

ince of Quebec are in respect of compensation to that province for its opting out of the following programs: hospital insurance and diagnostic services, old age assistance, disabled persons allowances, blind persons allowances, unemployment assistance, and the Canada Assistance Plan; and, in part, the general health grants program. Payments were \$213 million in 1970-71.

Subsidies to provinces payable under the British North America Acts and other statutory authority are \$34 million, \$2 million more than in 1970-71.

The transfer of certain public utility tax receipts in the amount of \$25 million are \$1 million more than in 1970-71 and represent the transferable portion of income tax received from corporations whose main business is the distribution to, or generation for distribution to, the public of electrical energy, gas and steam.

The Federal-Provincial Fiscal Revision Act, 1964, provides that where, in any fiscal year commencing on or after April 1, 1964, the federal savings in respect of a province providing schooling exceeds the federal revenue abatement in respect of that province for the taxation year ending in that fiscal year, the Minister of Finance may, out of the consolidated revenue fund, pay to that province in respect of that fiscal year an amount equal to the excess and where for a taxation year ending in any fiscal year commencing on or after April 1, 1964 the federal revenue abatement in respect of a province providing schooling allowances exceeds the federal savings in that fiscal year in respect of that province, the amount of the excess may

be deducted from any payment to that province under the Federal-Provincial Fiscal Arrangements Act or under any subsequent Act of the Parliament of Canada substituted therefore, or may be otherwise recovered as a debt due to Canada by that province. The abatement for the taxation year 1971 and the revised abatement for the taxation year 1970 in respect of the Province of Quebec exceeded the federal savings by \$32 million which has been recovered from payments to that province under the Established Programs (Interim Arrangements) Act. In 1970-71 the abatement for the taxation year 1970 exceeded the federal savings by \$28 million and was recovered.

TABLE 20
(in millions of dollars)

FISCAL TRANSFER PAYMENTS TO PROVINCES	Fiscal year ended March 31		Increase or decrease (-)
	1971	1972 (preliminary)	
Payments under the Federal-Provincial Fiscal Arrangements Act.....	(1)987.4	1,128.4	141.0
Payments under the Established Programs (Interim Arrangements) Act	213.1	(1)273.2	60.1
Statutory subsidies.....	31.8	33.8	2.0
Transfer of certain public utility tax receipts.....	24.1	25.4	1.3
Federal-Provincial Fiscal Revision Act (youth allowances).....	-27.5	-31.8	-4.3
	1,228.9	1,429.0	200.1

(1) Gross prior to recovery of an excess abatement under the Federal-Provincial Fiscal Revision Act (youth allowances) to the Province of Quebec.

TABLE 21
(in millions of dollars)

FISCAL TRANSFER PAYMENTS	Fiscal year ended March 31, 1972 (preliminary)					
	Payments under Fiscal Arrangements	Payments under Interim Arrangements Act	Statutory subsidies	Recovery under the Federal-Provincial Fiscal Revision Act (youth allowances)	Transfer of certain public utilities tax receipts	Total
Newfoundland.....	120.5		9.7		1.1	131.3
Nova Scotia.....	98.8		2.2		1.7	102.7
Prince Edward Island.....	23.2		0.6		0.2	24.0
New Brunswick.....	98.5		1.8		0.1	100.4
Quebec.....	571.1	273.2	4.5	-31.8	3.2	820.2
Ontario.....	25.7		5.6		11.2	42.5
Manitoba.....	63.5		2.1		0.8	66.4
Saskatchewan.....	118.5		2.1		(1)	120.6
Alberta.....	8.6		3.1		6.4	18.1
British Columbia.....			2.1		0.5	2.6
Yukon and Northwest Territories...					0.2	0.2
	1,128.4	273.2	33.8	-31.8	25.4	1,429.0

(1) Less than \$50,000.