

1.—Assets and Liabilities of the Bank of Canada, Mar. 13, 1935, and Dec. 31, 1950-52
—concluded

Assets and Liabilities	Mar. 13, 1935	Dec. 31, 1950	Dec. 31, 1951	Dec. 31, 1952
	\$	\$	\$	\$
Assets—concluded				
Industrial Development Bank capital stock....	—	25,000,000	25,000,000	25,000,000
Bank premises.....	—	5,081,069	5,069,987	5,081,886
All other assets.....	1,191,897	18,474,022	15,585,338	33,689,385
Totals, Assets.....	259,314,757	2,350,330,755	2,444,096,998	2,381,403,712
Liabilities				
Capital paid up.....	4,991,640	5,000,000	5,000,000	5,000,000
Reserve fund.....	—	10,050,367	10,050,367	10,050,367
Notes in circulation.....	97,805,665	1,367,421,840	1,464,160,786	1,561,193,061
Deposits—				
Government of Canada.....	4,212,200	44,378,082	118,901,465	44,945,805
Chartered banks.....	151,927,628	578,588,783	618,996,408	626,629,987
Other.....	277,922	207,052,610	66,089,987	44,510,937
Totals, Deposits.....	156,417,750	830,019,475	803,987,861	716,086,729
Liabilities payable in sterling, United States and foreign gold currencies.....	—	133,560,519	155,573,289	82,933,783
Dividends declared.....	—	112,500	112,500	112,500
Other liabilities.....	99,702	4,166,054	5,212,195	6,027,272
Totals, Liabilities.....	259,314,757	2,350,330,755	2,444,096,998	2,381,403,712

The Industrial Development Bank.—The Industrial Development Bank, a subsidiary of the Bank of Canada, was incorporated by Act of Parliament during 1944 and its banking operations commenced 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 (completely paid up) was subscribed by the Bank of Canada. The Industrial Development Bank may also raise funds by the issue of bonds and debentures provided that its total direct liabilities and contingent liabilities in the form of guarantees and underwriting agreements do not exceed three times the aggregate of the Bank's paid-up capital and Reserve Fund.

The lending powers of the Bank may be extended only to industrial enterprises or commercial air services in Canada with respect to which it is empowered to:—

- (1) lend money or guarantee loans;
- (2) enter into underwriting agreements with regard to any issue of stock, bonds or debentures;
- (3) acquire stock, bonds or debentures from the issuing corporation or any person with whom the Bank has entered into an underwriting agreement.

The Bank may accept any form of collateral security against its advances, including real property.