

**19.—Loans to Provincial Governments Outstanding, on Account of Housing, by Provinces, as at Mar. 31, 1920-34.**

As at Mar. 31.—	Prince Edward Island.	Nova Scotia.	New Brun- swick.	Quebec.	Ontario.	Manitoba.	British Columbia.	Total.
	\$	\$	\$	\$	\$	\$	\$	\$
1920.....	-	-	600,000	60,000	8,750,000	1,580,000	750,000	11,740,000
1921.....	-	600,000	1,220,000	1,146,700	8,750,000	1,580,000	1,361,500	14,658,200
1922.....	-	1,100,000	1,525,000	2,312,885	8,750,000	1,975,000	1,701,500	17,364,385
1923.....	50,000	1,537,000	1,525,000	4,391,617	9,350,000	1,975,000	1,701,500	20,530,117
1924.....	50,000	1,537,000	1,525,000	7,359,590	9,350,000	1,975,000	1,701,500	23,498,090
1925.....	50,000	1,537,000	1,525,000	7,355,305	9,350,000	1,975,000	1,701,500	23,493,805
1926.....	50,000	1,537,000	1,462,000	7,352,018	9,350,000	1,975,000	1,701,500	23,427,518
1927.....	50,000	1,537,000	1,308,000	7,337,843	9,350,000	1,825,000	1,701,500	23,109,343
1928.....	50,000	1,362,000	1,250,000	7,317,403	-	1,660,000	1,701,500	13,340,903
1929.....	50,000	1,212,000	1,198,000	7,304,203	-	1,600,000	1,701,500	13,065,703
1930.....	50,000	1,077,000	1,136,000	5,796,703	-	1,550,000	1,701,500	11,311,203
1931.....	36,500	1,017,000	1,057,000	5,384,688	-	1,475,000	1,701,500	10,671,688
1932.....	35,000	937,000	988,000	5,384,688	-	1,475,000	1,701,500	10,521,188
1933.....	34,000	877,000	910,000	5,384,688	-	1,475,000	1,701,500	10,382,188
1934.....	33,000	822,000	860,500	5,384,688	-	1,367,000	1,701,500	10,168,688

**Subsection 6.—National Debt.**

The gross national debt of Canada on Mar. 31, 1914, was \$544,391,369, as against assets of \$208,394,519, leaving a net debt of \$335,996,850. Comparatively small as was this debt, it was a debt incurred almost altogether either for public works of general utility which, like the Intercolonial and transcontinental railways and the canal system, remained assets, though perhaps not realizable assets of the nation, or was expended as subsidies to enterprises, which, like the Canadian Pacific Railway, though not government-owned, assisted greatly in extending the area of settlement as well as the productive and, therefore, the taxable capacity of the country. Broadly speaking, it was a debt incurred for productive purposes. Also, it was mainly held outside the country, the principal of the Dominion funded debt payable in London being \$302,842,485 on Mar. 31, 1914, as against only \$717,453 payable in Canada.

The great changes brought about in our national debt during the 20 years from 1914 to 1934 have been: (1) the enormous increase in net debt from \$335,996,850 to \$2,729,978,141; (2) the gross debt, having been largely incurred for war purposes, is not represented by corresponding assets; (3) the debt is now mainly held in Canada, \$2,083,307,268 being payable in Canada at Mar. 31, 1934.

**Recent Conversions and other National Debt Operations.\***—In 1931, extensive conversion and other operations in connection with the national debt were carried out as follows:—

On April 1, 1931, the 5 p.c. Public Service Loan of \$25,000,000 fell due in New York and was redeemed out of the proceeds of the loan negotiated in New York in the previous October, effecting a net annual saving in interest of \$155,000.

In May, a conversion offer was made in connection with the \$1,084,823,350 of funded debt maturing between then and Nov. 1, 1934. The opening offer was to convert \$250,000,000, the Minister of Finance reserving the right to increase the amount at any time before May 23. The basis was an exchange of a bond of any of the following four maturities for new twenty-five-year 4½ p.c. bonds, dating from

\*For information *re* loans raised and conversion operations carried on between 1914 and 1930 see pp. 842-843 of the 1933 Year Book.