

4.—Combined Expenditures of All Governments in Canada, 1942

NOTE.—Figures as at governmental fiscal year ends nearest Dec. 31, 1942. See text on p. 916 re inter-governmental transfers.

Item	Dominion	Provincial	Municipal	Deduct Inter-governmental Transfers	Combined Governmental Expenditure
	\$'000	\$'000	\$'000	\$'000	\$'000
Public Welfare—					
Health.....	1,303	4,943	3,989	—	10,235
Labour and unemployment insurance.....	22,729	1,603	—	—	24,332
Relief.....	671	5,271	3,461	—	9,403
Old Age and Blind Pensions.....	30,012	12,395	294	—	42,701
Other.....	3,320	36,920	32,334	—	72,574
Totals, Public Welfare.....	58,035	61,132	40,078		159,245
Education.....	8,905	46,392	90,252		145,549
Transportation.....	49,113	54,633	30,201		133,947
Agriculture.....	51,722	13,373	—		65,095
Public domain.....	12,372	18,179	—		30,551
National Defence.....	1,870,983	—	—	—	1,870,983
Veterans' pensions and aftercare.....	59,246	—	—	—	59,246
Mutual Aid.....	1,003,835	—	—	—	1,003,835
Expansion of industry.....	658,714	—	—	—	658,714
Price control and rationing.....	82,370	—	—	—	82,370
Net debt charges.....	169,394	64,140	44,890	1,466 ¹	276,958
Other expenditures.....	79,218	35,788	89,707	—	204,713
Inter-governmental Transfers—					
Dominion subsidies to provinces.....	14,490	—	—	14,490	—
Provincial subsidies to municipalities.....	—	3,076	—	—	—
Vacation of tax fields.....	85,943	4,067	—	90,010	—
Gasoline tax guarantee.....	8,272	—	—	8,272	—
Nova Scotia highway tax.....	—	—	444	—	444
Municipal Commissioner's levy (Man.).....	—	—	787	—	787
Grand Totals.....	4,212,612	300,780	296,359	118,545	4,691,296

¹ Paid by Dominion to provinces re school lands and common school fund investments.

Section 2.—Dominion Public Finance*

Historical Sketch.—A sketch of public finance, from the French regime to the outbreak of the War of 1914-18, appears at pp. 742-743 of the 1941 Year Book. Up to that time, Dominion revenues had never reached \$170,000,000, while expenditures reached \$186,000,000 in the fiscal year ended Mar. 31, 1914, and even this figure was an increase of almost 29 p.c. over that of the previous year.

Pre-War Modifications in the System of Taxation.—A detailed sketch of the changes made in taxation from 1914 to 1926 will be found at pp. 755-759 of the 1926 Year Book, while similar information re tax changes from 1927 to 1929 is given at pp. 791-792 of the 1930 Year Book, for the years 1930 to 1935 at pp. 824-826 of the 1936 Year Book, for 1936 and 1937 at pp. 837-839 of the 1938 Year Book, and for 1938 at pp. 874-875 of the 1939 Year Book. A statement at pp. 811-817 of the 1937 Year Book gives complete details of the Dominion tax system as of July, 1936, and statements at pp. 836-837 of the 1938 edition give changes made in the sales tax and in the special excise tax on importations since the inception of these taxes in 1920 and 1931, respectively.

* Revised under the direction of Dr. W. C. Clark, Deputy Minister, Department of Finance, with the exception of those parts dealing with war-tax revenue and income-tax revenue at pp. 936-938, which were revised by the Department of National Revenue.