

24.—Securities Guaranteed by the Dominion Government, as at Mar. 31, 1936—concl.

| Security. | Amount of Guarantee Authorized | Amount Outstanding and Held by the Public as at Mar. 31, 1936. | Where Payable. |
|--|--------------------------------|--|----------------|
| Relief Act Guarantees— | | | |
| 31. Bank Advances, re Province of Manitoba Savings Office | 12,442,400 | 7,305,541 | Canada. |
| 32. Bank Advances, re Government of Newfoundland | 625,000 | 625,000 | Canada. |
| 33. Bank Advances, re Canadian Pacific Railway Company | 60,000,000 | 36,000,000 | Canada. |
| 34. Bank Advances, re Dominion Steel and Coal Corporation (order for rails) | 1,100,000 | 217,134 | Canada. |
| 35. Province of British Columbia Treasury Bills..... | 626,534 | 626,534 | Canada. |
| 36. Province of Manitoba Treasury Bills..... | 5,894,127 | 5,894,127 | Canada. |
| 37. Bank Advances, re Grain Marketing—Canadian Co-operative Wheat Producers, Ltd. (Sask. Oats Act.)..... | — | 375,278 | Canada. |
| The Canadian Wheat Board..... | 60,000,000 | 45,000,755 | Canada. |
| Bank of Canada— | | | |
| 38. Reserve of chartered banks on deposit in Bank of Canada..... | — | 188,202,917 | Canada. |

Section 2.—Provincial Public Finance.*

Provincial Governments in Canada are in the position, under Section 118 of the British North America Act, 1867 (30 and 31 Vict., c. 3), and the British North America Act, 1907 (7 Edw. VII, c. 11), of having a considerable assured income in subsidies from the Dominion Treasury. Details of these payments are given for recent years at pp. 833 to 835 of this chapter. In addition, through their retention of ownership of their lands, minerals and other natural resources, those provinces which, by the voluntary action of their previously existing governments entered Confederation, raise considerable revenues through land sales, sales of timber, mining royalties, leases of water powers, etc., while the Prairie Provinces, though having controlled their own natural resources since 1930, formerly received from the Dominion special grants in lieu of land revenues. Further, under Section 92 of the British North America Act, Provincial Legislatures are given authority to impose direct taxation within the province for provincial purposes and to borrow money on the sole credit of the province.

Prior to the opening of the present century, provincial receipts and expenditures were generally moderate, as may be seen, both for individual provinces and for the provinces collectively, from Tables 25 and 26. The demand, more especially in Ontario and the West, for increased services from governments, particularly in respect of education, sanitation, and public ownership and operation of public utilities, and the performance of these functions, necessitated increased revenues, which had in the main to be raised by taxation. Among the chief methods of taxation to be employed has been the taxation of corporations and estates, succession duties showing a considerably increased yield even within the comparatively short period of eighteen years from 1916 to 1934 covered by the statements compiled by the Finance Branch of the Bureau of Statistics.† The fact that provincial govern-

*Revised by Col. J. R. Munro, Chief of the Finance Branch of the Dominion Bureau of Statistics. This Branch issues detailed statements on Provincial Finance which may be obtained from the Dominion Statistician. For a list of these publications see Section I of Chapter XXIX.

† The succession duties collected by the provinces in 1934 amounted in the aggregate to \$11,019,033, as compared with \$1,020,972 as recently as 1904, or an increase of more than 12-fold in 29 years. The aggregate revenue raised by taxation of corporations, land, income and miscellaneous (exclusive of gasoline taxes, succession duties and amusement taxes), increased from \$7,217,548 in 1916 to \$33,618,772 in 1934, an increase of 365 p.c. in 18 years.