

## PROVINCIAL REVENUES AND EXPENDITURES

Changes During War Period Show Increase in Expenditure in all Cases—British Columbia's Expenditure More than Doubled

THE July number of the Bank of Commerce commercial letter contains an outline of provincial finances. "The budgets presented at recent sessions of the provincial legislatures in Canada," says the article, "indicate that during the fiscal periods ending in 1918 expenditures aggregated \$65,000,000 as compared with \$59,710,000 during those ending in 1917. During the years immediately following the outbreak of the war there was some decrease in expenditure,

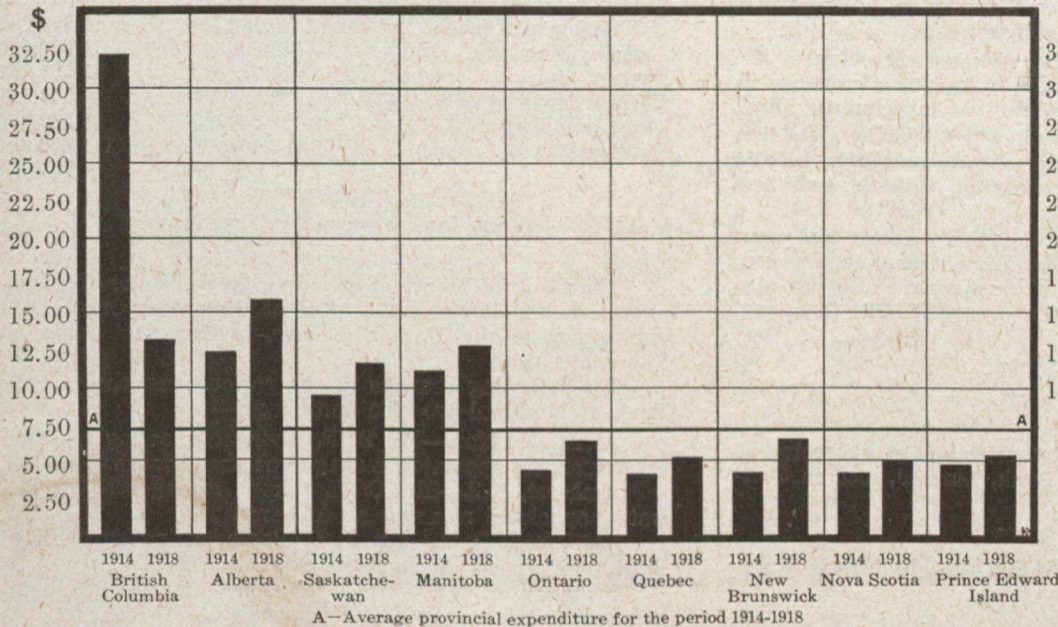
by \$4,226,000, owing largely to the fact that receipts from succession duties exceeded the estimates by \$3,336,000.

"In the provinces west of Quebec new capital expenditures aggregating \$40,000,000 are contemplated, but the funding process may be extended beyond the year. Many of the expenditures provided for are those which were postponed until peace was declared. Manitoba, prior to the war, commenced the construction of new legislative buildings on which \$5,460,000 has already been expended, and it is estimated that another \$1,000,000 will be required to complete them. As a result of the steadily increasing prices of both labor and material, the estimated total cost of the buildings has already been exceeded. Since the outbreak of the war the province has borrowed \$10,674,000, the annual interest on

which is \$644,369, or 6.03 per cent. In Alberta and Saskatchewan, both comparatively new provinces, capital expenditure on public buildings and on the extension of public utility services will be necessary for some years to come. The capital expenditure of British Columbia for the current year, as outlined by the government, will amount to \$11,000,000. Nova Scotia has suffered some decline in the revenue from royalties, owing to a falling off in the production of coal.

"Except in the case of one or two provinces, current expenditure has been fully met by ordinary revenue, war condi-

Ordinary Expenditure of the Provincial Governments Per Capita 1914 and 1918



but since then there has been a sharp increase, as shown by the following table:—

	1913.	1914.	1915.
Revenue . . . . .	\$51,582,394	\$51,150,919	\$49,910,743
Expenditure . . . .	53,744,008	56,415,287	55,617,537
	1916.	1917.	1918.
Revenue . . . . .	\$49,644,541	\$57,962,979	\$70,569,840
Expenditure . . . .	53,241,866	59,710,666	65,809,165

"It will be noted that in 1918, for the first time in recent years, revenues exceeded expenditures, a result due chiefly to increased license fees for motor vehicles, additional taxation of incorporated companies engaged in financial or fiduciary business, increased receipts from succession duties and wild lands, new income and property taxes and increased royalty and stumpage charges.

"To a limited extent additional expenditure has been necessary because of the war, but a more important contributory factor has been the assumption of new functions by the governments, which has necessitated an increase in staff, and consequently in ordinary charges. These, in turn, are made still higher by the general advance in wages and salaries. The following diagram shows the per capita expenditure of each province for 1918 as compared with that for 1914:—

"According to estimates for the current year, the expenditures on ordinary and capital account will be substantially greater than in previous years. Two notable exceptions are the provinces of New Brunswick and Quebec. In Quebec the expenditure on ordinary account amounted in 1918 to \$13,806,000, and the estimate for the current year is \$10,400,000. The liberal expenditures of 1918 were due to an unexpected increase in revenue, which exceeded the estimates

tions having no doubt contributed substantially to the apparent ease with which revenue has been obtained. Changes in conditions and the tendency towards lower prices for our chief natural products may result in the steadily increasing burden of taxation becoming less easy to bear, especially in view of the concurrent increases in the taxation imposed by the Dominion government and the municipalities. For some years the various organizations, representing farmers, business men and labor, have devoted their attention to facilitating the war efforts of the nation, and in view of the increasing burden of administration, their attention ought now to be given to questions of public finance. Such problems as equitable methods of taxation and assessment, and others of a similar nature, must be satisfactorily dealt with before reconstruction and readjustment can take place on a sound and permanent basis."

## ONTARIO FIRE PREVENTION LEAGUE MEETING

A special meeting of the Ontario Fire Prevention League will be held on August 8th at the Ontario fire marshal's office in Toronto. The meeting is for the purpose of confirming the articles of association and regulations for management and control. The league, which was organized at a meeting held on August 30th, 1918, has since been incorporated. The nominating committee has submitted nominations for officers and members. These are the same as for the year 1918-19, excepting that Mr. H. H. Dewart, K.C., M.P.P., replaces Mr. Wm. Proudfoot on the legislative committee, and the new members of the executive committee, class of 1922, are Mrs. A. M. Huestis, Toronto, and Mr. Tom Moore, Ottawa.