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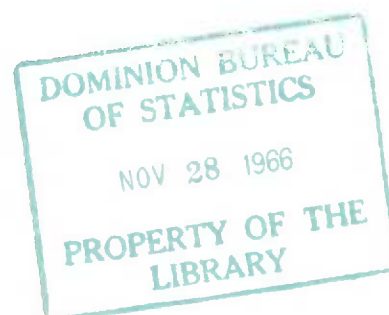


PROVINCIAL GOVERNMENT ENTERPRISE FINANCE

1963

(Fiscal Years Ended Nearest to December 31st)

ASSETS, LIABILITIES AND NET WORTH
CURRENT REVENUE AND EXPENDITURE



DOMINION BUREAU OF STATISTICS

Governments and Transportation Division

Governments Section

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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.

INTRODUCTION

This report covers the financial statistics of provincial government enterprises in Canada in 1963. It is the third in a series of publications by the Bureau of Statistics, the first of which covered the years 1958 to 1961.

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

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

Reports dealing with government enterprises are part of the program to enlarge the scope of the public finance statistics by incorporating comparable data on government enterprises, institutions and social security and pension funds. The broadened framework will permit a more sophisticated evaluation of the impact of government on the economy with respect to its demands on the goods and services produced, its capital formation, its external financing, the redistributive effects on private incomes through its taxing powers and transfer payments, and the significance of its trading operations in industry.

THE CONCEPT OF A GOVERNMENT ENTERPRISE

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

Government Services

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

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

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

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

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

Government Enterprises

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

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

An exception is made where a central agency has been set up to provide goods or services mainly to its own or other levels of government; such an agency is treated as a working capital fund of general government as it is subject only to a limited play of market forces due to arbitrary prices, for example, the Defence Production Revolving Fund.

There is quite a fine line drawn between a special fund and a government enterprise. In the final analysis the deciding factor is whether or not the individual has a free choice of availing himself of the goods or services provided at a fee determined according to use. Where the individual does not have this choice, the organization is treated for statistical purposes as a special fund and included as part of general government.

Other characteristics of an enterprise, usually evident, are:

- (1) separate legal existence;
- (2) separate accounting records;
- (3) sustained activity;
- (4) commitment of an appreciable volume of capital;
- (5) payment of income tax;

(6) personnel not subject to Civil Service Act;

(7) record of inventories of raw materials and finished goods;

(8) depreciation allowances.

No attempt has been made to isolate an enterprise activity that is incidental to a general government service.

PROVINCIAL GOVERNMENT ENTERPRISES INCLUDED IN THIS REPORT

There were sixty provincial government enterprises in operation during 1963. This number does not include the following enterprises although their financial statistics are included in this report: the International Transit Company Limited which ceased operations on October 31, 1962; the Madawaska Valley Telephone Co. Ltd. the Assets of which were sold on June 1, 1960; the Ontario Telephone Development Corporation which was inactive; and the Province of Saskatchewan Liquor Licencing Commission whose operations are included with those of the Liquor Control Board.

The New Brunswick Development Corporation and the Saskatchewan Economic Development Cor-

poration commenced operations on August 1, 1963 and April 1, 1963, respectively.

Canada Electric Company Limited became a part of the Nova Scotia Power Commission on July 1, 1963.

The charter of the Madawaska Valley Telephone Company Limited was surrendered on December 31, 1963.

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 1963 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 1963	Main functions
					\$'000	
Newfoundland:						
Board of Liquor Control.....	Mar. 31	Minister of Finance	Alcoholic Liquors Act, RS 1952, c. 93; and amendments.	1949*	3,619	Control and sale of alcoholic beverages.
Division of Northern Labrador Affairs.	Mar. 31	Minister of Public Welfare	Department of Public Welfare Act, RS 1952, c. 18.	1949*	612	Provision of essential goods and services not otherwise available to the people of Northern Labrador.
Newfoundland Fibreply Limited	Dec. 31	Minister of Economic Development	—	1959	no published report	Production of all-purpose flake or chipboard from local hardwoods.
Newfoundland Power Commission.	Mar. 31	Attorney General	Newfoundland Power Commission Act, 1954, c. 72; and amendment.	1954	4,129	Generation, transmission and distribution of electric power and energy.
St. John's Housing Corporation	Dec. 31	Lieutenant-Governor in Council	St. John's Housing Corporation Act, RS 1952, c. 80; and amendment.	1949*	9,059	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:						
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	2,964	Assistance in development of industry; operation of cold storage plant; chartering for shipping services.
Prince Edward Island Liquor Control Commission.	Mar. 31	Lieutenant-Governor in Council	Liquor Control Act, RS 1951, c. 1959; and amendments.	1948	474	Control and sale of alcoholic beverages.

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 1963	Main functions
					\$'000	
Nova Scotia:						
Halifax-Dartmouth Bridge Commission.	Dec. 31	Commissioners appointed by province	Halifax-Dartmouth Bridge Commission Act, 1950, c. 7; and amendments.	1951	14,418	Construction, maintenance and operation of bridge and approaches between Halifax and Dartmouth.
Industrial Estates Limited (a)	Mar. 31	Minister of Trade and Industry	Industrial Estates Limited Act, 1958, c. 5; and amendments.	1957 (Companies Act)	11,821	Development of secondary industry.
Keltic Lodge	Mar. 31	Minister of Trade and Industry	—	1940	no published report	Operation of resort hotel with cottages during tourist season.
Nova Scotia Liquor Commission	Mar. 31	Lieutenant-Governor in Council	Liquor Control Act, RS 1954, c. 155; and amendments.	1930	5,977	Control and sale of alcoholic beverages.
Nova Scotia Power Commission ¹	Nov. 30	Lieutenant-Governor in Council	Power Commission Act, RS 1954, c. 220; and amendments.	1919	79,800	Generation, transmission and distribution of electric power and energy.
Springhill Development Corporation (a) (subsidiary).	Mar. 31	Minister of Trade and Industry	(a)	1958	1,035	Development of industry in Town of Springhill.
New Brunswick:						
New Brunswick Development Corporation ¹ .	Mar. 31	Minister of Finance and Industry	New Brunswick Development Corporation Act, 1959, c. 9.	1959	108	Provision of financial assistance to industry.
New Brunswick Electric Power Commission.	Mar. 31	Lieutenant-Governor in Council	Electric Power Act, RS 1962, c. 71; (secs. 45 to 69); and amendment.	1920	165,032	Generation, transmission and distribution of electric power and energy.
New Brunswick Liquor Control Commission.	Mar. 31	Lieutenant-Governor in Council	Liquor Control Act, 1961, c. 3; and amendment.	1927	3,226	Control and sale of alcoholic beverages.
Quebec:						
Quebec Autoroutes Authority	Dec. 31	Minister of Roads	Quebec Autoroutes Act, 1960-61, c. 62.	1957	145,638	Construction, operation and maintenance of autoroutes and related works.
Quebec Hydro-Electric Commission ¹	Dec. 31	Minister of Natural Resources	Quebec Hydro-Electric Commission Act, RS 1941, c. 98A enacted by sec. 1, 1944, c. 22; and amendments.	1944	2,050,297	Generation, transmission and distribution of electric power and energy.
Quebec Liquor Board	Mar. 31	Minister of Natural Resources	Quebec Liquor Board Act, RS 1941, c. 255 enacted by sec. 1, 1960-61, c. 86; and amendments.	1921	22,086	Control and sale of alcoholic beverages.
Quebec Sugar Refinery	Mar. 31	Lieutenant-Governor in Council	Act respecting the establishment of a beet-sugar factory at St. Hilaire, 1943, c. 23.	1943	2,994	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	2,752,819	Generation, transmission and distribution of electric power and energy.
International Transit Company Limited.	June 16	Treasurer of Ontario	Sault Ste. Marie Bridge Act, 1960.	1960	288	Operation of ferry service until completion of Sault Ste. Marie International Bridge, October 31, 1962. (Affairs still being wound up at end of year 1963).
Liquor Control Board of Ontario	Mar. 31	Lieutenant-Governor in Council	Liquor Control Act, RS 1960, c. 217; and amendments.	1927	31,905	Control and sale of alcoholic beverages.
Madawaska Valley Telephone Co. Limited (b) ¹ (subsidiary).	Dec. 31	Lieutenant-Governor in Council	(b)	1956	nil	Provision of telephone service; sold to private interests as of June 1, 1960. Charter was surrendered December 31, 1963.
Ontario Food Terminal Board	Mar. 31	Minister of Agriculture	Ontario Food Terminal Act, RS 1960, c. 272.	1954	5,356	Operation of wholesale fruit and market facilities to serve Metropolitan Toronto.
Ontario Northland Transportation Commission (c).	Dec. 31	Minister of Economics and Development	Ontario Northland Transportation Commission Act, RS 1960, c. 276; and amendment.	1902	84,156	Operation of Ontario Northland Railway, Nipissing Central Railway, Ontario Northland Highway Services, Ontario Northland Boat Lines and Ontario Northland Communications.
Ontario Stock Yards Board	June 30	Minister of Agriculture	Stock Yards Act, RS 1960, c. 385.	1944	no published report	Operation of facilities for a livestock market.

¹ See also explanatory comment on page 10.

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 1963	Main functions
Ontario — Concluded:					\$'000	
Ontario Telephone Development Corporation (b), ¹	Dec. 31	Lieutenant-Governor in Council	Ontario Telephone Development Corporation Act, RS 1960, c. 280.	1955	nil	Provision of telephone service. This corporation is inactive.
Province of Ontario Savings Office	Mar. 31	Lieutenant-Governor	Agricultural Development Finance Act, RS 1960, c. 9.	1921	80,909	Provision of banking services.
Star Transfer limited (c) (subsidiary)	Dec. 31	Minister of Economics and Development	(c)	1960	1,177	Operation of highway transport.
Manitoba:						
Liquor Control Commission of Manitoba.	Mar. 31	Attorney General	Liquor Control Act, 1956, c. 40; and amendments.	1923	2,988	Control and sale of alcoholic beverages.
Manitoba Agricultural Credit Corporation.	Mar. 31	Minister of Agriculture and Conservation	Agricultural Credit Act, 1958, c. 1; and amendments.	1959	20,350	Operation of lending agency for farmers.
Manitoba Development Fund	Mar. 31	Minister of Industry and Commerce	Business Development Fund Act, 1958, c. 3; and amendments.	1958	6,893	Provision of financial assistance to industry.
Manitoba Farm Loans Association	Mar. 31	Lieutenant-Governor in Council	Manitoba Farm Loans Act, RS 1940, c. 73.	1917	89	Provision of loans on security of farm land.
Manitoba Hydro-Electric Board	Mar. 31	Minister of Public Utilities	Manitoba Hydro Act, 1961, c. 28; and amendment.	1921	430,792	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	152,503	Operation and maintenance of Manitoba telephone system.
Manitoba Water Supply Board	Mar. 31	Minister of Agriculture and Conservation	Manitoba Water Supply Board Act, 1959, c. 69.	1959	2,455	Provision of potable water supplies to municipalities.
Saskatchewan:						
Province of Saskatchewan Liquor Board. Liquor Licensing Commission	Mar. 31	Lieutenant-Governor in Council	Liquor Act, 1960, c. 31; Liquor Licensing Act, 1959, c. 19; and amendments.	1925	6,662	Control and sale of alcoholic beverages.
Saskair (formerly Saskatchewan Government Airways).	Oct. 31	Minister of Natural Resources	Crown Corporations Act, RS 1953, c. 34; and amendments.	1947	794	Provision of transportation facilities for the development of province's northland.
Saskatchewan Economic Development Corporation. ¹	Dec. 31	Minister of Industry and Information	Industrial Development Act, 1963, c. 51.	1963	2,626	Provision of assistance to industry.
Saskatchewan Forest Products	Oct. 31	Minister of Natural Resources	Crown Corporations Act, RS 1953, c. 34; and amendments.	1949	5,121	Operations in woods, sawmills, lumber yards and planing mills.
Saskatchewan Fur Marketing Service (formerly a division of Saskatchewan Marketing Services).	Sept. 30	Minister of Natural Resources	Crown Corporations Act, RS 1953, c. 34; and amendments.	1945	160	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	Attorney General	Saskatchewan Government Insurance Act, RS 1953, c. 36.	1945	19,267	Provision of general insurance and administration of compulsory automobile insurance plan.
Saskatchewan Government Printing Company.	Dec. 31	Provincial Treasurer	Crown Corporations Act, RS 1953, c. 34; and amendments.	1945	391	Operation of printing plant for government and agencies.
Saskatchewan Government Telephones.	Dec. 31	Minister of Telephones	Saskatchewan Government Telephones Act, RS 1953, c. 37; and amendments.	1947	123,427	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 Guarantee and Fidelity Company Limited.	Dec. 31	Attorney General	..	1949	3,397	Provision of reinsurance facilities.
Saskatchewan Minerals	Dec. 31	Minister of Natural Resources	Crown Corporations Act, RS 1953, c. 34; and amendments.	1944	2,745	Manufacture of clay products and salt-cake.
Saskatchewan Power Corporation....	Dec. 31	Minister of Industry and Information	Power Corporation Act, RS 1953, c. 35; and amendments.	1929	523,838	Generation, transmission and distribution of electric power and energy; transmission of natural gas including gas gathered by its wholly-owned subsidiary, Many Islands Pipe Lines Limited.
Saskatchewan Transportation Company.	Oct. 31	Minister of Highways and Transportation	Crown Corporations Act, RS 1953, c. 34; and amendments.	1946	2,547	Operation of passenger and freight transportation service.

¹ See also explanatory comment on page 10.

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 1963 \$'000	Main functions
Alberta:						
Alberta Government Telephones Commission.	Mar. 31	Minister of Telephones	Alberta Government Telephones Act, 1958, c. 85; and amendments.	1958	258,806	Provision of telephone service, under Department of Telephones from 1906, until establishment of crown corporation in 1958.
Alberta Industrial Corporation	Dec. 31	Lieutenant-Governor in Council	Alberta Industrial Corporation Act, RS 1955, c. 153.	1946	1,363	Provision of financial assistance to industry by loans, acquisition of shares or other assets.
Alberta Liquor Control Board	Mar. 31	Provincial Treasurer	Liquor Control Act, 1958, c. 37; and amendments.	1924	14,734	Control and sale of alcoholic beverages.
Alberta Municipal Financing Corporation.	Dec. 31	Lieutenant-Governor in Council	Alberta Municipal Financing Corporation Act, 1956, c. 3; and amendments.	1956	294,000	Assistance in municipal financing by purchase and sale of municipal securities.
Bow River Development	Nov. 30	Minister of Agriculture	Bow River Development Act, 1955, c. 48; and amendments.	1955	6,497	Operation of irrigation project.
Marketing Services Limited	Dec. 31	Minister of Industries and Labour	Alberta Marketing Act, RS 1955, c. 191; and amendments.	1939	630	Assistance to industry through large-scale purchasing of materials used in manufacturing.
St. Mary and Milk Rivers Development	Nov. 30	Minister of Agriculture	St. Mary and Milk Rivers Development Act, 1946, c. 5; 1950, c. 68; and amendments.	1946	21,582	Operation of irrigation project.
Treasury Branches	Mar. 31	Provincial Treasurer	Treasury Branches Act, RS 1955, c. 344; and amendments.	1938	113,882	Provision of banking services.
British Columbia:						
British Columbia Hydro and Power Authority. ¹	Mar. 31	Lieutenant-Governor in Council	British Columbia Hydro and Power Authority Act, 1961, c. 8; and amendments.	1945	1,016,840	Generation, transmission and distribution of electricity; distribution of natural gas; provision of passenger bus and rail freight-transportation services. Formed by the amalgamation of the B.C. Power Commission (incorporated in 1945) and the B.C. Electric Co. Ltd. (acquired by the Province in 1961).
British Columbia Toll Highways and Bridges Authority. ¹	Mar. 31	Lieutenant-Governor in Council	Toll Highways and Bridges Authority Act, RS 1960, c. 380; and amendment.	1953	52,048	Provision of highway, bridge, tunnel and ferry services.
Liquor Control Board of British Columbia.	Mar. 31	Attorney General	Government Liquor Act, RS 1960, c. 166; and amendment.	1921	10,918	Control and sale of alcoholic beverages.
Pacific Great Eastern Railway Company.	Dec. 31	Minister of Railways	(Pacific Great Eastern Incorporation Act, 1912, c. 34); Railway Act, RS 1960, c. 329.	1924	189,844	Operation of passenger and freight railway service.
Yukon:						
Liquor Control Authority	Mar. 31	Commission, Government of Yukon Territory	Liquor Ordinance, RO 1956, c. 67; and amendments.	1921	617	Control and sale of alcoholic beverages.
Northwest Territories:						
Liquor Control Authority	Mar. 31	Commissioner of the Northwest Territories	Liquor Ordinance, RO 1956, c. 60; and amendments.	1939	523	Control and sale of alcoholic beverages.

¹ See also explanatory comment on page 10.

Explanatory Comment on Certain Enterprises

Explanatory comments on certain of the enterprises follow:

Nova Scotia Power Commission.—The Canada Electric Company Limited, formerly operated as a wholly-owned subsidiary, was wound up on July 1st, 1963 and designated as the Cumberland System of the Nova Scotia Power Commission. During the current year negotiations were completed for the purchase of the Pictou County Power Board which became the Pictou County System of the Commission effective December 1st, 1963.

The Commission's responsibilities for the administration of the Nova Scotia Water Act were taken over by the newly formed Nova Scotia Water Authority effective August 1st, 1963.

New Brunswick Development Corporation.—This corporation, which had been incorporated in 1959, was reactivated on August 1st, 1963. A subsidiary, Fundy Chemical Corporation Limited, was incorporated during the year but did not commence operations.

Quebec Hydro-Electric Commission.—During the year Hydro-Quebec acquired all shares of seven privately owned electric power companies in the Province of Quebec and 99.7 per cent of the shares of another for an approximate net cost of \$362 million. These statistics include the accounts of these subsidiary companies from the effective dates of their acquisition, as follows:

April 30, 1963 —

The Shawinigan Water and Power Company,
and its wholly-owned subsidiary, St. Maurice
Power Corporation

Southern Canada Power Company Limited
(99.7 per cent owned)

Quebec Power Company

Gatineau Power Company

Northern Quebec Power Company Limited

Lower St. Lawrence Power Company

Saguenay Electric Company

July 31, 1963 —

La Sarre Power Company Limited

Offers to acquire the 46 co-operatives formed under the Rural Electrification Act of Quebec were also made in 1963.

Ontario Telephone Development Corporation and its subsidiary, Madawaska Valley Telephone Company Limited.—The assets of the Madawaska Valley Telephone Company Limited, the only subsidiary of the Ontario Telephone Development Corporation were sold to private interests as of June 1, 1960 and the charter was surrendered on December 31st, 1963.

Saskatchewan Economic Development Corporation.—This corporation commenced operations on April 1st, 1963.

British Columbia Hydro and Power Authority.—The balance of \$25 million owing for common shares of the British Columbia Power Company was paid in 1963. Outstanding shares of International Power and Engineering Consultants Limited were purchased and the accounts of this wholly-owned subsidiary are consolidated with those of the Authority as at March 31, 1964.

British Columbia Toll Highways and Bridges Authority.—During 1963 the remaining toll structures operated by the Authority became toll-free and the property of the Department of Highways of British Columbia. Tolls on the First and Second Narrows Bridges (Burrard Inlet System) were removed on April 1st, 1963 and an amount of \$16 million was paid to the Authority by the Province under the Toll Removal Act of British Columbia. Although the Oak Street Bridge and Deas Island Tunnel (Fraser Delta System) did not become toll-free until April 1st, 1964 when the second and final payments of \$18 million was due from the Province, the balance sheet of the Authority as at March 31st, 1964 does not include these facilities as fixed assets and the final payment is shown as receivable from the Province.

Comparison with Coverage in National Accounts

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

FINANCIAL STATISTICS OF PROVINCIAL GOVERNMENT ENTERPRISES

Source of Data

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

The series on wages and salaries paid to employees of provincial enterprises is, for the most

part, based on data obtained from the Government Employment Unit, Governments and Transportation Division.

Capital Revenue and Expenditure

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

Estimates of expenditures of a capital nature by government enterprises are published in the publication, "Private and Public Investment" (Table 7), prepared jointly by the Business Finance Division of the Dominion Bureau of Statistics, and the Economics Branch of the Department of Trade and Commerce. According to this source, capital expenditures of provincial enterprises for the year 1963 were \$618 million.

Classification of Enterprises by Industry Group and by Province

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

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

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

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

Tables 5 to 8 inclusive portray the financial statistics of provincial government business enterprises geographically.

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

Financial Classification and Terminology

To fit the particular needs of an economic and/or functional classification of public finance data, and to stress the interrelatedness of govern-

ment enterprise transactions with general government departments and agencies, the nomenclature of the items used in both schemes has been retained in so far as possible.

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

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

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

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

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

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

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

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

ASSETS

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

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

Item 2. Accounts receivable are amounts 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 pre-paid expenses, are included.

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

Transactions of the enterprises with their own or other levels of government have been isolated under the pertinent sub-items, including interest on bonds and debentures of own or other government enterprises which are not identified, in these statistics, by type of holder for the reason that the holder is not usually known. The same breakdown is used for asset item 5. 1.

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

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

Item 6. Prepaid expenses are short-term expenses which are expected to yield their benefits in the near future and meanwhile are carried forward to be assigned to expense in the near future.

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 rather than investments. For some studies, it may be desirable to exclude properties intended for sale, and for this reason, the amounts involved are shown in a footnote.

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

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

Item 8. Loans and advances receivable. Loans receivable are amounts owing by other governmental bodies, individuals, firms or corporations, as a result of monies loaned out of borrowed or other available funds, as distinguished from accounts receivable which imply the supplying of goods or

rendering of services for which a charge is made without the transfer of funds, and advances receivable which imply liability at a future date in respect of which payment is made in advance. Examples of advances receivable are advances on salaries or travelling expenses and payments on account of contracts prior to their completion.

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

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

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

Securities held in restricted funds appear under item 11 below.

Securities held as investments are classified under eight sub-groups:

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

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

Item 10. Mortgages and agreements for sale. A mortgage is the creation of an interest in real property in favour of a mortgagee as security for the repayment of debt by the mortgagor.

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

Item 11. Restricted funds. These are assets held either by the enterprise or by a trustee for such purposes as the future payment for an asset or a service, the payment of an existing, real or contingent liability, or the retirement of debt. These funds may be created voluntarily or by reason of obligatory commitments, and are usually

held in the form of cash or investments. Details of the composition of the funds are recorded in Table 4 by industry and in Table 8 by province and are set out under this item rather than under cash on hand and on deposit (item 1) and securities held as investments (item 9) to emphasize the restrictions as to their use in the operations of the enterprise.

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

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

Item 12. Deferred charges 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 over a period of 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.

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

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

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

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

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

debentures assumed) undifferentiated as to holder. It is noted that while the holder of negotiable bonds and debentures issued by government enterprises is not usually identifiable, interest earned on long-term debt of own or other governments, or their enterprises, held as investments (asset items 9 and 11) are classified by sub-items (i) to (vi), under the appropriate asset or revenue items. Mortgages and agreements for sale are other types of long-term indebtedness.

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

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

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

Reserves

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. Liability reserves. This item comprises provisions for future income taxes, for estimated liabilities such as loss on foreign exchange and 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. Sur-

pluses 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

If revenues and costs are reflected in the accounts in the period in which the related cash receipts or disbursements occur, the accounts are maintained on a cash basis. If, on the other hand, 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, the system of accounting is said to be on an accrual basis.

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

Revenue

Revenue consists of amounts received and receivable and available to meet expenditures that 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 or non-operating income in the form of interest and foreign exchange on investments, rents, and contributions from government.

Capital revenue comprises 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 current operations of government enterprises are included here. Sales are deemed to be valued at actual prices charged, net of any rebates or discounts.

Sales to governments are not differentiated.

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

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

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

Item 4. Contributions from own or other levels of government represent grants and payments from government bodies in respect to current expenditure by enterprises, other than subsidies or 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 expense accounts. Labour and material costs, interest on debt, and depreciation allowances are examples of expenditures charged 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 hired employees in Canada and abroad, in return for labour services. Retroactive wage increases, commissions and bonuses are included in the periods in which they are paid rather than the periods in which they are earned.

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

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

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

The valuations shown for this item are those reported for the opening and closing inventories in the trading accounts of the enterprises, wherever it has been possible to isolate them; otherwise the changes in the inventory asset item has been used.

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

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

Item 2. Provisions for depreciation and replacement. The provision for depreciation and replacement of fixed assets is recorded at the amount charged by the enterprise, regardless of method of computation.

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

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

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

Item 7. Estimated income tax. Provincial government business enterprises were not subject to federal or provincial corporation income tax during 1963.

The amount shown for this item relates to privately owned companies which were purchased by a government enterprise during the year.

ANALYSIS OF DATA

Tables 1 and 5 show the assets, liabilities and net worth of provincial government enterprises as at the fiscal year end nearest to December 31, 1963, classified by the categories described in the preceding section entitled "Financial Classifications and Terminology".

The absolute and per cent change in the group components between 1962 and 1963, and their proportion to the total, are pointed up in the following tables:

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

	1962	1963	Absolute change 1963/62	Per cent change ¹ 1963/62
	millions of dollars			%
Assets				
Cash	126	82	- 44	- 34.4
Accounts receivable	100	139	39	38.5
Inventories	146	152	6	3.8
Fixed assets	6,187	7,160	973	15.7
Investments, including loans and advances and restricted funds	861	1,015	154	17.8
Other assets	296	314	18	6.0
Totals	7,716	8,862	1,146	14.9
Liabilities and net worth				
Accounts payable	89	109	20	23.5
Long-term loans and advances and debt	5,738	6,551	813	14.2
Liability reserves	33	58	25	75.6
Other liabilities	304	543	239	78.3
Proprietary equity (net worth)	1,552	1,601	49	3.2
Totals	7,716	8,862	1,146	14.9

¹ Based on unrounded data.

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

	1962	1963
	per cent	
Assets		
Cash	1.6	0.9
Accounts receivable	1.3	1.6
Inventories	1.9	1.7
Fixed assets	80.2	80.8
Investments, including loans and advances and restricted funds	11.2	11.5
Other assets	3.8	3.5
Totals	100.0	100.0
Liabilities and net worth		
Accounts payable	1.1	1.2
Long-term loans and advances and debt	74.4	73.9
Liability reserves	0.4	0.7
Other liabilities	4.0	6.1
Proprietary equity (net worth)	20.1	18.1
Totals	100.0	100.0

The percentage distribution of total assets or total liabilities and net worth for 1962 and 1963 by industry and by province follow:

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

	1962	1963
	per cent	
Forestry	0.1	0.1
Mines, quarries and oil wells	— ¹	— ¹
Manufacturing industries	0.1	0.1
Transportation, communication and other utilities:		
Transportation	6.9	6.1
Communication	5.8	5.4
Electric power	79.1	80.4
Other	0.4	0.3
Sub-totals	92.2	92.2
Wholesale trade	— ¹	— ¹
Retail trade	1.3	1.1
Finance, insurance and real estate	6.3	6.5
Community, business and personal service industries	— ¹	— ¹
Totals	100.0	100.0

¹ Less than 0.1.

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

	1962	1963
	per cent	
Newfoundland	0.2	0.2
Prince Edward Island	— ¹	— ¹
Nova Scotia	1.5	1.3
New Brunswick	2.3	2.1
Quebec	18.2	25.5
Ontario	37.5	33.3
Manitoba	7.1	6.9
Saskatchewan	8.1	7.8
Alberta	7.5	7.4
British Columbia	17.6	15.5
Yukon	— ¹	— ¹
Northwest Territories	— ¹	— ¹
Totals	100.0	100.0

¹ Less than 0.1.

Assets

At year-end 1963, assets held by provincial government business enterprises amounted to \$8,862 million, an increase of \$1,146 million or 15 per cent over the holdings of the previous year.

The percentage of assets of provincial government enterprises held in the various industry groups did not vary appreciably from 1962 to 1963. In both years approximately 80 per cent were held by electric power utilities. Other amounts held in 1963 were: 6 per cent by transportation companies; 6 per cent by institutions dealing with finance, insurance and real estate; and 5 per cent by telephone systems. The share of the liquor commissions (about 1 per cent) would be more substantial except for variances in accounting for the cost and use of fixed assets.¹

Assets held by enterprises in the provinces of Ontario, Quebec and British Columbia were about 74 per cent of the total in both 1962 and 1963.

Fixed assets, which comprised 81 per cent of total asset holdings of provincial government enterprises in 1963 increased by \$973 million or 16 per cent during the year. The value of facilities of electric power utilities increased by \$963 million of which \$763 million pertaining to the Quebec Hydro-Electric Commission was mostly due to the acquisition of privately owned electric power companies in the province. There was a rise of \$34 million in the fixed assets of telephone companies.

The transfer of the control of highway facilities from an enterprise to the Province of British Columbia, partly offset by additional toll-highway facilities in Quebec resulted in a decrease of \$33 million in the fixed assets of transportation utilities.

Investments, including loans and advances and restricted funds, were valued at \$1,015 million at the end of 1963, \$154 million higher than the opening portfolio and encompassed about 11 per cent of all assets. Of the \$446 million in loans and advances receivable, \$276 million were loans made by the Alberta Municipal Finance Corporation to municipalities and secured by non-negotiable debentures and \$138 million were provincial savings banks' loans. The most significant increase in assets held in restricted funds was due to the deposit to enterprise sinking funds of proceeds from the transfer of highway facilities to the Province of British Columbia. Security holdings, including those in restricted funds, amounted to \$478 million and included \$369 million in the form of government direct and guaranteed bonds and \$89 million equity in provincial government sinking funds to repay borrowings made by the provinces on the enterprises' behalf. Cash and accrued interest of \$59 million were also held in restricted funds. Mortgages receivable and agreements for sale in the amount of \$32 million were largely held by Manitoba Agricultural Credit Corporation.

Cash, accounts receivable, inventories and other assets made up the residual 8 per cent of assets. Inventories amounted to \$152 million at the end of 1963, \$6 million more than in 1962.

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

Liabilities and Net Worth

Long-term loans and advances and debt amounting to \$6,551 million accounted for almost three quarters of the total of liabilities and proprietary equity in 1963. This was an increase of \$813 million or 14 per cent over 1962. Of the total \$1,425 million was payable to parent provincial governments and a further \$5,046 million was guaranteed by them.²

Of the increase, \$708 million related to electric power utilities. The Quebec Hydro-Electric Commission became liable for \$246 million outstanding bonds and debentures of the privately owned electric companies, ownership of which was acquired in 1963, and issued approximately \$300 million additional debentures largely to finance their purchase. The long-term liabilities of institutions dealing with finance, insurance and real estate increased by \$62 million, those of transportation utilities by \$22 million and those of telephone companies by \$21 million.

There was a \$20 million increase in trade accounts payable, a \$25 million increase in liability reserves and an additional \$239 million other

liabilities assumed by provincial government enterprises in 1963. Of these amounts, \$225 million applied to the Quebec Hydro-Electric Commission. Pending receipt of proceeds of debenture issues, this Commission had recourse to bank borrowings and to the issue of short-term notes.

Proprietary equity (net worth) amounting to \$1,601 million constituted about 18 per cent of total claims in 1963. The equity of provincial governments in their enterprises is shown as \$106 million. Municipal electrical utilities in Ontario hold equity of \$477 million, representing their contributions for the redemption of hydro debt.

Equity reserves, at a value of \$701 million in 1963 were mostly appropriations of surplus by electrical utilities for stabilization of rates, contingencies and amortization and sinking funds.

The balance in unappropriated surplus was \$318 million at the end of 1963 a decrease of \$22 million during the year.

Current Revenue and Expenditures

Details of current revenue and expenditure for 1963 are shown by industry and by province in Tables 2 and 6, respectively.

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

Total current revenue amounted to \$1,750 million in 1963, 13 per cent higher than in 1962.

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

	1962	1963	Absolute change 1963/62	Per cent change ¹ 1963/62
	millions of dollars			%
Revenue				
Revenue from sales and services on current operations	1,501	1,689	188	12.5
Financial income	45	51	6	13.3
Other income	7	10	3	42.9
Totals	1,553	1,750	197	12.7
Expenditure				
Cost of goods sold from current operations	865	976	111	12.8
Depreciation	130	153	23	17.7
Interest	222	255	33	14.9
Other	22	27	5	22.7
Totals	1,239	1,411	172	13.9
Net profit before income taxes	314	339	25	8.0

¹ Based on unrounded data.

Revenue derived from sales and services on current operations accounted for \$1,689 million of aggregate income. Of this total, 45 per cent was earned by liquor commissions and 44 per cent by electric power utilities and these two traditionally government-orientated activities accounted for \$174 million of the year's \$188 million higher sales.

Financial income mostly from interest on investment in government direct and guaranteed bonds and loans to own or other levels of government yielded \$51 million in 1963, an increase of 13 per cent over 1962. Most of this income was earned by electric power utilities on reserve investments and by financial institutions.

Other current income of \$10 million was composed of \$7 million miscellaneous earnings mainly by electric power utilities and \$3 million of rental income.

Total current expenditure increased at the rate of 14 per cent from \$1,239 million in 1962 to \$1,411 million in 1963. As in the case of revenues, the liquor and electric power commissions absorbed the bulk of total costs with the government telephone systems and transportation utilities next in line.

The cost of goods and services sold from current operations amounted to \$976 million, a rise of \$111 million or 13 per cent from the previous year. The wages and salaries component of this item accounted for \$5 million of the additional outlay.

At \$153 million, provision for the depreciation of fixed assets was \$23 million higher than in 1962.

Interest expense was \$255 million in 1963, 15 per cent more than in 1962. This excludes the amount of \$31 million capitalized during construction of fixed assets of enterprises engaged in transportation, communication, electric power and other utility fields. The electric power utilities, which owed 82 per cent of enterprise debt outstanding, paid 80 per cent of the total interest costs.

Other miscellaneous expenditures of \$27 million, including the amortization of bond discount and write-off of the frequency standardization pro-

gram by the Hydro-Electric Power Commission of Ontario, showed an increase of \$5 million over the previous year.

Net profits (less losses) of provincial government enterprises were \$339 million in 1963, \$25 million more than in 1962. Of the total, \$233 million was earned by liquor commissions, \$16 million more than in the previous year. The profits of electric power utilities were \$98 million in 1963, an increase of \$8 million.

Net Surplus Account Transactions

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

The balance in surplus accounts of the enterprises declined by \$22 million between year-ends 1962 and 1963. Net profits after provision for income tax of \$338 million were credited to surplus account, amounts totalling \$300 million were remitted, mostly to provincial governments, and \$106 million were transferred to reserves. Contributions of \$3 million were received from provinces and credited to surplus account.

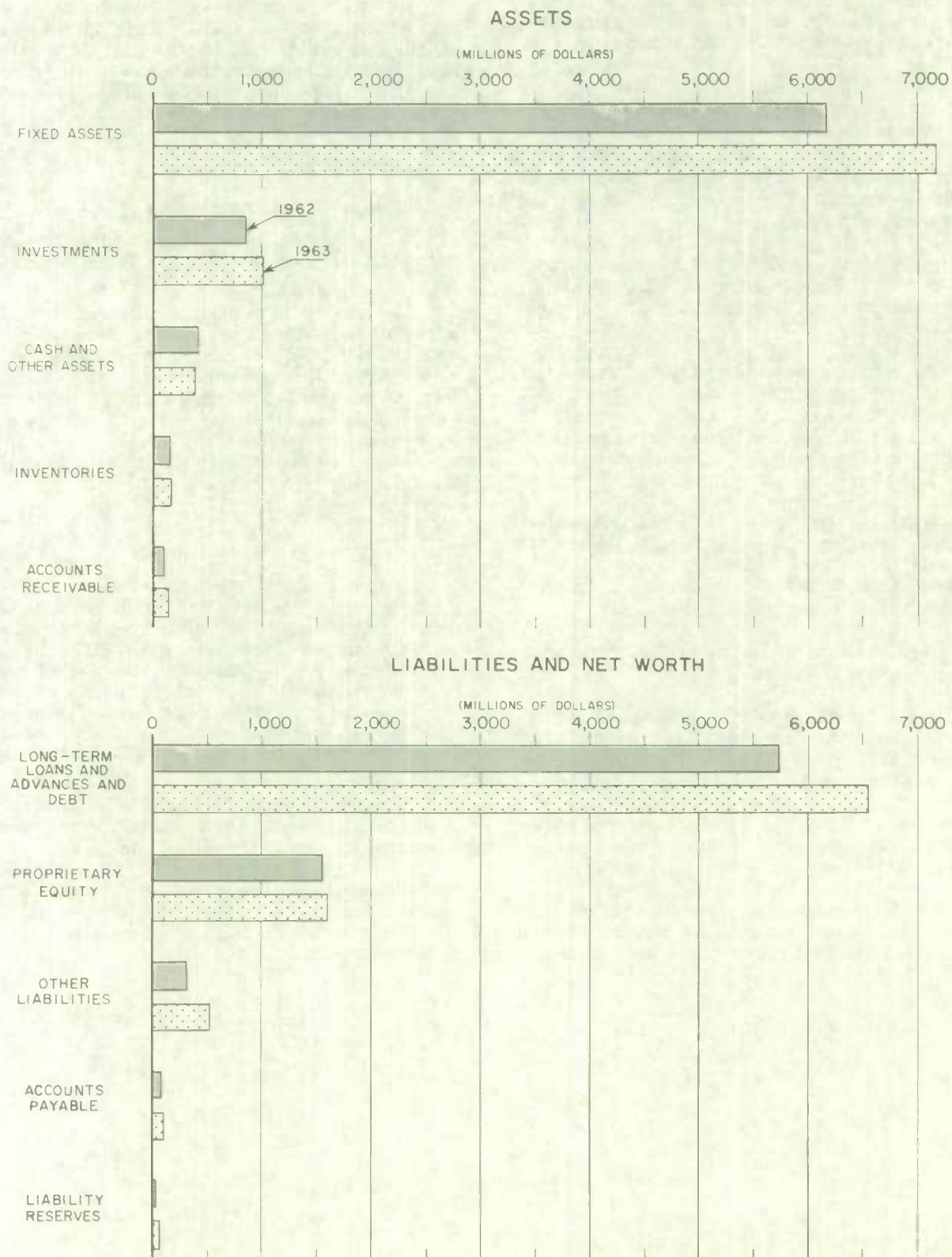
Equity in Provincial Sinking Funds

Payments by enterprises into the sinking funds of their parent governments are included in this report and previous reports in this series as assets held in restricted funds (Assets item 11.3, Tables 1 and 5) and as part of long-term loans and advances owing to Provincial Government (Liabilities and net worth, item 5 (iii), Tables 1 and 5). The amounts of such payments are shown in Table 9 by industry and by province for the years 1958 to 1963 inclusive.

To show the actual liability of enterprises to provincial governments and to achieve inter-province comparability, in future years the amount of an enterprise's equity in the relevant provincial sinking fund will be offset to the enterprises' liability to the province. The same treatment is followed in complementary series dealing with Provincial Government Finance.

CHART - I

ASSETS=LIABILITIES AND NET WORTH, BY TYPE 1962-1963



INDUSTRIAL DISTRIBUTION

TABLE 1. Assets, Liabilities and Net Worth, by Industry as at Fiscal Year End Nearest to December 31, 1963

No.	Assets	Forestry	Mines, quarries and oil wells	Manufacturing industries	Transportation, communication, and other utilities				Sub-total transportation, communication, and other utilities	Wholesale trade	Retail trade	Finance, insurance and real estate	Community, business and personal service industries	Total
					Transportation	Communication	Electric power	Other						
thousands of dollars														
1	Cash on hand and on deposit	—	42	50	2,351	3,704	24,820	125	31,000	438	21,382	29,408	—	82,320
2	Accounts receivable less reserve for debts	746	306	227	21,701	13,837	93,582	406	129,526	132	4,686	3,070	—	138,693
3	Inventories	2,576	566	1,756	3,859	15,017	66,668	31	85,575	84	60,676	241	24	151,500
4	Interest, dividends and rents receivable from													
	(iii) Provincial governments	—	—	—	—	—	—	—	—	—	—	6	—	6
	(iv) Provincial government enterprises	—	—	—	—	—	12	—	12	—	—	—	—	12
	(vii) Other	—	—	—	1	—	50	—	51	—	—	442	—	493
	Sub-total, item 4	—	—	—	1	—	62	—	63	—	—	448	—	511
5	Accrued revenue:													
	1. Interest owing from													
	(i) Federal government	—	—	—	—	—	1,402	—	1,402	—	—	—	—	1,402
	(iii) Provincial governments	—	—	—	12	—	1,199	2	1,213	—	—	166	—	1,379
	(iv) Provincial government enterprises	—	—	—	—	—	—	—	—	—	—	2	—	2
	(v) Municipal governments	—	—	—	4	—	—	—	4	—	—	5,765	—	5,769
	(vii) Other	—	—	—	8	—	61	—	69	1	—	929	—	999
	Sub-total	—	—	—	24	—	2,662	2	2,688	1	—	6,862	—	9,551
	2. Other revenue	—	—	—	—	—	21,231	6	21,237	—	—	1,889	—	23,126
	Sub-total, item 5	—	—	—	24	—	23,893	8	23,925	1	—	8,751	—	32,677
6	Prepaid expenses	25	5	1	191	1,508	869	8	2,576	—	221	103	—	3,301
7	Fixed assets	642	922	3,291	423,282	404,829	8,262,147	29,484	7,119,742	59	12,976	22,474 ¹	—	7,100,120 ²
8	Loans and advances receivable from													
	(iii) Provincial governments	700	550	—	325	—	5,976	—	6,301	—	—	78,412	—	85,963
	(iv) Provincial government enterprises	—	—	—	—	—	—	—	—	—	—	1,546 ³	—	1,546
	(v) Municipal governments	—	—	—	—	—	—	—	—	—	—	282,137 ⁴	—	282,137
	(vii) Other	258	—	—	6	—	11,415	—	11,421	56	38	64,474	—	76,247
	Sub-total, item 8	958	550	—	331	—	17,391	—	17,722	56	38	426,569	—	445,893
9	Securities held as investments ⁵	5	13	—	3,270	—	22,154	197	25,621	—	—	47,273	—	72,912
10	Mortgages receivable and agreements for sale	—	28	—	24	—	6,385	—	6,409	—	100	25,110	—	31,647
11	Restricted funds:													
	1. Depreciation funds	—	—	—	1,177	1,642	—	—	2,819	—	—	92	—	2,911
	2. Trust and deposit accounts	—	—	—	—	—	—	—	—	—	—	3,388	—	3,388
	3. Other funds	—	—	—	77,207	30,481 ⁶	344,672 ⁶	21	452,381	—	13	6,066	—	458,480
	Sub-total, item 11	—	—	—	78,384	32,123	344,672	21	455,200	—	13	9,566	—	484,779
12	Deferred charges:													
	1. Amortization of bond discount	—	—	—	3,544	3,511	89,088	—	96,143	—	—	4,018	—	100,161
	2. Other charges	4	167	65	421	269	164,062 ⁷	—	164,752	—	254	815	—	166,057
	Sub-total, item 12	4	167	65	3,965	3,780	253,150	—	260,895	—	254	4,833	—	266,218
13	Other assets:													
	1. Due on account of deficits	—	—	—	—	—	—	—	—	—	—	—	—	—
	2. Unspecified	—	—	—	132	71	11,257	—	11,460	—	—	33	—	11,493
	Sub-total, item 13	—	—	—	132	71	11,257	—	11,460	—	—	33	—	11,493
14	Total assets	4,956	2,601	5,390	537,515	474,869	7,127,050	30,280	8,169,714	770	100,346	577,879	24	8,861,680

¹ Includes physical property held for sale, 1,934.² Net of accumulated depreciation, forestry, 992; mines, quarries and oil wells, 2,375; manufacturing industries, 3,772; transportation, 36,884; communication, 129,341; electric power, 1,252,026; other utilities, 247; wholesale trade, 37; retail trade, 38,305; finance, insurance and real estate, 1,879; total, 1,465,858, 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 provincial government enterprises.⁴ Of this amount, 275,821 is secured by non-negotiable debentures.⁵ See Table 4 for analysis of investments held by industry.⁶ Includes payments by enterprises into the sinking funds of their respective parent governments, see Table 9.⁷ Of this amount, 159,498 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, 1963

No.	Liabilities and net worth	Forestry	Mines, quarries and oil wells	Manufacturing industries	Transportation, communication, and other utilities				Sub-total transportation, communication, and other utilities	Wholesale trade	Retail trade	Finance, insurance and real estate	Community, business and personal service industries	Total	
					Transportation	Communication	Electric power	Other							
					thousands of dollars										
1	Accounts payable	329	79	482	7,908	8,524	71,441	274	88,147	4	16,625	3,482	—	109,148	
2	Temporary loans, advances and notes payable:														
	1. Bank loans and overdrafts.....	40	—	665	581	1,245	19,714	97	21,637	—	355	151	—	22,848 ^a	
	2. Other loans and advances.....	—	—	—	6,400	—	—	—	6,400	—	—	192,411 ^a	—	198,811 ^a	
	3. Notes	—	—	—	—	—	171,167	—	171,167	—	—	—	—	171,167	
	Sub-total, item 2	40	—	665	6,981	1,245	190,881	97	199,204	—	355	192,562	—	392,826	
3	Interest payable to:														
	(iii) Provincial governments.....	—	—	—	—	—	—	—	—	—	—	428	—	428	
	(vii) Other.....	—	—	—	—	—	3,696	—	3,696	—	—	—	—	3,696	
	Sub-total, item 3	—	—	—	—	—	3,696	—	3,696	—	—	428	—	4,124	
4	Accrued expenditure:														
	1. Interest owing to:														
	(ii) Federal government enterprises.....	—	—	—	—	—	—	—	—	—	—	—	—	—	
	(iii) Provincial governments.....	—	—	—	2,463	1,716	15,594	—	19,773	—	—	625	—	20,398	
	(vii) Other.....	—	—	—	4,303	1,661	49,265	—	55,229	—	—	1,655	—	56,884	
	Sub-total	—	—	—	6,766	3,377	64,859	—	75,002	—	—	2,280	—	77,282	
	2. Provision for income tax.....	—	—	—	—	—	—	—	—	—	—	—	—	—	
	3. Other expenditure	59	8	2	423	—	19,482	—	19,905	—	1,158	323	—	21,455	
	Sub-total, item 4	59	8	2	7,189	3,377	84,341	—	94,907	—	1,158	2,603	—	98,737	
5	Long-term loans and advances owing to:														
	(i) Federal government	—	—	—	—	—	30,031	—	30,031	—	—	—	—	30,031	
	(ii) Federal government enterprises.....	—	—	—	—	—	548	—	548	—	—	—	—	548	
	(iii) Provincial governments.....	3,877	2,086	4,063	100,584	225,473 ^a	1,003,352 ^a	2,263	1,331,672	400	7,851	75,235	—	1,425,184	
	(iv) Provincial government enterprises.....	—	—	—	—	—	—	—	—	—	—	1,035 ^a	—	1,035	
	(vii) Other.....	—	—	—	—	—	22,016	—	22,016	—	—	3,022	—	25,038 ^a	
	Sub-total, item 5	3,877	2,086	4,063	100,584	225,473	1,055,947	2,263	1,384,267	400	7,851	79,292	—	1,481,836	
6	Long-term debt:														
	1. Bonds and debentures	—	—	—	308,278	144,979	4,273,932	—	4,727,189	—	—	267,211	—	4,994,400 ^a	
	2. Mortgages and agreements for sale.....	—	33	—	7,658	—	9,661	—	17,319	—	—	—	—	17,352	
	3. Other debt	—	—	—	3,250 ¹⁰	—	54,063 ¹⁰	—	57,313	—	—	—	—	57,313 ^a	
	Sub-total, item 6	—	33	—	319,186	144,979	4,337,656	—	4,801,821	—	—	267,211	—	5,069,065	
7	Deferred credits:														
	1. Deferred revenue.....	—	—	—	92	1,646	1,822	1	3,761	—	—	8,615	—	12,376	
	2. Other credits	—	9	133	96	480	97	4	677	—	—	141	—	960	
	Sub-total, item 7	—	9	133	188	2,326	1,919	5	4,438	—	—	8,756	—	13,336	
8	Trust and deposit accounts.....	—	—	—	—	—	19,015	—	19,015	—	—	44	—	19,059	
9	Liability reserves:														
	1. Provision for future income taxes.....	—	—	—	—	—	—	—	—	—	—	—	—	—	
	2. Other liability reserves	225	45	—	3,502	157	40,497	256	44,412	3	2,130	10,743	24	57,582	
	Sub-total, item 9	225	45	—	3,502	157	40,497	256	44,412	3	2,130	10,743	24	57,582	
10	Other liabilities.....	19	—	9	2,241	—	10,949	—	13,190	—	1,113	148	—	14,479	
11	Proprietary equity (net worth):														
	1. Capital stock held by:														
	(iii) Provincial governments.....	—	—	—	65,441	—	—	—	65,441	—	—	4,634	—	70,075	
	(iv) Provincial government enterprises.....	—	—	—	54 ^a	—	—	—	54	—	—	—	—	54	
	(v) Municipal governments.....	—	—	—	—	—	—	—	—	—	—	15	—	15	
	Sub-total	—	—	—	65,495	—	—	—	65,495	—	—	4,649	—	70,144	
	2. Interest-free working capital provided by:														
	(iii) Provincial governments.....	—	—	—	—	—	—	—	—	—	732	—	—	732	
	3. Fixed assets transferred by:														
	(iii) Provincial governments.....	—	—	—	—	—	—	27,293	27,293	—	—	—	—	27,293	
	4. Other equity held by:														
	(iii) Provincial governments.....	—	—	3,382	—	—	4,048	—	4,048	—	—	422	—	7,852	
	(vi) Municipal government enterprises.....	—	—	—	—	—	476,845 ¹¹	—	476,845	—	—	—	—	476,845	
	Sub-total	—	—	3,382	—	—	480,693	—	480,693	—	—	422	—	484,497	
	5. Equity reserves:														
	(1) Contingencies	—	45	—	—	596	170,860	—	171,456	25	2,500	700	—	174,726	
	(2) Plant expansion	—	—	—	—	1,842	18,539	21	20,202	—	2,252	—	—	22,454	
	(3) Other equity reserves.....	—	—	—	16,248	12,292	463,733	1	492,274	—	11,349	393	—	504,016	
	Sub-total	—	45	—	16,248	14,530	653,132	22	683,932	25	16,101	1,093	—	701,196	
	6. Unappropriated surplus	407	296	3,346	7,993	74,258	176,883	70	259,204	338	54,281	6,446	—	317,626	
	Sub-total, item 11	407	341	36	89,736	88,788	1,310,708	27,385	1,516,617	363	71,114	12,610	—	1,601,488	
12	Total liabilities and net worth	4,956	2,601	5,390	537,515	474,869	7,127,050	30,280	8,169,714	770	100,346	577,879	24	8,861,680	

^a Includes savings balances due to the public, 178,553.^b Includes the following amounts guaranteed by provinces: item 2, transportation, 6,945; electric power, 1,478; other utilities, 80; finance, insurance and real estate, 87; total, 8,590; item 5, electric power, 20,000; finance, insurance and real estate, 1,725; total, 21,725; item 6, transportation, 311,528; communication, 144,979; electric power, 4,306,164; finance, insurance and real estate, 267,211; total, 5,023,882; total all items, 5,054,197.¹⁰ Notes payable.¹¹ 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, 1963¹

No.		For- estry	Mines, quar- ries and oil wells	Manu- factur- ing indus- tries	Transportation, communication, and other utilities				Sub-total transporta- tion, com- munication, and other utilities	Whole- sale trade	Retail trade	Finance, insur- ance and real estate	Communi- ty, busi- ness and personal service industries	Total
					Trans- porta- tion	Com- muni- cation	Electric power	Other						
									thousands of dollars					
1	Revenue													
1	Revenue from sales and services on current operations	7,327	1,905	5,298	57,693	98,933	739,652	685	896,963	323	759,052	18,328	196	1,689,392
2	Financial income:													
	1. Interest from													
	(i) Federal government	—	—	—	8	66	5,181	—	5,255	—	—	622	—	5,877
	(ii) Federal government enterprises	—	—	—	—	1	349	—	350	—	—	—	—	350
	(iii) Provincial governments	—	—	—	857	1,273	7,096	7	9,233	—	—	4,131	—	13,364
	(iv) Provincial government enterprises	—	—	—	341	110	1,254	—	1,705	—	—	352	—	2,057
	(v) Municipal governments	—	—	—	31	—	—	—	31	—	—	14,337	—	14,368
	(vi) Other	6	—	—	228	281	4,170	21	4,700	21	427	5,109	—	10,263
	Sub-total	6	—	—	1,465	1,731	18,050	28	21,274	21	427	24,551	—	46,279
	2. Other financial income	—	—	—	240	—	3,156	—	3,396	—	12	944	—	4,352
	Sub-total, item 2	6	—	—	1,705	1,731	21,206	28	24,670	21	439	25,495	—	50,631
3	Rental income	—	—	3	86	—	1,760	14	1,860	9	24	1,168	—	3,064
4	Contributions from own or other levels of government:													
	(iii) Provincial	—	—	—	—	—	97	—	97	—	—	83	—	180 ²
5	Other current income	6	32	5	145	33	5,133	—	5,311	1	1,041	112	—	6,508
6	Total current revenue	7,339	1,937	5,306	59,629	100,697	767,848	727	928,901	354	760,556	45,186	196	1,749,775
	Expenditure													
1	Cost of goods and services sold from current operations:													
	1. Wages and salaries	975	475	1,002	22,997	44,755	129,558	244	197,554	69	36,298	4,891	63	241,327
	2. Net drawings on (+) or net additions to (-) inventories	1,253	- 26	- 76	77	- 1,443	- 13,956	- 1	- 15,323	57	8,643	- 19	- 1	- 5,494
	3. Other purchases of goods and services	4,499	892	3,102	15,868	14,064	200,777	391	231,100	221	481,738	18,650	93	740,295
	Sub-total, item 1	6,727	1,339	4,028	38,942	57,376	316,379	634	413,331	347	526,679 ³	23,522	155	976,128
2	Provision for depreciation	124	148	353	4,426	20,249	126,449	57	151,181	2	842	217	—	152,867
3	Interest on debt to													
	(i) Federal government	—	—	—	—	—	1,209	—	1,209	—	—	—	—	1,209
	(ii) Federal government enterprises	—	—	—	—	—	26	—	26	—	—	—	—	26
	(iii) Provincial governments	—	—	—	1,835	9,240	41,559	74	52,708	—	—	2,431	—	55,139
	(vi) Other	35	9	1	14,908	6,908	161,009	2	182,827	—	23	15,189	—	198,084
	Sub-total, item 3	35	9	1	16,743	16,148	203,803	76	236,770	—	23	17,620	—	254,458 ⁴
4	Other current expenditure	50	145	—	433	957	23,492	28	24,910	—	273	1,888	—	27,266
5	Total current expenditure	6,936	1,641	4,382	60,544	94,730	670,123	795	826,192	349	527,817	43,247	155	1,410,719
6	Net profit (+) or loss (-) before provision for income tax	403	296	924	- 915	5,967	97,725	- 68	102,709	5	232,739	1,939	41	339,056
7	Estimated income tax	—	—	—	—	—	1,513	—	1,513	—	—	—	—	1,513
8	Net profit (+) or loss (-) after provision for income tax	403	296	924	- 915	5,967	96,212	- 68	101,196	5	232,739	1,939	41	337,543
9	Total current expenditure plus net profit or minus loss	7,339	1,937	5,306	59,629	100,697	767,848	727	928,901	354	760,556	45,186	196	1,749,775

¹ Includes transactions of the following enterprises for other than a twelve month period: New Brunswick Development Corporation, August 1, 1963 to March 31, 1964; International Transit Company Limited, November 1, 1962 to June 16, 1964; Madawaska Valley Telephone Company Limited, January 1 to December 13, 1963; Saskatchewan Economic Development Corporation, April 1 to December 31, 1963.

² Includes grant of 97 for rural electrification. See also item 6, Table 3 for contributions credited to surplus account for various purposes.

³ Includes capital expenditures amounting to 2,955 met out of the operating incomes of provincial liquor commissions.

⁴ Excludes interest capitalized during the construction of fixed assets, 30,911.

TABLE 3. Net Surplus Account Transactions, by Industry for the Fiscal Year Ended Nearest to December 31, 1963¹

No.		Forestry	Mines, quarries and oil wells	Manufacturing industries	Transportation, communication, and other utilities				Sub-total transportation, communication, and other utilities	Wholesale trade	Retail trade	Finance, insurance and real estate	Community, business and personal service industries	Total
					Transportation	Communication	Electric power	Other						
					thousands of dollars									
1	Balance at beginning of year	221	337	- 4,000	12,532	72,044	193,847	165	278,588	334	59,484	4,268	-	339,232
2	Net profit or loss for the year after provision for income tax	403	296	924	- 915	5,967	96,212	- 68	101,196	5	232,739	1,939	41	337,543 ^a
3	Net profit or loss on sale or retirement of fixed assets	4	- 1	5	187	5	187	-	379	-	-	2	-	389
4	Net transfers from (+) or to (-) reserves	-	-	-	- 5,680	- 230	- 98,937	- 28	- 104,875	-	- 1,348	278	-	- 105,945
5	Other adjustments (net)	-	-	-	197	82	- 11,679	1	- 11,599	-	54,593 ^a	110	-	43,104
6	Contributions from own or other levels of government:													
	(iii) Provincial	-	-	-	1,969 ^a	-	1,125 ^a	-	3,094	-	-	-	-	3,094
7	Remittance of surplus:													
	1. Dividends													
	(iii) Provincial governments	-	-	-	- 240	-	-	-	- 240	-	-	-	-	- 240
	2. Other remittances:													
	(iii) Provincial governments	- 221	- 336	- 54	- 57	- 3,671	- 3,672	-	- 7,400	- 1	- 291,187	- 151	- 41	- 299,391
	(iv) Provincial government enterprises	-	-	-	-	61 ^a	-	-	61	-	-	-	-	61
	(vii) Other	-	-	- 221	-	-	-	-	-	-	-	-	-	- 221
	Sub-total, item 7	- 221	- 336	- 275	- 297	- 3,610	- 3,672	-	- 7,579	- 1	- 291,187	- 151	- 41	- 299,791
8	Net additions (+) or deductions (-)	186	- 41	654	- 4,539	2,214	- 16,964	- 95	- 19,384	4	- 5,203	2,178	-	- 21,606
9	Balance at end of year	407	296	- 3,346	7,993	74,258	176,883	70	259,204	338	54,281	6,446	-	317,626

¹ Includes transactions of the following enterprises for other than a twelve month period: New Brunswick Development Corporation, August 1, 1963 to March 31, 1964; International Transit Company Limited, November 1, 1962 to June 16, 1964; Madawaska Valley Telephone Company Limited, January 1 to December 13, 1963; Saskatchewan Economic Development Corporation, April 1 to December 31, 1963.

Item 8. Expenditure. Table 2.

³ 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 remittances, item 7.2 below.

⁴ Toll-highway and toll-bridge subsidy.

* Includes assistance for rural electrification, 825.

* When the charter of the Madawaska Valley Telephone

* When the charter of the Madawaska Valley Telephone Co. Limited was surrendered, its deficit was transferred to the parent company.

TABLE 4. Analysis of Securities Held as Investments including those in Restricted Funds, by Industry as at Fiscal Year End Nearest to December 31, 1963 (Asset items 9 and 11)¹

No.		Forestry	Mines, quarries and oil wells	Transportation, communication and other utilities					Retail trade	Finance, insurance and real estate	Total
				Transpor- tation	Communi- cation	Electric power	Other	Sub-total			
				thousands of dollars							
1	Federal government direct and guaranteed bonds:										
	Asset item 9	—	—	140	—	7,746	24	7,910	—	14,301	22,211
	Asset item 11	—	—	1,394	4,361	115,692	—	121,447	—	522	121,969
	Sub-total	—	—	1,534	4,361	123,438	24	129,357	—	14,823	144,180
2	Provincial and municipal government treasury bills:										
	Asset item 9	—	—	—	—	1,000	—	1,000	—	500	1,500
3	Provincial and municipal government direct and guaranteed bonds:										
	Asset item 9	—	—	2,246	—	2,947	173	5,366	—	24,468	29,834
	Asset item 11	—	—	57,404	4,096	128,192	9	189,701	13	3,846	193,660
	Sub-total	—	—	59,650 ²	4,096	131,139	182	195,067	13	28,414	223,494
4	Notes of companies incorporated in Canada and of institutions:										
	Asset item 9	—	—	—	—	7,836	—	7,836	—	1	7,837
5	Bonds of companies incorporated in Canada and of institutions:										
	Asset item 9	—	—	163	—	42	—	205	—	7,972	8,177
	Asset item 11	—	—	1,062	—	—	—	1,082	—	—	1,062
	Sub-total	—	—	1,225	—	42	—	1,267	—	7,972	9,239
6	Preferred and common stock Canadian:										
	(iv) Provincial government enterprises:										
	Asset item 9	—	—	692	—	—	—	692	—	16	708 ³
	(vii) Other:										
	Asset item 9	5	13	29	—	2,583 ³	—	2,612	—	15	2,645
	Sub-total	5	13	721	—	2,583	—	3,304	—	31	3,353
7	Equity in provincial government sinking funds:										
	Asset item 11	—	—	—	23,582	65,243	—	88,825	—	—	86,825
8	Total securities:										
	Asset item 9	5	13	3,270	—	22,154	197	25,621	—	47,273	72,912
	Asset item 11	—	—	59,860	32,039	309,127	9	401,035	13	4,466	405,516 ⁴
	Grand totals	5	13	63,130	32,039	331,281	206	426,656	13	51,741	478,428

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

	Cash	Accrued Interest	Total
Transportation	17,699	825	18,524
Communication	41	43	64
Electric power	35,545	—	35,545
Other utilities	12	—	12
Finance, insurance and real estate	5,066	32	5,098
Totals	58,363	900	59,263

* Includes 2,592 provincial government guaranteed short-term notes.

* Comprises investment of parent companies in subsidiaries.

⁴ The following amounts were held in trust in provincial treasuries: transportation, 67,679; communication, 2,730; electric power, 67,912; finance, insurance and real estate, 786; total, 139,107.

CHART-2

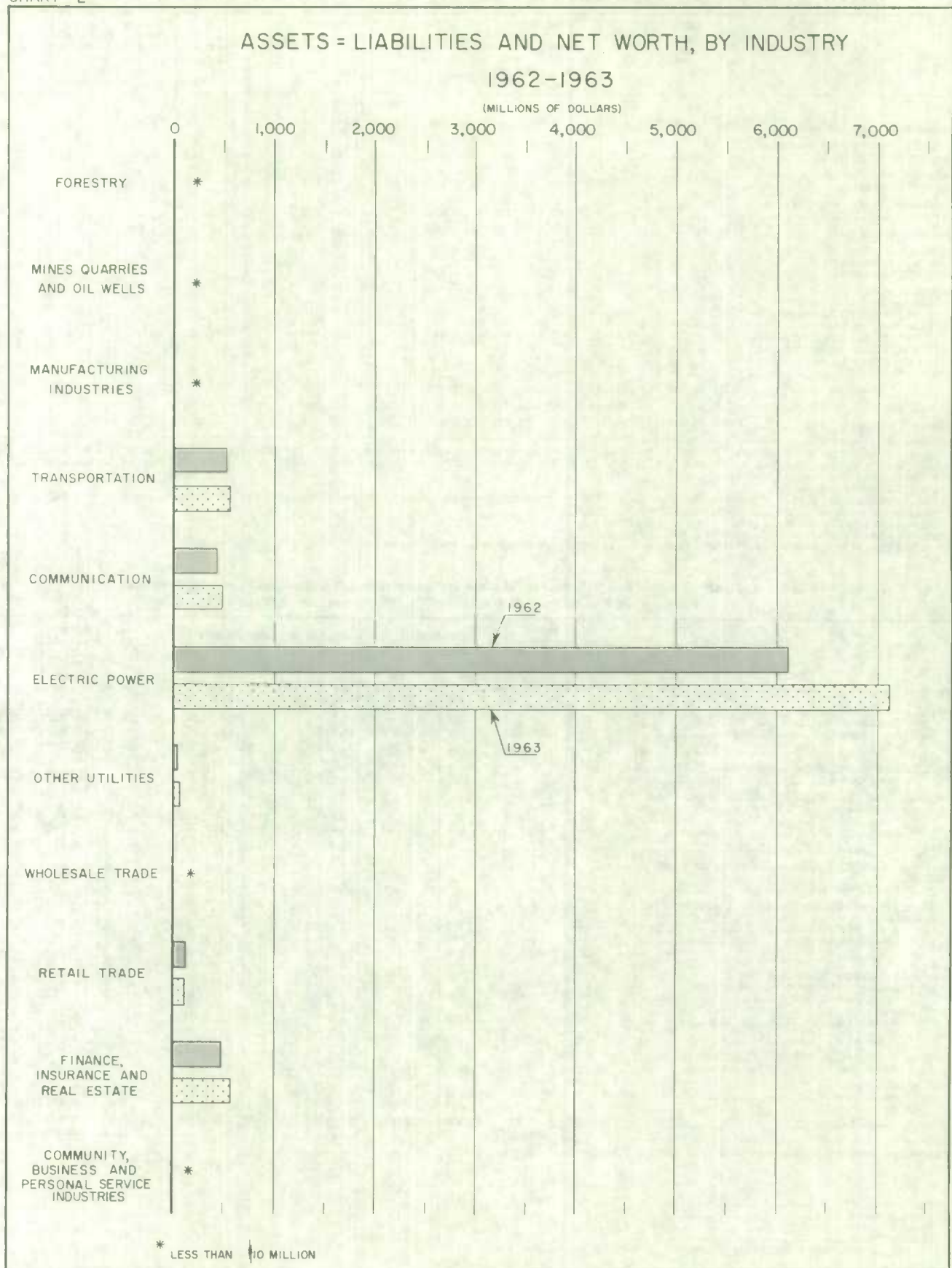


CHART-3

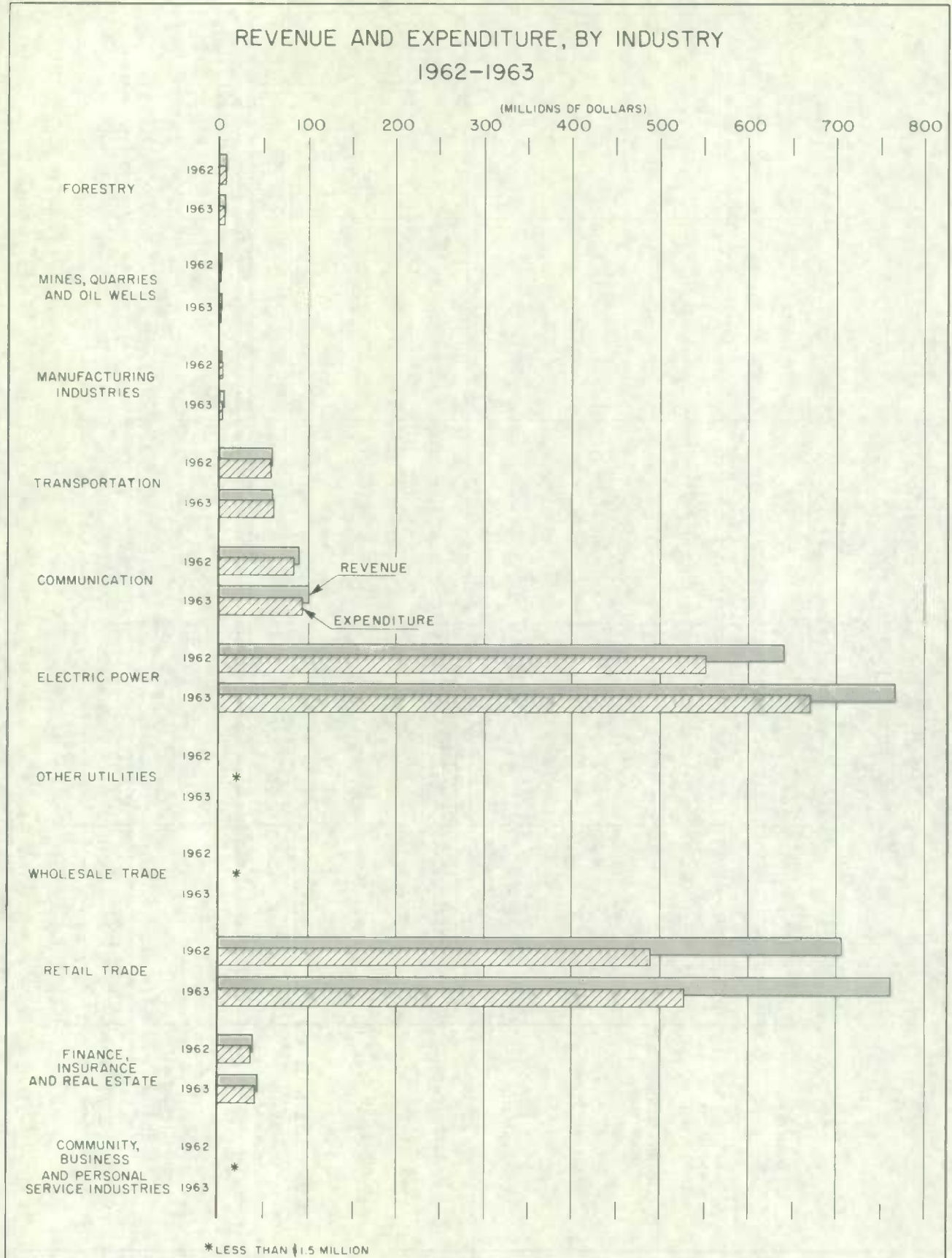
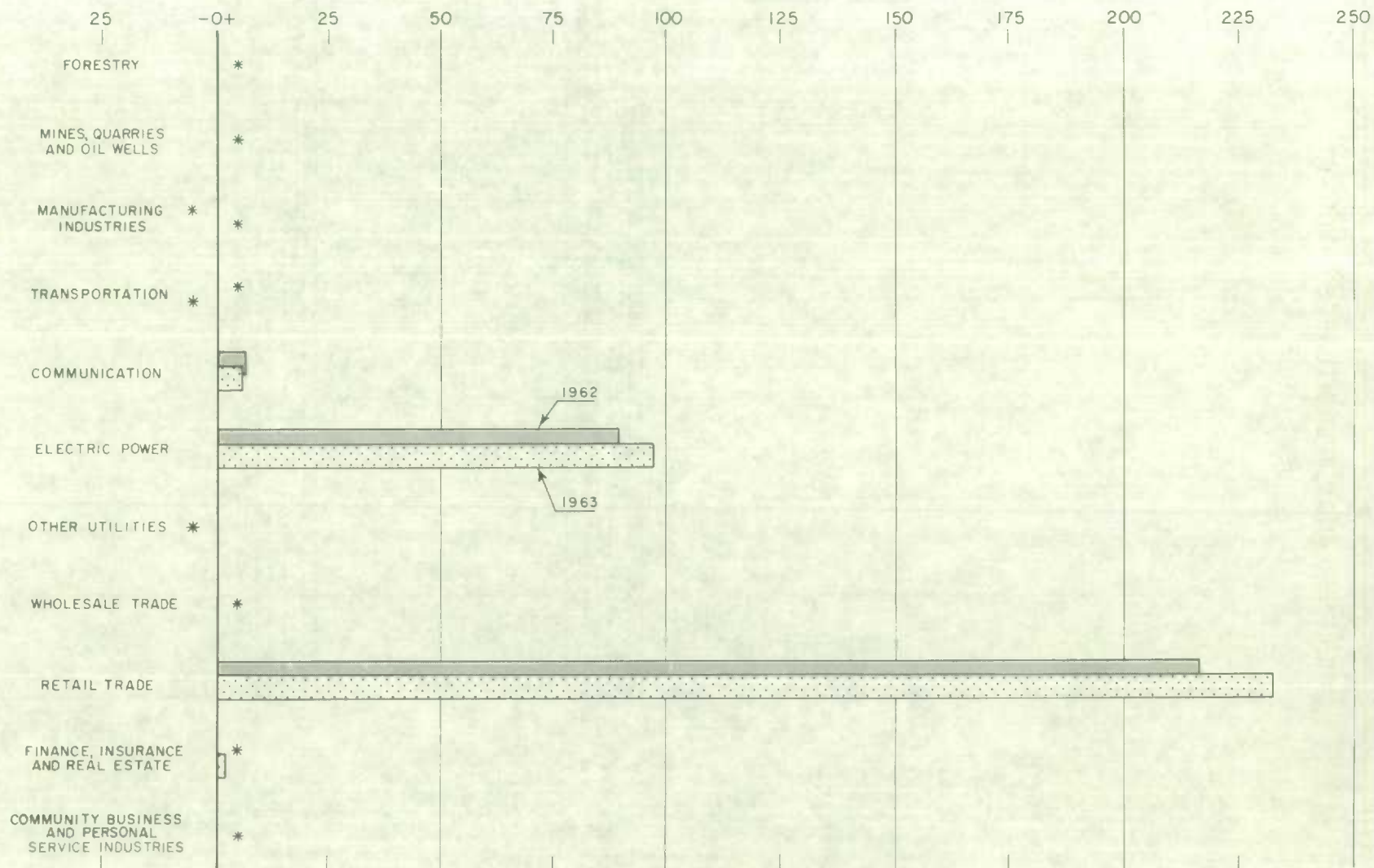


CHART - 4

NET PROFIT OR LOSS,⁽¹⁾ BY INDUSTRY 1962-1963

(MILLIONS OF DOLLARS)



* LESS THAN 1 MILLION

(1) BEFORE PROVISION FOR INCOME TAX

Government Enterprise Unit

GEOGRAPHICAL DISTRIBUTION

TABLE 5. Assets, Liabilities and Net Worth, by Province as at Fiscal Year End Nearest to December 31, 1963

No.	Assets	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														
1	Cash on hand and on deposit.....	2,230	92	789	535	5,439	26,289	3,336	10,315	26,759	6,272	264	—	82,320
2	Accounts receivable less reserve for bad debts.....	502	12	1,649	3,261	27,242	42,863	8,087	14,611	7,297	33,168	1	—	138,693
3	Inventories.....	1,882	391	3,344	3,930	31,548	51,474	10,223	18,432	14,120	15,281	352	523	151,500
4	Interest, dividends and rents receivable from:													
	(iii) Provincial governments.....	—	—	—	—	—	6	—	—	—	—	—	—	6
	(iv) Provincial government enterprises.....	—	—	—	—	—	—	—	—	—	12	—	—	12
	(vii) Other.....	—	—	—	—	—	—	13	31	398	51	—	—	493
	Sub-total, item 4.....	—	—	—	—	—	6	13	31	398	63	—	—	511
5	Accrued revenue:													
	1. Interest owing from:													
	(i) Federal government.....	—	—	—	—	—	1,208	194	—	—	—	—	—	1,402
	(ii) Federal government enterprises.....	—	—	—	—	—	—	—	—	—	—	—	—	—
	(iii) Provincial governments.....	—	—	12	—	—	532	667	166	2	—	—	—	1,379
	(iv) Provincial government enterprises.....	—	—	—	—	—	—	—	—	2	—	—	—	2
	(v) Municipal governments.....	—	—	4	—	—	—	—	—	5,765	—	—	—	5,769
	(vii) Other.....	—	3	6	—	—	63	420	58	449	—	—	—	999
	Sub-total.....	—	3	22	—	—	1,803	1,281	224	6,218	—	—	—	9,551
	2. Other revenue.....	—	—	1	—	14,865	—	1,298	1,877	—	5,085	—	—	23,126
	Sub-total, item 5.....	—	3	23	—	14,865	1,803	2,579	2,101	6,218	5,085	—	—	32,677
6	Prepaid expenses.....	28	—	62	—	2	150	495	725	905	564	—	—	2,931
7	Fixed assets.....	11,038	536	95,510	151,094	2,065,465	2,387,870	510,432	534,232	214,008	1,169,921	—	—	7,160,106 ¹
8	Loans and advances receivable from:													
	(iii) Provincial governments.....	—	—	1,500	4,446	—	78,412	—	1,605	—	—	—	—	85,963
	(iv) Provincial government enterprises.....	—	—	1,545 ²	1 ³	—	—	—	—	—	—	—	—	1,546
	(v) Municipal governments.....	—	—	—	87	—	—	—	—	282,050 ⁴	—	—	—	282,137
	(vii) Other.....	4	1,126	466	38	8,203	—	5,878	6,037	54,451	44	—	—	76,247
	Sub-total, item 8.....	4	1,126	3,511	4,572	8,203	78,412	5,878	7,642	336,501	44	—	—	445,893
9	Securities held as investments ⁵	—	—	346	16	10,496	1,226	10,914	15,264	31,871	2,779	—	—	72,912
10	Mortgages receivable and agreements for sale.....	2,890	1,278	478	30	—	3,605	19,967	765	258	2,376	—	—	31,647
11	Restricted funds: ⁶													
	1. Depreciation funds.....	—	—	1,177	—	—	—	—	—	1,734	—	—	—	2,911
	2. Trust and deposit accounts.....	—	—	—	—	—	—	—	—	3,388	—	—	—	3,388
	3. Other funds.....	148	—	1,509	16,279	57,150	170,074	32,321 ⁷	75,610 ⁸	7,872	97,517	—	—	458,480
	Sub-total, item 11.....	148	—	2,686	16,279	57,150	170,074	32,321	75,610	12,994	97,517	—	—	464,779
12	Deferred charges:													
	1. Amortization of bond discount.....	—	—	408	2,764	24,558	25,882	8,979	10,038	5,259	22,273	—	—	100,161
	2. Other charges.....	44	—	182	636	2,893	159,635 ⁹	1,135	358	720	454	—	—	168,057
	Sub-total, item 12.....	44	—	590	3,400	27,451	185,517	10,114	10,396	5,979	22,727	—	—	266,218
13	Other assets:													
	1. Due on account of deficits.....	—	—	—	—	—	—	—	—	—	—	—	—	—
	2. Unspecified.....	—	—	625	468	6,520	3,662	—	71	—	147	—	—	11,493
	Sub-total, item 13.....	—	—	625	468	6,520	3,662	—	71	—	147	—	—	11,493
14	Total assets.....	18,766	3,438	109,613	183,585	2,254,381	2,952,931	614,359	690,195	637,308	1,375,944	617	523	8,861,680

¹ Net of accumulated depreciation; Nfld., 1,018; P.E.I., 2; N.S., 3,944; N.B., 34,267; Que., 489,905; Ont., 446,374; Man., 134,428; Sask., 107,762; Alta., 46,348; B.C., 201,812. total, 1,465,858; includes physical property held for sale valued at 1,900 in Nfld.; 22 in Man. and 12 in Sask.; 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 provincial government enterprises.

³ Of this amount, 275,821 is secured by non-negotiable debentures.

⁴ See Table 8 for analysis of investments held by province.

⁵ Includes payments by enterprises into the sinking funds of their respective parent governments, see Table 9.

⁶ Of this amount, 159,498 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, 1963

No.	Liabilities and net worth	New-found-land	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Mani-toba	Saskat-chewan	Alberta	British Colum-bia	Yukon	North-west territories	Total
thousands of dollars														
1.	Accounts payable	1,240	5	1,948	1,940	30,623	18,567	6,884	7,648	9,300	30,920	73	—	109,148
2.	Temporary loans, advances and notes payable:													
	1. Bank loans and overdrafts	—	87	1,478	355	18,901	645	—	40	1,342	—	—	—	22,848*
	2. Other loans and advances	—	—	—	—	181,700	87,016*	—	—	111,795*	—	—	—	198,811*
	3. Notes	—	—	—	—	—	—	9,133	334	—	—	—	—	171,167
	Sub-total, item 2	—	87	1,478	355	180,601	87,661	9,133	374	113,137	—	—	—	392,826
3.	Interest payable to													
	(iii) Provincial govern-ments	130	—	—	—	—	—	—	—	298	—	—	—	428
	(vii) Other	—	—	—	—	—	3,696	—	—	—	—	—	—	3,696
	Sub-total, item 3	130	—	—	—	—	3,696	—	—	298	—	—	—	4,124
4.	Accrued expenditure:													
	1. Interest owing to													
	(iii) Provincial govern-ments	—	—	—	1,160	2,463	3,950	3,406	8,009	1,238	172	—	—	20,398
	(vii) Other	—	—	120	718	19,547	19,096	739	517	2,593	13,554	—	—	56,884
	Sub-total	—	—	120	1,878	22,010	23,046	4,145	8,526	3,831	13,726	—	—	77,282
	2. Provision for income tax	—	—	—	—	—	—	—	—	—	—	—	—	—
	3. Other expenditure	2	—	332	523	10,340	8,661	419	800	—	358	—	—	21,455
	Sub-total, item 4	2	—	452	2,401	32,350	31,727	4,564	9,326	3,831	14,064	—	—	98,737
5.	Long-term loans and advances owing to													
	(i) Federal government	—	—	7,317	22,714	—	—	—	—	—	—	—	—	30,031
	(ii) Federal government enterprises	546	—	—	—	—	—	—	—	—	—	—	—	548
	(iii) Provincial govern-ments	7,352	1,126	52,415	84,584	71,234	380,257	186,899*	529,272*	85,540	25,961	544	—	1,425,184
	(iv) Provincial govern-ment enterprises	—	—	1,035*	—	—	—	—	—	—	—	—	—	1,035
	(vii) Other	1,744	1,278	—	—	1,899	—	20,000	117	—	—	—	—	25,038*
	Sub-total, item 5	9,644	2,404	60,767	107,298	73,133	380,257	206,899	529,389	85,540	25,961	544	—	1,481,836
6.	Long-term debt:													
	1. Bonds and debentures	—	—	11,816	55,650	1,490,236	1,626,449	315,481	—	359,690	1,135,078	—	—	4,994,400*
	2. Mortgages and agreements for sale	—	—	—	—	7,595	1	—	9,756	—	—	—	—	17,352
	3. Other debt	—	—	—	—	—	—	—	—	—	57,313*	—	—	57,313*
	Sub-total, item 6	—	—	11,816	55,650	1,497,831	1,626,450	315,481	9,756	359,690	1,192,391	—	—	5,069,065
7.	Deferred credits:													
	1. Deferred revenue	56	1	78	—	—	10	585	10,108	1,538	—	—	—	12,376
	2. Other credits	133	—	141	—	—	108	89	27	428	34	—	—	960
	Sub-total, item 7	189	1	219	—	—	118	674	10,135	1,966	34	—	—	13,336
8.	Trust and deposit accounts	—	—	75	117	14,589	2,808	44	1,426	—	—	—	—	19,059
9.	Liability reserves:													
	1. Provision for future income taxes	—	—	—	—	—	—	—	—	—	—	—	—	—
	2. Other liability reserves	434	—	24	1,397	25,256	11,797	234	10,186	949	7,305	—	—	57,582
	Sub-total, item 9	434	—	24	1,397	25,256	11,797	234	10,186	949	7,305	—	—	57,582
10.	Other liabilities	148	474	—	729	2,241	2,920	3,268	4,699	—	—	—	—	14,479
11.	Proprietary equity (net worth):													
	1. Capital stock held by													
	(iii) Provincial govern-ments	—	45	9	—	—	150	4,300	250	30	65,291	—	—	70,075
	(iv) Provincial govern-ment enterprises	—	—	—	—	—	54*	—	—	—	—	—	—	54
	(v) Municipal govern-ments	—	—	—	—	—	—	—	—	15	—	—	—	15
	(vii) Other	—	—	—	—	—	—	—	—	—	—	—	—	—
	Sub-total	—	45	9	—	—	204	4,300	250	45	65,291	—	—	70,144
	2. Interest-free working capital provided by													
	(iii) Provincial govern-ments	732	—	—	—	—	—	—	—	—	—	—	—	732
	3. Fixed assets transferred by													
	(iii) Provincial govern-ments	—	—	—	—	—	—	—	—	27,293	—	—	—	27,293
	4. Other equity held by													
	(iii) Provincial govern-ments	4,048	422	—	—	3,382	—	—	—	—	—	—	—	7,852
	(vi) Municipal govern-ment enterprises	—	—	—	—	—	476,645 ¹⁰	—	—	—	—	—	—	476,645
	Sub-total	4,048	422	—	—	3,382	476,645	—	—	—	—	—	—	484,497
	5. Equity reserves:													
	(1) Contingencies	—	—	9,580	4,656	142,211	500	14,759	3,020	—	—	—	—	174,728
	(2) Plant expansion	—	—	—	—	—	—	21	20,791	1,642	—	—	—	22,454
	(3) Other equity reserves	134	—	18,620	4,229	256,686	139,362	26,372	6,352	12,386	37,875	—	—	504,016
	Sub-total	134	—	28,200	8,885	398,897	139,862	41,152	32,163	14,028	37,875	—	—	701,196
	6. Unappropriated surplus	2,065	—	4,625	4,813	— 4,522	170,239	21,726	74,843	41,231	2,083	—	523	317,626
	Sub-total, item 11	6,979	467	32,834	13,898	397,757	786,950	67,178	107,256	82,597	105,249	—	523	1,601,488
12.	Total liabilities and net worth	18,786	3,438	109,613	183,585	2,254,381	2,952,951	614,359	690,195	657,308	1,375,944	617	523	8,661,680

* Includes savings balances due to the public of 80,616 in Ontario and 97,937 in Alberta.

* Includes guarantees by the provinces as follows: Nfld., 1,725; P.E.I., 87; N.S., 13,294; N.B., 55,650; Que., 1,490,236; Ont., 1,633,394; Man., 307,650; Alta., 359,770; B.C., 1,192,391; total, 5,054,197.

* Notes payable.

* 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, 1963¹

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.....	8,891	4,685	50,943	52,910	341,048	519,461	127,416	163,060	128,493	287,953	2,390	2,142	1,689,392
2	Financial income:													
	1. Interest from:													
	(i) Federal government	—	—	116	—	—	4,707	366	—	688	—	—	—	5,877
	(ii) Federal government enter- prises	—	—	—	—	—	305	44	—	1	—	—	—	350
	(iii) Provincial governments	—	—	257	680	594	4,834	1,122	3,822	365	1,690	—	—	13,364
	(iv) Provincial government enter- prises	—	—	56	—	—	778	387	—	406	430	—	—	2,057
	(v) Municipal governments	—	—	31	—	—	—	—	—	14,337	—	—	—	14,368
	(vi) Other	194	81	106	45	1,380	1,807	1,284	1,069	3,914	380	3	—	10,263
	Sub-total	194	81	566	725	1,974	12,431	3,203	4,891	19,711	2,500	3	—	46,279
	2. Other financial income	—	—	9	54	—	2,723	9	—	912	645	—	—	4,352
	Sub-total, item 2	194	81	575	779	1,974	15,154	3,212	4,891	20,623	3,145	3	—	50,631
3	Rental income	362	16	413	5	1,684	409	7	133	16	13	—	6	3,064
4	Contributions from own or other levels of government:													
	(iii) Provincial	—	—	97	58	—	—	—	25	—	—	—	—	180 ²
5	Other current income	41	—	122	210	4,172	307	156	1,042	42	412	—	4	6,508
6	Total current revenue	9,488	4,782	52,150	53,962	348,878	535,331	130,791	169,151	149,174	291,523	2,393	2,152	1,749,775
	Expenditure													
1	Cost of goods and services sold from current operations:													
	1. Wages and salaries	998	158	3,439	6,250	29,056	78,788	26,353	30,075	24,290	41,742	92	88	141,427
	2. Net drawings on (+) or net addi- tions to (-) inventories	22	- 74	32	- 170	- 1,509	- 1,687	- 836	77	- 1,242	- 285	2	176	- 5,494
	3. Other purchases of goods and services	5,556	3,133	28,826	23,584	134,910	224,042	54,188	71,521	65,370	126,796	1,384	985	740,295
	Sub-total, item 1	6,574	3,217	32,297	29,664	162,457	301,143	79,705	101,673	88,418	168,253	1,478	1,249	976,128 ³
2	Provision for depreciation	184	—	464	4,834	36,152	41,544	15,424	18,509	8,626	27,130	—	—	152,867
3	Interest on debt to:													
	(i) Federal government	—	—	367	842	—	—	—	—	—	—	—	—	1,209
	(ii) Federal government enter- prises	26	—	—	—	—	—	—	—	—	—	—	—	26
	(iii) Provincial governments	222	—	1,988	3,416	1,835	13,136	8,610	21,093	3,236	1,603	—	—	55,139
	(vi) Other	—	76	557	2,558	49,114	67,062	10,237	487	17,617	50,376	—	—	198,084
	Sub-total, item 3	248	76	2,912	6,816	50,949	80,198	18,847	21,580	20,853	51,979	—	—	254,458 ⁴
4	Other current expenditure	34	27	152	407	5,863	15,317	289	1,141	2,425	1,611	—	—	27,266
5	Total current expenditure	7,040	3,320	35,825	41,721	255,421	438,202	114,265	142,903	120,322	248,973	1,478	1,249	1,410,719
6	Net profit (+) or loss (-) before provi- sion for income tax	2,448	1,462	16,325	12,241	93,457	97,129	16,526	26,248	28,852	42,550	915	903	339,056
7	Estimated income tax	—	—	—	—	1,513	—	—	—	—	—	—	—	1,513
8	Net profit (+) or loss (-) after provi- sion for income tax	2,448	1,462	16,325	12,241	91,944	97,129	16,526	26,248	28,852	42,550	915	903	337,543
9	Total current expenditure plus net pro- fit or minus loss	9,488	4,782	52,150	53,962	348,878	535,331	130,791	169,151	149,174	291,523	2,393	2,152	1,749,775

¹ Includes transactions of the following enterprises for other than a twelve month period: New Brunswick Development Corporation, August 1, 1963 to March 31, 1964; International Transit Company Limited, November 1, 1962 to June 16, 1964; Madawaska Valley Telephone Company Limited, January 1 to December 13, 1963; Saskatchewan Economic Development Corporation, April 1 to December 31, 1963.

² Includes grant of 97 for rural electrification. See also item 6, Table 7 for contributions credited to surplus account for various purposes.

³ Includes capital expenditures met out of the operating income of provincial liquor commissions: Nfld., 6; N.B., 143; Ont., 2,397; Man., 101; Sask., 18; Alta., 200; total, 2,955.

⁴ Excludes interest capitalized during the construction of fixed assets: N.S., 118; N.B., 466; Que., 15,793; Ont., 4,285; Man., 4,168; Sask., 3,256; B.C., 2,825; total, 30,905.

TABLE 7. Net Surplus Account Transactions, by Province for the Fiscal Year Ended Nearest to December 31, 1963¹

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....	1,899	36	4,645	4,585	4,573	169,925	21,259	77,073	37,670	16,868	—	699	339,232
2	Net profit or loss for the year after provision for income tax	2,448	1,462	16,325	12,241	91,944	97,129	16,526	26,248	28,852	42,550	915	903	337,543 ²
3	Net profit or loss on sale or retirement of fixed assets	— 2	—	—	—	153	162	351	31	—	—	—	—	389
4	Net transfers from (+) or to (-) reserves	—	—	3,072	1,709	45,949	27,022	3,370	11,420	1,405	11,998	—	—	105,945
5	Other adjustments (net)	3,357	26	357	290	19,688	26,499	3,397	2,844	1,254	14,515	1	94	43,104
6	Contributions from own or other levels of government (iii) Provincial	300	—	—	—	—	825 ³	—	—	—	1,989 ⁴	—	—	3,094
7	Remittances of surplus:													
	1. Dividends													
	(iii) Provincial governments	—	—	—	—	—	240	—	—	—	—	—	—	240
	2. Other remittances to													
	(iii) Provincial governments	5,937	1,524	13,630	10,594	74,404	97,100	16,437	19,933	25,140	32,791	916	985	299,391 ⁵
	(iv) Provincial government enterprises	—	—	—	—	—	61 ⁶	—	—	—	—	—	—	61
	(vii) Other	—	—	—	—	221	—	—	—	—	—	—	—	221
	Sub-total, item 7	5,937	1,524	13,630	10,594	74,625	97,279	16,437	19,933	25,140	32,791	916	985	299,791
8	Net additions (+) or deductions (-)	166	36	20	228	9,095	314	467	2,230	3,561	14,785	—	176	21,606
9	Balance at end of year	2,065	—	4,625	4,813	4,522	170,239	21,726	74,843	41,231	2,083	—	523	317,626

¹ Includes transactions of the following enterprises for other than a twelve month period: New Brunswick Development Corporation, August 1, 1963 to March 31, 1964; International Transit Company Limited, November 1, 1962 to June 16, 1964; Madawaska Valley Telephone Company Limited, January 1 to December 13, 1963; Saskatchewan Economic Development Corporation, April 1 to December 31, 1963.

² Item 8, Expenditure, Table 6.

³ Assistance for rural electrification.

⁴ Toll-highway and toll-bridge subsidy.

⁵ 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	2,603	31	610	3,244	2,598	5,842
Prince Edward Island	26	—	—	26	1,498	1,524
Nova Scotia	318	61	—	345	13,244	13,589
New Brunswick	270	—	—	270	10,324	10,594
Quebec	19,665	23	—	19,688	51,139	70,827
Ontario	26,171	202	—	26,373	70,727	97,100
Manitoba	3,210	—	—	3,196	13,233	16,429
Saskatchewan	104	1	—	18	15,363	15,450
Alberta	1,180	—	—	1,180	23,960	25,140
British Columbia	562	—	—	285	277	32,514
Yukon	1	—	—	—	1	915
Northwest Territories	82	—	—	176	—	1,079
Totals	54,192	318	83	54,593	236,594	291,187

⁶ When the charter of the Madawaska Valley Telephone Company Limited was surrendered, its deficit was transferred to the parent company.

TABLE 8. Analysis of Securities Held as Investment including those Restricted Funds, by Province, as at Fiscal Year End Nearest to December 31, 1963 (Asset items 9 and 11)¹

No.		Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskat- chewan	Alberta	British Columbia	Total
		thousands of dollars								
1	Federal government direct and guaranteed bonds:									
	Asset item 9	—	—	3	140	7,743	665	13,660	—	22,211
	Asset item 11	175	128	—	114,062	4,591	—	2,057	956	121,969
	Sub-total	175	128	3	114,202	12,334	665	15,717	956	144,180
2	Provincial and municipal government treasury bills:									
	Asset item 9	—	—	—	—	1,000	—	500	—	1,500
3	Provincial and municipal government direct and guaranteed bonds:									
	Asset item 9	183	—	60	394	2,171	13,502	10,745	2,779	29,834
	Asset item 11	1,436	15,507	57,003	50,224	14,430	—	6,699	48,361	193,660
	Sub-total	1,619	15,507	57,063	50,618	16,601	13,502	17,444	51,140 ²	223,494
4	Notes of companies incorporated in Canada and of institutions:									
	Asset item 9	—	—	7,836	—	—	1	—	—	7,837
5	Bonds of companies incorporated in Canada and of institutions:									
	Asset item 9	163	—	14	—	—	1,034	6,966	—	8,177
	Asset item 11	1,062	—	—	—	—	—	—	—	1,062
	Sub-total	1,225	—	14	—	—	1,034	6,966	—	9,239
6	Preferred and common stock, Canadian:									
	(iv) Provincial government enterprises:									
	Asset item 9	—	16	—	692	—	—	—	—	708 ³
	(iiv) Other:									
	Asset item 9	—	—	2,583	—	—	62	—	—	2,645
	Sub-total	—	16	2,583	692	—	62	—	—	3,353
7	Equity in provincial government sinking funds:									
	Asset item 11	—	—	—	—	13,215	75,610	—	—	88,825
8	Total securities:									
	Asset item 9	346	16	10,496	1,226	10,914	15,264	31,871	2,779	72,912
	Asset item 11	2,673	15,635	57,003	164,286	32,236	75,610	8,756	49,317	405,516 ⁴
	Grand totals	3,019	15,651	67,499	165,512	43,150	90,874	40,627	52,096	478,428

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

	Cash	Accrued interest	Total
Newfoundland	148	—	148
Nova Scotia	13	—	13
New Brunswick	644	—	644
Quebec	1	146	147
Ontario	5,788	—	5,788
Manitoba	85	—	85
Alberta	4,163	75	4,238
British Columbia	47,521	679	48,200
Totals	58,363	900	59,263

² Includes 2,592 provincial government guaranteed short-term notes.

³ Comprises investment of parent companies in subsidiaries.

⁴ The following amounts were held in trust in provincial treasuries: New Brunswick, 45,221; Ontario, 786; Manitoba, 22,863; Alberta, 2,720; British Columbia, 97,517; total, 139,107.

CHART - 5

ASSETS=LIABILITIES AND NET WORTH, BY PROVINCE 1962-1963

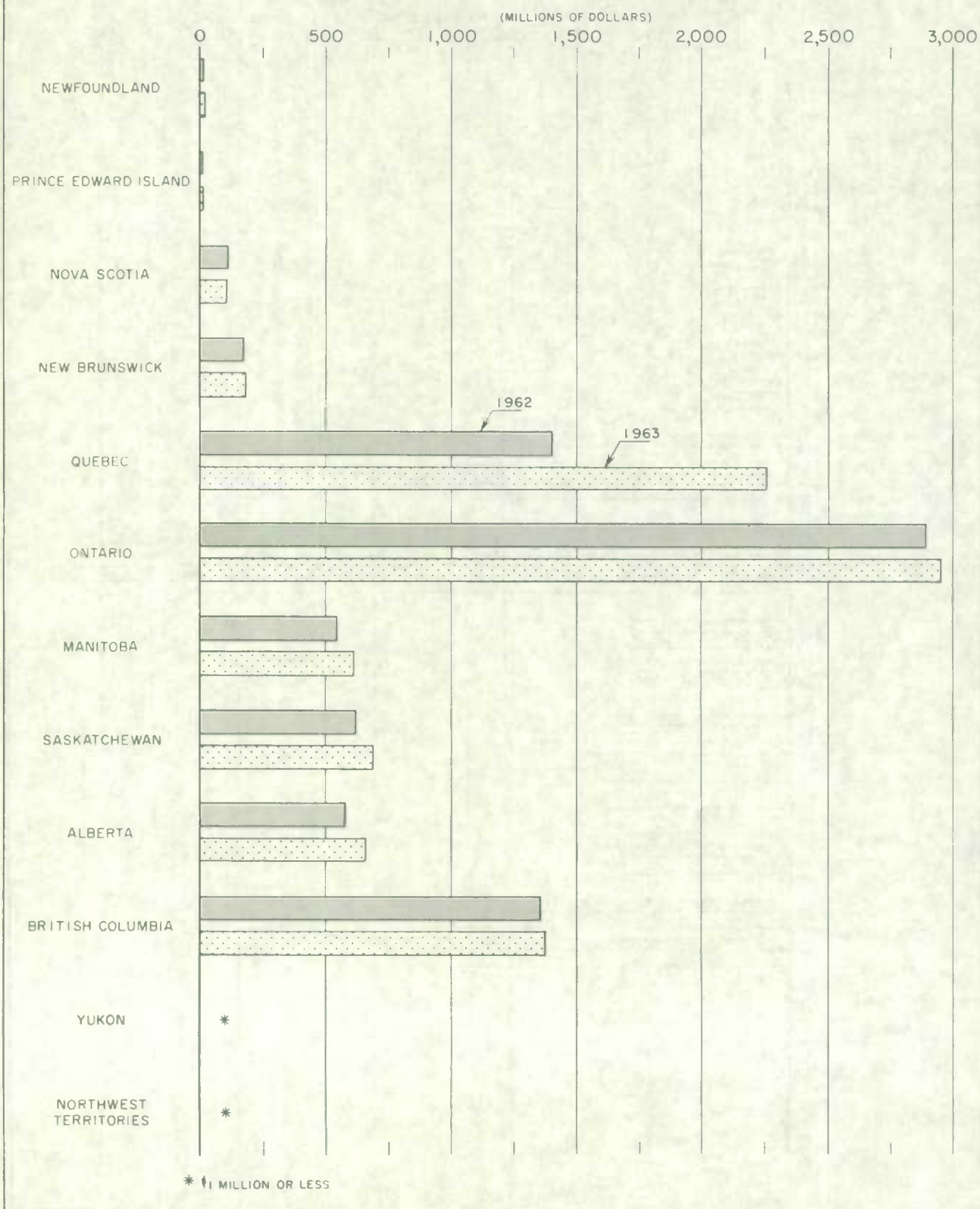


CHART-6

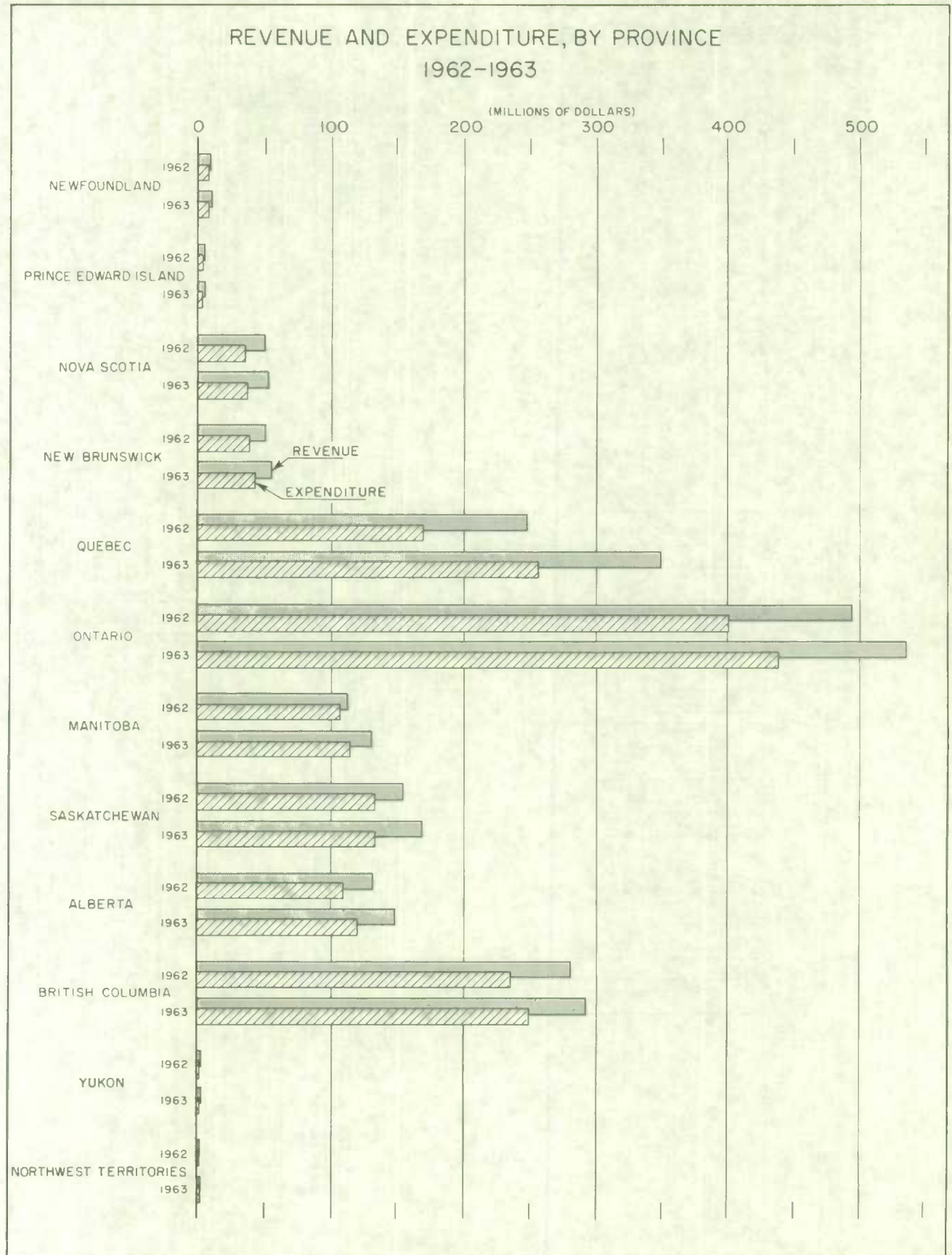
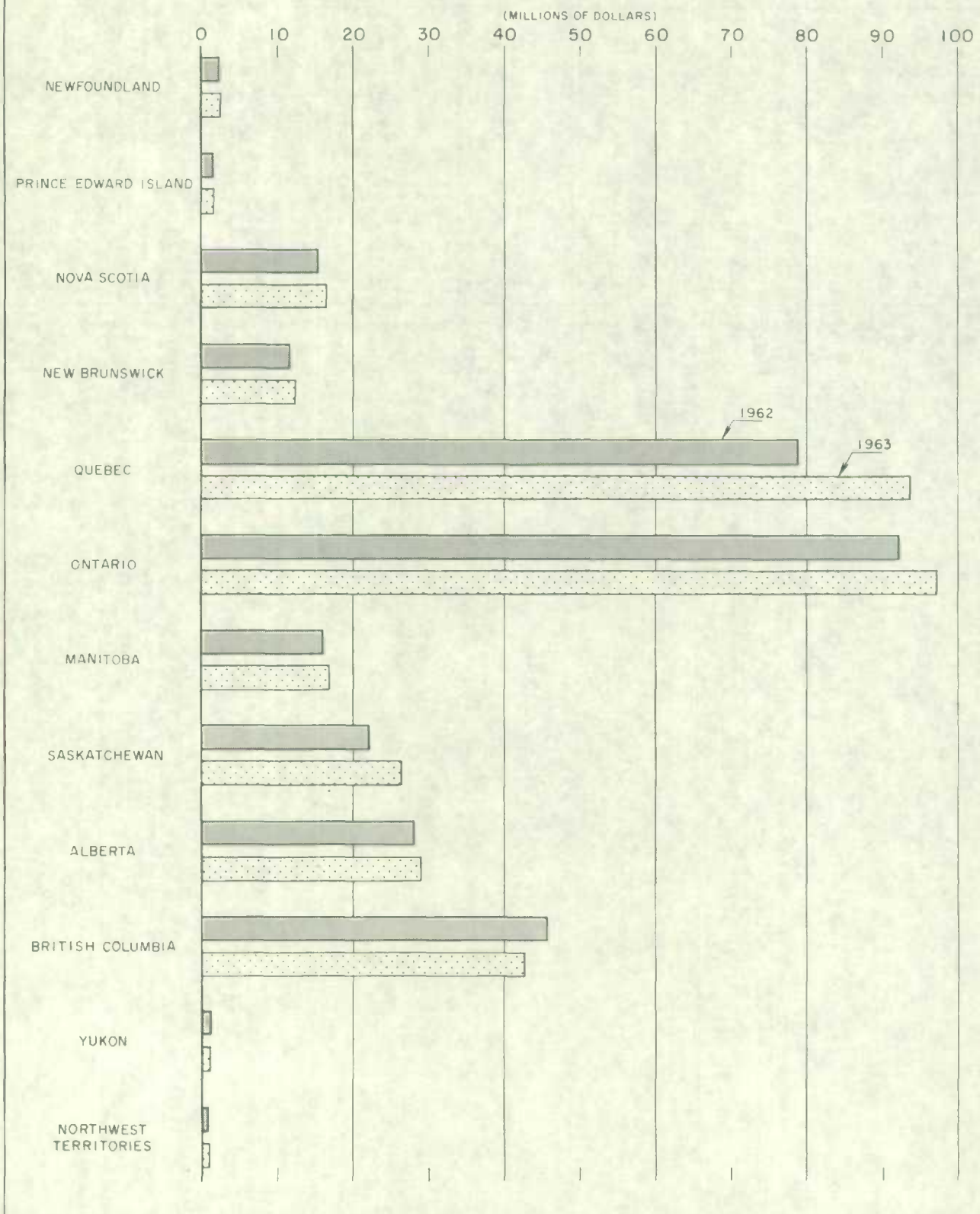


CHART - 7

NET PROFIT OR LOSS, BY PROVINCE 1962 - 1963



GENERAL

**TABLE 9. Equity in Provincial Government Sinking Funds,¹ by Industry and by Province,
as at Fiscal Year Ends Nearest to December 31**

No.		1958	1959	1960	1961	1962	1963
	By industry:						
1	Communication	5,595	8,184	11,927	15,589	19,232	23,582
2	Electric power	15,064	20,197	29,119	39,763	52,172	65,243
3	Totals	20,659	28,381	41,046	55,352	71,404	88,825
	By province:						
4	Manitoba	2,114	4,553	7,219	8,941	11,184	13,215
5	Saskatchewan	18,545	23,828	33,827	46,411	60,220	75,610
6	Totals	20,659	28,381	41,046	55,352	71,404	88,825

¹ For an explanation of the treatment of this item in Provincial Government Enterprise Finance statistics and Provincial Government Finance statistics, see page 19.

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