

## PROVINCIAL REVENUES UP 56 P.C. SINCE 1949

**EXPENDITURES 51 P.C.:** According to a preliminary estimate, both the total net general revenue and the total net general expenditure of Canada's provincial governments are expected to show increases of \$93,000,000 or roughly 8% for 1953. However, since 1949 the rise has been greater in revenues than in expenditures. As a result, expenditures topped revenues by only \$12,000,000 or less than 1% in 1953 as compared with \$35,000,000 or about 4% in 1949.

A preliminary analysis by the Dominion Bureau of Statistics places the 1953 net general revenue of the provinces at \$1,314,000,000 and the net general expenditure (exclusive of debt retirement) at \$1,326,000,000. This represents a jump of \$473,000,000 or 56% in revenues and \$450,000,000 or 51% in expenditures since 1949.

### TAXES

Taxes (exclusive of federal tax rental agreements) provided the provinces with \$504,000,000 last year, \$33,000,000 or 7% more than in 1952 and \$86,000,000 or about a fifth more than in 1949. Partly offsetting this was a decline in corporation income tax revenue, which amounted to \$51,000,000 in 1953, \$1,000,000 less than in 1952 and well under half the \$106,000,000 yield of 1949. The biggest increase in both comparisons was in the revenue from sales taxes on motor fuel and fuel oil, which climbed by \$23,000,000 over 1952 and \$81,000,000 over 1949 to \$220,000,000, reflecting to a large extent the tremendous increase in the purchase of these commodities by Canadians in recent years.

By far the most important single factor in the increase in provincial government revenue since 1949 has been the federal tax rental agreements, which in 1953 yielded the provinces \$309,000,000, or nearly four times the \$80,000,000 of 1949. Last year the largest increase in any revenue item was in privileges, licences and permits, which netted \$301,000,000, some \$48,000,000 more than in 1952 and \$123,000,000 more than in 1949. Total revenue from liquor control was \$155,000,000, about \$5,000,000 less than in 1952 and \$20,000,000 more than in 1949.

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Natural gas output reached 38,662,930,000 cubic feet in the first three months this year, a jump of 26% over 1953's first-quarter yield of 30,720,770,000.

The sharpest increase in any expenditure account in both the year and the five-year comparison was in transportation and communications, which cost the provinces \$409,000,000 last year, \$38,000,000 more than in 1952 and \$155,000,000 more than in 1949. The next largest increases in both periods were in expenditures on education and health. The provinces spent \$234,000,000 on education in 1953, about \$16,000,000 more than in 1952 and \$74,000,000 more than in 1949, and another \$214,000,000 on health, an increase of \$12,000,000 over 1952 and \$71,000,000 over 1949.

Net general revenue rose last year in all provinces except Newfoundland, where the total was unchanged from 1952's \$31,000,000. Alberta chalked up the largest increase with a boost of \$37,000,000 to \$179,000,000; and Ontario followed with an advance of \$22,000,000 to \$362,000,000. The other increases were: Quebec, \$15,000,000 to \$297,000,000; Saskatchewan, \$8,000,000 to \$97,000,000; Nova Scotia, \$3,000,000 to \$48,000,000; British Columbia, \$2,000,000 to \$187,000,000; Manitoba, \$2,000,000 to \$56,000,000; New Brunswick, \$2,000,000 to \$48,000,000; and Prince Edward Island, \$1,000,000 to \$8,000,000.

### EXPENDITURE

Net general expenditure dropped last year by \$7,000,000 to \$170,000,000 in British Columbia and by \$1,000,000 to \$310,000,000 in Quebec. Expenditure was the same as in 1952 in Prince Edward Island at \$7,000,000, but was higher in the other seven provinces. By far the largest increase was a rise of \$52,000,000 to \$443,000,000 in Ontario. The other advances were: Alberta, \$24,000,000 to \$126,000,000; Manitoba, \$8,000,000 to \$47,000,000; Nova Scotia, \$6,000,000 to \$53,000,000; Newfoundland, \$5,000,000 to \$34,000,000; New Brunswick, \$4,000,000 to \$49,000,000; and Saskatchewan, \$1,000,000 to \$86,000,000.

Revenues exceeded expenditures in 1953 in Prince Edward Island and the four provinces west of Ontario. In 1952 revenues exceeded expenditures in Newfoundland, New Brunswick, the Prairie Provinces and British Columbia, while Prince Edward Island's revenues and expenditures were in balance.

Some 426,543,000 gallons of motor gasoline were sold in the first quarter this year, 34,534,000 or 9% more than in the first three months last year.