

appears for the first time in the 1919 Year Book. The various items of receipts and expenditures were classified under appropriate headings and a uniform terminology was adopted. From these statements it is possible to ascertain the amounts received and expended in each year under the respective headings for each province, as well as for the provinces collectively. The detailed figures for the years 1916 to 1920 will be found at pp. 680-685 of the 1921 Year Book, those for 1921 at pp. 786-791 of the 1922-23 Year Book and those for 1922 to 1926 at pp. 836-841 of the 1927-28 Year Book.

The Bureau now makes more extensive analyses of the finances of the provinces, including capital and trust accounts as well as ordinary revenue and expenditure. These analyses are based on a uniform classification adopted at a conference held in 1933 between provincial treasury officials and the Dominion Bureau of Statistics. This new extended analysis, however, does not affect the comparability of the summary totals of Table 29.

Subsection 1.—Provincial Revenues and Expenditures.

Ordinary Revenues and Expenditures.—Revenues have grown very rapidly over the period covered in Table 29 and expenditures have more than kept pace. Since 1916, i.e., in the short space of 21 years, while total revenues of all provinces have shown an increase of 437 p.c., ordinary expenditures have increased 371 p.c. Detailed ordinary revenues and expenditures for 1937 are shown at pp. 912-915 of the 1939 Year Book. Complete figures for 1938 are not available at the time of going to press, and are not included in the tables, but certain items of revenue are given in the textual treatment of the growth of provincial taxation.

Growth of Provincial Taxation.—In earlier years Dominion subsidies and 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. However, 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 from \$12,521,816 in 1916 to \$131,755,348 in 1938 (exclusive of motor-vehicle licences, liquor traffic profits, and other licences and permits, etc.), or over ten-fold in 22 years.

The increase in the use of automobiles, both for commercial purposes and for 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 1938 was \$25,606,890.

The gasoline tax is now generally adopted as a means of increasing provincial receipts and has proven 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