

*The Budget—Appendix*

million had to be financed by an increase in unmatured debt or a decrease in cash balances. In 1957-58 there was a requirement of \$127 million for non-budgetary transactions and this together with the budgetary deficit of \$38 million resulted in \$165 million having to be financed by an increase in unmatured debt or a decrease in cash balances.

Non-budgetary receipts and credits, as already indicated, totalled \$1,114 million in 1958-59. Repayments of loans, investments and working capital advances were \$103 million and included \$4 million from the Canadian Broadcasting Corporation, \$39 million from the United Kingdom Government on account of the War Appropriation Act, 1942 and the Financial Agreement Act, 1946 and \$18 million from other national governments on loans under Part II of the Export Credits Insurance Act. Net government annuities account receipts were \$58 million and net insurance and pension account receipts were \$523 million including \$326 million representing the actuarial deficiency in the permanent services pension account as at March 31, 1958 which was credited to the account during the fiscal year. The net proceeds of the sale of investments of the unemployment insurance fund to finance payments out of the fund amounted to \$238 million, and net receipts and credits in various other accounts amounted to \$192 million including \$84 million for the net increase in current and demand liabilities (such as outstanding cheques), \$43 million on account of Strategic Air Command bases (in trust) and \$41 million representing the net decrease in cash in the hands of collectors and in transit (which cash represents moneys received by public officers on or before March 31, 1959 but not deposited to the credit of the Receiver General until after that date).

Non-budgetary disbursements and charges amounted to \$1,760 million. Loans, investments and working capital advances were \$882 million and included net advances of \$42 million to the agricultural commodities stabilization account in connection with the purchase and sale of commodities after allowing for a charge of \$15 million to budgetary expenditures in respect of losses in operations during 1958-59, \$22 million to the Canadian Farm Loan Board for the purpose of making loans to farmers, \$207 million to the Canadian National Railways for additions and betterments, the acquisition of rolling stock and equipment and the retirement of maturing debt after allowing for a charge of \$52 million to expenditures in respect of the company's operating deficit for 1958, \$336 million to Central Mortgage and Housing Corporation for the purpose of making housing loans, \$19 million to the Governments of India and Ceylon for the purchase of Canadian wheat, \$21 million to National Harbours Board for reconstruction and capital expenditures, \$20 million to Northern Canada Power Commission for power plant construction in Northern Canada and assistance under the Atlantic Provinces Power Development Act, \$42 million to the Northern Ontario Pipe Line Crown Corporation for financing the Northern Ontario section of the natural gas pipe line, \$99 million to The St. Lawrence Seaway Authority for dredging and construction of the seaway, and net payments of \$26 million to provincial governments (\$30 million having been advanced to the Province of New Brunswick in respect of the Beechwood Power Project). Net payments from the unemployment insurance fund were \$242 million (sales of investments amounted to \$238 million). Net disbursements from the special defence accounts were \$218 million reflecting the decision to liquidate the national defence equipment account. Other non budgetary disbursements and charges amounted to \$417 million and included \$72 million in respect of loan flotation costs not yet amortized and \$326 million in respect of the unamortized portion of the actuarial deficiency in the permanent services pension account.

In summary, as budgetary and non-budgetary transactions during 1958-59 required financing in the amount of \$1,263 million, and unmatured debt outstanding in the hands of the public (after taking into account transactions in the securities investment and sinking fund accounts) increased by \$1,429 million, more than sufficient to meet the requirement, cash balances on deposit with the banks increased by \$166 million.