

Exhibit No. 2

COMBINED REVENUES AND EXPENDITURES—ALL GOVERNMENTS
IN CANADA

Fiscal Years Ended Nearest December 31st, 1939, 1949 and 1950

STATEMENTS ATTACHED

Source: 1939—"Comparative Statistics of Public Finance", prepared for the Dominion-Provincial Conference on Reconstruction, 1945.

1949 and 1950—Based on compilations of the Dominion Bureau of Statistics and Bank of Canada, for comparative purposes.

Explanatory Note: The totals appearing on line 23 of the revenue table and line 18 of the expenditure table do not include intergovernment transfers. For instance, subsidies authorized by the B.N.A. Act and other Acts and compensation to provinces as provided in the Dominion-Provincial Tax Rental Agreements Act are excluded from expenditures of the Federal government and correspondingly omitted from the revenues of the provinces. However, grants-in-aid, etc., for specific services, such as for old age pensions, are included as expenditures of the government making the grant and deducted from the gross expenses of the other level of government which received the grant.

These procedures are followed to avoid duplication in order to produce additive totals of both revenues and expenditures for all levels of government.