

CHAPTER XXI.—PUBLIC FINANCE

CONSPECTUS

	PAGE		PAGE
SECTION 1. COMPARATIVE STATISTICS OF PUBLIC FINANCE.....	742	SECTION 3. PROVINCIAL PUBLIC FINANCE.	782
SECTION 2. DOMINION PUBLIC FINANCE..	744	Subsection 1. Provincial Revenues and Expenditures.....	783
Subsection 1. The Current Balance Sheet of the Dominion.....	748	Subsection 2. Provincial Debts and Assets.....	787
Subsection 2. Revenues and Expenditures.....	750	SECTION 4. MUNICIPAL PUBLIC FINANCE.	790
Subsection 3. Analysis of Revenues from Taxation.....	760	SECTION 5. NATIONAL WEALTH AND INCOME.....	795
Subsection 4. Subsidies and Loans to Provinces....	770	Subsection 1. National Wealth.....	795
Subsection 5. National Debt.....	774	Subsection 2. National Income.....	796
		Subsection 3. British and Foreign Capital Invested in Canada and Canadian Capital Invested Abroad..	798

NOTE.—Public finance, as dealt with in this chapter, is based upon the presentations of the subject as they are found in the "Public Accounts" and other official financial publications of the governments concerned. The treatment is, therefore, summary in nature. Interesting and informative details of various aspects of public finance may be obtained from the annual reports of the departments engaged in administering the many Acts that affect the economic life of the community. In the Year Book, statistics of this nature are found in various chapters throughout the volume. In the Transportation chapter, for instance, the finances of the government railways are dealt with in more detail than can be done in a review of Dominion finances as a whole. Similarly, in other places, the attention of the reader is directed to such subjects as farm loans, fishing bounties, the finances of the provincial hydro-electric commissions, export duty on electric power, government expenditures in relation to war-time construction, housing loans, customs duties collected, receipts for such government services as inspection of gas and electricity meters, bounties paid for the assistance of producers of various products, provincial revenue from liquor control, the finances of the Canadian Broadcasting Corporation, expenditures on highways and waterways, postal revenues, expenditures on relief, post-office savings banks, government annuities, expenditures on education, pensions to war veterans and civil service salaries. These subjects are all listed in the index to this volume.

Section 1.—Comparative Statistics of Public Finance*

In planning this chapter of the Year Book, the idea of publishing combined statistics of finance for all Governments of Canada—Dominion, Provincial and Municipal—has been behind such revisions that have been made in recent issues, especially those of provincial finance. This aim, however, has not been easy of accomplishment. Until relatively recently, it was impossible to get even provincial finance figures on a reasonably comparable basis because of the fact that wide variation exists in respect to fiscal years,† and because of lack of uniformity in accounting methods. In the editions of the Canada Year Book from 1936 to 1939, following a conference on provincial finance called by the Finance Branch of the Dominion Bureau of Statistics, figures on a revised classification basis were published. These were the most comparable composite figures of provincial finance available up to that time. The research organization set up for the Royal Commission on Dominion-Provincial Relations did much work in consolidating public finance statistics and in analysing the results for the purposes of that Commission; in Book III of the Report of the Royal Commission, published in 1940, an elaborate series of

* Revised under the direction of Col. J. R. Munro, Chief of the Finance Statistics Branch, Dominion Bureau of Statistics.

† 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 to 1940 and Mar. 31 in 1941; Ont., Oct. 31 prior to 1935 and Mar. 31 thereafter; Man. and Sask., Apr. 30; Alta. and B.C., Mar. 31.