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OF THE  
GOVERNMENT OF CANADA  
1961

(Fiscal Year Ended March 31, 1962)

Revenue and Expenditure  
Direct and Indirect Debt

Actual

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### **SYMBOLS**

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

-- to indicate nil and amounts under \$500.

<sup>r</sup> revised figures.

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



# FINANCIAL STATISTICS OF THE GOVERNMENT OF CANADA

1961

(Fiscal Year Ended March 31, 1962)

## 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, 1962. 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<sup>1</sup>

Net general revenue, totalling \$6,249 million for the fiscal year ended March 31, 1962, rose by 2.4% over the previous year's total. Tax revenues of \$5,754 million accounted for 92% of total revenue, with the remaining \$495 million supplied by non-tax revenue.

Total taxes increased by \$136 million or 2.4%, but there were diverging movements by individual tax sources within this total: with regard to income tax receipts (including old age security tax), those from individuals rose by \$112 million or 5.7% to \$2,052 million, reflecting the higher level of incomes during the year, but those from corporations declined by \$78 million or 5.6% to \$1,302 million, due to

lower corporate profits in 1960; revenue from excise duties and special excise taxes at \$623 million showed a decline of 1.5% from the \$634 million for the previous year, mainly caused by the drop of \$35 million in excise tax receipts on automobiles (as a result of the repeal of that tax effective June 21, 1961) exceeding the \$24 million increase in duties and taxes on tobacco. Customs import duties of \$534 million showed a substantial gain of \$35 million (7.2%) over the previous fiscal year as a result of the greater volume and value of imports, and general sales tax receipts, including old age security tax, rose by \$54 million or 5.4%.

Total non-tax revenue of \$495 million increased by over \$10 million or 2.2% between the two years. The largest advance was in receipts from government enterprises which rose by \$15 million or 14.2%, while there was a drop of \$23 million or 55.1% in non-revenue and surplus receipts, mainly accounted for by the substantially lower refunds of previous years' expenditure in 1961-62 compared to 1960-61.

Total net general expenditure amounted to \$7,023 million in the year ended March 31, 1962, being \$587 million or 9.1% higher than that for the previous fiscal year.

Expenditure on defence services and mutual aid at \$1,649 million formed the largest category of total expenditure and, although it was \$113 million higher this year than in 1960-61, it formed a slightly smaller percentage of total net expenditure: 23.5% as against 23.9%.

Social welfare, which accounted for an outlay of \$1,424 million or 20.3% of total net general expenditure, was the next highest sphere of federal expenditure and was \$96 million more than in the previous fiscal year, primarily due to increases over 1960-61 of \$41 million in grants to the provinces in respect of unemployment assistance, \$33 million in payments from the Old Age Security Fund (\$20 million of which was the result of the increase from

<sup>1</sup> Percentage changes mentioned in the text are based on data rounded to the nearest thousand.

\$55 to \$65 per month in pensions, effective February 1, 1962, and the balance because of the increase in the number of recipients) and \$15 million in family allowances.

The Federal-Provincial Tax-Sharing Arrangements lapsed on March 31, 1962. Under that agreement all provinces except Ontario and Quebec rented to the federal government the fields of personal and corporation income taxes, other corporation taxes and succession duties; Ontario agreed to rent only the personal income tax field, while Quebec did not sign an agreement. Under the Federal-Provincial Fiscal Arrangements Act, which became operative for a period of five years from April 1, 1962, the federal government partially withdrew from the field of direct taxation and all the provinces re-entered this field. In the case of personal income tax, the effective date was January 1, 1962, and under the terms of the new arrangement, the federal government was to collect in 1962, 84% only of the full federal rates of this tax, the 16% balance being collected by or on behalf of the provinces under provisions of provincial tax legislation. This apportionment will be increased by 1% each year in favour of the provinces for the life of the current arrangements. The federal government also withdrew from the corporation income tax field to the extent of 9% of taxable profits earned in any province except Quebec, where it will be 10%. This extra 1% was in respect of profits taxes by that province to compensate for the additional tax it levies to provide grants to universities, in replacement of the federal grants received by universities in other provinces through the Canadian Universities Foundation. Collections on behalf of the provinces under those new agreements totalled \$38 million in February and March of 1962. Lastly, the federal government was to abate its collections of estate tax otherwise payable by 50% in respect of property situated in a province levying its own death tax. Only Ontario and Quebec signified their intentions of levying their own death taxes in the form of succession duties. However, the provinces are not restricted to the rates of federal withdrawal from these tax fields.

Payments to provincial governments under the tax-sharing arrangements declined by less than \$2 million from last year and amounted to \$479 million, but there were increases under "share of income tax on power utilities" and "subsidies" of \$2 million and \$3 million respectively. Total payments to the provinces and territories including grants for specific purposes amounted to \$1,150 million and rose by 17.9% in the fiscal year ended March 31, 1962; those to municipalities increased by 2.6% to reach \$36 million (for details, see Table 5 of this report).

Expenditure on national resources and primary industries rose by \$37 million in this fiscal year to reach \$403 million. Although the net operating loss of the Agricultural Stabilization Board was \$31 million less for this period than in the previous fiscal year, other expenditure more than offset this amount resulting in the higher total for the year.

Notable increases were shown in payments from the Prairie Farm Emergency Fund (up over \$38 million), in the loss of the Agricultural Products Board account (\$5 million), and in outlays for rehabilitation and reclamation projects in the agricultural sphere (\$6 million).

Transportation expenditure at \$394 million advanced by \$46 million or 13.1% principally because of the \$50 million in interim payments to railway companies related to recommendations of the Royal Commission on Railway Problems, pending action on its complete report. Construction or acquisition of buildings, etc., with respect to national airports went up by \$5 million and similar expenditure regarding radio aids to air and marine navigation rose by \$6 million. The decline in payments respecting the Trans-Canada Highway continued this year—from \$49 million in the last fiscal year to \$36 million in this.

The increase of \$99 million or 36.9% to \$366 million in health expenditures was primarily due to the \$95 million increase in the federal contributions to the provinces under the Hospital Insurance and Diagnostic Services Act. This was the first full year in which all the provinces and territories participated under the agreements. Furthermore, the number of insured persons across the country is slowly rising as more Canadians take advantage of the benefits of the schemes.

With the enactment at the end of 1960 of the Technical and Vocational Training Assistance Act, which superseded the Vocational Training Co-ordination Act, payments to the provinces under agreements completed thereunder rose by \$27 million in the fiscal year ended March 31, 1962, and was the main cause of the \$29 million or 45.1% increase in federal expenditure on education reaching a total of \$94 million. The purpose of the Act is to provide financial assistance, through the provinces, to vocational and technical schools and training under youth training projects.

Public debt charges, after deducting interest receipts and excluding debt retirement, totalled \$690 million in 1961-62, which was \$36 million or 5.4% higher than in the previous fiscal year and made up 9.8% of total net general expenditure. Interest on unmatured bonded debt increased by \$30 million reflecting the increase in unmatured debt. The whole of the rise in interest payments was payable in Canada, as those payable in London, England, and New York, U.S.A., showed declines this year compared to the previous fiscal year. Interest on other liabilities rose by \$16 million, mainly because of increases of \$10 million for the public service and \$5 million for the Canadian forces superannuation accounts. Other public debt charges declined by \$5 million due to a decline in annual amortization of bond discounts and commissions. Interest receipts, which are deducted in the "net" presentation of revenue and expenditure, advanced from \$143 million in 1960-61 to \$150 million in 1961-62.



Details in respect of payments to federal government enterprises at \$171 million (up 15.6% from last year) are shown on page 10.

### Debt Transactions

At March 31, 1962, Canada's bonded debt of \$15,061 million had increased by \$928 million or 6.6% over the total at the end of the previous fiscal year; new issues, including renewals and conversions, of \$3,456 million exceeded retirements and cancellations of bonds amounting to \$2,528 million. Except for a little over one thousand dollars, all these new issues and retirements, etc., were payable in Canada. Of the total retirements, \$498 million of securities matured and \$2,030 million were converted or cancelled.

During the year a purchase fund was established to assist in the management of the public debt, in accordance with the Budget announcement of June 20, 1961. \$166 million of unmatured bonds were bought, of which \$61 million were cancelled in November 1961 and the balance of \$105 million prior to the end of the fiscal year, resulting in a reduction of similar amounts in total outstanding debt.

Total sales during the year included net sales of Canada Savings Bonds 1961, series 16, of \$973 million, and additional sales of the 1960 series 15 were \$65 million. Redemptions of Canada Savings Bonds series 6 to 15 totalled \$538 million. This resulted in a net increase during the year of \$500 million or 14% for all series, and the amount unmatured at March 31, 1962, was \$4,055 million—27% of total unmatured bonded debt.

Of the total unmatured bonded debt, \$14,931 million or 99.1% was payable in Canada, \$98 million or 0.7% in New York and \$32 million or 0.2% in London.

Average interest rate for bonded debt increased from 3.98% to 4.01% during the year, and bonded debt per capita from \$775 to \$811.

Treasury bills at \$1,885 million were \$50 million less than the total at March 31, 1961.

The following tables provide summaries of net general revenue and expenditure for the latest fiscal 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

	1958	1959	1960	1961	1962
	millions of dollars				
<b>Taxes:</b>					
<b>Income:</b>					
Corporations (including old age security tax) .....	1,295	1,076	1,234	1,380	1,302
Individuals (including old age security tax) .....	1,635	1,500	1,752	1,940	2,052
Interest, dividends and other income going abroad .....	64	61	73	88	112
General sales (including old age security tax) .....	879	868	1,003	991	1,045
<b>Excise duties and special excise taxes:</b>					
Alcoholic beverages .....	172	179	193	199	206
Tobacco .....	274	289	331	343	367
Automobiles .....	72	59	64	60	25
Other commodities and services .....	31	30	33	32	25
Customs import duties .....	498	486	526	499	534
Succession duties and estate taxes .....	72	73	89	85	85
Other .....	1	1	1	1	1
<b>Total taxes .....</b>	<b>4,993</b>	<b>4,622</b>	<b>5,299</b>	<b>5,618</b>	<b>5,754</b>
Sales and services .....	57	57	47	57	64
Receipts from government enterprises .....	78	100	87 <sup>F</sup>	107 <sup>F</sup>	122
Postal services .....	177	183	194	202	214
All other revenue .....	90	104	109 <sup>F</sup>	119 <sup>F</sup>	95
<b>Total net general revenue .....</b>	<b>5,395</b>	<b>5,066</b>	<b>5,736</b>	<b>6,103</b>	<b>6,249</b>
<b>Total net general revenue per capita<sup>1</sup> .....</b>	<b>325</b>	<b>297</b>	<b>328</b>	<b>342</b>	<b>343</b>

<sup>1</sup> 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

	1958	1959	1960	1961	1962
	millions of dollars				
Defence services and mutual aid .....	1,712 <sup>r</sup>	1,666 <sup>r</sup>	1,545 <sup>r</sup>	1,536	1,649
Veterans' pensions and other benefits .....	288	295	293	296	337
General government .....	299	262	252	266	287
Transportation .....	250	304	338 <sup>r</sup>	348 <sup>r</sup>	394
Health .....	62	130	227	267	366
Social welfare:					
Aid to aged persons (including payments from old age security fund) .....	499	590	605	623	656
Family allowances .....	441	478	494	509	524
Other .....	107	134	163	196	244
<b>Total social welfare .....</b>	<b>1,047</b>	<b>1,202</b>	<b>1,262</b>	<b>1,328</b>	<b>1,424</b>
Natural resources and primary industries .....	216	303	329	366	403
Debt charges (excluding debt retirement) .....	500	546	657	654	690
Payments to government enterprises .....	77 <sup>r</sup>	129 <sup>r</sup>	119 <sup>r</sup>	148 <sup>r</sup>	171
Payments to provincial and municipal governments <sup>1</sup> .....	401	490	542	564	567
International co-operation and assistance .....	53	63	80	82	67
Postal service .....	178	184	192	207	215
All other expenditure .....	376	318	353	374	453
<b>Total net general expenditure .....</b>	<b>5,459</b>	<b>5,892</b>	<b>6,189</b>	<b>6,436</b>	<b>7,023</b>
<b>Total net general expenditure per capita<sup>2</sup> .....</b>	<b>329</b>	<b>345</b>	<b>354</b>	<b>360</b>	<b>385</b>

<sup>1</sup> 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.

<sup>2</sup> 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

	1958	1959	1960	1961	1962
	percentage distribution				
Taxes:					
Income:					
Corporations .....	24.0	21.2	21.5	22.6	20.8
Individuals .....	30.3	29.6	30.5	31.8	32.8
Interest, etc. going abroad .....	1.2	1.2	1.3	1.5	1.8
General sales .....	16.3	17.1	17.5	16.2	16.7
Excise duties and special excise taxes .....	10.2	11.0	10.8	10.4	10.0
Customs import duties .....	9.2	9.6	9.2	8.2	8.6
Other .....	1.3	1.5	1.6	1.4	1.4
<b>Total taxes .....</b>	<b>92.5</b>	<b>91.2</b>	<b>92.4</b>	<b>92.1</b>	<b>92.1</b>
All other revenue .....	7.5	8.8	7.6	7.9	7.9
<b>Total net general revenue .....</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>



**Net General Expenditure by Function**  
Fiscal Years Ended March 31

	1958	1959	1960	1961	1962
	percentage distribution				
Defence services and mutual aid .....	31.4	28.3	25.0	23.9	23.5
Veterans' pensions and other benefits .....	5.3	5.0	4.7	4.6	4.8
General government .....	5.5	4.4	4.1	4.1	4.1
Transportation .....	4.6	5.2	5.5	5.4	5.6
Health .....	1.1	2.2	3.7	4.1	5.2
Social welfare:					
Aid to aged persons .....	9.1	10.0	9.8	9.7	9.3
Family allowances .....	8.1	8.1	8.0	7.9	7.5
Other .....	2.0	2.3	2.6	3.0	3.5
Natural resources and primary industries .....	3.9	5.1	5.3	5.7	5.7
Debt charges .....	9.2	9.3	10.6	10.2	9.8
Payments to provincial and municipal governments <sup>1</sup> .....	7.3	8.3	8.7	8.8	8.1
All other expenditures .....	12.5	11.8	12.0	12.6	12.9
<b>Total net general expenditure .....</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

<sup>1</sup> 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.

**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 experimental 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.

**Payments to government enterprises**, expenditure item 55, consist mainly of reimbursement of deficits.

The statistics shown here only reflect transactions between the federal government and its enterprises as reported in the Public Accounts. For statistics on revenue and expenditure, assets and liabilities and net worth of all federal government enterprises, see the Dominion Bureau of Statistics report, "Financial Statistics of Federal Government Enterprises", the first edition of which, covering the years 1958 to 1960, inclusive, was published in October 1962.

The following tables give breakdowns of revenue item 22 and expenditure item 55:

Specified Transactions with Federal Government Enterprises

Receipts from government enterprises	Thousands of dollars
Bank of Canada:	
Government share of profits .....	107,693
Canadian Government Elevators:	
Revenue included in departmental revenue .....	2,077
Expenditure included in departmental expenditure .....	1,596
Net profit on Canadian Government Elevators .....	481
Canadian National (West Indies) Steamships Limited .....	1,200
Central Mortgage and Housing Corporation:	
Net profit under Sec. 30, Central Mortgage and Housing Corporation Act .....	5,732
Net profits under the Housing Act .....	291
Losses sustained under Sec. 36, National Housing Act .....	1,290
Reimbursement under Sec. 36G, National Housing Act .....	35
Net profit, Central Mortgage and Housing Corporation .....	4,698
Crown Assets Disposal Corporation:	
Surplus .....	355
Eldorado Mining and Refining Limited:	
Dividends .....	5,000
Polymer Corporation Limited:	
Dividends .....	3,000
<b>Total receipts from government enterprises, revenue item 22 .....</b>	<b>122,427</b>

Payments to government enterprises	Thousands of dollars
Canadian Arsenal Limited:	
Operating deficit, fiscal year ended March 31, 1962 .....	3,041
Operating deficit, for previous fiscal years .....	129
Total payments to Canadian Arsenal Limited .....	3,170
Canadian Broadcasting Corporation:	
Grant in respect of net operating requirements .....	70,253
Grant for capital requirements .....	6,214
Total payments to Canadian Broadcasting Corporation .....	76,467
Canadian National Railway System:	
Canadian National Railways deficit, calendar year 1961 .....	67,308
Newfoundland ferry and terminals deficit, calendar year 1961 .....	7,271
P.E.I. car ferry and terminals deficit, calendar year 1961 .....	2,984
Total payments to Canadian National Railway System .....	77,563
National Harbours Board:	
Advances to meet construction costs, etc., calendar year 1961 <sup>1</sup> .....	4,930
St. Lawrence Seaway Authority:	
Operating deficit .....	2,241
Trans-Canada Air Lines:	
Deficit, calendar year 1961 .....	6,450
Yarmouth-Bar Harbour Ferry:	
Deficit, calendar year 1961 .....	110
<b>Total payments to government enterprises, expenditure item 55 .....</b>	<b>170,931</b>

<sup>1</sup> This item is treated as "proprietary equity" in the report "Financial Statistics of Federal Government Enterprises".

**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 64, 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:

Post Office transactions	Thousands of dollars
Revenue of Post Office Department per Public Accounts .....	183,740
Disbursements deducted from postal revenue in Public Accounts .....	29,839
<b>Revenue item 24</b> .....	<b>213,579</b>
Expenditure of Post Office Department per Public Accounts <sup>1</sup> .....	184,965
Disbursements deducted from postal revenue in the Public Accounts (as above) .....	29,839
<b>Expenditure item 64</b> .....	<b>214,804</b>

<sup>1</sup> 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 under this heading. Following is a breakdown of item 3:

General government expenditure, executive and administrative	Thousands of dollars
Maintenance, operation, construction and acquisition of public buildings, including post offices, serving a number of functions .....	69,171
Contribution towards superannuation .....	49,888
Government contribution, as an employer, to the Unemployment Insurance Fund .....	1,060
Government Employees' Compensation Act — Payment of claims .....	2,009
Government Contribution to Public Service Death Benefit Account .....	1,189
Government's share, as an employer, of medical-surgical insurance premiums .....	7,584
Other .....	121,866
<b>Expenditure item 3</b> .....	<b>252,767</b>



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 and interim payments related to the recommendations of the Royal Commission on Railway Problems pending its complete report.

**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:

Unemployment Insurance Fund operations	Thousands of dollars
<b>Revenue:</b>	
Contributions:	
Employers and employees .....	277,789
Government of Canada (20 per cent) .....	55,558
Fines and penalties .....	90
Income from investments (net) .....	6,177
<b>Total revenue</b> .....	<b>339,614</b>
<b>Expenditure:</b>	
Benefit payments .....	454,740
Interest on loans .....	2,961
<b>Total expenditure</b> .....	<b>457,701</b>
<b>Excess of expenditure over revenue</b> .....	<b>118,087</b>

**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 and technical training programmes.

**Debt charges - Other**, expenditure item 53, includes the costs of issuing new loans and commissions for the payment of interest.

**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 69, 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".

nue (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 Govern-

ment 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 Productivity Council
- 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 1961-62 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. See also details on page 6.

**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, 1962, amounted to \$345 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. Expenditures up to March 31, 1962, under this programme were nearly \$35 million in which all provinces shared.

**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 almost \$284 million in 1961-62.

**General health grants—**These grants were established in 1948 to encourage the development of adequate provincial health services. Federal expenditures to March 31, 1962, amounted to approximately \$291 million. This total excludes the hospital construction grants (previously included in general health grants but now shown under separate vote) on which, from inception of this program in 1948, federal expenditure to March 31, 1962, amounted to nearly \$153 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. The maximum was again raised to \$65 per month effective Feb. 1, 1962. (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 two territories in 1961-62 amounted to approximately \$92 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. An amendment authorized agreements with any province for a federal contribution of 75 per cent of capital expenditure on trade and vocational schools, technical institutes and vocational high schools. 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. Since a functional breakdown according to the ultimate municipal expenditures on roads, sewers, etc., was not available, the federal share of the costs has been classified as "other" expenditure. Payments to the ten provinces and the two Territories amounted to over \$24 million in 1961-62.

A similar table, showing amounts **received** from other governments, appears annually in "Financial Statistics of Provincial Governments", DBS Catalogue No. 68-207. However, because of different accounting systems, the amounts appearing in provincial revenue may differ from the corresponding items in federal expenditure in a given year.

**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, the National Productivity Council 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 15 - Functional-Economic Cross-Classification of Gross General Expenditure**

This is the first time that a cross-classification of government expenditures has been prepared by the Government Finance Section. This new table shows gross general expenditure by function, as appearing in Table 2 of this report, reclassified according to economic categories.

For a number of years, the Government Finance Section has analyzed federal expenditures by "function" and also separately by "economic" categories. The functional analysis has enabled one to study the types of services being provided by, or assisted by, government, e.g., health, education, roads, etc. The "economic" or "National Accounts" analysis relates total government expenditures to the other sectors of the whole economy by showing expenditures on goods and services, subsidies, transfer payments, etc.

This new table breaks down each functional category in terms of economic categories. For example, the functional item "lands: settlement and agriculture", line 42, is broken down into salaries and wages paid to federal government employees; other costs of administering federal agricultural services, e.g., office supplies, expenditures on repairs and maintenance; transfer payments, e.g., payments to farmers in years of crop failures; subsidies, e.g., assistance re storage costs on grain; transfers to other levels of government, e.g., payments under the agricultural lime assistance programme; and non-relevant items, e.g., purchase of land.

Following is a brief description of the various economic categories.

**1. Salaries and wages**—The compilation of salaries and wages by function was prepared by the Government Employment and Payrolls Section. It includes those expenditures on salaries and wages charged to budgetary expenditures, plus any paid out of the special funds listed on page 13 of this report, less those paid to postal employees. The Post Office is treated as a government enterprise in the economic or National Accounts presentation of government and hence all Post Office expenditures are offset against postal revenue in that series. Overtime and retroactive pay increases are included in the year in which the payments were made; since the functional breakdown of these was not available, they are included in "other expenditure" in the functional analysis. Monthly data on numbers and earnings of federal government employees, classified by function and also by administrative branches, are published in DBS Catalogue No. 72-004.

**2. Other expenditures on goods and services**—These consist of current expenditures such as purchase of office supplies, travelling expenses,

etc., and also capital expenditures such as construction of government buildings by contractors. Items 1 and 2 together form the bulk of one of the main components of Gross National Expenditure, viz. Government expenditure on goods and services.

**3. Transfer payments**—They consist of payments for which no direct service was rendered by the recipient. Two of the major transfer payments at the federal government level are the old age security payments, column (c), line 24, and family allowance payments, column (c), line 27. Also included in this category are transfers to private non-commercial organizations and institutions such as universities, hospitals, health associations, etc.

**4. Subsidies to business**—These consist mainly of production and consumption subsidies made with a view to price stabilization. Such payments are usually made in order that the consumer may benefit from lower prices, but occasionally the purpose may be to protect the producer against a decline in the price of his product.

**5. Transfers to other levels of government**—These are shown in great detail in Table 5 of this report. See the commentary on page 13 for a description of the types of items included therein.

**6. Non-relevant items**—These are expenditures which do not enter into the National Accounts tables. Included herein are purchases of land and used fixed assets; such expenditures do not represent production, but merely transfer of ownership of existing assets. Capital assistance to industry is also shown here, since in the National Accounts framework, the gross capital expenditures made by industry are already included in the category "business gross fixed capital formation". Also included here are items to be offset against revenue in the National Accounts presentation, such as deficits of government business enterprises.

The totals of the economic categories shown in columns (a) to (e) of Table 15 of this report will not agree with those appearing in Tables 43 to 46 of the annual "National Accounts—Income and Expenditure", DBS Catalogue No. 13-201. There are a number of reasons for these differences. For example, in the National Accounts, expenditures are adjusted from a fiscal year to a calendar year basis by examining the January to March transactions of successive years. Furthermore, "government" in the National Accounts is somewhat broader in coverage than "government" in the functional analysis series. Although both analyses include the transactions of the Old Age Security Fund and other special funds, only the National Accounts tables include the transfer payments out of the extra-budgetary funds such as Unemployment Insurance Fund and the pension payments out of the Public Service Superannuation Account. The functional analysis includes only the government contributions to such funds. Certain imputed items are included in the National Accounts government tables, e.g., imputed rent on government owned buildings and imputed banking services are added to government expenditures on goods and services.

TABLE 1. General Revenue for Fiscal Year Ended March 31, 1962

No.	Source	Gross <sup>1</sup>	Net <sup>1</sup>
		thousands of dollars	
	Taxes:		
	Income:		
1	Corporations <sup>2</sup> .....	1,302,179 ✓	1,302,179
2	Individuals <sup>2</sup> .....	2,051,606 ✓	2,051,606
3	Interest, dividends, and other income going abroad .....	112,306	112,306
4	General sales <sup>2</sup> .....	1,044,557 ✓	1,044,557
	Excise duties and special excise taxes:		
5	Alcoholic beverages .....	206,277 ✓	206,277
6	Tobacco .....	367,386 ✓	367,386
7	Automobiles .....	25,270 ✓	25,270
8	Other commodities and services .....	24,703	24,703
9	Customs import duties .....	534,516 ✓	534,516
10	Estate taxes .....	84,579	84,579
11	Other <sup>3</sup> .....	1,043	1,043
12	<b>Total taxes</b> .....	<b>5,754,422</b>	<b>5,754,422</b>
	Privileges, licenses and permits:		
13	Natural resources .....	3,805 ✓	3,805
14	Other .....	20,749 ✓	20,585
	Sales and services:		
15	Institutional .....	2,746 ✓	—
16	Other .....	64,000 ✓	64,000
17	Fines and penalties .....	1,338 ✓	1,338
18	Interest .....	149,536 ✓	—
	Foreign exchange:		
19	Exchange fund profits .....	32,606	32,606
20	Other .....	2,095	—
21	Shared-cost contributions from provincial governments .....	554	—
22	Receipts from government enterprises <sup>4</sup> .....	122,427	122,427
23	Bullion and coinage .....	8,144 ✓	8,144
24	Postal service .....	213,579	213,579
25	Other revenue .....	9,975	9,975
26	<b>Sub-total items 12 to 25</b> .....	<b>6,385,976</b>	<b>6,230,881</b>
	Non-revenue and surplus receipts:		
27	Refunds of previous years' expenditure .....	18,184	18,184
28	Other .....	293	293
29	<b>Total general revenue (gross and net)</b> .....	<b>6,404,453</b>	<b>6,249,358</b>

<sup>1</sup> See Introduction, page 12, for an explanation of method used to arrive at net presentation from gross.

<sup>2</sup> Includes old age security taxes.

<sup>3</sup> Includes duty assessed for the export of electric power 992.

<sup>4</sup> See Introduction, page 10, for breakdown.

TABLE 2. General Expenditure for Fiscal Year Ended March, 31 1962

No.	Function	Gross <sup>1</sup>	Net <sup>1</sup>
thousands of dollars			
1	Defence services and mutual aid .....	1,648,594	1,648,584
2	Veterans' pensions and other benefits .....	337,890	337,318
General government:			
3	Executive and administrative .....	252,767	252,767
4	Legislative .....	9,547	9,547
5	Research, planning and statistics .....	24,803	24,803
6	Total general government .....	287,117	287,117
Protection of persons and property:			
7	Law enforcement .....	8,171	8,171
8	Corrections .....	23,045	22,299
9	Police protection .....	48,630	48,630
10	Other .....	9,021	9,021
11	Total protection of persons and property .....	88,867	88,121
Transportation:			
12	Air .....	95,866	95,866
13	Road .....	88,557	88,557
14	Rail .....	90,522	90,522
15	Water .....	115,595	115,595
16	Other .....	3,338	3,338
17	Total transportation .....	393,878	393,878
18	Communications (telephone, telegraph and wireless) .....	36,403	36,403
Health:			
19	General .....	5,780	5,780
20	Public health .....	35,036	35,036
21	Medical, dental and allied services .....	7,937	7,937
22	Hospital care .....	317,780	317,153
23	Total health .....	366,533	365,906
Social welfare:			
24	Aid to aged persons <sup>2</sup> .....	656,065	656,065
25	Aid to blind persons .....	4,194	4,194
26	Aid to unemployed employables and unemployables .....	108,478	108,478
27	Family allowances .....	523,917 ✓	523,917
28	Labour .....	3,075	3,075
29	National employment and unemployment insurance services .....	102,964	102,964
30	Other .....	25,230	25,230
31	Total social welfare .....	1,423,923	1,423,923
Recreational and cultural services:			
32	Archives, art galleries, museums and libraries .....	3,313	3,313
33	Parks .....	20,446	20,446
34	Other .....	8,214	8,214
35	Total recreational and cultural services .....	31,973	31,973

See footnotes at end of table.

14239  
1379  
17618



TABLE 2. General Expenditure for Fiscal Year Ended March 31, 1962 - Concluded

No.	Function	Gross <sup>1</sup>	Net <sup>1</sup>
		thousands of dollars	
	Education:		
36	Indian and Eskimo schools .....	35,685	35,685
37	Universities, colleges and other schools .....	55,408	55,408
38	Other .....	2,476	2,476
39	<b>Total education .....</b>	<b>93,569</b>	<b>93,569</b>
	Natural resources and primary industries:		
40	Fish and game .....	23,197	23,197
41	Forests .....	15,016	15,016
42	Lands: settlement and agriculture .....	295,448	294,514
43	Minerals and mines .....	46,456	45,956
44	Water resources .....	2,407	2,353
45	Other .....	22,287	22,287
46	<b>Total natural resources and primary industries .....</b>	<b>404,811</b>	<b>403,323</b>
47	Trade and industrial development .....	13,553	13,553
48	National capital area planning and development .....	16,794	16,794
49	Loss on foreign exchange .....	-	-2,095
	Debt charges (excluding debt retirement):		
50	Commission on bond or debenture sales and other management charges .....	15,792	15,792
51	Amortization of bond discount .....	18,670	18,670
52	Interest .....	802,918	653,382
53	Other .....	1,605	1,605
54	<b>Total debt charges (excluding debt retirement) .....</b>	<b>838,985</b>	<b>689,449</b>
55	<b>Payments to government enterprises<sup>1</sup> .....</b>	<b>170,931</b>	<b>170,931</b>
	Payments to provincial and municipal governments:		
	Provincial:		
56	Federal-provincial tax-sharing arrangements .....	479,269	479,269
57	Share of income tax on power utilities .....	6,396	6,396
58	Subsidies .....	56,556	56,556
	Municipal:		
59	Grants in lieu of taxes .....	25,034	25,034
60	<b>Total payments to provincial and municipal governments<sup>4</sup> ....</b>	<b>567,255</b>	<b>567,255</b>
	Other expenditure:		
61	Citizenship and immigration .....	16,393	16,393
62	External affairs .....	19,965	19,965
63	International co-operation and assistance .....	67,396	67,396
64	Postal service .....	214,804	214,804
65	Royal Canadian Mint .....	1,714	1,714
66	Housing research and slum clearance .....	4,111	4,111
67	Civil defence .....	7,607	7,586
68	Winter works projects .....	24,348	24,348
69	Other .....	100,011	100,001
70	<b>Total other expenditure .....</b>	<b>456,349</b>	<b>456,328</b>
71	<b>Sub-totals .....</b>	<b>7,177,425</b>	<b>7,022,330</b>
	Non-expense and surplus payments:		
72	Refunds of previous years' revenue .....	86	86
73	Other .....	207	207
74	<b>Total general expenditure (gross and net) .....</b>	<b>7,177,718</b>	<b>7,022,623</b>

<sup>1</sup> See Introduction, page 12, for an explanation of method used to arrive at net presentation from gross.

<sup>2</sup> Includes pensions paid from Old Age Security Fund.

<sup>3</sup> See Introduction, page 10, for breakdown.

<sup>4</sup> 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, 1962**

No.	Item	Thousands of dollars
1	<b>Revenue per Public Accounts .....</b>	<b>5, 729, 624</b>
	To arrive at "gross general revenue"	
	Add:	
2	Revenue of administrative or special funds .....	823, 432
3	Revenue deducted from expenditure in public accounts .....	5, 076
4	Expenditure deducted from revenue in public accounts .....	30, 440
5	<b>Total additions .....</b>	<b>858, 948</b>
	Deduct:	
6	Refunds of current year's expenditure included in revenue in public accounts .....	16, 054
7	Working capital fund profits .....	637
8	Amount to adjust government enterprises to a "net" basis .....	2, 921
9	Employees' contributions under sundry pension plans .....	335
10	Interfund amounts .....	164, 172
11	<b>Total deductions .....</b>	<b>184, 119</b>
12	<b>Total gross general revenue .....</b>	<b>6, 404, 453</b>
	To arrive at "net general revenue"	
	Deduct:	
13	Interest revenue .....	149, 536
14	Foreign exchange revenue .....	2, 095
15	Shared-cost contributions from provincial governments .....	554
16	Institutional revenue .....	2, 910
17	<b>Sub-total items 13 to 16 .....</b>	<b>155, 095</b>
18	<b>Total net general revenue .....</b>	<b>6, 249, 358</b>

**TABLE 4. Reconciliation of Gross and Net General Expenditure with Expenditure per Public Accounts for Fiscal Year ended March 31, 1962**

No.	Item	Thousands of dollars
1	<b>Expenditure per Public Accounts .....</b>	<b>6, 520, 646</b>
	To arrive at "gross general expenditure"	
	Add:	
2	Expenditure of administrative or special funds .....	805, 675
3	Revenue deducted from expenditure in public accounts .....	5, 076
4	Expenditure deducted from revenue in public accounts .....	30, 440
5	<b>Total additions .....</b>	<b>841, 191</b>
	Deduct:	
6	Refunds of current year's expenditure included in revenue in public accounts .....	16, 054
7	Working capital fund profits .....	637
8	Amount to adjust government enterprises to a "net" basis .....	2, 921
9	Employees' contributions under sundry pension plans .....	335
10	Interfund amounts .....	164, 172
11	<b>Total deductions .....</b>	<b>184, 119</b>
12	<b>Total gross general expenditure .....</b>	<b>7, 177, 718</b>
	To arrive at "net general expenditure"	
	Deduct:	
13	Interest revenue .....	149, 536
14	Foreign exchange revenue .....	2, 095
15	Shared-cost contributions from provincial governments .....	554
16	Institutional revenue .....	2, 910
17	<b>Sub-total items 13 to 16 .....</b>	<b>155, 095</b>
18	<b>Total net general expenditure .....</b>	<b>7, 022, 623</b>

**TABLE 5. Amounts Paid to Provincial Governments, Territories and Municipal Corporations  
for Fiscal Year Ended March 31, 1962**

No.	Function	Nfld.	P.E.I.	N.S.	N.B.
		thousands of dollars			
	Provincial governments and territories:				
1	Federal-provincial tax-sharing arrangements .....	20,078	4,781	32,317	26,233
2	Share of income tax on power utilities .....	149	54	475	93
3	Subsidies .....	17,156 <sup>2</sup>	3,157 <sup>3</sup>	9,632 <sup>3</sup>	9,245 <sup>3</sup>
4	Sub-total items 1 to 3 .....	37,383	7,992	42,424	35,571
	Grants-in-aid and shared-cost contributions:				
	Transportation:				
	Road:				
5	Trans-Canada highway .....	2,239	300	1,768	2,357
6	Roads leading to resources .....	800	954	1,765	1,210
7	Railway grade crossing fund .....	274	—	306	460
8	Other .....	—	—	—	236
9	Water .....	—	—	—	6
10	Total transportation .....	3,313	1,254	3,839	4,269
	Health:				
11	Hospital insurance and diagnostic services .....	6,258	1,382	11,873	9,547
12	Hospital construction .....	593	18	1,140	351
	General health grants:				
13	General public health .....	360	141	773	480
14	Tuberculosis control .....	144	29	139	126
15	Mental health .....	197	95	370	312
16	Professional training .....	77	26	75	59
17	Cancer control .....	13	15	48	124
18	Public health research .....	—	—	57	—
19	Medical rehabilitation and crippled children .....	113	13	34	95
20	Child and maternal health .....	32	7	53	39
21	Other .....	2	1	9	9
22	Total health .....	7,789	1,727	14,571	11,142
	Social welfare:				
23	Old age assistance .....	1,673	249	1,569	1,760
24	Blind persons' allowances .....	209	40	386	349
25	Disabled persons' allowances .....	414	259	909	668
26	Unemployment assistance .....	4,417	173	1,743	1,371
27	Other .....	10	3	16	25
28	Total social welfare .....	6,723	724	4,623	4,173
	Recreational and cultural services:				
29	Camp ground and picnic area development .....	43	8	33	32
	Education:				
	Technical and vocational training:				
30	Capital assistance to trade schools .....	2,681	80	433	819
31	Vocational high school training .....	17	44	130	138
32	Technician training .....	—	—	10	6
33	Trade and other occupational training .....	35	40	105	190
34	Apprenticeship training .....	95	—	102	88
35	Assistance to students .....	8	5	10	—
36	Training of unemployed workers .....	129	29	314	271
37	Training of disabled persons .....	10	1	43	34
38	Other .....	—	1	3	17
39	Citizenship and language instruction for immigrants ..	—	—	2	—
40	Other .....	—	—	1	—
41	Total education .....	2,975	200	1,153	1,563

See footnotes at end of table.



TABLE 5. Amounts Paid to Provincial Governments, Territories and Municipal Corporations  
for Fiscal Year Ended March 31, 1962

Que.	Ont.	Man.	Sask.	Alta.	B.C.	Sub-total	Yukon	N.W.T.	Total	No.
thousands of dollars										
60,448	120,652	40,411	40,569	58,385	74,382	478,256	446 <sup>1</sup>	567 <sup>1</sup>	479,269	1
2,064	651	53	59	1,870	928	6,396	—	—	6,396	2
3,964	4,624	2,089	2,116	2,816	1,672	56,471	40	45	56,556	3
66,476	125,927	42,553	42,744	63,071	76,982	541,123	486	612	542,221	4
2,703	13,004	857	71	654	12,531	36,484	—	—	36,484	5
426	1,649	1,678	806	1,560	1,152	12,000	—	—	12,000	6
119	1,537	—	223	249	292	3,460	—	—	3,460	7
—	174	—	—	—	220	630	—	—	630	8
8	—	—	—	—	—	14	—	—	14	9
3,256	16,364	2,535	1,100	2,463	14,195	52,588	—	—	52,588	10
73,022	104,499	15,246	15,954	19,730	25,698	283,209	296	378	283,883	11
4,988	7,620	1,191	762	1,328	1,009	19,000	—	—	19,000	12
1,641	2,677	689	659	1,039	1,147	9,606	—	54	9,660	13
1,232	729	168	159	215	274	3,215	22	12	3,249	14
2,476	2,603	426	406	638	693	8,216	22	—	8,238	15
466	403	78	71	126	67	1,448	—	—	1,448	16
480	1,170	181	183	255	313	2,782	—	3	2,785	17
650	595	95	64	90	59	1,610	—	7	1,617	18
533	252	130	98	113	233	1,614	—	1	1,615	19
548	394	77	68	61	109	1,388	—	—	1,388	20
45	29	6	4	7	7	119	—	—	119	21
86,081	120,971	18,287	18,428	23,602	29,609	332,207	340	455	333,002	22
10,896	6,903	1,652	1,762	2,001	2,284	30,749	16	46	30,811	23
1,412	837	188	193	223	270	4,107	2	21	4,130	24
7,461	4,503	478	490	559	685	16,426	2	6	16,434	25
38,222	16,990	4,234	4,176	4,217	16,425	91,968	38	38	92,044	26
—	91	86	49	12	17	309	—	—	309	27
57,991	29,324	6,638	6,670	7,012	19,681	143,559	58	111	143,728	28
29	643	117	59	195	541	1,700	14	—	1,714	29
1,509	8,625	475	598	1,778	877	17,875	26	—	17,901	30
—	824	173	187	214	228	1,955	10	—	1,965	31
2,825	258	—	72	179	—	3,350	—	2	3,352	32
3,376	293	66	158	696	449	5,408	—	22	5,430	33
—	565	115	147	472	577	2,161	—	—	2,161	34
100	100	7	30	10	60	330	1	1	332	35
930	936	267	231	235	599	3,941	—	—	3,941	36
—	193	37	31	10	9	368	—	—	368	37
90	136	5	—	2	26	280	—	—	280	38
—	193	10	12	2	14	233	—	—	233	39
—	—	—	—	—	—	1	230	—	231	40
8,830	12,123	1,155	1,466	3,598	2,839	35,902	267	25	36,194	41

**TABLE 5. Amounts Paid to Provincial Governments, Territories and Municipal Corporations  
for Fiscal Year Ended March 31, 1962 - 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:					
42	Registered traplines .....	—	—	—	—
43	Construction of vessels .....	66	29	97	110
Forests:					
44	Forest inventories .....	—	—	17	23
45	Forest fire protection .....	69	3	42	62
46	Forest access roads and trails .....	—	—	115	151
47	Bud worm control .....	—	—	—	499
48	Reforestation .....	—	25	1	—
49	Forest stand improvement .....	—	—	236	—
Lands; settlement and agriculture:					
50	Agricultural lime assistance .....	18	71	116	106
51	Land protection and reclamation .....	125	—	—	—
52	Transport of fodder, equipment and cattle .....	—	—	—	—
53	Farm labour agreements .....	—	5	9	4
54	Construction of potato warehouses .....	—	—	—	—
55	Harvesting cereal crops for fodder .....	—	—	—	—
56	Other .....	14	202 <sup>4</sup>	5	2
57	Other .....	—	—	—	—
58	<b>Total natural resources .....</b>	<b>292</b>	<b>335</b>	<b>638</b>	<b>957</b>
Other:					
59	Civil defence .....	29	16	182	145
60	Winter works projects in municipalities .....	214	11	312	324
61	Grants to research councils .....	—	—	15	—
62	Other .....	267 <sup>7</sup>	—	—	—
63	<b>Total other .....</b>	<b>510</b>	<b>27</b>	<b>509</b>	<b>469</b>
64	<b>Total grants-in-aid and shared-cost contributions</b>	<b>21,645</b>	<b>4,275</b>	<b>25,366</b>	<b>22,605</b>
65	<b>Total amounts paid to provincial governments and territories .....</b>	<b>59,028</b>	<b>12,267</b>	<b>67,790</b>	<b>58,176</b>
Municipal corporations:					
66	Grants in lieu of taxes on federal property .....	141	121	2,065	977
67	Special grants .....	—	—	—	1,529 <sup>8</sup>
Grants-in-aid and shared-cost contributions:					
Transportation:					
68	Air .....	15	—	—	24
69	Road .....	24	—	—	—
70	Water .....	—	—	—	—
71	Health .....	4	—	—	—
72	Schools operated by local authorities .....	—	—	—	—
73	Slum clearance .....	—	—	260	150
74	Other .....	—	—	—	—
75	<b>Total amounts paid to municipal corporations ....</b>	<b>184</b>	<b>121</b>	<b>2,325</b>	<b>2,680</b>
76	<b>Grand total amounts paid to provincial governments, territories and municipal corporations ..</b>	<b>59,212</b>	<b>12,388</b>	<b>70,115</b>	<b>60,856</b>

<sup>1</sup> Federal tax abstention grant.

<sup>2</sup> Consists of Atlantic Provinces adjustment grant 7,500, additional subsidy 8,000, and annual statutory subsidies 1,656.

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

<sup>4</sup> Includes contributions in respect of fusarium rot, 195.

<sup>5</sup> Includes contributions in respect of crop insurance, 353.

<sup>6</sup> Conservation and control of water resources.

**TABLE 5. Amounts Paid to Provincial Governments, Territories and Municipal Corporations  
for Fiscal Year Ended March 31, 1962 - Concluded**

Que.	Ont.	Man.	Sask.	Alta.	B.C.	Sub-total	Yukon	N.W.T.	Total	No.
thousands of dollars										
—	73	36	40	—	—	149	—	—	149	42
—	—	—	—	—	—	302	—	—	302	43
—	189	19	37	83	335	703	—	—	703	44
281	290	84	85	134	198	1,248	—	—	1,248	45
1,100	221	277	264	518	1,240	3,886	—	—	3,886	46
—	—	—	—	—	—	499	—	—	499	47
—	179	8	10	5	—	228	—	—	228	48
—	—	—	—	—	—	236	—	—	236	49
2,239	37	—	—	—	75	2,662	—	—	2,662	50
—	—	217	—	—	—	342	—	—	342	51
—	—	317	690	85	—	1,092	—	—	1,092	52
21	11	17	20	57	8	152	—	—	152	53
—	—	141	38	—	24	203	—	—	203	54
—	—	19	163	4	—	186	—	—	186	55
19	60	379 <sup>5</sup>	33	10	7	731	—	—	731	56
—	156 <sup>6</sup>	—	—	—	37	193	50	10	253	57
3,660	1,216	1,514	1,380	896	1,924	12,812	50	10	12,872	58
427	1,011	151	109	443	566	3,079	—	—	3,079	59
10,634	5,371	633	1,161	2,531	3,057	24,248	—	5	24,253	60
—	40	—	15	10	15	95	—	—	95	61
—	—	—	—	—	—	267	2	—	269	62
11,061	6,422	784	1,285	2,984	3,638	27,689	2	5	27,696	63
170,908	187,063	31,030	30,388	40,750	72,427	606,457	731	606	607,794	64
237,384	312,990	73,583	73,132	103,821	149,409	1,147,580	1,217	1,218	1,150,015	65
3,481	11,831	1,594	886	1,717	2,133	24,946	—	88	25,034	66
—	215 <sup>7</sup>	—	—	—	—	1,744	—	—	1,744	67
26	25	22	7	6	85	210	—	—	210	68
—	2,634	—	93	237	—	2,988	—	—	2,988	69
140 <sup>10</sup>	—	—	—	—	57 <sup>11</sup>	197	—	—	197	70
—	643	—	—	—	—	647	—	—	647	71
158	423	261	219	757	304	2,122	—	—	2,122	72
1,046	1,460	—	—	—	215	3,131	—	—	3,131	73
4	—	—	—	—	—	4	—	—	4	74
4,855	17,231	1,877	1,205	2,717	2,794	35,989	—	88	36,077	75
242,239	330,221	75,460	74,337	106,538	152,203	1,183,569	1,217	1,306	1,186,092	76

<sup>7</sup> Contributions towards special works program for fishing settlements.

<sup>8</sup> Financial assistance to the town of Oromocto.

<sup>9</sup> Grant to city of Ottawa re interest on debentures issued to finance certain sewer and waterworks projects undertaken in advance of normal construction.

<sup>10</sup> Contribution in respect of retaining wall.

<sup>11</sup> Contributions in respect of bank protection on the Fraser River.



**TABLE 6. Direct and Indirect Debt Less Sinking Funds as at March 31, 1962**

No.	Item	Thousands of dollars
<b>Direct</b>		
1	Bonded debt .....	15,060,736
2	Deduct sinking funds .....	19,432
3	Item 1 less item 2 .....	15,041,304
4	Short-term treasury bills .....	1,885,000
5	Accounts and other payables .....	1,104,607
6	Annuity, insurance and pension accounts .....	4,258,100
7	Other liabilities .....	363,403
8	<b>Total direct debt less sinking funds<sup>1</sup></b> .....	<b>22,652,414</b>
<b>Indirect</b>		
9	Guaranteed bonds or debentures .....	1,636,115
10	Deduct sinking funds .....	—
11	Item 9 less item 10 .....	1,636,115
12	Guaranteed bank loans .....	168,540
	Other guarantees:	
13	Loans by lenders under Part IV of the National Housing Act, 1954 .....	11,300
14	Insured loans by approved lenders under National Housing Act, 1954 .....	3,640,000
15	Insurance and guarantees under Export Credits Insurance Act .....	291,700
16	<b>Total indirect debt less sinking funds<sup>2</sup></b> .....	<b>5,747,655</b>
17	<b>Total direct and indirect debt less sinking funds</b> .....	<b>28,400,069</b>
18	<b>Direct debt (item 8) per capita<sup>3</sup></b> .....	<b>\$ 1,220</b>
19	<b>Indirect debt (item 16) per capita<sup>3</sup></b> .....	<b>\$ 310</b>

<sup>1</sup> See Table 9 for reconciliation with total liabilities per Public Accounts.

<sup>2</sup> Excludes deposits maintained by chartered banks in the Bank of Canada 696,007.

<sup>3</sup> Based on population at June 1, 1962, estimated by the Census Division to be 18,570.

**TABLE 7. Assets Offsetting Direct Debt as at March 31, 1962**

No.	Item	Thousands of dollars
1	Cash .....	927,798
2	Advances to the exchange fund account .....	1,793,000
	Loans to and investments in:	
3	Own government enterprises .....	3,906,529
4	International organizations .....	659,936
5	Other investments .....	94,687
	Other receivables:	
6	Provincial governments .....	101,899
7	Municipal governments .....	10,375
8	Foreign governments .....	1,420,077
9	Other .....	301,023
10	Other assets including prepaid and deferred charges .....	1,047,179
11	Deficit less surplus, reserves, unexpended balances and deferred revenue .....	12,389,911
12	<b>Total represented by direct debt</b> .....	<b>22,652,414</b>

**TABLE 8. Analysis of Indirect Debt by Issuing Authority as at March 31, 1962**

No.	Item	Thousands of dollars
	By issuing authority:	
	Bonds or debentures of:	
1	Own government enterprises .....	1,636,115
2	Other .....	—
	Bank loans of:	
3	Own government enterprises .....	113,566
4	Other .....	54,974
5	Other guarantees .....	3,943,000
6	<b>Total indirect debt less sinking funds per Table 6 item 16 .....</b>	<b>5,747,655</b>

**TABLE 9. Reconciliation of Total Direct Debt Less Sinking Funds with Total Liabilities per Public Accounts as at March 31, 1962**

No.	Item	Thousands of dollars
1	<b>Total liabilities per Public Accounts .....</b>	<b>22,907,814</b>
	Additions:	
2	Working capital fund liabilities .....	2,861
3	Special fund liabilities .....	5,245
4	Payables offset against assets .....	10
5	<b>Total additions .....</b>	<b>8,116</b>
	Deductions:	
6	Sinking funds and other investments held for retirement of unmatured bonded debt <sup>1</sup> .....	19,432
7	Trust fund assets <sup>1</sup> .....	25,866
	Other: <sup>2</sup>	
	Deferred revenue and reserves:	
8	Deferred credits .....	94,991
9	Suspense accounts .....	1,394
	Unexpended balances of special funds:	
10	Replacement of materiel account .....	1,396
11	Colombo plan fund .....	77,626
12	National capital fund .....	3,660
13	Railway grade crossing fund .....	33,754
14	Defence research board — Extramural research grants .....	49
15	National research council — special fund .....	1,973
16	Fraser River bridge — maintenance account .....	548
17	Miscellaneous .....	149
18	Common school funds — Ontario and Quebec .....	2,678
19	<b>Total deductions .....</b>	<b>263,516</b>
20	<b>Total direct debt less sinking funds per Table 6 item 8 .....</b>	<b>22,652,414</b>

<sup>1</sup> Deducted from assets per Public Accounts and offset against liabilities in these statistics.

<sup>2</sup> 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, 1961	Changes during fiscal year ended March 31, 1962		As at March 31, 1962
		New issues	Retirements	
	thousands of dollars			
Canada .....	14,002,750	3,456,045	2,528,225	14,930,570
New York .....	98,175	—	—	98,175
London (England) .....	31,990	1 <sup>1</sup>	—	31,991
<b>Total bonded debt</b> .....	<b>14,132,915</b>	<b>3,456,046</b>	<b>2,528,225</b>	<b>15,060,736</b>
Population (000's) .....	18,238 <sup>2</sup>	—	—	18,570 <sup>3</sup>
Bonded debt per capita (\$) .....	775	—	—	811

<sup>1</sup> Issued in exchange for Newfoundland stock which was due in 1936.

<sup>2</sup> Per Census of June 1, 1961.

<sup>3</sup> As at June 1, 1962, per estimate made by Census Division.

TABLE 11. Bonded Debt by Interest Rate

Rate of interest %	As at March 31, 1961	Changes during fiscal year ended March 31, 1962		As at March 31, 1962
		New issues	Retirements	
		thousands of dollars		
2¾ .....	448,175	475,000	41,419	881,756
3 .....	1,977,220	525,001	1,323,987	1,178,234
3¼ .....	834,102	250,000	124,247	959,855
3½ .....	404,976	200,000	5,689	599,287
3¾ .....	1,912,160	161,500	214,767	1,858,893
4 .....	650,000	350,000	—	1,000,000
4¼ .....	1,506,734	200,000	79,506	1,627,228
4½ .....	2,151,549	175,000	123,620	2,202,929
5½ .....	1,000,032	81,722	138,302	943,452
3¼-4 <sup>1</sup> .....	111,951	—	21,437	90,514
3¼-4¾ <sup>2</sup> .....	709,784	—	49,413	660,371
3½-4¾ <sup>3</sup> .....	338,868	—	78,134	260,734
4-5 <sup>4</sup> .....	2,087,364	64,938	327,704	1,824,598
4¼-5 <sup>5</sup> .....	—	972,885	—	972,885
Total bonded debt .....	14,132,915	3,456,046	2,528,225	15,060,736
Average interest rate (%) .....	3.98	—	—	4.01

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

<sup>2</sup> Canada Savings Bonds issued in 1957. Interest is payable at the rate of 4¾% per annum to maturity in 1970.

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

<sup>4</sup> Canada Savings Bonds issued in 1959 and 1960. For the 1959 series, interest is payable at the rate of 4¼% 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 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.

<sup>5</sup> Canada Savings Bonds issued in 1961. Interest is payable at the rate of 4¼% per annum to November 1, 1962, thereafter at 4½% per annum to November 1, 1968, and thereafter at 5% per annum to maturity in 1971.



TABLE 12. Bonded Debt by Term of Issue

Term in years <sup>1</sup>	As at March 31, 1961	Changes during fiscal year ended March 31, 1962		As at March 31, 1962
		New issues	Retirements	
thousands of dollars				
1 .....	—	825,000	90,000	735,000
1½ .....	300,000	175,000	110,000	365,000
2 .....	175,000	200,000	—	375,000
2½ .....	140,000	—	—	140,000
3 .....	2,418,553	600,000	1,152,236	1,866,317
4 .....	100,000	—	—	100,000
5 .....	—	175,000	—	175,000
5½ .....	—	100,000	—	100,000
6 .....	—	100,000	—	100,000
7 .....	1,266,723	—	832	1,265,891
9 .....	1,316,537	—	111,202	1,205,335
10 .....	850,827	1,037,823	216,502	1,672,148
11 .....	62,287	—	11,822	50,465
12 .....	445,249	—	49,644	395,605
12½ .....	111,951	—	21,437	90,514
13 .....	709,784	—	49,413	660,371
14 .....	1,366,734	—	79,506	1,287,228
15 .....	338,868	—	78,134	260,734
16 .....	121,993	81,722	56,580	147,135
17 .....	53,473	—	53,473	—
18 .....	573,020	—	41,419	531,601
20 .....	150,000	—	—	150,000
21 .....	245,202	—	—	245,202
22 .....	300,000	—	49,165	250,835
25 .....	2,751,703	—	205,990	2,545,713
30 .....	30,011	1	—	30,012
41½ .....	250,000	—	51,870	198,130
Perpetual <sup>2</sup> .....	55,000	—	—	55,000
On demand <sup>2,3</sup> .....	—	161,500	99,000	62,500
Total bonded debt .....	14,132,915	3,456,046	2,528,225	15,060,736
Average term of issue (years) .....	13.29	—	—	12.19

<sup>1</sup> If the term includes more or less than an exact half-year, it is rounded to the nearest year. If the term includes an exact half-year, or if the full term is less than six months, it is unadjusted.

<sup>2</sup> Excluded when calculating average term of issue.

<sup>3</sup> Redeemable by the Unemployment Insurance Fund on demand subject to 30 days' notice.

TABLE 13. Bonded Debt by Year of Maturity

Year of maturity fiscal year ending March 31	As at March 31, 1961	Changes during fiscal year ended March 31, 1962		As at March 31, 1962
		New issues	Retire- ments	
thousands of dollars				
1962	1,123,987	—	1,123,987	—
1963	1,094,717	725,000	286,933	1,532,784
1964	1,035,619	475,001	6,611	1,504,009
1965	250,000	600,000	—	850,000
1966	1,379,849	—	24,122	1,355,727
1967	312,132	175,000	13,203	473,929
1968	65,193	200,000	13,151	252,042
1969	1,586,537	—	152,621	1,433,916
1970	191,951	—	21,437	170,514
1971	1,760,611	64,938	265,915	1,559,634
1972	—	972,885	—	972,885
1973	1,366,734	—	79,506	1,287,228
1974	338,868	—	78,134	260,734
1975	60,206	—	—	60,206
1976	159,260	81,244	56,580	183,924
1977	300,702	478	49,165	252,015
1978	250,000	—	33,642	216,358
1980	400,000	—	48,728	351,272
1984	2,151,549	—	123,620	2,027,929
1998	250,000	—	51,870	198,130
Perpetual	55,000	—	—	55,000
On demand	—	161,500	99,000	62,500
Total bonded debt	14,132,915	3,456,046	2,528,225	15,060,736

TABLE 14. Redemption Features of Bonded Debt

Fiscal year ending March 31	As at March 31, 1962			
	Non-callable issues by year of maturity		Callable issues	
	Savings bonds <sup>1</sup>	Other	By year of maturity	By earliest call year
thousands of dollars				
1963 .....	24,287	1,508,497	—	598,388
1964 .....	26,178	1,222,820	255,011	—
1965 .....	—	850,000	—	—
1966 .....	89,836	1,265,891	—	—
1967 .....	53,727	175,000	245,202	55,000
1968 .....	52,042	200,000	—	308,581
1969 .....	1,125,335	—	308,581	—
1970 .....	90,514	80,000	—	—
1971 .....	1,359,634	200,000	—	—
1972 .....	972,885	—	—	—
1973 .....	—	1,287,228	—	—
1974 .....	260,734	—	—	—
1975 .....	—	—	60,206	467,193
1976 .....	—	145,955	37,969	—
1977 .....	—	1,180	250,835	—
1978 .....	—	—	216,358	—
1980 .....	—	351,272	—	—
1984 .....	—	2,027,929	—	—
1997 .....	—	—	—	198,130
1998 .....	—	—	198,130	—
Perpetual .....	—	—	55,000	—
On demand .....	—	62,500	—	—
Sub-totals .....	4,055,172	9,378,272	1,627,292	—
Total bonded debt .....	15,060,736			

<sup>1</sup> 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.

TABLE 15. Functional-Economic Cross-Classification of Gross General Expenditure  
for Fiscal Year Ended March 31, 1962

No.	Functional analysis	Total as per Table 2	Economic analysis					
			Goods and services		Trans- fer payments (including interest) (c)	Sub- sidies to busi- ness (d)	Trans- fers to other levels of govern- ment (e)	Non- relevant items (f)
			Salaries and wages (a)	Other (b)				
thousands of dollars								
1	Defence services and mutual aid .....	1,648,594	743,084 <sup>1</sup>	901,961	147	—	1,646	1,756
2	Veterans' pensions and other benefits .....	337,890	50,308	28,613	251,535	—	4	7,430
General government:								
3	Executive and administrative .....	252,767	125,930	124,537	6	—	—	2,294
4	Legislative .....	9,547	3,146	6,401	—	—	—	—
5	Research, planning and statistics ..	24,803	10,084	14,719	—	—	—	—
6	Total general government .....	287,117	139,160	145,657	6	—	—	2,294
Protection of persons and property:								
7	Law enforcement .....	8,171	5,679	2,492	—	—	—	—
8	Corrections .....	23,045	11,105	11,906	—	—	—	34
9	Police protection .....	48,630	35,494	13,106	1	—	—	29
10	Other .....	9,021	5,980	3,015	26	—	—	—
11	Total protection of persons and property .....	88,867	58,258	30,519	27	—	—	63
Transportation:								
12	Air .....	95,866	22,498	65,466	393	507	210	6,792
13	Road .....	88,557	2,094	26,900	2	—	55,265	4,296
14	Rail .....	90,522	1,086	1,189	—	87,747	—	500
15	Water .....	115,595	23,405	79,435	12	8,752	211	3,780
16	Other .....	3,338	2,722	616	—	—	—	—
17	Total transportation .....	393,878	51,805	173,606	407	97,006	55,686	15,368
18	Communications (telephone, telegraph and wireless) .....	36,403	12,525	23,873	—	—	—	5
Health:								
19	General .....	5,780	1,770	872	—	—	3,138	—
20	Public health .....	35,036	3,884	5,741	63	—	25,348	—
21	Medical, dental and allied services ..	7,937	2	6,268	32	—	1,637	—
22	Hospital care .....	317,780	8,698	2,278	3,921	—	302,883	—
23	Total health .....	366,533	14,352	15,159	4,016	—	333,006	—
Social welfare:								
24	Aid to aged persons .....	656,065	116	30	625,108	—	30,811	—
25	Aid to blind persons .....	4,194	—	—	64	—	4,130	—
26	Aid to unemployed employables and unemployables .....	108,478	—	—	—	—	108,478	—
27	Family allowances .....	523,917	2,815	321	520,781	—	—	—
28	Labour .....	3,075	2,067	1,002	6	—	—	—
29	National employment and unemploy- ment insurance services .....	102,964	38,784	8,622	—	—	—	55,558 <sup>3</sup>
30	Other .....	25,230	4,631	16,987	3,303	—	309	—
31	Total social welfare .....	1,423,923	48,413	26,962	1,149,262	—	143,728	55,558
Recreational and cultural services:								
32	Archives, art galleries, museums and libraries .....	3,313	1,510	1,801	2	—	—	—
33	Parks .....	20,446	10,344	7,801	32	—	1,714	555
34	Other .....	8,214	4,410	3,403	369	—	—	32
35	Total recreational and cultural services .....	31,973	16,264	13,005	403	—	1,714	587
Education:								
36	Indian and Eskimo schools .....	35,685	8,124	14,845	10,718	—	1,998	—
37	Universities, colleges and other schools .....	55,408	90	—	19,359	—	35,959	—
38	Other .....	2,476	—	15	2,219	—	242	—
39	Total education .....	93,569	8,214	14,860	32,296	—	38,199	—

See footnotes at end of table.



**TABLE 15. Functional-Economic Cross-Classification of Gross General Expenditure  
for Fiscal Year Ended March 31, 1962 - Concluded**

No.	Functional analysis	Total as per Table 2	Economic analysis					
			Goods and services		Transfer payments (including interest) (c)	Sub- sidies to busi- ness (d)	Trans- fers to other levels of govern- ment (e)	Non- relevant items (f)
			Salaries and wages (a)	Other (b)				
thousands of dollars								
	Natural resources and primary industries:							
40	Fish and game .....	23,197	11,313	9,969	525	870	451	69
41	Forests .....	15,016	5,432	2,752	32	—	6,800	—
42	Lands: settlement and agriculture .....	295,448	44,078	47,213	96,533	97,454	5,368	4,802
43	Minerals and mines .....	46,456	8,205	5,967	85	32,199	—	—
44	Water resources .....	2,407	1,261	990	—	—	156	—
45	Other .....	22,287	10,775	11,409	6	—	97	—
46	<b>Total natural resources and primary industries .....</b>	<b>404,811</b>	<b>81,064</b>	<b>78,300</b>	<b>97,181</b>	<b>130,523</b>	<b>12,872</b>	<b>4,871</b>
47	Trade and industrial development .....	13,553	5,859	7,677	15	—	2	—
48	National capital area planning and development .....	16,794	2,540	2,780	—	—	1,155	10,319
	Debt charges (excluding debt retirement):							
49	Commission on bond or debenture sales and other management charges .....	15,792	—	785	—	—	—	15,007
50	Amortization of bond discount .....	18,670	—	—	—	—	—	18,670
51	Interest .....	802,918	—	—	802,918	—	—	—
52	Other .....	1,605	—	1,605	—	—	—	—
53	<b>Total debt charges (excluding debt retirement) .....</b>	<b>838,985</b>	<b>—</b>	<b>2,390</b>	<b>802,918</b>	<b>—</b>	<b>—</b>	<b>33,677</b>
54	Payments to government enterprises .....	170,931	—	—	—	—	—	170,931 <sup>4</sup>
	Payments to provincial and municipal governments (unconditional):							
	Provincial:							
55	Federal-provincial tax-sharing arrangements .....	479,269	—	—	—	—	479,269	—
56	Share of income tax on power utilities .....	6,396	—	—	—	—	6,396	—
57	Subsidies .....	56,556	—	—	—	—	56,556	—
	Municipal:							
58	Grants in lieu of taxes .....	25,034	—	—	—	—	25,034	—
59	<b>Total payments to provincial and municipal governments .....</b>	<b>567,255</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>567,255</b>	<b>—</b>
	Other expenditure:							
60	Citizenship and immigration .....	16,393	11,855	3,403	1,135	—	—	—
61	External affairs .....	19,965	8,913	11,052	—	—	—	—
62	International co-operation and assistance .....	67,396	569	66,554	252	—	—	21
63	Postal service .....	214,804	—	—	—	—	—	214,804 <sup>5</sup>
64	Royal Canadian Mint .....	1,714	941	773	—	—	—	—
65	Housing research and slum clearance .....	4,111	—	980	—	—	3,131	—
66	Civil defence .....	7,607	687	3,841	—	—	3,079	—
67	Winter works projects .....	24,348	—	95	—	—	24,253	—
68	Other .....	100,011	63,457 <sup>6</sup>	24,863	10,699	—	362	630
69	<b>Total other expenditure .....</b>	<b>456,349</b>	<b>86,422</b>	<b>111,561</b>	<b>12,086</b>	<b>—</b>	<b>30,825</b>	<b>215,455</b>
70	<b>Sub-totals .....</b>	<b>7,177,425</b>	<b>1,318,268</b>	<b>1,576,923</b>	<b>2,350,299</b>	<b>227,529</b>	<b>1,186,092</b>	<b>518,314</b>
	Non-expense and surplus payments:							
71	Refunds of previous years' revenue ..	86	—	—	—	—	—	86
72	Other .....	207	—	46	—	—	—	161
73	<b>Total gross general expenditure ..</b>	<b>7,177,718</b>	<b>1,318,268</b>	<b>1,576,969</b>	<b>2,350,299</b>	<b>227,529</b>	<b>1,186,092</b>	<b>518,561</b>

<sup>1</sup> Includes 540,292 in respect of pay and allowances, defence forces.

<sup>2</sup> Included in "Hospital care" below.

<sup>3</sup> Contribution to the Unemployment Insurance Fund.

<sup>4</sup> Offset against revenue in the National Accounts.

<sup>5</sup> The Post Office is treated as a government enterprise for National Accounts purposes, hence that Department's expenditure, including salaries and wages of 130,418, is offset against revenue in the economic analysis.

<sup>6</sup> Includes overtime earnings 15,503 and retroactive payments 2,310 which cannot be classified functionally.

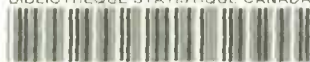
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