

holdings transferred to the Foreign Exchange Control Board under the terms of the Exchange Fund Order and Foreign Exchange Acquisition Order, dated Apr. 30, 1940, and (b) the fluctuations in holdings of sterling exchange through which the Bank has temporarily financed Canadian dollar requirements of the Foreign Exchange Control Board.

1.—Assets and Liabilities of the Bank of Canada, Mar. 13, 1935, and Dec. 31, 1946-48

SOURCE: Annual Statements of the Bank of Canada.

Item	Mar. 13, 1935	Dec. 31, 1946	Dec. 31, 1947	Dec. 31, 1948
	\$	\$	\$	\$
Assets				
Reserves (at market values)—				
Gold coin and bullion.....	106,584,356	1	1	1
Silver bullion.....	986,363	—	—	—
Sterling and U.S.A. dollars.....	394,875	960,131	1,958,591	419,634
Other currencies.....	—	—	226,483	53,208
Totals, Reserves.....	107,965,594	960,131	2,185,074	472,842
Subsidiary coin.....	297,335	345,465	131,437	107,283
Investments (at not exceeding market values)—				
Federal and Provincial Government short-term securities.....	34,846,294	1,197,436,208	1,022,024,822	1,233,675,519
Other Federal and Provincial Government securities.....	115,013,637	708,164,801	857,529,340	779,070,636
Totals, Investments.....	149,859,931	1,905,601,009	1,879,554,162	2,012,746,155
Industrial Development Bank capital stock..	...	15,000,000	25,000,000	25,000,000
Bank premises.....	—	2,438,215	2,341,722	2,532,498
All other assets.....	1,191,897	24,271,461	16,008,084	17,750,812
Totals, Assets.....	259,314,757	1,948,616,281	1,925,220,479	2,058,609,590
Liabilities				
Capital paid up.....	4,991,640	5,000,000	5,000,000	5,000,000
Rest fund.....	—	10,050,367	10,050,367	10,050,367
Notes in circulation.....	97,805,665	1,186,201,681	1,211,350,386	1,289,080,333
Deposits—				
Federal Government.....	4,212,200	81,468,167	87,607,639	117,174,107
Chartered banks.....	151,927,628	565,469,559	536,161,793	547,345,654
Other.....	277,922	93,800,975	67,523,489	81,009,500
Totals, Deposits.....	156,417,750	740,738,701	691,292,981	745,529,261
Liabilities payable in sterling, United States and foreign gold currencies.....	—	960,131	1,978,667	419,634
Dividends declared.....	—	112,500	112,500	112,500
Other liabilities.....	99,702	5,552,901	5,435,578	8,417,495
Totals, Liabilities.....	259,314,757	1,948,616,281	1,925,220,479	2,058,609,590

¹ The Exchange Fund Order, 1940, authorized the transfer of the Bank's gold holdings to the Foreign Exchange Control Board and temporarily suspended the requirement for a minimum gold reserve.

Subsection 4.—The Industrial Development Bank

The Industrial Development Bank, a subsidiary of the Bank of Canada, was incorporated by Act of Parliament during 1944, commencing its banking operations on Nov. 1, 1944. Its functions are described in the preamble to the Act as follows:—

“To promote the economic welfare of Canada by increasing the effectiveness of monetary action through ensuring the availability of credit to industrial enterprises which may reasonably be expected to prove successful if a high level of national income and employment is maintained, by supplementing the activities of other lenders and by providing capital assistance to industry with particular consideration to the financing problems of small enterprises.”

The President of the Industrial Development Bank is the Governor of the Bank of Canada and the Directors are the Directors and Assistant Deputy Governor of the Bank of Canada. The \$25,000,000 capital stock of the Bank, now completely