

strictly limiting bond financing for the duration of the War. Consequently, the aggregate of provincial direct and guaranteed bond financing has shown a very decided drop since 1940. The 1944 figure was the lowest since 1919.

Sales of the bonds of Canadian municipalities were greater in 1913, towards the end of the 'land boom', than they were in any other year up to 1943, standing at \$110,600,936. Sales in 1930 almost reached the record when they totalled \$109,648,063. In spite of the increased urbanization of the population, however, there was a marked decrease in the annual sales of municipal bonds during the 1930's when municipalities were obliged to set their finances in order and curtail expenditures.

During 1942 and 1943, the new-issue municipal market was characterized by very low volume. Rising employment throughout the Dominion and greatly increased industrial activity has had a marked influence on municipal finances generally. Unemployment relief expenditures were down sharply and tax revenues were increasing. As a result, the municipalities found themselves in a more comfortable financial position and new debentures during the past two years were practically non-existent. In 1944, however, for the first time since 1930, municipal issues topped the \$100,000,000 mark, due not so much to new investments as to refunding operations.

Sales of corporation bonds, which from 1926 to 1930 had averaged over \$357,000,000 per year, dropped to \$23,050,000 in 1932 and to \$5,385,000 in 1933, due to the unfavourable industrial outlook. Since then the trend has been toward the refunding and retirement of bonded debt. The War did not create any new volume of corporate borrowings since the costs of plant expansion for war production were borne mainly by the Dominion.

6.—Sales of Canadian Bonds, by Class of Bond and Country of Sale, 1926-44

(From the *Monetary Times Annual*)

NOTE.—Figures for 1904-25, inclusive, are given at p. 921 of the 1933 Year Book. Since 1936 much of the borrowing for the Canadian National Railways has been done directly by the Dominion and since the War the Dominion Government has advanced money to both the Canadian National and Canadian Pacific Railway Companies for the purchase of equipment. For this reason the column heading "Railway" in previous Year Books has been omitted in this table and such small bond issues as have been made by the Canadian Pacific Railway have been included in the "Corporation".

Year	CLASS OF BOND					
	Dominion ¹	Provincial	Municipal	Parochial and Miscellaneous	Corporation	Total
	\$	\$	\$	\$	\$	\$
1926	105,000,000	76,633,267	65,020,194		285,419,200	532,072,661
1927	45,000,000	114,795,500	72,742,114		369,680,067	602,217,681
1928	2	92,992,500	27,120,588		333,479,000	453,592,088
1929	2	119,960,500	98,667,809		442,530,600	661,158,909
1930	140,000,000	160,004,000	109,648,063		357,593,000	767,245,063
1931	858,109,300	126,239,205	85,290,066		181,182,000	1,250,820,571
1932	226,250,000	128,217,000	95,600,632		23,050,000	473,117,632
1933	440,000,000	82,889,000	41,282,513		5,385,000	569,556,513
1934	400,000,000	139,868,000	24,690,132		73,402,696	637,960,828
1935	739,300,000	123,407,000	44,793,206		109,005,700	1,016,505,900
1936	793,000,000	118,735,000	34,356,087		352,983,224	1,299,074,311
1937	919,000,000	174,362,000	52,137,475		119,946,000	1,265,446,275
1938	903,491,667	118,792,000	35,154,344		75,442,500	1,132,880,511
1939	1,024,585,000	154,059,900	26,897,689		242,708,600	1,448,251,189
1940	2,080,642,200	168,820,000	25,211,093		25,777,000	2,300,450,293
1941	1,996,820,250	69,736,000	15,378,095		16,081,000	2,098,015,345
1942	4,156,074,400	96,860,000	23,563,905		13,988,350	4,269,486,655
1943	6,770,028,200	97,632,000	14,228,986	20,406,300	53,055,500	6,955,350,986
1944	7,319,963,900	67,153,500	113,225,635	10,612,100	92,063,900	7,603,019,035

¹ Includes treasury-bill financing from 1934.

² Not reported.