

Interest-Bearing Debt.—The interest-bearing debt of Canada has shown a sharp increase since 1939, amounting to \$16,363,000,000 at Mar. 31, 1949, as compared with \$3,658,000,000 at the same date in 1939. The average rate of interest on this debt continued downward during the war years, reaching the low point of 2.547 p.c. at Mar. 31, 1945. Slight increases in 1946, 1947 and 1948 were recorded, and the rate stood at 2.710 p.c. at Mar. 31, 1948, but decreased slightly to 2.701 at Mar. 31, 1949. This is in contrast with the experience of the First World War, when the average interest rate on the direct debt of the nation rose from 3.368 p.c. at Mar. 31, 1913, to a high point of 5.164 p.c. at Mar. 31, 1922.

During the fiscal year ended Mar. 31, 1939, interest on the public debt absorbed about 26 p.c. of total Government receipts. Interest on the debt in late years has absorbed a smaller portion of revenues, amounting to less than 17 p.c. in the year ended Mar. 31, 1949.

24.—Interest-Bearing Debt, Annual Interest Charges thereon and Average Rates of Interest, as at Mar. 31, 1935-49

NOTE.—Statistics for the years 1913-34 are given at p. 977 of the 1947 Year Book.

Year	Bonds, Debentures, and Treasury Bills	Annual Interest Charges on Bonds, Debentures, and Treasury Bills	Average Interest Rate on Bonds, Debentures, and Treasury Bills	Post Office Savings Bank Deposits, Trust and Other Funds	Annual Interest on Savings Bank Deposits and Other Funds	Total Interest-Bearing Debt ¹	Annual Interest Charge	Average Rate of Interest
	\$	\$	p.c.	\$	\$	\$	\$	p.c.
1935...	3,061,955,821	127,074,870	4.150	171,554,957	6,683,560	3,233,510,778	133,758,430	4.136
1936...	3,265,314,332	128,598,908	3.938	196,197,897	7,679,285	3,461,512,229	136,278,193	3.937
1937...	3,337,358,832	125,093,381	3.748	224,157,683	8,798,557	3,561,516,515	133,891,938	3.759
1938...	3,314,558,032	117,062,907	3.532	248,176,039	9,771,812	3,562,734,071	126,834,719	3.560
1939...	3,385,722,462	119,198,476	3.521	272,692,286	9,879,428	3,658,414,748	129,077,904	3.528
1940...	3,695,705,919	125,575,106	3.398	288,066,211	10,726,716	3,983,772,130	136,301,822	3.421
1941...	4,372,007,319	133,970,676	3.064	317,332,308	12,488,959	4,689,339,627	146,459,635	3.123
1942...	5,865,280,821	170,218,719	2.902	343,238,738	13,522,857	6,208,519,559	183,741,576	2.960
1943...	7,893,493,950 ²	204,896,794	2.596	377,869,660	14,779,052	8,271,363,610	219,675,846	2.656
1944...	10,936,847,068 ²	278,792,582	2.549	415,629,678	16,251,031	11,352,476,746	295,043,613	2.599
1945...	13,983,763,575 ²	351,589,751	2.514	458,079,901	18,304,039	14,441,843,476	369,893,790	2.547
1946...	16,807,177,765	436,223,927	2.595	494,177,833	19,517,520	17,301,355,598	455,741,447	2.634
1947...	16,541,900,182	437,853,818	2.647	570,226,510	22,538,419	17,112,126,692	460,392,237	2.690
1948...	15,957,382,594	424,089,017	2.658	674,555,372	26,625,452	16,631,937,966	450,714,469	2.710
1949...	15,585,036,580	411,474,520	2.640	778,259,106	30,584,639	16,363,295,686	442,059,159	2.701

¹ Includes bonds purchased and held by the Treasury for sinking funds.

² Includes refundable portion of income tax and excess profits tax.

Funded Debt Operations.—Conversions and other national debt operations carried out between 1914 and 1930 are dealt with at pp. 842-843 of the 1933 Year Book; those between 1931 and 1934 at pp. 905-907 of the 1934-35 Year Book; those of the fiscal years 1935 to 1946 in the respective Year Books for those years and those for 1947 and 1948 at p. 988 of the 1948-49 edition.

Treasury Bills.—Since 1934 a market for short-term treasury bills that has proven highly satisfactory has been built up in Canada. Each issue, with two exceptions (where the bills were sold direct to the Bank of Canada), has been offered for public tender. Lists of treasury bills sold by public tender for the fiscal years ended 1934-46 appear in the respective Year Books beginning with the 1937 edition. Details of the issues in continuation of the list published at p. 778 of the 1942 Year Book may be obtained on request.