

Interest-Bearing Debt.--The interest-bearing debt of Canada has shown a sharp increase since 1939, amounting to \$16,201,876,542 at Mar. 31, 1952, compared with \$3,658,414,748 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 2.677 at Mar. 31, 1950, and increased to 2.783 at Mar. 31, 1950. This is in contrast with the experience of World War I, 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 later years has absorbed a smaller portion of revenue, amounting to less than 11 p.c. in the year ended Mar. 31, 1952, that is if the amount necessary to place interest on public debt on the accrual basis is excluded.

32.—Interest-Bearing Debt, Annual Interest Charges thereon and Average Rates of Interest, as at Mar. 31, 1946-52

NOTE.—Statistics for the years 1913-35 are given at p. 977 of the 1947 Year Book; and for 1936-45 at p. 1010 of the 1951 edition.

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.
1946...	16,807,177,765 ²	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 ²	437,851,241	2.647	570,226,510	22,538,419	17,112,126,692	460,392,237	2.690
1948...	15,957,382,594 ²	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 ²	411,586,086	2.641	778,259,106	30,584,639	16,363,295,686	442,170,725	2.702
1950...	15,188,138,961 ²	395,842,709	2.606	893,025,484 ²	34,709,502 ²	16,081,164,445 ²	430,552,211 ²	2.677
1951...	15,026,779,646 ²	390,401,345	2.598	1,066,653,327	41,450,793	16,093,432,973	431,852,138	2.683
1952...	14,695,410,451	392,046,658	2.668	1,506,466,091	58,838,801	16,201,876,542	450,885,459	2.783

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

² Includes refundable

portion of income tax and excess profits tax.

³ Includes refundable portion of the excess profits tax.

Funded Debt Operations.—Conversions and other national debt operations carried out between 1914 and 1930 are dealt with in the Year Book 1933, pp. 842-843, those between 1931 and 1934 in the Year Book 1934-35, pp. 905-907; those of the fiscal years 1935 to 1949 in subsequent editions.

Treasury Bills.—Since 1934 a market for short-term treasury bills has proved highly satisfactory. 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