

NINE-MONTH BUDGETARY SURPLUS \$264.1 MILLION

DECEMBER DEFICIT \$27.8 MILLION: During December budgetary revenues amounted to \$398.4 million and budgetary expenditures to \$426.2 million, resulting in a deficit of \$27.8 million for the month compared with a surplus of \$74.9 million in December, 1951. For the first nine months of the fiscal year the surplus was \$264.1 million, a decrease of \$367.3 million from the surplus of \$631.4 million for the corresponding period in 1951, the Minister of National Revenue, Mr. Douglas C. Abbott, announced on January 24.

Budgetary revenues in December were \$62.1 million more than the total of \$336.3 million received in December, 1951. Individual income tax collections were \$23 million and corporation income tax receipts \$17.8 million higher while customs import duties yielded \$10.2 million and excise duties \$6.2 million more than in December, 1951.

Excise tax collections increased by \$0.7 million in spite of the fact that while last year all receipts from the 10 per cent sales tax were credited to budgetary revenues, in 1952 only 8 of the 10 per cent was so credited, the other 2 per cent going into the Old Age Security Fund. When the amount credited to the Fund is added to the total excise tax receipts, there is a net increase of \$14.5 million in these collections for the month.

For the fiscal year to date revenues amounted to \$3,085.3 million. With three-quarters of the fiscal year gone, this is approximately 72 per cent of the total forecast for the year as a whole. It is \$281 million more than the total of \$2,804.3 million collected during the corresponding period of 1951.

Budgetary expenditures for December, at \$426.2 million, were \$164.8 million more than the total of \$261.4 million for December, 1951. This was due mainly to increases of

\$80.1 million in defence expenditures (that is, in the expenditures of the Departments of National Defence and Defence Production), \$61.3 million in subsidy and tax rental payments to provinces, \$5.2 million in assistance to countries in South and Southeast Asia, \$5 million in expenditures of the Department of National Health and Welfare (principally for family allowances, oldage assistance and blind persons' allowances and general health grants to the Provinces), and \$2.2 million in expenditures of the Department of Veterans' Affairs (principally for disability pensions and war veterans' allowances).

For the first three quarters of the fiscal year expenditures amounted to \$2,821.2 million or about 66 per cent of the total of \$4,270 million forecast in the budget for the fiscal year as a whole. At this date last year \$2,172.8 million or approximately 58 per cent of the total expenditures for the year had been made.

Defence expenditures amounted to \$187.5 million in December as compared with \$107.4 million in December, 1951. While this is above the average monthly expenditure of \$177.1 million for which Parliament has made provision, the average of \$163.8 million for the past three months is still well below this figure. For the first nine months of the fiscal year defence expenditures amounted to \$1,223.3 million. This is \$410.8 million more than the total defence outlay of \$812.5 million for the corresponding period last year, an increase of more than 50 per cent.

During December pension payments out of the Old Age Security Fund to persons seventy years of age and over amounted to \$27.2 million and tax receipts credited to the Fund amounted to \$21.4 million.

* * * * *

U.S. HONOURS NINE CANADIANS: Distinguished awards for service in the Korean theatre have been made to nine Canadian officers by the President of the United States, it was announced on January 22 by the Department of National Defence. The awards go to five officers of the Army and four to the Royal Canadian Air Force.

Heading the list is Brig. Frank James Fleury, CBE, CD, 38, of Montreal, who was awarded the Legion of Merit (Degree of Officer). Group Captain Edward B. Hale, DFC, CD, 39, of Hamilton, Ont., was awarded the American Distinguished Flying Cross. Another RCAF officer to win this award was Flight Lieutenant Lawrence E. Spurr, 29, of Middleton, N.S.,

Four other Canadian Army and two RCAF officers were awarded the Air Medal.

MAJOR PANAGAPKOS' APPOINTMENT: An Ottawa Reserve Force officer of the 7th Infantry Brigade, Maj. Walter J. Panagapko, 31, has been selected to join the Department of External Affairs as a member of the United Nations Military Observer Group in India and Pakistan, Army Headquarters announced on January 20.

* * * * *

NEW \$1 STAMP: The Postmaster General has announced that the Post Office Department will issue on February 2 a newly designed \$1.00 postage stamp which will display a Pacific Coast Indian house and totem pole. The new issue \$1.00 stamp was designed by Emanuel Hahn, R.C.A., S.S.C., a prominent sculptor of Toronto, Ont.