

The Budget—Appendix

The main receipts from other loans and investments were \$23 million in interest received on the 1946 loan to the United Kingdom and \$19 million representing exchange fund profits. The former included annual interest of \$22 million (the interest payment due December 31, 1957 was deferred) and \$1 million in interest on deferred principal and interest payments.

Post office

Gross post office receipts totalled \$182 million but authorized disbursements from revenues for salaries and rent allowances at semi-staff and revenue offices, commissions at sub offices, transit charges on Canadian mail forwarded through or delivered in foreign countries, etc., amounting to \$26 million, brought the net revenue to \$156 million. Last year gross receipts amounted to \$178 million and authorized disbursements totalled \$25 million.

As costs of operating the post office during 1958-59 (excluding the \$26 million charged to revenue) were \$158 million, net expenditure exceeded net revenue by \$2 million. However, in making this comparison, it is to be noted that the total shown for post office revenue does not reflect any payment for the franking privilege covering parliamentary and departmental mail or for certain miscellaneous services provided for other government departments and agencies, nor does the total shown for operating expenses reflect any charges for premises occupied by the Post Office Department or for certain accounting and miscellaneous services provided by other departments.

Refunds of previous years' expenditures

Refunds in the current fiscal year of expenditures made in prior years totalled \$33 million, \$5 million more than in 1957-58. These refunds included \$20 million received by the Department of National Defence, of which \$9 million was on contracts with the United States Government for the supply of engines, aircraft and other defence equipment under an arrangement that when Canada places contracts with the Government of the United States, payments of the estimated costs are made to the United States Treasury and if these estimated costs are revised, or if there are reductions in the contracts, the United States Government refunds the overpayments. In addition \$5 million was received by the Department of Finance (of which \$4 million was a repayment by the Province of Ontario in connection with succession duty payments under the tax-rental agreements), \$2 million by the Department of Veterans Affairs and \$6 million by other departments.

Services and service fees

Sums totalling \$25 million were collected during 1958-59 by various government departments for services and service fees, \$3 million more than the total collected in the previous year.