

Summary

25. The total amount charged to Government expenditures resulting from operating deficits and non-active advances to all government owned enterprises totalled \$42,080,000 as compared with \$58,943,000 in the fiscal year ended March 31, 1939. The decrease of \$16,863,000 was mainly due to the reduction of the deficit of the Canadian National Railways. Loans and Advances to Government Owned Enterprises which are treated in the Public Accounts as Active Assets are referred to in a later section.

OTHER CHARGES

26. Other Charges, the final main category of expenditures, amounted to \$25,958,000. The principal item included in this total was the write-off of Saskatchewan treasury bills from non-active assets to Consolidated Fund amounting to \$17,682,000. Other items similarly dealt with were reduction of Canadian National Railways Securities Trust Stock of \$2,600,000 representing line abandonments during the calendar year 1939 and the yearly established losses in seed grain and relief accounts of the Department of Mines and Resources amounting to \$10,000. The total of these three items, namely, \$20,292,000, is offset by a similar amount of Other Credits already referred to under Revenues.

The annual write-off of Soldier and General Land Settlement Loans amounted to \$1,643,-

000. Capital Stock of the Canadian Farm Loan Board in the amount of \$11,000 was cancelled. An amount of \$1,374,000 of Saskatchewan Treasury Bills was written-off as a final adjustment with respect to drought area relief assumed by the Dominion for the period September 1, 1934, to August 31, 1935.

Pursuant to the Saskatchewan Seed Grain Loans Guarantee Act, 1936, the dominion was required to fulfil its guarantee with respect to bank loans to municipalities to the extent of \$2,638,000.

SUMMARY OF EXPENDITURES

27. The grand total of the preceding expenditures, i.e., Ordinary, Capital, Special including War, Government Owned Enterprises, and Other Charges, is \$680,516,000 for the fiscal year 1939-40.

28. The following table shows the percentage distribution of revenues and expenditures for a number of important items of revenue and expenditure. Receipts from various taxes and other revenue sources are shown as percentages both of total revenues and of total expenditures. Similarly, several of the main items of expenditure or groups of such items are shown as percentages both of total expenditures and of total revenues. This table should only be used for the purpose of drawing broad conclusions as to the relative burdens imposed on the treasury by the several important services or obligations of government.

PERCENTAGE DISTRIBUTION OF REVENUES AND EXPENDITURES, 1939-40

(000 omitted)

Revenues	Amount (estimated)	Percentage of total Revenues	Percentage to total Expend- iture
	\$	%	%
Ordinary Revenue—			
Income Tax.....	134,449	23.92	19.76
Customs Import Duties.....	104,301	18.56	15.33
Excise Duties.....	61,032	10.86	8.97
Sales Tax.....	137,446	24.45	20.20
Manufacturers', importation, stamp taxes, etc.....	28,582	5.09	4.20
Other tax revenues.....	1,875	0.33	0.27
Total Revenue from Taxes.....	467,685	83.21	68.73
Non-tax Revenues.....	73,933	13.15	10.86
Total Ordinary Revenue.....	541,618	96.36	79.59
Special Receipts and Credits.....	164	0.03	0.02
Other Receipts and Credits—			
Refunds of capital expenditures and credits on non-active accounts.....	20,313	3.61	2.99
Grand Total Revenues.....	562,095	100.00	82.60