

## 10.—Income and Expenditures of the CBC, Fiscal Years 1938-40

Item	1938		1939		1940	
	\$	p.c.	\$	p.c.	\$	p.c.
<b>Income</b>						
Licence fees .....	1,896,813	82.14	2,652,186	80.10	2,906,605	77.47
Commercial .....	411,346	17.82	584,612	17.65	700,868	18.68
Subsidiary hookups .....	Nil	—	57,069	1.72	72,654	1.93
Miscellaneous .....	1,003	0.04	17,574	0.53	71,935	1.92
<b>Totals, Net Income .....</b>	<b>2,309,162</b>	<b>100.00</b>	<b>3,311,441</b>	<b>100.00</b>	<b>3,752,062</b>	<b>100.00</b>
<b>Expenditures</b>						
Programs .....	1,060,184	47.38	1,393,018	46.95	1,540,658	43.89
Station network .....	477,902	21.36	571,496	19.26	674,184	19.22
Leases of time on private stations .....	58,494	2.61	16,810	0.57	11,125	0.31
Engineering .....	303,968	13.58	481,123	16.22	610,482	17.39
General and administration .....	146,686	6.56	139,827	4.71	162,940	4.63
Press and information .....	28,236	1.26	67,087	2.26	63,540	1.80
Interest on loans .....	Nil	—	16,907	0.57	23,837	0.67
Commercial .....	55,426	2.48	77,909	2.63	108,120	3.09
Depreciation .....	106,846	4.77	202,814	6.83	316,274	9.00
	2,237,742	100.00	2,966,991	100.00	3,511,160	100.00
Less inventories .....	17,206	—	13,005	—	13,088	—
<b>Totals, Expenditures .....</b>	<b>2,220,536</b>	<b>—</b>	<b>2,953,986</b>	<b>—</b>	<b>3,498,072</b>	<b>—</b>
Operating surpluses .....	88,626	—	357,455	—	253,990	—

## 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. After a conference in 1897 Imperial penny postage (2 cents per half-ounce) was established on Dec. 25, 1898, while the domestic rate was reduced from 3 to 2 cents per ounce. These rates were maintained until 1915, when, with the rising costs of the war period, rates were increased. Penny postage again became effective for Canada, to the United States, Newfoundland, and other countries of North America on July 1, 1926, and to the United Kingdom and all other places within the British Empire on Dec. 25, 1928, with later extensions to France and South America. On July 1, 1931, a special revenue tax came into effect on letters addressed to places in Canada, throughout the Empire, to France, to Spain, and to North and South America, generally, making the rate in these cases 3 cents for the first ounce and 2 cents for each additional ounce.

The Post Office Department is administered by the Postmaster General. Besides the several administrative branches at Ottawa, the Dominion is divided into 15 districts, each in charge of a District Director or Superintendent of Postal Service. The Canadian system embraces a territory more extensive than that

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