

treated on account of the Bank of England, and the subsequent great development of the gold-mining industry in Canada has resulted in gold-refining becoming one of the principal activities of the Mint. Gold coins have not been struck since 1919, most of the fine gold produced from the rough shipments from the mines being delivered to the Department of Finance (since Mar. 11, 1935, the Bank of Canada has acted as agent for the Government) in the form of bars of approximately 400 fine oz. each, the rest being sold in a convenient form to manufacturers. The fine silver extracted from the rough gold, when not required for coinage, is sold in New York or disposed of to local manufacturing firms.

An account of the organization and operational methods of the Royal Canadian Mint is given at pp. 888-892 of the 1940 Year Book.

3.—Annual Receipts of Gold Bullion at the Royal Canadian Mint, and Bullion and Coinage Issued, 1926-41

NOTE.—Although not presented in exactly the same form, figures for 1901-16 are given at pp. 857-858 of the 1927-28 Year Book and for 1917-25 at p. 894 of the 1936 Year Book.

Year	Gold Received	Gold Bullion Issued	Silver Coin Issued	Nickel Coin Issued	Bronze Coin Issued
	fine oz.	fine oz.	\$	\$	\$
1926.....	1,375,502	1,347,668	50,000	168,500	28,200
1927.....	1,448,180	1,451,907	574,000	249,000	37,500
1928.....	1,325,113	1,305,200	867,000	250,000	92,100
1929.....	438,351	468,384	1,081,000	267,000	123,300
1930.....	862,075	722,469	326,000	164,500	13,400
1931.....	1,721,237	1,735,112	475,400	281,000	51,400
1932.....	2,829,529	2,873,221	287,000	165,000	213,200
1933.....	2,568,838	2,589,649	155,000	125,000	120,800
1934.....	3,008,977	3,038,019	172,300	193,000	69,900
1935.....	3,158,780	3,177,401	601,020	194,000	75,100
1936.....	3,603,335	3,625,549	809,200	202,600	87,200
1937.....	3,933,453	3,937,910	1,322,200	251,100	105,400
1938.....	4,398,258	4,308,067	1,376,000	153,500	134,300
1939.....	4,869,239	4,834,214	2,794,032	321,000	214,600
1940.....	4,990,847	5,026,793	4,845,000	660,500	822,800
1941.....	5,092,609	5,134,348	3,534,000	454,000	575,300

Subsection 2.—Dominion and Bank of Canada Notes

Dominion Notes.—In the historical outline referred to at the beginning of this chapter it is stated that Dominion notes became established in 1868. The legislation by which the issue was expanded with the growth of the country is given in an explanatory footnote at p. 952 of the 1934-35 Year Book. Previous editions of the Year Book, down to that of 1940, carry a summary of the main features of the former Dominion note issue.

Bank of Canada Notes.—The Bank of Canada, when it commenced operations, assumed the liability for Dominion notes outstanding, which were replaced in public circulation, and partly replaced as cash reserves, by its own legal-tender notes in denominations of \$1, \$2, \$5, \$10, \$20, \$50, \$100 and \$1,000. Deposits of chartered banks at the Bank of Canada completed the replacement of Dominion notes as cash reserves.

The chartered banks are required under the Bank Act of 1934 to reduce the issue of their own bank notes gradually during the years 1935-45 to an amount not in excess of 25 p.c. of their paid-up capital on Mar. 11, 1935. Bank of Canada notes are thus replacing chartered bank notes as the issue of the latter is reduced.