charge of $1,800,000. As a result of these transactions, the interest-bearing debt of the Dominion was reduced by $55,505,650 and the annual interest charge by $3,607,800, as compared with the above figures as of Mar. 31, 1927.

A summary account of the loans effected between 1914 and 1926 is appended.

War Loans.—The first Dominion domestic war loan was raised in November, 1915, under authority of c. 23 of the Statutes of that year (5 Geo. V, c. 23). It originally consisted of $50,000,000 5 p.c. tax-exempt 10-year gold bonds, issued at 97½ and maturing Dec. 1, 1925. As the issue was heavily over-subscribed (public subscriptions by 24,862 subscribers $78,729,500, bank subscriptions $25,000,000) and the extra money was needed, the Government increased the amount of the loan to $100,000,000. In July, 1915, $25,000,000 of 1-year and $20,000,000 of 2-year 5 p.c. notes had been floated in the United States, with the object of stabilizing exchange and of relieving the pressure on London.

In September 1916, the second Canadian domestic war loan of $100,000,000 5 p.c. tax-exempt 15-year gold bonds was issued and again over-subscribed (public subscriptions by 34,526 subscribers $151,444,800, bank subscriptions, $50,000,000). In March of that year, a loan of $75,000,000 in 5, 10 and 15-year 5 p.c. bonds had been floated in New York.

The third Canadian domestic war loan, composed of $150,000,000 5 p.c. tax-exempt 20-year gold bonds, issued at 96, was issued in March, 1917, and was again over-subscribed, 40,800 public subscribers applying for $200,768,000, while the banks subscribed $60,000,000. In Aug., 1917, $100,000,000 of 5 p.c. 2-year notes were issued in New York at 98.

The fourth domestic war loan (First Victory Loan), was issued in November 1917. For the first time subscriptions as low as $50 were received towards an issue of $150,000,000 5½ p.c. 5, 10 and 20-year gold bonds, the Minister of Finance reserving the right to allot the whole or any part of the amount subscribed in excess of $150,000,000. The subscribers numbered 820,035, and the subscriptions totalled $398,000,000, or about $50 per head of the population of Canada.

The fifth domestic war loan (Second Victory Loan), of $300,000,000 5½ p.c. 5 and 15-year tax-exempt gold bonds, was issued at 100 and interest as of date Nov. 1, 1918; the end of the war, then clearly in sight, stimulated subscriptions. The applications numbered 1,067,879 and totalled $660,000,000.

The sixth domestic war loan (Third Victory Loan) was raised at 100 and interest in November, 1919. It consisted of $300,000,000 taxable 5-year and 15-year 5½ p.c. gold bonds. The subscriptions amounted to $678,000,000.

A 5½ p.c. renewal loan, aggregating $114,464,150 and due in 1927 and 1932, was floated in Canada in the autumn of 1922 to pay off the maturing 5-year Victory Loan bonds of 1917. Largely for the same purpose, a $100,000,000 5 p.c. loan was issued in New York.

In the autumn of 1923, a second renewal loan of $200,000,000 at 5 p.c. was issued in Canada to pay off the maturing 5-year Victory Loan bonds of 1918.

Refunding operations in 1924, to retire $107,955,650 5-year Victory bonds, issued in 1919, and to redeem treasury bills held by banks, took the form of a domestic issue of $50,000,000 4½ p.c. 20-year bonds and $35,000,000 4 p.c. 2-year notes, and a short term issue in the New York market of $90,000,000 4 p.c. 1-year treasury notes. An issue of $24,000,000 in 4 p.c. 1, 2 and 3-year notes ($8,000,000 of each) was also made in November, 1924.

A refunding loan of $75,000,000 at 4½ p.c. due 1940 was issued in Canada in September, 1925, and 4 p.c. 1-year notes amounting to $70,000,000 in New York. Securities redeemed included £5,000,000 4½ p.c. bonds due in London, $90,000,000 4 p.c. notes due in New York, also $8,000,000 4 p.c. notes and $42,014,500 5 p.c. bonds of the 1915 war loan due in Canada.

In 1926, refunding issues dated Feb. 1, were made as follows:—in Canada, $20,000,000 4½ p.c. 4-year bonds and $45,000,000 4½ p.c. 20-year bonds; in New York, $40,000,000 4½ p.c. 10-year bonds. Maturing securities included $25,000,000 5 p.c. bonds due in New York April 1, and $70,000,000 4 p.c. notes, called for redemption April 1.