

31, 1979, deposits from customers totalled \$1,496 million while loans to individuals, merchants, corporations and municipal bodies totalled \$1,285 million. Profits for the year ended March 31, 1979, before allowances for reserves, were \$19.2 million. Of this amount \$10.5 million was transferred to the general revenue of the province. Financial services include current accounts; regular savings (chequing) and super savings (non-chequing); interest-bearing accounts; capital savings, term deposits for terms ranging from one day to five years bearing competitive interest rates; savings growth certificates (six-year term); investment certificates (one to five-year term, non-redeemable prior to maturity); agricultural loans; farm improvement loans; petroleum and natural gas loans; long-term business loans — capital financing; home improvement loans; time-plan personal loans, mobile home loans, and residential mortgage loans, the latter three all life-insured. Treasury branches are also authorized lending agents for farm improvement loans and small business loans guaranteed by the federal government.

**The Montreal City and District Savings Bank** was founded in 1846 and has operated under a federal charter since 1871. On October 31, 1978 it had a paid-up capital and reserve of \$43.2 million (\$34.0 million in 1977), savings deposits of \$1,331.9 million (\$1,169.8 million) and total liabilities of \$1,415.5 million (\$1,231.9 million). Assets of a like amount included \$282.2 million, (\$262.1 million in 1977) consisting of federal, provincial, municipal and other securities.

**Credit unions.** The first credit union in Canada was founded in Lévis, Que. in 1900 to promote thrift by encouraging saving and to provide loans to members who could not get credit elsewhere or could get it only at high interest rates. For many years growth was slow; in 1911, when the first figures were available, assets amounted to \$2 million and by 1940 they were only \$25 million. However, since that time there has been a spectacular increase. The first credit union legislation was passed in Nova Scotia in 1932 followed by legislation in Manitoba and Saskatchewan in 1937 and in Ontario and British Columbia in 1938.

Credit unions are under provincial legislation. Almost all local offices in each province belong to central credit unions operating within the province. The number of chartered credit unions in Canada at the end of 1977 was 3,926. They reported a total membership of 8.3 million and assets of \$18,929 million (Table 21.15). Quebec, with 4.4 million members and assets of \$8,424 million, accounted for 53% of members and 45% of assets of all credit unions in Canada (Table 21.16).

Outstanding loans of credit unions at year end increased 28.1% in 1977 over 1976 to reach \$13,607 million. Assets at \$18,929 million increased 25.5% and savings at \$17,715 million increased 23.5% over 1976. Membership of 8.3 million represented 35.6% of the total population.

There were 19 central credit unions in 1977; these are organized as centralized banking entities to serve the needs of local credit union members, mainly by accepting deposits of surplus funds from them and providing a source of funds for them to borrow when they cannot meet the demand for local loans. Most centrals also admit co-operatives as members. Total assets of the centrals increased 32.1% to \$4,253 million over 1976. The Credit Union National Association serves as the central organization for provincial centrals.

The centrals had combined total assets of \$4,253 million at the end of 1977 compared to \$3,219 million in 1976. Most funds are invested in securities and are financed by demand and term deposits from local credit union members. The combined total assets of local and central credit unions exceeded \$23 billion at the end of 1977.

## Other financial institutions

21.2

### Trust and mortgage companies

21.2.1

Trust and mortgage companies are registered with either federal or provincial governments. They operate under the federal Loan Companies Act (RSC 1970, c.L-12) and the Trust Companies Act (RSC 1970, c.T-16), or under the corresponding provincial legislation.