

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 from \$12,521,816 in 1916 to \$117,694,985 in 1937 (exclusive of motor vehicle licences, liquor traffic profits, and other licences and permits, etc.), or over nine-fold in 21 years, according to the recently amended classification made in the Dominion Bureau of Statistics.

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 alone 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 1937 was \$26,053,580.

The gasoline tax is now generally adopted as a means of increasing provincial receipts and has proved to be a lucrative source of revenue. In 1923 only Manitoba and Alberta showed gasoline-tax revenue, the total being \$280,404. In 1924 the five provinces of Prince Edward Island, Quebec, Manitoba, Alberta, and British Columbia collected such 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, \$26,812,275 in 1934, \$20,474,977\* in 1935, \$32,310,353 in 1936, and in 1937 to \$35,415,061. The higher yields in recent years, however, were due partly to higher rates of taxation. The general rates of taxation at present (1939) in force are 10c. in the Maritime Provinces, 8c. in Quebec and Ontario, and 7c. in the Western Provinces; certain exemptions are allowed in each province.

The provincial revenues from the liquor traffic increased considerably between 1925 and 1930, but subsequently declined until 1934, again increasing in 1937. 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 \$27,599,687 by 1929. In 1933 such revenue amounted to \$16,160,980, in 1934 to \$12,814,120, in 1935 to \$12,886,197, in 1936 to \$19,338,366, and to \$25,913,699 in 1937. 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., Apr. 30; Alta. and B.C., Mar. 31.

\* The wide difference between the figure for 1935 and the one for 1936 is accounted for largely by the change in the fiscal year for the province of Ontario from Oct. 31 to Mar. 31, so that the Ontario figures for 1935 included in the 1935 total were for five months only.

† See Chapter XVII, pp. 622-625, and also the report of the Dominion Bureau of Statistics on "The Control and Sale of Liquor in Canada".