

The Growth of Provincial Taxation.—Whereas in earlier years the Dominion subsidies, together with the revenues arising out of the natural resources of the provinces and from fees for specific services rendered to the citizens, nearly sufficed to cover the whole expenses of government and rendered a resort to taxation for provincial purposes practically unnecessary in most of the provinces, the great increase in the functions of government since the commencement of the present century has put an end to this state of affairs. The aggregate amount of taxation for provincial purposes in the fiscal years prior to 1916 is unfortunately not available. Since that time provincial taxation has increased, according to the recently amended classification made in the Dominion Bureau of Statistics, from \$12,521,816 in 1916 to \$73,553,567 in 1934, exclusive of motor vehicle licences, liquor traffic profits, and other licences and permits, etc., an almost six-fold increase in 18 years.

The increase in the use of automobiles, both for commercial purposes and pleasure, is clearly demonstrated by the growing revenues from licences and permits issued by the Provincial Governments. In 1921 the total revenue of all provinces from automobile licensing amounted to \$7,857,751. It has since fluctuated considerably, reaching \$21,735,827 in 1929 but declining to \$19,952,575 in 1931. The revenue from this source in 1934 was \$20,840,513.

The growth of revenue from the gasoline tax still further demonstrates the increasing use of motor vehicles. In 1923 Manitoba and Alberta were the only provinces showing a gasoline-tax revenue, the total being \$280,404. In 1924 the five provinces of Prince Edward Island, Quebec, Manitoba, Alberta, and British Columbia collected gasoline-tax revenue to the amount of \$559,543, while in 1925 the same provinces, with Ontario added, collected \$3,521,388. In 1926 all provinces, except Saskatchewan, collected gasoline taxes to the amount of \$6,104,716, in 1927 to \$7,615,907, and in 1928 to \$9,151,735; thereafter, gasoline taxes were collected in all provinces and amounted to \$17,237,017 in 1929, \$20,956,590 in 1930, \$23,859,067 in 1931, \$24,987,273 in 1932, \$25,931,480 in 1933, and in 1934 to \$26,812,275. The higher yields in recent years, however, were due partly to higher rates of taxation.

The provincial revenues from the liquor traffic increased considerably between 1925 and 1930, but subsequently declined until 1934. The adoption of government control of the sale of liquor in one province after another, until now it exists in all but Prince Edward Island, where prohibition is still in force, has resulted in trading profits, licensing revenues, and permit fees, all of which have swelled the provincial revenues. Prior to the adoption of government control such revenues were not available to the provinces. In 1925 the total revenue collected by all provinces from the liquor traffic was \$8,964,824; in 1926 it was \$11,609,392, increasing to \$16,793,656 in 1927. In 1928, it amounted to \$22,755,212, in 1929 to \$27,599,687, in 1930 to \$33,248,056, in 1931 to \$32,128,693, in 1932 to \$24,832,427, in 1933 to \$16,160,980 and in 1934 to \$12,814,120. The method of control varies somewhat as between the provinces. In the majority of cases there are independent commissions or boards to administer the provincial Liquor Traffic Acts, but the accounting and trading profits are shown somewhat differently in the various provincial public accounts reports.*

Fiscal Years of the Provinces.—The fiscal years of the provinces are as follows: P.E.I., Dec. 31; N.S., Sept. 30 prior to 1935 and Nov. 30 thereafter; N.B., Oct. 31; Que., June 30; Ont., Oct. 31 prior to 1935 and Mar. 31 thereafter; Man. and Sask., April 30; Alta. and B.C., Mar. 31.

and also the report of the Dominion Bureau of Statistics on "The