

# Saskatchewan's Revenue, Expenditure and Estimates

**Surplus for Last Fiscal Year — Expenses of Present Year High, and Absorbed Part of Previous Surplus—Revenue is Good, But Provinces Must Not Allow Dominion to Encroach on Sources—Will Borrow Nearly Ten Million.**

**F**INANCES of the province of Saskatchewan, and the general economic position of the province, were set forth clearly by the provincial treasurer, Hon. C. A. Dunning, in the legislature on January 27th. A surplus of \$877,593 was reported for the fiscal year ended last April. Estimates for the fiscal year ended April 30, 1921, are now being taken up. Mr. Dunning expressed fear that an endeavor might be made to invade provincial and local fields for additional sources of revenue for the federal government. He quoted figures to show that the cost of provincial and municipal and other local services to the people of Saskatchewan was double the amount per capita of that afforded by federal departments. He expressed the opinion that before any attempt of this nature was made the matter should be given grave consideration by the federal authorities in consultation with provincial and municipal representatives. Better results might accrue if overlapping of federal and provincial services of an identical character were eliminated by the Ottawa authorities.

Dealing with agricultural production, Mr. Dunning quoted the number of acres seeded, the average yields and the total production of the principal grains and vegetables. Every kind of livestock except hogs also showed increases. Dairy production was also increasing, and furs and game probably yielded \$2,000,000. The figures, he said, indicated that despite hard conditions in considerable areas of the province, the province as a whole was going straight ahead. The time was past when there was any need to fear any calamity affecting the whole of the people of the province. The past three years had demonstrated that the areas of the province were sufficiently large and diversified to ensure that even if one or more sections suffered there was no need to fear that any combination of circumstances would bring disaster to the whole province. This was an important fact not only to the province but to all local bodies who had to go outside for credit. This fact was recognized, and credits in Saskatchewan were becoming more settled.

## Revenue Exceeded Estimates

Turning to the finances of the government, Mr. Dunning said that he was able to report a substantial surplus for the fiscal year. The receipts over expenditures including a surplus brought forward amounted to \$877,593. From this should be deducted value of stocks on advances amounting to \$184,226, leaving a net cash surplus of \$693,293. This surplus was brought about by an increase in revenue over the amount estimated of \$410,612 and a reduction in expenditure below that provided in the estimates of \$736,552.

## Present Year Difficult

This surplus had been disposed of by assisting current year's revenue to the extent of approximately \$232,000, to pay school and hospital grants, provision is also being made to pay the debt due the federal government on account of 1915 seed grain distribution, amounting to \$106,859. It had also been used to retire treasury bills of \$60,000, being the balance of the cost of royal commissions. This left a net amount of \$194,369 to carry forward. The present financial year had been financially a stormy one. There had been unforeseen contingencies in the grasshopper pest and in the necessity of providing free freight on fodder. After careful survey of the situation he was of the opinion that the balance would come out on the right side during the present fiscal year, as revenues were more buoyant than at any time during the war.

Owing to the general lack of knowledge as to the sources of government revenue and where the money went to, Mr. Dunning announced he intended to make a new departure for a budget speech and give the assembly a sum-

marized idea of the distribution of revenues and expenditures. The revenues were derived as follows:—

Source.	% of total.	Amount received.
Dominion government .....	32.34	\$2,307,147
Provincial taxation .....	34.76	2,479,708
Licenses .....	13.72	979,155
Fees .....	12.88	918,672
Repayment of advances and loans .....	1.54	110,438
Institutional revenue .....	1.76	125,929
Fines, forfeits, etc. ....	1.40	100,219
Miscellaneous .....	1.55	110,697
	100.	\$7,131,968

Expenditures were treated in the same manner. The total expenditures were divided under five heads, according to services performed, including in each case interest on public debt chargeable to that service.

Source.	% of total.	Amount spent.
Administrative .....	6.01	\$ 397,485
Legislative .....	2.43	160,897
Protective .....	19.20	1,268,213
Developmental .....	52.93	3,496,279
Patriotic purposes .....	12.49	825,468
Miscellaneous .....	6.91	456,455
	100.	\$6,604,798

Under protective services are included such items as police courts, jails and land titles offices. Developmental services include education, public health, neglected children, promotion of agriculture and commerce, highways. Education was the largest item of expenditure, the proportion being 20.99 per cent. This did not include the supplementary revenue which would add nearly another five per cent. Mr. Dunning questioned whether any province in the east spent a similar proportion of its revenue in education.

## Public Debt

Gross public debt for the fiscal year was \$34,946,404, or \$41.95 per capita. This represents an increase of \$2.12 per capita over the preceding year. He did not attach much importance to the gross debt, because a very large proportion was self-sustaining. The net debt now stood at \$17,742,236, or \$21.30 per capita. Last year the net per capita debt was \$22.14, so that the year showed a decrease of 84 cents. The fact that the gross debt had increased and the net debt was reduced was brought about by the fact that during the year the debt consisted largely of self-sustaining items. The self-sustaining items were comprised in the telephone system, loans to the Saskatchewan Co-operative Elevator, to the co-operative creameries, cyclone loan to the city of Regina and other advances, all of which carry their own interest charges.

## School Lands Trust Fund

School lands trust fund was one of the sources of revenue. For years the legislature had been protesting to induce the federal authorities to increase the interest rates which they are paying over three per cent. and had also endeavored to secure for the province the administration of the lands and the trust fund. So far as the latter was concerned he was unable to report any progress in his negotiations with Ottawa. A year ago he had reported that he had succeeded in inducing the federal government to invest half of the fund in its own securities, bearing interest at five per cent. He was now able to announce that Sir Henry Drayton had consented to invest the whole amount in