

X.—FINANCE.

Under the general heading of Finance in Section X are grouped statistics relating to the public accounts of the Dominion Government, including revenue and expenditure, public debt, assets and liabilities, coinage and inland revenue. Tables have been added showing the receipts and expenditure of each of the nine provincial governments of Canada, and these are followed by municipal statistics, values of building permits and statistics of banking, insurance and loan companies and building societies.

PUBLIC ACCOUNTS.

Financial System and Public Revenue.—The Canadian system of public finance, which is based upon that of the British, includes a Consolidated Fund to which are credited and out of which are paid the revenues and expenditures properly relating to the fiscal year ending March 31. There are also miscellaneous accounts dealing with loans, debt-redemption, railway administration, capital expenditure on public works and a variety of other subjects. For the fiscal year 1912-13 the total receipts on Consolidated Fund Account reached the then record total of \$168,689,903. In the following year, 1913-14, they receded to \$163,174,395; for 1914-15, including the first eight months of the war, they fell to \$133,073,482, and for the first time since 1897 there was a deficit, the expenditure exceeding receipts by \$2,449,725. In the following year, 1915-16, with increase of taxation and improving conditions, the revenue rose to \$172,147,838, an amount higher than any previous total; and the account showed a surplus of \$41,797,111. For the fiscal year ended March 31, 1917, under the influence of an enormous expansion of trade, the revenue rose still higher to the record total of \$232,601,294, with a surplus of \$84,001,951, which is more than double the surplus of the previous year. The revenue exceeded \$100,000,000 for the first time in 1910, and it has in 1916-17 for the first time exceeded \$200,000,000. Table 1 shows that the greatest increase accrued in the item for customs, the receipts from which in 1916-17, viz., \$134,043,842, exceeded the total revenue of the country for the year 1914-15. In his Budget speech on April 24, 1917, the Minister of Finance stated that during the fiscal year 1916-17 the revenue had enabled the country to pay from income all current and capital expenditure, all interest charges upon the increased national debt, all pension outlays and, in addition, to devote the sum of \$60,000,000 to payment of the principal of the war expenditure.

Consolidated Fund.—Table 1 shows by principal items the receipts and expenditures and the surplus on Consolidated Fund Account for the fiscal years 1914 to 1917. Table 2, for the period 1868 to 1917, differentiates between receipts from customs and excise (taxes) and receipts from other sources, and shows the surplus or deficit each year on Consolidated Fund Account. From this table it will be seen that during the 50 years that have elapsed since Confederation surpluses have accrued in 37 years and deficits were incurred in only 13. Tables