

The average rate of net interest actually paid on the net debt has decreased, it will be seen, from \$4.51 per cent in 1868 to \$2.93 per cent in 1895, being a decrease of \$1.58 on each \$100. The average actual rate paid has decreased to the extent of \$1.35 per cent, owing to the reduction of high interest-bearing debts, as shown in the next paragraph.

1225. The following shows the several rates of interest paid and the amounts on which the same are payable on 30th June, 1895:—

Funded debt payable in London:—

5 per cent.....	\$ 2,433,333
4 “	140,856,596
3½ “	24,333,333
3 “	50,602,241

Total payable in London..... \$ 218,225,503

Funded debt payable in Canada:—

6 per cent.....	\$ 130,900
5 “	485,297
4 “	6,180,728
3½ “	298,700

Total payable in Canada..... \$ 7,095,625

Total Funded Debt..... \$ 225,321,128

Savings banks 3½ per cent.....	44,450,499
Province accounts, 5 per cent.....	16,407,032

Trust Accounts:—

6 per cent.....	\$ 1,105,220
5 “	5,400,604
3½ “	1,882,396
3 “	1,875,474

Total Trust Accounts..... \$ 10,263,694

Compensation to seigniors, 6 per cent.....	131,337
Dominion notes	19,520,233
Provincial notes	39,520
Miscellaneous (interest varying).....	1,915,262

\$ 318,048,755

Interest is therefore payable at the rate of—

6 per cent on	\$ 1,367,507
5 “	24,726,266
4 “	147,037,324
3½ “	70,964,928
3 “	52,477,715

In 1868 interest was payable at the rate of—

7 per cent on.....	\$ 873,200
6 “	38,209,203
5 “	32,015,207
4 “	681,333

1226. The Dominion notes in circulation, which bear no interest, form a considerable item among the liabilities, and have increased from \$3,113,700 in 1867 to \$19,520,233 in 1895. (For particulars of circulation see chapter on “Banks and Savings Banks.”) The fixed charges, *i. e.*, the charges for debt, sinking fund and subsidies to provinces, amounted in 1868 to 58 per cent of the revenue, but in 1895 had been reduced to 50 per cent.

The Government have made arrangements with the Bank of Montreal by which all the Dominion business in London is attended to by that institution, and this change is expected to make a reduction in the charges of management.