



HIGHLIGHTS

The Bank of Canada is Canada's central bank and the agency directly responsible for monetary policy. It also acts as the fiscal agent for the federal government in management of the public debt. It determines the total amount of cash reserves available to the chartered banks and influences short-term interest rates.

The chartered banks are the largest deposit-taking institutions in Canada and a major source of short-to-medium term financing. In March 1984 the system included 13 Canadian-owned chartered banks and 58 foreign banks.

The Bank of Canada has the sole right to issue paper money. The Royal Canadian Mint produces coinage.

The Federal Business Development Bank helps business enterprises by providing financial and management services. Credit unions and co-operatives encourage savings and extend loans. Trust and mortgage companies are licensed by each province in which they operate. Insurance business is transacted in Canada by about 900 companies and societies.