

The small loans companies chartered by the Federal Government showed a substantial increase in business for 1950 as compared with the previous year. The number of loans made to the public during the year increased from 434,710 to 521,701 or by 20 p.c. and the amount of such loans rose from \$86,303,395 to \$105,746,067. The average loan was approximately \$203 in 1950 compared with \$199 in 1949. At the end of 1950, loans outstanding numbered 339,020 for an amount of \$51,864,421 or an average of \$153 per loan.

Licensed Money-Lenders.*—In addition to the above-mentioned small loans companies, 56 licensed money-lenders furnished annual statements of their business showing, for 1950, total assets of \$27,321,717 of which balances of small loans amounted to \$6,742,511, other balances to \$19,091,024, bonds, debentures and stocks to \$221,718, real estate to \$67,895, cash to \$607,019 and other assets to \$591,550. Liabilities amounted to \$27,321,718, of which borrowed money accounted for \$19,007,830 and paid shares and partnership capital for \$3,570,081. Loans made during the year numbered 64,971 for an amount of \$13,549,304, an average of \$209. At the end of the year there were 46,328 loans outstanding with a total value of \$6,742,511. Of the loans made, 60 p.c. were between \$100 and \$300 and 12 p.c. were between \$400 and \$500.

Section 3.—Sales of Canadian Bonds†

Previous editions of the Year Book have traced the sales of Canadian bonds through the periods of two world wars and, in the post-war years, to the conclusion of financing in 1949. In the 1950 edition, at pp. 1088-1094, a detailed account was published of "The Underwriting and Distribution of Investments and their Influence on the Capital Market in Canada". The present edition brings the tables for sales of and applications for Government of Canada bonds, and sales of Canadian bonds, by class of bond and country of sale, to the end of 1951, with particular reference to significant developments on Canadian bond markets in that year.

For 1951, public bond financing totalled \$1,617,768,837 compared with \$3,153,440,453 for 1950. The 1951 aggregate includes sales of Canada Savings Loan Series 6, to Mar. 31, 1952, only, whereas figures for previous issues include totals for the entire savings loans flotations to the closing dates in the subsequent years (see Table 5). When complete figures are available for the Canada Savings Loan of 1951, however, the total aggregate financing in that year will still be much less than the total for 1950.

Not only did a marked decline take place in the dollar totals of bond sales in 1951 but important changes also occurred in the price levels of Canadian Government, municipal and corporation securities. Early in March, Government anti-inflationary credit policies led to a sharp decline and, with a lower market price, bond yields began to climb. At the year-end, long-term bonds of the Government of Canada sold at a yield of approximately 3.40 p.c., representing an increase of more than two-fifths of 1 p.c. during the year. In addition, new bond issues of governments and corporations were offering a significantly higher interest return while other classes of bonds experienced changes, ranging as high as 1 p.c. in the case of municipals.

* Further details are given in the Department of Insurance report, *Small Loans Companies and Money-Lenders* for the year ended Dec. 31, 1950.

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