

The Budget—Appendix

ing the refunding of treasury bills which mature periodically but including the increase in the issue of treasury bills in the amount of \$70 million) and redeemed or converted issues in the amount of \$7,973 million. Of the amount redeemed or converted \$150 million was payable in U.S. dollars; the balance was payable in Canadian dollars.

Redemptions were financed as follows:

		(in millions of dollars)	
By proceeds of new issues:			
Canada savings bonds 1958 series (net).....	860		
Other new bond issues.....	1,550		
Increase in treasury bills.....	70		
	<hr/>		2,480
By refunding or conversion.....			6,806
			<hr/>
			9,286
Increase in unmatured debt.....		-1,313	
Applied towards redemptions.....			<hr/>
			7,973

At March 31, 1959, the outstanding unmatured debt payable in U.S. dollars was \$150 million compared with \$300 million on March 31, 1958 due to the call of the 1948-58/63 loan on February 1, 1959. The amount payable in sterling was \$52 million, unchanged from the previous year.

In July the government announced the conversion loan campaign which was the largest debt operation ever carried out in Canada. In order to lengthen out the term of the debt, by selling to the public longer term bonds in exchange for the shorter term victory loan bonds, it offered to convert all unmatured 3 per cent victory loan bonds into new $4\frac{1}{2}$ per cent bonds due September 1, 1983, $4\frac{1}{4}$ per cent bonds due September 1, 1972, $3\frac{3}{4}$ per cent bonds due September 1, 1965 or 3 per cent bonds due December 1, 1961, providing the term of the new bonds was not less than that of the victory loan bonds converted. In all, \$6,416 million of the victory loans was outstanding and of this total \$5,806 million, or approximately 90 per cent, was converted into the new issues.

Net sales of Canada savings bonds, 1958 series, as at March 31, 1959, amounted to \$860 million and redemptions of Canada savings bonds series 3 to 12 (of which series 3 matured on November 1, 1958) were \$575 million. The net increase during the year for all series was \$285 million and the amount outstanding at March 31, 1959 was \$2,832 million.

The issue of treasury bills was increased by \$70 million during the fiscal year and the amount outstanding at March 31, 1959 was \$1,595 million.

TABLE 47
REDEMPTION OF DEBT DURING YEAR ENDED MARCH 31, 1959

MATURITY	Interest rate	Where payable	Amount
	per cent		\$
May 1, 1958.....	3	Canada	124,522,000
May 1, 1958.....	2	Canada	475,478,000
October 1, 1958.....	3	Canada	400,000,000
December 1, 1958.....	2½	Canada	400,000,000
January 1, 1959 ⁽¹⁾	3	Canada	947,324,750
June 1, 1960 ⁽²⁾	3	Canada	1,118,711,700
February 1, 1962 ⁽²⁾	3	Canada	1,262,166,050
October 1, 1963 ⁽²⁾	3	Canada	1,072,799,150
September 1, 1966 ⁽²⁾	3	Canada	1,446,594,500
August 1, 1963.....	3	U.S.	150,000,000
Canada savings bonds series 3 to 12.....	various	Canada	575,292,350
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			7,972,888,500

⁽¹⁾ \$905,248,450 converted to Canada Conversion Loan 1958; balance matured January 1, 1959.

⁽²⁾ Converted to Canada Conversion Loan 1958 in amount shown.