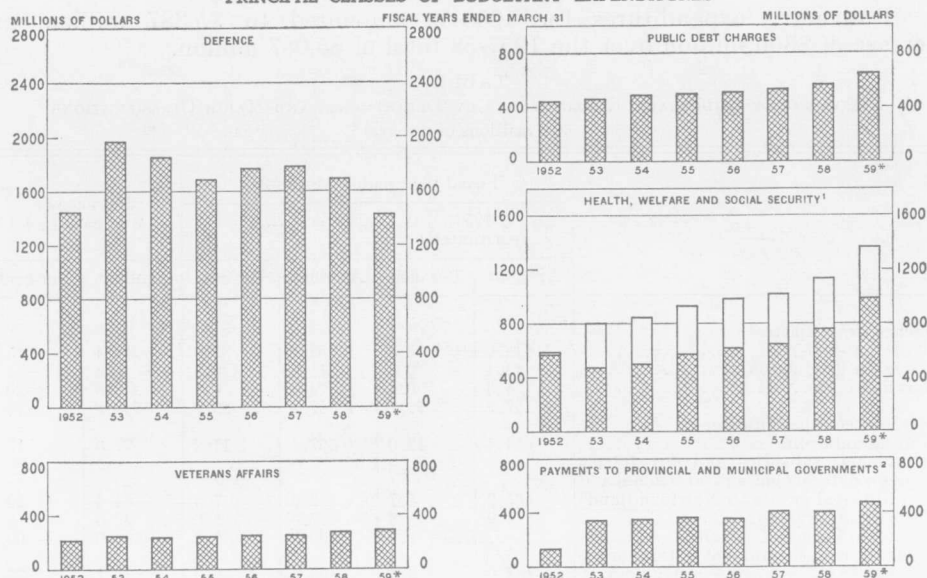


The Budget—Appendix

PRINCIPAL CLASSES OF BUDGETARY EXPENDITURES



¹ The unshaded areas of the columns in the chart for health, welfare and social security represent pension payments out of the old age security fund not charged to budgetary expenditures in the year in which they were paid.

² Does not include those payments to provincial and municipal governments for specific purposes.

*Estimated

TABLE 8

(in millions of dollars)

DEFENCE EXPENDITURE	Fiscal year ended March 31		Increase or decrease (—)
	1959 (estimated)	1958	
Department of National Defence—			
Army services.....	370.1	378.7	— 8.6
Naval services.....	208.8	262.6	— 53.8
Air services.....	593.3	760.1	—166.8
	1,172.2	1,401.4	—229.2
Defence research and development.....	78.0	78.7	— 0.7
Mutual aid to NATO countries including contributions towards military costs of NATO.....	97.0	118.4	— 21.4
Government contribution to the permanent services pension account.....	49.5	49.7	— 0.2
Administration and general.....	21.3	20.2	1.1
	1,418.0	1,668.4	—250.4
Department of Defence Production—			
Capital assistance.....	2.1	4.8	— 2.7
Administration and general.....	12.3	10.2	2.1
	14.4	15.0	— 0.6
Civil defence programme.....	4.8	4.0	0.8
	1,437.2	1,687.4	—250.2

Expenditures for army, naval and air services totalled \$1,172 million, \$229 million less than the 1957-58 total. The outlay for army services decreased by \$8 million, for naval services by \$54 million and for air services by \$167 million from the previous year's totals. This decrease of \$229 million in budgetary