

The following statement shows the net revenue loss from all tax changes:—

<i>Item</i>	<i>Full Fiscal Year</i>	<i>Effect in Fiscal Year 1949-50</i>
	\$	\$
Personal Income Tax—		
Increased exemptions and reduced rates..	-270,000,000	-235,000,000
Credit of 10 p.c. for dividends.....	-12,000,000	-9,000,000
Corporate Income Tax—		
Net increase in revenue from rate changes.	+12,000,000	+8,000,000
Excise taxes repealed.....	-79,000,000	-69,130,000
Excise taxes reduced to 10 p.c.....	-19,850,000	-17,370,000
NET REVENUE CHANGE.....	-368,850,000	-322,500,000

Subsection 1.—Balance Sheets of the Federal Government

Table 7 gives the balance sheets of the Federal Government for 1945-49. The items on the assets side have been changed somewhat from the arrangement in former years but the revisions have been carried back to 1945, so that all years shown in the table are comparable. Figures in earlier Year Books are not on a basis comparable to those in the present Table 7. On the asset side, accounts classified as *active* assets are shown; these represent cash or investments that are interest-producing or have a readily realizable cash value. On the liability side, such liabilities as have been ascertained and brought into the accounts are given. No liability is shown for interest accrued but not due, nor for current obligations incurred for supplies or services but not paid for at the end of the fiscal year. Indirect liabilities under guarantees are not reflected in the Balance Sheets, but are set out in a special schedule. (See p. 1028.)

The excess of liabilities over active assets, designated the *net debt*, is analysed in a statement appended to the Balance Sheet, and is apportioned to non-active assets, which include capital expenditures and non-productive investments, and to accumulated deficits in Consolidated Deficit Account.

7.—Balance Sheets of the Federal Government as at Mar. 31, 1945-49

Assets	1945	1946	1947	1948	1949
	\$	\$	\$	\$	\$
Active Assets—					
Cash and Other Current Assets—					
In current deposits.....	154,974,071	805,969,427	482,191,674	34,522,862	87,887,650
In special deposits.....	2,792,498	2,642,002	2,354,151	3,518,896	2,301,582
In blocked currency.....	—	—	—	—	482,048
Other Liquid Assets—					
Foreign Exchange Control Board—					
Cash and securities.....	850,000,000	1,550,000,000	841,192,875	621,192,875	1,071,192,875
Securities investment account	335,921,666	151,539,571	276,366,554	672,948,438	455,769,619
Working Capital Advances—					
Departmental.....	7,413,708	9,327,530	32,506,611	29,051,209	21,919,461
Crown corporations.....	116,946,252	96,859,199	46,910,985	32,224,723	20,705,421
Totals, Liquid Assets.....	1,468,048,195	2,616,337,729	1,681,522,850	1,393,459,003	1,660,258,665