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SUMMARY OF ESTIMATES OF REVENUE AND EXPENDITURE OF PROVINCIAL GOVERNMENTS

1951

(Fiscal years ending March 31, 1952)

EXPLANATORY NOTES

"Net General Revenue" is arrived at by first adjusting current or ordinary revenue to a gross basis and then deducting interest, institutional revenue and specified contributions from other governments which are offset against relative expenditures.

Adjustments to the gross basis consist mainly of adding back revenue items which are deducted from expenditures and expenditure items which are deducted from revenues in the provincial accounts and by including, for comparative purposes, revenues of certain special funds and activities the operations of which in some provinces are not reflected in the main revenue accounts.

The specified contributions from other governments referred to above are those which represent grants-in-aid and shared-cost contributions for specific services. These are deducted from expenditures to show the actual cost to the provinces of the services in question. General or unconditional fiscal subsidies such as those payable to the provinces by the Federal Government under the B.N.A. Act and those payable under the Dominion-Provincial Tax Agreements, however, are not treated in similar fashion but remain as part of "net general revenue".

"Net Combined General and Capital Expenditure" includes, as the term implies, net general expenditure and net capital expenditure. The former is arrived at in the same fashion as explained for revenue. The latter represents expenditures through provincial capital accounts for the acquisition or construction of properties and equipment and public improvements such as highways, roads and bridges, less revenue items relating to such expenditures.

INTRODUCTION

In the past, financial statistics of provincial governments were prepared and published only after final figures were available from the public accounts. Last year a preliminary estimate of revenue and expenditure for 1949 was prepared based on interim data available at the time. A further effort is now being made to provide current provincial data by publishing in memorandum form a summary analysis of provincial estimates of revenue and

Prepared by the Public Finance and Transportation Division.

expenditure for the current fiscal years. The present memorandum, and first publication on this basis, is for the year 1951, (fiscal years ending March 31, 1952). The fiscal years of all provinces now end on that date. Preliminary figures for 1950, (fiscal years ended nearest to December 31st), will be published shortly on the same basis as for 1949.

These summary analyses of revenue and expenditure will serve to indicate the general trend of provincial finance in the latest fiscal periods pending final and more detailed figures becoming available.

The same basis is followed in the preparation of both the preliminary and estimates analyses as for the final statistics. Accordingly, adjustments of various kinds are necessary for comparative purposes and the accuracy of such adjustments depends on the degree of detail available in the respective budget documents and other reference sources. Reference should be made to the final reports "Financial Statistics of Provincial Governments" for a detailed description and commentary on the scope and coverage of these statistics in relation to the basis on which information is contained in the official public accounts and other documents.

Transactions on account of loans and advances and other receivables and payables are, for purposes of these statistics, omitted from both the revenue and expenditure as the case may be, except for any such amounts which may have been treated as ordinary or current account transactions by the provinces. These latter are included as "non-revenue or surplus receipts" or "non-expense or surplus payments" in the detailed statistics published. No attempt has been made to separate the estimates for such transactions for this report as the volume is generally small and therefore relatively insignificant in relation to the overall totals.

Dominion Subsidies - These are payments by the federal government to the provinces under the B.N.A. Act, and other special grants. All provinces receive subsidies based on (a) allowances for government, (b) interest on debt allowances (except Newfoundland), and (c) allowances per head of population, and some receive special allowances such as the transitional grant to Newfoundland and the payments under the Maritime Provinces Additional Subsidies Act, 1942.

Dominion-Provincial Tax Agreement - Under the terms of the Dominion-Provincial Tax Rental Agreements Act, 1947, all provinces except Quebec and Ontario have agreed to refrain from levying personal income taxes, corporation income taxes, other corporation taxes and succession duties except under certain conditions outlined in the Act. In lieu of these taxes they receive a tax rental fee from the federal government. In the final statistics, this item will exclude payments under clause 3 of the Agreement, being a 5% tax on corporations income levied by the provinces but collected by the federal government. These items should be shown as tax revenue but, as mentioned in footnotes (a) and (f), segregation is not possible at this time.

Share Income Tax on Electric Power Utilities - Clause 7 of the 1947 Tax Rental Agreement provides for payment of a portion of federal revenue from corporation

income tax based on income derived from distribution of electrical energy, gas or steam in the province to which payment is made. As in the case of Clause 3, segregation in all the provinces is not possible at this time.

Liquor Control Revenue - Revenues in this regard arise from four sources, namely: profits on the operation of provincial wholesale vendors and retail outlets, item 25; privileges, licences and permit fees, part of item 17; taxes on the sale of liquor, item 8; and miscellaneous revenue, such as fines, penalties and confiscations arising from infractions of the Liquor Control Acts and Regulations, part of item 26. Estimates of total liquor revenues are given on page 6.

Other Revenue - Item No. 26 combines revenue from the following sources: sales and services, fines and penalties, and miscellaneous items not otherwise specifically provided for in the classification, as well as non-revenue and surplus receipts previously referred to.

Contributions to Municipalities - Expenditure item 19 consists of: Newfoundland - grants to the St. John's Municipal Council, matching revenue grants to local councils, and special assistance grants; Prince Edward Island - grant to City of Charlottetown in lieu of corporation taxes; Nova Scotia - payments to municipalities re Dominion-Provincial Agreement; New Brunswick - subsidies to municipalities; Ontario - Railway Tax distribution including amounts applied to cost of maintenance of patients in mental institutions, a subsidy to stabilize the revenue of mining municipalities, a subsidy to supplement grants in lieu of the 1-mill subsidy and payments to counties and districts to assist in the cost of county and district assessors; Manitoba - payments re Soldiers' Taxation Relief; Alberta - grants to cities in lieu of service tax, grants to municipalities in lieu of taxes, and a share of gasoline tax revenue as provided under the proposed Municipal Assistance Act; British Columbia - Municipalities Aid Act - share of the sales tax collected under the Social Security and Municipal Aid tax. These payments are in the form of subsidies and shared-revenue contributions, having no relation to any particular municipal expenditure.

All other payments to municipal governments have been classified according to the nature of the expenditure to which the provincial payment was related. For example, Ontario municipal highway subsidies are included under "Transportation and Communications"; and grants to schools are classified as "Education".

Other Expenditure - Item No. 20 of expenditure includes general government, protection of persons and property, recreational and cultural services, trade and industrial development, local government planning and development, and miscellaneous items of expenditure not otherwise specifically provided for in the classification, as well as non-expense and surplus payments previously referred to.

The following symbols have been used in the tables presented herein:

- to indicate nil or zero

.. to indicate figures are not available.

NET GENERAL REVENUE AND NET COMBINED GENERAL AND CAPITAL EXPENDITURE

ESTIMATES

For Fiscal Year Ending March 31, 1952.

(Thousands of Dollars)

NO.	REVENUE BY SOURCE	NFLD.	P.E.I.	N.S.
1.	Taxes			
2.	Corporations	-	-	-
3.	Income			
4.	Corporations	..(a)	..(a)	..(a)
5.	Individuals	-	-	-
6.	Property	-	-	94
7.	Sales			
8.	Alcoholic Beverages	-	185	-
9.	Amusements and Admissions	-	95	588
10.	Motor Fuel and Fuel Oil	1,350	865	7,899
11.	Tobacco	-	110	-
12.	General	2,250	-	-
13.	Other Commodities and Services	-	-	150
14.	Succession Duties	-	1(c)	5(c)
15.	Other	60	-	55
16.	Total Taxes	3,660	1,256	8,791
17.	Privileges, Licences and Permits	1,512	482	4,899
18.	Other Governments			
19.	Dominion Subsidies	8,040(e)	657	2,005
20.	Dominion-Provincial Tax Agreement	8,261(f)	2,385(f)	14,517(f)
21.	Share Income Tax on Electric Power Utilities - Dominion	..(g)	..(g)	175
22.	Sub-Total Dominion	16,301	3,042	16,697
23.	Municipalities (h)	-	-	245
24.	Total Other Governments	16,301	3,042	16,942
25.	Liquor Profits	1,938	595	7,587
26.	Other Revenue	221	65	770
27.	TOTAL NET GENERAL REVENUE	23,632(1)	5,440	38,989
NO.	EXPENDITURE BY FUNCTION	NFLD.	P.E.I.	N.S.
1.	Transportation and Communications	5,617	2,559	17,678
2.	Health and Social Welfare			
3.	Health			
4.	Hospital Care	5,496	723	4,053
5.	Other	1,055	179	550
6.	Sub-Total Health	6,551	902	4,603
7.	Social Welfare			
8.	Aid to Aged and Blind Persons	1,677	409	2,669
9.	Aid to Unemployed and Unemployables	2,549	50	-
10.	Mothers' Allowances	1,282	56	1,567
11.	Other	583	41	591
12.	Sub-Total Social Welfare	6,091	556	4,827
13.	Total Health and Social Welfare	12,642	1,458	9,430
14.	Education	5,310	1,039	10,048
15.	Natural Resources and Primary Industries	1,746	324	2,705
16.	Debt Charges			
17.	Debt Retirement (from Current Account)	111	523	2,967
18.	Interest and Other Charges	-490(1)	577	4,793
19.	Contributions to Municipalities	550	56	600
20.	Other Expenditure	9,709	709	4,148
21.	TOTAL NET COMBINED GENERAL AND CAPITAL EXPENDITURE	35,195(m)	7,245	52,369
22.	Debt Retirement Included Above	-111	-523	-2,967
23.	TOTAL EXPENDITURE EXCLUSIVE OF DEBT RETIREMENT	35,084	6,722	49,402

(a) Not separable from Item 20. (b) Includes hospital tax on meals. (c) Succession duties arrears. (d) Includes hospitalization tax. (e) Includes transitional grants \$6,500,000. (f) Includes collection by Federal government of 5% provincial corporation tax not segregated in provincial Estimates. (g) Not specified in provincial Estimates.

NEW GENERAL REVENUE AND NET COMBINED GENERAL AND CAPITAL EXPENDITURE

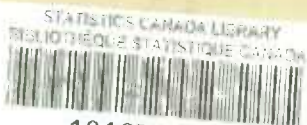
ESTIMATES

For Fiscal Year Ending March 31, 1952.

(Thousands of Dollars)

N.B.	QUE.	ONT.	MAN.	SASK.	ALTA.	B.C.	TOTAL	NO.
-	12,934	11,396	-	-	-	-	24,330	1.
..(n)	41,724	61,315	..(a)	..(a)	..(a)	..(a)	103,039	2.
-	-	-	10	-	1	-	11	3.
95	-	700	-	1,800	20	3,105	5,814	4.
-	1,200	-	-	-	-	-	1,385	5.
247	2,877	10,025	930	40	755	2,450	18,007	6.
5,643	44,300	68,500	5,540	7,300	11,350	13,600	166,347	7.
747	9,500	-	-	-	-	-	10,357	8.
7,500	32,050	-	-	10,000	-	26,000	77,800	9.
-	3,305(b)	-	-	-	-	-	3,455	10.
1(c)	12,500	15,500	10(c)	-	50(c)	75(c)	28,142	11.
35	768	2,746	20	6,084(d)	567	13,378(d)	23,713	12.
14,268	161,158	170,182	6,510	25,224	12,743	58,608	462,400	13.
5,605	48,815	49,667	7,197	7,850	36,841	16,251	179,119	14.
1,632	2,739	3,155	1,750	2,072	2,063	1,004	25,117	15.
11,350(f)	-	-	18,106(f)	17,876(f)	19,700(f)	30,331(f)	122,526	16.
..(g)	..(g)	..(g)	..(g)	..(g)	400	600	1,175	17.
12,982	2,739	3,155	19,856	19,948	22,163	31,935	148,818	18.
-	-	-	614	-	-	-	859	19.
12,982	2,739	3,155	20,470	19,948	22,163	31,935	149,677	20.
5,488	18,250	27,812	5,688	9,065	10,792	17,334	104,549	21.
324	6,840	4,540	1,084	2,957	1,968	10,038	28,807	22.
38,667	237,802	255,356	40,949	65,044	84,507	134,166	924,552	23.
N.B.	QUE.	ONT.	MAN.	SASK.	ALTA.	B.C.	TOTAL	NO.
9,552	62,163	91,637	10,161	11,678	24,942	29,967	265,954	1.
4,471	27,899	32,352	4,407	17,528	9,935	29,228	136,092	2.
483	3,564	6,630	1,103	3,304	2,181	3,497	22,546	3.
4,954	31,463	38,982	5,510	20,832	12,116	32,725	158,638	4.
2,131	9,843	14,095	2,473	3,280	4,629	8,241	49,447	5.
-	-	3,081	391	1,217	1,118	5,713	14,119	6.
900	6,023	6,125	747	1,221	716	524	19,161	7.
146	3,742	3,221	825	1,704	685	2,553	14,091	8.
3,177	19,608	26,522	4,436	7,422	7,148	17,031	96,818	9.
8,131	51,071	65,504	9,946	28,254	19,264	49,756	255,456	10.
7,751	40,818	63,307	6,714	10,293	16,794(j)	22,641	184,715	11.
2,830	28,796	19,716	3,915(k)	5,937	5,878	13,393	85,240	12.
1,648	8,019	7,276	6,255	4,235	2,524	10,153	46,711	13.
5,770	12,548	21,603	1,501	3,112	288	6,972	56,674	14.
2,056	-	1,120	14	-	4,756	8,540	17,692	15.
3,963	33,125	53,567	4,621	8,584	11,397	25,505	155,328	16.
44,701	236,540	323,730	43,127	72,093	85,843	166,927	1,067,770	17.
-4,648	-8,019	-7,276	-6,255	-4,235	-2,524	-10,153	-46,711	18.
40,053	228,521	316,454	36,872	67,858	83,319	156,774	1,021,059	19.

(h) Nova Scotia - Highway Tax; Manitoba - Municipal Commissioner's levy. (i) Excludes Financial Surplus Account transactions. (j) Includes \$3,000,000 under the School Borrowings Assistance Act. (k) Excludes capital payments re Pine Falls power development estimated at \$8,000,000. (l) Excess of interest revenue over interest expense and other debt service charges. (m) Consists of current account and net expenditure out of Financial Surplus Account on the extension of public services.



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Abbreviations of the names of provinces used in these tables are:
Newfoundland - (Nfld.), Prince Edward Island - (P.E.I.), Nova Scotia - (N.S.),
New Brunswick - (N.B.), Quebec - (Que.), Ontario - (Ont.), Manitoba - (Man.),
Saskatchewan - (Sask.), Alberta (Alta.), and British Columbia - (B.C.).

ESTIMATES OF TOTAL LIQUOR REVENUE

<u>Province</u>	<u>\$000's</u>
Newfoundland	1,991
Prince Edward Island	825
Nova Scotia	7,731
New Brunswick	5,511
Quebec	28,700
Ontario	39,570
Manitoba	7,550
Saskatchewan	9,169
Alberta	11,625
British Columbia	17,540
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	130,212
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