51,659	Encouragement of balanced development of industry including provision of financial assistance.
Manitoba Farm Loans Association	Mar. 31	Lieutenant-Governor in Council	Manitoba Farm Loans Act, RS 1940, c. 73.	1917	43	Provision of loans on security of farm land.
Manitoba Housing and Renewal Corporation. ¹	Mar. 31	Lieutenant-Governor in Council	Manitoba Housing and Renewal Corporation Act, 1966-67, c. 24; and amendment.	1967	3,096	Development, control and direction of housing in the province.
Manitoba Hydro-Electric Board ¹	Mar. 31	Minister of Public Utilities	Manitoba Hydro Act, 1961, c. 28; and amendments.	1921	692,012	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	216,742	Provision of telephone service.
Manitoba Water Supply Board	Mar. 31	Minister, Highways Department	Manitoba Water Supply Board Act, 1959, c. 69; and amendments.	1959	6,023	Provision of potable water supplies to municipalities.
Saskatchewan:						
Estevan Brick Limited	Dec. 31	Premier	Crown Corporations Act, RS 1965, c. 39; and amendment.	1966	1,566	Production and sale of brick and tiles.
Province of Saskatchewan Liquor Board. Liquor Licensing Commission ¹	Mar. 31	Lieutenant-Governor in Council	Liquor Act, RS 1965, c. 382; and amendments. Liquor Licensing Act, RS 1965, c. 383; and amendments.	1925	17,639	Control and sale of alcoholic beverages.
Saskair ¹	Oct. 31	Minister of Public Health	Crown Corporations Act, RS 1965, c. 39; and amendment.	1947	424	Provision of transportation facilities for the development of province's northland. Saskair was sold effective Mar. 1, 1965 and wound up at the end of the current year.
Saskatchewan Economic Development Corporation.	Dec. 31	Minister of Industry and Commerce	Industrial Development Act, RS 1965, c. 411; and amendment.	1963	17,792	Provision of assistance to industry and to specialized livestock enterprises, agricultural operations and horticultural operations.
Saskatchewan Forest Products (c)	Oct. 31	Provincial Treasurer	Crown Corporations Act, RS 1965, c. 39; and amendment.	1949	5,128	Operations in woods, sawmills, lumber yards and planing mills.
Saskatchewan Fur Marketing Service.	Sept. 30	Minister of Natural Resources	Crown Corporations Act, RS 1965, c. 39; and amendment.	1945	174	Marketing of pelts of fur-bearing animals; became a crown corporation under corporate name of Saskatchewan Fur Marketing Service in October 1958.
Saskatchewan Government Insurance Office.	Dec. 31	Minister of Highways and Transportation	Saskatchewan Government Insurance Act, RS 1965, c. 41.	1945	36,300	Provision of general insurance and administration of compulsory automobile insurance plan.
Saskatchewan Government Printing Company.	Dec. 31	Minister of Public Works	Crown Corporations Act, RS 1965, c. 39; and amendment.	1945	357	Operation of printing plant for government and agencies.
Saskatchewan Government Telephones.	Dec. 31	Minister of Telephones	Saskatchewan Government Telephones Act, RS 1965, c. 42; and amendments.	1947	153,260	Provision of telephone, telegraph, radio network and television microwave facilities as a government department 1910-47 and as a crown corporation since April, 1947.
Saskatchewan Minerals	Dec. 31	Premier	Crown Corporations Act, RS 1965, c. 39; and amendment.	1944	3,625	Production and sale of sodium sulphate.

¹ See also explanatory comment on page 14.

List of Enterprises - Concluded

Name of enterprise with associated companies indicated by corresponding letters (a) to (c)	Fiscal year end	Responsible Minister or authority of province	Provincial statutory authority	Year of incorporation	Value of assets per annual reports 1968 \$'000	Main functions
Saskatchewan - Concluded:						
Saskatchewan Power Corporation	Dec. 31	Minister in charge of the Saskatchewan Power Corporation	Power Corporation Act, RS 1965, c. 40; and amendment.	1929	586,730	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 Pulpwood Limited (c) subsidiary. ¹	Mar. 31	Provincial Treasurer	(c)	1967	8,288	Harvesting and sale of pulpwood.
Saskatchewan Transportation Company.	Oct. 31	Minister of Education	Crown Corporations Act, RS 1965, c. 39; and amendment.	1946	2,966	Operation of passenger and freight transportation service.
Saskatchewan Water Supply Board	Dec. 31	Minister in charge of the Saskatchewan Water Supply Board	An Act to amend the Water Resources Commission Act, 1966, c. 80; and amendments.	1966	13,562	Supply of water to industries and municipalities.
Alberta:						
Alberta Commercial Corporation ¹	Dec. 31	Minister of Industry and Development	Alberta Commercial Services Act, 1964, c. 12; and amendments.	1964	3,808	Financial assistance to industry, and merchandising miscellaneous commodities.
Alberta Government Telephones Commission.	Dec. 31	Minister of Telephones	Alberta Government Telephones Act, 1958, c. 85; and amendments.	1958	403,667	Provision of telephone service, under Department of Telephones from 1906 until establishment of crown corporation in 1958.
Alberta Housing and Urban Renewal Corporation. ¹	Dec. 31	Minister of Municipal Affairs	Alberta Housing Act, 1968, c. 44.	1967	5,640	Development, control and direction of housing in the province.
Alberta Industrial Corporation	Dec. 31	Lieutenant-Governor in Council	Alberta Industrial Corporation Act, RS 1955, c. 153.	1946	1,464	Provision of financial assistance to industry by loans, acquisition of shares or other assets.
Alberta Investment Fund	Dec. 31	Lieutenant-Governor in Council	Alberta Investment Fund Act, 1965, c. 42.	1965	595	Provision of funds to supply capital for investment in industrial and commercial developments.
Alberta Liquor Control Board	Mar. 31	Provincial Treasurer	Liquor Control Act, 1958, c. 37; and amendments.	1924	16,251	Control and sale of alcoholic beverages.
Bow River Irrigation District (formerly Bow River Development). ¹	Dec. 31	Minister of Agriculture	Irrigation Act, 1968, c. 49.	1955	7,542	Operation of irrigation project.
St. Mary River Irrigation District (formerly St. Mary and Milk Rivers Development). ¹	Dec. 31	Minister of Agriculture	Irrigation Act, 1968, c. 49.	1946	22,490	Operation of irrigation project.
Treasury Branches	Mar. 31	Provincial Treasurer	Treasury Branches Act, RS 1955, c. 344; and amendments.	1938	201,232	Provision of banking services.
British Columbia:						
British Columbia Hydro and Power Authority.	Mar. 31	Lieutenant-Governor in Council	British Columbia Hydro and Power Authority Act, 1964, c. 7; and amendments.	1945	2,135,395	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).
Liquor Control Board of British Columbia.	Mar. 31	Attorney General	Government Liquor Act, RS 1960, c. 166; and amendments.	1921	16,956	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; and amendments.	1924	246,986	Operation of passenger and freight railway service.
Yukon:						
Liquor Control	Mar. 31	Commission, Government of Yukon Territory	Liquor Ordinance, RO 1958, c. 67; and amendments.	1921	624	Control and sale of alcoholic beverages.
Northwest Territories:						
Northwest Territories Liquor System	Mar. 31	Commissioner of the Northwest Territories	Liquor Ordinance, RO 1956, c. 60; and amendments.	1939	638	Control and sale of alcoholic beverages.

¹ See also explanatory comment on page 14.

Explanatory Comments on Certain Enterprises

Explanatory comments on certain of the enterprises follow:

Harmon Corporation. — The Harmon Corporation was established to manage and control the former Ernest Harmon Air Force Base and to develop industry in the Harmon Corporation Area, the assets of which were transferred to the Province of Newfoundland by the Government of Canada. To March 31, 1969, by agreement, street and flood lighting, railroad, airport and harbour and marine facilities which were carried in the Corporation's accounts at \$32,856 thousand had been returned to the Government of Canada.

Newfoundland and Labrador Rural Electricity Authority and Power Distribution Districts of Northeast Newfoundland, South Newfoundland, West Newfoundland and Labrador. — As of April 1, 1968 all assets, except cash and accounts receivable, and liabilities of the Newfoundland and Labrador Rural Electricity Authority were transferred to the Power Distribution Districts.

During the current year, fixed assets valued at \$6,447 thousand were transferred from the Power Distribution Districts to the Authority and subsequently to a private company.

Deuterium of Canada Limited. — During the year the Province of Nova Scotia took over Industrial Estates Limited investments in Deuterium of Canada Limited totalling \$28 million.

Consolidated financial statements of Deuterium of Canada Limited and its subsidiary, Cape Breton Heavy Water Limited, have been used in these statistics. In previous years unconsolidated statements were used.

Industrial Estates Limited. — On June 18, 1968, Industrial Estates Limited and its wholly-owned subsidiary, Springhill Development Corporation Limited, were amalgamated. These statistics cover the operations of the two predecessor companies for the period April 1 to June 30, 1968 and of the amalgamated company for the period June 19, 1968 to March 31, 1969.

Sydney Steel Corporation. — The Sydney Steel Corporation Act ratified an agreement for the purchase by the Province of Nova Scotia of the Sydney Works of the Dominion Steel and Coal Corporation Limited. The Act established the Sydney Steel Corporation with the object of continuing the operation of the Sydney Works for a sufficient time to assess its long-term future and to give effect to that assessment.

The Sydney Steel Corporation commenced operations on January 1, 1968.

New Brunswick Development Corporation. — As data for the corporation's wholly-owned subsidiary, Westmorland Fertilizer Limited is not available for the current year, its financial transactions are included in these statistics only in so far as they are reflected in the accounts of the parent company.

New Brunswick Electric Power Commission. — On January 2, 1969 the electrical distribution system of the City of Fredericton was purchased from Maritime Electric Company Limited.

New Brunswick Housing Corporation. — This corporation which began operations in November, 1967 was formerly classified as a special fund of government. For comparative purposes, figures for 1967 shown in this publication have been revised to include the New Brunswick Housing Corporation.

Quebec Mining Exploration Company (Soquem). — The charter of this company was granted July 14, 1965 and operations began November 1, 1965. All expenditures less revenues to the end of 1968 are shown as deferred expenditures on the company's balance sheet.

Ontario Housing Corporation. — This corporation which was established in 1964 was formerly classified as a special fund of government and its operations were included in the publication "Provincial Government Finance — Revenue and Expenditure", Catalogue No. 68-207. For comparative purposes, figures for 1967 shown in this publication have been revised to include the Ontario Housing Corporation.

Ontario Water Resources Commission. — This Commission was established in 1956. Its functions include the control of water pollution and the provision of consultative services to local governments which are regarded as "general government" activity. The Commission also operates sewer and water facilities and provides financing of capital expenditure on a cost recovery basis from local governments.

In 1965 projects of a new type were undertaken which are provincially owned and the services of which are sold. The main functions of these projects are the supply of water to local governments and the provision of local sewage disposal systems, the costs of which are billed directly to users. These provincial projects are classified as government enterprises.

Manitoba Agricultural Credit Corporation. — The Agricultural Credit and Development Act which became effective September 1, 1968 repealed the incorporation of The Manitoba Agricultural Credit Corporation and created The Manitoba Agricultural Credit and Development Corporation. The Act also assigned responsibility for the affairs of The Manitoba Agricultural Credit Corporation including all its assets and liabilities to the new Corporation.

As the Manitoba Agricultural Credit and Development Corporation acts as a guarantor and makes no direct loans, it is classified as a special fund of government.

Operations of the Manitoba Agricultural Credit Corporation for the period April 1 to August 31, 1968 cannot be identified and are, therefore, not included in these statistics.

Manitoba Housing and Renewal Corporation. — This corporation, which began operations in 1967, was formerly classified as a special fund of government. For comparative purposes, figures for 1967 shown in this publication have been revised to include the Manitoba Housing and Renewal Corporation.

Manitoba Hydro-Electric Board. — In November, 1968, the Manitoba Hydro Electric Board acquired the diesel-electric generating station at Fort Churchill, previously owned and operated by the federal government.

Province of Saskatchewan Liquor Licensing Commission. — Although this commission is not an "enterprise" its financial transactions have been included with those of the Liquor Board to obtain comparable interprovincial statistics. In all other provinces, similar transactions are included in the financial statements of the respective liquor authorities.

Saskair. — The assets and business of the corporation were sold effective March 1, 1965 to private interests under an agreement of sale which provides for payment over a ten-year period. Instalment payments including principal and interest were received during 1968.

Effective on the last day of the fiscal year, the asset and obligations of the corporation were assigned to the Saskatchewan Government Finance Office and the corporation was wound up by Order in Council as provided for under the Crown Corporations Act.

Saskatchewan Pulpwood Limited. — This corporation, a wholly-owned subsidiary of Saskatchewan Forest Products, was incorporated during the year ended March 31, 1968. Its operations are included in these statistics for the first time in the current year. For comparative purposes, figure for 1967 shown in this publication have been revised to include Saskatchewan Pulpwood Limited.

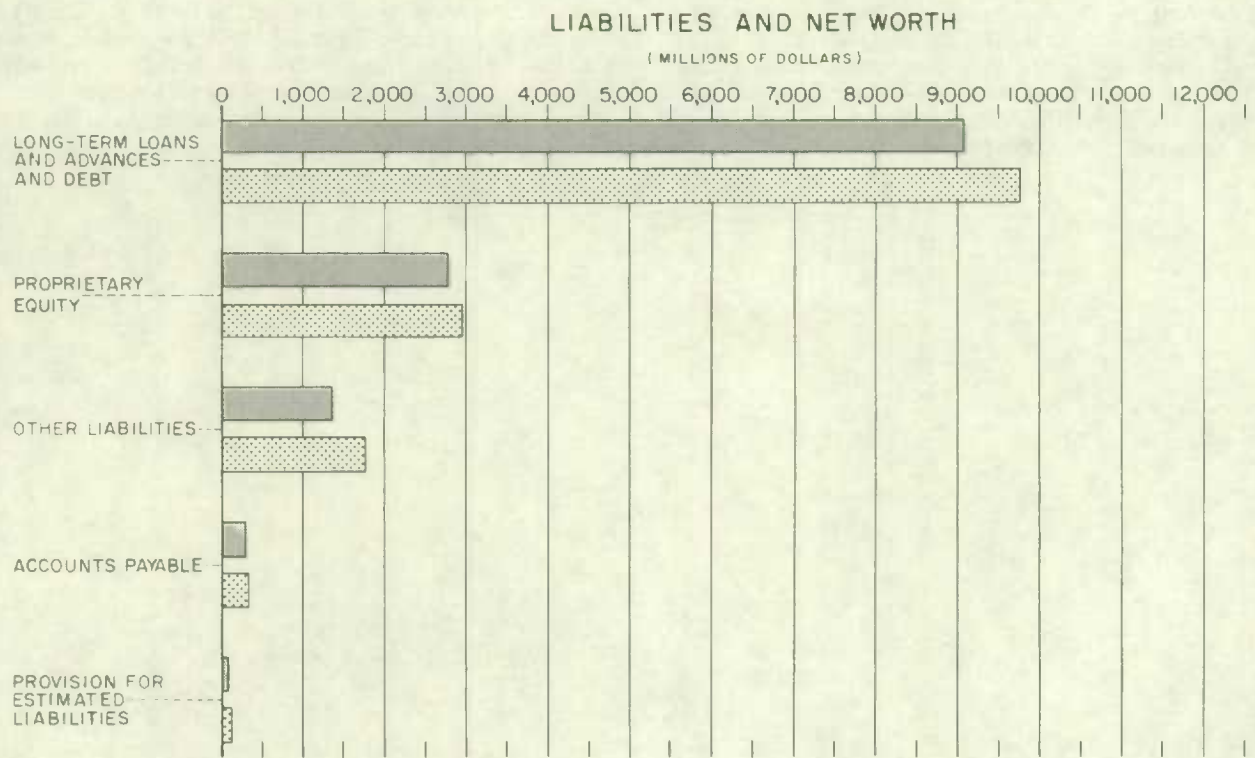
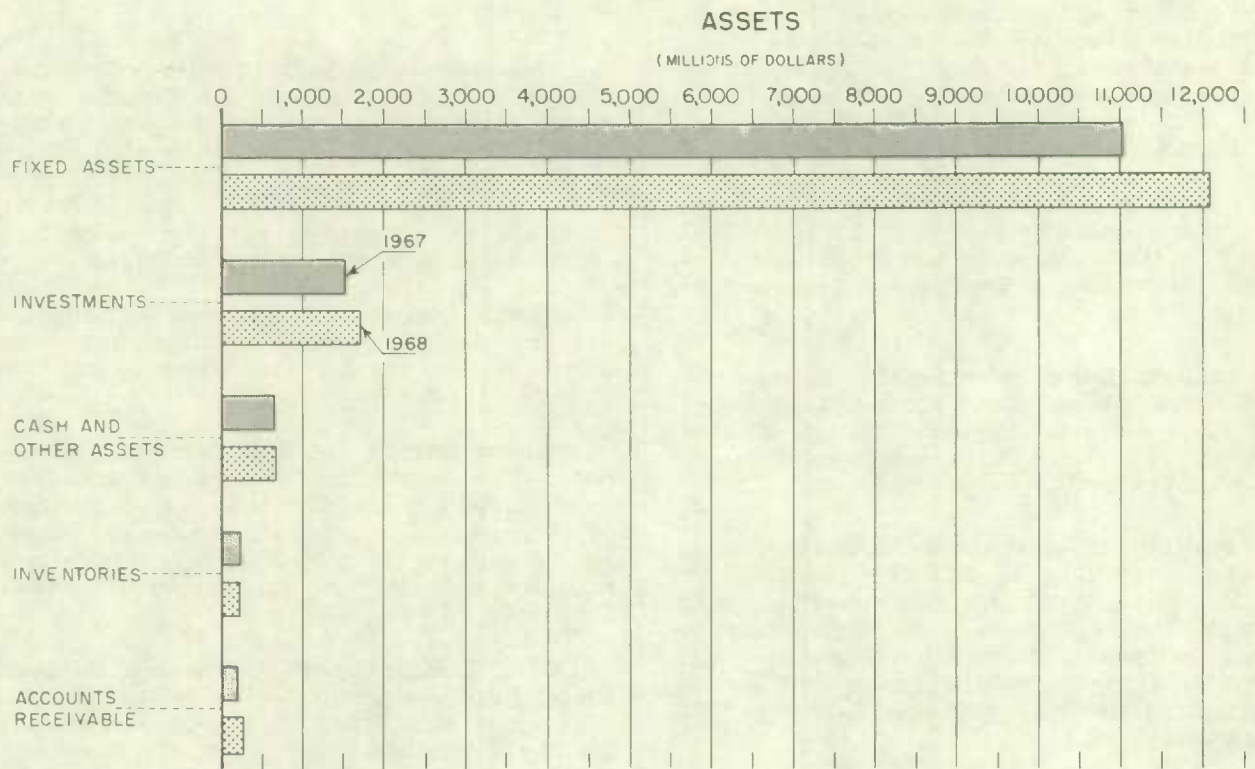
Alberta Commercial Corporation. — The Indian and Metis Housing Program was transferred to the Alberta Housing and Renewal Corporation effective November 1, 1968.

Alberta Housing and Urban Renewal Corporation. — This corporation, which began operations in 1967, was formerly classified as a special fund of government. For comparative purposes, figures for 1967 shown in this publication have been revised to include the Alberta Housing and Urban Renewal Corporation.

Bow River Irrigation District and St. Mary River Irrigation District. — The Irrigation Act, 1968 which came into force on May 2, 1968, repealed the Irrigation Districts Act, the Bow River Development Act, 1955, Part I and the St. Mary and Milk Rivers Development Act, 1950, Part I. The lands contained in the Bow River Development and the St. Mary and Milk Rivers Development became irrigation districts under the new Act. Operations for the period December 1, 1967 to December 31, 1968 are included in these statistics.

CHART-1

ASSETS=LIABILITIES AND NET WORTH,
BY TYPE 1967⁽¹⁾-1968



⁽¹⁾ THE FIGURES UPON WHICH CHARTS FOR 1967 ARE BASED DIFFER FROM PREVIOUSLY PUBLISHED AMOUNTS-- SEE FOOTNOTE TO TABLE ON PAGE 6.

INDUSTRIAL DISTRIBUTION

TABLE I. Assets, Liabilities and Net Worth, by Industry as at Fiscal Year End Nearest to December 31, 1968

No.	Assets	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	Communication	Electric power	Other						
thousands of dollars													
1	Cash on hand and on deposit	306	590	2,205	10,687	203,280	498	216,670	549	36,518	54,893	-	309,526
2	Accounts receivable less reserve for bad debts	129	18,595	7,471	24,184	183,378	630	215,663	5	7,198	18,409	-	259,999
3	Inventories	64	15,278	5,122	13,079	114,083	23	132,307	21	81,904	385	36	229,995
4	Interest, dividends and rents receivable from:												
	(iii) Provincial governments	-	-	-	-	278	-	278	-	-	-	-	278
	(vii) Other	-	-	-	-	200	-	200	-	-	861	-	1,061
	Sub-totals, Item 4	-	-	-	-	478	-	478	-	-	861	-	1,339
5	Accrued revenue:												
	1. Interest owing from:												
	(i) Federal government	-	-	-	-	1,468	-	1,468	-	-	987	-	2,455
	(ii) Federal government enterprises	-	-	-	-	24	-	24	-	-	-	-	24
	(iii) Provincial governments	-	1	21	645	508	5	1,179	1	-	9,092	-	10,273
	(iv) Provincial government enterprises	-	-	-	-	730	-	730	-	-	-	-	730
	(vii) Other	-	-	-	-	5,171	-	5,171	-	-	1,876	-	7,047
	Sub-totals	-	1	21	645	7,901	5	8,572	1	-	11,955	-	20,529
	2. Other revenue	-	-	-	-	45,576	8	45,584	-	-	1,944	-	47,528
	Sub-totals, item 5	-	1	21	645	53,477	13	54,156	1	-	13,899	-	68,057
6	Prepaid expenses	2	233	228	1,875	1,773	11	3,887	-	550	178	-	4,850
7	Fixed assets	261	154,137	620,603	660,934	10,081,646	86,501	11,449,684	45	30,974	460,993 ¹	-	12,096,094 ²
8	Loans and advances receivable from:												
	(ii) Federal government enterprises	-	-	-	-	-	-	-	-	-	787	-	787
	(iii) Provincial governments	-	1,751	400	-	30	-	430	50	-	102,673	-	104,904
	(iv) Provincial government enterprises	-	-	-	-	9	-	9	1,204	-	4,394 ³	-	5,607
	(v) Municipal governments	-	-	-	-	-	-	-	-	-	14,969	-	14,969
	(vii) Other	-	175	13	-	1,895	12	1,920	2,068	331	174,222	-	178,716
	Sub-totals, item 8	-	1,926	413	-	1,934	12	2,359	3,322	331	297,045	-	304,983
9	Securities held as investments ⁴	75	8	919	4,000	132,535	404	137,858	-	-	772,932	-	910,873
10	Mortgages receivable and agreements for sale	-	64	424	-	6,289	-	6,713	-	93	13,516	-	20,386
11	Restricted funds: ⁴												
	1. Depreciation funds	-	-	1,579	-	-	-	1,579	-	-	-	-	1,579
	2. Trust and deposit accounts	-	-	-	-	-	-	-	-	-	-	-	-
	3. Other funds	-	-	44,341	22,983 ⁵	384,750 ⁶	234	452,308	-	22	10,545	-	462,875
	Sub-totals, item 11	-	-	45,920	22,983	384,750	234	453,887	-	22	10,545	-	464,454
12	Deferred charges:												
	1. Unamortized bond discount	-	-	3,158	6,544	113,687	-	123,389	-	-	19	-	123,406
	2. Other charges	4,501	2,057	791	2,871	127,826 ⁷	7	131,495	-	331	93	-	138,477
	Sub-totals, item 12	4,501	2,057	3,949	9,415	241,513	7	254,884	-	331	112	-	261,865
13	Other assets:												
	1. Due on account of deficits	-	-	-	-	-	-	-	-	-	948	-	948
	2. Unspecified	-	705	524	73	13,870	-	14,487	-	10	946	-	16,128
	Sub-totals, item 13	-	705	524	73	13,870	-	14,467	-	10	1,894	-	17,076
14	Total assets	5,338	193,594	687,799	747,875	11,419,006	88,333	12,943,013	3,943	157,931	1,645,662	36	14,949,517

¹ Includes physical property held for sale, 4,701.

² Net of accumulated depreciation: mines, quarries and oil wells, 146; manufacturing industries, 11,995; transportation, 50,780; communication, 225,872; electric power, 2,021,578; other utilities, 792; wholesale trade, 49; retail trade, 61,275; finance, insurance and real estate, 5,546; total, 2,378,033; and including an undetermined amount of interest capitalized during the construction of fixed assets of transportation, communication and other utilities.

³ Involves transactions between parent and subsidiary government enterprises.

⁴ See Table 4 for analysis by industry of investments held.

⁵ Offset against contra liability item 8.

⁶ Excludes payments by enterprises into the sinking funds of their respective parent governments: communication, 49,195; electric power, 151,573; total, 200,768.

⁷ Of this amount, 97,556 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, 1968

No.	Liabilities and net worth	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	Communication	Electric power	Other						
thousands of dollars													
1	Accounts payable	160	12,910	12,258	16,641	225,730	338	254,967	12	41,505	14,899	-	324,453
2	Temporary loans, advances and notes payable												
	1. Bank loans and overdrafts	-	7,064	22,420	1,068	44,648	18	68,154	-	15	10,515	-	85,748
	2. Other loans and advances	-	694	-	-	197,775	117	197,892	-	-	976,293 ^a	-	1,174,879
	3. Notes	-	-	3,500	-	215,547	-	219,047	-	-	1,500	-	220,547
	Sub-totals, item 2	-	7,758	25,920	1,068	457,970	135	485,093	-	15	988,308	-	1,481,174 ^a
3	Interest payable to												
	(iii) Provincial governments	-	-	-	-	-	-	-	-	-	452	-	452
	Sub-totals, item 3	-	-	-	-	-	-	-	-	-	452	-	452
4	Accrued expenditure												
	1. Interest owing to												
	(i) Federal government	-	-	-	-	6,674	-	6,674	-	-	-	-	6,674
	(ii) Provincial governments	-	3,453	14,081	3,841	14,146	491	32,559	-	-	605	-	36,617
	(vii) Other	-	-	3,995	5,601	115,123	-	124,719	-	-	127	-	124,846
	Sub-totals	-	3,453	18,076	9,442	135,943	491	163,952	-	-	732	-	168,137
	2. Other expenditure	53	46	744	-	34,195	-	34,939	-	99	439	-	35,576
	Sub-totals, item 4	53	3,499	18,820	9,442	170,138	491	198,891	-	99	1,171	-	203,713
5	Long-term loans and advances owing to												
	(i) Federal government	-	-	-	-	173,661	-	173,661	-	-	35	-	173,696
	(ii) Provincial governments	-	118,407	246,774	188,281	1,283,800	56,468	1,775,323	3,820	18,708	235,321	-	2,151,579
	(iv) Provincial government enterprises	-	-	-	-	2,327	-	2,327	-	-	3,356	-	5,683
	(v) Municipal governments	-	-	-	-	1,277	-	1,277	-	-	-	-	1,277
	(vii) Other	-	869	-	-	26,952	-	26,952	-	-	2,187	-	30,008 ^a
	Sub-totals, item 5	-	119,276	246,774	188,281	1,488,017	56,468	1,979,540	3,820	18,708	240,899	-	2,362,243
6	Long-term debt												
	1. Bonds and debentures	-	-	282,421	413,503	6,431,636	2,954	7,130,514	-	-	34,304	-	7,164,818
	2. Mortgages and agreements for sale	-	20	11,896	-	19,937	-	31,833	-	-	193,474	-	225,327
	3. Other debt	-	-	-	-	21,277	-	21,277	-	-	148	-	21,425 ¹⁰
	Sub-totals, item 6	-	20	294,317	413,503	6,472,850	2,954	7,183,624	-	-	227,926	-	7,411,570 ^a
7	Deferred credits:												
	1. Deferred revenue	-	88	550	3,094	-	11	3,655	-	-	15,313	-	19,056
	2. Other credits	-	137	204	9,193	243	-	9,640	-	-	972	-	10,749
	Sub-totals, item 7	-	225	754	12,287	243	11	13,295	-	-	16,285	-	29,805
8	Trust and deposit accounts	-	-	-	-	14,854	1	14,855	-	-	433	-	15,288
9	Provision for estimated liabilities	-	290	2,928	252	83,188	378	86,746	4	1,068	15,260	36	103,404
10	Other liabilities	-	3,225	2,342	-	23,209	6	25,557	-	2,375	14,149	-	45,306 ¹¹
11	Proprietary equity (net worth):												
	1. Capital stock held by												
	(ii) Provincial governments	5,125	2,539	90,573	-	-	-	90,573	-	-	5,065	-	103,302
	(iv) Provincial government enterprises	-	-	54 ¹	-	-	-	54	-	-	50 ²	-	104
	Sub-totals	5,125	2,539	90,627	-	-	-	90,627	-	-	5,115	-	103,406
	2. Interest-free working capital provided by												
	(iii) Provincial governments	-	-	-	-	-	-	-	-	731	-	-	731
	3. Fixed assets transferred by												
	(i) Federal government	-	-	-	-	-	-	-	-	-	94,902	-	94,902
	(iii) Provincial governments	-	-	-	-	-	29,106	29,106	-	-	3,337	-	32,443
	Sub-totals	-	-	-	-	-	29,106	29,106	-	-	98,239	-	127,345
	4. Other equity held by												
	(iii) Provincial governments	-	4,957	-	-	3,908	-	3,908	-	-	-	-	8,865
	(vi) Municipal government enterprises	-	-	-	-	675,571 ¹²	-	675,571	-	-	-	-	675,571
	Sub-totals	-	4,957	-	-	679,479	-	679,479	-	-	-	-	684,436
	5. Equity reserves:												
	(1) Contingencies	-	45	-	448	313,644	-	314,092	25	2,500	1,700	-	318,362
	(2) Plant expansion	-	65	-	33,172	-	-	33,172	-	2,271	-	-	35,508
	(3) Other equity reserves	-	1,050	23,193	4,381	1,150,223	-	1,177,797	20	12,749	5,168	-	1,196,784
	Sub-totals	-	1,160	23,193	38,001	1,463,867	-	1,525,061	45	17,520	6,868	-	1,550,654
	6. Unappropriated surplus	-	37,735	-30,134	68,400	339,461	-1,555	376,172	62	75,910	15,658	-	505,537
	Sub-totals, item 11	5,125	46,391	83,686	106,401	2,482,807	27,551	2,700,445	107	94,161	125,880	-	2,972,109
12	Total liabilities and net worth	5,338	193,594	687,799	747,875	11,419,006	88,333	12,943,013	3,943	157,931	1,645,662	36	14,949,517

^a Includes savings balances due to the public, 287,076.

^a Includes the following amounts guaranteed by provinces: item 2, manufacturing, 5,427; transportation, 25,826; electric power, 426,889; finance, insurance and real estate, 7,348; total, 465,390; item 5, electric power, 26,784; finance, insurance and real estate, 2,187; total, 28,971; item 6, transportation, 282,421; communication, 413,503; electric power, 6,452,913; other utilities, 2,954; finance, insurance and real estate, 32,370; total, 7,184,161; total all items, 7,678,622.

¹⁰ Notes payable, 21,277; investment certificates redeemable on demand, 148.

¹¹ Includes amounts withheld from contractors; manufacturing industries, 3,200; transportation, 2,342; electric power, 23,209; finance, insurance and real estate, 12,776; total, 41,527.

¹² Represents contributions of municipal electrical utilities for the redemption of hydro debt.

TABLE 2. Current Revenue and Expenditure, by Industry for the Fiscal Year Ended Nearest to December 31, 1968¹

No.		Mines, quarries and oil wells	Manufacturing industries	Transportation, communication and other utilities				Sub-total transportation, communication and other utilities	Whole sale trade	Retail trade	Finance, insurance and real estate	Community, business and personal service industries	Total
				Transportation	Communication	Electric power	Other						
thousands of dollars													
Revenue													
1	Revenue from sales and services on current operations	-	98,743	72,176	176,875	1,248,990	2,934	1,500,975	85	1,146,114	36,791	561	2,783,269
2	Financial income:												
	1. Interest from:												
	(i) Federal government	-	-	13	237	9,083	-	9,333	-	-	2,788	-	12,121
	(ii) Federal government enterprises	-	-	-	655	34	-	689	-	-	95	-	784
	(iii) Provincial governments	-	2	986	3,080	19,432	31	23,529	-	-	30,268	-	53,799
	(iv) Provincial government enterprises	-	-	-	-	913	-	913	-	-	-	-	913
	(v) Municipal governments	-	-	-	-	-	-	-	-	-	6,084	-	6,084
	(vii) Other	-	22	548	968	13,194	70	14,780	247	914	23,719	-	39,682
	Sub-totals	-	24	1,547	4,940	42,656	101	49,244	247	914	62,954	-	113,383
	2. Other financial income	-	4	-	107	8,999	-	9,106	-	22	4,276	-	13,408
	Sub-totals, item 2	-	28	1,547	5,047	51,655	101	58,350	247	936	67,230	-	126,791
3	Rental income	-	7	121	2,249	2,823	11	5,204	9	132	3,730	-	9,082
4	Contributions from own or other levels of government:												
	(i) Federal government	-	-	-	-	-	-	-	-	-	133	-	133
	(iii) Provincial governments	-	-	-	-	-	-	-	-	-	4,045	-	4,045
	(iv) Provincial government enterprises	-	-	-	-	2,929	-	2,929	-	-	-	-	2,929
	Sub-totals, item 4	-	-	-	-	2,929	-	2,929	-	-	4,178	-	7,107 ²
5	Other current income	-	123	264	492	6,287	5	7,048	-	1,231	161	-	8,563
6	Total current revenue	-	98,901	74,108	184,663	1,312,684	3,051	1,574,506	341	1,148,413	112,090	561	2,934,812
Expenditure													
1	Cost of goods and services sold from current operations:												
	1. Wages and salaries	-	23,877	30,253	78,242	267,427	273	376,195	97	58,906	12,533	383	471,991
	2. Net drawings on (+) or net additions to (-) inventories	-	772	258	694	1,089	- 6	2,035	266	6,438	54	- 7	9,558
	3. Other purchases of goods and services	-	66,613	15,856	11,425	305,256	2,801	335,338	- 208	692,002	39,011	225	1,132,981
	Sub-totals, item 1	-	91,262	46,367	90,361	573,772	3,068	713,568	155	757,346 ³	51,598	601	1,614,530
2	Provision for depreciation	-	3,910	6,189	44,375	193,511	240	244,315	9	2,701	1,074	-	252,009
3	Interest on debt to:												
	(i) Federal government	-	-	-	-	4,193	-	4,193	-	-	-	-	4,193
	(iii) Provincial governments	-	-	12,944	10,612	58,907	414	82,877	-	56	13,160	-	96,093
	(iv) Provincial government enterprises	-	-	-	-	179	-	179	-	-	-	-	179
	(vii) Other	-	535	16,782	21,567	281,250	172	319,771	-	16	13,360	-	333,682
	Sub-totals, item 3	-	535	29,726	32,179 ⁴	344,529 ⁴	586 ⁴	407,020	-	72	26,520	-	434,147
4	Other current expenditure	-	136	449	2,680	41,769	2	44,900	221	397	3,416	-	49,070
5	Total current expenditure	-	95,843	82,731	169,595	1,153,581	3,896	1,409,803	385	760,516	82,608	601	2,349,756
6	Net profit (+) or loss (-)	-	3,058	- 8,623	15,068	159,103	- 845	164,703	- 44	387,897	29,482	- 40	585,056

¹ Includes transactions of the following enterprises for other than a twelve-month period: Sydney Steel Corporation from Jan. 1, 1968 to Mar. 31, 1969; Quebec Liquor Board for fifty-two week period ending March 29, 1969; Bow River Irrigation District and St. Mary River Irrigation District from Dec. 1, 1967 to Dec. 31, 1968.

² See Table 3, item 6 for government contributions credited to surplus account.

³ Includes capital expenditures amounting to 3,058 paid out of operating incomes of provincial liquor commissions.

⁴ Excludes interest capitalized during the construction of fixed assets: communication, 588; electric power, 95,038; other utilities, 465; total, 96,091.

TABLE 3. Net Surplus Account Transactions, by Industry for the Fiscal Year Ended Nearest to December 31, 1968¹

No.		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	Communication	Electric power	Other						
thousands of dollars													
1	Balance at beginning of year	-	-4,452	-19,389	61,508	316,266	- 734	357,651	121	75,456	12,540	-	441,316 ²
2	Net profit or loss for the year	-	3,058	- 8,623	15,068	159,103	- 845	164,703	- 44	387,897	29,482	-40	585,056 ³
3	Net profit or loss on sale or retirement of fixed assets	-	4,318	53	-	143	36	232	1	34	608	-	5,193
4	Net transfers from (+) or to (-) reserves	-	- 227	- 2,160	-3,888	-151,693	- 20	-157,761	- 20	-	- 1,305	-	-159,313
5	Other adjustments (net)	-	35,818	- 2	- 138	4,320	8	4,188	10	61,634 ⁴	-28,733	-	92,917
6	Contributions from:												
	(i) Federal government	-	-	-	-	6,325	-	6,325	-	204	100	-	6,629 ⁵
	(iii) Provincial governments	-	-	350	-	4,035	-	4,385	-	-	4,968	40	9,393 ⁶
	(iv) Provincial government enterprises	-	-	-	-	555	-	555	-	-	-	-	555
	(vii) Other	-	345	-	-	5,350 ⁷	-	5,350	-	-	-	-	5,695
	Sub-totals, item 6	-	345	350	-	16,265	-	16,615	-	204	5,068	40	22,272
7	Remittance of surplus:												
	1. Dividends:												
	(ii) Provincial governments	-	-	-	-4,150	-	-	4,150	-	-	-	-	4,150
	(iv) Provincial government enterprises	-	-	70 ⁸	-	-	-	70	-	-	-	-	70
	2. Other remittances:												
	(iii) Provincial governments	-	-1,125	- 293	-	- 2,014	-	- 2,307	- 6	-469,315	- 2,002	-	-474,755
	(iv) Provincial government enterprises	-	-	-	-	- 2,929	-	- 2,929	-	-	-	-	- 2,929
	Sub-totals, item 7	-	-1,125	- 363	-4,150	- 4,943	-	- 9,456	- 6	-469,315	- 2,002	-	-481,904
8	Net additions (+) or deductions (-)	-	42,187	-10,745	6,892	23,195	- 821	18,521	- 59	454	3,118	-	64,221
9	Balance at end of year	-	37,735	-30,134	68,400	339,461	-1,555	376,172	62	75,910	15,658	-	505,537

¹ Includes transactions of the following enterprises for other than a twelve-month period: Sydney Steel Corporation from Jan. 1, 1968 to Mar. 31, 1969; Quebec Liquor Board for fifty-two week period ending March 29, 1969; Bow River Irrigation District and St. Mary River Irrigation District from Dec. 1, 1967 to Dec. 31, 1968.

² Differ from previously published amounts.

³ Item 6, Expenditure, Table 2.

⁴ Consists of licenses, permits, fines and confiscations (net of enforcement expenses and other adjustments), collected by the liquor commissions on behalf of the provinces, which are also included in remittance item 7.2 below.

⁵ Includes grants from the Atlantic Development Board, 6,425.

⁶ Comprises assistance for rural electrification, 1,073 and payment of current and prior years' losses, 8,323.

⁷ Contributions in aid of construction.

⁸ Involves transactions between parent and subsidiary government enterprises.

TABLE 4. Analysis of Securities Held as Investments Including Those in Restricted Funds, by Industry at Fiscal Year End Nearest to December 31, 1968 (Asset items 9 and 11)¹

No.		Mines, quarries and oil wells	Manufacturing industries	Transportation, communication and other utilities				Retail trade	Finance, insurance and real estate	Total
				Transportation	Communication	Electric power	Other			
thousands of dollars										
1	Federal government treasury bills:									
	Asset item 9	-	-	-	-	35,956	-	35,956	-	35,956
	Asset item 11	-	-	-	-	-	-	-	-	-
	Sub-totals	-	-	-	-	35,956	-	35,956	-	35,956
2	Federal government direct and guaranteed bonds:									
	Asset item 9	-	-	140	-	6,586	49	6,775	-	68,264
	Asset item 11	-	-	659	2,859	158,027	-	161,545	-	522
	Sub-totals	-	-	799	2,859	164,613	49	168,320	-	68,786
3	Provincial and municipal government treasury bills:									
	Asset item 9	-	-	-	4,000	13,000	-	17,000	-	2,295
	Asset item 11	-	-	-	1,000	5,000	-	6,000	-	100
	Sub-totals	-	-	-	5,000	18,000	-	23,000	-	2,395
4	Provincial and municipal government direct and guaranteed bonds:									
	Asset item 9	-	-	-	-	6,093	355	6,448	-	524,920
	Asset item 11	-	-	44,033	18,900	219,296	174	282,403	22	861
	Sub-totals	-	-	44,033	18,900	225,389	529	288,851	22	525,781
5	Notes of companies incorporated in Canada and of institutions:									
	Asset item 9	75	-	-	-	15,926	-	15,926	-	12
	Asset item 11	-	-	-	-	-	-	-	-	-
	Sub-totals	75	-	-	-	15,926	-	15,926	-	12
6	Bonds of companies incorporated in Canada and of institutions:									
	Asset item 9	-	-	86	-	952	-	1,038	-	74,920
	Asset item 11	-	-	826	-	994	-	1,820	-	-
	Sub-totals	-	-	912	-	1,946	-	2,858	-	74,920
7	Preferred and common stock Canadian:									
	(iv) Provincial government enterprises:									
	Asset item 9	-	-	692	-	-	-	692	-	67
	(vii) Other:									
	Asset item 9	-	8	1	-	49,833	-	49,834	-	102,454
	Sub-totals	-	8	693	-	49,833	-	50,526	-	102,521
8	Foreign investments:									
	Asset item 9	-	-	-	-	4,189	-	4,189	-	-
9	Total securities:									
	Asset item 9	75	8	919	4,000	132,535	404	137,858	-	772,932
	Asset item 11	-	-	45,518	22,759	383,317	174	451,768	22	1,483
	Grand totals	75	8	46,437	26,759	515,832	578	589,626	22	774,415

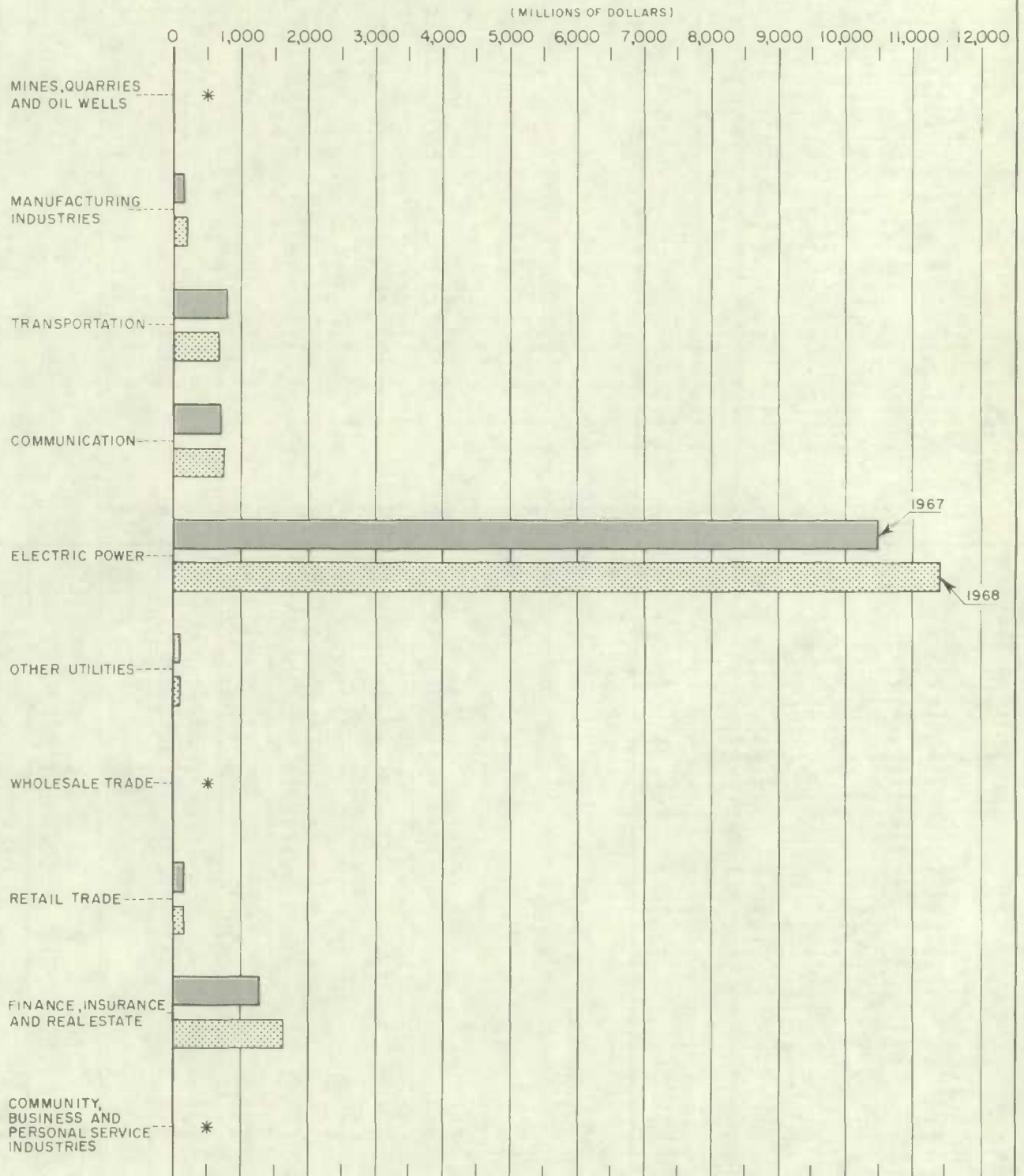
¹ Additional assets held in restricted funds are as follows:

	Cash	Accrued interest	Total
Transportation	60	342	402
Communication	224	-	224
Electric power	1,433	-	1,433
Other utilities	60	-	60
Finance, insurance and real estate	9,062	-	9,062
Totals	10,839	342	11,181

² Involves investment of parent enterprises in subsidiaries.

CHART-2

ASSETS = LIABILITIES AND NET WORTH,
BY INDUSTRY 1967⁽¹⁾-1968

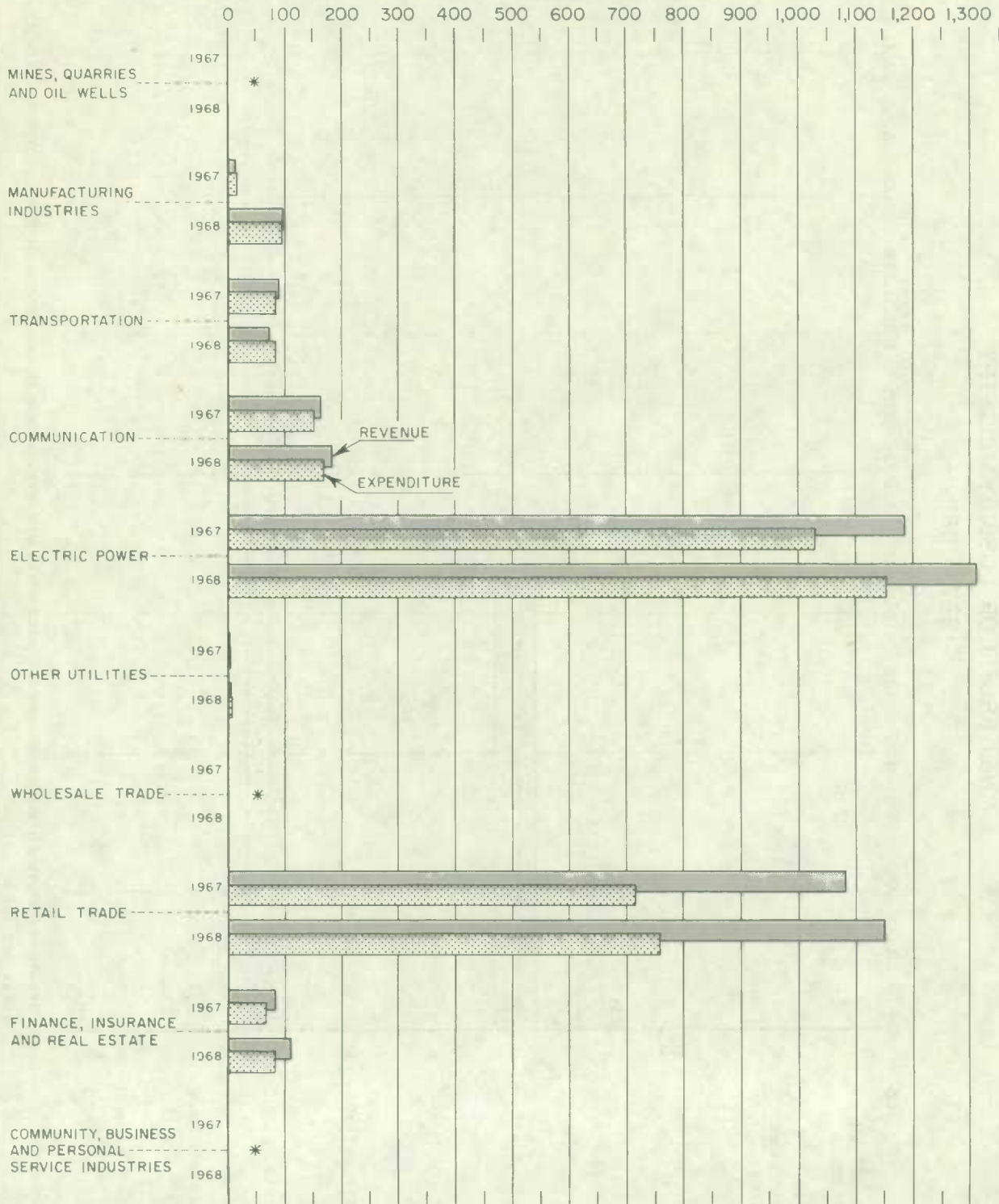


(1) THE FIGURES UPON WHICH CHARTS FOR 1967 ARE BASED DIFFER FROM PREVIOUSLY PUBLISHED AMOUNTS--
SEE FOOTNOTE TO TABLE ON PAGE 6.
* LESS THAN \$10 MILLION.

CHART - 3

REVENUE AND EXPENDITURE, BY INDUSTRY
1967⁽¹⁾-1968

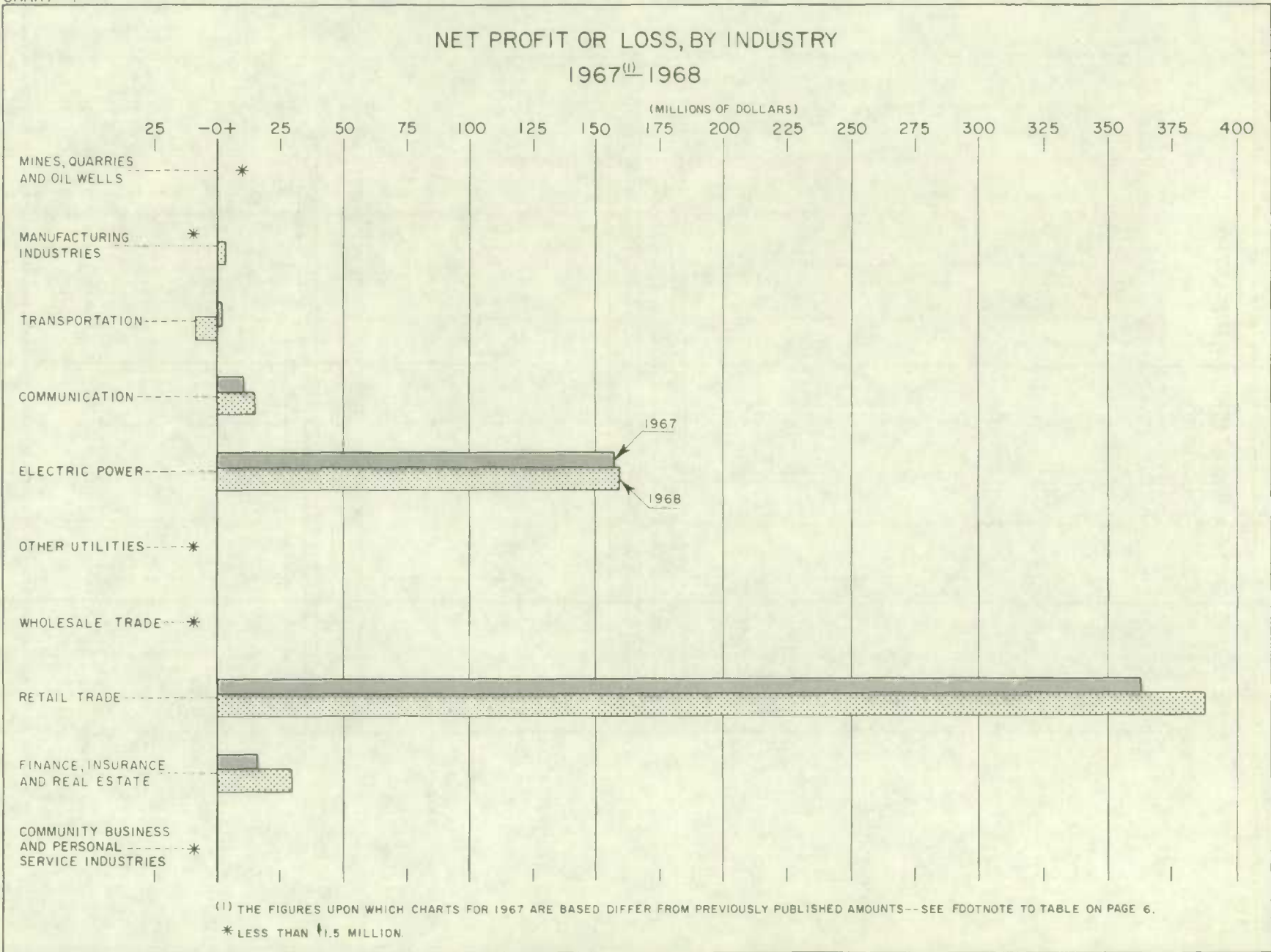
(MILLIONS OF DOLLARS)



(1) THE FIGURES UPON WHICH CHARTS FOR 1967 ARE BASED DIFFER FROM PREVIOUSLY PUBLISHED AMOUNTS -- SEE FOOTNOTE TO TABLE ON PAGE 6.

* LESS THAN \$1.5 MILLION

CHART-4



GEOGRAPHICAL DISTRIBUTION

TABLE 5. Assets, Liabilities and Net Worth, by Province as at Fiscal Year End Nearest to December 31, 1968

No.	Assets	New-found-land	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskatchewan	Alberta	British Columbia	Yukon	North-west Territories	Total
thousands of dollars														
1	Cash on hand and on deposit	12,847	507	2,535	16,784	20,141	143,693	1,445	18,075	42,903	50,418	178	-	309,526
2	Accounts receivable less reserve for bad debts	3,162	69	20,814	6,512	54,942	95,205	16,082	20,641	13,985	28,580	7	-	259,999
3	Inventories	4,216	621	14,686	6,333	44,677	94,909	10,724	16,614	13,729	22,409	439	638	229,995
4	Interest, dividends and rents receivable from													
	(ii) Provincial governments	-	-	-	-	-	-	-	-	-	278	-	-	278
	(vii) Other	39	-	229	-	41	-	t	-	551	200	-	-	1,061
	Sub-totals, item 4	39	-	229	-	41	-	1	-	551	478	-	-	1,339
5	Accrued revenue:													
	1. Interest owing from													
	(i) Federal government	-	-	-	-	926	1,339	129	61	-	-	-	-	2,455
	(ii) Federal government enterprises	-	-	-	-	-	-	24	-	-	-	-	-	24
	(iii) Provincial governments	-	-	21	-	8,453	109	1,044	641	5	-	-	-	10,273
	(iv) Provincial government enterprises	-	-	-	-	-	-	730	-	-	-	-	-	730
	(vii) Other	-	76	5	22	662	5,163	3	-	1,116	-	-	-	7,047
	Sub-totals	-	76	26	22	10,041	6,611	1,930	702	1,121	-	-	-	20,529
	2. Other revenue	-	-	-	-	27,329	-	2,031	11,659	-	6,509	-	-	47,528
	Sub-totals, item 5	-	76	26	22	37,370	6,611	3,961	12,361	1,121	6,509	-	-	68,057
6	Prepaid expenses	566	1	216	215	7	486	625	1,060	1,121	553	-	-	4,650
7	Fixed assets	312,432	5,380	294,519	339,325	3,442,409	3,547,877	801,526	719,395	374,379	2,258,852	-	-	12,096,094 ¹
8	Loans and advances receivable from													
	(ii) Federal government enterprises	787	-	-	-	-	-	-	-	-	-	-	-	787
	(iii) Provincial governments	-	-	-	-	-	102,652	-	2,252	-	-	-	-	104,904
	(iv) Provincial government enterprises	9	-	-	4,394 ²	-	-	-	-	1,204	-	-	-	5,607
	(v) Municipal governments	40	5,158	12,708	87	-	101	50,956	18,472	14,969	90,850	344	-	14,969
	(vi) Other	40	5,158	12,708	87	-	101	50,956	18,472	90,850	344	-	-	178,716
	Sub-totals, item 8	836	5,158	12,708	4,481	-	102,753	50,956	20,724	107,023	344	-	-	304,983
9	Securities held as investments ³	50	98	31,924	17	727,589	52,561	12,764	24,934	59,580	1,356	-	-	910,873
10	Mortgages receivable and agreements for sale	2,575	1	838	5,114	7,226	1,165	862	907	98	1,600	-	-	20,366
11	Restricted funds: ³													
	1. Depreciation funds	-	-	1,579	-	-	-	-	-	-	-	-	-	1,579
	2. Trust and deposit accounts	-	-	-	-	-	-	-	-	-	-	-	-	-
	3. Other funds	241	-	1,244	22,299	76,782	203,256	42,448 ⁴	- ⁵	22,643	93,962	-	-	462,875
	Sub-totals, item 11	241	-	2,823	22,299	76,782	203,256	42,448	-	22,643	93,962	-	-	464,454
12	Deferred charges:													
	1. Unamortized bond discount	-	-	52	4,840	45,342	25,500	12,941	8,854	2,665	23,214	-	-	123,408
	2. Other charges	1,581	-	1,444	938	10,044	114,492 ⁶	1,341	1,097	2,517	5,023	-	-	138,477
	Sub-totals, item 12	1,581	-	1,496	5,778	55,386	139,992	14,282	9,951	5,182	28,237	-	-	261,885
13	Other assets:													
	1. Due on account of deficits	-	948	-	-	-	-	-	-	-	-	-	-	948
	2. Unspecified	253	18	289	2,229	10,751	477	-	1,217	893	1	-	-	16,128
	Sub-totals, item 13	253	966	289	2,229	10,751	477	-	1,217	893	1	-	-	17,076
14	Total assets	338,798	12,877	383,103	409,109	4,477,321	4,388,985	955,676	845,879	643,208	2,493,299	624	638	14,949,517

¹ Net of accumulated depreciation: Nfld., 4,092; P.E.I., 39; N.S., 56,860; N.B., 63,117; Que., 722,035; Ont., 668,417; Man., 217,461; Sask., 209,232; Alta., 90,075; B.C., 346,705; total, 2,378,033; includes physical property held for sale valued at 730 in Nfld.; 1,141 in Que.; 1,329 in Man.; 1,199 in Sask., and 302 in Alta.; plus an undetermined amount of interest capitalized during the construction of fixed assets of transportation, communication and other utilities.

² Involves transactions between parent and subsidiary government enterprises.

³ See Table 8 for analysis by province of investments held.

⁴ Offset against contra liability item 8.

⁵ Excludes payments by enterprises into the sinking funds of their respective parent governments: Man., 18,241; Sask., 182,527; total, 200,768.

⁶ Of this amount, 97,556 represents the unamortized cost of 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, 1968

No.	Liabilities and net worth	Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskatchewan	Alberta	British Columbia	Yukon	Northwest Territories	Total
thousands of dollars														
1	Accounts payable	9,287	31	17,636	16,160	36,605	119,714	12,634	14,742	16,846	80,707	91	-	324,453
2	Temporary loans, advances and notes payable:													
	1. Bank loans and overdrafts	11,932	1,119	18,954	-	22,300	13,210	5,091	13,124	18	-	-	-	85,748
	2. Other loans and advances	168	2	1,469	-	673,331	299,429 ⁷	-	-	200,480 ⁷	-	-	-	1,174,879
	3. Notes	-	-	-	-	198,568	-	16,979	1,500	-	3,500	-	-	220,547
	Sub-totals, item 2	12,100	1,121	20,423	-	894,199	312,639	22,070	14,624	200,498	3,500	-	-	1,481,174 ⁸
3	Interest payable to (iii) Provincial governments	-	-	-	-	-	-	-	-	452	-	-	-	452
	Sub-totals, item 3	-	-	-	-	-	-	-	-	452	-	-	-	452
4	Accrued expenditure:													
	1. Interest owing to (i) Federal government	5,052	-	1,622	-	-	-	-	-	-	-	-	-	6,674
	(ii) Provincial governments	453	-	5,318	557	14,526	-	3,921	11,686	156	-	-	-	36,617
	(vii) Other	1,545	-	213	3,911	39,199	42,555	6,632	523	5,650	24,618	-	-	124,846
	Sub-totals	7,050	-	7,153	4,468	53,725	42,555	10,553	12,209	5,806	24,618	-	-	168,137
	2. Other expenditure	34	-	270	457	31,739	56	1,045	1,278	-	697	-	-	35,576
	Sub-totals, item 4	7,084	-	7,423	4,925	85,464	42,611	11,598	13,487	5,806	25,315	-	-	203,713
5	Long-term loans and advances owing to (i) Federal government	46,683	35	37,830	55,395	-	33,753	-	-	-	-	-	-	173,696
	(iii) Provincial governments	33,069	6,998	210,189	69,408	231,289	839,180	165,048	540,601	46,283	8,981	533	-	2,151,579
	(iv) Provincial government enterprises	2,327	3,356	-	-	-	-	-	-	-	-	-	-	5,683
	(v) Municipal governments	-	-	-	-	1,277	-	-	-	-	-	-	-	1,277
	(vii) Other	1,837	350	869	-	-	-	26,784	168	-	-	-	-	30,008 ⁹
	Sub-totals, item 5	83,916	10,739	248,888	124,803	232,566	872,933	191,832	540,769	46,283	8,981	533	-	2,362,243
6	Long-term debt:													
	1. Bonds and debentures	79,448	-	10,321	203,924	2,420,703	1,785,292	619,187	-	282,875	1,763,068	-	-	7,164,818
	2. Mortgages and agreements for sale	883	-	-	1,384	11,890	190,957	-	19,963	250	-	-	-	225,327
	3. Other debt	17,277	-	-	-	-	-	4,000	-	148	-	-	-	21,425 ⁹
	Sub-totals, item 6	97,608	-	10,321	205,308	2,432,593	1,976,249	623,187	19,963	283,273	1,763,068	-	-	7,411,570 ⁹
7	Deferred credits:													
	1. Deferred revenue	-	-	1,534	-	88	436	960	13,809	2,229	-	-	-	19,056
	2. Other credits	138	-	-	-	-	967	239	8	9,193	204	-	-	10,749
	Sub-totals, item 7	138	-	1,534	-	88	1,403	1,199	13,817	11,422	204	-	-	29,805
8	Trust and deposit accounts	26	-	198	243	8,410	3,251	-	3,159	1	-	-	-	15,288
9	Provision for estimated liabilities	21	-	36	1,295	77,725	5,499	155	15,408	755	2,510	-	-	103,404
10	Other liabilities	2,391	1,664	3,984	4,082	1,640	19,774	6,813	4,950	8	-	-	-	45,306 ¹⁰
11	Proprietary equity (net worth):													
	1. Capital stock held by (iii) Provincial governments	1,101	53	60	-	5,125	-	5,000	1,390	-	90,573	-	-	103,302
	(iv) Provincial government enterprises	50	-	-	-	-	54	-	-	-	-	-	-	104 ³
	Sub-totals	1,151	53	60	-	5,125	54	5,000	1,390	-	90,573	-	-	103,406
	2. Interest-free working capital provided by (iii) Provincial governments	731	-	-	-	-	-	-	-	-	-	-	-	731
	3. Fixed assets transferred by (i) Federal government	94,902	-	-	-	-	-	-	-	-	-	-	-	94,902
	(iii) Provincial governments	3,337	-	-	-	-	-	-	-	29,106	-	-	-	32,443
	Sub-totals	98,239	-	-	-	-	-	-	-	29,106	-	-	-	127,345
	4. Other equity held by (iii) Provincial governments	3,908	-	-	-	4,957	-	-	-	-	-	-	-	8,865
	(vi) Municipal government enterprises	-	-	-	-	-	675,571 ¹¹	-	-	-	-	-	-	675,571
	Sub-totals	3,908	-	-	-	4,957	675,571	-	-	-	-	-	-	684,436
	5. Equity reserves: (1) Contingencies	-	-	200	12,933	277,215	500	23,744	3,770	-	-	-	-	318,362
	(2) Plant expansion	-	-	-	-	-	-	902	34,606	-	-	-	-	35,508
	(3) Other equity reserves	247	-	5,665	8,004	456,643	185,699	20,782	4,398	9,951	505,395	-	-	1,196,784
	Sub-totals	247	-	5,865	20,937	733,858	186,199	45,428	42,774	9,951	505,395	-	-	1,550,654
	6. Unappropriated surplus	21,951	- 731	66,735	31,356	- 35,909	173,088	35,760	160,796	38,807	13,046	-	638	505,537
	Sub-totals, item 11	126,227	- 678	72,660	52,293	708,031	1,034,912	86,188	204,960	77,864	609,014	-	638	2,972,109
12	Total liabilities and net worth	338,798	12,877	383,103	409,109	4,477,321	4,388,983	935,676	845,879	643,208	2,493,299	624	638	14,949,517

⁷ Includes savings balances due to the public of 102,429 in Ontario and 184,647 in Alberta.

⁸ Includes guarantees by the provinces as follows: Nfld., 108,412; P.E.I., 1,454; N.S., 28,669; N.B., 203,924; Que., 2,640,719; Ont., 1,995,502; Man., 649,971; Alta., 283,403; B.C., 1,766,568; total, 7,678,622.

⁹ Notes payable, 21,277; investment certificates redeemable on demand, 148.

¹⁰ Includes amounts of 41,527, withheld from contractors.

¹¹ Represents contributions of municipal electrical utilities for the redemption of hydro debt.

TABLE 6. Current Revenue and Expenditure, by Province for the Fiscal Year Ended Nearest to December 31, 1968¹

No.		New-found-land	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Mani-toba	Saskat-chewan	Alberta	British Colum-bia	Yukon	North-west Terri-tories	Total
		thousands of dollars												
	Revenue													
1	Revenue from sales and services on current operations	23,286	7,807	164,578	92,294	535,230	864,459	185,349	262,482	211,373	428,703	3,726	3,982	2,783,269
2	Financial income:													
	1. Interest from													
	(i) Federal government	—	—	7	—	1,907	9,089	145	214	759	—	—	—	12,121
	(ii) Federal government enterprises	95	—	—	—	—	34	—	—	655	—	—	—	784
	(iii) Provincial governments	—	—	60	1,090	25,707	7,860	3,579	10,256	20	5,227	—	—	53,799
	(iv) Provincial government enterprises	—	—	—	—	—	812	101	—	—	—	—	—	913
	(v) Municipal governments	5	—	—	—	3,279	—	—	—	2,800	—	—	—	6,084
	(vi) Other	275	306	2,594	323	5,435	12,061	3,166	1,750	10,156	3,616	—	—	39,682
	Sub-totals	375	306	2,661	1,413	36,328	29,856	6,991	12,220	14,390	8,843	—	—	113,383
	2. Other financial income	—	—	—	3	7,331	2,831	19	4	1,604	1,616	—	—	13,408
	Sub-totals, item 2	375	306	2,661	1,416	43,659	32,687	7,010	12,224	15,994	10,459	—	—	126,791
3	Rental income	1,200	227	1,517	10	2,210	531	39	973	2,305	69	—	1	9,082
4	Contributions from own or other levels of government:													
	(i) Federal government	—	—	—	133	—	—	—	—	—	—	—	—	133
	(ii) Provincial governments	1,249	167	—	1,918	—	—	443	—	268	—	—	—	4,045
	(iv) Provincial government enterprises	2,929	—	—	—	—	—	—	—	—	—	—	—	2,929
	Sub-totals, item 4	4,178	167	—	2,051	—	—	443	—	268	—	—	—	7,107 ²
5	Other current income	55	7	191	631	5,890	213	402	516	165	490	—	3	8,563
6	Total current revenue	29,094	8,514	168,947	96,402	586,989	897,890	193,243	276,195	230,105	439,721	3,726	3,986	2,934,812
	Expenditure													
1	Cost of goods and services sold from current operations:													
	1. Wages and salaries	4,255	333	27,851	10,908	104,273	130,297	38,990	39,525	48,637	66,583	175	164	471,991
	2. Net drawings on (+) or net additions to (-) inventories	-1,173	43	143	470	4,282	312	2,549	2,118	-21	850	-96	81	9,558
	3. Other purchases of goods and services	15,770	5,268	98,555	45,201	157,721	362,078	52,447	115,882	87,319	188,562	2,264	1,914	1,132,981
	Sub-totals, item 1	18,852	5,644	126,549	56,579	266,276	492,687	93,986	157,525	135,935	255,995	2,343	2,159	1,614,530 ³
2	Provision for depreciation	985	12	7,511	8,803	46,553	65,058	26,212	32,053	23,138	41,684	—	—	252,009
3	Interest on debt to													
	(i) Federal government	312	—	1,449	2,432	—	—	—	—	—	—	—	—	4,193
	(ii) Provincial governments	737	839	6,455	2,458	14,807	31,304	8,433	29,519	1,541	—	—	—	96,093
	(iv) Provincial government enterprises	179	—	—	—	—	—	—	—	—	—	—	—	179
	(vi) Other	4,530	88	1,734	10,748	97,282	87,000	35,430	3,262	20,508	73,100	—	—	333,682
	Sub-totals, item 3	5,758	927	9,638	15,638	112,089	118,304	43,863	32,781	22,049	73,100	—	—	434,147 ⁴
4	Other current expenditure	38	—	742	1,014	20,664	16,839	801	2,883	4,127	1,962	—	—	49,070
5	Total current expenditure	25,633	6,583	144,440	82,034	445,582	692,888	164,862	225,242	185,249	372,741	2,343	2,159	2,349,756
6	Net profit (+) or loss (-)	3,461	1,931	24,507	14,368	141,407	205,002	28,381	50,953	44,856	66,980	1,383	1,827	585,056

¹ Includes transactions of the following enterprises for other than a twelve-month period: Sydney Steel Corporation from Jan. 1, 1968 to Mar. 31, 1969; Quebec Liquor Board for fifty-two week period ending March 29, 1969; Bow River Irrigation District and St. Mary River Irrigation District from Dec. 1, 1967 to Dec. 31, 1968.

² See Table 7, item 6, for government contributions credited to surplus account.

³ Includes capital expenditures amounting to 3,058 paid out of operating incomes of provincial liquor commissions.

⁴ Excludes interest capitalized during the construction of fixed assets: Nfld., 2,409; N.S., 894; N.B., 779; Que., 38,559; Ont., 17,491; Man., 8,622; Sask., 3,584; Alta., 588; B.C., 23,165; Total, 96,091.

TABLE 7. Net Surplus Account Transactions, by Province for the Fiscal Year Ended Nearest to December 31, 1968¹

No.		Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskatchewan	Alberta	British Columbia	Yukon	Northwest Territories	Total
thousands of dollars														
1	Balance at beginning of year	23,626	- 1,070	14,475	31,124	- 23,311	174,210	32,941	143,701	35,708	9,193	-	719	441,316 ²
2	Net profit or loss for the year	3,461	1,931	24,507	14,368	141,407	205,002	28,381	50,953	44,856	66,980	1,383	1,827	585,056 ³
3	Net profit or loss on sale or retirement of fixed assets	328	14	4,280	252	144	22	-	152	1	-	-	-	5,193
4	Net transfers from (+) or to (-) reserves	-	-	- 1,063	- 1,868	- 79,899	- 56,381	- 3,642	- 5,490	- 20	- 10,950	-	-	- 159,313
5	Other adjustments (net)	6,938	52	33,646	4,787	2,550	38,936	3,400	371	1,454	695	7	81	92,917
6	Contributions:													
	(i) Federal government	204	-	6,425 ⁴	-	-	-	-	-	-	-	-	-	6,629
	(iii) Provincial governments	2,962	948	1,534	-	-	3,946	3	-	-	-	-	-	9,393 ⁵
	(iv) Provincial government enterprises	555	-	-	-	-	-	-	-	-	-	-	-	555
	(vii) Other	-	-	248	32	-	-	473	1,759	-	3,183	-	-	5,695 ⁶
	Sub-totals, item 6	3,721	948	8,207	32	-	3,946	476	1,759	-	3,183	-	-	22,272
7	Remittances of surplus:													
	1. Dividends:													
	(iii) Provincial governments	-	-	-	-	-	-	-	4,150	-	-	-	-	4,150
	(iv) Provincial government enterprises	-	-	-	-	-	70 ⁷	-	-	-	-	-	-	70
	2. Other remittances:													
	(iii) Provincial governments	- 13,194	- 2,606	- 17,317	- 17,339	- 76,800	- 192,577	- 25,796	- 26,500	- 43,192	- 56,055	- 1,390	- 1,989	- 474,755 ⁸
	(iv) Provincial government enterprises	- 2,929	-	-	-	-	-	-	-	-	-	-	-	- 2,929
	Sub-totals, item 7	- 16,123	- 2,606	- 17,317	- 17,339	- 76,800	- 192,647	- 25,796	- 30,650	- 43,192	- 56,055	- 1,390	- 1,989	- 481,904
8	Net additions (+) or deductions (-)	- 1,675	339	52,260	232	- 12,598	- 1,122	2,819	17,095	3,099	3,853	-	81	64,221
9	Balance at end of year	21,951	- 731	66,735	31,356	- 35,909	173,088	35,760	160,796	38,807	13,046	-	638	505,537

¹ Includes transactions of the following enterprises for other than a twelve-month period: Sydney Steel Corporation from Jan. 1, 1968 to Mar. 31, 1969; Quebec Liquor Board for fifty-two week period ending March 29, 1969; Bow River Irrigation District and St. Mary River Irrigation District from Dec. 1, 1967 to Dec. 31, 1968.

² Differ from previously published amounts.

³ Item 6, Expenditure, Table 6.

⁴ Includes grants from the Atlantic Development Board, 6,425.

⁵ Comprises assistance for rural electrification 1,073, and payment of current and prior years' losses, 8,323.

⁶ Contributions in aid of construction, 5,350.

⁷ Involves transactions between parent and subsidiary government enterprises.

⁸ 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:

	Licenses and permits	Fines and confiscations	Law enforcement expenses and other adjustments	Net liquor revenue other than profits remitted	Liquor profits remitted	Total remitted
Newfoundland	5,482	28	1,538	7,048	6,132	13,180
Prince Edward Island	24	-	-	24	2,582	2,606
Nova Scotia	139	72	- 2,066	- 1,855	19,172	17,317
New Brunswick	427	-	-	427	16,912	17,339
Quebec	31,899	-	- 875	31,024	45,776	76,800
Ontario	38,936	-	- 1,436	37,500	155,077	192,577
Manitoba	3,403	-	- 3	3,400	22,071	25,471
Saskatchewan	243	1	19	263	22,087	22,350
Alberta	1,582	-	- 11	1,571	40,670	42,241
British Columbia	820	-	- 125	695	55,360	56,055
Yukon	7	-	-	7	1,383	1,390
Northwest Territories	81	-	-	81	1,908	1,989
Totals	83,043	101	- 2,959	80,185	389,130	469,315

TABLE 8. Analysis of Securities Held as Investments Including those in Restricted Funds, by Province, as at Fiscal Year End Nearest to December 31, 1968 (Asset items 9 and 11)¹

No.		Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskatchewan	Alberta	British Columbia	Total
		thousands of dollars										
1	Federal government treasury bills:											
	Asset item 9	-	-	-	-	-	35,956	-	-	-	-	35,956
	Asset item 11	-	-	-	-	-	-	-	-	-	-	-
	Sub-totals	-	-	-	-	-	35,956	-	-	-	-	35,956
2	Federal government direct and guaranteed bonds:											
	Asset item 9	-	-	-	-	51,369	140	6,586	3,243	13,701	-	75,039
	Asset item 11	-	-	175	131	-	155,143	3,971	-	522	2,125	162,067
	Sub-totals	-	-	175	131	51,369	155,283	10,557	3,243	14,223	2,125	237,106
3	Provincial and municipal government treasury bills:											
	Asset item 9	-	-	-	-	13,000	-	4,450	-	1,845	-	19,295
	Asset item 11	-	-	-	-	-	-	6,100	-	-	-	6,100
	Sub-totals	-	-	-	-	13,000	-	10,550	-	1,845	-	25,395
4	Provincial and municipal government direct and guaranteed bonds:											
	Asset item 9	-	-	81	-	468,870	2,977	1,728	21,556	34,800	1,356	531,368
	Asset item 11	-	-	1,581	21,168	76,435	45,727	31,574	-	14,964	91,837	283,286
	Sub-totals	-	-	1,662	21,168	545,305	48,704	33,302	21,556	49,764	93,193	814,654
5	Notes of companies incorporated in Canada and of institutions:											
	Asset item 9	-	12	-	-	7,776	8,225	-	-	-	-	16,013
	Asset item 11	-	-	-	-	-	-	-	-	-	-	-
	Sub-totals	-	12	-	-	7,776	8,225	-	-	-	-	16,013
6	Bonds of companies incorporated in Canada and of institutions:											
	Asset item 9	-	-	28,829	-	37,501	382	-	12	9,234	-	75,958
	Asset item 11	-	-	826	-	-	994	-	-	-	-	1,820
	Sub-totals	-	-	29,655	-	37,501	1,376	-	12	9,234	-	77,778
7	Preferred and common stock, Canadian:											
	(iv) Provincial government enterprises:											
	Asset item 9	50	-	-	17	-	692	-	-	-	-	759 ²
	(vii) Other:											
	Asset item 9	-	86	3,014	-	149,073	-	-	123	-	-	152,296
	Sub-totals	50	86	3,014	17	149,073	692	-	123	-	-	153,055
8	Foreign investments:											
	Asset item 9	-	-	-	-	-	4,189	-	-	-	-	4,189
9	Total securities:											
	Asset item 9	50	98	31,924	17	727,589	52,561	12,764	24,934	59,580	1,356	910,873
	Asset item 11	-	-	2,582	21,299	76,435	201,864	41,645	-	15,486	93,962	453,273
	Grand totals	50	98	34,506	21,316	804,024	254,425	54,409	24,934	75,066	95,318	1,364,146

¹ Additional assets held in restricted funds are as follows:

	Cash	Accrued interest	Total
Newfoundland	241	-	241
Nova Scotia	241	-	241
New Brunswick	1,000	-	1,000
Quebec	5	342	347
Ontario	1,392	-	1,392
Manitoba	803	-	803
Alberta	7,157	-	7,157
Totals	10,839	342	11,181

² Involves investment of parent enterprises in subsidiaries.

CHART-5

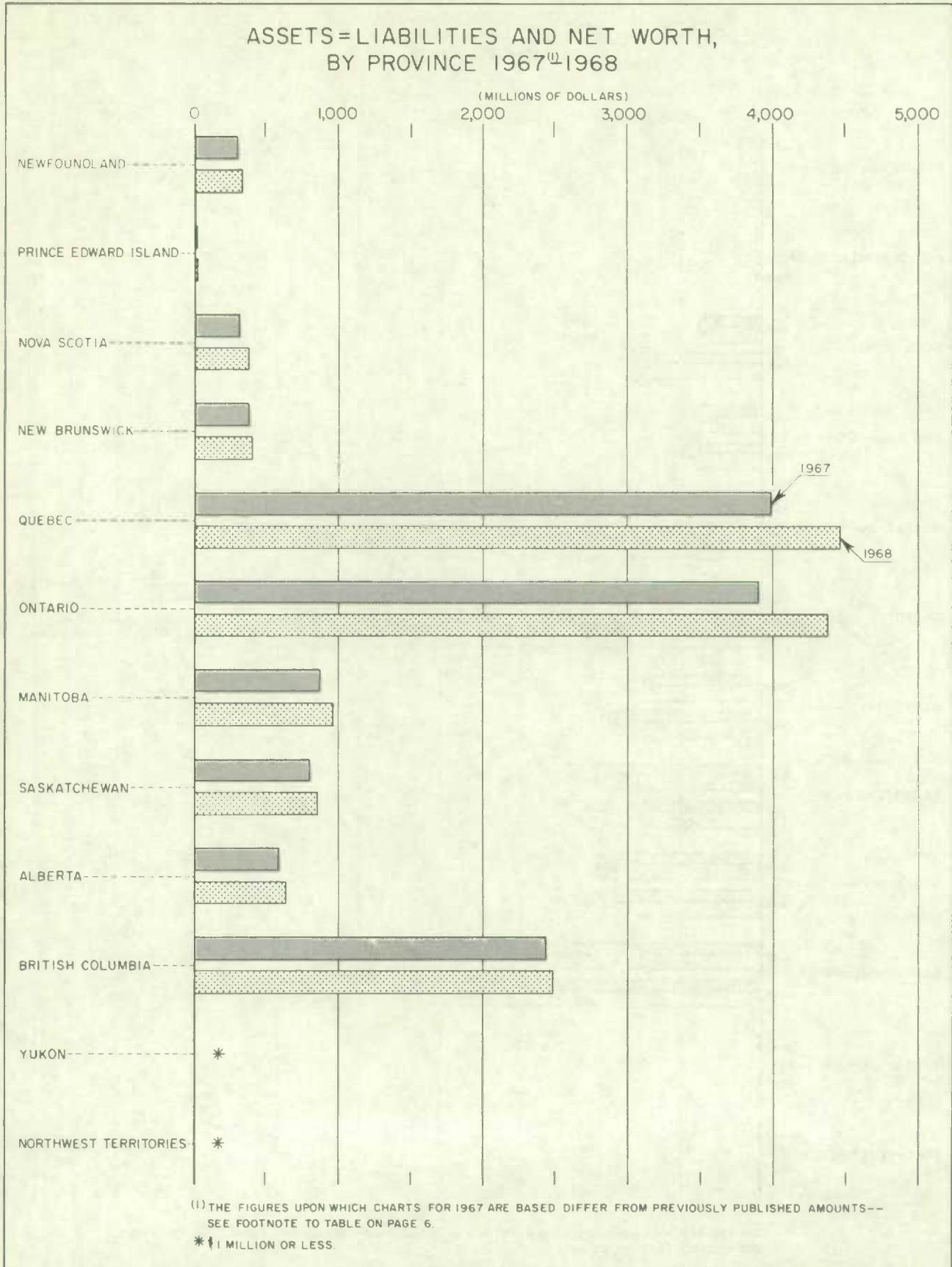
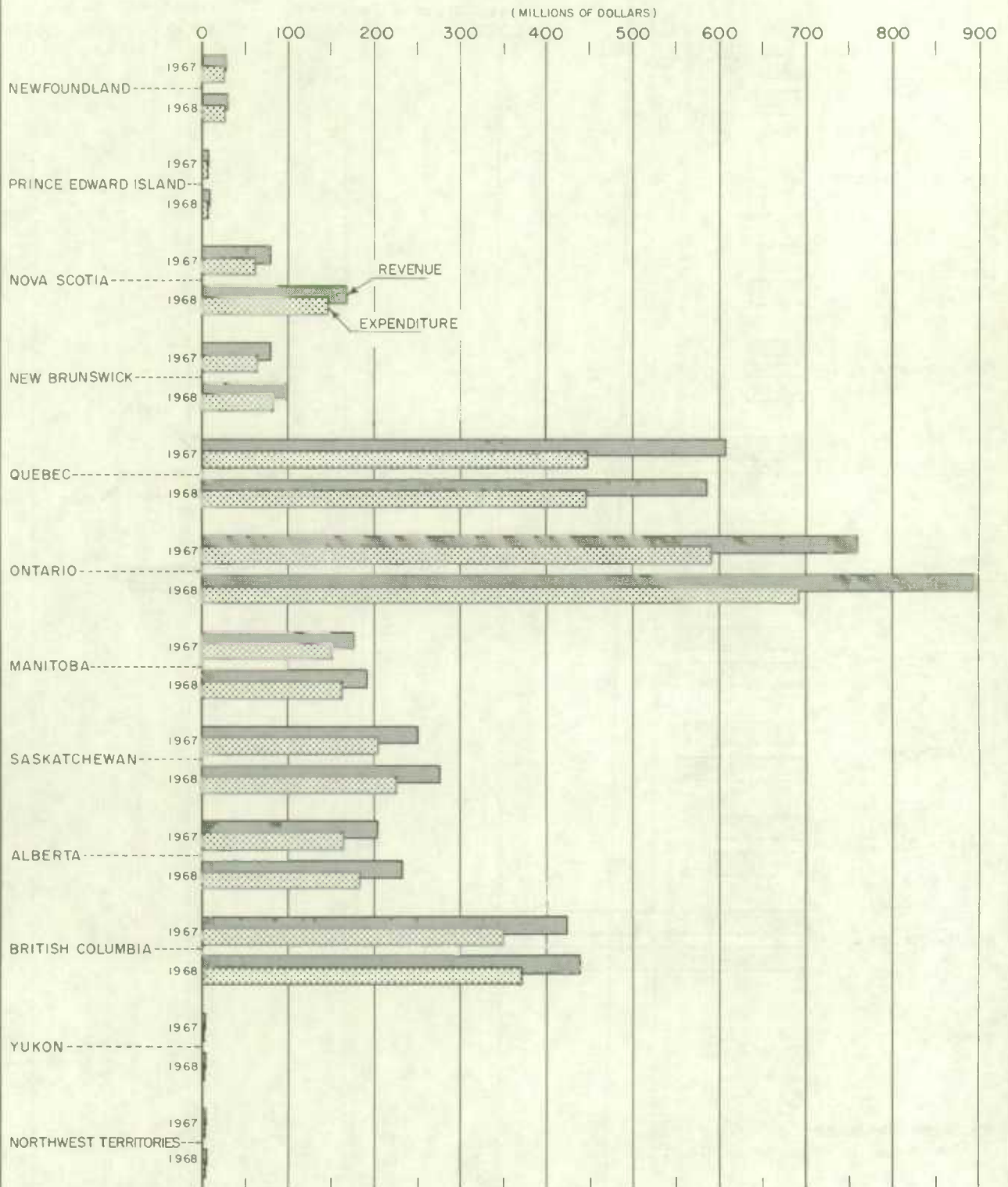


CHART-6

REVENUE AND EXPENDITURE, BY PROVINCE 1967⁽¹⁾-1968

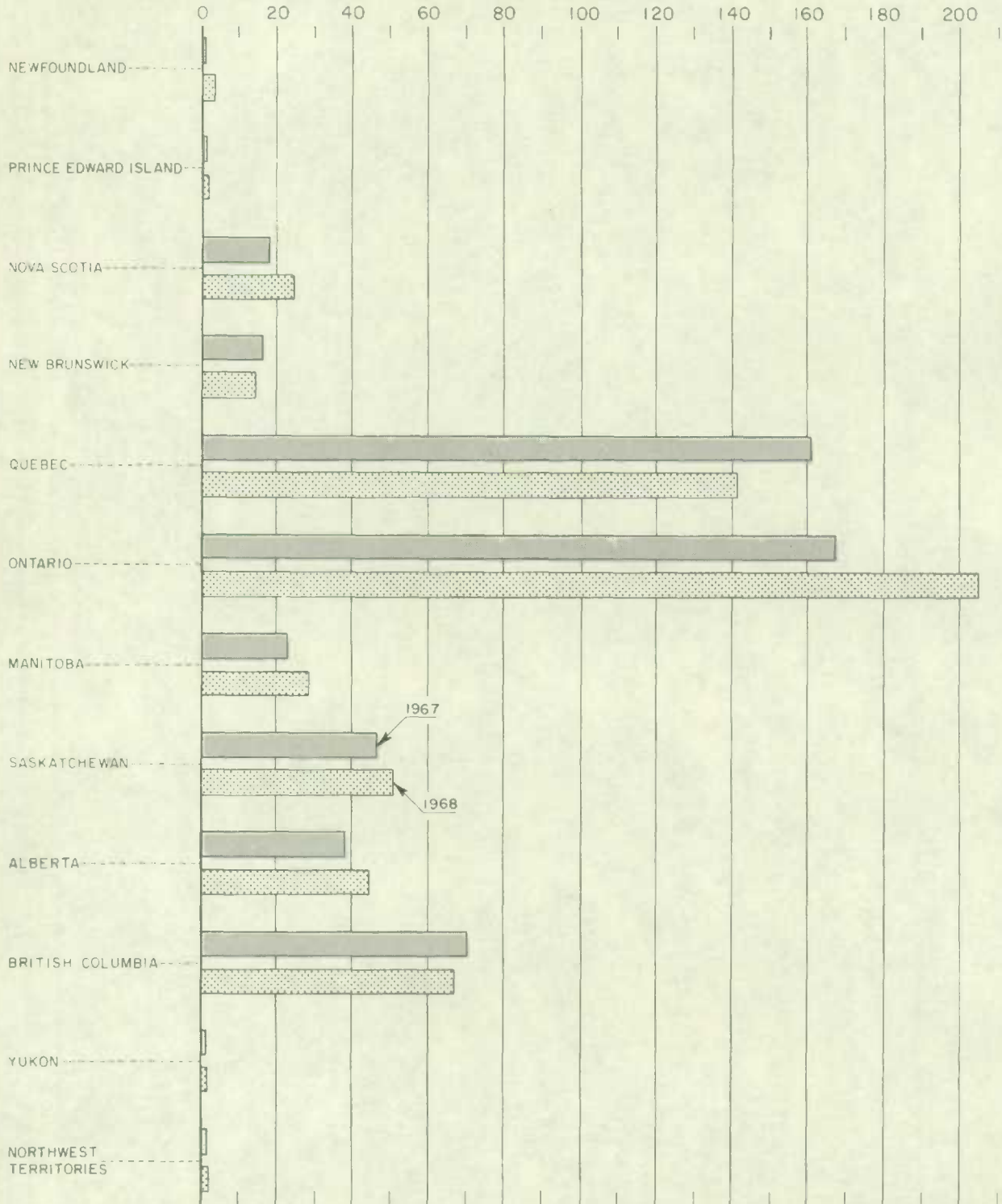


(1) THE FIGURES UPON WHICH CHARTS FOR 1967 ARE BASED DIFFER FROM PREVIOUSLY PUBLISHED AMOUNTS-- SEE FOOTNOTE TO TABLE ON PAGE 6.

CHART-7

NET PROFIT OR LOSS, BY PROVINCE
1967⁽¹⁾-1968

(MILLIONS OF DOLLARS)



⁽¹⁾ THE FIGURES UPON WHICH CHARTS FOR 1967 ARE BASED DIFFER FROM PREVIOUSLY PUBLISHED AMOUNTS---
SEE FOOTNOTE TO TABLE ON PAGE 6

EXPLANATORY COMMENT

The Concept of a Government Enterprise

The activities of present day governments fall into two categories. Firstly there are activities of a general nature such as the protection of persons and property, health, education and highways, which are common to most governments and 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 of 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".

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

A government enterprise is considered to be an organized entity, usually corporate

- (a) which is established by a political decision-making body to produce goods and/or services for sale on the open market at a price related to costs, and
- (b) which maintains an independent system of accounts that permits the charging of specific elements of cost against the revenue derived from its sales of goods and/or services, and
- (c) the management of which is relatively autonomous in the conduct of routine day-to-day operations, and

- (d) which is staffed by personnel not normally subject to the statutory requirements governing employment in the general public service (with the possible exception of certain specific matters such as retirement benefits).

Difficulties in classification arise where some but not all of the above characteristics apply. Often the deciding factor is whether or not there is free choice in purchasing the goods and/or services provided. If the choice does not exist, the organization is treated as a special fund and not as a government enterprise.

For greater certainty, the following types of organizations are not treated as enterprises in DBS publications:

- (a) any government agency which engages primarily in the channelling of funds from its own to another level of government or amongst organizations at its own level of government, and
- (b) any government agency which engages in industrial or commercial activities primarily to service the requirements of government.

In certain instances, practical considerations prevent the segregation of particular industrial or commercial activities of government from general government operations although such activities appear to be of the kind that would qualify as enterprise activities, e.g. the work performed by a government research operation for industry, the cost of which is borne by industry.

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 (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 and of several other enterprises 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".

Classification of Enterprises by Industry Group and by Province

Provincial government enterprises have been classified according to their principal activities in main industry groups as set out in the Standard Industrial Classification Manual (1960) (Catalogue No. 12-501) of the Dominion Bureau of Statistics.

The classification takes no account of secondary activities carried out by enterprises, for example gas distribution systems operated by electric power commissions and telegraph services provided by railways.

Financial statistics of provincial government enterprises are shown by industry in Tables 1 to 4 and by province in Tables 5 to 8. Combined with existing statistics of provincial departmental and special fund revenue, expenditure, assets and debt, the latter facilitate evaluation of the role of each province in the public sector of the economy.

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 by the Governments Division for the publication "Provincial Government Employment" (Catalogue No. 72-007).

APPENDIX

Financial Classification and Terminology

Current assets or liabilities have not been segregated 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 whenever appropriate. Throughout this report such transactions are designated by the same numerical categories as follows:

- (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

Item 1. Cash on hand and on deposit includes 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 claimed against debtors, usually money rights arising from the sale of goods or services.

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

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

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

A significant amount is included in the "Other" sub-item as detailed debtor information is not normally set out in the source data used in the compilation of this publication. The same condition applies to asset items 5.1 and 8.

Item 5. Accrued revenue is revenue 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 short-term expenses which are expected to yield their benefits within the next financial year and meanwhile are carried forward to be assigned to expense in that period.

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

Item 7. Fixed assets in this publication are deemed to be long-term assets, such as land, buildings or equipment held for use or sale.

Property held for sale by financial enterprises has been included under fixed assets. 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, as distinguished from accounts receivable which result from the supply of goods or rendering of services, and advances

receivable which pertain to funds advanced with respect to a liability which will only become due sometime in the future. Examples of advances receivable are advances on salaries or travelling expenses.

Item 9. Securities held as investments. Negotiable bonds and stocks purchased with the object of employing funds which may have been set aside for some future use, but are not restricted by legislation or regulation to this 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 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.

Securities held in restricted funds appear under item 11 below.

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 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.

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 are long-term expense prepayments; expenditures, other than capital expenditures, the benefit of which will extend over a period of years from the time of incurrence and meanwhile are carried forward to be assigned to expense in each of the applicable years. 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

Item 1. Accounts payable are amounts owing to creditors, usually money rights arising from the purchase of goods and services.

Item 2. Temporary loans, advances and notes payable include amounts owing to banks or other sources 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 obligations 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. The amount of equity of enterprises in the relevant provincial sinking funds has been offset.

Item 6. Long-term debt. The long-term debt of an enterprise is usually in the form of bonds and debentures, issued and unmatured (including

debentures assumed) undifferentiated as to holder. Mortgages and agreements for sale are other types of long-term indebtedness.

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

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

Item 8. Trust and deposit accounts represent liabilities for contractors' security deposits and staff savings funds for which contra asset accounts are not separately identifiable. All balances in asset item 11.2 (Restricted funds: Trust and deposit accounts) have been offset against this liability.

Reserves

In this publication a reserve is deemed to be 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. Provision for estimated liabilities. Liabilities provided for include loss on foreign exchange, workmen's compensation awards, and insurance against fire losses, accidents, etc.

Provisions for estimated decreases in the value of assets have been offset to the appropriate asset accounts.

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) is the excess of assets over liabilities.

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

The cash basis of accounting is the method of recording transactions by which revenues and costs are reflected in the accounts in the period in which the related cash receipts or disbursements occur. The accrual basis of accounting is the method of recording transactions by which revenues and expenses are reflected in the accounts in the period in which they are considered to have been earned and incurred, respectively, whether or not such transactions have been finally settled by the receipt or payment of cash or its equivalent.

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

Revenue

Revenue consists of amounts received and receivable which are available to meet expenditures and which do not increase any 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 non-operating income, rents, and contributions from government.

Capital revenue consists of proceeds from the sale of fixed assets and contributions towards expenditures of a capital nature.

Current Revenue

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

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 renting such fixed assets as buildings and machinery and equipment to non-government bodies. Government agencies which rent to other government bodies are not treated as enterprises in government finance statistics.

Item 4. Contributions from own or other levels of government represent grants and payments from government bodies in respect to current operating expenditure by enterprises, other than subsidies or re-imbursements for deficits incurred. Amounts received from governments on account of deficits, incurred by enterprises in current or prior years, are excluded from current revenue and shown in surplus account transactions.

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

Expenditure

An expenditure is a charge incurred for any purpose whether or not paid.

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 current expense accounts.

Capital expenditure is any expenditure that results in the acquisition of, or addition to, fixed assets.

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 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 been included in sub-item 1.3.

(2) **Net drawings on (+) or net additions to (-) inventories** represent the net change in the value of inventories during the accounting period.

(3) **Other purchases of goods and services.** 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 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 and any contributions of enterprises to own or other levels of government.

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