

The combined companies showed a substantial increase in business for 1953 as compared with the previous year. The number of small loans made to the public during the year increased from 755,506 to 770,265, or by 2 p.c., and the amount of such loans rose from \$167,161,448 to \$174,503,558, or by 4 p.c. The average small loan made was approximately \$227 in 1953 compared with \$221 in 1952. At the end of 1953, small loans outstanding numbered 482,966 for an amount of \$81,840,415 or an average of \$169 per loan, and for 1952, small loans outstanding numbered 467,594 for an amount of \$76,990,337 or an average of \$165 per loan.

Section 3.—Sales of Canadian Bonds*

Canadian borrowers, whether governments or corporations, sold through various forms of financing a total of \$2,945,488,665 in new bond issues during the year 1953. This total represented an increase of \$917,260,525 over the \$2,028,228,140 worth sold in 1952 but a decrease of \$207,951,788 from the post-war record of \$3,153,440,453 sold in 1950. Comparative totals for such sales can be traced in previous editions of the Year Book through the periods of two world wars. Figures for 1944-53 are given in Table 7, pp. 1222-1223 of this volume.

In relation to these totals, it should be noted that the yearly aggregate includes sales of Canadian Savings Loans for the entire amount sold, i.e., either to the year-end or to the closing dates in subsequent years. For example, the total of \$380,761,100 for Series VII (1952) includes purchases to the closing date on Aug. 31, 1953, and the total of \$850,548,900 for Series VIII (1953) includes purchases to the closing date at the end of the same year. (See Table 6, p. 1222.)

One interesting development in the sale of Series VIII was the degree to which buyers converted earlier issues in order to take advantage of the higher interest rate. As a report on all redeemed bonds was not available at time of writing, it is not possible to give the proportion of the total. When available, however, it should still leave the "new" money purchases far ahead of previous campaigns.

For purposes of analysis, the 1953 total of \$2,945,488,665 may be classified as follows: federal, \$1,950,548,900; provincial and guaranteed, \$436,616,900; municipal, \$222,027,065; corporation, \$336,295,800. (See Table 7.) Of the provincial and guaranteed total, the amount of \$258,500,000 represented direct issues and the amount of \$178,116,900 was for guaranteed financing, such as hydro bonds and municipal issues guaranteed by provincial governments. Of the \$222,027,065 municipal total, the amount of \$186,784,460 represented direct issues and the amount of \$35,242,605 represented parochial and miscellaneous issues, borrowed mainly for educational and hospital purposes.

During 1953 there was a noticeable increase in volume of Canadian bond issues placed on the United States market. A total of \$306,599,215 was sold compared with \$284,650,025 in 1952—an increase of \$21,949,190 over 1952 but \$77,423,785 short of the \$384,023,000 figure for 1951. The increase in 1953 over 1952 was caused by the return of several large Canadian borrowers to the American market. These borrowers raised new funds in the United States because developments there seemed to suggest that the monetary stringency, produced by the anti-inflationary program, had come to an end.

From a study of Table 7, it will be noted that federal financing in 1953 at \$1,950,548,900 increased by \$1,119,787,800 over the previous year. This increase was caused, principally, by the success of Savings Loan Series VIII at \$850,548,900

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