

The Budget—Appendix

The expected decrease of \$12.9 million in this category is due to the fact that the C.N.R. mainly because of the change in its capital structure which reduced interest charges, as authorized by the C.N.R. Capital Revision Act, 1952 did not incur a deficit in the calendar year 1952. In 1951 the Railway's deficit was \$15 million.

Veterans Affairs

Total expenditures for the Department of Veterans Affairs are estimated at \$242.5 million for 1952-53, an increase of \$26.5 million compared with the total of \$216 million for 1951-52. The table which follows presents a comparative summary of the expenditures for the two fiscal years:

	Fiscal year ended March 31		Increase or Decrease (—)
	1953 (Estimated)	1952	
(In millions of dollars)			
Pensions (World Wars I and II and Northwest Rebellion 1885).....	127.1	103.7	23.5
Treatment Services.....	42.0	39.6	2.4
War Veterans' allowances and other benefits.....	30.9	29.6	1.3
War service gratuities and re-establishment credits.....	11.1	9.8	1.3
Post-discharge rehabilitation benefits.....	4.0	6.6	-2.6
Soldier Settlement and Veterans' Land Acts— Administration and general.....	5.7	5.9	-0.2
Provision for reserve for conditional benefits.....	8.0	7.6	0.4
Departmental, district and pensions administration and miscellaneous payments.....	13.7	13.2	0.5
	242.5	216.0	26.5

The increase of \$26.5 million in the department's expenditures for 1952-53 is due mainly to increased rates of pension which became payable in January 1952 as a result of amendments to the Pension Act. Consequently, the revision which was applicable for only three months of 1951-52 was in effect for all of 1952-53.

The provision for the reserves for conditional benefits under the Veterans' Land Act is estimated at \$8 million, an increase of \$0.4 million over the previous year. Conditional grants are made to veterans who enter into agreements with the director for sales of land and chattels provided they fulfil the terms of the agreements for a period of ten years. The amount charged to expenditures during 1952-53 under this heading covers one-tenth of the conditional benefits included in sales to veterans prior to April, 1953.

4. THE CASH POSITION

In the preceding sections of this Part the budgetary transactions of the Government for the fiscal year 1952-53 have been described in some detail and the estimated budgetary revenues and expenditures and surplus have been analyzed and compared with the actual figures for the preceding fiscal year. However, the budgetary accounts do not reflect the full scope of the Government's financial operations which extend beyond the collection of revenues or