

ment is cheaper per head in the eastern provinces is evident from Table 26, which gives the per capita ordinary revenue and expenditure for various fiscal years from 1871 to 1934. This, however, is not to be taken as evidence that the larger services rendered to the public in the provinces west of the Ottawa river, are not worth what is being paid for them.

For the half-century subsequent to Confederation, the provincial accounts, published by each Government according to its own system of accounting, were quite incomparable as among the provinces, a fact much regretted by students of provincial public finance. Upon the creation of the Dominion Bureau of Statistics in 1918, its Finance Branch undertook the work of placing the various provincial public accounts on a comparable basis, correlating, for example, the revenue derived from succession duties, taxation of corporations, sales of public lands, royalties on forest, mineral and fisheries products, as well as the expenditures on such services as agriculture, civil government, education and public works. As the result of the Bureau's exhaustive analysis of the provincial public accounts, a summary statement of the ordinary receipts and expenditures of the Provincial Governments appeared for the first time in the 1919 Year Book. The various items of receipts and expenditures were classified under appropriate headings and a uniform terminology was adopted. From these statements it is possible to ascertain the amounts received and expended in each year under the respective headings for each province, as well as for the provinces collectively. The figures for the years 1916 to 1920 will be found on pp. 680-685 of the 1921 Year Book, those for 1921 on pp. 786-791 of the 1922-23 Year Book and those for 1922 to 1926 on pp. 836-841 of the 1927-28 Year Book.

The Bureau now makes more extensive analyses of the finances of the provinces, including capital and trust accounts as well as ordinary revenue and expenditure. These analyses are based on a uniform classification adopted at a conference held in 1933 between provincial treasury officials and the Dominion Bureau of Statistics.

Data for 1934 were given on the new uniform basis at pp. 858-861 of the 1936 Year Book; they are not available for publication for 1935 in view of the circumstances outlined in the last paragraph on this page.

Subsection 1.—Provincial Revenues and Expenditures.

Ordinary Revenues and Expenditures.—The total ordinary revenues and expenditures of the provinces for their individual fiscal years are shown in Table 25, pp. 849-850, for the census years 1871-1911 and for each year from 1916-34. Tables 26 and 27 on pp. 858-861 of the 1936 Year Book show detailed ordinary revenues and expenditures for 1934. These are not available for 1935 for reasons stated in the next paragraph. While revenues have grown very rapidly over the period covered in Table 25, expenditures have more than kept pace. Since 1916, *i.e.*, in the short space of 18 years, while total revenues of all provinces show an increase of 251 p.c., ordinary expenditures have increased by 304 p.c.

The Bank of Canada has been requested to make special reports on the financial situation of western provinces, and has found it necessary to have a revision of the classification adopted by the Dominion Bureau of Statistics in the annual report on "Financial Statistics of Provincial Governments" After consultation between the Bureau and the Bank's officials, it was deemed inadvisable to attempt any compilation of 1935 and later statistics of provincial finance, on the earlier basis, pending the appointment of the proposed Royal Commission to investigate taxation and other financial matters, when the requirements of the Commission and the Bank of Canada may be worked out more satisfactorily and a revised questionnaire planned for distribution by the Bureau.