

at 3½ p.c. and is repayable in annual instalments of \$50,000. The first instalment was paid off in 1939.

Radio receiving set licence fees are collected by the Department of Transport and the money turned over to the CBC in the manner described at p. 722. As supported by the figures of the table on that page, the collection of revenue, by areas, is in approximately the following ratios: Ontario, 40 p.c.; Quebec, 24 p.c.; Prairie Provinces, 19 p.c.; British Columbia, Yukon and N.W.T., 9 p.c.; Maritime Provinces, 8 p.c.

8.—Income and Expenditures of the Canadian Broadcasting Corporation, November, 1936, to March, 1937, and Fiscal Years 1938 and 1939.

Item.	1937. (5 months).		1938.		1939.	
	\$	p.c.	\$	p.c.	\$	p.c.
Income.						
Licence fees.....	741,667	88.61	1,896,813	82.14	2,652,186	80.10
Commercial.....	95,333	11.39	411,346	17.82	584,612	17.65
Subsidiary hookups.....	Nil	—	Nil	—	57,069	1.72
Miscellaneous.....	"	—	1,003	0.04	17,574	0.53
Totals, Net Income.....	837,000	100.00	2,309,162	100.00	3,311,441	100.00
Expenditures.						
Programs.....	252,959	32.42	1,060,184	47.38	1,393,018	46.95
Station network.....	186,181	23.86	477,902	21.36	571,496	19.26
Leases of time on private stations.....	60,492	7.75	58,494	2.61	16,810	0.57
Engineering.....	137,943	17.68	303,968	13.58	481,123	16.22
General and administration.....	70,605	9.05	146,686	6.56	139,827	4.71
Press and information.....	Nil	—	28,236	1.26	67,087	2.26
Interest on loans.....	"	—	Nil	—	16,907	0.57
Commercial.....	"	—	55,426	2.48	77,909	2.63
Depreciation.....	72,096	9.24	106,846	4.77	202,814	6.83
	780,276	100.00	2,237,742	100.00	2,966,991	100.00
Less inventories.....	Nil	—	17,206	—	13,005	—
Totals, Expenditures.....	780,276		2,220,536		2,953,986	
Operating surpluses.....	56,724		88,626		357,455	—

PART VIII.—THE POST OFFICE.*

Historical.—A brief account of the pre-Confederation development of postal services in Canada is given at pp. 789-790 of the 1934-35 Year Book.

At Confederation the provincial systems were transferred to the Dominion. The Post Office Act of 1867 established a service throughout Canada. The domestic rate on letters was reduced from 5 to 3 cents per half-ounce, and in 1870 the rates to the United States and the United Kingdom were reduced from 10 to 6 cents and from 12½ to 6 cents, respectively, per half-ounce. In 1875 a convention between Canada and the United States reduced postal rates between the countries to the domestic level. In 1878, on the admission of Canada to the Postal Union, letter postage to the countries of the Postal Union was reduced to 5 cents per half-ounce.

* Revised by H. Beaulieu, Director, Administrative Services, Post Office Department.