

### 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 \$1,533,524,253 in 1938 as compared with only \$218,875,927 in 1916, an increase of over 600 p.c. in the 22 years. In addition to this bonded debt there were treasury bills outstanding on provincial accounts amounting to \$229,361,796 for 1938. The rapid rise in the bonded debt of the provinces 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 1938 amounting for \$639,658,405 of the provincial debt), and the requirements for the promotion of industrial activities and public and social welfare. These demanded heavy expenditures that 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 that are necessary to develop the country.

#### 31.—Gross Bonded Debt (Exclusive of Treasury Bills) of Provincial Governments, by Provinces, for Their Respective Fiscal Years 1916, 1921, 1926, and 1931-38.

NOTE.—Figures for intervening years, from 1917-30, are given at p. 877 of the 1938 Year Book. For dates on which the fiscal years of the provinces end, see p. 866.

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	134,693,420
1926.....	1,873,000	35,986,324	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.....	3,504,000	61,740,747	58,739,663	91,987,692	499,986,011
1933.....	3,754,000	66,439,880	61,935,163	110,237,892	522,687,345
1934.....	4,554,000	73,476,013	63,570,920	126,518,007	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	602,027,288
1937.....	6,104,000	92,969,247	76,613,920	195,170,199	576,886,147
1938.....	6,690,000	102,666,380	89,801,573	257,576,099	585,557,531
	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	86,894,666	71,485,736	708,677,426
1931.....	81,381,906	85,141,205	106,866,573	95,358,236	1,016,647,165
1932.....	89,630,906	101,831,236	128,970,593	111,932,236	1,148,323,084
1933.....	90,938,906	109,209,642	133,837,260	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	145,546,236	1,440,294,800
1938.....	93,997,481	123,949,693	127,999,260	145,286,236	1,533,524,253

**Total Provincial Public Debt.**—The statistics of Table 32 have been assembled on as comparable a basis as possible, but differences in Provincial book-keeping are accountable for minor incomparabilities. New Brunswick, for instance, regards treasury bills as current debt, while Ontario does not consider as "available" assets such items as Dominion Debt Account; Common School Fund; Quebec Turnpike; and Plant, Live Stock, and Equipment. More complete details are given in the footnotes to the table at p. 13 of the Bureau's bulletin "The Public Debt of Canada, Dominion and Provincial Governments, 1938, and Municipalities, 1937".