

1.—Assets and Liabilities of the Bank of Canada, as at Dec. 31, 1959-63

Item	1959	1960	1961	1962	1963
	\$'000,000	\$'000,000	\$'000,000	\$'000,000	\$'000,000
Assets					
Foreign exchange.....	41.2	54.5	44.8	47.4	42.4
Bankers' acceptances.....	—	—	—	3.3	—
Investments—					
Treasury bills of Canada.....	305.9	404.4	312.2	455.2	465.6
Other securities issued or guaranteed by Canada maturing within 2 years.....	514.5	353.4	513.9	446.6	688.0
Other securities issued or guaranteed by Canada not maturing within 2 years.....	1,800.2	1,931.9	1,999.6	1,980.8	1,881.7
Bonds and debentures issued by Industrial Development Bank.....	58.6	64.4	88.0	127.1	150.6
Other securities.....	18.5	24.4	25.0	25.7	21.5
Industrial Development Bank capital stock.....	25.0	25.0	27.0	31.0	33.0
Bank premises.....	10.9	11.5	10.6	10.7	11.8
All other assets.....	193.3	175.0	221.9	103.3	150.4
Totals, Assets.....	2,968.1	3,044.4	3,242.9	3,231.1	3,444.9
Liabilities					
Capital paid up.....	5.0	5.0	5.0	5.0	5.0
Reserve Fund.....	25.0	25.0	25.0	25.0	25.0
Notes in Circulation—					
Held by chartered banks.....	315.7	329.8	346.6	416.8	418.4
All other.....	1,704.8	1,731.9	1,800.2	1,817.0	1,886.2
Deposits—					
Government of Canada.....	45.6	35.7	41.4	42.9	49.4
Chartered banks.....	637.0	662.6	749.4	745.6	811.4
Other.....	34.8	33.3	33.4	38.1	38.9
Foreign currency liabilities.....	50.0	68.6	59.0	61.1	52.8
All other liabilities.....	150.2	152.5	182.8	79.6	157.8
Totals, Liabilities.....	2,968.1	3,044.4	3,242.9	3,231.1	3,444.9

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 of the Bank of Canada and the Deputy Minister of Trade and Commerce. The authorized capital of the Bank is \$50,000,000 and it 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 five times the aggregate of the Bank's paid-up capital and Reserve Fund.

The Bank may extend financial assistance to industrial enterprises in Canada which, by definition in the Act, include any industry, trade or other business undertaking of any kind. With respect to such enterprises the Bank is empowered to lend money or guarantee loans and where an enterprise is a corporation the Bank may also enter into underwriting agreements with regard to any issue of stock, bonds or debentures; acquire stock, bonds or debentures from the issuing corporation or any person with whom the Bank has entered into an underwriting agreement; and acquire certificates issued by a trustee to finance the purchase of transportation equipment. The total amount of commitments of the Bank, in the form of loans, guarantees, etc., in excess of \$200,000 each, may not exceed \$200,000,000.