

26.—Federal Government Domestic and Other Loan Flotations, Year Ended Mar. 31, 1949

Item	Interest Rate	Price to Government	Yield at Price to Government	Issued for Cash	Issued as Renewals or Conversions	Total Amount Issued
	p. c.	\$	p. c.	\$	\$	\$
Payable in Canada						
Issued to Chartered Banks—						
Deposit Certificates, Sept. 3, 1948–Mar. 4, 1949.....	1	100-00	0-625	—	100,000,000	100,000,000
Bonds, Nov. 1, 1948–Nov. 1, 1951.....	1	100-00	1-750	—	250,000,000	250,000,000
Deposit Certificates, Mar. 4, 1949–Sept. 2, 1949.....	2-3/4	100-00	0-750	—	100,000,000	100,000,000
Issued to Bank of Canada—						
Treasury Notes, May 1, 1948–Nov. 1, 1948.....	3-1/2	100-00	0-625	—	200,000,000	200,000,000
Treasury Notes, Sept. 1, 1948–Mar. 1, 1949.....	3-1/2	100-00	0-625	—	550,000,000	550,000,000
Bonds, Nov. 1, 1948–Nov. 1, 1951.....	1	100-00	1-750	—	250,000,000	250,000,000
Treasury Notes, Nov. 1, 1948–May 1, 1949.....	3-1/2	100-00	0-625	—	200,000,000	200,000,000
Treasury Notes, Mar. 1, 1949–Sept. 1, 1949.....	2-3/4	100-00	0-750	—	550,000,000	550,000,000
Issued to General Public—						
Canada Savings Bonds, Series III (net), Nov. 1, 1948–Nov. 1, 1958.....	2 3/4	99-375	2-820	236,064,000	—	236,064,000
Issued to Prairie Provinces—						
Debentures, July 1, 1948–July 1, 1949..	4	100-00	4	—	33,293,471	33,293,471
Totals, Issues Payable in Canada ...	...	...	...	236,064,000	2,233,293,471	2,469,357,471
Payable in United States						
Issued to Export-Import Bank.....	2 1/2 ¹	100-00	2-500	90,000,000	—	90,000,000 ²
Issued to Insurance Companies, Aug. 1, 1948–Aug. 1, 1963.....	3	99-90	3-010	10,000,000	140,000,000	150,000,000 ²
Totals, Issues Payable in United States.....	...	...	...	100,000,000	140,000,000	240,000,000
Grand Totals, 1949.....	...	...	...	336,064,000	2,373,293,471	2,709,357,471

¹ In addition to the interest charge, the loan from the Export-Import Bank carries a commitment charge of 0.5 p.c. on the unutilized portion. ² Payable in United States dollars.

Guaranteed Debt.—Besides the direct debt of the Federal Government, already dealt with, there are also large indirect obligations, arising mainly out of the guarantee of securities, by the Federal Government, of the railway lines that now form the Canadian National Railways, and the subsequent extensions thereof. Together with these are other small indirect obligations, originating in the Government's guarantees of the bonds of the Canadian National Steamship services and of the bonds of the Harbour Commissions, issued in the main for harbour improvements. Since 1932, guarantees of certain bank loans have been made under the various Relief Acts. With the commencement of business of the Bank of Canada on Mar. 11, 1935, the guarantee [authorized by Sect. 27 (6) of the Bank of Canada Act] of the deposit required to be maintained in the Bank of Canada by every chartered bank came into force. This guarantee must be implemented "in the event of the property and assets of the Bank being insufficient to pay its liabilities, and if the Bank suspends payment of any of its liabilities".