the maturity of the old bonds; the 5 p.c. bonds maturing Oct. 1, 1931, or the $5\frac{1}{2}$ p.c. bonds maturing Nov. 1, 1932, 1933 and 1934, respectively. One of the terms of the new bonds was that at any time after fifteen years the Dominion, on giving sixty days' notice, had the right to call any series for redemption. There was attached to each of the new bonds one or more talons representing the difference in interest to maturity of the former series. Tax exemption privileges limited to the maturity date of the old bonds were continued to holders of tax-exempt bonds offered for conversion. The amount was oversubscribed more than two and a half times, the conversions being: 5 p.c. War Loan maturing Oct. 1, 1931, \$38,625,700; $5\frac{1}{2}$ p.c. Renewal Loan maturing Nov. 1, 1932, \$37,523,200; $5\frac{1}{2}$ p.c. Victory Loan maturing Nov. 1, 1933, \$276,688,100; $5\frac{1}{2}$ p.c. Victory Loan maturing Nov. 1, 1934, \$285,772,300; total, \$638,609,300. The saving in interest in the fiscal year under review was \$193,128. When the full benefit of the conversion is secured, after Nov. 1, 1934, the annual saving will be \$6,192,964.

The non-converted part of the Oct. 1 maturity amounted to \$14,303,900, of which \$1,211,300 was held in sinking fund account, leaving approximately \$13,100,-000 to re-finance. The necessary funds were provided through accepted tenders, at par, for \$4,500,000 from insurance companies and an arrangement with the Bank of Montreal, whereby that institution took, at par, the residue of the issue, the Government undertaking to redeem out of the proceeds of the public offering when made.

In November, a public offering of \$150,000,000 5 p.c. bonds was made. The loan was named "Dominion of Canada National Service Loan, 1931". The bonds were offered for public subscription in two maturities; one for five years, the price being 99·25; one for ten years at 99, or on a yield basis of 5·17 p.c. and 5·13 p.c. respectively. The loan was over-subscribed, the books being closed twelve days before the advertised closing date. Subscriptions totalled \$221,198,200, the division being \$79,535,200 maturing in 1936; \$141,663,000 maturing in 1941.

In 1932-33, one-year 4 p.c. treasury notes to the amount of \$60,000,000 dated Oct. 1 were sold in New York at 99·28. In Canada, \$85,000,000 of $4\frac{1}{2}$ p.c. one-year treasury notes dated Aug. 1, 1932, and \$35,000,000 of 4 p.c. 2-year treasury notes dated Nov. 1, 1932, were sold at par to the chartered banks. Further, \$25,000,000 of 3-year 4 p.c. bonds and \$56,191,000 of 20-year 4 p.c. bonds dated Oct. 15, were sold to the public, the 3-year bonds being sold at 99·20 to yield 4·28 p.c. and the 20-year bonds at 93·45 to yield $4\frac{1}{2}$ p.c.

Summary statistics of the national debt of Canada as at Confederation and at the end of each fiscal year thereafter down to 1932 are given in Table **18**, while details of the active assets and of the gross liabilities as at the end of the last twelve fiscal years are given in Tables **19** and **20** respectively. Further, details of the funded debt, showing the various issues of bonds, the annual interest charge and the place at which principal and interest is payable, are given as at Mar. 31, 1932, in Table **21**. From this it appears that the net total payable in London at that date was \$249,677,848 with interest charge of \$11,144,780, in New York \$240,971,700 with interest charge of \$10,843,700, and in Canada \$2,012,210,212 with interest charge of \$105,614,947. Thus more than 80 p.c. of the funded debt of the Dominion was due within the Dominion itself, and as a consequence the interest payable outside of Canada was a comparatively small item.