

34.—Federal Government New Security Issues during the Year Ended Mar. 31, 1952

(Payable in Canada)

Security Issues	Issue Date	Maturity Date	Interest Rate	Price to Government	Yield at Price to Government	Total Amount Issued	Renewals or Reconversion Included in Amount Issued	Amount Issued for Cash
			p. c.	\$	p. c.	\$	\$	\$
Issued to Chartered Banks—								
Deposit certificates	Aug. 29, 1951	Feb. 27, 1952	1½	100-00	1-125	200,000,000	200,000,000	—
Deposit certificates	Feb. 27, 1952	Aug. 27, 1952	1½	100-00	1-375	200,000,000	200,000,000	—
Two-year loan.....	Nov. 1, 1951	Nov. 1, 1953	2	99-15	2-44	64,994,000	64,994,000	—
Totals.....						464,994,000	464,994,000	—
Issued to Bank of Canada—								
Six-month treasury notes.....	May 1, 1951	Nov. 1, 1951	1	100-00	1-000	200,000,000	200,000,000	—
Six-month treasury notes.....	Sept. 1, 1951	Mar. 1, 1952	1½	100-00	1-125	550,000,000	550,000,000	—
Six-month treasury notes.....	Nov. 1, 1951	May 1, 1952	1½	100-00	1-125	200,000,000	200,000,000	—
Six-month treasury notes.....	Mar. 1, 1952	Sept. 1, 1952	1½	100-00	1-375	550,000,000	550,000,000	—
Two-year loan.....	Nov. 1, 1951	Nov. 1, 1953	2	99-15	2-440	135,006,000	135,006,000	—
Totals.....						1,635,006,000	1,635,006,000	—
Issued to General Public—								
Canada Savings Bonds Series VI, Net.....	Nov. 1, 1951	Aug. 1, 1962	3½	99-3125	...	357,649,750	—	357,649,750
Grand Totals...	2,457,649,750	2,100,000,000	357,649,750

Guaranteed Debt.—Besides the direct debt of the Federal Government, already dealt with, there are 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 mainly for harbour improvements. Since 1932, guarantees of certain bank loans have been made under the various Relief Acts. With the commencement of business by 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".

For full details of other guarantees also outstanding at Mar. 31, 1952, see Schedule "V" to the *Public Accounts* for 1952.