

*The Budget—Appendix*

In the fiscal year ended March 31, 1959, the government made advances of \$205 million to the Canadian National Railway Company for capital purposes and retirement of debt in the hands of the public. Repayment of current and prior years' advances during the year ended March 31, 1959 was \$11 million.

In addition, to assist the company to finance further capital expenditures in the year ended March 31, 1959, the government purchased an amount of \$21 million of four per cent preferred stock of the Canadian National Railway Company. This stock is issued under the authority of the Canadian National Railways Capital Revision Act, 1952, in an amount equal to three per cent of the gross revenue of the company.

Further, in the year ended March 31, 1959, the government provided the company with temporary loans of \$34 million to cover, in part, the 1958 income deficit and \$14 million to cover, in part, the 1959 income deficit. Since in the year ended March 31, 1958, the government made temporary loans of \$22 million to cover, in part, the 1958 deficit, the total loans on the 1958 deficit were \$56 million. However, an amount of \$4 million was repaid prior to the end of the current fiscal year and the outstanding balance of \$52 million was charged to expenditure.

In summary, the total amount which was made available to the company during the year was \$274 million, repayments and write-off amounted to \$67 million, resulting in a net increase of \$207 million in the amount outstanding at the end of the fiscal year.

Other changes in loans and investments included increases of \$21 million to the National Harbours Board, \$20 million to the Northern Canada Power Commission, \$2 million to the Canadian Overseas Telecommunication Corporation and a decrease of \$3 million in loans to the Canadian National (West Indies) Steamships Limited.

*Loans to national governments*

These loans totalled \$1,449 million at March 31, 1959, a decrease of \$39 million during the fiscal year.

TABLE 43  
(in millions of dollars)

LOANS TO NATIONAL GOVERNMENTS	Balance at March 31		Increase or decrease (—)
	1959 (estimated)	1958	
Loans to United Kingdom—			
The War Appropriation (United Kingdom Financing) Act, 1942.....		22.5	—22.5
The United Kingdom Financial Agreement Act, 1946.....	1,080.5	1,096.6	—16.1
Deferred interest.....	44.2	44.2	.....
	1,124.7	1,163.3	—38.6
Loans under the Export Credits Insurance Act, Part II—			
Belgium.....	41.5	43.8	—2.3
France.....	159.0	167.4	—8.4
Netherlands.....	82.6	87.2	—4.6
Norway.....	2.6	5.3	—2.7
	285.7	303.7	—18.0
Miscellaneous loans and advances—			
France—interim credit—consolidated interest.....	1.6	1.6	.....
Special loans to finance the purchase of wheat and flour from Canada.....	35.0	16.2	18.8
Netherlands—military relief and currency credits settlement.....	1.7	2.3	—0.6
Miscellaneous.....	0.6	0.9	—0.3
	38.9	21.0	17.9
	1,449.3	1,488.0	—38.7