

1.—Balance Sheets of the Dominion of Canada, as at Mar. 31, 1935-39—concluded.

Item.	1935.	1936.	1937.	1938.	1939.
	LIABILITIES. ¹				
	\$	\$	\$	\$	\$
Bank Note Circulation Redemption Fund.....	6,696,471	6,857,942	7,019,898	5,967,227	5,462,028
Post Office account, money orders, postal notes, etc., outstanding.....	2,137,533	2,726,925	4,074,164	3,664,726	2,498,656
Post Office Savings Bank deposits.....	22,547,006	22,047,287	21,879,593	22,587,233	23,045,575
Insurance, superannuation funds and annuities.....	126,166,496	150,614,097	176,973,747	201,332,556	221,220,852
Trust funds.....	19,587,159	20,943,718	20,933,993	20,951,204	21,328,456
Contingent and special funds..	5,625,412	6,044,065	13,597,412	21,853,040	34,762,566
Province accounts.....	9,623,817	9,623,817	9,623,817	9,623,817	9,623,817
Funded debt less sinking funds.	3,011,713,862	3,211,347,008	3,285,066,671	3,252,577,884	3,318,490,049
Interest due and outstanding..	1,858,613	1,739,167	3,351,844	1,679,928	1,888,817
Totals, Liabilities or Gross Debt.....	3,205,956,369	3,431,944,026	3,542,521,139	3,540,237,615	3,638,320,816

¹ Direct liabilities only. Indirect liabilities or guarantees given by the Dominion of Canada are listed in Table 28, at pp. 862-863.

Subsection 2.—Receipts and Disbursements.

The receipts of the Dominion Government on Ordinary Account for the fiscal year 1939, showed a decrease of \$12,280,875 as compared with the previous year while total receipts were reduced by \$14,521,395. The regular expenditure on ordinary account decreased by \$1,859,208, though total expenditures were \$18,654,980 higher than for 1938. There was an increase of \$50,891,744 in the net debt (gross debt less active assets) during the year. (See Table 26 for interest-bearing debt.)

Changes in the Public Accounts, 1936.—Several important changes were made under various headings in the Public Accounts for 1936. On the revenue side "War and Demobilization Receipts", previously carried as "Special Receipts", were transferred to Ordinary Account (Casual Revenue). On the expenditure side several recurring items were also transferred from "Special" to "Ordinary", as follows: cost of loan flotations, representing flotation costs of new loans and annual charges for amortization of bond discount; the Government's annual contribution to the Superannuation Fund; the annual payment to maintain the reserve in the Government Annuities Fund; adjustment of War claims; and expenditures made under the Railway Grade Crossing Act. A new category was established under the heading "Government-Owned Enterprises", to cover expenditures incurred by the Government on account of the Canadian National Railways, the Canadian National Steamships, and various Harbour Commissions. Other major changes were the establishment of a separate category for Write-down of Assets, and transference of payment of Old Age Pensions from the Department of Labour to the Department of Finance.

In Tables 2, 3, and 8 the new classification of items has been adopted for the 1936, 1937, 1938, and 1939 figures and the figures for 1935 have been adjusted to the new basis. The result is that the figures for 1935 as given in the tables do not conform with the figures shown in the Public Accounts for that same year, because