

28.—Federal Government New Security Issues during the Year Ended Mar. 31, 1954

(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 Bank of Canada—								
Six-month treasury notes.....	May 1, 1953	Nov. 1, 1953	2	100-00	2-00	200,000,000	200,000,000	—
Six-month treasury notes.....	Sept. 1, 1953	Mar. 1, 1954	2½	100-00	2-25	550,000,000	550,000,000	—
Six-month treasury notes.....	Nov. 1, 1953	May 1, 1954	2½	100-00	2-25	200,000,000	200,000,000	—
Six-month treasury notes.....	Mar. 1, 1954	Sept. 1, 1954	2	100-00	2-00	550,000,000	550,000,000	—
Totals.....						1,500,000,000	1,500,000,000	—
Issued to General Public—								
One-year-eight-month loan.....	Nov. 1, 1953	July 1, 1955	2½	98-00	3-49	400,000,000	400,000,000	—
Four-year-six-month loan.....	Nov. 1, 1953	May 1, 1958	3	97-15	3-69	300,000,000	300,000,000	—
Twenty-five-year loan.....	Jan. 15, 1953	Jan. 15, 1978	3½	97-59	3-91	40,000,000	—	40,000,000
Canada Savings Bonds, Series VIII, Net.....	Nov. 1, 1953	Nov. 1, 1965	3½	98-875	—	864,810,450	—	864,810,450
Increase in treasury bills.....	Various	Various	Various	Various	Various	50,000,000	—	50,000,000
Totals.....						1,654,810,450	700,000,000	954,810,450
Grand Totals.....						3,154,810,450	2,200,000,000	954,810,450

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. When the Bank of Canada commenced business 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/or if the Bank suspends payment of any of its liabilities".