

The Bank is under the management of a Board of Directors composed of a Governor, a Deputy Governor and twelve Directors. The Governor and Deputy Governor are appointed for terms of seven years each by the Directors, with the approval of the Governor General in Council. The Directors are appointed by the Minister of Finance, with the approval of the Governor General in Council, for terms of three years each. The Deputy Minister of Finance is a member of the Board but does not have the right to vote. There is an Executive Committee of the Board composed of the Governor, the Deputy Governor, one Director and the Deputy Minister of Finance (who is without a vote) which has the same powers as the Board except that its every decision must be submitted to the Board at its next meeting. In addition to the Deputy Governor who is a member of the Board, there may be one or more Deputy Governors appointed by the Board of Directors to perform such duties as are assigned by the Board.

The Governor is the chief executive officer of the Bank and Chairman of the Board of Directors. The Governor has the power to veto any action or decision of the Board of Directors or of the Executive Committee but such veto is subject to confirmation or disallowance by the Governor General in Council. In the absence of the Governor, the Deputy Governor, who is a member of the Board, exercises all the powers and functions of the Governor.

The capital of the Bank is \$5,000,000 and is entirely held by the Minister of Finance. The Bank of Canada Act as amended in 1954 provides that each year 20 p.c. of the Bank's annual profits (after provision for depreciation in assets, pension funds and such matters) shall be allocated to the Rest Fund until the Rest Fund reaches an amount five times the paid-up capital of the Bank and the remainder shall be paid to the Receiver General and placed to the credit of the Consolidated Revenue Fund. At the end of 1957, the Rest Fund of the Bank reached its maximum of \$25,000,000 so that, since that date, the whole of the Bank's profits have been transferred to the Receiver General.

The head office of the Bank is at Ottawa. It has agencies at Halifax, Saint John, Montreal, Ottawa, Toronto, Winnipeg, Regina, Calgary and Vancouver and is represented in St. John's and Charlottetown. The agencies are chiefly concerned with the functions of the Bank as fiscal agent for the Government of Canada and with the issue and redemption of currency. The Industrial Development Bank, which is described on pp. 1138-1139, is a subsidiary of the Bank of Canada.

The Bank of Canada Act requires that statements of the assets and liabilities of the Bank on each Wednesday and the last day of each month be published in the *Canada Gazette*. A summary of the statement as at Dec. 31, 1955-57, appears in Table 1.

1.—Assets and Liabilities of the Bank of Canada as at Dec. 31, 1955-57

| Item | 1955 | 1956 | 1957 |
|---|----------------|----------------------|----------------|
| | \$'000,000 | \$'000,000 | \$'000,000 |
| Assets | | | |
| Foreign exchange | 57.6 | 61.0 | 63.6 |
| Advances to chartered and savings banks | 2.0 | — | — |
| Investments— | | | |
| Treasury bills of Canada | 262.6 | 505.2 | 467.1 |
| Other securities issued or guaranteed by Canada maturing within 2 years | 1,021.2 | 519.7 ¹ | 779.2 |
| Other securities issued or guaranteed by Canada not maturing within 2 years | 1,083.7 | 1,369.0 ¹ | 1,181.2 |
| Bonds and debentures issued by Industrial Development Bank | 10.1 | 23.0 | 36.2 |
| Other securities | 57.1 | 16.7 | 16.7 |
| Industrial Development Bank capital stock | 25.0 | 25.0 | 25.0 |
| Bank premises | 4.9 | 5.8 | 8.6 |
| All other assets | 96.1 | 22.3 | 81.1 |
| Totals, Assets | 2,620.2 | 2,547.7 | 2,658.7 |

¹ On Dec. 31, 1956, the basis for the valuation of securities held by the Bank of Canada was changed from "not excluding market value" to amortized value; thus figures for that date are not comparable with those for Dec. 31 of earlier years.