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# FINANCIAL STATISTICS OF PROVINCIAL GOVERNMENTS

## Revenue and Expenditure

Summary of Estimates (First Analysis) 1961

Preliminary (Second Analysis) 1960

(Fiscal Years Ended March 31, 1962 and 1961)

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## TABLE OF CONTENTS

	Page
Introduction .....	5
Review of Estimates Data for 1961 - 62 .....	5
Review of Preliminary Data for 1960 - 61 .....	6
Explanatory Comments .....	6
Five-Year Summaries by Province .....	8
Five-Year Summaries by Source and Function .....	9
Table 1. Net General Revenue, 1961 - 62 Estimates .....	10
Table 2. Net General Expenditure, 1961 - 62 Estimates .....	11
Table 3. Gross Amounts Paid to Local Governments, 1961 - 62 Estimates .....	12
Table 4. Net General Revenue, 1960 - 61 Preliminary .....	13
Table 5. Net General Expenditure, 1960 - 61 Preliminary .....	14
Table 6. Gross Amounts Paid to Local Governments, 1960 - 61 Preliminary .....	15

#### **SYMBOL**

The interpretation of the symbol used in the tables throughout this publication is as follows:

— to indicate nil and amounts under \$500.

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

# FINANCIAL STATISTICS OF PROVINCIAL GOVERNMENTS

## Revenue and Expenditure

### Summary of Estimates (First Analysis) 1961 Preliminary (Second Analysis) 1960

(Fiscal Years Ended March 31, 1962 and 1961)

This report includes a condensed analysis of estimated expenditures and anticipated revenues of provincial governments for the current fiscal year. The information was derived from the Estimates and Budget Speeches presented to the provincial legislatures by the provincial treasurers. It also provides condensed statements of net general revenue and expenditure of provincial governments for the fiscal year ended March 31, 1961, prepared from preliminary statements contained in the Budget Speeches delivered in 1960, from interim statements tabled in conjunction therewith and in certain cases from condensed "actual" statements released since the fiscal year end.

Because of the variations in accounting and financial reporting methods in use among the provinces, certain adjustments to the provincial figures are necessary to achieve interprovincial comparability. The accuracy of such adjustments, and also of the breakdown of revenue and expenditure into the standard statistical categories, depends upon the extent and detail of the available sources of information. The annual report "Financial Statistics of Provincial Governments—Revenue and Expenditure—Actual" explains in detail the various adjustments to provincial figures that are required to produce public finance statistics on this basis.

#### REVIEW OF ESTIMATES DATA FOR 1961-62

Total tax revenue is estimated at nearly \$1,400 million for the fiscal year ending March 31, 1962, up \$156 million from the preliminary total for the year ended March 31, 1961. Several increases in tax rates are reflected in the higher estimates, as well as expected increases in population, in consumer spending, in highway traffic and in general economic activity.

In Quebec the corporation income tax rate for the 1961 taxation year was raised from 10% to 12% and exemptions allowed in arriving at taxable personal income were lowered. Revenue from these sources is estimated to be respectively \$20 million and \$17 million higher in 1961-62 than in 1960-61 (see items 2 and 3 of tables 1 and 4). The Quebec special tax on spirits (item 5 of table 4) has been abolished; instead, all alcoholic beverages served in restaurants, hotels, etc., is now subject to the 5% meals tax (item 10 of table 1).

Six provinces announced increases in the tax payable on sales of gasoline and other fuels for use in motor vehicles. Nova Scotia increased the rate from 17 cents to 19 cents per gallon, New Brunswick the gasoline tax from 15 cents to 18 cents and the diesel fuel tax from 15 cents to 23 cents, Manitoba the gasoline tax from 11 cents to 14 cents and the diesel fuel tax from 11 cents to 17 cents, Saskatchewan the gasoline tax from 12 cents to 14 cents and the tax on diesel fuel from 12 cents to 17 cents, Alberta the gasoline tax from 10 cents to 12 cents and the diesel fuel tax from 12 cents to 14 cents and

in British Columbia the gasoline tax was raised from 10 cents to 13 cents and the tax on other motive fuels from 12 cents to 15 cents per gallon. Revenue from these motor fuel taxes (plus the fuel oil tax in British Columbia) is estimated at \$441 million in 1961-62, up \$39 million from 1960-61 (see item 7 of tables 1 and 4).

Revenue from general sales taxes (levied by eight provinces) is expected to be \$281 million in 1961-62 compared with \$211 million (levied by seven provinces) in 1960-61 (see item 9 of tables 1 and 4). In Prince Edward Island the estimated revenue of \$2 million from their 4% general sales tax introduced on July 1, 1960, reflects the first full year's collections. In Nova Scotia the rate was increased from 3% to 5%; the yield is expected to be about \$6 million higher than in 1960-61. Ontario introduced a 3% general sales tax on September 1, 1961; the yield for the last seven months of the 1961-62 fiscal year is estimated at \$61 million.

"Other taxes" consists mainly of revenue from the hospital insurance premiums in Prince Edward Island, New Brunswick (the premiums were abolished on July 1, 1960, and are reflected only in our 1960-61 revenue statistics), Ontario, Manitoba (the 50% increases in rates effective July 1, 1960, are first reflected in the 1961 revenue of the Hospital Services Fund and hence in our 1961-62 statistics) and Saskatchewan (increases in rates effective January 1, 1961, are reflected in the higher estimate of their other taxes in 1961-62).



In New Brunswick and Saskatchewan, liquor profits (item 23) are expected to rise as a result of increases in prices of alcoholic beverages sold by the Liquor Boards.

Total net general expenditures are estimated at \$3,097 million in 1961-62, up \$229 million from the preliminary total of \$2,868 million in 1960-61.

A review of the various provincial hospital insurance schemes was given in last year's Estimates Commentary. At that time the dates of commencement and methods of financing the provinces' share of the costs and the coverage provided by the schemes were described. (The federal government's contributions amounting to approximately half the provincial gross expenditure under the scheme are offset against hospital expenditures in these "net" general statistics.) When Quebec's hospital insurance scheme commenced on January 1, 1961, all ten provinces were providing this service. Certain amounts which were paid to hospitals under former arrangements are now paid under the hospital insurance schemes instead; the introduction of hospital insurance did not involve all new expenditures. In addition to hospital insurance expenditures, item 4 of tables 2 and 5 of this report also includes construction grants paid to hospitals and the operation of mental and tuberculosis hospitals.

Several new types of welfare payments were announced by Quebec viz, provincial family allowances of \$10 per month to parents of adolescents from 16 to 18 years of age who are attending school (\$3½ million), supplementary allowances of \$10 per

month, where needed, to recipients of old age, blind and disabled pensions (\$6.7 million), allowances to needy widows and spinsters from age 60 (\$5 million).

Expenditures on education are again expected to increase substantially. Newfoundland, Manitoba and Alberta are building new provincial technical institutes. The Government of Quebec has undertaken to pay capital costs of universities; under a five-year plan the government expects to distribute \$175 million progressively as construction is carried on by the various universities. Ontario's grants to local schools are expected to increase \$23 million as a result of normal growth and \$7 million as a result of a new program under which \$5 per pupil will be paid to school boards for the reduction of residential and farm real estate taxes; increased grants will be paid in the following two years under this programme.

In a renewed effort to alleviate seasonal unemployment, the winter works programmes are being extended in many provinces. The federal government will pay 50% of the labour costs on a wide variety of capital projects carried out by municipal governments during the winter months. The provinces will pay varying additional grants towards these winter works projects.

The province of Alberta has instituted grants to municipalities in lieu of taxes. Estimated payments in 1961-62 are nearly \$3 million. New grants for construction of municipal police stations are also provided for by Alberta.

## REVIEW OF PRELIMINARY DATA FOR 1960-61

Of the \$2,749 million net general revenue of the ten provincial governments for the fiscal year ended March 31, 1961, \$1.4 million or just over half (51%) was from taxes, and of these the greatest receipts were from the motor fuel and fuel oil tax and corporation income tax. Payments received from the federal government under the tax sharing arrangements, subsidies and the share of income tax on power utilities made up 20% of the total, so that the balance of 29% came from all other sources.

Preliminary net general expenditure amounted to \$3,097 million. Of this total, 24% was spent on education and approximately the same amount on transportation and communications, chiefly highways; nearly 20% was expended for health purposes, nine-tenths of which went for hospital care—mainly under the various provincial hospital insurance plans.

## EXPLANATORY COMMENTS

### Net General Revenue and Expenditure

"Net General Revenue" and "Net General Expenditure" are arrived at by first analyzing the combined revenues and expenditures of capital account, current or ordinary account and those working capital funds and special funds for which separate accounts are kept. Then the following types of revenue are deducted from revenue and offset against the related expenditure: (a) interest, premium, discount and exchange; (b) institutional revenue; (c) grants-in-aid and shared-cost contributions from other governments; and (d) capital revenue.

**Other Taxes**, revenue item 12, includes hospital insurance premiums, where applicable, security transfer and property transfer taxes in Ontario and Quebec and other minor taxes.

**Federal-Provincial Tax-sharing Arrangements**, items 14 to 17. All provinces except Ontario and Quebec are renting the fields of personal and corporation income taxes, other corporation taxes and succession duties to the federal government for a five-year period ending March 31, 1962. Ontario agreed to rent only the personal income tax field. Quebec did not sign an agreement.

FINANCIAL STATISTICS OF PROVINCIAL GOVERNMENTS  
REVENUE AND EXPENDITURE  
SUMMARY OF ESTIMATES 1961, PRELIMINARY 1960  
(Fiscal years ended March 31, 1962 and 1961)

The following section should be substituted on page 6 of the above-named report (Catalogue No. 68-205):

REVIEW OF PRELIMINARY DATA FOR 1960-61

Of the \$2,554 million net general revenue of the ten provincial governments for the fiscal year ended March 31, 1961, \$1,244 million or just under half (49%) was from taxes, and of these the greatest receipts were from the motor fuel and fuel oil tax and corporation income tax. Payments received from the federal government under the tax-sharing arrangements, subsidies and the share of income tax on power utilities made up 21% of the total, so that the balance of 30% came from all other sources.

Preliminary net general expenditure amounted to \$2,868 million. Of this total, 25% was spent on transportation and communications, chiefly highways, and approximately the same amount (24%) on education; 18% was expended for health purposes, nine-tenths of which went for hospital care - mainly under the various provincial hospital insurance plans.





All provinces were offered the means by which they could obtain revenue yields from "standard rates of taxation" (viz, 10% of the federal tax on personal income, increased to 13 per cent for 1958-59 and the following three years, 9% of taxable corporate income and 50% of federal succession duties) equal to the average of the two highest per capita provincial yields. The stabilization clause assures the provinces of at least as much revenue as they would have received had the former tax rental agreements continued. In these statistics the figures appearing in the Government of Canada statements have been substituted for amounts appearing in the provincial statements.

**Privileges, Licences and Permits**, revenue item 18, includes licences and permit fees for the manufacture, purchase, sale or use of alcoholic beverages; motor vehicle licences and permit fees; licences, royalties and permit fees for the use of natural resources, such as fishing and hunting licences, timber royalties, Crown land leases, mining royalties, water power or storage leases and also the income taxes on logging and mining corporations which the provinces may levy under the federal-provincial tax-sharing arrangements; and corporation and other business or occupational licences, rentals of government real estate and court and legal fees.

**Subsidies**, revenue item 19. This item includes only general and unconditional grants, for example the B.N.A. Act subsidies and Atlantic Provinces Adjustment Grants. Grants in aid of specific projects, such as health grants and trans-Canada highway grants from the Government of Canada, are offset against the related expenditure to arrive at the "net" presentation used in these tables.

**Share of Income Tax on Power Utilities**, revenue item 20. All provinces receive a share of the income tax collected by the Government of Canada from corporations whose main business is the distribution to, or generation for distribution to, the public of electric energy, gas or steam.

**Other Revenue**, item 23, combines revenue from the following sources: sales and services, fines and penalties, and miscellaneous items not otherwise

provided for in the classification, as well as non-revenue and surplus receipts, such as refunds of previous years' expenditure and repayments of loans and advances, where such have been included in current account revenue by the provinces.

**Health—Other**, expenditure item 5, includes expenditures on public health, medical, dental and allied services; and administration of health services generally.

**Social Welfare—Other**, expenditure item 10, includes expenditures on child welfare, labour and general social welfare administration.

**Contributions to Municipalities**, expenditure item 16, includes payments in the form of general **subsidies** having no relation to any particular municipal expenditure and **shared-revenue contributions** whether or not such contributions are related to specific municipal expenditures. All other payments to municipal governments have been classified according to the nature of the municipal expenditure to which the provincial payment is related. For example, municipal highway subsidies are included under "Transportation and Communications" in tables 2 and 5. See tables 3 and 6 for a breakdown of estimated grants-in-aid and shared-cost contributions to local governments. In tables 3 and 6 the amounts are "gross", i.e. they include any amounts received from the Government of Canada and passed on to the local governments, whereas tables 2 and 5 reflect only the net cost to the provinces of the various services provided.

**Other Expenditure**, item 17, includes expenditures on the following functions: general government, protection of persons and property, recreational and cultural services, trade and industrial development, local government planning and development, and miscellaneous items not otherwise specifically provided for in the classification as well as non-expense and surplus payments such as refunds of previous years' revenue, and loans and advances where such have been included in current account expenditures by the provinces.

November 1, 1961.

### LIQUOR CONTROL REVENUE

Revenues of this nature arise from the following sources: profits on the operation of provincial wholesale vendors and retail outlets, tables 1 and 4, item 22; privileges, licences and permit fees, included in item 18; taxes on the sale of liquor, item

5; and miscellaneous revenue such as fines, penalties and confiscations, included in item 23. The following table shows the amount estimated for the current year in relation to the latest totals available for prior years.

#### Total Liquor Control Revenue

Fiscal Years Ended March 31

Province	1958	1959	1960 (Prel.)	1961 (Prel.)	1962 (Est.)
thousands of dollars					
Newfoundland.....	3,823	3,958	3,900	3,750	3,830
Prince Edward Island.....	1,289	1,379	1,520	1,700	1,800
Nova Scotia.....	11,812	12,070	11,850	11,830	12,170
New Brunswick.....	7,361	7,513	7,935	8,280	9,740
Quebec.....	45,678	46,821	49,650	49,050	51,800
Ontario.....	68,510	73,146	77,600	81,500	82,200
Manitoba.....	10,638	11,459	12,250	14,610	14,170
Saskatchewan.....	11,764	12,560	13,105	13,840	14,100
Alberta.....	19,047	19,811	20,150	21,230	21,300
British Columbia.....	27,099	27,139	27,570	28,370	27,780
<b>Total liquor control revenue.....</b>	<b>207,021</b>	<b>215,856</b>	<b>225,530</b>	<b>234,160</b>	<b>238,890</b>

### SUMMARIES OF NET GENERAL REVENUE AND EXPENDITURE

The following summaries, first by province and secondly by source and function for all

provinces, show the current year's estimates in relation to prior years' operations.

#### Net General Revenue of Provincial Governments

Fiscal Years Ended March 31

Province	1958	1959	1960 (Prel.)	1961 (Prel.)	1962 (Est.)
millions of dollars					
Newfoundland.....	39	62	60	64	65
Prince Edward Island.....	9	13	14	16	17
Nova Scotia.....	65	76	90	92	101
New Brunswick.....	62	71	77	88	85
Quebec.....	515	557	605	640	699
Ontario.....	595	647	772	830	911
Manitoba.....	74	77	99	111	121
Saskatchewan.....	136	141	146	148	157
Alberta.....	246	236	268	245	260
British Columbia.....	282	296	313	320	333
<b>Total net general revenue.....</b>	<b>2,023</b>	<b>2,176</b>	<b>2,444</b>	<b>2,554</b>	<b>2,749</b>

#### Net General Expenditure of Provincial Governments (Current and Capital)

Fiscal Years Ended March 31

Province	1958	1959	1960 (Prel.)	1961 (Prel.)	1962 (Est.)
millions of dollars					
Newfoundland.....	48	62	68	74	72
Prince Edward Island.....	11	14	18	15	18
Nova Scotia.....	74	86	93	109	114
New Brunswick.....	64	71	80	95	87
Quebec.....	493	533	601	749	805
Ontario.....	657	742	918	954	1,090
Manitoba.....	76	98	126	128	136
Saskatchewan.....	124	137	143	150	157
Alberta.....	199	215	259	266	272
British Columbia.....	287	267	280	328	346
<b>Total net general expenditure exclusive of debt retirement.....</b>	<b>2,033</b>	<b>2,225</b>	<b>2,586</b>	<b>2,868</b>	<b>3,097</b>

# Net General Revenue of Provincial Governments

Fiscal Years Ended March 31

Source	1958	1959	1960 (Prel.)	1961 (Prel.)	1962 (Est.)
millions of dollars					
<b>Taxes:</b>					
Corporations .....	41	48	35	37	38
Income - Corporations .....	215 <sup>1</sup>	226	263	285	311
Individuals .....	41	48	55	61	77
Property .....	8	9	8	9	9
<b>Sales:</b>					
Amusements and admissions .....	21	22	22	23 <sup>2</sup>	23
Motor fuel and fuel oil .....	346	364	382	402	441
General .....	183	187	209	211	281
Other .....	28	30	32	33	34
Succession duties .....	53	56	57	59	58
Other .....	19	20	101 <sup>2</sup>	124	128
<b>Total taxes .....</b>	<b>955</b>	<b>1,010</b>	<b>1,164</b>	<b>1,244</b>	<b>1,400</b>
Federal-provincial tax-sharing arrangements .....	354	398	460	480	493
Privileges, licences and permits .....	478	466	519	522	542
<b>Government of Canada:</b>					
Subsidies .....	22	60 <sup>3</sup>	54 <sup>3</sup>	54 <sup>3</sup>	54 <sup>3</sup>
Share of income tax on power utilities .....	7	8	5	4	6
Liquor profits .....	163	174	181	186	190
Other revenue .....	44	60	61	64	64
<b>Total net general revenue .....</b>	<b>2,023</b>	<b>2,176</b>	<b>2,444</b>	<b>2,554</b>	<b>2,749</b>

<sup>1</sup> Ontario re-entered the corporation tax field.

<sup>2</sup> Increase due to the introduction of hospital insurance premiums by several provinces.

<sup>3</sup> Includes Atlantic Provinces Adjustment Grants and additional subsidies to Newfoundland.

# Net General Expenditure of Provincial Governments

Fiscal Years Ended March 31

Function	1958	1959	1960 (Prel.)	1961 (Prel.)	1962 (Est.)
millions of dollars					
Transportation and communications .....	587	621	693	724	740
<b>Health:</b>					
Hospital care .....	264	287	401	466	552
Other .....	37	43	44	52	60
<b>Total health .....</b>	<b>301</b>	<b>330</b>	<b>445</b>	<b>518</b>	<b>612</b>
<b>Social welfare:</b>					
Aid to aged and blind persons .....	57	54	67	65	74
Aid to unemployed .....	30	40	45	79	78
Mothers' allowances .....	31	39	39	38	39
Other .....	50	58	60	61	64
<b>Total social welfare .....</b>	<b>168</b>	<b>191</b>	<b>211</b>	<b>243</b>	<b>255</b>
<b>Total health and social welfare .....</b>	<b>469</b>	<b>521</b>	<b>656</b>	<b>761</b>	<b>867</b>
Education .....	452	521	602	700	753
Natural resources and primary industries .....	147	158	171	204	202
Debt charges (excluding debt retirement) .....	55	55	59	63	80
Contributions to municipalities .....	54	61	66	69	75
Other expenditures .....	269	288	339	347	380
<b>Total net general expenditure excluding debt retirement .....</b>	<b>2,033</b>	<b>2,225</b>	<b>2,586</b>	<b>2,868</b>	<b>3,097</b>



**TABLE 1. Net General Revenue (Estimated)**

Fiscal Year Ending March 31, 1962

No.	Revenue by source	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
thousands of dollars												
1	<b>Taxes:</b>											
	Corporations .....	290 <sup>1</sup>	85 <sup>1</sup>	830 <sup>1</sup>	725 <sup>1</sup>	28,600	2	1,350 <sup>1</sup>	710 <sup>1</sup>	2,300 <sup>1</sup>	3,000 <sup>1</sup>	37,890
2	<b>Income:</b>											
	Corporations <sup>2</sup> .....	—	—	—	—	118,500	192,015	—	—	—	—	310,515
3	Individuals <sup>3</sup> .....	—	—	—	—	77,500	—	—	—	—	—	77,500
4	Property .....	—	—	90	230	—	2,315	—	—	—	5,880	8,515
5	<b>Sales:</b>											
	Alcoholic beverages .....	—	410	—	—	—	—	—	—	—	—	410
6	Amusements and admissions .....	90	60	380	275	7,895	9,785	685	100	805	2,760	22,835
7	Motor fuel and fuel oil .....	6,100	2,650	19,150	15,370	106,950	167,835	21,030	25,850	35,200	40,670	440,805
8	Tobacco .....	—	325	—	1,875	22,565	—	—	—	—	—	24,765
9	General .....	12,000	2,000	16,040 <sup>5</sup>	9,250	68,890	61,000	—	23,200	—	88,660	281,040
10	Other commodities and services .....	—	—	300	—	8,675	—	—	—	—	—	8,975
11	Succession duties <sup>4</sup> .....	—	—	1 <sup>6</sup>	—	23,500	35,000	—	—	5 <sup>6</sup>	—	58,506
12	Other .....	300	1,175	89	90	1,465	94,120	18,060	12,540	45	110	127,994
13	<b>Total taxes</b> .....	<b>18,780</b>	<b>6,703</b>	<b>36,880</b>	<b>27,815</b>	<b>464,540</b>	<b>562,070</b>	<b>41,125</b>	<b>62,400</b>	<b>38,355</b>	<b>141,080</b>	<b>1,399,750</b>
14	<b>Federal-provincial tax-sharing arrangements:<sup>7</sup></b>											
	Tax rental agreements .....	5,434	1,197	11,720	9,368	—	121,607	26,398	18,041	40,950	65,239	299,954
15	Tax equalization .....	15,369	3,461	20,752	17,779	73,055	—	14,054	22,684	17,688	7,329	192,171
16	Revenue stabilization .....	—	81	—	—	—	—	—	—	—	1,244	1,325
17	<b>Total tax-sharing arrangements</b> .....	<b>20,803</b>	<b>4,739</b>	<b>32,472</b>	<b>27,147</b>	<b>73,055</b>	<b>121,607</b>	<b>40,452</b>	<b>40,725</b>	<b>58,638</b>	<b>73,812</b>	<b>493,450</b>
18	Privileges, licences and permits .....	5,455	1,020	8,495	8,960	106,800	153,075	16,860	29,030	131,680	80,070	541,445
19	<b>Government of Canada:</b>											
	Subsidies .....	17,069 <sup>8</sup>	3,157 <sup>9</sup>	9,557 <sup>9</sup>	9,180 <sup>9</sup>	3,241	3,641	2,054	2,106	2,395	1,649	54,049
20	Share of income tax on power utilities .....	175	51	450	100	1,500	1,000	—	50	1,200	1,250	5,776
21	<b>Total Government of Canada</b> .....	<b>17,244</b>	<b>3,208</b>	<b>10,007</b>	<b>9,280</b>	<b>4,741</b>	<b>4,641</b>	<b>2,054</b>	<b>2,156</b>	<b>3,595</b>	<b>2,899</b>	<b>59,825</b>
22	Liquor profits .....	2,005	1,330	11,800	9,680	37,000	55,600	11,070	13,965	20,090	27,315	189,855
23	Other revenue .....	743	503	1,906	1,928	12,744	13,942	9,039 <sup>10</sup>	8,389	7,242	7,879	64,315
24	<b>Total net general revenue</b> .....	<b>65,030</b>	<b>17,505</b>	<b>101,560</b>	<b>84,810</b>	<b>698,880</b>	<b>910,935</b>	<b>120,600</b>	<b>156,665</b>	<b>259,600</b>	<b>333,055</b>	<b>2,748,640</b>

<sup>1</sup> Tax on premium income of insurance companies. Other corporation taxes have been suspended under terms of the 1957 tax rental agreements in all provinces except Quebec and Ontario.

<sup>2</sup> Not separable from item 2 at this time.

<sup>3</sup> Suspended under terms of the 1957 tax rental agreements in all provinces except Quebec and Ontario.

<sup>4</sup> Suspended under terms of the 1957 tax rental agreements in all provinces except Quebec.

<sup>5</sup> Includes special taxes on spirits and tobacco levied under the Hospital Tax Act.

<sup>6</sup> Estimated collection of arrears.

<sup>7</sup> Estimates by the federal Department of Finance have been substituted for amounts appearing in the provincial Estimates.

<sup>8</sup> Includes Atlantic Provinces Adjustment Grant 7,500 and additional subsidy 8,000.

<sup>9</sup> Includes Atlantic Provinces Adjustment Grant: P.E.I. 2,500; N.S. 7,500; N.B. 7,500.

<sup>10</sup> Includes transfer of revenue account surplus 6,500.



**TABLE 2. Net General Expenditure (Estimated)  
(Current and Capital)**

Fiscal Year Ending March 31, 1962

No.	Expenditure by function	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
thousands of dollars												
	Transportation and communications:											
1	Highways, roads and bridges .....	15,210	5,515	29,590	24,025	180,000	271,050	30,160	29,410	68,795	81,265	735,020
2	Other .....	45	75	820	525	645	—	40	750	380	1,780	5,060
3	<b>Total transportation and communica- tions .....</b>	<b>15,255</b>	<b>5,590</b>	<b>30,410</b>	<b>24,550</b>	<b>180,645</b>	<b>271,050</b>	<b>30,200</b>	<b>30,160</b>	<b>69,175</b>	<b>83,045</b>	<b>740,080</b>
	Health and social welfare:											
	Health:											
4	Hospital care <sup>1</sup> .....	7,385	2,595	22,130	16,470	119,935	226,500	27,275	34,450	41,025	54,035	551,800
5	Other .....	2,125	370	2,070	1,750	15,645	12,300	2,850	7,375	5,250	10,245	59,980
6	Sub-total health .....	9,510	2,965	24,200	18,220	135,580	238,800	30,125	41,825	46,275	64,280	611,780
	Social welfare:											
7	Aid to aged and blind persons .....	1,910	640	2,010	2,145	24,840	12,700	1,985	4,685	10,475	12,715	74,105
8	Aid to unemployed and unemployables ..	5,395	200	3,615	2,685	32,015	12,620	4,310	3,100	5,710	8,855	78,505
9	Mothers' allowances .....	<sup>2</sup>	140	<sup>2</sup>	<sup>2</sup>	22,500	13,320	<sup>2</sup>	1,970	1,000	<sup>2</sup>	38,930
10	Other .....	1,590	200	1,210	1,170	30,895	12,030	3,300	3,370	4,500	5,285	63,550
11	Sub-total social welfare .....	8,895	1,180	6,835	6,000	110,250	50,670	9,595	13,125	21,685	26,855	255,090
12	<b>Total health and social welfare .....</b>	<b>18,405</b>	<b>4,145</b>	<b>31,035</b>	<b>24,220</b>	<b>245,830</b>	<b>289,470</b>	<b>39,720</b>	<b>54,950</b>	<b>67,960</b>	<b>91,135</b>	<b>866,870</b>
13	Education .....	19,750	3,430	25,850	12,975	183,515	275,970	33,380	41,225	76,320	80,540	752,955
14	Natural resources and primary industries .....	3,160	830	4,700	5,285	73,370	45,520	13,110	11,365	19,560	24,940	201,840
15	Debt charges (exclusive of debt retirement) <sup>3</sup> ..	3,850	1,680	10,780	7,480	16,275	53,930	2,415	-500 <sup>4</sup>	-15,250 <sup>4</sup>	-425 <sup>4</sup>	80,235
16	Contributions to municipalities .....	415	370	1,375	5,510	250	35,050	2,720	10	17,970	11,150	74,820
17	Other expenditure .....	11,290	2,040	10,150	6,920	105,050	119,100	14,030	19,290	36,315	55,515 <sup>5</sup>	379,700
18	<b>Total net general expenditure exclusive of debt retirement .....</b>	<b>72,125</b>	<b>18,085</b>	<b>114,300</b>	<b>86,940</b>	<b>804,935<sup>5</sup></b>	<b>1,090,090</b>	<b>135,575</b>	<b>156,500</b>	<b>272,050</b>	<b>345,900<sup>6</sup></b>	<b>3,096,500</b>

<sup>1</sup> Includes expenditures under the various hospital insurance plans. See the Introduction for details.

<sup>2</sup> Now merged with other "social allowances" in the provincial Estimates and included in item 8 in these statistics.

<sup>3</sup> Provision for debt retirement in the provincial current account Estimates was as follows: Nfld. 2,305; P.E.I. 965; N.S. nil; N.B. 4,825; Que. 4,850; Ont. 17,275; Man. 5,070; Sask. nil; Alta. 2,050; B.C. nil.

<sup>4</sup> Excess of interest, premium, discount and exchange revenue over interest expenditure and other debt charges.

<sup>5</sup> Includes home-owner subsidies 14,750.

<sup>6</sup> Does not include expenditures by the provincial toll road authorities.

**TABLE 3. Specified Gross Amounts Paid to Local Governments (Estimated)**

Fiscal Year Ending March 31, 1962

No.		Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
		thousands of dollars										
	Grants-in-aid and shared-cost contributions:											
1	Transportation and communications (roads) .....	1,070	75	200	205	11,550	75,050	4,615	5,950	5,700	650	105,065
	Health:											
2	Hospital care <sup>1</sup> .....	—	—	500	—	—	—	—	5	—	—	505
3	Other .....	185	—	—	—	4,735	2,525	175	740	1,370	340	10,070
	Social welfare:											
4	Aid to aged persons .....	—	—	—	—	—	6,200	—	—	—	660	6,860
5	Aid to unemployed and unemployables .....	—	20	1,140	1,780	—	20,830	1,165	5,070	1,080	19,000	50,085
6	Other .....	—	—	—	—	—	4,240	240	—	—	300	4,780
7	Education (schools operated by local authorities) <sup>2</sup> .....	—	2,515	16,190	9,700	96,660 <sup>4</sup>	192,600	25,595	31,600	55,890	60,490	491,240
8	Natural resources and primary industries .....	—	—	—	—	285	745	740	125	240	—	2,135
9	Other <sup>5</sup> .....	95	10	120	310	14,565	16,160	330	2,100	4,865	1,300	39,855
10	Sub-total items 1 to 9 .....	1,350	2,620	18,150	11,995	127,795	318,350	32,860	45,590	69,145	82,740	710,595
11	Shared-revenue contributions, subsidies and grants in lieu of taxes .....	415	370	1,375	5,510	250	35,050	2,720	10	17,970	11,150	74,820
12	Total amounts paid to local governments ..	1,765	2,990	19,525	17,505	128,045	353,400	35,580	45,600	87,115	93,890	785,415

<sup>1</sup> Excludes amounts paid directly to municipal hospital boards.

<sup>2</sup> Includes estimated grants paid directly to teachers in P.E.I., N.B. and Que.

<sup>3</sup> Excludes grants estimated at 15,650 to primary and secondary schools which are operated on a religious denominational basis.

<sup>4</sup> Does not include payments on account of school loans assumed by the Province in 1947 4,560.

<sup>5</sup> Includes winter works and civil defence grants.

**TABLE 4. Net General Revenue (Preliminary)**  
Fiscal Year Ended March 31, 1961

No.	Source	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
thousands of dollars												
	<b>Taxes:</b>											
1	Corporations .....	295 <sup>1</sup>	85 <sup>1</sup>	830 <sup>1</sup>	680 <sup>1</sup>	27,770	<sup>2</sup>	1,300 <sup>1</sup>	725 <sup>1</sup>	2,115 <sup>1</sup>	2,870 <sup>1</sup>	36,670
	<b>Income:</b>											
2	Corporations <sup>3</sup> .....	—	—	—	—	98,490	187,000	—	—	—	—	285,490
3	Individuals <sup>4</sup> .....	—	—	—	—	60,680	—	—	—	—	—	60,680
4	Property .....	—	—	95	220	—	2,300	—	15 <sup>6</sup>	—	6,110	8,740
	<b>Sales:</b>											
5	Alcoholic beverages .....	—	385	—	—	2,010	—	—	—	—	—	2,395
6	Amusements and admissions .....	90	65	385	275	7,370	10,000	690	95	780	2,920	22,670
7	Motor fuel and fuel oil .....	5,720	2,400	16,320	12,875	101,130	165,300	16,400	22,030	27,050	32,410	401,635
8	Tobacco .....	—	305	—	1,800	22,140	—	—	—	—	—	24,245
9	General .....	10,665	1,200	10,320 <sup>5</sup>	9,080	69,450	—	—	23,170	—	87,530	211,415
10	Other commodities and services .....	—	—	300	—	6,870	—	—	—	—	—	7,170
11	Succession duties <sup>3</sup> .....	—	—	—	—	22,850	36,000	—	5 <sup>6</sup>	5 <sup>6</sup>	—	58,860
12	Other .....	275	1,130	90	7,590	1,420	90,900	13,060	9,020	50	100	123,635
13	<b>Total taxes .....</b>	<b>17,045</b>	<b>5,570</b>	<b>28,340</b>	<b>32,520</b>	<b>420,180</b>	<b>491,500</b>	<b>31,450</b>	<b>55,060</b>	<b>30,000</b>	<b>131,940</b>	<b>1,243,605</b>
	<b>Federal-provincial tax-sharing arrangements:</b>											
14	Tax rental agreements .....	5,068	1,138	11,224	9,333	—	113,792	25,974	16,855	39,636	65,643	288,663
15	Tax equalization .....	15,391	3,454	21,019	17,416	70,366	—	14,104	23,723	17,510	5,926	188,909
16	Revenue stabilization .....	—	210	—	—	—	—	—	—	—	2,117	2,327
17	<b>Total tax-sharing arrangements<sup>7</sup> .....</b>	<b>20,459</b>	<b>4,802</b>	<b>32,243</b>	<b>26,749</b>	<b>70,366</b>	<b>113,792</b>	<b>40,078</b>	<b>40,578</b>	<b>57,146</b>	<b>73,686</b>	<b>479,899</b>
18	Privileges, licences and permits .....	6,435	970	8,155	9,180	99,800	148,100	15,250	29,625	127,700	76,390	521,605
	<b>Government of Canada:</b>											
19	Subsidies .....	17,069 <sup>8</sup>	3,157 <sup>9</sup>	9,557 <sup>9</sup>	9,179 <sup>9</sup>	3,241	3,641	2,054	2,092	2,358	1,281	53,629
20	Share of income tax on power utilities .....	130	42	346	115	1,221	578	27	58	1,449	260	4,226
21	<b>Total Government of Canada .....</b>	<b>17,199</b>	<b>3,199</b>	<b>9,903</b>	<b>9,294</b>	<b>4,462</b>	<b>4,219</b>	<b>2,081</b>	<b>2,150</b>	<b>3,807</b>	<b>1,541</b>	<b>57,855</b>
22	Liquor profits .....	1,945	1,260	11,590	8,220	32,700	58,000	11,250	13,700	20,000	27,900	186,565
23	Other revenue .....	1,117	434	1,909	1,462	12,592	14,289	10,541 <sup>10</sup>	7,137	6,647	7,958	64,086
24	<b>Total net general revenue .....</b>	<b>64,200</b>	<b>16,235</b>	<b>92,140</b>	<b>87,425</b>	<b>640,100</b>	<b>829,900</b>	<b>110,650</b>	<b>148,250</b>	<b>245,300</b>	<b>319,415</b>	<b>2,553,615</b>

<sup>1</sup> Tax on premium income of insurance companies. Other corporation taxes have been suspended under terms of 1957 tax rental agreements in all provinces except Quebec and Ontario.

<sup>2</sup> Not separable from item 2 at this time.

<sup>3</sup> Suspended under terms of the 1957 tax rental agreements in all provinces except Quebec and Ontario.

<sup>4</sup> Suspended under terms of the 1957 tax rental agreements in all provinces except Quebec.

<sup>5</sup> Includes special taxes on spirits and tobacco levied under the Hospital Tax Act.

<sup>6</sup> Estimated collection of arrears.

<sup>7</sup> Actual payments by the federal Department of Finance including adjustments for the previous years.

<sup>8</sup> Includes Atlantic Provinces Adjustment Grant 7,500, transitional grant 350, additional subsidy 7,650.

<sup>9</sup> Includes Atlantic Provinces Adjustment Grant: P.E.I. 2,500; N.S. 7,500; N.B. 7,500.

<sup>10</sup> Includes transfer of revenue account surplus 8,017.



**TABLE 5. Net General Expenditure (Preliminary)  
(Current and Capital)**

Fiscal Year Ended March 31, 1961

No.	Function	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
		thousands of dollars										
	Transportation and communications:											
1	Highways, roads and bridges .....	17,235	4,115	30,850	31,320	180,340	250,100	31,960	31,300	68,155	72,860	718,235
2	Other .....	95	80	860	535	960	—	40	620	380	2,310	5,880
3	<b>Total transportation and communications</b>	<b>17,330</b>	<b>4,195</b>	<b>31,710</b>	<b>31,855</b>	<b>181,300</b>	<b>250,100</b>	<b>32,000</b>	<b>31,920</b>	<b>68,535</b>	<b>75,170</b>	<b>724,115</b>
	Health and social welfare:											
	Health:											
4	Hospital care <sup>1</sup> .....	8,490	2,115	17,100	18,200	94,600	186,200	24,060	30,825	35,950	47,840	465,380
5	Other .....	2,100	515	2,250	1,820	11,900	10,900	2,450	6,115	4,495	9,915	52,460
8	Sub-total health .....	10,590	2,630	19,350	20,020	106,500	197,100	26,510	36,940	40,445	57,755	517,840
	Social welfare:											
7	Aid to aged and blind persons .....	1,930	535	1,995	2,070	15,700	14,000	1,955	3,725	9,505	13,480	64,895
8	Aid to unemployed and unemployables .....	6,250	155	3,050	1,960	34,000	12,200	4,025	3,950	4,035	10,025	79,650
9	Mothers' allowances .....	<sup>2</sup>	125	<sup>2</sup>	<sup>2</sup>	20,500	12,900	<sup>2</sup>	1,950	2,270	<sup>2</sup>	37,745
10	Other .....	1,520	170	1,060	875	30,400	11,200	3,110	3,365	4,505	4,935	61,140
11	Sub-total social welfare .....	9,700	985	6,105	4,905	100,600	50,300	9,090	12,990	20,315	28,440	243,430
12	<b>Total health and social welfare .....</b>	<b>20,290</b>	<b>3,615</b>	<b>25,455</b>	<b>24,925</b>	<b>207,100</b>	<b>247,400</b>	<b>35,600</b>	<b>49,930</b>	<b>60,760</b>	<b>86,195</b>	<b>761,270</b>
13	Education .....	18,450	3,095	24,760	12,760	182,800	233,400	32,000	38,270	80,240	73,960	699,735
14	Natural resources and primary industries .....	3,420	920	4,810	4,990	73,700	38,600	13,290	11,770	25,490	27,460	204,450
15	Debt charges (exclusive of debt retirement) <sup>3</sup> ....	3,320	1,375	9,725	6,825	14,050	46,200	40	-1,215 <sup>4</sup>	-16,815 <sup>4</sup>	-925 <sup>4</sup>	62,580
16	Contributions to municipalities .....	320	350	1,080	5,470	250	32,600	2,710	10	15,180	11,130	69,100
17	Other expenditures .....	10,820	1,835	11,060	8,255	89,600	105,700	12,110	19,585	32,420	55,125 <sup>5</sup>	346,510
18	<b>Total net general expenditure (exclusive of debt retirement)</b> .....	<b>73,950</b>	<b>15,385</b>	<b>108,600</b>	<b>95,080</b>	<b>748,800<sup>6</sup></b>	<b>954,000</b>	<b>127,750</b>	<b>150,270</b>	<b>265,810</b>	<b>328,115<sup>6</sup></b>	<b>2,867,760</b>

<sup>1</sup> Includes expenditures under the various hospital insurance plans. See the Introduction for details. New Brunswick expenditures include fifteen months expenditures of the Hospital Services Commission.

<sup>2</sup> Replaced by "Social Assistance" which is included in item 8.

<sup>3</sup> Provision for debt retirement was as follows: Nfld. 1,850; P.E.I. 895; N.S. nil; N.B. 4,930; Que. 3,950; Ont. 13,950; Man. 4,220; Sask. nil; Alta. 3,131; B.C. nil.

<sup>4</sup> Excess of interest, premium, discount and exchange revenue over interest expenditure and other debt charges.

<sup>5</sup> Includes home-owner subsidies 14,465.

<sup>6</sup> Does not include expenditures by the toll road authorities.



**TABLE 6. Specified Gross Amounts Paid to Local Governments (Preliminary)**

Fiscal Year Ended March 31, 1961

No.		Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Total
		thousands of dollars										
	Grants-in-aid and shared-cost contributions:											
1	Transportation and communications (roads) .....	760	5	195	210	5,000	72,260	4,635	5,900	5,330	640	92,935
	Health:											
2	Hospital care <sup>1</sup> .....	—	—	550	—	—	—	—	5	—	—	555
3	Other .....	105	—	—	—	3,000	2,380	125	200	1,250	320	7,380
	Social welfare:											
4	Aid to aged persons .....	—	—	—	—	—	5,750	—	—	—	300	6,050
5	Aid to unemployed and unemployables .....	—	20	800	1,530	—	20,900	825	5,050	2,480	17,400	49,005
6	Other .....	—	—	—	—	—	3,500	195	—	—	330	4,025
7	Education (schools operated by local authorities) <sup>2</sup> .....	—	2,320	16,000	8,970	96,500 <sup>4</sup>	162,220	25,075	28,790	56,320	56,460	452,655
8	Natural resources and primary industries .....	—	—	—	—	200	860	770	455	170	—	2,455
9	Other <sup>5</sup> .....	45	5	115	270	10,350	5,830	50	1,190	3,710	990	22,555
10	Sub-total items 1 to 9 .....	910	2,350	17,660	10,980	115,050	273,700	31,675	41,590	69,260	76,440	639,615
11	Shared-revenue contributions, subsidies and grants in lieu of taxes .....	315	350	1,080	5,470	250	32,600	2,710	10	15,180	11,130	69,095
12	Total amounts paid to local governments ..	1,225	2,700	18,740	16,450	115,300	306,300	34,385	41,600	84,440	87,570	708,710

<sup>1</sup> Excludes amounts paid directly to municipal hospital boards.

<sup>2</sup> Includes grants paid directly to teachers in P.E.I., N.B. and Que.

<sup>3</sup> Excludes grants estimated at 14,950 to primary and secondary schools which are operated on a religious denominational basis.

<sup>4</sup> Does not include payments on account of school loans assumed by the Province in 1947, 2,880.

<sup>5</sup> Includes winter works and civil defence grants.

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