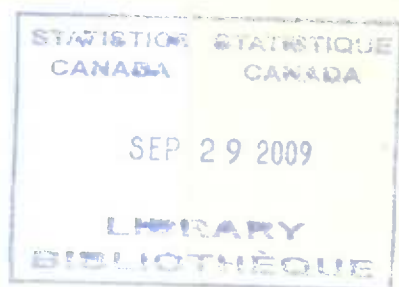


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A
CONSOLIDATION OF
PUBLIC FINANCE STATISTICS

MUNICIPALITIES, PROVINCES AND
THE GOVERNMENT OF CANADA

1959

(Fiscal Year Ended Nearest December 31, 1959)

Actual

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INTRODUCTION

This publication consolidates public finance statistics of federal, provincial and municipal governments for the fiscal year ended nearest to December 31, 1959. Inter-governmental relationships have been eliminated to permit presentation of the true relationship between government and the public in respect of revenue raised, expenditures made and debt owed. Consolidation also permits review of the relevant position of each level of government in raising revenue, making expenditures and incurring debt.

The statistics for the federal and provincial governments are based on final information obtained from the Public Accounts for the fiscal year ended March 31, 1960. For municipal governments the statistics are based primarily on published reports

of provincial departments of municipal affairs, in most cases for the calendar year 1959, supplemented by information from individual municipal reports and other authoritative sources.

The classifications, concepts and definitions followed are those which have been the subject of discussions and agreements at Dominion-Provincial conferences on provincial and municipal finance statistics. The federal accounts have been analysed and presented in a form comparable thereto insofar as possible. Details of the bases of presentation of public finance statistics for provincial and municipal governments and the Government of Canada may be obtained by reference to the other publications of the Dominion Bureau of Statistics listed on the inside cover of this report.

EXPLANATORY COMMENT

Tables 1 and 2. Net General Revenue and Expenditure

In this presentation transfer payments from one level of government to another have been treated as follows:

(a) Grants-in-aid and shared-cost contributions have been eliminated from revenue and the related expenditures of the receiving government, but are included in the expenditure of the paying government under the appropriate function of expenditure.

(b) General grants and subsidies and payments made under tax-sharing arrangements are eliminated from the expenditure of the paying government and from the revenue of the receiving government.

Details of the above transfer payments are given in Table 5. Because of differences in fiscal year-ends, accounting methods, etc., the amounts received by one level of government do not necessarily agree with the amounts paid by the other level of government.

The ordinary revenues and expenditures of municipal utilities and enterprises, hospitals, libraries and certain special areas are not included nor is capital expenditure of municipal utilities and enterprises; only surpluses, deficits and levies actually taken into the municipal accounts are reflected. Municipal expenditure on education is included at the amount of local taxation plus capital expenditure, less debt service which appears under debt charges.

Municipal property taxes include all municipal and school taxes levied on real and personal property—its use and occupancy. Grants in lieu of municipal taxes on federal and provincial property paid to municipal governments have been eliminated from revenue of the municipal governments and from the expenditure of the paying governments. However, similar grants from federal and provincial enterprises have not been eliminated from municipal revenue; they are shown as a separate item in Table 1.

Net general expenditure includes expenditures of a current or ordinary nature and also expenditures for the construction or acquisition of fixed assets. These latter are included in the federal "budgetary" expenditures. For provincial governments and for all municipal governments with the exception of those in the Province of Quebec, expenditures on capital account (for the construction or acquisition of property, public works and other projects) are combined with ordinary account expenditures. Expenditures on capital account other than for schools, for Quebec municipalities could not be compiled. Receipts of the provincial governments in respect of capital account transactions, such as grants, contributions or other recoveries of amounts expended, are deducted from related expenditures. It is not possible, at present, to show municipal capital expenditure on a similar basis.

Provisions for debt retirement, including both principal instalments and sinking fund provisions, have been omitted from expenditure totals. The amounts omitted are shown at the foot of Table 2.

In Table 1, "other revenue", item 24 includes the following:

Federal—revenue of the Post Office Department, Exchange Fund profit, revenue from bullion and coinage, fines and penalties and other miscellaneous items.

Provincial—fines, penalties and other miscellaneous items.

Municipal—rents, concessions, franchises, tax penalties, contributions other than from governments or government enterprises, and sundry items which either do not fall into recommended classifications or cannot be classified properly from information available.

In Table 2, "other expenditure" as indicated by item 23 includes the following:

Federal and Provincial—recreation and cultural services, trade and industrial development, local government planning and development, civil defence, housing and other sundry items. On the federal level expenditure of the Post Office Department, and expenditure for immigration and external affairs are also included.

Municipal—recreation and community services, joint or special expenditures and sundry miscellaneous items.

Tables 3 and 4. Percentage Distribution of Total net General Revenue and Expenditure

The percentage distributions shown in Tables 3 and 4 are based on Tables 1 and 2. They indicate the proportion applicable to each level of government of the totals of the principal sources of revenue and functions of expenditure, exclusive of transfers from one level of government to another. The treatment of

these inter-government transfers is explained in the explanatory comment on Tables 1 and 2. Reference to other publications of the Bureau, dealing with financial statistics of each level of government, will show the relative significance to each level of government of the principal sources of revenue and functions of expenditure.

Table 6—Distribution of Total Net General Revenue Excluding Inter-Government Transfers

This table presents, first, the distribution of net general revenue as raised by each level of government, secondly, transfers between levels of government, and lastly, the distribution of net general revenue as between levels of government after such transfers. In effect, it records first where the revenues were raised, and lastly, where they were available for expenditure.

It should be noted that payments made directly to local school boards by provincial governments have been included in municipal revenue in this table, although revenue shown elsewhere in municipal finance statistics does not include payments received directly by school boards from the provinces. The remainder of the revenue of local school boards is derived largely from taxes levied by municipal governments, and, in some cases, by the school boards themselves. In both cases the taxes are included in municipal revenue statistics. As education plays such an important part in municipal affairs, and is administered largely as a form of local government, it is considered appropriate, for purposes of this table, to include in municipal revenue the amounts received from provincial governments as noted above.

Table 7. Direct and Indirect Debt

In arriving at consolidated debt, elimination has been made of:

- (a) Direct debt of one level of government to another level of government, such as specifically identifiable treasury bills, loans and advances or other liabilities.
- (b) Indirect debt of one level of government to another level of government resulting from its guarantee of inter-government direct debt.
- (c) Indirect debt of one level of government resulting from its guarantee of the direct debt of another level of government to the public.

Securities such as bonds or debentures issued by one government and held as investments by another government are not considered as inter-government debt and consequently have not been eliminated.

Only sinking funds or special debt retirement funds are shown as deductions from funded debt. Otherwise the statistics reflect the gross debt of each level of government.

TABLE 1. Net General Revenue — All Governments
After Elimination of Inter-government Transfers
For the Fiscal Year Ended Nearest to December 31, 1959

No.	Source	Federal	Provincial	Municipal	Total
thousands of dollars					
	Taxes:				
	Income:				
1	Corporations	1,234,216	248,987	—	1,483,203
2	Individuals	1,752,194	54,454	—	1,806,648
3	Interest, dividends and other income going abroad	73,353	—	—	73,353
4	General Sales	1,002,658	209,211	73,435	1,285,304
5	Motor fuel and fuel oil sales	—	382,560	640	383,200
6	Other sales	—	55,085	2,207	57,292
7	Excise duties and special excise taxes	620,661	—	—	620,661
8	Customs import duties	525,722	—	—	525,722
9	Real and personal property	—	8,330	1,157,236	1,165,566
10	Business	—	—	39,135 ¹	39,135
11	Estate taxes and succession duties	88,431	56,247	—	144,678
12	Other	1,373	153,599	8,337	163,309
13	Total taxes	5,298,608	1,168,473	1,280,990	7,748,071
	Privileges, licences and permits:				
14	Liquor control and regulation	10	44,920	—	44,930
15	Motor vehicles	—	164,610	—	164,610
16	Natural resources	5,924	303,311	—	309,235
17	Other	20,211	26,698	24,748	71,657
18	Total privileges, licences and permits	26,145	539,539	24,748	590,432
19	Sales and services	46,843	37,295	—	84,138
	Contributions from government enterprises:				
	Own enterprises:				
20	Liquor boards and commissions	—	180,227	—	180,227
21	Other	88,366	6,851	36,563	131,780
22	In lieu of municipal taxes from federal and provincial government enterprises	—	—	8,826	8,826
23	Total contributions from government enterprises	88,366	187,078	45,389	320,833
24	Other revenue	235,274	11,240	103,293	349,807
25	Sub-total items 1 to 24	5,695,236	1,943,625	1,454,420	9,093,281
26	Non-revenue and surplus receipts	40,610	3,737	—	44,347
27	Total net general revenue after elimination of inter-government transfers	5,735,846	1,947,362	1,454,420	9,137,628

¹ Incomplete. Not separable from real property taxes in some provinces.

TABLE 2. Net General Expenditure — All Governments
After Elimination of Inter-government Transfers
For the Fiscal Year Ended Nearest to December 31, 1959

No.	Function	Federal	Provincial	Municipal ¹	Total
1	Defence services and mutual aid	1,542,545	—	—	1,542,545
2	Veterans' pensions and other benefits	293,106	—	—	293,106
	Health:				
3	Hospital care	180,635	391,489	41,358	613,482
4	Other	46,154	45,434	27,068	118,656
5	Total health	226,789	436,923	68,426	732,138
	Social welfare:				
6	Aid to aged persons	605,348	60,134
7	Aid to unemployed and unemployables	56,218	41,417
8	Family allowances	494,138	—	—	494,138
9	National employment services	82,456	—	—	82,456
10	Other	23,780	104,384	37,982	166,146
11	Total social welfare	1,261,940	205,935	37,982	1,505,857
12	Education	69,479	602,851	658,309	1,330,639
	Transportation and communications:				
13	Highways, roads and bridges	108,651	675,821	345,637	1,130,109
14	Other	267,627	4,630	—	272,257
15	Total transportation and communications	376,278	680,451	345,637	1,402,366
16	Natural resources and primary industries	286,410	174,089	—	460,499
17	Debt charges excluding debt retirement	657,066	54,965	117,753	829,784
18	Contributions to own government enterprises	154,252	4,717	13,919	172,888
	Other expenditure:				
19	General government	251,571	110,519	129,425	491,515
20	Protection of persons and property	76,185	125,625	211,847	413,657
21	Sanitation and waste removal	—	—	134,162	134,162
22	International co-operation and assistance	79,654	—	—	79,654
23	Other	368,787	62,826	136,201	567,814
24	Total other expenditure	776,197	298,970	611,635	1,686,802
25	Sub-total items 1 to 25	5,644,062	2,458,901	1,853,661	9,956,624
26	Non-expense and surplus payments	499	19,361	—	19,860
27	Total net general expenditure after elimination of inter-government transfers	5,644,561	2,478,262	1,853,661	9,976,484
28	Funded debt retirement reported as ordinary expenditure and excluded from above	—	62,752	177,545	240,297

¹ Does not include capital expenditure out of capital fund for the Province of Quebec.

TABLE 3. Percentage Distribution of net General Revenue as per Table 1 – All Governments
For the Fiscal Year Ended Nearest to December 31, 1959

Source	Federal	Provincial	Municipal	Total
Total taxes	68.4	15.1	16.5	100.0
Total privileges, licences and permits	4.4	91.4	4.2	100.0
Total sales and services	55.7	44.3	—	100.0
Total contributions from government enterprises	27.5	58.3	14.2	100.0
Other revenue	67.3	3.2	29.5	100.0
Non-revenue and surplus receipts	91.6	8.4	—	100.0
Total net general revenue	62.8	21.3	15.9	100.0

TABLE 4. Percentage Distribution of net General Expenditure as per Table 2 – All Governments
For the Fiscal Year Ended Nearest to December 31, 1959

Function	Federal	Provincial	Municipal	Total
Defence services and mutual aid	100.0	—	—	100.0
Veterans' pensions and other benefits	100.0	—	—	100.0
Health	31.0	59.7	9.3	100.0
Social welfare	83.8	13.7	2.5	100.0
Education	5.2	45.3	49.5	100.0
Transportation and communications	26.8	48.5	24.7	100.0
Natural resources and primary industries	62.2	37.8	—	100.0
Debt charges excluding debt retirement	79.2	6.6	14.2	100.0
Contributions to own government enterprises	89.2	2.7	8.1	100.0
Other expenditure	46.0	17.7	36.3	100.0
Non-expense and surplus payments	2.5	97.5	—	100.0
Total net general expenditure	56.6	24.8	18.6	100.0

TABLE 5. Analysis of Inter-government Transfers
For Fiscal Year Ended Nearest to December 31, 1959

I. Eliminated from revenue of receiving governments as reported in Table 1

	Received by provincial from		Received by municipal from	
	Federal	Municipal	Federal	Provincial
	thousands of dollars			
Tax-sharing arrangements	461,348	—	—	—
Share of income tax on power utilities	4,754	—	—	—
Subsidies	53,772	—	—	65,393
Special payments	—	—	1,587	1,114
Grants in lieu of municipal taxes on federal and provincial property	—	—	21,900	1,351
Totals	519,874	—	23,487	67,858

II. Eliminated from expenditure of paying governments as reported in Table 2

	Paid by federal to		Paid by provincial to municipal	Paid by municipal to provincial
	Provincial	Municipal		
	thousands of dollars			
Tax-sharing arrangements	461,341	—	—	—
Share of income tax on power utilities	4,753	—	—	—
Subsidies	53,774	—	65,293 ¹	—
Special payments	—	1,809	1,114	—
Grants in lieu of municipal taxes on federal and provincial property	—	22,605	1,266	—
Totals	519,868	24,414	67,673	—

III. Eliminated from revenue and expenditure of receiving governments

	Received by federal from provincial	Received by provincial from		Received by municipal from	
		Federal	Municipal	Federal	Provincial
	thousands of dollars				
Grants-in-aid and shared-cost contributions:					
Highways, roads and bridges	—	66,242	32	—	73,038
Hospital care	—	167,330	11,079	—	503
Other health	—	32,086	1,070	—	894
Aid to aged persons	—	30,498	—	—	4,072
Aid to unemployed and unemployables	—	56,411	62	—	31,941
Education	—	8,798	247	—	9
Natural resources and primary industries	404	11,089	234	—	—
Other	—	13,591	6,981	50	8,904
Totals	404	386,045	19,705	50	119,361

¹ Includes shared-revenue contributions.

**TABLE 6. Distribution of Total Net General Revenue Excluding Inter-government Transfers
All Governments in Canada
For Fiscal Year Ended Nearest to December 31, 1959**

	Federal	Provincial	Municipal	Total
	thousands of dollars			
Net general revenue	5,735,846 (62.8%)	1,947,362 (21.3%)	1,454,420 (15.9%)	9,137,628 (100.0%)
Adjustment to show inter-government transfers in revenue of recipient governments only:				
Inter-government transfers:				
By Government of Canada	- 929,406	905,919	23,487	-
By provincial governments	404	- 590,891 ¹	590,487	-
By municipal governments	-	19,705	- 19,705	-
Adjusted distribution of net general revenue	4,806,844 (52.6%)	2,282,095 (25.0%)	2,048,689 (22.4%)	9,137,628 (100.0%)

¹ Includes 403,268 paid to school boards.

**TABLE 7. Direct and Indirect Debt - All Governments
After Elimination of Inter-government Debt¹
as at Fiscal Year End Nearest to December 31, 1959**

No.		Federal	Provincial	Municipal	Total before elimination	Inter- government debt eliminated	Total after elimination
		thousands of dollars					
	Direct debt						
	Funded debt:						
1	Bonded debt	13,765,152	3,415,009	3,803,095	20,983,256	137,322	20,845,934
2	Deduct sinking funds	85,272	618,158	132,937	836,367	-	836,367
3	Item 1 less item 2	13,679,880	2,796,851	3,670,158	20,146,889	137,322	20,009,567
4	Treasury bills ²	-	82,612 ³	1,001	83,613	60,687	22,926
5	Item 3 plus item 4	13,679,880	2,879,463	3,671,159	20,230,502	198,009	20,032,493
6	Short term treasury bills ⁴	2,125,000	46,837	-	2,171,837	-	2,171,837
7	Savings deposits and certificates	29,372	-	-	29,372	-	29,372
8	Temporary loans and overdrafts ..	-	26,547	246,281	272,828	-	272,828
	Accounts and other payables:						
9	Trust funds and other deposits	3,565,376	137,527	7,749	3,710,652	2,211	3,708,441
10	Other ⁵	967,621	176,591	218,652	1,362,864	34,870	1,327,994
11	Other liabilities	317,834	60,120	112,154	490,108	10,373	479,735
12	Total direct debt less sink- ing funds⁷	20,685,083	3,327,085	4,255,995	28,268,163	245,463	28,022,700
	Indirect debt						
13	Guaranteed bonds or debentures ..	1,430,107	2,996,265	80,141	4,506,513	193,918	4,312,595
14	Deduct sinking funds	-	67,673	1,862	69,535	2,039	67,496
15	Item 13 less item 14	1,430,107	2,928,592	78,279	4,436,978	191,879	4,245,099
16	Guaranteed bank loans	169,203	24,578	15	193,796	2,084	191,712
17	Municipal Improvement Assistance Act loans	-	1,841	-	1,841	1,841	-
18	Other guarantees	2,775,789	126,361	-	2,902,150	-	2,902,150
19	Total indirect debt less sinking funds	4,375,099	3,081,372	78,294	7,534,765	195,804	7,338,961
20	Total direct and indirect debt less sinking funds	25,060,182	6,408,457	4,334,289	35,802,928	441,267	35,361,661
21	Direct debt (item 12) per capita ⁸ .. \$	1,161	187	239	1,587	...	1,573

¹ See explanatory comment and Table 8 for details.

² Having a term of two or more years.

³ Net of sinking funds 16,294.

⁴ Consists of treasury bills, treasury notes and deposit certificates having a term of less than two years.

⁵ Included in item 9.

⁶ Includes bonds (or debentures) due and bond (or debenture) interest due.

⁷ Does not include surplus, reserves, unexpended balances and deferred revenue.

⁸ Population totals at June 1, 1960, as estimated by the Census Division, Dominion Bureau of Statistics.

**TABLE 8. Analysis of Inter-government Debt¹
as at Fiscal Year End Nearest to December 31, 1959**

	Due by federal to provincial	Due by provincial to		Due by municipal to		Total
		Federal	Municipal	Federal	Provincial	
	thousands of dollars					
Direct debt						
Funded debt	—	59,668	—	7,230	131,111	198,009
Other liabilities	978	10,799	14,831	1,042	19,804	47,454
Total direct inter-government debt	978	70,467	14,831	8,272	150,915	245,463
Direct debt of municipal governments guaranteed by provincial governments:						
Bonds or debentures						193,918
Deduct sinking funds						2,039
Net bonds or debentures						191,879
Bank loans						2,084
Municipal Improvement Assistance Act loans						1,841
Total indirect inter-government debt						195,804
Total direct and indirect inter-government debt						441,267

¹ See explanatory comment re Table 7, for interpretation of "Inter-government debt".

**TABLE 9. Analysis of Gross Bonded Debt — All Governments by Place of Payment
as at Fiscal Year End Nearest to December 31, 1959**

Payable in	Federal	Provincial	Municipal	Total
thousands of dollars				
Canada only	13,563,341	2,384,101	2,191,329	18,138,771
London (Eng.) only	51,811	2,312	11,576	65,699
London (Eng.) and Canada	—	2,974	6,913	9,887
New York only	150,000	828,661	660,741	1,639,402
New York and Canada	—	97,207	49,705	146,912
London (Eng.), New York and Canada	—	98,854	8,982	107,836
Unclassified	—	—	873,849 ¹	873,849
Totals	13,765,152	3,414,109²	3,803,095	20,982,356
Per capita ³	773	192	213	1,178

¹ Place of payment not indicated in Municipal reports, but probably mostly payable in Canada only.

² Excludes bonds assumed by provinces — 900 payable in Canada.

³ Population totals at June 1, 1960, as estimated by the Census Division, Dominion Bureau of Statistics.

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