

## Subsection 2.—Provincial Debts and Assets.

**Bonded Indebtedness of the Provinces.**—Of the total liabilities of the provinces the major part is represented by bonded debt owing to the public in Canada and abroad. The total gross bonded debt amounted to \$1,440,294,809 in 1937 as compared with only \$218,875,927 in 1916, an increase of over \$1,220,000,000 in the 21 years. In addition to this bonded debt there were treasury bills outstanding on provincial accounts amounting to \$241,598,174\* for 1937. Figures of bonded debt for this and previous years to 1916 are given in Table 34. The rapid rise in the bonded debt of the provinces from \$218,875,927 in 1916 is accounted for largely by the development of public ownership of utilities (such as the "Hydro" in Ontario), the extension of the highways and surfaced roads systems in all provinces (highway debentures outstanding in 1937 accounting for \$569,720,000 of the provincial debt), and the requirements for the promotion of industrial activities and public and social welfare. These demanded heavy expenditures which could not easily be met out of current revenue. The borrowings, while increasing the public debt, are in the main considered justifiable, as the public utilities are in most cases meeting from their revenues the interest on indebtedness incurred in their construction, and the provincial assets generally are sound enough to take care of capital investment for other services which are necessary to develop the country.

**34.—Gross Bonded Debt (Exclusive of Treasury Bills) of Provincial Governments, by Provinces, for their respective fiscal years 1916, 1921, 1926, and 1931-37.**

NOTE.—Figures for intervening years, from 1917-30, are given at p. 877 of the 1938 Year Book.

| Fiscal Year. | Prince Edward Island. | Nova Scotia.            | New Brunswick. | Quebec.           | Ontario.      |
|--------------|-----------------------|-------------------------|----------------|-------------------|---------------|
|              | \$                    | \$                      | \$             | \$                | \$            |
| 1916.....    | 733,000               | 13,443,087              | 9,100,647      | 38,346,128        | 52,411,401    |
| 1921.....    | 858,000               | 20,678,267              | 23,573,432     | 51,652,113        | 184,693,420   |
| 1926.....    | 1,873,000             | 35,866,324              | 35,325,909     | 78,004,926        | 280,559,094   |
| 1931.....    | 2,104,000             | 60,325,613              | 45,858,996     | 84,235,292        | 455,375,344   |
| 1932.....    | 3,594,000             | 61,740,747              | 58,739,663     | 91,987,692        | 499,936,011   |
| 1933.....    | 3,754,000             | 66,439,890              | 61,935,163     | 110,237,892       | 522,687,345   |
| 1934.....    | 4,564,000             | 73,476,013              | 68,570,920     | 126,618,007       | 600,454,102   |
| 1935.....    | 5,754,000             | 85,866,647              | 67,562,920     | 149,748,007       | 594,088,188   |
| 1936.....    | 6,029,000             | 86,974,113              | 74,049,920     | 164,747,607       | 602,327,288   |
| 1937.....    | 6,104,000             | 92,969,247              | 76,613,920     | 195,170,199       | 576,856,147   |
|              | Manitoba.             | Saskatchewan.           | Alberta.       | British Columbia. | Total.        |
|              | \$                    | \$                      | \$             | \$                | \$            |
| 1916.....    | 30,396,274            | 24,292,044              | 29,000,200     | 21,153,146        | 218,875,927   |
| 1921.....    | 61,929,870            | 41,785,436              | 59,010,257     | 46,511,436        | 490,692,231   |
| 1926.....    | 64,433,595            | 54,114,176 <sup>1</sup> | 86,894,666     | 71,486,736        | 708,677,426   |
| 1931.....    | 81,381,906            | 85,141,205              | 106,866,573    | 95,358,236        | 1,016,647,165 |
| 1932.....    | 89,630,908            | 101,331,236             | 128,970,593    | 111,932,236       | 1,148,323,084 |
| 1933.....    | 90,938,906            | 109,209,642             | 133,837,280    | 125,332,736       | 1,224,372,824 |
| 1934.....    | 90,024,906            | 112,868,207             | 129,055,260    | 129,163,236       | 1,329,684,651 |
| 1935.....    | 92,136,606            | 121,109,740             | 129,744,260    | 127,311,236       | 1,373,321,604 |
| 1936.....    | 95,480,881            | 124,446,374             | 128,140,260    | 144,398,236       | 1,426,293,679 |
| 1937.....    | 94,962,481            | 124,043,319             | 127,999,260    | 146,546,236       | 1,440,294,809 |

<sup>1</sup> Liabilities statement is for Apr. 30; this amount includes \$500,000 due May 1.

**Total Provincial Public Debt.**—Table 35 gives a classified analysis of the public debt of Provincial Governments at the close of their fiscal years in 1936 and 1937.

\* Including \$5,865,000 which the province of New Brunswick considered a current liability.