

4½ per cent, 7 years at 3-¾ per cent or 3½ years at 3 per cent provided, however, that they must elect a bond which lengthens out to that extent their present term.

"In addition, in order to adjust equitably the current market prices and yields of the old bonds to the new offerings we will make appropriate cash adjustments on conversion. Since we are making this offer to the two million individual private citizens who own these victory bonds, we are combining accrued interest and the cash adjustment into a single figure. The actual cash adjustment, exclusive of accrued interest, in favour of the person converting will depend upon the issue he is turning in and the new bond he is taking in return, but ranges from nil on the 1966 maturity being converted into the 14-year or 25-year bond to \$1.99 per \$100 par value on the 1959's which are converted into new bonds of 7-year maturity or longer...

"In the campaign I am now announcing the period between today and August 5 will be largely taken up with organization, but it will be open to any holder to deposit his old bonds and take his cash adjustment starting today. Our offer to convert will remain open up to and including September 15, 1958. All the new bonds will be dated September 1 and will bear interest from that date.

"Apart from corporations and financial institutions it is estimated that there are two million private individual holders of the victory loan issues to which I have been referring. To make sure that each and every holder, in so far as it is humanly possible, is made aware of this opportunity we are arranging for a widespread publicity campaign using all appropriate media.

"This conversion offer will perform the major and essential task of clearing the way for an orderly programme of debt management over the years ahead. It will not, however, provide us with any new cash. To cover our cash requirements over the next few months we have arranged to sell an issue of \$400 million of five-month bonds bearing interest at the rate of 2½ per cent per annum to the Bank of Canada and the chartered banks. These very short-term bonds will fall due on December 15 next, a date which will coincide with our known cash receipts from this year's Canada savings bond campaign.

"In conclusion may I say two things. The first is that we are convinced, and so are those with whom we have consulted, that this great conversion loan will lay the foundations for a new, healthy and confident tone to our whole bond market, and that the beneficial results of this will extend well beyond the market for Canada bonds and into the market for provincial, municipal and corporate bonds.

"The second point I wish to emphasize is that this Government attaches great importance and a high priority to the preservation of a

sound currency and stability in the purchasing power of our dollar. On behalf of the Government I wish to reiterate that we intend to follow policies designed to maintain the soundness of the Canadian dollar.

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POPULATION YOUNGER

Reflecting the large increase in births in the period, the average age of Canada's population declined to 29.8 years in 1956 from 30.4 at the time of the 1941 Census, the Dominion Bureau of Statistics reports. The figure of 30.4 is the highest recorded over the period of 75 years from the 1881 Census. In that year the average age was 24.7. It rose to 27.1 in 1901, due to the heavy immigration from 1901 to 1911, dropped to 26.9 in the latter year, then moved upward again to 27.4 in 1921 and 28.6 in 1931.

There were about 5,225,000 children under 15 years of age in Canada, or nearly one-third (32.4 per cent) of the total population of 16,080,791, at the time of the 1956 Census. Five years earlier the number was just under 4,251,000, representing 30.4 per cent of the 1951 population, and in 1941 totalled just under 3,199,000 and accounted for 27.8 per cent of the population. Thus in the fifteen years from 1941 the number of children under 15 rose by more than 2,000,000 or approximately 60 per cent and the proportion of the population in this age group by nearly 5 per cent. The recent high 1956 ratio, however, does not set a record. The 1881 Census showed 38.7 per cent of the total population under 15 and up to and including 1931 the proportion never fell much below one-third. It was the small number of births in the thirties that brought about the reduced proportion in 1941.

At the upper age levels, the population at retirement ages - that is, 65 and over - also increased by nearly 60 per cent between 1941 and 1956. This group numbered almost 1,244,000 or 7.7 per cent of the total population in 1956. While the number was 158,000 greater, the 1956 proportion was practically the same as in 1951 but over the 15-year period showed a marked rise from the ratio of 6.7 per cent in 1941. Back in 1881 this group accounted for only 4.1 per cent of the total population.

While rising in number to about 9,612,000 from 8,672,000 in 1951 and 7,540,000 in 1941 - somewhat over a quarter in the 15 years, the proportion of the population in the working ages from 15 to 64 declined to slightly less than three-fifths in 1956 from approximately two-thirds in 1941. In 1881 this group represented just 57.2 per cent of the population, increasing to 62.5 per cent by 1911 when it was boosted by the heavy flow of immigrants, consisting largely of adults in the decade from 1901. The ratio declined to under 61 per cent in 1921, partly due to deaths in World War I and from the influenza epidemic of 1918