

5.—Provincial Subsidies.

Tables 17 and 18 show the aggregate amounts of the subsidies and other payments made by the Dominion to the Provincial Governments for each of the fiscal years ended from 1922 to 1927 (Table 17), and the totals paid from Confederation to date (Table 18). The provincial subsidies payable by the Dominion Government were originally settled by the British North America Act, 1867 (30 and 31 Vict., c. 3, s. 118), but were revised by the British North America Act, 1907 (7 Edw. VII, c. 11). Under the revised settlement each Provincial Government receives (a) a fixed grant according to population and (b) a grant at the rate of 80 cents per head of the population up to 2,500,000, and at the rate of 60 cents per head of so much of the population as exceeds that number. The Province of British Columbia received an additional grant of \$100,000 per annum for a period of 10 years from 1907.¹ An additional grant of \$100,000 per annum is payable to Prince Edward Island under an Act of 1912 (2 Geo. V, c. 42) and the payments to Manitoba were revised by the Extension of Boundaries (Manitoba) Act (2 Geo. V, c. 32). Other payments to the Provincial Governments by the Dominion Government consist of special grants, such as compensation for lands, allowances for buildings, allowances in lieu of debt, etc.

¹ See Canada Year Book, 1907, pp. xxxiii-iv.

17.—Subsidies and other Payments of Dominion to Provincial Governments, 1922-1927.

Provinces.	1922.	1923.	1924.	1925.	1926.	1927.
	\$	\$	\$	\$	\$	\$
Prince Edward Island.....	381,932	381,932	381,932	381,932	381,932	381,932
Nova Scotia.....	661,866	661,866	661,866	661,854	661,841	661,841
New Brunswick.....	666,766	666,766	666,766	666,766	666,766	666,766
Quebec.....	2,256,420	2,256,420	2,256,420	2,256,420	2,256,420	2,256,420
Ontario.....	2,642,612	2,642,612	2,642,612	2,642,612	2,642,612	2,642,612
Manitoba.....	1,470,991	1,466,380	1,485,118	1,501,551	1,501,551	1,491,836
Saskatchewan.....	1,763,883	1,763,883	1,901,069	1,757,006	1,860,755	2,032,575
Alberta.....	1,623,638	1,623,638	1,651,537	1,674,435	1,674,435	1,643,942
British Columbia.....	738,816	738,816	738,816	738,816	738,816	738,816
Total.....	12,211,924	12,207,313	12,386,186	12,281,391	12,375,128	12,516,740

18.—Total of Subsidy Allowances from July 1, 1867, to Mar. 31, 1927.

Provinces.	Allowance for Government.	Allowance per head of Population.	Special Grants. ¹	Interest on Debt Allowance. ²	Total.
	\$	\$	\$	\$	\$
Prince Edward Island.....	3,020,000	4,614,605	3,578,145	2,292,529	13,500,279
Nova Scotia.....	6,200,000	20,404,901	826,980	2,813,310	30,245,191
New Brunswick.....	5,600,000	15,557,147	8,730,000	1,212,389	31,099,527
Quebec.....	7,600,000	68,202,037	-	4,304,567	80,106,604
Ontario.....	8,000,000	85,361,169	-	3,889,203	97,250,372
Manitoba.....	5,405,000	12,970,240	11,600,677	10,679,531	40,655,447
Saskatchewan.....	3,956,667	10,369,644	11,906,250	8,918,250	35,150,811
Alberta.....	3,826,666	8,165,132	11,250,000	8,918,250	32,160,048
British Columbia.....	4,800,000	8,832,473	6,600,000	1,642,243	21,874,717
Total.....	48,406,323	234,477,348	54,467,652	44,676,763	382,042,966

¹ Compensation for lands and allowances for buildings. ² Allowance in lieu of debt.

6.—National Debt.

The gross national debt of Canada on Mar. 31, 1914, was \$544,391,369, as against assets of \$208,394,519, leaving a net debt of \$335,996,850. Comparatively small as was this debt, it was a debt incurred almost altogether either for public works of general utility which, like the Intercolonial and Transcontinental railways and the canal system, remained assets, though perhaps not realizable assets of the