

**Guaranteed Debt.**—In addition to the direct debt already dealt with, the Government of Canada has assumed certain contingent liabilities. The major categories of this indirect or contingent debt are the guarantee of insured loans under the National Housing Act, the guaranteed bonds and debentures of the Canadian National Railways and the guarantee of deposits maintained by the chartered banks in the Bank of Canada. The remainder consists chiefly of guarantees of loans made by chartered banks to the Canadian Wheat Board, to farmers and to university students and of guarantees under the Export Credits Insurance Act.

### 12.—Guaranteed Debt of the Government of Canada, as at Mar. 31, 1966

SOURCE: *Public Accounts of Canada*

Item	Amount of	Amount
	Guarantee Authorized	Outstanding in the Hands of the Public as at Mar. 31, 1966 <sup>1</sup>
	\$	\$
<b>Railway Securities Guaranteed as to Principal and Interest—</b>		
Canadian National Ry. Co. 2½ per cent bonds due 1967.....	50,000,000	50,000,000
Canadian National Ry. Co. 4½ per cent bonds due 1967.....	72,300,000	72,300,000
Canadian National Ry. Co. 5 per cent bonds due 1968.....	55,800,000	55,800,000
Canadian National Ry. Co. 2½ per cent bonds due 1969.....	70,000,000	70,000,000
Canadian National Ry. Co. 2½ per cent bonds due 1971.....	40,000,000	40,000,000
Canadian National Ry. Co. 5½ per cent bonds due 1971.....	190,561,500	190,561,500
Canadian National Ry. Co. 3½ per cent bonds due 1974.....	200,000,000	200,000,000
Canadian National Ry. Co. 2½ per cent bonds due 1975 <sup>2</sup> .....	6,486,486	6,486,486
Canadian National Ry. Co. 5 per cent bonds due 1977.....	84,150,000	84,150,000
Canadian National Ry. Co. 4 per cent bonds due 1981.....	300,000,000	300,000,000
Canadian National Ry. Co. 5½ per cent bonds due 1985.....	99,500,000	99,500,000
Canadian National Ry. Co. 5 per cent bonds due 1987.....	162,750,000	162,750,000
<b>Other Guarantees—</b>		
Deposits maintained by chartered banks in Bank of Canada.....	Unstated	1,031,322,000
Loans made by lenders under Part IV of the National Housing Act, 1954, for home extensions and improvements.....	25,000,000	17,341,000
Insured loans made by approved lenders under the National Housing Act, 1954.....	8,500,000,000	5,321,621,000 <sup>3</sup>
Insurance and guarantees issued or approved under Section 21 and 21A of the Export Credits Insurance Act.....	1,000,000,000	508,213,000
Loans made by chartered banks under the Farm Improvement Loans Act.....	124,924,000	68,891,000
Loans made by chartered banks under the Veterans Business and Pro- fessional Loans Act.....	3,000	3,000
Loans made by chartered banks and credit unions under the Canada Student Loans Act.....	80,327,000	84,268,000 <sup>4</sup>
Loans made by chartered banks and credit unions under the Fisheries Improvement Loans Act.....	2,700,000	430,000
Loans made by chartered banks under the Small Businesses Loans Act.....	37,313,000	13,061,000
Notes issued by the Canadian Corporation for the 1967 World Exhibition	Unstated	44,000,000
Loans made by chartered banks to the Canadian Wheat Board.....	398,000,000	232,037,000

<sup>1</sup> In addition, the government has an indeterminate contingent liability in respect of rental guarantee contracts which in 1965 amounted to approximately \$13,876,000. Against this amount was a reserve of \$3,957,000 held by Central Mortgage and Housing Corporation.

<sup>2</sup> These contingent liabilities are expressed in Canadian dollars; they are payable solely in United States dollars and are converted on the basis of \$1 U.S. = \$1.08108 Canadian.

<sup>3</sup> As reported (in accordance with Sect. 45, National Housing Loan Regulations) by approved lenders at Dec. 31, 1965.

<sup>4</sup> Includes contingent liability in respect of alternate payments to non-participating provinces. An amendment to the Canada Student Loans Act enacted July 11, 1966 authorizes increased allocations for this loan year by \$27,605,000.

Table 13 summarizes the national debt position during the period 1958-67 as to interest and amount outstanding. Details of unmatured debt and treasury bills outstanding and information on new security issues of the Federal Government may be found in the *Public Accounts of Canada*. They are summarized by standard classification in DBS publication *Federal Government Finance, Revenue and Expenditure* (Catalogue No. 68-211).