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FEDERAL GOVERNMENT FINANCE

Revenue and Expenditure

Direct and Indirect Debt

1968

(Fiscal Year Ended March 31, 1969)

DOMINION BUREAU OF STATISTICS

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Governments Division

Federal Government Section

FEDERAL GOVERNMENT FINANCE

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68-202 Consolidated Government Finance – Federal, Provincial and Local Governments, A.
68-502 Comparative Statistics of Public Finance, 1956 to 1960, O.

Federal Government Statistics

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68-505 A Review of Conferences on Municipal Finance Statistics, 1937-66, O.
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A – Annual

M – Monthly

Q – Quarterly

O – Occasional

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CATALOGUE No.

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ANNUAL

Federal Government Finance

1968

(Fiscal Year Ended March 31, 1969)

ERRATA

It would be appreciated if the following changes were made to the above mentioned publication.

Table 14 - Headings now read 1968 1967 1966 1965 1964

Table 14 - Headings should read ... 1969 1968 1967 1966 1965

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SYMBOLS

The following standard symbols are used in Dominion Bureau of Statistics publications:

- .. figures not available.
- ... figures not appropriate or not applicable.
- nil or zero.
- amount too small to be expressed.
- P preliminary figures.
- r revised figures.

NOTE

The symbol - indicates nil. It has also been used to indicate amounts under \$500. All figures appearing in footnotes to tables are in thousands of dollars.

Percentage changes mentioned in the text are based on data rounded to the nearest thousand.

FEDERAL GOVERNMENT FINANCE

Revenue and Expenditure

Direct and Indirect Debt

1968

(Fiscal Year Ended March 31, 1969)

INTRODUCTION

This publication presents statistics on revenue by source, expenditure by function, and on direct and indirect debt of the Government of Canada for the fiscal year ended March 31, 1969. It constitutes a part of the Financial Management series of statistics developed by the Governments Division of DBS covering the Federal, Provincial and Local levels of government. The series is designed to show the cost of services provided and the sources of the revenue raised to meet these costs.

The classification of revenue by source and expenditure by function was developed to provide information on the nature and the amount of public expenditure devoted to a particular service together with the revenue available to meet expenditures. As revenue and expenditure of Provincial and Local Government in Canada are similarly classified, the sources of revenue and functions of expenditures of the Federal Government may be compared with those of Provincial and Local Government with a greater degree of consistency, than is possible through use of the Public Accounts produced by each government, which are largely confined to the reporting of financial transactions incurred by departments of government. A consolidation of Federal, Provincial and Local Government revenue and expenditure is presented in DBS publication "Consolidated Government Finance" Catalogue No. 68-202.

The responsibilities of the Federal Government are discharged through various administrative bodies which for statistical purposes have been classified as:

- (a) Departmental organizations
- (b) Special funds and agencies
- (c) Institutions
- (d) Trust funds
- (e) Enterprises.

This report provides an analysis of "general" revenue and expenditure of the Government of Canada. The term "general" is used to signify that these statistics include the revenue and expenditure of departmental organizations, special funds and agencies (see Table 8 on page 23) and institutions. Financial transactions of trust and agency funds are excluded as the government is acting merely as an agent in respect of these funds. Federal government enterprises are reported on separately (Catalogue No. 61-203), but the profits that are remitted and the payments by the government to the enterprises, in respect of deficits, are included in this report - Table 1, item 23 and Table 2, item 62.

Since the primary purpose of this publication is to provide information on the source of revenue and types of services provided, certain adjustments are made to basic source data which records revenue and expenditure on an organizational basis. For the most part, these adjustments involve the recasting of the data from the organizational basis into the source and function framework developed for the Financial Management series. For instance, expenditure for "Fitness and amateur sport", which is the responsibility of the Department of National Health and Welfare, is classified as "Welfare" in the Public Accounts, whereas in this report this expenditure is classified within the "Education" and "Recreational and cultural services" functions.

The terms "Gross general revenue" and "Gross general expenditure" are peculiar to the Financial Management statistical series. These terms are used to signify that they include certain items of revenue and expenditure, which, within the Public Accounts, are offset against expenditure and revenue respectively. The revenue items which are offset against expenditure in the Public Accounts are: (a) conditional transfers from provincial governments; (b) revenue from certain privileges, licenses and permits; (c) revenue from certain sales of goods and services; and, (d) some items of other revenue. The only expenditure offset against revenue was the remuneration of postmasters and staff of revenue post offices and certain miscellaneous expenditures of these post offices.

The term "Net general revenue" as used in this report indicates that the "Gross general revenue" has been adjusted by deducting: (a) institutional revenue; (b) interest revenue; and, (c) conditional transfers from provincial governments. "Cost of services provided" includes the expenditure of amounts recovered as conditional transfers from other levels of government and must, therefore, be differentiated from the cost, to the particular government, of the services provided by it.

The concept of "Cost of services provided" should be used in the knowledge that it represents, at the federal level, gross expenditure on services provided by the federal government reduced, according to convention, by revenue derived from operation of federal institutions (e.g. the sale of farm produce by experimental farms, or the sale of items produced at federal penitentiaries) and by interest revenue.

Because of adjustments made to the basic source data, and which are reported in the Reconciliation Tables 9 and 10, the difference between revenue and expenditure in this report does not represent budgetary surplus or deficit of the Federal Government for the year, as shown in the Public Accounts.

Tables 11 and 12 are new to this publication. They set out reconciliations of federal government revenue and expenditure as determined for the purposes of the financial management series with those determined for the purposes of the National Income and Expenditure series. The financial management series, as stated above, is designed to portray revenue derived from each of the federal government sources and the cost of the services provided. These are measured essentially on a "cash" basis. The National Income and Expenditure series, on the other hand, is designed to measure production and the distribution of the fruits of production. The federal government sub-sector of this series shows the impact of the operations of this government on other levels of government and on other sectors of the economy. Certain revenues and expenditures of the federal government are presented on an "accrual" basis, in order to permit a better estimate of production.

This cash versus accrual approach, however, is only one of the basic differences between the two series. Others exist because of differences in coverage and in treatment of particular items. The results of these differences, which are summarized in the reconciliations, may be grouped under the following broad categories:

1. Differences in Coverage - For purposes of the financial management series the concept of "general government", differs from that used in the National Income and Expenditure series, as the purpose of the series differ and the statistical universe of each is designed to meet its particular objective. Thus, for instance, in the financial management series the operations of the Canadian Government Elevators are excluded as being those of an enterprise, while in the National Income and Expenditure series they are included as being an integral part of general government. The operations of the Post Office, on the other hand, are deemed, by international convention, to be those of an enterprise in the National Income and Expenditure series, but are included as part of general government in the financial management series.
2. Differences in Treatment of Transactions - Differences in concept and purpose give rise to differences in treatment of similar transactions in the two series. For example all revenues are shown gross in the financial management series, whereas revenues from sales of goods and services are netted against expenditures in the National Income and Expenditure series. Purchases of land are included in the financial management series as part of the cost of services provided, but are excluded in the National Income and Expenditure series, as not reflecting production.
3. Differences in Timing - As previously mentioned, revenues and expenditures, within the financial management series are measured on a cash basis, while within the National Income and Expenditure series, to the extent that they are used to estimate production, they are measured on an accrual basis.

Further detail on specific adjustments in the reconciliations is provided in the analysis portion of this commentary.

Tables 15-23 of this report portray various aspects of the debt of the Government of Canada. As in the case of revenue and expenditure, the source data with respect to direct and indirect debt are obtained from the Public Accounts of Canada.

Review of the Fiscal Year 1968-69

Net General Revenue

Net general revenue for the fiscal year ended March 31, 1969, amounted to \$11,614 million, an increase of 11.9 per cent over that of the previous fiscal year. Tax revenue of \$10,619 million constituted 91.4 per cent of the total with the remaining \$995 million or 8.6 per cent being from non-tax sources.

Total tax revenue increased by \$1,062 million or 11.1 per cent between the 1968 and 1969 fiscal years. Revenue from personal income tax increased by 18.8 per cent as a result of: (a) an increase in salaries and wages (12 per cent per National Income and Expenditure Accounts - Preliminary Fourth Quarter and Annual - 1969, Catalogue No. 13-001); (b) the continuation of the 3 per cent surtax levy on the basic tax in excess of \$200; and, (c) the new social development tax which became effective January 1, 1969. This latter tax is the lesser of 2 per cent of taxable income or \$120.

Revenue from corporation income tax increased by 21.6 per cent. This increase was due to the continuing effects of: (a) the shift forward of the payment period for corporations announced in November, 1967; (b) the termination of the accelerated depreciation programs at the end of 1966 and early 1967; (c) the three year curtailment of capital cost allowances for certain classes of assets purchased between March 30, 1966 and April 1, 1967; and to the levying of the 3 per cent surtax on corporation income tax.

Revenue from the general sales tax decreased by 2.2 per cent from the total for the 1967-68 fiscal year. The decrease was primarily the result of the cancellation, during 1967-68, of the sales tax on production machinery and drugs.

Pursuant to the Federal-Provincial Fiscal Arrangements Act, 1967, the federal government abates, to individual taxpayers in all provinces except Quebec, 28 per cent of the federal income tax otherwise payable, to compensate for income tax imposed by those provinces. By agreement the federal government collects the provincially imposed personal income tax on behalf of all provinces except Quebec.

Residents of the province of Quebec receive an abatement equal to 50 per cent of the federal income tax otherwise payable. This larger abatement is in recognition of Quebec's withdrawal from certain joint programs (see page 11). The province of Quebec collects its own tax.

Corporations in all provinces, under provisions of the Federal-Provincial Fiscal Arrangements Act, 1967, are permitted a 10 per cent abatement of the federal corporation income tax payable. The federal government collects the corporation income tax on behalf of all provinces except Ontario and Quebec. During the 1968-69 fiscal period the federal government collected, on behalf of the provinces, \$1,089 million personal income tax and \$171 million corporation income tax. These amounts are not included in the statistics in this publication.

The Federal-Provincial Fiscal Arrangements Act, 1967, provided that the federal government contribute, to those provinces which have abstained from the imposition of succession duties, an amount equal to 75 per cent of the federal estate tax collected in those provinces. It further provided that the federal government contribute, either by abatement and/or payment, 75 per cent of the federal estate tax collected in those provinces which did impose succession duties. Succession

duty rates in British Columbia are such that estates in that province are accorded an abatement of 75 per cent of the federal estate tax. Succession duty rates in Ontario and Quebec are such that estates in these provinces are accorded an abatement of 50 per cent of the federal estate tax, the provinces receiving a contribution from the federal government of 50 per cent of the estate tax revenue collected from estates in those provinces. All other provinces abstained from the succession duty field and received contributions equal to 75 per cent of the federal estate tax collected in their respective provinces. Federal estate taxes collected and subsequently paid to provinces are included in both the revenue and expenditure in the financial management series.

Table 13 on page 27 provides an historical summary of net general revenue, by source, for the fiscal years ended March 31, 1965 to 1969 inclusive. Net general revenue, between the years ended March 31, 1965 and 1969, rose by \$3,696 million or 46.7 per cent. Total tax revenue made up some \$3,293 million of this increase, with the personal income tax increase of \$1,799 million (70.9 per cent greater than in 1965) being the greatest single factor. Revenue from the corporation income tax was greater by \$544 million (32.6 per cent) in the 1969 fiscal year than in the 1965 fiscal year. As a percentage of net general revenue it has decreased to 19.1 per cent for 1968-69 from 21.1 per cent for 1964-65.

Cost of Services Provided

"Cost of services provided" was \$12,233 million for the fiscal year 1968-69. This was \$1,158 million or 10.5 per cent higher than in the 1967-68 fiscal year.

Social welfare, which accounted for an outlay of \$2,852 million or 23.3 per cent of the total, was again the largest item of expenditure. Social welfare expenditure increased by \$223 million over the previous fiscal year. This was due primarily to increased expenditure of \$153 million in payments from the Old Age Security Fund, \$32 million in payments under the Canada assistance plan, \$2 million in family allowance payments and a net increase of \$36 million for the other items of social welfare.

Defence services expenditure was \$1,797 million, an increase of \$13 million over 1967-68, however, as a percentage of the total cost of services provided, it decreased to 14.7 per cent from 16.1 per cent for the previous year.

The total of unconditional and conditional transfers to provincial governments and territories amounted to \$2,352 million, an increase of \$297 million over the previous year. Unconditional transfers to provincial governments and territories under the Federal-Provincial Fiscal Arrangements Act, amounted to \$639 million, an increase of \$84 million over the previous year. Compensation due to withdrawal from joint programs amounted to \$187 million, an increase of \$34 million over 1967-68. Statutory subsidies were approximately the same as the previous year, while the share of income tax on public utilities increased by \$14 million. Conditional transfers increased by \$174 million of which \$126 million was for health purposes. Included in the increased payments for health purposes was \$33 million under the Medical Care Act.

Unconditional transfers to local governments amounted to \$48 million, an increase of \$4 million over the 1967-68 fiscal year. Conditional transfers at \$38 million represented a decrease of \$8 million from the previous year. This was due primarily to a reduction, \$15 million, in the amount of loan repayments forgiven under the Municipal Development and Loan Act, offset to some extent by increases, \$5 million, in grants for housing and urban renewal and \$3 million for transportation and communication purposes. Total unconditional and conditional transfers to local governments amounting to \$86 million, represented an overall decrease of \$4 million from the previous fiscal year.

Payments in respect of deficits of own enterprises amounted to \$225 million, an increase of \$7 million over the previous year. Remitted profits from own enterprises were \$200 million, an increase of \$10 million over the 1967-68 fiscal year. Details of these transactions are provided in Tables 4 and 5.

Debt charges, (interest expenditure net of interest revenue and excluding debt retirement), totalled \$1,074 million, an increase of \$134 million or 14.3 per cent over the fiscal year ended March 31, 1968. Interest on unmatured bonds and treasury bills increased by \$130 million due to; (a) an increase in the average rate of interest (Table 20); and, (b) an increase in the amount of outstanding bonds and treasury bills. Interest on other liabilities increased by \$17 million, due primarily to increases in the amount of interest payments to the Public Service Superannuation Account, \$7 million and the Canadian Forces Superannuation Account, \$7 million. Interest revenue, which is netted against interest expenditure, increased from \$368 to \$413 million. This was primarily the result of increased interest revenue received from the Canadian National Railway, \$13 million; Farm Credit Corporation, \$16 million; and, Central Mortgage and Housing Corporation, \$34 million.

Table 14 on page 28 provides an historical summary of the cost of services provided, by function, for the fiscal years ended March 31, 1965 to 1969 inclusive. Cost of services provided has increased over the five year period 1964-65 to 1968-69 by some 54.6 per cent. The largest increases in costs are found in the areas of "social welfare" and "Transfers to provincial governments, territories and local governments". The cost of the former increased by \$1,069 million or 60.0 per cent between 1964-65 and 1968-69. Unconditional transfers to provincial governments, territories and local governments increased during the five year period by \$536 million or 136.7 per cent. Total transfers to other levels of government increased by \$1,075 million or 78.9 per cent between 1964-65 and 1968-69. The cost of defence services, although increasing during the period, decreased, as a percentage of the total cost of services provided, from 19.7 per cent in 1964-65 to 14.8 per cent in 1968-69.

Debt Transactions

As at March 31, 1969 unmatured bonded debt amounted to \$19,261 million, an increase of \$1,161 million or 6.4 per cent over the total at March 31, 1968. New issues amounted to \$6,796 million of which \$108 million are payable in New York, \$67 million are payable in Germany, \$108 million are payable in Italy with the balance, \$6,513 million, payable in Canada. Bonds retired during the year amounted to \$5,635 million of which \$1,340 million were marketable, \$83 million were non-marketable and \$4,212 million were Canada Savings Bonds. Of the total bonds retired during the year, \$2 million were payable in New York with the balance payable in Canada.

Sales of Canada Savings Bonds, \$4,284 million, represented an increase of \$2,801 million over the sales for the previous year. Of this total \$3,204 million represented series 23, \$802 million were a replacement series with the balance, \$278 million, being additional sales of series 22. Non-marketable bonds in the amount of \$168 million were issued during the year with \$163 million being issued to the Unemployment Insurance Commission and \$5 million being issued to the Canada Pension Plan. The balance of the bonds issued, \$2,344 million, were marketable.

During the 1968-69 fiscal year interest rates, on sales of marketable and other bonds, continued their upward trend. Interest rates on the issues of marketable bonds varied from 5.50 per cent to 7.00 per cent and averaged 6.42 per cent as compared to 5.7 per cent for the previous period. The average rate of interest payable on all unmatured bonds increased during the year to 5.32 per cent from 4.89 per cent as at March 31, 1968 (this includes marketable, non-marketable and Canada Savings Bonds).

The amount of treasury bills outstanding at March 31, 1969, \$2,840 million, represented an increase of \$360 million over the previous year. The rate of interest payable on treasury bills increased during the year with the average rate on those outstanding at March 31, 1969 being 6.36 per cent compared to 6.31 per cent at March 31, 1968.

Reconciliations: Financial Management Series - National Account Series

These reconciliations summarize the differences between federal government revenue and expenditure within the financial management and the National Income and Expenditure series. The following are explanations of these adjustments:

- (a) Pension fund and Unemployment Insurance Fund transactions, other than government contributions to the Unemployment Insurance Fund, are excluded from the financial management series, as it is considered that the government acts merely as an agent in respect of these funds. They are however included in the National Income and Expenditure series. Therefore, employer and employee contributions to, and interest earned on these funds have been added to revenue while pension payments and unemployment insurance benefits less transfers to the Unemployment Insurance Fund have been added to expenditure.
- (b) The adjustment to investment income includes interest on pension and Unemployment Insurance funds mentioned in the preceding paragraph, together with the accrued interest on loans and advances and imputed banking services, less the covered losses of enterprises, which are netted against remitted profits of enterprises in the National Income and Expenditure presentation. The net loss of the Post Office, which is deemed an enterprise in National Income and Expenditure accounts, is included in this adjustment, the gross revenue and expenditure of the Post Office being deleted in subsequent adjustments.
- (c) Corporation income and withholding taxes have been adjusted to place them on an accrual basis.
- (d) Revenue of the Canadian Government Elevators has been added to revenue as it is deemed to be part of general government for National Income and Expenditure purposes and an enterprise in the financial management series. The expenditure of the Canadian Government Elevators has been added to government expenditures as part of the adjustment "Administrative expenses of agencies excluded from government in the financial management series". Other agencies whose administrative expenditures are included in this adjustment are Crown Assets Disposal Corporation and the Canada Pension Plan. The former is deemed to be an enterprise in the financial management series. The operations of the Canada Pension Plan are excluded from general government in the financial management series and while in National Income and Expenditure the contributions to and pensions paid from the Plan are deemed to be related to a separate level of government, the administrative expenses are included in the federal government sub-sector.
- (e) The adjustment of fines and penalties on persons has been made to provide the same presentation as in National Income and Expenditure.
- (f) Sales revenue is shown in gross in the financial management series, while in National Income and Expenditure, it is netted against expenditures. Consequently in arriving at National Income and Expenditure totals this amount must be deducted from both revenue and expenditure.
- (g) Adjustments, for revenue not arising from or expenditures not reflecting production, arise through the elimination of items in National Income and Expenditure. The items include the sale or purchase of land or used assets and seignorage on coinage, forfeiture of guarantees and gains on actuarial reserves or other like items.
- (h) Timing adjustments both in the case of revenue and expenditure relate primarily to different treatment of year end transactions within the two series. There are also minor adjustments with respect to entities which report in the Public Accounts budgetary framework on other than a March 31 year end.
- (i) Commissions paid with respect to bonds sold are written off in the financial management series over the life of the issue. Within National Income and Expenditure it is charged to the year in which the bonds are sold as that is the year in which the commission is earned.
- (j) The federal government neither receives interest on moneys on deposit in chartered banks, nor does it pay charges for services rendered by these banks. For National Income and Expenditure purposes these values are imputed and included in revenue within investment income and in expenditure within goods and services.
- (k) The actuarial deficiency of the superannuation fund is written off in the financial management series in the year it is charged to an appropriation, whereas in National Income and Expenditure it is amortized over a number of years.
- (l) The adjustment with respect to veterans' and old age security pensions and international assistance paid abroad is made to reflect these amounts in the same manner as in National Income and Expenditure. The deficit reimbursement of the Canadian Broadcasting Corporation is deemed to be a subsidy paid to industry in National Income and Expenditure rather than a covered deficit of a government enterprise as in the financial management series.

- (m) The adjustment for capital expenditure less capital consumption allowance or depreciation is made to reflect, in National Income and Expenditure, only that portion of gross capital formation which is deemed to have added to production during the year.
- (n) The adjustment with respect to transfers to or expenditures of special funds arises from differences in coverage, treatment of expenditures and timing.
- (o) Non-cash charges such as net reserves and write-offs are not included in National Income and Expenditure. Refunds of previous years expenditure are eliminated from the financial management series as being non-relevant, but are included in National Income and Expenditure negative expenditure, since they were included in the accounts of those repaying them during the year.

Explanatory Comments to Tables

Table 1. General Revenue

This table provides an analysis of general revenue by source and, for the first time, by economic classification.

The source classification, which is peculiar to the financial management series, indicates general revenue according to its nature, i.e. taxes, privileges, licenses and permits, sales and services, etc. The economic classification, which is prepared within the National Accounts framework, is an analysis indicating the means by which the revenue was derived.

Following are comments on certain items under the source and economic classifications:

Source classification

Taxes - On certain payments and credits to non-residents, item 3. - This is revenue derived from taxes withheld on payments, to non-residents, of dividends, interest, rents, royalties, alimony and on income from estates and trusts. The term non-resident covers corporations as well as individuals.

Sales and services - Institutional, item 15. - This revenue is derived incidental to the operation of experimental farms, penitentiaries, hospitals, etc.

Sales and services - Natural resources, item 16. - This is revenue derived from community pasture fees, grazing permits, rental of irrigated land, mine rents etc.

Sales and services - Other, item 17. - Includes revenue received by the RCMP under policing agreements, Prime Minister's payment re official residence, rentals from employees and others in government owned buildings and from confiscations.

Own enterprises - Remitted profits, item 23. - This represents the amount of profit which was remitted during the year. Table 4 on page 22 provides an analysis of this item. Statistics on the operation of federal government enterprises are provided in a DBS publication "Federal Government Enterprise Finance" Catalogue No. 61-203.

Economic classification

Direct taxes - Persons. - Includes personal income taxes, estate taxes, passport fees and certain fines and penalties.

Direct taxes - Business. - Includes corporation income taxes, taxes on certain payments and credits to non-residents (withholding tax) and certain fines and penalties.

Indirect taxes - Includes the general sales tax, excise duties and special excise taxes, customs import duties, and certain items of natural resource revenue such as, royalties, prospectors' licenses, and oil or gas leases.

Transfer from other levels of government. - These are amounts received from provincial governments under shared-cost programs.

Investment income. - Includes interest earned on investments, Foreign Exchange Fund net profit and remitted profits from own enterprises.

Table 2. General Expenditure

This table provides an analysis of general expenditure by functional and by economic classifications.

The functional analysis enables the user to study the cost of each of the services provided by the government viz., health, social welfare, education, defence services, etc. The economic analysis, which is prepared on a National Accounts basis, indicates the portion of that cost which is attributable to salaries and wages, to purchase of other goods and services, to transfer payments, etc. For example the cost of the sub-function, "Lands: settlement and agriculture", item 48, when analysed on a National Accounts basis reveals the following types of expenditure:

- (a) Goods and services:
 - (i) Salaries and wages
 - (ii) Other - Includes administrative charges, purchase of supplies and equipment, construction of buildings.
- (b) Transfer payments to:
 - (i) Provincial governments and territories - Includes payments under the Agricultural and Rural Development Act

- and the Crop Insurance Act, assistance in the control and eradication of barberry and rabies.
- (ii) Persons and non-commercial institutions - Includes compensation to owners for crops destroyed in combating plant diseases and pests, and grants made to agricultural fairs, exhibitions, museums and societies.
 - (iii) Business - Includes premiums on high quality cheese and premium warrants for high grade hog and lamb carcasses.

(c) Other items:

Mainly purchase of land and existing assets. These are eliminated from the National Income and Expenditure accounts, as not reflecting production.

Following are comments on certain items under the functional and the economic classifications:

Functional Classification

General government - Executive and administrative, item 1. - This includes expenditure on government buildings serving more than one function. Where a building serves one specific function, expenditures thereon are classified within that specific function. For example, Public Works expenditures on experimental farm buildings are classified under "Natural resources and primary industries - Lands: settlement and agriculture". This item also includes general items of payroll costs viz., the government's contribution towards public service superannuation, and the governments contribution, as an employer, to the Unemployment Insurance Fund. Certain major expenditures of a general nature are included within this category. Expenses of the Auditor General's Office, the Department of National Revenue, the Comptroller of the Treasury and the Dominion Bureau of Statistics are so included in this function.

Social Welfare - Aid to unemployed and unemployable, item 28. - This includes all expenditure made in connection with the administration of the Unemployment Insurance Act. Also included is the government's contribution to the Unemployment Insurance Fund (being 1/5 of the aggregate employer and employee contributions to the fund). Revenue and expenditure of the Unemployment Insurance Fund are excluded from these statistics since the fund is considered to be a trust fund administered by the government. The operations of the fund are shown in Table 7 on page 23.

Education - Universities, colleges and other schools, item 42. - Includes expenditure under the vocational and technical training programs, grants to universities and transfers to the provinces under the Post-Secondary Education program.

Education - Purchased manpower training services, item 43. - These are payments made, under contract, to provinces for providing occupational training courses to adults whose enrolment therein was arranged by a manpower officer and to those provinces for providing training in an occupational training course for apprentices.

Education - Other, item 44. - Includes payments for scholarships, fellowships, etc.

Own enterprises - Payments in respect of deficits, item 62. - These are payments to own enterprises in respect of deficits incurred in their operations. Table 5 on page 22 provides a breakdown of this item.

Other expenditure - Other, item 70. - Includes expenditure connected with the administration of the Government Annuities Act, and for the Dominion Observatories, the National Research Council and the Meteorological Division of the Department of Transport.

Cost of services provided, item 92. - This shows the cost of the services that are provided by the government, including the full cost of projects undertaken on a cost sharing basis with other levels of government. The cost of services provided is derived through the adjusting of gross general expenditure by netting revenues of an incidental nature i.e., institutional and interest, against the costs incurred to produce them (see item 91 for total deductions).

Economic Classification

Goods and services - Salaries and wages. - Includes those salaries charged to budgetary expenditure and those paid through special funds and agencies but excludes those salaries and wages incurred for postal services. Within the National Accounts framework the Post Office is classed as an enterprise, and only the net results of its operations are considered. For purposes of this economic analysis the postal services salaries and wages are included under "Other items".

Goods and services - Others. - This consists of current expenditures such as purchase of office supplies, travelling expenses, etc., also capital expenditure on construction of government buildings and other work performed by contractors. The cost indicated under postal services represents expenditures, made by other departments, which are directly related to postal services.

Transfer payments to - Provincial governments, territories and local governments. - These transfer payments are divided into two main categories; (a) unconditional transfers; and (b) conditional transfers. The unconditional transfers may be used by the recipient government for any purpose. The conditional transfers are related to a specific item of expenditure and must be used for that purpose. These transfers are shown in detail in Table 3 on page 16.

Transfer payments to - Persons and non-commercial institutions. - These are payments for which no productive services are rendered by the recipient. They do not measure currently produced goods and services, but rather the redistribution of income already produced. Recipients within this category, include private non-commercial institutions such as universities, hospitals and health associations. Some of the more significant payments are old age security pensions, family allowances and interest on the public debt.

Transfer payments to - Business. - These transfer payments consist of; (a) production and consumption subsidies to business, which have the direct effect of reducing the market price of goods and services; and (b) capital assistance to business which may be broadly defined as a payment to assist a business enterprise expand its productive capacity through the addition to or modernization of its modes of production.

Other items. - These are expenditures which are excluded from the National Accounts framework. Included herein are purchases of land and used fixed assets. Such expenditures do not represent current production but merely the transfer of ownership of existing assets. Also included are specific items which, in the National Accounts presentation are offset against revenue, e.g. payments re deficits of own enterprises.

The total of the items within the economic analysis does not agree with those appearing in Tables 43 to 46 of the DBS publication "National Accounts - Income and Expenditure" Catalogue No. 13-201. The primary reasons for the difference are the adjustments mentioned above, and those required to adjust the data from a fiscal year basis (as reported herein) to a calendar year basis (as reported by National Accounts).

Table 3. Transfers to Provincial Governments, Territories and Local Governments

Provincial Governments and Territories

Statutory subsidies, item 1. - Includes those subsidies paid annually under the terms of confederation, and various additional annual subsidies, based on fiscal need, which have been introduced over the years.

Fiscal arrangements, item 2. - Includes payments to the provinces under the Federal-Provincial Fiscal Arrangements Act, 1967, with respect to; (a) tax equalization; (b) provincial revenue stabilization; and (c) their abstention from the succession duty field.

Compensation due to withdrawal from joint programs, item 3. - Includes payments to the province of Quebec, under the Established Programs (Interim Arrangements) Act., with respect to its withdrawal from the following joint programs; the Hospital Insurance and Diagnostic Services; Old Age Assistance; Blind Persons Allowances; Disabled Persons Allowances; Unemployment Assistance; Canada Assistance Plan; Technical and Vocational Training and other miscellaneous health and welfare services.

Share of income tax on public utilities, item 4. - These are payments, to the provinces, of a share of the income tax collected by the federal government from corporations, whose main business is the generation and/or distribution of electricity, gas or steam to the public.

Grants in lieu of taxes on federal property (for municipal purposes), item 5. - These are grants to those provinces that levy a real estate tax to finance services ordinarily provided by municipalities. The same formula, used in computing grants in lieu of taxes paid to municipalities, is applied in computing these grants.

Items 1 to 5 are classified as unconditional transfers and as such may be used by the receiving government for any purpose (in Table 2 these are items 74 to 78). Items 7 to 83 are classified as conditional transfers and as such are directly related to, and contingent upon, expenditures made or to be made by the receiving government in connection with specified programs. In Table 2 (items 1 to 71), these conditional transfers are classified according to the function of expenditure to which they are related. For example Trans-Canada Highway grants, item 11 of this table, are included in item 12 of table 2.

Local Governments

Grants in lieu of taxes on federal property, item 86. - These are grants made under the Municipal Grants Act. They provide a degree of compensation to municipalities because of their inability, under federal law, to levy taxes on federal property.

Special grants, item 87. - This is a special assistance grant paid to the Town of Oromocto, New Brunswick, by the Department of National Defence.

Items 86 and 87 are classified as unconditional transfers and as such may be used by the receiving government for any purpose (in Table 2 these are items 79 and 80). Items 89 to 97 are classified as conditional transfers and as such are directly related to, and contingent upon, expenditures made or to be made by the receiving government. In Table 2 (items 1 to 71), these conditional transfers are classified according to the function to which they are related.

Tables 9 and 10 - Reconciliation of Gross and Net General Revenue and of Gross General Expenditure and Cost of Services Provided with Revenue and with Expenditure per Public Accounts for Fiscal year Ended, March 31, 1969.

To permit intergovernmental comparability, the revenue and expenditure data, appearing in the Public Accounts of all levels, require certain adjustments. In this publication the reconciliations, Tables 9 and 10, present a summary of the adjustments made at the federal government level.

Tables 11 and 12. - Reconciliation of Gross General Revenue and Gross General Expenditure within the Financial Management and National Income and Expenditure frameworks.

These reconciliations present summaries of the adjustments made to reconcile data within the financial management framework, which is designed to indicate the amount of revenue derived from various sources and the cost of the various services provided by the federal government, with those within the National Income and Expenditure framework, which is designed to indicate the impact of federal government operations on other levels of government and sectors of the economy.

Table 18. - Reconciliation of Total Direct Debt with Total Liabilities per Public Accounts.

Total liabilities per Public Accounts include not only direct debt but certain other items which, within the financial management framework, are not considered direct debt. These include:

- (a) Liabilities for securities held in trust.
- (b) Deferred revenue and reserves.
- (c) Unexpended balances of special funds.

These are deducted in the calculation of total direct debt. Certain other liabilities, within the Public Accounts framework, are netted against particular working capital fund or special fund asset accounts to which they apply. These have been added in the calculation of total direct debt for this publication.

TABLE 1. General Revenue for Fiscal Year Ended March 31, 1969

Source and Economic Classification

No.	Source classification	Gross revenue	Economic classification					
			Direct taxes		Indirect taxes	Transfers from other levels of government	Investment income	Other items
			Persons	Business				
thousands of dollars								
	Taxes:							
	Income:							
1	Corporation(1)	2,213,040		2,213,040				
2	Personal(1)	4,334,430	4,334,430					
3	On certain payments and credits to non-residents	205,566		205,566				
4	General sales(1)	2,097,963			2,097,963			
	Excise duties and special excise taxes:							
5	Alcoholic beverages	321,041			321,041			
6	Tobacco	497,517			497,517			
7	Other	66,148			66,148			
8	Customs import duties	761,681			761,681			
9	Estate taxes	112,377	112,377					
10	Other	9,428			9,428			
11	Total taxes	10,619,191	4,446,807	2,418,606	3,753,778			
	Privileges, licences and permits:							
12	Natural resources	12,623			12,051			572
13	Other	16,300	2,128		8,388			5,784
14	Total privileges, licences and permits	28,923	2,128		20,439			6,356
	Sales and services:							
15	Institutional	5,901						5,901
16	Natural resources	2,808			703			2,105
17	Other(2)	226,365	2	384	3,056			222,923
18	Total sales and services	235,074	2	384	3,759			230,929
19	Fines and penalties	5,568	1,150	1,479				2,939
	Interest and Foreign Exchange Fund:							
20	Interest	412,580					412,580	
21	Foreign Exchange Fund net profit	84,510					84,510	
22	Total interest and Foreign Exchange Fund net profit	497,090					497,090	
23	Own enterprises - remitted profits(3)	200,253					200,253	
24	Bullion and coinage	78,147						78,147
25	Postal services	363,487						363,487
26	Other revenue	5,075	28					5,047
27	Gross revenue from own sources	12,032,808	4,450,115	2,420,469	3,777,976		697,343	686,905
	Conditional transfers from provincial governments:							
	Transportation and communications:							
28	Roads	188				188		
	Health:							
29	Hospital care	21				21		
	Education:							
30	Indian and Eskimo schools	3,350				3,350		
	Natural resources and primary industries:							
31	Land: settlement and agriculture	1,097				1,097		
32	Water resources	91				91		
33	Other	847				847		
34	Trade and industrial development	402				402		
35	Total conditional transfers from provincial governments	5,996				5,996		
36	Gross general revenue	12,038,804	4,450,115	2,420,469	3,777,976	5,996	697,343	686,905
	Deduct:							
	Sales and services:							
37	Institutional	5,901						
38	Interest revenue	412,580						
39	Total own-source revenue deductions	418,481						
40	Total conditional transfers from provincial governments	5,996						
41	Total, deductions	424,477						
42	Net general revenue(4)	11,614,327						

(1) Includes old age security taxes.

(2) Includes 31,157 recoveries by RCMP under policing agreements.

(3) See Table 4 for analysis.

(4) See explanatory comments on page 5.

TABLE 2. General Expenditure for Fiscal Year Ended March 31, 1969

Functional And Economic Classifications

No.	Functional classification	Gross expenditure	Economic classification						Other items
			Goods and services		Transfer payments to				
			Salaries and wages	Other	Provincial governments and territories(1)	Local governments(1)	Persons and non-commercial institutions	Business	
thousands of dollars									
	General government services:								
1	Executive and administrative(2)	612,972	205,996	286,102			48	120,826	
2	Legislative	34,578	8,602	25,976					
3	Research, planning and statistics	33,577	23,052	10,525					
4	Other	6,906	3,300	2,309				1,297	
5	Total general government services	688,033	240,950	324,912			48	122,123	
	Protection of persons and property:								
6	Law enforcement	18,517	13,197	5,320					
7	Corrections	61,221	26,279	34,714	228				
8	Police	135,647	77,604	57,971			2	70	
9	Other	22,428	12,464	9,856	28		80		
10	Total protection of persons and property	237,813	129,544	107,861	256		82	70	
	Transportation and communications:								
11	Air	117,345	41,817	68,156	20	901	685	3,256	
12	Road	111,511	2,488	34,907	60,144	8,028	14	5,917	
13	Rail	116,734		415			6,854	109,465	
14	Water	171,640	36,955	121,934		95	14	12,417	
15	Telecommunications	59,682	20,066	39,536			10	70	
16	Other	15,853	7,533	7,150				1,170	
17	Total transportation and communications	592,765	108,859	272,098	60,164	9,024	7,577	130,309	
	Health:								
18	Hospital care	597,745	15,380	6,423	575,942				
19	General health	6,703	3,866	994	1,587		256		
20	Public health	56,475	12,124	9,958	27,643	6,073	677		
21	Medical, dental and allied services	56,942	(3)	22,002	34,940				
22	Medical care	32,966		32,966					
23	Total health	750,831	31,370	39,377	673,078	6,073	933		
	Social welfare:								
24	Old Age Security Fund - Pensions	1,541,320					1,541,320		
25	Old age assistance	3,370			3,370				
26	Aid to the blind	2,126			2,057		69		
27	Aid to the disabled	10,523		166	10,288		69		
28	Aid to unemployed and unemployable	128,714	31,364	10,724				86,626(4)	
29	Employment services	79,282	44,049	16,205			4,408	14,620	
30	Family allowances	616,111					616,111		
31	Labour	6,467	4,622	1,704			89	52	
32	Winter works projects	21,514			21,514				
33	Adult training and retraining	109,959	993	166			108,800		
34	Canada assistance plan	257,855			257,855				
35	Other	74,903	25,557	19,414	3,242		26,216	474	
36	Total social welfare	2,852,144	106,585	48,379	298,326		2,297,082	14,672	
	Recreational and cultural services:								
37	Archives, art galleries, museums and libraries	28,859	4,966	23,643			79	171	
38	Parks	29,025	10,981	17,197	56		145	646	
39	Other	28,176	9,064	14,496	996		3,620		
40	Total recreational and cultural services	86,060	25,011	55,336	1,052		3,844	817	
	Education:								
41	Indian and Eskimo schools	88,127	14,327	49,218		6,043	18,539		
42	Universities, colleges and other schools	402,550		15,765	385,550		1,235		
43	Purchased manpower training services ...	81,665		81,665					
44	Other	20,153		307	2,948		16,898		
45	Total education	592,495	14,327	146,955	388,498	6,043	36,672		

See footnote(s) at end of table.

TABLE 2. General Expenditure for Fiscal Year Ended March 31, 1969 - Continued

Functional and Economic Classification

No.	Functional classification	Gross expenditure	Economic classification						Other items
			Goods and services		Transfer payments to				
			Salaries and wages	Other	Provincial governments and territories(1)	Local governments(1)	Persons and non-commercial institutions	Business	
thousands of dollars									
	Natural resources and primary industries:								
46	Fish and game	83,132	20,973	26,490	4,733		1,247	29,589	
47	Forests	24,392	14,255	1,902	783		7,279	173	
48	Lands: settlement and agriculture	423,954	65,701	85,892	29,874		4,486	237,809	
49	Minerals and mines	64,448	13,860	22,125	1,640		443	26,380	
50	Water resources	26,799	5,443	11,961	8,862		533		
51	Other	70,931	13,127	57,411	46		347		
52	Total natural resources and primary industries	693,656	133,359	205,781	45,938		14,335	293,878	
53	Trade and industrial development	195,885	46,943	118,457			403	30,082	
54	National capital region planning and development	19,928	5,214	14,714					
55	Defence services	1,796,994	935,276(5)	857,090			161	4,467	
56	Veterans' pensions and other benefits	427,897	58,903	54,979			313,779	236	
57	Debt charges (excluding retirements):								
	Commission on sales of securities and other management charges	27,064		7,390				19,674	
58	Amortization of discount on securities sold	10,409						10,409	
59	Interest	1,449,478		6,966			1,442,512		
60	Other								
61	Total debt charges (excluding retirements)	1,486,951		14,356			1,442,512	30,083	
62	Own enterprises - Payments in respect of deficits	224,995						224,995(6)	
63	International co-operation and assistance	149,214	2,819	146,293			102		
64	Other expenditure:								
	Citizenship and immigration	33,475	5,799	22,806			4,870		
65	External affairs	61,164	18,141	38,362			4,151	510	
66	Postal services	430,608		35,783(7)				394,825(7)	
67	Royal Canadian Mint	4,379	2,045	2,334					
68	Housing research and slum clearance	30,022		14,681	250	15,083	8		
69	Emergency measures	7,275	1,465	2,063	3,747				
70	Other	361,523	180,286(8)	103,423		2,195	75,619		
71	Total other expenditure	928,446	207,736	219,452	3,997	17,278	84,648	395,335	
72	Totals, items 1 to 71	11,724,107	2,046,896	2,626,040	1,471,309	38,418	4,202,178	468,941	
73	Total conditional transfers to provincial governments, territories and local governments	(1,509,727)			(1,471,309)	(38,418)			
	Unconditional transfers:								
	To provincial governments and territories:								
74	Statutory subsidies	31,744			31,744				
75	Federal-provincial fiscal arrangements	639,272			639,272				
76	Compensation due to withdrawal from joint programs	186,925			186,925				
77	Share of income tax on public utilities	20,984			20,984				
78	Grants in lieu of taxes on federal property (for municipal purposes) ..	1,320			1,320				

See footnote(s) at end of table.

TABLE 2. General Expenditure for Fiscal Year Ended March 31, 1969 - Continued

Functional and Economic Classification

No.	Functional classification	Gross expenditure	Economic classification						
			Goods and services		Transfer payments to				Other items
			Salaries and wages	Other	Provincial governments and territories(1)	Local governments(1)	Persons and non-commercial institutions	Business	
thousands of dollars									
	Unconditional transfers - Concluded								
	To local governments:								
79	Grants in lieu of taxes on federal property	46,017				46,017			
80	Special grants	1,611				1,611			
81	Total unconditional transfers to provincial governments, territories and local governments	927,873			880,245	47,628			
82	Gross general expenditure	12,651,980	2,046,896	2,626,040	2,351,554	86,046	4,202,178	468,941(9)	
83	Total transfers to provincial governments, territories and local governments	(2,437,600)			(2,351,554)	(86,046)		870,325(10)	
	Deduct:								
	Institutional revenue derived from the following functions:								
	Protection of persons and property:								
84	Corrections	399							
	Health:								
85	Hospital care	3,721							
86	Medical, dental and allied services	450							
	Natural resources and primary industries:								
87	Lands: settlement and agriculture ..	1,293							
88	Defence services	38							
89	Total institutional revenue	5,901							
90	Interest revenue	412,580							
91	Total own-source revenue deductions (Table 1, item 39)	418,481							
92	Cost of services provided	12,233,499							

(1) See Table 3 for analysis by province.

(2) See Table 6 for analysis.

(3) Salaries and wages included in item 19.

(4) Contribution to the Unemployment Insurance Fund.

(5) Includes 698,806 in respect of pay and allowances, defence forces.

(6) Offset against remitted profits in the National Accounts.

(7) The post Office is treated as a government enterprise for National Accounts purposes, hence that Department's expenditure, including salaries and wages of 250,089, is offset against remitted profits in the National Accounts. The amount shown under "Goods and services - Other", represents expenditures, made by other departments, which are directly related to postal services.

(8) Includes overtime earnings 38,226 and retroactive payments 56,916, which cannot be classified functionally.

(9) Includes subsidies 399,077 and capital assistance 69,764. See text page 10.

(10) Includes purchase of land 13,490.

TABLE 3. Transfers to Provincial Governments, Territories and Local Governments for Fiscal Year
Ended March 31, 1969

No.		Item number on Table 2	Nfld.	P.E.I.	N.S.	N.B.	Que.
			thousands of dollars				
	Provincial governments and territories:						
	Unconditional transfers:						
1	Statutory subsidies	74	9,656	657	2,132	1,745	4,023
2	Federal-provincial fiscal arrangements	75	73,127	14,789	88,038	76,594	279,645
3	Compensation due to withdrawal from joint programs	76	—	—	—	—	186,925
4	Share of income tax on public utilities	77	1,223	232	1,912	122	2,875
5	Grants in lieu of taxes on federal property (municipal purposes)	78	—	—	—	920	—
6	Total unconditional transfers	81	84,006	15,678	92,082	79,381	473,468
	Conditional transfers:						
	Protection of persons and property:						
7	Corrections	7	—	—	—	—	—
8	Other	9	—	—	—	—	—
9	Total protection of persons and property	10	—	—	—	—	—
	Transportation and communications:						
10	Air	11	—	—	—	—	—
	Road:						
11	Trans-Canada highway		9,055	227	10,045	3,202	8,761
12	Roads leading to resources		750	—	—	58	—
13	Railway grade crossing fund		—	—	6	150	504
14	Trunk highway program		3,888	3,241	7,966	3,272	—
15	Access roads to fishing ports		—	120	—	—	—
16	Other		—	—	—	—	236
17	Total road	12	13,693	3,588	18,017	6,682	9,501
18	Total transportation and communications	17	13,693	3,588	18,017	6,682	9,501
	Health:						
	Hospital care:						
19	Hospital insurance and diagnostic services		19,004	3,692	28,231	22,713	—
20	Hospital construction		119	128	757	165	584
21	Total hospital care	18	19,123	3,820	28,988	22,878	584
	General health:						
22	Extension of training facilities and resources		—	—	—	—	128
23	Professional training		63	18	131	69	—
24	Total general health	19	63	18	131	69	128
	Public health:						
25	General public health		484	180	656	555	360
26	Tuberculosis control		135	19	59	63	103
27	Mental health		197	120	352	297	—
28	Cancer control		4	16	58	65	—
29	Child and maternal health		55	12	106	74	198
30	Public health research		5	14	150	35	870
31	Water and sewage systems		—	—	—	—	—
32	Total public health	20	880	361	1,381	1,089	1,531
	Medical, dental and allied services:						
33	Health resources fund		86	80	3,609	1,322	9,667
34	Medical rehabilitation and crippled children		94	13	77	95	36
35	Total medical, dental and allied services	21	180	93	3,686	1,417	9,703
36	Medical Care Act	22	—	—	—	—	—
37	Total health	23	20,246	4,292	34,186	25,453	11,946

See footnote(s) at end of table.

TABLE 3. Transfers to Provincial Governments, Territories and Local Governments for Fiscal Year
Ended March 31, 1969

Ont.	Man.	Sask.	Alta.	B.C.	Sub-total	Yukon	N.W.T.	Total	No.
thousands of dollars									
4,624	2,127	2,142	2,965	1,673	31,744	—	—	31,744	1
21,677	45,009	22,377	6,860	— 652	627,464	5,576(1)	6,232(1)	639,272	2
—	—	—	—	—	186,925	—	—	186,925	3
5,463	924	35	7,431	561	20,778	167	39	20,984	4
—	—	—	—	400	1,320	—	—	1,320	5
31,764	48,060	24,554	17,256	1,982	868,231	5,743	6,271	880,245	6
—	—	—	—	—	—	228	—	228	7
—	—	—	—	—	—	—	28	28	8
—	—	—	—	—	—	228	28	256	9
—	—	—	16	—	16	4	—	20	10
3,100	1,160	649	619	494	37,312	—	—	37,312	11
—	—	34	—	—	842	—	—	842	12
1,845	—	14	89	309	2,917	—	—	2,917	13
—	—	—	—	—	18,367	—	—	18,367	14
—	—	—	—	—	120	—	—	120	15
350	—	—	—	—	586	—	—	586	16
5,295	1,160	697	708	803	60,144	—	—	60,144	17
5,295	1,160	697	724	803	60,160	4	—	60,164	18
284,665	35,455	32,963	61,650	71,912	560,285	500	1,148	561,933	19
6,951	506	819	1,486	2,494	14,009	—	—	14,009	20
291,616	35,961	33,782	63,136	74,406	574,294	500	1,148	575,942	21
129	—	—	—	—	257	—	—	257	22
558	71	90	220	110	1,330	—	—	1,330	23
687	71	90	220	110	1,587	—	—	1,587	24
6,650	841	849	1,197	1,678	13,450	—	101	13,551	25
478	84	74	119	160	1,294	17	—	1,311	26
2,878	584	372	644	824	6,268	32	—	6,300	27
648	—	95	143	184	1,213	—	—	1,213	28
37	37	85	134	80	818	—	—	818	29
1,351	437	351	236	749	4,198	—	2	4,200	30
—	—	—	—	—	—	—	250	250	31
12,042	1,983	1,826	2,473	3,675	27,241	49	353	27,643	32
14,853	213	73	2,491	1,529	33,923	—	—	33,923	33
109	141	105	72	275	1,017	—	—	1,017	34
14,962	354	178	2,563	1,804	34,940	—	—	34,940	35
—	—	11,297	—	21,669	32,966	—	—	32,966	36
319,307	38,369	47,173	69,392	101,664	671,028	549	1,201	672,078	37

TABLE 3. Transfers to Provincial Governments, Territories and Local Governments for Fiscal Year
Ended March 31, 1969 - Continued

No.		Item number on Table 2	Nfld.	P.E.I.	N.S.	N.B.	Que.
			thousand of dollars				
	Provincial governments and territories - Continued:						
	Conditional transfers - Continued:						
	Social welfare:						
38	Old age assistance	25	189	18	613	683	- 54
39	Blind persons allowances	26	277	40	405	345	-
40	Disabled persons allowances	27	491	30	1,640	1,108	- 1
41	Winter works projects	32	123	178	39	137	10,464
42	Canada assistance plan	34	21,062	2,559	11,074	9,906	- 33
43	Other	35	603	30	42	12	-
44	Total social welfare	36	22,745	2,855	13,813	12,191	10,376
	Recreational and cultural services:						
45	Parks	38	-	-	-	-	-
	Other:						
46	Fitness and amateur sport	79	79	57	56	60	-
47	Other	-	-	-	-	-	-
48	Total other	39	79	57	56	60	-
49	Total recreational and cultural services	40	79	57	56	60	-
	Education:						
	Universities, colleges and other schools:						
50	Capital assistance in providing training facilities (Adult Occupational Training Act)	-	200	10,150	9,814	55,821	
51	Technical and vocational training	252	179	-	249	1,630	
52	Post-secondary education	3,272	1,054	12,287	3,956	62,889	
53	Total universities, colleges and other schools	42	3,524	1,433	22,437	14,019	120,340
	Other:						
54	Canada student loan act	-	-	-	-	2,403	
55	Language texts for citizenship classes	-	-	-	-	-	
56	Citizenship and language instructions for immigrants	-	-	2	-	-	
57	Total other	44	-	2	-	2,403	
58	Total education	45	3,524	1,433	22,439	14,019	122,743
	Natural resources and primary industries:						
	Fish and game:						
59	Programs and projects shared by provinces	511	22	232	172	154	
60	Assistance in construction of fishing vessels	542	468	378	8	354	
61	Relocating families from isolated fishing areas	1,400	-	-	-	-	
62	Game management	-	-	-	-	-	
63	Total fish and game	46	2,453	490	610	180	508
	Forests:						
64	Inventory of forest reserves	683	-	-	-	-	
65	Budworm, sawfly and wooly aphid control	-	-	-	100	-	
66	Total forests	47	683	-	-	100	-
	Lands: settlement and agriculture:						
67	Agricultural and rural development act	500	316	1,840	1,420	5,717	
68	4-H Clubs	1	4	7	4	45	
69	Barberry control	-	-	-	-	17	
70	Rabies control	-	-	-	1	5	
71	Crop insurance	-	14	-	-	1,200	
72	Assistance re livestock shipments to the Royal Winter Fair	-	2	1	-	3	
73	Farm labour agreements	-	2	27	1	31	
74	Total lands: settlement and agriculture	48	501	339	1,875	1,426	7,018

See footnote(s) at end of table.

TABLE 3. Transfers to Provincial Governments, Territories and Local Governments for Fiscal Year
Ended March 31, 1969 - Continued

Ont.	Man.	Sask.	Alta.	B.C.	Sub-total	Yukon	N.W.T.	Total	No.
thousands of dollars									
142	545	- 19	376	844	3,337	3	30	3,370	38
179	187	67	229	301	2,030	4	23	2,057	39
2,708	1,186	768	1,066	1,277	10,273	1	14	10,288	40
5,436	604	683	1,903	1,883	21,450	2	62	21,514	41
118,957	13,982	14,130	28,813	37,216	257,666	85	104	257,855	42
2,016	183	154	63	88	3,191	20	31	3,242	43
129,438	16,687	15,783	32,450	41,609	297,947	115	264	298,326	44
-	-	-	-	-	-	43	13	56	45
238	62	62	119	88	821	35	86	942	46
-	-	-	-	-	-	54	-	54	47
238	62	62	119	88	821	89	86	996	48
238	62	62	119	88	821	132	99	1,052	49
2,202	7,203	6,791	1,709	5,060	105,950	-	-	105,950	50
372	46	102	170	-	3,000	-	-	3,000	51
117,296	10,106	15,656	32,963	17,121	276,600	-	-	276,600	52
126,870	17,355	22,549	34,842	22,181	385,550	-	-	385,550	53
-	-	-	-	-	2,403	-	-	2,403	54
55	1	-	3	-	59	-	-	59	55
449	3	-	4	28	486	-	-	486	56
504	4	-	7	28	2,948	-	-	2,948	57
127,374	17,359	22,549	34,849	22,209	388,498	-	-	388,498	58
33	-	-	-	14	1,138	-	-	1,138	59
-	-	-	-	-	1,750	-	-	1,750	60
-	-	-	-	-	1,400	-	-	1,400	61
-	-	-	-	-	-	-	445	445	62
33	-	-	-	14	4,288	-	445	4,733	63
-	-	-	-	-	683	-	-	683	64
-	-	-	-	-	100	-	-	100	65
-	-	-	-	-	783	-	-	783	66
5,634	1,784	2,949	2,396	1,930	24,486	-	-	24,486	67
72	12	25	36	8	214	-	-	214	68
41	-	-	-	-	58	-	-	58	69
50	-	-	-	-	56	-	-	56	70
226	1,024	732	1,438	217	4,851	-	-	4,851	71
-	-	-	9	4	19	-	-	19	72
64	15	3	45	2	190	-	-	190	73
6,087	2,835	3,709	3,924	2,161	29,874	-	-	29,874	74

See footnote(s) at end of table.

TABLE 3. Transfers to Provincial Governments, Territories and Local Governments for Fiscal Year
Ended March 31, 1969 - Concluded

No.		Item number on Table 2	Nfld.	P.E.I.	N.S.	N.B.	Que.
			thousands of dollars				
	Provincial governments and territories - Concluded:						
	Conditional transfers - Concluded:						
75	Minerals and mines	49	-	-	-	1,640	-
	Water resources:						
76	Conservation and control of water resources		-	-	-	-	-
77	Power developments (Atlantic Development Board)		181	3	6,058	-	-
78	Total water resources	50	181	3	6,058	-	-
79	Other - Okanagan flood control	51	-	-	-	-	-
80	Total natural resources and primary industries ...	52	3,818	831	8,543	3,346	7,526
	Other expenditure:						
81	Housing (slum clearance, urban renewal, etc.)	68	215	-	-	-	-
82	Emergency measures	69	83	37	139	44	1,176
83	Total other expenditure	71	298	37	139	44	1,176
84	Total conditional transfers	73	64,403	13,093	97,193	61,795	163,268
85	Total transfers to provincial governments and territories	83	148,409	28,771	189,275	141,176	636,736
	Local governments:						
	Unconditional transfers:						
86	Grants in lieu of taxes on federal property	79	326	191	2,983	-	9,612
87	Special grants	80	-	-	-	1,611 (2)	-
88	Total unconditional transfers	81	326	191	2,983	1,611	9,612
	Conditional transfers:						
	Transportation and communications:						
89	Air	11	-	-	6	67	122
90	Road	12	-	-	-	-	460
91	Water	14	-	-	-	-	-
92	Total transportation and communications	17	-	-	6	67	582
	Health:						
93	Public health (sewage treatment projects)	20	46	26	79	21	1,742
	Education:						
94	Schools operated by local authorities	41	-	-	69	25	806
	Other expenditure:						
95	Housing (slum clearance, urban renewal, etc.)	68	99	-	3,226	155	1,442
96	Other: municipal development and loan act	70	-	113	12	9	13
97	Total other expenditure	71	99	113	3,238	164	1,455
98	Total conditional transfers	73	145	139	3,392	277	4,585
99	Total transfers to local governments	83	471	330	6,375	1,888	14,197
100	Total transfers to provincial governments, territories and local governments	83	148,880	29,101	195,650	143,064	650,933

(1) Interim fiscal arrangement payments.

(2) Financial assistance to the town of Oromocto.

TABLE 3. Transfers to Provincial Governments, Territories and Local Governments for Fiscal Year
Ended March 31, 1969 - Concluded

Ont.	Man.	Sask.	Alta.	B.C.	Sub-total	Yukon	N.W.T.	Total	No.
thousands of dollars									
-	-	-	-	-	1,640	-	-	1,640	75
1,348	1,026	-	-	246	2,620	-	-	2,620	76
-	-	-	-	-	6,242	-	-	6,242	77
1,348	1,026	-	-	246	8,862	-	-	8,862	78
-	-	-	-	46	46	-	-	46	79
7,468	3,861	3,709	3,924	2,467	45,493	-	445	45,938	80
-	-	-	-	-	215	35	-	250	81
1,273	177	157	290	357	3,733	-	14	3,747	82
1,273	177	157	290	357	3,948	35	14	3,997	83
590,393	77,675	90,130	140,748	169,197	1,467,895	1,063	2,351	1,471,309	84
622,157	125,735	114,684	158,004	171,179	2,336,126	6,806	8,622	2,351,554	85
21,833	2,724	1,313	2,871	3,823	45,676	104	237	46,017	86
-	-	-	-	-	1,611	-	-	1,611	87
21,833	2,724	1,313	2,871	3,823	47,287	104	237	47,628	88
58	178	17	193	260	901	-	-	901	89
6,404	447	-	237	480	8,028	-	-	8,028	90
15	-	-	-	80	95	-	-	95	91
6,477	625	17	430	820	9,024	-	-	9,024	92
3,515	161	154	103	226	6,073	-	-	6,073	93
1,085	970	762	1,041	1,259	6,017	26	-	6,043	94
6,871	881	89	1,045	1,275	15,083	-	-	15,083	95
1,953	20	-	75	-	2,195	-	-	2,195	96
8,824	901	89	1,120	1,275	17,278	-	-	17,278	97
19,901	2,657	1,022	2,694	3,580	38,392	26	-	38,418	98
41,734	5,381	2,335	5,565	7,403	85,679	130	237	86,046	99
663,891	131,116	117,019	163,569	178,582	2,421,805	6,936	8,859	2,437,600	100

TABLE 4. Own Enterprises - Remitted Profits for Fiscal Year Ended March 31, 1969

No.		Thousands of dollars
1	Bank of Canada	186,155
	Central Mortgage and Housing Corporation:	
2	Under Sec. 30, Central Mortgage and Housing Corporation Act	8,484
3	Under the Housing Act	1,599
4	Total, Central Mortgage and Housing Corporation	10,083
5	Crown Assets Disposal Corporation	32
6	Export Credits Insurance Corporation	833
7	Polymer Corporation Limited	3,150
8	Total remitted profits (Table 1, item 23)	200,253

TABLE 5. Own Enterprises - Payments in Respect of Deficits for Fiscal Year Ended March 31, 1969

No.		Thousands of dollars
1	Canadian Broadcasting Corporation	147,613
2	Canadian Commercial Corporation	2,124
	Canadian National Railway System:	
3	Canadian National Railway	29,186
4	Newfoundland ferry and terminal	16,730
5	P.E.I. car ferry and terminal	5,043
6	Yarmouth - Bar Harbour ferry	261
7	Yukon and N.W.T. telecommunication system	292
8	Total, Canadian National Railway System	51,502
9	Farm Credit Corporation	6,000
10	National Harbours Board(1)	6,596
11	St. Lawrence Seaway Authority	11,160
12	Total payments in respect of deficits (Table 2, item 62)	224,995

(1) Includes 5,108 advances to meet construction costs. In the publication "Federal Government Enterprise Finance", Catalogue No. 61-203, this amount is classed as "proprietary equity".

TABLE 6. Analysis of General Government Services - Executive and Administrative for Fiscal Year Ended March 31, 1969

No.		Thousands of dollars
1	General departmental administration including Ministers' salaries and allowances	260,280
2	Maintenance, operation, construction and acquisition of public buildings, serving more than one specific function	161,443
3	Actuarial liability adjustment - Civil Service Insurance Act	515
4	Contribution to Public Service Superannuation Account	152,670
5	Contribution, as an employer, to the Unemployment Insurance Fund	1,688
6	Payment of claims - Government Employees' Compensation Act	3,381
7	Contribution to Public Service Death Benefit Account	1,728
8	Government's share as an employer, of surgical-medical insurance premiums	13,109
9	Contribution to pension, health insurance and death benefit (outside Canada) plans	130
10	Contribution, as an employer, to the Canada and Quebec Pension Plans	18,028
11	Total executive and administrative (Table 2, item 1)	612,972

TABLE 7. Unemployment Insurance Fund — Revenue and Expenditure for Fiscal Year
Ended March 31, 1969

No.		Thousands of dollars
	Revenue:	
	Contributions:	
1	Employers and employees	433,130
2	Government of Canada (20 per cent of above)	86,626
3	Fines and penalties	171
4	Income from investments	18,850
5	Total revenue	538,777
	Expenditure(l):	
	Benefit payments:	
6	Ordinary	443,113
7	Fishermen	12,508
8	Agriculture	3,468
9	Total expenditure	459,089
10	Excess of revenue over expenditure	79,688

(1) Administrative expenditures are included in "Social welfare — Aid to unemployed and unemployable", item 28, Table 2.

TABLE 8. Special Funds and Agencies — Revenue and Expenditure for Fiscal
Year Ended March 31, 1969

No.		Revenue	Expenditure
		thousands of dollars	
1	Agriculture Stabilization Board	—	9,100
2	Atlantic Development Fund	20,817	20,818
3	Atomic Energy of Canada Limited	95,116	176,778
4	Canada Council	25,120	25,989
5	Canadian Corporation for the 1967 World Exhibition	1	6,336
6	Canadian Film Development Corporation	201	203
7	Cape Breton Development Corporation	27,760	47,502
8	Company of Young Canadians	1,900	1,917
9	Fishermen's Indemnity Plan	590	553
10	Fraser River Bridge — Maintenance Account	201	376
11	Hospital Insurance Supplementary Fund	42	13
12	International Assistance Account	62,900	41,360
13	Land Assurance Fund	5	—
14	National Arts Centre Corporation	51	1,016
15	National Battlefields Commission	337	335
16	National Capital Commission	35,576	24,681
17	National Capital Fund	15,000	11,250
18	National Library Purchase Account	140	233
19	National Museums Purchase Account	1,051	991
20	National Research Council — Special Fund	5,845	5,616
21	Old Age Security Fund	1,626,122	1,541,320
22	Prairie Farm Emergency Fund	8,395	6,853
23	Railway Grade Crossing Fund	15,000	16,283
24	Replacement of Materiel Account — National Defence Act	11	22
25	Reserve for Conditional Benefits — Veterans' Land Act	4,323	3,162
26	Surplus Crown Assets	7,530	25,461
27	Totals	1,954,034	1,968,168

TABLE 9. Reconciliation of Gross and Net General Revenue with Budgetary Revenue per Public Accounts for Fiscal Year Ended March 31, 1969

No.	Item	Thousands of dollars
1	Budgetary revenue per Public Accounts	10,191,136
	To arrive at "gross general revenue":	
	Add:	
2	Revenue of special funds and agencies	1,954,034
3	Revenue offset against expenditure in public accounts	108,894
4	Revenue offset by expenditure in public accounts	52,714
5	Conditional transfers from provincial governments offset against expenditure in public accounts	5,996
6	Total additions	2,121,638
	Deduct:	
	Items included in budgetary revenue:	
7	Amounts properly offset against expenditure	221
8	Refunds of prior years' expenditure	24,433
9	Employees' contributions under sundry pension plans	332
10	Working capital fund profits properly offset against expenditure	1,894
11	Canadian Government Elevators' revenue	3,055
12	Other	1,012
	Interfund items:	
13	Budgetary revenue derived from special funds and agencies	10,280
14	Special fund and agency revenue derived from other special funds and agencies	11,250
15	Special fund and agency revenue derived from budgetary expenditure	221,493
16	Total deductions	273,970
17	Gross general revenue (Table 1, item 36)	12,038,804
	To arrive at "net general revenue":	
	Deduct:	
18	Total deductions (Table 1, item 41)	424,477
19	Net general revenue (Table 1, item 42)	11,614,327

TABLE 10. Reconciliation of Gross General Expenditure and Cost of Services Provided with Budgetary Expenditure per Public Accounts for Fiscal Year Ended March 31, 1969

No.	Item	Thousands of dollars
1	Budgetary expenditure per Public Accounts	10,767,249
	To arrive at "gross general expenditure":	
	Add:	
2	Expenditure of special funds and agencies	1,968,168
3	Expenditure offset by revenue in public accounts	108,894
4	Expenditure offset against budgetary revenue in public accounts	52,714
5	Expenditure offset by conditional transfers from provincial governments in public accounts	5,996
6	Total additions	2,135,772
	Deduct:	
	Items included in budgetary expenditure:	
7	Expenditure properly offset by amounts included in budgetary revenue in public accounts	221
8	Refunds of prior years' revenue	217
9	Expenditure properly offset by working capital fund profits	1,894
10	Canadian Government Elevators' expenditure	3,561
11	Advances	1,874
12	Other	251
	Interfund items:	
13	Expenditure of special funds and agencies contributing to budgetary revenue	10,280
14	Expenditure of special funds and agencies contributing to revenue of other special funds and agencies	11,250
15	Budgetary expenditure contributing to revenue of special funds and agencies	221,493
16	Total deductions	251,041
17	Gross general expenditure (Table 2, item 82)	12,651,980
	To arrive at "cost of services provided":	
	Deduct:	
18	Total deductions (Table 2, item 91)	418,451
19	Cost of services provided (Table 2, item 92)	12,233,499

TABLE 11. Reconciliation of Gross General Revenue within the Financial Management Series with Total Revenue on a National Accounts Basis, as Historically Revised, for the Fiscal Year Ended March 31, 1969

No.		Gross revenue	Economic classification					Investment income	Other items
			Direct taxes		Indirect taxes	Transfers from			
			Persons	Business		Other levels of government	Persons		
			millions of dollars						
1	Gross general revenue (Table 1, item 36)	12,038.8	4,450.1	2,420.5	3,778.0	6.0		697.3	686.
	Add:								
2	Employer and employee contributions to pension and Unemployment Insurance funds	894.3	894.3						
3	Adjustment to reflect investment income within National Accounts concepts	206.1						206.1	
4	Adjustment to place corporation income tax and withholding tax on an accrual basis	85.1		85.1					
5	Revenue of Canadian Government Elevators deemed to be an enterprise within the financial management series, but general government in National Accounts	3.1							3.1
6	Adjustments to show fines and penalties, on persons, separately		- 3.3				3.3		
7	Other adjustments	0.3	0.1		2.4			- 2.6	0.4
8	Total additions	1,188.9	891.1	85.1	2.4		3.3	203.5	3.5
	Deduct:								
9	Gross Post Office revenue	365.9							365.9
10	Revenue offset by or against expenditure in National Accounts	228.8				6.0			222.8
11	Revenue not arising from production excluded from National Accounts	111.9							111.9
12	Other timing adjustments ..	42.2	- 4.0	92.0	- 38.8			3.2	- 10.2
13	Total deductions	748.8	- 4.0	92.0	- 38.8	6.0		3.2	690.4
14	Total revenue on a National Accounts basis, as revised and published in the Public Accounts of Canada for the fiscal year ended March 31, 1970	12,478.9	5,345.2	2,413.6	3,819.2		3.3	897.6	

TABLE 12. Reconciliation of Gross General Expenditure within the Financial Management Series with Total Expenditure on a National Accounts Basis, as Historically Revised, for the Fiscal Year Ended March 31, 1969

No.		Gross expenditure	Goods and services		Transfer payments to					Other items
			Salaries and wages	Other	Provincial governments and territories	Local governments	Persons and non-commercial institutions	Business	Non-residents	
millions of dollars										
1	Gross general expenditure (Table 2, item 82)	12,652.0	2,046.9	2,626.1	2,351.6	86.0	4,202.2	468.9		870.3
		12,652.0	2,046.9	2,046.9	86.0	- 86.0				
				4,673.0	2,437.6		4,202.2	468.9		870.3
	Add:									
2	Unemployment insurance benefits, less transfers to fund	372.5					459.1			- 86.6
3	Pensions paid by federal government excluded from financial management series	158.6					158.6			
4	Commission on sale of bonds amortized under reserves and write-offs in financial management serie	33.4		33.4						
5	Imputed banking charges	22.0		22.0						
6	Administrative expenses of agencies excluded from government in financial management series	19.1		19.1						
7	Annual amortization of actuarial deficiency of superannuation fund previously written-off in financial management series ...	8.0		8.0						
8	Adjustment to portray veteran and old age security pensions and international assistance as payments to non-residents			- 141.4			- 19.3		160.7	
9	Ajustment to reflect Canadian Broadcasting Corporation deficit reimbursement as subsidy to business per National Accounts							149.7		- 149.7
10	Other adjustments	4.8		3.2	7.3		- 5.2	- 4.9		4.4
11	Total additions	618.4		- 55.7	7.3		593.2	144.8	160.7	- 231.9
	Deduct:									
12	Expenditure offset by or against-revenue in National Accounts but shown in financial management series	228.9		228.9						
13	Capital expenditure per financial management series less capital consumption allowance	272.0		272.0						
14	Gross Post Office expenditure deemed an enterprise in National Accounts	393.4								393.4
15	Deficits of enterprises netted against dividends received in National Accounts	114.3								114.3
16	Net adjustment re transfers to and expenditures of special funds arising from differences in concepts	26.3		57.0	- 6.1		- 26.0	6.7		- 5.3
17	Net reserves less write-offs included in financial management series	33.5								33.5
18	Refunds of previous years expenditure omitted in financial management series but offset against expenditure in National Accounts	25.8		18.6	3.0		4.2			
19	Expenditures not reflecting production	11.1								11.1
20	Timing adjustments	34.5		48.0	-76.2		- 27.4	- 1.3		91.4
21	Total deductions	1,139.8		624.5	- 79.3		- 49.2	5.4		638.4
22	Total expenditure on a National Accounts basis, as revised and published in the public accounts of Canada for the fiscal year ended March 31, 1970	12,130.6		3,992.8	2,524.2		4,844.6	608.3	160.7	

TABLE 13. Historical Summary of Net General Revenue for Fiscal Years Ended March 31

No.	Source	1969		1968		1967		1966		1965	
		Net general revenue	Percentage of total	Net general revenue	Percentage of total	Net general revenue	Percentage of total	Net general revenue	Percentage of total	Net general revenue	Percentage of total
		\$'000,000	%	\$'000,000	%	\$'000,000	%	\$'000,000	%	\$'000,000	%
	Taxes:										
	Income:										
1	Corporation	2,213	19.0	1,821	17.6	1,743	18.5	1,759	20.2	1,669	21.1
2	Personal	4,334	37.3	3,650	35.2	3,050	32.4	2,638	30.3	2,535	32.0
3	On certain payments and credits to non-residents	206	1.8	221	2.1	204	2.2	170	2.0	144	1.8
4	General sales	2,098	18.0	2,146	20.7	2,073	22.0	1,917	22.1	1,588	20.1
	Excise duties and special excise taxes:										
5	Alcoholic beverages	321	2.8	300	2.9	270	2.9	264	3.0	239	3.0
6	Tobacco	498	4.3	460	4.4	447	4.7	424	4.9	395	5.0
7	Other commodities and services	66	0.5	100	0.9	57	0.6	52	0.6	45	0.6
8	Customs import duties	762	6.6	746	7.2	778	8.2	686	7.9	622	7.8
9	Estate taxes	112	1.0	102	1.0	101	1.1	108	1.3	89	1.1
10	Other	9	0.1	12	0.1	--	--	--	--	--	--
11	Total taxes	10,619	91.4	9,558	92.1	8,723	92.6	8,018	92.3	7,326	92.5
12	Privileges, licences and permits	29	0.3	16	0.2	39	0.4	38	0.4	28	0.3
13	Sales and services	229	2.0	198	1.9	114	1.2	108	1.2	110	1.4
14	Fines and penalties	6	0.1	6	0.1	3	--	3	--	2	--
15	Foreign Exchange Fund net profit	85	0.7	55	0.5	61	0.6	63	0.7	20	0.3
16	Own enterprises - Remitted profits	200	1.7	190	1.8	164	1.8	157	1.8	139	1.8
17	Bullion and coinage	78	0.7	17	0.2	7	--	17	0.2	15	0.2
18	Postal services	363	3.1	327	3.1	295	3.2	276	3.2	264	3.3
19	Other revenue	5	--	9	0.1	19	0.2	15	0.2	14	0.2
20	Total net general revenue	11,614	100.0	10,376	100.0	9,425	100.0	8,695	100.0	7,918	100.0
21	Total net general revenue per capita \$	560		509		471		443		410	
	Population as at June 1 within each fiscal year, as estimated by the Census Division	20,744		20,405		20,015		19,644		19,290	

TABLE 14. Historical Summary of Cost of Services Provided for Fiscal Years Ended March 31

No.	Function	1968		1967		1966		1965		1964	
		Cost of services provided	Percent-age of total	Cost of services provided	Percent-age of total	Cost of services provided	Percent-age of total	Cost of services provided	Percent-age of total	Cost of services provided	Percent-age of total
		\$'000,000	%	\$'000,000	%	\$'000,000	%	\$'000,000	%	\$'000,000	%
1	General government services	688	5.6	475	4.3	428	4.4	340	4.0	267	3.4
2	Protection of persons and property	237	2.0	220	2.0	189	2.0	163	2.0	138	1.7
3	Transportation and communications	593	4.8	657	5.9	669	6.9	598	7.0	531	6.7
	Health:										
4	Hospital care	594	4.8	502	4.5	431	4.4	411	4.8	471	6.0
5	Other	153	1.3	115	1.0	79	0.8	70	0.8	65	0.8
6	Total health	747	6.1	617	5.5	510	5.2	481	5.6	536	6.8
	Social welfare:										
7	Old age Security Fund - Pensions	1,541	12.7	1,388	12.5	1,073	11.0	927	10.9	885	11.2
8	Aid to unemployed and unemployable	129	1.1	117	1.1	253	2.6	203	2.4	137	1.7
9	Family allowances	616	5.1	614	5.5	611	6.3	602	7.1	578	7.3
10	Adult training and re-training	110	0.9	113	1.0	-	-	-	-	-	-
11	Canada assistance plan	258	2.1	226	2.0	10	0.1	-	-	-	-
12	Other	198	1.6	171	1.6	196	2.0	205	2.4	210	2.6
13	Total social welfare	2,852	23.3	2,629	23.7	2,143	22.0	1,937	22.8	1,810	22.8
14	Recreational and cultural services	86	0.7	109	1.0	87	0.9	58	0.7	45	0.6
15	Education	593	4.8	404	3.7	384	3.9	250	2.9	189	2.4
16	Natural resources and primary industries	692	5.7	685	6.2	545	5.6	444	5.2	381	4.8
17	Trade and industrial development	196	1.6	212	1.9	165	1.7	89	1.0	56	0.7
18	National capital region planning and development	20	0.2	23	0.2	37	0.4	30	0.4	24	0.3
19	Defence services	1,797	14.7	1,784	16.1	1,664	17.1	1,572	18.4	1,562	19.7
20	Veterans' pensions and other benefits	428	3.5	401	3.6	392	4.0	372	4.3	356	4.5
21	Debt charges (excluding retirements)	1,074	8.8	940	8.5	902	9.3	897	10.5	791	10.0
22	Own enterprises - Payments in respect of deficits	225	1.8	218	2.0	178	1.8	163	1.9	182	2.3
23	International co-operation and assistance ...	149	1.2	167	1.5	212	2.2	126	1.5	108	1.4
	Other expenditure:										
24	Postal service	431	3.5	374	3.4	336	3.4	301	3.5	269	3.4
25	Other	497	4.1	368	3.3	330	3.4	282	3.3	276	3.5
26	Total other expenditure	928	7.6	742	6.7	666	6.8	583	6.8	545	6.9
27	Unconditional transfers to provincial governments, territories and local governments	928	7.6	792	7.2	562	5.8	430	5.0	392	5.0
28	Cost of services provided	12,233	100.0	11,075	100.0	9,733	100.0	8,533	100.0	7,913	100.0
29	Cost of services provided per capita \$	590		543		486		434		410	
30	Population as at June 1 within each fiscal year, as estimated by the Census Division	20,744		20,405		20,015		19,644		19,290	

TABLE 15. Direct and Indirect Debt Less Investments held for Retirement of Unmatured Bonded Debt as at March 31, 1969

No.	Item	Thousands of dollars
<u>Direct</u>		
1	Bonded debt	19,260,958
2	Deduct investments held for retirement of unmatured bonded debt	6,378
3	Item 1 less item 2	19,254,580
4	Short-term treasury bills	2,840,000
5	Accounts and other payables	2,252,148
6	Annuity, insurance and pension accounts	10,520,063
7	Other liabilities	555,047
8	Total direct debt less investments held for retirement of unmatured bonded debt(1)	35,421,838
<u>Indirect</u>		
9	Guaranteed bonds	1,131,366
10	Guaranteed bank loans	753,735
Other guaranties:		
11	Loans by lenders under Part IV of the National Housing Act 1954	21,116
12	Insured loans by approved lenders under the National Housing Act, 1954	6,732,000
13	Insurance guarantees and long-term financing under the Export Credits Insurance Act	332,966
14	Total indirect debt(2)	8,971,183
15	Total direct and indirect debt less investments held for retirement of unmatured bonded debt	44,393,021
16	Direct debt (item 8) per capita(3)	\$ 1,682
17	Indirect debt (item 14) per capita(3)	\$ 427

(1) See Table 18 for reconciliation with total liabilities per Public Accounts.

(2) Excludes deposits maintained by chartered banks in the Bank of Canada 1,038,024; also excludes notes issued by the Canadian Corporation for the 1967 World Exhibition 56,100.

(3) Based on population at June 1, 1969, estimated by the Census Division to be 21,061,000.

TABLE 16. Assets Available to Offset Direct Debt as at March 31, 1969

No.	Item	Thousands of dollars
1	Cash	918,938
2	Advances to the exchange fund account	2,867,000
Loans to and investments in:		
3	Own government enterprises	8,502,243
4	International organizations	999,122
5	Other investments(1)	2,246,490
Other receivables:		
6	Provincial governments	301,758
7	Local governments	4,882
8	Foreign governments	1,349,493
9	Other	946,742
10	Other assets including prepaid and deferred charges	1,172,324
11	Total	19,308,992

(1) Includes securities held in the Canada Pension Plan Investment Fund issued or guaranteed by: Nfld. 37,930; P.E.I. 7,145; N.S. 77,091; N.B. 58,774; Que. 4,622; Ont. 1,140,592; Man. 118,662; Sask. 91,465; Alta. 181,758 and B.C. 293,593; total, 2,011,632.

TABLE 17. Analysis of Indirect Debt by Issuing Authority as at March 31, 1969

No.	Item	Thousands of dollars
By issuing authority:		
Bonds of:		
1	Own government enterprises	1,131,366
Bank loans of:		
2	Own government enterprises	394,900
3	Other	358,835
4	Other guarantees	7,086,082
5	Total indirect debt per Table 15 item 14	8,971,183

TABLE 18. Reconciliation of Total Direct Debt Less Investments held for Retirement of Unmatured Bonded Debt with Total Liabilities per Public Accounts as at March 31, 1969

No.	Item	Thousands of dollars
1	Total liabilities per Public Accounts	35,919,261
	Additions:	
2	Working capital fund liabilities	31,927
3	Special fund liabilities	33,159
4	Total additions	65,086
	Deductions:	
5	Investments held for retirement of unmatured bonded debt(1)	6,378
6	Trust fund assets(1)	111,466
	Other:	
	Deferred revenue and reserves:	
7	Deferred credits	174,326
8	Suspense accounts	2,418
9	Provision for compound interest on Canada Savings Bonds	12,421
10	Reserve for retroactive salary revisions	120,529
	Unexpended balances of special funds:	
11	Replacement of materiel account	630
12	Surplus Crown Assets account	13,122
13	International Assistance Fund	86,386
14	Centennial of Confederation Fund	2,384
15	Railway grade crossing fund	8,225
16	National research council - Special fund	2,308
17	Fraser River Bridge - Maintenance account	305
18	Prairie Farm emergency fund	14,543
19	National Capital Fund	3,750
20	National Museums - Purchase account	425
21	Miscellaneous	152
22	Common school funds - Ontario and Quebec	2,678
23	Total deductions	562,509
24	Total direct debt less investments held for retirement of unmatured bonded debt per Table 15 item 8	35,421,838

(1) Deducted from assets per Public Accounts and offset against liabilities in these statistics.

TABLE 19. Bonded Debt by Place of Payment

Where payable	As at, March 31, 1968	Changes during fiscal year ended March 31, 1969		As at, March 31, 1969
		New issues	Retirements	
		thousands of dollars		
Canada	17,939,520	6,512,602	5,633,573	18,818,549
New York	160,355	108,108	1,730	266,733
Germany	—	67,568	—	67,568
Italy	—	108,108	—	108,108
Total bonded debt	18,099,875	6,796,386	5,635,303	19,260,958
Population (000's)	20,744 (1)			21,061 (2)
Bonded debt per capita (\$)	873			915

(1) As at June 1, 1968, per estimate made by Census Division.

(2) As at June 1, 1969, per estimate made by Census Division.

TABLE 20. Bonded Debt by Interest Rate

Rate of interest %	As at March 31, 1968	Changes during fiscal year ended March 31, 1969		As at March 31, 1969
		New issues	Retirements	
Marketable:				
2 3/4	387,639	—	308,581	79,058
3	55,000	—	—	55,000
3 1/4	590,292	—	—	590,292
3 1/2	200,000	—	—	200,000
3 3/4	404,957	—	—	404,957
4 1/4	1,267,203	—	—	1,267,203
4 1/2	2,327,679	—	335,000	1,992,679
4 3/4	125,000	—	125,000	—
5	2,157,297	—	562,730	1,594,567
5 1/4	350,000	—	—	350,000
5 1/2	2,076,559	60,000	8,675	2,127,884
5 3/4	775,000	34,595	—	809,595
5 7/8	—	36,324	—	36,324
6	760,000	72,189	—	832,189
6 1/4	225,000	450,000	—	675,000
6 1/2	—	335,000	—	335,000
6 3/4	—	247,568	—	247,568
6 7/8	—	108,108	—	108,108
7	—	1,000,000	—	1,000,000
Totals, marketable	11,701,626	2,343,784	1,339,986	12,705,424
Non-marketable (Unemployment Insurance Commission):				
4 7/8	17,000	—	17,000	—
5	68,000	—	—	68,000
5 1/4	89,000	—	66,000	23,000
5 1/2	68,000	—	—	68,000
5 3/4	54,000	—	—	54,000
6	—	92,000	—	92,000
6 1/4	—	71,000	—	71,000
Totals, non-marketable	296,000	163,000	83,000	376,000
Canada Savings:				
3 1/4-4(1)	26,279	—	7,046	19,233
3 1/4-4 3/4(2)	130,100	—	56,740	73,360
3 1/2-4 1/4(3)	48,970	—	17,190	31,780
4-5(4)	885,223	—	793,753	91,470
4 1/4-5(5)	136,435	—	55,977	80,458
4 1/2-5 1/2(6, 7, 8, 9)	1,652,502	—	905,181	747,321
5-6(10)	1,813,297	—	1,119,647	693,650
5 1/4-6(11)	1,403,735	277,653	1,256,783	424,605
5 3/4-7(12)	—	3,204,402	—	3,204,402
6-7(13)	—	801,940	—	801,940
Totals, Canada Savings	6,096,541	4,283,995	4,212,317	6,168,219
Canada Pension Plan:				
5.29	102	—	—	102
5.36	201	—	—	201
5.37	359	—	—	359
5.39	336	—	—	336
5.40	146	—	—	146
5.42	144	—	—	144
5.44	161	—	—	161
5.48	338	—	—	338
5.49	108	—	—	108
5.51	264	—	—	264
5.56	200	—	—	200
5.60	138	—	—	138
5.61	579	—	—	579
5.69	178	—	—	178
6.14	162	—	—	162
6.27	363	—	—	363
6.40	—	571	—	571
6.44	285	482	—	767
6.51	312	—	—	312
6.53	1,332	—	—	1,332
6.59	—	634	—	634
6.61	—	517	—	517

See footnote(s) at end of table.

TABLE 20. Bonded Debt by Interest Rate - Concluded

Rate of interest %	As at March 31, 1968	Changes during fiscal year ended March 31, 1969		As at March 31, 1969
		New issues	Retirements	
		thousands of dollars		
Canada Pension Plan - Concluded:				
6.62	-	438	-	438
6.66	-	595	-	595
6.71	-	539	-	539
6.76	-	343	-	343
6.79	-	559	-	559
6.92	-	295	-	295
7.11	-	395	-	395
7.17	-	239	-	239
Totals, Canada Pension Plan	5,708	5,607	-	11,315
Total bonded debt	18,099,875	6,796,386	5,635,303	19,260,958
Average interest rate	4.89			5.32

- (1) Issued 1956 - Interest 4% per annum to maturity, 1969.
 (2) Issued 1957 - Interest 4 3/4% per annum to maturity, 1970.
 (3) Issued 1958 - Interest 4 1/4% per annum to maturity, 1973.
 (4) Issued 1960 - Interest 5% per annum to maturity, 1970.
 (5) Issued 1961 - Interest 5% per annum to maturity, 1971.
 (6) Issued 1962 - Interest 5 1/2% per annum to maturity, 1976.
 (7) Issued 1963 - Interest 5% per annum to November 1, 1971, thereafter 5 1/2% per annum to maturity, 1975.
 (8) Issued 1964 - Interest 5% per annum to November 1, 1971, thereafter 5 1/2% per annum to maturity, 1974.
 (9) Issued 1965 - Interest 5% per annum to November 1, 1973, thereafter 5 1/2% per annum to maturity, 1977.
 (10) Issued 1966 - Interest 5% per annum to November 1, 1971; 5 1/2% per annum to November 1, 1974; 5 3/4% per annum to November 1, 1975, thereafter 6% per annum to maturity, 1979.
 (11) Issued 1967 - Interest 5 1/4% per annum to November 1, 1974; 5 1/2% per annum to November 1, 1977, thereafter 6% per annum to maturity, 1980.
 (12) Issued 1968 - Interest 5 3/4% per annum to November 1, 1970; 6 1/2% per annum to November 1, 1971; 6 3/4% per annum to November 1, 1974, thereafter 7% to maturity, 1978.
 (13) Issued 1968 - Interest 6% per annum to November 1, 1970, thereafter 7% per annum to maturity, 1978.

Table 21. Bonded Debt by Term of Issue

Term in years(1)	As at March 31, 1968	Changes during fiscal year ended March 31, 1969		As at March 31, 1969
		New issues	Retirements	
thousands of dollars				
1	480,000	255,000	480,000	255,000
2	495,000	614,595	—	1,109,595
3	450,000	236,324	—	686,324
3 1/2	225,000	—	—	225,000
4	945,000	37,189	125,000	857,189
5	766,000	542,568	416,000	892,568
6	225,000	250,000	—	475,000
6 1/2	650,000	200,000	—	850,000
7	80,000	—	—	80,000
7 1/2	100,000	—	—	100,000
9	1,135,306	—	710,306	425,000
10	682,107	—	303,334	378,773
10 1/2	—	801,940	—	801,940
12	816,646	277,653	585,641	508,658
12 1/2	26,279	—	7,046	19,233
13	3,347,131	—	2,155,516	1,191,615
13 1/2	30,000	—	—	30,000
14	2,112,305	3,204,402	433,284	4,883,423
14 1/2	80,000	—	1,071	78,929
15	48,970	—	17,190	31,780
16	746,559	—	—	746,559
18	428,581	—	316,185	112,396
20	155,708	113,715	—	269,423
22	247,046	—	—	247,046
23	125,000	—	—	125,000
24	150,000	—	—	150,000
25	2,654,192	—	1,730	2,652,462
26	350,000	—	—	350,000
27	—	100,000	—	100,000
41 1/2	197,045	—	—	197,045
Perpetual(2)	55,000	—	—	55,000
On demand(2, 3)	296,000	163,000	83,000	376,000
Total bonded debt	18,099,875	6,796,386	5,635,303	19,260,952
Average term of issue (years)	13.37			11.44

- (1) 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 term is less than six months, it is unadjusted.
 (2) Excluded when calculating average term of issue.
 (3) Redeemable by the Unemployment Insurance Fund on demand subject to 30 day's notice.

TABLE 22. Bonded Debt by Year of Maturity

Year of maturity fiscal year ending March 31	As at March 31, 1968	Changes during fiscal year ended March 31, 1969		As at March 31, 1969
		New issues	Retirements	
thousands of dollars				
1969	1,939,887	—	1,939,887	—
1970	1,601,279	205,000	107,046	1,699,233
1971	1,120,017	464,595	140,187	1,444,425
1972	996,435	436,324	55,977	1,376,782
1973	1,267,203	37,189	—	1,304,392
1974	748,970	542,568	17,190	1,274,348
1975	469,510	250,000	163,909	555,601
1976	806,359	200,000	177,626	828,733
1977	1,398,346	—	433,284	965,062
1978	478,862	—	130,362	348,500
1979	—	801,940	—	801,940
1980	2,156,543	277,653	1,397,300	1,036,896
1981	1,763,735	—	987,805	775,930
1983	—	3,204,402	—	3,204,402
1984	1,992,679	—	—	1,992,679
1986	102	—	—	102
1987	1,792	—	—	1,792
1988	85,111	—	1,730	83,381
1989	150,000	113,715	—	263,715
1991	350,000	—	—	350,000
1993	225,000	—	—	225,000
1996	—	100,000	—	100,000
1998	197,045	—	—	197,045
Perpetual	55,000	—	—	55,000
On demand	296,000	163,000	83,000	376,000
Total bonded debt	18,099,875	6,796,386	5,635,303	19,260,958

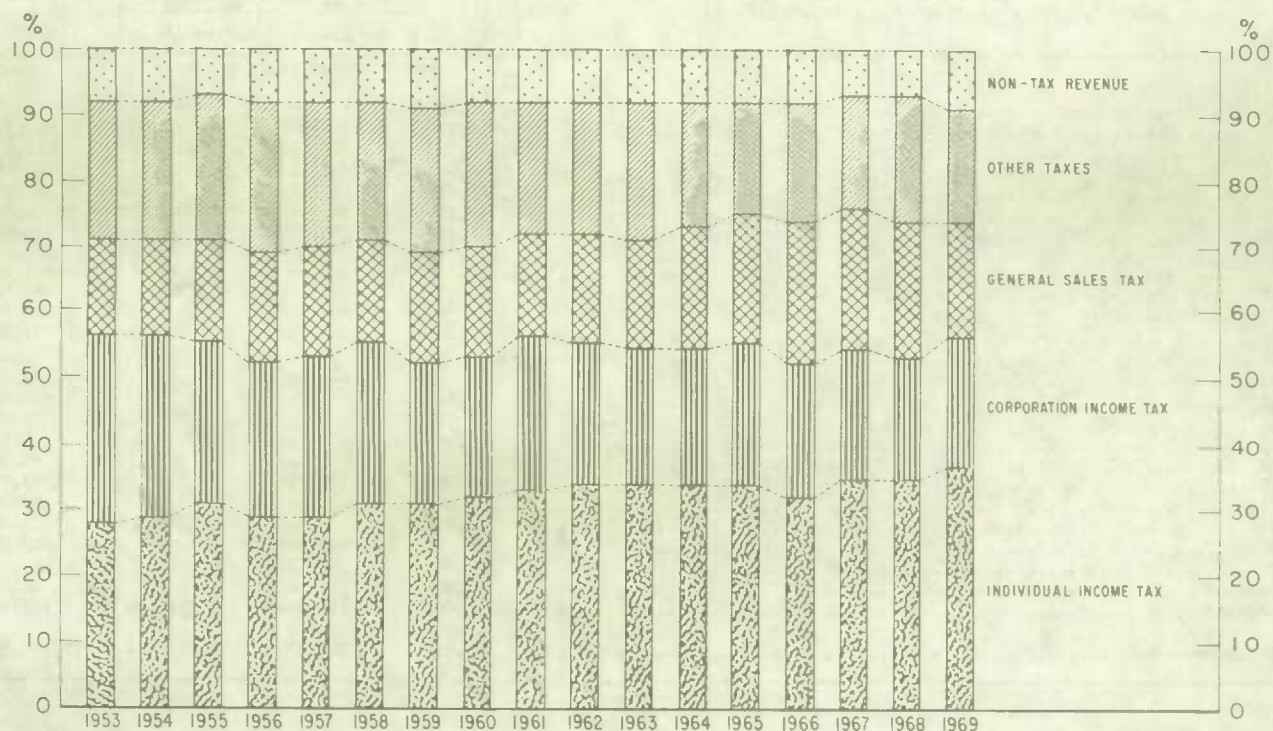
TABLE 23. Assumed Features of Bonded Debt

Fiscal year ending March 31	As at March 31, 1969			
	Non-callable issues by year of maturity		Callable issues	
	Savings bonds(1)	Other	By year of maturity	By earliest call year
thousands of dollars				
1970	19,233	1,680,000		134,058
1971	164,830	1,279,595		
1972	80,458	1,296,324		
1973		1,304,392		67,568
1974	31,780	1,175,000	67,568	
1975	156,845	350,000	48,756	454,958
1976	168,070	630,361	30,302	
1977	281,818	436,198	247,046	
1978	140,588		207,912	79,567
1979	801,940			108,108
1980	693,650	343,246		
1981	424,605	351,325		
1983	3,204,402			
1984		1,992,679		
1986		102		
1987		1,792		
1988		3,814	79,567	
1989		155,607	108,108	
1991		350,000		
1993		225,000		
1996		100,000		
1997				197,045
1998			197,045	
Perpetual			55,000	
On demand		376,000(2)		
Sub-totals	6,168,219	12,051,435	1,041,304	
Total bonded debt				19,260,958

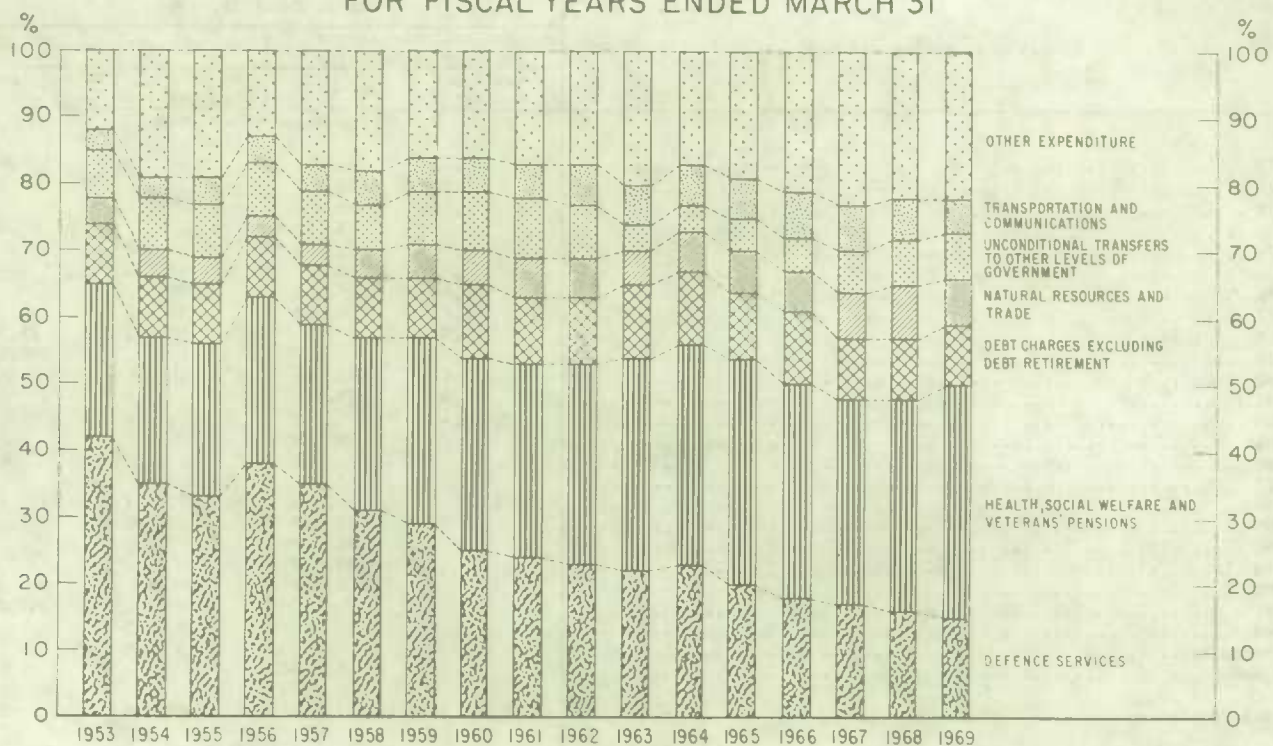
(1) Canada Savings Bonds are non-marketable and non-callable. They are redeemable with accrued interest on the holder's demand at any time prior to the date of maturity.

(2) Special non-marketable bonds sold to the Unemployment Insurance Commission.

PERCENTAGE COMPARISON OF NET GENERAL REVENUE FOR FISCAL YEARS ENDED MARCH 31



PERCENTAGE COMPARISON OF COST OF SERVICES PROVIDED FOR FISCAL YEARS ENDED MARCH 31



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