

Provincial Funded Debt Incurred for Highways.—By far the greater portion of the highway expenditures has been made by the provinces and consequently must be paid out of provincial taxes. Payment for much of the construction costs has been deferred and this has accounted for part of the rapid increase in provincial funded debt since 1919. In 1919 the net funded debt of all the provinces was \$290,748,592; by 1937 it had increased to \$1,568,046,003 (see Table 35, p. 917) and the portion chargeable to highways was \$569,719,611 or almost double the net debt for all purposes in 1919. As already explained on p. 662, the provincial systems of modern motor roads have been almost entirely a post-War development and prior to 1919, there were practically no provincial expenditures on highways.

Table 7 shows the highway debt of the provinces outstanding at the ends of their respective fiscal years approximating the calendar years 1935-37, and the annual payments thereon during the same three years.

7.—Provincial Government Funded Highway Debt and Annual Charges Thereon, 1935-37.

NOTE.—Provincial Governments report for their fiscal years ended at various dates. For these dates in the latest year, see Table 1, p. 663.

Province.	Highway Debt Outstanding.			Annual Interest and Sinking Fund Payments.				
	1935.	1936.	1937.	1935.	1936.	1937.		
				Total.	Total.	Interest.	Sinking Fund.	Total.
\$	\$	\$	\$	\$	\$	\$	\$	\$
P.E. Island.....	1,004,774 ¹	1,004,774 ¹	767,636	86,000 ²	86,000 ²	37,357	194,468	231,825
Nova Scotia.....	30,496,496	33,980,000	49,674,625	1,215,396	1,348,625	1,801,198	138,135	1,939,333
New Brunswick.....	45,474,355	47,612,809	49,979,092	1,845,855	1,782,787	2,184,066	249,895	2,433,981
Quebec.....	70,811,283	70,811,283	80,736,741	5,101,607	4,514,084	2,880,030	1,610,520	4,490,550
Ontario.....	217,075,787	224,639,350	258,770,555	10,853,789	13,630,543	12,938,528	*	12,938,528
Manitoba.....	17,794,182	17,794,182	17,794,182	893,293	884,795	847,651	90,604	938,255
Saskatchewan.....	33,630,938	33,799,483	33,673,494	1,505,169	1,600,936	1,561,190	69,420	1,630,610
Alberta.....	35,861,450	37,025,514	37,025,514	2,039,309	1,150,514	1,062,155 ³	*	1,062,155
British Columbia.....	40,141,070	41,297,772	41,297,772	2,047,043	3,378,548	1,762,090	1,616,468	3,378,548
Totals.....	497,290,324	507,965,172	569,719,611	25,587,461	28,376,832	25,074,275	3,963,516⁴	29,043,785

¹1934 data. ²Not reported. ³Proportion of total charges paid only. ⁴Less Ontario and Alberta; see footnote 2.

Provincial Government Revenue.—The taxation of motor vehicles, garages, chauffeurs, etc., is becoming a lucrative source of Provincial Government income. In every province the following licences or permits, duly issued by the provincial authorities, are required: motor vehicles of all kinds, trailers (in all provinces except Alberta), operators or drivers, paid chauffeurs, dealers, garages, and gasoline and service stations. A sales tax on gasoline is also levied by each province. The following table shows the provincial revenue for the years 1936 and 1937, indicating, at the same time, the more important sources from which it is derived. Dominion Government revenues from import duties, excise, and sales taxes are not included.