

The Budget—Appendix

Costs of representation abroad at \$20 million are \$3 million higher than in 1964-65, contributions to international multilateral economic and special aid programs at \$18 million are \$8 million higher, assessments for membership in the international (including commonwealth) organizations at \$10 million are \$1 million higher and other payments to international organizations and programs at \$5 million are \$4 million higher.

Finance

Expenditures of the Department of Finance are \$1,830 million for 1965-66 \$207 million more than the previous year's total due mainly to increases of \$115 million in payments to provinces, \$34 million in public debt charges and \$27 million in respect of forgiveness of indebtedness under the Municipal Development and Loan Act.

TABLE 18
(in millions of dollars)

| FINANCE | Fiscal year ending March 31 | | Increase or decrease (—) |
|---|--------------------------------|---------|--------------------------------|
| | 1966 (estimated) | 1965 | |
| Public debt charges..... | 1,085.0 | 1,051.3 | 33.7 |
| Fiscal, subsidy and other payments to provinces..... | 473.3 | 358.4 | 114.9 |
| Public service superannuation account— | | | |
| Government's contribution..... | 58.0 | 55.6 | 2.4 |
| Amortization of deferred charges..... | 25.6 | 10.0 | 15.6 |
| | 83.6 | 65.6 | 18.0 |
| Canadian Wheat Board— | | | |
| Carrying costs of temporary wheat reserves..... | 37.5 | 34.0 | 3.5 |
| Prairie Grain Advance Payments Act..... | 0.5 | 0.6 | —0.1 |
| | 38.0 | 34.6 | 3.4 |
| Grants to municipalities in lieu of taxes on federal property.. | 36.9 | 35.7 | 1.2 |
| Forgiveness of indebtedness—municipal development and loan board..... | 30.0 | 2.6 | 27.4 |
| Grants to universities— | | | |
| Payments to the Canadian Universities Foundation.... | 27.8 | 27.3 | 0.5 |
| Office of the Comptroller of the Treasury..... | 25.0 | 24.9 | 0.1 |
| Government's share of surgical-medical insurance premiums. | 9.7 | 9.3 | 0.4 |
| Government's contribution as an employer to the unem- ployment insurance fund..... | 1.1 | 0.9 | 0.2 |
| Administration and general..... | 19.6 | 12.1 | 7.5 |
| | 1,830.0 | 1,622.7 | 207.3 |

Public debt charges

Public debt charges are again the third largest item of budgetary expenditure, exceeded only by those for defence and those for health, welfare and social security.

Public debt charges consist of interest on the public debt, the annual amortization of bond discounts and commissions, the cost of issuing new loans and other costs incurred in servicing the public debt. These charges are \$1,085 million for 1965-66 or 14 per cent of all budgetary expenditure compared with \$1,051 million or 14 per cent for 1964-65.

Interest on public debt amounts to \$1,052 million of which \$823 million is in respect of unmatured debt and \$229 million in respect of other liabilities. In 1964-65 total interest was \$1,012 million of which \$803 million was for unmatured debt and \$209 million for other liabilities.