

periods between 1930 and 1982 is given in Table 18.12. Branches of individual Canadian chartered banks and of foreign bank subsidiaries by province as at March 31, 1984 are given in Table 18.13. The Canadian banks also maintain about 290 offices abroad in more than 50 countries, providing links in facilitating trade and handling international operations.

**Cheque payments.** The value of cheques cashed in 50 clearing centres during 1983 reached a high of \$8,628 billion, an increase of 18.2% above the value of \$7,302 billion for 1982. All five geographic regions showed increases, with the Atlantic provinces showing an increase of 10.3%, Quebec 5.0%, Ontario 25.4%, the Prairie provinces 1.4% and British Columbia 7.3%. Payments in the two leading centres also reached new highs, Toronto advancing 26.1% and Montréal 4.8% over 1982.

#### 18.1.5 Federal Business Development Bank

The Federal Business Development Bank was established by an act of Parliament in 1974 as a federal Crown corporation to succeed the Industrial Development Bank. Under the act, which came into force in October 1975, this bank assists the development of new or existing business enterprises in Canada by providing financial and management services. It supplements such services available from other sources and it gives particular attention to the needs of smaller businesses.

It extends financial help in various forms to new or existing businesses of almost every type which are unable to obtain required financing from other sources on reasonable terms and conditions. To qualify for this financing, a business should have investment by others to ensure their continuing commitment to the business which should have reasonable expectation of success.

The bank's management counselling service can help small businesses improve their methods. This service, supplementing counselling services available from the private sector, makes available the experience of retired business persons.

To help improve management skills in small businesses, the bank conducts management training seminars in smaller communities across Canada. It publishes booklets on a wide range of topics pertaining to the management of small business and provides information about assistance programs for small business sponsored by the federal government and others.

The head office is in Montréal and there are five regional offices, 95 branch offices and five sub-branches across Canada. Some 98% of the loans made by the bank are approved at the branch or regional offices.

#### 18.1.6 Other banking institutions

In addition to the savings departments of the chartered banks and of trust and loan companies,

there are provincial government financial institutions in Ontario and Alberta, and the Montréal City and District Savings Bank in Quebec, established under federal legislation and reporting monthly to the finance department. The Province of Ontario Savings Office, in operation since 1922, has branches throughout the province. Province of Alberta Treasury branches, established in 1938, provide all banking services and are authorized lending agents for farm improvement loans and small business loans guaranteed by the federal government. The Montréal City and District Savings Bank was founded in 1846 and has operated under a federal charter since 1871. *Crédit Foncier Franco-Canadien* became a wholly owned subsidiary of the bank in 1980. Revisions in 1980 to the Quebec Savings Banks Act expanded the business powers of the bank, enabling it to branch outside of the province of Quebec and to engage in a wider range of lending and borrowing activities.

**Credit unions.** Co-operative credit unions also encourage savings and extend loans to their members. 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 1981 was 3,448. They reported a total membership of 9.8 million and assets of \$31.7 billion (Table 18.14). Quebec, with 5.1 million members and assets of \$14.8 billion, accounted for 52% of members and 47% of assets of all credit unions in Canada (Table 18.15).

Outstanding loans of credit unions at year end increased 6.1% in 1981 over 1980 to reach \$23.7 billion. Assets at \$31.7 billion increased 6.4% and savings at \$26.2 billion increased 7.7% over 1980. Membership of 9.8 million represented 40.3% of the total population.

There were 16 central credit unions in 1981; 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 6.2% to \$7.3 billion