

53. The Government of the Union of Soviet Socialist Republics repaid during the fiscal year \$2,500,000 of a loan obtained under the authority of the War Appropriation Act in the amount of \$10,000,000. This payment completely liquidated the loan on its due date.

Investments

54. In the fiscal year 1947-48, Canada paid \$16,250,000 on its subscription to the capital stock of the International Bank for Reconstruction and Development. This payment was made in the form of non-interest bearing notes. The remaining amount of Canada's subscription to the capital stock of the Bank, namely, \$260,000,000, can only be called to meet obligations of the Bank on securities of or guaranteed by the Bank.

55. A further payment of \$2,500,000 was made for the capital stock of the Export Credits Insurance Corporation. This payment completes the Government's subscription to the capital stock of the Corporation.

DEBT REDEMPTION AND LOAN FLOTATIONS

56. During the fiscal year ended March 31, 1948, Government obligations to a total of \$2,856,342,539 matured or were called for redemption. Of this amount, \$1,333,293,471 was renewed or converted into new issues, and cash required to retire the balance was provided as follows: \$325,000,000 from the sale of a new issue of two year bonds to the Bank of Canada and the chartered banks, \$263,530,150 from the sale of Canada Savings Bonds Series II, \$200,000,000 from the sale of a new issue of Treasury Notes to the Bank of Canada, \$100,000,000 from the sale of an issue of Deposit Certificates to the chartered banks, \$50,000,000 from the issue of notes to the Export-Import Bank, and \$584,518,918 from cash balances.

57. During the year, Government issues of securities amounted to an estimated total of \$2,271,823,621 exclusive of the recurring issues of Treasury Bills which were issued to refund similar securities maturing during the year. Of this total, securities in the amount of \$1,645,000,000 were issued to the Bank of Canada, and in the amount of \$280,000,000 to the chartered banks. Drawings on the \$300,000,000 Export-Import Bank Loan amounted to \$50,000,000 during the fiscal year, and, in accordance with the loan agreement, notes maturing in three, four, and five years from the date of the withdrawal were delivered to the Bank.

58. Canada Savings Bonds were the only securities offered to the general public during the year. Net sales of Series II amounted to \$263,530,150 during the period, while there were net redemptions of \$92,394,150 in Series I of these bonds.

59. The fortnightly issue of three months Treasury Bills was continued during the year. The amount outstanding remained unchanged at \$450,000,000 throughout the year. Average yield on the last issue sold during the fiscal year was .411%.

60. The average rate of interest on the Dominion's direct funded debt (including Treasury Bills and Deposit Certificates) outstanding at March 31, 1948 was 2.66%, compared with 2.65% at March 31, 1947.

61. The following Tables show the details of loan flotations and debt redemption during the fiscal year.

[Mr. Abbott.]