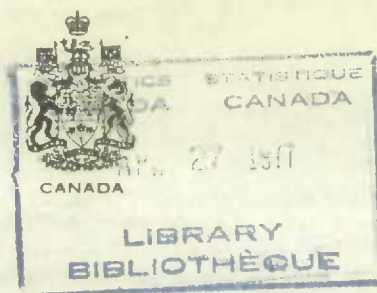
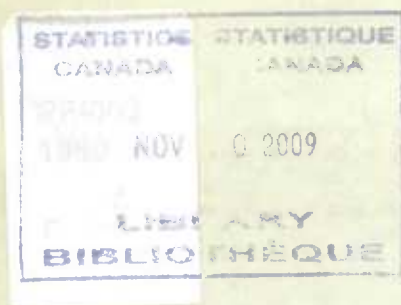


CATALOGUE No.

68-211

ANNUAL

C. 3



FINANCIAL STATISTICS
OF THE
GOVERNMENT OF CANADA
1960

(Fiscal Year Ended March 31, 1961)

Revenue and Expenditure
Direct and Indirect Debt

Actual

Published by Authority of
The Honourable George Hees, Minister of Trade and Commerce

DOMINION BUREAU OF STATISTICS
Public Finance and Transportation Division
Public Finance Section

January 1963
8502-521

Price 50 cents

Reports Published by the
Public Finance and Transportation Division
dealing with

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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 THE GOVERNMENT OF CANADA 1960

(Fiscal Year Ended March 31, 1961)

Revenue and Expenditure Direct and Indirect Debt

Actual

INTRODUCTION

This publication presents financial statistics of the Government of Canada for the fiscal year ended March 31, 1961. It was prepared chiefly from information contained in the Public Accounts of Canada, supplemented by additional information received from treasury officials.

The tables published herein differ somewhat from the principal statements contained in the Public Accounts of Canada due to the different purposes served by the two reports. These Dominion Bureau of Statistics' figures include all revenue, expenditure and debt of a "general" nature. Certain financial transactions which are excluded from "budgetary" revenue and expenditure in the Public Accounts of Canada are therefore included. For example, the revenue and expenditure of the Old Age Security Fund are incorporated into these statistics. Reconciliation tables are provided to summarize the various adjustments that have been made to the Public Accounts' statements to arrive at gross and net general revenue and expenditure and direct debt.

Observations on Revenue and Expenditure

Total net general revenue at \$6,103 million for the fiscal year ended March 31, 1961, rose by more than 6 per cent over the total for the previous fiscal year. Total taxes, which make up 92 per cent of total revenue, showed an increase of 6 per cent in this period, mainly due to increases in income tax receipts and in excise duties on alcoholic beverages and tobacco exceeding declines in other sources of tax revenues. Non-tax revenue rose by \$48 million, or 11 per cent, over 1959-60.

Personal income tax receipts (including the old age security tax), the largest source of federal revenue, were \$188 million more than in the preceding year, reflecting the higher levels of incomes during the year and the yield for a full year of the increase in tax rates that were effective July 1, 1959. The rate of tax on corporate income in excess

of \$25,000 was increased with effect from January 1, 1959, from 47 per cent to 50 per cent (including the old age security tax). The supplementary budget of December 20, 1960, allowed corporations to pay taxes at the lower rate of 21 per cent on the first \$35,000 income instead of the first \$25,000, effective January 1, 1961; this concession, however, had little effect on corporation income tax revenue for the fiscal year under review, and, including old age security tax, it showed an increase of \$146 million or nearly 12 per cent over the previous fiscal year.

There was a decline of \$12 million in general sales tax revenue (including the old age security tax) from that for the preceding fiscal year; this drop was believed to be due to the fact that, with the Easter Holiday weekend coming at the end of March, some remittances of sales tax were delayed until April and accordingly would be included in the following fiscal year (1961-62).

Customs import duties, at \$499 million, declined by \$27 million from 1959-60, reflecting the reduction in volume and value of imports during the year.

Total net general expenditure amounted to \$6,436 million in the fiscal year ended March 31, 1961—an increase of \$247 million or 4 per cent over the total for the preceding fiscal year.

The largest proportion of federal expenditure (approximately 24 per cent) was on "defence services and mutual aid", and this showed a slight decline from the previous fiscal year.

Total social welfare expenditure increased from \$1,262 million to \$1,328 million in 1960-61. Aid to aged persons (including payments from the Old Age Security Fund) and family allowances each increased by 3 per cent over the previous year, whereas other social welfare rose by over 20 per cent. Contributing to the increase in expenditure

on other social welfare were "national employment and unemployment insurance services" and "aid to unemployed", both up approximately 21 per cent. The former was the result of increased administrative costs, mainly salaries and wages and larger federal contributions to the Unemployment Insurance Fund. The latter was due to higher provincial and municipal unemployment assistance payments, resulting in the federal shared-cost contribution of 50 per cent being larger.

Expenditure on natural resources and primary industries rose by approximately 11 per cent to \$366 million from the \$329 million for the year ended March 31, 1960, the main increase occurring in "lands: settlement and agriculture". Payments to western grain producers (for which there was no comparable charge in 1959-60) amounted to \$41 million, and assistance re storage costs of grain and outlays for rehabilitation and reclamation projects were increased by \$6 million and \$3 million, respectively; these increases were only partly offset by decreases of \$5 million in freight assistance on western feed grains, \$3 million in expenditures of the Prairie Farm Emergency Fund and \$3 million in contributions re unharvested crops.

There was a small increase of 3 per cent in transportation expenditures over the preceding period; the 4 per cent decline in expenditure on road and water transportation (which together make up over 60 per cent of total transportation) being exceeded by the 16 per cent increase in combined outlays on air, rail and other means of transportation. Payments under the Freight Rates Reduction Act, costs of construction and acquisition of auto-ferries and expanded services for aviation were the main causes for increased expenditures, whereas the declines may be attributed to smaller payments to the provinces towards construction of the Trans-Canada Highway and decreases in expenditures for construction or acquisition of marine service steamers.

Total health expenditures rose by nearly 18 per cent over the previous year to reach \$267 million in the fiscal year ended March 31, 1961. About 83 per cent of this total was in respect of hospital care, which increased by close to 23 per cent over the previous year and included payments to the provinces under the Hospital Insurance and Diagnostic Services Act of over \$189 million. The increase of close to 26 per cent over 1959-60 was due partly to the fact that nine provinces and the Northwest Territories participated under the agreements in 1960-61 for a full year, with the Yukon Territory participating from July 1, 1960, and the Province of Quebec from January 1, 1961, whereas in the previous fiscal year only seven provinces had participated for a full year and two provinces for only a partial year.

Public debt charges, after deducting interest receipts and excluding debt retirement, were \$654 million in 1960-61, showing a drop of \$3 million from the previous fiscal year, and amounted to over 10 per cent of total net general expenditure. Interest on unmatured debt was \$12 million higher than in 1959-60, mainly due to an increase in unmatured debt, while interest on other liabilities rose by \$9 million reflecting the increase of \$10 million in interest on annuity, insurance and pension accounts partly offset by a decrease of \$1 million in interest on deposit and trust accounts; interest receipts, which are deducted in the "net" presentation of revenue and expenditure, increased from \$126 million in 1959-60 to \$143 million in 1960-61.

Details in respect of payments to federal government enterprises at \$149 million are shown on page 11 and with regard to unconditional grants to provincial and municipal governments at \$564 million on pages 18 to 21, inclusive (items 1 to 4 and 58 to 59 of table 5) of this report: both these totals showed increases over the previous fiscal year.

Debt Transactions

Canada's bonded debt at March 31, 1961, amounted to \$14,133 million, which was approximately \$368 million more than at the end of the previous fiscal year. Treasury bills at \$1,935 million were \$190 million less than at March 31, 1960.

Including renewals and conversions, the federal government during the year issued \$2,530 million of new bonds and retired or cancelled \$2,163 million. Net sales of Canada Savings Bonds, 1960 series, amounted to \$851 million and additional sales of the 1959 series totalled \$64 million. Redemptions of Canada Savings Bonds series 5 to 14 were \$496 million (series 5 matured on November 1, 1960); this resulted in a net increase during the year of \$419 million for all Savings Bonds series and the amount unmatured at March 31, 1961, was \$3,556 million or 25 per cent of total unmatured bonded debt.

All new issues and retirements at maturity were made in Canada. Of the cancelled issues amounting to \$172 million, \$100 million was payable in Canada, \$20 million in London and \$52 million in New York.

Average interest rate for bonded debt increased from 3.74 per cent to 3.98 per cent during the year.

The following tables provide summaries of net general revenue and expenditure for the latest five years, first in millions of dollars and secondly, a percentage distribution of totals for each year.

Net General Revenue by Source
Fiscal years ended March 31

	1957	1958	1959	1960	1961
	millions of dollars				
Taxes:					
Income:					
Corporations (including old age security tax)	1,336	1,295	1,076	1,234	1,380
Individuals (including old age security tax)	1,526	1,635	1,500	1,752	1,940
Interest, dividends and other income going abroad	76	64	61	73	88
General sales (including old age security tax)	896	879	868	1,003	991
Excise duties and special excise taxes:					
Alcoholic beverages	153	172	179	193	199
Tobacco	253	274	289	331	343
Automobiles	80	72	59	64	60
Other commodities and services	52	31	30	33	32
Customs import duties	549	498	486	526	499
Succession duties and estate taxes	80	72	73	89	85
Other	18	1	1	1	1
Total taxes	5,019	4,993	4,622	5,299	5,618
Sales and services	46	57	57	47	57
Receipts from government enterprises	125	78	100	88	108
Postal services	168	177	183	194	202
All other revenue	83	90	104	108	118
Total net general revenue	5,441	5,395	5,066	5,736	6,103
Total net general revenue per capita¹	338	325	297	328	342

¹ Based on population as at June 1 within each fiscal year, as estimated by the Census Division.

Net General Expenditure by Function
Fiscal years ended March 31

	1957	1958	1959	1960	1961
	millions of dollars				
Defence services and mutual aid	1,825	1,709	1,665	1,544	1,536
Veterans' pensions and other benefits	261	288	295	293	296
General government	316	299	262	252	266
Transportation	203	250	304	337	347
Health	62	62	130	227	267
Social welfare:					
Aid to aged persons (including payments from old age security fund)	400	499	590	605	623
Family allowances	400	441	478	494	509
Other	96	107	134	163	196
Total social welfare	896	1,047	1,202	1,262	1,328
Natural resources and primary industries	188	216	303	329	366
Debt charges (excluding debt retirement)	471	500	546	657	654
Payments to government enterprises	52	80	130	121	149
Payments to provincial and municipal governments ¹	406	401	490	542	564
International co-operation and assistance	35	53	63	80	82
Postal service	162	178	184	192	207
All other expenditure	292	376	318	353	374
Total net general expenditure	5,169	5,459	5,892	6,189	6,436
Total net general expenditure per capita²	\$ 321	329	345	354	360

¹ Does not include grants in aid of specific provincial or municipal expenditures. These are classified by function. For example, Trans-Canada Highway grants are included under Transportation.

² Based on population as at June 1 within each fiscal year, as estimated by the Census Division.

Net General Revenue by Source
Fiscal years ended March 31

	1957	1958	1959	1960	1961
	percentage distribution				
Taxes:					
Income:					
Corporations	24.5	24.0	21.2	21.5	22.6
Individuals	28.0	30.3	29.6	30.5	31.8
Interest, etc. going abroad	1.4	1.2	1.2	1.3	1.5
General sales	16.5	16.3	17.1	17.5	16.2
Excise duties and special excise taxes	9.9	10.2	11.0	10.8	10.4
Customs import duties	10.1	9.2	9.6	9.2	8.2
Other	1.8	1.3	1.5	1.6	1.4
Total taxes	92.2	92.5	91.2	92.4	92.1
All other revenue	7.8	7.5	8.8	7.6	7.9
Total net general revenue	100.0	100.0	100.0	100.0	100.0

Net General Expenditure by Function
Fiscal years ended March 31

	1957	1958	1959	1960	1961
	percentage distribution				
Defence services and mutual aid	35.3	31.3	28.3	24.9	23.9
Veterans' pensions and other benefits	5.1	5.3	5.0	4.7	4.6
General government	6.1	5.5	4.4	4.1	4.1
Transportation	3.9	4.6	5.2	5.4	5.4
Health	1.2	1.1	2.2	3.7	4.1
Social welfare:					
Aid to aged persons	7.7	9.1	10.0	9.8	9.7
Family allowances	7.7	8.1	8.1	8.0	7.9
Other	1.9	2.0	2.3	2.6	3.0
Natural resources and primary industries	3.6	4.0	5.1	5.3	5.7
Debt charges	9.1	9.2	9.3	10.6	10.2
Payments to provincial and municipal governments	7.9	7.3	8.3	8.8	8.8
All other expenditures	10.5	12.5	11.8	12.1	12.6
Total net general expenditure	100.0	100.0	100.0	100.0	100.0

EXPLANATORY COMMENT TO TABLES

Tables 1 and 2—General Revenue and Expenditure

These tables provide analyses of "budgetary" revenues and expenditures in terms of standard source and function categories. They also include revenues and expenditures of "special funds" (such as the Old Age Security Fund), the transactions of which are recorded separately in the Public Accounts but which embrace government financial activities which for statistical purposes are consolidated with "budgetary" transactions to arrive at "general" revenue and expenditure.

Sales and services—Institutional, revenue item 15, consists largely of revenue of federal experi-

mental farms, penitentiaries and hospitals. This revenue is offset against the related expenditure in the "net" revenue and expenditure presentation.

Receipts from government enterprises, revenue item 22, consists of profits of government enterprises and dividends on capital stock of government enterprises held by Canada which were credited to departmental revenue in the Public Accounts. It excludes interest received on borrowings by government enterprises. All interest revenue is included in item 18. Following is a breakdown of item 22:

	Thousands of dollars
Bank of Canada Government share of profits	90, 175
Canadian Government Elevators Revenue included in departmental revenue	2, 005
Expenditure included in departmental expenditure	1, 572
Net profit on Canadian Government Elevators	433
Canadian National (West Indies) Steamships Limited	2, 817
Central Mortgage and Housing Corporation Net profit under Sec. 30, Central Mortgage and Housing Corporation Act	5, 232
Net profits under the Housing Act	550
Losses sustained under Sec. 36, National Housing Act	154
Net profit, Central Mortgage and Housing Corporation	5, 628
Crown Assets Disposal Corporation Surplus	232
Eldorado Mining and Refining Limited Dividends	4, 935
Export Credits Insurance Corporation Surplus	935
Polymer Corporation Limited Dividends	3, 000
Total receipts from government enterprises	108, 155

Bullion and coinage, revenue item 23, is the revenue obtained from the operations of the Royal Canadian Mint. This includes gain on coinage and refining and handling charges of gold.

Postal service, revenue item 24, represents gross postal receipts before the following authorized deductions from revenue are made in the Public Accounts: salaries and rent allowances at semi-staff and revenue offices, commission at sub-offices, transit charges on Canadian mail forwarded through or delivered in foreign countries, etc. Post Office revenue does not reflect any payment for the franking privilege covering parliamentary and departmental mail or for certain miscellaneous services provided for other governments and agencies.

Postal service, expenditure item 66, consists of the expenditures of the Post Office Department as shown in the Public Accounts plus the authorized deductions from revenue referred to above. No attempt has been made to include expenditures made by the Public Works Department for the construction and maintenance of post offices, since in a great many instances these buildings serve several other departments as well. Expenditure on these buildings is therefore included in item 3, General Government—Executive and Administrative.

Following is a summary of Post Office transactions reflected in these statistics:

	Thousands of dollars
Revenue of Post Office Department per Public Accounts	173, 646
Disbursements deducted from postal revenue in Public Accounts	28, 358
Revenue item 24	202, 004
Expenditure of Post Office Department per Public Accounts ¹	178, 336
Disbursements deducted from postal revenue in the Public Accounts (as above)	28, 358
Expenditure item 66	206, 694

¹ Excluding salary of the Postmaster General and Canada's share of the upkeep of International Bureaux.

Defence services and mutual aid, expenditure item 1, includes expenditures in connection with defence purchasing, production, research and development; all expenditures in connection with the Canadian Forces, including costs of roads, schools for servicemen's children, hospitals, sewers, water-mains, etc., at military establishments; and also pensions and other benefits.

Veterans' pensions and other benefits, expenditure item 2, includes medical and hospital treatment, welfare services and education of war veterans.

General government- Executive and administrative, expenditure item 3, includes expenditures on government buildings serving a number of functions. It also includes general items of payroll costs, viz, the government's contribution towards public service superannuation; the government's contribution, as an employer, to the Unemployment Insurance Fund; and payments of claims for compensation. It is not possible to break down these expenditures by function and therefore they have been included here. Following is a breakdown of item 3:

	Thousands of dollars
Maintenance, operation, construction and acquisition of public buildings, including post offices.....	73,592
Contribution towards superannuation.....	44,533
Government contribution, as an employer, to the Unemployment Insurance Fund.....	1,026
Government Employees' Compensation Act—payment of claims.....	1,849
Government Contribution to Public Service Death Benefit Account.....	2,640
Government's share, as an employer, of medical-surgical insurance premiums.....	5,987
Other.....	115,197
Expenditure item 3	244,824

Where a building has one specific use, expenditures thereon are classified by function where possible. For example, Public Works expenditures on experimental farm buildings are classified under "Natural Resources and Primary Industries". Likewise salaries and wages are classified under the function of government within which the services of the employees fall.

Transportation—Rail, expenditure item 14, includes payments to the railways under the Maritime Freight Rates Act.

Social welfare—National employment and unemployment insurance services, expenditure item 29, includes the administration of the Unemployment Insurance Act where there is a two-fold purpose—the payment of unemployment insurance benefits to

insured workers involuntarily unemployed, and the operation of the national employment service to assist employees and employers in the solution of their employment problems. In addition to the administrative expenditures, the government's contribution to the Unemployment Insurance Fund (being one-fifth of the aggregate employer and employee contributions to the Fund) is included under this caption.

The revenue and expenditure of the Unemployment Insurance Fund are excluded from these statistics (except for the government contribution referred to above), since it is considered to be a trust fund administered by the Government of Canada.

The operations of the Unemployment Insurance Fund were as follows:

	Thousands of dollars
Revenue:	
Contributions:	
Employers and employees.....	275,273
Government of Canada (20 per cent).....	55,055
Fines and penalties.....	63
Income from investments (net).....	2,711
Total revenue	333,102
Expenditure:	
Benefit payments.....	513,906
Interest on loans.....	403
Total expenditure	514,309
Excess of expenditure over revenue	181,207

Recreational and cultural services—Other, expenditure item 34, includes the International Shortwave Broadcasting Service and the National Film Board.

Education—Universities, colleges and other schools, expenditure item 37, includes expenditure under Vocational Training programmes.

Debt charges—Other, expenditure item 53, includes discount on bond sales, commissions, costs of issuing new loans, and other management charges.

Payments to government enterprises, expenditure item 55, consists of the amounts shown in the table below. In order to conform with the data published in the new report, "Financial Statistics of Federal

Government Enterprises" (see page 2 for listing), the following changes have been made in this report: the deficits of the Newfoundland and Prince Edward Island ferries and terminals and of the Yarmouth-Bar Harbour ferry are now included in payments to government enterprises whereas they were formerly included in transportation expenditure; only the payment to the Canadian Wheat Board in respect of losses incurred in the current year is now considered as payment to an enterprise, all other payments to the Board being classified as agricultural; and those capital requirements of the St. Lawrence Seaway Authority charged to budgetary expenditures have been included in payments to government enterprises; previously they were included in transportation. The historical summaries on page 7 have been adjusted to conform with this reclassification.

	Thousands of dollars
Canadian Arsenals Limited:	
Administration costs charged to departmental expenditure.....	2,849
Construction costs charged to departmental expenditure	237
Total payments to Canadian Arsenals Limited.....	3,086
Canadian Broadcasting Corporation:	
Grant in respect of net operating requirements.....	59,288
Grant for capital requirements.....	5,584
Total payments to Canadian Broadcasting Corporation.....	64,872
Canadian National Railway System:	
Canadian National Railways deficit, calendar year 1960	67,497
Newfoundland ferry and terminals deficit, calendar year 1960.....	5,433
P.E.I. car ferry and terminals deficit, calendar year 1960	2,621
Total payments to Canadian National Railway System.....	75,551
National Harbours Board:	
Advances to meet construction costs, etc., calendar year 1960	576
St. Lawrence Seaway Authority:	
Operating deficit	1,255
Capital requirements.....	1,060
Total payments to St. Lawrence Seaway Authority	2,315
Trans-Canada Air Lines:	
Deficit, calendar year 1960	2,607
Yarmouth-Bar Harbour Ferry:	
Deficit, calendar year 1960	151
Total payments to government enterprises	149,158

International co-operation and assistance, expenditure item 63, includes contributions towards the Colombo Plan, membership in United Nations' organizations and various other technical or administrative international organizations, and contributions towards famine and flood relief in foreign countries.

Other expenditure, expenditure item 68, includes expenditures under the Government Annuities Act and on the Dominion Observatories, the National Research Council and the Meteorological Division of the Department of Transport.

Total net general revenue is arrived at by deducting from "total gross general revenue": (a) interest revenue, item 18, (b) foreign exchange revenue (excluding profits of the Exchange Fund Account

which remain in the net revenue presentation), item 20, (c) shared-cost contributions from provincial governments, item 21, and (d) institutional revenue, item 15 and part of item 14. These items are also deducted from the related items of expenditure to arrive at "total net general expenditure".

Tables 3 and 4—Reconciliations with Public Accounts

As mentioned earlier, it is necessary to make certain adjustments to financial statements appearing in the Public Accounts of all levels of government in order to achieve the desired degree of intergovernmental comparability. Tables 3 and 4 summarize the differences between the federal Public Accounts' totals and the totals appearing in this report.

Certain transactions are often shown separately from departmental revenues and expenditures in the Public Accounts and funds are sometimes set aside one year for a specific purpose and not spent until a subsequent fiscal period. A number of such "administrative or special funds" have been incorporated in these statistics of the Government of Canada. See item 2 for the amounts added in this connection. Following is a list of these funds:

- Atomic Energy of Canada Limited
- Colombo Plan Fund
- Fishermen's Indemnity Plan
- Fraser River Bridge—Maintenance Account
- Land Assurance Fund
- National Battlefields Commission
- National Capital Commission
- National Capital Fund
- National Gallery Purchase Account
- National Library Purchase Account
- National Research Council—Special Fund
- Old Age Security Fund
- Prairie Farm Emergency Fund
- Railway Grade Crossing Fund
- Replacement of Materiel Account
- Reserve for Conditional Benefits—Veterans' Land Act

Transfers between these accounts and departmental accounts or from one special fund to another are eliminated in arriving at the consolidated totals. See item 10.

Where transactions with respect to a certain government enterprise appear in both revenue and expenditure in the Public Accounts, the lesser of the two is offset against the greater. See item 8.

Table 5—Amounts Paid to Provincial Governments, Territories and Municipal Corporations

Tax-sharing arrangements, item 1. These payments were made under the Federal-Provincial Tax-Sharing Arrangements Act. All provinces received in 1960-61 revenue yields from "standard rates of taxation" (13% of the federal tax on personal income, 9% of taxable corporate income and 50% of federal succession duties and estate taxes) equal to the average of the two highest per capita provincial yields. All provinces except Ontario and Quebec agreed to rent the fields of personal and corporation income taxes, other corporation taxes and succession duties to the federal government. Ontario agreed to rent only the personal income tax field. Quebec, which did not sign a rental agreement, received tax equalization payments.

Share of income tax on power utilities, item 2. The 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. These payments are not contingent upon a province signing a tax rental agreement.

Subsidies, item 3, includes those subsidies paid annually since Confederation under terms of the British North America Act and various additional annual subsidies based on fiscal need which have been introduced over the years. It also includes the Atlantic Provinces Adjustment Grants of \$25 million introduced in 1958-59, to be paid annually until 1961-62, and the transitional and additional grants paid to Newfoundland under the Terms of Union.

Items 1 to 3 are unconditional grants, i.e., the provinces may use the revenue so obtained for any purpose. These federal expenditures are classified on table 2 in items 56 to 58.

On the other hand, **grants-in-aid and shared-cost contributions** are directly related to and contingent upon expenditures made by the receiving government. In these statistics such grants are classified according to the nature of the expenditure of the receiving government (provincial or municipal) to which the grant was related. For example, Trans-Canada Highway grants, item 5 on this table, are included in item 13 on table 2.

Following is a brief survey of the principal grants-in-aid made to the provincial governments:

Trans-Canada Highway—In 1950 the federal government commenced making contributions to the provinces of a share of the cost of building a paved trans-Canada highway. Under the original terms, contributions were not to exceed 50% of the cost to a province. In order to accelerate the completion of the highway, increased grants were arranged in 1956. Federal grants up to March 31, 1961, amounted to \$309 million.

Roads leading to resources—In 1958-59 the first payments under a programme to assist the provinces in the development of roads leading to resources were made; payments to two provinces totalled \$1.7 million. Expenditures up to March 31, 1961, under this programme were \$22.8 million.

Hospital insurance and diagnostic services—In 1958-59 the federal government commenced payments amounting to approximately half the costs of provincial programmes for the provision of hospital insurance and laboratory and other diagnostic services to the general population. Agreements with the provinces covered the period from July 1, 1958, for Newfoundland, Manitoba, Saskatchewan, Alberta and British Columbia, and from January 1, 1959, for Nova Scotia and Ontario. New Brunswick and Prince Edward Island entered agreements on July 1 and October 1, 1959, respectively, and Quebec entered with effect from January 1, 1961. The agreements with the Northwest Territories and Yukon Territory commenced April 1 and July 1, 1960, respectively. Federal payments in 1958-59 totalled approximately \$55 million, and have risen to over \$189 million in 1960-61.

General health grants—These grants were established in 1948 to encourage the development of

adequate provincial health services. Federal expenditures to March 31, 1961, amounted to approximately \$395 million.

Old age assistance—Sharing of old age pensions to needy persons began in 1927 on a limited scale. From 1952 to 1957 the federal government contributed 50 per cent of not more than \$40 per month to persons aged 65 and over who fulfilled specified residence and income requirements. During 1957-58 the maximum shareable pensions were increased to \$46 and then to \$55 in line with the increases in the Old Age Security payments. (At 70 years of age all persons who fulfil residence requirements become eligible for the monthly Old Age Security payments introduced January 1, 1952.)

Unemployment assistance agreements—In 1956 the Government of Canada agreed to share the cost of assistance paid by provincial and municipal governments to unemployed and unemployable persons. The original agreement provided that when the number of persons in receipt of "assistance" as defined in the Act exceeded 0.45 per cent of the population of the province the federal government would pay 50 per cent of the costs of the excess. An amendment to the Act provided that effective January 1, 1958, the federal government would contribute 50 per cent of all unemployment assistance given by a province or by a municipality. Payments to the ten provinces and the Northwest Territories in 1960-61 amounted to approximately \$52 million.

Vocational training—Superseding the Vocational Training Co-ordination Act, 1942, a new Act, the Technical and Vocational Training Assistance Act, was passed, effective December 20, 1960, whereby agreements may be entered into with the provinces to provide financial assistance for the development and operation of technical and vocational training facilities and programmes throughout Canada. Earlier vocational training agreements had been in effect since 1939.

Winter works projects in municipalities—In an effort to alleviate seasonal unemployment, the federal government in 1958-59 instituted contributions to the provinces, to be passed on in most cases to the municipal governments, amounting to one half the labour costs on certain projects in municipalities carried out in the winter months. Payments to the ten provinces and the Yukon Territory amounted to \$9 million by 1960-61.

Table 6—Direct and Indirect Debt Less Sinking Funds

Direct debt represents the total liabilities of the Government of Canada less sinking funds. Cash, investments, loans and other assets sometimes offset in arriving at "net debt" statements are not deducted in table 6.

Indirect debt consists of guarantees given by the Government of Canada in respect of the direct debt of other authorities. Excluded from the table is the guarantee of the deposits maintained by chartered banks in the Bank of Canada.

Table 9—Reconciliation of Total Direct Debt Less Sinking Funds with Total Liabilities per Public Accounts

As in the case of revenue and expenditure, certain "special funds" are consolidated with the statement of assets and liabilities contained in the Public Accounts. Liabilities of the National Capital Commission, the National Battlefields Commission and Atomic Energy of Canada Limited are accordingly added (item 3). The remaining special funds are on the federal balance sheet. The gross statements of the assets and liabilities of "working capital funds" are added and interfund eliminations are made. The liabilities so added (exclusive of the interfund portion) are shown in item 2.

Two types of deductions are made from the Public Accounts' balance sheet totals in these statistics. First, the sinking fund assets are eliminated from assets and offset against bonded debt and trust fund assets are eliminated from assets and offset against other liabilities on table 6. See items 6 and 7 on table 9. Secondly, certain items included on the liability side of the Public Accounts' balance sheet are eliminated from liabilities and offset against deficit on table 7. These are mainly amounts which are not considered as direct liabilities to the public, being rather government funds to be credited to revenue in a later period (deferred revenue) or to be spent in a later period for a specific purpose (reserves and unexpended balances). In addition, the principal value of certain annual payments to some of the provincial governments is eliminated from liabilities and offset against deficit.

Tables 10 to 13—Analyses of Bonded Debt

These tables provide analyses of bonded debt outstanding at the fiscal year end, and changes during the fiscal year under review, as follows:

1. By place of payment (table 10)
2. By interest rate (table 11)
3. By term of issue (table 12)
4. By year of maturity (table 13)

Table 14—Redemption Features of Bonded Debt

Whereas tables 12 and 13 are prepared using the final maturity year, it is significant that certain issues may be retired earlier.

Those issues having call provisions are analysed twice on this table, first by the year of maturity and secondly by earliest call year.

TABLE 1. General Revenue for Fiscal Year Ended March 31, 1961

No.	Source	Gross	Net
		thousands of dollars	
	Taxes:		
	Income:		
1	Corporations ¹	1,380,128	1,380,128
2	Individuals ¹	1,940,560	1,940,560
3	Interest, dividends, and other income going abroad	88,174	88,174
4	General sales ¹	990,848	990,848
	Excise duties and special excise taxes:		
5	Alcoholic beverages	199,109	199,109
6	Tobacco	342,675	342,675
7	Automobiles	59,627	59,627
8	Other commodities and services	31,805	31,805
9	Customs import duties	498,698	498,698
10	Estate taxes	84,879	84,879
11	Other ²	1,622	1,622
12	Total taxes	5,618,125	5,618,125
	Privileges, licenses and permits:		
13	Natural resources	4,166	4,166
14	Other	19,331	19,170
	Sales and services:		
15	Institutional	3,217	—
16	Other	57,030	57,030
17	Fines and penalties	1,877	1,877
18	Interest	143,150	—
	Foreign exchange:		
19	Exchange fund profits	32,536	32,536
20	Other	908	—
21	Shared-cost contributions from provincial governments	812	—
22	Receipts from government enterprises ³	108,155	108,155
23	Bullion and coinage	8,676	8,676
24	Postal service	202,004	202,004
25	Other revenue	9,720	9,720
26	Sub-total items 12 to 25	6,209,707	6,061,459
	Non-revenue and surplus receipts:		
27	Refunds of previous years' expenditure	40,509	40,509
28	Other	636	636
29	Total general revenue (gross and net)	6,250,852	6,102,604

¹ Includes old age security taxes.

² Includes duty assessed for the export of electric power 1,605.

³ See Introduction for breakdown, page 9.

TABLE 2. General Expenditure for Fiscal Year Ended March 31, 1961

No.	Function	Gross	Net
thousands of dollars			
1	Defence services and mutual aid	1, 536, 019	1, 536, 011
2	Veterans' pensions and other benefits	296, 626	296, 071
General government:			
3	Executive and administrative	244, 824	244, 824
4	Legislative	9, 708	9, 708
5	Research, planning and statistics	11, 071	11, 071
6	Total general government	265, 603	265, 503
Protection of persons and property:			
7	Law enforcement	7, 577	7, 577
8	Corrections	18, 973	17, 793
9	Police protection	45, 167	45, 167
10	Other	8, 650	8, 650
11	Total protection of persons and property	80, 367	79, 187
Transportation:			
12	Air	88, 130	88, 130
13	Road	104, 964	104, 964
14	Rail	43, 455	43, 455
15	Water	107, 561	107, 561
16	Other	3, 060	3, 060
17	Total transportation	347, 170	347, 170
18	Communications (telephone, telegraph and wireless)	29, 835	29, 835
Health:			
19	General	4, 587	4, 587
20	Public health	34, 080	34, 080
21	Medical, dental and allied services	6, 916	6, 916
22	Hospital care	222, 328	221, 639
23	Total health	267, 911	267, 222
Social welfare:			
24	Aid to aged persons ¹ <i>old age sec</i>	623, 070	623, 070
25	Aid to blind persons	4, 221	4, 221
26	Aid to unemployed employables and unemployables	67, 906	67, 906
27	Family allowances	509, 396	509, 396
28	Labour	2, 808	2, 808
29	National employment and unemployment insurance services	99, 097	99, 097
30	Other	21, 477	21, 477
31	Total social welfare	1, 327, 975	1, 327, 975
Recreational and cultural services:			
32	Archives, art galleries, museums and libraries	2, 873	2, 873
33	Parks	16, 019	16, 019
34	Other	7, 716	7, 716
35	Total recreational and cultural services	26, 608	26, 608

See footnotes at end of table.

TABLE 2. General Expenditure for Fiscal Year Ended March 31, 1961 - Concluded

No.	Function	Gross	Net
		thousands of dollars	
	Education:		
36	Indian and Eskimo schools	34,740	34,740
37	Universities, colleges and other schools	27,611	27,611
38	Other	2,129	2,129
39	Total education	64,480	64,480
	Natural resources and primary industries:		
40	Fish and game	19,729	19,729
41	Forests	10,422	10,422
42	Lands: settlement and agriculture	269,907	268,980
43	Minerals and mines	42,942	42,197
44	Water resources	2,007	1,944
45	Other	22,841	22,841
46	Total natural resources and primary industries	367,848	366,113
47	Trade and industrial development	11,169	11,169
48	National capital area planning and development	13,087	13,087
49	Loss on foreign exchange	-	- 908
	Debt charges (excluding debt retirement):		
50	Commission on bond or debenture sales and other management charges	16,764	16,764
51	Amortization of bond discount	22,810	22,810
52	Interest	756,623	613,473
53	Other	1,364	1,364
54	Total debt charges (excluding debt retirement)	797,561	654,411
55	Payments to government enterprises¹	149,158	149,158
	Payments to provincial and municipal governments:		
	Provincial:		
56	Federal-provincial tax-sharing arrangements	480,873	480,873
57	Share of income tax on power utilities	4,226	4,226
58	Subsidies	53,718	53,718
	Municipal:		
59	Grants in lieu of taxes	24,722	24,722
60	Total payments to provincial and municipal governments²	563,539	563,539
	Other expenditure:		
61	Citizenship and immigration	16,232	16,232
62	External affairs	18,106	18,106
63	International co-operation and assistance	81,820	81,820
64	Housing research and slum clearance	3,005	3,005
65	Civil defence	5,355	5,336
66	Postal service	206,694	206,694
67	Royal Canadian Mint	1,471	1,471
68	Other	105,529	105,525
69	Total other expenditure	438,212	438,189
70	Sub-total	6,583,168	6,434,920
	Non-expense and surplus payments:		
71	Refunds of previous years' revenue	21	21
72	Other	499	499
73	Total general expenditure (gross and net)	6,583,688	6,435,440

¹ Includes pensions paid from Old Age Security Fund.

² See Introduction for breakdown, page 11.

³ These are unconditional payments. Grants for specific purposes are classified by function. See table 5 for details of grants-in-aid and shared-cost contributions included in general expenditure.

**TABLE 3. Reconciliation of Gross and Net General Revenue with Revenue per Public Accounts
for Fiscal Year ended March 31, 1961**

No.		Thousands of dollars
1	Revenue per public accounts	5,617,680
	To arrive at "gross general revenue"	
	Add:	
2	Revenue of administrative or special funds	745,454
3	Revenue deducted from expenditure in public accounts	4,053
4	Expenditure deducted from revenue in public accounts	28,992
5	Total additions	778,499
	Deduct:	
6	Refunds of current year's expenditure included in revenue in public accounts	12,946
7	Working capital fund profits	306
8	Amount to adjust government enterprises to a "net" basis	1,726
9	Employees' contributions under sundry pension plans	353
10	Interfund amounts	129,996
11	Total deductions	145,327
12	Total gross general revenue	6,250,852
	To arrive at "net general revenue"	
	Deduct:	
13	Interest revenue	143,150
14	Foreign exchange revenue	908
15	Shared-cost contributions from provincial governments	812
16	Institutional revenue	3,378
17	Sub-total items 13 to 16	148,248
18	Total net general revenue	6,102,604

**TABLE 4. Reconciliation of Gross and Net General Expenditure with Expenditure per Public Accounts
for Fiscal Year ended March 31, 1961**

No.		Thousands of dollars
1	Expenditure per public accounts	5,958,101
	To arrive at "gross general expenditure"	
	Add:	
2	Expenditure of administrative or special funds	737,869
3	Revenue deducted from expenditure in public accounts	4,053
4	Expenditure deducted from revenue in public accounts	28,992
5	Total additions	770,914
	Deduct:	
6	Refunds of current year's expenditure included in revenue in public accounts	12,946
7	Working capital fund profits	306
8	Amount to adjust government enterprises to a "net" basis	1,726
9	Employees' contributions under sundry pension plans	353
10	Interfund amounts	129,996
11	Total deductions	145,327
12	Total gross general expenditure	6,583,688
	To arrive at "net general expenditure"	
	Deduct:	
13	Interest revenue	143,150
14	Foreign exchange revenue	908
15	Shared-cost contributions from provincial governments	812
16	Institutional revenue	3,378
17	Sub-total items 13 to 16	148,248
18	Total net general expenditure	6,435,440

TABLE 5. Amounts Paid to Provincial Governments, Territories and Municipal Corporations
Fiscal Year Ended March 31, 1961

No.	Function	Nfld.	P.E.I.	N.S.	N.B.
thousands of dollars					
Provincial governments and territories:					
1	Federal-provincial tax-sharing arrangements	20,460	4,802	32,243	26,749
2	Share of income tax on power utilities	130	42	346	115
3	Subsidies	17,069 ¹	3,157 ²	9,557 ³	9,179 ⁴
4	Sub-total items 1 to 3	37,659	8,001	42,146	36,043
Grants-in-aid and shared-cost contributions:					
Transportation:					
Road:					
5	Trans-Canada highway	6,579	551	3,257	3,461
6	Roads leading to resources	798	1,466	1,064	784
7	Railway grade crossing fund	—	—	714	210
8	Other	—	—	2	44
9	Total transportation	7,377	2,017	5,037	4,499
Health:					
10	Hospital insurance and diagnostic services	5,095	1,011	9,595	7,914
General health grants:					
11	Hospital construction	71	169	1,323	397
12	General public health	327	123	751	461
13	Tuberculosis control	126	29	146	157
14	Mental health	210	99	372	313
15	Professional training	43	2	74	72
16	Cancer control	23	12	42	62
17	Public health research	—	—	48	—
18	Medical rehabilitation and crippled children	25	9	47	78
19	Child and maternal health	20	4	72	42
20	Other	2	2	16	5
21	Total health	5,942	1,460	12,486	9,501
Social welfare:					
22	Old age assistance	1,708	217	1,608	1,747
23	Blind persons' allowances	208	40	381	342
24	Disabled persons' allowances	389	231	848	634
25	Unemployment assistance	2,833	111	1,609	1,396
26	Other	10	3	14	18
27	Total social welfare	5,148	602	4,460	4,137
Recreational and cultural services:					
28	Camp ground and picnic area development	70	10	52	71
Education:					
Vocational training:					
29	Apprenticeship training	35	—	96	99
30	Vocational schools assistance	115	18	183	725
31	Training of unemployed workers	49	—	234	75
32	Training of disabled persons	10	1	45	50
33	Other	26	6	36	43
34	Citizenship and language instruction for immigrants	—	—	2	—
35	Other	—	—	7	—
36	Total education	235	25	603	992

See footnotes at end of table.

TABLE 5. Amounts Paid To Provincial Governments, Territories and Municipal Corporations
Fiscal Year Ended March 31, 1961

Que.	Ont.	Man.	Sask.	Alta.	B.C.	Sub-total	Yukon	N.W.T.	Total	No.
thousands of dollars										
70,366	113,792	40,078	40,578	57,146	73,686	479,900	435 ¹	538 ¹	480,873	1
1,221	578	27	58	1,449	260	4,226	—	—	4,226	2
3,242	3,641	2,054	2,092	2,358	1,281	53,630	40	48	53,718	3
74,829	118,011	42,159	42,728	60,953	75,227	537,756	475	586	538,817	4
—	17,869	542	34	268	16,135	48,696	—	—	48,696	5
322	1,504	1,602	1,940	1,536	984	12,000	—	—	12,000	6
421	1,872	269	333	—	1,515	5,334	—	—	5,334	7
44	6	96	—	—	—	192	—	—	192	8
787	21,251	2,509	2,307	1,804	18,634	66,222	—	—	66,222	9
13,937	84,484	13,049	14,454	16,906	22,493	188,938	169	262	189,369	10
4,956	6,999	1,201	803	322	1,354	17,595	—	—	17,595	11
2,636	2,617	704	675	986	1,192	10,472	—	49	10,521	12
1,274	785	177	151	211	286	3,342	22	12	3,376	13
2,417	2,622	406	395	631	656	8,121	20	—	8,141	14
283	501	78	64	107	65	1,289	—	2	1,291	15
915	1,039	181	186	252	305	3,017	—	3	3,020	16
594	578	44	50	82	63	1,459	—	8	1,467	17
367	226	131	82	85	109	1,159	—	—	1,159	18
558	388	74	80	72	113	1,423	—	—	1,423	19
52	32	6	4	8	7	134	—	15	149	20
27,989	100,271	16,051	16,944	19,662	26,643	236,949	211	351	237,511	21
10,977	6,629	1,601	1,770	2,009	2,332	30,598	16	43	30,657	22
1,457	841	187	196	221	269	4,142	1	19	4,162	23
7,996	4,163	455	464	556	643	16,379	1	6	16,386	24
14,165	12,916	3,277	2,270	2,556	10,313	51,446	54	20	51,520	25
1	98	25	27	19	10	225	—	—	225	26
34,596	24,647	5,545	4,727	5,361	13,567	102,790	72	88	102,950	27
10	930	181	182	266	410	2,182	9	9	2,200	28
—	564	81	153	446	164	1,638	—	—	1,638	29
—	2,450	250	568	268	564	5,141	11	14	5,166	30
40	18	164	119	158	139	996	—	—	996	31
—	153	23	24	17	7	330	—	—	330	32
1	107	15	46	33	8	321	—	2	323	33
—	184	12	11	2	12	223	—	—	223	34
2	—	—	—	—	9	18	—	—	18	35
43	3,476	545	921	924	903	8,667	11	16	8,694	36

**TABLE 5. Amounts Paid to Provincial Governments, Territories and Municipal Corporations
Fiscal Year Ended March 31, 1961 - Concluded**

No.	Function	Nfld.	P.E.I.	N.S.	N.B.
thousands of dollars					
Provincial governments and territories - Concluded:					
Grants-in-aid and shared-cost contributions - Concluded:					
Natural resources:					
Fish and game:					
37	Registered traplines	-	-	-	-
38	Construction of vessels	19	49	118	37
Forests:					
39	Forest inventories	-	-	11	29
40	Forest fire protection	67	5	43	63
41	Forest access roads and trails	-	-	7	10
42	Bud worm control	-	-	-	523
43	Reforestation	-	19	1	-
Lands: settlement and agriculture:					
44	Agricultural lime assistance	10	75	131	105
45	Land protection and reclamation	125	-	-	-
46	Transport of fodder, bedding and cattle	-	2	1	1
47	Farm labour agreements	-	5	9	4
48	Unharvested crops	-	-	-	-
49	Other	15	3	5	4
50	Other	-	-	-	-
51	Total natural resources	236	158	326	776
Other:					
52	Civil defence	46	14	150	93
53	Winter works projects in municipalities	39	-	220	196
54	Grants to research councils	-	-	5	-
55	Total other	85	14	375	289
56	Total grants-in-aid and shared-cost contributions ...	19,093	4,286	23,339	20,265
57	Total amounts paid to provincial governments and territories	56,752	12,287	65,485	56,308
Municipal corporations:					
58	Grants in lieu of taxes on federal property	147	102	2,135	1,075
59	Special grants	-	-	-	1,600 ⁵
Grants-in-aid and shared-cost contributions:					
Transportation:					
60	Air	5	-	4	147
61	Road	-	-	-	-
62	Health	-	-	-	-
63	Schools operated by local authorities	-	-	57	-
64	Slum clearance	-	-	329	-
65	Other	-	-	-	-
66	Total amounts paid to municipal corporations	152	102	2,525	2,822
67	Grand total amounts paid to provincial governments, territories and municipal corporations	56,904	12,389	68,010	59,130

¹ Federal tax abstention grant.

² Consists of Atlantic Provinces adjustment grant 7,500, transitional grant 350, additional subsidy 7,650, and annual statutory subsidies 1,569.

³ Includes Atlantic Provinces adjustment grants: P.E.I. 2,500; N.S. 7,500; N.B. 7,500.

⁴ Okanagan flood control project.

**TABLE 5. Amounts Paid to Provincial Governments, Territories and Municipal Corporations
Fiscal Year Ended March 31, 1961 - Concluded**

Que.	Ont.	Man.	Sask.	Alta.	B.C.	Sub-total	Yukon	N.W.T.	Total	No.
thousands of dollars										
-	33	58	40	-	-	131	-	-	131	37
123	-	-	-	-	-	346	-	-	346	38
-	186	20	37	69	442	794	-	-	794	39
287	281	83	86	130	205	1,250	-	-	1,250	40
178	-	55	-	129	265	644	-	-	644	41
-	-	-	-	-	-	523	-	-	523	42
-	183	12	15	1	-	231	-	-	231	43
967	44	-	-	-	68	1,400	-	-	1,400	44
-	-	148	-	-	-	273	-	-	273	45
3	-	165	96	10	1	279	-	-	279	46
22	12	16	20	59	7	154	-	-	154	47
-	-	189	218	1,031	-	1,438	-	-	1,438	48
12	47	16	22	11	105	240	-	-	240	49
-	-	-	-	-	28 ⁴	28	-	-	28	50
1,592	786	762	534	1,440	1,121	7,731	-	-	7,731	51
-	798	124	132	405	483	2,245	-	-	2,245	52
1,686	2,447	259	789	1,545	1,727	8,908	3	-	8,911	53
-	27	-	10	10	10	62	-	-	62	54
1,686	3,272	383	931	1,960	2,220	11,215	3	-	11,218	55
66,703	154,633	25,976	26,546	31,417	63,498	435,756	306	464	436,526	56
141,532	272,644	68,135	69,274	92,370	138,725	973,512	781	1,050	975,343	57
4,872	9,937	1,454	846	1,590	2,443	24,601	38	83	24,722	58
-	207 ⁵	-	-	-	-	1,807	-	-	1,807	59
19	-	6	8	38	53	280	-	-	280	60
470	3,017	291	162	263	139	4,342	-	-	4,342	61
-	381	-	-	-	-	381	-	-	381	62
187	234	57	180	401	634	1,750	-	-	1,750	63
-	1,511	-	-	-	-	1,840	-	-	1,840	64
-	-	-	-	-	41 ⁷	41	-	-	41	65
5,548	15,287	1,808	1,196	2,292	3,310	35,042	38	83	35,163	66
147,080	287,931	69,943	70,470	94,662	142,035	1,008,554	819	1,133	1,010,506	67

³ Financial assistance to the town of Oromocto.

⁶ Grant to city of Ottawa re interest on debentures issued to finance certain sewer and waterworks projects undertaken in advance of normal construction.

⁷ Contributions in respect of river bank protection.

TABLE 6. Direct and Indirect Debt Less Sinking Funds as at March 31, 1961

No.		Thousands of dollars
Direct		
1	Bonded debt	14,132,915
2	Deduct sinking funds	17,018
3	Item 1 less item 2	14,115,897
4	Short-term treasury bills (having a term of three months)	1,935,000
5	Accounts and other payables	999,076
6	Annuity, insurance and pension accounts	3,955,510
7	Other liabilities	363,804
8	Total direct debt less sinking funds¹	21,369,287
Indirect		
9	Guaranteed bonds or debentures	1,672,690
10	Deduct sinking funds	—
11	Item 9 less item 10	1,672,690
12	Guaranteed bank loans	208,758
Other guarantees:		
13	Loans by lenders under Part IV of the National Housing Act, 1954.....	7,527
14	Insured loans by approved lenders under National Housing Act, 1954	3,017,404
15	Guarantees under Export Credits Insurance Act, Part 1	109,934
16	Total indirect debt less sinking funds²	5,016,313
17	Total direct and indirect debt less sinking funds	26,385,600
18	Direct debt (item 8) per capita³	\$ 1,172
19	Indirect debt (item 16) per capita³	\$ 275

¹ See table 9 for reconciliation with total liabilities per public accounts.

² Excludes deposits maintained by chartered banks in the Bank of Canada 656,295.

³ Based on population of 18,238 at Census of June 1, 1961.

TABLE 7. Assets Offsetting Direct Debt as at March 31, 1961

No.	Item	Thousands of dollars
1	Cash	507,980
2	Advances to the exchange fund account	2,024,000
Loans to and investments in:		
3	Own government enterprises	3,557,171
4	International organizations	631,127
5	Other investments	101,532
Other receivables:		
6	Provincial governments	87,911
7	Municipal governments	10,527
8	Foreign governments	1,458,476
9	Other	365,745
10	Other assets including prepaid and deferred charges	987,984
11	Deficit less surplus, reserves, unexpended balances and deferred revenue	11,636,834
12	Total represented by direct debt	21,369,287

TABLE 8. Analysis of Indirect Debt by Issuing Authority as at March 31, 1961

No.	Item	Thousands of dollars
	By issuing authority:	
	Bonds or debentures of:	
1	Own government enterprises	1,672,690
2	Other.....	—
	Bank loans of:	
3	Own government enterprises	125,558
4	Other.....	83,200
5	Other guarantees	3,134,865
6	Total indirect debt less sinking funds per table 6 item 16	5,016,313

TABLE 9. Reconciliation of Total Direct Debt Less Sinking Funds with Total Liabilities per Public Accounts as at March 31, 1961

No.		Thousands of dollars
1	Total liabilities per public accounts.....	21,602,837
	Additions:	
2	Working capital fund liabilities	4,294
3	Special fund liabilities	4,020
4	Payables offset against assets	48
5	Total additions	8,362
	Deductions:	
6	Sinking funds and other investments held for retirement of unmatured bonded debt ¹ ..	17,018
7	Trust fund assets ¹	30,042
	Other: ²	
	Deferred revenue and reserves:	
8	Deferred credits	79,073
9	Suspense accounts	1,483
10	International monetary fund — revaluation of Canadian dollar balances	—
11	Miscellaneous	2
	Unexpended balances of special funds:	
12	Replacement of materiel account	4,586
13	Colombo plan fund	67,533
14	National capital fund	2,810
15	Railway grade crossing fund.....	34,050
16	Defence research board — extramural research grants	108
17	National research council — special fund.....	1,988
18	Fraser river bridge — maintenance account	391
19	Miscellaneous	150
20	Common school funds — Ontario and Quebec	2,678
21	Total deductions.....	241,912
22	Total direct debt less sinking funds per table 6 item 8	21,369,287

¹ Deducted from assets per public accounts and offset against liabilities in these statistics.

² Deducted from liabilities per public accounts and offset against deficit in these statistics, in item 11 on table 7.

TABLE 10. Bonded Debt by Place of Payment

Where payable	As at March 31, 1960	Changes during fiscal year ended March 31, 1961		As at March 31, 1961
		New issues	Retirements	
thousands of dollars				
Canada	13,563,340	2,530,480	2,091,070	14,002,750
New York	150,000	—	51,825	98,175
London (England)	51,812	—	19,822	31,990
Total bonded debt	13,765,152	2,530,480	2,162,717	14,132,915
Population (000's)	17,870 ¹	—	—	18,238 ²
Bonded debt per capita (\$)	770	—	—	775

¹ As at June 1, 1960, per estimate made by Census Division.

² Per Census of June 1, 1961.

TABLE 11. Bonded Debt by Interest Rate

Rate of interest %	As at March 31, 1960	Changes during fiscal year ended March 31, 1961		As at March 31, 1961
		New issues	Retirements	
thousands of dollars				
2¾.....	839,910	—	391,735	448,175
3.....	2,827,631	300,000	1,150,411	1,977,220
3¼.....	867,357	—	33,255	834,102
3½.....	236,350	175,000	6,374	404,976
3¾.....	1,949,470	—	37,310	1,912,160
4.....	100,000	550,000	—	650,000
4¼.....	1,366,734	140,000	—	1,506,734
4½.....	2,151,549	—	—	2,151,549
5½.....	685,000	450,953	135,921	1,000,032
3¼ - 4 ¹	139,689	—	27,738	111,951
3¼ - 4¾ ²	770,662	—	60,878	709,784
3½ - 4¼ ³	422,895	—	84,027	338,868
4 - 5 ⁴	1,407,905	914,527	235,068	2,087,364
Total bonded debt.....	13,765,152	2,530,480	2,162,717	14,132,915
Average interest rate (%).....	3.74	—	—	3.98

¹ Canada Savings Bonds issued in 1956. Interest is payable at the rate of 3½% per annum to May 1, 1960, thereafter at 3¾% per annum to May 1, 1962 and thereafter at 4% per annum to maturity in 1969.

² Canada Savings Bonds issued in 1957. Interest is payable at the rate of 4¼% per annum to maturity in 1970.

³ Canada Savings Bonds issued in 1958. Interest is payable at the rate of 4¼% per annum to maturity in 1973.

⁴ Canada Savings Bonds issued in 1959 and 1960. For the 1959 series, interest is payable at the rate of 4% per annum up to November 1, 1960, thereafter at 4¼% per annum to November 1, 1961, thereafter at 4½% per annum to November 1, 1962 and thereafter at 5% per annum to maturity in 1968. For the 1960 series, interest is payable at the rate of 4% per annum up to November 1, 1961, thereafter at 4¼% per annum to November 1, 1962, thereafter at 4½% per annum to November 1, 1963, thereafter at 4¾% per annum to November 1, 1964 and thereafter at 5% per annum to maturity in 1970.

TABLE 12. Bonded Debt by Term of Issue

Term in years ¹	As at March 31, 1960	Changes during fiscal year ended March 31, 1961		As at March 31, 1961
		New issues	Retirements	
		thousands of dollars		
1	457,998	—	457,998	—
1½	100,000	300,000	100,000	300,000
2	240,000	175,000	240,000	175,000
2½	—	140,000	—	140,000
3	2,370,476	799,000	750,923	2,418,553
4	100,000	—	—	100,000
7	1,266,723	—	—	1,266,723
9	1,407,905	143,700	235,068	1,316,537
10	10,910	850,827	10,910	850,827
11	76,399	—	14,112	62,287
12	508,076	—	62,827	445,249
12½	139,689	—	27,738	111,951
13	770,662	—	60,878	709,784
14	1,366,734	—	—	1,366,734
15	422,895	—	84,027	338,868
16	46,629	121,953	46,589	121,993
17	53,473	—	—	53,473
18	573,020	—	—	573,020
20	150,000	—	—	150,000
21	245,202	—	—	245,202
22	300,000	—	—	300,000
25	2,803,528	—	51,825	2,751,703
30	49,833	—	19,822	30,011
41½	250,000	—	—	250,000
Perpetual	55,000	—	—	55,000
Total bonded debt	13,765,152	2,530,480	2,162,717	14,132,915
Average term of issue (years)	13.37	—	—	13.29

¹ When the term is more or less than an exact year or half-year it has been rounded to the nearest year. If the term is exactly a half-year, it is left that way. Terms of less than one-half year are unadjusted.

TABLE 13. Bonded Debt by Year of Maturity

Year of maturity fiscal year ending March 31	As at March 31, 1960	Changes during fiscal year ended March 31, 1961		As at March 31, 1961
		New issues	Retire- ments	
thousands of dollars				
1961.....	1,130,497	—	1,130,497	—
1962.....	1,598,987	—	475,000	1,123,987
1963.....	486,312	615,000	6,595	1,094,717
1964.....	514,881	549,000	28,262	1,035,619
1965.....	—	250,000	—	250,000
1966.....	1,409,421	—	29,572	1,379,849
1967.....	328,804	—	16,672	312,132
1968.....	81,776	—	16,583	65,193
1969.....	1,757,905	63,700	235,068	1,586,537
1970.....	139,689	80,000	27,738	191,951
1971.....	970,662	850,827	60,878	1,760,611
1973.....	1,366,734	—	—	1,366,734
1974.....	422,895	—	84,027	338,868
1975.....	100,000	—	39,794	60,206
1976.....	50,040	121,251	12,031	159,250
1977.....	300,000	702	—	300,702
1978.....	250,000	—	—	250,000
1980.....	400,000	—	—	400,000
1984.....	2,151,549	—	—	2,151,549
1998.....	250,000	—	—	250,000
Perpetual	55,000	—	—	55,000
Total bonded debt	13,765,152	2,530,480	2,162,717	14,132,915

TABLE 14. Redemption Features of Bonded Debt

Fiscal year ending March 31	As at March 31, 1961			
	Non-callable issues by year of maturity		Callable issues	
	Savings bonds ¹	Other	By year of maturity	By earliest call year
thousands of dollars				
1962.....	—	1,070,514	53,473	651,860
1963.....	29,976	1,064,741	—	—
1964.....	32,311	748,298	255,010	—
1965.....	—	250,000	—	—
1966.....	113,126	1,266,723	—	—
1967.....	66,930	—	245,202	55,000
1968.....	65,193	—	—	350,000
1969.....	1,236,537	—	350,000	—
1970.....	111,951	80,000	—	—
1971.....	1,560,511	200,000	—	—
1973.....	—	1,366,734	—	—
1974.....	338,868	—	—	—
1975.....	—	—	60,206	550,000
1976.....	—	121,291	37,969	—
1977.....	—	702	300,000	—
1978.....	—	—	250,000	—
1980.....	—	400,000	—	—
1984.....	—	2,151,549	—	—
1997.....	—	—	—	250,000
1998.....	—	—	250,000	—
Perpetual.....	—	—	55,000	—
Sub-totals.....	3,555,503	8,720,552	1,856,860	—
Total bonded debt			14,132,915	

¹ Canada Savings Bonds are non-callable, but they are redeemable with accrued interest on the holder's demand at any time prior to the date of maturity.

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