

|                                                                                                                                                                                                                                                                              |                       |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| Transfer of a portion of the credit balance in the United Kingdom General Settlement Account. (This account was established in 1945-46 to record transactions arising from the implementation of the terms of the Canada-United Kingdom Financial Settlement Agreement)..... | 5,000,000             |
| Amortization of capital expenditure in connection with War Supplies Ltd. orders.....                                                                                                                                                                                         | 11,000,000            |
| Sundry Departments.....                                                                                                                                                                                                                                                      | 1,872,000             |
|                                                                                                                                                                                                                                                                              | <u>\$ 133,687,000</u> |

22. The amount of \$61,200,000 realized during the year through the disposal of surplus war assets, does not include the residual cash balances or value of accounts receivable carried by War Assets Corporation as at March 31, 1948.

Miscellaneous War, Demobilization and Reconversion Revenues, totalling \$32,037,000 includes: The sum of \$9,773,000 representing the transfer thereto of special funds set up in previous years to provide for compensation in respect of injuries to employees in defence projects; \$8,115,000 of profits including \$3,615,000 of customs duty and excise tax drawbacks, in connection with War Supplies Limited Account; \$3,640,000 derived from the operation of Park Steamships Limited; \$4,700,000 housing rentals from Central Mortgage and Housing Corporation, and \$2,500,000 of a credit adjustment arising out of the transfer of this amount to "Active Assets" from accountable advances made to Canadian Arsenals Limited.

#### BUDGET FORECAST COMPARED WITH ACTUAL REVENUE, 1947-48

23. Actual revenues again exceeded the budget forecast by a substantial sum, reflecting in part at least the continuing rise in national income and expenditure throughout 1947 which it would scarcely have been prudent to anticipate, even if it could have been foreseen, in the preparation of the budget.

#### DETAILED STATEMENT OF BUDGET FORECAST COMPARED WITH ACTUAL REVENUE FOR 1947-48

| Source of Revenue                                | Budget<br>Forecast<br>of Revenue | Actual<br>Revenue | Increase (+)<br>or<br>decrease (—)<br>in revenue<br>as compared<br>with budget<br>forecast |
|--------------------------------------------------|----------------------------------|-------------------|--------------------------------------------------------------------------------------------|
| (thousands of dollars)                           |                                  |                   |                                                                                            |
| <b>TAX REVENUES</b>                              |                                  |                   |                                                                                            |
| Customs Duties.....                              | 230,000                          | 293,012           | + 63,012                                                                                   |
| Excise Duties.....                               | 200,000                          | 196,794           | — 3,206                                                                                    |
| Excise Taxes:                                    |                                  |                   |                                                                                            |
| Sales Tax (net).....                             | 325,000                          | 372,327           | + 47,327                                                                                   |
| Other Excise Taxes.....                          | 250,000                          | 268,431           | + 18,431                                                                                   |
| <b>Total Excise Taxes.....</b>                   | <b>575,000</b>                   | <b>640,758</b>    | <b>+ 65,758</b>                                                                            |
| Income Taxes:                                    |                                  |                   |                                                                                            |
| Tax on personal incomes.....                     | 515,000                          | 659,828           | +144,828                                                                                   |
| Corporate Income Tax and Excess Profits Tax..... | 460,000                          | 591,161           | +131,161                                                                                   |
| Interest and Dividends.....                      | 30,000                           | 35,889            | + 5,889                                                                                    |
| <b>Total Income Taxes.....</b>                   | <b>1,005,000</b>                 | <b>1,286,878</b>  | <b>+281,878</b>                                                                            |
| Succession Duties.....                           | 26,000                           | 30,828            | + 4,828                                                                                    |
| Miscellaneous Taxes.....                         | 4,000                            | 3,761             | — 239                                                                                      |
| <b>Total Tax Revenue.....</b>                    | <b>2,040,000</b>                 | <b>2,452,031</b>  | <b>+412,031</b>                                                                            |
| Non Tax Revenues.....                            | 160,000                          | 178,188           | + 18,188                                                                                   |
| <b>Total.....</b>                                | <b>2,200,000</b>                 | <b>2,630,219</b>  | <b>+430,219</b>                                                                            |
| Special Receipts and Credits.....                | 90,000                           | 239,190           | +149,190                                                                                   |
| <b>Total Revenue.....</b>                        | <b>2,290,000</b>                 | <b>2,869,409</b>  | <b>+579,409</b>                                                                            |